

# CITY OF HERMISTON

Fiscal Year 2012-13

## ANNUAL BUDGET

### BUDGET COMMITTEE MEMBERS

Walter E. Achuff, Citizen Member  
Fred J. Allen, Jr. Citizen Member  
George Anderson, Councilor  
Michael E. Calame, Councilor  
Eric Carpenter, Citizen Member  
Mary Corp, Citizen Member  
Lori Davis, Councilor  
Paul Fischer, Citizen Member  
Rod S. Hardin, Councilor  
Joe Harn, Councilor  
Frank J. Harkenrider, Councilor  
Joanna Hayden, Citizen Member  
Brian Misner, Councilor  
Jackie C. Myers, Councilor  
Doug Primmer, Citizen Member  
Kim Puzey, Citizen Member  
Robert E. Severson, Mayor  
DuWayne White, Citizen Member

Edward Brookshier, Budget Officer  
Robert D. Irby, Finance Director



WE, THE EMPLOYEES AND OFFICIALS OF THE CITY OF HERMISTON, VALUING THE TRUST OF THE CITIZENS WE SERVE, TAKE RESPONSIBILITY FOR BUILDING A HIGH PERFORMING ORGANIZATION RECOGNIZED FOR THE FOLLOWING:

- ◆ Clean, well-maintained streets and properties, with vibrant, inviting public spaces that stimulate the intellectual and emotional needs of the entire community.
- ◆ A city organization and community offering physical safety and well being. We are respectful and supportive of our diverse societal and cultural needs, creating an environment where all individuals feel empowered to pursue their life's ambitions.
- ◆ A city organization that values mutual respect, cooperation and support, open and honest communications, a desire to continuously improve, and optimism for the future of our community.
- ◆ Building a work environment which considers exciting and innovative solutions where all employees feel a sense of pride in delivering a high quality product to our community.
- ◆ Providing effective communications between customers, employees and officials, focusing on superior customer service.
- ◆ Providing high value services through strong financial performance.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hermiston  
Oregon

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Dawson*

President

*Jeffrey R. Emer*

Executive Director

CITY OF HERMISTON  
ANNUAL BUDGET  
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## CITY PROFILE

### Location and Population:

Hermiston the “Future of Eastern Oregon”. Hermiston is a progressive, growth-oriented urban/retail center for an area based economically on agriculture, food processing, transportation, utilities and other light industry. In 2011, Hermiston became the largest city in Eastern Oregon with a population of 16,865. The city projects a growth rate of 2% each year for the next 20 years.

We are located in the northwest corner of Umatilla county in northeast Oregon and are centrally located between the major cities of the Pacific Northwest. Located just 185 miles east of Portland; 183 miles southwest of Spokane, Washington; 260 miles southeast of Seattle, Washington and 257 miles northwest of Boise, Idaho, Hermiston is a transportation hub accessed by Interstate Highways I-84, east to west, and I-82, north and south, and numerous feeder highways. Hermiston lies one truck day from 7 western states and two Canadian provinces. In addition we are in close proximity to the Union Pacific-Hinkle Rail yard and the Columbia River and its container cargo shipping facilities. The City operates a local municipal airport for light commercial and private use and there are Regional Airports offering full commercial services 30 minutes away at Pendleton, Oregon and Pasco, Washington.

### Business:

Hermiston is the commercial center for a highly varied and productive agriculture industry. Irrigated farm and ranch lands produce potatoes, alfalfa, corn, wheat, onions, carrots, asparagus, mint, peppers, fruit, beef and dairy cattle, plus many other specialty crops. Ongoing efforts to diversify the area's agriculture are supported by the Oregon State University Columbia Basin Agricultural Research Center located just south of Hermiston. The Hermiston area is home to a variety of light industries whose products include frozen foods, manufactured housing, plastic pipe, wood chips for paper production, motor control panels, horse trailers and metal specialties. In addition, the northwest distribution center for Wal-Mart is located in Hermiston. Economic development efforts are centered on warehousing, distribution and manufacturing to further diversify our economy.

### Municipal Facilities:

The City of Hermiston offers a public safety center which houses the police department and the municipal court. The Hermiston Fire & Emergency Services District facilities are also located in the safety center. Hermiston provides a convention center, public works building, wastewater treatment plant, water treatment plant, public library, city parks, a combined lap and leisure outdoor community swimming pool complex and water/sewer utilities. In addition, beginning in October 2001, Hermiston Energy Services, the city's municipal electric utility, began providing power to its nearly 5,000 residential and commercial customers. HES was the first municipal electric utility created in Oregon in over 50 years.

### Education:

Hermiston's School District is made up of one senior high school, two middle schools, five elementary schools, one alternative school and one ESD office. The school district serves students in kindergarten through grade 12 and offers a broad range from basic skills to vocational and advanced placement classes. A wide variety of classes and workforce training programs are also offered on the Hermiston campus of Blue Mountain Community College. A higher learning center opened in 2011 offering higher level courses through Eastern Oregon University and Blue Mountain Community College.

### Health Care:

Good Shepherd Community Hospital is a modern facility with the latest diagnostic and surgical facilities with a trauma emergency center. The hospital has expanded their physician offices to enable more physicians in specific fields to locate in Hermiston. Hermiston continues to attract medical professionals, general practitioners and specialist as well as a full range of dental practices, chiropractic services and physical therapy facilities. An additional seven hospitals are located within a sixty mile radius of the city. Ambulance service is provided by the Hermiston Fire & Emergency Services District. The city offers a skilled nursing facility for the elderly and handicapped. There are also multiple assisted living complexes for the elderly.

### Recreation:

The area offers a broad spectrum of outdoor pastimes. With the relatively dry climate and long growing season outdoor activities are abundant. Water sports are very popular and include; skiing, boating, swimming and fishing. Hermiston is within a day's drive to mountain regions which offer snow skiing, camping, hiking and hunting. Hermiston offers multiple City parks, an athletic club, jogging trails, tennis courts, soccer fields, horseshoe pits and several ball parks. There are eleven golf courses within 45 minutes of Hermiston.

# CITY OF HERMISTON

VOTERS ELECT



MUNICIPAL JUDGE

MAYOR &  
CITY COUNCILORS  
WHO APPOINT



AIRPORT ADVISORY COMMITTEE  
BUDGET COMMITTEE  
LIBRARY BOARD  
PARKS & RECREATION COMMITTEE  
PLANNING COMMISSION

CITY MANAGER  
WHO DIRECTS



BUILDING INSPECTIONS	PLANNING
CITY ATTORNEY	POLICE
ENERGY SERVICES	REGIONAL WATER SYSTEM
FINANCE	STREETS & MAINTENANCE
LIBRARY	WASTE WATER SYSTEM
PARKS & RECREATION	WATER SYSTEM



*Administrative Offices*  
*City of Hermiston*  
*180 N.E. 2nd Street*  
*Hermiston, OR 97838-1860*  
*Phone (541) 567-5521 • Fax (541) 567-5530*  
*E-mail: ebrookshier@hermiston.or.us*

April 17, 2012

Dear Citizens and Members of the Budget Committee:

The proposed Combined Funds Budget for the 2012-13 Fiscal Year is \$59,276, 595. This is an 8.9% increase over the original 2011-12 Budget of \$54,448,795 (this latter amount will be proposed for a \$71,750 Supplemental increase prior to the end of the current fiscal year).

The proposed Budget again includes the \$27 million capital allocation for the Recycled Water Plant project. The project will be bid later this year.

As you will note on the “Consolidated Revenues and Expenditures”/”Comparison of Expenditures (by fund)” page, appropriation levels for eleven of the City’s thirteen funds are proposed to increase from 2011-12 levels. One of the two remaining funds will have no appropriation in the new year (Revolving Loan), and the final fund (EOTEC Construction) is new.

Generally, revenues in most operating funds are projected at levels only slightly above or even below budgeted amounts for the current fiscal year. Specifically, the 2012-13 General Fund is budgeted at a 2% growth in revenues, the Utility Fund also at +2%, the Energy Services Fund at \$17,500 below the 2011-12 budget level and the Regional Water Fund at -17% (this latter due to a drop in water use by the generating plants).

The only fund with a noticeable increase in projected revenues is the State Tax Street Fund, in which new revenues are budgeted to increase by 16%. As has been the case over the last two years, this is a direct result of the pass through to cities from the phased-in increase in the State gasoline tax, which the Legislature passed about two and a half years ago. And, as I have stressed in prior budgets, this increase in State aid has been absolutely essential to our ability to maintain historic levels of street maintenance work. Up until the last three or four years we had actually been subsidizing recurring street maintenance operations (not counting non-recurring capital projects) with transfers from the General Fund. Continuing pressure on the General Fund has made it impossible to maintain this on-going operational subsidy. So, had the Legislature not passed (and subsequently passed along to cities) revenues from the gas tax increase, base-line Street Department maintenance functions (crack-sealing, overlay, street sweeping, signage and striping, storm sewers) would most definitely have been adversely impacted over the last few years.

Turning now to specific funds and beginning with the General Fund, twelve of the General Fund's eighteen department/expenditure center budgets are proposed at levels higher than 2011-12 levels.

Items of particular note in the proposed General Fund budget are:

- \* a total of \$63,800 toward immediate capital maintenance and longer-term capital improvements at the Airport;
- \* the addition of two officer positions in the Police budget (one prior to the end of the current fiscal year plus a second beginning in July of the new fiscal year at a total annual salary only increase of about \$109,000);
- \* an increase in the allocation for Police vehicle acquisition from \$25,000 in the current year to \$51,000 (one new and two used vehicles proposed) in the new year;
- \* \$150,000 for the Comprehensive Plan Periodic Review process (approximately \$125,000 of this amount will be reimbursed by the State);
- \* \$150,000 of the cost of primary off-site road access development to the Eastern Oregon Trade and Event Center site (an additional \$100,000 is proposed for this purpose from the State Tax Street Fund, and Umatilla County will partner with the City in this aspect of the project); and,
- \* a 2.5% increase in pay for eligible City employees (extended to all eligible non-union employees pursuant the same percentage being agreed to in the City's 2011-14 contract with the Hermiston Police Association).

Notable activity in the State Tax Street Fund includes a portion of the City's share of access road development to the EOTEC and a significant transfer to the Street Maintenance Reserve account. Approximately \$115,000 in chip seal maintenance is planned for 2012 from this account, so we anticipate a fair-sized carry-over in this account for the 2013-14 year.

The Utility Fund includes an appropriation of \$1,650,000 (\$825,000 from Sewer, \$825,000 from Water) for extension of City water and sewer mains from US 395 to the northwestern edge of the EOTEC site.

As previously noted, a sharp decline in non-potable water use by the generating plants is causing an unsustainable gap between necessary operating costs for the Regional Water Fund system and revenues. Reserves in this Fund should not be allowed to decline much further from where they will be at the start of the new fiscal year (about \$400,000). It will therefore be necessary for the City to work with the Port to set new Regional system user rates which will bring revenues in line with annual operating costs.

In the Energy Services budget, it will be necessary to use over \$600,000 in HES reserves to balance the proposed 2012-13 budget. This is because the City Council elected to absorb and not pass on to our customers the 8.5% wholesale power increase we got from Bonneville Power last fall. Wholesale power purchases from BPA account

for about 56% of annual HES expenditures. After deducting the \$600,000 to balance, this will still leave the City with a reserves balance in the HES Fund of about 40% of annual budget costs, which is considered acceptable. However, we will most certainly fall below that 40% line in balancing the 2013-14 budget, at which point we should look toward a rate study and possible rate increase in 2014.

A further short note on cash reserves as a ratio of the annual operating budget—after appropriating amounts needed to balance for the 2012-13 year, the General Fund will have a cash balance equal to slightly over 40% of budget and the Utility Fund will have a cash balance equal to about 26% of budget.

New to the budget this year is the EOTEC Construction Fund. This fund will account for revenues and expenditures pursuant to a State Lottery Grant for \$6.4 million which the City received last year “...for the purpose of acquiring, developing, constructing and equipping the Eastern Oregon Trade Center”. The \$6.4 million is, of course, only a portion of the total EOTEC project costs. However, it is necessary that the City as the grant recipient account for these monies separate from other project funds. Again, I want to express my deepest thanks to Representative Greg Smith and Port Manager Kim Puzey for making this grant happen. We are estimating that we will spend \$1,460,000 of the grant amount in the 2012-13 year.

Finally, my thanks to all our department heads and staff who work to put this budget together. A particular thanks to Bob Irby and Donna Moeller. And, Bob, see you down the road.

Sincerely,

A handwritten signature in black ink, appearing to read 'EB', with a long, sweeping horizontal line extending to the right.

Edward Brookshier  
City Manager

## BUDGET PROCESS

Most local governments in Oregon must prepare and adopt an annual budget. Budget provisions are determined by Oregon's Local Budget Law. The law requires citizen involvement in the preparation of the budget, and public disclosure of the budget before its final adoption and it establishes standard procedures for preparing, presenting, and administering the budget.

The budget committee in Oregon is made up of the mayor and city councilors of the local government and an equal number of appointed citizens. The Hermiston Budget Committee consists of eighteen individuals, each uniquely suited to provide guidance and analysis for the city budget.

The law sets out the following specific procedures: 1) Appoint budget officer; 2) Prepare a proposed budget; 3) Publish notices of budget committee meeting; 4) Hold budget committee meetings; 5) Committee approves proposed budget and specifies the amount or rate of ad valorem taxes for each fund receiving tax revenues; 6) Publish budget summary and notice of budget hearing; 7) Hold a budget hearing; 8) Enact resolutions or ordinances to adopt budget, make appropriations, levy taxes by fund and categorize taxes; and 9) File budget and certify tax levy to county assessor and county clerk.

Following is the City of Hermiston's budget calendar for fiscal year 2012-13:

01/01/2012	Prepare proposed budget
05/07/2012	Hold first budget committee meeting
05/21/2012	Hold budget hearing
05/21/2012	Council action of resolutions or ordinances to adopt budget, make appropriations, levy taxes and categorize taxes
07/15/2012	File budget with county assessor and county clerk

During the fiscal year, circumstances may require expenses to be paid that were not budgeted or the city may receive revenue it did not plan for in its budget. A supplemental budget is required to pay additional expenses and spend the extra revenue. The supplemental budget must be adopted and appropriated before any additional money can be spent.

Adopting a budget will not involve the budget committee. After publishing a notice of the regular meeting at which the supplemental budget will be adopted, the governing body may adopt the supplemental budget by resolution if the expenditures are less than 10 percent of the annual budget fund being adjusted. If the expenditures are more, the governing body must publish the supplemental budget notice and hold a special hearing.

## THE BUDGET FRAMEWORK

The Hermiston budget is divided into separate funds, each with independent revenue sources and appropriations. The fund structure is determined by the specific reporting needs of our governing body, and the need to report accurate and timely information to the community. The fund structure presented in this budget is:

1. Bonded Debt Fund: This fund provides for the levying of necessary property taxes to pay the outstanding general obligation bonds of the city. This fund was also required by Oregon financial policy to account for the proceeds of the general obligation bonds issued for street and water and sewer improvements.
2. General Fund: As the name implies, the general fund provides for the accounting of all revenues and expenditures not specifically categorized into a separate fund structure. The general fund is the most diverse and the largest of the city's funds. In accord with the continuing policies of the community, the general fund is the source for the inter-fund transfers necessary to augment the operations of our other functions. The general fund is the source for inter-fund transfers to the reserve fund system, the street fund, 911 communications fund, and is the direct source for our smaller capital outlay projects related to the departments and functions accounted in the fund. The general fund departments are categorized as:

City Council	Building Inspections	Public Safety
City Manager/Planning	Parks	Police
Finance	Municipal Pool	Audit & Others
Legal Counsel	Municipal Buildings	Unappropriated Balance
Court	Library	
Transportation	Recreation	
Airport	Conference Center	

3. State Street Tax Fund: This is the location where all gasoline tax revenues are required by Oregon Statute to be placed to provide a guarantee that all such revenues will be utilized for street and roadway repair, maintenance and improvement. This fund is exclusively supported from the gasoline tax and a general fund subsidy if necessary. The expenditures accounted in the fund are the manpower, equipment, materials and contracted services necessary to maintain and improve the roadway surfaces and storm drainage system of the city.
4. Transient Room Tax Fund: This fund is used to receipt revenues collected from the city's transient room tax for appropriations to be made for economic, community and other development activities. The balance of the transient room tax revenues are appropriated directly to conference center management and operational costs, pool operation, TRT/Recreation programs reserve and Parks & Recreation Development reserve.
5. Utility Fund: This is an enterprise fund financed from user fees for water and wastewater use and connection charges to the system. Expenditure responsibilities of this fund include all necessary personnel, equipment, materials, and contracted services necessary to maintain and improve the water and wastewater systems of the city. The enterprise funds are also responsible for the necessary transfers to the debt fund to carry the bonded debt and notes of the systems.
6. 911 Communications: This fund is the accounting entity to provide a means to guarantee that all 911 communications taxes and will be utilized for 911 dispatch services. This fund is exclusively funded from 911 communication taxes and a general fund subsidy. The expenditures accounted in the fund are the manpower, equipment, materials and contracted services necessary for the operation of this activity.
7. Regional Water Fund: On November 1993, voters in the City of Hermiston approved a ballot measure to issue general obligation bonded indebtedness in an amount not to exceed 5,000,000 to finance the city's portion of a regional water system. The balance of the construction costs were funded through revenue bonds issued by the Port of Umatilla and retired by revenues from non-city users of the system. Construction was completed in 1996 and this has become an operating enterprise fund with expenditures including all necessary personnel, equipment, materials and contracted services necessary to operate the system.

8. Revolving Loan Fund: This loan fund is used to account for various grants and other funding to assist small and medium size commercial and retail businesses, low income to moderate income individuals for housing rehabilitation projects. As these loans are repaid the funds will become available to re-loan.

9. Hermiston Energy Services Fund: On October 1, 2001, the City of Hermiston acquired and became responsible for the municipally owned electric utility. This enterprise fund is financed from user fees for electrical use and other charges to the system. Expenditures in this fund include all necessary personnel, equipment, materials, and contracted services necessary to maintain and improve the electrical system of the city. This enterprise fund is also responsible for the necessary transfers to the debt fund to carry the bonded debt and notes of the system.

10. Reserve Fund: This fund is the accounting entity which accounts for the long-term appropriations necessary to finance this local government. Financed directly by appropriations from our operating funds and with limited revenues directly from small reimbursement projects, the reserve fund has been the major single fiscal tool which has provided the City of Hermiston with the stability and multiple year project vision necessary to manage a small community in difficult financial times. The reserve fund allows the accumulation of resources to accomplish specifically authorized goals contained in the resolution which must be adopted to establish each account. The reserve fund and the specific accumulations and purposes are enumerated in the "schedule of reserve fund appropriations" contained in this budget.

11. WWTP Construction Fund: In accord with the city policy of isolating and independently accounting for major capital projects, the City's Recycled Water Plant project fund was created in fiscal year 2008-09.

12. EOTEC Construction Fund: This budget includes a new fund to provide for the accountability of lottery bonds issued under House Bill 5036 in an amount of \$6.4 million for the purpose of acquiring, developing, construction and equipping the Eastern Oregon Trade Center (EOTEC).

13. Special Revenue Funds: Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes.

#### FUND ACCOUNTING

The accounts of the city are organized on the basis of funds and account groups. Each is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the propose for which they are to be spent and the means by which spending activities are controlled.

#### BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due.

Enterprise funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

## INTER-FUND APPROPRIATIONS AND THE FUND SYSTEM

The governmental accounting system gives rise to a great deal of confusion for the individual not directly associated with the required accounting systems. A multiple fund structure provides an accuracy of reporting and control of expenditures unsurpassed for the type of activities which this government must undertake. This positive side more than compensates for the overstatement of total outlays and the multiple accounting in cumulative recaps of total budget which the system forces.

The best example of the overstatement of the budget is in the interaction between funds included in the relationship between the general fund, the street fund and the reserve fund in the expenditure of roadway construction or overlay funds. Since state reporting requirements demand we include all street related costs in the street fund, it is necessary for us to include the appropriations we make each year to the reserve for roadway construction to be included in the street fund. The gasoline tax is not sufficient to cover the costs of our total efforts in street maintenance and improvement, so we must appropriate a transfer from the general fund to balance the street fund. The actual expenditure of roadway improvements occurs in the reserve fund.

This complicated interaction requires the city to anticipate revenues in the general fund, appropriate the necessary funds to the street fund, anticipate the revenue in the street fund and appropriate the transfer to the reserve fund, anticipate the revenue and appropriate for the expenditures in the reserve fund. Because the expenses for roadway improvements are beyond the ability of our local government to complete in any one year, the reserve appropriation will reflect the current transfer and the accumulated balances designed to accomplish the projects identified in the roadway capital improvement plan.

Due to this interaction of funds, the same funds are identified as an expense three times and a revenue three times. This inflation of the total budget is an unfortunate side impact which occurs in this system.

CASH BALANCES BY FUND

The cash balances as of June 30 for each non-capital outlay fund are as follows:

	2005-06 (Audited)	2006-07 (Audited)	2007-08 (Audited)	2008-09 (Audited)	2009-10 (Audited)	2010-11 (Audited)
<b><u>GENERAL FUND</u></b>						
Revenues	6,015,856	7,025,735	7,048,825	7,355,454	7,822,982	7,704,500
Expenditures & Trans.	6,453,992	6,505,986	6,914,592	8,077,634	6,615,189	6,762,581
<b>Balance</b>	<b>2,709,246</b>	<b>3,228,995</b>	<b>3,363,228</b>	<b>2,641,048</b>	<b>3,848,871</b>	<b>4,790,760</b>
<b><u>UTILITY FUND</u></b>						
Revenues	3,351,778	3,492,295	3,544,535	3,614,773	3,990,761	4,109,905
Expenditures & Trans.	2,990,275	3,584,480	4,725,264	3,265,993	3,019,943	3,280,708
<b>Balance</b>	<b>1,735,692</b>	<b>1,643,507</b>	<b>462,778</b>	<b>811,558</b>	<b>1,782,376</b>	<b>2,611,573</b>
<b><u>REGIONAL WATER</u></b>						
Revenues	470,722	473,011	505,378	624,670	611,732	545,900
Expenditures	426,631	539,480	522,465	445,326	449,058	472,933
<b>Balance</b>	<b>469,997</b>	<b>403,528</b>	<b>386,441</b>	<b>565,785</b>	<b>728,459</b>	<b>801,426</b>
<b><u>ENERGY SERVICES</u></b>						
Revenues	7,113,950	7,279,993	7,793,720	7,474,956	7,637,194	7,377,263
Expenditures & Trans.	7,319,084	6,874,787	6,682,529	6,795,748	6,949,737	7,003,192
<b>Balance</b>	<b>858,180</b>	<b>1,263,386</b>	<b>2,374,577</b>	<b>3,053,785</b>	<b>3,741,242</b>	<b>4,115,313</b>
<b><u>DEBT SERVICE FUND</u></b>						
Revenues:						
Non-Tax	1,502,770	1,706,586	1,505,383	1,293,760	1,295,448	1,292,856
Tax	375,592	119,414	322,450	323,305	378,310	374,078
Expenditures	1,824,597	2,030,485	1,826,641	1,624,108	1,625,876	1,620,675
<b>Balance</b>	<b>312,309</b>	<b>107,824</b>	<b>109,016</b>	<b>101,973</b>	<b>149,855</b>	<b>196,114</b>

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by fund)

SCHEDULE I

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Bonded Debt	1,637,507	1,666,934	1,648,480	1,709,885	1,709,885	1,709,885
General	8,689,516	7,922,974	7,317,960	8,004,485	8,004,485	8,004,485
State Tax Street	667,479	801,937	901,070	1,130,000	1,130,000	1,130,000
Transient Room	123,811	205,074	77,500	87,635	87,635	87,635
Utility	3,943,752	4,137,905	3,659,000	5,013,245	5,013,245	5,013,245
911 Communication	645,708	589,682	706,865	732,635	732,635	732,635
Regional Water	1,202,547	545,900	581,900	510,345	510,345	510,345
Revolving Loan	1,048,813	99,853	100,000			
Energy Services	7,646,522	7,448,880	7,326,195	7,838,655	7,838,655	7,838,655
Reserve	4,623,318	4,339,318	4,413,400	4,733,710	4,733,710	4,733,710
WWTP Construction	1,402,167	429,164	27,000,000	27,000,000	27,000,000	27,000,000
EOTEC Construction				1,460,000	1,460,000	1,460,000
Special Revenue	923,776	719,090	716,425	1,056,000	1,056,000	1,056,000
<b>Total</b>	<b>32,554,916</b>	<b>28,906,711</b>	<b>54,448,795</b>	<b>59,276,595</b>	<b>59,276,595</b>	<b>59,276,595</b>

COMPARISON OF EXPENDITURES (by fund)

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Bonded Debt	1,625,888	1,620,795	1,648,480	1,709,885	1,709,885	1,709,885
General	6,558,443	6,711,020	7,317,960	8,004,485	8,004,485	8,004,485
State Tax Street	646,113	637,491	901,070	1,130,000	1,130,000	1,130,000
Transient Room	30,615	73,964	77,500	87,635	87,635	87,635
Utility	3,019,944	3,259,841	3,659,000	5,013,245	5,013,245	5,013,245
911 Communication	645,708	589,681	706,865	732,635	732,635	732,635
Regional Water	449,058	472,933	581,900	510,345	510,345	510,345
Revolving Loan	1,000,386	75,300	100,000			
Energy Services	6,896,056	7,060,569	7,326,195	7,838,655	7,838,655	7,838,655
Reserve	514,756	763,953	4,413,400	4,733,710	4,733,710	4,733,710
WWTP Construction	1,640,337	1,028,874	27,000,000	27,000,000	27,000,000	27,000,000
EOTEC Construction				1,460,000	1,460,000	1,460,000
Special Revenue	857,626	719,090	716,425	1,056,000	1,056,000	1,056,000
<b>Total</b>	<b>23,884,930</b>	<b>23,013,511</b>	<b>54,448,795</b>	<b>59,276,595</b>	<b>59,276,595</b>	<b>59,276,595</b>

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by character)

SCHEDULE II

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Property Taxes	4,745,706	4,783,192	4,550,025	4,545,865	4,545,865	4,545,865
Local Assessments	23,964	26,488	20,000	20,000	20,000	20,000
License & Franchise	780,886	769,515	724,400	713,600	713,600	713,600
Fines & Penalties	569,589	508,124	385,000	375,000	375,000	375,000
Use of City Money	87,049	100,908	90,000	89,000	89,000	89,000
Fm Other Agencies	2,230,538	2,112,167	5,304,500	21,991,500	21,991,500	21,991,500
Service Charges	1,445,677	1,119,046	1,017,700	993,925	993,925	993,925
Non-Revenue Receipt	1,352,717	53,316	23,030,000	8,026,000	8,026,000	8,026,000
Misc Revenues	1,580,922	325,253	380,000	311,540	311,540	311,540
Sewer Service	1,702,148	1,833,444	1,631,000	1,657,000	1,657,000	1,657,000
Water Service	2,836,421	2,783,659	2,491,000	2,458,000	2,458,000	2,458,000
Energy Service	7,533,192	7,365,232	7,227,500	7,210,000	7,210,000	7,210,000
Trans Fm Other Fund	1,895,872	1,898,939	2,642,340	4,456,985	4,456,985	4,456,985
Cash Forward	5,770,235	5,227,428	4,955,330	6,428,180	6,428,180	6,428,180
<b>Total</b>	<b>32,554,916</b>	<b>28,906,711</b>	<b>54,448,795</b>	<b>59,276,595</b>	<b>59,276,595</b>	<b>59,276,595</b>

COMPARISON OF EXPENDITURES (by character)

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	7,649,878	8,653,215	8,653,215	8,653,215	8,653,215	8,653,215
Materials & Services	11,899,434	14,987,180	14,987,180	14,987,180	14,987,180	14,987,180
Capital Outlay	806,863	29,604,210	29,604,210	29,604,210	29,604,210	29,604,210
Transfers:						
Reserve	119,711	2,330,330	2,330,330	2,330,330	2,330,330	2,330,330
Street			56,070			
Revolving Loan			100,000			
911 Communication	523,164	632,635	632,635	632,635	632,635	632,635
Bonded Debt	1,259,992	1,334,140	1,334,140	1,334,140	1,334,140	1,334,140
Unappropriated Bal		27,000	27,000	27,000	27,000	27,000
Debt Service	1,625,888	1,707,885	1,707,885	1,707,885	1,707,885	1,707,885
<b>Total</b>	<b>23,884,930</b>	<b>59,276,595</b>	<b>59,432,665</b>	<b>59,276,595</b>	<b>59,276,595</b>	<b>59,276,595</b>

CITY OF HERMISTON

TAX HISTORY

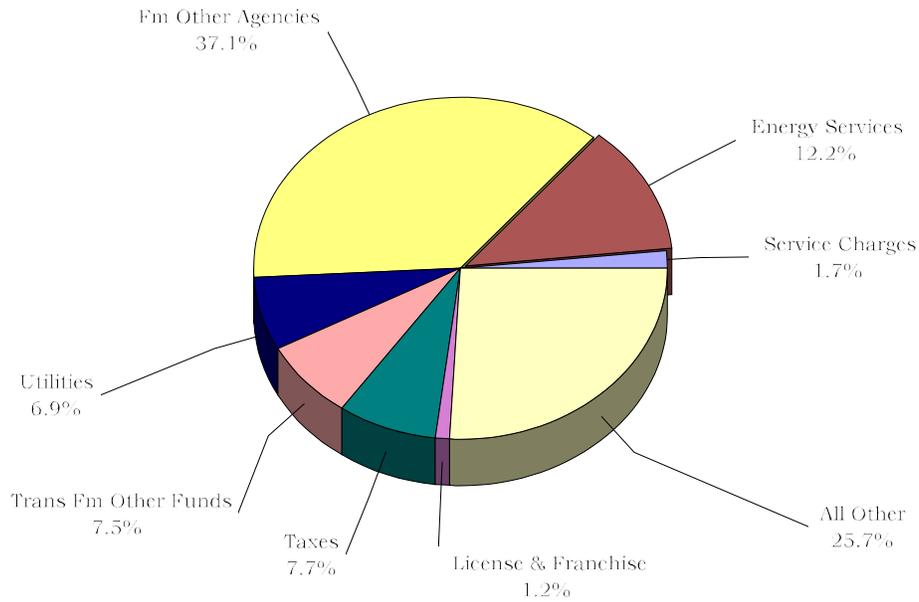
Fiscal Year	Tax Levy Submitted	Inside 6%	Outside 6%	G.O. Bond Issues	Bancroft Bond Issues	Population
1920-21	6,250.00	6,250.00				655
1930-31	6,250.00	6,250.00				608
1940-41	6,385.00	6,385.00				803
1950-51	15,878.00	15,878.00				3,804
1960-61	76,225.00	19,300.00	56,924.41			4,402
1970-71	148,877.00	148,877.00				4,893
1980-81	954,165.00	290,279.64	632,836.36	31,049.00		9,408
1981-82	1,108,206.15	308,456.12	765,272.03	34,478.00		9,700
1982-83	1,099,425.00	327,333.00	738,423.00	33,669.00		9,630
1983-84	1,099,379.00	347,133.00	719,760.00	32,486.00		9,835
1984-85	1,113,565.00	1,200,000.00		31,304.00		9,890
1985-86	1,230,121.00	1,200,000.00		30,121.00		9,914
1986-87	1,302,872.00	1,272,000.00		30,872.00		9,890
1987-88	1,379,397.00	1,113,845.00		30,517.00	235,035.00	9,870
1988-89	1,434,572.00	1,232,192.00		32,220.00	170,160.00	9,860
1989-90	1,518,092.00	1,349,416.00		26,055.00	142,599.00	9,860
1990-91	1,552,821.00	1,430,380.00		16,192.00	106,249.00	10,075
1991-92	1,615,733.00	1,517,691.00		9,497.00	88,545.00	10,075
1992-93	1,621,089.00	1,609,186.00		11,903.00		10,045
1993-94	1,717,630.00	1,706,249.00		11,381.00		10,215
1994-95	2,258,724.00	1,809,960.00		448,764.00		10,332
1995-96	1,991,044.00	1,929,161.00		61,883.00		10,605
1996-97	2,417,024.00	2,045,797.00		371,227.00		11,061
1997-98	2,574,503.00	2,169,858.00		404,645.00		11,340

TAX HISTORY

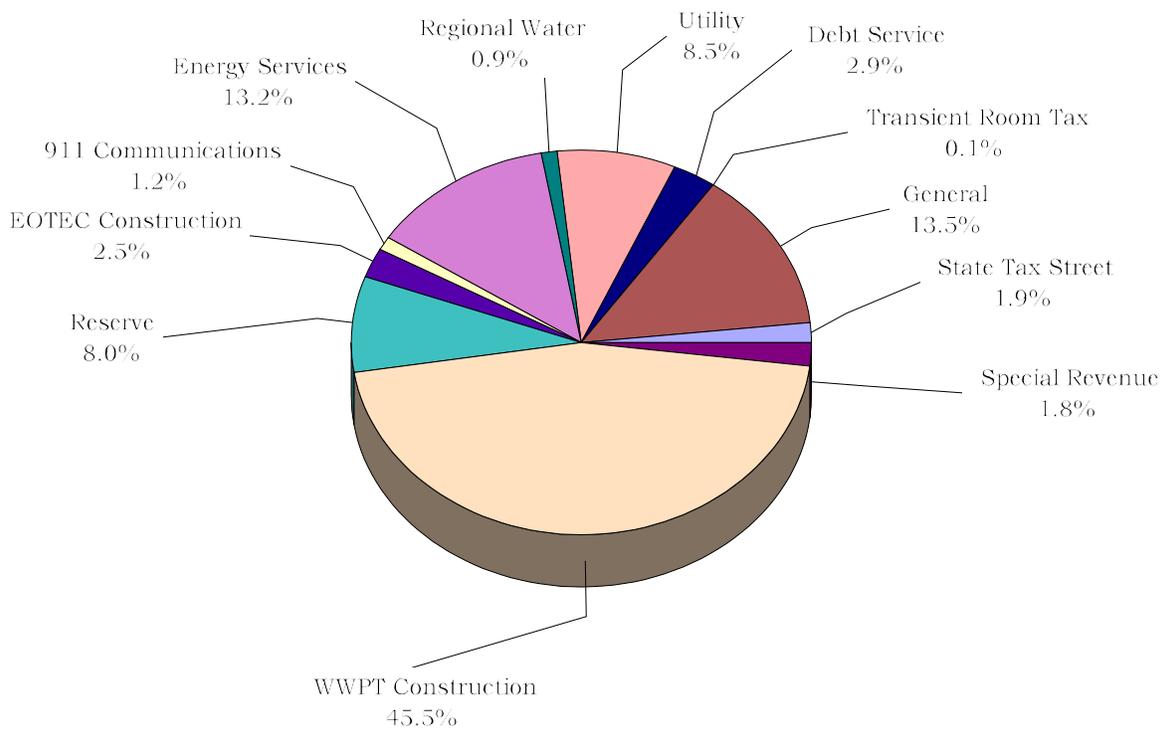
(Permanent Operating Tax Rate \$6.0860/\$1,000)

Fiscal Year	Taxable Value	Operating Rate	Operating Tax	Bond Rate	Bond Tax	Total Tax Imposed	Population
1998-99	343,341,230	4.8894	1,678,716	1.1717	402,293	2,081,009	11,595
1999-00	368,557,070	4.8894	1,802,010	1.0950	403,570	2,205,580	12,165
2000-01	405,856,680	4.8894	1,984,230	0.9565	389,150	2,373,380	12,425
2001-02	467,733,020	4.8894	2,286,839	0.7475	349,631	2,321,802	13,560
2002-03	494,029,220	4.8894	2,415,342	0.7265	358,911	2,774,253	14,120
2003-04	526,243,480	5.0841	2,676,555	0.6948	365,826	3,042,381	14,540
2004-05	561,341,500	5.0841	2,854,052	0.6749	378,912	3,232,964	14,700
2005-06	589,997,120	5.0841	2,998,901	0.6480	382,318	3,381,219	15,025
2006-07	644,683,321	6.0860	3,869,614	0.1706	109,982	3,979,596	15,410
2007-08	669,241,051	6.0860	4,030,551	0.4958	331,810	4,362,361	15,780
2008-09	705,153,815	6.0860	4,291,566	0.4817	339,672	4,631,238	16,080
2009-10	745,218,903	6.0860	4,472,692	0.5324	390,386	4,863,078	16,215
2010-11	761,094,614	6.0860	4,549,684	0.5087	387,168	4,549,684	16,745
2011-12	783,138,675	6.0860	4,634,210	0.4638	363,219	4,997,429	16,865

City of Hermiston

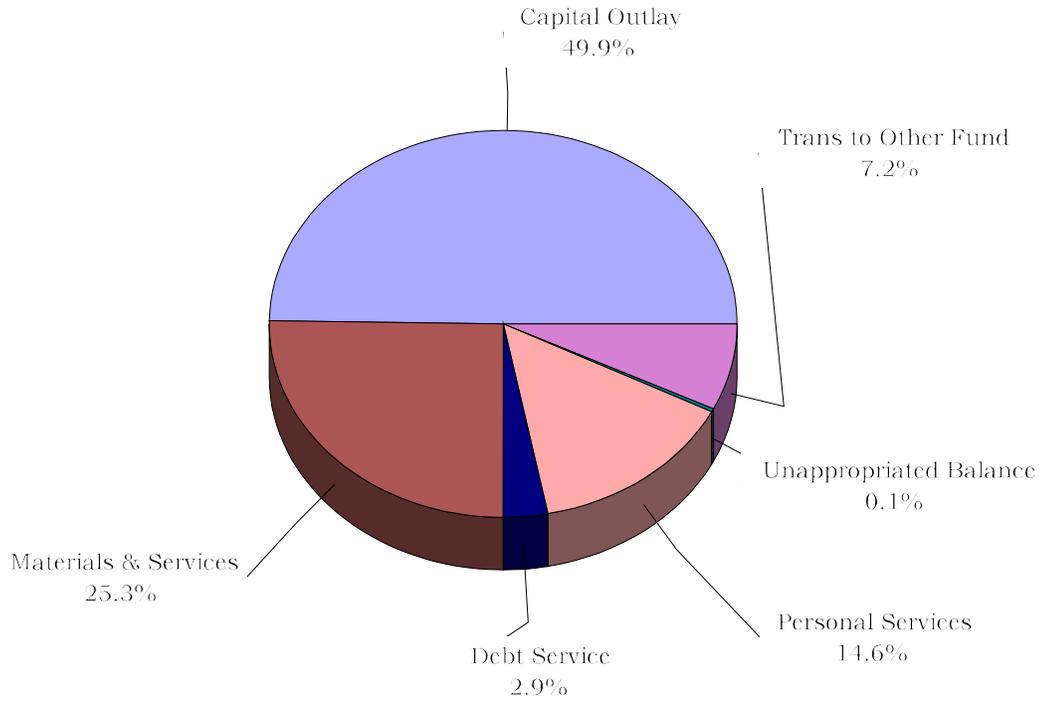


This graph reflects various resources in the 2012-13 budget.

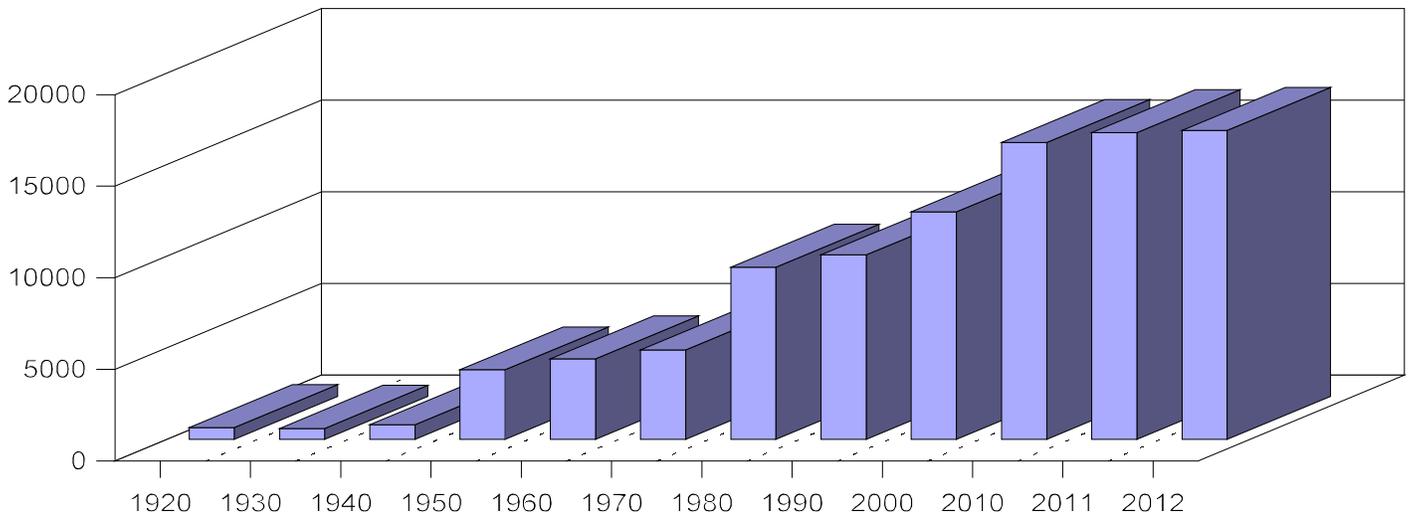


This graph reflects total expenditures by fund, inclusive of capital outlay, transfers to reserves and operating expenses in the 2012-13 budget.

City of Hermiston



This graph reflects the various expenditures by character included in the 2012-13 budget.



This graph reflects the population growth from 1920 to present.

PERSONAL SERVICES SUMMARY  
 Supplemental Information  
 Salaries Paid From More Than One Source

Position Description	No Emp	Total Salary	Pg	Amount	Pg	Amount	Pg	Amount	Pg	Amount
City Manager	1	110,650	81	42,050	83	42,050	98	26,550		
Finance Director	1	97,580	35	12,190	81	36,600	83	36,600	98	12,190
Permit Technician II	1	47,880	47	15,960	73	15,960	83	15,960		
Rec/Aquatics Coordinator	1	68,130	51	23,160	57	44,970				
Senior General Clerical	1	47,400	81	23,700	83	23,700				
Admin. Lieutenant	1	88,650	64	44,325	86	44,325				
Administrative Assistant	1	86,000	33	64,500	76	21,500				

PERSONNEL DISTRIBUTION

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
<u>City Council</u>						
Mayor	1	1	1	1	1	1
Councilors	8	8	8	8	8	8
<u>City Manager/Planning</u>						
City Planner	1	1	1	1	1	1
Assistant City Manager	1	1	1/4	0	0	0
Administrative Assistant	0	0	0	3/4	3/4	3/4
General Clerical	1/2	1/2	1/2	1/2	1/2	1/2
<u>Finance</u>						
Finance Director/Recorder	2/5	2/5	2/5	1/8	1/8	1/8
Senior Secretary	1	1	1 (32 Hrs)	1/2	1/2	1/2
<u>Court</u>						
Municipal Judge (.33 FTE)	1	1	1	1	1	1
Court Administrator	1	1	1	1	1	1
Deputy Clerk	1	1	1	1	1	1
General Clerical	3/4	3/4	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)
<u>Building Inspections</u>						
Building Official	1	1	1	1	1	1
Building Inspector	1	1	1/2	1/2	1/2	1/2
Electrical Inspector	0	0	0	1	1	1
Permit Technician II	1 1/3	1 1/3	1/3	1/3	1/3	1/3
<u>Parks</u>						
Park Maintenance Foreman	1	1	1	1	1	1
Park/Facility Lead Worker	1	1	0	0	0	0
Municipal Service Worker II	1	1	2	2	2	2
Municipal Service Worker I	1	1	0	0	0	0
Seasonal Maintenance (3 FTE)	0	2	3	3	3	3
<u>Municipal Pool</u>						
Recreation/Aquatics Coordinator	1/3	1/3	1/3	1/3	1/3	1/3
Swim Pool (8 FTE)	10	10	10	10	10	10
<u>Library</u>						
Library Director	1	1	1	1	1	1
Librarian II	1	1	1	1	1	1
Senior Library Assistant	0	1	1	1	1	1
Library Assistant	1	1	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6
<u>Recreation</u>						
Parks & Recreation Director	1	1	1	1	1	1
Recreation/Aquatics Coordinator	2/3	2/3	2/3	2/3	2/3	2/3
General Clerical	1	1	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)
Summer Park Program (5 FTE)	1	5	5	5	5	5

Personnel Distribution (Continued)

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
<u>Police Operations</u>						
Police Chief	1	1	1	1	1	1
Administrative Lieutenant	0	0	1/2	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1/2	1/2	0	0	0	0
Police Sergeants	3	3	3	4	4	4
Patrol Officers	15	15	14	17	17	17
School Resource Officer	2	2	2	1	1	1
Youth Officer	1	1	1	1	1	1
Code Enforcement Officer	1	1	1	0	0	0
General Clerical	1	1	1	1	1	1
<u>Transient Room Tax</u>						
Assistant City Manager	0	0	1/4	0	0	0
Administrative Assistant	0	0	0	1/4	1/4	1/4
<u>State Tax Street Fund</u>						
Street Superintendent	1	1	1	1	1	1
Street Maintenance Foreman	1	1	0	0	0	0
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Mechanic/Municipal Svc Worker	1	1	1	1	1	1
Municipal Worker II	2	2	2	3	3	3
Municipal Worker I	1	1	1	0	0	0
<u>Disposal Plant Maintenance</u>						
Wastewater Superintendent	1	1	1	1	1	1
City Manager	2/5	2/5	2/5	2/5	2/5	2/5
Finance Director/Recorder	1/5	1/5	1/5	3/8	3/8	3/8
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Utility Clerk/Cashier	1	1	1	1	1	1
Wastewater Lab Technician	1	1	1	1	1	1
Wastewater Chief Operator	1	1	1	1	1	1
Wastewater Worker III	2	2	2	0	0	0
Wastewater Worker II	2	2	2	2	2	2
Wastewater Worker I	1	1	1	3	3	3
<u>Water Production &amp; Maintenance</u>						
Water Superintendent	1	1	1	1	1	1
City Manager	2/5	2/5	2/5	2/5	2/5	2/5
Finance Director/Recorder	1/5	1/5	1/5	3/8	3/8	3/8
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Water Chief Operator	1	1	0	0	0	0
Water Utility Worker II	3	3	3	3	3	3
Water Utility Worker I	2	2	2	2	2	2
Meter Reader/General Clerical	1	1	1	1	1	1

Personnel Distribution (Continued)

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
<u>911 Communications</u>						
Administrative Lieutenant	0	0	1/2	0	0	0
Administrative Sergeant	1/2	1/2	0	0	0	0
Communication Manager				1	1	1
Dispatcher/Clerk	8	8	7	7	7	7
Data Entry Clerk	1	1	1	1	1	1
<u>Regional Water</u>						
Water Chief Operator	0	1	1	1	1	1
Water Utility Worker IV	1	0	0	0	0	0
<u>Hermiston Energy Services</u>						
Electric Utility Superintendent	1	1	1	1	1	1
City Manager	1/5	1/5	1/5	1/5	1/5	1/5
Finance Director/Recorder	1/5	1/5	1/5	1/8	1/8	1/8
Customer Service Representative	1	1	1	1	1	1

## BONDED DEBT MANAGEMENT

1. Bonded Debt Fund: This fund provides for the levying of necessary property taxes to pay the outstanding general obligation bonds of the city. This fund is also required by Oregon financial policy to account for the proceeds of the general obligation bonds issued for water and sewer improvements.

2. General Obligation Debt Limit: ORS 223.295 limit on city indebtedness. "(1) A city may incur indebtedness in the form of general obligation bonds and general obligation interim financing notes pursuant to ORS 223.235.

Bond Debt Fund

The bond debt fund provides for the levying of necessary property taxes to pay the outstanding debt on the regional water bond and interest. This fund is also required by Oregon financial policy to account for the proceeds of the general obligation bonds issued for water, sewer and street improvements.

The refunded obligation of \$4,450,000 will be met in fiscal year 2024-25. Following is a payment schedule for the next seven years for the regional water bonds:

**Refunded Regional**

<b><u>Water Bonds</u></b>	<b><u>Due Date</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>
Principal	Aug	190,000	200,000	210,000	225,000	235,000	250,000	260,000
Interest	Aug/Feb	<u>173,865</u>	<u>164,015</u>	<u>153,455</u>	<u>142,090</u>	<u>129,720</u>	<u>116,380</u>	<u>102,355</u>
<b><u>Total</u></b>		363,865	364,015	363,455	367,090	364,720	366,380	362,355

In the spring of 1997 the city issued revenue bonds for utility improvements in the amount of \$4,500,000 for the purpose of financing the cost of construction of a new water reservoir, certain water pressure zone and pump improvements and regional water completion improvements. These bonds were refunded in the spring of 2007 and again in the fall of 2011. This obligation will be met in fiscal year 2024. Following is a payment schedule for the next seven years:

**Refunded Utility 2011**

<b><u>Water Bonds</u></b>	<b><u>Due Date</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>
Principal	Aug	255,000	225,000	230,000	235,000	240,000	250,000	255,000
Interest	Aug/Feb	<u>101,475</u>	<u>96,675</u>	<u>92,125</u>	<u>86,890</u>	<u>83,950</u>	<u>73,000</u>	<u>69,250</u>
<b><u>Total</u></b>		356,475	321,675	322,125	321,890	323,950	323,000	324,250

In the spring of 2003 the city issued \$3,635,000 in full faith and credit obligations for the construction of a combined lap and multi-use outdoor community swimming pool and associated facilities. This obligation will be met in fiscal year 2032-33. Following is a payment schedule for the next seven years.

**Pool**

<b><u>Construction</u></b>	<b><u>Due Date</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>
Principal	Dec	60,000	65,000	75,000	80,000	90,000	100,000	105,000
Interest	Dec/Jan	<u>142,395</u>	<u>140,160</u>	<u>137,470</u>	<u>134,370</u>	<u>130,970</u>	<u>127,170</u>	<u>123,705</u>
<b><u>Total</u></b>		202,395	205,160	212,470	214,370	220,970	227,170	228,070

**Hermiston Energy Services**

Receiving a “Volume Cap” allocation from the State of Oregon Private Activity Board allowed the city to finance costs to acquire the assets of the electric distribution system from PacificCorp through a permanent bond issue on a tax-exempt basis versus taxable rate. In February 2002 the city was successful in receiving the balance of its request for “Volume Cap” and proceeded with permanent bond financing. The city worked with Banc of America Securities LLC on its permanent financing which was completed in October 2005. This obligation will be met in the fiscal year 2032-33. Following is a payment schedule for the next seven years:

**2005 HES**

<b><u>Obligations</u></b>	<b><u>Due Date</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>
Principal	Oct	225,000	250,000	275,000	305,000	330,000	365,000	395,000
Interest	Oct/Apr	<u>550,265</u>	<u>541,115</u>	<u>530,740</u>	<u>518,950</u>	<u>506,060</u>	<u>492,160</u>	<u>476,465</u>
<b><u>Total</u></b>		775,265	791,115	805,740	823,950	836,060	857,160	871,465

In the spring of 2009 the City of Hermiston was awarded a state loan from the Special Public Works Fund for water and wastewater system improvements and roadway construction of Penny Avenue in the amount of \$76,362 at an interest rate of 4.99%. Following is a payment schedule for this loan:

**Penny Avenue/Pioneer Hi-Bred Improvements**

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>	<u>Balance</u>
<del>12/01/09</del>		<del>1284.22</del>	<del>1284.22</del>	<del>76362.00</del>
<del>12/01/10</del>	<del>6,073.97</del>	<del>3,810.46</del>	<del>9,884.43</del>	<del>70,288.03</del>
<del>12/01/11</del>	<del>6,377.06</del>	<del>3,507.37</del>	<del>9,884.43</del>	<del>63,910.97</del>
12/01/12	6,695.27	3,189.16	9,884.43	57,215.70
12/01/13	7,029.37	2,855.06	9,884.43	50,186.33
12/01/14	7,380.13	2,504.30	9,884.43	42,806.20
12/01/15	7,748.40	2,136.03	9,884.43	35,057.80
12/01/16	8,135.05	1,749.38	9,884.43	26,922.75
12/01/17	8,540.98	1,434.45	9,884.43	18,381.77
12/01/18	8,967.18	917.25	9,884.43	9,414.59
12/01/19	9,414.59	469.79	9,884.38	.00

City of Hermiston  
Resources

BONDED DEBT

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Property Taxes:						
Bond Taxes	362,483	359,271	363,025	263,865	263,865	263,865
Delinquent Taxes	15,027	14,807	2,000	2,000	2,000	2,000
<b>Property Taxes</b>	<b>377,510</b>	<b>374,078</b>	<b>365,025</b>	<b>265,865</b>	<b>265,865</b>	<b>265,865</b>
Transfers From:						
General	192,309	190,981	199,365	202,395	202,395	202,395
Utility-Loans	21,759	9,884	9,885	9,885	9,885	9,885
Utility-B & I	314,930	313,166	315,965	356,475	356,475	356,475
Energy Services	730,999	745,089	758,240	775,265	775,265	775,265
	<b>1,259,997</b>	<b>1,259,120</b>	<b>1,283,455</b>	<b>1,344,020</b>	<b>1,344,020</b>	<b>1,344,020</b>
Admin Income	35,451	33,736				
<b>Miscellaneous Revenues</b>	<b>35,451</b>	<b>33,736</b>				
Cash Forward	101,970			100,000	100,000	100,000
<b>Bonded Debt</b>	<b>1,672,958</b>	<b>1,666,934</b>	<b>1,648,480</b>	<b>1,709,885</b>	<b>1,709,885</b>	<b>1,709,885</b>

BONDED DEBT REQUIREMENTS  
by character

	Due Date	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Approved
Principal:							
2007 Utility (Refund)	Apr	228,430	236,135	248,510			
2011 Utility	Apr				255,000	255,000	255,000
<b>Total Utility</b>		<b>228,430</b>	<b>236,135</b>	<b>248,510</b>	<b>255,000</b>	<b>255,000</b>	<b>255,000</b>
Regional Water	Aug	165,000	170,000	180,000	190,000	190,000	190,000
<b>Total GO</b>		<b>165,000</b>	<b>170,000</b>	<b>180,000</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>
2005 Energy		160,000	180,000	200,000	225,000	225,000	225,000
Pool Construction	Dec	45,000	45,000	55,000	60,000	60,000	60,000
<b>Total Revenue</b>		<b>205,000</b>	<b>225,000</b>	<b>255,000</b>	<b>285,000</b>	<b>285,000</b>	<b>285,000</b>
<b>Total Principal</b>		<b>598,430</b>	<b>631,135</b>	<b>683,510</b>	<b>730,000</b>	<b>730,000</b>	<b>730,000</b>
Interest:							
2007 Utility	Oct/Apr	86,505	77,140	67,455			
2011 Utility	Oct/Apr				101,475	101,475	101,475
<b>Total Utility</b>		<b>86,505</b>	<b>77,140</b>	<b>67,455</b>	<b>101,475</b>	<b>101,475</b>	<b>101,475</b>
Regional Water	Aug/Feb	199,600	191,555	183,025	173,865	173,865	173,865
<b>Total GO</b>		<b>199,600</b>	<b>191,555</b>	<b>183,025</b>	<b>173,865</b>	<b>173,865</b>	<b>173,865</b>
2005 Energy		571,000	565,090	558,240	550,265	550,265	550,265
Pool Construction	Dec/Jun	147,310	145,985	144,365	142,395	142,395	142,395
<b>Total Revenue</b>		<b>718,310</b>	<b>711,075</b>	<b>702,605</b>	<b>692,660</b>	<b>692,660</b>	<b>692,660</b>
<b>Total Interest</b>		<b>1,004,415</b>	<b>979,770</b>	<b>953,085</b>	<b>968,000</b>	<b>968,000</b>	<b>968,000</b>
Penny/Pioneer SPWF	Dec	23,043	9,890	9,885	9,885	9,885	9,885
Unapp Balance				2,000	2,000	2,000	2,000
<b>Bonded Debt</b>		<b>1,625,888</b>	<b>1,620,795</b>	<b>1,648,480</b>	<b>1,709,885</b>	<b>1,709,885</b>	<b>1,709,885</b>

## GENERAL FUND

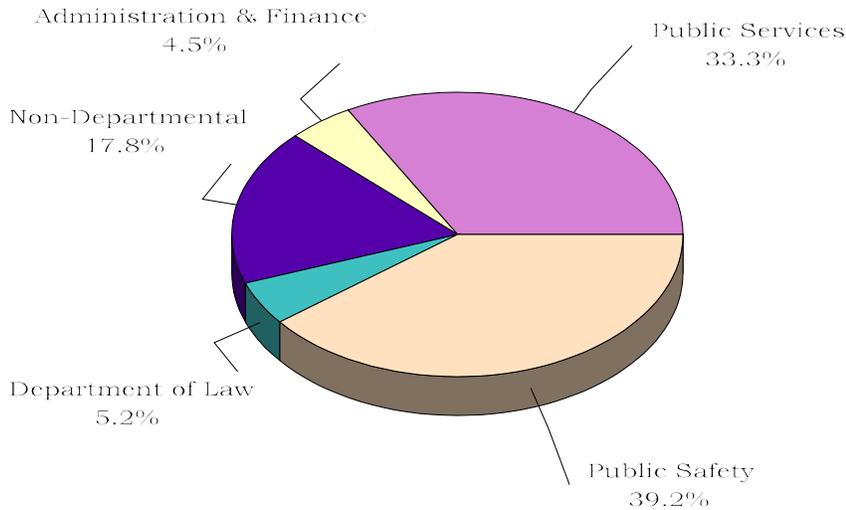
As the name implies, the general fund provides for the accounting of all revenues and expenditures not specifically categorized into a separate fund structure. The general fund is the most diverse and the largest of the city's funds. In accord with the continuing policies of the community, the general fund is the source for the inter-fund transfers necessary to augment the operations of our other functions. The general fund is the source for inter-fund transfers to the reserve fund system, the street fund, 911 communications and is the direct source for our smaller capital outlay projects related to the departments and functions accounted in the fund. The general fund departments are categorized as follows:

City Council  
 City Manager/Planning  
 Finance  
 Legal Counsel  
 Court  
 Transportation  
 Airport

Building Inspections  
 Parks & Municipal Pool  
 Municipal Buildings  
 Library  
 Recreation  
 Conference Center  
 Public Safety

Police  
 Audit & Others  
 Unappropriated Balance

### 2012-13 General Fund Appropriations



<u>Expenditures:</u>	<u>Proposed</u>
Administration & Finance	355,560
Department of Law	416,510
Public Services	2,667,790
Public Safety	3,137,945
Non-Departmental	1,426,680
<b><u>Total</u></b>	<b><u>\$8,004,485</u></b>

City of Hermiston  
Resources

GENERAL

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Property Taxes						
General Taxes	4,174,828	4,222,282	4,060,000	4,175,000	4,175,000	4,175,000
Delinquent Taxes	193,368	186,832	125,000	105,000	105,000	105,000
<b>Property Taxes</b>	<b>4,368,196</b>	<b>4,409,114</b>	<b>4,185,000</b>	<b>4,280,000</b>	<b>4,280,000</b>	<b>4,280,000</b>
Other Local Assessments						
Assessments Receivable	609	871				
<b>Local Assessments</b>	<b>609</b>	<b>871</b>				
Licenses & Franchises						
HES In Lieu of Taxes	375,117	366,595	360,000	360,000	360,000	360,000
UECA Franchise	168,892	175,752	160,000	165,000	165,000	165,000
Natural Gas Franchise	122,363	119,657	110,000	90,000	90,000	90,000
EO Telecom Franchise	7,280	4,088	2,000	4,000	4,000	4,000
Qwest Telephone Franchise	41,635	36,092	34,000	34,000	34,000	34,000
TV Franchise	60,595	61,370	54,000	56,000	56,000	56,000
Miscellaneous Franchises	424	571	400	400	400	400
Dog License & Board	4,040	4,860	3,500	3,700	3,700	3,700
Liquor Permit License	540	530	500	500	500	500
<b>Licenses &amp; Franchises</b>	<b>780,886</b>	<b>769,515</b>	<b>724,400</b>	<b>713,600</b>	<b>713,600</b>	<b>713,600</b>
Fines & Penalties						
Fines	569,589	508,124	385,000	375,000	375,000	375,000
<b>Fines &amp; Penalties</b>	<b>569,589</b>	<b>508,124</b>	<b>385,000</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>
Use of City Money						
Interest on Investments	8,889	15,699	10,000	10,000	10,000	10,000
Airport Lease Income	59,446	63,595	59,000	59,000	59,000	59,000
<b>Use of City Money</b>	<b>68,335</b>	<b>79,294</b>	<b>69,000</b>	<b>69,000</b>	<b>69,000</b>	<b>69,000</b>
From Other Agencies						
Liquor Apportionment	167,064	210,117	163,000	170,000	170,000	170,000
Cigarette Tax	23,587	20,794	17,000	17,000	17,000	17,000
County Taxi Grant	31,000	32,000	27,000	27,500	27,500	27,500
DUII Overtime Grant	2,874	2,028	2,000	2,000	2,000	2,000
Traffic Safety Grant	1,920	4,940				
Periodic Review Grant			30,000	125,000	125,000	125,000
State Revenue Sharing	124,140	123,801	110,000	110,000	110,000	110,000
Public Transient Grant		138,368				
<b>From Other Agencies</b>	<b>350,585</b>	<b>532,048</b>	<b>349,000</b>	<b>451,500</b>	<b>451,500</b>	<b>451,500</b>

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Service Charges						
Transient Room Tax	102,126	102,379	87,500	91,875	91,875	91,875
TRT - Pool	136,168	136,505	117,500	123,375	123,375	123,375
Plumbing Permits	16,961	17,428	8,000	9,000	9,000	9,000
Plan Review/Spl Insp Fee	154,078	70,346	25,000	25,000	25,000	25,000
Construction Permit Fees	214,768	100,623	50,000	50,000	50,000	50,000
District Library Contract	98,837	102,189	94,000	98,500	98,500	98,500
School District Contract	171,585	121,417	111,500	125,900	125,900	125,900
Airport Gas & Oil Sales	132,829	148,803	138,000	145,000	145,000	145,000
Airport Misc Income	1,122	1,052	450	400	400	400
Pool Income	253,529	239,108	230,000	225,000	225,000	225,000
Park & Recreation Fee	11,793	17,319	89,000	50,000	50,000	50,000
<b>Service Charges</b>	<b>1,293,796</b>	<b>1,057,169</b>	<b>950,950</b>	<b>944,050</b>	<b>944,050</b>	<b>944,050</b>
Non-Revenue Receipts						
Reimburse Direct Expense	33,120	36,712	20,000	19,000	19,000	19,000
Reimburse BENT & CSEPP	18,039	16,485	10,000	7,000	7,000	7,000
<b>Non-Revenue Receipts</b>	<b>51,159</b>	<b>53,197</b>	<b>30,000</b>	<b>26,000</b>	<b>26,000</b>	<b>26,000</b>
Miscellaneous Revenues						
Administrative Income	292,054	253,896	250,000	225,000	225,000	225,000
Sales & Service	48,382	37,621	30,000	32,000	32,000	32,000
<b>Miscellaneous Revenues</b>	<b>340,436</b>	<b>291,517</b>	<b>280,000</b>	<b>257,000</b>	<b>257,000</b>	<b>257,000</b>
Cash Forward	865,925	222,125	344,110	888,335	888,335	888,335
	<b>865,925</b>	<b>222,125</b>	<b>344,110</b>	<b>888,335</b>	<b>888,335</b>	<b>888,335</b>
<b>General</b>	<b>8,689,516</b>	<b>7,922,974</b>	<b>7,317,460</b>	<b>8,004,485</b>	<b>8,004,485</b>	<b>8,004,485</b>

SUMMARY - CONSOLIDATED GENERAL FUND EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
3-4110 City Council	17,805	18,507	24,470	20,285	20,285	20,285
4210 Mgr/Planning	285,144	218,851	215,710	276,090	276,090	276,090
4300 Finance	83,611	76,720	83,920	59,185	59,185	59,185
5100 Legal Counsel	122,078	177,543	173,500	181,400	181,400	181,400
5200 Court	196,657	215,598	221,555	235,110	235,110	235,110
6230 Transportation	138,706	132,132	140,800	138,800	138,800	138,800
6400 Airport	177,675	174,978	185,450	259,185	259,185	259,185
6500 Building Inspections	334,397	309,596	318,590	320,225	320,225	320,225
6710 Parks	479,940	483,509	488,585	498,295	498,295	498,295
6720 Municipal Pool	362,328	343,966	330,885	384,845	384,845	384,845
6730 Municipal Buildings	8,038	30,287	23,600	9,050	9,050	9,050
6740 Library	487,839	496,340	528,265	565,225	565,225	565,225
6750 Recreation	307,944	343,849	389,930	400,665	400,665	400,665
6760 Conference Center	87,878	87,750	91,500	91,500	91,500	91,500
7030 Public Safety Center	52,805	52,276	52,200	52,800	52,800	52,800
7130 Police Operations	2,550,095	2,574,007	2,746,350	3,085,145	3,085,145	3,085,145
8810 Audit & Others	865,503	975,111	1,277,650	1,401,680	1,401,680	1,401,680
8890 Unapp Balance			25,000	25,000	25,000	25,000
<b>Total</b>	<b>6,558,443</b>	<b>6,711,020</b>	<b>7,317,960</b>	<b>8,004,485</b>	<b>8,004,485</b>	<b>8,004,485</b>

CONSOLIDATED GENERAL FUND EXPENDITURES

by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	20-12-13 Approved	2012-13 Adopted
Personal Services	4,435,678	4,422,536	4,679,895	5,084,550	5,084,550	5,084,550
Materials & Services	1,388,444	1,493,460	1,609,665	1,770,105	1,770,105	1,770,105
Capital Outlay	18,848	85,188	51,100	139,800	139,800	139,800
Transfers:						
Reserve Fund		50,000		150,000	150,000	150,000
Street Fund			56,070			
Revolving Loan Fund			100,000			
911 Communications	523,164	468,855	596,865	632,635	632,635	632,635
Bonded Debt	192,309	190,981	199,365	202,395	202,395	202,395
Unapp Balance			25,000	25,000	25,000	25,000
<b>Total</b>	<b>6,558,443</b>	<b>6,711,020</b>	<b>7,317,960</b>	<b>8,004,485</b>	<b>8,004,485</b>	<b>8,004,485</b>

CONSOLIDATED ADMINISTRATION & FINANCE EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
3-4110 City Council	17,805	18,507	24,470	20,285	20,285	20,285
3-4210 Mgr/Planning	285,144	218,851	215,710	276,090	276,090	276,090
3-4300 Finance	83,611	76,720	83,920	59,185	59,185	59,185
<b><u>Total</u></b>	<b>386,560</b>	<b>314,078</b>	<b>324,100</b>	<b>355,560</b>	<b>355,560</b>	<b>355,560</b>

ADMINISTRATION & FINANCE  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	359,044	281,780	285,935	317,895	317,895	317,895
Materials & Services	27,516	32,298	38,165	37,665	37,665	37,665
Capital Outlay						
<b><u>Total</u></b>	<b>386,560</b>	<b>314,078</b>	<b>324,100</b>	<b>355,560</b>	<b>355,560</b>	<b>355,560</b>

**MISSION STATEMENT:** To lead the community by formulating policy and giving guidance and support to enhance Hermiston.

This fits well into the mission statement of the City of Hermiston, adopted at prior goals setting sessions which provides; "The City of Hermiston is a growth oriented Community seeking to expand and capitalize on the assets of the area, with a service oriented government commitment to providing cost effective, quality and timely services in a safe and courteous manner to the residents of this community."

The city council budget provides for the payment of our elected officials. The rates of pay are \$100 per month for councilors and \$250 per month for the mayor. The mayor and council are the policy leaders of all of the City of Hermiston, and each of the operating and capital outlay arenas identified in this budget.

The objectives and specific goals of the city council are identified in the opening budget statement and reiterated in each department.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Mayor	1	1	1	1	1	1
Councilors	8	8	8	8	8	8

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
4110 CITY COUNCIL

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	11,200	11,400	11,400	10,200	10,200	10,200
Accident Insurance	28	26	30	25	25	25
Retirement	209	458	245	530	530	530
Social Security	857	872	795	780	780	780
<b>Personal Services</b>	<b>12,294</b>	<b>12,756</b>	<b>12,470</b>	<b>11,535</b>	<b>11,535</b>	<b>11,535</b>
Travel & Training	2,423	2,870	8,000	5,000	5,000	5,000
<b>Contractual Services</b>	<b>2,423</b>	<b>2,870</b>	<b>8,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
Food & Miscellaneous	3,088	2,881	4,000	3,750	3,750	3,750
	<b>3,088</b>	<b>2,881</b>	<b>4,000</b>	<b>3,750</b>	<b>3,750</b>	<b>3,750</b>
<b>City Council</b>	<b>17,805</b>	<b>18,507</b>	<b>24,470</b>	<b>20,285</b>	<b>20,285</b>	<b>20,285</b>

03 GENERAL FUND  
 4210 MANAGER/PLANNING

**MISSION STATEMENT:** With the help of fellow employees, to accomplish policy objectives and activity priorities established by the mayor and city council, to provide mayor and city council with the information and communications needed to facilitate the decision making process and to provide the leadership and guidance among fellow employees of the city such that we may always take pride in the worth of the public services we perform, rendering those services to the very best of our individual and collective abilities.

All operating departments are coordinated by the city manager, who also functions as the treasurer, budget officer and personnel officer. Operations of the city and the accomplishment of all identified goals and objectives are the direct responsibility of the city manager. All planning functions are appropriated in this fund, as is economic development functions.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
City Planner	1	1	1	1	1	1
Assistant City Manager	1	1	1/4	0	0	0
Administrative Assistant	0	0	0	3/4	3/4	3/4
General Clerical	1/2	1/2	1/2	1/2	1/2	1/2

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
4210 MANAGER/PLANNING

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2013-13 Approved	2012-13 Adopted
Personal Services	199,403	143,653	142,750	174,420	174,420	174,420
Unemployment Insurance	1,318	105	1,000	1,220	1,220	1,220
Accident Insurance	499	301	360	420	420	420
Retirement	25,832	20,749	23,255	38,405	38,405	38,405
Social Security	14,984	11,317	10,925	13,345	13,345	13,345
Medical, Dental & Life Ins	32,434	27,927	23,745	31,755	31,755	31,755
<b>Personal Services</b>	<b>274,470</b>	<b>204,052</b>	<b>202,035</b>	<b>259,565</b>	<b>259,565</b>	<b>259,565</b>
Other Professional Service			500			
Postage	643	368	600	650	650	650
Travel & Training	3,512	6,567	5,250	8,500	8,500	8,500
Legal Publications	1,822	2,188	1,300	1,300	1,300	1,300
Telephone	2,075	1,714	2,100	2,000	2,000	2,000
Dues & Membership	1,049	1,050	1,750	1,500	1,500	1,500
Miscellaneous Contractual	298	1,118	500	1,000	1,000	1,000
<b>Contractual Services</b>	<b>9,399</b>	<b>13,005</b>	<b>12,000</b>	<b>14,950</b>	<b>14,950</b>	<b>14,950</b>
Office Supplies	1,083	1,003	1,300	1,200	1,200	1,200
Motor Vehicle Fuel & Oil	192	301	300	275	275	275
Motor Vehicle Parts		490	75	100	100	100
<b>Commodities</b>	<b>1,275</b>	<b>1,794</b>	<b>1,675</b>	<b>1,575</b>	<b>1,575</b>	<b>1,575</b>
<b>Manager/Planning</b>	<b>285,144</b>	<b>218,851</b>	<b>215,710</b>	<b>276,090</b>	<b>276,090</b>	<b>276,090</b>

03 GENERAL FUND  
 4300 FINANCE

**MISSION STATEMENT:** To maintain the financial stability of the community, promote a service oriented government and provide courteous and friendly services to the residents of the community.

In addition to various administrative duties, the finance office is responsible for budget preparation and control, investment management and the billing and receipting of utility accounts, local improvements and miscellaneous billings. This office also maintains all payroll and personnel information. The department encompasses the detailed expenses to handle city management, accounting and debt management, the administration of the taxi program, the solid waste utility franchise, administration and contract management for all roadway programs and similar capital expenditures.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Finance Director/Recorder	2/5	2/5	2/5	1/8	1/8	1/8
Senior Secretary	1	1 (32 Hrs)	1 (32 Hrs)	1/2	1/2	1/2

City of Hermiston  
Detailed Expenditures

03      GENERAL FUND  
4300    FINANCE

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	48,588	42,400	45,555	33,995	33,995	33,995
Unemployment Insurance	310	32	320	240	240	240
Accident Insurance	120	95	115	85	85	85
Retirement	5,715	6,790	8,690	1,720	1,720	1,720
Social Security	3,572	3,132	3,485	2,600	2,600	2,600
Medical, Dental & Life Ins	13,975	12,523	13,265	8,155	8,155	8,155
<b>Personal Services</b>	<b>72,280</b>	<b>64,972</b>	<b>71,430</b>	<b>46,795</b>	<b>46,795</b>	<b>46,795</b>
Postage	3,832	3,923	4,000	4,000	4,000	4,000
Travel & Training	685	295	500	500	500	500
Telephone	1,235	1,290	1,400	1,300	1,300	1,300
Repairs-Office Equipment	2,071	2,568	2,800	2,800	2,800	2,800
Dues & Membership	290	230	290	290	290	290
<b>Contractual Services</b>	<b>8,113</b>	<b>8,306</b>	<b>8,990</b>	<b>8,890</b>	<b>8,890</b>	<b>8,890</b>
Office Supplies	2,879	3,138	3,200	3,200	3,200	3,200
Food & Miscellaneous	338	304	300	300	300	300
<b>Commodities</b>	<b>3,217</b>	<b>3,442</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>
<b>Finance</b>	<b>83,610</b>	<b>76,720</b>	<b>83,920</b>	<b>59,185</b>	<b>59,185</b>	<b>59,185</b>

CONSOLIDATED DEPARTMENT OF LAW EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
3-5100 Legal Counsel	122,078	177,543	173,500	181,400	181,400	181,400
3-5200 Court	196,657	215,598	221,555	235,110	235,110	235,110
<b>Total</b>	<b>318,735</b>	<b>393,141</b>	<b>395,055</b>	<b>416,510</b>	<b>416,510</b>	<b>416,510</b>

DEPARTMENT OF LAW  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	179,597	205,603	210,855	224,910	224,910	224,910
Materials & Services	139,138	185,349	184,200	191,600	191,600	191,600
Capital Outlay		2,189				
<b>Total</b>	<b>318,735</b>	<b>393,141</b>	<b>395,055</b>	<b>416,510</b>	<b>416,510</b>	<b>416,510</b>

03 GENERAL FUND  
5100 LEGAL COUNSEL

**MISSION STATEMENT:** To provide prompt legal services to the City of Hermiston city council, manager and operating departments as required.

The city attorney has a contractual relationship with the city. This budget allows for the direct payment to the attorney for providing general legal advice to the city operations, attendance at city council meetings, planning commission as required, and for other requested legal services such as land transactions and litigation, preparation of leases and public contracts and similar services. Labor negotiations are conducted by an independent firm on a retainer basis at \$1,500 per month. Prosecution costs are also included in this department.

The line item "Public Defense" has been moved from the court budget as requested by the city attorney and municipal judge.

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
5100 LEGAL COUNSEL

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Other Professional Service	27,562	38,743	35,000	35,000	35,000	35,000
Prosecution	75,003	75,000	75,000	80,000	80,000	80,000
Labor Negotiations	18,000	18,000	18,000	18,000	18,000	18,000
Public Defense		42,270	44,000	47,000	47,000	47,000
Travel & Training	963	1,058	1,200	1,100	1,100	1,100
<b>Contractual Services</b>	<b>121,528</b>	<b>175,071</b>	<b>173,200</b>	<b>181,100</b>	<b>181,100</b>	<b>181,100</b>
Magazine, Map, Pamphlet	550	283	300	300	300	300
<b>Commodities</b>	<b>550</b>	<b>283</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>
Office Equipment		2,189				
<b>Capital Outlay</b>		<b>2,189</b>				
<b>Legal Counsel</b>	<b>122,078</b>	<b>177,543</b>	<b>173,500</b>	<b>181,400</b>	<b>181,400</b>	<b>181,400</b>

03 GENERAL FUND  
 5200 COURT

**MISSION STATEMENT:** The mission of the court is to provide swift and efficacious justice in criminal cases. That justice shall extend to both society and to the alleged offender. The municipal court is not a civil court and any civil functions of the court are secondary in nature to the primary function of the court, which is the processing of criminal cases. The court’s priority in all cases is the prompt, orderly, efficient and just resolution of court matters.

“Justice is the upholding of what is just, especially regarding fair treatment and due reward in accordance with standards, or law.”

The court has exclusive jurisdiction over municipal ordinance violations and concurrent jurisdiction with Circuit Court for vehicle code offenses of all sorts, on selected statutorily defined violations and on misdemeanors.

The court staff currently consists of a part-time judge, full-time court administrator, a full-time deputy clerk and a part-time general clerical deputy clerk.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Municipal Judge (.33 FTE)	1	1	1	1	1	1
Court Administrator	1	1	1	1	1	1
Deputy Clerk	1	1	1	1	1	1
General Clerical	3/4	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)

City of Hermiston  
Detailed Expenditures

03        GENERAL FUND  
5200      COURT

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	126,419	131,618	133,860	142,390	142,390	142,390
Overtime		284	300	300	300	300
Unemployment Insurance	792	81	940	1,000	1,000	1,000
Accident Insurance	251	236	270	400	400	400
Retirement	10,714	19,443	23,940	25,560	25,560	25,560
Social Security	9,388	9,750	10,265	10,900	10,900	10,900
Medical, Dental & Life Ins	32,033	44,191	41,280	44,360	44,360	44,360
<b>Personal Services</b>	<b>179,597</b>	<b>205,603</b>	<b>210,855</b>	<b>224,910</b>	<b>224,910</b>	<b>224,910</b>
Other Professional Service	616	1,025	1,400	1,100	1,100	1,100
Postage	2,028	1,750	2,300	2,000	2,000	2,000
Travel & Training	2,105					
Telephone	5,052	5,087	5,000	5,100	5,100	5,100
Repairs-Office Equipment	1,000					
Dues & Membership	135					
Miscellaneous Contractual	2,143	2,133	2,000	2,000	2,000	2,000
Subpoenas & Jury Fees	115					
<b>Contractual Services</b>	<b>13,194</b>	<b>9,995</b>	<b>10,700</b>	<b>10,200</b>	<b>10,200</b>	<b>10,200</b>
Office Supplies	3,266					
Magazine, Map, Pamphlet	600					
<b>Commodities</b>	<b>3,866</b>					
<b>Court</b>	<b>196,657</b>	<b>215,598</b>	<b>221,555</b>	<b>235,110</b>	<b>235,110</b>	<b>235,110</b>

CONSOLIDATED PUBLIC SERVICES EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
3-6230 Transportation	138,706	132,132	140,800	138,800	138,800	138,800
3-6400 Airport	177,675	174,979	185,450	259,185	259,185	259,185
3-6500 Building Inspection	334,397	309,597	318,590	320,225	320,225	320,225
3-6710 Parks	479,940	483,506	488,585	498,295	498,295	498,295
3*6720 Municipal Pool	362,328	343,967	330,885	384,845	384,845	384,845
3-6730 Municipal Bldgs	8,038	30,286	23,600	9,050	9,050	9,050
3-6740 Library	487,839	496,341	528,265	565,225	565,225	565,225
3-6750 Recreation	307,944	343,848	389,930	400,665	400,665	400,665
3-6760 Conference Center	87,878	87,751	91,500	91,500	91,500	91,500
<b>Total</b>	<b>2,384,745</b>	<b>2,402,407</b>	<b>2,497,605</b>	<b>2,667,790</b>	<b>2,667,790</b>	<b>2,667,790</b>

PUBLIC SERVICES  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	1,562,657	1,596,163	1,544,465	1,755,200	1,755,200	1,755,200
Materials & Services	805,370	786,975	805,890	828,790	828,790	828,790
Capital Outlay	16,718	19,269	20,000	83,800	83,800	83,800
Transfer to Reserve						
<b>Total</b>	<b>2,384,745</b>	<b>2,402,407</b>	<b>2,370,355</b>	<b>2,667,790</b>	<b>2,667,790</b>	<b>2,667,790</b>

03 GENERAL FUND  
6230 TRANSPORTATION

**MISSION STATEMENT:** To provide quality taxi services to senior citizens and handicapped individuals in the community to the maximum extent possible within the fiscal constraints of the city.

Originally developed as a Federal Revenue Sharing program in the early 70's, the taxi program has evolved from a less than \$20,000 per year program to its current level.

Along with the direct costs contained in the taxi subsidy, the city provides personnel support to sell tickets, account and report utilization, purchase tickets, assist riders in obtaining tickets and securing rides. The cost to the general fund is over \$3,000 per year in manpower investments and purchase of supplies.

The costs projected for the program are based on ridership and eligible participants. The grant revenues from county sources this year are projected at \$27,500.

City of Hermiston  
Detailed Expenditures

03        GENERAL FUND  
6230      TRANSPORTATION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Printing	792	922	800	800	800	800
Taxi Program	137,914	131,210	140,000	138,000	138,000	138,000
<b>Contractual Services</b>	<b>138,706</b>	<b>132,132</b>	<b>140,800</b>	<b>138,800</b>	<b>138,800</b>	<b>138,800</b>
<b>Transportation</b>	<b>138,706</b>	<b>132,132</b>	<b>140,800</b>	<b>138,800</b>	<b>138,800</b>	<b>138,800</b>

03           GENERAL FUND  
6400         AIRPORT

**MISSION STATEMENT:** To greet the aviation public in a friendly, positive and courteous manner, providing a clean and attractive environment along with quality service. As the airport often provides visitors to Hermiston with their first impression, the airport personnel recognize the importance of a friendly and helpful attitude.

Hermiston Municipal Airport is operated on a contract basis by Hermiston Aviation, Inc. The employees of Hermiston Aviation, Inc. are not city employees. Compensation for the service is provided by allowing a flat monthly contract fee and the occupancy of the city-owned airport managers home.

The airport provides two grades of aviation fuel and oil products for the government, military, corporate and general aviation pilots who use the facility. Along with fuel sales, the airport provides 40+ tie down spaces, two city-owned enclosed hangars and one open hangar. The terminal building is used regularly by several aviation related organizations as a meeting site and also houses occasional meetings relating to city business.

The day to day maintenance and operation is the responsibility of the airport manager, who occasionally hires speciality contractors to perform specific maintenance tasks. Other city departments also provide manpower, equipment and expertise on a limited, as needed basis to assist in the overall maintenance of the airport. The Assistant City Manager is staff representative to the Airport Advisory Committee and provides administration for capital improvement projects.

City of Hermiston  
Detailed Expenditures

03            GENERAL FUND  
6400        AIRPORT

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Other Professional Service	36,494	36,718	37,100	37,100	37,100	37,100
Property & Liability Ins	11,337	9,914	10,000	11,600	11,600	11,600
Electricity	12,209	12,628	12,600	12,600	12,600	12,600
Telephone	2,477	2,557	2,500	2,600	2,600	2,600
Cleaning & Painting	87	207	50	150	150	150
Miscellaneous Contractual	3,553	6,623	6,250	4,500	4,500	4,500
Licenses & Permits	233	33	150	235	235	235
<b>Contractual Services</b>	<b>66,390</b>	<b>68,680</b>	<b>68,650</b>	<b>68,785</b>	<b>68,785</b>	<b>68,785</b>
Office Supplies	644	113	100	100	100	100
Clean/Sanitation Supplies	445	477	300	300	300	300
Food & Miscellaneous	188	46	100	100	100	100
Minor/Safety Equipment	338	236	600	600	600	600
Motor Vehicle Fuel & Oil	108,848	105,426	115,000	125,000	125,000	125,000
Parts For Operating Equip	822		700	500	500	500
<b>Commodities</b>	<b>111,285</b>	<b>106,298</b>	<b>116,800</b>	<b>126,600</b>	<b>126,600</b>	<b>126,600</b>
Buildings & Fixed Equip				23,800	23,800	23,800
Res-Airport Improvements				40,000	40,000	40,000
<b>Capital Outlay</b>				<b>63,800</b>	<b>63,800</b>	<b>63,800</b>
<b>Airport</b>	<b>177,675</b>	<b>174,978</b>	<b>185,450</b>	<b>259,185</b>	<b>259,185</b>	<b>259,185</b>

**MISSION STATEMENT:** To provide effective public service for residential and commercial structures through education and safety for the citizens of Hermiston

The building official assists in negotiation with developers and builders to the extent and character of individual developments as well as in land use compatibility. The building official shall render interpretations pertaining to code and will adopt and enforce rules and supplemental regulations to clarify the application of its provisions. Such interpretations, rules and regulations shall be in conformance with the intent and purpose of the code.

In the past year the building division has accomplished the following additional activities:

- ◆ Provided interdepartmental liaison activity on private and public developments.
- ◆ Investigated citizen complaints on land use and zoning violations.
- ◆ Investigate and maintain files for dust complaints.
- ◆ Investigate and enforce all applicable city ordinances.
- ◆ Provided a complete building program including commercial plumbing, electric, plan review, structural and mechanical services.
- ◆ Received Class 3 rating by ISO for Department effectiveness.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Building Official	1	1	1	1	1	1
Building Inspector	1	1/2	1/2	1/2	1/2	1/2
Electrical Inspector	0	0	1	1	1	1
Permit Technician II	1 1/3	1/3	1/3	1/3	1/3	1/3

City of Hermiston  
Detailed Expenditures

03            GENERAL FUND  
6500        BUILDING INSPECTIONS

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	218,951	193,484	195,125	202,215	202,215	202,215
Overtime			350			
Unemployment Insurance	1,501	145	1,370	1,415	1,415	1,415
Accident Insurance	2,822	2,713	2,825	2,550	2,550	2,550
Retirement	28,639	30,482	43,045	37,030	37,030	37,030
Social Security	16,404	14,554	14,955	15,470	15,470	15,470
Medical, Dental & Life Ins	47,078	44,378	37,655	38,440	38,440	38,440
<b>Personal Services</b>	<b>315,395</b>	<b>285,756</b>	<b>295,325</b>	<b>297,120</b>	<b>297,120</b>	<b>297,120</b>
Postage	250	275	275	275	275	275
Travel & Training	1,450	1,936	2,400	2,400	2,400	2,400
Electricity	1,821	1,661	2,100	1,700	1,700	1,700
Telephone	3,399	3,589	3,400	3,400	3,400	3,400
Repairs-Motor Vehicles			50	50	50	50
Other Repairs			50	50	50	50
Cleaning & Painting	1,740	1,740	1,740	1,830	1,830	1,830
Dues & Membership	440					
Miscellaneous Contractual	3,187	6,053	6,000	5,500	5,500	5,500
<b>Contractual Services</b>	<b>12,287</b>	<b>15,254</b>	<b>16,015</b>	<b>15,205</b>	<b>15,205</b>	<b>15,205</b>
Office Supplies	1,076	1,831	2,750	2,000	2,000	2,000
Magazine, Map, Pamphlet	601					
Food & Miscellaneous	334	257	250	250	250	250
Fuel-Other Than Vehicle	2,184	2,108	2,350	2,300	2,300	2,300
Minor/Safety Equipment	23					
Motor Vehicle Fuel & Oil	2,198	4,290	1,550	3,000	3,000	3,000
Motor Vehicle Parts	299	100	350	350	350	350
<b>Commodities</b>	<b>6,715</b>	<b>8,586</b>	<b>7,250</b>	<b>7,900</b>	<b>7,900</b>	<b>7,900</b>
<b>Building Inspections</b>	<b>334,397</b>	<b>309,596</b>	<b>318,590</b>	<b>320,225</b>	<b>320,225</b>	<b>320,225</b>

03 GENERAL FUND  
 6710 PARKS

**MISSION STATEMENT:** The City of Hermiston Parks Department protects, develops and enhances the City’s parks, trails, open spaces and landscapes for the enjoyment of citizens.

Park department objectives for fiscal year 2012-13:

- ◆ Safe and attractive recreational and open spaces for a variety of interests.
- ◆ Install playground equipment at Highland Park and Victory Square Park.
- ◆ Finalize agreement with Bureau of Reclamation for trail extension.
- ◆ Master plan for the old dump site “Pit”.
- ◆ Provide seven day a week park restroom and garbage maintenance March through October.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Park Maintenance Foreman	1	1	1	1	1	1
Park/Facility Lead Worker	1	0	0	0	0	0
Municipal Worker II	1	2	2	2	2	2
Municipal Worker I	1	0	0	0	0	0
Seasonal Maintenance (3 FTE)	2	3	3	3	3	3

City of Hermiston  
Detailed Expenditures

03            GENERAL FUND  
6710        PARKS

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	233,862	219,781	223,930	227,890	227,890	227,890
Overtime	3,294	289	1,765	1,765	1,765	1,765
Unemployment Insurance	1,216	162	160	1,595	1,595	1,595
Accident Insurance	8,885	8,228	9,030	8,775	8,775	8,775
Retirement	23,105	29,741	49,670	50,185	50,185	50,185
Social Security	17,854	16,457	17,670	17,435	17,435	17,435
Medical, Dental & Life Ins	39,736	55,706	47,460	49,400	49,400	49,400
<b>Personal Services</b>	<b>327,952</b>	<b>330,364</b>	<b>349,685</b>	<b>357,045</b>	<b>357,045</b>	<b>357,045</b>
Travel & Training	1,319	3,923	2,300	2,500	2,500	2,500
Electricity	17,598	18,480	18,000	18,250	18,250	18,250
Telephone	4,048	3,777	4,100	4,500	4,500	4,500
Miscellaneous Contractual	52,910	50,847	47,000	47,000	47,000	47,000
<b>Contractual Services</b>	<b>75,875</b>	<b>77,027</b>	<b>71,400</b>	<b>72,250</b>	<b>72,250</b>	<b>72,250</b>
Ag & Hort Supplies	8,287	5,197	6,000	6,000	6,000	6,000
Chemicals	8,093	3,639	4,000	4,000	4,000	4,000
Clean/Sanitation Supplies	2,285	2,053	2,000	2,000	2,000	2,000
Minor/Safety Equipment	17,166	22,031	16,000	15,000	15,000	15,000
Motor Vehicle Fuel & Oil	17,555	23,870	21,000	23,000	23,000	23,000
Motor Vehicle Parts	1,904	695	2,000	2,000	2,000	2,000
Paint & Paint Supplies	5,743	1,930	3,000	3,500	3,500	3,500
Plmb/Sewage Supplies	11,461	13,208	10,000	10,000	10,000	10,000
Parts For Operating Equip	3,619	3,495	3,500	3,500	3,500	3,500
<b>Commodities</b>	<b>76,113</b>	<b>76,118</b>	<b>67,500</b>	<b>69,000</b>	<b>69,000</b>	<b>69,000</b>
<b>Parks</b>	<b>479,940</b>	<b>483,509</b>	<b>488,585</b>	<b>498,295</b>	<b>498,295</b>	<b>498,295</b>

**MISSION STATEMENT:** To develop and manage diverse aquatic opportunities that range from basic water safety to water adventure programming. Make facilities available at a sustainable, cost effective level.

Municipal pool objectives for fiscal year 2012-13:

- ◆ Offer high quality, safe aquatic programming June through August.
- ◆ Offer high quality swim instruction for all levels.
- ◆ Attain 75% cost recovery or better.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Rec/Aquatics Coordinator	1/3	1/3	1/3	1/3	1/3	1/3
Summer Pool (8 FTE)	10	10	10	10	10	10

City of Hermiston  
Detailed Expenditures

03            GENERAL FUND  
6720        MUNICIPAL POOL

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	172,463	173,569	142,880	184,675	184,675	184,675
Overtime	232		500	500	500	500
Unemployment Insurance	726	92	1,000	1,295	1,295	1,295
Accident Insurance	5,279	5,570	5,725	7,110	7,110	7,110
Retirement	5,669	6,896	5,045	5,215	5,215	5,215
Social Security	13,157	13,231	10,970	14,130	14,130	14,130
Medical, Dental & Life Ins	6,383	6,113	5,715	6,170	6,170	6,170
<b>Personal Services</b>	<b>203,909</b>	<b>205,471</b>	<b>171,835</b>	<b>219,095</b>	<b>219,095</b>	<b>219,095</b>
Postage			200	100	100	100
Travel & Training	105	855	1,000	900	900	900
Advertising	697	354	2,000	3,000	3,000	3,000
Property & Liability Ins	5,796	4,994	5,000	5,000	5,000	5,000
Electricity	18,911	15,730	22,000	22,000	22,000	22,000
Telephone	2,280	2,083	2,500	2,500	2,500	2,500
Dues & Membership	150					
Miscellaneous Contractual	36,092	10,811	20,000	20,000	20,000	20,000
Licenses & Permits	645	288	650	750	750	750
<b>Contractual Services</b>	<b>64,676</b>	<b>35,115</b>	<b>53,350</b>	<b>54,250</b>	<b>54,250</b>	<b>54,250</b>
Office Supplies	6,778	3,650	6,000	7,000	7,000	7,000
Chemicals	22,853	24,271	25,000	25,000	25,000	25,000
Clean/Sanitation Supplies	3,149	9,279	3,200	5,000	5,000	5,000
Food & Miscellaneous	15,986	17,609	17,500	19,000	19,000	19,000
Fuel-Other Than Vehicle	34,725	31,140	45,000	40,000	40,000	40,000
Paint & Paint Supplies	4,041	1,951	3,500	3,000	3,000	3,000
Plmb/Sewage Supplies	724	5,295	2,500	2,500	2,500	2,500
Recreational Supplies	4,907	10,185	3,000	10,000	10,000	10,000
Uniforms	580					
<b>Commodities</b>	<b>93,743</b>	<b>103,380</b>	<b>105,700</b>	<b>111,500</b>	<b>111,500</b>	<b>111,500</b>
<b>Municipal Pool</b>	<b>362,328</b>	<b>343,966</b>	<b>330,885</b>	<b>384,845</b>	<b>384,845</b>	<b>384,845</b>

03 GENERAL FUND  
6730 MUNICIPAL BUILDINGS

**MISSION STATEMENT:** The direct costs of the operations of the city hall is specifically budgeted in this account. This budget is a central accounting location to consolidate costs and avoid allocating costs to the individual uses of the buildings.

City hall is the location where utility billings and other related activities are housed, it was determined that the costs related to this facility are justified to be split between the general fund, water and wastewater. Therefore, this fund has been appropriated to these three funds.

No personnel are assigned. No cost allocation is made to operating departments, although the street department does try to have a man available to do general maintenance on all municipal buildings.

City of Hermiston  
Detailed Expenditures

03            GENERAL FUND  
6730        MUNICIPAL BUILDINGS

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Electricity	2,214	2,304	2,600	2,400	2,400	2,400
Repairs-Buildings	494	1,384	750	1,000	1,000	1,000
Repairs-Machinery/Equip	1,699		450	1,000	1,000	1,000
Cleaning & Painting	2,660	2,720	2,700	3,100	3,100	3,100
Miscellaneous Contractual	103	23,108	16,000	500	500	500
<b>Contractual Services</b>	<b>7,170</b>	<b>29,516</b>	<b>22,500</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>
Clean/Sanitation Supplies	146	29	200	200	200	200
Fuel-Other Than Vehicle	687	638	750	725	725	725
Minor/Safety Equipment	35	104	150	125	125	125
<b>Commodities</b>	<b>868</b>	<b>771</b>	<b>1,100</b>	<b>1,050</b>	<b>1,050</b>	<b>1,050</b>
<b>Municipal Buildings</b>	<b>8,038</b>	<b>30,287</b>	<b>23,600</b>	<b>9,050</b>	<b>9,050</b>	<b>9,050</b>

**MISSION STATEMENT:** To provide to the public, in a friendly and courteous manner, timely access to information and exposure to cultural events for the purpose of learning, self-development or life enhancement.

<b>STATISTICS (Calendar Year)</b>	<b>2010</b>	<b>2011</b>
Items Checked Out (total count)	85,961	85,133
Active Library Cards	8,720	9,882
Visitations	96,789	99,932
Materials Added	2,628	2,551
Programs Presented	351	272
Program Attendance	9,922	7,754
Reference Questions Answered	1,511	1,444
Number of Volunteer Hours	1,908	1,674
Total Inter-Library Loans	3,987	5,805
Use of Internet Stations	14,279	15,370

**2011-2012 Major Events:**

- ◆ Conducted three summer reading programs for children, teens and adults.
- ◆ Completed the FINRA/ALA SmartInvesting grant.
- ◆ Continued participation in LEO funded on-line services and programming efforts.
- ◆ Continued the transition to Evergreen open source Integrated Library System (ILS) for Sage consortium.
- ◆ Completed acquisition of parking lots to City ownership.
- ◆ “Secret Garden” mural completed in the downstairs library foyer.

**2011-2012 Goals:**

- ◆ Continue 100% collection weeding.
- ◆ Operate final year LEO Leads SmartInvesting @ your library © project.
- ◆ Paint grant murals in the downstairs library.
- ◆ Develop plans for renovation of the downstairs library (paint/flooring/public bathrooms).

**2012-2013 Goals:**

- ◆ Continue 100% collection weeding.
- ◆ With Friends of the Library assistance, order and install new Book Drop box.
- ◆ Develop plans and raise funds for a new circulation desk.
- ◆ Finalize plans and funding for renovation of the Lanham Room and public bathrooms.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Library Director	1	1	1	1	1	1
Librarian II	1	1	1	1	1	1
Senior Library Assistant	1	1	1	1	1	1
Library Assistant	1	1	1	1	1	1
Librarian (6 FTE)	6	6	6	6	6	6

City of Hermiston  
Detailed Expenditures

03            GENERAL FUND  
6740        LIBRARY

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	332,877	329,190	337,695	358,410	358,410	358,410
Unemployment Insurance	2,051	196	2,365	2,510	2,510	2,510
Accident Insurance	814	718	845	860	860	860
Retirement	42,409	61,217	74,360	78,925	78,925	78,925
Social Security	25,296	25,007	25,835	27,420	27,420	27,420
Medical, Dental & Life Ins	20,105	22,773	24,065	32,600	32,600	32,600
<b>Personal Services</b>	<b>423,552</b>	<b>439,101</b>	<b>465,165</b>	<b>500,725</b>	<b>500,725</b>	<b>500,725</b>
Postage	226	120	300	300	300	300
Travel & Training			500	500	500	500
Electricity	8,190	8,247	9,000	8,600	8,600	8,600
Telephone	2,014	2,143	2,100	2,100	2,100	2,100
Repairs-Buildings	5,828	1,159	4,000	3,800	3,800	3,800
Cleaning & Painting	8,441	1,530	2,200	2,100	2,100	2,100
Dues & Membership				500	500	500
Miscellaneous Contractual	16,847	14,728	15,000	16,800	16,800	16,800
<b>Contractual Services</b>	<b>41,546</b>	<b>27,927</b>	<b>33,100</b>	<b>34,700</b>	<b>34,700</b>	<b>34,700</b>
Office Supplies	4,868	7,298	7,000	7,000	7,000	7,000
Magazine, Map, Pamphlet	879	981	1,000	1,000	1,000	1,000
Clean/Sanitation Supplies	25	1,204	1,500	1,300	1,300	1,300
Food & Miscellaneous	105					
Minor/Safety Equipment	5	339	200	200	200	200
Motor Vehicle Fuel & Oil	136	221	300	300	300	300
<b>Commodities</b>	<b>6,018</b>	<b>10,043</b>	<b>10,000</b>	<b>9,800</b>	<b>9,800</b>	<b>9,800</b>
Library Books & Equip	16,718	19,269	20,000	20,000	20,000	20,000
<b>Capital Outlay</b>	<b>16,718</b>	<b>19,269</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Library</b>	<b>487,834</b>	<b>496,340</b>	<b>528,265</b>	<b>565,225</b>	<b>565,225</b>	<b>565,225</b>

03 GENERAL FUND  
 6750 RECREATION

**MISSION STATEMENT:** The City of Hermiston Recreation Department sponsors the highest quality recreational and leisure activities for all citizens.

Recreation Department objectives for fiscal year 2012-13:

- ◆ Offer high quality events designed to promote tourism and community enrichment.
- ◆ Provide and support high quality sporting opportunities for all ages.
- ◆ Attain 75% cost recovery or better on all programs.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Parks/Recreation Director	1	1	1	1	1	1
Rec/Aquatics Coordinator	2/3	2/3	2/3	2/3	2/3	2/3
General Clerical	1	1 (32 Hrs.)	1 (32 Hrs.)	1 (32 Hrs.)	1 (32 Hrs.)	1 (32 Hrs.)
Seasonal Part-time (5FTE)	5	5	5	5	5	5

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
6750 RECREATION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	199,700	228,853	242,715	250,940	250,940	250,940
Overtime			50			
Unemployment Insurance	1,302	170	1,705	1,760	1,760	1,760
Accident Insurance	2,359	3,623	5,420	5,280	5,280	5,280
Retirement	23,697	37,863	53,555	55,260	55,260	55,260
Social Security	14,853	17,140	18,610	19,200	19,200	19,200
Medical, Dental & Life Ins	49,938	47,822	44,675	48,775	48,775	48,775
<b>Personal Services</b>	<b>291,849</b>	<b>335,471</b>	<b>366,730</b>	<b>381,215</b>	<b>381,215</b>	<b>381,215</b>
Postage		231	200	200	200	200
Travel & Training	4,029	2,178	3,000	2,500	2,500	2,500
Advertising	3,638	2,108	3,900	4,000	4,000	4,000
Telephone	216	452	250	500	500	500
Repairs-Office Equipment				200	200	200
Dues & Membership	570	265	750	750	750	750
Miscellaneous Contractual	1,998		10,000	5,000	5,000	5,000
<b>Contractual Services</b>	<b>10,451</b>	<b>5,234</b>	<b>18,100</b>	<b>13,150</b>	<b>13,150</b>	<b>13,150</b>
Office Supplies	1,384	1,259	1,500	1,500	1,500	1,500
Food & Miscellaneous	1,000			1,000	1,000	1,000
Minor/Safety Equip				500	500	500
Motor Vehicle Fuel & Oil	1,444	1,568	1,800	1,500	1,500	1,500
Recreational Supplies	1,818	15	1,500	1,500	1,500	1,500
Uniforms		302	300	300	300	300
<b>Commodities</b>	<b>5,646</b>	<b>3,144</b>	<b>5,100</b>	<b>6,300</b>	<b>6,300</b>	<b>6,300</b>
<b>Recreation</b>	<b>307,946</b>	<b>343,849</b>	<b>389,930</b>	<b>400,665</b>	<b>400,665</b>	<b>400,665</b>

03 GENERAL FUND  
6760 CONFERENCE CENTER

**MISSION STATEMENT:** To serve the needs of Hermiston and the surrounding area for cultural events, public and private conferences, shows, exhibitions and private functions.

The City of Hermiston owns the Hermiston Conference and Convention Center and funds the operation thereof. A portion of the transient room tax is dedicated for improvements, maintenance and operation of the conference center.

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
6760 CONFERENCE CENTER

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Other Professional Service	64,350	64,350	64,350	64,350	64,350	64,350
Property & Liability Ins	3,594	3,361	3,400	3,800	3,800	3,800
Electricity	15,178	15,027	15,500	15,700	15,700	15,700
Miscellaneous Contractual	228	684	2,500	2,000	2,000	2,000
<b>Contractual Services</b>	<b>83,350</b>	<b>83,422</b>	<b>85,750</b>	<b>85,850</b>	<b>85,850</b>	<b>85,850</b>
Fuel-Other Than Vehicle	4,528	4,328	5,500	5,500	5,500	5,500
Minor/Safety Equipment			250	150	150	150
<b>Commodities</b>	<b>4,528</b>	<b>4,328</b>	<b>5,750</b>	<b>5,650</b>	<b>5,650</b>	<b>5,650</b>
<b>Conference Center</b>	<b>87,878</b>	<b>87,750</b>	<b>91,500</b>	<b>91,500</b>	<b>91,500</b>	<b>91,500</b>

CONSOLIDATED PUBLIC SAFETY EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
3-7030 Public Safety Ctr	52,805	52,276	52,200	52,800	52,800	52,800
3-7130 Operations	2,550,095	2,574,007	2,746,350	3,085,145	3,085,145	3,085,145
<b><u>Total</u></b>	<b>2,602,900</b>	<b>2,626,283</b>	<b>2,798,550</b>	<b>3,137,945</b>	<b>3,137,945</b>	<b>3,137,945</b>

PUBLIC SAFETY  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	2,334,380	2,338,990	2,534,365	2,786,545	2,786,545	2,786,545
Materials & Services	266,390	228,563	233,085	295,400	295,400	295,400
Capital Outlay	2,130	58,730	31,100	56,000	56,000	56,000
<b><u>Total</u></b>	<b>2,602,900</b>	<b>2,626,283</b>	<b>2,798,550</b>	<b>3,137,945</b>	<b>3,137,945</b>	<b>3,137,945</b>

03 GENERAL FUND  
7030 PUBLIC SAFETY CENTER

MISSION STATEMENT: To provide a consolidated location for the expenses of the structure occupied by the municipal court, police and fire functions.

This functions similar to the municipal buildings budget, designed to allow accounting simplicity. The costs of the area are potentially allocable to the municipal court, fire and police functions. However, the necessity for percentage allocations and similar relatively complex accounting called for the creation of this budget for simplicity. The operation and maintenance of the building located at 330 S. First Street and the HPD annex are contained in this fund.

There are no personnel assigned to this budget. A contractual relationship for custodial services is maintained.

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
7030 PUBLIC SAFETY CENTER

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Electricity	20,834	20,483	21,000	21,200	21,200	21,200
Telephone	4,283	4,550	4,300	4,500	4,500	4,500
Repairs-Buildings	5,575	5,904	4,500	4,500	4,500	4,500
Repairs-Machinery/Equip	266					
Cleaning & Painting	16,698	16,535	16,700	17,600	17,600	17,600
Miscellaneous Contractual	242		100			
<b>Contractual Services</b>	<b>47,898</b>	<b>47,472</b>	<b>46,600</b>	<b>47,800</b>	<b>47,800</b>	<b>47,800</b>
Clean/Sanitation Supplies		693				
Fuel-Other Than Vehicle	4,907	4,111	5,600	5,000	5,000	5,000
<b>Commodities</b>	<b>4,907</b>	<b>4,804</b>	<b>5,600</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Public Safety Center</b>	<b>52,805</b>	<b>52,276</b>	<b>52,200</b>	<b>52,800</b>	<b>52,800</b>	<b>52,800</b>

03 GENERAL FUND  
7130 POLICE - OPERATIONS

**MISSION STATEMENT:** The Hermiston Police Department exists as a unit of municipal government for the provision of police and emergency services in the most cost effective manner, consistent with prescribed ethical and constitutional limitations. The department will be responsive to community priorities, and through contemporary administration practices and employee development, will initiate proactive, effective programs to fulfill its role.

Department efforts will emphasize protection of life and property, suppression of crime, enforcement of laws and ordinances, apprehension and prosecution of offenders, and the safe, expeditious flow of traffic. The application of Community Oriented Policing, emphasizing the partnerships with various community members and businesses will be encouraged. The implementation of a problem solving approach to address chronic locations and activities will be utilized, to specifically address quality of life issues within the community.

Members of the department practice clear, open and honest communication. Supervisors encourage independent thought process in identifying, analyzing, researching and assessing day to day problems officers may encounter. This type of work culture is conducive to effectively accomplishing the vision and mission statements of the City and Department.

The City of Hermiston has always enjoyed a low experience of major or violent person crimes and this trend continues through the utilization of advanced technology in the day to day operations of the patrol section. The department will continue to seek out grants for monies and equipment to assist with enforcement and preventive efforts. Each supervisor of the Department has been tasked with researching, writing and submitting one (1) grant specific to the overall mission of the Department.

The Department continues its focus on trying to reduce the opportunity for crime by enabling citizens to join Neighborhood Watch Groups specific to the area in which they reside or businesses to join the Hermiston Business Watch Program so they can be cognizant of crime experiences taking place in the City.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Police Chief	1	1	1	1	1	1
Administrative Lieutenant	1/2	1/2	1/2	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1/2	0	0	0	0	0
Police Sergeants	3	3	3	4	4	4
Patrol Officers	15	14	15	17	17	17
School Resource Officer	2	2	1	1	1	1
Youth Officer	1	1	1	1	1	1
Code Enforcement Officer	1	1	1	0	0	0
General Clerical	1	1	1	1	1	1

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
7130 POLICE - OPERATIONS

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	1,496,652	1,448,490	1,502,115	1,722,775	1,722,775	1,722,775
Overtime	61,505	63,169	72,000	72,000	72,000	72,000
Unemployment Insurance	9,479	1,127	11,020	12,060	12,060	12,060
Accident Insurance	51,243	44,646	47,370	48,660	48,660	48,660
Retirement	207,524	291,957	364,255	314,935	314,935	314,935
Social Security	112,164	108,758	120,420	131,795	131,795	131,795
Medical, Dental & Life Ins	395,813	380,843	417,185	484,320	484,320	484,320
<b>Personal Services</b>	<b>2,334,380</b>	<b>2,338,990</b>	<b>2,534,365</b>	<b>2,786,545</b>	<b>2,786,545</b>	<b>2,786,545</b>
Other Professional Service	112	810	900	900	900	900
Postage	2,685	2,131	2,900	2,500	2,500	2,500
Travel & Training	22,238	19,053	17,500	22,000	22,000	22,000
Repairs-Motor Vehicles	20,310	14,174	15,000	17,000	17,000	17,000
Dues & Membership	1,150	945	1,110	1,050	1,050	1,050
Laundry/Other Sanitation	3,220	2,881	3,600	3,250	3,250	3,250
Informant Information	1,000	1,000	1,000	1,000	1,000	1,000
Animal Impound Service	28,105	34,068	33,000	33,500	33,500	33,500
Miscellaneous Contractual	36,892	5,797	11,675	62,500	62,500	62,500
Nuisance Abatement	4,500	4,301	4,000	4,000	4,000	4,000
DARE	2,500	525				
Crime Prevention	4,857					
<b>Contractual Services</b>	<b>127,569</b>	<b>85,685</b>	<b>90,685</b>	<b>147,700</b>	<b>147,700</b>	<b>147,700</b>
Office Supplies	16,426	16,295	15,500	15,000	15,000	15,000
Food & Miscellaneous	1,676	1,661	1,700	2,000	2,000	2,000
Minor/Safety Equipment	8,280	8,612	7,500	8,500	8,500	8,500
Motor Vehicle Fuel & Oil	42,139	45,270	46,000	50,000	50,000	50,000
Motor Vehicle Parts	4,996	6,232	6,000	6,200	6,200	6,200
Uniforms	10,299	10,365	11,000	11,000	11,000	11,000
Reserve Equip/Uniforms	2,200	2,167	2,500	2,200	2,200	2,200
<b>Commodities</b>	<b>86,016</b>	<b>90,602</b>	<b>90,200</b>	<b>94,900</b>	<b>94,900</b>	<b>94,900</b>
Motor Vehicles		58,000	25,000	51,000	51,000	51,000
Other Equipment	2,130	730	6,100	5,000	5,000	5,000
<b>Capital Outlay</b>	<b>2,130</b>	<b>58,730</b>	<b>31,100</b>	<b>56,000</b>	<b>56,000</b>	<b>56,000</b>
<b>Police - Operations</b>	<b>2,550,095</b>	<b>2,574,007</b>	<b>2,746,350</b>	<b>3,085,145</b>	<b>3,085,145</b>	<b>3,085,145</b>

CONSOLIDATED NON-DEPARTMENTAL EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
3-8810 Audit & Others	865,503	975,111	1,277,650	1,401,680	1,401,680	1,401,680
3-8890 Unapp Balance			25,000	25,000	25,000	25,000
<b>Total</b>	<b>865,503</b>	<b>975,111</b>	<b>1,302,650</b>	<b>1,426,680</b>	<b>1,426,680</b>	<b>1,426,680</b>

NON-DEPARTMENTAL  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services						
Materials & Services	150,030	260,275	325,350	416,650	416,650	416,650
Capital Outlay		5,000				
Transfers:						
Reserve		50,000		150,000	150,000	150,000
Street			56,070			
Revolving Loan			100,000			
911 Communications	523,164	468,855	596,865	632,635	632,635	632,635
Bonded Debt	192,309	190,981	199,365	202,395	202,395	202,395
Unapp Balance			25,000	25,000	25,000	25,000
<b>Total</b>	<b>865,503</b>	<b>975,111</b>	<b>1,302,650</b>	<b>1,426,680</b>	<b>1,426,680</b>	<b>1,426,680</b>

03 GENERAL FUND  
8810 AUDIT & OTHERS

**MISSION STATEMENT:** To provide a non-apportioned general fund accounting entity which allows for costs which are not readily divided into the appropriation areas of the operating budget, and for those costs which are beneficial to the entire operation.

The appropriations in this category include specialized services such as general publication of council activity and ordinances, memberships in organizations such as the local chamber and the League of Oregon Cities, expenses incurred in the sale of city foreclosed property, and similar expenses.

No personnel are included in this department.

City of Hermiston  
Detailed Expenditures

03 GENERAL FUND  
8810 AUDIT & OTHERS

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Accounting & Auditing	4,915	5,029	5,300	5,200	5,200	5,200
Other Professional Service	29,664	132,335	90,000	225,000	225,000	225,000
Legal Publications	1,185	1,020	1,500	1,200	1,200	1,200
Property & Liability Ins	65,927	43,986	60,000	60,000	60,000	60,000
Dues & Membership	12,114	14,559	13,000	14,500	14,500	14,500
Miscellaneous Contractual	33,155	59,906	122,000	105,000	105,000	105,000
<b>Contractual Services</b>	<b>146,960</b>	<b>256,835</b>	<b>291,800</b>	<b>410,900</b>	<b>410,900</b>	<b>410,900</b>
Food & Miscellaneous	2,406	3,440	4,800	5,000	5,000	5,000
Minor/Safety Equipment	664		750	750	750	750
<b>Commodities</b>	<b>3,070</b>	<b>3,440</b>	<b>5,550</b>	<b>5,750</b>	<b>5,750</b>	<b>5,750</b>
Other Improvements		5,000	28,000			
Trans to Reserve Fund				150,000	150,000	150,000
Trans to Street Fund			56,070			
Trans to Bicycle Trails		50,000				
Trans to 911 Communication	523,164	468,855	596,865	632,635	632,635	632,635
Trans to Revolving Loan			100,000			
Trans to Bonded Debt	192,309	190,981	199,365	202,395	202,395	202,395
<b>Capital Outlay</b>	<b>715,473</b>	<b>714,836</b>	<b>980,300</b>	<b>985,030</b>	<b>985,030</b>	<b>985,030</b>
<b>Audit &amp; Others</b>	<b>865,503</b>	<b>975,111</b>	<b>1,277,650</b>	<b>1,401,680</b>	<b>1,401,680</b>	<b>1,401,680</b>

03 GENERAL FUND  
8890 UNAPPROPRIATED BALANCE

**MISSION STATEMENT:** To provide minimum cash flow for the ensuing fiscal period in accord with the municipal budget act.

No personnel are contained in this appropriation.

City of Hermiston  
Detailed Expenditures

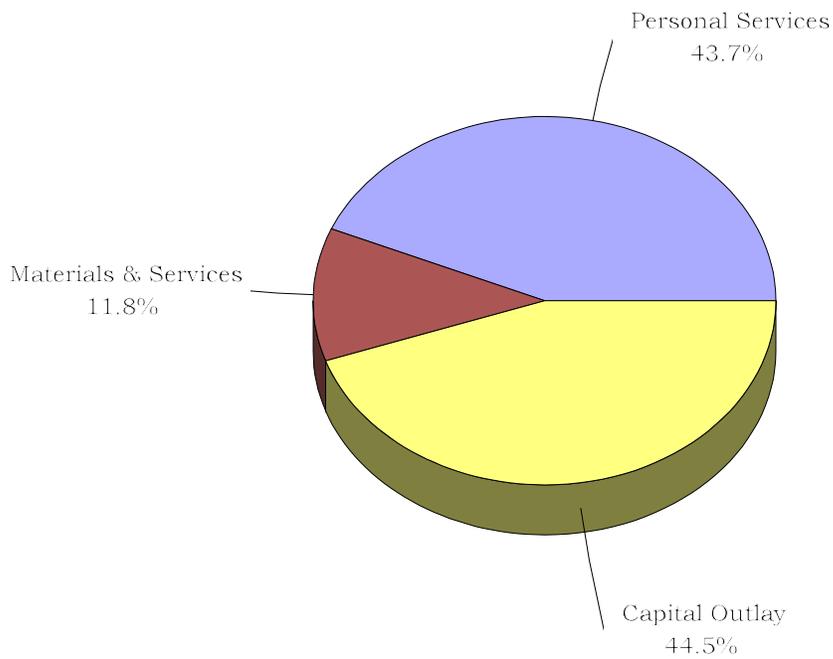
03 GENERAL FUND  
8890 UNAPPROPRIATED BALANCE

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Unappropriated Balance			25,000	25,000	25,000	25,000
<b>Grand Total General</b>	<b>6,558,436</b>	<b>6,711,020</b>	<b>7,317,960</b>	<b>8,004,485</b>	<b>8,004,485</b>	<b>8,004,485</b>

## STATE STREET TAX FUND

This is the location where all gasoline tax revenues are required by Oregon Statute to be placed to provide a guarantee that all such revenues will be utilized for street and roadway repair, maintenance, and improvement. This fund is exclusively supported from the gasoline tax and a general fund subsidy if necessary. The expenditures accounted in the fund are the manpower, equipment, materials, and contracted services necessary to maintain and improve the roadway surfaces and storm drainage system of the city.

### 2012-13 Street Expenditures



City of Hermiston  
Resources

STATE TAX STREET

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
State Highway Allocation	667,479	780,571	670,000	800,000	800,000	800,000
STP Allocation			175,000	180,000	180,000	180,000
Transfer Fm General Fund			56,070	150,000	150,000	150,000
Cash Forward		21,366				
<b><u>Total</u></b>	<b>667,479</b>	<b>801,937</b>	<b>901,070</b>	<b>1,130,000</b>	<b>1,130,000</b>	<b>1,130,000</b>

STATE TAX STREET EXPENDITURES  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	514,906	490,652	475,945	494,245	494,245	494,245
Materials & Services	124,457	121,074	133,425	132,925	132,925	132,925
Capital Outlay						
Transfer to Reserve	6,750	25,765	291,700	502,830	502,830	502,830
<b>Total</b>	<b>646,113</b>	<b>637,491</b>	<b>901,070</b>	<b>1,130,000</b>	<b>1,130,000</b>	<b>1,130,000</b>

**MISSION STATEMENT:** To protect, maintain and improve the largest single asset owned by the residents of our community; The asphalt, curbs, gutters, storm drains and buildings of our community, and to supply support in the form of manpower and equipment to other departments and community events.

**DEPARTMENT VISION:** In support of, and to foster the general vision of the overall city, We, the members of the Street Department, continuously strive to maintain the highest standards of professionalism in our daily operations and programs. Our mission is achieved through continuously improved performance, supported by a consistent system of effective communications. A committed workforce initiates partnerships and strategic alliances to collaborate delivery of the highest quality of service possible. Our performance consistently earns the trust and confidence of the public. We will endeavor to provide the city manager and our elected officials with an on-going level of service and information which will be supportive of the department's need to retain a qualified workforce equipped with the information, technology, and physical resources necessary to meet our mission.

**DEPARTMENT DESCRIPTION:** This is the location where all gasoline tax revenues are required by Oregon Statute to be placed, to provide a guarantee that all such revenues will be utilized for street and roadway repair, maintenance and improvement. The street department is also financially supported by a general fund subsidy if necessary. Without this subsidy the street department would not be the diverse department we are.

**DEPARTMENT GOALS:** The city wide goals of enhanced livability and economic development directly affect the operations of this department as proposed. The objectives for the department for the next year include:

- ◆ Daily street sweeping with concentration on arterial and collector roadways.
- ◆ Roadway repair of identified problems as materials are available.
- ◆ Provide equipment maintenance and repair at a high level.
- ◆ Provide support for community events in the form of manpower and equipment.
- ◆ Respond to problems with available manpower, recognizing roadway, building repair and maintenance is a higher priority.
- ◆ Provide annual grading and repair of gravel roadways.
- ◆ Continue with the current crack sealing and resurfacing programs.
- ◆ Provide pavement striping and marking, street sign installation and repair.
- ◆ Clean, repair and replace storm water catch basins, distribution boxes, piping and dry wells.

**Leadership Philosophy:** Consultative/Participative

**Individual Behavioral Values:** Staff is our greatest asset; Clear, open, honest and respectful communication; Respect for individuals and city property; professionalism and quality of service; A safe and healthy work environment; People's ability to grow and change and community interaction

**Operating Systems Values:** Helpful and supportive workplace (all departments and work units); Professional and personal growth for all (Education); Safe and productive workplace and progressive and cutting edge approach.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Street Superintendent	1	1	1	1	1	1
Street Maintenance Foreman	1	0	0	0	0	0
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Mechanic/Municipal Service Worker	1	1	1	1	1	1
Municipal Worker II	2	2	2	3	3	3
Municipal Worker I	1	1	1	0	0	0

City of Hermiston  
Detailed Expenditures

04  
6250 STATE TAX STREET

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	311,119	294,667	290,495	301,100	301,100	301,100
Overtime		157	2,000	500	500	500
Unemployment Insurance	2,056	233	2,050	2,110	2,110	2,110
Accident Insurance	19,244	18,870	20,330	21,270	21,270	21,270
Retirement	39,993	58,272	64,410	66,305	66,305	66,305
Social Security	22,917	22,941	22,380	23,035	23,035	23,035
Medical, Dental & Life Ins	119,577	95,512	74,280	79,925	79,925	79,925
<b>Personal Services</b>	<b>514,906</b>	<b>490,652</b>	<b>475,945</b>	<b>494,245</b>	<b>494,245</b>	<b>494,245</b>
Travel & Training	1,666	645	850	850	850	850
Property & Liability Ins	10,725	4,785	9,900	9,900	9,900	9,900
Electricity	11,852	11,557	12,500	12,000	12,000	12,000
Telephone	2,696	2,162	2,200	2,500	2,500	2,500
Street Lights	39,825	40,733	41,000	42,000	42,000	42,000
Repairs-Operating Equip	52		200	100	100	100
Laundry/Other Sanitation	1,035	1,280	1,500	1,400	1,400	1,400
Miscellaneous Contractual	14,548	19,335	14,000	14,500	14,500	14,500
<b>Contractual Services</b>	<b>82,399</b>	<b>80,497</b>	<b>82,150</b>	<b>83,250</b>	<b>83,250</b>	<b>83,250</b>
Office Supplies	704	591	750	700	700	700
Chemicals	836	1,885	1,500	1,200	1,200	1,200
Clean/Sanitation Supplies	127	130	200	150	150	150
Food & Miscellaneous	206	179	225	225	225	225
Fuel-Other Than Vehicle	5,007	5,122	6,900	6,300	6,300	6,300
Minor/Safety Equipment	3,549	4,077	6,000	5,500	5,500	5,500
Motor Vehicle Fuel & Oil	17,863	17,761	22,000	23,000	23,000	23,000
Motor Vehicle Parts	1,160	1,098	2,500	2,000	2,000	2,000
Plmb/Sewage Supplies	39	47	200	100	100	100
Structural Steel & Iron	199	12				
Parts For Operating Equip	12,368	9,675	11,000	10,500	10,500	10,500
<b>Commodities</b>	<b>42,058</b>	<b>40,577</b>	<b>51,275</b>	<b>49,675</b>	<b>49,675</b>	<b>49,675</b>
Res-Equipment			110,000			
Res-Street Construction				250,000	250,000	250,000
Res-Bicycle Trails	6,750	12,650	6,700	8,000	8,000	8,000
Res-Street Maintenance		13,115	175,000	244,830	244,830	244,830
<b>Capital Outlay</b>	<b>6,750</b>	<b>25,765</b>	<b>291,700</b>	<b>502,830</b>	<b>502,830</b>	<b>502,830</b>
<b>State Tax Street</b>	<b>646,113</b>	<b>637,491</b>	<b>901,070</b>	<b>1,130,000</b>	<b>1,130,000</b>	<b>1,130,000</b>

TRANSIENT ROOM TAX EXPENDITURES  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services		16,625	16,590	32,635	32,635	32,635
Materials & Services	30,615	57,339	60,910	55,000	55,000	55,000
<b>Total</b>	<b>30,615</b>	<b>73,964</b>	<b>77,500</b>	<b>87,635</b>	<b>87,635</b>	<b>87,635</b>

In accordance with Section 112 of the Hermiston Code of Ordinances, five-eighths of the transient room taxes remitted to the city, less 5% retained by the operator, shall be distributed as follows:

- (a) 45% to improve, maintain and operate the Hermiston Conference Center;
- (b) 15% for recreation and recreation-related programs and activities and park improvements administered by the advisory committee;
- (c) 25% to offset costs of programs such as the economic, community and other developmental activities and similar programs funded from the general fund; and
- (d) 15% for city parks and recreation development administered by the Parks and Recreation Committee. The proceeds of the tax for parks and recreation development shall accumulate in a reserve account and may not be diverted or utilized in any other manner.

Three-eighths of the taxes remitted to the city, less 5% retained by the operator, shall be distributed to offset the cost of constructing a community outdoor swimming pool, including the retirement of any bonds issued for its construction.

A portion of the Assistant City Manager's salary was re-apportioned to this fund to reflect the work done in economic and other developmental activities.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Assistant City Manger	0	1/4	1/4	0	0	0
Administrative Assistant	0	0	0	1/4	1/4	1/4

City of Hermiston  
Resources

TRANSIENT ROOM TAX

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Service Charges						
Transient Room Tax	56,737	56,877	47,500	49,875	49,875	49,875
UEC Econ Dev Participation	20,000	5,000	5,000			
<b>Service Charges</b>	<b>76,737</b>	<b>61,877</b>	<b>52,500</b>	<b>49,875</b>	<b>49,875</b>	<b>49,875</b>
Cash Forward	47,074	143,197	25,000	37,760	37,760	37,760
	<b>47,074</b>	<b>143,197</b>	<b>25,000</b>	<b>37,760</b>	<b>37,760</b>	<b>37,760</b>
<b>Transient Room Tax</b>	<b>123,811</b>	<b>205,074</b>	<b>77,500</b>	<b>87,635</b>	<b>87,635</b>	<b>87,635</b>

City of Hermiston  
Detailed Expenditures

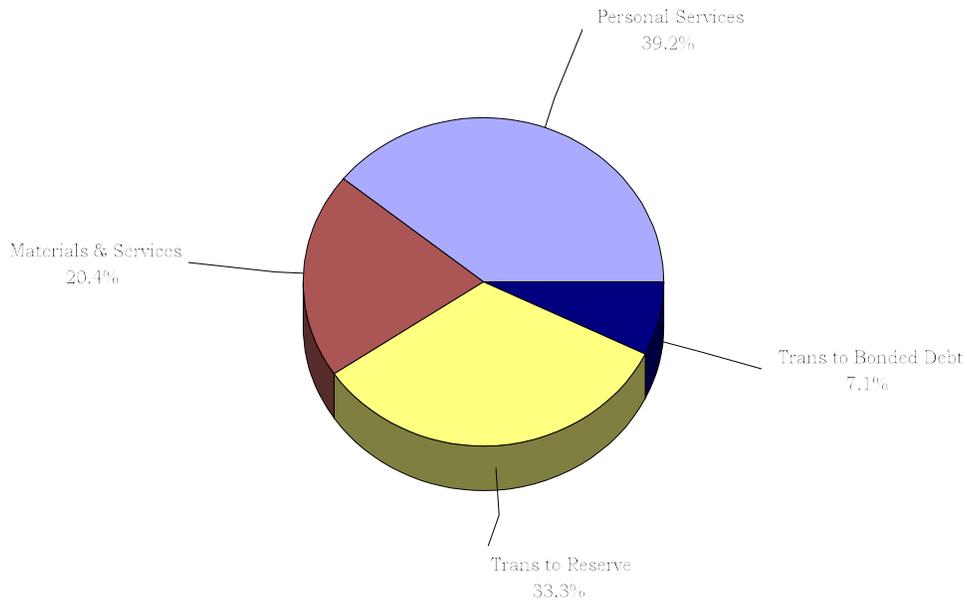
05  
8810 TRANSIENT ROOM TAX

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services		12,236	12,425	21,505	21,505	21,505
Unemployment Insurance		9	90	155	155	155
Accident Insurance		23	35	55	55	55
Retirement				4,735	4,735	4,735
Social Security		1,041	950	1,645	1,645	1,645
Medical, Dental & Life Ins		3,316	3,090	4,540	4,540	4,540
<b>Personal Services</b>		<b>16,625</b>	<b>16,590</b>	<b>32,635</b>	<b>32,635</b>	<b>32,635</b>
Miscellaneous Contractual	30,615	57,339	60,910	55,000	55,000	55,000
<b>Contractual Services</b>	<b>30,615</b>	<b>57,339</b>	<b>60,910</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>
<b>Transient Room Tax</b>	<b>30,615</b>	<b>73,964</b>	<b>77,500</b>	<b>87,635</b>	<b>87,635</b>	<b>87,635</b>

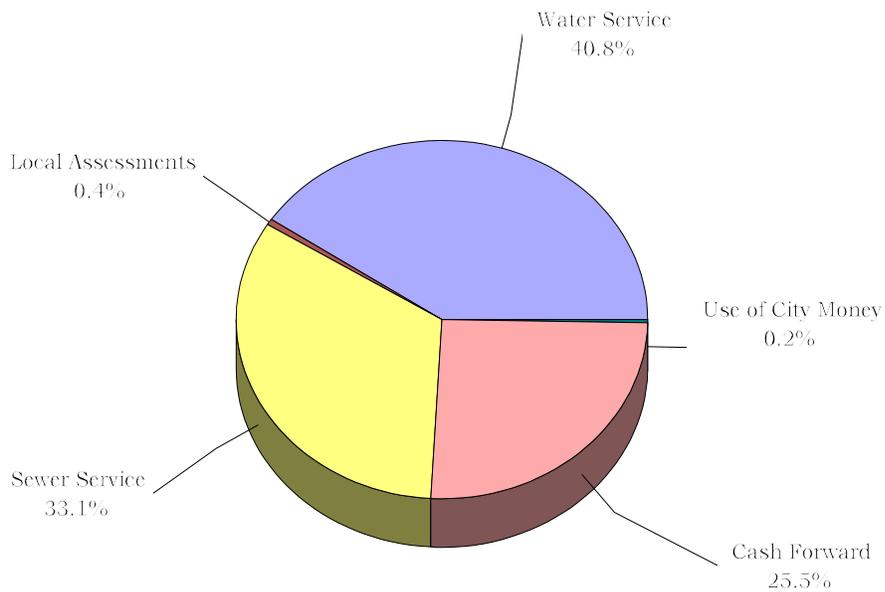
## UTILITY FUND

This is an enterprise fund financed from user fees for water and wastewater use and the connection charges to the system. The expenditure responsibilities of this fund include all necessary personnel, equipment, materials and contracted services necessary to maintain and improve the water and wastewater systems of the city. The enterprise funds are also responsible for the necessary transfers to the debt fund to carry the bonded debt and notes of the systems.

### 2012-13 Utility Expenditures



### 2012-13 Utility Resources



City of Hermiston  
Resources

UTILITY

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Other Local Assessments						
Assessments Receivable	23,356	25,617	20,000	20,000	20,000	20,000
<b>Local Assessments</b>	<b>23,356</b>	<b>25,617</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
Use of City Money						
Interest on Investments	13,892	13,085	12,000	12,000	12,000	12,000
<b>Use of City Money</b>	<b>13,892</b>	<b>13,085</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>
Sewer Service						
Sewer Sales	1,652,963	1,799,382	1,600,000	1,650,000	1,650,000	1,650,000
Sewer Connection & Svc	15,980	7,525	6,000	7,000	7,000	7,000
Septic Tank Service	33,105	24,578	25,000			
Misc Sewer Income	100	1,959				
<b>Sewer Service</b>	<b>1,702,148</b>	<b>1,833,444</b>	<b>1,631,000</b>	<b>1,657,000</b>	<b>1,657,000</b>	<b>1,657,000</b>
Water Service						
Account Set-up Fee	13,470	10,626	8,000	8,000	8,000	8,000
Water Sales	2,112,196	2,174,208	1,950,000	2,000,000	2,000,000	2,000,000
Water Connection & Svc	75,045	49,580	35,000	38,000	38,000	38,000
Misc Water Income	3,645	3,345	3,000	2,000	2,000	2,000
<b>Water Service</b>	<b>2,204,356</b>	<b>2,237,759</b>	<b>1,996,000</b>	<b>2,048,000</b>	<b>2,048,000</b>	<b>2,048,000</b>
Cash Forward		28,000		1,276,245	1,276,245	1,276,245
<b>Utility</b>	<b>3,943,752</b>	<b>4,137,905</b>	<b>3,659,000</b>	<b>5,013,245</b>	<b>5,013,245</b>	<b>5,013,245</b>

CONSOLIDATED UTILITY EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
6-6310 Sewer Services	1,579,353	1,730,212	1,555,170	2,443,055	2,443,055	2,443,055
6-6320 Water Services	1,440,591	1,529,629	2,103,830	2,570,190	2,570,190	2,570,190
<b>Total</b>	<b>3,019,944</b>	<b>3,259,841</b>	<b>3,659,000</b>	<b>5,013,245</b>	<b>5,013,245</b>	<b>5,013,245</b>

UTILITY EXPENDITURES  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	1,722,909	1,664,965	1,746,755	1,963,965	1,963,965	1,963,965
Materials & Services	848,031	935,810	1,134,095	1,020,300	1,020,300	1,020,300
Capital Outlay						
Transfer:						
Reserve	112,316	336,015	452,295	1,672,500	1,672,500	1,672,500
Bonded Debt	336,688	323,051	325,855	356,480	356,480	356,480
<b>Total</b>	<b>3,019,944</b>	<b>3,259,841</b>	<b>3,659,000</b>	<b>5,013,245</b>	<b>5,013,245</b>	<b>5,013,245</b>

**MISSION STATEMENT:** To operate the City wastewater treatment plant and collection system. Providing the most efficient treatment of the City’s wastewater in a professional, safe, cost effective and courteous manner.

The objectives of the wastewater department are to provide quality wastewater operation and disposable by-products exceeding regulatory requirements, also to operate the collection and treatment facilities in a cost effective and efficient manner.

The wastewater department is responsible for the operation and maintenance of approximately seventy five miles of sanitary sewer lines, eight pump stations, three storm water pump stations and the wastewater treatment plant.

On February 3<sup>rd</sup> the wastewater treatment plant turned 31 years old.

Listed below are some of the objectives and completed projects of the wastewater department:

- ◆ We will concentrate on maintaining an OSHA compliant work place.
- ◆ We will continue to work toward the High Performance Organization Vision/Values.
- ◆ We will continue our routine preventive maintenance on the wastewater treatment plant, sanitary and storm water collections systems. This reduces the number of problems a system of this age can expect to have.
- ◆ During the 12/13 budget year we worked closely with our consulting engineer’s, negotiating with DEQ for a modification of our NPDES permit. We hoped to get the Recycled Water Plant out to bid so the construction portion could begin in October.
- ◆ We will continue to work closely with our consulting engineer’s as we continue to move forward with our upgrade projects.
- ◆ Again we may need to negotiate with DEQ for more modifications to our permit. With the funding difficulties , the new construction may not get out to bid until sometime mid 2012. This would cause us to need another extension to our permit.

This budget includes the costs of operation for the wastewater treatment plant, collection system, laboratory, biosolids disposal and all associated costs for wastewater related activities.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Wastewater Superintendent	1	1	1	1	1	1
City Manager	2/5	2/5	2/5	2/5	2/5	2/5
Finance Director/Recorder	1/5	1/5	1/5	3/8	3/8	3/8
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Utility Clerk/Cashier	1	1	1	1	1	1
Wastewater Lab Technician	1	1	1	1	1	1
Wastewater Chief Operator	1	1	1	1	1	1
Wastewater Worker III	2	0	0	0	0	0
Wastewater Worker II	2	2	2	2	2	2
Wastewater Worker I	1	3	3	3	3	3

City of Hermiston  
Detailed Expenditures

06 UTILITY  
6310 DISPOSAL PLANT MAINTENANCE

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	627,647	566,339	555,890	631,450	631,450	631,450
Overtime	19,530	9,813	19,000	17,000	17,000	17,000
Unemployment Insurance	4,018	435	4,025	4,540	4,540	4,540
Accident Insurance	16,299	12,979	13,860	12,410	12,410	12,410
Retirement	76,858	93,912	126,590	141,225	141,225	141,225
Social Security	48,104	42,879	43,980	49,610	49,610	49,610
Medical, Dental & Life Ins	155,421	148,145	138,035	173,880	173,880	173,880
<b>Personal Services</b>	<b>947,877</b>	<b>874,502</b>	<b>901,380</b>	<b>1,030,115</b>	<b>1,030,115</b>	<b>1,030,115</b>
Accounting & Auditing	8,055	8,258	8,100	8,300	8,300	8,300
Other Professional Service	25,070	27,906	28,650	28,650	28,650	28,650
Postage	12,892	13,537	12,600	13,500	13,500	13,500
Travel & Training	4,583	4,406	4,500	4,500	4,500	4,500
Property & Liability Ins	30,933	24,324	28,000	30,000	30,000	30,000
Electricity	82,921	77,003	80,000	55,000	55,000	55,000
Telephone	8,748	7,638	8,500	8,000	8,000	8,000
Repairs-Mach & Equip	12,763	14,196	10,500	16,000	16,000	16,000
Repairs-Motor Vehicles	59	127				
Repairs-Office Equipment	3,331	3,264	4,000	4,000	4,000	4,000
Dues & Membership	1,546	1,226	1,100	1,100	1,100	1,100
Laundry/Other Sanitation	1,495	1,914	1,600	1,700	1,700	1,700
Miscellaneous Contractual	35,829	52,562	50,000	50,000	50,000	50,000
Licenses & Permits	15,053	13,788	14,610	18,000	18,000	18,000
Operating Contractual Svc						
<b>Contractual Services</b>	<b>243,278</b>	<b>250,149</b>	<b>252,160</b>	<b>238,750</b>	<b>238,750</b>	<b>238,750</b>
Office Supplies	6,501	5,919	6,850	6,750	6,750	6,750
Chemicals	67,179	69,358	88,000	94,500	94,500	94,500
Clean/Sanitation Supplies	593	748	750	750	750	750
Concrete Supplies			50	50	50	50
Food & Miscellaneous	271	430	300	300	300	300
Fuel-Other Than Vehicle	4,212	3,785	4,200	4,200	4,200	4,200
Lube-Other Than Vehicle	475	219	500	1,500	1,500	1,500
Medical & Lab Supplies	8,302	6,767	9,500	10,000	10,000	10,000
Minor/Safety Equipment	6,082	8,060	7,000	8,500	8,500	8,500
Motor Vehicle Fuel & Oil	7,509	9,804	9,250	10,000	10,000	10,000
Motor Vehicle Parts	2,403	1,426	1,400	2,500	2,500	2,500
Paint & Paint Supplies	217	167	300	400	400	400
Plmb & Sewage Supplies	529	546	500	500	500	500
Parts For Operating Equip	17,644	19,734	18,000	21,000	21,000	21,000
<b>Commodities</b>	<b>121,917</b>	<b>126,963</b>	<b>146,600</b>	<b>160,950</b>	<b>160,950</b>	<b>160,950</b>
Res-Equipment		15,000	7,000	5,000	5,000	5,000
Res-Office Equipment	3,500	4,000	2,000	5,000	5,000	5,000
Res-Utility Construction				825,000	825,000	825,000
Res-WWT Plant Improv	105,316	303,015	88,045			
Transfer-Bonded Debt	157,465	156,583	157,985	178,240	178,240	178,240
<b>Capital Outlay</b>	<b>266,281</b>	<b>478,598</b>	<b>255,030</b>	<b>1,013,240</b>	<b>1,013,240</b>	<b>1,013,240</b>
<b>Disposal Plant Maint</b>	<b>1,579,353</b>	<b>1,730,212</b>	<b>1,555,170</b>	<b>2,443,055</b>	<b>2,443,055</b>	<b>2,443,055</b>

**MISSION STATEMENT:** To provide a continuous supply of potable drinking water for domestic, commercial and industrial use, as well as water for fire protection, in a safe, efficient and courteous manner.

The water budget contains all costs for producing, distributing and billing for the water consumed in our community. The primary goals of the water department is assurance of a safe water supply, storage and distribution system.

This year we will be concentrating on Well 5 improvements and the replacement of the Regional SCADA System. Expecting to have Well 5 online by spring, should offer a great enhancement to our production capacity. Our involvement will be great, but we are looking forward to the increased production and reliability that will be offered. Here are some of our goals this year:

- ◆ Carry on operations with a High Performance attitude and direction.
- ◆ Continue to operate while conforming to OR-OSHA, Oregon Health & EPA regulations.
- ◆ Regional SCADA Control System replacement, this was initiated last fiscal, with expectations to finish this year.
- ◆ Improvements to our Fire Hydrant flushing and maintenance program.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Water Superintendent	1	1	1	1	1	1
City Manager	2/5	2/5	2/5	2/5	2/5	2/5
Finance Director/Recorder	1/5	1/5	1/5	3/8	3/8	3/8
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Water Chief Operator	1	1	0	0	0	0
Water Utility Worker II	3	3	3	3	3	3
Water Utility Worker I	1	2	2	2	2	2
Meter Reader/Gen Clerical	2	1	1	1	1	1

City of Hermiston  
Detailed Expenditures

06 UTILITY  
6320 WATER PRODUCTION/MAINTENANCE

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	477,753	465,913	503,270	564,690	564,690	564,690
Overtime	24,476	21,251	20,000	20,000	20,000	20,000
Unemployment Insurance	3,222	366	3,665	3,955	3,955	3,955
Accident Insurance	14,931	14,003	15,320	13,805	13,805	13,805
Retirement	61,334	100,396	115,225	122,785	122,785	122,785
Social Security	37,486	36,796	39,465	43,200	43,200	43,200
Medical, Dental & Life Ins	155,830	151,738	148,430	165,415	165,415	165,415
<b>Personal Services</b>	<b>775,032</b>	<b>790,463</b>	<b>845,375</b>	<b>933,850</b>	<b>933,850</b>	<b>933,850</b>
Accounting & Auditing	8,055	8,258	8,100	8,300	8,300	8,300
Other Professional Service	32,723	38,569	55,000	85,000	85,000	85,000
Water Samples	9,896	10,260	10,000	10,000	10,000	10,000
Postage	13,671	13,291	13,900	14,300	14,300	14,300
Travel & Training	3,939	2,832	4,500	4,500	4,500	4,500
Property & Liability Ins	25,574	22,178	22,500	27,000	27,000	27,000
Electricity	209,582	228,966	243,000	243,000	243,000	243,000
Telephone	3,211	2,949	2,900	2,900	2,900	2,900
Regional Water	35,460	70,031	70,000	50,000	50,000	50,000
Repairs-Mach & Equip		60	200	200	200	200
Repairs-Motor Vehicles	1,494	307	1,500	1,200	1,200	1,200
Repairs-Operating Equip	52	2,564	2,500	4,000	4,000	4,000
Repairs-Office Equipment	3,331	3,264	4,000	4,000	4,000	4,000
Equip Rent Allowance	264		300	300	300	300
Dues & Membership	675	350	725	725	725	725
Miscellaneous Contractual	36,601	39,021	80,000	50,000	50,000	50,000
Operating Contractual Svc			104,785			
<b>Contractual Services</b>	<b>384,528</b>	<b>442,900</b>	<b>623,910</b>	<b>505,425</b>	<b>505,425</b>	<b>505,425</b>
Office Supplies	5,604	5,568	6,500	6,000	6,000	6,000
Chemicals	17,094	20,373	19,000	20,500	20,500	20,500
Clean/Sanitation Supplies	126	184	150	150	150	150
Concrete Supplies	366	353	650	450	450	450
Food & Miscellaneous	437	663	450	450	450	450
Fuel-Other Than Vehicle	687	638	700	800	800	800
Lube-Other Than Vehicle	499		600	1,200	1,200	1,200
Minor/Safety Equipment	4,045	2,919	5,750	5,750	5,750	5,750
Motor Vehicle Fuel & Oil	11,771	12,965	14,750	14,750	14,750	14,750
Motor Vehicle Parts	2,206	2,168	1,500	1,750	1,750	1,750
Paint & Paint Supplies	88	500	375	375	375	375
Plmb & Sewage Supplies	48,178	51,368	50,000	52,000	52,000	52,000
Parts For Operating Equip	7,207	18,099	11,000	11,000	11,000	11,000
<b>Commodities</b>	<b>98,308</b>	<b>115,798</b>	<b>111,425</b>	<b>115,175</b>	<b>115,175</b>	<b>115,175</b>
Res-Equipment		10,000	5,000	7,500	7,500	7,500
Res-Office Equipment	3,500	4,000	2,000	5,000	5,000	5,000
Res-Utility Construction			348,250	825,000	825,000	825,000
Transfer-Bonded Debt	179,223	166,468	167,870	178,240	178,240	178,240
<b>Capital Outlay</b>	<b>182,723</b>	<b>170,468</b>	<b>523,120</b>	<b>1,015,740</b>	<b>1,015,740</b>	<b>1,015,740</b>
<b>Water Production/Maint</b>	<b>1,440,591</b>	<b>1,529,629</b>	<b>2,108,830</b>	<b>2,570,190</b>	<b>2,570,190</b>	<b>2,570,190</b>
<b>Grand Total Utility</b>	<b>3,019,943</b>	<b>3,259,841</b>	<b>3,659,000</b>	<b>5,013,245</b>	<b>5,013,245</b>	<b>5,013,245</b>

911 COMMUNICATIONS  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	602,965	553,606	663,015	682,385	682,385	682,385
Materials & Services	41,943	35,467	43,100	49,550	49,550	49,550
Capital Outlay	800	608	750	700	700	700
Transfer to Reserve						
<b>Total</b>	<b>645,708</b>	<b>589,681</b>	<b>706,865</b>	<b>732,635</b>	<b>732,635</b>	<b>732,635</b>

**MISSION STATEMENT:** The Hermiston Communications Center provides quality emergency communications for the City of Hermiston Police and Hermiston Fire and Emergency Services. This Public Safety Answering Point (PSAP) as designated by the State, fields all 911 emergency phone requests, as well as normal calls for service and operates a 24 hour walk up window for citizens.

The Communications Center also provides for the recording and reporting of all police activity, and the official tracking of statistical data as required by the state and federal government. Release of reports to individuals is also conducted by this work group. The center processes case reports for the District Attorney's Office using digital discovery. This is a paperless system that delivers complete product in a timely and extremely efficient manner.

The center operates on a 450 MHz radio system and established redundancy by completing a loop with a microwave installment. The center has three radio consoles and is fully functional. A clean and sterile room above the communications center houses all of the electrical, fiber-optic, telephone, 911 Vesta Pallas and communications equipment.

By utilizing today's technology we are better equipped to respond to the needs of the community along with focusing on customer service as we strive to become a high performance organization.

**PERSONNEL DISTRIBUTION**

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Administrative Lieutenant	0	0	1/2	0	0	0
Administrative Sergeant	1/2	1/2	0	0	0	0
Communications Manager	0	0	0	1	1	1
Dispatcher/Clerk	8	8	7	7	7	7
Data Entry Clerk	1	1	1	1	1	1

City of Hermiston  
Resources

911 COMMUNICATIONS

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
911 Communications Tax	122,544	120,827	110,000	100,000	100,000	100,000
Transfer Fm General Fund	523,164	468,855	596,865	632,635	632,635	632,635
<b><u>Total</u></b>	<b>645,708</b>	<b>589,682</b>	<b>706,865</b>	<b>732,635</b>	<b>732,635</b>	<b>732,635</b>

City of Hermiston  
Detailed Expenditures

09  
7170 911 COMMUNICATIONS

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	389,166	339,891	395,660	426,580	426,580	426,580
Overtime	3,668	4,275	9,000	5,000	5,000	5,000
Unemployment Insurance	2,680	260	2,835	2,990	2,990	2,990
Accident Insurance	1,616	777	2,185	2,205	2,205	2,205
Retirement	49,797	64,345	89,110	93,935	93,935	93,935
Social Security	29,022	25,393	30,960	32,635	32,635	32,635
Medical, Dental & Life Ins	127,016	118,665	133,265	119,040	119,040	119,040
<b>Personal Services</b>	<b>602,965</b>	<b>553,606</b>	<b>663,015</b>	<b>682,385</b>	<b>682,385</b>	<b>682,385</b>
Travel & Training	2,658	2,646	2,500	2,500	2,500	2,500
Telephone	10,880	11,934	12,500	20,000	20,000	20,000
Repairs-Machinery & Equip			150	150	150	150
Repairs-Office Equipment	27,490	20,188	27,000	26,000	26,000	26,000
<b>Contractual Services</b>	<b>41,028</b>	<b>34,768</b>	<b>42,150</b>	<b>48,650</b>	<b>48,650</b>	<b>48,650</b>
Uniforms	915	699	950	900	900	900
<b>Commodities</b>	<b>915</b>	<b>699</b>	<b>950</b>	<b>900</b>	<b>900</b>	<b>900</b>
Other Equipment	800	608	750	700	700	700
<b>Capital Outlay</b>	<b>800</b>	<b>608</b>	<b>750</b>	<b>700</b>	<b>700</b>	<b>700</b>
<b>911 Communications</b>	<b>645,708</b>	<b>589,681</b>	<b>706,865</b>	<b>732,635</b>	<b>732,635</b>	<b>732,635</b>

CONSOLIDATED REGIONAL WATER EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
15-6320 Non-Potable Water	88,612	80,269	85,320	84,735	84,735	84,735
15-6330 Potable Water	122,780	126,113	118,245	117,185	117,185	117,185
15-6335 River Intake	175,514	171,118	235,010	219,575	219,575	219,575
15-8810 Audit & Others	62,152	95,433	143,325	88,850	88,850	88,850
<b>Total</b>	<b>449,058</b>	<b>472,933</b>	<b>581,900</b>	<b>510,345</b>	<b>510,345</b>	<b>510,345</b>

REGIONAL WATER EXPENDITURES

by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	155,995	138,403	142,900	144,145	144,145	144,145
Materials & Services	293,063	322,480	389,000	366,200	366,200	366,200
Capital Outlay		12,050	50,000			
Transfer to Reserve						
<b>Total</b>	<b>449,058</b>	<b>472,933</b>	<b>581,900</b>	<b>510,345</b>	<b>510,345</b>	<b>510,345</b>

**MISSION STATEMENT:** To provide a continuous supply of industrial water and potable drinking water for domestic, commercial and industrial use, as well as water for fire protection, in a safe, efficient and courteous manner.

The regional water budget contains all costs for producing, distributing and billing for the water consumed in the community and by three industrial users. The primary goals of the regional water system center around the assurance of water supply, treatment and distribution to the community and key industries to insure economic stability.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Water Chief Operator	0	1	1	1	1	1
Water Utility Worker IV	1	0	0	0	0	0

City of Hermiston  
Resources

REGIONAL WATER

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Water Revenue						
Potable Water	108,207	146,966	105,000	110,000	110,000	110,000
Non-Potable Water	523,857	398,934	390,000	300,000	300,000	300,000
<b>Water Revenues</b>	<b>632,064</b>	<b>545,900</b>	<b>495,000</b>	<b>410,000</b>	<b>410,000</b>	<b>410,000</b>
Non-Revenue Receipts						
Reimburse Direct Expense	4,698					
<b>Non-Revenue Receipts</b>	<b>4,698</b>					
Cash Forward	565,785		86,900	100,345	100,345	100,345
	<b>565,785</b>		<b>86,900</b>	<b>100,345</b>	<b>100,345</b>	<b>100,345</b>
<b>Regional Water</b>	<b>1,202,547</b>	<b>545,900</b>	<b>581,900</b>	<b>510,345</b>	<b>510,345</b>	<b>510,345</b>

City of Hermiston  
Detailed Expenditures

15 REGIONAL WATER  
6320 NON-POTABLE WATER

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	28,479	20,018	19,770	20,440	20,440	20,440
Overtime	5,222	6,078	5,850	6,000	6,000	6,000
Unemployment Insurance	163	19	140	185	185	185
Accident Insurance	978	838	1,125	915	915	915
Retirement	4,373	4,927	6,120	5,825	5,825	5,825
Social Security	2,337	1,682	2,125	2,025	2,025	2,025
Medical, Dental & Life Ins	7,792	8,288	5,565	5,445	5,445	5,445
<b>Personal Services</b>	<b>49,344</b>	<b>41,850</b>	<b>40,695</b>	<b>40,835</b>	<b>40,835</b>	<b>40,835</b>
Other Professional Service			750			
Electricity	37,783	36,500	40,000	40,000	40,000	40,000
Miscellaneous Contractual	1,027	250	1,500	1,000	1,000	1,000
<b>Contractual Services</b>	<b>38,810</b>	<b>36,750</b>	<b>42,250</b>	<b>41,000</b>	<b>41,000</b>	<b>41,000</b>
Fuel-Other Than Vehicle	274	1,513	275	1,300	1,300	1,300
Plmb & Sewage Supplies	5	4	100	100	100	100
Parts For Operating Equip	179	151	2,000	1,500	1,500	1,500
<b>Commodities</b>	<b>458</b>	<b>1,668</b>	<b>2,375</b>	<b>2,900</b>	<b>2,900</b>	<b>2,900</b>
<b>Non-Potable Water</b>	<b>88,612</b>	<b>80,268</b>	<b>85,320</b>	<b>84,735</b>	<b>84,735</b>	<b>84,735</b>

City of Hermiston  
Detailed Expenditures

15 REGIONAL WATER  
6330 POTABLE WATER

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	36,564	30,637	19,770	20,440	20,440	20,440
Overtime	5,462	6,504	5,850	6,000	6,000	6,000
Unemployment Insurance	244	28	140	185	185	185
Accident Insurance	1,312	1,275	1,125	915	915	915
Retirement	5,458	7,035	6,120	5,825	5,825	5,825
Social Security	2,936	2,505	2,125	2,025	2,025	2,025
Medical, Dental & Life Ins	10,890	11,359	5,565	5,445	5,445	5,445
<b>Personal Services</b>	<b>62,866</b>	<b>59,343</b>	<b>40,695</b>	<b>40,835</b>	<b>40,835</b>	<b>40,835</b>
Other Professional Service			200	200	200	200
Water Samples	7,802	7,246	8,000	8,000	8,000	8,000
Electricity	37,853	45,271	47,000	48,000	48,000	48,000
Miscellaneous Contractual	7,388	2,730	7,500	5,000	5,000	5,000
<b>Contractual Services</b>	<b>53,043</b>	<b>55,247</b>	<b>62,700</b>	<b>61,200</b>	<b>61,200</b>	<b>61,200</b>
Chemicals	4,155	6,045	9,000	10,000	10,000	10,000
Medical & Lab Supplies	344	837	400	800	800	800
Minor/Safety Equipment		132	300	200	200	200
Plmb & Sewage Supplies		127	150	150	150	150
Parts For Operating Equip	2,372	4,384	5,000	4,000	4,000	4,000
<b>Commodities</b>	<b>6,871</b>	<b>11,525</b>	<b>14,850</b>	<b>15,150</b>	<b>15,150</b>	<b>15,150</b>
<b>Potable Water</b>	<b>122,780</b>	<b>126,115</b>	<b>118,245</b>	<b>117,185</b>	<b>117,185</b>	<b>117,185</b>

City of Hermiston  
Detailed Expenditures

15 REGIONAL WATER  
6335 RIVER INTAKE STATION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	10,625	10,405	26,360	27,255	27,255	27,255
Overtime	17,749	13,883	15,000	14,000	14,000	14,000
Unemployment Insurance	210	18	185	290	290	290
Accident Insurance	917	704	1,550	1,425	1,425	1,425
Retirement	3,702	4,594	8,160	9,085	9,085	9,085
Social Security	2,056	1,609	2,835	3,160	3,160	3,160
Medical, Dental & Life Ins	8,526	5,997	7,420	7,260	7,260	7,260
<b>Personal Services</b>	<b>43,785</b>	<b>37,210</b>	<b>61,510</b>	<b>62,475</b>	<b>62,475</b>	<b>62,475</b>
Other Professional Service			200			
Electricity	131,273	132,361	155,000	145,000	145,000	145,000
Miscellaneous Contractual	96	246	15,000	10,000	10,000	10,000
<b>Contractual Services</b>	<b>131,369</b>	<b>132,607</b>	<b>170,200</b>	<b>155,000</b>	<b>155,000</b>	<b>155,000</b>
Minor/Safety Equip	45		200	100	100	100
Plmb & Sewage Supplies			100			
Parts For Operating Equip	315	1,300	3,000	2,000	2,000	2,000
<b>Commodities</b>	<b>360</b>	<b>1,300</b>	<b>3,300</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>
<b>River Intake Station</b>	<b>175,514</b>	<b>171,117</b>	<b>235,010</b>	<b>219,575</b>	<b>219,575</b>	<b>219,575</b>

City of Hermiston  
Detailed Expenditures

15 REGIONAL WATER  
8810 AUDIT & OTHERS

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Accounting & Auditing	1,880	1,928	2,000	2,000	2,000	2,000
Other Professional Service	932	4,517	8,000	5,000	5,000	5,000
Postage	39		50			
Travel & Training	3,749	2,810	2,500	2,500	2,500	2,500
Property & Liability Ins	7,320	7,007	7,000	7,750	7,750	7,750
Telephone	2,793	2,643	3,000	2,800	2,800	2,800
Miscellaneous Contractual	37,081	52,469	60,000	58,000	58,000	58,000
<b>Contractual Services</b>	<b>53,794</b>	<b>71,374</b>	<b>82,550</b>	<b>78,050</b>	<b>78,050</b>	<b>78,050</b>
Office Supplies	949	679	2,000	1,000	1,000	1,000
Clean/Sanitation Supplies		19	50			
Lube-Other Than Vehicle			75	500	500	500
Minor/Safety Equipment	3,032	3,264	3,500	3,500	3,500	3,500
Motor Vehicle Fuel & Oil	1,224	2,561	2,750	2,900	2,900	2,900
Motor Vehicle Parts	2,597	1,462	1,000	1,500	1,500	1,500
Parts For Operating Equip	556	4,024	1,400	1,400	1,400	1,400
<b>Commodities</b>	<b>8,358</b>	<b>12,009</b>	<b>10,775</b>	<b>10,800</b>	<b>10,800</b>	<b>10,800</b>
Res-Repair & Replacement		12,050	50,000			
<b>Capital Outlay</b>		<b>12,050</b>	<b>50,000</b>			
<b>Audit &amp; Others</b>	<b>62,152</b>	<b>95,433</b>	<b>143,325</b>	<b>88,850</b>	<b>88,850</b>	<b>88,850</b>
<b>Grand Total Regional</b>	<b>449,058</b>	<b>472,933</b>	<b>581,900</b>	<b>510,345</b>	<b>510,345</b>	<b>510,345</b>

REVOLVING LOAN FUND  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services						
Materials & Services	1,000,386	75,300	100,000			
Capital Outlay						
<b><u>Total</u></b>	<b>1,000,386</b>	<b>75,300</b>	<b>100,000</b>			

This loan fund has been used to account for various grants and other funding to assist small and medium size commercial and retail businesses, low income to moderate income individuals for housing rehabilitation projects. However, this fund is not currently being used.

City of Hermiston  
Resources

REVOLVING LOAN

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
From Other Agencies						
Business Incentive Grant	689,300	26,600				
Housing Rehabilitation	248,463	24,823				
<b>From Other Agencies</b>	<b>937,763</b>	<b>51,423</b>				
Miscellaneous Revenues						
Transfer Fm General Fund			100,000			
<b>Miscellaneous Revenues</b>			<b>100,000</b>			
Cash Forward	111,050	48,430				
	<b>111,050</b>	<b>48,430</b>				
<b>Revolving Loan</b>	<b>1,048,813</b>	<b>99,853</b>	<b>100,000</b>			

City of Hermiston  
Detailed Expenditures

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6320 REVOLVING LOAN

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Business Incentive Project	727,100	75,300	100,000			
Housing Rehabilitation	273,286					
	<b>1,000,386</b>	<b>75,300</b>	<b>100,000</b>			
<b>Revolving Loan</b>	<b>1,000,386</b>	<b>75,300</b>	<b>100,000</b>			

HERMISTON ENERGY SERVICES  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	217,425	225,219	240,730	251,290	251,290	251,290
Materials & Services	5,582,387	5,684,362	6,200,250	6,677,100	6,677,100	6,677,100
Capital Outlay	364,604	367,659	126,875	130,000	130,000	130,000
Transfer to Reserve	645	38,240		5,000	5,000	5,000
Transfer to Bonded Debt	730,995	745,089	758,340	775,265	775,265	775,265
<b>Total</b>	<b>6,896,056</b>	<b>7,060,569</b>	<b>7,326,195</b>	<b>7,838,655</b>	<b>7,838,655</b>	<b>7,838,655</b>

**MISSION STATEMENT:** To provide the citizen-owners of Hermiston Energy Services with safe and reliable electric service at comparable and affordable prices.

HES has completed 10 calendar years of operation. During that time, HES has spent millions on system improvements, underground replacements and line extensions. HES has also made several small payments on its long term debt with a remaining balance of \$12,520,000. This has been accomplished while accumulating its reserves and cash to \$6,117,453 or nearly 50% equity.

HES's single largest cost is wholesale power costs from the Bonneville Power Administration (BPA). During the last 10 years BPA has made several changes which involves a two tier rate with the basic tier one rate being our share of the federal hydro system and a much higher tier two rate for any load growth. Over the years, BPA has had several rate increases which has been mitigated somewhat by the residential exchange agreement. The last increase was 8.5%, which was implemented October 1, 2011. BPA adjusts their rates every two years.

During this time HES has had one adjustment to its rates of a 5% increase in 2003. This fiscal year budget is estimated to show a slight deficit primarily by the BPA rate increase and a \$188,700 increase per year in our operations and maintenance agreement with Umatilla Electric Cooperative. These rates are increased every five years according to the CPI and will total \$1,500,000 a year starting July 1, 2012. It is proposed that the deficit be absorbed by our reserves until it reaches a near 40% which is considered an optimum amount. Increased costs in 2013 will probably trigger a rate study and rate increase in 2014.

PERSONNEL DISTRIBUTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Electrical Service Supt	1	1	1	1	1	1
City Manager	1/5	1/5	1/5	1/5	1/5	1/5
Finance Director/Recorder	1/5	1/5	1/5	1/8	1/8	1/8
Customer Service Rep	1	1	1	1	1	1

City of Hermiston  
Resources

HERMISTON ENERGY SERVICES

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Use of City Money						
Interest on Investments	4,821	8,529	9,000	8,000	8,000	8,000
<b>Use of City Money</b>	<b>4,821</b>	<b>8,529</b>	<b>9,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>
Non-Revenue Receipts						
Reimburse Direct Expense	46,860	119				
<b>Non-Revenue Receipts</b>	<b>46,860</b>	<b>119</b>				
Miscellaneous Revenues						
Energy Services	7,533,192	7,331,855	7,200,000	7,200,000	7,200,000	7,200,000
Misc Energy Income	61,648	33,377	27,500	10,000	10,000	10,000
<b>Miscellaneous Revenues</b>	<b>7,594,840</b>	<b>7,365,232</b>	<b>7,227,500</b>	<b>7,210,000</b>	<b>7,210,000</b>	<b>7,210,000</b>
Cash Forward		75,000	89,695	620,655	620,655	620,655
		<b>75,000</b>	<b>89,695</b>	<b>620,655</b>	<b>620,655</b>	<b>620,655</b>
<b>Energy Services</b>	<b>7,646,521</b>	<b>7,448,880</b>	<b>7,326,195</b>	<b>7,838,655</b>	<b>7,838,655</b>	<b>7,838,655</b>

City of Hermiston  
Detailed Expenditures

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6350 HERMISTON ENERGY SERVICES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services	164,131	164,069	170,885	177,620	177,620	177,620
Overtime			600			
Unemployment Insurance	1,071	124	1,200	1,240	1,240	1,240
Accident Insurance	1,443	1,386	1,485	1,520	1,520	1,520
Retirement	21,093	30,768	37,765	38,965	38,965	38,965
Social Security	12,401	12,414	13,120	13,590	13,590	13,590
Medical, Dental & Life Ins	17,285	16,458	15,675	18,355	18,355	18,355
<b>Personal Services</b>	<b>217,424</b>	<b>225,219</b>	<b>240,730</b>	<b>251,290</b>	<b>251,290</b>	<b>251,290</b>
Accounting & Auditing	5,246	4,404	5,500	5,000	5,000	5,000
Other Professional Service	1,324,326	1,329,683	1,400,000	1,500,000	1,500,000	1,500,000
Travel & Training	4,092	1,889	7,000	6,000	6,000	6,000
Property & Liability Ins	15,789	13,620	14,200	14,200	14,200	14,200
Telephone	446	475	550	600	600	600
Street Lights	82,443	80,843	84,000	83,000	83,000	83,000
Power Purchases-BPA	3,583,944	3,643,589	4,000,000	4,400,000	4,400,000	4,400,000
In Lieu of Taxes	375,117	366,595	360,000	360,000	360,000	360,000
Conservation Services	131,358	180,654	150,000	150,000	150,000	150,000
Energy Assistance (HEAT)	10,000	10,000	10,000	10,000	10,000	10,000
Dues & Membership	42,083	30,753	40,000	43,300	43,300	43,300
Miscellaneous Contractual	6,596	15,463	125,000	100,000	100,000	100,000
<b>Contractual Services</b>	<b>5,581,440</b>	<b>5,677,968</b>	<b>6,196,250</b>	<b>6,672,100</b>	<b>6,672,100</b>	<b>6,672,100</b>
Office Supplies	947	6,394	4,000	5,000	5,000	5,000
<b>Commodities</b>	<b>947</b>	<b>6,394</b>	<b>4,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
Capital Improvements	364,602	367,659	126,875	130,000	130,000	130,000
Res-HES Improvements	645	38,240				
Res-Office Equipment				5,000	5,000	5,000
Transfer-Bonded Debt	730,998	745,089	758,340	775,265	775,265	775,265
<b>Capital Outlay</b>	<b>1,096,245</b>	<b>1,150,988</b>	<b>885,215</b>	<b>910,265</b>	<b>910,265</b>	<b>910,265</b>
<b>Energy Services</b>	<b>6,896,056</b>	<b>7,060,569</b>	<b>7,326,195</b>	<b>7,838,655</b>	<b>7,838,655</b>	<b>7,838,655</b>

RESERVE FUND

This fund is the accounting entity which accounts for the long-term appropriations necessary to finance this local government. Financed directly by appropriations from our operating funds and with limited revenues directly from small reimbursement projects, the reserve fund has been the major single fiscal tool which has provided the City of Hermiston with the stability and multiple year project vision necessary to manage a small community in difficult financial times. The reserve fund allows the accumulation of resources to accomplish specifically authorized goals contained in the resolution which must be adopted to establish each account. The reserve fund and the specific accumulations and purposes are enumerated in the "Schedule of Reserve Fund Appropriations" contained in this budget.

THE RESERVE FUND STRUCTURE

The City of Hermiston uses the reserve funds for various purposes including the accumulation of funds to take on projects which cannot be financed in any single year. Our method of appropriation is to show all accumulated reserves in the annual appropriation. Our intent by pursuing this approach is to fully disclose all existing resources which are targeted to specific purposes. It would not be necessary to appropriate funds not specifically planned for expenditure in the fiscal year. However, this approach allows everyone analyzing our budget to see all accumulated resources.

The schedule of appropriations and the purpose of each individual reserve fund is separately stated in the "Schedule of Reserve Fund Appropriations".

The summary appropriations to the reserve fund in this budget are:

General	150,000
Street	502,830
Utility	1,672,500
Hermiston Energy	5,000
	<u><b>\$2,330,330</b></u>

RESERVE FUND - RESOURCES

Fund Established by Resolution No. 1910 on 05/21/2012  
For Maintenance and Replacement of Equipment

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Miscellaneous Grants	937,763	94,064		14,540	14,540	14,540
Airport Grant	6,725	68,303		40,000	40,000	40,000
Transient Room Tax	75,144	35,767	14,250			
Miscellaneous Income	250					
Transfers From:						
General Fund				150,000	150,000	150,000
Street Fund	6,750	170,964	291,700	502,830	502,830	502,830
Utility Fund	105,316		364,250	1,672,500	1,672,500	1,672,500
Regional Water			50,000			
Energy Services	645			5,000	5,000	5,000
Cash Forward	3,490,725	3,970,220	3,693,200	2,348,840	2,348,840	2,348,840
<b>Total Resources</b>	<b>4,623,318</b>	<b>4,339,318</b>	<b>4,413,400</b>	<b>4,733,710</b>	<b>4,733,710</b>	<b>4,733,710</b>

RESERVE FUND - EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Office Equipment/Program	5,377	20,775	20,630	15,000	15,000	15,000
Airport Improvements	1,696		9,685	49,685	49,685	49,685
Park Improvements	70,505		155	200	200	200
TRT/Recreation Programs	39,600	33,400	47,010	46,415	46,415	46,415
Parks & Recreation Dev	5,350	11,523	109,090	140,900	140,900	140,900
Centennial Bell			2,355	2,355	2,355	2,355
Pioneer Hi-Bred Improv	20,964					
Street Equipment		168,522	162,645			
Bicycle Trails			110,715	75,105	75,105	75,105
Street Maintenance	71,098	218,370	242,990	318,005	318,005	318,005
Street Construction	140,279			250,000	250,000	250,000
Utility Construction		78,850	329,510	1,005,530	1,005,530	1,005,530
Sewer Dept Equipment		11,384	17,020	22,020	22,020	22,020
Water Dept Equipment			15,405	22,905	22,905	22,905
WWT Plant Improvement			491,380	496,380	496,380	496,380
BMCC Latino Education	63,073	94,064				
HES Improvements	79,762		1,388,205	1,388,205	1,388,205	1,388,205
Repair/Replace- Regional	17,052	100,254	613,900	509,595	509,595	509,595
Wastewater - SDC			83,630	94,660	94,660	94,660
Water - SDC		24,211	724,875	296,750	296,750	296,750
Parks - SDC		2,600	44,200			
<b>Total Expenditures</b>	<b>514,756</b>	<b>763,953</b>	<b>4,413,400</b>	<b>4,733,710</b>	<b>4,733,710</b>	<b>4,733,710</b>

RESERVE FUND EXPENDITURES  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services						
Materials & Services	179,121	138,987	399,340			
Capital Outlay	335,635	624,966	4,014,060	4,733,710	4,733,710	4,733,710
<b>Total</b>	<b>514,756</b>	<b>763,953</b>	<b>4,413,400</b>	<b>4,733,710</b>	<b>4,733,710</b>	<b>4,733,710</b>

The reserve fund is a set of specific reserve accumulation accounts structured in accord with Oregon State Statutes. The reserve accounts are established by resolution and designed to accomplish specified long-term goals. This approach allows multi-year planning and financing for specific improvement requirements. A detailed analysis of each reserve account and the specified goal for the account is:

1. **Office Equipment/Programming.** The equipment reserve is accumulating revenues to replace current productive machinery in use such as typewriters, adding machines and computers and for periodic updates to the computer software and enhancements to the operating system.
2. **Airport Improvements.** This account established the local matching requirements which will be needed in conjunction with a grant proposal for a package of capital maintenance items at the airport.
3. **Park Improvements.** This reserve account was created to accumulate funds to meet the requirements of the park master plan.
4. **TRT/Recreation Programs.** A portion of the transient room tax is dedicated to recreation purposes. This reserve fund is established to maintain better accounting control of funds designated for this purpose. Allocations for this portion of the room tax collections are made pursuant to recommendations of the advisory committee.
5. **Park & Recreation Development.** A portion of the transient room tax is dedicated for city parks and recreation development administered by the Parks and Recreation Committee. The proceeds of the tax for such developments shall accumulate in this reserve and may not be diverted or utilized in any other manner.
6. **Centennial Bell.** This reserve fund was to cast and install a centennial bell as part of the city-wide 100th birthday celebration. The bell is located at McKenzie Park.
7. **Pioneer Hi-Bred Improvements.** This account was established to fund expenditures for infrastructure extension and improvements, road/water/sewer, to Pioneer Hi-Bred seed site. A portion of that expense is recovered through Immediate Opportunity Fund grant and Special Public Works Fund grant.
8. **Street Equipment.** Designated to replace heavy equipment in the street department.
9. **Bicycle Trails.** This is a state-mandated outlay consisting of 1% of all gasoline tax proceeds for the development of bicycle systems.
10. **Street Maintenance.** This reserve fund is established to maintain the many streets in our community by providing funding for such materials as asphalt, concrete, paint and sign materials.
11. **Street Construction.** The undesignated balance is targeted for costs related to overlay and reconditioning projects to be approved by the city council. Hermiston has over 40 miles of paved roadways and current roadway deficiencies of over \$1,000,000. The designation of the specific roadway segments will be made by the city council.

12. **Utility Construction.** This account was created to accumulate funds to address all major water and sewer projects.
13. **Sewer Department Equipment.** Designated to replace equipment in the sewer department.
14. **Sewer Plant & Repairs.** These funds are to address the issue of plant equipment replacement and cleaning of the digester. Under normal operation, a digester is cleaned every three to five years, depending on a number of factors.
15. **Water Department Equipment.** Designated to replace heavy equipment in the water department.
16. **WWT Plant Improvements.** These funds for are for the following improvements to the wastewater treatment plant: 1) Chemical treatment for extending the life of the treatment process; 2) Refurbish the digester lids so they don't rust through, and 3) A new blower to help add air to the treatment system, plus all of the studies, engineering and contingencies to go with it and the City's Recycled Water Plant project.
17. **BMCC Latino Education.** This fund was created to reimburse expenditures of this jointly sponsored BMCC/City of Hermiston HUD Special projects program. These are programming dollars for a special Latino education program coordinated by BMCC. All funding is from an HUD grant. When the Northeastern Oregon Business and Economic Growth Project is finalized these reimbursed monies will be credited as matching dollars toward the future funding from the State of Oregon toward this program.
18. **HES Improvements.** This reserve establishes the initial funding for future HES capital contingencies.
19. **Repair & Replacement-Regional.** Designated to set aside funds for major capital repairs and replacement to the regional water treatment system.
20. **Wastewater System Development Charges.** Reimbursement and improvement fees shall be spent only on capital improvements associated with the wastewater system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness.
21. **Water System Development Charges.** Reimbursement and improvement fees shall be spent only on capital improvements associated with the water system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness.
22. **Park System Development Charges.** Reimbursement and improvement fees shall be spent only on capital improvements associated with the parks system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness.

WWTP CONSTRUCTION  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services						
Materials & Services	1,640,337	1,028,874	2,500,000	2,500,000	2,500,000	2,500,000
Capital Outlay			24,500,000	24,500,000	24,500,000	24,500,000
<b><u>Total</u></b>	<b>1,640,337</b>	<b>1,028,874</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>

In accord with the city policy of isolating and independently accounting for major capital projects, the wastewater treatment plant construction project fund was created by supplemental budget in fiscal year 2008-09 in connection with the City's Recycled Water Plant project.

City of Hermiston  
Resources

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6310 WWTP CONSTRUCTION

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
From Other Agencies						
State SRF Loan	152,167	429,164	4,000,000	19,000,000	19,000,000	19,000,000
<b>From Other Agencies</b>	<b>152,167</b>	<b>429,164</b>	<b>4,000,000</b>	<b>19,000,000</b>	<b>19,000,000</b>	<b>19,000,000</b>
Sale of Full Faith & Credit	1,250,000		23,000,000	8,000,000	8,000,000	8,000,000
<b>Non-Revenue Receipts</b>	<b>1,250,000</b>		<b>23,000,000</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>8,000,000</b>
<b>WWTP Construction</b>	<b>1,402,167</b>	<b>429,164</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>

City of Hermiston  
Detailed Expenditures

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6310 WWTP CONSTRUCTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Other Professional Services	1,633,456	1,005,922	2,300,000	2,300,000	2,300,000	2,300,000
Miscellaneous Contractual	6,881	22,952	200,000	200,000	200,000	200,000
<b>Contractual Services</b>	<b>1,640,337</b>	<b>1,028,874</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>
Capital Improvements			24,500,000	24,500,000	24,500,000	24,500,000
<b>Capital Outlay</b>			<b>24,500,000</b>	<b>24,500,000</b>	<b>24,500,000</b>	<b>24,500,000</b>
<b>WWTP Construction</b>	<b>1,640,337</b>	<b>1,028,874</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>

EOTEC CONSTRUCTION  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services						
Materials & Services				1,460,000	1,460,000	1,460,000
Capital Outlay						
<b>Total</b>				<b>1,460,000</b>	<b>1,460,000</b>	<b>1,460,000</b>

This budget includes a new fund to provide for the accountability of lottery bonds issued under House Bill 5036 in an amount of \$6.4 million for the purpose of acquiring, developing, construction and equipping the Eastern Oregon Trade and Event Center (EOTEC).

City of Hermiston  
Resources

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6760 EOTEC CONSTRUCTION

2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
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From Other Agencies  
State Lottery Grant Reimb.  
**From Other Agencies**

1,460,000	1,460,000	1,460,000
<b>1,460,000</b>	<b>1,460,000</b>	<b>1,460,000</b>

**EOTEC Construction**

<b>1,460,000</b>	<b>1,460,000</b>	<b>1,460,000</b>
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City of Hermiston  
Detailed Expenditures

18  
6760 EOTEC CONSTRUCTION

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Other Professional Services						
Miscellaneous Contractual				1,460,000	1,460,000	1,460,000
<b>Contractual Services</b>				<b>1,460,000</b>	<b>1,460,000</b>	<b>1,460,000</b>
<b>EOTEC Construction</b>				<b>1,460,000</b>	<b>1,460,000</b>	<b>1,460,000</b>

SPECIAL REVENUE FUND - RESOURCES

	2009-10 Received	2010-11 Received	2011-12 Estimate	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Miscellaneous Grants	110,173					
Miscellaneous Revenues	123,927					
Cash Forward	689,676	719,090	716,425	1,056,000	1,056,000	1,056,000
<b>Total Resources</b>	<b>923,776</b>	<b>719,090</b>	<b>716,425</b>	<b>1,056,000</b>	<b>1,056,000</b>	<b>1,056,000</b>

SPECIAL REVENUE FUND - EXPENDITURES

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Recreation Fund	114,955	84,590	181,385	250,000	250,000	250,000
Municipal Court	241,629	18,495	18,505	500,000	500,000	500,000
Miscellaneous Trust	177,279	401,450	315,825	6,000	6,000	6,000
Conference Center	151,822	89,185	84,240	100,000	100,000	100,000
Law Enforcement	86,976	46,520	57,720	100,000	100,000	100,000
Library	84,965	78,850	58,750	100,000	100,000	100,000
<b>Total Expenditures</b>	<b>857,626</b>	<b>719,090</b>	<b>716,425</b>	<b>1,056,000</b>	<b>1,056,000</b>	<b>1,056,000</b>

SPECIAL REVENUE FUND EXPENDITURES  
by character

	2009-10 Expended	2010-11 Expended	2011-12 Budget	2012-13 Proposed	2012-13 Approved	2012-13 Adopted
Personal Services						
Materials & Services	770,650	629,905	599,955	956,000	956,000	956,000
Capital Outlay	86,976	89,185	116,470	100,000	100,000	100,000
<b><u>Total</u></b>	<b>857,626</b>	<b>719,090</b>	<b>716,425</b>	<b>1,056,000</b>	<b>1,056,000</b>	<b>1,056,000</b>

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes. A detailed analysis of each revenue account and specified goal for the account is:

1. **Recreation**: This fund is used to account for amounts designated for recreation activities for city residents.
2. **Municipal Court**: This fund is used to account for bail and fines received and refunds paid.
3. **Miscellaneous Trust Account**: This fund is used to account for amounts received by the city with a dedicated purpose.
4. **Conference Center**: This fund is used to account for revenues and expenditures relating to the operation of the City's conference center
5. **Law Enforcement**: This fund is used to account for amounts designated by the City for law enforcement and related purposes.
6. **Library**: This fund is used to account for amounts designated by the City for library operations and improvements.

# CITY OF HERMISTON

## GLOSSARY OF TERMS

**Adopted Budget.** Financial plan that forms the basis for appropriations. Adopted by the governing body.

**Ad Valorem Tax.** A property tax computed as a percentage of the value of taxable property. See "Assessed Value."

**Appropriation.** Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body.

**Assessed Value.** The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value.

**Budget.** Written report showing the local government's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year.

**Budget Committee.** Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the district.

**Budget Message.** Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body.

**Budget Officer.** Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget.

**Capital Outlay.** Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment or buildings.

**Commodities.** Supplies purchased for direct use, such as paper products, gasoline, equipment parts and cleaning supplies.

**Contractual Services.** Services provided by outside sources, such as architects, janitorial and printing.

**Debt Service Fund.** A fund established to account for payment of general long-term debt principal and interest.

**Enterprise Fund.** A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. They are usually self-supporting. Examples of enterprise funds are those for water and wastewater utilities.

**Expenditures.** Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis.

**EOTEC.** Eastern Oregon Trade and Event Center.

**Fiscal Year.** A 12-month period to which the annual operating budget applies. At the end of the period, a government determines its financial position and the results of its operations. It is July 1 through June 30 for local governments.

**Full-Time Equivalent Position (FTE).** A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example a summer parks worker working for four months, or 690 hours, would be equivalent to .3 of a full-time position.

**Fund.** A division in a budget segregating independent fiscal and accounting requirements. An entity within a government's financial plan designated to carry on specific activities or to reach certain objectives.

**Goal.** A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

**HES.** Hermiston Energy Services.

**Long-Term.** A period of time ten years or more.

**Materials & Services.** The goods and direct services purchased for direct consumption in the annual operation of the budget.

**Maximum Assessed Value (MAV).** The maximum taxable value limitation placed on real or personal property by the constitution. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

**Operating Funds.** Resources derived from recurring revenue sources used to finance ongoing expenditures and pay-as-you-go capital projects.

**Operating Rate.** The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

**Ordinance.** A formal legislative enactment by the governing board of a municipality.

**ORS.** Oregon Revised Statutes.

**Permanent Rate Limit.** The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government can increase a permanent rate limit.

**Personal Services.** Salaries, health and accident insurance premiums, social security and retirement contributions, for example.

**Proposed Budget.** Financial and operating plan prepared by the budget officer, submitted to the public and budget committee for review.

**Real Market Value (RMV).** The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date. In most cases, the value used to test the constitutional limits.

**Reserve Fund.** Established to accumulate money from one fiscal year to another for a specific purpose, such as purchase of new equipment.

**Resolution.** A formal order of a governing body; lower legal status than an ordinance.

**Resources.** Estimated beginning funds on hand plus anticipated receipts.

**SDC.** System Development Charge.

**Short-Term.** A period of time less than ten years.

**State SRF Loan.** Long-term loan from the State of Oregon Department of Environmental Quality's "Clean Water State Revolving Fund" program. Funds from this loan are a portion of the total financing for the City's Recycled Water Plant project.

**Supplemental Budget.** A financial plan prepared to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. It cannot be used to authorize a tax.

**System Development Charge.** A reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement, at the time of issuance of a development permit or building permit, or at the time of connection to the capital improvement.

**Tax on Property.** Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequences of ownership of that property.

**Tax Rate.** The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

**Transfers.** Also known as inter-fund transfers, the amounts distributed from one fund to finance activities in another fund. Shown as an expenditure in the originating fund and a revenue in the receiving fund.

**TRT.** Transient Room Tax.

**Unappropriated Ending Fund Balance.** Amount set aside in the budget to be used as a cash carryover to the next year's budget. It provided the local government with cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency.

**User Charges.** The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**WWTP.** Wastewater Treatment Plant.

## HERMISTON CITY COUNCIL

### Budget Committee Meeting

May 7, 2012

At 6:00 pm Mayor Severson opened the first meeting of the budget committee to consider the proposed budget for 2012-13 fiscal year. Present were budget committee members Fred Allen, Jr., George Anderson, Eric Carpenter, Mary Corp, Lori Davis, Paul Fischer, Rod Hardin, Joe Harn, Frank Harkenrider, Brian Misner, Jackie Myers, Doug Primmer, Kim Puzey and DuWayne White.

City staff present included City Manager Brookshier, City Attorney Luisi, Bob Irby, Clint Spencer, Jason Edmiston, Judge Creasing, Ron Sivey, Russ Dorran, Larry Fetter, Bill Schmittle, Marie Baldo, Roy Bicknell, Tom Jacobsen and Donna Moeller. News media present were Neill Woelk and Holly Dillemoth of the Hermiston Herald and Anna Willard of the East Oregonian.

Mayor Severson stated the committee must elect a chairman and secretary. DuWayne White was nominated and unanimously elected chairman. Mary Corp was nominated as secretary and unanimously elected.

Chairman White asked Budget Officer Ed Brookshier to present the budget message. Mr. Brookshier reviewed his message stating the proposed combined funds budget for the 2012-13 fiscal year is \$59,276,595, which is an 8.9% increase over the current year's budget. The proposed budget again includes the \$27 million capital allocation for the Recycled Water Plant project. The project will be bid later this year. Eleven of the City's thirteen funds are proposed to increase from 2011-12 levels. One of the two remaining funds will have no appropriation in the new year (Revolving Loan), and the final fund (EOTEC Construction) is new. Revenues in most operating funds are projected at levels only slightly above or even below budgeted amounts for the current fiscal year. The 2012-13 General Fund is budgeted at a 2% growth in revenues, the Utility Fund also at plus 2%, the Energy Services Fund at \$17,500 below the 2011-12 budget level and the Regional Water Fund at minus 17%, which is due to the drop in water use by the generating plants. The only fund with a noticeable increase in projected revenues is the State Tax Street Fund, in which new revenues are budgeted to increase by 16%. This is a direct result of the pass through to cities from the phased-in increase in the State gasoline tax, which the Legislature passed about two and a half years ago. Expenditure items noted from the General Funds were as follows: \$63,800 capital maintenance and longer-term capital improvements at the Airport; two additional officer positions in the Police budget for a total annual salary increase of \$109,000; an increase in the allocation for Police vehicle acquisition to \$51,000; \$150,000 for the Comprehensive Plan Periodic Review process (approximately \$125,000 of this amount will be reimbursed by the State); \$150,000 of the cost of primary off-site road access development to the Eastern Oregon Trade and Event Center site (an additional \$100,000 is proposed for this purpose from the State Tax Street Fund, and Umatilla County will partner with the City in this aspect of the project); and, a 2.5% increase in pay for eligible City employees. The State Tax Street Fund includes a portion of the City's share of access road development to the EOTEC and a significant transfer to the Street Maintenance Reserve account. Approximately \$115,000 in chip seal maintenance is planned for 2012. The Utility Fund includes an appropriation of \$1,650,000 (\$825,000 from Sewer, \$825,000 from Water) for extension of City water and sewer mains from US Highway 395 to the northwest edge of the EOTEC site. In the Energy Services budget, it will be necessary to use over \$600,000 in HES reserves to balance the proposed 2012-13 budget. This is because the City Council elected to absorb and not pass on to our customers the 8.5% wholesale power increase we got from Bonneville Power last fall. After deducting the \$600,000 to balance, this will still leave the City with a reserves balance in the HES Fund of about 40% of annual budget costs, which is considered acceptable. However, the City will most certainly fall below that 40% line in balancing the 2013-14 budget, at which point we should look toward a rate study and possible rate increase in 2014. Cash reserves as a ratio of the annual operating budget—after appropriating amounts needed to balance for the 2012-13 year, the General Fund will have a cash balance equal to slightly over 40% of budget and the Utility Fund will have a cash balance equal to about 26% of budget. New to the budget this year is the EOTEC Construction Fund. This fund will account for revenues and expenditures pursuant to a State Lottery Grant for \$6.4 million which the City received last year "...for the purpose of acquiring, developing, constructing and equipping the Eastern Oregon Trade and Event Center". We are estimating that \$1,460,000 of the grant will be expended in the 2012-13 year.

After various Superintendents gave informative presentations through the General Fund it was suggested the meeting be adjourned at 8:30 pm and reconvened Tuesday evening, May 8 at 6:00 pm.

At 6:00 pm on Tuesday, May 8, Chairman White reconvened the budget committee meeting. Present were budget committee members Fred Allen, Jr., George Anderson, Mike Calame, Eric Carpenter, Mary Corp, Paul Fischer, Joe Harn, Frank Harkenrider, Brian Misner, Jackie Myers, Doug Primmer and Kim Puzey. Councilor Hardin arrived at 7:10 pm.

City staff present included City Manager Brookshier, Bob Irby, Clint Spencer, Jason Edmiston, Ron Sivey, Russ Dorran, Larry Fetter, Bill Schmittle, Marie Baldo, Roy Bicknell and Donna Moeller. News media present was Holly Dillemoth of the Hermiston Herald.

Upon completion of the presentations of the remaining budgets, and with no further comments or questions regarding the budget, Mary Corp moved and Eric Carpenter seconded to approve the rate per thousand of \$6.0860 for general fund operations. Motion carried unanimously. Mary Corp moved and Fred Allen, Jr. seconded to approve a tax levy of \$280,620 for bonded debt. Motion carried unanimously.

Mary Corp moved and Eric Carpenter seconded to approve the budget as submitted. Motion carried unanimously.

It was announced that the budget hearing is scheduled for May 21, 2012 at 7:00 pm.

The meeting was adjourned at 8:35 pm.

APPROVED:

/s/ DuWayne White  
Budget Chairman

ATTEST:

/s/ Mary Corp  
Budget Secretary