



2009 Adopted Budget In Brief

*City of Bellingham
Washington*



CITY OF BELLINGHAM MISSION STATEMENT

Support safe, satisfying and prosperous community life by providing the citizens of Bellingham with quality, cost-effective services that meet today's needs and form a strong foundation for the future.

MAYOR

Dan Pike, Mayor
Executive Office (360) 778-8100
email mayorsoffice@cob.org

CITY COUNCIL 2009

Council Office (360) 778-8200
email citycouncil@cob.org

Jack Weiss..... 1st Ward

Gene Knutson.....2nd Ward

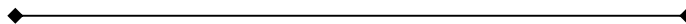
Barry Buchanan 3rd Ward
Council President

Stan Snapp 4th Ward
Council President Pro-Tempore

Terry Bornemann 5th Ward

Barbara Ryan..... 6th Ward
Mayor Pro-Tempore

Louise Bjornson At-Large



On the cover - A selection of photographs submitted for the *Essence of Bellingham* photography competition, sponsored by the City of Bellingham and the Whatcom Museum of History and Art. For competition details, visit www.cob.org.

Spring Blossoms on Coolridge Drive by Melanie Springer

Trader Joes' Opening by Bob Jones

Ski to Sea 2006 by Kenni B. Merritt

Fogline by Dawn-Marie Hanrahan

CITY COUNCIL LONG TERM GOALS - 2009

PREAMBLE:

The underlying premise that guides all City Council policy making is to protect and enhance the quality of life and livability throughout Bellingham.

The goals described and enumerated below, as adopted by the City Council, support the overall direction of the Comprehensive Plan and will provide additional focus to municipal operations for the 2009 budget year. The goals will also help us benchmark progress on key elements of our shared vision for the City and assure that limited resources are used efficiently and effectively.

The corresponding objectives and strategies linked to each goal represent only a partial illustrative list of the focused work City departments will undertake during the year to move us closer to our shared goals. Any numbering of the objectives or strategies is for organizational purposes only and is not intended to indicate prioritization.

Ongoing Commitment to Core City Services

In addition to the enumerated goals, the City of Bellingham in 2009 will remain committed to maintaining or improving the current levels of core municipal services upon which our citizens rely. We will continue to develop and implement plans that preserve and shape Bellingham as a city of neighborhoods that work together and function interdependently as a vibrant, livable community with a distinct sense of place.

Furthermore, we will remain dedicated to being a supportive environment for commerce, inclusive of our efforts to develop a vibrant downtown that includes a mix of residential, commercial, educational, retail and cultural uses and amenities, and that links seamlessly to our developing water front and surrounding neighborhoods.

With these ongoing commitments to core services, we also establish these goals for 2009 and will assure that the City's financial and human resources are allocated to achieve them:

Goal One: Return the quality of the Lake Whatcom reservoir to 1992 TMDL levels by 2018.

Goal Two: Continue to alter local transportation habits by further reducing automobile trips (from 87% to 75%) by 2022, by improving transit, bicycle and pedestrian choices.

Goal Three: Implement a vibrant waterfront strategy that reflects the Waterfront Futures Plan and complements the downtown and Old Town.

Goal Four: Support programs and provide facilities that serve low-income families and individuals, including an increase in the availability of affordable housing throughout the city.

Goal Five: Implement the Comprehensive Plan's strategies on urban villages and infill.

Goal Six: Establish and communicate clear annual budget priorities utilizing community input strategies and examine how these priorities can be linked to expenditures of discretionary funds.

Goal Seven: Enhance public safety.

Goal Eight: Maintain and improve an efficient municipal infrastructure.

Goal Nine: Protect and enhance the City's cultural, educational, recreational, and environmental assets.

THE BUDGET PROCESS

Preparing the City's Budget

Preparation of the City's budget is governed by the City Charter and State Law. Budget development is a year-long process. The City is constantly looking for ways to streamline operations, be more efficient, and make adjustments to improve service delivery. Many of the Council's actions throughout the year have budgetary implications for the coming year. Citizen input and ideas received during the year are reflected in the budget proposals prepared by City staff. Public hearings are held that specifically relate to the budget. A budget calendar is developed annually. Some of the significant steps in developing the budget and approximate timeline are listed below.

- March** *Council meets to discuss goals and priorities for the current and future budget years.*
- June** *Council holds its mid-year budget review, receives a status report on the current budget and a financial forecast for the coming year.*
- July** *Departments submit estimates of revenues and expenditures for the next year's budget to the Budget staff in the Executive Department.*
- Aug. – Sept.** *Budget staff provides the proposed budget to the Mayor. The Mayor makes revisions to the preliminary budget and submits it to the Finance Director and Council. Copies of the Preliminary Budget Document are then available to citizens on the City's website, at the City Library, and at the Mayor's Office and Finance Office reception desks.*
- October** *A public hearing on revenue sources, including property tax, is held.*
- November** *The Council holds work sessions and public hearings on the budget. Citizens may appear at the sessions and hearings and make comments on any part of the budget.*
- December** *Council makes changes to the Preliminary Budget and adopts the Final Budget prior to the end of the year.*
- March** *The Adopted Budget Document is published.*

Amending the Budget

The City Council can, by ordinance, increase or decrease the appropriations in any fund. Transfer of appropriations within a single fund or within any single department of the General Fund can be made with the Mayor's authorization. Transfer of appropriations between funds or between departments in the General Fund, requires Council approval.

Budget Control

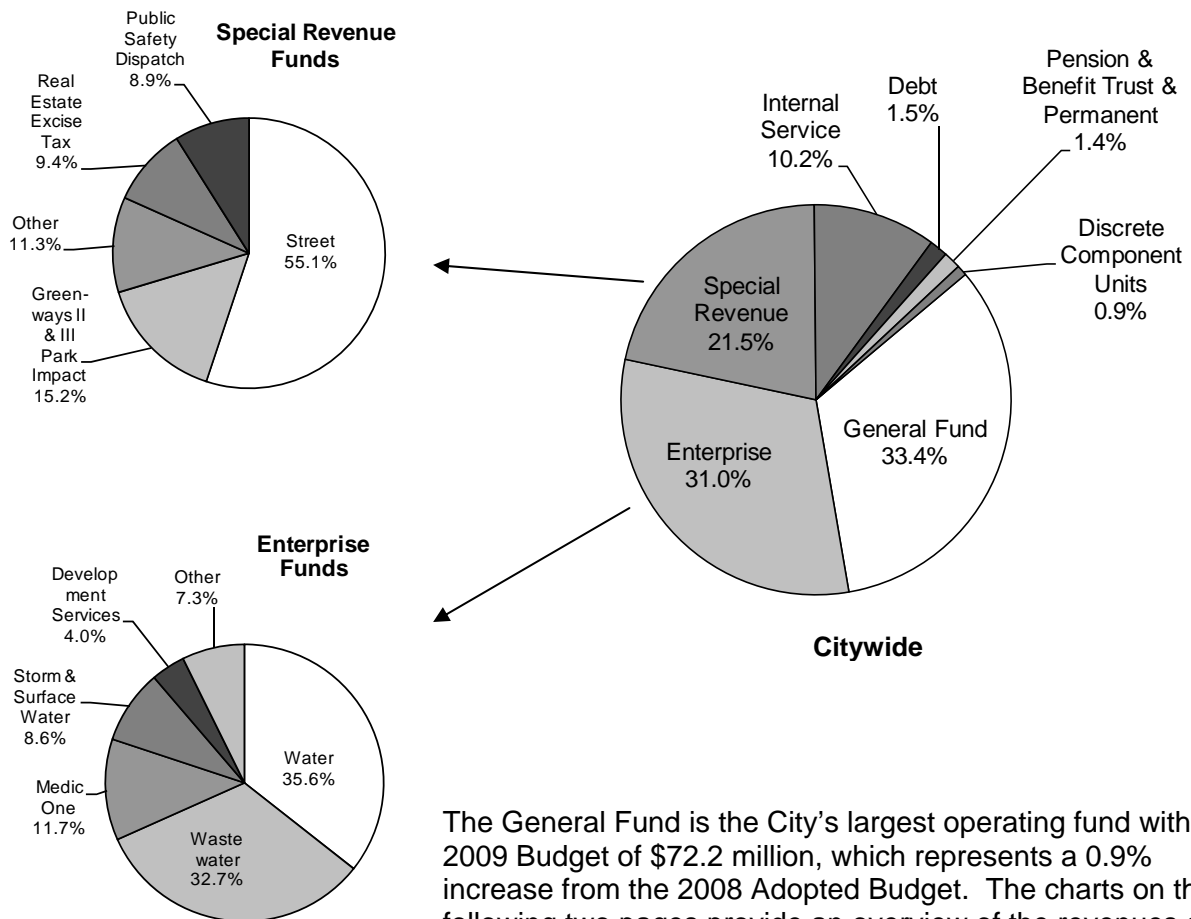
The Finance Director presents a quarterly report to the Mayor and City Council, which compares estimated and actual revenues and expenses to date. If revenues appear to be less than anticipated, the City Council, by ordinance, reduces appropriations to keep expenditures within the available resources and to maintain appropriate reserves.

GUIDE TO BELLINGHAM'S BUDGET

The City's Budget is composed of approximately 50 separate funds that are independently balanced. Enterprise Funds operate similar to a business with customer charges supporting all costs. Resources from these funds cannot be used to subsidize other government functions. The General Fund accounts for services to the public such as public safety; planning, park, museum and library operation; and for City administrative activities such as finance, legal, and human resources. Taxes, fees and charges are the major funding sources for the General Fund. Special Revenue Funds account for proceeds from revenue sources that are legally restricted to be spent for specified purposes. Internal Service Funds account for the financing of goods or services provided by one department to another. Debt Service Funds account for principal and interest payment on outstanding debt. Pension Trust Funds account for resources held in trust for pension and other benefits. Capital Projects Funds account for financial resources designated for the acquisition or construction of major capital facilities. Permanent Funds are legally restricted to use of earnings only, not principal, for purposes that support the City's programs. The Public Facilities District Fund is now treated as a Discrete Component Unit.

The City's Adopted 2009 Budget totals \$216.1 million, which represents a 5.9% decrease from the 2008 Adopted Budget.

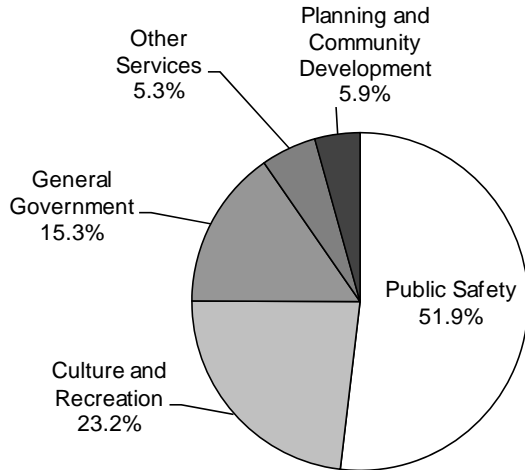
EXPENDITURES BY FUND TYPE \$216,102,583



The General Fund is the City's largest operating fund with a 2009 Budget of \$72.2 million, which represents a 0.9% increase from the 2008 Adopted Budget. The charts on the following two pages provide an overview of the revenues and expenditures included in the City's General Fund.

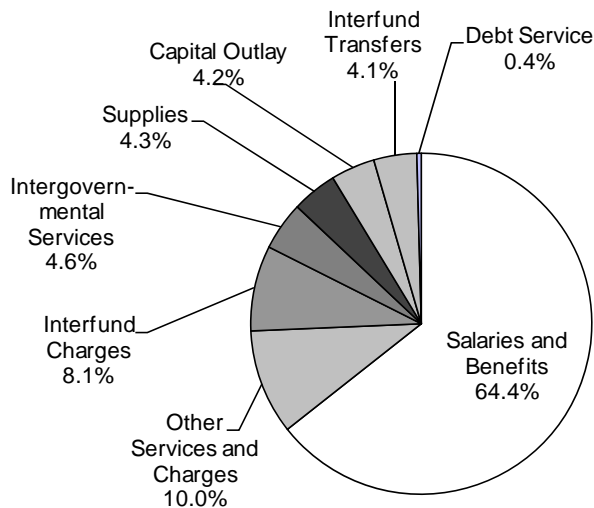
BELLINGHAM'S GENERAL FUND BUDGET AT A GLANCE

GENERAL FUND EXPENDITURES BY PROGRAM \$72,193,313



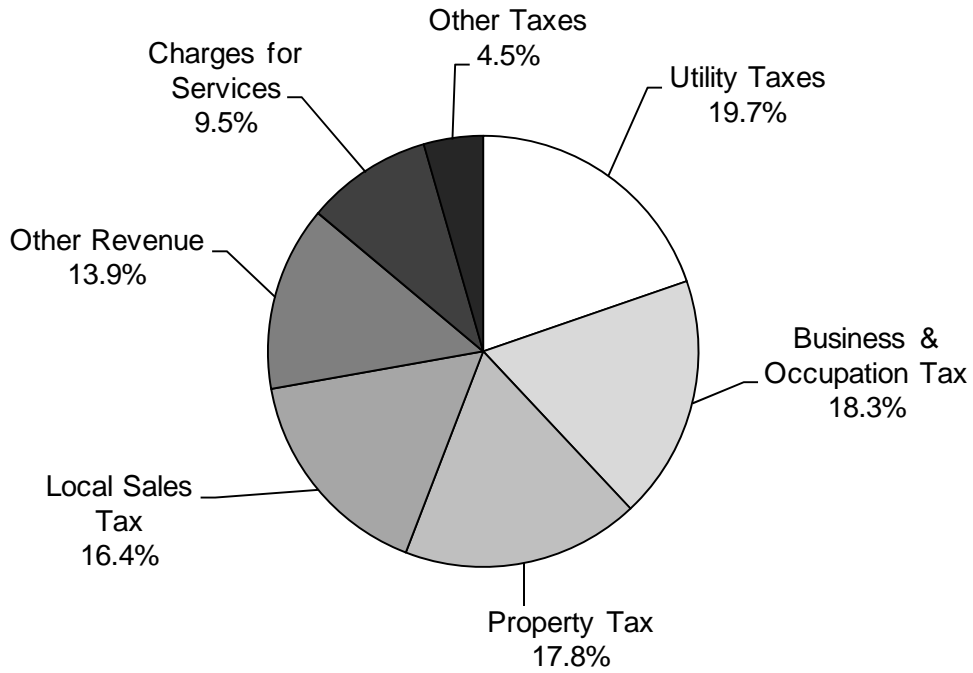
The General Fund accounts for 33% of the City's Budget. The majority of the expenditures in the General Fund are devoted to Public Safety (Police, Fire, and Municipal Court). Culture and Recreation (operation of Parks, Museum and Library) also account for a large portion of General Fund expenditures. General Government includes Legislative, Executive, Legal, Financial, and Human Resources services. Other Services includes financial and debt services.

GENERAL FUND EXPENDITURES BY CATEGORY \$72,193,313



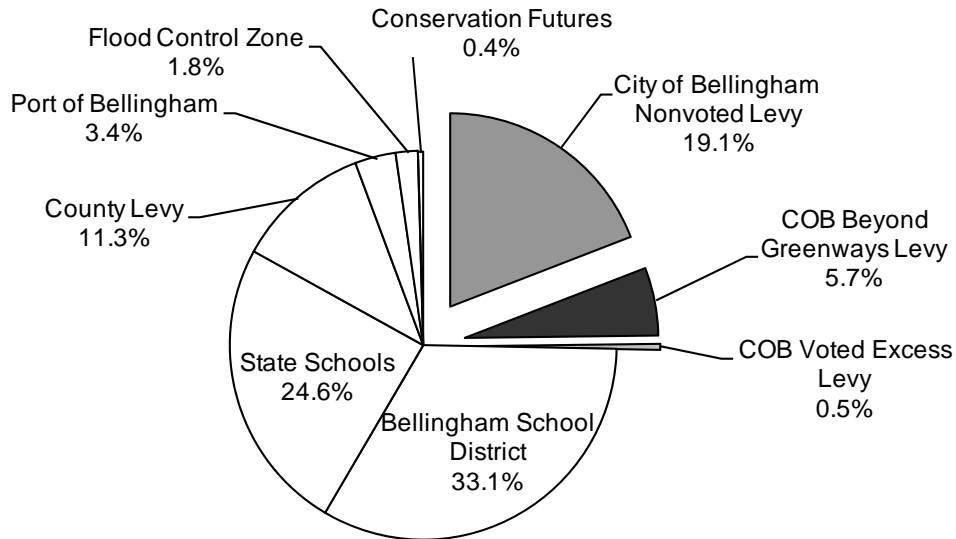
Salaries and Benefits comprise over 60% of the General Fund budget, with Public Safety representing about 60% of these Salaries and Benefits. Interfund Transfers and Interfund Charges are loans from one fund to another and charges for goods and services from one fund to another. Other Services and Charges are composed primarily of contracted services, and Intergovernmental Services are charges for services provided by another government agency.

GENERAL FUND REVENUE SOURCES
\$67,242,222

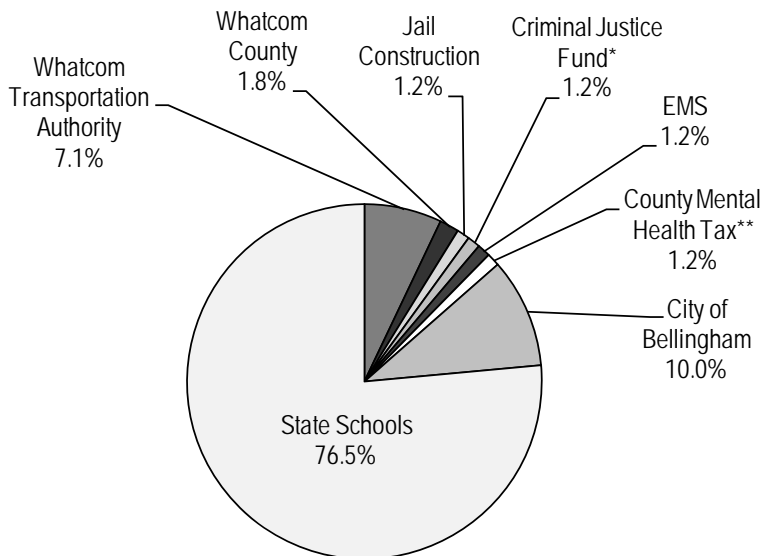


The difference between Revenue Sources and Expenditures in 2009 represents a decrease in the Reserve balance for the General Fund. General Fund Revenues are typically available for any public purpose. Over 75% of General Fund revenue sources in 2009 are from taxes.

PROPERTY AND SALES TAX DISTRIBUTION



Although property taxes represent a significant source of funding for City services, the portion of each property owner's tax bill that is distributed to the City is about 25%. In 2009, the total property tax rate in Bellingham is \$9.02 per \$1,000 of assessed valuation, with \$2.28 (per \$1,000 assessed valuation) of that going to the City.



Breakdown of Retail Sales Tax Rate for Distribution

Whatcom Transportation Authority	0.60
Whatcom County	0.15
Jail Construction	0.10
Criminal Justice Fund*	0.10
EMS	0.10
County Mental Health Tax**	0.10
City of Bellingham	0.85
State Schools	<u>6.50</u>
Total Retail Sales Tax Rate	8.50%

*Criminal Justice Fund money is divided between the City and County based on population.

**New 1/1/2009

MAYOR'S MESSAGE



MAYOR'S OFFICE
Daniel V. Pike, Mayor
City Hall, 210 Lottie Street
Bellingham, WA 98225
Telephone (360) 778-8100
Fax (360) 778-8101

TO: Bellingham City Council and the Bellingham Community
FROM: Mayor Daniel V. Pike
DATE: December 31, 2008
RE: Presenting the Adopted 2009 Budget

I present to you the Adopted 2009 Budget, as approved by the City Council on December ??, 2008. The adopted budget serves as a financial guide and work plan for the coming year with a clear focus on achieving the City's mission of:

Supporting safe, satisfying and prosperous community life by providing the citizens of Bellingham with quality, cost-effective services that meet today's needs and form a strong foundation for the future.

In the execution of our mission, the Council identified nine (9) goals (shown on pages X to X) to guide our work in the year ahead. It is within the context of these 2009 goals, and the current and projected national and local economic conditions, that I present the 2009 Adopted Budget. This budget includes prudent investment in priority initiatives while maintaining essential government services and projected reserves without a property tax rate increase.

It is important to point out that the weeks leading up to the end of 2008 have been, to say the least, volatile in terms of national, state and local economic indicators. Though we have been conservative in estimating revenues for the coming year, rapidly changing economic developments may require us to recommend additional revisions to this budget. We will continue to monitor these changes and present this information to the Council as they unfold.

This spending plan could not have come together if it were not for the excellent team work of all City departments that stepped up to meet the current economic challenges. Any uncertainty about this budget's projections is a result of national economic upheaval and despite the good work of our team.

To achieve the presented objectives and core city operations, we have carefully developed a balanced budget that totals \$216 million. The General Fund's portion of this is \$72 million. We will again successfully blend our local citizen and business taxpayer support with resources provided by other

levels of government to fund a wide range of services and meet mandated outcomes defined by federal and state governments.

In light of recent national news about questionable management of assets by some, I remain grateful to former City Councils and administrations that approached financial policy and management with a long-term view. The City's financial condition, though facing serious challenges, will be manageable in the near term. However, it is unclear when the local, state, and national economies will pick up steam, and as such we have looked beyond this budget and are maintaining a careful eye on possible scenarios that could face us in subsequent years. In particular, we will need to work together to address some longer-term fiscal stability and structural issues, a conversation that has already begun internally.

We have endeavored within the 2009 Budget to retain the quality service that the citizens of Bellingham expect and deserve. This is being done with the recognition that the costs of delivering these services are rising at a rate that is not sustainable given the current long-term forecasts for revenues. Certainly the recessionary economy has magnified this point. In recognition of this dilemma, I am initiating an internal taskforce that will focus its efforts on recommending a management plan with options for solving this difficult financial problem in the years beyond 2009. It is my hope that this taskforce, in conjunction with the efforts of our budget staff and City Council leadership, will identify actions we should take as we form the criteria for building what is certain to be a difficult 2010 budget.

Approach to 2009 Budget

In light of a softening economy, city departments were asked to contain all 2009 spending to as close to 2008 levels as possible. This meant absorbing 2009 bargaining unit, salary step and cost-of-living increases, market-driven benefit cost escalation, and a generally high period of inflation on supplies and materials. This was a tall budgeting task. I'm pleased to report that most departments achieved their goal and others strived to get as close as possible to a no-increase budget. We are fortunate to have such an experienced, team-oriented set of departmental leaders.

The 2009 budget reduces the city's overall number of Full Time Equivalent (FTEs) employees by (6.1). To offset strategic initiative positions being added this year, however, and balance the budget, 14 FTE vacancies have been eliminated. For others, we are limiting start dates to later in 2009, if in fact they prove to be at all feasible amidst changing conditions. The net reduction of FTEs through vacancy eliminations and other changes brings the total City workforce to 910.2, inclusive of 62.6 FTEs in temporary labor. This compares to 916.3 FTEs budgeted in 2008. For any remaining vacancies that are budgeted partially or fully in the coming year, I expect to continue our "soft" hiring freeze to closely manage our resources.

In general, departments were advised that budget submissions would be reviewed in light of four general priorities or criteria:

- Protecting the public's safety
- Maintaining and safeguarding our capital assets
- Leveraging third party, e.g. other governmental or private grant, resources; and
- Executing City Council goals and objectives

We have also reflected feedback from randomly selected Bellingham residents who participated in our bi-annual scientific telephone survey in August 2008. Their goals of increasing public safety, maintaining quality of life standards while containing costs and bolstering increased economic development are reflected in this document.

Though a slight majority (55%) of survey respondents reported they would be willing to pay higher taxes to preserve core city services, it is important to note that this data was mostly collected before the national financial chaos. An expressed willingness to pay more is certainly a credit to the excellent service that our dedicated staff team provides citizens. Nonetheless, a review of the narrative comments submitted by the respondents, my conversations in the community, decade-high inflation and the treacherous economic forecasts compel me to not seek a deeper reach into residents' and businesses' pocketbooks with this spending plan.

I contend we should show we understand their increasingly difficult financial situations, where wages and salaries are falling behind inflation, and instead communicate that we will control what we can control to live within our means as a government, too.

This budget reflects a disciplined operating philosophy, infrastructure maintenance, services delivery, consideration for the City's long-range goals and a desire to strengthen the resiliency of our financial position, including maintaining reserve dollars on hand, while limiting the impact on taxpayers during difficult economic times.

Highlights of the 2009 Budget

Even within a constrained financial picture, the 2009 budget keeps us on course protecting Bellingham's quality of life and moving forward on previously launched high priority initiatives. It also presents a few new items that will help us better respond to neighborhood threats and disturbances, the needs of local businesses and those of entrepreneurs who wish to join or grow our local economy, including those producing "green jobs."

I further draw your attention to:

- The addition of a **Police Department "Neighborhood Anti-Crime Team,"** which will be a proactive problem-solving unit assigned to the patrol division. The team will be project-oriented and focus on issues/concerns in the 24 neighborhoods and districts of Bellingham. The team will partner with community members to reduce/eliminate crime and nuisances, as well as the fear of crime. Traditional and nontraditional enforcement methods will be used in the scope of their work. Through reallocated departmental funds and only \$200,000 in new General Fund resources, the Team comprises three (3) new sworn officers and a supervising sergeant. Flexibly scheduled to respond to identified issues during their time of occurrence, be it day, swing or night shift, the team will provide focused rapid response that does not require pulling personnel off patrol, other investigations or duties. The Team will be an essential part of timely response to chronically problematic residential behavior, a rash of vehicle prowls in a given neighborhood or other emerging issues that are neighborhood-based. By freeing up other sworn personnel, the Team also helps us address the fact that Bellingham Police Department staffing levels have been at 1997 ratios for some time, despite our growing population and geography.
- Allocate resources to make operational the **Bellingham Public Development Authority (PDA) with 1.7 FTEs** and support costs. The PDA will be the City's real estate development arm for parcels and properties throughout Bellingham, including parts of the waterfront district. I consider it a key part of our efforts to help us grow out of this economic slump. I will also ask the PDA board to guide its staff to be key customer service personnel for the business community. Entrepreneurs and businesses that are interested in our area or who are already here but face challenges affecting their prosperity often contact the City first to request assistance. In addition to monitoring trends and providing responsive service to these enterprises, the PDA will help broker the customers to local resources, such as those with

whom the City subcontracts, e.g. Economic Development Council, Sustainable Connections, Small Business Development Center, etc., and also to its own resources. The overriding goal here is to create a welcoming, accessible "front door" to business enterprises.

- A set-aside of at least **\$150,000 for as yet an undesignated Lake Whatcom watershed initiative** as we attempt to positively affect TMDL figures through various means. These resources are in addition to all the City's other efforts on behalf of the watershed, which will be presented to Council in a unified functional budget outside of this document.
- Continuing our work with the public, the Port of Bellingham, local educational institutions and the private sector to carry forward the waterfront redevelopment master plan that emerges from fall 2008 public input sessions and subsequent legislative and regulatory action. **A total of \$764,000 is segregated within the Executive budget for waterfront planning and execution, including 1.5 FTEs**, which reflects a 1.0 FTE decrease from 2008. It is my belief that early action items on the waterfront will be critical to aiding local economic recovery. Furthermore, the longer-term success of the waterfront area will shape our revenue streams for years to come.
- Co-founding with higher education, local non-profits and visionary corporate leaders a public-private Sustainability Strategies Council that will examine how our area can within five years become an established magnet for green businesses that provide business-to-business and consumer-focused ecologically sound products and services, including those that constitute "waste-to-profit" product lines.
- Continues "Map Your Neighborhood" efforts for emergency preparedness among our citizens and further develops emergency response and recovery planning with other levels of government, neighborhoods, business and non-profits.
- Sets the stage for opening the new Whatcom Art & Children's Museum by fall, 2009.
- Maintains our focus on meeting GMA population density goals through urban villages and the Infill Toolkit, while also advancing affordable housing programs and projects.

Bellingham's Financial Resiliency

In a year of downward financial trends, increasing inflation, and growing unemployment it is important for us to take stock of what our government's management practices, established reserves and other resources look like to assure resiliency above and beyond the activities of the 2009 spending plan.

From a management best practice perspective we continue to:

- Use a methodology to forecast key tax revenues that combines historical and month-to-month trend analysis, including outside perspective from financial experts and local business leaders.
- Monitor the effect of local market-driven private sector consolidations and mergers as they relate to future revenues. An example of this from the current year was the identification of the impact of two local health care sector mergers/acquisitions, which eliminated previously taxable transactions between the parties. The net tax loss of these two consolidations amounted to hundreds of thousands of dollars on an annualized basis and their impacts were factored into our conservative request for 2008 departmental budget reductions and tight 2009 budget proposals.
- Monitor the apportionment of Business and Occupation Taxes that went into effect in 2008. This allows certain types of businesses that deliver goods and services to the counties or cities outside of Bellingham to deduct the gross amount of those goods/services from their B&O tax base used to calculate what is owed the City. The full, specific impact of this policy change

above and beyond initial estimates by the Washington Department of Revenue are still being documented and will not be fully known until annual B&O filers submit their fiscal year 2008 paperwork.

- Seek funding solutions - internal and legislative - for our obligations for the Public Employees Retirement System (PERS) and Washington Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System. The City is required under RCW 41.18 and 41.20 to pay the pension and medical costs of LEOFF-1 current and former fire and police employees who meet certain hire or retire date requirements. The actuarial study indicated a projected present-day value of this liability at over \$47 million. As of October 1, 2008, the City has more than \$13 million available in fund balances to cover this liability. The 2009 contribution to the Funds will be \$2.8 million (\$1 million from the General Fund, and \$1.8 million from property tax). The current funding plan will enable the City to actuarially fund its LEOFF-1 Pension and Long Term Care obligations by 2017, ahead of the required deadline. The City intends to continue to pay the medical obligations as we incur these costs.
- Successfully obtain State and Federal funds for capital projects through leadership of our delegation members, who are well-positioned within the respective levels of government.
- Use best practices to reduce basic operations costs of city functions, such as the reduction in utility consumption, increased use of hybrid vehicles and other sustainability features.

A Look at Reserves

City of Bellingham financial reserves include those that are legally required (e.g. bond debt service reserves), those that are incumbent upon us as trustee for various collaborative funds (e.g. Medic One and Public Safety Dispatch or WhatComm) and those established by internal policy. These reserves can be both designated and undesignated in terms of specific purpose and use caveats.

At the time of this budget submission, the City has more than \$71 million dollars in reserve accounts of all types. Among the largest of these is the General Fund Reserve, which the 2009 budget projects the December 31, 2009 Estimated Ending Balance to be \$7.7 million. Given the fluidity of the economy, we must closely monitor this projection and execute its plan in the year ahead. Due to our costs of doing business and endangered revenue streams, avoidance of serious erosion of reserves in subsequent budget years, however, will depend on our success in finding longer-term structural answers to rising costs as referenced earlier in this document.

Impact of Pending Annexations

At the end of 2008, eight (8) applications for annexation are on file with the City. This budget proposal assumes that, if approved, any annexation's direct effects on levels of services (LOS) would not occur until 2010 at the earliest; therefore, no specific resources related to LOS have been budgeted for 2009. This is not to say that City departments, particularly the Planning and Community Development Department's staff, won't be putting in considerable time on the annexations' processes in the coming year, but other departments are not allocating dollars specific to service delivery to newly annexed properties. Annexations will be an important driver of budget considerations in 2010 and beyond, however, and the Longer-Term Fiscal Structure Task Force will examine them closely.

2009 Budget Staffing Changes' Impact on Comparable Ratios

After a reduction in force in 2004-2005, subsequent city budgets increased the payroll back to 2003 levels in terms of total employee full time equivalents (FTE), even though the distribution of the FTEs as of 2008 was different than the baseline year referenced. The 2008 budget alone proposed adding 22.7 FTEs (8.8 FTEs within the General Fund), though four of those for a joint Lake Whatcom Management

structure were not executed. A total of 5.3 positions were also created by Council ordinance during 2008 after the budget was adopted.

As previously described, the budget before you creates 4.0 new FTEs in the Police Department and 1.7 FTEs to begin PDA operations, two key public safety and economic development initiatives for the year ahead.

Offsetting these requested 5.3 FTE positions are the elimination of 14.0 current or projected FTE vacancies below:

- 1.0 FTE administrative assistant in Planning & Community Development
- 1.0 FTE Planner I in Planning & Community Development
- 1.0 FTE Community Development Specialist II, in PCD
- 1.0 FTE Waterfront Redevelopment Manager
- 1.0 FTE Firefighter (projected vacancy)
- 1.0 FTE Firefighter (projected vacancy)
- 1.0 FTE ITSD Network Analyst
- 4.0 Lake Whatcom Management Staff
- 1.0 Finance Systems Manager
- 1.0 ITSD Department Manager
- .5 FTE Museum Office Assistant I
- .5 FTE Judicial & Support Services Office Assistant II

In addition, there were a number of other changes during 2008 that impact the number of FTEs. These include:

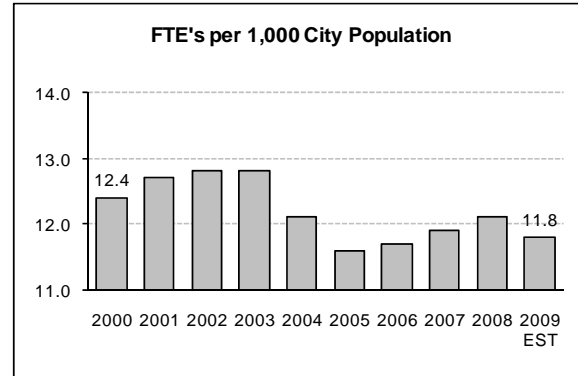
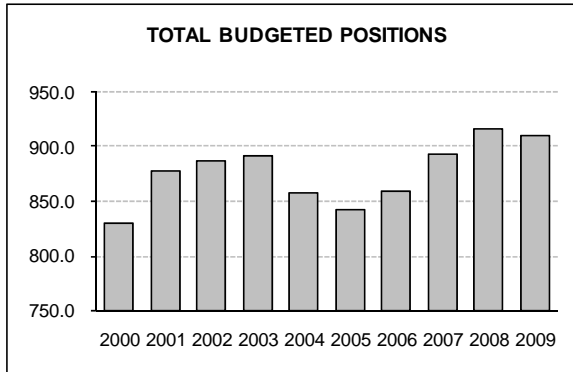
- 5.3 FTEs added by ordinance
- (3.2) FTEs limited-term positions and re-organizations
- (2.0) FTEs temporary labor

The resulting change in FTEs is calculated as follows:

Number FTEs
916.3 2008 budgeted FTEs
5.3 FTEs added by ordinance during 2008
7.8 New FTEs in 2009 budget
(14.0) Vacant positions eliminated
(3.2) Impact of limited term & re-organizations
(2.0) Change in temporary labor
<u>910.2</u>
(6.1) Net reduction in FTEs from 2008 budget

The net decrease in the 2009 budgeted city workforce is (6.1) FTEs to 910.2. The table below compares the budgeted number of FTEs for 2009 to prior years' adopted budget levels.

With these net changes, the City will maintain a ratio of staff to population (11.8) that is below that of most years in the past decade, with the exception of the years ('04-05) when a more significant reduction in force was implemented. At the same time, we will continue to operate at a level of staffing stretched but sufficient for our service needs.



Employee Group	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Elected Mayor (and Finance Director through 2007)	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Elected City Council	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Elected Municipal Judge	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Non-Represented Employee Grp	69.1	75.9	75.6	78.6	77.4	77.1	79.9	83.9	90.8	87.0
Supervisors and Professionals	81.0	90.9	94.3	100.6	101.7	104.9	103.4	108.6	107.8	106.0
Professional Librarians	9.1	9.3	9.3	8.3	8.0	8.0	8.0	8.0	8.0	8.0
Emergency Med Svcs Dispatch	0.0	10.0	11.0	11.0	11.0	12.0	12.0	12.0	13.0	13.0
Fire Supervisors	8.0	8.0	8.0	8.0	7.3	7.0	8.0	8.0	8.0	8.0
Firefighters	117.0	120.8	128.7	129.7	129.3	122.5	126.0	132.0	135.0	133.0
Police	97.0	97.0	98.0	98.0	95.4	95.1	100.0	102.0	102.0	106.0
WHAT COMM Dispatch	0.0	0.0	0.0	23.0	23.0	23.0	23.0	26.0	26.0	26.0
Non-Uniformed	381.2	387.3	379.1	355.7	334.4	323.5	327.3	336.5	352.1	351.6
TOTAL REGULAR	771.4	808.2	814.0	822.9	797.5	783.1	797.6	827.0	851.7	847.6
Temporary Labor	58.8	69.0	73.4	69.1	60.9	59.2	62.2	66.6	64.6	62.6
TOTAL PAID WORKFORCE	830.2	877.2	887.4	892.0	858.4	842.3	859.8	893.6	916.3	910.2

Beyond any new personnel and initiatives described above, our citizens expect that the City will continue its proud tradition of providing quality basic services to the community. This budget will maintain momentum on managing growth, redeveloping the waterfront, moving Lake Whatcom back toward health, bringing jobs and economic development to our community, strengthening and expanding cherished cultural facilities, deepening our engagement of neighborhoods and building or maintaining key capital infrastructure.

Summary

A City's budget is its most important policy action. It represents an annualized purchasing of incremental progress toward the vision we share for our community and protection of the quality of life for which Bellingham is proud to be known.

We have followed City Council goals and objectives, input from our citizen advisory boards and commissions, public requests and suggestions, and our best professional judgment to formulate this budget.

I am honored to work alongside our skilled City employees and volunteers to actualize our vision and I thank them for their hard work and dedication in delivering community services and attaining the City Council Goals. I also extend my gratitude to our city's policy makers, for the much more than "part-time" job you do on behalf of your constituents and the community as a whole. We might not always agree on all the details of actions, but a culture of healthy dissent is the hallmark of our democratic principles and an indication of how much we all care about Bellingham and the surrounding area.

I would like to specifically acknowledge Finance Director John Carter, Budget Manager Brian Henshaw and the entire Finance team for the many long hours required to produce a spending plan of this complexity and scope. The budget staff, in cooperation with staff in departments throughout the City who contribute to the budget document, has earned the "Distinguished Budget" award from the Government Financial Officers Association for five (5) consecutive years. We are indeed fortunate to have these fine professionals working on our behalf.

As I begin my second year in office, I remain immensely grateful to the citizenry for this opportunity to serve. Despite our current fiscal challenges, I look forward with great enthusiasm to working in 2009 with the Council, our staff and our committed citizens to ensure Bellingham's vibrant future.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel V. Pike".

Daniel V. Pike, Mayor