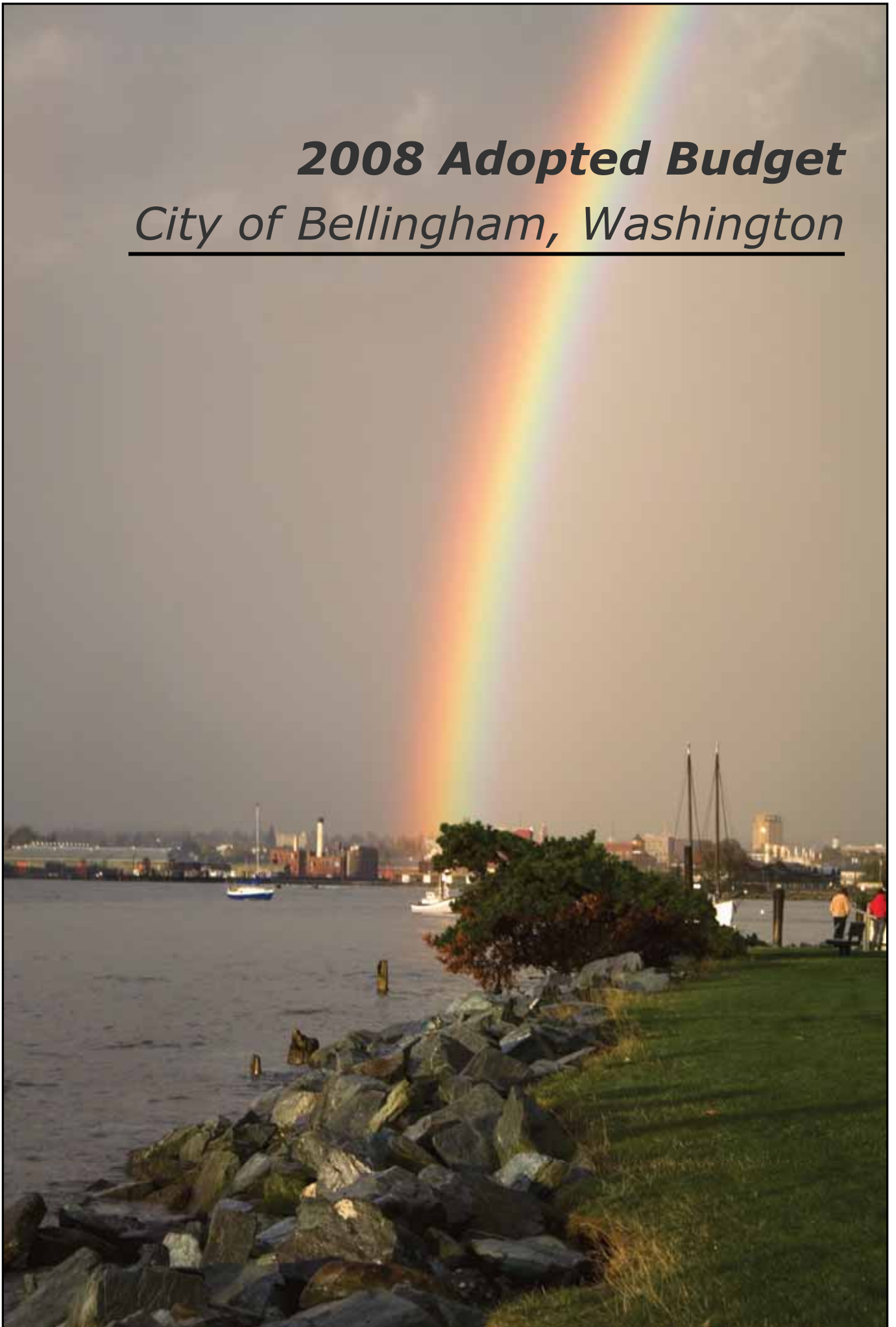


2008 Adopted Budget
City of Bellingham, Washington





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Bellingham
Washington**

For the Fiscal Year Beginning

January 1, 2007

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Bellingham Washington for its annual budget for the fiscal year beginning January 1, 2007. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Cover photo courtesy of cdtphotoart.com

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.

CITY OF BELLINGHAM, WASHINGTON

2008 ADOPTED BUDGET

Budget Team

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Jason Kuest, Budget Manager

Pat Starcher, Budget Specialist

Karla Buckingham, Budget Technician

The budget process is a City-wide, year-long effort. Success depends on the combined efforts of budget staff along with City Department Heads and “Budgeteers.”

Thanks to all of you for your hard work and cooperation!

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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, 2007
RE: Presenting the Adopted 2008 Budget

I present to you the Adopted 2008 Budget which serves as a financial and work plan for the coming year as well as the means for achieving the City's mission:

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.

With the 2008 City Council Goals and Objectives as a basis, we have carefully developed a balanced budget that totals \$230 million, with a General Fund total of \$72 million. We continue to fund a wide range of services in keeping with community priorities and needs as well as those services mandated by federal and state governments.

The financial condition of the City is strong. The revenues we receive to run our day-to-day operations are healthy, and our reserve funds are adequate for future and emergency financial needs.

Approach to Budget

This budget reflects a disciplined operating philosophy, maintenance of infrastructure, delivery of services, and consideration for the City's long-range goals and financial position, including consistently meeting reserve goals.

Highlights of the 2008 Budget

- Adopts a proposed joint management structure with Whatcom County to unify the governments in protection of the Lake Whatcom Watershed.
- Continues work with the Port of Bellingham to carry forward the Waterfront Redevelopment Plan.

- Acquires fire response equipment to replace an aging fleet.
- Continues "Map Your Neighborhood" efforts for emergency preparedness.
- Advances affordable housing programs and projects.
- Partners with the Bellingham School District by contributing toward construction of a community-use gymnasium in the North City area at the Aldrich Road school site.

Community Financial Health

This year's budget was developed with the backdrop of a stable local and regional economy. Unemployment continues to hover around historic lows (4%); local real estate values are stable; inflation is moderate; and the value of the Canadian dollar is at a 30-year high. Our recent Economic Development Survey indicates local businesses feel positive about the economy and about their ability to succeed and grow in Bellingham. We consider our work to support parks and recreation, arts and culture, neighborhoods and other quality of life initiatives as an essential and effective element of our future economic vitality.

The recent closure of Georgia Pacific is a finale for a long-standing, important member of our business community. Our thoughts are with individuals and families who must find alternative employment. We believe the loss will be felt throughout the community. The City will also be impacted with decreased tax revenues. However, over the long term, with a strong local economy, the City government can absorb that financial loss.

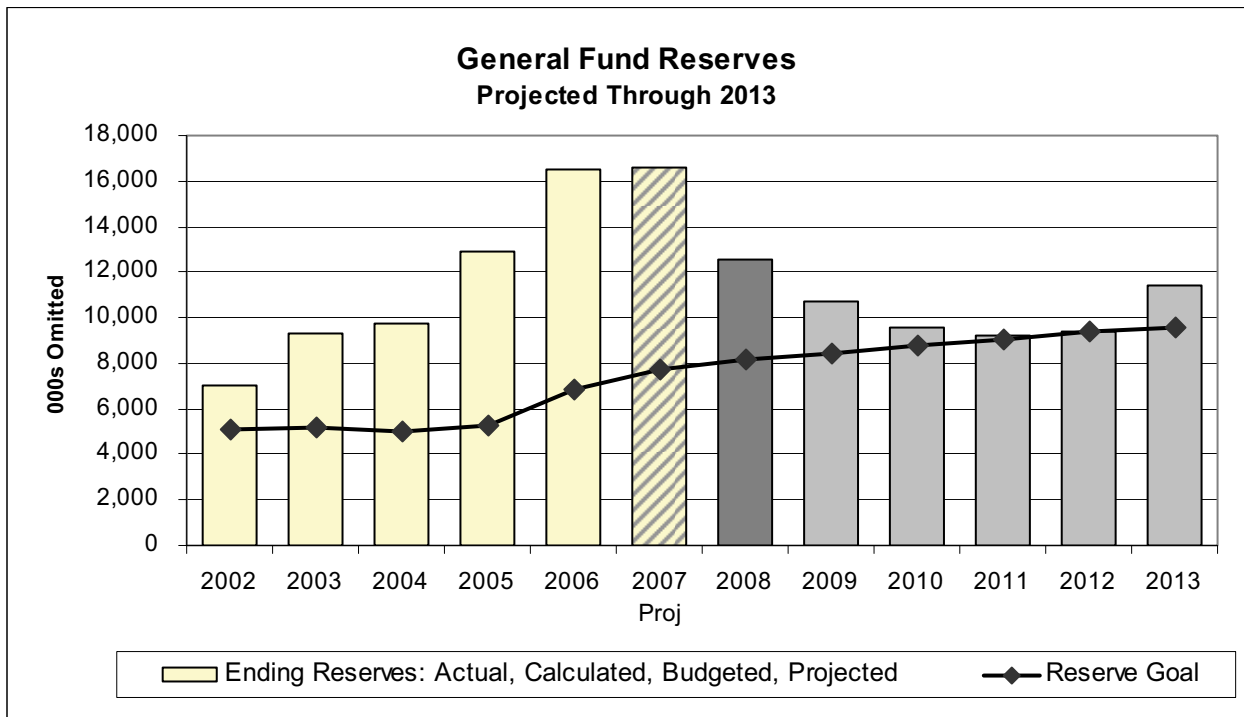
City Financial Health

The City will continue to face financial challenges. We will make choices, set priorities, and make sure that we provide the essential and desired services and programs that make Bellingham an attractive place to live, work, and visit. To do so we will:

- Use a methodology to forecast key tax revenues that combines historical and trend analysis along with input from business leaders in our community.
- Monitor the effect of the apportionment piece of the Business and Occupation Tax that will become effective in 2008. These changes affect those businesses that provide goods or services to multiple locations. Based on a 2004 survey by the Washington Department of Revenue, staff estimates the City could lose up to \$890,000 from this change. The loss to the General Fund will be absorbed by the projected increase in other business activity and use of General Fund Reserves. We will carefully track the actual impact to guide our future financial decisions.
- 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. A recent actuarial study indicates that the present value of this liability is over \$47 million. As of October 1, 2007, the City has a total of \$8.7 million available in fund balances to cover this liability. The 2008 contribution to the Funds will be \$3.2 million (\$1.7 million from General Fund, and \$1.5 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 2014. The City intends to continue to pay the medical obligations as we incur these costs.

- Communicate with citizens using surveys, our advisory committees, and other public involvement techniques to ensure that we are meeting their needs while delivering services in an efficient and cost-effective manner.
- Continue our record of successfully obtaining State and Federal funds for capital projects.
- Use the talents of our workforce to refine program delivery and to identify cost saving and conservation opportunities. The City-wide staff "Green Team" actively monitoring and suggesting improved internal policies and our Environmentally Preferable Purchasing Program are examples.

The following graph shows actual changes in General Fund Reserves for the past six years, and the projected reserve position over the next six years. As revenue growth slows, and the City provides for replacement of its capital equipment (e.g. fire fighting apparatus, fleet vehicles, and computers), funds future LEOFF-1 pension liability, and absorbs the impact from the change in the Business & Occupation Tax structure, the reserve position will more closely reflect the goal of 12% of operational expenditures. We are committed to maintaining at least that level of reserves to react to conditions we cannot foresee, and to maintain the City's strong bond rating.



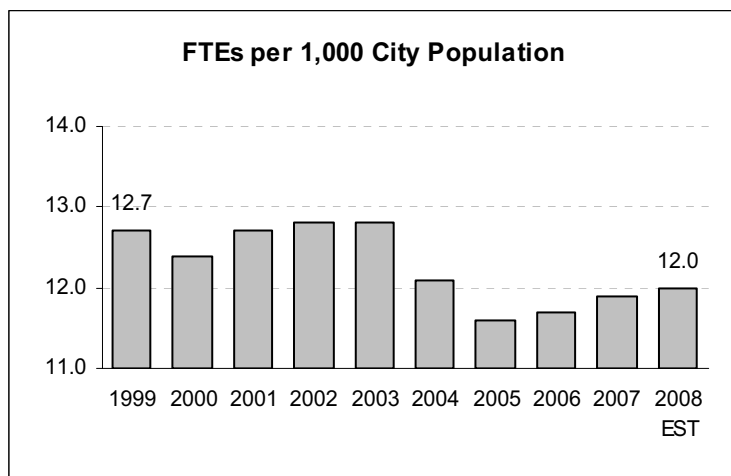
The budget includes a 1% Property Tax increase (\$170,500) which amounts to about 64 cents per month for the median priced home. The unrestricted portion of the increase, \$115,900, will be directed into reserves necessary to cover LEOFF-1 pension expenses in future years.

Staffing Needs

City services require people to deliver them. A careful analysis of needs in key service and program areas, and of requirements to meet legal deadlines or legislated mandates, calls for addition of the equivalent of 22.7 positions, 8.8 of which will be in General Fund departments.

- 4.5 positions in Public Works to meet the increasing demand for utility location services, implement state mandates, and support parking services.
- 4.0 positions in the proposed Lake Whatcom Watershed management structure. The positions will be jointly funded with Whatcom County through an interlocal agreement.
- 3.0 positions in Medic One to implement the Emergency Medical Services staffing plan approved by Council and the Ambulance Advisory Board in prior years.
- 3.0 positions in the Library to serve increasing circulation needs, including added library presence in the North and Northeast portions of the City and administrative support.
- 1.4 positions in the Police Records Division to respond to workload increases and ensure meeting of legal deadlines.
- 1.0 position in the Council office to provide research and analysis support.
- 0.8 position in Judicial & Support Services to respond to the addition of a fourth parking enforcement officer and to process the increasing demand for public disclosure requests.
- 0.5 position in Planning & Community Development to accelerate the planning and permitting process and to develop a strategic plan for economic development.
- 0.5 position in the Museum to provide clerical support for new and ongoing programs.
- The remaining increase of 4.0 is the result of increases in temporary labor and an increase in new positions from 2007 that were budgeted as mid-year hires in 2007 but will now be budgeted for the entire year.

The City continues to maintain a ratio of staff to population that is consistent and not excessive. With the addition of these positions, we will continue to operate at a level of staffing adequate with our service needs.



Key Areas of Emphasis, Activities and Projects

Growth Management. The way we manage growth will shape the City for decades to come. In 2008, the City will continue to work on neighborhood plan updates, urban center plans, and design standards that honor neighborhood character – particularly in our older districts. We will create a new Six-year Parks Master Plan, including a revision of the Level of Service calculation and impact fees. Currently, there are seven annexation petitions on file, potentially leading to the largest change to City boundaries in many years. This will require careful analysis of the future impact on City financial resources and our ability to deliver urban services to a growing city.

Waterfront Redevelopment. Bellingham, the Port, and Whatcom County face a redevelopment opportunity that comes only once in several generations. Over the next 20 to 30 years, we can achieve cleanup of contaminants, significant public access to the bay, employment opportunities, and a setting that – properly designed – can absorb some of our anticipated population growth. The final Environmental Impact Statement, Master Plan, and Development Regulations will be completed during the first half of the year.

- The City and Port will work toward a final Development Agreement for City Council review, approval for the conveyance of parkland to the City, and City funding for infrastructure related to launching the first phases of the Waterfront Project.
- The City will work toward an agreement with both the Port and Western Washington University to relocate Huxley College of the Environment to the waterfront as part of a new research triangle and major center for implementing the cleanup of Puget Sound and its estuaries.

Lake Whatcom Watershed Unified Management. The executives of the City and Whatcom County propose a new, jointly funded and managed structure to unify and focus efforts to preserve and protect the Lake Whatcom reservoir and its watershed. Staff continues to work on programs to encourage personal stewardship. Projects are focused on land acquisition and phosphorus reduction and include a new Stewardship Pledge and Residential Stormwater Retrofit Program. In addition, existing programs such as the phosphorus fertilizer ban, carbureted two-stroke engine ban, and water quality monitoring will receive continued support from staff.

Economic Development. We will begin implementing actions identified by the 2007 Economic Development and Planning Survey and the Practitioners' Summit. In a continuing effort to foster living-wage jobs and a successful small business sector, we will extend an active collaboration with local businesses to make sure that practical measures are identified and undertaken to achieve our economic goals.

Public Facilities District (PFD) – Museum – Mount Baker Theatre. Construction of the Art and Children's Museum launched in 2007 will continue in 2008. Funds for construction of the new facility will come from a combination of bonds to be repaid with the PFD sales tax rebate, private funds, and grants. The City will provide \$100,000 from the lodging tax to pay for the inaugural exhibitions that will become permanent additions to the City's collections. This is a once-in-a-lifetime opportunity to create commissioned art pieces that will bring tourists back to this facility for many, many years. Phase II renovations to the

Mount Baker Theatre will bring long-needed repairs to the electrical, heating, ventilation, and air conditioning systems.

Library. The Library Board and City officials are seeking community input into the development of a building program statement which will determine the size and total cost estimates for a building project to include a replacement Central Library, preservation of the historic Fairhaven Branch, and improvement of the library system. The program statement will be completed in early 2008, after which the Library Board is expected to bring a proposal to the City Council to consider approval of a library bond election.

Neighborhoods. We will continue to build partnerships between City government and our strong, energetic neighborhood associations. Major projects include:

- Updating neighborhood plans.
- Disaster preparedness (Map Your Neighborhood).
- Input into the Six-Year Parks Master Plan.
- Input into Transportation Improvement Plan priorities (6 Year TIP and Neighborhood Traffic Safety Program).
- Building the neighborhood association role as a forum for public input.

Capital Facilities Projects. Capital projects receive funding from grants, impact fees, utility revenues, sales tax, and Real Estate Excise Tax (REET) revenues. The City's policy is to budget the estimated cost of the entire project, which means some projects budgeted in 2008 may not be completed by the end of the year. In addition to the phased Waterfront Redevelopment infrastructure, completion of the new Art and Children's Museum and improvements to the Mount Baker Theatre, there are additional capital projects anticipated in this Adopted Budget:

- Retrofit of Sunset Drive east of Woburn Street to the City Limits to urban arterial street standards.
- Land acquisition as part of the Greenways III program and for park expansion in developing areas.
- A City contribution toward construction of an expanded gymnasium to serve community recreation needs as part of the new elementary school on Aldrich Road.
- West Illinois Street extension to allow for industrial access to Marine Drive without traveling through the surrounding residential neighborhood.
- Feasibility study and design for a new facility to house Public Works staff from City Hall and Pacific Street Public Works Operations.
- Continued enhancement of the City's pedestrian and bike access, specifically on Fraser Street.
- Continued annual replacement projects including water and sewer main replacements and street resurfacing.

Goals and Objectives

A city's budget is its most important policy action. 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 adopted budget.

I recognize all of our City employees and volunteers for their hard work and dedication in delivering community services and attaining the City Council Goals. The budget staff, in cooperation with staff in departments throughout the City who deliver the budget document, has earned the "Distinguished Budget" award from the Government Financial Officers Association for four consecutive years. I especially wish to recognize the service that Finance Director Therese Holm has given during her tenure. Much of the City's financial strength and the quality of information provided to the City Council, staff, and general public are a direct reflection of her diligence. Our citizens continue to benefit from her thorough, ethical, and professional financial management.

The achievements of a budget help to realize a community's hopes and dreams. We are a great place. We have a strong economy. We have safe neighborhoods and outstanding schools. We have numerous trails and recreation opportunities. We have a strong environmental ethic and businesses showing leadership on a global level.

We are also a City undergoing transformation. We must make critical long-term decisions, such as how to protect the Lake Whatcom Watershed, how to redevelop the Waterfront District, and how to grow gracefully while maintaining our quality of life. The good news is that, together, we have the will, the ideas, and the resources to make good decisions and implement wise, sustainable plans.

As I begin my term of office, I wish to thank the citizens of Bellingham for their involvement in the government process, creative ideas, and support for their community. I strongly encourage all citizens and groups to engage in civic dialogue. The decisions we make together in the coming years will directly shape the future of Bellingham, our home.

Sincerely,



Daniel V. Pike, Mayor

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CITY COUNCIL LONG-TERM GOALS – 2007 and 2008

Council long-term goals are reviewed each year during the City Council's planning retreat. These goals are periodically amended to reflect changing priorities. See the Legislative Department section for Council's specific budget year objectives.

Goal 1: Maintain or improve the current level of City services, ensure that all City programs and services help protect or enhance the quality of life in Bellingham, and assure that the City's financial and human resources are allocated to achieve the Council's goals.

Goal 2: Protect and improve the quality of drinking water in the Lake Whatcom Reservoir.

Goal 3: Continue to develop a vibrant downtown that includes a mix of residential, commercial, educational, retail, and cultural uses and amenities with connections between the downtown and waterfront areas.

Goal 4: In partnership with the Port of Bellingham and the broader community, establish and implement a plan to redevelop the central waterfront to substantially reduce contaminants and improve environmental health, increase living-wage jobs, provide public access, recreation and housing, and complement the City's other neighborhoods.

Goal 5: 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.

Goal 6: Protect and enhance the City's cultural, educational, recreational, and environmental assets.

Goal 7: Improve coordination of transportation, parking and land use decisions to provide a system that effectively moves people and goods through and around the City.

Goal 8: Support development of a more diverse and sustainable economy by providing services that maintain a high quality of life. Work with businesses and agencies to support economic development activities that increase living-wage jobs in Bellingham.

Goal 9: Improve communication between the City and its citizens about all goals, priorities, and challenges.

Goal 10: Support programs and provide facilities that serve low income families and individuals.

Goal 11: Improve the City's disaster preparedness and response capability.

Departments relate their departmental objectives to Council goals by goal number where applicable.

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ELECTED OFFICIALS

MAYOR

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Executive Office.....(360) 778-8100
email mayorsoffice@cob.org

**CITY COUNCIL
2008**

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

Jack Weiss..... 1st Ward

Gene Knutson..... 2nd Ward

Barry Buchanan 3rd Ward

Stan Snapp 4th Ward
Mayor Pro-Tempore

Terry Bornemann..... 5th Ward
Council President Pro-Tempore

Barbara Ryan..... 6th Ward
Council President

Louise Bjornson At-Large

MUNICIPAL COURT JUDGE

Debra Lev
Bellingham Municipal Court.....(360) 778-8150
email dlev@cob.org

The Finance Director changed from an elected to an appointed position beginning in 2008 by a City Charter Amendment passed during the 2006 election.

Visit us on the City's website at www.cob.org

DEPARTMENT HEADS

| | |
|--|--|
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| Interim Police Chief | (360) 778-8600 |
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Visit us on the City's website at www.cob.org

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Vacant mayorsoffice@cob.org

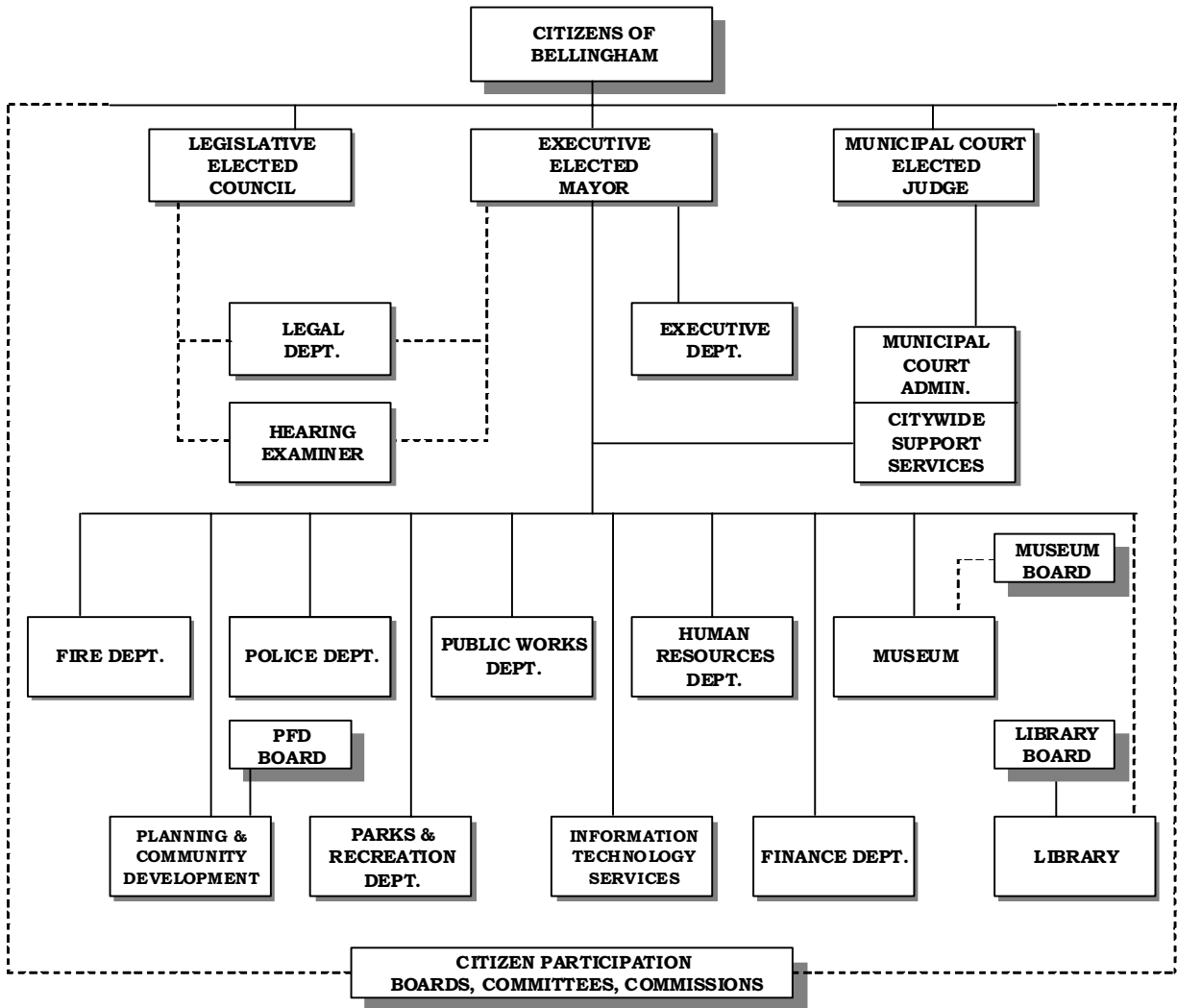
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Linda Stewart lstewart@cob.org

Waterfront Redevelopment Manager.....(360) 778-8103
Len Johnson ljohnson@cob.org

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ORGANIZATION CHART



TEXT BOX

A text box indicates a department or elected official within the City organization.

TEXT BOX

A divided box indicates dual function and responsibility within the same department.

TEXT BOX

A box with double-width shadow indicates an entity outside the City organization.

A dotted line indicates an indirect or advisory relationship.

A solid line indicates a formal and direct relationship.

PFD

Public Facilities District

This key applies to all organization charts throughout the Budget Document, which appear at the beginning of each Departmental section.

SERVICES PROVIDED BY THE CITY

The City provides a full range of municipal services that include public safety, culture and recreation activities, economic development, street and parking, utilities, and general administrative services.

Activities owned and / or operated by the City include water, wastewater and stormwater utilities, municipal parking facilities, Lake Padden Golf Course, Bayview Cemetery, Whatcom Museum of History and Art, Bellingham Public Library and Fairhaven Branch Library, nearly 100 parks, a civic stadium, athletic fields, and the Arne Hannah Aquatic Center. The City operates Medic One to provide county-wide emergency medical services under an agreement with Whatcom County.



ORGANIZATIONAL STRUCTURE

The City's charter establishes a council-mayor form of government. City management is led by the elected Mayor in a strong-Mayor, weak-Council form of government. In November 2006 voters approved a charter amendment changing the Finance Director from an elected position to one appointed by the mayor and subject to confirmation by the City Council. State statute provides for an elected Municipal Court Judge.

Six council members are elected by wards and serve four-year terms. Three are elected every two years. The seventh council member is elected every two years in an at-large capacity. The Mayor is elected for a four-year term. A Municipal Court Judge is elected for a four-year term at the mid-point of the Mayor's term of office.

The administrative department heads are appointed by and serve at the mayor's discretion, with the following exceptions: The Chief Administrative Officer (CAO), City Attorney and Finance Director require approval of the City Council for appointment or removal, and the Library Director is appointed by the Library Board.

The City of Bellingham is structured into sixteen departments or service areas, which may be further divided into operating divisions. Each department or division is broken down into its functional units, or groups. The City organization chart shows the elected officials, the operating departments and the citizen boards, committees, commissions, etc. that assist the City to function.

COMMUNITY AND LOCAL ECONOMY

Located on Bellingham Bay with Mount Baker as its backdrop, Bellingham is the last major city before the Washington coastline meets the Canadian border. Bellingham is 85 miles north of Seattle and an hour south of Vancouver, B.C. The City of Bellingham, which serves as the county seat of Whatcom County, is at the center of a uniquely picturesque area that offers a rich variety of recreational, cultural, educational, and economic activities and opportunities.

Bellingham citizens have made strategic investments in parks, trails, and preserved open spaces, offering recreation and respite to the young and young-at-heart. From salt-water bays, rivers and lakes to the peak of Mount Baker, area residents and visitors alike can literally “do it all” in one day from Bellingham. Skiing, kayaking, mountain biking and other adventure sports abound, as well as slower-paced activities like hiking, golfing, bird watching and fishing.

Downtown Bellingham and the historic Fairhaven district feature an interesting mix of restaurants, art galleries and specialty shops. The growing downtown cultural district includes the respected Whatcom Museum of History and Art, owned and operated by the City of Bellingham with the generous support of many organizations and individuals. Originally built in 1892 as City Hall, the Museum's striking brick building is the centerpiece of a four-building campus, including a children's museum.

Bellingham's renowned Fairhaven district offers Victorian-era buildings, shops offering hand-crafted products, local restaurants serving fresh seafood and art galleries featuring Northwest artisans. Visitors bound for Alaska depart on the Alaska Marine Highway System ferries from the Bellingham Cruise Terminal, also in the Fairhaven District. Bellingham's active waterfront port supports fishing, boat building, shipping, and marina operations. Squalicum Harbor is the second largest in Puget Sound, with 1,900 pleasure and commercial boats moored.

Bellingham is home to Western Washington University on Sehome Hill, one of several hilltop locations in Bellingham that feature sweeping views across the bay to the San Juan Islands. Western is the third largest university in the state with enrollment of more than 12,000 students. Whatcom Community College and Bellingham Technical College serve more than 10,000 students, offering undergraduate courses and a wide variety of technical training. Bellingham Public Schools operates 12 elementary schools, four middle schools and three high schools.

Multiple transportation links connect the community to the region and the world. Allegiant, Delta, and Horizon airlines and various charter services depart from the Port-operated Bellingham International Airport. Amtrak rail service and Greyhound bus service connects Bellingham to Seattle and Vancouver BC, both departing from the Fairhaven district. From Bellingham's ports, tour boats and ferries leave for whale watch cruises, tours to Victoria on Vancouver Island, cruises to the San Juan Islands and longer voyages to Alaska. Whatcom Transportation Authority (WTA) provides transit service within Bellingham and throughout Whatcom County and transit connector service to Skagit Station in Mount Vernon.

Some Key Facts

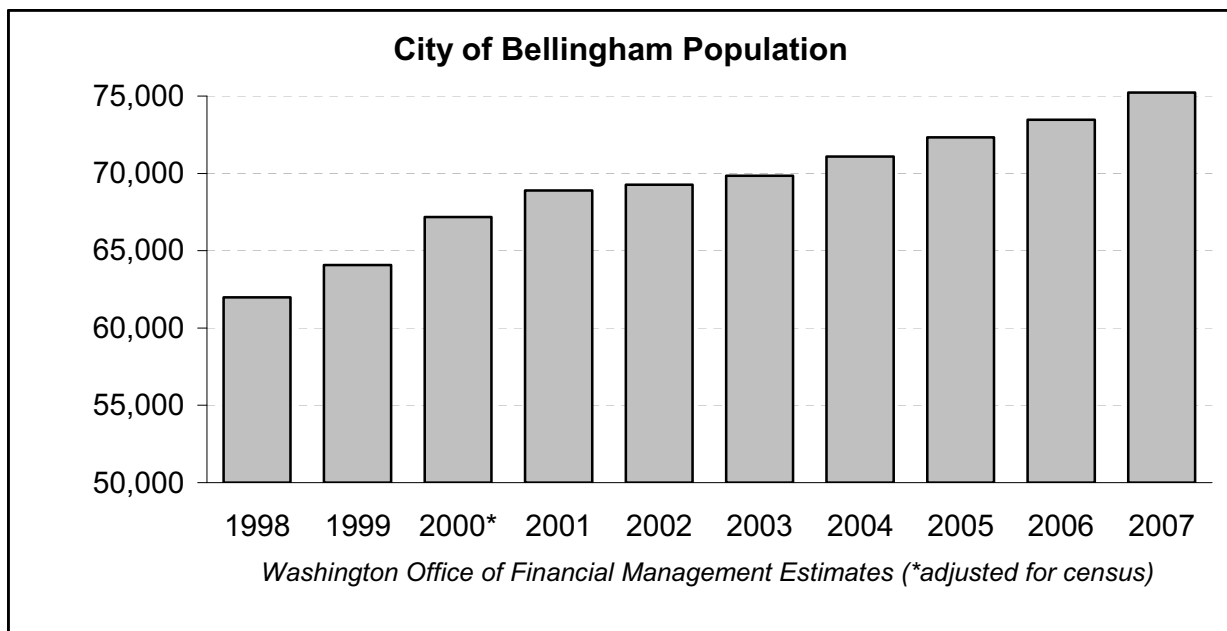
Elevation: Ranges from sea level at the waterfront to approximately 240 feet above on Western Washington University's campus.

Weather: Seasonal. The temperature range in winter averages from 36° to 48°. In summer the average low is 54° to an average high temperature of 72°. Average annual rainfall is 34.83 inches per year. (*Weather.com*)

Land size: The City encompasses approximately 28 square miles.

History: Lummi, Nooksack and other Coast Salish people first thrived on the resources of what would become Bellingham Bay. English Captain George Vancouver explored the area in 1792 and named Bellingham Bay for Sir William Bellingham, Vancouver's British Navy provisioner. Small communities came and went on the shores of Bellingham Bay through boom and bust cycles throughout the 1800s. The City of Bellingham incorporated as a Washington Municipal Corporation in 1904, after the populations of four bayside towns voted to consolidate.

Bellingham's population of 75,220 in 2007 has increased over 22% from 1997.



Demographics

Median resident age: 30.4 years
 Median household income: \$35,612
 Median house value: \$252,100
 Median gross rent: \$705
 Residents living in poverty 22.6%
 85.9% White Non-Hispanic

For population age 25 and over:

- High school or higher 88.5%
- Bachelor’s degree or higher 33.0%
- Graduate/professional degree 10.3%

(2005 Estimates from City-Data.com)

Employment

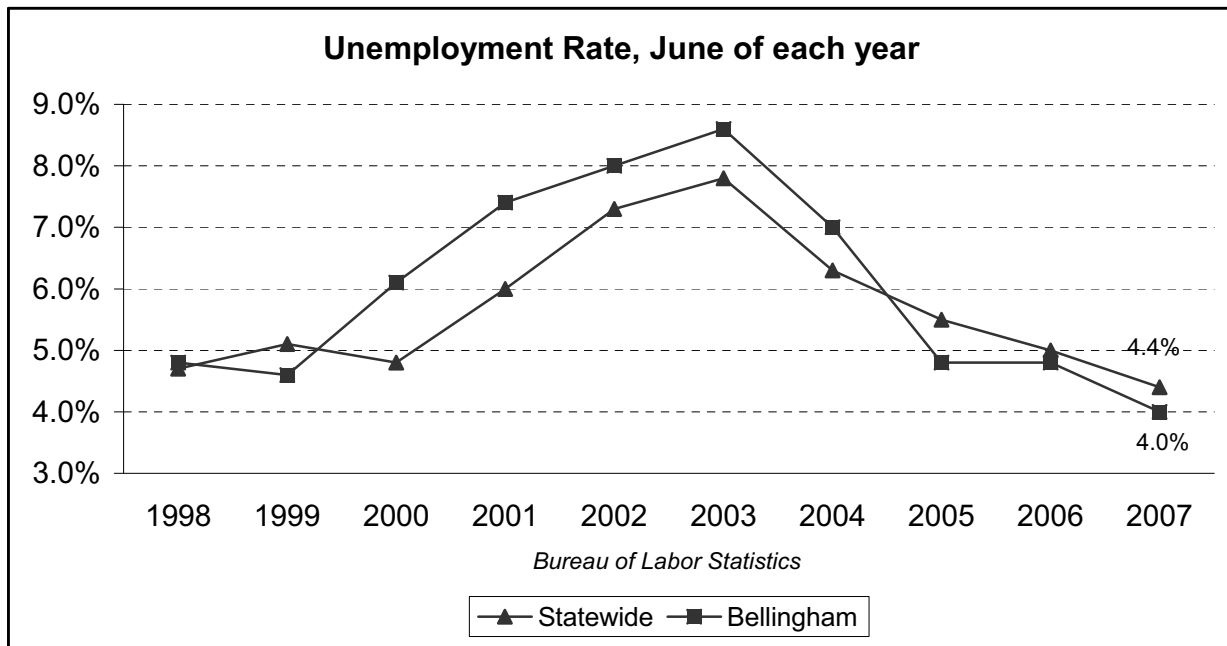
Largest Employers in Whatcom County

| Rank | Name | Employees | Type |
|------|-------------------------------------|-----------|------------------|
| 1 | ST JOSEPH HOSPITAL | 2,217 | Health Care |
| 2 | WESTERN WASHINGTON UNIVERSITY | 1,664 | Education |
| 3 | BELLINGHAM SCHOOL DISTRICT | 1,300 | Education |
| 4 | WHATCOM COUNTY | 942 | Government |
| 5 | CITY OF BELLINGHAM | 795 | Government |
| 6 | BP CHERRY POINT REFINERY | 725 | Manufacturing |
| 7 | HAGGEN INC | 720 | Retail |
| 8 | LUMMI TRIBAL OFFICE | 700 | Tribes - Admin |
| 9 | FERNDAL SCHOOL DISTRICT | 681 | Education |
| 10 | SODEXHO SERVICES | 671 | Food Service |
| 11 | ALCOA INTALCO | 544 | Manufacturing |
| 12 | BROWN AND COLE | 524 | Retail |
| 13 | SILVER REEF CASINO | 520 | Tribes - Gaming |
| 14 | HEATH TECNA INC | 487 | Manufacturing |
| 15 | FRED MEYERS | 480 | Retail |
| 16 | LYNDEN SCHOOL DISTRICT | 474 | Education |
| 17 | MADRONA MEDICAL GROUP | 450 | Health Care |
| 18 | T-MOBILE (not verified by T-Mobile) | 440 | Cell Phone Svc |
| 19 | OLYMPIC HEALTH MANAGEMENT | 415 | Health Insurance |
| 20 | WAL-MART | 395 | Retail |
| 21 | WHATCOM COMMUNITY COLLEGE | 365 | Education |
| 22 | BELLINGHAM TECHNICAL COLLEGE | 345 | Education |
| 23 | MT. BAKER SCHOOL DISTRICT | 330 | Education |
| 24 | ANVIL CORP | 320 | Engineering |
| 25 | CONOCO PHILLIPS COMPANY | 300 | Manufacturing |

Source: Western Washington University College of Business and Economics, Economics and Business Research - Top 25 Employers. Data as of January 2007

Note: Estimates of employed workers may vary depending on the method of calculation. Most companies report only the number of full and part-time employees. However, some companies include seasonal workers. The number of workers in any given company may also vary depending on the time of year. As such, these numbers should be used as general reference figures - not exact employee counts.

Employment (continued)



The Bureau of Labor and Statistics has revised Unemployment figures for the period from 2002 to 2006 since the last Budget Document publication.

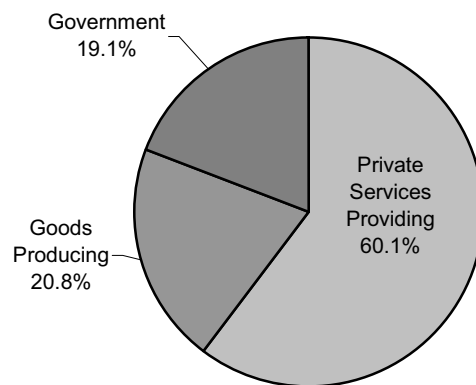
Nonagricultural Wage and Salary Employment

Bellingham Metropolitan Statistical Area (Whatcom County)

Not Seasonally Adjusted, in Thousands

Jun-07

| | |
|------------------------------------|------|
| TOTAL PRIVATE | 68.6 |
| GOODS PRODUCING | 17.6 |
| NAT. RESOURCES, MINING, & CONSTR. | 8.5 |
| MANUFACTURING | 9.1 |
| SERVICES PROVIDING | 67.2 |
| PRIVATE SERVICES PROVIDING | 51.0 |
| TRADE, TRANSPORT., WAREHSG, & UTIL | 15.9 |
| Retail Trade | 10.6 |
| FINANCIAL ACTIVITIES | 3.2 |
| PROFESSIONAL & BUSINESS SERVICES | 7.4 |
| LEISURE and HOSPITALITY | 10.0 |
| GOVERNMENT | 16.2 |
| Federal Government | 1.1 |
| State Government | 5.5 |
| Local Government | 9.6 |



Washington State Employment Security Department

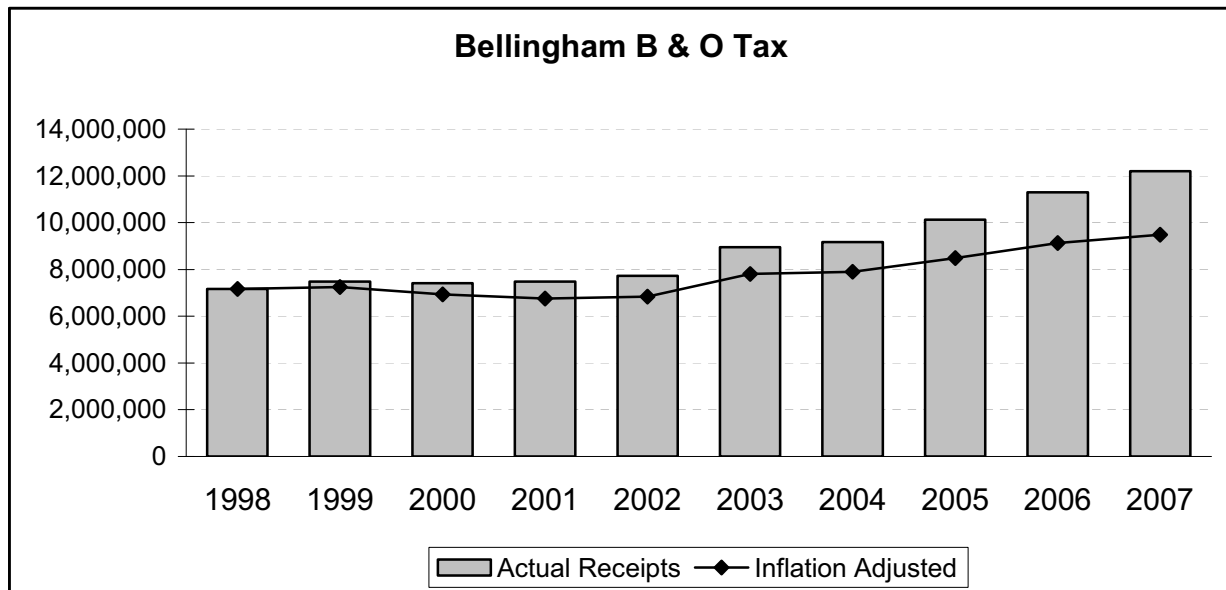
Makeup of Retail Sales Tax Base

| Taxable Retail Sales - Bellingham | | | | | |
|---|------------------------|------------------------|------------------------|-------------------|--------------------------|
| By North American Industrial Classification System (NAICS) | | | | | |
| | 2004 | 2005 | 2006 | % of Total | Change '05 to '06 |
| Retail Trade | \$ 986,264,657 | \$1,074,419,914 | \$1,129,453,949 | 55.0% | 5.1% |
| Construction | 248,394,856 | 262,574,721 | 299,862,388 | 14.6% | 14.2% |
| Services | 236,796,832 | 243,953,248 | 253,274,120 | 12.3% | 3.8% |
| Accommodation & Food Svc; Arts, Ent & Rec | 179,399,862 | 189,875,455 | 199,243,226 | 9.7% | 4.9% |
| Wholesale Trade | 103,824,062 | 107,042,260 | 124,172,571 | 6.0% | 16.0% |
| Manufacturing | 26,296,678 | 31,246,770 | 31,185,479 | 1.5% | -0.2% |
| Transportation & Warehousing; Other | 13,924,814 | 15,922,872 | 18,012,485 | 0.9% | 13.1% |
| Total | \$1,794,901,761 | \$1,925,035,240 | \$2,055,204,218 | 100.0% | 6.8% |

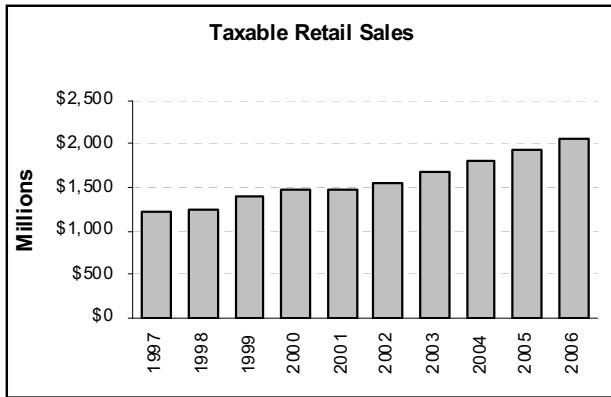
Department of Revenue, Quarterly Business Review

Business and Occupation Tax

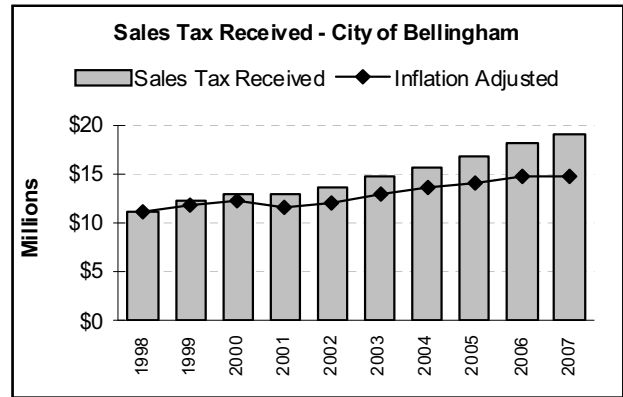
This chart shows a ten-year history of the City's Business and Occupation Tax revenue. B & O Tax rates have not changed during this period.



Distribution of Sales Tax



Washington State Department of Revenue

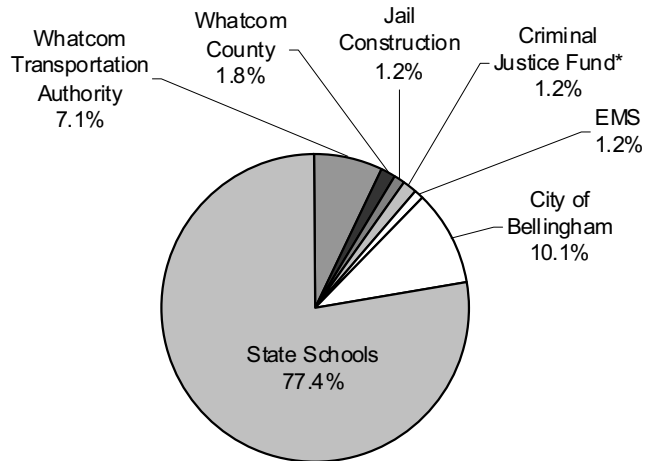


City tax receipts - TaxTools database

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 |
| City of Bellingham | 0.85 |
| State Schools | <u>6.50</u> |
| Total Retail Sales Tax Rate | 8.40% |

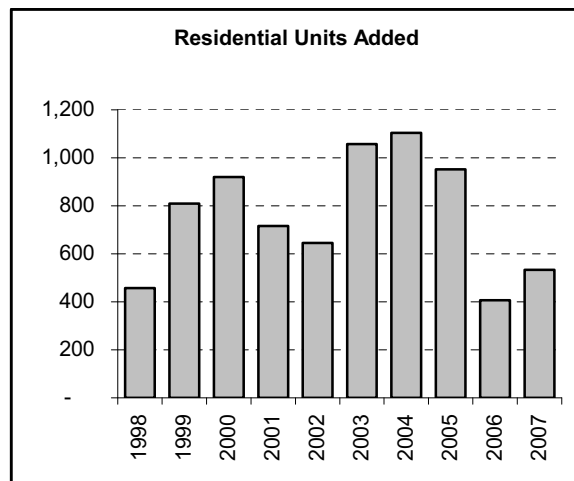
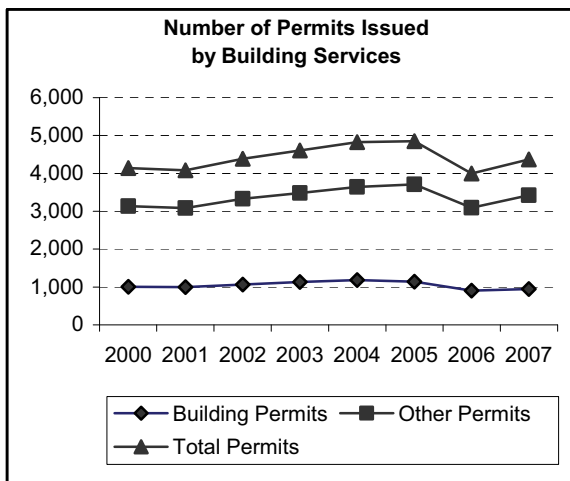
*Criminal Justice Fund money is divided between the City and County based on population.



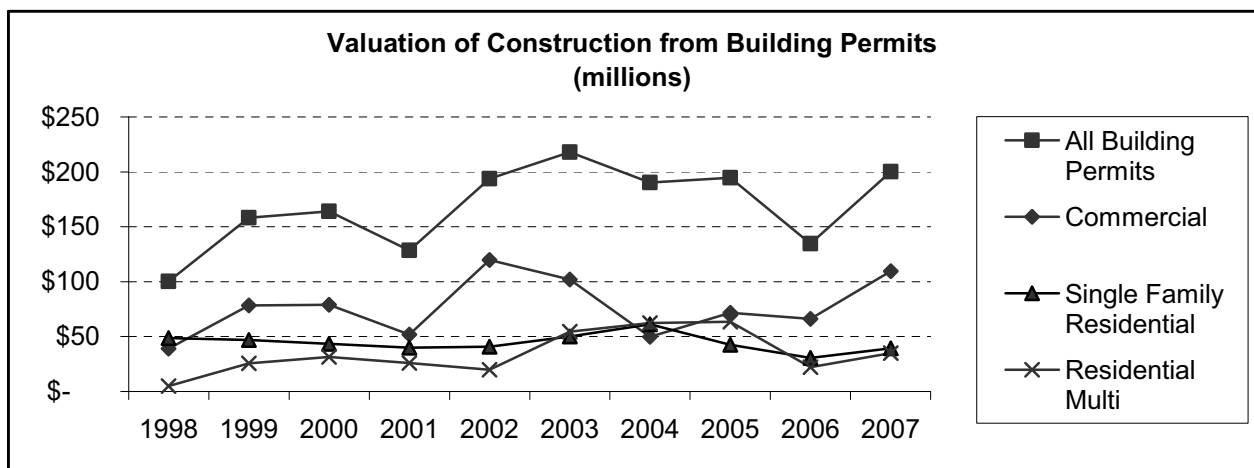
The .85% sales tax received by the City is divided with approximately 50% going into the General Fund and 50% going into the Street Fund.

Building Permit Activity

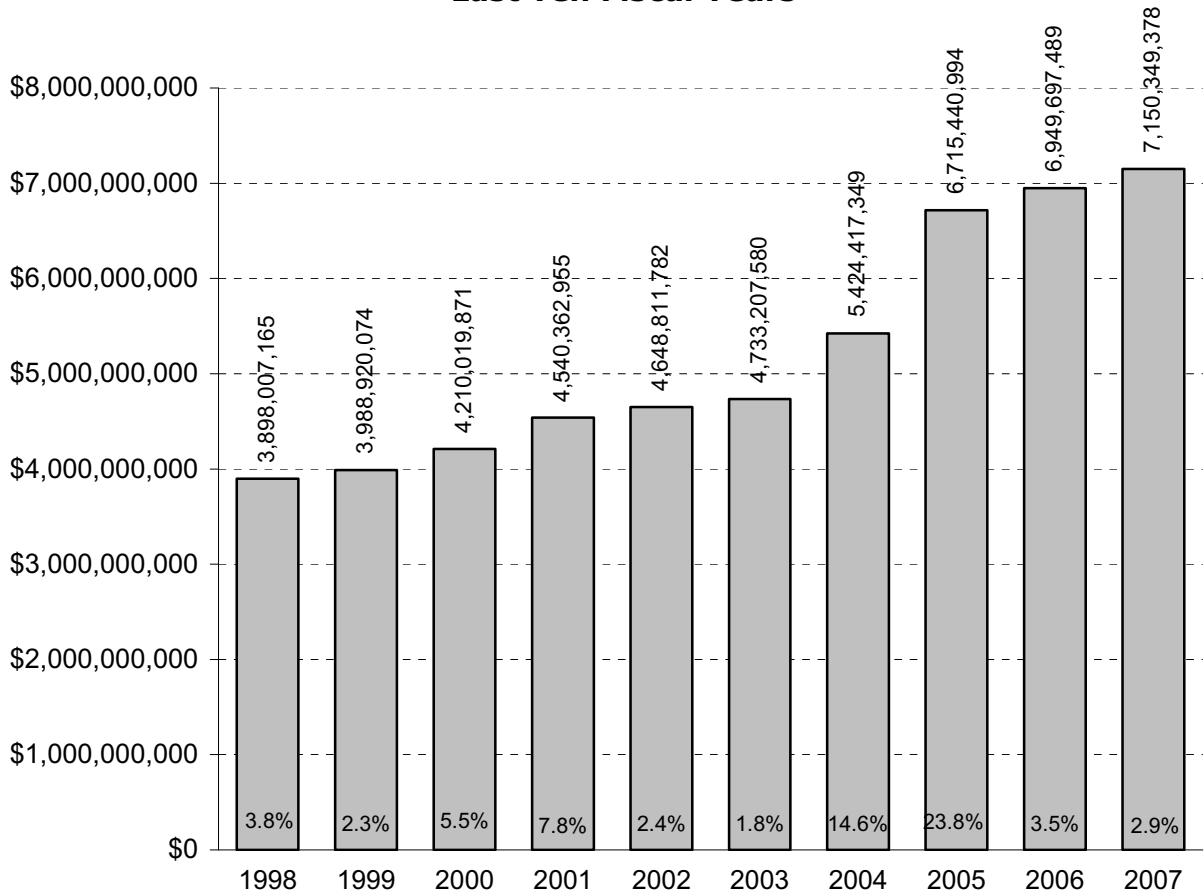
The number of residential units added within the City, the number of permits issued, and the valuation of new construction are summarized from the Building Services permit tracking system.



Valuation is based on the square foot valuation in the permit tracking system. The valuation for All Building Permits includes more categories than are summarized in separate lines on the graph.



**ASSESSED VALUATION - REAL PROPERTY
Last Ten Fiscal Years**



Percentage is Increase Over Prior Year. 2007 is Assessment for 2008 Taxes.
Source: Whatcom County Assessor's Certification of Assessed Valuations memo.

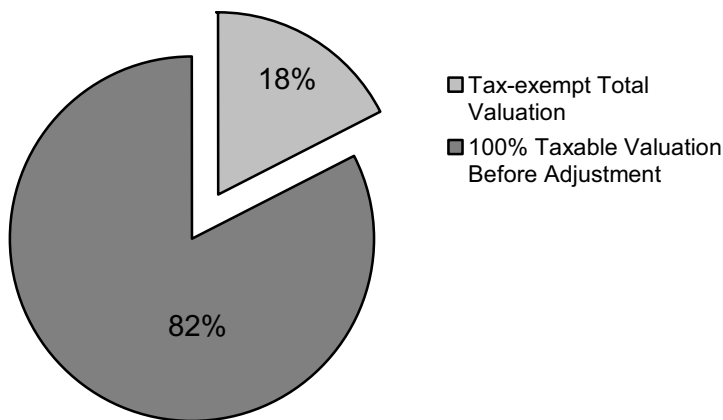
Assessed Valuation of New Construction and Annexations



Budget Overview

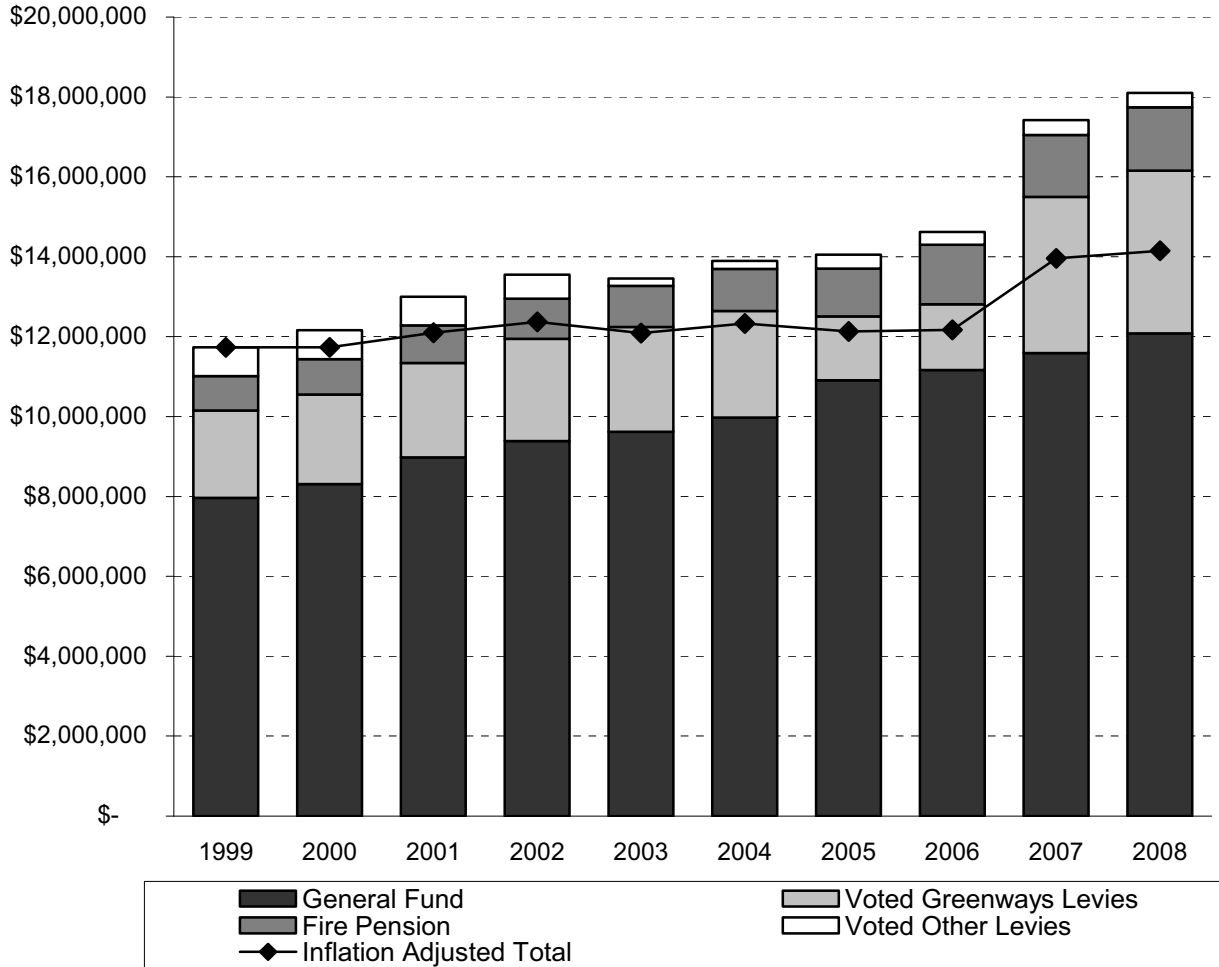
The Whatcom County Assessor revalues property inside the city limits in four-year cycles with the North and South segments of the City being assessed in different years. Annexations and major new construction also can cause the total assessed value to increase more than normal in a given year.

Government owned property (federal, state, local, school) is statutorily exempted from taxation. Non-profit organizations must apply for exemption through the Washington State Department of Revenue and file annually to keep the exemption. The pie chart below shows the percentage of tax exempt property within the City.



| Assessed Values of Ten Largest Valued Taxable Accounts within the City of Bellingham | | | |
|---|--------------------------------|--------------------------------|----------------|
| Tax Year 2008 (2007 Assessment Year) | | | |
| 1 | Puget Sound Energy/Elec | State Assessed Utility (B'ham) | \$ 145,426,941 |
| 2 | Bellis Fair Partners | ptn Bellis Fair Mall | \$ 32,856,940 |
| 3 | Pk II Sunset Square LLC | ptn Sunset Square | \$ 20,891,450 |
| 4 | Qwest Corporation | State Assessed Utility (B'ham) | \$ 19,597,018 |
| 5 | MWSH Bellingham LLC, etal. | Spring Creek Retirement Center | \$ 15,863,025 |
| 6 | Roundup Co | Bakerview Fred Meyer | \$ 15,537,950 |
| 7 | Carey NW LLC | Belleau Woods Apartments | \$ 14,608,300 |
| 8 | 4545 Cordata Parkway LLC | Madrona Medical | \$ 13,471,175 |
| 9 | Metropolitan Life Insurance Co | Lakeway Fred Meyer | \$ 13,356,365 |
| 10 | Haggen Talbot Co Ltd | 2211 Rimland Dr. | \$ 13,315,970 |

Property Tax Levy Total - 10 Year History

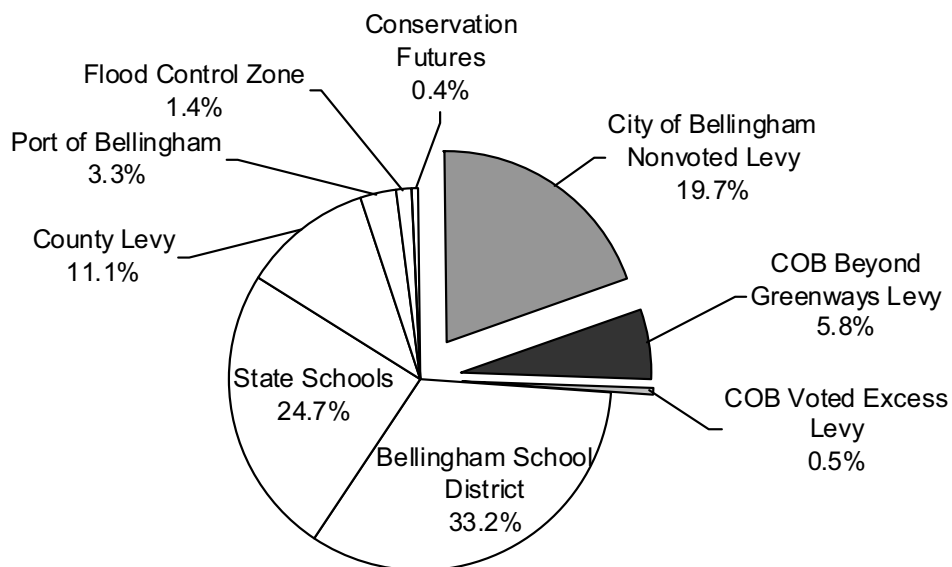


Distribution of Property Tax Dollars

The chart below shows how Property Tax dollars are distributed for a taxpayer residing within the City of Bellingham. The distribution is based upon the 2008 property tax levy.

| Jurisdiction | 2007 Levy Rate Per \$1,000 Valuation | 2008 Levy Rate Per \$1,000 Valuation | 2008 Percent of Levy | 2008 Cost for \$250K HOME |
|--------------------------------------|--|--|----------------------------|---------------------------------|
| City of Bellingham | | | | |
| General Fund | \$1.68677 | \$1.70917 | 17.36% | \$427.29 |
| Fire Pension | 0.22500 | 0.22500 | 2.29% | 56.25 |
| Nonvoted Levy | 1.91177 | 1.93417 | 19.65% | 483.54 |
| Voted Greenways | 0.57000 | 0.57493 | 5.84% | 143.73 |
| Total Regular Levy | 2.48177 | 2.50910 | 25.49% | 627.28 |
| Voted Excess Levies | 0.05486 | 0.05197 | 0.53% | 12.99 |
| Total City of Bellingham Levy | 2.53663 | 2.56107 | 26.02% | 640.27 |
| State Schools | 2.69846 | 2.42701 | 24.66% | 606.75 |
| County Levy | 1.14785 | 1.08884 | 11.06% | 272.21 |
| Conservation Futures | 0.04453 | 0.04229 | 0.43% | 10.57 |
| Flood Control Zone | 0.14354 | 0.13625 | 1.38% | 34.06 |
| Port of Bellingham | 0.34220 | 0.32465 | 3.30% | 81.16 |
| Bellingham School District (1) | 3.27693 | 3.26299 | 33.15% | 815.75 |
| Total Levy | \$10.19014 | \$9.84310 | 100.00% | \$2,460.78 |

(1) Small portions of the City of Bellingham are within the Meridian or Ferndale School Districts rather than the Bellingham School District, resulting in a slightly different total property tax levy rate in those areas.



PREPARING AND AMENDING THE CITY’S BUDGET

2007 PROCESS CALENDAR FOR 2008 BUDGET

| | |
|--|---------------------|
| Council Retreat #1 to discuss goals and priorities for 2008..... | January 20 |
| Council Retreat #2 to discuss goals and priorities for 2008..... | March 14 |
| Departments prepare annual estimates | July 23 – August 17 |
| Departmental requests filed with the Budget Manager..... | August 17 |
| Departmental requests presented to the Mayor | September 6 |
| Preliminary Budget presented to Council | October 15 |
| Departmental Presentations and Hearings on the Budget | October 22 and 29 |
| Public Hearing on revenue sources including Property Tax..... | October 15 |
| Property Tax Ordinance presented to Council | November 5 |
| Final Public Hearing on Budget..... | November 5 |
| Council adopts Property Tax Ordinance..... | November 19 |
| Council adopts Budget | November 26 |
| Adopted Budget Document Printed..... | February 2008 |



Preparing the City’s Budget

Preparation of the City’s budget is governed by the City Charter and Revised Code of Washington (RCW), Chapter 35.33. The deadlines in the following narrative describe state minimum requirements. The City sometimes chooses to accelerate this schedule. The schedule that was used for this budget year is found above.

On or before the second Monday in September, Departments are notified that they have *until the fourth Monday in September* to submit their estimate of revenues and expenditures for the next year’s budget. Department heads provide these estimates along with their proposed method of financing expenditures from funding sources (bonds, etc.) not yet authorized. Estimates of interest and debt redemption requirements are prepared.

On or before the first business day in October, the Budget Manager submits a proposed preliminary budget to the Mayor, which shows the expenditures requested by each department and the related sources of revenue. The Mayor makes revisions to the preliminary budget and submits the Mayor’s Budget Message and the preliminary budget document to the Finance Director *on or before November 1st*. The Finance Director makes copies of the preliminary budget document available to taxpayers *no later than six weeks prior to January 1st*.

The City Council certifies the estimated amounts to be raised by taxation on the assessed valuation of property within the City through the adoption of an ordinance setting tax levy rates for the budget year. A public hearing on revenue sources is held by the Council prior to taking action on the proposed tax levy ordinance. The Finance Director sends a copy of the adopted ordinance to the Whatcom County Assessor *on or before the last day of November*.

The City Council holds hearings on the budget prior to the final public hearing. These hearings may include presentations from departments on their estimates and programs. These hearings take place *during the month of November*.

The clerk publishes the notice of public hearing *during the first two weeks of November*. The final hearing on the budget is held *on or before the first Monday of December*. Any taxpayer may appear at the final hearing and make comments on any part of the budget. The final hearing may be continued from day-to-day, but must be completed *no later than December 5th*.

The City Council makes changes to the preliminary budget as it deems necessary and adopts the Final Budget, by ordinance, *prior to January 1st*.

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 in 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.

Re-appropriating Prior Year Funds

All appropriations in any fund lapse at the end of the fiscal year. Amounts authorized during the fiscal year to pay for goods and services not received or completed by the end of the fiscal year may be re-appropriated to the next year by ordinance.

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.

BUDGET DEVELOPMENT POLICIES

Budget and Financial Policies were reviewed and re-written during 2006 and 2007. The new policy is presented here:

City Philosophy and Guidelines

The City of Bellingham strives to provide a healthy balance of services to promote an outstanding quality of life in the City. While recognizing the importance of all programs to promote this goal, it is understood that the City's ability to provide services can vary according to shifts in the local and state economy. During periods of flat or declining revenues the City's emphasis on programs for public safety and maintaining previous investments in capital facilities will increase. During periods of increasing revenues the City will generally work to improve the balance among different program areas.

This philosophy is illustrated in these five guiding principles:

1. Policy and administrative decisions should reflect long-term community goals.
2. All City decisions should reflect both immediate and long-term costs.
3. Encourage citizen stewardship through involvement in civic affairs.
4. Promote and support intergovernmental and public/private partnerships.
5. Planning a healthy environment for children fosters a healthy environment for us all; therefore, all City policies and decisions will consider the well-being and safety of children.

The following sections layout policies that follow this philosophy. In addition to the policies, the City of Bellingham's budget process is governed and it's policies superseded by the Revised Code of Washington (RCW) 35A.33.

General Budget Policies

1. Strategic Plan – The City Council will issue its Goals & Objectives at the start of each budget cycle. These Goals & Objectives will be used as the framework to help guide spending prioritization within the City.
2. Budget Preparation – Department Heads have primary responsibility for formulating budget proposals that support the priorities and direction provided by City Council and the Mayor, and for implementing them once they are approved.

The Budget Office is responsible for coordinating the overall preparation and administration of the City's budget and Capital Investment Program Plan. This function is fulfilled in compliance with applicable State of Washington statutes governing local government budgeting practices.

The Budget Office assists department staff in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.

Budget Overview

3. Examination of Existing Base Budget – During the annual budget development process, departments will thoroughly examine their existing base budget to remove one-time appropriations and to reduce or eliminate any services that are no longer priorities or do not create value that at least offsets the cost of providing the service.
4. Performance Budgeting – Performance measures will be utilized and reported in department budgets. The City will prepare trends, comparisons to other cities, and other financial management tools to monitor and improve service delivery in City programs.
5. Services to Keep Pace With Community Needs – The City will strive to ensure that City service priorities keep pace with the dynamic needs of the community by incorporating a service needs review as part of the budget process.
6. Balanced Budget – In compliance with RCW 35.33.075, the City adopts a statutorily balanced budget, which requires total estimated resources (beginning reserves plus revenues) equal the total appropriation (expenditures plus ending reserves). Semiannually the Budget Manager will prepare a six-year forecast of revenues, expenditures and reserves so the City can ensure that expenditures are limited to an amount that can be sustained within projected revenues while maintaining prudent reserves.
7. Distinguished Budget Presentation – The City will prepare its budget in accordance with the Government Finance Officers Association’s (GFOA) recommendation. It will also seek to obtain the GFOA Distinguished Budget Presentation Award for its annual budget.

Revenue Policies

The City must be sensitive to the balance between the need for services and the City's ability to raise fees, charges, and taxes to support those services.

1. Mix of Revenues – The City should strive to maintain a diversified mix of revenues in order to balance the sources of revenue amongst taxpayers and to provide ongoing stability and predictability. The City's overall revenue structure should be designed to recapture for the City some of the financial benefits resulting from City economic and community development investments.
2. Charges for Services – Charges for services that benefit specific users should recover full costs, including all direct costs, capital costs and overhead. Departments that impose fees or service charges should prepare and periodically update cost-of-service studies for such services. A subsidy of a portion of the costs for such services may be considered when Council determines such subsidy is in the public interest.
3. One-time Revenues – The City will not use resources received, that are considered to be of a one-time nature, to fund on-going operational costs.

4. Grant Agreements – Prior to application and again prior to acceptance, grant agreements will be reviewed by the appropriate City staff to ensure matching requirements are reasonable and attainable, and ensure compliance with regulatory requirements is possible.

Operating Expenditure Policies

1. Adding New Staff – The City allocates staff and resources necessary to safely, effectively, and efficiently meet the needs of our citizens. Any change to staffing and resource levels will be consistent with the overall goals and priorities of the City Council. The Executive, Finance, and Human Resources Departments will consider the following factors to closely manage staffing changes to maintain city priorities:
 - a. The nature and duration of work assignments/projects;
 - b. Amount and sustainability of funding sources;
 - c. Consistency with City Council goals; and,
 - d. Feasibility and cost effectiveness of all service delivery options.
2. Public Stewardship – In all Operating Expenditure areas the City will strive to balance prudent decision making with fair market considerations in order to receive optimal value for the funds being expended.
3. Compensation – The City strives for a compensation practice that will attract and retain competent employees and be in harmony with the community served. In establishing compensation, which includes salary and benefits, the City will normally reflect the compensation practices of employers in the geographic area from which job applicants are recruited.
4. Full Cost Allocation – Department budgets should be prepared in a manner to reflect the full cost of providing services. The only exception would be for General Fund department costs that would be attributable to other General Fund department services.

Financial Planning & Forecasting Policies

The City maintains a six-year Financial Forecast of resources and expenditures for the six years beyond the current budget period. This Forecast is updated quarterly to provide the City's decision-makers with an indication of the long-term fiscal impact of current policies and budget decisions. The City will regularly test both its planning and forecasting methodology and use of planning and forecasting tools in order to provide information that is timely and accurate.

Budget Adjustments & Amendments

The current period's Operating Budget may be adjusted during the year using one of two methods.

The first method is an Adjustment. This involves a reallocation of existing appropriations and does not change the Fund's, or for the General Fund the Department's, budget "bottom line." No City Council action is needed as State law allows budget adjustments to be done administratively with approval from the Mayor and/or CAO.

Budget Overview

The second method is an Amendment. This involves an addition to or reduction of existing appropriations which results in a change to the Fund's, or for the General Fund the Department's, budget "bottom line." This type of change requires an ordinance that amends the original budget and states the sources of funding for the incremental appropriations.

1. Budget Amendments – The City's preferred method for budget changes is an Adjustment. That is, finding availability within existing budget before requesting incremental funding. Amendments to the City's budget should only be requested for material changes that impact a department and/or fund's existing appropriation. For purposes of this policy, an unanticipated mid-period grant would be considered a material change.
2. Budget Ordinances – The Budget Manager will review all agenda bills submitted to City Council which require a Budget Ordinance. The objective of these reviews is to ensure disclosure of all fiscal issues to the Council and to draft the Budget Ordinance.

Reserve Policies

The City will maintain adequate reserves in order to reduce the potential need to borrow to fund operations or abruptly reduce services during periods of economic downturn or other emergencies. It will also place resources into reserve for long-term capital needs and pension obligations. To accomplish these goals the City has specified specific reserve requirements in several funds. These detailed requirements can be reviewed in the table at the end of the policies.

1. Definition of Reserves – The City defines budgetary reserves as the difference between:
 - a. Those assets that can reasonably be expected to be available for use within the year or shortly thereafter; and
 - b. Those liabilities that can reasonably be expected to be extinguished during the year.
2. Unrestricted General Fund Reserves – Before using unrestricted General Fund reserves on expanding or funding operations, consideration will be given to investing those funds in specific Capital reserve and Pension reserve funds.

Investment & Debt Policies

1. Asset Preservation – Preservation and safety of assets is a higher priority than return on investments. Therefore, the City will seek a reasonable return on its investments while also preserving the original capital investment. This is typically referred to as the 'Prudent Person' policy. The City also has an Investment Policy which Council reviews and adopts annually.
2. Interfund Loans – The City will use interfund loans when possible to provide for cash flow coverage, which must be separately approved by the Council. Longer-term uses will be allowed on a case-by-case basis. The Finance Director will establish rates of return to assure the loaning fund receives a return equal to the pool investment rate. In addition, the department responsible for the loaning fund will be consulted to determine whether funds are available for the term of the loan.

3. Debt Issuance – The City will strive to keep a strong bond rating by monitoring and improving its financial stability. Before debt is issued consideration will be given to: a) whether revenue stream is available to repay the debt, b) alternate methods of financing, and; c) whether it would not be cost effective to delay issuing debt.

Capital Investment Policy

1. Relationship to Long-Range Plans – Capital projects will typically be based on formal long-range plans that have been adopted by the City Council. This ensures that the City's Capital Facilities Plan (CFP), which is the embodiment of the recommendations of these individual planning studies, is responsive to the officially stated direction of the City Council as contained in the Comprehensive Plan, Goals and Objectives, or other long-range supporting documents. Each project will be evaluated based on its relative contribution to these studies. It is also recognized that capital maintenance projects will arise on a regular basis that are not listed in the CFP or other formalized plans.
2. Types of Projects Included in the CFP Plan – A CFP project is generally defined to be any project that:
 - a. Involves design, physical construction, reconstruction, or replacement of a major component of City infrastructure, or acquisition of land or structures; and
 - b. With the exception of projects utilizing REET funds, is estimated to exceed \$50,000. Any project using REET funds, regardless of project amount, will be included on the CFP.
3. Project Tracking – Each Capital Project is required to be tracked with a Job Cost Project Number in Finance's Accounting System. Finance will also provide budget to actual reports on a quarterly basis to ensure proper funding.
4. Budget Upfront – Capital projects will be budgeted at the full estimated cost of completing the project, or unique phase for larger projects, in the year the project is expected to be started. Once adopted, unspent CFP budgets will be reappropriated at the end of each fiscal period until the project is completed or abandoned.
5. Calculation of Operating Impact – The operating and maintenance cost impact of new capital facilities will be calculated and considered prior to the authorization of the project.

Accounting, Audit & Financial Reporting Policies

1. Budget Monitoring – The Finance Department will maintain a system for monitoring the City's budget performance. This system will provide the City Council with quarterly presentations regarding fund level resource collections and department level expenditures. The system will also provide monthly reports to Department Heads. The Department Heads will have primary responsibility for ensuring their Departments and/or Funds stay within their annual adopted budget.

Reserve Goal Table

| Fund Name | Goal | Rationale |
|--|---|---|
| General | 12% of Operating Expenditures | Service continuity during slower economic periods (Res. 2005-48) |
| Street | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Capital Maintenance | \$100,000 | Ensure appropriate funding to cover cash flow concerns |
| 1 st & 2 nd Quarter REET | \$100,000 per Fund | Ensure appropriate funding to cover cash flow concerns |
| Public Safety Dispatch | 15% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Public Facilities District | 5% of Operating Expenditures, or \$10,000, whichever is greater | Ensure appropriate funding to cover cash flow concerns |
| Water | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Wastewater | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Storm Water | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Solid Waste | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Cemetery | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Golf Course | 11% of Green Fees | Ensure appropriate funding to cover cash flow concerns |
| Parking Services | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Medic One | 8% of Operating Expenditures | One month's worth of funding to cover cash flow concerns (ILA. 2007-0050) |
| Development Services | 50% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Fleet | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Purchasing | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Facilities | 5% of Operating Expenditures | Ensure appropriate funding to cover cash flow concerns |
| Unemployment | 75% of Expected Claims | Ensure appropriate funding to cover cash flow concerns |
| Health Benefits | 5% of Medical Insurance Payments | Ensure appropriate funding to cover cash flow concerns |

EXPLANATION OF ACCOUNTING BASIS AND ACCOUNT STRUCTURE

Basis of Accounting

The basis of accounting defines when revenues, expenditures, or expenses are recognized in the accounts and included in the budget estimates. The basis of budgeting and the basis of accounting used in the City's audited financial statements are the same.

The modified accrual basis of accounting is used for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Benefit Trust Funds, and Permanent Funds. Under this method, expenditures are recognized in the accounting period in which the liability is incurred. Revenues are recognized when they become both measurable and available to finance expenditures of the current period (no more than 60 days beyond period end). Revenues that are measurable but not available are recorded as deferred revenues and offset by receivables.

- Taxes, entitlements and shared revenues are recognized when cash is received.
- Grant reimbursements are recognized in the year in which the expenditures are incurred.
- Special assessments are considered measurable and available when they become current.
- Interfund revenues for goods and services are considered measurable and available when earned.
- Proceeds from refunded debt are recognized as an "Other Financing Source" and the amount remitted to the refunding trustee is recognized as an "Other Financing Use."
- Redemption of long-term debt principal is considered an expenditure when due.
- Interest on long-term debt is recorded as an expenditure when due.
- Proceeds from the sale or loss of general fixed assets are recognized as an "Other Financing Source."
- Purchases of capital assets and inventories are considered expenditures.
- Prepaid items, for benefits not yet received, are recorded as expenditures when the benefits are realized.
- Accumulated unpaid sick pay and other health-related employee benefits are considered expenditures when paid. Accumulated vacation and compensatory time is expensed when earned and the resulting liability is reduced when the time is taken off or paid.
- All other revenues are either not measurable or considered not available until collected.

The accrual basis is used for Enterprise Funds, Internal Service Funds, and Pension Trust Funds. Under this method, revenues are recognized when earned, expenses when incurred.

Account Numbers

The State of Washington prescribes the account code structure cities must use for reporting. Cities may use any accounting system during the course of the year, but they must prepare their Comprehensive Annual Financial Report (CAFR) and Budget using the State's Budgeting, Accounting, and Reporting System (BARS) codes.

For regular accounting, the City uses an alternative numbering system called the User Account Code (UAC). The budget document shows portions of the UAC and portions of the expense code that are the same in both the BARS and UAC systems. The City sets up a one-to-one relationship between the UAC and BARS numbers but leaves the full BARS account code in the background. This allows the City to change the BARS account for reporting to the state without affecting departments that use a UAC code.

Fund descriptions, including which departments are responsible for each fund, appear under the title Fund Descriptions and Accountability at the end of this description of account structure.

For both revenues and expenditures, the City uses additional levels of account code detail that are not shown in the budget document. The budget detail report may be viewed on request at the Finance front counter.

Reserves

For budget preparation and monitoring purposes, the City uses reserves rather than fund balances. The reserve concept is used because it better defines for City Council and Administration the resources expected to be available at the beginning of the year for expenditure. The ending reserves also better define what will be left at year-end for use in the following year.

The City defines budgetary reserves as the difference between:

- those assets that can reasonably be expected to be available for use within the year or shortly thereafter, and
- those liabilities that can reasonably be expected to be extinguished during the year.

FUND DESCRIPTIONS AND ACCOUNTABILITY

To comply with the BARS system, the City must use a three-digit number for funds. The City classifies funds by different types. These are:

001 General or Current Expense Fund - To account for all financial resources not required to be accounted for in another fund.

100 Special Revenue Funds - To account for the proceeds of specific revenue sources that are legally restricted for specified purposes.

200 Debt Service Funds - To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

300 Capital Projects Funds - To account for financial resources to be used for the acquisition or construction of major capital facilities.

400 Enterprise Funds - To account for operations that are normally financed and operated in a manner similar to private business enterprises.

500 Internal Service Funds - To account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis.

611-620 Pension (and Other Employee Benefit) Trust Funds - To account for resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans, and other employee benefit plans.

700 Permanent Funds – To account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs.

Discrete Component Unit – A special fund, 965, has been set up to account for the Public Facilities District. Starting in 2008 the PFD will no longer be accounted for as a blended component of the City with a Special Revenue type Fund. For the purpose of budgeting and accounting, the PFD will be moved from Fund 165 to Fund 965 effective January 1, 2008.

The Mayor is ultimately responsible for all expenditures of City government. Day-to-day responsibility for fund management is delegated by the Mayor to Department Heads. In some instances, a specific department has total responsibility for a fund; in other cases, more than one department or division draw on the resources of a fund. The following table identifies the budgetary areas included in each fund. For those funds where the responsibility for reserve management is not the same as budgetary responsibility, the responsibility for reserve level management is shown separately.

Budget Overview

| Fund# | Fund Name and Description | Budgetary Responsibility |
|-------|--|--|
| 001 | General Fund: The primary operating fund of the City. It accounts for all financial resources not required to be accounted for in a special purpose fund, and finances operations for funds that do not have adequate dedicated revenues, such as Police and Fire Pensions, Medic One, Cemetery, reserve balances and debt services. | All Departments except Public Works and Public Facilities District Reserve responsibility: Budget for general reserve and Departments for special reserves. |
| 111 | Street Fund: For maintenance of all City streets. Revenue is primarily from state sales tax, grants and interfund payments for administrative and engineering services. | Public Works |
| 112 | Arterial Street Construction Fund: For upgrading arterial roadways. Recurring revenue comes from state shared fuel tax. Project funding is supplemented by street related grants. | Public Works |
| 113 | Paths & Trails Reserve Fund: To establish and maintain paths and trails for bicyclists, equestrians and pedestrians. Source of revenue is one-half of one percent of motor vehicle fuel taxes received by the Street Fund. | Public Works |
| 123 | Park Site Acquisition Fund: Used for acquisition of land for parks, playgrounds, open space or greenbelts in areas deemed appropriate by the City Council. Source of revenue is a per-lot charge in subdivisions that do not dedicate or set aside property for park purposes. | Parks & Recreation |
| 124 | Technology Replacement and Reserve Fund: For a designated reserve for emergency use as approved by City Council for technology resources plus budgeted transfers into the fund based on the General Fund projected technology expense needs according to a four-year forecast. (former name Computer Reserve Fund) | Information Technology Services |
| 125 | Capital Maintenance Fund: A cumulative reserve to meet needs for repairs, maintenance, and non-capital improvements to General Fund supported facilities. | Public Works, Library, Museum, Parks & Recreation, and Fire Reserve responsibility: Budget |
| 126 | Library Gift Fund: Accumulates cash gifts to the library from private sources. Expenditures are made to provide books or other materials for the library. | Library |
| 131 | Olympic Pipeline Incident Fund: To account for funds to implement maintenance and monitoring tasks on Whatcom Creek pursuant to the Olympic Pipeline Whatcom Creek Restoration Plan. | Public Works |

| Fund# | Fund Name and Description | Budgetary Responsibility |
|--------------|--|---|
| 132 | Squalicum Park / Olympic Fund: To account for a portion of the proceeds of the settlement from Olympic Pipeline to be used for Squalicum Park. | Parks & Recreation |
| 133 | Olympic – Restoration Fund: To account for fund to complete restoration projects on Whatcom Creek pursuant to the Olympic Pipeline Whatcom Creek Restoration Plan. | Public Works |
| 134 | Olympic-Whatcom Falls Park Addition Fund: To account for settlement funds from the Olympic-Whatcom Falls Park Addition property settlement. | Parks & Recreation |
| 135 | Little-Squalicum-Oeser Settlement Fund: To account for the settlement funds from the Oeser property settlement | Parks & Recreation |
| 141 | First 1/4% Real Estate Excise Tax (REET) Fund: Proceeds from this tax fund construction, repair, replacement, rehabilitation, or improvement projects as authorized by state law. | Parks & Recreation, Planning & Community Development, Public Works, Police, and Fire Reserve and debt responsibility: Budget |
| 142 | Second 1/4% REET Fund: Used solely for financing capital projects specified in the capital facilities plan element of the comprehensive plan, as authorized by state law. | Parks & Recreation, Public Works Reserve and debt responsibility: Budget |
| 151 | Police Federal Equitable Sharing Fund: Created when the City entered into agreement with the Treasury Department to participate in the program for federally forfeited property or proceeds. Money received under the program is spent pursuant to federal guidelines. | Police |
| 152 | Asset Forfeiture/Drug Enforcement Fund: Proceeds of seizures are deposited into this fund, and used exclusively for expansion of narcotics enforcement. | Police |
| 153 | Criminal Justice Fund: Supplements staffing costs and capital equipment purchases. Funded by State entitlements. | Police |
| 160 | Public Safety Dispatch Fund: Provides efficient communication services for Bellingham’s Police, Fire and EMS units, and participating public safety agencies in the surrounding county. This separate fund facilitates reporting financial operations to user agencies and to the 911 Center’s Board of Administration. It is funded by user agencies. | Police |

Budget Overview

| Fund# | Fund Name and Description | Budgetary Responsibility |
|-------|---|----------------------------------|
| 171 | Greenways Levy Fund: The proceeds of this additional levy were collected from 1991 to 1996 to acquire and improve real property for open space, parks and trails. Fund closed in 2006. | Parks & Recreation |
| 172 | Beyond Greenways Fund: To continue acquisition improvement and maintenance of greenway areas begun by the original Greenway Levy. Funded by voter-approved \$20 million property tax levy, of which 90% is designated for capital projects. | Parks & Recreation |
| 173 | Greenways III: Funded by increased property tax of .57 per thousand of assessed valuation, the amount to be collected will total \$44,300,000. To continue the acquisition, improvement and maintenance of greenways areas begun by the original greenway levy. Voter approved levy passed in 2006. | Parks & Recreation |
| 177 | Park Impact Fee Fund: Park impact fees, as authorized by Ordinance 2006-02-012, are placed in this fund. Funds are invested until needed, and the interest income remains with the park impact fee fund until the fees and interest are either refunded to the property owner or utilized as part of the resources for an approved project. | Parks & Recreation |
| 178 | Sportsplex Fund: Created to accumulate amounts specified in lease with Whatcom Soccer Commission to be paid to the City for Security Deposit and Capital Improvement /Major Maintenance. These funds may only be spent by mutual agreement for capital improvements, major maintenance or early retirement of bonds. | Parks & Recreation |
| 180 | Tourism Fund: To pay costs of tourism promotion or acquisition and operation of tourism-related facilities. The source of revenue is a special excise on transient lodging. | Planning & Community Development |
| 190 | Community Development Block Grant Fund: To upgrade neighborhoods and expand affordable housing choices, assist community social service agencies, address human needs, and create employment opportunities for individuals with low and moderate incomes. The source of revenue for this fund is a Community Development federal block grant. | Planning & Community Development |

| Fund# | Fund Name and Description | Budgetary Responsibility |
|--------------|---|----------------------------------|
| 191 | Home Investment Partnership Grant Fund: Accounts for federal home investment partnership grant revenue, a HUD grant for the expansion of the supply of affordable housing, particularly rental housing, for low and very low income Americans. | Planning & Community Development |
| 211-235 | General Obligation Debt Service Funds: Used to account for the accumulation of resources for and payment of general obligation bond principal and interest, special assessment bond principal and interest, and state loans, when the government is obligated in some manner for the payment. | Finance |
| 245 | Local Improvement District (LID) Guaranty Fund: Assures that payments on individual LIDs will be made on time if collections from district property holders are insufficient. Property in arrears is foreclosed and the proceeds deposited to the Guaranty Fund. | Finance |
| 251-299 | LID Debt Service Funds: LIDs are issued when property owners require assistance funding improvements that benefit the entire district. The City administers LID bond funds. Since they are not an obligation, the City does not budget for individual LIDs. | Finance |
| 313 | City Hall Annex Fund: To pay the cost of purchasing and remodeling the building and adjacent parking lot to accommodate City offices. | Public Works |
| 341 | Civic Field Improvements Fund: Created to account for the multi-year project to remodel and improve the Civic Field Complex. The primary resources for the project are from transfers from other funds and the issuance of GO Bonds in 2004. | Parks & Recreation |
| 410 | Water Fund: To pay for costs associated with supplying safe water to customers of the City's water supply system. The sole source of revenue is the sale of water to the general public. Demand charges, hydrant fees and reservoir fees are collected for construction purposes. | Public Works |
| 420 | Wastewater Fund: To pay for costs associated with conveying and properly treating sewage from customers of the City's wastewater treatment system. The sole source of revenue is from services provided to the general public. Demand charges are collected for construction purposes. | Public Works |

Budget Overview

| Fund# | Fund Name and Description | Budgetary Responsibility |
|-------|--|----------------------------------|
| 430 | Storm and Surface Water Utility Fund: Created to improve existing and construct new stormwater facilities, prepare a stormwater master plan and acquire additional wetland and open space. The primary source of revenue is a service charge for impervious surface runoff. | Public Works |
| 440 | Solid Waste Fund: To pay costs associated with waste collection, transfer and disposal. A private contractor handles garbage collection and billing. The primary source of revenue is the utility tax. | Public Works |
| 456 | Cemetery Fund: To provide for operation and maintenance of Bayview Cemetery. Revenue is derived from the sale of lots and concrete boxes, interment charges, and interest. Perpetual care for upkeep of graves and cemetery property is funded from the sale of gravesites. This fund is also supplemented by a contribution from the City's General Fund. | Parks & Recreation |
| 460 | Golf Course Fund: For operation of the pro shop and Lake Padden Golf course maintenance. These services are contracted. | Parks & Recreation |
| 465 | Parking Services Fund: To operate and maintain municipal parking system consisting of parking garages, surface lots, on-street parking and commercial space rental. Revenue is primarily derived from fees and rentals. | Public Works |
| 470 | Medic One Fund: Provides countywide ambulance service through an Interlocal agreement between the City and Whatcom County. Revenues generated by fees for services and supplemented by contributions from the City and County. | Fire |
| 475 | Development Services Fund: To ensure compliance with a variety of state and local construction codes. Primary source of revenue is fees for inspection services. (Previously named "Building Services" Fund.) | Planning & Community Development |
| 510 | Fleet Administration Fund: To consolidate vehicles and equipment under one fund for acquisition, repair, maintenance and replacement. Revenue is derived from renting these assets to user funds and mechanical shop services to other funds and other government agencies. | Public Works |

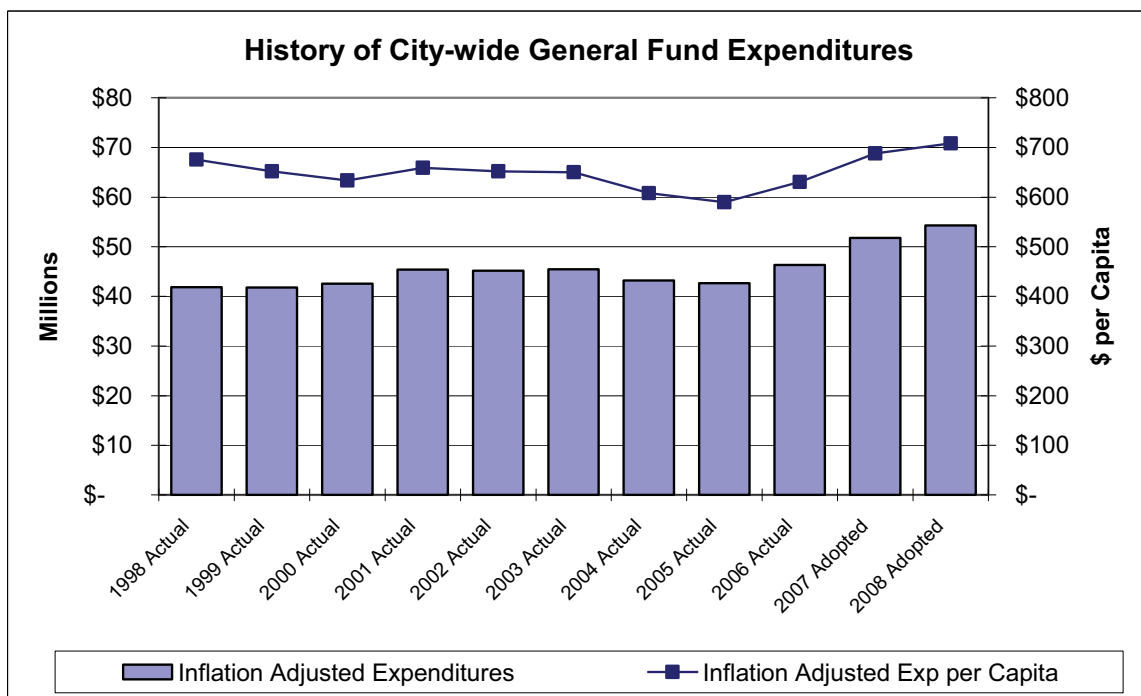
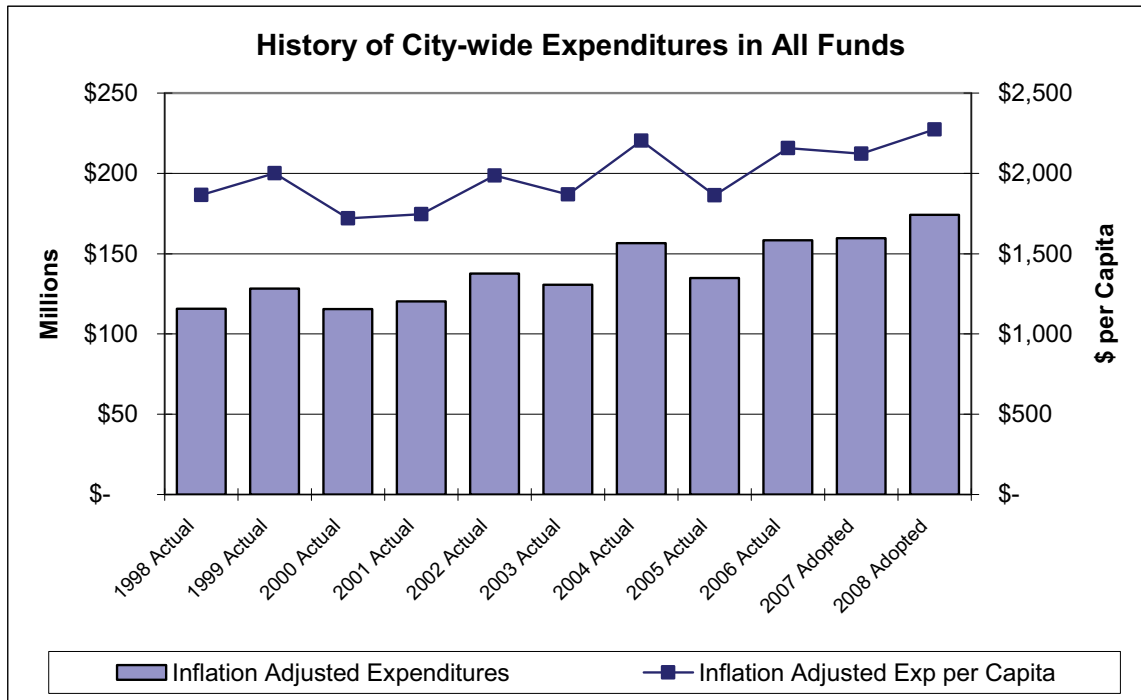
| Fund# | Fund Name and Description | Budgetary Responsibility |
|--------------|--|--|
| 520 | Purchasing & Materials Management Fund: To consolidate the functions of purchasing, warehousing and issuing supplies to various departments of the City. Revenue is derived from inventory sales and overhead charges. | Public Works |
| 530 | Facilities Administration Fund: Consolidates the majority of custodial services and facility maintenance. | Public Works |
| 540 | Telecommunications Fund: To purchase telecommunications equipment and recover the costs from the user departments. Provides centralized payment of monthly telecommunication expenses. Additional funding is used for future acquisitions. | Information Technology Services |
| 550 | Claims & Litigation Fund: To pay expenses for claims, litigation, administrative costs, settlements and judgments on behalf of City departments. Departments pay insurance premiums into this fund for future contingencies. Costs over \$1 million are covered by excess liability insurance. | Legal |
| 561 | Unemployment Compensation Fund: Reimburses the state for unemployment claims paid to former employees, as required by state law. A percentage of payroll is transferred to this fund each payroll period. | Human Resources |
| 562 | Workers' Compensation Fund: Covers the cost of claims resulting from on the job injuries or job-related illnesses, and related preventive, safety and disability programs. | Human Resources |
| 565 | Health Benefits Fund: Covers the costs of providing medical, vision, and dental benefits to City employees, health studies and the wellness program. Revenue is from premiums charged to each department per employee. | Human Resources |
| 612 | Firefighters Pension Fund: Pension payment to firefighters or surviving spouses and medical benefits for firefighters hired prior to October 1, 1977. Revenue is from property tax, fire insurance premium tax, and General Fund contributions. | Human Resources. Reserve responsibility: Finance and Human Resources |
| 613 | Police Officers Pension Fund: Pension payment to police officers or surviving spouses and medical benefits for police officers hired prior to October 1, 1977. Revenue is from sales of unclaimed property and General Fund contributions. | Human Resources. Reserve responsibility: Finance and Human Resources |

Budget Overview

| Fund# | Fund Name and Description | Budgetary Responsibility |
|-------|---|--|
| 614 | Firefighter's Long Term Care Fund: Provide long term care costs for firefighters hired prior to October 1, 1977. Revenue is from General Fund contributions. Consolidated within Fund 612 beginning in 2008. | Human Resources. Reserve responsibility: Finance and Human Resources |
| 615 | Police Officer's Long Term Care Fund: Provide long term care costs for police officers hired prior to October 1, 1977. Revenue is from the General Fund contributions. Consolidated within Fund 613 beginning in 2008. | Human Resources. Reserve responsibility: Finance and Human Resources |
| 701 | Beyond Greenways Endowment Fund: Revenue is derived from a voter approved \$20,000,000 property tax levy, of which 10% is dedicated for the endowment fund. Interest earnings are accumulated in this fund and transferred to the General Fund for maintenance of properties acquired and developed with the Beyond Greenways levy. | Parks & Recreation |
| 702 | Natural Resource Protection and Restoration Fund: This permanent fund was created in 2004 to account for the \$4,000,000 settlement passed on by the state as a part of the Olympic Pipeline Settlement. The principal cannot be spent for 50 years. Interest earnings will be spent on projects as they are identified. | Public Works |
| 965 | Public Facilities District Fund: The Bellingham - Whatcom Public Facilities District is a separate Washington municipal corporation and an independent taxing authority created under RCW 35.57, Bellingham Municipal Code Chapter 2.94, and Whatcom County Code Chapter 1.17. The PFD was created in order to receive a state sales tax rebate for the purpose of creating a regional center, as defined in RCW 35.57. Administrative services and financial management are provided by the City through an interlocal agreement between the PFD and the City of Bellingham. From 2002 through 2007, the PFD was accounted for as a blended component of the City in Fund 165. Effective for 2008, the PFD will be treated as a discrete component unit and accounted for in Fund 965. | PFD Board of Directors/Manager |

Historical Graphs – Expenditures

Expenditures only are shown - funds used to increase reserve balances are not included. CPI and population for 2008 are estimated. Capital and other non-operating expenditures are included.



Summary of Estimated Revenues, Expenditures and Reserves

| | GENERAL FUND | SPECIAL REVENUE FUNDS | DEBT FUNDS | CAPITAL FUNDS | ENTERPRISE FUNDS |
|---|-------------------------|--------------------------------------|-----------------------|--------------------------|-----------------------------|
| ESTIMATED BEGINNING RESERVE BALANCE 1/1/2008 | \$ 16,622,876 | \$ 15,272,110 | \$ 304,218 | \$ 403,627 | \$ 22,088,218 |
| REVENUES | | | | | |
| Taxes | 50,250,836 | 18,317,270 | 350,000 | - | 1,280,000 |
| Licenses & Permits | 863,708 | 63,000 | - | - | 2,029,590 |
| Intergovernmental | 1,937,217 | 18,081,138 | - | - | 3,235,766 |
| Charges For Goods & Services | 6,439,056 | 9,948,194 | 97,284 | 800 | 40,237,449 |
| Fines & Forfeitures | 1,165,385 | - | - | - | 1,113,907 |
| Interest & Miscellaneous | 1,414,532 | 2,362,247 | 368,439 | - | 4,938,892 |
| Non-Revenues | 2,250,000 | - | - | - | - |
| Other Financing Sources | 1,004,181 | 954,490 | 2,477,572 | - | 1,237,431 |
| TOTAL REVENUES | 65,324,915 | 49,726,339 | 3,293,295 | 800 | 54,073,035 |
| TOTAL AVAILABLE RESOURCES | 81,947,791 | 64,998,449 | 3,597,513 | 404,427 | 76,161,253 |
| EXPENDITURES | | | | | |
| Salaries & Benefits | 44,535,036 | 11,276,584 | - | - | 14,851,461 |
| Supplies | 3,106,357 | 1,138,044 | - | - | 2,360,418 |
| Services | 7,399,063 | 6,834,828 | - | - | 9,728,540 |
| Intergovernmental Services | 6,942,495 | 1,473,938 | - | - | 6,505,698 |
| Capital | 993,006 | 30,886,591 | - | 113,000 | 11,532,163 |
| Principal & Interest | 72,422 | - | 3,251,922 | - | 4,794,428 |
| Interfund Charges | 8,485,641 | 3,918,433 | - | 10,000 | 10,882,265 |
| TOTAL EXPENDITURES | 71,534,020 | 55,528,418 | 3,251,922 | 123,000 | 60,654,973 |
| ESTIMATED ENDING RESERVE BALANCE 12/31/2008 | 10,413,771 | 9,470,031 | 345,591 | 281,427 | 15,506,280 |
| TOTAL EXPENDITURES & RESERVE BALANCE | \$ 81,947,791 | \$ 64,998,449 | \$ 3,597,513 | \$ 404,427 | \$ 76,161,253 |

2008 Budget

| INTERNAL SERVICE FUNDS | PENSION TRUST FUNDS | PERMANENT FUNDS | DISCRETE COMPONENT UNITS | TOTAL 2008 BUDGET | TOTAL 2007 ADOPTED | Change from 2007 Adopted | |
|------------------------|----------------------|---------------------|--------------------------|-----------------------|-----------------------|--------------------------|--------------|
| | | | | | | AMOUNT | PCT |
| \$ 13,965,316 | \$ 9,393,536 | \$ 7,040,175 | \$ 5,284,016 | \$ 90,374,092 | \$ 70,432,695 | \$ 19,941,397 | 28.3% |
| - | 1,550,545 | 360,000 | 1,203,442 | 73,312,093 | 69,719,575 | 3,592,518 | 5.2% |
| - | - | - | - | 2,956,298 | 2,947,435 | 8,863 | 0.3% |
| - | 99,830 | - | - | 23,353,951 | 15,458,941 | 7,895,010 | 51.1% |
| 2,423,368 | - | - | - | 59,146,151 | 57,967,262 | 1,178,889 | 2.0% |
| 10 | - | - | - | 2,279,302 | 1,875,417 | 403,885 | 21.5% |
| 19,647,097 | 2,071,954 | 313,970 | 288,846 | 31,405,977 | 25,319,811 | 6,086,166 | 24.0% |
| 8,316 | 116,051 | - | 2,885,000 | 5,259,367 | 928,450 | 4,330,917 | 466.5% |
| 350,000 | - | - | - | 6,023,674 | 21,944,215 | (15,920,541) | -72.6% |
| 22,428,791 | 3,838,380 | 673,970 | 4,377,288 | 203,736,813 | 196,161,106 | 7,575,707 | 3.9% |
| 36,394,107 | 13,231,916 | 7,714,145 | 9,661,304 | 294,110,905 | 266,593,801 | 27,517,104 | 10.3% |
| 2,777,139 | 2,315,000 | - | 80,505 | 75,835,725 | 69,559,518 | 6,276,207 | 9.0% |
| 1,427,348 | 102,200 | - | 5,029 | 8,139,396 | 7,174,060 | 965,336 | 13.5% |
| 13,114,897 | 351,150 | - | 344,867 | 37,773,345 | 34,165,651 | 3,607,694 | 10.6% |
| 104,898 | - | - | 570,323 | 15,597,352 | 15,033,494 | 563,858 | 3.8% |
| 4,780,000 | - | - | 5,000,000 | 53,304,760 | 47,139,464 | 6,165,296 | 13.1% |
| - | 2,250,000 | 2,885,000 | 497,000 | 13,750,772 | 9,247,718 | 4,503,054 | 48.7% |
| 1,849,826 | 920 | - | 78,839 | 25,225,924 | 23,086,744 | 2,139,180 | 9.3% |
| 24,054,108 | 5,019,270 | 2,885,000 | 6,576,563 | 229,627,274 | 205,406,649 | 24,220,625 | 11.8% |
| 12,339,999 | 8,212,646 | 4,829,145 | 3,084,741 | 64,483,631 | 61,187,152 | 3,296,479 | 5.4% |
| \$ 36,394,107 | \$ 13,231,916 | \$ 7,714,145 | \$ 9,661,304 | \$ 294,110,905 | \$ 266,593,801 | \$ 27,517,104 | 10.3% |

Summary of Estimated Revenues, Expenditures and Reserves

| | GENERAL FUND | SPECIAL REVENUE FUNDS | DEBT FUNDS | CAPITAL FUNDS | ENTERPRISE FUNDS |
|---|-------------------------|--------------------------------------|-----------------------|--------------------------|-----------------------------|
| ESTIMATED BEGINNING RESERVE | \$ 16,622,876 | \$ 15,272,110 | \$ 304,218 | \$ 403,627 | \$ 22,088,218 |
| REVENUES | | | | | |
| Fire | 2,771,937 | 134 | - | - | 7,541,887 |
| Police | 1,460,406 | 4,268,775 | - | - | - |
| Judicial & Support Serv | 1,832,154 | - | - | - | - |
| Parks & Recreation | 2,080,743 | 4,969,114 | - | 800 | 786,120 |
| Library | 311,996 | 15,000 | - | - | - |
| Museum | 61,195 | - | - | - | - |
| Planning & Com Devel | 53,680 | 2,946,278 | - | - | 2,832,556 |
| Hearing Examiner | 74,313 | - | - | - | - |
| Human Resources | 488,921 | - | - | - | - |
| Finance | 1,429,240 | - | 3,293,295 | - | - |
| ITSD | 749,917 | 503,202 | - | - | - |
| Legal | 325,452 | - | - | - | - |
| Office of the Mayor | 942,055 | - | - | - | - |
| City Council | 204,715 | - | - | - | - |
| Non-Departmental | 52,538,191 | 4,695,115 | - | - | - |
| Public Works | - | 32,328,721 | - | - | 42,912,472 |
| Public Facilities Dist | - | - | - | - | - |
| TOTAL REVENUES | 65,324,915 | 49,726,339 | 3,293,295 | 800 | 54,073,035 |
| TOTAL AVAILABLE RESOURCES | 81,947,791 | 64,998,449 | 3,597,513 | 404,427 | 76,161,253 |
| EXPENDITURES | | | | | |
| Fire | 17,029,880 | 1,293,256 | - | - | 7,541,887 |
| Police | 19,873,969 | 3,026,601 | - | - | - |
| Judicial & Support Serv | 2,884,662 | - | - | - | - |
| Parks & Recreation | 8,094,016 | 7,282,171 | - | 123,000 | 795,767 |
| Library | 3,892,876 | 27,150 | - | - | - |
| Museum | 1,653,716 | 313,000 | - | - | - |
| Planning & Com Devel | 3,157,370 | 3,176,491 | - | - | 3,104,758 |
| Hearing Examiner | 188,245 | - | - | - | - |
| Human Resources | 1,563,203 | - | - | - | - |
| Finance | 2,103,299 | - | 3,251,922 | - | - |
| ITSD | 2,707,432 | 518,682 | - | - | - |
| Legal | 1,431,365 | - | - | - | - |
| Office of the Mayor | 3,024,095 | - | - | - | - |
| City Council | 438,135 | - | - | - | - |
| Non-Departmental | 3,491,757 | 638,152 | - | - | - |
| Public Works | - | 39,252,915 | - | - | 49,212,561 |
| Public Facilities Dist | - | - | - | - | - |
| TOTAL EXPENDITURES | 71,534,020 | 55,528,418 | 3,251,922 | 123,000 | 60,654,973 |
| ESTIMATED ENDING RESERVE | 10,413,771 | 9,470,031 | 345,591 | 281,427 | 15,506,280 |
| TOTAL EXPENDITURES & RESERVE BALANCE | \$ 81,947,791 | \$ 64,998,449 | \$ 3,597,513 | \$ 404,427 | \$ 76,161,253 |

2008 Budget

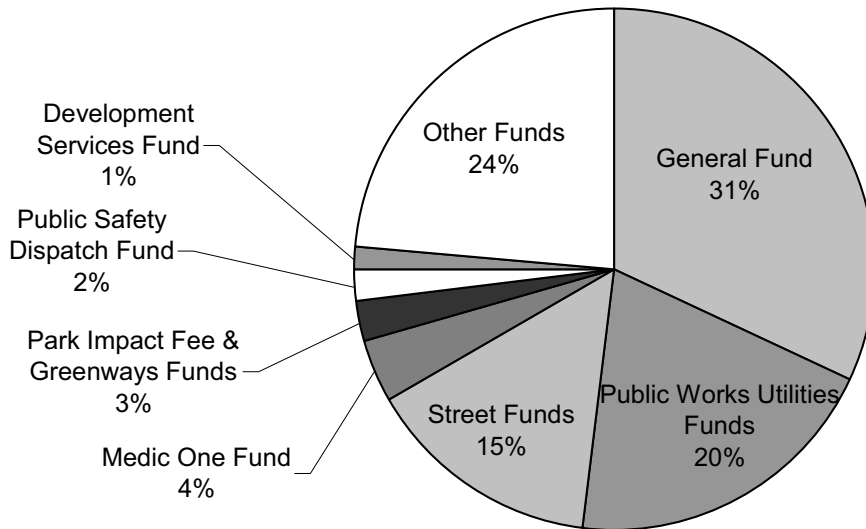
| INTERNAL SERVICE FUNDS | PENSION TRUST FUNDS | PERMANENT FUNDS | DISCRETE COMPONENT UNITS | TOTAL 2008 BUDGET | TOTAL 2007 ADOPTED | Change from 2007 Adopted | |
|------------------------|---------------------|-----------------|--------------------------|-------------------|--------------------|--------------------------|--------|
| | | | | | | AMOUNT | PCT |
| \$ 13,965,316 | \$ 9,393,536 | \$ 7,040,175 | \$ 5,284,016 | \$ 90,374,092 | \$ 70,432,695 | \$ 19,941,397 | 28.3% |
| - | - | - | - | 10,313,958 | 8,393,820 | 1,920,138 | 22.9% |
| - | - | - | - | 5,729,181 | 5,196,096 | 533,085 | 10.3% |
| - | - | - | - | 1,832,154 | 2,074,036 | (241,882) | -11.7% |
| - | - | 473,970 | - | 8,310,747 | 8,916,396 | (605,649) | -6.8% |
| - | - | - | - | 326,996 | 5,325,495 | (4,998,499) | -93.9% |
| - | - | - | - | 61,195 | 71,893 | (10,698) | -14.9% |
| - | - | - | - | 5,832,514 | 6,568,910 | (736,396) | -11.2% |
| - | - | - | - | 74,313 | 72,153 | 2,160 | 3.0% |
| 10,693,740 | 3,838,380 | - | - | 15,021,041 | 13,664,397 | 1,356,644 | 9.9% |
| - | - | - | - | 4,722,535 | 4,535,804 | 186,731 | 4.1% |
| 427,276 | - | - | - | 1,680,395 | 3,097,169 | (1,416,774) | -45.7% |
| 1,125,617 | - | - | - | 1,451,069 | 1,475,214 | (24,145) | -1.6% |
| - | - | - | - | 942,055 | 527,693 | 414,362 | 78.5% |
| - | - | - | - | 204,715 | 190,526 | 14,189 | 7.4% |
| - | - | - | - | 57,233,306 | 53,936,188 | 3,297,118 | 6.1% |
| 10,182,158 | - | 200,000 | - | 85,623,351 | 70,555,130 | 15,068,221 | 21.4% |
| - | - | - | 4,377,288 | 4,377,288 | 11,560,186 | (7,182,898) | -62.1% |
| 22,428,791 | 3,838,380 | 673,970 | 4,377,288 | 203,736,813 | 196,161,106 | 7,575,707 | 3.9% |
| 36,394,107 | 13,231,916 | 7,714,145 | 9,661,304 | 294,110,905 | 266,593,801 | 27,517,104 | 10.3% |
| - | - | - | - | 25,865,023 | 21,925,361 | 3,939,662 | 18.0% |
| - | - | - | - | 22,900,570 | 20,003,511 | 2,897,059 | 14.5% |
| - | - | - | - | 2,884,662 | 3,934,709 | (1,050,047) | -26.7% |
| - | - | - | - | 16,294,954 | 16,058,655 | 236,299 | 1.5% |
| - | - | - | - | 3,920,026 | 8,462,322 | (4,542,296) | -53.7% |
| - | - | - | - | 1,966,716 | 1,542,414 | 424,302 | 27.5% |
| - | - | - | - | 9,438,619 | 9,696,450 | (257,831) | -2.7% |
| - | - | - | - | 188,245 | 149,008 | 39,237 | 26.3% |
| 11,155,013 | 5,019,270 | - | - | 17,737,486 | 14,308,518 | 3,428,968 | 24.0% |
| - | - | - | - | 5,355,221 | 4,989,839 | 365,382 | 7.3% |
| 462,543 | - | - | - | 3,688,657 | 5,845,734 | (2,157,077) | -36.9% |
| 1,032,659 | - | - | - | 2,464,024 | 2,319,971 | 144,053 | 6.2% |
| - | - | - | - | 3,024,095 | 1,253,351 | 1,770,744 | 141.3% |
| - | - | - | - | 438,135 | 356,702 | 81,433 | 22.8% |
| - | - | - | - | 4,129,909 | 4,308,153 | (178,244) | -4.1% |
| 11,403,893 | - | 2,885,000 | - | 102,754,369 | 78,396,843 | 24,357,526 | 31.1% |
| - | - | - | 6,576,563 | 6,576,563 | 11,855,108 | (5,278,545) | -44.5% |
| 24,054,108 | 5,019,270 | 2,885,000 | 6,576,563 | 229,627,274 | 205,406,649 | 24,220,625 | 11.8% |
| 12,339,999 | 8,212,646 | 4,829,145 | 3,084,741 | 64,483,631 | 61,187,152 | 3,296,479 | 5.4% |
| \$ 36,394,107 | \$ 13,231,916 | \$ 7,714,145 | \$ 9,661,304 | \$ 294,110,905 | \$ 266,593,801 | \$ 27,517,104 | 10.3% |

Revenues

The following pages describe the City's major revenue sources. The funds shown in the top section of this table generally make up at least 75% of the City's total revenue. Trends and other information used in projecting revenues for budget are explained here.

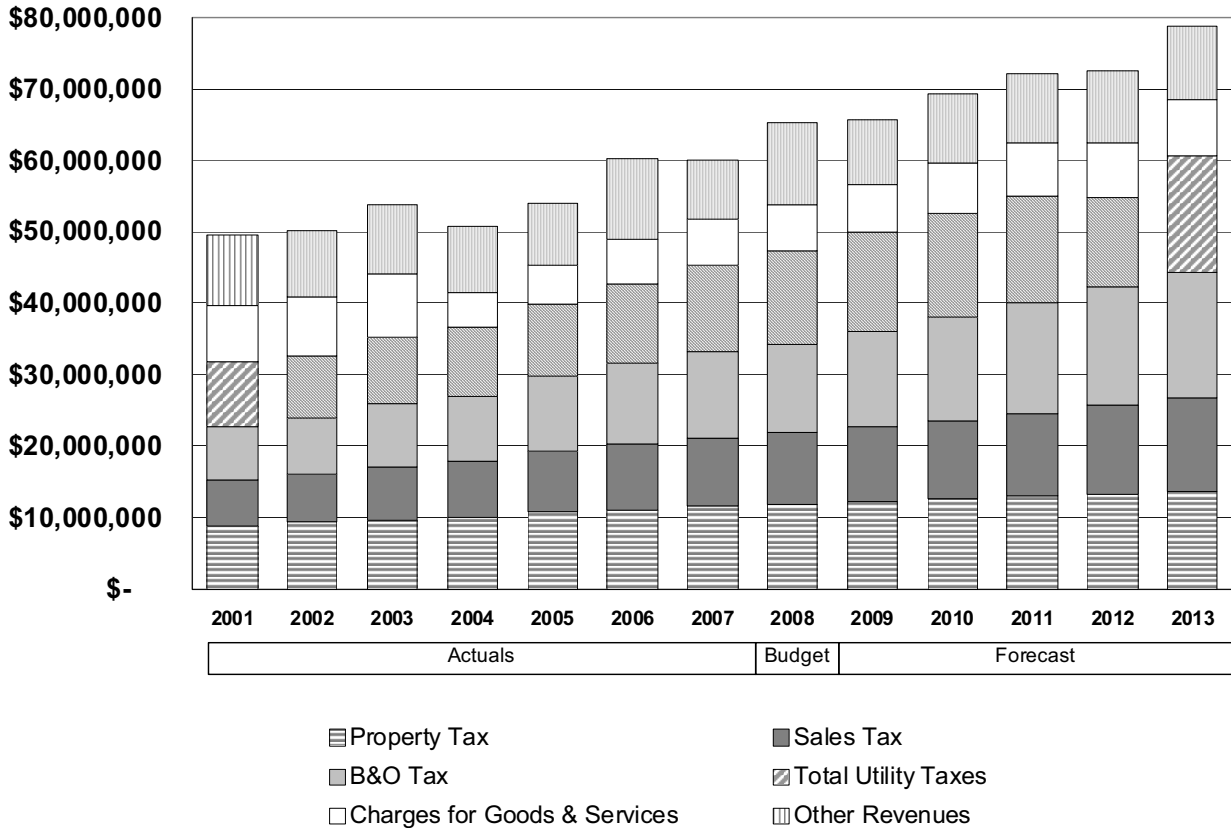
| | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Adopted | 2008 Adopted |
|-----------------------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| General Fund | 50,848,182 | 53,918,914 | 60,984,673 | 65,029,375 | 65,324,915 |
| Public Works Utilities Funds | 50,754,533 | 45,912,892 | 55,351,119 | 37,547,403 | 40,288,681 |
| Street Funds | 17,395,260 | 17,061,462 | 18,919,820 | 24,192,478 | 30,419,844 |
| Medic One Fund | 5,588,095 | 6,925,459 | 5,866,946 | 7,226,113 | 7,541,887 |
| Park Impact Fee & Greenways Funds | 3,356,398 | 2,697,437 | 3,381,075 | 5,422,249 | 5,355,868 |
| Public Safety Dispatch Fund | 3,299,950 | 3,809,001 | 3,805,076 | 3,869,786 | 3,926,491 |
| Development Services Fund | 1,999,706 | 2,645,240 | 2,625,889 | 3,203,340 | 2,832,556 |
| Subtotal | 133,242,124 | 132,970,405 | 150,934,598 | 146,490,744 | 155,690,242 |
| Percent of Total Revenues | 68% | 76% | 77% | 75% | 76% |
| Other Funds | 63,035,860 | 41,761,196 | 44,643,141 | 49,670,362 | 48,046,571 |
| Total Revenues | 196,277,984 | 174,731,601 | 195,577,739 | 196,161,106 | 203,736,813 |

2008 Budgeted Revenues



More detailed revenue numbers by fund and by group can be found in reports provided in the City-wide reports section.

General Fund Revenues – Sources and Trends



Property Tax – The Property Tax budget for 2008 of \$11.9 million is 2.9% higher than the 2007 receipts. For the City, there is a statistically significant correlation between a given year's value of permits issued for new construction and the subsequent year's assessed value of new construction added to the tax rolls. The 2008 Property Tax budget uses this correlation to project assessed new construction and increases the overall levy amount by 1%, which was approved by the City Council on November 19, 2007.

For 2009-13 the average 'pre-boom' growth rate of 3% was used as a rate of increase against the 2008 new construction estimate. Years 2009-13 also assume annual passage of the 1% levy increase.

General Fund Revenues – Sources and Trends (continued)

Business & Occupation Tax (B&O Tax) – The B&O Tax budget for 2008 of \$12.5 million is 2.2% higher than the 2007 receipts. This amount, and future year projections, was calculated by using a Delphi forecasting technique.

Delphi forecasting involves:

- Gathering forecast opinions from a pool of independent experts,
- Compiling and returning an anonymous summary of the submissions back to each participant, and
- Asking them to re-evaluate their original submission in light of their peers' predictions.

For the 2008 Budget, the process began by contacting 12 business leaders in the community to enlist their assistance. Of the 12, ten agreed to participate. Those participants were given a six-year history of revenues, the 2007 budgets and projections for 2007. They were then asked to provide their revenue projections for the next six years and their rationale for it. Responses were received from six of the participants, which were compiled and returned to each respondent to see if they would like to alter their forecast based on the amounts and rationale given by their peers. The final results were averaged and then adjusted for known tax rule changes. For B&O Tax, their projections for 2008 were reduced by \$890,000, which is the estimated impact of a B&O reapportionment rule that goes into effect on January 1, 2008.

The following table highlights the rationale given by the Delphi forecasting team in estimating B&O Tax.

| <i>Rationale</i> | |
|--|---|
| <i>Opportunities</i> | <i>Challenges</i> |
| 2010 Vancouver Olympics | Need for industrial land |
| Strong Canadian dollar | Business growth hampered by limited workforce |
| Unique setting mitigates against macro economic swings | |
| | |

General Fund Revenues – Sources and Trends (continued)

Sales Tax – The Sales Tax budget for 2008 of \$9.9 million is 4.5% higher than the 2007 receipts. This amount, and future year projections, was calculated by using the Delphi forecasting technique described in the B&O Tax section.

The following table highlights the rationale given by the Delphi forecasting team in estimating Sales Tax.

| <i>Rationale</i> | |
|-------------------------------------|--|
| <i>Opportunities</i> | <i>Challenges</i> |
| Strong 2-year trend in retail sales | Need for retail space & land Restrictive policy on large retail |
| 2010 Vancouver Olympics | |
| Strong Canadian dollar | Businesses leaving Bellingham |
| | Construction slow down |

Utility Tax – The Utility Tax budget for 2008 of \$13.0 million is 8.1% higher than the 2007 receipts. Utility Tax revenue is a summation of taxes generated from several types of utilities. These utilities can be broken into two categories: City operated utilities (water, wastewater, storm water, and solid waste) and non-City operated utilities (electricity, telephone, natural gas, and cable television).

For City operated utilities, the underlying utility revenue was estimated by managers within the Public Works Department. Their revenue estimates were derived by projecting usage and anticipated utility rates. These estimates were then multiplied by the Utility Tax rate of 11.5% to calculate a portion of the General Fund’s utility tax revenue.

For non-City operated utilities, the 2008 utility tax revenue was extrapolated by trending the individual utility tax collections for the past three years (2005-07), using the least squares method. Years 2009-13 were extrapolated using a similar method described for 2008 with the range used for trending expanding by two years for each year into the future (e.g. 2009 uses the range from 2004-08, 2010 uses the range from 2003-09, etc.). The one exception was electricity utility tax revenue where only historical data back to 2002 was used. Data prior to 2002 is not comparable because of the usage fluctuations caused by the operations at the Georgia Pacific plant.

General Fund Revenues – Sources and Trends (continued)

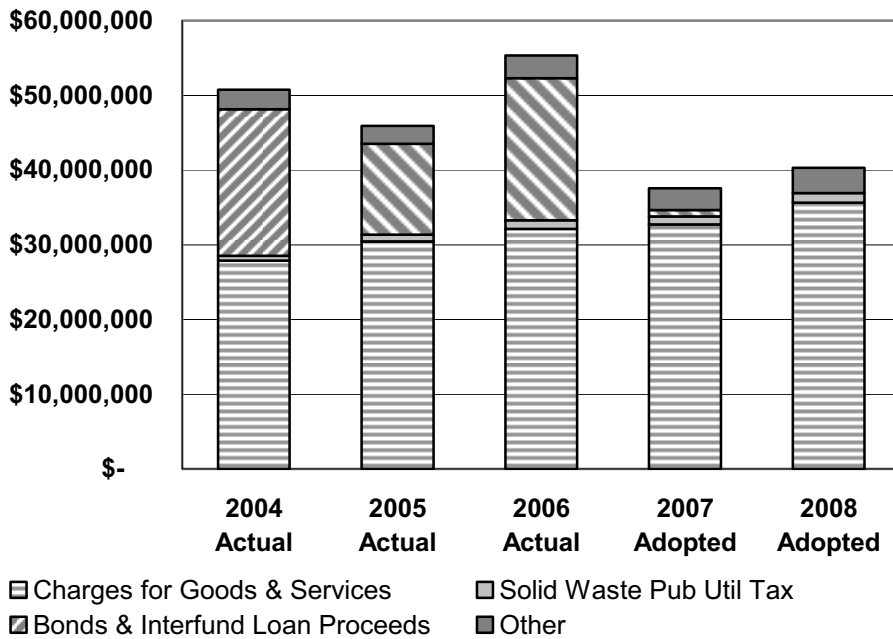
Charges for Goods & Services – The Charges for Goods & Services budget for 2008 is \$6.4 million. Most of this total is generated by interfund charges to reimburse the General Fund for organization-wide services it provides such as administration, finance and human resources. The 2008 amounts charged back to non-General Fund departments were based on the actual costs incurred the departments in 2007. For future years, these base amounts were inflated by a 4% average growth rate.

The other component of Charges for Goods & Services are those fees that are charged to users of various City services including probation fees, recreation registration fees, and special police services. Each of these revenue streams has an operational manager assigned to the account who is responsible for estimating their 2008 revenue. The primary method for deriving these amounts was to review historical growth trends. For future years, these base amounts are inflated by a 3% average growth rate.

Other Revenues – The Other Revenues budget for 2008 is \$11.5 million. In 2008, \$2.25 million is budgeted in Interfund Loan revenue, which relates to the replacement of fire apparatus. The other major components in Other Revenues include fines, grants and permits. For 2008, these individual components were estimated by the assigned operation manager. For future years, one-time items, like the Fire Apparatus Interfund Loan, were removed and on-going revenue streams were inflated by a 3% average growth rate.

Public Works Utilities Funds – Sources and Trends

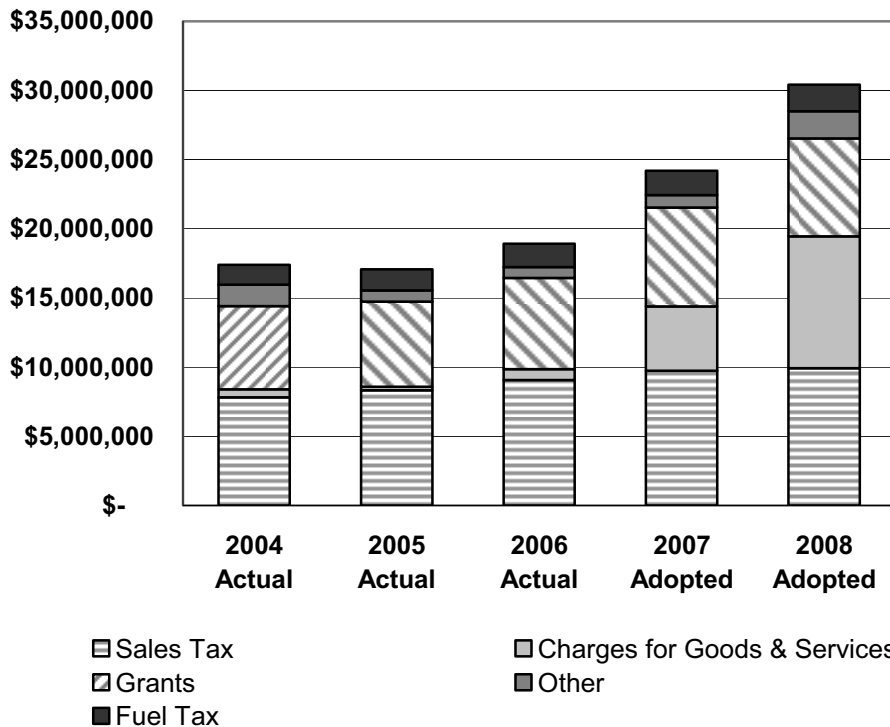
(Includes Water, Wastewater, Storm and Surface Water, and Solid Waste)



Charges for Goods & Services – This represents the charges received for Water, Wastewater, Storm and Surface Water, and Solid Waste services provided by the City. The \$35.6 million budget was derived by projecting 2008 usage volume multiplied by ordinance based utility rates. The volume portion of the equation was estimated by considering several factors, which include historical average customer usage, estimating usage for specific high volume customers, analysis of recent usage trends, and estimating impact of known new construction developments.

Street Funds – Sources and Trends

(Includes Street and Arterial Street Funds)



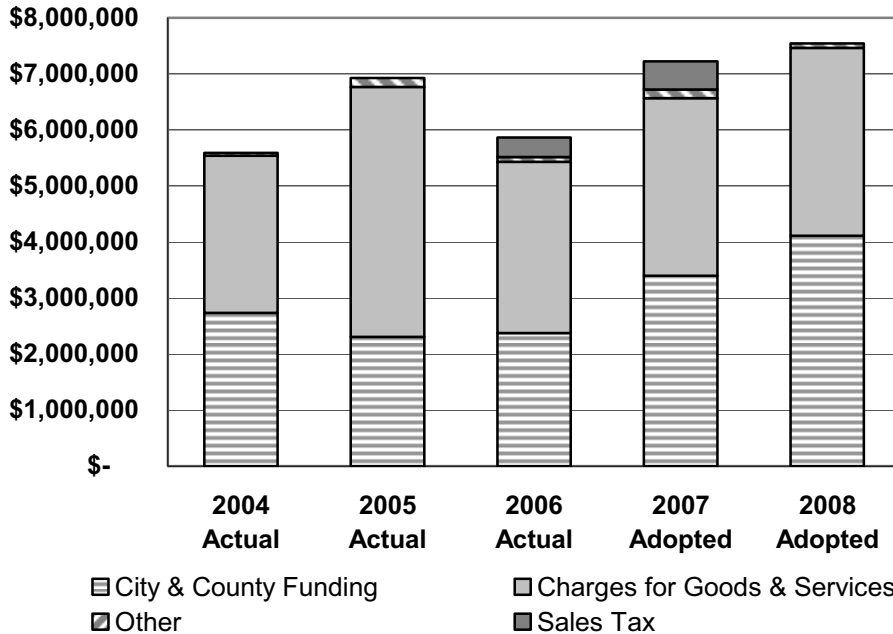
Sales Tax – The Sales Tax budget for 2008 is \$9.9 million. This amount was calculated by using the Delphi forecasting technique described in the B&O Tax section. Per ordinance 9124 & 9160 and longstanding practice, the General Sales Tax revenues are equally split between the General Fund and Street Fund.

Grants – For 2008, the Street Funds are anticipating \$9.5 million in Grants to assist with various City projects. The largest of which is a \$5.9 million grant that will be used for transportation improvements for the Waterfront Redevelopment project.

Charges for Goods & Services – This primarily represents the charges to reimburse the Street Funds for Engineering Services it provides to other Funds. Those amounts are estimated by evaluating 2008 capital projects and estimating the utilization of Engineering Services on those projects.

Fuel Tax – This amount represents the City’s portion of the overall tax the State collects on fuel. The budget estimates were provided by guidance from the Municipal Research and Services Center of Washington (MRSC). In summary, the MRSC states that lower fuel prices combined with continued strong growth in personal income will result in an overall increase in the tax amount received.

Medic One Fund – Sources and Trends



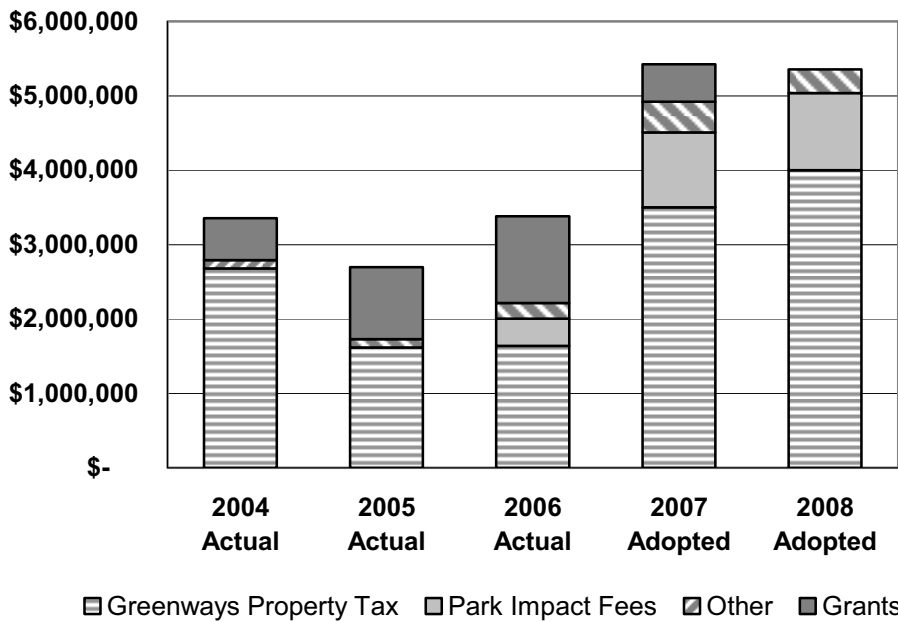
City & County Funding – This represents the funding Medic One receives from the City and the County to help subsidize their operations. The 2008 budget estimate of \$4.1 million represents the sum of the contractually agreed to contributions from the City and the County, along with the balancing revenue required to cover the remaining annual costs. This balancing revenue comes from the 1/10th of 1% Sales Tax that is held by the County and administered by the Ambulance Advisory Board.

Charges for Goods & Services – This represents the fees collected by Medic One for ambulance services provided. The 2008 budget estimate of \$3.4 million was calculated by analyzing the following components: the average rate of increase in revenue over the last ten years, the call volume over the last five years, and the recent reimbursement patterns from insurance carriers.

Sales Tax – This category represents the 1/10th of 1% Sales Tax that went into effect in 2006 to help pay for County-wide Medic services. When the City receives those funds it passes them on to the County for administration by the Ambulance Advisory Board. Medic One ultimately receives these funds back in the City & County Funding line described above. Up through 2007, whenever funds were forwarded to the County it was accounted for as an Intergovernmental Expenditure. Starting in 2008 that transaction will now be accounted for as a contra-revenue so that revenues and expenditures are stated more accurately.

Parks Department Funds – Sources and Trends

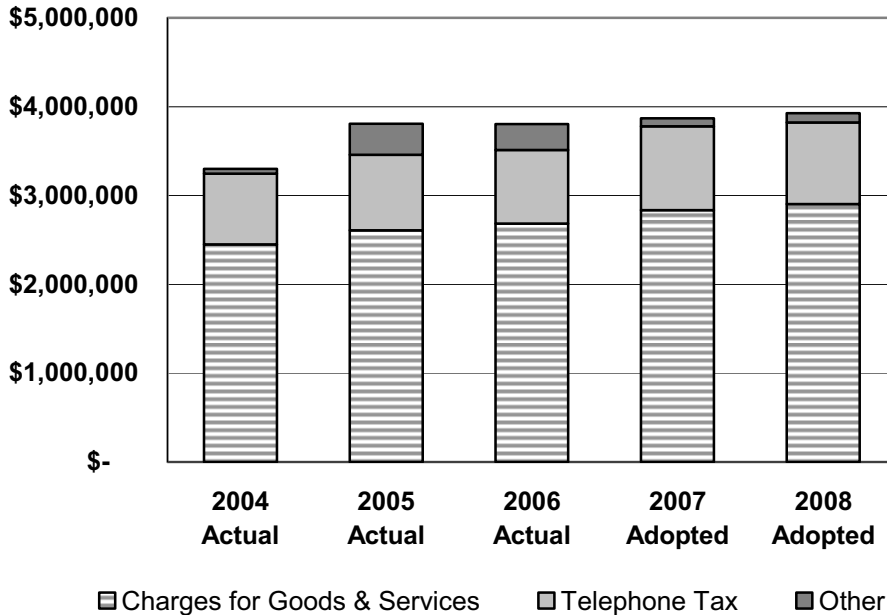
(Includes Greenways Levies and Parks Impact Fee Funds)



Greenways Property Tax – In May 2006 the Bellingham voters approved the Greenways III Levy. The Levy Rate for 2007 is \$0.57 per \$1,000 of Assessed Value. The budget amount for 2008 of \$4 million is based on that original \$0.57 Levy Rate plus an estimate for new construction and an overall levy amount increase of 1% as authorized by the City Council on November 19, 2007.

Park Impact Fees – These are fees added to the cost of obtaining a building permit for construction done within Bellingham. The 2008 budget amount of \$1 million is less than the actual receipts in 2007. Due to the newness of this revenue stream and the unpredictable nature of permit activity it seemed prudent to remain conservative in estimating this amount.

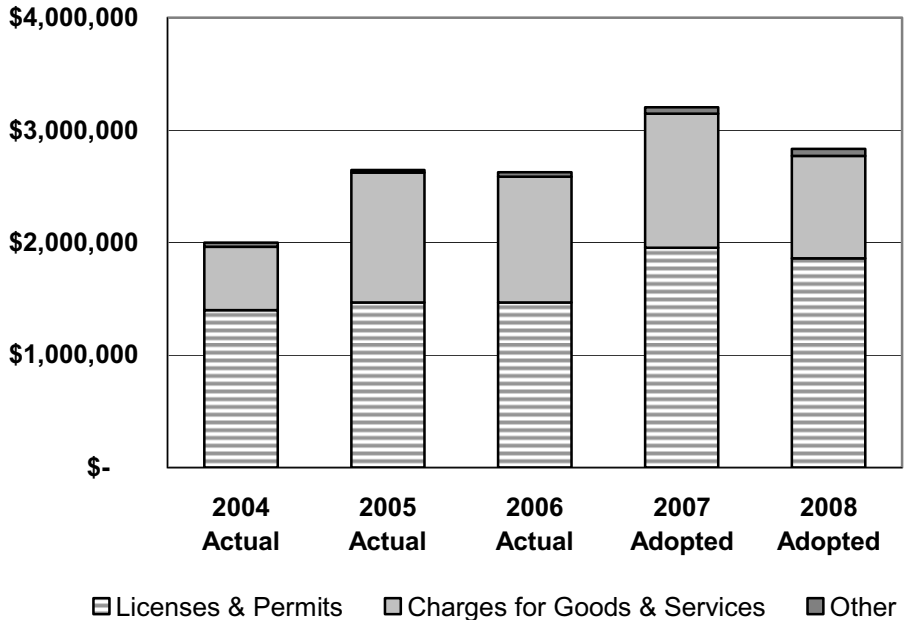
Public Safety Dispatch Fund – Sources and Trends



Charges for Goods & Services – These represent the charges paid to the Dispatch Fund from the City’s Fire & Police Departments and numerous other fire and law enforcement agencies within Whatcom County. The 2008 budget estimate is based on two different components. For the Fire portion of Dispatch, the budget is estimated by the actual number of incidents, by jurisdiction, which occurred from July 2006 – June 2007. For the Police portion of Dispatch, the budget is estimated by using a formula comprised of the actual number of incidents, by jurisdiction, which occurred from July 2006 – June 2007, number of commissioned officers, and the population of the jurisdiction.

Telephone Tax – This amount comes from a tax placed on telephone service provided in Whatcom County, which helps pay for 911 Operators. The 2008 budget was estimated by annualizing the mid-2007 year-to-date receipts and adding an inflation factor of 2%.

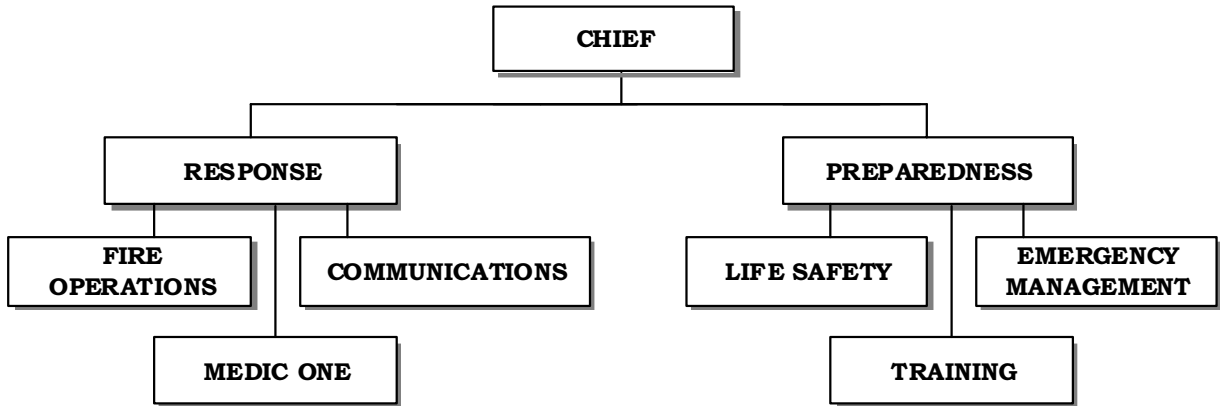
Development Services Fund – Sources and Trends



Licenses & Permits – These are the permits paid for new construction and include such items as building, plumbing, electrical and fire permits. The 2008 budget of \$1.9 million was estimated by annualizing the mid-2007 year-to-date receipts. Typically a growth factor would be added as part of this calculation, but due to the volatility in the Bellingham housing market and permit filings it was prudent to assume no revenue growth for 2008.

Charges for Goods & Services – These are the service fees paid for such items as Plan Review Fees, Zoning Fees, and Land Use Determinations. As with Licenses & Permits, the budgeted amount of \$900,000 was estimated by annualizing the mid-2007 year-to-date receipts without an inflation factor.

FIRE DEPARTMENT



Departmental Mission

Our mission is to protect lives and property from the adverse effects of fires, medical emergencies and exposure to hazardous conditions created by man or nature.

We strive to accomplish this mission, employing safety as a primary goal in every program and procedure, by maintaining fitness, competency and a sincere commitment to serve the public.



Description of Services

The department is organized and designed to provide responsive, efficient and effective life and property protection within the City of Bellingham. The department is also responsible for the Whatcom County Medic One emergency medical transport service and all Whatcom County 9-1-1 fire and emergency medical dispatching.

Major initiatives administered by the department include: fire and medical emergency dispatch and response, disaster preparedness, fire code compliance/enforcement, fire investigation, public safety education, fire and emergency medical training, and billing for Medic One services.

The Fire Department Headquarters Station, located at 1800 Broadway, is home to our administrative functions. Six fire stations in the City and two medic stations in the county meet our facility needs for emergency apparatus and crews. The department maintains a small classroom and limited drill facility at 910 Alabama, co-located with the 9-1-1 What-Comm Law Enforcement Dispatch Center.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|------------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Taxes | 349,589 | 505,126 | - | (505,126) | -100.0% |
| Licenses and Permits | 4,272 | - | - | - | -- |
| Intergovernmental | 1,585,514 | 2,994,417 | 3,519,236 | 524,819 | 17.5% |
| Charges for Services | 3,659,884 | 3,795,502 | 3,431,542 | (363,960) | -9.6% |
| Miscellaneous | 105,178 | 92,883 | 97,229 | 4,346 | 4.7% |
| Non-Revenues | - | - | 2,250,000 | 2,250,000 | -- |
| Other Financing Sources | 995,933 | 1,005,892 | 1,015,951 | 10,059 | 1.0% |
| Subtotal of Revenues | 6,700,370 | 8,393,820 | 10,313,958 | 1,920,138 | 22.9% |
| Other Sources by Fund | | | | | |
| General | 11,092,512 | 12,314,750 | 14,257,943 | 1,943,193 | 15.8% |
| Capital Maint | - | 33,000 | 159,155 | 126,155 | 382.3% |
| 1st 1/4% Real Estate Excise Tax | - | 85,000 | - | (85,000) | -100.0% |
| Public Safety Dispatch | 891,282 | 1,076,183 | 1,133,967 | 57,784 | 5.4% |
| Medic One | 585,928 | 22,608 | - | (22,608) | -100.0% |
| Subtotal Other Sources | 12,569,722 | 13,531,541 | 15,551,065 | 2,019,524 | 14.9% |
| TOTAL ALL SOURCES | 19,270,092 | 21,925,361 | 25,865,023 | 3,939,662 | 18.0% |

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|--------------------------------------|------------------|------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Fire Administration | 304,324 | 167,358 | 23,332 | (144,026) | -86.1% |
| Fire Operations | 252,941 | 714,162 | 2,748,605 | 2,034,443 | 284.9% |
| Fire Life Safety Operations | 276,045 | 286,053 | - | (286,053) | -100.0% |
| Emergency Medical Services | 5,866,946 | 7,226,113 | 7,541,887 | 315,774 | 4.4% |
| Fire/EMS Dispatch Operations | 114 | 134 | 134 | - | 0.0% |
| Subtotal of Revenues by Group | 6,700,370 | 8,393,820 | 10,313,958 | 1,920,138 | 22.9% |

Significant Revenue Changes

- Non-Revenues of \$2.25 million are for an Interfund Loan from the Fire Pension Fund to the General Fund Fire Operations Group for the purpose of replacing existing fire fighting apparatus.
- Revenues for Medic One are budgeted to increase by \$816,000. This increase is reflected in the Intergovernmental Revenue and Charges for Services lines and is driven by City and County contributions along with user fees.
- Charges for Services are decreasing by \$527,000 because of a change in accounting methodology for salary reimbursement between Fire Operations and Medic One and between Fire Life Safety Operations and Building Services. Instead of being credited as revenue, salaries that are reimbursed will be directly off-set to the group that incurred the original charge.
- Taxes are decreasing based on a change in accounting methodology for tax revenue that is transferred to the County as part of the Medic One program. A corresponding decrease in Intergovernmental Services off-sets this change.

Fire Department

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 14,682,373 | 16,011,628 | 17,494,117 | 1,482,489 | 9.3% |
| <i>Supplies</i> | 607,622 | 762,924 | 1,030,707 | 267,783 | 35.1% |
| <i>Other Services and Charges</i> | 650,228 | 1,150,293 | 1,237,717 | 87,424 | 7.6% |
| <i>Intergovernmental Services</i> | 474,142 | 643,359 | 37,694 | (605,665) | -94.1% |
| <i>Interfund Charges</i> | 2,380,227 | 2,475,908 | 5,005,770 | 2,529,862 | 102.2% |
| Subtotal of Operations | 18,794,592 | 21,044,112 | 24,806,005 | 3,761,893 | 17.9% |
| <i>Debt Service</i> | - | - | 72,422 | 72,422 | -- |
| <i>Capital Outlay</i> | 445,500 | 845,379 | 986,596 | 141,217 | 16.7% |
| <i>Interfund Transfers</i> | 30,000 | 35,870 | - | (35,870) | -100.0% |
| TOTAL EXPENSE | 19,270,092 | 21,925,361 | 25,865,023 | 3,939,662 | 18.0% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|--------------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Fire Administration</i> | 1,325,958 | 1,405,729 | 1,702,380 | 296,651 | 21.1% |
| <i>Fire Operations</i> | 9,699,375 | 10,723,900 | 14,451,696 | 3,727,796 | 34.8% |
| <i>Fire Life Safety Operations</i> | 534,198 | 531,345 | 290,342 | (241,003) | -45.4% |
| <i>Fire Dept Training Operations</i> | 360,829 | 406,056 | 459,810 | 53,754 | 13.2% |
| <i>Emergency Medical Services</i> | 6,458,336 | 7,248,721 | 7,541,887 | 293,166 | 4.0% |
| <i>Emergency Management</i> | - | 533,293 | 284,807 | (248,486) | -46.6% |
| <i>Fire/EMS Dispatch Operations</i> | 891,396 | 1,076,317 | 1,134,101 | 57,784 | 5.4% |
| TOTAL EXPENSE | 19,270,092 | 21,925,361 | 25,865,023 | 3,939,662 | 18.0% |

| | | | | | |
|-------------------------|--------------|--------------|--------------|------------|-------------|
| TOTAL PAID STAFF | 152.6 | 164.3 | 167.3 | 3.0 | 1.8% |
|-------------------------|--------------|--------------|--------------|------------|-------------|

Significant Expenditure Changes

- In 2008, the Fire Operations Group is planning to replace six pumper trucks and one ladder truck. Previous contributions to the Fleet Replacement fund have been insufficient to cover the full cost of replacing those vehicles. Therefore, the gap will be financed through an Interfund Loan from the Firefighter Pension & Benefit Fund. These funds will then be transferred to the Fleet Fund to purchase the replacement vehicles. This transaction accounts for \$2.25 million of the increase in Interfund Charges and the entire Debt Service amount. It also drives an additional \$92,500 increase in Interfund Charges for Fleet contribution on the new vehicles to ensure sufficient funds are available in the future when these new vehicles need replacement.
- In addition to increases in Salaries and Benefits for existing positions, Medic One will add 3.0 FTEs in 2008 at a cost of \$291,000, consistent with the new county-wide EMS plan. There is also a \$500,000 increase in budgeted overtime, which is department-wide.
- The net increase in Capital Outlay includes cost for replacement of self-contained breathing apparatus, six cardiac heart monitors, an ambulance re-chassis, and a thermal imaging camera.
- The increase in Supplies is driven by the cyclical replacement of major items such as uniforms, computers, radios, and hoses.
- Intergovernmental Services are decreasing by \$505,000 due to a change in accounting methodology for tax revenue that is transferred to the County as part of the Medic One program. A corresponding decrease in Tax Revenues off-sets this change.
- The Fire Administration's contributions to the LEOFF-1 Pension Liability are increasing by \$270,000.
- The Fire Life Safety Operations budget is decreasing by \$310,000 due to the change in accounting methodology for salary reimbursement from Building Services.
- The Emergency Management budget is decreasing by \$250,000 for the removal of one-time start-up charges from 2007.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Fire Department's decision-making and operations are:

- Whatcom County Emergency Medical Services Working Group 2005 Recommended Plan
- City of Bellingham Annexation Impact Analysis and Planning
- Whatcom County Emergency Communications Upgrade Planning
- 2010 Olympics Security Planning

Specific impacts to 2008 budget development include:

- Key senior fire administrative chief officers are involved in all of the above planning processes. No significant budget expenditures are anticipated to help facilitate these planning processes. However, the outcome of these processes may impact future budgets as recommendations are implemented.
- Public Works, Budget, Finance, and Fire Department staff spent considerable time evaluating the status of the fire apparatus fleet. This included an independent financing analysis conducted by the Western Washington University Small Business Development Center. As a result, City Council adopted a 2008 budget enabling replacement of a large portion of the fire engine/aerial ladder truck fleet. The apparatus will be ordered in early 2008 and a final purchasing finance strategy will be implemented in late 2008.

Departmental Objectives for 2008

1. Establish a chief officer professional development program for future chief officer candidates. (Council Goal 1)
2. Increase job training and outside training opportunities across all divisions. (Council Goal 1)
3. Evaluate and propose options for recovering costs of providing life safety fire inspections in businesses. (Council Goal 1)
4. Update the majority of fire engine and aerial ladder truck fleet to improve safety, reliability, and maneuverability. (Council Goal 1)
5. Increase county-wide emergency medical services/paramedic supervision. (Council Goal 1)
6. Replace obsolete paramedic cardiac heart monitor/defibrillators. (Council Goal 1)
7. Develop and deliver a neighborhood disaster preparedness "train the trainer" course through the neighborhood associations. (Council Goal 11)
8. Begin implementing recommendations of the emergency radio communications study in anticipation of the 2010 Olympics and other events. (Council Goal 11)
9. Replace all obsolete self-contained breathing apparatus. (Council Goal 1)

Departmental Objectives for 2007 with Accomplishments

1. Reduce new construction fire permit turnaround times from 60 days to 30 days or less.
Turnaround times are still at 60 days. Fire and Planning staff are exploring alternatives to produce desired results.
2. Update the Fire Department Development Standards, in coordination with updating the overall City Development Standards.
Project is nearing completion with significant progress made in developing standards in two key areas – fire department access and high rise buildings. Environmental impacts of impervious surfaces have been lessened by reducing size of streets required for fire department access.
3. Adopt the 2006 International Fire Code, and related amendments.
Completed.
4. Create a City Emergency Management Division and begin efforts to strengthen disaster mitigation, preparedness, response, and recovery. (Council Goal 11)
The City of Bellingham Office of Emergency Management is up and running. Relationships have been established with the neighborhood associations and city departments, and an aggressive disaster preparedness campaign is underway. The Office is also updating the City's Emergency Operations Plan.
5. Conduct two Firefighter recruit training academies.
Completed.
6. Conduct one company officer academy.
Completed.
7. Replace all self-contained breathing apparatus.
We did not receive federal funding to accomplish this in 2007. Federal grant funding has been awarded to the Department for 2008 for this project.
8. Fully implement the PRO QA Medical Dispatch Software to reduce the time to dispatch and improve the effectiveness of the Emergency Medical Dispatch System.
The software has been purchased and installed, and all dispatchers have been trained on the program.
9. Implement the Fire Priority Dispatch System, developed by the National Academy Fire Protocol, to streamline the dispatch of fire emergencies.
The software has been purchased and installed, and all dispatchers have been trained on the program. Work is underway with the county fire agencies to alter the fire incident types to sync with the new program. Full implementation is anticipated by mid-2008.

Departmental Objectives for 2007 with Accomplishments

10. Complete paramedic training for six paramedic students and initiate a 2007 class of six paramedic students.

Six paramedic students have completed training. The second class has been deferred to mid-2008 due to program cost and logistical issues. We anticipate transitioning the course to Western Washington University's Certificate Program in early 2008.

11. Implement contracts with county basic life support (BLS) ambulance services addressing joint operational payment for services procedures.

Draft contracts have been distributed to all county fire agencies. We continue to work with these agencies and the Ambulance Advisory Board to implement these contracts.

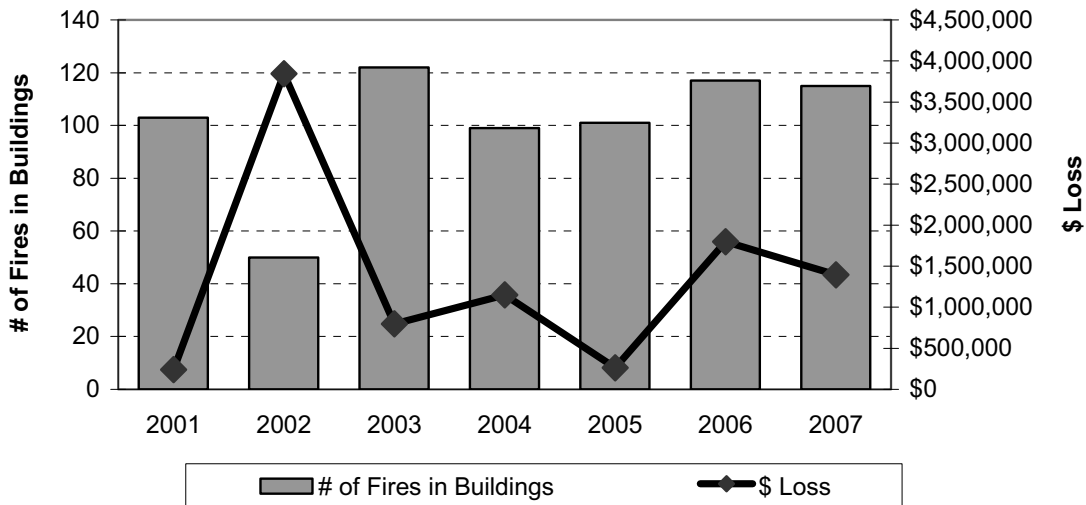
Performance/Activity Measures

The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|--------|---------------------|

| | | | | |
|---|-----|-----|---|----------|
| From the biennial Citizen Satisfaction Survey: | | | | |
| Residents surveyed that rate the job the City is doing as good or excellent in... | | | | |
| Providing fire protection services | 92% | 90% | | Increase |
| Providing Medic One emergency medical services | 78% | 80% | ✓ | Increase |

\$ Loss - Fires in Buildings



Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Fire Operations Group | | | | | | | |
|--|---|-------|-------|---|-------------------|--|-----------------------|
| EMERGENCY INCIDENTS AND RESPONSES | | | | | | | |
| Fire Unit Responses | 9,802 | 8,277 | 8,211 | | 7,735 | | |
| BFD Aid Unit Responses | | 1,044 | 1,804 | | 2,501 | | |
| Incidents by Type: | | | | | | | |
| Building Fires | 58 | 56 | 45 | | 115 | | |
| Haz Mat Incidents | 10 | 10 | 11 | | 3 | | |
| Rescues | 13 | 17 | 24 | | 2 | | |
| Public Service | 525 | 184 | 104 | | 168 | | |
| False Fire Alarms | 735 | 627 | 729 | | 656 | | |
| NFFPA BENCHMARKS: Benchmarks are from 2005. Firefighters includes all uniformed firefighters (except paramedics) regardless of assignment (includes administrative, operations, etc.) NFFPA 2005 | | | | | | | |
| Median # of career firefighters per 1,000 population | New measure - prior data not available. | | 1.308 | ✓ | not yet available | | 0.89 West 1.39 All |
| Fire engines per 1,000 population (6 total) | New measure - prior data not available. | | 0.082 | ✓ | 0.080 | | 0.081 |
| This is calculated using "front line" vehicles only - one per station. The total number of fire engines currently owned by the City is nine. | | | | | | | |
| Ladder truck (one) per thousand population | New measure - prior data not available. | | 0.014 | | 0.013 | | 0.016 |
| Fire stations per 1,000 population (6 total) | New measure - prior data not available. | | 0.082 | ✓ | 0.080 | | 0.081 |
| RESPONSE TIMES - Structure Fires | | | | | | | |
| Turnout time - % of time wheels roll within one minute of alarm receipt | New measure - prior data not available. | | 5% | | 5% | | 90% |
| Travel response - % of time arrival at structure fire incident by 1st engine company is within 4 minutes. | New measure - prior data not available. | | 77% | | 64% | | 90% |
| Travel response - % of time arrival at structure fire incident by full alarm fire crew is within 8 minutes | New measure - prior data not available. | | 86% | | 85% | | 90% |

| Emergency Management Group | | | | | | | |
|---|-------------------------------|-------|-----|--|-------|--|----------------|
| # of Neighborhood Trainings / Presentations | new program | | | | 51 | | in development |
| # of City Employees Receiving Emergency Management / ICS Training | new program | | | | 550 | | in development |
| MYN Introduction to Citizens | "Map Your Neighborhood" - new | | | | 2,564 | | in dev |
| MYN Trainers Trained | new program | | | | 55 | | in dev |
| Micro-Neighborhoods Trained | new program | | | | 9 | | in dev |
| Households Trained | new program | | | | 77 | | in dev |
| Training (includes safety fairs, fire station tours, classroom visits, etc.) Formerly in Life Safety Division | | | | | | | |
| Public Education Deliveries | 169 | 84 | 41 | | 60 | | |
| Class Participants | 4,150 | 1,002 | 647 | | 628 | | |

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

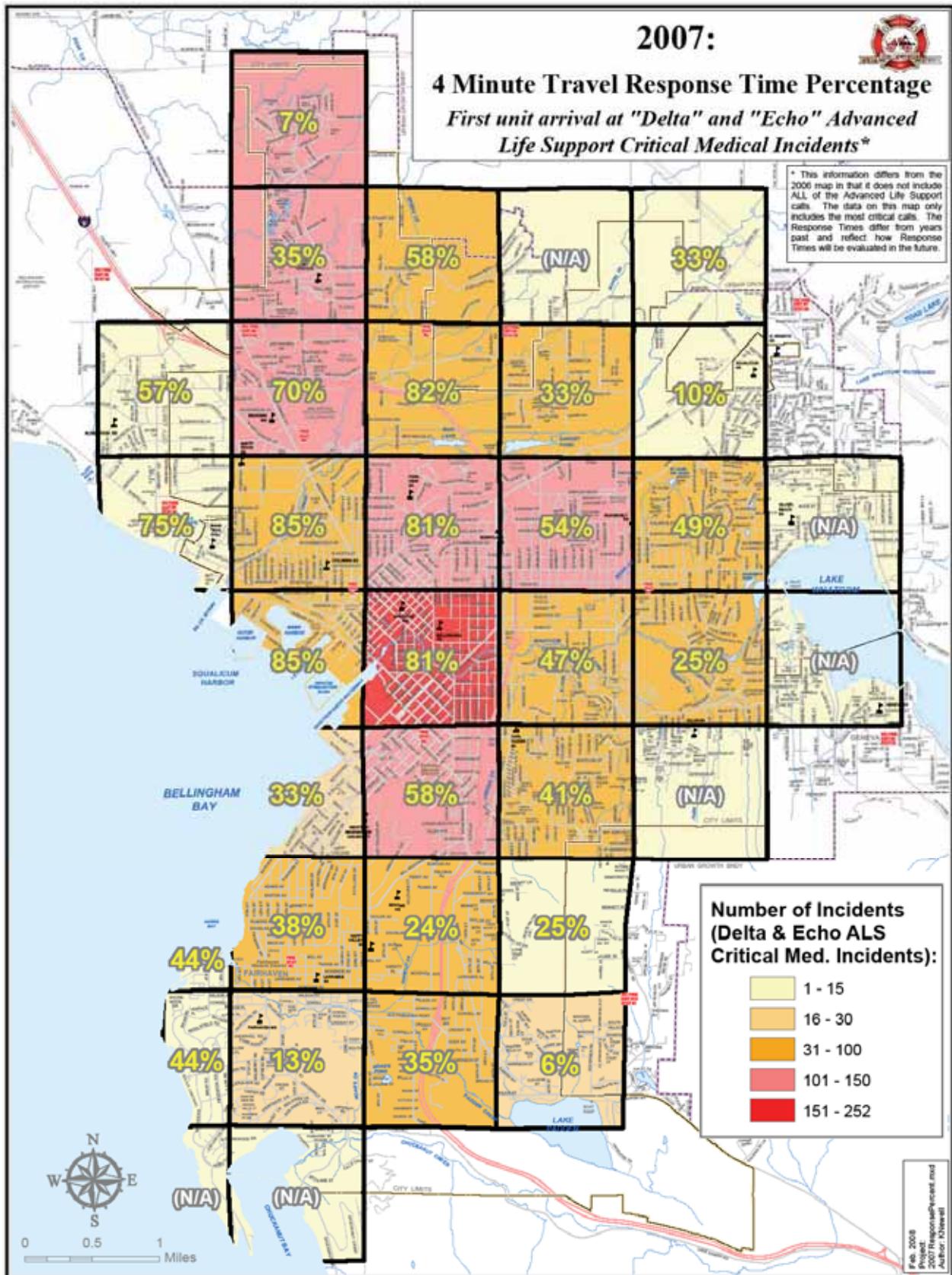
| Fire - Life Safety Operations Group | | | | | | | |
|--|-------|-------|-------|---|-------|--|--------------------------|
| Fire Safety Inspections by LSD | 45 | 87 | 248 | | 263 | | |
| Building/Fire Code Plans Reviewed | 817 | 704 | 568 | | 761 | | |
| New Construction Inspections | 478 | 512 | 468 | | 844 | | |
| Fire Investigations | 14 | 7 | 16 | | 18 | | |
| Average Permit Turnaround Time (Days) | 70 | 60 | 60 | ✓ | 60 | | 60 in 2006 30 in 2007 |
| Engine Company Inspections of Occupied Commercial Spaces | 1,210 | 1,512 | 1,600 | | 1,460 | | |

| Fire Dept - Training Operations | | | | | | | |
|---|---|--------|--------|--|--------|--|--|
| Total Training Hours | 15,776 | 14,430 | 14,469 | | 16,304 | | |
| Total Training Hours per Operations FTE | New measure - prior data not available. | | 112 | | 119 | | |
| Training Hrs per FTE - all personnel | New measure - prior data not available. | | 109 | | 113 | | |

| Emergency Medical Services (County-wide service) | | | | | | | |
|---|---|-----------|-----------|--|---------------|--|------|
| EMS Incidents, City Only | | | 4,819 | | not available | | |
| Total Medic One Incidents | 11,375 | 11,815 | 11,085 | | not available | | |
| Average revenue collected per billable incident | \$ 245.00 | \$ 261.00 | \$ 258.00 | | not available | | |
| Turnout time - % of instances where time from alarm receipt until medic unit wheels roll to an ALS incident is within one minute | New measure - prior data not available. | | 40% | | 22% | | 90% |
| Travel response - % of time arrival at ALS incident within City limits is within 8 minutes from leaving the station | New measure - prior data not available. | | 89% | | 89% | | 90% |
| AVERAGE Travel response time for arrival at ALS incident outside City limits - minutes. | New measure - prior data not available. | | 12:48 min | | 13:22 min | | |
| EMS PATIENT SURVEY RESPONSES - A survey form is given to all users of Whatcom Medic One. Responses to selected questions are shown in this table. | | | | | | | |
| % of Respondents rating Paramedic Professionalism as Superior (3, scale of 0-3) | 91% | 89% | 90% | | 90% | | 100% |
| % of Respondents rating how well patient's needs were met as Superior (3, scale of 0-3) | 89% | 84% | 88% | | 86% | | 100% |
| % of Respondents that, if it were a choice, would choose (Y/N) Whatcom Medic One again for Emergency Medical services | 94% | 92% | 93% | | 95% | | 100% |

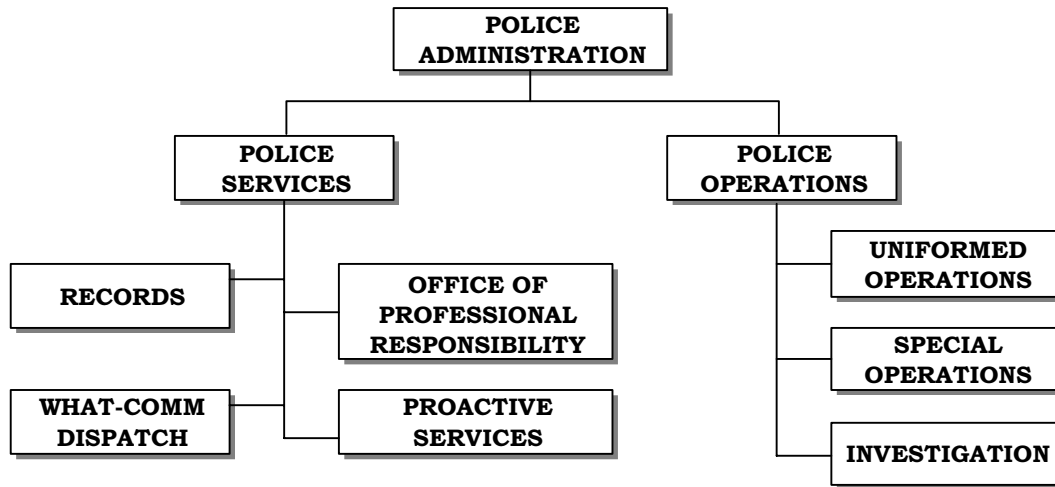
Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|--|-------------|-------------|--------|-------------|--------|---------------------|
| Fire/EMS Dispatch Operations | | | | | | | |
| Fire/EMS incidents generated for all of Whatcom County, handled by Prospect Communications | 17,455 | 16,898 | 19,008 | | 23,016 | | |
| Call Processing - % of time highest acuity (Echo call type) calls are dispatched within one minute | New measure - prior data not available. 2006 data is partial year. | | 54% | | 53% | | 90% |
| EMS PATIENT SURVEY RESPONSES - A survey form is given to all users of Whatcom Medic One. Responses to selected questions are shown in this table. | | | | | | | |
| % of Respondents rating dispatcher as Superior or Acceptable (2 or 3, scale of 0-3) for professionalism, being helpful and reassuring | 74% | 79% | 75% | | 73% | | 100% |



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POLICE DEPARTMENT



Departmental Mission

The primary mission of the Bellingham Police Department (BPD) is to coordinate and lead efforts with the community to preserve the public peace, protect the rights of people and property, prevent crime and provide assistance to citizens in urgent situations. The department is responsible for the enforcement of federal laws, Washington State laws, and City ordinances within the boundaries of the City of Bellingham.

The department enforces the law in a fair and impartial manner, recognizing both the statutory and judicial limitations of police authority and the constitutional rights of all persons. It is not the role of the department to legislate, render legal judgments, or punish.

The department serves the people of Bellingham by providing law enforcement service in a professional and courteous manner and it is to these people that the department is ultimately responsible.



Description of Services

The Bellingham Police Department provides a full range of police services including crime suppression and investigation, traffic enforcement, traffic accident investigation, and community-oriented problem solving projects. It maintains a team of specialists trained in the use of special weapons and tactics to deal with hazardous situations that present a high level of danger to public safety. The Police Department includes support activities for personnel recruiting and training, records resources, and 24-hour communications and dispatch services. It is supported by community volunteer programs.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Taxes | 284,482 | 321,738 | 277,000 | (44,738) | -13.9% |
| Licenses and Permits | 38,640 | 41,533 | 41,533 | - | 0.0% |
| Intergovernmental | 2,951,682 | 2,588,178 | 2,634,724 | 46,546 | 1.8% |
| Charges for Services | 1,772,063 | 1,961,460 | 2,284,216 | 322,756 | 16.5% |
| Miscellaneous | 159,536 | 208,461 | 171,014 | (37,447) | -18.0% |
| Other Financing Sources | 31,783 | 74,726 | 320,694 | 245,968 | 329.2% |
| Subtotal of Revenues | 5,238,186 | 5,196,096 | 5,729,181 | 533,085 | 10.3% |
| Other Sources by Fund | | | | | |
| General | 14,284,167 | 15,764,708 | 18,413,563 | 2,648,855 | 16.8% |
| Police Federal Equitable Share | 36,900 | (5,706) | 19,811 | 25,517 | 447.2% |
| Asset Forfeiture/Drug Enforce. | 246,402 | 78,251 | 38,701 | (39,550) | -50.5% |
| Criminal Justice | 166,653 | (103,860) | (95,229) | 8,631 | 8.3% |
| Public Safety Dispatch | (1,188,137) | (925,978) | (1,205,457) | (279,479) | -30.2% |
| Subtotal Reserve Adjustments | 13,545,985 | 14,807,415 | 17,171,389 | 2,363,974 | 16.0% |
| TOTAL ALL SOURCES | 18,784,171 | 20,003,511 | 22,900,570 | 2,897,059 | 14.5% |

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|--------------------------------|------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Police | 2,447,019 | 2,649,938 | 2,686,070 | 36,132 | 1.4% |
| Police Administration | 245,097 | 98,201 | 426,560 | 328,359 | 334.4% |
| Patrol/Traffic Operations | 111,191 | 135,786 | 395,334 | 259,548 | 191.1% |
| Police Special Operations | 90,320 | 39,892 | 49,152 | 9,260 | 23.2% |
| Police Investigation Operation | 459,804 | 500,902 | 409,551 | (91,351) | -18.2% |
| Police Records Operations | 37,095 | 36,814 | 37,650 | 836 | 2.3% |
| Police Proactive Operations | 182,107 | 130,383 | 142,159 | 11,776 | 9.0% |
| Police Dispatch Operations | 1,665,553 | 1,604,180 | 1,582,705 | (21,475) | -1.3% |
| Subtotal of Revenues | 5,238,186 | 5,196,096 | 5,729,181 | 533,085 | 10.3% |

Significant Revenue Changes

- Charges for Services and Police Administration revenues are increasing due to the redemption of bed day credits at the Whatcom County Interim Jail facility.
- Other Financing Sources and Patrol/Traffic Operations revenues are increasing due to increased reimbursement from the Parking Services Fund to cover the costs for parking enforcement.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 13,081,715 | 14,258,709 | 15,525,597 | 1,266,888 | 8.9% |
| <i>Supplies</i> | 568,044 | 664,104 | 904,268 | 240,164 | 36.2% |
| <i>Other Services and Charges</i> | 1,239,100 | 1,273,688 | 1,092,773 | (180,915) | -14.2% |
| <i>Intergovernmental Services</i> | 201,228 | 181,910 | 1,898,765 | 1,716,855 | 943.8% |
| <i>Interfund Charges</i> | 2,934,186 | 3,014,546 | 3,248,543 | 233,997 | 7.8% |
| Subtotal of Operations | 18,024,273 | 19,392,957 | 22,669,946 | 3,276,989 | 16.9% |
| <i>Capital Outlay</i> | 320,773 | 378,000 | 230,624 | (147,376) | -39.0% |
| <i>Interfund Transfers</i> | 439,125 | 232,554 | - | (232,554) | -100.0% |
| TOTAL EXPENSE | 18,784,171 | 20,003,511 | 22,900,570 | 2,897,059 | 14.5% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---------------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Police Administration</i> | 3,818,110 | 3,599,345 | 5,309,369 | 1,710,024 | 47.5% |
| <i>Patrol/Traffic Operations</i> | 7,139,446 | 7,903,759 | 8,561,800 | 658,041 | 8.3% |
| <i>Police Special Operations</i> | 253,659 | 255,879 | 279,405 | 23,526 | 9.2% |
| <i>Police Investigation Operation</i> | 2,500,449 | 2,729,879 | 3,067,420 | 337,541 | 12.4% |
| <i>Police Off of Prof Responsibil</i> | 347,235 | 463,397 | 520,849 | 57,452 | 12.4% |
| <i>Police Records Operations</i> | 996,567 | 1,075,924 | 1,275,150 | 199,226 | 18.5% |
| <i>Police Proactive Operations</i> | 1,111,880 | 1,031,654 | 1,165,677 | 134,023 | 13.0% |
| <i>Police Dispatch Operations</i> | 2,616,825 | 2,943,674 | 2,720,900 | (222,774) | -7.6% |
| TOTAL EXPENSE | 18,784,171 | 20,003,511 | 22,900,570 | 2,897,059 | 14.5% |

| | | | | | |
|-------------------------|--------------|--------------|--------------|------------|-------------|
| TOTAL PAID STAFF | 155.2 | 168.0 | 169.4 | 1.4 | 0.8% |
|-------------------------|--------------|--------------|--------------|------------|-------------|

Significant Expenditure Changes

- Salary and benefit cost increases for current employees are budgeted at \$1,195,000. Staffing in the Records Group is being increased by 1.4 FTEs at a cost of \$73,500 to respond to workload increases and ensure mandated turnaround times are met.
- Intergovernmental Services are increasing by \$1.15 million due to the transfer of responsibility for incarceration costs to the Police Administration Group and by \$520,000 for the redemption of bed day credits at the Whatcom Count Interim Jail facility.
- The Other Services and Charges are decreasing because the State 911 Commission will be paying the Dispatch Operations Group's database fees for caller ID through 2009.
- The increase in Supplies is for cyclical replacement of computers, helmets, shields, jackets, and weapons. This impact is most noticeable in the Police Proactive Operations Group.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Police Department's decision-making and operations are:

- City of Bellingham Annexation Impact Analysis and Planning
- Bellingham Police Department Strategic Plan
- Western Regional Institute for Community Oriented Public Safety (WRICOPS) Onsite Assessment Report
- Commission Against Domestic Violence Assessment Report
- 2010 Olympics Planning
- Interoperability Communications Plan (Being developed)
- Palidor Communications Study Update

Specific impacts to 2008 budget development include:

- As part of the 2010 Olympics Planning, Interoperability Communications Plan and Palidor Study, the Police and Fire departments, through WhatComm Dispatch Center, are in the process of enhancing the infrastructure of the radio communications system. This work is being done in cooperation with all user agencies of the dispatch center. Significant work must be completed to obtain interoperability.
- One of the impacts of the Commission Against Domestic Violence Assessment Report will be the implementation of a transitional housing program for high-risk homeless individuals. In 2008, approximately \$25,000 is allocated to initiate this program.
- As a result of Bellingham Police Department Strategic Plan and the WRICOPS report, the Police Department will undertake several major maintenance projects in 2008. These include the demolition of an outdated storage building and structural repairs of the main police building.

Departmental Objectives for 2008

1. Co-lead efforts to improve emergency communications for all affected law enforcement agencies in preparation for the 2009 Police and Fire Olympics, the Para-Olympics and the 2010 Olympics. (Council Goal 11)
2. Evaluate options for staffing and restructuring patrol areas to address population growth and annexations. (Council Goal 1)
3. Continue county-wide collaboration and updates to law enforcement records management systems to meet federal requirements for reporting crime statistics. (Council Goal 1)
4. Evaluate training and staffing needs to more effectively integrate high technology and other specialty skills into police investigations and operations. (Council Goal 1)
5. Continue and expand Leadership Academy training. (Council Goal 1)
6. Develop a plan to address the needs for police facility updates, repairs and additional space. (Council Goal 1)
7. Review all department policies to prepare for certification/accreditation assessment of the department. (Council Goal 1)

Departmental Objectives for 2007 with Accomplishments

1. Deploy directed patrols and re-institute the bicycle patrol unit in an effort to impact criminal activity and the perception of criminal activity in the Central Business District (CBD) of Bellingham. (Council Goal 1)

Accomplished. The department plans to continue to enhance CBD efforts of crime reduction and order maintenance.

2. Continue to develop and implement new strategic software applications into our records management system, LongArm. These applications include mobile reporting, pawned property tracking, on-line reporting and expanded case management capabilities.

Accomplished. New applications to LongArm are being implemented.

3. Continue the effort of enhanced enforcement, arrests and prosecution efforts for domestic violence cases, as outlined in the Department of Justice grant which was applied for in 2005 by the Bellingham - Whatcom County Commission Against Domestic Violence. The grant was awarded and the City of Bellingham is the governmental agency receiving the grant funding.

Goal accomplished. Project is continuing with new grant award for 2008.

4. Continue efforts to address all violations of the Controlled Substances Act. More specifically, continue our efforts to address the devastating affects of methamphetamine use, distribution and sale in the jurisdiction.

Partnering with federal agencies to decrease cross border drug traffic. Worked with county law-enforcement agencies and decreased the number of meth labs in the City and county. Effort is on-going.

5. Implement system changes to the prioritization of calls for service. These changes will allow officers to partner and problem solve issues in a more effective and efficient manner. These changes are being developed by a department-wide, cross-functional team. (Council Goals 1 and 9)

Project will be continued in 2008 due to implementation of Goal #2.

6. Develop and coordinate the implementation of the Emergency Preparedness Plan for the Citizens of Bellingham, in partnership with the Bellingham Fire Department and the Mayor's Neighborhood Advisory Commission. (Council Goal 11)

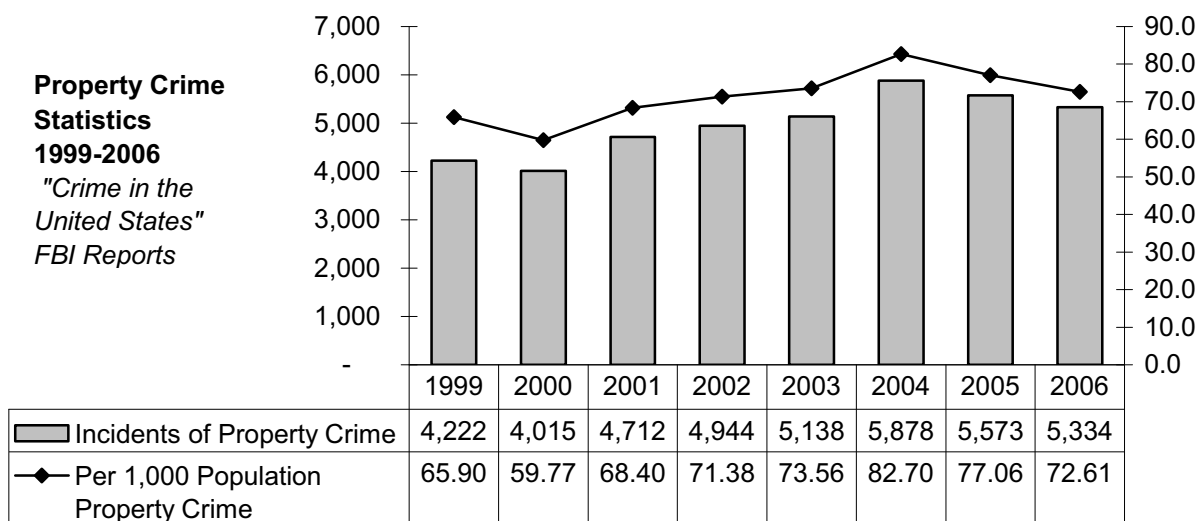
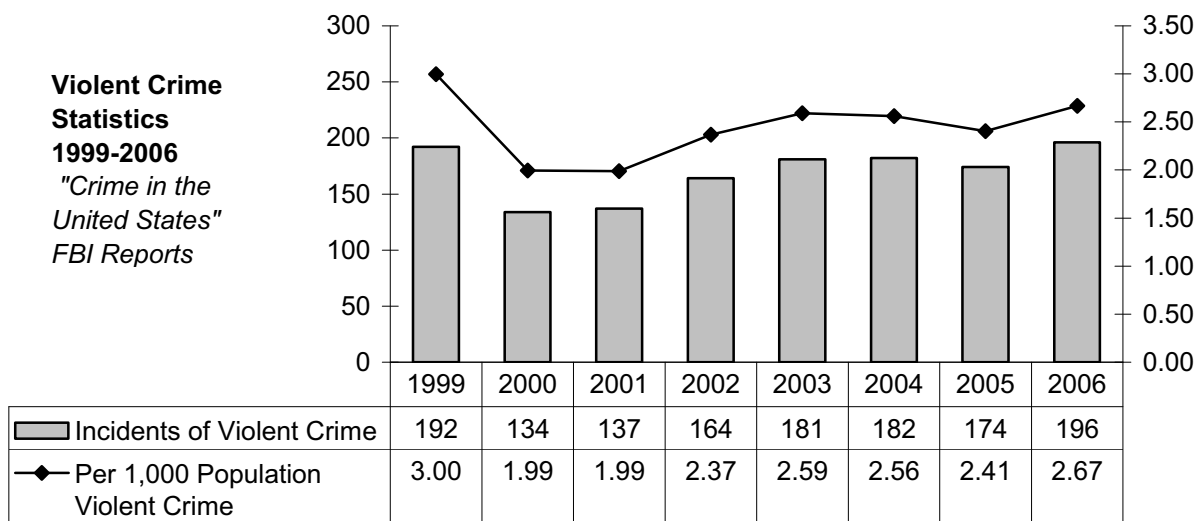
Goal accomplished by the establishment of the Office of Emergency Management. Educational process is on-going.

7. Reorganize and administer core Community Policing functions and Problem Solving principles to our neighborhoods, as well as any potential annexation areas. (Council Goals 5 and 9)

Goal accomplished. Continued expansion of patrol areas will be dependent on acceptance of proposed annexations.

Performance/Activity Measures

In addition to effectiveness of law enforcement, crime rates are an indication of success of multiple components of City and other government entities, private social service agencies, and of the community as a whole. The level of education of the citizens, the level of poverty, and the availability of jobs and affordable housing are factors. Development standards and participation by businesses, neighborhood organizations and individuals in crime prevention programs affect crime rates. Effective treatment of drug and alcohol addiction, programs for the prevention of domestic violence and abuse, availability of transitional housing and homeless shelters, and attention to other social and health issues in the community also have an impact.



Police Department

Performance/Activity Measures (continued)

The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|--------|---------------------|

| | | | | |
|---|-----|-----|---|----------|
| From the biennial Citizen Satisfaction Survey: Residents surveyed that rate the job the City is doing as good or excellent in... | | | | |
| Preventing crime and protecting the community | 74% | 76% | ✓ | Increase |

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Police Department - Department wide | | | | | | | |
|--|-------|--------|--------|--|--------|--|--|
| Training Hours - Includes administration, procedural, range and tactical | 9,540 | 11,617 | 17,750 | | 12,465 | | |

| Patrol | | | | | | | |
|--|--------|--------|--------|--|--------|--|--|
| Calls for Service | 69,533 | 65,211 | 65,148 | | 65,243 | | |
| Average Events / Cases per Patrol Officer | 978 | 910 | 906 | | 886 | | |
| Calls per Patrol Officer (Traffic officers not included) | 1,140 | 1,069 | 1,068 | | 1,070 | | |
| Calls for service = the number of incidents generated by the CAD system at the 911 Center for City law enforcement response. | | | | | | | |

The 2005 reduction in calls for service reflects elimination of response to alarms and traffic collisions on private property.

| Investigation | | | | | | | |
|------------------------------|-------|-------|-------|--|-------|--|--|
| Cases Assigned for Follow-Up | 1,871 | 1,617 | 1,402 | | 1,450 | | |
| Cases Assigned per Detective | 187 | 147 | 156 | | 161 | | |

The detective in Investigations was reassigned to Patrol to handle calls for service during the attrition plan implementation in 2005. We anticipate reinstating the detective position to Investigations in 2008 or as Patrol staffing allows.

Performance/Activity Measures (continued)

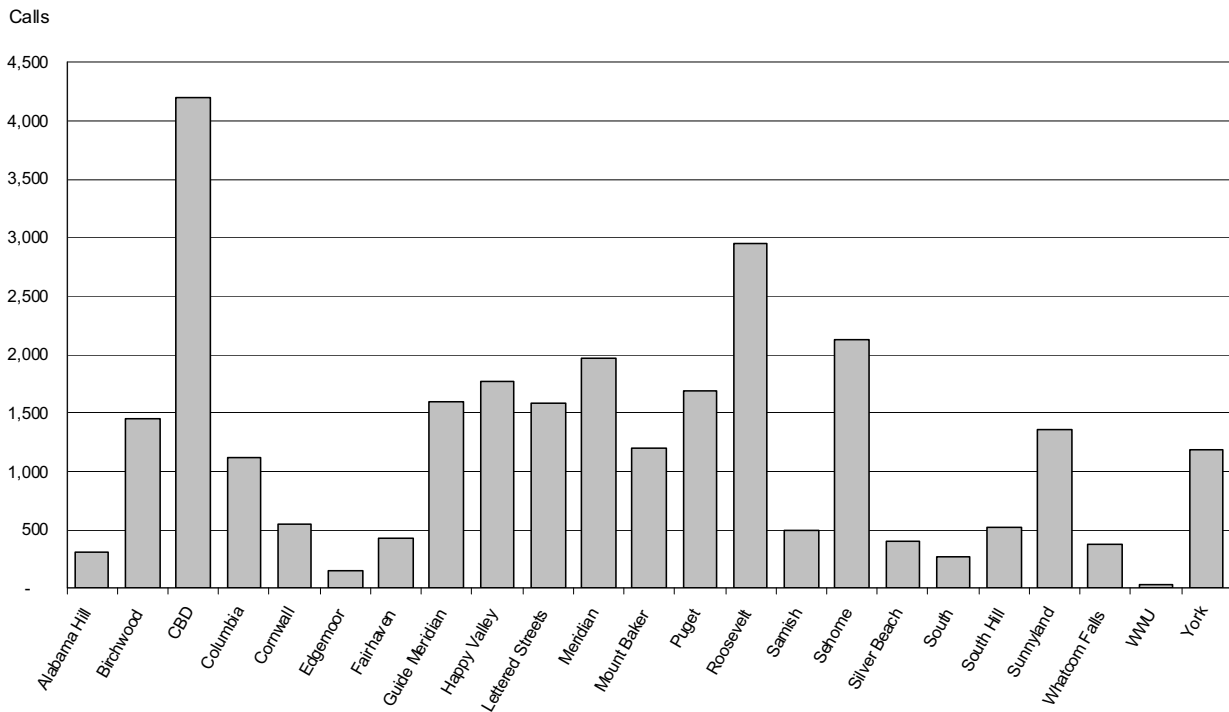
| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Records | | | | | | | |
|---|--------|--------|--------|--|--------|--|--|
| Events / Reports | 59,630 | 55,492 | 55,285 | | 54,054 | | |
| Events per Records Clerk | 5,097 | 4,825 | 4,807 | | 4,700 | | |
| *Events = the number of case numbers assigned to CAD incidents. | | | | | | | |

| Pro-Active | | | | | | | |
|--------------------------------|----------------------|-------|-------|--|-------|--|--|
| Crime Prevention Presentations | new measure for 2006 | | 186 | | 297 | | |
| Volunteer Hours | 6,315 | 6,426 | 6,500 | | 3,619 | | |

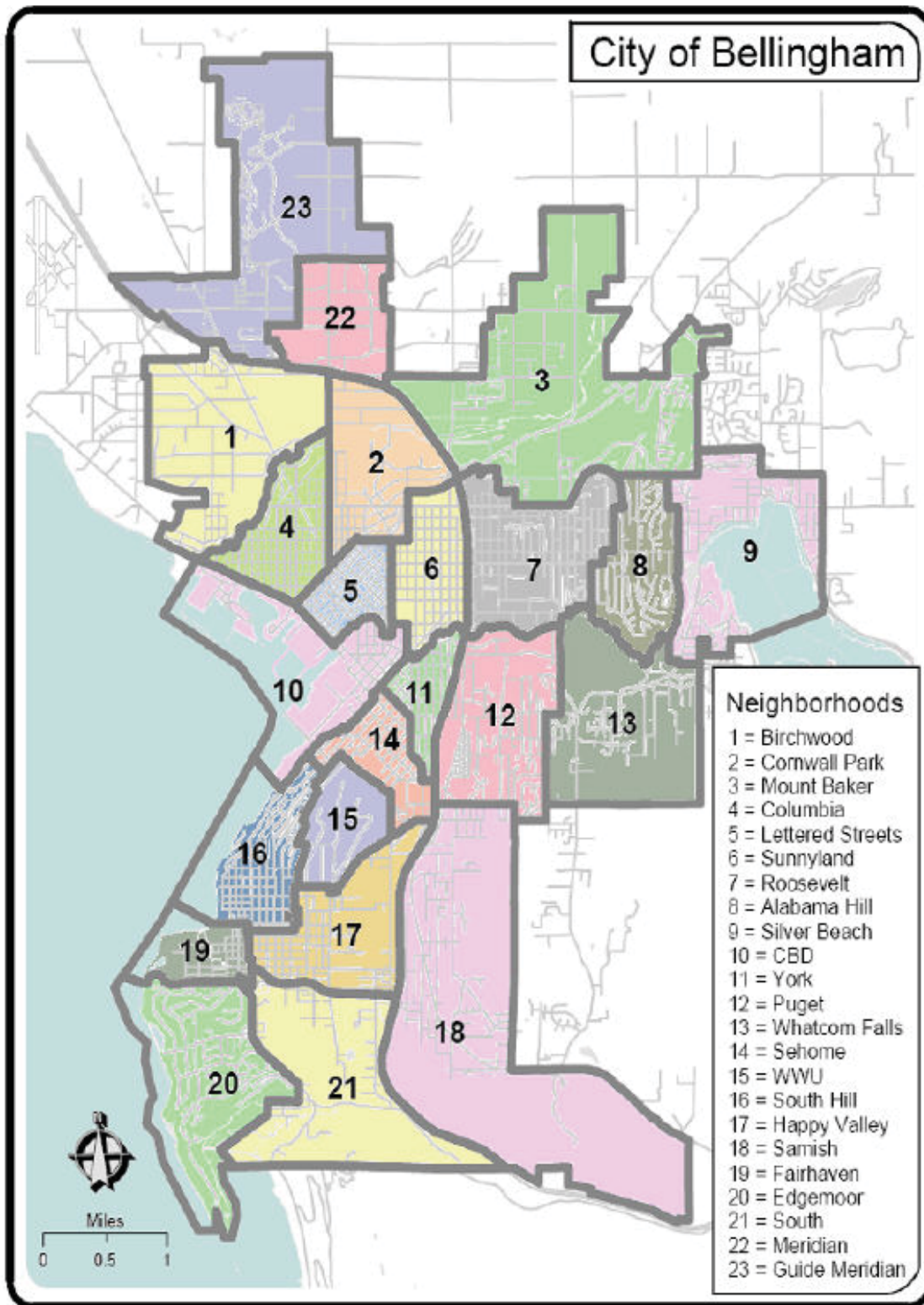
| Dispatch | | | | | | | |
|---|---------|---------|---------|--|---------|--|--|
| CAD Incidents | 128,089 | 126,709 | 128,089 | | 128,665 | | |
| CAD Incidents per Dispatcher | 5,569 | 5,509 | 5,569 | | 5,594 | | |
| CAD Incidents = the number of incidents generated by Computer Assisted Dispatch system at the 911 Center for all County law enforcement agencies. | | | | | | | |

2007 Total Calls By Neighborhood

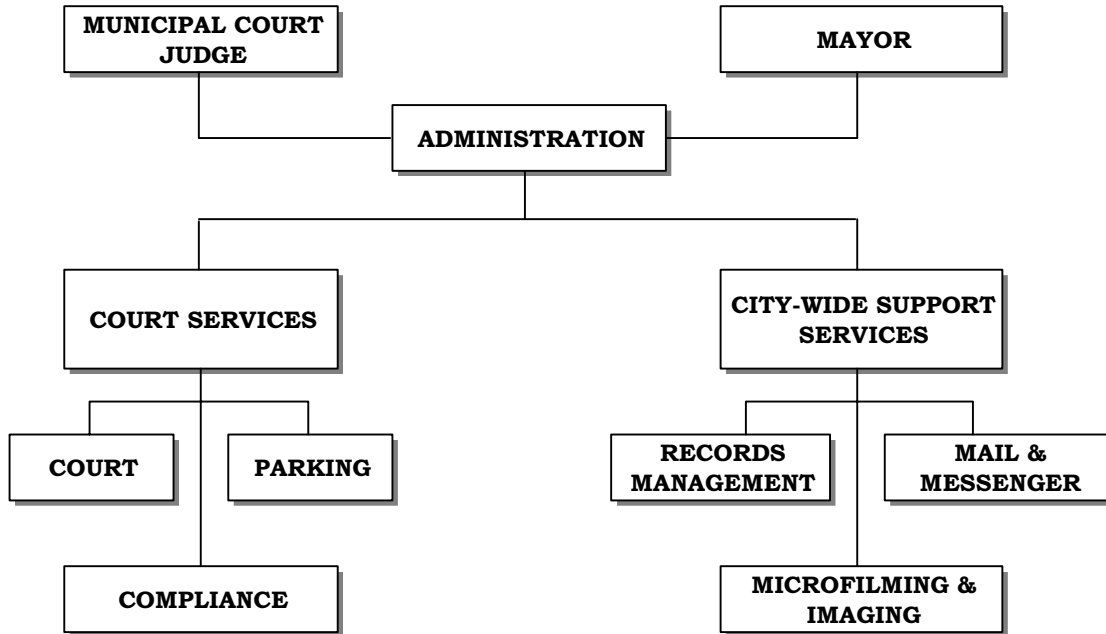


See neighborhood map on the following page.

Performance/Activity Measures (continued)



JUDICIAL AND SUPPORT SERVICES DEPARTMENT



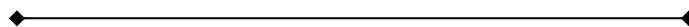
Departmental Mission

Municipal Court

Administer the operations of the judicial branch of City government in a neutral and effective manner and ensure access to justice for all citizens.

Support Services

Provide efficient internal mail and records management services, including citizen access to public records.



Description of Services

The Judicial and Support Services Department includes the City's Municipal Court and support services for all City operations. Municipal Court has jurisdiction over criminal, traffic, parking, and civil matters, which arise from violation of municipal ordinances.

Support Services provides records management, micrographic, imaging, and mail-messenger services for all City departments. This division coordinates all public disclosure requests.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|--|------------------|------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| <i>Charges for Services</i> | 544,721 | 453,184 | 465,309 | 12,125 | 2.7% |
| <i>Fines and Forfeits</i> | 1,585,740 | 1,592,321 | 991,500 | (600,821) | -37.7% |
| <i>Miscellaneous</i> | 24,476 | 28,531 | 28,531 | - | 0.0% |
| <i>Other Financing Sources</i> | - | - | 346,814 | 346,814 | -- |
| Subtotal of Revenues | 2,154,937 | 2,074,036 | 1,832,154 | (241,882) | -11.7% |
| Other Sources by Fund | | | | | |
| <i>General</i> | 1,374,461 | 1,860,673 | 1,052,508 | (808,165) | -43.4% |
| <i>1st 1/4% Real Estate Excise Tax</i> | 1,681,440 | - | - | - | -- |
| Subtotal Reserve Adjustments | 3,055,901 | 1,860,673 | 1,052,508 | (808,165) | -43.4% |
| TOTAL ALL SOURCES | 5,210,838 | 3,934,709 | 2,884,662 | (1,050,047) | -26.7% |

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---|------------------|------------------|------------------|------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| <i>Judicial and Support Services</i> | 648,154 | 600,000 | - | (600,000) | -100.0% |
| <i>Municipal Court Services</i> | 1,355,563 | 1,330,724 | 1,672,806 | 342,082 | 25.7% |
| <i>J and SS Mail/Records/Copy/Micro</i> | 151,220 | 143,312 | 159,348 | 16,036 | 11.2% |
| Subtotal of Revenues | 2,154,937 | 2,074,036 | 1,832,154 | (241,882) | -11.7% |

Significant Revenue Changes

- The net decrease in revenues relates to the shift in accounting for Parking Fine revenues, which are now accounted for in the Parking Services Fund managed by the Public Works Department. The Parking Services Fund will now reimburse the Judicial and Support Services Department for costs associated with processing parking tickets.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 1,225,772 | 1,373,617 | 1,512,848 | 139,231 | 10.1% |
| <i>Supplies</i> | 31,927 | 57,132 | 59,541 | 2,409 | 4.2% |
| <i>Other Services and Charges</i> | 584,727 | 721,653 | 781,433 | 59,780 | 8.3% |
| <i>Intergovernmental Services</i> | 1,370,873 | 1,481,500 | 331,500 | (1,150,000) | -77.6% |
| <i>Interfund Charges</i> | 142,945 | 158,757 | 171,840 | 13,083 | 8.2% |
| Subtotal of Operations | 3,356,244 | 3,792,659 | 2,857,162 | (935,497) | -24.7% |
| <i>Capital Outlay</i> | - | 31,300 | 27,500 | (3,800) | -12.1% |
| <i>Interfund Transfers</i> | 1,854,594 | 110,750 | - | (110,750) | -100.0% |
| TOTAL EXPENSE | 5,210,838 | 3,934,709 | 2,884,662 | (1,050,047) | -26.7% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---|------------------|------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Municipal Court Services</i> | 4,787,551 | 3,482,098 | 2,313,041 | (1,169,057) | -33.6% |
| <i>J and SS Mail/Records/Copy/Micro</i> | 423,287 | 452,611 | 571,621 | 119,010 | 26.3% |
| TOTAL EXPENSE | 5,210,838 | 3,934,709 | 2,884,662 | (1,050,047) | -26.7% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|------------|-------------|
| TOTAL PAID STAFF | 18.9 | 19.8 | 20.5 | 0.7 | 3.5% |
|-------------------------|-------------|-------------|-------------|------------|-------------|

Significant Expenditure Changes

- Intergovernmental and Municipal Court Services are decreasing by \$1.15 million due to the transfer of responsibility for incarceration costs to the Police Department.
- Interfund Transfers will be eliminated now that Parking Fine revenues are accounted for in the Parking Services Fund.
- 0.5 FTE is being added to assist with increased workload from increased parking ticket activity. 0.2 FTE is being added to assist in providing timely responses to public disclosure requests.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Judicial and Support Services Department's decision-making and operations are:

- Bellingham City Council legislation
- City of Bellingham Annexation Impact Analysis and Planning
- Bellingham Police Department Strategic Plan
- Commission Against Domestic Violence Assessment Report
- Emergency Services Planning
- City of Bellingham, Parking Commission
- Whatcom County Law & Justice Council
- Whatcom County Sheriff Jail Operations Planning
- State of Washington, Judicial Information System Committee
- Washington State legislation
- Washington State Court of appeals and Supreme Court decisions

Specific impacts to 2008 budget development include:

- Commission Against Domestic Violence recommendation regarding victim safety led to the addition of \$10,000 to pay for a security officer presence at weekly Domestic Violence Calendars.
- City of Bellingham Parking Commission increases to parking fines led to an increase in telephone inquiries and court hearings. Also, to enhance revenue collection for Parking Services, staff initiated daily retrieval of out-of-state and Canadian registered owner information using national law enforcement databases. Both actions supported the increase of 0.5 FTE in court staff.
- State of Washington, Administrative Office of the Courts, selected Bellingham Municipal Court to convert to C-Track Court Management Software in May 2008. This caused a minor increase in overtime expenses, forms and other printing supplies.
- Washington State legislation enacted additional traffic fine increases in April and July of 2007. Revenue estimates for 2008 were impacted by the changes in fine amount and payment patterns.

Departmental Objectives for 2008

1. Continue Court Division outreach and education programs such as Law Day programs for students. (Council Goals 1 and 9)
2. Add a nationally-recognized performance measure to the annual budget document. (Council Goal 1)
3. Establish a process for citizens to request deferred findings for traffic infractions through use of the City's website. (Council Goal 1)

Departmental Objectives for 2007 with Accomplishments

1. Continue Court Division outreach and education programs such as Law Day and volunteer courtesy calls. (Council Goal 9)

Judge Lev presented four half-day sessions for area middle school students. The theme for 2007 was "Liberty Under Law, Empowering Youth, Ensuring Democracy." In addition to observing actual court hearings, students participated in a mock arraignment hearing. Several council members and police officers led the students in a post hearing discussion of legislative and enforcement processes and the role of citizens.

2. Evaluate efficiency and service delivery by using the four benchmarks established in 2006. (Clearance Rates, Times to Disposition, Age of Active Pending Caseload and Cost per Case) (Council Goal 1)

The Court will continue to report clearance rates. As the State is in the process of implementing new report writer software, additional performance measures will become supported in 2008.

3. Participate in the Washington State Office of Public Defense (OPD) evaluation of the State Legislature's pilot program for indigent defense service improvements in the City of Bellingham. (Council Goal 10)

The Court continued its participation in the State pilot program. Three meetings were held with OPD staff and/or consultants to evaluate service levels as well as quality of services provided to indigent defendants. Reports were developed to track caseload statistics. This pilot program runs through June 2008.

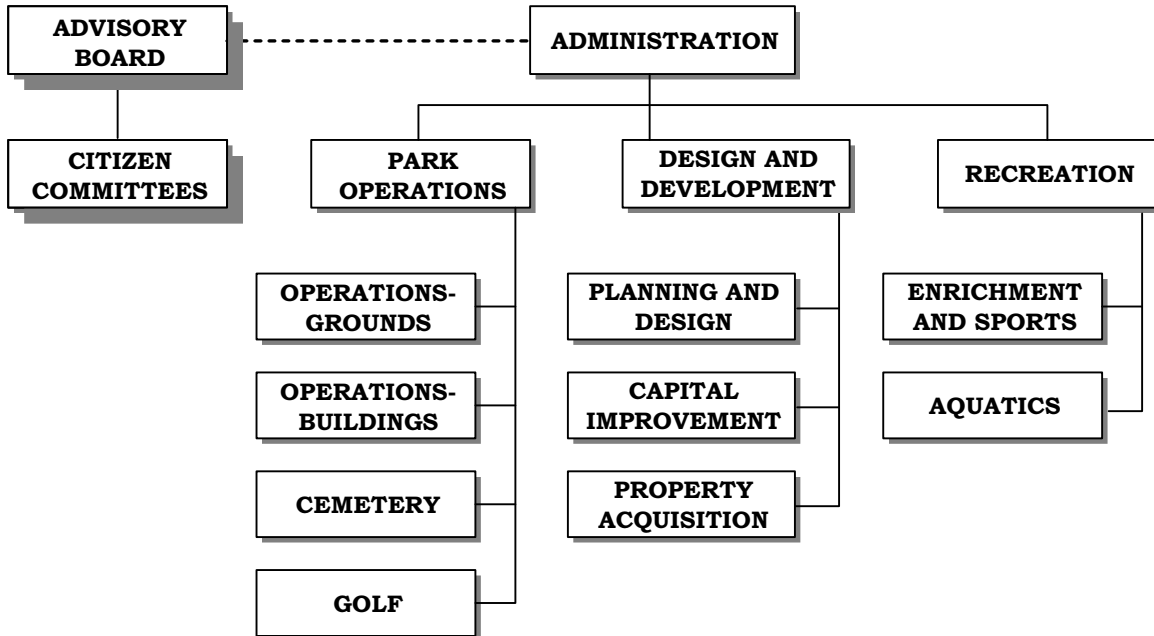
Performance/Activity Measures

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|-------------|-------------|-------------|--------|-------------|--------|---------------------|
| Municipal Court Services Group | | | | | | | |
| <i>Clearance Rates - Number of outgoing cases as a percentage of incoming cases</i> | | | | | | | |
| Infractions | 106% | 110% | 107% | ✓ | 108% | ✓ | 100% |
| Criminal Misdemeanors | 118% | 137% | 117% | ✓ | 112% | ✓ | 100% |
| WORKLOAD | | | | | | | |
| Parking Infractions | 47,633 | 50,562 | 43,010 | ▨ | 48,560 | ▨ | ▨ |
| Traffic Infractions | 10,139 | 10,862 | 9,523 | ▨ | 9,427 | ▨ | ▨ |
| Non-Traffic Infractions | 693 | 736 | 703 | ▨ | 1,113 | ▨ | ▨ |
| Criminal Traffic Misdemeanors | 755 | 530 | 1,087 | ▨ | 1,262 | ▨ | ▨ |
| Criminal Non-Traffic Misdemeanors | 3,000 | 2,764 | 2,484 | ▨ | 2,662 | ▨ | ▨ |
| Driving Under the Influence Cases | 260 | 258 | 238 | ▨ | 214 | ▨ | ▨ |
| Jury Trials Set | 368 | 479 | 419 | ▨ | 433 | ▨ | ▨ |
| Jury Trials Held | 6 | 11 | 18 | ▨ | 12 | ▨ | ▨ |

Clearance rates measure whether a court is keeping up with incoming caseloads. Failure to do so results in a backlog of cases awaiting disposition. Courts aspire to have a clearance rate of 100%. This is a nationally recognized performance measure.

| | | | | | | | |
|--|-------|-------|-------|---|-------|---|------------------------|
| Internal Services Group | | | | | | | |
| RECORDS CENTER | | | | | | | |
| Growth in Cubic Feet | | | | | | | |
| Destructions | 742 | 1,266 | 446 | ▨ | 818 | ▨ | ▨ |
| Records Added | 698 | 953 | 609 | ▨ | 1,075 | ▨ | ▨ |
| Total Holdings | 4,422 | 4,333 | 4,496 | ▨ | 4,915 | ▨ | ▨ |
| Checkout and Reference Requests | 524 | 728 | 499 | ▨ | 657 | ▨ | ▨ |
| Public Disclosure | | | | | | | |
| Requests Received | 133 | 122 | 201 | ▨ | 287 | ▨ | ▨ |
| Initial Response within five business days | 100% | 100% | 100% | ✓ | 100% | ✓ | 100% Legal Requirement |

PARKS AND RECREATION DEPARTMENT



Departmental Mission

Support a healthy community by providing high quality parks and recreation services.



Description of Services

Provide park planning, land acquisition, and design and construction of parks and recreation facilities to meet the demands of a growing community.

Maintain and operate community recreation assets including:

- Neighborhood and community parks.
- Park facilities: Bloedel Donovan Multi-Purpose Facility, Civic Athletic Complex, and a variety of athletic fields and courts.
- Enterprise operations including Lake Padden Golf Course and Bayview Cemetery.
- Multi-modal trail system.
- Open space, natural areas and greenways.

Provide a comprehensive, year-round recreation program. This includes managing City Parks programs and providing scheduling, coordination and support for other community programs sponsored by a variety of groups and agencies.

Parks and Recreation Department

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Taxes | 1,670,174 | 3,532,381 | 4,033,381 | 501,000 | 14.2% |
| Intergovernmental | 1,400,356 | 540,000 | 40,000 | (500,000) | -92.6% |
| Charges for Services | 2,863,140 | 3,796,540 | 3,124,757 | (671,783) | -17.7% |
| Fines and Forfeits | 225 | 325 | 176 | (149) | -45.8% |
| Miscellaneous | 1,071,527 | 818,221 | 875,953 | 57,732 | 7.1% |
| Other Financing Sources | 4,336,216 | 228,929 | 236,480 | 7,551 | 3.3% |
| Subtotal of Revenues | 11,341,638 | 8,916,396 | 8,310,747 | (605,649) | -6.8% |
| Other Sources by Fund | | | | | |
| General | 4,607,581 | 5,524,705 | 6,013,273 | 488,568 | 8.8% |
| Parksite Acquisition | (73,553) | (3,327) | (12,760) | (9,433) | -283.5% |
| Capital Maint | 65,203 | 55,000 | 60,000 | 5,000 | 9.1% |
| Squalicum Park/Olympic | (171,092) | (41,943) | 98,343 | 140,286 | 334.5% |
| Olympic-Whatcom Falls Park Addl | (225,369) | - | (10,750) | (10,750) | -- |
| Little Squalicum-Oeser Settlement | 124,876 | (1,120) | (9,688) | (8,568) | -765.0% |
| 1st 1/4% Real Estate Excise Tax | 409,646 | 833,198 | 286,000 | (547,198) | -65.7% |
| 2nd 1/4% Real Estate Excise Tax | 582,433 | 679,000 | 505,000 | (174,000) | -25.6% |
| Greenways | 48,378 | - | - | - | -- |
| Beyond Greenways | (1,011,834) | (13,562) | 1,086,577 | 1,100,139 | 8111.9% |
| Greenways III | - | (269,571) | (31,659) | 237,912 | 88.3% |
| Parks Impact | (369,328) | 441,056 | 354,170 | (86,886) | -19.7% |
| Sportsplex | (4,615) | (5,372) | (12,176) | (6,804) | -126.7% |
| Civic Field Improvement | 5,561,933 | (15,200) | 122,200 | 137,400 | 903.9% |
| Cemetery | (28,404) | 26,683 | 14,980 | (11,703) | -43.9% |
| Golf Course | (4,572) | (8,872) | (5,333) | 3,539 | 39.9% |
| Greenways Maint Endowment | (226,073) | (58,416) | (473,970) | (415,554) | -711.4% |
| Subtotal Reserve Adjustments | 9,285,210 | 7,142,259 | 7,984,207 | 841,948 | 11.8% |
| TOTAL ALL SOURCES | 20,626,848 | 16,058,655 | 16,294,954 | 236,299 | 1.5% |

Departmental Budget Summary (continued)

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---------------------------------------|-------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| <i>Parks and Recreation</i> | 308,809 | 117,178 | 507,176 | 389,998 | 332.8% |
| <i>Parks and Recreation Admin</i> | 1,287 | 1,295 | - | (1,295) | -100.0% |
| <i>Parks Operations Management</i> | 168,700 | 139,576 | 118,539 | (21,037) | -15.1% |
| <i>Parks Grounds</i> | 90,602 | 91,137 | 114,187 | 23,050 | -- |
| <i>Parks Buildings</i> | 215,824 | 171,192 | 200,000 | 28,808 | 16.8% |
| <i>Parks Cemetery</i> | 550,613 | 608,038 | 604,320 | (3,718) | -0.6% |
| <i>Parks Golf Course</i> | 763,076 | 818,826 | 181,800 | (637,026) | -77.8% |
| <i>Recreation Management</i> | 72,063 | 60,364 | 76,990 | 16,626 | 27.5% |
| <i>Recreation Aquatics</i> | 500,500 | 545,023 | 565,661 | 20,638 | 3.8% |
| <i>Sports and Enrichment</i> | 562,952 | 578,333 | 580,588 | 2,255 | 0.4% |
| <i>Parks Design & Development</i> | 80,509 | 293,401 | 378,748 | 85,347 | 29.1% |
| <i>Parks Capital Improvement</i> | 8,026,703 | 5,492,033 | 4,982,738 | (509,295) | -9.3% |
| Subtotal of Revenues | 11,341,638 | 8,916,396 | 8,310,747 | (605,649) | -6.8% |

Significant Revenue Changes

- Tax revenues are increasing due to the Greenways III Levy.
- Intergovernmental Revenues are decreasing due to the removal of a one-time grant for the Inspiration Point project in 2007.
- Charges for Services are decreasing due to the conversion of the Lake Padden Golf Course to a rental contract.

Parks and Recreation Department

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------|-------------------|-------------------|-------------------|------------------|-------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Salaries and Benefits | 4,576,078 | 5,292,515 | 5,621,088 | 328,573 | 6.2% |
| Supplies | 550,730 | 668,842 | 706,013 | 37,171 | 5.6% |
| Other Services and Charges | 2,324,594 | 2,012,512 | 1,706,126 | (306,386) | -15.2% |
| Intergovernmental Services | 149,999 | 141,265 | 256,220 | 114,955 | 81.4% |
| Interfund Charges | 748,246 | 712,254 | 831,819 | 119,565 | 16.8% |
| Subtotal of Operations | 8,349,647 | 8,827,388 | 9,121,266 | 293,878 | 3.3% |
| Debt Service | 85,649 | 85,175 | 85,520 | 345 | 0.4% |
| Capital Outlay | 11,368,272 | 7,138,643 | 7,088,168 | (50,475) | -0.7% |
| Interfund Transfers | 823,280 | 7,449 | - | (7,449) | -100.0% |
| TOTAL EXPENSE | 20,626,848 | 16,058,655 | 16,294,954 | 236,299 | 1.5% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------|-------------------|-------------------|-------------------|------------------|-------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Parks and Recreation Admin | 484,944 | 537,961 | 551,938 | 13,977 | 2.6% |
| Parks Operations Management | 400,761 | 422,454 | 454,822 | 32,368 | 7.7% |
| Parks Grounds | 1,267,555 | 1,518,506 | 1,672,260 | 153,754 | 10.1% |
| Parks Buildings | 1,444,836 | 1,924,879 | 2,001,381 | 76,502 | 4.0% |
| Parks Cemetery | 534,628 | 639,721 | 619,300 | (20,421) | -3.2% |
| Parks Golf Course | 758,504 | 809,954 | 176,467 | (633,487) | -78.2% |
| Recreation Management | 244,585 | 270,496 | 312,519 | 42,023 | 15.5% |
| Recreation Aquatics | 997,436 | 1,145,898 | 1,252,093 | 106,195 | 9.3% |
| Sports and Enrichment | 1,261,806 | 1,367,279 | 1,478,258 | 110,979 | 8.1% |
| Parks Design & Development | 330,908 | 561,553 | 600,465 | 38,912 | 6.9% |
| Parks Capital Improvement | 12,900,885 | 6,859,954 | 7,175,451 | 315,497 | 4.6% |
| TOTAL EXPENSE | 20,626,848 | 16,058,655 | 16,294,954 | 236,299 | 1.5% |

| | | | | | |
|-------------------------|-------------|--------------|--------------|------------|-------------|
| TOTAL PAID STAFF | 92.6 | 103.1 | 104.2 | 1.1 | 1.1% |
|-------------------------|-------------|--------------|--------------|------------|-------------|

Significant Expenditure Changes

- Other Services and Charges are decreasing because of the conversion of the Lake Padden Golf Course management to a rental contract.
- Intergovernmental Services are increasing by \$150,000 to help fund a gymnasium in partnership with the Bellingham School District.
- The increase in Parks Paid Staff includes adding 0.3 staff to assist with office administration duties, a 0.3 increase in temporary labor and 0.5 for the full year impact of staff added part way through 2007.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Parks and Recreation Department's decision-making and operations are:

- Parks and Recreation Advisory Board
- Greenways Advisory Committee
- Park, Recreation and Open Space Plan
- North Bellingham Trail and Greenway Plan
- Lake Padden Golf Course Committee
- City of Bellingham Annexation Impact Analysis and Planning
- Work in cooperation with other City departments and the Port of Bellingham in the preparation of a Draft Framework Plan for future development of the New Whatcom Special Development area.
- Work in cooperation with Bellingham School District athletic directors and principals to schedule the district's 23 different athletic sites – gymnasiums and athletic fields – for community use.
- Ad-hoc steering committees, consisting of various citizen representatives/organizations, are often commissioned to assist in planning processes for large scale projects.

Actions impacting the development of the 2008 budget include:

- Greenways Advisory Committee hosted two public meetings as well as implemented a web-based survey for the identification of potential properties which would fit into the Greenways Plan. Furthermore, they adopted criteria for evaluating properties for acquisition with 2008 Greenways III funds.
- Lake Padden Golf Course committee recommended a combined Management / Maintenance Lease of Lake Padden Golf Course. They assisted in developing a Request for Proposals (RFP) and provided input into the Lease document. The Lease will provide a consistent revenue stream for the City while providing flexibility for the Lessee to respond to greens-fee fluctuations in the golf market. The committee also provided recommended greens-fee increases for 2008.
- As a result of Annexation Impact Analysis the Parks Department obtained a Concomitant Agreement with the School District for the provision of a North/South trail through the proposed elementary School located on Aldrich Road.
- The City provided 2008 capital funding to the Bellingham School District in the amount of \$150,000 for the enlargement of the proposed elementary school gymnasium on Aldrich Road. When constructed, this gymnasium will allow improved public use of this facility.

Departmental Objectives for 2008

1. Identify and initiate steps to minimize negative impacts of pending annexations on the Parks Level of Service.
2. Update and adopt the Park, Recreation and Open Space Plan. In particular, provide analysis of Parks Level of Service (LOS) as it relates to the Park Growth Impact Fee.
3. Identify and initiate steps to address, in cooperation with neighborhood organizations, need for Park and Recreation services as Neighborhood Plans are updated.
4. Work cooperatively with Whatcom County and other State and Federal Regulatory Agencies to resolve the environmental problems identified at Little Squalicum Park, Boulevard Park and other park properties.
5. Evaluate options for relocating various divisions of the Parks and Recreation Department to ensure efficiency and eliminate duplication of services.

Departmental Objectives for 2007 with Accomplishments

1. Complete or begin major capital projects including: Phase I Squalicum Creek Park, playground replacements at lower Whatcom Falls and South Cornwall Parks, Joe Martin stadium renovation, track resurfacing at Civic Field, Skatepark addition, replace restroom at Whatcom Falls Park, improve sports lighting at Geri Fields, enclose the patio at Arne Hanna Aquatic Center and construct a storage building at Joe Martin Stadium.
 - *Phase I Squalicum Creek Park – 95% complete*
 - *Whatcom Falls and South Cornwall – design 90% complete*
 - *Joe Martin Stadium renovation – complete*
 - *Track resurfacing – complete*
 - *Skatepark addition – complete*
 - *Whatcom Falls Park Restroom – design complete*
 - *Arne Hanna Aquatic Center Design – consultant selected*
 - *Joe Martin Storage Building – complete*
 - *Geri Field lighting – design 80% complete*
2. Work cooperatively with the Port of Bellingham and other City departments on the planning efforts required for the New Whatcom Development Area. (Council Goal 4)

In 2007 the Parks Department worked cooperatively with the Port of Bellingham to provide input for the Environmental Impact Statement (EIS) for the New Whatcom Redevelopment Area. The Final EIS is scheduled for completion in June 2008.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

3. Acquire lands for parks, trails and greenways in north Bellingham. After acquisition, begin design phase for park construction. (Council Goal 6)
 - *Acquired 20 acre park in Cordata Area.*
 - *Acquired 5 acre open space in Cordata Area.*
 - *Negotiating on several other parcels in North Bellingham*
4. Complete or begin various trail projects including: design and initial construction of the Whatcom Creek Trail from Racine to Ellis, design trail corridor from Big Rock Park to the Klipsun Trail and Northridge Park, Phase II construction of the Coast Millennium Trail improvements at Squalicum/Bay to Baker, Whatcom Creek Trail to Civic Athletic Complex, design Phase II trails at Northridge Park, acquire land for Bay to Baker Trail, complete design and begin construction of Woodstock Farm access trails and Inspiration Point overlook.
 - *Whatcom Creek Racine to Meador – Design complete, waiting on DOT lease; Racine to Ellis unfunded*
 - *Big Rock Trail – project scoping complete*
 - *Whatcom Creek trail to Civic (Racine to Fraser) - complete*
 - *Coast Millennium Trail Phase II Squalicum Connector – complete*
 - *Woodstock Farm Access and Inspiration Point Overlook - survey work complete, design phase started*
5. Begin six-year update of the Park, Open Space and Recreation Plan for adoption in 2008.

Consultant selected; inventory updated.
6. Begin implementation of the new Parks and Recreation Department signage system starting with the replacement of old and damaged signs and the expansion of regulatory/informational signs
 - *Installed updated dog regulation signs in Cornwall, Lake Padden and Whatcom Falls Community Parks*
 - *Installed new signage and wayfinding system at Civic Athletic Complex*
7. Work cooperatively with the Police Department and other regulatory agencies, to ensure compliance with park ordinances and policies.
 - *The anticipated Park Cadet program, provided through the Police Department, did not receive enough candidates*
 - *Contracted with the Whatcom Humane Society for dog off-leash patrol and enforcement within the Park System*

**Departmental Objectives for 2007 with Accomplishments
(continued)**

8. Complete the Remedial Investigation and Feasibility Study (RIFS) for Little Squalicum Park and work with the County and other State and federal regulatory agencies to arrive at a resolution to this problem.

Draft-final RI completed; scope expanded to include road project. Settlements with insurance companies reached.

9. Provide public outreach to establish priorities and identify potential expenditures of the Greenways III Levy money. (Council Goal 6)

Public outreach complete; Greenway Committee priorities for initial funding established.

Additional Accomplishments:

- *Negotiated Woods Coffee lease of Boulevard Park pottery studio.*
- *Negotiated lease for Management/Maintenance of Lake Padden Golf Course.*
- *Resolved potential Bellingham Bells lawsuit.*
- *Updated Bayview Cemetery fees and charges.*
- *Parks Design Standards Manual complete and available for public access on web-site. www.cob.org/government/rules/guidelines/park-design-standards.aspx*
- *Franklin Park Playground Design complete; CDBG funded park site development plan 10% complete.*
- *CDBG funded Old Village Trail Construction 95% complete.*
- *Acquired two tracts totaling 4.25 acres on Samish Hill.*
- *Completed final phase of Taylor Dock including street trees, curb, sidewalk, and parallel on-street parking along 10th Street.*
- *Completed permitting for the shelter donation at Boulevard park.*
- *Achieved mitigation goal for eelgrass establishment at Taylor Dock.*

Performance/Activity Measures

The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|--------|---------------------|

| | | | | |
|---|-----|-----|--|----------|
| From the biennial Citizen Satisfaction Survey: Residents surveyed that rate the job the City is doing as good or excellent in... | | | | |
| Maintaining parks and trails | 86% | 81% | | Increase |
| Providing recreational programs for youth and adults | 74% | 72% | | Increase |

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Golf Course Operations Group | | | | | | | |
|---|------------|------------|------------|---|---------------|--|------------|
| Net Operating Income/(Loss) | \$ 31,589 | \$ (4,500) | \$ 32,636 | ✓ | not available | | break even |
| Excludes investment income; capital and debt service expenditures | | | | | | | |
| Rounds of Paid Play | 32,702 | 31,090 | 29,780 | | 28,877 | | increase |
| Rounds of Pre-Paid Play | 14,838 | 13,739 | 15,387 | ✓ | 13,323 | | increase |
| Total Rounds of Golf | 47,540 | 44,829 | 45,167 | ✓ | 42,200 | | increase |
| Total Green Fee Revenue | \$ 754,501 | \$ 753,008 | \$ 754,949 | ✓ | \$ 728,533 | | increase |

| Cemetery Services Group | | | | | | | |
|---|--------------|--------------|--------------|---|---------------|---|------------|
| Net Operating Income/(Loss) | \$ (203,337) | \$ (206,192) | \$ (234,719) | | not available | | break even |
| Excludes investment income; capital and debt service expenditures | | | | | | | |
| General Fund Contribution | \$ 211,600 | \$ 221,480 | \$ 221,480 | | \$ 228,654 | | decrease |
| Grave Sales | \$ 93,615 | \$ 106,053 | \$ 85,398 | | \$ 95,366 | ✓ | incr. 10% |
| Interment Sales | \$ 48,266 | \$ 47,585 | \$ 56,989 | ✓ | \$ 65,602 | ✓ | incr. 10% |
| Monuments and Other Sales | \$ 106,663 | \$ 108,244 | \$ 123,819 | ✓ | \$ 140,833 | ✓ | maintain |
| Other Services | \$ 1,397 | \$ 4,451 | \$ 5,767 | ✓ | \$ 22,666 | ✓ | maintain |

| Maintenance | | | | | | | |
|---|-------------|--|----------|--|----------|--|--|
| Acres of Urban Landscape Maintained | new measure | | 1,218.43 | | 1,218.43 | | |
| Acres of Open Space Maintained | new measure | | 2,420.96 | | 2,444.83 | | |
| Miles of Multi Purpose Trails Maintained | new measure | | 24.57 | | 25.09 | | |
| Miles of Internal Park Trails Maintained | new measure | | 24.95 | | 24.95 | | |
| Square Ft. of Building Maintained | new measure | | 79,301 | | 79,622 | | |
| Number of Playgrounds Maintained | new measure | | 16 | | 16 | | |
| Acres of Playgrounds, Roads & Parking Lots Maintained | new measure | | 31.15 | | 31.15 | | |
| Number of Public Restroom Structures Maintained | new measure | | 18 | | 18 | | |

Parks and Recreation Department

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|-------------|-------------|-------------|--------|-------------|--------|---------------------|
| Aquatics Group | | | | | | | |
| % of operating costs recovered by user fee revenues | 67% | 63% | 62% | ✓ | 58% | ✓ | 50% |
| Single Admissions | 71,198 | 64,246 | 67,923 | ✓ | 69,676 | ✓ | maintain |
| Passes | 40,655 | 41,505 | 42,413 | ✓ | 41,902 | | maintain |
| Lessons | 28,720 | 30,359 | 29,726 | | 32,444 | ✓ | maintain |
| Swim Team | 11,808 | 11,741 | 14,393 | ✓ | 17,686 | ✓ | maintain |
| Rentals | 13,611 | 11,134 | 12,241 | ✓ | 11,300 | ✓ | maintain |
| Free Passes | 2,300 | 2,715 | 1,293 | | 2,419 | | |
| Meet or Event Spectators | 30,985 | 29,611 | 29,851 | ✓ | 29,238 | | maintain |
| Grand Total | 199,277 | 191,311 | 197,840 | ✓ | 204,665 | ✓ | maintain |

Attendance numbers for the Aquatics group measure the number of people walking through the door each day in each of the categories presented. These are not always paid admissions and can represent multiple instances of attendance at the facility by the same person for various purposes, or for multiple sessions of the same class or activity. The pool is normally closed for one week for maintenance. In 2005, the closure was three weeks, impacting 2005 attendance numbers.

| | | | | | | | |
|---|-------------|-----|--------|-----|--------|---|----------|
| Sports and Enrichment Group | | | | | | | |
| % of operating costs recovered by user fee revenues | 66% | 69% | 59% | ✓ | 53% | ✓ | 50% |
| Parks Number of Programs and Daily Attendance: | | | | | | | |
| Special Recreation Programs | new measure | | 45 | n/a | 38 | | maintain |
| Special Recreation Attendance | new measure | | 1,124 | n/a | 1,393 | ✓ | maintain |
| Preschool/Kindergarten Programs | new measure | | 43 | n/a | 40 | | maintain |
| Preschool/Kindergarten Attendance | new measure | | 1,141 | n/a | 878 | | maintain |
| Youth Programs | new measure | | 54 | n/a | 49 | | maintain |
| Youth Attendance | new measure | | 570 | n/a | 708 | ✓ | maintain |
| Middle/High School Programs | new measure | | 59 | n/a | 49 | | maintain |
| Middle/High School Attendance | new measure | | 982 | n/a | 1,297 | ✓ | maintain |
| Family Programs | new measure | | 18 | n/a | 17 | | maintain |
| Family Attendance | new measure | | 1,545 | n/a | 700 | | maintain |
| Adult Enrichment Programs | new measure | | 21 | n/a | 18 | | maintain |
| Adult Enrichment Attendance | new measure | | 418 | n/a | 997 | ✓ | maintain |
| Community Programs (Concerts, Celebrate Bellingham, etc.) | new measure | | 24 | n/a | 22 | | maintain |
| Community Programs Attendance | new measure | | 7,468 | n/a | 12,737 | ✓ | maintain |
| Sports Programs | new measure | | 49 | n/a | 42 | | maintain |
| Sports Attendance | new measure | | 5,764 | n/a | 2,012 | | maintain |
| Total Programs | new measure | | 313 | n/a | 275 | | maintain |
| Total Individuals | new measure | | 19,012 | n/a | 20,543 | ✓ | maintain |

Participant numbers in the above block represent paid registrations.

Performance/Activity Measures (continued)

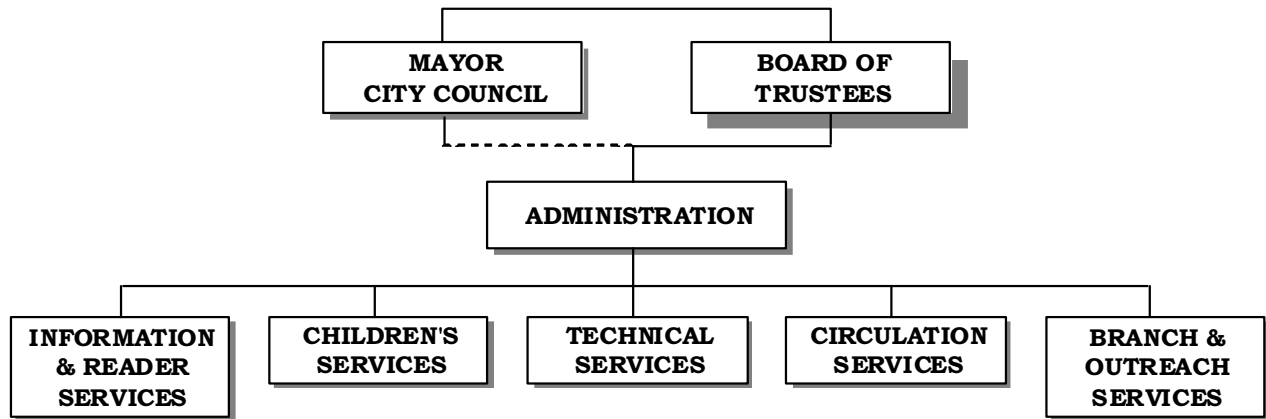
| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Parks Capital Improvements Group | | | | | | | |
|--|-------------|-----|---------|-----|---------|---|----------|
| <i>Park acres includes watershed and other fund properties within City limits and UGA that provide a recreational amenity, such as open space and trails</i> | | | | | | | |
| Park total acres | new measure | | 3,217.9 | | 3,272.4 | | |
| Park acres per 1,000 population | new measure | | 43.8 | n/a | 43.5 | | maintain |
| Trail miles | new measure | | 64.1 | | 64.6 | | |
| Trail miles per 1,000 population | new measure | | 0.9 | n/a | 0.9 | ✓ | maintain |
| GREENWAY LEVIES ACQUISITIONS - ACRES ACQUIRED | | | | | | | |
| Acres per Year | 16 | 10 | 1 | | 14 | | |
| Cumulative Acres | 499 | 510 | 511 | | 525 | | |

Total park acres and trail miles were last calculated in 2002.

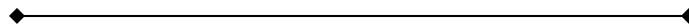
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LIBRARY DEPARTMENT



Departmental Mission

Bellingham Public Library shares the power of information, encourages the discovery of ideas, and promotes the joy of reading with all members of the Bellingham community.



Description of Services

The Bellingham Public Library serves as the community's primary information center and offers these core services in support of its mission. Excellent customer service is a top priority in implementing each one of these public services which contribute to the quality of living and learning in Bellingham.

Materials

- Bellingham Public Library holds a diverse collection of library materials and information in a variety of print and non-print formats. Examples include books, magazines, newspapers, visual and audio materials, and electronic databases. The library's collection emphasizes children's materials and materials for people who work with children. It focuses on reading readiness, early learning, establishing library and reading habits, and promoting the joy of reading and lifelong learning. The collection represents a diverse, popular, general interest public library audience. Greater collection depth is emphasized in local and regional history, local documents, and genealogy.

Access

- Library resources are available at the Central Library and the Fairhaven Branch, and also may be accessed and reserved by customers through the library's virtual branch: www.bellinghampubliclibrary.org. Materials may be dropped off and picked up at a variety of partnership locations throughout the community. Additionally, through an interlocal agreement with the Whatcom County Library System (WCLS), library materials owned by Bellingham Public Library and WCLS are available to all residents through a shared online catalog of materials. Access to other materials and resources held by cooperating local and national libraries of all types are available electronically or through other cooperative arrangements.

Assistance

- Reader's advisory and information assistance are provided for customers of all ages, as they search for the resources they need to succeed in their personal, work, school, or community activities. Computer and database classes, as well as library orientations, are regularly offered for children and adults. Assistance with library and information resources is available by telephone, in person, or on the library's website.

Programs

- The Libraries collaborate with other City departments, volunteers, and community organizations or individuals each year to sponsor or co-sponsor educational and informational programs. Programs offered to community members about issues affecting their lives connect people with the information and library resources they need for lifelong enrichment and education.

Place

- Bellingham Public Libraries are important community centers in a city that values reading and learning. Community groups use the libraries for meetings, educational events, and public forums. The libraries connect the community together by serving as neutral, welcoming places for citizens to gather, study, discuss, and learn.

Visit the library's virtual branch at www.bellinghampubliclibrary.org

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|--|------------------|------------------|------------------|--------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Intergovernmental</i> | 123,318 | 120,000 | 123,600 | 3,600 | 3.0% |
| <i>Charges for Services</i> | 20,547 | 20,557 | 21,297 | 740 | 3.6% |
| <i>Fines and Forfeits</i> | 110,414 | 115,000 | 112,000 | (3,000) | -2.6% |
| <i>Miscellaneous</i> | 66,002 | 69,938 | 70,099 | 161 | 0.2% |
| <i>Other Financing Sources</i> | - | 5,000,000 | - | (5,000,000) | -100.0% |
| Subtotal of Revenues | 320,281 | 5,325,495 | 326,996 | (4,998,499) | -93.9% |
| Other Sources by Fund | | | | | |
| <i>General</i> | 2,853,157 | 3,103,077 | 3,580,880 | 477,803 | 15.4% |
| <i>Library Gift</i> | (39) | - | - | - | -- |
| <i>1st 1/4% Real Estate Excise Tax</i> | 24,309 | 33,750 | 12,150 | (21,600) | -64.0% |
| Subtotal Reserve Adjustments | 2,877,427 | 3,136,827 | 3,593,030 | 456,203 | 14.5% |
| TOTAL ALL SOURCES | 3,197,708 | 8,462,322 | 3,920,026 | (4,542,296) | -53.7% |

| Revenues by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|-------------------------------|----------------|------------------|----------------|--------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Library Administration</i> | 1,000 | - | - | - | -- |
| <i>Library Services</i> | 319,281 | 325,495 | 326,996 | 1,501 | 0.5% |
| <i>Library Facilities</i> | - | 5,000,000 | - | (5,000,000) | -100.0% |
| Subtotal of Revenues | 320,281 | 5,325,495 | 326,996 | (4,998,499) | -93.9% |

Significant Revenue Changes

- In 2007, a one-time \$5 million bond revenue amount was budgeted for land acquisition for a new Library site. During 2007 it was decided the new Library will be built on existing City-owned land and the \$5 million revenue was eliminated from the budget.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 2,123,642 | 2,211,759 | 2,532,531 | 320,772 | 14.5% |
| <i>Supplies</i> | 506,718 | 609,454 | 726,951 | 117,497 | 19.3% |
| <i>Other Services and Charges</i> | 90,845 | 124,050 | 100,810 | (23,240) | -18.7% |
| <i>Intergovernmental Services</i> | 717 | 700 | 25,250 | 24,550 | 3507.1% |
| <i>Interfund Charges</i> | 451,477 | 482,609 | 512,134 | 29,525 | 6.1% |
| Subtotal of Operations | 3,173,399 | 3,428,572 | 3,897,676 | 469,104 | 13.7% |
| <i>Capital Outlay</i> | 24,309 | 5,033,750 | 22,350 | (5,011,400) | -99.6% |
| TOTAL EXPENSE | 3,197,708 | 8,462,322 | 3,920,026 | (4,542,296) | -53.7% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---------------------------------|------------------|------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Library Administration</i> | 455,518 | 456,770 | 522,511 | 65,741 | 14.4% |
| <i>Library Services</i> | 2,243,687 | 2,454,612 | 2,823,066 | 368,454 | 15.0% |
| <i>Fairhaven Branch Library</i> | 86,120 | 100,491 | 122,085 | 21,594 | 21.5% |
| <i>Library Facilities</i> | 412,383 | 5,450,449 | 452,364 | (4,998,085) | -91.7% |
| TOTAL EXPENSE | 3,197,708 | 8,462,322 | 3,920,026 | (4,542,296) | -53.7% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|------------|-------------|
| TOTAL PAID STAFF | 45.2 | 42.5 | 45.5 | 3.0 | 7.1% |
|-------------------------|-------------|-------------|-------------|------------|-------------|

Significant Expenditure Changes

- The decrease in budgeted Capital Outlay reflects removal of a one-time budgeted expenditure for land acquisition budgeted in 2007 which was later eliminated.
- In addition to increases in Salaries and Benefits for existing positions, the Library will add 3.0 FTEs at a cost of \$120,000 in 2008. This includes adding 1.5 positions to serve increasing circulation needs, including added library presence in the North and Northeast portions of the city. It also includes a 1.5 increase in temporary labor hours.
- The increase in Supplies for the Library Services Group reflects an increase in the amount budgeted for library books, materials, and information resources. This increase brings the budget closer to the industry standard of 15-20% of the library's operating budget.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Library's decision-making and operations are:

- The Bellingham Public Library Board of Trustees is the governing and policy-making body for the library. They are governed and guided by State Law in the Revised Code of Washington.
- Facilities planning for a replacement to the 56-year-old Central Library, and improvements to the 104-year-old Fairhaven Branch Library.
- Community-wide library service planning to meet the library and information needs of a growing community, especially in the neighborhoods to the north and the east. City of Bellingham neighborhood planning guides and informs the library's decision-making for future changes in delivering library service to the community.
- Whatcom Community College planning for a new library facility; Bellingham Public Library and Whatcom County Library have been invited into the planning process for a joint college/public library building.
- Strategic planning to identify the strengths, weaknesses, opportunities, and threats to effective and contemporary library service in a community that values libraries and lifelong learning.
- Planning efforts by the Washington State Library such as Marketing, Statewide Purchasing Agreements, Library Services and Technology Act grant possibilities, and the potential for a Statewide Library Card.
- Planning and design efforts by the Whatcom Museum, Public Facilities District, and Streetscape planning that directly affect the library as a downtown and civic partner.
- The Whatcom County Library System and our collaborative, cooperative interlocal agreements and programmatic efforts.

Specific impacts to 2008 budget development include:

In response to their strategic planning for growing library services, the Library Board included personnel and materials increases in the 2008 budget:

1. Two part-time positions were increased to full-time and will be directly assigned to handle increases in educational programming for adults, increased materials handling, and the implementation of the Barkley Branch.
2. The library materials collection budget was increased to begin to catch up with the industry standard of 15-20% of total library budget. 2008 reflects slightly over 14%, an improvement over previous years. The collection needs constant and consistent review to meet demand, to supply updated materials, and with this community's heavy usage, to replace worn materials. Further, the library's collection is being carefully assessed and developed in anticipation of a potential move and new quarters.

Departmental Objectives for 2008

1. Complete the next steps – including hosting extensive public involvement, proposing a funding plan to voters, and beginning design work – to build a new central library that is responsive to the community, considerate of contemporary technological and social trends, and respects tradition, current developments, and future possibilities. (Council Goals 1, 3, 5, 6, 7, 8, 9 and 10)
2. Establish a library presence in northern Bellingham by exploring partnership opportunities, service improvements such as drop boxes, pick-up points, and kiosks, and if appropriate, propose increased funding to implement these improvements. (Council Goals 1, 5, 6, 7, 8 and 10)
3. Include recommendations in Priority 1, 2, and 3 from the 2006 Fairhaven Branch Condition Assessment in a library bond proposal. (Council Goals 1, 5, 6, 8 and 10)
4. Retain highly-skilled, well-trained employees by focusing on staff development, particularly to address rapid changes in technology and the library field. (Council Goal 1)
5. Consider options, including funding increases and staff reallocation, to meet the demand for increased library services, especially in the north and east areas of the city. (Council Goals 1, 3, 5, 6, 8 and 9)

Departmental Objectives for 2007 with Accomplishments

1. Engage the Library Board, staff, and community in strategic planning for library services, resources, and facilities. Ongoing in 2007. (Council Goals 2, 3, 5, 6, 7 and 9)

Strategic planning for the Library continues in 2008.

2. Continue developing and implementing the necessary groundwork to build a new or expanded Central Library to serve a growing community whose residents' Library use consistently ranks among the nation's top five for communities of similar size. Projects will include finalizing site selection, beginning design work, and a voter-approved bond. Ongoing in 2007. (Council Goals 2, 3, 5, 6 and 9)

Site selection for the new Central Library was finalized in January; consulting team was selected for the Building Program development; work continues into first quarter of 2008; bond measure is being considered for spring, 2008.

3. Develop and implement the necessary groundwork to establish a library presence in northern Bellingham. Projects will include exploring partnership opportunities and possible locations, and inclusion in a voter-approved bond. Ongoing in 2007. (Council Goals 3, 5, 6, 7 and 9)

A Bellingham Public Library presence was established in September, in partnership with the Whatcom Community College at their library.

Planning for the small Barkley Branch, on the east side of Bellingham, was ongoing in 2007 and the Library will open in 2008.

As part of developing the Building Program for the Central Library, the Thomas Hacker consulting team was charged with assessing the community, reviewing national and regional standards, and recommending the feasibility of additional branch libraries for the Bellingham community.

- *According to their research and their recommendation, an additional branch in a community this size would be unusual, and difficult to support.*
- *The Library Board and staff continue to consider this information, public demand, and the alternatives available for providing cost-efficient, effective library services to growing areas of the city.*

4. Include results of 2006 Fairhaven Branch Structural Assessment in Library bond issue. (Council Goals 3 and 5)

The Condition Assessment of the Fairhaven Branch was completed in 2007; improvements are estimated at \$2 million.

Library bond issue was deferred to 2008, and although the ballot measure has not yet been developed, the Fairhaven Branch improvements are being considered for inclusion in the ballot measure.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

5. Continue to explore and develop cooperative ventures with the Whatcom County Library System for improved customer service, staff and service efficiencies, and cost benefits. Ongoing in 2007. (Council Goals 3 and 6)

Ongoing. Example: a consortium was developed, including both city and county library systems, to enable more cost-efficient purchase of downloadable audio books, a popular library materials format.

6. Increase the Library's 2007 books and materials budget to reflect 15% of the Library's total budget, a benchmark of a healthy materials budget for a highly literate community. (Council Goals 3, 6, 7 and 9)

The 2007 library materials budget was 14% of the Library's total budget, the healthiest materials budget in several years. 15% – 20% is the Library's goal, particularly as formats change and increase, as the Library's materials wear out from our high usage, and as they become quickly outdated in today's changing world.

7. Develop active partnerships and work cooperatively with community groups, educational institutions, and individuals on designing and providing informational, educational, and cultural programs, services, and resources for Bellingham citizens. Planning and programming will be scheduled throughout the year. (Council Goals 1, 3 and 6)

In 2007 staff actively planned library programming for adult audiences with new and established community partners – and also began a popular library book club.

The Children's Summer Reading Program was record-breaking, and the Library experienced a 45% increase in number of people attending all informational, educational, and cultural programs.

8. Upgrade the Library's Horizon Integrated Library System to a planned release during 2007. The automated system is shared with the Whatcom County Library System, and the upgrade costs will be shared. (Council Goals 1 and 6)

This Horizon release did not occur in 2007.

Additional Accomplishments:

To meet the growing demand for technology at the Library, Wi-Fi internet access was implemented at both libraries in 2007, and is planned for the Barkley Branch as well. The Library also upgraded and increased the number of public computers.

Performance/Activity Measures

The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|--------|---------------------|

| | | | | |
|---|-----|-----|---|----------|
| From the biennial Citizen Satisfaction Survey: Residents surveyed that rate the job the City is doing as good or excellent in... | | | | |
| Maintaining library services for the community | 79% | 82% | ✓ | Increase |

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| | | | | | | | |
|--|---------------------|-----------|-----------|-----|-----------|-----|---------------------------|
| Library | | | | | | | |
| COLLECTION | | | | | | | |
| Materials Exp per capita | \$5.16 | \$5.27 | \$5.28 | /// | \$6.34 | /// | /// |
| Collection Expenditures as a % of Operating Budget | 12.1% | 12.4% | 12.0% | n/a | 14.0% | ✓ | 15% Industry Std. by 2008 |
| CIRCULATION - Number of items checked out or renewed | | | | | | | |
| Central Library | 1,090,441 | 1,101,749 | 1,110,071 | | 1,173,013 | ✓ | +1% |
| Fairhaven Branch | 91,500 | 94,049 | 96,483 | ✓ | 112,019 | ✓ | +1% |
| Whatcom Community College | (beginning 9/24/07) | | | n/a | 418 | n/a | +1% |
| TOTAL | 1,181,941 | 1,195,798 | 1,206,554 | | 1,285,450 | ✓ | +1% |
| Circulation per Capita | 16.6 | 16.5 | 16.4 | | 17.0 | ✓ | maintain |
| Cost per Item Circulated | \$ 0.40 | \$ 0.39 | \$ 0.37 | ✓ | \$ 0.37 | | -1% |
| Number of items checked out or renewed divided by total library operating budget | | | | | | | |
| % of self-checked items | new service | | 33% | | 43% | ✓ | increase |
| % of staff checked items | new service | | 67% | | 57% | ✓ | decrease |
| Turnover | 4.04 | 4.06 | 4.06 | ✓ | 4.44 | ✓ | maintain |
| Total circulation divided by holdings | | | | | | | |

The goal for collections expenditures for 2007 was 14%, which brought the library closer to the 2008 goal of 15%, the industry standard benchmark.

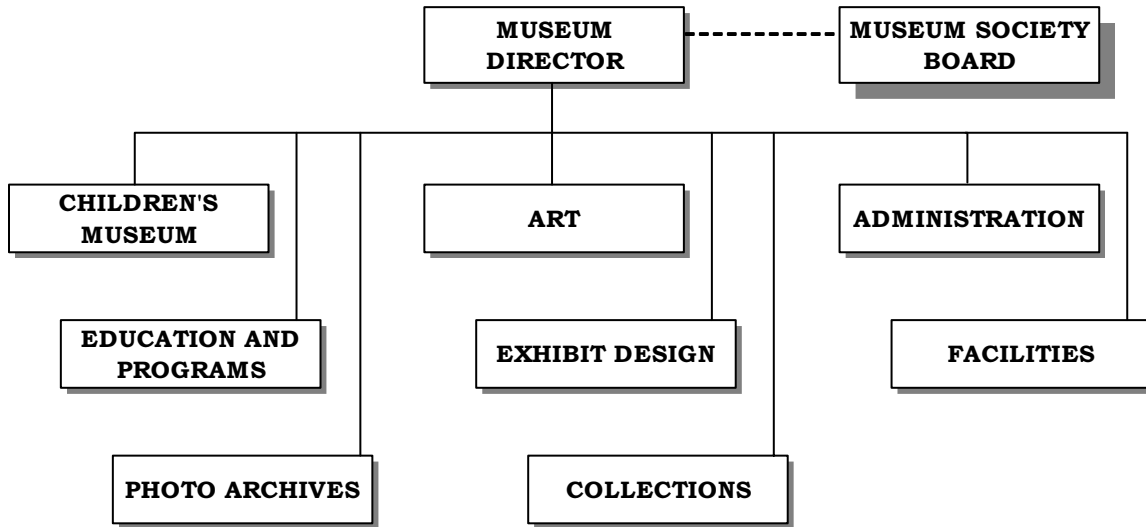
Circulation has steadily increased at both Bellingham and Fairhaven libraries for the last few years. The combined circulation puts Bellingham Public Library among the highest circulation per capita in the state at 17. For fiscal year 2006 the Washington State average was 11.28 and the National Average was 7.032.

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--|-------------|-------------|-------------|--------|---------------|--------|------------------------------|
| PERSONS VISITING - Number of persons counted as they enter the libraries | | | | | | | |
| Central Library | 625,000 | 627,816 | 666,208 | ✓ | 726,668 | ✓ | +1% |
| Fairhaven Branch | 73,000 | 74,355 | 78,648 | ✓ | 89,634 | ✓ | +1% |
| TOTAL | 698,000 | 702,171 | 744,856 | ✓ | 816,302 | ✓ | +1% |
| Website Visits | n/a | n/a | 236,375 | ✓ | 276,987 | ✓ | +1% |
| BORROWERS - Number of people in Whatcom County who hold Bellingham Public Library cards | | | | | | | |
| Number of Borrowers | 50,173 | 49,306 | 48,833 | | 45,786 | | +1% |
| New Cards Issued | n/a | n/a | 7,770 | n/a | 8,455 | ✓ | +1% |
| PROGRAMS - Library-sponsored or co-sponsored educational, recreational, or cultural programs | | | | | | | |
| Programs | 289 | 340 | 406 | ✓ | 594 | ✓ | +1% |
| Attendance | 10,769 | 12,218 | 14,359 | ✓ | 19,191 | ✓ | +1% |
| MEETING ROOM BOOKINGS - Measures public meeting room use: number of meetings held | | | | | | | |
| Central Library | 477 | 636 | 651 | ✓ | 857 | ✓ | +1% |
| Fairhaven Branch | 971 | 1,013 | 884 | | 1,070 | ✓ | +1% |
| TOTAL | 1,448 | 1,649 | 1,535 | | 1,927 | ✓ | +1% |
| REFERENCE TRANSACTIONS | | | | | | | |
| Questions asked in-person, by telephone, or internet | 64,163 | 63,644 | 60,720 | | 78,936 | | |
| Beginning in 2007, Reference Transactions includes Children's Library, which was excluded prior to 2007. | | | | | | | |
| COMMUNITY SUPPORT - Volunteers from the Friends of Bellingham or Fairhaven libraries | | | | | | | |
| Volunteer Hours | n/a | 7,745 | 9,625 | ✓ | 10,125 | ✓ | maintain |
| Value of Volunteer Hours | n/a | \$ 139,720 | \$ 173,635 | ✓ | not available | | maintain |
| Number of hours donated to the library by community members multiplied by average national wage | | | | | | | |
| FACILITIES & EQUIPMENT | | | | | | | |
| Square Footage (54,250) of Library Facilities per Capita | 0.76 | 0.75 | 0.74 | | 0.72 | | 1.0 National, incl. branches |
| Public Use Computers | 42 | 42 | 42 | | 47 | | |
| Number of Community Outlets | 33 | 32 | 32 | | 33 | | |
| Service outlets, such as: outreach visits to nursing, retirement, assisted living facilities, and library material drop boxes. | | | | | | | |
| STAFF | | | | | | | |
| Full Time Equivalent (FTE) Staff Members | 43.6 | 43.2 | 43.2 | | 42.5 | | |
| FTE staff per 1,000 population | 0.61 | 0.59 | 0.58 | | 0.56 | | maintain |
| BUDGET | | | | | | | |
| Library Operating Budget per Capita | \$ 41.09 | \$ 42.21 | \$ 49.44 | | \$ 45.58 | | |

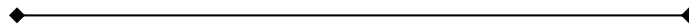
Total borrowers are down this year as we did some reassignment of borrowers to Whatcom County Library System cards over the last year.

MUSEUM DEPARTMENT



Departmental Mission

The Whatcom Museum of History and Art provides leadership in the fields of history and art in the Pacific Northwest. Through preservation, collections, exhibitions, and educational programs, the Museum enhances the quality of life for our community.



Description of Services

The Whatcom Museum of History and Art collects, preserves, exhibits and interprets objects related to the Pacific Northwest's human history, visual arts and ornithology. As a cultural center of the area, the Museum plays a vital role in offering educational, cultural and historical experiences to the public through its extensive exhibitions, programming and outreach activities. The Museum contributes to the quality of life of the area in four ways:

- Building and maintaining collections and photo archives to preserve historical and cultural objects and photographs for future generations; these collections are accessible to the public for research purposes.
- Providing educational programming and public outreach, including extensive programs for school age children, as well as musical concerts, lectures and workshops.
- Organizing exhibitions related to regional history and/or art.
- Offering innovative learning experiences for young children in the Whatcom Children's Museum.

Visit us on our website at www.whatcommuseum.org

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|--|------------------|------------------|------------------|------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Intergovernmental</i> | 74,658 | 34,000 | 22,539 | (11,461) | -- |
| <i>Charges for Services</i> | 13,209 | 13,767 | 14,180 | 413 | 3.0% |
| <i>Miscellaneous</i> | 30,703 | 24,126 | 24,476 | 350 | 1.5% |
| Subtotal of Revenues | 118,570 | 71,893 | 61,195 | (10,698) | -14.9% |
| Other Sources by Fund | | | | | |
| <i>General</i> | 1,350,268 | 1,445,521 | 1,592,521 | 147,000 | 10.2% |
| <i>Capital Maint</i> | 23,551 | 25,000 | 13,000 | (12,000) | -48.0% |
| <i>1st 1/4% Real Estate Excise Tax</i> | 182,395 | - | 300,000 | 300,000 | -- |
| Subtotal Reserve Adjustments | 1,556,214 | 1,470,521 | 1,905,521 | 435,000 | 29.6% |
| TOTAL ALL SOURCES | 1,674,784 | 1,542,414 | 1,966,716 | 424,302 | 27.5% |

| Revenues by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|-----------------------------|----------------|---------------|---------------|------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Museum Services</i> | 118,570 | 71,893 | 61,195 | (10,698) | -14.9% |
| Subtotal of Revenues | 118,570 | 71,893 | 61,195 | (10,698) | -14.9% |

Significant Revenue Changes

- The Museum will be using \$300,000 of First Quarter Real Estate Excise Tax funds for a window restoration project at the Old City Hall building.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 1,074,825 | 1,208,166 | 1,300,069 | 91,903 | 7.6% |
| <i>Supplies</i> | 120,216 | 107,127 | 116,986 | 9,859 | 9.2% |
| <i>Other Services and Charges</i> | 397,989 | 186,508 | 196,810 | 10,302 | 5.5% |
| <i>Intergovernmental Services</i> | 202 | 84 | 284 | 200 | 238.1% |
| <i>Interfund Charges</i> | 41,492 | 40,529 | 39,067 | (1,462) | -3.6% |
| Subtotal of Operations | 1,634,724 | 1,542,414 | 1,653,216 | 110,802 | 7.2% |
| <i>Capital Outlay</i> | 40,060 | - | 313,500 | 313,500 | -- |
| TOTAL EXPENSE | 1,674,784 | 1,542,414 | 1,966,716 | 424,302 | 27.5% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|------------------------------|------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Museum Administration</i> | 250,500 | 273,692 | 288,703 | 15,011 | 5.5% |
| <i>Museum Services</i> | 1,424,284 | 1,268,722 | 1,678,013 | 409,291 | 32.3% |
| TOTAL EXPENSE | 1,674,784 | 1,542,414 | 1,966,716 | 424,302 | 27.5% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|------------|-------------|
| TOTAL PAID STAFF | 17.9 | 19.5 | 20.1 | 0.6 | 3.1% |
|-------------------------|-------------|-------------|-------------|------------|-------------|

Significant Expenditure Changes

- Capital Outlay expenditures are increasing to fund a \$300,000 window restoration project at Old City Hall.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Museum's decision-making and operations are:

- The Whatcom Museum Society jointly operates the Whatcom Museum of History and Art, along with the City of Bellingham. The Museum Society has a board of directors which provides joint oversight of this operation.
- The Bellingham-Whatcom Public Facilities District (PFD) was formed by the Bellingham City Council and the Whatcom County Council in July 2002 to build a regional center in Bellingham. The PFD Board is using its funding authority to support a regional center project located in the downtown civic center area which will include design and renovation of existing space for Museum purposes and design and construction of new Museum facilities.
- Arts District partners are also involved in planning for the Museum's new facility and the Downtown Arts Center District.

While the Museum participated in the above planning processes, impacts to the 2008 budget generally appear in other departments, such as the PFD and Planning and Community Development.

In order to better prepare for successful sustainability, research into the establishment of an enterprise fund could occur in 2008, which would impact the budget in 2009 and beyond. Photo archives reproductions, facility rentals, and donations could all support museum operations.

Society Board Mission Statement

In alliance with the City of Bellingham, the Whatcom Museum Society provides organizational governance and financial backing for the Whatcom Museum of History and Art in support of the Museum’s mission to enhance the quality of life for our community.

Museum Society Budget Summary

The Museum Society provides funding for several functional areas not covered by City funding, including the Society Board, fund-raising, membership development and services, public relations, Children’s Museum, and Gift Shop.

This data for the Museum Society is provided in order to give a more complete picture of the Museum’s operation. The Museum Society is a non-profit entity providing services and funding to the museum operations in support of the City’s budget. Further information may be found in the Museum’s Annual Financial Report.

| WHATCOM MUSEUM SOCIETY BUDGET | 2006 Actuals | 2007 Adopted | 2007 Actuals | 2008 Budget |
|---|-------------------------|-------------------------|-------------------------|------------------------|
| INCOME: | | | | |
| Grants & Donations | 171,064 | 163,800 | 165,069 | 235,700 |
| Special Events & Public Events | 170,021 | 75,060 | 52,319 | 190,500 |
| Membership | 77,086 | 80,000 | 77,175 | 70,000 |
| Admissions - Whatcom Childrens' Museum | 38,269 | 42,000 | 49,869 | 45,000 |
| Shop Sales | 36,853 | 17,000 | 23,549 | 2,000 |
| Program Fees, Rentals & Other | 27,493 | 18,140 | 17,352 | 15,000 |
| Endowment Income | 8,500 | 46,000 | 46,000 | 15,000 |
| TOTAL RESOURCES: | 529,286 | 442,000 | 431,333 | 573,200 |
| EXPENDITURES: | | | | |
| Salaries, Taxes & Benefits | 294,645 | 251,000 | 263,722 | 295,000 |
| Fund Development & Public Relations | 166,250 | 102,850 | 83,704 | 179,700 |
| Administration & Children's Museum | 51,311 | 50,900 | 47,364 | 42,000 |
| Exhibitions | 37,469 | 33,000 | 23,675 | 31,000 |
| Shop | 21,443 | 8,500 | 14,206 | - |
| Membership | 21,389 | 21,000 | 19,854 | 15,000 |
| Archives, Collections, Education & Acquisitions | 13,165 | 16,650 | 9,916 | 10,500 |
| TOTAL EXPENDITURES: | 605,672 | 483,900 | 462,441 | 573,200 |
| NET | (76,386) | (41,900) | (31,108) | 0 |
| Museum Society Paid Staff FTE's: | 7.0 | 7.5 | 2.5 | 2.5 |
| Volunteers: | 4.5 | 4.5 | 4.5 | 4.5 |

Departmental Objectives for 2008

1. Complete construction of the new Art & Children's Museum building, in coordination with our partners. (Council Goals 1, 3 and 6)
2. Complete planning for the efficient transition of facilities, exhibits, and collections to the new Art & Children's Museum building. (Council Goals 1, 3 and 6)
3. Begin implementing the Museum's business and facility transition plan to provide sustainable museum operations to the community. (Council Goal 1)
4. Work with Arts District partners to develop an Arts District plan to enhance cultural, educational, and tourism aspects of the City's downtown core. (Council Goals 3 and 6)

Departmental Objectives for 2007 with Accomplishments

1. Design, construct and sustain a new building for the Whatcom Museum, and renovate the 1892 Old City Hall for historic interpretation. (Council Goals 1 and 6)

Finalized plans for the new downtown Art Museum and Children's Museum Building that will help anchor Bellingham's rising cultural and civic district.

Window replacement began in the 1892 Old City Hall with a Washington Historical Society grant funding replacement of the most damaged windows. City funds have been identified to continue the project.

2. Provide limited electronic access to the collection to provide a study gallery for the public. (Council Goals 1, 3 and 6)

Virtually all the collections, ethnology, and half of the photo archives are available for electronic research in the Museum's Photo Archives public areas. Additional data entry progress is planned for 2008.

3. Ensure that our education programs, Art Museum, and Children's Museum have the appropriate infrastructure to invigorate our programs for the future. (Council Goals 1, 3, and 6)

Museum staff has worked with the Bellingham School District and the Allied Arts Education Project to ensure that the Museum's education programs are integral to the arts education planning in the community.

4. Develop a clear and concise fundraising plan that has the full support and participation of the Board. (Council Goals 1, 3, and 6)

The Museum Board of Directors has a committee working on this process and is coordinating fundraising efforts with the Campaign for the Arts.

5. Establish additional support groups for a new teaching gallery and historical interpretation site. (Goals 1, 3 and 6)

A series of focus groups will be convened in February and March of 2008 to gather community input and support.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Additional Accomplishments:

Organized and presented 12 exhibitions of history, art, and Children's Museum interest.

Hired a new museum director and began long term plans for organization and governance of the museum into the future.

Presented 990 school tours and programs for an attendance of 26,632; equal to over five programs per day for every school day of the year.

Organized 197 public programs for an attendance of 16,034; equal to a special public program more than one out of every two days the museum is open to the public per year, including 39 weekly Brown Bag Programs showcasing community entertainment and informational resources.

Art exhibition publications included a small catalog documenting the Site Specific installations of regional artists and a brochure of Bellingham-based painter Todd Horton's show, Love, Murder, Magic.

A major donation of Northwest art to the Museum was made by a regional corporation, numbering nearly 100 artworks in a variety of mediums.

As of 2007, 81% of the art collection has been evaluated as to the state of its condition and priorities established for its conservation.

The Collections Division of the Museum, in collaboration with the Planning Department (the Bellingham Arts Commission) and the Parks Department, inventoried and provided an initial physical assessment of all of the outdoor public art owned by the City.

Partnered with Planning and Community Development to write a \$150,000 Preserve America Grant to survey three historic Bellingham Neighborhoods and prepare related historic district nominations for submittal. This grant was awarded the full amount for two years from July 2007 - June 2009.

Worked with the community and City and County governments for the conservation and reinstallation of the Centennial Lummi totem pole at the County Courthouse. Whatcom Museum staff procured initial funding from the National Trust for Historic Preservation Washington State Heritage Resource Center to bring in a conservator to produce a conservation report and plan.

Donations for 2007 included: 15,850 Photographs, 1,800 History pieces, 400 Ephemera pieces, and 75 Art pieces.

Performance/Activity Measures

The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|--------|---------------------|

| | | | | |
|---|-----|-----|--|----------|
| From the biennial Citizen Satisfaction Survey: Residents surveyed that rate the job the City is doing as good or excellent in... | | | | |
| Maintaining the historic and arts collections museum | 71% | 67% | | Increase |
| Providing educational and cultural opportunities through the children's museum | 64% | 62% | | Increase |

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

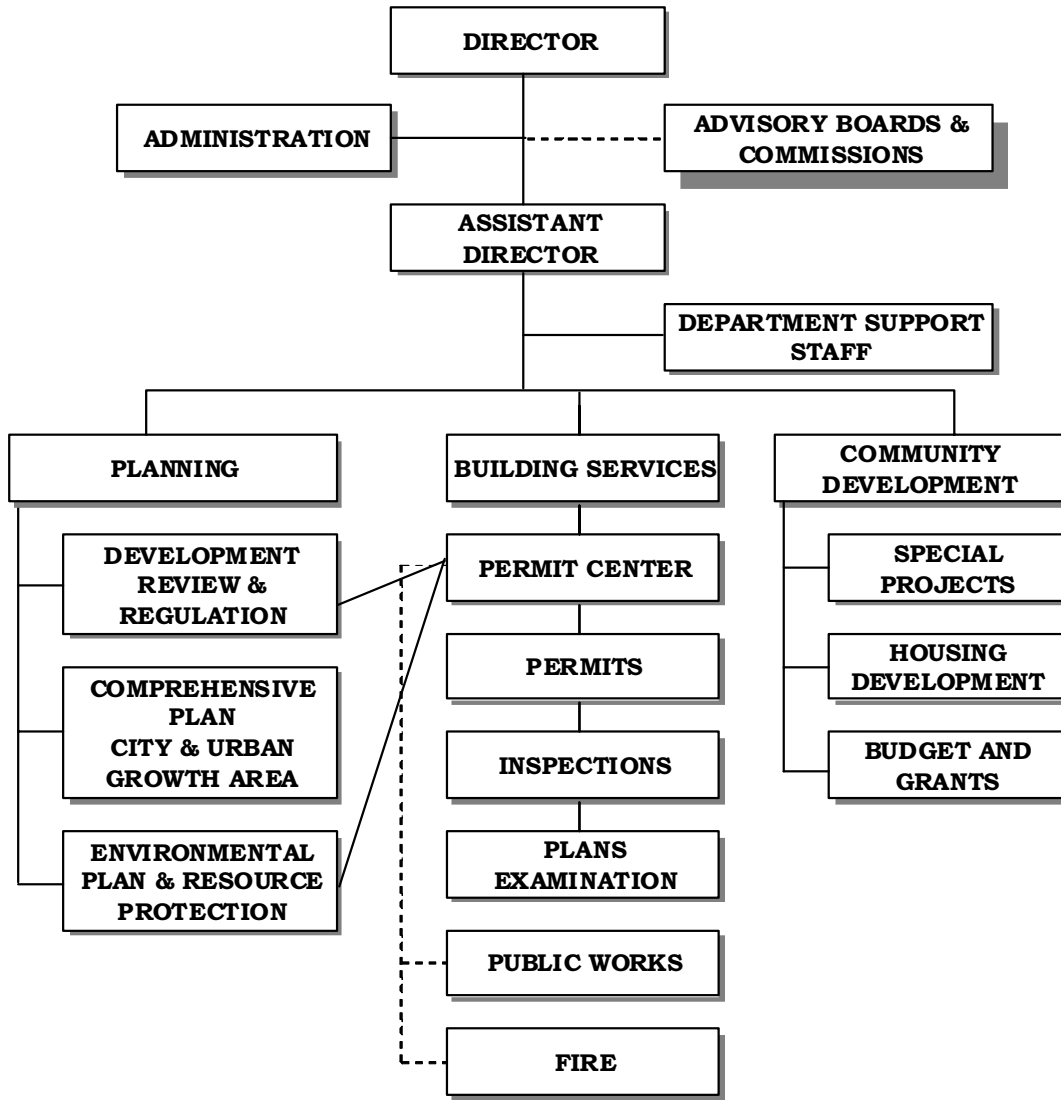
| Museum Services and Administration Group | | | | | | | |
|---|--------------|--------------|--------------|--|--------------|---|----------|
| Total Attendance | 104,565 | 111,705 | 106,001 | | 103,656 | | +1% |
| Child Attendance | 60,580 | 64,586 | 63,477 | | 43,549 | | +1% |
| City Contribution to Budget | \$ 1,448,581 | \$ 1,438,592 | \$ 1,468,838 | | \$ 1,578,234 | | |
| City Contribution - Capital | \$ - | \$ - | \$ 205,946 | | \$ 27,495 | | |
| Society Contribution to Budget | \$ 505,224 | \$ 471,189 | \$ 605,672 | | \$ 462,441 | | |
| Volunteer Hours | 11,075 | 9,029 | 5,536 | | 6,484 | ✓ | maintain |

The Children's Museum was closed for nearly two months in both 2006 and 2007 for major exhibit changes.

| Visitor Survey Results | | | | | | | |
|---|-----|-----|-----|--|-----|--|--|
| Percent of responding visitors who: | | | | | | | |
| Reside in Bellingham | 49% | 52% | 57% | | 56% | | |
| Reside in Whatcom County outside of Bellingham | 21% | 11% | 14% | | 16% | | |
| Reside in Washington outside of Whatcom County | 15% | 19% | 16% | | 14% | | |
| Reside outside of Washington state | 15% | 18% | 13% | | 14% | | |
| Percent responding whose visit included a stay at a local motel | 17% | 14% | 17% | | 12% | | |
| Number of respondents whose purpose of visit was: | | | | | | | |
| Visiting Museum only | 233 | 178 | 222 | | 119 | | |
| Visiting Museum and other places in Bellingham | 238 | 205 | 311 | | 221 | | |
| Other | 162 | 81 | 84 | | 61 | | |

These survey results are from the Museum's survey program, with a survey form being offered to all Museum visitors. This survey is not related to the Citizen Satisfaction Survey referenced above.

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT



Departmental Mission

Planning

Guide community growth and development in a manner that protects environmental resources, promotes distinctive neighborhoods and a healthy downtown and involves citizens in the decisions that affect them.

Building Services

Contribute to a safe, dynamic and livable community by maintaining a Permit Center offering fair, consistent, and timely customer assistance; providing a unified regulatory process; providing efficient, technically competent plan review, permitting and inspection services to ensure that buildings and construction meet adopted City codes and standards.

Community Development

Enhance the quality of life for the citizens of Bellingham by focusing on community identified needs, strategic partnerships and customer service benefiting the public and promoting a prosperous community.

Description of Services

Planning

- Maintain and update Bellingham's Comprehensive Plan and Neighborhood Plans.
- Carry out development review and process permits consistent with land use, subdivision and environmental regulations.
- Maintain and update City codes related to land use, development regulation, subdivision regulation, and the environment.
- Develop periodic population, housing and employment projections and maintain land use and natural resource inventories.
- Initiate planning processes in response to emerging community issues.

Building Services

- Assist property owners, designers, and contractors to achieve zoning, municipal code, and building code compliance by providing technically accurate, thorough and timely plan review and construction inspection.
- Provide public information resources such as self-help access to City databases, maps, utility and land use information, code books, technical resource manuals, clear and concise information brochures in standardized format and design.
- Manage the Building Services Fund to link cost recovery to the cost of providing service while ensuring continuity of services.

Community Development

- Plan, procure funding for, and coordinate community planning, capital projects, tourism, arts, economic development, affordable housing and human service initiatives.
- Develop and manage public processes, master planning, and development strategies including public/private partnerships to further downtown and neighborhood revitalization efforts.
- Provide financial support for projects benefiting low/moderate income households and neighborhoods using federal Community Development Block Grant and HOME Investment Partnership grants in accordance with federal regulations.
- Work with a variety of non-profit and for-profit organizations to address broad community needs and goals.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------------|------------------|------------------|------------------|------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Taxes | 915,274 | 896,035 | 993,270 | 97,235 | 10.9% |
| Licenses and Permits | 1,470,152 | 1,954,675 | 1,861,175 | (93,500) | -4.8% |
| Intergovernmental | 2,052,185 | 1,508,400 | 1,505,200 | (3,200) | -0.2% |
| Charges for Services | 1,889,366 | 1,898,721 | 1,158,256 | (740,465) | -39.0% |
| Fines and Forfeits | 150 | 100 | 300 | 200 | -- |
| Miscellaneous | 232,450 | 152,874 | 160,740 | 7,866 | 5.1% |
| Other Financing Sources | 155,491 | 158,105 | 153,573 | (4,532) | -2.9% |
| Subtotal of Revenues | 6,715,068 | 6,568,910 | 5,832,514 | (736,396) | -11.2% |
| Other Sources by Fund | | | | | |
| General | 1,754,373 | 2,649,857 | 3,103,690 | 453,833 | 17.1% |
| Capital Maint | 188 | - | - | - | -- |
| 1st 1/4% Real Estate Excise Tax | - | 75,000 | 75,000 | - | -- |
| Tourism | (33,911) | 94,929 | 141,089 | 46,160 | 48.6% |
| Community Develop Block Grant | (221,202) | (3,267) | 14,124 | 17,391 | 532.3% |
| Development Services | 95,105 | 311,021 | 272,202 | (38,819) | -12.5% |
| Subtotal Reserve Adjustments | 1,594,553 | 3,127,540 | 3,606,105 | 478,565 | 15.3% |
| TOTAL ALL SOURCES | 8,309,621 | 9,696,450 | 9,438,619 | (257,831) | -2.7% |

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Community Development | 915,274 | 896,035 | 993,270 | 97,235 | 10.9% |
| Planning Services | 192,511 | 172,504 | 37,490 | (135,014) | -78.3% |
| Building Services | 2,625,889 | 3,203,340 | 2,832,556 | (370,784) | -11.6% |
| Community Development | 2,867,321 | 2,264,123 | 1,938,787 | (325,336) | -14.4% |
| Tourism Activities and Facilities | 10,948 | 11,909 | 14,221 | 2,312 | 19.4% |
| Mt Baker Theatre | 18,462 | - | - | - | -- |
| City Center Development | 84,663 | 20,999 | 16,190 | (4,809) | -22.9% |
| Subtotal of Revenues | 6,715,068 | 6,568,910 | 5,832,514 | (736,396) | -11.2% |

Significant Revenue Changes

- Building Services fees are budgeted to decrease by \$347,500, which impacts both the Licenses and Permits line and the Charges for Services line.
- Charges for Services are also decreasing by \$362,000 because of a change in accounting methodology for salary reimbursement between Groups within the Planning & Community Development Department. Instead of being credited as revenue, salaries that are reimbursed will be directly off-set to the group that incurred the original charge.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 3,375,206 | 3,875,209 | 4,404,660 | 529,451 | 13.7% |
| <i>Supplies</i> | 111,011 | 184,912 | 338,089 | 153,177 | 82.8% |
| <i>Other Services and Charges</i> | 3,212,618 | 3,558,711 | 3,460,472 | (98,239) | -2.8% |
| <i>Intergovernmental Services</i> | 149,973 | 134,372 | 138,000 | 3,628 | 2.7% |
| <i>Interfund Charges</i> | 1,132,239 | 1,203,140 | 577,279 | (625,861) | -52.0% |
| Subtotal of Operations | 7,981,047 | 8,956,344 | 8,918,500 | (37,844) | -0.4% |
| <i>Capital Outlay</i> | 228,574 | 542,178 | 414,029 | (128,149) | -23.6% |
| <i>Interfund Transfers</i> | 100,000 | 197,928 | 106,090 | (91,838) | -46.4% |
| TOTAL EXPENSE | 8,309,621 | 9,696,450 | 9,438,619 | (257,831) | -2.7% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|--|------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Planning Services</i> | 1,142,796 | 1,532,950 | 1,991,751 | 458,801 | 29.9% |
| <i>Building Services</i> | 2,720,994 | 3,514,361 | 3,104,758 | (409,603) | -11.7% |
| <i>Community Development</i> | 3,143,469 | 2,985,304 | 2,732,371 | (252,933) | -8.5% |
| <i>Tourism Activities and Facilities</i> | 654,658 | 1,002,873 | 1,148,580 | 145,707 | 14.5% |
| <i>Mt Baker Theatre</i> | 237,653 | - | - | - | -- |
| <i>City Center Development</i> | 410,051 | 660,962 | 461,159 | (199,803) | -30.2% |
| TOTAL EXPENSE | 8,309,621 | 9,696,450 | 9,438,619 | (257,831) | -2.7% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|------------|-------------|
| TOTAL PAID STAFF | 50.0 | 52.0 | 52.8 | 0.8 | 1.5% |
|-------------------------|-------------|-------------|-------------|------------|-------------|

Significant Expenditure Changes

- Other Services and Charges are decreasing for the removal of one-time projects budgeted in 2007 and the consolidation of Waterfront costs under the Executive Department.
- Supplies from the Tourism Activities and Facilities Group are increasing for a one-time art purchase in anticipation of the grand opening of the new Art & Children's Museum.
- The change in accounting methodology for salary reimbursement within multiple Groups in the Planning and Community Development Departments is causing an increase in the Salaries and Benefits line of \$234,000 and decreases in the Interfund Transfers line and the Interfund Charges line of \$628,000, resulting in a net decrease in budgeted expenditures of \$394,000.
- 1.0 FTE is being added to the Planning and Community Development Department. 0.5 for the position will be responsible for the management duties of the Public Facilities District and be reimbursed by that Fund. The other 0.5 increase is new duties relating to Urban Village Planning and Economic Development. The remaining 0.2 decrease relates to a hiring overlap in 2007 for cross-training purposes.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Planning and Community Development (PCD) Department's decision-making and operations are:

- Local, state and federal legislation
- Growth Management Act
- Comprehensive Plan
- Consolidated Plan
- Planning Commission
- 23 Neighborhood Plans
- Urban Fringe Plan
- Mayor's Neighborhood Advisory Board
- 2004 Community Forum on Growth Management
- Design Review Board and area-specific standards
- Waterfront Vision and Framework Plan
- Community Development Advisory Board
- Public Facilities District Board

Specific impacts to 2008 budget development include:

- City Council Resolution 2006-25 led to significant staff reallocation to coordinate and provide leadership to the Countywide Housing Affordability Taskforce.
- Council Resolution 2006-15 requires staff to resolve Urban Fringe Plan issues with Whatcom County, including UGA boundaries, zoning, and annexations. In 2008, staff will also have to update the interlocal agreement between the City and Whatcom County regarding these issues.
- In 2007, Council approved an Interlocal agreement with the Port of Bellingham directing staff to study the impacts of potentially annexing the City's entire northwest UGA, including the Bellingham International Airport and environs.
- In 2006, Council directed staff complete and adopt a "New Whatcom" Master Plan and Development Agreement. Early in 2008, the Draft Environmental Impact Statement will be issued. Later in 2008, significant staff efforts will be required to complete the master plan and development agreement and to process these documents through an extensive public review process that will likely carryover into 2009.
- Responsibility for management of the Public Facilities District was shifted to this department requiring reassignment of duties and hiring of new .5 FTE.
- Effective 2007, changes in HUD's enforcement of grant guidelines permanently increased the need for General Fund dollars for Community Development labor and overhead costs.

Departmental Objectives for 2008

Planning

1. Complete and adopt the "New Whatcom" Master Plan and Development Agreement. (Council Goal 4)
2. Resolve updated Urban Fringe Plan issues with Whatcom County, including UGA boundaries, zoning, and annexations. Update the interlocal agreement between the City and Whatcom County regarding these issues. (Council Goals 1 and 5)
3. Adopt a format for a revised development code (Phase I). Continue research and public process for revised development code standards (Phase II). (Council Goals 1, 5 and 7)
4. Prioritize and begin processing neighborhood plan updates developed by neighborhood associations, including master plans for priority urban villages, and include all property owners and stakeholders in the review process. (Council Goals 5 and 9)
5. Establish coordinated permit review for Green/LEED building projects.
6. Complete a Sub-Area Plan and Development Regulations for the Old Town area. (Council Goals 3, 4, 5 and 6)

Building Services

1. Continue improvements in public service delivery and coordination of inter-departmental work flow in processing, reviewing, and approving all development permit applications. (Council Goal 1)
2. Fully implement a Field Inspection Reporting System as a coordinated function of the permit tracking system for all Building Services inspection activities. (Council Goal 1)
3. Establish a comprehensive regulatory program basis and ongoing system for establishing, adjusting, and achieving cost recovery goals for the Development Services Fund. (Council Goal 1)
4. Establish fee schedules to provide a long term, ongoing methodology for setting, monitoring, and adjusting construction valuations and permit revenues. (Council Goal 1)
5. Develop a multi-year technology upgrade and improvement program for Building Services, identify and establish appropriate financial resources and maintain needed funding capacity in the Development Services Reserve Fund. (Council Goal 1)
6. Conduct quarterly customer surveys to identify and respond to customer service quality goals and monitor Building Services and Permit Center performance. (Council Goals 1 and 9)

Departmental Objectives for 2008 (continued)

Community Development

1. Establish a system and identify resources to provide ongoing monitoring for federally funded projects. (Council Goal 10)
2. Develop 51 new permanently affordable housing units for low income households through low-interest loans to affordable housing developers. (Council Goal 10)
3. Complete improvements to Franklin Park in the York neighborhood (Council Goal 6, 10)
4. Implement improvements to Sunset Pond Park in the Mt. Baker neighborhood (Council Goal 6, 10)

City Center Development

1. Obtain a private sector development project for 600 W. Holly. (Goal 3)
2. Ensure effective completion of streetscape improvements in the Arts District. (Council Goals 3, 4 and 6)
3. Develop an Economic Development Strategic Plan and begin implementing priorities. (Council Goal 8)

Departmental Objectives for 2007 with Accomplishments

Planning

1. Complete the New Whatcom Master Development Plan and Agreement for the central waterfront area of Bellingham. (Council Goal 4)
Project is ongoing. Draft Environmental Impact Statement was mostly completed in 2007 - to be issued early in 2008. The master plan and development agreement will follow completion of the environmental impact review process.
2. Complete a master plan for re-development of the Old Town area. (Council Goals 3 and 5)
The draft sub-area plan and development regulations are completed and under review by the Planning Commission, with City Council review to begin early in 2008.
3. Begin a multi-year project to develop the master plans for the four other priority urban villages as identified in the comprehensive plan: Barkley District Village, Sunset Square/James St. District Village, Lakeway Neighborhood Village, Northwest/Bakerview Neighborhood Village. (Council Goal 5)
Work continues on the top two priority urban villages - the central waterfront and Old Town. Once these are completed, staff resources can be devoted to other proposed villages.
4. Conduct initial public process steps in program for comprehensive update and re-write of development regulations. (Council Goals 5 and 7)
Project scope completed and consultants hired. Phase I, consisting of code format, definitions and permit process update, will soon be ready for public review.
5. Complete the Bellingham Urban Fringe Plan and begin discussions with Whatcom County to revise the 1997 inter-local agreement. (Council Goal 5)
Awaiting decisions by Whatcom County on final UGA boundaries before completing work on the Urban Fringe Plan. The Interlocal Agreement was extended for six months and the project carried over to 2008.
6. Initiate a standard procedure to update the neighborhood plans, including neighborhood meetings to obtain public input and present proposed revisions to the Planning Commission. (Council Goal 5)
Much was learned during the first year of neighborhood-initiated plan amendment proposals, and the effort is ongoing in 2008.
7. Develop an affordable housing program proposal in response to Council Resolution #2006-25. (Council Goal 10)
The Mayor and County Executive established a 15 person Countywide Housing Affordability Taskforce (CHAT) with the mission of developing action strategies and programs to address the need for 11,000 additional affordable housing units by 2022. Jointly funded by the City and County, CHAT hired Beckwith Consulting Group to assist this effort, and has met continuously throughout the summer and fall. Recommendations from CHAT are anticipated in January or February of 2008.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Building Services

8. Maintain and improve current permit tracking and workflow systems, including permit processing and issuance, technical plan review and inspections, compliance monitoring and enforcement, document archiving and development fund management. (Council Goal 1)

Ongoing - PCD is working with related departments on permit process improvements scheduled for implementation in 2008.

9. Utilize the Permit Center to unify the regulatory processes of the Planning, Public Works, and Fire Departments. (Ongoing from 2006)

Completed - All Permit Technicians have received multi-discipline training and have completed certification examinations. All disciplines have staff available during business hours to assist customers in the Permit Center.

10. Continue to develop and update Permit Center policies and public information resources. Projects planned for 2007 include continuing the implementation of the interactive voice response system installed in 2006, and updating inspection reporting methods via field computers. (Ongoing from 2006) (Council Goals 1 and 9)

Completed - The interactive voice response system was implemented in 2007.

Ongoing - The updating of inspection reports via field computers is scheduled to be online in 2008.

11. Provide a long term, ongoing system for setting, monitoring and adjusting permit fees and construction valuation schedules.

Completed - New building valuation tables were adopted January 1, 2007 and will be indexed to an annually adjusted reference standard.

12. Continue to transfer archived hardcopy plans to electronic media, linked to the Tidemark database.

Ongoing - All electronic archiving for 2007 is up to date - staff handles all documents up to and including 11x17 in size, larger documents are contracted due to insufficient technological resources. Staff are working backwards in time on electronic archiving to 1999 when microfilming ceased - most electronic archiving for 2006 was also completed this year and electronic archiving for 2005 will begin early next year.

13. Set customer service quality goals and monitor Permit Center performance through an executive commission using quarterly customer surveys. (Council Goal 1)

Completed all 2007 quarterly customer surveys.

Ongoing - PCD is working with related departments on setting customer service standards and performance measures in conjunction with permit process improvements scheduled for implementation in 2008.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Community Development

14. Provide housing, food, health care and other basic services to 15,000 low income persons through operating grants to nonprofit agencies. (Council Goal 10)

Non-profit organizations provided housing, health care, job training, child care and other basic services to over 19,000 low- and very-low income people using grants from the City's Human Service Program.

15. Help double the capacity of the Bellingham Food Bank through a rehabilitation loan. (Council Goal 10)

The project now involves the demolition of the existing building and the construction of a new Food Bank facility. While general funds have been provided by police and fire, the proposed CDBG funding has been delayed due to staff work-load and compliance with HUD regulations

16. Develop 75 new permanently affordable housing units for low income households through low-interest loans to affordable housing developers. (Council Goal 10)

Property acquisition funding of \$275,000 (HOME funds) for the Bellingham Housing Authority's 51 unit Walton Family Housing Project was disbursed. An application by Bellingham Housing Authority for a \$200,000 Housing Development Fund (HOME) loan to acquire property for the 25 unit Meadow Wood II Project has been processed by staff and disbursement of loan funds should occur in January 2008.

17. Monitor the completion of construction and occupancy of 136 previously-funded affordable housing units. (Council Goal 10)

Construction and rent-up of the Bellingham Housing Authority 51 unit Meadow Wood I development project was completed. Site acquisition was funded in 2006 with \$390,000 in HOME funds. Construction was started on the Bellingham Housing Authority's 20 unit Laube Hotel rehabilitation/conversion project. Construction was nearly completed on Kulshan Community Land Trust's Matthei Place Project which will provide 14 units of low-income "for sale" housing units. The low-income housing projects, Laurel Village (51 units) and Kateri Courts (40 units), which were completed in December 2006, reached full rent-up in 2007.

18. Assist nine first time homebuyers in purchasing market rate homes through no-interest second mortgages. (Council Goal 10)

The City provided \$172,967 in HOME funds to assist six low-income households to become homeowners through Kulshan Community Land Trust's First Time Homebuyer Assistance Program. Two low-income households assumed City loans upon the resale of two houses under the KCLT program. Downpayment assistance requests are being processed for 11 more low-income families (includes Matthei Place project).

**Departmental Objectives for 2007 with Accomplishments
(continued)**

19. Rehabilitate 25 homes owned by low-income families and provide grants to abate lead based paint and other hazardous materials. (Council Goal 10)

Under the City's Housing Rehabilitation Program, \$221,943 in CDBG funds was disbursed for the rehabilitation of 20 owner-occupied housing units. Twelve projects were completed and eight projects were remaining in construction at the end of the year. Hazardous materials abatement grants totaling \$11,117 were provided in 2007.

20. Subsidize supportive rental housing for 16 low-income or homeless families (52 persons) while families learn skills to achieve greater independence. (Council Goal 10)

Under the City's Tenant Based Rental Assistance Program, 21 households were provided with rental assistance totaling \$75,235 (HOME funds). The rental assistance is provided under a contract with the Opportunity Council. The City also provided the Opportunity Council with \$31,052 (HOME funds) to fund the operation of five transitional housing units for the homeless.

21. Complete improvements to the Old Village Trail in the low/moderate income Lettered Streets neighborhood. (Council Goal 5)

Approximately \$103,500 in CDBG funds were disbursed for the construction of improvements to the Old Village Trail in the Lettered Street Neighborhood. It is anticipated that construction will be completed in early 2008.

22. Implement one new neighborhood capital improvement project in a low/moderate-income neighborhood and conduct a Request for Proposals for 2007 projects. (Council Goal 5)

Predevelopment work was undertaken on the Franklin Park Improvement Project which was selected in August of 2006 for CDBG funding. Construction of improvements should begin in 2008. Predevelopment work undertaken in 2007 on the Sunset Pond Improvement Project indicated that street improvements should occur before park improvements are undertaken. The project will be put on hold until street improvements are complete.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

City Center Development

23. Secure grant funding and identify financing strategies for potential Old Town, downtown and waterfront redevelopment, both for City needs and as technical assistance for private projects. (Council Goal 3)

Other City Departments are overseeing financing strategies for the waterfront at this time. Staff continued to provide support and assistance for Arts District improvements downtown.

24. Complete predevelopment analysis and identify and implement a process for obtaining a private sector development project for City-owned property at 600 West Holly. (Council Goal 3)

Staff completed federal relocation activities. The environmental review clearances are complete and demolition permit is issued for the buildings on site. Demolition is scheduled for 2008. A Request for Proposals will not be issued until the Old Town Sub-area Plan has been adopted by City Council.

25. Strengthen downtown organizational infrastructure by implementing City Center Master Plan projects and coordinating efforts between the private sector and various City departments. (Council Goal 3)

Staff worked closely with the Downtown Renaissance Network and stakeholders in the area. Mayor and Department Heads met on a regular basis to focus on implementing the City Center Master Plan and raising issues facing downtown. The Holly Street Corridor project was completed in 2007. Awarded bids for street improvements at Art & Children's Museum and Champion Street. Partnered with Downtown Renaissance Network on the street maintenance and landscaping program. Supported numerous downtown events such as La Bella Strada Festival and Downtown Sounds.

26. Enhance the City's art community by staffing the Bellingham Arts Commission and the Municipal Arts Program and by providing technical assistance for completion and implementation of a Community Strategic Plan for the Arts. (Council Goal 3)

Staff implemented the Bellingham Arts Commission's 2007 Action Plan, including but not limited to: 1) providing grants for various visual and performing arts events open to the general public; 2) installing a public artwork at Depot Market Square; and 3) honoring individuals and organizations contributing to Bellingham's arts communities.

27. Facilitate a diverse and sustainable economy by providing six grants and technical assistance to organizations that will create and retain high-paying jobs. (Council Goal 8)

The City contracted with six economic development organizations.

Performance/Activity Measures

The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|--------|---------------------|

| | | | | |
|---|-------------|-----|--|----------|
| From the biennial Citizen Satisfaction Survey: Residents surveyed that rate the job the City is doing as good or excellent in... | | | | |
| Encouraging economic development and business growth in Bellingham | 50% | 44% | | Increase |
| Guiding development to protect the environment and promote healthy neighborhoods | new in 2006 | 47% | | Increase |

Community planning documents, including neighborhood plans, the City's Comprehensive Plan, Community Development's Consolidated Plan for housing and human services, Waterfront planning documents, and others may be viewed from: www.cob.org/services/neighborhoods/community-planning/index.aspx

The permit center has begun a program of periodic customer satisfaction surveys. Results may be viewed at: www.cob.org/government/public/opinion/index.aspx

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--|--------------------|--------------------|--------------------|---------------|--------------------|---------------|----------------------------|
| Planning | | | | | | | |
| SELECTED PERMIT APPLICATIONS | | | | | | | |
| Subdivision/Short Plats | 47 | 99 | 61 | / | 40 | / | / |
| New Lots Created | 123 | 130 | 284 | / | 231 | / | / |
| SEPA Determination | 106 | 105 | 54 | / | 48 | / | / |
| Critical Areas | 21 | 40 | 10 | / | 10 | / | / |
| Clearing/Grading | 36 | 25 | 23 | / | 11 | / | / |
| Shoreline | 7 | 11 | 9 | / | 12 | / | / |
| Planned Development | 35 | 27 | 17 | / | 13 | / | / |
| Conditional Use | 17 | 13 | 13 | / | 14 | / | / |
| Building Permit Activity | 1,184 | 1,140 | 626 | / | 946 | / | / |
| MEETING AND HEARING ACTIVITY | | | | | | | |
| Planning Commission Meetings | 19 | 52 | 27 | / | 28 | / | / |
| Number of Planning Commission Items | 28 | 66 | 33 | / | 17 | / | / |
| City Council Meetings | 34 | 50 | 34 | / | 23 | / | / |
| Number of City Council Items | 66 | 54 | 60 | / | 73 | / | / |
| Historic Preservation Commission Meetings | 12 | 9 | 9 | / | 10 | / | / |
| Number of Historic Preservation Commission Items | 13 | 13 | 13 | / | 17 | / | / |
| Number of Design Review Board Meetings | - | - | - | / | 4 | / | / |
| Number of Design Review Board Items | - | - | - | / | 5 | / | / |
| Hearing Examiner Hearings | 80 | 63 | 78 | / | 20 | / | / |
| Hearing Examiner Items | 80 | 41 | 63 | / | 27 | / | / |
| Only includes Hearing Examiner hearings and items that the Planning Department prepares for. Hearing Examiner totals may include additional items. | | | | | | | |

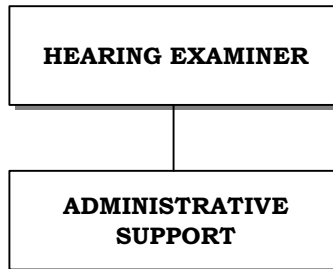
Differences between the numbers shown for Planning building permit activity and Building Services building permits issued reflect permit cases that are included in the permit activity tally but do not require review or issuance by both BSD and Planning, or "permit activity" does not mean the same thing for both divisions. The calendar also impacts the numbers - Planning could review a case in one year and BSD issue it the next year.

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|-------------|-------------|-------------|--------|-------------|--------|---------------------|
| Building Services | | | | | | | |
| Plans Reviewed | 1,145 | 2,146 | 2,123 | | 1,738 | | |
| Average Time (Number of Days) | 9.5 | 14 | 17 | | 19 | | 15 |
| Permits Issued | | | | | | | |
| Building | 1,166 | 1,140 | 626 | | 946 | | |
| Electrical | 2,200 | 2,229 | 2,025 | | 2,071 | | |
| Mechanical | 835 | 894 | 615 | | 777 | | |
| Plumbing | 276 | 314 | 258 | | 296 | | |
| Others | 293 | 269 | 374 | | 282 | | |
| Total | 4,770 | 4,846 | 4,198 | | 4,372 | | |
| Valuation of All New Construction (\$ Millions) | \$ 190.2 | \$ 194.6 | \$ 138.0 | | \$ 200.2 | | |
| Inspections Performed | 21,097 | 18,105 | 16,205 | | 15,260 | | |
| Appeals | - | 2 | - | | - | | |

| Community Development | | | | | | | 08 Goals* |
|--|--------|--------|--------|---|--------|---|------------------|
| Low-income housing units created | - | - | 111 | | 51 | | 76 |
| Homes rehabilitated that are owned by low/moderate income households | 18 | 12 | 11 | | 11 | | 12 |
| Rent assistance to homeless families | 17 | 15 | 20 | ✓ | 21 | ✓ | 20 |
| First-time homebuyers assisted | 5 | 14 | 9 | | 6 | | 23 |
| Neighborhood improvement projects completed | - | - | - | | 1 | ✓ | 2 |
| Low and very-low income persons assisted with services (food, shelter, clothing, counseling, health care, domestic violence, etc.) | 22,640 | 15,602 | 15,723 | | 23,381 | ✓ | 20,000 |
| Economic Development agencies supported | 5 | 5 | 8 | ✓ | 6 | ✓ | 6 |
| Arts projects completed | n/a | - | 3 | ✓ | 5 | ✓ | 5 |
| Arts organizations supported | n/a | - | 10 | ✓ | 9 | ✓ | 9 |
| Tourism organizations supported | 16 | 14 | 16 | ✓ | 21 | ✓ | 18 |
| Small neighborhood projects supported | 7 | 14 | 14 | | 18 | ✓ | 18 |
| Complete major Downtown / Old Town capital projects or planning efforts | - | 3 | 1 | | 1 | ✓ | 1 |
| *Numbers in the Benchmark/Target column refer specifically to 2008 and are taken from the Consolidated Plan. Prior year's targets can be found in the Consolidated Plan for that year. | | | | | | | |

HEARING EXAMINER DEPARTMENT



Departmental Mission

To provide fair and impartial quasi-judicial proceedings in which the public is encouraged to participate.



Description of Services

- Hear and decide quasi-judicial land use applications and administrative appeals.
- Provide recommendations to the City Council regarding land use and procedural codes.
- Assist the Municipal Court with judicial responsibilities.
- Provide high quality quasi-judicial service.
- Issue decisions in accordance with City ordinances that are consistent with officially adopted City policies, goals and objectives.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|------------------------------------|----------------|----------------|----------------|------------------|--------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Charges for Services</i> | 43,246 | 72,153 | 74,313 | 2,160 | 3.0% |
| Subtotal of Revenues | 43,246 | 72,153 | 74,313 | 2,160 | 3.0% |
| Other Sources by Fund | | | | | |
| <i>General</i> | 96,844 | 76,855 | 113,932 | 37,077 | 48.2% |
| TOTAL ALL SOURCES | 140,090 | 149,008 | 188,245 | 39,237 | 26.3% |

| Revenues by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|-----------------------------|---------------|---------------|---------------|------------------|-------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Hearing Examiner</i> | 43,246 | 72,153 | 74,313 | 2,160 | 3.0% |
| Subtotal of Revenues | 43,246 | 72,153 | 74,313 | 2,160 | 3.0% |

| Expenditures by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|-----------------------------------|----------------|----------------|----------------|------------------|--------------|
| | | | | Amount | Percent |
| <i>Salaries and Benefits</i> | 130,232 | 135,796 | 174,002 | 38,206 | 28.1% |
| <i>Supplies</i> | 2,502 | 3,620 | 3,960 | 340 | 9.4% |
| <i>Other Services and Charges</i> | 4,891 | 6,774 | 7,165 | 391 | 5.8% |
| <i>Interfund Charges</i> | 2,465 | 2,818 | 3,118 | 300 | 10.6% |
| TOTAL EXPENSE | 140,090 | 149,008 | 188,245 | 39,237 | 26.3% |

| Expenditures by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|-------------------------|----------------|----------------|----------------|------------------|--------------|
| | | | | Amount | Percent |
| <i>Hearing Examiner</i> | 140,090 | 149,008 | 188,245 | 39,237 | 26.3% |
| TOTAL EXPENSE | 140,090 | 149,008 | 188,245 | 39,237 | 26.3% |

| | | | | | |
|-------------------------|------------|------------|------------|------------|--------------|
| TOTAL PAID STAFF | 1.5 | 1.3 | 1.5 | 0.2 | 15.4% |
|-------------------------|------------|------------|------------|------------|--------------|

Significant Expenditure Changes

- In 2007, only 80% of the Hearing Examiner's Salary and Benefit costs were budgeted in the Hearing Examiner Department. The other 20% was paid by the Human Resources Department for assistance on a special project. With the completion of that project, the full cost for the Hearing Examiner position is now budgeted in the Hearing Examiner Department.

Departmental Objectives for 2008

1. Complete a Citizen's Guide. (Council Goal 9)

Departmental Objectives for 2007 with Accomplishments

1. Update and improve the Hearing Examiner's website by creating a Citizen's Guide. (Council Goal 9)
The website was updated and work on the Citizen's Guide is still in progress.
2. Incorporate code update information into recommendation summaries. (Council Goal 7)
Completed.
3. Increase the percentage of case decisions issued within 15 business days of conclusion of a hearing. (Council Goal 7)
In 2007, 10.98 days was the average with 87% of decision issued within 15 business days. That is an improvement from 2006 in which the average was 13.8 days and 80%.
4. Provide semi-annual reports to Council by February 15th and August 15, 2007. (Council Goal 9)
Completed.

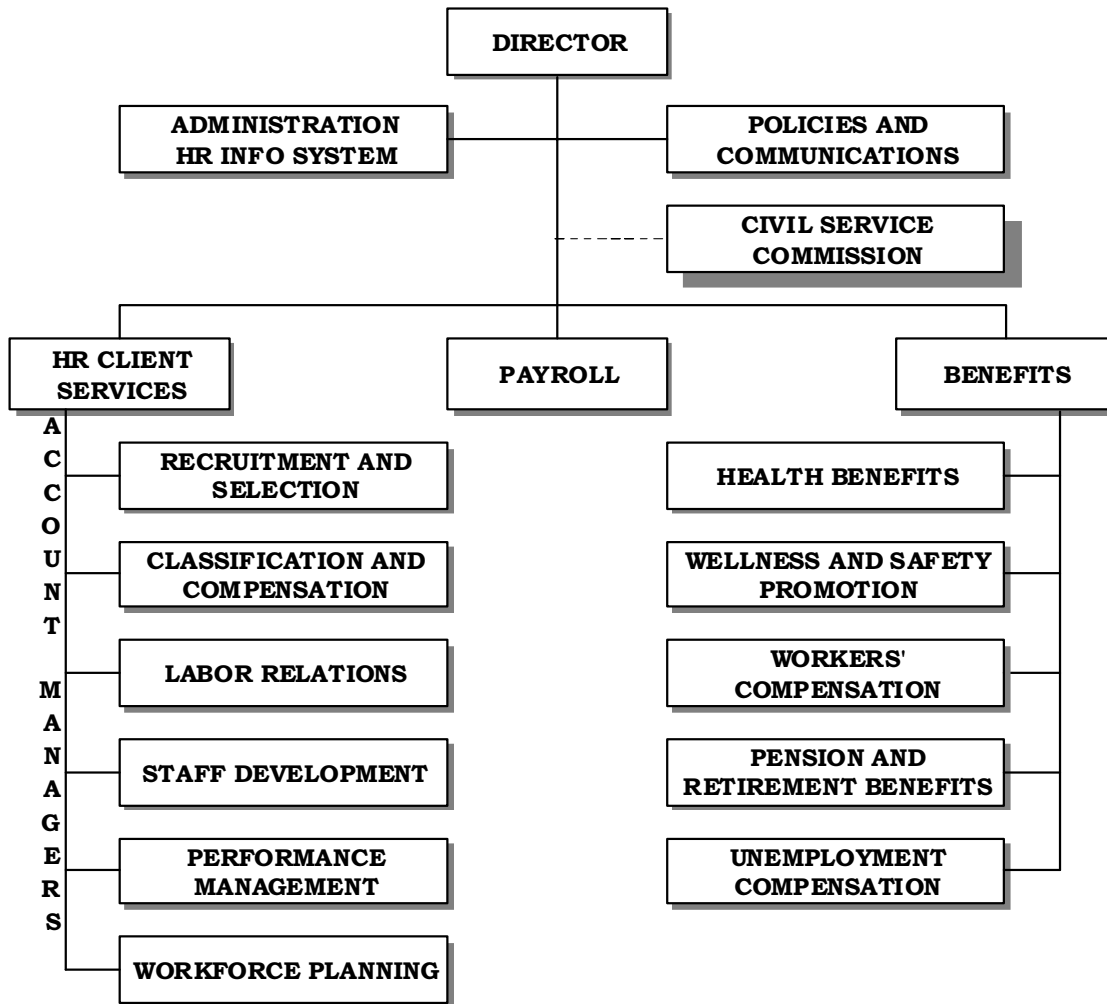
Performance/Activity Measures

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--|---------------------|-------------|-------------|--------|-------------|--------|---------------------|
| Hearing Examiner | | | | | | | |
| Cases heard | 84 | 76 | 55 | | 54 | | |
| % of issuances of decision occurring within 15 days from the close of the record for a public hearing* | New measure in 2005 | 80.3% | 80.0% | ✓ | 87.0% | ✓ | 85% |
| Average days to issue a decision | New measure in 2006 | | 13.80 | ✓ | 10.98 | ✓ | < 15 |
| Semi-annual reports to Council by: February 15th August 15th | New measure in 2005 | yes | yes | ✓ | yes | ✓ | yes |
| | | yes | yes | ✓ | yes | ✓ | yes |

*The language was changed from "close of public hearing" to "the close of the record", which includes time extended for submission of exhibits and briefs and more accurately reflects the timetable. Often times the public hearing may be on one day, but the record will be left open for specific submissions and doesn't formally close until those are received.

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HUMAN RESOURCES DEPARTMENT



Departmental Mission

The most important factor in providing quality City service is the caliber and composition of the City's workforce.

We partner with departments to recruit and retain a workforce capable of performing the City's work; and to develop a safe, satisfying, motivating work environment, and a cost-effective, financially sustainable labor force.

Description of Services

The Human Resources (HR) Department supports the mission of the City through employees and personnel programs.

We are:

- Business partners with client work groups.
- Subject matter experts.

We design and administer:

- Total compensation programs (wages and benefits).
- Performance programs (selection, training, performance management).
- Systems (payroll, Human Resources Information System, Civil Service).
- Policies and compliance programs.

We ensure that the taxpayer receives value for labor dollars.

We advocate for all employees.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|---------------------------------------|--------------------|-------------------|-------------------|------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| Taxes | 1,480,945 | 1,517,500 | 1,550,545 | 33,045 | 2.2% |
| Intergovernmental | 96,984 | 99,350 | 102,830 | 3,480 | 3.5% |
| Charges for Services | 394,468 | 383,905 | 485,921 | 102,016 | 26.6% |
| Miscellaneous | 12,558,747 | 11,590,348 | 12,765,694 | 1,175,346 | 10.1% |
| Non-Revenues | 73,560 | 73,294 | 116,051 | 42,757 | 58.3% |
| Subtotal of Revenues | 14,604,704 | 13,664,397 | 15,021,041 | 1,356,644 | 9.9% |
| Other Sources by Fund | | | | | |
| General | 788,076 | 1,046,596 | 1,074,282 | 27,686 | 2.6% |
| 1st 1/4% Real Estate Excise Tax | 5,972 | - | - | - | -- |
| Unemployment Compensation | 47,429 | 86,780 | 83,175 | (3,605) | -4.2% |
| Workers Comp Self-Insurance | 19,195 | 11,223 | 133,654 | 122,431 | 1090.9% |
| Health Benefits | (112,680) | 237,906 | 244,444 | 6,538 | 2.7% |
| Firefighter Pension and Benefit | (348,271) | (349,844) | 1,517,972 | 1,867,816 | 533.9% |
| Police Pension and Benefit | (1,336,355) | (255,065) | (337,082) | (82,017) | -32.2% |
| Firefighter's LT Care | (617,965) | (69,845) | - | 69,845 | 100.0% |
| Police Officer's LT Care | (674,028) | (63,630) | - | 63,630 | 100.0% |
| Subtotal Reserve Adjustments | (2,228,627) | 644,121 | 2,716,445 | 2,072,324 | 321.7% |
| TOTAL ALL SOURCES | 12,376,077 | 14,308,518 | 17,737,486 | 3,428,968 | 24.0% |

| Revenues by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|--------------------------------|-------------------|-------------------|-------------------|------------------|-------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| Human Resources Services | 325,500 | 307,803 | 395,283 | 87,480 | 28.4% |
| Human Resources Training | 13,155 | 12,000 | 12,000 | - | 0.0% |
| HR Payroll Services | 56,448 | 67,102 | 81,638 | 14,536 | 21.7% |
| Unemployment Benefits Services | 21,185 | 14,590 | 18,509 | 3,919 | 26.9% |
| Workers Comp Benefits Services | 669,303 | 758,624 | 604,129 | (154,495) | -20.4% |
| Health Benefits Services | 8,252,504 | 9,071,926 | 10,071,102 | 999,176 | 11.0% |
| Pension Benefits Services | 5,266,609 | 3,432,352 | 3,838,380 | 406,028 | 11.8% |
| Subtotal of Revenues | 14,604,704 | 13,664,397 | 15,021,041 | 1,356,644 | 9.9% |

Significant Revenue Changes

- The Miscellaneous Revenues increase is primarily due to increases in employer and employee contributions for benefits.
- The Charges for Services increase is due to an increase in charges to other departments via the Indirect Cost Allocation Program (ICAP) for HR services.
- The Non-Revenues increase is due to the Interfund Loan made from the Fire Pension Fund to help finance the acquisition of Fire Apparatus. The 10-year loan is expected to be made in late-2008 with repayment beginning immediately.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Salaries and Benefits | 3,322,286 | 3,670,025 | 3,771,994 | 101,969 | 2.8% |
| Supplies | 135,250 | 177,279 | 175,716 | (1,563) | -0.9% |
| Other Services and Charges | 8,607,127 | 10,151,990 | 11,250,940 | 1,098,950 | 10.8% |
| Intergovernmental Services | 84,888 | 103,404 | 90,850 | (12,554) | -12.1% |
| Interfund Charges | 212,836 | 205,820 | 197,986 | (7,834) | -3.8% |
| Subtotal of Operations | 12,362,387 | 14,308,518 | 15,487,486 | 1,178,968 | 8.2% |
| Debt Service | - | - | 2,250,000 | 2,250,000 | -- |
| Capital Outlay | 13,690 | - | - | - | -- |
| TOTAL EXPENSE | 12,376,077 | 14,308,518 | 17,737,486 | 3,428,968 | 24.0% |

| Breakdown of Salaries and Benefits | 2006 | 2007 | 2008 | Change from 2007 | |
|------------------------------------|------------------|------------------|------------------|------------------|-------------|
| | Actual | Adopted | Budget | Amount | Percent |
| City-wide Benefits Cost | 2,254,003 | 2,482,500 | 2,530,000 | 47,500 | 1.9% |
| Human Resources Department | 1,068,283 | 1,187,525 | 1,241,994 | 54,469 | 4.6% |
| Salaries and Benefits Total | 3,322,286 | 3,670,025 | 3,771,994 | 101,969 | 2.8% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|--------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Human Resources Admin | 380,203 | 393,088 | 387,815 | (5,273) | -1.3% |
| Human Resources Services | 559,633 | 684,905 | 805,919 | 121,014 | 17.7% |
| Human Resources Training | 43,184 | 113,787 | 105,375 | (8,412) | -7.4% |
| HR Payroll Services | 190,056 | 221,470 | 244,429 | 22,959 | 10.4% |
| HR Employee Services | 16,075 | 20,251 | 19,665 | (586) | -2.9% |
| Unemployment Benefits Services | 68,614 | 101,370 | 101,684 | 314 | 0.3% |
| Workers Comp Benefits Services | 688,498 | 769,847 | 737,783 | (32,064) | -4.2% |
| Health Benefits Services | 8,139,824 | 9,309,832 | 10,315,546 | 1,005,714 | 10.8% |
| Pension Benefits Services | 2,289,990 | 2,693,968 | 5,019,270 | 2,325,302 | 86.3% |
| TOTAL EXPENSE | 12,376,077 | 14,308,518 | 17,737,486 | 3,428,968 | 24.0% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|--------------|--------------|
| TOTAL PAID STAFF | 15.0 | 15.5 | 15.0 | (0.5) | -3.2% |
|-------------------------|-------------|-------------|-------------|--------------|--------------|

Significant Expenditure Changes

- An interfund loan of \$2.25 million is budgeted from the Fire Pension Fund to the General Fund for the purpose of replacing existing firefighting apparatus.
- The Other Services and Charges increase is primarily due to an increase in the cost of medical premiums for City employees.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Human Resources Department's decision-making and operations are:

- HRIS Implementation Plan and Timeline: The project team forecasts necessary implementation steps, including training, time and resource requirements. As the project moves forward, the team continues to update its forecast and communicates with the project steering committee for direction and to reevaluate timelines.
- Labor Trend Analysis: The Human Resources Department tracks labor trends and costs from recent years, as well as works with Budgeting to project future labor costs and trends.

Departmental Objectives for 2008

1. Complete, with ITSD, Phase I implementation of new Human Resources Information System (HRIS), including going live with payroll, benefits self-enrollment and timekeeping. (Council Goal 1)
2. Conclude and implement Civil Service rules revisions, including municipal code changes, policy revisions and bargaining unit contract updates. (Council Goal 1)
3. Conduct Labor Negotiations with AFSCME 114, AFSCME 114L and Teamsters 231. (Council Goal 1)
4. Plan and train for HR's City-wide Disaster Preparedness Plan. (Council Goal 11)
5. Focus on strategic recruitment and succession programs by increasing community outreach to potential job applicants and evaluating the pilot career development and tuition reimbursement program. (Council Goal 1)

Departmental Objectives for 2007 with Accomplishments

1. Implement Phase III of High Line P/HRIS system – install and develop first part of system, going live December, 2007.
 - Foundation
 - Payroll
 - Benefits
 - Time Management Self-Service
 - Attendance
 - Salary Administration
 - Work Flow
 - Time Scheduling (tentative)
 - Recruiting and Recruitment Self-Selection (tentative)

HR and ITSD staff installed new Payroll/HRIS system software and are testing system for first phase of a multi-phase implementation.

New system is 50% built, with extensive testing still needed.

Anticipated go-live date is now scheduled for second quarter, 2008. Viability of go live date will next be assessed February 2008.

2. Redeploy HR Staff to deliver necessary services, while achieving Goal 1. This includes increased selections workload.

Staff redeployment completed.

3. Draft Reformed Civil Service Rules.

Initiated – To be completed in 2008.

4. Implement proposed Employee Development Programs (tuition reimbursement, career enhancement options).

Completed.

5. Complete any labor negotiations carried over from 2006.

Completed AFSCME 114F negotiations in February, implementing new medical premium sharing consistent with other union agreements

Concluded Police Guild negotiations in October

In contract mediation with IAFF 106. Negotiations with IAFF 106S are pending conclusion of the IAFF 106 contract.

Additional Accomplishments:

Planned and managed three department head selection processes: Museum, Finance and Human Resources.

Performance/Activity Measures

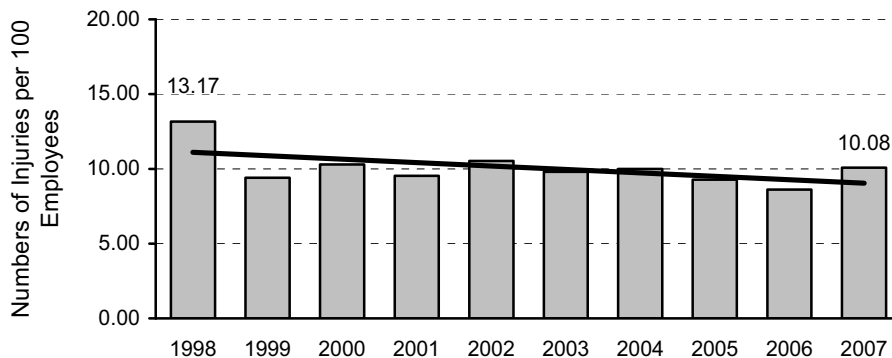
| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Human Resources Group | | | | | | | |
|--|-------------|----------|---------|--|----------|--|--|
| Authorized Regular Staffing | 777.0 | 780.0 | 794.8 | | 821.2 | | |
| All regular positions, including seasonal parks employees, excluding temporary labor. Note that this is not the same count, by definition, as in the Budgeted Positions List. | | | | | | | |
| Applications for Employment | 1,932 | 2,205 | 2,152 | | 2,434 | | |
| Clerical applications in the open and continuous pool allow a single application to be counted in multiple selection processes. | | | | | | | |
| Selection Processes | 56 | 78 | 84 | | 90 | | |
| Includes regular and temporary labor selections. | | | | | | | |
| Turnover Rate | new | 7.10% | 6.25% | | 7.25% | | |
| Classification actions: job audits and new position classifications | new measure | | 32 | | 41 | | |
| Staff Development Total Trainees | 602 | 666 | 808 | | 784 | | |
| Training Cost Per Employee Served | \$ 2.52 | \$ 18.34 | \$ 9.46 | | \$ 16.03 | | |
| Training-related budget divided by number of employees served. | | | | | | | |
| Quarterly Leadership Training Breakfasts - Participants | 257 | 168 | 249 | | 231 | | |

| Payroll Services Group | | | | | | | |
|--|-------|-------|-------|--|-------------------|--|--|
| Active Employees Receiving a Paycheck (including temp labor) | 949 | 930 | 947 | | 967 | | |
| Total Overtime Costs as % Compared to Base Wage | 3.76% | 5.04% | 5.47% | | not yet available | | |

| Benefits Group | | | | | | | |
|--|--------|--------|--------|--|-------------------|--|--|
| Workers' Comp. Claims Filed | 74 | 68 | 65 | | 79 | | |
| Workers' Compensation Claims per 100 Employees | 9.98 | 9.28 | 8.61 | | not yet available | | |
| Total Benefit Costs as % Compared to Base Wage | 30.18% | 31.90% | 33.79% | | not yet available | | |
| Employee Assistance Program Utilization | 13.0% | 14.2% | 10.9% | | not yet available | | |

CITY OF BELLINGHAM INJURY INCIDENT RATE



Performance/Activity Measures (continued)

The cost per enrollee for health insurance coverage is rapidly rising. This graph represents only the City's cost.

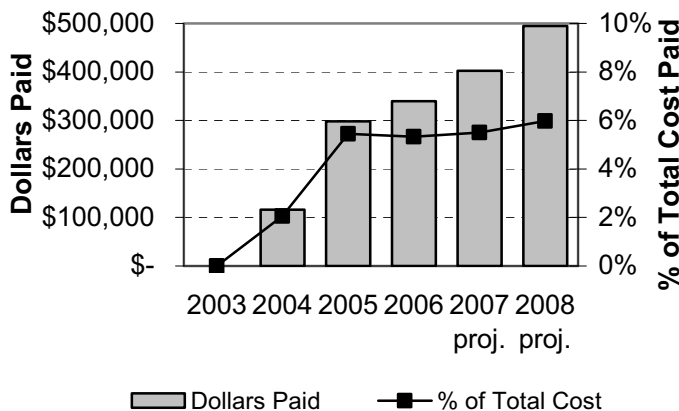
Average Per Enrollee Annual Cost to the City for Medical, Dental, and Vision Coverage



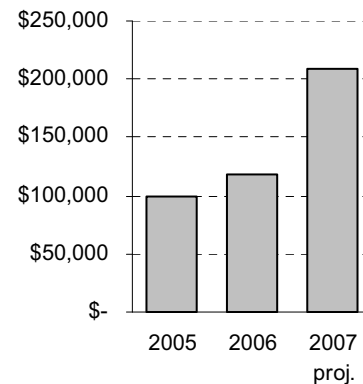
The City has implemented two programs to help offset the rising cost of medical benefits.

- Beginning in 2003, employees are required to pay a portion of their medical premiums. Amounts paid in by employees for premium cost sharing are shown below on the left.
- Beginning in 2005, employees that have medical coverage from another source have the option of receiving a cash payment to opt out of receiving coverage from the City. The net premium saving (premium cost saving less opt out payments) is shown below on the right.

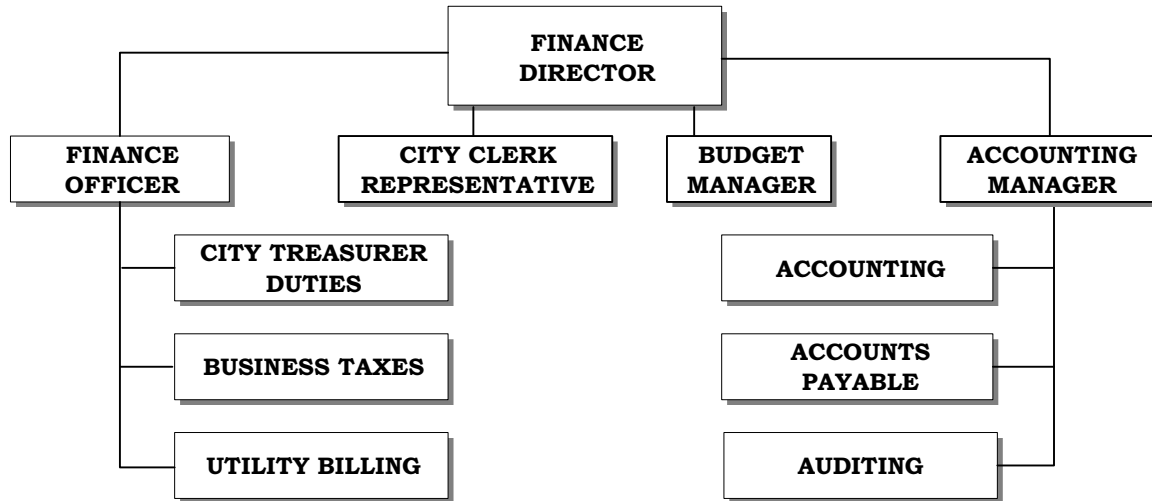
Employee Paid Medical Premiums - Mandatory Premium Sharing



Opt-Out Net Savings



FINANCE DEPARTMENT



Departmental Mission

Provide excellent customer service to the public, financial stewardship for the City's resources and professional financial services to City departments.

As City Clerk, facilitate communication and information sharing between the City and its citizens.



Description of Services

The Finance Department provides financial services to citizens and City departments including: utility billing and collection, accounts payable, fund accounting, internal financial controls and financial reporting.

The elected Finance Director is responsible for the duties of the City Clerk, which include recording minutes of City Council meetings and providing information about the City to the public. As Treasurer, the Finance Director is also responsible for investing City funds and debt management.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------------|------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Taxes | 319,023 | 350,230 | 350,000 | (230) | -0.1% |
| Charges for Services | 1,143,855 | 1,285,706 | 1,525,098 | 239,392 | 18.6% |
| Miscellaneous | 1,015,093 | 417,523 | 369,865 | (47,658) | -11.4% |
| Other Financing Sources | 2,470,950 | 2,482,345 | 2,477,572 | (4,773) | -0.2% |
| Subtotal of Revenues | 4,948,921 | 4,535,804 | 4,722,535 | 186,731 | 4.1% |
| Other Sources by Fund | | | | | |
| General | 405,384 | 518,652 | 674,059 | 155,407 | 30.0% |
| 2001 Fire UTGO Bond | 22,639 | (32,471) | (7,790) | 24,681 | 76.0% |
| 1999 LTGO Bond Redemption | (459) | - | - | - | -- |
| Refunding GO Bonds 1996 | (172) | - | - | - | -- |
| Sportsplex Acquisition Debt | 46 | (258) | (209) | 49 | 19.0% |
| 2004 PFD/Civic Field LTGO | (536) | - | - | - | -- |
| Drake Note | (101) | - | - | - | -- |
| PW State Loan-Roeder Ave | 223 | - | - | - | -- |
| PW State Loan-Woburn St | 444 | - | - | - | -- |
| PW Trust Loan-Str Overlay | 1,109 | - | - | - | -- |
| LID Guaranty | (22,415) | (31,888) | (33,374) | (1,486) | -4.7% |
| #1099 Barkley Blvd | 21,896 | - | - | - | -- |
| #1106 Bakerview Rd | 29,608 | - | - | - | -- |
| #1107/1108 Telegraph/Barkley | 10,566 | - | - | - | -- |
| Subtotal Reserve Adjustments | 468,232 | 454,035 | 632,686 | 178,651 | 39.3% |
| TOTAL ALL SOURCES | 5,417,153 | 4,989,839 | 5,355,221 | 365,382 | 7.3% |

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------|------------------|------------------|------------------|------------------|-------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Finance Administration | 193,756 | 136,658 | 144,933 | 8,275 | 6.1% |
| Finance Services | 868,009 | 1,060,145 | 1,284,307 | 224,162 | 21.1% |
| Debt Services | 3,887,156 | 3,339,001 | 3,293,295 | (45,706) | -1.4% |
| Subtotal of Revenues | 4,948,921 | 4,535,804 | 4,722,535 | 186,731 | 4.1% |

Significant Revenue Changes

- \$117,500 of the increase in Charges for Services is attributed to the ICAP fee for the Budget function, which will be transferred to the Finance Department from the Executive Department in 2008. The remainder of the increase relates to increased ICAP charges for existing Finance services.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 1,212,034 | 1,311,823 | 1,658,192 | 346,369 | 26.4% |
| <i>Supplies</i> | 38,149 | 50,880 | 49,207 | (1,673) | -3.3% |
| <i>Other Services and Charges</i> | 51,629 | 171,224 | 205,535 | 34,311 | 20.0% |
| <i>Intergovernmental Services</i> | 101,807 | 121,749 | 124,854 | 3,105 | 2.6% |
| <i>Interfund Charges</i> | 63,530 | 59,779 | 65,511 | 5,732 | 9.6% |
| Subtotal of Operations | 1,467,149 | 1,715,455 | 2,103,299 | 387,844 | 22.6% |
| <i>Debt Service</i> | 3,950,004 | 3,274,384 | 3,251,922 | (22,462) | -0.7% |
| TOTAL EXPENSE | 5,417,153 | 4,989,839 | 5,355,221 | 365,382 | 7.3% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|------------------------------------|------------------|------------------|------------------|------------------|-------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Finance Administration</i> | 250,271 | 267,738 | 299,305 | 31,567 | 11.8% |
| <i>Finance Services</i> | 1,216,878 | 1,447,717 | 1,803,994 | 356,277 | 24.6% |
| <i>Debt Service Administration</i> | 3,950,004 | 3,274,384 | 3,251,922 | (22,462) | -0.7% |
| TOTAL EXPENSE | 5,417,153 | 4,989,839 | 5,355,221 | 365,382 | 7.3% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|------------|--------------|
| TOTAL PAID STAFF | 18.1 | 18.5 | 21.3 | 2.8 | 15.1% |
|-------------------------|-------------|-------------|-------------|------------|--------------|

Significant Expenditure Changes

- \$264,000 of the total increase in the Finance budgeted expenditures and the 2.8 FTE increase in staff relates to the transfer of the Budget function to the Finance Department from the Executive Department in 2008.

Departmental Objectives for 2008

Finance Services

1. Improve customer service by providing options for business tax reporting and payment and utility account status and payment on the City's website. (Council Goal 1)
2. Implement a new "real-time" cash receipting system that will integrate fully with key financial applications. (Council Goal 1)
3. Analyze current procedures for printing and mailing utility bills and notices and recommend improvements. (Council Goal 1)
4. Continue review of departments' cash handling procedures and develop written procedures for each site and a cash handling manual with training for all current and new cash handlers in the City. (Council Goal 1)

Accounting Services

1. Review City's accounting treatment of pensions and Other Post Employment Benefit in light of new Governmental Accounting Standards Board (GASB) accounting pronouncements and actuarial standards. (Council Goal 1)
2. Integrate current Finance efforts to create citywide capital project reporting summary with Budget Capital Project Tracking. (Council Goal 1)
3. Work with the new City Disaster Preparedness Manager to fully integrate the Accounting Departments' support of City emergency response efforts. (Council Goal 11)
4. Complete financial analysis of annexation requests. (Council Goals 1 and 5)

Capital Financing

1. Coordinate Library Bond issue if approved by voters. (Council Goal 6)
2. Complete waterfront development financing plan for infrastructure identified in Development Agreement with Port of Bellingham. (Council Goal 4)
3. Develop Fire Fleet financing plan. (Council Goal 1)

Departmental Objectives for 2007 with Accomplishments

1. Create new annual Citywide Financial Trend Report, per the recommendations and standards of the International City/County Management Association. (Council Goal 9)

Completed data gathering and report generation.

2. Assist in development of financing plan for waterfront development infrastructure. (Council Goals 4, 5, 6 and 7)

Financial model complete and financing strategy will be completed as needed for development of phasing strategies and future development agreement.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

3. Complete City-wide policy and procedures for Grants, Contracts, and Leases for internal review.

Internal review of service agreements and leases completed in 2007.

4. Review and revise City fixed asset policies and reporting procedures to ensure compliance changes as required by Governmental Accounting Standards Board (GASB) 34, "Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments."

Comprehensive Fixed Asset Policy developed and implemented in 2007.

5. Strengthen the City's cash handling procedures and policies by completing a cash handling training manual and designing a training program for all cash handlers within the City.

Internal audit plan for all City cash collection sites completed. Written procedures have been developed for all key areas. Completion of a cash training manual and training program is deferred to 2008 due to other competing projects.

6. Utilize outside tax audit service to continue B & O tax compliance audit program.

The City has entered into a contract with an outside audit firm who is working with the City on tax compliance and education.

7. Work with Public Facilities District staff on 2007 bond issue to finance public improvements in the cultural district. (Council Goals 3, 5 and 6)

City Finance worked with the Public Facilities District and Council to complete a financing plan, including a bond issue of \$9,995,000 in December 2007, to complete construction of a new Art & Children's Museum and capital renovations of the Mt. Baker Theatre.

8. Add electronic payment (EFT/ACH) functionality to City's accounts payable system.

Finance subsequently determined this project does not have immediate application and was deferred.

9. Work with Public Works and Budget staff to research the City's needs for consolidated financial / Enterprise Resource Planning software.

This project is deferred.

10. Improve the Finance Department's ability to support other City Departments' responding to emergency and disaster situations. (Council Goal 11)

Finance staff are active members of a formal citywide emergency response team.

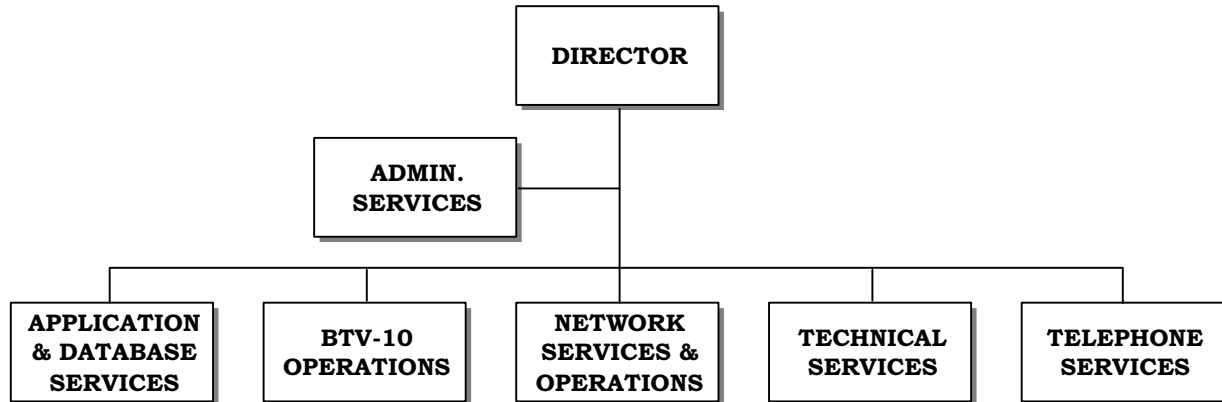
Performance/Activity Measures

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--|---------------------|-------------|-------------|--------|---------------------------------------|--------|----------------------|
| Financial Administration & Services Group | | | | | | | |
| City Bond Rating - Moody's (unlimited/limited tax bonds) | Aa3/A1 | Aa3/A1 | Aa3/A1 | ✓ | Aa3/A1 | ✓ | Aa3/A1 |
| ACCOUNTING: | | | | | | | |
| Received unqualified State Audit Report for fiscal year | yes | yes | yes | ✓ | Unkown until 6/08 | | yes |
| Number of consecutive years GFOA Certificate for Excellence in Financial Reporting earned for CAFR | 5 | 6 | 7 | ✓ | Will not be known until Nov -Dec 2008 | | every year |
| Ave # days to close month in G/L excluding yr end | new - not available | 15.0 | 13.4 | ✓ | 14.2 | ✓ | 15.0 |
| BUDGET | | | | | | | |
| Number of consecutive years GFOA Distinguished Budget Preparation Award earned | 1 | 2 | 3 | ✓ | 4 | ✓ | every year |
| UTILITY BILLING: | | | | | | | |
| Percent of customers on Autopay program | 16.5% | 17.0% | 20.4% | ✓ | 22.4% | ✓ | increase or maintain |
| Number of Utility accounts per processing staff FTE | 5,866 | 5,976 | 6,052 | | 6,143 | | |
| BUSINESS TAXES: | | | | | | | |
| Registrations | 8,490 | 8,685 | 8,910 | | 9,200 | | |
| Business Tax Returns | 20,780 | 21,140 | 21,300 | | 21,600 | | |
| Local tax revenues recovered from discovery and audit work | \$848,221 | \$1,422,462 | \$1,250,553 | | \$1,345,377 | | |
| FINANCIAL SERVICES: | | | | | | | |
| Receipts issued per staff (7.5 FTEs) | 5,561 | 5,362 | 5,120 | | 5,334 | | |
| ACCOUNTS PAYABLE: | | | | | | | |
| % of Invoices paid within 30 days | new measure | | | | 99.5% | ✓ | 99% |
| INVESTMENTS AND INTEREST | | | | | | | |
| Invested at 12/31(millions) | \$ 118.0 | \$ 130.9 | \$ 131.7 | | \$ 157.9 | | |
| Interest Income (millions) | \$ 2.6 | \$ 3.1 | \$ 5.0 | | \$ 6.7 | | |
| Return on Portfolio at 12/31 | 2.30% | 2.78% | 3.95% | | 4.98% | | |

| Debt Service Administration Group | | | | | | | |
|--|---------|---------|---------|--|---------|--|-----------|
| GENERAL OBLIGATION DEBT | | | | | | | *Budgeted |
| Bonds Issued (millions) | \$ 20.7 | \$ 8.7 | \$ - | | \$ - | | unknown |
| Bonds Redeemed (millions) | \$ 2.3 | \$ 1.8 | \$ 2.1 | | \$ 2.2 | | \$ 2.3 |
| GO Bonded Debt (millions) | \$ 29.4 | \$ 36.2 | \$ 34.2 | | \$ 32.0 | | \$ 29.8 |
| Ratio: GO Bond Debt per Capita | \$ 420 | \$ 501 | \$ 465 | | \$ 425 | | \$ 389 |

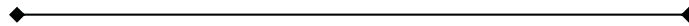
*The City does not have a "target" for debt. This debt is what is estimated in the 2008 Budget.

INFORMATION TECHNOLOGY SERVICES DEPARTMENT



Departmental Mission

The Mission of the Information Technology Services Department is to provide leadership and direction to the departments of the City in identifying and utilizing appropriate information technologies (data, voice and video) in such a way that the organization is more effective and efficient in providing government services to the public.



Description of Services

Information Technology Services Department (ITSD) is a service and support organization for all City departments. ITSD provides technical systems leadership and support services within the framework of City-wide priorities.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|------------------------------------|------------------|------------------|------------------|--------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| Licenses and Permits | 176,255 | 175,027 | 195,000 | 19,973 | 11.4% |
| Intergovernmental | 19,075 | 24,038 | 25,238 | 1,200 | 5.0% |
| Charges for Services | 1,286,050 | 931,212 | 920,898 | (10,314) | -1.1% |
| Miscellaneous | 127,837 | 106,124 | 139,259 | 33,135 | 31.2% |
| Other Financing Sources | 590,000 | 1,860,768 | 400,000 | (1,460,768) | -78.5% |
| Subtotal of Revenues | 2,199,217 | 3,097,169 | 1,680,395 | (1,416,774) | -45.7% |
| Other Sources by Fund | | | | | |
| General | 640,326 | 1,699,003 | 1,957,515 | 258,512 | 15.2% |
| Technology Replacement and Reserve | (314,529) | 659,619 | 15,480 | (644,139) | -97.7% |
| Telecommunications | (73,577) | 389,943 | 35,267 | (354,676) | -91.0% |
| Subtotal Other Sources | 252,220 | 2,748,565 | 2,008,262 | (740,303) | -26.9% |
| TOTAL ALL SOURCES | 2,451,437 | 5,845,734 | 3,688,657 | (2,157,077) | -36.9% |

| Revenues by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|--------------------------------|------------------|------------------|------------------|--------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| Information Tech Services Dept | 590,000 | - | - | - | -- |
| ITSD Services | 991,982 | 1,158,507 | 1,055,719 | (102,788) | -8.9% |
| Government Access TV | 177,446 | 176,227 | 197,400 | 21,173 | 12.0% |
| Telecommunication | 439,789 | 1,762,435 | 427,276 | (1,335,159) | -75.8% |
| Subtotal of Revenues | 2,199,217 | 3,097,169 | 1,680,395 | (1,416,774) | -45.7% |

Significant Revenue Changes

- The decrease in Other Financing Sources relates to the removal of the 2007 one-time funding for the new telecom system, which impacted the Technology Replacement and Reserve (formerly named Computer Reserve) Fund and the Telecommunications Fund.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 1,141,430 | 1,716,595 | 1,998,627 | 282,032 | 16.4% |
| <i>Supplies</i> | 108,135 | 191,150 | 190,659 | (491) | -0.3% |
| <i>Other Services and Charges</i> | 618,075 | 727,987 | 892,461 | 164,474 | 22.6% |
| <i>Intergovernmental Services</i> | 13,094 | 11,959 | 11,859 | (100) | -0.8% |
| <i>Interfund Charges</i> | 202,709 | 235,102 | 124,051 | (111,051) | -47.2% |
| Subtotal of Operations | 2,083,443 | 2,882,793 | 3,217,657 | 334,864 | 11.6% |
| <i>Capital Outlay</i> | 367,994 | 2,107,435 | 471,000 | (1,636,435) | -77.7% |
| <i>Interfund Transfers</i> | - | 855,506 | - | (855,506) | -100.0% |
| TOTAL EXPENSE | 2,451,437 | 5,845,734 | 3,688,657 | (2,157,077) | -36.9% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------|------------------|------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>ITSD Services</i> | 1,926,558 | 3,501,793 | 3,015,868 | (485,925) | -13.9% |
| <i>Government Access TV</i> | 158,667 | 191,563 | 210,246 | 18,683 | 9.8% |
| <i>Telecommunication</i> | 366,212 | 2,152,378 | 462,543 | (1,689,835) | -78.5% |
| TOTAL EXPENSE | 2,451,437 | 5,845,734 | 3,688,657 | (2,157,077) | -36.9% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|------------|--------------|
| TOTAL PAID STAFF | 16.0 | 21.8 | 25.1 | 3.3 | 15.1% |
|-------------------------|-------------|-------------|-------------|------------|--------------|

Significant Expenditure Changes

- In addition to increases in Salaries and Benefits for existing positions, two technology positions that were previously part of the Public Works Department have been moved to the Information Technology Services Department. The other 1.3 increase in paid staff reflects the full year budgets for staff added part way through 2007 and minor changes in temporary labor.
- The increase in Other Services and Charges relates primarily to an increase in maintenance contracts for the new Telecom system and Human Resources software.
- The decreases in Capital Outlay and Interfund Transfers reflect the removal of the 2007 one-time transfers and expenditures for the new telecom system.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Information Technology Services Department's decision-making and operations are:

- Bellingham City Council – Legislation, 2008 Goals and Performance Objectives
- Systems Steering Committee – Senior I.T. staff meet with Department head level personnel to discuss status and priority of technology projects.
- I.T. Stakeholders Committee – Senior I.T. staff meet with representatives from all departments to discuss project status, present information about upcoming projects, and take in information regarding technology projects.
- Project Teams – Major technology projects have designated project teams with a variety of technical and non-technical personnel as appropriate for the project. The project teams do the detailed project planning, and report periodically to the Systems Steering Committee, Department Head project sponsors, and other stakeholders as appropriate for the project.

Specific impacts to 2008 budget development include:

- Bellingham City Council adopted 2008 Goals and Performance Objectives indicating a need to review plans to expand BTV10 coverage to include Council Committee meetings. Funding for additional temporary staff resources was added to the budget to provide a resource to film Council Committee meetings.
- The HR/Payroll Project Team identified that additional consulting resources would be needed to complete the project, and requested this need be considered by the Systems Steering Committee.
- The Systems Steering Committee proposed project requests were presented to and discussed with the Systems Steering Committee as part of the development of the Technology Reserve and Replacement Fund budget for 2007. Steering Committee Members recommended a number of technology projects move forward, including server replacements, wireless network expansion, and additional funds for the HR/Payroll project. Additional priority projects identified include replacement of a cashiering system, implementation of Internet-based balance inquiry for utility billing, intranet development, and Office 2007 training.

Departmental Objectives for 2008

1. BTV10 Equipment improvements – Make equipment improvements to enhance studio and field production capabilities. Invest in equipment to improve station production work, field production, and alternative site production. (Council Goal 9)
2. Emergency Operations Center (EOC) software – Partner with Emergency Management on the implementation of WebEOC to enhance communications and tracking of information in the event of an emergency. (Council Goal 11)
3. HR/Payroll System Implementation – Substantially conclude Phase I implementation, including going live on payroll, benefits self-enrollment, and timekeeping components of the High Line system. (Council Goal 1)
4. Office 2007 – Deploy Microsoft Office 2007 to City departments, along with a basic training program for employees. (Council Goal 1)
5. Service Desk – Provide employees with a service desk as a single point of contact for departments to access I.T. Services. Service desk will include deployment of tracking system used to ensure follow-up and measurement of all service desk contacts. (Council Goal 1)
6. Telephone systems replacement and transition to new telephone numbers – Continue transition to new telephone systems and carrier services. Revise and improve internal billing practices related to new telephone services. (Council Goal 1)
7. Utility billing online payments and telephone balance inquiry – Upgrade Utility billing system to provide the public with web based balance inquiry and bill payment services, and a telephone balance inquiry service. (Council Goal 1)
8. Wireless Network Services – Make wireless network access available to employees and wireless Internet services available to the public in key meeting and conference rooms throughout the City; update the I.T. security policy to reflect requirements for employee access from City-owned equipment.

Locations will include City Hall Council Chambers and key conference rooms, Municipal Court meeting rooms, and Emergency Operations Center. (Council Goals 1 and 11)

Departmental Objectives for 2007 with Accomplishments

1. Implement HR/Payroll system: Make significant progress on implementation of new HR/Payroll system, in partnership with HR department and key department stakeholders. Complete configuration and testing of system for representative employee groups by year-end. (Council Goal 1)

Substantial progress was made in configuring many modules of the new HR/Payroll system. Complete configuration and testing of representative employee groups was not completed; efforts will continue into 2008.

2. Replace telephone systems: Identify telephone systems replacement solution, configuration, standards, and strategy for replacement. Identify new telephone numbers for the City and transition dialing plan. Complete high priority network switch upgrades to support telephone systems as needed. (Council Goal 1)

A new telephone system was selected, configuration and equipment decisions were made, new telephone numbers were obtained, and new dialing and transition plans were developed. High priority network switch upgrades were completed. The project will be completed under budget and will conclude in early 2008.

3. Improve BTV10 capability to provide text information during program playback and as an emergency backup system. (Council Goal 9)

Installed an improved backup system for main station playback. Installed and tested a new system to provide text information to viewers in the event of an emergency. Added a text key system to identify speakers during meetings filmed in the City Council Chambers.

4. Update City web site with new visual design, improved organization and consistency, and increased usability based on industry best practices. (Council Goal 9)

New web site was launched October 26, 2007. Public feedback has been positive. People appreciate the search features, easier-to-find content, and strong visuals.

5. Select and implement a help desk system to improve accountability to departments related to technical service requests. (Council Goal 1)

Help Desk system was selected, contract for purchase was completed, implementation of new system is under way and will continue into 2008.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

6. Restructure ITSD to increase the organizational focus for centralized software applications, supplement staffing where workload for mission-critical systems create operational risks, and improve the organization of front-line technical staff. (Council Goal 1) The benefits of this restructure include:
- Reducing the number of highly out-dated and manual systems in place and beginning to offer more strategic systems solutions.
 - Balancing network maintenance staff to match the increasing demand for computer systems and applications services run on the City’s network.
 - Consolidating reporting relationships to more evenly distribute workload and to offer improved accountability to departments for technical service requests.

Restructuring of ITSD took place in both technical services and software applications areas. Reporting relationships were consolidated for front line technical staff, resulting in more efficient use of technical staff resources.

Additional Accomplishments:

Daylight Savings Time Technical Preparedness – Technical personnel throughout the organization inventoried and updated many systems in order to accommodate the new daylight savings time changes. The work effort was significant. The daylight savings time change took place with minimal adverse impact to City operations.

Support for Improved Technology Services – Provided technical support for substantial improvements to wireless and computing resources at Library sites, provided technical support for Medic/EMS reporting transition from paper to tablet computers, provided additional audio/video resources in some City conference rooms.

Performance/Activity Measures

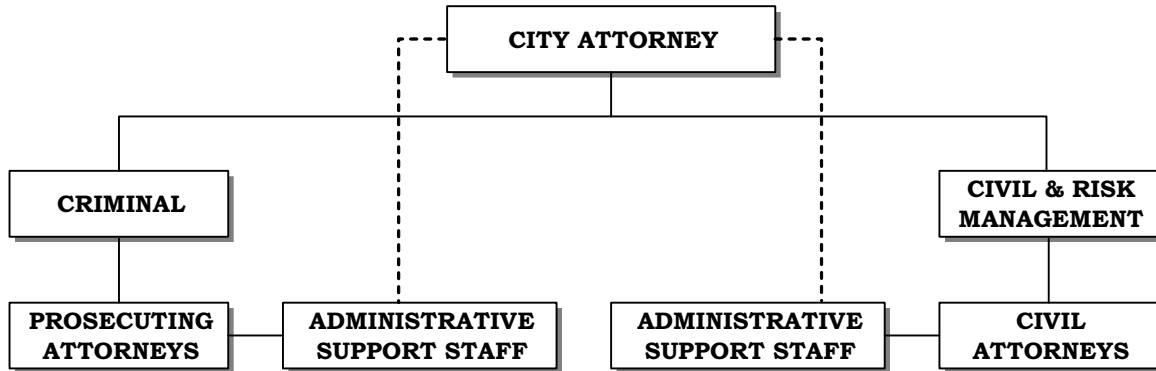
The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|--|-------------|-------------|--------|----------------------|
| Information Technology /BTV10 | | | | |
| From the biennial Citizen Satisfaction Survey: | | | | |
| % of surveyed residents who watch BTV10 at least once per week | new in 2006 | 25% | ✓ | Maintain or Increase |

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--|-------------|-------------|-------------|--------|-------------|--------|---------------------|
| Information Technology Group k = thousands, M = Millions | | | | | | | |
| PC and Tech Services | | | | | | | |
| # of PCs in the organization | new measure | | 819* | | 894* | | |
| % of PCs over 4 years old | new measure | | 7% | | 13% | | |
| % PC purchases made via cost-effective bulk purchase & deployment program | new measure | | 54% | n/a | 83% | ✓ | 80% |
| *2006 data corrected, 2007 increase due to inclusion of mobile data computers not counted previously | | | | | | | |
| Network Profile | | | | | | | |
| City-wide Network Hosts | 47 | 54 | 67 | | 83 | | |
| Gigabytes of Data Stored | 650 | 1,650 | 3,200 | | 5,000 | | |
| %Increase in Data stored over previous year | 34% | 154% | 94% | | 56% | | |
| #Network Sites - staffed work sites with network connectivity | new measure | | 36 | | 37 | | |
| Website Profile | | | | | | | |
| *Web site activity basis (including history) changed for all measures to eliminate web traffic generated by automated processes such as "spider" software that indexes web sites for search engines. | | | | | | | |
| Web Activity - Use of website outside of Internal Network | | | | | | | |
| # of unique visitors | 187k | 246k | 293k | ✓ | 340k | ✓ | Increase |
| %Increase in unique visitors over prior year | n/a | 31% | 19% | ✓ | 16% | ✓ | Increase |
| # of visits (sessions) | 485k | 665k | 776k | ✓ | 848k | ✓ | Increase |
| # of pages viewed | 3.0M | 4.1M | 5.3M | ✓ | 5.9M | ✓ | Increase |
| Web Activity - Use of streaming media outside of Internal Network | | | | | | | |
| # of hours streaming video was viewed | new measure | | 170 | n/a | 420 | ✓ | Increase |
| # of unique visitors who viewed streaming video | new measure | | 673 | n/a | 2,233 | ✓ | Increase |
| # of audio files downloaded | new measure | | 560 | n/a | 4,982 | ✓ | Increase |
| Web Activity - Use of web based services | | | | | | | |
| % of Parks and Recreation registrations completed on line | new measure | 11% | 18% | ✓ | 18% | | Increase |
| Use of Technical Facilities | | | | | | | |
| Number of training day/events taught in I.T. Training Room | n/a | 85 | 95 | ✓ | 190 | ✓ | 120 or more |

LEGAL DEPARTMENT



Departmental Mission

To serve as a model public service law firm providing superior legal counsel to the Mayor, City Council and departments.



Description of Services

- Provide legal services in support of City goals and objectives.
- Represent the City in federal, state and other proceedings.
- Defend Council, Mayor and City department actions.
- Prosecute misdemeanors and code violations.
- Manage the victim advocacy program.
- Review ordinances, contracts, and other documents.
- Manage risk and claims.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|-------------------------------------|------------------|------------------|------------------|------------------|--------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Intergovernmental</i> | 6,766 | 6,147 | 8,175 | 2,028 | 33.0% |
| <i>Charges for Services</i> | 404,690 | 401,811 | 254,667 | (147,144) | -36.6% |
| <i>Fines and Forfeits</i> | 61,568 | 59,937 | 61,735 | 1,798 | 3.0% |
| <i>Miscellaneous</i> | 879,627 | 999,003 | 1,118,176 | 119,173 | 11.9% |
| <i>Non-Revenues</i> | 6,582 | 8,316 | 8,316 | - | 0.0% |
| Subtotal of Revenues | 1,359,233 | 1,475,214 | 1,451,069 | (24,145) | -1.6% |
| Other Sources by Fund | | | | | |
| <i>General</i> | 680,829 | 873,363 | 1,105,913 | 232,550 | 26.6% |
| <i>Claims Litigation</i> | 446,261 | (28,606) | (92,958) | (64,352) | 225.0% |
| Subtotal Reserve Adjustments | 1,127,090 | 844,757 | 1,012,955 | 168,198 | 19.9% |
| TOTAL ALL SOURCES | 2,486,323 | 2,319,971 | 2,464,024 | 144,053 | 6.2% |

| Revenues by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|---|------------------|------------------|------------------|------------------|--------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Legal</i> | 208,294 | 315,991 | 334,884 | 18,893 | 6.0% |
| <i>Legal Services</i> | 474,024 | 468,770 | 325,452 | (143,318) | -30.6% |
| <i>Claims, Litigation & Insurance</i> | 676,915 | 690,453 | 790,733 | 100,280 | 14.5% |
| Subtotal of Revenues | 1,359,233 | 1,475,214 | 1,451,069 | (24,145) | -1.6% |

Significant Revenue Changes

- The decrease in Charges for Services is related to a decrease in ICAP revenues for the Legal Services Group.
- The increase in Miscellaneous Revenues reflects an increase of \$100,000 in the Claims & Litigation Insurance Premiums that are charged to all City Departments and are managed and accounted for in the Claims & Litigation Fund.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|------------------|-------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 1,003,055 | 1,139,439 | 1,215,771 | 76,332 | 6.7% |
| <i>Supplies</i> | 24,050 | 24,488 | 30,309 | 5,821 | 23.8% |
| <i>Other Services and Charges</i> | 1,152,607 | 823,094 | 833,378 | 10,284 | 1.2% |
| <i>Interfund Charges</i> | 306,611 | 325,450 | 384,566 | 59,116 | 18.2% |
| Subtotal of Operations | 2,486,323 | 2,312,471 | 2,464,024 | 151,553 | 6.6% |
| <i>Capital Outlay</i> | - | 7,500 | - | (7,500) | -100.0% |
| TOTAL EXPENSE | 2,486,323 | 2,319,971 | 2,464,024 | 144,053 | 6.2% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---|------------------|------------------|------------------|------------------|-------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Legal Services</i> | 1,121,523 | 1,308,136 | 1,357,266 | 49,130 | 3.8% |
| <i>Claims, Litigation & Insurance</i> | 1,364,800 | 1,011,835 | 1,106,758 | 94,923 | 9.4% |
| TOTAL EXPENSE | 2,486,323 | 2,319,971 | 2,464,024 | 144,053 | 6.2% |

| | | | | | |
|-------------------------|-------------|-------------|-------------|------------|-------------|
| TOTAL PAID STAFF | 11.3 | 12.1 | 12.4 | 0.3 | 2.5% |
|-------------------------|-------------|-------------|-------------|------------|-------------|

Significant Expenditure Changes

- The increase in Interfund Charges is primarily related to an increase in funding for the Claims & Litigation Fund.

Departmental Objectives for 2008

No specific non-routine objectives to list for 2008.

Departmental Objectives for 2007 with Accomplishments

1. Assist Public Facilities District in overall project development. (Council Goals 3 and 6)
 - *Assisted in negotiating and drafting a five party agreement on funding the Art & Children's Museum.*
 - *Assisted in drafting and review of agreements necessary to the renovation of the Mt. Baker Theatre.*
 - *Assisted in negotiating and drafting multiple fund transfer agreements to fund PFD projects.*
 - *Assisted with legal issues related to bidding PFD projects and contract management.*
2. Provide legal support for downtown and Old Town community renewal projects, waterfront/Georgia Pacific redevelopment, and environmental cleanup. (Council Goals 3, 4, 5 and 8)
 - *Continued work on waterfront redevelopment and the interlocal agreements with the Port of Bellingham.*
 - *Negotiated final three settlements in City of Bellingham v. Granite State, the City's lawsuit against its insurance carriers for environmental damage, in the amounts of \$3,000,000, \$1,000,000, and \$4,000,000.*
 - *Assisted in the completion of the Remedial Investigation and Feasibility Study for the Little Squalicum Park remediation.*
 - *Assisted in the negotiation and completion of the Whatcom Waterway Consent Decree for the cleanup of the Whatcom Waterway with the Port of Bellingham and other potentially liable parties.*
3. Provide legal support for watershed land acquisition and maintenance program. (Council Goal 2)
 - *Assisted in negotiating, documenting and closing on 50 acres of watershed protection property.*
 - *Represented City in efforts to limit residential development in the Lake Whatcom Watershed.*
 - *Represented City in opposing a lawsuit challenging the Lake Whatcom Watershed Landscape Plan, which limits logging in the watershed on steep slopes and near streams.*

**Departmental Objectives for 2007 with Accomplishments
(continued)**

4. Provide legal support to the City's capital facility construction program. (Council Goals 1, 2, 3, 4 and 7)
 - *Reviewed proposed funding for capital facility projects for fiscal law compliance.*
 - *Reviewed and revised bid specifications, bid submittal, and contract.*
 - *Assisted with contract management issues such as retainage, bonding, and claims.*
 - *Assisted in negotiating, documenting and closing on 20 acres of real property in North Bellingham for the construction of a park facility.*
 - *Provided legal assistance in the completion of the Civil Field renovation project.*
 - *Provided legal assistance for the ongoing construction of Squalicum Fields Park complex.*

5. Conduct legal review of City's update to its comprehensive plan, land use regulations and neighborhood plans. (Council Goals 3, 5, 6 and 7)
 - *Participated in various annexation negotiations.*
 - *Represented City in an appeal of the Comprehensive Plan to the Growth Management Hearings Board.*
 - *Provided legal review of all new land use ordinances and the 2007 neighborhood plan updates.*
 - *Represented City in its negotiations with Whatcom County over the Bellingham Urban Growth Boundaries.*

Legal Department

Performance/Activity Measures

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--|---------------------|-------------|-------------|--------|-------------|--------|---------------------|
| Legal Services and Administration Group | | | | | | | |
| Criminal Filings | 4,015 | 3,552 | 3,809 | | 4,138 | | |
| Filings per Criminal Attorney | new measure in 2006 | | 1,360 | | 1,379 | | |
| Cost per hour for Legal Department services | \$ 62 | \$ 47 | \$ 60 | | \$ 62 | | |
| Average hourly rate of outside counsel | \$ 182 | \$ 197 | \$ 300 | | \$ 282 | | |
| Percent of overall budget for outside counsel | new measure in 2006 | | 8% | | 2% | | |
| Attorneys (FTE's) | 5.8 | 7.0 | 7.8 | | 7.3 | | |
| City employees (FTE's) per Attorney | 143.3 | 116.1 | 106.9 | | 122.4 | | |

Outside counsel are normally employed where the services of a specialist are required.

Actual staff counts for 2007 are not gathered prior to the budget document being published, so budgeted numbers are used.

| Risk Management Group | | | | | | | |
|------------------------------|------------|------------|------------|--|------------|--|--|
| Claims filed | 70 | 54 | 46 | | 62 | | |
| Amount paid for claims | \$ 506,404 | \$ 132,075 | \$ 523,740 | | \$ 105,832 | | |

The higher hourly rate of outside counsel and higher amount paid for claims in 2006 resulted from a significant injury tort lawsuit based on an event occurring in 2001. This lawsuit was resolved in 2006.

EXECUTIVE DEPARTMENT



City of Bellingham Mission

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.



Executive Department Mission

Provide leadership, direction, and supervision of City government in a manner that creates a productive working environment, enhances public trust and promotes understanding of City services and how they are delivered.

Description of Services

The Executive Department, headed by the full-time elected Mayor:

- Leads the administration of City government.
- Provides City-wide direction, supervision, communication and coordination.
- Provides City Council with financial, service and operations information needed to make policy decisions.
- Assists Council in determining citizen needs and providing responsive, equitable services to the community.
- Provides guidance for the preparation of preliminary budgets for City Council decision-making and ensures that City services are delivered within financial parameters.
- Creates awareness of City fiscal and policy issues among State and federal officials and legislators.
- Develops and implements systems and strategies to ensure effective internal and external communications.
- Coordinates City activities with those of other local, tribal, State and federal entities including Whatcom County, the Port of Bellingham, Whatcom Transportation Authority, the Lummi Nation and Nooksack Tribe, Bellingham School District and local fire districts.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|--|------------------|------------------|------------------|------------------|---------------|
| | | | | Amount | Percent |
| Revenues | | | | | |
| <i>Intergovernmental</i> | - | - | 250,000 | 250,000 | -- |
| <i>Charges for Services</i> | 516,815 | 527,693 | 431,055 | (96,638) | -18.3% |
| <i>Other Financing Sources</i> | - | - | 261,000 | 261,000 | -- |
| Subtotal of Revenues | 516,815 | 527,693 | 942,055 | 414,362 | 78.5% |
| Other Sources by Fund | | | | | |
| <i>General</i> | 484,472 | 610,840 | 2,082,040 | 1,471,200 | 240.8% |
| <i>1st 1/4% Real Estate Excise Tax</i> | - | 114,818 | - | (114,818) | -100.0% |
| Subtotal Other Sources | 484,472 | 725,658 | 2,082,040 | 1,356,382 | 186.9% |
| TOTAL ALL SOURCES | 1,001,287 | 1,253,351 | 3,024,095 | 1,770,744 | 141.3% |

| Revenues by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|--------------------------------|----------------|-----------------|----------------|------------------|--------------|
| | | | | Amount | Percent |
| <i>Executive Management</i> | 516,815 | 527,693 | 431,055 | (96,638) | -18.3% |
| <i>Waterfront Project</i> | - | - | 11,000 | 11,000 | -- |
| <i>Lake Whatcom Management</i> | - | - | 500,000 | 500,000 | -- |
| Subtotal of Revenues | 516,815 | 527,693 | 942,055 | 414,362 | 78.5% |

Significant Revenue Changes

- Intergovernmental Revenues are attributed to anticipated contributions from the County to share the costs of a new Lake Whatcom Watershed Management program.
- Other Financing Sources are attributed to anticipated contributions from the Water Fund to share the costs of a new Lake Whatcom Watershed Management program in the amount of \$250,000 and the cost of the Waterfront Development project in the amount of \$11,000.
- \$117,500 of the decrease in Charges for Services is attributed to the ICAP fee for the Budget function, which will be transferred to the Finance Department from the Executive Department in 2008. The remainder of the change relates in increased ICAP charges for existing Executive Department services.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|------------------|------------------|------------------|------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 793,612 | 971,935 | 1,166,077 | 194,142 | 20.0% |
| <i>Supplies</i> | 28,613 | 38,850 | 54,046 | 15,196 | 39.1% |
| <i>Other Services and Charges</i> | 137,936 | 203,290 | 904,819 | 701,529 | 345.1% |
| <i>Intergovernmental Services</i> | 10 | - | 855,877 | 855,877 | -- |
| <i>Interfund Charges</i> | 41,116 | 39,276 | 43,276 | 4,000 | 10.2% |
| TOTAL EXPENSE | 1,001,287 | 1,253,351 | 3,024,095 | 1,770,744 | 141.3% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|--------------------------------|------------------|------------------|------------------|------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Executive Management</i> | 1,001,287 | 1,253,351 | 1,314,382 | 61,031 | 4.9% |
| <i>Waterfront Project</i> | - | - | 1,209,713 | 1,209,713 | -- |
| <i>Lake Whatcom Management</i> | - | - | 500,000 | 500,000 | -- |
| TOTAL EXPENSE | 1,001,287 | 1,253,351 | 3,024,095 | 1,770,744 | 141.3% |

| | | | | | |
|-------------------------|------------|-------------|-------------|------------|--------------|
| TOTAL PAID STAFF | 8.7 | 10.0 | 12.4 | 2.4 | 24.0% |
|-------------------------|------------|-------------|-------------|------------|--------------|

Significant Expenditure Changes

- A new Lake Whatcom Watershed Management program is being proposed which adds \$500,000 in costs, off-set by a \$250,000 contribution from the County, and 4 FTEs to the Executive Department budget, pending final decisions on the management structure proposal.
- The Intergovernmental Expense line includes an increase of \$356,000 to pay for the Park Impact Fee waiver that was granted to the Bellingham Housing Authority for their Walton project.
- The Waterfront Redevelopment project costs have been consolidated from various departments into a single group under the Executive Department. This accounts for \$1,095,000 of the overall increase in the Executive Department budget and an increase of 1.0 FTE.
- In 2008, the Budget function will be moved from the Executive Department to the Finance Department. This will result in a \$264,000 decrease in Executive Department budgeted expenditures and a decrease of 2.8 FTEs.

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Executive Department's decision-making and operations are:

- Citizen Surveys
- Mayor's Neighborhood Advisory Commission
- Waterfront Vision and Framework Plan / Waterfront Advisory Group
- Lake Whatcom Unified Management
- City of Bellingham Comprehensive Plan

Specific impacts to 2008 budget development include:

- The City is moving forward on a major redevelopment effort for the Waterfront. The Waterfront Advisory Group has had a significant role in planning these efforts. The 2008 Executive Budget has been increased by approximately \$1.2 million to pay for staffing and professional services that will assist with the planning and environmental assessments on the Waterfront Project.
- The Mayor's Neighborhood Advisory Commission had significant input to the decision to add a Neighborhood Services Coordinator as a permanent position beginning with the 2008 budget year.
- The Mayor and Whatcom County Executive jointly proposed a unified Lake Whatcom management structure. The City budgeted \$250,000 for its contribution to project funding.

Departmental Objectives for 2008

1. Coordinate a team building training workshop to help the new Council, new Mayor and Department Heads (current and new) all work together effectively. (All Council Goals)
2. Implement recommendations that are developed through the 2007 business survey and economic development strategic planning process. (Council Goal 8)
3. Provide leadership and coordination for a City team charged with minimizing disruptive tenant issues and provide quarterly progress reports to the City Council. (Council Goals 1, 3, 5 and 9)
4. Complete a plan for City facilities (City Hall, Library, Public Works Annex, Police Dept, etc.) that specifies funding and timing for all facility improvements. (Council Goals 1, 6, 8 and 10)
5. Fully implement the public involvement action plan developed in 2007. (All Council Goals)
6. Implement Council adopted Countywide Housing Affordability Task Force recommendations. (Council Goals 3, 4, 5, 8 and 10)
7. Continue to pursue State and federal funds for development of infrastructure for the Waterfront Redevelopment project and for other City projects and programs. (All Council Goals)
8. Work with Whatcom County to implement a unified Lake Whatcom Watershed Management structure. (Council Goal 2)
9. Complete the Waterfront Redevelopment Master Plan and adopt a development agreement with the Port of Bellingham. (Council Goal 4)
10. Work with the Planning Department and the Neighborhoods to develop the plans for at least three urban centers. (Council Goals 5 and 8)
11. Increase participation in Map Your Neighborhood (disaster preparedness). (Council Goals 1, 5 and 11)

Departmental Objectives for 2007 with Accomplishments

1. By May, review, revise and adopt updated budget policies to provide specific guidance for the administration's 2008 preliminary budget. (Council Goal 1)

The new Budget and Financial Policies appear on pages 33–38 of this document and are incorporated into the adopted budget.

2. By October, clarify or establish level of service standards for the City's major programs and publish a report that summarizes these standards. (Council Goals 1 and 9)

Further action on this objective is on hold until the new City leadership is in place. At that time the project will be revisited to ensure its objectives align with the new leadership's priorities.

3. By December, review, revise and adopt performance measures to be used to monitor the performance of all departments. (Council Goal 1)

In consideration of the recent change in City leadership, the project has been put on hold and will likely be re-scoped.

4. Provide an adequate operational funding plan for any new capital facility. (Council Goal 1)

This condition was incorporated into the Museum / PFD / Mount Baker Theatre / Campaign for the Arts agreement to proceed with the Art and Children's Museum. The 2008 budget includes operational costs for capital projects.

5. Adopt plans and provide funding to ensure that internal City business systems (computers, phones, software programs, fleet, etc.) and existing capital facilities are properly maintained and updated. (Council Goal 1)

- *Human Resources Information System (HRIS) to implement in 2008.*
- *Citywide telephone system upgrade to implement in 2008.*
- *Enhanced the Pavement Replacement Utility Viewer (PURviewer) ArcMap application process by adding automation to the updating of utility and overlay project information.*
- *Developed a stormwater utility replacement list from analysis of TV scan data.*
- *Installed new street lights and completed water main replacement projects.*

6. Ensure that the City develops, communicates and implements a specific action plan to protect and improve the quality of drinking water in the Lake Whatcom Reservoir. (Council Goals 2 and 9)

The 2008 budget adopts a proposed unified management structure between Whatcom County and the City.

Work on the 2007 – 2008 Program Plan continues in cooperation with Whatcom County staff, the Watershed Advisory Group, Water Districts and the City and County Councils.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Fifty acres (10 units) were acquired bringing the total for the program, including joint purchases with Whatcom County, to 1,341 acres (667 units). Completed draft comprehensive plans for phosphorus control and will implement recommendations to reduce stormwater inputs through coordinated efforts between the City and Whatcom County.

Working with the Silver Beach Neighborhood, presented a revised Watershed Pledge Program.

The Executive Department led the planning, writing, production and distribution of two significant public information pieces designed to inform Bellingham residents about the declining health of the Lake Whatcom Reservoir.

7. Help strengthen downtown organizational efforts by promoting continued coordination among City departments and non-profit and private entities with interests in downtown. (Council Goal 3)

Held monthly meetings and regular communications with five economic development organizations receiving City funds. Continued to work closely with the Downtown Renaissance Network and stakeholders in the area. Held monthly meetings with Mayor and Department Heads to focus on implementing the City Center Master Plan and raising issues facing downtown.

8. Develop and implement a public involvement plan to guide the waterfront redevelopment effort. (Council Goals 4 and 9)

During 2007 the City partnered with the Port to provide a public involvement process that included:

- Input to the design process from the Waterfront Advisory Group as the active representatives for direct input to the planning process on behalf of the public.*
- Supported the commencement of the Environmental Impact Statement for the project, which included pre-scoping and scoping sessions for the public.*
- Jointly sponsored a number of public update forums which provided the public the opportunity to provide input and understand the process.*

9. Refine the City waterfront redevelopment financial model to reflect the City's investment in infrastructure and determine sustainable economic results. (Council Goal 4)

The City team continued to further refine the assumptions for the project to achieve optimum land uses and infrastructure funding which will result in the best result for the project and public. These will be provided as recommendations to the City Council during 2008 for implementing early development opportunities.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

10. Complete an Environmental Impact Study (EIS) for the waterfront redevelopment.
(Council Goal 4)

During the second quarter of 2007, the Port assumed a direct role as sole proponent of the EIS with the City continuing the dual role of supporting the project while maintaining the conventional regulatory role for the project. The City team continued to support establishing the framework and assumptions for launching the EIS.

11. Identify and prioritize waterfront infrastructure projects, costs and funding mechanisms.
(Council Goal 4)

During the second quarter of 2007, the City further refined cost estimates for infrastructure and established preliminary phasing strategies that would balance infrastructure commitments and funding options.

12. Coordinate drafting of Waterfront Master Plan (Subarea Plan) and development regulations. (Council Goal 4)

The City commenced joint coordination of the Master Planning efforts and the funding of this phase of the project, working with the Port and the Waterfront Advisory Group. This included commencement of early input to the future Development Regulations, a phase of the project in which the City is providing direction to the consultants, LMN Architects.

13. Draft and consider a development agreement that clearly indicates responsibilities of the City and of the Port to implement the Waterfront Master Plan. (Council Goal 4)

Throughout 2007, the City and Port have engaged in a weekly dialogue directed to evaluating business options and priorities associated with formulating a business plan which would support a future Development Agreement. These discussions will be finalized after the Final EIS, Master Plan and other entitlements are close to completion in 2008.

14. Develop a viable organizational structure and business plan for the new Art and Children's Museum. (Council Goal 6)

A business consultant was retained to study the Museum and develop a business plan for the entire Museum complex. The City and Museum Society have agreed to explore changes in the Museum's governing, operating, and/or management structure to develop a more viable organizational structure that preserves the Museum's mission and its tradition of achievement. These negotiations, including discussions with the appropriate union representatives, should begin in 2008.

15. Conduct a survey of local businesses to identify City activities, programs and practices that enhance business success and those that inhibit it and identify appropriate policy or procedure changes. (Council Goal 8 and 9)

*The Executive Department led the selection and management of the consultant who wrote and conducted this extensive survey of Bellingham businesses. Survey results were presented to Council in October 2007 and are available on line at:
www.cob.org/government/public/opinion/index.aspx*

**Departmental Objectives for 2007 with Accomplishments
(continued)**

16. Direct an internal work group to analyze City programs and policies which support or inhibit the success of existing businesses, particularly small enterprises. (Council Goal 8)

Analysis of the Economic Development Survey completed and presented to Council in October 2007.

17. Develop a strategic plan for Bellingham's economic development. (Council Goal 8)

Strategic Plan and next steps are to be presented to Council in early 2008.

18. Improve communication between the City and its citizens about all goals, priorities, and challenges. (Council Goal 9)

The Executive Department supported various efforts Citywide to inform citizens about priority projects. These included continued participation in improving priority communications tools such as the City's website and television station and centralizing the distribution of City news to key stakeholders.

19. By the end of 2007, along with ITSD, increase the usefulness of the City website by using industry best practices and citizen feedback to improve its organization, search functions and visual design. (Council Goal 9)

The Executive Department participated in a major redesign of City website that resulted in improved organization and accessibility and ability to conduct site-wide searches.

20. Increase the number of visitors to the City's website. Post at least one new feature article per week on the City's homepage. (Council Goal 9)

The Executive Department took various steps to promote use and increase visitors to the City website throughout 2007, including promoting use of the website internally, making presentations to neighborhood leaders, and more frequent posting of City news and information. Prior to the launch of the redesigned website, at least one new feature or news release (and usually more) was posted on the City website each week by the Executive Department.

21. Increase the number of City-produced BTV10 programs that address City goals, priorities, and accomplishments. (Council Goal 9)

The Executive Department directed BTV10 programming toward topics identified as City priorities whenever possible. Most individual segments of the City-produced program Inside Bellingham featured City priorities, as did many special programs.

22. Ensure that communications plans are developed for City priorities, identifying action steps to ensure that timely, accurate information is available about City goals, how they will be achieved, and how people can become involved in key decisions, and accomplishments. (Council Goal 9)

Departmental Objectives for 2007 with Accomplishments (continued)

Communications plans were developed by various departments for several priority areas, including plans developed by the Executive Department regarding the Lake Whatcom Reservoir and library facilities needs. Others were postponed pending direction from the new administration.

23. Complete and evaluate the neighborhood services pilot project and recommend next steps to incorporate the most effective practices into on-going City operations. (Council Goal 9)

In an effort led by the Executive Department, the neighborhood services pilot project was evaluated by neighborhood leaders and City staff. City Council approved a proposal for creating a permanent position to continue incorporating the most effective practices into on-going City operations. This position was filled in October 2007.

24. Develop an action plan to implement the recommendations of the 2006 Public Involvement Assessment Report. (Council Goal 9)

The Executive Department presented the 2006 Public Involvement Assessment Report to City Council in the last quarter of 2006 along with a preliminary action plan. The report may be viewed at: www.cob.org/government/public/opinion/index.aspx Some action steps were taken; most were postponed pending direction from the new administration.

25. Complete space needs analysis to address facility and operations needs for library, parks and museum programs and administrative operations. (Council Goals 1, 6, and 10)

Needs analysis has been completed and there will be a report to City Council early in 2008.

26. Continue to pursue County, State and federal funds for development of infrastructure in waterfront redevelopment areas and for other City projects and programs. (All Council Goals)

Despite support by local legislators, requests for waterfront redevelopment funding (above the several million dollars previously awarded the City) were unsuccessful due to the U.S. Congress' elimination of member-requested project funding at the federal level and the decision by the State Legislature to fund only state transportation projects.

Notwithstanding this, several local entities received capital funds including \$1 million for the Art and Children's Museum. Municipal court public defense needs were again awarded \$200,000. Other grant awards: Fraser Street pedestrian/bike safety program (\$888,560), Northwest/McLeod Road safe routes to schools program (\$780,600), the Pickford Cinema (\$325,000), the Food Bank (\$400,000), the Arc of Whatcom County (\$158,000), and Brigid Collins House (\$200,000).

**Departmental Objectives for 2007 with Accomplishments
(continued)**

The Legislature also passed legislation allowing the City's cost of "green power" to be allocated to the funds using electricity (rather than be paid out of the general fund exclusively) and clarified LIFT authority to allow flexibility in treatment of historic buildings in the Waterfront Project area.

27. Advocate key issues before the State legislature and the U.S. Congress, including support for sensible transportation solutions, environmental protection and public safety, and opposition to unfunded mandates, initiatives and other measures that interfere with local government authority. (All Council Goals)

The Legislature provided an additional incentive to use of the multi-family housing credit. Also created were the Governor's Puget Sound Partnership and her Innovative Partnership Zone program. Greater flexibility was given to the use of lodging tax. Lastly, local government authority was protected by the defeat of legislation that would restrict public bidding and contracting practices.

28. Pursue governmental partnerships that result in increased or more efficient service delivery. (All Council Goals)

The City continues to work cooperatively with all jurisdictions and closely collaborates with Whatcom County on public safety, disaster preparedness, and Lake Whatcom needs.

29. Provide administrative support to the Bellingham-Whatcom Public Facilities District Board of Directors and help ensure continued implementation of the district's regional center. (Council Goals 3, 5 and 6)

In 2007 the PFD board and staff worked with the City, the Campaign for the Arts, Whatcom Museum Society, and Mount Baker Theatre to achieve a funding plan for museum, theatre and streetscape projects. Along with the Whatcom Community Foundation, the parties subsequently approved a series of agreements to implement the plan, including a Contingent Loan Agreement between the City and PFD. The Art & Children's Museum project broke ground in August, the Phase II Mount Baker Theatre project advertised for bids in November, and the PFD sold just under \$10,000,000 in bonds in December. Beginning in 2008, the Special Projects Manager of the Planning Department will take over PFD management responsibilities while receiving on-going administrative assistance from the Executive Department and other City departments.

Additional Accomplishments:

On November 27, the City transitioned from the administration of Interim Mayor Tim Douglas as newly-elected Mayor Dan Pike began his term of office.

Performance/Activity Measures

The City conducts a biennial Citizen Satisfaction Survey, which will occur next in 2008. The following results are from the first two years of the survey. For the full report of survey results, visit www.cob.org/government/public/opinion/index.aspx.

| Performance / Activity Measure | 2004 Actual | 2006 Actual | 06 Met | Benchmark or Target |
|---------------------------------------|--------------------|--------------------|---------------|----------------------------|
|---------------------------------------|--------------------|--------------------|---------------|----------------------------|

| Executive Management | | | | |
|---|-----|-----|---|----------------------|
| From the biennial Citizen Satisfaction Survey: | | | | |
| Registered voters responding in a scientific survey that agree "Bellingham is generally going in the right direction" | 57% | 55% | | Increase |
| Registered voters responding to a scientific survey that rated Bellingham's quality of life as "excellent" or "good" | 92% | 94% | ✓ | Maintain or Increase |

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LEGISLATIVE DEPARTMENT

Council Members

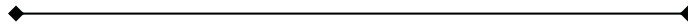
- Jack Weiss
Ward 1
Term 1/08 - 12/11
- Gene Knutson
Ward 2
Term 1/06 - 12/09
- Barry Buchanan
Ward 3
Term 1/08 - 12/11
- Stan Snapp
Ward 4
Term 11/07- 12/09
- Terry Bornemann
Ward 5
Term 1/08 - 12/11
- Barbara Ryan
Ward 6
Term 1/06 - 12/09
- Louise Bjornson
At Large
Term 1/08 – 12/09

2008

Council President – Barbara Ryan

Council President Pro-Tempore – Terry Bornemann

Mayor Pro-Tempore – Stan Snapp



Council Functions

- Exercise legislative authority.
- Represent citizens through legislation and policy direction.
- Anticipate and target issues that affect the community.
- Set community direction and goals for the future.
- Monitor performance of the administration in achieving goals.
- Provide a policy framework for municipal operations and services.
- Serve on standing committees, which act as work sessions.
- Represent the City in regional and intergovernmental affairs.
- Inspire our citizens to become a part of the City's future.

Departmental Budget Summary

| Revenues by Type and Other Sources by Fund | 2006 | 2007 | 2008 | Change from 2007 | |
|--|--------|---------|--------|------------------|---------|
| | Actual | Adopted | Budget | Amount | Percent |

| Revenues | | | | | |
|------------------------------|----------------|----------------|----------------|---------------|--------------|
| <i>Charges for Services</i> | 157,678 | 190,526 | 204,715 | 14,189 | 7.4% |
| Other Sources by Fund | | | | | |
| <i>General</i> | 158,683 | 166,176 | 233,420 | 67,244 | 40.5% |
| TOTAL ALL SOURCES | 316,361 | 356,702 | 438,135 | 81,433 | 22.8% |

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------|--------|---------|--------|------------------|---------|
| | Actual | Adopted | Budget | Amount | Percent |

| Revenues | | | | | |
|------------------------------|----------------|----------------|----------------|---------------|-------------|
| <i>City Council Services</i> | 157,678 | 190,526 | 204,715 | 14,189 | 7.4% |
| Subtotal of Revenues | 157,678 | 190,526 | 204,715 | 14,189 | 7.4% |

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|----------------------|--------|---------|--------|------------------|---------|
| | Actual | Adopted | Budget | Amount | Percent |

| | | | | | |
|-----------------------------------|----------------|----------------|----------------|---------------|--------------|
| <i>Salaries and Benefits</i> | 255,141 | 288,006 | 351,415 | 63,409 | 22.0% |
| <i>Supplies</i> | 20,324 | 16,650 | 17,150 | 500 | 3.0% |
| <i>Other Services and Charges</i> | 19,877 | 30,301 | 46,211 | 15,910 | 52.5% |
| <i>Interfund Charges</i> | 21,019 | 21,745 | 23,359 | 1,614 | 7.4% |
| TOTAL EXPENSE | 316,361 | 356,702 | 438,135 | 81,433 | 22.8% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------|--------|---------|--------|------------------|---------|
| | Actual | Adopted | Budget | Amount | Percent |

| | | | | | |
|------------------------------|----------------|----------------|----------------|---------------|--------------|
| <i>City Council Services</i> | 316,361 | 356,702 | 438,135 | 81,433 | 22.8% |
| TOTAL EXPENSE | 316,361 | 356,702 | 438,135 | 81,433 | 22.8% |

| | | | | | |
|-------------------------|------------|------------|------------|------------|-------------|
| TOTAL PAID STAFF | 8.6 | 8.7 | 9.3 | 0.6 | 6.9% |
|-------------------------|------------|------------|------------|------------|-------------|

Planning Processes

Multiple planning and evaluation processes impact the City of Bellingham. Committees that have been created to facilitate City Council policy development and decision making are listed below. Council member participation in other community planning processes and oversight boards is shown following the committee assignment list.

Committee Assignments

Transportation Committee

Chair: **JACK WEISS**

1. **JACK WEISS**
2. **TERRY BORNEMANN**
3. **STAN SNAPP**

Waterfront Development Committee

Chair: **JACK WEISS**

1. **JACK WEISS**
2. **TERRY BORNEMANN**
3. **GENE KNUTSON**

Finance and Personnel

Chair: **GENE KNUTSON**

1. **GENE KNUTSON**
2. **STAN SNAPP**
3. **LOUISE BJORNSON**

Lake Whatcom Reservoir Committee

Chair: **STAN SNAP**

1. **STAN SNAPP**
2. **GENE KNUTSON**
3. **BARRY BUCHANAN**

Legislative (Committee of the Whole)

Chair (Council President): **BARBARA RYAN**

All Members

Parks and Recreation

Chair: **LOUISE BJORNSON**

1. **LOUISE BJORNSON**
2. **STAN SNAPP**
3. **JACK WEISS**

Planning/Neighborhoods and Community Development

Chair: **TERRY BORNEMANN**

1. **TERRY BORNEMANN**
2. **JACK WEISS**
3. **BARRY BUCHANAN**
4. **LOUISE BJORNSON**

Public Works / Public Safety

Chair: **BARRY BUCHANAN**

1. **BARRY BUCHANAN**
2. **LOUISE BJORNSON**
3. **STAN SNAPP**

Ex-Officio and Other Council Assignments

| | |
|--|--|
| <u>Chamber of Commerce</u> | 1. BARRY BUCHANAN |
| <u>Countywide Housing Affordability Taskforce</u> | 1. TERRY BORNEMANN 2. STAN SNAPP |
| <u>City/County Emergency Medical/Ambulance Advisory Board</u> | 1. GENE KNUTSON 2. BARRY BUCHANAN |
| <u>Convention and Visitors Bureau</u> | 1. TERRY BORNEMANN |
| <u>Council of Governments (COG)</u> | 1. BARRY BUCHANAN 2. LOUISE BJORNSON |
| <u>Economic Development Council</u> | 1. STAN SNAPP |
| <u>Fire Pension Board</u> | 1. GENE KNUTSON |
| <u>Library Board</u> | 1. JACK WEISS |
| <u>Mount Baker Theatre Board</u> | 1. LOUISE BJORNSON |
| <u>Museum Society Liaison</u> | 1. TERRY BORNEMANN (BJORNSON Alternate) |
| <u>Open Space Committee</u> Chair: TERRY BORNEMANN | 1. TERRY BORNEMANN 2. JACK WEISS 3. BARRY BUCHANAN 4. LOUISE BJORNSON |
| <u>Opportunity Council</u> | 1. STAN SNAPP |
| <u>Parks and Recreation Board</u> Parks Committee Chair Parks Committee Member Parks Committee Member | 1. LOUISE BJORNSON 2. STAN SNAPP 3. JACK WEISS |
| <u>Police Pension Board</u> Council President President Pro Tempore | 1. BARBARA RYAN 2. TERRY BORNEMANN |
| <u>Port Marina Advisory Committee</u> | 1. JACK WEISS |
| <u>Sister Cities Advisory Board</u> | 1. LOUISE BJORNSON |
| <u>Solid Waste Advisory Committee (County)</u> | 1 JACK WEISS |

Ex-Officio and Other Council Assignments (continued)

Sustainable Connections

1. **STAN SNAPP**

Tourism Commission – Allocation Sub-committee

1. **GENE KNUTSON**

WHAT-COMM Communications Administrative Board – 911

1. **BARRY BUCHANAN**

Whatcom Transportation Authority

1. **BARBARA RYAN**
2. **STAN SNAPP**

2008 Regular City Council Meetings

Resolution No. 2007-37 establishes the dates and times of regular meetings of the Bellingham City Council for 2008. The time for holding regular meetings of the City Council has been fixed at 7:00 p.m. on each of the days listed in the table at right.

Special meetings of the City Council may be called at any time as provided by the Charter of the City of Bellingham and the laws of the State of Washington.

Visit the City's website, www.cob.org, for updated meeting announcements and schedules.

| | <u>2008</u> |
|-----------|-------------|
| January | 7, 14, 28 |
| February | 11, 25 |
| March | 3, 17, 31 |
| April | 14, 28 |
| May | 5, 19 |
| June | 9, 23 |
| July | 14, 21 |
| August | 4, 11 |
| September | 8, 15, 29 |
| October | 6, 20 |
| November | 3, 10, 24 |
| December | 8, 15 |
| | <u>2009</u> |
| January | 5 |

2008 Council Standing Committees

The standing committees will be scheduled on Monday (or Tuesday if Monday is a holiday) afternoons prior to Council meetings on an as-needed basis. The standing committees are:

1. **TRANSPORTATION**
2. **WATERFRONT DEVELOPMENT**
3. **FINANCE AND PERSONNEL**
4. **LAKE WHATCOM RESERVOIR**
5. **LEGISLATIVE**
6. **PARKS AND RECREATION**
7. **PLANNING/NEIGHBORHOODS AND COMMUNITY DEVELOPMENT**
8. **PUBLIC WORKS/PUBLIC SAFETY**

Actual committee meeting agendas, dates and times should be confirmed either through the City of Bellingham website (www.cob.org) or by calling the City Council office or the 24-hour recording line for agenda information at (360) 778-8219.

City Council Goals and Council Objectives for 2008

PREAMBLE:

These goals and the objectives adopted to achieve them are intended to identify the City Council's priorities for 2008, ensure resources are used efficiently and effectively, and establish a basis for measuring the City's success. The goals and performance objectives shown here are representative only, not intended to be a complete or prioritized list, and are numbered for discussion purposes.

Goal 1: Maintain or improve the current level of City services, ensure that all City programs and services help protect or enhance the quality of life in Bellingham and assure that the City's financial and human resources are allocated to achieve the Council's Goals.

Performance Objectives for 2008:

- Focus on maintaining and improving existing services.
- Anticipate the impact of pending annexation requests and possible fluctuations in the economy.
- Conduct Council review of performance measures.
- Explore methods for periodic, city-wide performance audits of departments and programs.
- Address Council staffing needs, resources, ongoing training, and orientation for new members.

Goal 2: Protect and improve the quality of drinking water in the Lake Whatcom Reservoir.

Performance Objectives for 2008:

- Establish policy to restrict development, minimize impacts from development, and manage protected lands in the watershed.
- Establish performance criteria for Goal 2.
- Enable the City's Transfer of Development Rights.
- Reactivate City effort to seek federal and state funding for watershed protection.
- Revisit the need to increase land acquisition funding.

City Council Goals and Council Objectives for 2008 (continued)

Goal 3: Continue to develop a vibrant downtown that includes a mix of residential, commercial, educational, retail, and cultural uses and amenities with connections between the downtown and waterfront areas.

Performance Objectives for 2008:

- Implement parking capacity improvements planned in 2007.
- Identify the Parking Commission's short-range plans and long-range plans and initiate early action items.
- Identify sites and begin planning for a parking facility.
- Implement Public Facilities District work focus to support downtown core and Arts District work.
- Increase active involvement of the business community in planning.
- Explore the implementation of an entertainment district for downtown.

Goal 4: In partnership with the Port of Bellingham and the broader community, establish and implement a plan to redevelop the central waterfront to substantially reduce contaminants and improve environmental health, increase living-wage jobs, provide public access, recreation and housing, and complement the downtown core and the City's other neighborhoods.

Performance Objectives for 2008:

- Integrate the Waterfront to the downtown core and other neighborhoods.
- Advance bike/pedestrian routes to Waterfront in early planning and design.
- Complete development agreement with the Port of Bellingham.

Goal 5: 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.

Performance Objectives for 2008:

- Revisit the issue of a Landlord Accountability ordinance.
- Plan for more neighborhoods working interdependently on broad issues, e.g., transportation.
- Examine the schedule for neighborhood plan updates and address issues of equity in timing of plan updates.
- Increase number of neighborhood plan updates.
- Be ready to implement neighborhood plan updates.
- Emphasize historic preservation.
- Plan for annexations.

City Council Goals and Council Objectives for 2008 (continued)

Goal 6: Protect and enhance the City's cultural, educational, recreational, and environmental assets.

Performance Objectives for 2008:

- Develop proposal for percentage of fund allocation for the arts.
- Implement next steps on Cultural District and Mount Baker Theatre improvements.
- Review the history and criteria for hotel/motel tax allocation decisions.

Goal 7: Improve coordination of transportation, parking and land use decisions to provide a system that effectively moves people and goods through and around the City.

Performance Objectives for 2008:

- Research and direct staff to bring a proposal for a Transportation Advisory Committee.
- Assess and prioritize locations for Safe Routes to Schools improvements.

Goal 8: Support development of a more diverse and sustainable economy by providing services that maintain a high quality of life. Work with businesses and agencies to support economic development activities that increase living-wage jobs in Bellingham.

Performance Objectives for 2008:

- Follow up on actionable items from 2007 business survey.
- Identify the City's most effective role to improve business.
- Finalize the economic development strategy and explore creating an Economic Development element for Bellingham's Comprehensive Plan.
- Involve the business community in neighborhood planning.
- Facilitate cooperation among the Downtown Renaissance Network, Lettered Streets and Cornwall neighborhoods on the Fountain District village center.

Goal 9: Improve communication between the City and its citizens about all goals, priorities, and challenges.

Performance Objectives for 2008:

- Ensure that BTV10 programs are directly tied to the city's priorities.
- Explore use of BTV10 for emergency notification.
- Review plan for taping of afternoon council committee presentations and other special meetings.
- Consider establishing a citizen outreach review board for BTV10.

City Council Goals and Council Objectives for 2008 (continued)

Goal 10: Support programs and provide facilities that serve low income families and individuals.

Performance Objectives for 2008:

- Consider the implementation of the Affordable Housing Task Force recommendations.
- Work with the Association of Washington Cities to promote increased federal funding for the Community Development Block Grant program.
- Consider the implementation of the recommendations by the Whatcom Prosperity Project Advisory Committee based on the report, "Experiences of Poverty in Whatcom County" which was coordinated by the Whatcom Coalition for Healthy Communities.

Goal 11: Improve the City's disaster preparedness and response capability.

Performance Objectives for 2008:

- Implement emergency preparedness education at the neighborhood level.
- Continue outreach and coordination with Whatcom County.

City Council Objectives for 2007 with Accomplishments

Goal 1: Maintain or improve the current level of City services, ensure that all City programs and services help protect or enhance the quality of life in Bellingham and assure that the City's financial and human resources are allocated to effectively and efficiently achieve the Council's Goals.

Performance objectives for 2007:

1. By March review, revise and adopt updated Council Goals and Objectives for 2008.

Proposed departmental objectives were presented to Council on July 23rd. Council reviewed and revised objectives; 2008 Council Goals and Objectives that were adopted in September appear on preceding pages.

2. By May review, revise and adopt updated budget policies to provide specific guidance for the administration's 2008 preliminary budget.

The policies appear on pages 33-38 and are incorporated into the adopted budget.

3. By October, clarify or establish level of service standards for the City's major programs and publish a report that summarizes these standards.

Further action on this objective is on hold until the new City leadership is in place. At that time the project will be revisited to ensure its objectives align with the new leadership's priorities.

4. By December review, revise and adopt performance measures to be used to monitor the performance of all departments.

In consideration of the recent change in City leadership, the project has been put on hold and will likely be re-scoped.

5. Provide an adequate operational funding plan for any new capital facility.

- *This condition was incorporated into a capital and operational Memo of Understanding (MOU) with the Museum Society, PFD, Mt. Baker Theatre, and Campaign for the Arts.*
- *2007 Budget includes operational costs for capital projects. 2008 Budget will continue this practice.*

6. Adopt plans and provide funding to ensure that internal City business systems (computers, phones, software programs, fleet, etc.) and existing capital facilities are properly maintained and updated.

Departmental accomplishments related to this goal:

- *HR and ITSD staff have installed new P/HRIS system software and are testing system for Second Quarter 2008, Phase 1 go-live. Some 2007 milestones have not been met due to resource limitations and system complexity challenges.*
- *ITSD Staff have worked with departments to select a new telephone system, contract has been negotiated, and installation will take place between December 2007 and February 2007. Project is coming in under budget; budget has been reduced from \$1.7M to \$1.5M.*

City Council Objectives for 2007 with Accomplishments (continued)

The Public Works Department has completed the following milestones:

- *Successfully completed one pilot filter testing study that evaluated several new polymer coagulant aids for use at the City's water treatment plant and used the findings to produce specifications for bidding the new polymer coagulant aid.*
- *Enhanced the Pavement Replacement Utility Viewer (PURviewer) ArcMap application processes by adding automation to the updating of utility and overlay project information.*
- *Developed a storm water utility replacement list from analysis of TV scan data.*
- *Completed the Eldridge water main replacement.*

Goal 2: Protect and improve the quality of drinking water in the Lake Whatcom Reservoir.

Performance objectives for 2007:

1. Develop, communicate and implement a specific action plan with performance measures to assess progress. This plan will include at least the following:
 - Identify funding required to implement the action plan. **Completed**
 - Acquisition of development rights on otherwise buildable land in the watershed to preserve and enhance the land for protection of water quality. **Ongoing**
 - Stormwater detention and treatment at both the macro and micro level. **Ongoing**
 - Programs or/and policies that promote changes in human behavior within the watershed to minimize degradation of water quality. **Ongoing**
 - Updated Water Supply Protection Plan to describe how the City will meet operational, technical, managerial and financial responsibilities to provide safe drinking water. **Completed**

The Public Works Department has completed the following milestones:

- *The Draft 2008 Work Plan was presented to the Joint Councils on November, 1 2007. A revised version with funding and staff requirements was sent to Council in late November. Council also received a list of issues needing policy level decisions before additional issue specific Work Plan tasks can be developed.*
- *Land Acquisition – No new update since the purchase of the Davis property. Program totals including joint: 1,341 acres, 667 units total.*

City Council Objectives for 2007 with Accomplishments (continued)

- *Stormwater - Completed draft comprehensive stormwater plans for phosphorus control and will implement recommendations to reduce stormwater inputs. The City and County will coordinate these efforts. Completed Lake Whatcom comprehensive stormwater plans for phosphorus control and will implement recommendations to reduce stormwater inputs. The City and County will coordinate these efforts. Constructed stormwater facilities at E. Oregon, E. North, Hayward Drive and Pullman Street. These included pilot usage of first Filterra unit in the State of Washington and Prototype Alumina Sand Filter, both new phosphorus removal technologies.*
 - *Education – Pledge Program information was delivered door to door by the Silver Beach Neighborhood Association with staff support.*
 - *34 residents have completed the Lake Whatcom Stewards Pledge online at the City's website.*
 - *The 2007 Lake Whatcom Water Source Protection Plan was completed and adopted by Council on December 3, 2007.*
2. By December 2007, register 270 or more Bellingham households within the Lake Whatcom watershed as stewards pledging not to use phosphorous fertilizers.

The Public Works Department has completed the following milestones:

- *The effort to register Pledge households will continue with a BTV10 promo that encourages residents to participate.*
 - *34 watershed households have taken the pledge online.*
3. By December 31, sign agreements with at least 5 households within the watershed to undertake micro stormwater management projects on their property.

The Public Works Department has completed the following milestones:

- *Assessed seven properties for restoration actions. Two properties were judged unsuitable.*
- *All property owners have been contacted and retrofits were discussed. Two properties determined they did not want to participate this year. One property is on hold until next year due to materials problems.*
- *Program is being revised to provide flow dispersion via rain barrel retrofits and additional participants being sought.*
- *Staff working on grant for expanded micro stormwater management for years 2008 - 2010.*

City Council Objectives for 2007 with Accomplishments (continued)

4. During 2007, sign agreements to acquire 260 or more acres of undeveloped watershed land or development rights.

The funds available to purchase 50 acres were acquired in 2007. Work continues on a delayed payment purchase.

5. By September 2007, present the Water Supply Protection Plan to the City Council for adoption by the end of the year.

The Public Works Department presented the Lake Whatcom Water Source Protection Plan to City Council and the plan was adopted on December 3, 2007.

6. Evaluate existing Transfer of Development Rights Program by March 2007 and report to the City Council on recommended actions to make it more effective.

An updated version of the staff briefing paper is being prepared jointly by City and County staff.

7. Evaluate long-term management responsibilities of watershed properties acquired to date.

The restoration contractor hired to determine management needs for each acquisition property has completed that task and has been implementing restoration and management projects for the Lookout Mountain, Three Creeks and Agate Bay Preserves.

8. By June 2007 meet with Whatcom County Council to explore ways to reduce overall impervious surface, stormwater, density in Geneva, Hillsdale, Sudden Valley and the watershed as a whole.

The Public Works Department has completed the following milestones:

- *Conducted seven Intergovernmental Coordinated Team meetings, four Data Management meetings, two Management Committee meetings and provided staff support to the Watershed Advisory Board.*
- *Held a meeting with Sudden Valley Community Association General Manager to discuss issues.*
- *Met with Silver Beach Neighborhood Association and completed information piece for Residential Stormwater Retro-fit program.*

Additional Public Works Department Accomplishments related to Council Goal 4:

- *Tributary monitoring of several water quality parameters commenced Fall of 2007. The work will begin to fill gaps in nutrient loading and other water quality data.*
- *The TMDL model that will assist development of the TMDL Allocation Report has been completed. City and County staff have received basic training in model use.*
- *Gained support from our project partners for a Middle Fork diversion fish passage project funding strategy.*
- *Evaluating a less costly option to the fish passage project structure.*

City Council Objectives for 2007 with Accomplishments (continued)

Goal 3: Continue to develop a vibrant downtown that includes a mix of residential, commercial, educational, retail, and cultural uses and amenities with connections between the downtown and waterfront areas.

Performance objectives for 2007:

1. Implement priority projects and programs outlined in the City Center Master Plan creating a more vibrant downtown which encourages additional private business and residential investment.

The Planning and Community Development Department has completed the following milestones:

- *The Holly Street Corridor project was completed in 2007.*
- *Completed plans for the Arts District streetscape and awarded bids for improvements at Art & Children's and Champion Street.*
- *Partnered with Downtown Renaissance Network on the street maintenance and landscaping program.*
- *Installed artworks at Depot Market Square.*
- *Supported numerous downtown events such as La Bella Strada Festival and Downtown Sounds.*

2. Help strengthen downtown organizational efforts by promoting continued coordination among City departments and non-profit and private entities with interests in downtown.

The Planning and Community Development Department has completed the following milestones:

- *Monthly meetings and regular communications with five economic development organizations that the City funds.*
- *Continue to work closely with the Downtown Renaissance Network and stakeholders in the area.*
- *Monthly meetings with Mayor and Department Heads to focus on implementing the City Center Master Plan and raising issues facing downtown.*
- *Additional coordination with Arts District non-profit and private sector entities.*

3. Assist in securing state and federal funds for infrastructure in waterfront redevelopment areas and for other City projects and programs.

Executive department staff assisted in securing \$1 million for WWU's waterfront planning.

4. Identify site(s) and begin planning for downtown parking capacity, structure(s).

A potential site has been identified at the corner of Cornwall Avenue and Maple Avenue. The existing surface parking lot has been offered for sale. Public Works department staff has ordered an appraisal and is conducting a feasibility study.

City Council Objectives for 2007 with Accomplishments (continued)

Goal 4: In partnership with the Port of Bellingham and the broader community, establish and implement a plan to redevelop the central waterfront to substantially reduce contaminants and improve environmental health, increase living-wage jobs, provide public access, recreation and housing, and complement the City's other neighborhoods.

Performance objectives for 2007:

1. Develop and implement a public involvement plan to guide this effort.

Public involvement plan is in development. Master Plan, EIS, opportunities for public involvement and other information about Waterfront development may be viewed at <http://www.cob.org/services/neighborhoods/community-planning/waterfront/index.aspx>

2. Refine the City financial model to reflect the City's investment in infrastructure and determine sustainable economic results.

Information from the EIS alternatives and market absorption studies will be used to refine the City's financial model.

3. Complete an Environmental Impact Study.

Draft EIS is available for viewing at the above web page.

4. Identify and prioritize infrastructure projects, costs and funding mechanisms.

This is dependent on determination of the preferred alternative that will result from the EIS process.

5. Identify funding for highest priority projects.

This is dependent on determination of the preferred alternative that will result from the EIS process.

6. Draft a Waterfront Master Plan (Subarea Plan), Development Regulations.

These actions will be completed in 2008.

7. Draft and consider a Development Agreement that clearly indicates responsibilities of the City and of the Port to implement the Waterfront Master Plan.

These actions will be completed in 2008.

City Council Objectives for 2007 with Accomplishments (continued)

Goal 5: Develop and implement plans that preserve and shape Bellingham as a city of neighborhoods that function interdependently as a vibrant, livable community with a distinct sense of place.

Performance objectives for 2007:

1. The plans and their strategic implementation will:
 - Be guided, but not driven by, the Washington State Growth Management Act.
 - Respect the character of the City's neighborhoods while incorporating design and flexibility to provide for infill as an alternative to suburban sprawl.
 - Connect a revitalized central waterfront to a vibrant downtown.

Revised six neighborhood plans pursuant to neighborhood initiated proposals. Completed Planning Commission review of Old Town Sub-area Plan and development regulations. Supported several neighborhood with their neighborhood efforts..

2. Provide technical assistance to ten neighborhood associations to assist in the update of plans for their neighborhoods, ensuring that they are consistent with the Comprehensive Plan and that they represent a neighborhood consensus.

Information and assistance provided by Planning and Community Development are on-going. Three neighborhoods submitted complete plan update proposals for review in 2008 - Silver Beach, Fairhaven and Sehome. Others are working on proposals for review in 2009.

3. Adopt design guidelines and development standards for at least three of the urban villages identified in the Comprehensive Plan.

The Old Town Sub-Area Plan and Development regulations are being reviewed by the Bellingham Planning Commission. A recommendation will be forwarded to City Council first quarter of 2008. In 2008, planning staff will identify and begin to work with stakeholders on developing plans for other priority urban villages, including the waterfront.

4. Assure that all development proposals approved in 2007 have consistent integration of parks and trails in new development in neighborhoods.

The City is on target for assuring that new development integrates park and trail elements of our Comprehensive Plan.

5. Complete service cost analysis of proposed annexations requested in the Urban Growth Areas. Approve, approve with mitigation, or deny annexation including consideration of the analysis and the policies of the Comprehensive Plan.

Planning staff reported to Council in June. Consultant was hired in December to look at potential annexation of entire northwest UGA, including the Bellingham Airport property.

6. Complete a plan for and begin acquisition of regional and neighborhood parks, open space and trail sites in the under-served north Bellingham area.

Agreement on land acquisition approved in June.

City Council Objectives for 2007 with Accomplishments (continued)

Goal 6: Protect and enhance the City's cultural, educational, recreational, and environmental assets.

Performance objectives for 2007:

1. Review proposals and adopt measures to improve library services to the entire community, including replacement of the central library, upgrades to the Fairhaven Branch, and arrangements for extending appropriate and affordable library services in the northern and northeastern portions of the city.
 - *Central Library site selected - January, 2007.*
 - *Fairhaven Branch Condition Assessment completed.*
 - *Consulting team selected for development of Library Building Program Statement including community involvement; began in 4th Quarter.*
 - *Drop off and pick up service established at Whatcom Community College (WCC) in September. Letter of interest from Library Board sent to WCC President (in November) to explore partnership library facility on campus.*
 - *Design development in progress for pilot library presence at Barkley Village, including drop off and pick up service, small materials collection, and "reading room" services in partnership with Barkley Corp. Target opening: Spring, 2008.*
2. Develop a viable organizational structure and business plan for the new Art and Children's Museum (ACM).

A Business Plan Draft has been submitted for review by the Museum Society Board and other stakeholders. A City / Museum Society agreement (MOU) begins a dialog on how best to structure the governing authority of the museum to ensure a successful future.
3. Issue bonds and award a construction contract for the ACM when adequate capital and operating funds are raised by private sector partners.

A City / PFD Contingent Loan Agreement was approved and PFD bonds were issued in December. Art and Children's Museum construction continues.
4. Acquire a site for a neighborhood park in the Meridian/Cordata neighborhood.

Site purchase and sale agreement approved.
5. Engage the public in prioritizing implementation of Greenways III.

Two public outreach meetings were conducted, a web-based solicitation of public suggestions was implemented, a Greenway Committee retreat was conducted and Greenway Committee is currently completing "Prioritization Guidelines."
6. Update the Parks impact fee ordinance.

Council adopted resolution updating the fees on April 30.

City Council Objectives for 2007 with Accomplishments (continued)

Goal 7: Improve coordination of transportation, parking and land use decisions to provide a system that effectively moves people and goods through and around the City.

Performance objectives for 2007:

1. Devote at least 25% of the projects in the 6-year TIP to improve and expand the community's bicycle and pedestrian facilities. To qualify, a project must be either specifically for the purposes of adding bicycle or pedestrian facilities, or, a roadway project that includes both bicycle and pedestrian facilities where none now exist.

Completed.

2. Achieve the following goals contained in the Transportation Element of the Comprehensive Plan:

- a. Bring forward changes to the BMC and street standards that assist staff in implementing the goals.

Public Works and Planning and Community Development staff are working together to ensure a comprehensive approach to amending the BMC. Changes will be brought forward to Council in 2008.

- b. TG-3: Continue to hold quarterly breakfasts with WSDOT and all public works agencies in the county for the purposes of coordinating transportation projects and cooperatively solving problems.

Four completed in 2007 and four more are scheduled for 2008.

- c. TG-9: Move forward on the Sunset Phase II project which will help to ensure a regional system of state highways and local arterial streets that is functional, well maintained, and meets the demands of the future without disrupting individual neighborhoods.

Design and right-of-way acquisition are underway. All relocations (two) have been completed. Project is scheduled for bid in the spring of 2008.

- d. TG-23: Continue to support transit when reviewing and approving development plans.

Done.

- e. TG-17: Continue to work in the Farmhouse Gang, TTAC, WCOG and other regional forums to increase intermodal transportation.

Done.

3. Complete the following actions to improve parking in 2007.

- a. Identify site(s) and begin planning for downtown parking structure(s).

A potential site has been identified at the corner of Cornwall Ave and Maple Ave. The existing surface parking lot has been offered for sale. Staff has ordered an appraisal and is conducting a feasibility study.

City Council Objectives for 2007 with Accomplishments (continued)

- b. Complete the financial analysis of the Parking Fund necessary to be able to bond for new parking structures.

Financial analysis is complete and indicates that bonding is not feasible at the current time.

- c. Work with the Library Board to determine if there is a possible partnership for underground parking in the Civic Center, making sure that this project does not take priority over or conflict with the downtown parking structure.

Public Works is providing direct support to the Library Director by staffing the Library Program Committee with parking personnel to ensure this goal is met. The Superintendent of Transportation and Communications is a member of the library Program Committee, which is advisory to the library's consulting team in developing the Library Building Program Statement. Library planning update was discussed at the Parking Commission meeting on 11/29/07.

- d. Work to evaluate the possibilities and systems whereby the parking system might own or lease parking spaces in other buildings being constructed by the private sector in the downtown core.

Evaluation indicates that although legally feasible, sufficient parking revenues or Parking Fund reserves do not exist at this time to fund such a program.

4. Partner with the WTA by implementing specific City policies to increase transit ridership within Bellingham. This would include continued efforts to improve the percentage participation in the Commute Trip Reduction (CTR) programs for City staff, as well as efforts to encourage CTR for other major employers in the community.

Draft CTR Plan presented to City Council in September 2007. Plan submitted to State for approval. Council will be asked to adopt the final plan in April 2008.

5. Report on Public Works neighborhood engagement efforts and list identified projects for transportation improvement. This specifically includes the Neighborhood Transportation Safety Program (NTSP). Under NTSP, each neighborhood will identify their Top 3 priority list for residential streets. Public Works staff will then conduct traffic counts, score and evaluate each submittal to identify projects to be completed within the budgeted funding. This will be an enhancement to the NTSP projects completed in neighborhoods in 2006.

Completed. Program was very well received by neighborhoods.

Additional Public Works Department Accomplishments related to Council Goal 7:

- *Upgraded 10 signalized intersections along major commuter routes with Intelligent Transportation System (ITS) components.*
- *Completed Alabama/Woburn intersection improvements (right turn lanes).*
- *Completed Puget Street bike and pedestrian improvements.*

City Council Objectives for 2007 with Accomplishments (continued)

Goal 8: Support development of a more diverse and sustainable economy by providing services that maintain a high quality of life. Work with businesses and agencies to support economic development activities that increase living-wage jobs in Bellingham.

Performance objectives for 2007:

1. Direct an internal work group to analyze City programs and policies which support or inhibit the success of existing businesses, particularly small enterprises.

Completed an economic development survey of local economic development agencies and continue to meet regularly to analyze City programs and policies with our internal work group.

2. Conduct a survey of local businesses to identify City activities, programs and practices that enhance business success and those that inhibit it.

Results were presented to City Council in September. The report is available at www.cob.org/government/public/opinion/index.aspx.

3. During 2007, identify the three most promising employment sectors for increased production of living-wage jobs in Bellingham, keeping in mind the State's recent identification of medical, high tech, biofuel and tourism.

Three sectors identified are:

1. *Tourism*
2. *Technology (TAG)*
3. *Waterfront Redevelopment*
 - *Remediation*
 - *Technology*
 - *Marine Trades*

4. By August 2007, use the information from #1 and #2 to identify appropriate policy or procedure changes.

To be incorporated into strategic plan.

5. Develop a Strategic Plan for Bellingham's economic development.

Met with "ED Practioners" group in October to discuss survey results and action steps.

6. Define requirements for permitting and Building Services that improve predictability, meet projected timelines, achieve cost recovery benchmarks, and maintain needed funding levels.

Using the results of the quarterly survey to identify specific changes.

7. Conduct an inventory of existing downtown businesses by sector and identify gaps that may exist, strengths, etc, which will assist the economic development agencies in attracting certain business activity to the area.

Report to Council in early 2008.

City Council Objectives for 2007 with Accomplishments (continued)

8. Identify existing and potential light industrial lands in Bellingham and UGA to resolve the identified shortage.

Not done - nor on 2007 PCD work program. Scoping underway. 2008 budget identifies funding for this work. The Planning Department has allocated staff resources to complete this work in 2008.

Goal 9: Improve communication between the City and its citizens about all goals, priorities, and challenges.

Performance objectives for 2007:

1. Develop communications plans for City priorities, identifying action steps to ensure that timely, accurate information is available about City goals, how they will be achieved, and how people can become involved in key decisions, and accomplishments.

- *Implemented communication plan for Public Works capital projects to engage neighborhood input and participation on upcoming projects.*
- *Implemented Lake Whatcom water quality communication plan.*
- *Developing Library communications plans.*
- *Coordinated communication implemented through PFD / Museum / Mount Baker Theater / Campaign for the Arts collaboration.*

2. By the end of 2007, increase the usefulness of the City website by using industry best practices and citizen feedback to improve its organization, search functions and visual design.

New web site was launched October 26, 2007. Public feedback has been positive. People appreciate the "search" features, easier-to-find content, and strong visuals.

3. Increase the number of visitors to the City's website. Post at least one new feature article per week on the City's homepage.

The number of unique visitors to the City's website in 2007 increased 16% over 2006. Steps taken to increase visitors included promoting use of the website internally, making presentations to neighborhood leaders, and more frequent posting of City news and information. At least one new feature or news release (usually more) was posted on the City website each week.

4. Increase the number of City-produced BTV10 programs that address City goals, priorities, and accomplishments.

BTV10 programming is directed toward topics identified as City priorities whenever possible. Most individual segments of the City-produced program "Inside Bellingham" featured City priorities, as did many special programs.

City Council Objectives for 2007 with Accomplishments (continued)

5. Complete and evaluate neighborhood services pilot project and recommend next steps to incorporating most effective practices into on-going City operations.

Continuing multiple programs. Neighborhood Services Coordinator full-time position was approved, advertised in August, and filled with a start date of October 22.

6. Develop an action plan to implement the recommendations of the 2006 Public Involvement Assessment Report.

The Executive Department presented the 2006 Public Involvement Assessment Report to City Council in the last quarter of 2006 along with a preliminary action plan. The report may be viewed at: www.cob.org/government/public/opinion/index.aspx Some action steps were taken; most were postponed pending direction from the new administration.

Goal 10: Support programs and provide facilities that serve low income families and individuals.

Performance objectives for 2007:

1. Identify the intended target groups and areas with the highest priority needs and then provide a report to City Council on the extent to which funding allocated for recreation programs is being spent on the these groups and needs.

After review in 2007, Parks & Recreation re-designed the Parks Scholarship Program in January 2008 to better meet the needs of low income families and individuals. The program has changed from scholarships of a 50% discount per program varying in quantity per year based on price of the program and whether the participant is a child or an adult to a flat \$200 per year scholarship for each eligible person. Revisions to the program provide more recreational opportunities for qualifying individuals and simplify the program for the public to use and park staff to administer. The Parks Scholarship Program identifies three target groups with the highest priority need:

- *Adults with disabilities*
- *Families with children who qualify for the USDA Federal Lunch Program or TANF or Food Stamps*
- *Foster children*

2. Review and consider recommendations from the Affordable Housing Task Force and using that information, create a list of legislative and program changes that will result in an increase of at least 6,000 units--the number of homes available to those earning 80% or less of the median family income in Bellingham by the year 2022.

Identified 61 tools and associated costs / benefits, policy and legal issues. Assembled (and currently reviewing) a list of 121 potential actions for consideration by City and County Councils. The completed draft recommendation is scheduled for February 2008 with final recommended actions with implementation planned for consideration by Councils in March.

City Council Objectives for 2007 with Accomplishments (continued)

3. Review the work of the Affordable Housing Task Force for inclusion in the Consolidated Plan, scheduled to be updated in 2007.

Appropriate actions, based on findings and recommendations from #2 above, for CDBG/HOME funding will be incorporated into 2009 Consolidated Plan.

Goal 11: Improve the City's disaster preparedness and response capability.

Performance objectives for 2007:

1. Provide disaster related training and exercises for City employees.
 - *Conducted and participated in two disaster drill exercises:*
 1. *Black Orca terrorism full scale exercise*
 2. *Lake Whatcom spill response tabletop exercise*
 - *Secured acceptance into FEMA's Integrated Emergency Management Course for the City of Bellingham. Course delivery slated for third quarter 2008.*
2. Establish effective relationships with neighborhood associations.
 - *Participated in the Guide Meridian/Cordata Neighborhood Association Disaster Preparedness Summit.*
 - *Introduced a new neighborhood disaster preparedness and response program – "Map Your Neighborhood" to the Mayor's Neighborhood Advisory Committee (MNAC).*
 - *Through MNAC, formed City-wide Neighborhood Disaster Preparedness Committee of neighborhood association representatives to implement neighborhood level disaster preparedness through the Map Your Neighborhood program.*
 - *Promoting new emergency management program and individual/neighborhood preparedness via BTV10.*
3. Define a public safety education model integrating trauma prevention, fire safety, crime prevention, and disaster preparedness.

Neighborhood Disaster Preparedness Committee and the Map Your Neighborhood program is integrating work with Block Watch crime prevention volunteers and other public safety programs.
4. Develop a working relationship with the Emergency Management program at Western Washington University.

Engaged with WWU's Emergency Management Program and serve on the Program's Advisory Committee.
5. Develop and implement a plan to collaborate with Whatcom County on Emergency Management issues.

Developed a one-year agreement with Whatcom County for emergency management services.

City Council Objectives for 2007 with Accomplishments (continued)

6. Organize human and facility resources dedicated to emergency management services.

Opened leased office space and moved Office of Emergency Management and Training Divisions into this space.

7. Apply for grant funding to provide disaster preparedness supplies for low-income families and individuals.

Secured \$300,000 in pipeline settlement funds targeted for improving preparedness of overall community.

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NON-DEPARTMENTAL

Non-Departmental is for City-wide expenditures that are not specific to any City department. It includes expenditures such as debt service, interfund transfers to reserve funds, and the General Fund contribution to Cemetery and Medic One Funds.

Budget Summary

| Revenues by Type and Other Sources by Fund | 2006 | 2007 | 2008 | Change from 2007 | |
|--|--------|---------|--------|------------------|---------|
| | Actual | Adopted | Budget | Amount | Percent |

| Other Sources by Fund | | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|--------------|
| General | 5,297,676 | 3,685,386 | 3,491,757 | (193,629) | -5.3% |
| 2nd 1/4% Real Estate Excise Tax | 616,091 | 622,767 | 638,152 | 15,385 | 2.5% |
| Subtotal Reserve Adjustments | 5,913,767 | 4,308,153 | 4,129,909 | (178,244) | -4.1% |
| TOTAL ALL SOURCES | 5,913,767 | 4,308,153 | 4,129,909 | (178,244) | -4.1% |

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|----------------------|--------|---------|--------|------------------|---------|
| | Actual | Adopted | Budget | Amount | Percent |

| | | | | | |
|-------------------------------|------------------|------------------|------------------|------------------|--------------|
| Supplies | 3,718 | - | - | - | -- |
| Other Services and Charges | 29,562 | 120,000 | 120,000 | - | 0.0% |
| Intergovernmental Services | 175,210 | 285,312 | 280,511 | (4,801) | -1.7% |
| Interfund Charges | 2,000,000 | - | - | - | -- |
| Subtotal of Operations | 2,208,490 | 405,312 | 400,511 | (4,801) | -1.2% |
| Capital Outlay | - | 130,000 | - | (130,000) | -100.0% |
| Interfund Transfers | 3,705,277 | 3,772,841 | 3,729,398 | (43,443) | -1.2% |
| TOTAL EXPENSE | 5,913,767 | 4,308,153 | 4,129,909 | (178,244) | -4.1% |

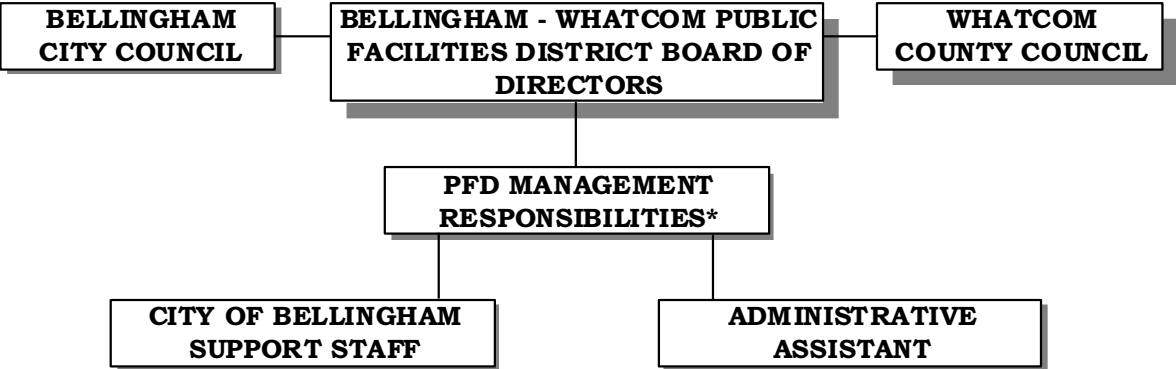
Significant Expenditure Changes

- Capital Outlay is decreasing because the Waterfront Development project costs that were originally budgeted as Non-Departmental are now consolidated under the Waterfront Group, which is part of the Executive Department.

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BELLINGHAM – WHATCOM PUBLIC FACILITIES DISTRICT

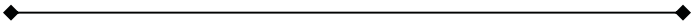
The Bellingham-Whatcom Public Facilities District (PFD) is a separate Washington municipal corporation and an independent taxing authority. The City of Bellingham provides administrative services and financial management to the PFD through an interlocal agreement.



*Beginning in 2008, PFD management responsibilities are assigned to a Special Projects Manager in the Planning and Community Development Department.

Mission

Fund a Regional Center in Bellingham to increase economic prosperity and lay a foundation for future public and private investment in our community.



Visit us on our website at www.bwpfd.org

Description of Services

The Bellingham-Whatcom Public Facilities District was formed by the Bellingham City Council and the Whatcom County Council in July 2002 to build a regional center in Bellingham. State legislation passed in 1999 allowed such districts to be formed so that a 0.033% state sales tax rebate could be returned to cities and counties for the purpose of constructing a regional center. This means for every \$1,000 in state sales tax collected in Bellingham and Whatcom County, 33 cents is returned to our community through the PFD.

The PFD Board is using its funding authority to support Regional Center projects located in the downtown Bellingham civic center area, including:

- Construction of Phase I of the Mount Baker Theatre.
- Construction of all or a portion of the streetscape.
- Design and renovation of existing space for Museum purposes.
- Design and construction of new Museum facilities.
- Acquisition of additional property for other components of the Regional Center.
- Construction of Phases II and/or III of the Mount Baker Theatre.
- Design and construction of one or more performing arts facilities.
- Related parking facilities.

Regional Center projects funded by the PFD are intended to be sustainable, provide a solid foundation for further development by the public and private sector, and represent a wise use of public funds. Regional Center projects must be located in Bellingham's Civic Center.

As part of its initial project, the District purchased properties in the Mount Baker Theatre block providing space for theatre expansion. Phase I of Mount Baker Theatre renovations, including construction of a new 200 seat Studio Theatre, were completed in September, 2004. The District also purchased real property at 216 Grand Avenue as the future site of the proposed Art and Children's Museum. Design work for the new Art & Children's Museum is complete and construction began in August, 2007. Design work on Phase II of the Mount Baker Theatre renovations is also complete, with advertising for bids initiated in November, 2007. Total capital costs for real property purchases and capital project design and construction to date total approximately \$8 million.

The City advanced funds to the PFD in 2003 and 2004 using interfund loans. These loans were repaid from a \$9.4 million bond issue in November, 2004. Ongoing bond payments are being made using state sales tax revenues. A \$10 million PFD bond issue planned for November, 2007 and a \$2.5 million loan from the City will provide additional financing for Regional Center projects. A private fundraising group, the Campaign for the Arts, expects to raise \$4 million for capital project costs and \$4.2 million in operating endowments for the theatre and the museum.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------------|------------------|-------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Taxes | 1,098,666 | 1,144,500 | 1,203,442 | 58,942 | 5.2% |
| Intergovernmental | 6,055 | - | - | - | -- |
| Miscellaneous | 215,990 | 165,686 | 288,846 | 123,160 | 74.3% |
| Non-Revenues | - | - | 2,885,000 | 2,885,000 | -- |
| Other Financing Sources | - | 10,250,000 | - | (10,250,000) | -100.0% |
| Subtotal of Revenues | 1,320,711 | 11,560,186 | 4,377,288 | (7,182,898) | -62.1% |
| Other Sources by Fund | | | | | |
| Public Facilities District | 135,206 | 294,922 | 2,199,275 | 1,904,353 | 645.7% |
| Subtotal Reserve Adjustments | 135,206 | 294,922 | 2,199,275 | 1,904,353 | 645.7% |
| TOTAL ALL SOURCES | 1,455,917 | 11,855,108 | 6,576,563 | (5,278,545) | -44.5% |

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|------------------------------|------------------|-------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Public Facilities District | 1,207,241 | 11,461,681 | 4,172,394 | (7,289,287) | -63.6% |
| Public Facilities Dist Admin | 113,470 | 98,505 | 204,894 | 106,389 | 108.0% |
| Subtotal of Revenues | 1,320,711 | 11,560,186 | 4,377,288 | (7,182,898) | -62.1% |

Significant Revenue Changes

- The decrease in Other Financing Sources is due to the removal of the 2007 bond issue revenue for construction of the Art and Children's Museum and for design work related to Phase II of the Mount Baker Theatre renovations.
- The increase in Non-Revenues is for revenue from an Interfund Loan from the Natural Resources Protection & Restoration Fund to help finance the Art and Children's Museum and for Phase II renovations to the Mount Baker Theatre.
- The increase in PFD Administration revenue is due to an increase in Interest Income for the temporary increase in PFD cash between the bond issue and the actual disbursements for the construction projects.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------|------------------|-------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Salaries and Benefits | 84,057 | 90,521 | 80,505 | (10,016) | -11.1% |
| Supplies | 3,263 | 4,814 | 5,029 | 215 | 4.5% |
| Other Services and Charges | 41,254 | 84,460 | 66,627 | (17,833) | -21.1% |
| Intergovernmental Services | 10,658 | 10,050 | 50 | (10,000) | -99.5% |
| Interfund Charges | 14,554 | 17,583 | 18,839 | 1,256 | 7.1% |
| Subtotal of Operations | 153,786 | 207,428 | 171,050 | (36,378) | -17.5% |
| Debt Service | - | 171,246 | 497,000 | 325,754 | 190.2% |
| Capital Outlay | 760,323 | 10,918,964 | 5,338,240 | (5,580,724) | -51.1% |
| Interfund Transfers | 541,808 | 557,470 | 570,273 | 12,803 | 2.3% |
| TOTAL EXPENSE | 1,455,917 | 11,855,108 | 6,576,563 | (5,278,545) | -44.5% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|------------------------------|------------------|-------------------|------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Public Facilities Dist Admin | 1,455,917 | 11,855,108 | 6,576,563 | (5,278,545) | -44.5% |
| TOTAL EXPENSE | 1,455,917 | 11,855,108 | 6,576,563 | (5,278,545) | -44.5% |

| | | | | | |
|-------------------------|------------|------------|------------|--------------|---------------|
| TOTAL PAID STAFF | 1.0 | 1.0 | 0.5 | (0.5) | -50.0% |
|-------------------------|------------|------------|------------|--------------|---------------|

Significant Expenditure Changes

- Capital Outlay is decreasing due to the removal of \$10.9 million of one-time 2007 costs associated with the Art & Children's Museum. In 2008, \$5.4 million is budgeted for the Phase II renovations at the Mount Baker Theatre.
- The Debt Service cost increase is for the payment of the 2007 bond issue.
- The 0.5 decrease in Public Facilities District (PFD) Paid Staff is due to the transfer of PFD management responsibilities from the PFD to the Planning and Community Development department. The PFD will continue to provide budgetary funding for these tasks.

Planning Processes

Some of the Plans and Planning Processes that guide the Bellingham Whatcom Public Facilities District decision-making and operations are:

- Public Facilities District Board, recommendations to the board from advisory committees, community stakeholder groups and staff.
- The Arts District & Flora Street - Making Places for People Project Steering Committee on Arts District streetscape improvement projects.
- Collaborative financial planning process with Campaign for the Arts, Mount Baker Theatre and Whatcom Museum Society.
- Historic Preservation Commission review of Mount Baker Theatre Phase II renovations.

Specific impacts to 2008 budget development include:

- Mount Baker Theatre Phase II Core Team members worked with project staff to complete design and construction documents and obtain approval from the Historic Preservation Commission for changes affecting historic landmark elements for construction in 2008. Team members also worked with project staff to complete design work and advertise for bids for Phase II renovations. The project is budgeted at \$5.25 million in the PFD's 2008 Budget. Award of the bid is scheduled for January 2008 with construction to be completed on or before November 30, 2008.
- PFD and City staff worked with financial advisors and bond counsel to obtain bond funding for capital projects and PFD board members and City Council approved a Contingent Loan Agreement for additional funding and financial assurance. Principal and interest payments totaling \$497,000 on the bond issue are budgeted in 2008.
- Art & Children's Museum Core Team members worked with project staff to complete, design and bid the project. Construction was budgeted and began in August 2007 and will continue through 2008. Coordinated design and funding plans for Arts District streetscape will result in streetscape construction projects funded from public and private resources. Capital expenditures of \$87,240 are budgeted for the Arts District in 2008.

Departmental Objectives for 2008

The Bellingham-Whatcom Public Facilities District (BWPFDD) will complete work on the phased implementation of the Regional Center:

1. Complete construction of Mount Baker Theatre's Phase II renovations and assist in celebrating its re-opening in December 2008. (Council Goals 3, 5, and 6)
2. Complete construction of the Art & Children's Museum; participate in planning for its grand opening in spring 2009. (Council Goals 3, 5 and 6)
3. Complete Flora Street and Grand Avenue "place-making" and streetscape improvements adjacent to the Art & Children's Museum project in 2008 or early 2009 in coordination with other Regional Center projects. (Council Goals 3, 5, and 6)
4. Continue to assist the Campaign for the Arts as they carry out fund-raising and donor recognition activities, consistent with tax exempt bond rules. (Council Goals 3, 5 and 6)
5. Continue to inform and involve stakeholders in Regional Center projects. (Council Goals 3, 5 and 6)

Departmental Objectives for 2007 with Accomplishments

The Bellingham-Whatcom Public Facilities District will continue work on the phased implementation of the Regional Center:

1. In the first half of 2007, initiate construction of the Art & Children's Museum. (Council Goals 3, 5 and 6)

Construction began in August, 2007 and is well under way.

2. In 2007, complete architectural and engineering design work on Phase II renovations to the Mount Baker Theatre. (Council Goals 3, 5 and 6)

Architectural and design work was completed and the project was advertised for bid in November, 2007. The successful low bid will be awarded in January.

3. Continue to assist in design, construction and coordination of Arts District and Flora Street improvements with other Regional Center projects. (Council Goals 3, 5 and 6)

Streetscape improvement projects are under construction in parts of the Arts District. Streetscape design work for PFD projects is completed and coordination and implementation is on-going.

4. Continue to assist private fundraising group(s) in designing donor-recognition tools consistent with tax-exempt bond financing. (Council Goals 3, 5 and 6)

Several approaches to donor recognition have been identified for follow-up design and implementation.

5. Continue to inform and involve stakeholders in Regional Center projects using website, video, public meeting materials and presentations. (Council Goals 3, 5 and 6)

The Art & Children's Museum Ground-Breaking event was well-publicized, attended by over 100 citizens and public officials and broadcast on BTV10.

An Arts District Survey was completed by over a dozen organizations and businesses and results shared with the public. The PFD web-site is regularly updated and linked to City, County, Whatcom Museum and Mount Baker Theatre websites.

Additional Accomplishments:

A funding plan for PFD projects was developed and memorialized through adoption of a Memorandum of Understanding by affected organizations on April 9, 2007.

A Contingency Loan Agreement between the City and PFD was approved on October 22, 2007 and provided additional backing for just under \$10,000,000 in bonds issued in December 2007.

A State grant provided funding for lighting improvements to the Mount Baker Theatre. Improved lighting levels and fixture renovations were completed in the last quarter of 2007.

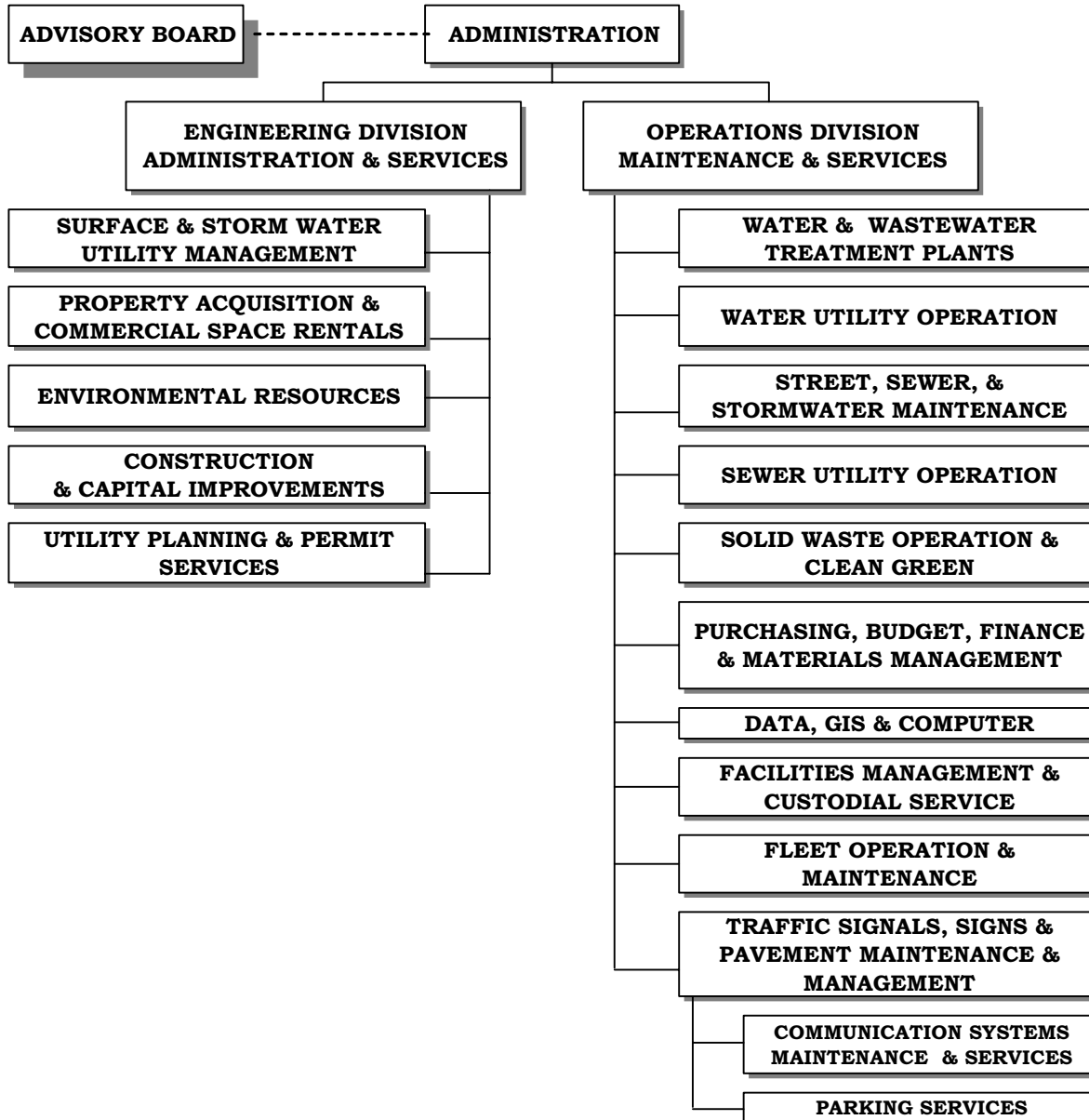
Public Facilities District

Performance/Activity Measures

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Public Facilities District | | | | | | | |
|--|------------|------------|--------------|--|--------------|--|--|
| State Sales Tax Rebate | \$ 899,876 | \$ 979,907 | \$ 1,098,666 | | \$ 1,128,194 | | |
| Administrative Expenses as a % of Sales Tax Rebate | 18.3% | 15.3% | 14.0% | | 14.8% | | |

PUBLIC WORKS DEPARTMENT



Departmental Mission

The mission of the Public Works Department is to enhance Bellingham’s quality of life through the construction and operation of a safe, effective physical environment; to protect public health & safety and the natural environment; and to provide our neighborhoods, our businesses and our visitors with the efficient, quality services necessary to meet the demands of our growing, diverse community.

Description of Services

The department is divided into two major divisions: Engineering and Operations.

The Engineering Division plans, designs and constructs the street, water, wastewater and drainage systems of the City. They provide traffic engineering and Americans with Disabilities Act (ADA) assistance. The Engineering Division manages and administers the Storm and Surface Water Utility and provides water resource planning, education, and protection. Engineering is responsible for the Lake Whatcom Watershed Property Acquisition Program, right-of-way and property acquisition and general City-wide services and assistance to the public concerning utility service availability.

The Operations Division is responsible for the maintenance and operation of infrastructure systems including: streets, traffic signals, signs, pavement management, water distribution, Lake Whatcom management for water supply and stormwater control, water treatment, wastewater collection and treatment, stormwater collection and stormwater quality and flow management systems; the provision of solid waste services to single family customers, geographic information systems and data management; building, fleet and equipment management services; purchasing and materials management, financial services; and parking services.

Departmental Budget Summary

| Revenues and Other Sources by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-------------------------------------|-------------------|-------------------|--------------------|-------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| Taxes | 10,224,398 | 10,796,365 | 11,210,000 | 413,635 | 3.8% |
| Licenses and Permits | 178,661 | 184,000 | 232,890 | 48,890 | 26.6% |
| Intergovernmental | 3,289,947 | 6,683,111 | 14,221,239 | 7,538,128 | 112.8% |
| Charges for Services | 41,091,584 | 42,232,025 | 44,747,352 | 2,515,327 | 6.0% |
| Fines and Forfeits | 119,007 | 107,734 | 1,113,591 | 1,005,857 | 933.6% |
| Miscellaneous | 9,201,295 | 9,469,605 | 13,742,779 | 4,273,174 | 45.1% |
| Non-Revenues | 18,318,619 | 846,840 | - | (846,840) | -100.0% |
| Other Financing Sources | 1,328,320 | 235,450 | 355,500 | 120,050 | 51.0% |
| Subtotal of Revenues | 83,751,831 | 70,555,130 | 85,623,351 | 15,068,221 | 21.4% |
| Other Sources by Fund | | | | | |
| Street | 1,657,182 | 575,755 | 2,353,469 | 1,777,714 | 308.8% |
| Arterial St Construction | 167,460 | 167,201 | 89,468 | (77,733) | -46.5% |
| Paths & Trails Reserve | (6,635) | (5,411) | (6,479) | (1,068) | -19.7% |
| Capital Maint | 9,173 | 56,749 | 308,762 | 252,013 | 444.1% |
| Olympic Pipeline Incident | 155,664 | (25,923) | 513,974 | 539,897 | 2082.7% |
| Olympic - Restoration | 591,114 | (7,913) | - | 7,913 | 100.0% |
| 1st 1/4% Real Estate Excise Tax | 967,557 | 560,000 | 2,010,000 | 1,450,000 | 258.9% |
| 2nd 1/4% Real Estate Excise Tax | 761,978 | 1,400,000 | 1,600,000 | 200,000 | 14.3% |
| Public Safety Dispatch | - | - | 55,000 | 55,000 | -- |
| City Hall Annex | 25,972 | - | - | - | -- |
| Water | (6,158,803) | 1,190,813 | 2,128,304 | 937,491 | 78.7% |
| Wastewater | 3,141,272 | 3,398,803 | 1,756,689 | (1,642,114) | -48.3% |
| Storm/Surface Water Utility | (647,614) | 119,432 | 957,528 | 838,096 | 701.7% |
| Solid Waste | 3,135,942 | 299,530 | 38,009 | (261,521) | -87.3% |
| Parking Services | (390,331) | (277,505) | 1,419,559 | 1,697,064 | 611.5% |
| Fleet Administration | (242,040) | 218,755 | 646,580 | 427,825 | 195.6% |
| Purchasing/Materials Mngmt | (97,932) | 248,791 | 176,081 | (72,710) | -29.2% |
| Facilities Administration | (63,312) | 112,439 | 399,074 | 286,635 | 254.9% |
| Nat Res Protect & Restoration | (159,024) | (189,803) | 2,685,000 | 2,874,803 | 1514.6% |
| Subtotal Reserve Adjustments | 2,847,623 | 7,841,713 | 17,131,018 | 9,289,305 | 118.5% |
| TOTAL ALL SOURCES | 86,599,454 | 78,396,843 | 102,754,369 | 24,357,526 | 31.1% |

Departmental Budget Summary (continued)

| Revenues by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---|-------------------|-------------------|-------------------|-------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| Revenues | | | | | |
| <i>Public Works</i> | 11,962,548 | 13,176,374 | 13,807,312 | 630,938 | 4.8% |
| <i>Public Works Administration</i> | 445,828 | 461,253 | 464,748 | 3,495 | 0.8% |
| <i>PW Treatment Plants Operations</i> | 1,405,126 | 1,390,856 | 1,397,590 | 6,734 | 0.5% |
| <i>PW Water/Wastewater Utility Ops</i> | 24,591,546 | 25,031,569 | 27,649,674 | 2,618,105 | 10.5% |
| <i>Public Works Maintenance Ops</i> | 1,591,060 | 1,531,357 | 1,515,565 | (15,792) | -1.0% |
| <i>PW Solid Waste Remediation</i> | 1,117,704 | 765,000 | 875,000 | 110,000 | 14.4% |
| <i>Public Works Maint Admin</i> | 518,462 | 573,206 | 541,160 | (32,046) | -5.6% |
| <i>Purchasing and Material Mgmt Ops</i> | 2,242,681 | 2,269,953 | 1,914,089 | (355,864) | -15.7% |
| <i>Public Works Fleet Operations</i> | 3,085,885 | 2,669,026 | 6,117,759 | 3,448,733 | 129.2% |
| <i>Public Works Financial Mgmt</i> | 4,305,543 | 1,316,580 | 411,176 | (905,404) | -68.8% |
| <i>PW Supervision and Technology</i> | 1,666,321 | 2,425,793 | 1,964,607 | (461,186) | -19.0% |
| <i>Public Works Facilities Ops</i> | 1,684,591 | 1,715,999 | 1,818,950 | 102,951 | 6.0% |
| <i>PW Transportation Management</i> | 1,735,125 | 1,829,545 | 3,206,384 | 1,376,839 | 75.3% |
| <i>Public Works Engineering Svcs</i> | 1,352,295 | 1,379,400 | 1,660,100 | 280,700 | 20.3% |
| <i>PW Capital Improvements</i> | 7,437,212 | 160,932 | 339,617 | 178,685 | 111.0% |
| <i>Public Works Construction</i> | 2,227,430 | 5,531,539 | 13,321,232 | 7,789,693 | 140.8% |
| <i>PW Storm and Surface Water Mgmt</i> | 4,247,024 | 4,524,564 | 4,883,071 | 358,507 | 7.9% |
| <i>Environmental Resources Ops</i> | 1,195,669 | 1,041,725 | 800,664 | (241,061) | -23.1% |
| <i>PW Acquisition and Facilities Mgmt</i> | 116,094 | 108,879 | 112,145 | 3,266 | 3.0% |
| <i>PW Watershed Acquisition/Mgmt</i> | 10,288,286 | 2,102,203 | 2,172,140 | 69,937 | 3.3% |
| <i>Commercial Leasing</i> | 535,401 | 549,377 | 650,368 | 100,991 | 18.4% |
| Subtotal of Revenues | 83,751,831 | 70,555,130 | 85,623,351 | 15,068,221 | 21.4% |

Significant Revenue Changes

- The increase in Intergovernmental Revenues reflects increases in grant receipts.
- Charges for Services increases are primarily driven by anticipated increases in utility generated revenues.
- Miscellaneous revenues are increasing by \$2.5 million for a one-time transfer from the Fire Department for new fire apparatus acquisition and by \$700,000 for increased Fleet contributions to ensure sufficient funds are available when vehicles are due for replacement.
- Fines are increasing by \$820,000 because Parking Fine Revenue will now be credited to the Parking Services Fund. In 2007, this revenue was budgeted in the Judicial and Support Services Department.

Departmental Budget Summary (continued)

| Expenditures by Type | 2006 | 2007 | 2008 | Change from 2007 | |
|-----------------------------------|-------------------|-------------------|--------------------|-------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Salaries and Benefits</i> | 14,110,371 | 15,966,434 | 16,987,951 | 1,021,517 | 6.4% |
| <i>Supplies</i> | 3,729,723 | 3,602,834 | 3,730,765 | 127,931 | 3.6% |
| <i>Other Services and Charges</i> | 8,650,267 | 10,305,152 | 12,836,828 | 2,531,676 | 24.6% |
| <i>Intergovernmental Services</i> | 5,198,034 | 5,296,168 | 5,871,966 | 575,798 | 10.9% |
| <i>Interfund Charges</i> | 12,609,718 | 13,410,548 | 13,408,180 | (2,368) | 0.0% |
| Subtotal of Operations | 44,298,113 | 48,581,136 | 52,835,690 | 4,254,554 | 8.8% |
| <i>Debt Service</i> | 10,999,752 | 5,716,913 | 7,593,908 | 1,876,995 | 32.8% |
| <i>Capital Outlay</i> | 27,509,070 | 23,267,500 | 41,056,860 | 17,789,360 | 76.5% |
| <i>Interfund Transfers</i> | 3,792,519 | 831,294 | 1,267,911 | 436,617 | 52.5% |
| TOTAL EXPENSE | 86,599,454 | 78,396,843 | 102,754,369 | 24,357,526 | 31.1% |

| Expenditures by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|---|-------------------|-------------------|--------------------|-------------------|--------------|
| | Actual | Adopted | Budget | Amount | Percent |
| <i>Public Works Administration</i> | 445,828 | 477,146 | 625,818 | 148,672 | 31.2% |
| <i>PW Treatment Plants Operations</i> | 8,094,526 | 9,454,870 | 11,505,664 | 2,050,794 | 21.7% |
| <i>PW Water/Wastewater Utility Ops</i> | 11,766,510 | 12,272,069 | 13,319,253 | 1,047,184 | 8.5% |
| <i>Public Works Maintenance Ops</i> | 5,071,698 | 6,238,817 | 6,360,021 | 121,204 | 1.9% |
| <i>PW Solid Waste Remediation</i> | 3,941,350 | 632,060 | 638,000 | 5,940 | 0.9% |
| <i>Public Works Maint Admin</i> | 518,465 | 583,406 | 592,093 | 8,687 | 1.5% |
| <i>Purchasing and Material Mgmt Ops</i> | 2,148,754 | 2,502,222 | 2,095,320 | (406,902) | -16.3% |
| <i>Public Works Fleet Operations</i> | 2,843,845 | 2,862,672 | 6,764,339 | 3,901,667 | 136.3% |
| <i>Public Works Financial Mgmt</i> | 10,868,546 | 5,295,621 | 5,061,935 | (233,686) | -4.4% |
| <i>PW Supervision and Technology</i> | 1,803,340 | 2,708,496 | 2,735,596 | 27,100 | 1.0% |
| <i>Public Works Facilities Ops</i> | 1,781,967 | 2,065,403 | 3,167,911 | 1,102,508 | 53.4% |
| <i>PW Transportation Management</i> | 3,506,794 | 3,766,576 | 7,097,699 | 3,331,123 | 88.4% |
| <i>Public Works Engineering Svcs</i> | 2,421,888 | 3,035,863 | 3,199,834 | 163,971 | 5.4% |
| <i>PW Capital Improvements</i> | 10,066,425 | 8,390,000 | 7,955,000 | (435,000) | -5.2% |
| <i>Public Works Construction</i> | 7,797,951 | 11,610,000 | 22,206,160 | 10,596,160 | 91.3% |
| <i>PW Storm and Surface Water Mgmt</i> | 1,816,696 | 1,890,498 | 2,055,145 | 164,647 | 8.7% |
| <i>Environmental Resources Ops</i> | 2,014,550 | 1,116,622 | 4,663,261 | 3,546,639 | 317.6% |
| <i>PW Acquisition and Facilities Mgmt</i> | 195,238 | 184,620 | 202,594 | 17,974 | 9.7% |
| <i>PW Watershed Acquisition/Mgmt</i> | 8,997,546 | 2,864,268 | 2,110,003 | (754,265) | -26.3% |
| <i>Commercial Leasing</i> | 497,537 | 445,614 | 398,723 | (46,891) | -10.5% |
| TOTAL EXPENSE | 86,599,454 | 78,396,843 | 102,754,369 | 24,357,526 | 31.1% |

| | | | | | |
|-------------------------|--------------|--------------|--------------|------------|-------------|
| TOTAL PAID STAFF | 221.1 | 235.7 | 239.2 | 3.5 | 1.5% |
|-------------------------|--------------|--------------|--------------|------------|-------------|

Significant Expenditure Changes

- Capital Outlay is increasing by \$11.9 million for increased construction activity budgeted for 2008, including \$8.7 million for Waterfront related construction. It is also increasing by \$3.6 million for the acquisition and make-ready costs associated with fire apparatus replacement. Lastly, \$1.9 million is budgeted to enhance downtown parking.
- Debt Service is increasing by \$2.9 million for an Interfund loan from the Natural Resources Protection & Restoration Fund to the Public Facilities Fund to help finance the Art & Children's Museum.
- Other Services and Charges are increasing by \$1.5 million for a redesign of the Public Works facility. It is also increasing by \$1.4 million for building maintenance projects including City Hall HVAC, Flag Plaza work and Reservoir Recoating.
- The increase in Salaries and Benefits comes from expected increases in costs for existing positions and the net increase of 3.5 FTEs in the department. New positions include a Utility Locator, a Parking Meter Collector, an Accounting Assistant, and a Conservation Specialist. These are off-set by 2 Technology positions that are moving to the Information Technology Services Department in the General Fund and 0.8 FTE for the Governmental Relations Director which changes to a contracted service in 2008. The remainder of the increase is for temporary labor.

Departmental Budget Summary By Fund

| Public Works Expenditures by Fund then by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|--|-------------------|-------------------|-------------------|------------------|---------------|
| | | | | Amount | Percent |
| Street Fund | | | | | |
| <i>Public Works Administration</i> | 445,828 | 477,146 | 625,818 | 148,672 | 31.2% |
| <i>Public Works Maintenance Ops</i> | 2,967,590 | 3,581,337 | 3,594,507 | 13,170 | 0.4% |
| <i>Public Works Maint Admin</i> | 518,465 | 583,406 | 592,093 | 8,687 | 1.5% |
| <i>Public Works Financial Mgmt</i> | 2,796,821 | 812,347 | 648,407 | (163,940) | -20.2% |
| <i>PW Supervision and Technology</i> | 1,803,340 | 2,708,496 | 2,735,596 | 27,100 | 1.0% |
| <i>PW Transportation Management</i> | 2,475,218 | 2,689,070 | 3,201,749 | 512,679 | 19.1% |
| <i>Public Works Engineering Svcs</i> | 2,421,888 | 3,035,863 | 3,199,834 | 163,971 | 5.4% |
| <i>Public Works Construction</i> | 5,362,710 | 9,210,000 | 16,487,000 | 7,277,000 | 79.0% |
| <i>Environmental Resources Ops</i> | 1,048,405 | 946,409 | 895,643 | (50,766) | -5.4% |
| <i>PW Acquisition and Facilities Mgmt</i> | 168,454 | 184,620 | 202,594 | 17,974 | 9.7% |
| Street Fund Total | 20,008,719 | 24,228,694 | 32,183,241 | 7,954,547 | 32.8% |
| Arterial Street Construction Fund | | | | | |
| <i>Public Works Financial Mgmt</i> | 208,656 | 206,740 | 179,540 | (27,200) | -13.2% |
| <i>Public Works Construction</i> | 527,087 | 500,000 | 500,000 | - | 0.0% |
| Arterial St Constr Fund Total | 735,743 | 706,740 | 679,540 | (27,200) | -3.8% |
| Capital Maintenance Fund | | | | | |
| <i>Public Works Facilities Ops</i> | 7,963 | 130,000 | 510,000 | 380,000 | 292.3% |
| <i>Commercial Leasing</i> | 99,964 | 22,800 | - | (22,800) | -100.0% |
| Capital Maint Fund Total | 107,927 | 152,800 | 510,000 | 357,200 | 233.8% |
| Olympic Pipeline Incident | | | | | |
| <i>Environmental Resources Ops</i> | 187,408 | - | 545,974 | 545,974 | -- |
| Olympic Restoration Fund Total | 187,408 | - | 545,974 | 545,974 | -- |
| Olympic - Restoration | | | | | |
| <i>Environmental Resources Ops</i> | 607,051 | - | - | - | -- |
| Pipeline Incident Fund Total | 607,051 | - | - | - | -- |
| 1st 1/4% Real Estate Excise Tax Fund | | | | | |
| <i>Public Works Facilities Ops</i> | 35,381 | 60,000 | 60,000 | - | 0.0% |
| <i>Public Works Construction</i> | 1,146,176 | 500,000 | 1,950,000 | 1,450,000 | 290.0% |
| 1st 1/4% REET Fund Total | 1,181,557 | 560,000 | 2,010,000 | 1,450,000 | 258.9% |
| 2nd 1/4% Real Estate Excise Tax Fund | | | | | |
| <i>Public Works Construction</i> | 761,978 | 1,400,000 | 3,269,160 | 1,869,160 | 133.5% |
| 2nd 1/4% REET Fund Total | 761,978 | 1,400,000 | 3,269,160 | 1,869,160 | 133.5% |
| Public Safety Dispatch | | | | | |
| <i>Public Works Facilities Ops</i> | - | - | 55,000 | 55,000 | -- |
| Public Safety Disp. Fund Total | - | - | 55,000 | 55,000 | -- |

Public Works Department

Departmental Budget Summary By Fund (continued)

| Public Works Expenditures by Fund then by Group | 2006 | 2007 | 2008 | Change from 2007 | |
|--|-------------------|-------------------|-------------------|--------------------|---------------|
| | Actual | Adopted | Budget | Amount | Percent |
| City Hall Annex Fund | | | | | |
| <i>PW Acquisition and Facilities Mgmt</i> | 26,784 | - | - | - | -- |
| City Hall Annex Fund Total | 26,784 | - | - | - | -- |
| Water Fund | | | | | |
| <i>PW Treatment Plants Operations</i> | 2,753,891 | 3,252,393 | 4,733,827 | 1,481,434 | 45.5% |
| <i>PW Water/Wastewater Utility Ops</i> | 6,930,045 | 7,303,807 | 7,907,301 | 603,494 | 8.3% |
| <i>Public Works Financial Mgmt</i> | 703,302 | 1,141,102 | 1,244,416 | 103,314 | 9.1% |
| <i>PW Capital Improvements</i> | 3,945,244 | 1,348,000 | 2,250,000 | 902,000 | 66.9% |
| <i>Environmental Resources Ops</i> | 171,686 | 170,213 | 336,644 | 166,431 | 97.8% |
| <i>PW Watershed Acquisition/Mgmt</i> | 8,997,546 | 2,864,268 | 2,110,003 | (754,265) | -26.3% |
| Water Fund Total | 23,501,714 | 16,079,783 | 18,582,191 | 2,502,408 | 15.6% |
| Wastewater Fund | | | | | |
| <i>PW Treatment Plants Operations</i> | 5,340,635 | 6,202,477 | 6,771,837 | 569,360 | 9.2% |
| <i>PW Water/Wastewater Utility Ops</i> | 4,836,465 | 4,968,262 | 5,411,952 | 443,690 | 8.9% |
| <i>Public Works Financial Mgmt</i> | 6,357,557 | 2,287,598 | 2,220,840 | (66,758) | -2.9% |
| <i>Public Works Facilities Ops</i> | - | - | 125,000 | 125,000 | -- |
| <i>PW Capital Improvements</i> | 5,630,697 | 6,133,000 | 4,000,000 | (2,133,000) | -34.8% |
| Wastewater Fund Total | 22,165,354 | 19,591,337 | 18,529,629 | (1,061,708) | -5.4% |
| Storm/Surface Water Utility Fund | | | | | |
| <i>Public Works Maintenance Ops</i> | 1,580,510 | 2,028,440 | 2,144,987 | 116,547 | 5.7% |
| <i>Public Works Financial Mgmt</i> | 10,000 | - | - | - | -- |
| <i>Public Works Facilities Ops</i> | - | - | 125,000 | 125,000 | -- |
| <i>PW Capital Improvements</i> | 490,484 | 909,000 | 1,705,000 | 796,000 | 87.6% |
| <i>PW Storm and Surface Water Mgmt</i> | 1,816,696 | 1,890,498 | 2,055,145 | 164,647 | 8.7% |
| SSWU Fund Total | 3,897,690 | 4,827,938 | 6,030,132 | 1,202,194 | 24.9% |
| Solid Waste Fund | | | | | |
| <i>Public Works Maintenance Ops</i> | 523,598 | 629,040 | 620,527 | (8,513) | -1.4% |
| <i>PW Solid Waste Remediation</i> | 3,941,350 | 632,060 | 638,000 | 5,940 | 0.9% |
| <i>Public Works Financial Mgmt</i> | 792,210 | 795,823 | 768,732 | (27,091) | -3.4% |
| Solid Waste Fund Total | 5,257,158 | 2,056,923 | 2,027,259 | (29,664) | -1.4% |
| Parking Services Fund | | | | | |
| <i>PW Transportation Management</i> | 1,031,576 | 1,077,506 | 3,895,950 | 2,818,444 | 261.6% |
| <i>Commercial Leasing</i> | 203,495 | 139,053 | 147,400 | 8,347 | 6.0% |
| Parking Services Fund Total | 1,235,071 | 1,216,559 | 4,043,350 | 2,826,791 | 232.4% |
| Fleet Administration Fund | | | | | |
| <i>Public Works Fleet Operations</i> | 2,843,845 | 2,862,672 | 6,764,339 | 3,901,667 | 136.3% |
| <i>Public Works Financial Mgmt</i> | - | 25,109 | - | (25,109) | -100.0% |
| Fleet Admin Fund Total | 2,843,845 | 2,887,781 | 6,764,339 | 3,876,558 | 134.2% |

Departmental Budget Summary By Fund (continued)

| Public Works Expenditures by Fund then by Group | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 | |
|---|-------------------|-------------------|--------------------|-------------------|---------------|
| | | | | Amount | Percent |
| Purchasing/Materials Management Fund | | | | | |
| <i>Purchasing and Material Mgmt Ops</i> | 2,148,754 | 2,502,222 | 2,095,320 | (406,902) | -16.3% |
| <i>Public Works Financial Mgmt</i> | - | 21,522 | - | (21,522) | -100.0% |
| Purch/Matl Mgmt Fund Total | 2,148,754 | 2,523,744 | 2,095,320 | (428,424) | -17.0% |
| Facilities Administration Fund | | | | | |
| <i>Public Works Financial Mgmt</i> | - | 5,380 | - | (5,380) | -100.0% |
| <i>Public Works Facilities Ops</i> | 1,738,623 | 1,875,403 | 2,292,911 | 417,508 | 22.3% |
| <i>Commercial Leasing</i> | 194,078 | 283,761 | 251,323 | (32,438) | -11.4% |
| Facilities Admin Fund Total | 1,932,701 | 2,164,544 | 2,544,234 | 379,690 | 17.5% |
| Natural Resource Protection & Restoration Fund | | | | | |
| <i>Environmental Resources Ops</i> | - | - | 2,885,000 | 2,885,000 | -- |
| Nat Res Protect Restore Fund | - | - | 2,885,000 | 2,885,000 | -- |
| TOTAL ALL FUNDS | 86,599,454 | 78,396,843 | 102,754,369 | 24,357,526 | 31.1% |

Planning Processes

Multiple planning and evaluation processes impact City departments. Some of those that guide the Public Works Department's decision-making and operations are:

- The Bellingham Comprehensive Plan
- Six-Year Transportation Improvement Plan (TIP)
- Comprehensive Water Plan
- Stormwater Master Plan
- Lake Whatcom Management Plan and Annually Updated Action Plan
- Waterfront Futures Group's Waterfront Vision and Framework Plan
- City of Bellingham Annexation Impact Analysis and Planning
- Mayor's Public Works Advisory Board
- Other Council and Mayor Directives

Specific impacts to 2008 budget development include:

- Based on work done with the Parking Commission, \$1,900,000 was budgeted in Parking to acquire land to be able to move forward on a parking structure for Downtown
- Several capital projects that were identified in the Six-Year TIP, the Comprehensive Water Plan, and other capital planning documents listed above. The major ones for the 2008 budget include:
 - Sunset Drive Phase II
 - Lake Whatcom Flynn Street Water Quality Improvements
 - Public Works Building/Relocation
 - Cornwall Avenue Water Main Replacement
 - Water Pump Station Upgrade Design
 - Bakerview & Irongate Traffic Signal
 - Northshore Drive Bike & Ped Improvements
 - Fraser Street Bike & Ped Improvements Phase III
 - West Illinois Street Extension
- As part of the Waterfront Redevelopment activities the 2008 budget includes \$8.7 million in capital costs for a new access point to the redevelopment area.
- Several items related to the protection of Lake Whatcom, including support for the new management structure, implementation of the Lake Whatcom Management Plan, and the Water Source Protection Plan

Departmental Objectives for 2008

Public Works Administration

1. Proceed with implementation of the Waterfront Redevelopment Master Plan and Development Agreement, including designing infrastructure improvements. (Council Goals 3, 4, 5, 6, 7 and 8)
2. Design a new building to house Public Works for a more efficient operation, and to make space available in City Hall to meet the needs of other City departments. (Council Goal 1)

Treatment Plants

Post Point Pollution Control Plant

1. Initiate a partnership with Puget Sound Energy to analyze new technologies and system components to increase efficiency and reduce power use. (Council Goals 1 and 6)
2. Implement vulnerability assessment of the City's wastewater treatment plant, including working with local emergency responders to ensure that facilities are protected under a variety of potential threats. (Council Goals 1, 6 and 11)

Water Filtration Plant

3. Design and install an under-drain air scour system, which will work in conjunction with new filter under-drains installed in 2007 and allow uniform distribution of air and water to provide the vigorous agitation required for effective filter media cleaning. (Council Goal 2)
4. Upgrade the water treatment plant's primary power service by installing a new transformer and generator transfer switch with all associated gear, which will bring a more reliable power source to the plant. (Council Goal 2)

Water / Wastewater Utilities

Water

1. Minimize unaccounted for water by completing inspections and repairs of aging pipe networks that have a historical record of leaks. (Council Goal 2)
2. Implement procedures and methods outlined in the 2007 Water Distribution Training Program (WDTP) by building constructive work groups and trainee workshops that focus on core performance measures. (Council Goal 1)

Wastewater

3. Implement and monitor the Fats, Oils and Grease (FOG) control program to ensure compliance. Evaluate staffing requirements to maintain program once implemented in 2008. (Council Goal 1)

Departmental Objectives for 2008 (continued)

Maintenance Operations

Street Maintenance

1. Implement a new maintenance management system that will improve scheduling planned maintenance with system priorities and integration with growth and development plans. (Council Goal 1)
2. Update the Public Works Snow and Ice Removal Operations procedures to reflect city growth and increase the efficiency of Public Works Operations. (Council Goal 1)

Storm and Surface Water Maintenance

3. Monitor the stormwater collection system scanning program; continue systematic improvements to recondition the stormwater collection system. Evaluate funding adequacy in 2008 as scanning progresses. (Council Goal 1)
4. Develop a storm and surface water system-wide maintenance management program with procedures for identifying system deficiencies and improve scheduling planned maintenance with system priorities and integration with growth and development plans. (Council Goal 1)

Solid Waste Operations

5. Evaluate Clean Green operations and determine if site modifications are warranted to increase operational efficiencies. Evaluate material handling practices as a part of the efficiencies analysis. (Council Goal 1)

Purchasing, Materials Management, Fleet, Operations Administration

Fleet Operations

1. Continue to develop and implement bio-diesel fuel program for city-wide fleet. (Council Goals 1, 2, 4 and 6)

Warehouse

2. Review all chemicals inventoried for alternative "green products" and work with purchasing staff to find substitute products. (Council Goals 1, 2, 4 and 6)

Administration / Office

3. Complete procedures and cross train relief reception staff to handle Emergency Operations Center phone duties during emergencies. (Council Goal 11)

Purchasing

4. Coordinate implementation of Environmental Purchasing Policy with Environmental Educator and Green Team. Report to the Mayor and City Council in April of 2008. (Council Goals 1, 2, 4 and 6)

Departmental Objectives for 2008 (continued)

Supervision and Technology

Technical Services

1. Implement a new Maintenance Management System as outlined in the department's information management master plan. (Council Goal 1)
2. Implement an on-line mapping application on the website for public information self-service. (Council Goals 1, 5, 7, 9 and 11)
3. Expand the department's radio meter reading system. (Council Goals 1 & 9)
4. Evaluate the Geographic Information System (GIS) services provided to other city departments and the community to ensure adequate services are provided. (Council Goals 7 and 8)

Facilities Operations

1. Evaluate effectiveness of Green Clean custodial programs and implement any necessary actions and equipment to ensure new programs are both cost effective and protecting the environment. (Council Goal 6)
2. Acquire new capital facility equipment and controls for power, heating, ventilation, and air conditioning systems to implement energy savings identified by the Energy Management Program that was implemented in 2007. Install computer-based system(s) and train Facilities Maintenance staff. (Council Goals 1 and 6)

Transportation Management

Communications

1. Re-structure 800 megahertz radios to utilize the lower end of the 800 band to reduce interference with NEXTEL and comply with a Federal Communications Commission (FCC) order. (Council Goal 11)
2. Complete radio system upgrades to provide a City-wide radio network capable of seamless interoperability between differing sites, channels and agencies. (Council Goal 11)

Signals

3. Upgrade an additional 20 signalized intersections along major commuter routes with Intelligent Transportation System (ITS) components and Transit Signal Priority (TSP) components to expand more efficient multi-modal programs. (Council Goal 7)
4. Implement a fiber optic communication network to expand Closed Circuit Television (CCTV) and traffic signal interoperability to all departments involved as emergency response providers for increased efficiency in the event of a disaster or major traffic disruption. (Council Goals 7 and 11)

Departmental Objectives for 2008 (continued)

Parking

5. If funding allows, begin design and construction of a structured parking facility as identified in the 2007 planning process to locate and explore the potential for joint public/private development opportunities in the downtown core. (Council Goal 3)
6. Improve communication between the Parking Commission, City Departments and users of the parking system. (Council Goal 9)

Engineering Services

Design and Construction

1. Complete construction of first phase renovation of the Federal Building utilizing \$2.61 Million of federal funds received for that purpose. (Council Goal 3, 6 and 8)
2. Complete construction of Phase II of the Sunset Drive widening, pedestrian and bicycle improvement project. (Council Goals 1 and 7)
3. Design and construct sidewalk and bike lanes on Northwest Avenue from McLeod Road to Bakerview Road together with a roundabout at the intersection of Northwest and Interstate 5. (Council goals 1, 7 and 10)
4. Construct streetscape improvements at the intersection of Bay and Holly Streets that distinguish the entrance to the arts district, provide improved pedestrian safety and expand public space. (Council Goal 3 and 5)
5. Construct pedestrian and bicycle facilities on Fraser Street, completing the corridor between Civic Field and Woburn Street for alternative modes of travel. (Council Goals 1, 6 and 10)

Development

6. Develop an alternative approach of measuring Concurrency that allows downtown redevelopment and development of urban villages. (Council Goal 7)
7. Continue to refine the Permit Center to streamline and coordinate the permitting process by close interaction with Permit Center staff. (Council Goal 7)

Storm and Surface Water Utility Services

Stormwater Engineering

1. Using the updated Stormwater Master Plan, complete the development of a 6-year and 20-year implementation plan for capital projects (50% complete in 2007). (Council Goal 1 and 2)
2. Modify the Brentwood Water Quality Facility to improve phosphorous control. (Council Goal 2)
3. Retrofit the stormwater outfalls at Dakin Street and Flynn Street as a part of the Lake Whatcom water quality improvement plan. (Council Goal 2)

Departmental Objectives for 2008 (continued)

Environmental Services

1. Evaluate Department of Ecology, TMDL report and provide recommendations to Council. (Council Goals 1 and 2)
2. Evaluate and recommend to Council options for service contracts for watershed properties land management and restoration activities. (Council Goal 2)
3. Develop Phase III tasks for the Climate Protection Plan. (Council Goal 1)
4. Expand community outreach programs to include non-traditional audiences and venues. (Council Goal 9)
5. Seek additional grant funding for implementing the 6-year restoration projects plan. (Council Goal 2)
6. Seek partnerships and grant funding for implementation of habitat restoration projects in Bellingham Bay. (Council Goal 2)

Watershed Acquisition and Real Estate Services

Lake Whatcom Land Acquisition

1. Identify, prioritize, and purchase watershed properties utilizing the available Budget. (Council Goal 1)

Commercial Leasing

2. Achieve an 80% average annual occupancy rate for all leased properties. (Council Goal 5)

Departmental Objectives for 2007 with Accomplishments

Public Works Administration

1. Proceed with implementation of the Waterfront Redevelopment Master Plan and Development Agreement by moving forward on design of the infrastructure improvements. (Council Goals 3, 4, 5, 6, 7 and 8)

There has been substantial progress toward the Master Plan. A Draft Environmental Impact Statement has been issued. Public Works is moving forward on evaluating Bay Bridge, Area 1 and Area 10 infrastructure. Master Plan, EIS, opportunities for public involvement and other information about Waterfront development may be viewed at <http://www.cob.org/services/neighborhoods/community-planning/waterfront/index.aspx>

2. Design a new building to house Public Works for a more efficient operation, and to make space available to meet the needs of other City departments. (Council Goal 1)

We have located an appropriate piece of property and are in the process of acquisition. The space needs analysis by Beckwith Consulting has been completed. An RFP for design work will be prepared in the first 90 days of 2008.

3. Begin implementation of new/revised departmental work flow and business practices from findings and results identified in the 2006 Computer Maintenance Management Program. (Council Goal 1)

We have completed the analysis and are proceeding with moving forward on the Maintenance Management System in 2008. Funding is included in the 2008 Budget.

Treatment Plants

Post Point Pollution Control Plant

4. Investigate potential for sludge pyrolysis technology (heating sludge without oxygen to produce a burnable gas) to replace solids incineration process. Pyrolysis process may reduce solids volume to same degree as current incinerator process as well as yield substantial natural gas reduction along with potential for "green" power generation. (Council Goals 1 and 6)

The Public Works Department issued a request for proposal in November 2007 and is currently working on this project with an expected completion date of June 30, 2008. Besides Pyrolysis technology, there are several other new technologies that will be investigated to include the replacement of the multiple-hearth furnace with a fluidized bed furnace.

5. Complete an assessment of effluent quality characteristics and initiate a hydraulic assessment of the flow volumes from the secondary bypass system at Post Point. This secondary bypass effluent flows through the alternate outfall to the north of the primary treatment plant outfall in Bellingham Bay. (Council Goals 1 and 6)

The assessment was complete in April 2007 and adjustments have been made to the flow volumes entering the secondary bypass system using new improvements installed during the upgrade to the alternate (secondary) outfall which was completed in October 2007.

Departmental Objectives for 2007 with Accomplishments (continued)

Water Filtration Plant

6. Conduct a pilot filter testing study on a new polymer coagulant aid and write specifications derived from the study to purchase the most effective coagulant. (Council Goals 1 and 2)

Completed pilot filter study for the new polymer coagulant in March 2007 which resulted in a new set of specifications that went out for bid in April 2007. The new polymer is both more effective in the City's treatment process and less costly than the polymer used during 2005 and 2006.

7. Evaluate the new chemical induction unit on the raw water influent source by testing several parameters through a range of operational procedures and purchase new unit for redundancy. (Council Goals 1 and 2)

The new chemical induction unit has not operated with consistency because of installation and power issues with the unit. Therefore, testing did not occur in 2007. However, the unit has been placed back into service as of October 2007 and it is anticipated that testing the unit through a range of operational procedures will commence in the first and second quarters of 2008 with a potential purchase of a second unit for redundancy in 2009.

Water / Wastewater Utilities

Water

8. Implement a strategic plan to enhance the City's water distribution flushing program to use unidirectional flushing methods to maintain water quality throughout the network and to conserve water within the system. (Council Goal 1)

Formulated a pilot program for the unidirectional flushing program which will focus on the direct service area known as the Alabama Hill pressure zone during the City's annual flushing of water mains in the second quarter of 2008.

9. Continue to improve on the City's voluntary metering program by using public service announcements and educational programs to explain the benefits of metering. (Council Goal 9)

In 2007, the voluntary metering program increased by 67% in the number of participants from 2006. This is largely attributable to an expanded educational program and more public awareness through the utility billing system by placing notices on utility bills and flyers.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Wastewater

10. Develop a Fats, Oils, and Grease (FOG) control program that focuses on best management practices, removal/replacement of deficient systems and development and implementation of a monitoring system to ensure compliance. (Council Goal 1)

Completed compilation of program information from other jurisdictions with existing FOG programs and have started mapping food service establishments to determine extent of program requirements. Interviews with sister municipalities yielded a better understanding of the extensive implementation time required for a program of this nature and will likely require a 1-2 year program development period for implementation. Therefore, implementation will likely be deferred until early 2009.

11. Develop a wastewater collection system-wide program that identifies high maintenance areas in order to reduce back-ups and to effectively identify where maintenance improvements are necessary. (Council Goal 1)

Have continued to audit existing preventive maintenance programs and as a result have revised several wire-rodding, camera inspection and jetting routes. This has resulted in greater efficiency within the wastewater collection division and identified additional sewer replacement and repair needs. A formal Operations and Maintenance Plan update will begin in 2008 and be implemented in 2009 upon audit completion.

Maintenance Operations

Street Maintenance

12. Develop and implement a new maintenance management system that will improve scheduling planned maintenance with system priorities and integration with growth and development plans. (Council Goal 1)

Deferred to 2008 to align with the acquisition and implementation of the new Information Management system. Audits of existing programs have been ongoing throughout 2007 and will continue in 2008 to prepare for the new system, identify areas needing improvement within existing street maintenance programs and to accommodate growth and development.

Storm and Surface Water Maintenance

13. Using the finding from the first year stormwater collection system scanning program, implement a program of systematic improvements to recondition the stormwater collection system. (Council Goal 1)

A stormwater replacement list was started in 2007 to start systematic repair/replacement of existing system deficiencies. This list is expanded as replacement projects are identified and provides a mechanism to annually evaluate and budget for orderly repair and replacement of the stormwater system sections needing attention.

Departmental Objectives for 2007 with Accomplishments (continued)

Solid Waste Operations

14. Continue to monitor the Clean Green fee structure to ensure that it reflects the intent of the inter-local agreement with Whatcom County and is adequate to provide proper financial support to operate the facility to the best interests of the community. (Council Goal 1)

At the start of the 2007 Clean Green season, the \$2.00 per load gate tip fee was evaluated and determined to provide enough revenue to offset shared operating expenses with Whatcom County based on historic customer base and operating costs information. Prior to commencement of the 2008 Clean Green opening, gate tip fees will be re-evaluated to determine if proper financial support is being received from customers and Whatcom County.

Purchasing, Materials Management

Warehouse

15. Complete enhancements to ECity software by the end of the third quarter.

Due to workload and position vacancy, this project has not been completed. A Contract has recently been signed with the software vendor to upgrade the software for completion by May of 2008.

16. Barcode all inventory by the end of second quarter.

This project has been completed and new inventory is barcoded as it is received.

Supervision and Technology

Technical Services

17. Initiate technology and business practice changes outlined in the department's information management master plan. (Council Goal 1)

A total of 19 recommendations were submitted as part of the department's Information Management Master Plan. May of these recommendations affected business or technology uses throughout the City. Only those that had limited impacts to other City departments were initiated. Key recommendations that have been initiated are:

- *Adopt the technology best practices of Service Oriented Architecture integration between systems when feasible and cost effective.*
- *Perform a cost benefit analysis on new system implementations or enhancements to ensure a full benefit to the City.*
- *Redevelop the City GIS databases to use industry standard designs and relational database technology to leverage future system integration through service oriented architecture.*

**Departmental Objectives for 2007 with Accomplishments
(continued)**

18. Evaluate placing infrastructure maps and information on the website for public information self service. (Council Goal 9)

Potential users were questioned, through an informal survey, to determine the type and frequency of information queries. The results provided recommendations for improved maps of basic infrastructure information, access to data in more formats and a future interactive web map of City information such as zoning, property information and infrastructure locations. Infrastructure maps have been developed for use on the web site and a future plan of more data formats and an interactive map are also currently being developed.

19. Develop new procedures and processes to take advantage of the department's new touch and radio meter reading system. (Council Goal 1)

Identified and implemented water meter radio read technology into areas of high hazard concern and time committed locations. This has greatly improved the reading and processing time in those areas. For example, Chuckanut which was an extremely time consuming meter reading route, has shown an 85% improvement in commit time.

Developed water meter radio antenna installation procedures for new services and trained staff on necessary procedures to improve meter reading accuracy and data processing time.

Implemented a drive-by radio read collection system to eliminate exiting the vehicle to read water meters. This system includes a GIS map of the metered area and indicates where meters may be meeting the high/low consumption limit or malfunctioning.

20. Evaluate the Geographic Information System (GIS) services provided to other City departments and the community to ensure adequate services are provided. (Council Goal 1 and 9)

Services were evaluated for public safety and customer service over the year. Refinements in procedures for data and system interfacing with the WhatComm E-911 system were developed and implemented.

Customer service use of the GIS data and City/IQ application has been reevaluated and new standards for data access and an enhanced City/IQ application have been developed.

21. Provide comprehensive coordination, analysis and reporting for the water, wastewater, stormwater, street, alley and sidewalk replacement/upgrade program. (Council Goal 1)

Developed the Replacement/Overlay Point system (ROP) to aid in the identification and coordination of infrastructure rehabilitation. The ROP assigns points to current condition, historical performance, predicted failure, attribute deficiencies, future projects and immediate needs. The points are then used to prioritize and predict needed projects.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Further developed the Pavement and Utility Replacement Viewer GIS application (PURviewer) to include automated updates of infrastructure replacement and rehabilitation recommendations lists. The PURviewer application provides color coded views of current street, sidewalk and alley conditions, current overlay, utility replacements and wheel chair ramp inventory that includes ADA compliance. The PURviewer is critical to rehabilitation coordination efforts and is currently being used by Public Works Engineering and Operations.

22. Enhance the mapping and tracking of City owned and managed properties. (Council Goal 1)

Project is 60% complete. Reviewed data from the Finance Department Asset Tracking system and evaluated corresponding mapping. Developed and implemented new procedures for mapping new or revised City transactions for purchases of property. Future work will include developing additional procedures for identifying City managed land and designating/mapping it accordingly.

Facilities Operations

23. Implement Green Clean program in custodial services. Choose new Green Seal certified cleaning products to use in cleaning for health, safety and protection of the environment. Train custodial staff in methods and use. Monitor effectiveness of the program through City employee input and by tracking cost effectiveness. (Council Goal 1)

Begun but not fully implemented. Goal was based on obtaining new FTE Lead Custodial position at the beginning of 2007. Position was not filled until October, followed by additional time to fill vacant position created by in-house promotion and training of new employee.

24. Implement an energy management Program for City facilities. Investigate options for monitoring and control of power, heating, ventilation, and air conditioning systems. Install computer based system(s) and train Facilities Maintenance staff. Set guidelines and procedures for maintaining energy efficiency. Continue energy conservation capital equipment programs and measure effectiveness. (Council Goal 1)

Ongoing. Facilities Manager attended Puget Sound Energy's Resource Conservation Management training and purchased required software. Obtained two-year limited-term Resource Conservation Assistant approval and is currently finishing selection process. Interviewed four Building Automation System vendors for market analysis and preparation of RFP. Completed lighting retrofit of the Fleet shop building in October.

25. Increase recycling programs in all Facilities-run buildings – A test program was in place for 2006. (Council Goal 1)

Ongoing. Test program still in effect at City Hall as well as improvements at other buildings in conjunction with Environmental Resources Department and Green Team members.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Transportation Management

Communications

26. Re-structure 800 megahertz radios to utilize lower end of the 800 band to reduce interference with NEXTEL and comply with a Federal Communications Commission (FCC) order. (Council Goals 1 and 7)

Deferred. On hold per the FCC until treaties are signed with Canada to determine which frequencies are available for re-banding.

27. Design and install Smartlink 800 megahertz radio system upgrades to provide seamless interoperability between differing sites and channels. (Council Goal 7)

Radio infrastructure design has been completed and all communications personnel have received factory training to install and implement the system. Equipment has been specified and ordered for installation during second quarter of 2008.

Street Lighting

28. Purchase and install new street lighting along Alabama Street to replace failing standards and improve the overall appearance of the corridor. (Council Goals 1 and 7)

Initial stock of 20 poles has been installed and a new bid was awarded for remaining poles to be purchased and installed in 2008.

Signals

29. Upgrade 20 signalized intersections along major commuter routes with Intelligent Transportation System (ITS) components. (Council Goal 7)

Completed.

30. Perform a corridor study along Sunset Drive between I-5 and Orleans Street to develop and implement a signal coordination program to improve the efficiency of the City's second busiest arterial street. (Council Goal 7)

Initial analysis completed and preliminary coordination plan has been implemented. Additional monitoring and fine tuning will occur through the first quarter of 2008.

Parking

31. Develop a merchant validation system for customer use in both on-street meters and pay stations. (Council Goal 7)

Project cancelled due to a variety of issues uncovered while investigating the feasibility of implementation. It would require complex negotiations with the City's banking services provider, pay station and meter manufacturers and the City Finance Department.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

32. Transfer to computerized billing system with web interface and point-of-sale accountability for permit sales to increase accountability, communication and customer convenience. (Council Goal 1)

Deferred. In 2007 Parking Services staff met extensively with staff from Finance and ITSD and evaluated software applications from numerous providers. A potential system was identified late in the year and we will continue program testing early in 2008 once our year-end processes are complete.

33. Develop and maintain a comprehensive website as a resource for parking issues and to facilitate contact with and communication to the Bellingham Parking Commission. (Council Goal 9)

Completed. www.cob.org/services/transportation/parking/index.aspx

34. Develop residential parking program to maximize use of City parking facilities 24 hours a day and support continued mixed-use development downtown. (Council Goals 1 and 7)

Completed. City-owned parking facilities remain open for general use after hours, on holidays and on weekends for free residential parking. Demand does not require additional programs at this time.

Engineering Services

Design and Construction

35. Manage, design, and construct two replacement utility projects, one pavement resurfacing project and at least one pedestrian/bicycle improvement project as part of the capital improvement program in a manner that preserves and enhances the quality of life for our citizens. (Council Goals 1 and 7)

Completed 2006 sewer replacement program installing about 12,000 linear feet of pipe of multiple diameters. Opened bids for 2007 replacement program on December 21, 2007.

Replaced water main on W. Champion Street between Grand Avenue and Holly Street.

36. Complete first phase renovation of the Federal Building utilizing \$2.61 Million of federal funds received for that purpose. (Council Goal 6)

Completed final plans and specifications. Project to be advertised for bids in early 2008.

37. Complete design and right-of-way acquisition for Phase II of the Sunset Drive project. (Council Goals 1 and 7)

Right of Way acquisition is 75% complete. Design is 90% complete.

38. Create and implement a communication plan for Public Works capital projects to engage neighborhood input and participation on upcoming projects. (Council Goal 9)

Completed.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

39. Implement two traffic calming projects that improve safety of neighborhoods while maintaining City-wide circulation of vehicular traffic. (Council Goal 5 and 7)

- *Speed humps installed on Lakeside from Electric to City limits.*
- *Traffic circle installed at intersection of West Street and North Street.*

Development Administration

40. Identify and pursue grant and loan opportunities for priority City projects. (Council Goal 1)

Grants applied for:

- *Northwest Phase II – TIB - \$2,000,000*
- *James Street – TIB - \$2,000,000*

Grants received:

- *Northshore Sidewalks - \$175,000*
- *Northwest Phase I - \$302,000*
- *Fraser Street - \$888,560*
- *Shuksan/Birchwood Safe School Routes - \$780,600*

41. Continue to refine the Permit Center to streamline and coordinate the permitting process by close interaction with Permit Center staff. (Council Goal 1)

Public Works has been actively working with Planning, Building Services and Fire to evaluate permitting processes in the permit center and identify options to streamline the process. Recent efforts have involved pursuing the approach of Project Management which is being led by the Planning Department.

Transportation

42. Provide annual update for the Transportation Impact Fee schedule and the 6-Year Transportation Improvement Plan. (Council Goal 7)

Completed. View at <http://www.cob.org/services/neighborhoods/community-planning/transportation/index.aspx>

43. Explore, prioritize, construct, and encourage transportation alternatives throughout the City including bike lanes, sidewalks, trails, safe school routes, and Whatcom Transportation Authority (WTA) facilities through ongoing coordination with WTA, Bellingham School District, Bellingham Parks and advisory commissions as well as coordination of public and private development projects. (Council Goal 7)

Ongoing through the six year transportation improvement program.

44. Implement and monitor the City concurrency policies and programs in support of Council-approved growth scenarios by individual project review, and provide annual report to Council. (Council Goal 7)

Annual report provided to Council. Analysis of Concurrency program launched, to be completed in 2008. View at above (item #42) website.

Departmental Objectives for 2007 with Accomplishments (continued)

Water and Sewer Utilities

45. Develop implementation plan for recommendations contained in the updated Water Comprehensive Plan. (Council Goals 1 and 2)

Water Comprehensive Plan approved by Council. Corrections requested by the Department of Ecology are being addressed. To be completed in 2008.

46. Complete the Wastewater Comprehensive Plan and begin development of implementation plan. (Council Goal 1)

Wastewater Comprehensive Plan approved by Council.

Storm and Surface Water Utility Services

Stormwater Engineering

47. Using the updated Stormwater Master Plan, develop a 6-year and 20-year implementation plan for capital projects (50% complete in 2007). (Council Goal 1)

The Stormwater Master Plan is still undergoing final draft review. It is anticipated to be complete in January 2008. The Lake Whatcom chapter was previously brought before Council to be incorporated for final acceptance by Council.

48. Create and submit a compliance schedule for the Municipal Stormwater National Pollution Discharge Elimination System (NPDES) permit (subject to Department of Ecology permit issuance). (Council Goal 1)

Compliance schedule was provided by DOE. Compliance submission is through annual reporting process in March. Objective was written prior to seeing the NPDES Phase II Municipal permit.

Project Development

49. Retrofit two stormwater outfalls in the Lake Whatcom Watershed to treat existing developed areas. (Council Goal 1)

In 2007, four systems were retrofitted. North Street on the east side of the lake was reconstructed with water quality swales. E. Oregon, which drains into Silver Beach Creek, was retrofitted with swales and a dispersion system. Hayward Drive was retrofitted with the first Filterra stormwater system in the State of Washington, which is designed to capture phosphorus. The reconstruction of Pullman Street was retrofitted with an alumina sand filter. This filter media has been used at Lake Tahoe as a phosphorus reduction measure. Our laboratory field tested different mixtures to determine a mix for this area.

50. Report on water quality conditions of 20% of the stormwater outfalls within the City. (Council Goals 1 and 2)

Completed review of outfalls for Whatcom Creek and tributaries.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

Development Review and Inspection

51. Complete maintenance inspections on 20% of all private stormwater facilities within the City. (Council Goal 1)

Not completed. Not a requirement of NPDES as yet. There is a staffing shortfall to accomplish this task.

Stormwater Education

52. Provide one workshop for developers and engineers regarding stormwater regulations. (Council Goal 9)

Spoke on City Regulations at workshop by Contech Stormwater to developers and engineers.

53. Provide public education on at least four stormwater topics. (Council Goal 9)

Completed by Public Works Education group.

Environmental Services

Policy

54. Implement the 2007 Lake Whatcom Reservoir Management Program. (Council Goals 1 and 2)

Ongoing with development of 2008 Work Plan. For copies of Lake Whatcom Management Program documents, visit the Lake Whatcom website at www.lakewhatcom.wsu.edu/

55. Conduct watershed properties land management and restoration activities on 10% of the properties. (Council Goal 2)

Basic management plans are developed for all acquisition program properties.

Additional management activities have been conducted on 65% to 70% of the properties. Restoration projects have been accomplished or are nearing completion on property within the Lookout Mountain and Agate Bay Preserves as well as on the Davis property.

56. Implement Climate Protection Phase I report. Develop Phase II report. (Council Goal 1)

The Climate Action Plan was completed and adopted by Council on May 7, 2007. For more information visit www.cob.org/services/environment/climate/index.aspx Implementation of Phase II is proceeding.

57. Complete and implement Middle Fork Instream Flow negotiated agreement. (Council Goal 1)

Continuing to develop negotiation position.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

58. Complete permitting and design phase, and begin reconstruction of the Nooksack Diversion Dam that continues supply of drinking water and provides safe fish passage (complete in 2008). (Council Goals 1 and 2)

Exploring optional site to reduce costs of project.

Education

59. Provide community outreach programs in the Lake Whatcom Watershed, with focus on Total Maximum Daily Load (TMDL) response planning, stormwater retrofit programs, and land stewardship. (Council Goal 9)

Worked closely with Silver Beach Neighborhood Association to develop and deliver stewardship programs to Watershed residents. Participated in development of the Stewards of the Lake publication. Worked closely with Stormwater staff to launch the residential retrofit project. Continuing to include TMDL messages in outreach material.

60. Produce 2007 Drinking Water Consumer Confidence Report. (Council Goal 9)

The 2006 Drinking Water Consumer Confidence Report produced in 2007 is available on line: www.cob.org/documents/pw/lw/water-brochure.pdf The 2007 report is produced in 2008 and will be posted when completed.

61. Provide public involvement and education support for Middle Fork instream flow negotiations, the Middle Fork Passage and Water Withdrawal Project, and the Middle Fork Habitat Conservation Plan. (Council Goal 9)

On hold.

Restoration

62. Implement urban stream restoration elements of the 2005 Centennial grant. (Council Goal 2)

Progress at Squalicum Fields restoration project during 2007 was final site investigation and project feasibility planning with the Parks Department.

63. Implement Whatcom Creek Restoration Settlement restoration, monitoring and maintenance projects. (Council Goal 2)

Completed monitoring plan revisions and implemented year one of the monitoring plan. Maintenance of projects is ongoing.

64. Implement year one of the 6-year restoration project plan. (Council Goal 2)

This began with the construction of the Post Point Lagoon project.

**Departmental Objectives for 2007 with Accomplishments
(continued)**

65. Identify and develop two habitat restoration projects in Bellingham Bay through the Bellingham Bay Action Team. (Council Goal 2)

This task is underway, working with the Whatcom Marine Resources Committee on site selection and project scopes of work for two projects in Chuckanut Bay. Also continuing to support development of a project at the mouth of Squalicum Creek with the Port of Bellingham and a current flow model with members of the Bellingham Bay Action Team.

Watershed Acquisition and Property Management Services

Lake Whatcom Land Acquisition

66. Identify, prioritize, and purchase watershed properties utilizing at least 80% of the available budget. (Council Goal 2)

Watershed properties have been purchased to the near the maximum amount of available budget (96% of budget has been used).

Additional Accomplishment:

Commercial Leasing is currently at a 100% occupancy rate.

Performance/Activity Measures

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|-------------|-------------|-------------|--------|-------------|--------|----------------------|
| Treatment Plants Operations Group | | | | | | | |
| WATER FILTRATION PLANT | | | | | | | |
| Millions of Gallons of Water Treated per Day | 10.39 | 9.79 | 10.47 | | 10.78 | | |
| Compliance with State and Federal Drinking Water Regulations | 100% | 100% | 100% | ✓ | 100% | ✓ | 100% |
| Clarity of the drinking water measured by actual NTU | 0.30 | 0.30 | 0.30 | ✓ | 0.04 | | 0.3 NTU EPA Standard |
| % of preventative (scheduled) maintenance to total maintenance for process equipment | new measure | | 20% | | 19% | | 25% |
| WASTEWATER - POST POINT POLLUTION CONTROL PLANT | | | | | | | |
| Solids Discharged mg/l | 7.7 | 7.1 | 7.4 | | 8.1 | | |
| Percent Removed | 96.1% | 96.3% | 96.1% | | 96.1% | | |
| Organics Discharged mg/l | 10 | 9 | 9 | | 11 | | |
| Percent Removed | 94.9% | 95.0% | 95.1% | | 95.1% | | |
| Plant Flow - Millions of Gallons per Day | 12.53 | 11.80 | 12.48 | | 12.00 | | |
| Sludge Incineration - Tons | 4,003 | 4,141 | 4,187 | | 4,291 | | |
| Water / Wastewater Utility Operations Group | | | | | | | |
| WATER | | | | | | | |
| Water conservation program water savings 1,000s of gallons | 5,314 | 13,297 | 13,300 | | 32,200 | | |
| Repairs per 100 Mi of Water Main | 6.11 | 7.25 | 6.74 | | 4.87 | | |
| Customer Service Requests | 1,486 | 1,145 | 1,045 | | 1,042 | | |
| % of work performed that is scheduled, preventative maint. | 78% | 69% | 58% | | 79% | | |
| % of work performed that is other scheduled maint. | 22% | 29% | 41% | | 21% | | |
| % of work performed that is emergency (priority 1 or 2) | 1% | 2% | 1% | | 1% | | |
| WASTEWATER COLLECTION | | | | | | | |
| Sewer main lines cleaned bi-annually to remove accumulated grease and sediments - miles | new measure | 70.35 | 71.03 | | 163.42 | ✓ | > 72 |
| Average cost per ft of sewer pipe cleaned - wire rod / root hog | new measure | \$ 0.49 | \$ 0.43 | | \$ 0.26 | | |
| Average cost per ft of sewer pipe cleaned - jetting | new measure | \$ 0.16 | \$ 0.26 | | \$ 0.30 | | |
| Customer Service Requests per year - Sewer | 95 | 96 | 85 | ✓ | 64 | | < 100 |
| Number of Backups - City | new measure | 2 | 2 | | 2 | | |
| Number of Backups - Customer | new measure | 13 | 18 | | 17 | | |

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--|-------------|-------------|-------------|--------|-------------|--------|---------------------|
| Maintenance Operations Group | | | | | | | |
| ROADWAY MAINTENANCE | | | | | | | |
| Street sweeping expenditures per capita (75,000 est pop) | new measure | \$ 4.02 | \$ 5.11 | | \$ 6.40 | | \$ 5.00 |
| Street sweeping expenditures per paved lane mile | new measure | \$ 39.66 | \$ 47.26 | | \$ 61.56 | | \$ 46.00 |
| Customer Service Requests per year - Street | 662 | 865 | 665 | | 624 | ✓ | < 650 |
| Percent of streets needing overlay | new measure | | 8.8% | | 6% | | 5% or less |
| Percent of sidewalks needing overlay | new measure | | 6.7% | | 10% | | 5% or less |
| DRAINAGE | | | | | | | |
| Hrs per yr cleaning storm pipes and catch basins | new measure | 3,897 | 2,700 | | 3,152 | | 3,500 |
| Stormwater maintenance expenditures per capita (75,000) | new measure | \$ 7.90 | \$ 9.70 | ✓ | \$ 8.80 | ✓ | \$ 10.00 |
| Customer Service Requests per year - Drainage | 180 | 212 | 262 | | 186 | ✓ | < 200 |
| LITTER CLEANUP | | | | | | | |
| Citizen Inquiry Reports | 151 | 274 | 177 | ✓ | 176 | ✓ | < 200 |
| Tons of Litter | 20 | 26 | 17 | /// | 32 | /// | /// |
| YARD WASTE COLLECTION | | | | | | | |
| Tons of Yard Waste | 5,381 | 4,727 | 4,670 | | 6,118 | ✓ | 5,500 |
| # of Clean Green customer visits per year | 53,470 | 35,603 | 38,550 | | 38,456 | | 52,000 |

| Purchasing, Materials Management and Financial Management Groups | | | | | | | |
|---|--------|--------|--------|-----|--------|-----|-----|
| Orders Processed | 40,935 | 40,497 | 38,819 | /// | 34,648 | /// | /// |
| Bids Issued | 131 | 133 | 114 | /// | 133 | /// | /// |

| Supervision and Technology Group | | | | | | | |
|--|-------------|-------|--------|-----|--------|-----|----------------------|
| Metered Water Services per Reading FTE | 7,047 | 7,358 | 7,668 | ✓ | 8,423 | ✓ | Increase or maintain |
| GIS Users- Citywide | 158 | 181 | 214 | /// | 223 | /// | /// |
| Miles of City maintained streets | new measure | | 278.86 | /// | 271.53 | /// | /// |
| 50% of streets reviewed and rated by 2 FTEs | new measure | | yes | ✓ | yes | ✓ | yes |
| Miles of sidewalks | new measure | | 279.20 | /// | 279.20 | /// | /// |
| 50% of sidewalks reviewed and rated by 1 FTE | new measure | | yes | ✓ | yes | ✓ | yes |

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|-------------|-------------|-------------|--------|-------------|--------|---------------------|
| Facilities Group | | | | | | | |
| Sq. Ft. per Custodial FTE | 16,441 | 16,211 | 19,086 | | 19,086 | | |
| Repair Requests per 1,000 SF maintained - non-emergency | new measure | | 5.68 | | 6.10 | | |
| Repair Requests per 1,000 SF maintained - emergency | new measure | | 1.04 | | 1.50 | | |
| Utility Cost per Sq. Ft. of Maintained Building | \$ 1.86 | \$ 1.48 | \$ 1.57 | | \$ 1.78 | | |

The square feet referenced in the above table is calculated differently beginning in 2006, as custodial and maintenance areas were combined.

| | | | | | | | |
|---|-------------|--------|--------|---|--------|---|--------|
| Transportation Management Group | | | | | | | |
| TRAFFIC | | | | | | | |
| # of signal timing efficiency projects | new measure | | 9 | | 12 | | |
| Traffic Signs Maintained | 10,237 | 10,510 | 9,070 | | 9,612 | | |
| Traffic Signs Installed | 250 | 268 | 316 | | 542 | | |
| Street Lights Maintained | 3,200 | 3,264 | 3,314 | | 3,378 | | |
| COMMUNICATIONS / FIBER OPTIC | | | | | | | |
| Devices Maintained | 2,049 | 2,306 | 2,558 | | 2,666 | | |
| Miles Fiber Cable Maintained | 35 | 67 | 80 | | 82.4 | | |
| PARKING SERVICES | | | | | | | |
| Permitted parking spaces available | 939 | 606 | 683 | | 688 | | |
| Permitted parking spaces sold | 705 | 632 | 731 | ✓ | 771 | ✓ | 750 |
| Average annual occupancy - permitted spaces | 75% | 104% | 107% | ✓ | 115% | ✓ | 115% |
| Metered parking spaces maintained - individual ¹ | 1,248 | 1,260 | 1,350 | ✓ | 1,323 | | 1,375 |
| Metered parking spaces maintained - pay station | - | - | 77 | ✓ | 77 | | 110 |
| Hourly customers served | 18,646 | 21,672 | 21,068 | ✓ | 22,246 | ✓ | 21,000 |
| Average annual occupancy - garages ² | 77% | 112% | 111% | | 110% | | 115% |
| Average annual occupancy - lots | 73% | 72% | 105% | ✓ | 117% | ✓ | 115% |

- Metered spaces lost to Planning Community Development and Public Works projects.
- Garage occupancy fluctuates at year-end with permit renewal. We track only point-in-time occupancy.

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|-------------|-------------|-------------|--------|-------------|--------|---------------------|
| Engineering Services, Construction and Capital Improvements Groups | | | | | | | |
| PROJECT DELIVERY | | | | | | | |
| Capital Projects | 29 | 24 | 11 | | 21 | | |
| Capital Projects - \$ Millions | \$ 15.00 | \$ 9.80 | \$ 2.74 | | \$ 14.51 | | |
| STREETS | | | | | | | |
| Street Resurfacing, Cost per Mile | \$ 763,000 | \$ 193,818 | n/a | | \$ 374,189 | | |
| Miles of Street Resurfaced | 6.60 | 4.90 | 0.53 | | 6.74 | | 4.00 |

The target for miles of street resurfaced reflects what is budgeted, rather than the goal of 5% (14 miles) per year. Funding is not available for meeting this goal.

| | | | | | | | |
|--|--------|--------|-------|---|--------|---|------|
| STORM WATER | | | | | | | |
| # of storm water retrofits completed, inside and outside of Lake Whatcom Watershed | n/a | 3 | 5 | | 12 | | |
| Linear Ft of Storm Water Pipe Installed | 4,380 | 5,704 | 1,006 | | 10,681 | | |
| WATER | | | | | | | |
| Feet of Water Main Replaced | 21,089 | 3,679 | - | | 740 | | |
| Replacement Cost per Ft of Water Main | \$ 103 | \$ 193 | - | | \$ 600 | | |
| SEWER | | | | | | | |
| Ft of Wastewater Main Replaced | 12,351 | 8,181 | 38.5 | | 12,148 | | |
| Wastewater - Cost per Ft of Pipe, Improve & Replace | \$ 129 | \$ 185 | n/a | | \$ 104 | | |
| INSPECTION | | | | | | | |
| % of construction related inquiries responded to within one business day | 100% | 100% | 100% | ✓ | 100% | ✓ | 100% |
| % of construction related concerns resolved within 30 business days | 100% | 100% | 100% | ✓ | 100% | ✓ | 100% |

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|---------------|-------------|-------------|--------|---------------|--------|---------------------|
| Engineering Services, Construction and Capital Improvements Groups (continued) | | | | | | | |
| DEVELOPMENT | | | | | | | |
| # of arterial segments authorized by Council to function at LOS standard F | 11 | 11 | 11 | | 11 | | |
| # of arterial segments exceeding the LOS standard E (excluding those authorized by Council) | - | - | - | | 2 | | |
| # of arterial segments approaching the LOS standard F | new in 2006 | | 1 | | 3 | | |
| % of concurrency inquiries responded to within one business day | new - 6/15/06 | | 64% | ✓ | 60% | ✓ | 50% |
| % of concurrency inquiries responded to within one week | new - 6/15/06 | | 100% | ✓ | 100% | ✓ | 100% |
| Concurrency response time applies to COMPLETE APPLICATIONS only. | | | | | | | |
| # of Traffic Calming requests received | 38 | 24 | 44 | | 40 | | |
| # of Traffic Calming locations qualifying | 6 | 4 | 9 | | 5 | | |
| # of Traffic Calming measures constructed | 2 | 1 | 7 | | 2 (5 pending) | | |

The Council voted in October to add two arterial segments to the list of those authorized to function at LOS Standard F. This legislation takes effect January 1, 2008, so the increase to the first line in the above table will show on next year's table.

Data for the Commute Trip Reduction Program in the table below is gathered every other year. The State sets the goals for the program. The method for setting goals and for computing statistics has changed, and the newest target is a reduction of 10% of the 2007 baseline rate (as determined under the new method) by 2011.

| Performance / Activity Measure | 2003 Actual | 2005 Actual | 2007 Actual | 2011 Target |
|--|-------------|-------------|-------------|-------------|
| Single occupancy vehicle rate for Civic Center employees | 68% | 70% | 65% | 59% |
| Single occupancy vehicle rate for Public Works employees | 88% | 88% | 86% | 80% |

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|---|-------------|-------------|-------------|--------|-------------|--------|--|
| Storm and Surface Water Management Group | | | | | | | |
| REGULATORY COMPLIANCE | | | | | | | |
| % of outfalls inspected for non-stormwater discharge | new measure | ~ 20% | ~ 20% | ✓ | ~ 20% | ✓ | 20% of total |
| # of problems discovered and mitigated | new measure | 3 | 1 | ✓ | 0 | ✓ | 100% of total |
| EDUCATION AND OUTREACH | | | | | | | |
| Topics addressed per year | new | 3 | 5 | ✓ | 7 | ✓ | 3 |
| Annual public meetings held per year | new measure | 2 | 3 | ✓ | 4 | ✓ | 2 |
| UTILITY MANAGEMENT AND INSPECTION | | | | | | | |
| # of outfall retrofits completed in Lk Whatcom Watershed | new measure | 4 | 2 | ✓ | 4 | | 2 |
| # of outfall retrofits completed elsewhere in the City | new measure | 2 | 2 | ✓ | 1 | ✓ | 1 |
| % of construction projects reviewed that impact stormwater | new measure | 100% | 100% | ✓ | 100% | ✓ | 100% |
| # of permits reviewed for stormwater mitigation and approved | new measure | 590 | 606 | ✓ | 426 | | 100% |
| % of private facilities inspected | new | | 2% | | 0 | | 100% |
| # of private facilities inspected per yr | new measure | n/a | 10 | | 0 | | 100% |
| # of stormwater inspections conducted in the Lake Whatcom watershed | new measure | n/a | 3,060 | ✓ | 3,160 | | Seasonal 100% daily or 100% weekly |
| # of stormwater inspections conducted in the rest of City | new measure | n/a | 6,250 | ✓ | 6,460 | | 100% initial + as needed |
| # of Correction Notices and/or Stop Work Orders issued | new measure | 119 | 124 | | 250 | | |
| # of cited violations of stormwater codes | new measure | 15 | 17 | | 28 | | |

Performance/Activity Measures (continued)

| Performance / Activity Measure | 2004 Actual | 2005 Actual | 2006 Actual | 06 Met | 2007 Actual | 07 Met | Benchmark or Target |
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|
|--------------------------------|-------------|-------------|-------------|--------|-------------|--------|---------------------|

| Environmental Resources Group | | | | | | | |
|--|-------------|----|---------|---|--------|---|----------------------|
| # of ER restoration sites maintained | new measure | | 40 | | 43 | | |
| # of public service education pieces | new measure | | ~10,000 | | ~5,000 | | |
| # of classes completing the Sharing Our Watershed education programs | 36 | 35 | 36 | ✓ | 35 | ✓ | at least 35 per year |

| Watershed Services and Acquisition Group | | | | | | | |
|--|-------------|-----------|-------------|--|-----------|--|--|
| Current Yr Acquisitions - Acres | 196 | - | 144 | | 50 | | |
| Cumulative Acres Acquired | 983 | 984 | 1,128 | | 1,178 | | |
| Cost of Acquisition by Year | \$1,378,241 | \$545,753 | \$3,953,700 | | \$810,000 | | |

| Commercial Leasing Group | | | | | | | |
|-------------------------------------|-------------|--|-----|--|---------|--|-----|
| Rate of occupancy for leased spaces | new measure | | n/a | | 100.00% | | 80% |

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CITY-WIDE BUDGET REPORTS

In order to show totals that are in balance, Beginning Reserves are included with Revenues and Sources, and Ending Reserves are included with Expenditures and Uses. Reserves are a segregation of assets to provide for future use toward a specified purpose.

Beginning Reserve Balance + Revenues = Expenditures + Ending Reserve Balance. Any time one of these four components is changed, then an account within the same component must change in the opposite direction by a like amount, or one or more of the other three components must change in order to keep the equation in balance.

For use in this document, “budget year” refers to the year for which the budget is prepared – 2008; “current year” refers to the year during which the budget preparation takes place – 2007; and “prior year” refers to the year before the “current year” – 2006.

Revenues and Sources – Expenditures and Uses – All Funds report

Provides a classified summary of revenues, sources, expenditures and uses along with beginning and ending reserves for each fund and for the City as a whole. Information is presented for the budget year, current year adopted, and prior year actual amounts, with a comparison given between the budget year and the current year budgets.

Revenue Summary by Fund, Department and Type report and charts

Shows budget year revenues sorted by fund and summarized by department, subtotals revenues by basic account type, totals revenues excluding reserves, and provides a grand total with reserves.

Expenditure Summary by Fund, Department and Type report and charts

Shows budget year expenditures by sorted by fund and summarized by department, subtotals expenditures by object type, totals expenditures excluding reserves, and provides a grand total with reserves.

Expenditures by SubObject – All Funds report

Provides a more detailed reporting of expenditures by type for all funds in total, excluding reserves.

Changes in Reserve Balances

For each fund, shows estimated beginning reserve balance, plus revenues, minus expenditures, and resulting ending estimated reserve balance for the 2008 Budget. Also shows the dollar and percentage change in reserve balance for the year with explanations given for significant changes.

Revenues and Sources, Expenditures and Uses – All Funds

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---------------------------------|-------------------|-------------------|-------------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| General Fund (001) | | | | | |
| Beginning Reserves | 12,916,937 | 12,194,340 | 16,622,876 | 4,428,536 | 36.3% |
| Revenues: | | | | | |
| Taxes | 45,626,304 | 47,609,819 | 50,250,836 | 2,641,017 | 5.5% |
| Licenses and Permits | 783,798 | 810,235 | 863,708 | 53,473 | 6.6% |
| Intergovernmental Revenues | 2,911,782 | 1,775,901 | 1,937,217 | 161,316 | 9.1% |
| Goods and Services Charges | 6,472,580 | 6,491,935 | 6,439,056 | (52,879) | -0.8% |
| Fines | 1,757,922 | 1,767,558 | 1,165,385 | (602,173) | -34.1% |
| Miscellaneous | 1,211,722 | 1,195,238 | 1,414,532 | 219,294 | 18.3% |
| Non Revenues | 0 | 0 | 2,250,000 | 2,250,000 | -- |
| Other Financing Sources | 2,220,565 | 5,378,689 | 1,004,181 | (4,374,508) | -81.3% |
| Subtotal of Revenues | 60,984,673 | 65,029,375 | 65,324,915 | 295,540 | 0.5% |
| Fund Total Sources | 73,901,610 | 77,223,715 | 81,947,791 | 4,724,076 | 6.1% |
| Expenditures: | | | | | |
| Salaries and Benefits | 36,169,061 | 40,077,309 | 44,535,036 | 4,457,727 | 11.1% |
| Supplies | 2,069,539 | 2,423,021 | 3,106,357 | 683,336 | 28.2% |
| Services | 5,889,975 | 6,736,292 | 7,399,063 | 662,771 | 9.8% |
| Intergovernmental Expenditures | 5,399,041 | 5,619,688 | 6,942,495 | 1,322,807 | 23.5% |
| Capital | 406,810 | 6,104,523 | 993,006 | (5,111,517) | -83.7% |
| Principal and Interest | 0 | 0 | 72,422 | 72,422 | -- |
| Interfund | 7,406,668 | 5,621,904 | 8,485,641 | 2,863,737 | 50.9% |
| Subtotal of Expenditures | 57,341,094 | 66,582,737 | 71,534,020 | 4,951,283 | 7.4% |
| Ending Reserves | 16,560,516 | 10,640,978 | 10,413,771 | (227,207) | -2.1% |
| Fund Total Uses | 73,901,610 | 77,223,715 | 81,947,791 | 4,724,076 | 6.1% |
| Street Fund (111) | | | | | |
| Beginning Reserves | 11,028,408 | 1,622,605 | 3,831,357 | 2,208,752 | 136.1% |
| Revenues: | | | | | |
| Taxes | 9,061,195 | 9,731,365 | 9,930,000 | 198,635 | 2.0% |
| Licenses and Permits | 55,763 | 59,000 | 63,000 | 4,000 | 6.8% |
| Intergovernmental Revenues | 2,083,689 | 6,051,756 | 11,872,651 | 5,820,895 | 96.2% |
| Goods and Services Charges | 6,580,179 | 7,142,892 | 7,091,441 | (51,451) | -0.7% |
| Miscellaneous | 553,226 | 627,926 | 872,680 | 244,754 | 39.0% |
| Other Financing Sources | 17,485 | 40,000 | 0 | (40,000) | -100.0% |
| Subtotal of Revenues | 18,351,537 | 23,652,939 | 29,829,772 | 6,176,833 | 26.1% |
| Fund Total Sources | 29,379,945 | 25,275,544 | 33,661,129 | 8,385,585 | 33.2% |
| Expenditures: | | | | | |
| Salaries and Benefits | 6,207,367 | 7,251,296 | 7,524,632 | 273,336 | 3.8% |
| Supplies | 631,847 | 679,653 | 823,787 | 144,134 | 21.2% |
| Services | 3,183,542 | 3,129,202 | 2,658,510 | (470,692) | -15.0% |
| Intergovernmental Expenditures | 2,774,095 | 741,586 | 450,280 | (291,306) | -39.3% |
| Capital | 4,210,575 | 9,491,500 | 17,647,000 | 8,155,500 | 85.9% |
| Interfund | 3,001,293 | 2,935,457 | 3,079,032 | 143,575 | 4.9% |
| Subtotal of Expenditures | 20,008,719 | 24,228,694 | 32,183,241 | 7,954,547 | 32.8% |
| Ending Reserves | 9,371,226 | 1,046,850 | 1,477,888 | 431,038 | 41.2% |
| Fund Total Uses | 29,379,945 | 25,275,544 | 33,661,129 | 8,385,585 | 33.2% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|-----------------|----------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Arterial St Construction Fund (112) | | | | | |
| Beginning Reserves | 1,019,766 | 270,880 | 206,131 | (64,749) | -23.9% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 535,526 | 490,000 | 537,428 | 47,428 | 9.7% |
| Miscellaneous | 32,757 | 49,539 | 52,644 | 3,105 | 6.3% |
| Subtotal of Revenues | 568,283 | 539,539 | 590,072 | 50,533 | 9.4% |
| Fund Total Sources | 1,588,049 | 810,419 | 796,203 | (14,216) | -1.8% |
| Expenditures: | | | | | |
| Services | 5,557 | 0 | 0 | 0 | -- |
| Intergovernmental Expenditures | 208,656 | 206,740 | 179,540 | (27,200) | -13.2% |
| Capital | 520,254 | 500,000 | 500,000 | 0 | 0.0% |
| Interfund | 1,276 | 0 | 0 | 0 | -- |
| Subtotal of Expenditures | 735,743 | 706,740 | 679,540 | (27,200) | -3.8% |
| Ending Reserves | 852,306 | 103,679 | 116,663 | 12,984 | 12.5% |
| Fund Total Uses | 1,588,049 | 810,419 | 796,203 | (14,216) | -1.8% |
| Paths & Trails Reserve Fund (113) | | | | | |
| Beginning Reserves | 23,435 | 29,014 | 36,516 | 7,502 | 25.9% |
| Revenues: | | | | | |
| Miscellaneous | 908 | 711 | 979 | 268 | 37.7% |
| Other Financing Sources | 5,727 | 4,700 | 5,500 | 800 | 17.0% |
| Subtotal of Revenues | 6,635 | 5,411 | 6,479 | 1,068 | 19.7% |
| Fund Total Sources | 30,070 | 34,425 | 42,995 | 8,570 | 24.9% |
| Ending Reserves | 30,070 | 34,425 | 42,995 | 8,570 | 24.9% |
| Fund Total Uses | 30,070 | 34,425 | 42,995 | 8,570 | 24.9% |
| Parksite Acquisition Fund (123) | | | | | |
| Beginning Reserves | 212,688 | 46,306 | 99,923 | 53,617 | 115.8% |
| Revenues: | | | | | |
| Goods and Services Charges | 72,475 | 73,000 | 25,190 | (47,810) | -65.5% |
| Miscellaneous | 10,333 | 10,327 | 12,760 | 2,433 | 23.6% |
| Subtotal of Revenues | 82,808 | 83,327 | 37,950 | (45,377) | -54.5% |
| Fund Total Sources | 295,496 | 129,633 | 137,873 | 8,240 | 6.4% |
| Expenditures: | | | | | |
| Capital | 9,255 | 80,000 | 25,190 | (54,810) | -68.5% |
| Subtotal of Expenditures | 9,255 | 80,000 | 25,190 | (54,810) | -68.5% |
| Ending Reserves | 286,241 | 49,633 | 112,683 | 63,050 | 127.0% |
| Fund Total Uses | 295,496 | 129,633 | 137,873 | 8,240 | 6.4% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Technology Replacement & Reserve Fund (124) | | | | | |
| Beginning Reserves | 2,168,640 | 1,774,387 | 1,279,266 | (495,121) | -27.9% |
| Revenues: | | | | | |
| Miscellaneous | 97,093 | 74,040 | 103,202 | 29,162 | 39.4% |
| Other Financing Sources | 590,000 | 540,768 | 400,000 | (140,768) | -26.0% |
| Subtotal of Revenues | 687,093 | 614,808 | 503,202 | (111,606) | -18.2% |
| Fund Total Sources | 2,855,733 | 2,389,195 | 1,782,468 | (606,727) | -25.4% |
| Expenditures: | | | | | |
| Supplies | 18,416 | 73,186 | 75,182 | 1,996 | 2.7% |
| Services | 72,824 | 50,000 | 45,000 | (5,000) | -10.0% |
| Intergovernmental Expenditures | 0 | 855,506 | 0 | (855,506) | -100.0% |
| Capital | 281,324 | 295,735 | 398,500 | 102,765 | 34.7% |
| Subtotal of Expenditures | 372,564 | 1,274,427 | 518,682 | (755,745) | -59.3% |
| Ending Reserves | 2,483,169 | 1,114,768 | 1,263,786 | 149,018 | 13.4% |
| Fund Total Uses | 2,855,733 | 2,389,195 | 1,782,468 | (606,727) | -25.4% |
| Capital Maint Fund (125) | | | | | |
| Beginning Reserves | 3,624,132 | 1,233,788 | 1,357,728 | 123,940 | 10.0% |
| Revenues: | | | | | |
| Miscellaneous | 148,455 | 131,476 | 321,986 | 190,510 | 144.9% |
| Other Financing Sources | 250,000 | 315,000 | 365,000 | 50,000 | 15.9% |
| Subtotal of Revenues | 398,455 | 446,476 | 686,986 | 240,510 | 53.9% |
| Fund Total Sources | 4,022,587 | 1,680,264 | 2,044,714 | 364,450 | 21.7% |
| Expenditures: | | | | | |
| Supplies | 2,086 | 0 | 0 | 0 | -- |
| Services | 163,642 | 258,423 | 757,155 | 498,732 | 193.0% |
| Capital | 21,680 | 0 | 0 | 0 | -- |
| Interfund | 9,461 | 7,377 | 0 | (7,377) | -100.0% |
| Subtotal of Expenditures | 196,869 | 265,800 | 757,155 | 491,355 | 184.9% |
| Ending Reserves | 3,825,718 | 1,414,464 | 1,287,559 | (126,905) | -9.0% |
| Fund Total Uses | 4,022,587 | 1,680,264 | 2,044,714 | 364,450 | 21.7% |
| Library Gift Fund (126) | | | | | |
| Beginning Reserves | 28,775 | 28,775 | 28,814 | 39 | 0.1% |
| Revenues: | | | | | |
| Miscellaneous | 10,368 | 15,000 | 15,000 | 0 | 0.0% |
| Subtotal of Revenues | 10,368 | 15,000 | 15,000 | 0 | 0.0% |
| Fund Total Sources | 39,143 | 43,775 | 43,814 | 39 | 0.1% |
| Expenditures: | | | | | |
| Supplies | 10,329 | 15,000 | 15,000 | 0 | 0.0% |
| Subtotal of Expenditures | 10,329 | 15,000 | 15,000 | 0 | 0.0% |
| Ending Reserves | 28,814 | 28,775 | 28,814 | 39 | 0.1% |
| Fund Total Uses | 39,143 | 43,775 | 43,814 | 39 | 0.1% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|-----------------|----------------|-----------------------------|----------------|
| | | | | Amount | Percent |
| <u>Olympic Pipeline Incident Fund (131)</u> | | | | | |
| Beginning Reserves | 847,385 | 45,285 | 655,512 | 610,227 | 1347.5% |
| Revenues: | | | | | |
| Miscellaneous | 31,744 | 25,923 | 32,000 | 6,077 | 23.4% |
| Subtotal of Revenues | 31,744 | 25,923 | 32,000 | 6,077 | 23.4% |
| Fund Total Sources | 879,129 | 71,208 | 687,512 | 616,304 | 865.5% |
| Expenditures: | | | | | |
| Supplies | 912 | 0 | 6,824 | 6,824 | -- |
| Services | 185,158 | 0 | 469,150 | 469,150 | -- |
| Intergovernmental Expenditures | 0 | 0 | 65,000 | 65,000 | -- |
| Interfund | 1,338 | 0 | 5,000 | 5,000 | -- |
| Subtotal of Expenditures | 187,408 | 0 | 545,974 | 545,974 | -- |
| Ending Reserves | 691,721 | 71,208 | 141,538 | 70,330 | 98.8% |
| Fund Total Uses | 879,129 | 71,208 | 687,512 | 616,304 | 865.5% |
| <u>Squalicum Park/Olympic Fund (132)</u> | | | | | |
| Beginning Reserves | 840,601 | 56,400 | 112,681 | 56,281 | 99.8% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 19,178 | 0 | 0 | 0 | -- |
| Miscellaneous | 36,372 | 41,943 | 0 | (41,943) | -100.0% |
| Other Financing Sources | 200,000 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 255,550 | 41,943 | 0 | (41,943) | -100.0% |
| Fund Total Sources | 1,096,151 | 98,343 | 112,681 | 14,338 | 14.6% |
| Expenditures: | | | | | |
| Capital | 84,458 | 0 | 98,343 | 98,343 | -- |
| Subtotal of Expenditures | 84,458 | 0 | 98,343 | 98,343 | -- |
| Ending Reserves | 1,011,693 | 98,343 | 14,338 | (84,005) | -85.4% |
| Fund Total Uses | 1,096,151 | 98,343 | 112,681 | 14,338 | 14.6% |
| <u>Olympic - Restoration Fund (133)</u> | | | | | |
| Beginning Reserves | 610,815 | 18,568 | 20,468 | 1,900 | 10.2% |
| Revenues: | | | | | |
| Miscellaneous | 15,937 | 7,913 | 0 | (7,913) | -100.0% |
| Subtotal of Revenues | 15,937 | 7,913 | 0 | (7,913) | -100.0% |
| Fund Total Sources | 626,752 | 26,481 | 20,468 | (6,013) | -22.7% |
| Expenditures: | | | | | |
| Supplies | 3,410 | 0 | 0 | 0 | -- |
| Services | 572,376 | 0 | 0 | 0 | -- |
| Interfund | 31,265 | 0 | 0 | 0 | -- |
| Subtotal of Expenditures | 607,051 | 0 | 0 | 0 | -- |
| Ending Reserves | 19,701 | 26,481 | 20,468 | (6,013) | -22.7% |
| Fund Total Uses | 626,752 | 26,481 | 20,468 | (6,013) | -22.7% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|------------------|------------------|-----------------------------|----------------|
| | | | | Amount | Percent |
| <u>Olympic-Whatcom Falls Park Addl Fund (134)</u> | | | | | |
| Beginning Reserves | 0 | 0 | 225,369 | 225,369 | -- |
| Revenues: | | | | | |
| Miscellaneous | 225,369 | 0 | 10,750 | 10,750 | -- |
| Subtotal of Revenues | 225,369 | 0 | 10,750 | 10,750 | -- |
| Fund Total Sources | 225,369 | 0 | 236,119 | 236,119 | -- |
| Ending Reserves | 225,369 | 0 | 236,119 | 236,119 | -- |
| Fund Total Uses | 225,369 | 0 | 236,119 | 236,119 | -- |
| <u>Little Squalicum-Oeser Settlement Fund (135)</u> | | | | | |
| Beginning Reserves | 500,532 | 532 | 19,084 | 18,552 | 3487.2% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 172,233 | 0 | 0 | 0 | -- |
| Miscellaneous | 16,920 | 1,120 | 11,340 | 10,220 | 912.5% |
| Subtotal of Revenues | 189,153 | 1,120 | 11,340 | 10,220 | 912.5% |
| Fund Total Sources | 689,685 | 1,652 | 30,424 | 28,772 | 1741.6% |
| Expenditures: | | | | | |
| Services | 314,029 | 0 | 1,652 | 1,652 | -- |
| Subtotal of Expenditures | 314,029 | 0 | 1,652 | 1,652 | -- |
| Ending Reserves | 375,656 | 1,652 | 28,772 | 27,120 | 1641.6% |
| Fund Total Uses | 689,685 | 1,652 | 30,424 | 28,772 | 1741.6% |
| <u>1st 1/4% Real Estate Excise Tax Fund (141)</u> | | | | | |
| Beginning Reserves | 4,621,729 | 1,222,224 | 2,075,114 | 852,890 | 69.8% |
| Revenues: | | | | | |
| Taxes | 1,929,181 | 1,700,000 | 1,876,500 | 176,500 | 10.4% |
| Intergovernmental Revenues | 283,181 | 0 | 0 | 0 | -- |
| Miscellaneous | 176,501 | 173,049 | 207,376 | 34,327 | 19.8% |
| Other Financing Sources | 56,784 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 2,445,647 | 1,873,049 | 2,083,876 | 210,827 | 11.3% |
| Fund Total Sources | 7,067,376 | 3,095,273 | 4,158,990 | 1,063,717 | 34.4% |
| Expenditures: | | | | | |
| Salaries and Benefits | 0 | 114,818 | 0 | (114,818) | -100.0% |
| Supplies | 1,025 | 0 | 0 | 0 | -- |
| Services | 356,012 | 320,000 | 196,000 | (124,000) | -38.8% |
| Intergovernmental Expenditures | 2,081,440 | 0 | 0 | 0 | -- |
| Capital | 1,126,004 | 1,253,750 | 2,437,150 | 1,183,400 | 94.4% |
| Interfund | 19 | 13,198 | 50,000 | 36,802 | 278.8% |
| Subtotal of Expenditures | 3,564,500 | 1,701,766 | 2,683,150 | 981,384 | 57.7% |
| Ending Reserves | (1,118,853) | 1,393,507 | 1,475,840 | 82,333 | 5.9% |
| Fund Total Uses | 2,445,647 | 3,095,273 | 4,158,990 | 1,063,717 | 34.4% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|------------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| 2nd 1/4% Real Estate Excise Tax Fund (142) | | | | | |
| Beginning Reserves | 4,795,407 | 1,462,178 | 706,884 | (755,294) | -51.7% |
| Revenues: | | | | | |
| Taxes | 1,929,181 | 1,700,000 | 1,876,500 | 176,500 | 10.4% |
| Intergovernmental Revenues | 0 | 0 | 1,669,160 | 1,669,160 | -- |
| Goods and Services Charges | 285 | 0 | 0 | 0 | -- |
| Miscellaneous | 192,597 | 225,914 | 263,991 | 38,077 | 16.9% |
| Other Financing Sources | 400,000 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 2,522,063 | 1,925,914 | 3,809,651 | 1,883,737 | 97.8% |
| Fund Total Sources | 7,317,470 | 3,388,092 | 4,516,535 | 1,128,443 | 33.3% |
| Expenditures: | | | | | |
| Supplies | 75 | 0 | 0 | 0 | -- |
| Services | 358,467 | 349,000 | 175,000 | (174,000) | -49.9% |
| Intergovernmental Expenditures | 1,016,091 | 622,767 | 638,152 | 15,385 | 2.5% |
| Capital | 857,672 | 1,630,000 | 3,569,160 | 1,939,160 | 119.0% |
| Interfund | 128,482 | 100,000 | 30,000 | (70,000) | -70.0% |
| Subtotal of Expenditures | 2,360,787 | 2,701,767 | 4,412,312 | 1,710,545 | 63.3% |
| Ending Reserves | 4,956,683 | 686,325 | 104,223 | (582,102) | -84.8% |
| Fund Total Uses | 7,317,470 | 3,388,092 | 4,516,535 | 1,128,443 | 33.3% |
| Police Federal Equitable Share Fund (151) | | | | | |
| Beginning Reserves | 69,393 | 41,077 | 38,199 | (2,878) | -7.0% |
| Revenues: | | | | | |
| Miscellaneous | 2,055 | 5,706 | 5,189 | (517) | -9.1% |
| Subtotal of Revenues | 2,055 | 5,706 | 5,189 | (517) | -9.1% |
| Fund Total Sources | 71,448 | 46,783 | 43,388 | (3,395) | -7.3% |
| Expenditures: | | | | | |
| Supplies | 38,955 | 0 | 0 | 0 | -- |
| Services | 0 | 0 | 25,000 | 25,000 | -- |
| Subtotal of Expenditures | 38,955 | 0 | 25,000 | 25,000 | -- |
| Ending Reserves | 32,493 | 46,783 | 18,388 | (28,395) | -60.7% |
| Fund Total Uses | 71,448 | 46,783 | 43,388 | (3,395) | -7.3% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|----------------|-----------------|----------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Asset Forfeiture/Drug Enforce. Fund (152) | | | | | |
| Beginning Reserves | 562,743 | 301,642 | 91,000 | (210,642) | -69.8% |
| Revenues: | | | | | |
| Miscellaneous | 50,583 | 94,900 | 62,000 | (32,900) | -34.7% |
| Subtotal of Revenues | 50,583 | 94,900 | 62,000 | (32,900) | -34.7% |
| Fund Total Sources | 613,326 | 396,542 | 153,000 | (243,542) | -61.4% |
| Expenditures: | | | | | |
| Supplies | 45,389 | 88,237 | 42,000 | (46,237) | -52.4% |
| Services | 158,164 | 21,835 | 12,105 | (9,730) | -44.6% |
| Intergovernmental Expenditures | 17,500 | 0 | 0 | 0 | -- |
| Capital | 48,495 | 36,000 | 18,000 | (18,000) | -50.0% |
| Interfund | 27,437 | 27,079 | 28,596 | 1,517 | 5.6% |
| Subtotal of Expenditures | 296,985 | 173,151 | 100,701 | (72,450) | -41.8% |
| Ending Reserves | 316,341 | 223,391 | 52,299 | (171,092) | -76.6% |
| Fund Total Uses | 613,326 | 396,542 | 153,000 | (243,542) | -61.4% |
| Criminal Justice Fund (153) | | | | | |
| Beginning Reserves | 527,926 | 235,537 | 465,133 | 229,596 | 97.5% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 238,276 | 248,782 | 257,229 | 8,447 | 3.4% |
| Miscellaneous | 16,696 | 35,078 | 18,000 | (17,078) | -48.7% |
| Subtotal of Revenues | 254,972 | 283,860 | 275,229 | (8,631) | -3.0% |
| Fund Total Sources | 782,898 | 519,397 | 740,362 | 220,965 | 42.5% |
| Expenditures: | | | | | |
| Intergovernmental Expenditures | 421,625 | 180,000 | 0 | (180,000) | -100.0% |
| Capital | 0 | 0 | 180,000 | 180,000 | -- |
| Subtotal of Expenditures | 421,625 | 180,000 | 180,000 | 0 | 0.0% |
| Ending Reserves | 361,273 | 339,397 | 560,362 | 220,965 | 65.1% |
| Fund Total Uses | 782,898 | 519,397 | 740,362 | 220,965 | 42.5% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|------------------|------------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| Public Safety Dispatch Fund (160) | | | | | |
| Beginning Reserves | 1,500,065 | 1,464,583 | 1,646,926 | 182,343 | 12.5% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 2,240,544 | 2,175,723 | 2,239,470 | 63,747 | 2.9% |
| Goods and Services Charges | 1,463,924 | 1,604,358 | 1,582,888 | (21,470) | -1.3% |
| Miscellaneous | 68,825 | 60,668 | 73,716 | 13,048 | 21.5% |
| Other Financing Sources | 31,783 | 29,037 | 30,417 | 1,380 | 4.8% |
| Subtotal of Revenues | 3,805,076 | 3,869,786 | 3,926,491 | 56,705 | 1.5% |
| Fund Total Sources | 5,305,141 | 5,334,369 | 5,573,417 | 239,048 | 4.5% |
| Expenditures: | | | | | |
| Salaries and Benefits | 2,620,827 | 3,016,392 | 3,298,393 | 282,001 | 9.3% |
| Supplies | 42,556 | 68,856 | 74,708 | 5,852 | 8.5% |
| Services | 297,745 | 417,401 | 252,610 | (164,791) | -39.5% |
| Intergovernmental Expenditures | 14,998 | 67,552 | 11,638 | (55,914) | -82.8% |
| Capital | 198,037 | 107,000 | 0 | (107,000) | -100.0% |
| Interfund | 334,058 | 342,790 | 272,652 | (70,138) | -20.5% |
| Subtotal of Expenditures | 3,508,221 | 4,019,991 | 3,910,001 | (109,990) | -2.7% |
| Ending Reserves | 1,796,920 | 1,314,378 | 1,663,416 | 349,038 | 26.6% |
| Fund Total Uses | 5,305,141 | 5,334,369 | 5,573,417 | 239,048 | 4.5% |
| Greenways Fund (171) | | | | | |
| Beginning Reserves | 49,051 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 1,295 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 1,295 | 0 | 0 | 0 | -- |
| Fund Total Sources | 50,346 | 0 | 0 | 0 | -- |
| Expenditures: | | | | | |
| Salaries and Benefits | 192 | 0 | 0 | 0 | -- |
| Intergovernmental Expenditures | 23,280 | 0 | 0 | 0 | -- |
| Capital | 26,201 | 0 | 0 | 0 | -- |
| Subtotal of Expenditures | 49,673 | 0 | 0 | 0 | -- |
| Ending Reserves | 673 | 0 | 0 | 0 | -- |
| Fund Total Uses | 50,346 | 0 | 0 | 0 | -- |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| <u>Beyond Greenways Fund (172)</u> | | | | | |
| Beginning Reserves | 3,198,991 | 1,172,485 | 1,247,166 | 74,681 | 6.4% |
| Revenues: | | | | | |
| Taxes | 1,475,917 | 0 | 0 | 0 | -- |
| Intergovernmental Revenues | 1,166,449 | 500,000 | 0 | (500,000) | -100.0% |
| Goods and Services Charges | 1,473 | 1,266 | 1,304 | 38 | 3.0% |
| Miscellaneous | 117,260 | 123,668 | 99,357 | (24,311) | -19.7% |
| Other Financing Sources | 23,280 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 2,784,379 | 624,934 | 100,661 | (524,273) | -83.9% |
| Fund Total Sources | 5,983,370 | 1,797,419 | 1,347,827 | (449,592) | -25.0% |
| Expenditures: | | | | | |
| Salaries and Benefits | 118,033 | 0 | 0 | 0 | -- |
| Supplies | 3,274 | 1,061 | 0 | (1,061) | -100.0% |
| Services | 313,210 | 0 | 0 | 0 | -- |
| Intergovernmental Expenditures | 42,127 | 40,513 | 20,238 | (20,275) | -50.0% |
| Capital | 1,290,809 | 500,000 | 1,082,000 | 582,000 | 116.4% |
| Interfund | 5,092 | 69,798 | 85,000 | 15,202 | 21.8% |
| Subtotal of Expenditures | 1,772,545 | 611,372 | 1,187,238 | 575,866 | 94.2% |
| Ending Reserves | 4,210,825 | 1,186,047 | 160,589 | (1,025,458) | -86.5% |
| Fund Total Uses | 5,983,370 | 1,797,419 | 1,347,827 | (449,592) | -25.0% |
| <u>Greenways III Fund (173)</u> | | | | | |
| Revenues: | | | | | |
| Taxes | 0 | 3,500,000 | 3,641,000 | 141,000 | 4.0% |
| Miscellaneous | 0 | 116,482 | 74,407 | (42,075) | -36.1% |
| Other Financing Sources | 0 | 275 | 0 | (275) | -100.0% |
| Subtotal of Revenues | 0 | 3,616,757 | 3,715,407 | 98,650 | 2.7% |
| Fund Total Sources | 0 | 3,616,757 | 3,715,407 | 98,650 | 2.7% |
| Expenditures: | | | | | |
| Services | 0 | 150,000 | 150,000 | 0 | 0.0% |
| Capital | 0 | 3,100,000 | 3,400,000 | 300,000 | 9.7% |
| Interfund | 0 | 97,186 | 133,748 | 36,562 | 37.6% |
| Subtotal of Expenditures | 0 | 3,347,186 | 3,683,748 | 336,562 | 10.1% |
| Ending Reserves | 0 | 269,571 | 31,659 | (237,912) | -88.3% |
| Fund Total Uses | 0 | 3,616,757 | 3,715,407 | 98,650 | 2.7% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---------------------------------------|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| <u>Parks Impact Fund (177)</u> | | | | | |
| Beginning Reserves | 0 | 2,000,000 | 428,271 | (1,571,729) | -78.6% |
| Revenues: | | | | | |
| Goods and Services Charges | 365,163 | 1,005,660 | 1,035,830 | 30,170 | 3.0% |
| Miscellaneous | 4,165 | 116,482 | 30,000 | (86,482) | -74.2% |
| Subtotal of Revenues | 369,328 | 1,122,142 | 1,065,830 | (56,312) | -5.0% |
| Fund Total Sources | 369,328 | 3,122,142 | 1,494,101 | (1,628,041) | -52.1% |
| Expenditures: | | | | | |
| Capital | 0 | 1,500,000 | 1,350,000 | (150,000) | -10.0% |
| Interfund | 0 | 63,198 | 70,000 | 6,802 | 10.8% |
| Subtotal of Expenditures | 0 | 1,563,198 | 1,420,000 | (143,198) | -9.2% |
| Ending Reserves | 369,328 | 1,558,944 | 74,101 | (1,484,843) | -95.2% |
| Fund Total Uses | 369,328 | 3,122,142 | 1,494,101 | (1,628,041) | -52.1% |
| <u>Sportsplex Fund (178)</u> | | | | | |
| Beginning Reserves | 6,646 | 8,829 | 16,633 | 7,804 | 88.4% |
| Revenues: | | | | | |
| Miscellaneous | 4,615 | 5,372 | 12,176 | 6,804 | 126.7% |
| Subtotal of Revenues | 4,615 | 5,372 | 12,176 | 6,804 | 126.7% |
| Fund Total Sources | 11,261 | 14,201 | 28,809 | 14,608 | 102.9% |
| Ending Reserves | 11,261 | 14,201 | 28,809 | 14,608 | 102.9% |
| Fund Total Uses | 11,261 | 14,201 | 28,809 | 14,608 | 102.9% |
| <u>Tourism Fund (180)</u> | | | | | |
| Beginning Reserves | 293,968 | 316,350 | 351,170 | 34,820 | 11.0% |
| Revenues: | | | | | |
| Taxes | 915,274 | 896,035 | 993,270 | 97,235 | 10.9% |
| Miscellaneous | 10,948 | 11,909 | 14,221 | 2,312 | 19.4% |
| Subtotal of Revenues | 926,222 | 907,944 | 1,007,491 | 99,547 | 11.0% |
| Fund Total Sources | 1,220,190 | 1,224,294 | 1,358,661 | 134,367 | 11.0% |
| Expenditures: | | | | | |
| Salaries and Benefits | 0 | 0 | 16,830 | 16,830 | -- |
| Supplies | 0 | 1,934 | 100,031 | 98,097 | 5072.2% |
| Services | 773,777 | 881,178 | 922,551 | 41,373 | 4.7% |
| Intergovernmental Expenditures | 103,000 | 103,000 | 106,090 | 3,090 | 3.0% |
| Interfund | 15,534 | 16,761 | 3,078 | (13,683) | -81.6% |
| Subtotal of Expenditures | 892,311 | 1,002,873 | 1,148,580 | 145,707 | 14.5% |
| Ending Reserves | 327,879 | 221,421 | 210,081 | (11,340) | -5.1% |
| Fund Total Uses | 1,220,190 | 1,224,294 | 1,358,661 | 134,367 | 11.0% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Community Develop Block Grant Fund (190) | | | | | |
| Beginning Reserves | 598,355 | 0 | 332,765 | 332,765 | -- |
| Revenues: | | | | | |
| Intergovernmental Revenues | 775,367 | 870,200 | 870,200 | 0 | 0.0% |
| Goods and Services Charges | 606,788 | 517,456 | 194,555 | (322,901) | -62.4% |
| Miscellaneous | 54,088 | 46,099 | 41,081 | (5,018) | -10.9% |
| Other Financing Sources | 155,491 | 158,105 | 153,573 | (4,532) | -2.9% |
| Subtotal of Revenues | 1,591,734 | 1,591,860 | 1,259,409 | (332,451) | -20.9% |
| Fund Total Sources | 2,190,089 | 1,591,860 | 1,592,174 | 314 | 0.0% |
| Expenditures: | | | | | |
| Salaries and Benefits | 612,243 | 665,405 | 379,628 | (285,777) | -42.9% |
| Supplies | 13,974 | 19,269 | 512 | (18,757) | -97.3% |
| Services | 396,690 | 602,739 | 547,818 | (54,921) | -9.1% |
| Intergovernmental Expenditures | 7,385 | 17,330 | 3,000 | (14,330) | -82.7% |
| Capital | 120,930 | 77,337 | 181,248 | 103,911 | 134.4% |
| Interfund | 219,310 | 206,513 | 161,327 | (45,186) | -21.9% |
| Subtotal of Expenditures | 1,370,532 | 1,588,593 | 1,273,533 | (315,060) | -19.8% |
| Ending Reserves | 819,557 | 3,267 | 318,641 | 315,374 | 9653.3% |
| Fund Total Uses | 2,190,089 | 1,591,860 | 1,592,174 | 314 | 0.0% |
| HOME Investment Partnership Grant Fund (191) | | | | | |
| Revenues: | | | | | |
| Intergovernmental Revenues | 0 | 638,200 | 635,000 | (3,200) | -0.5% |
| Goods and Services Charges | 0 | 16,728 | 16,986 | 258 | 1.5% |
| Miscellaneous | 0 | 17,335 | 27,392 | 10,057 | 58.0% |
| Subtotal of Revenues | 0 | 672,263 | 679,378 | 7,115 | 1.1% |
| Fund Total Sources | 0 | 672,263 | 679,378 | 7,115 | 1.1% |
| Expenditures: | | | | | |
| Salaries and Benefits | 0 | 0 | 57,101 | 57,101 | -- |
| Services | 0 | 626,972 | 622,277 | (4,695) | -0.7% |
| Interfund | 0 | 45,291 | 0 | (45,291) | -100.0% |
| Subtotal of Expenditures | 0 | 672,263 | 679,378 | 7,115 | 1.1% |
| Fund Total Uses | 0 | 672,263 | 679,378 | 7,115 | 1.1% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|----------------|-----------------|----------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| <u>2001 Fire UTGO Bond Fund (214)</u> | | | | | |
| Beginning Reserves | 39,777 | 5,158 | 20,366 | 15,208 | 294.8% |
| Revenues: | | | | | |
| Taxes | 319,023 | 350,230 | 350,000 | (230) | -0.1% |
| Miscellaneous | 4,247 | 32,471 | 6,620 | (25,851) | -79.6% |
| Subtotal of Revenues | 323,270 | 382,701 | 356,620 | (26,081) | -6.8% |
| Fund Total Sources | 363,047 | 387,859 | 376,986 | (10,873) | -2.8% |
| Expenditures: | | | | | |
| Principal and Interest | 345,909 | 350,230 | 348,830 | (1,400) | -0.4% |
| Subtotal of Expenditures | 345,909 | 350,230 | 348,830 | (1,400) | -0.4% |
| Ending Reserves | 17,138 | 37,629 | 28,156 | (9,473) | -25.2% |
| Fund Total Uses | 363,047 | 387,859 | 376,986 | (10,873) | -2.8% |
| <u>1999 LTGO Bond Redemption Fund (222)</u> | | | | | |
| Beginning Reserves | 989 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 53 | 0 | 0 | 0 | -- |
| Other Financing Sources | 558,524 | 549,418 | 544,638 | (4,780) | -0.9% |
| Subtotal of Revenues | 558,577 | 549,418 | 544,638 | (4,780) | -0.9% |
| Fund Total Sources | 559,566 | 549,418 | 544,638 | (4,780) | -0.9% |
| Expenditures: | | | | | |
| Principal and Interest | 558,118 | 549,418 | 544,638 | (4,780) | -0.9% |
| Subtotal of Expenditures | 558,118 | 549,418 | 544,638 | (4,780) | -0.9% |
| Ending Reserves | 1,448 | 0 | 0 | 0 | -- |
| Fund Total Uses | 559,566 | 549,418 | 544,638 | (4,780) | -0.9% |
| <u>Refunding GO Bonds 1996 Fund (223)</u> | | | | | |
| Beginning Reserves | 15,524 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 46,925 | 45,683 | 47,658 | 1,975 | 4.3% |
| Other Financing Sources | 480,820 | 481,865 | 483,310 | 1,445 | 0.3% |
| Subtotal of Revenues | 527,745 | 527,548 | 530,968 | 3,420 | 0.6% |
| Fund Total Sources | 543,269 | 527,548 | 530,968 | 3,420 | 0.6% |
| Expenditures: | | | | | |
| Principal and Interest | 527,573 | 527,548 | 530,968 | 3,420 | 0.6% |
| Subtotal of Expenditures | 527,573 | 527,548 | 530,968 | 3,420 | 0.6% |
| Ending Reserves | 15,696 | 0 | 0 | 0 | -- |
| Fund Total Uses | 543,269 | 527,548 | 530,968 | 3,420 | 0.6% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|----------------|-----------------|----------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| <u>2001 Fire UTGO Bond Fund (214)</u> | | | | | |
| Beginning Reserves | 39,777 | 5,158 | 20,366 | 15,208 | 294.8% |
| Revenues: | | | | | |
| Taxes | 319,023 | 350,230 | 350,000 | (230) | -0.1% |
| Miscellaneous | 4,247 | 32,471 | 6,620 | (25,851) | -79.6% |
| Subtotal of Revenues | 323,270 | 382,701 | 356,620 | (26,081) | -6.8% |
| Fund Total Sources | 363,047 | 387,859 | 376,986 | (10,873) | -2.8% |
| Expenditures: | | | | | |
| Principal and Interest | 345,909 | 350,230 | 348,830 | (1,400) | -0.4% |
| Subtotal of Expenditures | 345,909 | 350,230 | 348,830 | (1,400) | -0.4% |
| Ending Reserves | 17,138 | 37,629 | 28,156 | (9,473) | -25.2% |
| Fund Total Uses | 363,047 | 387,859 | 376,986 | (10,873) | -2.8% |
| <u>1999 LTGO Bond Redemption Fund (222)</u> | | | | | |
| Beginning Reserves | 989 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 53 | 0 | 0 | 0 | -- |
| Other Financing Sources | 558,524 | 549,418 | 544,638 | (4,780) | -0.9% |
| Subtotal of Revenues | 558,577 | 549,418 | 544,638 | (4,780) | -0.9% |
| Fund Total Sources | 559,566 | 549,418 | 544,638 | (4,780) | -0.9% |
| Expenditures: | | | | | |
| Principal and Interest | 558,118 | 549,418 | 544,638 | (4,780) | -0.9% |
| Subtotal of Expenditures | 558,118 | 549,418 | 544,638 | (4,780) | -0.9% |
| Ending Reserves | 1,448 | 0 | 0 | 0 | -- |
| Fund Total Uses | 559,566 | 549,418 | 544,638 | (4,780) | -0.9% |
| <u>Refunding GO Bonds 1996 Fund (223)</u> | | | | | |
| Beginning Reserves | 15,524 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 46,925 | 45,683 | 47,658 | 1,975 | 4.3% |
| Other Financing Sources | 480,820 | 481,865 | 483,310 | 1,445 | 0.3% |
| Subtotal of Revenues | 527,745 | 527,548 | 530,968 | 3,420 | 0.6% |
| Fund Total Sources | 543,269 | 527,548 | 530,968 | 3,420 | 0.6% |
| Expenditures: | | | | | |
| Principal and Interest | 527,573 | 527,548 | 530,968 | 3,420 | 0.6% |
| Subtotal of Expenditures | 527,573 | 527,548 | 530,968 | 3,420 | 0.6% |
| Ending Reserves | 15,696 | 0 | 0 | 0 | -- |
| Fund Total Uses | 543,269 | 527,548 | 530,968 | 3,420 | 0.6% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|------------------|------------------|-----------------------------|-------------|
| | | | | Amount | Percent |
| <u>Sportsplex Acquisition Debt Fund (224)</u> | | | | | |
| Beginning Reserves | 21,845 | 21,577 | 22,050 | 473 | 2.2% |
| Revenues: | | | | | |
| Miscellaneous | 258,752 | 262,277 | 265,228 | 2,951 | 1.1% |
| Subtotal of Revenues | 258,752 | 262,277 | 265,228 | 2,951 | 1.1% |
| Fund Total Sources | 280,597 | 283,854 | 287,278 | 3,424 | 1.2% |
| Expenditures: | | | | | |
| Principal and Interest | 258,798 | 262,019 | 265,019 | 3,000 | 1.1% |
| Subtotal of Expenditures | 258,798 | 262,019 | 265,019 | 3,000 | 1.1% |
| Ending Reserves | 21,799 | 21,835 | 22,259 | 424 | 1.9% |
| Fund Total Uses | 280,597 | 283,854 | 287,278 | 3,424 | 1.2% |
| <u>2004 PFD/Civic Field LTGO Fund (225)</u> | | | | | |
| Beginning Reserves | 277 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 440 | 0 | 0 | 0 | -- |
| Other Financing Sources | 1,157,899 | 1,176,650 | 1,208,425 | 31,775 | 2.7% |
| Subtotal of Revenues | 1,158,339 | 1,176,650 | 1,208,425 | 31,775 | 2.7% |
| Fund Total Sources | 1,158,616 | 1,176,650 | 1,208,425 | 31,775 | 2.7% |
| Expenditures: | | | | | |
| Principal and Interest | 1,157,803 | 1,176,650 | 1,208,425 | 31,775 | 2.7% |
| Subtotal of Expenditures | 1,157,803 | 1,176,650 | 1,208,425 | 31,775 | 2.7% |
| Ending Reserves | 813 | 0 | 0 | 0 | -- |
| Fund Total Uses | 1,158,616 | 1,176,650 | 1,208,425 | 31,775 | 2.7% |
| <u>Drake Note Fund (231)</u> | | | | | |
| Beginning Reserves | 3 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 310 | 0 | 0 | 0 | -- |
| Other Financing Sources | 17,754 | 17,964 | 17,964 | 0 | 0.0% |
| Subtotal of Revenues | 18,064 | 17,964 | 17,964 | 0 | 0.0% |
| Fund Total Sources | 18,067 | 17,964 | 17,964 | 0 | 0.0% |
| Expenditures: | | | | | |
| Principal and Interest | 17,963 | 17,964 | 17,964 | 0 | 0.0% |
| Subtotal of Expenditures | 17,963 | 17,964 | 17,964 | 0 | 0.0% |
| Ending Reserves | 104 | 0 | 0 | 0 | -- |
| Fund Total Uses | 18,067 | 17,964 | 17,964 | 0 | 0.0% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|----------------|-----------------|----------------|-----------------------------|----------------|
| | | | | Amount | Percent |
| <u>PW State Loan-Roeder Ave Fund (232)</u> | | | | | |
| Beginning Reserves | 222 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 21,474 | 21,264 | 0 | (21,264) | -100.0% |
| Other Financing Sources | 31,988 | 31,895 | 0 | (31,895) | -100.0% |
| Subtotal of Revenues | 53,462 | 53,159 | 0 | (53,159) | -100.0% |
| Fund Total Sources | 53,684 | 53,159 | 0 | (53,159) | -100.0% |
| Expenditures: | | | | | |
| Principal and Interest | 53,685 | 53,159 | 0 | (53,159) | -100.0% |
| Subtotal of Expenditures | 53,685 | 53,159 | 0 | (53,159) | -100.0% |
| Ending Reserves | (223) | 0 | 0 | 0 | -- |
| Fund Total Uses | 53,462 | 53,159 | 0 | (53,159) | -100.0% |
| <u>PW State Loan-Woburn St Fund (233)</u> | | | | | |
| Beginning Reserves | 444 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Other Financing Sources | 54,068 | 53,983 | 53,454 | (529) | -1.0% |
| Subtotal of Revenues | 54,068 | 53,983 | 53,454 | (529) | -1.0% |
| Fund Total Sources | 54,512 | 53,983 | 53,454 | (529) | -1.0% |
| Expenditures: | | | | | |
| Principal and Interest | 54,512 | 53,983 | 53,454 | (529) | -1.0% |
| Subtotal of Expenditures | 54,512 | 53,983 | 53,454 | (529) | -1.0% |
| Ending Reserves | 0 | 0 | 0 | 0 | -- |
| Fund Total Uses | 54,512 | 53,983 | 53,454 | (529) | -1.0% |
| <u>CERB Loans Fund (234)</u> | | | | | |
| Revenues: | | | | | |
| Goods and Services Charges | 83,871 | 90,329 | 97,284 | 6,955 | 7.7% |
| Miscellaneous | 28,972 | 22,514 | 15,559 | (6,955) | -30.9% |
| Subtotal of Revenues | 112,843 | 112,843 | 112,843 | 0 | 0.0% |
| Fund Total Sources | 112,843 | 112,843 | 112,843 | 0 | 0.0% |
| Expenditures: | | | | | |
| Principal and Interest | 112,843 | 112,843 | 112,843 | 0 | 0.0% |
| Subtotal of Expenditures | 112,843 | 112,843 | 112,843 | 0 | 0.0% |
| Fund Total Uses | 112,843 | 112,843 | 112,843 | 0 | 0.0% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|----------------|-----------------|----------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| <u>PW Trust Loan-Str Overlay Fund (235)</u> | | | | | |
| Beginning Reserves | 1,109 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Other Financing Sources | 169,897 | 170,570 | 169,781 | (789) | -0.5% |
| Subtotal of Revenues | 169,897 | 170,570 | 169,781 | (789) | -0.5% |
| Fund Total Sources | 171,006 | 170,570 | 169,781 | (789) | -0.5% |
| Expenditures: | | | | | |
| Principal and Interest | 171,006 | 170,570 | 169,781 | (789) | -0.5% |
| Subtotal of Expenditures | 171,006 | 170,570 | 169,781 | (789) | -0.5% |
| Ending Reserves | 0 | 0 | 0 | 0 | -- |
| Fund Total Uses | 171,006 | 170,570 | 169,781 | (789) | -0.5% |
| <u>LID Guaranty Fund (245)</u> | | | | | |
| Beginning Reserves | 513,044 | 529,914 | 261,802 | (268,112) | -50.6% |
| Revenues: | | | | | |
| Miscellaneous | 22,415 | 31,888 | 33,374 | 1,486 | 4.7% |
| Subtotal of Revenues | 22,415 | 31,888 | 33,374 | 1,486 | 4.7% |
| Fund Total Sources | 535,459 | 561,802 | 295,176 | (266,626) | -47.5% |
| Ending Reserves | 535,459 | 561,802 | 295,176 | (266,626) | -47.5% |
| Fund Total Uses | 535,459 | 561,802 | 295,176 | (266,626) | -47.5% |
| <u>#1099 Barkley Blvd Fund (264)</u> | | | | | |
| Beginning Reserves | 4,004 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 338,288 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 338,288 | 0 | 0 | 0 | -- |
| Fund Total Sources | 342,292 | 0 | 0 | 0 | -- |
| Expenditures: | | | | | |
| Principal and Interest | 360,184 | 0 | 0 | 0 | -- |
| Subtotal of Expenditures | 360,184 | 0 | 0 | 0 | -- |
| Ending Reserves | (17,892) | 0 | 0 | 0 | -- |
| Fund Total Uses | 342,292 | 0 | 0 | 0 | -- |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|----------------|-----------------|----------------|-----------------------------|-----------|
| | | | | Amount | Percent |
| #1106 Bakerview Rd Fund (270) | | | | | |
| Beginning Reserves | 11,223 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 205,812 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 205,812 | 0 | 0 | 0 | -- |
| Fund Total Sources | 217,035 | 0 | 0 | 0 | -- |
| Expenditures: | | | | | |
| Principal and Interest | 235,420 | 0 | 0 | 0 | -- |
| Subtotal of Expenditures | 235,420 | 0 | 0 | 0 | -- |
| Ending Reserves | (18,385) | 0 | 0 | 0 | -- |
| Fund Total Uses | 217,035 | 0 | 0 | 0 | -- |
| #1107/1108 Telegraph/Barkley Fund (271) | | | | | |
| Beginning Reserves | 15,775 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 85,624 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 85,624 | 0 | 0 | 0 | -- |
| Fund Total Sources | 101,399 | 0 | 0 | 0 | -- |
| Expenditures: | | | | | |
| Principal and Interest | 96,190 | 0 | 0 | 0 | -- |
| Subtotal of Expenditures | 96,190 | 0 | 0 | 0 | -- |
| Ending Reserves | 5,209 | 0 | 0 | 0 | -- |
| Fund Total Uses | 101,399 | 0 | 0 | 0 | -- |
| City Hall Annex Fund (313) | | | | | |
| Beginning Reserves | 26,238 | 0 | 0 | 0 | -- |
| Revenues: | | | | | |
| Miscellaneous | 812 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 812 | 0 | 0 | 0 | -- |
| Fund Total Sources | 27,050 | 0 | 0 | 0 | -- |
| Expenditures: | | | | | |
| Intergovernmental Expenditures | 26,784 | 0 | 0 | 0 | -- |
| Subtotal of Expenditures | 26,784 | 0 | 0 | 0 | -- |
| Ending Reserves | 266 | 0 | 0 | 0 | -- |
| Fund Total Uses | 27,050 | 0 | 0 | 0 | -- |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|-------------------|-------------------|-------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| <u>Civic Field Improvement Fund (341)</u> | | | | | |
| Beginning Reserves | 7,337,986 | 107,721 | 403,627 | 295,906 | 274.7% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 42,062 | 0 | 0 | 0 | -- |
| Goods and Services Charges | 430 | 200 | 800 | 600 | 300.0% |
| Miscellaneous | 238,214 | 15,000 | 0 | (15,000) | -100.0% |
| Other Financing Sources | 3,491,455 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 3,772,161 | 15,200 | 800 | (14,400) | -94.7% |
| Fund Total Sources | 11,110,147 | 122,921 | 404,427 | 281,506 | 229.0% |
| Expenditures: | | | | | |
| Services | 233,742 | 0 | 0 | 0 | -- |
| Intergovernmental Expenditures | 155 | 0 | 0 | 0 | -- |
| Capital | 9,038,124 | 0 | 113,000 | 113,000 | -- |
| Interfund | 62,073 | 0 | 10,000 | 10,000 | -- |
| Subtotal of Expenditures | 9,334,094 | 0 | 123,000 | 123,000 | -- |
| Ending Reserves | 1,776,053 | 122,921 | 281,427 | 158,506 | 128.9% |
| Fund Total Uses | 11,110,147 | 122,921 | 404,427 | 281,506 | 229.0% |
| <u>Water Fund (410)</u> | | | | | |
| Beginning Reserves | 9,452,373 | 3,909,508 | 6,357,762 | 2,448,254 | 62.6% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 284,331 | 0 | 0 | 0 | -- |
| Goods and Services Charges | 13,601,260 | 14,086,025 | 15,406,288 | 1,320,263 | 9.4% |
| Fines | 48,518 | 42,500 | 43,775 | 1,275 | 3.0% |
| Miscellaneous | 636,408 | 760,445 | 1,003,824 | 243,379 | 32.0% |
| Non Revenues | 14,410,000 | 0 | 0 | 0 | -- |
| Other Financing Sources | 680,000 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 29,660,517 | 14,888,970 | 16,453,887 | 1,564,917 | 10.5% |
| Fund Total Sources | 39,112,890 | 18,798,478 | 22,811,649 | 4,013,171 | 21.3% |
| Expenditures: | | | | | |
| Salaries and Benefits | 2,119,305 | 2,297,947 | 2,541,645 | 243,698 | 10.6% |
| Supplies | 595,028 | 542,913 | 616,726 | 73,813 | 13.6% |
| Services | 1,592,645 | 1,992,718 | 2,299,082 | 306,364 | 15.4% |
| Intergovernmental Expenditures | 2,501,252 | 2,497,034 | 3,090,782 | 593,748 | 23.8% |
| Capital | 7,740,808 | 2,270,000 | 4,452,800 | 2,182,800 | 96.2% |
| Principal and Interest | 4,782,642 | 2,582,717 | 1,587,083 | (995,634) | -38.5% |
| Interfund | 4,170,034 | 3,896,454 | 3,994,073 | 97,619 | 2.5% |
| Subtotal of Expenditures | 23,501,714 | 16,079,783 | 18,582,191 | 2,502,408 | 15.6% |
| Ending Reserves | 15,611,176 | 2,718,695 | 4,229,458 | 1,510,763 | 55.6% |
| Fund Total Uses | 39,112,890 | 18,798,478 | 22,811,649 | 4,013,171 | 21.3% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|-------------------|-------------------|-------------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| Wastewater Fund (420) | | | | | |
| Beginning Reserves | 20,289,531 | 7,559,083 | 8,518,806 | 959,723 | 12.7% |
| Revenues: | | | | | |
| Intergovernmental Revenues | 5,850 | 2,500 | 3,000 | 500 | 20.0% |
| Goods and Services Charges | 14,191,084 | 14,137,900 | 15,490,761 | 1,352,861 | 9.6% |
| Fines | 53,253 | 48,000 | 49,440 | 1,440 | 3.0% |
| Miscellaneous | 865,276 | 1,157,294 | 1,229,739 | 72,445 | 6.3% |
| Non Revenues | 3,908,619 | 846,840 | 0 | (846,840) | -100.0% |
| Subtotal of Revenues | 19,024,082 | 16,192,534 | 16,772,940 | 580,406 | 3.6% |
| Fund Total Sources | 39,313,613 | 23,751,617 | 25,291,746 | 1,540,129 | 6.5% |
| Expenditures: | | | | | |
| Salaries and Benefits | 2,564,836 | 2,834,209 | 3,010,565 | 176,356 | 6.2% |
| Supplies | 686,170 | 568,767 | 643,180 | 74,413 | 13.1% |
| Services | 2,403,414 | 2,874,989 | 4,510,151 | 1,635,162 | 56.9% |
| Intergovernmental Expenditures | 2,950,988 | 2,011,827 | 2,105,509 | 93,682 | 4.7% |
| Capital | 5,452,560 | 6,124,000 | 3,061,000 | (3,063,000) | -50.0% |
| Principal and Interest | 5,296,102 | 2,212,380 | 2,220,840 | 8,460 | 0.4% |
| Interfund | 2,811,284 | 2,965,165 | 2,978,384 | 13,219 | 0.4% |
| Subtotal of Expenditures | 22,165,354 | 19,591,337 | 18,529,629 | (1,061,708) | -5.4% |
| Ending Reserves | 17,148,259 | 4,160,280 | 6,762,117 | 2,601,837 | 62.5% |
| Fund Total Uses | 39,313,613 | 23,751,617 | 25,291,746 | 1,540,129 | 6.5% |
| Storm/Surface Water Utility Fund (430) | | | | | |
| Beginning Reserves | 1,827,599 | 477,519 | 1,431,981 | 954,462 | 199.9% |
| Revenues: | | | | | |
| Licenses and Permits | 122,898 | 125,000 | 169,890 | 44,890 | 35.9% |
| Intergovernmental Revenues | 10,916 | 18,855 | 19,000 | 145 | 0.8% |
| Goods and Services Charges | 4,239,744 | 4,400,087 | 4,634,143 | 234,056 | 5.3% |
| Fines | 16,566 | 16,668 | 92,168 | 75,500 | 453.0% |
| Miscellaneous | 127,080 | 147,896 | 157,403 | 9,507 | 6.4% |
| Other Financing Sources | 28,100 | 0 | 0 | 0 | -- |
| Subtotal of Revenues | 4,545,304 | 4,708,506 | 5,072,604 | 364,098 | 7.7% |
| Fund Total Sources | 6,372,903 | 5,186,025 | 6,504,585 | 1,318,560 | 25.4% |
| Expenditures: | | | | | |
| Salaries and Benefits | 955,090 | 1,007,692 | 1,129,748 | 122,056 | 12.1% |
| Supplies | 90,378 | 95,595 | 124,462 | 28,867 | 30.2% |
| Services | 296,588 | 621,893 | 669,464 | 47,571 | 7.6% |
| Intergovernmental Expenditures | 516,117 | 538,200 | 578,300 | 40,100 | 7.5% |
| Capital | 294,982 | 746,000 | 1,731,000 | 985,000 | 132.0% |
| Interfund | 1,744,535 | 1,818,558 | 1,797,158 | (21,400) | -1.2% |
| Subtotal of Expenditures | 3,897,690 | 4,827,938 | 6,030,132 | 1,202,194 | 24.9% |
| Ending Reserves | 2,475,213 | 358,087 | 474,453 | 116,366 | 32.5% |
| Fund Total Uses | 6,372,903 | 5,186,025 | 6,504,585 | 1,318,560 | 25.4% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---------------------------------|------------------|------------------|------------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| Solid Waste Fund (440) | | | | | |
| Beginning Reserves | 5,068,140 | 1,777,291 | 1,660,188 | (117,103) | -6.6% |
| Revenues: | | | | | |
| Taxes | 1,163,203 | 1,065,000 | 1,280,000 | 215,000 | 20.2% |
| Intergovernmental Revenues | 155,635 | 120,000 | 120,000 | 0 | 0.0% |
| Goods and Services Charges | 89,175 | 102,710 | 92,626 | (10,084) | -9.8% |
| Miscellaneous | 713,203 | 469,683 | 496,624 | 26,941 | 5.7% |
| Subtotal of Revenues | 2,121,216 | 1,757,393 | 1,989,250 | 231,857 | 13.2% |
| Fund Total Sources | 7,189,356 | 3,534,684 | 3,649,438 | 114,754 | 3.2% |
| Expenditures: | | | | | |
| Salaries and Benefits | 111,363 | 135,341 | 146,325 | 10,984 | 8.1% |
| Supplies | 10,122 | 15,314 | 32,079 | 16,765 | 109.5% |
| Services | 865,487 | 893,110 | 932,980 | 39,870 | 4.5% |
| Intergovernmental Expenditures | 1,767 | 21,050 | 21,050 | 0 | 0.0% |
| Capital | 3,278,774 | 0 | 0 | 0 | -- |
| Principal and Interest | 792,210 | 795,823 | 768,732 | (27,091) | -3.4% |
| Interfund | 197,435 | 196,285 | 126,093 | (70,192) | -35.8% |
| Subtotal of Expenditures | 5,257,158 | 2,056,923 | 2,027,259 | (29,664) | -1.4% |
| Ending Reserves | 1,932,198 | 1,477,761 | 1,622,179 | 144,418 | 9.8% |
| Fund Total Uses | 7,189,356 | 3,534,684 | 3,649,438 | 114,754 | 3.2% |
| Cemetery Fund (456) | | | | | |
| Beginning Reserves | 414,054 | 384,596 | 417,714 | 33,118 | 8.6% |
| Revenues: | | | | | |
| Goods and Services Charges | 305,266 | 350,431 | 349,089 | (1,342) | -0.4% |
| Fines | 25 | 25 | 26 | 1 | 4.0% |
| Miscellaneous | 23,841 | 28,928 | 33,725 | 4,797 | 16.6% |
| Other Financing Sources | 221,481 | 228,654 | 221,480 | (7,174) | -3.1% |
| Subtotal of Revenues | 550,613 | 608,038 | 604,320 | (3,718) | -0.6% |
| Fund Total Sources | 964,667 | 992,634 | 1,022,034 | 29,400 | 3.0% |
| Expenditures: | | | | | |
| Salaries and Benefits | 290,425 | 320,256 | 318,488 | (1,768) | -0.6% |
| Supplies | 73,350 | 92,049 | 102,576 | 10,527 | 11.4% |
| Services | 31,279 | 45,371 | 48,277 | 2,906 | 6.4% |
| Intergovernmental Expenditures | 13,868 | 24,865 | 17,691 | (7,174) | -28.9% |
| Capital | 0 | 17,419 | 0 | (17,419) | -100.0% |
| Interfund | 113,287 | 134,761 | 132,268 | (2,493) | -1.8% |
| Subtotal of Expenditures | 522,209 | 634,721 | 619,300 | (15,421) | -2.4% |
| Ending Reserves | 442,458 | 357,913 | 402,734 | 44,821 | 12.5% |
| Fund Total Uses | 964,667 | 992,634 | 1,022,034 | 29,400 | 3.0% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| <u>Golf Course Fund (460)</u> | | | | | |
| Beginning Reserves | 84,398 | 90,000 | 100,116 | 10,116 | 11.2% |
| Revenues: | | | | | |
| Goods and Services Charges | 756,643 | 809,520 | 0 | (809,520) | -100.0% |
| Miscellaneous | 6,433 | 9,306 | 181,800 | 172,494 | 1853.6% |
| Subtotal of Revenues | 763,076 | 818,826 | 181,800 | (637,026) | -77.8% |
| Fund Total Sources | 847,474 | 908,826 | 281,916 | (626,910) | -69.0% |
| Expenditures: | | | | | |
| Salaries and Benefits | 0 | 0 | 31,684 | 31,684 | -- |
| Supplies | 30,008 | 64,095 | 7,021 | (57,074) | -89.0% |
| Services | 530,771 | 549,993 | 24,902 | (525,091) | -95.5% |
| Intergovernmental Expenditures | 33,976 | 39,151 | 3,006 | (36,145) | -92.3% |
| Principal and Interest | 85,649 | 85,175 | 85,520 | 345 | 0.4% |
| Interfund | 78,100 | 71,540 | 24,334 | (47,206) | -66.0% |
| Subtotal of Expenditures | 758,504 | 809,954 | 176,467 | (633,487) | -78.2% |
| Ending Reserves | 88,970 | 98,872 | 105,449 | 6,577 | 6.7% |
| Fund Total Uses | 847,474 | 908,826 | 281,916 | (626,910) | -69.0% |
| <u>Parking Services Fund (465)</u> | | | | | |
| Beginning Reserves | 512,771 | 613,821 | 1,744,387 | 1,130,566 | 184.2% |
| Revenues: | | | | | |
| Fines | 574 | 500 | 928,198 | 927,698 | 185539.6% |
| Miscellaneous | 1,147,329 | 1,382,814 | 1,695,593 | 312,779 | 22.6% |
| Other Financing Sources | 477,499 | 110,750 | 0 | (110,750) | -100.0% |
| Subtotal of Revenues | 1,625,402 | 1,494,064 | 2,623,791 | 1,129,727 | 75.6% |
| Fund Total Sources | 2,138,173 | 2,107,885 | 4,368,178 | 2,260,293 | 107.2% |
| Expenditures: | | | | | |
| Salaries and Benefits | 333,161 | 339,581 | 406,907 | 67,326 | 19.8% |
| Supplies | 134,953 | 117,641 | 101,574 | (16,067) | -13.7% |
| Services | 238,632 | 348,246 | 627,310 | 279,064 | 80.1% |
| Intergovernmental Expenditures | 7,744 | 54,064 | 645,466 | 591,402 | 1093.9% |
| Capital | 162,713 | 0 | 1,920,000 | 1,920,000 | -- |
| Principal and Interest | 128,798 | 125,993 | 132,253 | 6,260 | 5.0% |
| Interfund | 229,070 | 231,034 | 209,840 | (21,194) | -9.2% |
| Subtotal of Expenditures | 1,235,071 | 1,216,559 | 4,043,350 | 2,826,791 | 232.4% |
| Ending Reserves | 903,102 | 891,326 | 324,828 | (566,498) | -63.6% |
| Fund Total Uses | 2,138,173 | 2,107,885 | 4,368,178 | 2,260,293 | 107.2% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Medic One Fund (470) | | | | | |
| Beginning Reserves | 1,139,673 | 1,377,197 | 597,546 | (779,651) | -56.6% |
| Revenues: | | | | | |
| Taxes | 349,589 | 505,126 | 0 | (505,126) | -100.0% |
| Intergovernmental Revenues | 1,380,979 | 2,470,674 | 3,093,766 | 623,092 | 25.2% |
| Goods and Services Charges | 3,055,802 | 3,170,139 | 3,353,542 | 183,403 | 5.8% |
| Miscellaneous | 84,643 | 74,282 | 78,628 | 4,346 | 5.9% |
| Other Financing Sources | 995,933 | 1,005,892 | 1,015,951 | 10,059 | 1.0% |
| Subtotal of Revenues | 5,866,946 | 7,226,113 | 7,541,887 | 315,774 | 4.4% |
| Fund Total Sources | 7,006,619 | 8,603,310 | 8,139,433 | (463,877) | -5.4% |
| Expenditures: | | | | | |
| Salaries and Benefits | 3,861,355 | 4,347,682 | 4,915,293 | 567,611 | 13.1% |
| Supplies | 353,538 | 445,131 | 547,885 | 102,754 | 23.1% |
| Services | 229,186 | 408,169 | 445,225 | 37,056 | 9.1% |
| Intergovernmental Expenditures | 404,110 | 574,040 | 33,894 | (540,146) | -94.1% |
| Capital | 224,100 | 135,200 | 282,363 | 147,163 | 108.8% |
| Interfund | 1,380,585 | 1,338,499 | 1,317,227 | (21,272) | -1.6% |
| Subtotal of Expenditures | 6,452,874 | 7,248,721 | 7,541,887 | 293,166 | 4.0% |
| Ending Reserves | 553,745 | 1,354,589 | 597,546 | (757,043) | -55.9% |
| Fund Total Uses | 7,006,619 | 8,603,310 | 8,139,433 | (463,877) | -5.4% |
| Development Services Fund (475) | | | | | |
| Beginning Reserves | 908,528 | 1,089,958 | 1,259,718 | 169,760 | 15.6% |
| Revenues: | | | | | |
| Licenses and Permits | 1,468,677 | 1,953,200 | 1,859,700 | (93,500) | -4.8% |
| Goods and Services Charges | 1,117,545 | 1,193,808 | 911,000 | (282,808) | -23.7% |
| Fines | 150 | 100 | 300 | 200 | 200.0% |
| Miscellaneous | 39,517 | 56,232 | 61,556 | 5,324 | 9.5% |
| Subtotal of Revenues | 2,625,889 | 3,203,340 | 2,832,556 | (370,784) | -11.6% |
| Fund Total Sources | 3,534,417 | 4,293,298 | 4,092,274 | (201,024) | -4.7% |
| Expenditures: | | | | | |
| Salaries and Benefits | 1,950,621 | 2,265,078 | 2,350,806 | 85,728 | 3.8% |
| Supplies | 46,692 | 127,045 | 184,915 | 57,870 | 45.6% |
| Services | 98,137 | 233,550 | 171,149 | (62,401) | -26.7% |
| Intergovernmental Expenditures | 0 | 80,598 | 10,000 | (70,598) | -87.6% |
| Capital | 0 | 100,000 | 85,000 | (15,000) | -15.0% |
| Interfund | 625,544 | 708,090 | 302,888 | (405,202) | -57.2% |
| Subtotal of Expenditures | 2,720,994 | 3,514,361 | 3,104,758 | (409,603) | -11.7% |
| Ending Reserves | 813,423 | 778,937 | 987,516 | 208,579 | 26.8% |
| Fund Total Uses | 3,534,417 | 4,293,298 | 4,092,274 | (201,024) | -4.7% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|-------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| <u>Fleet Administration Fund (510)</u> | | | | | |
| Beginning Reserves | 5,378,535 | 4,432,729 | 5,424,927 | 992,198 | 22.4% |
| Revenues: | | | | | |
| Goods and Services Charges | 173,036 | 131,314 | 158,845 | 27,531 | 21.0% |
| Miscellaneous | 2,793,340 | 2,457,712 | 5,608,914 | 3,151,202 | 128.2% |
| Other Financing Sources | 119,509 | 80,000 | 350,000 | 270,000 | 337.5% |
| Subtotal of Revenues | 3,085,885 | 2,669,026 | 6,117,759 | 3,448,733 | 129.2% |
| Fund Total Sources | 8,464,420 | 7,101,755 | 11,542,686 | 4,440,931 | 62.5% |
| Expenditures: | | | | | |
| Salaries and Benefits | 564,781 | 613,757 | 653,739 | 39,982 | 6.5% |
| Supplies | 305,285 | 253,170 | 305,160 | 51,990 | 20.5% |
| Services | 177,476 | 163,500 | 203,458 | 39,958 | 24.4% |
| Intergovernmental Expenditures | 395 | 26,109 | 0 | (26,109) | -100.0% |
| Capital | 1,021,022 | 1,121,000 | 4,780,000 | 3,659,000 | 326.4% |
| Interfund | 774,886 | 710,245 | 821,982 | 111,737 | 15.7% |
| Subtotal of Expenditures | 2,843,845 | 2,887,781 | 6,764,339 | 3,876,558 | 134.2% |
| Ending Reserves | 5,620,575 | 4,213,974 | 4,778,347 | 564,373 | 13.4% |
| Fund Total Uses | 8,464,420 | 7,101,755 | 11,542,686 | 4,440,931 | 62.5% |
| <u>Purchasing/Materials Mngmt Fund (520)</u> | | | | | |
| Beginning Reserves | 455,534 | 449,040 | 346,635 | (102,405) | -22.8% |
| Revenues: | | | | | |
| Goods and Services Charges | 2,217,106 | 2,231,097 | 1,873,248 | (357,849) | -16.0% |
| Fines | 25 | 0 | 0 | 0 | -- |
| Miscellaneous | 29,555 | 43,856 | 45,991 | 2,135 | 4.9% |
| Subtotal of Revenues | 2,246,686 | 2,274,953 | 1,919,239 | (355,714) | -15.6% |
| Fund Total Sources | 2,702,220 | 2,723,993 | 2,265,874 | (458,119) | -16.8% |
| Expenditures: | | | | | |
| Salaries and Benefits | 507,515 | 599,088 | 635,670 | 36,582 | 6.1% |
| Supplies | 1,251,411 | 1,304,670 | 1,003,335 | (301,335) | -23.1% |
| Services | 4,970 | 11,300 | 94,023 | 82,723 | 732.1% |
| Intergovernmental Expenditures | 3,250 | 25,472 | 3,950 | (21,522) | -84.5% |
| Capital | 900 | 0 | 0 | 0 | -- |
| Interfund | 380,708 | 583,214 | 358,342 | (224,872) | -38.6% |
| Subtotal of Expenditures | 2,148,754 | 2,523,744 | 2,095,320 | (428,424) | -17.0% |
| Ending Reserves | 553,466 | 200,249 | 170,554 | (29,695) | -14.8% |
| Fund Total Uses | 2,702,220 | 2,723,993 | 2,265,874 | (458,119) | -16.8% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Facilities Administration Fund (530) | | | | | |
| Beginning Reserves | 947,098 | 837,944 | 1,041,096 | 203,152 | 24.2% |
| Revenues: | | | | | |
| Fines | 71 | 66 | 10 | (56) | -84.8% |
| Miscellaneous | 1,995,942 | 2,052,039 | 2,145,150 | 93,111 | 4.5% |
| Subtotal of Revenues | 1,996,013 | 2,052,105 | 2,145,160 | 93,055 | 4.5% |
| Fund Total Sources | 2,943,111 | 2,890,049 | 3,186,256 | 296,207 | 10.2% |
| Expenditures: | | | | | |
| Salaries and Benefits | 746,953 | 887,523 | 938,720 | 51,197 | 5.8% |
| Supplies | 56,623 | 25,111 | 73,638 | 48,527 | 193.2% |
| Services | 848,316 | 963,771 | 1,282,700 | 318,929 | 33.1% |
| Intergovernmental Expenditures | 1 | 5,380 | 0 | (5,380) | -100.0% |
| Interfund | 280,808 | 282,759 | 249,176 | (33,583) | -11.9% |
| Subtotal of Expenditures | 1,932,701 | 2,164,544 | 2,544,234 | 379,690 | 17.5% |
| Ending Reserves | 1,010,410 | 725,505 | 642,022 | (83,483) | -11.5% |
| Fund Total Uses | 2,943,111 | 2,890,049 | 3,186,256 | 296,207 | 10.2% |
| Telecommunications Fund (540) | | | | | |
| Beginning Reserves | 416,603 | 399,859 | 75,000 | (324,859) | -81.2% |
| Revenues: | | | | | |
| Goods and Services Charges | 410,250 | 410,407 | 391,275 | (19,132) | -4.7% |
| Miscellaneous | 29,539 | 32,028 | 36,001 | 3,973 | 12.4% |
| Other Financing Sources | 0 | 1,320,000 | 0 | (1,320,000) | -100.0% |
| Subtotal of Revenues | 439,789 | 1,762,435 | 427,276 | (1,335,159) | -75.8% |
| Fund Total Sources | 856,392 | 2,162,294 | 502,276 | (1,660,018) | -76.8% |
| Expenditures: | | | | | |
| Salaries and Benefits | 0 | 0 | 118,657 | 118,657 | -- |
| Supplies | 6,197 | 4,959 | 10,108 | 5,149 | 103.8% |
| Services | 245,970 | 306,386 | 306,283 | (103) | 0.0% |
| Intergovernmental Expenditures | 11,618 | 10,348 | 10,348 | 0 | 0.0% |
| Capital | 0 | 1,700,000 | 0 | (1,700,000) | -100.0% |
| Interfund | 102,427 | 130,685 | 17,147 | (113,538) | -86.9% |
| Subtotal of Expenditures | 366,212 | 2,152,378 | 462,543 | (1,689,835) | -78.5% |
| Ending Reserves | 490,180 | 9,916 | 39,733 | 29,817 | 300.7% |
| Fund Total Uses | 856,392 | 2,162,294 | 502,276 | (1,660,018) | -76.8% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Claims Litigation Fund (550) | | | | | |
| Beginning Reserves | 5,317,373 | 5,214,052 | 4,899,720 | (314,332) | -6.0% |
| Revenues: | | | | | |
| Miscellaneous | 878,627 | 998,128 | 1,117,301 | 119,173 | 11.9% |
| Non Revenues | 6,582 | 8,316 | 8,316 | 0 | 0.0% |
| Subtotal of Revenues | 885,209 | 1,006,444 | 1,125,617 | 119,173 | 11.8% |
| Fund Total Sources | 6,202,582 | 6,220,496 | 6,025,337 | (195,159) | -3.1% |
| Expenditures: | | | | | |
| Supplies | 4,714 | 5,715 | 9,091 | 3,376 | 59.1% |
| Services | 1,112,100 | 740,539 | 774,833 | 34,294 | 4.6% |
| Interfund | 214,656 | 231,584 | 248,735 | 17,151 | 7.4% |
| Subtotal of Expenditures | 1,331,470 | 977,838 | 1,032,659 | 54,821 | 5.6% |
| Ending Reserves | 4,871,112 | 5,242,658 | 4,992,678 | (249,980) | -4.8% |
| Fund Total Uses | 6,202,582 | 6,220,496 | 6,025,337 | (195,159) | -3.1% |
| Unemployment Compensation Fund (561) | | | | | |
| Beginning Reserves | 377,723 | 272,132 | 273,515 | 1,383 | 0.5% |
| Revenues: | | | | | |
| Miscellaneous | 21,185 | 14,590 | 18,509 | 3,919 | 26.9% |
| Subtotal of Revenues | 21,185 | 14,590 | 18,509 | 3,919 | 26.9% |
| Fund Total Sources | 398,908 | 286,722 | 292,024 | 5,302 | 1.8% |
| Expenditures: | | | | | |
| Salaries and Benefits | 63,230 | 100,000 | 100,000 | 0 | 0.0% |
| Services | 625 | 0 | 0 | 0 | -- |
| Interfund | 4,759 | 1,370 | 1,684 | 314 | 22.9% |
| Subtotal of Expenditures | 68,614 | 101,370 | 101,684 | 314 | 0.3% |
| Ending Reserves | 330,294 | 185,352 | 190,340 | 4,988 | 2.7% |
| Fund Total Uses | 398,908 | 286,722 | 292,024 | 5,302 | 1.8% |
| Workers Comp Self-Insurance Fund (562) | | | | | |
| Beginning Reserves | 768,723 | 633,541 | 733,797 | 100,256 | 15.8% |
| Revenues: | | | | | |
| Miscellaneous | 669,303 | 758,624 | 604,129 | (154,495) | -20.4% |
| Subtotal of Revenues | 669,303 | 758,624 | 604,129 | (154,495) | -20.4% |
| Fund Total Sources | 1,438,026 | 1,392,165 | 1,337,926 | (54,239) | -3.9% |
| Expenditures: | | | | | |
| Salaries and Benefits | 154,629 | 122,113 | 130,360 | 8,247 | 6.8% |
| Supplies | 2,365 | 1,600 | 2,612 | 1,012 | 63.3% |
| Services | 428,065 | 525,700 | 490,850 | (34,850) | -6.6% |
| Intergovernmental Expenditures | 83,910 | 93,138 | 90,000 | (3,138) | -3.4% |
| Interfund | 19,529 | 27,296 | 23,961 | (3,335) | -12.2% |
| Subtotal of Expenditures | 688,498 | 769,847 | 737,783 | (32,064) | -4.2% |
| Ending Reserves | 749,528 | 622,318 | 600,143 | (22,175) | -3.6% |
| Fund Total Uses | 1,438,026 | 1,392,165 | 1,337,926 | (54,239) | -3.9% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|--|------------------|-------------------|-------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| <u>Health Benefits Fund (565)</u> | | | | | |
| Beginning Reserves | 1,016,515 | 950,240 | 1,170,626 | 220,386 | 23.2% |
| Revenues: | | | | | |
| Miscellaneous | 8,252,504 | 9,071,926 | 10,071,102 | 999,176 | 11.0% |
| Subtotal of Revenues | 8,252,504 | 9,071,926 | 10,071,102 | 999,176 | 11.0% |
| Fund Total Sources | 9,269,019 | 10,022,166 | 11,241,728 | 1,219,562 | 12.2% |
| Expenditures: | | | | | |
| Salaries and Benefits | 177,183 | 259,510 | 199,993 | (59,517) | -22.9% |
| Supplies | 23,045 | 24,054 | 23,404 | (650) | -2.7% |
| Services | 7,791,385 | 8,881,950 | 9,962,750 | 1,080,800 | 12.2% |
| Intergovernmental Expenditures | 450 | 10,016 | 600 | (9,416) | -94.0% |
| Interfund | 147,761 | 134,302 | 128,799 | (5,503) | -4.1% |
| Subtotal of Expenditures | 8,139,824 | 9,309,832 | 10,315,546 | 1,005,714 | 10.8% |
| Ending Reserves | 1,129,195 | 712,334 | 926,182 | 213,848 | 30.0% |
| Fund Total Uses | 9,269,019 | 10,022,166 | 11,241,728 | 1,219,562 | 12.2% |
| <u>Firefighter Pension and Benefit Fund (612)</u> | | | | | |
| Beginning Reserves | 2,840,145 | 3,030,105 | 4,915,914 | 1,885,809 | 62.2% |
| Revenues: | | | | | |
| Taxes | 1,480,945 | 1,517,500 | 1,550,545 | 33,045 | 2.2% |
| Intergovernmental Revenues | 96,349 | 96,350 | 99,830 | 3,480 | 3.6% |
| Miscellaneous | 120,072 | 229,761 | 782,966 | 553,205 | 240.8% |
| Non Revenues | 73,560 | 73,294 | 116,051 | 42,757 | 58.3% |
| Subtotal of Revenues | 1,770,926 | 1,916,905 | 2,549,392 | 632,487 | 33.0% |
| Fund Total Sources | 4,611,071 | 4,947,010 | 7,465,306 | 2,518,296 | 50.9% |
| Expenditures: | | | | | |
| Salaries and Benefits | 1,361,218 | 1,465,000 | 1,580,000 | 115,000 | 7.8% |
| Supplies | 49,683 | 65,100 | 65,100 | 0 | 0.0% |
| Services | 11,222 | 36,500 | 171,750 | 135,250 | 370.5% |
| Principal and Interest | 0 | 0 | 2,250,000 | 2,250,000 | -- |
| Interfund | 532 | 461 | 514 | 53 | 11.5% |
| Subtotal of Expenditures | 1,422,655 | 1,567,061 | 4,067,364 | 2,500,303 | 159.6% |
| Ending Reserves | 3,188,416 | 3,379,949 | 3,397,942 | 17,993 | 0.5% |
| Fund Total Uses | 4,611,071 | 4,947,010 | 7,465,306 | 2,518,296 | 50.9% |

Funds 614 and 615 (see next page) have been closed and are included in Funds 612 and 613 for 2008.

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|------------------|------------------|-----------------------------|----------------|
| | | | | Amount | Percent |
| <u>Police Pension and Benefit Fund (613)</u> | | | | | |
| Beginning Reserves | 1,330,599 | 2,568,369 | 4,477,622 | 1,909,253 | 74.3% |
| Revenues: | | | | | |
| Miscellaneous | 2,052,547 | 1,085,972 | 1,288,988 | 203,016 | 18.7% |
| Subtotal of Revenues | 2,052,547 | 1,085,972 | 1,288,988 | 203,016 | 18.7% |
| Fund Total Sources | 3,383,146 | 3,654,341 | 5,766,610 | 2,112,269 | 57.8% |
| Expenditures: | | | | | |
| Salaries and Benefits | 680,991 | 749,000 | 735,000 | (14,000) | -1.9% |
| Supplies | 23,261 | 37,100 | 37,100 | 0 | 0.0% |
| Services | 11,585 | 44,500 | 179,400 | 134,900 | 303.1% |
| Interfund | 355 | 307 | 406 | 99 | 32.2% |
| Subtotal of Expenditures | 716,192 | 830,907 | 951,906 | 120,999 | 14.6% |
| Ending Reserves | 2,666,954 | 2,823,434 | 4,814,704 | 1,991,270 | 70.5% |
| Fund Total Uses | 3,383,146 | 3,654,341 | 5,766,610 | 2,112,269 | 57.8% |
| <u>Firefighter's LT Care Fund (614)</u> | | | | | |
| Beginning Reserves | 602,980 | 1,138,180 | 0 | (1,138,180) | -100.0% |
| Revenues: | | | | | |
| Miscellaneous | 724,625 | 217,845 | 0 | (217,845) | -100.0% |
| Subtotal of Revenues | 724,625 | 217,845 | 0 | (217,845) | -100.0% |
| Fund Total Sources | 1,327,605 | 1,356,025 | 0 | (1,356,025) | -100.0% |
| Expenditures: | | | | | |
| Services | 106,660 | 148,000 | 0 | (148,000) | -100.0% |
| Subtotal of Expenditures | 106,660 | 148,000 | 0 | (148,000) | -100.0% |
| Ending Reserves | 1,220,945 | 1,208,025 | 0 | (1,208,025) | -100.0% |
| Fund Total Uses | 1,327,605 | 1,356,025 | 0 | (1,356,025) | -100.0% |
| <u>Police Officer's LT Care Fund (615)</u> | | | | | |
| Beginning Reserves | 615,691 | 1,240,441 | 0 | (1,240,441) | -100.0% |
| Revenues: | | | | | |
| Miscellaneous | 718,511 | 211,630 | 0 | (211,630) | -100.0% |
| Subtotal of Revenues | 718,511 | 211,630 | 0 | (211,630) | -100.0% |
| Fund Total Sources | 1,334,202 | 1,452,071 | 0 | (1,452,071) | -100.0% |
| Expenditures: | | | | | |
| Services | 44,483 | 148,000 | 0 | (148,000) | -100.0% |
| Subtotal of Expenditures | 44,483 | 148,000 | 0 | (148,000) | -100.0% |
| Ending Reserves | 1,289,719 | 1,304,071 | 0 | (1,304,071) | -100.0% |
| Fund Total Uses | 1,334,202 | 1,452,071 | 0 | (1,452,071) | -100.0% |

Funds 614 and 615 have been closed and are included in Funds 612 (see previous page) and 613 for 2008.

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

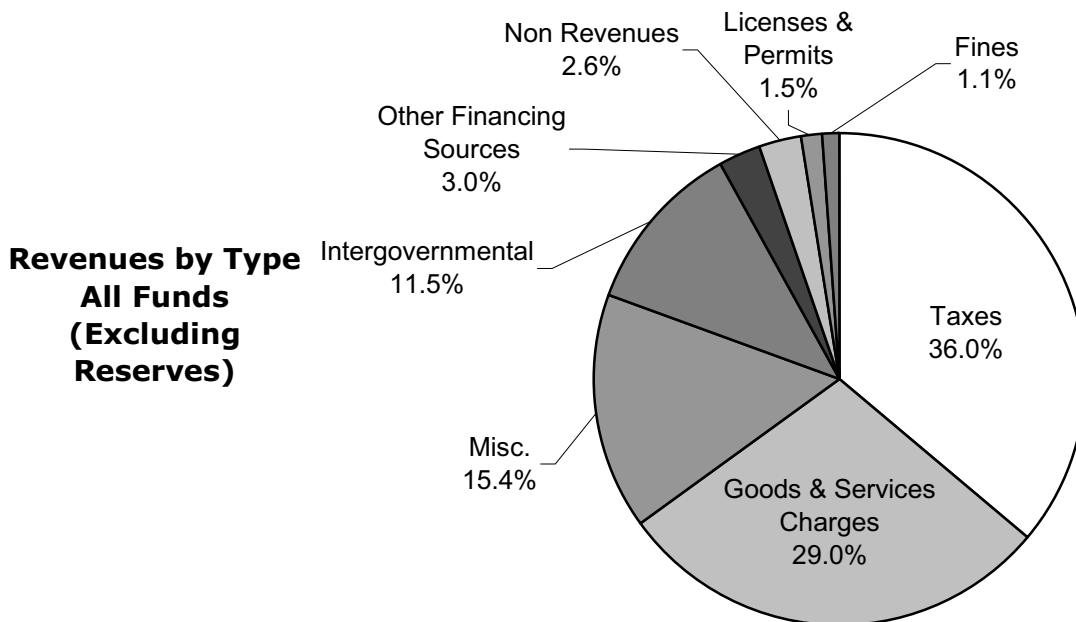
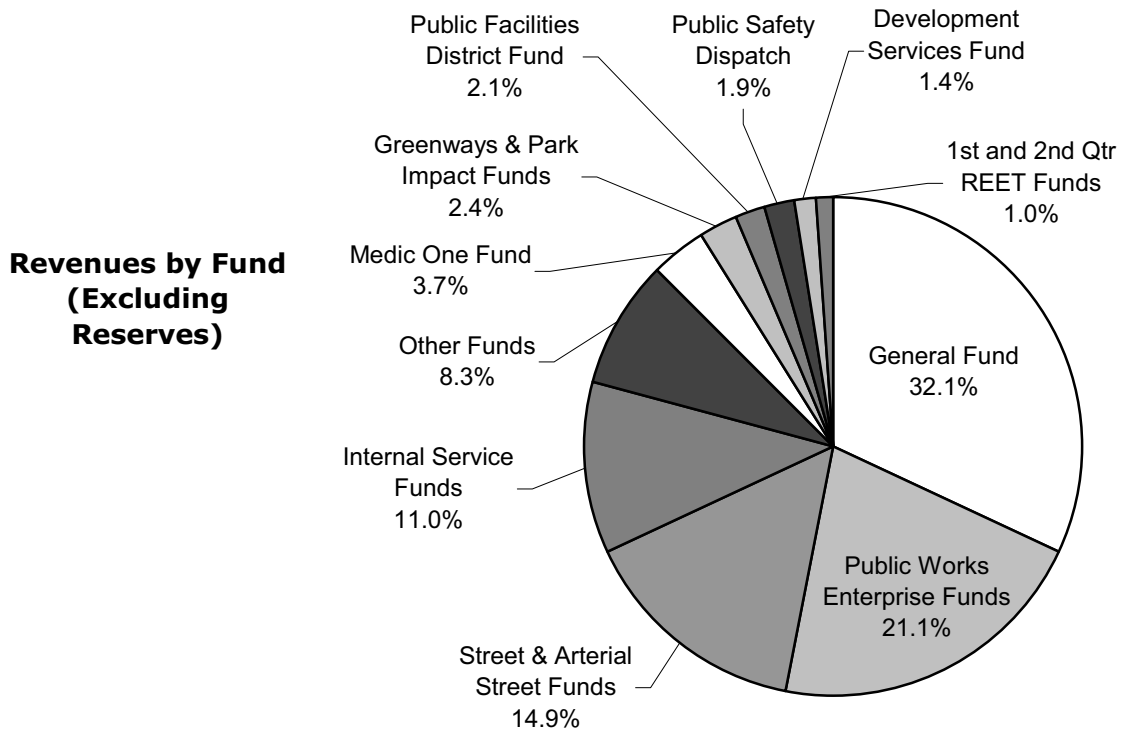
| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---|------------------|-------------------|------------------|-----------------------------|---------------|
| | | | | Amount | Percent |
| Greenways Maint Endowment Fund (701) | | | | | |
| Beginning Reserves | 1,927,884 | 2,161,273 | 2,526,373 | 365,100 | 16.9% |
| Revenues: | | | | | |
| Taxes | 163,991 | 0 | 360,000 | 360,000 | -- |
| Miscellaneous | 62,082 | 58,416 | 113,970 | 55,554 | 95.1% |
| Subtotal of Revenues | 226,073 | 58,416 | 473,970 | 415,554 | 711.4% |
| Fund Total Sources | 2,153,957 | 2,219,689 | 3,000,343 | 780,654 | 35.2% |
| Ending Reserves | 2,153,957 | 2,219,689 | 3,000,343 | 780,654 | 35.2% |
| Fund Total Uses | 2,153,957 | 2,219,689 | 3,000,343 | 780,654 | 35.2% |
| Nat Res Protect & Restoration Fund (702) | | | | | |
| Beginning Reserves | 1,750,429 | 1,809,337 | 4,513,802 | 2,704,465 | 149.5% |
| Revenues: | | | | | |
| Miscellaneous | 159,024 | 189,803 | 200,000 | 10,197 | 5.4% |
| Subtotal of Revenues | 159,024 | 189,803 | 200,000 | 10,197 | 5.4% |
| Fund Total Sources | 1,909,453 | 1,999,140 | 4,713,802 | 2,714,662 | 135.8% |
| Expenditures: | | | | | |
| Principal and Interest | 0 | 0 | 2,885,000 | 2,885,000 | -- |
| Subtotal of Expenditures | 0 | 0 | 2,885,000 | 2,885,000 | -- |
| Ending Reserves | 1,909,453 | 1,999,140 | 1,828,802 | (170,338) | -8.5% |
| Fund Total Uses | 1,909,453 | 1,999,140 | 4,713,802 | 2,714,662 | 135.8% |
| Public Facilities District Fund (965) | | | | | |
| Beginning Reserves | 4,912,560 | 1,806,325 | 5,284,016 | 5,284,016 | -- |
| Revenues: | | | | | |
| Taxes | 1,098,666 | 1,144,500 | 1,203,442 | 1,203,442 | -- |
| Intergovernmental Revenues | 6,055 | 0 | | | |
| Miscellaneous | 215,990 | 165,686 | 288,846 | 123,160 | 74.3% |
| Non Revenues | 0 | 10,250,000 | 2,885,000 | (7,365,000) | -71.9% |
| Subtotal of Revenues | 1,320,711 | 11,560,186 | 4,377,288 | (6,038,398) | -52.2% |
| Fund Total Sources | 6,233,271 | 13,366,511 | 9,661,304 | (754,382) | -5.6% |
| Expenditures: | | | | | |
| Salaries and Benefits | 84,057 | 90,521 | 80,505 | (10,016) | -11.1% |
| Supplies | 5,350 | 13,814 | 5,029 | (8,785) | -63.6% |
| Services | 765,202 | 684,424 | 344,867 | (339,557) | -49.6% |
| Intergovernmental Expenditures | 552,466 | 567,520 | 570,323 | 2,803 | 0.5% |
| Capital | 25,362 | 10,250,000 | 5,000,000 | (5,250,000) | -51.2% |
| Principal and Interest | 0 | 171,246 | 497,000 | 325,754 | 190.2% |
| Interfund | 23,480 | 77,583 | 78,839 | 1,256 | 1.6% |
| Subtotal of Expenditures | 1,455,917 | 11,855,108 | 6,576,563 | (5,278,545) | -44.5% |
| Ending Reserves | 4,777,354 | 1,511,403 | 3,084,741 | 1,573,338 | 104.1% |
| Fund Total Uses | 6,233,271 | 13,366,511 | 9,661,304 | (3,705,207) | -27.7% |

**Revenues and Sources, Expenditures and Uses – All Funds
(continued)**

| | 2006 Actual | 2007 Adopted | 2008 Budget | Change from 2007 Adopted | |
|---------------------------------|--------------------|--------------------|--------------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| All Funds | | | | | |
| Beginning Reserves | 126,390,307 | 70,432,695 | 90,374,092 | 19,941,397 | 28.3% |
| Revenues: | | | | | |
| Taxes | 65,512,469 | 69,719,575 | 73,312,093 | 3,592,518 | 5.2% |
| Licenses and Permits | 2,431,136 | 2,947,435 | 2,956,298 | 8,863 | 0.3% |
| Intergovernmental Revenues | 12,408,402 | 15,458,941 | 23,353,951 | 7,895,010 | 51.1% |
| Goods and Services Charges | 55,804,079 | 57,967,262 | 59,146,151 | 1,178,889 | 2.0% |
| Fines | 1,877,104 | 1,875,417 | 2,279,302 | 403,885 | 21.5% |
| Miscellaneous | 26,709,746 | 25,319,811 | 31,405,977 | 6,086,166 | 24.0% |
| Non Revenues | 18,398,761 | 11,178,450 | 5,259,367 | (5,919,083) | -53.0% |
| Other Financing Sources | 12,436,042 | 11,694,215 | 6,023,674 | (5,670,541) | -48.5% |
| Subtotal of Revenues | 195,577,739 | 196,161,106 | 203,736,813 | 7,575,707 | 3.9% |
| All Funds Total Sources | 321,968,046 | 266,593,801 | 294,110,905 | 27,517,104 | 10.3% |
| Expenditures: | | | | | |
| Salaries and Benefits | 62,254,436 | 69,559,518 | 75,835,725 | 6,276,207 | 9.0% |
| Supplies | 6,629,960 | 7,174,060 | 8,139,396 | 965,336 | 13.5% |
| Services | 31,109,108 | 34,165,651 | 37,773,345 | 3,607,694 | 10.6% |
| Intergovernmental Expenditures | 19,218,089 | 15,033,494 | 15,597,352 | 563,858 | 3.8% |
| Capital | 36,441,849 | 47,139,464 | 53,304,760 | 6,165,296 | 13.1% |
| Principal and Interest | 15,035,405 | 9,247,718 | 13,750,772 | 4,503,054 | 48.7% |
| Interfund | 24,543,081 | 23,086,744 | 25,225,924 | 2,139,180 | 9.3% |
| Subtotal of Expenditures | 195,231,928 | 205,406,649 | 229,627,274 | 24,220,625 | 11.8% |
| Ending Reserves | 126,736,118 | 61,187,152 | 64,483,631 | 3,296,479 | 5.4% |
| All Funds Total Uses | 321,968,046 | 266,593,801 | 294,110,905 | 27,517,104 | 10.3% |

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Revenue Summary - 2008



Revenue Type Definitions

Beginning Reserves

The difference between those assets that can reasonably be expected to be available for use within the year, or shortly thereafter, and those liabilities that can reasonably be expected to be extinguished during the year.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments, or charges for services rendered only to those who pay for and use those services. Examples include Property, Sales, Utility and Business Taxes.

Licenses and Permits

Charges for issuance of licenses and permits, for example, Business Licenses. This category does not include inspection charges.

Intergovernmental Revenue

Grants, entitlements, shared revenues and payments for goods and services provided by one government to another. One example is Community Development Block Grants provided to the City from the federal government.

Goods and Services Charges

Charges for services rendered or goods sold by the City except to other governments or another City department or group. Examples include water service, sewer service, Medic One service, and golf course user fees.

Fines and Forfeitures

Fines are monetary judgments commonly imposed by the court; forfeitures are penalties by which one loses rights and interest in property because of commission of an offense or nonperformance of an obligation or duty. Examples include penalties collected for parking and traffic tickets.

Miscellaneous Revenues

Includes operating revenues not classified elsewhere, such as interest, rents, leases, concessions, and contributions from private sources. Examples include interest earnings and rental income.

Non-Revenues

Includes items such as interfund loan proceeds and proceeds of long-term debt for proprietary funds.

Other Financing Sources

An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. Examples include sale of General Obligation Bonds, proceeds from the disposition of capital assets, and transfers.

Revenue Summary by Fund, Department and Type

| | Taxes | Licenses & Permits | Intergov- ernmental | Goods & Services Charges | Fines |
|---|-------------------|-------------------------------|--------------------------------|---|------------------|
| Fund: 001 General | | | | | |
| NON-DEPARTMENTAL | 49,941,455 | 625,700 | 901,170 | 2,575 | - |
| FIRE | - | - | 425,470 | 78,000 | - |
| PARKS & RECREATION | 32,381 | - | 40,000 | 1,712,544 | 150 |
| JUDICIAL & SUPPORT SERV | - | - | - | 465,309 | 991,500 |
| POLICE | 277,000 | 41,533 | 138,025 | 701,328 | - |
| FINANCE | - | - | - | 1,427,814 | - |
| OFFICE OF THE MAYOR | - | - | 250,000 | 431,055 | - |
| ITSD | - | 195,000 | 25,238 | 529,623 | - |
| HUMAN RESOURCES | - | - | 3,000 | 485,921 | - |
| LEGAL | - | - | 8,175 | 254,667 | 61,735 |
| LIBRARY | - | - | 123,600 | 21,297 | 112,000 |
| CITY COUNCIL | - | - | - | 204,715 | - |
| HEARING EXAMINER | - | - | - | 74,313 | - |
| MUSEUM | - | - | 22,539 | 14,180 | - |
| PLANNING & COM DEVEL | - | 1,475 | - | 35,715 | - |
| Total General | 50,250,836 | 863,708 | 1,937,217 | 6,439,056 | 1,165,385 |
| Fund: 111 Street | | | | | |
| PUBLIC WORKS | 9,930,000 | 63,000 | 11,872,651 | 7,091,441 | - |
| Fund: 112 Arterial St Construction | | | | | |
| PUBLIC WORKS | - | - | 537,428 | - | - |
| Fund: 113 Paths & Trails Reserve | | | | | |
| PUBLIC WORKS | - | - | - | - | - |
| Fund: 123 Parksite Acquisition | | | | | |
| PARKS & RECREATION | - | - | - | 25,190 | - |
| Fund: 124 Computer Reserve | | | | | |
| ITSD | - | - | - | - | - |
| Fund: 125 Capital Maint | | | | | |
| NON-DEPARTMENTAL | - | - | - | - | - |
| PUBLIC WORKS | - | - | - | - | - |
| PARKS & RECREATION | - | - | - | - | - |
| FIRE | - | - | - | - | - |
| MUSEUM | - | - | - | - | - |
| Total Capital Maint | - | - | - | - | - |
| Fund: 126 Library Gift | | | | | |
| LIBRARY | - | - | - | - | - |
| Fund: 131 Olympic Pipeline Incident | | | | | |
| PUBLIC WORKS | - | - | - | - | - |

2008 Budget

| Misc. | Non Revenues | Other Financing Sources | Revenue Total (No Reserves) | Beginning Reserves | Reserve Adjustment | Total Revenues & Reserves |
|------------------|---------------------|--------------------------------|------------------------------------|---------------------------|---------------------------|--------------------------------------|
| 961,201 | - | 106,090 | 52,538,191 | 15,058,406 | (55,099,542) | 12,497,055 |
| 18,467 | 2,250,000 | - | 2,771,937 | 1,757 | 14,257,943 | 17,031,637 |
| 295,668 | - | - | 2,080,743 | 40,000 | 6,053,273 | 8,174,016 |
| 28,531 | - | 346,814 | 1,832,154 | 1,451,757 | 861,033 | 4,144,944 |
| 12,243 | - | 290,277 | 1,460,406 | 10,956 | 18,413,563 | 19,884,925 |
| 1,426 | - | - | 1,429,240 | - | 674,059 | 2,103,299 |
| - | - | 261,000 | 942,055 | - | 2,082,040 | 3,024,095 |
| 56 | - | - | 749,917 | 60,000 | 1,952,993 | 2,762,910 |
| - | - | - | 488,921 | - | 1,074,282 | 1,563,203 |
| 875 | - | - | 325,452 | - | 1,105,913 | 1,431,365 |
| 55,099 | - | - | 311,996 | - | 3,580,880 | 3,892,876 |
| - | - | - | 204,715 | - | 233,420 | 438,135 |
| - | - | - | 74,313 | - | 113,932 | 188,245 |
| 24,476 | - | - | 61,195 | - | 1,592,521 | 1,653,716 |
| 16,490 | - | - | 53,680 | - | 3,103,690 | 3,157,370 |
| 1,414,532 | 2,250,000 | 1,004,181 | 65,324,915 | 16,622,876 | - | 81,947,791 |
| 872,680 | - | - | 29,829,772 | 3,831,357 | - | 33,661,129 |
| 52,644 | - | - | 590,072 | 206,131 | - | 796,203 |
| 979 | - | 5,500 | 6,479 | 36,516 | - | 42,995 |
| 12,760 | - | - | 37,950 | 99,923 | - | 137,873 |
| 103,202 | - | 400,000 | 503,202 | 1,279,266 | - | 1,782,468 |
| 120,748 | - | 350,000 | 470,748 | 1,357,728 | (540,917) | 1,287,559 |
| 201,238 | - | - | 201,238 | - | 308,762 | 510,000 |
| - | - | 15,000 | 15,000 | - | 60,000 | 75,000 |
| - | - | - | - | - | 159,155 | 159,155 |
| - | - | - | - | - | 13,000 | 13,000 |
| 321,986 | - | 365,000 | 686,986 | 1,357,728 | - | 2,044,714 |
| 15,000 | - | - | 15,000 | 28,814 | - | 43,814 |
| 32,000 | - | - | 32,000 | 655,512 | - | 687,512 |

**Revenue Summary by Fund, Department and Type
(continued)**

| | Taxes | Licenses & Permits | Intergovernmental | Goods & Services Charges | Fines |
|--|------------------|-------------------------------|--------------------------|-------------------------------------|--------------|
| Fund: 132 Squaticum Park/Olympic PARKS & RECREATION | - | - | - | - | - |
| Fund: 133 Olympic - Restoration PUBLIC WORKS | - | - | - | - | - |
| Fund: 134 Olympic-Whatcom Falls Park Addl PARKS & RECREATION | - | - | - | - | - |
| Fund: 135 Little Squaticum-Oeser Settlement PARKS & RECREATION | - | - | - | - | - |
| Fund: 141 1st 1/4% Real Estate Excise Tax | | | | | |
| NON-DEPARTMENTAL | 1,876,500 | - | - | - | - |
| PUBLIC WORKS | - | - | - | - | - |
| MUSEUM | - | - | - | - | - |
| PARKS & RECREATION | - | - | - | - | - |
| PLANNING & COM DEVEL | - | - | - | - | - |
| LIBRARY | - | - | - | - | - |
| Total 1st 1/4% REET | 1,876,500 | - | - | - | - |
| Fund: 142 2nd 1/4% Real Estate Excise Tax | | | | | |
| NON-DEPARTMENTAL | 1,876,500 | - | - | - | - |
| PUBLIC WORKS | - | - | 1,669,160 | - | - |
| PARKS & RECREATION | - | - | - | - | - |
| Total 2nd 1/4% REET | 1,876,500 | - | 1,669,160 | - | - |
| Fund: 151 Police Federal Equitable Share POLICE | - | - | - | - | - |
| Fund: 152 Asset Forfeiture/Drug Enforce. POLICE | - | - | - | - | - |
| Fund: 153 Criminal Justice POLICE | - | - | 257,229 | - | - |
| Fund: 160 Public Safety Dispatch | | | | | |
| POLICE | - | - | 2,239,470 | 1,582,888 | - |
| FIRE | - | - | - | - | - |
| PUBLIC WORKS | - | - | - | - | - |
| Total Public Safety Dispatch | - | - | 2,239,470 | 1,582,888 | - |
| Fund: 172 Beyond Greenways PARKS & RECREATION | - | - | - | 1,304 | - |

2008 Budget

| Misc. | Non Revenues | Other Financing Sources | Revenue Total (No Reserves) | Beginning Reserves | Reserve Adjustment | Total Revenues & Reserves |
|----------------|---------------------|--------------------------------|------------------------------------|---------------------------|---------------------------|--------------------------------------|
| - | - | - | - | 112,681 | - | 112,681 |
| - | - | - | - | 20,468 | - | 20,468 |
| 10,750 | - | - | 10,750 | 225,369 | - | 236,119 |
| 11,340 | - | - | 11,340 | 19,084 | - | 30,424 |
| 207,376 | - | - | 2,083,876 | 2,075,114 | (2,683,150) | 1,475,840 |
| - | - | - | - | - | 2,010,000 | 2,010,000 |
| - | - | - | - | - | 300,000 | 300,000 |
| - | - | - | - | - | 286,000 | 286,000 |
| - | - | - | - | - | 75,000 | 75,000 |
| - | - | - | - | - | 12,150 | 12,150 |
| 207,376 | - | - | 2,083,876 | 2,075,114 | - | 4,158,990 |
| 263,991 | - | - | 2,140,491 | 706,884 | (2,105,000) | 742,375 |
| - | - | - | 1,669,160 | - | 1,600,000 | 3,269,160 |
| - | - | - | - | - | 505,000 | 505,000 |
| 263,991 | - | - | 3,809,651 | 706,884 | - | 4,516,535 |
| 5,189 | - | - | 5,189 | 38,199 | - | 43,388 |
| 62,000 | - | - | 62,000 | 91,000 | - | 153,000 |
| 18,000 | - | - | 275,229 | 465,133 | - | 740,362 |
| 73,582 | - | 30,417 | 3,926,357 | 1,646,926 | (1,188,967) | 4,384,316 |
| 134 | - | - | 134 | - | 1,133,967 | 1,134,101 |
| - | - | - | - | - | 55,000 | 55,000 |
| 73,716 | - | 30,417 | 3,926,491 | 1,646,926 | - | 5,573,417 |
| 99,357 | - | - | 100,661 | 1,247,166 | - | 1,347,827 |

**Revenue Summary by Fund, Department and Type
(continued)**

| | Taxes | Licenses & Permits | Intergov- ernmental | Goods & Services Charges | Fines |
|--|--------------|-------------------------------|--------------------------------|---|--------------|
| Fund: 173 Greenways III PARKS & RECREATION | 3,641,000 | - | - | - | - |
| Fund: 177 Parks Impact PARKS & RECREATION | - | - | - | 1,035,830 | - |
| Fund: 178 Sportsplex PARKS & RECREATION | - | - | - | - | - |
| Fund: 180 Tourism PLANNING & COM DEVEL | 993,270 | - | - | - | - |
| Fund: 190 Community Develop Block Grant PLANNING & COM DEVEL | - | - | 870,200 | 194,555 | - |
| Fund: 191 HOME Investment Partnership Grant PLANNING & COM DEVEL | - | - | 635,000 | 16,986 | - |
| Fund: 214 2001 Fire UTGO Bond FINANCE | 350,000 | - | - | - | - |
| Fund: 222 1999 LTGO Bond Redemption FINANCE | - | - | - | - | - |
| Fund: 223 Refunding GO Bonds 1996 FINANCE | - | - | - | - | - |
| Fund: 224 Sportsplex Acquisition Debt FINANCE | - | - | - | - | - |
| Fund: 225 2004 PFD/Civic Field LTGO FINANCE | - | - | - | - | - |
| Fund: 231 Drake Note FINANCE | - | - | - | - | - |
| Fund: 233 PW State Loan-Woburn St FINANCE | - | - | - | - | - |
| Fund: 234 CERB Loans FINANCE | - | - | - | 97,284 | - |
| Fund: 235 PW Trust Loan-Str Overlay FINANCE | - | - | - | - | - |

2008 Budget

| Misc. | Non Revenues | Other Financing Sources | Revenue Total (No Reserves) | Beginning Reserves | Reserve Adjustment | Total Revenues & Reserves |
|--------------|---------------------|--------------------------------|------------------------------------|---------------------------|---------------------------|--------------------------------------|
| 74,407 | - | - | 3,715,407 | - | - | 3,715,407 |
| 30,000 | - | - | 1,065,830 | 428,271 | - | 1,494,101 |
| 12,176 | - | - | 12,176 | 16,633 | - | 28,809 |
| 14,221 | - | - | 1,007,491 | 351,170 | - | 1,358,661 |
| 41,081 | - | 153,573 | 1,259,409 | 332,765 | - | 1,592,174 |
| 27,392 | - | - | 679,378 | - | - | 679,378 |
| 6,620 | - | - | 356,620 | 20,366 | - | 376,986 |
| - | - | 544,638 | 544,638 | - | - | 544,638 |
| 47,658 | - | 483,310 | 530,968 | - | - | 530,968 |
| 265,228 | - | - | 265,228 | 22,050 | - | 287,278 |
| - | - | 1,208,425 | 1,208,425 | - | - | 1,208,425 |
| - | - | 17,964 | 17,964 | - | - | 17,964 |
| - | - | 53,454 | 53,454 | - | - | 53,454 |
| 15,559 | - | - | 112,843 | - | - | 112,843 |
| - | - | 169,781 | 169,781 | - | - | 169,781 |

**Revenue Summary by Fund, Department and Type
(continued)**

| | Taxes | Licenses & Permits | Intergovernmental | Goods & Services Charges | Fines |
|--|--------------|-------------------------------|--------------------------|-------------------------------------|--------------|
| Fund: 245 LID Guaranty FINANCE | - | - | - | - | - |
| Fund: 341 Civic Field Improvement PARKS & RECREATION | - | - | - | 800 | - |
| Fund: 410 Water PUBLIC WORKS | - | - | - | 15,406,288 | 43,775 |
| Fund: 420 Wastewater PUBLIC WORKS | - | - | 3,000 | 15,490,761 | 49,440 |
| Fund: 430 Storm/Surface Water Utility PUBLIC WORKS | - | 169,890 | 19,000 | 4,634,143 | 92,168 |
| Fund: 440 Solid Waste PUBLIC WORKS | 1,280,000 | - | 120,000 | 92,626 | - |
| Fund: 456 Cemetery PARKS & RECREATION | - | - | - | 349,089 | 26 |
| Fund: 460 Golf Course PARKS & RECREATION | - | - | - | - | - |
| Fund: 465 Parking Services PUBLIC WORKS | - | - | - | - | 928,198 |
| Fund: 470 Medic One FIRE | - | - | 3,093,766 | 3,353,542 | - |
| Fund: 475 Development Services PLANNING & COM DEVEL | - | 1,859,700 | - | 911,000 | 300 |
| Fund: 510 Fleet Administration PUBLIC WORKS | - | - | - | 158,845 | - |
| Fund: 520 Purchasing/Materials Mngmt PUBLIC WORKS | - | - | - | 1,873,248 | - |
| Fund: 530 Facilities Administration PUBLIC WORKS | - | - | - | - | 10 |
| Fund: 540 Telecommunications ITSD | - | - | - | 391,275 | - |

2008 Budget

| Misc. | Non Revenues | Other Financing Sources | Revenue Total (No Reserves) | Beginning Reserves | Reserve Adjustment | Total Revenues & Reserves |
|--------------|---------------------|--------------------------------|------------------------------------|---------------------------|---------------------------|--------------------------------------|
| 33,374 | - | - | 33,374 | 261,802 | - | 295,176 |
| - | - | - | 800 | 403,627 | - | 404,427 |
| 1,003,824 | - | - | 16,453,887 | 6,357,762 | - | 22,811,649 |
| 1,229,739 | - | - | 16,772,940 | 8,518,806 | - | 25,291,746 |
| 157,403 | - | - | 5,072,604 | 1,431,981 | - | 6,504,585 |
| 496,624 | - | - | 1,989,250 | 1,660,188 | - | 3,649,438 |
| 33,725 | - | 221,480 | 604,320 | 417,714 | - | 1,022,034 |
| 181,800 | - | - | 181,800 | 100,116 | - | 281,916 |
| 1,695,593 | - | - | 2,623,791 | 1,744,387 | - | 4,368,178 |
| 78,628 | - | 1,015,951 | 7,541,887 | 597,546 | - | 8,139,433 |
| 61,556 | - | - | 2,832,556 | 1,259,718 | - | 4,092,274 |
| 5,608,914 | - | 350,000 | 6,117,759 | 5,424,927 | - | 11,542,686 |
| 45,991 | - | - | 1,919,239 | 346,635 | - | 2,265,874 |
| 2,145,150 | - | - | 2,145,160 | 1,041,096 | - | 3,186,256 |
| 36,001 | - | - | 427,276 | 75,000 | - | 502,276 |

**Revenue Summary by Fund, Department and Type
(continued)**

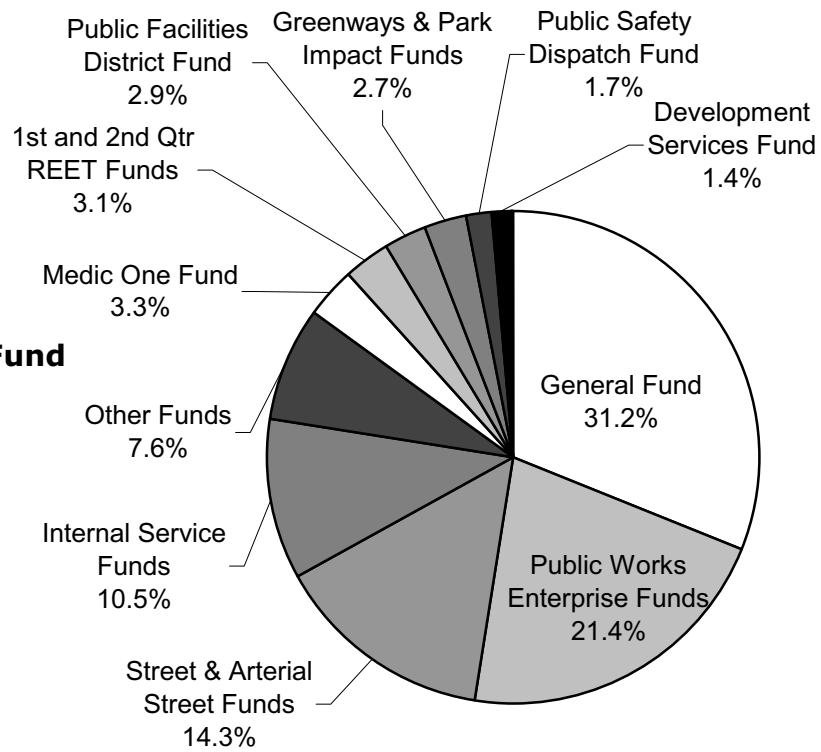
| | Taxes | Licenses & Permits | Intergov- ernmental | Goods & Services Charges | Fines |
|---|-------------------|-----------------------|------------------------|--------------------------------|------------------|
| Fund: 550 Claims Litigation LEGAL | - | - | - | - | - |
| Fund: 561 Unemployment Compensation HUMAN RESOURCES | - | - | - | - | - |
| Fund: 562 Workers Comp Self-Insurance HUMAN RESOURCES | - | - | - | - | - |
| Fund: 565 Health Benefits HUMAN RESOURCES | - | - | - | - | - |
| Fund: 612 Firefighter Pension and Benefit HUMAN RESOURCES | 1,550,545 | - | 99,830 | - | - |
| Fund: 613 Police Pension and Benefit HUMAN RESOURCES | - | - | - | - | - |
| Fund: 701 Greenways Maint Endowment PARKS & RECREATION | 360,000 | - | - | - | - |
| Fund: 702 Nat Res Protect & Restoration PUBLIC WORKS | - | - | - | - | - |
| Fund: 965 Public Facilities District PUBLIC FACILITIES DIST | 1,203,442 | - | - | - | - |
| Total All Funds | <u>73,312,093</u> | <u>2,956,298</u> | <u>23,353,951</u> | <u>59,146,151</u> | <u>2,279,302</u> |

2008 Budget

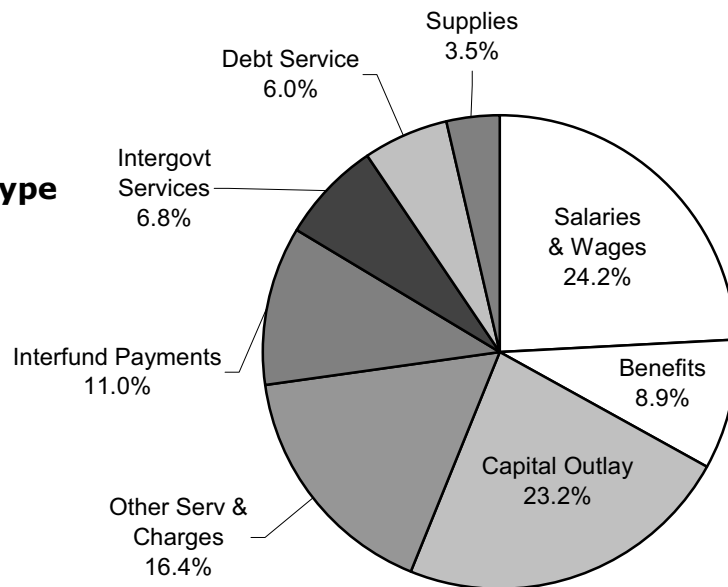
| Misc. | Non Revenues | Other Financing Sources | Revenue Total (No Reserves) | Beginning Reserves | Reserve Adjustment | Total Revenues & Reserves |
|-------------------|---------------------|--------------------------------|------------------------------------|---------------------------|---------------------------|--------------------------------------|
| 1,117,301 | 8,316 | - | 1,125,617 | 4,899,720 | - | 6,025,337 |
| 18,509 | - | - | 18,509 | 273,515 | - | 292,024 |
| 604,129 | - | - | 604,129 | 733,797 | - | 1,337,926 |
| 10,071,102 | - | - | 10,071,102 | 1,170,626 | - | 11,241,728 |
| 782,966 | 116,051 | - | 2,549,392 | 4,915,914 | - | 7,465,306 |
| 1,288,988 | - | - | 1,288,988 | 4,477,622 | - | 5,766,610 |
| 113,970 | - | - | 473,970 | 2,526,373 | - | 3,000,343 |
| 200,000 | - | - | 200,000 | 4,513,802 | - | 4,713,802 |
| 288,846 | 2,885,000 | - | 4,377,288 | 5,284,016 | - | 9,661,304 |
| 31,405,977 | 5,259,367 | 6,023,674 | 203,736,813 | 90,374,092 | - | 294,110,905 |

Expenditure Summary - 2008

**Expenditures by Fund
(Excluding Reserves)**



**Expenditures by Type
All Funds
(Excluding Reserves)**



Expenditure Type Definitions

Ending Reserves:

The difference between those assets that can reasonably be expected to be available for use within the year, or shortly thereafter, and those liabilities that can reasonably be expected to be extinguished during the year.

Salaries and Wages: Expenditure category that includes amounts paid for services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and temporary labor.

Benefits: Those benefits paid by the City as part of the conditions of employment. Examples include health insurance, social security, and retirement system contributions.

Supplies: A basic classification of expenditures for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, inventory or resale items, small tools and equipment.

Other Services and Charges: A basic classification for services other than personnel. Examples include professional services, communication, travel, advertising, utilities, and insurance.

Intergovernmental Services: Purchases of specialized services typically performed by local governments. An example of this is jail services purchased from Whatcom County. Transfers within the City from one fund to another are also included in this object.

Capital Outlay: Expenditures of \$5,000 or more for the acquisition of, or additions to, fixed assets. Examples include land, buildings, machinery and equipment.

Debt Service: Payment of interest and principal to holders of the City's indebtedness.

Interfund Payment for Services (Interfund Charges): Reflects the purchase of services or supplies provided by another City group or department.

Expenditure Summary by Fund, Department and Type

| | Salaries & Wages | Benefits | Supplies | Other Serv & Charges | Inter Govt Services |
|---|-----------------------------|------------------|------------------|---------------------------------|----------------------------|
| Fund: 001 General | | | | | |
| POLICE | 10,470,364 | 2,830,114 | 806,243 | 899,541 | 1,887,127 |
| FIRE | 9,707,412 | 1,798,138 | 464,139 | 591,854 | 3,800 |
| PARKS & RECREATION | 3,804,983 | 1,465,933 | 596,416 | 1,245,295 | 215,285 |
| LIBRARY | 1,847,266 | 685,265 | 711,951 | 100,810 | 25,250 |
| NON-DEPARTMENTAL | - | - | - | 120,000 | 3,371,757 |
| PLANNING & COM DEVEL | 1,215,626 | 424,950 | 52,631 | 1,221,677 | 125,000 |
| OFFICE OF THE MAYOR | 868,738 | 297,339 | 54,046 | 904,819 | 855,877 |
| JUDICIAL & SUPPORT SERV | 1,087,137 | 425,711 | 59,541 | 781,433 | 331,500 |
| ITSD | 1,392,528 | 487,442 | 105,369 | 586,178 | 1,511 |
| FINANCE | 1,205,107 | 453,085 | 49,207 | 205,535 | 124,854 |
| MUSEUM | 942,347 | 357,722 | 116,986 | 183,810 | 284 |
| HUMAN RESOURCES | 747,245 | 279,396 | 47,500 | 446,190 | 250 |
| LEGAL | 912,412 | 303,359 | 21,218 | 58,545 | - |
| CITY COUNCIL | 245,444 | 105,971 | 17,150 | 46,211 | - |
| HEARING EXAMINER | 133,214 | 40,788 | 3,960 | 7,165 | - |
| Total General | 34,579,823 | 9,955,213 | 3,106,357 | 7,399,063 | 6,942,495 |
| Fund: 111 Street | | | | | |
| PUBLIC WORKS | 5,521,243 | 2,003,389 | 823,787 | 2,658,510 | 450,280 |
| Fund: 112 Arterial St Construction | | | | | |
| PUBLIC WORKS | - | - | - | - | 179,540 |
| Fund: 113 Paths & Trails Reserve | | | | | |
| PUBLIC WORKS | - | - | - | - | - |
| Fund: 123 Parksite Acquisition | | | | | |
| PARKS & RECREATION | - | - | - | - | - |
| Fund: 124 Computer Reserve | | | | | |
| ITSD | - | - | 75,182 | 45,000 | - |
| Fund: 125 Capital Maint | | | | | |
| PUBLIC WORKS | - | - | - | 510,000 | - |
| FIRE | - | - | - | 159,155 | - |
| PARKS & RECREATION | - | - | - | 75,000 | - |
| MUSEUM | - | - | - | 13,000 | - |
| NON-DEPARTMENTAL | - | - | - | - | - |
| Total Capital Maint | - | - | - | 757,155 | - |
| Fund: 126 Library Gift | | | | | |
| LIBRARY | - | - | 15,000 | - | - |

2008 Budget

| Capital Outlay | Debt Svc Principal | Debt Svc Interest | Interfund Payments | Expenditure Total (No Reserves) | Ending Reserve | Total Expenditure & Reserves |
|---------------------------|-------------------------------|------------------------------|-------------------------------|--|---------------------------|---|
| 32,624 | - | - | 2,947,956 | 19,873,969 | 10,956 | 19,884,925 |
| 704,233 | 43,079 | 29,343 | 3,687,882 | 17,029,880 | 1,757 | 17,031,637 |
| 177,449 | - | - | 588,655 | 8,094,016 | 80,000 | 8,174,016 |
| 10,200 | - | - | 512,134 | 3,892,876 | - | 3,892,876 |
| - | - | - | - | 3,491,757 | 9,005,298 | 12,497,055 |
| - | - | - | 117,486 | 3,157,370 | - | 3,157,370 |
| - | - | - | 43,276 | 3,024,095 | - | 3,024,095 |
| 27,500 | - | - | 171,840 | 2,884,662 | 1,260,282 | 4,144,944 |
| 27,500 | - | - | 106,904 | 2,707,432 | 55,478 | 2,762,910 |
| - | - | - | 65,511 | 2,103,299 | - | 2,103,299 |
| 13,500 | - | - | 39,067 | 1,653,716 | - | 1,653,716 |
| - | - | - | 42,622 | 1,563,203 | - | 1,563,203 |
| - | - | - | 135,831 | 1,431,365 | - | 1,431,365 |
| - | - | - | 23,359 | 438,135 | - | 438,135 |
| - | - | - | 3,118 | 188,245 | - | 188,245 |
| 993,006 | 43,079 | 29,343 | 8,485,641 | 71,534,020 | 10,413,771 | 81,947,791 |
| 17,647,000 | - | - | 3,079,032 | 32,183,241 | 1,477,888 | 33,661,129 |
| 500,000 | - | - | - | 679,540 | 116,663 | 796,203 |
| - | - | - | - | - | 42,995 | 42,995 |
| 25,190 | - | - | - | 25,190 | 112,683 | 137,873 |
| 398,500 | - | - | - | 518,682 | 1,263,786 | 1,782,468 |
| - | - | - | - | 510,000 | - | 510,000 |
| - | - | - | - | 159,155 | - | 159,155 |
| - | - | - | - | 75,000 | - | 75,000 |
| - | - | - | - | 13,000 | - | 13,000 |
| - | - | - | - | - | 1,287,559 | 1,287,559 |
| - | - | - | - | 757,155 | 1,287,559 | 2,044,714 |
| - | - | - | - | 15,000 | 28,814 | 43,814 |

**Expenditure Summary by Fund, Department and Type
(continued)**

| | Salaries & Wages | Benefits | Supplies | Other Serv & Charges | Inter Govt Services |
|--|---------------------------------|-----------------|-----------------|-------------------------------------|--------------------------------|
| Fund: 131 Olympic Pipeline Incident PUBLIC WORKS | - | - | 6,824 | 469,150 | 65,000 |
| Fund: 132 Squalicum Park/Olympic PARKS & RECREATION | - | - | - | - | - |
| Fund: 133 Olympic - Restoration PUBLIC WORKS | - | - | - | - | - |
| Fund: 134 Olympic-Whatcom Falls Park Addl PARKS & RECREATION | - | - | - | - | - |
| Fund: 135 Little Squalicum-Oeser Settlement PARKS & RECREATION | - | - | - | 1,652 | - |
| Fund: 141 1st 1/4% Real Estate Excise Tax | | | | | |
| PUBLIC WORKS | - | - | - | 60,000 | - |
| MUSEUM | - | - | - | - | - |
| PARKS & RECREATION | - | - | - | 136,000 | - |
| PLANNING & COM DEVEL | - | - | - | - | - |
| LIBRARY | - | - | - | - | - |
| NON-DEPARTMENTAL | - | - | - | - | - |
| Total 1st 1/4% REET | - | - | - | 196,000 | - |
| Fund: 142 2nd 1/4% Real Estate Excise Tax | | | | | |
| PUBLIC WORKS | - | - | - | - | - |
| NON-DEPARTMENTAL | - | - | - | - | 638,152 |
| PARKS & RECREATION | - | - | - | 175,000 | - |
| Total 2nd 1/4% REET | - | - | - | 175,000 | 638,152 |
| Fund: 151 Police Federal Equitable Share POLICE | - | - | - | 25,000 | - |
| Fund: 152 Asset Forfeiture/Drug Enforce. POLICE | - | - | 42,000 | 12,105 | - |
| Fund: 153 Criminal Justice POLICE | - | - | - | - | - |
| Fund: 160 Public Safety Dispatch | | | | | |
| POLICE | 1,606,123 | 618,996 | 56,025 | 156,127 | 11,638 |
| FIRE | 784,783 | 288,491 | 18,683 | 41,483 | - |
| PUBLIC WORKS | - | - | - | 55,000 | - |
| Total Public Safety Dispatch | 2,390,906 | 907,487 | 74,708 | 252,610 | 11,638 |
| Fund: 172 Beyond Greenways PARKS & RECREATION | - | - | - | - | 20,238 |

2008 Budget

| Capital Outlay | Debt Svc Principal | Debt Svc Interest | Interfund Payments | Expenditure Total (No Reserves) | Ending Reserve | Total Expenditure & Reserves |
|---------------------------|-------------------------------|------------------------------|-------------------------------|--|---------------------------|---|
| - | - | - | 5,000 | 545,974 | 141,538 | 687,512 |
| 98,343 | - | - | - | 98,343 | 14,338 | 112,681 |
| - | - | - | - | - | 20,468 | 20,468 |
| - | - | - | - | - | 236,119 | 236,119 |
| - | - | - | - | 1,652 | 28,772 | 30,424 |
| 1,950,000 | - | - | - | 2,010,000 | - | 2,010,000 |
| 300,000 | - | - | - | 300,000 | - | 300,000 |
| 100,000 | - | - | 50,000 | 286,000 | - | 286,000 |
| 75,000 | - | - | - | 75,000 | - | 75,000 |
| 12,150 | - | - | - | 12,150 | - | 12,150 |
| - | - | - | - | - | 1,475,840 | 1,475,840 |
| 2,437,150 | - | - | 50,000 | 2,683,150 | 1,475,840 | 4,158,990 |
| 3,269,160 | - | - | - | 3,269,160 | - | 3,269,160 |
| - | - | - | - | 638,152 | 104,223 | 742,375 |
| 300,000 | - | - | 30,000 | 505,000 | - | 505,000 |
| 3,569,160 | - | - | 30,000 | 4,412,312 | 104,223 | 4,516,535 |
| - | - | - | - | 25,000 | 18,388 | 43,388 |
| 18,000 | - | - | 28,596 | 100,701 | 52,299 | 153,000 |
| 180,000 | - | - | - | 180,000 | 560,362 | 740,362 |
| - | - | - | 271,991 | 2,720,900 | 1,663,416 | 4,384,316 |
| - | - | - | 661 | 1,134,101 | - | 1,134,101 |
| - | - | - | - | 55,000 | - | 55,000 |
| - | - | - | 272,652 | 3,910,001 | 1,663,416 | 5,573,417 |
| 1,082,000 | - | - | 85,000 | 1,187,238 | 160,589 | 1,347,827 |

**Expenditure Summary by Fund, Department and Type
(continued)**

| | Salaries & Wages | Benefits | Supplies | Other Serv & Charges | Inter Govt Services |
|--|---------------------------------|-----------------|-----------------|-------------------------------------|--------------------------------|
| Fund: 173 Greenways III PARKS & RECREATION | - | - | - | 150,000 | - |
| Fund: 177 Parks Impact PARKS & RECREATION | - | - | - | - | - |
| Fund: 178 Sportsplex PARKS & RECREATION | - | - | - | - | - |
| Fund: 180 Tourism PLANNING & COM DEVEL | 11,994 | 4,836 | 100,031 | 922,551 | 106,090 |
| Fund: 190 Community Develop Block Grant PLANNING & COM DEVEL | 270,094 | 109,534 | 512 | 547,818 | 3,000 |
| Fund: 191 HOME Investment Partnership Grant PLANNING & COM DEVEL | 42,493 | 14,608 | - | 622,277 | - |
| Fund: 214 2001 Fire UTGO Bond FINANCE | - | - | - | - | - |
| Fund: 222 1999 LTGO Bond Redemption FINANCE | - | - | - | - | - |
| Fund: 223 Refunding GO Bonds 1996 FINANCE | - | - | - | - | - |
| Fund: 224 Sportsplex Acquisition Debt FINANCE | - | - | - | - | - |
| Fund: 225 2004 PFD/Civic Field LTGO FINANCE | - | - | - | - | - |
| Fund: 231 Drake Note FINANCE | - | - | - | - | - |
| Fund: 233 PW State Loan-Woburn St FINANCE | - | - | - | - | - |
| Fund: 234 CERB Loans FINANCE | - | - | - | - | - |
| Fund: 235 PW Trust Loan-Str Overlay FINANCE | - | - | - | - | - |
| Fund: 245 LID Guaranty FINANCE | - | - | - | - | - |

2008 Budget

| Capital Outlay | Debt Svc Principal | Debt Svc Interest | Interfund Payments | Expenditure Total (No Reserves) | Ending Reserve | Total Expenditure & Reserves |
|---------------------------|-------------------------------|------------------------------|-------------------------------|--|---------------------------|---|
| 3,400,000 | - | - | 133,748 | 3,683,748 | 31,659 | 3,715,407 |
| 1,350,000 | - | - | 70,000 | 1,420,000 | 74,101 | 1,494,101 |
| - | - | - | - | - | 28,809 | 28,809 |
| - | - | - | 3,078 | 1,148,580 | 210,081 | 1,358,661 |
| 181,248 | - | - | 161,327 | 1,273,533 | 318,641 | 1,592,174 |
| - | - | - | - | 679,378 | - | 679,378 |
| - | 295,000 | 53,830 | - | 348,830 | 28,156 | 376,986 |
| - | 475,000 | 69,638 | - | 544,638 | - | 544,638 |
| - | 440,000 | 90,968 | - | 530,968 | - | 530,968 |
| - | 105,000 | 160,019 | - | 265,019 | 22,259 | 287,278 |
| - | 575,000 | 633,425 | - | 1,208,425 | - | 1,208,425 |
| - | 6,512 | 11,452 | - | 17,964 | - | 17,964 |
| - | 52,924 | 530 | - | 53,454 | - | 53,454 |
| - | 97,284 | 15,559 | - | 112,843 | - | 112,843 |
| - | 157,935 | 11,846 | - | 169,781 | - | 169,781 |
| - | - | - | - | - | 295,176 | 295,176 |

**Expenditure Summary by Fund, Department and Type
(continued)**

| | Salaries & Wages | Benefits | Supplies | Other Serv & Charges | Inter Govt Services |
|--|---------------------------------|-----------------|-----------------|-------------------------------------|--------------------------------|
| Fund: 341 Civic Field Improvement PARKS & RECREATION | - | - | - | - | - |
| Fund: 410 Water PUBLIC WORKS | 1,815,852 | 725,793 | 616,726 | 2,299,082 | 3,090,782 |
| Fund: 420 Wastewater PUBLIC WORKS | 2,186,802 | 823,763 | 643,180 | 4,510,151 | 2,105,509 |
| Fund: 430 Storm/Surface Water Utility PUBLIC WORKS | 809,833 | 319,915 | 124,462 | 669,464 | 578,300 |
| Fund: 440 Solid Waste PUBLIC WORKS | 104,449 | 41,876 | 32,079 | 932,980 | 21,050 |
| Fund: 456 Cemetery PARKS & RECREATION | 221,071 | 97,417 | 102,576 | 48,277 | 17,691 |
| Fund: 460 Golf Course PARKS & RECREATION | 23,791 | 7,893 | 7,021 | 24,902 | 3,006 |
| Fund: 465 Parking Services PUBLIC WORKS | 275,211 | 131,696 | 101,574 | 627,310 | 645,466 |
| Fund: 470 Medic One FIRE | 3,531,173 | 1,384,120 | 547,885 | 445,225 | 33,894 |
| Fund: 475 Development Services PLANNING & COM DEVEL | 1,735,160 | 615,646 | 184,915 | 171,149 | 10,000 |
| Fund: 510 Fleet Administration PUBLIC WORKS | 475,705 | 178,034 | 305,160 | 203,458 | - |
| Fund: 520 Purchasing/Materials Mngmt PUBLIC WORKS | 461,094 | 174,576 | 1,003,335 | 94,023 | 3,950 |
| Fund: 530 Facilities Administration PUBLIC WORKS | 626,762 | 311,958 | 73,638 | 1,282,700 | - |
| Fund: 540 Telecommunications ITSD | 85,953 | 32,704 | 10,108 | 306,283 | 10,348 |
| Fund: 550 Claims Litigation LEGAL | - | - | 9,091 | 774,833 | - |
| Fund: 561 Unemployment Compensation HUMAN RESOURCES | - | 100,000 | - | - | - |

2008 Budget

| Capital Outlay | Debt Svc Principal | Debt Svc Interest | Interfund Payments | Expenditure Total (No Reserves) | Ending Reserve | Total Expenditure & Reserves |
|---------------------------|-------------------------------|------------------------------|-------------------------------|--|---------------------------|---|
| 113,000 | - | - | 10,000 | 123,000 | 281,427 | 404,427 |
| 4,452,800 | 949,326 | 637,757 | 3,994,073 | 18,582,191 | 4,229,458 | 22,811,649 |
| 3,061,000 | 1,918,447 | 302,393 | 2,978,384 | 18,529,629 | 6,762,117 | 25,291,746 |
| 1,731,000 | - | - | 1,797,158 | 6,030,132 | 474,453 | 6,504,585 |
| - | 285,000 | 483,732 | 126,093 | 2,027,259 | 1,622,179 | 3,649,438 |
| - | - | - | 132,268 | 619,300 | 402,734 | 1,022,034 |
| - | 72,972 | 12,548 | 24,334 | 176,467 | 105,449 | 281,916 |
| 1,920,000 | 110,000 | 22,253 | 209,840 | 4,043,350 | 324,828 | 4,368,178 |
| 282,363 | - | - | 1,317,227 | 7,541,887 | 597,546 | 8,139,433 |
| 85,000 | - | - | 302,888 | 3,104,758 | 987,516 | 4,092,274 |
| 4,780,000 | - | - | 821,982 | 6,764,339 | 4,778,347 | 11,542,686 |
| - | - | - | 358,342 | 2,095,320 | 170,554 | 2,265,874 |
| - | - | - | 249,176 | 2,544,234 | 642,022 | 3,186,256 |
| - | - | - | 17,147 | 462,543 | 39,733 | 502,276 |
| - | - | - | 248,735 | 1,032,659 | 4,992,678 | 6,025,337 |
| - | - | - | 1,684 | 101,684 | 190,340 | 292,024 |

**Expenditure Summary by Fund, Department and Type
(continued)**

| | Salaries & Wages | Benefits | Supplies | Other Serv & Charges | Inter Govt Services |
|---|---------------------------------|-------------------|------------------|-------------------------------------|--------------------------------|
| Fund: 562 Workers Comp Self-Insurance HUMAN RESOURCES | 95,625 | 34,735 | 2,612 | 490,850 | 90,000 |
| Fund: 565 Health Benefits HUMAN RESOURCES | 174,911 | 25,082 | 23,404 | 9,962,750 | 600 |
| Fund: 612 Firefighter Pension and Benefit HUMAN RESOURCES | - | 1,580,000 | 65,100 | 171,750 | - |
| Fund: 613 Police Pension and Benefit HUMAN RESOURCES | - | 735,000 | 37,100 | 179,400 | - |
| Fund: 701 Greenways Maint Endowment PARKS & RECREATION | - | - | - | - | - |
| Fund: 702 Nat Res Protect & Restoration PUBLIC WORKS | - | - | - | - | - |
| Fund: 965 Public Facilities District PUBLIC FACILITIES DIST | 58,441 | 22,064 | 5,029 | 344,867 | 570,323 |
| Total All Funds | 55,498,386 | 20,337,339 | 8,139,396 | 37,773,345 | 15,597,352 |

2008 Budget

| Capital Outlay | Debt Svc Principal | Debt Svc Interest | Interfund Payments | Expenditure Total (No Reserves) | Ending Reserve | Total Expenditure & Reserves |
|---------------------------|-------------------------------|------------------------------|-------------------------------|--|---------------------------|---|
| - | - | - | 23,961 | 737,783 | 600,143 | 1,337,926 |
| - | - | - | 128,799 | 10,315,546 | 926,182 | 11,241,728 |
| - | 2,250,000 | - | 514 | 4,067,364 | 3,397,942 | 7,465,306 |
| - | - | - | 406 | 951,906 | 4,814,704 | 5,766,610 |
| - | - | - | - | - | 3,000,343 | 3,000,343 |
| - | 2,885,000 | - | - | 2,885,000 | 1,828,802 | 4,713,802 |
| 5,000,000 | 400,000 | 97,000 | 78,839 | 6,576,563 | 3,084,741 | 9,661,304 |
| 53,304,760 | 11,118,479 | 2,632,293 | 25,225,924 | 229,627,274 | 64,483,631 | 294,110,905 |

Expenditures by SubObject - All Funds

| | 2006 Actual | 2007 Budget | 2008 Budget | Change from 2008 Adopted | |
|---|-------------------|-------------------|-------------------|-----------------------------|--------------|
| | | | | Amount | Percent |
| SALARIES & WAGES (10) | | | | | |
| 11 SALARIES & WAGES | 44,623,804 | 49,488,760 | 53,011,707 | 3,522,947 | 7.1% |
| 12 OVERTIME & HAZARD DUTY | 2,170,198 | 1,897,952 | 2,486,679 | 588,727 | 31.0% |
| Total SALARIES & WAGES | 46,794,002 | 51,386,712 | 55,498,386 | 4,111,674 | 8.0% |
| PERSONNEL BENEFITS (20) | | | | | |
| 21 PERSONNEL BENEFITS | 13,367,924 | 15,955,306 | 18,022,339 | 2,067,033 | 13.0% |
| 29 PENSION & DISABILITY PAY | 2,092,510 | 2,217,500 | 2,315,000 | 97,500 | 4.4% |
| Total PERSONNEL BENEFITS | 15,460,434 | 18,172,806 | 20,337,339 | 2,164,533 | 11.9% |
| SUPPLIES (30) | | | | | |
| 31 OFFICE & OPER. SUPPLIES | 3,698,459 | 3,917,802 | 4,564,957 | 647,155 | 16.5% |
| 32 FUEL CONSUMED | 541,567 | 650,487 | 729,231 | 78,744 | 12.1% |
| 34 ITEMS PURCHASED FOR RESALE | 1,279,665 | 1,350,230 | 1,057,053 | (293,177) | -21.7% |
| 35 SMALL TOOLS & MINOR EQUIP | 1,110,269 | 1,255,541 | 1,788,155 | 532,614 | 42.4% |
| Total SUPPLIES | 6,629,960 | 7,174,060 | 8,139,396 | 965,336 | 13.5% |
| OTHER SERVICES & CHARGES (40) | | | | | |
| 41 PROFESSIONAL SERVICES | 18,184,330 | 19,888,753 | 21,386,664 | 1,497,911 | 7.5% |
| 42 COMMUNICATION | 653,675 | 802,935 | 568,698 | (234,237) | -29.2% |
| 43 TRAVEL | 253,473 | 388,285 | 422,655 | 34,370 | 8.9% |
| 44 ADVERTISING | 290,611 | 281,459 | 336,411 | 54,952 | 19.5% |
| 45 OPERATING RENTALS & LEASES | 481,834 | 487,069 | 570,379 | 83,310 | 17.1% |
| 46 INSURANCE | 481,380 | 556,849 | 618,490 | 61,641 | 11.1% |
| 47 UTILITY SERVICE | 3,948,929 | 4,143,928 | 4,436,148 | 292,220 | 7.1% |
| 48 REPAIRS & MAINTENANCE | 4,236,267 | 5,314,263 | 7,148,524 | 1,834,261 | 34.5% |
| 49 MISCELLANEOUS | 2,578,609 | 2,302,110 | 2,285,376 | (16,734) | -0.7% |
| Total OTHER SERVICES & CHARGES | 31,109,108 | 34,165,651 | 37,773,345 | 3,607,694 | 10.6% |
| INTERGOVERNMENTAL SERVICES (50) | | | | | |
| 51 INTERGOVERNMENTAL PROF SERV/S | 3,384,707 | 3,751,697 | 4,524,827 | 773,130 | 20.6% |
| 52 INTERGOVERNMENTAL PAYMENTS | 41,039 | 8,494 | 8,494 | - | 0.0% |
| 53 EXTERNAL TAXES & OPER ASSESS | 942,601 | 998,106 | 1,431,259 | 433,153 | 43.4% |
| 54 INTERFUND TAXES & OPER ASSESS | 3,563,139 | 3,660,981 | 3,959,100 | 298,119 | 8.1% |
| 55 INTERFUND SUBSIDIES | 11,286,603 | 6,614,216 | 5,673,672 | (940,544) | -14.2% |
| Total INTERGOVERNMENTAL SERVICES | 19,218,089 | 15,033,494 | 15,597,352 | 563,858 | 3.8% |

Expenditures by SubObject - All Funds (continued)

| | 2006 | 2007 | 2008 | Change from 2008 Adopted | |
|---|--------------------|--------------------|--------------------|-----------------------------|---------------|
| | Actual | Budget | Budget | Amount | Percent |
| CAPITAL OUTLAY (60) | | | | | |
| 61 LAND | 11,350,209 | 10,430,000 | 8,025,190 | (2,404,810) | -23.1% |
| 62 BUILDINGS AND STRUCTURES | 2,027,605 | 11,703,750 | 5,212,150 | (6,491,600) | -55.5% |
| 63 OTHER IMPROVEMENTS | 5,383,248 | 11,115,000 | 23,874,160 | 12,759,160 | 114.8% |
| 64 MACHINERY AND EQUIPMENT | 3,429,433 | 5,118,377 | 9,095,669 | 3,977,292 | 77.7% |
| 65 CONSTRUCTION OF FIXED ASSETS | 14,251,354 | 8,772,337 | 7,097,591 | (1,674,746) | -19.1% |
| Total CAPITAL OUTLAY | 36,441,849 | 47,139,464 | 53,304,760 | 6,165,296 | 13.1% |
| DEBT SERVICE PRINCIPAL (70) | | | | | |
| 71 G. O. BONDS | 2,075,000 | 2,165,000 | 2,685,000 | 520,000 | 24.0% |
| 72 REVENUE BONDS | 1,860,000 | 2,520,000 | 2,675,000 | 155,000 | 6.2% |
| 73 SPECIAL ASSESSMENT BONDS | 570,000 | - | - | - | 0.0% |
| 77 OTHER NOTES | 426,137 | 605,494 | 410,144 | (195,350) | -32.3% |
| 78 INTERGOVERNMENTAL LOANS | 83,871 | 90,329 | 97,284 | 6,955 | 7.7% |
| 79 PRINCIPAL | 7,062,179 | 920,135 | 5,251,051 | 4,330,916 | 470.7% |
| Total DEBT SERVICE PRINCIPAL | 12,077,187 | 6,300,958 | 11,118,479 | 4,817,521 | 76.5% |
| DEBT SERVICE INTEREST (80) | | | | | |
| 82 INTEREST ON INTERFUND DEBT | 153,410 | 142,860 | 115,891 | (26,969) | -18.9% |
| 83 INTEREST/LONG-TERM EXT. DEBT | 2,673,255 | 2,629,854 | 2,513,577 | (116,277) | -4.4% |
| 84 DEBT ISSUE COSTS | 128,329 | 171,246 | - | (171,246) | -100.0% |
| 85 DEBT REGISTRATION COSTS | 3,224 | 2,800 | 2,825 | 25 | 0.9% |
| 89 OTHER DEBT SERVICE COSTS | - | - | - | - | 0.0% |
| Total DEBT SERVICE INTEREST | 2,958,218 | 2,946,760 | 2,632,293 | (314,467) | -10.7% |
| INTERFUND PAYT FOR SERVICE (90) | | | | | |
| 91 INTERFUND PROFESSIONAL SERVICE | 17,901,588 | 15,902,852 | 15,087,183 | (815,669) | -5.1% |
| 92 INTERFUND COMMUNICATIONS | 437,137 | 427,374 | 411,119 | (16,255) | -3.8% |
| 93 INTERFUND SUPPLIES | 1,271,291 | 2,017,394 | 1,502,830 | (514,564) | -25.5% |
| 94 INTERFUND CAPITAL OUTLAYS | 170,448 | 98,300 | 197,400 | 99,100 | 100.8% |
| 95 INTERFUND OPERATING RENTALS | 3,941,241 | 2,620,571 | 5,677,592 | 3,057,021 | 116.7% |
| 96 INTERFUND INSURANCE SERVICES | 676,915 | 690,453 | 790,733 | 100,280 | 14.5% |
| 98 INTERFUND REPAIRS & MAINT | 144,461 | 1,329,600 | 1,558,861 | 229,261 | 17.2% |
| 99 OTHER INTERFUND SERVICES | - | 200 | 206 | 6 | 3.0% |
| Total INTERFUND PAYT FOR SERVICE | 24,543,081 | 23,086,744 | 25,225,924 | 2,139,180 | 9.3% |
| TOTAL EXPENDITURES | 195,231,928 | 205,406,649 | 229,627,274 | 24,220,625 | 11.8% |

Changes in Reserve Balances

| Fund | Beginning Reserve | + | Revenues | = | Funds Available | - | Expenditures |
|---------------------------------------|--------------------------|----------|-----------------|----------|------------------------|----------|---------------------|
| 1 General | 16,622,876 | | 65,324,915 | | 81,947,791 | | 71,534,020 |
| 111 Street | 3,831,357 | | 29,829,772 | | 33,661,129 | | 32,183,241 |
| 112 Arterial St Construction | 206,131 | | 590,072 | | 796,203 | | 679,540 |
| 113 Paths & Trails Reserve | 36,516 | | 6,479 | | 42,995 | | - |
| 123 Parksite Acquisition | 99,923 | | 37,950 | | 137,873 | | 25,190 |
| 124 Computer Reserve | 1,279,266 | | 503,202 | | 1,782,468 | | 518,682 |
| 125 Capital Maint | 1,357,728 | | 686,986 | | 2,044,714 | | 757,155 |
| 126 Library Gift | 28,814 | | 15,000 | | 43,814 | | 15,000 |
| 131 Olympic Pipeline Incident | 655,512 | | 32,000 | | 687,512 | | 545,974 |
| 132 Squalicum Park/Olympic | 112,681 | | - | | 112,681 | | 98,343 |
| 133 Olympic - Restoration | 20,468 | | - | | 20,468 | | - |
| 134 Olympic-Whatcom Falls Park Addl | 225,369 | | 10,750 | | 236,119 | | - |
| 135 Little Squalicum-Oeser Settlement | 19,084 | | 11,340 | | 30,424 | | 1,652 |
| 141 1st 1/4% Real Estate Excise Tax | 2,075,114 | | 2,083,876 | | 4,158,990 | | 2,683,150 |
| 142 2nd 1/4% Real Estate Excise Tax | 706,884 | | 3,809,651 | | 4,516,535 | | 4,412,312 |
| 151 Police Federal Equitable Share | 38,199 | | 5,189 | | 43,388 | | 25,000 |
| 152 Asset Forfeiture/Drug Enforce. | 91,000 | | 62,000 | | 153,000 | | 100,701 |
| 153 Criminal Justice | 465,133 | | 275,229 | | 740,362 | | 180,000 |
| 160 Public Safety Dispatch | 1,646,926 | | 3,926,491 | | 5,573,417 | | 3,910,001 |
| 172 Beyond Greenways | 1,247,166 | | 100,661 | | 1,347,827 | | 1,187,238 |
| 173 Greenways III | - | | 3,715,407 | | 3,715,407 | | 3,683,748 |
| 177 Parks Impact | 428,271 | | 1,065,830 | | 1,494,101 | | 1,420,000 |
| 178 Sportsplex | 16,633 | | 12,176 | | 28,809 | | - |
| 180 Tourism | 351,170 | | 1,007,491 | | 1,358,661 | | 1,148,580 |
| 190 Community Develop Block Grant | 332,765 | | 1,259,409 | | 1,592,174 | | 1,273,533 |
| 191 HOME Investment Partnership Grant | - | | 679,378 | | 679,378 | | 679,378 |
| 214 2001 Fire UTGO Bond | 20,366 | | 356,620 | | 376,986 | | 348,830 |
| 222 1999 LTGO Bond Redemption | - | | 544,638 | | 544,638 | | 544,638 |
| 223 Refunding GO Bonds 1996 | - | | 530,968 | | 530,968 | | 530,968 |
| 224 Sportsplex Acquisition Debt | 22,050 | | 265,228 | | 287,278 | | 265,019 |
| 225 2004 PFD/Civic Field LTGO | - | | 1,208,425 | | 1,208,425 | | 1,208,425 |
| 231 Drake Note | - | | 17,964 | | 17,964 | | 17,964 |
| 233 PW State Loan-Wobum St | - | | 53,454 | | 53,454 | | 53,454 |
| 234 CERB Loans | - | | 112,843 | | 112,843 | | 112,843 |
| 235 PW Trust Loan-Str Overlay | - | | 169,781 | | 169,781 | | 169,781 |
| 245 LID Guaranty | 261,802 | | 33,374 | | 295,176 | | - |
| 341 Civic Field Improvement | 403,627 | | 800 | | 404,427 | | 123,000 |
| 410 Water | 6,357,762 | | 16,453,887 | | 22,811,649 | | 18,582,191 |
| 420 Wastewater | 8,518,806 | | 16,772,940 | | 25,291,746 | | 18,529,629 |
| 430 Storm/Surface Water Utility | 1,431,981 | | 5,072,604 | | 6,504,585 | | 6,030,132 |

| = | Ending Reserve | Dollar Change | Percent Change |
|---|----------------|---------------|----------------|
| | 10,413,771 | (6,209,105) | -37.35% |
| | 1,477,888 | (2,353,469) | -61.43% |
| | 116,663 | (89,468) | -43.40% |
| | 42,995 | 6,479 | 17.74% |
| | 112,683 | 12,760 | 12.77% |
| | 1,263,786 | (15,480) | -1.21% |
| | 1,287,559 | (70,169) | -5.17% |
| | 28,814 | - | 0.00% |
| | 141,538 | (513,974) | -78.41% |
| | 14,338 | (98,343) | -87.28% |
| | 20,468 | - | 0.00% |
| | 236,119 | 10,750 | 4.77% |
| | 28,772 | 9,688 | 50.77% |
| | 1,475,840 | (599,274) | -28.88% |
| | 104,223 | (602,661) | -85.26% |
| | 18,388 | (19,811) | -51.86% |
| | 52,299 | (38,701) | -42.53% |
| | 560,362 | 95,229 | 20.47% |
| | 1,663,416 | 16,490 | 1.00% |
| | 160,589 | (1,086,577) | -87.12% |
| | 31,659 | 31,659 | -- |
| | 74,101 | (354,170) | -82.70% |
| | 28,809 | 12,176 | 73.20% |
| | 210,081 | (141,089) | -40.18% |
| | 318,641 | (14,124) | -4.24% |
| | - | - | -- |
| | 28,156 | 7,790 | 38.25% |
| | - | - | -- |
| | - | - | -- |
| | 22,259 | 209 | 0.95% |
| | - | - | -- |
| | - | - | -- |
| | - | - | -- |
| | - | - | -- |
| | - | - | -- |
| | 295,176 | 33,374 | 12.75% |
| | 281,427 | (122,200) | -30.28% |
| | 4,229,458 | (2,128,304) | -33.48% |
| | 6,762,117 | (1,756,689) | -20.62% |
| | 474,453 | (957,528) | -66.87% |

Explanations are provided for changes of more than 10% and \$250,000 in reserve balances for individual funds.

Explanations

001 General Fund

General Fund Reserves will be impacted by a slowing of revenue growth and a change in B & O Tax rules. In expenditures, Reserves will be used to increase contributions for fleet replacement and funding the LEOFF-1 pension liability.

111 Street Fund

\$1 million of Street Fund Reserves will be budgeted for waterfront construction activities.

131 Olympic Pipeline Incident Fund

Olympic Pipeline Incident Reserves will be used to fund habitat restoration projects.

141 First Quarter and 142 Second Quarter Real Estates Excise Tax Funds

Reserves in both Funds will be used to finance capital projects in 2008, including: bike and pedestrian improvements at Puget and Fraser Streets and on Electric Avenue; a roundabout at Northwest and McLeod, and; streetscape improvements on Flora Street.

172 Beyond Greenways Fund

The Beyond Greenways Levy expired and was replaced by the Greenways III Levy in 2006. The reserves that were accumulated under the Beyond Greenways Levy will be budgeted for land acquisition and trail construction.

Changes in Reserve Balances (continued)

| Fund | Beginning Reserve | + | Revenues | = | Funds Available | - | Expenditures |
|-------------------------------------|--------------------------|----------|--------------------|----------|------------------------|----------|---------------------|
| 440 Solid Waste | 1,660,188 | | 1,989,250 | | 3,649,438 | | 2,027,259 |
| 456 Cemetery | 417,714 | | 604,320 | | 1,022,034 | | 619,300 |
| 460 Golf Course | 100,116 | | 181,800 | | 281,916 | | 176,467 |
| 465 Parking Services | 1,744,387 | | 2,623,791 | | 4,368,178 | | 4,043,350 |
| 470 Medic One | 597,546 | | 7,541,887 | | 8,139,433 | | 7,541,887 |
| 475 Development Services | 1,259,718 | | 2,832,556 | | 4,092,274 | | 3,104,758 |
| 510 Fleet Administration | 5,424,927 | | 6,117,759 | | 11,542,686 | | 6,764,339 |
| 520 Purchasing/Materials Mngmt | 346,635 | | 1,919,239 | | 2,265,874 | | 2,095,320 |
| 530 Facilities Administration | 1,041,096 | | 2,145,160 | | 3,186,256 | | 2,544,234 |
| 540 Telecommunications | 75,000 | | 427,276 | | 502,276 | | 462,543 |
| 550 Claims Litigation | 4,899,720 | | 1,125,617 | | 6,025,337 | | 1,032,659 |
| 561 Unemployment Compensation | 273,515 | | 18,509 | | 292,024 | | 101,684 |
| 562 Workers Comp Self-Insurance | 733,797 | | 604,129 | | 1,337,926 | | 737,783 |
| 565 Health Benefits | 1,170,626 | | 10,071,102 | | 11,241,728 | | 10,315,546 |
| 612 Firefighter Pension and Benefit | 4,915,914 | | 2,549,392 | | 7,465,306 | | 4,067,364 |
| 613 Police Pension and Benefit | 4,477,622 | | 1,288,988 | | 5,766,610 | | 951,906 |
| 701 Greenways Maint Endowment | 2,526,373 | | 473,970 | | 3,000,343 | | - |
| 702 Nat Res Protect & Restoration | 4,513,802 | | 200,000 | | 4,713,802 | | 2,885,000 |
| 965 Public Facilities District | 5,284,016 | | 4,377,288 | | 9,661,304 | | 6,576,563 |
| Total | 90,374,092 | | 203,736,813 | | 294,110,905 | | 229,627,274 |

177 Parks Impact Fund

Parks Impact Reserves will be used for land acquisition and construction for new community parks.

410 Water Fund

\$2 million of Water Fund Reserves will be used to pay for a water main replacement project at Cornwall Avenue.

420 Wastewater Fund

\$1.5 million of Wastewater Reserves will be budgeted for a project to redesign and consolidate the Public Works Department in a new facility.

430 Storm/Surface Water Utility Fund

Storm/Surface Water Utility Reserves will be used to pay for additional capital projects, which include fish passage improvements at Spring Creek and Padden Creek day-lighting.

465 Parking Services Fund

\$1.9 million of accumulated reserves will be budgeted for capital projects designed to enhance downtown parking.

475 Development Services Fund

Development Services Fees are projected to decrease and reserves will be used to cover operational costs.

| = | Ending Reserve | Dollar Change | Percent Change |
|---|-------------------|---------------------|----------------|
| | 1,622,179 | (38,009) | -2.29% |
| | 402,734 | (14,980) | -3.59% |
| | 105,449 | 5,333 | 5.33% |
| | 324,828 | (1,419,559) | -81.38% |
| | 597,546 | - | 0.00% |
| | 987,516 | (272,202) | -21.61% |
| | 4,778,347 | (646,580) | -11.92% |
| | 170,554 | (176,081) | -50.80% |
| | 642,022 | (399,074) | -38.33% |
| | 39,733 | (35,267) | -47.02% |
| | 4,992,678 | 92,958 | 1.90% |
| | 190,340 | (83,175) | -30.41% |
| | 600,143 | (133,654) | -18.21% |
| | 926,182 | (244,444) | -20.88% |
| | 3,397,942 | (1,517,972) | -30.88% |
| | 4,814,704 | 337,082 | 7.53% |
| | 3,000,343 | 473,970 | 18.76% |
| | 1,828,802 | (2,685,000) | -59.48% |
| | 3,084,741 | (2,199,275) | -41.62% |
| | 64,483,631 | (25,890,461) | -28.65% |

701 Greenways Maintenance Endowment Fund

The Endowment Fund will grow based on contributions from the Greenways III Levy.

702 Natural Resource Protection & Restoration Fund

The Natural Resource Protection & Restoration Fund Reserves will decrease due to a \$2.9 million loan from the Fund to finance construction of the Art & Children’s Museum and Phase II renovations at the Mount Baker Theatre.

965 (formerly 165) Public Facilities District Fund

The Public Facilities District will use a portion of their reserves to help finance Phase II renovations at the Mount Baker Theatre.

510 Fleet Administration Fund

\$1 million of accumulated reserves will be used to help cover the cost of fire apparatus replacement.

530 Facilities Administration Fund

Facilities Administration Reserves will be used to pay for several maintenance projects including, repairs at the Police Department, repainting the Municipal Court and re-carpeting the Public Works operations center.

612 Firefighter Pension and Benefit Fund

The Firefighter Pension and Benefit Fund Reserves will decrease due to a \$2.25 million loan from the fund to finance fire apparatus replacement.

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2008 CAPITAL BUDGET

The Capital Budget begins with the budget year capital-related expenditures. These expenditures fall into three categories: asset maintenance items, Capital Facilities Plan (CFP) items, and equipment purchases. Only CFP items and equipment purchases that result in the acquisition of or addition to capital assets qualify as capital outlay. Asset maintenance items are expenditures associated with maintaining rather than acquiring capital assets and, thus, do not meet the definition of capital outlay. Asset maintenance items paid from shared funds are included in the City's capital budget so that they can be reviewed and scheduled along with capital expenditures. If paid from Real Estate Excise Tax, asset maintenance items are also included in the CFP.

The Finance Department established new capitalization thresholds in 2007 which were used to prepare the 2008 Capital Budget. For most asset categories, expenditures of less than \$50,000 for a single item or project are budgeted as operating expenditures rather than capital expenditures. The threshold for network IT equipment, such as switches and servers, is \$25,000. The threshold for general tools, office furniture and equipment, and general IT equipment is \$10,000. The threshold for fleet additions and replacements is \$5,000. Different capitalization criteria may be used when required by grant specifications.

Budget year capital tables for each department are followed by more detailed capital project summaries for major capital projects. Major capital projects are those projects which have approved expenditures for 2008 and a minimum of \$200,000 in estimated annual expenditures in any one year 2008-2013. Projects with associated capital project summaries are denoted by an asterisk (*) in the Capital Class column of the budget year capital tables.

The Capital Facilities Plan (CFP) follows the budget year capital tables. The CFP includes the budget year estimated costs plus a five-year estimate of capital facilities project needs. Estimates for years 2008 through 2013 are provided for review and planning purposes, but are not authorized with the 2008 Budget. The CFP includes expenditures related to construction or acquisition of property, facilities or infrastructure. These expenditures may include project support costs such as labor; supplies; or engineering, intergovernmental or outside services. The CFP does not include expenditures for equipment purchases. Asset repair items which are part of the asset maintenance program are included only if they are to be paid from Real Estate Excise Tax funds. This section updates the Capital Facilities element of the Bellingham Comprehensive Plan.

2008 Capital**Capital Reconciliation**

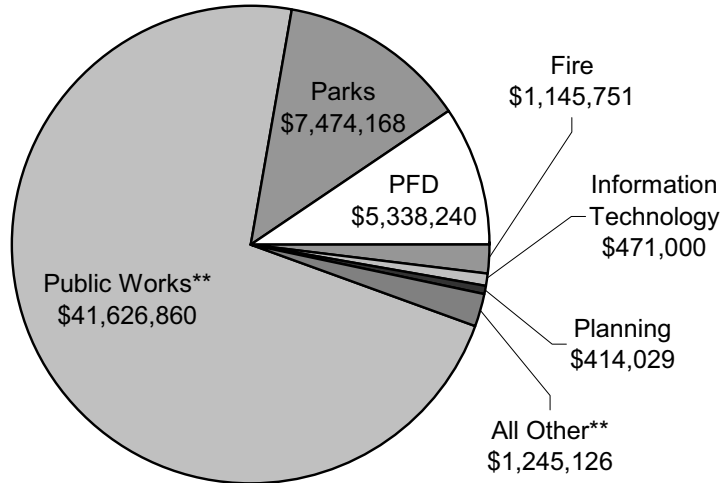
The Capital Budget for 2008 includes all expenditure types for capital-related needs, regardless of whether they meet the accounting definition of capital outlay. This table shows a breakdown of the expenditure types that are included in the 2008 Capital Budget.

| EXPENDITURE BY CAPITAL RELATED CLASSIFICATION | 2008 BUDGET |
|---|----------------------|
| Asset Maintenance Items (AM) | \$ 757,155 |
| Capital Facilities Plan Items (CFP) - Asset Maintenance | 371,000 |
| Capital Facilities Plan Items (CFP) - Debt Repayment | 638,152 |
| Capital Facilities Plan Items (CFP) - Capital Outlay | 46,955,798 |
| Capital Equipment Purchases (EQ) - Capital Outlay | 8,993,069 |
| TOTAL CAPITAL RELATED BUDGET | \$ 57,715,174 |

| EXPENDITURE TYPE | 2008 BUDGET |
|-------------------------------------|----------------------|
| Capital Purchases | \$ 53,004,760 |
| Salaries | 29,466 |
| Benefits | 10,815 |
| Supplies | 0 |
| Other Services and Charges | 3,461,395 |
| Intergovernmental Services | 638,152 |
| Interfund Payments | 570,586 |
| TOTAL CAPITAL RELATED BUDGET | \$ 57,715,174 |

2008 Capital (continued)

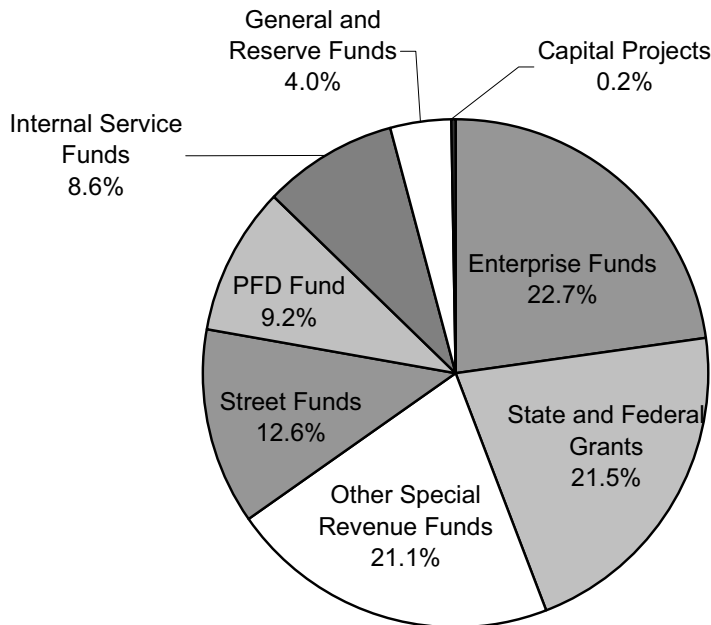
2008 Capital Expenditures by Department
Total Capital and Asset Maintenance \$57,715,174



**All Other: \$300,000 capital expenditures for the Museum window repairs will be reclassified as asset maintenance via 2008 Budget Transfer Order (BTO).

**Public Works: \$389,500 miscellaneous capital expenditures for Public Works water and wastewater systems security upgrades will be reclassified as equipment via 2008 BTO.

2008 Capital Funding Sources



2008 Capital (continued)**FUNDING SOURCES**

Abbreviations in the "Fund Source" columns represent the following funds and sources

| CODE | SOURCE OF FUNDS | 2008 BUDGET |
|-------------|---|----------------------|
| AFDE | Asset Forfeiture/Drug Enforcement Fund | \$ 18,000 |
| ASF | Arterial Street Fund | 500,000 |
| BGL | Beyond Greenways Levy Fund | 1,157,000 |
| CDBG | Community Development Block Grant Fund | 229,029 |
| CIVIC | Civic Field Improvement Fund | 123,000 |
| CMF | Capital Maintenance Fund | 757,155 |
| CRF | Computer Reserve Fund | 443,500 |
| CRIM | Criminal Justice Fund | 180,000 |
| DSF | Development Services Fund | 85,000 |
| FGD | Federal Direct Grant | 383,231 |
| FGI | Federal Indirect Grant | 11,190,160 |
| FL | Fleet Administration Fund | 4,962,400 |
| FQET | First 1/4% Real Estate Excise Tax Fund | 2,683,150 |
| GF | General Fund | 634,775 |
| GL3 | Greenways III Levy Fund | 3,627,186 |
| ISR | Intergovernment Service Revenue | 369,000 |
| LOCAL | Interlocal Grant | 350,000 |
| MED1 | Medic One Fund | 282,363 |
| PFD | Public Facilities District Fund | 5,338,240 |
| PIF | Park Impact Fee Fund | 1,400,000 |
| PKA | Parksite Acquisition Fund | 25,190 |
| PKG | Parking Services Fund | 1,920,000 |
| SQA | Squalicum Park Olympic Fund | 98,343 |
| SQET | Second 1/4% Real Estate Excise Tax Fund | 2,743,152 |
| STR | Street Fund | 7,292,000 |
| SWUF | Surface Water Utility Fund | 1,736,000 |
| TDF | Transportation Development Fees | 122,000 |
| WF | Water Fund | 4,504,300 |
| WWF | Wastewater Fund | 4,561,000 |
| ALL | TOTAL | \$ 57,715,174 |

Note: To show outside revenue sources or transfers from other City funds in the following tables, a slash (/) is used between the code for the City fund in which the expenditures are budgeted and the code for the outside revenue source or transferring fund.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|--------------|---------------|---|---------------------|
| FIRE DEPARTMENT | | | | |
| Self Contained Breathing Apparatus (SCBA) | GF, GF/FGD | EQ | SCBA replacement due to age and obsolescence. Have applied for \$553,786 in FEMA grant but equipment needs to be replaced regardless of grant decision due to worker safety concerns. Parts to repair the existing equipment are no longer available. This purchase also was budgeted in 2007, contingent upon receipt of the FEMA grant, which was denied. | 692,233 |
| Six Cardiac Monitors | MED1 | EQ | Scheduled replacement based on life expectancy of device and new technology. | 180,000 |
| Fire Station #5 Roof and HVAC | CMF | AM | Repair/replace roof and install new HVAC system. Failure to repair/replace could result in the need to abandon the station for worker health reasons thereby increasing emergency response times to residents in the neighborhood. | 125,000 |
| Rechassis Medic Unit | MED1 | EQ | Rechassis an ambulance based on total miles. | 102,363 |
| Fire Stations Carpeting and Painting | CMF | AM | Ongoing facilities maintenance schedule. | 34,155 |
| Thermal Imaging Camera | GF | EQ | Incremental addition of one camera per year to equipment fleet. | 12,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - FIRE | | | | \$ 1,145,751 |

POLICE DEPARTMENT

| | | | | |
|---|------|----|--|-------------------|
| SWAT Van | CRIM | EQ | Replace 32-year old vehicle. | 180,000 |
| Undercover Vehicles | AFDE | EQ | Anticipated replacement of three undercover vehicles. | 18,000 |
| Night Goggles | GF | EQ | No current capabilities - new program. | 11,924 |
| Computer | GF | EQ | Apple/Mac computer needed to make police system compatible with other systems for forensics. | 10,700 |
| Scanner | GF | EQ | Scanner addition to copier for police reports. | 10,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - POLICE | | | | \$ 230,624 |

JUDICIAL AND SUPPORT SERVICES DEPARTMENT

| | | | | |
|--|----|----|--|------------------|
| Mail Equipment | GF | EQ | Replacement required due to age of equipment and new postal regulations. | 27,500 |
| TOTAL CAPITAL BUDGET FOR 2008 - JUDICIAL AND SUPPORT SERVICES | | | | \$ 27,500 |

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|---|-------------|
| PARKS AND RECREATION DEPARTMENT | | | | |
| Greenway Land Acquisition | GL3, BGL | CFP * | Acquire Greenway properties. | 3,700,000 |
| Land Acquisition - Park in Developing Area | PIF | CFP * | Acquire parkland in developing area based on community needs and available properties. | 1,000,000 |
| Sidewalks, Paths and Trails | BGL | CFP * | Continue extension of Whatcom Creek Trail from I-5 to Ellis. Approximately 1/2 mile remains to complete. 2008 funds will cover development of only a portion of the remaining length. | 582,000 |
| Neighborhood Park Construction (1) | PIF | CFP * | Develop park in Cordata Neighborhood. 2008 funds are designated for design of the approximately 20-acre park. | 250,000 |
| Miscellaneous Community Parks Construction | SQET | CFP * | 2008 Project: relocate and replace playground at Maritime Heritage Park. Additional funds will be needed for 2009-2013 for development of other community parks not yet acquired. | 250,000 |
| Northridge Park Development | GL3, PIF | CFP * | Northridge Park design and construction. 2008 funds are designated for design of the approximately 35-acre park. | 200,000 |
| Squalicum Creek Park-Phase I | SQUAL, BGL | CFP * | Complete Phase I construction of Squalicum Creek Park in 2008. Additional funds will be required for further development in 2010 and 2011. | 198,343 |
| Boulevard Park Shoreline | GL3 | CFP * | Restore and preserve the Boulevard Park shoreline from erosion. 2008 funding is for design only to determine engineering solutions and cost estimates. | 150,000 |
| Civic Field Projects | CIVIC | CFP | Complete improvement projects at Civic Field as they are identified as part of the Civic Field capital planning process. | 113,000 |
| Acoustic Tiles at Aquatic Center | FQET | CFP | Install acoustic tiles for noise abatement. | 100,000 |
| Parks Facility Asphalt Patching and Resurfacing | SQET | CFP | Patching and overlay of Park roads, parking lots and pathways. | 100,000 |
| Labor Distribution to General Fund from Greenways 3 | GL3 | CFP | Greenways 3 Fund share of Park Design and Development (D&D) labor charged to General Fund. | 77,186 |
| Labor Distribution to General Fund from Beyond Greenways | BGL | CFP | Beyond Greenways Fund share of Park D&D labor charged to General Fund. | 75,000 |

* See capital project summaries following Park Department Capital tables.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|---------------------|----------------------|---|--------------------|
| PARKS AND RECREATION DEPARTMENT | | | | |
| Single Axle 5 Yard Dump Truck | GF | EQ | Includes chip box, tool boxes, crew space and separate tool storage. A dedicated chip truck will allow a 5 yard dump truck to be utilized as a dump truck (not a combined chip/dump). The current truck with chip box prevents the use for a dump truck. Arrangements need to be made to remove the box. Currently the "chip truck" is used almost daily. | 65,000 |
| Tennis Court Resurfacing | SQET | CFP | Resurface tennis courts as identified by inspection and scheduled for 2008. | 60,000 |
| Loading Unit | GF | EQ | All-steer unit for loading and trail edge mowing. This unit will be used for loading material into trucks; it will not disturb the trail surface like a skid steer. A mower unit can be attached via "quick link" so that the operator will have the mower in front versus behind a power unit. The vibrator roller will also attach to this unit. | 53,462 |
| Neighborhood Park Construction (2) | SQET | CFP | Improvements to Franklin Park. | 50,000 |
| Labor Distribution to General Fund from Park Impact Fees | PIF | CFP | Park Impact Fee Fund share of Park Design and Development (D&D) labor charged to General Fund. | 50,000 |
| Labor Distribution to General Fund from First Quarter REET | FQET | CFP | First Quarter REET Fund share of Park D&D labor charged to General Fund. | 50,000 |
| Water Service Line - Lake Padden Park | CMF | AM | The completion of the replacement of an existing plastic line with new ductile iron pipe. Staff continually repairs the old line, causing breaks in service to the lower restroom and cancellation of games in the ballfields. | 35,000 |
| Sports Lighting Pole - Joe Martin Field | FQET | CFP | Replacement of damaged sports lighting pole at Joe Martin field. Existing wood pole is bowed at a point approximately twenty feet from the top. | 30,000 |
| Perimeter Fencing - Whatcom Falls Park | FQET | CFP | Additional fencing along Whatcom Falls Park boundaries adjacent to Bayview cemetery. Fencing is needed to prevent park visitors from entering sensitive areas of the cemetery. | 30,000 |
| Trail Surface/Drainage Repairs | FQET | CFP | Supplies and materials for the continued resurfacing and drainage system replacement of trail surfaces and associated drainages. | 30,000 |

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|--|-------------|
| PARKS AND RECREATION DEPARTMENT | | | | |
| Labor Distribution to General Fund from SQET | SQET | CFP | Second Quarter REET Fund share of Park D&D labor charged to General Fund. | 30,000 |
| Parksite Acquisition Fund Land Purchases | PKA | CFP | Parksite Acquisition Fund land acquisitions. | 25,190 |
| Sidewalk & Curb Replacement | FQET | CFP | Replacement of damaged and cracked park sidewalk and curb sections. | 25,000 |
| Playground Equipment Parts | CMF | AM | Replacement components for damaged playground structural elements. | 20,000 |
| Half Ton Pickup Truck with Extended Cab and Six Foot Box | GF | EQ | Add a permanent fleet addition in place of a surplus vehicle that was retained by Fleet and temporarily reassigned to Parks. The vehicle has been used daily since Fall of 2006 for deliveries, hauling equipment and tools, herbicide applications, irrigation repairs and small team projects. | 17,000 |
| Irrigation System Renovations | CMF | AM | Supplies and materials to renovate and modify existing manual irrigation systems to automatic systems. | 15,000 |
| Replacement of Fairhaven Park Entry Columns | SQET | CFP | Replacement of damaged masonry entry columns with new columns of similar style and materials. Architectural design phase scheduled for 2007 with construction in 2011. | 15,000 |
| Roof Replacements | FQET | CFP | Replace or repair park facilities' roofs identified by inspection and scheduled for 2008. | 15,000 |
| Half Ton (4x2) Pickup Truck | GF | EQ | Vehicle needed to support expanding Parks Facilities Maintenance program (new employee position in 2007) program to include daily park maintenance, sanitation, and special event support. | 13,266 |
| Portable Air Compressor | GF | EQ | Compressor is needed to replace a used unit that was purchased from Public Works. Compressor supports construction program and annual winterization of water systems. | 12,800 |
| Labor Distribution to General Fund from Civic Field Improvement Fund | CIVIC | CFP | Civic Field Improvement Fund share of Park D&D labor charged to General Fund. | 10,000 |
| Vibrator Roller (48") with Smooth Drum | GF | EQ | Trail surface work; this unit will eliminate the need for regular rental units. This will attach to the Toolcat and Model A-300. The purchase of this unit will eliminate the need of the present 3 tow-behind rollers we currently have in our inventory. | 10,000 |

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|---------------------|----------------------|---|---------------------|
| PARKS AND RECREATION DEPARTMENT | | | | |
| Park and Sports Field Lighting | FQET | CFP | Replacement of sports and park lighting lamps based on a 6 year replacement cycle. | 6,000 |
| Six Way Grader Blade Attachment | GF | EQ | This unit will be used for trail surface work; primarily grading and smoothing the trail tread. This is a front mount unit to fit on the Tool Cat. The purchase of this unit will eliminate the need for a grader rental. | 5,921 |
| Park Sign Replacement | CMF | AM | Supplies and materials for the upgrading and replacement of park entrance and informational signs. | 5,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PARKS AND RECREATION | | | | \$ 7,474,168 |

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

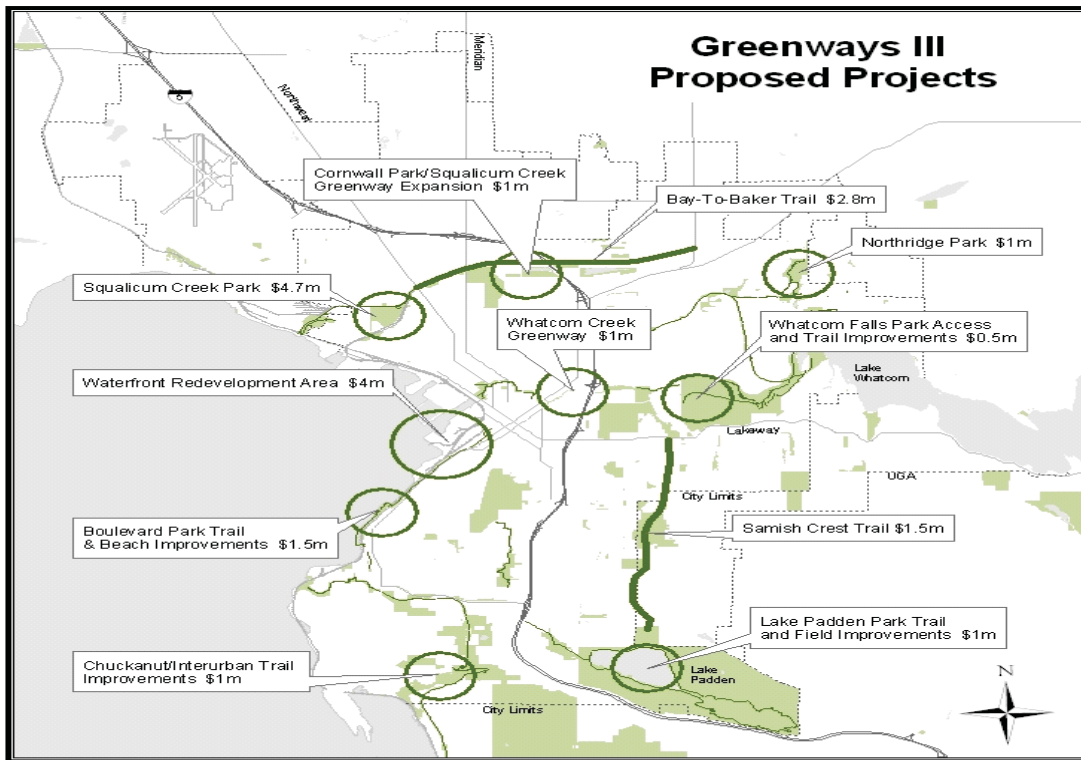
Parks and Recreation Department projects that are land acquisitions or planning phase only, exact operating costs cannot be determined at this time. Annual maintenance cost for undeveloped land in holding is estimated at \$500 per acre; annual maintenance cost for developed land with facilities, restrooms, irrigation, etc., is estimated at \$6,300 per acre; and annual maintenance cost for developed trails is estimated at \$2.08 per lineal foot. These cost estimates will be revised during the update to the Park, Recreation and Open Space Plan taking place in 2008.

GREENWAYS LAND ACQUISITION

Greenways III Levy

Project Description

Acquire property with Greenways III Levy funds.



Legend

- Greenways III Land Acquisition & Project Areas
- Greenways III Trail Projects
- Existing Parks & Open Space

Major New Greenway Acquisitions

- North Property Acquisitions- \$12.1m
- South Property Acquisitions- \$6m
- Undesignated Property Acquisitions-\$2m

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

GREENWAYS LAND ACQUISITION - continued

Greenways III Levy

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|---------------------|----------------------|
| Beyond Greenways Fund | - | - | 400,000 | 400,000 |
| Greenways III Fund | - | - | 3,300,000 | 3,300,000 |
| Subtotal | \$ - | \$ - | \$ 3,700,000 | \$ 3,700,000 |
| 2009-2013 Estimated Need: | | | | |
| Greenways III Fund \$9,000,000. | | | | 9,000,000 |
| Estimated Total Revenues and Sources | | | | \$ 12,700,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-----------------|---------------------|----------------------|
| Land Acquisition | - | - | 3,700,000 | 3,700,000 |
| Subtotal | \$ - | \$ - | \$ 3,700,000 | \$ 3,700,000 |
| 2009-2013 Estimated Need: | | | | |
| Land acquisition costs for additional parkland \$9,000,000. | | | | 9,000,000 |
| Estimated Total Expenditures and Uses | | | | \$ 12,700,000 |

Estimated Impact on Operating Budget

Greenway endowment fund can be used for any initial costs. Operating costs will be determined after parcel is acquired and development plan created.

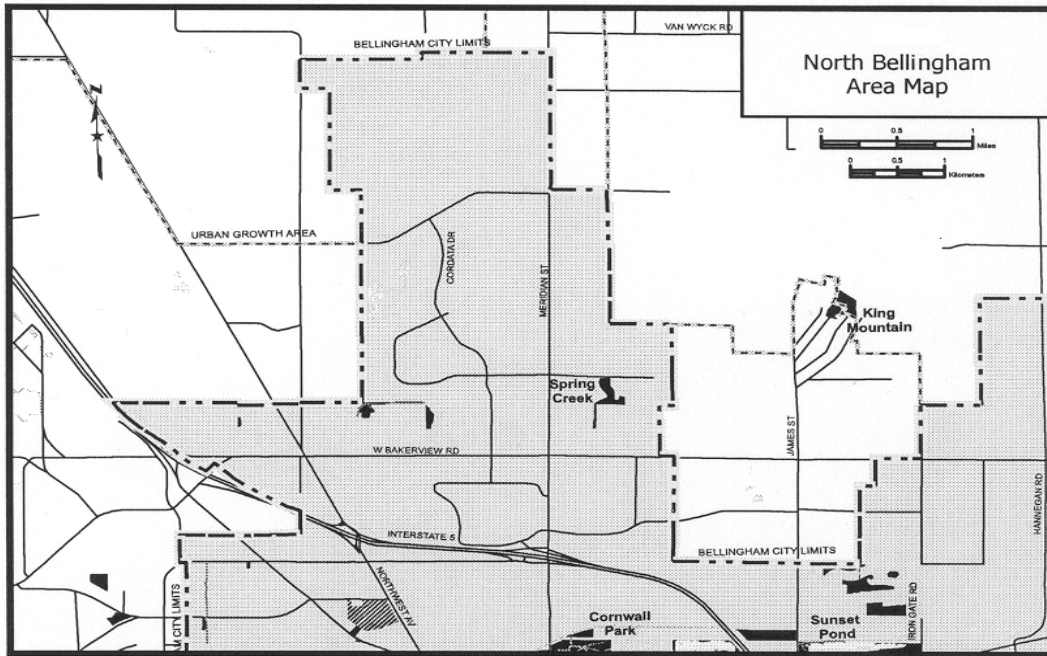
2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

**LAND ACQUISITION - PARK IN DEVELOPING AREA
(Formerly Land Acquisition - Neighborhood Park)**

Project Description

Acquire parkland in developing area based on community needs and available properties.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|---------------------|---------------------|---------------------|
| Park Impact Fee Fund | - | 1,500,000 | 1,000,000 | 2,500,000 |
| Subtotal | \$ - | \$ 1,500,000 | \$ 1,000,000 | \$ 2,500,000 |
| 2009-2013 Estimated Need: Park Impact Fee Fund \$1,000,000 in 2010 and \$500,000 per year in 2011-2013. | | | | 2,500,000 |
| Estimated Total Revenues and Sources | | | | \$ 5,000,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|---------------------|---------------------|---------------------|
| Land Acquisition | - | 1,500,000 | 1,000,000 | 2,500,000 |
| Subtotal | \$ - | \$ 1,500,000 | \$ 1,000,000 | \$ 2,500,000 |
| 2009-2013 Estimated Need: Land acquisition costs for additional parkland in 2010-2013. | | | | 2,500,000 |
| Estimated Total Expenditures and Uses | | | | \$ 5,000,000 |

Estimated Impact on Operating Budget

None associated with land acquisition. Operating costs will be determined after parcel is acquired and development plan created.

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

SIDEWALKS, PATHS AND TRAILS

Project Description (PD 3001-7)

Continue extension of Whatcom Creek Trail from I-5 to Ellis. Approximately 1/2 mile remains to complete. 2008 funds will cover development of only a portion of the remaining length.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|---------------------|
| Beyond Greenways Fund | - | - | 582,000 | 582,000 |
| First Quarter REET Fund | - | 225,000 | - | 225,000 |
| Subtotal | \$ - | \$ 225,000 | \$ 582,000 | \$ 807,000 |
| 2009-2013 Estimated Need: | | | | |
| First Quarter REET Fund \$200,000 per year. | | | | 1,000,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,807,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-------------------|-------------------|---------------------|
| Sidewalks/Paths/Trails Improvements | - | 225,000 | 582,000 | 807,000 |
| Subtotal | \$ - | \$ 225,000 | \$ 582,000 | \$ 807,000 |
| 2009-2013 Estimated Need: | | | | |
| Additional sidewalks, paths and trails improvement costs. | | | | 1,000,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,807,000 |

Estimated Impact on Operating Budget

Operation and maintenance will not be needed until project is complete in 2009. Operating costs are estimated at \$6,760.

2008 Capital (continued)

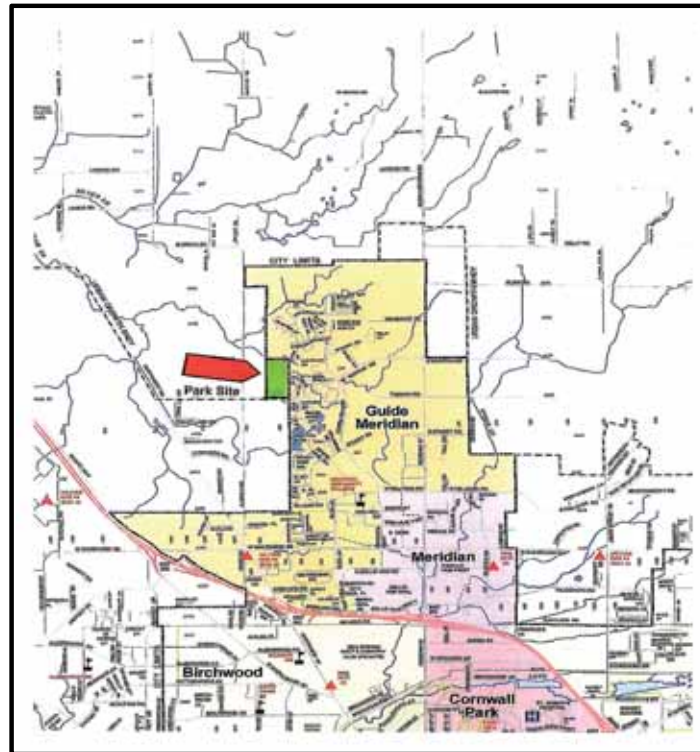
PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

NEIGHBORHOOD PARK CONSTRUCTION (1)

Cordata Neighborhood

Project Description (PD 2026-1)

Develop park in Cordata Neighborhood. 2008 funds are designated for design of the approximately 20-acre park.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|---------------------|
| Park Impact Fee Fund | - | - | 250,000 | 250,000 |
| Subtotal | \$ - | \$ - | \$ 250,000 | \$ 250,000 |
| 2009-2013 Estimated Need: | | | | |
| Park Impact Fee Fund \$850,000 in 2009. | | | | 850,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,100,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|---------------------|
| Construction/Neighborhood Parks | - | - | 250,000 | 250,000 |
| Subtotal | \$ - | \$ - | \$ 250,000 | \$ 250,000 |
| 2009-2013 Estimated Need: | | | | |
| Neighborhood parks construction costs in 2009. | | | | 850,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,100,000 |

Estimated Impact on Operating Budget

None associated with design phase of project.

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

MISCELLANEOUS COMMUNITY PARKS CONSTRUCTION

Project Description (PD 2172-5)

2008 Project: relocate and replace playground at Maritime Heritage Park. Additional funds will be needed for 2009-2013 for development of other community parks not yet acquired.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|---------------------|
| Second Quarter REET Fund | - | 250,000 | 250,000 | 500,000 |
| Subtotal | \$ - | \$ 250,000 | \$ 250,000 | \$ 500,000 |
| 2009-2013 Estimated Need: | | | | |
| Park Impact Fee Fund \$500,000 per year in 2012 and 2013. | | | | 1,000,000 |
| Second Quarter REET Fund \$250,000 per year. | | | | 1,250,000 |
| Estimated Total Revenues and Sources | | | | \$ 2,750,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-------------------|-------------------|---------------------|
| Playground Construction | - | 250,000 | 250,000 | 500,000 |
| Subtotal | \$ - | \$ 250,000 | \$ 250,000 | \$ 500,000 |
| 2009-2013 Estimated Need: | | | | |
| Construction/Community Parks \$500,000 per year in 2012 and 2013. | | | | 1,000,000 |
| Playground construction costs \$250,000 per year. | | | | 1,250,000 |
| Estimated Total Expenditures and Uses | | | | \$ 2,750,000 |

Estimated Impact on Operating Budget

Decreases staff time and costs of repairing existing playground. Annual estimated savings - 50 hours.

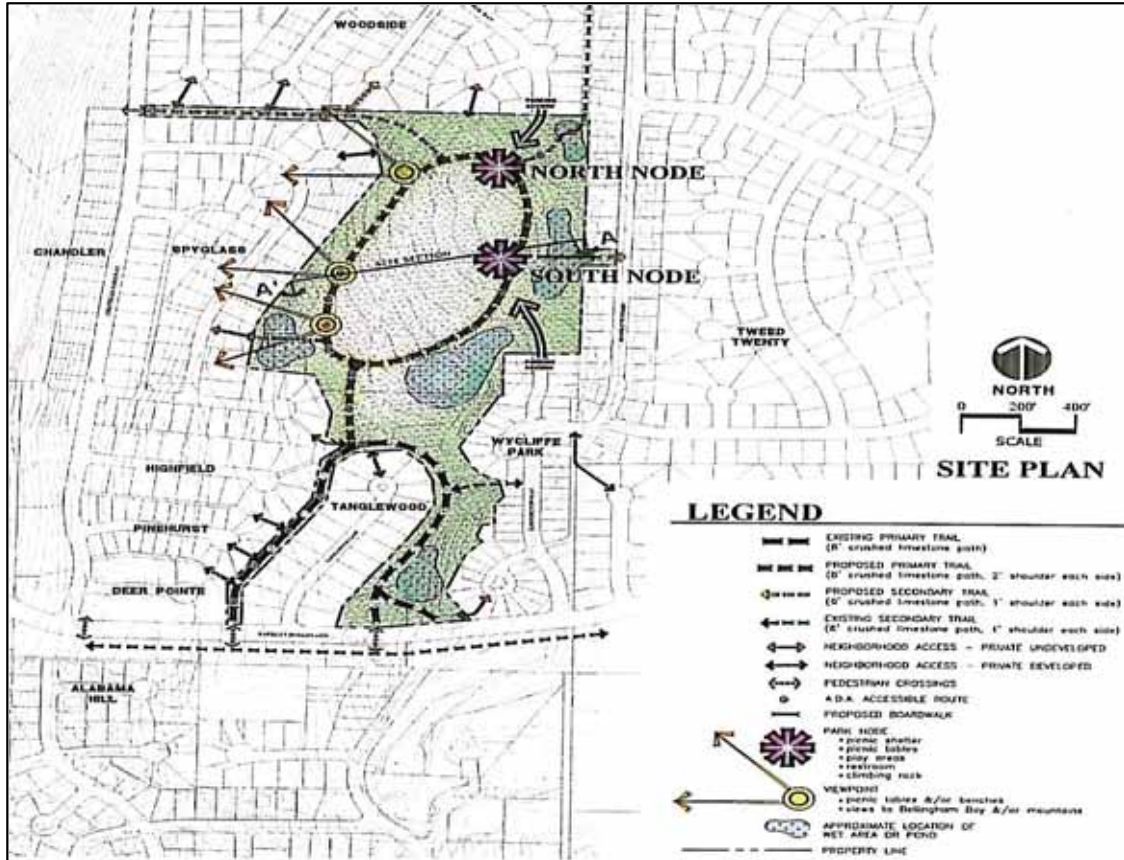
2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

NORTHRIDGE PARK DEVELOPMENT

Project Description (PD 2014-3)

Northridge Park design and construction. 2008 funds are designated for design of the approximately 35-acre park.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|---------------------|
| Greenways III Fund | - | 100,000 | 100,000 | 200,000 |
| Park Impact Fee Fund | - | - | 100,000 | 100,000 |
| Subtotal | \$ - | \$ 100,000 | \$ 200,000 | \$ 300,000 |
| 2009-2013 Estimated Need: | | | | |
| Greenways III Levy Fund in 2009. | | | | 800,000 |
| Park Impact Fee Fund in 2009. | | | | 500,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,600,000 |

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

NORTHRIDGE PARK DEVELOPMENT, continued

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|---------------------------------|----------------------------|-------------------------|---------------------|
| Community Parks Construction | - | 100,000 | 200,000 | 300,000 |
| Subtotal | \$ - | \$ 100,000 | \$ 200,000 | \$ 300,000 |
| 2009-2013 Estimated Need: | | | | |
| Additional construction costs in 2009. | | | | 1,300,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,600,000 |

| Estimated Impact on Operating Budget |
|---|
| None associated with design phase of project. |

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

SQUALICUM CREEK PARK - PHASE I

Project Description

Complete Phase I construction of Squalicum Creek Park in 2008. Additional funds will be required for further development in 2010 and 2011.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|---------------------|
| Beyond Greenways Fund | - | - | 100,000 | 100,000 |
| Squalicum Park/Olympic Fund | - | - | 98,343 | 98,343 |
| Subtotal | \$ - | \$ - | \$ 198,343 | \$ 198,343 |
| 2009-2013 Estimated Need: | | | | |
| Greenways III Fund \$900,000 in 2010 and \$3,800,000 in 2011. | | | | 4,700,000 |
| Park Impact Fee Fund in 2011. | | | | 500,000 |
| Estimated Total Revenues and Sources | | | | \$ 5,398,343 |

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

SQUALICUM CREEK PARK – PHASE I continued

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|---------------------------------|----------------------------|-------------------------|---------------------|
| Construction/Community Parks | - | - | 198,343 | 198,343 |
| Subtotal | \$ - | \$ - | \$ 198,343 | \$ 198,343 |
| 2009-2013 Estimated Need: | | | | |
| Construction/Community Parks 2010 and 2011. | | | | 5,200,000 |
| Estimated Total Expenditures and Uses | | | | \$ 5,398,343 |

| Estimated Impact on Operating Budget |
|---|
| Increase operating costs by approximately \$6,300 per developed acre. Additional staff time and supplies for mowing, field prep, landscape maintenance, restroom cleaning and facility repair. Increased utility costs. |

2008 Capital (continued)

PARK DEPARTMENT CAPITAL PROJECT SUMMARIES

BOULEVARD PARK SHORELINE

Project Description

Restore and preserve the Boulevard Park shoreline from erosion. 2008 funding is for design only to determine engineering solutions and cost estimates.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|---------------------|
| Greenways III Fund | - | - | 150,000 | 150,000 |
| Subtotal | \$ - | \$ - | \$ 150,000 | \$ 150,000 |
| 2009-2013 Estimated Need: Greenways III Fund in 2009. | | | | 1,200,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,350,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-----------------|-------------------|---------------------|
| Engineering Services | - | - | 150,000 | 150,000 |
| Subtotal | \$ - | \$ - | \$ 150,000 | \$ 150,000 |
| 2009-2013 Estimated Need: Construction/Community Parks in 2009. | | | | 1,200,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,350,000 |

Estimated Impact on Operating Budget

None associated with design phase of project. Estimated post-development operating costs will be evaluated after completion of design.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|--|------------------|
| LIBRARY DEPARTMENT | | | | |
| New Library Design | FQET | CFP | For development of building program statement and preliminary schematics. Cost estimated at 3% of estimated construction only costs. 2006 budget included \$371,250 from REET. Estimate was increased by 3% for 2007 and again for 2008. | 12,150 |
| Microfilm Scanner | GF | EQ | Replacement of a microfilm scanner. Current machines are over 10 years old. Staff time spent troubleshooting. Repairs are expensive on these old inefficient machines. A new scanner should save staff resources as well as provide more cost-effective service. | 10,200 |
| TOTAL CAPITAL BUDGET FOR 2008 - LIBRARY | | | | \$ 22,350 |

| | | | | |
|---|------|-----------|--|-------------------|
| MUSEUM DEPARTMENT | | | | |
| Window Restoration at Old City Hall | FQET | CFP ** | Continue window repair and replacement to correct years of water and fire damage to existing wood frames while maintaining historic structure of the building. | 300,000 |
| Replace Major Copy Machines | GF | EQ | Replacement schedule improves efficiency and related costs. Two machines are now past their prime. | 13,500 |
| Old City Hall HVAC Repairs | CMF | AM | Repair/replace inoperative airhandlers. | 8,000 |
| Education Center Vestibule Roof Repair | CMF | AM | Tar and gravel roof installed in 1991 is leaking. | 5,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - MUSEUM | | | | \$ 326,500 |

** This item will be recoded as Asset Maintenance via Budget Transfer Order in 2008.

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|--|-------------------|
| PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT | | | | |
| Neighborhood Initiatives Program | CDBG, FQET | CFP * | Make capital improvements to low income neighborhoods. | 256,248 |
| Electronic Plan Submission Software. | DSF | EQ | Allows customers to submit plans for permitting via the web. Ties into existing InspectTrak system. | 75,000 |
| Labor Distribution to General Fund from Block Grant | CDBG | CFP | HSCD Fund share of Community Development labor charged to General Fund. | 47,781 |
| Municipal Arts Project | GF | CFP | Annual art-related capital project as determined by the Arts Commission in September of the preceding year. | 25,000 |
| Document Scanning Station | DSF | EQ | Replace document scanning station for electronic archiving of permit documents. Current scanner is past the replacement cycle. | 10,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PLANNING AND CD | | | | \$ 414,029 |

* See capital project summary following this table.

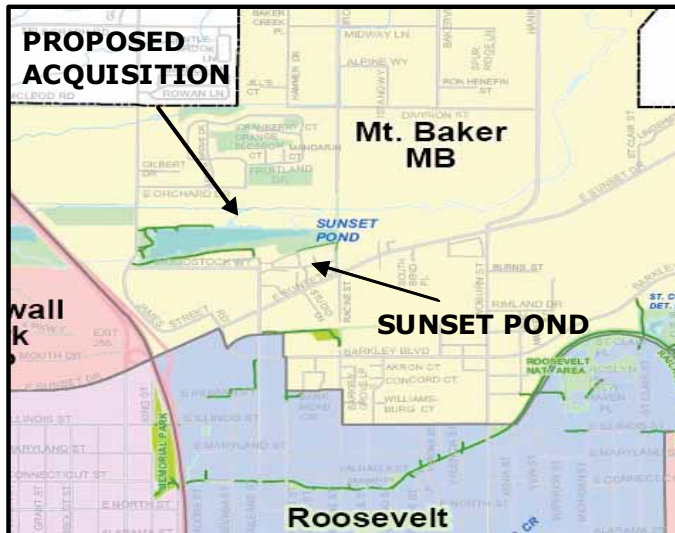
2008 Capital (continued)

PLANNING CAPITAL PROJECT SUMMARY

NEIGHBORHOOD INITIATIVES PROGRAM

Project Description (CD 425, CD 426)

Sunset Pond Park: Purchase 17.5 acre parcel adjacent to the northern boundary of the existing park. The purchase will increase the size and use of this park located in an under-served Community Development target area. Future Greenways funding will be used to develop the trail system and corresponding amenities. Improvements proposed by the Mt Baker Neighborhood Association will be made after street upgrades are complete.



Whatcom Creek Trail: Construct a new segment of the Whatcom Creek Trail adjacent to Whatcom Creek in conjunction with funding from the Parks Department. Segment begins at Racine Street, west to and under I-5, and south paralleling I-5 to Meador Street (approx 2,800 ft). From there, the trail will follow existing streets. The trail will be 10-ft wide with a crushed limestone surface on most areas. A bridge will be constructed over Lincoln Creek, a tributary to Whatcom Creek. Adjacent areas will be planted to buffer the trail from nearby commercial activities.



Capital Budget

2008 Capital (continued)

PLANNING CAPITAL PROJECT SUMMARY

NEIGHBORHOOD INITIATIVES PROGRAM continued (two sites included in this project summary)

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|---------------------|
| First Quarter REET Fund | - | 75,000 | 75,000 | 150,000 |
| Housing Comm Development Fund | - | 77,337 | 181,248 | 258,585 |
| Subtotal | \$ - | \$ 152,337 | \$ 256,248 | \$ 408,585 |
| 2009-2013 Estimated Need: | | | | |
| First Quarter REET Fund \$75,000 per year. | | | | 375,000 |
| Housing & Comm Development Fund \$181,248 per year. | | | | 906,240 |
| Estimated Total Revenues and Sources | | | | \$ 1,689,825 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-------------------|-------------------|---------------------|
| Misc Improvements Other Than Buildings | - | 75,000 | 75,000 | 150,000 |
| Construction/Neighborhood Parks | - | 77,337 | 181,248 | 258,585 |
| Subtotal | \$ - | \$ 152,337 | \$ 256,248 | \$ 408,585 |
| 2009-2013 Estimated Need: | | | | |
| Misc Improvements Other Than Buildings \$75,000 per year. | | | | 375,000 |
| Construction/Neighborhood Parks \$181,248 per year. | | | | 906,240 |
| Estimated Total Expenditures and Uses | | | | \$ 1,689,825 |

| Estimated Impact on Operating Budget |
|---|
| Estimated increase in maintenance costs to the Park Department of \$8,500 for Sunset Pond and \$6,760 for Whatcom Creek Trail based on rates of \$500 per acre of undeveloped parkland and \$2.08 per lineal foot of trail. |

The Whatcom Creek Trail component of this project is also shown in the Parks and Recreation Department capital on page 335, because it is a shared project between the two departments.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|---------------------|----------------------|--|--------------------|
| INFORMATION AND TECHNOLOGY SERVICES DEPARTMENT | | | | |
| Computer Applications - High Priority | CRF | EQ | Highest priority applications and planning work, likely to include some of the following: Cashiering system replacement, emergency management systems, internet/intranet development, Office 2007 training, parking/permit systems, document management system requirements planning, online B&O payment information, security systems and review, and financial systems work. | 210,000 |
| Server Replacements | CRF | EQ | Replacement for oldest equipment at end of life, including servers, core switches, access switches, and backup systems. | 69,500 |
| Intranet Website | CRF | EQ | Purchase tools to create cohesive Intranet web site for all departments to utilize. Provides information sharing resource to all departments. (Public Works to contribute \$20k) | 60,000 |
| HR/Payroll Contingency Funds | CRF | CFP | Original project budget contained limited contingency funding; additional professional services needed to keep project on schedule. | 45,000 |
| Wireless Network | CRF | EQ | Provide wireless network infrastructure for employee and public use. Includes City Hall, Muni Court, Fire OEM, Parks Admin, Library, and Fire EOC locations. Includes security software to manage access. | 36,000 |
| Fleet Addition - Van | GF | EQ | Existing van was purchased used and is at end of life. Van is used regularly to deliver equipment to City work sites. Note: van could be used by other City Hall/Muni Court employees on a scheduled basis. | 27,500 |
| Production Scanner Replacement | CRF | EQ | Replace production scanner purchased in 2001. Used to scan materials such as Council packets, City contracts for all City departments. | 23,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - ITSD | | | | \$ 471,000 |

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|--------------|---------------|--|-------------------|
| NON DEPARTMENTAL | | | | |
| Civic Field and Aquatic Center Debt Service | SQET | CFP | Debt for Civic Field and Aquatic Center. This item is for debt repayment, not capital, but must appear in the CFP due to the funding source. | 638,152 |
| TOTAL CAPITAL BUDGET FOR 2008 - NON DEPARTMENTAL | | | | \$ 638,152 |

PUBLIC FACILITIES DISTRICT

| | | | | |
|---|-----|-------|---|---------------------|
| Mt. Baker Theatre Renovations Phase II | PFD | CFP * | Replace outdated heating and ventilation and electrical systems and add air conditioning. | 5,251,000 |
| Art and Children's Museum | PFD | CFP | Construct a 41,720 square foot building for an Art & Children's Museum. | 87,240 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC FACILITIES DISTRICT | | | | \$ 5,338,240 |

* See capital project summary following this table.

2008 Capital (continued)

PFD CAPITAL PROJECT SUMMARIES

MT. BAKER THEATRE RENOVATIONS - PHASE II

Project Description (FD3-MB-B2)

Replace outdated heating and ventilation and electrical systems, add air conditioning, improve lighting and improve acoustical systems as funding allows.



Phase II renovations to the Mount Baker Theatre will allow for the continued implementation of lighting improvements.

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|---------------------|---------------------|
| Public Facilities District Fund | - | 352,949 | 5,251,000 | 5,603,949 |
| PFD/State Grant (\$197,000) | 2,291 | - | - | 2,291 |
| Estimated Total Revenues & Sources | \$ 2,291 | \$ 352,949 | \$ 5,251,000 | \$ 5,606,240 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-------------------|---------------------|---------------------|
| Forms, Printing, Binding and Copies | 425 | 8,000 | - | 8,425 |
| Engineering Services | - | 194,349 | - | 194,349 |
| Architectural Services | 71 | 100,600 | 200,000 | 300,671 |
| Other Professional Services | 553 | 20,000 | 20,000 | 40,553 |
| Insurance | - | - | 1,000 | 1,000 |
| Improvements to Admin/Office Buildings | - | - | 5,000,000 | 5,000,000 |
| Interfund Engineering Services | 1,242 | 30,000 | 30,000 | 61,242 |
| Estimated Total Expenditures & Uses | \$ 2,291 | \$ 352,949 | \$ 5,251,000 | \$ 5,606,240 |

2008 Capital (continued)

PFD CAPITAL PROJECT SUMMARIES

MT. BAKER THEATRE RENOVATIONS – PHASE II continued

Estimated Impact on Operating Budget

Planned renovations include fire safety improvements, installing new heating, ventilation and air conditioning systems, bringing outdated electrical systems up to code and increasing the capacity of the HVAC and electrical systems. Any increased operating costs would be paid by the private group that operates the Mount Baker Theatre. Annual maintenance and repair costs included in the City's budget will not increase as a result of these upgrades.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|---------------------------|----------------------|--|--------------------|
| PUBLIC WORKS ENGINEERING - STREET | | | | |
| Bellingham Waterfront Restoration Phase I / Laurel Street | STR, STR/FGI, SQET | CFP ** | This project includes the construction of a new bridge on the Laurel Street right-of-way between State Street and Cornwall Avenue. This bridge will allow additional access to the Waterfront Restoration site, and will include facilities for pedestrians and bicycles. The bridge also will be constructed to allow future relocation of the BNSF railroad single track main line from its existing location in the middle of the Waterfront Restoration site. The new alignment will be to the east and up against the embankment separating the CBD from the Restoration site. This relocation will allow a new double track through Bellingham, and grade-separate the railroad from bicycle, pedestrian and roadway uses. Included is the modification and reconstruction of the Cornwall Bridge and the Chestnut-Bay Bridge. | 7,920,000 |
| Sunset Drive Phase II - Woburn to City Limits | STR, STR/FGI | CFP * | Phase II of the Sunset Drive Improvements will begin east of Woburn Street and continue the retrofit to urban arterial street standards to the City Limits. The project includes pavement widening, bicycle lanes, turn lanes, curbs, gutters, sidewalks, enclosed drainage and street lighting. This will connect the existing bike and pedestrian networks currently constructed on Sunset (west of Woburn) and McLeod Road (leading to Squaticum High School) in Phase I. Phase II Includes the provision of sewer main replacement as part of the roadway project. Additional funding in Public Works-Engineering Wastewater. | 3,900,000 |
| West Illinois Street Extension (Morse/Oeser/County Project) | STR/ FGI/ISR/ LOCAL/ PRIV | CFP * | A cooperative funding project between the City of Bellingham, Whatcom County, the Bellingham Technical College, Morse Steel and the State of Washington. The project will construct West Illinois Street between its current westerly terminus and Marine Drive as an arterial standard street. The completed roadway will allow for industrial traffic to access existing industrial uses in the area without traveling through the surrounding residential neighborhood. | 1,942,000 |

* See capital project summary following Public Works - Street tables.

** See capital project summary in the separate Waterfront Redevelopment section following the 2008 Capital Budget tables – page 400.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|-----------------------|---------------|---|-------------|
| PUBLIC WORKS ENGINEERING - STREET | | | | |
| Fraser Street Bicycle and Pedestrian Phase III | FQET, SQET, SQET/ FGI | CFP * | Improve Fraser Street between the existing Regency Apartments and Lincoln Street with bicycle lanes and curb, gutter and sidewalks. Improve Puget Street from Fraser Street to the terminus of existing sidewalks with curb, gutter and sidewalks. The project will be constructed in three phases. | 1,838,560 |
| Northwest/McLeod Phase II Roundabout | SQET, SQET/ FGI | CFP * | Project will incorporate previously budgeted sidewalk improvements on McLeod Road and will involve construction of a multimodal roundabout at the intersection to add bicycle and pedestrian safety as well as arterial capacity and efficiency. The sidewalk limits have been reduced along McLeod to between Northwest and Rusley, and will be expanded if funding becomes available. | 930,600 |
| Annual Pavement Resurfacing | STR | CFP * | The goal of this program is to maintain existing streets to protect the initial investment in the street and to ensure an adequate quality driving surface at an optimized life-cycle cost. Approximately 5% of the City's streets require rehabilitation each year. | 700,000 |
| Bakerview - Irongate Traffic Signal | STR | CFP * | Proposed development in the area will extend Irongate Road northeast to Hannegan Road resulting in additional traffic crossing the intersection of Bakerview and Irongate. Currently, insufficient gaps occur to accommodate industrial type traffic to safely access Bakerview Road. Increased volumes on Bakerview will warrant signalization of the intersection soon. | 650,000 |
| North Shore Drainage/Bike/Pedestrian Improvements | STR | CFP * | Northshore Drive between Alabama and Britton Road is in need of resurfacing and stormwater improvements which also offers the opportunity to connect a missing gap in the sidewalk network on one side between Connecticut Street and Poplar Drive and bicycle lanes if physical space allows. Due to the location within the Lake Whatcom Watershed, pervious concrete materials and low impact development techniques will be used wherever possible. | 550,000 |

* See capital project summary following Public Works - Street tables.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|---------------------|----------------------|--|--------------------|
| PUBLIC WORKS ENGINEERING - STREET | | | | |
| Electric Ave Pedestrian and Bike Improvements | FQET | CFP * | Construct 3/4 street improvements along Electric Avenue between Bloedel Donovan Park and Lakeway Drive. The improvements will link the new pedestrian facility constructed across the bridge spanning the Lake Whatcom/Whatcom Creek outflow to the pedestrian facilities constructed with the Lakeway/Electric/Birch intersection project. | 550,000 |
| Annual Downtown Street/Sidewalk Improvements | STR, FQET | CFP * | This project is intended to improve existing streets and sidewalks in the downtown area to provide beautification and create a more pedestrian-friendly environment. The 2008 power undergrounding project includes trenching costs for the underground power lines and pavement repair work to various alleys in the downtown area. This is a joint cost sharing project with Puget Sound Energy as they proceed with upgrading and moving power facilities underground in the downtown core over the next couple of years. | 500,000 |
| Bridge Rehabilitation Program - Replacement | STR | CFP * | Complete projects identified during the biennial bridge inspections to sustain the service life of these structures. This project will include select replacement of existing structures. | 500,000 |
| Cornwall Avenue Resurfacing | ASF | CFP * | Cornwall Avenue between York Street and E. North Street will be completely resurfaced. In conjunction with replacement of approximately 7,800 linear feet of water main beneath Cornwall Avenue between Chestnut Street and W. Illinois Street. Public Works will work with neighborhoods to explore possibilities for bicycle and pedestrian improvements. | 500,000 |
| Cultural Arts District Streetscape Enhancement | FQET | CFP * | This project includes the beautification and reconstruction of Flora Street and connecting streets in the arts and cultural district. This project will be coordinated with the new Art and Children's Museum construction. | 500,000 |

* See capital project summary following Public Works - Street tables.

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|---|----------------------|
| PUBLIC WORKS ENGINEERING - STREET | | | | |
| Bridge Rehabilitation Program - In Stream and Crack Repair | STR | CFP * | Complete projects identified during the biennial bridge inspections to sustain the service life of these structures. As part of this program, this project will include in-stream work to repair bridge abutments and structural crack repair. | 250,000 |
| Annual Signal Improvement Program | STR | CFP * | Annual program to replace outdated hardware; construct physical improvements to increase safety and capacity of intersections. | 225,000 |
| Annual Sidewalk Replacements | STR | CFP * | Annual program to replace existing sidewalks to increase safety on city streets and in intersections. | 200,000 |
| Northwest Pedestrian Improvements - McLeod to Bakerview | STR | CFP * | The project will install sidewalks under I-5 from McLeod to Bakerview to link the Bakerview sidewalk network to the Birchwood Neighborhood sidewalk network. In addition, circulation improvements at the I-5 interchange will be undertaken to relieve congestion at peak periods. | 200,000 |
| Biennial Street Light Replacement | STR | CFP | Biennial program to replace/upgrade outdated street lights; construct physical improvements for increased safety at intersections. | 150,000 |
| Annual Traffic Calming Program | STR | CFP | Annual installation of traffic calming devices per National Transportation Safety Program. | 150,000 |
| Annual Pedestrian Crosswalk Enhancements | STR | CFP | This program will install pedestrian crosswalk enhancements on arterial streets according to criteria in the National Transportation Safety Program booklet. Public Works will evaluate pedestrian crosswalk enhancement requests and document specific locations with significant pedestrian demand so that crosswalks are installed where they are most efficient, effective, and convenient for pedestrians. | 50,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS ENGINEERING - STREET | | | | \$ 22,606,160 |

* See capital project summary following Public Works - Street tables.

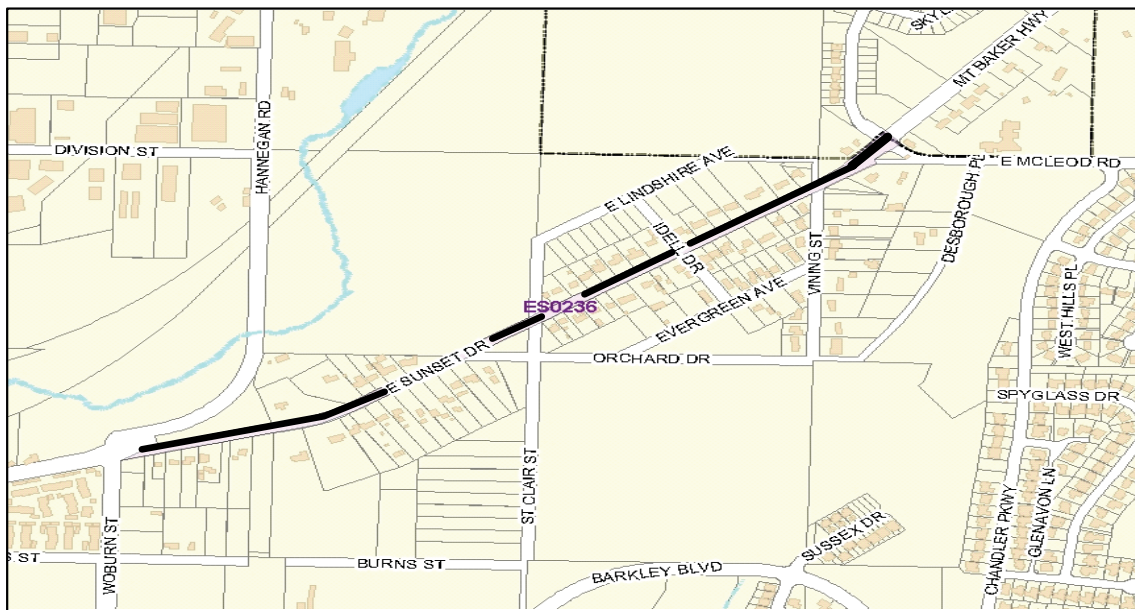
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

**SUNSET DRIVE PHASE II
Woburn to City Limits**

Project Description (ES 236)

Phase II of the Sunset Drive Improvements will begin east of Woburn Street and continue the retrofit to urban arterial street standards to the City Limits. The project includes pavement widening, bicycle lanes, turn lanes, curbs, gutters, sidewalks, enclosed drainage and street lighting. This will connect the existing bike and pedestrian networks currently constructed on Sunset (west of Woburn) and McLeod Road (leading to Squalicum High School) in Phase I. Phase II Includes the provision of sewer main replacement as part of the roadway project.



| Estimated Project Costs | | Source | Amount |
|--------------------------------|-------------------------------------|------------------|----------------------|
| 2004 Adopted Budget | Design and right of way. | STR/FGI | 1,400,000 |
| 2005 Adopted Budget | Design and right of way. | STR/STG | 1,350,000 |
| 2006 Adopted Budget | Design and right of way. | STR/FGI | 900,000 |
| 2007 Adopted Budget | Road and street improvements. | STR/FGI | 2,500,000 |
| 2008 Adopted Budget | Road and street improvements, sewer | STR/FGI, STR WWF | 4,300,000 |
| Estimated Project Total | | | \$ 10,450,000 |

Capital Budget**2008 Capital (continued)**

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

SUNSET DRIVE PHASE II - continued

Woburn to City Limits

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|---------------------|---------------------|---------------------|
| Street Fund | 553,112 | 321,340 | 1,400,000 | 2,274,452 |
| Federal Indirect Grant | - | 2,513,922 | 2,500,000 | 5,013,922 |
| State Grant | - | 1,762,000 | - | 1,762,000 |
| Wastewater Fund | - | - | 400,000 | 400,000 |
| Estimated Total Revenues & Sources | \$ 553,112 | \$ 4,597,262 | \$ 4,300,000 | \$ 9,450,374 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|---------------------|---------------------|---------------------|
| Engineering Services | 175,150 | 2,072,262 | - | 2,247,412 |
| Interfund Engineering Services | 26,303 | - | - | 26,303 |
| Roadway and Street Improvements | 351,572 | 2,500,000 | 3,900,000 | 6,751,572 |
| Sewer Construction | - | - | 400,000 | 400,000 |
| Other Intergovernmental Services | 87 | 25,000 | - | 25,087 |
| Estimated Total Expenditures & Uses | \$ 553,112 | \$ 4,597,262 | \$ 4,300,000 | \$ 9,450,374 |

Estimated Impact on Operating Budget

Rehabilitation and replacement will increase service life and possibly result in lower annual sewer maintenance costs, but will increase annual street maintenance costs. Net increase is estimated at approximately \$15,000 annually.

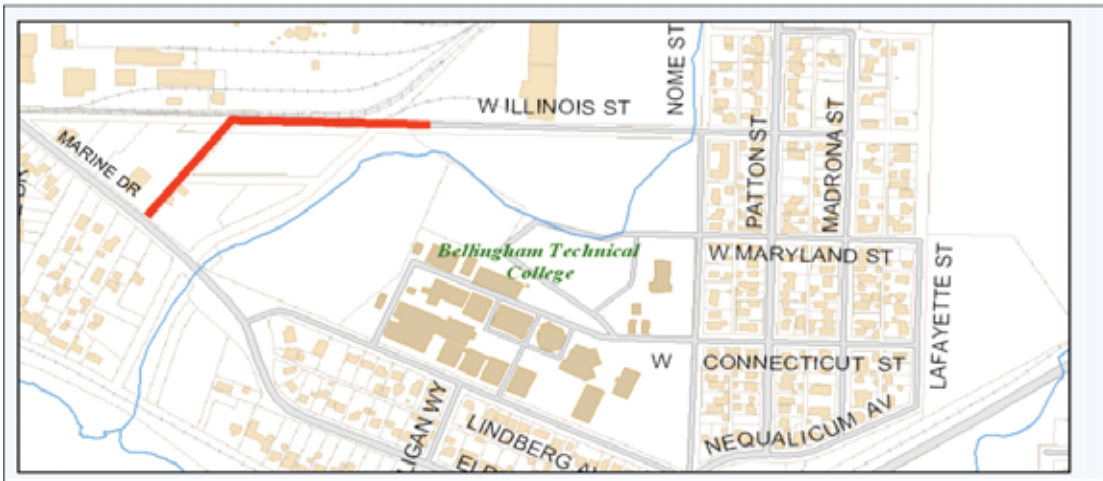
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

WEST ILLINOIS STREET EXTENSION

Project Description (ES310)

A cooperative funding project between the City of Bellingham, Whatcom County, the Bellingham Technical College, Morse Steel and the State of Washington. The project will construct West Illinois Street between its current westerly terminus and Marine Drive as an arterial standard street. The completed roadway will allow for industrial traffic to access existing industrial uses in the area without traveling through the surrounding residential neighborhood.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|---------------------|---------------------|
| Federal Indirect Grant | - | - | 1,101,000 | 1,101,000 |
| Interlocal Grant | - | - | 350,000 | 350,000 |
| Intergovernmental Service Revenue | - | - | 369,000 | 369,000 |
| Private Development Fees | - | - | 122,000 | 122,000 |
| Estimated Total Revenues & Sources | \$ - | \$ - | \$ 1,942,000 | \$ 1,942,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|---------------------|---------------------|
| Roadway and Street Improvements | - | - | 1,942,000 | 1,942,000 |
| Estimated Total Expenditures & Uses | \$ - | \$ - | \$ 1,942,000 | \$ 1,942,000 |

Estimated Impact on Operating Budget

This activity will reduce annual maintenance costs of residential streets in the Birchwood Neighborhood as it will route truck traffic onto County all-weather road system. Street itself will result in no maintenance cost as it is in the County.

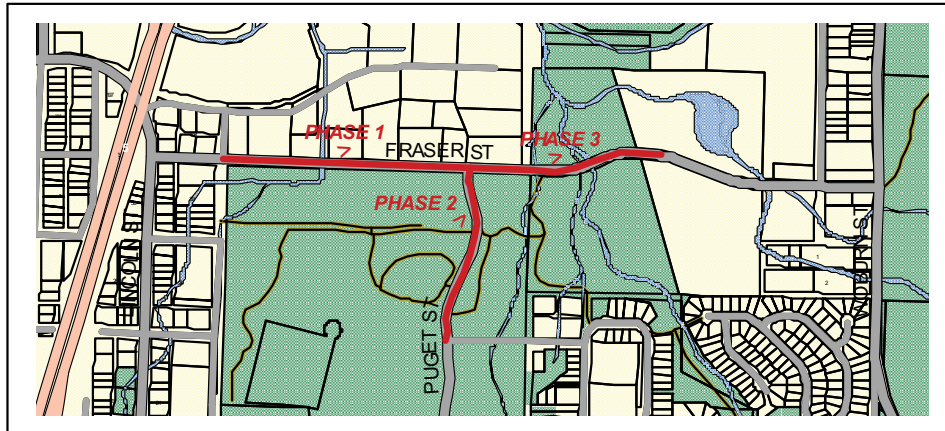
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

FRASER STREET BICYCLE AND PEDESTRIAN IMPROVEMENTS - PHASE III

Project Description (ES 386)

Improve Fraser Street between the existing Regency Apartments and Lincoln Street with bicycle lanes and curb, gutter and sidewalks. Improve Puget Street from Fraser Street to the terminus of existing sidewalks with curb, gutter and sidewalks. The project will be constructed in three phases.



| Estimated Project Costs | | Source | Amount |
|--------------------------------|--|------------------|---------------------|
| 2004 Adopted Budget | Install curbs, gutters, bicycle lanes and sidewalks. | SQET | 100,000 |
| 2005 Adopted Budget | Install curbs, gutters, bicycle lanes and sidewalks. | SQET | 550,000 |
| 2006 Adopted Budget | Install curbs, gutters, bicycle lanes and sidewalks. | STR | 450,000 |
| 2007 Adopted Budget | Install curbs, gutters, bicycle lanes and sidewalks. | SQET, ASF | 750,000 |
| 2008 Adopted Budget | Roadway and street improvements. | SQET/FGD FQET | 1,838,560 |
| Estimated Project Total | | | \$ 3,688,560 |

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|---------------------|---------------------|
| Arterial Street Fund | - | 500,000 | - | 500,000 |
| Federal Grant | - | - | 888,560 | 888,560 |
| First Quarter REET Fund | - | - | 500,000 | 500,000 |
| Second Quarter REET Fund | 15,814 | 250,000 | 450,000 | 715,814 |
| Estimated Total Revenues & Sources | \$ 15,814 | \$ 750,000 | \$ 1,838,560 | \$ 2,604,374 |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

FRASER STREET BICYCLE AND PEDESTRIAN IMPROVEMENTS - PHASE III continued

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|---------------------------------|----------------------------|-------------------------|---------------------|
| Roadway and Street Improvements | - | 750,000 | 500,000 | 1,250,000 |
| Sidewalks/Paths/Trails Improvements | 15,814 | - | 1,338,560 | 1,354,374 |
| Estimated Total Expenditures & Uses | \$ 15,814 | \$ 750,000 | \$ 1,838,560 | \$ 2,604,374 |

Estimated Impact on Operating Budget

This project will result in increased operating costs for pavement and surface maintenance, storm water maintenance, illumination maintenance and electrical energy consumption. Annual increase is approximately \$1,648 per year.

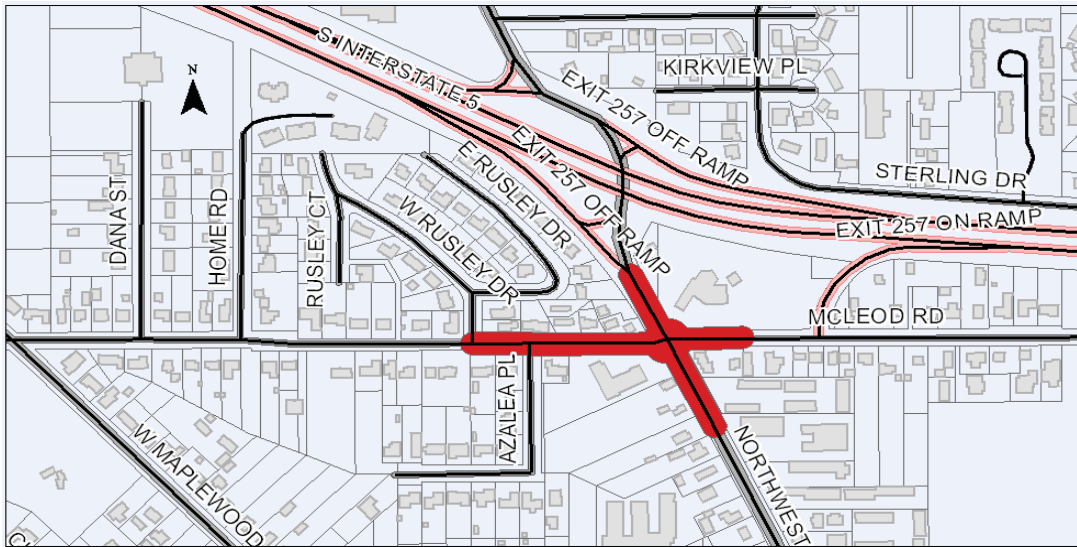
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

NORTHWEST/MCLEOD PHASE II ROUNDABOUT

Project Description (ES 360)

This project will incorporate previously budgeted sidewalk improvements on McLeod Road and will involve construction of a multimodal roundabout at the intersection to add bicycle and pedestrian safety as well as arterial capacity and efficiency. The sidewalk limits have been reduced along McLeod to between Northwest and Rusley, and will be expanded if funding becomes available.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|-----------------|-------------------|---------------------|
| Federal Grant | - | - | 780,600 | 780,600 |
| Second Quarter REET Fund | - | - | 150,000 | 150,000 |
| Subtotal | \$ - | \$ - | \$ 930,600 | \$ 930,600 |
| 2009-2013 Estimated Need: | | | | |
| Second Quarter REET Fund \$400,000 in 2009. | | | | 400,000 |
| Funding source not yet identified \$2,000,000 in 2011. | | | | 2,000,000 |
| Estimated Total Revenues and Sources | | | | \$ 3,330,600 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|---------------------|
| Roadway and Street Improvements | - | - | 930,600 | 930,600 |
| Subtotal | \$ - | \$ - | \$ 930,600 | \$ 930,600 |
| 2009-2013 Estimated Need: | | | | |
| Roadway and Street Improvements \$400,000 in 2009 and \$2,000,000 in 2011. | | | | 2,400,000 |
| Estimated Total Expenditures and Uses | | | | \$ 3,330,600 |

Estimated Impact on Operating Budget

This project will result in increased operating costs for pavement and surface maintenance, storm water maintenance, illumination maintenance and electrical energy consumption. Annual increase is approximately \$5,751 per year.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

About the Annual Pavement Resurfacing and Annual Sidewalk Replacement Programs:

Each year, Public Works employees visually inspect streets and sidewalks to identify and record deficiencies and maintenance needs. Each deficiency is measured by length or percent of effected surface area. Each year, half of the City's streets and sidewalks are reviewed and rated for structural condition. The inspectors base their ratings on damage from cracking and potholes in pavement and things like cracks, heaving and missing segments in sidewalks. Along with rating the condition of the surface, the age of underground utilities is also documented in each area. Staff tries to group the selected locations in a particular area whenever possible.

This information is compiled and reviewed by the Pavement and Utility Replacement Committee, a staff panel representing street maintenance, utility planning, engineering and data services. This group analyzes the street and sidewalk data and ranks projects by comparing needs for underground utility replacement simultaneously. Consideration is also given to areas where other capital projects have been identified. By looking at this data comprehensively, considering needs for underground utility replacement along with pavement and sidewalk replacement and capital improvements, the City is able to determine which projects will be the best use of the available funds. Despite our best efforts to identify and stay on top of problem sections, weather and other environmental factors can change the results of these reports. For more information about the Overlay or Sidewalk Replacement Program, please contact Ravyn Whitewolf, Engineering Manager at 778-7900 or by email at rwhitewolf@cob.org.

From the same priority list, smaller projects are identified that can be repaired by Public Works Operations staff and these are completed over the course of the year in priority order. Citizens are encouraged to contact Public Works Operations at 778-7700 if they have concerns about the safety of a street or sidewalk.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

ANNUAL PAVEMENT RESURFACING PROGRAM

2008 Projects

Project Description

The goal of this program is to maintain existing streets to protect the initial investment in the street and to ensure an adequate quality driving surface at an optimal life-cycle cost. Approximately 5% of the City's streets require rehabilitation each year.

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|---------------------|-------------------|----------------------|
| Street Fund | - | 1,500,000 | 700,000 | 2,200,000 |
| Subtotal | \$ - | \$ 1,500,000 | \$ 700,000 | \$ 2,200,000 |
| 2009-2013 Estimated Need: | | | | |
| Street Fund \$2,000,000 per year. | | | | 10,000,000 |
| Estimated Total Revenues and Sources | | | | \$ 12,200,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|---------------------|-------------------|----------------------|
| Roadway and Street Improvements | - | 1,500,000 | 700,000 | 2,200,000 |
| Subtotal | \$ - | \$ 1,500,000 | \$ 700,000 | \$ 2,200,000 |
| 2009-2013 Estimated Need: | | | | |
| \$2,000,000 per year for Roadway and Street Improvements. | | | | 10,000,000 |
| Estimated Total Expenditures and Uses | | | | \$ 12,200,000 |

Estimated Impact on Operating Budget

This activity may reduce the annual cost of pothole repairs at approximately \$6,000 per year.

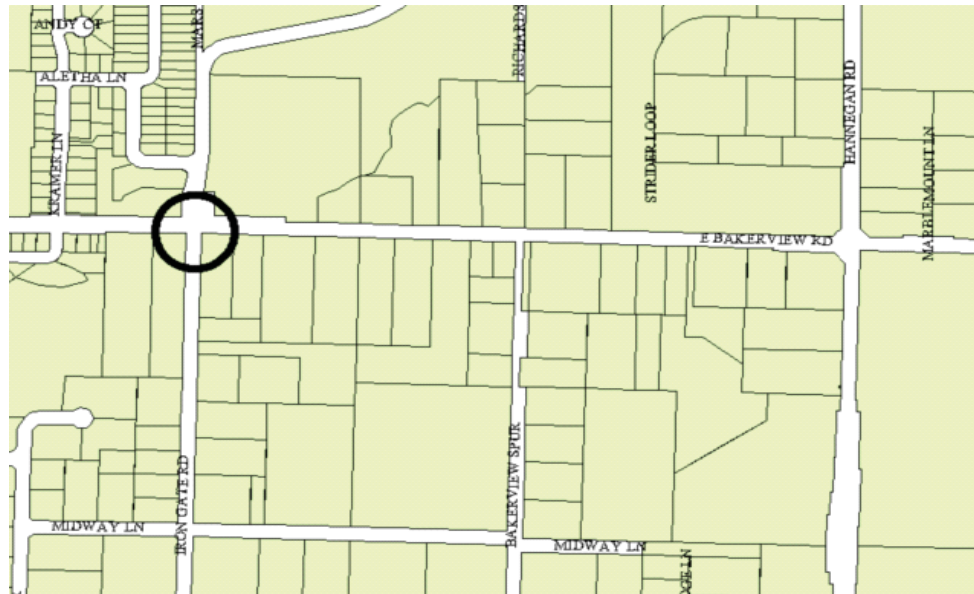
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

BAKERVIEW/IRONGATE TRAFFIC SIGNAL

Project Description (ES 245)

Proposed development in the area will extend Irongate Road northeast to Hannegan Road resulting in additional traffic crossing the intersection of Bakerview and Irongate. Currently, insufficient gaps occur to accommodate industrial type traffic to safely access Bakerview Road. Increased volumes on Bakerview will warrant signalization of the intersection soon.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|---------------------|
| Street Fund | - | - | 650,000 | 650,000 |
| Subtotal | \$ - | \$ - | \$ 650,000 | \$ 650,000 |
| 2009-2013 Estimated Need: | | | | |
| Street Fund in 2009. | | | | 400,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,050,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|---------------------|
| Traffic Control Devices | - | - | 650,000 | 650,000 |
| Subtotal | \$ - | \$ - | \$ 650,000 | \$ 650,000 |
| 2009-2013 Estimated Need: | | | | |
| Traffic Control Devices In 2009. | | | | 400,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,050,000 |

Estimated Impact on Operating Budget

This project will result in increased costs for electrical energy consumption. Additional estimated increase of \$1,500 per year for energy, preventive maintenance and relamping costs.

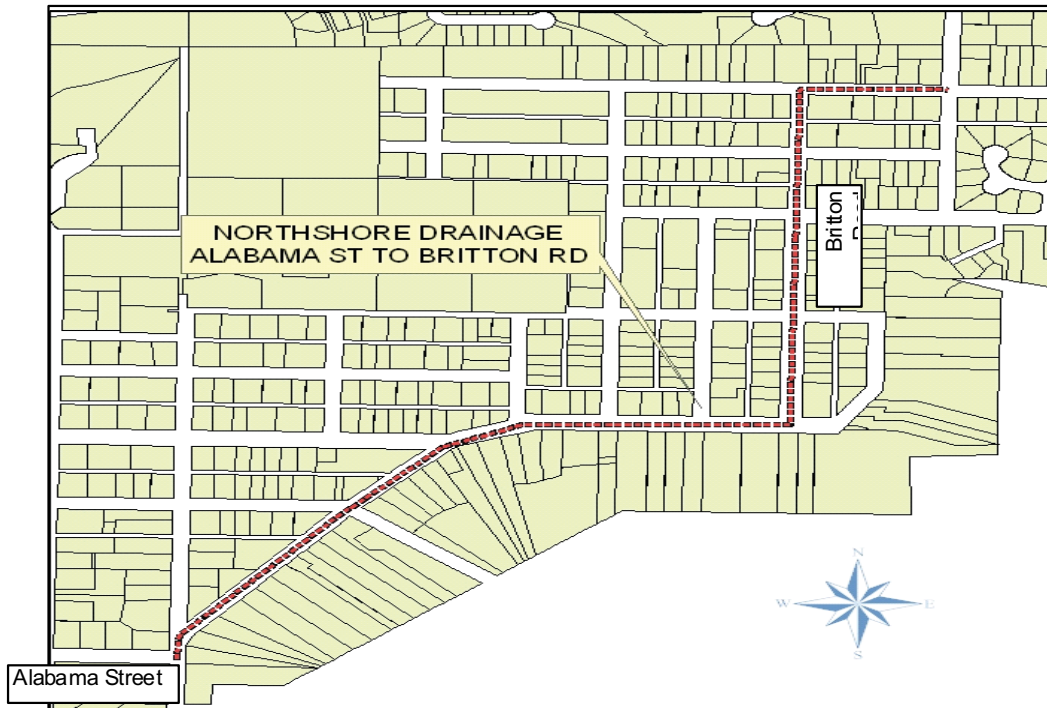
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

NORTH SHORE DRAINAGE/BIKE/PEDESTRIAN IMPROVEMENTS

Project Description (ES 367)

Northshore Drive between Alabama and Britton Road is in need of resurfacing and stormwater improvements which also offers the opportunity to connect a missing gap in the sidewalk network on one side between Connecticut Street and Poplar Drive and bicycle lanes if physical space allows. Due to the location within the Lake Whatcom Watershed, the use of pervious concrete materials and low impact development techniques will be used wherever possible.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|------------------------|--------------------------|-------------------|-------------------|---------------------|
| Street Fund | 3,897 | 650,000 | 550,000 | 1,203,897 |
| Estimated Total | \$ 3,897 | \$ 650,000 | \$ 550,000 | \$ 1,203,897 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|-----------------------------|----------------------|-------------------|-------------------|---------------------|
| Drainage Improvements | 3,897 | 650,000 | - | 653,897 |
| Sidewalks, Paths and Trails | - | - | 550,000 | 550,000 |
| Estimated Total | \$ 3,897 | \$ 650,000 | \$ 550,000 | \$ 1,203,897 |

Estimated Impact on Operating Budget

Rehabilitation of pavement and replacement of storm drainage will increase service life and possibly result in lower annual maintenance. However, the additional curb and sidewalk will increase costs slightly. Cumulative impact determined to be negligible.

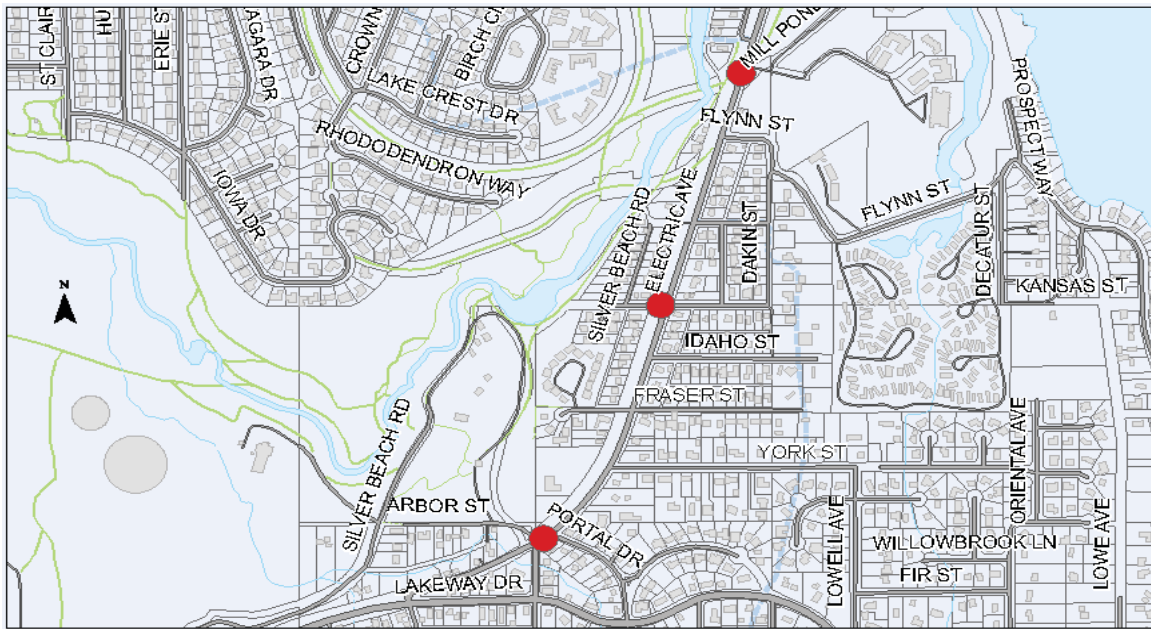
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

ELECTRIC AVENUE PEDESTRIAN AND BIKE IMPROVEMENTS

Project Description (ES 241)

Construct 3/4 street improvements along Electric Avenue between Bloedel Donovan Park and Lakeway Drive. The improvements will link the new pedestrian facility constructed across the bridge spanning the Lake Whatcom/Whatcom Creek outflow to the pedestrian facilities constructed with the Lakeway/Electric/Birch intersection project.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|-------------------|
| First Quarter REET Fund | - | - | 550,000 | 550,000 |
| Second Quarter REET Fund | 19,789 | - | - | 19,789 |
| Estimated Total Revenues & Sources | \$ 19,789 | \$ - | \$ 550,000 | \$ 569,789 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|-------------------|
| Sidewalks, Paths and Trails | 19,789 | - | 550,000 | 569,789 |
| Estimated Total Expenditures & Uses | \$ 19,789 | \$ - | \$ 550,000 | \$ 569,789 |

Estimated Impact on Operating Budget
 This project will result in increased operating costs for pavement and surface maintenance, storm water maintenance, illumination maintenance and electrical energy consumption. Annual increase is approximately \$11,227 per year.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

ANNUAL DOWNTOWN STREET AND SIDEWALK IMPROVEMENTS

Project Description

This project is intended to improve existing streets and sidewalks in the downtown area to provide beautification and create a more pedestrian-friendly environment. The 2008 power undergrounding project includes trenching costs for the underground power lines and pavement repair work to various alleys in the downtown area. This is a joint cost sharing project with Puget Sound Energy as they proceed with upgrading and moving power facilities underground in the downtown core over the next couple of years.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|---------------------|
| First Quarter REET Fund | - | - | 400,000 | 400,000 |
| Street Fund | - | - | 100,000 | 100,000 |
| Subtotal | \$ - | \$ - | \$ 500,000 | \$ 500,000 |
| 2009-2013 Estimated Need: | | | | |
| First Quarter REET Fund in 2009. | | | | 200,000 |
| Second Quarter REET Fund in \$150,000 per year. | | | | 750,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,450,000 |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

ANNUAL DOWNTOWN STREET AND SIDEWALK IMPROVEMENTS, continued

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|---------------------------------|----------------------------|-------------------------|---------------------|
| Roadway and Street Improvements | - | - | 500,000 | 500,000 |
| Subtotal | \$ - | \$ - | \$ 500,000 | \$ 500,000 |
| 2009-2013 Estimated Need: | | | | |
| Roadway and Street Improvements \$350,000 in 2009 and \$50,000 in 2013. | | | | 400,000 |
| Sidewalks, Paths and Trails Improvements \$150,000 per year 2010-2012 and \$100,000 in 2013. | | | | 550,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,450,000 |

| Estimated Impact on Operating Budget |
|---|
| This activity may reduce the annual costs of maintenance for these alleys by providing a new pavement surface and underground power service. The enhanced streetscape will increase annual maintenance costs in future years as treewell grates, street treatments and other enhancements are more expensive to maintain or replace than standard street design. The actual value is uncertain. |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

About the Bridge Programs:

The City conducts a state-required biennial bridge inspection program that identifies bridge sufficiencies based on Federal (USDOT) guidelines. The inspections are conducted in the summer during low flows, and the final report is usually completed by the end of the year the inspections were completed. The data is used to identify repairs and rehabilitation needs for bridge and culvert structures within the City. Maintenance of routine handrail, sidewalk, bridge approaches and some surface repair is conducted by City crews. Based on the magnitude of repair needs identified in the report, more extensive crack repair and abutment work in the water is contracted out. Inspections were completed in 2007 and we expect the final report very soon. In-stream work for 2008 will likely occur at the bridge located at Ellis/ State Street, depending on permits. The location identified for replacement in 2008 is the culvert crossing on Prince Avenue east of Meridian Street. Design work for the replacement is underway now, and should be completed this spring for construction this summer/fall. For more information on bridge testing, contact Chad Bedlington at 778-7700; or on bridge design/construction, contact Ravyn Whitewolf at 778-7900.

BRIDGE REHABILITATION - REPLACEMENT**2008 Inspection and Replacement****Project Description**

Complete projects identified during the biennial bridge inspections to sustain the service life of these structures. This project will include select replacement of existing structures.

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|-------------------|
| Street Fund | - | 150,000 | 500,000 | 650,000 |
| Estimated Total Revenues and Sources | \$ - | \$ 150,000 | \$ 500,000 | \$ 650,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-------------------|-------------------|-------------------|
| Bridge Improvements | - | 150,000 | 500,000 | 650,000 |
| Estimated Total Expenditures and Uses | \$ - | \$ 150,000 | \$ 500,000 | \$ 650,000 |

Estimated Impact on Operating Budget

Rehabilitation and replacement will increase service life and possibly result in lower annual maintenance costs.

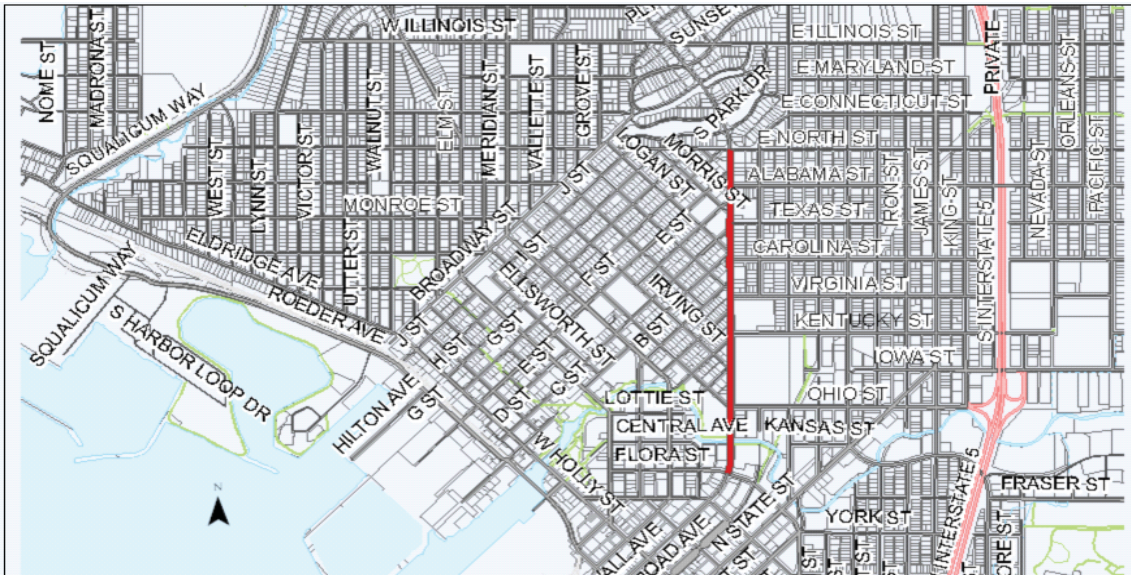
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

CORNWALL AVENUE RESURFACING

Project Description (EW 156)

Cornwall Avenue between York Street and E. North Street will be completely resurfaced. In conjunction with replacement of approximately 7,800 linear feet of water main beneath Cornwall Avenue between Chestnut Street and W. Illinois Street. Public Works will work with neighborhoods to explore possibilities for bicycle and pedestrian improvements.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|-------------------|
| Arterial Street Construction Fund | - | - | 500,000 | 500,000 |
| Estimated Total Revenues & Sources | \$ - | \$ - | \$ 500,000 | \$ 500,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|-------------------|
| Roadway and Street Improvements | - | - | 500,000 | 500,000 |
| Estimated Total Expenditures & Uses | \$ - | \$ - | \$ 500,000 | \$ 500,000 |

Estimated Impact on Operating Budget

Replacing aging water mains and resurfacing the existing street may result in lower annual maintenance costs by increasing system reliability and reducing pothole repairs. Exact cost savings are not known.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

CULTURAL ARTS DISTRICT STREETScape ENHANCEMENT

Project Description (ES 333)

This project includes the beautification and reconstruction of Flora Street and connecting streets in the arts and cultural district. This project will be coordinated with the new Art and Children’s Museum construction.



| Estimated Project Costs | | Source | Amount |
|--------------------------------|----------------------------------|---------------|---------------------|
| 2006 Adopted Budget | Design improvements. | SQET | 250,000 |
| 2007 Adopted Budget | Construct improvements. | FQET, SQET | 1,000,000 |
| 2008 Adopted Budget | Roadway and street improvements. | FQET | 500,000 |
| Estimated Project Total | | | \$ 1,750,000 |

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|---------------------------------|------------------------|---------------------|---------------------|
| First Quarter REET Fund | - | 500,000 | 500,000 | 1,000,000 |
| Second Quarter REET Fund | - | 500,000 | - | 500,000 |
| Estimated Total Revenues & Sources | \$ - | \$ 1,000,000 | \$ 500,000 | \$ 1,500,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|-----------------------------|------------------------|---------------------|---------------------|
| Roadway and Street Improvements | - | 1,000,000 | 500,000 | 1,500,000 |
| Estimated Total Expenditures & Uses | \$ - | \$ 1,000,000 | \$ 500,000 | \$ 1,500,000 |

Estimated Impact on Operating Budget

This enhanced streetscape will increase annual maintenance costs in future years by approximately \$25,000 as brick treatments and bollards and trewell grates are more expensive to maintain or replace than standard street design.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

Please see page 366 for more information on the Bridge Programs.

**BRIDGE REHABILITATION - IN STREAM REPAIR
2008 Inspection and Repairs**

Project Description

Complete projects identified during the biennial bridge inspections to sustain the service life of these structures. As part of this program, this project will include in-stream work to repair bridge abutments and structural crack repair.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|-------------------|
| Street Fund | - | 450,000 | 250,000 | 700,000 |
| Estimated Total Revenues & Sources | \$ - | \$ 450,000 | \$ 250,000 | \$ 700,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-------------------|-------------------|-------------------|
| Bridge Improvements | - | 450,000 | 250,000 | 700,000 |
| Estimated Total Expenditures & Uses | \$ - | \$ 450,000 | \$ 250,000 | \$ 700,000 |

Estimated Impact on Operating Budget

In stream repair will increase service life and possibly result in lower annual maintenance costs.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

About the Annual Signal Improvement program:

The City has signal equipment that goes back in age to the early 1960's. Because of their age, parts are not available, technology is outdated and wiring no longer meets current code in some situations. Based on available budget and maximizing dollars where other projects are located, new signals are scheduled for replacement annually. New signals include up to date technology that is energy efficient and is linked to our traffic operations center on Pacific Street. Recent upgrades include Holly Street and West Champion Street. Staff is currently looking at addressing more downtown locations this year, with construction to take place this summer/fall. For more information, please contact Steve Haugen at 778-7700

ANNUAL SIGNAL IMPROVEMENT PROGRAM

2008 Projects

| Project Description |
|---|
| Annual program to replace outdated hardware; construct physical improvements to increase safety, capacity, intersections. |

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|---------------------------------|------------------------|---------------------|---------------------|
| Street Fund | - | 225,000 | 225,000 | 450,000 |
| Subtotal | \$ - | \$ 225,000 | \$ 225,000 | \$ 450,000 |
| 2009-2013 Estimated Need: | | | | |
| Street Fund \$225,000 per year. | | | | 1,125,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,575,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|-----------------------------|------------------------|---------------------|---------------------|
| Traffic Control Devices | - | 225,000 | 225,000 | 450,000 |
| Subtotal | \$ - | \$ 225,000 | \$ 225,000 | \$ 450,000 |
| 2009-2013 Estimated Need: | | | | |
| Traffic Control Devices estimated \$225,000 per year. | | | | 1,125,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,575,000 |

| Estimated Impact on Operating Budget |
|--|
| This activity may reduce the annual costs as signals will work more reliably and use less electricity due to more energy efficient components. |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

Please see page 359 for more information about the Annual Pavement Resurfacing and Annual Sidewalk Replacement Programs.

ANNUAL SIDEWALK REPLACEMENT PROGRAM

2008 Projects

Project Description

Annual program to replace existing sidewalks to increase safety on city streets and intersections.

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|-----------------|-------------------|---------------------|
| Street Fund | - | - | 200,000 | 200,000 |
| Subtotal | \$ - | \$ - | \$ 200,000 | \$ 200,000 |
| 2009-2013 Estimated Need: | | | | |
| Street Fund \$200,000 per year plus an additional \$225,000 in 2011. | | | | 1,225,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,425,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|---------------------|
| Sidewalks/Paths/Trails Improvements | - | - | 200,000 | 200,000 |
| Subtotal | \$ - | \$ - | \$ 200,000 | \$ 200,000 |
| 2009-2013 Estimated Need: | | | | |
| Sidewalk Improvements 2009-2013. | | | | 1,000,000 |
| Traffic Control Devices in 2011. | | | | 225,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,425,000 |

Estimated Impact on Operating Budget

This activity may reduce the annual cost of sidewalk repairs and damage caused by improper drainage installation.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

NORTHWEST PEDESTRIAN IMPROVEMENTS

McLeod to Bakerview

Project Description (ES 315)

This project will install sidewalks under I-5 from McLeod to Bakerview to link the Bakerview sidewalk network to the Birchwood Neighborhood sidewalk network. In addition, circulation improvements at the I-5 interchange will be undertaken to relieve congestion at peak periods.



| Estimated Project Costs | | Source | Amount |
|--------------------------------|----------------------------------|-----------------|---------------------|
| 2006 Adopted Budget | Project design and construction. | SQET/ GRANTS | 500,000 |
| 2007 Adopted Budget | Project design and construction. | STR, SQET | 650,000 |
| 2008 Adopted Budget | Roadway and street improvements. | STR | 200,000 |
| Estimated Project Total | | | \$ 1,150,000 |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STREET CAPITAL PROJECT SUMMARIES

NORTHWEST PEDESTRIAN IMPROVEMENTS, continued

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|---------------------------------|------------------------|---------------------|---------------------|
| Street Fund | 2,950 | 250,000 | 200,000 | 452,950 |
| Second Quarter REET Fund | 67,310 | 250,000 | - | 317,310 |
| State Grants | - | 300,000 | - | 300,000 |
| Estimated Total Revenues & Sources | \$ 70,260 | \$ 800,000 | \$ 200,000 | \$ 1,070,260 |
| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
| Engineering Services | - | 150,000 | - | 150,000 |
| Roadway and Street Improvements | 70,260 | 400,000 | 200,000 | 670,260 |
| Sidewalks/Paths/Trails Improvements | - | 200,000 | - | 200,000 |
| Interfund Engineering Services | - | 50,000 | - | 50,000 |
| Estimated Total Expenditures & Uses | \$ 70,260 | \$ 800,000 | \$ 200,000 | \$ 1,070,260 |
| Estimated Impact on Operating Budget | | | | |
| This project will result in increased operating costs for pavement and surface maintenance, storm water maintenance, illumination maintenance and electrical energy consumption. Annual increase is approximately \$9,449 per year. | | | | |

About the Street Light Replacement Program

(Information is given to provide program and contact information only. A project summary is not shown for the Biennial Street Light Replacement Program for 2008 as this program does not meet the minimum expenditure criteria for having a summary included.)

Public Works currently maintains over 3,400 street lights of varying age and condition and many arterial streets do not have adequate lighting levels. Every two years the street lighting system is evaluated to prioritize needed improvements, to upgrade failing standards and/or fixtures or improve the lighting level on an arterial for safety. Examples of improvements are a new street lighting system on Old Fairhaven Pkwy that will provide for adequate lighting for bicycles, pedestrians, and motorists (2006 funds) and the replacement of 80 arterial street light poles along Alabama Street, Cornwall Avenue and Girard Street that are rusting at the base and failing (2008 funds). For more information, please contact Steve Haugen at 778-7700.

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|--------------|---------------|--|---------------------|
| PUBLIC WORKS ENGINEERING - WATER | | | | |
| Annual Water Main Replacement Program | WF | CFP * | The replacement program targets water mains that are at the end of their life cycle and require upgrades. These pipes are generally cast iron, older than 75 years and may have dirty water issues and reduced fire protection. | 2,050,000 |
| Watershed Land Acquisitions | WF | CFP * | The Watershed acquisitions for 2008 would purchase additional properties in the Lake Whatcom watershed to help protect the lake water quality. The properties are considered for purchase based on a detailed criteria rating system. A portion of funds budgeted for this project each year are dedicated to debt repayment through 2009. | 945,000 |
| Miscellaneous Water Pump Station Upgrades | WF | CFP * | Project includes design for and various improvements to existing facilities for capacity, efficiency and conformance to comprehensive plans. | 100,000 |
| Electric Avenue Main Replacements | WF | CFP | Includes the provision of needed water main replacement as part of the roadway project. This project will construct sidewalk improvements along the east side of Electric Avenue between Birch Street and Portal Way to enhance pedestrian safety between the neighborhood commercial center and the WTA bus stop. In addition, pedestrian crosswalks will be installed at Birch/Electric, Kansas/Electric, and at the trail entrance to Whatcom Falls Park from Bloedel Donovan Park. | 100,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS ENGINEERING - WATER | | | | \$ 3,195,000 |

* See capital project summary following this table.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – WATER CAPITAL PROJECT SUMMARIES

About the Annual Water Main Replacement Program:

Public Works currently maintains over 380 miles of water mains that vary in size, age and condition. Each year, the Pavement and Utility Replacement Committee reviews data that is collected throughout the year on these water mains. A project list is compiled using points that are assigned to each main based on main age, type of main, repair history, customer water quality complaints, location in relation to similar projects, and whether or not the water main is in areas known to require additional flushing during the annual hydrant flushing program. Scheduled for the 2008 replacement project is the water main in Cornwall Ave. from W. Illinois St. to W. Chestnut St. This project will require the installation of 7,800 feet of new 12” ductile iron main that will replace the existing 1920 10” cast iron main. Other locations are in Halleck from Cornwall to New and Bay St. near W. Champion. These are scheduled for construction this spring. For more information, please contact Ravyn Whitewolf at 778-7900 or Geoffrey Smyth at 778-7700.

ANNUAL WATER MAIN REPLACEMENT PROGRAM

| Project Description (EW 156) |
|---|
| The replacement program targets water mains that are at the end of their life cycle and require upgrades. These pipes are generally cast iron, older than 75 years and may have dirty water issues and reduced fire protection. |

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|---------------------------------|------------------------|---------------------|---------------------|
| Water Fund | - | - | 2,050,000 | 2,050,000 |
| Subtotal | \$ - | \$ - | \$ 2,050,000 | \$ 2,050,000 |
| 2009-2013 Estimated Need: | | | | |
| Water Fund \$1,500,000 in 2009 and \$1,600,000 per year thereafter. | | | | 7,900,000 |
| Estimated Total Revenues and Sources | | | | \$ 9,950,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|-----------------------------|------------------------|---------------------|---------------------|
| Water Construction Projects | - | - | 2,050,000 | 2,050,000 |
| Subtotal | \$ - | \$ - | \$ 2,050,000 | \$ 2,050,000 |
| 2009-2013 Estimated Need: | | | | |
| Water Construction Projects \$1,500,000 in 2009 and \$1,600,000 per year thereafter. | | | | 7,900,000 |
| Estimated Total Expenditures and Uses | | | | \$ 9,950,000 |

| Estimated Impact on Operating Budget |
|---|
| Replacing aging water mains may result in lower annual maintenance costs by increasing system reliability and thus reducing incidents of failure. |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – WATER CAPITAL PROJECT SUMMARIES

WATERSHED LAND ACQUISITIONS

Project Description

The Watershed acquisitions for 2008 would purchase additional properties in the Lake Whatcom watershed to help protect the lake water quality. The properties are considered for purchase based on a detailed criteria rating system. A portion of funds budgeted for this project each year are dedicated to debt repayment through 2009.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|---------------------|-------------------|---------------------|
| Water Fund (Watershed) | - | 1,220,907 | 945,000 | 2,165,907 |
| Subtotal | \$ - | \$ 1,220,907 | \$ 945,000 | \$ 2,165,907 |
| 2009-2013 Estimated Need: | | | | |
| Water Fund (Watershed) \$1,000,000 per year. | | | | 5,000,000 |
| Estimated Total Revenues and Sources | | | | \$ 7,165,907 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|---------------------|-------------------|---------------------|
| Engineering Services | - | 19,000 | 5,000 | 24,000 |
| Interfund Engineering Services | - | 21,000 | 10,000 | 31,000 |
| Other Professional Services | - | 30,000 | 30,000 | 60,000 |
| Land Acquisition | - | 1,150,907 | 900,000 | 2,050,907 |
| Subtotal | \$ - | \$ 1,220,907 | \$ 945,000 | \$ 2,165,907 |
| 2009-2013 Estimated Need: | | | | |
| Estimated land acquisition costs for 2009-2013. | | | | 5,000,000 |
| Estimated Total Expenditures and Uses | | | | \$ 7,165,907 |

Estimated Impact on Operating Budget

None.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – WATER CAPITAL PROJECT SUMMARIES

MISCELLANEOUS WATER PUMP STATION UPGRADES

Project Description

Project includes design for and various improvements to existing facilities for capacity, efficiency and conformance to comprehensive plans.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|---------------------|
| Water Fund | - | - | 100,000 | 100,000 |
| Subtotal | \$ - | \$ - | \$ 100,000 | \$ 100,000 |
| 2009-2013 Estimated Need: | | | | |
| Water Fund \$1,500,000 in 2009 and 2011; and \$300,000 in 2010. | | | | 3,300,000 |
| Estimated Total Revenues and Sources | | | | \$ 3,400,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-----------------|-------------------|---------------------|
| Water Construction | - | - | 100,000 | 100,000 |
| Subtotal | \$ - | \$ - | \$ 100,000 | \$ 100,000 |
| 2009-2013 Estimated Need: | | | | |
| Water Construction \$1,500,000 in 2009 and 2011; and \$300,000 in 2010. | | | | 3,300,000 |
| Estimated Total Expenditures and Uses | | | | \$ 3,400,000 |

Estimated Impact on Operating Budget

Improvements should reduce annual maintenance by improving system reliability and renewing service life by replacing aging components.

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|--|---------------------|
| PUBLIC WORKS ENGINEERING - WASTEWATER | | | | |
| PW Facility Study and Building Relocation | WWF | CFP * | This includes the feasibility study and design for the new facility to house Public Works staff from City Hall and PW-Operations on Pacific Street. | 2,000,000 |
| Annual Sewer Main Replacement Program | WWF | CFP * | Yearly sewer main replacements of pipes nearing the end of their lifecycle, located in various areas to meet mandatory requirements. | 1,500,000 |
| Sunset Drive Phase II - Woburn to City Limits | WWF | CFP *** | Phase II of the Sunset Drive Improvements will begin east of Woburn Street and continue the retrofit to urban arterial street standards to the City Limits. The project includes pavement widening, bicycle lanes, turn lanes, curbs, gutters, sidewalks, enclosed drainage and street lighting. This will connect the existing bike and pedestrian networks currently constructed on Sunset (west of Woburn) and McLeod Road (leading to Squalicum High School) in Phase I. Phase II Includes the provision of sewer main replacement as part of the roadway project. See Public Works Engineering - Street for additional funding. | 400,000 |
| WWTP Facility Construction/Expansion | WWF | CFP * | Design for the expansion of the existing Wastewater Treatment Plant to meet all permit requirements under the National Pollution Discharge Elimination System (NPDES). | 100,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS ENGINEERING - WASTEWATER | | | | \$ 4,000,000 |

* See capital project summary following this table.

*** See Public Works Engineering – Water on pages 353-354 for the project summary. This project is jointly funded.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – WASTEWATER CAPITAL PROJECT SUMMARIES

PUBLIC WORKS FACILITY STUDY AND BUILDING RELOCATION

Project Description (EF 89)

This includes the design and feasibility study for the new facility to house Public Works staff from City Hall and PW-Operations on Pacific Street.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|-------------------|---------------------|----------------------|
| Street Fund | - | 500,000 | - | 500,000 |
| Wastewater Fund | - | - | 2,000,000 | 2,000,000 |
| Estimated Total | \$ - | \$ 500,000 | \$ 2,000,000 | \$ 2,500,000 |
| 2009-2013 Estimated Need: | | | | |
| Street Fund \$200,000 per year plus an additional \$225,000 in 2011. | | | | 1,225,000 |
| Wastewater Fund in 2009. | | | | 8,500,000 |
| Estimated Total Revenues and Sources | | | | \$ 11,000,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-------------------|---------------------|----------------------|
| Engineering Services | - | - | 1,500,000 | 1,500,000 |
| Land Acquisition | - | - | 500,000 | 500,000 |
| Building Acquisition, Construction | - | 500,000 | - | 500,000 |
| Estimated Total | \$ - | \$ 500,000 | \$ 2,000,000 | \$ 2,500,000 |
| 2009-2013 Estimated Need: | | | | |
| Sidewalk Improvements 2009-2013. | | | | 1,000,000 |
| Building Acquisition, Construction or Improvements in 2009. | | | | 8,500,000 |
| Estimated Total Expenditures and Uses | | | | \$ 11,000,000 |

Estimated Impact on Operating Budget

No impact to operating budget.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – WASTEWATER CAPITAL PROJECT SUMMARIES

About the Annual Sewer Main Replacement Program:

The Public Works Department currently maintains over 310 miles of sewer mains that vary in size, age and condition. Each year the Pavement and Utility Replacement Committee reviews data that is collected throughout the year on these sewer mains. A replacement list is compiled using a rating system that ranks each main for replacement need based on main age, type of main, repair history, video inspection, and whether it requires monthly jetting or root cleaning by city crews. Once the list of mains has been selected the project engineer calculates which method would be best for each main replacement.

There are three methods that are typically used. They are dig and replace, cured in place pipe (CIPP) and pipe bursting. The 2008 list of mains for replacement is currently being reviewed for selection, but here are some examples of projects that have been selected from the 2007 list that are currently scheduled for construction in the first quarter of 2008. F Street from W Holly to Cornwall will involve both the cured in place and dig and replace methods for the 4,200 feet of main being replaced. Other locations are in the alley between 13th St. & 14th St. from Filmore Ave. to S State St. and 14th St. south of Taylor Ave. For more information, please contact Ravyn Whitewolf, Engineering Manager, at 778-7900 or visit www.cob.org/documents/pw/engineering/2007-sanitary-sewer-rehab.pdf

ANNUAL SEWER MAIN REPLACEMENT PROGRAM

2008 Projects

| Project Description |
|--|
| Yearly sewer main replacements of pipes nearing the end of their lifecycle, located in various areas to meet mandatory requirements. |

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|---------------------------------|------------------------|---------------------|----------------------|
| Wastewater Fund | - | 1,550,000 | 1,500,000 | 3,050,000 |
| Subtotal | \$ - | \$ 1,550,000 | \$ 1,500,000 | \$ 3,050,000 |
| 2009-2013 Estimated Need: | | | | |
| Wastewater Fund \$1,600,000 in 2009; \$1,700,000 per year thereafter. | | | | 8,400,000 |
| Estimated Total Revenues and Sources | | | | \$ 11,450,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|-----------------------------|------------------------|---------------------|----------------------|
| Sewer Project Construction | - | 1,550,000 | 1,500,000 | 3,050,000 |
| Subtotal | \$ - | \$ 1,550,000 | \$ 1,500,000 | \$ 3,050,000 |
| 2009-2013 Estimated Need: | | | | |
| Sewer Project Construction costs \$1,600,000 in 2009; \$1,700,000 per year thereafter. | | | | 8,400,000 |
| Estimated Total Expenditures and Uses | | | | \$ 11,450,000 |

| Estimated Impact on Operating Budget |
|---|
| Replacing aging sewer mains may result in lower annual maintenance costs. |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – WASTEWATER CAPITAL PROJECT SUMMARIES

WASTEWATER TREATMENT PLANT FACILITY CONSTRUCTION/EXPANSION

Project Description

Design for the expansion of existing for the Wastewater Treatment Plant to meet all permit requirements under the National Pollution Discharge Elimination System (NPDES).



| Budgeted Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|----------------------|
| Wastewater Fund | - | 500,000 | 100,000 | 600,000 |
| Total Budgeted | \$ - | \$ 500,000 | \$ 100,000 | \$ 600,000 |
| 2008-2012 Estimated Need: | | | | |
| Wastewater Revenue Bond in 2009. | | | | 50,000,000 |
| Estimated Total Revenues & Sources | | | | \$ 50,600,000 |

Capital Budget

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – WASTEWATER CAPITAL PROJECT SUMMARIES

| Budgeted Expenditures and Uses | Spent as of 12/31/05 | 2006 Rev Budget | 2007 Request | Total |
|--|-------------------------|--------------------|-------------------|----------------------|
| Building Acquisition and Improvement | - | 500,000 | 100,000 | 600,000 |
| Total Budgeted | \$ - | \$ 500,000 | \$ 100,000 | \$ 600,000 |
| 2008-2012 Estimated Need: | | | | |
| Building Acquisition and Improvement in 2009. | | | | 50,000,000 |
| Estimated Total Expenditures & Uses | | | | \$ 50,600,000 |

Estimated Impact on Operating Budget

The City is reviewing operational impacts of plant expansion through rate analysis and revenue forecasting.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|---------------------|----------------------|--|---------------------|
| PUBLIC WORKS ENGINEERING - STORMWATER | | | | |
| Fish Passage Improvements | SWUF | CFP * | Removal and replacement of culverts to remove fish blockages. Includes project identification and design. Project for 2008: Spring Creek. | 400,000 |
| Padden Creek Daylighting | SWUF | CFP * | Reopen Padden Creek, decrease reliance on the tunnel for flood control and improve fish passage. | 355,000 |
| Annual Storm Main Replacement Projects | SWUF | CFP * | Replacement of aging and failing stormwater systems to maintain system integrity and viability. | 300,000 |
| Water Quality Retrofits | SWUF | CFP * | Completion of stormwater projects to bring existing City infrastructure into greater compliance with clean water goals. | 200,000 |
| Lake Whatcom/Flynn Street Water Quality | SWUF | CFP * | Lake Whatcom stormwater retrofits for drainages in the Flynn-Lakeside area. | 200,000 |
| Annual Overlay Storm Improvements | SWUF | CFP * | Storm replacements and upgrades associated with the current year overlay program. Potential water quality systems upgrades are included in this element. | 150,000 |
| Culvert Repair Prioritization | SWUF | CFP | Engineering services to complete the City culvert inventory, prioritize projects, and provide preliminary engineering for projects identified. | 50,000 |
| Lake Whatcom/City-wide Residential Retrofits | SWUF | CFP | Funding indicated is either match for a grant to provide residential retrofits City-wide or primary funding for program only in Lake Whatcom. | 50,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS ENGINEERING - STORMWATER | | | | \$ 1,705,000 |

* See capital project summary following this table.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

FISH PASSAGE IMPROVEMENTS CONSTRUCTION

Project Description

Removal and replacement of culverts to remove fish blockages. Includes project identification and design. Project for 2008: Spring Creek.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|---------------------|
| Stormwater Fund | - | 150,000 | 400,000 | 550,000 |
| Subtotal | \$ - | \$ 150,000 | \$ 400,000 | \$ 550,000 |
| 2009-2013 Estimated Need: | | | | |
| Stormwater Fund \$250,000 per year. | | | | 1,250,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,800,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-------------------|-------------------|---------------------|
| Engineering Services | - | 25,000 | - | 25,000 |
| Stormwater Project Construction | - | 100,000 | 400,000 | 500,000 |
| Interfund Engineering Services | - | 25,000 | - | 25,000 |
| Subtotal | \$ - | \$ 150,000 | \$ 400,000 | \$ 550,000 |
| 2009-2013 Estimated Need: | | | | |
| Stormwater Project Construction costs \$250,000 per year. | | | | 1,250,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,800,000 |

Estimated Impact on Operating Budget

Project will decrease the need for culvert maintenance at the locations.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

PADDEN CREEK DAYLIGHTING

Project Description

Reopen Padden Creek, decrease reliance on the tunnel for flood control and improve fish passage.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|-----------------|-------------------|---------------------|
| Storm and Surface Water Fund | - | - | 355,000 | 355,000 |
| Subtotal | \$ - | \$ - | \$ 355,000 | \$ 355,000 |
| 2009-2013 Estimated Need: | | | | |
| Storm and Surface Water Fund 2009. | | | | 150,000 |
| Source of funds not yet identified for 2010. | | | | 4,000,000 |
| Estimated Total Revenues and Sources | | | | \$ 4,505,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|---------------------|
| Stormwater Project Construction | - | - | 355,000 | 355,000 |
| Subtotal | \$ - | \$ - | \$ 355,000 | \$ 355,000 |
| 2009-2013 Estimated Need: | | | | |
| Stormwater Project Construction \$150,000 in 2009 and \$4,000,000 in 2010. | | | | 4,150,000 |
| Estimated Total Expenditures and Uses | | | | \$ 4,505,000 |

Estimated Impact on Operating Budget

Maintenance costs should decrease during flood periods. This would remove a large potential flood liability to the City.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

Annual Storm Main Replacement Program:

The Public Works Department currently maintains over 322 miles of storm mains that vary in size, age and condition. Contiguous to these storm main sections are catch basin, inlet, and manhole structures which are typically visually inspected and maintained once every five years by Public Works maintenance crews. In addition, Public Works recently acquired the technology to evaluate storm drains using a camera to inspect the integrity of the system and to provide recommendations for capital replacements. Camera inspections are also conducted on all portions of the system that are located in streets identified for asphalt overlay. Repairs, if needed, are completed whenever possible prior to resurfacing that street.

To date, only about 13% of the system has been camera inspected over the last five years. As a result of these inspections, a replacement list was started in 2006 to program the capital replacement of deteriorating portions of the stormwater conveyance system. This list is reviewed by the Pavement and Utility Replacement Committee to determine which mains can be replaced within the annual budget for this activity. All attempts are made during this evaluation process to evaluate cost benefits of replacing mains prior to asphalt overlay, and to coordinate replacement of other adjacent public works utilities if located within the same right-of-way.

The 2008 list of storm mains for replacement is currently being reviewed for selection and a complete determination for this year's storm replacement program has not yet been made. One project that has been identified for construction in 2008 will include the replacement of the existing 8", 12", and 21" storm mains in the area of Northshore between Alabama Street and Britton Road as part of the Northshore Drive sidewalk project scheduled for construction this summer. These mains were identified as higher priority replacements through our scanning program and the committee evaluation process. For more information on storm inspections, contact Chad Bedlington at 778-7700, for information relating to the Northshore Drive project, contact Ravyn Whitewolf at 778-7900.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

ANNUAL STORM MAIN REPLACEMENT PROJECTS

2008 Projects

| Project Description |
|---|
| Replacement of aging and failing stormwater systems to maintain system integrity and viability. |

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|---------------------------------|------------------------|---------------------|---------------------|
| Stormwater Fund | - | 140,000 | 300,000 | 440,000 |
| Subtotal | \$ - | \$ 140,000 | \$ 300,000 | \$ 440,000 |
| 2009-2013 Estimated Need: Storm and Surface Water Fund \$500,000 per year in 2009 and 2010; \$550,000 per year thereafter. | | | | 2,650,000 |
| Estimated Total Revenues and Sources | | | | \$ 3,090,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|-----------------------------|------------------------|---------------------|---------------------|
| Stormwater Project Construction | - | 140,000 | 300,000 | 440,000 |
| Subtotal | \$ - | \$ 140,000 | \$ 300,000 | \$ 440,000 |
| 2009-2013 Estimated Need: Stormwater Project Construction costs \$500,000 per year in 2009 and 2010; \$550,000 per year thereafter. | | | | 2,650,000 |
| Estimated Total Expenditures and Uses | | | | \$ 3,090,000 |

| Estimated Impact on Operating Budget |
|--|
| Replacement of aging systems may result in lower annual maintenance costs. |

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

WATER QUALITY RETROFITS

Project Description

Completion of stormwater projects to bring existing City infrastructure into greater compliance with clean water goals. Improvements can include treatment methods such as bioswales, stormfilter catch basins or other methods.



2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

WATER QUALITY RETROFITS continued

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|-------------------|-------------------|---------------------|
| Storm and Surface Water Fund | - | 148,845 | 200,000 | 348,845 |
| Subtotal | \$ - | \$ 148,845 | \$ 200,000 | \$ 348,845 |
| 2009-2013 Estimated Need: | | | | |
| Storm and Surface Water Fund \$200,000 in 2009; \$400,000 per year thereafter. | | | | 1,800,000 |
| Estimated Total Revenues and Sources | | | | \$ 2,148,845 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-------------------|-------------------|---------------------|
| Stormwater Project Construction | - | 148,845 | 200,000 | 348,845 |
| Subtotal | \$ - | \$ 148,845 | \$ 200,000 | \$ 348,845 |
| 2009-2013 Estimated Need: | | | | |
| Stormwater Project Construction costs \$200,000 in 2009 and \$400,000 per year thereafter. | | | | 1,800,000 |
| Estimated Total Expenditures and Uses | | | | \$ 2,148,845 |

| Estimated Impact on Operating Budget |
|--|
| Increased infrastructure will result in higher maintenance cost for the Stormwater Utility. Actual maintenance costs are dependant on specific construction designs. Maintenance costs will be factored in design decisions. |

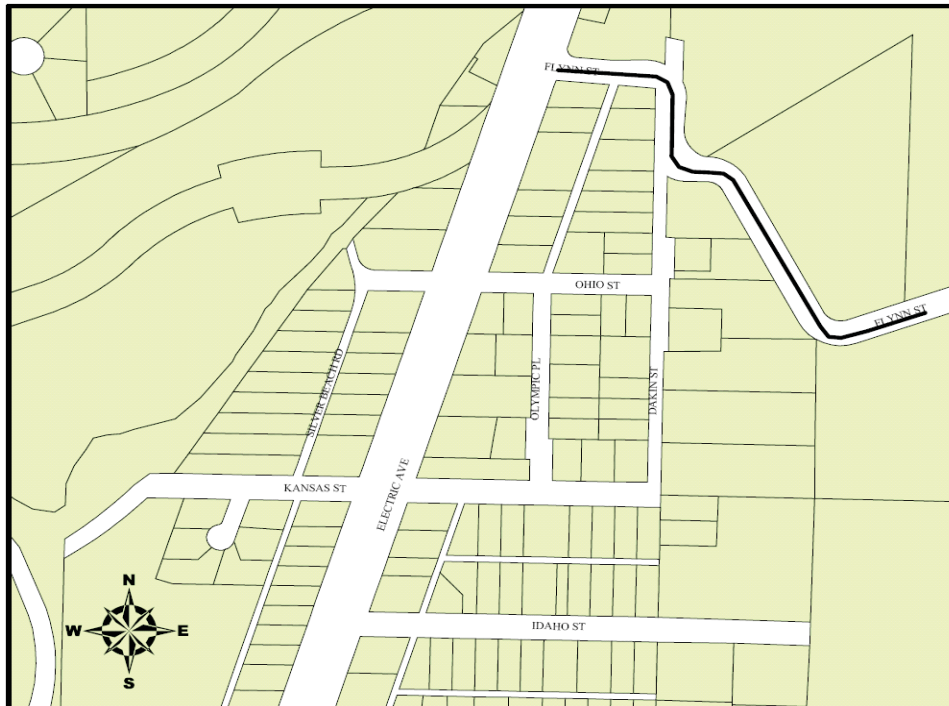
2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

LAKE WHATCOM FLYNN STREET WATER QUALITY IMPROVEMENTS

Project Description

Part of annual program to improve water quality in the Lake Whatcom watershed by constructing stormwater retrofits. This improvement for drainages is located along the Flynn Street corridor, and is one of the last areas to be retrofitted.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|-------------------|-------------------|
| Storm and Surface Water Fund | - | - | 200,000 | 200,000 |
| Estimated Total Revenues & Sources | \$ - | \$ - | \$ 200,000 | \$ 200,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|-------------------|-------------------|
| Stormwater Project Construction | - | - | 200,000 | 200,000 |
| Estimated Total Expenditures & Uses | \$ - | \$ - | \$ 200,000 | \$ 200,000 |

Estimated Impact on Operating Budget

Increased infrastructure will result in higher maintenance cost for the Stormwater Utility. Actual maintenance costs are dependant on specific construction designs. Maintenance costs will be factored in design decisions.

2008 Capital (continued)

PUBLIC WORKS ENGINEERING – STORMWATER CAPITAL PROJECT SUMMARIES

ANNUAL OVERLAY STORM IMPROVEMENTS

2008 Projects

Project Description

Storm replacements and upgrades associated with the current year overlay program. Potential water quality systems upgrades are included in this element.

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|-------------------|-------------------|---------------------|
| Stormwater Fund | - | 150,000 | 150,000 | 300,000 |
| Subtotal | \$ - | \$ 150,000 | \$ 150,000 | \$ 300,000 |
| 2009-2013 Estimated Need: | | | | |
| Storm and Surface Water Fund \$200,000 per year. | | | | 1,000,000 |
| Estimated Total Revenues and Sources | | | | \$ 1,300,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|----------------------|-------------------|-------------------|---------------------|
| Stormwater Project Construction | - | 150,000 | 150,000 | 300,000 |
| Subtotal | \$ - | \$ 150,000 | \$ 150,000 | \$ 300,000 |
| 2009-2013 Estimated Need: | | | | |
| Stormwater Construction costs \$200,000 per year. | | | | \$ 1,000,000 |
| Estimated Total Expenditures and Uses | | | | \$ 1,300,000 |

Estimated Impact on Operating Budget

Improving storm drainage systems in conjunction with the resurfacing program may reduce maintenance costs. However, these costs are intangible and associated with system reliability.

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|---|-------------------|
| PUBLIC WORKS OPERATIONS - FACILITIES | | | | |
| Police Department Interior Painting | CMF | AM | This project was approved for funding in 2006 and 2007, however funds were redirected towards more urgent safety modifications to install bullet proof glass in the reception area. The interior painting needs to be rebudgeted. | 125,000 |
| City Hall Chiller | CMF | AM | The chiller replacement has been deferred since 2005 and is now experiencing compressor failures. | 120,000 |
| Annual Energy Conservation Measures | CMF | AM | Upgrade lighting and HVAC facilities with energy efficient components. | 100,000 |
| City Hall Sewer Line and Flag Plaza Replacement | CMF | AM | Service lines to City Hall have failed twice in the past five years requiring emergency repairs and are in need of replacement. Replacement of the flag plaza has been a deferred maintenance project that can now occur in conjunction with replacement of the sewer lines since some of the lines are underneath the plaza. | 75,000 |
| Mt. Baker Theatre Capital | FQET | CFP | Annual capital contribution to Mt. Baker Theatre. | 60,000 |
| Bellingham Police Department Exterior Painting (2007 funds for this project used for Reception Desk Safety Improvements) | CMF | AM | Stucco is exhibiting small cracks. Metal extrusions, stone tile and windows need caulking and stucco needs paint. | 45,000 |
| Police Department Rooftop HVAC Replacement | CMF | AM | The building has 3 roof top units. They have reached the end of their service life. One had to be replaced in 2005, and the remaining two are due before failure occurs. | 30,000 |
| Municipal Court Carpet Replacement | CMF | AM | Courtroom 2 has carpet that was installed over old existing carpet, causing discoloration and wrinkling and is presenting a trip hazard. | 15,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS OPERATIONS - FACILITIES | | | | \$ 570,000 |

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|---------------------|----------------------|---|--------------------|
| PUBLIC WORKS OPERATIONS - WASTEWATER | | | | |
| Install New Centrifuge System | WWF | EQ | The centrifuge system is a sludge de-watering system for solids handling at the Wastewater Treatment Plant. Replacement of two of the three centrifuges will reduce energy usage while maintaining the same process standards. This energy-saving project will help to meet goals adopted by the City Council and help to make Bellingham a green power city. | 325,000 |
| Security Improvements for Wastewater System | WWF | CFP ** | Recently identified improvements include a keyless security and entry system at the Wastewater Treatment Plant. | 100,000 |
| Shorewood Lift Station Pump Upgrade | WWF | EQ | Equipment has reached end-of-life and requires an upgrade to improve performance and reliability. Project includes adding new controls and back up power generation. | 58,000 |
| Arbutus Lift Station Pump Replacement/Upgrade | WWF | EQ | Equipment has reached end-of-life and requires an upgrade to improve performance and reliability. Project includes adding a submersible pump system with piping and guide-rails, starter panel and installation and new cover and safety hatches for wetwell. | 48,000 |
| Install Heat Recovery System | WWF | EQ | Install a heat recovery system on the incinerators and use that heat for preheating the boiler water for the plant's administration building and other plant facilities. | 30,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS OPERATIONS - WASTEWATER | | | | \$ 561,000 |

** This item will be recoded to Equipment via Budget Transfer Order in 2008.

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|--|--------------|---------------|---|---------------------|
| PUBLIC WORKS OPERATIONS - WATER | | | | |
| Air Scour System for Filters | WF | EQ | Air scour is new technology used to backwash filters at the Water Treatment Plant to provide for better filter cleaning, better water quality and potentially increase filter output. | 325,000 |
| Security Improvements for Water System | WF | CFP ** | Improvements based on recommendations from vulnerability assessment conducted of water system and capital improvements. | 289,500 |
| WTP Primary Power Transformer | WF | EQ | Replacement of an aging and obsolete power transformer at the Water Treatment Plant. The current transformer is too small to accommodate any future growth, is not certified PCB free and does not comply with current PSE electrical service standards. | 201,800 |
| Mobile Generator | WF | EQ | New mobile generator to power remote pumping facilities during power outages. This will help to eliminate the City's reliance on rental generators and meet the requirements of the City's emergency response plans. The new generator is smaller, cleaner, meets newer EPA standards and will operate with minimal noise impact on neighborhoods where it is deployed. | 200,000 |
| WTP Third Backwash Pump | WF | EQ | The addition of a third backwash pump for cleaning filters and removing particles collected during the water filtering process is needed to provide a redundant system as prescribed by the Department of Health. Due to present water plant consumption, simultaneous operation of two backwash pumps is now required for backwashing. | 118,000 |
| New Clearwell Baffles | WF | EQ | Replace existing redwood clearwell baffles that have been in service for over 40 years. | 82,000 |
| WTP Generator Transfer Switch | WF | EQ | Existing transfer switch obsolete and repair parts are not available. | 50,000 |
| Fleet Addition for Water Standards | WF | EQ | New vehicle for the Utility Locator. | 43,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS OPERATIONS - WATER | | | | \$ 1,309,300 |

** This item will be recoded to Equipment via Budget Transfer Order in 2008.

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---------------------|---------------------|----------------------|--------------------------------------|--------------------|
|---------------------|---------------------|----------------------|--------------------------------------|--------------------|

PUBLIC WORKS OPERATIONS - STORMWATER

| | | | | |
|---|------|----|---|------------------|
| Crew Cab 3/4 Ton Pickup | SWUF | EQ | Fleet transportation equipment addition, includes make ready costs. | 31,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS OPERATIONS - STORMWATER | | | | \$ 31,000 |

PUBLIC WORKS OPERATIONS - FLEET

| | | | | |
|--|----|----|---|---------------------|
| Fleet Transportation Equipment Replacements | FL | EQ | Replacement due to life cycle and mechanical condition. | 3,929,000 |
| Fleet Heavy Duty Work Equipment Replacements | FL | EQ | Replacement due to life cycle and mechanical condition. | 698,000 |
| Make Ready on Fleet Replacements | FL | EQ | Improvements and additions to make fleet replacement equipment ready for service. | 182,400 |
| Fleet Other Machinery and Equipment Replacements | FL | EQ | Replacement due to life cycle and mechanical condition. | 143,000 |
| Tire Balancer | FL | EQ | The automotive and truck industries are installing larger rims on sedans, pickups and light trucks and to keep pace with the current trend the division needs to increase the size of our balancer. The existing tire balancer was purchased in 1984 and is outdated. | 10,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS OPERATIONS - FLEET | | | | \$ 4,962,400 |

Capital Budget

2008 Capital (continued)

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|--------------|---------------|---|---------------------|
| PUBLIC WORKS OPERATIONS - STREET | | | | |
| Information Management Master Plan Implementation | STR | CFP * | Implementation of the findings from the Information Management Master Plan which will likely include: new/upgraded MMS system, information portal with web mapping, public Internet mapping site, upgrades to the Tidemark system, a document management system and integration with the Cayenta financial system and new payroll system. Project costs will be spread over a five-year period. | 500,000 |
| Smartlink City-wide Radio Network Upgrade | STR | EQ | New system to replace aging and obsolete communication equipment to increase capacity and coverage. The system provides communication between City sites and vehicles/equipment as well as being linked to the Fire and Police communication systems. | 400,000 |
| Tractor and Side Boom Mower | STR | EQ | Fleet heavy duty work equipment addition, includes make ready costs. | 114,000 |
| Elevation Control Upgrade | STR | CFP | Federal, State and County projects and permits are now required to reference the NAVD 88 vertical datum. This project will build a vertical control loop around the city and tie into the existing city vertical datum. | 80,000 |
| GIS Network Server Replacement | STR | CFP | The GIS file server, Snoqualmie, is over five years old and needs to be replaced to maintain reliability of the essential applications that use the GIS data such as CityIQ and ArcGIS. Replacement will also maintain the consistency of a regular replacement program for servers every five years. | 30,000 |
| Full-size Crew Truck | STR | EQ | Fleet transportation equipment addition, includes make ready costs. | 28,000 |
| Survey Total Station Replacement | STR | CFP | The existing survey total station was purchased in 1991 and is now at the end of it's useful life. No replacement parts or software upgrades have been available for several years. The software for the existing system is no longer compatible with any modern computer systems so all survey information must be manually reentered into a spreadsheet or AutoCAD. | 15,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS OPERATIONS - STREET | | | | \$ 1,167,000 |

2008 Capital (continued)

PUBLIC WORKS OPERATIONS – STREET CAPITAL PROJECT SUMMARIES

INFORMATION MANAGEMENT MASTER PLAN IMPLEMENTATION

Project Description (ES 374)

Implementation of the findings from the Information Management Master Plan which will likely include: new/upgraded Maintenance Management System, information portal with web mapping, public internet mapping site, upgrades to the Tidemark system, a document management system and integration with the Cayenta financial system and new payroll system. Project costs will be spread over a five-year period.

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-------------------|-------------------|---------------------|
| Street Fund | - | 500,000 | 500,000 | 1,000,000 |
| Subtotal | \$ - | \$ 500,000 | \$ 500,000 | \$ 1,000,000 |
| 2009-2013 Estimated Need: | | | | |
| Street Fund \$500,000 per year 2009-2011. | | | | 1,500,000 |
| Estimated Total Revenues and Sources | | | | \$ 2,500,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-------------------|-------------------|---------------------|
| Miscellaneous Improvements | - | 500,000 | 500,000 | 1,000,000 |
| Subtotal | \$ - | \$ 500,000 | \$ 500,000 | \$ 1,000,000 |
| 2009-2013 Estimated Need: | | | | |
| Miscellaneous Improvements \$500,000 per year 2009-2011. | | | | 1,500,000 |
| Estimated Total Expenditures and Uses | | | | \$ 2,500,000 |

Estimated Impact on Operating Budget

Operating cost impact was not assessed as part of the Information Management Master Plan. A cost benefit analysis will be done as part of the implementation plan.

Capital Budget**2008 Capital (continued)**

| Capital Item | 2008 Sources | Capital Class | Description and Justification | 2008 Budget |
|---|--------------|---------------|---|---------------------|
| PUBLIC WORKS OPERATIONS - TRANSPORTATION MANAGEMENT | | | | |
| Parking Structure | PRK | CFP * | Site selection and acquisition of land for a new parking structure. | 1,900,000 |
| Mid-size Truck | PRK | EQ | Fleet transportation equipment addition, includes make ready costs. | 20,000 |
| TOTAL CAPITAL BUDGET FOR 2008 - PUBLIC WORKS OPERATIONS - TRANSPORTATION | | | | \$ 1,920,000 |

* See capital project summary following this table.

2008 Capital (continued)

PUBLIC WORKS TRANSPORTATION MANAGEMENT – PARKING CAPITAL PROJECT SUMMARIES

PARKING STRUCTURE

Site Selection and Land Acquisition

Project Description

Conduct a market search for vacant parcels of property in the downtown core; perform a feasibility study to determine if the location, price and geotech will support the construction of a future parking structure; and acquire the parcel for immediate surface lot parking.



| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|---|--------------------------|-----------------|---------------------|---------------------|
| Parking Services Fund | - | - | 1,900,000 | 1,900,000 |
| Estimated Total Revenues & Sources | \$ - | \$ - | \$ 1,900,000 | \$ 1,900,000 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-----------------|---------------------|---------------------|
| Land Acquisition | - | - | 1,900,000 | 1,900,000 |
| Estimated Total Expenditures & Uses | \$ - | \$ - | \$ 1,900,000 | \$ 1,900,000 |

Estimated Impact on Operating Budget

None associated with land acquisition.

2008 Capital (continued)

WATERFRONT REDEVELOPMENT PROJECTS

PUBLIC WORKS ENGINEERING – STREET / WATERFRONT REDEVELOPMENT CAPITAL PROJECT

BELLINGHAM WATERFRONT RESTORATION

Phase I - Laurel Street Bridge

Project Description (WF1000, WF1001)

This project includes the construction of one or more bridge connection(s) to provide primary access to the Waterfront Restoration site, including facilities for pedestrians and bicycles. Bridge(s) will need to be constructed to allow future relocation of the BNSF railroad mainline from its existing location in the middle of the Waterfront Restoration site and will also allow for adequate width and double tracking.



| Estimated Project Costs | | Source | Amount |
|--------------------------------|---|-----------------|----------------------|
| 2006 Adopted Budget | Engineering services for bridge construction. | STR | 100,000 |
| 2007 Adopted Budget | Engineering services for bridge construction. | STR | 400,000 |
| 2008 Adopted Budget | Capital outlay for bridge improvements. | STR/FGI SQET | 7,920,000 |
| Total Budgeted | | | \$ 8,420,000 |
| 2009-2013 Estimate | \$14,530,000 in 2009 plus an average of \$1,109,500 per year for 2010-2013 for bridge improvements. | STR/FGI | 18,968,000 |
| Estimated Project Total | | | \$ 27,388,000 |

WATERFRONT REDEVELOPMENT – continued

PUBLIC WORKS ENGINEERING – STREET / WATERFRONT REDEVELOPMENT CAPITAL PROJECT

WATERFRONT RESTORATION - continued
Phase I - Laurel Street

| Revenues and Sources | Allocated as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|--------------------------|-------------------|---------------------|----------------------|
| Street Fund | 7,333 | 95,000 | 1,000,000 | 1,102,333 |
| Federal Indirect Grant | - | 300,000 | 5,920,000 | 6,220,000 |
| Second Quarter REET | - | - | 1,000,000 | 1,000,000 |
| Subtotal | \$ 7,333 | \$ 395,000 | \$ 7,920,000 | \$ 8,322,333 |
| 2009-2013 Estimated Need: | | | | |
| Street Fund in 2009 | | | | 1,030,000 |
| Indirect Federal Grant in 2009 | | | | 13,500,000 |
| Street Fund average of \$1,109,500 per year 2010-2013. | | | | 4,438,000 |
| Estimated Total Revenues and Sources | | | | \$ 27,290,333 |

| Expenditures and Uses | Spent as of 12/31/06 | 2007 Rev Budget | 2008 Request | Total |
|--|----------------------|-------------------|---------------------|----------------------|
| Waterfront Construction | 7,333 | 395,000 | - | 402,333 |
| Bridge Improvements | - | - | 7,920,000 | 7,920,000 |
| Subtotal | \$ 7,333 | \$ 395,000 | \$ 7,920,000 | \$ 8,322,333 |
| 2009-2013 Estimated Need: | | | | |
| Bridge Construction costs \$14,530,000 in 2009; average of \$1,109,500 per year 2010-2013. | | | | 18,968,000 |
| Estimated Total Expenditures and Uses | | | | \$ 27,290,333 |

| Estimated Impact on Operating Budget |
|--|
| These improvements will increase annual maintenance costs by approximately \$2,838 per year. |

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2008 - 2013 CAPITAL FACILITIES PLAN

Purpose

The Capital Facilities Plan (CFP) is a strategic six-year financing plan matching the costs of future capital improvements and purchases to anticipated revenues. The CFP establishes priorities by estimating costs, identifying funding sources and proposing an implementation schedule for all facility or infrastructure-related capital projects and acquisitions.

The CFP is a six-year rolling plan that is revised annually to reflect varying conditions. The CFP includes proposed 2008 capital expenditures for City Council adoption and an estimate of future capital needs for 2009 – 2013 to guide future capital decisions. The adoption of the CFP contained in this budget amends the Bellingham Comprehensive Plan and the list of projects contained herein shall be considered a part of the Capital Facilities element of the Comprehensive Plan. The CFP also incorporates the Bellingham School District's 2004 – 2009 Capital Facilities Plan by reference.

Only the expenditures and appropriations for 2008 are binding financial commitments. The projects identified for the remaining five years may be altered due to cost or varying conditions.

Bellingham CFP Process

The 2008 - 2013 CFP was developed by soliciting requests from all departments with priorities established by the Mayor. The projects were identified in accordance with the following policy documents previously adopted by City Council:

- The Bellingham Comprehensive Plan
- Visions for Bellingham
- Bellingham Comprehensive Drainage Plan
- Whatcom County Coordinated Sewer/Water Service Area Plan
- Six-Year Transportation Improvement Plan
- County-Wide Planning Policies
- Police Facility Study Master Plan
- Shoreline Management Program
- Redevelopment Plans (Downtown Strategy, Ohio Street, Central Waterfront, City Center Master Plan)
- Other Council and Mayor Directives
- Park and Recreation Master Plan
- Community Development Three-Year Plan
- Comprehensive Water Plan
- Comprehensive Wastewater Conveyance Plan
- Lake Whatcom Management Plan and Annually Updated Action Plan
- Waterfront Futures Group's Waterfront Vision and Framework Plan and Waterfront Action Plan

Existing City Assets

Substantial investment by the public and the City over the years has resulted in a very large asset base for Bellingham's residents. The City's current physical plant consists of:

- Public buildings, including some leased space and commercial rental space.
- Drainage and stormwater control property and detention facilities.
- Park and recreation property, equipment and facilities including playgrounds, spray pools, athletic fields/courts, trails, beaches, street trees, sports stadiums, an aquatic facility, a cemetery and a golf course.
- Public library facilities and equipment.
- Police facilities and vehicles.
- Fire suppression and emergency medical service facilities, vehicles and equipment.
- Streets, sidewalks, street lights and signals.
- Water mains, customer services, a filtration plant, pump stations and storage reservoirs.
- Sanitary sewer mains, a treatment plant and pump stations.
- Vehicles and equipment.

Renewal and replacements for the street, water and sewer systems are included in the capital budget due to the large cost and nature of work done. These programs include the resurfacing of existing streets and the replacement of worn out water and sewer lines.

CFP Priorities

Five priorities established by the Mayor and adopted by the City Council in 1987 provide a guide to selecting which projects will provide the most public benefit.

According to these established priorities, CFP projects must:

1. Resolve an emergency situation threatening the health, safety or welfare of citizens or which creates an immediate danger to City operations.
2. Replace existing capital items essential to continued operations or priority programs or services.
3. By itself or jointly with another public or private entity, generate an immediate or cost-effective, long-term income-producing return for the City in the form of taxes, firm jobs or retention of current revenues which would otherwise be lost.
4. Produce measurable cost-benefit through reduced operating costs to the City (generally public buildings, remodeling or other public improvements).
5. Increase overall quality of life even if not generating revenue, or, while generating some revenue, increase benefits to the General Fund which exceed the net of revenue and cost of construction.

The projects budgeted for 2008 reflect these priorities.

Funding Strategy

The demand for capital improvements exceeds the City's current ability to fund these projects. The strategy to fund these projects also reflects fiscal constraints to meet immediate needs while maintaining the flexibility to fund additional projects as the City's financial status improves. This strategy is reflected in the following funding policy:

Capital improvement projects will be funded by the following sources, in order:

1. Use restricted funds (i.e., wastewater, water, streets) to fund their respective projects and include projects that can generate other tax revenues through job creation or expanding the tax base.
2. Utilize existing levy funds for Park improvements and acquisitions (i.e., Greenways).
3. Utilize Real Estate Excise Tax funds for capital improvements and repairs, as allowed by law.
4. Continue General Fund allocation for major capital outlay purchases. The 2008 allocation is \$993,006, with an expectation that the City will receive \$383,231 in grant funding for one of the purchases.
5. Continue funding the Capital Maintenance Fund for 2008 and thereafter based on current estimates. The actual General Fund allocation for 2008 is \$757,155.
6. Use new bonds to finance "must-fund" priority projects where sources 1-3 above are insufficient.
7. Fund remainder of CFP projects as local tax revenues become available or financial assistance is obtained from the state, federal or private sources.

The expenditures for all 2008 items are incorporated into their respective groups elsewhere in the City budget. Listed on the following pages, in further detail, are the major capital improvement projects for 2008 and projects proposed for 2009 – 2013. The projects either have an identified funding source specified, or are listed as "unfunded".

Capital Facilities Plan

| CAPITAL FACILITIES PLAN | Cost in Thousands | | | | | |
|-------------------------|-------------------|------|------|------|------|------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |

FUNDED PROJECT SUMMARY

| | | | | | | |
|------------------------------------|---------------|----------------|---------------|---------------|---------------|---------------|
| Fire | - | 500 | 150 | - | 1,000 | - |
| Police | - | 30 | - | - | - | - |
| Parks and Recreation | 7,221 | 5,811 | 5,616 | 5,686 | 5,027 | 6,204 |
| Library | 12 | - | - | - | - | - |
| Museum | 300 | 1,200 | 225 | - | - | - |
| Planning and Community Development | 329 | 330 | 332 | 334 | 335 | 337 |
| Information Technology Services | 45 | - | - | - | - | - |
| Non Departmental | 638 | 652 | 674 | 694 | 703 | 722 |
| Public Facilities District | 5,338 | - | - | - | - | - |
| Public Works - Streets | 22,607 | 19,505 | 4,885 | 6,143 | 5,151 | 4,534 |
| Public Works - Water | 3,195 | 8,400 | 10,900 | 15,500 | 8,000 | 8,000 |
| Public Works - Wastewater | 3,600 | 63,353 | 6,450 | 12,000 | 3,200 | 4,800 |
| Public Works - Stormwater | 1,705 | 1,500 | 1,350 | 1,400 | 1,400 | 1,500 |
| Public Works - Facilities | 60 | 60 | 60 | 60 | 60 | 60 |
| Public Works - Operations | 1,015 | 882 | 735 | 610 | - | 36 |
| Public Works - Transportation | 1,900 | - | - | - | - | - |
| TOTAL FUNDED PROJECTS | 47,965 | 102,223 | 31,377 | 42,427 | 24,876 | 26,193 |

UNFUNDED PROJECT SUMMARY

| | | | | | | |
|--------------------------------|----------|----------|---------------|---------------|---------------|--------------|
| Public Works - Streets | - | - | - | 14,500 | 20,500 | 6,900 |
| Public Works - Water | - | - | 10,000 | - | - | - |
| Public Works - Stormwater | - | - | 4,000 | - | - | - |
| TOTAL UNFUNDED PROJECTS | - | - | 14,000 | 14,500 | 20,500 | 6,900 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

FUNDING SOURCES

Abbreviations in the "Fund Source" columns represent the following funds and sources

| CODE | SOURCE OF FUNDS |
|-------------|---|
| ASF | Arterial Street Fund |
| BGL | Beyond Greenways Levy Fund |
| BOND | Bond Proceeds Go To Fund Indicated |
| CDBG | Community Development Block Grant Fund |
| CIVIC | Civic Field Improvements Fund |
| CRF | Computer Reserve Fund |
| FGI | Federal Indirect Grant |
| FQET | First 1/4% Real Estate Excise Tax Fund |
| GF | General Fund |
| GL3 | Greenways III Levy Fund |
| IG | Interlocal Grant |
| ISR | Intergovernmental Service Revenue |
| MED1 | Medic One Fund |
| PFD | Public Facilities District Fund |
| PIF | Park Impact Fee Fund |
| PKA | Parksite Acquisition Fund |
| PRK | Parking Services Fund |
| SQUAL | Squalicum Park/Olympic Fund |
| SQET | Second 1/4% Real Estate Excise Tax Fund |
| STG | State Grant |
| STR | Street Fund |
| SWUF | Surface Water Utility Fund |
| TDF | Transportation Development Fees |
| UF | Unfunded |
| WF | Water Fund |
| WFWS | Water Fund - Watershed |
| WWF | Wastewater Fund |

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|-------------------------|-------------|-------------------|------|------|------|------|------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |

FIRE DEPARTMENT

| Funded Items | | | | | | | |
|---------------------|------|---|------------|------------|---|--------------|---|
| Medic 5 Facility | MED1 | - | 500 | - | - | - | - |
| Classroom/Office | FQET | - | - | - | - | 1,000 | - |
| Boat House | FQET | - | - | 150 | - | - | - |
| Total Funded | | - | 500 | 150 | - | 1,000 | - |
| TOTAL FIRE | | - | 500 | 150 | - | 1,000 | - |

POLICE

| Funded Items | | | | | | | |
|--|----|---|-----------|---|---|---|---|
| Police Building Consulting and Professional Services | GF | - | 30 | - | - | - | - |
| Total Funded | | - | 30 | - | - | - | - |
| TOTAL POLICE | | - | 30 | - | - | - | - |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|---|----------------------|-------------------|-------|-------|-------|------|-------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| PARKS AND RECREATION DEPARTMENT | | | | | | | |
| Funded Items | | | | | | | |
| Greenway Land Acquisition including Cornwall Park Expansion | GL3, BGL | 3,700 | 1,600 | 2,900 | - | 400 | 4,100 |
| Land Acquisition - Park in Developing Area | PIF | 1,000 | - | 1,000 | 500 | 500 | 500 |
| Sidewalks, Paths and Trails | BGL, FQET | 582 | 200 | 200 | 200 | 200 | 200 |
| Neighborhood Park Construction (2) | PIF | 250 | 850 | - | - | - | - |
| Miscellaneous Community Parks Construction | SQET, PIF | 250 | 250 | 250 | 250 | 750 | 750 |
| Northridge Park Development | GL3, PIF | 200 | 1,300 | - | - | - | - |
| Squalicum Creek Park-Phase I | SQUAL, BGL, GL3, PIF | 198 | - | 900 | 4,300 | - | - |
| Boulevard Park Shoreline | GL3 | 150 | 1,200 | - | - | - | - |
| Civic Field Projects | CIVIC | 113 | - | - | - | - | - |
| Acoustic Tiles at Aquatic Center | FQET | 100 | - | - | - | - | - |
| Parks Facility Asphalt Patching and Resurfacing | SQET | 100 | 100 | 50 | - | 50 | 50 |
| Labor Distribution to General Fund from Greenways 3 | GL3 | 77 | 77 | 77 | 77 | 77 | 77 |
| Labor Distribution to General Fund from Beyond Greenways | BGL | 75 | - | - | - | - | - |
| Tennis Court Resurfacing | SQET | 60 | - | - | - | - | - |
| Neighborhood Park Construction (1) | SQET | 50 | 50 | 50 | 50 | 50 | 50 |
| Labor Distribution to General Fund from Park Impact Fees | PIF | 50 | 50 | 50 | 50 | 50 | 50 |
| Labor Distribution to General Fund from First Quarter REET | FQET | 50 | 13 | 13 | 13 | 13 | 35 |
| Sports Lighting Pole - Joe Martin Field | FQET | 30 | - | - | - | - | - |
| Perimeter Fencing - Whatcom Falls Park | FQET | 30 | - | - | - | - | - |
| Trail Surface/Drainage Repairs | FQET | 30 | 25 | 25 | 25 | 30 | 35 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|--|-------------|-------------------|--------------|--------------|--------------|--------------|--------------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| PARKS AND RECREATION DEPARTMENT continued | | | | | | | |
| Labor Distribution to General Fund from SQET | SQET | 30 | 50 | 50 | 50 | 50 | 50 |
| Parksite Acquisition Fund Land Purchases | PKA | 25 | - | - | - | - | - |
| Sidewalk & Curb Replacement | FQET | 25 | 25 | 30 | 30 | 30 | 30 |
| Replacement of Fairhaven Park Entry Columns | SQET | 15 | - | - | 120 | - | - |
| Roof Replacements | FQET | 15 | 15 | 15 | 15 | 20 | 20 |
| Labor Distribution to General Fund from Civic Field Improvement Fund | CIVIC | 10 | - | - | - | - | - |
| Park and Sports Field Lighting | FQET | 6 | 6 | 6 | 6 | 7 | 7 |
| Community Park Construction | SQET | - | - | - | - | - | 250 |
| Chuckanut Interurban Trail | GL3 | - | - | - | - | 1,000 | - |
| Samish Trail | GL3 | - | - | - | - | 1,800 | - |
| Total Funded | | 7,221 | 5,811 | 5,616 | 5,686 | 5,027 | 6,204 |
| TOTAL PARKS AND RECREATION | | 7,221 | 5,811 | 5,616 | 5,686 | 5,027 | 6,204 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|-------------------------|-------------|-------------------|------|------|------|------|------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |

LIBRARY

| Funded Items | | | | | | | |
|----------------------|------|-----------|----------|----------|----------|----------|----------|
| New Library Design | FQET | 12 | - | - | - | - | - |
| Total Funded | | 12 | - | - | - | - | - |
| TOTAL LIBRARY | | 12 | - | - | - | - | - |

MUSEUM

| Funded Items | | | | | | | |
|--|------|------------|--------------|------------|----------|----------|----------|
| Window Restoration at Old City Hall | FQET | 300 | 200 | 225 | - | - | - |
| Fire Suppression - Main Building | FQET | - | 600 | - | - | - | - |
| Fire Suppression - Syre Education Center | FQET | - | 400 | - | - | - | - |
| Total Funded | | 300 | 1,200 | 225 | - | - | - |
| TOTAL MUSEUM | | 300 | 1,200 | 225 | - | - | - |

PLANNING - COMMUNITY DEVELOPMENT

| Funded Items | | | | | | | |
|---|---------------|------------|------------|------------|------------|------------|------------|
| Neighborhood Initiatives Program | CDBG/ FQET | 256 | 256 | 256 | 256 | 256 | 256 |
| Labor Distribution to General Fund from Block Grant | CDBG | 48 | 49 | 51 | 53 | 54 | 56 |
| Municipal Arts Project | GF | 25 | 25 | 25 | 25 | 25 | 25 |
| Total Funded | | 329 | 330 | 332 | 334 | 335 | 337 |
| TOTAL PLANNING - COMM. DEV. | | 329 | 330 | 332 | 334 | 335 | 337 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|-------------------------|-------------|-------------------|------|------|------|------|------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |

INFORMATION TECHNOLOGY SERVICES

| Funded Items | | | | | | | |
|---------------------------------|-----|-----------|----------|----------|----------|----------|----------|
| HR/Payroll Contingency Funds | CRF | 45 | - | - | - | - | - |
| Total Funded | | 45 | - | - | - | - | - |
| TOTAL INFO TECH SERVICES | | 45 | - | - | - | - | - |

NON DEPARTMENTAL

| Funded Items | | | | | | | |
|--------------------------------|------|------------|------------|------------|------------|------------|------------|
| Civic Field and Aquatic Center | SQET | 638 | 652 | 674 | 694 | 703 | 722 |
| Debt Service | | | | | | | |
| Total Funded | | 638 | 652 | 674 | 694 | 703 | 722 |
| TOTAL NON DEPARTMENTAL | | 638 | 652 | 674 | 694 | 703 | 722 |

PUBLIC FACILITIES DISTRICT

| Funded Items | | | | | | | |
|---|-----|--------------|----------|----------|----------|----------|----------|
| Mt. Baker Theatre Renovations Phase II | PFD | 5,251 | - | - | - | - | - |
| Art and Children's Museum | PFD | 87 | - | - | - | - | - |
| Total Funded | | 5,338 | - | - | - | - | - |
| TOTAL PUBLIC FACILITIES DISTRICT | | 5,338 | - | - | - | - | - |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|---|------------------------|-------------------|--------|-------|-------|-------|-------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| PUBLIC WORKS - STREETS | | | | | | | |
| Funded Items | | | | | | | |
| Bellingham Waterfront Restoration Phase I/Laurel Street | STR, STR/FGI, SQET | 7,920 | 14,530 | 1,060 | 1,093 | 1,126 | 1,159 |
| Sunset Drive Phase II - Woburn to City Limits | WWF, STR/FGI | 4,300 | - | - | - | - | - |
| West Illinois Street Extension (Morse/Oeser/County Project) | STR/ FGI/ ISR/ IG/ TDF | 1,942 | - | - | - | - | - |
| Fraser Street Bicycle and Pedestrian Phase III | FQET, SQET/ FGI | 1,839 | - | - | - | - | - |
| Northwest/McLeod Phase II Roundabout | SQET/ FGI | 931 | 400 | - | - | - | - |
| Annual Pavement Resurfacing | STR | 700 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Bakerview - Irongate Traffic Signal | STR | 650 | 400 | - | - | - | - |
| North Shore Drainage/Bike/Pedestrian Improvements | STR | 550 | - | - | - | - | - |
| Electric Ave Pedestrian and Bike Improvements | FQET | 550 | - | - | - | - | - |
| Annual Downtown Street/Sidewalk Improvements | STR, FQET, SQET | 500 | 350 | 150 | 150 | 150 | 150 |
| Bridge Rehabilitation Program - Replacement | STR | 500 | - | - | - | - | - |
| Cornwall Avenue Resurfacing | ASF | 500 | - | - | - | - | - |
| Cultural Arts District Streetscape Enhancement | FQET | 500 | - | - | - | - | - |
| Bridge Rehabilitation Program - In Stream and Crack Repair | STR | 250 | - | - | - | - | - |
| Annual Signal Improvement Program | STR | 225 | 225 | 225 | 225 | 225 | 225 |
| Annual Sidewalk Replacements | STR | 200 | 200 | 200 | 425 | 200 | 200 |
| Northwest Pedestrian Improvements - McLeod to Bakerview | STR | 200 | - | - | - | - | - |
| Biennial Street Light Replacement | STR | 150 | - | 150 | - | 150 | - |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Budget

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|--|-----------------|-------------------|---------------|--------------|---------------|---------------|---------------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| PUBLIC WORKS - STREETS continued | | | | | | | |
| Annual Traffic Calming Program | STR | 150 | 150 | 150 | 150 | 150 | 150 |
| Annual Pedestrian Crosswalk Enhancements | STR | 50 | 50 | 50 | 50 | 50 | 50 |
| James Street Road Multi-Modal Improvements | STR, FQET, SQET | - | - | 500 | 1,500 | 500 | - |
| San Juan Boulevard Phase I | STR | - | 500 | - | - | - | - |
| San Juan Boulevard Phase II | STR | - | - | - | - | 50 | 50 |
| Yew Street Pedestrian and Bike Improvements | STR, FQET | - | 150 | 400 | - | - | - |
| Forest Street Bicycle Lane and Pedestrian Crossing | STR | - | 550 | - | - | - | - |
| Carolina Street Pedestrian Improvements | SQET | - | - | - | 550 | - | - |
| Nevada Street Pedestrian Improvements | SQET | - | - | - | - | - | 550 |
| Birchwood Pedestrian Improvements | SQET | - | - | - | - | 550 | - |
| Total Funded | | 22,607 | 19,505 | 4,885 | 6,143 | 5,151 | 4,534 |
| Unfunded Items | | | | | | | |
| Lincoln Creek Transportation Center | UF | - | - | - | 10,000 | - | - |
| James Street Road Multi-Modal Improvements | UF | - | - | - | 2,500 | 3,000 | - |
| Northwest/McLeod Phase II Roundabout | UF | - | - | - | 2,000 | - | - |
| Bellingham Waterfront Restoration/Railroad | UF/ISR | - | - | - | - | 17,500 | - |
| Birchwood-James Connector | UF | - | - | - | - | - | 2,000 |
| San Juan Boulevard Phase II | UF | - | - | - | - | - | 4,900 |
| Total Unfunded | | - | - | - | 14,500 | 20,500 | 6,900 |
| TOTAL PUBLIC WORKS - STREETS | | 22,607 | 19,505 | 4,885 | 20,643 | 25,651 | 11,434 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|--|-------------|-------------------|--------------|---------------|---------------|--------------|--------------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| PUBLIC WORKS - WATER | | | | | | | |
| Funded Items | | | | | | | |
| Annual Water Main Replacement Program | WF | 2,050 | 1,500 | 1,600 | 1,600 | 1,600 | 1,600 |
| Miscellaneous Water Pump Station Upgrades | WF | 100 | 1,500 | 300 | 1,500 | - | - |
| Electric Avenue Main Replacements | WF | 100 | - | - | - | - | - |
| Kearney Rd Booster Pump Station | WF | - | 450 | - | - | - | - |
| King Mt Reservoir (Cordata) | WF/ BOND | - | 450 | 5,500 | - | - | - |
| Mount Baker Hwy Replacement Phase II | WF | - | 100 | 800 | - | - | - |
| Padden Reservoir Phase II | WF/ BOND | - | - | 500 | - | 4,000 | 4,000 |
| Transmission Main Upgrades | WF | - | 1,000 | 1,100 | 1,400 | 1,400 | 1,400 |
| Hydraulic Modeling | WF | - | - | 100 | - | - | - |
| Water Treatment Plant Expansion - Phase II | WF/ BOND | - | 400 | - | 10,000 | - | - |
| Yew St Transmission Main | WF, WWF | - | 2,000 | - | - | - | - |
| Watershed Land Acquisitions | WFWS | 945 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Total Funded | | 3,195 | 8,400 | 10,900 | 15,500 | 8,000 | 8,000 |
| Unfunded Items | | | | | | | |
| Nooksack Diversion Passage Phase 1 | UF | - | - | 10,000 | - | - | - |
| Total Unfunded | | - | - | 10,000 | - | - | - |
| TOTAL PUBLIC WORKS - WATER | | 3,195 | 8,400 | 20,900 | 15,500 | 8,000 | 8,000 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|---|--------------|-------------------|---------------|--------------|---------------|--------------|--------------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| PUBLIC WORKS - WASTEWATER | | | | | | | |
| Funded Items | | | | | | | |
| PW Facility Study and Building Relocation | WWF | 2,000 | 8,500 | - | - | - | - |
| Annual Sewer Main Replacement Program | WWF | 1,500 | 1,600 | 1,700 | 1,700 | 1,700 | 1,700 |
| WWTP Facility Construction/Expansion | WWF/ BOND | 100 | 50,000 | - | - | - | - |
| Flow Monitoring Stations | WWF | - | - | 100 | 100 | - | - |
| Meridian Street Lift Stations | WWF | - | 250 | 1,500 | 1,500 | - | - |
| Northwest Avenue Sewer System | WWF | - | 962 | - | - | - | - |
| Roeder Avenue Force Main | WWF | - | 100 | 100 | 2,500 | - | - |
| Roeder Avenue Lift Station | WWF | - | 250 | 250 | 4,500 | - | - |
| Roeder Avenue Trunk Sewer | WWF | - | 250 | 1,300 | - | - | - |
| Secondary Trunk Upgrades | WWF | - | - | - | - | - | 1,600 |
| Annual Trunk Main Upgrades | WWF | - | 1,441 | 1,500 | 1,700 | 1,500 | 1,500 |
| Total Funded | | 3,600 | 63,353 | 6,450 | 12,000 | 3,200 | 4,800 |
| TOTAL PUBLIC WORKS - WASTEWATER | | 3,600 | 63,353 | 6,450 | 12,000 | 3,200 | 4,800 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|-------------------------|-------------|-------------------|------|------|------|------|------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |

PUBLIC WORKS - STORMWATER

| Funded Items | | | | | | | |
|--|------|--------------|--------------|--------------|--------------|--------------|--------------|
| Fish Passage Improvements | SWUF | 400 | 250 | 250 | 250 | 250 | 250 |
| Padden Creek Daylighting | SWUF | 355 | 150 | - | - | - | - |
| Annual Storm Main Replacement Projects | SWUF | 300 | 500 | 500 | 550 | 550 | 550 |
| Water Quality Retrofits | SWUF | 200 | 200 | 400 | 400 | 400 | 400 |
| Lake Whatcom/Flynn Street Water Quality | SWUF | 200 | - | - | - | - | - |
| Annual Overlay Storm Improvements | SWUF | 150 | 200 | 200 | 200 | 200 | 200 |
| Culvert Repair Prioritization | SWUF | 50 | - | - | - | - | - |
| Lake Whatcom/City-wide Residential Retrofits | SWUF | 50 | - | - | - | - | - |
| Lake Whatcom/Brentwood Pond Water Quality Retrofit | SWUF | - | 200 | - | - | - | - |
| North Lincoln Creek Detention Basin | SWUF | - | - | - | - | - | 100 |
| Total Funded | | 1,705 | 1,500 | 1,350 | 1,400 | 1,400 | 1,500 |

| Unfunded Items | | | | | | | |
|-----------------------------------|----|--------------|--------------|--------------|--------------|--------------|--------------|
| Padden Creek Daylighting | UF | - | - | 4,000 | - | - | - |
| Total Unfunded | | - | - | 4,000 | - | - | - |
| TOTAL PUBLIC WORKS - STORM | | 1,705 | 1,500 | 5,350 | 1,400 | 1,400 | 1,500 |

PUBLIC WORKS - FACILITIES

| Funded Items | | | | | | | |
|--|------|-----------|-----------|-----------|-----------|-----------|-----------|
| Mt. Baker Theatre Capital | FQET | 60 | 60 | 60 | 60 | 60 | 60 |
| Total Funded | | 60 | 60 | 60 | 60 | 60 | 60 |
| TOTAL PUBLIC WORKS - FACILITIES | | 60 | 60 | 60 | 60 | 60 | 60 |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

Capital Facilities Plan (continued)

| CAPITAL FACILITIES PLAN | Fund Source | Cost in Thousands | | | | | |
|-------------------------|-------------|-------------------|------|------|------|------|------|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |

PUBLIC WORKS - OPERATIONS

| Funded Items | | | | | | | |
|---|-----|--------------|------------|------------|------------|----------|-----------|
| Information Management Master Plan Implementation | STR | 500 | 500 | 500 | 500 | - | - |
| Security Improvements for Water System | WF | 290 | 200 | 185 | - | - | - |
| Security Improvements for Wastewater System | WWF | 100 | 100 | - | - | - | - |
| Elevation Control Upgrade | STR | 80 | 50 | 50 | - | - | - |
| GIS Network Server Replacement | STR | 30 | - | - | - | - | 36 |
| Survey Total Station Replacement | STR | 15 | - | - | - | - | - |
| Aerial Photography | STR | - | - | - | 110 | - | - |
| PW Network Service Replacement | STR | - | 32 | - | - | - | - |
| Total Funded | | 1,015 | 882 | 735 | 610 | - | 36 |
| TOTAL PUBLIC WORKS - OPERATIONS | | 1,015 | 882 | 735 | 610 | - | 36 |

PUBLIC WORKS - TRANSPORTATION

| Funded Items | | | | | | | |
|--|-----|--------------|----------|----------|----------|----------|----------|
| Parking Structure | PRK | 1,900 | - | - | - | - | - |
| Total Funded | | 1,900 | - | - | - | - | - |
| TOTAL PUBLIC WORKS - TRANSPORTATION | | 1,900 | - | - | - | - | - |

Expenditures for 2008 are authorized after budget adoption by the City Council. Expenditures identified for years beyond 2008 are included for information and review of potential future needs. Their inclusion is not a request for approval or budget authorization.

LONG-TERM DEBT SUMMARY

The City borrows money to finance large capital projects, such as buildings and utility infrastructure by issuing bonds. These financial obligations are paid off over time, typically 10 to 20 years. Our Moody's bond rating is Aa3 for voted bond issues and A1 for non-voted bond issues, judged to be of high quality by all standards. We are committed to maintaining our good credit. We make all debt service payments on time and maintain adequate reserves to address contingencies. We have relatively low outstanding debt and high debt capacity for future bonding needs.

Bonds

1. Limited Tax General Obligation Bonds (LTGO)

City Council approves a bond that will benefit the City as a whole. Principal and interest is paid from existing general revenues, subject to the levy limitation and the total tax limit. These are referred to as "Councilmanic" bonds.

2. Unlimited Tax General Obligation Bonds (UTGO)

A ballot measure is presented to voters authorizing the issuance of debt for a project that will benefit the City as a whole. The voters authorize an increase in taxes to repay the bond principal and interest. This issue may authorize the City to exceed levy limits on taxation (excess levy). It is subject to the total tax limitation, as discussed in the sections on Property Tax and Limitations.

3. Revenue Bonds

City Council approved bonds paid from revenues (not taxes) of a specific enterprise fund. Customers of these funds (water, parking, etc.,) pay a fee for services that cover operating and debt related costs.

4. Local Improvement District Bonds (LID)

Special assessments levied on properties that specifically benefit from the improvement being financed. LIDs finance street, sewer, water and other capital projects. They are formed via two distinct methods: Resolution of Intention or Petition. The Resolution of Intention is initiated by the City. This method is rarely used and is generally limited to response to a health hazard. The Petition is initiated by area property owners. Both require the approval of a majority (the City prefers 70% approval) of the impacted property owners. Security for a LID bond issue is the real estate within the assessment boundaries. The City does not pledge its "full faith and credit" but is obligated to enforce the assessments. Consequently, interest rates on these bonds are also higher.

Legal Debt Capacity Limits

The amount of long-term debt that the City can incur is limited by state statute. Washington's statutory limitation on non-voted general obligation debt for cities is one and one-half percent of the assessed value of all taxable property within the City at the time of issuance. Voter approval is required to exceed this limit. An election to authorize debt must have voter turnout of at least 40 percent of the last state general election, and of those voting, 60 percent must vote in favor of issuance.

Long-Term Debt

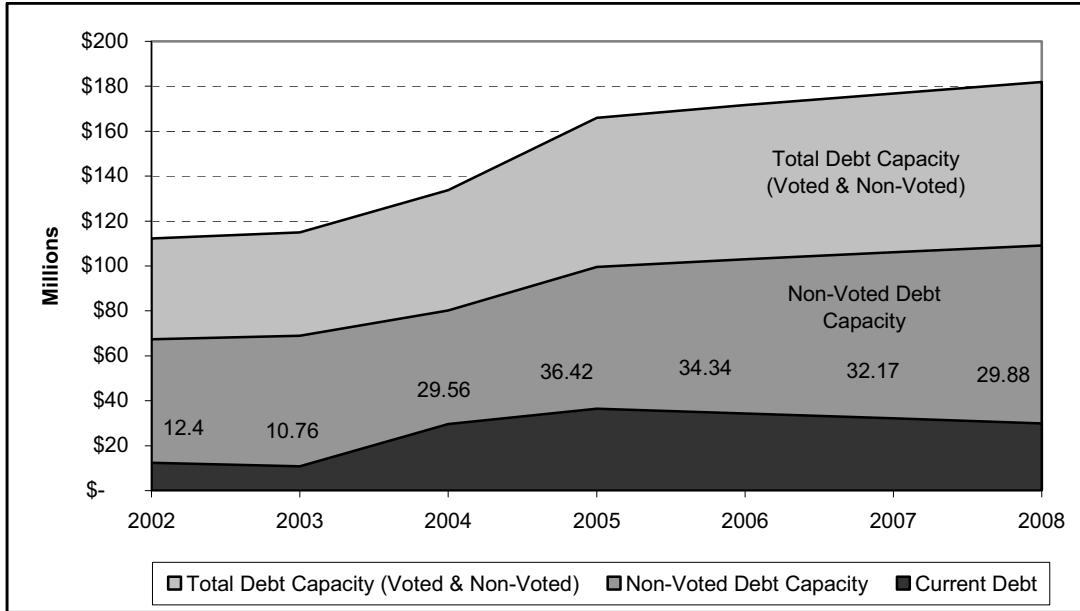
The combination of voted and non-voted general obligation debt for city purposes, including leases and contracts, may not exceed two and one-half percent of the assessed value of all taxable property within the City.

The estimated assessed value of all property in the City for the 2009 tax year is \$7,278,635,625. This provides a non-voted general obligation debt capacity of \$109,179,534. The City has used \$28,920,028 of this capacity, leaving \$80,259,506 available. The City's total voted and non-voted general obligation debt capacity is \$181,965,891. Of this capacity, the City has utilized \$29,880,028. The remaining total voted and non-voted general obligation debt capacity is \$152,085,863.

Estimated Legal Debt Capacity Calculation As of 12/31/08

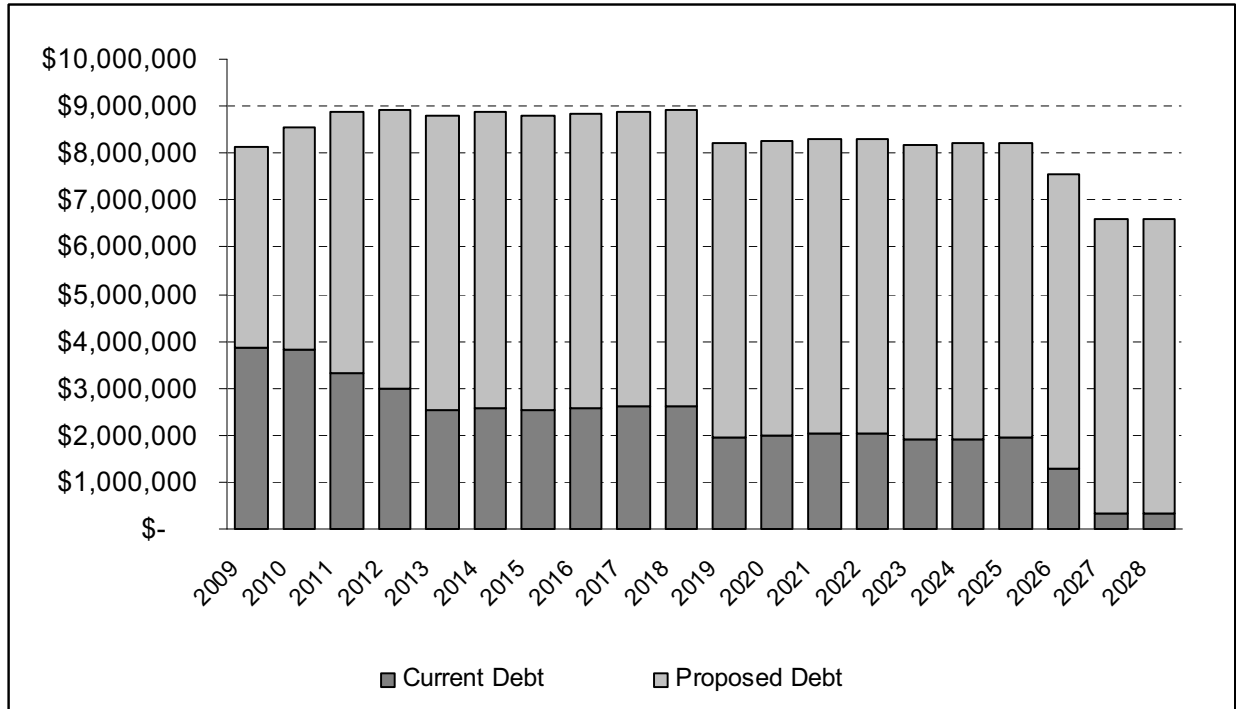
| | | |
|---|----------------|-----------------------------|
| Assessed (estimate) Value (2009 Tax Year) | | \$7,278,635,625 |
| Limited Tax General Obligation Debt Capacity (Nonvoted) @ 1 1/2% of Assessed Value | | 109,179,534 |
| Less: Outstanding Limited Tax General Obligation Bonds | 28,760,000 | |
| Other Debt Obligations | <u>160,028</u> | |
| Total Nonvoted Debt Outstanding | | <u>28,920,028</u> |
| Total Remaining Limited Tax General Obligation Debt Capacity (Nonvoted) | | <u><u>\$80,259,506</u></u> |
| Total General Obligation Debt Capacity @ 2 1/2% of Assessed Value | | 181,965,891 |
| Total Nonvoted Debt Outstanding | 28,920,028 | |
| Total Voted Debt Outstanding | <u>960,000</u> | |
| Total Debt Outstanding | | <u>29,880,028</u> |
| Total Remaining General Obligation Debt Capacity (Voted and Nonvoted) | | <u><u>\$152,085,863</u></u> |

**Current General Obligation (GO) Debt and
Estimated GO Debt Capacity (in millions)**



Annual Cost of Principal and Interest Payments on General Obligation Debt

Includes both current debt and debt proposed in the Capital Facilities Plan



CFP planned projects included in the above graph are:

- Wastewater Treatment Plant Facility Construction / Expansion (2009)
- King Mountain Reservoir (2010)
- Water Treatment Plan Expansion Phase II (2011)
- Padden Reservoir Phase II (2012 and 2013)

General Obligation Debt

Outstanding General Obligation Bonds & Other Debt

| Name of Issue | Issue Date | Maturity Date | Interest Rates | Original Amount | Redemptions as of 12/31/08 | Unmatured Debt as of 12/31/08 |
|---|------------|---------------|----------------|----------------------|----------------------------|-------------------------------|
| Voted (UTGO) and Non-voted (LTGO) Bonds | | | | | | |
| 2001 Fire UTGO | 04/01/01 | 12/01/11 | 4.00%-4.40% | 2,800,000 | 1,840,000 | 960,000 |
| 1996 Roeder LTGO Refunding | 06/01/96 | 12/01/12 | 4.20%-5.65% | 4,195,000 | 2,985,000 | 1,210,000 |
| 1999 Municipal Court LTGO | 05/15/99 | 08/01/10 | 4.25%-4.75% | 3,420,000 | 2,395,000 | 1,025,000 |
| 2002 Parking LTGO | 08/08/02 | 10/01/12 | 3.74%-3.74% | 1,045,000 | 560,000 | 485,000 |
| 2004 Sportsplex LTGO | 08/05/04 | 12/01/28 | 2.00%-4.625% | 4,315,000 | 505,000 | 3,810,000 |
| 2004 PFD/Civic/Refunding LTGO | 11/09/04 | 12/01/26 | 2.25%5.00% | 16,375,000 | 2,015,000 | 14,360,000 |
| 2005 Solid Waste LTGO | 12/08/05 | 12/01/25 | 4.15%-5.4% | 8,695,000 | 825,000 | 7,870,000 |
| Total General Obligation Bonds | | | | 40,845,000 | 11,125,000 | 29,720,000 |
| Notes Payable, Public Works Trust and CERB Loans | | | | | | |
| Drake Property Note Payable | 12/31/92 | 12/31/22 | 7.00% | 225,000 | 64,972 | 160,028 |
| Woburn Street PWT Loan | 04/14/88 | 07/01/08 | 1.00% | 1,000,000 | 1,000,000 | - |
| Street Resurfacing PWT Loan | 07/01/02 | 07/01/22 | 0.50% | 2,975,000 | 763,911 | 2,211,089 |
| CERB Loan-Woburn | 08/30/89 | 08/30/09 | 7.70% | 1,133,082 | 1,028,308 | 104,774 |
| Total Other General Obligation Debt | | | | 5,333,082 | 2,857,191 | 2,475,891 |
| Total Long Term General Debt | | | | \$ 46,178,082 | \$ 13,982,191 | \$ 32,195,891 |

Annual Debt Service Requirements to Maturity for General Obligation Debt

| Year | GO Bond Principal | GO Bond Interest | Other GO Debt Principal | Other GO Debt Interest | Total GO Debt |
|--------|----------------------|----------------------|-------------------------|------------------------|----------------------|
| 2009 | 2,230,000 | 1,344,517 | 269,692 | 30,104 | 3,874,313 |
| 2010 | 2,370,000 | 1,253,546 | 165,422 | 20,742 | 3,809,710 |
| 2011 | 1,965,000 | 1,153,830 | 165,963 | 19,411 | 3,304,204 |
| 2012 | 1,725,000 | 1,074,117 | 166,544 | 18,041 | 2,983,702 |
| 2013 | 1,355,000 | 1,004,066 | 167,166 | 16,629 | 2,542,861 |
| Future | 20,075,000 | 6,885,962 | 1,541,104 | 77,505 | 28,579,571 |
| | \$ 29,720,000 | \$ 12,716,038 | \$ 2,475,891 | \$ 182,432 | \$ 45,094,361 |

Long-Term Debt

Local Improvement District Bonds

Debt service requirements for local improvement bonds are met by the collection of assessments levied against property owners. The assessments are liens against the property and subject to foreclosure. A local improvement district guaranty fund has been established as a reserve to meet debt service requirements on local improvement district debt in the event that assessment collections are insufficient.

Outstanding LID Assessment Debt

| Name of Issue | Issue Date | Maturity Date | Interest Rates | Original Amount | Estimated Redemptions as of 12/31/08 | Est. Unmatured Debt as of 12/31/08 |
|-----------------------------------|------------|---------------|----------------|----------------------|--------------------------------------|------------------------------------|
| LID 1099 Barkley | 12/01/94 | 12/01/16 | 4.90%-7.50% | 4,447,020 | 4,182,020 | 265,000 |
| LID 1106 Bakerview Road | 12/30/96 | 12/30/18 | 4.10%-6.00% | 4,357,957 | 3,832,957 | 525,000 |
| LID 1107/1108 Telegr/Brkly | 12/01/97 | 12/01/14 | 4.15%-5.65% | 1,317,472 | 1,182,472 | 135,000 |
| Total LID Assessment Bonds | | | | \$ 10,122,449 | \$ 9,197,449 | \$ 925,000 |

Estimated Debt Service Requirements on LID Assessment Debt

| Year | LID Bond Principal | LID Bond Interest | Total LID Debt |
|--------|--------------------|-------------------|---------------------|
| 2009 | - | 58,553 | 58,553 |
| 2010 | 25,000 | 58,553 | 83,553 |
| 2011 | 55,000 | 57,165 | 112,165 |
| 2012 | 105,000 | 54,085 | 159,085 |
| 2013 | 160,000 | 47,625 | 207,625 |
| Future | 580,000 | 63,450 | 643,450 |
| | \$ 925,000 | \$ 339,431 | \$ 1,264,431 |

Revenue Bonds

Debt service requirements for revenue bonds are paid from specific revenues of a city enterprise. Customers of these activities pay a fee for services, such as parking or utilities.

Outstanding Revenue Debt

| Name of Issue | Issue Date | Maturity Date | Interest Rates | Original Amount | Redemptions as of 12/31/08 | Unmatured Debt as of 12/31/08 |
|---|------------|---------------|----------------|----------------------|----------------------------|-------------------------------|
| Revenue Bonds | | | | | | |
| 1999 Water / Sewer | 05/01/99 | 08/01/11 | 3.70%-4.60% | 8,220,000 | 3,970,000 | 4,250,000 |
| 2004 Water / Sewer | 05/01/04 | 08/01/24 | 3.00%-5.00% | 10,690,000 | 4,635,000 | 6,055,000 |
| 2006 Water / Sewer | 06/15/06 | 08/01/16 | 4.00%-4.50% | 11,330,000 | 1,240,000 | 10,090,000 |
| Total Revenue Bonds | | | | 30,240,000 | 9,845,000 | 20,395,000 |
| Public Works Trust Loans and Notes | | | | | | |
| Water - Chuckanut PWT Loan | 07/01/89 | 07/01/09 | 1.00% | 593,809 | 562,556 | 31,253 |
| Sewer - Silverbeach PWT Loan | 06/01/91 | 07/01/11 | 2.00% | 445,500 | 375,158 | 70,342 |
| Watermain Rplmnt PWT Loan | 07/01/02 | 07/01/22 | 0.50% | 1,938,000 | 506,033 | 1,431,967 |
| Middle Fork Diversion PWT Loan | 12/01/06 | 07/04/26 | 0.50% | 680,000 | 35,789 | 644,211 |
| Denke Property Note | 09/27/04 | 12/15/09 | 0.00% | 3,000,000 | 2,000,000 | 1,000,000 |
| Total Other Obligations Debt | | | | 6,657,309 | 3,479,536 | 3,177,773 |
| Total Long Term General Debt | | | | \$ 36,897,309 | \$ 13,324,536 | \$ 23,572,773 |

Annual Estimated Debt Service Requirements on Revenue Debt to Maturity

| Year | Bond Principal | Bond Interest | Other Debt Principal | Other Debt Interest | Total Debt |
|--------|----------------------|---------------------|----------------------|---------------------|----------------------|
| 2009 | \$ 2,775,000 | \$ 868,415 | \$ 1,192,773 | \$ 12,100 | \$ 4,848,288 |
| 2010 | 2,910,000 | 758,533 | 161,520 | 10,628 | \$ 3,840,681 |
| 2011 | 3,040,000 | 644,028 | 161,520 | 9,469 | \$ 3,855,017 |
| 2012 | 940,000 | 507,488 | 138,073 | 8,310 | \$ 1,593,871 |
| 2013 | 980,000 | 469,888 | 138,073 | 7,619 | \$ 1,595,580 |
| Future | 9,750,000 | 2,791,776 | 1,385,814 | 39,298 | \$ 13,966,888 |
| | \$ 20,395,000 | \$ 6,040,128 | \$ 3,177,773 | \$ 87,424 | \$ 29,700,325 |

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GENERAL SALARY INFORMATION FOR 2008

Salary ranges for each position are shown in the Budgeted Positions List. The salary plans are no longer shown in the budget document, but may be viewed on line on the Human Resources area of the City's website from the Benefits page.

The City of Bellingham has nine different pay plans covering the various groups of city employees. The bargaining units are not on the same schedule for negotiations. If a settlement has been reached for the budget year, the rates from the budget year salary plan year are shown in the Budgeted Positions list and used for budget development. If a settlement has not been reached for the budget year, the most current salary plan is used in the Budgeted Positions list. For the purpose of budget development, a percentage based on CPI estimates is added to the most recent salary plan for which no settlement has been reached.

Positions are classified by the Human Resources Department by means of job descriptions. All position descriptions are reviewed by the department head and/or the Mayor. For positions subject to the authority of the Civil Service Commission, approval by the commission is required for classifications and position class allocation.

The compensation of the City Council is not covered by any of the salary plans, but is established by ordinance. On November 3, 1997 an ordinance was passed authorizing a 3% annual increment in Council salary. Effective January 1, 2008 that rate is \$1,682 per month.

Employees in the E-Team group are not represented by a union and, with a few exceptions, are exempt from Civil Service. These employees include elected officials; department heads; and E-Team administrators, professionals and administrative staff.

The Council may, at its discretion and in compliance with the Budget Development Policies (shown in the General Information Section), adjust the salary plans for all or some of the E-Team employees to address equity concerns resulting from changes in the practices of employers in the recruitment market for the positions. Such adjustments may be made retroactive to January 1 of the current budget year. E-Team employees who request a classification placement review receive any salary adjustment awarded as a result of this review on the next January 1 or July 1, whichever comes first.

At the time of the passage of the annual budget, all bargaining agreements may not have been concluded. Therefore, the Council may, at its discretion, adjust the salary plan for all or some of the E-Team employee group to address equity concerns coming out of the collective bargaining process. Such adjustments may be made retroactive to January 1 of the current budget year.

BUDGETED POSITIONS LIST

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

| FIRE DEPARTMENT | | | | | |
|---|--------------|--------------|--------------|--------------|------------------|
| Fire: | | | | | |
| Ambulance Billing and Reimbursement Spec 2 | 0.0 | 3.0 | 3.0 | B7 | \$2,673-\$3,254 |
| <i>Accounting Assistant 2</i> | 3.0 | 0.0 | 0.0 | B7 | \$2,673-\$3,254 |
| Office Assistant 2 | 1.0 | 2.0 | 2.0 | B6 | \$2,514-\$3,068 |
| Office Assistant 2 - PT | 0.6 | 0.0 | 0.0 | B6 | \$2,514-\$3,068 |
| Secretary 3 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Technical Support/Training Specialist | 1.0 | 0.0 | 0.0 | B14 | \$4,038-\$4,916 |
| Captains | 23.0 | 24.0 | 26.0 | C32 | \$5,582-\$6,284* |
| Fire Inspectors | 2.0 | 3.0 | 3.0 | C32 | \$5,582-\$6,284* |
| Firefighters, FF/Paramedics, FF/Inspectors | 98.6 | 105.0 | 106.0 | C29 | \$4,142-\$5,254* |
| Assistant Fire Chief | 1.0 | 2.0 | 2.0 | E2-U1 | \$8,886 |
| Fire Chief | 1.0 | 1.0 | 1.0 | E1-D1 | \$9,854 |
| Battalion Chiefs | 4.0 | 4.0 | 4.0 | F | \$6,661-\$6,913* |
| Division Chief | 1.5 | 2.0 | 2.0 | F | \$6,661-\$6,913* |
| Fire Marshal | 1.0 | 1.0 | 1.0 | F | \$6,661-\$6,913* |
| Medical Services Officer | 1.0 | 1.0 | 1.0 | F | \$6,661-\$6,913* |
| Fire/EMS Dispatcher, Dispatcher in Trng | 9.8 | 12.0 | 12.0 | M1,M2 | \$3,234-\$4,093 |
| Fire/EMS Dispatcher in Training - LT | 1.0 | 0.0 | 0.0 | M1,M2 | \$3,234-\$4,093 |
| Communications Operations Officer | 0.0 | 0.0 | 1.0 | M3 | \$4,461-\$4,733 |
| <i>Division Supervisor</i> | 0.0 | 1.0 | 0.0 | S8 | \$4,363-\$5,210 |
| Support and Services Supervisor | 2.0 | 2.0 | 2.0 | S5 | \$3,654-\$4,363 |
| Subtotal Regular Employees | 152.5 | 164.0 | 167.0 | | |
| Temporary Labor | 0.1 | 0.3 | 0.3 | | |
| TOTAL FIRE DEPARTMENT | 152.6 | 164.3 | 167.3 | | |
| STAFFING SUMMARY BY BARGAINING UNIT: | | | | | |
| <i>Non-Uniformed Employee Group</i> | 6.6 | 6.0 | 6.0 | AFSCME 114 | |
| <i>Fire Uniformed Employee Group</i> | 123.6 | 132.0 | 135.0 | IAFF 106 | |
| <i>Non-Represented Employee Group</i> | 2.0 | 3.0 | 3.0 | Non-Union | |
| <i>Fire Staff Officers Group</i> | 7.5 | 8.0 | 8.0 | IAFF 106S | |
| <i>EMS Dispatch Group</i> | 10.8 | 12.0 | 13.0 | AFSCME 114F | |
| <i>Supervisor/Professional Employee Group</i> | 2.0 | 3.0 | 2.0 | Teamster 231 | |
| <i>Temporary Labor Employee Group</i> | 0.1 | 0.3 | 0.3 | Non-Union | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| POLICE DEPARTMENT | | | | | |
| Police Operations and Administration: | | | | | |
| Accounting Technician | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Tech Support & Training Specialist | 0.9 | 1.0 | 1.0 | B14 | \$4,038-\$4,916 |
| Parking Enforcement Officer | 2.0 | 4.0 | 4.0 | B6 | \$2,514-\$3,068 |
| Police Support Services Specialist | 2.0 | 2.0 | 2.0 | B8 | \$2,834-\$3,452 |
| Warrant Officer | 1.0 | 1.0 | 1.0 | B13 | \$3,810-\$4,636 |
| Crime Scene Investigators | 0.0 | 0.0 | 6.0 | D30 | \$5,705-\$6,127 |
| <i>Shift Investigators</i> | 6.0 | 6.0 | 0.0 | D30 | \$5,705-\$6,127 |
| Detectives | 9.0 | 9.0 | 9.0 | D30 | \$5,705-\$6,127 |
| Evidence and I.D. Supervisor | 1.0 | 1.0 | 1.0 | D32 | \$6,355-\$6,825 |
| Patrol Officers | 64.8 | 67.0 | 67.0 | D29 | \$4,435-\$6,123 |
| Sergeants | 11.0 | 13.0 | 13.0 | D32 | \$6,355-\$6,825 |
| Traffic Officers | 6.0 | 6.0 | 6.0 | D30 | \$5,705-\$6,127 |
| Police Chief | 1.0 | 1.0 | 1.0 | E1-D1 | \$9,854 |
| Deputy Chief of Police | 1.9 | 2.0 | 2.0 | E2-U1 | \$8,886 |
| Lieutenants | 5.0 | 5.0 | 5.0 | E2-U2 | \$7,987-\$8,086 |
| Program Specialist | 1.0 | 1.0 | 1.0 | E3-10 | \$3,851-\$4,681 |
| Program Specialist | <u>2.0</u> | <u>2.0</u> | <u>2.0</u> | S6 | \$3,877-\$4,629 |
| Subtotal Regular Employees | 115.6 | 122.0 | 122.0 | | |
| Temporary Labor | <u>0.0</u> | <u>0.4</u> | <u>0.4</u> | | |
| Total: | 115.6 | 122.4 | 122.4 | | |
| Police Records: | | | | | |
| Police Support Services Specialist | 10.9 | 11.6 | 15.0 | B8 | \$2,834-\$3,452 |
| <i>Office Assistant 2</i> | 2.0 | 2.0 | 0.0 | B6 | \$2,514-\$3,068 |
| Support and Services Supervisor | 2.0 | 2.0 | 2.0 | S5 | \$3,654-\$4,363 |
| Program Manager 1 | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S11 | \$5,210-\$6,221 |
| Total: | 15.9 | 16.6 | 18.0 | | |
| Police Dispatch: | | | | | |
| Tech Support & Applications Specialist | 0.0 | 1.0 | 1.0 | B15 | \$4,283-\$5,220 |
| <i>Tech Support & Training Specialist</i> | 1.0 | 0.0 | 0.0 | B14 | \$4,038-\$4,916 |
| Accounting Technician | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Lieutenants | 1.0 | 1.0 | 1.0 | E2-U2 | \$7,987-\$8,086 |
| WHAT-COMM Dispatcher-In-Training, 1,2 | <u>20.7</u> | <u>26.0</u> | <u>26.0</u> | P | \$3,233-\$4,091 |
| Total: | 23.7 | 29.0 | 29.0 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|-----------------------------|----------------------------|
| TOTAL POLICE DEPARTMENT | 155.2 | 168.0 | 169.4 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Non-Uniformed Employee Group</i> | <i>21.8</i> | <i>24.6</i> | <i>26.0</i> | <i>AFSCME 114</i> | |
| <i>Uniformed Employee Group</i> | <i>97.8</i> | <i>102.0</i> | <i>102.0</i> | <i>Police Guild</i> | |
| <i>Non-Represented Employee Group</i> | <i>9.9</i> | <i>10.0</i> | <i>10.0</i> | <i>Non-Union</i> | |
| <i>Public Safety Dispatch Group</i> | <i>20.7</i> | <i>26.0</i> | <i>26.0</i> | <i>What-Comm Disp Guild</i> | |
| <i>Supervisor/Professional Employee Group</i> | <i>5.0</i> | <i>5.0</i> | <i>5.0</i> | <i>Teamster 231</i> | |
| <i>Temporary Labor Employee Group</i> | <i>0.0</i> | <i>0.4</i> | <i>0.4</i> | <i>Non-Union</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| JUDICIAL & SUPPORT SERVICES DEPARTMENT | | | | | |
| Municipal Court: | | | | | |
| Accounting Technician | 2.0 | 2.0 | 2.0 | B9 | \$3,008-\$3,657 |
| Court Process Specialist | 0.0 | 8.0 | 8.0 | B8 | \$2,834-\$3,452 |
| <i>Accounting Assistant 2</i> | 5.0 | 0.0 | 0.0 | B7 | \$2,673-\$3,254 |
| <i>Office Assistant 3</i> | 2.0 | 0.0 | 0.0 | B7 | \$2,673-\$3,254 |
| Office Assistant 2 - PT | 0.0 | 0.0 | 0.5 | B6 | \$2,514-\$3,068 |
| Court Commissioner | 1.0 | 1.0 | 1.0 | E1-A1 | \$7,390 |
| Judicial & Supp Services Director | 1.0 | 1.0 | 1.0 | E1-D7 | \$7,940 |
| Municipal Court Judge | 1.0 | 1.0 | 1.0 | E1-E3 | \$9,854 |
| Office Technician | 0.0 | 0.0 | 0.5 | E3-4 | \$2,714-\$3,300 |
| <i>Office Technician - PT</i> | 0.8 | 0.8 | 0.0 | E3-4 | \$2,714-\$3,300 |
| Division Supervisor | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Program Manager 1 | <u>0.6</u> | <u>0.6</u> | <u>0.2</u> | S11 | \$5,210-\$6,221 |
| Subtotal Regular Employees | 14.4 | 15.4 | 15.2 | | |
| Temporary Labor | <u>0.1</u> | <u>0.0</u> | <u>0.0</u> | | |
| Total: | 14.5 | 15.4 | 15.2 | | |
| Support Services: | | | | | |
| Micrographics/Imaging Tech | 1.0 | 1.0 | 1.0 | B5 | \$2,373-\$2,891 |
| Office Assistant 1 | 1.0 | 1.0 | 1.0 | B4 | \$2,236-\$2,727 |
| Office Assistant 2 | 1.0 | 1.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Records Management Coordinator | 1.0 | 1.0 | 1.0 | B11 | \$3,384-\$4,119 |
| Office Technician | 0.0 | 0.0 | 0.5 | E3-4 | \$2,714-\$3,300 |
| Program Manager 1 | <u>0.4</u> | <u>0.4</u> | <u>0.8</u> | S11 | \$5,210-\$6,221 |
| Total: | 4.4 | 4.4 | 5.3 | | |
| TOTAL JUDICIAL & SUPP SERVICES | 18.9 | 19.8 | 20.5 | | |
| STAFFING SUMMARY BY BARGAINING UNIT: | | | | | |
| <i>Non-Uniformed Employee Group</i> | 13.0 | 14.0 | 14.5 | AFSCME 114 | |
| <i>Non-Represented Employee Group</i> | 3.8 | 3.8 | 4.0 | Non-Union | |
| <i>Supervisor/Professional Employee Group</i> | 2.0 | 2.0 | 2.0 | Teamster 231 | |
| <i>Temporary Labor Employee Group</i> | 0.1 | 0.0 | 0.0 | NU/AFSCME | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|------------------------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
| PARKS AND RECREATION | | | | | |
| Administration: | | | | | |
| Accounting Assistant 2 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Office Assistant 2 | 2.0 | 2.0 | 2.0 | B6 | \$2,514-\$3,068 |
| Parks & Recreation Director | 1.0 | 1.0 | 1.0 | E1-D5 | \$8,552 |
| Support and Services Supervisor | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S5 | \$3,654-\$4,363 |
| Subtotal Regular Employees | 5.0 | 5.0 | 5.0 | | |
| Temporary Labor | <u>0.0</u> | <u>0.4</u> | <u>0.6</u> | | |
| Total: | 5.0 | 5.4 | 5.6 | | |
| Design and Development: | | | | | |
| Park Project Specialist | 1.0 | 1.0 | 1.0 | B11 | \$3,384-\$4,119 |
| Property Acquisition Specialist | 0.0 | 1.0 | 1.0 | B14 | \$4,038-\$4,916 |
| Department Manager 1 | 1.0 | 1.0 | 1.0 | E3-17 | \$5,791-\$7,039 |
| Landscape Architect | 1.0 | 1.0 | 1.0 | S9 | \$4,629-\$5,527 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Project Engineer | <u>0.9</u> | <u>1.0</u> | <u>1.0</u> | S12+ | \$5,527-\$6,930 |
| Total: | 4.9 | 6.0 | 6.0 | | |
| Recreation Services: | | | | | |
| Accounting Technician | 0.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Office Assistant 3 | <i>0.3</i> | <i>0.0</i> | <i>0.0</i> | <i>B7</i> | <i>\$2,673-\$3,254</i> |
| Aquatic Leader - PT | 0.0 | 0.0 | 3.0 | B1 | \$1,870-\$2,281 |
| Aquatics Facility Technician | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Cashier - PT | 0.0 | 0.0 | 2.2 | BB3 | \$1,570-\$1,700 |
| Ed Programs/Activities Coordinator | 7.0 | 7.0 | 7.0 | B10 | \$3,190-\$3,886 |
| Parks Maintenance Aide 3 | 3.7 | 3.7 | 3.7 | B3 | \$2,109-\$2,564 |
| Park Specialist | 1.0 | 1.0 | 1.0 | B12 | \$3,585-\$4,369 |
| Park Technician - Grounds | 1.0 | 1.0 | 1.0 | B10 | \$3,190-\$3,886 |
| Recreation Instructor | 1.9 | 3.0 | 3.0 | B3 | \$2,109-\$2,564 |
| Recreation Instructor - PT | 1.4 | 1.4 | 1.3 | B3 | \$2,109-\$2,564 |
| Department Manager 1 | 1.0 | 1.0 | 1.0 | E3-17 | \$5,791-\$7,039 |
| Program Manager 1 | 2.0 | 2.0 | 2.0 | S11 | \$5,210-\$6,221 |
| Subtotal Regular Employees | 20.3 | 22.1 | 27.2 | | |
| Temporary Labor | <u>20.7</u> | <u>23.8</u> | <u>18.3</u> | | |
| Total: | 41.0 | 45.9 | 45.5 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| Park Operations: | | | | | |
| Greenway Volunteer Coordinator | 1.0 | 1.0 | 1.0 | B10 | \$3,190-\$3,886 |
| Office Assistant 1 - PT | 0.1 | 0.5 | 0.8 | B4 | \$2,236-\$2,727 |
| Office Assistant 3 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Park Arborist | 1.0 | 1.0 | 1.0 | B12 | \$3,585-\$4,369 |
| Park Specialist | 6.0 | 6.0 | 6.0 | B12 | \$3,585-\$4,369 |
| Park Technician | 12.0 | 13.0 | 13.0 | B9,10 | \$3,008-\$3,886 |
| Park Worker | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Parks Maintenance Aide 2 | 1.7 | 1.7 | 1.7 | B1 | \$1,870-\$2,281 |
| Parks Maintenance Aide 3 | 6.0 | 6.3 | 6.8 | B3 | \$2,109-\$2,564 |
| Department Manager 1 | 1.0 | 1.0 | 1.0 | E3-17 | \$5,791-\$7,039 |
| Division Supervisor | <u>2.0</u> | <u>2.0</u> | <u>2.0</u> | S8 | \$4,363-\$5,210 |
| Subtotal Regular Employees | 32.8 | 34.5 | 35.3 | | |
| Temporary Labor | <u>3.4</u> | <u>5.3</u> | <u>5.8</u> | | |
| Total: | 36.2 | 39.8 | 41.1 | | |
| Cemetery: | | | | | |
| Park Technician | 1.0 | 1.0 | 1.0 | B10 | \$3,190-\$3,886 |
| Park Worker | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Parks Maintenance Aide 3 | 1.5 | 1.5 | 1.5 | B3 | \$2,109-\$2,564 |
| Secretary 3 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Program Coordinator | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S8 | \$4,363-\$5,210 |
| Subtotal Regular Employees | 5.5 | 5.5 | 5.5 | | |
| Temporary Labor | <u>0.0</u> | <u>0.5</u> | <u>0.5</u> | | |
| Total: | 5.5 | 6.0 | 6.0 | | |
| Golf Course: | | | | | |
| Maintenance and operation service is contracted. | 0.0 | 0.0 | 0.0 | | |
| TOTAL PARKS AND RECREATION | 92.6 | 103.1 | 104.2 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Non-Uniformed Employee Group</i> | <i>55.6</i> | <i>60.1</i> | <i>66.0</i> | <i>AFSCME 114</i> | |
| <i>Non-Represented Employee Group</i> | <i>4.0</i> | <i>4.0</i> | <i>4.0</i> | <i>Non-Union</i> | |
| <i>Supervisor/Professional Employee Group</i> | <i>8.9</i> | <i>9.0</i> | <i>9.0</i> | <i>Teamster 231</i> | |
| <i>Temporary Labor Employee Group</i> | <i>24.1</i> | <i>30.0</i> | <i>25.2</i> | <i>NU/AFSCME</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|-----------------------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
| LIBRARY | | | | | |
| Department Computing Specialist 2 | 1.0 | 0.0 | 0.0 | B12 | \$3,585-\$4,369 |
| Cataloging Technician | 2.0 | 2.0 | 2.0 | B8-1 | \$2,834-\$3,452 |
| Cataloging Technician - PT | 0.7 | 0.7 | 1.3 | B8-1 | \$2,834-\$3,452 |
| Library Assistant 1, 2 | 0.0 | 0.0 | 3.0 | B8-1 | \$2,834-\$3,452 |
| Library Clerk 1 - PT | 0.0 | 0.0 | 1.0 | B4 | \$2,236-\$2,727 |
| Library Clerk 2 | 0.0 | 0.0 | 4.0 | B6 | \$2,514-\$3,068 |
| Library Clerk 2 - PT | 0.0 | 0.0 | 4.6 | B6 | \$2,514-\$3,068 |
| Library Clerk 3 | 0.0 | 0.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Library Clerk 3 - PT | 0.0 | 0.0 | 1.3 | B6 | \$2,514-\$3,068 |
| Library Specialist 2 | 0.0 | 0.0 | 3.0 | B8 | \$2,834-\$3,452 |
| Library Specialist 3 | 0.0 | 0.0 | 1.0 | B11 | \$3,384-\$4,119 |
| Library Aide 1 | 1.0 | 1.0 | 0.0 | B1 | \$1,870-\$2,281 |
| Library Aide 1 - PT | 1.8 | 2.6 | 0.0 | B1 | \$1,870-\$2,281 |
| Library Aide 2 | 1.0 | 1.0 | 0.0 | B3 | \$2,109-\$2,564 |
| Library Assistant 1 | 2.0 | 2.0 | 0.0 | B7 | \$2,673-\$3,254 |
| Library Assistant 2 | 4.0 | 4.0 | 0.0 | B8 | \$2,834-\$3,452 |
| Library Assistant 2 - PT | 0.6 | 0.6 | 0.0 | B8 | \$2,834-\$3,452 |
| Library Specialist | 1.0 | 1.0 | 0.0 | B10 | \$3,190-\$3,886 |
| Office Assistant 2 | 1.0 | 1.0 | 0.0 | B6 | \$2,514-\$3,068 |
| Office Assistant 2 - PT | 3.9 | 3.4 | 0.0 | B6 | \$2,514-\$3,068 |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | E3-7 | \$3,233-\$3,930 |
| Department Manager 1 | 0.0 | 0.0 | 1.0 | E3-17 | \$5,791-\$7,039 |
| Program Manager 1 | 0.6 | 1.0 | 0.0 | E3-15 | \$5,154-\$6,265 |
| Library Director | 1.0 | 1.0 | 1.0 | E1-D6 | \$8,358 |
| Librarian 1 - PT | 0.0 | 1.0 | 1.0 | L1 | \$3,805-\$5,149 |
| Professional Librarian - PT | 1.0 | 0.0 | 0.0 | L330-378 | \$4,042-\$5,229 |
| Librarian 2 | 0.0 | 4.0 | 4.0 | L2 | \$3,987-\$5,395 |
| Professional Librarian | 4.0 | 0.0 | 0.0 | L330-378 | \$4,042-\$5,229 |
| Librarian 3 | 0.0 | 3.0 | 3.0 | L3 | \$4,440-\$6,008 |
| Professional Librarian | 3.0 | 0.0 | 0.0 | L330-378 | \$4,042-\$5,229 |
| Division Supervisor | 0.0 | 0.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Support and Services Supervisor | 1.0 | 1.0 | 0.0 | S5 | \$3,654-\$4,363 |
| Subtotal Regular Employees | 31.6 | 31.3 | 34.2 | | |
| Temporary Labor | 13.6 | 11.2 | 11.2 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| TOTAL LIBRARY | 45.2 | 42.5 | 45.4 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Non-Uniformed Employee Group</i> | 20.0 | 19.3 | 22.2 | AFSCME 114 | |
| <i>Non-Represented Employee Group</i> | 2.6 | 3.0 | 3.0 | Non-Union | |
| <i>Professional Librarians Employee Group</i> | 8.0 | 8.0 | 8.0 | AFSCME 114L | |
| <i>Supervisor/Professional Employee Group</i> | 1.0 | 1.0 | 1.0 | Teamster 231 | |
| <i>Temporary Labor Employee Group</i> | 13.6 | 11.2 | 11.2 | NU/AFSCME | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| MUSEUM | | | | | |
| Accounting Technician | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Assist. Ed/Public Programs Coordinator | 1.0 | 1.0 | 1.0 | B10 | \$3,190-\$3,886 |
| Custodial Maint. Worker 2 | 1.0 | 1.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Custodial Maint. Worker 1 - PT | 0.1 | 0.5 | 0.5 | B4 | \$2,236-\$2,727 |
| Exhibits Assistant | 1.0 | 1.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Office Assistant 1 - PT LT | 0.0 | 0.0 | 0.5 | B4 | \$2,236-\$2,727 |
| Photo Archive Technician | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Museum Technician - PT | 0.4 | 0.5 | 0.5 | B9 | \$3,008-\$3,657 |
| Office Assistant 3 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Security Information Attendants | 2.1 | 2.1 | 2.2 | B2 | \$1,987-\$2,421 |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | E3-7 | \$3,233-\$3,930 |
| Museum Director | 1.0 | 1.0 | 1.0 | E1-D8+ | \$9,015 |
| Exhibits Designer | 0.0 | 0.0 | 1.0 | S6 | \$3,877-\$4,629 |
| <i>Program Manager 1</i> | <i>1.0</i> | <i>1.0</i> | <i>0.0</i> | <i>S11</i> | <i>\$5,210-\$6,221</i> |
| Museum Curator | 3.5 | 4.0 | 4.0 | S8 | \$4,363-\$5,210 |
| Museum Facilities Manager | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S7 | \$4,113-\$4,911 |
| Subtotal Regular Employees | 16.1 | 17.1 | 17.7 | | |
| Temporary Labor | 1.8 | 2.4 | 2.4 | | |
| TOTAL MUSEUM | 17.9 | 19.5 | 20.1 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Non-Uniformed Employee Group</i> | <i>8.6</i> | <i>9.1</i> | <i>9.7</i> | <i>AFSCME 114</i> | |
| <i>Non-Represented Employee Group</i> | <i>2.0</i> | <i>2.0</i> | <i>2.0</i> | <i>Non-Union</i> | |
| <i>Supervisor/Professional Employee Group</i> | <i>5.5</i> | <i>6.0</i> | <i>6.0</i> | <i>Teamster 231</i> | |
| <i>Temporary Labor Employee Group</i> | <i>1.8</i> | <i>2.4</i> | <i>2.4</i> | <i>Non-Union</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| PLANNING AND COMMUNITY DEVELOPMENT | | | | | |
| Planning: | | | | | |
| Office Assistant 2 | 2.0 | 2.0 | 2.0 | B6 | \$2,514-\$3,068 |
| Secretary 3 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Planning & Comm. Dev. Director | 0.8 | 1.0 | 1.0 | E1-D2 | \$9,429 |
| Program Manager 1 | 0.0 | 0.0 | 1.0 | E3-15 | \$5,154-\$6,265 |
| GIS Specialist | 1.0 | 1.0 | 1.0 | S6+ | \$3,877-\$4,860 |
| GIS Analyst, Senior | 1.0 | 1.0 | 1.0 | S10+ | \$4,911-\$6,157 |
| Planner 1, 2 | 3.0 | 3.0 | 10.0 | S5,8+ | \$3,654-\$5,471 |
| Planner, Senior | 2.0 | 2.0 | 3.0 | S11+ | \$5,210-\$6,532 |
| Program Manager 1 | 0.0 | 0.0 | 1.0 | S11 | \$5,210-\$6,221 |
| <i>Program Specialist</i> | <u>0.0</u> | <u>1.0</u> | <u>0.0</u> | S6 | \$3,877-\$4,629 |
| Subtotal Regular Employees | 10.8 | 12.0 | 21.0 | | |
| Temporary Labor | <u>0.2</u> | <u>0.5</u> | <u>0.5</u> | | |
| Total: | 11.0 | 12.5 | 21.5 | | |
| Neighborhoods and Comm Dev: | | | | | |
| Accounting Assistant 2 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Housing Rehab. Specialist | 1.0 | 1.0 | 1.0 | B12 | \$3,585-\$4,369 |
| Secretary 3 | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Development Specialist 2 | 1.9 | 2.0 | 2.0 | S8 | \$4,363-\$5,210 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Program Specialist | 2.0 | 1.2 | 1.0 | S6 | \$3,877-\$4,629 |
| Program Manager 1 | <u>2.0</u> | <u>2.0</u> | <u>2.0</u> | S11 | \$5,210-\$6,221 |
| Total: | 9.9 | 9.2 | 9.0 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| Development Services: | | | | | |
| Building Inspector 1, 2 | 4.0 | 3.0 | 3.0 | B13,14+ | \$3,810-\$5,162 |
| Electrical Inspector 1, 2, 3 | 2.0 | 3.0 | 3.0 | B14,15,16 | \$4,038-\$5,536 |
| Office Assistant 2 | 3.8 | 3.0 | 3.0 | B6 | \$2,514-\$3,068 |
| Permit Program Systems Administrator | 1.0 | 1.0 | 1.0 | B12 | \$3,585-\$4,369 |
| Permit Technician | 1.7 | 4.0 | 4.0 | B11 | \$3,384-\$4,119 |
| Plans Examiner | 4.0 | 4.0 | 4.0 | B16 | \$4,545-\$5,536 |
| Senior Building Inspector | 1.0 | 1.0 | 1.0 | B16 | \$4,545-\$5,536 |
| Department Manager 2 | 0.0 | 0.0 | 1.0 | E3-18 | \$6,138-\$7,460 |
| <i>Department Manager</i> | <i>0.6</i> | <i>1.0</i> | <i>0.0</i> | <i>S13</i> | <i>\$5,864-\$7,002</i> |
| Department Manager | 1.0 | 1.0 | 1.0 | S13 | \$5,864-\$7,002 |
| Planner 1, 2 | 7.0 | 7.0 | 0.0 | S5,8+ | \$3,654-\$5,471 |
| <i>Planner 1 - LT</i> | <i>1.0</i> | <i>0.0</i> | <i>0.0</i> | <i>S5+</i> | <i>\$3,654-\$4,581</i> |
| Planner, Senior | 1.0 | 1.0 | 0.0 | S11+ | \$5,210-\$6,532 |
| Support and Services Supervisor | 1.0 | 1.0 | 1.0 | S5 | \$3,654-\$4,363 |
| Subtotal Regular Employees | 29.1 | 30.0 | 22.0 | | |
| Temporary Labor | <u>0.0</u> | <u>0.2</u> | <u>0.2</u> | | |
| Total: | 29.1 | 30.2 | 22.2 | | |
| TOTAL PLANNING DEPARTMENT | 50.0 | 51.9 | 52.7 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Non-Uniformed Employee Group</i> | <i>23.5</i> | <i>25.0</i> | <i>25.0</i> | <i>AFSCME 114</i> | |
| <i>Non-Represented Employee Group</i> | <i>0.8</i> | <i>1.0</i> | <i>3.0</i> | <i>Non-Union</i> | |
| <i>Supervisor/Professional Employee Group</i> | <i>25.5</i> | <i>25.2</i> | <i>24.0</i> | <i>Teamster 231</i> | |
| <i>Temporary Labor Employee Group</i> | <i>0.2</i> | <i>0.7</i> | <i>0.7</i> | <i>Non-Union</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| HEARING EXAMINER | | | | | |
| Administrative Assistant | 0.0 | 0.0 | 0.5 | E3-7 | \$3,233-\$3,930 |
| Office Technician | 0.5 | 0.5 | 0.0 | E3-4 | \$2,714-\$3,300 |
| Hearing Examiner | 1.0 | 0.8 | 1.0 | E1-D4 | \$8,981 |
| TOTAL HEARING EXAMINER DEPT. | 1.5 | 1.3 | 1.5 | | |
| STAFFING SUMMARY BY BARGAINING UNIT: | | | | | |
| <i>Non-Represented Employee Group</i> | 1.5 | 1.3 | 1.5 | <i>Non-Union</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| HUMAN RESOURCES DEPARTMENT | | | | | |
| Human Resources: | | | | | |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | E3-7 | \$3,233-\$3,930 |
| Hearing Examiner | 0.0 | 0.2 | 0.0 | E1-D4 | \$8,981 |
| Human Resources Analyst | 3.0 | 2.8 | 3.8 | E3-12 | \$4,327-\$5,259 |
| <i>Human Resources Generalist - LT</i> | <i>0.3</i> | <i>1.0</i> | <i>0.0</i> | <i>E3-10</i> | <i>\$3,851-\$4,681</i> |
| Human Resources Analyst, Senior | 1.0 | 1.0 | 1.0 | E3-14 | \$4,862-\$5,909 |
| Human Resources Director | 1.0 | 1.0 | 1.0 | E1-D6 | \$8,358 |
| Human Resources Generalist | 1.0 | 1.0 | 1.0 | E3-10 | \$3,851-\$4,681 |
| Program Manager 2 | 0.6 | 0.0 | 0.0 | E3-16 | \$5,463-\$6,640 |
| Program Technician | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | E3-9 | \$3,633-\$4,416 |
| Total: | 8.9 | 9.0 | 8.8 | | |
| Payroll: | | | | | |
| Financial Assistant - PT LT | 0.3 | 0.8 | 0.8 | E3-4 | \$2,714-\$3,300 |
| Financial Technician | 1.0 | 1.0 | 1.0 | E3-5 | \$2,877-\$3,498 |
| Financial Technician - LT | 0.2 | 0.5 | 0.5 | E3-5 | \$2,877-\$3,498 |
| <i>Financial Assistant - PT</i> | <i>0.3</i> | <i>0.0</i> | <i>0.0</i> | <i>E3-4</i> | <i>\$2,714-\$3,300</i> |
| HR Analyst | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | E3-12 | \$4,327-\$5,259 |
| Total: | 2.8 | 3.3 | 3.3 | | |
| Benefits: | | | | | |
| Financial Assistant - PT LT | 0.0 | 0.5 | 0.2 | E3-4 | \$2,714-\$3,300 |
| Financial Technician - LT | 0.2 | 0.5 | 0.5 | E3-5 | \$2,877-\$3,498 |
| <i>Financial Assistant - PT</i> | <i>0.1</i> | <i>0.0</i> | <i>0.0</i> | <i>E3-4</i> | <i>\$2,714-\$3,300</i> |
| Human Resources Analyst | 0.0 | 0.2 | 0.2 | E3-12 | \$4,327-\$5,259 |
| Human Resources Analyst, Senior | 1.0 | 1.0 | 1.0 | E3-14 | \$4,862-\$5,909 |
| Office Technician - PT | 0.2 | 0.0 | 0.0 | E3-4 | \$2,714-\$3,300 |
| Program Manager 2 | 0.4 | 0.0 | 0.0 | E3-16 | \$5,463-\$6,640 |
| Program Specialist | 0.4 | 0.0 | 0.0 | E3-10 | \$3,851-\$4,681 |
| Program Technician | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | E3-9 | \$3,633-\$4,416 |
| Total: | 3.3 | 3.2 | 2.9 | | |
| TOTAL HUMAN RESOURCES DEPT. | 15.0 | 15.5 | 15.0 | | |
| STAFFING SUMMARY BY BARGAINING UNIT: | | | | | |
| <i>Non-Represented Employee Group</i> | <i>15.0</i> | <i>15.5</i> | <i>15.0</i> | <i>Non-Union</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| FINANCE DEPARTMENT | | | | | |
| Accounting Assistant 2 | 3.9 | 4.0 | 4.0 | B7 | \$2,673-\$3,254 |
| Accounting Assistant 3 | 1.0 | 1.0 | 1.0 | B8 | \$2,834-\$3,452 |
| Accounting Technician | 3.0 | 3.0 | 3.0 | B9 | \$3,008-\$3,657 |
| City Tax Representative | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Office Assistant 1 - PT | 0.5 | 0.5 | 0.5 | B4 | \$2,236-\$2,727 |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | E3-7 | \$3,233-\$3,930 |
| Budget Manager | 0.0 | 0.0 | 1.0 | E1-A2 | \$7,387 |
| Finance Director | 0.0 | 0.0 | 1.0 | E1-D1 | \$9,854 |
| <i>Finance Director - Elected</i> | <i>1.0</i> | <i>1.0</i> | <i>0.0</i> | <i>E1-E</i> | <i>\$9,003</i> |
| Program Manager 2 | 2.0 | 2.0 | 2.0 | E3-16+ | \$5,463-\$6,972 |
| Program Specialist | 0.0 | 0.0 | 1.0 | E3-10 | \$3,851-\$4,681 |
| Program Technician | 0.0 | 0.0 | 0.8 | E3-9 | \$3,633-\$4,416 |
| Accountant 1, 2 | 2.8 | 3.0 | 4.0 | S7,8+ | \$4,113-\$5,471 |
| <i>Accountant 2</i> | <i>1.0</i> | <i>1.0</i> | <i>0.0</i> | <i>E3-12.1</i> | <i>\$5,311</i> |
| Financial Analyst | 0.6 | 1.0 | 1.0 | S9 | \$4,629-\$5,527 |
| <i>Financial Analyst - PT</i> | <i>0.3</i> | <i>0.0</i> | <i>0.0</i> | <i>S9</i> | <i>\$4,629-\$5,527</i> |
| TOTAL FINANCE | 18.1 | 18.5 | 21.3 | | |
| STAFFING SUMMARY BY BARGAINING UNIT: | | | | | |
| <i>Non-Uniformed Employee Group</i> | <i>9.4</i> | <i>9.5</i> | <i>9.5</i> | <i>AFSCME 114</i> | |
| <i>Non-Represented Employee Group</i> | <i>5.0</i> | <i>5.0</i> | <i>6.8</i> | <i>Non-Union</i> | |
| <i>Supervisor/Professional Employee Group</i> | <i>3.7</i> | <i>4.0</i> | <i>5.0</i> | <i>Teamster 231</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

INFORMATION TECHNOLOGY SERVICES DEPARTMENT

| | | | | | |
|--|-------------|-------------|-------------|-------|-----------------|
| Administrative Secretary | 0.0 | 0.0 | 1.0 | B9 | \$3,008-\$3,657 |
| <i>Office Assistant 2</i> | 1.0 | 1.0 | 0.0 | B6 | \$2,514-\$3,068 |
| Department Computing Specialist 2 | 0.0 | 1.0 | 3.0 | B12 | \$3,585-\$4,369 |
| Network Technician 2 | 1.0 | 1.0 | 1.0 | B10 | \$3,190-\$3,886 |
| Office Assistant 2 | 0.0 | 0.0 | 1.0 | B6 | \$2,514-\$3,068 |
| <i>Data Entry Technician</i> | 1.0 | 1.0 | 0.0 | B5 | \$2,373-\$2,891 |
| Tech. Support & Training Spec. | 3.0 | 4.0 | 5.0 | B14 | \$4,038-\$4,916 |
| <i>Department Computing Specialist 2</i> | 0.0 | 1.0 | 0.0 | B12 | \$3,585-\$4,369 |
| Department Manager 1 | 0.0 | 0.0 | 1.0 | E3-17 | \$5,791-\$7,039 |
| <i>Applications and Web Manager</i> | 0.0 | 1.0 | 0.0 | S13 | \$5,864-\$7,002 |
| Information Tech. Serv. Director | 1.0 | 1.0 | 1.0 | E1-D3 | \$9,273 |
| Program Manager 2 | 0.1 | 0.1 | 0.1 | E3-16 | \$5,463-\$6,640 |
| Database Administrator | 0.0 | 1.0 | 1.0 | S10+ | \$4,911-\$6,157 |
| <i>Systems Analyst 3</i> | 1.0 | 0.0 | 0.0 | S10 | \$4,911-\$5,864 |
| Network Administrator | 1.0 | 1.0 | 1.0 | S11+ | \$5,210-\$6,532 |
| Network Analyst | 0.0 | 0.8 | 1.0 | S9 | \$4,629-\$5,527 |
| Program Manager 1 | 0.8 | 1.0 | 1.0 | S11 | \$5,210-\$6,221 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Systems Analyst 2 | 2.8 | 3.5 | 6.0 | S10+ | \$4,911-\$6,157 |
| <i>Network Administrator</i> | 0.6 | 0.6 | 0.0 | S11+ | \$5,210-\$6,532 |
| <i>Web Systems Analyst</i> | 0.0 | 1.0 | 0.0 | S9 | \$4,629-\$5,527 |
| <i>Tech. Support Applications Spec</i> | 1.0 | 0.0 | 0.0 | B15 | \$4,283-\$5,220 |
| Subtotal Regular Employees | 15.3 | 21.0 | 24.1 | | |
| Temporary Labor | 0.6 | 0.8 | 1.0 | | |
| TOTAL INFO TECH SERVICES DEPT. | 15.9 | 21.8 | 25.1 | | |

STAFFING SUMMARY BY BARGAINING UNIT:

| | | | | |
|---|-----|------|------|--------------|
| <i>Non-Uniformed Employee Group</i> | 7.0 | 9.0 | 11.0 | AFSCME 114 |
| <i>Non-Represented Employee Group</i> | 1.1 | 1.1 | 2.1 | Non-Union |
| <i>Supervisor/Professional Employee Group</i> | 7.2 | 10.9 | 11.0 | Teamster 231 |
| <i>Temporary Labor Employee Group</i> | 0.6 | 0.8 | 1.0 | Non-Union |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| LEGAL DEPARTMENT | | | | | |
| Assistant City Attorney | 2.0 | 2.0 | 2.0 | E3-14 | \$4,862-\$5,909 |
| Assistant City Attorney, Senior | 4.3 | 5.0 | 5.0 | E3-18+ | \$6,138-\$7,833 |
| City Attorney | 1.0 | 1.0 | 1.0 | E1-D1 | \$9,854 |
| Legal Administrative Assistant | 1.0 | 1.0 | 1.0 | E3-9 | \$3,633-\$4,416 |
| Office Technician | 2.0 | 2.0 | 2.0 | E3-4 | \$2,714-\$3,300 |
| Program Specialist | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | E3-10 | \$3,851-\$4,681 |
| Subtotal Regular Employees | 11.3 | 12.0 | 12.0 | | |
| Temporary Labor | 0.0 | 0.1 | 0.4 | | |
| TOTAL LEGAL | 11.3 | 12.1 | 12.4 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Non-Represented Employee Group</i> | <i>11.3</i> | <i>12.0</i> | <i>12.0</i> | <i>Non-Union</i> | |
| <i>Temporary Labor Employee Group</i> | <i>0.0</i> | <i>0.1</i> | <i>0.4</i> | <i>Non-Union</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| EXECUTIVE DEPARTMENT | | | | | |
| Administrative Secretary | 0.0 | 0.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Administrative Assistant | 0.0 | 0.0 | 1.5 | E3-7 | \$3,233-\$3,930 |
| <i>Office Technician</i> | 0.9 | 1.0 | 0.0 | E3-4 | \$2,714-\$3,300 |
| <i>Office Technician - PT</i> | 0.5 | 0.5 | 0.0 | E3-4 | \$2,714-\$3,300 |
| Budget Manager | 0.8 | 1.0 | 0.0 | E1-A2 | \$7,387 |
| Chief Administrative Officer | 1.0 | 1.0 | 1.0 | E1-D1 | \$9,854 |
| Executive Assistant | 1.0 | 1.0 | 1.0 | E3-9 | \$3,633-\$4,416 |
| Government Relations Director | 0.2 | 0.2 | 0.0 | E1-A | \$7,532 |
| Mayor | 1.0 | 1.0 | 1.0 | E1-E2 | \$10,150 |
| Office Assistant - PT | 0.2 | 0.0 | 0.0 | E3-3 | \$2,560-\$3,111 |
| Program Manager 1 | 0.0 | 0.0 | 1.0 | E3-15 | \$5,154-\$6,265 |
| <i>Program Manager 2 - LT</i> | 0.4 | 0.6 | 0.0 | E3-16 | \$5,463-\$6,640 |
| Program Manager 2 | 0.0 | 0.9 | 0.9 | E3-16 | \$5,463-\$6,640 |
| <i>Program Manager 1</i> | 0.9 | 0.0 | 0.0 | E3-15 | \$5,154-\$6,265 |
| Program Specialist | 1.0 | 1.0 | 0.0 | E3-10 | \$3,851-\$4,681 |
| Program Technician | 0.7 | 0.7 | 0.0 | E3-9 | \$3,633-\$4,416 |
| Lake Whatcom Management Staff | 0.0 | 0.0 | 4.0 | E | Not Yet Classified |
| Waterfront Redevelopment Manager | 0.0 | 1.0 | 1.0 | E3-21 | \$7,310-\$8,886 |
| Subtotal Regular Employees | 8.6 | 9.9 | 12.4 | | |
| Temporary Labor | 0.1 | 0.1 | 0.0 | | |
| TOTAL EXECUTIVE | 8.7 | 10.0 | 12.4 | | |
| STAFFING SUMMARY BY BARGAINING UNIT: | | | | | |
| <i>Non-Uniformed Employee Group</i> | 0.0 | 0.0 | 1.0 | AFSCME 114 | |
| <i>Non-Represented Employee Group</i> | 8.6 | 9.9 | 11.4 | Non-Union | |
| <i>Temporary Labor Employee Group</i> | 0.1 | 0.1 | 0.0 | Non-Union | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

| LEGISLATIVE | | | | | |
|---|------------|------------|------------|------------------|-----------------|
| Council Members | 7.0 | 7.0 | 7.0 | E1-E1 | \$1,682 |
| Executive Assistant | 1.0 | 1.0 | 1.0 | E3-9 | \$3,633-\$4,416 |
| Program Specialist | 0.0 | 0.0 | 1.0 | E3-10 | \$3,851-\$4,681 |
| Subtotal Regular Employees | 8.0 | 8.0 | 9.0 | | |
| Temporary Labor | 0.6 | 0.7 | 0.3 | | |
| TOTAL LEGISLATIVE | 8.6 | 8.7 | 9.3 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Council Members</i> | <i>7.0</i> | <i>7.0</i> | <i>7.0</i> | <i>Elected</i> | |
| <i>Non-Represented Employee Group</i> | <i>1.0</i> | <i>1.0</i> | <i>2.0</i> | <i>Non-Union</i> | |
| <i>Temporary Labor Employee Group</i> | <i>0.6</i> | <i>0.7</i> | <i>0.3</i> | <i>Non-Union</i> | |

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

| PUBLIC FACILITIES DISTRICT | | | | | |
|---|------------|------------|------------|------------------|-----------------|
| Administrative Assistant | 0.5 | 0.5 | 0.5 | E3-7 | \$3,233-\$3,930 |
| Public Facilities District Manager | 0.5 | 0.5 | 0.0 | E1-A | \$7,458 |
| TOTAL PUBLIC FACILITIES DEPT. | 1.0 | 1.0 | 0.5 | | |
| <i>STAFFING SUMMARY BY BARGAINING UNIT:</i> | | | | | |
| <i>Non-Represented Employee Group</i> | <i>1.0</i> | <i>1.0</i> | <i>0.5</i> | <i>Non-Union</i> | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---|----------------|-----------------|-----------------|----------------------|----------------------------|
| PUBLIC WORKS | | | | | |
| P.W. Administration: | | | | | |
| Administrative Secretary | 0.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Office Assistant 3 | 1.0 | 0.0 | 0.0 | B7 | \$2,673-\$3,254 |
| Office Assistant 2 | 1.0 | 1.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Assistant City Attorney, Senior - PT | 0.5 | 0.5 | 0.5 | E3-18+ | \$6,138-\$7,833 |
| Director of Public Works | 1.0 | 1.0 | 1.0 | E1-D1 | \$9,854 |
| Program Specialist | 1.0 | 1.0 | 1.0 | E3-10 | \$3,851-\$4,681 |
| Program Specialist | <u>0.0</u> | <u>0.0</u> | <u>1.0</u> | S6 | \$3,877-\$4,629 |
| Total: | 4.5 | 4.5 | 5.5 | | |
| Maintenance Administration: | | | | | |
| Administrative Secretary | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Office Assistant 2 | 2.0 | 2.0 | 2.0 | B6 | \$2,514-\$3,068 |
| Safety Specialist | 1.0 | 1.0 | 1.0 | B14 | \$4,038-\$4,916 |
| Assistant Director | 1.0 | 1.0 | 1.0 | E3-20+ | \$6,896-\$8,801 |
| Subtotal Regular Employees | 5.0 | 5.0 | 5.0 | | |
| Temporary Labor | <u>0.2</u> | <u>0.0</u> | <u>0.0</u> | | |
| Total: | 5.2 | 5.0 | 5.0 | | |
| Environmental Resources: | | | | | |
| Ed Programs/Activities Coordinator | 1.0 | 1.0 | 1.0 | B10 | \$3,190-\$3,886 |
| Engineering Technician - LT | 1.0 | 0.0 | 0.0 | B11 | \$3,384-\$4,119 |
| Resource Conservation Mgmt Assistant LT | 0.0 | 0.0 | 1.0 | B4 | \$2,236-\$2,727 |
| Program Manager 2 | 1.0 | 1.0 | 1.0 | E3-16 | \$5,463-\$6,640 |
| Program Coordinator | 1.4 | 1.0 | 1.6 | S8 | \$4,363-\$5,210 |
| Program Coordinator - PT Job Share | 0.3 | 0.5 | 0.2 | S8 | \$4,363-\$5,210 |
| Program Coordinator - PT Job Share LT | 0.3 | 0.5 | 0.2 | S8 | \$4,363-\$5,210 |
| Program Specialist | <u>1.0</u> | <u>1.0</u> | <u>0.0</u> | S6 | \$3,877-\$4,629 |
| Subtotal Regular Employees | 6.0 | 5.0 | 5.0 | | |
| Temporary Labor | <u>1.2</u> | <u>2.9</u> | <u>2.9</u> | | |
| Total: | 7.2 | 7.9 | 7.9 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|--|----------------|-----------------|-----------------|----------------------|----------------------------|
| PUBLIC WORKS - continued | | | | | |
| Treatment Plants: | | | | | |
| Incinerator Operator 1 | 3.0 | 3.0 | 3.0 | B14 | \$4,038-\$4,916 |
| Lab Technician | 4.0 | 4.0 | 4.0 | B12 | \$3,585-\$4,369 |
| Maintenance Tech. & Maint. Spec. | 10.0 | 10.0 | 10.0 | B14,16 | \$4,038-\$5,536 |
| Plant Operator OIT, 1 & 2 | 7.0 | 7.0 | 7.0 | B12,15,16 | \$3,585-\$5,536 |
| Utility Worker 1 & 2, Skilled Worker 1 | 4.0 | 4.0 | 4.0 | B8,9,10 | \$2,834-\$3,886 |
| Department Manager 2 | 0.0 | 0.0 | 1.0 | E3-18 | \$6,138-\$7,460 |
| <i>Department Manager 1</i> | <i>1.0</i> | <i>1.0</i> | <i>0.0</i> | <i>E3-17</i> | <i>\$5,791-\$7,039</i> |
| Program Manager 1 | 4.0 | 4.0 | 4.0 | S11 | \$5,210-\$6,221 |
| Water Quality Specialist | 0.0 | 0.0 | 2.0 | S9+ | \$4,629-\$5,803 |
| <i>Laboratory Analyst</i> | <i>2.0</i> | <i>2.0</i> | <i>0.0</i> | <i>S7</i> | <i>\$4,113-\$4,911</i> |
| Subtotal Regular Employees | 35.0 | 35.0 | 35.0 | | |
| Temporary Labor | <u>4.3</u> | <u>4.0</u> | <u>4.4</u> | | |
| Total: | 39.3 | 39.0 | 39.4 | | |
| Utilities: | | | | | |
| Utility Worker 1, 2 | 5.0 | 8.0 | 4.0 | B8,9 | \$2,834-\$3,657 |
| Utility Worker 1, 2; Skilled Worker 1, 2 | 9.0 | 9.0 | 9.0 | B8,9,10,11 | \$2,834-\$4,119 |
| Water Distribution Specialist 2, 3, 4, 5 | 15.0 | 13.0 | 18.0 | B9,10,11,13 | \$3,008-\$4,636 |
| Associate Utility Engineer | 1.0 | 1.0 | 1.0 | S9 | \$4,629-\$5,527 |
| Division Supervisor | 3.0 | 3.0 | 3.0 | S8 | \$4,363-\$5,210 |
| Program Specialist | 0.0 | 0.0 | 1.0 | S6 | \$3,877-\$4,629 |
| <i>Program Specialist - PT</i> | <i>0.5</i> | <i>0.5</i> | <i>0.0</i> | <i>S6</i> | <i>\$3,877-\$4,629</i> |
| Subtotal Regular Employees | 33.5 | 34.5 | 36.0 | | |
| Temporary Labor | <u>0.9</u> | <u>2.9</u> | <u>2.9</u> | | |
| Total: | 34.4 | 37.4 | 38.9 | | |
| Maintenance: | | | | | |
| Litter Compliance Officer | 0.9 | 1.0 | 1.0 | B11 | \$3,384-\$4,119 |
| Utility Worker 1, 2; Skilled Worker 1, 2 | 18.3 | 19.0 | 19.0 | B8,9,10,11 | \$2,834-\$4,119 |
| Department Manager 2 | 0.0 | 1.0 | 1.0 | E3-18 | \$6,138-\$7,460 |
| <i>Department Manager 1</i> | <i>0.8</i> | <i>0.0</i> | <i>0.0</i> | <i>E3-17</i> | <i>\$5,791-\$7,039</i> |
| Division Supervisor | <u>2.0</u> | <u>2.0</u> | <u>2.0</u> | S8 | \$4,363-\$5,210 |
| Subtotal Regular Employees | 22.0 | 23.0 | 23.0 | | |
| Temporary Labor | <u>1.4</u> | <u>1.8</u> | <u>1.8</u> | | |
| Total: | 23.4 | 24.8 | 24.8 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

PUBLIC WORKS - continued

| | | | | | |
|---|-------------|-------------|-------------|------------|------------------------|
| Purchasing & Materials Management: | | | | | |
| Buyer | 1.8 | 2.0 | 2.0 | B11 | \$3,384-\$4,119 |
| Lead Buyer | 0.0 | 0.0 | 1.0 | B16 | \$4,545-\$5,536 |
| <i>Lead Buyer</i> | <i>0.7</i> | <i>1.0</i> | <i>0.0</i> | <i>B14</i> | <i>\$4,038-\$4,916</i> |
| Warehouse Worker | 3.0 | 3.0 | 3.0 | B10 | \$3,190-\$3,886 |
| Department Manager 1 | 1.0 | 1.0 | 1.0 | E3-17 | \$5,791-\$7,039 |
| Division Supervisor | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S8 | \$4,363-\$5,210 |
| Subtotal Regular Employees | 7.5 | 8.0 | 8.0 | | |
| Temporary Labor | 0.1 | 0.4 | 0.4 | | |
| Total: | 7.6 | 8.4 | 8.4 | | |
| Financial Management: | | | | | |
| Accounting Assistant 2 | 2.9 | 3.0 | 3.0 | B7 | \$2,673-\$3,254 |
| Accounting Assistant 2 - LT | 0.0 | 0.0 | 0.7 | B7 | \$2,673-\$3,254 |
| Contract Accounting Specialist | 2.0 | 2.0 | 2.0 | B11 | \$3,384-\$4,119 |
| Financial Services Supervisor | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S8+ | \$4,363-\$5,471 |
| Subtotal Regular Employees | 5.9 | 6.0 | 6.7 | | |
| Temporary Labor | <u>0.0</u> | <u>0.1</u> | <u>0.1</u> | | |
| Total: | 5.9 | 6.1 | 6.8 | | |
| Supervision & Technology: | | | | | |
| Dept. Computing Specialist 2 | 2.0 | 2.0 | 0.0 | B12 | \$3,585-\$4,369 |
| Operations Data Assistant | 1.0 | 1.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Associate Engineering Technician - LT | 0.0 | 0.2 | 0.0 | B9 | \$3,008-\$3,657 |
| <i>Engineering Technician - LT</i> | <i>1.0</i> | <i>0.0</i> | <i>0.0</i> | <i>B11</i> | <i>\$3,384-\$4,119</i> |
| Engineering Technician | 1.4 | 2.0 | 3.0 | B11 | \$3,384-\$4,119 |
| <i>Data Services Assistant</i> | <i>0.6</i> | <i>1.0</i> | <i>0.0</i> | <i>B9</i> | <i>\$3,008-\$3,657</i> |
| Office Assistant 2 | 1.0 | 1.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Senior Surveyor | 1.0 | 1.0 | 1.0 | B12 | \$3,585-\$4,369 |
| Service Representative 1, 2 | 3.0 | 3.0 | 3.0 | B8,10 | \$2,834-\$3,886 |
| Division Supervisor | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| GIS Analyst, Senior | 2.0 | 2.0 | 2.0 | S10+ | \$4,911-\$6,157 |
| GIS Specialist | 2.0 | 2.0 | 2.0 | S6+ | \$3,877-\$4,860 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Program Manager 2 | 1.0 | 1.0 | 1.0 | S12 | \$5,527-\$6,600 |
| Systems Analyst 1 | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S8+ | \$4,363-\$5,471 |
| Subtotal Regular Employees | 19.0 | 19.2 | 17.0 | | |
| Temporary Labor | <u>0.5</u> | <u>1.4</u> | <u>1.5</u> | | |
| Total: | 19.5 | 20.6 | 18.5 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

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* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

PUBLIC WORKS - continued

| | | | | | |
|-----------------------------------|-------------|-------------|-------------|--------------|------------------------|
| Fleet Administration: | | | | | |
| Fleet Maint. Mechanic 3, 4 | 5.0 | 5.0 | 5.0 | B12,13 | \$3,585-\$4,636 |
| Fleet Maint. Mechanic 5 | 2.0 | 2.0 | 2.0 | B14 | \$4,038-\$4,916 |
| Division Supervisor | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S8 | \$4,363-\$5,210 |
| Subtotal Regular Employees | 8.0 | 8.0 | 8.0 | | |
| Temporary Labor | <u>0.0</u> | <u>0.3</u> | <u>0.3</u> | | |
| Total: | 8.0 | 8.3 | 8.3 | | |
| Facilities: | | | | | |
| Custodial Maint. Worker 1 | 10.0 | 10.0 | 10.0 | B4 | \$2,236-\$2,727 |
| Custodial Maint. Worker 1 - PT | 0.4 | 0.5 | 0.5 | B4 | \$2,236-\$2,727 |
| Custodial Maint. Worker 2 | 0.0 | 1.0 | 1.0 | B6 | \$2,514-\$3,068 |
| Custodial Maint. Worker Lead | 0.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Maintenance Worker 3 | 3.0 | 3.0 | 3.0 | B10 | \$3,190-\$3,886 |
| Program Manager 1 | 1.0 | 1.0 | 1.0 | S11 | \$5,210-\$6,221 |
| Total: | 14.4 | 16.5 | 16.5 | | |
| Engineering: | | | | | |
| Administrative Secretary | 0.0 | 1.0 | 0.0 | B9 | \$3,008-\$3,657 |
| Engineering Assistant | 2.0 | 2.0 | 2.0 | B14 | \$4,038-\$4,916 |
| Engineering Technician | 1.8 | 2.0 | 2.0 | B11 | \$3,384-\$4,119 |
| Project Records Coordinator | 1.0 | 1.0 | 1.0 | B10 | \$3,190-\$3,886 |
| Senior Construction Inspector | 3.0 | 3.0 | 3.0 | B13 | \$3,810-\$4,636 |
| Senior Permits Reviewer | 2.0 | 2.0 | 2.0 | B13 | \$3,810-\$4,636 |
| Assistant Director | 1.0 | 2.0 | 2.0 | E3-20+ | \$6,896-\$8,801 |
| Department Manager 2 | 0.0 | 2.0 | 2.0 | E3-18 | \$6,138-\$7,460 |
| <i>Department Manager 1</i> | <i>2.0</i> | <i>0.0</i> | <i>0.0</i> | <i>E3-17</i> | <i>\$5,791-\$7,039</i> |
| Government Relations Director | 0.8 | 0.8 | 0.0 | E1-A | \$7,532 |
| Division Supervisor | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Planner 2 | 0.0 | 0.0 | 1.0 | S8+ | \$4,363-\$5,471 |
| Program Specialist | 0.6 | 1.0 | 1.0 | S6 | \$3,877-\$4,629 |
| Project Engineer | 6.0 | 6.0 | 5.0 | S12+ | \$5,527-\$6,930 |
| Project Engineer - LT | <u>0.0</u> | <u>1.0</u> | <u>0.8</u> | S12+ | \$5,527-\$6,930 |
| Subtotal Regular Employees | 21.2 | 24.8 | 22.8 | | |
| Temporary Labor | <u>0.4</u> | <u>1.0</u> | <u>1.5</u> | | |
| Total: | 21.6 | 25.8 | 24.3 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

PUBLIC WORKS - continued

| Transportation: | | | | | |
|--------------------------------------|-------------|-------------|-------------|--------|-----------------|
| Accounting Assistant 3 | 0.2 | 1.0 | 1.0 | B8 | \$2,834-\$3,452 |
| <i>Office Assistant 3</i> | 0.8 | 0.0 | 0.0 | B7 | \$2,673-\$3,254 |
| Associate Engineering Technician | 1.0 | 1.0 | 1.0 | B9 | \$3,008-\$3,657 |
| Custodial Maintenance Worker 2 | 1.0 | 0.0 | 0.0 | B6 | \$2,514-\$3,068 |
| Custodian/Parking Meter Collector | 1.0 | 1.0 | 2.0 | B6 | \$2,514-\$3,068 |
| Electronics Tech, Electronics Spec | 4.0 | 4.0 | 5.0 | B12,15 | \$3,585-\$5,220 |
| Office Assistant 1 | 0.5 | 0.0 | 0.0 | B4 | \$2,236-\$2,727 |
| Parking Meter Mechanic | 1.0 | 1.0 | 1.0 | B7 | \$2,673-\$3,254 |
| Parking Systems Security | 0.0 | 0.0 | 1.0 | B1 | \$1,870-\$2,281 |
| <i>Parking Systems Security - PT</i> | 0.6 | 1.2 | 0.0 | B1 | \$1,870-\$2,281 |
| Secretary 3 | 0.0 | 0.0 | 1.0 | B7 | \$2,673-\$3,254 |
| <i>Office Assistant 2</i> | 0.0 | 1.0 | 0.0 | B6 | \$2,514-\$3,068 |
| Signal Systems Specialist | 1.0 | 1.0 | 1.0 | B15 | \$4,283-\$5,220 |
| Skilled Worker 2 | 1.0 | 2.0 | 2.0 | B11 | \$3,384-\$4,119 |
| Utility 2, Skilled Worker 1 | 3.5 | 3.0 | 3.0 | B9,10 | \$3,008-\$3,886 |
| Department Manager 2 | 0.0 | 0.0 | 1.0 | E3-18 | \$6,138-\$7,460 |
| <i>Department Manager 1</i> | 1.0 | 1.0 | 0.0 | E3-17 | \$5,791-\$7,039 |
| Division Supervisor | 1.0 | 1.0 | 1.0 | S8 | \$4,363-\$5,210 |
| Program Manager 1 | 0.5 | 1.0 | 1.0 | S11 | \$5,210-\$6,221 |
| <i>Program Coordinator</i> | 0.5 | 0.0 | 0.0 | S8 | \$4,363-\$5,210 |
| Traffic Operations Engineer | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S10 | \$4,911-\$5,864 |
| Subtotal Regular Employees | 19.6 | 20.2 | 22.0 | | |
| Temporary Labor | <u>2.4</u> | <u>3.7</u> | <u>3.8</u> | | |
| Total: | 22.0 | 23.9 | 25.8 | | |
| Storm & Surface: | | | | | |
| Engineering Technician | 1.0 | 1.0 | 1.0 | B11 | \$3,384-\$4,119 |
| Senior Surface Water Technician | 1.0 | 1.0 | 1.0 | B12 | \$3,585-\$4,369 |
| GIS Specialist - LT | 0.5 | 0.0 | 0.0 | S6+ | \$3,877-\$4,860 |
| Program Manager 2 | 1.0 | 1.0 | 1.0 | S12 | \$5,527-\$6,600 |
| Utility Engineer | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S10 | \$4,911-\$5,864 |
| Subtotal Regular Employees | 4.5 | 4.0 | 4.0 | | |
| Temporary Labor | <u>1.6</u> | <u>1.5</u> | <u>3.1</u> | | |
| Total: | 6.1 | 5.5 | 7.1 | | |

Budgeted Positions (continued)

(INCLUDES NEW AND RECLASSIFIED POSITIONS FOR 2008 AT PROPOSED LEVEL.
FINAL CLASSIFICATION TO BE DETERMINED BY HUMAN RESOURCES.)

Note: Discrepancies of .1 may occur due to rounding of partial FTEs (full time equivalents)

* = Last approved rate; 2008 salary plan not yet available.

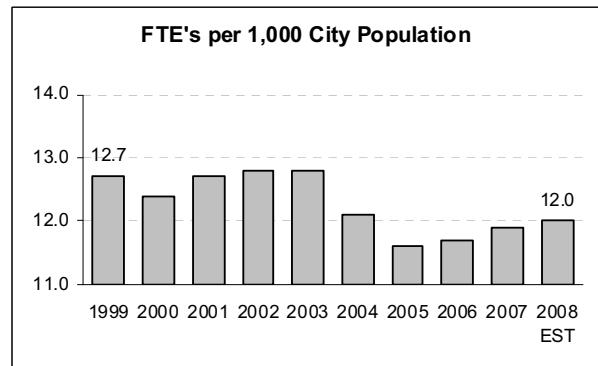
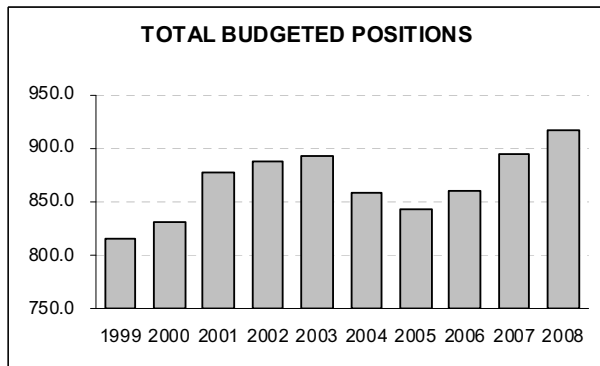
| DEPARTMENT/DIVISION | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 | Salary Plan/Grade | Monthly Salary Range |
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|
|---------------------|----------------|-----------------|-----------------|----------------------|----------------------------|

| PUBLIC WORKS - continued | | | | | |
|---|--------------|--------------|--------------|--------------|-----------------|
| Property Acquisition & Facilities Mgmt.: | | | | | |
| Property Acquisition Specialist | 1.0 | 1.0 | 1.0 | B14 | \$4,038-\$4,916 |
| Program Manager 1 | <u>1.0</u> | <u>1.0</u> | <u>1.0</u> | S11 | \$5,210-\$6,221 |
| Total: | 2.0 | 2.0 | 2.0 | | |
| TOTAL PUBLIC WORKS | 221.1 | 235.7 | 239.2 | | |
| STAFFING SUMMARY BY BARGAINING UNIT: | | | | | |
| <i>Non-Uniformed Employee Group</i> | 154.9 | 160.4 | 161.2 | AFSCME 114 | |
| <i>Non-Represented Employee Group</i> | 12.1 | 13.3 | 12.5 | Non-Union | |
| <i>Supervisor/Professional Employee Group</i> | 41.1 | 42.0 | 42.8 | Teamster 231 | |
| <i>Temporary Labor Employee Group</i> | 13.0 | 20.0 | 22.7 | Non-Union | |

| | ACTUAL 2006 | ADOPTED 2007 | ADOPTED 2008 |
|--------------------------------|----------------|-----------------|-----------------|
| GRAND TOTAL - CITY-WIDE | 833.6 | 893.7 | 916.3 |

**10 YEAR HISTORY OF BUDGETED POSITIONS IN FULL TIME EQUIVALENTS
FROM ADOPTED BUDGETS**

| Employee Group | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Elected Mayor (and Finance Director through 2007) | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 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 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Non-Represented Employee Grp | 66.3 | 69.1 | 75.9 | 75.6 | 78.6 | 77.4 | 77.1 | 79.9 | 83.9 | 90.8 |
| Supervisors and Professionals | 79.6 | 81.0 | 90.9 | 94.3 | 100.6 | 101.7 | 104.9 | 103.4 | 108.6 | 107.8 |
| Professional Librarians | 9.1 | 9.1 | 9.3 | 9.3 | 8.3 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| Emergency Med Svcs Dispatch | 0.0 | 0.0 | 10.0 | 11.0 | 11.0 | 11.0 | 12.0 | 12.0 | 12.0 | 13.0 |
| Fire Supervisors | 7.0 | 8.0 | 8.0 | 8.0 | 8.0 | 7.3 | 7.0 | 8.0 | 8.0 | 8.0 |
| Firefighters | 116.0 | 117.0 | 120.8 | 128.7 | 129.7 | 129.3 | 122.5 | 126.0 | 132.0 | 135.0 |
| Police | 93.0 | 97.0 | 97.0 | 98.0 | 98.0 | 95.4 | 95.1 | 100.0 | 102.0 | 102.0 |
| WHAT COMM Dispatch | 0.0 | 0.0 | 0.0 | 0.0 | 23.0 | 23.0 | 23.0 | 23.0 | 26.0 | 26.0 |
| Non-Uniformed | 371.9 | 381.2 | 387.3 | 379.1 | 355.7 | 334.4 | 323.5 | 327.3 | 336.5 | 352.1 |
| TOTAL REGULAR | 751.9 | 771.4 | 808.2 | 814.0 | 822.9 | 797.5 | 783.1 | 797.6 | 827.0 | 851.7 |
| Temporary Labor | 63.1 | 58.8 | 69.0 | 73.4 | 69.1 | 60.9 | 59.2 | 62.2 | 66.6 | 64.6 |
| TOTAL PAID WORKFORCE | 815.0 | 830.2 | 877.2 | 887.4 | 892.0 | 858.4 | 842.3 | 859.8 | 893.6 | 916.3 |



Source for population estimates – State of Washington Office of Financial Management

Significant Changes to Budgeted Positions by Year

General Comment: In some years an increase in FTEs in an employee group is not an increase in total City employees, but a transfer from another group.

2008 4.0 new positions were added to facilitate management of the Lake Whatcom Watershed to help stabilize water quality levels. 3.0 positions were added in the Medic One group to ensure the appropriate level of service as agreed to in the County-wide Emergency Medical Service Plan. The Police Department is added 1.4 positions in the Records function to ensure the mandated 3-day turnaround time is met. The Library added 1.5 positions to serve increasing circulation needs. 1.0 position was added in the Legislative Department to assist with analysis. 0.7 positions were added in Judicial & Support Services to assist with an increase in parking citations and public records requests. Planning & Community Development

added 0.5 positions to assist with planning and economic development. The Public Works Department added 4.5 positions, which include a Parking Meter Collector to keep up with demand, Conservation Specialists to ensure efficient and appropriate usage of resources, a Utility Locator to meet State standards and an Accounting Assistant to assist with time keeping functions. The remaining increase of 6.1 is the result of increases in temporary labor and an increase in new positions from 2007 that were budgeted as mid-year hires in 2007 but will now be budgeted for the entire year. Lastly, though it does not impact the overall staff count, the Finance Director will no longer be an elected position.

- 2007** In order to meet the City's needs for its growing technology infrastructure, 4.0 new positions were added in the Information Technology Services Department for 2007. Public safety concerns were addressed by the addition of 3.0 new Firefighters for the relief pool, and 1.0 new Firefighter and 1.0 Assistant Fire Chief for the new Division of Emergency Management. In addition, 2.0 Police Sergeants, 3.0 WhatComm Dispatchers and 1.0 Court Process Specialist were added to better respond to needs resulting from increased call volume and to provide for a related increase in workload for Municipal Court Services. The Park Department added 1.0 new Park Technician to help maintain an increasing number of Park facilities, and a .75 FTE Park Maintenance Aide to support volunteer efforts critical to the maintenance of open space areas and site restorations. Public Works increased its regular staff by 1.0 new Custodial Maintenance Worker Lead to oversee custodial crews which will allow other staff to complete facilities capital maintenance projects. The 2007 budget also includes a 4.0 FTE increase in Public Works temporary labor. It should also be noted that an additional net increase of 4.0 positions resulted from budget amendments adopted during 2006 and the end of limited terms for some positions which were approved for a specific period of time.
- 2006** The 2006 budget includes 10.5 net new positions. Another 4.5 positions were not reduced in the 2005 budget due to the extension of the agreement with the County to continue Medic 3 service, pending a long-term funding solution. New positions include five new Police Officers, one City Attorney in the Prosecutor's Office, one Project Engineer for Parks, three Utility Workers in Public Works, and .5 Office Technician in the Executive Department. The Parks Department also increased most of their seasonal temporary labor from eight months to nine months to meet increased demand for park maintenance.

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BUDGET GLOSSARY OF TERMS AND ACRONYMS

ADA: Americans with Disabilities Act

Accounting System: The set of records and procedures that are used to record, classify, and report information on the financial status and operations of an entity.

Accrual Basis of Accounting: Under this accounting method, revenues and expenditures are recorded in the periods in which these transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid. Enterprise and Internal Services Funds use the accrual basis of accounting.

AFSCME: American Federation of State, County and Municipal Employees

Appropriation: Money set aside (as by a legislative body) for a specific purpose.

Assessed Valuation: The estimated value placed upon real and personal property by the County Assessor as the basis for levying property taxes.

BARS: The prescribed Budgeting, Accounting, Reporting System required for all governmental entities in the State of Washington.

Balanced Budget: A balanced budget is one in which the estimated expenditures appropriated for the budget year do not exceed the total of the estimated revenues for the budget year plus the unencumbered fund balances at the close of the fiscal year preceding the budget year.

Benefits: See "Expenditures."

Blended Component Unit: See "Component Unit."

Bond: (Debt Instrument) A written promise to pay a specified sum of money at a specified future date along with periodic interest paid at a specified interest rate. Bonds are typically used to pay for specific capital expenditures.

General Obligation (GO) Bonds: Bonds for which the full faith and credit of the insuring government are pledged for payment. There are two types:

Unlimited Tax GO (UTGO) Bonds: Funds to pay for debt cost come from voted property tax levy.

Limited Tax GO (LTGO) Bonds: Funds to pay for debt cost come from the General Fund at existing property tax levels.

Revenue Bonds: Bonds issued pledging future revenues, such as water charges, to cover debt payments.

Special Assessment Bonds: Bonds payable from the proceeds of special assessments, such as local improvement districts (LID).

Budget Message: A written explanation from the Mayor of principal budget and policy issues and an overview of the Mayor's budget recommendations.

CAFR: The Comprehensive Annual Financial Report is the official financial report of a government, including the State Auditor's audit opinion, basic financial statements, and supporting schedules necessary to demonstrate compliance with finance related legal and contractual provisions.

CAO: Chief Administrative Officer

Capital Assets: Assets of significant value, which have a useful life of several years.

Capital Facilities Plan (CFP): A planning document required by the Growth Management Act which addresses capital projects and anticipated sources of funding over a six-year period.

Capital Outlay: See "Expenditures."

CBD: Central Business District

CDBG: Community Development Block Grant

Component Unit: A legally separate organization for which the elected official of the primary government are financially accountable or where the nature and significance of their relationship with the primary government are such the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended Component Unit: Component units that are so intertwined with the primary government that they are, in substance, the same as the primary government. The fund types and account groups of the component unit should be blended with those of the primary government by including them in the appropriate combining statements of the primary government.

Discrete Component Unit: Component units that do not meet any of criteria of:

- 1) being substantively governed by the same body as the primary government
- 2) exclusively or almost exclusively providing services to or otherwise directly benefiting the primary government
- 3) exclusively or almost exclusively providing services to that indirectly benefit the primary government (such as those that benefit an employee group)

A discretely presented component unit is reported in a separate column from the financial data of the primary government in the reporting entity's combined financial statements.

CPI: The Consumer Price Index is a statistic tracked by the US Dept of Labor, Bureau of Labor Statistics that measures the movement of prices of goods and services bought for consumption purposes by households. CPI is commonly used as a measure of inflation and for evaluating wages and pensions.

Debt: An obligation resulting from the borrowing of money or from the purchase of goods and services. Debt of governments includes bonds, time warrants and notes.

Debt Service: See “Expenditures.”

Department: Basic organizational unit of City government responsible for carrying out specific functions.

Distinct Component Unit: See “Component Unit.”

Enterprise Fund: See “Proprietary Funds.”

Expenditures: The outlay of financial resources.

Benefits: Those benefits paid by the City as part of the conditions of employment. Examples include health insurance and social security, and retirement system contributions.

Debt Service: Payment of interest and principal to holders of the City’s indebtedness.

Capital Outlay: Expenditures for the acquisition or expansions of, or qualifying improvements to, fixed assets. Examples include purchasing land, buildings, machinery and equipment. Additions to existing buildings or improvement projects that extend the life of a building such as re-roofing would also qualify.

Interfund Payment for Services (Interfund Charges): If services or supplies are provided by another City group or department, expenditures are shown in this category.

Interfund Transfer: Contributions one City fund makes to another.

Intergovernmental Services: Purchases from other governments of those specialized services typically performed by local governments.

Other Services and Charges: A basic classification for services other than personnel services that are needed by the City. Examples include professional services, communication, travel, advertising, utilities, and insurance.

Salaries and Wages: Expenditure category that includes amounts paid for services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and temporary help.

Supplies: A basic classification of expenditures for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, inventory or resale items, small tools and equipment.

FEMA: Federal Emergency Management Agency.

Fines and Forfeitures: See “Revenues.”

Full-Time Equivalent (FTE): A term that expresses the amount of time a position has been budgeted for in relation to the amount of time a regular, full-time employee normally works in a year. For budget and planning purposes, a year of full-time employment is defined as 2,080 hours. A position that has been budgeted to work half-time for a full year, or full-time for only six months, is .50 FTE. Firefighters have a different level of hours worked, but are displayed using the same basic method.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance: The excess of a fund's assets over its liabilities.

GASB: Governmental Accounting Standards Board

GO Bond: General Obligation Bond. See "Bond."

Goods and Services Charges: See "Revenues."

General Fund: The fund supported by taxes, fees, and other revenues that may be used for any lawful purpose. The General Fund accounts for all activity not specifically accounted for in other funds.

GIS: Geographic Information System

Governmental Funds: Funds generally used to account for tax supported activities. There are five different types of governmental funds: the General Fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grant: A contribution of assets (usually cash) by one government unit or other organization to be used or spent for a specified purpose, activity or facility. Typically, these contributions are made to local governments from the state and federal governments.

Group: A cost center, or organization budget/operating unit, within a City department.

Growth Management Act (GMA): Comprehensive Washington State legislation that requires cities and counties to undergo a prescribed planning process to accommodate projected population growth.

HUD: Housing and Urban Development

ICAP: Indirect Cost Allocation Program. A methodology to distribute administrative overhead costs of doing City business that are not readily associated with a specific activity to the departments or funds that use those services.

IAFF: International Association of Firefighters

Interfund: The term interfund refers to transactions between individual Funds of the City.

Interfund Services and Interfund Revenues: From a budgeting and accounting perspective, the service provider will budget for both the cost of providing the service and the revenue received from the service receiver. In other words, one fund would be a customer of another and both budgets must reflect this provider–customer relationship in their revenues and expenditures.

Interfund Transfer/Interfund Subsidy: Contributions one City fund makes to another.

Interfund Loans: Amounts loaned from one City fund to another.

Interfund Payment for Services (Interfund Charges): See “Expenditures.”

Intergovernmental Services: See “Expenditures.”

Intergovernmental Revenues: See “Revenues.”

Interlocal Agreement: A contract between two government entities whereby one government assumes the lead responsibility of a project that overlaps both jurisdictions.

Internal Service Fund: See “Proprietary Funds.”

ITSD: Information Technology Services Department.

LEOFF: Washington Law Enforcement Officers’ and Fire Fighters’ Retirement System.

Levy: Refers to the act of imposing taxes, special assessments, or service charges for the support of governmental activities, or the amount of those charges.

Licenses and Permits: See “Revenues.”

Local Improvement District (LID): An area where an improvement is authorized that will benefit selected property owners. The cost is passed on to property owners through special assessments.

Long-Term Debt: Debt with a maturity of more than one year after the date of issuance.

LTGO: Limited Tax General Obligation Bond. See “Bond.”

NPDES: National Pollution Discharge Elimination System.

Miscellaneous Revenues: See “Revenues.”

Modified Accrual Basis of Accounting: Under this accounting method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred, with some exceptions. All governmental funds, expendable trust funds and agency funds use the modified accrual basis of accounting.

MOU: Memo of Understanding

MYN: Map Your Neighborhood, a disaster preparedness education program through the Fire Department's Emergency Management office.

Non-Revenues: See "Revenues."

Object: As used in expenditure classifications, this term applies to the type of item purchased or the service obtained. See "Expenditures" for the seven object explanations.

Objective: Desired accomplishment that can be measured and achieved within a given time frame.

Other Financing Sources: See "Revenues."

Other Services and Charges: See "Expenditures."

PCD: Planning and Community Development Department

PERS: Public Employees Retirement System

PFD: Bellingham – Whatcom Public Facilities District

Performance/Activity Measure: Specific quantitative measures of work performed within an activity or program, or a quantitative measure of results obtained through a program or activity.

Proprietary Funds: Funds that focus on determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two types.

Enterprise Fund: Used to report an activity for which a fee is charged to external users for goods or services.

Internal Service Fund: Used to account for financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

Reserve: A segregation of assets to provide for future use toward a specified purpose. For budgetary purposes, reserves are not necessarily equal to fund balance. The City uses four basic types of reserve designations.

Undesignated: Not designated for a specific purpose.

Designated: Needed for labor settlements, cash flow, and similar designated uses.

Designated-Debt: Set aside for future debt payments.

Designated-Capital: Set aside for future capital acquisitions.

Revenues: Income received by the City including such items as property taxes, fees, user charges, grants, fines and forfeitures, interest income, and miscellaneous revenue. The types of revenue categories, referred to as Basic Accounts are listed below.

Goods and Services Charges: Charges for services rendered or goods sold by the City, except to other governments or another City department or group.

Fines and Forfeitures: Fines are monetary judgments commonly imposed by the court; forfeitures are penalties by which one loses rights and interest in property because of commission of an offense or nonperformance of an obligation or duty.

Intergovernmental Revenues: Grants, entitlements, shared revenues and payments for goods and services provided by one government to another.

Licenses and Permits: Charges for issuance of licenses and permits. Does not include inspection charges.

Miscellaneous Revenues: This revenue category includes operating revenues not elsewhere classified, such as interest, rents, leases, concessions, and contributions from private sources.

Non-Revenues: This revenue category includes items such as interfund loan proceeds and proceeds of long-term debt for proprietary funds.

Other Financing Sources: An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. Examples include sale of GO Bonds, revenue resulting from the disposition of capital assets and transfers.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments, or charges for services rendered only to those who pay for and use those services.

Revenue Bonds: See “Bond.”

RFP: Request for Proposal

Salaries and Wages: See “Expenditures.”

Special Assessment Bonds: See “Bond.”

Supplies: See “Expenditures.”

Taxes: See “Revenues.”

UGA: Urban Growth Area

User Account Code (UAC): The General Ledger account numbering system the City uses internally for accounting and budgeting.

UTGO: Unlimited Tax General Obligation Bond. See “Bond.”

WTA: Whatcom Transportation Authority

Glossary

WTP: Water Treatment Plant

WWTP: Wastewater Treatment Plant