



# City of Bremerton Washington

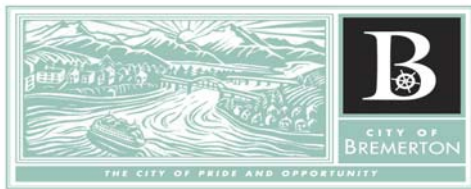
## 2009 Annual Budget

For the period January 1, 2009 thru December 31, 2009





*Cover photo courtesy of Chris Hugo*



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Cary Bozeman, Mayor

December 3, 2008

Citizens of the City of Bremerton  
Honorable Bremerton City Council

Re: Transmittal of the Adopted 2009 Budget

Bremerton has faced a series of financial challenges in 2008 that are projected to continue and worsen in 2009. In addition to a downturn in revenue expectations, there is increasing inflationary pressures on expenses. The expenditure budget is being severely impacted by increases in energy/fuel costs, paving and building material costs, public safety and justice spending, and employee-related costs for wages, healthcare, and pensions. Our City is not alone in this situation. The National League of Cities recently released its annual report on city fiscal conditions and found that this most recent economic downturn is having a much greater impact on local governments than the last significant downturn in 2001. The primary difference is that in 2001 property tax revenue and real estate related revenues were able to help buffer the effects of declining sales tax and other commerce related revenue sources.

In the last several years, Bremerton's revitalization program has improved the prospects of our local economy. Our economic development efforts, combined with significant cost reduction efforts by City departments, have ensured that the overall financial health of the City is in good order. Unfortunately, the growth in general government revenues that we recently experienced from improved economic activity just barely kept pace with cost increases associated with maintaining existing staff and service levels. Now, we are faced with the challenge of an economic downturn which significantly reduces revenue expectations for the foreseeable future and at the same time we are experiencing rapidly escalating cost increases for core expenditures. Action must be taken to realign the budget to these changing conditions to ensure that the City's financial health is not impaired.

The total adopted 2009 City budget is \$129,537,164, which is a 14.4% decrease from the 2008 budget as amended. A large portion of the City-wide budget reduction can be attributed to reductions in capital program efforts for the City utilities and capital project funds in 2009. In addition, given the significant cost increases and the anticipated lack of revenue growth in 2009, my administration has incorporated significant reductions in staffing levels and other expenditures to offset these negative budgetary pressures. City-wide staffing levels are reduced by 4.75 positions.

These staffing changes include:

- ⇒ Adding 5 EMS Levy funded positions to the Fire Department
- ⇒ Adding 1 Court Legal Technician
- ⇒ Adding 1 unfunded Police Department position (provides hiring flexibility)
- ⇒ Adding 1/2 position of a Court Home Detention Specialist in Police Department to aid in significantly reducing jail cost increase
- ⇒ Adding 1/4 position of an Environmental Technician in the Water Utility (changing 1/2 time position to 3/4 time )
- ⇒ Adding 1/2 position to make a full time position in the Street Fund for a Journey Level Electrician
- ⇒ Reduction in force of 2 positions in Street Fund – eligible and expected to fill other currently vacant authorized positions in the Utility Systems
- ⇒ Reduction in force of 11 positions in the General Fund
  - 7 are currently vacant positions
  - 4 are positions currently filled
  - This budget includes one time costs associated with reductions in force
  - As part of the reduction in force, the City Council approved a change of hours for public access to City offices - closing public counters in the Norm Dicks Government Center on Fridays, unless otherwise posted. This change is needed to allow remaining staff who will be handling critical workloads in addition to covering public counter areas - to have one day per week to complete work tasks with out the extra duty of covering the public service counters.
  - In addition, the City Council approved a voluntary separation and reduced work week program in concert with the approval of the 2009 budget. This program helps accommodate a smoother reduction in force process - while also providing a tool for obtaining potential further personnel cost savings in the future.

We include in this document an expanded discussion for the General Fund budget because this is where most of the day-to-day operations of city government are provided for. The total budget for the General Fund is \$40,552,157 which is a 3.0% increase over the 2008 budget as amended. It should be noted however, that the 2009 budget includes new fully funded expenditures related to the recently passed EMS Levy and a pass through grant expenditure (also included in intergovernmental revenues) of \$2,738,787. With the new (but fully funded) EMS and grant expenditures removed from the calculation, the 2009 expenditures actually decreased from the 2008 budgeted expenditures by 5%. The two largest programs in the General Fund budget are Law Enforcement which represents 26.3% of the General Fund budget (\$10.7 million excluding the large pass through grant) and Fire/Emergency Medical which represents 19.9% of the General Fund budget (\$8.1 million).

On the following pages of this budget document you will find summarizations and detailed program descriptions – outlining in greater detail the elements of the adopted 2009 budget. The budget is a major policy document for the City. Preparing it takes the time and cooperation of almost every employee in the City over many months. I want to thank the City Council members, department directors, and all the staff members who participated in this process for their assistance and thoughtful contributions. Together we have developed a plan for the coming year that maximizes our very limited resources and ensures that we continue making measurable progress towards our goals. I believe that difficult times often produce positive outcomes. Financial stress forces us to look hard at everything we do and to clarify priorities. I am proud of the way our City staff and my leadership team have tackled this challenge - applying all of their energy and considerable experience to produce a budget and plan that is balanced, respectful of input received from the City Council, and positions us to be stronger and more financially flexible than ever before.

I am pleased to present to you the 2009 budget for the City of Bremerton. I believe that this financial plan provides the necessary funding and direction to further advance the City's Strategic Objectives during 2009 while responsibly adjusting the City's financial plan and expectations to reflect our changing economic environment.

A handwritten signature in black ink, appearing to read 'Cary Bozeman', with a long horizontal flourish extending to the right.

Cary Bozeman, Mayor  
City of Bremerton

**CITY OF BREMERTON  
2009 BUDGET**

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