

City of Poulsbo, Washington

2017-2018 Budget



Mayor

Council Members

Rebecca Erickson

Jim Henry

Connie Lord

Jeff McGinty

David Musgrove

Gary Nystul

Ed Stern

Kenneth Thomas

CITY OF POULSBO MISSION STATEMENT:

Our City is committed to managing the public resources to promote community health, safety and welfare and plan for the future to accommodate growth, without burden, while preserving our natural resources and enhancing those qualities that make our community unique and desirable

Special thanks to all individuals who contributed photographs to this document.

CITY OF POULSBO, WASHINGTON
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Poulsbo, Washington 98370
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FINAL 2017-2018 BUDGET

For Fiscal Year January 1, 2017 to December 31, 2018

**Adopted by
Poulsbo City Council
December 21, 2016**

Ordinance No. 2016-21

**Document prepared by:
Deborah Booher, Finance Director
Kelly Ziemann, Senior Budget Accountant**



CITY OF POULSBO OFFICIALS

MAYOR

Rebecca Erickson

CITY COUNCIL

**Jim Henry
Connie Lord
Jeff McGinty
David Musgrove
Gary Nystul
Ed Stern
Kenneth Thomas**

DEPARTMENT HEADS

**City Clerk
Finance Director
Parks & Recreation Director
Planning Director
Police Chief
Engineering Director
Public Works Superintendent**

**Rhiannon Fernandez
Deborah Booher
Mary McCluskey
Karla Boughton
Dan Schoonmaker
Andrzej Kasiniak
Michael Lund**

CITY OF POULSBO APPOINTED BOARDS AND COMMISSIONS

Civil Service Commission: consists of three members appointed by the Mayor. The commission is responsible for implementing and enforcing rules in which examinations may be held, and how appointments, promotions, transfers, reinstatements, demotions, suspensions and discharges shall be made and for any other matters connected with the general subject of personnel administration. The Civil Service Secretary is the Human Resources Manager.

| <i>Civil Service Commission Meets: 1st Monday 3:00 PM</i> | |
|---|----------------------------|
| Member | <i>Term Expires</i> |
| Ardis Morrow | 2018 |
| Kent Lord | 2020 |
| Donna Jean Bruce | 2022 |

Parks and Recreation Commission: advises and makes recommendations to the Mayor and City Council regarding the development and improvement of parks, trails and other recreational facilities for the use and benefit of the public. The Parks & Recreation Department provides support staff.

| <i>Parks & Recreation Commission Meets: 4th Monday 7:00 PM</i> | |
|--|----------------------------|
| Member | <i>Term Expires</i> |
| Mary Carter | 2019 |
| Judy Morgan | 2019 |
| Edie Lau | 2017 |
| Norm Hersman | 2018 |
| Mike Randall | 2019 |
| Stephen Calhoun | 2017 |
| Amanda Cheatham | 2018 |

Planning Commission: is the advisory committee to the City Council on planning and development proposals in the City. The Commission reviews all applications that are subject to a public hearing before the Council, and will serve as the citizen advisory committee on future updates and amendments to the City's Comprehensive Plan and Development Regulations. The Planning Department provides support staff.

| <i>Planning Commission Meets: 2nd & 4th Tuesdays 7:00PM</i> | |
|--|----------------------------|
| Member | <i>Term Expires</i> |
| Shane Skelley | 2017 |
| Jim Thayer | 2018 |
| Kate Nunes | 2021 |
| Ray Stevens | 2022 |
| Gordon Hanson | 2022 |
| James Coleman, Sr. | 2020 |
| Bob Nordnes | 2019 |

Tree Board: promotes the responsible planting of trees on public and private property; promotes public education about trees; promotes proper tree maintenance; advocates trees within the city; provides for aesthetics within the city through the formulation and implementation of tree programs; develops innovative and joint funding for tree projects from a variety of sources; and provides the mayor and city council with a yearly report regarding tree board activities. The Parks & Recreation Department provides support staff.

| <i>Tree Board Meets: 2nd Monday 7:00 PM</i> | |
|---|----------------------------|
| Member | <i>Term Expires</i> |
| Janet Brown | 2018 |
| Bess Bronstein | 2018 |
| Jenise Bauman | 2018 |
| Joan Hett | 2019 |
| Gayle Larson | 2019 |
| Bill Lockard | 2017 |
| Jim Leary | 2017 |

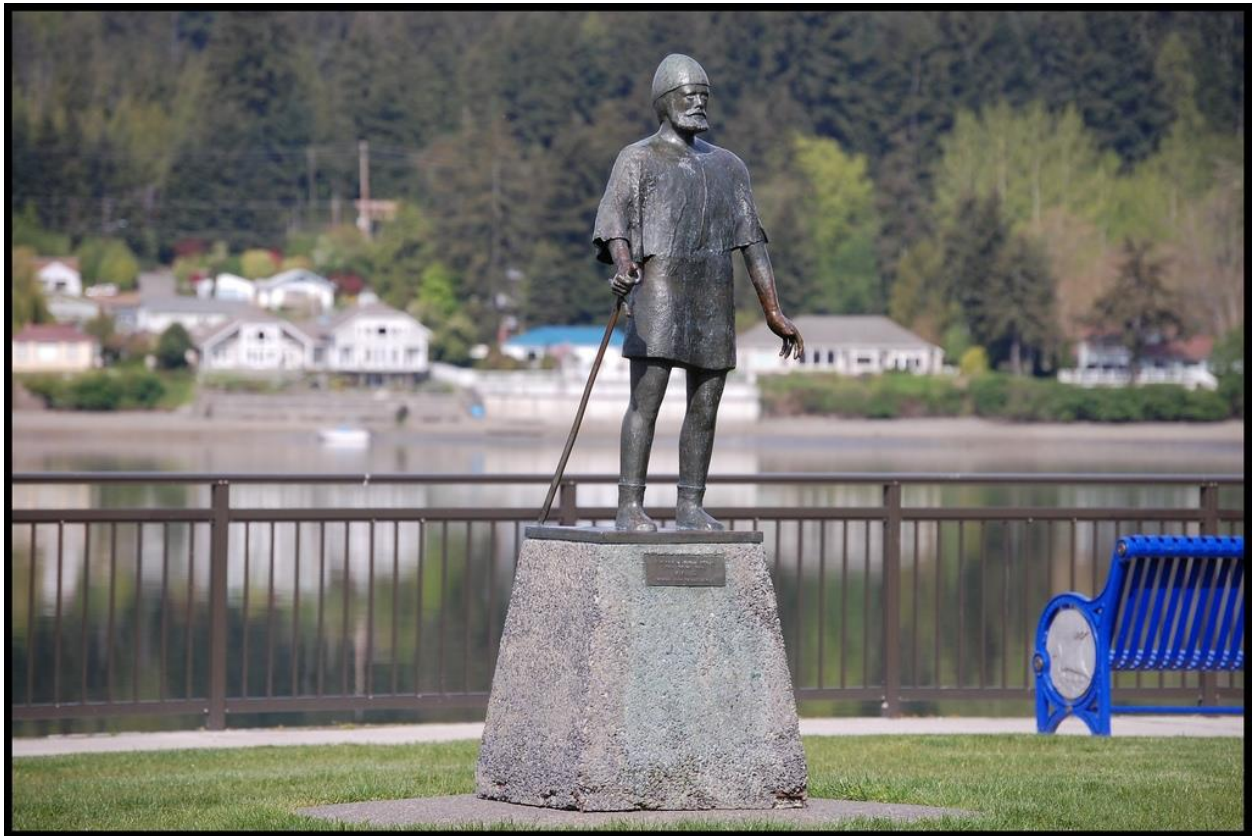


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HOW TO USE THIS BUDGET DOCUMENT

The City of Poulsbo's Budget Document provides comprehensive information about city policies, goals, objectives, financial structure and operations as well as an organizational framework that shows how City services are maintained and improved for fiscal years 2017 & 2018. A main objective of the Budget Document is to communicate this information to our readers in a manner that is clear, concise and understandable. In this preface, pages v through vii contain the "Table of Contents" that will aid the reader in finding specific information quickly and provides a summary of the major topics. The "Budget Glossary" is the last section of the document and will be helpful to a reader not familiar with governmental terms. Following review of these two suggested sections, the reader can best receive an overview of the programs, services and resources available to the City by reviewing the major sections of the budget in the order they are presented. The budget is divided into ten major sections:

- 1 - Introduction
- 2 - Financial Plan
- 3 - General Fund
- 4 - Special Revenue Funds
- 5 - Debt Service Funds
- 6 - Capital Project Funds
- 7 - Proprietary Funds
- 8 - Baseline Adjustment Requests (BAR)
and New Program Requests (NPR)
- 9 - City Improvement Plan
- 10 - Appendix
- 11 - Glossary

Section 1 – INTRODUCTION:

The *Mayor's Transmittal Message* pages 1 to 14 should be read first. It provides an overview of accomplishments for fiscal year 2016 and policy decisions made during the budget preparation process that influenced the 2017-2018 budget. The message summarizes the contents of the budget with the goals and objectives of the City clearly outlined. In addition, the Introduction Section contains a *City Profile*. The reader can learn about the physical location of the City, the history of Poulsbo, services offered by the City and significant demographic information.

The *Budget Process* outlines the various parts of the budget: purpose, process, components, implementation and monitoring, policies and development, legal structure, basis of accounting and budgeting, budget structure (fund types), performances measures, and the budget calendar.

Section 2 – FINANCIAL PLAN:

The Financial Plan focuses on an analysis of the budget's financial data to identify the manner in which the operations of the city will be financed and the resources allocated to different functions and services. This section of the budget presents overall summary budget data for the entire city. Staffing, revenue and expenditures, goals and measurements, and debt are summarized for all funds.

Section 3 – GENERAL FUND (001):

This section begins with a discussion of General Fund revenue estimates and the basis of these estimates. It provides tables and graphic materials that address various issues identified by Council during the process, followed by line item detail of each revenue source.

Following the revenue, *Baseline Budgets* for each General Fund department's expenditures are presented including descriptive material outlining the services provided by the department, accomplishments from previous year, and the initiatives planned for the coming year. These initiatives are summarized in the goals of each department. If Baseline Adjustment Requests (BAR) or New Program Requests (NPR) were approved by Council during the budget process, their expenditures are now incorporated in the department's budget.

Section 4 – SPECIAL REVENUE FUNDS (100's):

These funds account for proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. Similar to the General Fund section, this section provides a description and purpose for each special revenue fund as well as the detail for revenue and expenditures. Graphs are provided throughout the section.

Section 5 – DEBT SERVICE FUNDS (200's):

These funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. This section includes a summary as well as detail of revenue and expenditures for each debt service fund. Debt information for the proprietary funds are not shown here, but are recorded within the proprietary funds.

HOW TO USE THIS BUDGET DOCUMENT

Section 6 – CAPITAL PROJECT FUNDS (300's):

These funds account for financial resources to be used for the acquisition or construction of major capital projects, other than those financed by the proprietary or trust funds. This section includes a summary as well as detail of revenue and expenditures for each capital improvement fund. Graphs are provided throughout the section where appropriate.

Section 7 – PROPRIETARY FUNDS (400's):

The proprietary funds section account for the enterprise funds. These funds account for operations that are normally financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis, be financed or recovered primarily through user charges. This section includes a summary as well as detail of revenue and expenditures for each enterprise fund. Graphs are provided throughout the section.

Section 8 – BASELINE ADJUSTMENT REQUESTS (BAR) and NEW PROGRAM REQUESTS (NPR):

During the 2017-2018 budget process, each Department was held to its 2016 program bottom line, meaning only salaries and benefits could increase in each department's budget. Council authorized the use of two forms for departments to request any additional funding over and above their 2016 program bottom line. They are:

- Baseline Adjustment Request (BAR)
- New Program Requests

The BAR provides more detail to help the Council prioritize the increases. When submitted, the costs should be detailed as:

- Non-Discretionary – meaning the department has no control over the prices, i.e. utility cost, fuel costs, contractual costs.
- Mandatory – items legally mandated.
- Other – all other items not falling in the two other categories i.e. training, supplies and small tools.

This section contains a detailed description of the program improvements that have been requested under this process. The Finance/Administration Committee reviews the requests and makes a formal recommendation to Council regarding inclusion of the requests in the final budget. Any requests approved during the budget process, are now included in the appropriate department's budget. Note: General Fund departments submit their Capital Equipment Replacement Requests through a process set up in Fund 301.

Section 9 – CITY IMPROVEMENT PLAN:

This section includes summary and detail of the City's plan for capital construction and purchases for a six –year period as required by the State of Washington Growth Management Act of 2000. Capital projects and major purchases are identified by City departments based on council goals and priorities and level of service standards. The reader can find the City's Improvement Plan and Debt Policies here also.

Section 10 – APPENDIX:

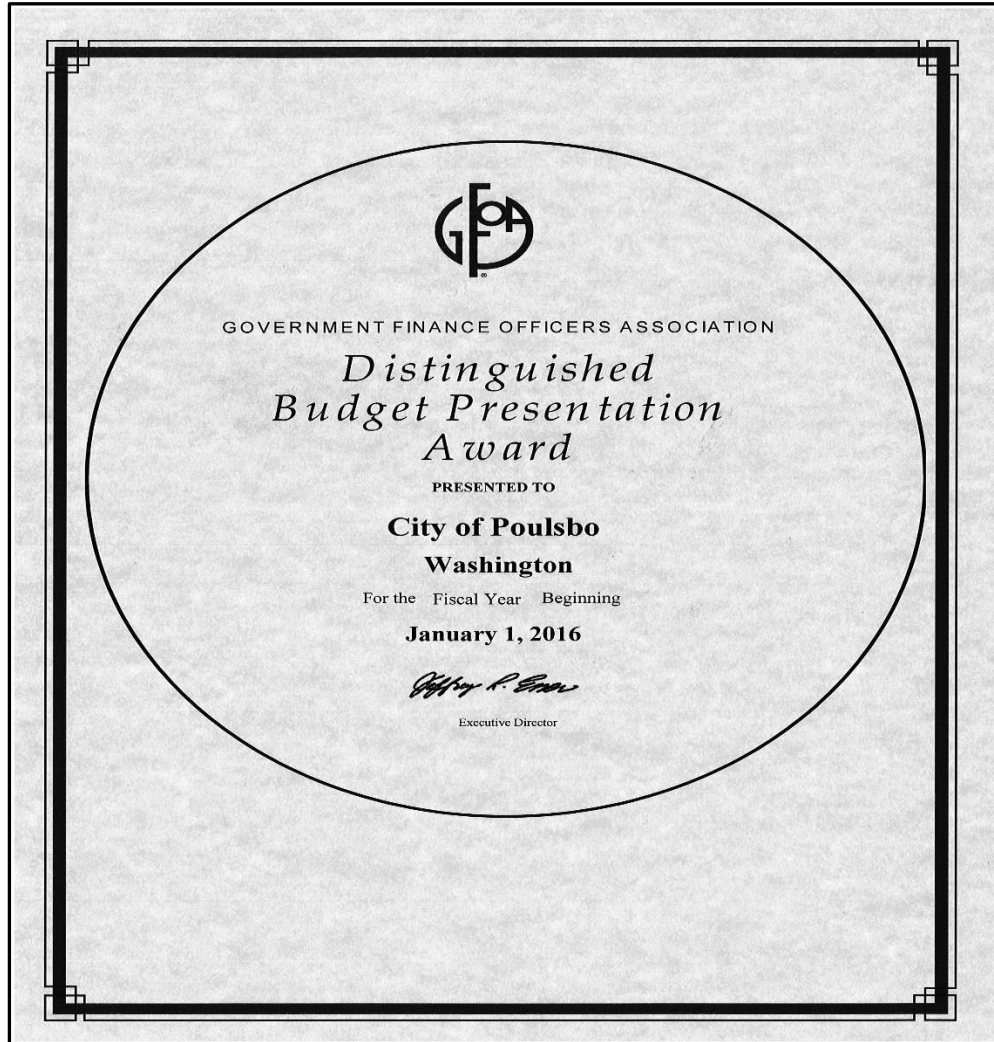
This section includes various documents, which support information contained in this document. It includes: Final Budget Ordinance; Employee salary, wage, benefit information; Salary and Wage Resolution; Ordinance setting the 2017 Tax Rate; and Financial Policies.

Section 11 – GLOSSARY:

The glossary is provided for users that may not be familiar with governmental or budgetary terms used throughout this document.

QUESTIONS:

Should you have any questions regarding the information presented in this document, please feel free to contact the Finance Director, Senior Budget Accountant, or any other staff members. Their names and phone numbers are listed on the back cover.



The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Poulsbo for its annual budget for the fiscal year beginning January 1, 2016.

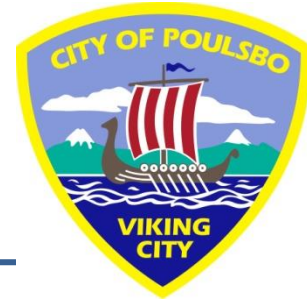
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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.



City of Poulsbo

Office of Mayor Rebecca Erickson



December 31, 2016

To the Honorable Poulsbo City Council and
Citizens of the City of Poulsbo

"Never doubt that a small group of thoughtful, committed people can change the world. Indeed, it is the only thing that ever has." ~ Margaret Meade

I am proud to present the City of Poulsbo's 2017-18 Biennial Budget. The City has taken a progressive step to implement its first biennial budget. The staff, Council, and I are excited to present a two-year plan for the City's operating and capital plan to better serve our citizens. Although the budget is a two-year budget, we have chosen in many areas to individually detail each year for a comparative picture and provide a combined total for the two years. We continue to work hard to develop a budget that best serves our citizens and provide the resources for a safe, thriving, and desirable community. Although balancing a budget is a tough task, it is through teamwork and perseverance we have worked diligently to present a balanced budget.

The year 2016 continued to be a year of growth with revenues exceeding projections. Revenues always present a challenge with legal limitations and rates of growth tending to be less than expenditures. Development revenues have seen substantial increases and are anticipated to remain at the higher levels through 2017-18. It is anticipated development will continue at a strong increased pace. Poulsbo is in the fortunate position of growing development in both residential and commercial properties.

The City Council and I continue to work collaboratively and reach out to our citizens to promote services that best serve our community. This includes supporting our education system, business community, transportation needs, recreational pursuits, technological growth, and those who are struggling and in need of more social services.

The 2017-18 Biennial Budget has been prepared conservatively, but with the intention of developing revenue sources and using reserves to promote the Council's goal of providing increased governmental services. While capital project funding continues to be funded with grants, it is anticipated there will be upcoming debt issues in the next two years to fund the large transportation project on Noll Road, sewer capital infrastructure projects for the City and the City's portion to share with the County for infrastructure improvements.

2016 IN REVIEW

For the year 2016 the City continued to grow, recovering from the economic struggles suffered over the past few years. The City recognized actual amount collected for sales tax and real estate excise tax (REET) revenues higher than anticipated and higher than received the prior year. The City is continuing to see a trend and have projected economic growth to support an optimistic continued increase. There were several projects funded in 2016 but was more work to complete than staffing could facilitate. Those will continue into 2017-18. Development revenues exceeded

expectation and is a sign the City continues to grow and be a desirable place to live and work. The City did see several new developments as well as commercial projects continue to construct and complete in 2016. The City was the recipient of several grants allowing several transportation and public works projects to commence.

The City's population continues to grow, increasing to 10,210, which is an increase of 260 people over the prior year. This is consistent with the trend of increasing development.

Commercial construction continued in 2016. A new drive-thru Starbucks was opened on a small strip mall located in the College Market Place development. Located adjacent to Starbucks, a new car wash also opened in 2016.

The Edward Rose development continues to work through the planning process to construct a large mixed use, multi-family development that will span 55 acres of vacant land on the edge of Poulsbo's northern boundary.

The City continues to market their vacant properties in hopes of future commercial development. Contingent purchase and sale agreements are in place for both the old City Hall property located in the middle of historic downtown retail district of Poulsbo and the old Police Station also located on the edge of Historic Downtown. Due diligence continues on both of the properties for a final sale to occur. The old City Hall building was demolished in 2016, but additional environmental mitigation work is being completed for the final purchase and sale agreement to be executed.



The City continues to implement and stay in compliance with the required Stormwater permit for National Pollutant Discharge Elimination System (NPDES). Continued legal requirements make it difficult to support the expenses under the current rates. The fees, services levels, and related expenses will continue to be analyzed to assure the rates are supporting the expenses and necessary infrastructure improvements over the life of the plan. New capital facility charges (connection fees) were implemented in 2016 which will be used to support future capital improvements.

The Comprehensive Plan went through a major update in 2016. The process included several community, committee, and council meetings to update the plan in accordance with state laws and the future vision of the City.

An updated Sewer Functional Plan was completed in 2016. It was determined an additional rate increase on top of the regular CPI increase could be delayed until 2018. At that time the plan will again be evaluated to be certain the rates will support the cost of the service.

A request for proposals process was conducted in 2016 for Solid Waste services. The City is evaluating the service to determine how to provide the highest level of service at an affordable cost. The study will answer the question of service levels, rate changes, or contracting out the service to another local provider.

As the challenge of providing more services with fewer resources continues, the City's Management Team has done an excellent job of using resources efficiently. One of the benefits of having a professional staff is their ability to obtain grants and other funding for City improvements. Grants and community participation are some of the ways we are able to accomplish goals not otherwise attainable. Major projects started or completed in 2016 included:

- Several community meetings regarding the updated Parks and Comprehensive Plans.
- Community meetings for the development of Noll Road.
- Received \$3.4 million in grant funds for the construction of Noll Road.
- Demolition of the old City Hall property.
- Tentative purchase and sale agreements for two City properties; old City Hall and old Police Station.
- Installation of a new updated traffic signal at the corner of Lindvig and Bond roads.
- Road and infrastructure improvements on Hostmark.
- Implementation of a new Community Development software.
- Updated functional plans for Parks, Transportation, Sewer, and Storm Drain.
- Updated the City Comprehensive Plan.
- Constructed a new City Decant Solid Waste transfer station facility to properly dispose of storm water refuse and reduce number of trips City garbage trucks must make to the County Transfer Station located many miles from the City limits.
- Analysis of the City owned and operated Solid Waste service issuing a request for proposals for a possible contracted service.
- A grand opening of a new Starbuck's drive through.
- A grand opening of a new automated car wash.
- In partnership with Olympic College and YMCA, a needs assessment was conducted to determine the feasibility of a local YMCA in the City.
- Improvements to the Marine Science Center to provide legal access to the third floor. The improvements allow more lease space and revenue to support the Marine Science Society program.
- Approved a lease agreement with Western Washington University to take over the Marine Science Center building and program.
- Received a grant for mental health and facilitated a Mental Health Specialist to be on site and support court and police services.
- The City received a 2015-2017 Volunteer Cooperative Grant through the WA Department of Fish and Wildlife, for Phase 3 of Fish Park. This grant has helped fund volunteer efforts to successfully build 500' of additional soft surfaced trails, 300' of boardwalk, one new viewing platform, and a variety of restoration activities including the planting of 1,000 native bulbs and 200 native trees.
- Construction of a trail on the easement leading into Nelson Park was completed. A stair climb was constructed allowing access from the upper to the lower part of the park.
- Morrow Manor Park preliminary design for a new park on the east side of Poulsbo from anticipated donated property.
- A project to monitor water tank and sewer pump station pressure via a remote computer access. The project allows items to be reset through a secure computer access creating a quicker response time as well as save on labor and after hour call out time.
- The first phase of meter replacements which provide electronic reads that can be remotely read for water and sewer services.

Citizen participation is a key factor for successful government leadership. Educating and informing via this budget document demonstrates our commitment for a "partnership" with our citizens. The underlying mission of the City budget is to assist decision makers in making informed choices and promoting "stakeholder" participation in the process. The budget incorporates both political and

managerial aspects, as well as a responsibility to report and account for the provision of services and use of resources. Our budget is a tool: informing our citizens, guiding our work programs, and providing a road map for our City's future.

I am pleased to present the City of Poulsbo's 2017-18 Biennial Budget, which, in essence is the financial plan for the ensuing two years for the City and its many programs. The budget document is perhaps one of the most important documents of the City as it outlines the operational and capital goals with a related financial plan for the City. The 2017-18 Biennial Budget is submitted in accordance with the Revised Code of Washington (RCW) and the Poulsbo Municipal Code (PMC).

BUDGET PRINCIPLES

The budget process consists of several broad principles that stem from the definition and mission of the City. These principles encompass many functions of the governmental organization and reflect development of a budget as a political and managerial process, which includes financial intentions. The four principles of the budget process include:

- **Policy Definition** – Establish broad goals to guide government decision making and provide direction for the City and serve as a basis for decision making.
- **Operating Guide** – Develop specific policies, plans, programs, and management strategies to define how it will achieve its long-term goals. A guide that serves as an aid for management staff in the control of financial resources while complying with State requirements for code cities and generally accepted accounting principles for government.
- **Financial Plan** – Develop a budget consistent with approaches to achieve the goals. The plan should detail resources to support appropriations that are in accordance with City policies.
- **Communication Document** – Provide a user-friendly tool for the citizens to reference, which clearly defines the strategic plan for the City and the financial plan to achieve the adopted goals.

Poulsbo is a forward thinking community with a reputation for providing excellent local service, effective management, and credible performance in regional issues. I like to think of Poulsbo as progressive but still reflective of our cultural traditions. Our goal is to continually improve upon these favorable attributes.

The budget format allows the City Council the opportunity to comprehensively review the financial plan of the City and reallocate financial resources to the areas of highest priority. The framework of the 2017-18 Biennial Budget was developed with the following basic goals in mind:

- To establish a plan of policy and operations;
- To facilitate the evaluation of City programs;
- To provide management information; and
- To establish financial control

To accomplish these goals, it is imperative the budget document be easily understood and materials prepared in a format that is clear and comprehensible.

This budget provides the City with the necessary direction to accomplish the many goals and objectives approved by the City Council and allocates sufficient financial resources to accomplish these initiatives. Within this document, readers will find a plan for funding services and capital

projects consistent with the City's 20-year Comprehensive Plan. This budget responds not only to the many and varied objectives and projects planned for 2017-18, but long-range plans to provide quality municipal services to the citizens of Poulsbo.

The budget has been prepared based on policy, approved goals, and direction given by the City Council. The Management Team and I utilized these directives when preparing their 2017-18 submissions.

BUDGET DIRECTIVES

Property Tax Revenue Distribution

The City's property tax levy rate is slightly less than our maximum allowable rate. The maximum rate limit of \$3.60 can be reduced by up to \$.50 for the Kitsap Regional Library District Levy and up to \$1.50 for Kitsap Fire District #18 Levy. If both these taxing jurisdictions were levying their maximum rate, the City's maximum rate would be reduced to a rate of \$1.60 per \$1,000 of assessed value. For 2017, the City is levying \$1.58 for its regular property tax levy, estimated to generate approximately \$2.35 million in revenue. The City is choosing not to levy the 1% above the highest allowable levy in 2017, but bank the 1% for intended use in 2018.



In 2018, based on conservative projections the City will levy the 1% plus the banked capacity creating a levy amount of \$2.5 million and a rate of \$1.61.

In 2017-18 the City is planning the following transfers which are loosely based on percentage of property taxes. Using the base of property taxes as a funding source the Council determined the following transfers:

- Transfer to the Parks Reserve Fund 302. These funds are used to fund portions of capital park projects. 2017 - \$100,000; 2018 – \$101,000
- Transfer to the Streets Reserve Fund 311. These funds are used to fund portions of capital transportation projects. 2017 - \$49,000; 2018 – \$50,000
- Transfer to the Streets Reserve Fund 311. These funds are used to fund the Neighborhood Pavement Restoration Program. 2017 - \$150,000; 2018 – \$150,000
- Transfer to the City Streets Fund 101. These funds are used for maintenance and operations of the City's streets. 2017 - \$604,000; 2018 – \$612,000

Sales Tax Revenue Distribution

Sales tax is the City's largest revenue source and although it is a healthy source of income for the City, the City has historically been very conservative in its estimation – rarely estimating more sales tax revenue than received the previous year. The 2017 estimate is \$3,400,000 and 2018, with a conservative estimate of growth, at \$3,500,000.

The City's sales tax revenue is used as a percentage base to fund the purchase of capital items with amounts being transferred to Capital Acquisition (Fund 301). The amount of transfer is reduced to keep funds in the General Fund which do not meet the capital threshold but have been

segregated for funding from the sales tax revenue source.

- The transfer for capital equipment purchases to the Capital Acquisition Fund 301 will be 2017 - \$155,354; 2018 \$164,654.

Criminal Justice Sales Tax funds are received from .1% sales tax collected by the County. The County keeps 90% of these tax funds and distributes the remaining 10% back to cities located in the County, based on population. A portion of Criminal Justice Sales Tax is used as a funding source to purchase a new Police Vehicle. Transfer to the Capital Acquisition Fund 301 will be; 2017 - \$47,000; 2018 - \$49,000.

The balance of sales tax revenue remains in the General Fund to provide funding for various governmental departments and services.

Other Budget Directives

The City approaches the budget from a conservative stance and also was cognizant the 2016 general fund was balanced with a planned transfer of \$435,607 from reserves. The good news is the transfer was not made due to revenues being higher and expenditures being less than anticipated. This also created available additional funds with the City starting 2016 with a \$1.64 million beginning balance. It is anticipated revenues are going to see growth but expenditures will still be higher. The City again developed budget requests conservatively. I continue to work with managers and local boards to renegotiate contracts for potential savings as well as review projects and reprioritize funding for capital replacement.

All departments were directed to submit budgets at the 2016 level with the exception of wages, benefits and any contractual obligations. If additional funding is requested, departments were instructed to submit requests, as shown below:

- Baseline Adjustment Request (BAR): submit if current funding will reduce the current level of service
- New Program Request (NPR): submit for any new programs

Several requests are recommended for funding recognizing many projects and capital items were put on hold waiting for resources to recover to prior levels. The requests are outlined in Section 8 (BAR) / (NPR).

A transfer from General Fund to Capital Facilities (Fund 331) is planned with the intent to build reserves for future capital replacement and repairs to the City's existing governmental facilities. Although the City Hall is fairly new, it will require ongoing maintenance and replacement to protect one of the City's largest assets. \$25,000 again will be transferred in both 2017 and 2018 to reserve for the anticipated future repairs and replacement.

STATE INITIATIVES – BUDGET IMPLICATIONS

The State operates on a biennial budget and adopted a budget to begin their fiscal year of July 1, 2017. The state restored some of the shared revenue generated from Liquor Excise Tax but cities continue to press for legislation to fully fund their shares to previous levels. This means that many of the impacts from state funding which will affect cities will not be known for several months into 2017 due to timing.

Retirement rates for the Public Employees Retirement System (PERS) continue to see substantial increases to support sustainability of the system. The budget has been prepared with the intended rate increases.

Another large item which may impact City Police Departments that use body cameras is public records requests. These requests can result in a large amount of City resources used to facilitate and respond to the requests. There continues to be legislative bills presented to support cities in creating restrictions for what has to be disclosed. At this time, Poulsbo has body cameras and City staff has been working diligently to support changes in the law as well as educate entities of their legal rights and requirements.

A new transportation revenue bill was approved with several parts. Motor Vehicle Fuel Tax was increased in the State's biennial budget effective July 1, 2015. The City's budget was prepared with the increase maintained in the state budget. Another change to the bill is for Transportation Benefits Districts (TBD). Those cities and counties that already have a \$20 vehicle fee in place for more than 24 months may increase the fee to \$40 by councilmatic action not requiring a vote of the citizens. Poulsbo will continue the feasibility and interest to implement a TBD in 2017. This could be a funding piece for the future anticipated debt necessary to complete the Noll Road project. Since the City does not have a \$20 fee at this time, the fee cannot be set by council above the \$20 fee; however, with voter approval, revenue could be increased up to a \$100 fee, property tax, or sales tax increase.

A large lawsuit for what is referred to as the McCleary Decision supporting funding of the state school system was upheld by the Supreme Court. The ruling calls to fine the State a substantial amount for not fully funding the school system as directed by a former vote of the people. Unfortunately, if the State is assessed the penalties, funding for those penalties will be from State funds which may impact future distributions by the State. At this point the ruling continues to be appealed.

The State budget will go into effect in July and the legislature will continue to work through their budget process in the first months of 2017. It is anticipated there will be many concessions to get a state budget passed. The Supreme Court has mandated to the State that funding for class size reductions must show progress to achieve the voters' directive. This may impact funds available to support other local governments. The City does not receive many dollars from the State other than grants for capital projects making the operating impact fairly minimal.

Until December 31, 2016, counties and cities had the authority to use a portion of Real Estate Excise Tax (REET) proceeds for the operation and maintenance of existing REET capital projects. After the sunset date, a portion of REET funds can be used for maintenance of capital projects, but not operations. In order to use the funds towards maintenance, the intention must be established and acknowledged by City Council during the budget process. The City's budget has been developed to not use funds for maintenance in 2017-18, but reserved for debt payment of items on the Capital Facilities Plan or future transportation improvement projects. The new provisions will require the City demonstrate it has or will have adequate funding from all sources of public funding to pay for capital projects in its Capital Facilities Plan for the succeeding two-year period.

Another impact is a voter-approved increase to sales tax for the purpose of passenger-only ferries which becomes effective in April 2017. A vote was held in November 2016 to increase sales tax by .3% for Kitsap Transit to implement passenger-only ferries. This tax increase could affect spending habits of citizens who do not have the financial ability for the additional tax or choose to shop in another locality with a lower tax rate. This will also impact future project costs which are subject to sales tax.

Beginning in the second half of 2017, Marijuana Excise Tax exceeding \$25 million will be shared with cities, towns, and counties based on a per capita basis; however, any jurisdiction which has prohibited the sale of marijuana will be excluded from the distribution. City of Poulsbo has implemented the prohibition so will be excluded from the revenue distribution.

2017-18 BUDGET SUMMARY

The 2017-18 Biennial Budget is presented as a balanced budget, meaning total resources equal total uses, keeping in mind total resources are inclusive of beginning balance and total uses are inclusive of fund balance. One of the most significant objectives of the City's budget is to begin each year with an appropriate fund balance. Exactly what is an appropriate fund balance varies between funds. The City has prepared their budget in accordance with the City's Financial Management Policy, which addresses an adequate level of reserves. The policy sets the goals of maintaining a two-month operating cash balance and a minimum 12% of operating revenues Fund Balance. Additionally, a requirement of the policy is that any reduction to reserves will require a super majority approval from the City Council. This helps to promote fiscal responsibility. A quarterly report is presented to the City Council measuring both cash and projected fund balance levels to assure funds comply with the policy. These reports are available on the City's Finance Department web page. The City Council continues to be reassured that due to proactive planning and good management in a conservative but productive manner, reserve funds maintain appropriate levels. This provides insurance against unexpected needs, allows for unanticipated opportunities, such as grant matching, and positive ratings from the rating agencies for debt issues.

Enterprise funds have rates and revenues set to support not only operations, but also future capital needs. Functional plans support the rate structure and long range planning helps establish funding and timelines for the future needs. The Financial Management Policy is being updated in 2017 to more specifically address the necessary fund levels to manage appropriate operating fund balance and reserving funds for future needs.

The 2017-18 Biennial Budget for the City of Poulsbo totals \$81.4 million, allocating \$44.8 million to 2017 and \$36.6 million to 2018. A projected ending fund balance of \$7.3 million is not included in this figure. Overall bottom line, both 2017 and 2018 stayed fairly consistent with the 2016 budget with the exception of New Programs including two full-time employees (Police Officer and Legal Assistant) and one-time professional services which are project specific. New Programs are outlined in Section 8. The largest variations are due to capital projects, anticipated debt in 2018, and use of impact fees for the capital transportation project of Noll Road. Construction of the Noll Road project and several utility projects are anticipated in 2017-18.

All reductions in reserves to fund expenditures will continue to require a super majority approval from the City Council. This helps promote fiscal responsibility.

The General Fund budget, providing the basic complement of municipal services, totals \$24.6 million in 2017-18 with \$12 million in 2017 and \$12.6 million in 2018. Much of the variation is primarily due to wage, benefit, and contractual increases, as well as additional funds being transferred to reserves and debt service funds for debt payments.

The budget has been prepared with a reduction to City utility taxes for water and sewer from 9% to 6% consistent with other utility tax rates. The reduction is to keep more funds in the utilities supporting their long range vision and keep the rate increases minimal.

The City employs 95.06 employees with an increase of three full-time equivalents (FTEs). The additional FTEs are a Court Security/Code Enforcement Officer, Police Officer, and Legal Assistant. The detail of FTEs is in the Financial Plan - Section 2.

| | 2018 | | | 2017 | | | 2016 |
|------------------------------|------------|-------------------------|----------------------------|------------|-------------------------|----------------------------|-------------------|
| <i>Expenditures</i> | Budget | Increase/ (Decrease) | % of Variance Inc/(Dec) | Budget | Increase/ (Decrease) | % of Variance Inc/(Dec) | Budget (Final) |
| General Fund | 12,628,139 | 590,151 | 4.67% | 12,037,988 | 193,185 | 1.60% | 11,844,803 |
| Special Revenue Funds | 2,349,147 | (491,240) | -20.91% | 2,840,387 | 671,169 | 23.63% | 2,169,218 |
| Debt Service Funds | 1,379,846 | 298,033 | 21.60% | 1,081,813 | 329 | 0.03% | 1,081,484 |
| Capital Project Funds | 7,287,084 | 3,824,760 | 52.49% | 3,462,324 | (1,069,915) | -30.90% | 4,532,239 |
| Enterprise Funds | 12,951,786 | (12,504,430) | -96.55% | 25,456,216 | 4,111,457 | 16.15% | 21,344,759 |
| Totals | 36,596,002 | (8,282,726) | -22.63% | 44,878,728 | 3,906,225 | 8.70% | 40,972,503 |

SUMMARY ANALYSIS OF FUND TYPES

A comprehensive overview & summary of each of the major budgets and a brief narrative that compares the 2016 and 2017-18 budgets and budgeting formats, on a fund-type by fund-type basis, are provided below:

General Fund

The General Fund includes the basic governmental services such as executive, legislative, administration, financial, judicial, law enforcement, planning, engineering, parks and recreation, and maintenance of the parks. The General Fund accounts for all transactions of ordinary City operations not required to be accounted for in another fund.

The General Fund's baseline operating revenues (not including operating transfers or beginning fund balance) are estimated to increase an average of 2.5% by the end of 2018. The increase can primarily be attributed to projected increased sales tax and development revenue. Other revenue projections for 2017-18 remain conservative to stay consistent with trends not reflecting a spike in activity. Utility tax rate for Water and Sewer was decreased from 9% to 6% resulting in lower projections for 2017-18.

The increase in General Fund expenditures (exclusive of transfers) is primarily due to increase in wages and benefits as well as contractual obligations.

Transfers in 2018 have increased to account for a share of two planned debt issue payments. The anticipated debt will be for a new Public Works Facility and improvements to the Noll Road corridor.

The General Fund is balanced in 2017-18 with projected use of \$583,000 of reserves. This is based on conservative revenue projections and intended use of funds to replace capital and small tool items, which have been postponed for several years using those dollars to maintain our high level of service. Although the budget reflects the use of these reserves, it is greatly anticipated the carryover of funds will reduce this figure, as the figures at the end of 2016 are trending higher than anticipated. If actual carryover dollars are higher than projections, an amendment will be posted to reduce the anticipated use of the reserves.

Special Revenue Funds

These funds account for the proceeds of specific revenue sources with legally restricted expenditures.

The change in Special Revenue Funds can mostly be attributed to increase in transfers from Real Estate Excise Tax Funds to the Debt Service Funds for payments related to the anticipated debt for Noll Road in 2018. Another large impact is the intended use of traffic impact fees to be transferred to support the Noll Road and Finn Hill projects in both 2017 and 2018.

Debt Service Funds

The Debt Service funds provide budget capacity for the principal and interest payments scheduled to be paid during 2017-2018. The debt of the City consists of:

- Non-Voted GO - debt is for:
 - Transportation projects (10th Avenue, Caldart, and Finn Hill).
 - 2017 will be the final payment for this project
 - 2005, 2009, and 2012 debt issues for the City Hall project
 - 2005 and 2009 were refunded with advance refunding for 2009, which has now created a 2015 issue
 - Participation with the State LOCAL program for debt issued for purchase of the Park and Recreation building.
- Miscellaneous Debt – debt for:
 - Public Works Trust Fund Loan used for improvements to Front Street

Capital Project Funds

Capital Project Funds account for major general government construction and acquisition projects.

There are several Capital Equipment items which need to be purchased or replaced for governmental purposes. Items related to Enterprise Funds will be funded from those funds. With the growing work force there has been a shortage of vehicles, so funding is included to grow the fleet as well as replace some very old models. Additionally, funds have been allocated for equipment items which are old and/or broken. Details can be found in the Capital Projects Funds Section 6 (CPF).

The funding of capital projects identified for the year 2017-2018 is included in the appropriate capital project funds. The complete City Improvement Plan can be found in Section 9 (CIP) of this document.

1. **Poulsbo Fish Park Restoration:** Continued improvements will be made in 2017 to increase public access and environmental education opportunities while staying within the master plan providing walking trails and wildlife viewing areas in a natural setting.
2. **Eastside/Morrow Manor Park:** A new park on the east side of town utilizing 1.25 acres of donated land is beginning construction planning in 2017.
3. **Muriel Iverson Williams Park Benches:** Purchase and installation of additional park benches replacing the current concrete blocks and adding more seating capacity surrounding the gazebo.
4. **Muriel Iverson Williams Park Restrooms:** One of the most frequented City parks needs either new or greatly remodeled restrooms. They need to be improved for ADA compliance and are overdue for an update.
5. **Nelson Park Playground:** Increasing the size and playground equipment at Nelson Park.
6. **Noll Road Improvements Phase III:** Continued design and purchase of the right-of-ways will occur in 2017. Construction will be phased over several years. The project will include



highway expansion, amended highway access and a new roundabout at the corner of Noll Road and SR 305. Construction is set to begin in 2017. Much of the project is grant funded. The City will continue to look for additional grant funding.

7. **Finn Hill Improvements:** The improvements will increase the roadway and improve safety with pedestrian and bicycle improvements along the north side of the road.
8. **Neighborhood Street Pavement Restoration:** Funds will be allocated on an annual basis to be used for pavement and restoration of neighborhood streets. There are no grants available for these types of roads, so the Council has allocated funds on an annual basis and scheduled improvements using City tax revenues.

Enterprise Funds

Enterprise Funds are used to account for operations: (a) that are normally financed and operated in a manner similar to private business enterprises – where the intent of the governing body is the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purpose.

A major possible change could be to the Solid Waste utility. The City has issued a Request for Proposals (RFP) to evaluate the service and cost levels. Major capital investments and an increase in personnel will be necessary in order to continue to provide the service to the growing number of customers. The budget has been prepared status quo while the solid waste utility review continues through the process.

The significant changes in the City's 2017-18 Enterprise Fund budgets are related to capital projects. The proprietary funds account for both operating and capital budgets, which will fluctuate greatly depending on the nature of the projects. Major Capital Projects scheduled in the Enterprise Funds for 2017-18 include:

1. **Pump Station Upgrades:** Upgrades to the Poulsbo Village Pump Station and Liberty Bay Pump Station will occur in 2017.
2. **Capital Facilities Charge for Kitsap County Sewer Plant and Pump Station upgrades:** An agreement with the County for a plan to improve the treatment plant has been completed. The agreement calls for an annual distribution supporting the City's share of the plant. With three large projects of plant upgrades, per the agreement with Kitsap County, the City must financially share for sewer processing which will occur over the next several years. The payments will be in 2017 and is shown on the City's CIP for \$5,000,000 each. A portion of the payments will be made up of a debt issue, City reserves and connection fees the County has been collecting on behalf of the City.
3. **Harrison Force Main Replacement:** Construction of a 12-inch force main from the Marine Science Center Pump Station along Fjord Drive to tie into the existing main at Harrison Street.



4. **Raab Park Tank and Booster:** A new booster station with upgraded pumps and larger storage tank will be installed in 2017.
5. **Caldart Main Replacement:** A larger water main will be replaced on Caldart Avenue.
6. **Meter Replacement:** New water meters are being upgraded and installed throughout the City phased over several years. This will allow electronic reads for consumption to be done remotely and provide for more accurate readings.
7. **West Poulsbo Waterfront Park:** Waterfront land acquisition is intended to develop a storm water park to improve the capacity of the conveyance system and keep surface storm water out of the sewer system, roadways, and Liberty Bay.
8. **Public Works Complex Relocation:** A parcel of land was purchased for the intent of relocating the Public Works facility and moving the large equipment out of the center of town. Design and construction will be phased over several years with design to be completed in 2017 and construction to begin in 2018. A decant facility combined to house a solid waste transfer station was completed and put into use in 2016 on a portion of the site.

SUMMARY

The overall financial condition of the City of Poulsbo, while currently sound, still demands attention and careful thought by the City's management and Council. It is imperative to continue to pursue other resourceful ways of funding projects, social and environmental programs, and improvements to the City's infrastructure. It appears City revenues are starting to recover and see slow growth. It is important to move forward in a cautious and strategic manner, recognizing budgets have been balanced with intended use of reserves to maintain levels of service. The good news is that in actual terms it has not been necessary to use the transfers, which has allowed the City to maintain strong reserve balances. Projected increases in sales tax and development revenues have allowed the City Council to lower the City utility taxes on water and sewer from 9% to 6% helping to keep future rate increases minimal. The City continues to provide its high level of services for the citizens as well as fund items which have been put on hold in prior years due to lack of resources. With the Council, I continue to focus on growing our revenues and work diligently to entice and restore economic development in the City. This allows the City to continue providing a high level of services to our citizens and maintain a desirable, safe, and livable community.

This has been the inception year for a biennial budget. It has been a very good process and greatly supports the vision of long range planning and looking out financially in the years to come. The City will continue to regularly monitor and amend the plan, if necessary, for any unanticipated items which could affect the fiscal sustainability of the City. The Council and I pride ourselves in monitoring and proactively staying involved to maintain fiscal responsibility for our citizens.

The budget has been developed anticipating use of reserves to fund and promote public safety, road maintenance, and exceptional service levels to our citizens. Poulsbo has been successful maintaining strong policies and reserve balances, allowing for anticipated use of reserves, while still remaining compliant with the financial policies. We will continue to look for cost savings where available, grant opportunities and sharing of local resources to minimize the impacts to citizens, but still provide optimum customer service.

With the help of City Council and departments, we continue to carefully monitor revenues and expenditures and move forward in a cautious and disciplined direction by carefully reviewing needs and service levels prior to committing future revenues and expenditures.

The budget document has been conservatively prepared, not banking on hopeful growth but also reflecting on the changing times and moving forward leading the City to accomplish the many progressive programs and projects set to be achieved in 2017-18 and beyond. The goals and objectives we have planned are numerous and the schedule of achievements is aggressive. We are excited and ready to take on these challenges as a committed and professional management team.

I encourage citizen participation, collaboration, and communication. Since taking office, I continue to offer Saturday morning open office hours providing an increased opportunity for citizens to have a voice in their community, ask questions about your leadership, and provide suggestions for our thriving community.

ACKNOWLEDGMENT

The Mayor's Office and the Finance Department sincerely appreciate the cooperation and assistance of the City Council and City Staff in addressing the financial requirements of fiscal years 2017-18. Many people throughout the organization have put a great deal of effort and skill into the production of this document.

The City will continue to work with the community, expending our resources and energies to provide the type of local leadership needed to face the challenges and needs of our citizens. We hope you find this document useful and interesting. We provide the document on our website (www.cityofpoulsbo.com) in both a Budget-in-Brief format or complete document making it accessible for all citizens. As always, the staff looks forward to any comments and suggestions. Feedback is always helpful as we can continue to refine the document to make it as useful and reader friendly as possible for the City Council and the community we represent.

It is my pleasure to present to you this 2017-18 Biennial Budget document. I am excited to serve the citizens and have many ideas, aspirations, and goals to achieve for our citizens. I believe the City of Poulsbo is progressing and growing in a thoughtful and planned direction. It has been a busy year continually working on economic development, leading the City through tough economic times, managing and re-organizing staff, and serving as executive board member and/or officer on several local government agencies. I want to continue to honor our founding ancestors, but be reflective of the new generations hoping to raise their families and mark their time in our small progressive City.

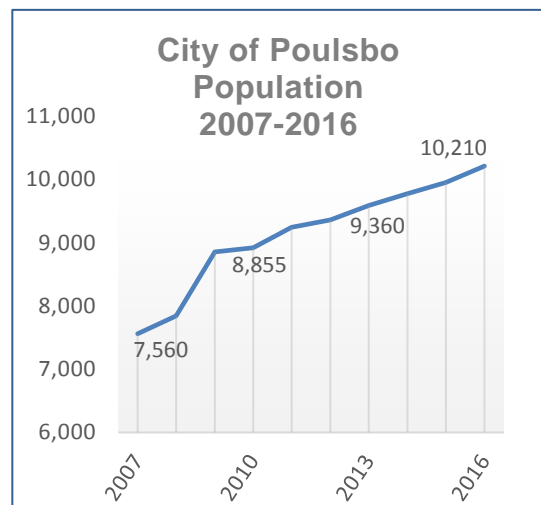
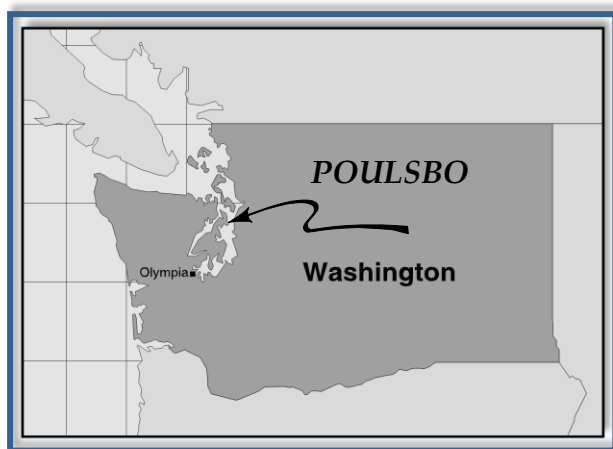
Sincerely,



Rebecca Erickson
Mayor



CITY OF POULSBO PROFILE



The City of Poulsbo is in Kitsap County, located on the Kitsap Peninsula west of Seattle. Originally settled by Norwegian immigrants in the late 1800's on Liberty Bay, a fjord of Puget Sound, Poulsbo continues to maintain its Scandinavian atmosphere through its architecture, celebrations, and hospitality. Holding to its Scandinavian heritage has earned the City the nickname "Little Norway" and visits from two Norwegian Kings.

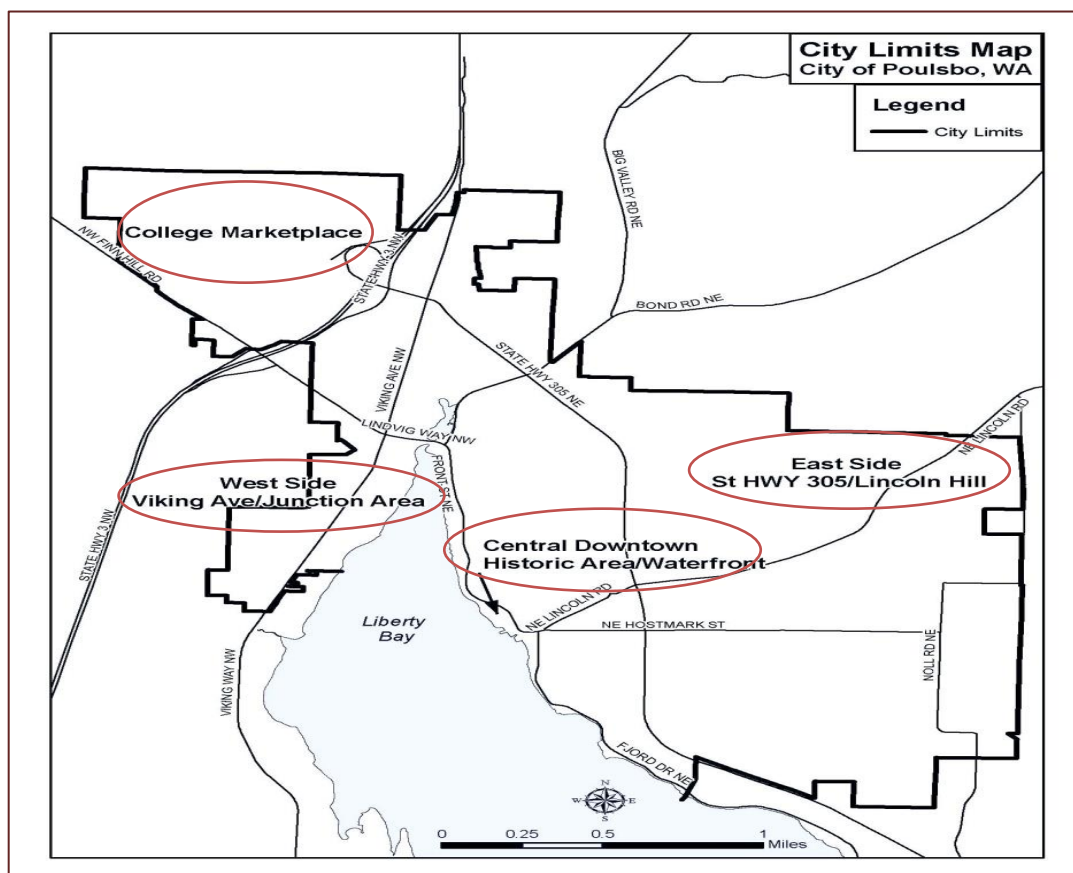
Three military facilities are located within Kitsap County; Bremerton's Puget Sound Naval Shipyard, Naval Submarine Base Bangor and Keyport's Naval Undersea Warfare Center. Consolidated in 2004 as Naval Base Kitsap, it is the largest naval installation in the Northwest. With a population of 10,210, many of Poulsbo's residents are employed at one of the federal bases or commute to metropolitan Seattle by ferry. In addition, Poulsbo has a large and active senior citizen population.

More and more, people are deciding that Poulsbo and the surrounding area is a great place to live and work. The City has become a very popular place for development. The City acknowledges its responsibility to respond to growth and has adopted development regulations, which are called for by state law, to protect the environment and our quality of life. The City continues to review and revise these regulations based on the City's experience to date.

Most future growth will occur in the designated urban growth areas for which cities are the primary service providers. Poulsbo's population is expected to increase by more than 4,000 to have a population over 14,000 by 2020. A large population increase was recognized in 2009 due to a reporting error in the method the City used to account for number of building permits issued. Official population figures are provided by the Office of Financial Management (OFM) for the State of Washington

The City can be broken into 4 geographic descriptors:

- | | |
|----------------------------------|--|
| • <u>CENTRAL</u> | Downtown Poulsbo (Historic area and waterfront) |
| • <u>WEST SIDE</u> | Junction Area/Viking Ave Corridor |
| • <u>EAST SIDE</u> | State Highway 305 and Lincoln Hill |
| • <u>NORTHWEST CORNER</u> | College Market Place |



CENTRAL AREA – Downtown Poulsbo (Historic area and waterfront)

Centrally located in the heart of Poulsbo, this is the area most people associate with Poulsbo. The downtown area has maintained its history and many of the original buildings have been renovated. Graced with a photographic waterfront parkway and boardwalk, the area invites tourists to shop and spend an afternoon or weekend. The downtown business core has formed a successful business improvement area association called the “Historic Downtown Poulsbo Association” (HDPa). Assessments to each of the businesses in the HDPa area are included in the City's budget and administered by the City, but controlled by the Association. These funds are used to enhance and promote the downtown area. Large flower pots, hanging baskets, colorful blue metal benches, light standards, and festive banners are included in the Association's beautification program. HDPa continues to organize and/or work with other organizations to promote events being conducted in the downtown area.

Downtown is home to several popular community celebrations including: Winter Rendezvous in February, Viking Fest in mid-May, 3rd of July Celebration, Poulsbo Street Dance in July, Arts by the Bay in August, Community Trick or Treat in October, Girls Night Out Event, and the Yule Fest in December. The Parks and Recreation Department facilitates “Summer Nights at the Bay,” a music concert series, at the waterfront park in July and August.

Poulsbo's waterfront is active year round. Where sailing schooners and steamships previously exchanged their wares, kayakers and yachts now fill the bay. Many commercial fishing boats still homeport in Poulsbo. Poulsbo continues to be a favorite destination port for day excursions and vacationing boaters.



Historic Downtown Poulsbo

There are several parks within walking distance of the downtown area for those visiting by boat; the Muriel Williams Waterfront Park, which is adjacent to the Port of Poulsbo; the American Legion Park, Net Shed Park; Lions Park; and Oyster Plant Park. The Muriel Williams Waterfront Park contains sidewalks circling a gazebo which is used for hosting many private and community events. The sidewalks link to a waterfront boardwalk connecting to American Legion Park. The park provides access to the beach, back dropped by a concrete shoreline wall, detailed with decorative waves and a “Welcome to Poulsbo” insignia welcoming vacationing boaters at the Port of Poulsbo's marina. The American Legion Park has



Waterfront Gazebo

wooded paths and a small playground in a lush wooded area overlooking Liberty Bay. The park had some repairs and updates to the playground in 2016. Lions Park offers a playground, tennis court, ADA accessible sidewalks and a restroom building decorated with hand-painted tiles residents created in a local ceramic shop through a fundraising project. Oyster Plant Park is a small waterfront park boasting an outstanding view of the Olympic Mountains. The park has water access, water-viewing pier, trail to the beach, and a launching ramp for hand carried boats. Net Shed Park is a small strip of land sitting waterside with a couple picnic tables for visitors to enjoy a water and mountain panoramic view.

Anderson Parkway is a popular destination for parking as it is located between the waterfront park and the historic downtown. It is also the single largest impervious surface in the downtown core that discharges untreated storm water into Liberty Bay. In 2013, improvements were made to the main Anderson Parkway including rain gardens, pedestrian walkways, pervious pavement, new parking stall design helping traffic flow, and repair of the asphalt parking surface. Lights were installed to help improve vehicle and pedestrian safety. In 2014, stormwater educational

signage was added. In 2016, in cooperation with the Port of Poulsbo, improvements began to the south section of Anderson Parkway complementing the main Anderson Parkway retrofit. The project will repair the bulkhead, replace this section with pervious pavement and install a modular wetland system.



SEA Discovery Center

Located at the east end of historic downtown is the SEA Discovery Center (formerly known as Marine Science Center). In 2016, the City, as the owner of the building, partnered with Western Washington University allowing the use of the building to provide educational programs and to display marine life for local citizens and visitors. The use of the building is the city's commitment and contribution to providing the opportunity for citizens to be provided with hands on education of local marine life and environmental impacts to our surrounding waters. The Center offers free admission and is open to the public during regular operating hours Thursday through Sunday.

The residential section of the downtown area includes many of the first homes in the City. These homes have been well maintained and provide residents the convenience of being within walking distance of the downtown amenities.

In 1988, the City approved a master plan for redevelopment of a 31-acre residential section of the downtown area known as "The Project". The project earned its name when homes were built during World War II to provide housing for government workers. The project has earned three awards from the State's Master Builders Association including "Community of the Year" and "Best Community Land Use". The approved master plan calls for a residential village that complements and enhances the downtown district. Included are family residences, luxury view-oriented town homes, and a small number of live-work units. The goal is for the community to expand the walkable downtown core, provide community living and provide a combined residential commercial option.



Poulsbo Place Homes

A pedestrian/bicycle trail is located along Fjord Drive. Because of its scenic location along Liberty Bay, more than 200 persons per day travel this route in non-motorized modes. Some of the highlights of the trail are scenic vistas, including Net Shed Park.

The Jewel Box Theatre is a local theater with an intimate setting providing live productions at a reasonable cost. This 4,000 square foot multi-purpose space theater has seating for up to 100. The theater has a catering kitchen, which makes it possible to rent out the space for meetings, fund raising events, wedding receptions and children's classes.



Current Poulsbo City Hall

City Hall is located in the heart of historic downtown Poulsbo. The building houses all City Departments with the exception of Public Works and Parks & Recreation. The building is visible and accessible to all citizens and visitors. The building provides for City services with a welcoming environment and better technology for more efficient services. The building has become a very popular meeting space as it provides adequate parking and state of the art meeting rooms.

The Poulsbo Historical Society leases a portion of the City Hall providing a space to display the many treasured items they have been collecting for several years. In 2015 the museum expanded their location to a store front on Front Street which is the main drive through

the historic downtown. The new location is focused on maritime exhibits and contains refurbished portions of original fishing schooners. Being located in the downtown area and open to the public is a great addition for our City residents to help preserve and promote historical education about Poulsbo.

Several projects were completed in 2016 enhancing downtown access and visibility. A trail for Nelson Park to allow access from the lower to upper portion of the park was completed in 2016. Preliminary planning for replacing the restrooms in Muriel Williams Waterfront Park was conducted in 2017 with the intent of replacement in 2017. The playground and American Legion Park was repaired and enhanced in 2017 with the equipment geared towards pre-school age users. Liberty Bay Trail, a pedestrian/bicycle trail from American Legion Park to the Liberty Bay Auto Dealership will continue its planning phase, and the City will look for additional funding to complete the project over the next several years.



Old Poulsbo City Hall

The old City Hall building, which had been vacant and for sale for several years, was demolished in 2016. The building was old and dilapidated, but the site is at a desirable location next to the downtown retail core. There is a purchase and sale agreement in negotiation. The purchaser has proposed to locate a mixed use building with living units on top of retail space. The planning phase has taken longer than anticipated, but the final steps occurred at the end of 2016 and final sale is anticipated in the first half of 2017.

The old Police Station located at the east side of Front Street is under a pending purchase and sale agreement with due diligence being conducted for the feasibility to tear down the existing structure and build apartments with some mixed use for office space.

WEST SIDE – Junction Area/Viking Ave Corridor

This area, once a state highway, is now a City avenue dotted with commercial businesses. Viking Avenue is the main route through the west side of the city. The avenue contains four lanes with a center turn lane through the business district and is pedestrian friendly with sidewalks, lighting, several cross walks and landscaping.

A large Viking statue marks the City entrance from the west side of town to the historic downtown. The statue called “Norseman” is mounted on a large concrete pedestal touting “Velkommen til Poulsbo”.

A destination for many city residents is the 10-plex-movie theater. Stadium seating, digital sound, 3D capabilities, new releases on multiple screens, and catered parties draw patrons from all over Kitsap County.



Viking Statue



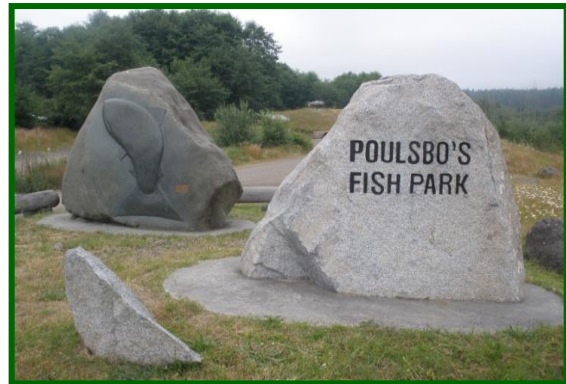
Pub & Eatery on Viking Avenue

A portion of the Viking Avenue corridor was a victim of the national economic downturn. The City Council and Mayor set a goal to emphasize economic development in the City focusing much of their efforts on vacancies along this corridor. The City continues to work with Viking Avenue businesses to revitalize this area of the City and has seen increased success in this area. Several vacancies have been filled with diversified uses. A new pre-owned auto dealership opened in 2014 expanding their business in 2015. Fishline, a local non-profit food bank, purchased and located their services on Viking Avenue. Many grants and volunteers make this a very successful resource for Poulsbo citizens. In

2016, a local brewery expanded their operations to a larger location on Viking Avenue re-opening as a pub & eatery while an additional startup brewery moved into the area as well. The business community continues to band and work collaboratively to promote and encourage more activity to create a destination corridor.

Nelson Park is located at the end of the bay. The park contains a picnic shelter, playground, caretaker's residence and public restrooms. Nelson Park is the home to the Martinson Cabin, a log cabin that was lovingly taken apart and rebuilt at its present location. The Poulsbo Historical Society hosts docents to showcase the memorabilia from over 100 years. In 2015, an unused trail easement from under the Lindvig Bridge to a stair climb on the Westside of Nelson Park was completed creating continuous access.

Lindvig Bridge is located over Dogfish Creek. The bridge provides pedestrian walkway and is a true fish enhancement allowing a viewing platform for travelling salmon and a passage from the Dogfish Creek to Liberty Bay. The entrance to Fish Park is marked with large beautiful stones with a carved sculpture and the other with the park's name engraved. Grants and many volunteer hours have helped to develop the property to include public access trails, educational signage, interpretive areas, a small amphitheater, wildlife-viewing, and educational opportunities. Volunteer work forces from local service groups constructed boardwalks to enhance the wildlife viewing. The park has several viewing platforms, pergola covered picnic tables, multiple interpretive signs, three pedestrian bridges, one footbridge, approximately one mile of compacted gravel trails, stream re-direction and restoration plantings. Most of the improvements have been donated by local individuals and organizations including: Eagle Scouts, Rotary, Poulsbo Lions Club, numerous students, church groups, and volunteers. Improvements to the park are planned to continue many years. All improvements will stay within the master plan providing walking trails and wildlife viewing areas in a natural setting. The park has grown to 40 acres through both the purchase and donation of attached land parcels. These parcels will continue to be developed as resources become available. The park continues to be a popular destination for walkers and wildlife viewers.



Located off of Viking Avenue is Finn Hill which provides access to a main freeway, Highway 3, and a southern entrance to College Market Place. Residential development continues to grow in this area with new housing developments. The development known as Liberty Hill is a residential neighborhood consisting of 71 homes on over two acres. The development includes walking trails providing access to some of the close points of interest. This Poulsbo neighborhood will be connected to City sewer but have water service from the KPUD. Two new developments located north on Viking Avenue were substantially completed in 2016, one consists of 18 townhomes, known as Vikings Landing, the other consists of 100 single family homes, known as Summerset.

Kitsap Transit opened a new Viking Way Transit Center in late 2016. This is a large park-and-ride lot and transfer center allowing much needed additional commuter parking and offering a centralized area for operations and bus maintenance while making it easier for riders to access and use.

EAST SIDE – State Highway 305 and Lincoln Hill

State Highway 305 runs through the east side of Poulsbo providing access to the Bainbridge Island/Seattle ferry, twelve miles to the south. SR 305 includes peak hour high occupancy vehicle (HOV) lanes and is the primary roadway for residents to travel in their morning and afternoon commutes to work and school.



The commercial area on both sides of State Highway 305 continues to enjoy a healthy customer base. A business park campus located on Lincoln Hill, east of State Highway 305, changed an old gravel pit into a contemporary business park with a spectacular view of the Olympic Mountains. The campus continues to expand and attract new businesses and professional services to our area. These companies are able to provide family wage earning jobs for professionals who prefer not to commute to the Seattle area.

Poulsbo is the home of several large grocery store options including a large Central Market, which has been deemed a destination market boasting local produce and many quick gourmet dining options.

In 2014, a new large Safeway store inclusive of a gas station and underground parking opened for business. This large retail grocery development enhanced the options for residents as well as entice travelers to make a quick stop with easy highway access. A new CVS full service pharmacy also opened for business in 2014, providing more options for pharmacy and other needs. Surrounding the CVS, there are several establishments under construction in 2016. To the north, a Sherwin Williams paint store along with a drive through Starbucks; to the south, a Brown Bear Car Wash of which all are anticipated to open in mid-2017.



In the Poulsbo Village, a long time Albertson's store vacated the location due to the merger of Safeway. This leaves the property vacant and City Council is continuing to help market for the best economic solution.



Development continues along the SR 305 corridor. A highly anticipated new Sonic Drive-in Restaurant opened for business in 2015. The grand opening experienced large retail activity as well as providing a new location for local residents to gather and grab a quick bite. A new gas station with a mini market to be located adjacent to the Sonic is in the planning process and will enhance the options for commuters and residents close to the SR 3 and SR 305 interchange.

Poulsbo is served by the North Kitsap School District. The Lincoln Hill area includes the North Kitsap Senior High, Poulsbo Middle School, Poulsbo Elementary and the North Kitsap School District Administrative offices.

A traffic signal at the corner of Caldart and Lincoln and a four way stop at the corner of Hostmark and Caldart, help support the heavy vehicle and pedestrian traffic for school hours. Both the high school and middle school are located near the Caldart intersection, which causes a high level of pedestrian traffic. The North Kitsap School District participated in the funding to help provide for the safety of both the students and pedestrians. New sidewalks of pervious concrete and bio-swales to aid in stormwater treatment, speed tables and improved landscaping were installed at the North end of Caldart which contain several housing developments and the City owned Cemetery. Led by community effort, city funds and donations, improvements were done to support better maintenance and beautification such as a new entrance sign and planting of trees at the front of the cemetery.



Lincoln and Noll Road Roundabout

Construction of Noll Road improvements is planned over several phases. Upcoming phases will continue to address increased traffic flow for pedestrians and overflow vehicle

traffic from the main highway. The project is primarily funded with grants, City contributions and a possible future debt issue. The corner of Noll Road and Hostmark is the home to an elementary school and very busy athletic fields owned by the school district. Improvements in this area include road, pedestrian and bicycle lane improvements. The City worked closely with the local schools to address safety concerns for pedestrian and vehicles traveling to Poulsbo Elementary School and is very supportive of the continued improvements. Landscaped sidewalks greatly improved access for safe foot and bicycle traffic. Access to school parking and fields were included to help streamline the busy school zone traffic during school hours. At the south end of Noll, pedestrian, non-motorized and vehicle traffic improvements including a roundabout at the Lincoln intersection was constructed streamlining the traffic flow.

The Poulsbo Farmer's Market moved to its new location in 2016 at the City's Parks and Recreation Department parking lot. The market continues to operate on Saturdays during the months of April through December. Since the market's inception vendors and customers are making the market an increasingly popular event. The market emphasizes environmentally friendly products and allows local farmers a venue to sell their goods.

One of the City's busiest parks is Raab Park. The park boasts a large picnic shelter, restrooms and playground. The park has a walking path around the perimeter, small playground, and a Skate Park. The picnic shelter is available for rent to the public and continues to be a popular venue for family and organization events. A community Pea-Patch, consisting of small blocks for community members to rent and set up a garden area, continues to be ever popular with local gardeners. Educational workshops are offered in this area for different gardening techniques and ideas. Located in the corner of Raab Park, a fenced "Bark Park" allows pets to be exercised off-leash. This continues to grow in popularity among pet owners.



Raab Park Pea Patch



New Housing on Noll Rd

There are several new developments of family homes under construction on the Eastside of SR 305. The inventory for available homes in Poulsbo is in demand. Mountain Aire, one of the newest and largest developments is located off Noll Road near Hostmark St. This community features over 5 acres of open space including two residential parks. Donated parcels of land will be given to the City for the development of a new eastside park referenced as Morrow Manor. The park is planned to be developed over the next couple years.

NORTHWEST CORNER – College Market Place

In 1994, 215 acres of undeveloped property known as the "Olhava Property" was annexed into the City and City Council approved the adequacy of the environmental impact statement (EIS) and the master plan in 1998. The Olhava Master Plan continues to be completed in phased development. The master plan includes 840,000 square feet of commercial buildings, a 325,000 square foot business park, 70 single-family units and 420 multi-family residents and ball fields. Developers also donated 20 acres to the local community college. The development now carries the name, "College Market Place."



A satellite campus of Olympic Community College is located in the development and continues to increase the programs offering more options for continued education. The college has become so popular there are preliminary discussions of expansion. Western University has located several 4 year programs at the site offering the option for a Bachelors Degree.

Several anchor stores, Wal-Mart, Home Depot, Petco, Office Max and Big 5 are located in this development. Adjacent to these stores several businesses are located in adjacent strip malls. The area continues to develop with many additional businesses adding to the ever popular location. A couple fast food restaurants including Jack in the Box and Wendy's are located in the development. A new sit down restaurant offering Asian cuisine opened for business in 2014. Opening in 2016 was a new drive-through Starbucks and automated car wash.

Apart from the retail developments a large beverage distribution warehouse and large medical building are located in the development. This is a great enhancement for the residents of Poulsbo offering local employment and services, reducing the need for travel to other locations for medical services. The project continues to be a huge investment of private dollars into the community and continues to support Poulsbo's strong Retail Sales Tax base.

A portion of the master plan allows for multifamily homes. Preliminary planning has been occurring regarding new multifamily homes. These would be located at the north end of the development.

The City of Poulsbo continues to promote smart growth with new businesses coming into the area and providing local employment as well as maintaining our "small town" atmosphere. We feel government, citizens, and developers working together can successfully accomplish the goal of making Poulsbo the premier place to live and work on the Kitsap Peninsula. Poulsbo has many times been termed "small but sophisticated". Dedicated citizens, elected officials and staff continue to promote Poulsbo as a premier place to live and work.

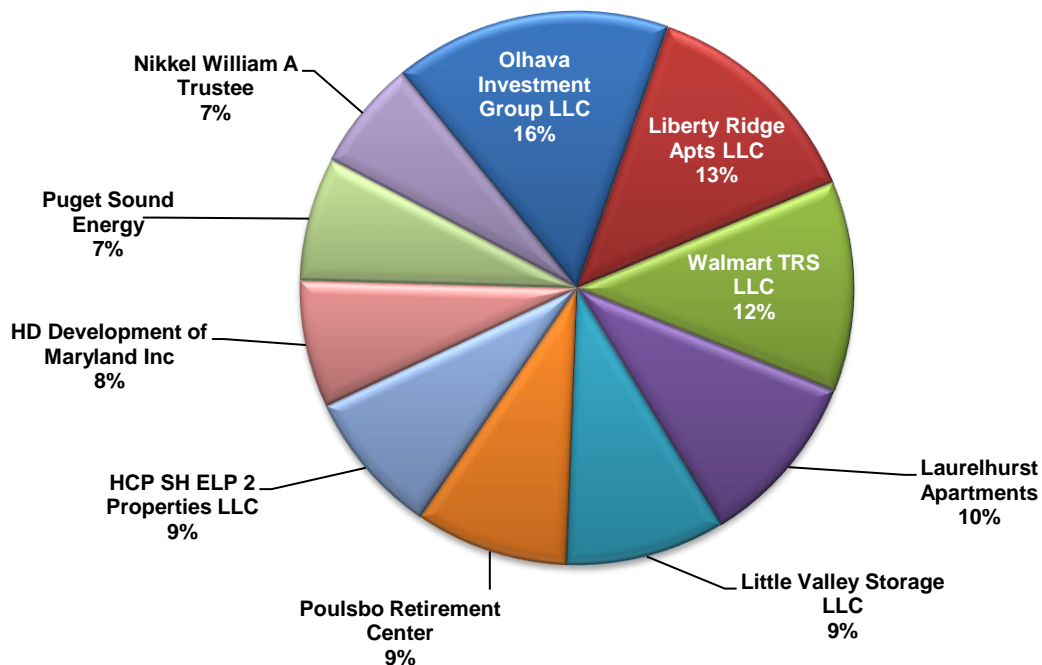


CITY OF POULSBO PRINCIPAL TAXPAYERS

| Taxpayer | 2016 | | % of Total Assessed Valuation |
|--------------------------------|-------------------------|------|-------------------------------|
| | 2016 Assessed Valuation | Rank | |
| Olhava Investment Group LLC | 22,237,310 | 1 | 1.49% |
| Liberty Ridge Apts LLC | 18,389,600 | 2 | 1.24% |
| Walmart TRS LLC | 16,929,400 | 3 | 1.14% |
| Laurelhurst Apartments | 14,082,470 | 4 | 0.95% |
| Little Valley Storage LLC | 12,838,580 | 5 | 0.86% |
| Poulsbo Retirement Center | 12,320,180 | 6 | 0.83% |
| HCP SH ELP 2 Properties LLC | 11,607,410 | 7 | 0.78% |
| HD Development of Maryland Inc | 10,208,610 | 8 | 0.69% |
| Puget Sound Energy | 9,954,266 | 9 | 0.67% |
| Nikkel William A Trustee | 8,911,560 | 10 | 0.60% |
| TOTALS: | \$137,479,386 | | 9.24% |

Source: Kitsap County Assessor's Office

ASSESSED VALUE OF TOP TEN TAXPAYERS



CITY OF POULSBO TOP 10 EMPLOYERS

| <u>Employer</u> | <u>Type of Business</u> | 2016 | | |
|--|-------------------------|---------------------------------|------|-------------------------------|
| | | TOTAL EMPLOYEES ¹ | Rank | % of Total City Employment |
| North Kitsap School District | Public Education | 1042 | 1 | 15.36% |
| Martha & Mary Lutheran Services | Social Services | 528 | 2 | 7.78% |
| Walmart | Retail Trade | 369 | 3 | 5.44% |
| Central Market | Retail Trade | 278 | 4 | 4.10% |
| Home Depot | Retail Trade | 139 | 5 | 2.05% |
| Safeway | Retail Trade | 128 | 6 | 1.89% |
| City of Poulsbo | Municipal Government | 120 | 7 | 1.77% |
| Liberty Shores / Harbor House | Healthcare | 108 | 8 | 1.59% |
| Masterworks | Marketing | 98 | 9 | 1.44% |
| Marine View Beverage | Distribution | 91 | 10 | 1.34% |
| Subtotal of Ten Largest Employers | | 2901 | | 42.76% |
| All Other Employers | | 3883 | | 57.24% |
| Total Poulsbo Employment ³ | | 6784 | | 100.00% |

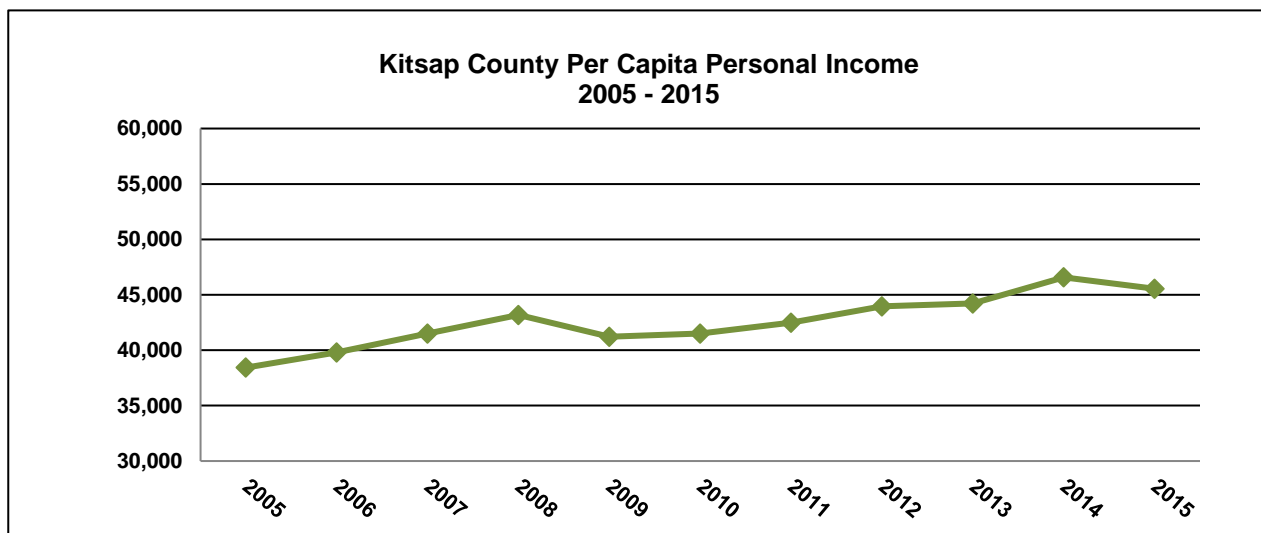
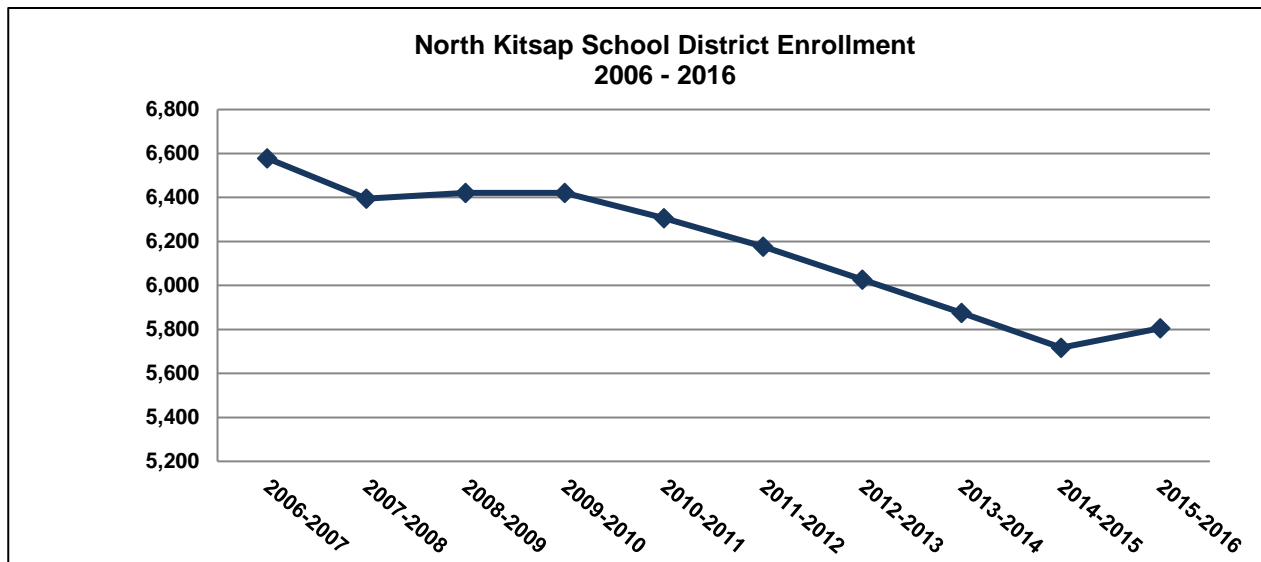
¹ Full and part-time employees are tracked

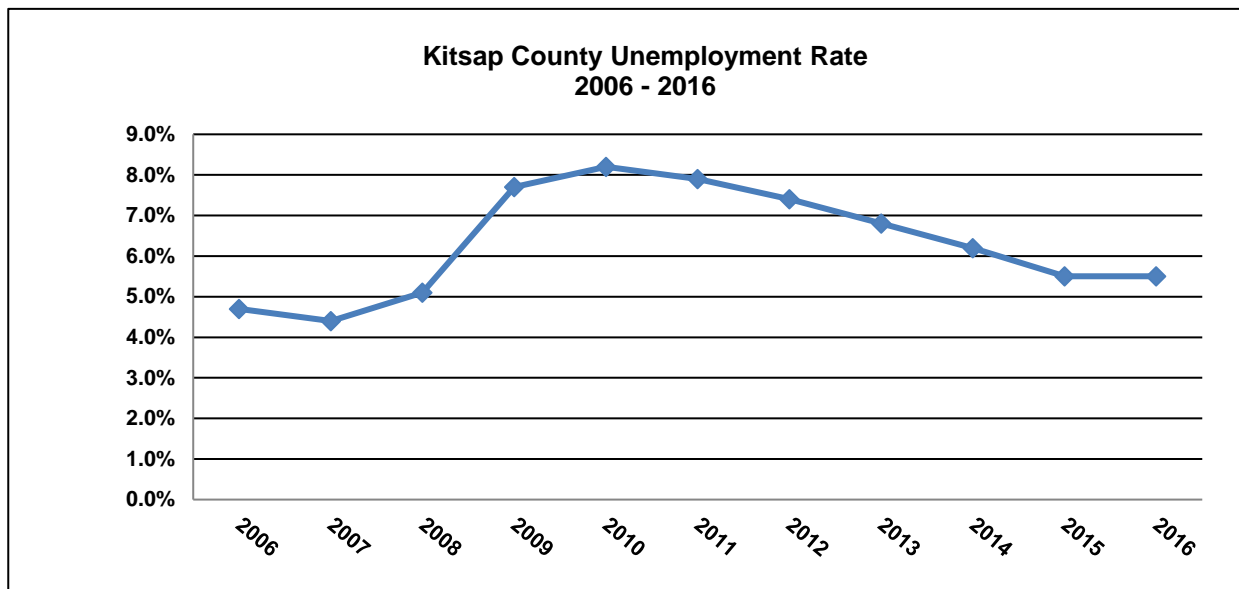
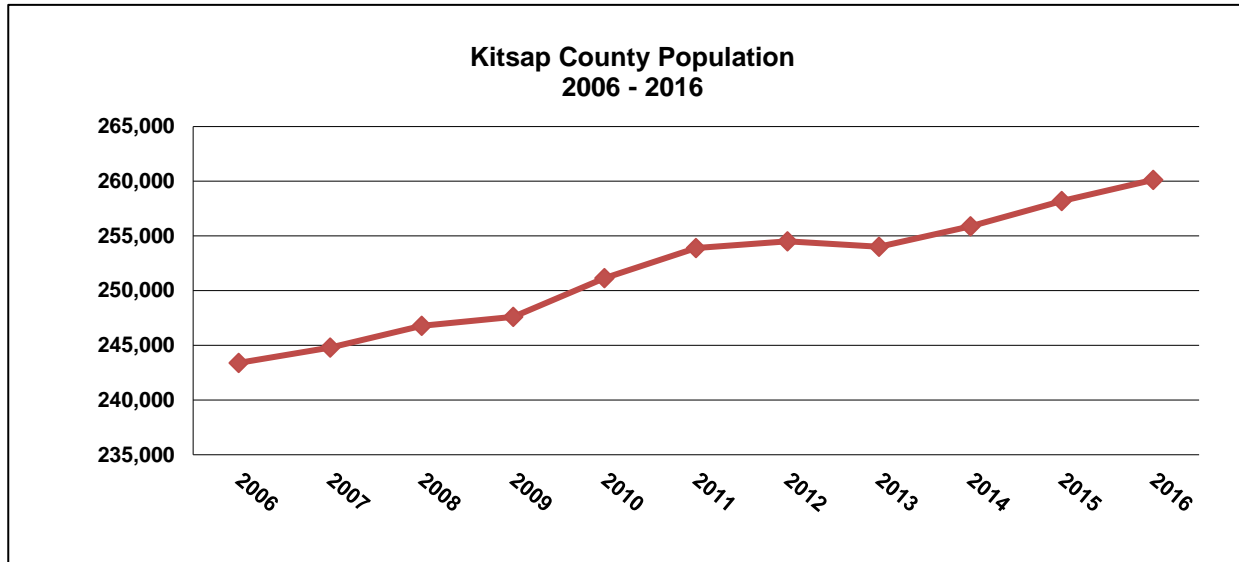
³ Total Poulsbo Employment numbers from ESD as of 2016 & Q1 2006

Source: WA St Employment Security Department, City of Poulsbo Finance Department

| CITY OF POULSBO DEMOGRAPHIC STATISTICS | | |
|---|--------------------|--------------|
| <i>Demographic</i> | <i>Census Year</i> | <i>Value</i> |
| Persons under 5 years | 2010 | 6.2% |
| Persons under 18 years | 2010 | 23.8% |
| Persons 65 years and over | 2010 | 19.4% |
| High School Graduates, % of age 25+ | 2015 | 93.2% |
| Bachelor's Degree or higher, % of age 25+ | 2015 | 34.5% |
| Homeownership rate | 2015 | 65% |
| Median Value of Owner-occupied Housing | 2015 | \$ 282,500 |
| Persons per Household | 2015 | 2.56 |
| Per Capita Income | 2015 | \$ 27,714 |

| Kitsap County's Top Ten Employers | |
|-----------------------------------|--------|
| Naval Base Kitsap | 31,345 |
| Harrison Hospital | 2,442 |
| Washington State Government | 1,746 |
| Central Kitsap School District | 1,469 |
| Olympic College | 1,206 |
| South Kitsap School District | 1,176 |
| Kitsap County | 1,124 |
| North Kitsap School District | 844 |
| Port Madison Enterprises | 752 |
| Bremerton School District | 663 |



**SOURCES:**

Unemployment: Washington State Department of Employment Security

Kitsap Population: Washington Office of Financial Management

Per Capita Personal Income: US Department of Commerce, Bureau of Economic Analysis

School Enrollment: North Kitsap School District

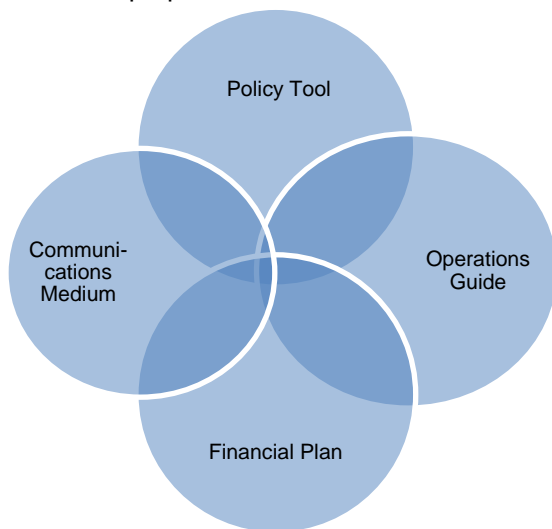
Kitsap County Top Ten Employers: Economic Development Council of Kitsap County



BUDGET PROCESS

A. PURPOSE

The City of Poulsbo's Budget seeks to achieve four basic purposes:



1. A policy tool: The City's budget process is conducted in a manner that allows the City's policy officials to comprehensively review the direction of the City and to redirect its activities by means of the allocation of financial resources. On this basis, the budget sets policy for the following biennium. The budget process also facilitates the evaluation of City programs by providing a means to measure the financial activities of the departments.

2. An operations guide: The budget provides financial control by setting forth both legislative and administrative guidance to City employees regarding the character and scope of their activities in both summary and detail form in the various products of the budget process.

3. A financial plan: The budget outlines the manner in which the financial resources of the City will be managed during the budget period. This allocation of resources is based on an understanding of both the current year's needs and the long-term view of the development of City programs. The budget takes into account unforeseen contingencies and provides a process for periodic adjustments.

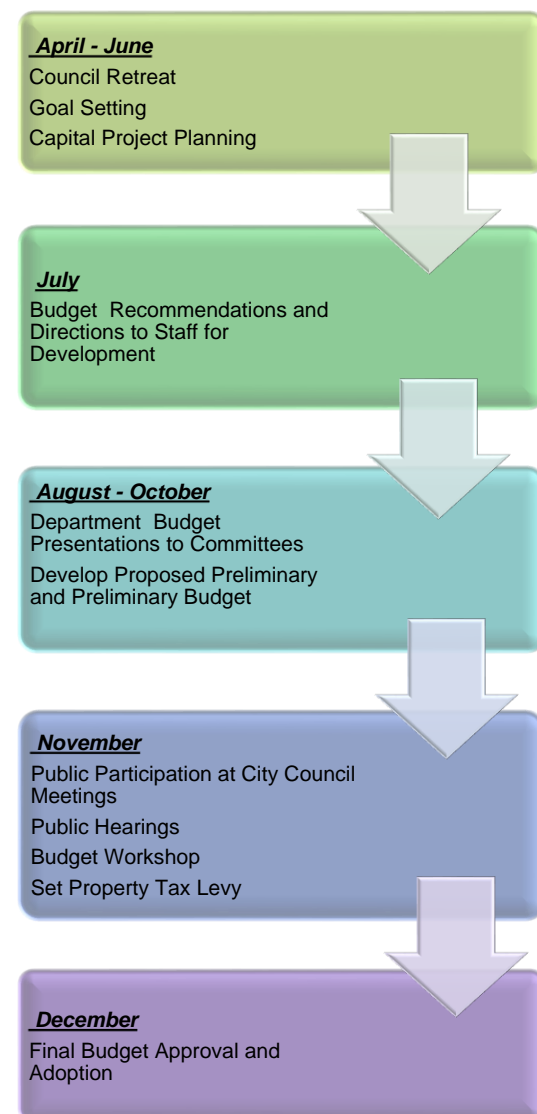
4. As a communications medium: The budget provides management information as a comprehensive tabulation of information regarding both the character and scope of City activity. No budget can be effective unless it communicates and, since this budget has a

diverse audience, it seeks to communicate at several levels and for several purposes. It seeks to communicate clear policy at a usable level of detail to City employees, to communicate significant policy issues and options in a form that can be acted upon by policy officials, and to communicate the plans of the City to its constituents in a manner which affords them an opportunity to provide meaningful comments to the elected officials.

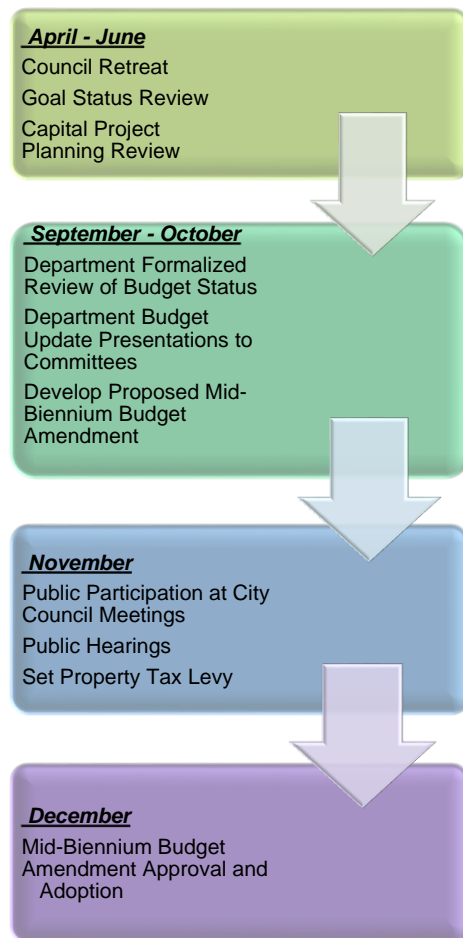
B. PROCESS

The City of Poulsbo's Budget process meets these purposes by integrating the planning and implementation of City programs with the allocation of financial resources necessary to support these services.

Year One – Prior to beginning of Biennium Cycle



Year Two – In the middle of the Biennium Cycle



Budget planning starts early in the year prior to the start of the biennium and is prepared as follows:

- **January - April** - a Council retreat is held to discuss goals for the upcoming budget season. The goals are distributed to each department to use during their budget planning. During mid-biennium, this time is used for departments to review their goals and assess their steps toward accomplishment.
- **May** - the Capital Improvement Team meets to begin updating the City Improvement Plan.
- **July through August** - each department develops its budget and work plans for the following biennium.
- **August** - in anticipation of the new biennium, departments enter their budget projections directly into the software and run system reports. Historic and current budget data is included in the accounting software system in an integrated budgeting module. Finance Department develops a tentative

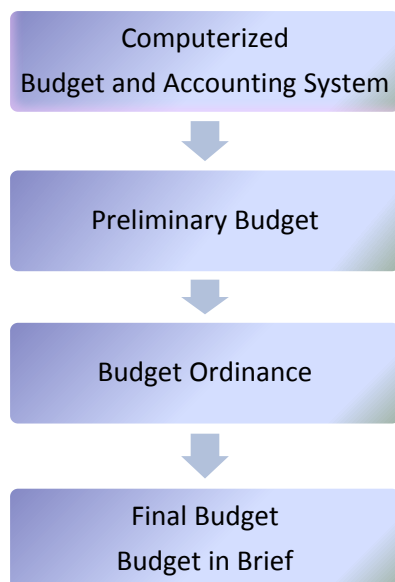
revenue projection for the following biennium. During mid-biennium, this time is used for departments to formally review their budget and assess any needed modifications to be made.

- **September** - departments consult during this period with Council Committees while they are formulating their work programs and proposed budgets. These consultations may be either formal or informal and are intended to anticipate the Council's desires as the work programs and the supporting budget proposals are developed.
- **September** - In preparation of the biennium, a complete proposed budget is presented to the Mayor. The Mayor with each Department Head reviews the budget, in detail. In mid-biennium, departments along with Finance and Mayor will thoroughly review budget status for any revisions as may be needed.
- **September** - the Mayor formulates both their proposal in response to Council goals, and their recommended budget for the following year. In mid-biennium, the Mayor formulates their recommended mid-biennium budget amendment.
- **October** - recommendations for the next fiscal year are formally transmitted to the Council in the form of the preliminary budget. Recommendations for the mid-biennium Budget Amendment are formulated through department review with their committees and with Mayor and formally transmitted to the Council.
- **October through November** - City Council holds a public hearing on the revenue sources for the preliminary budget and conducts a series of workshops to examine the budget in detail.
- **November** - Council conducts another budget public hearing before acting formally on the budget as modified during its workshop hearings. In mid-biennium, Council conducts a public hearing before acting formally on the mid-biennium budget amendment. The Finance/Administration Committee makes any final recommendations to the budget for council consideration.
- **December** - final action on the budget occurs including adoption and the budget ordinance. Final action on the mid-biennium budget amendment occurs including adoption and the budget amending ordinance.

In adherence to RCW 35A.34.130, the City will prepare a mid-biennium review and modification of the budget beginning no sooner than September 1 of Budget Year One to be completed and adopted prior to the end of Budget Year One. This review allows the City the opportunity to compare the status of the budget against actual figures, analyze trends, review forecasts and make any modifications to the biennium budget as deemed necessary.

The entire budget process is coordinated as needed in regular weekly meetings of the City Department Heads. The Finance Department provides the staff coordination for the process. The Finance/Administration Committee is consulted continually throughout the year as potential issues surface and new program ideas incubate.

The budget process results in various budget products at appropriate stages of the process.



1. Computerized Budget & Accounting System

The actual "official" budget is maintained, both before and after adoption, on a computerized software program, at a detailed "line item" level. Computerized reports can be generated at any time at any level of detail. This computerized budget becomes an accounting system to control expenditures after adoption of the budget.

2. Preliminary Budget

The preliminary budget is prepared, pursuant to State law as the Mayor's budget

recommendations to the City Council. This public document contains detailed information at the fund level and, for the general fund, at the department level, and focuses on key policy issues while still providing a comprehensive overview of the complete budget.

3. Budget Ordinance

The actual appropriations implementing the budget are contained in the budget ordinance adopted by the City Council.

4. Final Budget

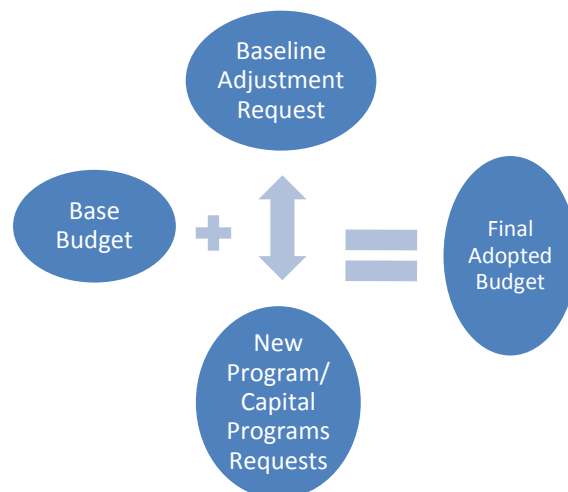
The final budget is issued as a formal published document, in the same format as the preliminary budget but as modified by the City Council. It is this document, which is formally filed as a final budget.

5. Budget in Brief

The Budget in Brief is published in conjunction with the final document. The Budget in Brief is a smaller document highlighting the information from the final document, but in a much-abbreviated form. This encourages the citizens to become more familiar with the City's policies and upcoming goals without being overwhelmed by a large document.

C. COMPONENTS OF THE BUDGET

There are two parts to the budget:



Baseline Budget: The baseline budget consists of budget proposals sufficient to maintain the operation of programs previously authorized in earlier budgets.

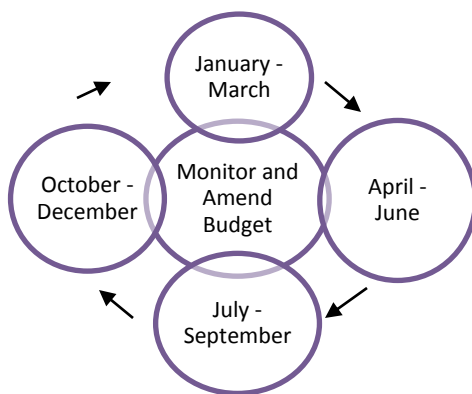
Program Improvements: (Baseline Adjustment Requests, New Program, and Capital Equipment Replacement Requests):

Program improvements consist of new initiatives or substantial changes to existing programs.

Segregation of the budget into these two components separates key policy issues in order to facilitate their consideration. Policy officials can examine more readily at what level existing programs should be funded and what budget initiatives should be made, including the level of funding.

This budget document contains the baseline budget in a line item format by department or fund. The program improvements are identified separately as new policy initiatives. The operations budget will consolidate the program improvements into the appropriate line items.

D. IMPLEMENTATION, MONITORING AND AMENDMENT



The budget and its policies are implemented through the work programs of the individual departments and the accounting controls of the finance department. It is an on-going process with continual monitoring and possible adjustments reflecting actual unanticipated impacts.

The financial aspects of the budget are monitored in regular monthly reports issued by the Finance Department. Each department is provided access to the accounting software, which provides live and immediate information. It is expected departments will monitor their accounts regularly. Monthly reports are released comparing budget to actual data and all items falling greater than a 15% variance is explored and reported. These reports include an analysis of the City's financial condition and review for

compliance with the Cash Management Policy.

The budget can be amended at any time with the approval of the Mayor and/or Council action. The Mayor can approve department requests for reallocation of funding, within a department's operating budget but does not increase the bottom line of the fund. All amendments increasing the bottom line requires City Council approval and as specified in the Financial Management Policy requires a super majority. All other requests for reallocation or new money require the Mayor's approval, and are then forwarded to the Finance Department for recommendation and processing to be presented to Council for approval or denial. Quarterly, the ordinance amending the budget at fund level is before the City Council and open for public comment, which incorporates amendments approved within the quarter. Normally, the status of the budget is comprehensively reviewed quarterly to identify any needed adjustments.

E. BUDGET POLICIES

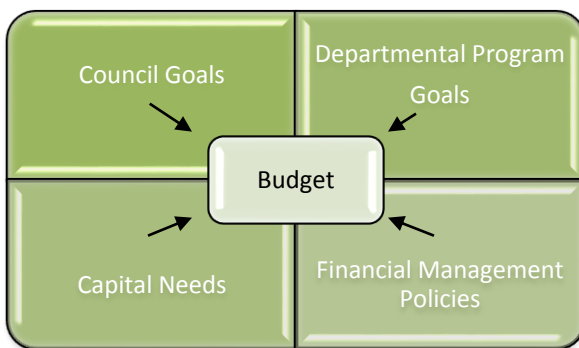
This section sets forth not only the objectives of the budget as a policy document, but also describes the basis of that policy.

1. POLICY CONTEXT OF THE BUDGET

In the City of Poulsbo, the City budget process is part of an overall policy framework, which guides and coordinates the various services and functions of the City. The budget serves a central role by allocating the available financial resources to the programs that have been established to implement the City's overall policies and goals. The budget also establishes financial policies, which influence the availability of future resources to carry out the City's vision.

The basic policy document of the City is its Comprehensive Plan. The Comprehensive Plan program, and its implementation, is building blocks for the future. It sets the basic vision for the development of the City, and establishes policies and programs intended to achieve that vision. The plan is further articulated by a series of planning elements, which include public improvement elements (such as public utility plans), capital facilities plan (addressing capital projects with established funding in the next five years), policy elements (such as economic development programs), and regulatory measures. Supporting the Comprehensive Plan are functional plans for parks, transportation and each of the City's four utilities.

2. BUDGET POLICY DEVELOPMENT



The budget process is linked to this policy framework by the annual development of:

- a. **Council Goals** are broad in nature and are the framework set to accomplish the City's Vision;
- b. **Departmental Program Goals** are more specific and short-term and respond to Council's broader goals. They are carried out through annual objectives to be funded by the budget and may also identify the need for additional development of overall policy;
- c. **Capital Needs** are derived from the Comprehensive Plan and are funded annually in the budget process through the Capital Improvement Plan (CIP).
- d. **Financial Management Policies** include parameters set by Council for maintaining cash and fund balances. The budget is prepared in accordance with maintaining the minimum fund balances as set by policy.

Policies which support Financial Management and Budget Development are as below and copies can be located in Section 10 – Appendix

- *Financial Management Policy*
- *Investment Policy*
- *Debt Policy*
- *Accounting, Financial Reporting and Auditing*
- *Performance Measures*
- *Capital Improvement Policy*

Budget policy contains several distinct steps. Policy in this budget starts with an understanding of needs and issues, describes explicit policies governing the development and management of financial resources, identifies

general goals, sets priorities with which to apply the available funding tools, and concludes with specific funding proposals. In assessing the issues and needs of the community, this policy builds on actions taken in previous budgets, thereby providing continuity with previous programming. This allows the City to address community needs on a multi-year basis, rather than attempting to satisfy all needs in one budget cycle. These budget policies are a result of an ongoing process of economic and financial analysis conducted by the Finance Department.

The City of Poulsbo's budget management approach is based on flexibility and coordination, reflecting the City's administration team and management philosophy under which responsibility is shared among departments. While program managers are provided considerable flexibility in managing their program's on a day-to-day basis, the budget of one department is expected to interact and to take into account the need to support the functions of other departments. This management philosophy demands that budgetary control be exercised in a flexible way rather than the rigid approach often found in line item budgeting systems. Poulsbo does not control its budget at the line item level, but at the fund level and at the department level within the General Fund. The measure of success in the budget is whether the objectives of first, the City, and second, the department, are achieved within its total appropriation rather than whether particular line items are met.

Budgetary control and responsibility are vested jointly in the Finance Department and the individual departments under the ultimate authority of the Mayor. Department Heads are held administratively responsible for staying within the "bottom line" of their department's total budget. The Finance Department is responsible for the efficient management of the entire budget to meet the ongoing needs of the City in a changing environment. Expenditures at the line item level are monitored by the Finance Department to identify potential problems and to adequately account for all financial transactions.

F. LEGAL STRUCTURE

The City of Poulsbo has a strong mayor form of government, organized under the Optional Municipal Code as provided in State law. The Optional Municipal Code confers a limited form of "home rule" to those municipalities organized under these provisions. The independently elected Mayor is responsible for all

administrative functions of the City and the Department Heads report to the Mayor. The City Council exercises legislative and quasi-judicial functions. The seven members of the City Council and the Mayor are elected at large for four-year terms. The Mayor develops and proposes the budget while the Council reviews, modifies and approves the proposed budget, as it deems appropriate.

G. BASIS OF ACCOUNTING AND BUDGETING

The City prepares a comprehensive annual financial report in conformance with generally accepted accounting principles (GAAP). The budget is prepared using the same basis of accounting, and therefore, can be compared to information depicted in the annual report.

BUDGET: The Governmental Funds are budgeted on a modified accrual basis and can be directly compared to the operating statement in the City's annual report. This means revenues and expenditures are recognized when they are measurable and available.

The Proprietary Funds are budgeted on an accrual basis and are depicted in the annual report using the same basis. There is an exception of expenditures not reflected on the annual report, but reflected in the budget such as capital outlay, leave accrual and debt principal. This allows budget capacity for the funds.

ACCOUNTING: Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is used for all funds except the governmental funds, which use a modified accrual basis of accounting.

The modified accrual basis differs from the accrual basis in the following ways:

- purchases of capital assets are considered expenditures
- redemption of long-term debt are considered expenditures when due
- revenues are recognized only when they become both measurable and available to finance expenditures of the current period
- inventories and prepaid items are reported as expenditures when purchased
- interest on long-term debt is not accrued but is recorded as an expenditure when due
- accumulated unpaid vacation, sick leave,

and other employee benefits are considered expenditures when paid

H. BUDGET STRUCTURE

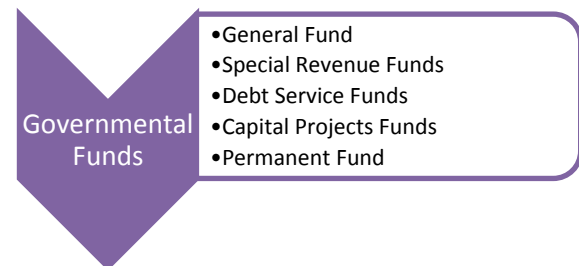
This document is organized so it represents the financial structure of the City. All of the City's accounts are developed and maintained as described below.

The City's financial structure is divided into funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts. Each fund is balanced, meaning total resources equal total uses. The funds are separated into four categories of fund types.

This is the structure of funds for budget purposes. This structure will be presented in detail throughout the rest of this budget.

GOVERNMENTAL FUND TYPES:

This group of funds accounts for the activities of the City, which are of a governmental character.



General Fund (Fund 001): Accounts for tax-supported activities of the City and other types of activities not accounted for elsewhere. In the City's budget this fund is divided into departments.

Special Revenue (100 Fund Series): Accounts for the proceeds of specific revenue sources with legally restricted expenditures.

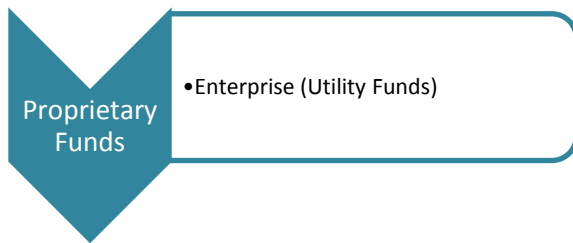
Debt Service Funds (200 Fund Series): Accounts for the payment of outstanding long-term general obligations of the City except that of the proprietary funds.

Capital Project Funds (300 Fund Series): Accounts for major general government construction and acquisition projects financed by long-term general obligations.

Permanent Fund (700 Fund Series): Accounts for resources that are legally restricted so only earnings, not principal, may be used to support the reporting government programs for the benefit of the government or its citizens.

PROPRIETARY FUNDS:

This group of funds accounts for the activities of the City, which are of a proprietary or "business" in nature.

**Enterprise Funds (400 Fund Series):**

Contains activities, which are operated in a manner similar to private businesses. In Poulsbo, the enterprise funds account for the City's utilities; water, sewer, solid waste and storm drain.

FIDUCIARY FUNDS:**Trust and Agency Funds (600 Fund Series):**

Accounts for funds held by the City as a trustee. As outlined in the BARS, trust and agency funds should not be included in the comprehensive budget as they do not represent resources or outlays that benefit the local government itself. The City of Poulsbo does not budget funds in the 600 series.

MAJOR FUNDS:

The City of Poulsbo prepares the Comprehensive Annual Financial Statements (CAFR) in accordance with Governmental Accounting Standards Board (GASB). Per standards, the funds are presented in the annual report as major and non-major funds. Based on criteria, all funds are reviewed and a calculation prepared to determine if the funds qualify to report as a major fund.

A Major Fund has three elements:

- Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures (less other financing sources or uses) of that individual governmental or enterprise fund are at least ten percent (10%) of the corresponding total (assets, liabilities, etc.) for all funds of that category or type (i.e. governmental, proprietary, or fiduciary); and
- Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures (less other financing sources or uses) of that individual governmental or enterprise fund are five percent (5%) of the

corresponding total for all governmental and enterprise funds combined; or

- Any other governmental or enterprise fund the government's officials believe is particularly important.

I. ORGANIZATION CHART

The organization chart is represented in two different formats and areas of the budget. An overall organizational chart representing the functions and departments of the City can be found in the Financial Section. Within each department a detailed chart is presented detailing positions and full-time employees (FTE's).

J. FINANCIAL SUMMARY

Within each department a table of financial data for each account within the department is included. The information details the projected combined 2017-18 budget, 2018 budget, 2017 budget, 2016 budget and actual expenditures for 2015 and 2014.

K. CAPITAL EXPENDITURES

Capital Expenditures anticipated within the next 6 years with a cost of more than \$15,000 and have an estimated useful life of more than ten years are detailed in the City Improvement Plan. Other equipment purchases over a \$5,000 threshold will be capitalized. All capital expenditures, regardless if in the Capital Improvement Plan are described in the fund that has budgeted the purchase.

**L. GOALS/OBJECTIVES/
PERFORMANCE MEASURES:**

The City Council holds a retreat in the beginning of the year to review prior goals, long term goals and set new goals for the upcoming year. This allows departments to develop their budgets taking into account the Council Goals and establishing departmental goals. The format goals are presented in the Financial Plan instead of each departmental section. For 2017-2018, the departments continue to set goals in the following format:

| Goal | | |
|---|-------------|----------|
| Council Goal to which the Goal Responds | | |
| Objective | Measurement | Progress |

M. AWARD

The City's 2016 Budget received the distinguished Budget Award from the

Government Finance Officers Association (GFOA).

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. The award is valid for a period of one year. This is the sixteenth year the City has received the award. 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.

N. CHANGES FOR 2017-2018 BUDGET

The 2017-2018 budget is organized essentially in the same format as previous years with one significant change; this is the first biennium budget prepared by the City.

Departments developed their 2017-2018 budgets maintaining the same bottom line as 2016, with the exception of wage, benefits and contractual obligations.

2016 experienced some long awaited recovery from the economic decline. Several housing developments continued with many of the properties pre-sold. 2017-2018 development revenues have been increased to reflect the anticipated increase in activity.

In 2017-2018, departments continue to submit their departmental goals in the same format as established by policy. The presentation is included in the Financial Plan by department. This allows the reader to view the goals by department, and see them as a complete package that ties to the City Council goals and value statements.

Fund balances will continue to be detailed according to GASB standards (GASB 54) and when necessary detailing Council's specific purpose:

- Unassigned Fund Balance
- Assigned Fund Balance
- Restricted Fund Balance
- Committed Fund Balance
- Non-spendable Fund Balance

For purposes of presentation within this budget document, fund balance is represented as a whole.

Revenue projections have been increased in 2017-2018 to reflect increased retail activity, approved fee increases as well account for the growing commercial and residential new construction.

Real Estate Excise Tax (REET) has seen an increase in 2016. The projection for 2017 & 2018 has been increased slightly reflecting increased activity. The revenue is highly volatile, the expenditures are restricted so is estimated conservatively. Reserves have continued to grow due to the increase in revenue activity. Transfer from the REET reserves is planned in 2017 & 2018 to support the debt payment of City Hall as was anticipated in the funding plan.

All costs associated with outside agencies continue to be evaluated and negotiated for an affordable level of service.

Property Tax

The City's property tax levy rate is slightly less than our maximum allowable rate. For 2017, the City is levying \$1.59 for its regular property tax levy, choosing not to levy the 1% above the highest allowable levy in 2017 but bank the 1% for intended use in 2018. The levy projection is based on information as provided by the Kitsap County Assessor's Office and adopted by City Council Ordinance.

Sales Tax

Sales tax revenue projections for 2017 and 2018 have been increased above the 2016 projection but remaining historically conservative in its estimation – rarely estimating more sales tax revenue than received in the previous year. The 2017-18 projection is consistent with the amount collected in 2016 and conservative amount of growth factored in for the 2018 projection.

The Mayor and City Council recommended the following transfers.

- Transfer to Street Reserve Fund for transportation capital projects (311)
\$1,220,000 in 2017 & \$550,000 in 2018
- Transfer to Street Reserve Fund (311) for ongoing capital street maintenance program
\$199,000 in 2017 & \$200,000 in 2018
- Transfer to Park Reserve Fund (302) for capital park projects
\$100,000 in 2017 & \$101,000 in 2018

- Transfer to Equipment Acquisition Fund (301) for equipment replacement
\$122,854 in 2017 & \$131,154 in 2018
- Transfer of Equipment Acquisition Fund (301) for new equipment
\$32,500 in 2017 & \$33,500 in 2018










Utility Taxes









The City collects utility tax on utility revenues generated within the City. The rate for the past three years has fluctuated from 6% to 12% on water, sewer and storm drain utilities. City Council had previously reduced the Utility Tax rate to 9% in 2016 thus lowering the projected revenue from the prior year. The tax rate for services provided by the City in 2017 & 2018 is lowered from 9% to 6% for water and sewer utilities. All Utility Tax rates will now be set at 6%.






Capital Equipment / Baseline Adjustments / New Programs

A larger number of capital equipment items and funding of Baseline Adjustment and New Programs have been approved in the 2017-2018 Budget. These are mostly items delayed in prior years because of reduction in revenues. Details for capital equipment are detailed in the narratives of each related budgets, and Section 8 – Baseline Adjustment/New Program Requests detail the request which have been funded and integrated into the budget.

2017-2018 Biennial Budget Calendar

| Date | Date | | Action Steps | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---------------------------|---------------------------|---|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 2016 | 2017 | | APRIL | | | | | | | | | | | | |
| Wednesday April 6 | |  | Finance Committee discuss biennial budget | | | | | | | | | | | | |
| 2016 | 2017 | | JUNE | | | | | | | | | | | | |
| Wednesday June 8 | |  | 2016 - Council Meeting - ... Council approves Ordinance adopting Biennial Budget commencing with the 2017-2018 biennium | | | | | | | | | | | | |
| Friday June 10 | |  | 2016 - City Improvement Forms due to Senior Budget Accountant | | | | | | | | | | | | |
| 2016 | 2017 | | JULY | | | | | | | | | | | | |
| Friday July 15 | |  | 2016 - Budget Instruction and Directives are provided to departments in electronic form for Initial Budget | | | | | | | | | | | | |
| 2016 | 2017 | | AUGUST | | | | | | | | | | | | |
| August 1-25 | August 1-25 |  | 2016 - Departmental Budgets are completed by each department. Departments will meet with Mayor and Council Committees for detailed review. 2017 - Departments review budgets, CIP and prepare budget modification requests | | | | | | | | | | | | |
| Monday August 15 | |  | 2016 - Submit all Capital Replacement and New Capital Forms to Finance Director, to be considered for 2017-2018 Biennial Budget | | | | | | | | | | | | |
| Friday August 26 | Thursday August 31 |  | 2016 - Departments submit electronic copy of all required Budget Information & Worksheets 2017 - Departments return any budget modification requests to Finance | | | | | | | | | | | | |
| 2016 | 2017 | | SEPTEMBER | | | | | | | | | | | | |
| September 1-20 | September 1-20 |  | 2016 - Review submitted 2017-2018 Budget figures. Verify 2016 estimates and recap supplemental requests. 2017 - Budget modifications reviewed with Mayor and Council Committees | | | | | | | | | | | | |
| Wednesday September 14 | Wednesday September 13 |  | 2016 - Set Public Hearing on Revenue Sources for October 19 2017 - Set Public Hearing on Revenue Sources for October 18 | | | | | | | | | | | | |

| Date | Date | | Action Steps | | | | | | | | | | | | |
|---------------------------|----------------------------|---|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 2016 | 2017 | | SEPTEMBER | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| Monday September 19 | Tuesday September 19 |  | 2016 - Finance & Mayor review Proposed Preliminary Budget 2017 - Budget modifications adjusted based on Mayor's recommendations | | | | | | | | | | | | |
| September 20-30 | |  | 2016 - Finance prepares Mayor's Proposed Preliminary Budget Publication | | | | | | | | | | | | |
| 2016 | 2017 | | OCTOBER | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| Monday October 3 | Monday October 2 |  | 2016 - Mayor's Proposed Preliminary Budget Publication delivered to the City Council and made available to the public 2017 - Proposed budget modification is delivered to the City Council and made available to the public | | | | | | | | | | | | |
| Wednesday October 5 | Wednesday October 4 |  | 2016 - Council Meeting - ... Review 2016 Revenues and Expenditures with Council. ... Set Public Hearing on Final Budget for 11/2, 11/9 and 11/16 2017 - Council Meeting - ... Review 2017 Revenues and Expenditures with Council ... Set Public Hearing on Budget Modifications for 11/1, 11/8 and 11/15 | | | | | | | | | | | | |
| Wednesday October 19 | Wednesday October 18 |  | 2016 - Council Meeting - ... Review 2017-2018 Revenue Sources with Council and hold Public Hearing on Revenue Sources 2017 - Council Meeting - ... Review 2018 Revenue Sources with Council and hold Public Hearing on Revenue Sources | | | | | | | | | | | | |
| October 1-30 | October 1-30 |  | 2016 - Finance prepares Mayor's Preliminary Budget Publication 2017 - Budget modification request(s) reviewed by Finance Committee | | | | | | | | | | | | |
| Monday October 31 | |  | 2016 - Mayor's Preliminary Budget Publication delivered to the City Council and made available to the public | | | | | | | | | | | | |
| Monday October 31 | |  | 2016 - Finance provides to Clerk's office: Publication of notice of availability of the 2017-2018 Preliminary Budget for public review | | | | | | | | | | | | |

| Date | Date | | Action Steps | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|--------------------------|--------------------------|---|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 2016 | 2017 | | NOVEMBER | | | | | | | | | | | | |
| Wednesday November 2 | Wednesday November 1 |  | 2016 - Council Meeting - ... Open Public Hearing on Final Budget ... Present Mayor's Preliminary Budget to Council ... Ordinance setting the 2017 Property Tax Levy ... Special Budget Work Session #1 - Department Presentations to Council 2017 - Council Meeting - ... Open Public Hearing and presentation of budget modifications to Council for review Ordinance setting the 2018 Property Tax Levy | | | | | | | | | | | | |
| Wednesday November 9 | Wednesday November 8 |  | 2016 - Council Meeting - ... Continue Public Hearing on Final Budget from 11/2 ... Special Budget Work Session #2 - Department Presentations to Council 2017 - Council Meeting - ... Continue Public Hearing on Budget Modification from 11/1 | | | | | | | | | | | | |
| Wednesday November 16 | Wednesday November 15 |  | 2016 - Council Meeting - ... Continue then Close Public Hearing on Final Budget from 11/2 ... Review and discuss Baseline Adjustment and New Program Requests 2017 - Council Meeting - ... Continue then Close Public Hearing on Budget Modification from 11/1 | | | | | | | | | | | | |
| 2016 | 2017 | | DECEMBER | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| Wednesday December 14 | Wednesday December 6 |  | 2016 - Council Meeting - ... Final review and approval of the 2017-2018 Budget 2017 - Council Meeting - ... Final Review and Approval of the Mid-Biennial Budget modification | | | | | | | | | | | | |
| Wednesday December 21 | Wednesday December 20 |  | 2016 - Council Meeting - ... Adoption of the 2017-2018 Final Budget 2017 - Council Meeting - ... Adoption of the Mid-Biennial Budget Modification | | | | | | | | | | | | |

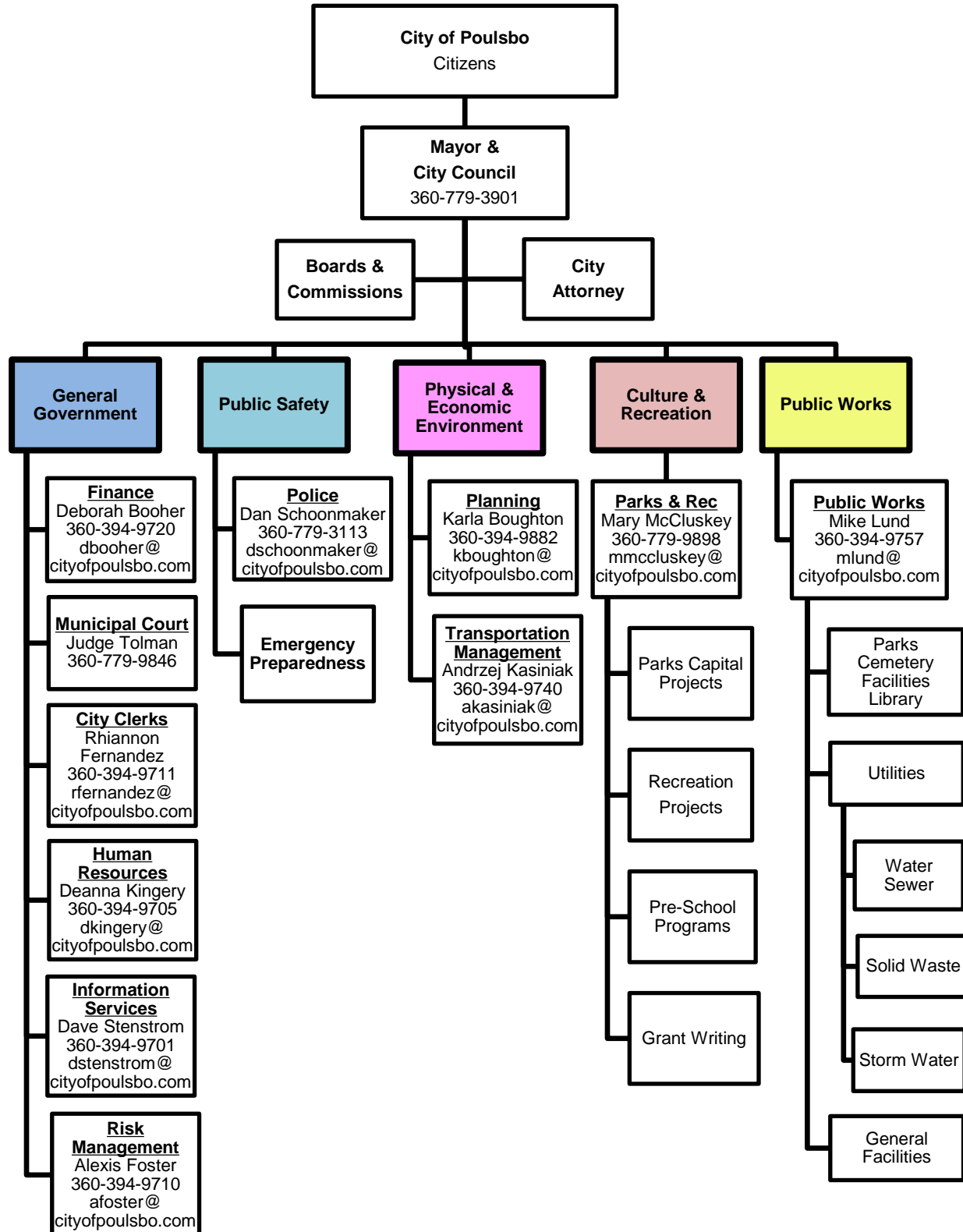
CITY OF POULSBO THE BUDGET AS A FINANCIAL PLAN

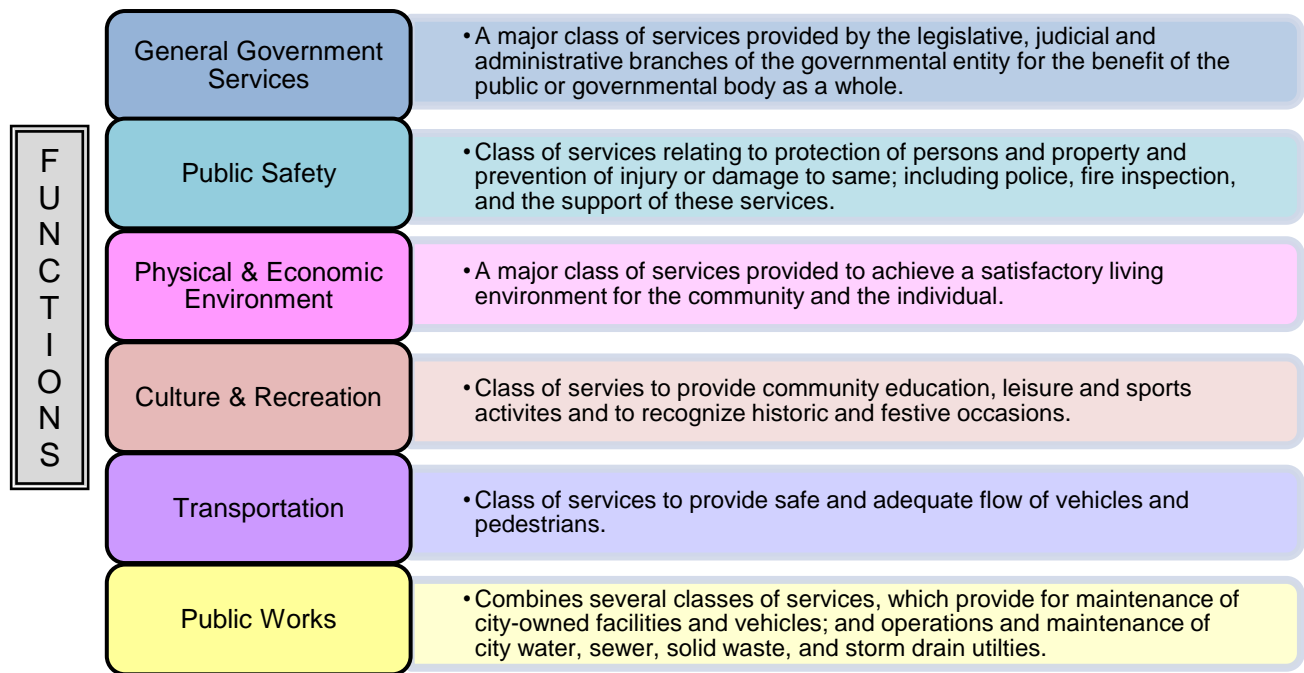
A budget is a plan that allocates the available financial resources to meet community needs. This allocation is based on policies, goals and objectives addressing how those needs are intended to be met. By doing so, the budget sets forth the scope of activity the City will undertake during the year. This section of the budget presents the plan and assesses the implications of its allocation of resources on the City's financial position, in 2017, 2018 and beyond.

This section describes the overall budget, including all funds. Factors affecting the City's debt capacity are also discussed, followed by a discussion of the working capital of the proprietary funds.

The next section, Baseline General Fund, focuses on the General Fund of the budget, which provides funding for the majority of general tax-supported activities of the City (excluding debt service). An analysis of General Fund revenue and expenditure detail is presented. This section generally identifies the source of funds available to the City and how those resources are allocated to various funds.

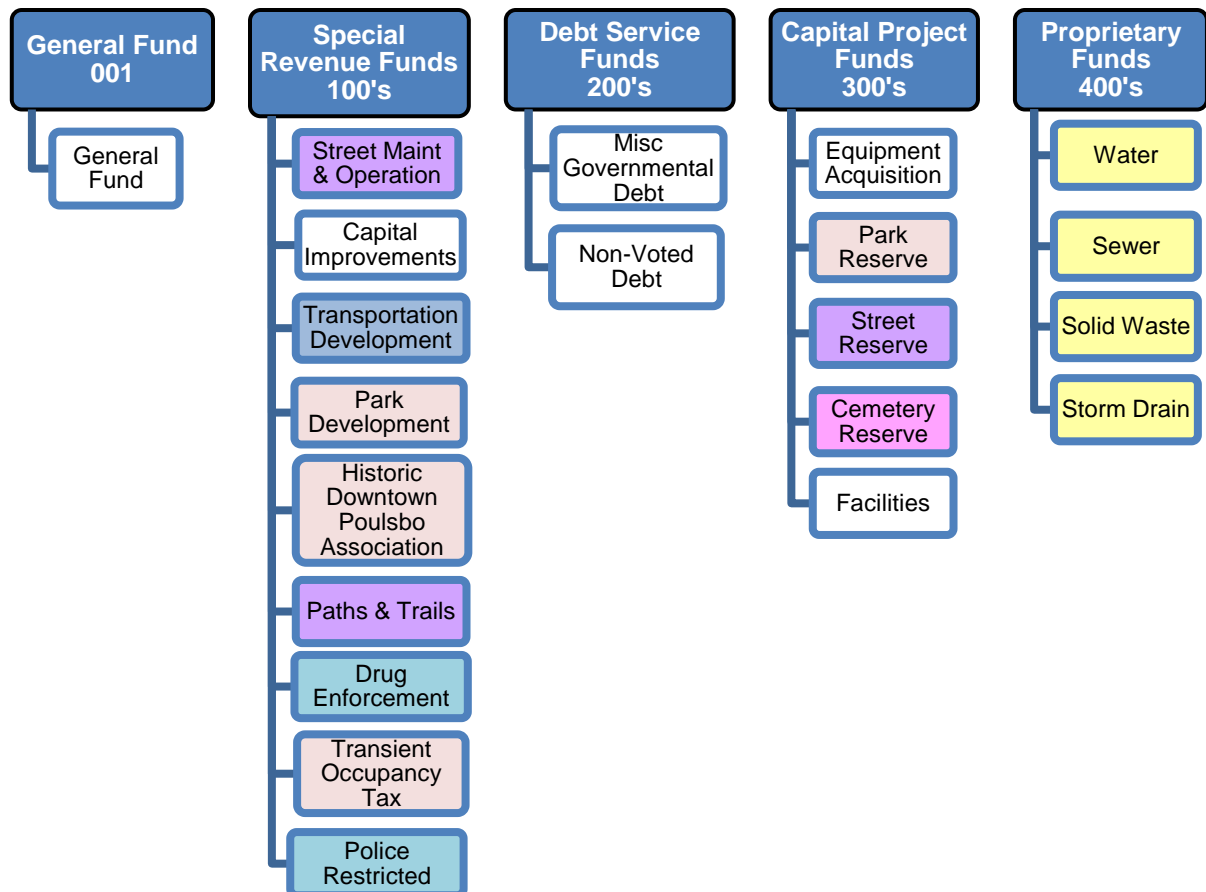
City of Poulsbo Organization





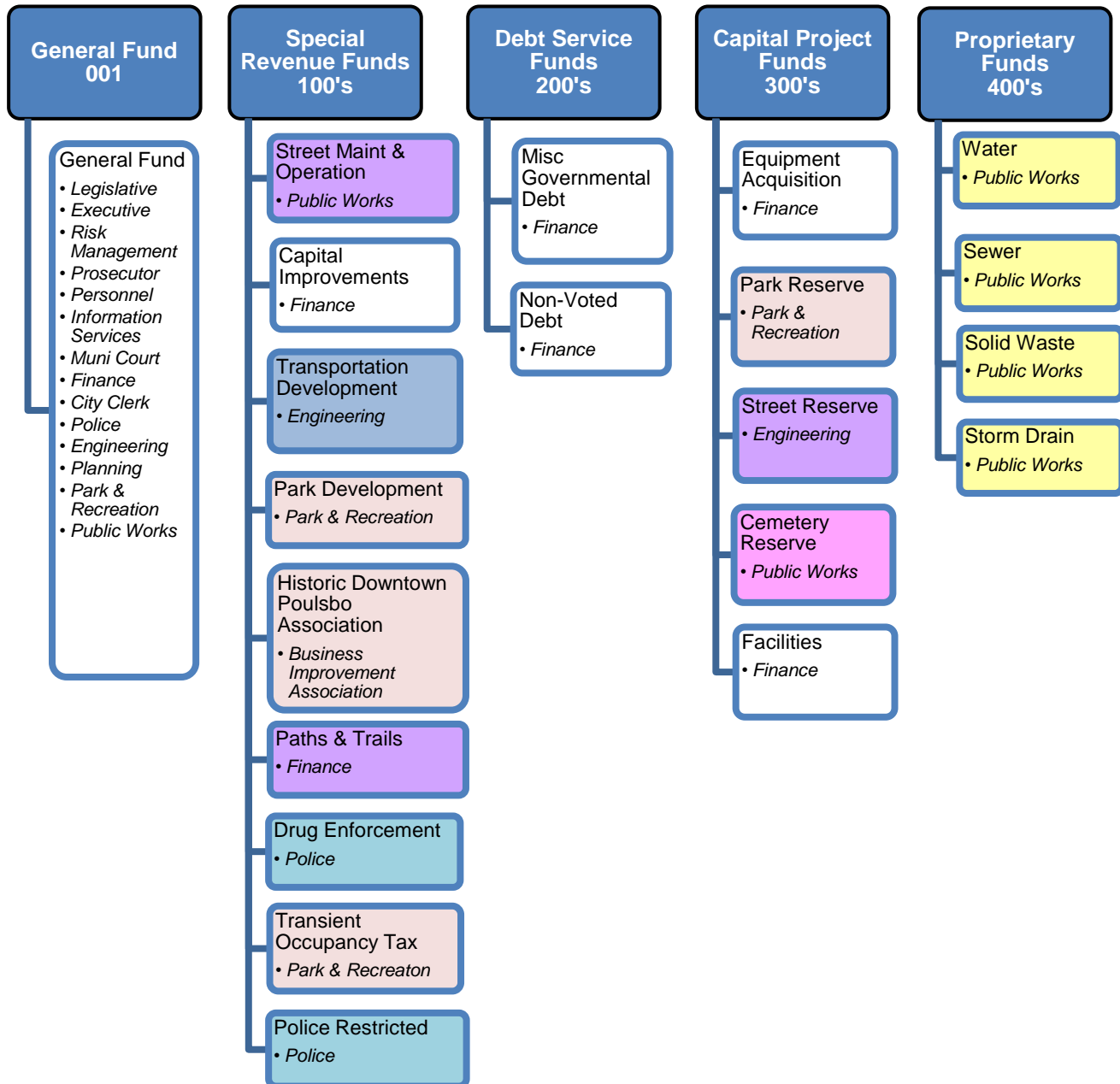
Organization of Funds

Color indicates primary Government Function of the fund. If fund has no color, there are several functions accounted for in the fund.



Organization of Funds with Responsible Department

• Responsible Departments bulleted



The budget is a plan that allocates the available financial resources to meet community needs. This plan is based on policies, strategies, goals and objectives to give context and direction as to how those needs are intended to be met. To guide the City in its decisions is its mission and vision of the future – which is shared by citizens and elected officials:

Mission Statement

Our City is committed to managing the public resources to promote community health, safety and welfare, and plan to accommodate growth, without burden, while preserving our natural resources and enhancing those qualities which make our community unique and desirable.

Vision Statement

Poulsbo is a vibrant community distinguished by its unique location on the shore of Liberty Bay, access to natural beauty and urban amenities, and historic, small-town quaint character. Situated at the cross-roads of Puget Sound, Poulsbo is a locally based whole economy with a strong sense of community and heritage, where civic groups, local government, families and neighbors work collaboratively to continually maintain and improve high quality of life.

This Mission and Vision Statement has guided development of the overall strategic financial plan and expresses citizens' wishes for the future in a general sense. Further, the following Guiding Principles and Community & Council Key Goals are integral to support Poulsbo's vision and are the foundation for the other goals and policies throughout this budget.

Poulsbo's Guiding Principles

- Respect Poulsbo's identity, including the historic downtown and existing neighborhoods and districts, while allowing new areas to develop.
- Improve and sustain the beauty and health of the surrounding natural environment.
- Develop an economically sustainable balance of services, amenities and infrastructure.
- Promote community interaction by supporting gathering places, open spaces, and parks and recreation.
- Support community members of all ages in their efforts to promote active lifestyle choices.
- Connect the City, neighborhoods, and neighbors through complete streets designed to provide safe mobility for all users.
- Establish processes that engage citizen and community partners and implement policies that reflect the desires and concerns of community members.

Poulsbo's Community Key and Council Long-Term Goals

1 – Land Use

- Achieve a mix of commercial land uses that serve the needs of the City's residents, businesses and visitors.
- Plan for residential development that compliments the built environment and the city's neighborhoods, while we change and grow.
- Plan and provide for public utilities and infrastructure to support the geographic and population growth of the City.
- Plan for mixed-use to encourage proximity and diversity in living and working options and decrease transportation challenges.

2 – Community Character

- Improve quality of life and create places where both adults and youth can live, work, learn, shop and play.
- Maintain the positive identifiable images and features that make Poulsbo memorable.
- Encourage community cohesion by providing a range of spaces and places for civic functions, such as public meetings, ceremonial events, and community festivals.
- Provide a well-designed, pedestrian friendly, and community oriented downtown center.
- Respect the character of the City's downtown, waterfront, and residential areas, while allowing for new development, expansion and renovation that considers the scale and character of the area.
- Accommodate infill development and redevelopment that enhances the quality of city neighborhoods and business areas.

3 – Transportation

- Emphasize development of complete streets that are designed and operated to enable safe access for all users, including pedestrians, bicyclists, motorists and transit riders regardless of age, ability or mode of transportation.
- Develop standards to improve the function, safety, and appearance of the City's street system.
- Maintain a consistent level of service on the City's street system that is appropriate for existing and future growth to improve traffic flow.
- Participate in efforts to enhance the City's connectivity to the region, including telecommuting.

4 – Natural Environment

- Support standards that maintain or improve environmental quality.
- Preserve the City's natural systems to protect public health, safety and welfare, and to maintain the integrity of the natural environment.
- Support regulation of activities in sensitive and hazardous areas to ensure high environmental quality and to avoid risks actual damage to life and property.
- Coordinate implementation of regulation and preservation efforts through the Comprehensive Plan, Critical Areas Ordinance, Shoreline Master Program, and other applicable City plans and regulations.

5 – Capital Facilities

- Proactively plan and provide for critical public facilities such as water, storm water, sanitary sewers, streets, sidewalks, parks and other necessary infrastructure to meet the needs of existing population and future growth.
- Ensure that public facilities and services necessary to support development is adequate and available at the time of new development, without decreasing the adopted level of service.

- Provide the necessary public facilities identified through the Capital Facilities Plans within the City's ability to fund or within the City's authority to require others to pay, or fundable through strategic partnerships.

6 – Housing

- Achieve a mix of housing types to meet the needs of owners and renters at various income levels and ages.
- Achieve a mix of housing types and densities while maintaining healthy neighborhoods, and guide new housing development into appropriate areas.

7 – Parks & Recreation and Open Space

- Develop active and passive parks, recreation programs and facilities, and an open space system that benefits citizens of all ages, incomes and physical abilities.
- Establish and maintain a network of trails, safe walkways, and open spaces throughout the Poulsbo community.
- Provide opportunities for indoor and outdoor recreational activities and team sports in City parks.

8 – Economic Development

- Manage and enhance Poulsbo's positive economic climate that attracts and supports business retention, expansion and recruitment.
- Attract businesses and foster local entrepreneurship that serves Poulsbo residents, the greater North Kitsap community, and our valued tourists.
- Support the provision and expansion of education at all levels and training opportunities, to maintain and enhance a skilled workforce.
- Ensure Poulsbo residents have access to family wage jobs, and employers have access to a talented workforce to assist in retaining and growing their businesses.
- Provide sufficient infrastructure and public facilities appropriate to support economic development.
- Encourage business activity that takes advantage of technology and promotes alternatives to commuting, including the increasing trend to work from home.
- Ensure a healthy and beautiful environment, vibrant and thriving community and high quality of life for all Poulsbo residents and businesses.

9 – Public Safety

- Ensure the protection of persons and property.

10 – Revenues and Financial Stability

- Make efficient use of city resources and maintain the city's long-term financial stability in accordance with the city's financial policies.

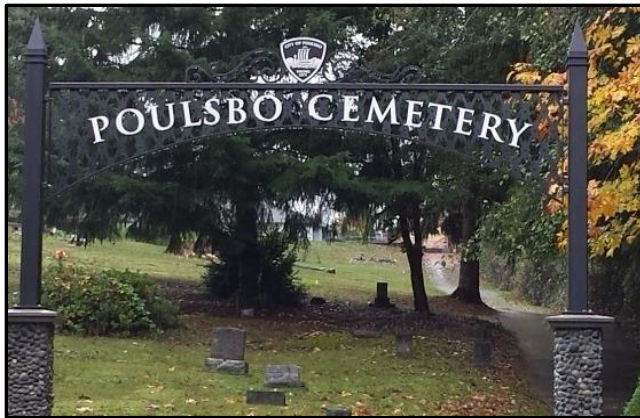
11 – Customer Service

- Continuously provide courteous, professional and responsive customer service.

12 – Enhanced Communication and Participation

- Promote understanding of city government through education and public participation.

2017 – 2018 City Council Working Goals



Community Character

GOAL:

Restore and refurbish the Poulsbo Community Cemetery

Objective 1:

Establish a working committee with community volunteers and city staff.

Objective 2:

Allocate funds to provide for improvements such as new signs, irrigation and additional labor for directed maintenance.

Objective 3:

Develop sponsorship program to include installation of benches.



Transportation

GOAL:

Develop and implement a “Neighborhood Streets Maintenance” Program

Objective 1:

Establish a maintenance program for “Neighborhood Streets” by defining the types of maintenance to be provided and a method to prioritize the streets to address.

Objective 2:

Identify funding sources for “Neighborhood Streets Maintenance” Program.

Objective 3:

Test at least three methods of maintenance on different streets to obtain public opinion on their use.



Natural Environment

GOAL:
Implement Dogfish Creek Study

Objective 1:

Review Dogfish Creek Study, identify projects in study and set remaining priorities.

Objective 2:

Establish funding for implementation of prioritized projects.

Objective 3:

Complete 8th Avenue culvert replacement.

Objective 4:

Remove brush and willows along State Route 305.



Capital Facilities

GOAL:
Construct New Public Works Facility

Objective 1:

Develop preliminary design of new public works facility including proposed budget.

Objective 2:

Evaluate funding sources and then complete design within funding available.

Objective 3:

Develop strategy for disposition of old Public Works Facility.



Economic Development

GOAL:

Develop Long-Term Economic Development Plan

Objective 1:

Annually address the Comprehensive Plan Update as appropriate.

Objective 2:

Explore and support the “College Town” concept, nightlife economy and appropriate business locations.

Objective 3:

Explore alternative housing solutions.



Enhanced Communication and Participation

GOAL:

Develop new approaches to promote, engage and communicate with our youth

Objective 1:

Explore establishing a Student Government and work on incorporating local students onto advisory committees.

Objective 2:

Work with North Kitsap School District to encourage curriculum involving attendance and participation at government meetings.

Objective 3:

Utilize social media opportunities.

Departmental program goals are represented within the department who maintains the responsibility of setting, measuring, and accomplishing the goal. The department goals and objectives are more specific and short-term. They help to guide the budget process and respond to the Council's broader goals. Below is a matrix showing the general goals as set by the City Council and how the department current program goals respond to them.

| | Community and Council Goals | | | | | | | | | | | |
|-------------------|------------------------------------|---------------------|----------------|---------------------|--------------------|---------|----------------------------|----------------------|---------------|--------------------------------|------------------|--|
| | #1 | #2 | #3 | #4 | #5 | #6 | #7 | #8 | #9 | #10 | #11 | #12 |
| | Land Use | Community Character | Transportation | Natural Environment | Capital Facilities | Housing | Parks & Rec and Open Space | Economic Development | Public Safety | Revenues & Financial Stability | Customer Service | Enhanced Communication & Participation |
| Department | | | | | | | | | | | | |
| City Clerk | | | | | | | | | | | X | X |
| Engineering | | | | | X | | | | | | X | |
| Executive | X | X | | X | | X | X | X | | X | X | X |
| Finance | | | | | | | | | | X | X | X |
| Information Svcs | | | | | | | | | X | | X | X |
| Municipal Court | | | | | | | | | X | X | X | |
| Parks & Rec | | | | | X | | X | | | X | X | |
| Personnel | | | | | | | | | | X | | |
| Planning | X | | | X | | | | X | | | | |
| Police | | | | | | | | | X | X | X | |
| Prosecutor | | | | | | | | | X | | X | |
| Public Works | | X | X | X | X | | X | | X | X | X | |
| Risk Mgmnt | | | | | | | | | X | X | X | |

2017-2018 Goals and Performance Measures

City Clerk Department Goals:

| | |
|--------------|---|
| Goal: | <i>Provide efficient and effective public and internal access to the records maintained by the City Clerk.</i> |
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| Responds to Council Goal #: | 11 | Customer Service |
| | 12 | Enhanced Communication & Participation |

| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Continue to increase the information shared on the City's website | <ul style="list-style-type: none"> All current contracts, ordinances, resolutions, council minutes and agenda packets in electronic format on the City's website | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Continue to increase the information shared on the City's network | <ul style="list-style-type: none"> All current contracts, ordinances, resolutions, council minutes and agenda packets available to staff in searchable electronic format | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Increase searchability of City's network drive | <ul style="list-style-type: none"> Update indexes for resolutions and contracts. Create and maintain a contract index of all city contracts and contract amendments. | <ul style="list-style-type: none"> |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| # of City Web page updates | 197 | 194 | 185 | 200 | 215 |
| Percentage of Ordinances, Resolutions, and Contracts posted to L Drive | unk | 80% | 95% | 100% | 100% |

| | |
|--------------|--|
| Goal: | <i>Create and implement records management policies</i> |
|--------------|--|

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| Responds to Council Goal #: | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|--|--|
| <ul style="list-style-type: none"> Create and implement a public records request policy | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Update records management policy | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Create and implement a texting policy | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Create and implement a social media policy | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> |

City Clerk Department Goals (continued):

| | |
|--------------|--|
| Goal: | <i>Implement an electronic document management system and processes</i> |
|--------------|--|

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|------------------------------------|-----------|-------------------------|
| Responds to Council Goal #: | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|--|--|
| <ul style="list-style-type: none"> Implement a document management system | <ul style="list-style-type: none"> Pick a contractor, get system installed, and educate staff on using the software. | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Work with other departments in making the transition to electronic records retention | <ul style="list-style-type: none"> Decrease in paper document storage and space requirements; ease of access to records for staff use & retrieval for public requests | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Increased education of City Staff | <ul style="list-style-type: none"> Reinstitute monthly records manager meetings | <ul style="list-style-type: none"> |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| # of Record Retrievals from City Archives | 85 | 84 | 60 | 85 | 100 |
| # of Records manager meetings held | 0 | 0 | 1 | 6 | 6 |

| | |
|--------------|--|
| Goal: | <i>Utilize social media to share information and news announcements with the public</i> |
|--------------|--|

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| Responds to Council Goal #: | 11 | Customer Service |
| | 12 | Enhanced Communication & Participation |

| Objectives | Measurement | Progress |
|---|--|--|
| <ul style="list-style-type: none"> Create a City Facebook page | <ul style="list-style-type: none"> Creation of City Facebook page | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Establish archive back-up for Facebook page | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Number of "Likes" per year | n/a | n/a | n/a | 250 | 500 |
| Number of Posts per year | n/a | n/a | n/a | 25 | 50 |

City Clerk Department Goals (continued):

| | | |
|---|---|--|
| Goal: | <i>Create desk guides for all functions of the City Clerk's Office</i> | |
| Responds to Council Goal #: | 11 | Customer Service |
| | | |
| Objectives | Measurement | Progress |
| <ul style="list-style-type: none"> Draft step-by-step instructions of each of the policies, procedures, and tasks of the Clerks Office | <ul style="list-style-type: none"> The objective will be met once all processes of the Clerks's Office have been documented. | <ul style="list-style-type: none"> |

Engineering & Building Department Goals:

| | | | | | |
|--|---|---------------------------|---|-----------------------|-----------------------|
| Goal: | <i>To construct Public Works Facility by 2020.</i> | | | | |
| Responds to Council Goal #: | 5 | Capital Facilities | | | |
| | | | | | |
| Objectives | Measurement | | Progress | | |
| <ul style="list-style-type: none"> Complete design of Public Works Facility in 2017. | <ul style="list-style-type: none"> Complete PS&E package. | | <ul style="list-style-type: none"> 30% complete. | | |
| <ul style="list-style-type: none"> Complete permitting for the Public Works Facility in 2017. | <ul style="list-style-type: none"> All permits will be issued. | | <ul style="list-style-type: none"> | | |
| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Percentage of design completion. | | | 40% | 100% | N/A |

| | | | | | |
|--|--|---------------------------|--|-----------------------|-----------------------|
| Goal: | <i>Develop alternatives for interceptor, Lemolo pipe, and siphon.</i> | | | | |
| Responds to Council Goal #: | 5 | Capital Facilities | | | |
| | | | | | |
| Objectives | Measurement | | Progress | | |
| <ul style="list-style-type: none"> Identify and develop solutions for review. | <ul style="list-style-type: none"> List of options to discuss. | | <ul style="list-style-type: none"> | | |
| <ul style="list-style-type: none"> Select best option for alternative solution. | <ul style="list-style-type: none"> Alternative(s) will be selected. | | <ul style="list-style-type: none"> | | |
| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Solutions developed and selected. | | | 10% | 100% | N/A |

Engineering & Building Department Goals (continued):

| | | | |
|---|---|-------------------------|--|
| Goal: | Maintain established level of service for Building Department. | | |
| Responds to Council Goal #: | 11 | Customer Service | |
| | | | |
| Objectives | Measurement | | Progress |
| <ul style="list-style-type: none"> Maintain established service levels at least 80% of the time. | <ul style="list-style-type: none"> 2 week review for residential; 4 week review for commercial | | <ul style="list-style-type: none"> |

Executive Department Goals:

| | | | |
|---|--|---|---|
| Goal: | Financial Sustainability: balancing revenues with expenses while retaining levels of service for the community. Secure, involved business management of the City. | | |
| Responds to Council Goal #: | 10 | Revenues & Financial Stability | |
| | 11 | Customer Service | |
| Objectives | Measurement | | Progress |
| <ul style="list-style-type: none"> Government as an entrepreneur | <ul style="list-style-type: none"> | | <ul style="list-style-type: none"> Sale of Old City Hall property and the Old Police Station |
| <ul style="list-style-type: none"> Staff organization and accountability; core services identified & supported; achieve efficiencies in business processes | <ul style="list-style-type: none"> Reposition staff to further enhance job functionality and revise job descriptions; evaluate staff levels | | <ul style="list-style-type: none"> Begin succession planning, placing key supportive managers under each department head |
| <ul style="list-style-type: none"> Financial controls maintained and reviewed for policy compliance | <ul style="list-style-type: none"> Monitor cash flows with monthly reporting | | <ul style="list-style-type: none"> review of balance sheet to ascertain cash flows, manually signing all checks |
| <ul style="list-style-type: none"> Funding sources explored to match revenues to defined outcomes | <ul style="list-style-type: none"> Explore funding for public works building; grant increases through seizing opportunities | | <ul style="list-style-type: none"> Increased grant funding achieved |
| <ul style="list-style-type: none"> Avoid litigation by proactively seeking solutions for contentious issues | <ul style="list-style-type: none"> Reduced number of personnel grievances and/or litigation | | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Maintain conservative growth patterns to ensure service level maintenance | <ul style="list-style-type: none"> Right size staff levels to meet financial constraints while maintaining city services | | <ul style="list-style-type: none"> |

Executive Department Goals (continued):

| | |
|--------------|---|
| Goal: | <i>Continue updating citizens with current information and awareness of social/public safety needs, government actions and changes in our community.</i> |
|--------------|---|

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| Responds to Council Goal #: | 6 | Housing |
| | 11 | Customer Service |
| | 12 | Enhanced Communication & Participation |

| Objectives | Measurement | Progress |
|---|---|---|
| • Open door policy for public involvement and knowledge | • Saturday with the Mayor: How many people come to visit? | • Saturday Open Door Meetings ongoing |
| • Enhance the communication to the Citizens by improved web development | • Newsletter continuation: How many new subscribers? | • Monthly newsletters continue with greater content |
| • Continue involvement with service organizations to recruit volunteer services | • Increased grant revenue to service organizations | • Achieved funding for Fishline for new construction |
| • Work with Fishline, YWCA and faith based institutions to provide needed social safety net | • Increased grant revenue to service organizations | • Achieved funding for Behavioral Health Specialist for mental health treatment |
| • Community outreach for public safety | • Block Watch Meetings held | • |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| # of Newsletters Distributed | 2319 | 2820 | 6210 | 8280 | 9000 |

Executive Department Goals (continued):

| Goal: | <i>Economic growth through business attraction and support of existing businesses within our community.</i> | | |
|--|--|--|--|
| Responds to Council Goal #: | 8 | Economic Development | |
| | | | |
| Objectives | Measurement | Progress | |
| <ul style="list-style-type: none"> Bring new business into Poulsbo to enhance goods and services for our citizens | <ul style="list-style-type: none"> Attraction of businesses that work with one another and are symbiotic in nature; increase in tax & licensing revenue; increase in employment | <ul style="list-style-type: none"> Drive-thru Starbucks, Brown Bear Carwash, 2 downtown apartment buildings scheduled for 2017 | |
| <ul style="list-style-type: none"> Understand each business district as a distinct area and address their specific needs | <ul style="list-style-type: none"> Analysis of service holes: What do we have and what do we need? | <ul style="list-style-type: none"> Continue to support downtown with renewed involvement in the HDPA | |
| <ul style="list-style-type: none"> Target businesses for specific business districts: What would work in West Poulsbo, Downtown, Hwy 305, the Village and 10th? | <ul style="list-style-type: none"> Reach out to targeted businesses for retention and recruitment | <ul style="list-style-type: none"> Creation of Viking Avenue Business Owners Association moving forward | |
| <ul style="list-style-type: none"> Work with business organizations to provide on-going support for existing businesses within our community | <ul style="list-style-type: none"> Work with Chamber of Commerce, Historic Downtown Poulsbo Assoc, Viking Fest Corp and Kitsap Visitor Bureau to continue success | <ul style="list-style-type: none"> Creation of Viking Avenue Business Owners Association; promote and endorse community festivals | |
| <ul style="list-style-type: none"> Understand restrictions to business locations: What impedes businesses from locating in Poulsbo? | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> | |

Executive Department Goals (continued):

| | | | |
|--|---|---|---|
| Goal: | <i>Poulsbo's continuing planning challenges: Continue to thrive while we retain our heritage and quality of life.</i> | | |
| Responds to Council Goal #: | 1 | Land Use | |
| | 2 | Community Character | |
| | 4 | Natural Environment | |
| | 7 | Park & Recreation Open Space | |
| Objectives | Measurement | | Progress |
| <ul style="list-style-type: none"> Continue to implement the Comprehensive Plan | <ul style="list-style-type: none"> Identified key code changes necessary for implementation; revisit our zoning map and validate land use decision for each zone | | <ul style="list-style-type: none"> Exploration of storm water mitigation techniques for a cleaner Liberty Bay; begin implementation of Dogfish Creek study |
| <ul style="list-style-type: none"> Vision development for our downtown core and West Poulsbo, 10th Ave and 305 Corridor | <ul style="list-style-type: none"> Workshop held for downtown and West Poulsbo visioning process | | <ul style="list-style-type: none"> Increased activity with the Poulsbo Chamber of Commerce with monthly meeting with the executive director. |
| <ul style="list-style-type: none"> Ensure environmental regard as new code implementation occurs: tree retention | <ul style="list-style-type: none"> New housing that supports green open spaces and public recreation | | <ul style="list-style-type: none"> Mountain Aire, Pugh Rd and Summerset subdivisions with promotion of better amenities; work toward enhanced tree retention policies |
| <ul style="list-style-type: none"> Support park and trail creation | <ul style="list-style-type: none"> Land acquisition to ensure park level of service; trail creation for public access; park development | | <ul style="list-style-type: none"> Morrow Manor Park and trails near 7th Avenue, Forest Rock Hills and Noll Rd; 4 years of Daffodil Day, Vista Park, New downtown bathroom |
| <ul style="list-style-type: none"> Support public art that is privately funded | <ul style="list-style-type: none"> | | <ul style="list-style-type: none"> |

Executive Department Goals (continued):

| | |
|--------------|---|
| Goal: | Regional presence: Poulsbo, by its geography is the center of North Kitsap County. Provide regional services and find regional revenues to support these services. |
|--------------|---|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 8 | Economic Development |
| | 10 | Revenues & Financial Stability |
| | | |

| Objectives | Measurement | Progress |
|---|---|---|
| <ul style="list-style-type: none"> Work with other jurisdictions to establish sharing of both responsibilities and resources | <ul style="list-style-type: none"> Strong economies of scale by sharing; documented common needs and identify them | <ul style="list-style-type: none"> Member of Puget Sound Reg Council Executive Board; multiple jurisdiction meetings held, Vice Chair PSRC Transportation Policy Board |
| <ul style="list-style-type: none"> Find revenue sources to offset those regional services we provide | <ul style="list-style-type: none"> Legislative initiatives developed for support fees for services | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Acknowledge transportation challenges due to our centralized location | <ul style="list-style-type: none"> Work toward regional planning for the 305 corridor | <ul style="list-style-type: none"> Chaired the project selection committee for Puget Sound Reg Council for 2016-2018 cycle for federal funding of transportation projects, |
| <ul style="list-style-type: none"> | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> 305 Stakeholders group formed to chart the course for State transportation dollars for 2017-2019 biennium |
| <ul style="list-style-type: none"> Work with regional organizations to establish goals and policies that support sustainable practices | <ul style="list-style-type: none"> Work to establish regional industrial growth center and a sub-area planning process | <ul style="list-style-type: none"> Representing Kitsap Transit on the Transportation Policy Board of Puget Sound Regional Council |

Finance Department Goals:

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|--------------|--|
| Goal: | <i>To provide customers with updated forms and information easily accessible in a multitude of formats</i> |
|--------------|--|

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|------------------------------------|-----------|---|
| Responds to Council Goal #: | 11 | Customer Service |
| | 12 | Enhanced Communication & Participation |

| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Review current forms for potential enhancement, streamlining or possible elimination. 1 to be edited at every other staff meeting until all completed | <ul style="list-style-type: none"> Once developed, new format of each form will be clearly displayed on department website, made available at front counter and readily available for direct email | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Review current brochures for potential enhancement or streamlining. 1 to be edited per quarter at staff meeting until all completed | <ul style="list-style-type: none"> Once developed, new format of each form will be clearly displayed on department website, made available at front counter and readily available for direct email | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Work with IT Department for a full city website update providing for clearer and more accessible information | <ul style="list-style-type: none"> Updated website developed and accessible to citizens | <ul style="list-style-type: none"> |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---|--------------------|--------------------|--------------------|-----------------------|-----------------------|
| Projected # of forms to be reviewed | n/a | n/a | 2 | 8 | 8 |
| Projected # of brochures to be reviewed | n/a | n/a | 1 | 3 | 3 |

| | |
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| Goal: | <i>Provide City Council with the foundation to establish a Transportation Benefit District (TBD)</i> |
|--------------|--|

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| Responds to Council Goal #: | 10 | Revenues & Financial Stability |
| | | |

| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Research requirement for establishing a Transportation Benefit District (TBD) | <ul style="list-style-type: none"> Presentation to Committee and City Council on the requirements to establish a (TBD) | <ul style="list-style-type: none"> Collected research information from MRSC |
| <ul style="list-style-type: none"> Create an ordinance establishing a Transportation Benefit District (TBD) | <ul style="list-style-type: none"> Ordinance passed by City Council forming a TBD | <ul style="list-style-type: none"> Sample ordinances gathered |

Finance Department Goals (continued):

| | |
|--------------|--|
| Goal: | <i>Produce an award winning budget document</i> |
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| Responds to Council Goal #: | 10 | Revenues & Financial Stability |
| | | |

| Objectives | Measurement | Progress |
|---|--|---|
| <ul style="list-style-type: none"> Implement GFOA (Government Finance Officers Association) reviewers suggested improvements | <ul style="list-style-type: none"> Receipt of GFOA Budget Award and/or increase in number of proficient and/or outstanding ratings over previous year | <ul style="list-style-type: none"> See table below |
| <ul style="list-style-type: none"> Complete budget document and submit to GFOA within 90 days of adoption for consideration of GFOA Distinguished Budget Award | <ul style="list-style-type: none"> Receipt of GFOA Budget Award and/or increase in number of proficient and/or outstanding ratings over previous year | <ul style="list-style-type: none"> See table below |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Received GFOA Distinguished Budget Award | Yes | Yes | Yes | Yes | Yes |
| # of Proficient and/or Outstanding Ratings for GFOA Budget Award | 78/14 | 76/16 | 70/22 | 64/28 | 64/28 |

| | |
|--------------|---|
| Goal: | <i>Reduce the number of physical accounts payable checks processed</i> |
|--------------|---|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|---|---|
| <ul style="list-style-type: none"> Key Bank to provide assistance with matching those of our current vendors who utilize their purchasing cards to begin automated payments | <ul style="list-style-type: none"> Established system of recurring vendors processing automated payments with the city's Key Bank Purchasing Card(s) | <ul style="list-style-type: none"> City switched to use of Key Bank Purchasing Card(s) in late 2016 |
| <ul style="list-style-type: none"> Outreach by A/P Clerk to current and new vendors to signup with our existing Vendor ACH Payment process | <ul style="list-style-type: none"> Increase in number of Vendor ACH Payments being processed | <ul style="list-style-type: none"> Implemented a process to send EFT paperwork along with W9 for new vendors |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| # of Accounts Payable Checks processed | 2850 | 2631 | 2921 | 2890 | 2840 |
| # of Accounts Payable ACH payments processed | 46 | 258 | 302 | 340 | 380 |

Finance Department Goals (continued):

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|--------------|---|
| Goal: | <i>Produce an award winning Comprehensive Annual Financial Report (CAFR)</i> |
|--------------|---|

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|------------------------------------|-----------|---|
| Responds to Council Goal #: | 10 | Revenues & Financial Stability |
| | | |

| Objectives | Measurement | Progress |
|--|--|---|
| <ul style="list-style-type: none"> Implement GFOA (Government Finance Officers Association) reviewers suggested improvements | <ul style="list-style-type: none"> Receipt of GFOA CAFR Award | <ul style="list-style-type: none"> See table below |
| <ul style="list-style-type: none"> Complete CAFR document and submit to GFOA within 6 months of new fiscal year to be considered for Distinguished CAFR Award | <ul style="list-style-type: none"> Receipt of GFOA CAFR Award | <ul style="list-style-type: none"> See table below |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Received GFOA Distinguished CAFR Award | Yes | Yes | Yes | Yes | Yes |

| | |
|--------------|---|
| Goal: | <i>Increase the number of Utility Billing Customers paying their account via ACH or through EGov</i> |
|--------------|---|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 10 | Revenues & Financial Stability |
| | | |

| Objectives | Measurement | Progress |
|--|--|---|
| <ul style="list-style-type: none"> Outreach to Utility Bill customers to signup with our ACH Payment process: via website, bill announcement, direct mail & active solicitation | <ul style="list-style-type: none"> Increase in number of ACH Utility Payments being processed | <ul style="list-style-type: none"> See table below |
| <ul style="list-style-type: none"> Outreach to Utility Bill customers to utilize EGov (on-line payment portal): via website, bill announcement, direct mail & active solicitation | <ul style="list-style-type: none"> Increase in number of EGov Payments being processed | <ul style="list-style-type: none"> See table below |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| # of ACH Utility Bill payments/month | 517 | 559 | 575 | 590 | 600 |
| # of Egov transaction payments/year | 0 | 2,743 | 6,330 | 6,647 | 6,979 |

Finance Department Goals (continued):

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|--------------|--|
| Goal: | <i>Provide departmental training with internal staff resources to increase departmental efficiency</i> |
|--------------|--|

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|------------------------------------|-----------|---|
| Responds to Council Goal #: | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|---|--|---|
| <ul style="list-style-type: none"> Focused concept training to be held within department staff meetings using internal staff skills and resources (Excel, Adobe, Sungard...) | <ul style="list-style-type: none"> Staff trainings held | <ul style="list-style-type: none"> See table below |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| # of departmental staff meetings held | 18 | 20 | 20 | 22 | 22 |
| # of internal training sessions held | - | - | 3 | 11 | 17 |
| % of trainings held within departmental meetings | - | - | 15% | 50% | 77% |

Information Services Department Goals:

| | |
|--------------|--|
| Goal: | <i>Provide access to City information for citizen online use</i> |
|--------------|--|

| | | |
|------------------------------------|-----------|-------------------------|
| Responds to Council Goal #: | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Provide a solution to allow public access to City information currently stored on the library drive | <ul style="list-style-type: none"> Online access to City information to be available for citizens to use | <ul style="list-style-type: none"> |

Information Services Department Goals (continued):

| | |
|--------------|---|
| Goal: | <i>Install security cameras in City Hall</i> |
|--------------|---|

| | | |
|------------------------------------|----------|----------------------|
| Responds to Council Goal #: | 9 | Public Safety |
| | | |

| Objectives | Measurement | Progress |
|---|--|--|
| <ul style="list-style-type: none"> Install surveillance security cameras at strategic locations both inside and outside of City Hall | <ul style="list-style-type: none"> Security cameras installed and working | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Secure funding - looking at grant possibilities | <ul style="list-style-type: none"> Grant received or budget allocated | <ul style="list-style-type: none"> |

| | |
|--------------|---|
| Goal: | <i>New website for City of Poulsbo</i> |
|--------------|---|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 11 | Customer Service |
| | 12 | Enhanced Communication & Participation |

| Objectives | Measurement | Progress |
|--|--|--|
| <ul style="list-style-type: none"> Re-design website with new look and feel with mobile capability; incorporate new features such as fillable forms, online access to public data | <ul style="list-style-type: none"> Successful website migration with a full website re-design | <ul style="list-style-type: none"> |

| | |
|--------------|---|
| Goal: | <i>Work with City Clerk Dept and Risk Management to implement Electronic Records Retention system and policies</i> |
|--------------|---|

| | | |
|------------------------------------|-----------|-------------------------|
| Responds to Council Goal #: | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Implement an Electronic Records management system to allow for efficient electronic document management allowing for effective document retrieval for public records requests reducing our liabilities. | <ul style="list-style-type: none"> Better and more efficient document storage, both hard copy and electronic allowing for easy access. | <ul style="list-style-type: none"> |

Information Services Department Goals (continued):

| | |
|--------------|--|
| Goal: | Upgrade Network VLAN's between City Hall and Parks & Rec/Public Works |
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| Responds to Council Goal #: | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Increase network speeds between City Hall and other city facilities | <ul style="list-style-type: none"> Better and faster network capabilities for City satellite offices | <ul style="list-style-type: none"> |

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| Goal: | Upgrade all city computers to Windows 10 and all Windows servers to Windows Server 2016 |
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| Responds to Council Goal #: | 11 | Customer Service |
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| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Upgrade all city computers to Windows 10 and all Windows servers to Windows Server 2016 bringing the City up to date with computer software | <ul style="list-style-type: none"> Successful update of all city computers | <ul style="list-style-type: none"> |

Municipal Court Department Goals:

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|--------------|--|
| Goal: | Strengthen Community Services Program |
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| Responds to Council Goal #: | 9 | Public Safety |
| | 10 | Revenue & Financial Stability |
| | | |

| Objectives | Measurement | Progress |
|--|--|--|
| <ul style="list-style-type: none"> Assist defendants who are having difficulty finding community service so they do not lose the option to do community service | <ul style="list-style-type: none"> Defendants not defaulting on their court fines; being able to do community service in lieu of jail if appropriate to cut down on jail costs. | <ul style="list-style-type: none"> Community Service sheet updated. As of June 30, 2016 |
| <ul style="list-style-type: none"> | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> Jan - June of 2016: 363 hours of community service in lieu of jail saved the city \$4,000 in jail costs. 304.5 hours of community service were turned in lieu of fine. |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Community Service Hours | 1,629.35 | 853.66 | 900 | 900 | |

Municipal Court Department Goals (continued):

| | |
|--------------|-------------------------|
| Goal: | Scan Court Files |
|--------------|-------------------------|

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| Responds to Council Goal #: | 9 | Public Safety |
| | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|--|------------------------------|
| • Scan court files that must be maintained into perpetuity | • Scanned documents | • Files scanned through 2011 |
| • Maintain storage capacity | • Sufficient storage for paper documents | • |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Files scanned by year | | 2003-2011 | 2012 | 2013 | |

| | |
|--------------|--|
| Goal: | Judicial and Staff Continued Training |
|--------------|--|

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| Responds to Council Goal #: | 9 | Public Safety |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|---------------------|---|
| • Continue ongoing judicial and staff training to keep pace with changes in laws, ordinances and court rules | • Training attended | • Judge attended DMCJA Judicial Conference. Court Administrator attended DMCMA Manager's Conference. Court Staff attended DMCMA Support Staff Conference. |
| • | • | • Court Administrator attends bi-monthly DMCMA meetings to keep updated on AOC, DOL, Legislative changes and issues. |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Number of Trainings Attended | * | 10 | 5 | 8 | |

Municipal Court Department Goals (continued):

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|--|---|--|
| Goal: | <i>Jail Video Hearings in the Courtroom</i> | |
| Responds to Council Goal #: | 9 | Public Safety |
| | 11 | Customer Service |
| | | |
| Objectives | Measurement | Progress |
| <ul style="list-style-type: none"> Provide jail video hearings in the courtroom in addition to the judge's office . | <ul style="list-style-type: none"> Being able to hold jail video hearings in the courtroom when members of the public want to observe. | <ul style="list-style-type: none"> |

Park & Recreation Department Goals:

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| Goal: | <i>Provide a permanent home for the Parks & Recreation Department to serve the recreational needs of the community (including gym, exercise area, meeting rooms, classroom & office space)</i> | |
| Responds to Council Goal #: | 5 | Capital Facilities |
| | 7 | Parks & Recreation Open Space |
| | | |
| Objectives | Measurement | Progress |
| <ul style="list-style-type: none"> Work with Kitsap County, Kitsap Public Facilities District, YMCA, and NKSD to plan for a "Recreation Center" for north end residents | <ul style="list-style-type: none"> Continue meetings with NKREC Steering Committee and YMCA leadership. | <ul style="list-style-type: none"> NKREC Steering Committee has not made this part of the overall plan a priority; City staff has had early discussions with Pierce/Kitsap YMCA |
| <ul style="list-style-type: none"> Continue to make needed improvements to the existing center to make it a productive community gathering place | <ul style="list-style-type: none"> Improvements to Recreation Center have been made and other repairs are completed as needed. | <ul style="list-style-type: none"> The City purchased the existing Recreation Center in 2010 and some improvements have been made |
| <ul style="list-style-type: none"> Produce and distribute a written plan for the future building of a Recreation Center | <ul style="list-style-type: none"> Written plan for a Recreation Center published | <ul style="list-style-type: none"> Early-stage meetings have been held with potential partners. |
| <ul style="list-style-type: none"> Study funding mechanisms for this project | <ul style="list-style-type: none"> Funding established | <ul style="list-style-type: none"> No funding has been established |

Park & Recreation Department Goals (continued):

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| Goal: | <i>Provide all citizens & visitors a variety of enjoyable leisure opportunities that are accessible, safe, well organized, physically attractive and well maintained</i> |
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| Responds to Council Goal #: | 7 | Parks & Recreation Open Space |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|---|---|---|
| <ul style="list-style-type: none"> Listen to resident's suggestions for programs | <ul style="list-style-type: none"> Produce a program brochure filled with a variety of programs and take ongoing program registrations from participants | <ul style="list-style-type: none"> Two brochures mailed per year and distributed to 24,000 NK households. |
| <ul style="list-style-type: none"> Plan and implement a variety of programs for all age groups | <ul style="list-style-type: none"> Produce a program brochure filled with a variety of programs and take ongoing program registrations from participants | <ul style="list-style-type: none"> Two brochures mailed per year and distributed to 24,000 NK households. |
| <ul style="list-style-type: none"> Work with other local agencies and organizations to plan, implement and evaluate these programs | <ul style="list-style-type: none"> Forge sponsorships for programs and events throughout the year | <ul style="list-style-type: none"> 7 of 9 Special Events include a co-sponsor or donation towards the events |
| <ul style="list-style-type: none"> Offer more information through City website and social media | <ul style="list-style-type: none"> Increase department's on-line presence using Facebook and emailed newsletters | <ul style="list-style-type: none"> Produce informative monthly emailed newsletters and post daily Facebook announcements highlighting program & community events |
| <ul style="list-style-type: none"> Explore other ways to advertise programs | <ul style="list-style-type: none"> Utilize alternative forms of advertising | <ul style="list-style-type: none"> |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Response to Citizen Requests & Complaints w/in 24 hours | 100% | 100% | 80% | 100 | 100 |
| On-line registrations (% of transactions using) | 18% | 20% | 24 | 30 | 35 |
| Increase On-line transactions (# per month) | 105 | 128 | 145 | 160 | 170 |
| Special Events | 10 | 8 | 9 | 9 | 9 |

Park & Recreation Department Goals (continued):

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|--------------|--|
| Goal: | <i>Continued excellent customer service</i> |
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| Responds to Council Goal #: | 7 | Parks & Recreation Open Space |
| | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|---|--|---|
| <ul style="list-style-type: none"> Retain Parks & Recreation customers | <ul style="list-style-type: none"> Program registrations continue to rise including the Learn & Grow Preschool | <ul style="list-style-type: none"> Registration to Learn & Grow Preschool rose 32% from 2014-2016 school years |
| <ul style="list-style-type: none"> | <ul style="list-style-type: none"> % of successful class continue to rise | <ul style="list-style-type: none"> 64% class success rate in 2016 |
| <ul style="list-style-type: none"> | <ul style="list-style-type: none"> Cancel classes (when necessary) at least 3 days prior to start of class | <ul style="list-style-type: none"> Classes are typically cancelled 1-3 days in advance |
| <ul style="list-style-type: none"> | <ul style="list-style-type: none"> Process: Park permits w/in 2 weeks; Sign permits w/in 1 week and use review system to track permit process | <ul style="list-style-type: none"> Successfully processed all permits within the time goal |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Cancelling recreation classes with at least 3 days notice | | | 80% | 90 | 95 |
| % of classes held because of adequate participation | 62% | 62% | 64 | 64 | 65 |
| Increase capacity in Learn & Grow Preschool (from 37 to 44 spots) | 52% | 75% | 66% | 80% | 85% |
| # of Park Permits processed | 142 | 165 | 181 | 185 | 190 |
| # of Sign Permits processed | 86 | 80 | 78 | 85 | 90 |

Park & Recreation Department Goals (continued):

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|--------------|---|
| Goal: | <i>Develop active and passive parks and an open space system that benefits citizens of all ages, incomes and physical abilities</i> |
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| Responds to Council Goal #: | 5 | Capital Facilities |
| | 7 | Parks & Recreation Open Space |
| | | |

| Objectives | Measurement | Progress |
|---|--|---|
| <ul style="list-style-type: none"> Improve City parks | <ul style="list-style-type: none"> Apply for park grants; use volunteers to add value & stewardship to the parks; acquire shoreline property as becomes available | <ul style="list-style-type: none"> Apply for 3-5 grants as matching funds allows; hold volunteer work parties; work with Evergreen Mtn Bike Alliance to develop Poulsbo Pump Track in 2016 |
| <ul style="list-style-type: none"> | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> Continue to work with the Mayor on securing an easement for Vista Park; annual review of Open Space Plan and CIP |
| <ul style="list-style-type: none"> Add amenities to existing parks | <ul style="list-style-type: none"> Provide amenities for people with special needs | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Build new trails | <ul style="list-style-type: none"> Build trail connections as easements become feasible | <ul style="list-style-type: none"> Complete Nelson Park to Fish Park trail easement by August 2016 |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Grant Applications | 6 | 4 | 5 | 4 | 5 |
| Recreation Sponsorships & Donations | \$8,865 | \$9,000 | \$4,966 | \$5,000 | \$5,000 |
| In-Kind Volunteer Value (Poulsbo's Fish Park) | \$20,788 | \$20,000 | \$31,416 | \$35,000 | \$40,000 |

Personnel Department Goals:

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| Goal: | <i>Seek to maintain a reasonable number of Labor & Industries claims per year</i> |
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| Responds to Council Goal #: | 10 | Revenues & Financial Stability |
| | | |

| Objectives | Measurement | Progress |
|--|---|---|
| <ul style="list-style-type: none"> Immediately investigate all reported accidents | <ul style="list-style-type: none"> Reduced number of approved Labor & Industry claims; reduced rates for experience factor | <ul style="list-style-type: none"> See table below |
| <ul style="list-style-type: none"> Provide more safety training | <ul style="list-style-type: none"> Reduced number of approved Labor & Industry claims; reduced rates for experience factor | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Utilize light duty for return | <ul style="list-style-type: none"> Reduced rates for experience factor | <ul style="list-style-type: none"> |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| # of Approved Labor & Industry Claims | 8 | 13 | 8 | 8 | 8 |

Planning & Economic Development Department Goals:

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|--------------|---|
| Goal: | <i>Administer planning and environmental laws and standards in conformance with all applicable state and local laws, rules and procedures</i> |
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| Responds to Council Goal #: | 1 | Land Use |
| | 4 | Natural Environment |
| | | |

| Objectives | Measurement | Progress |
|--|--|---|
| <ul style="list-style-type: none"> Evaluate land use permits in terms of permitting turn-around and number of appeals and decisions; monitor turn-around time | <ul style="list-style-type: none"> Evaluation of all permits appealed and the final decision made | <ul style="list-style-type: none"> On-going: All permits reviewed and approved within 120-day statutory time frame |
| <ul style="list-style-type: none"> Review statutory requirements | <ul style="list-style-type: none"> Statutory requirements met regarding permit turn-around | <ul style="list-style-type: none"> On-going: All permits reviewed and approved within 120-day statutory time frame |

Planning & Economic Development Department Goals (continued):

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|--------------|---|
| Goal: | <i>Continue to implement the City of Poulsbo Comprehensive Plan</i> |
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| Responds to Council Goal #: | 1 | Land Use |
| | | |

| Objectives | Measurement | Progress |
|---|---|--|
| <ul style="list-style-type: none"> Implement the City's Comprehensive Land Use Plan to help the City attain the vision articulated in the plan | <ul style="list-style-type: none"> Development within city limits and Urban Growth Area is consistent with City Comprehensive Plan and regulations | <ul style="list-style-type: none"> On-going: All projects continue to meet City's minimum density, dimensional standards and development standards. |

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| Goal: | <i>Establish and implement deliberate economic development strategies</i> |
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| Responds to Council Goal #: | 8 | Economic Development |
| | | |

| Objectives | Measurement | Progress |
|--|---|---|
| <ul style="list-style-type: none"> Implement Economic Development strategies to support, retain and attract economic development and business opportunities to City | <ul style="list-style-type: none"> Implementation and administration of the annual Economic Development work program | <ul style="list-style-type: none"> Ongoing: Work program approved by Econ Dev Committee & City Council. Department implements and reports progress throughout the year |

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| Goal: | <i>Update the City of Poulsbo's Comprehensive Plan to comply with legislative changes to Growth Management Act (GMA)</i> |
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| Responds to Council Goal #: | 1 | Land Use |
| | | |

| Objectives | Measurement | Progress |
|---|--|--|
| <ul style="list-style-type: none"> Update Comprehensive Plan as appropriate through the annual amendment process | <ul style="list-style-type: none"> Update Comp Plan chapters, functional plans, and Capital Facilities Plan annual as appropriate | <ul style="list-style-type: none"> Annual amendment occurs Jan-March of each year |
| <ul style="list-style-type: none"> Update the Poulsbo Subarea Plan as appropriate and in coordination with Kitsap County | <ul style="list-style-type: none"> Update Poulsbo Subarea Plan | <ul style="list-style-type: none"> Work program to be developed 2017-2018 |

Planning & Economic Development Department Goals (continued):

| | | | |
|---|--|-----------------|---|
| Goal: | <i>Revise the City's Development Regulations to implement Comprehensive Plan</i> | | |
| Responds to Council Goal #: | 1 | Land Use | |
| | | | |
| Objectives | Measurement | | Progress |
| <ul style="list-style-type: none"> Continue to revise the City's Development Regulations to ensure clarity, predictability, incorporates changes to GMA and docketed revisions | <ul style="list-style-type: none"> Adoption of new ordinances: subdivision, clearing & grading, and amendments to critical areas and shoreline management | | <ul style="list-style-type: none"> Public release and review anticipated 2017-2018 |

Police Department Goals:

| | | | |
|--|--|-------------------------|---|
| Goal: | <i>Improved Traffic Safety Program</i> | | |
| Responds to Council Goal #: | 9 | Public Safety | |
| | 11 | Customer Service | |
| | | | |
| Objectives | Measurement | | Progress |
| <ul style="list-style-type: none"> Assign two officers to primarily function as traffic units and address traffic safety and citizen complaints regarding traffic issues. | <ul style="list-style-type: none"> Less citizen complaints and fewer collisions | | <ul style="list-style-type: none"> 1 motorcycle active with 1 trained officer; 2nd motorcycle purchased and 3rd officer should be trained late spring of 2017. |

Police Department Goals (continued):

| Goal: | Community Service, Court Security, Code Enforcement | |
|---|--|--|
| Responds to Council Goal #: | 9 | Public Safety |
| | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |
| Objectives | Measurement | Progress |
| <ul style="list-style-type: none"> Serve more jurisdictions with our state-of-the-art EHM Services making it more cost efficient and effective for all jurisdictions | <ul style="list-style-type: none"> More defendants on City of Poulsbo EHM with an increased number of jurisdictions using our service | <ul style="list-style-type: none"> Hired a CSO position and provided with equipment for the position. |
| <ul style="list-style-type: none"> Code Enforcement to ensure public adheres to safe building and use practices. Public welfare. | <ul style="list-style-type: none"> Track number of citations and warnings. | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Court Security officer to provide security and a safe environment for the public and court staff. | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> |
| <ul style="list-style-type: none"> Community Service will provide supervision to citizens sentenced by court to complete community service projects. | <ul style="list-style-type: none"> Track hours and services provided by citizens sentenced to community service. | <ul style="list-style-type: none"> |

Police Department Goals (continued):

| Goal: | Levels of Police Services | |
|---|--|--|
| Responds to Council Goal #: | 9 | Public Safety |
| | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |
| Objectives | Measurement | Progress |
| <ul style="list-style-type: none"> • Increase Traffic Patrol Program. | <ul style="list-style-type: none"> • Program implemented, motorcycle on patrol - measured hours used | <ul style="list-style-type: none"> • Motorcycle active with 1 trained officer; purchased additional motorcycle; another trained motor officer in 2017 |
| <ul style="list-style-type: none"> • Institute simulated training exercises in order to better train and prepare officers for high stress and reality situations | <ul style="list-style-type: none"> • Added training days and incorporating simulated training within current programs | <ul style="list-style-type: none"> • Track hours of simulated training |
| <ul style="list-style-type: none"> • Increase level of investigative services into felony level crimes | <ul style="list-style-type: none"> • Increased number of detective hours in the department | <ul style="list-style-type: none"> • Assigned additional detective to work local felony crimes. |
| <ul style="list-style-type: none"> • Increase levels of patrol services; more officers on the road responding to citizen requests for service and more round the clock coverage. | <ul style="list-style-type: none"> • Tracking number of officers assigned to patrol and hours worked. | <ul style="list-style-type: none"> • Requested additional officers in budget. |

Prosecutor Department Goals:

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|--------------|---|
| Goal: | Ensure effective, timely and just criminal prosecution |
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| Responds to Council Goal #: | 9 | Public Safety |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|---|--|---|
| <ul style="list-style-type: none"> Timely review referrals for charging decisions | <ul style="list-style-type: none"> Time between receipt of referral and charging decision | <ul style="list-style-type: none"> Near completion of review of all backlogged cases (those referred without a charging decision prior to March 31, 2016) |
| <ul style="list-style-type: none"> Timely communication with referring agency as to disposition, or required additional information | <ul style="list-style-type: none"> Number of decline to prosecute notices or follow up requests made and date of notices/requests | <ul style="list-style-type: none"> Process implemented for communication regarding follow up or decline notices |
| <ul style="list-style-type: none"> Establish and maintain communication with crime victims, witnesses, and community advocacy agencies | <ul style="list-style-type: none"> Number of, and method of contact with crime victims and witnesses | <ul style="list-style-type: none"> Implemented policy and procedure for victim notification of case filing or decline; as well as referral policy to community advocacy agencies |
| <ul style="list-style-type: none"> Appropriately and consistently manage case information and capture case data | <ul style="list-style-type: none"> Implementation of electronic case management system | <ul style="list-style-type: none"> Vendor identified |
| <ul style="list-style-type: none"> Establish policies and procedures for the Prosecutor's Office | <ul style="list-style-type: none"> Creation and adoption of policies and procedures, including charging standards | <ul style="list-style-type: none"> Policy and procedure needs identified |
| <ul style="list-style-type: none"> Provide consistent legal advice, training and updates regarding issues related to criminal matters to the Police Department | <ul style="list-style-type: none"> Distribution of quarterly case law updates and provision of at least yearly training | <ul style="list-style-type: none"> Regular informal discussions regarding legal issues related to criminal matters |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Number of case referrals from Poulsbo Police Department | n/a | 220 | 328 | 344 | 361 |
| Number of cases filed | n/a | unknown | 246 | 258 | 270 |

Public Works Department Goals:

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|--------------|---|
| Goal: | <i>Improve pedestrian safety in the city</i> |
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| Responds to Council Goal #: | 9 | Public Safety |
|------------------------------------|----------|----------------------|

| Objectives | Measurement | Progress |
|--|--|--|
| <ul style="list-style-type: none"> Initiate a citywide traffic calming program; present plan at public meetings | <ul style="list-style-type: none"> Less Public Complaints and Tickets issued by Law Enforcement. | <ul style="list-style-type: none"> Installed more radar speed signs and doing ongoing traffic and speed counts within the City. |
| <ul style="list-style-type: none"> Review signage for better visibility | <ul style="list-style-type: none"> Measure Reflectivity and damaged signs. Respond to concerns and complaints | <ul style="list-style-type: none"> Developing a program to address this in 2017 |
| <ul style="list-style-type: none"> Sidewalk Safety | <ul style="list-style-type: none"> Less Public Complaints and slip and fall claims by citizens | <ul style="list-style-type: none"> Developing a program to address this in 2017 |

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| Goal: | <i>Maintain the City Parks system to provide a safe environment for recreation</i> |
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| Responds to Council Goal #: | 2 | Community Character |
| | 5 | Capital Facilities |
| | 7 | Parks & Recreation Open Space |
| | 9 | Public Safety |

| Objectives | Measurement | Progress |
|--|--|------------------|
| <ul style="list-style-type: none"> Grounds and Building care to maintain appealing parks and open space | Measured by appearance and functionality. Customers provide feedback as well | on going program |
| <ul style="list-style-type: none"> Routine playground equipment inspections to insure features are safe. | Measured by reports from the field staff. | on going program |
| <ul style="list-style-type: none"> Customer service with regard to parks use. (festivals, special events) | Measured by customer feedback | on going program |

Public Works Department Goals (continued):

| Goal: | Improve condition of the City street system | |
|--|---|--|
| Responds to Council Goal #: | 3 | Transportation |
| | 5 | Capital Facilities |
| | 9 | Public Safety |
| | 10 | Revenues & Financial Stability |
| Objectives | Measurement | Progress |
| <ul style="list-style-type: none"> Develop a strategy for recurring and dedicated funding to maintain the City's streets to an acceptable level | <ul style="list-style-type: none"> Funding strategy adopted in future budget cycle | <ul style="list-style-type: none"> Program presented to Public Works, Finance Committees and City Council; City Council approved \$150,000/yr. for neighborhood & street revitalization |
| <ul style="list-style-type: none"> Develop Neighborhood Street Maintenance schedule | <ul style="list-style-type: none"> Street schedule prepared and implemented; streets repaired and improved | <ul style="list-style-type: none"> 2016 Street survey was completed and a Draft plan started. In 2017 the City will have a couple "Pilot" Programs to see how the public feels about different maintenance techniques |
| <ul style="list-style-type: none"> Implement Transportation Benefit District (TBD) | <ul style="list-style-type: none"> | <ul style="list-style-type: none"> To be determined after the "Pilot Projects" are completed and a better idea of the required funding is developed. |
| <ul style="list-style-type: none"> Develop a sidewalk hazard survey | <ul style="list-style-type: none"> Physically walk every sidewalk and record by using our GPS system measuring any trip hazards and or cracking, tree root lifting, etc. | <ul style="list-style-type: none"> PW Staff is working on a Draft Plan and Survey on potential hazards. We are working with the Risk Manager on developing a schedule for repairs. |
| <ul style="list-style-type: none"> Develop a strategy to meet current sign reflectivity standards | <ul style="list-style-type: none"> Measure the reflectivity of current signs using one of three different methods. | <ul style="list-style-type: none"> Developing a program where we can identify signs that are out of compliance. Working with other jurisdictions on borrowing expensive reflectivity measuring equipment |
| <ul style="list-style-type: none"> Street Sweeping | <ul style="list-style-type: none"> Having clean streets and improving the health of Liberty Bay by not allowing contaminants to enter the storm system. | <ul style="list-style-type: none"> In Progress and ongoing. |

Public Works Department Goals (continued):

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| Goal: | Meet the requirements of the National Pollutant Discharge Elimination System - Phase II Municipal Stormwater Permit |
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| Responds to Council Goal #: | 4 | Natural Environment |
| | 5 | Capital Facilities |
| | 9 | Public Safety |
| | 11 | Customer Service |

| Objectives | Measurement | Progress |
|---|--|--|
| <ul style="list-style-type: none"> Comply with NPDES Permit | <ul style="list-style-type: none"> Implement IDDE program; perform file assessments, inspections, implement procedures and outreach | <ul style="list-style-type: none"> Program fully implemented and ongoing. |
| <ul style="list-style-type: none"> Maintain all Stormwater infrastructure | <ul style="list-style-type: none"> Cleaner test results for TMDL In Liberty Bay | <ul style="list-style-type: none"> In Progress and ongoing |
| <ul style="list-style-type: none"> Street Sweeping | <ul style="list-style-type: none"> Keeps pollutants out of the Storm system and allows water to drain into the storm system which helps prevent flooding | <ul style="list-style-type: none"> In Progress and ongoing |
| <ul style="list-style-type: none"> Maintain Pervious Sidewalks/ Pathways and Parking areas | <ul style="list-style-type: none"> Keeps pollutants out of the Storm system and allows water to drain into the storm system which helps prevent flooding. | <ul style="list-style-type: none"> In Progress and ongoing |

| | |
|--------------|---|
| Goal: | Provide sufficient water supply sources to meet the requirements of the Comprehensive Plan |
|--------------|---|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 5 | Capital Facilities |
| | 10 | Revenues and Financial Stability |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|---|---|
| <ul style="list-style-type: none"> Implement water conservation measures recommended in 2007 Water System Plan | <ul style="list-style-type: none"> Water conservation program implemented | <ul style="list-style-type: none"> We have reduced greatly the unaccounted for water. (The difference between water pumped and water sold) |
| <ul style="list-style-type: none"> Monitor water usage | <ul style="list-style-type: none"> Water logs completed | <ul style="list-style-type: none"> In 2015, the City started a water meter replacement program which will accurately capture usage by customers. Work to continue through 2017 |
| <ul style="list-style-type: none"> Install water treatment plant at Lincoln Well #2 to reduce the discolored water from iron and manganese. | <ul style="list-style-type: none"> This new program will greatly reduce customer complaints and o&m costs associated with mitigating this occurrence | <ul style="list-style-type: none"> This plant should be constructed in 2017 or 2018. |

Public Works Department Goals (continued):

| | |
|--------------|---|
| Goal: | Maintain wastewater system infrastructure to insure the timely and uninterrupted delivery of service |
|--------------|---|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 5 | Capital Facilities |
| | 9 | Public Safety |
| | 10 | Revenues and Financial Stability |
| | 11 | Customer Service |

| Objectives | Measurement | Progress |
|--|--|---|
| <ul style="list-style-type: none"> Maintain all sewer lift stations (pumps, valves, generators, panels, buildings) to insure uninterrupted service. | <ul style="list-style-type: none"> Failure rates of mechanical and electrical equipment | <ul style="list-style-type: none"> Very few failures due to keeping up with maintenance. |
| <ul style="list-style-type: none"> Develop and implement city-wide inflow and infiltration reduction program | <ul style="list-style-type: none"> As of Oct 2016 approx 1/3 rd of town has been surveyed with sewer camera van | <ul style="list-style-type: none"> We have identified many areas of concern that can be repaired to reduce inflow and infiltration |
| <ul style="list-style-type: none"> Jetting of known problem areas within the sewer system to avoid plugging of lines. | <ul style="list-style-type: none"> Failure rates due to sewer mainline plugging. | <ul style="list-style-type: none"> on-going goal to reduce or eliminate this occurrence |

| | |
|--------------|---|
| Goal: | Maintain a cost-effective and responsive solid waste collection system |
|--------------|---|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 5 | Capital Facilities |
| | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|---|--|
| <ul style="list-style-type: none"> Implement a cost-effective local transfer station in Poulsbo to eliminate the long haul distance for local collection trucks | <ul style="list-style-type: none"> Transfer station system tested and implemented; trucks are not making trips to Bremerton for disposal | <ul style="list-style-type: none"> The new Transfer Station is fully operational, running by June 2016. |
| <ul style="list-style-type: none"> Implement a Solid Waste business plan to run enterprise as effectively as possible | <ul style="list-style-type: none"> Contracted with consultant to develop said plan. | <ul style="list-style-type: none"> Phase one of plan has begun with staff input being solicited. |

Risk Management Department Goals:

| | |
|--------------|--|
| Goal: | <i>Effectively manage and assist to limit the potential risk of liability exposure for the City</i> |
|--------------|--|

| | | |
|------------------------------------|-----------|---|
| Responds to Council Goal #: | 9 | Public Safety |
| | 10 | Revenues & Financial Stability |
| | 11 | Customer Service |
| | | |

| Objectives | Measurement | Progress |
|--|---|--|
| <ul style="list-style-type: none"> Maintain compliance with obligations of membership with Washington Cities Insurance Authority | <ul style="list-style-type: none"> Compliance with COMPACT obligations | <ul style="list-style-type: none"> 2016 Compact obligations on track for completion |
| <ul style="list-style-type: none"> Review for consistency and any necessary updates to the Poulsbo Municipal Code | <ul style="list-style-type: none"> Creation of log of code provisions which require update or other action and collaboration to initiate any needed changes | <ul style="list-style-type: none"> Review of each section of the code initiated |
| <ul style="list-style-type: none"> Ensure policies, procedures and processes are consistent with existing law and are effective in reduction or elimination of potential liability | <ul style="list-style-type: none"> Analyze the areas of greatest risk and prioritize review, update and drafting citywide policies and procedures accordingly. | <ul style="list-style-type: none"> Review and collaborated with several departments on identified areas of need |
| <ul style="list-style-type: none"> Communicate effectively with City leadership and other departments regarding claims, litigation and other potential exposures, as well as options for mitigation | <ul style="list-style-type: none"> Provide quarterly updates and regularly distribute training or other key information for review | <ul style="list-style-type: none"> Regular distribution of training announcements; Creation and maintenance of log documenting compliance with Open Government Act Training requirements; |

| Type of Performance Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|---|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Number of Claims for Damages Filed | 17 | 12 | 7 | 5 | 5 |
| Number of Litigation Matters Initiated Naming the City as a Defendant | unknown | 2 | 1 | 1 | 1 |



ANALYSIS OF 2017-2018 BUDGETED REVENUES BY SOURCE FOR ALL FUNDS

The opposite page presents an analysis of total revenues (*excluding Beginning Balances and Operating Transfers*) anticipated to be available for support of City programs during 2017 & 2018. The table identifies revenue to be received by each fund. The revenues received by the City are derived from a diverse range of sources and the types of revenue received by each fund vary significantly.

- **Charges for Services:**

Provided city-wide is the largest source of anticipated revenue at 38%, of which 73% is derived from the services in the City's utilities.

- **Taxes:**

With the majority being received in the General Fund, these make up the next largest source at 28%. Sales tax has seen a steady increase over the last few years with the projection increased reflective of the growing revenue. Utility tax projections were slightly reduced, but this is a planned decrease as the City has reduced the utility tax rate for Water and Sewer services from 9% to 6%. The City Council reviews these rates during the budget process.

- **Intergovernmental Revenues:**

Make up 17% of anticipated total revenue and consists primarily of grants reimbursed by government agencies. The City continues to be successful in the grant process and is the recipient of several grants to fund road, park and utility improvements.

- **Other Sources:**

Is anticipated to make up 10% of the revenue budgets. This is due to an anticipated revenue debt issue to fund the City's portion of the sewer processing plant improvements the County has made along with anticipated sale of City properties.

- **Licenses & Permits:**

Make up approximately 3% of the City's anticipated revenue. Included in this category are business license and development permits. Revenues due to development have seen an increase and projections have been established to reflect the trend.

- **Proprietary (Other Income):**

Comprised of the portion of revenues derived from connections to City utilities intended for capital use, is anticipated to make up 3%.

- **Miscellaneous Revenue:**

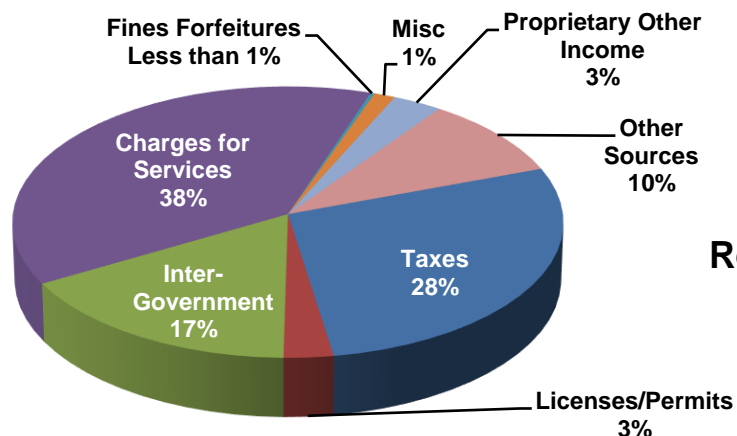
Which is mainly comprised of Investment Income, is anticipated at 1%.

- **Fines and Forfeitures:**

Make up the smallest portion of revenues at less than 1%. These are revenues which are mostly unpredictable and therefore are budgeted conservatively.

2017-2018 Revenue by Category (Excludes Operating Transfers)

| Fund | Taxes | Licenses/ Permits | Inter- Government | Charges for Services | Fines Forfeitures | Misc | Proprietary Other Income | Other Sources | Total |
|------------------------------|------------|----------------------|----------------------|-------------------------|----------------------|---------|--------------------------------|------------------|------------|
| <i>General Fund</i> | | | | | | | | | |
| 001 General | 15,572,040 | 1,618,910 | 839,624 | 5,236,827 | 151,550 | 284,942 | | | 23,703,893 |
| <i>Special Revenue Funds</i> | | | | | | | | | |
| 101 Street Fund | | 24,000 | 477,478 | | | | | | 501,478 |
| 121 Capital Improvement | 1,000,000 | | | | | 600 | | | 1,000,600 |
| 123 Transp Dev Fund | | | | 725,000 | | 1,000 | | | 726,000 |
| 124 Park Dev Fund | | | | 424,652 | | | | | 424,652 |
| 131 Historic DT Poulsbo | | | | | | 103,706 | | | 103,706 |
| 161 Paths & Trail Reserve | | | 2,149 | | | | | | 2,149 |
| 171 Drug Enforcement | | | | | | 200 | | | 200 |
| 181 Transient Occupancy | 220,000 | | | | | | | | 220,000 |
| 191 Police Restricted | | | 37,646 | | | 2,400 | | | 40,046 |
| <i>Debt Service Funds</i> | | | | | | | | | |
| Misc Government | | | | | | | | | |
| 201 Debt | | | | | | | | | - |
| 204 Non-Voted Debt | | | | | | | | | - |
| <i>Capital Project Funds</i> | | | | | | | | | |
| Equipment | | | | | | | | | |
| 301 Acquisition | | | | | | 1,500 | | | 1,500 |
| 302 Park Reserve | | | 586,000 | | | | | | 586,000 |
| 311 Street Reserve | | | 5,980,000 | | | | | | 5,980,000 |
| 314 Cemetery Reserve | | | | 6,000 | | | | | 6,000 |
| 331 Facilities Funds | | | | | | 24,200 | | 775,000 | 799,200 |
| <i>Proprietary Funds</i> | | | | | | | | | |
| 401 Water | | | | 3,459,985 | | 225,258 | 800,000 | | 4,485,243 |
| 403 Sewer | | | | 6,491,790 | | 78,160 | 740,000 | 5,000,000 | 12,309,950 |
| 404 Solid Waste | | | | 3,345,440 | | 36,000 | | | 3,381,440 |
| 410 Storm Drain | | | 1,913,500 | 3,345,440 | | 30,000 | 295,750 | | 5,584,690 |
| TOTAL | | | | | | | | | |
| | 16,792,040 | 1,642,910 | 9,836,397 | 23,035,134 | 151,550 | 787,966 | 1,835,750 | 5,775,000 | 59,856,747 |



ANALYSIS OF 2017-2018 BUDGETED EXPENDITURES BY TYPE FOR ALL FUNDS

The opposite page presents an analysis of the budgeted expenditures by fund and type anticipated to be expended by the City during 2017 & 2018 (*excluding Fund Balances and Operating Transfers*).

- **Capital Outlay:**

The largest category as it accounts for 42% of the operating budgets with 66% of that being expended from utility funds. There are many utility, transportation and park projects planned for 2017 & 2018 with some of the costs being supported by grants. Continued improvements to several busy roads including Noll Road, Finn Hill, City Wide Pavement Restoration and large payments to the County for the City's share of the County Sewer Plant Upgrade and Pump Station Replacement are planned to occur in this biennium.

- **Salaries & Benefits:**

These are the next largest categories of expenditures and combined accounts for 28% of the operating budgets. Government is a service agency, which is consistent with wages and benefits being one of the largest pieces of the pie.

- **Other Services:**

Mostly comprised of professional services, this category makes up 10% of the expenditure budget.

- **Principal & Interest:**

Combined this accounts for 6% of the expenditure budget. This includes existing debt obligations along with an anticipated debt issue for the New Public Works Facility.

- **Depreciation:**

This category accounts for approximately 5% of total budgeted expenditures.

- **Inter-Governmental:**

At approximately 4% of the expenditure budget, the largest expenditures in this category are contractual costs with the County for sewage and solid waste disposal.

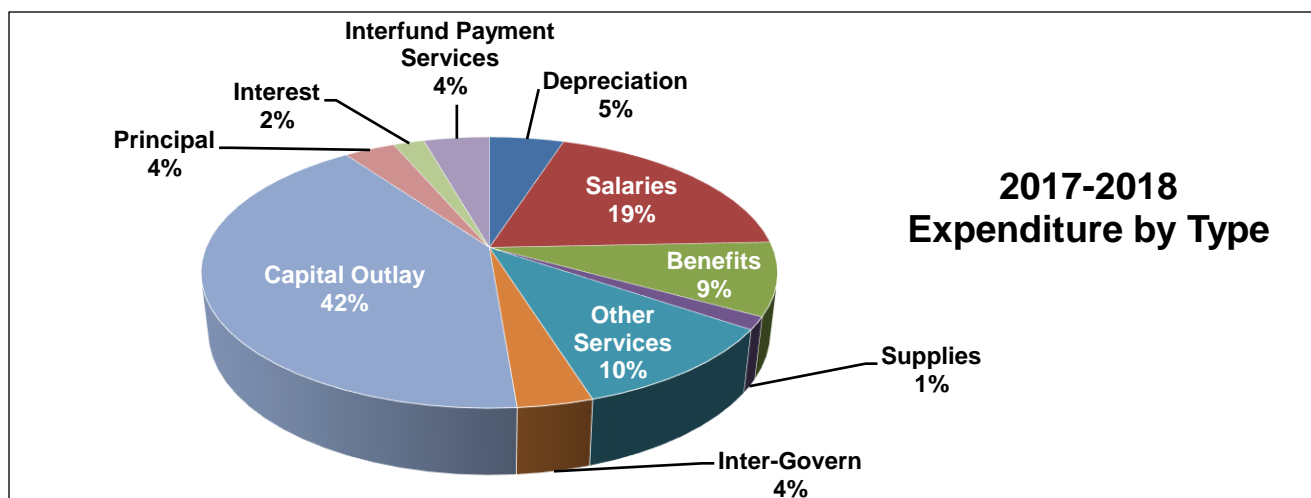
- **Interfund Payment for Services:**

These are allocations to other funds to pay for services provided and accounts for approximately 4% of the expenditure budget.

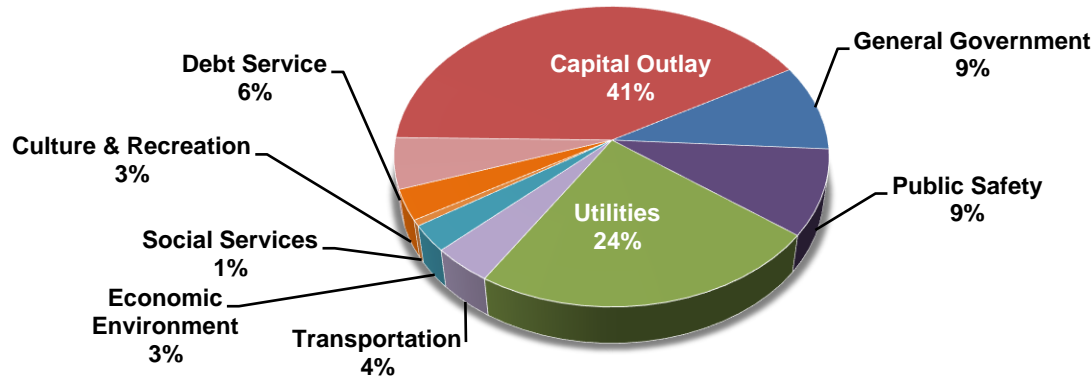
- **Supplies:**

The smallest category, the expenditures for general supplies, makes up approximately 1% of the expenditure budget.

| 2017-2018 Expenditures by Object (Excludes Operating Transfers) | | | | | | | | | | | |
|---|--------------|------------|-----------|-----------|----------------|--------------|----------------|-----------|-----------|--------------------|------------|
| Fund | Depreciation | Salaries | Benefits | Supplies | Other Services | Inter-Govern | Capital Outlay | Principal | Interest | Interfund Payments | Total |
| <i>General Fund</i> | | | | | | | | | | | |
| 001 General | | 11,159,874 | 4,853,659 | 630,317 | 3,012,829 | 1,232,138 | | | | | 20,888,817 |
| <i>Special Revenue Funds</i> | | | | | | | | | | | |
| 101 Street Fund | | 446,186 | 199,189 | 113,918 | 510,540 | 96,800 | | | | 399,412 | 1,766,045 |
| 121 Capital Improvement | | | | | | | | | | | - |
| 123 Trans Develop Fund | | | | | | | | | | | - |
| 124 Park Develop Fund | | | | | | | | | | | - |
| 131 Historic DT Poulsbo | 1,000 | | | 1,300 | 133,404 | | | | | 6,000 | 141,704 |
| 161 Paths & Trail Rsrv | | | | | | | | | | | - |
| 171 Drug Enforcement | | | 3,100 | 13,100 | 10,200 | | | | | | 26,400 |
| 181 Transient Occupancy | | | | | 240,000 | | | | | | 240,000 |
| 191 Police Restricted | | 5,000 | 2,850 | 10,200 | 14,800 | | | | | | 32,850 |
| <i>Debt Service Funds</i> | | | | | | | | | | | |
| Misc Government | | | | | | | | | | | |
| 201 Debt | | | | | | | | 148,738 | 15,617 | | 164,355 |
| 204 Non-Voted Debt | | | | | | | | 1,424,100 | 873,204 | | 2,297,304 |
| <i>Capital Project Funds</i> | | | | | | | | | | | |
| Equipment | | | | | | | | | | | |
| 301 Acquisition | | | | | | | 380,796 | | | | 380,796 |
| 302 Park Reserve | | | | | | | 1,086,184 | | | | 1,086,184 |
| 311 Street Reserve | | | | | | | 8,431,000 | | | | 8,431,000 |
| 314 Cemetery Reserve | | | | | | | | | | | - |
| 331 Facilities Funds | | | | | | | 651,428 | | | | 651,428 |
| <i>Proprietary Funds</i> | | | | | | | | | | | |
| 401 Water | 924,850 | 794,264 | 403,663 | 123,300 | 740,790 | | 2,635,732 | 142,300 | 52,861 | 605,262 | 6,423,022 |
| 403 Sewer | 1,596,000 | 543,592 | 260,311 | 34,000 | 1,106,513 | 1,110,000 | 13,979,312 | 761,100 | 507,856 | 657,142 | 20,555,826 |
| 404 Solid Waste | 175,760 | 630,542 | 321,369 | 148,000 | 1,785,119 | 120,000 | 769,523 | 33,600 | 40,016 | 959,012 | 4,982,941 |
| 410 Storm Drain | 1,024,310 | 834,089 | 414,248 | 41,232 | 379,507 | 105,978 | 2,908,271 | 39,900 | 47,519 | 651,158 | 6,446,212 |
| TOTAL | | | | | | | | | | | |
| | 3,721,920 | 14,413,547 | 6,458,389 | 1,115,367 | 7,933,702 | 2,664,916 | 30,842,246 | 2,549,738 | 1,537,073 | 3,277,986 | 74,514,884 |



How Does the City Use It's Resources?
Expenditures by Function of Government
 (excludes Transfers & Fund Balances)
\$74,514,884



General Government: A major class of services provided by the legislative, judicial and administrative branches of the governmental entity for the benefit of the public or governmental body as a whole. This class includes administrative services provided by a specific department in support of services properly includable in another major class.

Public Safety: Class of services relating to protection of persons and property and prevention of injury or damage to same; including police, fire inspection, and the support of these services.

Utilities: Class of services provided to achieve a satisfactory living environment for the community and the individual such as water, sewer, storm drain, solid waste, engineering, and cemetery.

Transportation: This is a major class of services for the safe and adequate flow of vehicles and pedestrians.

Economic Environment: A major class of services for the development and improvement in the welfare of the community and individual.

Social Services: A major class of services provided for the care, treatment, and control of mental and physical illnesses.

Culture and Recreation: Class of services to provide community education, leisure and sports activities, and to recognize historic and festive occasions.

Debt Service: Expenditures associated with servicing current principal and interest obligations.

Capital Outlay: Expenditures associated with the acquisition of assets over \$5,000 in value.



Major Funds

In accordance with Governmental Accounting Standards Board (GASB), to be deemed a major fund, it must meet the following criteria.

- Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures (less other financing sources or uses) of that individual governmental or enterprise fund are at least ten percent (10%) of the corresponding total (assets, liabilities, etc.) for all funds of that category or type (i.e. governmental, proprietary, or fiduciary); and
- Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures (less other financing sources or uses) of that individual governmental or enterprise fund are five percent (5%) of the corresponding total for all governmental and enterprise funds combined; or
- Any other governmental or enterprise fund the government's officials believe is particularly important.

Using 2017-18 budget figures, a test for major funds was performed and the following funds qualify as Major Funds:

- Governmental Funds
 - General Fund (001)
 - Transportation Development Fund (123)
 - Street Reserves Fund (311)
- Proprietary Funds (Business Type)
 - Water Fund (401)
 - Sewer Fund (403)
 - Solid Waste Fund (404)
 - Storm Drain Fund (410)

Statements have been prepared with 2017-18 budget figures and individually show the major funds.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - MAJOR FUNDS
BUDGET FOR 2017-18

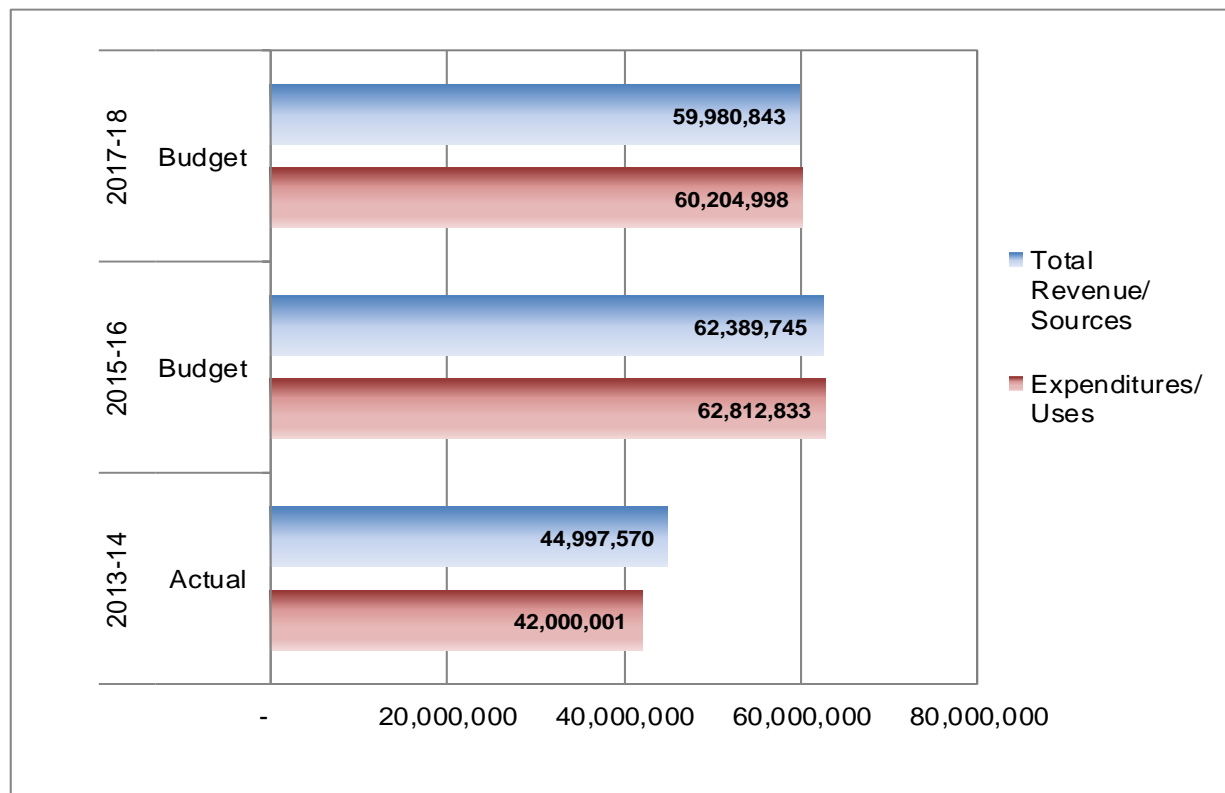
| | Major Fund General Fund | Major Fund Traffic Development Fund | Major Fund Street Reserve Fund | Non-Major Governmental Funds | Total |
|---|----------------------------|---|--------------------------------------|------------------------------------|---------------------|
| Revenues | | | | | |
| Taxes | \$ 15,572,040 | \$ - | \$ - | \$ 1,220,000 | \$ 16,792,040 |
| Licenses and Permits | 1,618,910 | - | - | 24,000 | 1,642,910 |
| Intergovernmental | 839,624 | | 5,980,000 | 1,103,273 | 7,922,897 |
| Charges for Services | 5,236,827 | 725,000 | - | 430,652 | 6,392,479 |
| Fines and Forfeitures | 151,550 | - | - | - | 151,550 |
| Interest and Other Earnings | 284,942 | 1,000 | - | 5,106 | 291,048 |
| Total Revenues | 23,703,893 | 726,000 | 5,980,000 | 2,783,031 | 33,192,924 |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government | 6,915,390 | - | - | - | 6,915,390 |
| Public Safety | 6,876,781 | - | - | 59,250 | 6,936,031 |
| Utilities | 1,147,173 | - | - | - | 1,147,173 |
| Transportation | 1,240,447 | - | - | 1,766,045 | 3,006,492 |
| Economic Environment | 1,911,561 | - | - | 240,000 | 2,151,561 |
| Social Services | 475,343 | - | - | - | 475,343 |
| Culture and Recreation | 2,322,124 | - | - | 141,704 | 2,463,828 |
| Debt Service: | | | | 2,461,659 | 2,461,659 |
| Capital Outlay | - | - | 8,431,000 | 2,118,408 | 10,549,408 |
| Total Expenditures | 20,888,819 | - | 8,431,000 | 6,787,066 | 36,106,885 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 2,815,074 | 726,000 | (2,451,000) | (4,004,035) | (2,913,961) |
| Other Financing Sources (Uses) | | | | | |
| Transfers In | - | - | 2,169,000 | 5,693,346 | 7,862,346 |
| Transfers Out | (3,777,312) | (1,770,000) | - | (1,412,537) | (6,959,849) |
| Total Other Financing Sources and Uses | (3,777,312) | (1,770,000) | 2,169,000 | 4,280,809 | 902,497 |
| <i>Net Change in Fund Balances</i> | (962,238) | (1,044,000) | (282,000) | 276,774 | (2,011,464) |
| <i>Fund Balances Beginning of Year</i> | 2,585,619 | 1,061,408 | 909,779 | 2,140,995 | 6,697,801 |
| Fund Balances End of Year | \$ 1,623,381 | \$ 17,408 | \$ 627,779 | \$ 2,417,769 | \$ 4,686,337 |

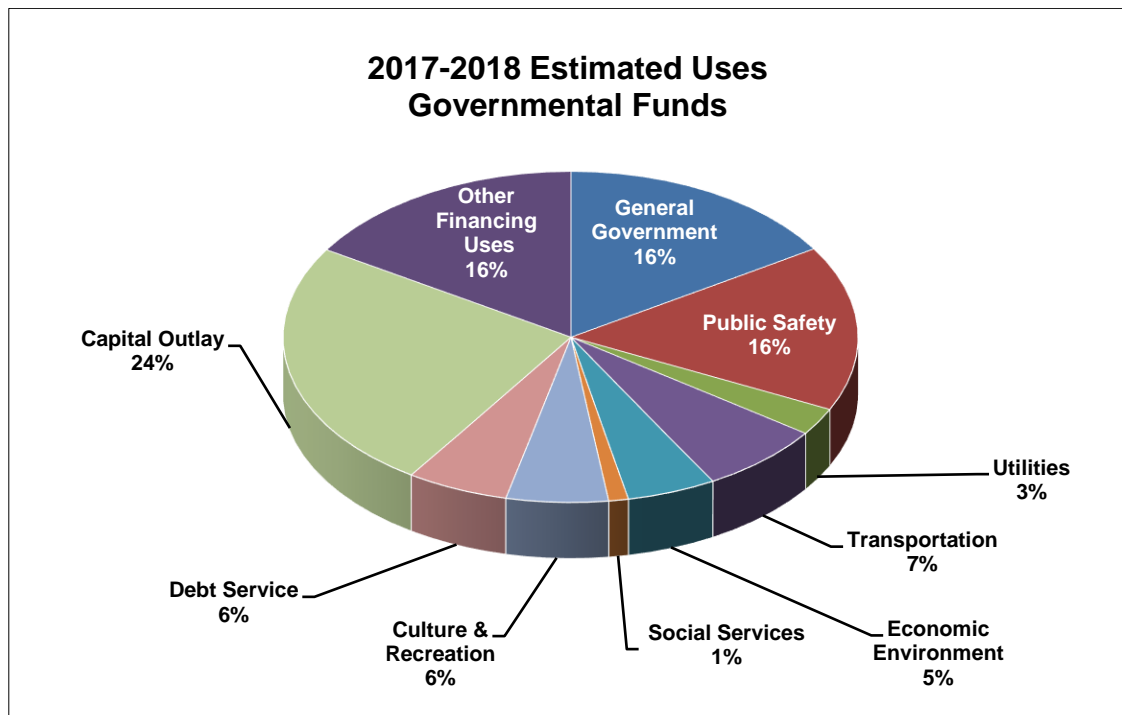
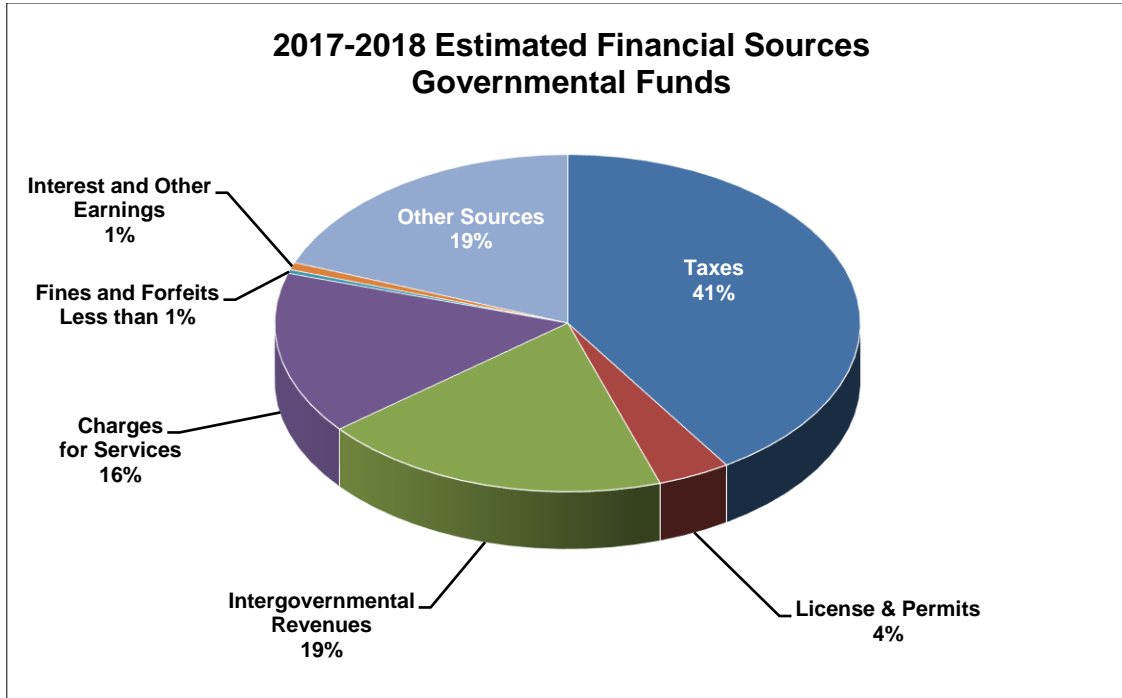
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - MAJOR FUNDS
BUDGET FOR 2017-18

| | Business-type Activities Enterprise Funds | | | | |
|--|---|---------------------|---------------------|---------------------|---------------------|
| | Water | Sewer | Solid Waste | Storm Drain | Total |
| Operating Revenues: | | | | | |
| Charges for Services | \$ 3,459,985 | \$ 6,491,790 | \$ 3,345,440 | \$ 3,345,440 | \$16,642,655 |
| Intergovernmental | - | - | - | 1,913,500 | 1,913,500 |
| Other Operating Revenues | 225,258 | 78,160 | 36,000 | 30,000 | 369,418 |
| Total Operating Revenues | 3,685,243 | 6,569,950 | 3,381,440 | 5,288,940 | 18,925,573 |
| Operating Expenses: | | | | | |
| Salaries & Wages | 794,264 | 543,593 | 630,542 | 834,089 | 2,802,488 |
| Benefits | 403,663 | 260,311 | 321,370 | 414,248 | 1,399,592 |
| Supplies | 123,300 | 34,000 | 148,000 | 41,232 | 346,532 |
| Services | 740,790 | 1,106,513 | 1,785,119 | 379,507 | 4,011,929 |
| Intergovernmental Services and Payments | 605,262 | 1,767,142 | 1,079,012 | 757,136 | 4,208,552 |
| Depreciation | 924,850 | 1,596,000 | 175,760 | 1,024,310 | 3,720,920 |
| Total Operating Expenses | 3,592,129 | 5,307,559 | 4,139,803 | 3,450,522 | 16,490,012 |
| Operating Income (Loss) | 93,114 | 1,262,391 | (758,363) | 1,838,418 | 2,435,561 |
| Nonoperating Revenues (Expenses): | | | | | |
| Interest and Other Earnings | - | - | - | - | - |
| Interest Expense | (52,861) | (507,856) | (40,016) | (47,519) | (648,252) |
| Debt Issue Costs | - | - | - | - | - |
| Total Nonoperating Revenue (Expenses) | (52,861) | (507,856) | (40,016) | (47,519) | (648,252) |
| Income (loss) Before Contributions | 40,253 | 754,535 | (798,379) | 1,790,899 | 1,787,309 |
| Capital Contributions | 800,000 | 740,000 | - | 295,750 | 1,835,750 |
| Change in Net Position | 840,253 | 1,494,535 | (798,379) | 2,086,649 | 3,623,059 |
| Total Net Position Beginning of Year | 17,818,171 | 27,265,806 | 2,935,855 | 14,158,726 | 62,178,558 |
| Total Net Position End of Year | \$18,658,425 | \$28,760,342 | \$ 2,137,476 | \$16,245,375 | \$65,801,617 |

TOTAL ALL FUNDS

| | 2013-14 Actual | 2015-16 Budget | 2017-18 Budget |
|---------------------------------------|-------------------|-------------------|-------------------|
| Governmental Revenues | \$ 30,136,455 | \$ 44,238,886 | \$ 41,055,270 |
| Proprietary Revenues | 14,861,115 | 18,150,859 | 18,925,573 |
| Total Revenue/ Sources | 44,997,570 | 62,389,745 | 59,980,843 |
| Governmental Expenditures | 30,065,637 | 46,949,453 | 43,066,734 |
| Proprietary Expenses | 11,934,364 | 15,863,380 | 17,138,264 |
| Expenditures/ Uses | 42,000,001 | 62,812,833 | 60,204,998 |
| Net Increase (Decrease) | 2,997,569 | (423,088) | (224,155) |
| Fund Balance/Equity - Beginning | 57,795,594 | 63,584,895 | 67,756,597 |
| Increase in Contributed Capital | 2,651,340 | 1,415,000 | 1,835,750 |
| Prior Year Adjustment/Beg Balance Adj | 140,391 | 3,179,790 | 1,119,762 |
| Fund Balance/Equity - Ending | \$ 63,584,895 | \$ 67,756,597 | \$ 70,487,954 |





Governmental Funds
2013-2018 Summary of Estimated Financial Sources and Uses

(For Budgetary Purposes Only)

| | General Fund | | | Special Revenue Funds | | |
|--|---------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
| | 2013-14 | 2015-16 | 2017-18 | 2013-14 | 2015-16 | 2017-18 |
| | Actual | Budget | Budget | Actual | Budget | Budget* |
| Financial Sources: | | | | | | |
| Taxes | \$ 13,493,259 | \$ 14,684,117 | \$ 15,572,040 | \$ 1,172,090 | \$ 945,000 | \$ 1,220,000 |
| License & Permits | 1,151,457 | 1,125,230 | 1,618,910 | 29,475 | 18,000 | 24,000 |
| Intergovernmental Revenues | 385,710 | 488,625 | 839,624 | 771,896 | 447,988 | 517,273 |
| Charges for Services | 4,119,426 | 4,312,071 | 5,236,827 | 289,873 | 241,957 | 1,149,652 |
| Fines and Forfeits | 159,615 | 143,600 | 151,550 | 352 | - | - |
| Interest and Other Earnings | 83,296 | 80,500 | 284,942 | 2,772 | 1,460 | 2,906 |
| Other Sources | 335,268.93 | 280,210 | - | 1,586,539 | 1,657,347 | 1,321,000 |
| Total Financial Sources | 19,728,032 | 21,114,353 | 23,703,893 | 3,852,998 | 3,311,752 | 4,234,831 |
| Expenditures: | | | | | | |
| General Government | 5,405,196 | 6,389,398 | 6,915,390 | - | - | - |
| Public Safety | 5,552,018 | 6,104,084 | 6,876,781 | 59,274 | 87,494 | 59,250 |
| Utilities | 956,537 | 1,034,260 | 1,147,173 | - | - | - |
| Transportation | 1,003,380 | 1,316,577 | 1,240,447 | 2,089,608 | 1,719,955 | 1,766,045 |
| Economic Environment | 1,470,980 | 1,909,152 | 1,911,561 | 201,005 | 245,000 | 240,000 |
| Social Services | 28,333 | 158,232 | 475,343 | - | - | - |
| Culture & Recreation | 2,045,479 | 2,285,903 | 2,322,124 | 133,049 | 190,200 | 141,704 |
| Debt Service | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - |
| Other Financing Uses | 3,295,230 | 3,662,392 | 3,777,312 | 1,441,122 | 2,386,600 | 2,982,537 |
| Total Use of Resources | 19,757,154 | 22,859,997 | 24,666,131 | 3,924,058 | 4,629,249 | 5,189,536 |
| Net Increase (Decrease) | | | | | | |
| in Fund Balance | (29,122) | (1,745,644) | (962,238) | (71,060) | (1,317,497) | (954,705) |
| Fund Balance - Beginning | 2,111,932 | 2,175,375 | 1,820,361 | 1,173,178 | 1,016,001 | 1,321,828 |
| *Prior Year Adjustment/Beg Balance Adj | 92,565 | 1,390,631 | 765,258 | (86,116) | 1,623,325 | 634,940 |
| Fund Balance -Ending | \$ 2,175,375 | \$ 1,820,361 | \$ 1,623,381 | \$ 1,016,001 | \$ 1,321,828 | \$ 1,002,063 |

*Mid Year Adjustments for adjusting Beginning Balance to Actual

| Debt Service Funds | | | Capital Funds | | | Total Governmental Funds | | |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------|
| 2013-14 Actual | 2015-16 Budget | 2017-18 Budget | 2013-14 Actual | 2015-16 Budget | 2017-18 Budget | 2013-14 Actual | 2015-16 Budget | 2017-18 Budget |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 14,665,349 | \$ 15,629,117 | \$ 16,792,040 |
| - | - | - | - | - | - | 1,180,932 | 1,143,230 | 1,642,910 |
| - | - | - | 2,873,268 | 4,687,986 | 6,566,000 | 4,030,874 | 5,624,599 | 7,922,897 |
| - | - | - | 10,000 | 4,000 | 6,000 | 4,419,299 | 4,558,028 | 6,392,479 |
| - | - | - | - | - | - | 159,968 | 143,600 | 151,550 |
| 212 | - | - | 3,191 | 300 | 3,200 | 89,471 | 82,260 | 291,048 |
| 2,143,116 | 10,332,538 | 2,461,657 | 1,525,638 | 4,787,957 | 4,079,689 | 5,590,562 | 17,058,052 | 7,862,346 |
| 2,143,327 | 10,332,538 | 2,461,657 | 4,412,097 | 9,480,243 | 10,654,889 | 30,136,455 | 44,238,886 | 41,055,270 |
| - | - | - | - | - | - | 5,405,196 | 6,389,398 | 6,915,390 |
| - | - | - | - | - | - | 5,611,292 | 6,191,578 | 6,936,031 |
| - | - | - | - | - | - | 956,537 | 1,034,260 | 1,147,173 |
| - | - | - | - | - | - | 3,092,989 | 3,036,532 | 3,006,492 |
| - | - | - | - | - | - | 1,671,985 | 2,154,152 | 2,151,561 |
| - | - | - | - | - | - | 28,333 | 158,232 | 475,343 |
| - | - | - | - | - | - | 2,178,528 | 2,476,103 | 2,463,828 |
| 2,144,007 | 10,334,747 | 2,461,659 | - | - | - | 2,144,007 | 10,334,747 | 2,461,659 |
| - | - | - | 4,052,637 | 8,998,360 | 10,549,408 | 4,052,637 | 8,998,360 | 10,549,408 |
| - | - | - | 187,781 | 127,100 | 200,000 | 4,924,133 | 6,176,092 | 6,959,849 |
| 2,144,007 | 10,334,747 | 2,461,659 | 4,240,418 | 9,125,460 | 10,749,408 | 30,065,637 | 46,949,453 | 43,066,734 |
| (679) | (2,209) | (2) | 171,680 | 354,783 | (94,519) | 70,818 | (2,710,567) | (2,011,464) |
| 8,636 | 7,957 | 15,724 | 1,603,861 | 1,909,483 | 2,420,125 | 4,897,607 | 5,108,815 | 5,578,039 |
| - | 9,976 | 987 | 133,942 | 155,859 | (281,422) | 140,391 | 3,179,790 | 1,119,762 |
| \$ 7,957 | \$ 15,724 | \$ 16,709 | \$ 1,909,483 | \$ 2,420,125 | \$ 2,044,184 | \$ 5,108,815 | \$ 5,578,039 | \$ 4,686,337 |

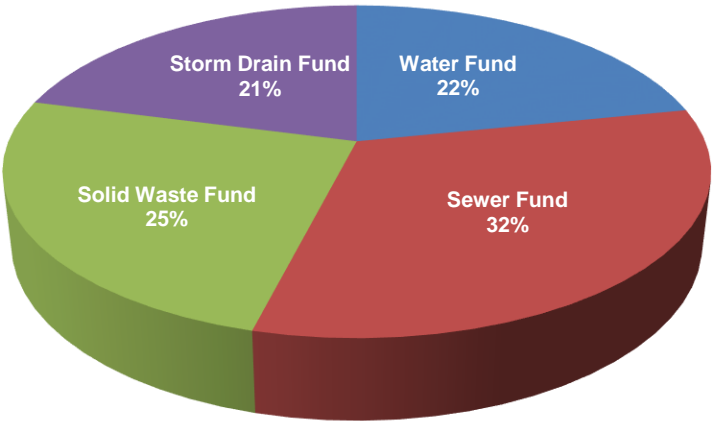
WORKING CAPITAL

Proprietary funds are managed on a different basis than the general governmental services. The amount of expenses required for ongoing operations depends on the amount of business that will be done next year. Since such business provides new income directly to the fund in the form of charges for services, there is additional revenue to support those additional expenses. Therefore, the management of these funds is not focused on line items of revenue and expenses, but rather the "bottom line" of whether expenses are supported by revenue. It is also necessary to build capital reserves to fund necessary capital improvements to support the programs. These balances create the working capital in each fund. In simple terms, "working capital" is similar to fund balance and is the result of all transactions during the year. An increase in working capital indicates expenses are less than revenues.

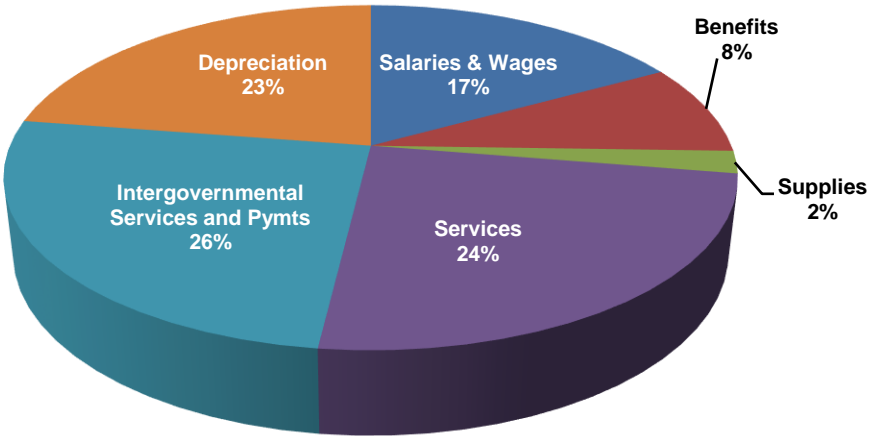
Unlike private sector enterprises, a city cannot make a profit. Therefore, working capital should not grow or decline and expenses and revenues should balance, however, working capital should accumulate to a level sufficient for at least three purposes:

1. Provide a cushion or a contingency for unforeseen needs and emergencies
2. Provide adequate security for long-term debt, and
3. Allow for a capital development program to reduce the need for borrowing and maintain or improve current infrastructure

2017-2018 Estimated Operating Expenses
Enterprise Funds



2017-2018 Expenditures by Object
Enterprise Funds



Enterprise Funds

2013-2018 Summary of Estimated Revenues, Expenses and Changes in Retained Earnings

(For Budgetary Purposes Only)

| | Water Fund | | | Sewer Fund | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2013-14 | 2015-16 | 2017-18 | 2013-14 | 2015-16 | 2017-18 |
| | Actual | Budget | Budget | Actual | Budget | Budget |
| Operating Revenues | | | | | | |
| Intergovernmental Revenue | \$ 25,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Charges for Services | 2,906,698 | 3,253,962 | 3,459,985 | 6,170,414 | 6,307,000 | 6,491,790 |
| Other Operating Revenue | 213,006 | 206,286 | 225,258 | 78,901 | 60,000 | 78,160 |
| Total Operating Revenues | <u>3,144,705</u> | <u>3,460,248</u> | <u>3,685,243</u> | <u>6,249,315</u> | <u>6,367,000</u> | <u>6,569,950</u> |
| Operating Expenses | | | | | | |
| Salaries & Wages | 461,420 | 753,983 | 794,264 | 423,121 | 532,466 | 543,593 |
| Benefits | 204,747 | 378,855 | 403,663 | 187,909 | 245,091 | 260,311 |
| Supplies | 118,391 | 149,750 | 123,300 | 53,817 | 49,000 | 34,000 |
| Services | 780,767 | 975,736 | 740,790 | 945,519 | 1,234,277 | 1,106,513 |
| Intergovernmental Services and Pymts | 432,122 | 460,435 | 605,262 | 1,527,446 | 1,672,222 | 1,767,142 |
| Depreciation | 801,398 | 871,122 | 924,850 | 1,191,922 | 1,342,967 | 1,596,000 |
| Total Operating Expenses | <u>2,798,845</u> | <u>3,589,881</u> | <u>3,592,129</u> | <u>4,329,734</u> | <u>5,076,023</u> | <u>5,307,559</u> |
| Operating Income (Loss) | <u>345,859</u> | <u>(129,633)</u> | <u>93,114</u> | <u>1,919,581</u> | <u>1,290,977</u> | <u>1,262,391</u> |
| Non- Operating Sources and (Uses) | | | | | | |
| Interest Earnings | 16,464 | - | - | 33,141 | - | - |
| Interest Expenses | (29,654) | (26,499) | (52,861) | (107,630) | (262,208) | (507,856) |
| Other Nonoperating Revenues (Expenses) | (10,524) | - | - | (37,314) | - | - |
| Total Non-Operating Sources and (Uses) | <u>(23,714)</u> | <u>(26,499)</u> | <u>(52,861)</u> | <u>(111,804)</u> | <u>(262,208)</u> | <u>(507,856)</u> |
| Net Increase (Decrease) | <u>322,145</u> | <u>(156,132)</u> | <u>40,253</u> | <u>1,807,777</u> | <u>1,028,769</u> | <u>754,535</u> |
| Total Net Position Beginning | 16,607,167 | 17,509,303 | 17,818,171 | 22,246,977 | 25,287,037 | 27,265,806 |
| Increase in Contributed Capital | 579,992 | 465,000 | 800,000 | 1,232,284 | 950,000 | 740,000 |
| Net Position Ending | <u>\$17,509,303</u> | <u>\$17,818,171</u> | <u>\$18,658,425</u> | <u>\$25,287,037</u> | <u>\$27,265,806</u> | <u>\$28,760,342</u> |

| Solid Waste Fund | | | Storm Drain Fund | | | Total Enterprise Funds | | |
|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------------|---------------------|---------------------|
| 2013-14 | 2015-16 | 2017-18 | 2013-14 | 2015-16 | 2017-18 | 2013-14 | 2015-16 | 2017-18 |
| Actual | Budget | Budget | Actual | Budget | Budget | Actual | Budget | Budget |
| \$ - | \$ - | \$ - | \$ 678,427 | \$ 1,854,061 | \$ 1,913,500 | \$ 703,427 | \$ 1,854,061 | \$ 1,913,500 |
| 2,923,332 | 3,290,000 | 3,345,440 | 1,750,265 | 3,115,550 | 3,345,440 | 13,750,709 | 15,966,512 | 16,642,655 |
| 34,519 | 32,000 | 36,000 | 50,744 | 32,000 | 30,000 | 377,171 | 330,286 | 369,418 |
| <u>2,957,852</u> | <u>3,322,000</u> | <u>3,381,440</u> | <u>2,479,436</u> | <u>5,001,611</u> | <u>5,288,940</u> | <u>14,831,308</u> | <u>18,150,859</u> | <u>18,925,573</u> |
| 430,931 | 567,240 | 630,542 | 470,175 | 815,204 | 834,089 | 1,785,646 | 2,668,893 | 2,802,488 |
| 192,641 | 280,313 | 321,370 | 208,876 | 398,676 | 414,248 | 794,173 | 1,302,935 | 1,399,592 |
| 172,219 | 152,100 | 148,000 | 25,653 | 40,200 | 41,232 | 370,081 | 391,050 | 346,532 |
| 641,104 | 1,108,807 | 1,785,119 | 279,833 | 902,213 | 379,507 | 2,647,223 | 4,221,033 | 4,011,929 |
| 1,083,266 | 1,177,668 | 1,079,012 | 409,017 | 452,254 | 757,136 | 3,451,852 | 3,762,579 | 4,208,552 |
| 89,232 | 140,000 | 175,760 | 665,552 | 874,094 | 1,024,310 | 2,748,105 | 3,228,183 | 3,720,920 |
| 2,609,394 | 3,426,128 | 4,139,803 | 2,059,106 | 3,482,641 | 3,450,522 | 11,797,080 | 15,574,673 | 16,490,012 |
| 348,458 | (104,128) | (758,363) | 420,330 | 1,518,970 | 1,838,418 | 3,034,227 | 2,576,186 | 2,435,561 |
| 9,613 | - | - | 6,544 | - | - | 65,761 | - | - |
| - | - | (40,016) | - | - | (47,519) | (137,284) | (288,707) | (648,252) |
| 11,885 | - | - | - | - | - | (35,954) | - | - |
| 21,498 | - | (40,016) | 6,544 | - | (47,519) | (107,476) | (288,707) | (648,252) |
| <u>369,956</u> | <u>(104,128)</u> | <u>(798,379)</u> | <u>426,874</u> | <u>1,518,970</u> | <u>1,790,899</u> | <u>2,926,751</u> | <u>2,287,479</u> | <u>1,787,309</u> |
| 2,670,027 | 3,039,983 | 2,935,855 | 11,373,817 | 12,639,756 | 14,158,726 | 52,897,988 | 58,476,079 | 62,178,558 |
| - | - | - | 839,065 | - | 295,750 | 2,651,340 | 1,415,000 | 1,835,750 |
| <u>\$3,039,983</u> | <u>\$2,935,855</u> | <u>\$2,137,476</u> | <u>\$12,639,756</u> | <u>\$14,158,726</u> | <u>\$16,245,375</u> | <u>\$58,476,079</u> | <u>\$62,178,558</u> | <u>\$65,801,617</u> |

CITY OF POULSBO
2017-18 BUDGET
SUMMARY OF FUND ACTIVITY AND
CHANGES IN FUND BALANCE

| FUND | TOTAL RESOURCES | | | TOTAL APPROPRIATIONS | | | CHANGE | |
|------------------------------------|--|--|--|--|---|---|--|----------------|
| | 2017 Estimated Beginning Fund Balance | 2017-18 Estimated Revenue/ Other Financing Sources | 2017-18 Estimated Total Resources | 2017-18 Projected Expenditures/ Expenses/ Other Financing Uses | 2018 Projected Ending Fund Balance | 2017-18 Projected Total Appropriations | Change in Fund Balance Inc (Dec) | % of change |
| 001 General Fund | 2,585,619 | 23,703,892 | 26,289,511 | 24,666,126 | 1,623,385 | 26,289,511 | (962,234) | -37% |
| Total Current Expense Fund | 2,585,619 | 23,703,892 | 26,289,511 | 24,666,126 | 1,623,385 | 26,289,511 | (962,234) | -37% |
| 101 City Streets | 167,350 | 1,717,478 | 1,884,828 | 1,766,043 | 118,785 | 1,884,828 | (48,565) | -29% |
| 121 Capital Improvement | 359,868 | 1,000,600 | 1,360,468 | 966,353 | 394,115 | 1,360,468 | 34,247 | 10% |
| 123 Trans Development Fund | 1,061,408 | 726,000 | 1,787,408 | 1,770,000 | 17,408 | 1,787,408 | (1,044,000) | -98% |
| 124 Park Development Fund | 98,393 | 424,652 | 523,045 | 246,184 | 276,861 | 523,045 | 178,468 | 181% |
| 131 Historic Dwntr Poulsbo | 44,175 | 103,706 | 147,881 | 141,704 | 6,177 | 147,881 | (37,998) | -86% |
| 161 Path and Trail Reserve | 15,576 | 2,149 | 17,725 | - | 17,725 | 17,725 | 2,149 | 14% |
| 171 Drug Enforcement | 68,000 | 200 | 68,200 | 26,400 | 41,800 | 68,200 | (26,200) | -39% |
| 181 Transient Occup Tax | 40,003 | 220,000 | 260,003 | 240,000 | 20,003 | 260,003 | (20,000) | -50% |
| 191 Police Restricted Funds | 101,995 | 40,046 | 142,041 | 32,850 | 109,191 | 142,041 | 7,196 | 7% |
| Total Special Revenue Funds | 1,956,768 | 4,234,831 | 6,191,599 | 5,189,534 | 1,002,065 | 6,191,599 | (954,703) | -49% |
| 201 Misc Govt Debt | 4,337 | 164,353 | 168,690 | 164,355 | 4,335 | 168,690 | (2) | 0% |
| 204 Non-Voted Gen Oblig | 12,374 | 2,297,304 | 2,309,678 | 2,297,304 | 12,374 | 2,309,678 | - | 0% |
| Total Debt Service Funds | 16,711 | 2,461,657 | 2,478,368 | 2,461,659 | 16,709 | 2,478,368 | (2) | 0% |
| 301 Equipment Acquisition | 278,946 | 417,505 | 696,451 | 380,796 | 315,655 | 696,451 | 36,709 | 13% |
| 302 Park Reserve | 112,473 | 1,233,184 | 1,345,657 | 1,086,184 | 259,473 | 1,345,657 | 147,000 | 131% |
| 311 Street Reserve | 909,779 | 8,149,000 | 9,058,779 | 8,431,000 | 627,779 | 9,058,779 | (282,000) | -31% |
| 314 Cemetery Reserve | 36,110 | 6,000 | 42,110 | - | 42,110 | 42,110 | 6,000 | 17% |
| 331 Facilities Fund | 801,395 | 849,200 | 1,650,595 | 851,428 | 799,167 | 1,650,595 | (2,228) | 0% |
| Total Capital Project Funds | 2,138,703 | 10,654,889 | 12,793,592 | 10,749,408 | 2,044,184 | 12,793,592 | (94,519) | -4% |
| 401 Water System | 2,343,120 | 4,485,243 | 6,828,363 | 6,423,022 | 405,341 | 6,828,363 | (1,937,779) | -83% |
| 403 Sewer System | 9,342,730 | 12,309,950 | 21,652,680 | 20,555,826 | 1,096,854 | 21,652,680 | (8,245,876) | -88% |
| 404 Solid Waste System | 1,985,032 | 3,381,440 | 5,366,472 | 4,982,942 | 383,530 | 5,366,472 | (1,601,502) | -81% |
| 410 Storm Drain System | 1,649,976 | 5,584,690 | 7,234,666 | 6,446,212 | 788,454 | 7,234,666 | (861,522) | -52% |
| Total Enterprise Funds | 15,320,858 | 25,761,323 | 41,082,181 | 38,408,002 | 2,674,179 | 41,082,181 | (12,646,679) | -83% |
| TOTALS | 22,018,659 | 66,816,592 | 88,835,251 | 81,474,729 | 7,360,522 | 88,835,251 | (14,658,137) | -67% |

2017-2018 Budget**Summary of Fund Activity and Changes in Fund Balance Detailed:**

Changes in Fund Balance more than 10%

General Fund – It is anticipated to use reserves in 2017-18, which are primarily generated from a beginning balance exceeding expectation due to growing revenues. Although planned use of reserves in the past was anticipated the City has been fortunate, and use of reserves have not been necessary unless used for specific one time expenditures. Revenue projections for 2017-18 have slightly increased, but still projected realistically conservative. Cost of living increases and contractual obligations continue to increase at a rate higher than revenue projected. The City has been able to operate and sustain by expenditure savings and actual revenues being more than projection. It is anticipated to use reserves in 2017-18, but with targeted expenditures. The City Council knowingly balanced the budget supporting additional uses for Economic Development, equipment replacement, major software upgrades and new staffing to support the growing community and fill some of the void from the reductions in prior years. It is expected the actual beginning balance number will be higher than the conservative projection, but the Mayor and Council wanted to maintain the conservative estimate showing the level of reserves will still maintain a healthy amount.

Special Revenue Funds – Changes are primarily in the following funds:

- **City Streets (101)** – This is the street maintenance and operations fund supported by restricted tax revenue and general government funds. It is anticipated to use reserve dollars, reducing the impact of governmental resources from the General fund to support maintaining a fund balance. The City Council knowingly does not adopt a budget with a 12% fund balance as reserves in General Fund can be used to support the operations. The long-range plan for expenditure reductions is the retirement of transportation debt in 2017.
- **Transportation Development (123)** – These are funds generated from traffic impact fees. It is anticipated in 2017-18 to use these funds for transportation projects on the City's Improvement Plan (CIP).
- **Park Development (124)** – These are funds generated from park impact fees. City developer projects are anticipated to begin the permitting process generating revenues. These will be used for future projects in the CIP.
- **Historic Downtown Poulsbo Association (131)** – These are funds for a delegated Business Improvement Assessment Area supported by member fees. The association has knowingly allocated a portion of their fund balance in 2017-18 for one time expenditures using funds for the purpose collected.
- **Drug Enforcement (171)** – A K-9 program for drug enforcement was implemented in 2015. Funds generate from drug seizures to only be used for drug enforcement are being used to support the K-9 program.
- **Transient Occupancy (181)** – Funds are generated from lodging tax proceeds. It is anticipated to use reserves to support additional promotional advertising and materials.

Debt Service Funds – These funds are to make debt payments and fees associated with debt. Fund Balances are to remain minimal as transfers for debt are from operational dollars.

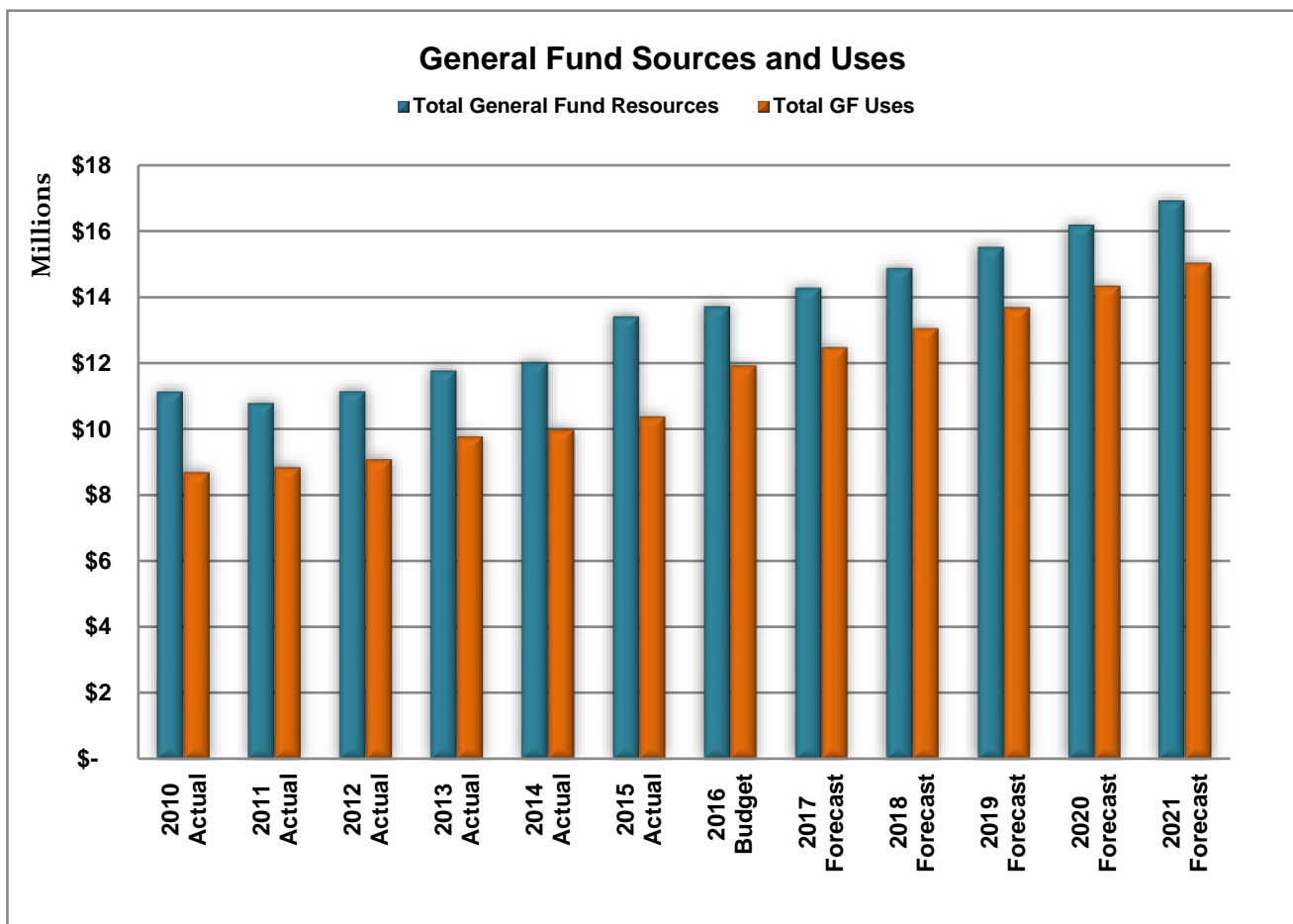
Capital Project Funds – Funds are used for capital projects and capital equipment. The balances will consistently vary depending on projected capital needs. Reserves are built in anticipation for use on large capital projects or equipment.

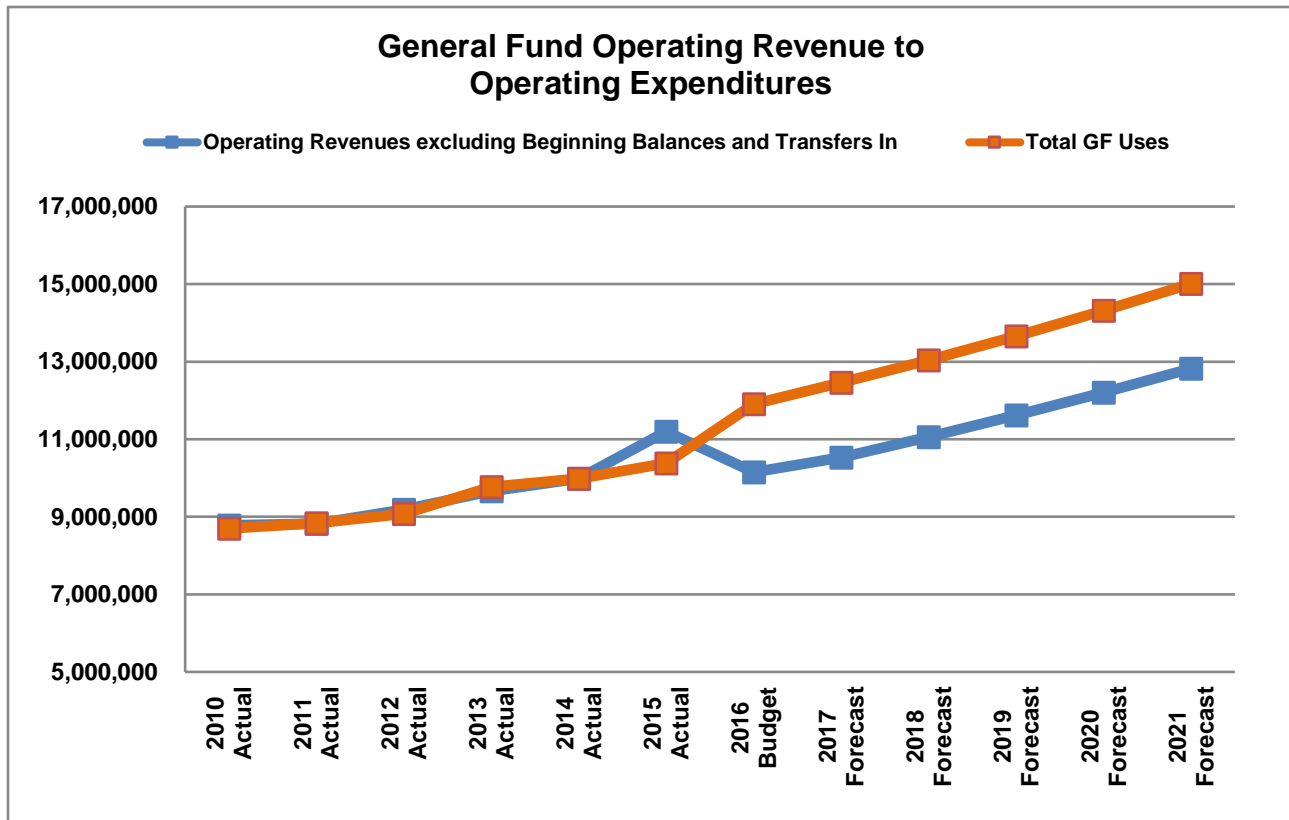
Enterprise Funds – These funds are to account for the City utility services supported by user fees. The fluctuations in the balances are due to the projected capital projects. The operational portion of the fund stays fairly consistent. The large decreases in Water Program (401), Sewer Program (403) and Storm Drain (410) are due to large capital projects anticipated in 2017-18.

Long Range Outlook:

The City is continuing to place more emphasis on long range planning, with most of the emphasis on the General Fund, the main operating account of the City and the Enterprise Funds (City Utility Services). Implementing the City's first biennial budget allowed a better visual and analytic look at the long-range outlook. Going through the process was very defining; looking at a long-range forecast and seeing the long-range impact of decisions, which were made for the short term in the past. The Council looked at items, which were too conservative in the past and projected with a more realistic projection and not relying on a too conservative revenue projection to support growing reserves. The Finance Department worked closely with Public Works and Engineering Departments to develop the City's six-year Capital Improvement plan for consistency and reasonably assured funding for future capital needs consistent with the updated functional plans. The City will continue to develop and focus on long range planning during the budget process and when developing the capital facilities elements of the comprehensive plans.

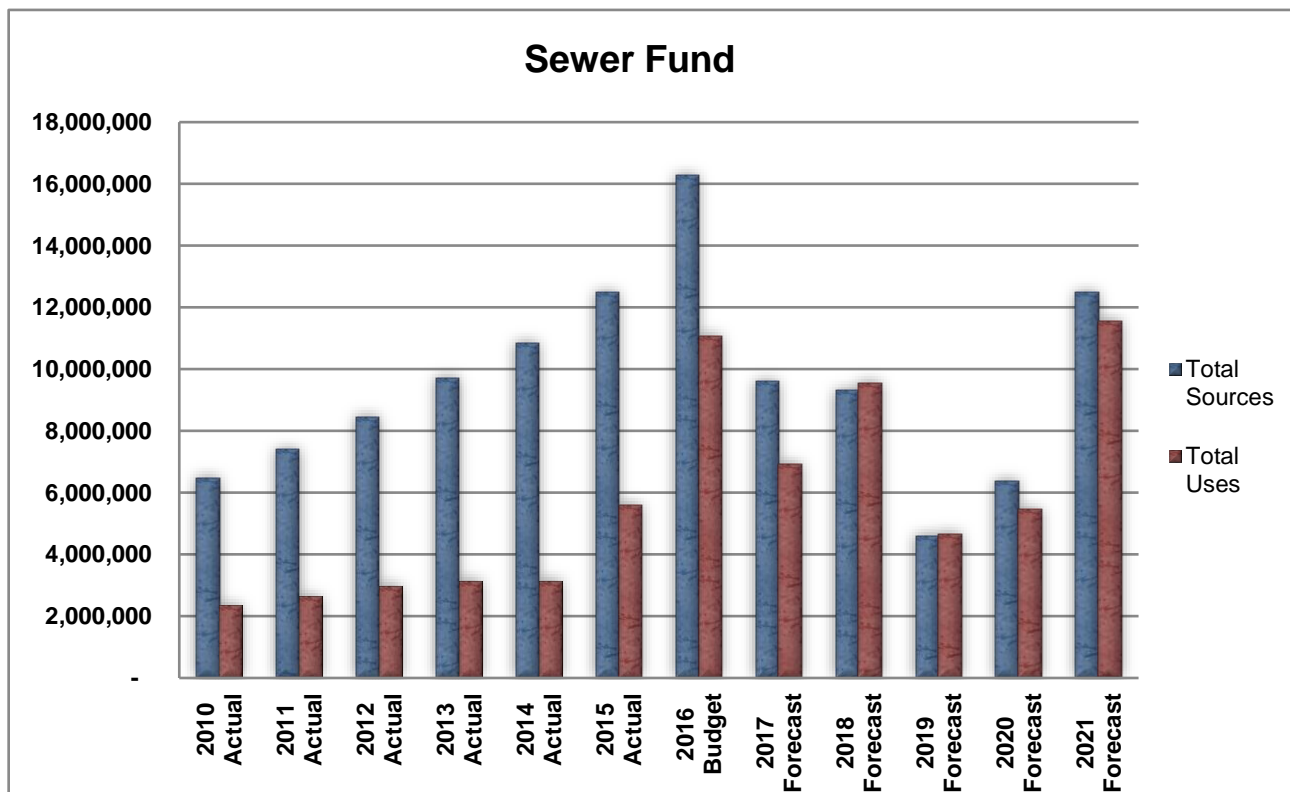
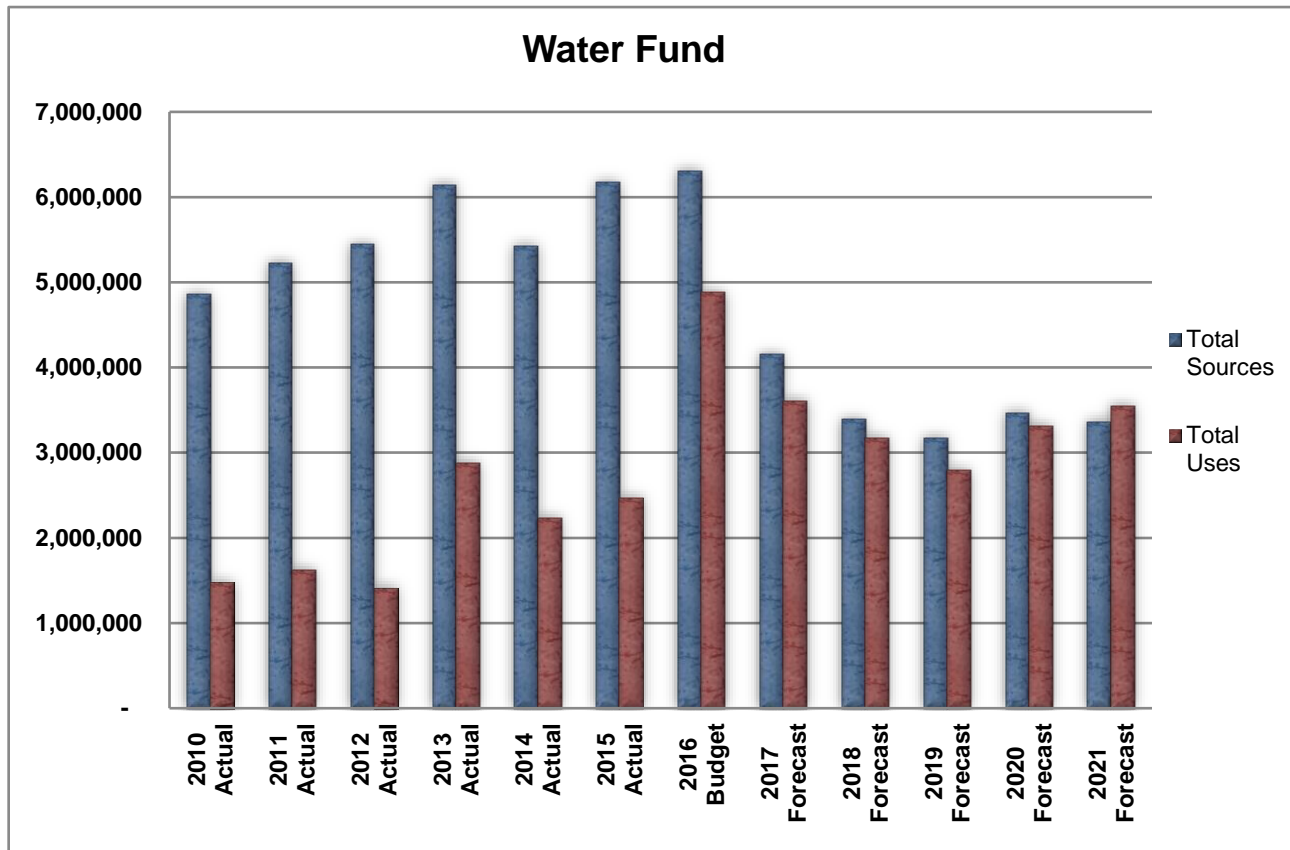
The graphs represent 6 years of historical data and 6 years of projections based on historical trends. As displayed on the graphs, the total sources will cover total uses but when comparing operating revenues supporting operating expenditures, indications show reserves will be necessary to supplement the growing expenditures. The City Council continues to review different revenue streams while looking for cost savings to minimize the future use of reserves. The City regulates their fund balances to be consistent with the Financial Management Policy.



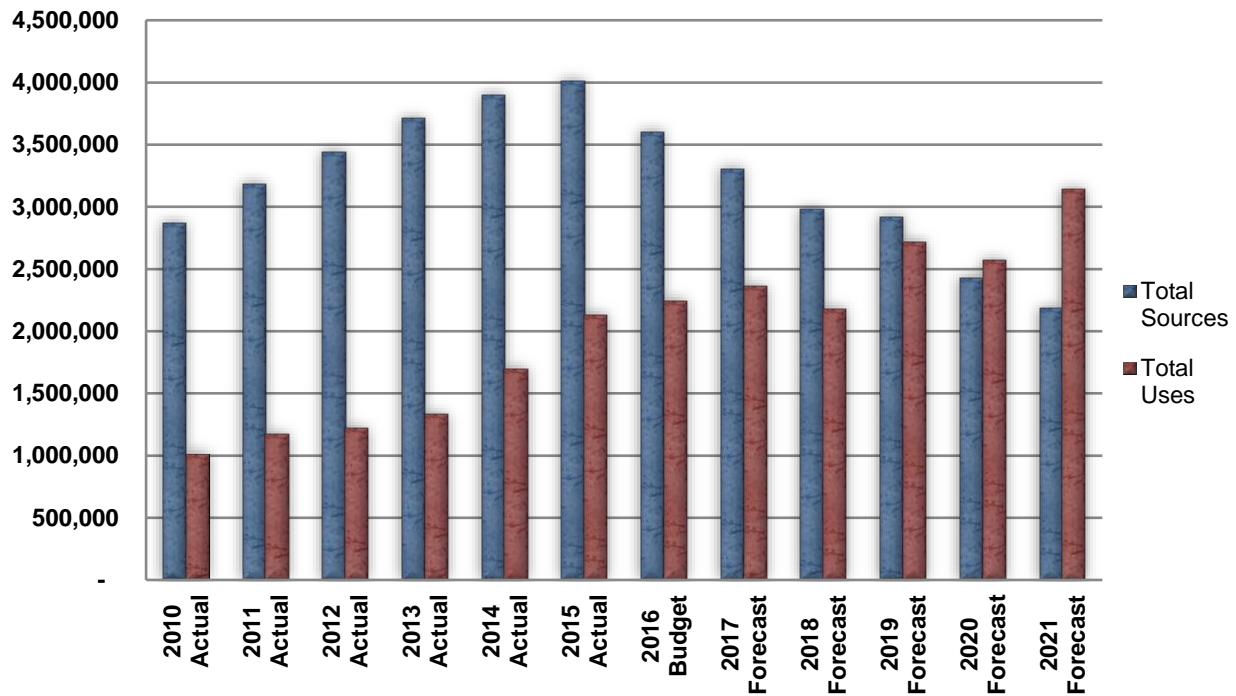


Proprietary Funds:

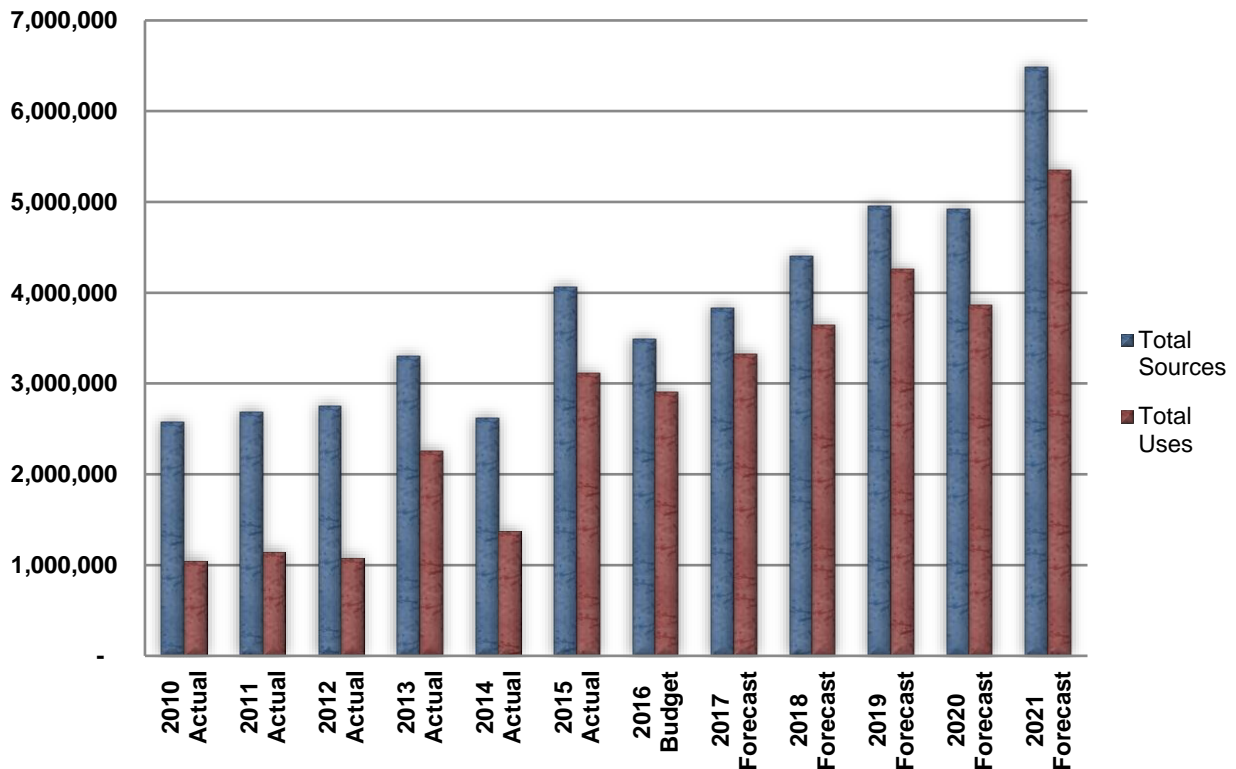
The next four graphs represent a snapshot of long range funding in the City's four utility funds. They are inclusive of future anticipated debt payments, projects as represented in the City's Improvement Plan and anticipated sources. Utility rates are set to support future capital needs. The projects are incorporated into the functional plans for each utility service. Looking ahead, there are several years where uses are more than sources generated. Using reserves built specifically for future capital expenditures is anticipated. The question then becomes timing to execute the projects when the reserves have been built to a level supporting funding the capital expenditures. In viewing the graphs, it affirms the necessity to spread projects out over a longer time frame or issue debt anticipating the future revenues to support debt payments. If timelines or pricing of the projects exceed expectations, future rates may need to be increased to support the functions. The City is conducting an analysis and requested proposals to evaluate the Solid Waste system determine maintaining the utility in house or contracting with an outside agency. The long-range forecast under the current rate structure has shown the current rates and level of service cannot be sustained.



Solid Waste Fund

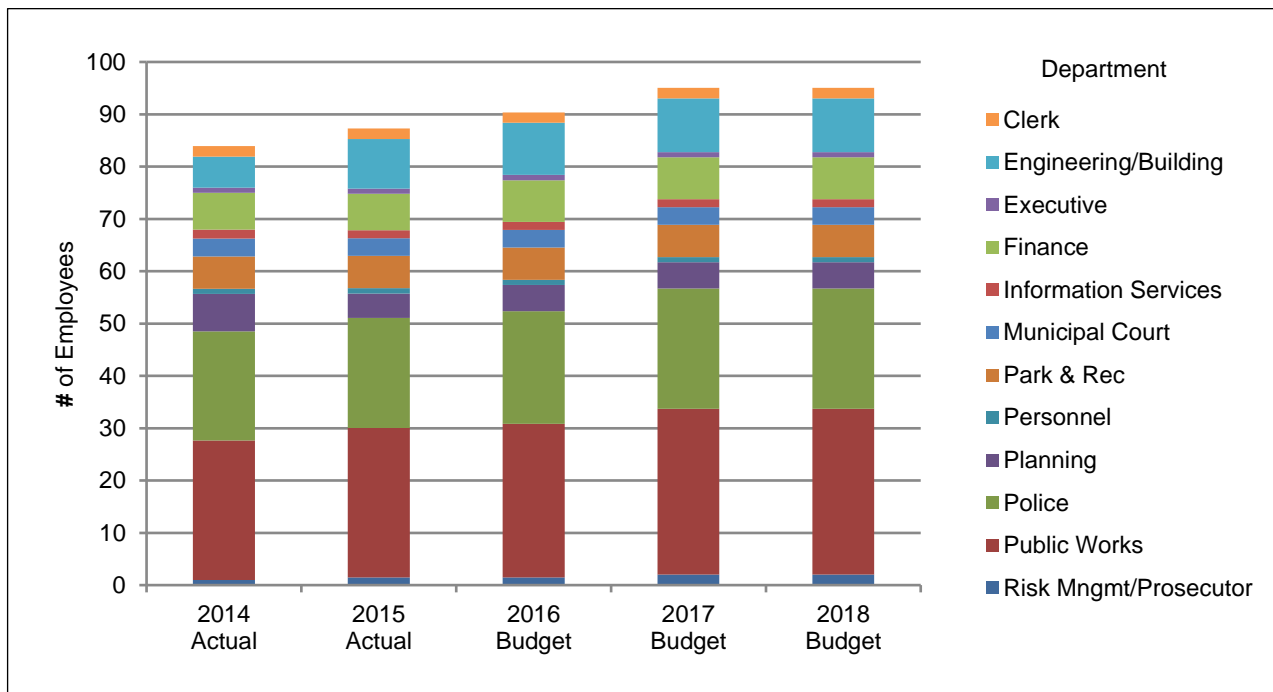
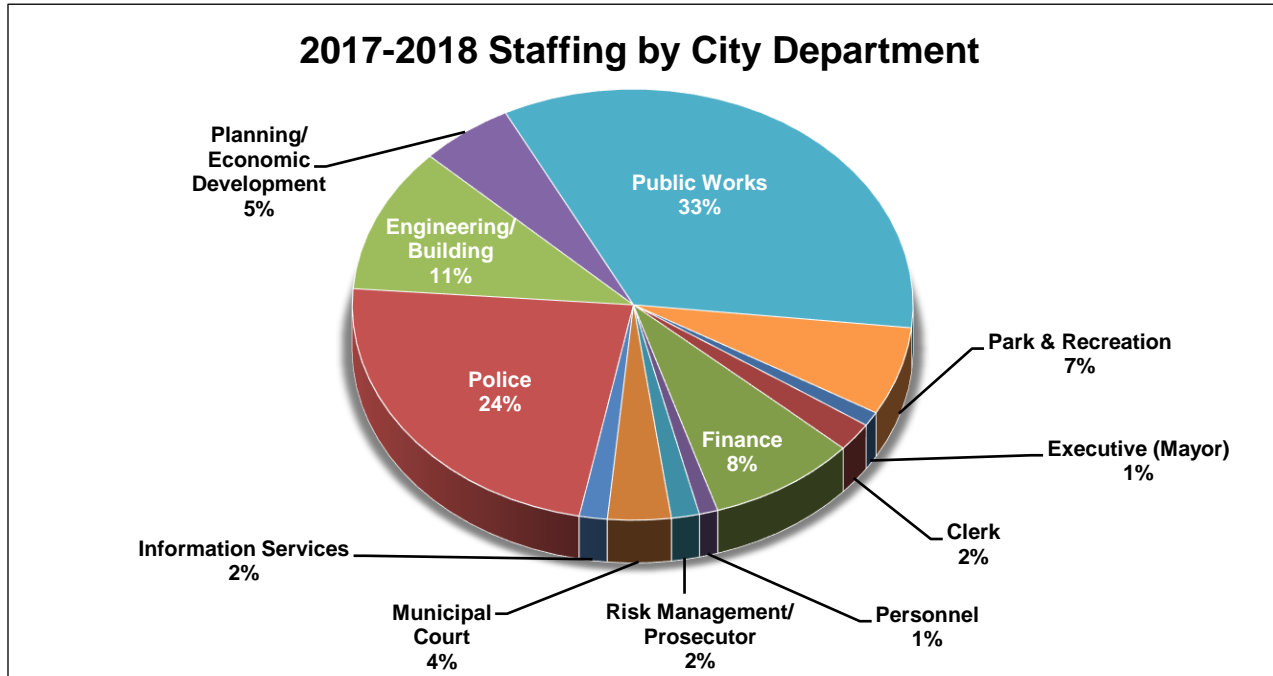


Storm Drain Fund



City Staffing

A significant part, 28% of the City's operating budget (net of transfers), is funding for employees who in turn provide services to our citizens. The following graphs identify full-time equivalent (FTE) positions by department along with a detailed breakdown by department and title.



Staffing Levels by Department and Title

| | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|
| Clerk | 3.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| City Clerk | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Deputy City Clerk | 1.00 | - | - | 1.00 | 1.00 |
| Office Clerk II | 1.00 | 1.00 | 1.00 | - | - |
| Engineering/Building | 5.92 | 9.45 | 9.95 | 10.30 | 10.30 |
| Engineering Director | - | - | 0.55 | 0.75 | 0.75 |
| City Engineer | 0.55 | 0.55 | 0.40 | 0.55 | 0.55 |
| Assistant City Engineer | 1.00 | 0.40 | - | - | - |
| Contract Administrator | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Development Review Eng | - | - | - | 1.00 | 1.00 |
| Transportation Engineer | - | - | - | 1.00 | 1.00 |
| Sr Engineering Tech | 2.00 | 2.00 | 2.00 | - | - |
| Engineering Tech | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Sr Field Inspector | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 |
| Field Inspector | 0.50 | 0.50 | 1.00 | - | - |
| Permit Tech | - | 1.00 | 1.00 | 1.00 | 1.00 |
| Building Inspector I | - | 1.00 | 1.00 | 1.00 | 1.00 |
| Building Inspector II | - | 1.00 | 1.00 | 1.00 | 1.00 |
| Executive | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Mayor | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Finance | 7.00 | 7.00 | 8.00 | 8.00 | 8.00 |
| Finance Director | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Accounting Manager | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Sr Budget Accountant | - | - | 1.00 | 1.00 | 1.00 |
| Accounting Tech | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Accounting Clerk | 1.00 | 1.00 | 2.00 | 2.00 | 2.00 |
| Admin Assistant | 1.00 | 1.00 | - | - | - |
| Information Services | 2.00 | 1.50 | 1.50 | 1.50 | 1.50 |
| IS Manager | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| IS Sr Technician | 1.00 | 0.50 | 0.50 | 0.50 | 0.50 |
| Municipal Court | 3.39 | 3.39 | 3.39 | 3.39 | 3.39 |
| Judge | 0.39 | 0.39 | 0.39 | 0.39 | 0.39 |
| Court Administrator | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Judicial Specialist | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Park & Rec | 6.17 | 6.17 | 6.17 | 6.17 | 6.17 |
| Park & Rec Director | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Recreation Programmer | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Admin Assistant | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Preschool Coordinator | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 |
| Preschool Assistant | 0.62 | 0.62 | 0.62 | 0.62 | 0.62 |
| Receptionist | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 |
| Personnel | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Human Resources Dir | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

Staffing Levels by Department and Title

| | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Budget | 2018 Budget |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|
| Planning | 7.00 | 4.70 | 5.00 | 5.00 | 5.00 |
| <i>Planning Director</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Senior Planner</i> | - | 1.00 | 1.00 | - | - |
| <i>Associate Planner</i> | 3.00 | 2.00 | 2.00 | 3.00 | 3.00 |
| <i>Planning Tech</i> | - | - | 1.00 | 1.00 | 1.00 |
| <i>Office Clerk</i> | 1.00 | 0.70 | - | - | - |
| <i>Permit Tech</i> | 1.00 | - | - | - | - |
| <i>Building Inspector</i> | 1.00 | - | - | - | - |
| Police | 20.80 | 21.00 | 20.50 | 23.00 | 23.00 |
| <i>Police Chief</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Deputy Police Chief</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Sergeant</i> | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| <i>Patrol Officer</i> | 11.00 | 12.00 | 11.00 | 12.00 | 12.00 |
| <i>Detective</i> | 1.00 | 1.00 | 2.00 | 2.00 | 2.00 |
| <i>Support Svcs Mgr</i> | 1.00 | 0.50 | 0.50 | 1.00 | 1.00 |
| <i>Police Clerk</i> | 2.00 | 2.00 | 1.75 | 1.75 | 1.75 |
| <i>Evidence Room Mgr</i> | - | - | 0.25 | 0.25 | 0.25 |
| <i>Community Svcs Officer</i> | 0.80 | 0.50 | - | 1.00 | 1.00 |
| Public Works | 26.55 | 28.55 | 32.05 | 31.70 | 31.70 |
| <i>PW Superintendent</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Asst. PW Superintendent</i> | - | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Engineering Director</i> | - | - | - | 0.25 | 0.25 |
| <i>City Engineer</i> | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 |
| <i>Asst. City Engineer</i> | 0.60 | 0.60 | 0.60 | - | - |
| <i>Civil Engineer</i> | - | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Office Manager</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Office Clerk</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Foreman</i> | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| <i>Telemetry Technician</i> | - | 0.50 | 0.50 | 0.50 | 0.50 |
| <i>Sr Engineering Tech</i> | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Sr Maintenance Tech</i> | 10.50 | 10.50 | 12.00 | 12.00 | 12.00 |
| <i>Maintenance Tech</i> | 2.50 | 2.00 | 4.00 | 4.00 | 4.00 |
| <i>Custodian</i> | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| <i>Grounds Maint Tech II</i> | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| <i>Maintenance Mechanic</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Building Mechanic</i> | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Water Quality Mnt Tech</i> | - | 1.00 | 1.00 | 1.00 | 1.00 |
| Risk Mgmt/Prosecutor | - | 1.50 | 1.50 | 2.00 | 2.00 |
| <i>Risk Mgmt/Prosecutor</i> | - | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Legal Assistant</i> | - | 0.50 | 0.50 | 1.00 | 1.00 |
| TOTAL FTE | 83.83 | 87.26 | 92.06 | 95.06 | 95.06 |

Highlighted Staffing Changes

Prior year actual numbers, reflect the actual filled full time equivalents (FTE) staffing. Although budget capacity may have provided for vacant positions, actual positions filled are presented.

Even with growing increases in revenue, the rising costs of wages and benefits continue to challenge operating budgets. Increasing activity in the City has established the need for additional staffing to maintain levels of service as well as maintain services compliant with increasing legal mandates.

Several FTE increases and reorganization changes occurred in 2016:

- Planning reclassified their Office Clerk position into a Planning Technician to provide for a higher level of work to support the department workload. The original Office Clerk position was shared with the Building Department; with this reclassification, the new Planning Technician was allocated fully to the Planning Department.
- Public Works saw two top management retirements in 2016 which resulted in several promotions within the organization and led the way for the department to structure independently from Engineering. This resulted in the reorganization of the Engineering Department to eliminate the Assistant City Engineer position and promote existing management personnel to the Director of Engineering and City Engineer positions. The Public Works created an Assistant Public Works Superintendent. The position was filled by one of the existing Foreman, leaving the Foreman position vacant for the remainder of 2016. Other Maintenance Tech positions in Public Works remained vacant, while the City evaluates maintaining the Solid Waste utility.
- The Police Department and Planning Department created a position known as a Community Services Officer. This position is shared equally among the two departments and resulted from the need to have an in-house court security & detention monitoring along with providing a designated position to fulfill city code enforcement. This position was filled in December 2016.

In 2017-2018, approved FTE increases and reorganization changes are as follows:

- The prior Office Clerk II in the City Clerk's Department has been promoted to Deputy City Clerk, thereby eliminating the Office Clerk II position. This promotion was a result of a review of existing job duties, skills and the need for high level support for the City Clerk's functions.
- The Public Works Department has two vacant positions leftover from 2016 that were not filled. They are both intended to fully support utilities, one for water and one for solid waste. The vacant positions will be left unfilled until a determination is made on the future of the city continuing operating the solid waste utility. The study was conducted in 2016 with the outcome expected by mid-2017. These positions remained budgeted.
- The Planning Department promoted their Senior Planner in late 2016 to Planning Director. In 2017, the vacant Senior Planner position is being eliminated and replaced with an additional Associate Planner.
- The Prosecutor's Department authorized one new FTE position for a Legal Assistant beginning in 2017. Previously, the prosecutor's support was fulfilled half-time by the Support Services Manager from the Police Department. Filling the Legal Assistant position will allow the Support Services Manager to again provide 100% administrative support to the Police Department.
- The Police Department is authorized to hire one new patrol officer in 2017. Additionally, the Support Services Manager, previously allocated evenly between Police and Prosecutor, will again be fully allocated to Police with the authorization of a new Legal Assistant.

Capital Improvement Summary: Projects planned in 2017-2018

Although the Capital Improvement Plan (CIP) section of this document lists projects anticipated for the next six years, the following is a summary of the projects planned in 2017 & 2018. Complete project details are included in Section 9 – Capital Improvement Plan. These projects have been incorporated into the budget and are listed with their appropriate funding sources.



General Purpose Projects

Library Roof Replacement

Funds are being appropriated in 2017 to replace the aging roof on the Library building.

Facilities (Fund 331)

| | | |
|------------------|----|--------|
| Construction | \$ | 40,000 |
| Management | \$ | 5,000 |
| Total 2017 Costs | \$ | 45,000 |

Funding Source:

City Reserves, Donation

Impact on Operating Budget:

There will be no additional maintenance impact on future operating budgets.

Public Works Facility Relocation

Funds are being appropriated in 2017 & 2018 to continue the development of this project to relocate the existing Public Works Facility to an area off North Viking Avenue where in 2016 we completed a Solid Waste Transfer Station along with construction of a Decant Facility. In anticipation of further progress of this facility relocation, the 2017 funds will be used for the purchase of additional land necessary to begin construction, currently slated to begin in 2018.

Facilities (Fund 331)

| | | |
|-------------------|----|---------|
| Land/Right of Way | \$ | 600,000 |
| Total 2017 Costs | \$ | 600,000 |

Facilities (Fund 331)

Proprietary Funds (401-410)

| | | |
|------------------|----|-----------|
| Construction | \$ | 3,350,000 |
| Management | \$ | 150,000 |
| Total 2018 Costs | \$ | 3,500,000 |

Funding Source:

City Reserves (dependent on proceeds from city building sales), Non-Voted Bonds

Impact on Operating Budget:

There will be an additional impact of approximately \$500,000 per year (beginning in 2018) for the next 20 years for yearly debt payments.



Park Projects

Muriel Iverson Williams Waterfront Park Benches

Funds are being appropriated in 2017 to install additional benches to support events and performances at the waterfront park pavilion. 10 benches were installed in 2015 and these have been well received.

Park Reserves (Fund 302)

| | | |
|------------------|----|--------|
| Construction | \$ | 42,000 |
| Management | \$ | 3,000 |
| Total 2017 Costs | \$ | 45,000 |

Funding Source:

City Impact Fees

Impact on Operating Budget:

There will be no additional maintenance impact on future operating budgets.

Muriel Iverson Williams Waterfront Park Restrooms

Funds are being appropriated in 2017 to completely renovate the interior of the restrooms at the Muriel Iverson Williams Waterfront Park. Design began in 2016.

Park Reserves (Fund 302)

| | | |
|------------------|----|---------|
| Construction | \$ | 200,000 |
| Total 2017 Costs | \$ | 200,000 |

Funding Source:

City Impact Fees, City Reserves (dependent on proceeds from city building sales)

Impact on Operating Budget:

There will no additional maintenance impact on future operating budgets.

Morrow Manor Park

Funds are being appropriated in 2017 & 2018 to continue planning & design and continue development of a 1.2-acre passive park to be built around the natural landscape near the new residential developments off Noll Rd. Plans call for sitting benches, playground equipment and a shared use path

Park Reserves (Fund 302)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 25,000 |
| Land/Right of Way | \$ | 100,000 |
| Management | \$ | 10,000 |
| Total 2017 Costs | \$ | 135,000 |

Park Reserves (Fund 302)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 5,000 |
| Construction | \$ | 403,684 |
| Management | \$ | 7,500 |
| Total 2018 Costs | \$ | 416,184 |

Funding Source:

City Impact Fees, State Grants, Donations

Impact on Operating Budget:

There will be limited maintenance impact on future operating budgets.

Nelson Park Playground Improvements

Funds are being appropriated in 2017 to add playground amenities to an area within the park in which the City recently removed an old storage building.

Park Reserves (Fund 302)

| | | |
|------------------|----|--------|
| Construction | \$ | 25,000 |
| Total 2017 Costs | \$ | 25,000 |

Funding Source:

City Impact Fees

Impact on Operating Budget:

There will be no additional maintenance impact on future operating budgets.

Poulsbo's Fish Park

Funds are being appropriated in 2017 & 2018 to continue development of this now 40-acre park located in the middle of our growing urban city. This phase will include further restoration, continued development and enhancement of trails along with a pedestrian link to the isolated "Lord" property along the shoreline.

Park Reserves (Fund 302)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 35,000 |
| Construction | \$ | 140,000 |
| Management | \$ | 5,000 |
| Total 2017 Costs | \$ | 180,000 |

Park Reserves (Fund 302)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 25,000 |
| Construction | \$ | 415,000 |
| Management | \$ | 20,000 |
| Total 2018 Costs | \$ | 460,000 |

Funding Source:

City Reserves, State Grants, Donations In-Kind

Impact on Operating Budget:

There will be limited maintenance impact on future operating budgets.

Poulsbo Skate Park

Funds are being appropriated in 2018 to begin planning & design of a new Skate Park to be located in an open, easily accessible area of the city to replace the aging wood ramp located in Raab Park.

Park Reserves (Fund 302)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 25,000 |
| Total 2018 Costs | \$ | 25,000 |

Funding Source:

City Reserves

Impact on Operating Budget:

There will be limited additional maintenance impact on future operating budgets.



Transportation Projects

City-wide Pavement Restoration

Funds are being appropriated in 2018 to restore existing city streets. This restoration project will include the following elements: pavement repairs, pavement overlay, striping and ADA requirements. The specific location of the 2018 repairs will be selected at a later date.

Street Reserves (Fund 311)

| | | |
|-------------------------|----|---------|
| Planning & Design | \$ | 20,000 |
| Construction | \$ | 301,000 |
| Construction Management | \$ | 20,000 |
| Total 2018 Costs | \$ | 341,000 |

Funding Source:

City Reserves, Federal Grant

Impact on Operating Budget:

This is an improvement to an existing road. There will not be any additional impacts to the operating budget

City-wide Safety Improvements

Funds are being appropriated in 2018 to begin planning & design in anticipation of constructing approximately 800 linear feet of missing sidewalks along the westside of 4th Avenue.

Street Reserves (Fund 311)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 50,000 |
| Total 2018 Costs | \$ | 50,000 |

Funding Source:

City Impact Fees

Impact on Operating Budget:

There will be no additional impacts to the operating budget

Finn Hill Road Reconstruction

Funds are being appropriated in 2017 to construct pedestrian and bicycle improvements along the north side of Finn Hill.

Street Reserves (Fund 311)

| | | |
|------------------|----|---------|
| Construction | \$ | 890,000 |
| Management | \$ | 60,000 |
| Total 2017 Costs | \$ | 950,000 |

Funding Source:

City Impact Fees, State Grants

Impact on Operating Budget:

This is an improvement to an existing road. There will not be any additional impacts to the operating budget.

Liberty Bay Waterfront Trail

Funds are being appropriated in 2017 & 2018 to continue planning & design for construction of a pedestrian/bicycle trail along the shoreline to be known as the Liberty Bay Waterfront Trail.

Street Reserves (Fund 311)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 20,000 |
| Land/Right of Way | \$ | 100,000 |
| Total 2017 Costs | \$ | 120,000 |

Street Reserves (Fund 311)

| | | |
|------------------|----|-----------|
| Construction | \$ | 3,700,000 |
| Management | \$ | 200,000 |
| Total 2018 Costs | \$ | 3,900,000 |

Funding Source:

City Impact Fees, State Grants

Impact on Operating Budget:

There will be limited maintenance impact on future operating budgets.

Local Neighborhood Road Maintenance Program

The City is allocating \$150,000 per year for 2017 & 2018 for an annual road maintenance program. This program will preserve local roads with pavement repairs and overlays.

Street Reserves (Fund 311)

| | | |
|-------------------------|----|---------|
| Construction | \$ | 135,000 |
| Construction Management | \$ | 15,000 |
| Total 2017 Costs | \$ | 150,000 |

Street Reserves (Fund 311)

| | | |
|-------------------------|----|---------|
| Construction | \$ | 135,000 |
| Construction Management | \$ | 15,000 |
| Total 2018 Costs | \$ | 150,000 |

Funding Source:

City Reserves

Impact on Operating Budget:

These are improvements to existing roads. There will not be any additional impacts to the operating budget.

Noll Road Improvements Phase III

Funds are being appropriated in 2017 & 2018 to begin planning & design of a multi-year, multi-phase project focused on improvements along the Noll Road corridor to increase roadway capacity and improve safety. This project will also include improvements to storm water runoff from the roadway. Construction of Noll Road Improvements will occur in four phases anticipated to begin in 2018.

Street Reserves (Fund 311)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 675,000 |
| Management | \$ | 75,000 |
| Total 2017 Costs | \$ | 750,000 |

Street Reserves (Fund 311)

| | | |
|------------------|----|-----------|
| Construction | \$ | 1,710,000 |
| Management | \$ | 310,000 |
| Total 2018 Costs | \$ | 2,020,000 |

Funding Source:

City Impact Fees, Federal Grant, Non-Voted Bonds

Impact on Operating Budget:

There will be an additional impact of approximately \$302,000 per year (beginning in 2018) for the next 20 years for yearly debt payments.



Sewer Projects

Annual Pump Rehab

Funds are being appropriated in 2017 & 2018 to allow for upgrades to aging pumpstations & pump equipment.

Sewer Fund (403)

| | | |
|------------------|----|--------|
| Construction | \$ | 50,000 |
| Total 2017 Costs | \$ | 50,000 |

Sewer Fund (403)

| | | |
|------------------|----|--------|
| Construction | \$ | 50,000 |
| Total 2018 Costs | \$ | 50,000 |

Funding Source:

Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Applewood Pump Station

Funds are being appropriated in 2018 to rehabilitate and refurbish the existing 20-year old pump station.

Sewer Fund (403)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 10,000 |
| Construction | \$ | 90,000 |
| Total 2018 Costs | \$ | 100,000 |

Funding Source:

Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Harrison Force Main Replacement

Funds are being appropriated in 2017 to replace the sanitary sewer force main along a new alignment. This project will be done in conjunction with the sewer main repairs along Fjord Drive.

Sewer Fund (Fund 403)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 33,671 |
| Construction | \$ | 230,000 |
| Management | \$ | 20,000 |
| Total 2017 Costs | \$ | 283,671 |

Funding Source:

Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Kitsap County Capital Facilities Charge for CK Plant

Funds are being appropriated in 2017 & 2018 for the Cities capital contribution to the Central Kitsap treatment plant as required by contract with Kitsap County.

Sewer Fund (Fund 403)

| | | |
|------------------|----|---------|
| Construction | \$ | 133,000 |
| Total 2017 Costs | \$ | 133,000 |

Sewer Fund (Fund 403)

| | | |
|------------------|----|---------|
| Construction | \$ | 133,000 |
| Total 2018 Costs | \$ | 133,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Kitsap County Johnson Road Metering Station

Funds are being appropriated in 2017 for the Cities capital contribution to replace the existing metering station located at Johnson Road as required by contract with Kitsap County.

Sewer Fund (Fund 403)

| | | |
|------------------|----|---------|
| Construction | \$ | 260,000 |
| Management | \$ | 10,000 |
| Total 2017 Costs | \$ | 270,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Kitsap County Lemolo Force Main Capacity

Funds are being appropriated in 2017 for the purchase and demo of property in anticipation of a future replacement of the existing Lemolo force main.

Sewer Fund (Fund 403)

| | | |
|------------------|----|---------|
| Construction | \$ | 350,000 |
| Total 2017 Costs | \$ | 350,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Kitsap County Lemolo Siphon Phase II

Funds are being appropriated in 2017 and 2018 for a feasibility study and subsequent preliminary design and permitting for possible addition to or replacement of the Lemolo siphons.

Sewer Fund (Fund 403)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 200,000 |
| Total 2017 Costs | \$ | 200,000 |

Sewer Fund (Fund 403)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 300,000 |
| Total 2018 Costs | \$ | 300,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Kitsap County Pump Station #16 & #67 Replacement

Funds are being appropriated in 2017 for the Cities capital contribution to reroute flows to pump #67 and remove pump station #16 as required by contract with Kitsap County.

Sewer Fund (Fund 403)

| | | |
|------------------|----|-----------|
| Construction | \$ | 4,750,000 |
| Management | \$ | 250,000 |
| Total 2017 Costs | \$ | 5,000,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Kitsap County Resource & Recovery Project

Funds are being appropriated in 2018 for the Cities capital contribution to the development of electronic O&M manuals for the CK Treatment Plant as required by contract with Kitsap County.

Sewer Fund (Fund 403)

| | | |
|------------------|----|-------|
| Construction | \$ | 6,320 |
| Total 2018 Costs | \$ | 6,320 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:
There will be no additional impact on future operating budgets.

Kitsap County Sewer Plant Upgrade

Funds are being appropriated in 2017 for the Cities portion of the upgrade to the Sanitary Sewer Treatment Plant in Brownsville as required by contract with Kitsap County. We will be going out for debt of approximately \$5,000,000.

| | |
|------------------------------|--------------|
| <i>Sewer Fund (Fund 403)</i> | |
| Construction | \$ 5,000,000 |
| Total 2017 Costs | \$ 5,000,000 |

Funding Source:
Non-Voted Bonds

Impact on Operating Budget:
There will be additional impact of approximately \$368,000 per year (beginning in 2017) for the next 20 years for yearly debt payments.

Kitsap County Staff Building

Funds are being appropriated in 2018 for the Cities portion of the replacement of two outdated construction trailers at the CK Treatment Plant as required by contract with Kitsap County.

| | |
|------------------------------|-----------|
| <i>Sewer Fund (Fund 403)</i> | |
| Construction | \$ 82,950 |
| Total 2018 Costs | \$ 82,950 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:
This is a capital upgrade and replacement project requiring no additional operating dollars.

Liberty Bay Pump Station Improvements

Funds are being appropriated in 2017 to rehabilitate and upgrade the Liberty Bay wastewater pump station.

| | |
|------------------------------|------------|
| <i>Sewer Fund (Fund 403)</i> | |
| Construction | \$ 392,000 |
| Management | \$ 18,000 |
| Total 2017 Costs | \$ 410,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:
This is a capital upgrade and replacement project requiring no additional operating dollars.

Noll Road Sewer Improvements

Funds are being appropriated in 2018 for the sewer system improvements associated with the City's Noll Road Improvements project.

| | |
|------------------------------|-----------|
| <i>Sewer Fund (Fund 403)</i> | |
| Planning & Design | \$ 20,000 |
| Total 2018 Costs | \$ 20,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:
This is a capital upgrade and replacement project requiring no additional operating dollars.

Poulsbo Village Pump Station Upgrade

Funds are being appropriated in 2017 to complete rehabilitation and upgrades at the Poulsbo Village wastewater pump station to include: updating electrical panels, controls, submersible pumps and site piping.

| | |
|-------------------------|------------|
| <i>Sewer Fund (403)</i> | |
| Construction | \$ 625,000 |
| Management | 25,000 |
| Total 2017 Costs | \$ 650,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:
This is a capital upgrade and replacement project requiring no additional operating dollars.

Storage Facility at Sol Vei & SR 305

Funds are being appropriated in 2017 to provide a detention tank to catch overflow at Sol Vei / 305.

| | |
|-------------------------|------------|
| <i>Sewer Fund (403)</i> | |
| Planning & Design | \$ 90,000 |
| Construction | \$ 400,000 |
| Management | \$ 10,000 |
| Total 2017 Costs | \$ 500,000 |

Funding Source:
Sewer Reserves

Impact on Operating Budget:
This is a capital upgrade and replacement project requiring no additional operating dollars.

Water Meter Replacement

Funds are being appropriated in 2017 & 2018 to continue and complete the replacement of all city water meters (residential & commercial). The current water meters are past their service life. This project will be split between the Water and Sewer Funds.

Sewer Fund (403)

| | | |
|------------------|----|---------|
| Construction | \$ | 175,000 |
| Total 2017 Costs | \$ | 175,000 |

Sewer Fund (403)

| | | |
|------------------|----|---------|
| Construction | \$ | 250,000 |
| Total 2018 Costs | \$ | 250,000 |

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.



Water Projects

Caldart Main

Funds are being appropriated in 2017 to replace an approximate ¼ mile of water main that runs from Caldart/Hostmark south to Raab Park.

Water Fund (401)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 30,000 |
| Construction | \$ | 260,000 |
| Management | \$ | 10,000 |
| Total 2017 Costs | \$ | 300,000 |

Funding Source:

Water Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Fjord Street Main Replacement

Funds are being appropriated in 2017 to replace the undersized water main along Fjord Street between Hostmark and Harrison St.

Water Fund (401)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 10,000 |
| Construction | \$ | 160,000 |
| Total 2017 Costs | \$ | 170,000 |

Funding Source:

Water Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Noll Road Water Improvements

Funds are being appropriated in 2018 for water system improvements associated with the City's Noll Road project.

Water Fund (401)

| | | |
|------------------|----|---------|
| Construction | \$ | 210,000 |
| Management | \$ | 10,000 |
| Total 2018 Costs | \$ | 220,000 |

Funding Source:

Water Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Raab Tank & Booster Station

Funds are being appropriated in 2017 to construct a new booster station at the Wilderness Park reservoir site and to upgrade the existing Raab Tank.

Water Fund (401)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 20,000 |
| Construction | \$ | 770,000 |
| Management | \$ | 60,000 |
| Total 2017 Costs | \$ | 850,000 |

Funding Source:

Water Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Water Meter Replacement

Funds are being appropriated in 2017 & 2018 to continue and complete the replacement of all city water meters (residential & commercial). The current water meters are past their service life. This project will be split between the Water and Sewer Funds.

Water Fund (401)

| | | |
|------------------|----|---------|
| Construction | \$ | 175,000 |
| Total 2017 Costs | \$ | 175,000 |

Water Fund (401)

| | | |
|------------------|----|---------|
| Construction | \$ | 250,000 |
| Total 2018 Costs | \$ | 250,000 |

Funding Source:

Water Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Wilderness Tank Retrofit

Funds are being appropriated in 2017 & 2018 to retrofit and paint the 1M gallon tank located in Wilderness Park.

Water Fund (401)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 80,000 |
| Total 2017 Costs | \$ | 80,000 |

Water Fund (401)

| | | |
|------------------|----|---------|
| Construction | \$ | 480,000 |
| Management | \$ | 20,000 |
| Total 2018 Costs | \$ | 500,000 |

Funding Source:

Water Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.



Storm Drain Projects

Dogfish Creek Restoration

Funds are being appropriated in 2017 & 2018 to continue design of the Dogfish Creek Restoration project. This project will help reduce flooding and improve the Creek appearance, as well as enhance Salmon migration upstream.

Storm Drain Fund (410)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 30,000 |
| Total 2017 Costs | \$ | 30,000 |

Storm Drain Fund (410)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 230,000 |
| Management | \$ | 20,000 |
| Total 2018 Costs | \$ | 250,000 |

Funding Source:

Storm Drain Reserves, State Grants

Impact on Operating Budget:

There will be additional operating expenditures in maintaining the creek bed. These minimal costs will be supported by additional casual labor dollars allocated to the maintenance program.

Fjord Storm Drain

Funds are being appropriated in 2017 to replace 700 linear feet of old concrete storm drain and undersized basins along Fjord Drive.

Storm Drain Fund (410)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 10,000 |
| Construction | \$ | 180,000 |
| Management | \$ | 16,000 |
| Total 2017 Costs | \$ | 206,000 |

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Fjord Drive Storm Water Quality Treatment Improvements

Funds are being appropriated in 2018 to design a Modular Wetland System treatment device and install additional storm water piping along a 600-ft. section of Lemolo Drive.

Storm Drain Fund (410)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 6,000 |
| Construction | \$ | 52,600 |
| Management | \$ | 11,700 |
| Total 2018 Costs | \$ | 70,300 |

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Liberty Rd (SR 305) Outfall

Funds are being appropriated in 2018 for design and construction to improve storm water collection and conveyance near the Poulsbo Fire Station.

Storm Drain Fund (410)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 8,000 |
| Construction | \$ | 32,000 |
| Total 2018 Costs | \$ | 40,000 |

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Noll Road Improvements Phase III

Funds are being appropriated in 2017 & 2018 to begin planning & design of a multi-year, multi-phase project focused on improvements along the Noll Road corridor to increase roadway capacity and improve safety. This project will also include improvements to storm water runoff from the roadway. Construction of Noll Road Improvements will occur in four phases anticipated to begin in 2018.

Storm Drain Fund (Fund 410)

| | | |
|-------------------|----|---------|
| Planning & Design | \$ | 240,000 |
| Total 2017 Costs | \$ | 240,000 |

Storm Drain Fund (Fund 410)

| | | |
|------------------|----|-----------|
| Construction | \$ | 900,000 |
| Management | \$ | 100,000 |
| Total 2018 Costs | \$ | 1,000,000 |

Funding Source:

Federal Grants

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Norrand Drainage Ditch Replacement

Funds are being appropriated in 2018 to replace an open ditch storm drain discharge with 90 linear ft. of pipe and install two catch basins to control overflow.

Storm Drain Fund (410)

| | | |
|------------------|----|--------|
| Construction | \$ | 57,000 |
| Total 2018 Costs | \$ | 57,000 |

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Poulsbo Creek Outfall

Funds are being appropriated in 2018 to design a project to replace the existing Poulsbo Creek Outfall.

Storm Drain Fund (410)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 40,000 |
| Total 2018 Costs | \$ | 40,000 |

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

7th Avenue Regional Detention Facility

Funds are being appropriated in 2018 for planning, design and permitting of a regional treatment facility for the basin at Poulsbo Village and 7th Avenue.

Storm Drain Fund (410)

| | | |
|-------------------|----|--------|
| Planning & Design | \$ | 50,000 |
| Total 2018 Costs | \$ | 50,000 |

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

Small Anderson Parkway Retrofit

Funds are being appropriated in 2017 to install various treatment facilities within small Anderson Parkway. These treatment facilities will inhibit untreated storm water from discharging into Liberty Bay.

Storm Drain Fund (410)

| | | |
|------------------|----|---------|
| Construction | \$ | 95,000 |
| Management | \$ | 11,000 |
| Total 2017 Costs | \$ | 106,000 |

Funding Source:

Storm Drain Reserves, State Grant

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

West Poulsbo Waterfront Park

Funds are being appropriated in 2017 to purchase a 3-acre waterfront property in anticipation for the site of a future stormwater park.

Storm Drain Fund (410)

| | | |
|-------------------|----|---------|
| Land/Right of Way | \$ | 750,000 |
| Management | \$ | 50,000 |
| Total 2017 Costs | \$ | 800,000 |

Funding Source:

Storm Drain Reserves, State Grant

Impact on Operating Budget:

This is a capital upgrade and replacement project requiring no additional operating dollars.

LONG-TERM DEBT OBLIGATIONS AND DEBT CAPACITY

The 2017-2018 Budget has been developed in concert with an analysis of the City's long-term capital needs. The opposite page summarizes the City's current bond debt obligations and type of debt. While the City has various forms of debt, \$9,295,000 of this debt is of a General Obligation Bond (GO) type.

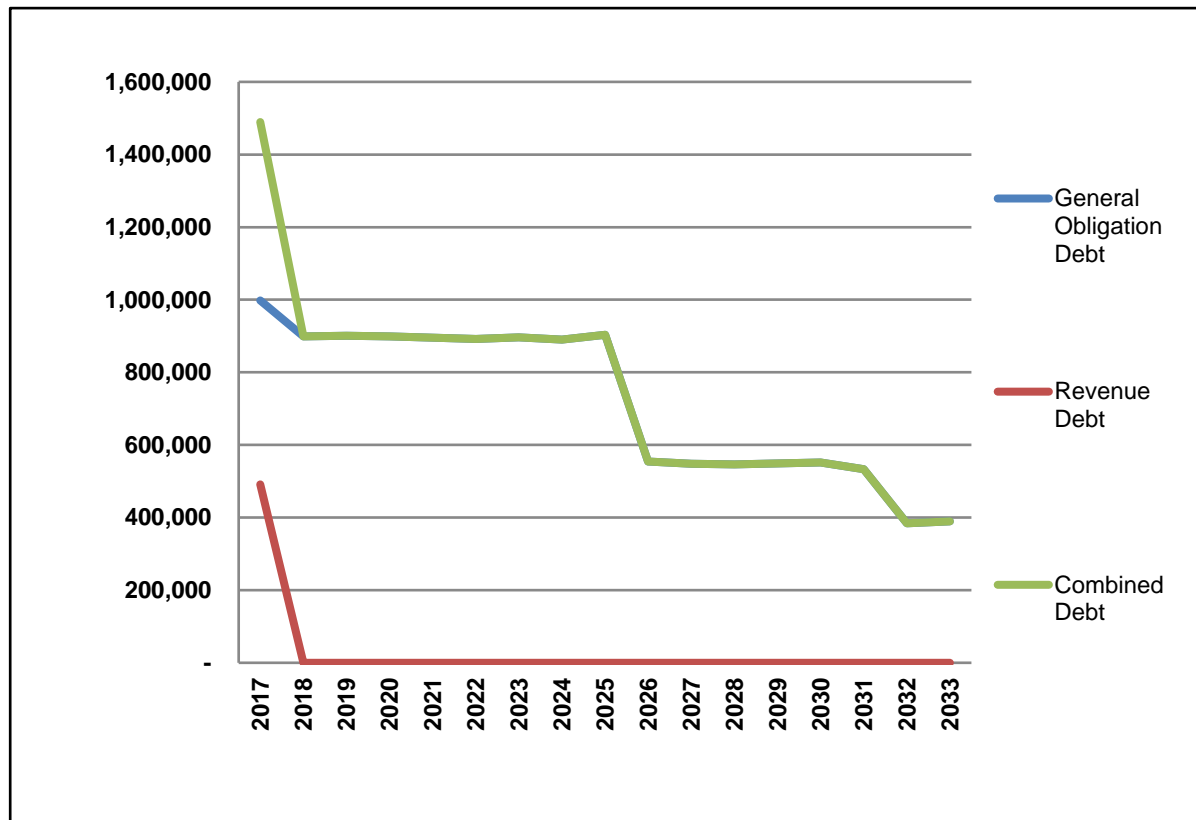
The City debt obligations are well within the statutory limits for debt capacity. There are three types of statutory limits on general obligation debt capacity.

1. The first limit is on the amount of general obligation debt that can be incurred without a vote of the people. For this type of debt, a city is limited to 1.5% of its assessed value. For 2017, the City of Poulsbo's limit is \$22,319,330 of which the City has incurred \$9,295,000.
2. The second statutory limit is the amount of general obligation debt a City may incur for the general governmental purposes with the vote of the people. This limit is 2.5% of the assessed value. In 2017, the City's limit is \$37,198,883, less any amount issued of non-voted debt.
3. The third limit allows a City to incur general obligation debt of up to an additional 2.5% of its assessed value for bond issues approved by the voters for the purpose of utility improvements and an additional 2.5% for parks or open space development.

| Project | Type | Duration | Interest Rate | Amount Issued | Outstanding |
|---|-----------|---------------|------------------------------|----------------------------------|---------------|
| City Hall 2009 | Non-Voted | 2009-2033 | 1.4%-5.5% | 6,015,000 | 380,000 |
| City Hall 2012 | Non-Voted | 2012-2031 | 2%-3.5% | 1,795,000 | 1,625,000 |
| City Hall 2015 | Non-Voted | 2009-2033 | 2%-4% | 7,320,000 | 6,950,000 |
| Park & Rec | Non-Voted | 2010-2030 | 3.78% | 310,000 | 240,000 |
| 2003 LTGO Bond (refunding City Hall 2012) | Non-Voted | 2012-2017 | .4%-2% | 660,000 | 100,000 |
| | | | | \$ 16,100,000 | \$ 9,295,000 |
| This Debt is controlled by assessed Valuation Debt Limits | | | | | |
| 2017 Assessed Valuation | | | | \$ | 1,487,955,331 |
| X 0.025 | = | \$ 37,198,883 | = Limited for Combined Debt | Balance Available | \$ 27,903,883 |
| X 0.015 | = | \$ 22,319,330 | = Limited for Non-Voted Debt | Balance Available | \$ 13,024,330 |
| | | | | Balance Available for Voted Debt | \$ 14,879,553 |

Note: The City's Debt Management Policy is included in the appendix in Section 10. Information regarding the proprietary funds' debt is included with the individual fund information in the Proprietary Fund Section.

| BOND DEBT TO MATURITY | | | | | | |
|-------------------------|-----------|-----------|------------|---------------|----------|---------|
| General Obligation (GO) | | | | Revenue Bonds | | |
| Year | Principal | Interest | Total | Principal | Interest | Total |
| 2017 | 655,000 | 343,020 | 998,020 | 475,000 | 16,388 | 491,388 |
| 2018 | 575,000 | 324,430 | 899,430 | - | - | - |
| 2019 | 595,000 | 306,141 | 901,141 | - | - | - |
| 2020 | 610,000 | 288,710 | 898,710 | - | - | - |
| 2021 | 630,000 | 265,810 | 895,810 | - | - | - |
| 2022 | 650,000 | 241,616 | 891,616 | - | - | - |
| 2023 | 680,000 | 216,635 | 896,635 | - | - | - |
| 2024 | 700,000 | 190,485 | 890,485 | - | - | - |
| 2025 | 740,000 | 163,163 | 903,163 | - | - | - |
| 2026 | 420,000 | 134,358 | 554,358 | - | - | - |
| 2027 | 430,000 | 118,375 | 548,375 | - | - | - |
| 2028 | 445,000 | 101,688 | 546,688 | - | - | - |
| 2029 | 465,000 | 84,400 | 549,400 | - | - | - |
| 2030 | 485,000 | 66,325 | 551,325 | - | - | - |
| 2031 | 485,000 | 47,925 | 532,925 | - | - | - |
| 2032 | 355,000 | 29,200 | 384,200 | - | - | - |
| 2033 | 375,000 | 15,000 | 390,000 | - | - | - |
| TOTAL | 9,295,000 | 2,937,280 | 12,232,280 | 475,000 | 16,388 | 491,388 |



GENERAL FUND REVENUE (001)

The largest operating fund in the City is the General Fund. It provides a majority of City services, including police, parks and recreation, planning, engineering, executive, legislative and financial services. Most of the tax revenue collected by the City goes into the General Fund making it the primary focus for the City Council during the budget process. This is the first year the City has implemented a biennial budget. Although the budget was adopted as a two-year budget, for the ease of preparation and comparison, each year was presented separately then combined for a single figure presentation.

For 2017-18 the General Fund Revenue operating budget, exclusive of beginning balance, is projected to be \$23,703,892.

Variations and Highlights:

2017 operating revenue projection is \$11,658,378 which is an increase of \$1,095,902 over the 2016 figure. 2018 operating revenue projection is \$12,045,515 which is an increase of \$387,137 over the 2017 projection. The 2016 budget has been amended throughout the year, reflecting some one-time revenue due to grants and large development projects. Comparing 2017 budget to original 2016 Budget shows an increase of \$1,271,852. These 2017 and 2018 revenue projections are consistent with the policy of producing forecasted numbers with a conservative, optimistic and best estimate approach based on prior year's activity with revenue growth where anticipated. Below some of the variances have been detailed:

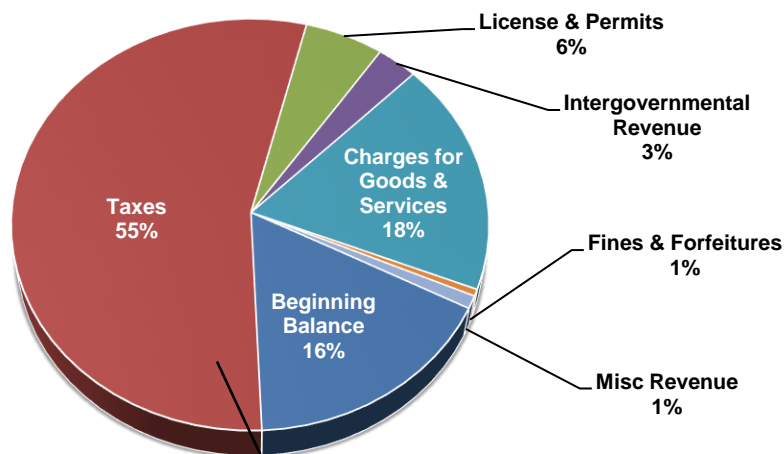
- Increase in Property Tax projection, due to increases in new construction and assessed values
- Increase in Sales Tax projection to be consistent with the amount collected in 2016 and reflecting future growth
- A decrease in the water, sewer Utility Tax rate to 6%
- Development Revenues have been increased to reflect anticipated activity
- Increase in Grant Revenue due to procurement of a local mental health grant
- Increase in Interfund Government Services which is the indirect allocation charge to the city utility funds for the governmental fund providing services to the utilities. The measurable allocations were updated per the policies' factors.
- Small increase in Investment Earnings

The first section provides an overview of the revenues included in the General Fund as well as a line item detail of the General Fund Revenue.

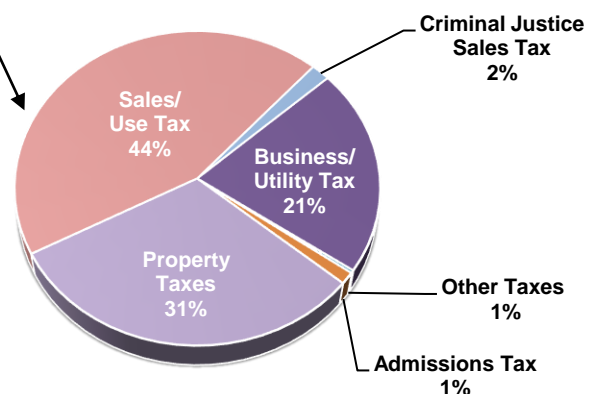
GENERAL FUND REVENUE ANALYSIS

The City of Poulsbo's General Fund receives a wide variety of revenue. This page provides a summary of those revenue resources. Taxes are the largest source of income for the General Fund and are detailed by an additional chart. The following pages of this section will discuss key factors for each type of revenue affecting the General Fund in 2017 & 2018.

2017-18 General Fund Resources \$28,495,520



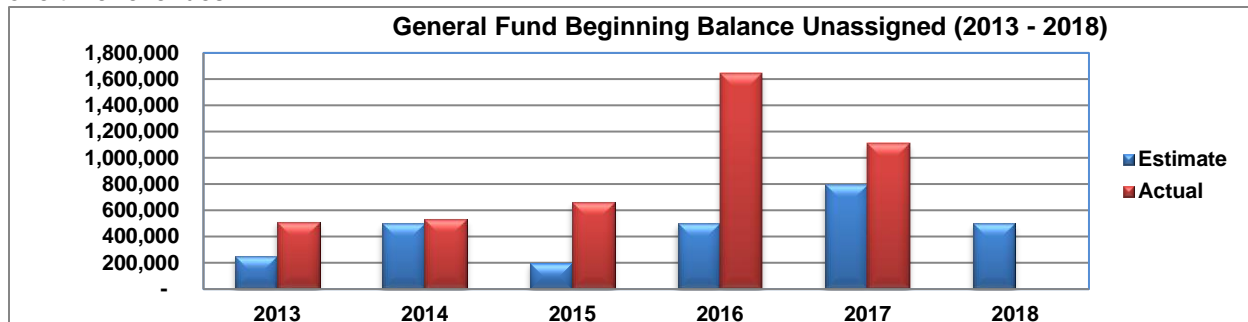
2017-18 General Fund Tax Revenue \$15,572,040



BEGINNING BALANCE:

The beginning balance represents funds reserved per Council direction for legal reserves, revenue stabilization, and unassigned (carryover, i.e. excess revenue collected over what was estimated, plus any unspent budgeted expenditure dollars from the prior year). It is a policy of the City to support current year expenditures with current year revenue, but in past years these carryover funds have been used to fund current year program expenditures. Due to increase in expenditures, decline in revenues and reserving dollars for future capital projects, this has not always been possible.

The chart below represents Beginning Balance Unassigned. Most of the carryover dollars for the past several years are because of expenditures being less than projected, but in 2017 many of the carryover dollars can be attributed to sales tax being higher than projection and one time revenues for development fees and grants. The caution with one time revenues is to not build ongoing expenditures supported by one time revenues.

**TAX REVENUE:**

Taxes account for the largest revenue category in the general fund, generating 55% of General Fund's total resources and 66% of the operating revenue. Because of this, the category receives a majority of the attention during the budget process.

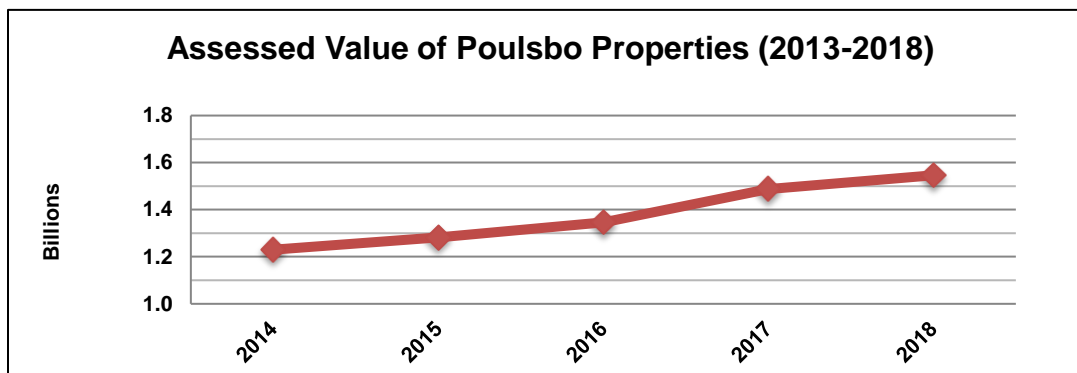
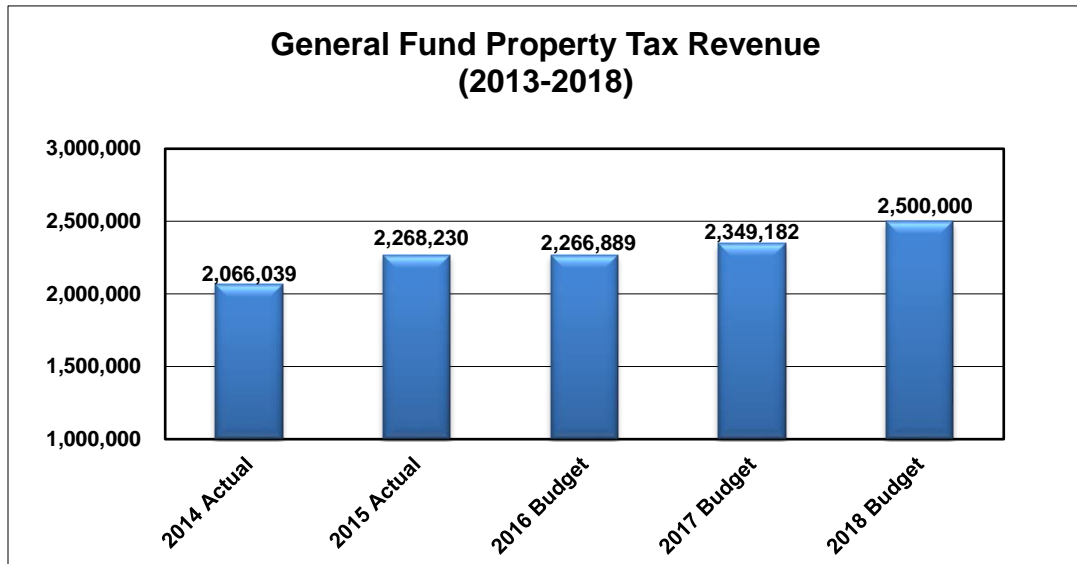
PROPERTY TAXES:

For 2017, the City will levy \$2,349,182 and projects a levy in 2018 of approximately \$2,500,000. The City's population exceeded 10,000 in 2017, which allows the City by RCW to levy the lower of 1% or the Implicit Price Deflator (IPD) for July, increase over the prior highest allowable levy, plus amounts for new construction. For 2017, the City passed a "Substantial Need" resolution allowing for an increase to the regular property tax limit factor above the rate of inflation to the 1% limit. Although this increase is authorized for 2017, the City has chosen not to collect this additional percentage therefore not increasing the tax burden of its citizens. For 2018, the City has budgeted these revenues with the intention on collecting the additional percentage as levied.

The assessed value for 2017 reflects an increase of \$141 million. The City has several housing developments which have completed construction and several more expected to continue in 2017 and 2018. Developments currently under construction have pre-sold a large amount of their inventory. This is a good indicator the economy is continuing to grow. Both residential and commercial construction has continued, resulting in increased property values in 2016. There are a significant number of plats approved for new home development, which means the City is in a strong position for continuing growth.

The property tax is a basis for transfers to support street operations, transportation capital improvements and park capital improvements. The 2017-18 transfers based on Property Tax revenue will be approximated and rounded based on percentages below, and adjusted per the need and long range plan of capital development:

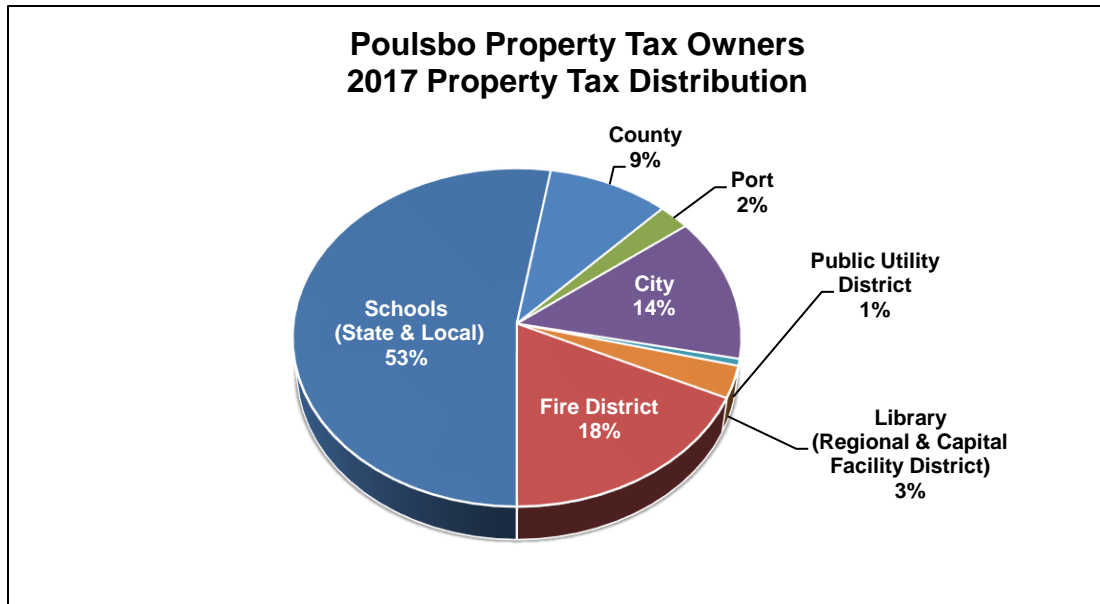
- 2% of property tax revenue to Street Reserves (Fund 311) for capital street projects (\$99,000)
- 4% of property tax revenue to the Park Reserve Fund (302) for capital park projects (\$201,000)
- 6% of property tax revenue to Street Reserves (Fund 311) for neighborhood restoration street projects (\$300,000)
- 25% of property tax revenue to City Street Fund (101) to meet the needs of street maintenance operations (\$1,216,000)



| Year | Property Taxes* | Assessed Value | Rate |
|--------|-----------------|------------------|----------|
| 2009 | \$ 1,976,950 | \$ 1,378,218,255 | 1.4343 |
| 2010 | \$ 2,047,161 | \$ 1,310,033,708 | 1.5627 |
| 2011 | \$ 2,067,897 | \$ 1,280,709,278 | 1.6146 |
| 2012 | \$ 2,136,379 | \$ 1,244,257,146 | 1.7170 |
| 2013 | \$ 2,077,477 | \$ 1,214,898,784 | 1.7100 |
| 2014 | \$ 2,088,608 | \$ 1,230,099,929 | 1.6979 |
| 2015 | \$ 2,192,653 | \$ 1,282,347,366 | 1.7099 |
| 2016 | \$ 2,269,477 | \$ 1,346,103,503 | 1.6859 |
| 2017 | \$ 2,350,680 | \$ 1,487,995,331 | 1.579805 |
| 2018** | \$ 2,500,000 | \$ 1,546,219,490 | 1.6168 |

*Taxes represent calculation of assessed value per \$1000 x rate, actual revenue may slightly differ as amounts have been updated with the most current information from the County Assessor

**Projected Figures



Properties located within the City limits are also taxed by other taxing jurisdictions. Information in this chart represents taxing jurisdictions' 2017 tax rates as provided by Kitsap County Assessor's Office. The majority of property taxes go to the State and local schools. The City's property tax accounts for 14% of the total tax levied on properties located within the City limits.

| Taxes Paid On Home With An Assessed Value of \$300,000 | | |
|--|------------------|--------------------|
| Taxing Jurisdiction | Tax Rate | Tax Paid |
| Schools (State & Local) | 6.045299 | \$ 1,813.58 |
| County | 1.086188 | \$ 325.85 |
| Port | 0.283803 | \$ 85.14 |
| City | 1.579805 | \$ 473.94 |
| PUD | 0.074108 | \$ 22.23 |
| Library (Regional) | 0.353368 | \$ 106.01 |
| Fire District #18 & EMS Levy | 2.06384 | \$ 619.15 |
| TOTAL | 11.486411 | \$ 3,445.91 |

SALES TAXES:

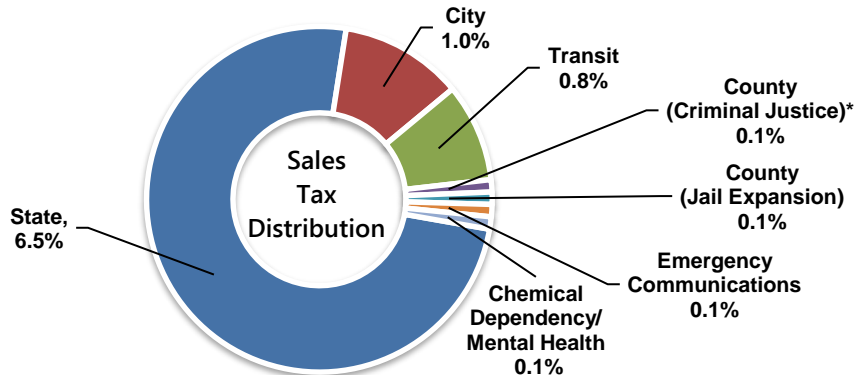
The sales and use tax revenue, in contrast to property tax, is an unstable revenue source and is, therefore, very difficult to predict. It has been a goal of the City to estimate sales tax revenue no greater than what was actually received the previous year. The revenue projected for 2017-18 is conservatively estimated with a small amount of growth. The estimate is more than 2016 projection but less than the actual amount collected in 2016. The revenue continues to remain fairly constant and is still producing the City's largest single source of revenue.

Until March 31, 2017, the sales tax rate charged on retail sales taking place within the City limits of Poulsbo is 8.7%, with only 1% of the 8.7% being City tax.

In November of 2016, a ballot measure presented by Kitsap Transit to increase the local sales and use tax by three-tenths of one percent to support passenger-only ferry services was passed by the voters. This additional tax becomes effective on April 1, 2017, thus the sales tax rate charged on retail sales taking place within the City limits of Poulsbo will then be 9.0%, with only 1% of the 9.0% being City tax.

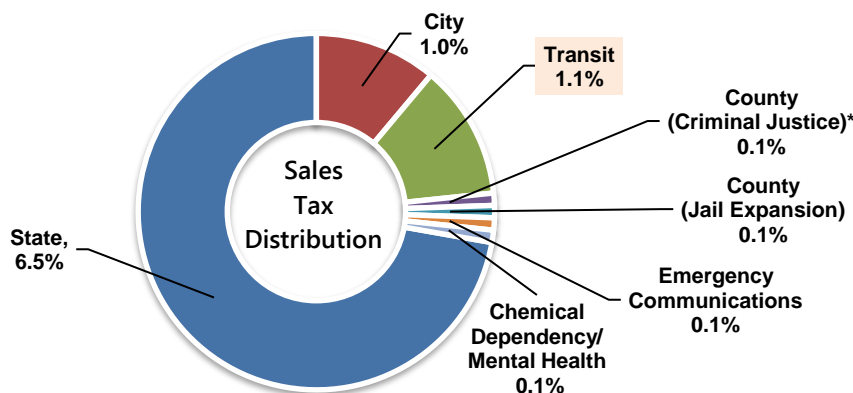
The total sales tax collected on sales taking place within the City is distributed as follows:

Effective until 3/31/2017



**The County keeps 10% of this revenue; the remaining 90% is distributed back to the cities located within the county, based on population.*

Effective beginning 4/1/2017



**The County keeps 10% of this revenue; the remaining 90% is distributed back to the cities located within the county, based on population.*

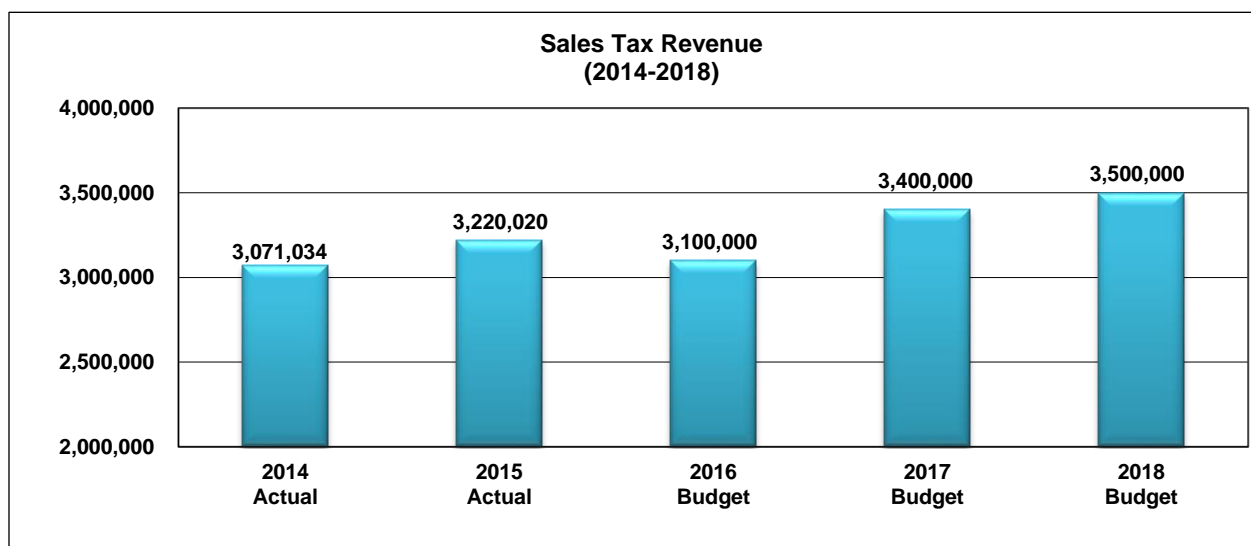
Sales tax revenue is continuing to show increases, which are not attributed to one factor, but showing the council's planned diversification. The City has done a good job on targeted planning for diversification, which helps the City maintain sustainability. Poulsbo continues to see retail growth. In 2016, commercial growth has stabilized. A new drive through Starbucks replacing another location opened for business in 2016. The new Starbucks is located in a small strip mall with a couple other retail businesses opening at the same time. A new car wash located next to this strip mall also opened for business in 2016. A few other commercial developments were under construction in 2016 anticipated to open in 2017. Located on SR 305, a main thoroughfare through Poulsbo, a new drive-up Starbucks adjacent to a new Sherwin

Williams paint store along with a new Brown Bear Carwash are all slated to open in 2017. A new gas station with mini market near the Viking Avenue and SR 305 corridor is anticipated to begin construction in 2017. All these developments will help to keep the sales tax continuing to grow at a stable rate and provide reasonable assurance for future funds.

The Historic Downtown Poulsbo has been touted as restaurant row creating many choices for dining in the City. When the site of the Old City Hall goes forward with a planned mixed use of residential and retail, this will continue to support a growing retail core. Viking Avenue is continuing to rebound and provide a continued source of revenue with vacancies being filled and new developments expected to begin construction in 2017. The projection for sales tax revenue for 2017-18 is \$6,900,000 with projections for 2017 at \$3,400,000 and 2018 at \$3,500,000. This estimate is conservative but consistent with actual dollars generated in 2016.

Sales tax revenue is collected and used in the City's General Fund with the exception of the amounts listed below. Transfers loosely percentage based on Sales Tax revenue will be approximated and rounded as detailed below.

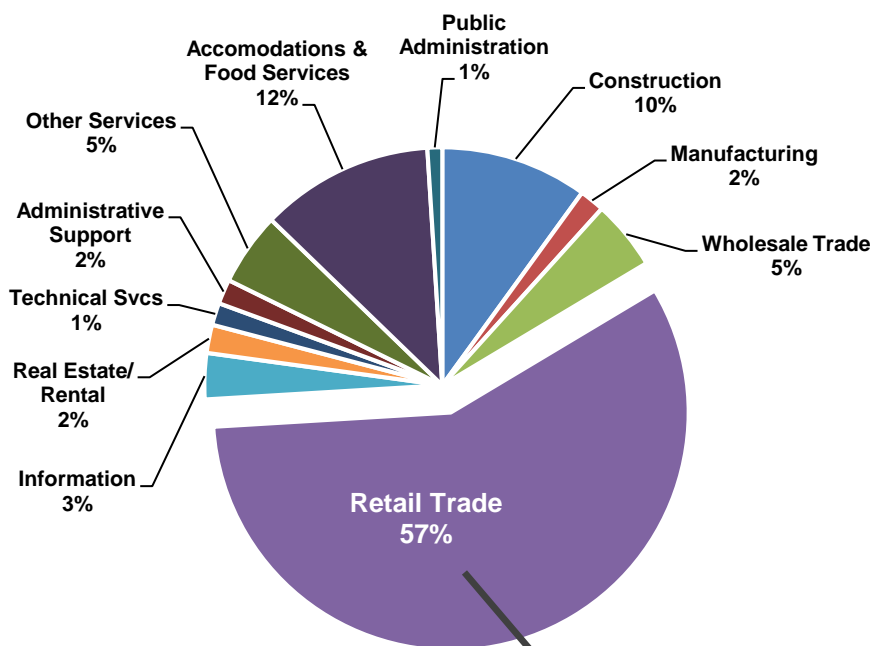
- 5% of the sales tax revenue is transferred to the Capital Equipment Acquisition Fund (Fund 301) for purchase of capital equipment then reduced by the amount to be retained in General Fund for a portion of the 2005 City Hall Debt and small tools purchases not in departmental budgets such as items not on replacement cycles (\$320,008).



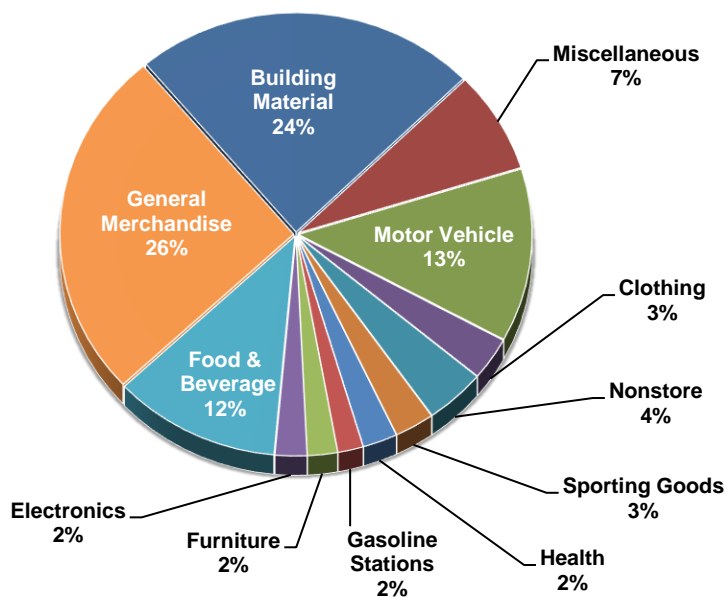
| SALES TAX GROUP COMPARISONS BY SIC CODE | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|
| TAX GROUP | 2012 | 2013 | 2014 | 2015 | 2016 |
| Agriculture | \$ 728 | \$ 886 | \$ 707 | \$ 538 | \$ 4,014 |
| Mining | \$ 406 | \$ 464 | \$ 669 | \$ 588 | \$ 42 |
| Utilities | \$ 2,673 | \$ 3,512 | \$ 3,111 | \$ 3,208 | \$ 2,808 |
| Construction | \$ 174,533 | \$ 294,260 | \$ 321,642 | \$ 300,845 | \$ 343,544 |
| Manufacturing | \$ 35,294 | \$ 27,948 | \$ 48,329 | \$ 35,364 | \$ 58,475 |
| Wholesaling | \$ 89,819 | \$ 98,657 | \$ 118,184 | \$ 130,935 | \$ 162,513 |
| Retail Trade | \$ 1,665,680 | \$ 1,703,931 | \$ 1,837,905 | \$ 1,958,815 | \$ 1,980,772 |
| Transportation | \$ 3,098 | \$ 1,914 | \$ 1,999 | \$ 2,698 | \$ 4,640 |
| Information | \$ 81,752 | \$ 91,504 | \$ 99,467 | \$ 97,444 | \$ 107,576 |
| Finance & Insurance | \$ 8,694 | \$ 11,653 | \$ 11,864 | \$ 13,096 | \$ 15,838 |
| Real Estate | \$ 42,405 | \$ 54,208 | \$ 54,896 | \$ 57,107 | \$ 65,965 |
| Technical Services | \$ 28,493 | \$ 33,033 | \$ 42,904 | \$ 46,197 | \$ 51,787 |
| Admin Support | \$ 36,570 | \$ 43,261 | \$ 43,695 | \$ 51,877 | \$ 57,511 |
| Educational Svcs | \$ 5,538 | \$ 5,804 | \$ 4,711 | \$ 5,945 | \$ 5,446 |
| Health Care | \$ 13,199 | \$ 17,443 | \$ 12,524 | \$ 14,789 | \$ 17,597 |
| Arts, Entertainment | \$ 9,427 | \$ 9,233 | \$ 11,732 | \$ 16,781 | \$ 9,705 |
| Accom & Food Svcs | \$ 293,075 | \$ 291,623 | \$ 329,048 | \$ 362,579 | \$ 404,238 |
| Other Services | \$ 108,092 | \$ 112,502 | \$ 98,422 | \$ 94,151 | \$ 110,370 |
| Public Administration | \$ 17,292 | \$ 23,196 | \$ 29,225 | \$ 27,064 | \$ 34,602 |
| TOTAL | \$ 2,616,768 | \$ 2,825,032 | \$ 3,071,034 | \$ 3,220,021 | \$ 3,437,443 |

The majority of sales tax revenue (57%) is from Retail Trade. The next largest sales tax categories are Accommodations & Food Services (12%) and Construction (10%). A large portion of the retail sales tax receipts is in the categories of General Merchandise and Building Materials. Categories will shift as Poulsbo continues to grow and diversify. Areas which the City was so heavily dependent have changed over the years resulting from changes in the Economic Environment and the Council's continued work to diversify Poulsbo's local economy. Retail sales and new construction are particularly sensitive to changes in economic conditions. Slight changes in the economy, or even expectations, can produce dramatic changes in receipts. For this reason, sales tax is conservatively estimated.

2016 Sales & Use Tax Revenue By Standard Industrial Code (SIC)



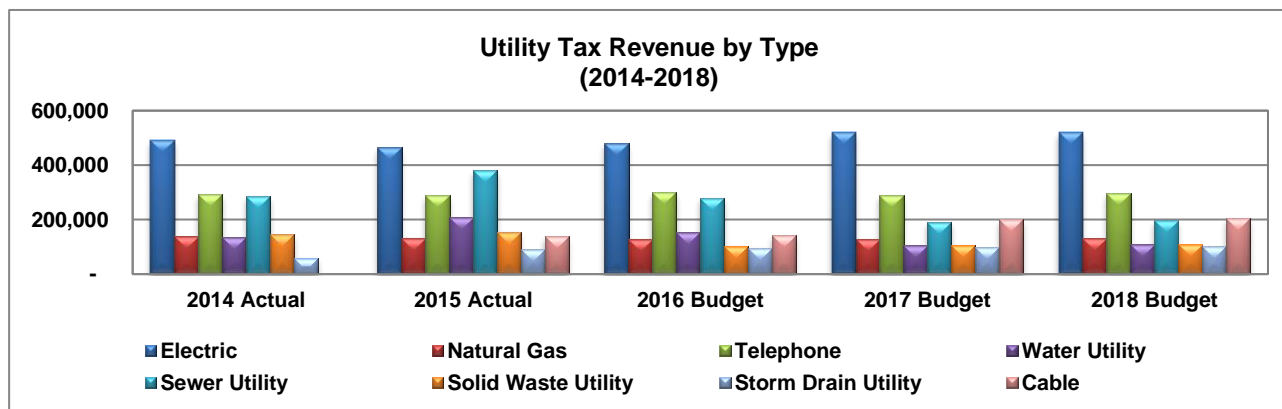
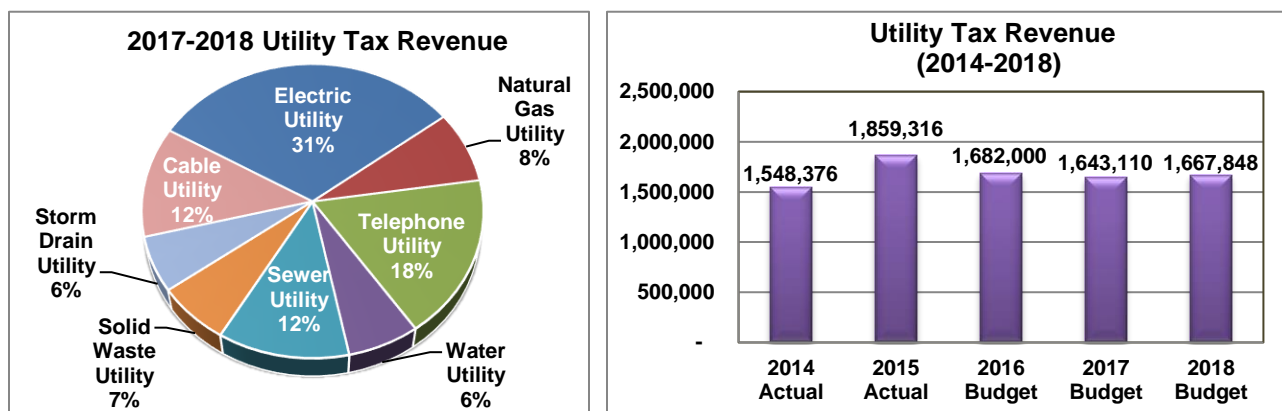
Detail of Sales Tax for Retail Trade Group



UTILITY TAXES:

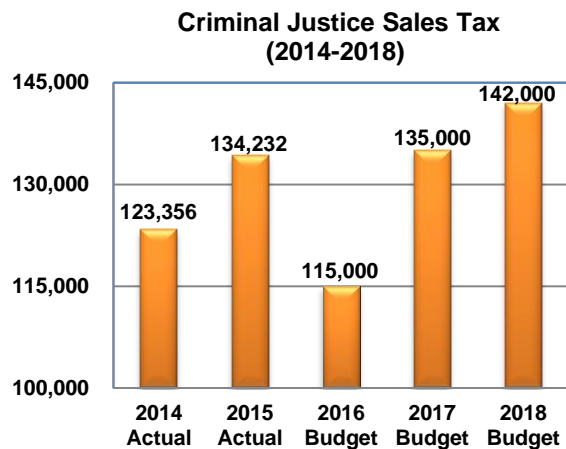
Utility taxes are taxes applied to utilities providing services in the City including City-owned and privately owned utilities. On the whole, these taxes tend to be stable from year to year, reflecting normal utility rate increases. Utility rates for water, sewer and storm drain have fluctuated over the past several years. In 2014 rates for water and sewer were 10%, adjusted to 12% in 2015 then reduced to 9% in 2016. The rates are reviewed as part of the budget discussion and process. The 2017-18 budget has been prepared with both water and sewer utility tax rates decreased to 6% to be consistent with all other utility tax rates. Solid Waste is being studied to determine if the City will continue to operate as a City provided utility or contracted out to another provider. Utility taxes for solid waste will still be collected at 6% not impacting the tax revenue. Beginning in 2015 the City began to assess a 6% utility tax on cable services to help operating revenues support expenditures as well as allow funds to be targeted for capital transportation projects.

| Type of Utility Tax | Tax Rate | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget |
|-------------------------|----------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Cable Tax | 6% | \$ - | \$ 138,610 | \$ 142,000 | \$ 200,000 | \$ 203,000 |
| Electric Tax | 6% | \$ 491,375 | \$ 464,271 | \$ 480,000 | \$ 520,000 | \$ 520,000 |
| Natural Gas Tax | 6% | \$ 138,786 | \$ 132,389 | \$ 130,000 | \$ 130,000 | \$ 132,000 |
| Telephone Tax | 6% | \$ 293,524 | \$ 289,359 | \$ 300,000 | \$ 290,000 | \$ 295,000 |
| Water Utility Tax | 6-12% | \$ 134,432 | \$ 208,061 | \$ 151,500 | \$ 104,970 | \$ 108,029 |
| Sewer Utility Tax | 6-12% | \$ 285,471 | \$ 381,267 | \$ 279,000 | \$ 191,580 | \$ 197,327 |
| Solid Waste Utility Tax | 6% | \$ 145,411 | \$ 154,939 | \$ 103,500 | \$ 107,680 | \$ 110,646 |
| Storm Drain Utility Tax | 6-10% | \$ 59,377 | \$ 90,420 | \$ 96,000 | \$ 98,880 | \$ 101,846 |
| TOTAL | | \$ 1,548,376 | \$ 1,859,316 | \$ 1,682,000 | \$ 1,643,110 | \$ 1,667,848 |



CRIMINAL JUSTICE SALES TAX:

These funds are received from the .1% sales tax collected by the County. The County keeps 90% of the tax and distributes the remaining 10% back to cities located in the County, based on population (RCW 82.14.340). Expenditures related to criminal justice are generally accounted for in the General Fund with the revenue recorded in the same fund.

**OTHER TAXES:**

The remaining taxes are composed of various miscellaneous taxes that include admissions, excise, leasehold, and gambling taxes.

The largest of these, admission tax, is a 5% tax on qualifying admission charges. A 10-plex theatre in the City provides the majority of this tax revenue. It has remained at a stable level for several years.

Leasehold taxes are paid to Washington State on government owned land that is being leased or rented. A portion of the tax on these types of properties is disbursed to the City.

Gambling taxes including Punch Board & Pull Tab, Bingo & Raffles and Amusement Games are irregular in a community the size of Poulsbo. They tend to be minimal and an unstable source. Their receipts are, therefore, forecasted conservatively.

LICENSE & PERMIT REVENUE:

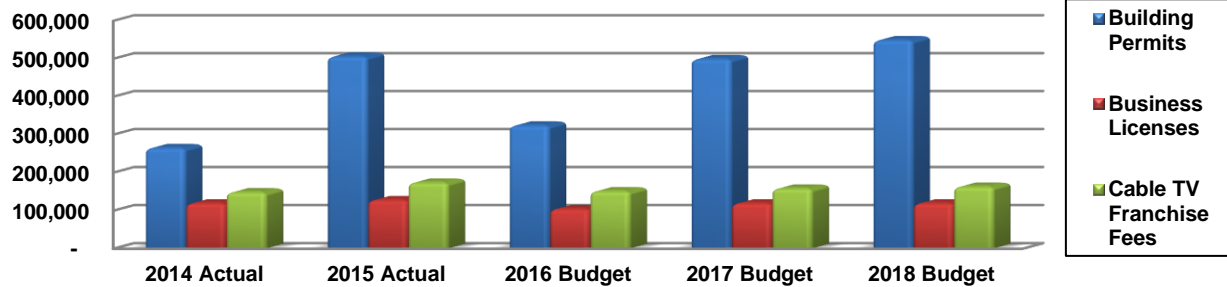
This category makes up 6% of revenue in the General Fund. License and Permit Revenues are user fees derived from various regulatory activities of the City.

The largest source of the revenue is derived from building permit activities. Since this activity is dependent on new construction, it can be an unstable source of income. The 2017-18 projections have been increased over the prior year budget and remain consistent with what has been collected in the prior year. Based on plans being submitted, the building industry is continuing strong and anticipated to stay strong through 2018.

Cable TV Franchise Fee is 5% of gross revenue to the cable company providing service within the City of Poulsbo limits. The 2017-18 projections have been increased to reflect the historical trend and revenues anticipated to be collected. It was determined in 2015 some revenues were not calculating the 5% tax and has since been corrected by the cable provider creating slightly more anticipated revenues.

Also recorded in this category are the City's business license fees. The City contracts with the Washington State Department of Revenue to administer the City licensing program under their Master License Program. The state charges their fees directly to the license holder, which pays for the program, creating little, if any, cost to the City for the services. With the ease of using the new system, and the ability to renew or apply for a City license at the same time as obtaining their state license, the number of license holders has significantly increased. The projection for 2017-2018 has been increased to reflect actual dollars anticipated to be collected in 2016.

| Type of License/Permit | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Building Permits | \$265,546 | \$506,786 | \$325,000 | \$500,000 | \$550,000 |
| Business Licenses | \$120,146 | \$128,521 | \$105,000 | \$120,000 | \$120,000 |
| Cable TV Franchise Fee | \$149,238 | \$174,789 | \$152,000 | \$159,000 | \$163,750 |



INTERGOVERNMENTAL REVENUE:

For 2017-18 this category makes up 3% of total General Fund resources.

The state-shared revenues are provided on a state-prescribed formula based on population. Liquor Excise Taxes are generated from a state tax to consumers and restaurant licenses, and Liquor Board Profits are generated from permits, licenses and liquor store sales. Usually these revenues tend to be rather predictable. The anticipated per capita amounts are published by Municipal Research and Services Center (MRSC) and have been used to calculate the revenue projections.

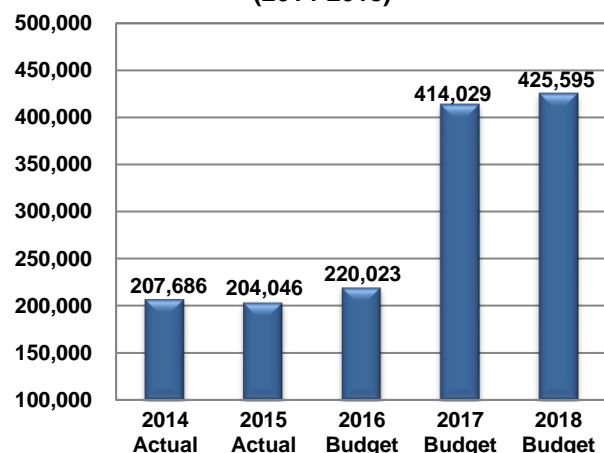
State Shared Revenues are the largest in this category. Cities have received the shared revenues since the 1930's when prohibition was eliminated. A portion of the distribution to agencies is for support of criminal justice funding. State shared revenue, Criminal Justice by Population, is accounted for in the General Fund. This state distributed excise tax is to be used for criminal justice purposes only and distribution is based on population. (RCW.82.14.330 (1)). Related expenditures are accounted for in the General Fund using the funds as required. In 2017-18 a little less than \$35,000 is to be used for criminal justice.

After much lobbying by local governments, for the first time in several years the legislation allocated a larger portion of liquor taxes to be reinstated and distributed to Cities. The source of tax continues to be a tug of war between the

state and local entities. The Cities will continue to lobby for a fair share formula in hopes of continued funding.

Grants are also included in this category and can vary significantly from year to year. An interlocal agreement with the North Kitsap School District to support funding of a School Resource Officer is accounted for in this category along with a new grant from Kitsap County for mental health support in our municipal court system.

**Intergovernmental Revenue
(2014-2018)**



CHARGES FOR GOODS AND SERVICES REVENUE:

The Charges for Goods and Services revenue category makes up 18% of General Fund revenue and is the second largest revenue category. It consists of a wide variety of user fees derived from various activities and services.

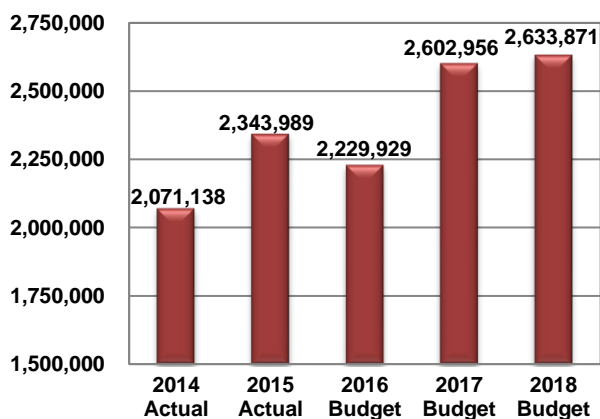
Interfund charges for government functions supporting utility operations is the largest source of revenue in this category. These fees are charged to other funds for services provided. An Allocation Plan uses a combination of recommended factors from both the State Auditor's Office and City. Due to new FTEs and departmental re-organizations, the factors were affected and updated, creating a substantial increase in the revenue projection. At the end of the year the charge is then adjusted to reflect actual expenditures and not projections.

Parks and Recreation fees are the second largest generator in the category. These are user fees supporting the City's numerous recreation programs offered to citizens of all ages.

Engineering services, plan checking and zoning fees are included in this category. These revenues can fluctuate based on current development activity. The 2017-18 projections have been increased over the 2016 projection reflective of the anticipated projects over the next two years.

The category also includes adult probation service charges, passport fees and other charges for miscellaneous services the City provides.

**Charges for Goods & Services
(2014-2018)**



FINES and FORFEITURES REVENUE:

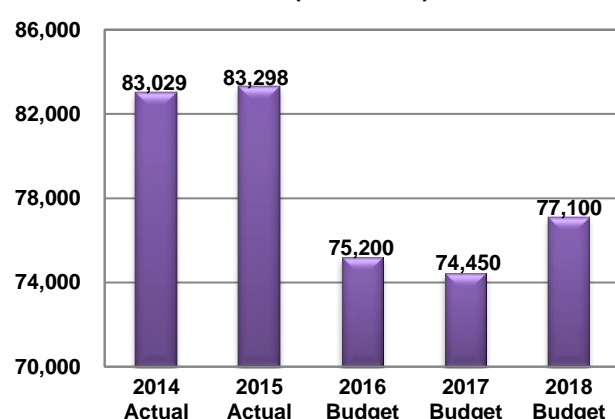
Fines and Forfeitures consist of fines from law enforcement related activities. The category accounts for 1% of total General Fund revenue. The largest source is penalties for traffic infractions. Although this has been a fairly consistent source of revenue, various programs do affect this revenue. Parking infractions have been a consistent source of revenue due to a very active Citizen Patrol.

Revenue in this category can fluctuate for many different reasons such as defendants electing to perform Community Work Program, defendants choosing to participate in alternative sentencing methods in lieu of paying their fines, or staffing levels of the police department promoting safety and citing less infractions.

A standard traffic infraction ticket amount of \$136 is set by the state. Many assume all revenue remains with the City of Poulsbo, however, only 35% remains with the local jurisdiction. To follow is a breakdown of how a \$136 ticket is distributed:

| Breakdown of \$136 Traffic Ticket | | |
|--|----------------|-----------------|
| Local Government | 34.63% | \$47.10 |
| Local Crime Victims Account | 0.62% | \$0.84 |
| State Public Safety & Education Account | 35.34% | \$48.06 |
| Judicial Information Systems Account | 16.91% | \$23.00 |
| Emergency Medical Services & Trauma Care Account | 3.68% | \$5.00 |
| Auto Theft Account | 7.35% | \$10.00 |
| Traumatic Brain Injury Account | 1.47% | \$2.00 |
| Total | 100.00% | \$136.00 |

**Fines and Forfeitures
(2014-2018)**



MISCELLANEOUS REVENUE:

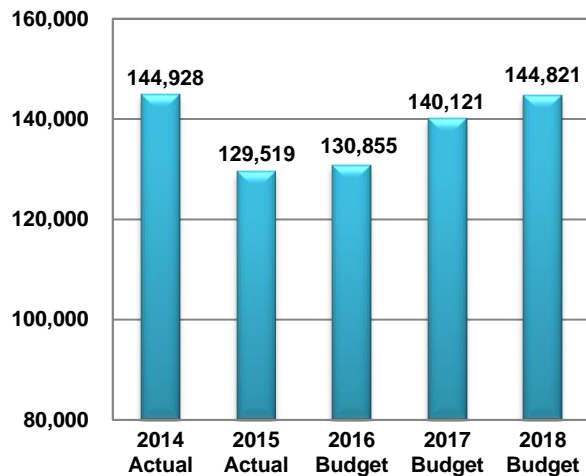
This revenue category generates 1% of all General Fund revenue. In the past, rental income and investment income were the major revenues in this category. Two of the City properties have been vacated in preparation for possible demolition; therefore, a decline in rental revenue has occurred.

Other sources include donations and rental income for City space. The City Hall has additional rooms available for rent and usage continues to increase. The City also rents the additional space in the City's Park and Recreation building.

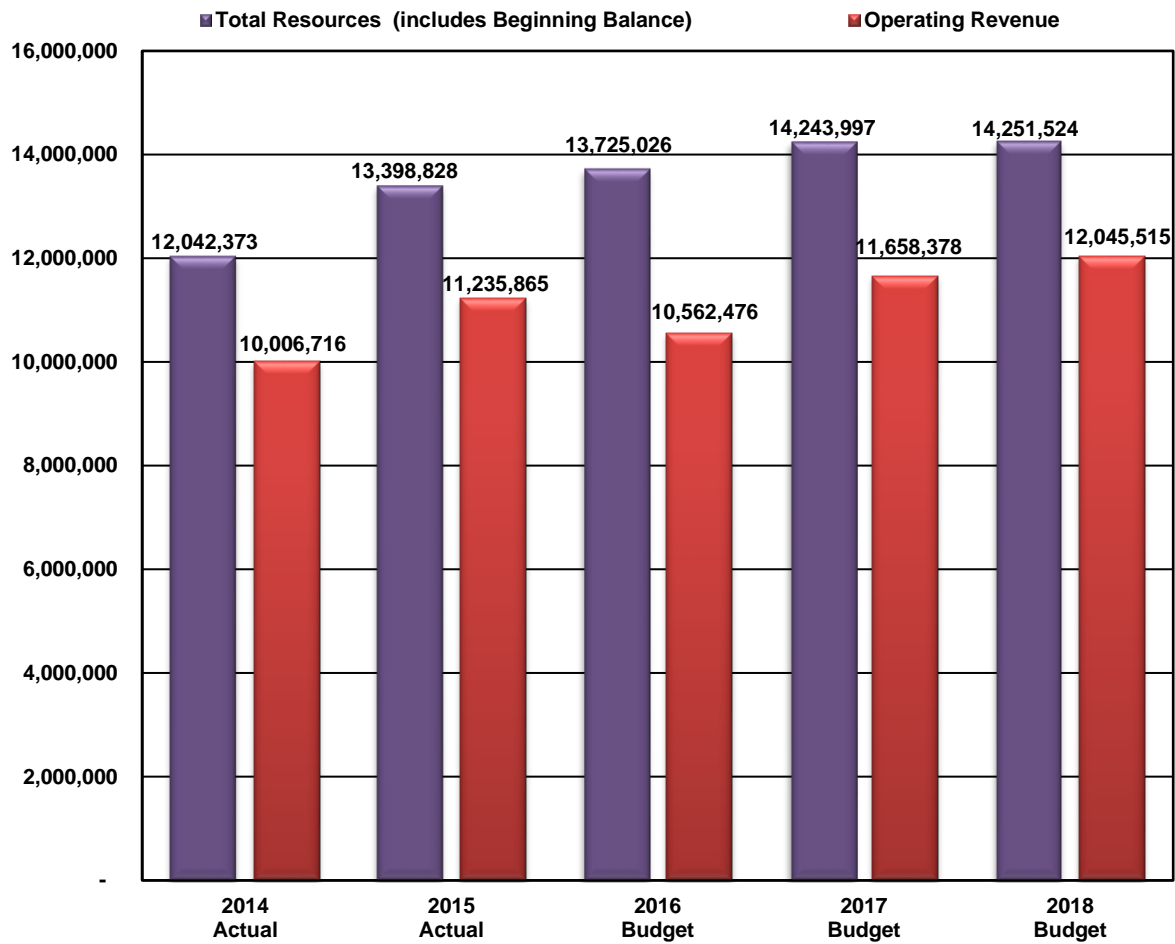
OTHER FINANCING SOURCES REVENUE:

Other Financing Sources consists primarily of proceeds from the sale of property and operating transfers; funds transferred to the General Fund from other funds for expenditures expensed out of the General Fund. There are no projected revenues in 2017-18.

**Miscellaneous Revenue
(2014-2018)**



Total General Fund Resources (2014-2018)



| GENERAL FUND REVENUE | | | | | | |
|-------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------------|
| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
| BEGINNING BALANCE | | | | | | |
| BEG BAL - ASSGN-REV STBLZ | 1,277,265 | 1,277,265 | 1,294,110 | 1,560,619 | 1,481,009 | 1,560,619 |
| BEG BAL - ASSGN-LEGAL RESV | 224,494 | 224,494 | 224,494 | 225,000 | 225,000 | 225,000 |
| BEG BAL - UNASSIGNED | 533,898 | 661,204 | 1,643,946 | 800,000 | 500,000 | 800,000 |
| TOTAL BEGINNING BALANCE | 2,035,657 | 2,162,963 | 3,162,550 | 2,585,619 | 2,206,009 | 2,585,619 |
| TAXES | | | | | | |
| REAL & PERS PROP TAX | 2,066,039 | 2,268,230 | 2,266,889 | 2,349,182 | 2,500,000 | 4,849,182 |
| LOC RET SALES & USE TX | 3,071,034 | 3,220,020 | 3,100,000 | 3,400,000 | 3,500,000 | 6,900,000 |
| CRIMINAL JUSTICE TAX | 123,356 | 134,232 | 115,000 | 135,000 | 142,000 | 277,000 |
| ELECTRIC UTIL TX | 491,375 | 464,271 | 480,000 | 520,000 | 520,000 | 1,040,000 |
| WATER UTIL TAX | 134,432 | 208,061 | 151,500 | 104,970 | 108,029 | 212,999 |
| GAS UTIL TAX | 138,786 | 132,389 | 130,000 | 130,000 | 132,000 | 262,000 |
| SEWER UTIL TAX | 285,471 | 381,267 | 279,000 | 191,580 | 197,327 | 388,907 |
| SOLD WASTE UTIL TAX | 145,411 | 154,939 | 103,500 | 107,680 | 110,646 | 218,326 |
| CABLE UTILITY TAX | - | 138,610 | 142,000 | 200,000 | 203,000 | 403,000 |
| TELEPHONE TAX | 293,524 | 289,359 | 300,000 | 290,000 | 295,000 | 585,000 |
| STORM DRAIN UTIL TAX | 59,377 | 90,420 | 96,000 | 98,880 | 101,846 | 200,726 |
| PUNCH BOARD & PULL TAB TX | 3,099 | 1,985 | 2,000 | 2,000 | 2,000 | 4,000 |
| BINGO & RAFFLES TAX | 83 | 30 | 50 | 50 | 50 | 100 |
| AMUSEMENT GAMES TAX | 442 | 579 | 400 | 400 | 400 | 800 |
| LEASHLD EXCISE TX | 23,863 | 25,569 | 21,000 | 20,000 | 20,000 | 40,000 |
| ADMISSIONS TAX | 93,130 | 95,696 | 95,000 | 95,000 | 95,000 | 190,000 |
| TOTAL TAXES | 6,929,422 | 7,605,658 | 7,282,339 | 7,644,742 | 7,927,298 | 15,572,040 |
| LICENSES & PERMITS | | | | | | |
| POLICE & PROTCTV | 3,430 | 3,712 | 5,100 | 3,050 | 3,050 | 6,100 |
| PROF & OCCUPTNS | 30 | 30 | 30 | 30 | 30 | 60 |
| CBLE TV FRANCHISE | 149,238 | 174,789 | 152,000 | 159,000 | 163,750 | 322,750 |
| OTHR BUS LICENSES | 120,146 | 128,521 | 105,000 | 120,000 | 120,000 | 240,000 |
| BLDG, STRCTR & EQUIP | 265,546 | 506,786 | 325,000 | 500,000 | 550,000 | 1,050,000 |
| ANIMAL LICENSES | 3,044 | 115 | - | - | - | - |
| TOTAL LICENSES & PERMITS | 541,433 | 813,952 | 587,130 | 782,080 | 836,830 | 1,618,910 |

| GENERAL FUND REVENUE | | | | | | |
|----------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------------|
| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
| INTERGOVERNMENTAL | | | | | | |
| FED HWY PLAN & | 76,587 | 11,366 | - | - | - | - |
| FED-HWY SAFETY | 1,000 | 12,834 | - | 3,000 | 3,000 | 6,000 |
| FED-ALCOHOL TRAFF | 1,064 | - | - | - | - | - |
| FED-OCCU PROTECT | 1,016 | - | - | - | - | - |
| FED-PRIORITY SAFETY | - | 667 | - | - | - | - |
| FED-BOATING SAFETY | - | 6,742 | - | - | - | - |
| ADMIN OFFICE OF COURTS | 349 | 94 | 306 | 306 | 306 | 612 |
| ST-TRAFFIC SAFECOM GRT | 931 | - | - | - | - | - |
| CTED GRANT | 5,400 | 1,144 | - | - | - | - |
| DNR TIMBER TRUST 2 | 117 | 112 | - | - | - | - |
| CR JSTC-VLNT CRM/POPUL | 2,490 | 2,612 | 2,200 | 2,859 | 2,918 | 5,777 |
| DUI & OTHER CR JSTC ASST | 1,726 | 1,481 | - | - | - | - |
| LIQUOR/BEER EXCISE TAX | 18,011 | 26,613 | 44,079 | 47,681 | 50,145 | 97,826 |
| LIQR CONTRL BOARD PRFTS | 85,166 | 85,652 | 85,584 | 86,274 | 86,662 | 172,936 |
| KITSAP TRANSIT | 13,830 | 3,220 | - | - | - | - |
| SUQUAMISH TRIBE | - | 20,000 | - | - | - | - |
| NK SCHOOL DISTRICT | - | 13,854 | 29,500 | 52,243 | 60,898 | 113,140 |
| KITSAP CO - HUM SVCS | - | - | 55,854 | 221,666 | 221,666 | 443,332 |
| NW MARINE TRADE | - | - | 2,500 | - | - | - |
| TOTAL INTERGOVERNMENTAL | 207,686 | 186,389 | 220,023 | 414,029 | 425,595 | 839,623 |
| CHARGE FOR SERVICES | | | | | | |
| MUNI CT CIVIL FILINGS | 261 | 282 | 100 | 100 | 100 | 200 |
| MUNI CT ADMIN FEES | 7,733 | 11,544 | 8,000 | 8,000 | 8,000 | 16,000 |
| BUDGETING & ACCTG SRVCS | 22,727 | 15,779 | 13,000 | 15,000 | 16,000 | 31,000 |
| MUNI CT WORD PROC COPY SV | 205 | 322 | 50 | 50 | 50 | 100 |
| PUBLIC, PRINTING & OTHER | 1,964 | 1,268 | 900 | 1,100 | 1,100 | 2,200 |
| ENGINEERING SERVICES | 95,415 | 77,199 | 90,000 | 90,000 | 90,000 | 180,000 |
| LEGAL SERVICES | 16,190 | 14,942 | 14,000 | 8,000 | 7,000 | 15,000 |
| PASSPORT FEES | 20,350 | 17,825 | 20,000 | 20,000 | 20,000 | 40,000 |
| LAW ENFORCEMENT SVC | 5,064 | 19,949 | 5,000 | 5,000 | 5,000 | 10,000 |
| CFS DETENTION & CORR | 110,162 | 116,943 | 110,000 | 110,000 | 110,000 | 220,000 |
| PROTECTIVE INSPECTION FEE | 5,379 | 6,402 | 2,000 | 15,625 | 16,250 | 31,875 |
| EMERGENCY SVC FEE | 2,013 | 2,347 | 1,000 | 1,000 | 1,000 | 2,000 |
| ZONING & SUBDIVISION | 36,860 | 124,184 | 45,000 | 125,000 | 130,000 | 255,000 |
| PLAN CHECKING | 164,269 | 269,874 | 190,000 | 250,000 | 270,000 | 520,000 |
| COOP EXTENSION SVCS | 68,383 | 47,063 | 60,000 | 60,000 | 60,600 | 120,600 |
| ACTIVITY FEES | 15,382 | 15,839 | 13,000 | 15,000 | 15,150 | 30,150 |
| PROGRAM FEES | 394,826 | 410,434 | 429,000 | 454,000 | 458,540 | 912,540 |
| RESIDENTIAL FEE DISCOUNT | (9,678) | (10,489) | - | - | - | - |
| INTRFD GOVRNMT SRVCS | 1,113,632 | 1,202,281 | 1,228,879 | 1,425,081 | 1,425,081 | 2,850,162 |
| TOTAL CHARGE FOR SERVICES | 2,071,138 | 2,343,989 | 2,229,929 | 2,602,956 | 2,633,871 | 5,236,827 |

| GENERAL FUND REVENUE | | | | | | |
|--------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------------|
| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
| FINES & FORFEITURES | | | | | | |
| PROOF OF MV INSURANCE | 429 | 482 | 600 | 600 | 600 | 1,200 |
| TRAFFIC INFRACTION PNLTYS | 60,094 | 55,766 | 55,000 | 55,000 | 57,500 | 112,500 |
| NON-TRAF INFR PENALTIES | 291 | 270 | 100 | 100 | 100 | 200 |
| CIVIL PARKING INFR PENALT | 11,489 | 12,576 | 9,000 | 10,000 | 10,000 | 20,000 |
| DUI FINES | 745 | 1,003 | 1,000 | 750 | 750 | 1,500 |
| OTHER CRM TRF MSD FINES | 2,978 | 3,080 | 3,000 | 3,500 | 3,750 | 7,250 |
| BOATING SAFETY FINES | 2,091 | 1,155 | 500 | 1,000 | 1,000 | 2,000 |
| INVSTGTVF FD ASSESSMNTS | 2,348 | 6,092 | 2,000 | 1,000 | 1,000 | 2,000 |
| OTHER CRM NON-TRF MSD FINES | 1,147 | 2,059 | 2,000 | 2,000 | 2,000 | 4,000 |
| PUB DFNSE COST RECOUP | 1,418 | 815 | 2,000 | 500 | 400 | 900 |
| TOTAL FINES & FORFEITURES | 83,029 | 83,298 | 75,200 | 74,450 | 77,100 | 151,550 |
| MISCELLANEOUS | | | | | | |
| INVESTMENT INTEREST | 20,849 | 37,162 | 30,000 | 45,000 | 49,000 | 94,000 |
| GAIN(LOSSES) IN INVESTMNT | 11,686 | (15,374) | - | - | - | - |
| INTEREST ON RECEIV | 8,696 | 9,528 | 9,000 | 9,000 | 9,200 | 18,200 |
| INTEREST ACCT REC MUNI CT | 8,099 | 10,392 | 7,000 | 8,000 | 8,500 | 16,500 |
| EQUIPMT & VEH RENTAL ST | 3 | - | - | - | - | - |
| SPACE & FACILITY RENTAL | 2,630 | 2,550 | 2,500 | 1,500 | 1,500 | 3,000 |
| S/T SPC & FACILITY RENTAL | 23,449 | 26,923 | 24,000 | 27,000 | 27,000 | 54,000 |
| L/T SPC & FACILITY RENTAL | 29,251 | 29,251 | 31,620 | 31,620 | 31,620 | 63,240 |
| HOUSING RENTAL/SPECS | 10,635 | 6,718 | - | - | - | - |
| OTR RNTL LEASE CHARGES | 1 | 1 | 1 | 1 | 1 | 2 |
| CONTRIB & DONATIONS | 10,057 | 4,614 | 6,000 | 4,000 | 4,000 | 8,000 |
| SALES SCRAP/JUNK NON-CAP | 8,584 | 2,790 | - | - | - | - |
| JDGMENTS & STTLMENTS | | 21 | 6,734 | - | - | - |
| CASHIER OVRGE/SHRTAGE | 43 | 10 | - | - | - | - |
| OTHR MISC REVENUE | 10,945 | 14,931 | 14,000 | 14,000 | 14,000 | 28,000 |
| TOTAL MISCELLANEOUS | 144,927 | 129,518 | 130,855 | 140,121 | 144,821 | 284,942 |
| OTHER FINANCING SOURCES | | | | | | |
| PROC SALES OF CAPITAL AST | 5,715 | 19,461 | - | - | - | - |
| COMP FOR LSS INS RECOVERY | 1,506 | - | - | - | - | - |
| TRANSFERS IN | 21,246 | 53,600 | 37,000 | - | - | - |
| INSURANCE RECOVERIES | 613 | - | - | - | - | - |
| TOTAL OTHER FINANCING | 29,080 | 73,061 | 37,000 | - | - | - |
| TOTAL GENERAL FUND REVENUE | 12,042,372 | 13,398,828 | 13,725,026 | 14,243,997 | 14,251,524 | 28,495,520 |

BASELINE BUDGET

INTRODUCTION

This section of the budget presents the details of the City's baseline budget or, in other words, what is necessary to maintain existing services and programs at the current level. Data is presented by fund, with the General Fund presented in more detail by departments. The financial data includes a narrative describing the program funded. The narrative explains, in general terms, the character of the program and the activity highlights of the upcoming budget year. The proposed work program for 2017 & 2018 is summarized, providing an overview of how the funds will be expended.

The proprietary funds are displayed differently. The financial data for these funds is outlined in a working capital format, which not only describes the use of the funds but also examines the fiscal status of the fund itself. This format also summarizes the income associated with the fund.

The data is presented in a line item format, categorized at the expenditure object level. This is based on the Washington State BARS (Budgeting, Accounting and Reporting System), which governs the City's accounting procedures. Object level summarizes the expenditure into the following categories:

- **Salaries & Wages**
- **Personnel Benefits**
- **Supplies**
- **Other Services & Charges**
- **Intergovernmental/Interfund Services and Taxes**
- **Capital Outlay**
- **Debt Service: Principal**
- **Debt Service: Interest and Related Costs**
- **Interfund Payments for Services**

CITY OF POULSBO DEPARTMENT HEAD ORGANIZATION CHART



PROGRAM DESCRIPTION:

The General Fund is the City's largest component of the baseline budget, accounting for 30% of the total City budget. It provides funding for most of the operating services, programs, and employees of the City. The combined 2017-2018 Projected Budget for the General Fund totals \$24,666,126. In 2017, the projected total is \$12,037,988 and in 2018 the projected total is \$12,628,139. The General Fund Budget is divided into nine categories or functions. Those functions are: General Government, Public Safety, Utilities, Transportation, Natural & Economic Environment, Social Services, Culture and Recreation, Capital Outlay, and Debt Service. The category function of General Government is one of the largest and includes services provided by the Mayor, Council, Municipal Court, as well as the Finance and Clerk Departments. These services are generally administrative in nature and also include expenditures associated with Personnel, Information Services, and legal services, accounting for 28% of the General Fund. The Public Safety category includes Police and Detention and also makes up approximately 28%.

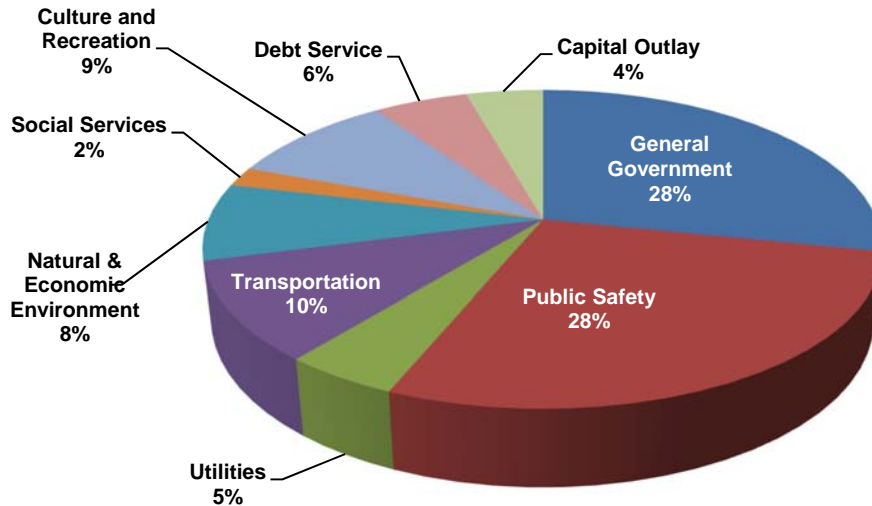
2017 & 2018 PROGRAM HIGHLIGHTS:

In year's past, the City's General Fund baseline budget has not significantly changed from one year to the next in terms of mix and levels of service provided. Departments submitted their 2017 and 2018 budgets at 2016 levels with the exception of wages and benefits and other contractual obligations. Several additional funding requests were made in the form of Baseline Adjustment Requests (BARS) and New Program Requests. City Council reviews the requests during the budget process and items approved are incorporated into the final budget. The requests and funding summary are located in Section 8.

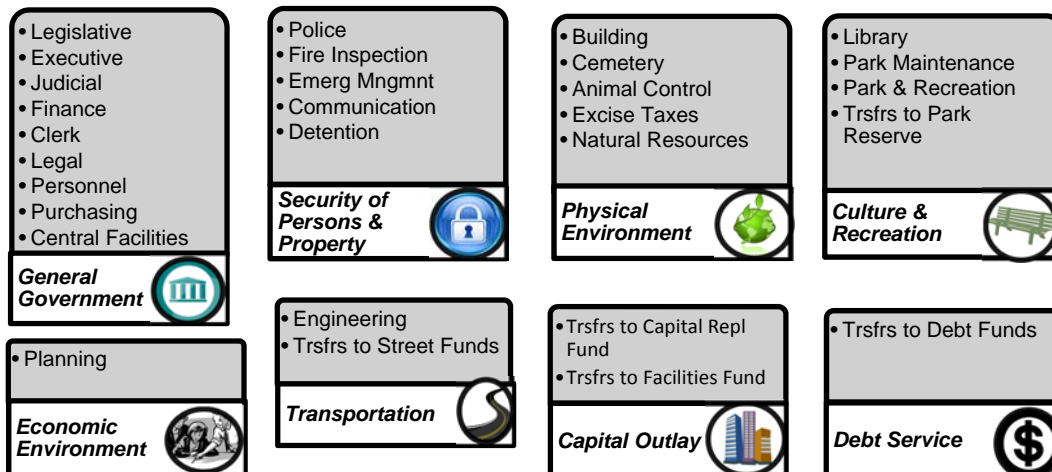
Wages and benefits have been projected with anticipated benefit rates and increases as established in current Bargaining Unit contracts. Retirement rates, administered by Washington State Retirement System, are established by state legislature. The rates have been increased per the recommended increase from Office of Financial Management. These increases have been built into the 2017 and 2018 budget.

In order to create a balanced budget, it is necessary to project use of City reserves in 2017 and 2018. The anticipation is that actual use will not be necessary, but the budget is adopted with the most conservative projections.

**2017-2018
General Fund Expenditures
(by type of government being supported)
\$24,666,126**



| Function | 2017 Amount | 2018 Amount | Combined Percent |
|--------------------------------|-------------------|-------------------|------------------|
| General Government | 3,397,949 | 3,517,441 | 28% |
| Public Safety | 3,370,814 | 3,505,966 | 28% |
| Utilities | 559,546 | 587,627 | 5% |
| Transportation | 1,203,343 | 1,253,104 | 10% |
| Natural & Economic Environment | 948,199 | 963,361 | 8% |
| Social Services | 237,561 | 237,782 | 2% |
| Culture and Recreation | 1,147,702 | 1,174,420 | 9% |
| Debt Service | 646,520 | 848,784 | 6% |
| Capital Outlay | 526,354 | 539,653 | 4% |
| Total General Fund | 12,037,988 | 12,628,138 | 100% |





LEGISLATIVE and EXECUTIVE DEPARTMENTS

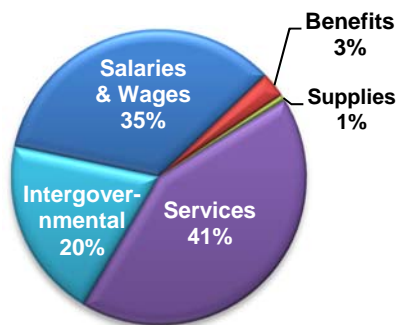
The Legislative Mission:

Our City's Council endeavors to balance residents' concerns and opinions with the law. The Council establishes the priorities of the City along with setting policies and a budget to allow the Mayor and Department Heads to run day-to-day business effectively and efficiently.

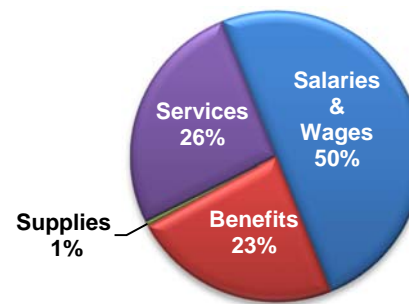
The Executive Mission:

To protect the citizens' best interests by fairly and faithfully administering the City's day-to-day business, carrying out the policies set by Council and ensuring all laws and ordinances are equally enforced.

**Legislative Department
Uses**



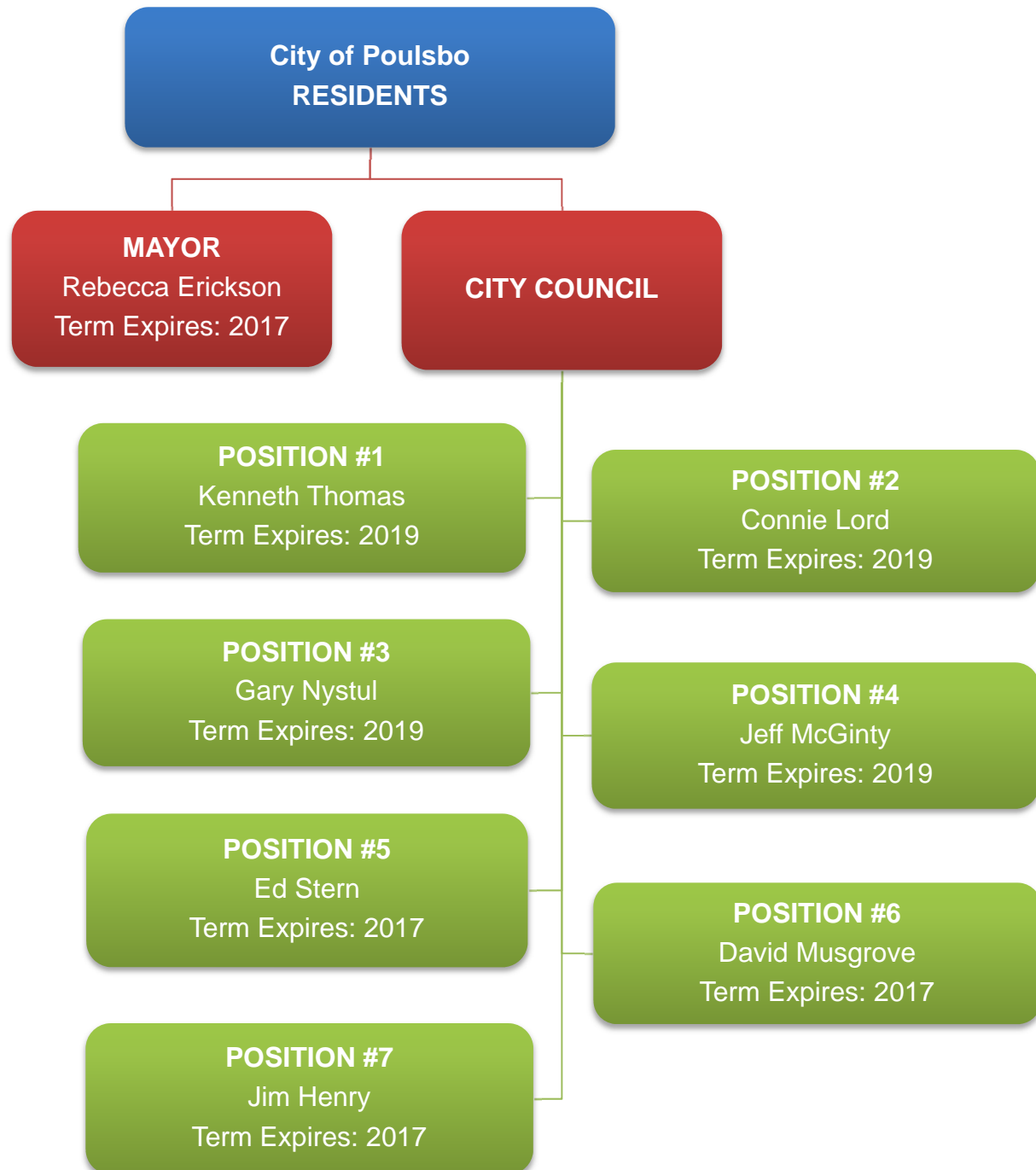
**Executive Department
Uses**



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| LEGISLATIVE | | | | | | |
| SALARIES | 42,000 | 41,796 | 54,000 | 54,000 | 63,000 | 117,000 |
| BENEFITS | 3,320 | 3,299 | 4,391 | 4,306 | 5,022 | 9,328 |
| SUPPLIES | 505 | 214 | 1,030 | 1,030 | 1,030 | 2,060 |
| OTHER SERVICES & CHARGES | 70,670 | 70,855 | 90,758 | 117,068 | 93,199 | 210,267 |
| TOTAL LEGISLATIVE | 116,495 | 116,164 | 150,179 | 176,404 | 162,251 | 338,655 |

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| EXECUTIVE | | | | | | |
| SALARIES | 71,138 | 71,778 | 73,214 | 74,678 | 76,172 | 150,850 |
| BENEFITS | 28,647 | 31,025 | 33,047 | 33,763 | 36,418 | 70,181 |
| SUPPLIES | 680 | 705 | 700 | 700 | 700 | 1,400 |
| OTHER SERVICES & CHARGES | 6,970 | 40,846 | 81,700 | 39,700 | 39,700 | 79,400 |
| TOTAL EXECUTIVE | 107,435 | 144,354 | 188,661 | 148,841 | 152,990 | 301,831 |

**CITY OF POULSBO
THE ORGANIZATION OF THE
LEGISLATIVE AND EXECUTIVE DEPARTMENTS**



CITY OF POULSBO COUNCIL COMMITTEES

In order to provide for the more efficient conduct of the City Council's business, the Council Advisory Committees described below were created. The Mayor recommends members of the Council for appointment and the Council appoints the Committee members. Committee members serve a two-year term and elect a chair every six months.

Finance/Administration Committee
Meets: 1st & 3rd Wednesdays, 5:00 PM

Gary Nystul
 Ed Stern
 Kenneth Thomas

Finance/Administration Committee:

considers matters related to the City Clerk's Department, Finance Department, Human Resources, Information Services, city audits, personnel issues, and salaries and wages.

Public Works Committee
Meets: 2nd & 4th Wednesdays, 5:00 PM

Connie Lord
 Jeff McGinty
 David Musgrove

Public Works Committee:

considers matters related to Engineering, Building and Public Works facilities and utilities development, maintenance and repair and operations.

Public Safety/Legal Committee
Meets: 3rd Wednesday, 4:00 PM

Jim Henry
 Jeff McGinty
 Ed Stern

Public Safety/Legal Committee:

considers matters related to the Police Department, the Municipal Court, the City Prosecutor/Risk Manager; and claims against the City, reports from the City Attorney, review of draft ordinances and other legal matters.

Economic Development Committee
Meets: 4th Wednesday, 3:30 PM

Connie Lord
 David Musgrove
 Ed Stern

Economic Development Committee:

considers matters relating to planning, business development, economic vitality and promotion of Poulsbo as a healthy City with a diverse business foundation.

Community Services Committee
Meets: 2nd Wednesday, 4:00 PM

Jim Henry
 Connie Lord
 Kenneth Thomas

Community Services Committee: considers matters related to the Parks and Recreation Department, library, the Marine Science Center, and other community services and makes recommendations regarding Special Events permits; reviews use of the City's lodging tax revenue as recommended to City Council by the Lodging Tax Advisory Committee. Committee members serve as liaisons with the: North Kitsap School District, Poulsbo Tree Board, Historic Downtown Poulsbo Association, and Greater Poulsbo Chamber of Commerce.

Council Liaison Assignments:

- **Kitsap Regional Coordinating Council Alternate:** Councilmember Stern
- **Poulsbo Historical Society:** Councilmember Henry
- **City/Suquamish Tribe Intergovernmental Committee:** Councilmembers Henry and Stern
- **North Kitsap School Board:** Councilmember Nystul
- **Lodging Tax Advisory Committee:** Councilmember Nystul
- **Port of Poulsbo:** Councilmember Musgrove
- **Historical Downtown Poulsbo Association:** Councilmember Lord

LEGISLATIVE & EXECUTIVE DEPARTMENTS

PROGRAM DESCRIPTIONS:

The Legislative and Executive Department budgets consist of those expenses incurred by the City's elected officials in the operation of the day-to-day business of the City.

The City Council has all the powers delegated by the State Constitution which are not specifically denied by state law. Poulsbo operates as a "Non-Charter" code city. The primary responsibility of the Council is to act as elected representatives of the citizens of the City and to legislate and set policies for the effective and efficient functioning of City government. Powers are delegated by the State Constitution. To that end, Council's goal is to be open and available to the citizens so that fair and equitable legislation will be adopted and realistic policies approved. The City Council meetings are held at 7:00 PM on the first, second and third Wednesdays of each month. Each of the seven Councilmembers also serve on committees providing liaisons to all City departments, boards, and various organizations throughout the City.

The Mayor is the chief executive and administrative officer of the City who is in charge of all departments and employees and ensures applicable ordinances and regulations are enforced, and law and order are maintained in the City. The Mayor presides over all meetings of the City Council, reports to the Council concerning financial and other needs of the City, and makes recommendations for Council consideration and action. The Mayor is the official and ceremonial head of the City.

During the budget process, the Mayor reviews the total financial program developed by the department heads and Finance Department and submits a proposed preliminary budget for City Council action.

Election costs are also accounted for in the Legislative budget. These costs vary from year to year depending on the number and size of elections.

STAFFING LEVEL:

The Executive Department consists of one full-time Mayor.

The Legislative Department (City Council) consists of seven council members.

2016 PROGRAM ACCOMPLISHMENTS

Executive

- Promoted private investment with increased housing starts with Mountain Aire, Summerset, Antonson Place, and Caldart Heights subdivisions
- Viking Avenue revitalization continued with increased sales taxes generated, Sumner RV and Sound Brewery relocation
- Facilitated pending Purchase and Sale Agreements for City properties including the old City Hall property and old Police Station
- Achieved a balanced budget while supporting increased revenue flows, and reduced taxes
- Employment repositioning with hiring in our Police, Prosecution, and Clerk's Department
- Continued open door policy for community outreach including Saturday with the Mayor
- Regional involvement in Housing Kitsap to help promote affordable housing, establish affordable housing ad hoc committee
- Regional board positions for Kitsap Transit, CENCOM, Department of Emergency Management, Kitsap Regional Coordinating Council including Executive Committee, Puget Sound Regional Council, Vice Chair Transportation Policy Board and Executive Committee member. Appointed to Body Camera Task Force for the Washington State Legislature.
- Worked with community service organizations in support of domestic violence victims and extending a social safety net to our most needy
- Worked with Kitsap County Health Department to facilitate grant and hire three mental health specialists to work with the City's court and police department

Legislative

- Partnered with Olympic College and Western Washington University for transfer of the lease of the Marine Science Center.
- Implementation of a Cemetery Committee to identify ways to improve the Poulsbo Community Cemetery

- Continued support in the City's efforts to implement best use for City properties, including the demolition of the old City Hall and approving a Purchase and Sale agreement of the old Police Station
- Continued joint meetings with Suquamish Tribe, Kitsap County, City of Bainbridge Island, Port of Poulsbo and North Kitsap School District
- Continued review process of the Comprehensive Plan Update
- Continued Intergovernmental Relationship with Suquamish Tribe

2016 LEGISLATIVE ELECTIONS

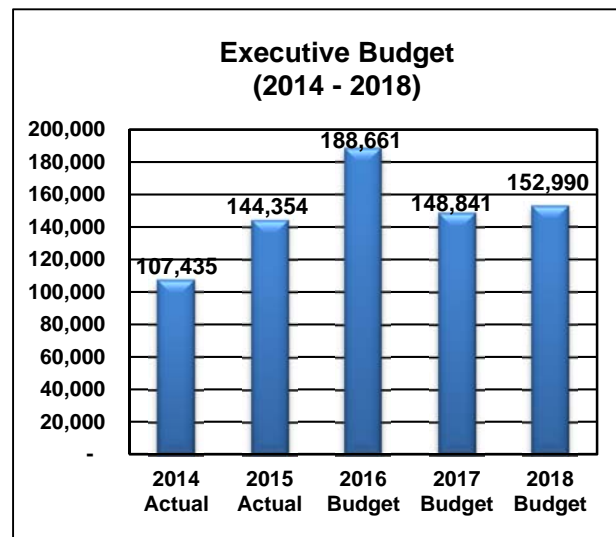
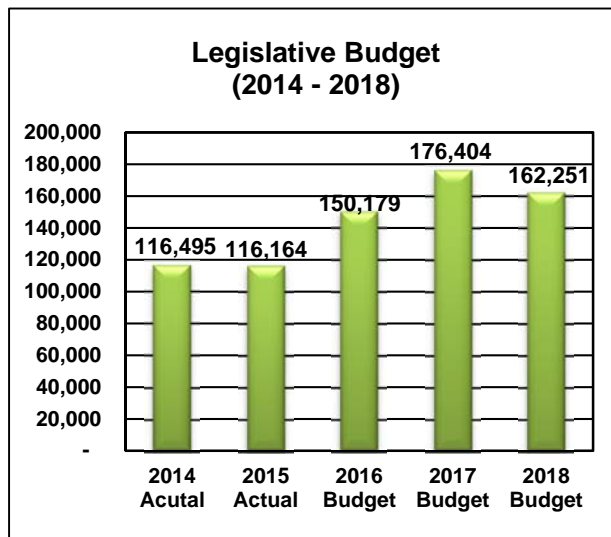
In January 2016, Council Members Kenneth Thomas, Connie Lord, Jeff McGinty and Gary Nystul were sworn in to office after re-election to their respective Council Positions (#1 through #4).

2017 LEGISLATIVE & EXECUTIVE ELECTIONS

At the end of 2017, the term for Councilmembers in Council Position #'s 5, 6 and 7 along with the term for Mayor will expire. The elections for these four positions will take place in November 2017, with those elected being sworn-in in January 2018.

2017 EXECUTIVE USES

Two New Program requests were approved for the 2017-2018 Budget for the Executive Department as ongoing programs. The first is ongoing funding for an Executive Aide to assist the Mayor in all areas with emphasis on the business community and administration of special projects. The second is ongoing funding for a travel allowance to be paid to the Mayor for mileage and parking fees incurred while using a personal vehicle for all city-related business.





ADMINISTRATIVE SERVICES

City Clerk Personnel Information Services Risk Management / City Prosecutor

CHIEF EXECUTIVE OFFICER

Mayor 1.0 FTE

Official and Ceremonial Head of City
Over all departments and all employees
Enforcement of all Ordinances and regulations
Presides over all City Council Meetings

CITY CLERK

City Clerk 1.0 FTE
Dep. City Clerk 1.0 FTE

Council Support

Records
Management

Business Licensing

City Hall Room
Rental

Public Records Requests

PERSONNEL

Human Res Mgr 1.0 FTE

Employee
Recruitment

Benefits,
Compensation and
Training
Coordination

Labor relations

Labor and Industries
Liaison

INFORMATION SVCS

Info Svcs Mgr 1.0 FTE
Info Tech Sr .5 FTE

Information services

Hardware and
Software
Management

Wide Area Network

RISK MANAGEMENT/ CITY PROSECUTOR

Risk Manager & City
Prosecutor 1.0 FTE
Paralegal 1.0 FTE

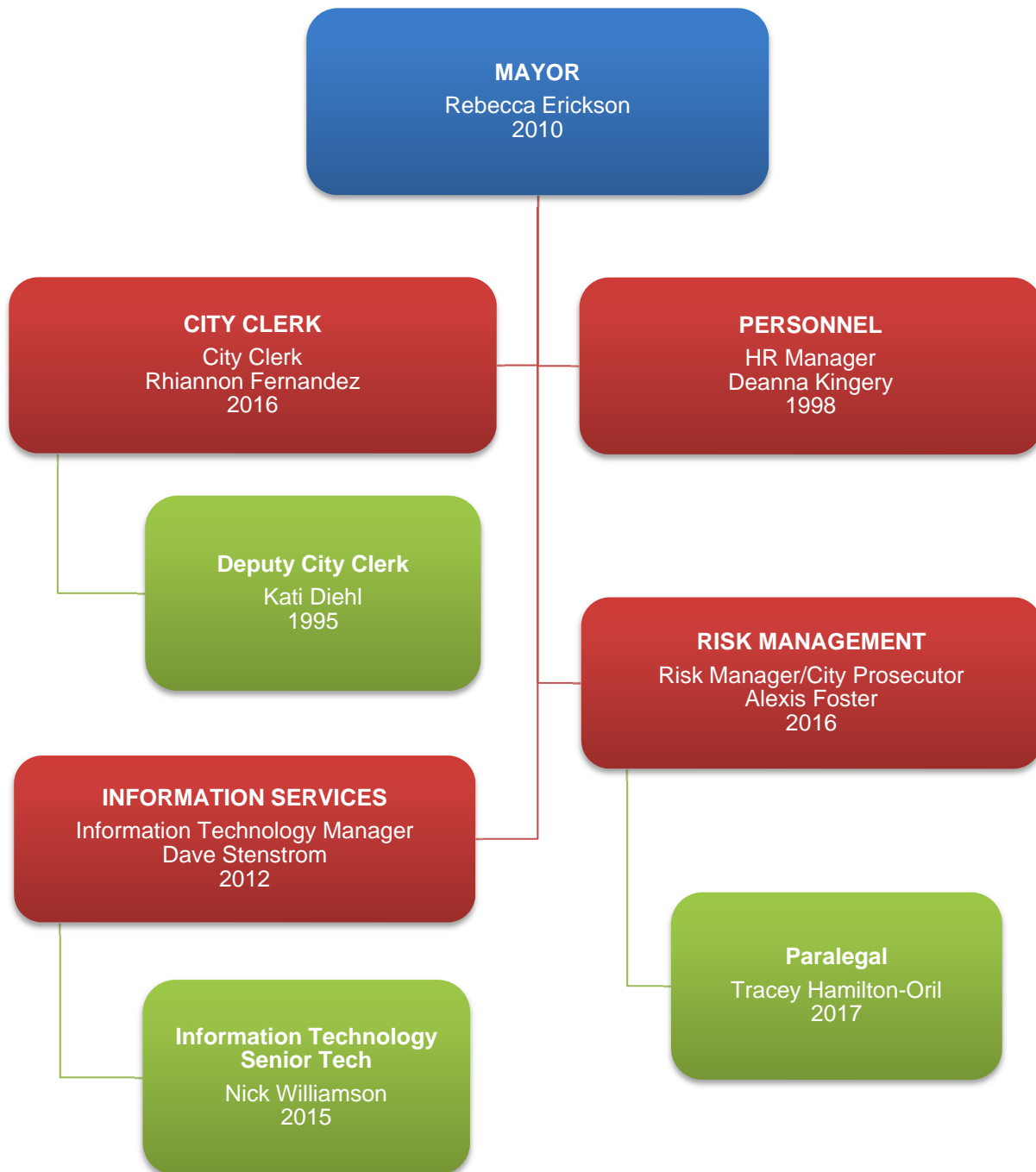
Assessment of Risk
Exposure

WCIA Delegate

Prosecute infractions,
misdemeanors and gross
misdemeanors

Contracts

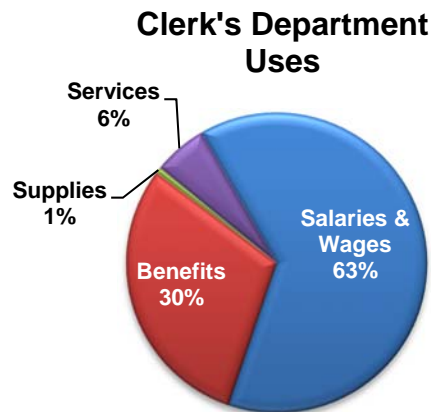
THE ORGANIZATION OF ADMINISTRATIVE SERVICES



CLERK'S DEPARTMENT

Mission Statement:

We, the members of the Clerk's Department, are committed to rendering neutral, impartial, considerate and equal service to all citizens as well as recording the truth and preserving all records entrusted to us.



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| CLERKS | | | | | | |
| SALARIES | 187,614 | 110,312 | 133,428 | 139,429 | 146,496 | 285,925 |
| BENEFITS | 82,591 | 52,995 | 62,634 | 64,511 | 70,559 | 135,070 |
| SUPPLIES | 2,211 | 1,420 | 1,450 | 1,450 | 1,450 | 2,900 |
| OTHER SERVICES & CHARGES | 10,706 | 5,188 | 13,158 | 12,958 | 12,958 | 25,916 |
| TOTAL CLERKS | 283,122 | 169,915 | 210,670 | 218,348 | 231,463 | 449,811 |

CLERKS DEPARTMENT

PROGRAM DESCRIPTION:

The Clerk's Department is the main information center for city government. In addition to providing information, the department maintains and updates the Poulsbo Municipal Code; has responsibility for all ordinances, resolutions, proclamations and policies; provides records maintenance and retention for most City departments; and responsible for public records requests.

Staff responsibilities include:

- Providing support to the Mayor and City Council
- Preparing Council agendas and extended agenda; and electronic agenda packets for placement on the City's web site
- Attending meetings, recording and transcribing Council meetings, Finance/Administration Committee meetings, special meetings, retreats, and workshop minutes
- Coordinating with Bremerton Kitsap Access Television for the televising of Council meetings
- Issuing and reviewing business, occupational licenses; and Issuing miscellaneous licenses and permits
- Processing ordinances, resolutions, contracts/agreements
- Processing real property documents and lawsuits
- Telephone answering; and mail processing and distribution
- Manage and oversee municipal website; and managing information for the Executive Legislative and Clerk Department portions of the City's web page.
- Create and publish monthly City E-newsletter
- Coordinating special events applications and city services requested
- Handling City Hall meeting room rentals/reservations
- Coordinating and processing public records requests
- Records retention instruction, storage, microfilming, access and notary services

STAFFING LEVEL:

The Clerk's Department consists of 2 full-time equivalent (FTE) positions. One full-time City Clerk and one full-time Deputy City Clerk.

The Deputy City Clerk position was newly approved beginning in 2017 as a New Program Request. This position was a re-classification from an Office Clerk II position to recognize the functions necessary to fulfill the needs of the department; focusing on records management initiatives along with support of the increasing workload due to the growing number of customers, public records requests, and administrative support to the Mayor. The Deputy City Clerk has .5 FTE of their salary allocated to the function of Business Licensing.

2016 PROGRAM ACCOMPLISHMENTS:

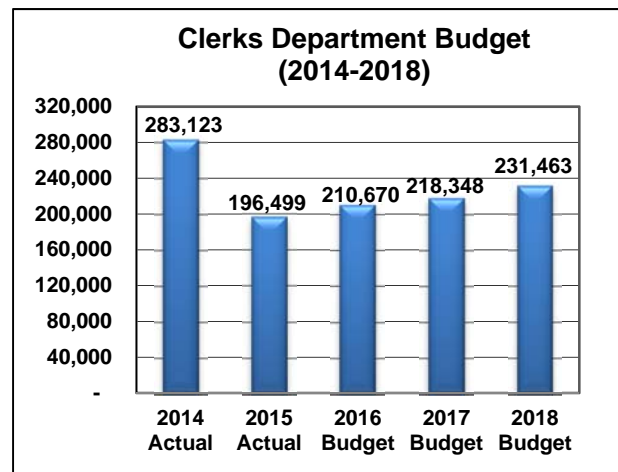
- Coordinated all facets of managing the increase in public records requests received in 2016 and completed the outstanding 2015 requests. Began tracking all police department public requests
- Resumed receiving and tracking all complaints received by the City via complaint form process and SeeClickFix.com
- Worked through backlog of Council meeting minutes and Finance-Administration Committee minutes to remain current on posting approved minutes on the City website
- Migrated to a new business licensing software ATLAS (Automated Tax and Licensing Administration System) with the Department of Revenue; thus, reducing the number of steps required to issue a license, gather reporting, and do regulatory work
- Continued to monitor and administer City Hall Facility Use Guidelines and Application process and facilitated meetings for non-profits, governmental agencies and private rentals

PROGRAM USES:

In 2017, a New Program Request was submitted and partial funding was awarded to implement an enterprise content management system in phases. Once software is selected, the Clerks Department and Planning Department will go live. This software will result in better record keeping and provide for effective and accurate searches in response to public records requests. Additional licenses for more departments and a web portal is still desired in 2018 in this phased approach.

Additionally, authorized for 2017, is the purchase and implementation of a public records request software program that will provide a comprehensive citizen web portal. In addition, funding is provided for a social media archiving tool. This will allow the City flexibility with its

social media presence by giving the City the ability to respond to public records requests for social media posts.



| CLERKS DEPARTMENT WORKLOAD MEASURES | | | | | |
|---|----------------|----------------|----------------|-------------------|-------------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| LEGISLATIVE SUPPORT SERVICES | | | | | |
| Ordinances Processed | 17 | 22 | 23 | 20 | 20 |
| Resolutions Processed | 14 | 19 | 25 | 20 | 20 |
| Council Meetings Staffed | 39 | 35 | 40 | 38 | 38 |
| Pages of Ordinances Codified | 145 | 119 | 254 | 160 | 160 |
| Finance Committee Meetings Staffed | 24 | 24 | 27 | 24 | 24 |
| Pgs of Meeting Minutes Processed | 183 | 197 | 342 | 300 | 300 |
| RECORDS MANAGEMENT | | | | | |
| Archival Record Retrievals | 85 | 84 | 60 | 85 | 100 |
| Public Records Requests | 165 | 130 | 275 | 250 | 250 |
| Boxes Transferred to Reg Archivist | 4 | 0 | 15 | 4 | 8 |
| Boxes Submitted for Destruction | 53 | 26 | 75 | 40 | 40 |
| Archives - Total Boxes Received & Transferred | 40 | 48 | 75 | 40 | 40 |
| ADMINISTRATIVE SERVICES | | | | | |
| Active Business Licenses | 1,952 | 1,834 | 1,944 | 1,950 | 1,950 |
| Business License Revenue | 120,661 | 128,521 | 131,762 | 110,000 | 110,000 |
| Signatures Notarized | 106 | 115 | 141 | 125 | 125 |
| Notary Revenue | 995 | 915 | 1,095 | 900 | 900 |
| Web Page Updates | 197 | 194 | 185 | 200 | 215 |
| City Hall Conference Room Reservations | 330 | 796 | 800 | 850 | 900 |
| City Hall Conference Room Revenue | 2,630 | 2,550 | 1,130 | 1,500 | 1,500 |
| E-Newsletters Distributed | 2,319 | 3,912 | 6,210 | 7,824 | 8,200 |
| Complaints Received | 79 | 76 | 113 | 115 | 130 |

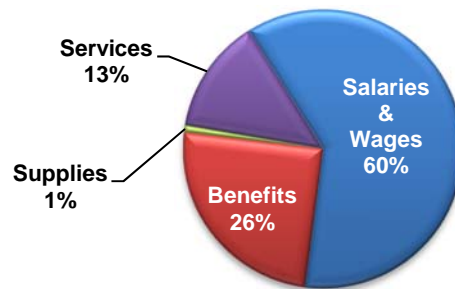


PERSONNEL DEPARTMENT

Mission Statement:

The Personnel Section serves the interests of the City by supporting, developing, and protecting its most valuable resource-people. Personnel will provide guidance in the development, implementation, and equitable administration of policies and procedures, thus fostering a positive work environment.

Personnel Department Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| PERSONNEL | | | | | | |
| SALARIES | 79,805 | 84,409 | 88,176 | 93,113 | 95,866 | 188,979 |
| BENEFITS | 30,735 | 32,810 | 35,432 | 36,932 | 39,982 | 76,914 |
| SUPPLIES | 382 | 473 | 1,000 | 1,250 | 1,250 | 2,500 |
| OTHER SERVICES & CHARGES | 12,676 | 20,315 | 21,620 | 20,786 | 20,786 | 41,572 |
| TOTAL PERSONNEL | 123,598 | 138,008 | 146,228 | 152,081 | 157,884 | 309,965 |

PERSONNEL DEPARTMENT

PROGRAM DESCRIPTION:

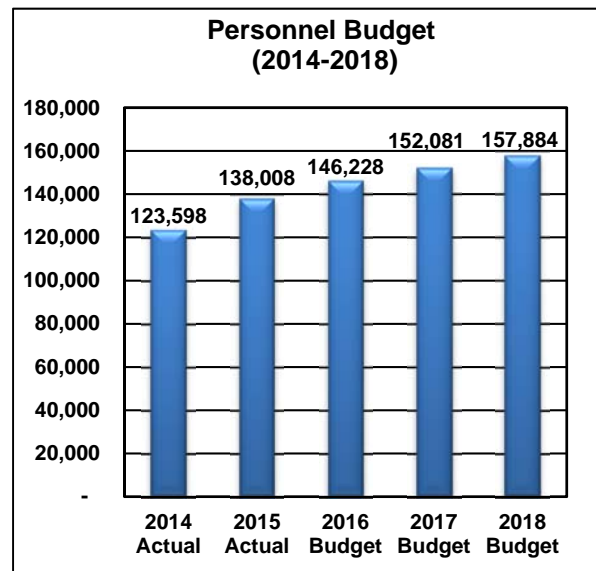
The Personnel Department coordinates services and programs which assist City departments in developing and maintaining a qualified, effective and diverse workforce and provides employment-related services to the City's employees and to job applicants. Functions include:

- Employee recruitment, testing and selection
- Classification and compensation, including development and maintenance of job descriptions and compensation plans
- Benefits coordination, including administration of the employee health insurance and retirement benefit programs
- Employee relations, including labor negotiations and dispute resolution
- Employee development, including coordination of the City-wide employee training requirements
- Civil Service Secretary/Examiner
- Labor and Industries Coordinator,
- Equal Employment Opportunity, including the investigation of harassment and discrimination complaints

The budget includes costs associated with the hiring of personnel, including police civil service costs. Some training for City employees is also partially paid out of this budget. To stay current with the legal mandates for hiring, maintaining, disciplining and terminating employees, the Human Resources Manager attends the AWC Labor Relations Institute and other pertinent personnel-related seminars.

2016 ACCOMPLISHMENTS:

- Assisted the following departments with filling open positions:
 - Clerk - City Clerk
 - Engineering – Field Inspector/ Construction Supervisor
 - Finance - Accounting Clerk and Accounting Technician
 - Planning – Associate Planner
 - Police – Police Officer, interim Public Safety Director, Police Chief
 - Prosecutor - City Prosecutor / Risk Manager
 - Public Works – Water Quality Technician



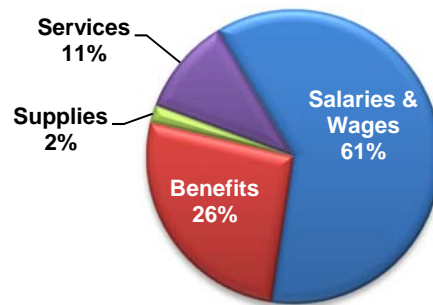
| PERSONNEL DEPARTMENT PERFORMANCE MEASURES | | | | | |
|---|-------------|-------------|-------------|----------------|----------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of approved L&I claims | 8 | 13 | 8 | 8 | 8 |

INFORMATION SERVICES DEPARTMENT

Mission Statement:

The Information Services Department is committed to providing a stable computing environment, reliable and responsive information technology support services, technological leadership and vision in support of the City's business requirements.

Information Services Department Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| INFORMATION SERVICES | | | | | | |
| SALARIES | 102,503 | 109,282 | 118,352 | 124,084 | 129,317 | 253,401 |
| BENEFITS | 38,098 | 45,354 | 50,514 | 52,356 | 57,050 | 109,406 |
| SUPPLIES | 6,343 | 12,308 | 4,000 | 4,000 | 4,000 | 8,000 |
| OTHER SERVICES & CHARGES | 12,584 | 14,801 | 22,249 | 22,249 | 22,249 | 44,498 |
| TOTAL INFORMATION SVCS | 159,528 | 181,745 | 195,115 | 202,689 | 212,616 | 415,305 |

INFORMATION SERVICES DEPARTMENT

PROGRAM DESCRIPTION:

The Information Services (IS) Department selects, implements, maintains and supports all things technology related including:

- telephone systems
- software and database systems
- website
- network security
- computers and server systems
- wired and wireless network infrastructure

The program budgeted herein recognizes and addresses the importance of the Information Services Department to meet the ever-increasing citizen expectation for a more open and digitally accessible government, and to meet the objectives of all departments, boards and committees.

STAFFING LEVEL:

In 2017 & 2018, Information Services (IS) will be staffed by one IS Manager, and one IS Senior Technician. The Technician will be supporting the telemetry program in the water and sewer system. The telemetry function needs technology support as the program is computer based. To augment the City's IS department there is a time and materials agreement with Right Systems! Inc. (RSI) for various technology support services which include network, and phone needs.

INFORMATION SERVICES FUNCTIONS:

- Deliver timely and effective responses to customer requirements and requests
- Provide vision, leadership, and a framework for evaluating emerging technologies and implementing proven information technology solutions
- Provide citizens, the business community and City staff with convenient access to appropriate information and services through technology
- Develop and maintain technically skilled staff that will be competent in current and emerging information technology so they can employ modern technologies to maximize benefits
- Provide a reliable communication and secure computer infrastructure on which to

efficiently conduct City business operations today and in the future

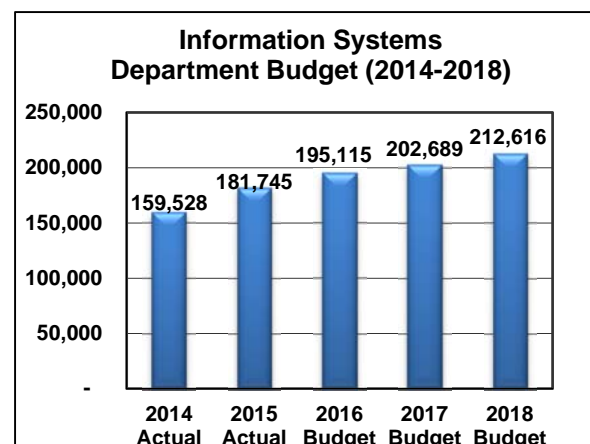
- Increase the City's electronic communication internally and externally to promote a paperless environment

2016 PROGRAM ACCOMPLISHMENTS:

- Purchased and replaced computers as part of the computer replacement cycle
- Replaced IP phone system
- Replaced and enhanced wireless networking in City Hall
- Upgraded network Firewall, SPAM firewall, network capacity, and all network Uninterruptable Power Supplies.
- Upgraded Council Chamber BKAT broadcasting equipment
- Installed new Virtual Private Network access
- Upgraded Public Works Telemetry system and configuration for remote network control and access
- Implemented Panic Button alarm systems in City Hall, Public Works and Parks & Rec buildings
- Re-keyed City Hall
- Identified hardware and help implement Mobile Computer Terminals (MCT's) for Police Department.
- Upgraded Public Works Telemetry system and configuration for remote network control and access.
- Added additional network capacity to City Hall

2017 PROGRAM USES:

A New Program Request was approved for a one-time purchase in 2017 for Security Cameras. These cameras will be located at strategic locations both inside and outside City Hall to include the parking garage.



RISK MANAGEMENT & CITY PROSECUTOR DEPARTMENT

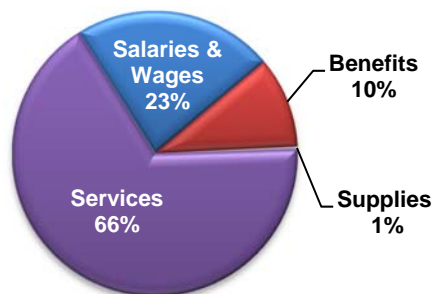
Risk Management Mission Statement:

The mission of the Risk Management Department is to protect the City of Poulsbo's assets and resources and to collaborate with staff to help them meet their goals thereby minimizing the probability, occurrence and impact of losses to the City of Poulsbo.

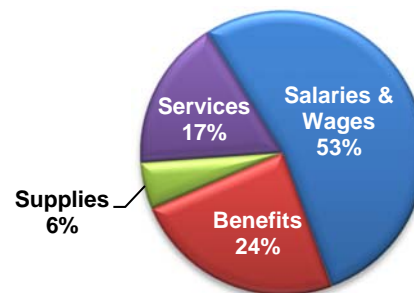
City Prosecutor Mission Statement:

The mission of the City Prosecutor is to ethically, effectively and justly prosecute all adult misdemeanor and infraction violations of state and local laws occurring within the City; protect the rights of crime victims, and create and preserve an environment of safety and security for the citizens of Poulsbo.

**Risk Management
Uses**



**City Prosecutor
Uses**



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| RISK MANAGEMENT | | | | | | |
| SALARIES | - | 56,299 | 46,152 | 75,330 | 79,260 | 154,590 |
| BENEFITS | - | 21,702 | 18,113 | 33,441 | 36,605 | 70,046 |
| SUPPLIES | - | - | 876 | 876 | 876 | 1,752 |
| OTHER SERVICES & CHARGES | 161,587 | 145,677 | 179,821 | 215,478 | 236,703 | 452,181 |
| TOTAL RISK MANAGEMENT | 161,587 | 223,678 | 244,962 | 325,125 | 353,444 | 678,569 |

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| PROSECUTOR | | | | | | |
| SALARIES | - | 55,674 | 78,621 | 75,330 | 79,260 | 154,590 |
| BENEFITS | - | 21,664 | 33,623 | 33,441 | 36,605 | 70,046 |
| SUPPLIES | - | 3,092 | 5,000 | 9,000 | 6,500 | 15,500 |
| OTHER SERVICES & CHARGES | 97,051 | 6,372 | 25,000 | 25,000 | 25,000 | 50,000 |
| TOTAL PROSECUTOR | 97,051 | 86,802 | 142,244 | 142,771 | 147,365 | 290,136 |

RISK MANAGEMENT

PROGRAM DESCRIPTION:

The Risk Management Department coordinates services and programs which assist City departments in minimizing the probability, occurrence and impact of losses to the City.

Risk Management Functions include:

- Serve as the City delegate to the Washington Cities Insurance Authority (WCIA)
- Coordinate and assist with claims and litigation management
- Manage updates to the Poulsbo Municipal Code to ensure consistency
- Review contracts for City departments and assist with ensuring contract compliance
- Serve as American with Disabilities Act coordinator
- Assist with special projects as requested by the Mayor

The budget includes costs associated with training, travel and dues to ensure compliance with Washington Cities Insurance Authority delegate responsibilities and to stay current on legal requirements and best practices for City operations.

This budget also includes expenditures related to liability and property insurance costs. Government functions are charged to the General Fund. Amounts related to the utility funds are charged directly to those funds.

STAFFING LEVEL:

The Risk Management/City Prosecutor Department was created in 2015 and up until 2017 was staffed by one full-time Risk Manager/City Prosecutor and one .5 FTE support staff person.

A New Program Request was approved authorizing for the hire of one FTE Paralegal in 2017. This full-time Paralegal allows the department to provide the required level of service necessary both internally and externally due to ever increasing workloads. The previous .5 FTE providing this support was shared by the Police department and has returned to their department full-time.

2016 ACCOMPLISHMENTS:

Risk Management

- City completed all 2016 Washington City Insurance Authority COMPACT requirements, including successful completion of risk audit focused on City sidewalks
- Made progress towards ongoing Municipal Code review project
- Reviewed body worn camera policy for Police Department
- Drafted ordinances related to camping and drug related loitering in/on City owned property
- Assisted with the creation and implementation of a Naloxone program for the Police Department
- Contributed to revision and review of City processes and procedures related to public records retention and disclosure.
- Ensured City compliance with the Open Government Trainings Act

CITY PROSECUTOR

PROGRAM DESCRIPTION:

The City Prosecutor Department is entrusted with the prosecution of all adult misdemeanor and infraction violations of state and local law. After the investigating agency presents a case for potential prosecution, the City Prosecutor must independently review the facts and law to determine if the matter is appropriate for criminal prosecution. The City Prosecutor reviews over 200 cases per year for criminal charging from the Poulsbo Police Department alone. While the Kitsap County Prosecutor's Office prosecutes all felonies and juvenile cases, cases prosecuted by the City Prosecutor range from relatively minor offenses to significant acts of violence, including acts of domestic violence. A small sampling of the offenses prosecuted by the City Prosecutor include:

- Driving Under the Influence of Alcohol or Drugs
- Assault 4th Degree
- Violation of a Protection Order
- Hit and Run
- Use of Drug Paraphernalia
- Harassment
- Reckless Endangerment
- Cyberstalking

- Indecent Exposure
- Malicious Mischief
- Criminal Trespass
- Theft

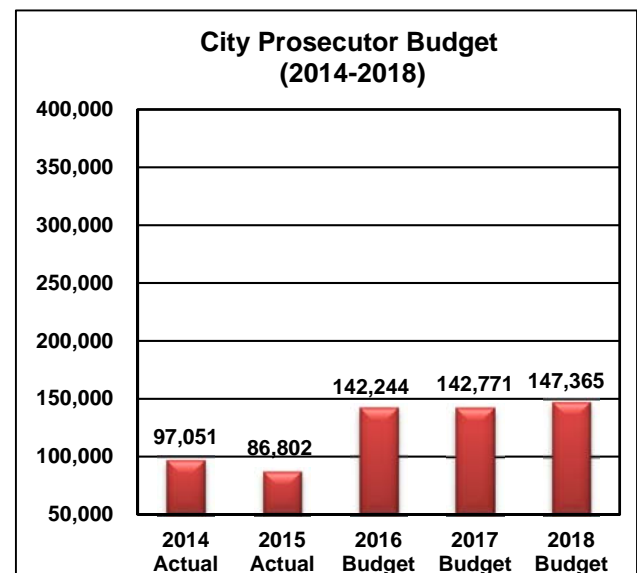
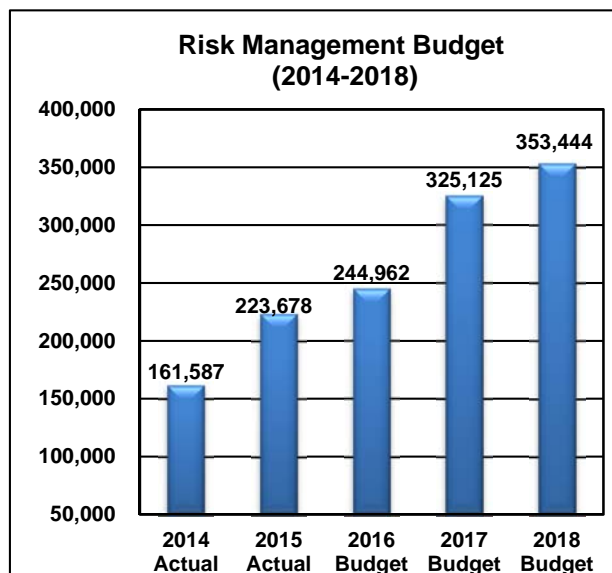
In addition to prosecution, City Prosecutor Functions include:

- Serve as the City's legal advisor on all criminal matters, civil and traffic infractions, and crime-related property forfeitures.
- Protect and ensure the rights of crime victims through successful prosecution, and necessary communication from the City Prosecutor
- Provide regular legal updates and training related to criminal matters to local law enforcement
- Promote and foster education of the public about the criminal justice system, crime prevention, and victims' rights
- Work in cooperation with other agencies, public officials, and community business leaders to create successful partnerships to improve the quality of life for the people of Poulsbo

2016 ACCOMPLISHMENTS:

City Prosecutor

- Continued the successful transition of prosecution services in house, resulting in an increase number of case referrals and local point of contact for victims of crime in Poulsbo.
- Supported the coordination of efforts between the YWCA of Kitsap County, and the Suquamish Tribe Victim Advocate, to ensure the regular presence of a victim advocate during weekly court hearings.
- Established new processes to maintain and increase communication with crime victims and witnesses
- Restructured filing and case numbering system to achieve consistency.
- Assisted the Cities of Bremerton and Port Townsend pursuant to Interlocal Agreements for back-up prosecution services.
- Maintained regular contact with the Police Department to discuss, review and provide legal advice on criminal matters.





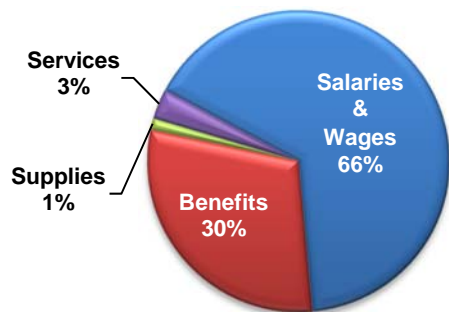
ENGINEERING & BUILDING DEPARTMENT

Mission Statement:

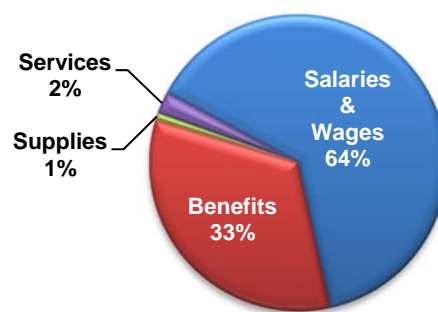
The City of Poulsbo Engineering & Building Department strives to support the City's Vision Statement and promotes public health, safety, and welfare by

- *Assisting in the development of the City's existing sewer, storm, water and street infrastructure;*
- *Administering the City's transportation grant funding program;*
- *Ensuring that new projects meet City standards;*
- *Accomplishing our work in a professional, timely, and cost-effective manner*

**Engineering Department
Uses**



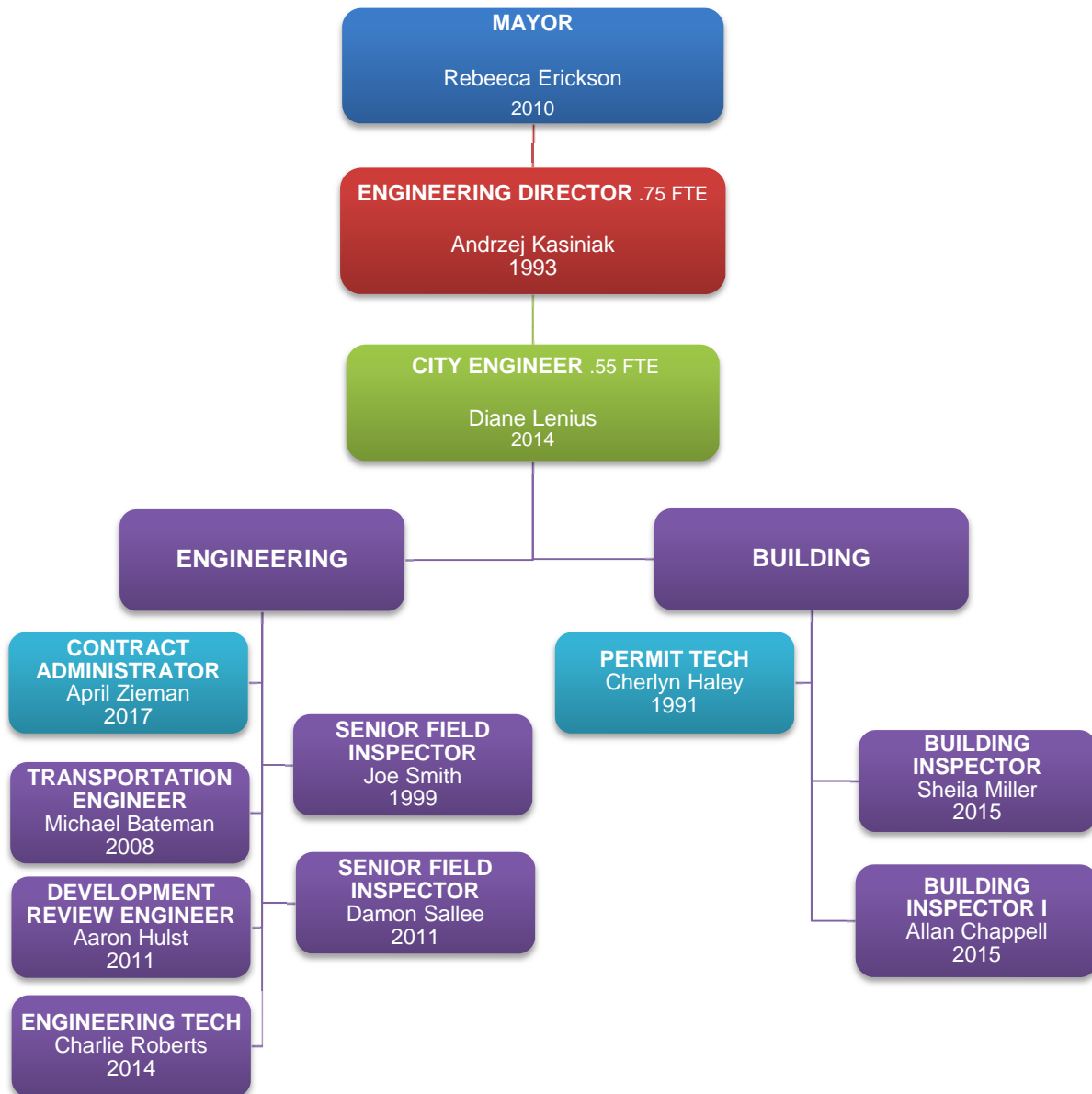
**Building Department
Uses**



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| ENGINEERING | | | | | | |
| SALARIES | 289,795 | 318,070 | 347,734 | 392,474 | 410,752 | 803,226 |
| BENEFITS | 118,307 | 141,411 | 161,218 | 175,236 | 188,919 | 364,155 |
| SUPPLIES | 9,673 | 7,037 | 7,293 | 7,750 | 7,183 | 14,933 |
| OTHER SERVICES & CHARGES | 110,153 | 83,176 | 96,970 | 19,333 | 19,900 | 39,233 |
| TOTAL ENGINEERING | 527,928 | 549,694 | 613,215 | 594,793 | 626,754 | 1,221,547 |

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| BUILDING | | | | | | |
| SALARIES | - | 166,975 | 197,384 | 191,717 | 196,187 | 387,904 |
| BENEFITS | - | 83,970 | 103,617 | 96,829 | 105,013 | 201,842 |
| SUPPLIES | - | 6,816 | 3,450 | 2,250 | 2,250 | 4,500 |
| OTHER SERVICES & CHARGES | - | 5,808 | 11,800 | 7,175 | 7,175 | 14,350 |
| TOTAL BUILDING | - | 263,569 | 316,251 | 297,971 | 310,625 | 608,596 |

ORGANIZATION OF THE ENGINEERING AND BUILDING DEPARTMENT



ENGINEERING & BUILDING DEPARTMENT

PROGRAM DESCRIPTION:

The Engineering and Building Departments provide services to the public and other City departments in the following areas:

- Regional Transportation Planning
- City Long Range Planning
- Current Planning
- Contract Administration
- Construction of Public Facilities
- Construction of Private Facilities
- Building Code Enforcement
- Building Plan Review
- Construction Permitting

SERVICES PROVIDED:

The Engineering Department provides technical assistance to Kitsap Regional Coordinating Council; develops the City comprehensive sanitary sewer, water, storm water, and transportation plans; provides contract management services to several City departments; implements the City's Capital Improvement Plan (CIP); provides federal and state grant writing and grant administration services; reviews land use applications; performs field inspections and material testing; processes utility extension agreements, right of way and site construction permits, right of way vacation requests, and local improvement district applications.

The Building Department is responsible for and enforces the International Building Code; provides inspection services and plan review services, and issues permits.

The Engineering and Building Departments strive to build and maintain cooperative and productive relationships with both the private and the public sectors. Both departments take pride in providing courteous and professional service to customers by providing a timely turn-around of applications, inspections, plan reviews, and permits.

STAFFING LEVEL:

In 2017, the Engineering and Building Departments consist of 10.30 full-time positions: An Engineering Director (0.75 FTE), a City Engineer (0.55 FTE), one Contract Administrator, one Engineering Technician, one Development Review Engineer, one

Transportation Engineer, two Senior Field Inspectors, one Permit Technician, and two Building Inspectors. The Engineering Director and City Engineer positions are also shared with Public Works (0.25 and 0.45 FTE, respectively.)

A New Program Request was approved for 2017 authorizing the re-classification of two Senior Engineering Technicians to the newly created classifications of Development Review Engineer and Transportation Engineer. These positions were developed to address high level functions necessary for large complex project work, direct administration of grant applications and management of private development and public transportation projects accordingly.

2016 ACCOMPLISHMENTS:

Engineering

- Reviewed land use applications for conformance with City standards
- Processed ordinances to implement the new Stormwater GFC and Concurrency
- Coordinated with the Public Works Department on the development of and review process for the RFP for Solid Waste Collection Services
- Coordinated and supported the Public Works department on the telemetry upgrades and water meter replacements
- Completed updates to the Comprehensive Plans for transportation, sewer, and storm
- Completed the Liberty Bay TMDL project that was partially funded by the DOE
- Completed the GIS Mapping project
- Completed an inventory of City streets for repair and maintenance cycling as part of the Street Maintenance Program
- Completed multiple public works projects including Smoke Testing of the Village Basin for I&I identification, the Hostmark Utility Mains project, the City-wide Pavement Restoration on Hostmark, and the Viking Ave PRV Stations project, and the demolition of old city hall
- Continued design on numerous projects: pump station upgrades to Liberty Bay Pump Station and Poulsbo Village Pump Station; the new Public Works Facility; the Small Anderson Parkway project; and the Liberty Bay Waterfront Trail
- Also continued design on the Noll Road Improvements project and initiated the right-of-way acquisition process

- Initiated design for the Finn Hill Reconstruction project and for the Raab Tank & Booster Station project
- Finalized the grant agreement with DOE for the Small Anderson Parkway project
- Applied for multiple grant funding opportunities for capital projects including but not limited to: the Poulsbo Park and Ride, Johnson Parkway segment of Noll Road, Forest Rock Pavement Restoration, Finn Hill Restoration, West Poulsbo Waterfront Park, and 7th/8th Ave Basin
- Staff completed multiple training courses through WSDOT and other opportunities to ensure our ability to comply with state and federal regulations

2016 ACCOMPLISHMENTS:

Building

- Implemented new permitting software internally and began the implementation of the associated public portal
- Staff completed various training courses to earn and/or maintain required certifications
- Processed PMC updates related to the adoption of the current edition of the International Building Code
- Maintained level of service to meet or exceed customer needs for residential and commercial plan reviews and building inspections as often as possible. Plan reviews: Residential – 2 weeks; Commercial – 4 weeks. Inspections: Residential – Monday, Wednesday and Friday with overflow Tuesday, and Thursday as needed. Commercial – 5 days a week.

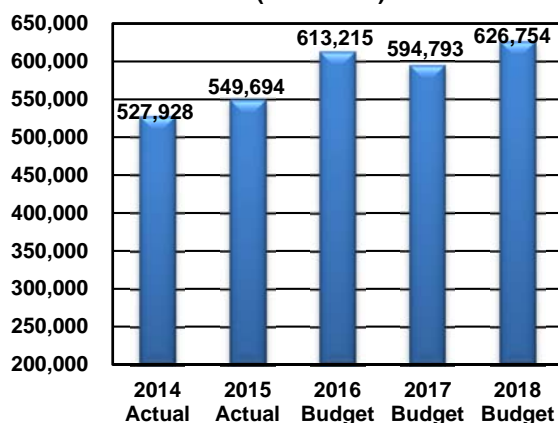
PROGRAM USES:

The Engineering Department Budget for 2016 exceeded 2015 actual due to professional services approved for one-time project expenses. The Building Department was a function within the Planning Department prior to 2015; therefore there were no actual budget numbers reported separately for 2014.

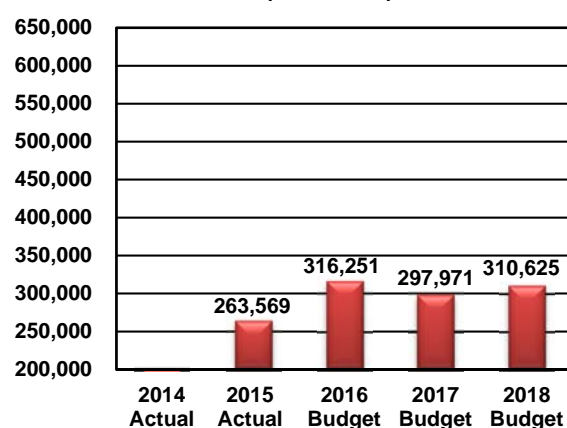
2017-2018 GOALS AND WORK PLAN:

- Continue to review land use applications, right-of-way permits, right of way vacation requests, public information requests and other private land use actions for conformance with City standards
- Continue to support completion of permitting and construction of proposed plats and commercial distressed properties
- Maintain current turn-around time for private development projects
- Plan for and develop public works projects on the Capital Improvement Plan, including projects for storm, sewer, and water utilities as identified in the CIP
- Continue to inspect and monitor private construction projects
- Continue to develop the new Public Works Facility
- Continue to monitor and apply for grants for planning and infrastructure improvements throughout the City
- Support the City Council goal to create utility easements that include public pedestrian access
- Continue to monitor storm system flooding, capacity issues and implement plans to resolve issues
- Continue to maintain the established level of service for plan reviews and inspections

**Engineering Department
(2014-2018)**



**Building Department
(2014-2018)**



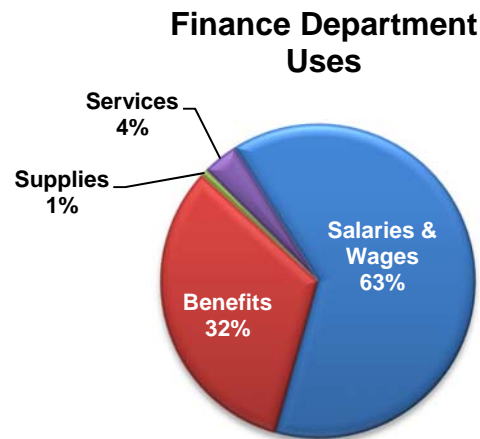
| CONTRACTING WORKLOAD MEASURES | | | | | |
|--|-------------|-------------|-------------|----------------|----------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Awarded from Small Works Roster | 0 | 0 | 10 | 2 | 1 |
| Consultant Agreements | 13 | 20 | 24 | 28 | 25 |
| Formal Bids | 4 | 2 | 7 | 9 | 7 |
| LAND USE, PERMIT AND INSPECTION WORKLOAD MEASURES | | | | | |
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Right of Way Permits | 64 | 56 | 51 | 57 | 65 |
| Land Use Applications - Reviewed, Conditions or Comments written | 46 | 53 | 52 | 41 | 45 |
| Grading-Site Construction Permit/Application | 8 | 5 | 18 | 8 | 10 |
| *Commerical Sites - Land Use Applications | 5 | 8 | 14 | 4 | 4 |
| *Residential Sites - Land Use Applications | 6 | 6 | 7 | 7 | 7 |
| Engineering Services Revenue | \$95,414 | \$77,199 | \$68,392 | \$90,000 | \$90,000 |
| *Does not include storm detention ponds or storm vaults *Commercial and Residential site development inspections occur on a daily basis. Inspections for structures occur w hen scheduled | | | | | |
| BUILDING PERMITS | | | | | |
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Building Permits Issued | 288 | 450 | 505 | 350 | 375 |
| Building Permit Revenue | \$429,814 | \$783,062 | \$933,246 | \$665,625 | \$671,250 |
| Certificates of Occupancy Issued - Resid | 98 | 99 | 113 | 99 | 100 |
| Certificates of Occupancy Issued - Comm | 5 | 2 | 2 | 4 | 5 |
| Number of Inpsections | 2,905 | 2,974 | 4,226 | 3,200 | 3,300 |



FINANCE DEPARTMENT

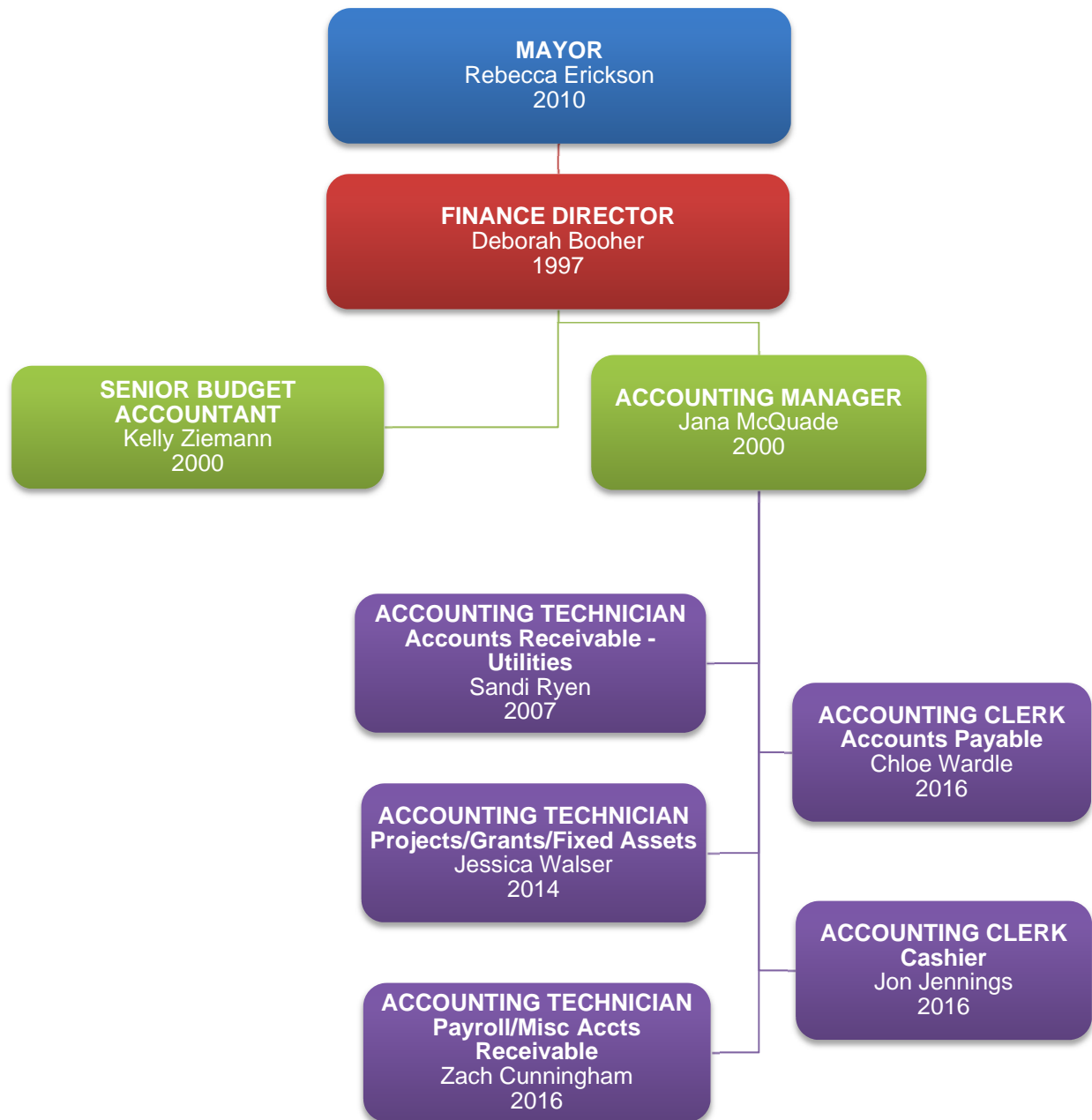
Mission Statement:

The Finance Department strives to provide exceptional service while safeguarding resources with integrity and efficiency.



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FINANCE | | | | | | |
| SALARIES | 439,714 | 454,931 | 557,255 | 540,127 | 563,348 | 1,103,475 |
| BENEFITS | 193,630 | 203,980 | 256,071 | 255,092 | 278,221 | 533,313 |
| SUPPLIES | 4,818 | 4,663 | 8,250 | 8,250 | 8,250 | 16,500 |
| OTHER SERVICES & CHARGES | 17,167 | 20,329 | 29,486 | 29,486 | 29,486 | 58,972 |
| TOTAL FINANCE | 655,329 | 683,903 | 851,062 | 832,955 | 879,305 | 1,712,260 |

THE ORGANIZATION OF THE FINANCE DEPARTMENT



ACCOUNTING & BUDGETING SECTIONS

PROGRAM DESCRIPTIONS:

The Accounting and Budgeting divisions analyze, record, and communicate the City's economic events. Financial records management and general financial administrative services are provided for the benefit of the public, other city departments, and the governmental body as a whole. High quality and low cost are its primary objectives by providing information to facilitate the decision making process. Most department operations are mandated by federal, state and city laws along with various regulatory agencies; while simultaneously adhering to the established accounting and financial reporting standards as set by the Governmental Accounting Standards Board (GASB). State law guidelines are recorded and distributed in a manual published by the Washington Auditor's Office. This manual is referred to as the Budgeting Accounting and Reporting System (BARS).

Some responsibilities of the Accounting and Budgeting divisions are:

- Accounts Payable
- Accounts Receivable
- Payroll
- Project Accounting
- Preparation of the 6-year City Improvement Plan
- Utility Billing
- Receipting all city funds
- Managing daily cash
- Managing City's Investment Portfolio
- Preparation of the Comprehensive Annual Finance Report (CAFR)
- Preparation of the Annual Operating Budget
- Monitoring and reporting comparisons of projections to actual dollars
- Long term financial forecasts
- Administering City debt

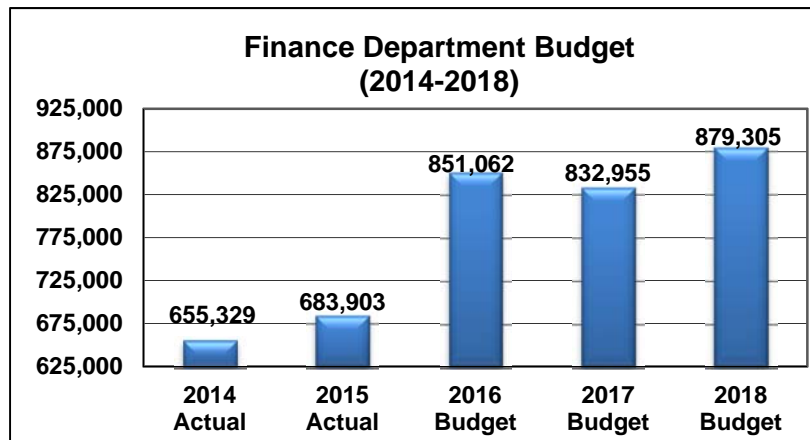
STAFFING LEVEL:

The Finance Department consists of 8 fulltime equivalent (FTE) positions. The staffing breakdown is as follows: one Finance Director, one Accounting Manager, one Senior Budget Accountant, three Accounting Technicians, and two Accounting Clerks.

In 2016, the Finance Department received one new position to assist in balancing out the increasing workload on the department. The Senior Budget Accountant position was created to support a higher level of technical accounting work. Combined with the new position and the vacancy of the Administrative Assistant position, existing duties within the department were evaluated and restructured. Eliminating the Assistant position and creating an Accounting Clerk position allowed duties to be spread among staff. The addition and restructure allows the Finance Department to support the increasing workloads due to the growing number of customers, developments, projects, grant regulatory requirements and allows the department to provide its high level of customer service, internal controls and reporting for the staff, council and citizens.

2016 ACCOMPLISHMENTS:

- Received the Government Finance Officers Association (GFOA) Distinguished Budget Award for the 2016 Budget; this is the 17th year receiving the award
- The City's Accounting Team earned the GFOA award for the 2015 CAFR
- Received Professional Finance Officer (PFO) Awards from the Washington Finance Officers Association (WFOA) for two staff members. The award is given for continued commitment to achieving educational and professional excellence.
- Served as a Vice President for the WFOA Board, served on the WFOA Education Committee, and as Past President of the WPTA Board to help develop affordable educational and training opportunities for government employees
- Continued to scan and create attachments for Accounts Payable, Accounts Receivable, Payroll, Utility Billing and for budget amendments to make the attachments available electronically
- Increased the number of users for the online access portion of our software, allowing utility billing customers to access their account information and make payments online
- Worked with Public Works, Engineering and Planning to assist in preparation of Comprehensive and Functional Plans
- Supported Public Works for preparation of Solid Waste RFP
- Supported implementation of new Community Development Software

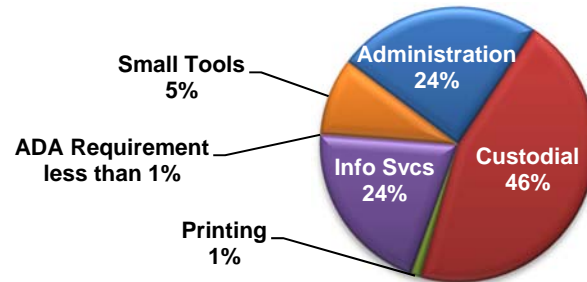


| FINANCE DEPARTMENT WORKLOAD MEASURES | | | | | |
|--|-------------|-------------|-------------|----------------|----------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of Treasurers Receipts Issued | 28,968 | 38,192 | 35,659 | 36,056 | 36,453 |
| # of E-Gov Transactions | 0 | 2,743 | 6,185 | 6,647 | 6,979 |
| Avg # of Utility Accounts billed monthly | 3,728 | 3,821 | 3,983 | 4,140 | 4,300 |
| Avg # of Misc Billing Accounts billed monthly | 62 | 64 | 67 | 75 | 80 |
| # of HDPAs accounts billed quarterly | 145 | 141 | 145 | 146 | 150 |
| # of Change of Ownerships | 303 | 347 | 411 | 420 | 420 |
| # of New Connections | 83 | 125 | 202 | 160 | 160 |
| # of ACH Utility Bill payments monthly | 517 | 559 | 582 | 590 | 600 |
| # of Tenant Authorization Changes | 190 | 173 | 180 | 200 | 210 |
| # of Reduced Utility Rate Applications processed | 12 | 63 | 49 | 55 | 60 |
| # of Accounts Sent to Collections | 28 | 31 | 54 | 40 | 30 |
| # of Payroll Checks processed | 276 | 279 | 291 | 302 | 315 |
| # of Payroll Direct Deposits processed | 2,656 | 2,777 | 2,780 | 2,787 | 2,794 |
| # of A/P Physical Checks processed | 2,850 | 2,631 | 2,921 | 2,890 | 2,840 |
| # of A/P Direct Deposits processed | 46 | 258 | 302 | 340 | 380 |
| # of Grants processed | 15 | 19 | 21 | 18 | 15 |
| # of NSF Checks processed | 32 | 27 | 40 | 40 | 40 |
| Average dollars invested (millions) | \$18.1 | \$19.4 | \$21.3 | \$20.0 | \$20.0 |
| % of Idle Cash Invested | 84% | 82% | 86% | 87% | 87% |

CENTRAL SERVICES

Central Services provides General Fund departments throughout the City with services and operating supplies which are not department specific

Central Services Uses

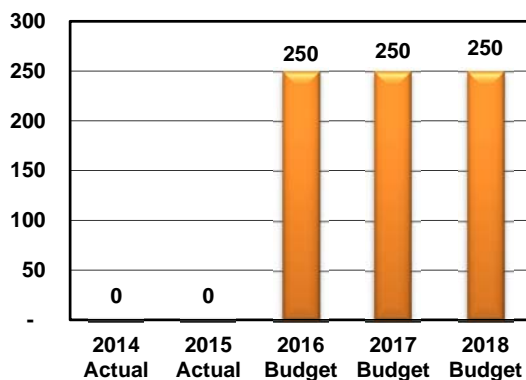


| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| CENTRAL SVC ADA | | | | | | |
| SUPPLIES | - | - | 75 | 75 | 75 | 150 |
| OTHER SERVICES & CHARGES | - | - | 175 | 175 | 175 | 350 |
| TOTAL CNTRL SVC ADA | - | - | 250 | 250 | 250 | 500 |
| CENTRAL SVC ADMIN | | | | | | |
| BAD DEBT EXPENSE | 798 | 459 | - | - | - | - |
| SUPPLIES | (953) | (13,213) | 3,000 | 3,000 | 3,000 | 6,000 |
| OTHER SERVICES & CHARGES | 125,328 | 122,124 | 135,866 | 130,973 | 131,473 | 262,446 |
| INTERGOVERNMENTAL SVCS | 117 | 68 | 225 | 150 | 150 | 300 |
| TOTAL CNTRL SVC ADMIN | 125,289 | 109,438 | 139,091 | 134,123 | 134,623 | 268,746 |
| CENTRAL SVC CUSTODIAL | | | | | | |
| SALARIES | 136,235 | 142,241 | 141,712 | 134,688 | 140,392 | 275,080 |
| BENEFITS | 62,992 | 64,429 | 70,622 | 68,222 | 74,654 | 142,876 |
| SUPPLIES | 16,444 | 24,239 | 18,250 | 24,250 | 24,250 | 48,500 |
| OTHER SERVICES & CHARGES | 32,081 | 48,036 | 29,625 | 28,625 | 28,625 | 57,250 |
| TOTAL CNTRL SVC CUSTODIAL | 247,752 | 278,945 | 260,209 | 255,785 | 267,921 | 523,706 |
| CENTRAL SVC DATA | | | | | | |
| SUPPLIES | 456 | 2,144 | 4,000 | 4,000 | 4,000 | 8,000 |
| OTHER SERVICES & CHARGES | 76,123 | 72,997 | 114,704 | 123,730 | 132,872 | 256,602 |
| TOTAL CNTRL SVC DATA | 76,579 | 75,141 | 118,704 | 127,730 | 136,872 | 264,602 |
| CENTRAL SVC PRINTING | | | | | | |
| SUPPLIES | - | 933 | 1,000 | 1,000 | 1,000 | 2,000 |
| OTHER SERVICES & CHARGES | 4,771 | 4,423 | 5,885 | 5,885 | 5,885 | 11,770 |
| TOTAL CNTRL SVC PRINTING | 4,771 | 5,356 | 6,885 | 6,885 | 6,885 | 13,770 |
| CENTRAL SVC SMALL TOOLS | | | | | | |
| SMALL TOOLS | 23,344 | 33,645 | 52,573 | 29,573 | 23,773 | |
| TOTAL CNTRL SVC SM TOOLS | 23,344 | 33,645 | 52,573 | 29,573 | 23,773 | 53,346 |
| TOTAL CENTRAL SERVICES | 477,736 | 502,526 | 577,712 | 554,346 | 570,324 | 1,124,670 |

ADA REQUIREMENTS:

In order to meet the federally mandated Americans with Disabilities Act (ADA), the City, in cooperation with Public Works staff, identifies items that must be improved to meet ADA requirements. Implementation of those items continues on an on-going basis. The City's goal is to continue to make City facilities and services accessible to all people and allow staff to attend pertinent training.

**Central Services
ADA Requirement Budget
(2014-2018)**

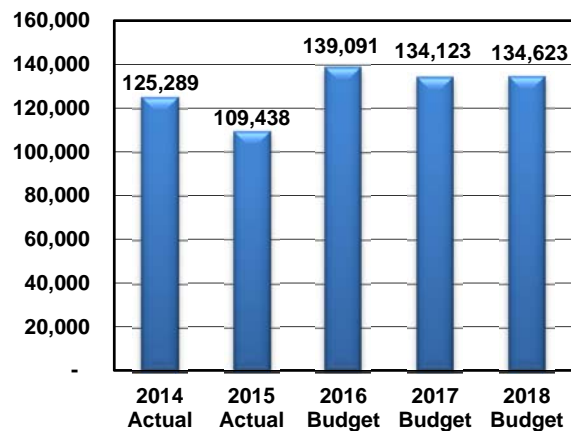
**ADMINISTRATION PROGRAM:**

The administration-central budget includes items used by City departments that cannot be specifically allocated to an individual department. Central administration items include:

- Paper, envelopes, and miscellaneous forms
- Administrative postage
- Heating fuel
- City and power utilities
- Repairs and maintenance
- General governmental credit card discount fees
- Retail B&O taxes
- Courier Fee's
- Bank Charges
- Postage Machine Lease
- Telephone Charges

A new phone system was implemented in 2016 creating a savings in operational costs.

**Central Services
Administrative Section Budget
(2014-2018)**

**CUSTODIAL/BUILDING MAINTENANCE:**

Mission Statement: The mission of the Custodial/Building section of the Central Services Department is to provide for the routine maintenance and repair of City owned buildings to protect and maintain the value of the General Fund assets.

Program Description: The Custodial/Building Maintenance section of the General Fund is under the direction of Public Works. Responsibilities include janitorial services and the repair and maintenance of City owned or leased facilities and equipment. Facilities include: City Hall, Library, Recreational Center, Rentals of Caretakers houses, Parks Buildings & Facilities, the Public Works Complex and Public Works installations including pump houses and other utility structures.

Staffing Level:

Staffing associated with Central Service includes 2.52 fulltime equivalent positions (FTE's) under the supervision of the Superintendent of Public Works.

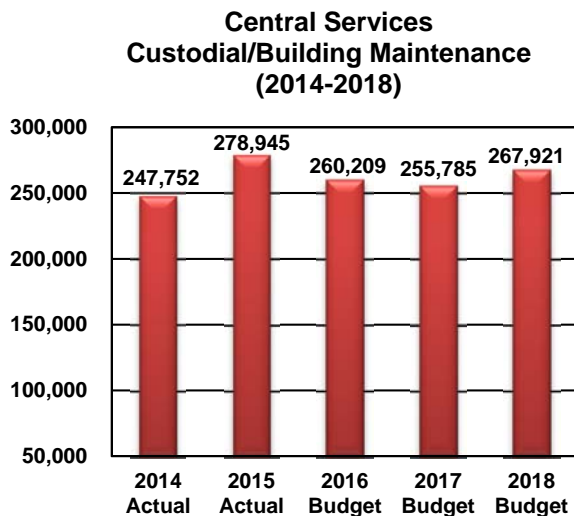
2016 Program Accomplishments:

- Continued to provide routine maintenance and janitorial services to City owned buildings as required
- More extensive maintenance to the Marine Science Center, Parks & Recreation such as water damage repair, and Library such as roof failure
- Assisted various Public Works projects
- Performed boardwalk repairs as needed
- Performed lighting repairs in the Parks

- Miscellaneous vandalism repairs in the City Parks
- Continued support for City Hall and old Police Department building

Programs and Projects for 2017-2018 include:

- Support to various Public Works projects
- Continue routine maintenance projects as required throughout the city
- Continue janitorial support for all City occupied buildings



INFORMATION SERVICES:

Central Services Data Processing includes:

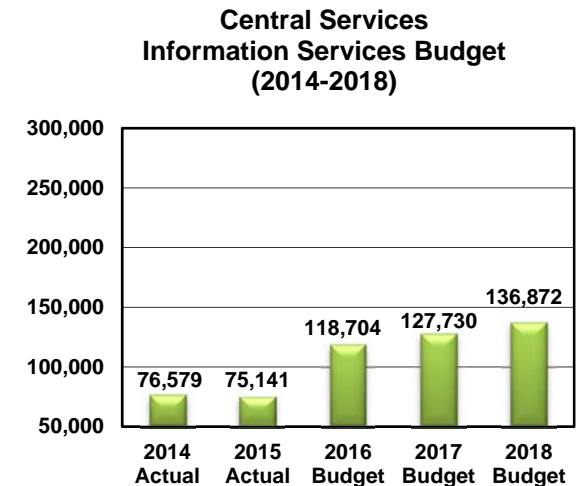
- Administrative computer system repairs
- Maintenance agreements and service for software programs, backup systems and mail servers.
- Forms and supplies for the administrative computer system, such as payroll and claim checks and billing forms.

The City's financial software is hosted and accessed via the internet. This provides emergency back-up redundancy offsite. This has also allowed some modules to be internet accessible for users. The City implemented on-line utility billing system for customers to view and pay their bills.

In 2016, the City implemented Microsoft Office 365. After the initial implementation, the annual cost will be a subscription fee of \$15 per month/per user. Additionally, in 2016 the City implemented a Community Development Software package to be utilized by the

Engineering, Building and Planning Departments. The annual maintenance associated is included in this budget.

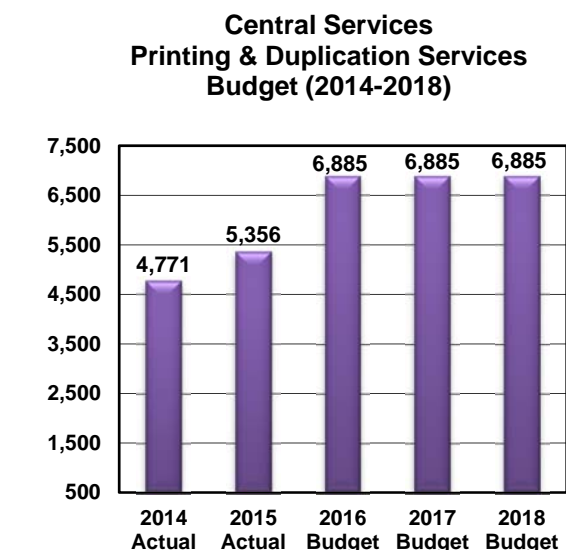
In 2017, a requested Records Management Software along with a Social Media Archiver will be purchased and implemented by the Clerk's Department. The annual maintenance associated with this is included in this budget as well.



PRINTING & DUPLICATION:

Central Services Printing and Duplication includes:

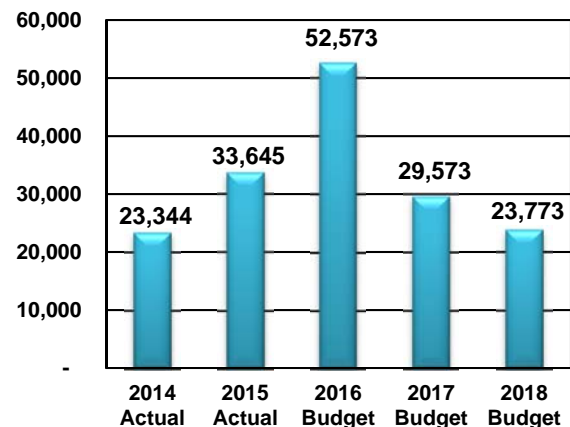
- Administrative copy machine repair
- Maintenance contracts
- Printing of Annual Budget
- Printing of Comprehensive Annual Financial Report



SMALL TOOLS AND MINOR EQUIPMENT:

The City's capitalization policy has a threshold of \$5,000. Computers, printers, software and items of "small tools" in nature which are on a replacement rotation and/or not part of departmental operating budgets are considered for funding and allocated to these funds. The majority of expenditures are for workstations (computers) set on a 4-year replacement cycle. As the stability and life of desktop work stations has lengthened, several units were not replaced on the 4-year schedule in 2016; however, the warranty was extended and/or the current machine updated. Although budget capacity has been allocated based on a 4-year replacement schedule, each machine will be evaluated for upgrade or replacement prior to funds being expended. Planned replacements are detailed in the table below.

**Small Tools & Minor Equipment
(2014 - 2018)**



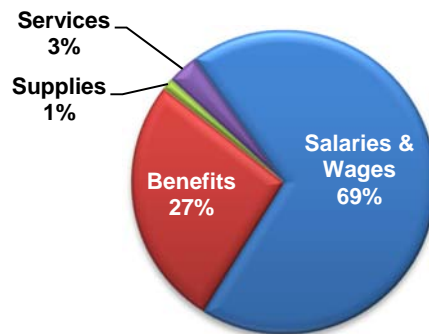
| Central Small Tool Equipment Replacement | | Cost | |
|--|----------------------------|---------------|---------------|
| Department | Type of Equipment | 2017 | 2018 |
| Legislative | Desktop - Council Chambers | 1,800 | |
| Municipal Court | Copier Lease | 1,673 | 1,673 |
| Municipal Court | Workstations | 5,400 | |
| Finance | Workstations | 7,200 | |
| Clerk | Workstation | 1,800 | |
| Police | 3 Extended Warranties | 1,200 | |
| Public Works Admin | Workstation | | 1,800 |
| Engineering (Trans Mngmnt) | Wide Printer Lease | 1,750 | 1,750 |
| Engineering (Trans Mngmnt) | Workstations | 1,800 | 12,600 |
| Engineering (Trans Mngmnt) | Front Counter Printer | 1,000 | |
| Planning | Wide Printer Lease | 1,750 | 1,750 |
| Planning | Workstation | | 1,800 |
| Parks & Recreation | Copier Lease | 2,400 | 2,400 |
| Parks & Recreation | Workstation | 1,800 | |
| Total | | 29,573 | 23,773 |

MUNICIPAL COURT DEPARTMENT

Mission Statement:

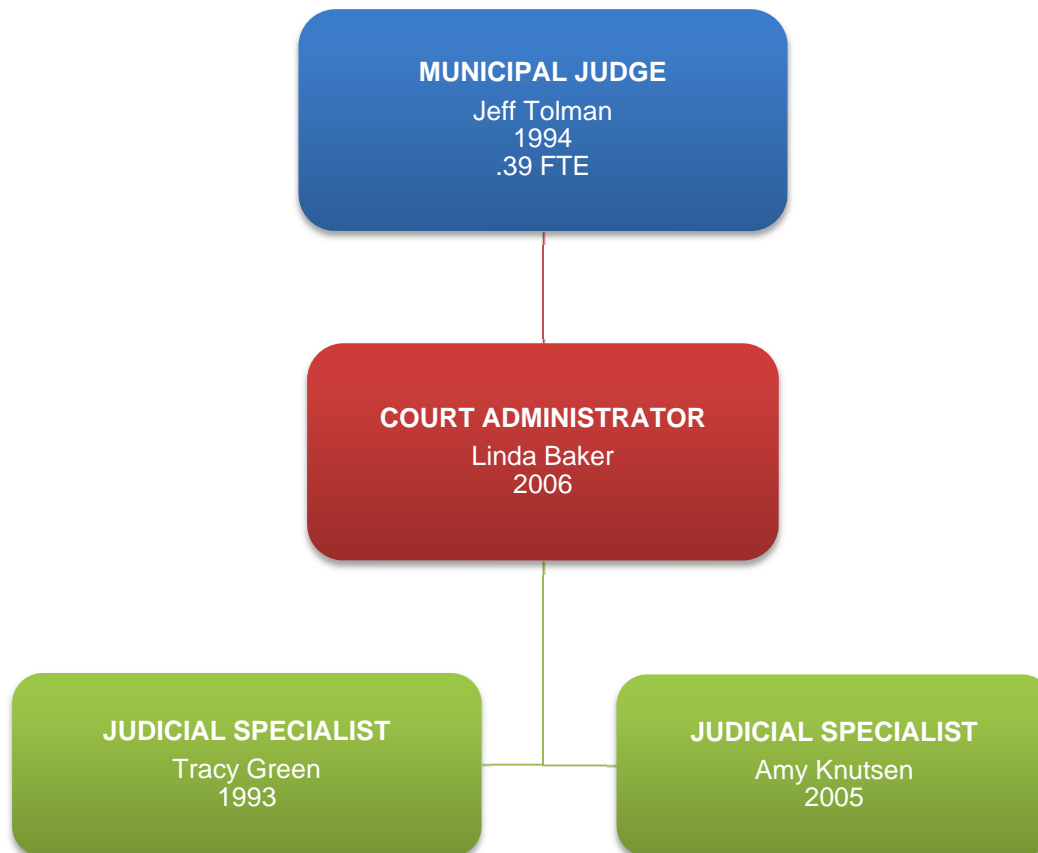
The Court is committed to excellence in providing fair, accessible, and timely resolution of alleged violations of the Poulsbo Municipal Court in an atmosphere of respect for the public, employees, and other government entities.

Municipal Court Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| JUDICIAL | | | | | | |
| SALARIES | 252,846 | 258,327 | 266,181 | 271,546 | 277,959 | 549,505 |
| BENEFITS | 90,140 | 93,822 | 100,360 | 102,411 | 110,540 | 212,951 |
| SUPPLIES | 6,173 | 5,504 | 4,935 | 4,935 | 4,935 | 9,870 |
| OTHER SERVICES & CHARGES | 8,833 | 10,619 | 12,773 | 12,773 | 12,773 | 25,546 |
| TOTAL JUDICIAL | 357,992 | 368,272 | 384,249 | 391,665 | 406,207 | 797,872 |

THE ORGANIZATION OF MUNICIPAL COURT



| MUNICIPAL COURT DEPARTMENT WORKLOAD MEASURES | | | | | |
|--|----------------|----------------|----------------|-------------------|-------------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Criminal Charges | 261 | 348 | 346 | 360 | 378 |
| Infraction/Parking Charges | 1252 | 1159 | 1038 | 1294 | 1358 |
| Civil Orders | 26 | 21 | 29 | 26 | 27 |
| Total Filings | 1539 | 1528 | 1413 | 1680 | 1763 |
| Criminal Hearings | 2221 | 2645 | 3124 | 2700 | 2835 |
| Infraction/Parking Hearings | 623 | 599 | 564 | 600 | 630 |
| Civil Hearings | 34 | 33 | 41 | 34 | 35 |
| Total Hearings | 2878 | 3277 | 3729 | 3334 | 3500 |

MUNICIPAL COURT DEPARTMENT

PROGRAM SERVICES PROVIDED:

The Poulsbo Municipal Court has a judge appointed by the Mayor and confirmed by City Council to a four-year term. The judge holds court on a part-time basis. The Court is committed to excellence in providing fair, accessible, and timely resolution of alleged violations of the Poulsbo Municipal Code in an atmosphere of respect for the public, employees, and other government entities.

The Poulsbo Municipal Court hears cases involving traffic infractions, City code violations, misdemeanors, and gross misdemeanors. It is the goal of this court to maintain accountability for the actions of individuals and ensure the punishment fits the violation.

The Court continues to identify our core services and focus our resources on these services in innovative ways to accomplish our mission. We continue our commitment to finding alternatives to incarceration when appropriate, and finding a long-term solution to jail housing. Poulsbo Municipal Court continues to be a contributing partner working toward a safe and vital community.

In 2014 the Municipal Court section took over the function of processing passports. All support staff became certified and processes passport applications on Thursdays by appointment only. This function provides an excellent service to citizens as the only agent in the north end of the county.

STAFFING LEVEL:

The Municipal Court consists of a part-time Judge, a full-time Court Administrator and two Judicial Specialist positions.

- The Judge is responsible for the administration of justice, overseeing the operation of the Municipal Court, and providing support and guidance for the administrator and the court staff.
- The Court Administrator is responsible for all aspects of the court's operations, including budget, personnel, automation, management, training, public relations, facilities, and special projects.
- The Judicial Specialists perform clerical support work of a varied nature which

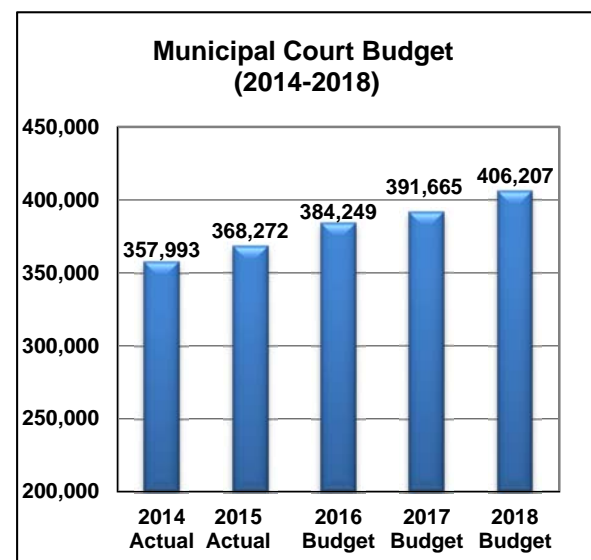
includes: establishing and maintaining court files; handling fines and assessments; recording accurate minutes from court hearings; monitoring compliance with court imposed conditions.

A MESSAGE FROM THE JUDGE:

As 2017-2018 unfolds, the staff of Poulsbo Municipal Court is ready to give prompt, personal, professional service to those who encounter the Court.

2016 PROGRAM ACCOMPLISHMENTS

- Continued to work with the trial courts in Kitsap County in organizing common court services
- Ensured training and procedures are in place so court and accounting processes are in accordance with statutes
- Staff, Administrator and Judge continued to attend training on changes within the judicial system
- Updated brochures, procedures and forms for DV Protection, Stalking, Protection Weapons, and Anti-Harassment Protection Orders
- Continued to be a contributing partner working toward a safe and vital community
- Court Administrator served as a member of the District and Municipal Court Management and Judges Association Legislation and Education Committees.
- Court Administrator part of the District and Municipal Court Management Data Clean Up & Education Outreach Team.





PARKS AND RECREATION DEPARTMENT

Mission Statement:

The mission of the Parks and Recreation Department is to promote the quality of life by serving the community's needs for quality and affordable educational and recreational programs, parks and services to all residents and visitors.

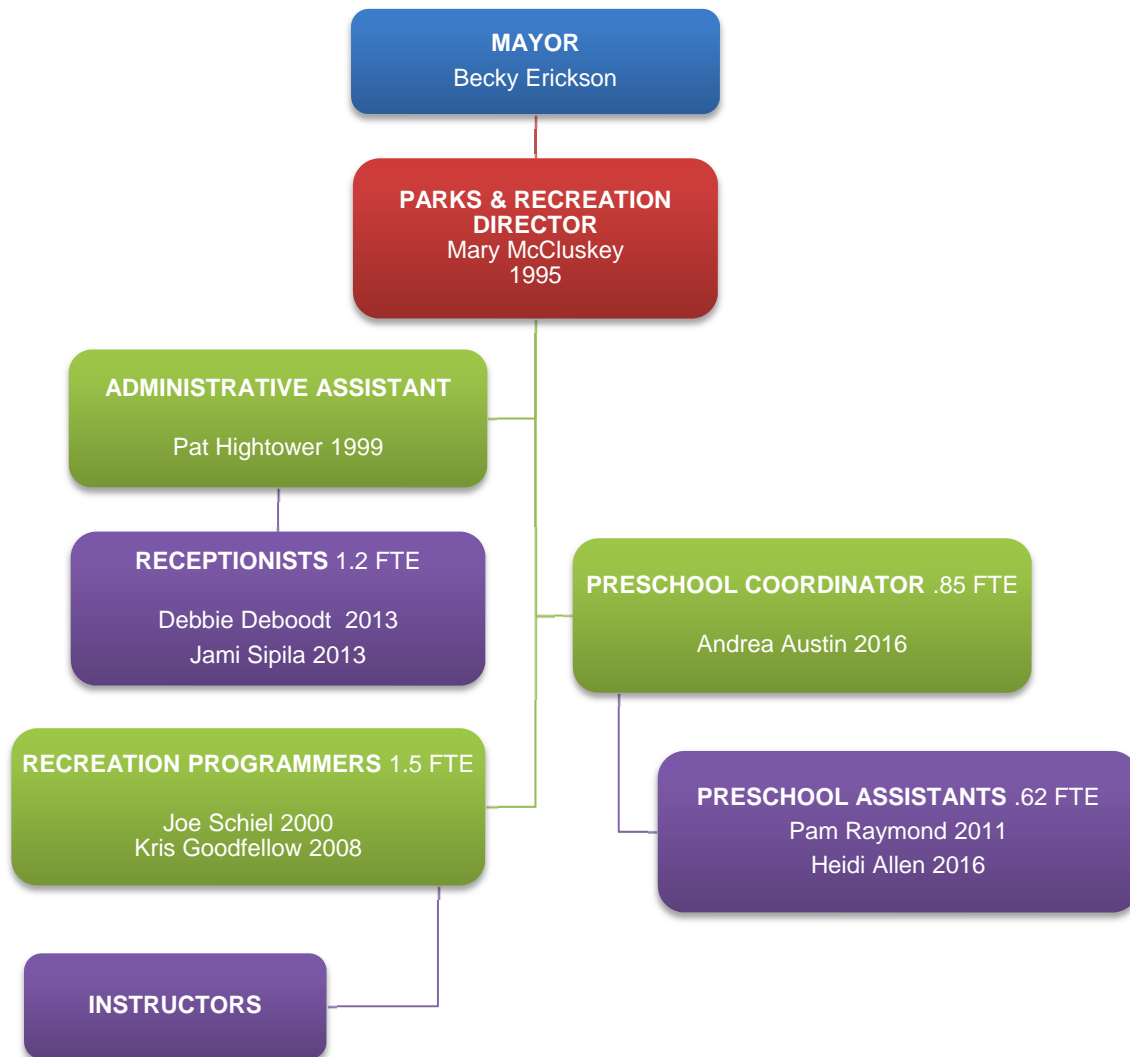
Park and Recreation Department Program Uses



| | | |
|-------------------|---------------------------|--------------------|
| ■ Adult 1% | ■ Adventure 3% | ■ Arts & Crafts 1% |
| ■ Body & Mind <1% | ■ Business & Computer <1% | ■ Dance 1% |
| ■ Music 3% | ■ Park & Rec Admin 65% | ■ Preschool 8% |
| ■ Senior 2% | ■ Sport & Fitness 16% | ■ Youth <1% |

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| EDUCATION (PRESCHOOL) | | | | | | |
| SALARIES | 38,396 | 35,511 | 50,285 | 48,089 | 50,670 | 98,759 |
| BENEFITS | 6,728 | 6,378 | 10,148 | 9,123 | 9,981 | 19,104 |
| SUPPLIES | 4,043 | 4,118 | 4,326 | 4,326 | 4,326 | 8,652 |
| OTHER SERVICES & CHARGES | 66 | - | - | - | - | - |
| RECREATION SERVICES | | | | | | |
| SALARIES | 363,813 | 379,116 | 386,816 | 395,032 | 406,056 | 801,088 |
| BENEFITS | 113,127 | 118,658 | 125,967 | 129,132 | 139,262 | 268,394 |
| SUPPLIES | 30,153 | 36,233 | 32,900 | 32,625 | 32,625 | 65,250 |
| OTHER SERVICES & CHARGES | 179,353 | 173,417 | 174,200 | 170,700 | 170,700 | 341,400 |
| TOTAL PARK & RECREATION | 735,679 | 753,430 | 784,642 | 789,027 | 813,620 | 1,602,647 |

THE ORGANIZATION OF THE PARKS & RECREATION DEPT



PARKS AND RECREATION DEPARTMENT

RESOURCES:

There are three sources of revenue generated by Parks and Recreation, including: user fees charged to class participants and pre-school students, park and signboard rentals, and rental revenue. User fees cover approximately 70% of all expenses.

STAFFING LEVEL:

The department has two divisions: Administrative and Recreation Programs. There are 6.17 FTEs consisting of: one Parks & Recreation Director, one Administrative Assistant, one full-time Recreation Programmer, one .5 FTE Recreation Programmer, two Receptionists (sharing 1.2 FTE), one .85 FTE Pre-school Coordinator and two Pre-School Assistants (sharing .62 FTE).

Administrative

The Parks and Recreation Director performs a variety of professional and administrative work in planning, developing, scheduling, directing and implementing a year-round, citywide parks and recreation program, obtains grants for park acquisition and development, and staffs the Poulsbo Tree Board, Poulsbo Park and Recreation Commission, and the Lodging Tax Advisory Committee. The office is managed by the **Administrative Assistant** who supervises the **Receptionists** and daily operations of the office, manages department finances, and coordinates with customers, employees and other city departments.

Recreation Programs

Two Recreation Programmers lead the development, implementation and evaluation of recreation programs for all age groups. All age ranges are provided products in the arts, language, music, sports, adventure, summer camps, and special events. Most programs and classes have numerous categories to reach and engage the very young to the more experienced citizens. The programmers hire a variety of part-time instructors, recreation aides and independent contractors to implement the programs.

The Preschool Coordinator develops, implements, and evaluates programs for preschool aged children, supervises the part-

time **Preschool Assistants**, and is the lead teacher in the Learn and Grow Preschool. The school has 40-55 children in four age appropriate programs.

RECREATION PROGRAM: 2016 ACCOMPLISHMENTS:

The Parks and Recreation Department not only provides a variety of recreation programs for the citizenry, but continues to build community relationships with a variety of agencies, businesses, non-profit organizations, and individuals. We have accomplished many of our main goals including:

- **PROGRAMS:** Providing citizens with a variety of enjoyable leisure opportunities, which are accessible, safe, well organized, physically attractive and well maintained. Recreation programs are often trendy, and programs created are through citizen request or have proven popularity elsewhere. The department also puts on 10-traditional special events each year.
- **ONLINE REGISTRATION:** Online registration provides easy, efficient service to the users at any time of the day. The staff has begun offering "how-to-use" Rec1 seminars for patrons.
- **SOCIAL MEDIA:** The department continues to use different methods of promoting programs, including the city website, Facebook and emailed newsletters. The email mailing list is over 5,000. Keeping updated information in front of people's eyes is a positive and effective marketing tool.
- **BUSINESS PARTNERSHIPS:** Increased partnerships with local businesses who also offer recreational experiences. Expanded class and program offerings include Western Washington University, Martha and Mary Health Services, InMotion Dance Studio, UKO Karate, West Sound Wildlife Shelter, the Poulsbo Tree Board, Kitsap Mosaics, Earthright Insights and the Kitsap Children's Musical Theater.
- **RECREATION CENTER:** The Poulsbo Park and Recreation Center building continues to be used to its fullest capacity for the benefit of the community. The building is old, but provides a solid home base for recreation programs and staff until a newer facility can be built. The city has leased two other spaces in the building to help cover operating expenses including the debt payment.

- **NK SCHOOL DISTRICT:** The City maintains a strong relationship with the North Kitsap School District, allowing community access of buildings and fields. Staff enjoys open lines of communication with the maintenance and facilities departments, as well as the school district administration. Since the school district owns the majority of facilities used for community recreation programs, it is important to keep working together for the community. The school district owns three synthetic fields, and the city played a role by funding a part of the fields through the North Kitsap Regional Events Center (NKREC) project at North Kitsap High School and Strawberry Multi-Use Fields.
- **COMMUNITY PARTNERSHIPS:** A small department can accomplish so much more with local partners and organizations. Western Washington University at the Poulsbo Olympic College campus, the WSU Kitsap Extension office, Port of Poulsbo, West Sound Academy, Poulsbo Yacht Club, Evergreen Mountain Bike Alliance, and Poulsbo Orchestra are great community partnership examples.

PARTNERSHIP HIGHLIGHTS IN 2016:

➤ **Western Washington University on the Peninsulas**

This Bachelor of Arts program (Huxley Environmental Program) in Poulsbo has partnered with the volunteers of Poulsbo's Fish Park to plant, maintain, monitor and clean up a stewardship section of the park. Faculty has also been involved with the Fish Park Steering Committee. The department partners with WWU to offer kids summer camps at the Poulsbo campus, and soon new programs will be offered at the SEA Discovery Center, now operated by WWU. Discussion has begun on a "Lifelong Learning" type program for the Peninsula as well.

➤ **Community Gardens**

The Community P-Patch at Raab Park continues to flourish in 2016. The 46 sunny plots were bursting with vegetables, flowers and plants. The WSU Kitsap Extension office provided Master Gardener volunteers to coordinate the activities. The plot gardeners provided community service hours to the garden in

addition to their own space. It was well coordinated and managed.

The Youth Garden at Raab Park is also managed by the WSU Kitsap Extension Office along with the Poulsbo Garden Club. They maintain the garden year around, and offer 8-10 free youth programs during the summer. Children spend two hours doing crafts, watering, and learning about gardening. Each week has a theme, including worms, butterflies, ladybugs, and sunflowers. 50-100 children attend each Monday event.

➤ **Senior Trip Excursions & Transportation**

The department has offered senior excursions for many years, but the passenger van that was previously used became obsolete in 2014. A new partnership with Martha and Mary Health Services allows their 16-passenger shuttle bus to be used for these programs. These trips have been successful and the seniors love how roomy it is for the trips.

➤ **Sailing**

After 19 years at the Port of Kingston, the Poulsbo Sailing Program moved to Liberty Bay in 2015. With a partnership with the Port of Poulsbo, the program hosted 8 weeks of youth sailing and 2 sessions of adult sailing. The department also worked with the Poulsbo Yacht Club to offer adult navigation classes. A \$2500 grant from the Marine Trade Association replaced all 8 sails on the high school racing boats. Improvements to the dock area are needed in 2017.

The Learn and Grow Preschool is a positive introduction-to-school for ages 3-5.

Community wide special events are scheduled throughout the year. Finding sponsors for these events is often challenging, but the support is needed to continue them. The regular events that have found a place in our community include:

- Hip Hop Basketball tournament (3 on 3) in January
- Daddy-Daughter Dance in February
- Easter Candy Hunt in April
- Viking Fest Road Race in May
- Summer concert series in July and August
- Kids Day in September

- Spooktacular in October
- Salmon Viewing Saturday in November

All these events are supported and encouraged by our local service organizations and businesses, through personnel, advertising and monetary support.

2017 RECREATION, CHALLENGES, GOALS AND CRITICAL ISSUES:

The department continues to be the primary provider of recreation programs in North Kitsap. The programs are created based upon perceived need, client requests, and instructor availability. Department staff members monitor the program trends throughout the state and country, and try to create programs that will be both successful and fun. The programs pay all direct costs including the instructor, room fee, and supplies. In addition, a 30% fee is assessed for administrative/overhead costs.

In 2017, the department will continue to address a high-quality level of service, with programs for all age groups from preschool to adult. This includes yoga, gymnastics, ballet, dance, music, art, foreign language, cooking, science, gardening, sports leagues, sailing, and fitness programs. The programs that have continued to have the highest number of registrations include adult and youth sports, dance classes, softball league, and basketball.

The department has experimented with different methods and fees, using a non-resident fee and "early bird" registration fee successfully. Employees are cognizant that patrons are more careful where they spend their discretionary dollars, and staff must produce a good product for a family's hard-earned funds. Staff believes teamwork helps produce a good product, and entices people to sign up for classes they want.

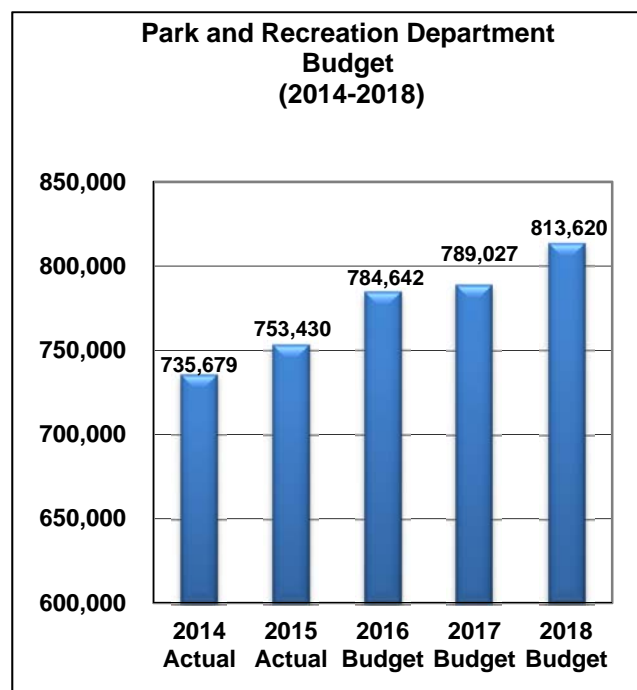
The City funded a survey of residents to gauge their interest in a YMCA type facility in Poulsbo that *may* include offices and space for Poulsbo Parks and Recreation. The results were positive, and City staff and the YMCA of Pierce & Kitsap Counties are putting together potential partners for such a facility.

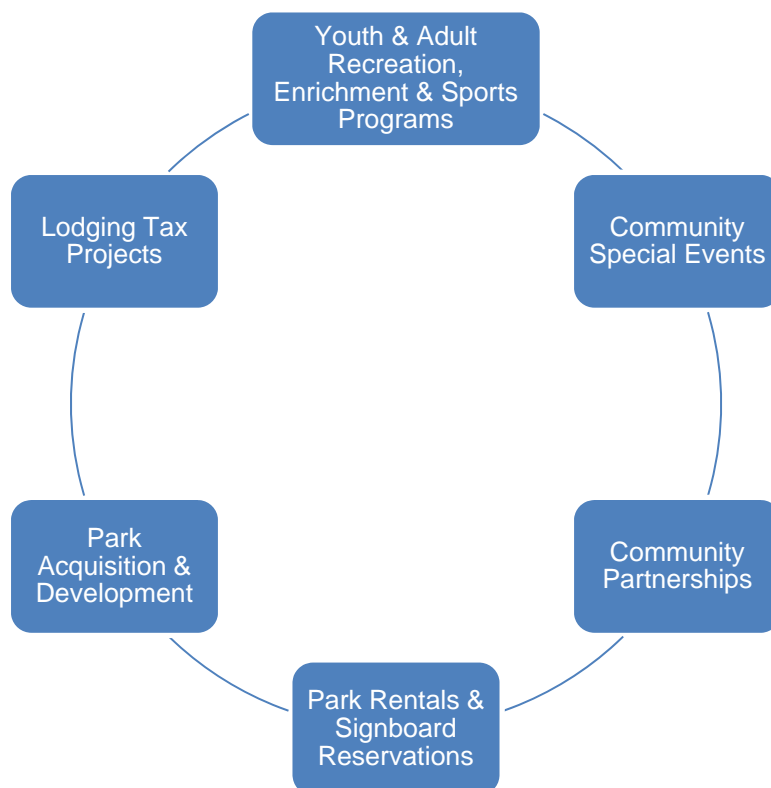
The launching of online registration in 2013 has been positive. The hope is that more people will be able to sign-up on their schedule instead of

being held to office hours, thus increasing the number of registrants. About 35% of all registrations are now completed through the online system.

The department sends out two recreation catalogs each year, outlining classes, special events and rentals. These catalogs are mailed to Poulsbo and Suquamish; and stuffed into the Kingston Community News for the north end communities. Methods of marketing are constantly being evaluated and tested. Social media alternatives are being used through Facebook.

The City of Poulsbo does not own any ball fields or gyms, but continues to have an excellent working relationship with the school district in using these facilities. The Recreation Center has one available classroom, which is used most of the time. Facility use fees are included in the cost of each program, whether the program is held on school district property or on city property. Park improvement funding and development dollars are very competitive, but the City will continue to look at all funding opportunities.





PROGRAM DESCRIPTION and SERVICES

| Recreation | Parks | Customer Service & Other Tasks |
|---|--|--|
| Primary provider of recreation programs in Poulsbo and North Kitsap | Process reservations for individuals and organizations who use the gazebo or picnic shelters at three city parks | Provide excellent customer service to patrons, other staff members, businesses, volunteers, citizens and visitors alike. |
| Planning and implementation of community-wide special events | Process sign requests for local organizations for two community signs | Partnerships with other agencies and organizations to provide community programs including Western WA University, Martha and Mary Health Services, Port of Poulsbo and NK School District. |
| Operation and oversight of the Learn and Grow Preschool | Grant research and implementation for parks, recreation and open space improvements. | Staff support for the Poulsbo Parks and Recreation Commission, Poulsbo Tree Board Poulsbo Trails Committee and the Lodging Tax Advisory Committee and their related activities. |
| Volunteer management in many areas including parks, recreation and special events | Provide visionary leadership on capital acquisition and development of city parks | Participation and involvement with other countywide recreation service providers and knowledge of what is going on throughout the county. |

| PARKS & RECREATION DEPARTMENT PERFORMANCE MEASURES | | | | | |
|---|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Response to citizen requests & complaints Goal: 100% within 24 hours | 100% | 100% | 100% | 100% | 100% |
| Cancelling recreation classes with advance notice Goal: At least 3 days notice | | | 80% | 85% | 90% |
| % of classes held because of adequate participation | 62% | 62% | 64% | 64% | 65% |
| % of transactions using the online program | 18% | 18% | 23% | 25% | 27% |
| # of monthly online transactions | 105 | 128 | 147 | 155 | 160 |
| Increase capacity in the Learn & Grow Preschool Goal: Increase enrollment | 52% | 75% | 66% | 80% | 85% |
| # of special events | 10 | 8 | 9 | 9 | 9 |
| Recover 100% of direct program related expenses | 100% | 100% | 100% | 100% | 100% |
| # of sign permits | 86 | 80 | 78 | 85 | 90 |
| # of park shelter permits | 142 | 165 | 181 | 185 | 190 |
| # of senior trip registrations | 500 | 542 | 625 | 640 | 650 |
| # of recreation registrations | 5248 | 5604 | 7697 | 7800 | 8000 |
| # of grant applications | 6 | 4 | 5 | 5 | 5 |
| Recreation sponsorships & donations in dollars | \$8,865 | \$9,000 | \$4,966 | \$5,000 | \$6,000 |
| In-kind volunteer value: Poulsbo's Fish Park | \$20,788 | \$45,540 | \$31,416 | \$35,000 | \$40,000 |

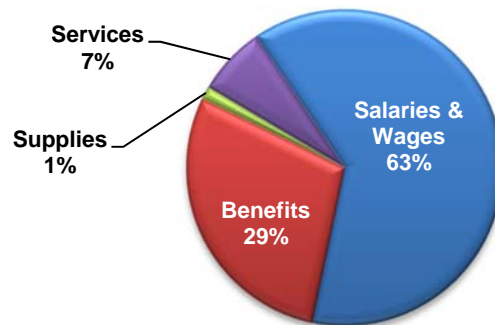


PLANNING and ECONOMIC DEVELOPMENT DEPARTMENT

Mission Statement:

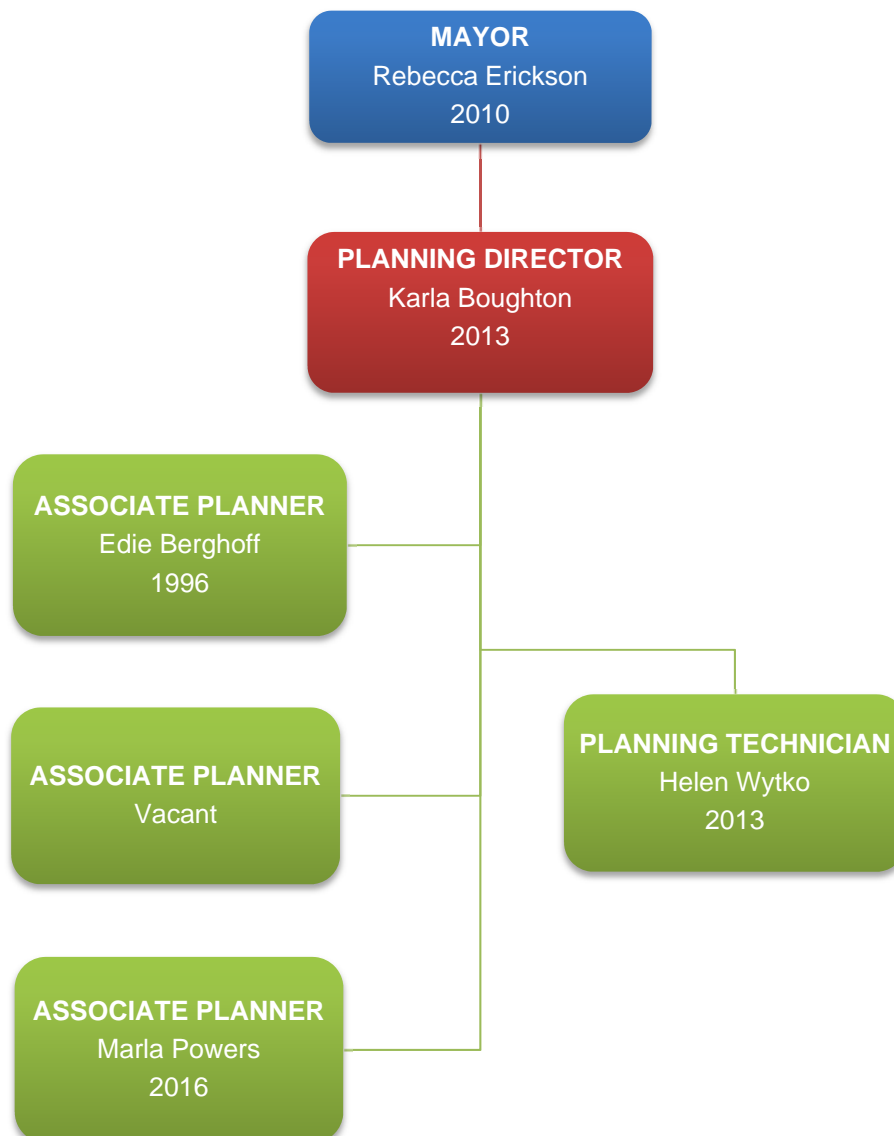
Our mission is to partner with the community, residents, elected officials, and private entities to promote Poulsbo's charm, character, and livability. This is achieved through sustainable comprehensive planning, efficient permit review and processing, and deliberate economic development strategies.

Planning and Economic Development Department Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| PLANNING | | | | | | |
| SALARIES | 499,350 | 367,380 | 374,115 | 367,955 | 384,155 | 752,110 |
| BENEFITS | 204,797 | 154,197 | 158,394 | 165,420 | 180,447 | 345,867 |
| SUPPLIES | 3,717 | 3,265 | 7,918 | 7,918 | 7,918 | 15,836 |
| OTHER SERVICES & CHARGES | 23,303 | 7,102 | 40,368 | 58,017 | 26,517 | 84,534 |
| TOTAL PLANNING | 731,167 | 531,944 | 580,795 | 599,310 | 599,037 | 1,198,347 |

THE ORGANIZATION OF THE PLANNING and ECONOMIC DEVELOPMENT DEPARTMENT



PLANNING and ECONOMIC DEVELOPMENT DEPARTMENT

PROGRAM DESCRIPTION/SERVICES:

The City of Poulsbo Planning and Economic Development Department responds to issues regarding land development, population growth, environmental quality and economic development.

A primary responsibility of the department is the maintenance of the City's Comprehensive Plan and implementing regulations in response to changes in State law and evolving local issues. The Planning and Economic Development Department also represents the City in regional planning programs involving growth management and environmental issues.

Other important functions of the department include: timely and thorough review of proposed development and construction projects, implementation of economic development strategies and work program, automated geographical mapping services, environmental protection, shoreline planning, community development, annexations, and staff support to the City Council, City Planning Commission and Hearing Examiner.

Prior to February 2015, the Planning and Economic Development Department included the Building functions. At that point, there was a reorganization, and the building functions were moved to the Engineering Department.

STAFFING LEVEL:

The Planning and Economic Development Department has 5.0 FTEs. The Department staffing breakdown is: one Planning Director, three Associate Planners, and one Planning Technician. In late 2016, a reorganization took place within the department due to a vacancy. The Senior Planner was promoted to the vacant position of Planning Director. The Senior Planner position was then eliminated and re-classified as an additional Associate Planner. This vacant Associate Planner position is scheduled to be filled in early 2017.

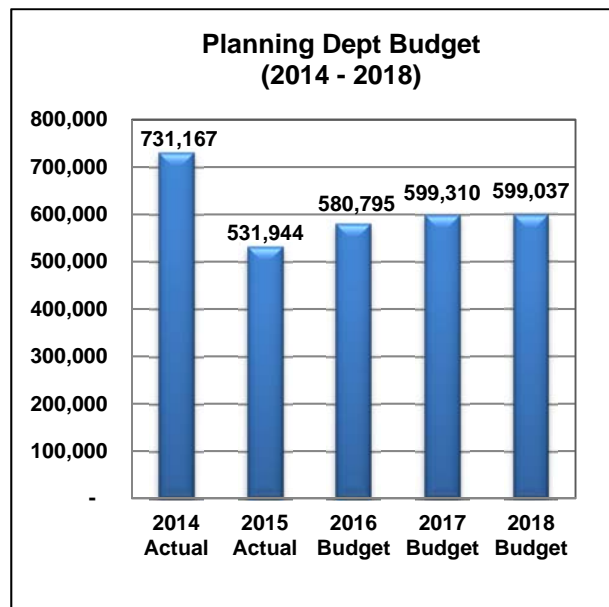
2016 ACCOMPLISHMENTS:

- Maintained development review performance time lines for land use permit review while the complexity of applications continues to increase
- Reviewed and approved Mountain Aire

Division 1 Final Plat and Summerset Final Plat Division 3.

- Held several Planning Commission meetings regarding projects including Westwood Crossing Preliminary Plat, Amos Short Plat, Project Permit Procedures Ordinance Update, Transportation Concurrence Ordinance, Low Impact Development Amendment Package and Comprehensive Plan Update.
- Held several public hearings with the City's contracted Hearing Examiner.
- The Planning Director and Senior Planner regularly attended the Greater Poulsbo Chamber of Commerce Luncheon and improved community ties with the department.
- Produced the 2016 scheduled update of the City's Comprehensive Plan per Growth Management Act requirements.
- Continued archiving of paper files to increase file capacity on 2nd floor.
- Assisted Building, Engineering, and Public Works Departments in preparing new permit software implementation for increased efficiency and better web-based platform for customers and citizens.
- Assist the Engineering Department in the updates of utility and transportation functional plans.
- Continued to represent the City at Kitsap Regional Coordinating Council (KRCC) Planning Director meetings and KRCC Policy Board meetings.
- Continued to review business license applications for zoning compliance.
- Continued to provide GIS support for the City Departments.
- Maintained and updated the Department's portion of the City's web site.
- Regularly publish Poulsbo in the Press, a curation of positive, economic related news articles about the vibrant Poulsbo area.
- Conducted 28 public requests for information and copies of plans and/or reports, responded to 9 formal complaints.
- Continued to assist the Public Works and Engineering Departments during permit review for various public works projects, such as the Little Anderson Parkway Phase II Retrofit and Bjorgen Creek Culvert Replacement.
- Updated Title 19 Project Permit Application Procedures.
- Participated in the creation and adoption of PMC Title 14.04 Transportation

- Concurrency to be compliant with the Growth Management Act.
- Hosted the Business Education Support Training program for the first time in North Kitsap where local entrepreneurs can learn skills to start a new business or improve an existing one.
 - Initiated a feasibility study to bring a YMCA to Poulsbo with the support of the City Council. The feasibility study is the first step the YMCA of Pierce and Kitsap Counties take in determining whether to expand their facilities to a new community.
 - Continued advancing the region through collaboration with local and regional stakeholders, including the Poulsbo Chamber of Commerce and Western Washington University Peninsulas, including assisting with the lease agreement with WWU for the Marine Science Center.
 - Maintained active memberships with the Planning Association of Washington, the American Planning Association, the International Economic Development Council, and the Washington Economic Development Association.



| PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT PERFORMANCE MEASURES | | | | | |
|---|-------------|-------------|-------------|----------------|----------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of Pre-Applications | 14 | 8 | 16 | 10 | 10 |
| # of Appeals | 0 | 0 | 0 | 0 | 0 |
| # of Accessory Dwelling Unit | 0 | 1 | 5 | 2 | 2 |
| # of Administrative Determinations | 1 | 1 | 1 | 1 | 1 |
| # of Boundary Line Adjustments | 4 | 2 | 5 | 1 | 1 |
| # of Comp Plan Amendments | 3 | 5 | 1 | 0 | 2 |
| # of Conditional Use Permits | 4 | 1 | 1 | 1 | 1 |
| # of Final Plats | 0 | 3 | 2 | 2 | 2 |
| # of Home Occupation Permits | 0 | 1 | 1 | 0 | 1 |
| # of Preliminary Plats | 1 | 1 | 2 | 2 | 2 |
| # of Planned Residential Developments (PRD) | 0 | 0 | 0 | 2 | 2 |
| # of Planning Permits | 46 | 53 | 46 | 40 | 44 |
| # of Post Decision Reviews | 2 | 3 | 2 | 1 | 1 |
| # of Public Records Requests | 92 | 50 | 26 | 15 | 15 |
| # of Responses to Complaints | 13 | 10 | 15 | 8 | 8 |
| # of Site Plan Reviews (includes minor site plan review) | 6 | 8 | 14 | 4 | 4 |
| # of SEPA Checklists | 7 | 7 | 9 | 9 | 11 |
| # of Short Plats | 4 | 1 | 1 | 1 | 1 |
| # of Shoreline Permits | 0 | 1 | 1 | 1 | 0 |
| # of Shoreline Exemptions | 0 | 0 | 0 | 1 | 1 |
| # of Temporary Use Permits | 2 | 1 | 2 | 0 | 0 |
| # of Unclassified Planning Permits | 14 | 7 | 5 | 3 | 3 |
| # of Variances | 0 | 0 | 0 | 0 | 0 |
| # of Total Permits | 62 | 45 | 69 | 41 | 45 |
| Land Use Permit Revenue | \$ 36,860 | \$124,184 | \$152,795 | \$ 55,000 | \$ 55,000 |

Some plats are phased and therefore staff resources are needed to be committed over an extended time period (ie...Poulsbo Place; Rose; Quadrant-Liberty Hill)

Unclassified Planning Permits include: annexations, design review , unclassified actions, critical area permit, and grading & clearing permits

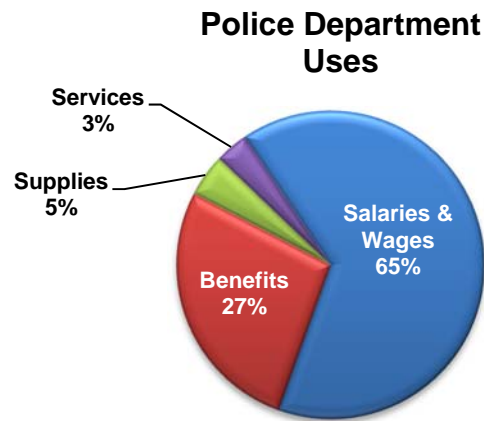
The Planning Department review s every building permit prior to issuance for compliance with either condition of approval and/or City Zoning Standards



POLICE DEPARTMENT

The Police Department Mission and Purpose:

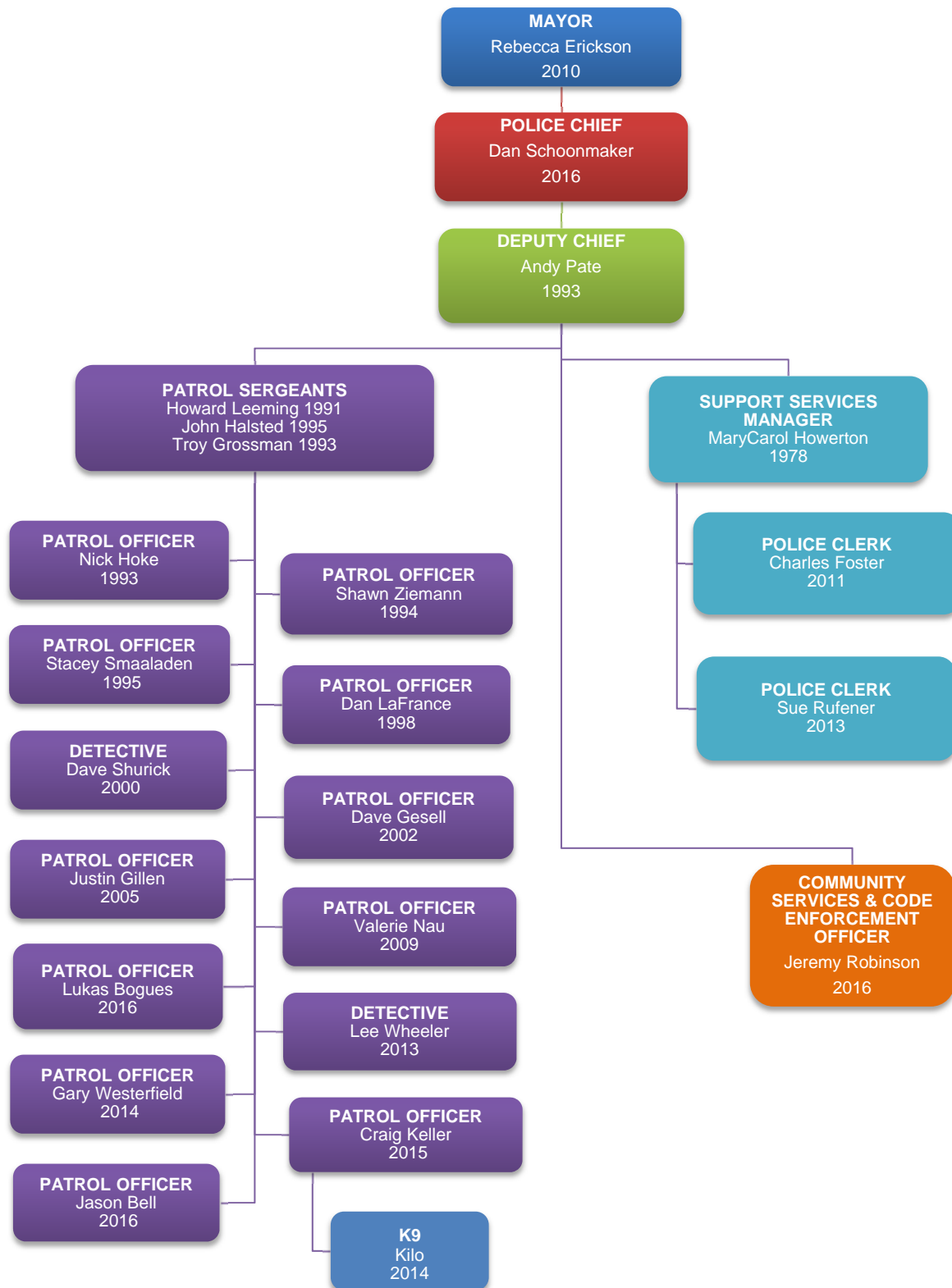
The City of Poulsbo Police Department has been established to preserve the public peace, prevent crime, detect and arrest violators of the law, protect life and property, and enforce criminal laws of the State of Washington and the City of Poulsbo Municipal Code.



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| POLICE | | | | | | |
| SALARIES | 1,736,356 | 1,778,123 | 1,773,768 | 1,994,276 | 2,071,729 | 4,066,005 |
| BENEFITS | 674,922 | 692,256 | 736,473 | 818,249 | 881,768 | 1,700,017 |
| SUPPLIES | 106,395 | 123,018 | 137,965 | 144,318 | 135,214 | 279,532 |
| OTHER SERVICES & CHARGES | 84,972 | 70,703 | 103,890 | 107,450 | 107,950 | 215,400 |
| INTERGOVERNMENTAL SVCS | 9,819 | 10,014 | 55,173 | - | - | - |
| TOTAL POLICE DEPARTMENT | 2,612,464 | 2,674,113 | 2,807,269 | 3,064,293 | 3,196,661 | 6,260,954 |

| POLICE DEPARTMENT BUDGET DETAIL | | | | | | |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------------|
| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
| POLICE ADMINISTRATION | | | | | | |
| SALARIES | 383,433 | 370,846 | 358,176 | 412,567 | 429,351 | 841,918 |
| BENEFITS | 175,257 | 160,155 | 168,707 | 184,839 | 199,084 | 383,923 |
| SUPPLIES | 3,224 | 3,567 | 32,090 | 18,700 | 18,700 | 37,400 |
| OTHER SERVICES & CHARGES | 28,692 | 23,662 | 36,600 | 27,500 | 27,500 | 55,000 |
| POLICE OPERATIONS | | | | | | |
| SALARIES | 975,700 | 981,536 | 1,044,684 | 1,050,381 | 1,094,823 | 2,145,204 |
| BENEFITS | 365,818 | 379,269 | 419,634 | 417,938 | 450,665 | 868,603 |
| SUPPLIES | 89,593 | 92,078 | 96,375 | 112,968 | 105,764 | 218,732 |
| OTHER SERVICES & CHARGES | 46,376 | 37,683 | 59,040 | 54,800 | 55,250 | 110,050 |
| POLICE RESERVE PROGRAM | | | | | | |
| SUPPLIES | 2,555 | 2,753 | 2,750 | 2,750 | 2,750 | 5,500 |
| OTHER SERVICES & CHARGES | - | - | 1,000 | 1,000 | 1,000 | 2,000 |
| POLICE MARINE SAFETY | | | | | | |
| SALARIES | 6,405 | 6,582 | - | 2,500 | 2,600 | 5,100 |
| BENEFITS | 2,159 | 2,668 | - | 425 | 425 | 850 |
| SUPPLIES | 1,094 | 112 | 1,500 | 1,700 | 1,700 | 3,400 |
| OTHER SERVICES & CHARGES | - | 766 | 500 | 500 | 500 | 1,000 |
| POLICE CRIME PREVENTION | | | | | | |
| SALARIES | - | 83,822 | 80,151 | 170,848 | 175,604 | 346,452 |
| BENEFITS | - | 32,600 | 33,785 | 68,607 | 73,696 | 142,303 |
| SUPPLIES | - | 1,453 | 1,000 | 1,000 | 1,000 | 2,000 |
| OTHER SERVICES & CHARGES | - | - | - | 1,300 | 1,300 | 2,600 |
| POLICE TRAFFIC | | | | | | |
| SALARIES | 325,817 | 277,800 | 277,718 | 284,513 | 293,195 | 577,708 |
| BENEFITS | 121,939 | 102,307 | 107,200 | 107,189 | 115,073 | 222,262 |
| SUPPLIES | 4,799 | 14,912 | 2,000 | 2,500 | 2,500 | 5,000 |
| OTHER SERVICES & CHARGES | 4,342 | 8,021 | 1,000 | 1,800 | 1,800 | 3,600 |
| INTERGOVERNMENTAL | 2,500 | - | - | - | - | - |
| POLICE PROPERTY ROOM | | | | | | |
| SALARIES | - | 12,149 | 13,039 | 13,571 | 13,898 | 27,469 |
| BENEFITS | - | 6,591 | 7,147 | 7,319 | 7,935 | 15,254 |
| SUPPLIES | 4,952 | 8,144 | 1,500 | 3,000 | 1,000 | 4,000 |
| OTHER SERVICES & CHARGES | 5,562 | 571 | 4,500 | 2,500 | 2,500 | 5,000 |
| POLICE PRISONERS MONITOR | | | | | | |
| SALARIES | 45,001 | 45,387 | - | 30,948 | 32,129 | 63,077 |
| BENEFITS | 9,750 | 8,666 | - | 16,136 | 17,615 | 33,751 |
| SUPPLIES | 179 | - | 750 | 850 | 950 | 1,800 |
| OTHER SERVICES & CHARGES | - | - | 1,250 | 16,200 | 16,200 | 32,400 |
| INTERGOVERNMENTAL | 7,319 | 10,014 | 55,173 | - | - | - |
| POLICE CODE ENFORCEMENT | | | | | | |
| SALARIES | - | - | - | 28,948 | 30,129 | 59,077 |
| BENEFITS | - | - | - | 15,796 | 17,275 | 33,071 |
| SUPPLIES | - | - | - | 850 | 850 | 1,700 |
| OTHER SERVICES & CHARGES | - | - | - | 1,850 | 1,900 | 3,750 |
| TOTAL POLICE DEPARTMENT | 2,612,464 | 2,674,113 | 2,807,269 | 3,064,293 | 3,196,661 | 6,260,954 |

THE ORGANIZATION OF THE POLICE DEPARTMENT



POLICE DEPARTMENT

PROGRAM DESCRIPTION:

The Poulsbo Police Department consists of a highly qualified and professionally trained group of women and men. The goal of the Police Department is to help maintain the high quality of living that has come to be expected in Poulsbo. This standard is maintained by providing a safe environment for both the citizens and visitors of Poulsbo.

SERVICES PROVIDED:

Services provided by the police department include but are not limited to:

- Responding to 911 calls and citizen requests for assistance
- Documenting crimes
- Arresting suspects
- Criminal Investigations
- Enforcing traffic laws with the goal of public safety
- Investigating collisions
- Enforcing marine traffic laws
- Providing public record information
- Vacation house checks
- Fingerprinting services

STAFFING LEVEL:

Patrol

The Patrol Division of the Poulsbo Police Department consists of eleven (11) Patrol Officers being supervised by three (3) Sergeants.

In the beginning of 2016 we had two Detectives, one was assigned to handle felony cases, monitor sex offenders, and provide crime prevention training. The other was assigned to Bremerton PD's Special Operations Group (SOG), which handled large scale felony cases and narcotics cases. Mid 2016 we brought the SOG Detective home and have added the position to our in-house detectives unit in order to address the growing investigative work load here in the City.

In 2016, we added a Community Services Officer position to the Department which will also provide code enforcement for City Planning/Building. This position also fills a much-needed vacant position as a Court Security officer.

A New Program Request was made during the budget process for one additional officer to be hired both in 2017 and in 2018 to supplement the force. One new officer was authorized for hire in 2017. As the City continues to grow in population, additional officers are needed to support and maintain a level of service.

Reserve Officers

The City of Poulsbo enjoys many festivals throughout the year. Staffing these festivals would be very difficult without the assistance of the Poulsbo Police Reserve unit. The Reserve Officers serve the citizens as a volunteer force. They are formally trained officers that donate a minimum of sixteen hours of patrol time per month, some of them much more. The Reserve unit members as a whole donate hundreds of hours of their personal time with the result being a savings of tens of thousands of dollars to the City. The dedicated work of the Reserve Officers results in a safer Poulsbo at little expense.

Volunteers in Police Service (VIPS)

We have a small volunteer service of dedicated volunteers who provide an invaluable resource to the police department. This group of selfless individuals provides additional eyes and ears in the community. They help by enforcing overtime parking in Anderson Parkway and handicap parking spaces throughout the City. They also help out during festivals with parking and traffic control, or by simply helping citizens get directions. They are a much appreciated group of volunteers.



Support Services

The Support Services Unit consists of the Manager as well as a Records-Evidence person and a Records-Training person. The Support Services Unit is tasked with processing all reports generated by Police Department personnel, processing and storage of property and evidence, records retention/destruction, fielding general inquiries from the public, taking fingerprints, processing firearm transfers and concealed pistol licenses, maintaining officers

training records and assisting patrol, detectives and the administrative staff. In 2016, the Support Services Manager was shared 50/50 with the prosecutor as a part time legal assistant. With the hire of a new Paralegal in the City Prosecutor Department in 2017, the Support Services Manager is now fully allocated to the Police Department.

2016 PROGRAM ACCOMPLISHMENTS:

The department processes concealed pistol licenses and completes gun transfer requests that in the past have been done by the Kitsap County Sheriff's Office. In 2016, we purchased and implemented an electronic fingerprinting service. This new hardware and software will allow our department to connect with State and National fingerprinting databases in order to submit fingerprints in a more timely and accurate manner, also eliminating most errors and delays in fingerprint confirmations.

The Police Department has also implemented new personnel/training tracking software which has been a huge improvement over previously used software and will shortly be able to be used for inventory purposes as well as training files.



Marine Patrol Unit

The Marine unit has been working diligently to increase on-water hours to improve boating safety on Liberty Bay, including additional manpower on the water during Viking Fest and the 3rd of July.

During the summer months one officer is dedicated to staffing the marine unit to provide weekend patrols on

Liberty Bay. From June to September we provide this additional enforcement on the water to ensure the safety of the boating community on our waterways. This year alone we have conducted over 50 vessel inspections to ensure boating safety. We also work to contact owners of derelict vessels to ensure our waterways stay clear of potential navigation hazards and prevent contamination of our bay.

Motorcycle Unit

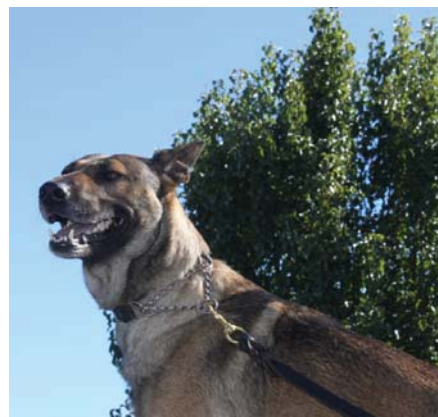
We have added an additional motorcycle to the unit in 2016 and hope to have an additional qualified and trained officer by the end of 2017. Thus far, the motorcycle unit has been a huge success in providing the City an increased awareness and enforcement in traffic safety. Traffic levels in the City have made it difficult and in some cases impossible to safely enforce traffic ordinances. Patrol vehicles simply do not have the advantages of a small motorcycle to effectively operate in a traffic-congested urban environment. Motorcycles are very effective tools for this type of traffic enforcement. They have also proven to be very effective for quickly providing police response to congested areas of the City during festivals.



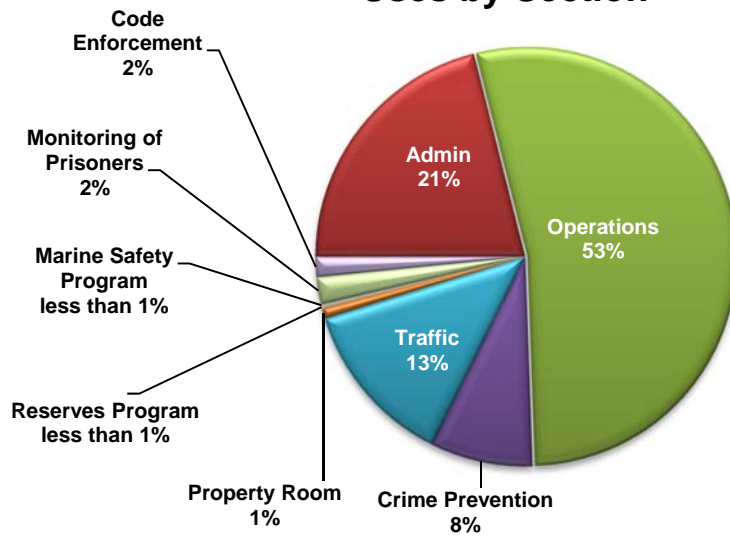
2017 PROGRAM USES:

In addition to one new officer authorized for hire in 2017, the department also requested and was authorized to purchase an Investigation Software (known as CLEAR). This software will allow the department to expand its investigative abilities for use in both minor and major crime investigations.

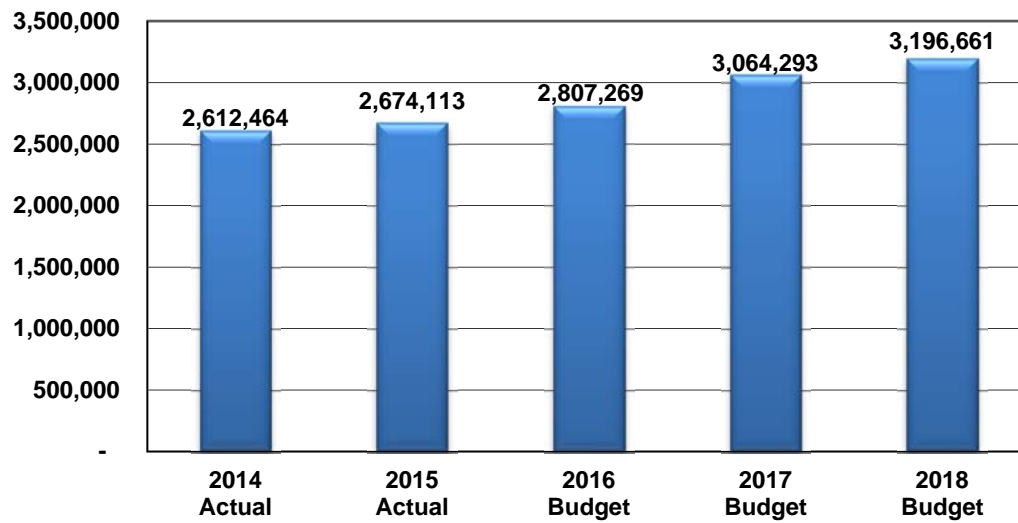
| POLICE DEPARTMENT PERFORMANCE MEASURES | | | | | |
|--|----------------|----------------|----------------|-------------------|-------------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of Case Reports | 1,359 | 1,800 | 1,760 | 1,900 | 1,950 |
| # of Citations Issued (criminal, infraction, parking) | 1,433 | 1,300 | 1,358 | 1,525 | 1,550 |
| # of Prosecutor Complaints (criminal) | 137 | 150 | 223 | 250 | 300 |
| # of Training Hours | 1,726 | 1,880 | 2,797 | 2,050 | 2,100 |
| # of Calls for Service | 12,473 | 12,500 | 12,215 | 13,250 | 13,500 |
| # of Driving Under Influence (total included in criminal citations) | 15 | 28 | 21 | 32 | 34 |
| # of Vacation House Checks | 373 | 370 | 376 | 380 | 385 |
| # of Handicap Parking Citations | 40 | 40 | 27 | 55 | 60 |



2017 - 2018 Police Department Program Uses by Section



Police Department Budget (2014-2018)



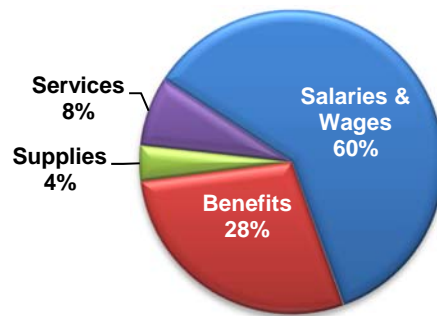


PUBLIC WORKS ADMINISTRATION DEPARTMENT

Mission Statement:

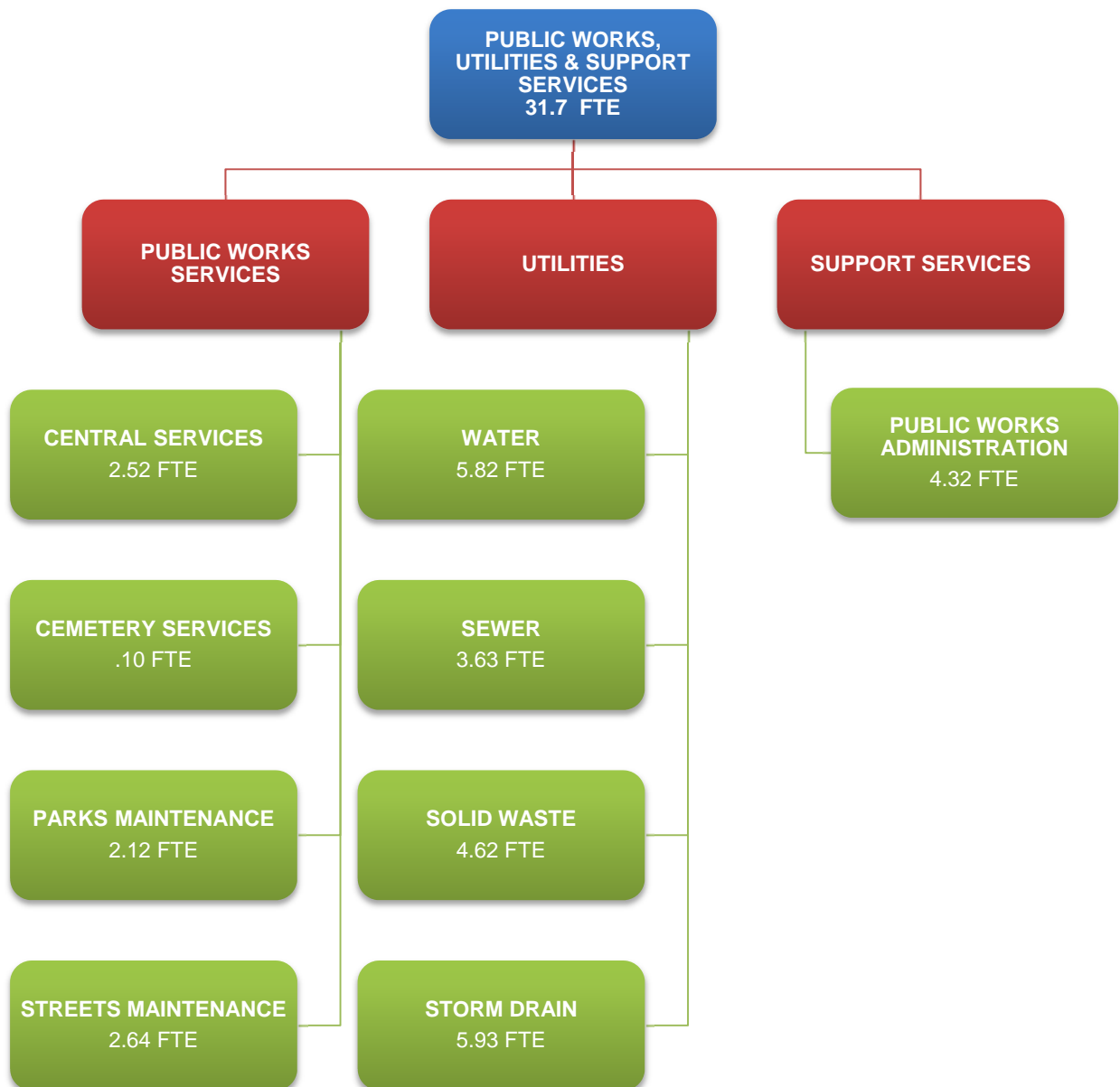
The mission of the Public Works Administrative Department is to provide support services to the Public Works Department. Responsibilities include management and supervision, budgeting and accounting, and purchasing and procurement of supplies, good and services.

Public Works Administration Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|---------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| PUBLIC WORKS ADMIN | | | | | | |
| SALARIES | 242,834 | 277,423 | 308,623 | 331,008 | 343,505 | 674,513 |
| BENEFITS | 106,433 | 123,133 | 134,243 | 152,582 | 165,954 | 318,536 |
| SUPPLIES | 11,124 | 19,132 | 22,100 | 21,300 | 21,300 | 42,600 |
| OTHER SERVICES & CHARGES | 28,323 | 19,421 | 36,036 | 41,391 | 41,391 | 82,782 |
| TOTAL PW ADMIN | 388,714 | 439,109 | 501,002 | 546,281 | 572,150 | 1,118,431 |

THE ORGANIZATION OF PUBLIC WORKS



PUBLIC WORKS DEPARTMENT ADMINISTRATION PROGRAM

PROGRAM DESCRIPTION:

Public Works Administration is responsible for the overall supervision and administration of the Public Works Department.

Public Works Administration is responsible for the management and oversight of ten (10) different departments/sections. These include: **General Fund** activities associated with Central Services to include building maintenance, vehicle maintenance, janitorial activities and maintenance activities associated with the Parks and the Cemetery; **Special Revenue Fund** activities associated with Streets; and **Proprietary Fund** activities associated with Water, Sewer, Solid Waste and Storm Drain.

Support activities associated with Public Works Administration include:

- Management and supervision of staff, engaged in the operation, maintenance and repair of the City's public infrastructure including buildings and central facilities, roadways, trails and sidewalks, water, wastewater, solid waste and stormwater facilities, services and equipment repair facilities
- Preparation, management and monitoring of the department's annual budget
- Comprehensive planning and administration of all public works capital improvements and equipment replacement programs
- Financial administration and management of Public Works activities to include, but not limited to, payroll preparation, work order and project cost accounting, processing of accounts receivable and payable
- Allocation of overhead expenses to include management and supervision, insurance expenses, general fund expenses and other allied expenses to the benefiting departments

STAFFING LEVEL:

Staffing associated with Public Works Administration includes 4.32 full time equivalent positions (FTE's). This includes one Superintendent, one Assistant Superintendent, one Office Manager, one Office Clerk II and a portion of the Director of Engineering and City Mechanic. Public Works Administration is under

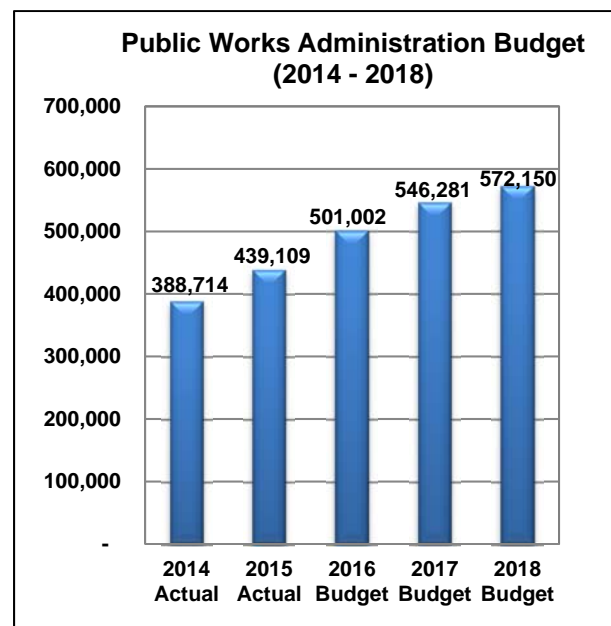
the supervision of the Public Works Superintendent.

2016 PROGRAM ACCOMPLISHMENTS:

- Support of Engineering Administration
- Updates to the City's website in support of Building, Engineering and Public Works
- Continued staff support to other City departments
- Continued plan design review for developer projects
- Support of the new Cemetery Committee, and volunteers
- Updates of the City Cemetery records and maps.

2017-2018 EXPENSES:

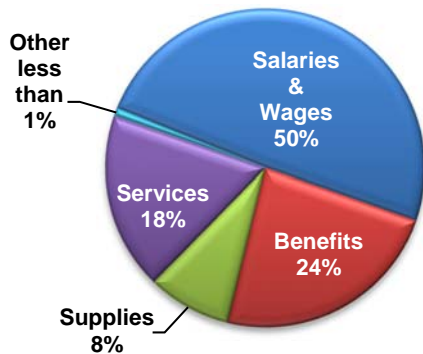
The year 2017 and 2018 administrative management program will be a continuation of the year 2016 program and will include the administration, management and supervision of Public Works Departments.



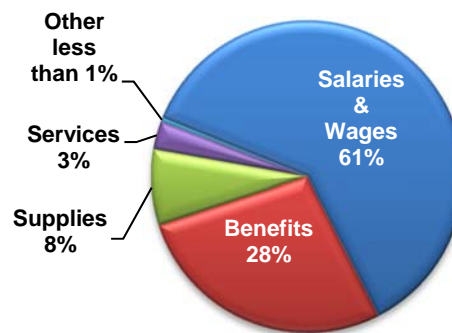
| PUBLIC WORKS DEPARTMENT (Administration) PERFORMANCE MEASURES | | | | | |
|---|----------------|----------------|----------------|-------------------|-------------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of Work Orders Processed | 244 | 250 | 217 | 255 | 260 |
| Utility Change of Ownership / New and Change of Service | 701 | 725 | 737 | 735 | 740 |
| # of Clean-Up Dumpsters | 311 | 315 | 280 | 300 | 300 |

PUBLIC WORKS PARKS & CEMETERY PROGRAMS

Parks Department Uses



Cemetery Department Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| PARKS MAINTENANCE | | | | | | |
| SALARIES | 140,770 | 158,133 | 157,037 | 158,229 | 161,274 | 319,503 |
| BENEFITS | 64,684 | 70,870 | 74,833 | 73,068 | 78,949 | 152,017 |
| SUPPLIES | 20,901 | 27,480 | 28,363 | 27,563 | 27,563 | 55,126 |
| OTHER SERVICES & CHARGES | 42,999 | 51,579 | 55,100 | 60,729 | 55,729 | 116,458 |
| INTERGOVERNMENTAL | 2,731 | 2,731 | - | 2,731 | 2,731 | 5,462 |
| TOTAL PARKS MAINT | 272,085 | 310,793 | 315,333 | 322,320 | 326,246 | 648,566 |

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| CEMETERY SERVICES | | | | | | |
| SALARIES | 5,707 | 6,657 | 3,021 | 8,196 | 8,333 | 16,529 |
| BENEFITS | 2,800 | 3,102 | 1,609 | 3,569 | 3,844 | 7,413 |
| SUPPLIES | 15 | 450 | 400 | 1,055 | 1,055 | 2,110 |
| OTHER SERVICES & CHARGES | 94 | 101 | 100 | 400 | 400 | 800 |
| INTERGOVERNMENTAL | 36 | 69 | 300 | 45 | 45 | 90 |
| TOTAL CEMETERY SERVICES | 8,652 | 10,380 | 5,430 | 13,265 | 13,677 | 26,942 |

PARKS PROGRAM

PROGRAM DESCRIPTION/SERVICES:

The Parks program, under the direction of the Public Works Superintendent, is responsible for the management and maintenance of the City of Poulsbo's municipal parks. The City's parks provide a high quality and safe recreational experience for both citizens and visitors.

Poulsbo has 19 city parks/open spaces and over 5 linear miles of trails.

Facilities available within the City park system include one full size tennis/pickle ball court, and two combination basketball courts, boat launch, exercise trails, Fish Park trail extension, three picnic shelters, grilling facilities at five parks, a waterfront gazebo, and an off-leash exercise area known as the "Bark Park." Restroom facilities are maintained at 5 parks, playgrounds at 7 parks, a skate park, and Dog Park located within Raab Park.

The city has intensified the development of parks and recreational areas resulting in significant increase in the demand for maintenance services. Maintenance of these facilities is a labor-intensive activity. During summer months, routine maintenance activities significantly increases, and the Public Works Department increases staffing with casual labor to augment regular employees.

The City is currently handling all requirements for routine custodial services for the restrooms, servicing of public trash receptacles, assisting in maintaining street trees and planters, placement, and monetary support to HDPA for downtown flower baskets and urns, as well as other landscaping services. This includes maintaining downtown flower beds, Anderson Parkway Rain garden vegetation, maintenance of City Hall landscaping and parking lot, and dog waste issues. The City has two live on site caretakers, one at Raab Park and one at Nelson Park that help with maintaining grounds, restrooms, the picnic shelters, and Dog Park.

STAFFING LEVEL:

Staffing associated with the parks maintenance function includes 2.12 fulltime equivalent positions (FTE's). The Public Works Superintendent supervises these positions. Two Ground Maintenance Techs at .95 FTE each,

one Foreman at .15 FTE, along with a portion of the City Mechanic, are allocated to the Parks.

2016 Operations & Maintenance Program Highlights:

- Addressed numerous vandalism issues in all city parks
- Watered many newly planted trees/plants, landscaped areas including all new street projects
- Continued maintenance on the Boardwalk as needed
- Assisted Arbor Day tree planting
- Met with citizen volunteers to plan Earth Day litter clean-up project
- Continued the Park's program associated with the scheduled maintenance and repair of all park's facilities. This includes cleaning of restrooms, grounds maintenance, mowing, fertilizing, and maintaining numerous irrigation systems. Conducting weekly inspections of park facilities to ensure safety, and compliance with applicable guidelines and regulations
- Continued support of the Fish Park project
- Support of the Kiwanis Park reroofing project
- Expansion and the installation of additional playground equipment in American Legion Park
- Support and installation of additional playground equipment at Lions Park
- Raised the tree canopy and removed low growing vegetation in American Legion Park due to vandalism
- Assisted in Fish Park (Holm Property) with the removal of the old house and clean up
- Coordinate with Parks & Rec regarding special events

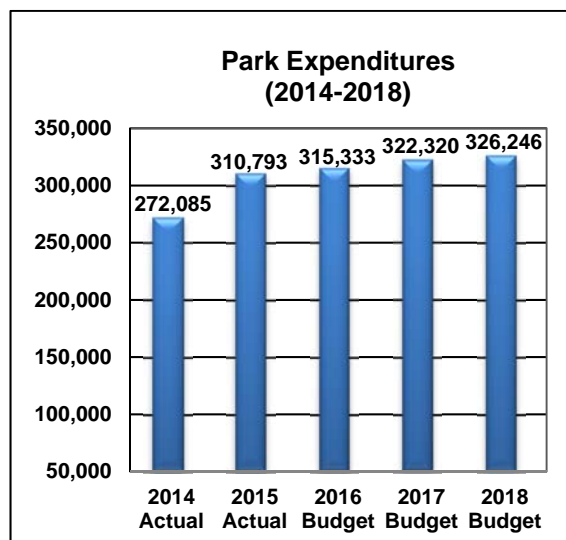
2017-2018 Projects/Programs:

Several projects are planned for the operations and maintenance of City parks for 2017 and 2018, including:

- Continuation of Fish Park Restoration
- Continue development of Centennial Park
- Development of new Morrow Manor Park
- Full renovation of public restrooms at MIW Waterfront Park
- Continuation of scheduled maintenance and routine repairs for all park facilities

PARKS' EXPENDITURES:

The year 2017 & 2018 repair and maintenance program will be a continuation of the 2016 program and will include the maintenance and repair associated with the City of Poulsbo parks and open spaces.



| PARKS - OPEN SPACES - TRAILS | |
|---|------------------------|
| Muriel Iverson Williams Waterfront Park | American Legion Park |
| Betty Iverson Kiwanis Park | Lions Park |
| Austerbruin Park | Frank Raab Park |
| Wilderness Park | Forest Rock Hills Park |
| Hattaland Park | Oyster Plant Park |
| Net Shed Vista Park | Mitchusson Park |
| Centennial Park | Nelson Park |
| Poulsbo's Fish Park | County Road 59 Trail |
| Moe Street Trail | Olhava Park #1 |
| Morrow Manor - <i>opening in 2017</i> | Olhava Park #2 |

| PARKS DEPARTMENT WORKLOAD MEASURES | | | | | |
|--|----------------|----------------|----------------|-------------------|-------------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| Number of parks, open spaces and trails maintained | 17 | 17 | 17 | 18 | 18 |
| Acres of parks/open space maintained | 67.5 | 67 | 67 | 68.5 | 68.5 |
| Acres of parks mowed | 16.5 | 16.5 | 16.5 | 17 | 17 |
| Vandalism/malicious mischief reports | 15 | 8 | 10 | 10 | 10 |

CEMETERY PROGRAM

MISSION STATEMENT:

The mission of City of Poulsbo's Municipal Cemetery is to provide a historic public burial ground, affordable to all citizens. The cemetery accomplishes this goal through the collaborative effort of staff and volunteers.

PROGRAM DESCRIPTION:

The program, under the direction of the Public Works Superintendent, is responsible for the maintenance and upkeep of the City owned cemetery located on Caldart Avenue. Sales and records are under the direction of the Public Works Office Manager.

Activities include:

- Continuous updating of cemetery records and CAD mapping
- Assist families researching burial locations of family members
- Meet with parties/families to show what is available to those interested in purchasing plots at the cemetery
- Plot locating and marking for local funeral homes for burials and monument companies for the placement of headstones and/or monuments
- Maintenance and upkeep of the facilities including grave markers and grounds
- Assist the public and genealogy groups in records research and investigations
- Mowing and general site maintenance
- Support the new Cemetery Committee and provide assistance to its members and volunteer groups for cemetery revitalization.
- Pavement of parking and entrance area
- Addition of 8 sponsored memorial benches, pads and waste containers
- Addition of water lines and yard hydrants
- Transferred small arborvitaes from downtown pots to the cemetery and installed temporary irrigation

In 2016, a special advisory committee was formed, consisting of citizens, staff and Councilmembers Thomas and Musgrove, to address the needs and potential beautification of the cemetery grounds. Through this committee, a workplan was developed to include addition of new water lines, yard hydrants, bench pads, pavement of parking lot, and a new cemetery gateway entrance sign.

This project began in late 2016 utilizing funds from Cemetery Reserves (Fund 314) as authorized by City Council. The project is expected to be complete in 2017.

Resulting from this advisory committee, a City Bench Sponsorship Program was created. This program promotes the private sponsorship of benches through donation, to be placed within the municipal cemetery.

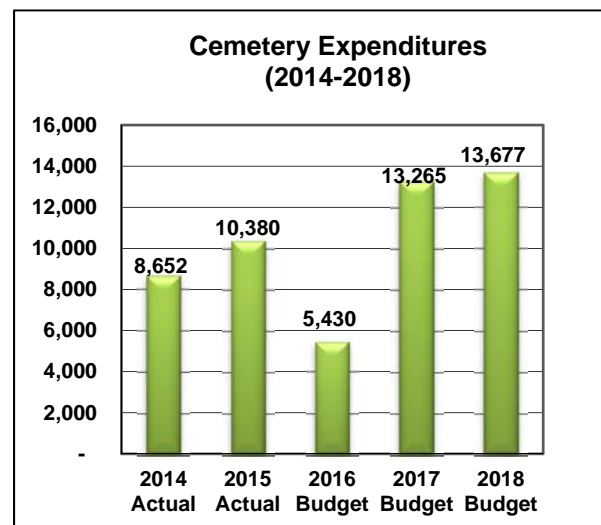
Revenues received from the sale of cemetery plots along with those for bench sponsorship are recognized in Cemetery Reserves (Fund 314).

STAFFING LEVEL:

Maintenance of the cemetery is accomplished utilizing regular and casual labor supervised by the Office Manager and the Public Works Superintendent. Beginning in 2017, the FTE of maintenance was re-allocated to .10 FTE.

EXPENDITURES:

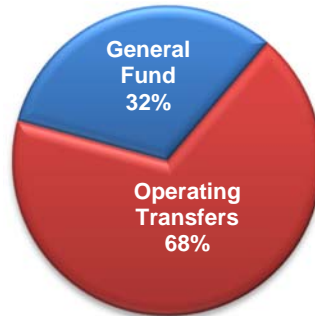
The 2017-2018 programs will be a continuation of the 2016 program and will include the administration, management, and supervision of the department. The addition in the allocation to Cemetery function along with increased utility service costs is reflected in the 2017-2018 budgets.



NON-DEPARTMENTAL

Non-Departmental budgets represent those appropriations that are not department specific

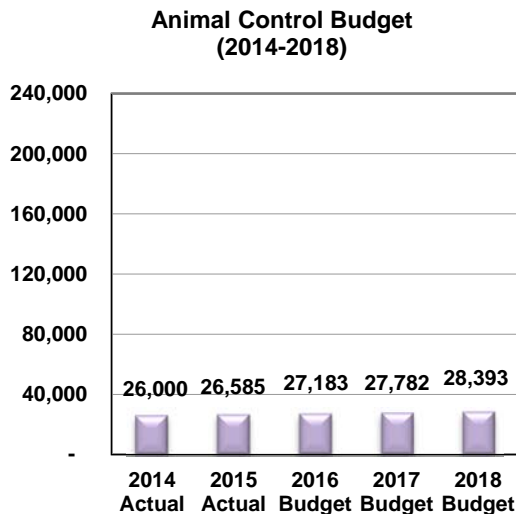
Non-Departmental Uses



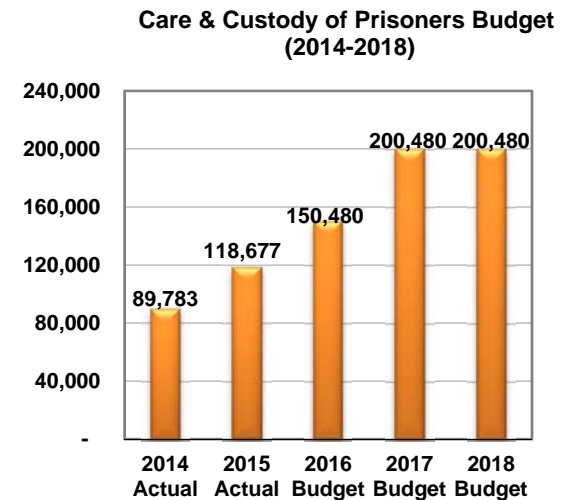
| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| NON-DEPARTMENTAL | | | | | | |
| ANIMAL CONTROL | 26,000 | 26,585 | 27,183 | 27,782 | 28,393 | 56,175 |
| AUDIT | 30,047 | 35,314 | 41,000 | 41,000 | 41,000 | 82,000 |
| CARE OF PRISONERS | 89,783 | 118,677 | 150,480 | 200,480 | 200,480 | 400,960 |
| COMMUNICATIONS - 911 | 90,270 | 87,824 | 133,554 | 88,014 | 92,000 | 180,014 |
| DISASTER PREPAREDNESS | 13,183 | 13,239 | 16,826 | 16,826 | 16,826 | 33,652 |
| EMPLOYEE BENEFIT PRGRM | 1,783 | 2,000 | 4,000 | 4,000 | 4,000 | 8,000 |
| LEGAL | 246,231 | 215,934 | 218,180 | 219,424 | 220,692 | 440,116 |
| LIBRARY | 26,698 | 28,771 | 32,155 | 32,155 | 32,155 | 64,310 |
| POLLUTIONS CONTROL | 5,251 | 6,593 | 7,388 | 7,388 | 7,754 | 15,142 |
| PUBLIC HEALTH | 11,779 | 29,283 | 67,607 | 234,363 | 234,528 | 468,891 |
| SOIL & WATER CONSERV | 9,755 | 14,051 | 15,000 | 14,000 | 14,000 | 28,000 |
| SUBSTANCE ABUSE | 2,577 | 2,761 | 3,111 | 3,198 | 3,254 | 6,452 |
| OPERATING TRANSFERS | 1,662,986 | 1,583,557 | 2,078,487 | 1,776,874 | 2,000,438 | 3,777,312 |
| TOTAL NON-DEPARTMENTAL | 2,216,343 | 2,164,589 | 2,794,971 | 2,665,504 | 2,895,520 | 5,561,024 |

ANIMAL CONTROL:

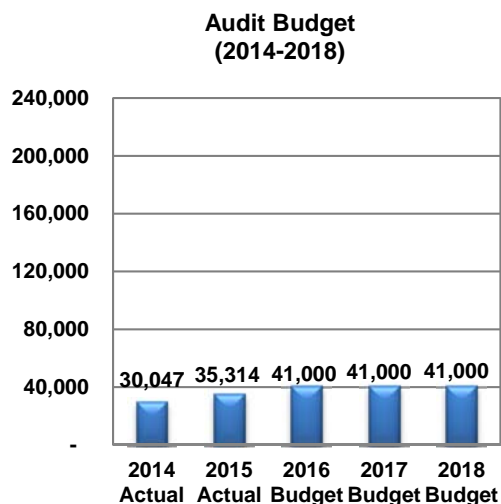
The City contracts with the Kitsap County Humane Society for animal control services. A new contract was signed in late 2016 to cover services for the period of January 1, 2017 through December 31, 2019.

**CARE & CUSTODY OF PRISONERS:**

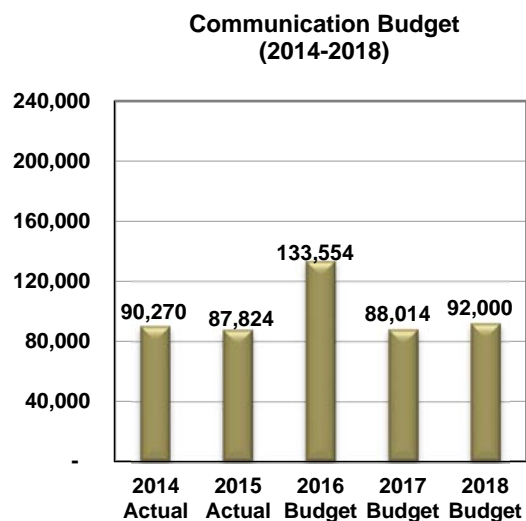
The City contracts with Kitsap County to provide most incarceration services. The Forks Jail is also utilized to provide services for long time incarcerations at a lesser rate. For 2017 & 2018, a baseline adjustment has been requested and authorized to keep up with the associated rising costs.

**AUDIT:**

The Washington State Auditor audits the City on an annual basis. Because federal grant proceeds in 2017 and 2018 are expected to exceed \$750,000, a single audit will be necessary in 2017 and 2018.

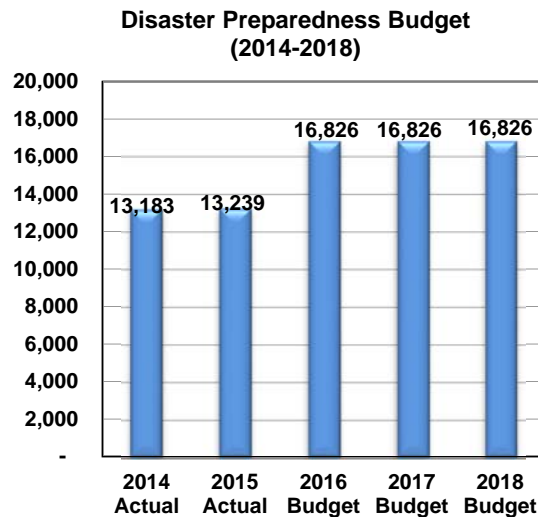
**COMMUNICATIONS:**

This budget includes expenditures related to emergency 911-dispatch service. Dispatch 911 service is contracted from Kitsap 911. The contract also includes the support of the County wide software used in law enforcement operations (ILEADS). 2016 budget included the amount to replace police vehicles MCT's (Mobile Computer Terminal).



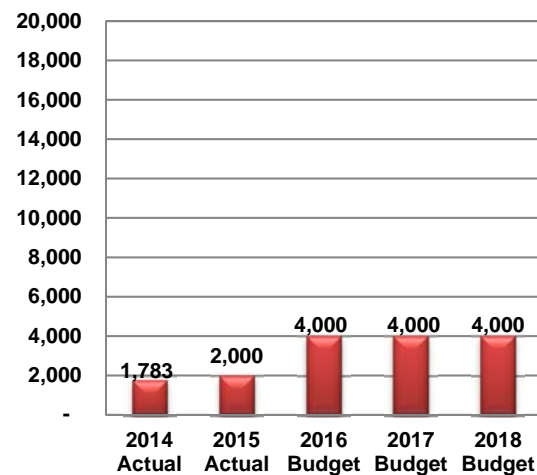
DISASTER PREPAREDNESS:

This budget funds those expenditures associated with emergency management, in particular, participation in Kitsap County's Department of Emergency Management Programs.

**EMPLOYEE BENEFIT PROGRAMS:**

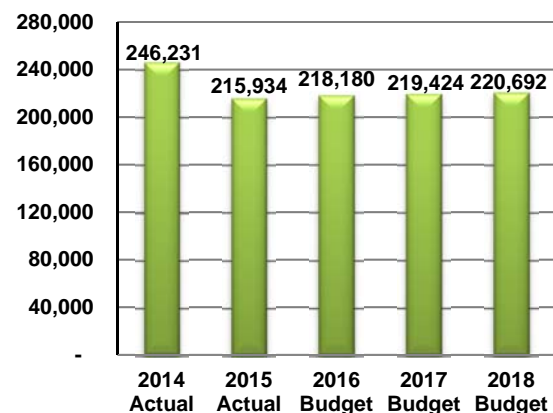
The Employee Benefit budget is prepared and monitored by the Parks & Recreation Director. This budget supports the City's Wellness Program, which is governed by a committee of representatives from each City department. The committee develops, promotes and carries out policies, programs and activities aimed at preventing illnesses and injuries, and promoting better morale, reduced absenteeism, and enhanced productivity and performance among City employees.

The City's Wellness Committee, through its Wellness Program, continues to create an environment supportive of positive health practices and lifestyle choices for its employees. The Wellness Program sponsors several educational activities such as departmental wellness boards in every building with rotating health topics and a walking club. Other morale building programs include a school supply drive for Fishline, Employee Appreciation event, a Poker Walk, Otter Pop and Hot Cocoa Brigade, an annual Turkey Bowl event and the Department Head Summer BBQ. In 2016, an additional \$2,000 baseline adjustment was approved to ensure programs will continue and allow for enhanced opportunities.

**Employee Benefit Program
Budget
(2014-2018)****LEGAL:**

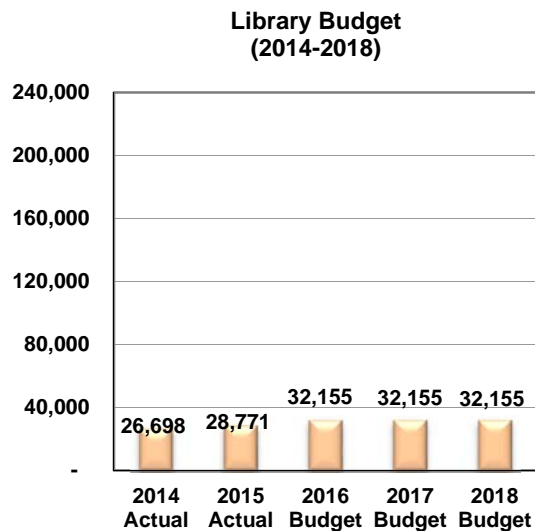
This budget includes expenditures related to legal services. The City contracts with Ogden, Murphy, Wallace for general legal needs, and Thomas Alpaugh for public defense.

In 2015, the City terminated its contract with Kitsap County for prosecution services. The City now has an in-house Prosecutor. The costs associated with prosecution services are now accounted for in a separate department combined with Risk Management.

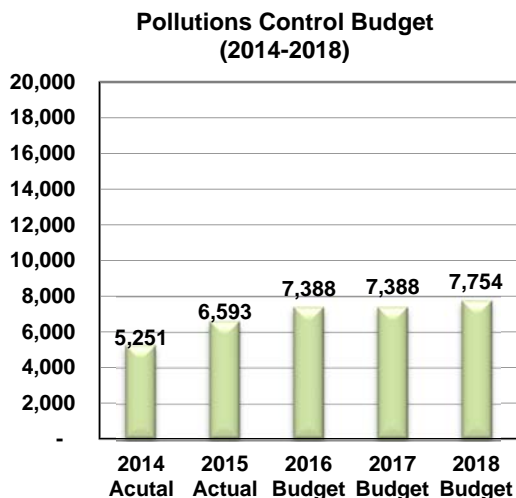
**Legal Budget
(2014-2018)**

LIBRARY:

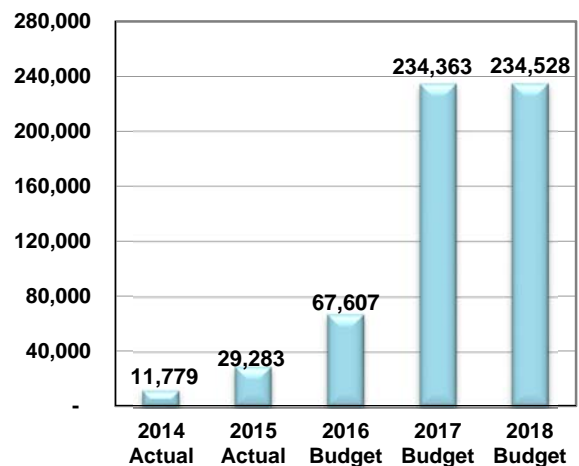
The City's library is a joint operation between the City of Poulsbo and the Kitsap Regional Library System. The City built and maintains the building while the Regional Library System provides the employees and media resources. The Library maintains the building for library operations, custodial, grounds maintenance, and meeting room rental. The City will continue to provide building maintenance and all utilities. The district also collects the rental income for the rooms which is used to offset the maintenance of the rooms.

**POLLUTIONS CONTROL:**

The City contributes to the Puget Sound Air Pollution Control for maintenance of clean air in the Puget Sound Region as set forth by the terms of the Washington State Clean Air Act, RCW 70.94.093.

**PUBLIC HEALTH:**

The City contracts with Kitsap County Health District to supplement the services they provide to the City. In 2015, the City entered an agreement with the health district to utilize the 1/10th of 1% tax voted in by citizens to provide and support Behavioral Health Outreach services to the City of Poulsbo Municipal Court. This agreement goes through 2017 and is anticipated to continue in 2018.

**Public Health
(2014-2018)****SOIL & WATER CONSERVATION:**

In 1997, the City of Poulsbo became a Tree City USA. The Poulsbo Tree Board was created and put together a five-year strategic plan with updates, to build and sustain soil and water conservation program within the City. The action plan is carried out with goals and objectives to establish and maintain an urban forest within the community.

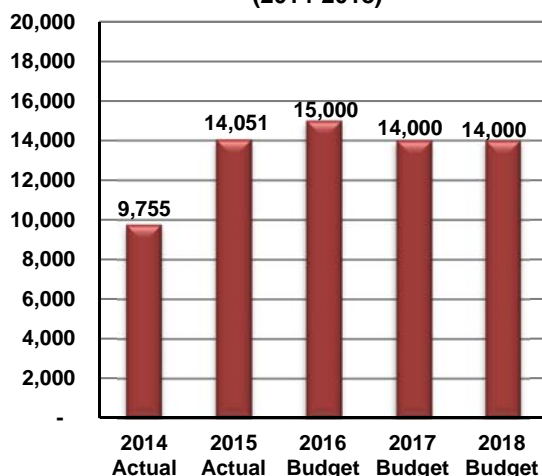
The soil and water conservation program is supported by \$2 per capita. These dollars are for public education, repair and maintenance, and contractual services for the City Arborist and Urban Forestry programs within the City.

In 2016, a one-time additional \$5,000 was budgeted to allow for work on Urban Tree Canopy Retention Policies and Ordinance. For 2017 & 2018, an on-going \$4,000 was budgeted to allow for professional urban forestry services to identify and address trees for removal.

2016 SOIL & WATER CONSERVATION ACCOMPLISHMENTS:

- Maintained Tree City USA designation for the 20th year by upholding four standards: 1) maintain the Tree Board; 2) maintain a tree ordinance; 3) allocate \$2 per citizen to tree related projects and needs; and 4) celebrate Arbor Day
- Poulsbo Tree Board members continued to make public education a priority by providing a series of tree pruning and *Great Trees for Small Gardens* classes, as well as a *Tree Walk in Poulsbo's Urban Forest*. They celebrated Arbor Day by planting one tree in Centennial Park, adopted a section of Poulsbo's Fish Park for stewardship activities with the Parks and Recreation Commission, and created a restoration education program at Salmon Viewing Saturday.

Soil and Water Conservation Uses
(2014-2018)



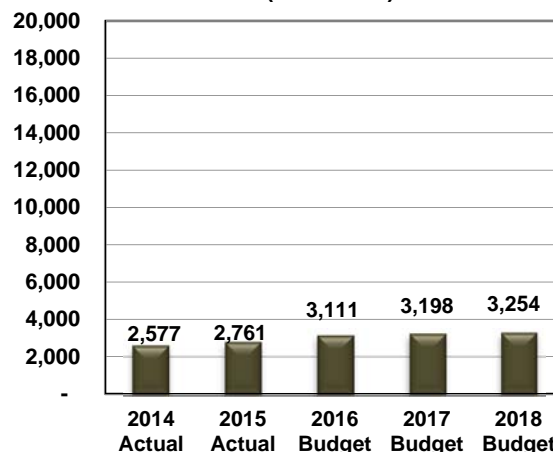
SUBSTANCE ABUSE:

The City is required by State law (RCW 71.24.555) to commit no less than 2% of our state shared revenues from liquor taxes and profits to the support of a substance disorder program.

The City contributes these revenues to the Kitsap County Department of Human Services participating in their county-wide Substance Abuse Prevention Program. The City's funding allows this program to successfully provide education, intervention, and aftercare services

for the Treatment of Alcoholism, Intoxication and Drug Addiction.

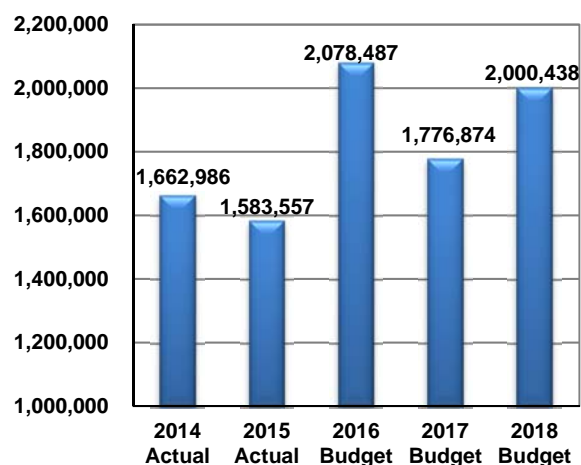
Substance Abuse Budget
(2014-2018)



OPERATING TRANSFERS:

This budget includes routine or regular interfund operating transfers and transfers to City Reserves. The detail of transfers to other funds is detailed in the chart following.

Operating Transfers
(2014-2018)



FUND BALANCE & RESERVES:

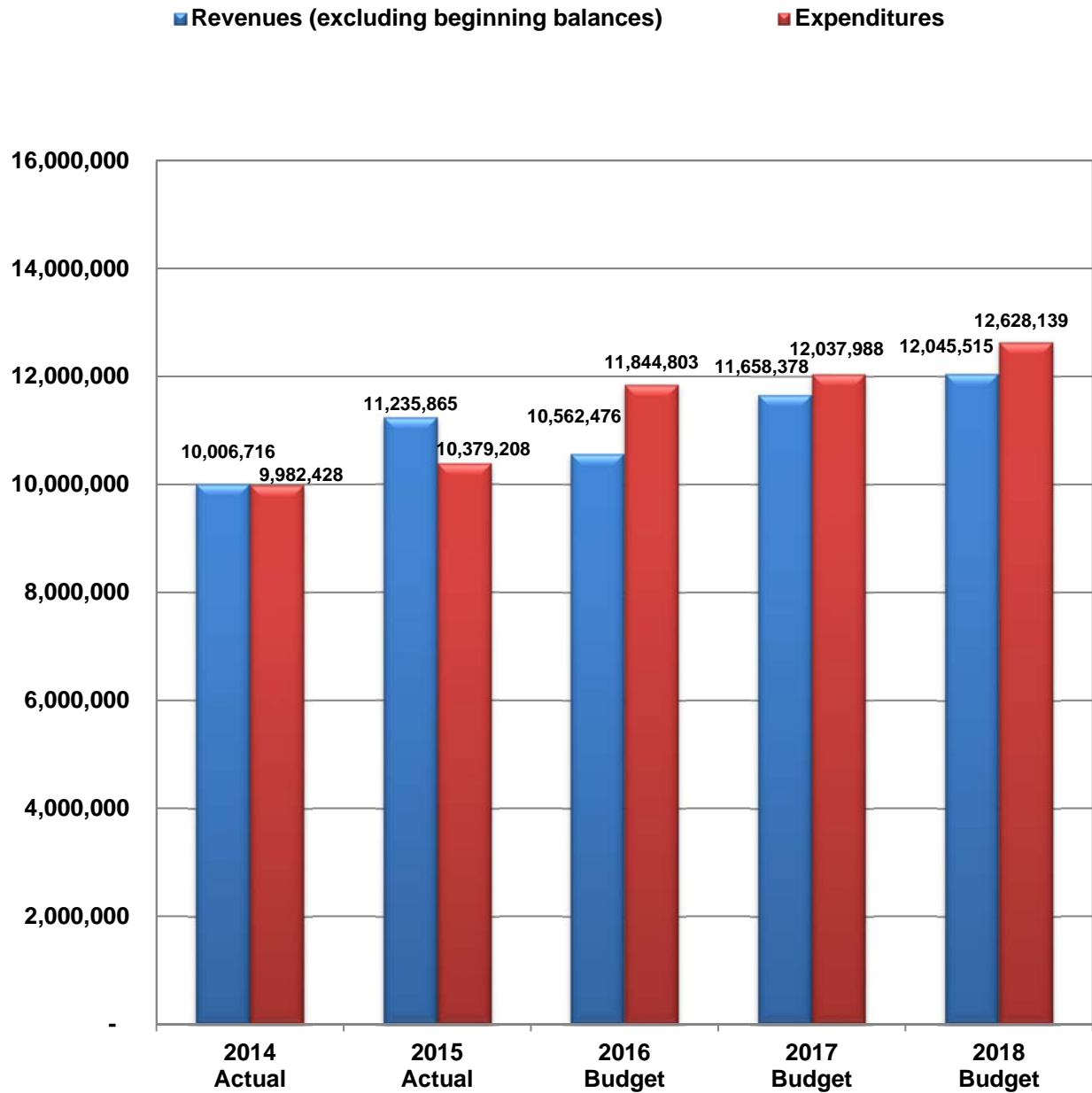
After closing the books from the previous year, any excess carryover dollars (those exceeding budgeted beginning balance) may be used to consider unfunded Baseline Adjustment Requests and New Program requests. Excess dollars are then transferred into the City's Revenue Stabilization Reserves assigned Fund Balance.

| 2017 Budgeted Fund Balance Amounts | |
|---|------------------|
| Unassigned | 420,390 |
| Assigned – Revenue Stabilization | 1,560,619 |
| Assigned – Legal Reserves | 225,000 |
| Total | 2,206,009 |

| 2018 Budgeted Fund Balance Amounts | |
|---|------------------|
| Unassigned | 0 |
| Assigned – Revenue Stabilization | 1,398,385 |
| Assigned – Legal Reserves | 225,000 |
| Total | 1,623,385 |

| Operating Transfer Summary | | | |
|--|---|---------------------|---------------------|
| Transfer to Fund | Description | 2017 | 2018 |
| 101 | Street Maintenance | \$ 604,000 | \$ 612,000 |
| 204 | 2009 City Hall Debt | \$ 198,695 | \$ 202,313 |
| 204 | 2012 City Hall Debt | \$ 140,400 | \$ 138,600 |
| 204 | 2015 City Hall Debt | \$ 282,750 | \$ 284,800 |
| 204 | Park & Recreation Building Debt | \$ 24,175 | \$ 23,718 |
| 204 | Anticipated Public Works Building Debt | \$ - | \$ 96,600 |
| 204 | Anticipated Noll Road Debt | \$ - | \$ 102,000 |
| 204 | Debt Service Costs | \$ 500 | \$ 753 |
| 301 | Transfer for Purchase of a Police Vehicle | \$ 47,000 | \$ 49,000 |
| 301 | Transfer for Capital Equipment | \$ 155,354 | \$ 164,654 |
| 302 | Transfer for Park Projects | \$ 100,000 | \$ 101,000 |
| 311 | Transfer for Neighborhood Streets | \$ 150,000 | \$ 150,000 |
| 311 | Transfer for Street Projects | \$ 49,000 | \$ 50,000 |
| 331 | Transfer for City Governmental Building Repairs | \$ 25,000 | \$ 25,000 |
| Total Transfers from General Fund | | \$ 1,776,874 | \$ 2,000,438 |

Total General Fund Operating Revenues and Expenditures (2014 - 2018)



TOTAL GENERAL FUND BUDGET SUMMARY:

| GENERAL FUND SUMMARY | | | | | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Department/Section | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget |
| Legislative | 116,495 | 116,164 | 150,179 | 176,404 | 162,251 |
| Executive | 107,435 | 144,354 | 188,661 | 148,841 | 152,990 |
| Clerk | 283,122 | 169,915 | 210,670 | 218,348 | 231,463 |
| Personnel | 123,598 | 138,008 | 146,228 | 152,081 | 157,884 |
| Information Services | 159,528 | 181,745 | 195,115 | 202,689 | 212,616 |
| Prosecutor | 97,051 | 86,802 | 142,244 | 142,771 | 147,365 |
| Risk Management | 161,587 | 223,678 | 244,962 | 325,125 | 353,444 |
| Engineering | 527,928 | 550,541 | 613,215 | 594,793 | 626,754 |
| Building | - | 263,569 | 316,251 | 297,971 | 310,625 |
| Finance | 655,329 | 683,903 | 851,062 | 832,955 | 879,305 |
| Central Services | 477,736 | 502,526 | 577,712 | 554,346 | 570,324 |
| Municipal Court | 357,992 | 368,272 | 384,249 | 391,665 | 406,207 |
| Parks and Recreation | 735,679 | 753,430 | 784,642 | 789,027 | 813,620 |
| Planning & Economic Dev | 731,167 | 531,944 | 580,795 | 599,310 | 599,037 |
| Police | 2,612,464 | 2,674,113 | 2,807,269 | 3,064,293 | 3,196,661 |
| Public Works Admin | 388,714 | 439,109 | 501,002 | 546,281 | 572,150 |
| Parks | 272,085 | 310,793 | 315,333 | 322,320 | 326,246 |
| Cemetery | 8,652 | 10,380 | 5,430 | 13,265 | 13,677 |
| Non-Departmental | 2,165,866 | 2,229,961 | 2,794,971 | 2,665,503 | 2,895,520 |
| Fund Balance | 2,098,994 | 2,162,683 | 1,915,036 | 2,206,009 | 1,623,385 |
| Total General Fund | \$ 12,081,422 | \$ 12,541,890 | \$ 13,725,026 | \$ 14,243,997 | \$ 14,251,524 |

SPECIAL REVENUE FUNDS (100's)

These funds account for the proceeds for specific revenue sources that are legally restricted to expenditures for specific purposes.

| SPECIAL REVENUE FUNDS SUMMARY | | |
|-------------------------------|--|--|
| Fund | Fund Name | Description |
| 101 | City Street Fund | Maintenance and operations of Street Department |
| 121 | Capital Improvement Fund | Revenue received from Real Estate Excise Tax used for expenditures associated with the city's capital improvement plan projects |
| 123 | Transportation Development Fund | Traffic and sidewalk impact fees |
| 124 | Park Development Fund | Park impact fees |
| 131 | Historic Downtown Poulsbo Association Fund | Business improvement area with self-assessed dues & expenditures used for promotion and beautification within downtown assessed area |
| 161 | Path & Trails Reserve Fund | Fund which receives a portion of State Fuel Tax revenue to be used exclusively for Paths & Trails expenditures |
| 171 | Drug Enforcement Fund | Acquisitions from drug related crimes which must be expended for drug enforcement related programs |
| 181 | Transient Occupancy Tax Fund | Hotel/Motel Tax received and expended on tourist related programs |
| 191 | Police Restricted Fund | Revenue received from various sources to be used exclusively for law enforcement purposes |

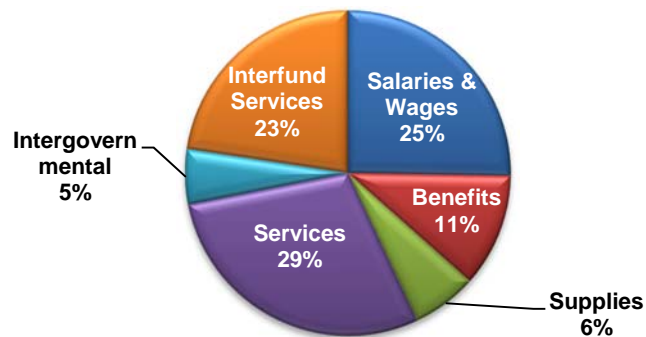
| 2017 | | | | | |
|--------|---|-------------------|-----------------|--------------|----------------|
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 101 | City Street Fund | \$ 167,350 | \$ 848,891 | \$ 875,218 | \$ 141,023 |
| 121 | Capital Improvement Fund | \$ 359,868 | \$ 500,300 | \$ 435,292 | \$ 424,876 |
| 123 | Transportation Development Fund | \$ 1,061,408 | \$ 350,500 | \$ 1,220,000 | \$ 191,908 |
| 124 | Park Development Fund | \$ 98,393 | \$ 196,137 | \$ 80,000 | \$ 214,530 |
| 131 | Historic Downtown Poulsbo Association (HDPF Fund) | \$ 44,175 | \$ 51,878 | \$ 70,052 | \$ 26,001 |
| 161 | Paths & Trails Reserve Fund | \$ 15,576 | \$ 1,064 | \$ - | \$ 16,640 |
| 171 | Drug Enforcement Fund | \$ 68,000 | \$ 100 | \$ 13,300 | \$ 54,800 |
| 181 | Transient Occupancy Tax Fund | \$ 40,003 | \$ 110,000 | \$ 130,000 | \$ 20,003 |
| 191 | Police Restricted Fund | \$ 101,995 | \$ 19,818 | \$ 16,525 | \$ 105,288 |
| 2018 | | | | | |
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 101 | City Street Fund | \$ 141,023 | \$ 868,587 | \$ 890,825 | \$ 118,785 |
| 121 | Capital Improvement Fund | \$ 424,876 | \$ 500,300 | \$ 531,061 | \$ 394,115 |
| 123 | Transportation Development Fund | \$ 191,908 | \$ 375,500 | \$ 550,000 | \$ 17,408 |
| 124 | Park Development Fund | \$ 214,530 | \$ 228,515 | \$ 166,184 | \$ 276,861 |
| 131 | Historic Downtown Poulsbo Association (HDPF Fund) | \$ 26,001 | \$ 51,828 | \$ 71,652 | \$ 6,177 |
| 161 | Paths & Trails Reserve Fund | \$ 16,640 | \$ 1,085 | \$ - | \$ 17,725 |
| 171 | Drug Enforcement Fund | \$ 54,800 | \$ 100 | \$ 13,100 | \$ 41,800 |
| 181 | Transient Occupancy Tax Fund | \$ 20,003 | \$ 110,000 | \$ 110,000 | \$ 20,003 |
| 191 | Police Restricted Fund | \$ 105,288 | \$ 20,228 | \$ 16,325 | \$ 109,191 |

STREET FUND 101

Mission Statement:

The mission of the Streets Department is to provide a safe, functional, efficient and aesthetic transportation system through efficient maintenance and construction of improvements to the City's street, pedestrian corridors and bicycle routes for the citizens of Poulsbo to allow for the movement of people, goods and services in a safe, functional and efficient manner.

Street Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| FUND 101 | | | | | | |
| CITY STREET | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 368,292 | 241,270 | 138,009 | 167,350 | 141,023 | 167,350 |
| LICENSES & PERMITS | 16,680 | 16,090 | 12,000 | 12,000 | 12,000 | 24,000 |
| INTERGOVERNMENTAL | 322,281 | 204,949 | 213,612 | 232,891 | 244,587 | 477,478 |
| MISCELLANEOUS | 128 | 199 | - | - | - | - |
| OTHER FINANCING SOURCES | 752,470 | 724,747 | 735,000 | 604,000 | 612,000 | 1,216,000 |
| TOTAL RESOURCES | 1,459,851 | 1,187,255 | 1,098,621 | 1,016,241 | 1,009,610 | 1,884,828 |
| FUND 101 | | | | | | |
| CITY STREET | | | | | | |
| USES | | | | | | |
| SALARIES | 248,155 | 230,582 | 219,195 | 220,194 | 225,992 | 446,186 |
| BENEFITS | 108,680 | 98,958 | 96,815 | 95,641 | 103,546 | 199,187 |
| SUPPLIES | 29,592 | 42,787 | 52,950 | 56,959 | 56,959 | 113,918 |
| OTHER SERVICES & CHARGES | 377,494 | 219,574 | 245,487 | 254,318 | 256,222 | 510,540 |
| INTERGOVERNMENTAL | 10,633 | 5,069 | 15,000 | 48,400 | 48,400 | 96,800 |
| INTERFUND SERVICES | 249,621 | 245,493 | 136,300 | 199,706 | 199,706 | 399,412 |
| OTHER FINANCING USES | 190,656 | 193,719 | 140,524 | - | - | - |
| FUND BALANCE | 245,020 | 151,073 | 192,350 | 141,023 | 118,785 | 118,785 |
| TOTAL USES | 1,459,851 | 1,187,255 | 1,098,621 | 1,016,241 | 1,009,610 | 1,884,828 |

STREET FUND (101)**PROGRAM DESCRIPTION:**

The Street Fund is a Special Revenue Fund providing for the repair and maintenance of the City's transportation system, which includes streets and right-of-ways, paths and trails, sidewalks and parking lots. Activities associated with the street programs are:

- **Street Maintenance and Repair:** Maintenance and repair of the transportation infrastructure to include, roadways, right of ways, parking lots, sidewalks, including the additional pervious surfaces, trails, pedestrian corridors, traffic control devices and storm water control and treatment.
- **Emergency Response:** Emergency response associated with snow removal, ice control and inclement weather conditions, including storm cleanup and accident or spill cleanups.
- **Routine Street Maintenance:** Routine scheduled street cleaning by sweeping and vacuuming to satisfy the NPDES permit; painting of crosswalks, parking stalls, including ADA stalls and fire lanes, fog lines, no parking areas and curbing; installation of new street signs; asphalt pavement repair; crack sealing; and maintenance of existing signage including new solar/digital read out signs and thermos-plastic street markings.
- **Roadside Maintenance:** Roadside and right of way maintenance and vegetation control.
- **Ancillary Activities:** Traffic control and cleanup associated with City of Poulsbo's special events including, but not limited to, Halloween Street Closure, Viking Fest, Arts by the Bay, 3rd of July, Annual Street Dance, Bike Criterium and installation and removal of special event banners and lighting.
- **Street and Pedestrian Lighting:** Installation and maintenance of street and pedestrian lighting.

STAFFING LEVEL:

The Street Maintenance program is staffed with 2.64 full time equivalent positions (FTE's) providing for the operation, maintenance and repair of the system.

2016 Operation and Maintenance**Program Highlights:**

- Installation of new Radar traffic control system at Front and Bond Road intersection
- City's street sweeping/vacuuming program
- 218 hours of vacuuming street surfaces
- Installation of thermos-plastic to maintain crosswalks and stop bars
- Performed routine scheduled/emergency maintenance and repair of streets, roadways, alleys, parking lots, sidewalks and trails, and street lighting
- Performed routine maintenance of roadsides and right of ways
- Maintenance and repair of traffic control devices and signage infrastructure
- Maintained city regulatory/guide signs
- Support of capital projects
- Maintenance and cleaning of catch basins and street inlets to allow for the conveyance of surface and storm water and to prevent flooding
- Pothole/asphalt repairs, and crack sealing
- Annual striping program of parking stalls, centerlines, fog lines and crosswalks including ADA parking stalls
- Support of special events by preparing signs, and placement of barricades/cones
- Installed and removed traffic counters at various locations
- Grinding sidewalk trip hazards
- Maintained traffic sign retro reflectivity shown in the 2008 Manual on Uniform Traffic Control Devices (MUTCD)
- Performed work on new Public Works property
- Cleaning of pervious roadways, sidewalks, bike lanes, and parking stalls, 191,233 sf
- Installed new skip line at Viking and Finn Hill intersection
- Installed new gravel walking path on 4th Ave
- Installed radar/solar powered MPH sign on 4th Ave
- Installation of the City's first sign post reflective wraps
- Purchased walk behind broom sweeper and vacuum systems to clean pervious surfaces
- Started to develop a comprehensive streets inventory and maintenance program

2017/2018 Operation & Maintenance**Programs:**

- Continue developing and implementing the streets maintenance program
- Develop and implement a sidewalk maintenance program for needed repairs.
- Replace selected street asphalt as identified in the CIP
- Continue update of sign inventory
- Continue asphalt/crack seal program
- Clean and maintain pervious pavements
- Thermo-plastic striping placements
- Painting crosswalks and parking stalls
- Routine scheduled maintenance and repair of roadways, alleys, parking lots, sidewalks, trails and signage
- Expand ADA sidewalk access program to include more intersections
- Accomplish appropriate vegetation control
- Street de-icing or sanding and snow removal
- Continue traffic sign reflectivity compliance program

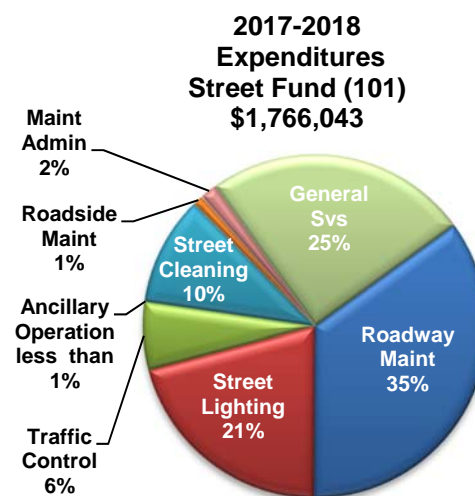
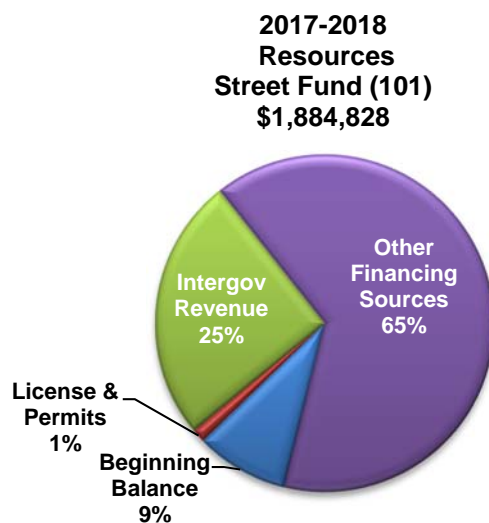
2017/2018 REVENUES:

The Street Maintenance Fund (101) derives the majority of its revenues from operating transfers associated with revenue received from property taxes. Additional revenue for this fund comes from state shared revenue gas taxes.

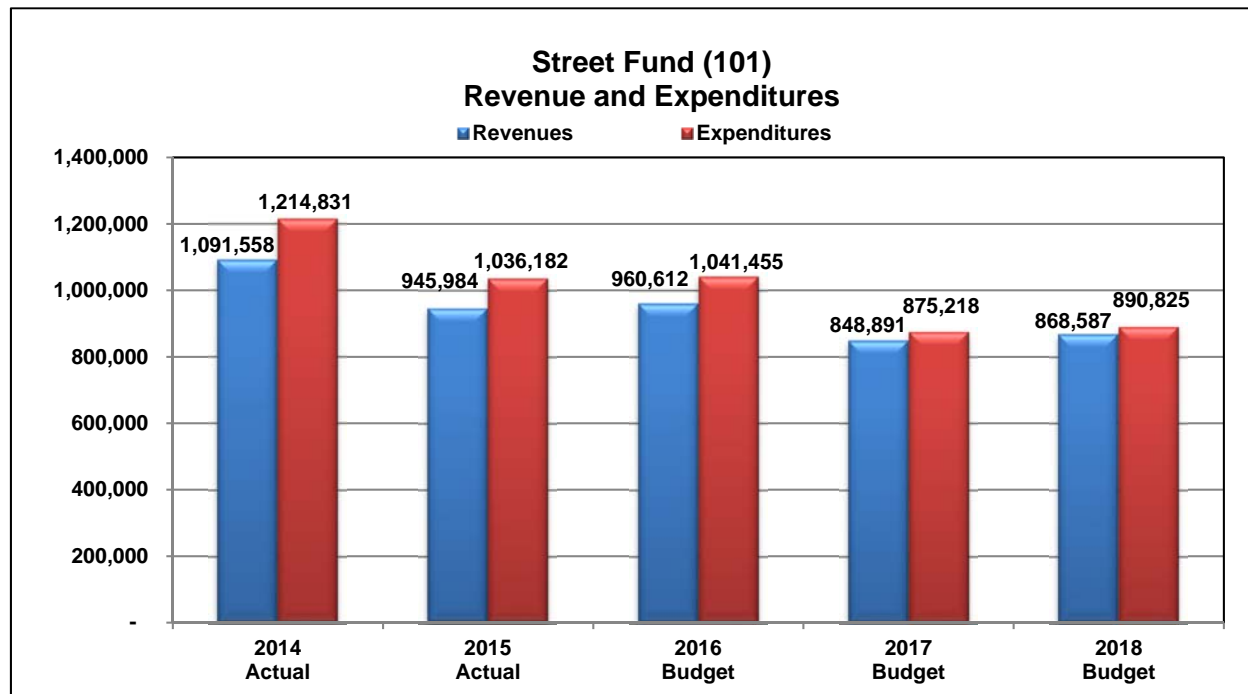
2017/2018 EXPENDITURES:

Operation and Maintenance: The 2017 and 2018 operation and maintenance program will be a continuation of the 2016 program and will include the operation, maintenance and repair of the City's transportation systems.

A New Program Request for 2017 & 2018 was approved by the City Council to develop a "Speed Management Program". This program will entail the review and purchase of "speed calming" measures to determine the most appropriate method based on those areas within the city most in need. Funds allocated for this new program are \$10,000 each year of 2017 & 2018.



| STREET DEPARTMENT WORKLOAD MEASURES | | | | | |
|--|----------------|----------------|----------------|-------------------|-------------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of street signs maintained | 2280 | 2920 | 3000 | 3050 | 3050 |
| Miles of sidewalks | 50 | 51 | 64 | 65 | 66 |
| Miles of shoulders (grass, gravel, ditches, bike paths, right-of-way) | 44 | 44 | 44 | 45 | 45 |
| Miles of streets maintained | 47 | 47 | 54 | 55 | 57 |
| Hours spent street sweeping | 312 | 354 | 310 | 360 | 370 |
| Cubic feet of sidewalks vacuumed | - | - | 160,162 | 160,162 | 165,000 |
| Hours snow plowing/sanding | 80 | 8 | 24 | 24 | 24 |



CAPITAL IMPROVEMENT FUND 121

Capital Improvement Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|---|----------------|------------------|----------------|----------------|----------------|---------------------|
| FUND 121 CAPITAL IMPROVEMENT RESOURCES | | | | | | |
| BEGINNING BALANCE | 439,495 | 382,229 | 308,618 | 359,868 | 424,876 | 359,868 |
| TAXES | 474,906 | 626,126 | 400,000 | 500,000 | 500,000 | 1,000,000 |
| MISCELLANEOUS | 394 | 263 | 150 | 300 | 300 | 600 |
| TOTAL RESOURCES | 914,795 | 1,008,618 | 708,768 | 860,168 | 925,176 | 1,360,468 |
| FUND 121 CAPITAL IMPROVEMENT USES | | | | | | |
| OTHER FINANCING USES | 440,000 | - | 448,900 | 435,292 | 531,061 | 966,353 |
| FUND BALANCE | 474,795 | 1,008,618 | 259,868 | 424,876 | 394,115 | 394,115 |
| TOTAL USES | 914,795 | 1,008,618 | 708,768 | 860,168 | 925,176 | 1,360,468 |

CAPITAL IMPROVEMENT FUND (121)

PROGRAM DESCRIPTION:

Capital Improvement Fund was established to receive all proceeds of the Real Estate Excise Tax (REET) disbursed to the City. The first quarter percent (1/4%) has been allocated to fund the debt service payment for City Hall. Revenues generated from the first quarter percent REET shall be used solely for financing capital projects specified in the Capital Facilities Plan element of the Comprehensive Plan per RCW 82.46.010(2)(6). RCW 82.46.010(6) defines capital projects as public works projects for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, administrative and judicial facilities, etc.

The second quarter percent (1/4%) of REET may only be levied by cities and counties that are required to or choose to plan under the Growth Management Act. The second quarter percent (1/4%) is transferred into the Debt Service funds to support debt payments for transportation improvements.

Up until December 31, 2016, counties and cities had the authority to use a portion of REET proceeds for the operation and maintenance of existing REET capital projects. After the sunset date, a portion of REET funds can be used for maintenance of capital projects, but no longer for operations.

In order to use the funds towards maintenance, the intention must be established and acknowledged by City Council during the budget process. The 2017-2018 budget has been developed to not use funds for maintenance; however reserved for debt payment of items on the Capital Facilities Plan or future transportation improvement projects. The new provisions will require the City demonstrate it has or will have adequate funding from all sources of public funding to pay for capital projects in its Capital Facilities Plan for the succeeding two-year period.

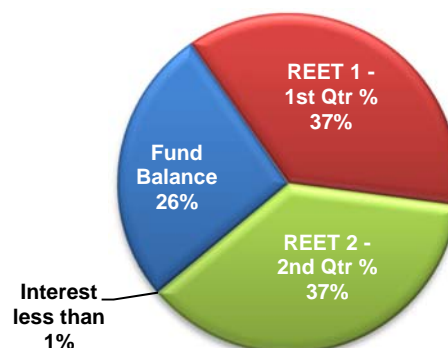
FUND RESOURCES:

As previously stated, the majority of this fund's revenue is derived from Real Estate Excise Tax (REET). This is a tax levied on each sale of real property within the City. The tax is collected at the rate of one-quarter (1/4) of one percent (1%) of the selling price of the property. The tax is collected in two parts referred to as simply "the first one quarter percent (1/4%) REET I" and "the second one-quarter percent (1/4%) REET II". The County Treasurer collects the tax at the time of property closing and disburses the tax back to the City.

This revenue is very difficult to estimate, as it is solely dependent on the number of real estate sales within any year. Many new housing developments continued planning and construction with anticipated sales in 2016. Many projects are continuing into 2017 and 2018 supporting an increase in the revenue projection, as well as actual revenues generated over the past several years have exceeded budget projections. The revenue projection has been increased to be more consistent with actual revenues generated in prior years. Revenue projections:

- 2017 - \$500,000
- 2018 - \$500,000

**2017-2018
Resources
Capital Improvement Fund (121)
\$1,360,468**



EXPENDITURES:

The Capital Improvement Plan (CIP) is prepared and collaborated by City staff. A Council workshop will review the plan for strategic planning and will deal with long-term policy planning, including capital improvement planning, as part of the City's comprehensive plan. Finance/budget will deal with short-term planning which falls under the budget process with capital improvement projects being reviewed by individual committees, then reviewed by the Finance/Administration Committee, and finally forwarded with recommendations to the full Poulsbo City Council.

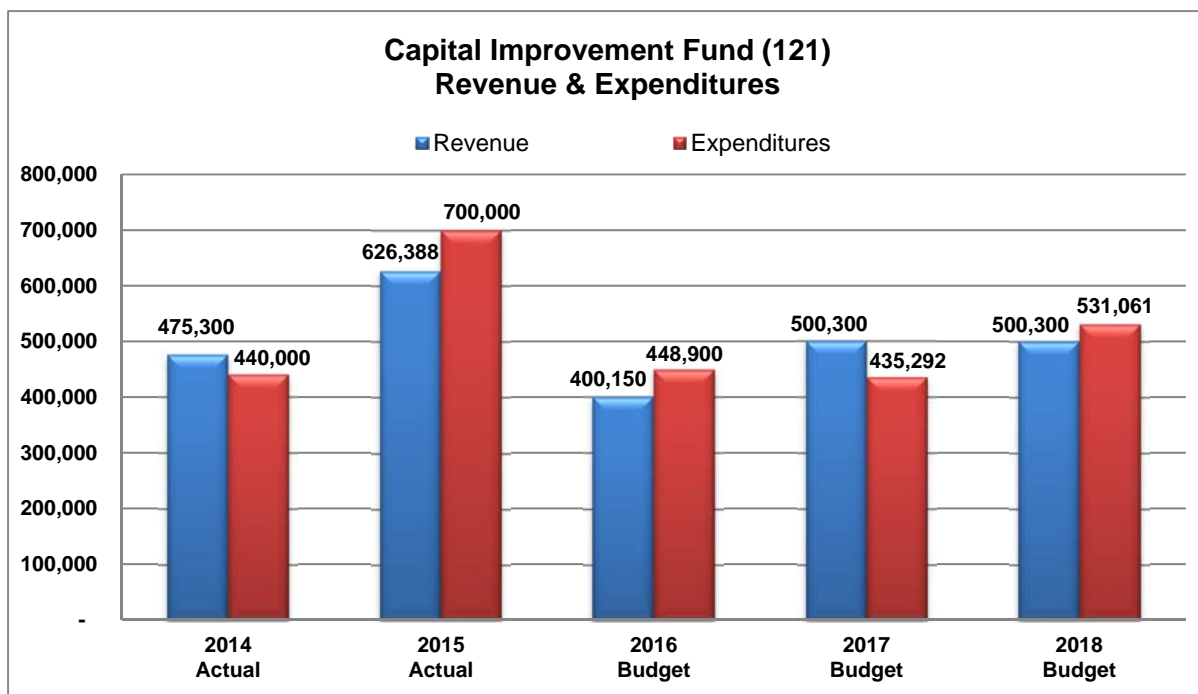
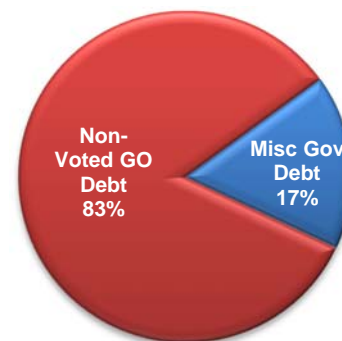
2017

- The City will transfer \$250,000 of REET to the Debt Service Fund (204) to help fund the City Hall Debt.
- The City will transfer \$102,000 to the Debt Service Fund (204) to support debt payments related to transportation improvements to Caldart Avenue, 10th Avenue and Finn Hill.
- The City will transfer \$83,292 to the Debt Service Fund (201) to help fund the 2001 issue of the Public Works Trust Fund Debt for Front Street improvements.

2018

- The City will transfer \$250,000 of REET to the Debt Service Fund (204) to help fund the City Hall Debt.
- The City will transfer \$81,061 to the Debt Service Fund (201) to help fund the 2001 issue of the Public Works Trust Fund Debt for Front Street improvements.
- The City will transfer \$200,000 of REET to the Debt Service Fund (204) to help fund the anticipated Noll Road Debt.

**2017-2018
Expenditures
Capital Improvement Fund (121)
\$966,353**





TRANSPORTATION DEVELOPMENT FUND 123

Transportation Development Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-----------------------------------|----------------|------------------|----------------|------------------|----------------|---------------------|
| FUND 123 | | | | | | |
| TRANSPORTATION DEVELOPMENT | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 99,966 | - | 981,358 | 1,061,408 | 191,908 | 1,061,408 |
| CHARGE FOR SERVICES | 139,827 | 1,122,983 | - | 350,000 | 375,000 | 725,000 |
| MISCELLANEOUS | 35 | 332 | 50 | 500 | 500 | 1,000 |
| TOTAL RESOURCES | 239,828 | 1,123,315 | 981,408 | 1,411,908 | 567,408 | 1,787,408 |
| FUND 123 | | | | | | |
| TRANSPORTATION DEVELOPMENT | | | | | | |
| USES | | | | | | |
| OTHER FINANCING USES | 239,828 | 141,957 | 370,000 | 1,220,000 | 550,000 | 1,770,000 |
| FUND BALANCE | - | 981,358 | 611,408 | 191,908 | 17,408 | 17,408 |
| TOTAL USES | 239,828 | 1,123,315 | 981,408 | 1,411,908 | 567,408 | 1,787,408 |

TRANSPORTATION DEVELOPMENT FUND (123)

PROGRAM DESCRIPTION:

The purpose of this fund is to track revenue and expenditures associated with traffic mitigation fees. Developers are assessed impact fees based on the impact their projects are estimated to have on the flow of traffic in the area near the project.

Fees must be paid prior to the issuance of the building permit. Fees are used to support street improvements to support growing traffic needs.

FUND RESOURCES:

This fund's revenue is derived from fees assessed to developers. This revenue is difficult to estimate as many variables can delay or halt a project. Revenue has been projected with funds from anticipated developments which have begun the planning process. Revenue

projections for impact fees are \$350,000 in 2017 and \$375,000 in 2018.

EXPENDITURES:

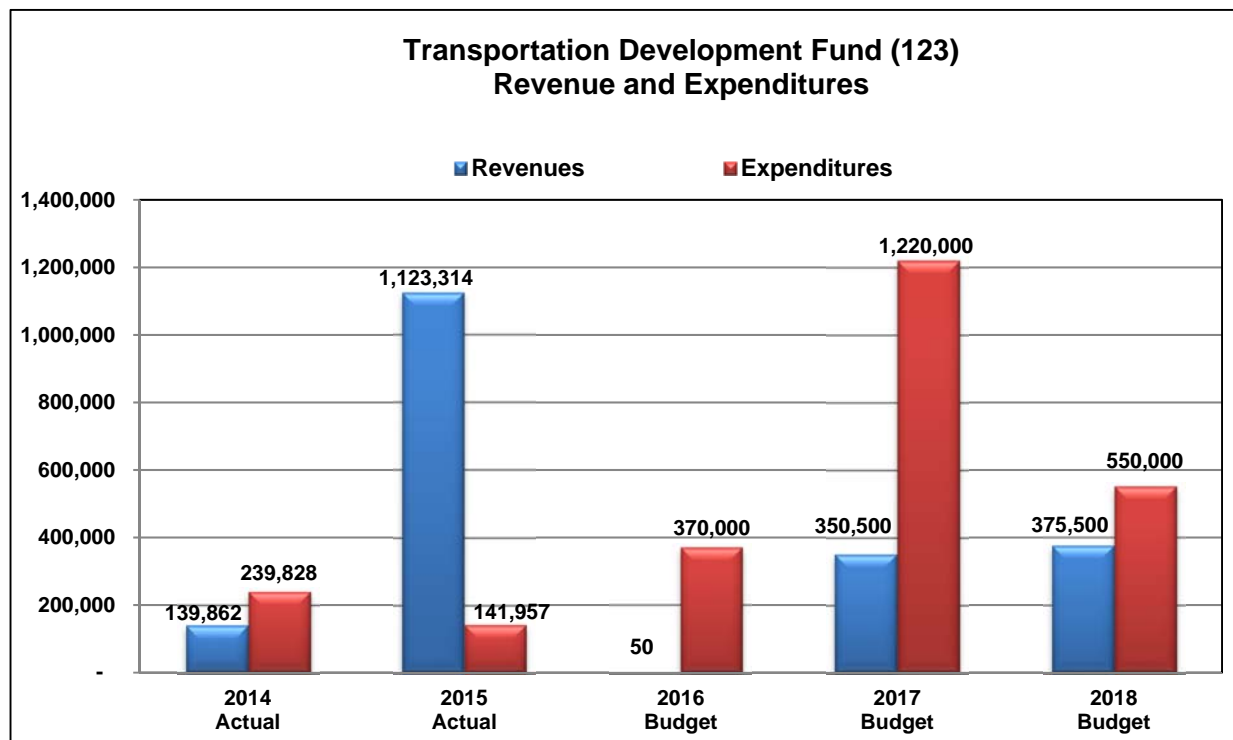
Transfers are planned for the following projects:

2017

- Noll Road Improvements Phase III: \$750,000
- Finn Hill Reconstruction: \$450,000
- Liberty Bay Waterfront Trail: \$20,000

2018

- Noll Road Improvements Phase III: \$500,000
- City Wide Safety Improvements: \$50,000



PARK DEVELOPMENT FUND 124

Park Development Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 124 | | | | | | |
| PARK DEVELOPMENT | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 123,374 | 113,871 | 232,651 | 98,393 | 214,530 | 98,393 |
| CHARGE FOR SERVICES | 15,670 | 118,655 | - | 196,137 | 228,515 | 424,652 |
| MISCELLANEOUS | 64 | 125 | - | - | - | - |
| TOTAL RESOURCES | 139,108 | 232,651 | 232,651 | 294,530 | 443,045 | 523,045 |
| FUND 124 | | | | | | |
| PARK DEVELOPMENT | | | | | | |
| USES | | | | | | |
| OTHER FINANCING USES | 25,236 | - | 175,000 | 80,000 | 166,184 | 246,184 |
| FUND BALANCE | 113,872 | 232,651 | 57,651 | 214,530 | 276,861 | 276,861 |
| TOTAL USES | 139,108 | 232,651 | 232,651 | 294,530 | 443,045 | 523,045 |

PARK DEVELOPMENT FUND (124)

PROGRAM DESCRIPTION:

The purpose of this fund is to provide a repository for park impact fees paid by developers for park improvements as a means of compliance with the State Environmental Protection Act (SEPA) (prior to October 2011), Park Impact Fees (beginning October 2011) and the Park, Recreation and Open Space element of the City's Comprehensive Plan. The funds shall be used for the acquisition of land, cost of planning, or capital improvements of land to be used for public park purposes. The fund is administered by the Parks & Recreation Department.

FUND RESOURCES:

Park Impact Fees and developer park mitigation fees provide the revenue for this fund. Fees are assessed by the Planning Department after site plan approval and are required to be paid prior to final plat approval. This revenue is difficult to estimate as many variables can delay or halt a project. Revenue has been projected with funds from anticipated developments which have begun the planning process. Revenue projections for impact fees are \$196,137 in 2017 and \$228,515 in 2018.

The City completed a review of these Park Impact fees in 2011. A new impact fee amount was adopted by City Council and was reviewed in late 2015.

EXPENDITURES:

In the past, the city has used these funds towards athletic field improvements to the community field at Vinland Elementary School, the replacement of an aging playground at Betty Iverson Kiwanis Park, and the trail between Nelson Park and Fish Park. These funds are transferred into the Park Reserve Fund (302).

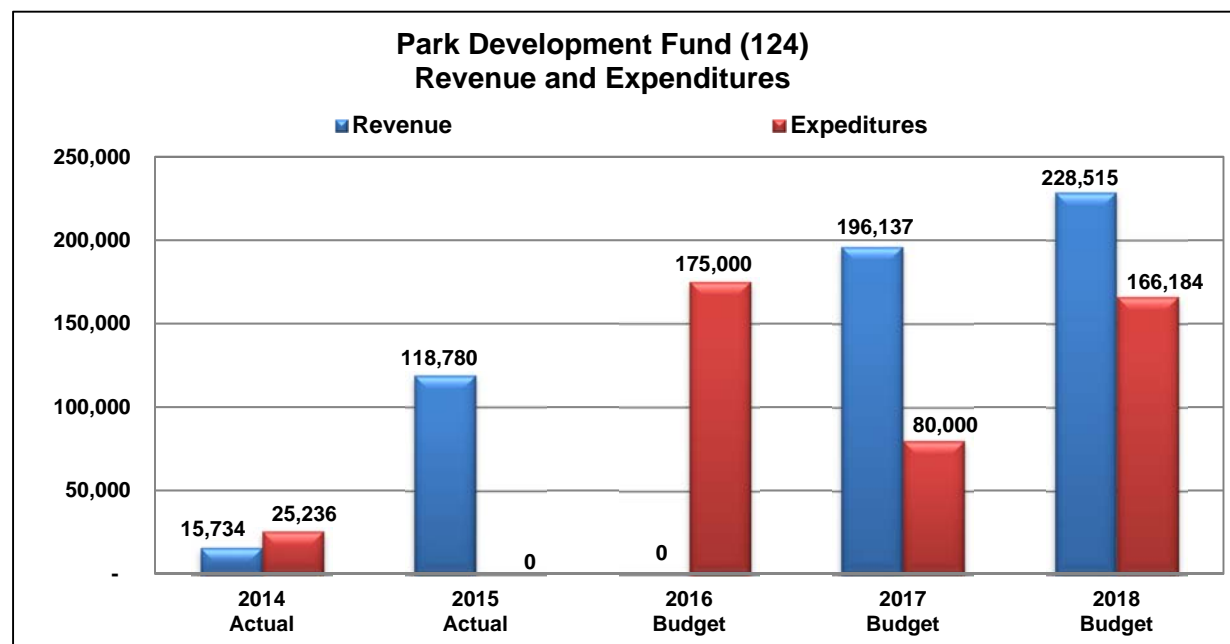
Transfers are planned for the following projects:

2017

- Muriel Iverson Williams Waterfront Park Benches: \$45,000
- Morrow Manor Park: \$10,000
- Nelson Park Playground: \$25,000

2018

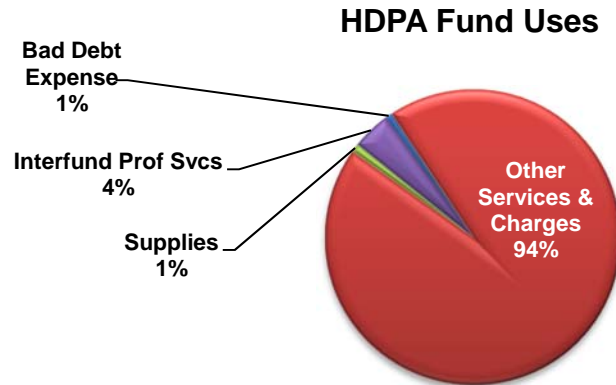
- Morrow Manor Park: \$166,184



HISTORIC DOWNTOWN POULSBO ASSOCIATION (HDPa) FUND 131

Mission Statement:

To aid general economic development and facilitate business cooperation through promotion and improvement of the Downtown Business District.



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 131 | | | | | | |
| HISTORIC DWNTWN POULSBO ASSN | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 81,863 | 77,712 | 69,665 | 44,175 | 26,001 | 44,175 |
| MISCELLANEOUS | 53,494 | 72,720 | 76,160 | 51,878 | 51,828 | 103,706 |
| TOTAL RESOURCES | 135,357 | 150,432 | 145,825 | 96,053 | 77,829 | 147,881 |
| FUND 131 | | | | | | |
| HISTORIC DWNTWN POULSBO ASSN | | | | | | |
| USES | | | | | | |
| BAD DEBT EXPENSE | 672 | 2,692 | 500 | 500 | 500 | 1,000 |
| SUPPLIES | 140 | 350 | 750 | 600 | 700 | 1,300 |
| OTHER SERVICES & CHARGES | 53,771 | 74,725 | 97,400 | 65,952 | 67,452 | 133,404 |
| INTERFUND PROF SERVICES | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 6,000 |
| FUND BALANCE | 77,773 | 69,665 | 44,175 | 26,001 | 6,177 | 6,177 |
| TOTAL USES | 135,357 | 150,432 | 145,825 | 96,053 | 77,829 | 147,881 |

HISTORIC DOWNTOWN POULSBO ASSOCIATION FUND (HDPa) (131)

PROGRAM DESCRIPTION:

In 1988, business owners in the downtown area, with the cooperation of the City, formed a Business Improvement Area Association (BIAA). This organization, dedicated to the beautification and promotion of historic downtown Poulsbo, is known as the "Historic Downtown Poulsbo Association" (HDPa).

Businesses self-assess fees to support the beautification, preservation, and promotion of downtown Poulsbo. Donations are also accepted from corporations and any other business or individuals who wish to support the program. By attending quarterly member meetings, members can join committees, run for open board positions, and discuss their ideas. The Board communicates through email and in person with the members regarding ongoing projects, and upcoming promotions.

The skill and expertise of HDPa members has been the key to the success of the organization. The volunteer board and committee members decide how the association's budget will be spent. The City Council approves both the budget and expenditures. These funds are used for promotion, beautification, and administration purposes. The City provides the services of accounts receivable, accounts payable and annual report preparation in compliance with Washington state regulations. The City is paid for these services.

BEAUTIFICATION AND MARKETING:

The Association has erected attractive blue standards to hold decorative banners and flower baskets which are planted each spring. Flowers are planted each year in the blue pots throughout the business improvement area. The downtown is decorated for the winter holiday season with lighted structures, wreaths, and garlands purchased and maintained by the HDPa.

In 2017 & 2018, the Association will be replacing trash can lids to improve the overall look of the downtown as well as negotiating with the city to purchase a pressure washer in order to keep our sidewalks and downtown pristine for all to enjoy.

Brochures, walking maps, television, radio, internet, and print media are used to promote the downtown area. The association's website provides the names and telephone numbers of

each association business member as well as a calendar of events. Live web site links are also provided to all member businesses' websites. The marketing committee has also negotiated favorable advertising rates for Association members.

In 2012, a mural was supported by the Association on the "Boehm's" building, featuring a Viking ship, adding to the delightful aesthetics of the downtown. Also in 2012, six decorative light standards were installed in the Waterfront Park. Pavers and light standards were paid for by donations, leaving a reserve for additional beautification of Historic Downtown Poulsbo. After a year's long spending freeze on special projects, the Association decided to use reserve funds to further our downtown beautification and promotion. The first project was the erecting of three glass and metal swords coming out of an existing stone in the Waterfront Park. The "Guardian Stone" by Lisa Stirrett was commissioned by the Association to represent the "Swords in Rock" found in Stavanger, Norway. Second, was a nod to our growing bicycling community by installing much needed bike racks downtown. All of this in partner with the City to make downtown a friendly open space supporting retail, pedestrian traffic and a lively environment.

The Association also works all year long to host or assist with public events: Viking Fest, 3rd of July, Greater Peninsula Beer Festival, Where's Waldo, Poulsbo Street Dance, Downtown Trick or Treat, Christmas in Little Norway, Girls Night Out, monthly Art Walks, and Winter Rendezvous. The Association is also looking forward to future co-branding with the Sons of Norway and the Maritime/Historical Society.

FUND RESOURCES:

Businesses located in the downtown area pay an assessment based on the type of business and square footage of floor space. These assessments are levied by applying a quarterly minimum fee, or a fee based on the square footage of floor space, whichever is greater.

The Planning Department determines the correct square footage and the City bills Association members on a quarterly basis. For 2017 & 2018, assessments are estimated to total \$94,000.

The association also recognizes the benefits of joining the Poulsbo Marketing Coalition and maintaining a working relationship with Visit

Kitsap Peninsula (our region's Visitors & Convention Bureau), and other tourism marketing groups in efforts to attract tourism. This cooperation makes marketing resources accessible to the downtown core, and enhances Poulsbo's overall branding.

In 2017, HDPa will join as a member of the Poulsbo Marketing Coalition, previously established in 2008 to administer the grant proceeds from Lodging Tax dollars to be used for joint marketing efforts. The coalition has been awarded monies in 2017 from the Lodging Tax Advisory Committee to be used for advertising and promotion of Poulsbo tourism and tourism events.

EXPENDITURE HIGHLIGHTS:

Ongoing:

- Purchase or replacement of beautification elements when needed
- Event planning and marketing
- Television, Radio & Print Advertising, Digital Marketing
- Brochure Printing
- Co-op ads with Poulsbo Chamber of Commerce and Visit Kitsap Peninsula (VKP), formerly the Kitsap Visitors Convention Bureau.

Seasonal-Spring

- Contract with a local nursery to supply, maintain and water all hanging floral baskets and potted containers located on Front and Jensen Streets inside the HDPa boundary.
- Light Maintenance, installing bistro bulbs in the courtyard and maintaining string lighting for those members who wish to participate
- Girls Night Out
- Pressure Washing (preparation for 110-yr celebration)
- Trash Can Lid Replacement (two-year plan in preparation of 110-yr celebration)

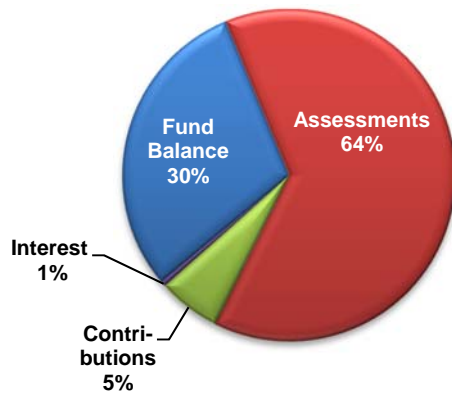
Seasonal-Fall

- Community "Trick or Treat" in downtown Poulsbo
- Christmas/Holidays in Poulsbo
 - Decoration of downtown with Christmas banners, lighted garland, placards and wreaths
 - Father Christmas and the Giving Tree (contributions collected for Fishline)
 - Free horse and carriage rides
 - Streetside and waterfront holiday cheer (Caroling, Lighted Boat Parade, Christmas Ship)
 - Increased on-line presence and print advertisign campaign reinforcing - "Experience Little Norway"
 - Advertising campaign with Kitsap Newspaper Group - Holiday Gift Guide
- Art Walks, Monthly Events and shoulder season promotion
- Comcast commercial
- Participate/promote Winter Rendezvous, an annual gathering of boaters and non-boaters to promote use of watercraft and water resources all year long, not only in the summer months.

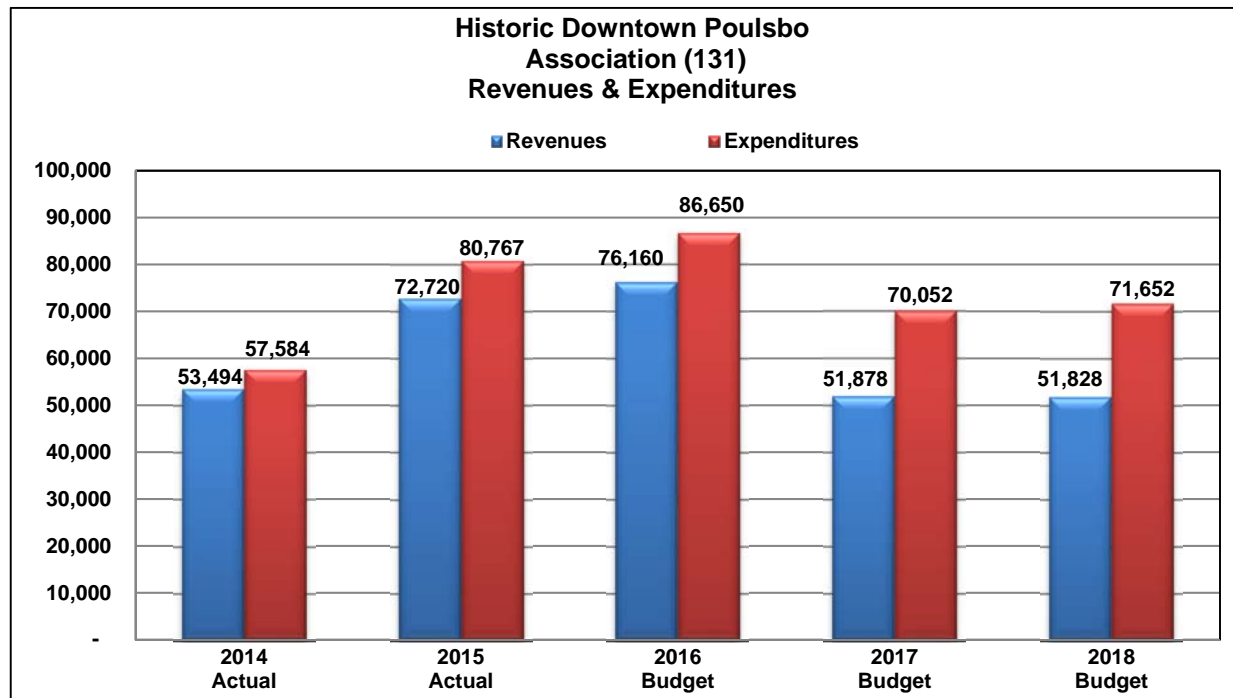
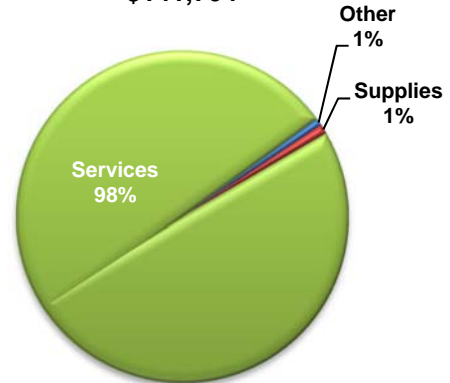
HDPa QUARTERLY ASSESSMENT SCHEDULE

| | Minimum Quarterly Base | Assessment per Square Footage |
|------------|------------------------------|-------------------------------------|
| Retail | \$60 | 7.5 cents |
| Non-Retail | \$45 | 4.5 cents |

**2017-2018
Resources
Historic Downtown Poulsbo
Association Fund (131)
\$147,881**



**2017-2018
Expenditures
Historic Downtown Poulsbo
Association Fund (131)
\$141,704**



PATHS & TRAILS RESERVE FUND 161

Paths & Trails Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 161 | | | | | | |
| PATHS AND TRAILS | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 12,524 | 13,521 | 14,567 | 15,576 | 16,640 | 15,576 |
| INTERGOVERNMENTAL | 989 | 1,030 | 1,009 | 1,064 | 1,085 | 2,149 |
| MISCELLANEOUS | 9 | 15 | - | - | - | - |
| TOTAL RESOURCES | 13,521 | 14,566 | 15,576 | 16,640 | 17,725 | 17,725 |
| FUND 161 | | | | | | |
| PATHS AND TRAILS | | | | | | |
| USES | | | | | | |
| OTHER FINANCING USES | - | - | - | - | - | - |
| FUND BALANCE | 13,521 | 14,566 | 15,576 | 16,640 | 17,725 | 17,725 |
| TOTAL USES | 13,521 | 14,566 | 15,576 | 16,640 | 17,725 | 17,725 |

**PATHS & TRAILS RESERVE FUND
(161)****PROGRAM DESCRIPTION:**

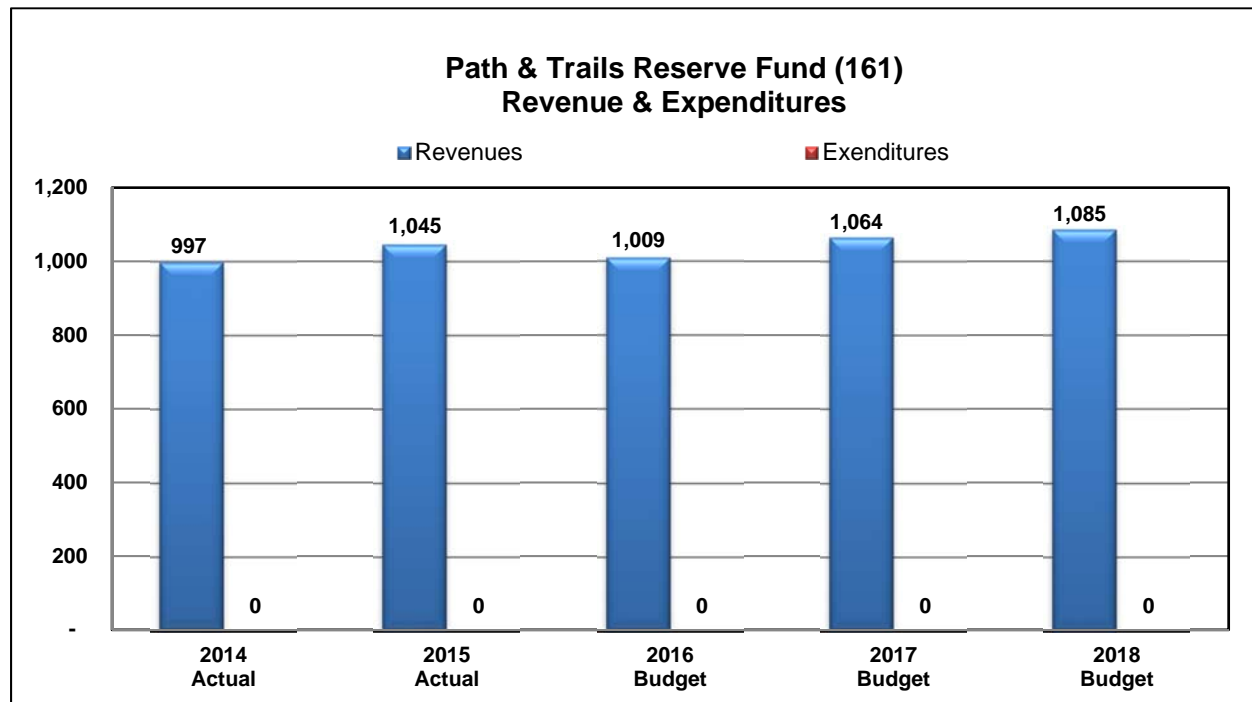
The purpose of this fund is to track revenue and expenditures associated with the paths and trails reserve fund. This fund is administered by the Public Works Department.

FUND RESOURCES:

.5% of the State Fuel Tax is designated to be used specifically for paths and trails. The tax is State shared revenue and is distributed to cities based on their population.

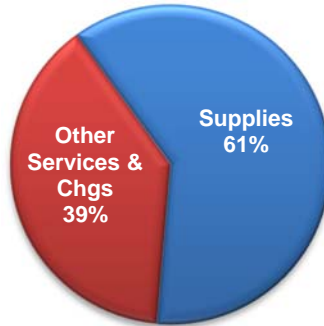
EXPENDITURE HIGHLIGHTS

There are no anticipated expenditures in 2017 or 2018.



DRUG ENFORCEMENT FUND 171

Drug Enforcement Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 171 | | | | | | |
| DRUG ENFORCEMENT | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 25,254 | 16,778 | 56,524 | 68,000 | 54,800 | 68,000 |
| FINES AND FORFEITURES | 6,374 | 57,282 | - | - | - | - |
| MISCELLANEOUS | 1,368 | 597 | 50 | 100 | 100 | 200 |
| TOTAL RESOURCES | 32,996 | 74,657 | 56,574 | 68,100 | 54,900 | 68,200 |
| FUND 171 | | | | | | |
| DRUG ENFORCEMENT | | | | | | |
| USES | | | | | | |
| BENEFITS | - | - | 625 | - | - | - |
| SUPPLIES | 9,572 | 899 | 7,500 | 7,950 | 8,250 | 16,200 |
| OTHER SERVICES & CHARGES | 6,646 | 734 | 5,000 | 5,350 | 4,850 | 10,200 |
| OTHER FINANCING USES | - | 16,500 | - | - | - | - |
| FUND BALANCE | 16,778 | 56,524 | 43,449 | 54,800 | 41,800 | 41,800 |
| TOTAL USES | 32,996 | 74,657 | 56,574 | 68,100 | 54,900 | 68,200 |

DRUG ENFORCEMENT FUND (171)**PROGRAM DESCRIPTION:**

This fund was created to account for monies and proceeds from the sale of property seized during drug investigations and forfeited as outlined in RCW 69.50.505, or other state or federal laws. Additionally, all monies received by the City pursuant to a court order prescribing such monies shall be used for drug enforcement and deposited into this fund after certain amounts, if any, are deducted in accordance with state and federal laws. The City shall keep and provide to the State Treasurer records of such deposits. The fund is administered by the Police Department.

The fund was established for accumulating funds for the expansion and improvement of controlled substance related law enforcement activity including drug awareness education and the purchase, lease, and maintenance of equipment and other items necessary for drug enforcement by the City of Poulsbo Police Department. The monies deposited in this fund

shall be expended for these purposes only.

At the end of the budget year, any unexpended funds shall remain in the fund and be carried forward from year to year until expended for drug enforcement.

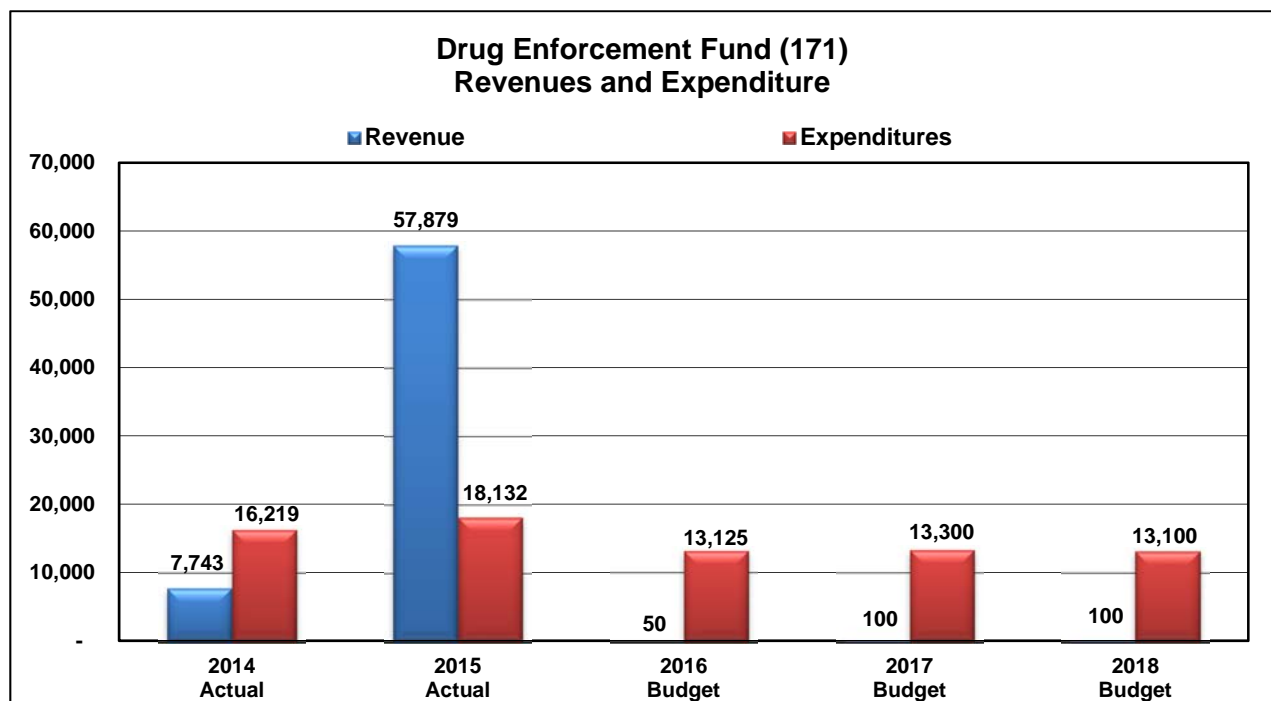
FUND RESOURCES:

As described, resources are derived from monies and property seized during drug investigations. The City is very conservative in this revenue estimate because of the type of activity that generates the revenue.

Certain law enforcement activities in concert with federal drug enforcement agencies such as the Drug Enforcement Agency (DEA) or the Department of Homeland Security (DHS) may result in reimbursement of overtime costs.

EXPENDITURE HIGHLIGHTS:

A new drug dog was purchased and trained in 2014. This fund will help support the on-going cost of this K-9 program.



TRANSIENT OCCUPANCY TAX FUND 181

Transient Occupancy Tax Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 181 | | | | | | |
| TRANSIENT OCCUPANCY TAX | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 71,412 | 64,848 | 59,903 | 40,003 | 20,003 | 40,003 |
| TAXES | 105,343 | 114,108 | 100,000 | 110,000 | 110,000 | 220,000 |
| MISCELLANEOUS | 80 | 57 | - | - | - | - |
| TOTAL RESOURCES | 176,835 | 179,013 | 159,903 | 150,003 | 130,003 | 260,003 |
| FUND 181 | | | | | | |
| TRANSIENT OCCUPANCY TAX | | | | | | |
| USES | | | | | | |
| SALARIES | 11,606 | 9,457 | - | - | - | - |
| BENEFITS | 2,000 | 1,699 | - | - | - | - |
| OTHER SERVICES & CHARGES | - | 17,960 | 120,000 | 130,000 | 110,000 | 240,000 |
| MISCELLANEOUS | 98,380 | 89,995 | - | - | - | - |
| FUND BALANCE | 64,849 | 59,902 | 39,903 | 20,003 | 20,003 | 20,003 |
| TOTAL USES | 176,835 | 179,013 | 159,903 | 150,003 | 130,003 | 260,003 |

TRANSIENT OCCUPANCY TAX FUND (181)

PROGRAM DESCRIPTION:

In April 1982, this fund was created to account for monies received from hotel/motel tax. It is administered by the Finance Director and Parks and Recreation Director. In accordance with RCW 67.28.180 the City levies a 2% tax on lodging activity within the City. This tax is credited against the State sales tax.

In 1998, the City approved Ordinance 98-03 in accordance with RCW 82.08 and authorized by RCW 67.28.181 to levy an additional 2% tax on charges for lodging activity, which is not credited against the sales tax. In order to collect the additional 2% tax the City is required to form a Lodging Tax Advisory Committee (LTAC). As per requirements outlined in RCW 67.28.1817, the Committee must consist of at least five members of whom at least two are representatives from businesses that collect the tax, at least two which are persons involved in activities funded by the tax, and one member from the city who acts as chair. The second 2% tax is subject to recommendations by the lodging tax advisory committee and RCW 67.28.1815 which states, "All revenue from (these) taxes shall be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition or tourism-related facilities, or operation of tourism-related facilities."

Eligible activities/projects, as defined in Washington State laws.

RCW 67.28.080 (5) Tourism

RCW 67.28.080 (6) Tourism Promotion

RCW 67.28.080 (7) Tourism-related facility

Allowable Uses, as per Sec. 1 RCW 67.28.1816 AND 2008 c 28 s 1:

Lodging tax revenues under this chapter may be used, directly by any municipality or indirectly through a convention and visitor's bureau or destination marketing organization for:

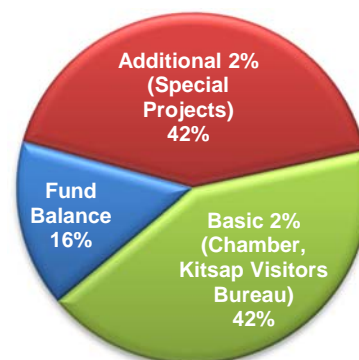
- a) Tourism marketing;
- b) The marketing and operations of special events and festivals designed to attract tourists;

- c) Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district created under chapters 35.57 and 36.100 RCW; or
- d) Supporting the operations of tourism-related facilities owned or operated by nonprofit organizations described under 26 U.S.C. Sec. 501 c (3) and 26 U.S.C. Sec. 501c (6) of the internal revenue code of 1986, as amended.

FUND RESOURCES:

The City has two hotels and various VRBO (Vacation Rental By Owner) and Air BNBs (Bed and Breakfast) on which the tax is levied. The State collects the tax and remits it back to the City on a monthly basis. In 2017, the anticipated tax revenue is \$110,000, with an additional \$20,000 available from reserves. The 2018 budget will remain at \$110,000.

**2017-2018
Resources
Transient Occupancy Tax Fund
(181)
\$260,003**



EXPENDITURES:

The City accepts grant proposals from various eligible organizations for use of the lodging tax to fund tourism related projects, events and facilities. All proposals are reviewed by the Lodging Tax Advisory Committee. The Committee then makes a recommendation to the Community Services Committee prior to coming before the full Council.

The City Council held a workshop in 2015 to clarify internal policies regarding the expenditure of lodging tax dollars. The Council has determined that in general, lodging tax dollars should be committed to marketing efforts for Poulsbo and the surrounding area, and not towards City expenditures supporting tourist related expenditures that might otherwise be covered in the general fund.

2016 awards went to organizations involved with collaborative efforts in marketing, events and support of the new Maritime Museum and Information Center in downtown Poulsbo.

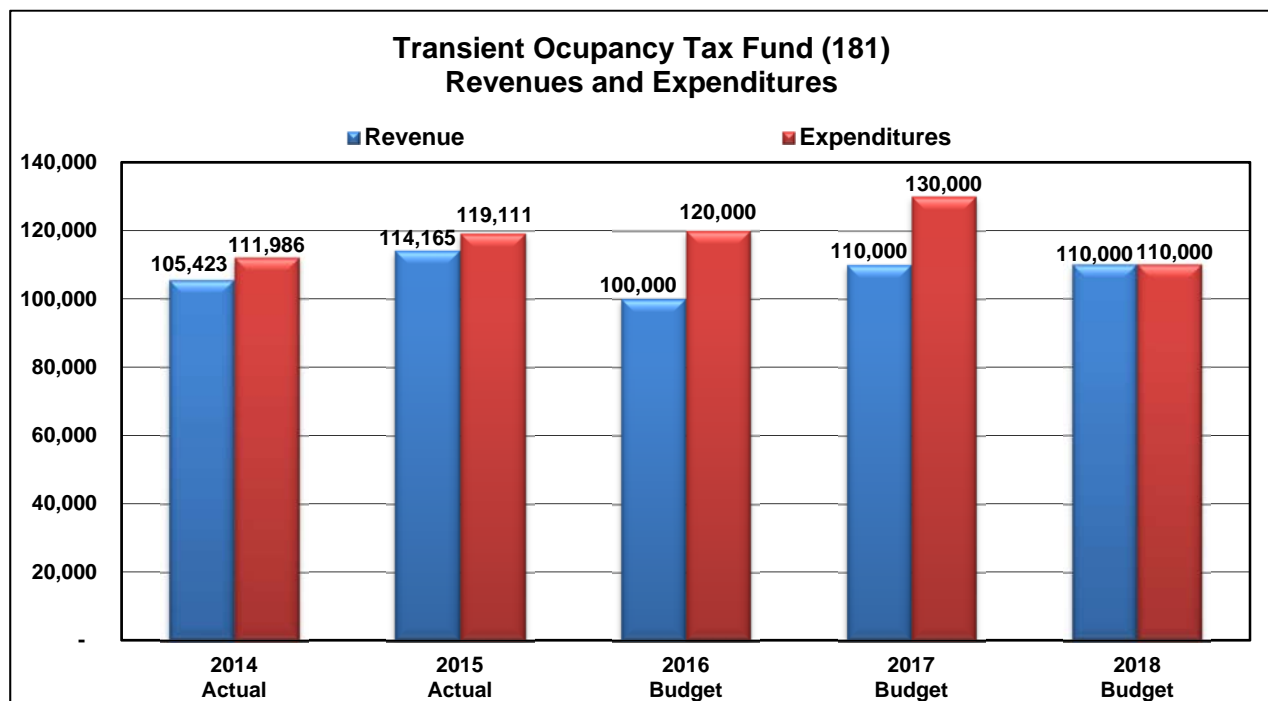
2017 awards are dedicated to continuing the collaborative marketing efforts in Poulsbo and through the Puget Sound region; and supporting two visitor information centers in the city. The

2017 funds will also support a new event that was first held in 2016. The Poulsbo Twilight Criterium bike race debuted in June, and brought people from all over to watch the races.

The 2018 grant process will be held in June-August 2017. This gives new or emerging organizations and projects a chance at the 2018 lodging tax funds.

2017 Approved Grant Awards:

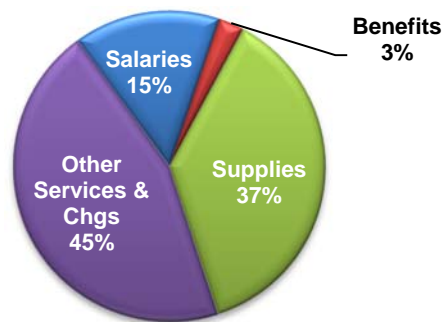
| | | |
|--------------------------------|--|------------------|
| Visit Kitsap Peninsula | Year-Round Tourism Regional Marketing Services & Support | \$24,000 |
| Poulsbo Marketing Coalition | Year-Round Promotion of Poulsbo | \$93,500 |
| Liquid Velo | Poulsbo Twilight Criterium Event | \$4,000 |
| North Kitsap Tourism Coalition | North Kitsap Tourism Promotion | \$8,500 |
| Total: | | \$130,000 |





POLICE RESTRICTED FUND 191

Police Restricted Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 191 | | | | | | |
| POLICE RESTRICTED | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 114,268 | 105,771 | 99,479 | 101,995 | 105,288 | 101,995 |
| INTERGOVERNMENTAL | 16,322 | 16,910 | 20,692 | 18,618 | 19,028 | 37,646 |
| FINES AND FORFEITURES | 327 | 1,185 | 700 | 1,200 | 1,200 | 2,400 |
| MISCELLANEOUS | 61 | 165 | - | - | - | - |
| TOTAL RESOURCES | 130,978 | 124,031 | 120,871 | 121,813 | 125,516 | 142,041 |
| FUND 191 | | | | | | |
| POLICE RESTRICTED | | | | | | |
| USES | | | | | | |
| SALARIES | 3,671 | 7,052 | - | 2,500 | 2,500 | 5,000 |
| BENEFITS | 829 | 1,149 | - | 425 | 425 | 850 |
| SUPPLIES | 2,755 | 4,381 | 20,300 | 6,100 | 6,100 | 12,200 |
| OTHER SERVICES & CHARGES | 17,952 | 11,970 | 13,972 | 7,500 | 7,300 | 14,800 |
| FUND BALANCE | 105,771 | 99,479 | 86,599 | 105,288 | 109,191 | 109,191 |
| TOTAL USES | 130,978 | 124,031 | 120,871 | 121,813 | 125,516 | 142,041 |

POLICE RESTRICTED FUNDS (191)**PROGRAM DESCRIPTION:**

This fund is administered by the Police Department. It accounts for various revenues to be used specifically for criminal justice activities.

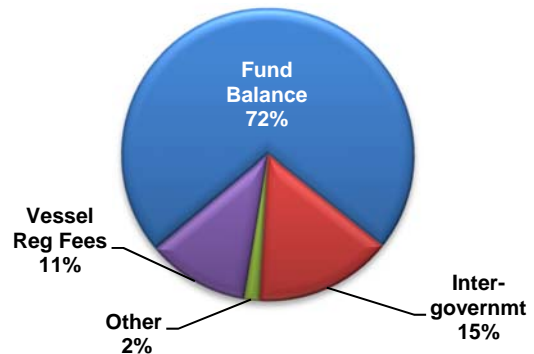
FUND RESOURCES:

Vessel Registration Fees: Money is allocated to counties with eligible boat safety programs approved by the State Parks and Recreation Commission. Distribution is based on the number of registered vessels by county of moorage. The county is responsible for equitable allocation to other jurisdictions with approved programs within the county. (RCW 88.02.040)

Criminal Justice Programs:

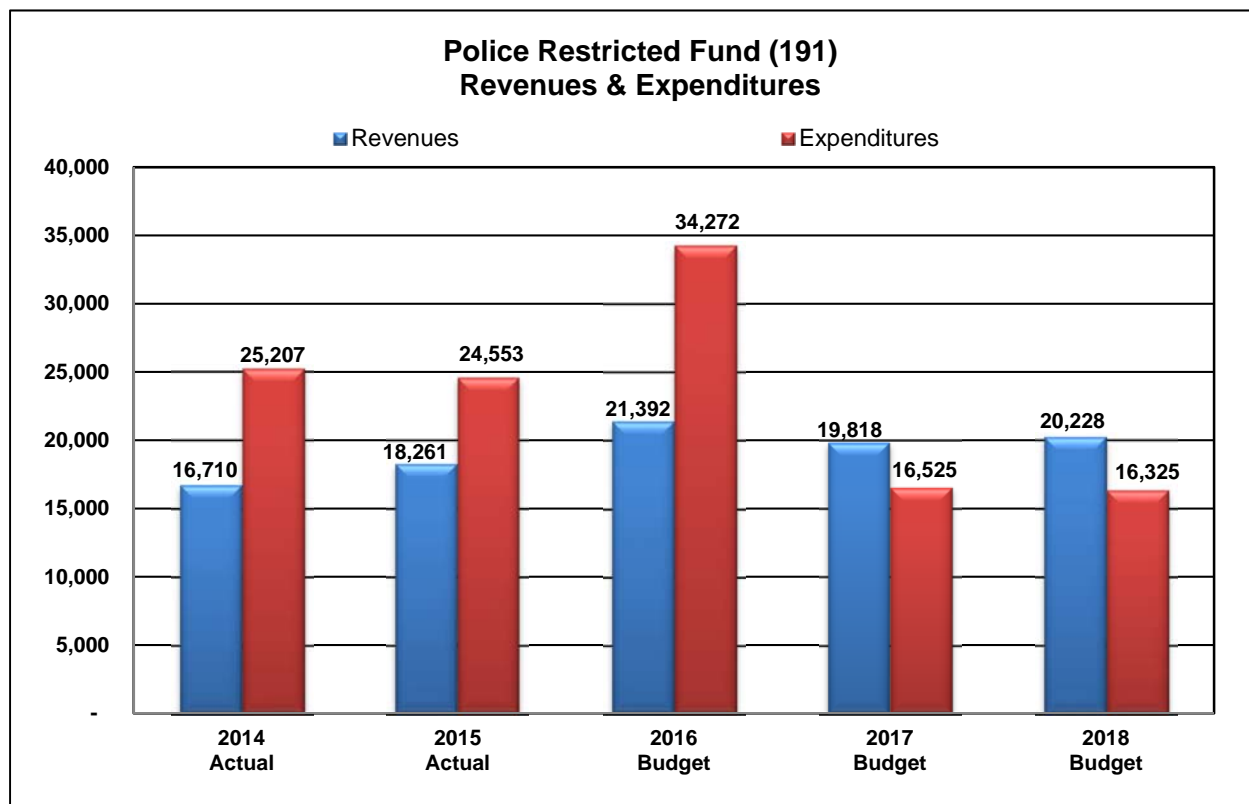
Criminal Justice funds must be used for innovative law enforcement strategies (RCW 82.14.330(2)(a), programs helping at-risk children or child abuse victims (RCW 82.14.330(2)(b), or programs reducing the level of domestic violence (RCW 82.14.330(2)(c).

**2017-2018
Resources
Police Restricted Fund (191)
\$142,041**

**FUND USES:**

Fund uses for 2017 & 2018 will be:

- Kitsap County Drug Court
- Support of "Coffee Oasis"
- Expenditures for our marine patrol program
- Small tools and supplies for police use from funds generated by donations
- Innovative policing tools used by police



DEBT SERVICE FUNDS (200's)

These funds account for the accumulation of resources for, and the payment of, long-term debt principal and interest for debt associated with the Governmental Funds.

Note: Debt associated with the Proprietary Funds is accounted for in the Proprietary Funds.

TYPES OF GOVERNMENTAL DEBT:

Voted General Obligation (GO) Bonds: These bonds are the most common form of debt issuance by governments for general purpose, open space, parks and infrastructure. The bonds offer maximum security to investors through the pledge of the issuer's full faith and credit. These GO bonds require 60% voter approval and assess property owners a special tax levy. The City has no Voted GO debt issued at this time.

Non-Voted General Obligation (GO): This debt requires the City to levy a property tax sufficient to meet its non-voted debt service obligations up to a statutory limit. This debt is issued without voter approval for capital purposes only. The debt can also be in the form of purchase, sales, or lease contracts. Typically, these types of debts are very simple financial arrangements between the government and the vendor who is providing the property being acquired.

Public Works Trust Fund Loan (PWTF): This debt is a low interest intergovernmental loan from Washington State's Public Works Board that is used for repairing, replacing or creating domestic water systems, sanitary sewer systems, storm sewer systems, roads and solid waste public works projects.

Revenue Bonds: Bonds that are used for financing construction or improvements to facilities of enterprise systems such as water, sewer, solid waste and storm drain. Revenue Bonds are retired by means of revenue in proprietary funds. There is no general tax liability for these obligations. Revenue bond debt is accounted for in the enterprise funds (400's) and is controlled by bond covenants.

Local Option Capital Asset Lending (LOCAL) Program Debt: A financing contract with the Office of the State Treasurer for financing equipment and capital needs.

Limited Tax General Obligation (LTGO) Bond Anticipation Note: An obligation which is used for meeting immediate financing needs of a project for which funding has been secured but not received.

- All debt funds are administered by the City's Finance Department •

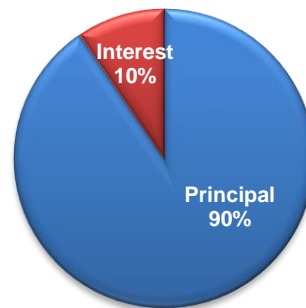
SUMMARY OF THE CITY'S DEBT SERVICE FUNDS

| FUND 201 - MISCELLANEOUS GOVERNMENTAL DEBT | | | | | |
|---|--|--|--|--|--|
| <i>PWTF Loan/Front Street Improvements</i> | | | | | |
| In 2001, the City secured a debt issue for the reconstruction of Front Street between Bond Road and Jensen Way. The total amount of the loan is \$1,406,930 with a 3% interest rate. This debt will be paid off in June of 2020. | | | | | |
| FUND 204 - NON VOTED GENERAL OBLIGATION DEBT | | | | | |
| <i>2015 LTGO Debt</i> | | | | | |
| In late 2015, the City secured a \$7,320,000 Limited Tax General Obligation Bond. \$3,080,000 was obligated to refund the 2005 Municipal Campus Debt and \$4,225,000 was obligated to refund the callable portion of the 2009 City Hall Debt. Refunding of these two debts will save the City approximately \$59,000 a year in interest. The debt will be paid off in December of 2033. | | | | | |
| <i>2012 City Hall</i> | | | | | |
| In early 2012, the City secured a \$2,455,000 Limited Tax General Obligation Bond. \$1,795,000 was to pay off the City Hall Line of Credit and \$660,000 was to pay off the 2003 Limited Tax General Obligation Bond Anticipation Note, commonly known as Morris Property/Transportation. The \$660,000 transportation bond portion will be paid off in 2017 and the \$1,795,000 bond will be paid off in December of 2031. | | | | | |
| <i>Parks and Recreation Building</i> | | | | | |
| In 2010, the City financed \$310,000 towards the purchase of the Parks and Recreation Building in a LOCAL Certificate of Participation with the State of Washington. The debt will be paid off in 2030. | | | | | |
| <i>Noll Road (Anticipated Debt Issue)</i> | | | | | |
| The City has applied for a multitude of grants to assist in funding the Noll Road Corridor Project. However, should all potential funding not be awarded, it is anticipated in 2018 the City will need to go out for \$4,100,000 in Limited Tax General Obligation debt. | | | | | |
| <i>Public Works Facility (Anticipated Debt Issue)</i> | | | | | |
| In 2018, the City is expecting to begin construction on a new Public Works Facility. It is anticipated the City will need to go out for approximately \$7,200,000 to fund this project. This debt will be funded out of governmental and proprietary funds. | | | | | |

| 2017 | | | | | |
|---------------|--------------------------------------|--------------------------|------------------------|-------------------|-----------------------|
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 201 | Miscellaneous Governmental Debt Fund | \$ 4,337 | \$ 83,292 | \$ 83,293 | \$ 4,336 |
| 204 | Non-Voted General Obligation Fund | \$ 12,374 | \$ 998,520 | \$ 998,520 | \$ 12,374 |
| 2018 | | | | | |
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 201 | Miscellaneous Governmental Debt Fund | \$ 4,336 | \$ 81,061 | \$ 81,062 | \$ 4,335 |
| 204 | Non-Voted General Obligation Fund | \$ 12,374 | \$ 1,298,784 | \$ 1,298,784 | \$ 12,374 |

MISCELLANEOUS GOVERNMENTAL DEBT FUND 201

Miscellaneous Governmental Debt Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 201 | | | | | | |
| MISC GOVERNMENTAL DEBT | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 3,217 | 3,219 | 4,337 | 4,337 | 4,336 | 4,337 |
| MISCELLANEOUS | 2 | 4 | - | - | - | - |
| OTHER FINANCING SOURCES | 89,986 | 87,754 | 85,524 | 83,292 | 81,061 | 164,353 |
| TOTAL RESOURCES | 93,205 | 90,977 | 89,861 | 87,629 | 85,397 | 168,690 |
| FUND 201 | | | | | | |
| MISC GOVERNMENTAL DEBT | | | | | | |
| USES | | | | | | |
| DEBT SERVICE - PRINCIPAL | 74,368 | 74,368 | 74,369 | 74,369 | 74,369 | 148,738 |
| DEBT SERVICE - INTEREST | 15,618 | 12,271 | 11,155 | 8,924 | 6,693 | 15,617 |
| FUND BALANCE | 3,219 | 4,338 | 4,337 | 4,336 | 4,335 | 4,335 |
| TOTAL USES | 93,205 | 90,977 | 89,861 | 87,629 | 85,397 | 168,690 |

MISCELLANEOUS GOVERNMENTAL DEBT (201)

PROGRAM DESCRIPTION:

Fund 201 accounts for the revenue and debt expenditures associated with miscellaneous governmental debt.

FRONT STREET – PUBLIC WORKS TRUST FUND LOAN

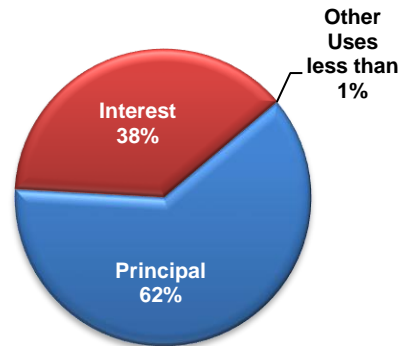
In 2001, the City obtained a Public Works Trust Fund Loan (PWTF) for improvements to Front Street between Bond Road and Jensen Way. The total amount borrowed is \$1,406,930. The debt funded improvements such as pavement overlay, storm drainage, shoulders, curbs and sidewalks. This debt will be paid off in 2020.

This debt is funded by a transfer out of Fund 121, Capital Improvement Fund.

| Debt Issue | Principal | Interest | Ending Balance | Payoff Year |
|--------------------------|-----------|----------|----------------|-------------|
| 2017 | | | | |
| 2001 PWTF - Front Street | \$ 74,368 | \$ 8,924 | \$ 223,105 | 2020 |
| 2018 | | | | |
| 2001 PWTF - Front Street | \$ 74,368 | \$ 6,693 | \$ 148,737 | 2020 |

NON-VOTED GENERAL OBLIGATION DEBT FUND 204

Non-Voted GO Debt Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|--|----------------|------------------|------------------|------------------|------------------|---------------------|
| FUND 204 | | | | | | |
| NON-VOTED GENERAL OBLIGATION DEBT | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 5,304 | 4,739 | 12,374 | 12,374 | 12,374 | 12,374 |
| MISCELLANEOUS | 113 | 5 | - | - | - | - |
| OTHER FINANCING SOURCES | 978,518 | 9,163,056 | 995,960 | 998,520 | 1,298,784 | 2,297,304 |
| TOTAL RESOURCES | 983,935 | 9,167,800 | 1,008,334 | 1,010,894 | 1,311,158 | 2,309,678 |
| FUND 204 | | | | | | |
| NON-VOTED GENERAL OBLIGATION DEBT | | | | | | |
| USES | | | | | | |
| DEBT SERVICE - PRINCIPAL | 515,000 | 8,741,015 | 635,000 | 655,000 | 769,100 | 1,424,100 |
| DEBT SERVICE - INTEREST | 463,295 | 329,668 | 360,810 | 343,020 | 528,931 | 871,951 |
| DEBT SERVICE - ISSUE COSTS | 902 | 84,742 | 150 | 500 | 753 | 1,253 |
| FUND BALANCE | 4,738 | 12,375 | 12,374 | 12,374 | 12,374 | 12,374 |
| TOTAL USES | 983,935 | 9,167,800 | 1,008,334 | 1,010,894 | 1,311,158 | 2,309,678 |

NON-VOTED GENERAL OBLIGATION DEBT (204)**PROGRAM DESCRIPTION:**

Fund 204 accounts for revenue and expenditures associated with the following debt:

CITY HALL:

In late 2015, the City went out for \$7,320,000 of debt to refund \$3,080,000 of the 2005 City Hall Debt and to refund \$4,225,000, the callable portion, of 2009 City Hall Debt. The refunding of these bonds will save the City approximately \$59,000 per year in interest.

2009 and 2015 funding sources for 2017:

- General Fund \$481,445
- Capital Improvement Fund \$250,000

2009 and 2015 funding sources for 2018:

- General Fund \$487,113
- Capital Improvement Fund \$250,000

In early 2012, the City secured a \$2,455,000 LTGO bond. Of this, \$1,795,000 was delegated to pay off the remaining balance of the Line of Credit and \$660,000 was delegated to refund the 2003 Limited Tax Obligation Bond Anticipation Note, commonly known as Morris Property/Transportation. The refunding portion of \$660,000 will be paid off in 2017 the remaining bonds will be paid off in 2031.

2012 funding source for 2017:

- General Fund \$140,400
- REET (Transportation Portion) \$102,000

2012 funding source for 2018:

- General Fund \$138,600

NOLL ROAD:

It is anticipated the City will need to secure \$4,100,000 to help fund the Noll Road Corridor project in 2018.

Funding source for 2018:

- General Fund \$102,000
- REET (Transportation Portion) \$200,000

PUBLIC WORKS FACILITY:

Construction of the Public Works Facility is scheduled to begin in 2018. It is anticipated the City will need to go out for \$7,200,000 LTGO Debt.

Funding source for 2018:

- Multiple Funds \$460,000, of which \$96,600 will come from General Fund

PARKS & RECREATION CENTER – CERTIFICATES OF PARTICIPATION:

In 2010, the City entered into a Certificate of Participation with the Washington State Treasurer's office for \$310,000 to finance the acquisition and renovation of the existing Parks & Recreation facility. The debt will be paid off in 2030.

General Fund 001 pays these debt payments; however, much of the funding comes from rentals located on the property.

Funding source for 2017:

- General Fund \$24,175

Funding source for 2018:

- General Fund \$23,718

| Debt Issue | Principal | Interest | Ending Balance | Payoff Year |
|-----------------------------------|------------|------------|----------------|-------------|
| 2017 | | | | |
| 2003 Transportation | \$ 100,000 | \$ 2,000 | \$ - | 2017 |
| 2009 Muni Campus | \$ 185,000 | \$ 13,695 | \$ 195,000 | 2018 |
| 2012 City Hall Bonds | \$ 90,000 | \$ 50,400 | \$ 1,535,000 | 2031 |
| 2015 LTGO Debt | \$ 265,000 | \$ 267,750 | \$ 6,685,000 | 2033 |
| 2010 LOCAL Parks & Recreation | \$ 15,000 | \$ 9,175 | \$ 225,000 | 2030 |
| 2018 | | | | |
| 2009 Muni Campus | \$ 195,000 | \$ 7,313 | \$ - | 2018 |
| 2012 City Hall Bonds | \$ 90,000 | \$ 48,600 | \$ 1,445,000 | 2031 |
| 2015 LTGO Debt | \$ 275,000 | \$ 259,800 | \$ 6,410,000 | 2033 |
| 2010 LOCAL Parks & Recreation | \$ 15,000 | \$ 8,718 | \$ 210,000 | 2030 |
| Anticipated Noll Road | \$ 150,000 | \$ 152,000 | \$ 3,950,000 | 2043 |
| Anticipated Public Works Facility | \$ 250,000 | \$ 210,000 | \$ 7,000,000 | 2043 |



CAPITAL PROJECT FUNDS (300's)

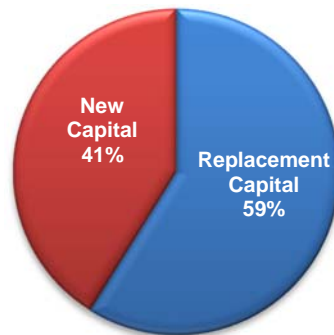
These funds account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary and trust funds.

| CAPITAL PROJECT FUNDS SUMMARY | | | |
|-------------------------------|-----------------------|--|--|
| Fund | Fund Name | Description | Funding Source |
| 301 | Equipment Acquisition | Replacement of existing capital equipment Acquisition of capital equipment for new programs | General Fund (Transfer) |
| 302 | Park Reserve | Development of parks | 4.3% of Property Tax Revenue Grants Park Dev Fund 124 (Transfer) |
| 311 | Street Reserve | Capital street projects | 6.4% Property Tax (Pvmnt Rest) 2.15% Property Tax Revenue Grants Traffic Impr Fund 123 (Transfer) |
| 314 | Cemetery Reserve | Capital improvements to City Cemetery | Gravesite Sales |
| 331 | Facilities | Capital improvements to facilities | Bond Proceeds Property Sale Proceeds |

| 2017 | | | | | |
|---------------|----------------------------|--------------------------|------------------------|-------------------|-----------------------|
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 301 | Equipment Acquisition Fund | \$ 278,946 | \$ 203,101 | \$ 230,896 | \$ 251,151 |
| 302 | Park Reserve Fund | \$ 112,473 | \$ 491,000 | \$ 410,000 | \$ 193,473 |
| 311 | Street Reserve Fund | \$ 909,779 | \$ 2,019,000 | \$ 1,970,000 | \$ 958,779 |
| 314 | Cemetery Reserve Fund | \$ 36,110 | \$ 3,000 | \$ - | \$ 39,110 |
| 331 | Facilities Fund | \$ 801,395 | \$ 823,350 | \$ 851,428 | \$ 773,317 |
| 2018 | | | | | |
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 301 | Equipment Acquisition Fund | \$ 251,151 | \$ 214,404 | \$ 149,900 | \$ 315,655 |
| 302 | Park Reserve Fund | \$ 193,473 | \$ 742,184 | \$ 676,184 | \$ 259,473 |
| 311 | Street Reserve Fund | \$ 958,779 | \$ 6,130,000 | \$ 6,461,000 | \$ 627,779 |
| 314 | Cemetery Reserve Fund | \$ 39,110 | \$ 3,000 | \$ - | \$ 42,110 |
| 331 | Facilities Fund | \$ 773,317 | \$ 25,850 | \$ - | \$ 799,167 |

EQUIPMENT ACQUISITION FUND 301

Equipment Acquisition Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|---|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 301 EQUIPMENT ACQUISITION RESOURCES | | | | | | |
| BEGINNING BALANCE | 493,969 | 534,991 | 568,089 | 278,946 | 251,151 | 278,946 |
| MISCELLANEOUS | 638 | 9,015 | - | 750 | 750 | 1,500 |
| OTHER FINANCING SOURCES | 165,900 | 207,803 | 175,927 | 202,351 | 213,654 | 416,005 |
| TOTAL RESOURCES | 660,507 | 751,809 | 744,016 | 482,047 | 465,555 | 696,451 |
| FUND 301 EQUIPMENT ACQUISITION USES | | | | | | |
| CAPITAL OUTLAY | 89,835 | 148,620 | 465,070 | 230,896 | 149,900 | 380,796 |
| OTHER OPERATING USES | 36,200 | 35,100 | - | - | - | - |
| FUND BALANCE | 534,472 | 568,089 | 278,946 | 251,151 | 315,655 | 315,655 |
| TOTAL USES | 660,507 | 751,809 | 744,016 | 482,047 | 465,555 | 696,451 |

EQUIPMENT ACQUISITION FUND (301)

PROGRAM DESCRIPTION:

This fund, under the direction of the City's Finance Department, provides funding for the acquisition of capital equipment for all departments other than items funded in the proprietary funds. The equipment can be of two types: a replacement of existing equipment, or equipment for a newly approved program. When preparing their budgets for the upcoming year, departments submit requests for capital equipment to the Finance Director. The list is then reviewed with the Mayor and recommendations are made to be presented to the Finance/Administration Committee during the budget process. The Committee makes a formal recommendation to the full Council. The Council makes the final determination on how the funds will be allocated.

The City's capitalization policy sets the capital purchase threshold at \$5,000. Computers, printers, software and items of "small tools" in nature are purchased directly through the General Fund reducing the General Fund transfer to this fund.

PROGRAM RESOURCES:

Funding is provided through operating transfers from the General Fund. In 2017-18, the yearly transfers are approximately 6.5% of sales tax and approximately \$50,000 of funds received for criminal justice funding intended to be used for replacement of police vehicles. The transfer is then reduced by the amount intended for computer replacements, copier lease amounts and a portion used for City Hall debt payment.

Transfers are as below:

| | |
|--------|-----------|
| • 2017 | \$202,351 |
| • 2018 | \$213,654 |

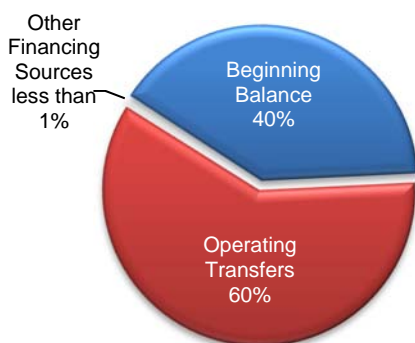
The requests for 2017 and 2018 are more than the funds available. Several requests will not be funded and some items planned for replacement will be pushed out to a later date.

2016 ACCOMPLISHMENTS:

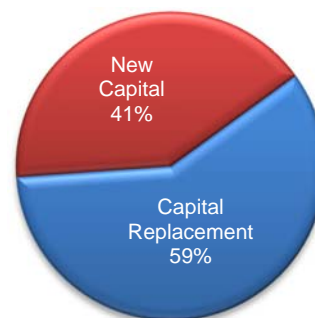
Items purchased in 2016:

- One new police vehicle
- New phone system purchased and implemented
- Implementation of new Community Development software completed
- Equipment for parks and streets were purchased including trucks, traffic counters, mower and small equipment necessary for the maintenance of streets

**2017-2018
Resources
Equipment Acquisition Fund
(301)
\$696,451**



**2017-2018
Expenditures
Equipment Acquisition Fund
(301)
\$380,796**



PROGRAM USES:

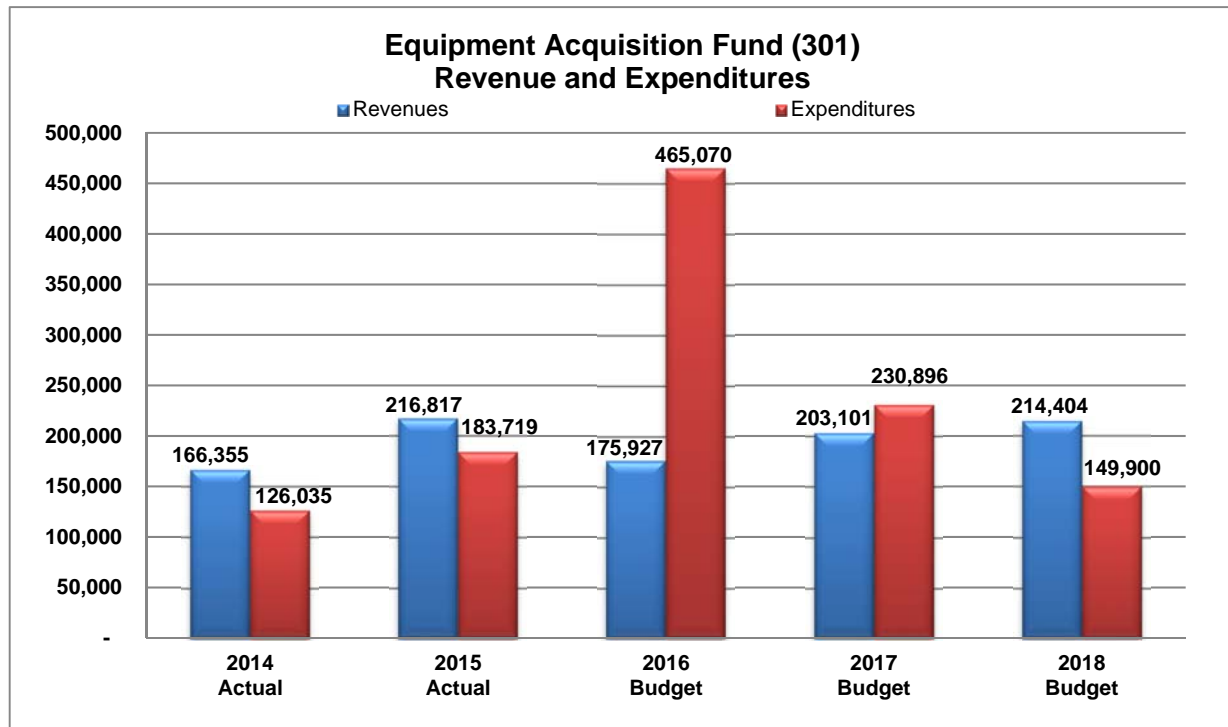
A detailed list of projected capital purchases for 2017-18 is provided.

CAPITAL REPLACEMENT

| 2017 | | | 2018 | | |
|---|------------------|---------------|--|------------------|----------------|
| | Requested Amount | Funded | | Requested Amount | Funded |
| <i>Engineering</i> | | | | | |
| New Vehicle | 25,000 | - | | | |
| <i>Police</i> | | | | | |
| Police Car #1 | 47,000 | 47,000 | Police Car #1 | 49,000 | 49,000 |
| Replacing Glock Handguns | 3,100 | - | Police Car #2 | 49,000 | 49,000 |
| Replacing 5 Tasers a year | 5,250 | - | Replacing 5 Tasers a year | 5,250 | - |
| <i>Parks</i> | | | | | |
| Floating Dock | 12,500 | 12,500 | Fitness Room Carpet | 5,000 | - |
| Forklift - PW (Split w/ Streets & Utilities) | 2,400 | 2,400 | John Deere Gator - PW | 12,500 | - |
| Toro Mower - PW | 10,000 | 10,000 | Toro Mower - PW | 10,000 | - |
| | | | Mechanics Truck - PW (Partially supported by utilities) | 11,900 | 11,900 |
| <i>Streets</i> | | | | | |
| Forklift - PW (Split w/ Parks and Utilities) | 2,400 | 2,400 | Dump Truck | 40,000 | 40,000 |
| Total Capital Replacement | 107,650 | 74,300 | Total Capital Replacement | 182,650 | 149,900 |

CAPITAL NEW ACQUISITION

| 2017 | | | 2018 | | |
|---|------------------|----------------|--|------------------|----------|
| | Requested Amount | Funded | | Requested Amount | Funded |
| <i>Clerk</i> | | | | | |
| Public Records Retention Mgmt System | 7,850 | 7,850 | Public Records Retention Mgmt System | 5,400 | - |
| Records Management Software | 55,024 | 16,000 | Records Management Software | 8,000 | - |
| <i>IT</i> | | | | | |
| Security Cameras | 12,000 | 12,000 | | | |
| <i>Parks</i> | | | | | |
| Landscaping Trailer | 5,000 | 5,000 | | | |
| <i>Police</i> | | | | | |
| New Officer Vehicle | 48,371 | 48,371 | | | |
| <i>Streets</i> | | | | | |
| Reflectometer - Tester | 10,000 | - | Landscaping Trailer (Sidewalk Sweeper) | 3,500 | - |
| Street Sweeper (50% Storm Drain) | 117,500 | - | Backhoe (20% Gov, 80% Utilities) | 23,000 | - |
| Street Warning Sign (25% Gov, 75% Utilities) | 2,375 | 2,375 | | | |
| Glo Bug Lighting - Flagger Lighting (25% Gov, 75% Utilities) | 2,625 | - | | | |
| Crack Seal Machine | 65,000 | 65,000 | | | |
| Total Capital New | 325,745 | 156,596 | Total Capital New | 39,900 | - |
| TOTAL Capital Funds Allocated | | | TOTAL Capital Funds Allocated | | |
| 230,896 | | | 149,900 | | |



PARK RESERVE FUND 302

Park Reserve Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 302 | | | | | | |
| PARK RESERVE RESOURCES | | | | | | |
| BEGINNING BALANCE | 215,491 | 246,316 | 193,562 | 112,473 | 193,473 | 112,473 |
| INTERGOVERNMENTAL | 85,357 | 6,147 | 16,000 | 111,000 | 475,000 | 586,000 |
| MISCELLANEOUS | 359 | 173 | - | - | - | - |
| OTHER FINANCING SOURCES | 69,403 | 46,797 | 270,000 | 380,000 | 267,184 | 647,184 |
| TOTAL RESOURCES | 370,610 | 299,433 | 479,562 | 603,473 | 935,657 | 1,345,657 |
| FUND 302 | | | | | | |
| PARK RESERVE USES | | | | | | |
| CAPITAL OUTLAY | 127,407 | 105,871 | 385,690 | 410,000 | 676,184 | 1,086,184 |
| FUND BALANCE | 243,203 | 193,562 | 93,872 | 193,473 | 259,473 | 259,473 |
| TOTAL USES | 370,610 | 299,433 | 479,562 | 603,473 | 935,657 | 1,345,657 |

PARK RESERVE FUND (302)

PROGRAM DESCRIPTION:

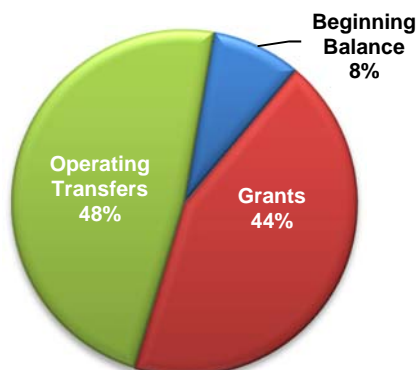
The purpose of this fund is to provide monies for improvements to City parks. The fund is administered by the Parks & Recreation Department.

FUND RESOURCES:

Historically, the City has transferred a portion of property taxes received in the General Fund (001) into the Park Reserve Fund. The City is flattening out the transfers and making a monthly allocation not dependent on the timing of the collection of property taxes.

For 2017, the Council has determined \$100,000, for 2018 \$101,000, will be transferred from the General Fund into the Park Reserve Fund to fund a portion of capital park projects. In addition, \$80,000 (2017) and \$166,184 (2018) in Park Impact Fees will be transferred to fund capital park projects along with \$200,000, dependent on proceeds from the sale of Old City Hall land, to fund the MIW Pavilion Park Restroom Renovation Project.

**2017-2018 Resources
Park Reserve Fund (302)
\$1,345,657**



2016 PROGRAM ACCOMPLISHMENTS:

The City will continue to create successful partnerships with other government agencies, service organizations, businesses, and citizens which is paramount to a successful Parks and

Recreation Department. Poulsbo recreation programs and City parks have benefited from these partnerships for many years, and these relationships will continue.

The City of Poulsbo completed its 6-year update of the Park, Recreation and Open Space Plan (PROS) in January 2016. This update is required for cities to remain eligible for state grant funding, and it allows the public to give input on future plans. The Park and Recreation Commission (PRC) was instrumental in the process of creating this new plan.

- **Trail Signage**

Urban trail signs were designed and installed by an Eagle Scout candidate throughout the city trail sites.

- **Little Valley Ball Field**

Kitsap County deeded this 1.82 acre parcel to the City of Poulsbo in 2014. It had been annexed into the City in 2007, but was still maintained by the County. The City held a Request for Proposal (RFP) process in 2015, and five proposals were received. Evergreen Mountain Bike Alliance was chosen to build a Bike Pump Track on the site, which is expected to be completed in 2017.

- **Poulsbo's Fish Park,**

Located on the Dogfish Creek estuary at the north end of Liberty Bay along Lindvig Way, continues to successfully involve the citizenry, business and service organizations in its development. Phase 3 Development is underway, with improvements beginning on the Holm and Hansen parcels. The park is now over 40 acres.

Ongoing stewardship and general maintenance projects on the original park parcels continued. Eagle Scout candidates continue to contribute to local parks through volunteerism and development.

The Fish Park Steering Committee has continued to be the driving force in this mainly volunteer effort. They have led the project planning and provided stewardship of this jewel within the City.

The City received a 2015-2017 Volunteer Cooperative Grant through the WA Department

of Fish and Wildlife, for work on the newest parcels. Volunteer efforts have included

additional trails, restoration work and planning. Additional grants are being sought for development on these parcels. The City has received a small grant that helped fund three events at Fish Park in 2016. The City is on the state "list" for grant funding in 2017.

Salmon Viewing Saturday was held in November, and has become a popular, family event.

- **Trail Easement & Stair Climb to Nelson Park**

A connection between Nelson Park and Poulsbo's Fish Park is complete. About 600' of trail and a stair climb allows walkers to walk between the two parks. The Poulsbo Rotary Club was instrumental in building the trail and stair climb on the Nelson Park side.

- **Morrow Manor Park**

The property donation will be completed upon recording of the short plat, and the public planning for this new 1.21 acre park at Noll and Mesford Streets is complete. The City is on the state "list" for grant funding in 2017.

- **Vista Park and Trail**

The Mayor's vision to improve this area along the ridge in College Market Place (across the street from Home Depot) is on hold. The project calling for enhanced pedestrian access, benches and landscaping will allow people to safely walk and enjoy the area.

- **Lions Park Playground Equipment**

Two new pieces of equipment were installed at Lions Park near the sewer lift station project.

- **American Legion Park Playground Equipment**

Two new pieces of equipment were installed at American Legion Park after the old equipment was vandalized and in disrepair.

2017-2018 PARK PROJECTS AND GOALS:

Poulsbo Fish Park (2017 & 2018)

Carryover Project: With the assistance of a grant through the ALEA/Washington Department of Fish and Wildlife Volunteer Cooperative, development will continue into phase 3 on the newest parcels of this 40-acre park. Increased

public access, environmental education and near shore improvements are planned.

Goal: Continue restoration of Poulsbo's Fish Park.

Objective: Commence work on the 4 newest parcels at Poulsbo's Fish Park.

Objective: Work with the citizen's steering committee and the Poulsbo Parks and Recreation Commission to complete tasks in the WDFW grant.

Objective: Continue forming partnerships with organizations for stewardship activities on all phases.

Objective: Research additional grants for development of the park.

Measurement: Signed up groups to maintain all parts of the park under the Fish Park Stewardship Plan.

Measurement: Completed tasks in the WDFW grant in 2017.

Measurement: Completed bank erosion repair at the northern most viewing platform.

Measurement: An RCO grant secured to build a trail connection and other improvements between the Lord and Holm parcels along Bond Rd.

Measurement: Scheduled monthly volunteer work parties on the site.

Responds to Council Goals:

#4-Natural Environment

#7-Parks & Recreation and Open Space

Project Funding:

| | | |
|------------------------|-----------|-------------------|
| Park Reserves | 2017 | 25,000 |
| Park Reserves | 2018 | 10,000 |
| State Grant (TBD) | 2017 | 80,000 |
| State Grant (TBD) | 2018 | 225,000 |
| Donations In-Kind | 2017-2018 | 300,000 |
| 2017-2018 Total | | \$ 640,000 |

Morrow Manor Park (2017 & 2018)

Ongoing/Carryover Project: This new park at the southeast corner of Noll, Mesford and Languanet will be home to a 1.21 acre park that will be donated to the city in 2017. Public planning of the site was completed in 2016. It will take a state grant to fully build the park.

Goal: To improve this new park at the corner of Noll/Mesford/Languanet.

Objective: Conduct interviews and select a consultant to create complete construction documents in preparation for future development.

Objective: Apply for grants for 2017 construction.

Measurement: Completed construction documents by December 2017, with construction in 2018.

Responds to Council Goals:

#4-Natural Environment

#7-Parks & Recreation and Open Space

Project Funding:

| | | |
|------------------------|------|-------------------|
| Park Impact Fees | 2017 | 10,000 |
| Park Donation | 2017 | 100,000 |
| State Grant (TBD) | 2017 | 25,000 |
| State Grant (TBD) | 2018 | 250,000 |
| Park Impact Fees | 2018 | 166,184 |
| 2017-2018 Total | | \$ 551,184 |

Muriel Iverson Williams Waterfront Park Restrooms (2017)

Carryover Project: The restrooms at MIW Waterfront Park are old and in disrepair. Because this park is heavily used throughout the year, the restrooms need to be improved.

Goal: To renovate or replace the restrooms at the Waterfront Park.

Objective: Complete planning documents by April 2017.

Objective: Prepare the park and community for park disruption.

Measurement: Completed restroom replacement by October 2017.

Responds to Council Goals:

#4-Natural Environment

#7-Parks & Recreation and Open Space

Project Funding:

| | |
|----------------------|-------------------|
| Real Estate Proceeds | 200,000 |
| 2017 Total | \$ 200,000 |

Skate Park (2018)

New Project: The Skate Park at Raab Park was built in 2000, and is approaching the time when a decision must be made regarding replacement or repair. The Parks and Recreation Commission has heard a presentation from a local resident interested in fundraising and getting a new park built.

Goal: To build a new Skate Park in Poulsbo.

Objective: In 2017, plan for a non-profit organization to organize, host community meetings, and fundraise for a new skate park.

Objective: Create a timeline and choose a site.

Objective: Research grants and prepare to apply for a 2018 state grant among others.

Measurement: Construction documents created that will allow for grant applications in 2018, with construction in 2019.

Measurement: Received grant awards.

Responds to Council Goals:

#4-Natural Environment

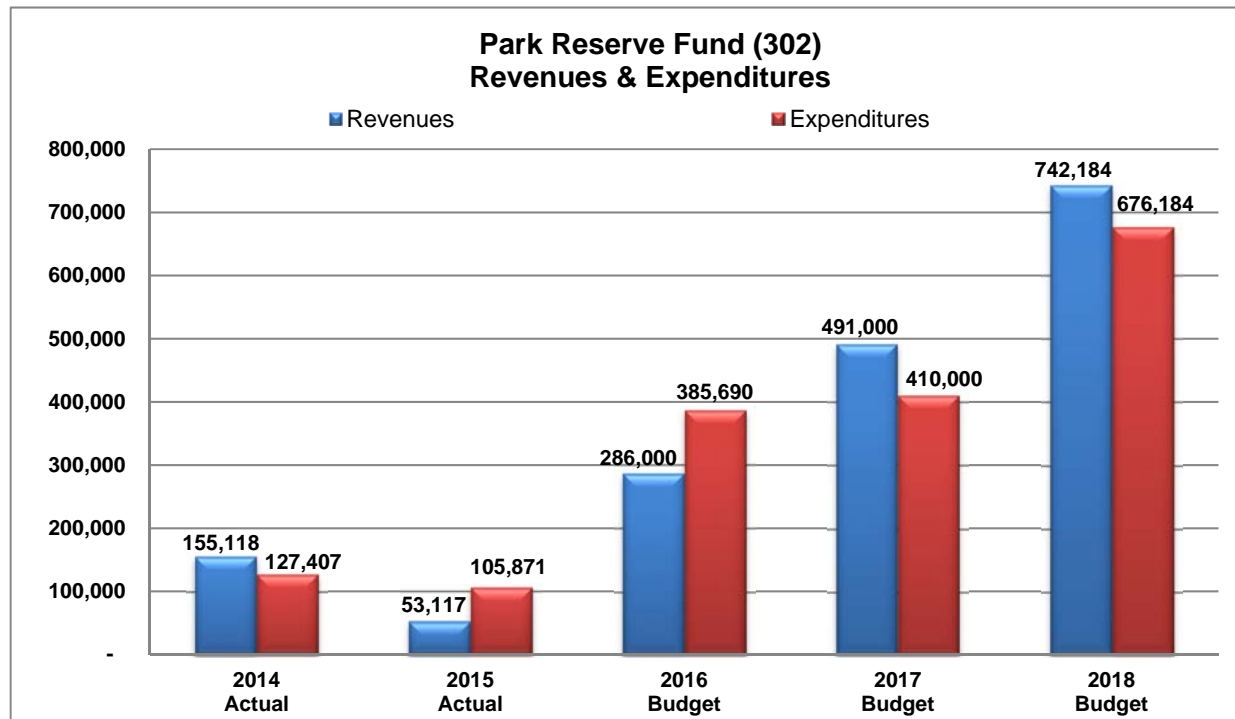
#7-Parks & Recreation and Open Space

Project Funding:

| | |
|-------------------|------------------|
| Park Reserves | 25,000 |
| 2018 Total | \$ 25,000 |

Other Park Projects:

| | | |
|------------------------|------|-----------|
| MIW Benches | 2017 | \$ 45,000 |
| Nelson Park Playground | 2017 | \$ 25,000 |





STREET RESERVE FUND 311

Street Reserve Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| FUND 311 | | | | | | |
| STREET RESERVE | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 296,836 | 618,120 | 709,053 | 909,779 | 958,779 | 909,779 |
| INTERGOVERNMENTAL | 2,752,065 | 637,183 | 2,502,474 | 600,000 | 5,380,000 | 5,980,000 |
| MISCELLANEOUS | 130 | 249 | - | - | - | - |
| NON-REVENUES | 254,000 | - | - | - | - | - |
| OTHER FINANCING SOURCES | 558,465 | 536,581 | 925,500 | 1,419,000 | 750,000 | 2,169,000 |
| TOTAL RESOURCES | 3,861,496 | 1,792,133 | 4,137,027 | 2,928,779 | 7,088,779 | 9,058,779 |
| FUND 311 | | | | | | |
| STREET RESERVE | | | | | | |
| USES | | | | | | |
| CAPITAL OUTLAY | 3,218,835 | 1,051,080 | 3,227,248 | 1,970,000 | 6,461,000 | 8,431,000 |
| OTHER FINANCING USES | 24,535 | 32,000 | - | - | - | - |
| FUND BALANCE | 618,126 | 709,053 | 909,779 | 958,779 | 627,779 | 627,779 |
| TOTAL USES | 3,861,496 | 1,792,133 | 4,137,027 | 2,928,779 | 7,088,779 | 9,058,779 |

STREET RESERVE FUND (311)

PROGRAM DESCRIPTION:

Fund 311, under the administration of the Engineering Department, provides for the planning, design and construction of improvements associated with the City of Poulsbo's transportation system.

The program includes: construction of roads, traffic control devices, curbs, gutters, and sidewalks as well as roadway drainage improvements, and pavement restoration.

PROGRAM RESOURCES:

The Street Reserve Fund (311) derives the majority of its revenues from State Transportation Improvement Board (TIB) grant programs, Federal Surface Transportation Program & Safe Routes to School (STP & SRTS) grant programs and operating transfers.

2017 Operating Transfers:

- Traffic Development Fund (123) - \$1,220,000 of accumulated traffic impact fees will be transferred to support street projects
- General Fund (001) – \$49,000 will be transferred to fund portions of capital transportation projects
- General Fund (001) – \$150,000 will be transferred to fund neighborhood pavement restoration in lieu of new development throughout the City

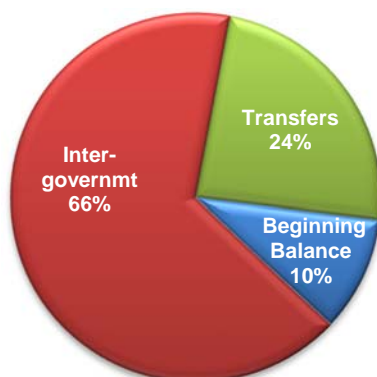
2018 Operating Transfers:

- Traffic Development Fund (123) - \$550,000 of accumulated traffic impact fees will be transferred to support street projects
- General Fund (001) – \$50,000 will be transferred to fund portions of capital transportation projects
- General Fund (001) – \$150,000 will be transferred to fund neighborhood pavement restoration in lieu of new development throughout the City

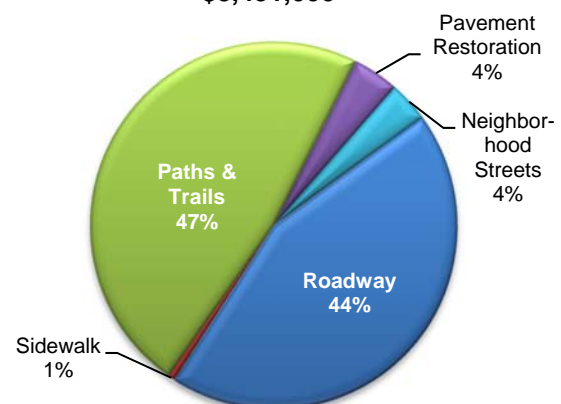
2016 PROGRAM ACCOMPLISHMENTS:

- Continued design on the Liberty Bay Waterfront Trail project and moved forward with the permitting process.
- Continued design on the Noll Road Improvements project and initiated the right-of-way acquisition process, completed NEPA process, initiated environmental permitting, achieved STP grant partially funding Phase I construction, completed application for TIB grant funding of Phase I construction.
- Completed construction of the Citywide Pavement Restoration on Hostmark St.
- Initiated design on the Finn Hill Reconstruction project, completed application for project TIB grant funding.
- Initiated design on Forest Rock Lane road preservation project, completed application for TIB grant funding.

**2017-2018
Resources
Street Reserve Fund (311)
\$9,058,779**



**2017-2018
Expenditures
Street Reserve Fund (311)
\$8,431,000**



2017-2018 PROGRAM PROJECT GOALS:**Noll Road Improvements Phase III**

The project limits SR 305 to Lincoln Road along a new alignment as shown on the City Transportation Plan. This project will be implemented in multiple phases over multiple years. Phase I was completed in 2014 – SR 305/Noll/Johnson Intersection Traffic Study. In 2015, the City completed 30% design. In 2016, the City initiated the Right of Way acquisition and continued design. The construction phase will be divided into multiple phases over the following six years and will be funded by FHWA Funds and City traffic impact fees. Construction through 2022 is estimated to cost \$11,168,392.

2017 Project Funding:

| | |
|--------------------|------------|
| • City Impact Fees | \$ 750,000 |
| 2017 Total | \$ 750,000 |

2018 Project Funding:

| | |
|--------------------|-------------|
| • Federal Grant | \$1,180,000 |
| • Non-Voted Bonds | \$ 340,000 |
| • City Impact Fees | \$ 500,000 |
| 2018 Total | \$2,020,000 |

Finn Hill Reconstruction

This project includes pedestrian and bicycle improvements along the north side of Finn Hill.

2017 Project Funding

| | |
|--------------------|------------|
| • State Grant | \$ 500,000 |
| • City Impact Fees | \$ 450,000 |
| 2017 Total | \$ 950,000 |

Liberty Bay Waterfront Trail

This project continues the design and permitting process for a trail extending from American Legion Park north to existing trails in Fish Park and Nelson Park.

2017 Project Funding:

| | |
|-------------------------|------------|
| • State Grant | \$ 100,000 |
| • Street Reserves (311) | \$ 20,000 |
| 2017 Total | \$ 120,000 |

2018 Project Funding:

| | |
|---------------|-------------|
| • State Grant | \$3,900,000 |
| 2018 Total | \$3,900,000 |

Citywide Pavement Restoration**(Forest Rock Lane Road Preservation)**

This project will overlay approximately 0.5 miles of Forest Rock Lane from near the intersection of Forest Rock and 10th Ave to the intersection of Caldart Ave.

2018 Project Funding:

| | |
|-------------------------|------------|
| • Federal Grant | \$ 300,000 |
| • Street Reserves (311) | \$ 41,000 |
| 2018 Total | \$ 341,000 |

Citywide Safety Improvements

This project will construct approximately 800 linear feet of missing sidewalks along the west side of 4th Ave.

2018 Project Funding:

| | |
|-------------------------|-----------|
| • Street Reserves (311) | \$ 50,000 |
| 2018 Total | \$ 50,000 |

Local Neighborhood Maintenance Program

This project is designed to overlay the existing neighborhood streets and will include the following elements: pavement repairs, pavement overlay, and striping. The City will be performing three different types of paving maintenance repair. Once they have been completed, a recommendation for future maintenance will be made. The maintenance will save the City money by delaying complete overlap which can be expensive and delay repairs of necessary streets.

2017 Project Funding:

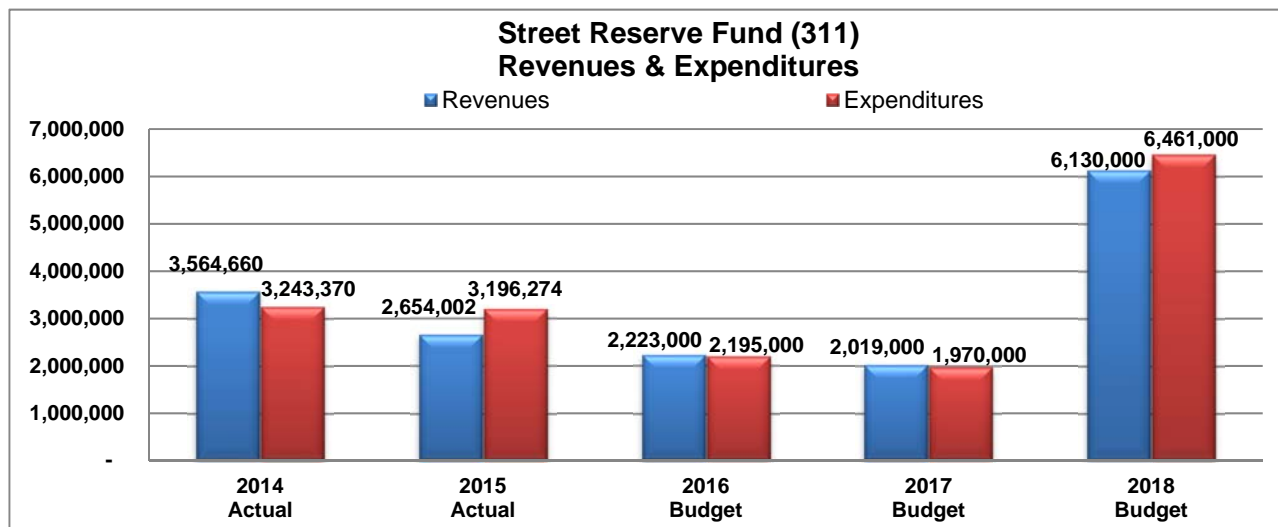
| | |
|-------------------------|------------|
| • Street Reserves (311) | \$ 150,000 |
| 2017 Total | \$ 150,000 |

2018 Project Funding:

| | |
|-------------------------|------------|
| • Street Reserves (311) | \$ 150,000 |
| 2018 Total | \$ 150,000 |

| Projects Progressing in 2017 | Total Overall Transportation Project Cost | 2017 Expenditures |
|--|---|--------------------|
| Noll Road Improvements | 2,770,000 | 750,000 |
| Finn Hill Reconstruction | 950,000 | 950,000 |
| Liberty Bay Waterfront Trail | 4,020,000 | 120,000 |
| Citywide Pavement Restoration | 341,000 | 0 |
| Citywide Safety Improvements | 50,000 | 0 |
| Local Neighborhood Maintenance Program | 300,000 | 150,000 |
| Total | \$8,431,000 | \$1,970,000 |

| Projects Progressing in 2018 | Total Overall Transportation Project Cost | 2018 Expenditures |
|--|---|--------------------|
| Noll Road Improvements | 2,770,000 | 2,020,000 |
| Finn Hill Reconstruction | 950,000 | 0 |
| Liberty Bay Waterfront Trail | 4,020,000 | 3,900,000 |
| Citywide Pavement Restoration | 341,000 | 341,000 |
| Citywide Safety Improvements | 50,000 | 50,000 |
| Local Neighborhood Maintenance Program | 300,000 | 150,000 |
| Total | \$8,431,000 | \$6,461,000 |



CEMETERY RESERVE FUND 314

Cemetery Reserve Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| FUND 314 | | | | | | |
| CEMETERY RESERVE | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 63,680 | 72,093 | 76,869 | 36,110 | 39,110 | 36,110 |
| CHARGE FOR SERVICES | 2,400 | 4,600 | 2,000 | 3,000 | 3,000 | 6,000 |
| MISCELLANEOUS | 14 | 176 | - | - | - | - |
| TOTAL RESOURCES | 66,094 | 76,869 | 78,869 | 39,110 | 42,110 | 42,110 |
| FUND 314 | | | | | | |
| CEMETERY RESERVE | | | | | | |
| USES | | | | | | |
| FUND BALANCE | 66,094 | 76,869 | 78,869 | 39,110 | 42,110 | 42,110 |
| TOTAL USES | 66,094 | 76,869 | 78,869 | 39,110 | 42,110 | 42,110 |

CEMETERY RESERVE FUND (314)**PROGRAM DESCRIPTION:**

The City owns 5.1 acres of land known as the Poulsbo Cemetery, which dates back to 1900. The land is plotted for approximately 2913 gravesite plots and 534 cremains sites.

This fund was established as a repository for receipts paid for cemetery gravesites. The funds may be used for cemetery improvements. The fund is administered by the Public Works Department in conjunction with the City Clerk.

A total of 7 plots were sold in 2016 (6 regular and 1 cremains).

2016 Program Highlights:

In 2016, a special advisory committee was formed, consisting of citizens, staff and Councilmembers Thomas and Musgrove, to address the needs and potential beautification of the cemetery grounds. Through this committee, a workplan was developed to include addition of

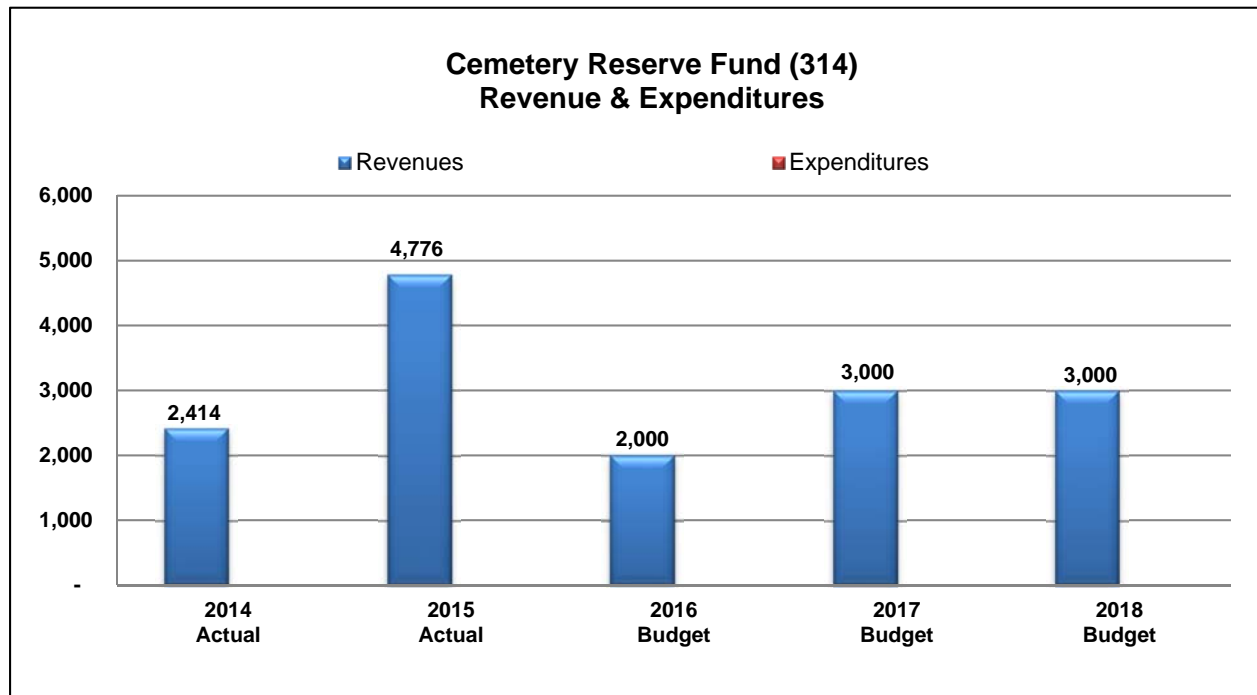
new water lines, yard hydrants, bench pads, pavement of parking lot, and a new cemetery gateway entrance sign.

Resulting from this advisory committee, a City Bench Sponsorship Program was created. This program promotes the private sponsorship of benches through donation, to be placed within the municipal cemetery.

FUND RESOURCES:

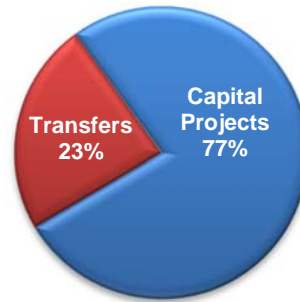
Revenue is derived from the sale of gravesites.

| Cemetery Site Rates | |
|------------------------------------|----------|
| Cremains gravesite | \$200 |
| Regular gravesite | \$400 |
| Family lot (6 regular grave sites) | All sold |
| Block (24 regular grave sites) | All sold |



FACILITIES FUND 331

Facilities Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|-------------------------|----------------|----------------|------------------|------------------|----------------|---------------------|
| FUND 331 | | | | | | |
| FACILITIES | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 465,715 | 437,963 | 330,426 | 801,395 | 773,317 | 801,395 |
| MISCELLANEOUS | 400 | 400 | 200 | 850 | 850 | 1,700 |
| OTHER FINANCING SOURCES | 6,022 | - | 1,225,000 | 822,500 | 25,000 | 847,500 |
| TOTAL RESOURCES | 472,137 | 438,363 | 1,555,626 | 1,624,745 | 799,167 | 1,650,595 |
| FUND 331 | | | | | | |
| FACILITIES | | | | | | |
| USES | | | | | | |
| CAPITAL OUTLAY | 17,628 | 89,937 | 417,231 | 651,428 | - | 651,428 |
| OTHER FINANCING USES | 16,546 | 18,000 | 37,000 | 200,000 | - | 200,000 |
| FUND BALANCE | 437,963 | 330,426 | 1,101,395 | 773,317 | 799,167 | 799,167 |
| TOTAL USES | 472,137 | 438,363 | 1,555,626 | 1,624,745 | 799,167 | 1,650,595 |

FACILITIES FUND (331)**PROGRAM DESCRIPTION:**

This fund accounts for funds available for capital improvements to City buildings and facilities.

FUND RESOURCES:

In 2014, the City entered into a Purchase and Sale Agreement for the old City Hall Property. The proceeds and related expenditures will be processed through the Facilities Fund (331). Due to delays these funds are expected to be received in 2017. The sale of the old City Police Station Property is under negotiation and anticipated to have a final sale also in 2017. At this time, there are no other revenue streams projected.

Beginning in 2016, \$25,000 per year is being transferred into this fund to build a reserve balance for future capital facility maintenance projects.

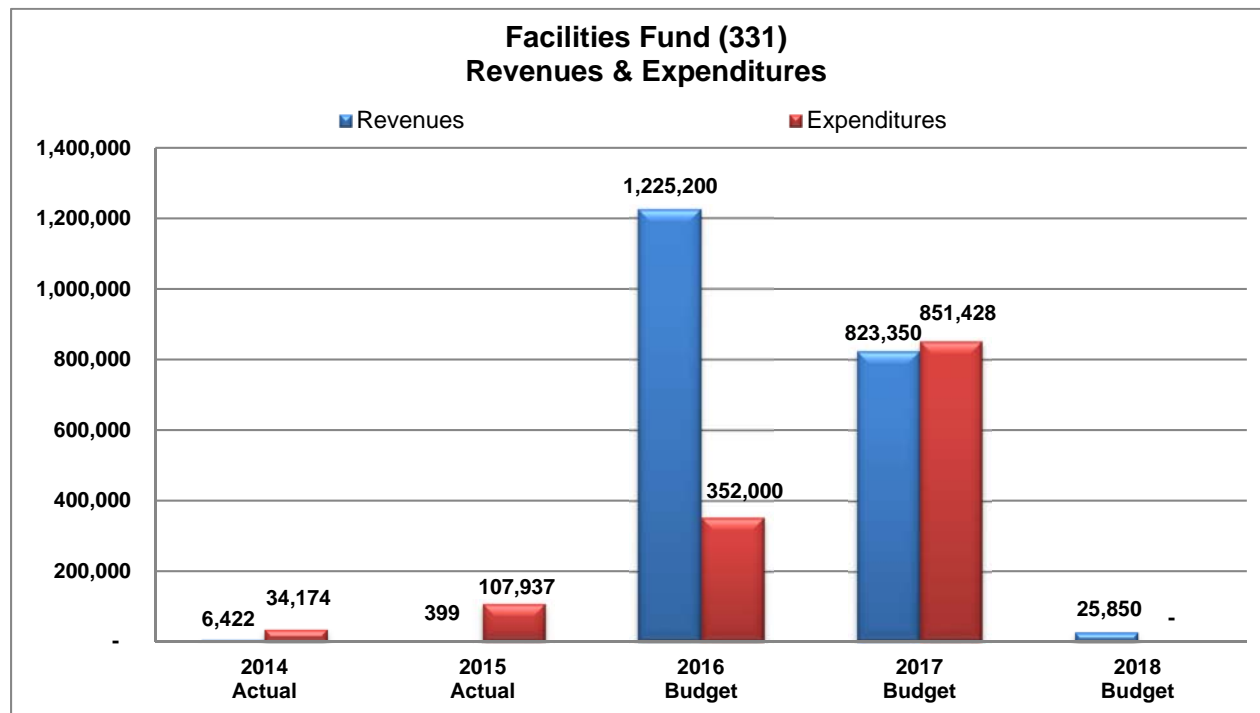
EXPENDITURES:

Planned Expenditures for 2017 are:

- \$600,000 for design of a new Public Works Building.
- \$45,000 for a roof replacement at the Library. It is anticipated the Library District or donations from Friends of the Library will contribute towards the repair.
- \$200,000 for the restrooms at Muriel Iverson Williams Waterfront Park transferred to Park Reserves.
- \$6,428 for a portion of the cost to remodel one of the car bays in the existing Public Works building into office space to accommodate housing Public Works Administration staff. The remainder of the cost will be shared evenly among the utilities.

Planned Expenditures for 2018 are:

- None Planned



PROPRIETARY FUNDS:

ENTERPRISE FUNDS (400'S)

These funds account for operations:

(a) that are normally financed and operated in a manner similar to a private business enterprise; where the intent of the governing body is that the costs of providing goods and services to the public on a continuing basis be financed or recovered primarily through user charges, or

(b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes

PROPRIETARY FUNDS SUMMARY

| Fund | Fund Name | Description | Funding Source |
|------|-------------|---|--|
| 401 | Water | Provides water services | Funded by user charges and connection fees |
| 403 | Sewer | Provides sewer services | Funded by user charges and connection fees |
| 404 | Solid Waste | Provides garbage and recycling services | Funded by user charges |
| 410 | Storm Drain | Serves the City's storm drainage system | Funded by user charges and connection fees |

| 2017 | | | | | |
|---------------|------------------|--------------------------|------------------------|-------------------|-----------------------|
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 401 | Water Fund | \$ 1,880,695 | \$ 2,215,790 | \$ 3,522,661 | \$ 573,824 |
| 403 | Sewer Fund | \$ 8,544,730 | \$ 8,607,080 | \$ 16,395,305 | \$ 756,505 |
| 404 | Solid Waste Fund | \$ 1,897,152 | \$ 1,666,000 | \$ 2,438,670 | \$ 1,124,482 |
| 410 | Storm Drain Fund | \$ 1,137,821 | \$ 2,536,875 | \$ 3,099,580 | \$ 575,116 |
| 2018 | | | | | |
| FUND # | FUND NAME | BEGINNING BALANCE | TOTAL RESOURCES | TOTAL USES | ENDING BALANCE |
| 401 | Water Fund | \$ 1,036,249 | \$ 2,269,453 | \$ 2,900,361 | \$ 405,341 |
| 403 | Sewer Fund | \$ 1,554,505 | \$ 3,702,870 | \$ 4,160,521 | \$ 1,096,854 |
| 404 | Solid Waste Fund | \$ 1,212,362 | \$ 1,715,440 | \$ 2,544,272 | \$ 383,530 |
| 410 | Storm Drain Fund | \$ 1,087,271 | \$ 3,047,815 | \$ 3,346,632 | \$ 788,454 |

WATER FUND 401

Mission Statement:

The Public Works Department ensures the city's physical infrastructure (buildings and parks, water and sewer systems, roads and sidewalks, and drainage systems) is built and maintained, and that essential public services (solid waste collection and equipment maintenance) are performed in a fiscally responsible manner to support a safe and healthy environment and help the city achieve its vision.

Water Fund Uses



- Capital Outlays 42%
- Depreciation 14%
- Salaries & Wages 12%
- Services 12%
- Interfund Svcs & Chgs 9%
- Benefits 6%
- Debt Service 3%
- Supplies 1%

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|----------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| FUND 401 | | | | | | |
| WATER UTILITY | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 3,662,384 | 3,609,721 | 4,153,638 | 1,880,695 | 1,036,249 | 2,343,120 |
| INTERGOVERNMENTAL | 25,000 | - | - | - | - | - |
| CHARGE FOR SERVICES | 1,487,276 | 1,717,445 | 1,652,000 | 1,704,500 | 1,755,485 | 3,459,985 |
| MISCELLANEOUS | 123,148 | 136,120 | 103,286 | 111,290 | 113,968 | 225,258 |
| PROPRIETARY OTHER INCOME | 125,111 | 652,872 | 400,000 | 400,000 | 400,000 | 800,000 |
| OTHER FINANCING SOURCES | 114,972 | - | - | - | - | - |
| TOTAL RESOURCES | 5,537,891 | 6,116,158 | 6,308,924 | 4,096,485 | 3,305,702 | 6,828,363 |
| FUND 401 | | | | | | |
| WATER UTILITY | | | | | | |
| USES | | | | | | |
| BAD DEBT EXPENSE | 41 | - | - | - | - | - |
| SALARIES | 244,369 | 324,014 | 383,267 | 391,591 | 402,673 | 794,264 |
| BENEFITS | 106,625 | 141,665 | 194,001 | 193,427 | 210,236 | 403,663 |
| SUPPLIES | 64,374 | 80,328 | 59,650 | 63,650 | 59,650 | 123,300 |
| OTHER SERVICES & CHARGES | 419,124 | 444,793 | 440,156 | 366,942 | 373,848 | 740,790 |
| OTHER FINANCING USES | 114,972 | - | - | - | - | - |
| CAPITAL OUTLAY | 643,253 | 671,940 | 3,493,300 | 1,629,652 | 1,006,080 | 2,635,732 |
| DEBT SERVICE - PRINCIPAL | 102,541 | 105,621 | 100,540 | 104,500 | 37,800 | 142,300 |
| DEBT SERVICE - INTEREST | 13,044 | 9,303 | 7,074 | 3,605 | 45,000 | 48,605 |
| DEBT SERVICE - ISSUE COSTS | 3,725 | 14,225 | 4,372 | 4,238 | 18 | 4,256 |
| INTERFUND PAYMENT FOR SVCS | 211,253 | 252,569 | 220,435 | 302,631 | 302,631 | 605,262 |
| DEPRECIATION EXPENSE | 421,632 | 418,144 | 450,000 | 462,425 | 462,425 | 924,850 |
| FUND BALANCE | 3,192,938 | 3,653,556 | 956,129 | 573,824 | 405,341 | 405,341 |
| TOTAL USES | 5,537,891 | 6,116,158 | 6,308,924 | 4,096,485 | 3,305,702 | 6,828,363 |

*Beginning Balance adjusted for non-cash capital depreciation expense

WATER FUND (401)

PROGRAM DESCRIPTION:

The Water program is part of an enterprise fund providing for the delivery of domestic water supplies to the citizens of the City of Poulsbo and the surrounding community.

The City of Poulsbo currently provides service to approximately 3,800 residential and commercial water accounts located primarily within the city limits of Poulsbo. The water system consists of a supply, treatment, storage, and distribution system.

Water Supply: Water supply is derived from six groundwater wells; two located in the Big Valley area (Big Valley Well's 1 & 2), one from east of the City in the Lincoln Road area, the Pugh Road Well (relocated to site along Lincoln Road), the Bus Barn Well and the Westside Well. The wells have a combined capacity of approximately 2010 gallons per minute. Additionally, the City maintains an intertie with the Kitsap County Public Utility District # 1 for water supply to Olhava Zone.

Water Treatment: The City provides for treatment and disinfection of its water supplies. Sources of water supplies are treated utilizing sodium hypochlorite to insure proper disinfections pursuant to State Health Department Standards. Additionally, the City adds fluoride to its water supplies at the sources as an additional health benefit. The City water supply is tested daily by City staff. Sampling and laboratory testing is conducted monthly pursuant to the requirements of the Federal Safe Drinking Water Act to insure the protection of the public health and the safety of the community. Water sampling and testing includes coliform, lead and copper, volatile and synthetic organic chemicals (VOC's and SOC's), chlorine residuals, radio- nuclides and disinfection by-products.

Storage and Distribution System: The distribution system consists of ten (10) storage facilities located in various service zones having a total combined capacity of 4 million gallons of water, six (6) water pump stations and appurtenances, together with a water distribution system consisting of 63 miles of pipe ranging in size from 2 inches to 12 inches in diameter.

STAFFING LEVEL:

The Water program is staffed with 5.82 fulltime equivalents (FTE's) providing for the administration, operation, maintenance and repair of the system. Staffing is under the supervision of the Utilities Foreman.

In 2015, the City added and filled a .25 FTE telemetry position and one (1) FTE additional maintenance technician to the water program. One (1) additional FTE position funded in 2015 is yet to be filled. The position has been put on hold until the City determines the future for the City's Solid Waste function avoiding any possible staff reductions if the service is to be outsourced. The Maintenance Technicians are crossed trained in the other City Services so would be able to step into the other roles

2016 Operation and Maintenance

Program Highlights:

- Conducted annual water main flushing program
- Complied with state mandated water quality monitoring and testing requirements, including coliform, phase I, II & V contaminates, lead & copper monitoring
- Updated and distributed annual Consumer Confidence Report for water system performance for the previous year
- Read 3,800 water distribution system service meters for the 2016 billing period
- Responded to customer requests for servicing
- Currently tracking 800 backflow assemblies for effectiveness and compliance
- Provided inspections for all new water main construction on our system
- Extensive hydrant maintenance program which included replacing or repairing fire hydrants
- Total gallons of water pumped between July 2015 and June 2016: 348,922,000.
- Coordinated approximately 1,533 unscheduled meter reads and turn-off's/turn-on's (work orders) with Finance Department
- Provided 610 utility locates and markings through Oct 2016, an average of 67 each month
- Continued city-wide program to exercise water valves
- Implemented new telemetry system to support a more efficient monitoring and notification system via remote access creating a quicker response time.

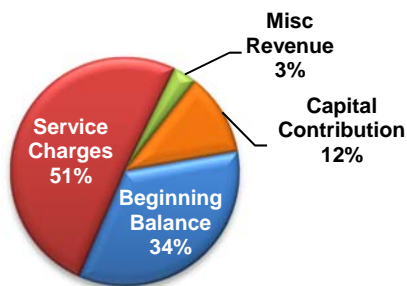
2017-2018 WATER REVENUE:

Users support the water utility, and revenue is generally derived from three sources: 1) monthly service charges, 2) system connection fees, and 3) miscellaneous revenues to include investment interest and charges associated with special work requests for customers, and cell tower leases. The majority of water revenue comes from monthly service charges. The summer months, June through October, have different consumption rates. Larger usage during these months will have a higher consumption rate. This will more accurately charge the users of the system and promote conservation during the summer months.

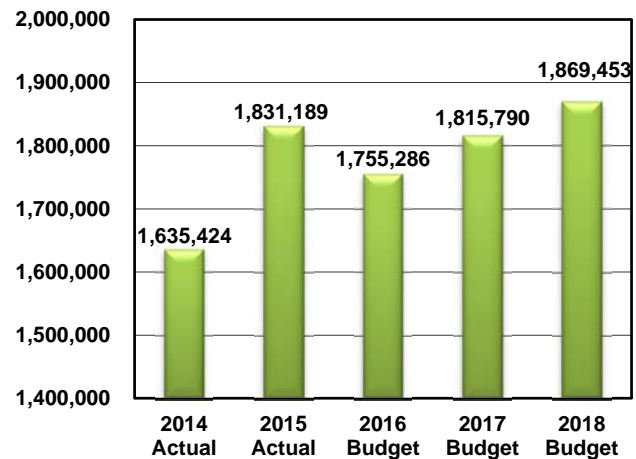
| 2017 Monthly Residential Water Rate Structure | | |
|--|-------------|--------------|
| | Inside City | Outside City |
| Base Rate | \$ 14.62 | \$ 21.93 |
| <i>plus consumption per 100 cf</i> | | |
| November through May | | |
| 0 and over | \$ 2.05 | \$ 2.60 |
| June through October | | |
| 0 - 1000 | \$ 2.05 | \$ 3.81 |
| 1001 and over | \$ 3.19 | \$ 3.81 |

*2018 rates will not be available until June 2017

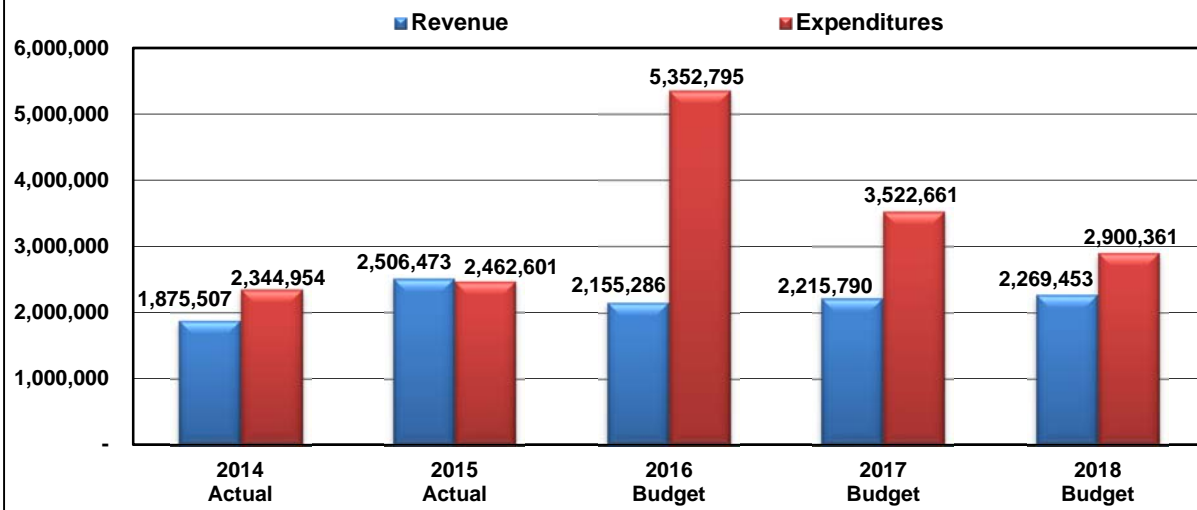
2017-2018 Resources
Water Fund (401)
\$6,828,363



Water Service Charge Revenue
(2014-2018)



Water Dept Fund
Revenue and Expenditures



2017-18 WATER EXPENSES:**Operation and Maintenance:**

The year 2017-18 operation and maintenance program will be a continuation of the 2016 program and will include the operation, maintenance, and repair of the utility's existing water system infrastructure to include water supply, storage, and distribution systems. Additional duties associated with operations will include water monitoring and testing, compliance with regulatory reporting requirements and implementation of the water comprehensive planning requirements.

2017 Capital Improvements:

The capital improvement program for year 2017 is estimated to be \$1,629,652 which includes the following projects and equipment purchases:

| | |
|---|---------------------|
| Caldart Main | 300,000 |
| Ditch Box (Water Share) | 3,334 |
| Fjord St Main Replacement | 170,000 |
| Forklift (Water Share) | 4,800 |
| Message Sign (Water Share) | 2,375 |
| Pickup Truck Replacement | 32,000 |
| PW Admin Office Expansion (Water Share) | 2,143 |
| Raab Pk Water Tank Replacement | 850,000 |
| Tank Climbing Equipment | 10,000 |
| Water Meter Replacement | 175,000 |
| Wilderness Pk Tank Retrofit | 80,000 |
| | \$ 1,629,652 |

2018 Capital Improvements:

The capital improvement program for year 2018 is estimated to be \$1,006,080 which includes the

following projects and equipment purchases:

| | |
|-------------------------------------|---------------------|
| Mechanic Pickup Truck (Water Share) | 4,080 |
| Noll Road Water Improvements | 220,000 |
| Pickup Truck Replacement | 32,000 |
| Water Meter Replacement | 250,000 |
| Wilderness Tank Retrofit | 500,000 |
| | \$ 1,006,080 |

2017 Debt Service:

Debt Service expenses for Water for year 2017 are estimated to be approximately \$112,343. The 2005 Bond Refunding will see its final payment in 2017.

2018 Debt Service:

Debt Service expenses for Water for year 2018 are estimated to be approximately \$82,818. In 2018, it is anticipated to go out for debt for the development and construction of a new Public Works Facility. The expense allocation to Water is expected to be 18%.

DEBT SERVICE - WATER

| 2017 | | | |
|---|----------|----------------|-------------|
| 2005 Bond Refunding | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 104,500 | \$ 3,605 | \$ - | 2017 |
| 2018 | | | |
| Anticipated Public Works Facility (18%) | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 37,800 | \$45,000 | \$ 1,080,000 | 2038 |

WATER DEPARTMENT WORKLOAD MEASURES

| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--|-------------|-------------|-------------|----------------|----------------|
| # of Active Water Services (includes Residential, Commercial & Multi-Family) | 3400 | 3500 | 3837 | 3950 | 4100 |
| Miles of Water Mains maintained | 63 | 64 | 66.5 | 66.5 | 66.5 |
| # of Active Meters Read per month | 3391 | 3410 | 3828 | 3945 | 4085 |

SEWER FUND 403

Mission Statement:

The Mission of the Wastewater Department is to provide the citizens of Poulsbo and the surrounding community with quality domestic wastewater service in concert with federal, state and local regulatory requirements together with associated responsibilities including the planning, design and expansion of the utility in support of the short and long term goals of the City and the maintenance, replacement and upgrade of utility infrastructure.

Sewer Fund Uses



| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|----------------------------|-------------------|-------------------|-------------------|-------------------|------------------|---------------------|
| FUND 403 | | | | | | |
| SEWER UTILITY | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 7,344,375 | 8,459,184 | 7,762,267 | 8,544,730 | 1,554,505 | 9,342,730 |
| CHARGE FOR SERVICES | 3,172,820 | 3,248,578 | 3,104,000 | 3,198,000 | 3,293,790 | 6,491,790 |
| MISCELLANEOUS | 57,468 | 54,364 | 30,000 | 39,080 | 39,080 | 78,160 |
| PROPRIETARY OTHER INCOME | 274,753 | 708,042 | 370,000 | 370,000 | 370,000 | 740,000 |
| NON-REVENUES | 254,000 | - | - | - | - | - |
| OTHER FINANCING SOURCES | 517,390 | - | 5,000,000 | 5,000,000 | - | 5,000,000 |
| TOTAL RESOURCES | 11,620,806 | 12,470,168 | 16,266,267 | 17,151,810 | 5,257,375 | 21,652,680 |
| FUND 403 | | | | | | |
| SEWER UTILITY | | | | | | |
| USES | | | | | | |
| BAD DEBT EXPENSE | 60 | - | - | - | - | - |
| SALARIES | 223,676 | 253,485 | 267,710 | 267,186 | 276,406 | 543,592 |
| BENEFITS | 98,672 | 106,722 | 124,494 | 124,648 | 135,663 | 260,311 |
| SUPPLIES | 19,611 | 37,852 | 19,500 | 17,000 | 17,000 | 34,000 |
| OTHER SERVICES & CHARGES | 448,023 | 596,660 | 523,794 | 504,272 | 602,241 | 1,106,513 |
| INTERGOVERNMENTAL | 1,087,951 | 640,470 | 555,000 | 555,000 | 555,000 | 1,110,000 |
| CAPITAL OUTLAY | 231,613 | 2,111,462 | 7,908,275 | 13,034,322 | 944,990 | 13,979,312 |
| DEBT SERVICE - PRINCIPAL | 661,135 | 951,803 | 497,460 | 538,500 | 222,600 | 761,100 |
| DEBT SERVICE - INTEREST | 47,296 | 33,208 | 193,080 | 212,782 | 265,000 | 477,782 |
| DEBT SERVICE - ISSUE COSTS | 13,208 | 13,208 | 15,498 | 15,024 | 15,050 | 30,074 |
| INTERFUND PAYMENT FOR SVCS | 207,547 | 227,384 | 254,222 | 328,571 | 328,571 | 657,142 |
| DEPRECIATION EXPENSE | 607,438 | 633,625 | 710,000 | 798,000 | 798,000 | 1,596,000 |
| FUND BALANCE | 7,974,576 | 6,864,289 | 5,197,234 | 756,505 | 1,096,854 | 1,096,854 |
| TOTAL USES | 11,620,806 | 12,470,168 | 16,266,267 | 17,151,810 | 5,257,375 | 21,652,680 |

*Beginning Balance adjusted for non-cash capital depreciation expense

SEWER FUND (403)

PROGRAM DESCRIPTION:

The Sewer program is part of an enterprise fund providing for the collection and treatment of wastewater for the citizens of the City of Poulsbo and the surrounding community.

The City of Poulsbo currently provides service to approximately 3,100 residential and commercial sewer customers located primarily within the City limits of Poulsbo. The wastewater system consists of a collection and transmission system.

Collection System: The collection system consists of approximately forty-seven (47) miles of collection system main, providing collection of wastewater from the drainage basins located throughout the City.

Transmission and Conveyance System: The transmission and conveyance system is comprised of nine (9) wastewater lift stations, together with the central interceptor, connecting the City of Poulsbo's System with the Kitsap County Wastewater Treatment Plant.

Wastewater Treatment: The City contracts with the Kitsap County Department of Public Works for treatment of its wastewater. Wastewater is received by the County from the City at the County's Johnson Way Metering Station located at Johnson Way and State Highway 305.

STAFFING LEVEL:

The Sewer program is staffed with 3.63 FTE's providing for the administration, operation, maintenance, and repair of the system. Staffing is under the supervision of the Utilities Foreman.

2016 Operation and Maintenance

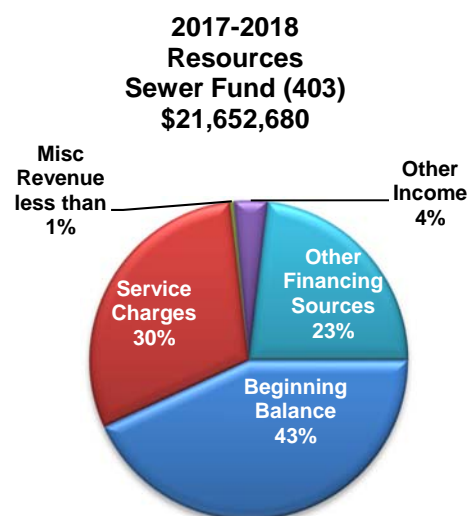
Program Highlights:

- Continued pre-design activities associated with wastewater improvements in order to expand the capacity of the wastewater system
- Clean & maintain 9 lift stations (includes: cleaning floats, changing filters, cleaning wet wells of grease, floats, flapper valves, seals and impellers as needed)
- Conducted dye and smoke tests as required
- Monitored flows daily to wastewater treatment facility
- Jetted problem areas as needed

- Continued to monitor commercial business grease traps
- Continued manhole inventory
- 6th Ave Pump Station Upgrade
- 9th Ave Pump Station Upgrade
- Continued to provide locating services for new developments and projects
- Reduced inflow and infiltration where possible through the installation of rain stopper inserts, and manhole repairs
- Implemented video inspection program of all Public owned Sewer mains and laterals.
- Implemented new telemetry system to support a more efficient monitoring and notification system via remote access creating a quicker response time.

2017-2018 SEWER REVENUES:

Users support the wastewater utility and revenue is generally derived from three sources: 1) monthly service charges, 2) system connection fees, and 3) miscellaneous revenues to include investment interest and charges associated with special work requests for customers. The majority comes from monthly service charges. The summer months, June through October, charge consumption based on an average water usage during the seven previous months. The rate takes into consideration increased summer usage for watering which does not produce any more wastewater.



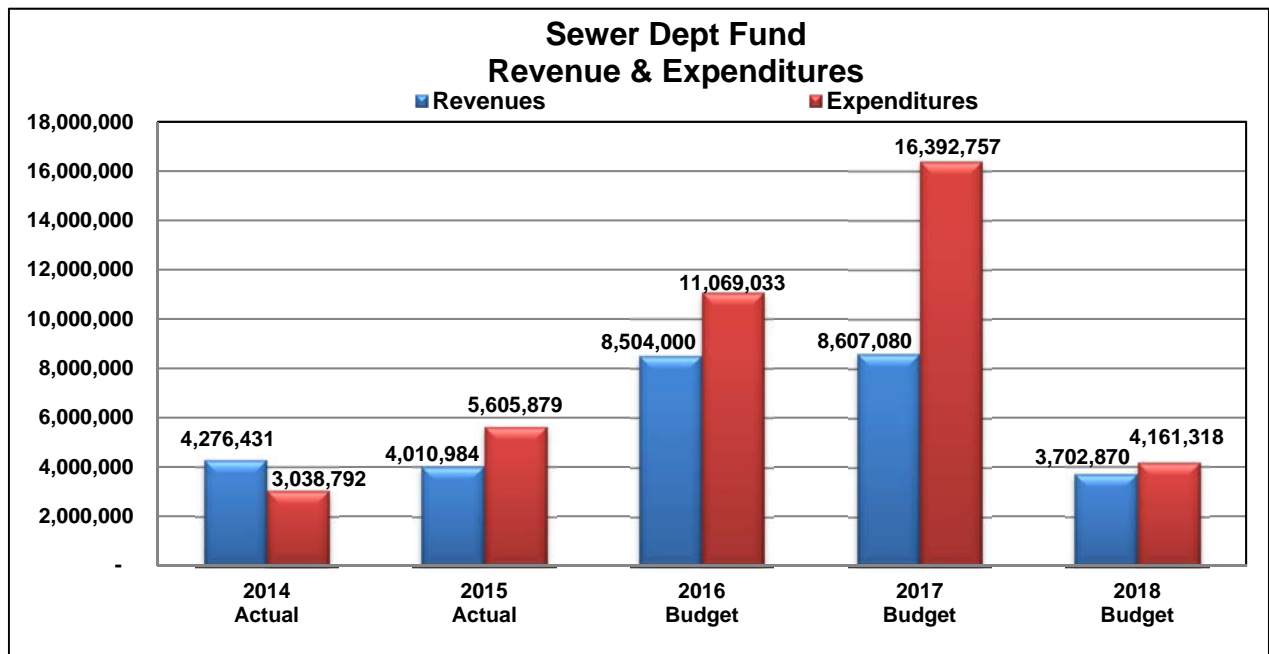
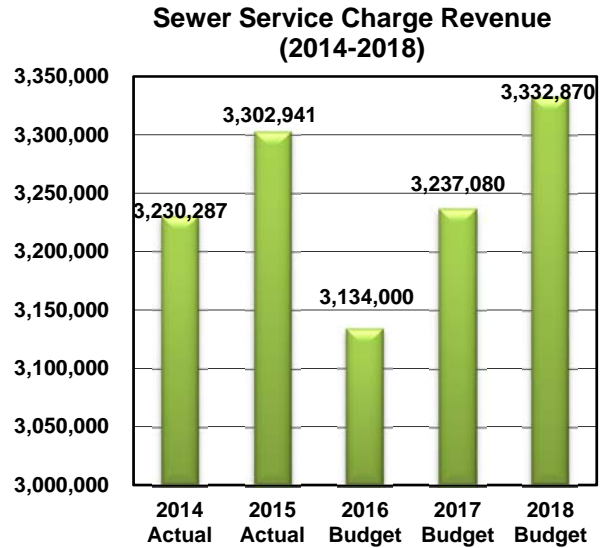
SEWER RATES:

| 2017 Monthly Residential Sewer Rate Structure | | |
|--|-------------|--------------|
| | Inside City | Outside City |
| Base Rate | \$ 49.22 | \$ 73.43 |
| <i>Base charge includes 400 cf of water flow</i> | | |
| November through May | | |
| 401 and over | \$ 6.46 | \$ 9.62 |
| June through October** | | |
| 401 and over | \$ 6.46 | \$ 9.62 |

*2018 rates will not be available until June 2017.

**Seasonal Averaging for months of June - Oct:

Cubic feet consumption calculated on the average water flow of the previous seven months for each account individually



| SEWER DEPARTMENT WORKLOAD MEASURES | | | | | |
|---|-------------|-------------|-------------|----------------|----------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of Active Sewer Services | 3380 | 3400 | 3561 | 3577 | 3727 |
| # of Pumping Stations Maintained | 9 | 9 | 9 | 9 | 9 |
| Miles of Sewer Lines Maintained | 34 | 34 | 47 | 47 | 47 |

2017-18 SEWER EXPENSES:**Operation and Maintenance:**

The year 2017-18 operation and maintenance program will be a continuation of the 2016 program and will include the operation, maintenance, and repair of existing utility system infrastructure to include wastewater collection system, pump stations and conveyance facilities.

2017 Capital Improvements:

The capital improvement program for year 2017 is estimated to be \$13,034,322 and includes the following projects and capital purchases:

| | |
|---|----------------------|
| Annual Pump Rehab | 50,000 |
| Ditch Box (Sewer Share) | 3,333 |
| Forklift (Sewer Share) | 4,800 |
| Harrison Force Main Replacement | 283,671 |
| Kitsap Co Capital Fac Charge CK Plant | 133,000 |
| Kitsap Co Johnson Rd Metering Stn | 270,000 |
| Kitsap Co Lemolo Force Main Cap | 350,000 |
| Kitsap Co Lemolo Siphon Phase 2 | 200,000 |
| Kitsap Co Pump Station Replacement | 5,000,000 |
| Kitsap Co Sewer Plant Upgrade | 5,000,000 |
| Liberty Bay Pump Stn Improvement | 410,000 |
| Message Sign (Sewer Share) | 2,375 |
| Poulsbo Village Pump Stn Upgrade | 650,000 |
| PW Admin Office Expansion (Sewer Share) | 2,143 |
| Storage Facility at Sol Vei & SR 305 | 500,000 |
| Water Meter Replacement | 175,000 |
| | \$ 13,034,322 |

2018 Capital Improvements:

The capital improvement program for year 2018 is estimated to be \$944,990 and includes the following projects and capital purchases:

| | |
|---------------------------------------|-------------------|
| Annual Pump Rehab | 50,000 |
| Applewood Pump Station | 100,000 |
| Kitsap Co Capital Fac Charge CK Plant | 133,000 |
| Kitsap Co Lemolo Siphon Phase 2 | 300,000 |
| Kitsap Co Resource & Recovery | 6,320 |
| Kitsap Co Staff Building | 82,950 |
| Mechanic Pickup Truck (Sewer Share) | 2,720 |
| Noll Road Sewer Improvements | 20,000 |
| Water Meter Replacement | 250,000 |
| | \$ 944,990 |

2017 Debt Service:

Debt Service expenses for year 2017 are estimated to be approximately \$766,306. The 2005 Bond Refunding will see its final payment in 2017. It is anticipated to go out for new debt in 2017 for the City's portion of the funding for the Kitsap County CK Sewer Treatment Plant

2018 Debt Service:

Debt Service expenses for year 2018 are estimated to be approximately \$502,650. In 2018, it is anticipated to go out for debt for the development and construction of a new Public Works Facility.

DEBT SERVICE - SEWER

| 2017 | | | |
|---|-----------|----------------|-------------|
| 2005 Bond Refunding | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 370,500 | \$ 12,782 | \$ - | 2017 |
| Anticipated CK Treatment Plant | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 168,000 | \$200,000 | \$ 4,832,000 | 2037 |
| 2018 | | | |
| Anticipated CK Treatment Plant | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 168,000 | \$200,000 | \$ 4,664,000 | 2037 |
| Anticipated Public Works Facility (26%) | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 54,600 | \$ 65,000 | \$ 1,560,000 | 2038 |

SOLID WASTE FUND 404

Mission Statement:

The Mission of the Solid Waste Department is to provide the citizens of Poulsbo and the surrounding community refuse and recycling services in concert with federal, state and local regulatory requirements.

Solid Waste Fund Uses



- Services 36%
- Interfund Pymt for Svcs 19%
- Capital Outlays 15%
- Salaries & Wages 13%
- Benefits 6%
- Depreciation 4%
- Supplies 3%
- Debt 2%
- Intergovernmental 2%

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|----------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| FUND 404 | | | | | | |
| SOLID WASTE UTILITY | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 2,378,018 | 2,258,526 | 1,822,907 | 1,897,152 | 1,212,362 | 1,985,032 |
| CHARGES FOR SERVICES | 1,484,152 | 1,594,243 | 1,600,000 | 1,648,000 | 1,697,440 | 3,345,440 |
| MISCELLANEOUS | 34,333 | 39,456 | 17,000 | 18,000 | 18,000 | 36,000 |
| OTHER FINANCING SOURCES | 50,000 | - | - | - | - | - |
| TOTAL RESOURCES | 3,946,503 | 3,892,225 | 3,439,907 | 3,563,152 | 2,927,802 | 5,366,472 |
| FUND 404 | | | | | | |
| SOLID WASTE UTILITY | | | | | | |
| USES | | | | | | |
| BAD DEBT EXPENSE | 89 | 273 | - | - | - | - |
| SALARIES | 235,035 | 257,154 | 283,458 | 311,650 | 318,892 | 630,542 |
| BENEFITS | 101,871 | 114,890 | 143,013 | 154,141 | 167,229 | 321,370 |
| SUPPLIES | 96,391 | 93,989 | 78,250 | 74,000 | 74,000 | 148,000 |
| OTHER SERVICES & CHARGES | 288,877 | 330,989 | 329,202 | 889,550 | 895,569 | 1,785,119 |
| INTERGOVERNMENTAL | 333,414 | 370,058 | 300,000 | 60,000 | 60,000 | 120,000 |
| CAPITAL OUTLAY | 372,406 | 630,814 | 438,339 | 381,943 | 387,580 | 769,523 |
| DEBT SERVICE - PRINCIPAL | - | - | - | - | 33,600 | 33,600 |
| DEBT SERVICE - INTEREST | - | - | - | - | 40,000 | 40,000 |
| DEBT SERVICE - ISSUE COSTS | - | - | - | - | 16 | 16 |
| INTERFUND PAYMENT FOR SVCS | 213,337 | 269,119 | 362,668 | 479,506 | 479,506 | 959,012 |
| DEPRECIATION EXPENSE | 52,416 | 59,873 | 80,000 | 87,880 | 87,880 | 175,760 |
| OTHER FINANCING USES | 50,000 | - | - | - | - | - |
| FUND BALANCE | 2,202,667 | 1,765,066 | 1,424,977 | 1,124,482 | 383,530 | 383,530 |
| TOTAL USES | 3,946,503 | 3,892,225 | 3,439,907 | 3,563,152 | 2,927,802 | 5,366,472 |

*Beginning Balance adjusted for non-cash capital depreciation expense

SOLID WASTE FUND (404)**PROGRAM DESCRIPTION:**

The Solid Waste program is an enterprise fund providing for the collection and disposal of solid waste for the citizens and business of the City of Poulsbo and the surrounding community.

SERVICES PROVIDED:

The City of Poulsbo provides both residential and commercial solid waste collection and disposal services to approximately 3,275 residential and 336 commercial utility customers located within the City limits of Poulsbo. The solid waste program also includes a curbside recycling program.

Residential Service: Residential services include the weekly pickup of containers ranging in size from 10 gallons to 64 gallons.

Commercial Service: Services include all sizes of containers together with dumpsters ranging in size from two yards to eight yards. For units greater than eight yards in volume, customers are referred to Bainbridge Disposal for disposal services.

Solid waste is collected on a weekly basis in the residential areas of the community and on a more frequent basis in the commercial areas of the City subject to the property owner's disposal requirements.

Solid Waste Disposal: Solid waste is transported and disposed of at the Olympic View Transfer Station located in South Kitsap adjacent to the Port of Bremerton Industrial Park off State Highway 3.

Recycling Program: The City has an established recycling program in accordance with the Solid Waste Act of 1989. The fee for recycling is included in the customer's monthly service charge rate.

In 2013, the City renewed a contract with Bainbridge Disposal to provide curbside recycling services as well as collection of cardboard, yard waste, and refuse from oversized dumpsters.

Bainbridge Disposal has a single stream curb side recycling program. 64-gallon containers are delivered to City residents. All recyclable items can be co-mingled into the containers, including milk cartons and cardboard. Recycling is picked up every other week on the same scheduled day as the customers' garbage.

Recycling Center: The recycling program also includes a regional recycling center. To assist those residents in the surrounding community requiring service and for those City residents requiring expanded service, the City of Poulsbo in concert with the Kitsap County Solid Waste Division, established the "Poulsbo Recycle Center" located on Viking Avenue north of Bond Road off Highway SR 305. The facility is designed to serve both City and County residents. The recycling center provides a drop point for the disposal of newspaper, glass, aluminum, tin cans, scrap metal, plastic milk jugs, cardboard, plastic bottles, batteries, used motor oil, appliances and florescent tubes. Charts providing recycling information are displayed later in this section.

STAFFING LEVEL:

The Solid Waste program is staffed with 4.62 fulltime equivalents (FTE's) providing for the collection and disposal of refuse and solid waste. Staffing is under the supervision of the Public Works Superintendent. A Maintenance Tech position remains vacant. The position has been put on hold until the City determines the future plan for the City's Solid Waste function avoiding any possible staff reductions if the service is to be outsourced. Casual laborers have been supplementing the position vacancy.

2016 Operation and Maintenance**Program Highlights:**

- Continued the City of Poulsbo's "Keep the City Clean Program", a program which offers residents of the City to annually obtain a one yard dumpster to encourage residents to keep the city clean and dispose of unneeded and unwanted trash
- Continued cleanup and mowing of old landfill
- Uninterrupted weekly service to customers
- Began using the new PW transfer station
- Captured commercial extra garbage charges on a more realistic level due to better reporting from drivers

- Issued a RFP to evaluate the cost, level of service and the question of the City maintaining the SW program versus contracting out for service
- Began to develop a business plan for Solid Waste

2017-2018 SOLID WASTE REVENUES:

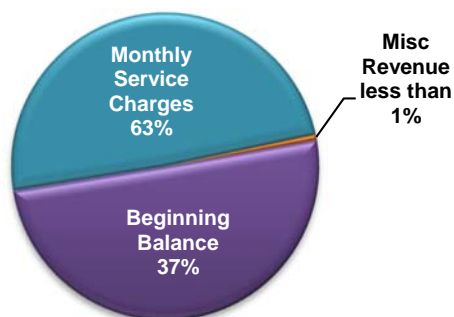
The solid waste utility is supported by its users and revenue is generally derived from service charges which include: 1) service charges for scheduled residential and regular dumpster garbage collection, and 2) service charges for recycling. The majority of revenue comes from monthly service charges.

| 2017 Monthly Residential Garbage Rates (includes \$3 Recycling Charge) | | | | |
|---|-----------|----------|----------|---------|
| # of Cans | Can Size | | | |
| | 64 Gal | 32 Gal | 20 Gal | 10 Gal |
| 1 Can | \$ 37.42 | \$ 18.70 | \$ 12.47 | \$ 9.35 |
| 2 Cans | \$ 77.33 | \$ 39.92 | \$ 27.42 | N/A |
| 3 Cans | \$ 114.75 | \$ 58.62 | \$ 39.92 | N/A |

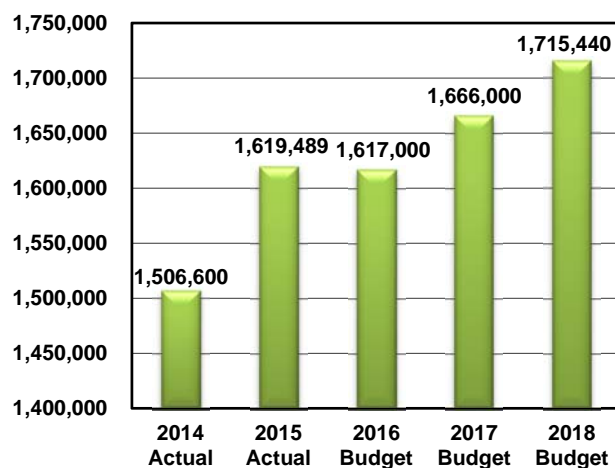
*2018 rates will not be available until June 2017

| 2016 Residential Customer Can Count | | | | |
|-------------------------------------|-----------|----|---|---|
| Can Size | # of Cans | | | |
| | 1 | 2 | 3 | 4 |
| 64 Gallon | 577 | 12 | 1 | 0 |
| 32 Gallon | 2074 | 63 | 1 | 1 |
| 20 Gallon | 303 | 1 | 1 | 0 |
| 10 Gallon | 162 | 0 | 0 | 0 |

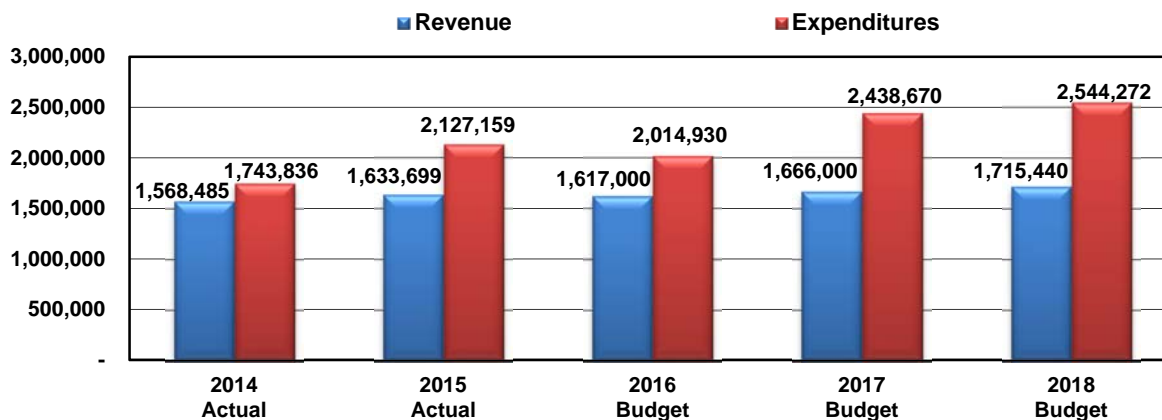
**2017-2018
Resources
Solid Waste Fund (404)
\$5,366,472**



Solid Waste Service Charge Revenue (2014-2018)



Solid Waste Fund Revenue and Expenditures



2017-18 SOLID WASTE EXPENSES:**Operation and Maintenance:**

The year 2017-18 operation and maintenance program will be a continuation of the 2016 program and will include the collection and disposal of refuse and solid waste for the citizens of Poulsbo.

The budget has been prepared status quo; however, in early 2017 the Council will be concluding an extensive study to determine the best service for the customer's dollars. The study will help the City develop a business plan to include updated infrastructure, service levels and financial sustainability. After evaluating the service, the Council will determine the feasibility of a contracted service versus a City provided service.

2017 Capital Improvements:

The capital improvement program for year 2017 is estimated to be \$381,943 and includes the following capital purchases:

| | |
|--------------------------------------|------------|
| Forklift (Solid Waste Share) | 4,800 |
| PW Admin Office Expansion (SW Share) | 2,143 |
| Residential Garbage Truck | 375,000 |
| | \$ 381,943 |

2018 Capital Improvements:

The capital improvement program for year 2018 is estimated to be \$387,580 and includes the following capital purchases:

| | |
|----------------------------------|------------|
| Commercial Garbage Truck | 375,000 |
| Mechanic Pickup Truck (SW Share) | 12,580 |
| | \$ 387,580 |

2017 Debt Service:

There are no anticipated Debt Service expenses for year 2017.

2018 Debt Service:

Debt Service expenses for year 2018 are estimated to be \$73,616. In 2018, it is anticipated to go out for debt for the development and construction of a new Public Works Facility. The expense allocation to Solid Waste is anticipated to be 16%.

DEBT SERVICE - SOLID WASTE

| 2018 | | | |
|---|-----------|----------------|-------------|
| Anticipated Public Works Facility (16%) | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 33,600 | \$ 40,000 | \$ 960,000 | 2038 |

| SOLID WASTE DEPARTMENT WORKLOAD MEASURES | | | | | |
|--|-------------|-------------|-------------|----------------|----------------|
| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
| # of Residential Accounts | 3010 | 3040 | 3196 | 3271 | 3346 |
| # of Multi-Family Garbage Units | 1022 | 1022 | 1022 | 1022 | 1022 |
| # of Commercial Dumpster Accounts | 315 | 315 | 334 | 336 | 336 |
| Tons of Waste to Landfill | 5459 | 5600 | 5979 | 6179 | 6379 |
| # of Clean-up Dumpsters Provided | 311 | 315 | 300 | 300 | 300 |

*Includes Poulsbo Mobile Home Park, it is listed as one (1) account and has 76 units

STORM DRAIN FUND 410

Mission Statement:

Provide for the proper development, management, maintenance, replacement, and improvement of the City's stormwater system in an efficient and cost-effective manner that considers the needs for protection of public health and safety, private property, water quality and the natural environment, and economic development while conforming to Federal, State, and local regulatory requirements and considering the short and long-term goals of the City.

Storm Drain Fund Uses



- Capital Outlay 45%
- Depreciation 16%
- Salaries & Wages 13%
- Interfund Payment for Services 10%
- Benefits 6%
- Other Services & Charges 6%
- Intergovernmental 2%
- Debt 1%
- Supplies 1%

| ACCOUNT DESCRIPTION | 2014 Actual | 2015 Actual | 2016 Budget | 2017 Budget | 2018 Budget | 2017-2018 Budget |
|----------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| FUND 410 | | | | | | |
| STORM DRAIN UTILITY | | | | | | |
| RESOURCES | | | | | | |
| BEGINNING BALANCE | 1,422,095 | 1,603,269 | 1,378,898 | 1,137,821 | 1,087,271 | 1,649,976 |
| INTERGOVERNMENTAL | 178,737 | 935,514 | 497,101 | 726,000 | 1,187,500 | 1,913,500 |
| CHARGE FOR SERVICE | 989,010 | 1,506,990 | 1,600,000 | 1,648,000 | 1,697,440 | 3,345,440 |
| MISCELLANEOUS | 28,779 | 16,213 | 15,000 | 15,000 | 15,000 | 30,000 |
| OTHER FINANCING SOURCES | - | - | - | 147,875 | 147,875 | 295,750 |
| TOTAL RESOURCES | 2,618,621 | 4,061,986 | 3,490,999 | 3,674,696 | 4,135,086 | 7,234,666 |
| FUND 410 | | | | | | |
| STORM DRAIN UTILITY | | | | | | |
| USES | | | | | | |
| BAD DEBT EXPENSE | 456 | 622 | - | - | - | - |
| SALARIES | 243,977 | 331,441 | 419,393 | 409,340 | 424,749 | 834,089 |
| BENEFITS | 105,114 | 136,588 | 205,501 | 198,161 | 216,087 | 414,248 |
| SUPPLIES | 15,474 | 19,241 | 21,600 | 20,616 | 20,616 | 41,232 |
| OTHER SERVICES & CHARGES | 152,000 | 290,926 | 347,415 | 186,089 | 193,418 | 379,507 |
| INTERGOVERNMENTAL | - | 11,814 | 25,000 | 52,989 | 52,989 | 105,978 |
| CAPITAL OUTLAY | 273,915 | 1,674,128 | 1,136,838 | 1,394,651 | 1,513,620 | 2,908,271 |
| DEBT SERVICE - PRINCIPAL | - | - | - | - | 39,900 | 39,900 |
| DEBT SERVICE - INTEREST | - | - | - | - | 47,500 | 47,500 |
| DEBT SERVICE - ISSUE COSTS | - | - | - | - | 19 | 19 |
| INTERFUND PAYMENT FOR SVCS | 228,874 | 204,717 | 252,254 | 325,579 | 325,579 | 651,158 |
| DEPRECIATION EXPENSE | 346,229 | 431,161 | 500,000 | 512,155 | 512,155 | 1,024,310 |
| FUND BALANCE | 1,252,582 | 961,348 | 582,998 | 575,116 | 788,454 | 788,454 |
| TOTAL USES | 2,618,621 | 4,061,986 | 3,490,999 | 3,674,696 | 4,135,086 | 7,234,666 |

*Beginning Balance adjusted for non-cash capital depreciation expense

STORM DRAIN FUND (410)

PROGRAM DESCRIPTION:

The Storm Drain program is an enterprise fund providing for the management of storm and surface water runoff for the citizens of the City of Poulsbo. The program also reflects the requirements of the NPDES (National Pollutant Discharge Elimination System) permit issued to the City by the Washington State Department of Ecology.

SERVICES PROVIDED:

Collection System: The collection system, consisting of approximately 22 miles of collection system mains, 4 miles of open drainage ditches, and over 2,000 catch basins, provides for the collection and conveyance of storm and surface water runoff.

Flow Control and Treatment Systems: Water quantity and quality are managed with the operation and maintenance of more than 50 detention and treatment facilities.

STAFFING LEVEL:

The Storm Drain program is staffed with 5.93 full-time equivalents (FTEs). Operation, maintenance, and repair are provided by 4.38 FTEs, which includes a stormwater quality technician. Engineering services are supported by 0.55 FTEs. NPDES (National Pollutant Discharge Elimination System) permit coordination is provided by one 1.0 FTE.

Operations, Maintenance and Repair staff are supervised by the Public Works Superintendent. NPDES and Engineering staff are supervised by the City Engineer.

2016 Operation and Maintenance

Highlights:

- Inspected storm drainage facilities
- Maintained and cleaned stormwater conveyance, flow control, and treatment facilities such as pipes, detention facilities, catch basins, debris barriers, oil separators,

bioswales, bio retention cells, Filtterra™ tree boxes, and concentrators

- Vegetation control at retention and detention ponds
- Utilizing the newly constructed Decant Facility
- On-going development, expansion, refinement, revision, and implementation of programs and procedures for NPDES Permit requirements for public education and outreach, public involvement, illicit discharges, runoff control, operations and maintenance, and Total Maximum Daily Load (TMDL). Some of the activities include:
 - The Backyard Pet Waste program and Mutt Mitt program
 - Illicit discharge detection and elimination (IDDE) investigations and education
 - The private drainage facility inspection and maintenance program
 - Development and maintenance of stormwater system maps based on a GIS (Geographic Information System) system.
 - Completed study for the Liberty Bay Tributaries Fecal Coliform TMDL Implementation Plan.
 - Low Impact Development code analysis and updates
 - Stormwater Management code update
 - Water quality monitoring in support of IDDE program and TMDL Plan implementation
 - Rain garden pilot program
 - Continued implementation of the Storm Water Comprehensive Plan

2017-2018 STORM DRAIN REVENUES :

The storm drain utility is supported by its users and revenue is generally derived from service charges, which include: 1) monthly service charges, and 2) building permit connection charges. The majority of revenue comes from monthly service charges.

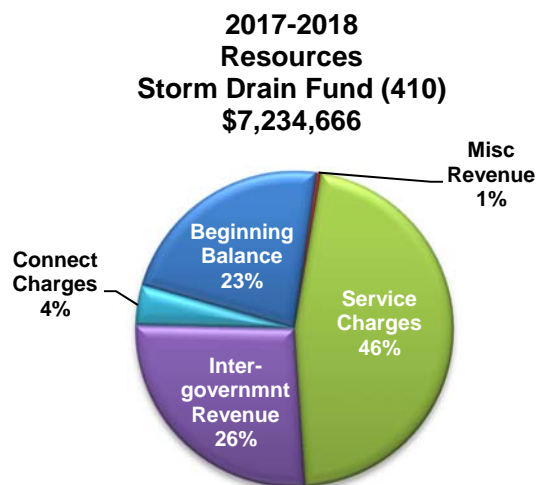
STORM DRAIN DRAINAGE RATES:

The 2017 and 2018 rates for residential and commercial customers are assessed per impervious surface units (ISU). One ISU is equivalent to 3,000 square feet of impervious surface.

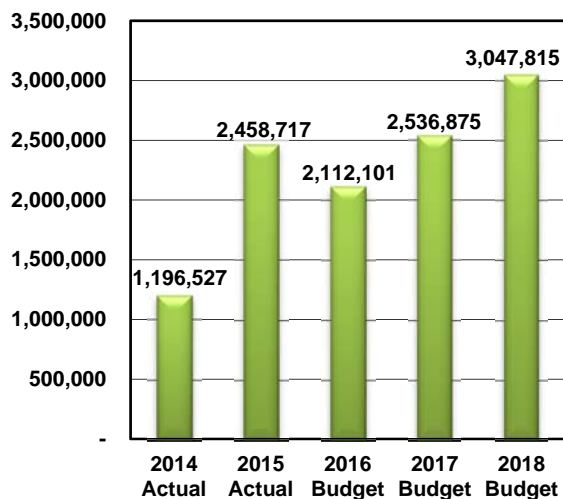
The Comprehensive Plan for stormwater was updated and rates increased to take into account NPDES permit-related requirements. Requirements continue to be monitored and updated to ensure compliance.

| 2017 Monthly Residential Stormwater Rate Structure | |
|--|-------------------------|
| | Inside City Limits Only |
| Rate | \$ 16.99 |

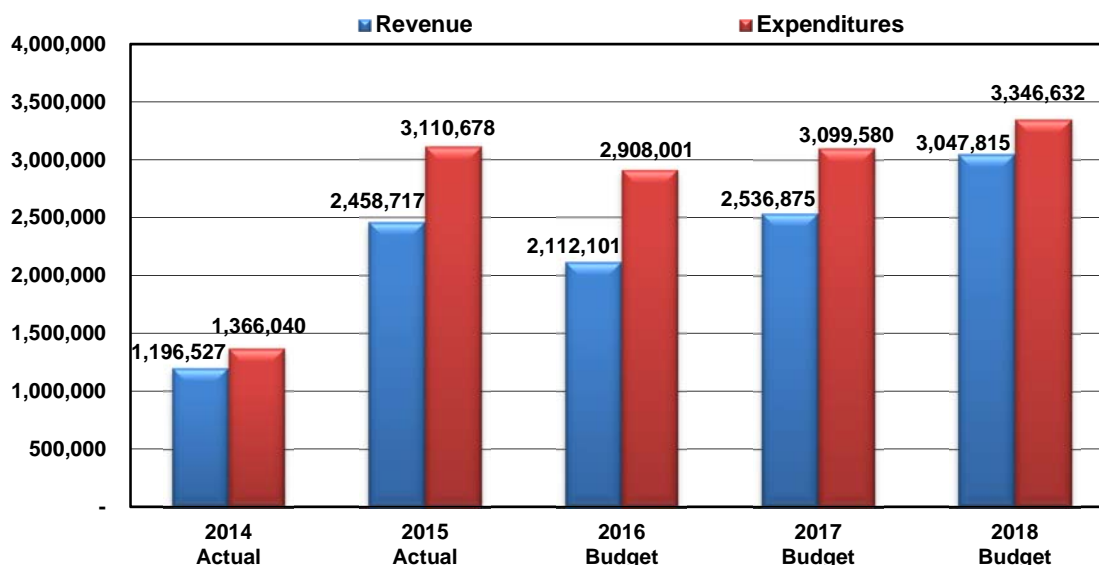
*2018 Rates will not be available until June 2017



Storm Drain Service Charge Revenue (2014-2018)



Storm Drain Fund Revenue and Expenditures



2017-18 STORM DRAIN EXPENSES:**Operation and Maintenance:**

The year 2017-18 operation and maintenance program will be a continuation of the 2016 program. The program will include the operation, maintenance and repair of the utilities existing storm water system infrastructure to include storm drain collection systems and conveyance facilities to reduce flooding and protect water quality pursuant to the City of Poulsbo's Stormwater Comprehensive Plan, adopted stormwater management manuals, and NPDES permit.

NPDES Permit Compliance:

Permit compliance includes activities that address the following elements: public education, outreach, and involvement; illicit discharge detection and elimination; construction & post construction runoff control, operations and maintenance and TMDL compliance.

2017 Capital Improvements:

The capital improvement program for year 2017 is estimated to be \$1,394,651 and includes the following projects and capital purchases:

| | |
|---|--------------|
| Ditch Box (Storm Share) | 3,333 |
| Dogfish Creek Restoration | 30,000 |
| Fjord Storm Drain | 206,000 |
| Forklift (Storm Share) | 4,800 |
| Message Sign (Storm Share) | 2,375 |
| Noll Road Improvements | 240,000 |
| PW Admin Office Expansion (Storm Share) | 2,143 |
| Small Anderson Parkway | 106,000 |
| West Poulsbo Waterfront Stormwater Park | 800,000 |
| | \$ 1,394,651 |

2018 Capital Improvements:

The capital improvement program for year 2018 is estimated to be \$1,513,620 and includes the following projects and capital purchases:

| | |
|--|--------------|
| Dogfish Creek Restoration | 250,000 |
| Fjord Dr Stormwater Quality Improvements | 70,300 |
| Liberty Rd (SR 305) Outfall | 40,000 |
| Mechanic Pickup Truck (Storm Share) | 2,720 |
| Noll Rd Improvements Phase III | 1,000,000 |
| Norrlund Drainage Ditch Replacement | 57,000 |
| Poulsbo Creek Outfall | 40,000 |
| 7th Avenue Regional Detention Facility | 50,000 |
| Workstation Replacements (2) | 3,600 |
| | \$ 1,513,620 |

2017 Debt Service:

There are no Debt Service expenses anticipated for Storm Drain in 2017.

2018 Debt Service:

Debt Service expenses for year 2018 are estimated to be \$87,419. It is anticipated to go out for new debt for the development and construction of a new Public Works Facility. The expense allocated to Storm Drain is anticipated to be 19%.

DEBT SERVICE - STORM DRAIN

| 2018 | | | |
|---|-----------|----------------|-------------|
| Anticipated Public Works Facility (19%) | | | |
| Principal | Interest | Ending Balance | Payoff Year |
| \$ 39,900 | \$ 47,500 | \$ 1,140,000 | 2038 |

STORM DRAIN DEPARTMENT WORKLOAD MEASURES

(based on NPDES Permit Requirements)

| Type of Measure | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Projected | 2018 Projected |
|--|-------------|-------------|-------------|----------------|----------------|
| Treatment: bioswales, bio-infiltration, concentrators, tree boxes | 57 | 69 | 75 | 79 | 85 |
| Flow Control: ponds, vaults, tanks | 43 | 43 | 49 | 52 | 55 |
| Flow Control: orifice structure (Type 2 catch basin/manhole) | 48 | 49 | 54 | 57 | 60 |
| Conveyance: catch basins, inlets, pipes (quantities are based on a percentage of the total number of catch basins to be visited over the term specified in the permit) | 5459 | 5600 | 5800 | 5840 | 5880 |

2017-2018 BASELINE ADJUSTMENT REQUESTS

| Department | 2017 Associated Costs | | | 2018 Associated Costs | | | PG # | On-Going | Funding Source | Funded? | |
|---------------------------------|------------------------------------|----------------------|--------|-----------------------|----------------------|--------|-------|----------|--------------------|------------|---------------|
| | Non-Discretionary | Mandatory Regulatory | Other | Non-Discretionary | Mandatory Regulatory | Other | | | | Y = Funded | N = No |
| Engineering/Building | | | | | | | 8-3 | Y | General Fund (001) | | Y |
| | Casual Labor (Building) | | 5,850 | | | 5,850 | | | | | |
| | Total Engineering/Building | - | 5,850 | | - | 5,850 | | | | | |
| Finance - Central Services | | | | | | | 8-4 | Y | General Fund (001) | | Y |
| | Care & Custody of Prisoners | 50,000 | | 50,000 | | | | | | | |
| | Total Finance | 50,000 | - | 50,000 | - | - | | | | | |
| Parks & Recreation | | | | | | | 8-5 | Y | General Fund (001) | | Y at \$4,000 |
| | Urban Forestry | | 4,000 | | | 5,000 | | | | | |
| | Total Parks & Recreation | | 4,000 | | | 5,000 | | | | | |
| Planning | | | | | | | 8-6 | N | General Fund (001) | | Y at \$30,000 |
| | Professional Services | | 50,000 | | | | 8-7 | N | General Fund (001) | | Y |
| | Dues & Subscriptions-GIS License | | 1,500 | | | | 8-8 | Y | General Fund (001) | | Y |
| | Dues & Subscriptions | | 2,000 | | | 2,000 | 8-9 | Y | General Fund (001) | | Y |
| | Training | | 1,049 | | | 1,049 | 8-10 | Y | General Fund (001) | | Y |
| | Travel | | 600 | | | 600 | | | | | |
| | Total Planning | - | - | 55,149 | - | - | 3,649 | | | | |
| Police | | | | | | | 8-11 | Y | General Fund (001) | | N |
| | Training/Travel Costs | | 4,500 | | | 4,500 | | | | | |
| | Total Police | - | 4,500 | - | - | 4,500 | | | | | |
| Public Works - Admin | | | | | | | 8-12 | Y | General Fund (001) | | Y |
| | Utility Services | 2,250 | | 2,250 | | | 8-13 | Y | General Fund (001) | | Y |
| | Utility Services - City | 1,550 | | 1,550 | | | | | | | |
| Public Works - Cemetery | | | | | | | 8-14 | Y | General Fund (001) | | Y |
| | Casual Labor | | 2,635 | | | 2,635 | 8-15 | Y | General Fund (001) | | Y |
| | Utility Services - City | 300 | | 300 | | 400 | 8-16 | Y | General Fund (001) | | Y |
| Public Works - Central Services | | | | | | | 8-17 | Y | General Fund (001) | | Y at \$5,000 |
| | Repairs & Maintenance | 8,700 | | 8,700 | | | | | | | |
| | Office & Operating Costs | | | | | | | | | | |
| Public Works - Parks | | | | | | | 8-18 | Y | General Fund (001) | | Y at \$6,000 |
| | Utility Services - City | 12,650 | | 12,650 | | | | | | | |
| | Total Public Works | 25,450 | - | 3,035 | 25,450 | - | 3,035 | | | | |
| Streets | | | | | | | 8-19 | Y | City Street (101) | | Y |
| | Street Lighting - Utility Services | | 36,750 | | | 36,750 | | | | | |
| | Total Streets | - | 36,750 | - | - | 36,750 | | | | | |
| Sewer | | | | | | | 8-20 | Y | Sewer (403) | | Y |
| | Miscellaneous - Fees | 4,500 | | 4,500 | | | | | | | |
| | Total Sewer | 4,500 | - | - | 4,500 | - | - | | | | |
| Solid Waste | | | | | | | 8-21 | Y | Solid Waste (404) | | Y |
| | Professional Services-Tipping Fee | 244,500 | | 244,500 | | | | | | | |
| | Total Solid Waste | 244,500 | - | - | 244,500 | - | - | | | | |
| Water | | | | | | | 8-22 | N | Water (401) | | Y |
| | Leak Detection Equipment | | 4,000 | | | | | | | | |
| | Total Water | - | - | 4,000 | - | - | - | | | | |
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CITY OF POULSBORO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | |
|---|-------------------|----------------------------|--------------|
| Title: | | Department: | Fund: |
| Casual Labor | | Building | 001- General |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 5,850 | | Department Contact: | Diane Lenius |
| Council Goal this request responds to: | | 10 Customer Service | |

Description of Request:

To provide a consistent level of service to the public for plan reviews and building inspections, the Building Department needs an established budget for Casual Labor. Current staffing levels do not provide coverage for vacations and illness, or the ability to provide additional assistance during periods of high demand or peaked activity.

Advantages of Approval / Implications of Denial:

\$5,000 in Casual Labor could potentially provide up to 5 weeks of staffing coverage to avoid disruptions to workflow and help maintain service level if approved. If denied, there is risk of not meeting service level during vacations or unexpected absences, or unusually busy periods.

Alternatives (Delayed Funding / Partial Funding):

Partial or delayed funding would leave the department at risk of not meeting service level at times, but would still benefit the department in the long term.

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-----------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | 5,000 | Wages | | | |
| Benefits | | | 850 | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 5,850 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

The number of permits submitted to the City over the last five years has continually increased creating additional workload for the department. This trend is expected to continue and would support the addition of the Casual Labor.

CITY OF POULSBORO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | | | |
|---|-------------------|----------------------------|------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Care & Custody of Prisoners | | Finance | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | |
| \$ 50,000 | | Department Contact: | Deb Booher | | |
| Council Goal this request responds to: | | 8 Public Safety | | | |

Description of Request:

This expenditure line item is maintained in the General Fund Non-Departmental Budget and covers the jail costs at the Kitsap County and Forks Jails. In 2016 the budget line will be exceeded and is running at about 62% of the budget as of June 2016. Anticipating rising costs and additional prisoner days, the budget will need an increase to cover the additional expenditures.

Advantages of Approval / Implications of Denial:

There are not alternatives as this is a mandated cost and the City does not have any authority over sentencing.

Alternatives (Delayed Funding / Partial Funding):

Reduce other levels of service and related expenditures to fund the additional costs.

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 50,000 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 50,000 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

General Fund - no revenue stream to support expenditures.

CITY OF POULSBO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

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| | | | | | |
|---|-------------------|----------------------------|----------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Urban Forestry | | Parks & Recreation | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | |
| \$ 4,000 | \$ 1,000 | Department Contact: | Mary McCluskey | | |
| Council Goal this request responds to: | | 8 Public Safety | | | |

Description of Request:

The City has been dealing with more urban forestry issues than in previous years, and many of the problems have to do with mature, aging trees. The city has used the City Arborist to assess these trees, and typically a contractor has to remove them. Once a tree has been deemed "hazardous", it must be removed due to public safety reasons. The City is behind in having some trees removed. The City will also be more assertive in keeping trees limbed up for security reasons. This too will take additional professional services.

Advantages of Approval / Implications of Denial:

Denial of the request may mean that hazard trees are not removed. This will be a future public safety hazard. Additional funds also help the City maintain it's Tree City USA award.

Alternatives (Delayed Funding / Partial Funding):

Partial funding with allow for some professional services and tree removals to be completed, but probably not all of them.

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-----------------|--------------|----------------------|----------------------|-----------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | 4,000 | Other | | | 1,000 |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 4,000 | Total | \$ - | \$ - | \$ 1,000 |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

General Fund

CITY OF POULSBORO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

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| | | | | | |
|---|-------------------|----------------------------|----------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Professional Services Increase | | Planning | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | |
| \$ 50,000 | | Department Contact: | Karla Boughton | | |
| Council Goal this request responds to: | | 1 Land Use | | | |

Description of Request:

Increase the professional services budget

Advantages of Approval / Implications of Denial:

The Planning Department's mounting workload continues to increase, putting strain on our already understaffed team. Increasing the line item by \$50,000 to bring the total to \$58,868, would bolster the professional services budget and would negate hiring a new planner at this time. The increase provides staff with much needed assistance by hiring a contract planner or consultant. This support will enable staff to focus on more long range planning efforts by alleviating the workload of current planning.

Alternatives (Delayed Funding / Partial Funding):

Hiring an additional permanent staff member.

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|------------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | 50,000 | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 50,000 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☒

Continuous Funding Request: ☐

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

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| | | | | | |
|---|-------------------|----------------------------|----------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Dues and Subscriptions Increase | | Planning | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | |
| \$ 1,500 | | Department Contact: | Karla Boughton | | |
| Council Goal this request responds to: | | 1 Land Use | | | |

Description of Request:

Increase the Planning Department's dues and subscriptions by \$1,500 for a one time purchase of an additional GIS license.

Advantages of Approval / Implications of Denial:

Advantages of approval is additional GIS support, which is a critical piece of land use planning. GIS provides the capability for dynamic query and analysis, display, and a more understandable representation of information. Having more than one license alleviates the pressure on our single user, enabling more time for current and long range planning.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-----------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | 1,500 | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 1,500 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☒

Continuous Funding Request: ☐

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

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| | | | | | |
|---|-------------------|----------------------------|----------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Dues and Subscriptions Increase | | Planning | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 3 | | |
| \$ 2,000 | | Department Contact: | Karla Boughton | | |
| Council Goal this request responds to: | | 1 Land Use | | | |

Description of Request:

Increase the Planning Department's dues and subscriptions to accommodate annual GIS subscriptions. The proposed continuous budget of \$2,000, to bring the total line item to \$3,025, reflects the annual renewal fees for three licenses as well as economic development and planning organizational memberships.

Advantages of Approval / Implications of Denial:

Advantages of approval is additional GIS support, which is a critical piece of land use planning. GIS provides the capability for dynamic query and analysis, display, and a more understandable representation of information. Having more than one license alleviates the pressure on our single user, enabling more time for current and long range planning. It will also allow the department to maintain memberships to relevant planning and economic development organizations.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-----------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | 2,000 | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 2,000 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

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| | | | | | |
|---|-------------------|----------------------------|----------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Training Increase | | Planning | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 4 | | |
| \$ 1,049 | | Department Contact: | Karla Boughton | | |
| Council Goal this request responds to: | | 1 Land Use | | | |

Description of Request:

Increase the Planning Departments Training Budget by \$1,049 to bring the total travel budget to \$5,000.

Advantages of Approval / Implications of Denial:

Increasing the training budget would allow staff to take advantage of local and regional professional development opportunities.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-----------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | 1,049 | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 1,049 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | | | |
|---|-------------------|----------------------------|----------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Travel Increase | | Planning | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 5 | | |
| \$ 600 | | Department Contact: | Karla Boughton | | |
| Council Goal this request responds to: | | 1 Land Use | | | |

Description of Request:

Increase the Planning Departments Travel Budget by \$600 to bring the total travel budget to \$1,936.

Advantages of Approval / Implications of Denial:

Increasing the travel budget enables employees to travel to local and regional professional development opportunities.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|---------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | 600 | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 600 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

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| | | | |
|---|-------------------|----------------------------|------------------------|
| Title: | | Department: | Fund: |
| Training/Travel Costs | | Police | 001- General |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 4,500 | | Department Contact: | Deputy Chief Andy Pate |
| Council Goal this request responds to: | | 8 Public Safety | |

Description of Request:

In 2006 the State of Washington mandated that every FT officer receive a minimum of 24 hours of State approved training per year. In 2016, the State mandated the addition of Reserve officers to the 24 hour minimum. (See WAC 139-05-810). The department has not had an increase to the training/travel line in several years.

Advantages of Approval / Implications of Denial:

Advantage is the department would be in a position to adequately cover the mandated and increasing costs associated with training for reserve officers as well as cover the costs of training for the Code Enforcement/Monitoring Prisoners position. Denial would put the department in the position of having to reduce or limit future training and/or deplete other funds in order to provide essential training.

Alternatives (Delayed Funding / Partial Funding):

Alternative would be to reduce training for reserve officers and the new position which could be an increased risk of liability to the City or the Department. The Department could reduce or eliminate the number of reserve officers. A reduction in reserve officers would impact police presence especially during special events and festivals.

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | 4,500 | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ 4,500 | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

\$2500 is to account for the increased training costs associated with the 2006 mandate to provide 24 hours of training as well as the increased cost of training due to cost of living increases. \$2000 is associated with the cost increases associated with the new position and the new mandate to provide 24 hours of training to reserve officers.

CITY OF POULSBO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

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| | | | |
|---|-------------------|----------------------------|---------------|
| Title: | | Department: | Fund: |
| PW Admin-Utility Services | | PW | 001 - General |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 2,250 | | Department Contact: | Shannon Wood |
| Council Goal this request responds to: | | 4 Capital Facilities | |

Description of Request:

Increase baseline to cover addition of the Decant Facility services as well as increasing annual costs.

Advantages of Approval / Implications of Denial:

Adequately fund utilities for PW Admin not corrected in previous years.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 2,250 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 2,250 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

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| | | | | | |
|---|-------------------|----------------------------|--------------|---------------|--|
| Title: | | Department: | | Fund: | |
| PW Admin Utility Services - City | | PW | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | |
| \$ 1,550 | | Department Contact: | Shannon Wood | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | |

Description of Request:

Increase as City Water and Sewer costs increase. Includes Public Works operations at 710 NE Iverson and Decant Facility.

Advantages of Approval / Implications of Denial:

Adequately fund rising utility costs not corrected in previous years.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 1,550 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 1,550 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | |
|---|-------------------|----------------------------|---------------|
| Title: | | Department: | Fund: |
| Cemetery Casual Labor | | Cemetery | 001 - General |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 2,635 | | Department Contact: | Shannon Wood |
| Council Goal this request responds to: | | 2 Community Character | |

Description of Request:

Increase to salaries and benefits to cover the use of Casual Labor at the Cemetery.

Advantages of Approval / Implications of Denial:

Adequately fund the use of Casual Labor at the Cemetery.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-----------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | 2,255 | Wages | | | |
| Benefits | | | 380 | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 2,635 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | | | |
|---|-------------------|----------------------------|--------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Cemetery Utility Services - City | | Cemetery | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | |
| \$ 300 | | Department Contact: | Shannon Wood | | |
| Council Goal this request responds to: | | 2 Community Character | | | |

Description of Request:

To cover the increased cost of water and garbage service at Cemetery. Budget not adjusted in prior years.

Advantages of Approval / Implications of Denial:

Adequately fund cost of water and garbage service to cemetery as we will be making more improvements with the help of volunteers.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 300 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 300 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | | | |
|---|-------------------|----------------------------|--------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Cemetery Office & Operating Costs | | Cemetery | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 3 | | |
| \$ 400 | | Department Contact: | Shannon Wood | | |
| Council Goal this request responds to: | | 2 Community Character | | | |

Description of Request:

Adequately fund operation supplies such as: weed whip line, stakes, paper for maps, spray paint, garbage can liners

Advantages of Approval / Implications of Denial:

Beginning to adequately fund Cemetery operations.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|---------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | 400 | Supplies | | | |
| Other | | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 400 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | | | |
|---|-------------------|----------------------------|--------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Central Services Repairs & Maintenance | | Central Services | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | |
| \$ 8,700 | | Department Contact: | Shannon Wood | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | |

Description of Request:

Cover actual costs for Elevator Services and HVAC repairs to all city owned buildings.

Advantages of Approval / Implications of Denial:

Adequately fund repairs and maintenance to city buildings not corrected in previous years budgets. Cost significantly increased due to mandated movement from Silver service to Gold service per L&I direction.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 8,700 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 8,700 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | | | |
|---|-------------------|----------------------------------|--------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Increase Utility Services- City | | Parks | | 001 - General | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | |
| \$ 12,650 | | Department Contact: | Shannon Wood | | |
| Council Goal this request responds to: | | 9 Revenues & Financial Stability | | | |

Description of Request:

Correction to budget line to reflect actual costs for city services. Budget not adjusted in prior years.

Advantages of Approval / Implications of Denial:

Adequately fund utilities for Parks not corrected in previous years.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 12,650 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 12,650 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | | | |
|---|-------------------|----------------------------|--------------|---------------|--|
| Title: | | Department: | | Fund: | |
| Street Lighting - Utility Services | | Streets | | 101 - Streets | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | |
| \$ 36,750 | | Department Contact: | Shannon Wood | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | |

Description of Request:

Increase Street Lighting to reflect street light costs of new subdivisions that have come on line and those that will be coming on line in 2017 and 2018. To reflect services not corrected in previous years.

Advantages of Approval / Implications of Denial:

Adequately fund Street Lighting as new subdivisions are added without having to take from monies meant for infrastructure repair and maintenance.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | 36,750 | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ 36,750 | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBORO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

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| | | | |
|---|-------------------|----------------------------------|--------------|
| Title: | | Department: | Fund: |
| Sewer Miscellaneous | | Sewer | 403 - Sewer |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 4,500 | | Department Contact: | Shannon Wood |
| Council Goal this request responds to: | | 9 Revenues & Financial Stability | |

Description of Request:

Correction to budget line to reflect actual costs and fees for credit card processing. Budget not adjusted in prior years.

Advantages of Approval / Implications of Denial:

Help to reset budget to actual costs in correct budget line.

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| 2017 Associated Cost | | | | 2018 Associated Cost | | | |
|----------------------|-------------------|----------------------|-------------|----------------------|-------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 4,500 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 4,500 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

CITY OF POULSBO BUDGET REQUEST**BASELINE ADJUSTMENT REQUEST**

For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to *maintain the current level of service*, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | |
|---|-------------------|----------------------------|-------------------|
| Title: | | Department: | Fund: |
| Professional Services | | Solid Waste | 404 - Solid Waste |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 244,500 | | Department Contact: | Shannon Wood |
| Council Goal this request responds to: | | 4 Capital Facilities | |

Description of Request:

Increase budget line to reflect actual costs of Bainbridge Disposal hauling and tipping the majority of solid waste from the City. Moved \$240,000 from Intergovernmental Professional Services but will still need additional monies to cover actual costs.

Advantages of Approval / Implications of Denial:

To keep level of service status quo. If denied, return to trucking waste to the Olympic Landfill in Gorst twice daily in garbage trucks

Alternatives (Delayed Funding / Partial Funding):

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | 244,500 | | | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ 244,500 | \$ - | \$ - | Total | \$ - | \$ - | \$ - |

One Time Expense: ☐

Continuous Funding Request: ☒

Funding Source Description:

\$240,000 moved from Intergovernmental Professional Services, \$7,500 currently in budget plus requested funds of \$244,500 for a total budget of \$492,000

CITY OF POULSBORO BUDGET REQUEST***BASELINE ADJUSTMENT REQUEST***

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| | | | |
|---|-------------------|----------------------------|------------------|
| Title: | | Department: | Fund: |
| Leak Detection Equipment | | Water | 401 - Water |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 4,000 | | Department Contact: | Keith Svarthumle |
| Council Goal this request responds to: | | 4 Capital Facilities | |

Description of Request:

This equipment would allow the crew to better isolate the exact spot of a water leak without tearing up large portions of the roadway. The current process is to start digging where the water appears however very often the leak can be 10-20 feet away. This requires a lot more labor and materials to repair the damage looking for the leak.

Advantages of Approval / Implications of Denial:

This would greatly reduce labor and material cost anytime there is a water leak.

Alternatives (Delayed Funding / Partial Funding):

If not funded in 2017 it should be funded in 2018

General Adjustments will be divided into three categories:

- 1) **Non Discretionary** - costs beyond staff's control (i.e. utility, fuel)
- 2) **Mandatory/Regulatory** - costs for legally mandated items (i.e. election costs, taxes)
- 3) **Other** - other adjustments (i.e. training, small tools, supplies, equipment)

Please enter the costs into the appropriate category below.

| | 2017 Associated Cost | | | | 2018 Associated Cost | | |
|--------------|----------------------|----------------------|-----------------|--------------|----------------------|----------------------|-------------|
| | Non-Discretionary | Mandatory Regulatory | Other | | Non-Discretionary | Mandatory Regulatory | Other |
| Wages | | | | Wages | | | |
| Benefits | | | | Benefits | | | |
| Supplies | | | | Supplies | | | |
| Other | | | 4,000 | Other | | | |
| Capital | | | | Capital | | | |
| Total | \$ - | \$ - | \$ 4,000 | Total | \$ - | \$ - | \$ - |

One Time Expense: ☒

Continuous Funding Request: ☐

Funding Source Description:

2017-2018 NEW PROGRAM REQUESTS

| Department | 2017 Associated Cost | 2018 Associated Cost | PG# | On-Going | Funding Source | Funded? Y = Funded N = No |
|--|----------------------------|----------------------------|------|-----------------------|---------------------------------------|------------------------------|
| Clerk | | | | | | |
| Office Clerk I | 76,680 | 74,880 | 8-25 | Y - (74,880 ongoing) | General Fund (001) | N |
| Office Clerk II Reclassification to Dpty Clerk | 3,397 | 3,397 | 8-26 | Y | General Fund (001) | Y |
| Records Management Software | 55,024 | 8,000 | 8-27 | Y - (8,000 ongoing) | Equip Acq Fund (301) / Gen Fund (001) | Y at \$16,000 / \$2,100 |
| PRR Mgmt System & Social Media Archiver | 7,850 | 5,400 | 8-28 | Y - (5,400 ongoing) | Equip Acq Fund (301) / Gen Fund (001) | Y |
| Total Clerk | 142,951 | 91,677 | | | | |
| Engineering/Building | | | | | | |
| Transportation Project Engineer | 12,339 | 12,339 | 8-29 | Y | General Fund (001) | Y |
| Asst Bldg Official/Fire Marshall | 6,757 | 6,757 | 8-30 | Y | General Fund (001) | N |
| Development Review Engineer | 9,468 | 9,468 | 8-31 | Y | General Fund (001) | Y |
| Construction Supervisor Position | | 117,596 | 8-32 | Y - (115,196 ongoing) | General Fund (001) | N |
| Total Engineering/Building | 28,564 | 146,160 | | | | |
| Executive | | | | | | |
| Executive Aide | 24,000 | 24,000 | 8-33 | Y | General Fund (001) | Y |
| Travel Allowance (Taxable) | 6,000 | 6,000 | 8-34 | Y | General Fund (001) | Y |
| Total Executive | 30,000 | 30,000 | | | | |
| IT | | | | | | |
| Security Cameras | 12,000 | | 8-35 | N | Equipment Acq Fund (301) | Y |
| Total IT | 12,000 | | | | | |
| Muni Court | | | | | | |
| Courtroom Video Equipment | 49,105 | | 8-36 | N | General Fund (001) | N |
| Total Muni Court | 49,105 | | | | | |
| Police | | | | | | |
| New Officer | 157,645 | 103,274 | 8-37 | Y - (103,274 ongoing) | Gen Fund (001) / Equip Acq Fund (301) | Y |
| Investigation Software (CLEAR) | 2,500 | 2,500 | 8-38 | Y | General Fund (001) | Y |
| New Officer | | 157,645 | 8-39 | Y - (103,274 ongoing) | Gen Fund (001) / Equip Acq Fund (301) | N |
| Total Police | 160,145 | 263,419 | | | | |
| Prosecutor/Risk Management | | | | | | |
| Legal Assistant | 88,098 | 85,598 | 8-40 | Y - (85,598 ongoing) | General Fund (001) | Y |
| Total Prosecutor/Risk Management | 88,098 | 85,598 | | | | |
| Public Works - Admin | | | | | | |
| PW Office Expansion - split | 4,286 | | 8-41 | N | Facilities Fund (331) | Y |
| Mechanic (.5 FTE) - split (35% Gen Fund) | 10,726 | 10,726 | 8-42 | Y | General Fund (001) | N |
| Backhoe (Water/Sewer/Storm/SW/GF) -split | | 23,000 | 8-43 | N | Equipment Acq Fund (301) | N |
| Total Public Works | 15,012 | 33,726 | | | | |
| Parks | | | | | | |
| Maintenance (.5 FTE) - split | 37,051 | 37,051 | 8-44 | Y | General Fund (001) | N |
| Gazebo Supports | 5,000 | | 8-45 | N | General Fund (001) | Y |
| Landscape Trailer | 5,000 | | 8-46 | N | Equipment Acq Fund (301) | Y |
| Total Parks | 47,051 | 37,051 | | | | |
| Streets | | | | | | |
| PW Office Expansion - split | 2,143 | | 8-41 | N | Facilities Fund (331) | Y |
| Speed Managements Program | 10,000 | 10,000 | 8-47 | N | Street Maintenance (101) | Y |
| Message Sign (Water/Sewer/Storm/Strts) -split | 2,375 | | 8-48 | N | Equipment Acq Fund (301) | Y |
| Safety Lighting (Water/Sewer/Storm/Strts) -split | 2,625 | | 8-49 | N | Equipment Acq Fund (301) | N |
| Crack Seal Machine | 65,000 | | 8-50 | N | Equipment Acq Fund (301) | Y |
| Street Sweeper (Streets/Storm) -split | 117,500 | | 8-51 | N | Equipment Acq Fund (301) | N |
| Reflectometer | 10,000 | | 8-52 | N | Equipment Acq Fund (301) | N |
| Landscape Trailer | | 3,500 | 8-53 | N | Equipment Acq Fund (301) | N |
| Total Streets | 209,643 | 13,500 | | | | |

2017-2018 NEW PROGRAM REQUESTS

| Department | 2017 Associated Cost | 2018 Associated Cost | PG# | On-Going | Funding Source | Funded? Y = Funded N = No |
|--|----------------------------|----------------------------|------|---------------------|-------------------|---|
| Water | | | | | | |
| Ditch Box (Water/Sewer/Storm) -split | 3,334 | | 8-54 | N | Water (401) | Y |
| PW Office Expansion -split | 2,143 | | 8-41 | N | Water (401) | Y |
| Mechanic (1.5 FTE) -split (12% Water) | 3,678 | 3,678 | 8-42 | Y | Water (401) | N |
| Message Sign (Water/Sewer/Storm/Strts) -split | 2,375 | | 8-48 | N | Water (401) | Y |
| Safety Lighting (Water/Sewer/Storm/Strts) -split | 2,625 | | 8-49 | N | Water (401) | N |
| Tank Climbing Equipment | 10,000 | | 8-55 | N | Water (401) | Y |
| Backhoe (Water/Sewer/Storm/SW/GF) -split | | 23,000 | 8-43 | N | Water (401) | N |
| Total Water | 24,155 | 26,678 | | | | |
| Sewer | | | | | | |
| Ditch Box (Water/Sewer/Storm) - split | 3,333 | | 8-54 | N | Sewer (403) | Y |
| PW Office Expansion - split | 2,143 | | 8-41 | N | Sewer (403) | Y |
| Mechanic (1.5 FTE) - split (8% Sewer) | 2,452 | 2,452 | 8-42 | Y | Sewer (403) | N |
| Message Sign (Water/Sewer/Storm/Strts) -split | 2,375 | | 8-48 | N | Sewer (403) | Y |
| Safety Lighting (Water/Sewer/Storm/Strts) -split | 2,625 | | 8-49 | N | Sewer (403) | N |
| Push Camera (Sewer/Storm) -split | 3,500 | | 8-56 | N | Sewer (403) | N |
| Travel | 500 | 500 | 8-57 | Y | Sewer (403) | Y |
| Backhoe (Water/Sewer/Storm/SW/GF) -split | | 23,000 | 8-43 | N | Sewer (403) | N |
| Vactor Nozzle Camera (Sewer/Storm) -split | | 8,500 | 8-58 | N | Sewer (403) | N |
| Total Sewer | 16,928 | 34,452 | | | | |
| Solid Waste | | | | | | |
| Cameras & GPS for SW Trucks | 6,500 | 2,000 | 8-59 | Y - (2,000 ongoing) | Solid Waste (404) | N |
| PW Office Expansion - split | 2,143 | | 8-41 | N | Solid Waste (404) | Y |
| Mechanic (1.5 FTE) - split (37% Solid Waste) | 11,339 | 11,339 | 8-42 | Y | Solid Waste (404) | N |
| Backhoe (Water/Sewer/Storm/SW/GF) -split | | 23,000 | 8-43 | N | Solid Waste (404) | N |
| Total Solid Waste | 19,982 | 36,339 | | | | |
| Storm Drain | | | | | | |
| Ditch Box (Water/Sewer/Storm) - split | 3,333 | | 8-54 | N | Stormwater (410) | Y |
| PW Office Expansion - split | 2,143 | | 8-41 | N | Stormwater (410) | Y |
| Mechanic (1.5 FTE) - split (8% Storm) | 2,452 | 2,452 | 8-42 | Y | Stormwater (410) | N |
| Message Sign (Water/Sewer/Storm/Strts) -split | 2,375 | | 8-48 | N | Stormwater (410) | Y |
| Safety Lighting (Water/Sewer/Storm/Strts) -split | 2,625 | | 8-49 | N | Stormwater (410) | N |
| Push Camera (Sewer/Storm) -split | 3,500 | | 8-56 | N | Stormwater (410) | N |
| Street Sweeper (Streets/Storm) -split | 117,500 | | 8-51 | N | Stormwater (410) | N |
| Backhoe (Water/Sewer/Storm/SW/GF) -split | | 23,000 | 8-43 | N | Stormwater (410) | N |
| Vactor Nozzle Camera (Sewer/Storm) -split | | 8,500 | 8-58 | N | Stormwater (410) | N |
| Total Storm Drain | 133,928 | 33,952 | | | | |
| | | | | | | Approved Funding |
| | | | | | | 2017 2018 |
| Summary of Totals | | | | | | Summary of Totals |
| Total (001) General Fund | | | | | | (001) General Fund |
| Total (101) Street Maintenance | | | | | | (101) Street Maintenance Fund |
| Total (301) Equipment Acquisition | | | | | | (301) Equipment Acquisition Fund |
| Total (401) Water | | | | | | (331) Facilities Fund |
| Total (403) Sewer | | | | | | (401) Water Fund |
| Total (404) Solid Waste Fund | | | | | | (403) Sewer Fund |
| Total (410) Storm Water | | | | | | (404) Solid Waste Fund |
| Total All Funds | | | | | | (410) Storm Water Fund |
| | | | | | | Total Approved |
| | | | | | | \$ 469,297 \$ 264,576 |

| Requested Totals | | 2018 |
|-------------------|-------------------|------|
| 2017 | | |
| 331,121 | 390,312 | |
| 10,000 | 10,000 | |
| 214,500 | 26,500 | |
| 24,155 | 26,678 | |
| 16,928 | 34,452 | |
| 19,982 | 36,339 | |
| 133,928 | 33,952 | |
| \$ 750,613 | \$ 558,232 | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|--|--------------------|----------------------|--|----------------------|--|-------|--------|-------|--|----------|--------|----------|--|----------|-----|----------|--|-------|-------|-------|--|---------|-------|---------|---|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Office Clerk I | | Clerk | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 76,680 | | Department Contact: | Rhiannon Fernandez | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 10 Customer Service | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The City Clerk's Office is requesting the reinstatement of a full-time (1.0 FTE) position. Supplies and Other (training, travel, and dues/subscriptions) costs for \$2,025 would be ongoing, capital costs for \$1,800 are one-time for a new computer and two monitors.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The Office Clerk I position would provide administrative support to the Mayor and Clerk's Office. The position would backfill duties from other Clerk's Office staff time, providing the ability for the Clerks Office to focus on records management. The position would assist the Mayor with executive support and projects. This position would allow for the best utilization of City Clerk's staff time and assigned job duties.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The alternative is to not fund this position and keep the City Clerk's Office status quo.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2017 Associated Cost</th> <th colspan="2" style="text-align: center;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 25%;">Wages</td> <td style="width: 25%; text-align: right;">43,826</td> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> </tr> <tr> <td>Benefits</td> <td style="text-align: right;">29,029</td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td style="text-align: right;">200</td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td style="text-align: right;">1,825</td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">1,800</td> <td>Capital</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 76,680</td> <td>Total</td> <td style="text-align: center;">\$ -</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | 43,826 | Wages | | Benefits | 29,029 | Benefits | | Supplies | 200 | Supplies | | Other | 1,825 | Other | | Capital | 1,800 | Capital | - | Total | \$ 76,680 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 43,826 | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | 29,029 | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | 200 | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 1,825 | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 1,800 | Capital | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 76,680 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|--|--------------------|----------------------|--|----------------------|--|-------|-------|-------|--|----------|-----|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ofc Clerk II Reclassification to Deputy City Clerk | | Clerk | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 3,397 | | Department Contact: | Rhiannon Fernandez | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 10 Customer Service | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The City Clerk's Office is requesting the reinstatement of the Deputy Clerk position. The City Clerk position has no time to do the function of the City's Records Manager a key responsibility of the Clerk's Office, and the needs support of a Deputy Clerk to draft and implement records management and public records policies and systems, including social media and texting. The Records Manager would also work with all department in education of best practices of records management and assist with scanning projects.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Having a highly trained employee with records management will give the public timely access to accurate info, promote open and accountable government, and enable departments to use our resources cost effectively. Adhering to the State's records retention schedules will also reduce the City's liability. PRA lawsuits are not covered by the City's insurance. The records manager would also assist all departments in transferring records to archives or destroying records once they have met their retention.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The alternative is to not fund this position and keep the City Clerk's Office status quo, operating with a reduction in staffing. In doing so, records management will continue to be deficient.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">2017 Associated Cost</th> <th colspan="2">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td style="text-align: right;">2,834</td> <td>Wages</td> <td></td> </tr> <tr> <td>Benefits</td> <td style="text-align: right;">563</td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 3,397</td> <td>Total</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table> | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | 2,834 | Wages | | Benefits | 563 | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | | Capital | | Total | \$ 3,397 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 2,834 | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | 563 | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 3,397 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|--|-------------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|-------|---------|--------|---------|--|--------------|------------------|--------------|-----------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Records Management Software | | Clerk | 301 - Equip Acquisition | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 55,024 | \$ 8,000 | Department Contact: | Rhiannon Fernandez | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 10 Customer Service | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The City Clerk's Office continues to work towards an electronic records management process with little or no resources. The City faces many challenges with managing native electronic documents, emails, texts, and social media posts. Implementation of a full electronic records management system is a necessary step that the City needs to take. Records management systems will provide a searchable document repository (searchable knowledge base), enforces naming convention standardization and indexing structures, provides intelligent capture and filing of account paperwork and statements, provides audit trails and protection from deletion or misplacement, creates workflow processes, and uses existing copier scanners. 2018 ongoing costs would be the annual maintenance of all modules.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Advantages: use resources cost effectively (staff time savings retrieving records, quicker ability to search all records for public records requests), promote open and accountable government, provide timely access to records to the public, greater ability to adhere to retentions date, reduces City's liability. The new program will result in better record keeping and provide for effective and accurate searches in response to public records requests, ensuring (1) the City's compliance with its obligations under the Public Records Act, and record retention laws; and (2) resulting in a reduction of the City's risk of exposure for inadvertent violations of the same. Disadvantages: the City's risk will be higher if it does not create and adhere to a city-wide standard for the management of electronic records. Time savings will not be realized in the filing and retrieval processes.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Laser fiche provides the ability to add on modules at later dates. A pilot program of 11 users with no additional add ins (Magnimail, web portal, Records Management module) for the base price of \$14,478.84, and modules can be added on each year as funding permits.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="width: 50%;">2017 Associated Cost</th> <th colspan="2" style="width: 50%;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td>8,000</td> </tr> <tr> <td>Capital</td> <td>55,024</td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 55,024</td> <td>Total</td> <td>\$ 8,000</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | | Wages | | Benefits | | Benefits | | Supplies | | Supplies | | Other | | Other | 8,000 | Capital | 55,024 | Capital | | Total | \$ 55,024 | Total | \$ 8,000 |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | 8,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 55,024 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 55,024 | Total | \$ 8,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| CITY OF POULSBO BUDGET REQUEST | | | |
| NEW PROGRAM REQUEST | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | |
| <hr/> | | | |
| Title: | | Department: | Fund: |
| PRR Management System & Social Media Archiver | | Clerks | 301 - Equip Acquisition |
| 2017 Cost: | 2018 Cost: | Priority: | 4 |
| \$ 7,850 | \$ 5,400 | Department Contact: | Rhiannon Fernandez |
| Council Goal this request responds to: | | 10 Customer Service | |
| <hr/> | | | |
| Description of Request: | | | |
| <p>The PRR software would provide a comprehensive citizen web portal. It reduces requests by allowing citizens to view and search previous requests and allowing staff to publish information in anticipation of future requests. It can auto-answer information requests with an auto-growing knowledgebase that dynamically changes with new information; tracking, displaying, and promoting top questions; and allowing detailed filtered information search for citizens. It streamlines PPRs by centrally managing the requests by department or across all departments; auto-routing, escalating, tracking, distributing and logging requests. It archives social media feeds. It helps fulfill requests and improves processes by managing deadlines, tracking exemptions, charging fees and collecting payments. It will also respond to litigation requirements and audit surveys, and monitor time per activity. Ongoing cost of \$5,400 is for the annual subscription for the service.</p> | | | |
| <hr/> | | | |
| Advantages of Approval / Implications of Denial: | | | |
| <p>This software is an invaluable tool for the Public Records Officer to monitor and track all public records requests received by the City. This will improve efficiencies in the department for handling the requests at a time when the number of requests are increasing.</p> | | | |
| <hr/> | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | |
| <p>Alternative: Delaying funding would be okay if an additional FTE is approved for the Clerks Office. Partial funding could be possible by not purchasing the social media archiver at this time. The costs would be: 2017, \$6,150; 2018, \$4,200.</p> | | | |
| <hr/> | | | |
| | | | |
| | 2017 Associated Cost | | 2018 Associated Cost |
| Wages | | Wages | |
| Benefits | | Benefits | |
| Supplies | | Supplies | |
| Other | | Other | 5,400 |
| Capital | 7,850 | Capital | |
| Total | \$ 7,850 | Total | \$ 5,400 |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | |
| <hr/> | | | |
| Funding Source Description: | | | |
| | | | |

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|--|-----------------------------|--|-----------------------------|
| CITY OF POULSBO BUDGET REQUEST | | | |
| NEW PROGRAM REQUEST | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | |
| Title: | | Department: | Fund: |
| Transportation Project Engineer | | Engineering | 001 - General |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 12,339 | | Department Contact: | Diane Lenius |
| Council Goal this request responds to: | | 4 Capital Facilities | |
| Description of Request: | | | |
| Establishes Transportation Project Engineer position for large complex project work, grant applications, and management of transportation speed program. Promotes existing Senior Engineering Tech to Transportation Project Engineer position. | | | |
| Advantages of Approval / Implications of Denial: | | | |
| Establishes a focused position for required WSDOT and Federal requirements on grant funded projects. This position reduces the effort required by outside consultants and provides a consistent liaison with WSDOT for the city projects. | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | |
| Hire consultants for the engineering project work and WSDOT coordination. | | | |
| | | | |
| | 2017 Associated Cost | | 2018 Associated Cost |
| Wages | 10,294 | Wages | |
| Benefits | 2,045 | Benefits | |
| Supplies | | Supplies | |
| Other | | Other | |
| Capital | | Capital | |
| Total | \$ 12,339 | Total | \$ - |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | |
| Funding Source Description: | | | |
| The increased cost for this position will be funded by the Noll and Finn Hill transportation projects (supported by grant and traffic impact fees). The position will have an increased project charge amount of 20% which equals \$16,000 per year. | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|--|---------------|----------------------|--|----------------------|--|-------|-------|-------|--|----------|-------|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assistant Building Official/Fire Marshal | | Building | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 6,757 | | Department Contact: | Diane Lenius | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 10 Customer Service | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Promote Building Inspector II to Assistant Building Official. Eliminate our current Building Inspector II position from the budget. The new position provides building plan review, supervises for Permit Tech and Building Inspector, provides back up field inspection as needed, and serves as the Fire Marshal and liaison with the Fire District</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Advantages: Establishes Assistant Building Official Position with appropriate certifications for responsibilities. Recognize responsibilities for Fire Marshal role and Fire Permit fees will cover the increased salary for this position. Provide career path that meets the cities needs.</p> <p>Disadvantages: None</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Alternatives: Renegotiate agreement with Fire District for Fire Marshal Service. Contract out the fire marshal services. Contracting out the services would be more expensive and likely reduce the quality of service to the community. If the Fire District performed the fire marshal duties, then the city would also need to pay for those services. Therefore it would not result in a cost saving.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2017 Associated Cost</th> <th colspan="2" style="text-align: center;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 50%;">Wages</td> <td style="width: 50%; text-align: right;">5,637</td> <td style="width: 50%;">Wages</td> <td style="width: 50%;"></td> </tr> <tr> <td>Benefits</td> <td style="text-align: right;">1,120</td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 6,757</td> <td>Total</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table> | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | 5,637 | Wages | | Benefits | 1,120 | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | | Capital | | Total | \$ 6,757 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 5,637 | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | 1,120 | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 6,757 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The increased cost for deleting the Building Inspector II position and adding an Assistant Building Official/Fire Marshal position is \$6,757. The funds for this position will come from Fire Permit fees that are currently included in our fee schedule and were previously not charged. It is estimated that \$8K to \$10K per year will be obtained from fire permit fees.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|--|---------------|----------------------|--|----------------------|--|-------|-------|-------|--|----------|-------|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Development Review Engineer | | Engineering | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 9,468 | | Department Contact: | Diane Lenius | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 10 Customer Service | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Promote Senior Engineering Tech to Development Review Engineer position. The Senior Engineering Tech position shall be removed from the budget. The new position provides development review to meet city standards, supervises one engineering tech, and provide construction oversight the development of larger private development projects.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Provides engineering oversight of large development projects to ensure that conditions of approval are met and provide consistency. Supervises one staff person. This new position adequately recognizes role for required level of performance.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Maintain the status quo. Review of development construction would remain a second priority to large capital construction projects and the engineering tech would be supervised by the city engineer.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2017 Associated Cost</th> <th colspan="2" style="text-align: center;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 25%;">Wages</td> <td style="width: 25%; text-align: right;">7,899</td> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> </tr> <tr> <td>Benefits</td> <td style="text-align: right;">1,569</td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 9,468</td> <td>Total</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | 7,899 | Wages | | Benefits | 1,569 | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | | Capital | | Total | \$ 9,468 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 7,899 | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | 1,569 | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 9,468 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The position will be funded through fees collected for developer project inspections and delay of the Construction Supervisor position until 2018 .</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | |
|--|-------------------|--|-------------------|
| CITY OF POULSBO BUDGET REQUEST | | | |
| NEW PROGRAM REQUEST | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | |
| Title: | | Department: | Fund: |
| Construction Supervisor Position | | Engineering | 001 - General |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| | \$ 117,596 | Department Contact: | Diane Lenius |
| Council Goal this request responds to: | | 4 Capital Facilities | |
| Description of Request: | | | |
| <p>Establish Construction Supervisor position in 2018 during peak construction period for the city of Poulsbo. The specific federal funded, state highway and transportation experience for the Noll Road project. \$115,196 for Salaries/Benefits will be a continuous funding request; \$2,400 will be a one-time request for computer and supplies.</p> | | | |
| Advantages of Approval / Implications of Denial: | | | |
| <p>Advantages: The position will support successful construction of the project and reduce costs for the project.</p> | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | |
| <p>Alternatives: Hire an outside consultant for the work and incur increase costs. Delay is not an option, the need will be project driven.</p> | | | |
| | | | |
| 2017 Associated Cost | | 2018 Associated Cost | |
| Wages | | Wages | 75,043 |
| Benefits | | Benefits | 40,153 |
| Supplies | | Supplies | 200 |
| Other | | Other | |
| Capital | | Capital | 2,200 |
| Total | \$ - | Total | \$ 117,596 |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | |
| Funding Source Description: | | | |
| <p>Position will be funded through the Noll Road project which is 2018 - 2019</p> | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|--|---------------|----------------------|--|----------------------|--|-------|--------|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|--|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>For the budget process, departments are limited to the previous budget levels with the exception of wages, benefits and contractual costs. If any line items need to be increased to <i>maintain the current level of service</i>, departments should complete a Baseline Adjustment Request form. Baseline Adjustment Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Professional Service - Jan Harrison Solutions | | Executive | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 24,000 | | Department Contact: | Mayor | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 7 Economic Development | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>When the assistant for the Mayor was eliminated in 2010, the mayor continued on without this resource. In 2014, the executive position needed more resources to administer special projects, draft written documents, develop community relationships with the Chamber of Commerce, Historic Downtown Poulsbo Association. This is executive level support, not dedicated to office administration, concentrating on project management.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The executive branch has grown in it's functionality from 2010. Without this support, many of the special projects that the Mayor has accomplished in the last years would diminish.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The Mayor works longer hours.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">2017 Associated Cost</th> <th colspan="2">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td>24,000</td> <td>Wages</td> <td></td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 24,000</td> <td>Total</td> <td>\$ -</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | 24,000 | Wages | | Benefits | | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | | Capital | | Total | \$ 24,000 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 24,000 | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 24,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>General government.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|--|---------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|-------|-------|--|---------|--|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Travel Allowance (Taxable) | | Executive | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 6,000 | | Department Contact: | Mayor | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 9 Revenues & Financial Stability | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This would be a monthly allowance payable to the Mayor at \$500/month (Total: \$6,000/year) for travel by the Mayor for the benefit of city business. This allowance would be in lieu of submitting travel reimbursements for items such as mileage and parking fees. This travel allowance will be paid as a taxable benefit per IRS rules. The Mayor has no staff to assist with this and is therefore responsible for tracking all of the information necessary to submit a reimbursement which can be time consuming due to the extent of travel for meetings and public events. The Mayor has not submitted a travel reimbursement since early 2015.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This would ease the burden on the Mayor of time and paperwork involved in filing travel reimbursements. Since the Mayor has not submitted a travel reimbursement since early 2015, this would allow for the proper funding to her for gas & general maintenance on her personal vehicle being used for city business.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 6,000 | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 6,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

NEW PROGRAM REQUEST

| | | | | | |
|---|-------------------|----------------------------|----------------|-------------------------|--|
| Title: | | Department: | | Fund: | |
| Security Cameras | | Information Technology | | 301 - Equip Acquisition | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | |
| \$ 12,000 | | Department Contact: | Dave Stenstrom | | |
| Council Goal this request responds to: | | 8 Public Safety | | | |

Install surveillance security camera's at strategic locations both inside and outside City Hall including Parking garages.

Security Camera's tend to a great deterrent with regards to unruly and/or aggressive behavior. I believe surveillance cameras would be a great step to provide greater safety and security to both staff and members of public visiting City Hall in addition to being a great theft deterrent.

No cameras or partial funding would remove/reduce the number of cameras and would lower cost but would also lower security and safety benefits

| | 2017 Associated Cost | | 2018 Associated Cost |
|--------------|----------------------|--------------|----------------------|
| Wages | | Wages | |
| Benefits | | Benefits | |
| Supplies | | Supplies | |
| Other | | Other | |
| Capital | 12,000 | Capital | |
| Total | \$ 12,000 | Total | \$ - |

Funding Source Description:

8 - 35

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|-------------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--------|-------|--|---------|--|---------|--|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Courtroom Video Equipment | | Court | 301 - Equip Acquisition | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 49,105 | | Department Contact: | Linda Baker | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 8 Public Safety | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Video equipment in the courtroom so the jail videos are done in the courtroom. Currently jail videos are held in the judge's office on the third floor. These hearings are open to the public. This means we need to have an officer present and screen anyone who wants to observe the video hearing. We did have a visitor remove a large knife from his person and hand it over before one video hearing. The judge's office is a small space. The judge, prosecutor, public defender, private attorneys if involved, judicial specialist are all in the room plus any visitors along with the officer.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>It will be less congested and safer to hold the jail video hearings in the courtroom.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>If there is no funding the jail video hearings will continue to be held in the judge's office on the third floor.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2017 Associated Cost</th> <th colspan="2" style="text-align: center;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td style="text-align: right;">49,105</td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 49,105</td> <td>Total</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | | Wages | | Benefits | | Benefits | | Supplies | | Supplies | | Other | 49,105 | Other | | Capital | | Capital | | Total | \$ 49,105 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 49,105 | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 49,105 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>General fund. Dave Stenstrom is still looking to see if there is a way to reduce the cost.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

CITY OF POULSBO BUDGET REQUEST**NEW PROGRAM REQUEST**

A New Program Request form should be completed and submitted for any budget requests for New Programs (*those other than being provided by current level of service*). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.

| | | | |
|---|-------------------|----------------------------|------------------------|
| Title: | | Department: | Fund: |
| New Officer Position | | Police | 001 - General |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 157,645 | | Department Contact: | Deputy Chief Andy Pate |
| Council Goal this request responds to: | | 8 Public Safety | |

Description of Request:

This position will add one officer to be assigned to patrol within the City Limits. Goals of the Department is to continue to improve levels of service to the public.

Advantages of Approval / Implications of Denial:

This addition will allow the department to maintain or improve levels of service to the public as the City grows in size and complexity. Staffing level increase for the officers will also further reduce the need for overtime which is not only a cost savings to the City, but also a measure of relief for the officers to have more off time. This addition will also help to buffer the future impacts of senior, tenured officers leaving the department. If denied, the department will continue to struggle with overtime issues and also the department will continue to balance on the edge of having enough officers for the road and not having enough which is heavily felt when the department loses an officer to retirement or job change.

Alternatives (Delayed Funding / Partial Funding):

Continued use of high levels of overtime to cover shifts for officers on leave. Management may need to make policies which will negatively impact current levels of service to the public.

| | 2017 Associated Cost | | 2018 Associated Cost |
|--------------|----------------------|--------------|----------------------|
| Wages | 67,850 | Wages | |
| Benefits | 33,924 | Benefits | |
| Supplies | 7,500 | Supplies | |
| Other | | Other | |
| Capital | 48,371 | Capital | |
| Total | \$ 157,645 | Total | \$ - |

One Time Expense: ☒**Continuous Funding Request:** ☒**Funding Source Description:**

\$103,274.00 is continuous in order to pay salary, benefits and increased travel, training, and supply costs of the additional officer. \$54,371.00 is a one time cost to outfit the new position and will not continue.

| | | | |
|--|-------------------|--|------------------------|
| CITY OF POULSBO BUDGET REQUEST | | | |
| NEW PROGRAM REQUEST | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | |
| Title: | | Department: | Fund: |
| Investigation Software (CLEAR) | | Police | 001 - General |
| 2017 Cost: | 2018 Cost: | Priority: | 2 |
| \$ 2,500 | | Department Contact: | Deputy Chief Andy Pate |
| Council Goal this request responds to: | | 8 Public Safety | |
| Description of Request: | | | |
| <p>This year the department has concentrated on building its investigative abilities. This has been done primarily to meet the needs of the public as significant crimes have increased over the last few years and the workload for one detective has grown substantially. We have moved a second officer into our investigations. This was done in order to meet the growing need to handle felony level investigations and to be able to respond after hours to major crimes. In 2017, to meet the goals of the department, we intend to provide investigative software for the detectives to use during major and minor crime investigations.</p> | | | |
| Advantages of Approval / Implications of Denial: | | | |
| <p>This software will provide extensive research capabilities regarding criminal investigations. In just minutes our detectives can locate people and/or businesses, see any affiliations they have with other entities, and find criminal history to include photos. The software also assists in analyzing patterns in criminal behavior, trends of offenders and puts it in a visual pattern. It also gives the history on this information. This results in a massive reduction in investigative hours allowing our detectives to focus more on building cases and less on making repeat phone calls and inquiries to other agencies and entities.</p> | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | |
| <p>Continued use of extensive man hours to research basic information, to include delayed wait times to receive information and intelligence from other agencies, particularly agencies outside the State.</p> | | | |
| | | | |
| 2017 Associated Cost | | 2018 Associated Cost | |
| Wages | | Wages | |
| Benefits | | Benefits | |
| Supplies | | Supplies | |
| Other | 2,500 | Other | |
| Capital | | Capital | |
| Total | \$ 2,500 | Total | \$ - |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | |
| Funding Source Description: | | | |
| | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|--|------------------------|----------------------|--|----------------------|--|-------|--|-------|--------|----------|--|----------|--------|----------|--|----------|-------|-------|--|-------|--|---------|--|---------|--------|--------------|-------------|--------------|-------------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| New Officer Position | | Police | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | \$ 157,645 | Department Contact: | Deputy Chief Andy Pate | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 8 Public Safety | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This position will add one officer to be assigned to patrol within the City Limits. Goals of the Department is to continue to improve levels of service to the public.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This addition will allow the department to maintain or improve levels of service to the public as the City grows in size and complexity. Staffing level increase for the officers will also further reduce the need for overtime which is not only a cost savings to the City, but also a measure of relief for the officers to have more off time. This addition will also help to buffer the future impacts of senior, tenured officers leaving the department. If denied, the department will continue to struggle with overtime issues and also the department will continue to balance on the edge of having enough officers for the road and not having enough which is heavily felt when the department loses an officer to retirement or job change.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Continued use of high levels of overtime to cover shifts for officers on leave. Management may need to make policies which will negatively impact current levels of service to the public.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2017 Associated Cost</th> <th colspan="2" style="text-align: center;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> <td style="width: 25%;">Wages</td> <td style="width: 25%; text-align: right;">67,850</td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td style="text-align: right;">33,924</td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td style="text-align: right;">7,500</td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td style="text-align: right;">48,371</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ -</td> <td>Total</td> <td style="text-align: right;">\$ 157,645</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | | Wages | 67,850 | Benefits | | Benefits | 33,924 | Supplies | | Supplies | 7,500 | Other | | Other | | Capital | | Capital | 48,371 | Total | \$ - | Total | \$ 157,645 |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | 67,850 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | 33,924 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | 7,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | 48,371 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ - | Total | \$ 157,645 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>\$103,274.00 is continuous in order to pay salary, benefits and increased travel, training, and supply costs of the additional officer. \$54,371.00 is a one time cost to outfit the new position and will not continue.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|--|---|-------|--------|----------|--------|----------|-------|-------|--|---------|-------|--------------|------------------|--|--|--|----------------------|-------|--|----------|--|----------|--|-------|--|---------|--|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Legal Assistant | | Prosecutor/Risk Management | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 88,098 | | Department Contact: | Alexis Foster, City Prosecutor/Risk Manager | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 8 Public Safety | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This is a request for a full-time legal assistant position in the City Prosecutor/Risk Management Departments, including wages, benefits, supplies, and a one time capital cost.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A full time legal assistant assists to ensure the departments can provide the required level of service internally and externally, consistent with legal and ethical obligations, and in accordance with best practices to ensure public safety and limit/reduce the liability of the City of Poulsbo, while meeting the goals and expectations of City leadership and the public. Denial would result in a inability for the departments to (1) meet its goals; (2) assist with existing and new programs, including those which are outside of the departments, but directly impact and increase the service level required of the departments; (3) respond promptly/regularly to crime victims/witnesses; and (4) to adequately and consistently meets its legal and ethical obligations.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>2017 Associated Cost</th> </tr> <tr> <td>Wages</td> <td>53,206</td> </tr> <tr> <td>Benefits</td> <td>30,892</td> </tr> <tr> <td>Supplies</td> <td>1,500</td> </tr> <tr> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td>2,500</td> </tr> <tr> <td>Total</td> <td>\$ 88,098</td> </tr> </table> | | 2017 Associated Cost | Wages | 53,206 | Benefits | 30,892 | Supplies | 1,500 | Other | | Capital | 2,500 | Total | \$ 88,098 | | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>2018 Associated Cost</th> </tr> <tr> <td>Wages</td> <td></td> </tr> <tr> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td>\$ -</td> </tr> </table> | | 2018 Associated Cost | Wages | | Benefits | | Supplies | | Other | | Capital | | Total | \$ - |
| | 2017 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 53,206 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | 30,892 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | 1,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 2,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 88,098 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| None | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|---|------------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--------|---------|--|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Old Public Works Remodel-Office Space | | PW Admin - Various | All Funds should split | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 15,000 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Remodel one of the car bays to create more office space for Public Works administration. Create usable office space to include 2-3 work stations. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Allow for both Forman, Assistant PW Superintendent, Superintendent and Office Manager to function as a cohesive unit. Currently the Public Works staff are separated and doing daily business is very difficult. Staff time is used just to run mail back and forth for daily business. No office support for the PW administrators and forman is available on an as needed basis. With the addition of the Assistant PW Superintendent and filling of the Forman position, the small office located in the end of the Quansit hut is too small to accommodate staff. The new PW Facility will most probably not be ready for occupation until at least 2019.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="width: 50%;">2017 Associated Cost</th> <th colspan="2" style="width: 50%;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 50%;">Wages</td> <td style="width: 50%;"></td> <td style="width: 50%;">Wages</td> <td style="width: 50%;"></td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td>15,000</td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 15,000</td> <td>Total</td> <td>\$ -</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | | Wages | | Benefits | | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | 15,000 | Capital | | Total | \$ 15,000 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 15,000 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 15,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding will be split between Water, Sewer, Storm, Solid Waste, Streets, and General Fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|--|-----------------------------|----------------------|--|----------------------|--|-------|--------|-------|--|----------|-------|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|--|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| .5 Mechanic Assistant | | PW Admin - Various | 001 / 401 / 403 / 404 / 410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 30,646 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Add a .5 support mechanic to our current Mechanic position. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Will allow the mechanic to do much more efficient and timely work to city vehicles. Current wait time for routine services is quite long as emergent services must be attended to first. Help with ordering parts, welding and fabrication, cleaning, shop tool maintenance, small vehicle maintenance jobs, pick up specialty parts, assist with new vehicle setup. Will allow the Mechanic to start and finish a current job without being pulled to do simple day to day jobs. Position will take care of the basics services and leave specialty services for the Mechanic. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Level of service will continue to be a reactive and not proactive. Dealing with an aging fleet of trucks which requires much more maintenance. This could be funded partially by the police department as well as they have expressed interest in bring some specialty maintenance back to the City Shop. Andy Pate and I discussed potentially funding 15% of this position by Police. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">2017 Associated Cost</th> <th colspan="2">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td style="text-align: right;">24,627</td> <td>Wages</td> <td></td> </tr> <tr> <td>Benefits</td> <td style="text-align: right;">6,019</td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 30,646</td> <td>Total</td> <td>\$ -</td> </tr> </tbody> </table> | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | 24,627 | Wages | | Benefits | 6,019 | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | | Capital | | Total | \$ 30,646 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 24,627 | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | 6,019 | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 30,646 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| This will be funded as: General Fund 35%, Solid Waste 37%, Water 12%, Sewer 8% and Storm 8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|-----------------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|---------|--------------|-------------|--------------|-------------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Backhoe | | PW Admin - Various | 301 / 401 / 403 / 404 / 410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | \$ 115,000 | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Case 4x4 Backhoe for use on Street, Water, Sewer, Solid Waste and Storm Drain jobs. This will be housed at PW on a trailer, ready for response to any one of the Public Work departments. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| It will be ready to roll for any emergency and/or job for Public Works. The current backhoe will be housed at the Decant facility and used mainly on the that site. This allows for much quicker response and doesn't have to be pulled from a current job at the decant facility. Currently if the backhoe is out onsite for something we have to drive it back to the yard to load gravel or supplies. This is very inefficient. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Delayed funding will require the movement of Decant facility backhoe to be trailered and returned in order to cover both duties. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | 115,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ - | Total | \$ 115,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding to be split between Water, Sewer, Storm Drain, Solid Waste and Streets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|--|--------------|----------------------|--|----------------------|--|-------|--------|-------|--|----------|--------|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|--|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| .5 Parks Position | | PW Admin - Various | 001 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 37,051 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 6 Parks & Recreation and Open Space | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Add .5 position for Parks that will also support pond maintenance for Storm Drain. This position will be used in conjunction with the .5 Janitorial position already funded. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ability to add a much needed position to Grounds Maintenance. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Level of service will continue to decrease in Parks maintenance as the number of parks and storm ponds increases. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 21,584 | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | 15,467 | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 37,051 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|---------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|-------|----------|--|-------|--|-------|--|---------|--|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Replace 2 rotted posts on Kvelstad/Austin Pavilion | | PW | 001 - General | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 5,000 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 6 Parks & Recreation and Open Space | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This is to replace 2 out of 8 posts that are rotted and no longer structurally sound. The remaining posts at this time appear to be solid.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This is a Public Safety issue. If this repair is not done soon the City may have to shut down public events at the pavilion for safety reasons.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Alternative funding may be from local volunteer groups.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | 5,000 | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 5,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This will only replace the 2 bad supports. In the future there may be a need to replace the remaining 6 supports</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|-------------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|-------|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Landscape Trailer | | Parks | 301 - Equip Acquisition | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 5,000 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 6 Parks & Recreation and Open Space | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 20' Landscape Trailer and tool racks which will transport multiple riding mowers along with all tools and equipment needed for jobs. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Will be able to use one vehicle and transport all grounds equipment and mower at the same time. Much more efficient use of man power and vehicles. Level of service will remain as is or lower as we keep acquiring park area that needs to be maintained. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| If the larger Landscape trailer is approved in 2017 for Parks the existing 14' Parks trailer can be used for this instead. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 5,000 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 5,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|-------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--------|-------|--------|---------|--|---------|--|--------------|------------------|--------------|------------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Speed Management Program | | Public Works | 101 - Street Fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 10,000 | \$ 10,000 | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 8 Public Safety | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>To allocate funds specifically for the development of a Speed Management Program. This program would entail the review and purchase of "speed calming" measures to determine the most appropriate methods based on areas most in need.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>If approved, this would allow for specific funding to address "speed calming" issues in those areas most in need. If denied, any budget for "speed calming" measures would need to be funded within the existing street fund where there is no additional revenue source.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 10,000 | Other | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 10,000 | Total | \$ 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This request was developed through the Finance Admin Committee process by committee members based on citizen input. This was requested at \$10,000 per year for 2017 and 2018 only - not ongoing beyond. The funding for this request would need to come from General Fund as there is no revenue source to fund this out of the Street Fund.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|----------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|-------|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Variable Message Sign | | PW Admin - Various | 101 / 401 / 403 /410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 9,500 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 8 Public Safety | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Portable variable message sign to be used to inform public of upcoming work and/or detour. Will attach to the hitch on any of the public works vehicles. No trailer needed. Unfold and place in hitch across the back of the truck</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Advantage - Improvement of Safety for both the workers in the roadway as well as the citizens driving by. This sign is highly portable and can be used in a variety of applications to warn the drivers of activities and potential delays due to work in the roadway.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This is a needed safety improvement however it could be held over until 2018 if the funding is not available in 2017</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2017 Associated Cost</th> <th colspan="2" style="text-align: center;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">9,500</td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 9,500</td> <td>Total</td> <td>\$ -</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | | Wages | | Benefits | | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | 9,500 | Capital | | Total | \$ 9,500 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 9,500 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 9,500 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This should be funded out of Sewer, Water, Storm and Streets as it will be used in ALL Departments.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|-----------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--------|---------|--|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Portable Safety Lighting | | PW Admin - Various | 101 / 401 / 403 / 410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 10,500 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 8 Public Safety | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Safety Balloon Lighting for Flagger and Worker Safety. To properly light up the work zone ALL flaggers must be illuminated as well as the workers in the work zone. This request is for 3 separate lights. 1 for each flagger and 1 for the work taking place.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The City currently has no proper lighting for emergency night work. The work lights that we have are very glaring for traffic and the workers and only illuminate a small area. The proposed lighting system would safely light up the flaggers as well as the work zone.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This is a Safety issue and should be funded in 2017</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2017 Associated Cost</th> <th colspan="2" style="text-align: center;">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> <td style="width: 25%;">Wages</td> <td style="width: 25%;"></td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">10,500</td> <td>Capital</td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 10,500</td> <td>Total</td> <td>\$ -</td> </tr> </tbody> </table> | | | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | | Wages | | Benefits | | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | 10,500 | Capital | | Total | \$ 10,500 | Total | \$ - |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 10,500 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 10,500 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This should be funded out of Water, Sewer, Storm, & Streets</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|--|-------------------|---|-------------------------|
| CITY OF POULSBO BUDGET REQUEST | | | |
| NEW PROGRAM REQUEST | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | |
| Title: | | Department: | Fund: |
| Crack Seal Machine with Router | | PW | 301 - Equip Acquisition |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 65,000 | | Department Contact: | Mike Lund |
| Council Goal this request responds to: | | 4 Capital Facilities | |
| Description of Request: | | | |
| New Crafcro SS125D Crack Seal Machine, Model 30 Crack Router and Hot Air Lance. | | | |
| Advantages of Approval / Implications of Denial: | | | |
| This is a vital step in a good road maintenance program. These machines will allow staff to better preserve the life of our roads. By properly crack sealing we can add years to the life of the asphalt which delays the high cost of full road rebuild. By not having the correct equipment the roads will continue to deteriorate at a rate quicker than staff can maintain them. | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | |
| Rental of this equipment is about \$10,000 a month. For the cost of 7 months rental we would have the equipment for many years to come. This could be funded in 2018 but would delay the implementation of a quality streets maintenance program. | | | |
| | | | |
| 2017 Associated Cost | | 2018 Associated Cost | |
| Wages | | Wages | |
| Benefits | | Benefits | |
| Supplies | | Supplies | |
| Other | | Other | |
| Capital | 65,000 | Capital | |
| Total | \$ 65,000 | Total | \$ - |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | |
| Funding Source Description: | | | |
| | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|---|--------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|---------|---------|--|--------------|-------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Elgin Street Sweeper | | Streets / Storm Drain | 301 / 410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 235,000 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 8 Public Safety | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>New Elgin Pelican Broom Sweeper. The vacuum sweeper does not work for picking up leaves, branches and larger material.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The existing broom sweeper is 20 years old and very worn. It is in need of a lot of maintenance. The new model is more user friendly which helps with driver fatigue. The existing vacuum sweeper is required by the NPDES permit to pick up contaminants prior to entering the storm system however does not work on larger items such as leaves and branches. If denied funding, staff may not be able to keep the storm drains clear in the fall and winter and potential local flooding could arise during heavy storm events.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The "surplussed" 1996 Elgin Street Sweeper is still being used as the new "replacement" cannot handle impervious surfaces. The old sweeper will continue to be in use until the new one can be purchased. With roughly \$50,000 in repairs to this sweeper we could extend the life of the existing sweeper for 5-8 years until proper funding can be found. Keep in mind the price of the new sweeper will increase as well.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 235,000 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 235,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Funding should be split between Streets & Storm Drain.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|--|-------------------|---|--------------------|
| CITY OF POULSBO BUDGET REQUEST | | | |
| NEW PROGRAM REQUEST | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | |
| Title: | | Department: | Fund: |
| Reflectometer | | Streets | 101 - City Streets |
| 2017 Cost: | 2018 Cost: | Priority: | 3 |
| \$ 10,000 | | Department Contact: | Mike Lund |
| Council Goal this request responds to: | | 8 Public Safety | |
| Description of Request: | | | |
| <p>This device will allow the City to test the reflectivity of our street signs to make sure they are in compliance with MUTCD regulations.</p> | | | |
| Advantages of Approval / Implications of Denial: | | | |
| <p>Currently the City has no way to test our signs to stay in compliance with the MUTCD requirements. This will be a step in our sign inventory program that has been missing. The city will have liability issues if an accident occurs and it cannot be proven that we maintain our signs within compliance standards.</p> | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | |
| <p>This is a Public Safety issue. We currently borrow WSDOTs but it is very hard to get and we only get it for a week. We can only get it during winter months and this is a weather dependent operation. To properly test the signs the weather must be dry.</p> | | | |
| | | | |
| 2017 Associated Cost | | 2018 Associated Cost | |
| Wages | | Wages | |
| Benefits | | Benefits | |
| Supplies | | Supplies | |
| Other | | Other | |
| Capital | 10,000 | Capital | |
| Total | \$ 10,000 | Total | \$ - |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | |
| Funding Source Description: | | | |
| | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|-----------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|-------|--------------|-------------|--------------|-----------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Landscape Trailer | | Streets | 301 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | \$ 3,500 | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>New landscape trailer to haul equipment to maintain the shoulders of the roadway. We have a new pickup that will allow 4 crew members to go in one vehicle instead of multiple. This trailer will facilitate the equipment needed for the crew to maintain the vegetation.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Ability to carry all tools needed for 4 crew members to do roadside maintenance in one vehicle . Lowers the amount of vehicles in use, while providing much more efficient use of man hours.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>If the Parks trailer is funded in 2017 the Streets Department can utilize the existing Parks trailer to accommodate this request.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">2017 Associated Cost</th> <th colspan="2">2018 Associated Cost</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td></td> <td>Wages</td> <td></td> </tr> <tr> <td>Benefits</td> <td></td> <td>Benefits</td> <td></td> </tr> <tr> <td>Supplies</td> <td></td> <td>Supplies</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>Capital</td> <td>3,500</td> </tr> <tr> <td>Total</td> <td>\$ -</td> <td>Total</td> <td>\$ 3,500</td> </tr> </tbody> </table> | | 2017 Associated Cost | | 2018 Associated Cost | | Wages | | Wages | | Benefits | | Benefits | | Supplies | | Supplies | | Other | | Other | | Capital | | Capital | 3,500 | Total | \$ - | Total | \$ 3,500 |
| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | 3,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ - | Total | \$ 3,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|-----------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--------|---------|--|--------------|------------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ditch Box | | PW Admin - Various | 401 / 403 / 410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 10,000 | | Department Contact: | Mike Lund | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Underground trench shoring system to protect workers from cave ins while working in the ditch. L&I and OSHA require shoring on all trenches 4' or deeper. Most of our utilities are at this depth or deeper. Any repairs on our utilities puts the workers at risk without the proper equipment.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The city has a very poor shoring system now with parts that don't work. This approval will bring us into compliance with L&I & OSHA standards. If denied we would need to look at renting this apparatus at a much greater cost to the City as they typically rent for over \$2000 every time we need to use it. With having to rent shoring equipment in an emergency situation it adds a lot of extra time as the closest rental place is Tacoma.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This is a safety requirement from L&I, OSHA.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 10,000 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 10,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Funding should be split between Water, Sewer and Storm Drain.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|---|-------------------|---|------------------|
| CITY OF POULSBO BUDGET REQUEST | | | |
| NEW PROGRAM REQUEST | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | |
| Title: | | Department: | Fund: |
| Safe-T-Climb Ladder System | | Water | 401 - Water |
| 2017 Cost: | 2018 Cost: | Priority: | 1 |
| \$ 10,000 | | Department Contact: | Keith Svarthumle |
| Council Goal this request responds to: | | 4 Capital Facilities | |
| Description of Request: | | | |
| <p>This program outfits all of the ladders at our water tanks to a unified climbing system. The current system utilizes a double lanyard and individual harness. This method requires the user to clip one lanyard, climb up the ladder and clip the second lanyard at a higher point on a ladder rung. The user then descends to unclip the first lanyard, then climbs past the other lanyard and repeat the process until reaching the top of the tank. The double lanyard method is less safe than proposed rail system and in the event of a fall may not prevent injury due to the inherent trauma arresting lanyards inflict on the user during a fall. We climb these tanks monthly to inspect for deficiencies and intrusion.</p> | | | |
| Advantages of Approval / Implications of Denial: | | | |
| <p>Our water tanks are up to 140' tall and safety is paramount. This gives us a safer, unified way to climb all of the water tanks that the city operates. This is a required safety item by L&I and OSHA. Denial would leave us open for possible litigation if an accident did occur. *Pugh Road elevated tank is already outfitted to this standard. It greatly improves safety and ease of access to the tank.</p> | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | |
| <p>If absolutely necessary, funding of 50% in 2017 and 50% in 2018 could be an option. With the reminder that we are already out of compliance with L&I and OSHA were they to inspect tank sites.</p> | | | |
| | | | |
| 2017 Associated Cost | | 2018 Associated Cost | |
| Wages | | Wages | |
| Benefits | | Benefits | |
| Supplies | | Supplies | |
| Other | | Other | |
| Capital | 10,000 | Capital | |
| Total | \$ 10,000 | Total | \$ - |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | |
| Funding Source Description: | | | |
| | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|-------|---------|--|--------------|-----------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ridgid See Snake Compact Push Camera | | PW Admin - Various | 403 / 410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 7,000 | | Department Contact: | Keith Svarthumle | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This is a self contained camera system to video inspect smaller lines from 1 1/2" on up to 6". We have many times that we need this equipment for customers side sewers or city building assessments.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>With side sewer issues it always comes down to whose responsibility it is (city/private). We can use this tool to better diagnose issues, or issues within our own buildings. No need for a large vactor truck to be dispatched. All diagnosis can be done on-site with the portable system. It would lower crew response from 5 crew (Camera Truck and Flaggers) to 1 crew person. This can also be used in City buildings to asses sewer and drainage issues. Denial will leave us as status quo and a lot of guesswork has to happen or potential claims against the city for side sewer issues.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This could be funded in 2018 if possible.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | 7,000 | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 7,000 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Funding to be split between Sewer and Storm.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|--|--------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|-----|-------|--|---------|--|---------|--|--------------|---------------|--------------|-------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Travel | | Sewer | 403 - Sewer | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 500 | | Department Contact: | Shannon Wood | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 9 Revenues & Financial Stability | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Correction to budget line to reflect actual costs and fees. Budget had not been adjusted in prior years. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Help to reset budget to actual costs in correct budget line. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 500 | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 500 | Total | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---|------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|--|-------|--|---------|--|---------|--------|--------------|-------------|--------------|------------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Vactor Truck Nozzle Camera | | PW Admin - Various | 403 / 410 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | \$ 17,000 | Department Contact: | Keith Svarthumle | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 4 Capital Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This small camera fits on the end of the Vactor/Jet truck for cleaning sewer and Storm lines. With this camera the crew can determine if the line is cleaned without having to mobilize a separate camera truck.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>This will help improve our maintenance costs as we will know if there is still obstructions with ONLY the vactor crew onsite. Currently the camera crew would need to work with the vactor crew to camera the line.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | 17,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ - | Total | \$ 17,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Funding will be split between Sewer and Storm.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| CITY OF POULSBO BUDGET REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|--|-------------------|----------------------|--|----------------------|--|-------|--|-------|--|----------|--|----------|--|----------|--|----------|--|-------|-------|-------|-------|---------|--|---------|--|--------------|-----------------|--------------|-----------------|
| NEW PROGRAM REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>A New Program Request form should be completed and submitted for any budget requests for New Programs (<i>those other than being provided by current level of service</i>). Any Capital Request costs associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Title: | | Department: | Fund: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GPS Cameras for Solid Waste | | Solid Waste | 404 - Solid Waste | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 Cost: | 2018 Cost: | Priority: | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 6,500 | \$ 2,000 | Department Contact: | Shannon Wood | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Council Goal this request responds to: | | 9 Revenues & Financial Stability | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description of Request: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>GPS Cameras to be added to all 5 Solid Waste trucks. This is the same system that is currently on all Waste Management trucks and has made significant improvements to driver safety and will allow us to track and create better ways for collection as well as create a photo image of overfull dumpsters and residential cans. \$4,500 will be one-time cost for purchase of the equipment, \$2,000 will be on-going yearly cost for data storage.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Advantages of Approval / Implications of Denial: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Help reduce collisions, reduce fraudulent claims, reduce fuel use and offer a way to capture costs associated with overfull containers.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alternatives (Delayed Funding / Partial Funding): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 2017 Associated Cost | | 2018 Associated Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | | Wages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benefits | | Benefits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplies | | Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 6,500 | Other | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital | | Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 6,500 | Total | \$ 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| One Time Expense: <input checked="" type="checkbox"/> | | Continuous Funding Request: <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding Source Description: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |





City of Poulsbo, Washington

2017 – 2022

City Improvement Plan



Photo Credit:
City of Poulsbo Engineering Department





City of Poulsbo, Washington

2017 – 2022

City Improvement Plan

MAYOR

Rebecca Erickson

CITY COUNCIL

**Jim Henry
Connie Lord
Jeff McGinty
David Musgrove
Gary Nystul
Ed Stern
Kenneth Thomas**

Staff

**Finance Director
Parks & Recreation Director
Director of Engineering
Planning Director
Public Works Director**

**Deborah Booher
Mary McCluskey
Andrzej Kasiniak
Karla Boughton
Mike Lund**

CITY OF POULSBO

2017-2022 City Improvement Plan

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INTRODUCTION

The State of Washington Growth Management Act of 1990 (GMA) requires that the City of Poulsbo develop a Comprehensive Plan outlining its strategy with respect to land use, housing, capital facilities, utilities, public facilities and transportation. A key component of this plan is the City's Capital Facilities Plan (CFP). In addition to serving as an important planning tool, the CFP also places certain obligations on the City. First of all, the CFP is required to be a fully funded plan, identifying funding sources for all projects and expenditures included in the plan. Secondly, land use decisions which rely on future infrastructure improvements, impose an obligation on the City to complete the improvements within six years of development, provided the improvement has concurrency requirements.

The key detailed strategies and programs necessary to implement the CFP are outlined in the City Improvement Plan (CIP), which is a long-range study of financial wants, needs, expected revenues and policy intentions. The City Improvement Plan (CIP) communicates the City's six-year plan for capital construction and major acquisitions. The plan is consistent with the City's Mission Statement, Council goals, department priorities and service level standards necessary to maintain the safety and quality of life of our citizens.

The City's Mission Statement:

The City of Poulsbo is committed to managing the public's resources to promote community health, safety and welfare, and plan for the future to accommodate growth without burden while preserving our natural resources and enhancing those qualities that make our community unique and desirable.

Capital construction projects and major acquisitions in the CIP are divided into three categories: General Purpose, Transportation and Enterprise.

- **General Purpose** - Projects and improvements dealing with police, parks and recreation and the City's public buildings;
- **Transportation** - Projects dealing with vehicle and pedestrian transportation and, for the most part, duplicates our Transportation Improvement Plan (TIP); and,
- **Enterprise** - Projects associated with the City's utilities – Water, Sewer, Storm Water and Solid Waste.

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COMPREHENSIVE PLAN

The state's Growth Management Act of 1990 requires all cities within counties planning under the Act adopt a Comprehensive Land Use Plan. Mandatory elements of the Comprehensive Plan are:

- Land use
- Housing
- Utilities
- Transportation
- Capital facilities

CAPITAL FACILITIES PLAN (CFP)

The Capital Facilities Plan (CFP) element of the Comprehensive Plan must include:

- An inventory of existing capital facilities owned by public entities showing the location and capacities of the capital facilities;
- A forecast of the future needs for such facilities;
- The proposed locations and capacities of expanded or new capital facilities;
- At least a six-year plan that will finance such capital facilities within projected funding capacities, which clearly identifies sources of public money for such purposes; and
- A reassessment of the land use element if probable funding falls short of meeting existing needs and to ensure the land use element, capital facilities element, and financing plan in the Capital Facilities Plan element are consistent.

CITY IMPROVEMENT PLAN (CIP)

The City Improvement Plan (CIP) is a long-range study of financial wants, needs, expected revenues and policy intentions. It is not a budget but provides facts, trends and suggestions for decision-makers. Its components are:

- | | |
|---|---|
| • General Purpose Parks and Recreation Municipal buildings Police | • Enterprise Water Sewer Solid Waste Storm Drain |
| • Transportation Roads Paths & Trails | |

The actual appropriation which represents the amount that will be used to implement a part of the City Improvement Plan in the coming years is the:

ANNUAL CAPITAL BUDGET

CITY OF POULSBO

2017-2022 City Improvement Plan

PROJECT PRIORITIZATION CRITERIA

Anticipated growth and development within the City is compared against existing facilities and infrastructure to ensure established level of service standards will continue to be met. If situations are identified where growth or development will degrade service levels, projects are identified to rectify the situation. In addition, the public, Council members or City staff may suggest specific capital facility projects or major purchases. In all cases, the suggestion is forwarded to the appropriate Council committee for review and for cost projections. A complete financial package was provided to City Council during a Council Workshop.

Since service level standards and criteria are different for each category of projects, the prioritization criteria are also different. The only consistent criteria is the furtherance of City Council established goals and objectives and implementation of Comprehensive Plan policies. The specific prioritization criteria for each category are listed below and a detailed description of the prioritization criteria is provided in the appendix. The department or fund, as appropriate, will determine the final project rankings, based on the prioritization criteria.

General Purpose Criteria

| | |
|---------------------------------------|---------------------|
| Legal Mandates | Project Feasibility |
| Health and Safety | GMA Compliance |
| Economic Development | Liability |
| Operation and Maintenance/Reliability | Other Impacts |

Transportation Criteria

| | |
|-----------------------|------------------------------------|
| Safety | Economic Development |
| Mobility | O&M Cost Impact |
| Structural Condition | Legal Mandate |
| Multimodal/Intermodal | Relationship to Plans and Policies |
| Multi-Agency | Environmental Issues |
| Project Cost | Other Impacts |

Enterprise Criteria

| | |
|------------------------------|--------------------------------------|
| Legal or Contractual Mandate | Relationship to Other Project |
| Health and Safety | Relationship to Plans and Policies |
| Reliability and Efficiency | Project Costs |
| Environmental Issues | Number of Customers or Area Affected |
| Economic Development | Other Impacts |

CITY OF POULSBO

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FINANCING THE CIP

State and Federal mandates continue to impose financial burdens on the City. At the same time, recent funding constraints have left us with aging infrastructure (roadways, utility lines and municipal facilities), which require high maintenance and eventual replacement in the not-so-distant future. Looking ahead, the City needs to diversify its revenue base and attract new industry to our area, which requires investment in site development. Where development is allowed to proceed, the infrastructure improvement must occur to avoid a reduction in service level standards. Since development decisions can be predicated on future infrastructure improvements, all sources of project funding must be identified as part of the plan. Most of our current revenue sources are used to either cover operating expenses, provide for current debt payments or to build reserves. Therefore, very few new projects can be considered without looking for new funding sources.

In order to finance the CIP, the City has at its disposal a multitude of possible funding sources including taxes, utility rates, grants, impact fees, reserves and donations. The City also has the ability to raise taxes, existing utility rates or, in a few limited cases, impose new taxes to generate additional revenue. However, new taxes could be unpopular with our citizens so any decision to move in that direction will not be easy.

In addition, the City can issue bonds and use the proceeds to finance capital spending. However, when considering debt financing, the City is obligated to a fixed payment stream to pay off the debt. Therefore, the CIP addresses financing sources from the stand point of annual cash flow requirements and the summary of capital projects and funding sources lists projected annual funding obligations.

Finally, while certain capital facilities could be financed by voted bonds, there are limits to the City's total indebtedness without degrading our ability to receive a favorable bond rating. Page 9-11 contains a list of annual debt payments, bond retirement date and the overall debt limit available to the City. Over the course of the six-year focus period, some debt obligations will be repaid in full, thus freeing up funds to support new obligations.



LONG-TERM DEBT OBLIGATIONS AND DEBT CAPACITY

As the demand for public sector investment and infrastructure continues to grow, the issuance of medium to long term debt has become an increasingly important component of state and local government capital programs. While the issuance of debt is frequently an appropriate method of financing capital projects, it also requires careful monitoring to ensure an erosion of the City's credit quality does not result. A decision to borrow money binds the City to a stream of debt service payments that can last as long as twenty-five years. It is therefore imperative the City consistently follow carefully developed debt management policies to ensure the City's credit quality and access to the tax-exempt and tax credit markets remains strong.

The implementation of the City's formal debt policies is an important component of the City's overall capital program. Formal debt policies send a clear message to credit analysts, underwriters and investors that the City is administering its debt program in a responsible manner and in compliance with its policies relative to debt management. The City of Poulsbo has received an underlying "AA" rating from Standard & Poors for its last General Obligation Bonds issue.

The two basic forms of long-term debt are general obligation issues which are backed by the full faith and credit (i.e. taxes) of the City, and revenue bonds which pledge revenues from a specific utility for repayment. The City of Poulsbo portfolio utilizes both general obligation and revenue debt to fund its operations. Under RCW 39.36.020(2), the public may vote to approve bond issues for general government in an amount not to exceed 2.5% of the City's assessed valuation. Within the 2.5% limit, the City Council may approve bond issues not to exceed 1.5% of the City's assessed valuation. Currently, the City's remaining debt capacity within the 2.5% limit is estimated at \$27,903,883. Under RCW 39.36.030(4), the public may also vote to approve park facilities and utility bond issues, each of which is also limited to 2.5% of the City's assessed valuation. Thus a total of 7.5% of the City's assessed valuation may be issued in bonds. All voted bonds require a 60% majority approval. To validate the election, the total votes cast must equal at least 40% of the total votes cast in the last general election.

CITY OF POULSBO

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| Project | Type | Duration | Interest Rate | Amount Issued | Outstanding |
|---|-----------|---------------|------------------------------|----------------------------------|---------------|
| City Hall 2009 | Non-Voted | 2009-2033 | 1.4%-5.5% | 6,015,000 | 380,000 |
| City Hall 2012 | Non-Voted | 2012-2031 | 2%-3.5% | 1,795,000 | 1,625,000 |
| City Hall 2015 | Non-Voted | 2009-2033 | 2%-4% | 7,320,000 | 6,950,000 |
| Park & Rec | Non-Voted | 2010-2030 | 3.78% | 310,000 | 240,000 |
| 2003 LTGO Bond (refunding City Hall 2012) | Non-Voted | 2012-2017 | .4%-2% | 660,000 | 100,000 |
| | | | | \$ 16,100,000 | \$ 9,295,000 |
| This Debt is controlled by assessed Valuation Debt Limits | | | | | |
| 2017 Assessed Valuation \$ 1,487,955,331 | | | | | |
| X 0.025 | = | \$ 37,198,883 | = Limited for Combined Debt | Balance Available | \$ 27,903,883 |
| X 0.015 | = | \$ 22,319,330 | = Limited for Non-Voted Debt | Balance Available | \$ 13,024,330 |
| | | | | Balance Available for Voted Debt | \$ 14,879,553 |

| BOND DEBT TO MATURITY | | | | | | |
|-------------------------|-----------|-----------|------------|---------------|----------|---------|
| General Obligation (GO) | | | | Revenue Bonds | | |
| Year | Principal | Interest | Total | Principal | Interest | Total |
| 2017 | 655,000 | 343,020 | 998,020 | 475,000 | 16,388 | 491,388 |
| 2018 | 575,000 | 324,430 | 899,430 | - | - | - |
| 2019 | 595,000 | 306,141 | 901,141 | - | - | - |
| 2020 | 610,000 | 288,710 | 898,710 | - | - | - |
| 2021 | 630,000 | 265,810 | 895,810 | - | - | - |
| 2022 | 650,000 | 241,616 | 891,616 | - | - | - |
| 2023 | 680,000 | 216,635 | 896,635 | - | - | - |
| 2024 | 700,000 | 190,485 | 890,485 | - | - | - |
| 2025 | 740,000 | 163,163 | 903,163 | - | - | - |
| 2026 | 420,000 | 134,358 | 554,358 | - | - | - |
| 2027 | 430,000 | 118,375 | 548,375 | - | - | - |
| 2028 | 445,000 | 101,688 | 546,688 | - | - | - |
| 2029 | 465,000 | 84,400 | 549,400 | - | - | - |
| 2030 | 485,000 | 66,325 | 551,325 | - | - | - |
| 2031 | 485,000 | 47,925 | 532,925 | - | - | - |
| 2032 | 355,000 | 29,200 | 384,200 | - | - | - |
| 2033 | 375,000 | 15,000 | 390,000 | - | - | - |
| TOTAL | 9,295,000 | 2,937,280 | 12,232,280 | 475,000 | 16,388 | 491,388 |

CITY OF POULSBO

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SOURCES OF FUNDING

RESERVES

Historically, whenever possible, the City of Poulsbo has utilized a “pay-as-you-go” approach to funding capital projects. To that end, several reserve accounts have been established.

Utility Reserves: The City transfers into the utility reserves an amount equal to 100% of the depreciation expense which allows the City to prolong the need to go out for debt on smaller projects, and be able to fund the entire project.

Police Reserves: These reserves are in place to purchase, or at least partially fund, large equipment purchases.

Street, Street Reserve and Park Reserve Funds: Of the City’s property taxes collected in the General Fund, the City will transfer approximately 26% into the Street Fund to fund maintenance and operations along with small street projects, approximately 4% into the Park Reserve Fund and approximately 8.5% into the Street Reserve Fund for capital projects and neighborhood street maintenance for 2017 and 2018. Park Impact Fees will transfer \$80,000 in 2017 and \$166,184 in 2018 to support specific park projects. Traffic Impact Fees will transfer \$1,220,000 in 2017 and \$550,000 in 2018 to support specific street projects. The City also uses the second one-quarter percent (1/4%) of the Real Estate Excise Tax (REET) for City streets and Debt Payments. The City will transfer the first one-quarter percent (1/4%) of REET plus an amount from reserves to the Debt Service Fund (204) to help fund the City Hall Debt Service.

BOND FINANCING

In 2003, the City went out for debt to fund the refinancing of the City Hall Morris property and three city transportation projects; Finn Hill Road, 10th Avenue and Caldart Avenue. In 2010, the City secured a \$2.0M Line of Credit Bond Anticipation Note intended to bridge the receipt of proceeds from the sale of property and/or issuance of bonds. These bonds were refunded with a bond issue in 2012. The debt payments for the combined 2012 City Hall debt are projected to be paid from General Fund dollars and REET revenue.

At the end of 2005, the City issued bonds for the purchase of a large parcel of land, civil site work and an architectural design contract for a new City Hall. In 2009, the City issued an additional \$6 million to fund the construction of the new City Hall. These bonds were refunded in 2015, thereby lowering the amount of interest paid. The debt payments for the 2015 LTGO debt are projected to be paid from General Fund dollars and REET.

CITY OF POULSBO

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In 2010, the City financed the \$310,000 purchase of the Park and Recreation building with a LOCAL certificate of participation with the State of Washington. These debt payments are projected to be paid from the General Fund but funded by rental revenue from the building.

IMPACT FEES

As authorized by RCW 82.02.050, the City has enacted the collection of impact fees on new development activity. Consistent with the level of service standards and capital facilities needs identified in the City's Capital Facilities Plan, impact fees collected will provide a funding source, in conjunction with public and other funding sources, for capital improvement projects to the City's transportation and park system.

POTENTIAL NEW FUNDING

It is particularly important to consider new sources of funding that could support projects that would otherwise be funded through the City's General Fund including:

Hotel/Motel Tax: The City could use the additional amount remaining of the second 2% to fund projects that would qualify for this tax use (i.e. Bathrooms, cultural arts, etc.)

B & O Tax: The City is currently part of the minority of cities in the State of Washington that do not impose a business and occupation (B & O) tax. All cities are authorized to establish such a tax and doing so could generate additional dollars annually for capital projects.

Parking Fees: At this time, public parking in the City is provided at no cost. In the future, the City could establish parking fees to fund future parking improvements.

Transportation Benefit District (TBD): The City could form a Transportation Benefit District which raises revenue usually through vehicle license fees or sales taxes. This revenue may be used to support transportation projects such as improvements to roads, sidewalks and transportation demand management.



SUMMARY OF CAPITAL PROJECTS and FUNDING SOURCES

2017 - 2022 CIP BUDGET

| General Purpose Projects | | | | | | | | |
|------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------|-------------|----------------------|
| <i>Projects</i> | <i>Prior Years</i> | <i>2017</i> | <i>2018</i> | <i>2019</i> | <i>2020</i> | <i>2021</i> | <i>2022</i> | <i>Total</i> |
| General/Municipal Facilities | \$ 2,456,955 | \$ 645,000 | \$ 3,500,000 | \$ 4,000,000 | \$ - | \$ - | \$ - | \$ 10,601,955 |
| Park Projects | 4,535,630 | 585,000 | 901,184 | 860,000 | 171,500 | - | - | 7,053,314 |
| Total General Purpose | \$ 6,992,585 | \$ 1,230,000 | \$ 4,401,184 | \$ 4,860,000 | \$ 171,500 | \$ - | \$ - | \$ 17,655,269 |
| <i>Funding</i> | <i>Prior Years</i> | <i>2017</i> | <i>2018</i> | <i>2019</i> | <i>2020</i> | <i>2021</i> | <i>2022</i> | <i>Total</i> |
| Grants | \$ 2,971,159 | \$ 105,000 | \$ 475,000 | \$ 437,500 | \$ 75,000 | \$ - | \$ - | \$ 4,063,659 |
| City Revenues | 3,165,799 | 927,500 | 201,184 | 160,000 | 71,500 | - | - | \$ 4,525,983 |
| Non-Voted Debt | - | - | 3,500,000 | 3,500,000 | - | - | - | \$ 7,000,000 |
| Lease/Sale | - | - | - | 500,000 | - | - | - | \$ 500,000 |
| Donation/In-Kind | 855,627 | 197,500 | 225,000 | 262,500 | 25,000 | - | - | \$ 1,565,627 |
| Total General Purpose | \$ 6,992,585 | \$ 1,230,000 | \$ 4,401,184 | \$ 4,860,000 | \$ 171,500 | \$ - | \$ - | \$ 17,655,269 |

| Transportation Projects | | | | | | | | |
|------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|-------------------|----------------------|
| <i>Projects</i> | <i>Prior Years</i> | <i>2017</i> | <i>2018</i> | <i>2019</i> | <i>2020</i> | <i>2021</i> | <i>2022</i> | <i>Total</i> |
| Streets Projects | \$ 2,944,392 | \$ 1,970,000 | \$ 6,461,000 | \$ 4,660,000 | \$ 522,000 | \$ 2,595,000 | \$ 360,000 | \$ 19,512,392 |
| Total Trans. Projects | \$ 2,944,392 | \$ 1,970,000 | \$ 6,461,000 | \$ 4,660,000 | \$ 522,000 | \$ 2,595,000 | \$ 360,000 | \$ 19,512,392 |
| | | | | | | | | \$ - |
| <i>Funding</i> | <i>Prior Years</i> | <i>2017</i> | <i>2018</i> | <i>2019</i> | <i>2020</i> | <i>2021</i> | <i>2022</i> | <i>Total</i> |
| Grants | \$ 2,021,105 | \$ 600,000 | \$ 5,380,000 | \$ 200,000 | \$ 172,000 | \$ 2,245,000 | \$ 60,000 | \$ 10,678,105 |
| City Revenues | 923,287 | 1,370,000 | 741,000 | 700,000 | 350,000 | 350,000 | 300,000 | \$ 4,734,287 |
| Non-Voted Debt | - | - | 340,000 | 3,760,000 | - | - | - | \$ 4,100,000 |
| Total Trans. Projects | \$ 2,944,392 | \$ 1,970,000 | \$ 6,461,000 | \$ 4,660,000 | \$ 522,000 | \$ 2,595,000 | \$ 360,000 | \$ 19,512,392 |

| Enterprise Projects | | | | | | | | |
|----------------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|-------------------|----------------------|
| <i>Projects</i> | <i>Prior Years</i> | <i>2017</i> | <i>2018</i> | <i>2019</i> | <i>2020</i> | <i>2021</i> | <i>2022</i> | <i>Total</i> |
| Sewer Projects | \$ 6,161,859 | \$ 13,021,671 | \$ 942,270 | \$ 836,068 | \$ 1,390,000 | \$ 6,360,000 | \$ 150,000 | \$ 28,861,868 |
| Water Projects | 275,000 | 1,575,000 | 970,000 | 500,000 | 800,000 | 800,000 | 400,000 | \$ 5,320,000 |
| Storm Drain | 611,242 | 1,382,000 | 1,507,300 | 1,910,000 | 1,284,000 | 2,514,000 | 210,000 | \$ 9,418,542 |
| Total Enterprise Projects | \$ 7,048,101 | \$ 15,978,671 | \$ 3,419,570 | \$ 3,246,068 | \$ 3,474,000 | \$ 9,674,000 | \$ 760,000 | \$ 43,600,410 |
| | | | | | | | | - |
| <i>Funding</i> | <i>Prior Years</i> | <i>2017</i> | <i>2018</i> | <i>2019</i> | <i>2020</i> | <i>2021</i> | <i>2022</i> | <i>Total</i> |
| Grants | \$ 493,505 | \$ 726,000 | \$ 1,187,500 | \$ 1,287,500 | \$ 958,000 | \$ 1,905,000 | \$ 90,000 | \$ 6,647,505 |
| City Revenues | 1,972,066 | 10,252,671 | 2,232,070 | 1,958,568 | 1,051,000 | 1,434,000 | 670,000 | \$ 19,570,375 |
| County | - | - | - | - | 125,000 | 125,000 | - | \$ 250,000 |
| Non-Voted Debt | 4,582,530 | 5,000,000 | - | - | 1,340,000 | 6,210,000 | - | \$ 17,132,530 |
| Total Enterprise Projects | \$ 7,048,101 | \$ 15,978,671 | \$ 3,419,570 | \$ 3,246,068 | \$ 3,474,000 | \$ 9,674,000 | \$ 760,000 | \$ 43,600,410 |

| | | | | | | | | |
|----------------|------------|------------|------------|------------|-----------|------------|-----------|---------------|
| Total Projects | 16,985,078 | 19,178,671 | 14,281,754 | 12,766,068 | 4,167,500 | 12,269,000 | 1,120,000 | \$ 80,768,071 |
| Total Funding | 16,985,078 | 19,178,671 | 14,281,754 | 12,766,068 | 4,167,500 | 12,269,000 | 1,120,000 | \$ 80,768,071 |

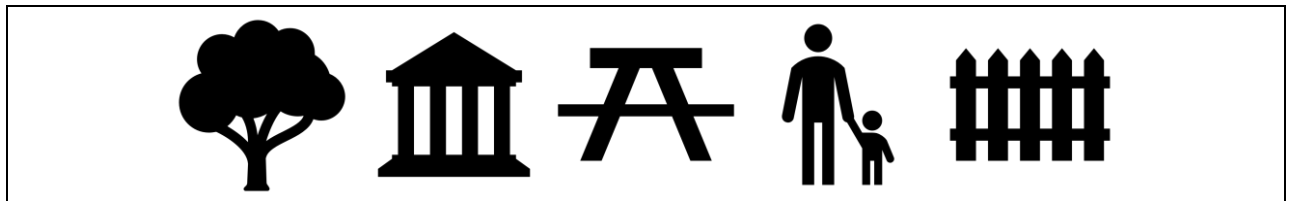


CITY OF POULSBO

2017 - 2022 CITY IMPROVEMENT PLAN

GENERAL PURPOSE PROGRAM





CITY OF POULSBO

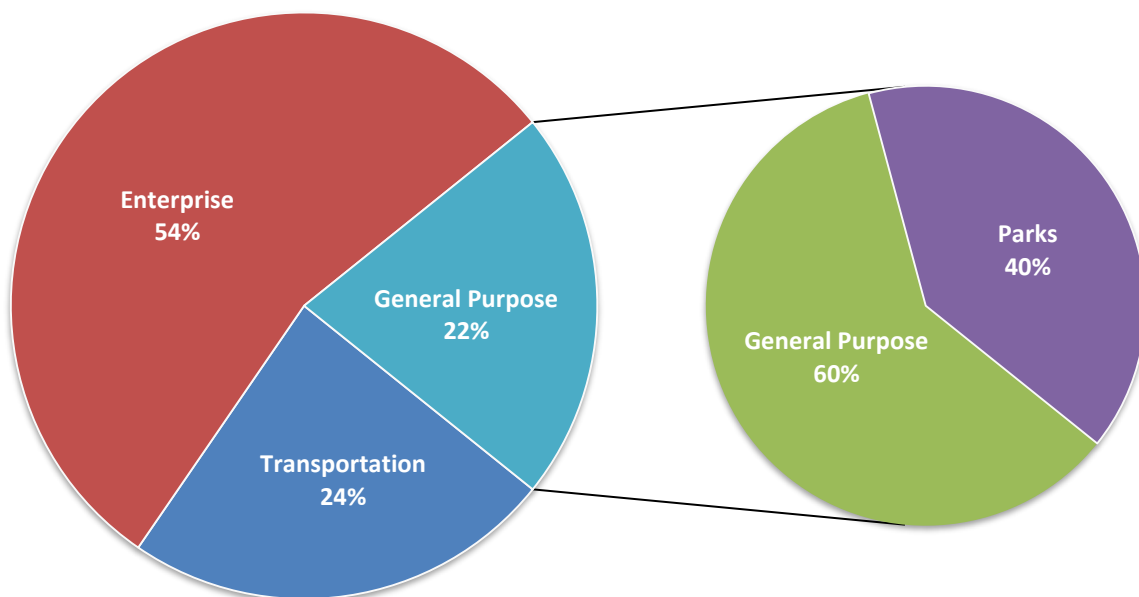
2017-2022 City Improvement Plan

GENERAL PURPOSE PROGRAM

The General Purpose Program element of the City Improvement Plan comprises Parks & Recreation and General Government projects. Combined, they represent \$17,655,269 or approximately 22% of the \$80,768,071 City Improvement Plan.

Of this 22%, many are Parks & Recreation projects that rely heavily on grant funding and will be phased out over the next several years. The largest General Government project is a new Public Works Complex, with design beginning in 2016 and construction slated to start in 2018. The new facility is expected to be fully operational in the fall of 2019.

General Purpose Expenditures



| CITY IMPROVEMENT PLAN PROGRAM | AMOUNT |
|-------------------------------|----------------------|
| General Purpose | \$ 17,655,269 |
| Transportation | \$ 19,512,392 |
| Enterprise | \$ 43,600,410 |
| TOTAL CAPITAL PROGRAM | \$ 80,768,071 |

2017 - 2022 GENERAL PURPOSE CAPITAL IMPROVEMENTS

| Page # | Project Name | Prior Years Costs | 2017 Project Cost | 2018 Project Cost | 2019 Project Cost | 2020 Project Cost | 2021 Project Cost | 2022 Project Cost | Total Project Cost |
|--------|---|---------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|----------------------|
| | GENERAL PROJECTS / MUNICIPAL FACILITIES | | | | | | | | |
| 9-22 | Library Roof Replacement | | 45,000 | | | | | | 45,000 |
| | 7-City/Utility Reserves | | 22,500 | | | | | | 22,500 |
| | 13-Donation/In-Kind | | 22,500 | | | | | | 22,500 |
| 9-23 | PW Complex Relocation | 2,456,955 | 600,000 | 3,500,000 | 4,000,000 | | | | 10,556,955 |
| | 2-State Grants | 441,015 | | | | | | | 441,015 |
| | 6-Non-Voted Bonds | | | 3,500,000 | 3,500,000 | | | | 7,000,000 |
| | 7-City/Utility Reserves | 2,015,940 | 600,000 | | | | | | 2,615,940 |
| | 11-Sale of City Property | | | | 500,000 | | | | 500,000 |
| | Total Municipal Facility Capital Projects | \$ 2,456,955 | \$ 645,000 | \$ 3,500,000 | \$ 4,000,000 | \$ - | \$ - | \$ - | \$ 10,601,955 |
| | Total Municipal Facility Capital Funding Sources | \$ 2,456,955 | \$ 645,000 | \$ 3,500,000 | \$ 4,000,000 | \$ - | \$ - | \$ - | \$ 10,601,955 |
| | 2-State Grants | 441,015 | | | | | | | 441,015 |
| | 6- Non-Voted Bonds | | | 3,500,000 | 3,500,000 | | | | 7,000,000 |
| | 7 - City/Utility Reserves | 2,015,940 | 622,500 | | | | | | 2,638,440 |
| | 11 - Sale of City Property | | | | 500,000 | | | | 500,000 |
| | 13 - Donation/In-Kind | | 22,500 | | | | | | 22,500 |

2017 - 2022 GENERAL PURPOSE CAPITAL IMPROVEMENTS (continued)

| Page # | Project Name | Prior Years Costs | 2017 Project Cost | 2018 Project Cost | 2019 Project Cost | 2020 Project Cost | 2021 Project Cost | 2022 Project Cost | Total Project Cost |
|--|-------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|----------------------|
| PARK PROJECTS | | | | | | | | | |
| 9-24 | Centennial Park | 885,308 | | | 250,000 | 111,500 | | | 1,246,808 |
| | 2-State Grants | | | | | 50,000 | | | 200,000 |
| | 7-City/Utility Reserves | 239,308 | | | | 25,000 | | | 289,308 |
| | 8 - City Impact Fees | 46,000 | | | | 36,500 | | | 157,500 |
| | 10-Real Estate Excise Tax | 600,000 | | | | | | | 600,000 |
| 9-25 | MIW Waterfront Park Benches | | 45,000 | | | | | | 45,000 |
| | 8 - City Impact Fees | | 45,000 | | | | | | 45,000 |
| 9-26 | MIW Waterfront Park Restrooms | 100,000 | 200,000 | | | | | | 300,000 |
| | 7-City/Utility Reserves | 50,000 | 200,000 | | | | | | 250,000 |
| | 8 - City Impact Fees | 50,000 | | | | | | | 50,000 |
| 9-27 | Morrow Manor Park | 115,000 | 135,000 | 416,184 | | | | | 666,184 |
| | 2-State Grants | | 25,000 | 250,000 | | | | | 275,000 |
| | 7-City/Utility Reserves | 65,000 | | | | | | | 65,000 |
| | 8 - City Impact Fees | 50,000 | 10,000 | 166,184 | | | | | 226,184 |
| | 13-Donation/In-Kind | | 100,000 | | | | | | 100,000 |
| 9-28 | Nelson Park Playground | | 25,000 | | | | | | 25,000 |
| | 8 - City Impact Fees | | 25,000 | | | | | | 25,000 |
| 9-29 | Poulsbo Fish Park Restoration | 3,535,322 | 180,000 | 460,000 | 285,000 | 60,000 | | | 4,520,322 |
| | 1-Federal Grants | 150,000 | | | | | | | 150,000 |
| | 2-State Grants | 2,380,144 | 80,000 | 225,000 | 137,500 | 25,000 | | | 2,847,644 |
| | 7-City/Utility Reserves | 149,551 | 25,000 | 10,000 | 10,000 | 10,000 | | | 204,551 |
| | 13-Donation/In-Kind | 855,627 | 75,000 | 225,000 | 137,500 | 25,000 | | | 1,318,127 |
| 9-30 | Poulsbo Skate Park | | | 25,000 | 325,000 | | | | 350,000 |
| | 2-State Grants | | | | 150,000 | | | | 150,000 |
| | 7-City/Utility Reserves | | | 25,000 | 50,000 | | | | 75,000 |
| | 13-Donation/In-Kind | | | | 125,000 | | | | 125,000 |
| Total Park and Recreation Projects | | \$ 4,535,630 | \$ 585,000 | \$ 901,184 | \$ 860,000 | \$ 171,500 | \$ - | \$ - | \$ 7,053,314 |
| Total Park and Recreation Capital Funding Sources | | \$ 4,535,630 | \$ 585,000 | \$ 901,184 | \$ 860,000 | \$ 171,500 | \$ - | \$ - | \$ 7,053,314 |
| | 1 - Federal Grants | 150,000 | | | | | | | 150,000 |
| | 2 - State Grants | 2,380,144 | 105,000 | 475,000 | 437,500 | 75,000 | | | 3,472,644 |
| | 7 - City/Utility Reserves | 453,859 | 225,000 | 35,000 | 85,000 | 35,000 | | | 833,859 |
| | 8 - City Impact Fees | 96,000 | 80,000 | 166,184 | 75,000 | 36,500 | | | 453,684 |
| | 10 - Real Estate Excise Tax | 600,000 | | | | | | | 600,000 |
| | 13 - Donation/In-Kind | 855,627 | 175,000 | 225,000 | 262,500 | 25,000 | | | 1,543,127 |
| Total General Purpose Capital Projects | | \$ 6,992,585 | \$ 1,230,000 | \$ 4,401,184 | \$ 4,860,000 | \$ 171,500 | \$ - | \$ - | \$ 17,655,269 |
| Total General Purpose Capital Funding Sources | | \$ 6,992,585 | \$ 1,230,000 | \$ 4,401,184 | \$ 4,860,000 | \$ 171,500 | \$ - | \$ - | \$ 17,655,269 |

Project Name: Library Roof Replacement

Project Description

Budget: \$45,000 **Purpose:** General Purpose
Location: Library Lincoln Rd **Project Manager:** Mike Lund
Description: The Library's roof is older and in need of replacement.
Justification: The existing roof at the Library is at the end of its useful life and needs to be replaced

Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|--------------|---------------|------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 22,500 | | | | | | 22,500 |
| 8 | City Impact Fees | | | | | | | | | |
| 13 | Donation/In-Kind | | | 22,500 | | | | | | 22,500 |
| | Total | | | 45,000 | | | | | | 45,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 40,000 | | | | | | 40,000 |
| | Management | | | 5,000 | | | | | | 5,000 |
| | Total | | | 45,000 | | | | | | 45,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2016 | 2017 | 2018 | 2019 | 2020 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Public Works Facility Relocation**Project Description**

Budget: \$10,556,955 **Purpose:** General Purpose

Location: N. Viking Road **Project Manager:** Andrzej Kasiniak, P.E.

Description: Relocation of the Public Works complex.

Justification: Upgrade the PW facilities (poor condition, drainage problems) and relocate to area where there is less conflict with nearby public uses. The first Phase of the project began in 2012 with the site work for the Solid Waste Transfer Station. This Phase continued through 2014/2015 with construction of a Decant Facility. In 2015 the City initiated the design phase. The design phase included: site plan, conceptual design of new administration building, shops and vehicle storage. In 2016 the City decided to implement the project in three phases: Phase I in 2018 - Buildings and Civil Work. Phase II in Spring/Summer 2019 - Plumbing, HVAC, Electrical inside Buildings, Phase III in Fall 2019 - Furniture and Equipment. (\$600,000 additional land, Civil Work \$2,000,000, Metal Buildings \$1,500,000, Tenant Improvements \$3,000,000, Furniture, Tools & Equipment \$500,000, Design, Permitting, Contract Administration \$500,000).

Start Date: 2010 **Completion Date:** 2019

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|------------------|----------------|----------------|------------------|------------------|------|------|------|-------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | 3,500,000 | 3,500,000 | | | | 7,000,000 |
| 7 | City/Utility Reserves | 1,748,344 | 267,596 | 600,000 | | | | | | 2,615,940 |
| 8 | DOE Grant | 441,015 | | | | | | | | 441,015 |
| 11 | Sale of City Property | | | | | 500,000 | | | | 500,000 |
| | Total | 2,189,359 | 267,596 | 600,000 | 3,500,000 | 4,000,000 | | | | 10,556,955 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|------------------|----------------|----------------|------------------|------------------|------|------|------|-------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 296,652 | 100,000 | | | | | | | 396,652 |
| | Land/ Right of Way | 1,100,000 | | 600,000 | | | | | | 1,700,000 |
| | Construction | 772,707 | 167,596 | | 3,350,000 | 3,850,000 | | | | 8,140,303 |
| | Management | 20,000 | | | 150,000 | 150,000 | | | | 320,000 |
| | Total | 2,189,359 | 267,596 | 600,000 | 3,500,000 | 4,000,000 | | | | 10,556,955 |

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|-------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | 205,000 | 500,000 | 500,000 | 500,000 | 500,000 | 2,205,000 |
| | Total | | | | 205,000 | 500,000 | 500,000 | 500,000 | 502,022 | 2,205,000 |

Project Name: Centennial Park

Project Description

Budget: \$1,246,808 **Purpose:** Parks

Location: Corner of 7th and Iverson **Project Manager:** Mary McCluskey

Description: The 2.5 acre parcel, located at the corner of 7th Avenue and Iverson Street, was purchased in 2000 by the City for future offices. Because Dogfish Creek runs through the property and subsequent Critical Areas Ordinance guidelines, building new structures on this site may not be feasible. It was retained as an urban park because of its proximity to shopping, medical offices, the library, and public transportation. A master plan was completed in 2007 and development began in 2008 with clearing and the installation of the Centennial sculpture. Phase 2 included more development including picnic tables, landscaping and a bridge over the creek. Additional master planning to include the former Public Works property will help determine its highest and best use. A joint venture in tandem with the Engineering Department and the Dogfish Creek Restoration Project may enhance stormwater possibilities near the creek. The City will apply for an RCO (Recreation and Conservation Office) grant in 2018, with funding available in 2019. The grant will be WWRP/Local Parks or Habitat Restoration category, which requires a 50% match. The RCO grants are available every two years, and remain the best State source for public park projects. Centennial Park improvements will be a good project for these funds.

Justification: In the center of the city; connectivity to other public services; a nice, urban setting.

Start Date: 2000 **Completion Date:** 2020

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|------------------------|----------------|---------------|---------------|------|----------------|----------------|------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | 150,000 | 50,000 | | | 200,000 |
| 7 | City/Utility Reserves | 214,308 | 25,000 | | | 25,000 | 25,000 | | | 289,308 |
| 8 | City Impact Fees | 46,000 | | | | 75,000 | 36,500 | | | 157,500 |
| 10 | Real Estate Excise Tax | 600,000 | | | | | | | | 600,000 |
| | Total | 860,308 | 25,000 | | | 250,000 | 111,500 | | | 1,246,808 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|----------------|---------------|---------------|------|----------------|----------------|------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 53,930 | 25,000 | | | | | | | 78,930 |
| | Land/ Right of Way | 600,000 | | | | 100,000 | | | | 700,000 |
| | Construction | 201,378 | | | | 140,000 | 106,500 | | | 447,878 |
| | Management | 5,000 | | | | 10,000 | 5,000 | | | 20,000 |
| | Total | 860,308 | 25,000 | | | 250,000 | 111,500 | | | 1,246,808 |

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|--------------|--------------|---------------|------------|------------|------------|------------|------------|--------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | 4,000 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 7,500 |
| | Debt | | | | | | | | | |
| | Total | 4,000 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 7,500 |

Project Name: Muriel Iverson Williams Waterfront Park Benches

Project Description

Budget: \$45,000 **Purpose:** Parks
Location: MIW Waterfront Park **Project Manager:** Mary McCluskey
Description: The City installed 10 benches in front of the Austin - Kvelstad Pavilion in 2015, and these have been well received. Additional benches are needed to support events and performances at the pavilion.
Justification: The current concrete posts in front of the Austin-Kvelstad Pavilion are outdated and uncomfortable. If these concrete posts are removed, there will be room to add 14-15 benches in front of the pavilion.
Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|--------------|---------------|------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | | |
| 8 | City Impact Fees | | | 45,000 | | | | | | 45,000 |
| 13 | Donation | | | | | | | | | |
| | Total | | | 45,000 | | | | | | 45,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 42,000 | | | | | | 42,000 |
| | Management | | | 3,000 | | | | | | 3,000 |
| | Total | | | 45,000 | | | | | | 45,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Muriel Iverson Williams Waterfront Park Restrooms

Project Description

Budget: \$300,000 **Purpose:** Parks

Location: MIW Waterfront Park **Project Manager:** Mary McCluskey

Description: The restrooms at the Waterfront Park are aging and are in disrepair. Many complaints have been made about the look of these restrooms. The building is sound but needs paint; the inside will need to be gutted. Design is scheduled to begin in 2016 with Construction expected in 2017 utilizing proceeds from sale of Old City Hall.

Justification: This park is the focal point for the city, serving residents and tourists throughout the year. There are no other public restrooms in downtown Poulsbo.

Start Date: 2016 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|-----------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 7 | City/Utility Reserves | | 50,000 | 200,000 | | | | | | 250,000 |
| 11 | Sale of City Property | | | | | | | | | |
| 13 | City Impact Fees | | 50,000 | | | | | | | 50,000 |
| | Total | | 100,000 | 200,000 | | | | | | 300,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | 20,000 | | | | | | | 20,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | 80,000 | 200,000 | | | | | | 280,000 |
| | Management | | | | | | | | | |
| | Total | | 100,000 | 200,000 | | | | | | 300,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Morrow Manor Park

Project Description

Budget: \$666,184 **Purpose:** Parks

Location: Corner of Noll and Mesford Sts. **Project Manager:** Mary McCluskey

Description: This 1.2 acre passive park will be built around the natural landscape using existing trees and fauna. Plans call for benches, playground equipment, games tables, trails, and a shared use path. The City applied for an RCO (Recreation and Conservation Office) grant in 2016, with funding available in 2017-2020. The grant is under WWRP/Local Parks category, which requires a 50% match. This is the largest funding source under WWRP, and this project is highly qualified to fit into this category. The RCO grants are available every two years, and remain the best State source for public park projects.

Justification: Residential building permits along the Noll Road corridor are increasing over the next five years, and parks will be needed for these residents. The park land has been donated by the Poulsbo-NK Rotary Club Foundation to be used as a public park in perpetuity. They will be building four "supportive" housing units on the adjacent parcel.

Start Date: 2014 **Completion Date:** 2018

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|---------------|----------------|----------------|----------------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | 25,000 | 250,000 | | | | | 275,000 |
| 3 | County | | | | | | | | | |
| 7 | City/Utility Reserves | 11,852 | 53,148 | | | | | | | 65,000 |
| 8 | City Impact Fees | | 50,000 | 10,000 | 166,184 | | | | | 226,184 |
| 13 | Donation/In-Kind | | | 100,000 | | | | | | 100,000 |
| | Total | 11,852 | 103,148 | 135,000 | 416,184 | | | | | 666,184 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|---------------|----------------|----------------|----------------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 11,852 | 103,148 | 25,000 | 5,000 | | | | | 145,000 |
| | Land/ Right of Way | | | 100,000 | | | | | | 100,000 |
| | Construction | | | | 403,684 | | | | | 403,684 |
| | Management | | | 10,000 | 7,500 | | | | | 17,500 |
| | Total | 11,852 | 103,148 | 135,000 | 416,184 | | | | | 666,184 |

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|-------------|--------------|---------------|------------|--------------|--------------|--------------|--------------|--------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | 500 | 500 | 1,000 | 1,000 | 1,000 | 1,000 | 5,000 |
| | Debt | | | | | | | | | |
| | Total | | | 500 | 500 | 1,000 | 1,000 | 1,000 | 1,000 | 5,000 |

Project Name: Nelson Park Playground Improvements

Project Description

Budget: \$25,000 **Purpose:** Parks
Location: Nelson Park **Project Manager:** Mary McCluskey
Description: The City recently removed a dilapidated storage building at Nelson Park.
Justification: There is now a large space that could be used for additional playground activities and amenities. More park amenities were requested in the 2015 Park Recreation and Open Space citizen survey.
Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|-----------------|---------------|------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | | |
| 8 | City Impact Fees | | | 25,000 | | | | | | 25,000 |
| 13 | Donation | | | | | | | | | |
| | Total | | | 25,000 | | | | | | 25,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 25,000 | | | | | | 25,000 |
| | Management | | | | | | | | | |
| | Total | | | 25,000 | | | | | | 25,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Poulsbo's Fish Park

Project Description

Budget: \$4,520,322 **Purpose:** Parks
Location: 288 NW Lindvig Way **Project Manager:** Mary McCluskey
Description: Poulsbo's Fish Park is a nature park in the middle of a growing, urban city. This project began in 2002 with the purchase of the original 13.36 acres using mostly grant funding. The development has been done using city dollars, grant money, and a plethora of community and volunteer support. A citizen's steering committee plans and fundraises for the project. Community support has seen the original purchase turn into 40.07 acres; a wonderful place to enjoy the wildlife, walk the gravel trails, view on-site artwork and interpretive signage, listen to educational programs at the amphitheater, and experience nature. The City applied for an RCO (Recreation and Conservation Office) grant in 2016, with funding available in 2017-2020. The grant is under the Aquatics Lands Enhancement Account (ALEA), which requires a 50% match. Since 2002, the City has received three prior RCO grants for Fish Park. All RCO grants are available every two years, and remain the best State source for public park projects. This phase of Poulsbo's Fish Park will include restoration, park development, trails, and a pedestrian link to the isolated "Lord" property along the shoreline.
Justification: This park provides planned public access and environmental stewardship of a nature area in the city. Much of the work on-site has been completed because of generous donations, community support and city funds.

Start Date: 2002 **Completion Date:** 2020

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|------------------|---------------|----------------|----------------|----------------|---------------|------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | 150,000 | | | | | | | | 150,000 |
| 2 | State Grants | 2,364,144 | 16,000 | 80,000 | 225,000 | 137,500 | 25,000 | | | 2,847,644 |
| 3 | County | | | | | | | | | |
| 7 | City/Utility Reserves | 139,551 | 10,000 | 25,000 | 10,000 | 10,000 | 10,000 | | | 204,551 |
| 8 | City Impact Fees | | | | | | | | | |
| 13 | Donation/InKind | 855,627 | | 75,000 | 225,000 | 137,500 | 25,000 | | | 1,318,127 |
| | Total | 3,509,322 | 26,000 | 180,000 | 460,000 | 285,000 | 60,000 | | | 4,520,322 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|------------------|---------------|----------------|----------------|----------------|---------------|------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 107,000 | | 35,000 | 25,000 | 20,000 | 10,000 | | | 197,000 |
| | Land/ Right of Way | 1,339,709 | | | | | | | | 1,339,709 |
| | Construction | 1,971,113 | 23,000 | 140,000 | 415,000 | 257,500 | 45,000 | | | 2,851,613 |
| | Management | 91,500 | 3,000 | 5,000 | 20,000 | 7,500 | 5,000 | | | 132,000 |
| | Total | 3,509,322 | 26,000 | 180,000 | 460,000 | 285,000 | 60,000 | | | 4,520,322 |

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|---------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | 14,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 21,000 |
| | Debt | | | | | | | | | |
| | Total | 14,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 21,000 |

Project Name: Poulsbo Skate Park

Project Description

Budget: \$350,000 **Purpose:** Parks

Location: Unknown **Project Manager:** Mary McCluskey

Description: A new Skate Park in Poulsbo would be used by residents and visitors alike. The park would be 6,000-10,000 sq feet in size, and should be located in an open area of the city that is easy to access. A local non profit organization would be involved in fundraising and design work would involve the community. The City will apply for an RCO (Recreation and Conservation Office) grant in 2018, with funding available in 2019. The grant will be under the WWRP/Local Parks category, which requires a 50% match. The RCO grants are available every two years, and remain the best State source for public park projects. The City has received 12 RCO grants in the past 30 years.

Justification: The wood-ramp Skate Park feature at Raab Park needs to be renovated and/or replaced due to age and condition. Comments in the 2015 Park Recreation and Open Space community survey showed that people want a skate park and more park amenities.

Start Date: 2018 **Completion Date:** 2019

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|-----------------|---------------|--------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | 150,000 | | | | 150,000 |
| 3 | County | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 25,000 | 50,000 | | | | 75,000 |
| 8 | City Impact Fees | | | | | | | | | |
| 13 | Donation | | | | | 125,000 | | | | 125,000 |
| | Total | | | | 25,000 | 325,000 | | | | 350,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|--------|---------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 25,000 | | | | | 25,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | 300,000 | | | | 300,000 |
| | Management | | | | | 25,000 | | | | 25,000 |
| | Total | | | | 25,000 | 325,000 | | | | 350,000 |

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

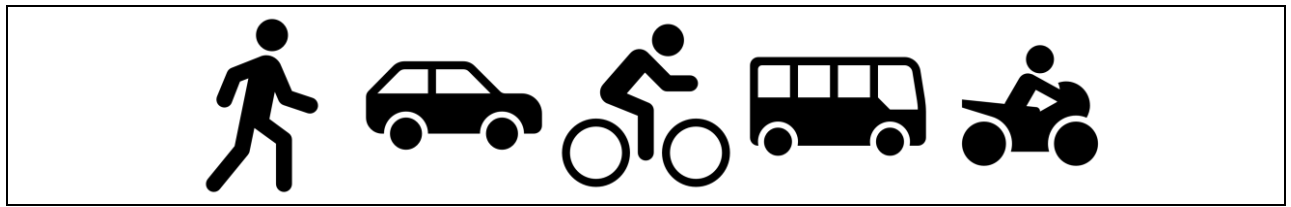
| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | 500 | 500 | 500 | 500 | 2,000 |
| | Debt | | | | | | | | | |
| | Total | | | | | 500 | 500 | 500 | 500 | 2,000 |

CITY OF POULSBO

2017 - 2022 CITY IMPROVEMENT PLAN

TRANSPORTATION PROGRAM





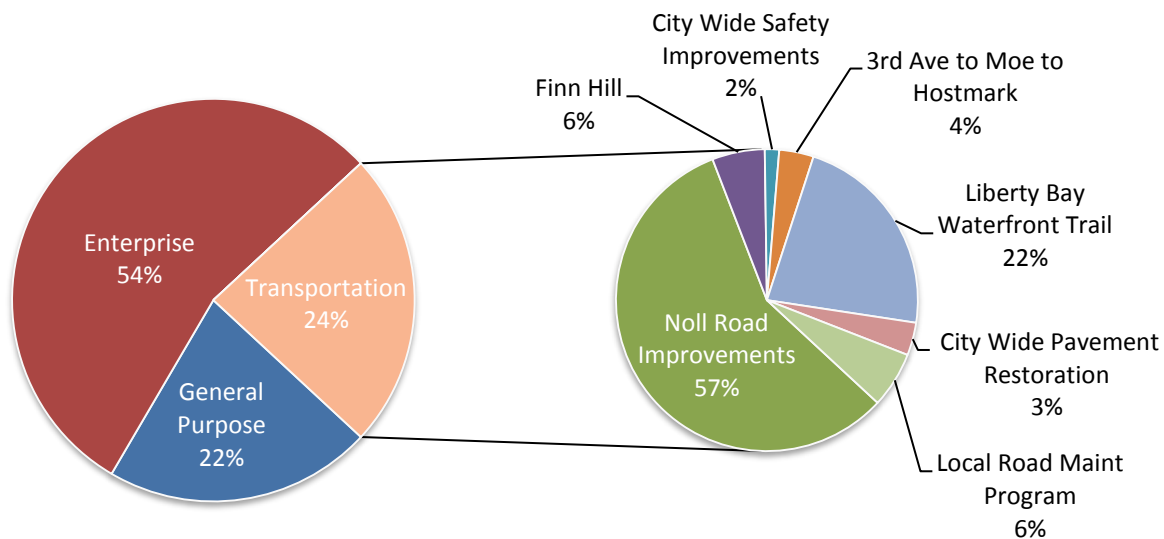
CITY OF POULSBO

2017-2022 City Improvement Plan

TRANSPORTATION PROGRAM

The Transportation Program element of the City Improvement Plan comprises all vehicle and pedestrian transportation projects including roadways, alleys, sidewalks and traffic lighting/signals. The transportation projects will help traffic flow through the city and enhance pedestrian safety with new sidewalks. Combined they represent \$19,512,392 or 24% of the \$80,768,071 City Improvement Plan. The projects listed in the Transportation Program are projects from the Transportation Improvement Plan (TIP) that have established and available funding.

Transportation Expenditures



| CITY IMPROVEMENT PLAN PROGRAM | AMOUNT |
|-------------------------------|----------------------|
| General Purpose | \$ 17,655,269 |
| Transportation | \$ 19,512,392 |
| Enterprise | \$ 43,600,410 |
| TOTAL CAPITAL PROGRAM | \$ 80,768,071 |

2017 - 2022 TRANSPORTATION CAPITAL IMPROVEMENTS

| Page # | Project Name | Prior Years Costs | 2017 Project Cost | 2018 Project Cost | 2019 Project Cost | 2020 Project Cost | 2021 Project Cost | 2022 Project Cost | Total Project Cost |
|---|---|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|-------------------|----------------------|
| STREET PROJECTS | | | | | | | | | |
| 9-35 | City-wide Pavement Restoration Program | 345,000 | | 341,000 | | | | | 686,000 |
| | 1-Federal Grants | 300,000 | | 300,000 | | | | | 600,000 |
| | 7-City/Utility Reserves | 45,000 | | 41,000 | | | | | 86,000 |
| 9-36 | City-wide Safety Improvements | | | 50,000 | 250,000 | | | | 300,000 |
| | 2 - State Grants | | | | 200,000 | | | | 200,000 |
| | 8-City Impact Fees | | | 50,000 | 50,000 | | | | 100,000 |
| 9-37 | Finn Hill Rd Reconstruction | 150,000 | 950,000 | | | | | | 1,100,000 |
| | 2 - State Grants | | 500,000 | | | | | | 500,000 |
| | 8-City Impact Fees | 150,000 | 450,000 | | | | | | 600,000 |
| 9-38 | Liberty Bay Waterfront Trail | 350,000 | 120,000 | 3,900,000 | | | | | 4,370,000 |
| | 1-Federal Grants | 250,000 | | | | | | | 250,000 |
| | 2-State Grants | | 100,000 | 3,900,000 | | | | | 4,000,000 |
| | 7-City/Utility Reserves | 100,000 | | | | | | | 100,000 |
| | 8-City Impact Fees | | 20,000 | | | | | | 20,000 |
| 9-39 | Local Neighborhood Road Maintenance Program | 288,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 1,168,000 |
| | 7-City/Utility Reserves | 288,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 1,168,000 |
| 9-40 | Noll Road Improvements - Phase III | 1,831,392 | 750,000 | 2,020,000 | 4,260,000 | 252,000 | 1,845,000 | 210,000 | 11,168,392 |
| | 1-Federal Grants | 1,456,106 | | 1,180,000 | | | 1,245,000 | | 3,881,106 |
| | 2 - State Grants | 15,000 | | | | 72,000 | 500,000 | 60,000 | 647,000 |
| | 6-Non-Voted Bonds | | | 340,000 | 3,760,000 | | | | 4,100,000 |
| | 7-City/Utility Reserves | 125,000 | | | | | | | 125,000 |
| | 8-City Impact Fees | 235,286 | 750,000 | 500,000 | 500,000 | 180,000 | 100,000 | 150,000 | 2,415,286 |
| 9-41 | 3rd Ave (Moe to Hostmark) | | | | | 120,000 | 600,000 | | 720,000 |
| | 1-Federal Grants | | | | | 100,000 | 500,000 | | 600,000 |
| | 7-City/Utility Reserves | | | | | 20,000 | 100,000 | | 120,000 |
| Total Transportation Capital Projects | | \$ 2,944,392 | \$ 1,970,000 | \$ 6,461,000 | \$ 4,660,000 | \$ 522,000 | \$ 2,595,000 | \$ 360,000 | \$ 19,512,392 |
| Total Transportation Capital Funding Sources | | \$ 2,944,392 | \$ 1,970,000 | \$ 6,461,000 | \$ 4,660,000 | \$ 522,000 | \$ 2,595,000 | \$ 360,000 | \$ 19,512,392 |
| | 1 - Federal Grants | 2,006,105 | | 1,480,000 | | 100,000 | 1,745,000 | | 5,331,105 |
| | 2 - State Grants | 15,000 | 600,000 | 3,900,000 | 200,000 | 72,000 | 500,000 | 60,000 | 5,347,000 |
| | 6-Non-Voted Bonds | | | 340,000 | 3,760,000 | | | | 4,100,000 |
| | 7 - City/Utility Reserves | 538,001 | 150,000 | 191,000 | 150,000 | 170,000 | 250,000 | 150,000 | 1,599,001 |
| | 8-City Impact Fees | 385,286 | 1,220,000 | 550,000 | 550,000 | 180,000 | 100,000 | 150,000 | 3,135,286 |

Project Name: City-wide Pavement Restoration Program

Project Description

Budget: \$686,000 **Purpose:** Transportation
Location: Hostmark St **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project is designed to restore the existing city streets and will include the following elements: pavement repairs, pavement overlay and striping, as well as ADA improvements. In 2016 funding is allocated for Hostmark Street. The location for the 2018 funding will be selected at a later time.
Justification: The project will improve safety and reduce street maintenance cost. The project is financed by the Pavement Restoration Program.
Start Date: on-going **Completion Date:** on-going

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | 300,000 | | 300,000 | | | | | 600,000 |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | 45,000 | | 41,000 | | | | | 86,000 |
| 8 | City Impact Fees | | | | | | | | | |
| | Total | | 345,000 | | 341,000 | | | | | 686,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|---------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | 20,000 | | 20,000 | | | | | 40,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | 305,000 | | 301,000 | | | | | 606,000 |
| | Management | | 20,000 | | 20,000 | | | | | 40,000 |
| | Total | | 345,000 | | 341,000 | | | | | 686,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: City-wide Safety Improvements

Project Description

Budget: \$300,000 **Purpose:** Transportation
Location: 4th Ave North **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will construct approximately 800 linear feet of missing sidewalks along the Westside of 4th Ave.
Justification: The project will improve pedestrian safety.
Start Date: 2018 **Completion Date:** 2019

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | 200,000 | | | | 200,000 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | | |
| 8 | City Impact Fees | | | | 50,000 | 50,000 | | | | 100,000 |
| | Total | | | | 50,000 | 250,000 | | | | 300,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|--------|---------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 50,000 | | | | | 50,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | 230,000 | | | | 230,000 |
| | Management | | | | | 20,000 | | | | 20,000 |
| | Total | | | | 52,018 | 252,019 | | | | 304,037 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Finn Hill Road Reconstruction

Project Description

Budget: \$1,100,000 **Purpose:** Transportation
Location: Finn Hill **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project includes pedestrian & bicycle improvements along the north side of Finn Hill. Olhava Funding - \$450,000 (Olhava SEPA Mitigations), TIB Grant - \$500,000
Justification: The project will increase roadway capacity and improve safety.
Start Date: 2016 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|-----------------|---------------|------|------|------|------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | 500,000 | | | | | | 500,000 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | | |
| 8 | City Impact Fees | | 150,000 | 450,000 | | | | | | 600,000 |
| | Total | | 150,000 | 950,000 | | | | | | 1,100,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | 150,000 | | | | | | | 150,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 890,000 | | | | | | 890,000 |
| | Management | | | 60,000 | | | | | | 60,000 |
| | Total | | 150,000 | 950,000 | | | | | | 1,100,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Liberty Bay Waterfront Trail - Phase I

Project Description

Budget: \$4,370,000 **Purpose:** Transportation
Location: Anderson Parkway/ Fish Park **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will create a pedestrian/bicycle trail along the shoreline from Legion Park to Liberty Bay Auto dealership. Funding - \$4,000,000 (Earmarked in State Budget)
Justification: The project will enhance pedestrian connectivity between Anderson Parkway and Fish Park.
Start Date: 2011 **Completion Date:** 2018

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|-----------------|---------------|-----------|------|------|------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | 110,450 | 139,550 | | | | | | | 250,000 |
| 2 | State Grants | | | 100,000 | 3,900,000 | | | | | 4,000,000 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 21,942 | 78,058 | | | | | | | 100,000 |
| 8 | City Impact Fees | | | 20,000 | | | | | | 20,000 |
| | Total | 132,392 | 217,608 | 120,000 | 3,900,000 | | | | | 4,370,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|-----------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 132,392 | 217,608 | 20,000 | | | | | | 370,000 |
| | Land/ Right of Way | | | 100,000 | | | | | | 100,000 |
| | Construction | | | | 3,700,000 | | | | | 3,700,000 |
| | Management | | | | 200,000 | | | | | 200,000 |
| | Total | 132,392 | 217,608 | 120,000 | 3,900,000 | | | | | 4,370,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be minimal additional maintenance to keep the trail clean and landscaped.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | 500 | 500 | 500 | | 1,500 |
| | Debt | | | | | | | | | |
| | Total | | | | | 500 | 500 | 500 | | 1,500 |

Project Name: Local Neighborhood Road Maintenance Program

Project Description

Budget: \$150,000/year **Purpose:** Transportation
Location: City Wide **Project Manager:** Andrzej Kasiniak, P.E.
Description: The annual road maintenance program identifies activities that preserve the local roads including pavement repairs and pavement overlays.
Justification: The goal is to provide the highest possible level of service with available resources.
Start Date: on-going **Completion Date:** on-going

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|---------|---------|---------|---------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | 268,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 1,168,000 |
| 8 | City Impact Fees | | | | | | | | | |
| | Total | | 268,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 1,168,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|---------|---------|---------|---------|---------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | 240,000 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 | 1,050,000 |
| | Management | | 28,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 118,000 |
| | Total | | 268,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 1,168,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Noll Road Improvements Phase III

Project Description

Budget: \$11,168,392 **Purpose:** Transportation

Location: Noll Road **Project Manager:** Diane Lenius, P.E.

Description: The project as a whole extends from SR 305 to Lincoln Rd along a new alignment as shown on the City Transportation Plan. This project will be implemented in several phases. The following is the project description as a whole to include both Transportation and Storm; however, the acquisition of Right of Way is strictly Transportation only.
 The Design Phase will be funded 70% by Streets and 30% by Storm (catch basin and detention systems). The Storm Drain portion is responsible for collecting storm water run off from the roadway prism thus protecting private property, as well as treating the run off before it enters waters of the state.
 30% of the design is already complete and the City will begin right of way acquisition in 2016. The Construction cost will also be split between Streets and Storm, with % amount to be determined as design progresses further. Construction will be divided into three or more phases – the South Segment, Middle Segment, and North Segment:
 The South Segment will be advertised in 2017/18 and include approximately 3600 LF of new roadway from SR305 to Noll Road at Storhoff; construction of this segment will take place in 2018/19. Grant funding for this segment has been secured through the FHWA 2017/2018 Funding Cycle and a \$3.4M grant (13.5% match, \$461,700.) The remainder of the 2018/19 construction funding will come from Traffic Impact Fees \$1M and a General Purpose Bond \$4.1 M. City staff will continue to pursue state construction grants to reduce bond requirements.
 The Middle Segment and North Segments will begin design in 2020 and construction in 2021/22 to be completed by 2027. These segments will be funded by FHWA/STP, TIB, and CITY TIF over the next 10 years. The City has been successful in obtaining grant funds from these sources for past similar projects; therefore these funds are reasonably assured.

Justification: The project will increase roadway capacity and improve safety.

Start Date: 2014 **Completion Date:** 2027

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|----------------|------------------|----------------|------------------|------------------|----------------|------------------|----------------|-------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | 56,106 | 1,400,000 | | 1,180,000 | | | 1,245,000 | | 3,881,106 |
| 2 | State Grants | 15,000 | | | | | 72,000 | 500,000 | 60,000 | 647,000 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | 340,000 | 3,760,000 | | | | 4,100,000 |
| 7 | City/Utility Reserves | 125,000 | | | | | | | | 125,000 |
| 8 | City Impact Fees | 15,286 | 220,000 | 750,000 | 500,000 | 500,000 | 180,000 | 100,000 | 150,000 | 2,415,286 |
| | Total | 211,392 | 1,620,000 | 750,000 | 2,020,000 | 4,260,000 | 252,000 | 1,845,000 | 210,000 | 11,168,392 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|----------------|------------------|----------------|------------------|------------------|----------------|------------------|----------------|-------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 211,392 | | 675,000 | | | 252,000 | | 210,000 | 1,348,392 |
| | Land/ Right of Way | | 1,620,000 | | | | | | | 1,620,000 |
| | Construction | | | | 1,710,000 | 3,950,000 | | 1,660,500 | | 7,320,500 |
| | Management | | | 75,000 | 310,000 | 310,000 | | 184,500 | | 879,500 |
| | Total | 211,392 | 1,620,000 | 750,000 | 2,020,000 | 4,260,000 | 252,000 | 1,845,000 | 210,000 | 11,168,392 |

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|-------------|-----------------|---------------|----------------|----------------|----------------|----------------|----------------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | 302,000 | 302,000 | 302,000 | 302,000 | 302,000 | 1,510,000 |
| | Total | | | | 302,000 | 302,000 | 302,000 | 302,000 | 302,000 | 1,510,000 |

Project Name: 3rd Avenue (Moe to Hostmark)

Project Description

Budget: \$720,000 **Purpose:** Transportation

Location: 3rd Ave - Moe to Hostmark **Project Manager:** Andrzej Zasiniak, P.E.

Description: Currently this section of 3rd Avenue (Moe to Hostmark) does not have sidewalks and the road condition consists of poor subgrade. This project will install sidewalks, curbs, gutters and parking strip. The project will be funded by STP/Federal grant and/or TIB/State grant \$600,000 and City Match \$120,00. STP grants are awarded every two years. TIB grants are awarded every year. The City has received many federal/state grants for similar street improvements on recent projects such as Viking Ave, Lincoln Road, Noll Road and Finn Hill Road.

Justification: This project will improve safety and reduce street maintenance costs.

Start Date: 2020 **Completion Date:** 2021

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|---------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | 100,000 | 500,000 | | 600,000 |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | 20,000 | 100,000 | | 120,000 |
| 8 | City Impact Fees | | | | | | | | | |
| | Total | | | | | | 120,000 | 600,000 | | 720,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|---------|---------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | 120,000 | | | 120,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | 550,000 | | 550,000 |
| | Management | | | | | | | 50,000 | | 50,000 |
| | Total | | | | | | 120,000 | 600,000 | | 720,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

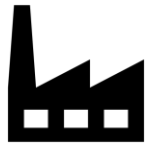
| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |



CITY OF POULSBO

2017 - 2022 CITY IMPROVEMENT PLAN

ENTERPRISE PROGRAM





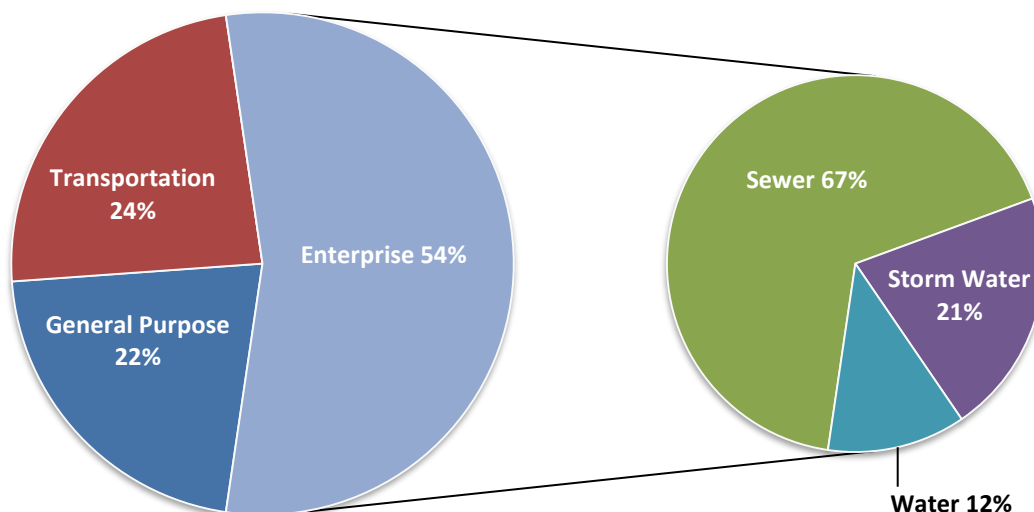
CITY OF POULSBO

2017 - 2022 City Improvement Plan

ENTERPRISE PROGRAM

The Enterprise Program element of the City Improvement Plan comprises Water, Wastewater, Solid Waste and Storm Water Utility Programs. Combined, they represent \$43,600,410 or 54% of the \$80,768,071 City Improvement Plan. Funding for the Enterprise projects will come from the individual utility's reserve funds or by issuing debt supported by the rate payers of the utility.

Enterprise Expenditures



| CITY IMPROVEMENT PLAN PROGRAM | AMOUNT |
|-------------------------------|----------------------|
| General Purpose | \$ 17,655,269 |
| Transportation | \$ 19,512,392 |
| Enterprise | \$ 43,600,410 |
| TOTAL CAPITAL PROGRAM | \$ 80,768,071 |

2017 - 2022 ENTERPRISE CAPITAL IMPROVEMENTS (Sewer)

| Page # | Project Name | Prior Years Costs | 2017 Project Cost | 2018 Project Cost | 2019 Project Cost | 2020 Project Cost | 2021 Project Cost | 2022 Project Cost | Total Project Cost |
|--|---|---------------------|----------------------|-------------------|-------------------|---------------------|---------------------|-------------------|----------------------|
| SEWER PROJECTS | | | | | | | | | |
| 9-49 | Annual Pump Rehab | | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 300,000 |
| 9-50 | Applewood Pump Station | | | 100,000 | | | | | 100,000 |
| 9-51 | Harrison Force Main Replacement | 6,329 | 283,671 | | | | | | 290,000 |
| 9-52 | Kisap County Capital Facilities Charge for CK Plant | 5,380,530 | 133,000 | 133,000 | | | | | 5,646,530 |
| 9-53 | Kisap County Disinfection & Solids | | | | 576,068 | | | | 576,068 |
| 9-54 | Kisap County Johnson Road Metering Station | | 270,000 | | | | | | 270,000 |
| 9-55 | Kisap County Lemolo Force Main Capacity | | 350,000 | | | 1,140,000 | 3,600,000 | | 5,090,000 |
| 9-56 | Kisap County Lemolo Siphon Phase 2 | | 200,000 | 300,000 | | | | | 500,000 |
| 9-57 | Kisap County Pump Station #16 & 67 Replacement | | 5,000,000 | | | | | | 5,000,000 |
| 9-58 | Kisap County Resource & Recovery | | | 6,320 | | | | | 6,320 |
| 9-59 | Kisap County Sewer Plant Upgrade | | 5,000,000 | | | | | | 5,000,000 |
| 9-60 | Kisap County Staff Building | | | 82,950 | | | | | 82,950 |
| 9-61 | Liberty Bay Pump Station Improvements | 300,000 | 410,000 | | | | | | 710,000 |
| 9-62 | Noll Road Sewer Improvements | | | 20,000 | 210,000 | | | | 230,000 |
| 9-63 | Old Town Sewer Upgrades | | | | | | 100,000 | 100,000 | 200,000 |
| 9-64 | Poulsbo Village Pump Station Upgrades | 300,000 | 650,000 | | | | | | 950,000 |
| 9-65 | SR305 Force Main Extension | | | | | 200,000 | 2,610,000 | | 2,810,000 |
| 9-66 | Storage Facility at Sol Vei and SR 305 | | 500,000 | | | | | | 500,000 |
| 9-67 | Water Meter Replacement | 175,000 | 175,000 | 250,000 | | | | | 600,000 |
| Total Sewer Capital Projects | | \$ 6,161,859 | \$ 13,021,671 | \$ 942,270 | \$ 836,068 | \$ 1,390,000 | \$ 6,360,000 | \$ 150,000 | \$ 28,861,868 |
| Total Sewer Capital Funding Sources | | \$ 6,161,859 | \$ 13,021,671 | \$ 942,270 | \$ 836,068 | \$ 1,390,000 | \$ 6,360,000 | \$ 150,000 | \$ 28,861,868 |
| | 4-PWTF | 267,000 | | | | | | | 267,000 |
| | 6-Non-Voted Bonds | 4,315,530 | 5,000,000 | | | 1,340,000 | 6,210,000 | | 16,865,530 |
| | 7-Sewer Reserves | 1,579,329 | 8,021,671 | 942,270 | 836,068 | 50,000 | 150,000 | 150,000 | 11,729,338 |

| 2017 - 2022 ENTERPRISE CAPITAL IMPROVEMENTS (Water) | | | | | | | | | |
|---|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Page # | Project Name | Prior Years Costs | 2017 Project Cost | 2018 Project Cost | 2019 Project Cost | 2020 Project Cost | 2021 Project Cost | 2022 Project Cost | Total Project Cost |
| WATER PROJECTS | | | | | | | | | |
| 9-68 | Caldart Main | | 300,000 | | | | | | 300,000 |
| 9-69 | Finn Hill Tank Painting | | | | | | | 200,000 | 200,000 |
| 9-70 | Fjord Street Main Replacement | | 170,000 | | | | | | 170,000 |
| 9-71 | Front Street Water Main Replacement | | | | | | 250,000 | | 250,000 |
| 9-72 | Hostmark Pipe | | | | | | 200,000 | | 200,000 |
| 9-73 | Noll Road Water Improvements | 20,000 | | 220,000 | 150,000 | | | | 390,000 |
| 9-74 | Old Town Water Main Replacement | | | | | | 350,000 | | 350,000 |
| 9-75 | Olhava Tank Painting | | | | | | | 200,000 | 200,000 |
| 9-76 | Raab Tank & Booster | 80,000 | 850,000 | | | | | | 930,000 |
| 9-77 | SR305 Crossing | | | | 200,000 | | | | 200,000 |
| 9-78 | Water Meter Replacement | 175,000 | 175,000 | 250,000 | | | | | 600,000 |
| 9-79 | Westside Well - Treatment for Manganese | | | | 150,000 | 800,000 | | | 950,000 |
| 9-80 | Wilderness Tank Retrofit | | 80,000 | 500,000 | | | | | 580,000 |
| | Total Water Capital Projects | \$ 275,000 | \$ 1,575,000 | \$ 970,000 | \$ 500,000 | \$ 800,000 | \$ 800,000 | \$ 400,000 | \$ 5,320,000 |
| | Total Water Capital Funding Sources | \$ 275,000 | \$ 1,575,000 | \$ 970,000 | \$ 500,000 | \$ 800,000 | \$ 800,000 | \$ 400,000 | \$ 5,320,000 |
| | 7-Water Reserves | 275,000 | 1,575,000 | 970,000 | 500,000 | 800,000 | 800,000 | 400,000 | 5,320,000 |

| 2017 - 2022 ENTERPRISE CAPITAL IMPROVEMENTS (Storm) | | | | | | | | | |
|---|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Page # | Project Name | Prior Years Costs | 2017 Project Cost | 2018 Project Cost | 2019 Project Cost | 2020 Project Cost | 2021 Project Cost | 2022 Project Cost | Total Project Cost |
| STORM DRAIN PROJECTS | | | | | | | | | |
| 9-81 | American Legion Park Outfall Repair | | | | | | | 120,000 | 120,000 |
| 9-82 | Deer Run Pond Retrofit | | | | | 16,000 | 184,000 | | 200,000 |
| 9-83 | Dogfish Creek Restoration | 38,144 | 30,000 | 250,000 | | 500,000 | 500,000 | | 1,318,144 |
| 9-84 | 8th Ave Culvert Replacement | | | | 150,000 | 150,000 | | | 300,000 |
| 9-85 | Fjord Dr Storm Drain | | 206,000 | | | | | | 206,000 |
| 9-86 | Fjord Dr Stormwater Quality Treatment Improvements | | | 70,300 | | | | | 70,300 |
| 9-87 | Forest Rock Hills (SR 305) Outfall | | | | | | 75,000 | | 75,000 |
| 9-88 | Glenn Haven Storm Drain Replacement | | | | | 10,000 | 100,000 | | 110,000 |
| 9-89 | Liberty Rd (SR 305) Outfall | | | 40,000 | | | | | 40,000 |
| 9-90 | Noll Road Improvements Phase III | 333,505 | 240,000 | 1,000,000 | 1,000,000 | 108,000 | 1,155,000 | 90,000 | 3,926,505 |
| 9-91 | Norrland Drainage Ditch Replacement | | | 57,000 | | | | | 57,000 |
| 9-92 | Poulsbo Creek Outfall | | | 40,000 | 250,000 | | | | 290,000 |
| 9-93 | Ridgewood/Kevo's Pond - Replace Storm Drains | 42,593 | | | 260,000 | | | | 302,593 |
| 9-94 | 7th Avenue Regional Detention Facility | | | 50,000 | | | | | 50,000 |
| 9-95 | Small Anderson Parkway | 197,000 | 106,000 | | | | | | 303,000 |
| 9-96 | West Poulsbo Waterfront Park | | 800,000 | | 250,000 | 500,000 | 500,000 | | 2,050,000 |
| | Total Storm Drain Capital Projects | \$ 611,242 | \$ 1,382,000 | \$ 1,507,300 | \$ 1,910,000 | \$ 1,284,000 | \$ 2,514,000 | \$ 210,000 | \$ 9,418,542 |
| | Total Storm Drain Capital Funding Sources | \$ 611,242 | \$ 1,382,000 | \$ 1,507,300 | \$ 1,910,000 | \$ 1,284,000 | \$ 2,514,000 | \$ 210,000 | \$ 9,418,542 |
| | 1-Federal Grants | 333,505 | 240,000 | 1,000,000 | 1,000,000 | | 1,155,000 | | 3,728,505 |
| | 2-State Grants | 160,000 | 486,000 | 187,500 | 287,500 | 958,000 | 750,000 | 90,000 | 2,919,000 |
| | 3-County | | | | | 125,000 | 125,000 | | 250,000 |
| | 7-Storm Drain Reserves | 117,737 | 656,000 | 319,800 | 622,500 | 201,000 | 484,000 | 120,000 | 2,521,037 |
| | Total Enterprise Capital Projects | \$ 7,048,101 | \$ 15,978,671 | \$ 3,419,570 | \$ 3,246,068 | \$ 3,474,000 | \$ 9,674,000 | \$ 760,000 | \$ 43,600,410 |
| | Total Enterprise Funding Sources | \$ 7,048,101 | \$ 15,978,671 | \$ 3,419,570 | \$ 3,246,068 | \$ 3,474,000 | \$ 9,674,000 | \$ 760,000 | \$ 43,600,410 |

Project Name: Annual Pump Rehab

Project Description

Budget: \$300,000 **Purpose:** Sewer
Location: City Wide **Project Manager:** Mike Lund
Description: Future upgrades to aging pumpstations
Justification: Existing stations are at capacity and aging equipment
Start Date: 2017 **Completion Date:** On-going

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|--------|--------|--------|--------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 300,000 |
| | Total | | | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 300,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|--------|--------|--------|--------|--------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 300,000 |
| | Management | | | | | | | | | |
| | Total | | | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 300,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Applewood Pump Station

Project Description

Budget: \$100,000 **Purpose:** Sewer
Location: 21180 Pugh Rd NE **Project Manager:** Mike Lund
Description: Rehabilitate the 20 year old pump station
Justification: Rehabilitate and refurbish existing pump station
Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 100,000 | | | | | 100,000 |
| | Total | | | | 100,000 | | | | | 100,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 10,000 | | | | | 10,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 90,000 | | | | | 90,000 |
| | Management | | | | | | | | | |
| | Total | | | | 100,000 | | | | | 100,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Harrison Force Main Replacement**Project Description**

Budget: \$290,000 **Purpose:** Sewer
Location: Fjord Drive **Project Manager:** Andrzej Kasiniak, P.E.
Description: The current force main along Harrison is located along the beach line and the conditions are deteriorating. This project will replace the sanitary sewer line and move along a new alignment. To save on funding, this project will be combined with the sewer main repairs along Fjord Drive.

Justification: The existing Force Main has reached its useful life.

Start Date: 2015 **Completion Date:** 2017

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 6,329 | | 283,671 | | | | | | 290,000 |
| | Total | 6,329 | | 283,671 | | | | | | 290,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 6,329 | | 33,671 | | | | | | 40,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 230,000 | | | | | | 230,000 |
| | Management | | | 20,000 | | | | | | 20,000 |
| | Total | 6,329 | | 283,671 | | | | | | 290,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: *Kitsap County Capital Facilities Charge for CK Plant*

Project Description

Budget: \$5,646,530 **Purpose:** Sewer
Location: CK Treatment Plant **Project Manager:** Andrzej Kasiniak, P.E.
Description: City's capital contribution to the Central Kitsap treatment plant as required by contract with Kitsap County. The existing \$133,000 annual capital cost for prior plant improvements will expire in 2018.

Justification: Kitsap County contract requirement.

Start Date: 2010 **Completion Date:** 2018

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|------------------|----------------|----------------|----------------|------|------|------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | 267,000 | | | | | | | | 267,000 |
| 6 | Non-Voted Bonds | 4,315,530 | | | | | | | | 4,315,530 |
| 7 | City/Utility Reserves | 665,000 | 133,000 | 133,000 | 133,000 | | | | | 1,064,000 |
| | Total | 5,247,530 | 133,000 | 133,000 | 133,000 | | | | | 5,646,530 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|------------------|----------------|----------------|----------------|------|------|------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | 5,247,530 | 133,000 | 133,000 | 133,000 | | | | | 5,646,530 |
| | Management | | | | | | | | | |
| | Total | 5,247,530 | 133,000 | 133,000 | 133,000 | | | | | 5,646,530 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: *Kitsap County Disinfection and Solid Dewatering*

Project Description

Budget: \$576,068 **Purpose:** Upgrade
Location: CK Treatment Plant **Project Manager:** Kitsap County
Description: This project will replace the outdated disinfection and dewatering system. The total project cost \$3,646,000. Poulsbo share is 15.8% of total costs - \$576,068

Justification: The existing system is old and needs to be replaced. The new system will be more efficient and will reduce maintenance cost. The old system will be used to provide redundancy.

Start Date: 2019 **Completion Date:** 2019

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|-----------------|---------------|------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | 576,068 | | | | 576,068 |
| 13 | City Impact Fees | | | | | | | | | |
| | Total | | | | | 576,068 | | | | 576,068 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|------|---------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | 70,468 | | | | 70,468 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | 505,600 | | | | 505,600 |
| | Management | | | | | | | | | |
| | Total | | | | | 576,068 | | | | 576,068 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: *Kitsap County Johnson Road Metering Station*

Project Description

Budget: \$270,000 **Purpose:** Sewer
Location: Johnson Road **Project Manager:** Kitsap County
Description: Replace existing metering station

Justification: Existing station cannot record above 2.5 MGD. Will be replaced with new metering station that can record up to 4 MGD.

Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 270,000 | | | | | | 270,000 |
| | Total | | | 270,000 | | | | | | 270,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 260,000 | | | | | | 260,000 |
| | Management | | | 10,000 | | | | | | 10,000 |
| | Total | | | 270,000 | | | | | | 270,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: *Kitsap County Lemolo Force Main Replacement (Capacity)*

Project Description

Budget: \$5,090,000 **Purpose:** Sewer

Location: Lemolo Beach **Project Manager:** Andrzej Kasiniak, P.E.

Description: Kitsap County will replace the existing forcemain between the Chlorination Station and Lemolo Beach. City will purchase and demo an existing home in 2017 to ready for this replacement project. Project Cost Estimate is \$5,090,000. To fund this project the City of Poulsbo will use utility reserves of \$350,000 and will issue a 20 year bond in the amount of \$4,740,000 at 5% interest. The estimated monthly payment of the bond is \$350,000 per year beginning in 2019.

Justification: Kitsap County contract requirement.

Start Date: 2017 **Completion Date:** 2021

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|-----------|-----------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | 1,140,000 | 3,600,000 | | 4,740,000 |
| 7 | City/Utility Reserves | | | 350,000 | | | | | | 350,000 |
| | Total | | | 350,000 | | | 1,140,000 | 3,600,000 | | 5,090,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|-----------|-----------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | 500,000 | | | 500,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 350,000 | | | 640,000 | 3,420,000 | | 4,410,000 |
| | Management | | | | | | | 180,000 | | 180,000 |
| | Total | | | 350,000 | | | 1,140,000 | 3,600,000 | | 5,090,000 |

Estimated Impact on Future Operating Budgets

Notes: Anticipated Yearly Debt Payments

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------|-------------|--------------|---------------|------|------|---------|---------|---------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | 350,000 | 350,000 | 350,000 | 1,050,000 |
| | Total | | | | | | 350,000 | 350,000 | 350,000 | 1,050,000 |

Project Name: *Kitsap County Lemolo Siphon Phase 2*

Project Description

Budget: \$500,000 **Purpose:** Sewer

Location: Lemolo Drive **Project Manager:** Andrzej Kasiniak, P.E.

Description: City will evaluate visibility, cost and timing of adding/replacing of the Lemolo siphons. Visibility Study in 2017: \$200,000. Preliminary Design/Permitting in 2018: \$300,000. Contract Documents and Construction in future years.

Justification: Kitsap County contract requirement.

Start Date: 2017 **Completion Date:** Beyond 2022

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 5 | Voted Bonds | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 200,000 | 300,000 | | | | | 500,000 |
| | Total | | | 200,000 | 300,000 | | | | | 500,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | 200,000 | 300,000 | | | | | 500,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | | | |
| | Management | | | | | | | | | |
| | Total | | | 200,000 | 300,000 | | | | | 500,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: *Kitsap County Pump Station #16 & 67 Replacement*

Project Description

Budget: \$5,000,000 **Purpose:** Sewer
Location: Keyport **Project Manager:** Andrzej Kasiniak, P.E.
Description: Kitsap County will reroute flows to PS 67 and remove PS 16 in 2016/17. The estimated costs of these projects is \$5.0 Million. The city will use approximately \$2.0 Million in capital connection revenue and the remainder from city reserves to finance the City's portion of this project.
Justification: Kitsap County contract requirement.
Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 5,000,000 | | | | | | 5,000,000 |
| | Total | | | 5,000,000 | | | | | | 5,000,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 4,750,000 | | | | | | 4,750,000 |
| | Management | | | 250,000 | | | | | | 250,000 |
| | Total | | | 5,000,000 | | | | | | 5,000,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: *Kitsap County Resource and Recovery Project*

Project Description

Budget: \$40,000 **Purpose:** Comply with Grant Requirement
Location: CK Treatment Plant **Project Manager:** Kitsap County
Description: Develop electronic O&M manuals for equipment installed in Central Kitsap Treatment Plant when the CKTP was upgraded. Total Cost \$40,000. Poulsbo share 15.8% or \$6,320.
Justification: Required by grant

Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|-----------------|---------------|-------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 6,320 | | | | | 6,320 |
| 13 | City Impact Fees | | | | | | | | | |
| | Total | | | | 6,320 | | | | | 6,320 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|-------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 6,320 | | | | | 6,320 |
| | Management | | | | | | | | | |
| | Total | | | | 6,320 | | | | | 6,320 |

Estimated Impact on Future Operating Budgets

Notes:

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: *Kitsap County Sewer Plant Upgrade*

Project Description

Budget: \$5,000,000 **Purpose:** Sewer
Location: Brownsville **Project Manager:** Andrzej Kasiniak, P.E.
Description: In 2015/16 Kitsap County is upgrading the Sanitary Sewer Treatment Plant in Brownsville. The estimated cost for upgrades is over \$30,000,000. The City share is 0.95 Million Gallons Per Day(MGD)/6.0 MGD or 15.8%. To fund this project the City will issue 20 year bonds in the amount of \$5,000,000. The estimated payments of the bond is \$368,000 per year beginning in 2017.
Justification: Kitsap County contract requirement.
Start Date: 2016 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | 5,000,000 | | | | | | 5,000,000 |
| 7 | City/Utility Reserves | | | | | | | | | |
| | Total | | | 5,000,000 | | | | | | 5,000,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 5,000,000 | | | | | | 5,000,000 |
| | Management | | | | | | | | | |
| | Total | | | 5,000,000 | | | | | | 5,000,000 |

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------|-------------|--------------|---------------|---------|---------|---------|---------|---------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | 368,000 | 368,000 | 368,000 | 368,000 | 368,000 | 368,000 | 2,208,000 |
| | Total | | | 368,000 | 368,000 | 368,000 | 368,000 | 368,000 | 368,000 | 2,208,000 |

Project Name: *Kitsap County Staff Building*

Project Description

Budget: \$525,000 **Purpose:** Replace old existing undersized building

Location: CK Treatment Plant **Project Manager:** Kitsap County

Description: Replace two existing outdated construction trailers with one large trailer. The total project cost \$525,000. City of Poulsbo share is 15.8% or \$82,950

Justification: The existing trailers are too small and old. The trailers do not comply with current standards/building codes and are undersize for current KC needs.

Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|----|-----------------------|-------------|-----------------|---------------|--------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 82,950 | | | | | 82,950 |
| 13 | City Impact Fees | | | | | | | | | |
| | Total | | | | 82,950 | | | | | 82,950 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|-----------------|---------------|--------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 82,950 | | | | | 82,950 |
| | Management | | | | | | | | | |
| | Total | | | | 82,950 | | | | | 82,950 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|-----------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Liberty Bay Pump Station Improvements

Project Description

Budget: \$710,000 **Purpose:** Sewer
Location: Viking Avenue **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will include rehabilitation and upgrade of the Liberty Bay wastewater pump station (electrical panel, controls, pumps and site piping).
Justification: The existing infrastructure is aged and the pump station is at capacity. Upgrade of the pump station is required in order to ensure reliability and replace aged infrastructure and appurtenances.
Start Date: 2015 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 16,203 | 283,797 | 410,000 | | | | | | 710,000 |
| | Total | 16,203 | 283,797 | 410,000 | | | | | | 710,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 16,203 | 70,000 | | | | | | | 86,203 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | 200,000 | 392,000 | | | | | | 592,000 |
| | Management | | 13,797 | 18,000 | | | | | | 31,797 |
| | Total | 16,203 | 283,797 | 410,000 | | | | | | 710,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Noll Road Sewer Improvements

Project Description

Budget: \$230,000 **Purpose:** Sewer
Location: Noll Road **Project Manager:** Diane Lenius, P.E.
Description: Future sewer system improvements associated with the City's Noll Road Improvements project
Justification: The City will be making required sewer system improvements associated with the City's Noll Road Improvements project

Start Date: 2018 **Completion Date:** 2019

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 20,000 | 210,000 | | | | 230,000 |
| | Total | | | | 20,000 | 210,000 | | | | 230,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|--------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 20,000 | | | | | 20,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | 200,000 | | | | 200,000 |
| | Management | | | | | 10,000 | | | | 10,000 |
| | Total | | | | 20,000 | 210,000 | | | | 230,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Old Town Sewer Upgrades

Project Description

Budget: \$200,000 **Purpose:** Sewer
Location: Old Town area **Project Manager:** Andrzej Kasiniak, P.E.
Description: Upgrades to sewer connections in the old town area. To be done in conjunction with the Old Town water main replacements.
Justification: Replace and upgrade the sewer connections during the Water main replacement in the Old Town area.
Start Date: 2021 **Completion Date:** 2022

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|---------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | 100,000 | 100,000 | 200,000 |
| | Total | | | | | | | 100,000 | 100,000 | 200,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|---------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | 95,000 | 95,000 | 190,000 |
| | Management | | | | | | | 5,000 | 5,000 | 10,000 |
| | Total | | | | | | | 100,000 | 100,000 | 200,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Poulsbo Village Pump Station Upgrade

Project Description

Budget: \$950,000 **Purpose:** Sewer
Location: Poulsbo Village **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will include rehabilitation and upgrade of the Poulsbo Village wastewater pump station (electrical panel, controls, submersible pumps and site piping).
Justification: The existing infrastructure is aged and the pump station is at capacity. Upgrade of the pump station is required in order to ensure reliability and replace aged infrastructure and appurtenances.
Start Date: 2015 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|---------------|----------------|----------------|------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 15,420 | 284,580 | 650,000 | | | | | | 950,000 |
| | Total | 15,420 | 284,580 | 650,000 | | | | | | 950,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|---------------|----------------|----------------|------|------|------|------|------|----------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 15,420 | 90,000 | | | | | | | 105,420 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | 189,580 | 625,000 | | | | | | 814,580 |
| | Management | | 5,000 | 25,000 | | | | | | 30,000 |
| | Total | 15,420 | 284,580 | 650,000 | | | | | | 950,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: SR305 Force Main Extension**Project Description**

Budget: \$2,810,000 **Purpose:** Sewer
Location: SR 305 **Project Manager:** Andrzej Kasiniak, P.E.
Description: The project will extend the existing force main from Tollefson to the Kitsap County chlorination station (4800 lf). To fund this project the City will issue 20 year bonds in the amount of \$2,810,000 at 5% interest annually. The estimated payment of the bond is \$221,000 per year beginning in 2020.
Justification: Prevent overflows and increase the system capacity.
Start Date: 2020 **Completion Date:** 2021

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|---------|-----------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | 200,000 | 2,610,000 | | 2,810,000 |
| 7 | City/Utility Reserves | | | | | | | | | |
| | Total | | | | | | 200,000 | 2,610,000 | | 2,810,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|---------|-----------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | 190,000 | 2,480,000 | | 2,670,000 |
| | Management | | | | | | 10,000 | 130,000 | | 140,000 |
| | Total | | | | | | 200,000 | 2,610,000 | | 2,810,000 |

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------|-------------|--------------|---------------|------|------|------|---------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | 221,000 | 221,000 | 221,000 |
| | Total | | | | | | | 221,000 | 221,000 | 221,000 |

Project Name: Storage Facility at Sol Vei & SR 305**Project Description**

Budget: \$500,000 **Purpose:** Sewer
Location: Sol Vei-SR 305 **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will provide a detention tank to catch overflow at Sol Vei and SR 305.
Justification: 2015 and 2016 had sewer overflow at Sol Vei and Hwy 305. This will catch all overflow during high use events.
Start Date: 2017 **Completion Date:** 2017

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 500,000 | | | | | | 500,000 |
| | Total | | | 500,000 | | | | | | 500,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | 90,000 | | | | | | 90,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 400,000 | | | | | | 400,000 |
| | Management | | | 10,000 | | | | | | 10,000 |
| | Total | | | 500,000 | | | | | | 500,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Water Meter Replacement**Project Description**

Budget: \$600,000 **Purpose:** Sewer

Location: City Accounts **Project Manager:** Andrzej Kasiniak, P.E.

Description: This program replaces the aging water meters within the city water system. There are many residential and commercial meters that are past their service life. Most are up to twenty years old.

Justification: Worn out meters read inaccurately and therefore undermeasure water/sewer use. The result is lost or unaccounted for water which equals inaccurate sewer billing as well.

Start Date: 2015 **Completion Date:** 2018

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 134,989 | 40,011 | 175,000 | 250,000 | | | | | 600,000 |
| | Total | 134,989 | 40,011 | 175,000 | 250,000 | | | | | 600,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | 134,989 | 30,011 | 175,000 | 250,000 | | | | | 590,000 |
| | Management | | 10,000 | | | | | | | 10,000 |
| | Total | 134,989 | 40,011 | 175,000 | 250,000 | | | | | 600,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Caldart Main

Project Description

Budget: \$300,000 **Purpose:** Water

Location: Caldart Main **Project Manager:** Andrzej Kasiniak, P.E.

Description: This project replaces the 8" asbestos cement water main that runs from the Caldart/ Hostmark intersection south to the Raab Park tank with 12" ductile iron. Approx 1/4" mile of pipe.

Justification: The asbestos cement pipe in question has reached its service life and needs to be replaced and with the replacement of the raab park tank, a new distribution main will address fire flow issues in that area.

Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 300,000 | | | | | | 300,000 |
| | Total | | | 300,000 | | | | | | 300,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | 30,000 | | | | | | 30,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 260,000 | | | | | | 260,000 |
| | Management | | | 10,000 | | | | | | 10,000 |
| | Total | | | 300,000 | | | | | | 300,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Finn Hill Tank Painting

Project Description

Budget: \$200,000 **Purpose:** Water
Location: Finn Hill **Project Manager:** Andrzej Kasiniak, P.E.
Description: The City plans to recoat the Finn Hill Water Tank in 2022.
Justification: Periodic coating needs to be applied to protect the structure from damage.
Start Date: 2022 **Completion Date:** 2022

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | 200,000 | 200,000 |
| | Total | | | | | | | | 200,000 | 200,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | | 190,000 | 190,000 |
| | Management | | | | | | | | 10,000 | 10,000 |
| | Total | | | | | | | | 200,000 | 200,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Fjord Street Main Replacement

Project Description

Budget: \$170,000 **Purpose:** Water
Location: Old Town Area **Project Manager:** Andrzej Kasiniak, P.E.
Description: The project will replace the undersized water main along Fjord Street between Hostmark and Harrison.
Justification: The project will improve the fire flow in Old Town Area.
Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 170,000 | | | | | | 170,000 |
| | Total | | | 170,000 | | | | | | 170,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | 10,000 | | | | | | 10,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 160,000 | | | | | | 160,000 |
| | Management | | | | | | | | | |
| | Total | | | 170,000 | | | | | | 170,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Front Street Water Main Replacement

Project Description

Budget: \$250,000 **Purpose:** Water
Location: Front Street **Project Manager:** Andrzej Kasiniak, P.E.
Description: The project will replace the "old" Cast Iron water main with a Ductile Iron water main along Front Street between Jensen and 4th Ave
Justification: The existing main is "old" and needs to be replaced
Start Date: 2021 **Completion Date:** 2021

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | 250,000 | | 250,000 |
| | Total | | | | | | | 250,000 | | 250,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | 20,000 | | 20,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | 220,000 | | 220,000 |
| | Management | | | | | | | 10,000 | | 10,000 |
| | Total | | | | | | | 250,000 | | 250,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Hostmark Pipe

Project Description

Budget: \$200,000 **Purpose:** Water
Location: Hostmark Street **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project extends the new 12" distribution main from SR 305 crossing to Front St.
Justification: This new connection better serves the lower system with a 12" distribution main. The current pipe runs through the woods and is undersized.
Start Date: 2021 **Completion Date:** 2021

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | 200,000 | | 200,000 |
| | Total | | | | | | | 200,000 | | 200,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | 20,000 | | 20,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | 170,000 | | 170,000 |
| | Management | | | | | | | 10,000 | | 10,000 |
| | Total | | | | | | | 200,000 | | 200,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Noll Road Water Improvements

Project Description

Budget: \$390,000 **Purpose:** Water
Location: Noll Road **Project Manager:** Diane Lenius, P.E.
Description: Future water system improvements associated with the City's Noll Road project
Justification: The City will be making required water system improvements associated with the City's Noll Road Improvements construction.

Start Date: 2016 **Completion Date:** 2019

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | 20,000 | | 220,000 | 150,000 | | | | 390,000 |
| | Total | | 20,000 | | 220,000 | 150,000 | | | | 390,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|---------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | 20,000 | | | | | | | 20,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 210,000 | 140,000 | | | | 350,000 |
| | Management | | | | 10,000 | 10,000 | | | | 20,000 |
| | Total | | 20,000 | | 220,000 | 150,000 | | | | 390,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Old Town Water Main Replacement

Project Description

Budget: \$350,000 **Purpose:** Water
Location: Old Town Area **Project Manager:** Andrzej Kasiniak, P.E.
Description: The project will replace the undersized water main along three streets: Harrison, Eliason, and Ryen
Justification: The project will improve the fire flow in Old Town Area.
Start Date: 2021 **Completion Date:** 2021

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | 350,000 | | 350,000 |
| | Total | | | | | | | 350,000 | | 350,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | 20,000 | | 20,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | 320,000 | | 320,000 |
| | Management | | | | | | | 10,000 | | 10,000 |
| | Total | | | | | | | 350,000 | | 350,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Olhava Tank Painting

Project Description

Budget: \$200,000 **Purpose:** Water
Location: Olhava **Project Manager:** Andrzej Kasiniak, P.E.
Description: The City plans to recoat the Olhava Water Tank in 2022.
Justification: Periodic coating needs to be applied to protect the structure from damage.
Start Date: 2022 **Completion Date:** 2022

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | 200,000 | 200,000 |
| | Total | | | | | | | | 200,000 | 200,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | | 190,000 | 190,000 |
| | Management | | | | | | | | 10,000 | 10,000 |
| | Total | | | | | | | | 200,000 | 200,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Raab Tank & Booster Station**Project Description**

Budget: \$930,000 **Purpose:** Water

Location: Raab Park/Wilderness Park **Project Manager:** Andrzej Kasiniak, P.E.

Description: This project will construct a new booster station at the Wilderness Park reservoir site. The booster station will consist of three 750 gpm pumps, integrated control systems, standby generator, and an automatic transfer switch. This project will replace the existing 150K gallon tank with a 300K gallon tank.

Justification: The project will eliminate the storage deficiency in the East High zone and it will provide redundancy to the Pugh and Lincoln wells. The existing tank is old and does not meet seismic design standards.

Start Date: 2016 **Completion Date:** 2017

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | 80,000 | 850,000 | | | | | | 930,000 |
| | Total | | 80,000 | 850,000 | | | | | | 930,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | 70,000 | 20,000 | | | | | | 90,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 770,000 | | | | | | 770,000 |
| | Management | | 10,000 | 60,000 | | | | | | 70,000 |
| | Total | | 80,000 | 850,000 | | | | | | 930,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: SR 305 Crossing

Project Description

Budget: \$200,000 **Purpose:** Water
Location: SR 305 **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will replace the old water main across SR305.
Justification: The project will replace old and undersized pipe.
Start Date: 2019 **Completion Date:** 2019

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|----------------|-----------------|---------------|------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | 200,000 | | | | 200,000 |
| | Total | | | | | 200,000 | | | | 200,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|----------------|-----------------|---------------|------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | 50,000 | | | | 50,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | 140,000 | | | | 140,000 |
| | Management | | | | | 10,000 | | | | 10,000 |
| | Total | | | | | 200,000 | | | | 200,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|----------------|-----------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Water Meter Replacement**Project Description**

Budget: \$600,000 **Purpose:** Water

Location: City Accounts **Project Manager:** Andrzej Kasiniak, P.E.

Description: This program replaces the aging water meters within the city water system. There are many residential and commercial meters that are past their service life. Most are up to twenty years old.

Justification: Worn out meters read inaccurately and therefore undermeasure water/sewer use. The result is lost or unaccounted for water which equals inaccurate sewer billing as well.

Start Date: 2015 **Completion Date:** 2018

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 134,989 | 40,011 | 175,000 | 250,000 | | | | | 600,000 |
| | Total | 134,989 | 40,011 | 175,000 | 250,000 | | | | | 600,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | 134,989 | 30,011 | 175,000 | 250,000 | | | | | 590,000 |
| | Management | | 10,000 | | | | | | | 10,000 |
| | Total | 134,989 | 40,011 | 175,000 | 250,000 | | | | | 600,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: West Side Well Treatment for Manganese

Project Description

Budget: \$950,000 **Purpose:** Water
Location: Westside Well **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will install a treatment facility at the existing Westside Well site. Water quality reports have indicated a high manganese content in the raw water (.085 mg/L manganese).
Justification: A treatment facility would reduce the manganese content in the water. Department of Health guidelines call for a maximum content of .05 mg/L.
Start Date: 2019 **Completion Date:** 2020

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|---------|---------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 5 | Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | 150,000 | 800,000 | | | 950,000 |
| | Total | | | | | 150,000 | 800,000 | | | 950,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|---------|---------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | 150,000 | | | | 150,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | 750,000 | | | 750,000 |
| | Management | | | | | | 50,000 | | | 50,000 |
| | Total | | | | | 150,000 | 800,000 | | | 950,000 |

Estimated Impact on Future Operating Budgets

Notes: It is anticipated there will be limited budget impact in 2019 and 2020.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|-------|-------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | 5,000 | 5,000 | | | 10,000 |
| | Debt | | | | | | | | | |
| | Total | | | | | 5,000 | 5,000 | | | 10,000 |

Project Name: Wilderness Tank Retrofit**Project Description**

Budget: \$580,000 **Purpose:** Water
Location: Wilderness Park **Project Manager:** Andrzej Kasiniak, P.E.
Description: Project will retrofit and paint the 1M gallon tank located in Wilderness Park.
Justification: The existing tank is old and it does not meet seismic design standards.
Start Date: 2017 **Completion Date:** 2018

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 5 | Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 80,000 | 500,000 | | | | | 580,000 |
| | Total | | | 80,000 | 500,000 | | | | | 580,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|--------------------|-------------|--------------|---------------|---------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | 80,000 | | | | | | 80,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 480,000 | | | | | 480,000 |
| | Management | | | | 20,000 | | | | | 20,000 |
| | Total | | | 80,000 | 500,000 | | | | | 580,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: American Legion Park Outfall Repair**Project Description**

Budget: \$120,000 **Purpose:** Storm Drain

Location: American Legion Park **Project Manager:** Andrzej Kasiniak, P.E.

Description: The stormwater outfall located at the north end of American Legion Park is in jeopardy of failing due to slope erosion. This project will replace the outfall and stabilize the bank.

Justification: The bank has eroded and several large trees have fallen into Liberty Bay. The edge of the bank is now about 3 feet from the last manhole. The loss of another tree and further bank erosion could cause the manhole to tip into Liberty Bay resulting in damage to the outfall, erosion, and further loss of park land.

Start Date: 2022 **Completion Date:** 2022

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|---------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | 120,000 | 120,000 |
| | Total | | | | | | | | 120,000 | 120,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|---------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | 20,000 | 20,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | | 100,000 | 100,000 |
| | Management | | | | | | | | | |
| | Total | | | | | | | | 120,000 | 120,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Deer Run Pond Retrofit**Project Description**

Budget: \$200,000 **Purpose:** Storm Drain

Location: Deer Run Subdivision **Project Manager:** Andrzej Kasiniak, P.E.

Description: The project will increase the stormwater treatment from the Deer Run development to Ecology standards by replacing the existing failing bioswale with a compost amended bioswale with high flow scour protection. The detention pond will be enhanced to promote better stormwater pollutant removal.

Justification: The existing facility was built in 1995 and according to the current standards is undersized and allows high stormwater flows to scour out and deposit the removed stormwater pollutants to Bjorgen Creek. The existing detention pond causes short circuiting and poor stormwater pollutant retention.

Start Date: 2020 **Completion Date:** 2021

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|--------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | 16,000 | 184,000 | | 200,000 |
| | Total | | | | | | 16,000 | 184,000 | | 200,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|--------|---------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | 16,000 | | | 16,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | 153,000 | | 153,000 |
| | Management | | | | | | | 31,000 | | 31,000 |
| | Total | | | | | | 16,000 | 184,000 | | 200,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Dogfish Creek (South Fork) Restoration**Project Description**

Budget: \$1,318,144 **Purpose:** Storm Drain

Location: South Fork of Dogfish Creek **Project Manager:** Andrzej Kasiniak, P.E.

Description: This project will consist of concept plan development to define restoration and stormwater treatment elements and costs and better position the project for future grant funding. This project will reduce flooding, improve water quality and improve fish habitat. This project will consist of restoring 525-ft of degraded stream and 36,750 sf riparian buffer between 8th Avenue and Centennial Park. The project will construct bioretention facilities to treat run-off from the existing Public Works site and portions of Lincoln Road, 8th Avenue, 7th Avenue and Iverson Street. The existing detention pond at the Poulsbo Library will be retrofit into a treatment wetland, and a new treatment wetland would be constructed for runoff from SR305 and portions of adjacent commercial development. This project will replace the existing undersized 24-in diameter pipe under 8th Avenue with a new 12-ft wide concrete box culvert. Project funding will consist of a combination of state habitat restoration and stormwater retrofit grant programs. The project is currently the highest ranked stormwater related habitat restoration project in Kitsap County under the Puget Sound Partnership (PSP) Near Term Action Plan (NTAP). The NTAP has been developed by the PSP as a regional tool to guide prioritization of project funding. This project is therefore positioned as one of the regions top funding priorities. Stormwater retrofit project funding from the Department of Ecology is also considered highly probable given that the project is the top ranked implementation action under the City's recently completed TMDL Implementation Plan, which was prepared as an extension of Ecology's Liberty Bay TMDL Plan.

Justification: The South Fork Dogfish Creek restoration project requires grant funding for implementation. A concept design needs to be developed in order to verify costs, property requirements and permitting needs. This planning project will define these elements and better position the project to obtain grant funding. The South Fork of Dogfish Creek downstream of 8th Avenue frequently floods due to upstream erosion that has resulted in channel aggradation, which creates a shallow and flat channel that is not able to convey peak flows. The stream routinely overflows its banks onto the Public Works property and the Poulsbo Village Shopping Center. The culvert under 8th Avenue is too small and can flood, especially when partially blocked with sediment. Heavy brush and debris restricts flow and salmon migration in sections through Centennial Park. Treatment of stormwater from this basin was identified as a high priority in the Liberty Bay TMDL Plan and the 2016 Stormwater Comprehensive Plan.

Start Date: 2011 **Completion Date:** 2021

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|--------------|---------------|---------------|----------------|------|----------------|----------------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | 187,500 | | 375,000 | 375,000 | | 937,500 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 5,144 | 33,000 | 30,000 | 62,500 | | 125,000 | 125,000 | | 380,644 |
| | Total | 5,144 | 33,000 | 30,000 | 250,000 | | 500,000 | 500,000 | | 1,318,144 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|--------------|---------------|---------------|----------------|------|----------------|----------------|------|------------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 5,144 | 33,000 | 30,000 | 230,000 | | | | | 298,144 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | 480,000 | 480,000 | | 960,000 |
| | Management | | | | 20,000 | | 20,000 | 20,000 | | 60,000 |
| | Total | 5,144 | 33,000 | 30,000 | 250,000 | | 500,000 | 500,000 | | 1,318,144 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: 8th Avenue Culvert Replacement**Project Description**

Budget: \$300,000 **Purpose:** Storm Drain

Location: South Fork of Dogfish Creek **Project Manager:** Andrzej Kasiniak, P.E.

Description: This project will reduce flooding, improve water quality and improve fish habitat. This project will replace the existing undersized 24-in diameter pipe under 8th Avenue with a new 12-ft wide concrete box culvert. Design will be completed as part of the SF Dogfish Creek restoration project. Project funding will be via City funds and state habitat restoration grants. The culvert project is a component of the South Fork Dogfish Creek Restoration project, which is the highest ranked stormwater related habitat restoration project in Kitsap County under the Puget Sound Partnership Near Term Action Plan and as such is positioned as one of the regions top funding priorities. Refer to the South Fork Dogfish Creek CIPO description for additional detail.

Justification: The South Fork of Dogfish Creek culvert under 8th Avenue is too small and can flood, especially when partially blocked with sediment. The stream routinely overflows its banks onto 8th Avenue. The culvert is a barrier to fish passage at higher flows.

Start Date: 2019 **Completion Date:** 2020

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|---------|---------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | 100,000 | 100,000 | | | 200,000 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | 50,000 | 50,000 | | | 100,000 |
| | Total | | | | | 150,000 | 150,000 | | | 300,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|---------|---------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | 150,000 | 150,000 | | | 300,000 |
| | Management | | | | | | | | | |
| | Total | | | | | 150,000 | 150,000 | | | 300,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Fjord Storm Drain

Project Description

Budget: \$206,000 **Purpose:** Storm Drain

Location: Fjord Drive from Hostmark to Harrison Street **Project Manager:** Andrzej Kasiniak, P.E.

Description: The project will replace 700 linear feet of old concrete storm and undersized catch basins and install water quality treatment between Hostmark and Harrison.

Justification: The existing pipe is old 8-in diameter concrete and very small undersized catch basins. Both the pipe and catchbasins no longer meet City construction standards. The project will be done concurrent with water line replacement.

Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 206,000 | | | | | | 206,000 |
| | Total | | | 206,000 | | | | | | 206,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | 10,000 | | | | | | 10,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | 180,000 | | | | | | 180,000 |
| | Management | | | 16,000 | | | | | | 16,000 |
| | Total | | | 206,000 | | | | | | 206,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Fjord Dr. NE Stormwater Quality Treatment Improvements

Project Description

Budget: \$70,300 **Purpose:** Storm Drain
Location: Fjord Drive NE **Project Manager:** Andrzej Kasiniak, P.E.
Description: The project will increase the stormwater treatment from a 600-foot section of Lemolo Drive to Ecology standards with a Modular Wetland System treatment device and additional stormwater piping.
Justification: There are no existing water quality facilities along Lemolo Dr. and Fjord Dr which outfalls directly to Liberty Bay. The proposed project will meet Enhanced Water Quality Treatment Standards to the existing outfalls which are located in smelt spawning areas.
Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 70,300 | | | | | 70,300 |
| | Total | | | | 70,300 | | | | | 70,300 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|--------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 6,000 | | | | | 6,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 52,600 | | | | | 52,600 |
| | Management | | | | 11,700 | | | | | 11,700 |
| | Total | | | | 70,300 | | | | | 70,300 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Forest Rock Hills (SR305) Outfall**Project Description**

Budget: \$75,000 **Purpose:** Storm Drain

Location: Forest Rock Hills intersection at SR305 **Project Manager:** Andrzej Kasiniak, P.E.

Description: This project will alleviate localized flooding and improve water quality by retrofitting an existing swale and outfall.

Justification: The existing swale and outfall are plugged with accumulated sediment which causes periodic back up and overflow. This project will evaluate storm system conditions to determine repair options, and construct necessary improvements.

Start Date: 2021 **Completion Date:** 2021

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|--------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | 75,000 | | 75,000 |
| | Total | | | | | | | 75,000 | | 75,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|------|--------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | 10,000 | | 10,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | | | |
| | Management | | | | | | | 65,000 | | 65,000 |
| | Total | | | | | | | 75,000 | | 75,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Glenn Haven Storm Drain Replacement**Project Description**

Budget: \$110,000 **Purpose:** Storm Drain

Location: Glenn Haven from Mesford to the Outfall at Wilderness View Development **Project Manager:** Andrzej Kasiniak, P.E.

Description: The project is replacing 700 linear feet of old 12" Corrugated Metal Pipe storm pipe from Mesford that flows down Glenn Haven to Wilderness View along with the required asphalt repair work.

Justification: The existing pipe is old CMP. The pipe is rusted away. Initial camera inspections show the bottom of the pipe is completely disintegrated. This pipe carries the storm flows from the Ridgewood Development as well as the upper portion of Mesford.

Start Date: 2020 **Completion Date:** 2021

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|--------|---------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | 10,000 | 100,000 | | 110,000 |
| | Total | | | | | | 10,000 | 100,000 | | 110,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|--------|---------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | 10,000 | | | 10,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | 90,000 | | 90,000 |
| | Management | | | | | | | 10,000 | | 10,000 |
| | Total | | | | | | 10,000 | 100,000 | | 110,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Liberty Rd (SR 305) Outfall**Project Description**

Budget: \$40,000 **Purpose:** Storm Drain

Location: 10th Ave. **Project Manager:** Andrzej Kasiniak, P.E.

Description: This project will help improve stormwater collection and conveyance near the Poulsbo Fire Station, which periodically floods.

Justification: An intermittent stream near the project location periodically exceeds the capacity of the culvert under 10th Avenue resulting in overflows. This project will evaluate storm system conditions to determine repair options, and construct necessary improvements.

Start Date: 2018 **Completion Date:** 2018

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 40,000 | | | | | 40,000 |
| | Total | | | | 40,000 | | | | | 40,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|--------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 8,000 | | | | | 8,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 32,000 | | | | | 32,000 |
| | Management | | | | | | | | | |
| | Total | | | | 40,000 | | | | | 40,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Noll Road Improvements Phase III

Project Description

Budget: \$3,926,505 **Purpose:** Storm Drain

Location: Noll Road **Project Manager:** Diane Lenius, P.E.

Description: The project as a whole extends from SR 305 to Lincoln Rd along a new alignment as shown on the City Transportation Plan. This project will be implemented in several phases. The following is the project description as a whole to include both Transportation and Storm; however, the acquisition of Right of Way is strictly Transportation only.
 The Design Phase will be funded 70% by Streets and 30% by Storm (catch basin and detention systems). The Storm Drain portion is responsible for collecting storm water run off from the roadway prism thus protecting private property, as well as treating the run off before it enters waters of the state.
 30% of the design is already complete and the City will begin right of way acquisition in 2016. The Construction cost will also be split between Streets and Storm, with % amount to be determined as design progresses further. Construction will be divided into three or more phases – the South Segment, Middle Segment, and North Segment:
 The South Segment will be advertised in 2017/18 and include approximately 3600 LF of new roadway from SR305 to Noll Road at Storhoff; construction of this segment will take place in 2018/19. Grant funding for this segment has been secured through the FHWA 2017/2018 Funding Cycle and a \$3.4M grant (13.5% match, \$461,700.) The remainder of the 2018/19 construction funding will come from Traffic Impact Fees \$1M and a General Purpose Bond \$4.1 M. City staff will continue to pursue state construction grants to reduce bond requirements.
 The Middle Segment and North Segments will begin design in 2020 and construction in 2021/22 to be completed by 2027. These segments will be funded by FHWA/STP, TIB, and CITY TIF over the next 10 years. The City has been successful in obtaining grant funds from these sources for past similar projects; therefore these funds are reasonably assured.

Justification: The project will increase roadway capacity and improve safety.

Start Date: 2014 **Completion Date:** 2022

Capital Funding

Sources of Funding

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|-----------|-----------|---------|-----------|--------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | 56,005 | 277,500 | 240,000 | 1,000,000 | 1,000,000 | | 1,155,000 | | 3,728,505 |
| 2 | State Grants | | | | | | 108,000 | | 90,000 | 198,000 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | | | | | | |
| 8 | City Impact Fees | | | | | | | | | |
| | Total | 56,005 | 277,500 | 240,000 | 1,000,000 | 1,000,000 | 108,000 | 1,155,000 | 90,000 | 3,926,505 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|-----------|-----------|---------|-----------|--------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 56,005 | 277,500 | 240,000 | | | 108,000 | | 90,000 | 771,505 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 900,000 | 900,000 | | 1,039,500 | | 2,839,500 |
| | Management | | | | 100,000 | 100,000 | | 115,500 | | 315,500 |
| | Total | 56,005 | 277,500 | 240,000 | 1,000,000 | 1,000,000 | 108,000 | 1,155,000 | 90,000 | 3,926,505 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Norrland Drainage Ditch Replacement**Project Description**

Budget: \$57,000 **Purpose:** Storm Drain

Location: Norrland Ct. **Project Manager:** Andrzej Kasiniak, P.E.

Description: Two storm drains discharge to an open ditch that flows through the back yards of 3 homes. This project will replace the ditch with 90 linear feet of 18" diameter PVC and install two catch basins.

Justification: The drainage ditch was originally designed to carry flow from the drainage channel north of Lincoln Road. A detention structure was placed in Lincoln Road and discharged to the ditch. This caused the control structure in the Norrland cul-de-sac to back up into the yards and flood at least one of the crawl spaces. The control structure has not been opened to minimize the problem. This project cannot be accomplished until the Wendy Way storm main is increased to 18".

Start Date: 2018 **Completion Date:** 2018

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 57,000 | | | | | 57,000 |
| | Total | | | | 57,000 | | | | | 57,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|--------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | | | | | |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | 57,000 | | | | | 57,000 |
| | Management | | | | | | | | | |
| | Total | | | | 57,000 | | | | | 57,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Poulsbo Creek Outfall**Project Description**

Budget: \$290,000 **Purpose:** Storm Drain

Location: Fjord Drive - near the Yacht Club **Project Manager:** Andrzej Kasiniak, P.E.

Description: The existing outfall pipe for Poulsbo Creek at the Poulsbo Yacht Club is corroded and has collapsed in places. This project will replace the corroded metal splash pad and outfall pipe with concrete splash pad and energy dissipater. The existing culvert will be lined from the outfall to Lions Park and new catch basin control structure will be installed. The project will also install habitat features at the outfall channel for mitigation, and will convert the existing ditch on Fjord Drive to a bioretention swale.

Justification: The existing outfall pipe for Poulsbo Creek at the Poulsbo Yacht Club is corroded and has collapsed in places. The outfall is a corrugated metal pipe that has reached it's useful life and is in need of replacement. Rip rap armoring around the outfall has started to collapse. The outfall must be replaced in order to stabilize the shoreline and prevent future damage.

Start Date: 2018 **Completion Date:** 2019

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 40,000 | 250,000 | | | | 290,000 |
| | Total | | | | 40,000 | 250,000 | | | | 290,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|--------|---------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 40,000 | | | | | 40,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | 230,000 | | | | 230,000 |
| | Management | | | | | 20,000 | | | | 20,000 |
| | Total | | | | 40,000 | 250,000 | | | | 290,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Replace Storm Drains in Ridgewood /Kevos Pond**Project Description**

Budget: \$302,593 **Purpose:** Storm Drain

Location: Ridgewood **Project Manager:** Andrzej Kasiniak, P.E.

Description: The Ridgewood /Kevos Pond Basin Plan identified several capital improvement projects that will address system deficiencies. Improvements consist of three projects: Norrland Control Structure Modifications, Wendy Way Pipe Replacement, and Kevos/Ridgewood Pipe replacement. This project will replace undersized 12-inch diameter storm drains with 18-inch diameter storm drains and modify an existing control structure to improve conveyance and reduce flooding. It will also construct bioretention cells to improve water quality.

Justification: During heavy storm events, water floods private properties. Undersized pipes and conveyance systems result in localized flooding and drainage problems.

Start Date: 2012 **Completion Date:** 2019

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|---------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 42,593 | | | | 260,000 | | | | 302,593 |
| | Total | 42,593 | | | | 260,000 | | | | 302,593 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|---------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 42,593 | | | | 20,000 | | | | 62,593 |
| | Land/ Right of Way | | | | | | | | | - |
| | Construction | | | | | 220,000 | | | | 220,000 |
| | Management | | | | | 20,000 | | | | 20,000 |
| | Total | 42,593 | | | | 260,000 | | | | 302,593 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: 7th Avenue Regional Detention Facility**Project Description**

Budget: \$50,000 **Purpose:** Storm Drain
Location: 7th Avenue at SR305 **Project Manager:** Andrzej Kasiniak, P.E.

Description: The Poulsbo Village and 7th Avenue basin is largely developed and discharges untreated stormwater to the South Fork of Dogfish Creek. This project would develop preliminary design and permits for a regional treatment facility for the basin consisting of a detention pond and high performance media filter or constructed wetland. It would also evaluate modifications to the existing conveyance system and costs to acquire property needed to support construction of the facility.

Justification: The 7th Avenue/Poulsbo Village basin is one of the largest paved drainage basins in the City that has no storm detention or water quality treatment. Treatment of stormwater from this basin was identified as a high priority in the Liberty Bay TMDL Plan and the 2016 Stormwater Comprehensive Plan. The regional facility will address water quality and habitat needs as well as support re-development efforts in the basin. Preliminary design must be done to confirm engineering feasibility, cost effectiveness and to position the project for future grant funding.

Start Date: 2018 **Completion Date:** 2018

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|--------|------|------|------|------|--------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | | | | | | | |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | | 50,000 | | | | | 50,000 |
| | Total | | | | 50,000 | | | | | 50,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|--------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | 50,000 | | | | | 50,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | | | | | | | | |
| | Management | | | | | | | | | |
| | Total | | | | 50,000 | | | | | 50,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: Small Anderson Parkway Retrofit**Project Description**

Budget: \$303,000 **Purpose:** Storm Drain

Location: Small Anderson Parkway **Project Manager:** Andrzej Kasiniak, P.E.

Description: The south Anderson Parkway retrofit will complement the retrofit of the main Anderson Parkway parking lot that occurred in 2010. The project will retrofit the existing 0.65 acre parking lot with pervious pavement and modular wetland system, and will replace an undersized 12-in diameter outfall conveyance pipe with new 18-in diameter pipe.

Justification: Stormwater from Small Anderson Parkway is discharged untreated to Liberty Bay. This project will treat runoff from the heavily used lot and provide replacement of deteriorated pavement.

Start Date: 2015 **Completion Date:** 2017

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|------|------|------|------|---------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | 60,000 | 100,000 | 86,000 | | | | | | 246,000 |
| 3 | County | | | | | | | | | |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | 12,000 | 25,000 | 20,000 | | | | | | 57,000 |
| | Total | 72,000 | 125,000 | 106,000 | | | | | | 303,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | 72,000 | 13,000 | | | | | | | 85,000 |
| | Land/ Right of Way | | | | | | | | | |
| | Construction | | 100,000 | 95,000 | | | | | | 195,000 |
| | Management | | 12,000 | 11,000 | | | | | | 23,000 |
| | Total | 72,000 | 125,000 | 106,000 | | | | | | 303,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |

Project Name: West Poulsbo Waterfront Park**Project Description**

Budget: \$2,050,000 **Purpose:** Storm Drain

Location: South Central Viking Avenue corridor **Project Manager:** Andrzej Kasiniak, P.E.

Description: The South Central Viking Avenue basin discharges untreated stormwater from a relatively large impervious area. This project will construct a regional treatment facility for the 60-acre urban basin consisting of bioretention, high performance media filter and a constructed wetland. It will also improve capacity of the conveyance system. The project includes acquisition of a 3-acre waterfront property for the site of a future stormwater park. Project funding is a combination of state recreation grants (for land acquisition), and state stormwater retrofit grants for design and construction. Land acquisition funding is considered reasonably high probability given the site is the top acquisition priority in the City's Park and Open Space Plan, and the site's urban water access potential, which is a high priority for state recreation funding. Grant funding for design and construction via a retrofit grant from Ecology is also considered likely since the project is the number 2 priority in the City's recently completed TMDL Implementation Plan. The City has obtained grant funding on 7 consecutive retrofit grant applications submitted over the past 10 years and has established an excellent project delivery track record with the state funding agency. Future grant funding for this high priority project is therefore considered highly probable.

Justification: Viking Avenue is one of the largest paved drainage basins in the City, it currently does not have adequate storm drain treatment. Treatment of stormwater from this basin was identified as a high priority in the Liberty Bay TMDL Plan and the 2016 Stormwater Comprehensive Plan.

Start Date: 2017 **Completion Date:** 2021

Capital Funding**Sources of Funding**

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total |
|---|-----------------------|-------------|--------------|---------------|------|---------|---------|---------|------|-----------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| 1 | Federal Grants | | | | | | | | | |
| 2 | State Grants | | | 400,000 | | 187,500 | 375,000 | 375,000 | | 1,337,500 |
| 3 | County | | | | | | 125,000 | 125,000 | | 250,000 |
| 4 | PWTF | | | | | | | | | |
| 6 | Non-Voted Bonds | | | | | | | | | |
| 7 | City/Utility Reserves | | | 400,000 | | 62,500 | | | | 462,500 |
| | Total | | | 800,000 | | 250,000 | 500,000 | 500,000 | | 2,050,000 |

Capital Costs

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|--------------------|-------------|--------------|---------------|------|---------|---------|---------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Planning & Design | | | | | 230,000 | | | | 230,000 |
| | Land/ Right of Way | | | 750,000 | | | | | | 750,000 |
| | Construction | | | | | | 480,000 | 480,000 | | 960,000 |
| | Management | | | 50,000 | | 20,000 | 20,000 | 20,000 | | 110,000 |
| | Total | | | 800,000 | | 250,000 | 500,000 | 500,000 | | 2,050,000 |

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

| | | Prior Years | Current 2016 | Six-Year Plan | | | | | | Total Costs |
|--|-----------|-------------|--------------|---------------|------|------|------|------|------|-------------|
| | | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| | Operating | | | | | | | | | |
| | Debt | | | | | | | | | |
| | Total | | | | | | | | | |



CITY OF POULSBO

2017 – 2022 CITY IMPROVEMENT PLAN

APPENDIX





City of Poulsbo Legislative Policy

| | |
|--|--|
| Title: Capital Improvement Policy | Number of Pages: 2 |
| Department: Finance Department | Effective Date: July 21, 1999 |
| Revised Date: New | Revised by: Finance/Admin Committee |

PURPOSE

Poulsbo's city government is accountable for a considerable investment in buildings, parks, roads, sewers, equipment and other capital investments. The preservation, maintenance, and future improvement of these facilities are a primary responsibility of the City. Planning and implementing sound capital improvement policies and programs today will help the City avoid emergencies and major costs in the future.

POLICY

A capital project is defined as a project of a nonrecurring nature with a cost of \$15,000 or more and estimated service life of 10 years or more.

GUIDELINES

- A. Annually, a six-year capital improvements program will be developed analyzing all anticipated capital projects by year and identifying associated funding sources. The plan will contain projections of how the city will perform over the six-year period in relation to policy targets.
- B. The first year of the six-year capital improvements program will be used as the basis for formal fiscal year appropriations during the annual budget process. The capital improvement program will incorporate in its projections of expenditures and funding sources any amounts relating to previous year's appropriations but which have yet to be expended.
- C. The city will maintain a capital projects approval and monitoring committee composed of the City Engineer, Planning Director, Park and Recreation Director, Finance Director and the Committee Chairs from the Public Works, Community Services and the Finance/Admin Council Committees to meet quarterly and review the progress on all outstanding projects as well as to revise spending projections.

- D. The City Improvement Plan will be prepared and updated annually.
- E. The City Council will designate annual ongoing funding levels for each of the major project categories within the City Improvement Plan.
- F. Financial analysis of funding sources will be conducted for all proposed capital improvements.
- G. An annual Capital Budget will be developed and adopted by the City Council as part of the annual budget.
- H. The City Improvement Plan will be consistent with the Capital Facilities Element of the Comprehensive Plan.

REVISION CRITERIA

Each year during the Budget Process the Finance/Admin Committee will review Legislative Policies and recommend to Council any appropriate changes.

City of Poulsbo Debt Policy

SECTION I – INTRODUCTION & GUIDING PRINCIPLES

Purpose and Overview

The Debt Policy for the City of Poulsbo is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth comprehensive guidelines for the issuance and management of all financings of the City Council. Adherence to the policy is essential to ensure that the Council maintains a sound debt position and protects the credit quality of its obligations.

Capital Planning:

The City shall integrate its debt issuance with its Capital Improvement Program (CIP) spending to ensure that planned financing conforms to policy targets regarding the level and composition of outstanding debt. This planning considers the long-term horizon, paying particular attention to financing priorities, capital outlays and competing projects. Long term borrowing shall be confined to the acquisition and/or construction of capital improvements and shall not be used to fund operating or maintenance costs. For all capital projects under consideration, the City shall set aside sufficient revenue from operations to fund ongoing normal maintenance needs and to provide reserves for periodic replacement and renewal. The issuance of debt to fund operating deficits is not permitted.

Legal Governing Principles

In the issuance and management of debt, the City shall comply with the state constitution and with all other legal requirements imposed by federal, state, and local rules and regulations, as applicable.

- State Statutes – The City may contract indebtedness as provided for by RCW 35A.40.090. General Obligation indebtedness is subject to the limitations on indebtedness provided for in RCW 39.36.020(2)(b) and Article VIII of the Washington State Constitution. Bonds evidencing such indebtedness shall be issued and sold in accordance with chapter 39.46.
- Federal Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations including the Internal Revenue Code of 1986, as amended; the Treasury Department regulations there under; and the Securities Acts of 1933 and 1934.
- Local Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by local rules and regulations.

Roles & Responsibilities

The City Council shall:

- Approve indebtedness;
- Approve appointment of independent financial advisor and bond counsel;
- Approve the Debt Policy;
- Approve budgets sufficient to provide for the timely payment of principal and interest on all debt; and

- In consultation with the City's General Counsel, financial advisor, and bond counsel, shall determine the most appropriate instrument for a proposed bond sale.

The Finance Director in consultation with the Finance Committee, the Mayor and full Council shall:

- Assume primary responsibility for debt management
- Provide for the issuance of debt at the lowest possible cost and risk;
- Determine the available debt capacity;
- Provide for the issuance of debt at appropriate intervals and in reasonable amounts as required to fund approved capital expenditures;
- Recommend to the City Council the manner of sale of debt;
- Monitor opportunities to refund debt and recommend such refunding as appropriate.
- Comply with all Internal Revenue Service (IRS), Securities and Exchange (SEC), and Municipal Securities Rulemaking Board (MSRB) rules and regulations governing the issuance of debt.
- Provide for the timely payment of principal and interest on all debt and ensure that the fiscal agent receives funds for payment of debt service on or before the payment date;
- Provide for and participate in the preparation and review of offering documents;
- Comply with all terms, conditions and disclosure required by the legal documents governing the debt issued;
- Submit to the City Council all recommendations to issue debt;
- Distribute to appropriate repositories information regarding financial condition and affairs at such times and in the form required by law, regulation and general practice, including Rule 15c2-12 regarding continuing disclosure;
- Provide for the distribution of pertinent information to rating agencies; and
- Apply and promote prudent fiscal practices.

Ethical Standards Governing Conduct

The members of the City staff, the Mayor and the City Council will adhere to the standards of conduct as stipulated by the Public Disclosure Act, RCW 42.17 and Ethics in Public Service, RCW 42.52.

SECTION II – PROFESSIONAL SERVICES

Professional Services

The City's Finance Department shall be responsible for the solicitation and selection of professional services that are required to administer the City's debt.

- Bond Counsel – With the exception of debt issued by the State, all debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all city and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.
- Financial Advisor – A Financial Advisor may be used to assist in the issuance of the City's debt. The Financial Advisor will provide the City with the objective advice

- and analysis on debt issuance. This includes, but is not limited to, monitoring of market opportunities, structuring and pricing of debt, and preparing official statements of disclosure.
- Underwriters – An Underwriter will be used for all debt issued in a negotiated sale method. The Underwriter is responsible for purchasing negotiated debt and reselling the debt to investors.
 - Fiscal Agent – A fiscal agent will be used to provide accurate and timely securities processing and timely payment to bondholders. As provided under RCW 43.80, the City will use the Fiscal Agent that is determined by the State.
 - Professional Service providers may be selected through a competitive selection process conducted by the Finance Director in consultation with the Finance Committee and Legal Counsel; the City Council shall approve the most qualified financial advisor/underwriter and bond counsel.
 - These services shall be regularly monitored by the Finance Director.

SECTION III – DEBT STRUCTURE

Types of Debt Instruments:

The City may utilize several types of municipal debt obligations to finance long-term capital projects. Subject to the approval of City Council, the City is authorized to sell:

- **Unlimited Tax General Obligation Bonds** – The City shall use Unlimited Tax General Obligation Bonds, also known as “Voted General Obligation Bonds” as permitted under RCW 35A.40.090 for the purpose of general purpose, open space and parks, and utility infrastructure. Voted issues are limited to capital purposes only. Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project. UTGO Bonds are payable from excess tax levies and are subject to the assent of 60% of the voters at an election to be held for that purpose.
- **Limited Tax General Obligation Bonds** – A Limited-Tax General Obligation debt (LTGO), also known as “Non-Voted General Obligation Debt”, requires the City to levy a property tax sufficient to meet its debt service obligations but only up to a statutory limit. The City shall use Limited Tax General Obligation (LTGO) Bonds as permitted under RCW 35A.40.090 for general capital purposes only. General Obligation debt is backed by the full faith and credit of the City and is payable from General Fund reserves and taxes collected by the City. LTGO Bonds will only be issued if:
 - A project requires funding not available from alternative sources;
 - Matching fund monies are available which may be lost if not applied for in a timely manner; or,
 - Emergency conditions exist.
- **Revenue Bonds** – The City shall use Revenue Bonds as permitted under RCW 35A.40.090 for the purpose of financing construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Improvement Plan. No taxing power or general fund pledge is provided as security.
- **Special Assessment/Local Improvement District Bonds** – The City shall use Special Assessment Bonds as permitted under RCW 35A.40.090 for the purpose of

assuring the greatest degree of public equity in place of general obligation bond where possible. Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who specifically benefit from the capital improvements through annual assessments paid to the City. LID's are formed by the City Council after a majority of property owners agree to the assessment. No taxing power or general fund pledge is provided as security, and LID Bonds are not subject to statutory debt limitations. The debt is backed by the value of the property within the district and an LID Guaranty Fund, as required by State Law.

- **Short Term Debt** – The City shall use short term debt as permitted under RCW 39.50, for the purpose of meeting any lawful purpose of the municipal corporation, including the immediate financing needs of a project for which long term funding has been secured but not yet received. The City may use inter-fund loans rather than outside debt instruments to meet short-term cash flow needs for the project. Inter-fund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of the funds will not impact the fund's current operations. All inter-fund loans will be subject to Council approval and will bear interest at prevailing rates.
- **Leases** – The City is authorized to enter into capital leases under 35A.40.090 RCW, subject to the approval of City Council.
- **Public Works Trust Fund Loans** – The City shall use Public Works Trust Fund Loans as provided under RCW 43.155 for the purpose of repairing, replacing or creating domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste/recycling facilities and bridges.
- **Local Option Capital Asset Lending (LOCAL) Program Debt** – The City is authorized to enter into a financing contract with the Office of the State Treasurer under RCW 39.94, for the purpose of financing equipment and capital needs through the State Treasurer's Office subject to existing debt limitations and financing considerations. The LOCAL Program is an expanded version of the state agency lease/purchase program that allows the pooling of funding into larger offerings of securities.

SECTION IV – TRANSACTION SPECIFIC POLICIES

Method of Sale - The City shall evaluate the best method of sale for each proposed bond issue.

1. **Competitive Bid Method** – Any competitive sale of the City's debt will require the approval of City Council. City debt issued on a competitive bid basis will be sold to the bidder proposing the lowest true interest cost to the City.
2. **Negotiated Bid Method** – When a negotiated sale is deemed advisable (in consultation with the Mayor and City Council) the Finance Director shall negotiate the most competitive pricing on debt issues and broker commissions in order to ensure the best value to the City.
 - If debt is sold on a negotiated basis, the negotiations of terms and conditions shall include, but not be limited to, prices, interest rates, underwriting or remarketing fees and commissions.
 - The City, with the assistance of its Financial Advisor, shall evaluate the terms offered by the underwriting team. Evaluations of prices, interest rates, fees and commissions

- shall include prevailing terms and conditions in the marketplace for comparable issuers.
- No debt issue will be sold on a negotiated basis without an independent financial advisor.
3. The City shall use refunding bonds in accordance with the Refunding Bond Act, RCW 39.53. Unless otherwise justified, the City will refinance debt to achieve true savings as market opportunities arise. Refunding debt shall never be used for the purpose of avoiding debt service obligations. A target 5% cost savings (discounted to its present value) over the remainder of the debt must be demonstrated for any “advance refunding”, unless otherwise justified. The City, in consultation with its Financial Advisor, may approve a “current refunding” transaction of an existing debt issue if the refunding demonstrates a positive present value savings over the remaining life of the debt.
 4. With Council approval, interim financing of capital projects may be secured from the debt financing marketplace or from other funds through an inter-fund loan as appropriate in the circumstances.
 5. When issuing debt, the City shall strive to use special assessment, revenue or other self supporting bonds in lieu of general obligation bonds.

Limitations on Debt Issuance

1. The City shall remain in compliance with all debt limitations. As part of the annual budgeting process, a current summary of outstanding debt and compliance targets is prepared. The City shall observe the following limitations on debt issuance:
 - **General Obligation** – 2.5% of Assessed Value (RCW 39.36.020(2)(b))
 - **Non-Voted: 1.5%**
 - **Voted: 2.5%**
 - **Open Space and Park Facilities** – 2.5% of Assessed Value (RCW 39.36.020(4))
2. Debt payments shall not extend beyond the estimated useful life of the project being financed. The City shall keep the average maturity of general obligations bonds at or below 20 years, unless special circumstances arise warranting the need to extend the debt schedule.
3. Debt Limit Target: The City shall not exceed 90% of the legal debt limits from above.

Debt Structuring Practices

The following terms shall be applied to the City’s debt transactions, as appropriate. Individual terms may change as dictated by the marketplace or the unique qualities of the transaction.

- **Maturity** –The City shall issue debt with an average life less than or equal to the average life of the assets being financed. Unless otherwise stated in law, the final maturity of the debt shall be no longer than 40 years (RCW 39.46.110).
- **Debt Service Structure** – Unless otherwise justified, debt service should be structured on a level basis. Refunding bonds should be structured to produce equal savings by fiscal year. Unless otherwise justified, debt shall not have capitalized interest. If appropriate, debt service reserve funds may be used for revenue bonds.

- **Price Structure** – The City’s long-term debt may include par, discount, and premium bonds. Discount and premium bonds must be demonstrated to be advantageous relative to par bond structures, given market conditions.
- **Call Provisions** – For each transaction, the City shall evaluate the costs and benefits of call provisions. In general, the City shall opt for the shortest possible optional call consistent with optimal pricing.
- **Bond Insurance** – For each transaction, the City shall evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City shall be competitively priced.
- **Tax-exemption** – Unless otherwise justified and deemed necessary, the City shall issue its debt on a tax-exempt basis.
- **Reimbursement resolution** – Must be adopted by City Council if the project hard costs are advanced prior to the bond sale.

SECTION V – COMMUNICATION

It is the policy of the City to remain as transparent as possible. The City shall manage relationships with the rating analysts assigned to the City’s credit, using both informal and formal methods to disseminate information.

- The City’s Comprehensive Financial Report (CAFR) shall be the primary vehicle for compliance with continuing disclosure requirements. The CAFR may be supplemented with additional documentation as required. Each year included in the CAFR, the City will report its compliance with debt targets and the goals of this Debt Management Policy.
- The City will issue a material event notice in accordance with provisions of SEC Rule 15c2-12. Prior to issuance of any material event, the Finance Director will discuss the materiality of any event with the Mayor, City Attorney and designated Council members, to ensure equal, timely and appropriate disclosure to the marketplace.
- The City shall seek to maintain and improve its current bond rating.

SECTION VI - COMPLIANCE

Investment of Proceeds

The City shall comply with all applicable Federal, State and contractual restrictions regarding the investment of bond proceeds. This includes compliance with restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds as well as restrictions on the time period over which some of the proceeds may be invested.

Arbitrage Liability Management

Due to the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City shall solicit the advice of bond counsel and other qualified experts about arbitrage rebate calculations. The City shall, when deemed necessary or required, contract with a third party for preparation of the arbitrage rebate calculation.

The City shall maintain an internal system for tracking expenditure of bond proceeds and investment earnings by opening a separate account in the state pool. The expenditure of bond proceeds shall be tracked in the financial system by issue. Investments may be pooled for financial accounting purposes and for investment purposes. When investment of bond proceeds are co-mingled with other investments, the City shall adhere to IRS rules on accounting allocations.

Bond Users Clearinghouse

The City shall ensure that the Bond Users Clearinghouse receives municipal bond information for all debt sold as provided by RCW 39.44.200 – 39.44.240 and WAC 365-130.

Legal Covenants

The City shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of a bond offering.

Periodic Policy Review

At a minimum, the debt policy will be reviewed and updated every five years.

RESOLUTION 2010-16

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POULSBO,
WASHINGTON, ADOPTING A DEBT POLICY GOVERNING THE ISSUANCE
AND ADMINISTRATION OF ALL DEBT ISSUED BY THE CITY.

WHEREAS, the City Council of the City of Poulsbo deems to have its debt issued and administered in compliance with all applicable Federal and RCW requirements, and

WHEREAS, the City Council of the City of Poulsbo desires to maintain a debt policy to guide the issuance and administration of its debt, and

WHEREAS, the City's Finance Director has conducted a thorough review of its current debt practices in effort to develop this policy for the issuance and administration of City debt, and

WHEREAS, the City of Poulsbo's debt policy has been written in accordance with the Washington Municipal Treasurer's Association Model Debt Policy,

**THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON
RESOLVES AS FOLLOWS:**

Section 1. Debt Policy Adopted. The policy for investment of City funds set forth in document entitled "City of Poulsbo Debt Policy" dated August 1, 2010 which is attached hereto as Exhibit "A" and incorporated herein by reference as if set forth in full is hereby adopted as official policy for issuance and administration of City debt.

RESOLVED this 1st day of September, 2010.

APPROVED:



MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED



CITY CLERK, JILL A. BOLTZ

FILED WITH THE CITY CLERK: 08/25/2010
PASSED BY THE CITY COUNCIL: 09/01/2010
RESOLUTION NO. 2010-16

Appendix to 2017-2018 Final Budget

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ORDINANCE NO. 2016-21

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, ADOPTING THE BIENNIAL BUDGET FOR THE YEARS 2017/2018 AND APPROVING AN ORDINANCE SUMMARY FOR PUBLICATION.

WHEREAS, on or before the first business day in the third month prior to the beginning of the fiscal year of 2017, the City Finance Director submitted to the Mayor the estimates of revenue and expenditures for the next two fiscal years as required by law; and

WHEREAS, the Mayor reviewed the estimates and made such revisions and/or additions as deemed advisable, and prior to sixty days before January 1, 2017, filed the said revised preliminary biennial budget with the City Clerk together with her budget message, as her recommendations for the biennial budget; and

WHEREAS, the City Clerk provided sufficient copies of such preliminary biennial budget and budget message to meet the reasonable demands of taxpayers therefore and published and posted notice of filing and the availability of said preliminary biennial budget together with the date of a public hearing for the purpose of preparing a final biennial budget, all as required by law; and

WHEREAS, the City Council scheduled hearings on the preliminary biennial budget for the purpose of providing information regarding estimates and programs; and

WHEREAS, the City Council held public hearings on November 2, 2016, November 9, 2016 and November 16, 2016, for the purpose of preparing a final biennial budget, at which hearings all taxpayers were heard who appeared for or against any part of said budget; and,

WHEREAS, following the conclusion of said hearings, the City Council made adoptions and changes, as it deemed necessary and proper, now, therefore,

**THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY
ORDAINS AS FOLLOWS:**

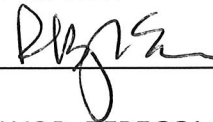
Section 1. The biennial budget for the City of Poulsbo for the years 2017/2018, one copy of which has been and now is on file with the office of the City Clerk, by this reference is hereby incorporated herein as if set forth in full and said final biennial budget shall be and the same is hereby adopted in full.

Section 2. Attached hereto and identified as Exhibit A, in summary form, are the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined in the 2017/2018 biennial budget, and by this reference said Exhibit A is incorporated herein as if set forth in full.

Section 3. A complete copy of the biennial budget for 2017/2018, as adopted, together with a copy of this adopting ordinance, shall be transmitted by the City Clerk to the Division of Municipal Corporations of the office of the State Auditor and such other governmental agencies as provided by law.

Section 4. This ordinance shall take effect five (5) days after publication of the attached summary, which is hereby approved.

APPROVED:



MAYOR, REBECCA ERICKSON

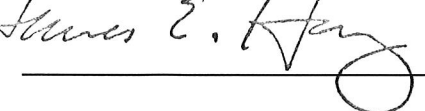
ATTEST/AUTHENTICATED



CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM:

OFFICE OF CITY ATTORNEY

BY 

FILED WITH THE CITY CLERK: 12/15/2016
PASSED BY THE CITY COUNCIL: 12/21/2016
PUBLISHED: 12/30/2016
EFFECTIVE DATE: 01/04/2017
ORDINANCE NO. 2016-21

EXHIBIT A
ORDINANCE NO. 2016-21

CITY OF POULSBO

Fund Summary
2017-18 Biennial Budget

| FUND | # | Beginning Balance | 2017 Revenue | 2017 Expenditure | 2018 Revenue | 2018 Expenditure | Fund Balance |
|-----------------------------|----------|------------------------------|-------------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|
| General Fund | 001 | \$ 2,585,619 | 11,658,378 | 12,037,988 | 12,045,515 | 12,628,139 | 1,623,385 |
| Total General Fund | | 2,585,619 | 11,658,378 | 12,037,988 | 12,045,515 | 12,628,139 | 1,623,385 |
| City Streets | 101 | 167,350 | 848,891 | 875,218 | 868,587 | 890,825 | 118,785 |
| Capital Improvement | 121 | 359,868 | 500,300 | 435,292 | 500,300 | 531,061 | 394,115 |
| Trans Development | 123 | 1,061,408 | 350,500 | 1,220,000 | 375,500 | 550,000 | 17,408 |
| Park Development | 124 | 98,393 | 196,137 | 80,000 | 228,515 | 166,184 | 276,861 |
| Historic Dwnntn Poulsbo | 131 | 44,175 | 51,878 | 70,052 | 51,828 | 71,652 | 6,177 |
| Path and Trail Reserve | 161 | 15,576 | 1,064 | 0 | 1,085 | 0 | 17,725 |
| Drug Enforcement | 171 | 68,000 | 100 | 13,300 | 100 | 13,100 | 41,800 |
| Transient Occup Tax | 181 | 40,003 | 110,000 | 130,000 | 110,000 | 110,000 | 20,003 |
| Police Restrictd Funds | 191 | 101,995 | 19,818 | 16,525 | 20,228 | 16,325 | 109,191 |
| Total Special Revenue Funds | | 1,956,768 | 2,078,688 | 2,840,387 | 2,156,143 | 2,349,147 | 1,002,065 |
| Misc Governmental Debt | 201 | 4,337 | 83,292 | 83,293 | 81,061 | 81,062 | 4,335 |
| Non-Voted Gen Oblig | 204 | 12,374 | 998,520 | 998,520 | 1,298,784 | 1,298,784 | 12,374 |
| Total Debt Service Funds | | 16,711 | 1,081,812 | 1,081,813 | 1,379,845 | 1,379,846 | 12,374 |
| Equipment Acquisition | 301 | 278,946 | 203,101 | 230,896 | 214,404 | 149,900 | 315,655 |
| Park Reserve | 302 | 112,473 | 491,000 | 410,000 | 742,184 | 676,184 | 259,473 |
| Street Reserve | 311 | 909,779 | 2,019,000 | 1,970,000 | 6,130,000 | 6,461,000 | 627,779 |
| Cemetery Reserve | 314 | 36,110 | 3,000 | 0 | 3,000 | 0 | 42,110 |
| Facilities Fund | 331 | 801,395 | 823,350 | 851,428 | 25,850 | 0 | 799,167 |
| Total Capital Project Funds | | 2,138,703 | 3,539,451 | 3,462,324 | 7,115,438 | 7,287,084 | 2,044,184 |
| Water System | 401 | 2,343,120 | 2,215,790 | 3,522,661 | 2,269,453 | 2,900,361 | 405,341 |
| Sewer System | 403 | 9,342,730 | 8,607,080 | 16,395,305 | 3,702,870 | 4,160,521 | 1,096,854 |
| Solid Waste System | 404 | 1,985,032 | 1,666,000 | 2,438,670 | 1,715,440 | 2,544,272 | 383,530 |
| Storm Drain System | 410 | 1,649,976 | 2,536,875 | 3,099,580 | 3,047,815 | 3,346,632 | 788,454 |
| Total Enterprise Funds | | 15,320,858 | 15,025,745 | 25,456,216 | 10,735,578 | 12,951,786 | 2,674,179 |
| Total All Funds | | 22,018,659 | 33,384,074 | 44,878,728 | 33,432,519 | 36,596,002 | 7,360,522 |
| TOTALS | | 22,018,659 | 33,384,074 | 44,878,728 | 33,432,519 | 36,596,002 | 7,360,522 |

ORDINANCE NO. 2016-18

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, LEVYING THE GENERAL TAXES FOR THE CITY OF POULSBO FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2017, ON ALL PROPERTY, BOTH REAL AND PERSONAL, IN SAID CITY WHICH IS SUBJECT TO TAXATION FOR THE PURPOSE OF PROVIDING SUFFICIENT REVENUE TO CARRY ON THE SEVERAL DEPARTMENTS OF SAID CITY FOR THE ENSUING YEAR AS REQUIRED BY LAW, AND APPROVING AN ORDINANCE SUMMARY FOR PUBLICATION.

WHEREAS, the City Council of the City of Poulsbo, Washington, has met and considered the City's anticipated financial requirements for the calendar year 2017; and

WHEREAS, the City's actual levy amount from the previous year was \$2,269,477; and,

WHEREAS, the population of the City is more than 10,000; now, therefore,

THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. The regular property tax levy is hereby authorized for the levy to be collected in the 2017 tax year.

The dollar amount of the actual levy amount from the previous year shall not increase and will be a \$0 increase which is a percentage increase of approximately 0% from said previous year.

This increase is exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Section 2. This ordinance shall take effect and be in full force five (5) days after publication of the attached summary which is hereby approved.

APPROVED:



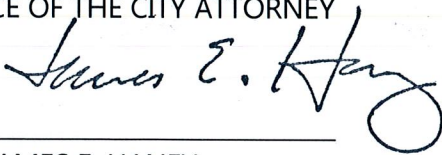
MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:



CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY


BY _____
JAMES E. HANEY

FILED WITH THE CITY CLERK: 11/3/2016
PASSED BY THE CITY COUNCIL: 11/9/2016
PUBLISHED: 11/18/2016
EFFECTIVE DATE: 11/23/2016
ORDINANCE NO. 2016-18

LEVY CERTIFICATION

As of November 9, 2016

In accordance with RCW 84.52.020, I Rebecca Erickson, Mayor for the City of Poulsbo do hereby certify to the Kitsap County legislative authority that the Poulsbo City Council of said city requests that the following levy amounts be collected in 2017 as provided in Ordinance 2016-18, which was adopted on November 9, 2016:

| | |
|------------------------|-------------|
| Estimated Regular Levy | \$2,345,483 |
| Refund Levy | \$ 5,197 |

Signature: 
MAYOR, REBECCA ERICKSON

Date: 11/9/16

RESOLUTION NO. 2016-21

A RESOLUTION OF THE CITY OF POULSBO, WASHINGTON, INCREASING THE REGULAR PROPERTY TAX LIMIT FACTOR ABOVE THE RATE OF INFLATION DUE TO INCREASES FOR SUBSTANTIAL NEED FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2017.

WHEREAS, the City Council of the City of Poulsbo, Washington, has determined that, due to increases to maintain and support expenditures for transportation, public safety and general government the City of Poulsbo Councilmembers finds there is a substantial need to increase the regular property tax limit factor above the rate of inflation.

THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON HEREBY RESOLVES AS FOLLOWS:

The limit factor for the tax year 2017 now be 101 percent (101%).

RESOLVED by the Poulsbo City Council this 9th day of November 2016.

APPROVED:



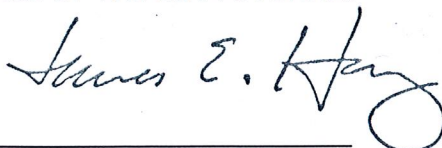
MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:



CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

BY 

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RESOLUTION NO. 2016-21



CITY OF POULSBO

Legislative Policy/Procedure

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| Title: Financial Management Policies | Number of Pages: 5 |
| Department: Finance Department | Effective Date: January 1, 2008 |
| Revised Date: December 15, 2010 | Revised By: Finance/Admin Committee |

PURPOSE

Adequate reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength.

RESERVE FUND POLICIES

1. It will be the policy of the city to maintain a General Fund Reserve at a level of at least equal to twelve percent (12%) of the total General Fund budgeted operating revenue, excluding the beginning fund balance and identified one-time revenue. These operating reserves are maintained to address temporary revenue shortfalls; payment of approved expenditures due to cash flow shortage; reserves for expenditures deemed necessary by the Mayor and City Council; and temporary short-term interfund loans. Annual contribution will be budgeted from General Fund resources as available to maintain the target reserve level.
 - a. This shall be in addition to the maintenance of two months operating cash within the General Fund itself.
2. Capital Reserve Funds
 - a. The city shall maintain capital reserve funds to provide funding for the six years Capital Improvement Plan, less proprietary fund projects. The use of any funds within the Capital Improvement Funds shall be approved by the City Council.
 - b. Contributions to the capital reserve funds will be made as per the budget recommendations set by the City Council.
3. All expenditures drawn from reserve accounts shall require prior Council super-majority approval unless previously specifically authorized by the City Council for expenditure in the annual budget.

Revenue Policies

1. To the extent possible, a diversified and stable revenue system will be maintained to shelter public services from short-run fluctuations in any one revenue source. Trends analyzing the dependence on distinct revenue sources shall be included in the budget documents for consideration by the City Council.
2. Revenue forecasts for major revenues (those which represent at least 10% of the General Fund) will present "conservative", "optimistic" and "best estimates" forecasts and the rationale for each. The forecasts shall be based on the best information available at the time and references to the sources of information used in the estimates will be made available.
3. Revenue forecasts will assess the full spectrum of resources that can be allocated for public services. Each year the Council shall review potential sources of revenue as part of the annual budget process.

4. Short-term (anticipated less than one year) economic downturns and temporary gaps in cash flow: Expenditure reductions or restrictions may be imposed. Council may approve by a super majority a contribution from the Revenue Stabilization General Fund Reserves or interfund loans to address temporary downturns in City revenues. Interfund loans may be utilized to cover temporary gaps in cash flow.
5. Long-term (greater than one year) revenue downturns: Deficit financing and borrowing to support on-going operations is not the policy of the City as a response to long-term revenue shortfalls. Revenue forecasts will be revised. Expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.
6. All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted.
7. The City shall develop and maintain a comprehensive list of various fees and charges. Fees may be set at levels sufficient to cover the entire cost of service delivery (such as in "Enterprise Funds"), or the service may be subsidized as Council deems appropriate. The City will systematically review user fees and rates and consider adjustments as necessary to take into account the effects of additional service costs and inflation. Rate studies shall be conducted to ensure that the rates will continue to support direct and indirect cost of operations, administration, plant maintenance, debt service, depreciation of capital assets, and moderate system extensions. Based on a market analysis, fees for similar services in other communities may also be considered. The criteria used to evaluate recommended target rates (equity, cost recovery policy, market demand, etc.) shall be included in the staff report during the review. Such reviews, at a minimum will be in unison with Comprehensive Plan Updates and incorporated into the annual budget process for possible action by the City Council.
8. The City will review contracts and leases which result in revenues to the City on a timely basis in order to provide for careful evaluation by the City Council.

Expenditure Policies

1. The City will only propose operating expenditures which can be supported from on-going operating revenues. Before the City undertakes any agreements that would create fixed on-going expenses, the cost implications of such agreements will be fully determined for current and future years with the aid of strategic financial planning models. Capital expenditures may be funded from one-time revenues, but the operating budget expenditure impacts of capital expenditures will be reviewed for compliance with this policy provision.
2. Department heads are responsible for managing their budgets within the total appropriation for their department.
3. The City will maintain expenditure categories according to state statute and administrative regulation.
4. The City will assess funds for services provided internally by other funds. The estimated direct and indirect costs of service will be budgeted and charged to the fund performing the service. Interfund service fees charged to recover these costs will be recognized as revenue to the providing fund. A review of the method of determining the amount of the interfund assessment will be reviewed at least every 3 years.
5. Emphasis is placed on improving individual and work group productivity rather than adding to

the work force. The City will invest in technology and other efficiency tools to maximize productivity. The City will hire additional staff only after the need of such positions has been demonstrated and documented.

6. All compensation planning and collective bargaining will focus on the total cost of compensation which includes direct salary, health care benefits, pension contributions, and other benefits of non-salary nature which are a cost to the City.

Debt Management Policies

The City shall adopt policies to guide the issuance and management of debt. Refer to the City's Debt Policy.

1. All professional service providers (underwriters, financial advisors, bond insurers, etc.) selected in connection with the City's debt issues will be selected in accordance with the City's procurement policies.
2. The term of long-term debt issued will not exceed the life of the projects financed. Current operations will not be financed with long-term debt.
3. The city shall strive to maintain current credit ratings in the future.
4. The City will comply with all statutory debt limitations imposed by the Revised Code of Washington (RCW). The City of Poulsbo's debt will not exceed an aggregated total of 7.5% of the assessed valuation of the taxable property within the City. Compliance with state law and this policy shall be documented each year in the city's Comprehensive Annual Financial Report.

The following individual percentage (as defined in state law) shall not be exceeded in any specific debt category:

| | |
|--------------------------------|----------------------------|
| General Debt | 2.5% of assessed valuation |
| Utility Debt | 2.5% of assessed valuation |
| Open Space and Park Facilities | 2.5% of assessed valuation |

5. No debt shall be issued for which the City is not confident a sufficient, specifically identified revenue source is available for repayment. The Finance Director shall prepare an analytical review for this purpose prior to the issuance of any debt.
6. Credit enhancements shall be considered with a cost/benefits analysis for each long-term bond issued.
7. Reserve accounts shall be maintained as required by bond ordinances and where deemed advisable by the City Council. The City shall structure such debt service reserves so they do not violate IRS arbitrage regulations.

Financial Management/Strategic Forecasting Policies

1. All decisions shall be within the context of long-range plans (Capital Facilities Plan/City Improvement Plan). Staff shall provide a review of the implications of budgetary proposals on long-range plans.
2. The annual budget shall be developed consistent with state law and in a manner which encourages early involvement with the public and City Council. A calendar of events related to budget development shall be presented to the City Council in the 2nd quarter of each year.

3. The annual budget will integrate into City Improvement Plan (CIP). The annual budget shall be consistent with the current year of the CIP. Budget planning activities shall be based on the next year of the CIP.
4. Assumptions used in the CIP will be noted and defined.
5. Basis of long-range planning will be results oriented. In accordance with City Ordinance, the City shall strive to illustrate the output from CIP expenditures.

Capital Asset Acquisition, Maintenance, Replacement and Retirement

1. The City shall develop a City Improvement Plan (CIP) as defined and required by RCW 36.70A.070 which is consistent with the City's Comprehensive Plan annually at a time established by the City Council.
2. Such plan shall include all projects to maintain public capital facilities required to maintain service levels at standards established by the City Council. Projects to be included in the CIP will be in excess of \$15,000 and have a minimum 10-year useful life.
3. The proposed CIP may include for consideration such other projects as requested by the City Council or Mayor.
4. Funding for capital projects shall be classified as to source (general purpose, transportation or enterprise) within the plan. The extent to which funds exist for each project shall be described in the plan.
5. The plan shall be for a period of six years.
6. Except for "on-going projects", each project shall be described such that development phases are delineated as separate stages of the project. Examples include land acquisition, design and construction. "On-going projects" represent annual capital programs such as pavement restoration and pedestrian/bicycle improvements.
7. An estimate for the operating budget impact of each proposed project shall be identified and incorporated into the City Improvement Plan.
8. The City Improvement Plan shall be approved annually and incorporated into the annual budget document.

Investment Policy

Refer to City of Poulsbo's Investment Policy.

REVISION CRITERIA

Each year during the Budget Process the Finance/Administration Committee will review Legislative Policies and recommend to Council any appropriate changes.



CITY OF POULSBO
Legislative Policy/Procedure

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|---------------------------------------|-------------------------------------|
| Title: Investment Policy | Number of Pages: 14 |
| Department: Finance Department | Effective Date: July 1, 2008 |
| Revised Date: July 1, 2008 | Revised by: Finance Director |

PURPOSE

This policy is intended to outline the requirements for maximizing the efficiency of the City's Cash Management System and for prudent investment of the City's Funds, and to provide guidelines for suitable investments. The ultimate goal is to enhance the economic status of the City while protecting its funds. The City's Cash Management System is designed to monitor and forecast expenditures and revenues accurately, thus enabling the Finance Director to invest funds to the fullest extent possible. The Finance Director shall attempt to obtain the highest yield, provided that all investments meet the criteria established for safety and liquidity.

POLICY

The investment policies and procedures of the Finance Director for the City of Poulsbo are based upon Federal, State and Local law and prudent money management. The primary goals of these policies are:

1. To assure compliance with all Federal, State and local laws governing the investment of monies under the control of the Finance Director.
2. To protect the principal monies entrusted to this office.
3. To generate the maximum amount of investment income within the parameters of this Investment Policy and the guidelines for suitable investments.

All participants in the City's investment process shall act responsibly as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The implementation of this policy is subject to the following guidelines.

GUIDELINES

1.0 SCOPE:

This investment policy applies to the investment of available assets of all City funds under the direct management of the Finance Director and are listed below:

- The General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Trust and Agency Funds
- Any new fund created unless specifically exempted

The policy for the Washington State Public Employee Retirement System (PERS) and the Washington State Law Enforcement Officers and the Fire Fighters Retirement System (LEOFF) funds will be as determined by the appropriate boards of Administration and not covered by this Policy.

Funds set aside to defease City debt in conjunction with an advance refunding agreement will be invested in accordance with appropriate bond documents and not necessarily in compliance with this policy. Should bond covenants be more restrictive than this policy, funds will be invested in full compliance with those restrictions.

Funds held by the County Treasurer during tax collection periods shall be governed by the County's investment policies to the extent that they do not conflict with this policy and should be invested by the County Treasurer for the benefit of the City of Poulsbo as stipulated by the City in accordance with RCW 36.29.020.

All investments of the City of Poulsbo must be made in compliance with Federal and State law and in accordance with applicable legal interpretations. Investment of any tax-exempt borrowing proceeds and of any debt service funds must comply with the 1986 Tax Reform Act if the Act applies to the debt issued.

2.0 PRUDENCE:

Investments shall be made with judgment and care, under circumstances then prevailing, that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investments officials shall be the prudent person standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

3.0 OBJECTIVE:

The primary objectives, in order of priority, of the City of Poulsbo investment activities are as follows:

- 3.1 **Legality:** Funds of the City will be invested in accordance with the Revised Code of Washington (RCW), the BARS manual, these policies and written administrative procedures.
- 3.2 **Safety:** Investments of the City will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from other investments.
- 3.3 **Liquidity:** The City's investments will remain sufficiently liquid to enable the city to meet all operating requirements that might be reasonably anticipated.
- 3.4 **Return on Investment:** The City's investments will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow characteristics.

4.0 DELEGATION OF AUTHORITY

The Finance Director is the investment officer of the City of Poulsbo. This authority is derived from PMC 3.58.010 as established by ordinance 86-05. The Finance Director shall establish written procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Subject to required procurement procedures, the City may engage the support services of outside professionals in regard to its financial program, so long as it can be demonstrated or anticipated that these services produce a net financial advantage or necessary financial protection of the City's resources. External service providers shall be subject to Revised Codes of Washington and the provisions of this Investment Policy.

5.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Mayor any material financial interests in financial institutions that conduct business within this jurisdiction and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the City, particularly with regard to the time of purchases and sales.

6.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Finance Director will maintain a list of financial institutions authorized to provide investment services. The selection process for inclusion on this list will be detailed in the written procedures for investments.

In addition, a list will also be maintained of approved security **broker/dealers** selected by credit worthiness who are authorized to provide investment services in the State of Washington. These may include **primary dealers** or regional dealers that qualify under **Securities & Exchange Commission Rule 15C3-1**. Employees of any firm or financial institutions offering securities or investments to the City are expected to be trained in the precautions appropriate to public-sector investments and are expected to familiarize themselves with the City's investment objectives, policies and constraints. These firms and financial institutions are expected to make reasonable efforts to preclude imprudent transactions involving City Funds.

No public deposit shall be made except in a **qualified public depository** as provided in Chapter 39.58 RCW.

All broker/dealers and financial institutions that desire to do business with the City of Poulsbo must supply the Finance Director their most recent financial statements or Consolidated Report of Condition (call report) for review. A current audited financial statement is required to be on file for each financial institution and broker/dealer with whom the City invests.

If an investment advisor is authorized to transact buys and sells on behalf of the City, the advisor's approved dealer list will be provided to the City. Buys and sells may be transacted with any dealers on the advisor's approved list.

7.0 AUTHORIZED INVESTMENTS

The City of Poulsbo is empowered to invest in certain types of securities as detailed in RCW 35A.40050 and RCW 43.84.080. Among the authorized investments are:

- 7.1 U.S. Treasury Obligations (Bills, Notes, Bonds)
- 7.2 Government Sponsored Enterprises (GSEs) – Federal Instrumentality Securities which include the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB). Additional obligations of the U.S. Government, its agencies and instrumentalities, provided that the payment of the principal and interest is either guaranteed by the Federal Government, carries an outright government backing or carries an implicit guarantee.
- 7.3 Nonnegotiable certificates of deposit and other collateralized evidence of deposits with qualified public depositories.
- 7.4 Prime Bankers acceptances purchased on the secondary market with ratings of A1/P1.

- 7.5 Mutual funds and money market funds are inappropriate investments except as authorized in chapter 39.59 RCW and are intended to provide a safe harbor from the Internal Revenue Service's (IRS) arbitrage rules and tax. The money market and mutual fund options in RCW 39.59.030 are allowable investments only for monies subject to the IRS's arbitrage rules. No other monies, unless specifically authorized elsewhere, may be invested in a money market or mutual fund.
- 7.6 State of Washington Local Government Investment Pool
- 7.7 Bonds of the State of Washington and any local government in the State of Washington, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.
- 7.8 Any investments authorized by law for the Treasurer of the State of Washington or any local government of the State of Washington other than a metropolitan municipal corporation but except as provided in RCW 39.58, such investments shall not include certificates of deposits of banks or bank branches not located in the State of Washington.

8.0 COLLATERALIZATION

Collateralization is required on repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be (102%) of market value of principal and accrued interest. The City chooses to limit collateral to the following:

- Treasury Obligations (Bills, Notes, Bonds)
- Government Sponsored Enterprises (GSEs) – Federal Instrumentality Securities which include the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB). Additional obligations of the U.S. Government, its agencies and instrumentalities, provided that the payment of the principal and interest is either guaranteed by the Federal Government, carries an outright government backing or carries an implicit guarantee.

9.0 SAFEKEEPING AND CUSTODY

To protect against potential fraud, embezzlement, or losses caused by collapse of individual securities dealers. Securities purchased by the City shall be held in a segregated account for the City's benefit at a third party trustee as safekeeping agent. The approved investment advisor, investment dealer or bank in which the security is purchased shall issue a confirmation ticket to the City listing the specific instrument, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information.

The investment advisor, investment dealer or bank which executes the transaction on the City's behalf shall deliver all securities on a delivery versus payment (DVP) method to the designated third party trustee at the direction of the Investment Officer.

Investment officials shall be bonded to protect the City against loss due to possible embezzlement and malfeasance.

10.0 DIVERSIFICATION

The City will diversify its investments by security type and institution and maturity in accordance with the table below.

Diversification by security type:

| | |
|---|------|
| U.S. Treasury bills, notes & bonds | 100% |
| U.S. Government Sponsored Enterprises | 100% |
| FNMA | 50% |
| FHLMC | 50% |
| FHLB | 50% |
| FFCB | 50% |
| Other GSEs | 10% |
| Certificates of Deposit & Public Deposits | 20% |
| Bankers Acceptance | 10% |
| WA State LGIP | 100% |
| WA State and Local Bonds | 10% |
| Repurchase Agreement | 10% |
| Other Legal Investments | 10% |

11.0 MATURITIES

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase.

Maximum Maturity Guidelines:

| | |
|--|---------|
| Maximum maturity at time of investment | 5 years |
| Maximum weighted average maturity of total portfolio | 2 years |

Reserve or Capital Improvement Project monies may be invested in securities exceeding five (5) years if the maturity of such investments is made to coincide as nearly as practical with the expected use of the funds.

12.0 COMPETITIVE TRANSACTIONS

The Investment Officer will obtain telephone, faxed or emailed quotes before purchasing or selling an investment. The Investment Officer will select the quote which best satisfies the investment objectives of the investment portfolio within the parameters of this policy. The Investment Officer will maintain a written record of each bidding process including the name and prices offered by each participating financial institution.

If the City hires an investment advisor to provide investment management services, the advisor must provide documentation of competitive pricing execution on each transaction the investment advisor will retain documentation and provide upon request.

13.0 INTERNAL CONTROLS

Day-to-day procedures concerning investment management and accounting are outside the scope of this policy. The City is subject to annual independent review of its internal controls by the Office of State Auditor. This review will provide internal control by assuring that policies and procedures are being complied with. Such review may also result in recommendations to change operating procedures to improve internal control. The controls shall be designed to prevent loss of public funds due to fraud, error, and misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees or officers of the City. The specific internal controls maintained by the City are contained in normal operating procedures of the Treasury.

13.1 EXTERNAL CONTROLS

The City may enter into contracts with third-party investment advisory firms when their services are deemed to be beneficial to the City. The advisor must comply with the investment policy and may have authority to transact investments on behalf of the City. The advisor may only act on a non-discretionary basis. Therefore, the advisor must present investment recommendations and receive approval to execute the recommendation from the Finance Director, or whom the Finance Director designates prior making purchases or sells on behalf of the City.

14.0 PERFORMANCE STANDARDS

The City's investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs.

The liquidity weighted average yield of the total portfolio will be compared quarterly to the LGIP average yield.

15.0 REPORTING

The Finance Director shall submit a monthly report of investment holdings to the Mayor and will quarterly submit an investment report to the Finance Committee that summarizes recent market conditions, economic developments and anticipated investment conditions.

For reporting purposes the investment portfolio shall be divided into two portfolios - a liquidity portfolio and a core portfolio.

Minimum Reporting Requirements for Total Portfolio Quarterly:

- Book Yield
- Marked to Market Report
- Holdings Report
- Transactions Report
- Weighted Average Maturity or Duration

16.0 INVESTMENT POLICY ADOPTION AND REVISION CRITERIA

The City's investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually during the budget process. The Finance Committee will review the policy with the Finance Director and recommend to Council any appropriate changes.

17.0 GLOSSARY

ACCRUED INTEREST: Interest earned but not yet paid on a security since the latest of the security's issue date or last record date.

ADJUSTABLE-RATE MORTGAGE (ARM): A mortgage which features predetermined adjustments of the interest rate at regular intervals. An ARM's interest rate is tied to an index outside the control of the lender.

AGENCIES: Federal Agency securities.

AMORTIZATION: The reduction of principal (of debt) at regular intervals.

ASKED: The price at which securities are offered.

BANKERS ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT: A measurement of changes in prices or yields for fixed income securities. One basis point equals 1/100 of 1 percent.

BEARER SECURITY: A security the owner of which is not registered on their books of the issuer. A bearer security is payable to the holder.

BID: The price at which a buyer is willing to buy a security.

BOND: A long-term debt security, (IOU) issued by a government or corporation. Generally pays a stated rate of interest, and returns the face value at maturity.

BOND ANTICIPATION NOTE: Short-term interest bearing notes issued in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

BOND EQUIVALENT YIELD (BEY): A yield that equates monthly pay mortgage-backed securities to semi-annual payments bonds.

BOOK-ENTRY TRANSFER: A method of transferring securities through computerized entries, which may eliminate the need for physical certificates.

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in inter-dealer markets.

CALL OPTION: The right to purchase a security at a predetermined price on or before a specified future date.

CASH FLOW BUDGET: A projection of the cash receipts and disbursements anticipated during a given time period. Typically, this projection covers a year and is broken down into separate projections for each month, week and/or day during the year.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER: Corporate promissory notes issued to provide short-term financing, sold at a discount and redeemed at face value. A principal component of money market funds portfolios, because of the high yields.

CONFIRMATION: A document used to state and supplement in writing the terms of a transaction, which have previously been agreed to verbally.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CURRENT FACE: Also known as the outstanding loan balance. The current monthly remaining principal of a certificate computed by multiplying the original face of the certificate by the current principal balance factor.

CUSIP NUMBER (Committee on Uniform Securities Identification Procedures): An identifying number assigned to a publicly traded security. A nine-digit code is permanently assigned to each issue and is generally printed on the face of the security if it is in physical form.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DEPOSITORY: An entity, which accepts securities for deposit. A depository facilitates delivery and transfer between dealers by making account entries reflecting ownership instead of physically moving securities.

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at a lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FACE VALUE: The par value of a security. Face value is not an indication of market value.

FACTOR: The proportion of the outstanding principal balance of a security to its original principal balance expressed as a decimal. The *Bond Buyer* publishes the Monthly Factor Report that contains a list of factors for GNMA, FNMA and FHLMN securities.

FARM CREDIT DISCOUNT NOTES AND BONDS: Secured joint obligations of Farm Credit Banks that are issued with a minimum face value of \$50,000 with maturities ranging from 5 to 360 days.

FED BOOK-ENTRY: An electronic registration, transfer and settlement system for securities on the Federal Reserve System.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington D.C., 12 Regional Banks and about 5,700 commercial banks that are members of the system.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEE: (1) Commitment fee: a payment to investors or prospective investors, which may or may not be refundable, for the purpose of obtaining a commitment to purchase securities; (2) Standby fee: a non-refundable amount

FIXED-RATE MORTGAGE: A mortgage which features level monthly payments that is determined at the outset of the mortgage and remains constant throughout the life of the mortgage.

FLAT: A security trades flat when it is traded with no accrued interest.

FORWARD TRADE: A transaction where the settlement will occur on a specified date in the future at a price agreed upon on the trade date.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes.

GNMA Is: Pass-through mortgage-backed securities on which registered holders receive separate principal and interest payments on each of their certificates. GNMA I securities are single-issuer pools. Investors may expect to receive principal and interest payments on the 15th day of each month.

GNMA IIs: Pass-through mortgage-backed securities on which registered holders receive an aggregate principal and interest payment from a central paying agent on all of their GNMA II certificates. Principal and interest payments are disbursed on the 20th day of each month. GNMA II securities are collateralized by multiple-issuer pools or custom pools (one issuer but different interest rates that may vary within one percentage point). Multiple-issuer pools are known as Jumbos. Jumbo pools are generally larger and often contain mortgages that are more geographically diverse than single-issuer pools. Jumbo pool mortgages have interest rates that may vary within one percentage.

GRADUATED PAYMENT MORTGAGE (GPM): A mortgage that features negative amortization in which early payments are insufficient to pay the interest due on the outstanding principal. As a result, the unpaid interest is added to the principal thereby increasing the borrower's balance owed. The payments must graduate or increase over time until they can completely amortize the loan's remaining principal balance by its maturity. The number, frequency and rate of increases are specified in the original contract.

INTEREST: Compensation paid or to be paid for the use of money. Interest is generally expressed as an annual percentage rate.

INTEREST ONLY (I/O): The interest only portion of a stripped mortgage-backed security. For I/O securities, all of the interest distribution is due to the registered holder based on the current face of the underlying mortgage-backed security.

INTEREST RATE: The face coupon rate of a security.

ISSUER: An entity, which issues and is obligated to pay amounts due on securities.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY DATE: The date on which the principal amount of the security is due and payable to the registered owner of the security.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, banker's acceptances, etc.) are issued and traded.

MORTGAGE: A legal instrument that creates a lien upon real estate securing the payment of a specified debt, such as a mortgage note.

MORTGAGE-BACKED BOND: A mortgage-backed bond is a general obligation of the issuer, secured by mortgage collateral, where the issuer retains ownership of the mortgages. The bond is secured by the market value of the underlying mortgages. Since the value of the mortgages will decrease over time as a result of principal amortization and prepayments, the market value of the collateral must exceed the value of the bonds issued. Unlike pass-through securities, the cash flow in a mortgage-backed bond is not directly related to the cash flow of the underlying mortgage collateral. Interest on the bond is paid semiannually at a predetermined rate and principal is paid at maturity.

MORTGAGE-BACKED SECURITIES: The term mortgage backed securities is a generic term that refers to securities backed by mortgages, including pass-through securities, mortgage-backed bonds, mortgage pay-through securities and CMOs.

MORTGAGE BANKER: An entity that originates mortgage loans, sells them to other investors and service the loans.

MORTGAGE PAY-THROUGH BONDS: These bonds combine features of pass-through securities and mortgage-backed bonds. A pay-through bond, like a mortgage-backed bond, is a debt obligation of the issuer, secured by mortgage collateral that is owned by the issuer. However, like a pass-through security, the cash flow on a pay-through bond is related to the cash flow in the mortgage collateral. Therefore, the cash flow generated by the mortgage collateral must be sufficient to cover principal and interest payments on the bonds. Prepayments on the mortgage collateral will be passed on to the bondholders thereby causing fluctuations in the principal payment of the bonds.

ODD LOT: A quantity of securities, which is less than the accepted unit of trading.

OFFER: The price at which a seller will sell a security.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

ORIGINAL FACE: The face value (original principal amount) of a security as of its issue date.

PAR: The face amount of a security.

PAYMENT DATE: Also known as the payable date. The date that actual principal and interest payments are made to the registered holder of a security. For GNMA Is, the payment date is the 15th day of the second month following the record date. For GNMA II's, the payment date is the 20th day of the month following the record date. For FHLMC PCs, the payment date is the 15th day of the second month following the record date. For FNMA MBSs, the payment date is the 25th day of the month following the record date.

P&I (PRINCIPAL AND INTEREST): In the case of mortgage-backed securities and other asset-backed securities, P&I includes regularly scheduled payments as well as prepayments, if any.

POOL: A collection of mortgages assembled by an originator or master servicer as the basis for a security. Pools are identified by a number.

PORTFOLIO: Collection of securities held by an investor.

PREPAYMENT: The unscheduled partial or complete payment of the principal amount outstanding on a debt obligation before it is due.

PRICE: The dollar amount to be paid for a security expressed as a percentage of its current face value.

PRIMARY DEALER: A group of government securities dealers that daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

PRINCIPAL: The face amount of a bond, exclusive of accrued interest and payable at maturity.

PRINCIPAL ONLY (P/O): The principal only portion of a stripped mortgage-backed security. For P/O securities, all of the principal distribution is due to the registered holder based on the current face of the underlying mortgage-backed security.

PRUDENT PERSON RULE: An investment standard. In some states the law required that a

fiduciary, such as a trustee, may invest money only in a list of securities selected by the state-the so-called legal list. In other states the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

PUT OPTION: The right to sell a security at a predetermined price on or before a specified future date.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REPURCHASE AGREEMENT (RP or REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security buyer in effect lends the seller money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

RATINGS: Designations used by investor's services to give relative indications of credit quality.

RECORD DATE: The date for determining who is entitled to payment of principal and interest (and prepayment) on a security. The record date for most mortgage-backed securities is the last calendar day of the month (however, the last day on which they can be presented for transfer is the last business day of the month.) The record date for CMOs and ABSs varies with each issue.

REGISTERED HOLDER: The name in which a security is registered as stated on the certificate itself or on the books of the paying agent. All principal and interest payments are made to the registered holder regardless of beneficial ownership on the record date.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified later date.

SAFEKEEPING: The storage and protection of customers' securities (i.e., held in the vault) provided as a service by a bank or institution acting as agent for the customer.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SEC RULE 15C3-1: See uniform net capital rule.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SERVICING FEE: The amount withheld from the monthly interest payments made by a mortgagor and retained by the mortgage servicer.

SERVICING: The duties of the servicer for which a fee is received. Servicing consists of collecting and pooling principal, interest and escrow payments as well as certain operational procedures covering accounting, bookkeeping, insurance, tax records, loan payment follow-up, delinquency loan follow-up, and loan analysis.

SETTLEMENT DATE: The date agreed upon by the parties to a transaction for the payment of funds and the delivery of securities.

TAIL: The portion of a GNMA pool that is not divisible by \$5,000. For physical GNMA the tail must remain intact. For example, on a GNMA with an original face of \$6,038,921.65 the tail equals \$3,921.65. For book-entry FNMA and FHLMC securities, tails may be split into multiples of one dollar (\$1).

TRANSFER AGENT: A transfer agent is appointed to maintain records of securities owners, to cancel and issue certificates and to address issues arising from lost, destroyed or stolen certificates.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

TREASURY BOND: Long-term U.S. Treasury securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one to ten years.

WEIGHTED AVERAGE COUPON (WAC): An arithmetic mean of the coupon rate of the underlying mortgages that collateralize a security.

WEIGHTED AVERAGE MATURITY (WAM): An arithmetic mean of the remaining term of the underlying mortgages that collateralize a security.

WHOLE LOAN: An unsecuritized residential or commercial mortgage.

YIELD: The annual percentage returns, as computed in accordance with standard industry practices that is earned on a security.

Z-BOND: See accrual Bond.

City of Poulsbo Debt Policy

SECTION I – INTRODUCTION & GUIDING PRINCIPLES

Purpose and Overview

The Debt Policy for the City of Poulsbo is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth comprehensive guidelines for the issuance and management of all financings of the City Council. Adherence to the policy is essential to ensure that the Council maintains a sound debt position and protects the credit quality of its obligations.

Capital Planning:

The City shall integrate its debt issuance with its Capital Improvement Program (CIP) spending to ensure that planned financing conforms to policy targets regarding the level and composition of outstanding debt. This planning considers the long-term horizon, paying particular attention to financing priorities, capital outlays and competing projects. Long term borrowing shall be confined to the acquisition and/or construction of capital improvements and shall not be used to fund operating or maintenance costs. For all capital projects under consideration, the City shall set aside sufficient revenue from operations to fund ongoing normal maintenance needs and to provide reserves for periodic replacement and renewal. The issuance of debt to fund operating deficits is not permitted.

Legal Governing Principles

In the issuance and management of debt, the City shall comply with the state constitution and with all other legal requirements imposed by federal, state, and local rules and regulations, as applicable.

- State Statutes – The City may contract indebtedness as provided for by RCW 35A.40.090. General Obligation indebtedness is subject to the limitations on indebtedness provided for in RCW 39.36.020(2)(b) and Article VIII of the Washington State Constitution. Bonds evidencing such indebtedness shall be issued and sold in accordance with chapter 39.46.
- Federal Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations including the Internal Revenue Code of 1986, as amended; the Treasury Department regulations there under; and the Securities Acts of 1933 and 1934.
- Local Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by local rules and regulations.

Roles & Responsibilities

The City Council shall:

- Approve indebtedness;
- Approve appointment of independent financial advisor and bond counsel;
- Approve the Debt Policy;
- Approve budgets sufficient to provide for the timely payment of principal and interest on all debt; and

- In consultation with the City's General Counsel, financial advisor, and bond counsel, shall determine the most appropriate instrument for a proposed bond sale.

The Finance Director in consultation with the Finance Committee, the Mayor and full Council shall:

- Assume primary responsibility for debt management
- Provide for the issuance of debt at the lowest possible cost and risk;
- Determine the available debt capacity;
- Provide for the issuance of debt at appropriate intervals and in reasonable amounts as required to fund approved capital expenditures;
- Recommend to the City Council the manner of sale of debt;
- Monitor opportunities to refund debt and recommend such refunding as appropriate.
- Comply with all Internal Revenue Service (IRS), Securities and Exchange (SEC), and Municipal Securities Rulemaking Board (MSRB) rules and regulations governing the issuance of debt.
- Provide for the timely payment of principal and interest on all debt and ensure that the fiscal agent receives funds for payment of debt service on or before the payment date;
- Provide for and participate in the preparation and review of offering documents;
- Comply with all terms, conditions and disclosure required by the legal documents governing the debt issued;
- Submit to the City Council all recommendations to issue debt;
- Distribute to appropriate repositories information regarding financial condition and affairs at such times and in the form required by law, regulation and general practice, including Rule 15c2-12 regarding continuing disclosure;
- Provide for the distribution of pertinent information to rating agencies; and
- Apply and promote prudent fiscal practices.

Ethical Standards Governing Conduct

The members of the City staff, the Mayor and the City Council will adhere to the standards of conduct as stipulated by the Public Disclosure Act, RCW 42.17 and Ethics in Public Service, RCW 42.52.

SECTION II – PROFESSIONAL SERVICES

Professional Services

The City's Finance Department shall be responsible for the solicitation and selection of professional services that are required to administer the City's debt.

- Bond Counsel – With the exception of debt issued by the State, all debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all city and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.
- Financial Advisor – A Financial Advisor may be used to assist in the issuance of the City's debt. The Financial Advisor will provide the City with the objective advice

- and analysis on debt issuance. This includes, but is not limited to, monitoring of market opportunities, structuring and pricing of debt, and preparing official statements of disclosure.
- Underwriters – An Underwriter will be used for all debt issued in a negotiated sale method. The Underwriter is responsible for purchasing negotiated debt and reselling the debt to investors.
 - Fiscal Agent – A fiscal agent will be used to provide accurate and timely securities processing and timely payment to bondholders. As provided under RCW 43.80, the City will use the Fiscal Agent that is determined by the State.
 - Professional Service providers may be selected through a competitive selection process conducted by the Finance Director in consultation with the Finance Committee and Legal Counsel; the City Council shall approve the most qualified financial advisor/underwriter and bond counsel.
 - These services shall be regularly monitored by the Finance Director.

SECTION III – DEBT STRUCTURE

Types of Debt Instruments:

The City may utilize several types of municipal debt obligations to finance long-term capital projects. Subject to the approval of City Council, the City is authorized to sell:

- **Unlimited Tax General Obligation Bonds** – The City shall use Unlimited Tax General Obligation Bonds, also known as “Voted General Obligation Bonds” as permitted under RCW 35A.40.090 for the purpose of general purpose, open space and parks, and utility infrastructure. Voted issues are limited to capital purposes only. Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project. UTGO Bonds are payable from excess tax levies and are subject to the assent of 60% of the voters at an election to be held for that purpose.
- **Limited Tax General Obligation Bonds** – A Limited-Tax General Obligation debt (LTGO), also known as “Non-Voted General Obligation Debt”, requires the City to levy a property tax sufficient to meet its debt service obligations but only up to a statutory limit. The City shall use Limited Tax General Obligation (LTGO) Bonds as permitted under RCW 35A.40.090 for general capital purposes only. General Obligation debt is backed by the full faith and credit of the City and is payable from General Fund reserves and taxes collected by the City. LTGO Bonds will only be issued if:
 - A project requires funding not available from alternative sources;
 - Matching fund monies are available which may be lost if not applied for in a timely manner; or,
 - Emergency conditions exist.
- **Revenue Bonds** – The City shall use Revenue Bonds as permitted under RCW 35A.40.090 for the purpose of financing construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Improvement Plan. No taxing power or general fund pledge is provided as security.
- **Special Assessment/Local Improvement District Bonds** – The City shall use Special Assessment Bonds as permitted under RCW 35A.40.090 for the purpose of

assuring the greatest degree of public equity in place of general obligation bond where possible. Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who specifically benefit from the capital improvements through annual assessments paid to the City. LID's are formed by the City Council after a majority of property owners agree to the assessment. No taxing power or general fund pledge is provided as security, and LID Bonds are not subject to statutory debt limitations. The debt is backed by the value of the property within the district and an LID Guaranty Fund, as required by State Law.

- **Short Term Debt** – The City shall use short term debt as permitted under RCW 39.50, for the purpose of meeting any lawful purpose of the municipal corporation, including the immediate financing needs of a project for which long term funding has been secured but not yet received. The City may use inter-fund loans rather than outside debt instruments to meet short-term cash flow needs for the project. Inter-fund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of the funds will not impact the fund's current operations. All inter-fund loans will be subject to Council approval and will bear interest at prevailing rates.
- **Leases** – The City is authorized to enter into capital leases under 35A.40.090 RCW, subject to the approval of City Council.
- **Public Works Trust Fund Loans** – The City shall use Public Works Trust Fund Loans as provided under RCW 43.155 for the purpose of repairing, replacing or creating domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste/recycling facilities and bridges.
- **Local Option Capital Asset Lending (LOCAL) Program Debt** – The City is authorized to enter into a financing contract with the Office of the State Treasurer under RCW 39.94, for the purpose of financing equipment and capital needs through the State Treasurer's Office subject to existing debt limitations and financing considerations. The LOCAL Program is an expanded version of the state agency lease/purchase program that allows the pooling of funding into larger offerings of securities.

SECTION IV – TRANSACTION SPECIFIC POLICIES

Method of Sale - The City shall evaluate the best method of sale for each proposed bond issue.

1. **Competitive Bid Method** – Any competitive sale of the City's debt will require the approval of City Council. City debt issued on a competitive bid basis will be sold to the bidder proposing the lowest true interest cost to the City.
2. **Negotiated Bid Method** – When a negotiated sale is deemed advisable (in consultation with the Mayor and City Council) the Finance Director shall negotiate the most competitive pricing on debt issues and broker commissions in order to ensure the best value to the City.
 - If debt is sold on a negotiated basis, the negotiations of terms and conditions shall include, but not be limited to, prices, interest rates, underwriting or remarketing fees and commissions.
 - The City, with the assistance of its Financial Advisor, shall evaluate the terms offered by the underwriting team. Evaluations of prices, interest rates, fees and commissions

- shall include prevailing terms and conditions in the marketplace for comparable issuers.
- No debt issue will be sold on a negotiated basis without an independent financial advisor.
3. The City shall use refunding bonds in accordance with the Refunding Bond Act, RCW 39.53. Unless otherwise justified, the City will refinance debt to achieve true savings as market opportunities arise. Refunding debt shall never be used for the purpose of avoiding debt service obligations. A target 5% cost savings (discounted to its present value) over the remainder of the debt must be demonstrated for any “advance refunding”, unless otherwise justified. The City, in consultation with its Financial Advisor, may approve a “current refunding” transaction of an existing debt issue if the refunding demonstrates a positive present value savings over the remaining life of the debt.
 4. With Council approval, interim financing of capital projects may be secured from the debt financing marketplace or from other funds through an inter-fund loan as appropriate in the circumstances.
 5. When issuing debt, the City shall strive to use special assessment, revenue or other self supporting bonds in lieu of general obligation bonds.

Limitations on Debt Issuance

1. The City shall remain in compliance with all debt limitations. As part of the annual budgeting process, a current summary of outstanding debt and compliance targets is prepared. The City shall observe the following limitations on debt issuance:
 - **General Obligation** – 2.5% of Assessed Value (RCW 39.36.020(2)(b))
 - **Non-Voted: 1.5%**
 - **Voted: 2.5%**
 - **Open Space and Park Facilities** – 2.5% of Assessed Value (RCW 39.36.020(4))
2. Debt payments shall not extend beyond the estimated useful life of the project being financed. The City shall keep the average maturity of general obligations bonds at or below 20 years, unless special circumstances arise warranting the need to extend the debt schedule.
3. Debt Limit Target: The City shall not exceed 90% of the legal debt limits from above.

Debt Structuring Practices

The following terms shall be applied to the City’s debt transactions, as appropriate. Individual terms may change as dictated by the marketplace or the unique qualities of the transaction.

- **Maturity** –The City shall issue debt with an average life less than or equal to the average life of the assets being financed. Unless otherwise stated in law, the final maturity of the debt shall be no longer than 40 years (RCW 39.46.110).
- **Debt Service Structure** – Unless otherwise justified, debt service should be structured on a level basis. Refunding bonds should be structured to produce equal savings by fiscal year. Unless otherwise justified, debt shall not have capitalized interest. If appropriate, debt service reserve funds may be used for revenue bonds.

- **Price Structure** – The City’s long-term debt may include par, discount, and premium bonds. Discount and premium bonds must be demonstrated to be advantageous relative to par bond structures, given market conditions.
- **Call Provisions** – For each transaction, the City shall evaluate the costs and benefits of call provisions. In general, the City shall opt for the shortest possible optional call consistent with optimal pricing.
- **Bond Insurance** – For each transaction, the City shall evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City shall be competitively priced.
- **Tax-exemption** – Unless otherwise justified and deemed necessary, the City shall issue its debt on a tax-exempt basis.
- **Reimbursement resolution** – Must be adopted by City Council if the project hard costs are advanced prior to the bond sale.

SECTION V – COMMUNICATION

It is the policy of the City to remain as transparent as possible. The City shall manage relationships with the rating analysts assigned to the City’s credit, using both informal and formal methods to disseminate information.

- The City’s Comprehensive Financial Report (CAFR) shall be the primary vehicle for compliance with continuing disclosure requirements. The CAFR may be supplemented with additional documentation as required. Each year included in the CAFR, the City will report its compliance with debt targets and the goals of this Debt Management Policy.
- The City will issue a material event notice in accordance with provisions of SEC Rule 15c2-12. Prior to issuance of any material event, the Finance Director will discuss the materiality of any event with the Mayor, City Attorney and designated Council members, to ensure equal, timely and appropriate disclosure to the marketplace.
- The City shall seek to maintain and improve its current bond rating.

SECTION VI - COMPLIANCE

Investment of Proceeds

The City shall comply with all applicable Federal, State and contractual restrictions regarding the investment of bond proceeds. This includes compliance with restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds as well as restrictions on the time period over which some of the proceeds may be invested.

Arbitrage Liability Management

Due to the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City shall solicit the advice of bond counsel and other qualified experts about arbitrage rebate calculations. The City shall, when deemed necessary or required, contract with a third party for preparation of the arbitrage rebate calculation.

The City shall maintain an internal system for tracking expenditure of bond proceeds and investment earnings by opening a separate account in the state pool. The expenditure of bond proceeds shall be tracked in the financial system by issue. Investments may be pooled for financial accounting purposes and for investment purposes. When investment of bond proceeds are co-mingled with other investments, the City shall adhere to IRS rules on accounting allocations.

Bond Users Clearinghouse

The City shall ensure that the Bond Users Clearinghouse receives municipal bond information for all debt sold as provided by RCW 39.44.200 – 39.44.240 and WAC 365-130.

Legal Covenants

The City shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of a bond offering.

Periodic Policy Review

At a minimum, the debt policy will be reviewed and updated every five years.

RESOLUTION 2010-16

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, ADOPTING A DEBT POLICY GOVERNING THE ISSUANCE AND ADMINISTRATION OF ALL DEBT ISSUED BY THE CITY.

WHEREAS, the City Council of the City of Poulsbo deems to have its debt issued and administered in compliance with all applicable Federal and RCW requirements, and

WHEREAS, the City Council of the City of Poulsbo desires to maintain a debt policy to guide the issuance and administration of its debt, and

WHEREAS, the City's Finance Director has conducted a thorough review of its current debt practices in effort to develop this policy for the issuance and administration of City debt, and

WHEREAS, the City of Poulsbo's debt policy has been written in accordance with the Washington Municipal Treasurer's Association Model Debt Policy,

**THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON
RESOLVES AS FOLLOWS:**

Section 1. Debt Policy Adopted. The policy for investment of City funds set forth in document entitled "City of Poulsbo Debt Policy" dated August 1, 2010 which is attached hereto as Exhibit "A" and incorporated herein by reference as if set forth in full is hereby adopted as official policy for issuance and administration of City debt.

RESOLVED this 1st day of September, 2010.

APPROVED:



MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED



CITY CLERK, JILL A. BOLTZ

FILED WITH THE CITY CLERK: 08/25/2010
PASSED BY THE CITY COUNCIL: 09/01/2010
RESOLUTION NO. 2010-16



CITY OF POULSBO

Legislative Policy/Procedure

| | |
|--|--|
| Title: Accounting, Financial Reporting and Auditing | Number of Pages: 1 |
| Department: Finance Department | Effective Date: August 1, 1997 |
| Revised Date: August 4, 1999 | Revised By: Finance/Admin Committee |

PURPOSE

The City of Poulsbo will establish and maintain a high standard of accounting practices. Accounting and budgetary systems will, at all times, conform to Generally Accepted Accounting Principles (GAAP), the State of Washington Budgeting Accounting Reporting System (BARS) and local regulations.


POLICY

- A. A comprehensive accounting system will be maintained to provide all financial information necessary to effectively operate the City.
- B. The City will meet the financial reporting standards set by the Governmental Accounting Standards Board (GASB).
- C. Full disclosure will be provided in all City financial reports and bond representations.
- D. An annual audit will be performed by the State Auditor's Office and include issuance of a financial opinion. A Finance/Admin Committee member will attend the exit conference of each audit. Audit reports will be distributed to each Councilmember.
- E. Internal audits of departments will be performed routinely to assure Internal Control Policies and Procedures are being met.

REVISION CRITERIA

Each year during the Budget Process the Finance/Admin Committee will review Legislative Policies and recommend to Council any appropriate changes.



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|  | <p align="center">CITY OF POULSBO Legislative Policy/Procedure</p> | |
| Title: Performance Measures | Number of Pages: 2 | |
| Department: Finance Department | Effective Date: August 4, 1999 | |
| Revised Date: New | Revised By: Finance Director Bjorkman | |

PURPOSE

A key responsibility of the City of Poulsbo is to develop and manage services, programs and resources as efficiently and effectively as possible and to communicate the results of these efforts to the tax-paying public. Meaningful performance measurements assist government officials and citizens in identifying financial and program results, evaluating past resource decisions, facilitating qualitative improvements in future decisions regarding resource allocation and service delivery options, and communicating service and program results to the community.

POLICY

The City has established the policy that financial, service and program performance measures be developed and used as an important component of decision making and incorporated into governmental budgeting. Performance measures should:

- be based on program objectives that tie to the City Council's goals and program mission or purpose;
- measure program results or accomplishments;
- provide for comparisons over time;
- measure efficiency and effectiveness;
- be reliable, verifiable and understandable;
- be reported internally and externally;
- be monitored and used in decision-making processes; and
- be limited to a number and degree of complexity that can provide an efficient and meaningful way to assess the effectiveness and efficiency of key programs.

GUIDELINES

The City encourages all departments to utilize performance measures. At a minimum, performance measures should be used to report on the outputs of each program and should be related to the objectives of each department. Departments in the early stages of incorporating performance measures into their budget process should strive to:

- identify meaningful and relevant objectives for each department and its service delivery units;
- identify and track output measures that are useful and relevant to the goals and objectives of key services;
- identify and track performance measures for a manageable number of meaningful financial objectives that are used in evaluation; and
- develop and refine additional performance indicators to make them more meaningful and identify mechanisms to improve their interpretation and use in decision-making and accountability.

As departments gain experience with these measures, they are encouraged to use a variety of performance measures to report on the achievements, impacts and outcomes of key programs. These measures should be linked to the objectives of the programs and the missions and priorities of the organization. Departments should:

- develop multi-year services of input, output, efficiency (output/input) and effectiveness (or quality) measures in major governmental areas;
- develop a database of statistics of common measures;
- analyze the implications of using particular measures for decision making and accountability;
- use customer and resident satisfaction measures;
- develop common definitions of key performance measures to allow intergovernmental comparisons;
- develop common or improved approaches to utilization of financial and service performance measures in making and evaluating decisions; and
- use community condition measures to assess resident needs that may not be addressed by current programs.

REVISION CRITERIA

A change in this policy may be initiated in the form of a memorandum to the Finance Director or may also be initiated by the Mayor. Each year during the Budget process the Finance/Administration Committee will review this policy and make recommendations to the Council regarding changes.

Approval of revisions, additions and/or deletions to this policy will be made by the Council.



City of Poulsbo Legislative Policy

| | |
|--|--|
| Title: Capital Improvement Policy | Number of Pages: 2 |
| Department: Finance Department | Effective Date: July 21, 1999 |
| Revised Date: New | Revised by: Finance/Admin Committee |

PURPOSE

Poulsbo's city government is accountable for a considerable investment in buildings, parks, roads, sewers, equipment and other capital investments. The preservation, maintenance, and future improvement of these facilities are a primary responsibility of the City. Planning and implementing sound capital improvement policies and programs today will help the City avoid emergencies and major costs in the future.

POLICY

A capital project is defined as a project of a nonrecurring nature with a cost of \$15,000 or more and estimated service life of 10 years or more.

GUIDELINES

- A. Annually, a six-year capital improvements program will be developed analyzing all anticipated capital projects by year and identifying associated funding sources. The plan will contain projections of how the city will perform over the six-year period in relation to policy targets.
- B. The first year of the six-year capital improvements program will be used as the basis for formal fiscal year appropriations during the annual budget process. The capital improvement program will incorporate in its projections of expenditures and funding sources any amounts relating to previous year's appropriations but which have yet to be expended.
- C. The city will maintain a capital projects approval and monitoring committee composed of the City Engineer, Planning Director, Park and Recreation Director, Finance Director and the Committee Chairs from the Public Works, Community Services and the Finance/Admin Council Committees to meet quarterly and review the progress on all outstanding projects as well as to revise spending projections.

- D. The City Improvement Plan will be prepared and updated annually.
- E. The City Council will designate annual ongoing funding levels for each of the major project categories within the City Improvement Plan.
- F. Financial analysis of funding sources will be conducted for all proposed capital improvements.
- G. An annual Capital Budget will be developed and adopted by the City Council as part of the annual budget.
- H. The City Improvement Plan will be consistent with the Capital Facilities Element of the Comprehensive Plan.

REVISION CRITERIA

Each year during the Budget Process the Finance/Admin Committee will review Legislative Policies and recommend to Council any appropriate changes.

EMPLOYEE SALARY, WAGES & BENEFIT INFORMATION

The City sees their employees as one of their best assets. Full time employees are provided with a competitive, market-based salary and benefit package.

Regular City employees fall into one of four labor groups:

- Management
- Poulsbo Police Officer's Association
- Public Works/Administration Teamster employees
- Non-represented hourly employees

The majority of non-management City employees are represented by one of two bargaining units:

Police Officer:

Poulsbo Police Officer's Association

Public Works/Admin:

Teamsters Local 589

The City strives to negotiate labor agreements in a timely manner, consistent with all applicable federal and state laws, and to promote labor relation policies mutually beneficial to the City's administration and employees. The Human Resources Manager, Finance Director, Police Chief (for Police Association), and an attorney specializing in personnel law comprise the City's management negotiation team.

Both the Poulsbo Police Officer's Association and Teamsters Local 589 have existing 3-year contracts effective from January 1, 2016 through December 31, 2018. Negotiations for contract renewal of both groups are expected to begin in early fall of 2018.

LONGEVITY:

Longevity is paid to regular employees after completion of 5 years of continuous employment. The increments are equal to 1% of gross wages for each 5 years of continuous service completed.

| LONGEVITY RATES | |
|------------------|------|
| Years of Service | Rate |
| 6-10 | 1% |
| 11-15 | 2% |
| 16-20 | 3% |
| 21-25 | 4% |
| 26+ | 5% |

RETIREMENT:

Most City employees participate in one of the State's retirement plans. The plans are administered by the Washington State Department of Retirement Systems. Police officers participate in the Law Enforcement Officers' & Firefighters' (LEOFF) plan, while the remaining employees participate in the Public Employees' Retirement System (PERS). Each plan requires contributions from both the employee and employer. The contribution is calculated on the employee's gross wages.

| RETIREMENT PLANS CONTRIBUTION RATE | | | |
|------------------------------------|--------|----------|--------|
| Plan | City | Employee | Total |
| LEOFF 1* | N/A | N/A | N/A |
| LEOFF 2 | 0.0523 | 0.0841 | 0.1364 |
| PERS 1* | N/A | N/A | N/A |
| PERS 2 | 0.1118 | 0.0612 | 0.173 |
| PERS 3 | 0.118 | Varies | |

Rates are as of January 1, 2017

*Note: At this time, the City does not employ any active LEOFF 1 or PERS 1 employees

FICA TAXES (Social Security):

All City employees participate in the Federal Social Security program. The program requires contributions from both the employee and employer.

| SOCIAL SECURITY TAXES RATE OF CONTRIBUTION | | |
|---|----------|-------|
| City | Employee | Total |
| 0.062 | 0.062 | 0.124 |

Rates are as of January 1, 2017

FICA TAXES (Medicare):

All City employees participate in the Federal Medicare program. The program requires contributions from both the employee and employer.

| MEDICARE TAXES RATE OF CONTRIBUTION | | |
|--|----------|-------|
| City | Employee | Total |
| 0.0145 | 0.0145 | 0.029 |

Rates are as of January 1, 2017

LABOR & INDUSTRIES:

The City participates in Washington State's Labor & Industries program. The program provides medical coverage and time loss benefits should an employee be injured on the job. The rate is based on the type of work performed and the City's experience rating. The rate is calculated on the number of hours worked. The employee pays a small portion of the premium.

| LABOR & INDUSTRIES RATES | | | |
|-------------------------------------|---------|----------|--------|
| Class | City | Employee | Total |
| Operations | 0.89785 | 0.22905 | 1.1269 |
| Administration | 0.12775 | 0.06955 | 0.1973 |
| Police | 1.0366 | 0.241 | 1.2776 |

Rates are as of January 1, 2017

MEDICAL, DENTAL & LIFE INSURANCE:

All employees regularly scheduled to work full time, are eligible for medical, dental and life insurance for themselves and their dependents. Eligible employees are offered medical, dental, and life insurance coverage through the Washington Teamsters Welfare Trust ("The Trust") which is administered by Northwest Administrators in Seattle.

The Trust has a composite rate; the premiums are the same no matter how many dependents are covered under the plan. Medical insurance premiums, including vision and dental coverage, are \$1,521.40 per employee, per month. In 2017 & 2018, all covered employees will contribute 5% of the monthly premium for medical & vision coverage.

The monthly life insurance premium is included with the medical premium. The Police association members have an additional life insurance premium of \$4.40 per employee, per month.

UNEMPLOYMENT:

All regular City employees are eligible for the State's unemployment program through the Employment Security Department. The rate for 2017 is .2% and is calculated on the employee's gross earnings. The employee does not contribute to this program.

DEFERRED COMPENSATION:

Eligible employees can contribute to the State's and ICMA deferred compensation plans with tax-deferred dollars. This is an employee participation plan only. The City does not contribute to this plan.

VEBA:

Eligible members of a defined group contribute to their HRA-VEBA account (Health Reimbursement Arrangement - Voluntary Employees Beneficiary Association). The employee deduction is tax exempt.

In 2017 & 2018, Teamsters Bargaining unit and exempt employees will receive a \$70 per month HRA-VEBA contribution from the City.

In 2017 & 2018, the Poulsbo Police Officers Association members will receive \$273.10 and \$279.93 respectively per month in an HRA-VEBA contribution from the City.

BUDGETING:

The City funds positions at their full cost for budgetary purposes even if vacancies occur during the year.

COST OF LIVING ADJUSTMENT (COLA):

Wages for the Teamsters Bargaining Unit (Public Works/Administration) employees have

been adjusted by 2.0% each year for the 2017-2018 Budget. Non-Represented and Management employees have been adjusted by 2.0% each year for the 2017-2018 Budget.

Wages for the Poulsbo Police Officers Association members (Police Officers and Police Sergeants) have been adjusted by 2.25% for 2017 and 2.5% for 2018.

RESOLUTION NO. 2016-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, AMENDING THE SALARY AND WAGE SCHEDULE FOR ALL CITY EMPLOYEES ADOPTED BY ORDINANCE 84-57, AS LAST AMENDED BY RESOLUTION 2016-17.

WHEREAS, Ordinance No. 84-57 of the City of Poulsbo, passed by the City Council on December 12, 1984, established a salary and wage schedule for all City employees and provided for revisions to such schedule by resolution of the City Council; and

WHEREAS, the City Council desires to amend the Salary and Wage Schedule to reflect revisions to salaries of certain City employees; and

**THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY RESOLVES
AS FOLLOWS:**

Section 1. Salary and Wage Schedule Amended. The City of Poulsbo Salary and Wage Schedule for all City employees, adopted by Ordinance No. 84-57 and last amended by Resolution No. 2016-17, is hereby further amended to read as set forth on the attached Exhibit and incorporated herein by this reference as if fully set forth herein. The said schedule shall be the official City of Poulsbo Salary and Wage Schedule for all City employees. All compensation of City employees and elected officials shall be in accordance with this schedule and any future amendments thereto subject to constitutional limitations.

Section 3. Effective Date. All salaries and wages set forth on Exhibit A shall be effective as of January 1, 2017, unless another date is specified on the Exhibit.

RESOLVED this 21st day of December, 2016.

APPROVED:



MAYOR REBECCA ERICKSON

ATTEST/AUTHENTICATED:



CITY CLERK, RHIANNON FERNANDEZ, CMC

FILED WITH THE CITY CLERK: 12/15/2016
PASSED BY THE CITY COUNCIL: 12/21/2016
RESOLUTION NO. 2016-25

LONGEVITY

- A. All regular employees shall receive an additional pay increment beginning after completion of five (5) years of continuous employment. This increment shall be equal to one percent (1%) of earnings for each five (5) years of continuous service completed:

| <u>Total Years Service</u> | <u>Additional Increment</u> |
|---------------------------------------|--|
| 6-10 years | 1% |
| 11-15 years | 2% |
| 16-20 years | 3% |
| 21-25 years | 4% |
| 26-30 years | 5% |

Longevity calculation equals current year salary plus overtime from November 1st of the preceding year to October 31st of the current year multiplied by the eligible percentage. Longevity will not be calculated on vacation or sick leave cash-outs. Longevity benefits are not applicable to elected officials.

| 2017 MANAGEMENT SALARY SCHEDULE | | | | | | | |
|---|----|----------|----------|----------|----------|----------|----------|
| Effective January 1, 2017, 2016 salary ranges increase by 2% | | | | | | | |
| Classification | | A | B | C | D | E | F |
| Police Chief | 1 | 124,940 | 128,688 | 132,549 | 136,525 | 140,621 | 144,840 |
| Finance Director, Engineering Director | 2 | 100,955 | 103,984 | 107,104 | 110,317 | 113,627 | 117,036 |
| Planning Director | 3 | 99,892 | 102,889 | 105,976 | 109,155 | 112,430 | 115,803 |
| Deputy Chief | 4 | 97,118 | 100,032 | 103,033 | 106,124 | 109,308 | 112,587 |
| Park and Recreation Director | 5 | 96,711 | 99,612 | 102,600 | 105,678 | 108,848 | 112,113 |
| City Engineer | 6 | 94,849 | 97,694 | 100,625 | 103,644 | 106,753 | 109,956 |
| City Prosecutor | 7 | 92,294 | 95,063 | 97,915 | 100,852 | 103,878 | 106,994 |
| | 8 | 83,449 | 85,952 | 88,531 | 91,187 | 93,923 | 96,741 |
| IT Manager | 9 | 80,689 | 83,110 | 85,603 | 88,171 | 90,816 | 93,540 |
| PW Superintendent | 10 | 77,330 | 79,650 | 82,040 | 84,501 | 87,036 | 89,647 |
| Human Resources Manager | 11 | 77,142 | 79,456 | 81,840 | 84,295 | 86,824 | 89,429 |
| Court Administrator, Asst Public Works Superintendent, City Clerk | 12 | 75,645 | 77,914 | 80,251 | 82,659 | 85,139 | 87,693 |
| Civil Engineer | 13 | 70,352 | 72,463 | 74,637 | 76,876 | 79,182 | 81,557 |
| Accounting Manager | 14 | 69,767 | 71,860 | 74,016 | 76,236 | 78,523 | 80,879 |
| IT Senior Technician | 15 | 61,899 | 63,756 | 65,669 | 67,639 | 69,668 | 71,758 |
| Office Manager | 16 | 55,960 | 57,639 | 59,368 | 61,149 | 62,983 | 64,873 |

| 2017 NON-REPRESENTED HOURLY EMPLOYEES | | | | | | | |
|--|---|----------|----------|----------|----------|----------|----------|
| Effective January 1, 2017, 2016 wage rates increase by 2% | | | | | | | |
| Classification | | A | B | C | D | E | F |
| Preschool Assistant | 1 | 11.97 | 12.50 | 12.94 | 13.47 | 14.01 | 14.57 |
| Receptionist | 2 | 12.90 | 13.31 | 13.66 | 14.09 | 14.52 | 14.95 |
| | 3 | 15.18 | 15.81 | 16.40 | 17.09 | 17.78 | 18.48 |
| Preschool Coordinator | 4 | 15.43 | 16.04 | 16.68 | 17.34 | 18.05 | 18.78 |
| Custodian | 5 | 19.92 | 20.49 | 21.14 | 21.77 | 22.42 | 23.05 |
| Office Clerk II | 6 | 21.62 | 22.27 | 22.94 | 23.63 | 24.33 | 25.02 |
| Administrative Assistant | 7 | 23.39 | 24.10 | 24.82 | 25.54 | 26.34 | 27.12 |
| | 8 | 23.76 | 24.46 | 25.25 | 25.99 | 26.73 | 27.59 |
| Recreation Programmer | 9 | 25.64 | 26.45 | 27.22 | 28.05 | 28.86 | 29.75 |

| 2017 ELECTED/APPOINTED OFFICIALS | | | |
|---|----|--------|---------|
| *Effective January 1, 2017, 2016 wage rates increase by 2% | | | |
| City Council - Position 1-4 | \$ | 9,000 | Annual |
| City Council - Position 5-7 | \$ | 6,000 | Annual |
| Mayor | \$ | 74,678 | Annual* |
| Judge | \$ | 57,860 | Annual* |

| 2017 CASUAL LABOR WAGE SCALE | | | | | | | |
|-------------------------------------|----|----------|----------|----------|----------|----------|----------|
| | | A | B | C | D | E | F |
| | 1 | 11.00 | 11.25 | 11.50 | 11.75 | 12.00 | 12.25 |
| | 2 | 12.50 | 12.75 | 13.00 | 13.25 | 13.50 | 13.75 |
| | 3 | 14.00 | 14.25 | 14.50 | 14.75 | 15.00 | 15.25 |
| | 4 | 15.50 | 15.75 | 16.00 | 16.25 | 16.50 | 16.75 |
| | 5 | 17.00 | 17.25 | 17.50 | 17.75 | 18.00 | 18.25 |
| | 6 | 18.50 | 18.75 | 19.00 | 19.25 | 19.50 | 19.75 |
| | 7 | 20.00 | 20.25 | 20.50 | 20.75 | 21.00 | 21.25 |
| | 8 | 21.50 | 22.00 | 22.50 | 23.00 | 23.50 | 24.00 |
| | 9 | 24.50 | 25.00 | 25.50 | 26.00 | 26.50 | 27.00 |
| | 10 | 28.00 | 29.00 | 30.00 | 31.00 | 32.00 | 33.00 |
| | 11 | 34.00 | 35.00 | 36.00 | 37.00 | 38.00 | 39.00 |
| | 12 | 40.00 | 41.00 | 42.00 | 43.00 | 44.00 | 45.00 |
| | 13 | 50.00 | 55.00 | 60.00 | 65.00 | 70.00 | 75.00 |
| | 14 | 80.00 | 85.00 | 90.00 | 95.00 | 100.00 | 105.00 |

| 2017 TEAMSTERS LOCAL #589 (Admin/Public Works) SALARY SCHEDULE | | | | | | | |
|--|----|----------|----------|----------|----------|----------|----------|
| Effective January 1, 2017, 2016 wage rates increase by 2% | | | | | | | |
| Classification | | A | B | C | D | E | F |
| Receptionist | 1 | 14.54 | 14.97 | 15.43 | 15.88 | 16.32 | 16.82 |
| | 2 | 14.84 | 15.27 | 15.69 | 16.20 | 16.66 | 17.18 |
| | 3 | 15.15 | 15.54 | 16.00 | 16.50 | 16.97 | 17.48 |
| | 4 | 15.43 | 15.88 | 16.32 | 16.83 | 17.31 | 17.84 |
| | 5 | 15.69 | 16.20 | 16.66 | 17.18 | 17.63 | 18.21 |
| | 6 | 16.03 | 16.51 | 16.99 | 17.49 | 17.99 | 18.55 |
| | 7 | 16.32 | 16.83 | 17.31 | 17.84 | 18.35 | 18.90 |
| | 8 | 16.66 | 17.18 | 17.63 | 18.21 | 18.70 | 19.29 |
| | 9 | 16.99 | 17.49 | 18.00 | 18.55 | 19.09 | 19.64 |
| | 10 | 17.31 | 17.86 | 18.37 | 18.90 | 19.47 | 20.03 |
| | 11 | 17.69 | 18.21 | 18.71 | 19.29 | 19.87 | 20.46 |
| | 12 | 18.00 | 18.55 | 19.09 | 19.64 | 20.25 | 20.85 |
| | 13 | 18.37 | 18.91 | 19.47 | 20.05 | 20.66 | 21.26 |
| | 14 | 18.71 | 19.29 | 19.88 | 20.47 | 21.07 | 21.68 |
| | 15 | 19.10 | 19.64 | 20.25 | 20.85 | 21.47 | 22.09 |
| | 16 | 19.47 | 20.05 | 20.66 | 21.26 | 21.90 | 22.56 |
| | 17 | 19.88 | 20.47 | 21.07 | 21.68 | 22.32 | 22.98 |
| | 18 | 20.26 | 20.85 | 21.47 | 22.10 | 22.76 | 23.41 |
| Custodian, Grounds Maintenance Tech I | 19 | 20.68 | 21.26 | 21.92 | 22.56 | 23.23 | 23.92 |
| Office Clerk I | 20 | 21.07 | 21.68 | 22.32 | 22.98 | 23.68 | 24.39 |
| | 21 | 21.47 | 22.10 | 22.78 | 23.42 | 24.13 | 24.85 |
| Office Clerk II | 22 | 21.92 | 22.56 | 23.24 | 23.93 | 24.62 | 25.32 |
| Police Clerk | 23 | 22.35 | 22.99 | 23.68 | 24.39 | 25.10 | 25.84 |
| Building Permit Specialist | 24 | 22.78 | 23.42 | 24.15 | 24.86 | 25.58 | 26.36 |
| Grounds Maintenance Tech II, Accounting Clerk | 25 | 23.24 | 23.92 | 24.61 | 25.33 | 26.12 | 26.86 |
| Maintenance Technician I, Administrative Ass't, Building Inspector I, Planning Technician | 26 | 23.68 | 24.40 | 25.11 | 25.84 | 26.63 | 27.42 |
| Judicial Specialist, Paralegal | 27 | 24.15 | 24.86 | 25.58 | 26.36 | 27.15 | 27.97 |
| Accounting Technician, Contract Admin/Acct | 28 | 24.61 | 25.33 | 26.12 | 26.86 | 27.67 | 28.52 |
| Deputy City Clerk | 29 | 25.11 | 25.85 | 26.63 | 27.42 | 28.22 | 29.07 |
| | 30 | 25.61 | 26.37 | 27.15 | 27.97 | 28.79 | 29.61 |
| Support Services Manager, Recreation Programmer | 31 | 26.12 | 26.86 | 27.68 | 28.52 | 29.38 | 30.21 |
| Engineering Technician, Maintenance Tech Senior, Water Quality Field Tech, Community Srvs Officer | 32 | 26.64 | 27.44 | 28.23 | 29.07 | 29.93 | 30.83 |
| | 33 | 27.16 | 27.97 | 28.80 | 29.62 | 30.54 | 31.43 |
| Mechanic, Maintenance Mechanic | 34 | 27.68 | 28.53 | 29.39 | 30.21 | 31.13 | 32.06 |
| Field Inspector | 35 | 28.23 | 29.08 | 29.94 | 30.84 | 31.74 | 32.64 |
| Sr Field Inspector | 36 | 28.82 | 29.62 | 30.56 | 31.43 | 32.39 | 33.34 |
| Eng Senior Technician, Sr Budget Accountant | 37 | 29.39 | 30.21 | 31.12 | 32.06 | 33.02 | 34.00 |
| Building Inspector II | 38 | 29.94 | 30.84 | 31.75 | 32.68 | 33.68 | 34.67 |
| Associate Planner | 39 | 30.54 | 31.46 | 32.39 | 33.34 | 34.35 | 35.34 |
| Public Works Foreman | 40 | 31.14 | 32.09 | 33.02 | 34.00 | 35.02 | 36.04 |
| Construction Supervisor | 41 | 35.24 | 36.30 | 37.38 | 38.51 | 39.66 | 40.85 |
| Development Review Engineer, Transportation Engr | 42 | 36.66 | 37.76 | 38.89 | 40.06 | 41.26 | 42.50 |
| Senior Planner | 43 | 37.97 | 39.10 | 40.27 | 41.46 | 42.70 | 43.97 |

| 2017 POULSBO POLICE OFFICERS ASSOCIATION (PPOA) SALARY SCHEDULE | | | | | | | |
|---|---|----------|----------|----------|----------|----------|----------|
| Effective January 1, 2017, 2016 wage rates increase by 2.25% for Officers and Sergeants. | | | | | | | |
| Classification | | A | B | C | D | E | F |
| Police Officer | 1 | 32.62 | 33.54 | 34.56 | 35.62 | 36.67 | 37.74 |
| Police Sergeant | 2 | 38.74 | 39.88 | 41.07 | 42.33 | 43.60 | 44.93 |

GLOSSARY OF BUDGET RELATED TERMS

ACCOUNT: A record of additions, deletions, and balances of individual assets, liabilities, equity, revenues and expenses

ACCOUNTING SYSTEM: The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity

ACCOUNTS PAYABLE: A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government

ACCOUNTS RECEIVABLE: An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government, but not including amounts due from other funds or other governments

ACCRUAL BASIS ACCOUNTING: Refers to the method accounting of revenues and expenditures on the basis of when they are incurred or committed, rather than when they are made or received. All funds except the governmental funds are accounted on this basis and the governmental funds are accounted on a modified accrual basis

ACCRUED INTEREST: Interest earned but not yet paid on a security since the latest of the security's issue date or last record date

ACCUMULATED DEPRECIATION: A contra-asset account used to report the accumulation or periodic credits to reflect the expiration of the estimated service life of fixed assets

AD VALOREM TAXES: A tax levied on the assessed value of real property

ADJUSTABLE-RATE MORTGAGE (ARM): A mortgage which features predetermined adjustments of the interest rate at regular intervals. An ARM's interest rate is tied to an index outside the control of the lender

ADMINISTRATIVE SERVICE DEPARTMENTS: Refers to organizational units or departments who primarily provide service to other departments or divisions. These include: Legislative: City Council and its functions; Financial Services: The accounting, financial reporting, customer service and treasury functions; Personnel Services: Provides centralized personnel services to all City operations; Administrative Services: Provides supervision of Financial Services and Personnel

Services as well as budget, fiscal planning, tax and license, data processing, risk management and other general administrative services; Civil Service: The independent panel of persons who work with personnel/hiring issues for the public safety departments

AGENCIES: Federal Agency securities

AGENCY FUND: A governmental accounting classification used to describe those situations where one jurisdiction is acting on behalf of another

ALEA: Aquatic Lands Enhancement Account

ALLOCATION: A component of an appropriation earmarking expenditures for a specific purpose and/or level of organization

AMORTIZATION: (1) The portion of the cost of a limited life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity

ANNUAL FINANCIAL REPORT: The official annual report of a government. It includes (a) the five combined financial statements in the combined statements, overview and their related notes and (b) combined statements by fund type and individual fund and account group financial statements prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, required supplemental information, extensive introductory material and a detailed statistical section

APPROPRIATION: The legal spending level authorized by an ordinance of the city council. Spending should not exceed this level without prior approval of the council

APPROPRIATION ORDINANCES: The official enactment by the city council establishing the legal authority for city officials to obligate and expend resources

ASKED: The price at which securities are offered

GLOSSARY OF BUDGET RELATED TERMS

ASSESSED VALUATION: The value assigned to properties within the city, which is used in computing the property taxes to be paid by property owners

ASSETS: Property owned by a government, which has monetary value

AUDIT: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- ☐ ascertain whether financial statements fairly present financial position and result of operations;
- ☐ test whether transactions have been legally performed;
- ☐ identify areas for possible improvements in accounting practices and procedures;
- ☐ ascertain whether transactions have been recorded accurately and consistently; and
- ☐ ascertain the stewardship of officials responsible for governmental resources

AUDITOR'S REPORT: In the context of a financial audit, a statement by the auditor describing the scope of the audit and the audit standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with generally accepted accounting practices or some other comprehensive basis system of accounting

AWC (Association of Washington Cities): An official organization of cities and towns of Washington established to aid local governments in the solution of common problems. Each city paying the annual service fee is a member and has an equal voice in the determination of the Association's policy

BALANCE SHEET: A statement presenting the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specified date

BALANCED BUDGET: Total resources equal total uses (Beginning Balance + Revenues = Total Expenditures + Fund Balance)

B&O: Business and Occupation

BAR: Baseline Adjustment Request

BARS: (The Budgeting, Accounting and Reporting System): The accounting system's manual prescribed by the Washington State Auditor's Office

BASE BUDGET: Ongoing expense for personnel and contractual services, and the replacement of supplies and equipment required to maintain service levels previously authorized by the council.

BASIC FINANCIAL STATEMENTS: Those financial statements, including notes, necessary for the fair presentation of the financial position and results of operations of an entity in conformity with GAAP. The basic financial statements include a balance sheet, an "all inclusive" operating statement, a budget comparison statement (for all governmental funds for which annual appropriated budgets are adopted), and a statement of changes in financial position (for proprietary funds, pension trust funds and non-expendable trust funds)

BASIS OF ACCOUNTING: A term used to refer to when revenues, expenditures, expenses and transfers, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made regardless of the nature of the measurement, on either the cash or accrual method

BASIS POINT: A measurement of changes in prices or yields for fixed income securities. One basis point equals 1/100 of 1 percent

BEARER SECURITY: A security the owner of which is not registered on their books of the issuer. A bearer security is payable to the holder

BIAA (Business Improvement Area Association): An association formed by downtown businesses which assess themselves quarterly dues to be used to enhance and promote the downtown area. City of Poulsbo's is now the Historic Downtown Business Association (HDBA)

BID: The price at which a buyer is willing to buy a security

GLOSSARY OF BUDGET RELATED TERMS

BOND (Debt Instrument): A written promise to pay a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures

BOND ANTICIPATION NOTE: Short-term interest bearing notes issued in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue to which they are related

BOND EQUIVALENT YIELD (BEY): A yield that equates monthly pay mortgage-backed securities to semi-annual payments bonds

BOND REGISTRAR: The fiscal agency of the State of Washington in either Seattle, Washington or New York, New York, for the purposes of registering and authenticating the bonds, maintaining the bonds, maintaining the bond register, effecting transfer of ownership of the bonds and paying interest on the principal of (and any premium pursuant to call on) the bonds

BOOK ENTRY TRANSFER: A method of transferring securities through computerized entries, which may eliminate the need for physical certificates

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

BUDGET: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. The term is also sometimes used to denote the officially approved expenditure ceilings under which the city and its departments operate

BUDGET AMENDMENT: An appropriation approved by the city council after the initial budget appropriation

BUDGET CALENDAR: The schedule of key dates or milestones, which the city follows in the preparation and adoption of the budget

BUDGETARY CONTROL: The control or management of a government in accordance with an approved budget for the purpose of keeping expenditures within the limitation of available appropriations and available revenues

BUDGET DOCUMENT: The official written statement prepared by the Finance Department and supporting staff for the mayor which presents the proposed budget to the city council

CAFR: Comprehensive Annual Financial Report

CALL OPTION: The right to purchase a security at a predetermined price on or before a specified future date

CAPITAL ASSETS: Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets

CAPITAL BUDGET: A plan of proposed capital expenditures and the means of financing them. The capital budget may be enacted as part of the complete annual budget including both operating and capital outlays. The capital budget is based on the Capital Improvement Plan (CIP).

CAPITAL OUTLAY: Expenditures, which result in the acquisition of or addition to Fixed Assets. The City of Poulsbo's capital threshold is \$5,000

CAPITAL PROJECT: Projects, which purchase or construct capital assets. Typically, a capital project encompasses a purchase of land or construction of a building or facility, with a life expectancy of more than 10 years

CASH BASIS: The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid

CASH FLOW BUDGET (Cash Budget): A projection of the cash receipts and disbursements anticipated during a given time period. Typically, this projection covers a year and is broken down into separate projections for each month, week and/or day during the year.

CDBG (Community Development Block Grants): Grant funds administered through Department of Community Development of the State of Washington

GLOSSARY OF BUDGET RELATED TERMS

CENCOM: 911 Police, fire, medical emergency central communication system operated by Kitsap County

CERTIFICATE OF DEPOSIT (CD): A negotiable or non-negotiable receipt for monies deposited in a bank or other financial institution for a specified period for a specified rate of interest

CIP: Capital Improvement Plan

CKWWTP: Central Kitsap Wastewater Treatment Plant

CMC (Certified Municipal Clerk): A certification program offered through the International Institute of Municipal Clerks awarded for a combination of education and experience

CMFA (Certified Municipal Finance Administrator): Certification program for finance officers offered through the Municipal Treasurers' Association

CPM (Certified Purchasing Manager): A certification program offered through the National Association of Purchasing Managers

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies

COMMERCIAL PAPER: Corporate promissory notes issued to provide short-term financing, sold at a discount and redeemed at face value. A principal component of money market funds portfolios, because of the high yields

CONCURRENT OR CONCURRENCY: The improvements that are in place at the time the impacts of development occur, or that the necessary financial commitments are in place. Public facilities and services shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service level below locally established minimum standards

CONFIRMATION: A document used to state and supplement in writing the terms of a transaction, which have previously been agreed to verbally

CONTINGENCY: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for

COST ALLOCATION: The assignment of applicable costs incurred by a central services department (like Administrative Services) to a fund based on the benefit to the fund being assessed.

COUNCILMANIC BONDS: Non-voted bonds, which can be authorized by the Council in an amount up to 1.5 percent of the assessed valuation of the city

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date

CPI (The Consumer Price Index): is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The CPI reflects spending patterns for each of two population groups: All Urban Consumers (CPI-U) and Urban Wage Earners and Clerical Workers (CPI-W).

CPI-U: represents about 87 percent of the total U.S. population. It is based on the expenditures of almost all residents of urban or metropolitan areas, including professionals, the self-employed, the poor, the unemployed and retired persons as well as urban wage earners and clerical workers. Not included in the CPI are the spending patterns of persons living in rural non-metropolitan areas, farm families, persons in the Armed Forces, and those in institutions, such as prisons and mental hospitals.

CPI-W: The CPI-W is based on the expenditures of households that are included in the CPI-U definition that also meet two requirements: More than one-half of the household's income must come from clerical or wage occupations and at least one of the household's earners must have been employed for at least 37 weeks during the previous 12 months. The CPI-W's population represents about 32 percent of the total U.S. population and is a subset, or part, of the CPI-U's population.

GLOSSARY OF BUDGET RELATED TERMS

CURRENT EXPENSE FUNDS: See "General Fund"

CURRENT FACE: Also known as the outstanding loan balance. The current monthly remaining principal of a certificate computed by multiplying the original face of the certificate by the current principal balance factor.

CUSIP NUMBER (Committee on Uniform Securities Identification Procedures): An identifying number assigned to a publicly traded security. A nine-digit code is permanently assigned to each issue and is generally printed on the face of the security if it is in physical form.

CWP (Community Work Program): Where applicable, a program allowing defendants of the court to provide community service in lieu of a monetary fine or jail time.

DARE (Drug Awareness Resistance Education): A drug education program offered through the Police Department

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account

DEBENTURE: A bond secured only by the general credit of the issuer.

DEBT: An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of government include bonds, leases, sales, contracts, and notes

DEBT LIMITS: The maximum amount of debt, which is legally permitted

DEBT SERVICE: Interest and principal payments on debt

DEBT SERVICE FUNDS (200 series funds): The type of funds, which account for the payment of the city's debt service

DEFICIT: The excess of liabilities of a fund over its assets

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt

for the securities.

DEPARTMENT: Refers to an organizational unit. In Poulsbo it refers to eight such units; Clerk, Engineering/Building, Finance, Parks & Recreation, Planning, Police, and Public Works

DEPARTMENT HEAD: One of the directors of a department

DEPOSITORY: An entity, which accepts securities for deposit. A depository facilitates delivery and transfer between dealers by making account entries reflecting ownership instead of physically moving securities.

DEPRECIATION: (1) Expiration in the service life of capital assets attributed to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset, which is charged as an expense during a particular period

DESIGNATED FUND BALANCE: A portion of fund balance which has been designated by past council action as reserved for a specific purpose

DEVELOPMENT ACTIVITY: Any construction or expansion of a building or structure. Any change in use of a building, structure, or land that creates additional demand and need for public facilities

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at a lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DNR: Department of Natural Resources

DOT: Department of Transportation

DRV: Design Review Board

GLOSSARY OF BUDGET RELATED TERMS

DUE FROM OTHER FUNDS: An asset account used to indicate amounts owed to a particular fund by another fund for goods or services rendered. This account includes only short-term obligations on open account, not interfund loans

EHD (Electric Home Detention): Where applicable, a program allowing defendants of the court to serve their "jail sentence" at home and/or at work

EIS: Environmental Impact Statement

ENCUMBRANCES: Obligations in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up

ENDING FUND BALANCE: The cash balance remaining at the end of the fiscal year available for appropriation in future years

ENTERPRISE FUNDS (400 series funds): A type of proprietary fund, which contains the activities of funds where the intent is for the direct beneficiaries to pay for all cost of the funds through fees

ERU's: Equivalent Residential Units

ESA (Endangered Species Act): In 1973 the United States Congress found and declared that various species of fish, wildlife, and plants in the United States have been rendered extinct as a consequence of economic growth and development untempered by adequate concern and conservation.

EOC (Emergency Operation Center): The central administration operating facility of the city in the event of an emergency, located at the Poolsbo Fire Department

EPC: Executive Planning Committee

EXPENDITURES: Where accounts are kept on the accrual or modified accrual basis of accounting. The cost of goods received or services rendered whether cash payments have been made or not

FACE VALUE: The par value of a security. Face value is not an indication of market value.

FACTOR: The proportion of the outstanding principal balance of a security to its original principal balance expressed as a decimal. The *Bond Buyer* publishes the "Monthly Factor Report" that contains a list of factors for GNMA, FNMA and FHLMN securities.

FARM CREDIT DISCOUNT NOTES AND BONDS: Secured joint obligations of Farm Credit Banks that are issued with a minimum face value of \$50,000 with maturities ranging from 5 to 360 days.

FED BOOK-ENTRY: An electronic registration, transfer and settlement system for securities on the Federal Reserve System.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open market operations.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulates and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATIONS (FNMA): FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed/rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

GLOSSARY OF BUDGET RELATED TERMS

FEDERAL OPEN MARKET COMMITTEE

(FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington D.C., 12 Regional Banks and about 5,700 commercial banks that are members of the system.

FEE: (1) Commitment fee: a payment to investors or prospective investors, which may or may not be refundable, for the purpose of obtaining a commitment to purchase securities; (2) Standby fee: a non-refundable amount

FIDUCIARY FUNDS: A group of funds, which account for funds by the city as a trustee

FISCAL YEAR: A twelve-month period designated as the operating year by an entity; The City of Poulsbo's fiscal year is the same as the calendar year.

FIXED ASSETS: Long lived tangible assets obtained or controlled as a result of past transactions, events or circumstances; fixed assets include buildings, equipment, improvements other than buildings, and land

FIXED RATE MORTGAGE: A mortgage which features level monthly payments that is determined at the outset of the mortgage and remains constant throughout the life of the mortgage.

FLAT: A security trades flat when it is traded with no accrued interest.

FLOAT: The amount of money represented by checks outstanding and in the process of collection

FORWARD TRADE: A transaction where the settlement will occur on a specified date in the future at a price agreed upon on the trade date.

FULL FAITH AND CREDIT: A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds)

FTE: Full-time equivalent employee

FUND: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations

FUND BALANCE: The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit

GAAP - (Generally Accepted Accounting Principles) GAAP for governments are mostly determined by the GASB

GASB (Government Accounting Standards Board): Established in 1985, to regulate the rules and standards to be used in accounting for governmental activities

GENERAL FIXED ASSETS: Capital assets that are not part of any funds, but of the government unit as a whole. Most often these assets arise from the expenditure of the financial resources of the governmental funds

GENERAL FUND (Fund 001): The fund of the City that accounts for all activity not specifically accounted for in other funds. Includes such operations as police, fire, engineering, planning, parks, library, municipal court, recreation, and administration

GENERAL OBLIGATIONS BONDS (Debt): Bonds or other indebtedness of the City for which the pledge made for repayment is the full faith and credit of the city

GMA: Growth Management Act

GLOSSARY OF BUDGET RELATED TERMS

GNMA Is: Pass-through mortgage-backed securities on which registered holders receive separate principal and interest payments on each of their certificates. GNMA I securities are single-issuer pools. Investors may expect to receive principal and interest payment on the 15th day of each month.

GNMA IIs: Pass-through mortgage-backed securities on which registered holders receive an aggregate principal and interest payment from a central paying agent on all of their GNMA II certificates. Principal and interest payment are disbursed on the 20th day of each month. GNMA II securities are collateralized by multiple-issuer pools or custom pools (one issuer but different interest rates that may vary within one percentage point). Multiple-issuer pools are known as Jumbos. Jumbo pools are generally larger and often contain mortgages that are more geographically diverse than single-issuer pools. Jumbo pool mortgages have interest rates that may vary within one percentage.

GOALS: The objective of specific tasks and endeavors

GOVERNMENTAL FUND TYPES: Funds, which provide general government services. These include the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Funds

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE): Securities guaranteed by GNMA and issued by mortgage banks, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes.

GPM: Gallons per minute

GRADUATED PAYMENT MORTGAGE (GPM): A mortgage that features negative amortization in which early payments are insufficient to pay the interest due on the outstanding principal. As a result, the unpaid interest is added to the principal thereby increasing the borrower's balance owed. The payments must graduate or

increase over time until they can completely amortize the loan's remaining principal balance by its maturity. The number, frequency and rate of increases are specified in the original contract.

GRANT: A contribution of assets, usually cash, by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grants are usually made for specified purposes.

GUARANTY FUND: A fund established by a bond issuer, which is pledged, as security for the payment of one or more bond issues. Normally used for LIDs.

HDPA: Historic Downtown Poulsbo Association, previously the Business Improvement Area Association (BIAA).

HDPE: High density polyethylene

IAC: Interagency Committee for Outdoor Recreation

IDP (Implicit Price Deflator): Is a nation-wide indicator of the average increase in prices for all domestic personal consumption. It is indexed to a base of 100 in 1992. It is derived from the national income and product accounts' best known summary measure, "gross domestic product" (GDP). The GDP is comprised of four major categories: (1) *personal consumption expenditures*; (2) gross private domestic investment; (3) net exports of goods and services; and (4) government purchases.

IMPACT FEES: A fee assessed on new development that creates additional demand and need for public facilities

I&I: Inflow and infiltration

INFRASTRUCTURE: The underlying foundation, the basic installations and facilities, on which the continuance and growth of a jurisdiction depends, i.e., streets, roads, sewer, and water systems

INTEREST: Compensation paid or to be paid for the use of money. Interest is generally expressed as an annual percentage rate.

GLOSSARY OF BUDGET RELATED TERMS

INTEREST ONLY (I/O): The interest only portion of a stripped mortgage-backed security. For I/O securities, all of the interest distribution is due to the registered holder based on the current face of the underlying mortgage-backed security.

INTEREST RATE: The face coupon rate of a security.

INTERFUND PAYMENTS: Expenditures made to other funds for services rendered. This category includes interfund repairs and maintenance as well as professional services

INTERGOVERNMENTAL REVENUE: Interfund charges to pay for quasi-external transactions of the fund

INTERGOVERNMENTAL SERVICES: Inter-governmental purchases of those specialized services typically performed by local governments

INTERFUND TRANSACTIONS: Transactions between funds of the same government

INTERNAL CONTROLS: A system of controls established by the city designed to safe guard the assets of the city and provide reasonable assurances as to the accuracy of financial data

INTERNAL SERVICE FUNDS (500 series funds): A type of proprietary fund which accounts for the goods and services which are provided to other units of the city and payment by the benefiting unit is intended to fund the costs of providing such services

INVESTMENT: Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals and base payments

ISSUE DATE: The date on which a security is issued or originated.

ISU: Impervious Surface Units

ISSUER: An entity, which issues and is obligated to pay amounts due on securities.

LATECOMER FEES: Fees paid by developers or future service users for their share of past improvements financed by others

LEASING: A financial technique whereby ownership of the project or equipment remains with the financing entity, and where title may or may not transfer to the city at the end of the lease

LEOFF (Law Enforcement Officers and Firefighters): A retirement system of the State, which provides for law enforcement and firefighter personnel of the city

LEVY: The total amount of taxes, special assessments, or service charges imposed by a government

LEVY LID: A statutory restriction on the annual increase in the amount of property tax a given public jurisdiction can assess on regular or excess levies

LEVY RATE: The property tax rate used in computing the property tax amount to be paid

LIABILITY: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date

LICENSES AND PERMITS: A revenue category of the city derived from business licenses, building and development permits

LID (Local Improvement District): A financial mechanism, which permits the building of public infrastructure improvements, which benefit a confined area and where the costs for those improvements are to be paid for by the benefiting area landowners

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LONG TERM DEBT: Debt with a maturity of more than one year after the date of issuance

LOS (Level of Service Request for Additional Funding): A request for additional funding to continue to provide the current level of service

GLOSSARY OF BUDGET RELATED TERMS

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase

MATURITIES: The dates on which the principal or stated value of investments or debt obligations mature and may be reclaimed

MATURITY DATE: The date on which the principal amount of the security is due and payable to the registered owner of the security.

MILL: The property tax rate, which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of property valuation

MITIGATION FEES: Contributions made by developers toward future improvements of city facilities resulting from the additional demand on the city's facilities generated from the development

MODIFIED ACCRUAL BASIS: The basis of accounting under which expenditures, other than accrued interest on general long-term debt, are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, banker's acceptances, etc.) are issued and traded.

MORTGAGE: A legal instrument that creates a lien upon real estate securing the payment of a specified debt, such as a mortgage note.

MORTGAGE-BACKED BOND: A mortgage-backed bond is a general obligation of the issuer, secured by mortgage collateral, where the issuer retains ownership of the mortgages. The bond is secured by the market value of the underlying mortgages. Since the value of the mortgages will decrease over time as a result of principal amortization and prepayments, the market value of the collateral must exceed the value of the bonds issued. Unlike pass-through securities, the cash flow in a mortgage-backed bond is not directly related to the cash flow of

the underlying mortgage collateral. Interest on the bond is paid semiannually at a predetermined rate and principal is paid at maturity.

MORTGAGE BANKER: An entity that originates mortgage loans, sells them to other investors and services the loans.

MORTGAGE PAY-THROUGH BONDS: These bonds combine features of pass-through securities and mortgage-backed bonds. A pay-through bond, like a mortgage-backed bond, is a debt obligation of the issuer, secured by mortgage collateral that is owned by the issuer. However, like a pass-through security, the cash flow on a pay-through bond is related to the cash flow in the mortgage collateral. Therefore, the cash flow generated by the mortgage collateral must be sufficient to cover principal and interest payments on the bonds. Prepayments on the mortgage collateral will be passed on the bondholders thereby causing fluctuations in the principal payment of the bonds.

MTC (Mobile Computer Terminal): Computers installed in police vehicles

MVET: Motor Vehicle Excise Tax imposed by the State of Washington

NET REVENUE: The revenue of the system less the cost of maintenance and operation of the system

NEW PROGRAM REQUESTS (NPR): A type of budgetary action, which consists of new initiatives or substantial change to existing programs

NOTES ON THE FINANCIAL STATEMENTS: The summary of significant accounting policies and other disclosures required for a fair presentation of the basic financial statements of an entity in conformity with GAAP which are not included on the face of the basic financial statements themselves. The notes to the financial statements are an integral part of the basic financial statements.

NPDES: National Pollutant Discharge Elimination System

NPR: new program request

GLOSSARY OF BUDGET RELATED TERMS

ODD LOT: A quantity of securities, which is less than the accepted unit of trading.

OFFER: The price at which a seller will sell a security.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

OPERATING BUDGET: The annual appropriation to maintain the provision of City services to the public. This document contains the operating budget of the City.

OPERATING FUNDS: Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects

OPERATING TRANSFER: Interfund transfers not classified as quasi-external, reimbursements, or residual equity transfers

OPERATIONAL AUDIT: Examinations intended to assess (1) the economy and efficiency of the audited entity's operations and (2) program effectiveness, the extent to which program objectives are being obtained

ORDINANCE: A formal legislative enactment by the governing board of a municipality

ORIGINAL FACE: The face value (original principal amount) of a security as of its issue date.

OSHA: Federal Occupational Safety & Health Act

OTHER SERVICES AND CHARGES: A basic classification for services, other than personnel services, which are needed by the city. This item includes professional services, communication, travel, advertising, rentals and leases, insurance, public utility services, repairs and maintenance, and miscellaneous

PAR: The face amount of a security

PARITY BOND: Any and all water and sewer revenue bonds of the city the payment of which, both principal and interest, constitutes a lien and charges upon the revenue of the system and upon assessments equal in rank with the lien and charge on such revenue of the system and assessments for payments required to pay and secure the payment of the bonds

PAYMENT DATE: Also known as the payable date. The date that actual principal and interest payments are made to the registered holder of a security. For GNMA Is, the payment date is the 15th day of the second month following the record date. For GNMA II's, the payment date is the 20th day of the month following the record date. For FHLMC PCs, the payment date is the 15th day of the second month following the record date. For FNMA MBSs, the payment date is the 25th day of the month following the record date.

P&I (PRINCIPAL AND INTEREST): In the case of mortgage-backed securities and other asset-backed securities, P&I includes regularly scheduled payments as well as prepayments, if any.

PERS (Public Employee Retirement System): The State prescribed system for public employment retirement applicable to city employees except where LEOFF is applicable

PERSONNEL BENEFITS: City provided employee benefits such as social security insurance, retirement, worker's compensation, life insurance, medical insurance, and dental insurance

PFO: Professional Finance Officer

POOL: A collection of mortgages assembled by an originator or master servicer as the basis for a security. Pools are identified by a number.

PORTFOLIO: Collection of securities held by an investor.

PRELIMINARY BUDGET: That budget which is proposed by the mayor to the council and has not yet been adopted by the council

PREPAYMENT: The unscheduled partial or complete payment of the principal amount outstanding on a debt obligation before it is due.

GLOSSARY OF BUDGET RELATED TERMS

PRICE: The dollar amount to be paid for a security expressed as a percentage of its current face value.

PRIMARY DEALER: A group of government securities dealers that daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

PRINCIPAL: The face amount of a bond, exclusive of accrued interest and payable at maturity.

PRINCIPAL ONLY (P/O): The principal only portion of a stripped mortgage-backed security. For P/O securities, all of the principal distribution is due to the registered holder based on the current face of the underlying mortgage-backed security.

PROGRAM: A group of activities related to a single policy concern, goal, or dimension, which overrides organizational lines

PROGRAM REVENUE: These are revenues, which are produced as a result of an activity of a program and are subject to quantity of services provided to the public or governmental unit (i.e. permits, charges for fire services, recreation activities), or revenues dedicated to a specific use (i.e. grants, taxes, or debt funds)

PROPRIETARY FUNDS (400 & 500 series funds): A group of funds, which account for activities of the city which, are of a proprietary or "business" character. See Enterprise Fund.

PRUDENT PERSON RULE: An investment standard. In some states the law required that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state-the so-called legal list. In other states the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

PSRC (Puget Sound Regional Council): A council of local governments located in the Puget Sound Region that meets monthly to address issues in common.

PUT OPTION: The right to sell a security at a predetermined price on or before a specified future date.

PUBLIC FACILITIES: The capital owned or operated by the city or other government entities

PUBLIC SAFETY: A term used to define the combined budget of the Police and Fire Departments

(PWTF) PUBLIC WORKS TRUST FUND: A low interest revolving loan fund, which helps local governments finance critical public works needs

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

RATINGS: Designations used by investor's services to give relative indications of credit quality.

RCW: Revised Code of Washington

RECLASSIFICATION & COST ALLOCATIONS: Expenditures such as depreciation, amortization, bad debt expense, inventory write-off, and operating transfers

RECORD DATE: The date for determining who is entitled to payment of principal and interest (and prepayment) on a security. The record date for most mortgage-backed securities is the last calendar day of the month (however, the last day on which they can be presented for transfer is the last business day of the month.) The record date for CMOs and ABSs varies with each issue.

REET (Real Estate Excise Tax): A tax upon the sale of real property from one person or company to another

REFUNDING BONDS: Bonds issued to retire bonds already outstanding

GLOSSARY OF BUDGET RELATED TERMS

REGISTERED HOLDER: The name in which a security is registered as stated on the certificate itself or on the books of the paying agent. All principal and interest payments are made of the registered holder regardless of beneficial ownership on the record date.

REGULAR LEVY: The portion of the property tax, which supports the general funds

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed rate. The security buyer in effect lends the seller money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

RESERVE: An account used to segregate a portion of the fund balance to indicate that it is not available for expenditure; an account used to segregate a portion of fund equity as legally set aside for a specific future use

RESOLUTION: A special or temporary order of a legislative body. Less legal formality than an ordinance or statute

RESOURCES: Total dollars available for appropriations including estimated revenues, fund transfers, and beginning balances

RETAINED EARNINGS: An equity account reflecting the accumulated earnings of an enterprise or internal service fund

REVENUES: (1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers

REVENUE BONDS: Bonds sold by the city which are secured only by the revenues of a particular system, usually the Water/Sewer Fund

REVENUE ESTIMATE: A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified later date.

SAFEKEEPING: The storage and protection of customers' securities (i.e., held in the vault) provided as a service by a bank or institution acting as agent for the customer.

SALARIES AND WAGES: Amounts paid for personnel services rendered by employees in accordance with rates, hours, terms, and conditions authorized by law or stated in employment contracts

SEC RULE 15C3-1: See uniform net capital rule.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES AND EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEPA: State Environmental Protection Act

SERVICING FEE: The amount withheld from the monthly interest payments made by a mortgagor and retained by the mortgage servicer.

SERVICING: The duties of the servicer for which a fee is received. Servicing consists of collecting and pooling principal, interest and escrow payments as well as certain operational procedures covering accounting, bookkeeping, insurance, tax records, loan payment follow-up, delinquency loan follow-up, and loan analysis.

SETTLEMENT DATE: The date agreed upon by the parties to a transaction for the payment of funds and the delivery of securities.

GLOSSARY OF BUDGET RELATED TERMS

SIC (Standard Industrial Code): Code used for segregating various types of business when reporting excise tax information.

SINGLE AUDIT: An audit performed in accordance with the Single Audit Act of 1984 and Office of Management and Budget (OMB). It allows or requires governments, depending on the amount of federal assistance received, to have one audit performed to meet the needs of all federal grantor agencies

SOC's: Synthetic Organic Chemicals

SPECIAL ASSESSMENTS: An assessment similar to a tax, but legally distinct and is separately billed, applied to property participating in an LID to retire the LID debt

SPECIAL LEVY: Separate property tax levies authorized by the voters for specific purposes

SPECIAL REVENUE FUNDS (100 series funds): General government funds where the source of monies is dedicated to a specific purpose

SR: State Route

SUPPLIES: A basic classification of expenditure for articles and commodities purchased for consumption or resale. Examples include office and operating supplies.

SURETY BOND: Any letter of credit, insurance policy, surety bond, or other equivalent credit facility or any combination thereof, issued to the city to satisfy all or part of the amount required to be maintained in the reserve account to make such payments of principal and interest as the same become due at maturity or any mandatory redemption date

TAIL: The portion of a GNMA pool that is not divisible by \$5,000. For physical GNMA's the tail must remain intact. For example, on a GNMA with an original face of \$6,038,921.65 the tail equals \$3,921.65. For book-entry FNMA and FHLMC securities, tails may be split into multiples of one dollar (\$1).

TAX: Charge levied by a government to finance services performed for the common benefit

TAX BASE: The wealth of the community available to be taxed by various forms of city taxes. Commonly thought of as the assessed value of the community

TAX LEVY ORDINANCE: An ordinance through which taxes are levied

TAX RATE LIMIT: The maximum legal rate at which a municipality may levy a tax. The limit may apply to taxes raised for a particular purpose or for general purposes

TIP (Transportation Improvement Plan): A six-year plan prioritizing transportation projects

TRANSFER AGENT: A transfer agent is appointed to maintain records of securities owners, to cancel and issue certificates and to address issues arising from lost, destroyed or stolen certificates.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one to ten years.

TRUST and AGENCY FUNDS (series 600 funds): A type of fiduciary funds, which accounts for funds held by the city as a trustee

VOC: Volatile organic contaminants

UGA: Urban Growth Area

ULID (UTILITY LOCAL IMPROVEMENT DISTRICTS): Created only for improvement to sewer, water, and other utilities and differs from a LID in that all assessment revenues must be pledged for payment of debt service of bonds issued to finance the improvements

WAC: Washington Administrative Code

WEIGHTED AVERAGE COUPON (WAC): An arithmetic mean of the coupon rate of the underlying mortgages that collateralize a security.

WESTLAW: A legal research on-line service

WESTNET: West Sound Narcotic Enforcement Team

GLOSSARY OF BUDGET RELATED TERMS

WFOA: Washington Financial Officer's Association

WHOLE LOAN: An unsecuritized residential or commercial mortgage.

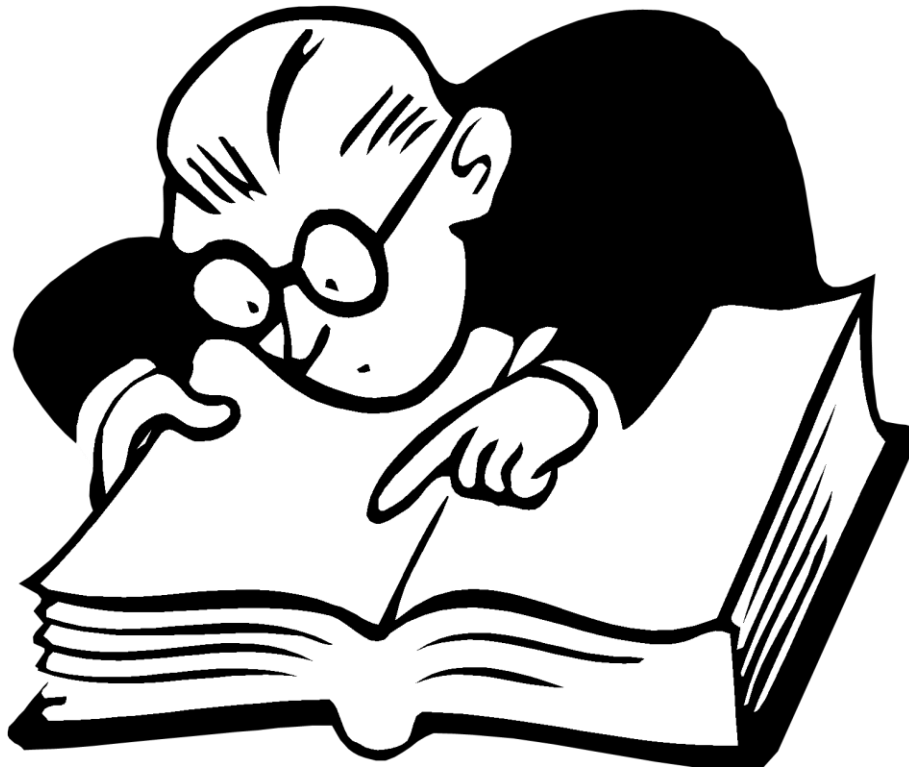
WIRS (Washington Incident Reporting System): A data system that records medic and fire incidents throughout the State for the purpose of providing compiled data

WISHA: Washington Industrial Safety and Health Act

WORKING CAPITAL: The year-end balance of current assets less current liabilities

YEILD: The annual percentage returns, as computed in accordance with standard industry practices that is earned on a security.

Z-BOND: See Accrual Bond







The 2017-2018 budget process was a cooperative effort involving all City Departments and the budget staff. Even though the budget is heard by the Mayor and Council in November and December, its preparation begins

several months prior, with projections of City funding sources and expenditures. It continues through numerous phases and refinement until publication of the preliminary budget document at the end of October. We recognize that budgeting is an ongoing process of planning, monitoring, problem solving, and customer service throughout the year. Upon each budget cycle, every effort is made to improve both the budget process and the usefulness of this document.

City of Poulsbo
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(360) 779-3901 Poulsbo

| | | |
|--------------|-----------------------|-----------------------|
| Mayor | Becky Erickson | (360) 779-3901 |
|--------------|-----------------------|-----------------------|

Council Members

| | | |
|--------------------|-----------------------|-----------------------|
| Position #1 | Kenneth Thomas | (360) 979-6427 |
| Position #2 | Connie Lord | (360) 779-6142 |
| Position #3 | Gary Nystul | (360) 697-2453 |
| Position #4 | Jeff McGinty | (360) 779-9538 |
| Position #5 | Ed Stern | (360) 779-6678 |
| Position #6 | David Musgrove | (360) 908-6888 |
| Position #7 | Jim Henry | (360) 981-3252 |

Department Heads

| | | |
|-------------------------------|---|-----------------------|
| Finance | Debbie Booher, Finance Director | (360) 394-9881 |
| Clerk | Rhiannon Fernandez, City Clerk | (360) 394-9880 |
| Police | Dan Schoonmaker, Chief | (360) 779-3113 |
| Planning | Karla Boughton, Director | (360) 394-9748 |
| Parks & Recreation | Mary McCluskey, Director | (360) 779-9898 |
| Public Works | Mike Lund, Superintendent | (360) 779-4078 |
| Engineering/Building | Andzej Kasiniak, Engineering Dir. | (360) 779-4078 |
| Personnel | Deanna Kingery, Human Resources Mgr | (360) 394-9880 |
| Information Services | Dave Stenstrom, Information Svcs Mgr | (360) 394-9880 |
| Risk Mgmt/Prosecutor | Alexis Foster, Risk Manager/Prosecutor | (360) 394-9880 |
| Municipal Court | Jeff Tolman, Municipal Court Judge | (360) 779-9846 |

Finance Department Staff

| | | |
|-----------------------------|--|-----------------------|
| LID Information | Jana Brown, Accounting Manager | (360) 394-9721 |
| Budget | Kelly Ziemann, Sr Budget Accountant | (360) 394-9725 |
| Project/Grant Acct | Jessica Walser, Acct Technician | (360) 394-9707 |
| Accounts Receivable | Sandi Ryen, Acct Technician | (360) 394-9724 |
| Payroll/Misc Billing | Zach Cunningham, Acct Technician | (360) 394-9722 |
| Accounts Payable | Chloe Wardle, Acct Clerk | (360) 394-9728 |
| Cashiering | Jon Jennings, Acct Clerk | (360) 394-9726 |

Contracts

| | | |
|----------------------|--|-----------------------|
| Auditors | State Auditors Office | (360) 895-6133 |
| City Attorney | Ogden, Murphy & Wallace | (206) 447-7000 |
| Bond Counsel | Foster Pepper, PLLC | (206) 447-4400 |
| Insurance | Washington Cities Insurance Authority | (206) 575-6046 |