

City of Poulsbo, Washington 2019-2020 Budget



Mayor Rebecca Erickson
Council Members

Abby Garland*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
200 NE Moe Street
Poulsbo, Washington 98370
360-779-3901
www.cityofpoulsbo.com

FINAL 2019-2020 BUDGET

For Fiscal Year January 1, 2019 to December 31, 2020

**Adopted by
Poulsbo City Council
December 19, 2018**

Ordinance No. 2018-27

**Document prepared by:
Deborah Booher, Finance Director
Zach Cunningham, Senior Budget Accountant
Samantha Alden, Administrative Support**



CITY OF POULSBO OFFICIALS

MAYOR

Rebecca Erickson

CITY COUNCIL

**Abby Garland
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	2020
Kelly Michaels	2018
Vacant	2019
Stephen Calhoun	2020
Marie Gregg	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>
Gerald Block	2023
Gary McVey	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
Joseph Seals	2020
Jim Leary	2020



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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
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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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Poulsbo
Washington**

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morrill

Executive Director

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 biennial budget for the fiscal year beginning January 1, 2017.

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.





ACRONYMS, ABBREVIATIONS, AND TERMS

A/V	Audio/Video
ADA	Americans with Disabilities Act
AVG	Anti-Virus Guard
AWC	Association of Washington Cities
BARS	Baseline Adjustment Requests
BIAA	Business Improvement Assessment Area
CAD	Computer-aided drafting
CAFR	Comprehensive Annual Finance Report
CIP	City Improvement Plan
CIPP	Cured-in-place-pipe
CITY	City of Poulsbo
CITY COUNCIL	City of Poulsbo City Council
COUNTY	Kitsap County
DUI	Driving Under the Influence
DV	Domestic Violence
EIS	Environmental Impact Statement
FTE	Full-time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic information system
GO	General Obligation
HDPA	Historic Downtown Poulsbo Association
IDDE	Illicit Discharge Detection and Elimination
IS	Information Services
KRCC	Kitsap Regional Coordinating Council
LEMAP	Loaned Executive Management Assistance Program
LOCAL	Local Option Capital Asset Lending
LTGO	Limited Tax General Obligation
MIW	Muriel Iverson Williams
NKSD	North Kitsap School District
NPDES	National Pollutant Discharge Elimination System
NPR	New Program Requests
PEG	Public, Educational, Governmental
PMC	Poulsbo Municipal Code
PSRC	Puget Sound Regional Council
PWTF	Public Works Trust Fund Loan
RCW	Revised Code of Washington
REET	Real Estate Excise Tax
ROW	Right-of-Way
RV	Recreational Vehicle
SOG	Special Operations Group
SR 305	Washington State Route 305
TIB	Transportation Improvement Board
TMDL	Total Maximum Daily Load
WASPC	Washington Association of Sheriffs & Police Chiefs
WCIA	Washington Cities Insurance Authority
WFOA	Washington Finance Officers Association
WSPRC	Washington State Parks and Recreation Commission
WSU	Washington State University
WWU	Western Washington University
YMCA	Young Men's Christian Association
YWCA	Young Women's Christian Association



City of Poulsbo

Office of Mayor Rebecca Erickson



December 31, 2018

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

"Alone we can do so little; together we can do so much" ~ Helen Keller

I am proud to present the City of Poulsbo's (City) 2019-2020 Biennial Budget. The City staff, City Council, and I recognized that the changes in the 2017-2018 budget review and development process were successful due to the thoughtful planning required for a biennial budget and are excited to present another two-year plan for the City's operating and capital expectations. Although the budget is a two-year budget, we have chosen 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 and monitor a budget that best serves our citizens and provide the resources for a safe, thriving, and desirable community. Balancing a budget is a tough task, it is through teamwork and perseverance we have worked diligently to present a balanced budget.

The 2019-2020 Biennial Budget, 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 2019-2020 Biennial Budget is submitted in accordance with the Revised Code of Washington (RCW) and the Poulsbo Municipal Code (PMC).

The year 2018 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 remained consistent at a higher level than the 10-year average. It is anticipated development will continue at a strong 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 2019-2020 Biennial Budget has been prepared conservatively, but with the intention of developing revenue sources and using reserves to promote the City 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.

2017-2018 IN REVIEW

For the year 2017-2018, the City continued to grow and experience increased revenues from development as well as retail and home sales. The City recognized actual amounts collected for sales tax and real estate excise tax (REET) revenues much higher than anticipated and what was received in prior years. The City expects this trend to continue into 2019-2020 but stabilize in future years at a level consistent with what has been collected over a 10 years average. Several projects funded in 2017-2018 were delayed and carried over into 2019-2020. A few factors contributed to this delay including the State's capital budget late adoption which delayed grant awards and there was more work necessary to complete than the current staff level could complete.

The City received multiple grants allowing several transportation and public works projects to commence. Development revenues were slightly reduced from increased levels seen in 2016, however the City continues to grow and be a desirable place to live and work. Several new developments, as well as commercial projects, continue to construct and will be completed in 2019-2020. Several multi-family structures were completed in 2018 or will continue construction into 2019. This is a strong forward step in supporting the lack of available housing.

The City's population continued to grow, currently 10,850 people, which is an increase of 3% or 340 people over the prior year. This was consistent with the trend of increasing development.

Commercial construction continued to remain strong in 2017-2018. The Centennial Building (aka Work, Eat, Drink), a 39,000 square-foot two-story wood-framed commercial mixed-use facility with underground parking, was completed near the end of 2018 and offers our community a place to work, eat, and drink. It is home to Vibe Coworks; a coworking space providing a membership-based work community that allows local professionals flexible work alternatives. ChocMo; a chocolatier and café offering breakfast and lunch including coffee, paninis, salads, and other light fares. High Spirits; tabbed as a "destination" liquor store providing a filling station for growlers and crows, a beer cave, a cigar humidor, display area for liquors, a wine cellar, and a classroom for tastings and education sessions. Crabtree Kitchen + Bar; a farm-to-table restaurant focusing on locally-sourced ingredients highlighting what is grown here in the northwest.

Construction of the Fishline Building was completed in 2018; an approximate 25,000-square-foot building that houses the local food bank (market) and Comprehensive Services Center, providing resources for those in need. The Healthy Foods Market is a grocery-store style shopping experience stocked with fresh fruits and vegetables, meat, dairy, dry/canned good, baby food and diapers, and a variety of miscellaneous products. The new building and the existing second-hand thrift store are sources for the organization to provide charitable support to local citizens. Much of their operation is through volunteer support with proceeds going to support their functions.

A local nursery purchased and developed a piece of land on Viking Avenue to relocate and expand their business and provide landscaping materials and fresh produce for purchase by the public.

In 2018 the City turned over the Marine Science Center building to Western Washington University (WWU) to operate a marine education program for college students and provide a marine life museum for citizens and tourist on the downtown waterfront.

In 2018, the City Council voted to convey ownership of its Poulsbo Library property to the Kitsap County Rural Library District, also known as Kitsap Regional Library, to operate and maintain the building within the parameters of the library system. Since the passing of the Library's levy lid lift, they will be able to support operating expenditures previously absorbed by the City. This change will allow citizens access to library and computer resources and the City to allocate funds that were previously used to maintain the building to other City functions.

A new recreational vehicle (RV) retail establishment opened their doors for business in 2017 and provided citizens and local residents the ability to purchase affordable travel trailers and RVs while it supported the local retail economy.

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 finalized the sale of the old City Hall site to developers, located in the downtown historic portion of Poulsbo. The developers are researching the option of creating a mix of housing and retail establishments.

The City continued to market their vacant property referred to as the old Police Station. A contingent purchase and sale agreement are currently in place to a developer that owns many downtown properties and is revitalizing the downtown core with updated retail and rental spaces. Due diligence for the property continues to make way for a final sale.



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 rates are supporting the expenses and necessary infrastructure improvements over the life of the plan.

The City's commercial code was updated in 2018 with several public meetings and a large amount of citizen input. Updates were made to reflect changes requested by the citizens. A height limit was established for the downtown corridor to avoid tall buildings potentially limiting views.

A request for proposals process was conducted in 2016 for Solid Waste services. The City evaluated the solid waste system and determined to maintain the utility in lieu of contracting out to another provider. A new long-term functional plan was developed with a new rate structure in 2017. Rates were increased and reviewed for long term sustainability supporting services and future capital needs.

The City was the recipient of a local grant to establish and operate a Behavioral Health program to Kitsap County. The program supports local municipal courts and police departments to provide direction to resources for mental health and substance abuse support. The program has experienced great success and the City received an additional grant to continue operating in 2019.

As the challenge of providing more services with fewer resources continues, the City's Management Team has done an excellent job of utilizing 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.

Additional major projects and community-focused efforts started or completed in 2017-2018 include:

- Substantial improvements to the Muriel Iverson Williams (MIW) Waterfront Park including the of installation of new restrooms, new benches to increase seating availability and comfort for local presentations, gazebo repairs for Americans with Disabilities Act (ADA) access, and landscaping improvements at the City's landmark park
- Multiple community meetings held for input to update the Parks and Comprehensive Plans
- Community meetings were held for the development of Noll Road
- Received \$3.4 million in grant funds for the construction of Noll Road
- Completed road and infrastructure improvements on Hostmark
- Completed the Central Interceptor for sewer on Washington State Route 305 (SR 305)
- Completed treatment for manganese at Pugh well
- Completed demolition of three houses at three different City parks
- Began implementation of a document management system
- Began launch of SharePoint through Microsoft 365 Office
- Updated the City Comprehensive Plan
- Completed utility upgrades on Fjord Drive
- Largely funded through grants, the City purchased four waterfront parcels along the Viking Avenue corridor with one parcel allocated for storm drain mitigation and the other three parcels for future park development
- Issued revenue debt with a bond rating upgrade for the City's share of improvements with Kitsap County sewage treatment plant
- Participated in a grand opening of a new automated car wash
- The City received a 2015-2017 Volunteer Cooperative Grant through the Washington Department of Fish and Wildlife, for Phase 3 of Fish Park. This grant has augmented the fund volunteer efforts to build 500 feet of additional soft surfaced trails, 300 feet of boardwalk, one new viewing platform, and a variety of restoration activities including the planting of 1,000 native bulbs and 200 native trees
- Completed Creek Restoration at Centennial Park
- Improved the gateway entrance and pergola for ceremonies to the City's cemetery
- Completed the Morrow Manor Park preliminary design for a new park on the east side of Poulsbo from anticipated donated property
- Issued debt and purchased new vehicles, dedicating nine to the police department
- Developed a telemetry project to monitor water tank and sewer pump station pressure via remote computer access allowing items to be reset through a secure computer access creating faster response while saving on labor and after hour call out times
- Completed the first phase of water meter replacements; providing electronic reads giving staff the ability of remotely read meters for water and sewer services
- Completed the boundary line adjustments as part of the Library conveyance of ownership preparation



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.

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, provide a clear 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 the City will achieve its long-term goals. A guide that serves as an aid for management staff that control financial resources while complying with State requirements for code cities and generally accepted accounting principles (GAAP) 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 prefer to think of Poulsbo as progressive but still reflective of our cultural traditions. Poulsbo is often referred to as ‘small but sophisticated’. 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 2019-2020 Biennial Budget was developed with the following basic goals in mind:

- Establishing a plan of policy and operations
- Facilitating facilitate the evaluation of City programs;
- Providing management information
- Establishing 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 those 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 2019-2020, but long-range plans to provide quality municipal services to the citizens of the City.

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 2019-2020 submissions.

2019-2020 BUDGET DIRECTIVES

Property Tax Revenue Distribution

The City's property tax levy rate is less than our maximum allowable rate, however it does reflect the maximum 1% above the highest allowable levy. The maximum rate limit of \$3.60 can be reduced by up to \$0.50 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 2019, the City is levying \$1.38 for its regular property tax levy, estimated to generate approximately \$2.57 million in revenue.



In 2019-2020, the City plans the following transfers that are loosely based on percentage of property taxes. Using the base of property taxes as a funding source, the City Council determined the following transfers:

- **Parks Reserve Fund 302** - These funds are used for portions of capital park projects
 - 2019 – \$110,000
 - 2020 – \$114,000
- **Streets Reserve Fund 311** - These funds are used for portions of capital transportation projects
 - 2019 – \$55,000
 - 2020 – \$57,000
- **Streets Reserve Fund 311** - These funds are used for the Neighborhood Pavement Restoration Program
 - 2019 – \$150,000
 - 2020 – \$150,000
- **City Streets Fund 101** - These funds are used for maintenance and operations of the City's streets
 - 2019 – \$665,000
 - 2020 – \$685,000

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 conservative in its estimation – rarely estimating more sales tax revenue than received the previous year. The 2019 estimate is \$3,800,000 and 2020, with a conservative estimate of growth, at \$3,900,000.

The City's sales tax revenue is used as a base to fund the purchase of capital items with amounts being transferred to Capital Acquisition Fund (301). The transfer amount 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 following will be transferred:

- **Capital Acquisition Fund 301** - These funds are used for capital equipment purchases
 - 2019 – \$117,950
 - 2020 – \$126,250

Criminal Justice Sales Tax funds are received from 0.1% sales tax collected by Kitsap County. They keep 90% of these tax funds and distributes, based on population, the remaining 10% back to cities located within the Kitsap County. A portion of Criminal Justice Sales Tax was used as a funding source of debt payment for the fleet of new police vehicles purchased in 2017. The remaining will support the Police Department's operating budget in General Fund.

The balance of sales tax revenue will remain 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 the 2017-2018 general fund budget was balanced with a planned use of \$420,390 reserves. However, with revenues tracking higher than anticipated and expenditures less than projected the use of reserves was unnecessary and the fund balance has increased; creating a healthy beginning and ending fund balance in 2018. It is anticipated the 2019-2020 budget will use reserves to fund programs and supplement ongoing programs but continue maintaining fund balances that are consistent with the City's Financial Management Policy of 12%. Use of reserves were strategically planned for 2019-2020 to maintain and increase service levels including but not limited to behavioral health, parks maintenance, and operations of the police department. Reserve balances have grown beyond policy specifications and City Council felt strongly to utilize the funds to benefit the City and citizens with the funded services. The City developed budget requests conservatively with the priorities of maintaining existing services and utilizing tax dollars to enhance or grow services as well as maintain the City's investment in its infrastructure. 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. The labor agreement with the Teamsters group covering Public Works and administrative staff was settled with a three-year agreement. Negotiations will continue into 2019 with the Police Officer's Association. Mediation has been declared with dates set in 2019.

All departments were directed to submit the 2019-2020 budgets using the 2018 level except for wages, benefits, and contractual obligations. If additional funding is necessary, departments will be required to submit requests, as shown below:

- **Baseline Adjustment Request (BARs):** Submit if funding will reduce the current level of service
- **New Program Request (NPRs):** Submit for any new programs

Some requests are recommended for funding approval, but many are put on hold for potential future funding. The details can be reviewed in Section 8 Baseline Adjustment Requests/New Program Requests.

A transfer from General Fund to Capital Facilities (Fund 331) continues 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. As in the past, \$25,000 will be transferred in both 2019 and 2020 to reserve for 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, 2019. 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. Due to timing, this means that many of the impacts from state funding, which will affect cities, will not be known for several months into 2019.

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

The Marketplace Fairness or commonly referred to as the Wayfair Act has positively affected City sales tax revenues by capturing lost sales tax from internet remote sales. This has created more sales tax dollars being generated in the City with an increase of more than 13% over 2017. Approximately half of that can be attributed to the litigation.

Elimination of sales and use tax exemption for bottled water was put into affect August 2017 which added to the increase sales tax collected in the City.

Paid family and medical leave were enacted in 2017, but new premiums will not be put into effect until January 2019. This is a new payroll deduction and employer contribution increasing benefit costs. These have been built into the budget.

The Sick leave and state minimum wage initiative was put into place 2016 and is set to have annual cost inflators. This may affect the cost of utilizing casual and seasonal working employees.

The State budget is scheduled to go into effect July 2019, and the legislature will continue to work through their budget process in the first months of 2019. It is anticipated there will be many concessions for a state adopted balanced budget. This may impact funds available to support local governments. The City receives state-shared revenue based on per capital from liquor profits and sales for operations and several grants for capital projects. The operating support is small and is anticipated to maintain prior year levels, so changes to operations will be minimal, if funding is reduced. However, if capital funding is halted, this will require the City to cancel or delay the planned projects.

Looking forward to ballot issues which may impact the City is a measure to regulate firearms and semiautomatic rifles. This may require the Police Department to provide or share in the costs for increased background checks, firearm safety training, and enhance records administration. Agencies will be allowed to charge a minimal fee to supplement the administrative costs.

2019-2020 BUDGET SUMMARY

The 2019-2020 Biennial Budget is presented as a balanced budget, meaning total resources equal total uses, keeping in mind 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 was updated in 2017, to more specifically address necessary fund levels to manage appropriate operating fund balance and reserving funds for future capital needs.

The 2019-2020 Biennial Budget for the City totals \$76 million, allocating \$34 million to 2019 and \$42 million to 2020. A projected ending fund balance of \$10.5 million is not included in this figure. Overall, the operating bottom line, both 2019 and 2020, stayed consistent with the 2017-2018 biennial budget except for Baseline and New Program adjustments. The Baseline and New Program requests are outlined in Section 8. The largest variations in the overall budget are due to capital projects, anticipated debt in 2019-2020, 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 2019-2020.

All reductions in reserves to fund expenditures 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 \$23.4 million in 2019-2020 with \$11.3 million in 2019 and \$12.1 million in 2020. 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 maintaining a 6% City utility tax rate for all utilities.

The City employs 101.19 regular employees which reflects a 6.13 Full-time Equivalent (FTE) increase over 2017-2018. The following are factors that contributed to the FTE increase. Hours allocated to the Municipal Court Judge have risen due to an uptick in cases coming before the judge. After a decline in 2015 and 2016, the caseload has rebounded to slightly surpass historical numbers. We added three mental health navigators and a program manager; primarily funded by a grant for 2019. In anticipation of grant continuance, they have been included in the 2020 budget. The grant is matched with other local cities and along with the City's contributions. In 2019 a new Police Sergeant was added, per approval in the 2018 budget. Full FTEs details can be found in the Financial Plan - Section 2.

SUMMARY ANALYSIS OF FUND TYPES

A comprehensive overview and summary of each of the major budgets and a brief narrative that compares the 2018 and 2019-2020 budgets and budgeting formats, on a fund-type by fund-type basis, are provided below:

	2020			2019			2018
	Budget	Increase/ (Decrease)	% of Variance Inc/(Dec)	Budget	Increase/ (Decrease)	% of Variance Inc/(Dec)	Budget (Final)
Expenditures							
General Fund	12,867,456	770,584	5.99%	12,096,872	20,756	0.17%	12,076,116
Special Revenue Funds	5,056,969	2,171,643	42.94%	2,885,326	(1,046,495)	-36.27%	3,931,821
Debt Service Funds	1,309,475	205,504	15.69%	1,103,971	24,052	2.18%	1,079,919
Capital Project Funds	8,045,384	4,828,849	60.02%	3,216,535	(5,101,097)	-158.59%	8,317,632
Enterprise Funds	14,743,313	126,214	0.86%	14,617,099	(12,933,850)	-88.48%	27,550,949
Totals	42,022,597	8,102,794	19.28%	33,919,803	(19,036,634)	-56.12%	52,956,437

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 3.5% by the end of 2020. The increase can primarily be attributed to projected increased sales tax revenue. Other revenue projections for 2019-2020, remain conservative to stay consistent with trends not reflecting a spike in activity.

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 2020 have increased to account for a share of a debt payment for the construction of Noll Road.

The General Fund is balanced for 2019-2020 and is projected with an anticipated general beginning balance of \$500,000 and an additional use of reserves in the amount of \$272,289 in 2019 and \$1,287,624 in 2020. This is based on conservative revenue projections and intended use of funds to replace capital and small tool items that are getting to the end of their useful life and reflect the growing costs of contractual obligations of the City. Although the budget reflects the use of these reserves, it is anticipated the additional carryover of funds will reduce this figure, as the figures at the end of 2018 are trended higher than anticipated. If actual carryover dollars are higher than projections, an amendment will be posted to reduce the anticipated use of the reserves. The City Council intends to closely monitor the balances and will adjust as necessary. It is also clear dollars are available one time and if the City does not grow into the level of service with additional revenues the expenditures cannot be sustained beyond 2020.

Special Revenue Funds

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

The change in Special Revenue Funds can be attributed to an increase in transfers from REET Funds, road maintenance funds, and traffic mitigation fees to fund the construction of Noll Road; a major thoroughfare creating transportation options through the City and Finn Hill. Noll Road is a large construction project being managed by the City with grant funds flowing through the City, but assets are owned by the Washington State or Kitsap County. These transportation improvements are not within the infrastructure owned by the City. Therefore, the revenues and expenditures must be accounted for as operational.

Debt Service Funds

These funds provide budget capacity for the principal and interest payments scheduled to be paid during 2019-2020. The debt of the City consists of:

- Non-Voted General Obligation (GO) Debt - debt is for:
 - Transportation projects (10th Avenue, Caldart, and Finn Hill)
 - Final payment for this project was made in 2017
 - 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 Option Capital Asset Lending (LOCAL) program for debt issued for purchase of the Park and Recreation building
 - Participation with the State LOCAL program for debt issued for the purchase of ten new vehicles including nine police vehicles
 - Anticipated debt issued in 2020 for the construction of Noll Road
- Miscellaneous Debt – debt for:
 - Public Works Trust Fund (PWTF) Loan used for improvements to Front Street

Capital Project Funds

These 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. 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.

The funding of capital projects identified for the year 2019-2020 is included in the appropriate capital project funds. The complete City Improvement Plan (CIP) can be found in Section 9 of this document.

1. **Poulsbo Fish Park Restoration:** Continued improvements will be made in 2019-2020 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. A grant was obtained for continued improvements.
2. **Eastside/Morrow Manor Park:** A new park on the east side of town utilizing 1.25 acres of donated land. Although grants were submitted, this project did not receive funding dollars through the last grant cycle, holding construction until 2021. In anticipation of grant award during the next cycle, the design will continue into 2019 to ensure a shovel ready project.
3. **Austurbruin Playground Replacement:** Purchase and installation of playground equipment.
4. **Noll Road Improvements Phase III:** Continued design and purchase of the right-of-ways (ROWs) will occur in 2019. 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 2019. Much of the project is grant funded but the City will continue to look for additional grant funding opportunities.
5. **Finn Hill Improvements:** Improvements will increase the roadway and improve safety with pedestrian and bicycle improvements along the north side of the road.
6. **Neighborhood Street Pavement Restoration:** The City Council allocates funds on an annual basis and scheduled improvements using City tax revenues to be used for pavement and restoration of neighborhood streets. Grants are unavailable for these types of projects.



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. Costs (expenses, including depreciation) for goods and services to the general public on a continuing basis can 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 prepared a functional plan which addressed 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. Rates were increased and a capital plan established. The projections have been allocated in the 2019-2020 budget.

The significant changes in the City's 2019-2020 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 2019-2020 include:

1. **Raab Park Tank and Booster:** A new booster station with upgraded pumps and larger storage tank will be installed and completed in 2019
2. **Caldart Main Replacement:** A larger water main will be replaced along Caldart Avenue
3. **Noll Road Related to Improvements:** Improvements to infrastructure along the Noll Road corridor, tied to the transportation project, will occur in 2019, and a large basin discharge will be constructed for storm drain functions.
4. **Meter Replacement:** New water meters are being upgraded and installed throughout the City, phased over several years, will allow electronic reads for consumption to be done remotely and provide for more accurate readings
5. **West Poulsbo Waterfront Park:** Waterfront land has been acquired and the hope is to obtain grants to develop storm drain mitigation options for the west side of the City
6. **Public Works Complex Relocation:** A parcel of land has been 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 and possible land acquisition to occur in 2019. Construction is not anticipated until 2021-2022.

SUMMARY

The overall financial condition of the City is healthy and as of the start of 2019, City revenues are strong and reflecting growth, but it still demands detailed attention and careful thought by the City's management and City Council to plan for economic and environmental changes. We must continue to move forward in a cautious and strategic manner, recognizing budgets have been balanced with intended use of reserves to maintain and enhance levels of service. It is imperative that we continue to pursue other resourceful ways of funding projects, social and environmental programs, and improvements to the City's infrastructure.

The good news is that in actual terms it has not been necessary to use reserves as planned, which has allowed the City to maintain strong reserve balances. Projected increases in taxes and development revenues have allowed the City Council to maintain the reduced City Utility Tax of 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 City 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 service to our citizens and maintain a desirable, safe, and livable community.

The biennial budget process was well received by the City and we are excited at the opportunity to provide another two-year budget that continues to support the vision of long-range planning and a strong financial future. The City will regularly monitor and amend the plan, if necessary, for any unanticipated items which could affect the fiscal sustainability of the City. The City Council and I pride ourselves in monitoring and proactively staying involved to maintain fiscal responsibility for our citizens.

The 2019-2020 budget has been developed with the anticipation of using 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 the reserves, while 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 continue to 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 reviewing needs and service levels prior to committing future revenues and expenditures.

As previously stated, this budget has been prepared conservatively. We have not banked on hopeful growth, instead we have focused on the changing times and moving the City forward while accomplishing multiple progressive programs and projects for 2019-2020. The goals and objectives we planned for our future are numerous and the schedule of achievements is aggressive; but we are excited and ready to take on these challenges as a committed and professional management team.

Citizen participation, collaboration, and communication is what keeps a community strong and something that I have encouraged since taking office. I feel so strongly that the community voice needs to be heard that I offer Saturday morning open office hours and will continue to do so. These open hours provide an increased opportunity for citizens to have a voice in their community, ask questions about their leadership, and provide suggestions for our thriving community.



ACKNOWLEDGMENT

The Mayor's Office and the Finance Department sincerely appreciates the cooperation and assistance of the City Council and City Staff in addressing the financial requirements of fiscal years 2019-2020. 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. To conserve our natural resources, we limit our hard copy production and upload it to our City Website (www.cityofpoulsbo.com) making it accessible for citizen review. Understanding that computer access is not available to all, we have hard copies located at our local library and at the front desk of the administrative offices of City Hall. The budget document is located electronically on the City website in both a Budget-in-Brief format or the complete document. As always, the staff appreciates comments and suggestions. Feedback from our citizens allows us to refine the document making it as useful and reader friendly as possible for the City Council and the community we represent.

It is my pleasure to present this 2019-20 Biennial Budget document serve you as I have ideas, aspirations, and goals to achieve for our citizens. I believe the City 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 changing economic times, managing and re-organizing staff, and serving as an 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.

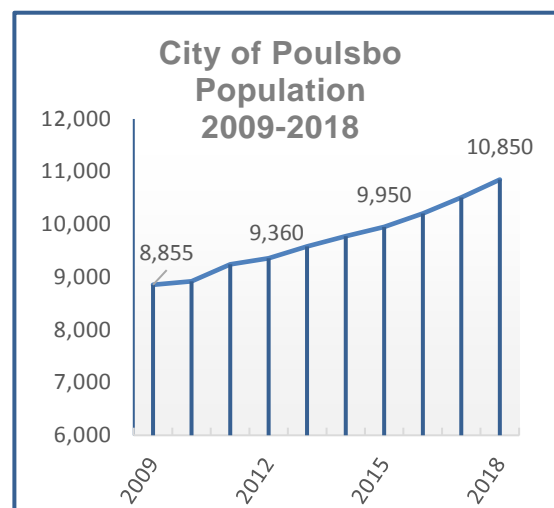
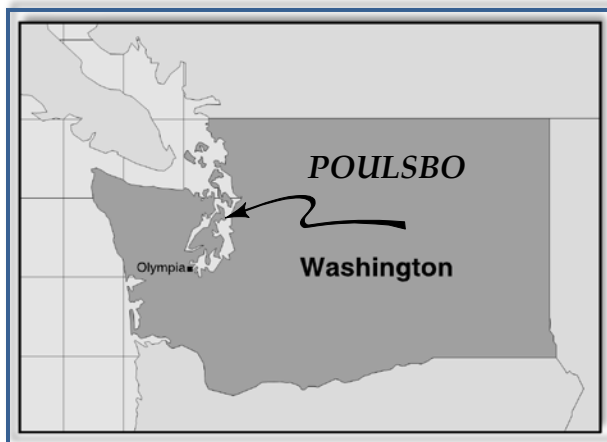
Sincerely,



Rebecca Erickson
Mayor



CITY OF POULSBO PROFILE



The City 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.

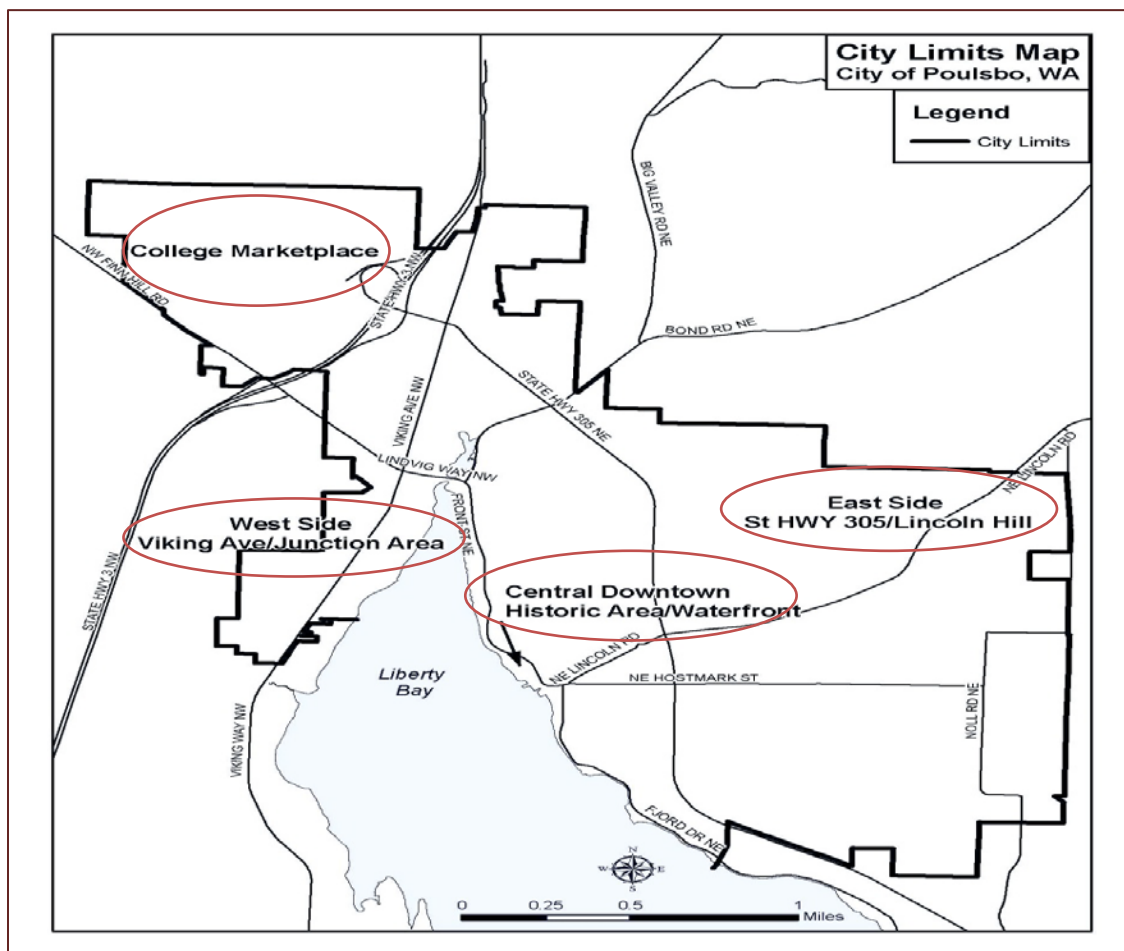
Three military facilities are located within the Kitsap County; Bremerton's Puget Sound Naval Shipyard, Naval Submarine Base Bangor, and Keyport's Naval Undersea Warfare Center. Consolidated in 2004 as Naval Base Kitsap, it is the largest naval installation in the Northwest. With a population of 10,850, many of Poulsbo's residents are employed at one of the federal bases or commutes 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 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 for the State of Washington

The City can be broken into four geographic descriptors:

- **CENTRAL** Downtown Poulsbo (Historic area and waterfront)
- **WEST SIDE** Junction Area/Viking Ave Corridor
- **EAST SIDE** SR 305 and Lincoln Hill
- **NORTHWEST CORNER** College Market Place



CENTRAL AREA – Downtown Poulsbo (Historic area and waterfront)

Centrally located in the heart of the City, 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 HDPa. 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. The HDPa continues to coordinate 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 Downtown Front Street

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.

There are several parks within walking distance of the downtown area for those visiting by boat; the MIW Park, which is adjacent to the Port of Poulsbo; the American Legion Park, Net Shed Park; Lions Park; and Oyster Plant Park. The MIW Waterfront Park contains sidewalks circling a gazebo which is used for hosting both private and community events. A project including several improvements to the park was completed in 2018. A heavily used public restroom in the park was replaced in 2018 with a prefabricated building. Benches surrounding the gazebo were installed. Pedestrian paths were enhanced and included ADA access to the gazebo. 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 wooded paths and a small playground in a lush wooded area overlooking Liberty Bay. 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.



Waterfront Gazebo

Located at the east-end of historic downtown is the SEA Discovery Center (formerly known as Marine Science Center). In 2018, the City turned over the building to WWU with an agreement to continue operation of a Marine Science program and provide a marine museum for citizens and tourists to explore. 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 SEA Discovery Center offers free admission and is open to the public during regular operating hours, Thursday through Sunday.



SEA Discovery Center

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.

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



Poulsbo Place Homes

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.

The Poulsbo Farmer's Market is located 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.

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 and 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.



Current Poulsbo City Hall

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

The old City Hall building was demolished in 2016. The building was aged and dilapidated, but the site is a desirable location next to the downtown retail core. Plans for development continue and have adjusted to address changing needs of the economic environment. The latest plans are for a development to include several apartments supporting available housing.



Old Poulsbo City Hall

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”.



Viking Statue

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.

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. Very few vacancies remain and development is diversified eliminating dependency on an industry. Viking Avenue contains restaurants, local breweries, auto and RV dealerships and a grocery store, amongst others. Fishline, a local non-profit food bank, completed construction of a new building hosting a large food bank providing resources to citizens of Poulsbo. Many grants and volunteers make this a successful resource for Poulsbo citizens. A new nursery opened on Viking Avenue in 2018. Not only does the nursery provide local sales tax dollars but enhances the area with its beautiful landscaping. The business community continues to band and work collaboratively to promote and encourage more activity creating a destination corridor.



Pub and Eatery on Viking Avenue

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.

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 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, 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, Poulsbo Rotary, Poulsbo Lions Club, numerous students, church groups, and volunteers. Improvements to the park are planned to continue for years to come and 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 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. 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. New multi-family developments were completed in 2018 and will continue in 2019. The hope is these developments will help to address the lack of housing availability that the entire region continues to experience.

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 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

SR 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 lanes and is the primary roadway for residents to travel during their morning and afternoon commutes to work and school. The commercial area on both sides of SR 305 continues to enjoy a healthy customer base. A business park campus located on Lincoln Hill, east of SR 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 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 Central Market; deemed a destination market boasting local produce and many fast gourmet dining options.

Additional developments along the SR 305 corridor provide options for residents as well as entices travelers to make a quick stop by providing easy access to and from the highway. These convenient establishments include a modern Safeway, inclusive of a gas station and underground parking providing the ability to park and enter the store while staying out of the weather. To the south of this large retail grocery development is a CVS Pharmacy with a convenient drive-up prescription window. Adjacent to the CVS Pharmacy is a drive-thru Starbucks and a full-service Brown Bear Car Wash. These establishments provide options to conduct business without getting wet or without leaving the comfort of the vehicle.



In the Poulsbo Village, a long time Albertson's store vacated its location due to the acquisitions of the Safeway brand. The City Council continues to assist with marketing this location to find a suitable and economical.



There are several fast food options located along the corridor and a new gas station with a mini-market opened for business in 2018.

Vibe, a new shared co-working facility, opened for business in 2018. It allows local professionals flexible alternatives to commuting, long-term leases, or distracting home office. Vibe operates on a membership basis offering daily or monthly options. Membership includes the choice of open workspaces, a café-style coworking area, dedicated desks, a community kitchen, standing workspace, and a fully-equipped eight-person meeting room. Additional amenities include high-speed internet, a staffed welcome desk, unlimited coffee and tea, print and mail services and a variety of member events.

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

Led by community effort, city funds and donations, improvements to the City Cemetery were done to support better maintenance and beautification. A new entrance sign, planting of trees, and a new pergola at the front of the cemetery were completed in 2017 and 2018. A new functional plan is being proposed to provide a long-term maintenance and development plan.

New housing and multi-family developments continue to be under construction. Many of the homes have sold prior to completion reflecting the desire to live close to schools and City services. Development is anticipated to continue over the next couple years.

The Noll Road Corridor Improvements project is a multi-phased, multi-jurisdictionally coordinated, grant-funded project connecting SR 305 to NE Lincoln Road via Noll Road, Languanet Lane and Maranatha Road. A phased construction of the corridor was planned to occur over many years to take advantage of the grant-funding cycles. Previously completed construction included a roundabout at the Lincoln intersection at the south end of Noll road that reduced pedestrian crossing distances, reduced vehicle speeds, provided landscaped sidewalks improving access for safe foot and bicycle traffic, and streamlined traffic flow to SR 305.



Lincoln and Noll Road Roundabout

The next phases of the project are expected to start mid-2019.

They will include improvements (roundabout or traffic signal) at the new intersection in the vicinity of Johnson Road and possible intersection traffic control at the Noll Road intersection. Utility relocation/replacement will occur as needed along with new water/sewer installations. They will address increased traffic flow for pedestrians and vehicle traffic near the corner of Noll Road and Hostmark. With

Poulsbo Elementary school, North Kitsap High School, and busy athletic fields situated near this corner, The City worked closely with the local schools, NKSD, and the community to address safety concerns for pedestrians and vehicles traveling to and from the location. Current safety improvements planned include roadway, street lighting, sidewalk, bike lane and shared use path improvements in various configurations and realigning and create a new roadway south of Poulsbo Elementary and North Kitsap High School to SR 305.

One of the City's busiest parks is Raab Park. The park boasts a large picnic shelter, restrooms and playground. It has a walking path around the perimeter, a 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, are popular with local gardeners. Educational workshops are offered in this area providing gardening techniques and ideas. Located in the corner of Raab Park, a fenced "Bark Park" which allows pets to be exercised off-leash and proves to be popular amongst pet owners.

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



Raab Park Pea Patch



New Housing on Noll Rd

NORTHWEST CORNER – College Market Place

In 1994, 215 acres of undeveloped property known as the "Olhava Property" was annexed into the City. The City Council approved the adequacy of the Environmental Impact Statement (EIS) and the Olhava Master Plan in 1998. The Olhava Master Plan continues to be completed in phased development. The Olhava Master Plan includes 840,000 square-feet of commercial buildings, a 325,000 square-foot business park, 70 single-family units, 420 multi-family residents, and ball fields. Developers 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 within the development offering several options for continued education. The Olympic Community College campus also houses a WWU extension program, creating a partnership that provides advanced degree options. These programs provide clear pathways to four-year degrees where students receive their Associate Degree from the Olympic Community College then transfer to partner programs offered locally, all without having to leave Kitsap County. The college is growing in popularity and attendance; discussions to potentially expand the site are in the preliminary stage.

Several large anchor stores; Wal-Mart, Home Depot, Petco, Office Max, and Big 5 are located within this development. Adjacent to these stores are smaller strip malls housing several businesses including Jack-in-the-Box, Wendy's, a drive-through Starbucks, and an automated car wash. The College Market Place development remains a busy destination for citizens and SR 305 travelers.



Apart from the retail developments mentioned above, Columbia Distributing; a large beverage distribution warehouse, Cascade View Medical Center, and Harrison Health Partners, both medical providers are a great enhancement for the residents of Poulsbo offering local employment and services. The larger medical facilities, located in our town, assist with reducing the need for travel outside of our area to find adequate medical services. The College Market Place continues to be a huge investment of private dollars into the community and to augments Poulsbo's strong Retail Sales Tax base. Additional medical offices, including additional treatment choices, are expected to be opened in 2019.

A portion of the master plan allows for the development of multi-family homes. Located at the north end of the development, they are still in the preliminary planning stage.

The City maintains their focus of smart growth by promoting development that is environmentally sensitive, economically viable, and community-oriented. We want to continue to attract new businesses to the area; providing local employment, all while maintaining our "small town" atmosphere. We feel government, businesses, citizens, and developers, working together, can successfully accomplish the goal of making Poulsbo the premier place to live and work on the Kitsap Peninsula.

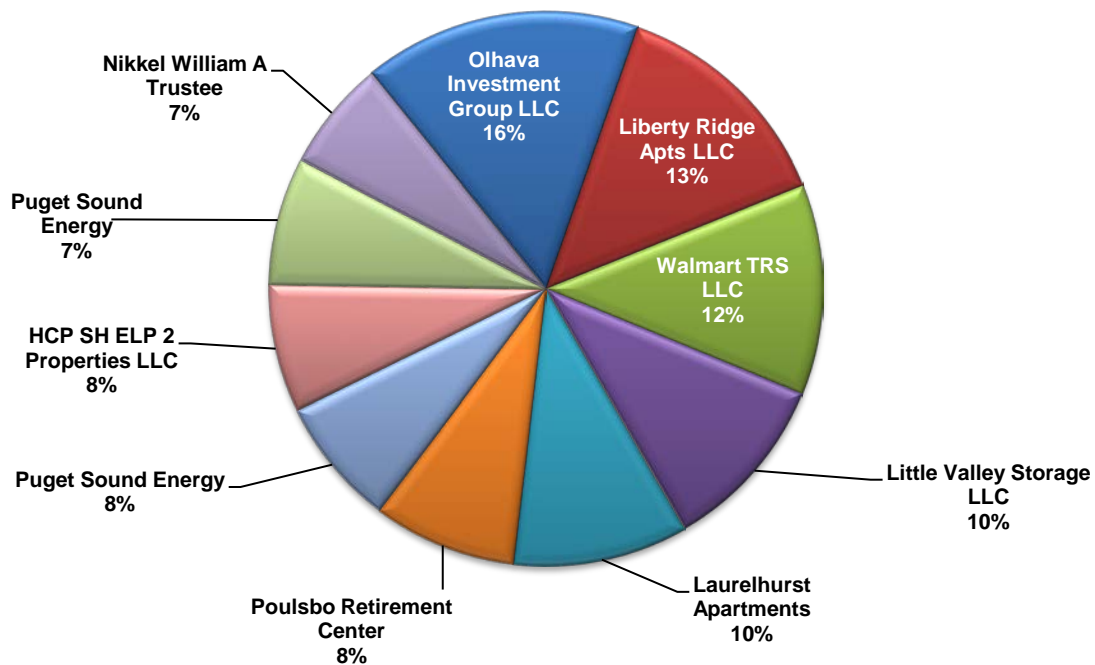


CITY PRINCIPAL TAXPAYERS

Taxpayer	2018		% of Total Assessed Valuation
	2018 Assessed Valuation	Rank	
Olhava Investment Group LLC	22,309,070	1	1.50%
Liberty Ridge Apts LLC	18,625,350	2	1.25%
Walmart TRS LLC	16,929,400	3	1.14%
Little Valley Storage LLC	14,364,390	4	0.97%
Laurelhurst Apartments	14,082,470	5	0.95%
Poulsbo Retirement Center	11,572,570	6	0.78%
Puget Sound Energy	10,309,879	7	0.69%
HCP SH ELP 2 Properties LLC	10,293,150	8	0.69%
HD Development of Maryland Inc	10,240,800	9	0.69%
Nikkel William A Trustee	8,911,560	10	0.60%
TOTALS:	\$137,638,639		9.25%

Source: Kitsap County Assessor's Office

ASSESSED VALUE OF TOP TEN TAXPAYERS



CITY TOP 10 EMPLOYERS

PRINCIPAL EMPLOYERS
Current Year and Ten Years Ago

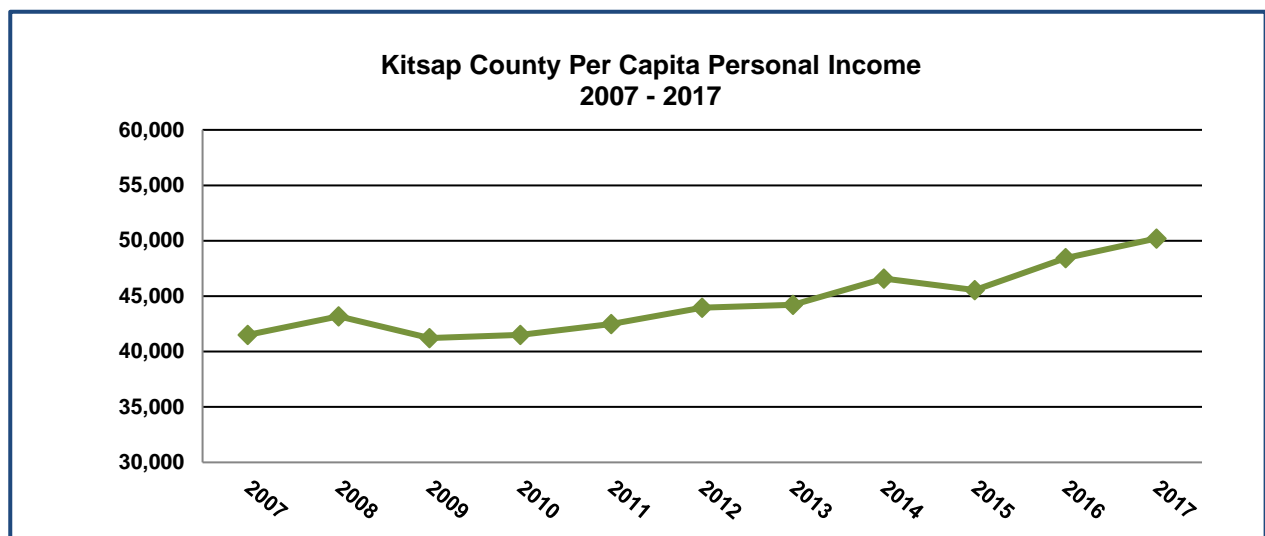
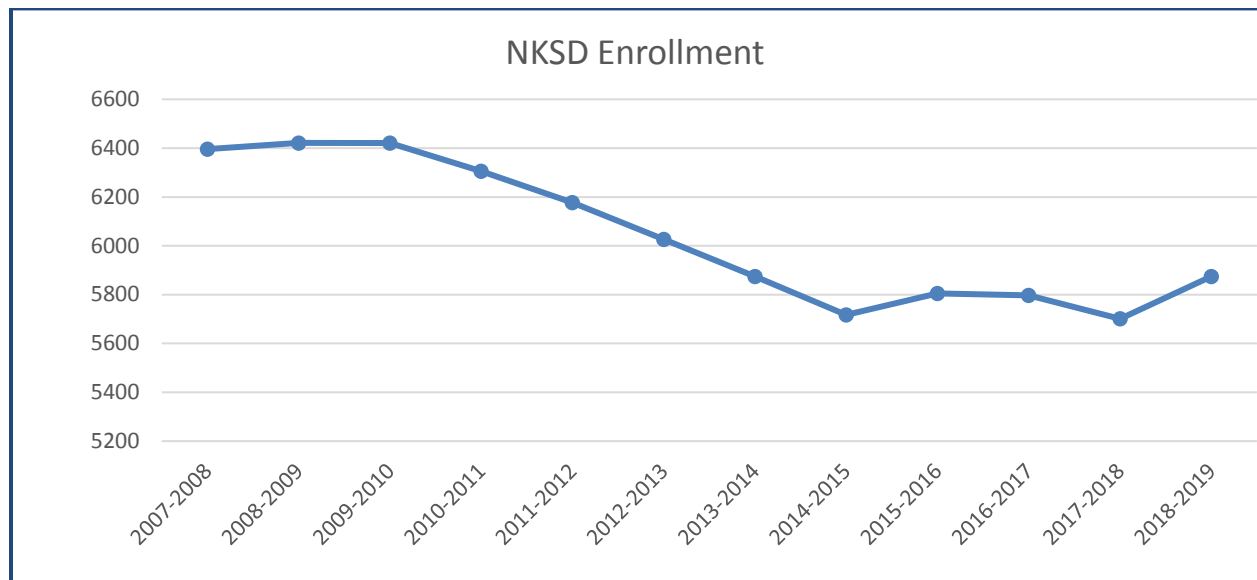
<u>Employer</u>	<u>Type of Business</u>	<u>2017</u>		
		<u>TOTAL EMPLOYEES ¹</u>	<u>Rank</u>	<u>% of Total City Employment</u>
NKSD	Public Education	1102	1	16.24%
Martha & Mary Lutheran Services	Social Services	412	2	6.07%
Walmart	Retail Trade	335	3	4.94%
Central Market	Retail Trade	313	4	4.61%
Home Depot	Retail Trade	140	5	2.06%
Liberty Shores / Harbor House	Healthcare	117	6	1.72%
City of Poulsbo	Municipal Government	105	7	1.55%
Safeway	Retail Trade	95	8	1.40%
Marine View Beverage	Distribution	61	9	0.90%
Masterworks	Marketing	58	10	0.85%
				40.36%
Subtotal of Ten Largest Employers		2738		
				59.64%
All Other Employers		4046		100.00%
Total Poulsbo Employment ³		<u>6784</u>		

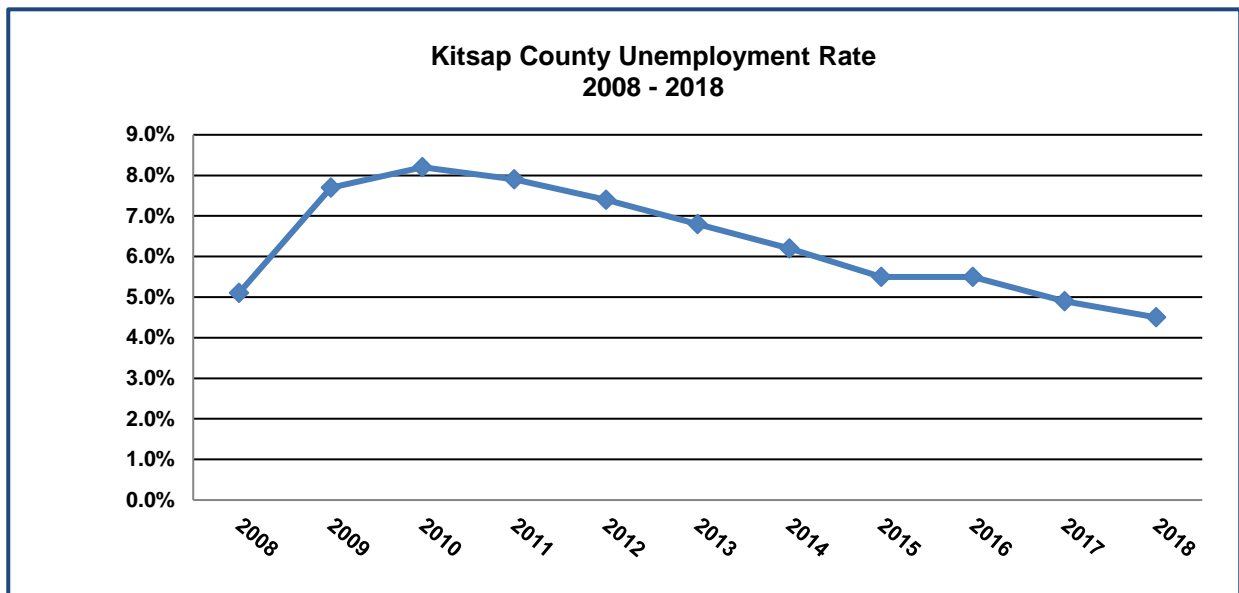
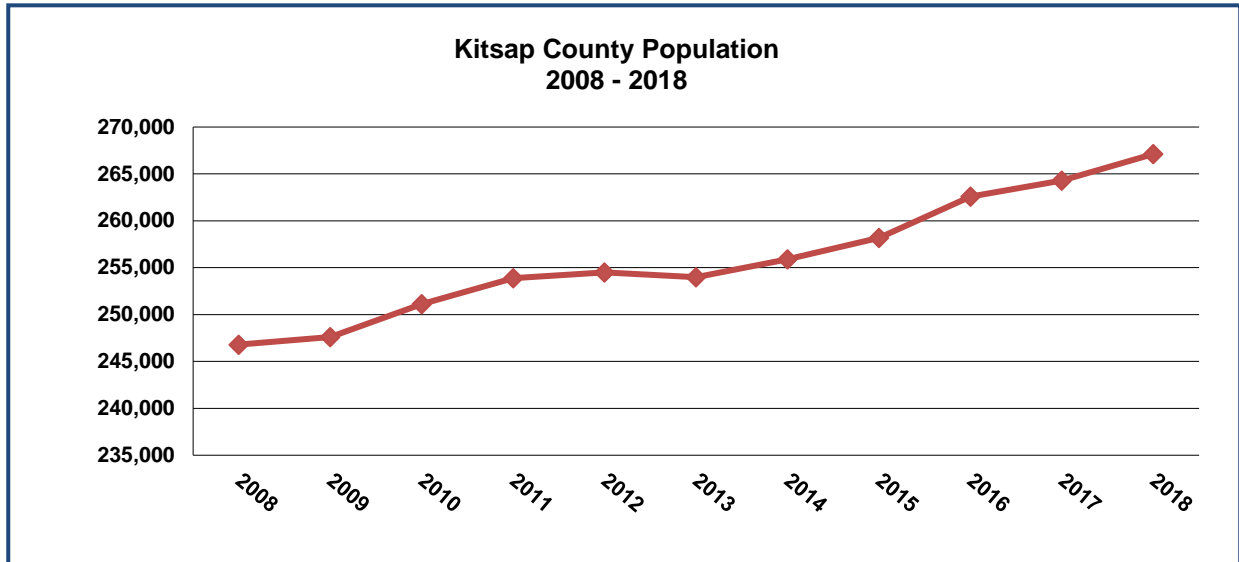
Source: Washington State Employment Security Department, City of Poulsbo Finance Department

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+	2016	93.9%
Bachelor's Degree or higher, % of age 25+	2016	36.4%
Median Value of Owner-occupied Housing	2016	\$ 317,196
Persons per Household	2016	2.3
Per Capita Income	2016	\$ 30,674
Median Household Income	2016	\$ 64,599
Median Gross Rent	2016	\$ 1,042

Source: City-Data.com

Kitsap County's Top Ten Employers	
Naval Base Kitsap	33,800
Washington State Government	2,100
Harrison Hospital	2,000
Kitsap County	1,112
Central Kitsap School District	990
Port Madison Enterprises	962
South Kitsap School District	808
Haselwod Auto Group	710
Fred Meyer	574
NKSD	533



**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: NKSD

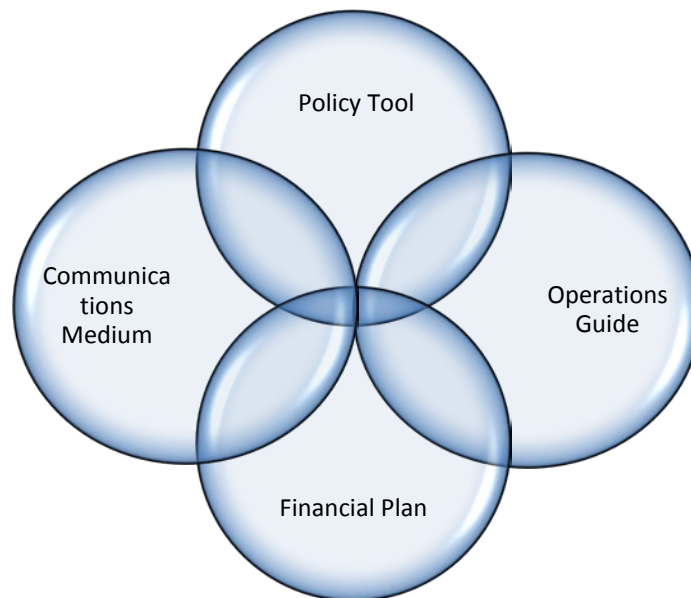
Kitsap County Top Ten Employers: Economic Development Council of Kitsap County



BUDGET PROCESS

A. PURPOSE

The City'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. **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'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:

Feb - Jun	Jul - Sep	Oct	Nov	Dec
<ul style="list-style-type: none"> • Council Retreat • Goal Setting • Capital Planning 	<ul style="list-style-type: none"> • Budget Directives to Staff • Department Presentations to Committee • Develop Mayor's Proposed Preliminary Budget 	<ul style="list-style-type: none"> • Public Hearings • Review Revenue Sources • Develop Mayor's Preliminary Budget 	<ul style="list-style-type: none"> • Public Hearings • Set Property Tax • Department Presentations to Council • Budget Workshop at Council 	<ul style="list-style-type: none"> • Final Budget Approval and Adoption

Year Two – Mid-Biennium Cycle:

Feb - Jun	Jul - Sep	Oct	Nov	Dec
<ul style="list-style-type: none"> • Council Retreat • Goal Review • Capital Planning Review 	<ul style="list-style-type: none"> • Mid-Biennium Budget Directives to Staff • Department Review of Budget Status with Mayor and Committee 	<ul style="list-style-type: none"> • Public Hearings • Review Revenue Sources • Develop Proposed Mid-Biennium Budget Amendment 	<ul style="list-style-type: none"> • Public Hearings • Set Property Tax • Mid-Biennium Budget Amendment Workshop at Council 	<ul style="list-style-type: none"> • Final Mid-Biennium Budget Amendment Approval and Adoption

Biennial budget development is a multi-phase process and starts early in the year prior to the start of the biennium. The City is constantly looking for ways to streamline operations and make adjustments to improve service delivery. Many of Council's actions throughout the year have budgetary implications for the coming year. Citizen input and ideas received during the year are reflected in the budget proposals prepared by the City staff. Some of the significant events that contribute to the biennial budget preparation are:

Year One (Prior to beginning of Biennium Cycle)

February - April - A City Council retreat is held to discuss goals for the upcoming budget season.

May - June - The Capital Improvement Team meets to begin updating the CIP.

July - August - Each department prepares a "Base Budget" for all existing services. Additional Funding and NPRs are submitted separately. Departments review budgets with their City Council Committee.

September - The budget staff prepare the Proposed Preliminary Budget for review by the Mayor.

October - The Proposed Preliminary Budget is presented to City Council. The budget staff reviews current revenue sources with City Council. A public hearing is held to discuss revenue sources. The property tax rate is set.

November - The Preliminary Budget is presented to City Council and made available to the public. The City Council holds a series of budget workshops to review the Preliminary Budget. Each department presents their proposed budget along with budgeted CIP. A public hearing is held to gather citizen input on the Preliminary Budget.

December - The City Council completes review of the budget and approves an ordinance adopting the budget.

Year Two (Mid-Biennium Cycle)

February - April – The City prepares and publishes the Final Budget Document.

May - The Capital Improvement Team meets to begin CIP process.

August – The departments review budget status (Year 1 and Year 2) and submit any modification requests to budget staff. During this time the departments will also review their goals and measures.

September – The Mid-biennium review (Adjustments to Year 1 and Year 2) is prepared by the budget staff and the Mayor to discuss with Council Committees.

October – The Proposed Mid-Biennium Modification is presented to the City Council. The budget staff reviews current revenue sources with the City Council. A public hearing is held to discuss revenue sources held. The property Tax rate is set

November – The Preliminary Budget is presented to City Council and made available to the public. The City Council holds a series of budget workshops to review the Preliminary Budget. Each department presents their proposed budget along with budgeted CIP. A public hearing is held to gather citizen input on the Preliminary Budget

December – The City Council completes review of the Mid-Biennium Modification and approves an ordinance adopting the Mid-Biennium Modification

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 no later than 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.

Budget and Accounting System Software

- 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.

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.

Budget Ordinance

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

Final Budget

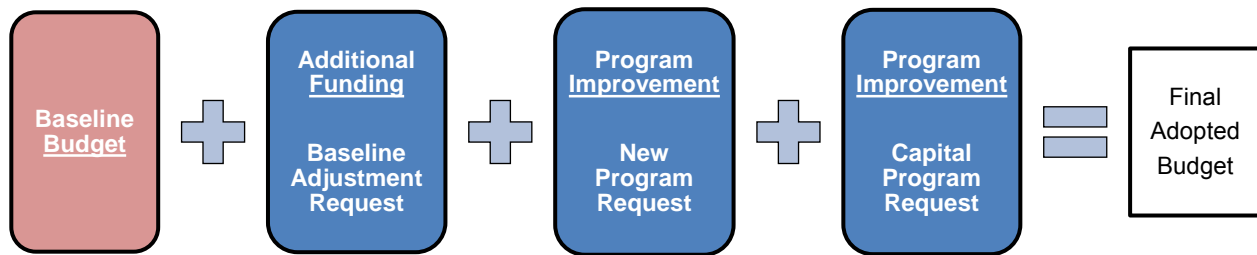
- The final budget is issued as a formal published document, in the same format as the preliminary budget but as modified by the City Council. It is this document, which is formally filed as a final budget.

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 distinct 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:

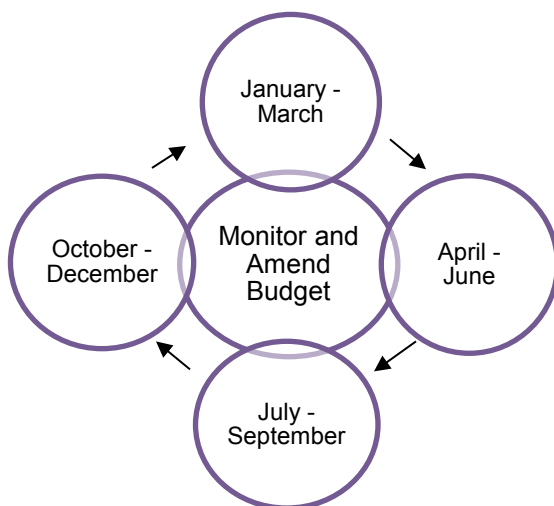
(BARs, NPRs, and Capital Equipment Replacement Requests)

Additional Funding and program improvements consist of additional funding, 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 are 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 City 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 forwarded to the Finance Department for recommendation and processing to be presented to City 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. The status of the budget is reported monthly and comprehensively reviewed quarterly with City Council to identify any needed adjustments.

E. BUDGET POLICIES

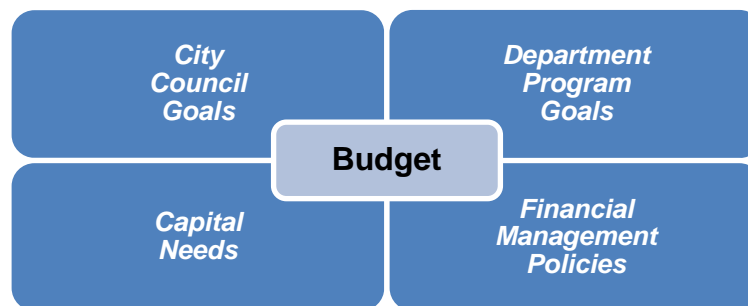
This section sets forth not only the objectives of the budget as a policy document, but also describes the basis of that policy.

1. POLICY CONTEXT OF THE BUDGET

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 Comprehensive Plan program, and its implementation, is a building block for the future of the City. 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 biennial development of:

- a. **City 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 City 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 bi-annually in the budget process through the CIP.
- d. **Financial Management Policies** include parameters set by City 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 listed below and full text copies can be found 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'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 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 City 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 (CAFR) in conformance with GAAP. The budget is prepared using the same basis of accounting, and therefore, can be compared to information depicted in the CAFR.

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. Also included in debt service and capital expenditure funds are allocations for cash transacting for capital purchases and debt service principal and or proceeds which normally are balance sheet transactions. It allows budget capacity to reflect the cash flow necessary to accommodate the transactions. Transfers between funds also appear as budgetary items giving a visual picture of what dollars are being moved between the governmental funds to allow cash and capacity for the types of transactions occurring in the appropriate funds.

The Proprietary Funds are budgeted on an accrual basis and are depicted in the CAFR using the same basis. There is an exception of expenditures not reflected on the CAFR, 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

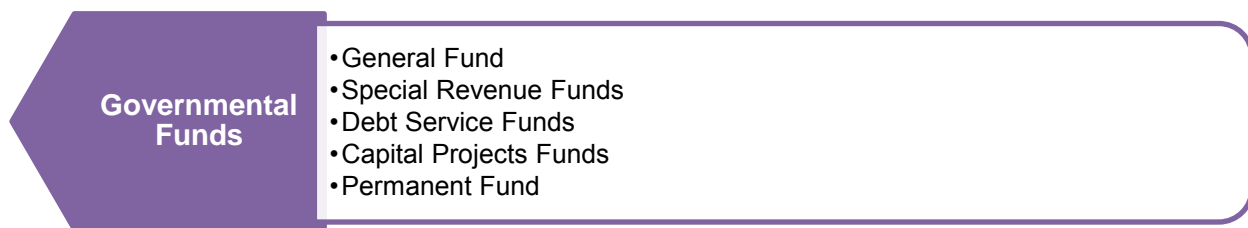
This document is organized so it represents the financial structure of the City. All of the City's accounts are developed and maintained as described below.

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; governmental, proprietary, fiduciary and major.

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 nature.



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 GO 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 GO.

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:

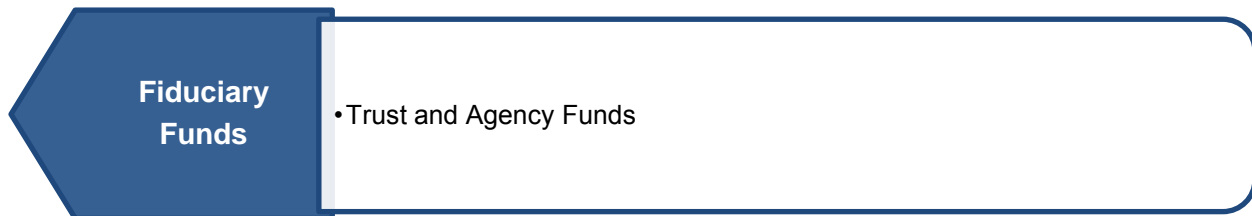
This group of funds accounts for the activities of the City, which are of a proprietary or "business" in nature.

**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:

This group of funds accounts for those funds held by the City as a trustee and therefore are not budgeted.

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

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 does not budget funds in the 600 series.

MAJOR FUNDS:

The City prepares the Comprehensive Annual Financial Report (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 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 2019-2020 budget, 2020 budget, 2019 budget, 2018 budget and actual expenditures for 2017 and 2016.

K. CAPITAL EXPENDITURES

Capital Expenditures anticipated within the next six years with a cost of more than \$15,000 and have an estimated useful life of more than ten years are detailed in the CIP. Other equipment purchases over a \$5,000 threshold will be capitalized. All capital expenditures, regardless if in the CIP, are described in the fund that has budget for 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 City Council Goals and establishing departmental goals. The goals are presented in the Financial Plan instead of each departmental section. For 2019-2020, the departments continue to set goals in the following format:

Departmental Goal:	
Responds to Council Goal #:	

Objectives	Measurement	Progress

M. AWARD

The City's 2017-2018 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 the length of the budget document, in a biennial budget it is valid for two years. This is the seventeenth 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 2019-2020 BUDGET

The 2019-2020 budget is organized essentially in the same format as previous years; this is the second biennium budget prepared by the City.

Departments developed their 2019-2020 budgets maintaining the same bottom line as 2018, with the exception of wages, benefits, contractual obligations and approved additional funding for BAR and New Program Requests (NPR).

The years of 2016–2018 continued to see growth in development revenues from prior years. The 2019-2020 projections reflect slight declines reflecting one time increases and prepare for an anticipated decline over a five-year window. Continued development of housing communities and multifamily structures continued to be constructed in 2018 and will carry over into 2019.

In 2019-2020, 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 City 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 2019-2020 to reflect increased retail activity, approved fee increases as well as account for the stable commercial and residential new construction.

The REET has continued to see increases in actual revenue. The revenue projection is lower than the prior year actual but consistent with a 10-year average. The revenue is highly volatile, which results in a fairly conservative estimate. The expenditures have restricted uses, so revenues exceeding uses are reserved for future capital use in accordance within the legal restrictions. Much of the balance is set to fund the transportation project of Noll Road occurring over several years. Reserves have continued to grow due to an increase in revenue activity. Transfer from the REET reserves is planned in 2019 and 2020 to support the debt payment of City Hall as was anticipated in the funding plan and a large transfer is anticipated in 2020 to support the Noll Road Corridor project.

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 was set with the 1% increase over the highest allowable levy, but with the 1% cap it creates a rate less than the maximum legally allowable rate. For 2019, the City is levying \$1.38 for its regular property tax levy. The levy projection is based on information provided by the Kitsap County Assessor's Office and adopted by City Council Ordinance.

Sales Tax

Sales tax revenue projections for 2019 and 2020 have been increased above the 2018 projection but remains conservative in its estimation as it is less than collected in 2018. A small amount of growth is projected in 2020

The Mayor and City Council recommended the following transfers.












- Transfer to Street Operating Fund (101) for transportation maintenance
\$665,000 in 2019 and \$685,000 in 2020
- Transfer to Street Reserve Fund (311) for ongoing capital street maintenance program
\$205,000 in 2019 and \$207,000 in 2020
- Transfer to Park Reserve Fund (302) for capital park projects
\$110,000 in 2019 and \$114,000 in 2020
- Transfer to Equipment Acquisition Fund (301) for equipment purchases
\$117,950 in 2019 and \$126,250 in 2020
- Transfer to Facilities Fund (331) for to reserve for future City facilities or more specifically City Hall future capital repairs or replacements
\$25,000 in both 2019 and 2020












Utility Taxes

The City collects utility tax on utility revenues generated within the City. The rate will continue at 6% for both 2019 and 2020.

Capital Equipment / Baseline Adjustments / New Programs

A larger number of capital equipment items and funding of BARs and NPR have been approved in the 2019-2020 Budget. 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.

2019-2020 Biennial Budget Calendar					
	May 2018		May 2019		
	May 2 2018	<u>Finance Committee Meeting :</u> -Review upcoming biennial budget process.			
	May 1-31 2018	<u>Finance Department :</u> -Meeting with City Departments to discuss CIP and financial forecast impacts.			
	June 2018		June 2019		
	June 15 2018	<u>City Departments :</u> -CIP project forms due to Finance.			
	July 2018				
	Jul 23 2018	<u>Finance Department :</u> -Finance provides 2019-2020 Biennial Budget Instruction and Directives to City Departments.	Jul 22 2019	<u>Finance Department :</u> -Finance provides Mid-Biennium Amendment Instruction and Directives to City Departments.	
	August 2018		August 2019		
	Aug 1-31 2018	<u>City Departments :</u> -Complete their Departmental Budgets. -Departments will meet with Mayor and Council Committees for detailed review.	Aug 1-30 2019	<u>City Departments :</u> -Review status of Current Department Budget. -Prepare Budget Amendment Requests (if any) -Departments will meet with Mayor and Council Committees for detailed review of current budget and any amendments requested.	
	Aug 13 2018	<u>City Departments :</u> -Submit all Capital Replacement and New Capital Request Forms to the Finance Director to be considered for 2019-2020 Biennial Budget.			
	Aug 31 2018	<u>City Departments :</u> -Submit electronic copy of all required Budget Worksheets & Forms to Finance. -Departments to have all budget figures and notes entered into financial software program.			
	September 2018		September 2019		
	Sep 1-21 2018	<u>Finance Department :</u> -Reviews submitted 2019-2020 Budget figures. -Verifies 2018 estimates and recaps all supplemental budget requests.	Sep 1-20 2019	<u>Finance Department :</u> -Reviews submitted 2019-2020 Budget Amendment Requests. -Verifies 2019 estimates and recaps any supplemental requests.	
	Sep 12 2018	<u>City Council Meeting :</u> -Finance sets Public Hearing on Revenue Sources for October 17, 2018.	Sep 11 2019	<u>City Council Meeting :</u> -Finance sets Public Hearing on Revenue Sources for October 9, 2019.	
	Sep 1-30 2018	<u>Finance Department :</u> -Works with Mayor to develop Mayor's Proposed Preliminary Budget.	Sep 1-30 2019	<u>Finance Department :</u> -Works with Mayor to develop Mayor's Proposed Mid-Biennial Budget Amendment.	
	October 2018		October 2019		
	Oct 1 2018	<u>Finance Department :</u> -Mayor's Proposed Preliminary Budget Publication delivered to the City Council and made available to the public.	Oct 2 2019	<u>Finance Committee Meeting :</u> -Review Mayor's Proposed Mid-Biennial Budget Amendment.	

		October 2018	October 2019	
	Oct 1-30 2018	<u>Finance Department:</u> -Prepares Preliminary Budget Publication.		
	Oct 3 2018	<u>Finance Committee Meeting:</u> -Review Mayor's Proposed Preliminary Budget. <u>City Council Meeting:</u> -Review Mayor's Proposed Preliminary Budget.		
	Oct 10 2018	<u>City Council Meeting:</u> -Review 2018 Revenues & Expenditures with City Council (3rd Qtr Status Financial Report). -Finance sets Public Hearing on Final Budget for November 7, 14, and 21, 2018.	Oct 9 2019	<u>City Council Meeting:</u> -Review 2019 Revenues & Expenditures with City Council (3rd Qtr Status Financial Report). -Finance sets Public Hearing on Mid-Biennial Budget Amendment for November 13, 2019.
	Oct 17 2018	<u>City Council Meeting:</u> -Review 2019-2020 Revenue Sources with City Council and hold Public Hearing on Revenue Sources.	Oct 16 2019	<u>City Council Meeting:</u> -Review 2020 Revenue Sources with Council and hold Public Hearing on Revenue Sources. -Selected Departments to present their Budget Amendment Requests to Council.
	Oct 31 2018	<u>Finance Department:</u> -Preliminary Budget Publication delivered to the City Council and made available to the public.		
		November 2018	November 2019	
	Nov 7 2018	<u>City Council Meeting:</u> -Open Public Hearing on Final Budget. -Presentation and discussion of Preliminary Budget. -Set the 2019 Property Tax Levy Ordinance. -Special Budget Work Session #1: Department Presentations to Council.	Nov 6 2019	<u>Finance Committee Meeting:</u> -Review Budget Amendment Requests and obtain Committee Recommendations. <u>City Council Meeting:</u> -Set the 2020 Property Tax Levy Ordinance.
	Nov 14 2018	<u>City Council Meeting:</u> -Continue Public Hearing on Final Budget from 11/7/18. -Special Budget Work Session #2: Department Presentations to Council.	Nov 13 2019	<u>City Council Meeting:</u> -Open Public Hearing on Mid-Biennial Budget Amendment. -Presentation and discussion of Mayor's Proposed Mid-Biennial Budget Amendment. -Review Amendment Requests and obtain Council Recommendations.
	Nov 21 2018	<u>Finance Committee Meeting:</u> -Review Baseline Adjustment & New Program Requests and obtain Committee Recommendations. <u>City Council Meeting:</u> -Continue then Close Public Hearing on Final Budget from 11/14/18.		
		December 2018	December 2019	
	Dec 5 2018	<u>City Council Meeting:</u> -Review Baseline Adjustment & New Program Requests and obtain Council Recommendations.		
	Dec 12 2018	<u>City Council Meeting:</u> -Final review and approval of the 2019-2020 Biennial Budget.	Dec 4 2019	<u>City Council Meeting:</u> -Final Review and Approval of the Mid-Biennial Budget Amendment.
	Dec 19 2018	<u>City Council Meeting:</u> -Adoption of the 2019-2020 Biennial Budget.	Dec 11 2019	<u>City Council Meeting:</u> -Adoption of the Mid-Biennial Budget Amendment Ordinance.



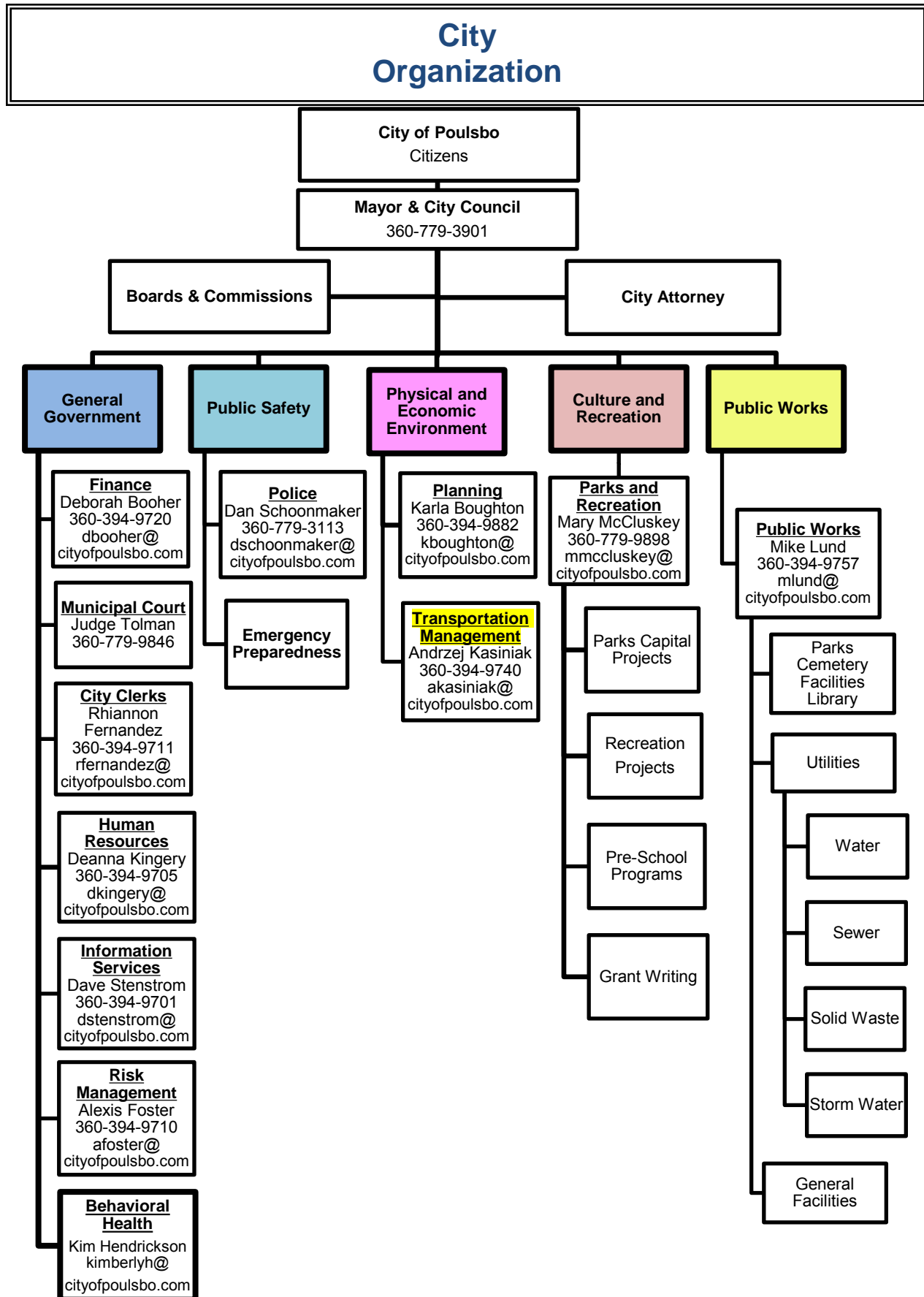
CITY OF POULSBO

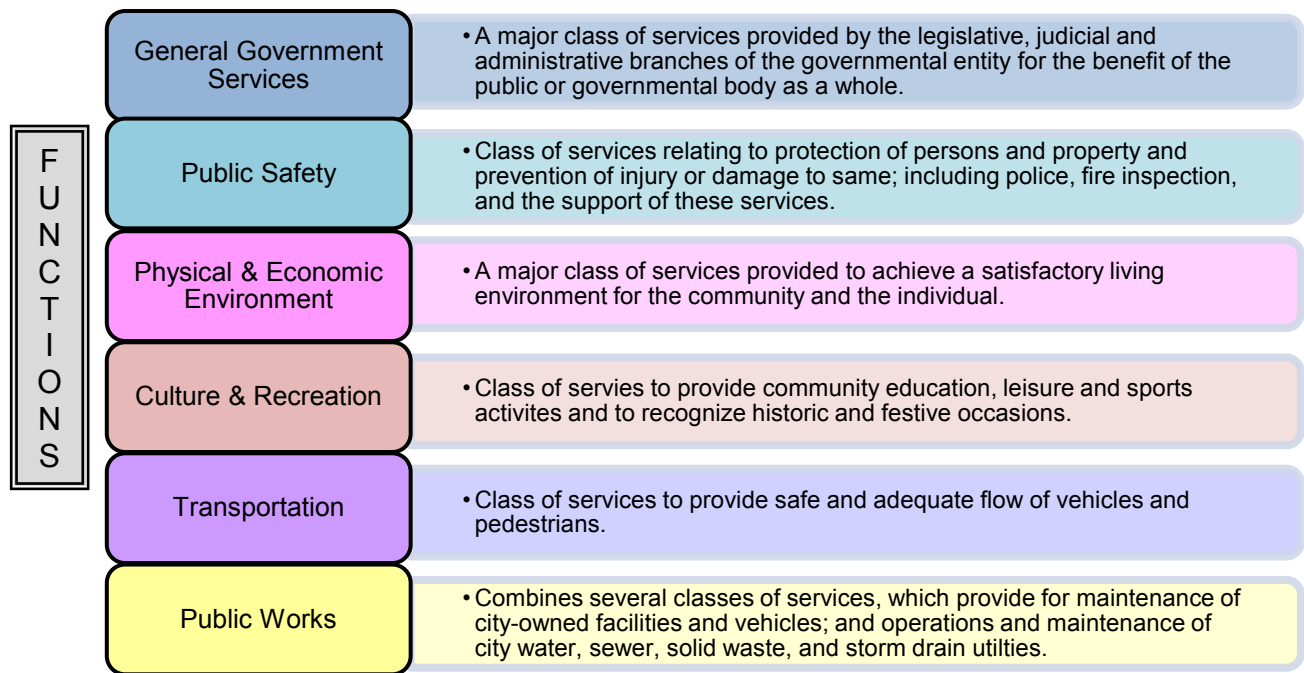
THE BUDGET AS A FINANCIAL PLAN

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 2019, 2020, 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.

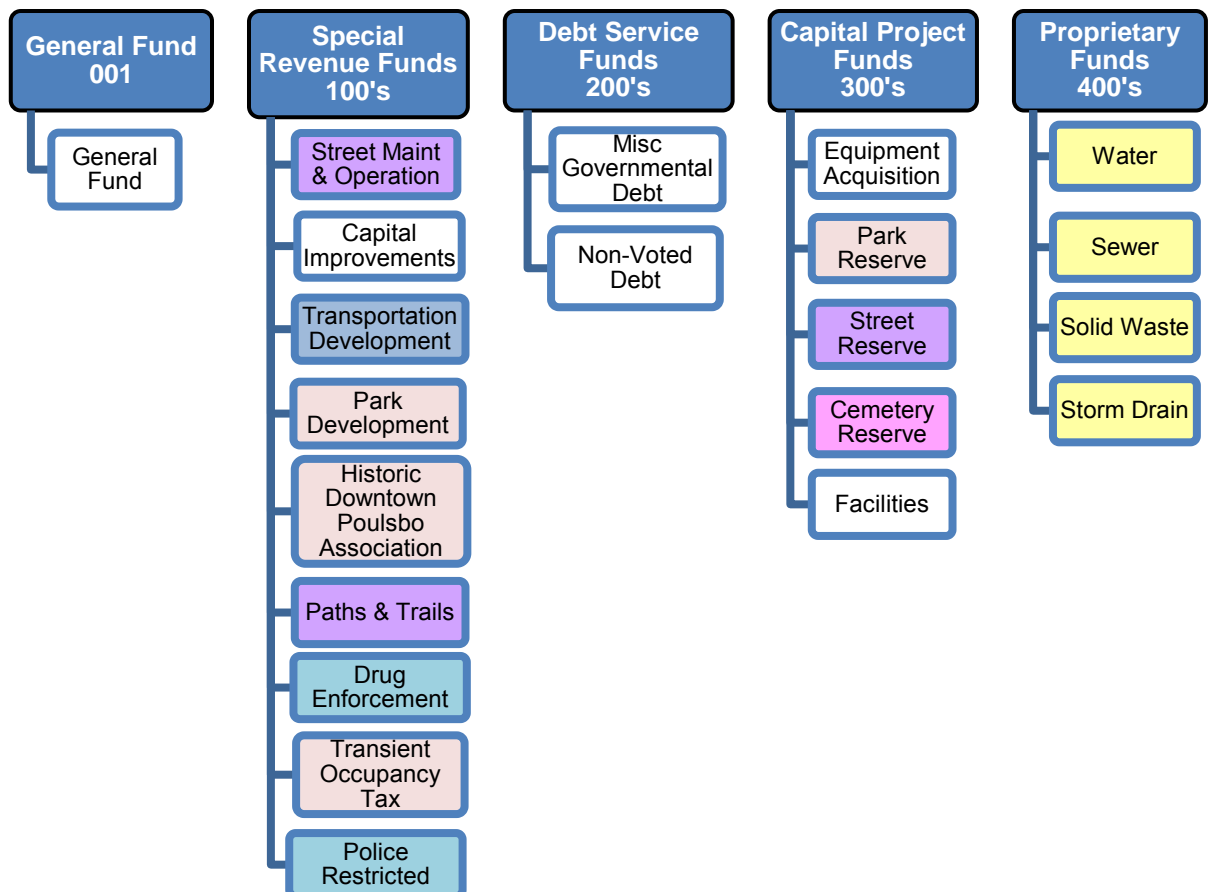
The next section, Baseline General Fund, focuses on the General Fund of the budget, which provides funding for the majority of general tax-supported activities of the City (excluding debt service). An analysis of General Fund revenue and expenditure detail is presented. This section generally identifies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



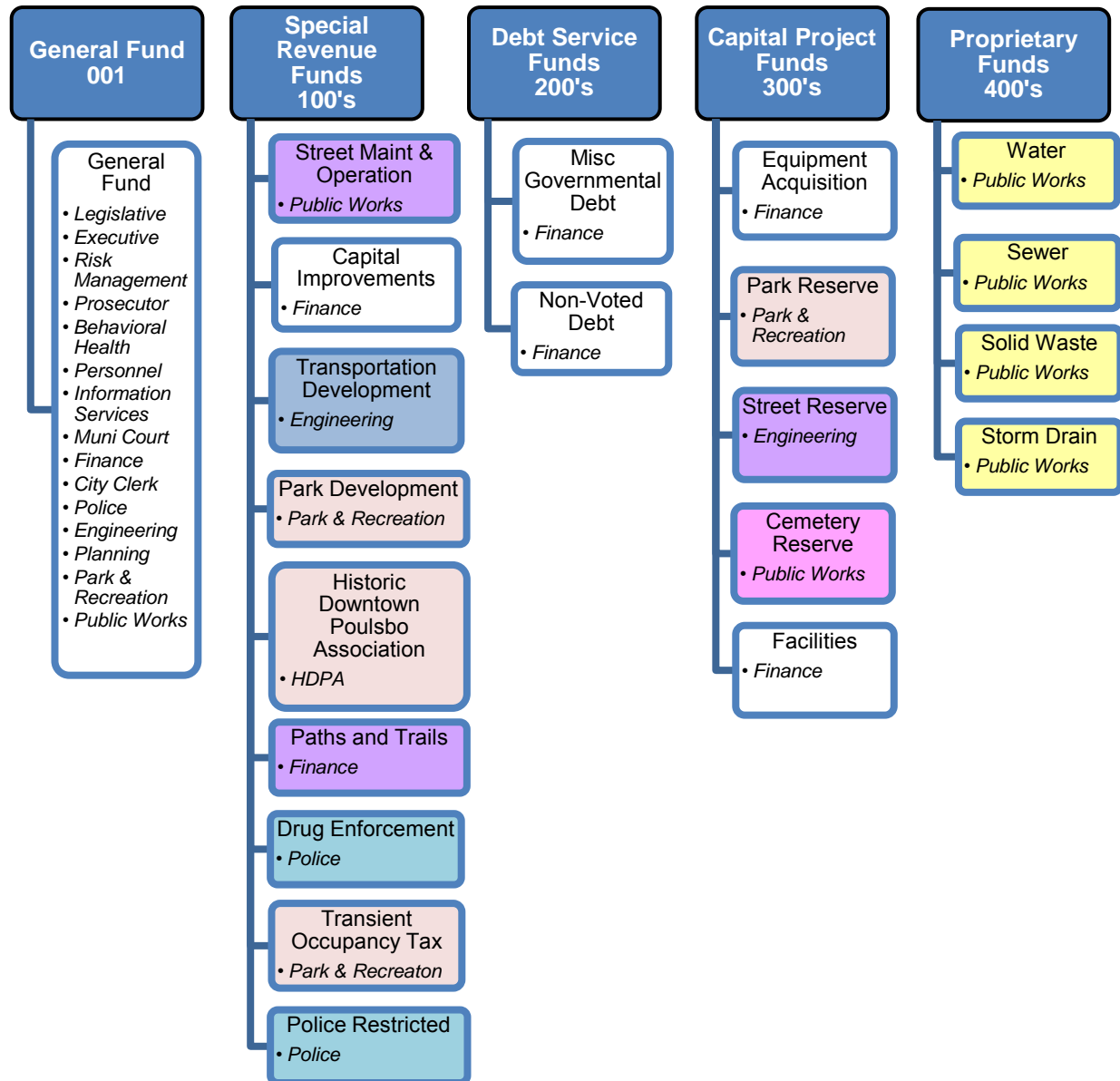


Organization of Funds

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



Organization of Funds with Responsible Department



Note: Bullets represent the Responsible Departments

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

The City'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

City's Community Key and City 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 the 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 to 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 and 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

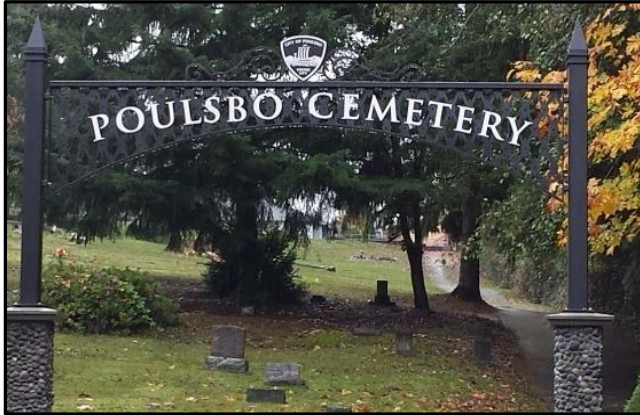
11 – Customer Service

- Continuously provide courteous, professional, and responsive customer service

12 – Enhanced Communication and Participation

- Promote understanding of City government through education and public participation

2019–2020 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:

Review and approve the Cemetery Final Master Plan

Objective 3:

Foster and promote citizen action and participation



Transportation

GOAL:

Develop and implement a “Neighborhood Streets Maintenance” Program

Objective 1:

Create an implementation plan for determining which streets will be completed in each year and when a chip sealing process will be used for the streets

Objective 2:

Identify funding sources for “Neighborhood Streets Maintenance” Program



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 SR 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 complete a design within available funding

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 NKSD to encourage curriculum involving attendance and participation at government meetings

Objective 3:

Utilize social media opportunities



Customer Service

GOAL:

Develop a transition plan for the Executive Branch of Government

Objective 1:

Determine, through a City Council workshop, if the Executive Branch should be restructured

Objective 2:

Should it be determined the Executive Branch is to be restructured, the determination would be required prior to the filing for the next Mayoral election

2019-2020 Departmental Goals

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 guide the budget process and respond to the City 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	
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	
Risk Mgmnt									X	X	X	

2019-2020 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
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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"> All approved interlocal agreements, ordinances, resolutions, and minutes are on the City's website. Current agenda packets are on the website.
<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"> All contracts, ordinances, resolutions, council minutes, and agenda packets are available on the shared Library drive for staff.
<ul style="list-style-type: none"> Increase searchability of City's network drive 	<ul style="list-style-type: none"> Update indexes for resolutions and ordinances. Create and maintain a contract index of all city contracts and contract amendments. 	<ul style="list-style-type: none"> The resolution and ordinance indexes are updated and hyperlinked to the source document. A contract database was created and is maintained.

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of City Web page updates	185	245	250	255	260
Percentage of Ordinances, Resolutions, and Contracts posted to L Drive	100%	100%	100%	100%	100%
# of City records in Laserfiche Web Portal	n/a	n/a	n/a	500	1500
# of archived boxes scanned	n/a	n/a	n/a	20	25

City Clerk Department Goals (continued):

Goal:	Implement an electronic document management system and processes
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Responds to Council Goal #:	11	Customer Service
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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"> Implementing enterprise content management system software for agency records management of electronic records
<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"> Clerks Office starting e-records for various records series.
<ul style="list-style-type: none"> Increased education of City Staff 	<ul style="list-style-type: none"> Provide training on public records. 	<ul style="list-style-type: none"> PRR & OPMA Training held in 2016 and 2018

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of Record Retrievals from City Archives	60	63	65	65	60

Goal:	Create and implement records management policies
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Responds to Council Goal #:	11	Customer Service
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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"> Completed 2017
<ul style="list-style-type: none"> Update records management policy 	<ul style="list-style-type: none"> Create draft in 2019 once enterprise content management system is implemented. 	<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"> Completed 2016
<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"> Completed 2017

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
% of records management policy completed					

City Clerk Department Goals (continued):

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 and Participation

Objectives	Measurement	Progress
• Create a City Facebook page	• Creation of City Facebook page	• Created 06/2017
• Establish archive back-up for Facebook page	• ArchiveSocial software purchased	• ArchiveSocial Software installed in 2017

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Number of "Likes" per year	n/a	323	300	330	375
Number of posts per year	n/a	71	117	130	150

Goal:	<i>Create desk guides for all functions of the City Clerk's Office</i>
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Responds to Council Goal #:	11	Customer Service
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Objectives	Measurement	Progress
• Draft step-by-step instructions of each of the policies, procedures, and tasks of the Clerks Office	• The objective will be met once all processes of the Clerks's Office have been documented.	• 40% completion

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
% of all processes documented	0%	10%	40%	60%	80%

Engineering and Building Department Goals:

Goal:	<i>Maintain established level of service for Building Department</i>
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Responds to Council Goal #:	11	Customer Service
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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">

Goal:	<i>To Deliver Noll Road Construction - Including RAB & Tunnel</i>
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Responds to Council Goal #:	5	Capital Facilities
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> Complete ROW Acquisition for the South Segment 	<ul style="list-style-type: none"> ROW Certification. 	<ul style="list-style-type: none"> 75% complete.
<ul style="list-style-type: none"> Advertise for S. Segment Construction - including RAB & Tunnel in 2019 	<ul style="list-style-type: none"> Contract Docs Completed and Bids Received 	<ul style="list-style-type: none"> 30% complete

Goal:	<i>Complete Feasibility Study to Evaluate Alternatives for the Lemolo Siphon for Redundancy and Capacity</i>
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Responds to Council Goal #:	5	Capital Facilities
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> Develop Schedule for Next Steps 	<ul style="list-style-type: none"> List of options to discuss. 	<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.
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Responds to Council Goal #:	10	Revenues and Financial Stability
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Government understands and acts as an entrepreneur 	<ul style="list-style-type: none"> Seizing opportunities as presented 	<ul style="list-style-type: none"> Reuse of housing, purchasing available lands for open space
<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"> No pending litigation or grievances
<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"> Restructure continues in the police and public works departments

Executive Department Goals (continued):

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

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Open door policy for public involvement and knowledge 	<ul style="list-style-type: none"> Saturday with the Mayor: How many people come to visit? 	<ul style="list-style-type: none"> Saturday Open Door Meetings ongoing
<ul style="list-style-type: none"> Enhance the communication to the Citizens by improved web development, social media 	<ul style="list-style-type: none"> Newsletter continuation: How many new subscribers? 	<ul style="list-style-type: none"> Monthly newsletters continue with greater content, Facebook continues to expand
<ul style="list-style-type: none"> Continue involvement with service organizations to recruit volunteer services 	<ul style="list-style-type: none"> Increased grant revenue to service organizations 	<ul style="list-style-type: none"> Fishline expansion near completion, Nelson House
<ul style="list-style-type: none"> Work with Fishline, Young Womens Christian Association (YWCA) and faith based institutions to provide needed social safety net 	<ul style="list-style-type: none"> Increased grant revenue to service organizations 	<ul style="list-style-type: none"> Achieved funding for Behavioral Health Specialist for mental health treatment, and expansion of the program

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of Newsletters Distributed	6210	7824	9180	9300	9500

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
<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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"> Two downtown apartment buildings scheduled for 2019, Vibe Co-Work Building, Olmsted Nursery
<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, parking garage referendum
<ul style="list-style-type: none"> Target businesses for specific business districts: What would work in West Poulsbo, Downtown, SR 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, HDPa, 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>
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Responds to Council Goal #:	1	Land Use
	2	Community Character
	4	Natural Environment
	7	Parks & Recreation and Open Space

<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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"> Updated our commercial code standards to reflect increased growth, review buildable land report and check quantities of commercial properties
<ul style="list-style-type: none"> Vision development for our downtown core and West Poulsbo, 10th Ave, and SR 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"> Blue Heron, Crystal View, Poulsbo Meadows 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; six years of Daffodil Day, West Poulsbo Park, enlarge Fish Park
<ul style="list-style-type: none"> Support public art that is privately funded 	<ul style="list-style-type: none"> Johnson Parkway Roundabout 	<ul style="list-style-type: none"> Public Art in the Parkway

Executive Department Goals (continued):

Goal:	<i>Regional presence: Poulsbo, by its geography is the center of North Kitsap County. Provide regional services and find regional revenues to support these services.</i>
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Responds to Council Goal #:	8	Economic Development
	10	Revenues and 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 Regional Council (PSRC) 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"> • Homeless Housing funding
<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 SR 305 corridor 	<ul style="list-style-type: none"> • Chaired the project selection committee for Puget Sound Regional Council for 2016-2018 cycle for federal funding of transportation projects, SR 305 committee established with funding, Johnson Parkway Roundabout secured
<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 toward creating a sphere of influence to allow jurisdiction notification of pending activities surrounding Poulsbo 	<ul style="list-style-type: none"> • Work with County Commissioners and planning staff to begin sub-area planning process, sphere of influence

Finance Department Goals:

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
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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"> Currently reviewed 3 forms and developed with changes
<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"> Annual updates made. No new formatting changes made.
<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"> PDF Forms available. Working on getting electronic forms for submittal

Type of Performance Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of forms to be reviewed		2	2	3	3
Number of brochures to be reviewed		0	1	1	1

Finance Department Goals (continued):

Goal:	<i>Produce an award winning budget document</i>
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Responds to Council Goal #:	10	Revenues and Financial Stability
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> Implement GFOA 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	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Received GFOA Distinguished Budget Award	Yes	Yes	***	Yes	***
# of Proficient and/or Outstanding Ratings for GFOA Budget Award	79/13	81/12	***	80/13	***

*** 2nd year of Biennial Budget

Goal:	<i>Reduce the number of physical accounts payable checks processed</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"> 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 is scheduled to switch to use of Key Bank Purchasing Card(s) in late 2018 Several Department are utilizing P-Card module in financial
<ul style="list-style-type: none"> Outreach by A/P Clerk to current and new vendors to sign up 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"> Number of vendors receiving ACH has continued to increase

Type of Performance Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
# of Accounts Payable Checks processed	3223	3231	3253	3250	3250
# of Accounts Payable ACH payments processed	302	336	421	350	350

Finance Department Goals (continued):

Goal:	<i>Produce an award winning CAFR</i>
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Responds to Council Goal #:	10	Revenues and Financial Stability
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<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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

<i>Type of Performance Measure</i>	<i>2016 Actual</i>	<i>2017 Actual</i>	<i>2018 Projected</i>	<i>2019 Projected</i>	<i>2020 Projected</i>
Received GFOA Distinguished CAFR Award	Yes	****	Yes	Yes	Yes

Goal:	<i>Increase the number of Utility Billing Customers paying their account via ACH or through EGov</i>
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Responds to Council Goal #:	10	Revenues and Financial Stability
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<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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

<i>Type of Performance Measure</i>	<i>2016 Actual</i>	<i>2017 Actual</i>	<i>2018 Actual</i>	<i>2019 Projected</i>	<i>2020 Projected</i>
# of ACH Utility Bill payments/month	582	613	637	679	714
# of Egov transaction payments/year	6185	8,122	8,738	8,760	9,011

Information Services Department Goals:

Goal:	<i>Install security camera in City Hall elevator</i>
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Responds to Council Goal #:	9	Public Safety
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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"> Cameras have been installed throughout City Hall. Installing a security camera in the elevator still needs to be completed

Goal:	<i>Install secure WiFi network in City Hall</i>
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Responds to Council Goal #:	11	Customer Service
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> Install secure WiFi network to use with new wifi door locks 	<ul style="list-style-type: none"> Secure wireless network capabilities for City Hall. Currently all WiFi in City Hall is unsecured 	<ul style="list-style-type: none">

Goal:	<i>Retire and Replace existing servers with a mixture of physical and virtual servers</i>
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Responds to Council Goal #:	11	Customer Service
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> Our servers have reached End of Life and Vendor/OEM supplied maintenance. We have 3rd party maint until Aug 2020 	<ul style="list-style-type: none"> Installation and replacement of existing Domain Controllers and File Servers 	<ul style="list-style-type: none">

Goal:	<i>Retire and Replace all network switches(12) and routers(4) throughout network.</i>
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Responds to Council Goal #:	11	Customer Service
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> All existing switches/routers have reached End of Life so therefore should be replaced 	<ul style="list-style-type: none"> Installation and replacement of all existing switches and routers 	<ul style="list-style-type: none">

Information Services Department Goals (continued):

Goal:	<i>Upgrade City Hall door lock system with a modern WiFi system. Current radio locks are antiquated and no longer available</i>
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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 City Hall door lock system with a modern WiFi system to allow for phase in replacement of locks as they fail 	<ul style="list-style-type: none"> Implement updated software and new WiFi lock controllers to allow for failing lock replacement 	<ul style="list-style-type: none">

Goal:	<i>Replace Barracuda phone system</i>
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Responds to Council Goal #:	11	Customer Service
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> Implement a phone system solution to replace the Barracuda CudaTel phone system that goes End of Life and unsupported as of June 2019 	<ul style="list-style-type: none"> Successful replacement and implementation of new phone system 	<ul style="list-style-type: none">

Goal:	<i>Replace computers for Council Members</i>
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Responds to Council Goal #:	11	Customer Service
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Objectives	Measurement	Progress
<ul style="list-style-type: none"> Replace aging tablets with modern hardware and software 	<ul style="list-style-type: none"> total replacement of all council member tablets to modern hardware and Windows 10 	<ul style="list-style-type: none">

Goal:	<i>Upgrade all city computers to Windows 10 and all Windows servers to Windows Server 2016</i>
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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 migration of all city computers to Windows 10 Professional 	<ul style="list-style-type: none">

Information Services Department Goals (continued):

Goal:	<i>Provide access to City information for citizen online use</i>
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Responds to Council Goal #:	11	Customer Service
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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">

Goal:	<i>Work with City Clerk Dept and Risk Management to implement Electronic Records Retention system and policies</i>
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Responds to Council Goal #:	11	Customer Service
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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">
<ul style="list-style-type: none"> public records requests reducing our liabilities 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">

Municipal Court Department Goals:

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

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Court files that have been closed will be scanned and saved per the records retention, as well Driving under the influence (DUIs) and domestic violence (DV) cases that need to be retained in perpetuity. 	<ul style="list-style-type: none"> Paper files will be destroyed as the files have been scanned. 	<ul style="list-style-type: none"> Contact has been made with Laserfiche for an estimate on what the cost will be to have stored and maintained.

Type of Performance Measure	2014 Actual	2015 Actual	2016 Projected	2017 Projected	2018 Projected
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Goal:	Update office policy and procedures
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Responds to Council Goal #:	9	Public Safety
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Office policies and desk guides need to be reviewed and updated as laws and court rules change. 	<ul style="list-style-type: none"> This is an ongoing objective as new procedures may be put into place or updated and desk guides will be created or changed. 	<ul style="list-style-type: none"> The project will start in 2019.
<ul style="list-style-type: none"> Identify and define the daily court tasks that will allow the court to operate basic tasks should an emergency arise. 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">

Goal:	Update and reorganize the Municipal Court webpage
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Responds to Council Goal #:	11	Customer Service
	12	Enhanced Communication and Participation

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Update the webpage with court information as well as court forms for clients to submit in lieu of appearing in person for certain court hearings. 	<ul style="list-style-type: none"> Links and forms are added to the webpage for public use. 	<ul style="list-style-type: none"> Staff is being trained to update the website and information is being gathered to post to the website that will be beneficial to the public.

Municipal Court Department Goals:

Goal:	<i>Implementation of an electronic court management system</i>	
Responds to Council Goal #:	8	Public Safety
	10	Customer Service
Objectives	Measurement	Progress
<ul style="list-style-type: none"> Streamlined court management system to provide timely and quality service to the constituents and the public. 	<ul style="list-style-type: none"> Implementation of an electronic court management system. Scanning all court records for electronic maintenance, review and access. 	<ul style="list-style-type: none"> Explored opportunities with various courts and vendors to ensure an appropriate system is implemented. Discussed the acquisition of templates for court forms from District Court. A quote has been obtained from LaserFiche to store and maintain court records.

Parks and Recreation Department Goals:

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 and 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 25,000 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 25,000 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"> 8 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	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Response to Citizen Requests & Complaints w/in 24 hours	100%	100%	80%	100	100
On-line registrations (% of transactions using)	32%	32%	35	36	37
Increase On-line transactions (# per month)	147	225	170	225	230
Special Events	9	8	8	9	9

Parks and Recreation Department Goals (continued):

Goal:	<i>Continued excellent customer service</i>
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Responds to Council Goal #:	7	Parks & Recreation and Open Space
	10	Revenues and 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 maintain including the Learn & Grow Preschool 	<ul style="list-style-type: none"> Registration to Learn & Grow Preschool rose 35% from 2016 to 2017 school years
<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Track % of successful classes. 	<ul style="list-style-type: none"> 62% class success rate in 2017
<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"> Continue to process all permits within the time goal

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Cancelling recreation classes with at least 3 days notice	80%	80%	90%	90%	95%
% of classes held because of adequate participation	68%	80%	68%	70%	70%
Maintain capacity in the Learn & Grow Preschool (50 spots maximum)	63%	98%	80%	92%	95%
# of Park Permits processed	190	160	160	165	170
# of Sign Permits processed	78	75	90	80	80

Parks and Recreation Department Goals (continued):

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>
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Responds to Council Goal #:	5	Capital Facilities
	7	Parks & Recreation and Open Space

<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<ul style="list-style-type: none"> • Work with Kitsap County, Kitsap Public Facilities District, Young Mens Christian Association (YMCA), and NKSD to plan for a "Recreation Center" for north end residents 	<ul style="list-style-type: none"> • Continue meetings with NKREC and YMCA leadership. 	<ul style="list-style-type: none"> • NKREC 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

Parks and Recreation Department Goals (continued):

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 and 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 2-3 grants as matching funds allows; hold volunteer work parties;
		<ul style="list-style-type: none"> 2018 grant through the National Fish and Wildlife Foundation improved Centennial Park
	<ul style="list-style-type: none"> Use state grants to make improvements at Poulsbo's Fish Park. 	<ul style="list-style-type: none"> Complete additional public access and restoration by 12/2020.
	<ul style="list-style-type: none"> Develop the park at Morrow Manor using grants and city impact fees. 	<ul style="list-style-type: none"> Develop the park at Morrow Manor using grants and city impact fees.
<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"> New discussions with special interest groups began in 2018.
<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"> Additions to Fish Park trails have been made. Completed Nelson Park to Fish Park trail in early 2018.

Type of Performance Measure	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Grant Applications	4	5	4	5	3	3
Recreation Sponsorships & Donations	\$9,000	\$4,967	\$6,602	\$5,000	\$5,500	\$5,500
In-Kind Volunteer Value (Poulsbo's Fish Park)	\$20,000	\$31,700	\$28,692	\$22,000	\$23,000	\$24,000

Personnel Department Goals:

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 and Financial Stability
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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 	<ul style="list-style-type: none"> City-wide light duty for L&I

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of Approved Labor & Industry Claims	7	10	8	8	8

Planning and Economic Development Department Goals:

Goal:	<i>Ensure thorough and timely land use permitting, through application and administration of City's development regulations, within the statutory review time frame.</i>
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Responds to Council Goal #:	1	Land Use
	4	Natural Environment

<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<ul style="list-style-type: none"> Timely processing of land use permits consistent with the timelines established in PMC Title 19. 	<ul style="list-style-type: none"> All permits reviewed and decision made within 120-day or other statutory time frame. 	<ul style="list-style-type: none"> On-going: All permits reviewed and approved within 120-day statutory time frame and reported in project's staff report.

Goal:	<i>Implement the City's Comprehensive Plan by ensuring development regulations are updated and reflective of the Comprehensive Plan's goals and policies.</i>
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Responds to Council Goal #:	1	Land Use
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<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<ul style="list-style-type: none"> Continue to revise the City's Development Regulations to ensure consistency with the Comprehensive Plan. 	<ul style="list-style-type: none"> Identify key code changes necessary for implementation. 	<ul style="list-style-type: none"> Adoption of update ordinances: subdivision, clearing & grading, and select amendments to the zoning ordinance.

Goal:	<i>Establish and implement deliberate economic development strategies.</i>
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Responds to Council Goal #:	8	Economic Development
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<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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"> Work program approved by Econ Dev Committee January. Department implements and reports progress throughout the year.

Planning and Economic Development Department Goals (continued):

Goal:	<i>Continue to comply with legislative directives and/or changes to Growth Management Act (GMA).</i>
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Responds to Council Goal #:	1	Land Use
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<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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 Shoreline Master Program by June 2020. 	<ul style="list-style-type: none"> Update PMC 16.08 and 16.09 as appropriate and consistency with DOE guidance and requirements. 	<ul style="list-style-type: none"> Work program to be developed for 2019-2020 with adoption of amendments by June 30, 2020.

Goal:	<i>Provide project management for assigned special projects.</i>
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Responds to Council Goal #:	1	Land Use
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<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<ul style="list-style-type: none"> Continue to provide project management services for special projects as assigned by Mayor and City Council. 	<ul style="list-style-type: none"> Director and/or planning staff resources allocated as special projects are identified and approved. 	<ul style="list-style-type: none"> Downtown Poulsbo parking supply and demand study.

Police Department Goals:

Goal:	Active Law Enforcement Agency Accreditation through Washington Association of Sheriffs & Police Chiefs (WASPC)
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Responds to Council Goal #:	2	Community Character
	9	Public Safety
	10	Revenues and Financial Stability
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Phase 1 - File Maintenance & LEMAP review: Assess current practices, update documentation & gather proof of our ability to meet standards. 	<ul style="list-style-type: none"> When we have fully updated our department documentation and gathered our proof of ability to meet all 132 accreditation standards. 	<ul style="list-style-type: none"> Initial review of all standards has begun; internal department task assignments will be distributed in Fall of 2018.
<ul style="list-style-type: none"> Phase 2 - On Site Assessment & Evaluation: Group of assessors from LE Agencies across WA confirm our ability to meet accreditation standards. 	<ul style="list-style-type: none"> When the on-site review team leader, Chief of Police and department Accreditation Manager are cleared to appear before the Accreditation Commission. 	<ul style="list-style-type: none"> This comes after the completion of Phase 1.
<ul style="list-style-type: none"> Phase 3 - Accreditation Commission Review: Determination and review by WASPC Commission if department has fully met accreditation standards. 	<ul style="list-style-type: none"> The Accreditation Commission forwards its recommendation to WASPC Executive Board for final consideration and decision. 	<ul style="list-style-type: none"> This comes after the completion of Phase 2.
<ul style="list-style-type: none"> Phase 4 - Award Phase: Department is formally awarded as successfully achieving the professional standards as outlined in WASPC Accreditation Program. 	<ul style="list-style-type: none"> Department is formally acknowledged and presented with a plaque at the upcoming WASPC conference in the Fall of 2019. 	<ul style="list-style-type: none"> This comes after the completion of Phase 3.

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
File Maintenance - Review/Update of Standards			75	57	
On Site Assessments - Mock and Actual Total			0	2	

Police Department Goals (continued):

Goal:	<i>Increase Citizen Engagement through Webpage and Social Media Presence</i>
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Responds to Council Goal #:	9	Public Safety
	11	Customer Service

<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<ul style="list-style-type: none"> Add to existing department webpage in order to enhance accessibility to police information and services. 	<ul style="list-style-type: none"> Additional links are added to department page for access to general policy documents, forms and resources. 	<ul style="list-style-type: none"> The enhancement is anticipated to occur in the 4th Quarter of 2018.
<ul style="list-style-type: none"> Seek out training opportunities with a direct focus on social media development for law enforcement. 	<ul style="list-style-type: none"> Attendance of social media development training. 	<ul style="list-style-type: none">
<ul style="list-style-type: none"> Develop social media strategy to include specific goals and policy prior to launch. 	<ul style="list-style-type: none"> Strategy and goals outlined and approved with an approved policy in place upon launch. 	<ul style="list-style-type: none"> Review of City Social Media Policy and discussion with City Clerk is anticipated to occur in the 4th Quarter of 2018.
<ul style="list-style-type: none"> Create an intern/volunteer position to assist the department with startup and ongoing community engagement efforts through social media. 	<ul style="list-style-type: none"> Designated intern or volunteer on board and working as a member of the social media team. 	<ul style="list-style-type: none">

<i>Type of Performance Measure</i>	<i>2016 Actual</i>	<i>2017 Actual</i>	<i>2018 Projected</i>	<i>2019 Projected</i>	<i>2020 Projected</i>
# of Social Media Accounts for Police Department	0	0	0	2	3
# of Police Department Posts per week per account	0	0	0	3	4

Police Department Goals (continued):

Goal:	Public Records File Room Organization
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Responds to Council Goal #:	9	Public Safety
	10	Revenues and Financial Stability
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Apply for the WA State Secretary of State Local Records Grant to obtain grant funding to organize the file room. 	<ul style="list-style-type: none"> Award of the grant 	<ul style="list-style-type: none"> This grant funding was awarded May 1, 2018 with the period of performance from execution date through May 1, 2019.
<ul style="list-style-type: none"> Consultation with WA State Archives Records personnel regarding best practices for public records file room organization. 	<ul style="list-style-type: none"> Scheduled and resulting consultation with WA State Archives Records and personnel. 	<ul style="list-style-type: none"> Consulation expected to occur in the 4th Quarter of 2018.
<ul style="list-style-type: none"> Purchase of supplies and utilize casual labor to work on the project. 	<ul style="list-style-type: none"> Supplies purchased, casual labor hours worked and file room organized. 	

Goal:	Establish a Regional Training Partnership Program
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Responds to Council Goal #:	9	Public Safety
	10	Revenues and Financial Stability
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Increase training for officers to include establishing core function instructors within our department. 	<ul style="list-style-type: none"> Officers who have sucessfully graduated instructor training and have developed an approved training curriculum. 	<ul style="list-style-type: none"> Job descriptions for instructors are in development and candidates are being identified.
<ul style="list-style-type: none"> Collaboration with neighboring law enforcement agencies to share department instructors among the agencies. 	<ul style="list-style-type: none"> Regularly scheduled in-service training sessions with and for neighboring law enforcement agencies. 	<ul style="list-style-type: none"> Concept has been positively received by three partner agencies; discussions ongoing for 2019 joint training sessions.
<ul style="list-style-type: none"> Engagement with surrounding colleges to provide for and include students in the varied aspects of law enforcement - training, administrative internship, etc. 	<ul style="list-style-type: none"> A minimum of 4 CJTC sponsored courses held on the Olympic College campus; this would be in addition to in-service training and outside specialty courses. 	<ul style="list-style-type: none"> CJTC has agreed to conduct a sponsored course at Olympic College; pending success additional courses will be held regularly.

Prosecutor and Risk Management Department Goals:

Goal:	<i>Ensure effective, timely and just criminal prosecution</i>
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Responds to Council Goal #:	9	Public Safety
	11	Customer Service

<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<ul style="list-style-type: none"> Timely review referrals for charging decisions 	<ul style="list-style-type: none"> Decreased time between receipt of referral and charging decision. 	<ul style="list-style-type: none"> Current average time between receipt and charging decision is no more than 90 days.
<ul style="list-style-type: none"> Timely communication with referring agency as to disposition, or required additional information 	<ul style="list-style-type: none"> Time between case review and/or disposition and correspondence to referring agency. 	<ul style="list-style-type: none"> Process established to provide property disposition and case status to PPD in coordination with Poulsbo Municipal Court.
<ul style="list-style-type: none"> Establish and maintain communication with crime victims, witnesses, and community advocacy agencies 	<ul style="list-style-type: none"> Timing, number of, and method of contact with, crime victims and witnesses, and referrals/partnerships with community agencies. 	<ul style="list-style-type: none"> Victim notification of charging decision is provided via mail on every case where such notice is necessary along with referrals to community 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"> Case management software acquired and required data entry fields identified. Audit of current files 75% complete, to begin transfer of info.
<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"> Initiated drafting of official policy and procedures, based upon unofficial office policies over the past two years.
<ul style="list-style-type: none"> Develop alternative strategies to address pressing issues facing the criminal justice system and the City. 	<ul style="list-style-type: none"> Implementation of alternative programs. 	<ul style="list-style-type: none"> Research conducted on the appropriate alternatives available, along with any funding opportunities if needed.

<i>Type of Performance Measure</i>	<i>2016 Actual</i>	<i>2017 Actual</i>	<i>2018 Projected</i>	<i>2019 Projected</i>	<i>2020 Projected</i>
Number of case referrals from Poulsbo Police Department	337	437	454	499	550
Number of cases filed	346	381	393	432	475

Prosecutor and Risk Management Department Goals (continued):

Goal:	Ensure accuracy of information relating to, and increase understanding, of the criminal justice system
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Responds to Council Goal #:	9	Public Safety
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Review and update the PMC to ensure compliance with legislative changes, case law, and to address any other pressing concerns from the 	<ul style="list-style-type: none"> A complete review and updated PMC related to provisions falling within the guise of the City Prosecutor's authority. 	<ul style="list-style-type: none"> Preliminary draft updates have begun.
<ul style="list-style-type: none"> Expand outreach to the citizens of Poulsbo to assist in understanding the criminal justice systems and the tools available to them. 	<ul style="list-style-type: none"> Implementation of a variety of outreach activities through both web and in-person means. 	<ul style="list-style-type: none"> Preliminary ideas have been formulated for information distribution via City webpage and newsletter.
<ul style="list-style-type: none"> Provide consistent legal advice, training and updates related to criminal law matters to the Poulsbo Police Department. 	<ul style="list-style-type: none"> The occurrence of regular trainings, distribution of changes in the law, and continued open availability of the City Prosecutor for impromptu meetings. 	<ul style="list-style-type: none"> Monthly Training schedule has been established with twice per month 2-3 hour training sessions. Updates are distributed monthly.

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Trainings to law enforcement	1	2	8	12	12
Community oriented information distributed	0	0	1	12	12

Prosecutor and Risk Management Department Goals (continued):

Goal:	Ensure effective, timely and just criminal prosecution
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Responds to Council Goal #:	9	Public Safety
	10	Revenues and Financial Stability
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Maintain compliance with the obligations of membership in the City's risk pool. 	<ul style="list-style-type: none"> Compliance with COMPACT obligations. 	<ul style="list-style-type: none"> 2018 COMPACT obligations on track for completion.
<ul style="list-style-type: none"> Review and update identified PMC provisions for consistency and compliance with our risk pool recommendations. 	<ul style="list-style-type: none"> Identified PMC sections revised and adopted as needed. 	<ul style="list-style-type: none"> Several PMC sections have been identified as in need of revision and/or update.
<ul style="list-style-type: none"> Ensure policies, procedures, and processes are consistent with existing law and are effective in the reduction or elimination of potential liability. 	<ul style="list-style-type: none"> Areas of greatest risk will be identified, with policies, procedures and processes being updated or drafted as needed. 	<ul style="list-style-type: none"> Collaboration with other City Departments resulting in identification and, in some cases, creation of necessary policies and procedures.
<ul style="list-style-type: none"> Communicate effectively with City leadership and departments regarding claims, litigation, and exposures, as well as options for mitigation. 	<ul style="list-style-type: none"> Standardize updates as necessary and active participation in available training opportunities. 	<ul style="list-style-type: none"> Regular training has been provided to on potential exposures, as well as regular distribution of other training opportunities.
<ul style="list-style-type: none"> Ensure indemnification and insurance contract provisions are appropriately reviewed and compliance is effectively and consistently managed. 	<ul style="list-style-type: none"> Establish process for review of contracts insurance/indemnification provisions and for centralized maintenance of required 	<ul style="list-style-type: none"> Preliminary discussions with the other City Departments regarding contract processes and documents held.
<ul style="list-style-type: none"> Development of additional accident and loss reduction programs. 	<ul style="list-style-type: none"> Implementation of additional accident and loss reduction programs. 	<ul style="list-style-type: none"> Review and identification of areas where such programs are a priority.

Type of Performance Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Claims for Damages Filed	12	11	10	10	10
Litigation Matters Initiated	1	0	1	1	1

Public Works Department Goals:

Goal:	<i>Improve pedestrian safety in the city</i>
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Responds to Council Goal #:	9	Public Safety
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<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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 2019
<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 2019

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 and Open Space
	9	Public Safety

<i>Objectives</i>	<i>Measurement</i>	<i>Progress</i>
<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 our Certified Playground Safety Inspectors.	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:	<i>Improve condition of the City street system</i>	
Responds to Council Goal #:	5	Capital Facilities
	9	Public Safety
	10	Revenues and 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"> In 2017 the City implemented a "Pilot" chip seal program to get public reaction to the new maintenance techniques. 2019 will bring a new set of streets to be chip sealed.
<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):

Goal:	Meet the requirements of the NPDES - Phase II Municipal Stormwater Permit
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Responds to Council Goal #:	3	Transportation
	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 illicit discharge detection elimination (IDDE) program; perform file assessments, inspections, implement procedures and 	<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 total maximum daily load (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 stormsystem 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 stormsystem 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 un accounted 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
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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 2018 approximately 40% of the City Sewer mains and approximately 10% of City Sewer laterals have 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
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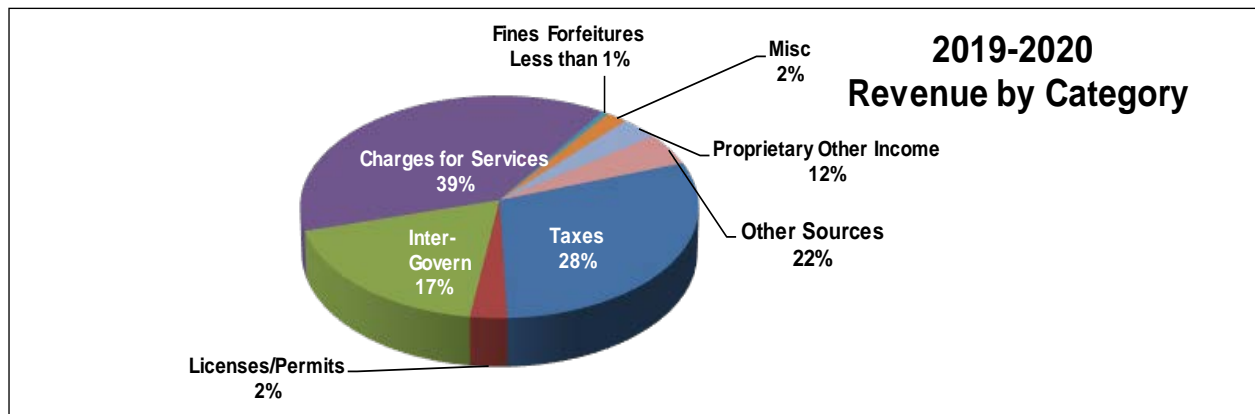
Responds to Council Goal #:	5	Capital Facilities
	10	Revenues and Financial Stability
	11	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Implement a cost-effective local transfer station in Poulsbo to eliminate the long haul distance for garbage collection trucks 	<ul style="list-style-type: none"> Transfer station system tested and implemented; garbage trucks are no longer making trips to Bremerton for disposal 	<ul style="list-style-type: none"> The Transfer Station is fully operational.
<ul style="list-style-type: none"> Implement a long haul truck and containers at Transfer Station 	<ul style="list-style-type: none"> Reduce costs to Solid Waste Utility by providing our own long haul and discontinue with contractor 	<ul style="list-style-type: none"> Truck purchased and containers ordered, change to be implemented 2019
<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"> Business plan developed and in use 	<ul style="list-style-type: none"> Better management of costs and time for the utility

ANALYSIS OF 2019-2020 BUDGETED REVENUES BY SOURCE FOR ALL FUNDS

The following presents an analysis of total revenues (*excluding Beginning Balances and Operating Transfers*) anticipated to be available for support of City programs during 2019 and 2020. 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 39%, of which 88% 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. Projection is increased reflecting the growing revenue. Utility tax projections are consistent with the prior year, slightly increased due to increase in rates. Utility tax rate for Water and Sewer remain at 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 22% of the revenue budgets. This is due to an anticipated revenue debt issue to fund the City's transportation project for improvements to Noll Road.
- **Licenses and Permits:**
Make up approximately 2% 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 12%.
- **Miscellaneous Revenue:**
Which is mainly comprised of Investment Income, is anticipated at 2%.
- **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.

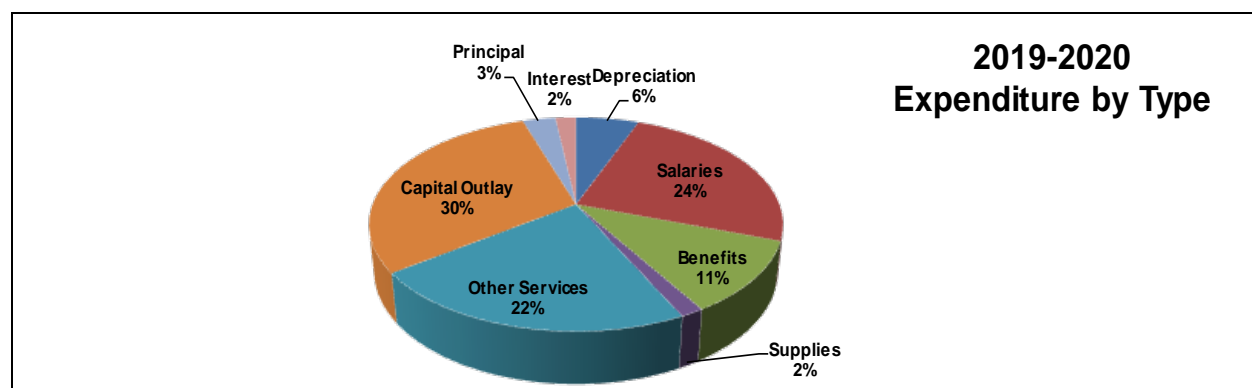


2019-2020 Revenue by Category (Excludes Operating Transfers)									
Fund	Taxes	Licenses/ Permits	Inter- Govern	Charges for Services	Fines Forfeitures	Misc	Proprietary Other Income	Other Sources	Total
General Fund									
001 General	17,041,818	1,690,800	1,240,470	2,354,685	154,800	428,042		9,000	22,919,615
Total Special Revenue	17,041,818	1,690,800	1,240,470	2,354,685	154,800	428,042	-	9,000	22,919,615
Special Revenue Funds									
101 Street Fund		42,000	3,482,911			2,000			3,526,911
121 Capital Improvement	1,000,000					11,000			1,011,000
123 Transp Dev Fund				400,000		4,500			404,500
124 Park Dev Fund				120,000		2,000			122,000
131 Historic DT Poulsbo						173,756			173,756
161 Paths & Trail Reserve			2,278			210			2,488
171 Drug Enforcement						1,400			1,400
181 Transient Occupancy	260,000					1,000			261,000
191 Police Restricted			63,681		200	2,400			66,281
Total Special Revenue	1,260,000	42,000	3,548,870	520,000	200	198,266	-	-	5,569,336
Debt Service Funds									
201 Misc Government Debt						100			100
204 Non-Voted Debt						1,000			1,000
Total Debt Service Funds	-	-	-	-	-	1,100	-	-	1,100
Capital Project Funds									
301 Equip Acquisition						6,000			6,000
302 Park Reserve			1,307,500			2,000			1,309,500
311 Street Reserve			3,720,000			8,000		2,850,000	6,578,000
314 Cemetery Reserve				6,000		300			6,300
331 Facilities Funds						10,000		-	10,000
Total Capital Project Funds	-	-	5,027,500	6,000	-	26,300	-	2,850,000	7,909,800
Proprietary Funds									
401 Water				4,115,396	44,440	260,760	873,771		5,294,367
403 Sewer				8,124,491	84,000	146,028	800,000		9,154,519
404 Solid Waste				4,822,532	40,000	21,408			4,883,940
410 Storm Drain			1,390,400	3,625,057	26,000	22,100	300,000		5,363,557
Total Proprietary Funds	-	-	1,390,400	20,687,476	194,440	450,296	1,973,771	-	24,696,383
TOTAL									
TOTAL	18,301,818	1,732,800	11,207,240	23,568,161	349,440	1,104,004	1,973,771	2,859,000	61,096,234

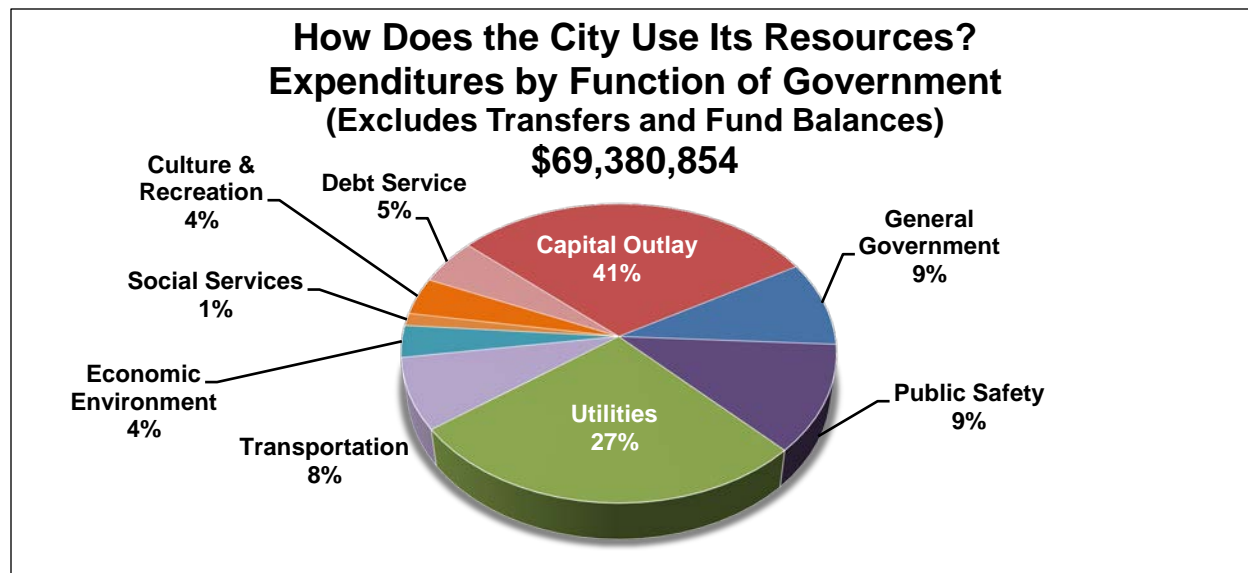
ANALYSIS OF 2019-2020 BUDGETED EXPENDITURES BY TYPE FOR ALL FUNDS

The following present an analysis of the budgeted expenditures by fund and type anticipated to be expended by the City during 2019 and 2020 (*excluding Fund Balances and Operating Transfers*).

- **Capital Outlay:**
The largest category as it accounts for 30% of the operating budgets with 46% of that being expended from utility funds. There are many utility, transportation and park projects planned for 2019 and 2020, 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 several various utility projects are planned to occur in this biennium. Detail of capital improvements can be found in Section 9 – City Improvement Plan.
- **Salaries and Benefits:**
These are the next largest categories of expenditures and combined, accounts for 35% 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 22% of the expenditure budget. This category shows a significant increase since 2017-2018 due to a change in the State account code change requirement. Intergovernmental expenses are now to be allocated under the Other Services category
- **Principal and Interest:**
Combined this accounts for 5% of the expenditure budget. This includes existing debt obligations along with an anticipated debt issue for Noll Road Improvements.
- **Depreciation:**
This category accounts for approximately 6% of total budgeted expenditures.
- **Supplies:**
The smallest category, the expenditures for general supplies, makes up 2% of the expenditure budget.



2019-2020 Expenditures by Object (Excludes Operating Transfers)									
Fund	Depreciation	Salaries	Benefits	Supplies	Other Services	Capital Outlay	Principal	Interest	Total
<i>General Fund</i>									
001 General		11,386,247	4,877,307	632,552	4,032,105				20,928,211
<i>Total General Fund</i>	-	11,386,247	4,877,307	632,552	4,032,105	-	-	-	20,928,211
<i>Special Revenue Funds</i>									
101 Street Fund		758,798	333,982	109,306	3,715,152				4,917,238
121 Capital Improvement									-
123 Trans Develop Fund									-
124 Park Develop Fund									-
131 Historic DT Poulsbo				4,400	170,600				175,000
161 Paths & Trail Rsrv									-
171 Drug Enforcement		3,000	1,510	2,580	3,790				10,880
181 Transient Occupancy					280,000				280,000
191 Police Restricted		12,300	2,100	8,600	10,748				33,748
<i>Total Special Revenue</i>	-	774,098	337,592	124,886	4,180,290	-	-	-	5,416,866
<i>Debt Service Funds</i>									
201 Misc Gov Debt							148,738	6,693	155,431
204 Non-Voted Debt							1,523,805	734,210	2,258,015
<i>Total Debt Service Funds</i>	-	-	-	-	-	-	1,672,543	740,903	2,413,446
<i>Capital Project Funds</i>									
301 Equip Acquisition						108,235			108,235
302 Park Reserve						1,663,684			1,663,684
311 Street Reserve						8,640,000			8,640,000
314 Cemetery Reserve									-
331 Facilities Funds						850,000			850,000
<i>Total Capital Funds</i>	-	-	-	-	-	11,261,919	-	-	11,261,919
<i>Proprietary Funds</i>									
401 Water	1,061,000	1,243,668	611,077	173,466	909,753	3,210,615			7,209,579
403 Sewer	1,868,000	1,027,308	477,785	27,920	2,764,436	3,279,485	460,000	590,216	10,495,150
404 Solid Waste	168,000	1,264,243	618,829	87,100	2,763,361	24,285			4,925,818
410 Storm Drain	977,313	1,330,850	633,607	26,000	642,660	3,119,435			6,729,865
<i>Total Proprietary Funds</i>	4,074,313	4,866,069	2,341,298	314,486	7,080,210	9,633,820	460,000	590,216	29,360,412
TOTAL	4,074,313	17,026,414	7,556,197	1,071,924	15,292,605	20,895,739	2,132,543	1,331,119	69,380,854



- **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 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 2017-2018 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 2019-2020 budget figures and individually show the major funds.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - MAJOR FUNDS
BUDGET FOR 2019-2020

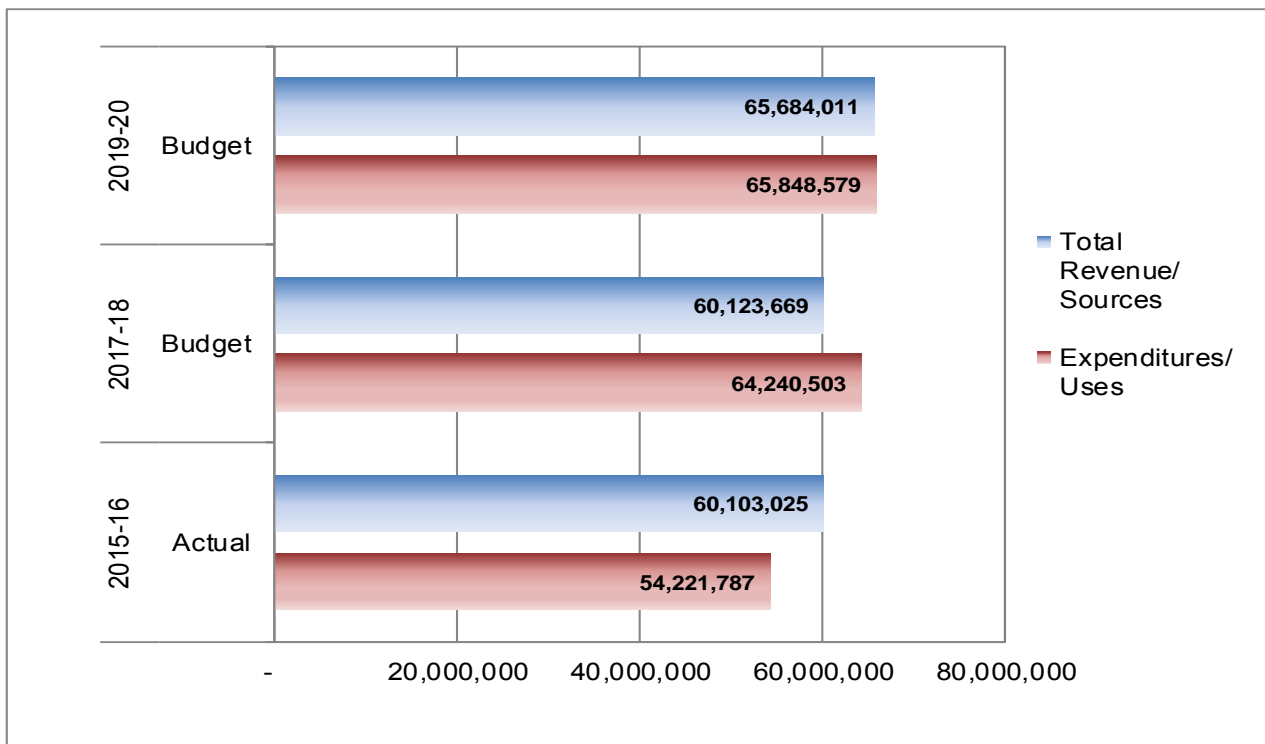
	Major Fund General Fund	Major Fund Street Operations	Major Fund Street Reserve Fund	Non-Major Governmental Funds	Total
Revenues					
Taxes	\$ 17,041,818	\$ -	\$ -	\$ 1,260,000	\$ 18,301,818
Licenses and Permits	1,690,800	42,000	-	-	1,732,800
Intergovernmental	1,240,470		3,720,000	4,856,370	9,816,840
Charges for Services	2,354,685	3,482,911	8,000	(2,964,911)	2,880,685
Fines and Forfeitures	154,800	-	-	200	155,000
Interest and Other Earnings	428,042	2,000	-	223,666	653,708
Total Revenues	22,910,615	3,526,911	3,728,000	3,375,325	33,540,851
Expenditures					
Current:					
General Government	6,365,224	-	-	-	6,365,224
Public Safety	8,078,056	-	-	44,628	8,122,684
Utilities	356,909	-	-	-	356,909
Transportation	474,658	4,917,238	-	-	5,391,896
Economic Environment	2,110,222	-	-	280,000	2,390,222
Social Services	932,655	-	-	-	932,655
Culture and Recreation	2,610,487	-	-	175,000	2,785,487
Debt Service:				2,413,446	2,413,446
Capital Outlay	-	-	8,640,000	2,621,919	11,261,919
Total Expenditures	20,928,211	4,917,238	8,640,000	5,534,993	40,020,442
<i>Excess of Revenues Over (Under) Expenditures</i>	1,982,404	(1,390,327)	(4,912,000)	(2,159,668)	(6,479,591)
Other Financing Sources (Uses)					
Transfers In	9,000	1,350,000	2,162,000	3,049,548	6,570,548
Transfers Out	(4,036,117)	-	-	(2,525,429)	(6,561,546)
Bond Proceeds			2,850,000		2,850,000
Total Other Financing Sources and Uses	(4,027,117)	1,350,000	5,012,000	524,119	2,859,002
<i>Net Change in Fund Balances</i>	(2,044,713)	(40,327)	100,000	(1,635,549)	(3,620,589)
<i>Fund Balances Beginning of Year</i>	4,370,330	178,097	325,666	4,199,412	9,073,505
Fund Balances End of Year	\$ 2,325,617	\$ 137,770	\$ 425,666	\$ 2,563,863	\$ 5,452,916

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - MAJOR FUNDS
BUDGET FOR 2019-2020

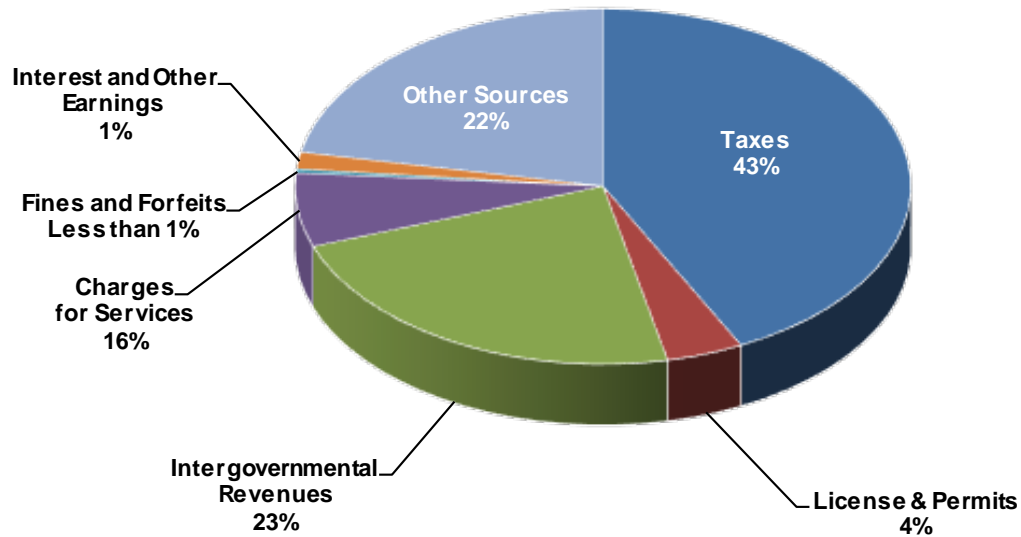
	Business-type Activities Enterprise Funds				
	Water	Sewer	Solid Waste	Storm Drain	Total
Operating Revenues:					
Charges for Services	\$ 4,115,396	\$ 8,124,491	\$ 4,822,532	\$ 3,625,057	\$20,687,476
Intergovernmental	-	-	-	1,390,400	1,390,400
Other Operating Revenues	305,200	230,028	61,408	48,100	644,736
Total Operating Revenues	4,420,596	8,354,519	4,883,940	5,063,557	22,722,612
Operating Expenses:					
Salaries & Wages	1,243,668	1,027,308	1,264,243	1,330,850	4,866,069
Benefits	611,077	477,785	618,829	633,607	2,341,298
Supplies	173,466	27,920	87,100	26,000	314,486
Services	909,753	2,764,436	2,763,361	642,659	7,080,209
Depreciation	1,061,000	1,868,000	168,000	977,313	4,074,313
Total Operating Expenses	3,998,964	6,165,449	4,901,533	3,610,429	18,676,375
Operating Income (Loss)	421,632	2,189,070	(17,593)	1,453,128	4,046,237
Nonoperating Revenues (Expenses):					
Interest Expense	-	(590,216)	-	-	(590,216)
Other Nonoperating Revenue (Expenses)	-	-	-	-	-
Total Nonoperating Revenue (Expenses)	-	(590,216)	-	-	(590,216)
Income (loss) Before Contributions	421,632	1,598,854	(17,593)	1,453,128	3,456,021
Capital Contributions	873,771	800,000	-	300,000	1,973,771
Change in Net Position	1,295,403	2,398,854	(17,593)	1,753,128	5,429,792
Total Net Position Beginning of Year	20,235,249	30,378,780	1,581,524	16,793,281	68,988,834
Total Net Position End of Year	\$21,530,652	\$32,777,634	\$ 1,563,931	\$18,546,409	\$74,418,626

TOTAL ALL FUNDS

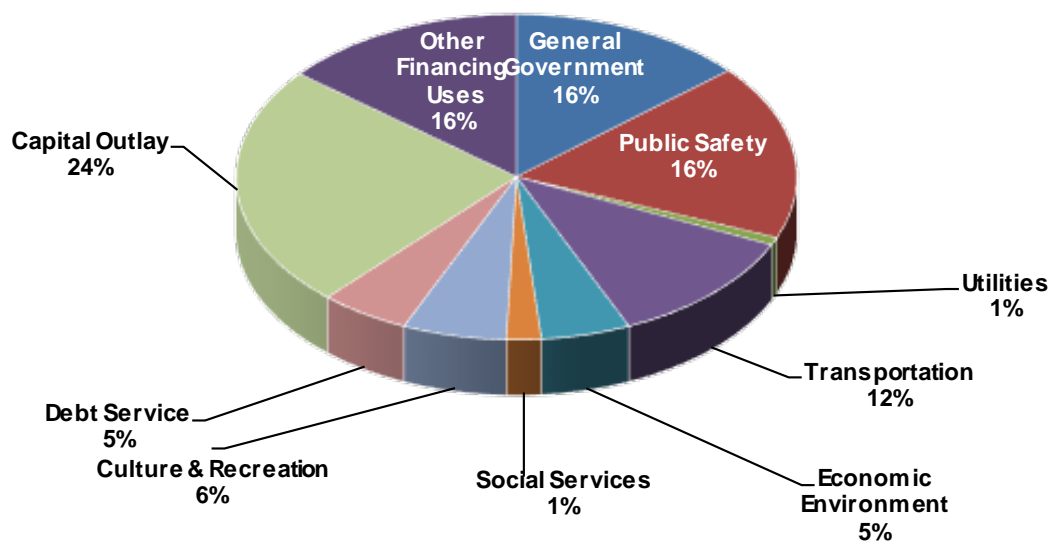
	2015-16 Actual	2017-18 Budget	2019-20 Budget
Governmental Revenues	\$ 41,893,613	\$ 41,972,810	\$ 42,961,399
Proprietary Revenues	18,209,412	18,150,859	22,722,612
Total Revenue/ Sources	60,103,025	60,123,669	65,684,011
Governmental Expenditures	39,304,918	45,880,481	46,581,988
Proprietary Expenses	14,916,869	18,360,022	19,266,591
Expenditures/ Uses	54,221,787	64,240,503	65,848,579
Net Increase (Decrease)	5,881,237	(4,116,834)	(164,568)
Fund Balance/Equity - Beginning	62,538,678	75,583,969	78,062,339
Increase in Contributed Capital	7,060,591	1,415,000	1,973,771
Prior Year Adjustment/Beg Balance Adj	103,462	5,180,204	-
Fund Balance/Equity - Ending	\$ 75,583,969	\$ 78,062,339	\$ 79,871,542



2019-2020 Estimated Financial Sources Governmental Funds



2019-2020 Estimated Uses Governmental Funds



Governmental Funds
2015-2020 Summary of Estimated Financial Sources and Uses

(For Budgetary Purposes Only)

	General Fund			Special Revenue Funds		
	2015-2016	2017-2018	2019-2020	2015-2016	2017-2018	2019-2020
	Actual	Budget	Budget	Actual	Budget	Budget*
Financial Sources:						
Taxes	\$ 15,407,626	\$ 15,549,040	\$ 17,041,818	\$ 1,615,697	\$ 1,320,000	\$ 1,260,000
License & Permits	1,700,337	1,618,910	1,690,800	30,890	24,000	42,000
Intergovernmental Revenues	500,987	1,069,432	1,240,470	480,530	517,273	3,548,870
Charges for Services	4,865,615	2,395,665	2,354,685	1,691,006	1,249,652	520,000
Fines and Forfeits	154,071	151,550	154,800	145	-	200
Interest and Other Earnings	112,600	345,942	428,042	6,242	167,961	198,266
Other Sources	278,659	39,625	9,000	1,683,256	1,249,000	1,350,000
Total Financial Sources	23,019,897	21,170,164	22,919,615	5,507,766	4,527,886	6,919,336
Expenditures:						
General Government	5,958,459	5,773,779	6,365,224	-	-	-
Public Safety	6,018,498	7,046,926	8,078,056	57,899	77,750	44,628
Utilities	1,033,484	278,519	356,909	-	-	-
Transportation	1,218,098	503,294	474,658	1,637,551	1,792,679	4,917,238
Economic Environment	1,749,041	1,932,333	2,110,222	230,928	544,490	280,000
Social Services	160,934	668,421	932,655	-	-	-
Culture & Recreation	2,241,365	2,481,346	2,610,487	175,570	170,109	175,000
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Other Financing Uses	3,662,044	4,071,219	4,036,117	1,871,600	4,224,537	2,525,429
Total Use of Resources	22,041,922	22,755,837	24,964,328	3,973,548	6,809,565	7,942,295
Net Increase (Decrease)						
in Fund Balance	977,974	(1,585,673)	(2,044,713)	1,534,218	(2,281,679)	(1,022,959)
Fund Balance - Beginning	2,175,375	3,288,597	4,370,330	1,016,001	2,518,201	2,032,790
*Prior Year Adjustment/Beg Balance Adj	135,249	2,667,406	-	(32,018)	1,796,268	-
Fund Balance -Ending	\$ 3,288,597	\$ 4,370,330	\$ 2,325,617	\$2,518,201	\$2,032,790	\$ 1,009,831

*Mid Year Adjustments for adjusting Beginning Balance to Actual

Debt Service Funds			Capital Funds			Total Governmental Funds		
2015-16 Actual	2017-18 Budget	2019-20 Budget	2015-16 Actual	2017-18 Budget	2019-20 Budget	2015-16 Actual	2017-18 Budget	2019-20 Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,023,323	\$ 16,869,040	\$ 18,301,818
-	-	-	-	-	-	1,731,227	1,642,910	1,732,800
-	-	-	1,134,800	5,992,626	5,027,500	2,116,317	7,579,331	9,816,840
-	-	-	8,000	6,000	6,000	6,564,621	3,651,317	2,880,685
-	-	-	-	-	-	154,216	151,550	155,000
295	160	1,100	7,345	42,700	26,300	126,482	556,763	653,708
10,332,294	2,167,460	2,411,348	1,883,217	8,065,814	5,650,200	14,177,425	11,521,899	9,420,548
10,332,589	2,167,620	2,412,448	3,033,362	14,107,140	10,710,000	41,893,613	41,972,810	42,961,399
-	-	-	-	-	-	5,958,459	5,773,779	6,365,224
-	-	-	-	-	-	6,076,397	7,124,676	8,122,684
-	-	-	-	-	-	1,033,484	278,519	356,909
-	-	-	-	-	-	2,855,649	2,295,973	5,391,896
-	-	-	-	-	-	1,979,969	2,476,823	2,390,222
-	-	-	-	-	-	160,934	668,421	932,655
-	-	-	-	-	-	2,416,935	2,651,455	2,785,487
10,324,530	2,167,684	2,413,446	-	442,218	-	10,324,530	2,609,902	2,413,446
-	-	-	2,874,818	13,405,652	11,261,919	2,874,818	13,405,652	11,261,919
-	-	-	90,100	299,525	-	5,623,744	8,595,281	6,561,546
10,324,530	2,167,684	2,413,446	2,964,918	14,147,395	11,261,919	39,304,918	45,880,481	46,581,988
8,059	(64)	(998)	68,444	(40,255)	(551,919)	2,588,694	(3,907,671)	(3,620,589)
7,957	16,247	16,723	1,909,483	1,977,926	2,653,662	5,108,815	7,800,972	9,073,505
231	540	-	-	715,991	-	103,462	5,180,204	-
\$ 16,247	\$ 16,723	\$ 15,725	\$ 1,977,926	\$ 2,653,662	\$ 2,101,743	\$ 7,800,972	\$ 9,073,505	\$ 5,452,916

PROPRIETARY (BUSINESS TYPE) FUNDS

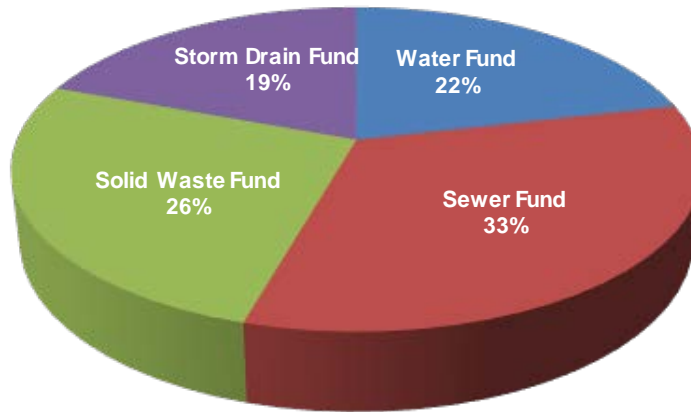
Proprietary funds are managed on a different basis than the general governmental services. Since such business provides new income directly to the fund in the form of charges for services, there is additional revenue to support those additional expenses. Therefore, the management of these funds is not 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:

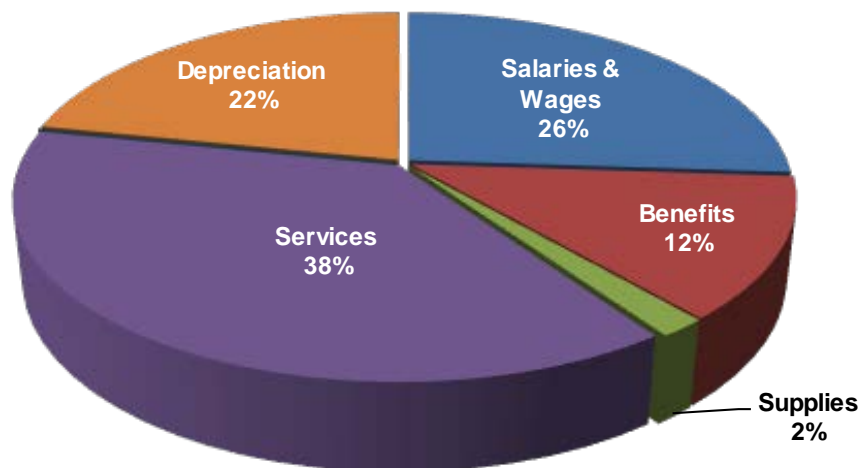
1. Provide a cushion or a contingency for unforeseen needs and emergencies
2. Provide adequate security for long-term debt
3. Allow for a capital development program to reduce the need for borrowing to maintain or improve current infrastructure

The following graphs represent the City's Proprietary (Business Type) Funds:

2019-2020 Estimated Operating Expenses Enterprise Funds



2019-2020 Expenditures by Object Enterprise Funds



Enterprise Funds

2015-2020 Summary of Estimated Revenues, Expenses and Changes in Retained Earnings

(For Budgetary Purposes Only)

	Water Fund			Sewer Fund		
	2015-16	2017-18	2019-20	2015-16	2017-18	2019-20
	Actual	Budget	Budget	Actual	Budget	Budget
Operating Revenues						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	3,458,519	3,253,962	4,115,396	6,658,217	6,307,000	8,124,491
Other Operating Revenue	229,967	206,286	305,200	90,120	60,000	230,028
Total Operating Revenues	3,688,486	3,460,248	4,420,596	6,748,337	6,367,000	8,354,519
Operating Expenses						
Salaries & Wages	650,810	1,140,957	1,243,668	545,286	927,212	1,027,308
Benefits	279,726	549,140	611,077	225,931	424,971	477,785
Supplies	212,405	123,300	173,466	99,441	34,000	27,920
Services	844,243	868,027	909,753	1,161,684	2,493,549	2,764,436
Intergovernmental Services and Pymts	482,315	-	-	1,787,518	-	-
Depreciation	861,291	924,850	1,061,000	1,319,698	1,596,000	1,868,000
Total Operating Expenses	3,330,790	3,606,274	3,998,964	5,139,558	5,475,732	6,165,449
Operating Income (Loss)	357,696	(146,026)	421,632	1,608,779	891,268	2,189,070
Non- Operating Sources and (Uses)						
Interest Earnings	20,571	-	-	52,723	-	-
Interest Expenses	(18,368)	(7,843)	-	(65,347)	(571,930)	(590,216)
Other Nonoperating Revenues (Expenses)	(14,108)	-	-	(13,208)	-	-
Total Non-Operating Sources and (Uses)	(11,905)	(7,843)	0	(25,832)	(571,930)	(590,216)
Net Increase (Decrease)	345,791	(153,869)	421,632	1,582,947	319,338	1,598,854
Total Net Position Beginning	17,200,389	19,924,118	20,235,249	25,082,354	29,109,442	30,378,780
Increase in Contributed Capital	2,377,938	465,000	873,771	2,444,141	950,000	800,000
Net Position Ending	\$19,924,118	\$20,235,249	\$21,530,652	\$29,109,442	\$30,378,780	\$32,777,634

Solid Waste Fund			Storm Drain Fund			Total Enterprise Funds		
2015-16	2017-18	2019-20	2015-16	2017-18	2019-20	2015-16	2017-18	2019-20
Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget
\$ -	\$ -	\$ -	\$ 1,149,525	\$ 1,854,061	\$ 1,390,400	\$ 1,149,525	\$ 1,854,061	\$ 1,390,400
3,366,319	3,290,000	4,822,532	3,113,656	3,115,550	3,625,057	16,596,711	15,966,512	20,687,476
41,116	32,000	61,408	29,465	32,000	48,100	390,668	330,286	644,736
3,407,435	3,322,000	4,883,940	4,292,646	5,001,611	5,063,557	18,136,904	18,150,859	22,722,612
513,019	1,189,218	1,264,243	719,528	1,208,443	1,330,850	2,428,643	4,465,830	4,866,069
225,526	561,188	618,829	334,355	568,747	633,607	1,065,538	2,104,046	2,341,298
167,925	148,000	87,100	43,697	49,437	26,000	523,468	354,737	314,486
1,012,543	2,662,238	2,763,361	615,972	598,747	642,659	3,634,442	6,622,561	7,080,209
1,213,162	-	-	504,345	-	-	3,987,340	0	0
121,147	175,760	168,000	891,587	1,536,465	977,313	3,193,723	4,233,075	4,074,313
3,253,322	4,736,404	4,901,533	3,109,484	3,961,839	3,610,429	14,833,154	17,780,249	18,676,375
154,113	(1,414,404)	(17,593)	1,183,162	1,039,772	1,453,128	3,303,750	370,610	4,046,237
8,831	-	-	3,371	-	-	85,496	-	-
-	-	-	-	-	-	(83,715)	(579,773)	(590,216)
14,328	-	-	-	-	-	(12,988)	-	-
23,159	-	0	3,371	-	-	(11,207)	(579,773)	(590,216)
177,272	(1,414,404)	(17,593)	1,186,533	1,039,772	1,453,128	3,292,543	(209,163)	3,456,021
2,818,656	2,995,928	1,581,524	12,328,464	15,753,509	16,793,281	57,429,863	67,782,997	68,988,834
-	-	-	2,238,512	-	300,000	7,060,591	1,415,000	1,973,771
\$2,995,928	\$1,581,524	\$1,563,931	\$15,753,509	\$16,793,281	\$18,546,409	\$67,782,997	\$68,988,834	\$74,418,626

CITY
2019-2020 BUDGET
SUMMARY OF FUND ACTIVITY AND
CHANGES IN FUND BALANCE

FUND	TOTAL RESOURCES			TOTAL APPROPRIATIONS			CHANGE	
	2019 Estimated Beginning Fund Balance	2019-2020 Estimated Revenue/ Other Financing Sources	2019-2020 Estimated Total Resources	2019-2020 Projected Expenditures/ Expenses/ Other Financing Uses	2020 Projected Ending Fund Balance	2019-2020 Total Projected Appropriations	Change in Fund Balance Inc (Dec)	% of change
001 General Fund	4,370,330	22,919,615	27,289,945	24,964,328	2,325,617	27,289,945	(2,044,713)	-47%
Total Current Expense Fund	4,370,330	22,919,615	27,289,945	24,964,328	2,325,617	27,289,945	(2,044,713)	-47%
101 City Streets	178,097	4,876,911	5,055,008	4,917,238	137,770	5,055,008	(40,327)	-23%
121 Capital Improvement	1,097,929	1,011,000	2,108,929	1,555,429	553,500	2,108,929	(544,429)	-50%
123 Trans Development Fund	456,967	404,500	861,467	850,000	11,467	861,467	(445,500)	-97%
124 Park Development Fund	44,391	122,000	166,391	120,000	46,391	166,391	2,000	5%
131 Historic Dwntrn Poulsbo	27,865	173,756	201,621	175,000	26,621	201,621	(1,244)	-4%
161 Path and Trail Reserve	18,057	2,488	20,545	-	20,545	20,545	2,488	14%
171 Drug Enforcement	38,648	1,400	40,048	10,880	29,168	40,048	(9,480)	-25%
181 Transient Occup Tax	48,817	261,000	309,817	280,000	29,817	309,817	(19,000)	-39%
191 Police Restricted Funds	122,019	66,281	188,300	33,748	154,552	188,300	32,533	27%
Total Special Revenue Funds	2,032,790	6,919,336	8,952,126	7,942,295	1,009,831	8,952,126	(1,022,959)	-50%
201 Misc Govt Debt	4,422	155,531	159,953	155,431	4,522	159,953	100	2%
204 Non-Voted Gen Oblig	12,301	2,256,917	2,269,218	2,258,015	11,203	2,269,218	(1,098)	-9%
Total Debt Service Funds	16,723	2,412,448	2,429,171	2,413,446	15,725	2,429,171	(998)	-6%
301 Equipment Acquisition	365,253	250,200	615,453	108,235	507,218	615,453	141,965	39%
302 Park Reserve	205,028	1,653,500	1,858,528	1,663,684	194,844	1,858,528	(10,184)	-5%
311 Street Reserve	325,666	8,740,000	9,065,666	8,640,000	425,666	9,065,666	100,000	31%
314 Cemetery Reserve	22,926	6,300	29,226	-	29,226	29,226	6,300	27%
331 Facilities Fund	1,734,788	60,000	1,794,788	850,000	944,788	1,794,788	(790,000)	-46%
Total Capital Project Funds	2,653,661	10,710,000	13,363,661	11,261,919	2,101,742	13,363,661	(551,919)	-21%
401 Water System	2,165,700	5,294,367	7,460,067	7,209,579	250,488	7,460,067	(1,915,212)	-88%
403 Sewer System	5,090,738	9,154,519	14,245,257	10,495,150	3,750,107	14,245,257	(1,340,631)	-26%
404 Solid Waste System	741,158	4,883,940	5,625,098	4,925,818	699,280	5,625,098	(41,878)	-6%
410 Storm Drain System	1,670,322	5,363,557	7,033,879	6,729,865	304,014	7,033,879	(1,366,308)	-82%
Total Enterprise Funds	9,667,918	24,696,383	34,364,301	29,360,412	5,003,889	34,364,301	(4,664,029)	-48%
TOTALS	18,741,422	67,657,782	86,399,204	75,942,400	10,456,804	86,399,204	(8,284,618)	-44%

2019-2020 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 2019-2020, some which are generated from a beginning balance exceeding expectations; but also utilizing the growing reserve balance to maintain a high-level of services to our citizens. Revenue projections for 2019-2020, 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 2019-2020, for targeted expenditures and to maintain a consistent level of service, but still maintain a balance, which is compliant with the Financial Management Policies. The growing fund balance exceeded the recommended levels and the City Council prudently recognized its use for continued operations with a consistent review process to ascertain approved levels are maintained. 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.

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. Per Financial Management Policy, the City Council will not adopt a budget with a minimum projected 12% fund balance. Since this fund is augmented, when necessary, by the reserves from the General Fund, the reserve funds can be used to support operations. This allows the City Council to knowingly proceed with budget adoption.

- **Capital Improvement (121):**

These are funds generated from REET and are restricted in use for capital projects as outlined in the CIP. A large construction project, phased over several years and largely grant-funded, will be utilize these dollars as the City's match.

- **Transportation Development (123):**

These are funds generated from traffic impact fees. It is anticipated in 2019-2020 to use these funds for transportation projects on the CIP.

- **HDP (131):**

These are funds for a delegated Business Improvement Assessment Area (BIAA) supported by member fees. The association has knowingly allocated a portion of their fund balance in 2017-2018 for one-time expenditures using funds for the purpose collected.

- **Drug Enforcement (171):**

Funds generated 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.

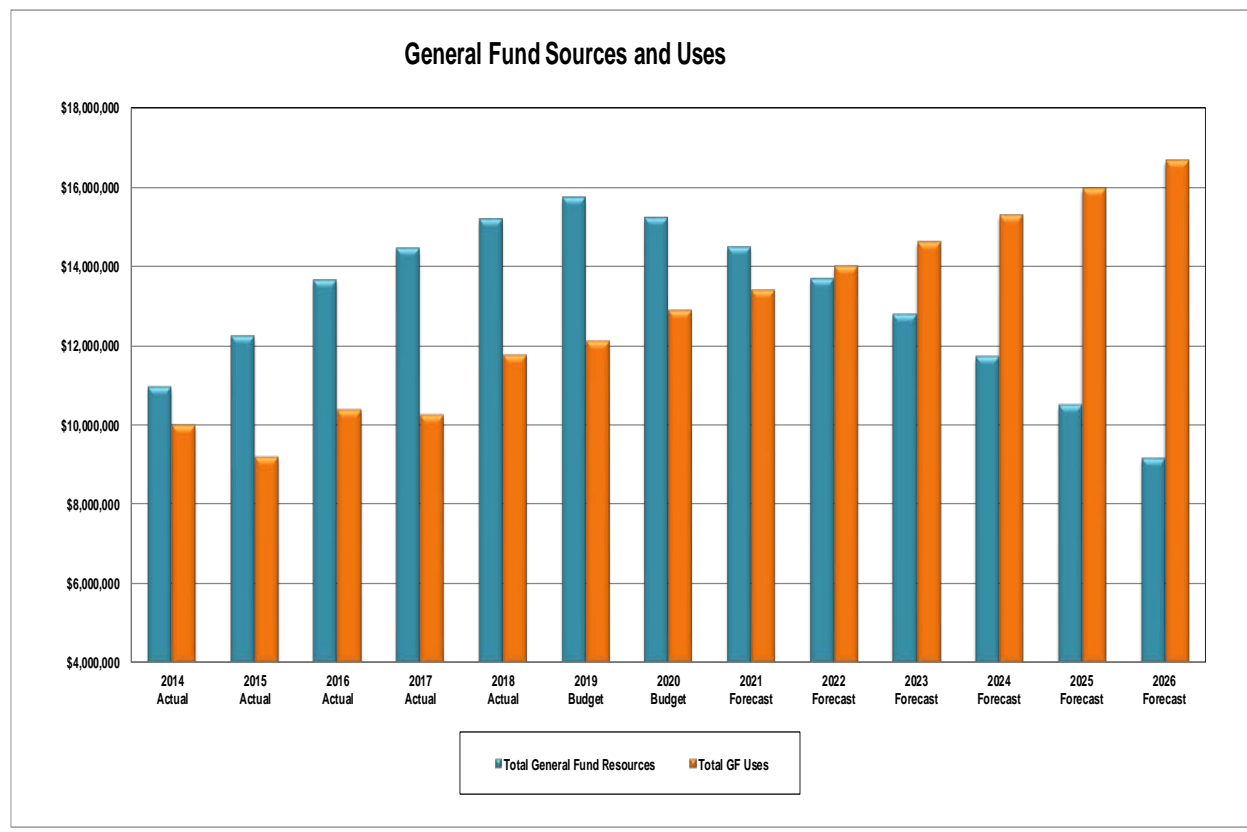
Enterprise Funds:

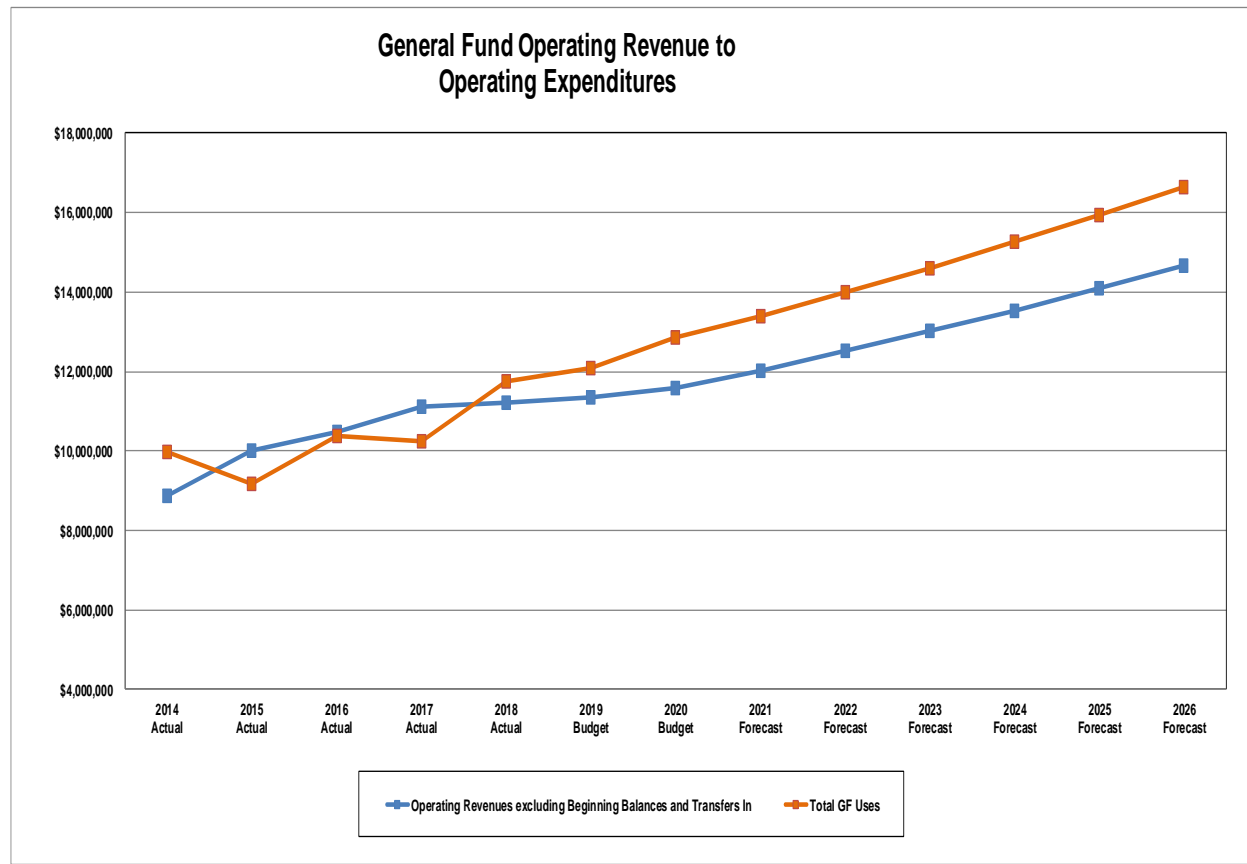
These funds are to account for the City utility services supported by user fees. The fluctuations in the balances are due to the projected capital projects. The operational portion of the fund stays consistent. The large decreases in Water Program (401), Sewer Program (403) and Storm Drain (410) are due to large capital projects anticipated in 2019-2020.

Long Range Outlook:

The City is continuing to place more emphasis on long range planning, with most emphasis place 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 City Council looked at items, which were too conservative in the past, and projected with a more realistic projection and not relying on too conservative revenue projections to support growing reserves. The Finance Department worked closely with Public Works and Engineering Departments to develop the City's six-year CIP 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.

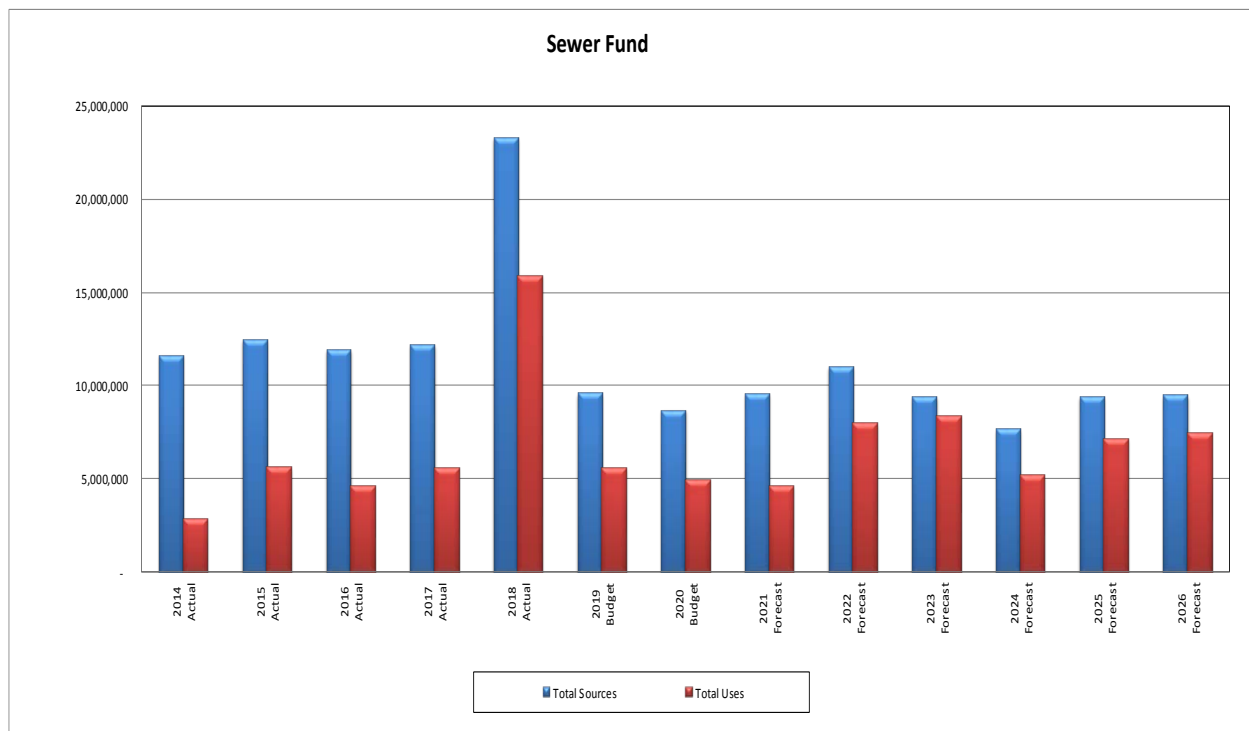
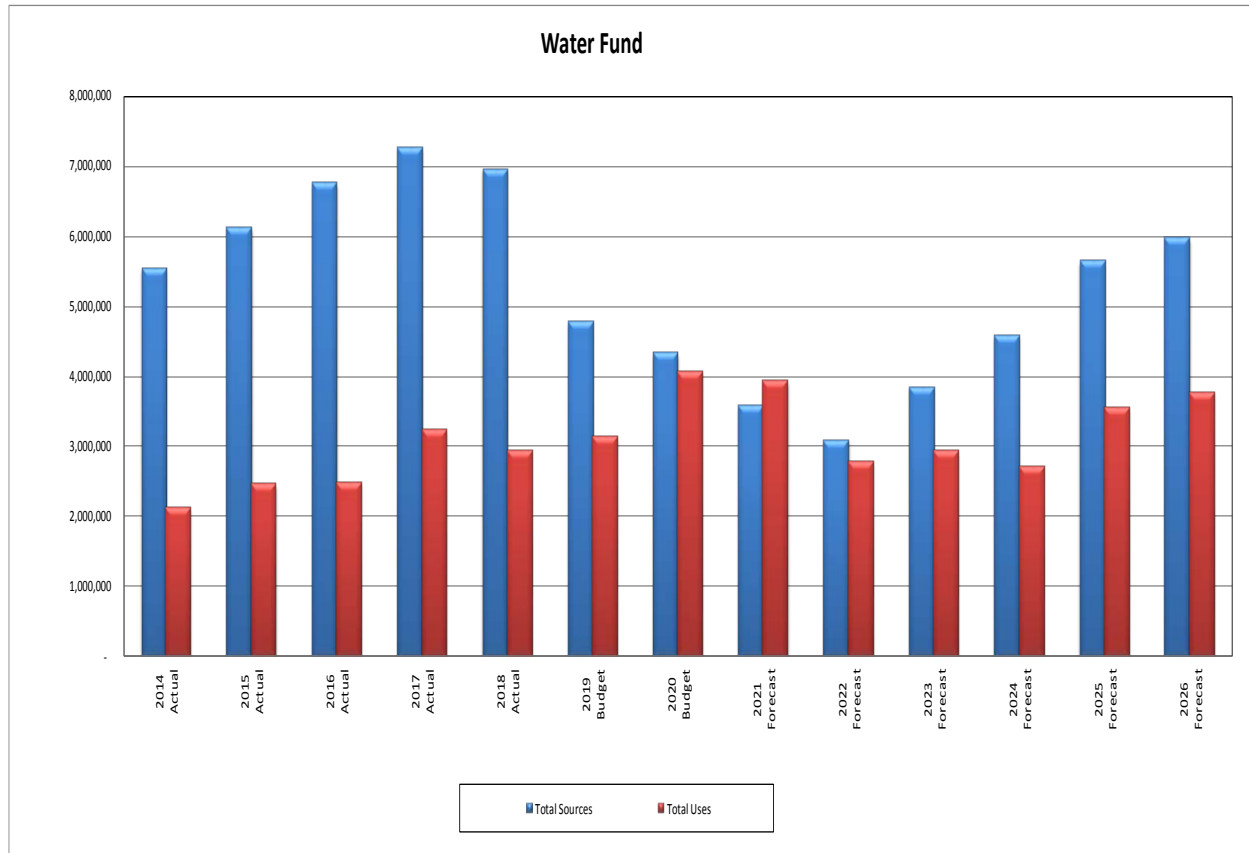
The graphs represent six years of historical data and six years of projections loosely based on historical trends. As displayed on the graphs, the total sources will not cover total uses. It is the City Councils' intention to reduce reserves in 2019 and 2020, based on reserves significantly increasing over the past several years. They knowingly planned for use to maintain the high-level of services the City provides and not make reductions from what has proved to be conservative projections. The City Council will continue to regularly review the City's resources and uses with a message to citizens and staff that reductions will immediately be put in place if actual dollars jeopardize the City to not be in compliance with the Financial Management Policies. It is believed that through attrition, future uses will be greatly reduced in three to four years. 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.

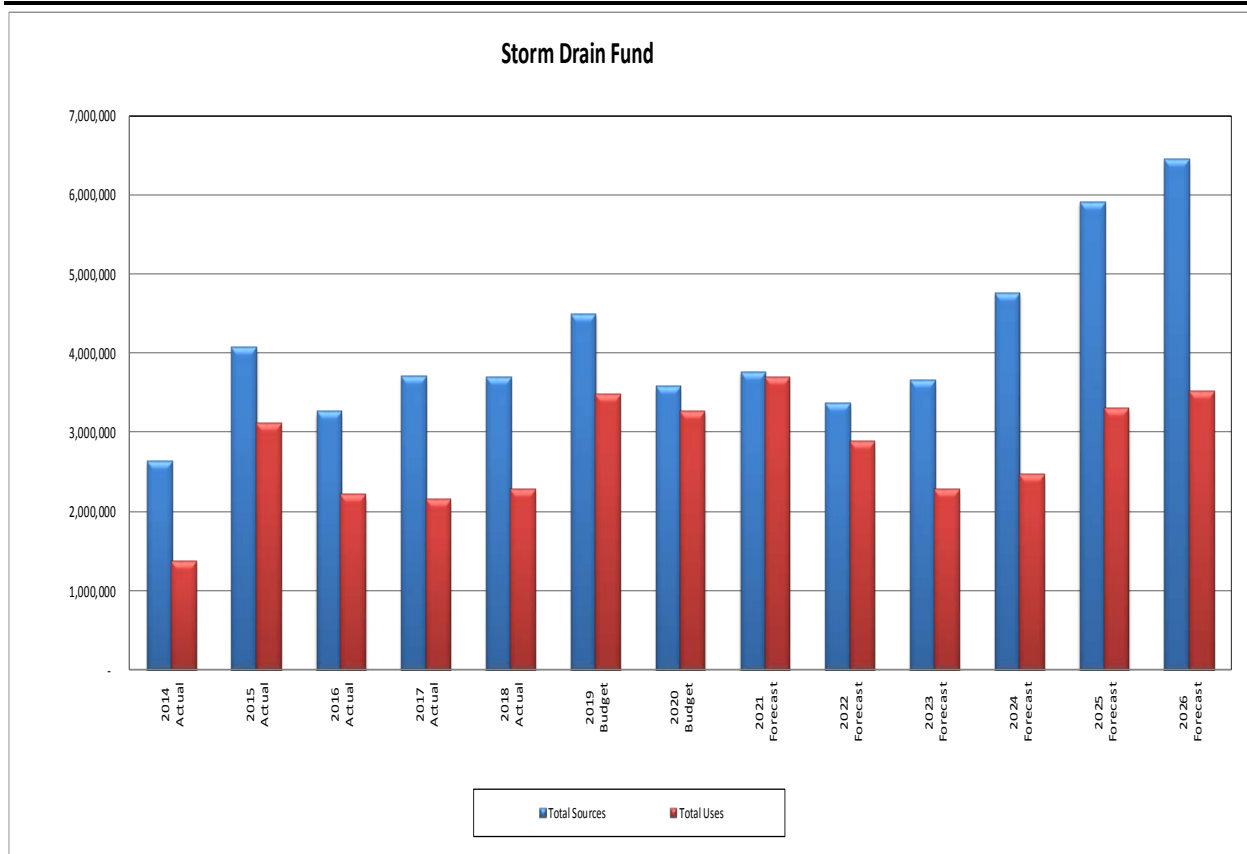
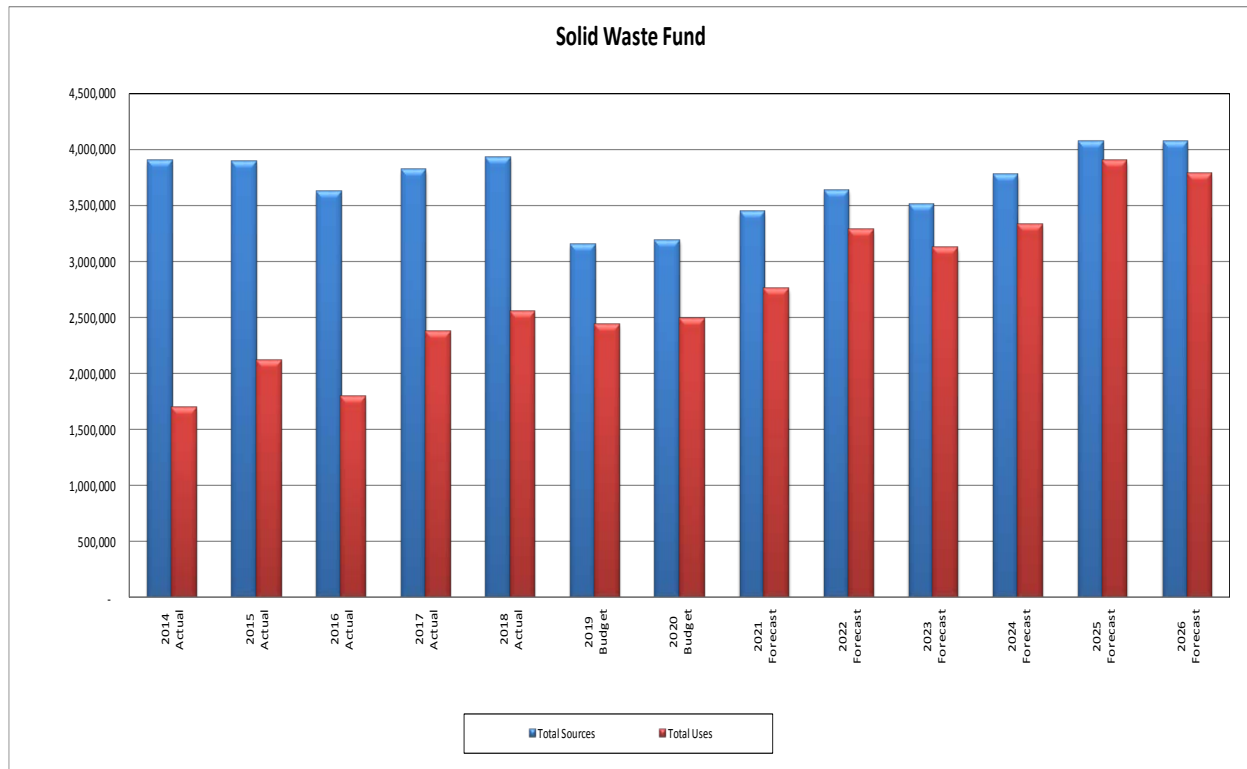




Proprietary Funds:

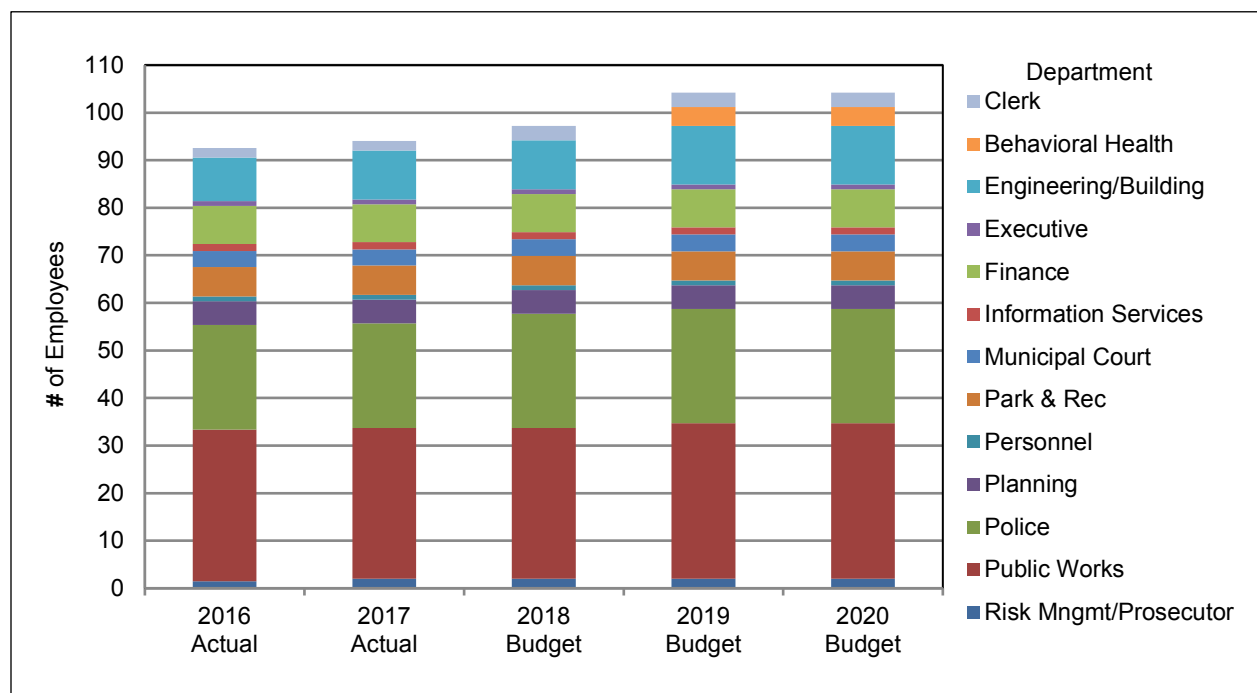
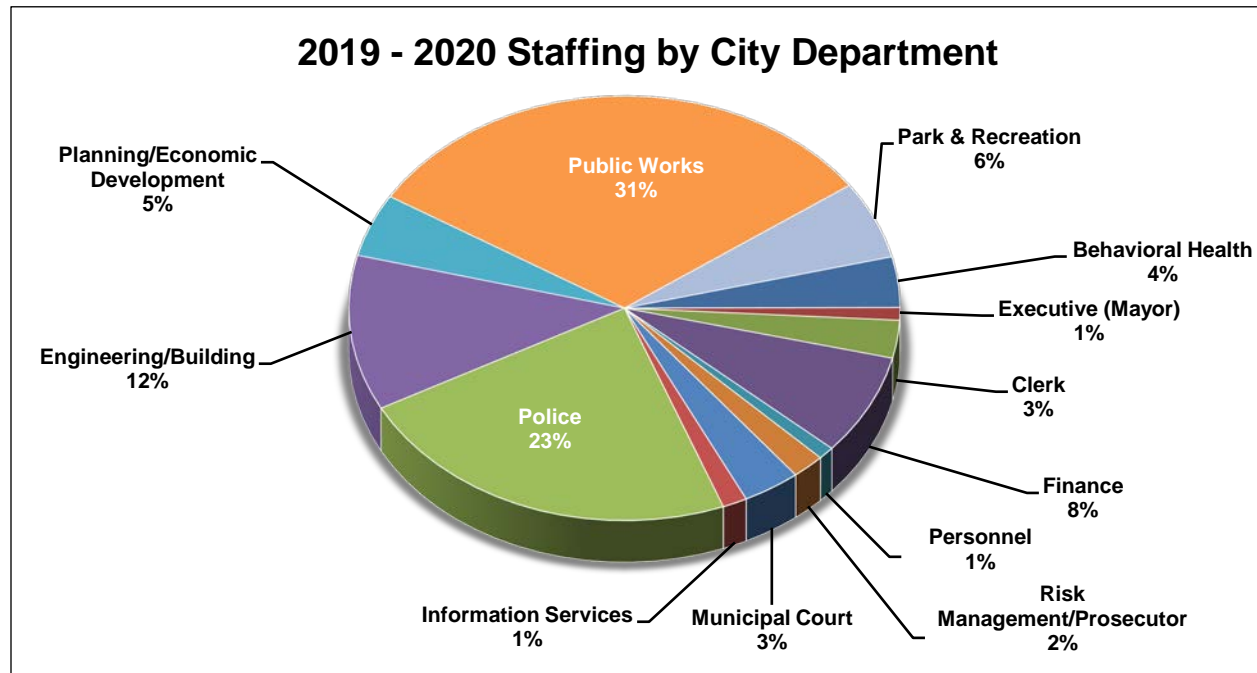
The next four graphs represent a snapshot of long-range funding in the City's four utility funds. They are inclusive of future anticipated debt payments, projects as represented in the City's Improvement Plan and anticipated sources. Utility rates are set to support future capital needs. The projects 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 over a longer time frame and issue debt anticipating 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 conducted an analysis and requested proposals evaluating the Solid Waste system. It was determined the City would continue to provide the service and increased rates to support the operations and necessary future capital outlay. It is anticipated in the first couple years use of reserves with growth of reserves in future years. The City wanted to avoid a large increase up front knowing the reserves will continue to build at a possible excessive level in future years.





City Staffing

A significant part, 35% 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 FTE positions by department along with a detailed breakdown by department and title.



Staffing Levels by Department and Title - FTE

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Behavioral Health Outreach	-	3.00	4.00	1.00	1.00
Behavioral Outreach Prgm Mgr	-	1.00	1.00	1.00	1.00
Mental Health Navigator	-	2.00	3.00		
Clerk	2.00	2.00	3.00	3.00	3.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Office Clerk II	-	-	1.00	1.00	1.00
Engineering/Building	9.15	10.30	10.30	12.30	12.30
Engineering Director	0.75	0.75	0.75	0.75	0.75
City Engineer	0.40	0.55	0.55	0.55	0.55
Contract Administrator	1.00	1.00	1.00	1.00	1.00
Transportation Engineer	-	1.00	1.00	1.00	1.00
Sr Engineering Tech	1.00	1.00	1.00	1.00	1.00
Engineering I	-	1.00	1.00	1.00	1.00
Engineering Tech	1.00	-	-	-	-
Sr Field Inspector	2.00	2.00	2.00	2.00	2.00
Permit Tech	1.00	1.00	1.00	1.00	1.00
Building Inspector I	1.00	-	-	-	-
Building Inspector II	1.00	2.00	2.00	2.00	2.00
Capital Projects Const. Mgr	-	-	-	1.00	1.00
Senior Contract Admin	-	-	-	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	8.00	8.00	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	1.00	1.00
Accounting Tech	3.00	3.00	3.00	3.00	3.00
Accounting Clerk	2.00	2.00	2.00	2.00	2.00
Information Services	1.50	1.50	1.50	1.50	1.50
IT Manager	1.00	1.00	1.00	1.00	1.00
IT Sr Technician	0.50	0.50	0.50	0.50	0.50
Municipal Court	3.39	3.39	3.52	3.52	3.52
Judge	0.39	0.39	0.52	0.52	0.52
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 and Rec	6.17	6.17	6.17	6.17	6.17
Park and 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

Staffing Levels by Department and Title - FTE (continued)

	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget
Personnel	1.00	1.00	1.00	1.00	1.00
Human Resources Dir	1.00	1.00	1.00	1.00	1.00
Planning	5.00	5.00	5.00	5.00	5.00
Planning Director	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	-	-	-	-
Associate Planner	2.00	3.00	3.00	3.00	3.00
Planning Tech	1.00	1.00	1.00	1.00	1.00
Police	22.00	23.00	24.00	27.00	27.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Deputy Police Chief	1.00	1.00	1.00	1.00	1.00
Sergeant	3.00	3.00	4.00	4.00	4.00
Patrol Officer	11.00	12.00	12.00	12.00	12.00
Detective	2.00	2.00	2.00	2.00	2.00
Support Svcs Mgr	1.00	1.00	1.00	1.00	1.00
Police Clerk	1.75	1.75	1.75	1.75	1.75
Evidence Room Mgr	0.25	0.25	0.25	0.25	0.25
Community Svcs Officer	1.00	1.00	1.00	1.00	1.00
Behavioral Health Navigat	-			3.00	3.00
Public Works	31.85	31.70	31.70	32.70	32.70
PW Superintendent	1.00	1.00	1.00	1.00	1.00
Asst. PW Superintendent	1.00	1.00	1.00	1.00	1.00
Engineering Director	0.25	0.25	0.25	0.25	0.25
City Engineer	0.60	0.45	0.45	0.45	0.45
Civil Engineer	1.00	1.00	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00	1.00	1.00
Office Clerk	1.00	1.00	1.00	1.00	1.00
Foreman	2.00	2.00	2.00	2.00	2.00
Telemetry Technician	0.50	0.50	0.50	0.50	0.50
Sr Engineering Tech	1.00	1.00	1.00	1.00	1.00
Sr Maintenance Tech	12.00	12.00	12.00	12.00	12.00
Maintenance Tech	4.00	4.00	4.00	4.00	4.00
Custodian	1.50	1.50	1.50	1.50	1.50
Grounds Maint Tech I	-	-	-	1.00	1.00
Grounds Maint Tech II	2.00	2.00	2.00	2.00	2.00
Maintenance Mechanic	1.00	1.00	1.00	1.00	1.00
Building Mechanic	1.00	1.00	1.00	1.00	1.00
Water Quality Maint Tech	1.00	1.00	1.00	1.00	1.00
Risk Mgmt/Prosecutor	1.50	2.00	2.00	2.00	2.00
Risk Mgmt/Prosecutor	1.00	1.00	1.00	1.00	1.00
Legal Assistant	0.50	1.00	1.00	1.00	1.00
TOTAL FTE	92.56	98.06	101.19	104.19	104.19

Highlighted Staffing Changes

Prior year actual numbers reflect the actual filled FTE staffing. Although budget capacity may have been provided for vacant positions, actual positions filled are presented.

Although there is growth 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 2018:

- Vacancies in Solid Waste and Water programs were both filled in 2018, when it was determined City would continue to provide garbage service.
- Due to vacancies in the Police Department, they reorganized replacing a Police Clerk with a management administrative position of Administrative Services Manager.
- A new Police Sergeant was filled as approved in the 2018 budget.
- Mental Health Navigators and Program Manager was increase by 1 FTE. These positions are a 100% grant funded in 2018, and substantially funded by the grant and local jurisdictions in 2019 and 2020.
- A new Office Clerk in the Clerk's Department was filled as approved in the 2018 budget.

In 2019-2020, approved FTE increases, and reorganization changes are as follows:

- Behavioral Health Navigators will report directly to the Police Department as functions and permissions to related software requires them to report directly to the Police Department and fall under the necessary security policies. The Program Manager will report directly to the Mayor supporting the Community Administrative functions of the position.
- The Engineering Department promoted their new Civil Engineer to a different pay scale due to increased responsibilities.
- Two new positions were added to the Engineering Department and will be charged to the Noll Road Project. One position is the Construction Manager that will control the project and monitor contractors on the site. The other position is a Senior Contract Administrator that will administratively support the project and work with the Grants/Projects Accounting Technician to ensure the project follows all parameters of the grants and state laws for capital road projects.
- The Municipal Judge's FTE was increased to recognize the higher caseload experienced in 2018 and is consistent with the States recommended FTE level for the City's Municipal Court activity.
- A new Grounds Maintenance I was approved in the 2019-2020 budget, increasing FTE by 1. Due to new park land and improvements, it is necessary to increase the staffing level to support maintenance functions

Capital Improvement Summary: Projects planned in 2019-2020

Although the CIP section of this document lists projects anticipated for the next six years, the following is a summary of the projects planned in 2019 and 2020. Complete project details are included in Section 9 – City Improvement Plan. These projects have been incorporated into the budget and are listed with their appropriate funding sources.

General Purpose Projects

Public Works Facility Relocation

Develop and relocate the existing Public Works Facility to an area off North Viking Avenue where construction of a Solid Waste Transfer Station and Decant Facility were completed in 2016. To continue with progress of this facility relocation, it is anticipated to purchase an adjacent piece of property and complete design over the next two years. Funds were allocated in 2018 for the land purchase but will be carried over into 2019. Design is set for 2019, and preliminary construction, to be phased over several years, will start the second phase in 2020.

<i>Public Works Facility Relocation</i>	2019	2020
Land/Right of Way		
Design	50,000	
Construction		800,000
<i>Total</i>	<i>50,000</i>	<i>800,000</i>

Funding Source:

City Reserves of Governmental and Proprietary Funds sharing the allocated costs. Future debt issue beyond 2020 will be necessary to continue the project.

Impact on Operating Budget:

There will be no operating impacts in 2019-2020. In future years operating impacts will be for debt payments.

Park Projects

Austrbruin Playground Replacement

Upgrade the neighborhood playground which is more than 20 years old

<i>Austrbruin Playground Replacement</i>	2019	2020
Land/Right of Way		
Design		
Construction	50,000	
<i>Total</i>	<i>50,000</i>	-

Funding Source:

City Reserves

Impact on Operating Budget:

There will be no additional maintenance impact on future operating budgets

Lions Park Improvements

Improvements to the park including new fencing, replacing a piece of play equipment and new playground surfacing.

<i>Lions Park Improvements</i>	2019	2020
Land/Right of Way		
Design		
Construction		55,000
<i>Total</i>	-	55,000

Funding Source:

City Reserves

Impact on Operating Budget:

There will no additional maintenance impact on future operating budgets

MIW Waterfront Park – North End Improvements

Improvements include sidewalk replacement and landscaping enhancements.

<i>MIW Waterfront Park</i>	2019	2020
Land/Right of Way		
Design		
Construction	20,000	
<i>Total</i>	20,000	-

Funding Source:

City Reserves

Impact on Operating Budget:

There will be limited maintenance impact on future operating budgets



MIW Park Restrooms Update (Before and After)

Morrow Manor Park

A new park on the west side of Poulsbo is to be developed around the natural landscape and will include benches, playground equipment, game tables, trails, and a shared use path. The park will support the growing residential development occurring.

<i>Morrow Manor Park</i>	2019	2020
Land/Right of Way		
Design		
Construction		556,184
<i>Total</i>	-	556,184

Funding Source:

Grants, Donations, City Reserves, and City Impact Fees

Impact on Operating Budget:

Future Impact on operational budgets will be approximately \$1,000 per year

Poulsbo's Fish Park

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.

<i>Poulsbo Fish Park</i>	2019	2020
Land/Right of Way		
Design	30,000	25,000
Construction	697,500	452,500
<i>Total</i>	727,500	477,500

Funding Source:

City Reserves, State Grants, Donations In-Kind

Impact on Operating Budget:

There will be maintenance impact on future operating budgets increasing approximately \$1,000/year

Transportation Projects

City-wide Safety Improvements

Improvements enhance pedestrian safety.

<i>City-Wide Safety Improvements</i>	2019	2020
Land/Right of Way		
Design		
Construction	250,000	
<i>Total</i>	<i>250,000</i>	-

Funding Source:

Grant Funded and Impact Fees

Impact on Operating Budget:

There will be no additional impacts to the operating budget

Local Neighborhood Road Maintenance Program

Funding is for a continuos pavement overlays scheduled through out the City to maintian a regular maintenance program.

<i>Local Neighborhood Roan Maintenance</i>	2019	2020
Land/Right of Way		
Design		
Construction	150,000	150,000
<i>Total</i>	<i>150,000</i>	<i>150,000</i>

Funding Source:

City Reserves

Impact on Operating Budget:

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

Noll Road Improvements Phase III

A project, spanning over several years, which will include purchase of ROWs for a new route to enter SR 305; a main thoroughfair through the City. Improvements will include a multi-level roundabout to provide safe traffic and pedestian access.

<i>Noll Road Improvements</i>	2019	2020
Land/Right of Way		
Design		340,000
Construction	3,010,000	7,620,000
<i>Total</i>	<i>3,010,000</i>	<i>7,960,000</i>

Funding Source:

City Impact Fees, Federal and State Grants, Non-Voted Bonds, REET, and City Reserves

Impact on Operating Budget:

There will be additional impact of approximately \$302,000 per year (beginning in 2020) for future debt payments

Sewer Projects

Kitsap County Lemolo Force Main Capacity

The City is working with Kitsap County to replace the existing Lemolo force main which is used for transmission to Kitsap County's treatment plant.

<i>Lemolo Force Main</i>	2019	2020
Land/Right of Way		
Design	200,000	
Construction		
Total	200,000	-

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

Design and construction of the Siphon located under Liberty Bay, which is the transmission main for Poulsbo's sewage to be transmitted to Kitsap County's treatment plant.

<i>Lemolo Siphon Phase 2</i>	2019	2020
Land/Right of Way	500,000	
Design	200,000	300,000
Construction		
Total	700,000	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 Solids Dewatering

Replace Kitsap County's outdated dewatering system. The amount is the City's share.

<i>Kitsap County Solid Dewatering System</i>	2019	2020
Land/Right of Way		
Design	43,600	
Construction	319,800	
Total	363,400	-

Funding Source:
Sewer Reserves

Impact on Operating Budget:

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

Kitsap County UV Upgrades

Replace Kitsap County's outdated disinfection system.

<i>Kitsap County UV Upgrades</i>	2019	2020
Land/Right of Way		
Design	40,000	
Construction	291,800	
Total	331,800	-

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

Construct sewer infrastructure improvements congruent with Noll Road development

<i>Noll Road Sewer Improvements</i>	2019	2020
Land/Right of Way		
Design		
Construction	210,000	500,000
Total	210,000	500,000

Funding Source:
Sewer Reserves

Impact on Operating Budget:

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

Pump Station Safety Improvements

Improve fall protection safety at all City pump stations

<i>Noll Road Sewer Improvements</i>	2019	2020
Land/Right of Way		
Design		
Construction	150,000	150,000
Total	150,000	150,000

Funding Source:
Sewer Reserves

Impact on Operating Budget:

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

Water Projects

Caldart Main

Replace approximate 1,800 feet of water main that runs from Caldart/Hostmark south to Raab Park.

<i>Caldart Main</i>	2019	2020
Land/Right of Way		
Design	10,000	
Construction	290,000	
Total	300,000	-

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

Water main improvements and replacement in conjunction with the large Noll Road transportation project.

<i>Noll Road Water Improvements</i>	2019	2020
Land/Right of Way		
Design		
Construction	200,000	550,000
Total	200,000	550,000

Funding Source:
Water Reserves

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

Raab Tank and Booster Station

Add a new booster pump to transfer water from the middle zone to the high zone.

<i>Raab Park Booster Station</i>	2019	2020
Land/Right of Way		
Design		
Construction	400,000	-
Total	400,000	-

Funding Source:
Water Reserves

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

Westside Well Improvements

A pump rehab and installation of a treatment facility for better water quality to remove the high manganese levels in water.

<i>Westside Well Improvements</i>	2019	2020
Land/Right of Way		
Design	150,000	
Construction	20,000	1,000,000
<i>Total</i>	<i>170,000</i>	<i>1,000,000</i>

Funding Source:

Water Reserves

Impact on Operating Budget:

There will be increases to the operating budget of approximately \$5,000 for the ongoing maintenance of the treatment facility

Wilderness Tank Retrofit

Retrofit and paint the 1M gallon tank located in Wilderness Park.

<i>Wilderness Tank Retrofit</i>	2019	2020
Land/Right of Way		
Design	80,000	
Construction	-	500,000
<i>Total</i>	<i>80,000</i>	<i>500,000</i>

Funding Source:

Water Reserves

Impact on Operating Budget:

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

Storm Drain Projects

Bjorgen Creek Culvert Replacement at Deer Run and Deer Run Pond Retrofit

Replace the existing undersized pipe under Bjorn Street to reduce possible flooding and allow for fish passage. Detention Pond at Deer Run will be enhanced to promote better stormwater pollutant removal.

<i>Bjorgen Creek Culvert Replacement</i>	2019	2020
Land/Right of Way		
Design	30,000	16,000
Construction	-	
<i>Total</i>	<i>30,000</i>	<i>16,000</i>

Funding Source:

Storm Drain Reserves, State Grants

Impact on Operating Budget:

There will not be any additional impact on the operating budget

Dogfish Creek Restoration

Project will help reduce flooding and improve the Creek appearance, as well as enhance Salmon migration upstream.

<i>Dogfish Creek Restoration</i>	2019	2020
Land/Right of Way		
Design	93,750	
Construction	190,400	500,000
<i>Total</i>	<i>284,150</i>	<i>500,000</i>

Funding Source:

Storm Drain Reserves, State Grants

Impact on Operating Budget:

There will not be any additional impacts on future operating budgets

Liberty Bay Bioretention

Install several biofiltration cells and various locations in the City.

<i>Dogfish Creek Restoration</i>	2019	2020
Land/Right of Way		
Design		
Construction	150,000	150,000
<i>Total</i>	<i>150,000</i>	<i>150,000</i>

Funding Source:

The project is grant funded

Impact on Operating Budget:

There will be minimal maintenance on the new cells which will be absorbed in the current operating budget

Noll Road Improvements Phase III – Including Direct Discharge, Storm LID retrofit and

Improvements in conjunction with the Noll Road transportation project spanning several years. Improvements will include constructing a basin for direct discharge, culvert replacement and LID retrofit.

<i>Noll Road Improvements</i>	2019	2020
Land/Right of Way		
Design	360,000	
Construction	490,000	500,000
<i>Total</i>	<i>850,000</i>	<i>500,000</i>

Funding Source:

State grants and City reserves

Impact on Operating Budget:

The basin for direct discharge will require additional maintenance. This may result in additional FTE for maintaining the overall increase in the number of stormwater basins

West Poulsbo Waterfront Park

A new waterfront parcel of land was purchased in 2018. Design for future construction of a regional treatment facility for discharge of stormwater on the west side of Poulsbo.

<i>West Poulsbo Waterfront Park</i>	2019	2020
Land/Right of Way		
Design	250,000	
Construction		
<i>Total</i>	<i>250,000</i>	-

Funding Source:

Storm Drain Reserves, State Grant

Impact on Operating Budget:

When constructed, the facility will require additional on-going maintenance. An increase in future maintenance technicians to address all new structures. The cost of a net FTE with benefits is slightly less than \$100,000.

LONG-TERM DEBT OBLIGATIONS AND DEBT CAPACITY

The 2019-2020 Budget has been developed in concert with an analysis of the City's long-term capital needs. The following page summarizes the City's current bond debt obligations and type of debt. While the City has various forms of debt, \$8,272,630 of this debt is of a GO Bond type.

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

1. The first limit is on the amount of GO 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 2019, the City's limit is \$28,117,699 of which the City has incurred \$8,407,630.
2. The second statutory limit is the amount of GO 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 2019, the City's limit is \$46,862,832, less any amount issued of non-voted debt.
3. The third limit allows a City to incur GO 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.

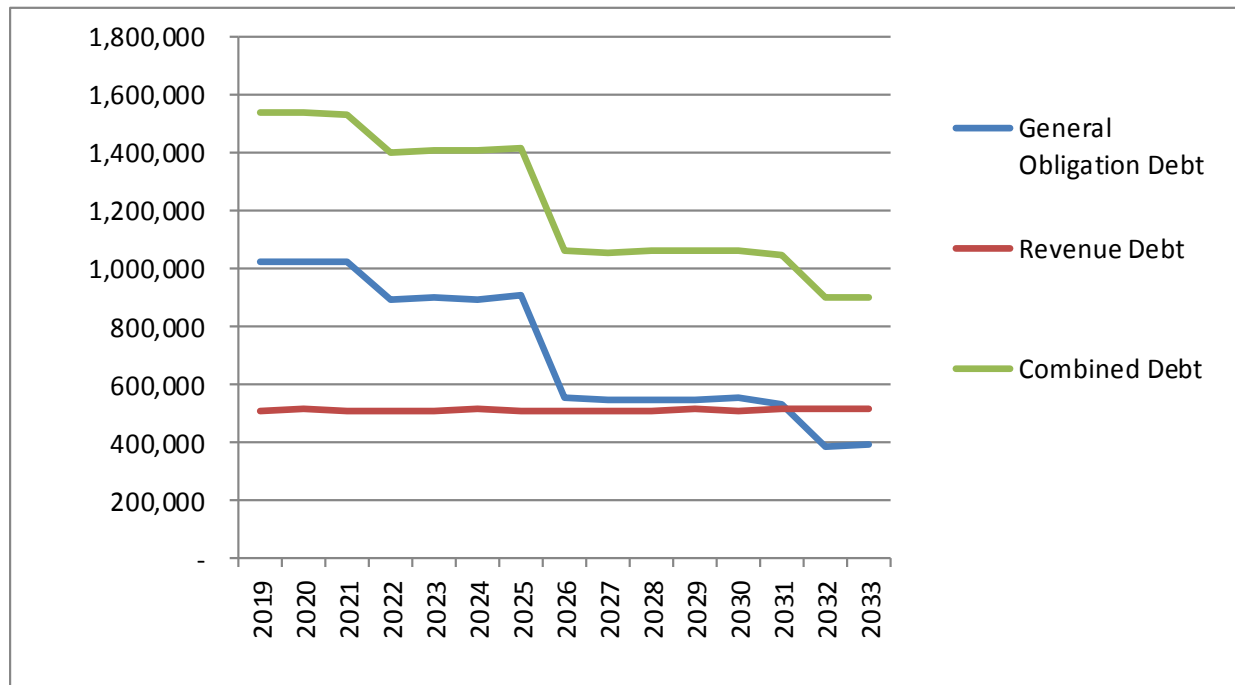
2019 BUDGET DEBT LIMIT

Project	Type	Duration	Interest Rate	Amount Issued	Outstanding
City Hall 2012	Non Voted	2012-2031	2%-3.5%	1,795,000	1,445,000
City Hall 2015	Non Voted	2009-2033	2% - 4%	7,320,000	6,410,000
Park & Rec	Non Voted	2010-2030	3.78%	310,000	210,000
2017 LOCAL Program Vehicle Purch	Non Voted	2017-2021	.4%-2%	460,000	342,630
				\$ 9,885,000	\$ 8,407,630
This Debt is controlled by assessed Valuation Debt Limits					
2019 Assessed Valuation \$ 1,874,513,276					
X 0.025	=	\$ 46,862,832	Limited for Combined Debt	Balance Available	\$ 38,455,202
X 0.02	=	\$ 28,117,699	Limited for Non-Voted Debt	Balance Available	\$ 19,710,069
Balance Available for Voted Debt				\$	18,745,133

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

DEBT SCHEDULE SUMMARY

Year	Principal	Interest	Total	Principal	Interest	Total
2019	703,685	320,556	1,024,241	225,000	286,400	511,400
2020	724,119	297,554	1,021,674	235,000	277,400	512,400
2021	749,825	268,806	1,018,631	245,000	265,650	510,650
2022	650,000	241,616	891,616	255,000	253,400	508,400
2023	680,000	216,635	896,635	270,000	240,650	510,650
2024	700,000	190,485	890,485	280,000	232,550	512,550
2025	740,000	163,163	903,163	290,000	221,350	511,350
2026	420,000	134,358	554,358	300,000	209,750	509,750
2027	430,000	118,375	548,375	310,000	197,750	507,750
2028	445,000	101,688	546,688	325,000	185,350	510,350
2029	465,000	84,400	549,400	340,000	172,350	512,350
2030	485,000	66,325	551,325	355,000	155,350	510,350
2031	485,000	47,925	532,925	375,000	137,600	512,600
2032	355,000	29,200	384,200	390,000	122,600	512,600
2033	375,000	15,000	390,000	405,000	107,000	512,000
2034	-	-	-	420,000	90,800	510,800
2035	-	-	-	435,000	74,000	509,000
2036	-	-	-	455,000	56,600	511,600
2037	-	-	-	470,000	38,400	508,400
2038	-	-	-	490,000	19,600	509,600
TOTAL	8,407,630	2,296,084	10,703,714	6,870,000	3,344,550	10,214,550





GENERAL FUND REVENUE (001)

The largest operating fund in the City is the General Fund. It provides the 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 second time 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 2019-2020 the General Fund Revenue operating budget, exclusive of beginning balance, is projected to be \$22,919,615.

VARIATIONS AND HIGHLIGHTS:

2019 operating revenue projection is \$11,339,783 which is an increase of \$ 475,029 over the 2018 figure. 2020 operating revenue projection is \$11,579,832 which is an increase of \$240,049 over the 2019 projection. Revenue budgets have been prepared conservatively, recognizing slight growth in areas and some reductions due to the trends the City is viewing. Increases combined with decreases provide a small overall increase. Below some of the variances have been detailed:

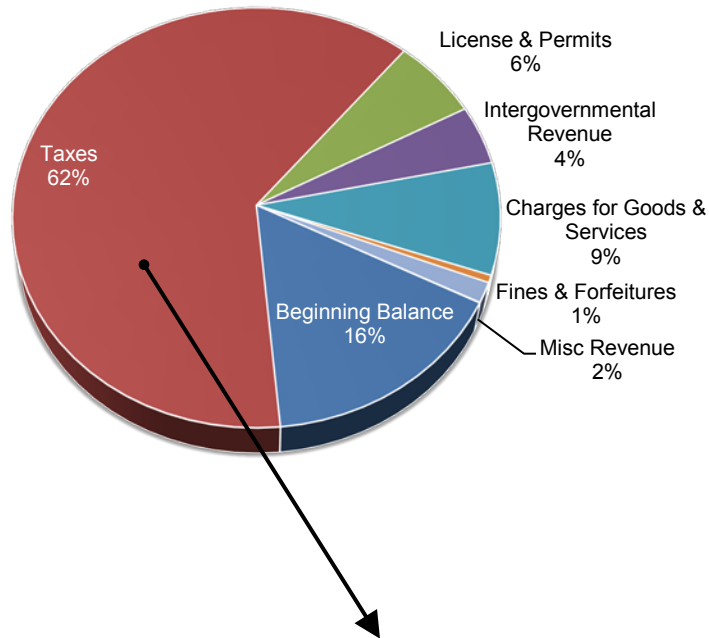
- Increase in Property Tax projection, due to increases in new construction and assessed values
- Increase in Sales Tax projection to be consistent with the amount collected in 2018 and reflecting future growth
- Increase in Grant Revenue due to procurement of a local mental health grant and other local contributions for interlocal sharing of the program
- Increase in local grants due to agreement with the Suquamish Tribe and NKSD for a School Resource Officer
- A slight decrease in developmental revenues
- 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.

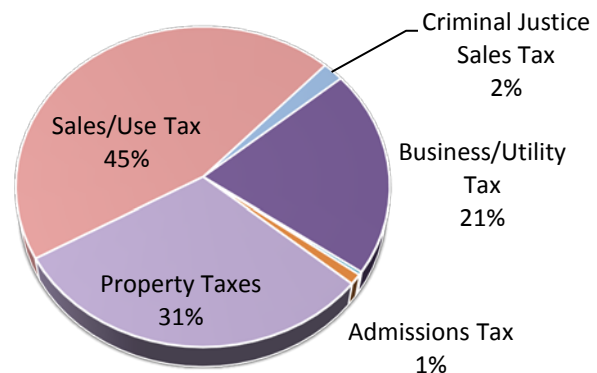
GENERAL FUND REVENUE ANALYSIS

The City'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 2019 and 2020.

2019 - 2020 General Fund Resources \$27,289,945



2019 - 2020 General Fund Tax Revenue \$17,041,818



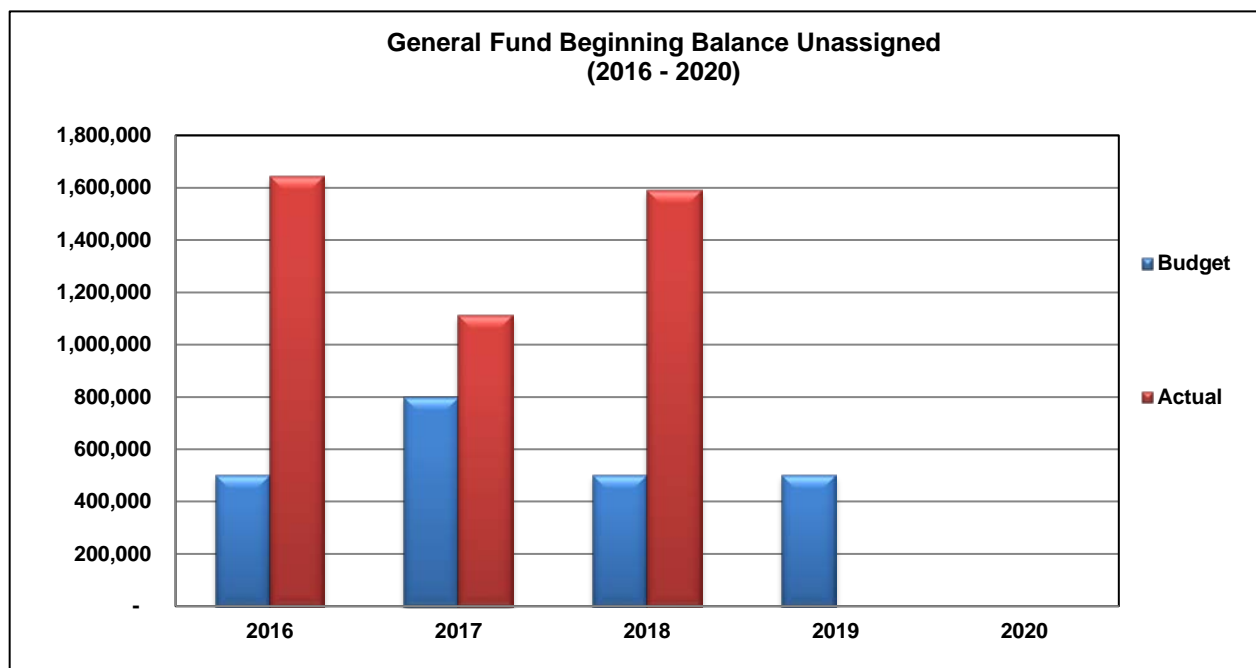
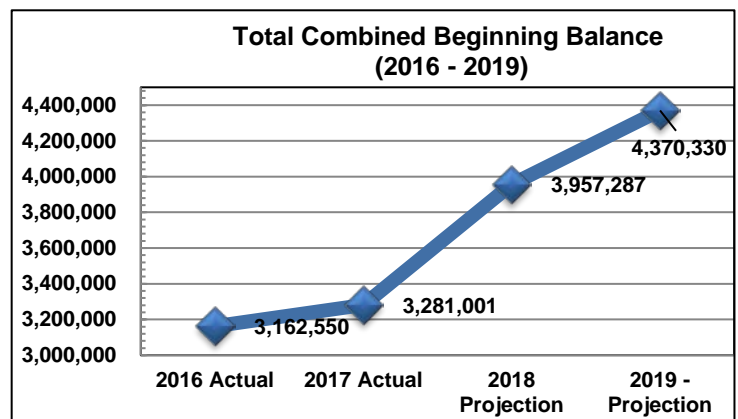
BEGINNING BALANCE:

The beginning balance represents funds reserved per City Council direction for revenue stabilization, legal reserves, future leave cash outs, public, educational, governmental (PEG) Fees and Substance Abuse programs, and unassigned (carryover, e.g. 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. Carryover funds have been used to fund current year program expenditures. Due to expenditures increasing at a faster pace than revenues and revenues reserved 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 due to expenditures being less than projected, but in 2018 much of the carryover 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.

The Beginning Balance is broken out and assigned per City Council and funding restrictions. The following breakdown is 2019 projections.

Beginning Balances	2019 Projections
Unassigned	500,000
Assigned - Revenue Stabilization	3,435,748
Assigned - Legal Reserves	225,000
Assigned Future Cash Outs	150,000
Assigned - PEG (Public Education Government Cable Channel) Fees	53,883
Assigned - Substance Abuse Programs	5,699
Total Beginning Balance	4,370,330



TAX REVENUE:

Taxes account for the largest revenue category in the general fund, generating 64% of General Fund's total resources, and 77% of the operating revenue. Because of this, the category receives a majority of the attention during the budget process.

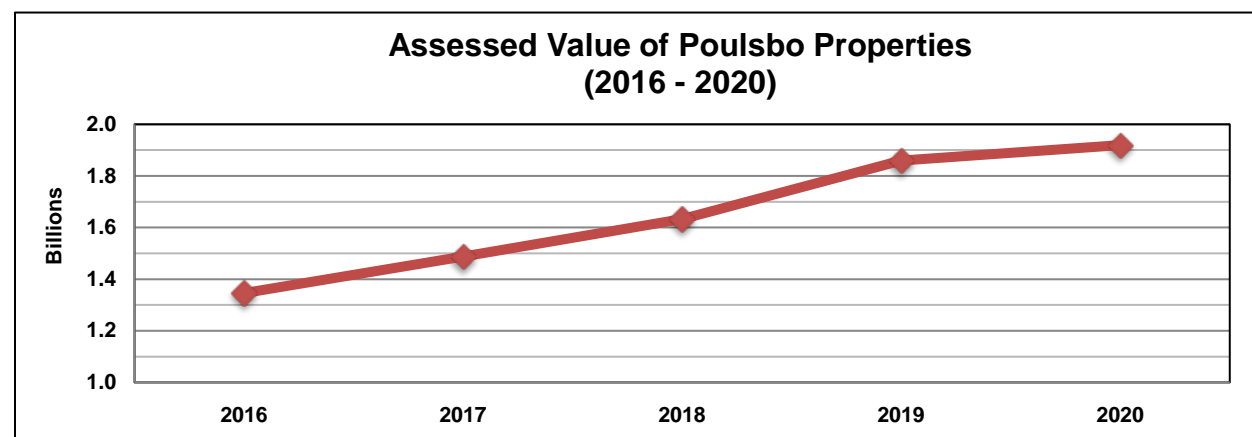
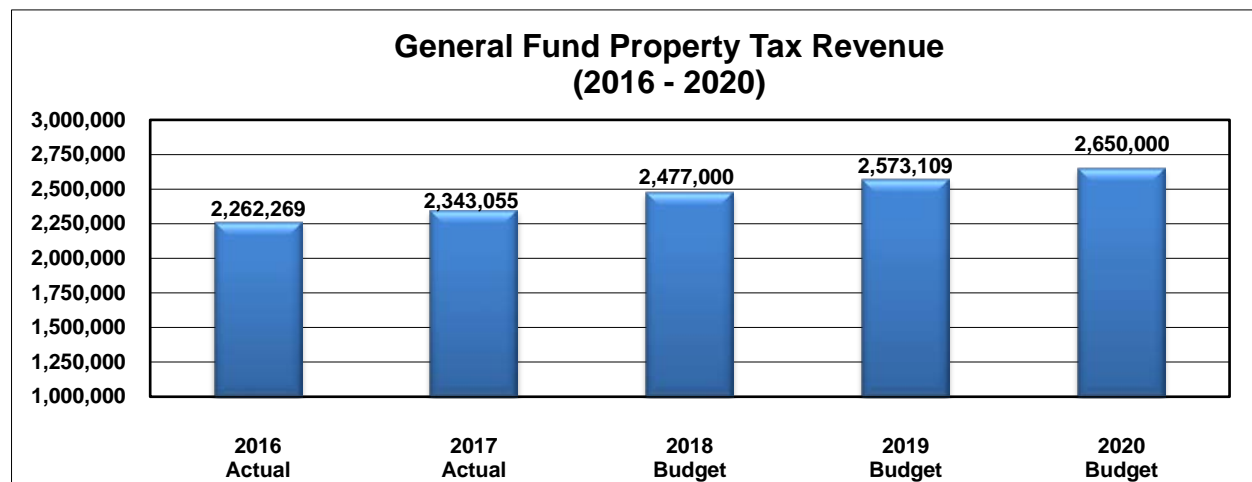
PROPERTY TAXES:

For 2019, the City will levy \$2,573,109 and projects a levy in 2020 of approximately \$2,650,000. 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 for July, increase over the prior highest allowable levy, plus amounts for new construction. For 2019, the implicit price deflator was higher than 1% so the City levied the 1% plus amounts for new construction.

The assessed value for 2019 reflects an increase of \$241 million or 14.79%. The City has several housing and multifamily developments which have completed construction. Continued construction is anticipated in 2019 and 2020. Developments currently under construction have pre-sold a large amount of their inventory. A continuous stream of permits submitted is a strong indicator of continued growth.

The property tax is a basis for transfers to support street operations, transportation capital improvements and park capital improvements. The 2019-20 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:

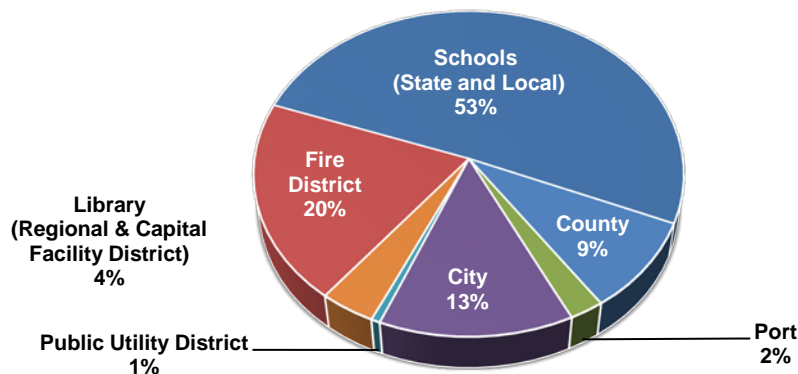
- 2% of property tax revenue to Street Reserves Fund (311) for capital street projects (\$112,000)
- 4% of property tax revenue to the Park Reserve Fund (302) for capital park projects (\$224,000)
- 6% of property tax revenue to Street Reserves Fund (311) for neighborhood restoration street projects (\$300,000)
- 25% of property tax revenue to City Street Fund (101) to meet the needs of street maintenance operations (\$1,350,000)



Year	Property Taxes*	Assessed Value	Rate
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	1.5798
2018	\$ 2,482,639	\$ 1,633,068,314	1.5202
2019	\$ 2,574,538	\$ 1,874,513,276	1.3734
2020	\$ 2,650,000	\$ 1,919,457,534	1.3806

*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 Kitsap County Assessor

City Property Tax Owners 2019 Property Tax Distribution



Properties located within the City limits are also taxed by other taxing jurisdictions. Information in this chart represents taxing jurisdictions' 2019 tax rates as provided by the Kitsap County Assessor's Office. The majority of property taxes go to the State and local schools. The City's property tax accounts for 13% of the total tax levied on properties located within the City limits.

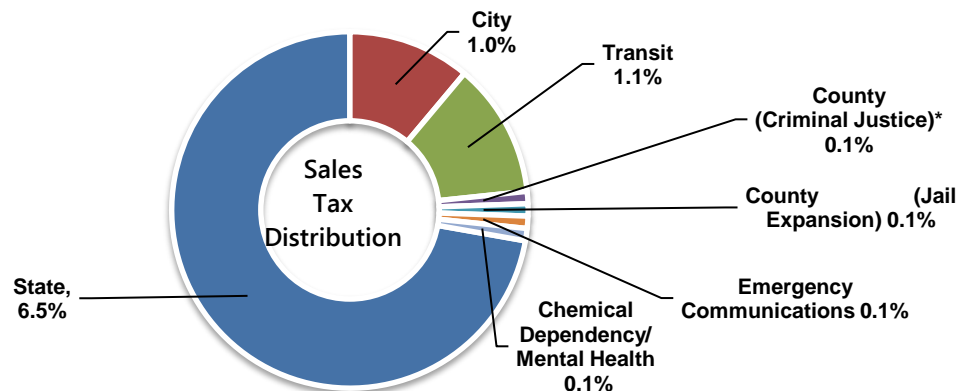
Taxes Paid On Home With An Assessed Value of \$300,000		
Taxing Jurisdiction	Tax Rate	Tax Paid
Schools (State & Local)	5.20	\$ 1,560
County	0.93	\$ 279
Port	0.24	\$ 73
City	1.37	\$ 412
PUD	0.06	\$ 19
Library (Regional)	0.39	\$ 118
Fire District #18 & EMS Levy	2.04	\$ 611
TOTAL	10.24	\$ 3,072

SALES TAXES:

The sales and use tax revenue, in contrast to property tax, is an unstable revenue source and is, therefore, 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 2019-2020 is conservatively estimated but consistent with the amount anticipated to have been collected in 2018. The estimate is more than 2018 projection but less than the actual amount collected in 2018. The revenue continues to remain fairly constant and is still producing the City's largest single source of revenue.

Sales tax is destination based and not where the transaction occurs. For example, materials shipped to Poulsbo will be reported as a Poulsbo transaction not at the point of distribution. Poulsbo will collect the related sales tax. Due to what is referred as the Wayfair Act requiring companies such as Amazon who allow multiple vendors to be represented on their website, now need to submit the sales tax and not the subsidiary companies who may not have NEXUS in the state of Washington. Poulsbo has seen a healthy increase in revenue due to the new ruling effective mid-2018.

Sales tax for transactions in Poulsbo has a 9% tax rate, however the City receives on 1% of this rate. The total sales tax collected for sales in Poulsbo is distributed as follows:



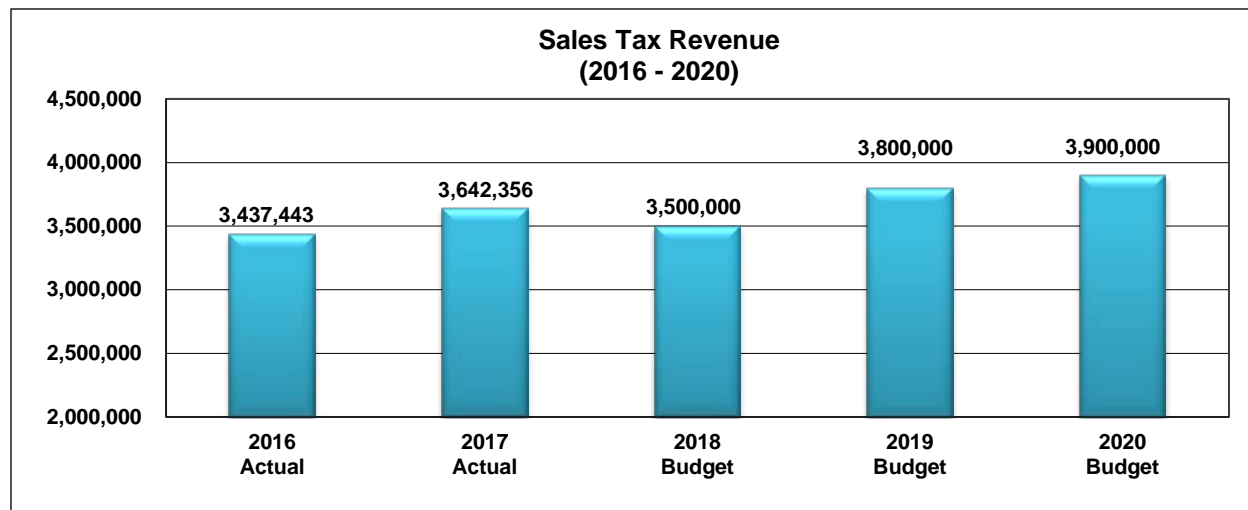
*The County keeps 10% of this revenue; the remaining 90% is distributed back to the cities located within the county, based on population.

Sales tax revenue is continuing to show increases, which are not attributed to one factor, but showing the City 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. There have been a few new retail establishments open in 2018, including a new gas station with mini market, nursery, and travel trailer dealership on Viking Avenue. 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. The projection for sales tax revenue for 2019-2020 is \$7,700,000 with projections for 2019 at \$3,800,000 and 2020 at \$3,900,000. This estimate is conservative but consistent with actual dollars generated in 2018.

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.

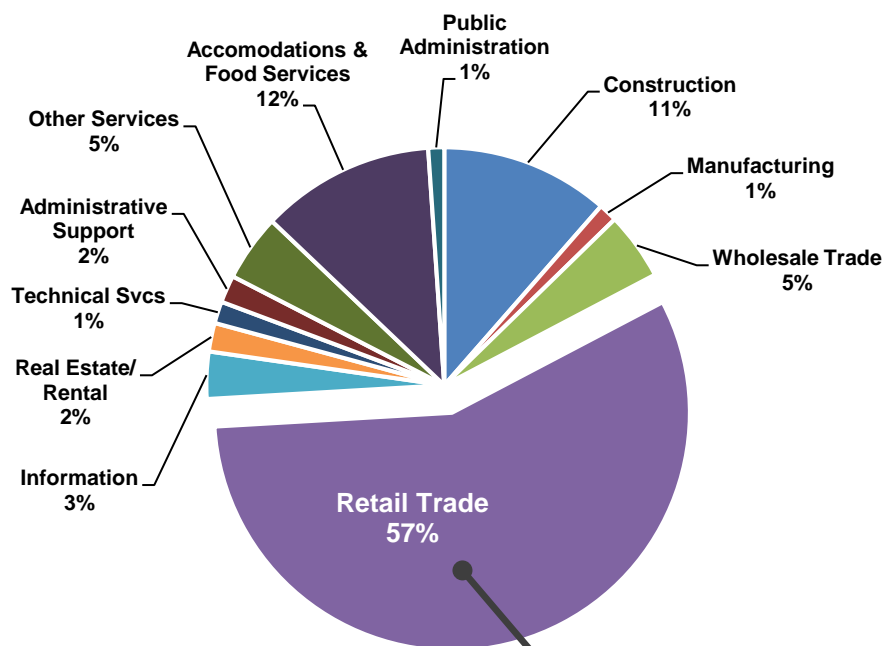
- 5% of the sales tax revenue is transferred to the Capital Equipment Acquisition Fund (301) for purchase of capital equipment then reduced by the amount to be retained in General Fund for a portion of the 2005 City Hall Debt and small tools purchases not in departmental budgets such as items not on replacement cycles (\$244,200).



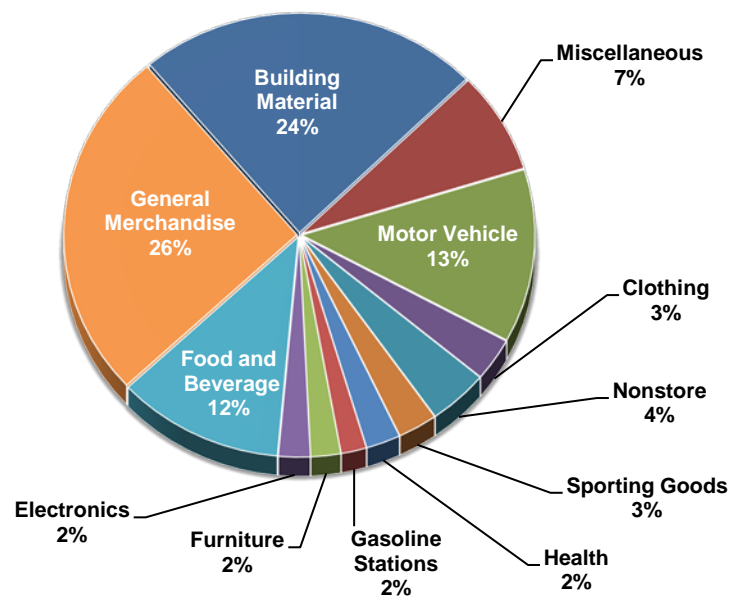
SALES TAX GROUP COMPARISONS BY SIC CODE					
TAX GROUP	2014	2015	2016	2017	2018
Agriculture	\$ 707	\$ 538	\$ 4,014	\$ 4,335	\$ 4,185
Mining	\$ 669	\$ 588	\$ 42	\$ 204	\$ 71
Utilities	\$ 3,111	\$ 3,208	\$ 2,808	\$ 2,924	\$ 4,152
Construction	\$ 321,642	\$ 300,845	\$ 343,544	\$ 420,653	\$ 585,113
Manufacturing	\$ 48,329	\$ 35,364	\$ 58,475	\$ 45,605	\$ 53,081
Wholesaling	\$ 118,184	\$ 130,935	\$ 162,513	\$ 164,216	\$ 197,853
Retail Trade	\$ 1,837,905	\$ 1,958,815	\$ 1,980,772	\$ 2,109,957	\$ 2,297,269
Transportation	\$ 1,999	\$ 2,698	\$ 4,640	\$ 4,280	\$ 4,185
Information	\$ 99,467	\$ 97,444	\$ 107,576	\$ 116,790	\$ 118,706
Finance & Insurance	\$ 11,864	\$ 13,096	\$ 15,838	\$ 15,416	\$ 16,769
Real Estate	\$ 54,896	\$ 57,107	\$ 65,965	\$ 70,449	\$ 73,200
Technical Services	\$ 42,904	\$ 46,197	\$ 51,787	\$ 53,810	\$ 64,847
Admin Support	\$ 43,695	\$ 51,877	\$ 57,511	\$ 67,643	\$ 115,895
Educational Svcs	\$ 4,711	\$ 5,945	\$ 5,446	\$ 3,684	\$ 4,200
Health Care	\$ 12,524	\$ 14,789	\$ 17,597	\$ 25,637	\$ 28,120
Arts, Entertainment	\$ 11,732	\$ 16,781	\$ 9,705	\$ 11,224	\$ 12,266
Accom & Food Svcs	\$ 329,048	\$ 362,579	\$ 404,238	\$ 430,016	\$ 453,404
Other Services	\$ 98,422	\$ 94,151	\$ 110,370	\$ 108,233	\$ 154,895
Public Administration	\$ 29,225	\$ 27,064	\$ 34,602	\$ 39,484	\$ 3,209
TOTAL	\$ 3,071,034	\$ 3,220,021	\$ 3,437,443	\$ 3,694,560	\$ 4,191,420

The majority of sales tax revenue (57%) is from Retail Trade. The next largest sales tax categories are Accommodations and Food Services (12%) and Construction (11%). 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 City 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.

2018 Sales and Use Tax Revenue By Standard Industrial Code



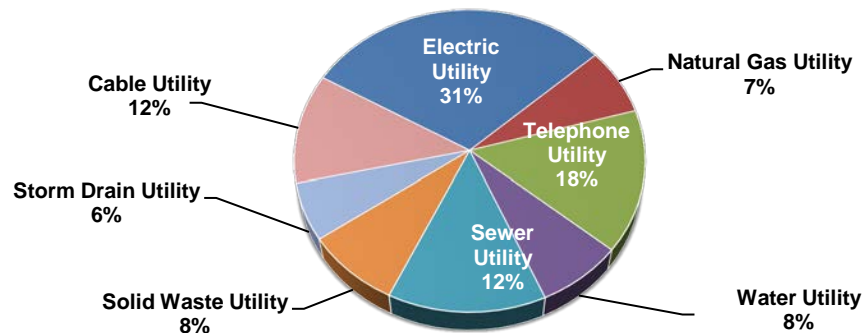
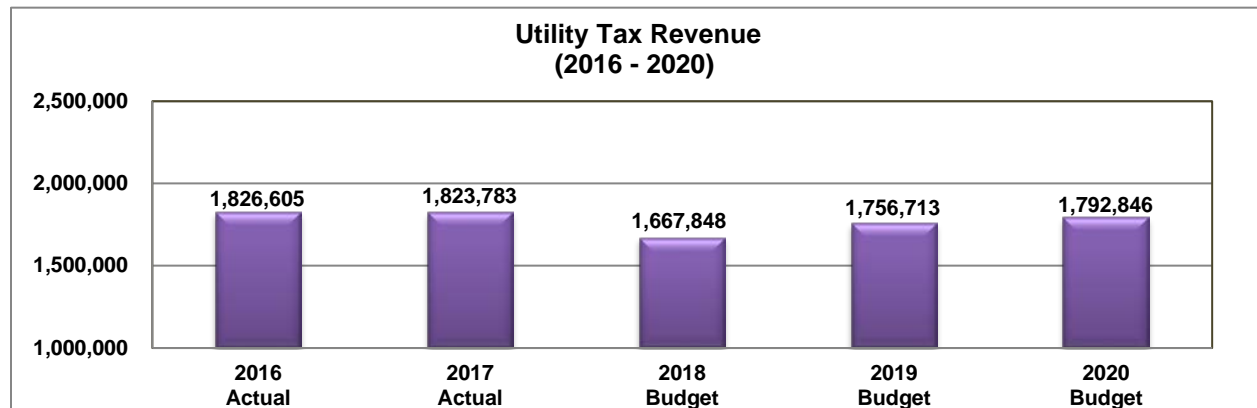
Detail of Sales Tax for Retail Trade Group

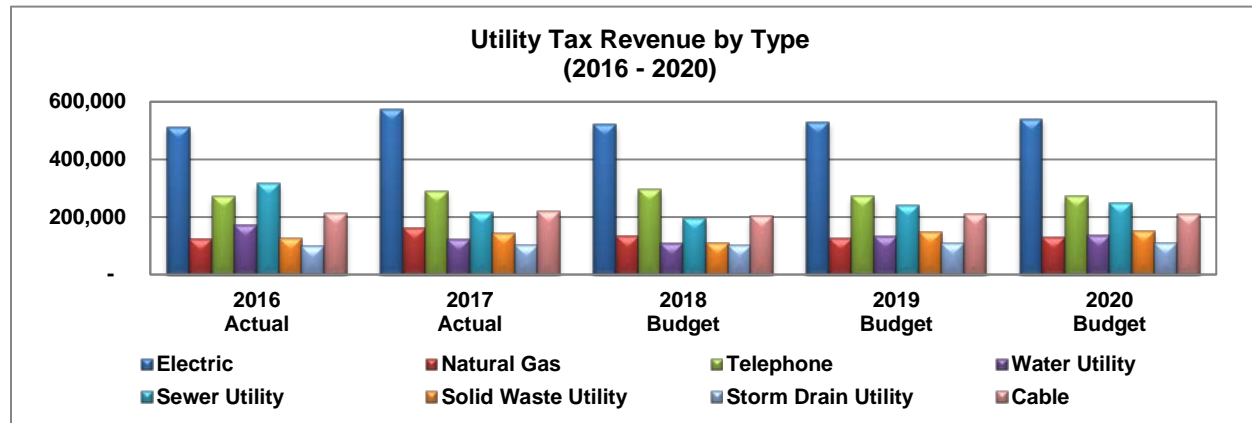


UTILITY TAXES:

Utility taxes are taxes applied to utilities providing services in the City including City-owned and privately-owned utilities. 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 from 6% - 12%. The 2019-2020 budget has been prepared all utility tax rates at 6% to be consistent with all other utility tax rates.

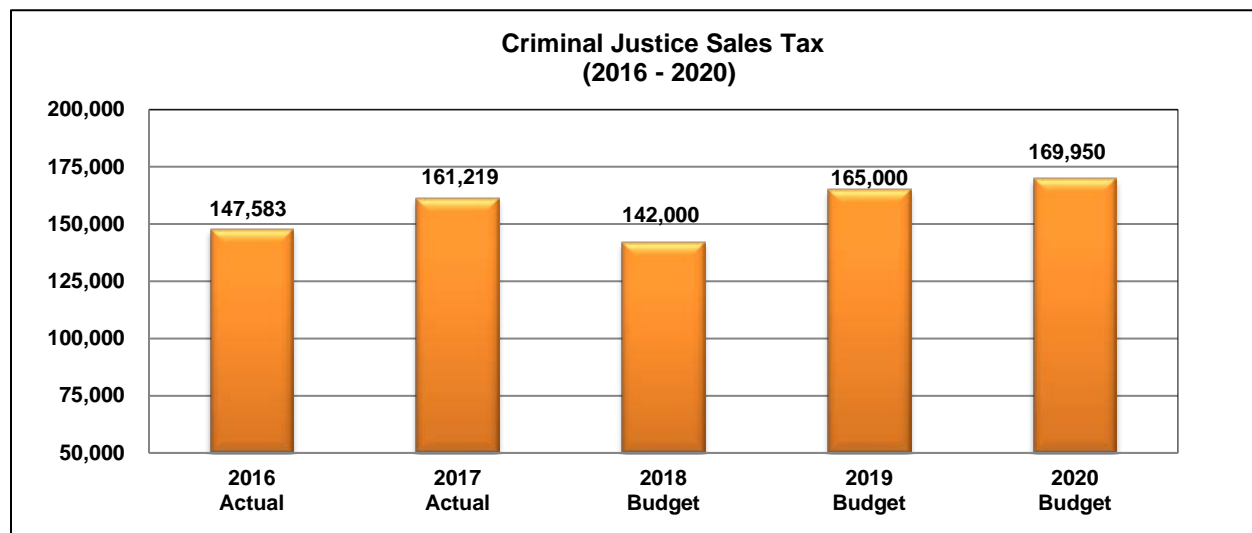
Type of Utility Tax	Tax Rate	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget
Cable Tax	6%	\$ 210,734	\$ 220,204	\$ 203,000	\$ 208,000	\$ 210,000
Electric Tax	6%	\$ 511,671	\$ 573,745	\$ 520,000	\$ 530,000	\$ 540,000
Natural Gas Tax	6%	\$ 123,264	\$ 158,892	\$ 132,000	\$ 125,000	\$ 130,000
Telephone Tax	6%	\$ 271,428	\$ 290,410	\$ 295,000	\$ 270,000	\$ 270,000
Water Utility Tax	6-9%	\$ 171,899	\$ 120,691	\$ 108,029	\$ 131,222	\$ 135,222
Sewer Utility Tax	6-9%	\$ 315,807	\$ 215,490	\$ 197,327	\$ 239,577	\$ 247,483
Solid Waste Utility Tax	6%	\$ 125,439	\$ 142,985	\$ 110,646	\$ 145,928	\$ 149,624
Storm Drain Utility Tax	6%	\$ 96,363	\$ 101,366	\$ 101,846	\$ 106,986	\$ 110,517
TOTAL		\$ 1,826,605	\$ 1,823,783	\$ 1,667,848	\$ 1,756,713	\$ 1,792,846

2019-2020 Utility Tax Revenue**Utility Tax Revenue
(2016 - 2020)**



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 a 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 and pull tabs, bingo and 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 forecasted conservatively.

LICENSE AND 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.

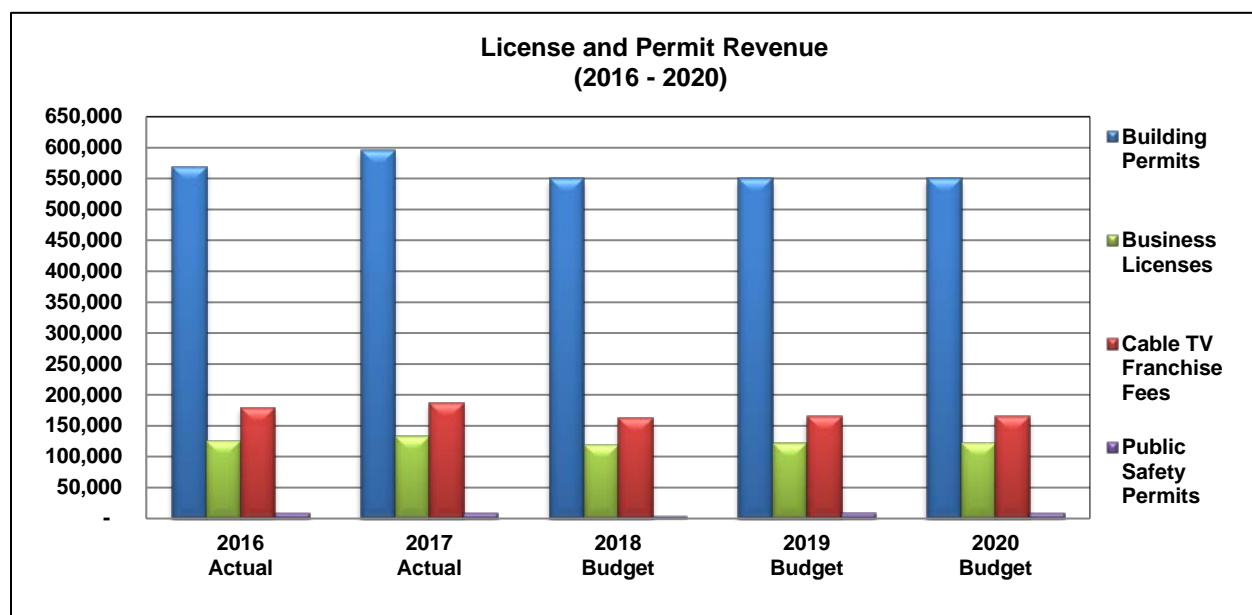
The largest source of the revenue is derived from building permit activities. Since this activity is dependent on new construction, it can be an unstable source of income. The 2019-2020 projections have stayed consistent with the prior year budget. The projections reflect continued strong growth and development through 2020. There was an increase in actual revenue collected in 2017 from past generated revenue that was not submitted. This was discovered during the franchise agreement update.

Cable TV Franchise Fee is 5% of gross revenue to the cable company providing service within the City limits. The 2019-2020 projections have been increased to reflect the historical trend and revenues anticipated to be collected.

Atonally, 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. In combination with a strong business community and the ease of using the new system to renew or apply for a City license at the same time as obtaining their state license, the number of license holders continues to grow. The projection for 2019-2020 does not anticipate a rate change but reflects conservative growth.

The remaining revenue is derived from those permits issued for Public Safety purposes; those being the City's alarm registration fees along with the City's portion of processing concealed pistol licenses and background checks through the Washington State Patrol.

Type of License/Permit	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget
Building Permits	\$ 570,110	\$ 595,383	\$ 550,000	\$ 550,000	\$ 550,000
Business Licenses	\$ 126,671	\$ 134,958	\$ 120,000	\$ 121,000	\$ 123,000
Cable TV Franchise Fees	\$ 180,072	\$ 234,531	\$ 163,750	\$ 165,200	\$ 165,200
Public Safety Permits	\$ 8,107	\$ 8,563	\$ 3,050	\$ 8,080	\$ 8,320



INTERGOVERNMENTAL REVENUE:

For 2019-2020 this category makes up 4% of total General Fund resources. This is an increase over prior years due to a grant and local contributions to fund the Behavioral/Mental Health program.

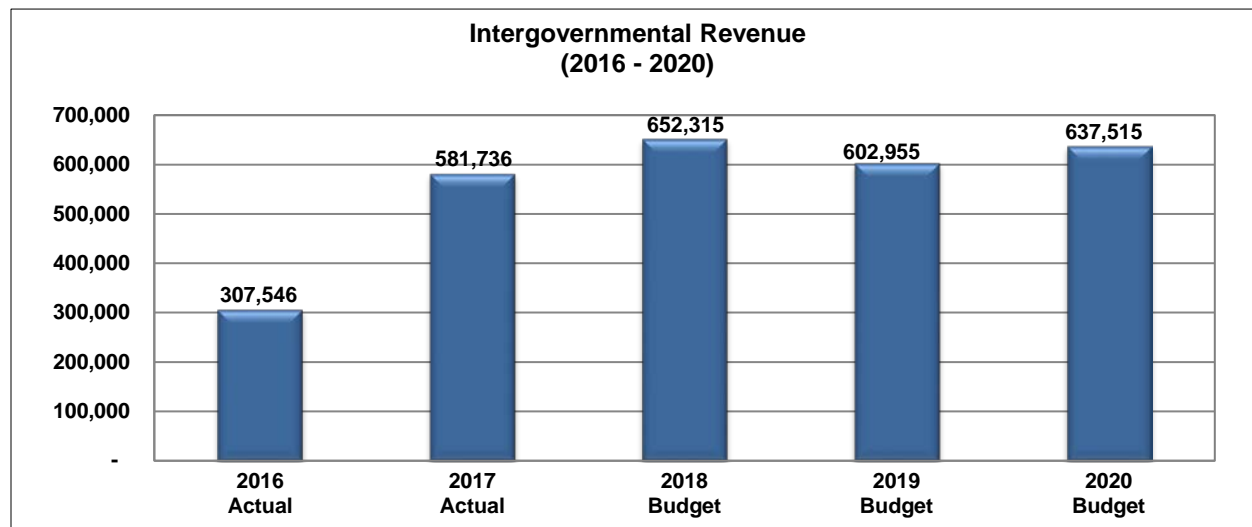
The state-shared revenues are provided on a state-prescribed formula based on population. Liquor Excise Taxes are generated from a state tax to consumers and restaurant licenses, and Liquor Board Profits are generated from permits, licenses and liquor store sales. Usually these revenues tend to be rather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

State Shared Revenues are the largest consistent revenue 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 2019-2020 a little more than \$35,000 is to be used for criminal justice.

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. The largest funding source since 2016 in the category is a grant from County to utilize the additional sales tax of 1% implemented in 2016 to support Mental Health programs. The City has developed a Behavioral Health program supporting and providing direct to resources for both law enforcement and court systems. An interlocal agreement with the NKSD to support funding of a School Resource Officer is accounted for in this category.

The grant has been awarded for 2019 and is anticipated in 2020 budget projections. The City will provide an additional \$60,000 from City funds and other surrounding agencies are matching the \$60,000 to have a fully funded program and provide matching dollars to the grant.



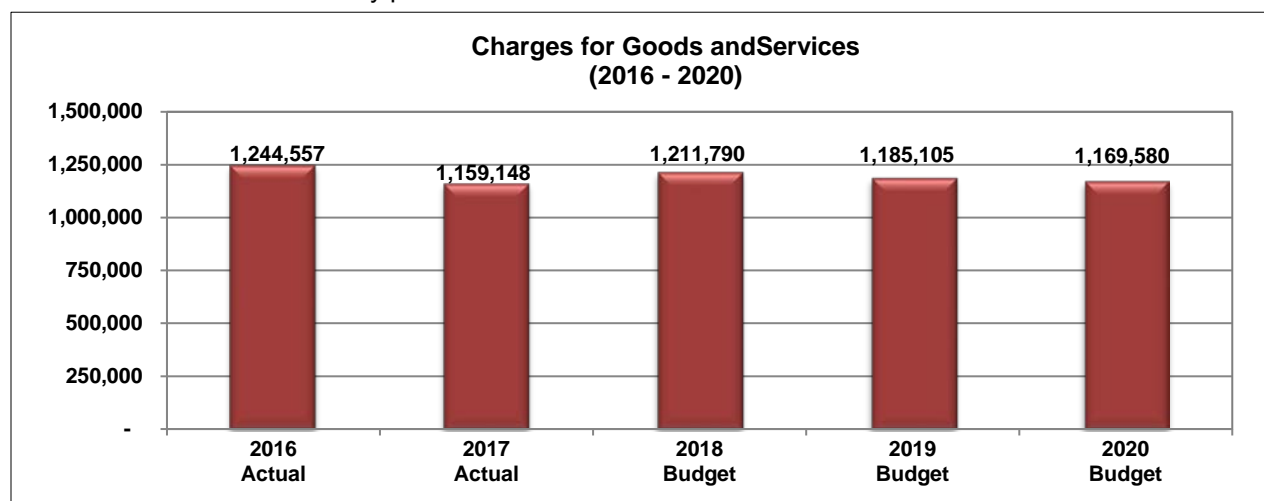
CHARGES FOR GOODS AND SERVICES REVENUE:

The Charges for Goods and Services revenue category makes up 9% 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.

Parks and Recreation fees are the largest fee generators in the category; primarily 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 2019-2020 projections have recognized a slight reduction seen in 2018 planning phases. Prior year's revenues had some large one-timed development fees reflecting in the revenue increase.

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



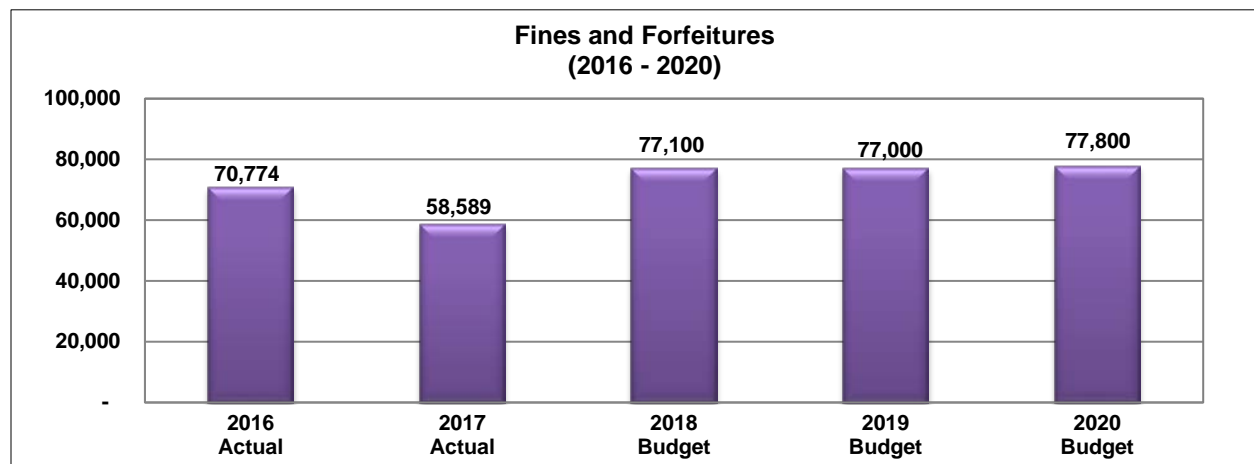
FINES and FORFEITURES REVENUE:

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 consistent source of revenue, various programs do affect this revenue. Parking infractions remain a constant source of revenue, however, there has been less emphasis in 2018, creating less revenue projected for 2019-2020.

Revenue in this category can fluctuate for different reasons such as defendants electing to perform within the 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, however, only 35% remains with the local jurisdiction. On the following page is a chart detailing the breakdown of how a \$136 ticket is distributed:

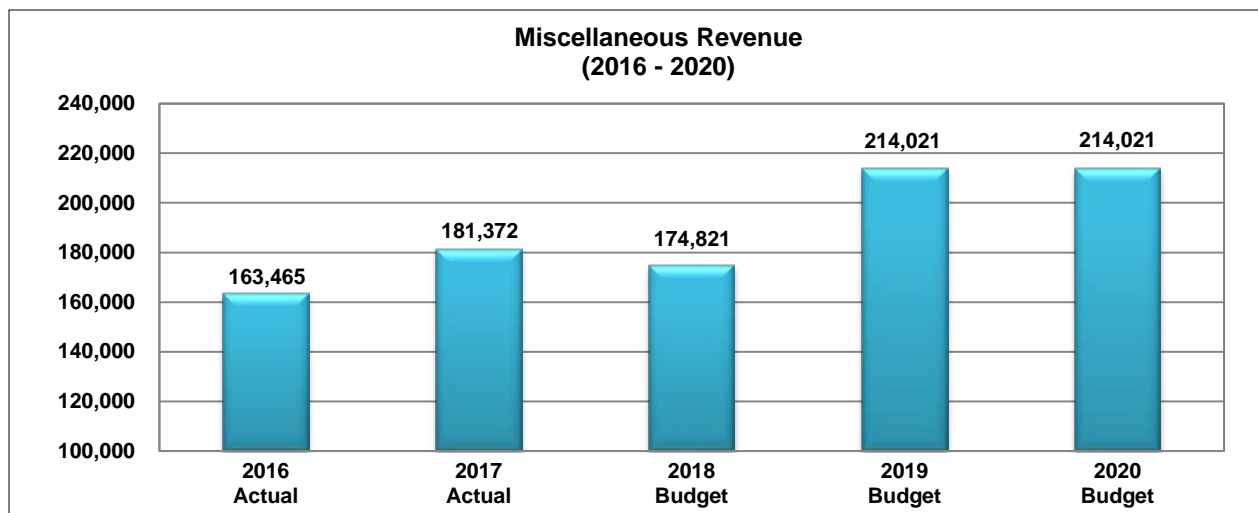
Breakdown of \$136 Traffic Citation		
Local Government	34.63%	\$47.10
Local Crime Victims Account	0.62%	\$0.84
State Public Safety & Education Account	35.34%	\$48.06
Judicial Information Systems Account	16.91%	\$23.00
Emergency Medical Services & Trauma Care Account	3.68%	\$5.00
Auto Theft Account	7.35%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



MISCELLANEOUS REVENUE:

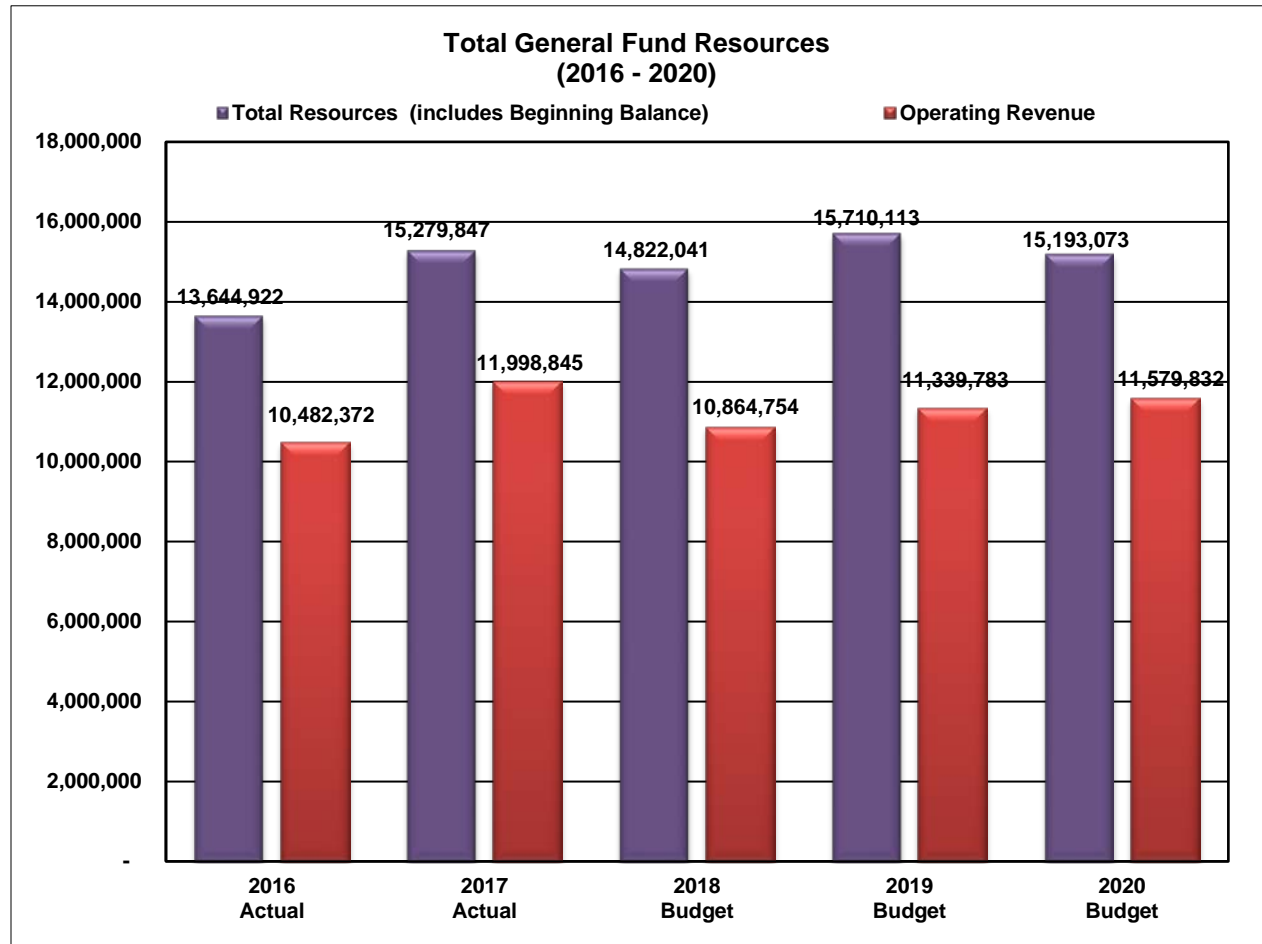
This revenue category generates 2% of all General Fund revenue. In the past, rental income and investment income were the major revenues in this category.

Other sources include donations and rental income for City space. The City Hall has conference rooms available for rent. Usage continues to increase. The City also rents the additional space in the City's Park and Recreation building. Investment income continues to see growth due to an increasing portfolio and improved interest rates. Projection for investment earnings have increased reflective the higher revenues collected in 2018.



OTHER FINANCING SOURCES REVENUE:

Other Financing Sources consist 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. No transfers have been planned in 2019-2020 and there are minimal projected revenues for sale of surplus property in 2019-2020.



GENERAL FUND REVENUE						
ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
BEGINNING BALANCE						
BEG BAL - ASSIGNED-REV STBLZ	1,294,110	1,949,924	2,099,574	3,435,748	3,435,748	3,435,748
BEG BAL - ASSIGNED-LEGAL RESV	224,494	225,000	225,000	225,000	225,000	225,000
BEG BAL - ASSIGNED-FUTURE CASH OUT	-	-	-	150,000	150,000	150,000
BEG BAL - UNASSIGNED	1,643,946	1,106,077	1,589,957	500,000	(272,289)	500,000
BEG BAL - RESTRICTED-PEG FEES	-	-	39,793	53,883	69,083	53,883
BEG BAL - RESTRICTED-SUBST ABUSE	-	-	2,963	5,699	5,699	5,699
TOTAL BEGINNING BALANCE	3,162,550	3,281,001	3,957,287	4,370,330	3,613,241	4,370,330
TAXES						
REAL & PERS PROP TAX	2,262,363	2,347,875	2,477,000	2,573,109	2,650,000	5,223,109
LOC RET SALES & USE TAX	3,437,443	3,694,558	3,500,000	3,800,000	3,900,000	7,700,000
CRIMINAL JUSTICE TAX	147,583	161,219	142,000	165,000	169,950	334,950
ELECTRIC UTIL TAX	511,671	573,745	520,000	530,000	540,000	1,070,000
WATER UTIL TAX	171,899	120,691	108,029	131,222	135,222	266,444
GAS UTIL TAX	123,264	158,892	132,000	125,000	130,000	255,000
SEWER UTIL TAX	315,807	215,490	197,327	239,577	247,483	487,060
SOLID WASTE UTIL TAX	125,439	142,985	110,646	145,928	149,624	295,552
CABLE UTILITY TAX	210,734	220,204	203,000	208,000	210,000	418,000
TELEPHONE TAX	271,428	290,410	295,000	270,000	270,000	540,000
STORM DRAIN UTIL TAX	96,363	101,366	101,846	106,986	110,517	217,503
PUNCH BOARD & PULL TAB TAX	1,945	3,533	2,000	2,000	2,000	4,000
BINGO & RAFFLES TAX	30	42	50	50	50	100
AMUSEMENT GAMES TAX	216	42	400	50	50	100
LEASHOLD EXCISE TAX	25,854	26,475	20,000	25,000	25,000	50,000
ADMISSIONS TAX	94,942	97,564	95,000	90,000	90,000	180,000
TOTAL TAXES	7,796,982	8,155,092	7,904,298	8,411,922	8,629,896	17,041,818
LICENSES & PERMITS						
POLICE & PROTCTV	8,107	8,563	3,050	8,050	8,290	16,340
PROF & OCCUPATIONS	45	-	30	30	30	60
CABLE TV FRANCHISE	180,072	234,531	163,750	165,200	165,200	330,400
OTHR BUS LICENSES	126,671	134,958	120,000	121,000	123,000	244,000
BLDG, STRCTR & EQUIP	570,110	595,383	550,000	550,000	550,000	1,100,000
TOTAL LICENSES & PERMITS	885,005	973,435	836,830	844,280	846,520	1,690,800

GENERAL FUND REVENUE						
ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
INTERGOVERNMENTAL						
FED HWY PLAN & CONSTR	-	-	-	-	-	-
FED-HWY SAFETY	10,272	2,303	3,000	-	-	-
FED-ALCOHOL TRAFF	-	-	-	-	-	-
FED-OCCU PROTECT	-	-	-	-	-	-
FED-PRIORITY SAFETY	1,666	-	-	-	-	-
FED-BOATING SAFETY	-	-	-	-	-	-
FED-DOJ JUV MNTL HLTH CP	-	-	2,039	-	-	-
ADMIN OFFICE OF COURTS	378	211	3,951	250	250	500
ST-TRAFFIC SAFECOM GRT	-	2,364	5,200	-	-	-
CTED GRANT	-	-	-	-	-	-
ST-RECORDS GRANT	-	-	41,100	-	-	-
CRIM JUSTICE-VLNT CRM/POPUL	2,741	2,925	2,918	3,581	3,781	7,362
DUI & OTHER CR JSTC ASST	1,551	1,547	-	-	-	-
LIQUOR/BEER EXCISE TAX	46,423	49,980	50,145	55,769	58,598	114,367
LIQUOR CNTRL BOARD PRFTS	85,712	86,202	86,662	88,536	89,176	177,712
KITSAP TRANSIT	-	-	-	-	-	-
SUQUAMISH TRIBE	-	28,000	-	20,000	-	20,000
NK SCHOOL DISTRICT	35,981	52,720	60,898	78,035	100,812	178,847
KITSAP CO - HUM SVCS	120,227	235,624	396,402	296,784	324,898	621,682
CITIES - HUM SVCS	-	-	-	60,000	60,000	120,000
NW MARINE TRADE	2,500	-	-	-	-	-
KITSAP CO - PLS LIBRARY CAP FAC	-	119,514	-	-	-	-
TOTAL INTERGOVERNMENTAL	307,451	581,390	652,315	602,955	637,515	1,240,470
CHARGE FOR SERVICES						
MUNI CT CIVIL FILINGS	196	369	100	275	350	625
MUNI CT ADMIN FEES	7,749	5,002	8,000	5,000	5,000	10,000
BUDGETING & ACCTG SRVCS	24,477	22,538	19,000	19,000	19,000	38,000
MUNI CT WORD PROC COPY SV	238	131	50	30	30	60
PUBLIC, PRINTING & OTHER	1,766	1,489	1,100	1,300	1,300	2,600
ENGINEERING SERVICES	68,392	127,944	90,000	90,000	90,000	180,000
LEGAL SERVICES	8,541	5,715	7,000	2,500	2,500	5,000
PASSPORT FEES	18,600	17,300	20,000	20,000	20,000	40,000
LAW ENFORCEMENT SVC	8,488	7,396	5,000	3,500	3,500	7,000
CFS DETENTION & CORR	112,774	101,717	110,000	115,000	115,000	230,000
PROTECTIVE INSPECTION FEE	8,514	14,916	16,250	15,000	15,000	30,000
EMERGENCY SVC FEE	2,349	2,023	1,000	2,000	2,000	4,000
ZONING & SUBDIVISION	152,795	91,925	130,000	100,000	75,000	175,000
PLAN CHECKING	354,622	245,322	270,000	270,000	270,000	540,000
COOP EXTENSION SVCS	61,408	72,438	60,600	66,000	68,000	134,000
ACTIVITY FEES	17,665	15,605	18,180	14,000	14,100	28,100
PROGRAM FEES	404,855	437,023	455,510	461,500	468,800	930,300
RESIDENTIAL FEE DISCOUNT	(8,872)	(9,705)	-	-	-	-
TOTAL CHARGE FOR SERVICES	1,244,557	1,159,148	1,211,790	1,185,105	1,169,580	2,354,685

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FINES & FORFEITURES						
PROOF OF MV INSURANCE	305	419	600	350	350	700
TRAFFIC INFRACTION PNLTYS	45,768	37,194	57,500	60,000	60,000	120,000
NON-TRAF INFR PENALTIES	638	868	100	600	650	1,250
CIVIL PARKING INFR PENALT	12,944	9,087	10,000	6,500	7,000	13,500
DUI FINES	525	675	750	750	750	1,500
NON-COURT FINES FORF PEN	-	186	-	-	-	-
OTHER CRM TRF MSD FINES	3,479	3,208	3,750	3,600	3,750	7,350
BOATING SAFETY FINES	2,838	2,527	1,000	1,000	1,000	2,000
INVSTGTVE FD ASSESSMNTS	1,706	1,878	1,000	1,700	1,700	3,400
OTHER CRM NON-TRF MSD FINES	2,344	1,836	2,000	2,100	2,200	4,300
PUB DFNSE COST RECOUP	226	712	400	400	400	800
TOTAL FINES & FORFEITURES	70,773	58,589	77,100	77,000	77,800	154,800
MISCELLANEOUS						
INVESTMENT INTEREST	61,038	111,881	79,000	115,000	115,000	230,000
GAIN (LOSSES) ON INVESTMENT	(6,925)	(43,000)	-	-	-	-
INTEREST ON RECEIVABLES	9,684	10,603	9,200	10,000	10,000	20,000
INTEREST ACCT REC MUNI CT	7,095	7,484	8,500	8,500	8,500	17,000
RENTALS LEASES & CONCESSION	56,550	55,291	60,121	60,021	60,021	120,042
CONTRIB & DONATIONS	11,842	19,602	4,000	5,000	5,000	10,000
SURPLUS SALES	3,187	6,759	-	2,500	2,500	5,000
JUDGMENTS & SETTLEMENTS	7,587	-	-	-	-	-
CASHIER OVERAGE/SHORTAGE	966	6	-	-	-	-
OTHR MISC REVENUE	11,148	12,746	14,000	13,000	13,000	26,000
TOTAL MISCELLANEOUS	162,171	181,372	174,821	214,021	214,021	428,042
OTHER FINANCING SOURCES						
PROC SALES OF CAPITAL ASSETS	7,649	5,113	5,100	4,500	4,500	9,000
COMP FOR LOSS INS RECOVERY	-	-	-	-	-	-
TRANSFERS IN	5,000	27,025	2,500	-	-	-
INSURANCE RECOVERIES	2,784	770	-	-	-	-
TOTAL OTHER FINANCING	15,433	32,908	7,600	4,500	4,500	9,000
PRIOR PERIOD ADJUSTMENT	-	856,912	-	-	-	-
TOTAL GENERAL FUND REVENUE	13,644,922	15,279,847	14,822,041	15,710,113	15,193,073	27,289,945

BASELINE BUDGET

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 2019 and 2020 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 Budgeting, Accounting and Reporting System, which governs the City's accounting procedures. Object level summarizes the expenditure into the following categories:

Salaries and Wages
Personnel Benefits
Supplies
Other Services and Charges
Capital Outlay
Debt Service: Principal
Debt Service: Interest and Related Costs
Interfund Payments for Services

CITY DEPARTMENT HEAD ORGANIZATION CHART



PROGRAM DESCRIPTION:

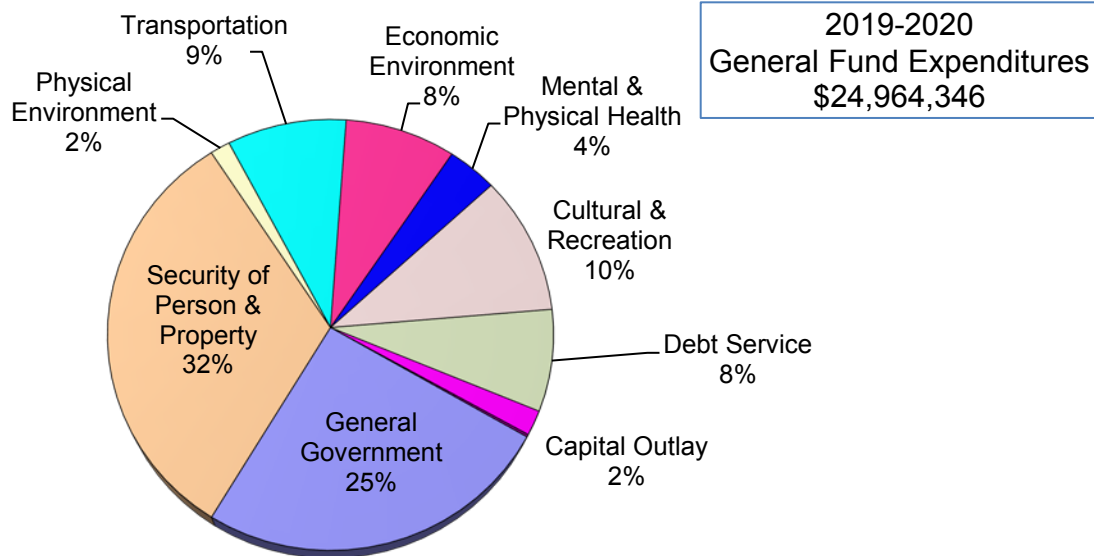
The General Fund is the City's largest component of the baseline budget, accounting for 30% of the total City budget. It provides funding for most of the operating services, programs, and employees of the City. The combined 2019-2020 Projected Budget for the General Fund totals \$24,964,328. In 2019, the projected total is \$12,096,872 and in 2020 the projected total is \$12,867,456. The General Fund Budget is divided into nine categories or functions. Those functions are: General Government, Public Safety, Utilities, Transportation, Natural and 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, the City Council, Municipal Court, as well as the Finance and Clerk Departments. These services are generally administrative in nature but include expenditures associated with Personnel, Information Services, and legal services. The Public Safety category includes Police and Detention and makes up approximately 34%.

2019 and 2020 PROGRAM HIGHLIGHTS:

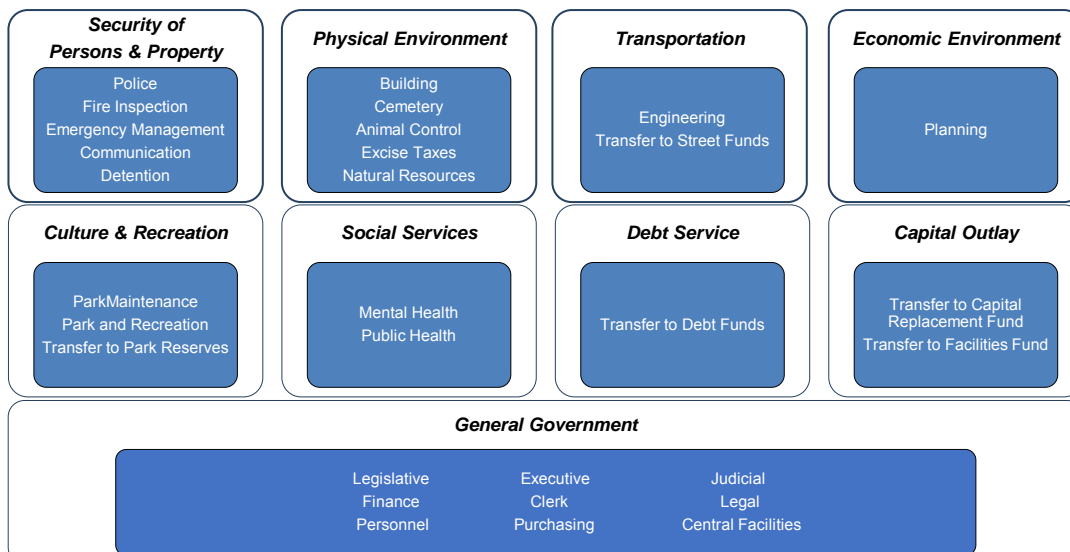
In year's past, the City's General Fund baseline budget has not significantly changed from one year to the next in terms of mix and levels of service provided. Departments submitted their 2019 and 2020 budgets at 2018 levels except for wages and benefits and other contractual obligations. Several additional funding requests were made in the form of BARs and NPRs. City Council reviews the requests during the budget process and items approved are incorporated into the final budget. The requests and funding summary are in Section 8 and 9.

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 2019-2020 budget.

In order to create a balanced budget, it is necessary to project use of City reserves in 2019 and 2020. The anticipation is that actual use will not be necessary, but the budget is adopted with the most conservative projections.



Function	2019 Amount	2020 Amount	Combined Percent
General Government	3,105,175	3,260,049	25%
Public Safety	3,951,475	4,126,599	33%
Utilities	164,785	192,124	1%
Transportation	1,087,736	1,148,922	9%
Natural and Economic Environment	1,043,041	1,067,181	8%
Social Services	451,782	480,873	4%
Culture and Recreation	1,265,704	1,344,783	10%
Debt Service	774,242	981,675	6%
Capital Outlay	252,950	265,250	2%
Total General Fund	12,096,890	12,867,456	100%





LEGISLATIVE AND EXECUTIVE DEPARTMENTS

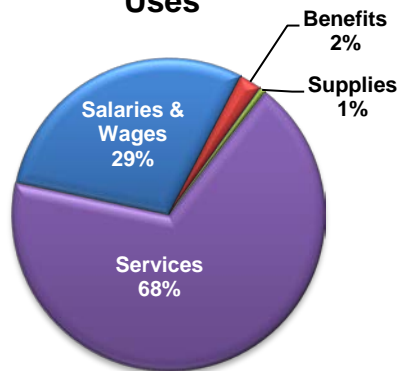
Legislative Mission:

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.

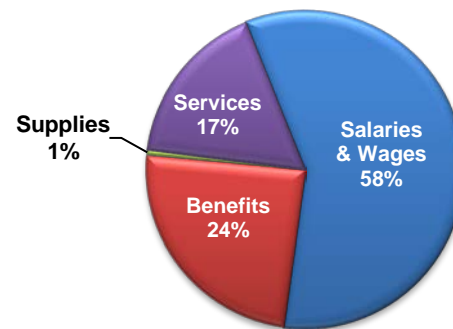
Executive Mission:

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**

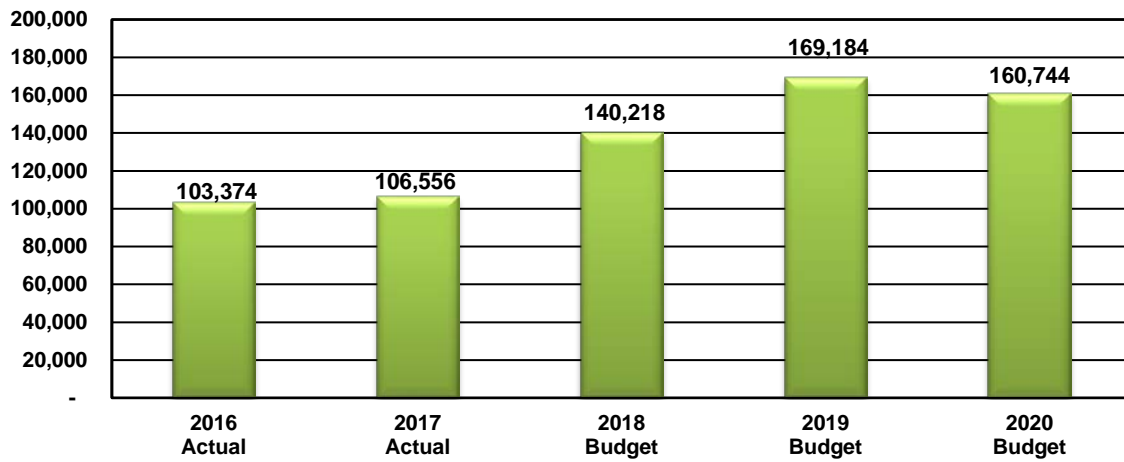
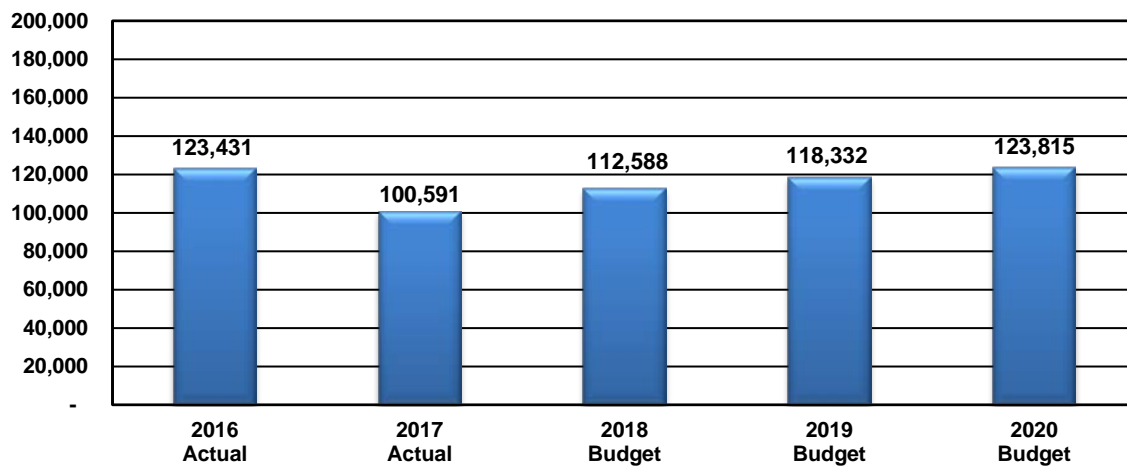


**Executive Department
Uses**

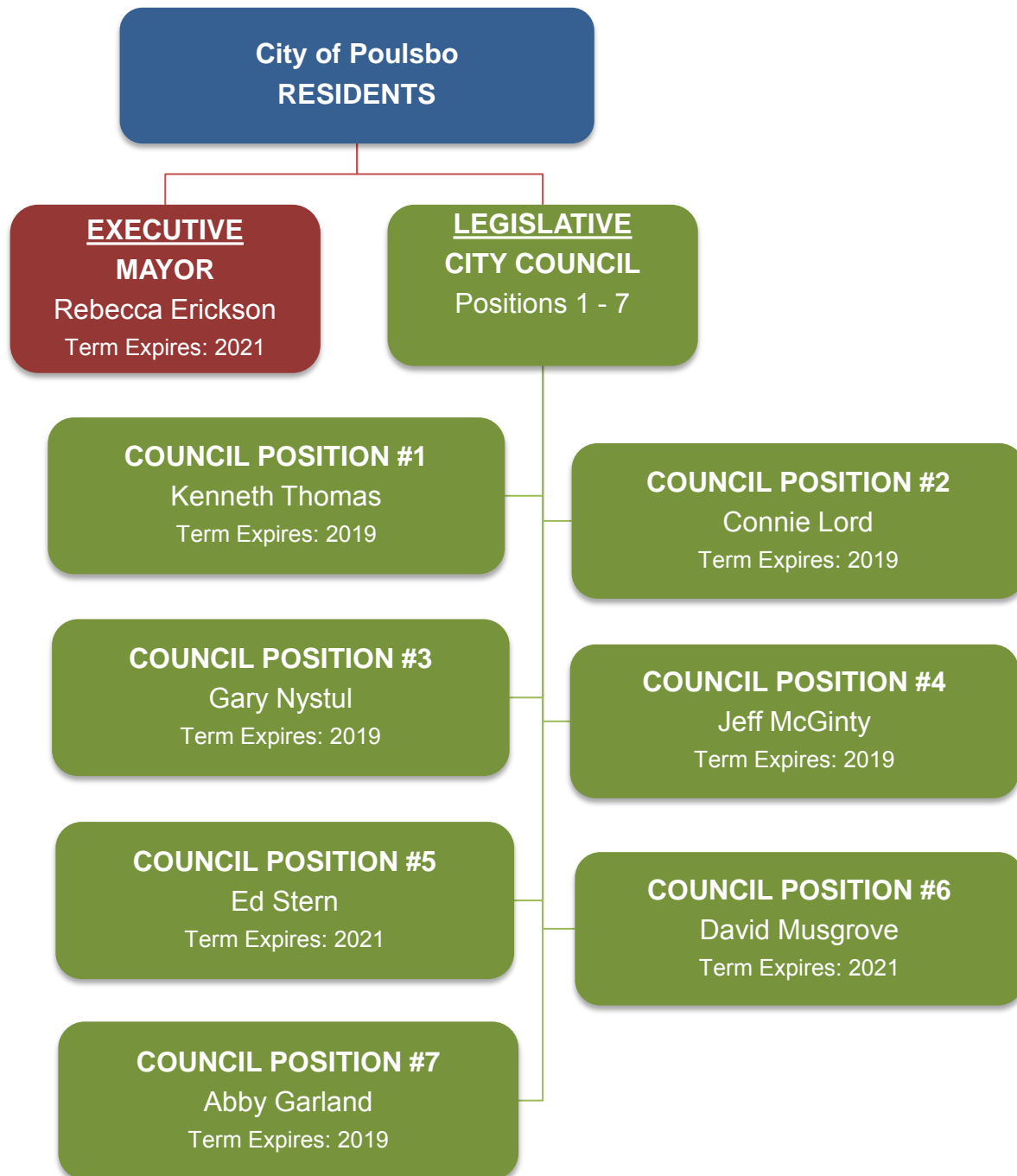


ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
LEGISLATIVE						
SALARIES	44,114	40,480	49,777	48,328	48,328	96,656
BENEFITS	3,431	3,140	3,968	3,814	3,841	7,655
SUPPLIES	258	206	1,030	1,030	1,030	2,060
OTHER SERVICES & CHARGES	55,571	62,730	85,443	116,012	107,545	223,557
TOTAL LEGISLATIVE	103,374	106,556	140,218	169,184	160,744	329,928

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
EXECUTIVE						
SALARIES	58,318	55,061	56,249	69,090	72,041	141,131
BENEFITS	25,501	24,679	25,749	28,115	30,647	58,762
SUPPLIES	70	453	700	700	700	1,400
OTHER SERVICES & CHARGES	39,542	20,398	29,890	20,427	20,427	40,854
TOTAL EXECUTIVE	123,431	100,591	112,588	118,332	123,815	242,147






**Legislative Department Budget
(2016 - 2020)****Executive Department Budget
(2016 - 2020)**

THE ORGANIZATION OF THE LEGISLATIVE AND EXECUTIVE DEPARTMENTS



CITY COUNCIL COMMITTEES

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

	Community Services Committee:		
	Meets 2nd Wednesday of the month at 4:00pm		
	Councilmembers:	Connie Lord	Kenneth Thomas Abby Garland
Considers matters related to the City's Park and Recreation Department, Poulsbo Library, and other community services and makes recommendations regarding Special Event permits; reviews use of the City's lodging tax revenue as recommended to City Council by the Lodging Tax Advisory Committee.			
	Economic Development Committee:		
	Meets 4th Wednesday of the month at 3:30pm		
	Councilmembers:	Connie Lord	David Musgrove Ed Stern
Considers matters relating to the City's Planning Department, business development, economic vitality and promotion of Poulsbo as a healthy city with a diverse business foundation.			
	Finance and Administration Committee:		
	Meets 1st and 3rd Wednesdays of the month at 5:00pm		
	Councilmembers:	Jeff McGinty	Ed Stern Kenneth Thomas
Considers matters related to the City's Departments for Clerk, Finance, Human Resources, Information Services, along with city audits, personnel issues and salaries and wages.			
	Public Safety and Legal Committee:		
	Meets 3rd Wednesday of the month at 4:00pm		
	Councilmembers:	Abby Garland	Jeff McGinty Gary Nystul
Considers matters related to the City's Departments for Police, Municipal Court, Prosecutor and Risk Management, along with claims against the City, reports from the City Attorney, review of draft ordinances and other legal matters.			
	Public Works Committee:		
	Meets 2nd and 4th Wednesday of the month at 5:00pm		
	Councilmembers:	Connie Lord	Gary Nystul David Musgrove
Considers matters related to the City's Departments for Engineering, Building and Public Works, along with facilities and utilities development, maintenance and repair and operations.			

City Council Liaison Assignments:

- **City/Suquamish Tribe Intergovernmental Committee:** Councilmembers Stern and McGinty
- **Historical Downtown Poulsbo Association:** Councilmember Lord
- **Kitsap Regional Coordinating Council (KRCC) Alternate:** Councilmember Stern
- **Lodging Tax Advisory Committee:** Councilmember Nystul
- **NKSD School Board:** Councilmember Thomas
- **Port of Poulsbo:** Councilmember Musgrove
- **Poulsbo Historical Society:** Mayor Erickson

LEGISLATIVE AND 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 City 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, City 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 oversees 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 City Council concerning financial and other needs of the City and makes recommendations for City 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.

2017-2018 PROGRAM ACCOMPLISHMENTS:

Executive

- Presented a balanced work program, created and implemented by city staff, for approval and adoption of the City Council. See legislative accomplishments
- Achieved a balanced budget while supporting increased revenue flows and reduced taxes
- Maintained public outreach through social media and weekly open office hours
- Promoted private investment with increased housing starts with Mountain Aire, Summerset, Antonson Place, Languanet, Westwood Crossing, Whitford Cottages, Halden's Glen, Crystal View and Caldart Heights subdivisions
- Viking Avenue revitalization continued with increased sales taxes generated, Sumner RV and Sound Brewery relocated, Omsted Nursery and Fishline were newly constructed, along with the Arendahl apartment construction on north Viking
- Supported new commercial investment with Vibe Co-Works and the new 8th Avenue building
- Facilitated Purchase and Sale Agreements for City properties including the old City Hall property and old Police Station with future apartments being developed on those sites
- Supported and fostered an active commercial rental market with a vibrant downtown Poulsbo
- Employment repositioning with hiring in our Police, Prosecution, Engineering and Clerk's Department
- Involved regionally in Housing Kitsap to help promote affordable housing and established affordable housing ad hoc committee
- Worked with the SR 305 multi-jurisdictional team to create policy for improvements to the state highway
- Worked with multijurisdictional groups to clean Liberty Bay and restore commercial shellfish harvesting

- Held regional board positions for Kitsap Transit, CENCOM, Department of Emergency Management, KRCC; including Executive Committee, PSRC, Vice Chair Transportation Policy Board and Executive Committee member, and appointed to Body Camera Task Force for the Washington State Legislature
- Worked with community service organizations in support of DV victims and extending a social safety net to our most needy, breaking ground for Morrow Manor; supportive housing for victims of DV, and the creation of the Nelson House with Coffee Oasis
- Created Behavioral Health Specialist Program with Kitsap County 1/10 of 1% Mental Health grant funding, hired three mental health specialists to work with the City's court and police department, and provided mental health services throughout Kitsap County

Legislative

- Completed the Pavement Preservation Demonstration Project
- Completed Solid Waste Utility business plan evaluation
- Conveyance of the Marine Science Center to WWU
- Adopted the Critical Areas Ordinance update, Land Division Ordinance update, and Commercial Districts Ordinance update
- Approved the Waterfront Restroom Project
- Approved lease for the Nelson Park Caretaker Services with Coffee Oasis
- Adopted Public Records Act Ordinance Update and approval of Public Records Act Policy Update
- Adopted an ordinance banning puppy mills
- Approved a City Lobbyist
- Accepted the West Poulsbo Waterfront Park grant and purchase of park property
- Approved the Street and Pedestrian Safety Plan
- Approved the Heritage Tree Program
- Issued Water and Sewer Revenue Bond
- Continued joint meetings with Suquamish Tribe, Kitsap County, City of Bainbridge Island, Port of Poulsbo and NKSD
- Continued review process of the Comprehensive Plan Update
- Continued Intergovernmental Relationship with Suquamish Tribe

2018 EXECUTIVE AND LEGISLATIVE ELECTIONS:

In January 2018, Mayor Rebecca Erickson was sworn into office after re-election, and Councilmembers Ed Stern and David Musgrove were sworn in to office after re-election to their respective Council Positions (#5 through #6). In February 2018, Councilmember Abby Garland was sworn in to office after appointment to the vacant Council Position #7.

2020 LEGISLATIVE AND EXECUTIVE ELECTIONS:

At the end of 2019, the term for Councilmembers in Council Position #'s 1, 2, 3, 4, and 7 will expire. The elections for these five positions will take place November 2019, with those elected being sworn-in in January 2020.

EXECUTIVE USES:

One NPR was approved for the 2019-2020 Budget for the Executive Department. The program will continue and expand the behavioral health program, providing support to the courts and police forces to provide resources for citizens with mental health, substance abuse, and housing challenges.

LEGISLATIVE USES:

One NPR was approved for the Legislative Department for the 2019-2020 Budget. The request was to provide ongoing funding for the annual membership dues to the National League of Cities, a resource for City leaders.

ADMINISTRATIVE SERVICES

City Clerk Personnel Information Services Risk Management / City Prosecutor Behavioral Health Outreach

CHIEF OPERATING OFFICER (Mayor) 1 FTE

Official and Ceremonial
Head of City

Oversees all Departments
and all Employees

Enforcement of all
Ordinances and
Regulations

Presides over all City
Council Meetings

City Clerk - (City Clerk) 1 FTE

Council Support Public Records Requests
Records Management
Business Licensing
City Ball Room Rent

Personnel - (Human Resources Manager) 1 FTE

Employee Recruitment
Benefits, Compensation and Training Coordination
Labor Relations
Labor and Industries Liaison

Information Services - (IT Manager) 1.5 FTE

Information Services
Hardware and Software Management
Wide Area Network

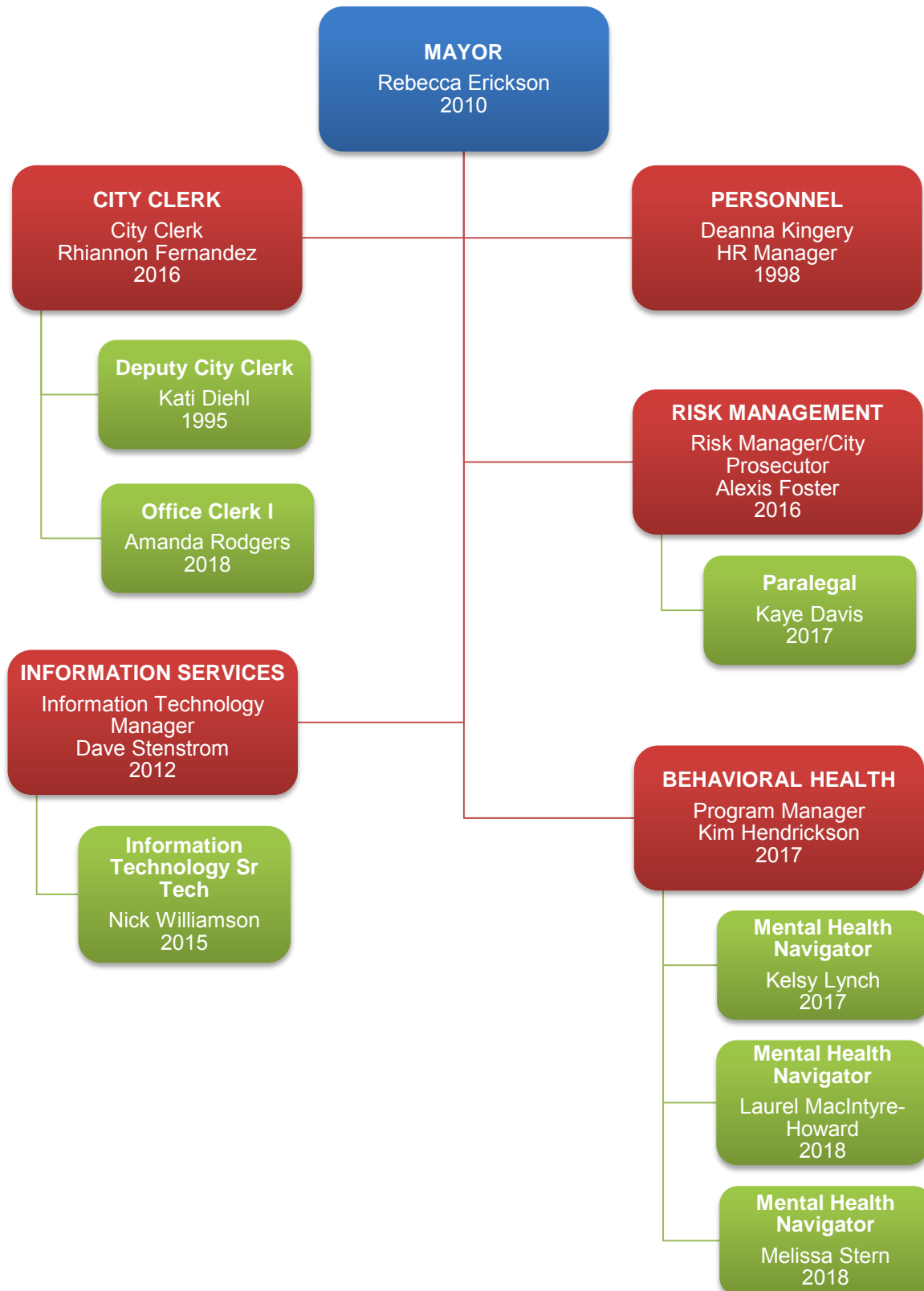
Risk Managment/City Prosecutor - (Risk Manager/City Prosecutor) 2 FTE

Assessment of Risk Exposure WCIA Delegate
Prosecute infractions, misdemeanors,
and gross misdemeanors

Behavioral Health Outreach - (Behavioral Health Program Manager) 4 FTE

Point 1
Point 2
Point 3

THE ORGANIZATION OF THE ADMINISTRATIVE SERVICES DEPARTMENTS

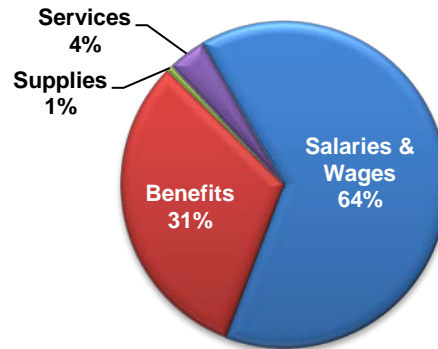


CLERK'S DEPARTMENT

Mission Statement:

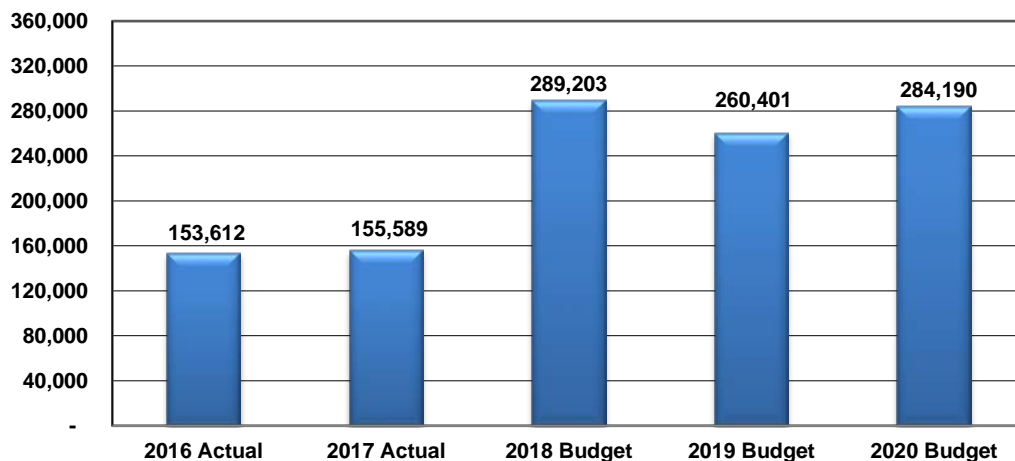
We, the members of the Clerk's Department, are committed to rendering neutral, impartial, considerate and equal service to all citizens as well as recording the truth and preserving all records entrusted to us.

Clerk's Department Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
CLERKS						
SALARIES	99,277	104,307	158,460	167,206	182,106	349,312
BENEFITS	45,772	46,726	77,764	81,437	90,326	171,763
SUPPLIES	1,793	2,034	1,650	1,650	1,650	3,300
OTHER SERVICES & CHARGES	6,770	2,522	51,329	10,108	10,108	20,216
TOTAL CLERKS	153,612	155,589	289,203	260,401	284,190	544,591

Clerks Department Budget (2016 - 2020)



CLERK'S 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 PMC; 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 City Council agendas; 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, and contracts/agreements
- Processing real property documents and lawsuits
- Telephone answering; and city mail processing and distribution
- Overseeing the municipal website and managing information for the Executive, Legislative, and Clerk Department portions of the City's web page
- Creating and publishing the monthly City E-newsletter
- Coordinating special event applications and city services requested
- Handling City Hall meeting room rentals and reservations
- Coordinating and processing public records requests
- Providing records retention instruction, storage, microfilming, access and notary services

STAFFING LEVEL:

The Clerk's Department consists of 3 FTE positions. One full-time City Clerk, one full-time Deputy City Clerk, and one full-time Office Clerk 1.

The Office Clerk 1 position was newly approved beginning in 2018 as a New Program Request, recognizing 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 0.5 FTE of their salary allocated to the function of Business Licensing.

2017-18 PROGRAM ACCOMPLISHMENTS:

- Created a contract database for all city contracts
- Created a social media policy
- Updated the public records request ordinance and fee schedule resolution
- Created a City Facebook page
- Implemented ArchiveSocial software for capturing city social media posts for City Hall, Parks and Recreation, and the Mayor
- Facilitated the City-wide implementation of NextRequest Public Records Software, streamlining the public records process
- Implemented a Laserfiche Record Management System, an enterprise content management system with records retention module and web portal
- Updated the Business License Ordinance to remain compliant with new state legislation
- Served as President to Olympic Regional Municipal Clerks Association
- Continued to monitor and administer City Hall Facility Use Guidelines and Application process and facilitated meetings for non-profits, governmental agencies and private rentals

CLERKS DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
ADMINISTRATIVE SERVICES					
Active Business Licenses	1,944	2,136	2,261	2,050	2,050
Business License Revenue	\$ 131,762	\$ 133,690	\$ 127,086	\$ 123,000	\$ 127,000
City Hall Conference Room Reservations	800	672	741	700	700
City Hall Conference Room Revenue	\$ 1,130	\$ 1,250	\$ 2,780	\$ 1,400	\$ 1,400
Complaints Received	113	174	147	185	190
E-Newsletters Distributed	6,210	7,824	9,252	9,300	9,500
Notary Revenue	\$ 1,095	\$ 1,170	\$ 1,315	\$ 1,230	\$ 1,260
Signatures Notarized	141	172	207	180	185
Web Page Updates	185	245	258	255	260
LEGISLATIVE SUPPORT SERVICES					
Council Meetings Staffed	40	35	41	38	38
Finance Committee Meetings Staffed	27	22	24	24	24
Ordinances Processed	23	24	27	27	28
Pages of Meeting Minutes Processed	342	339	408	410	410
Pages of Ordinances Codified	254	326	256	250	250
Resolutions Processed	25	18	14	18	18
RECORDS MANAGEMENT					
Archives - Record Retrievals	60	63	65	65	60
Archives - Total Boxes Received & Transferred	75	32	49	0	0
Boxes Submitted for Destruction	75	53	42	60	65
Boxes Transferred to Reg Archivist	15	0	0	30	30
Public Records Requests	275	304	624	650	700

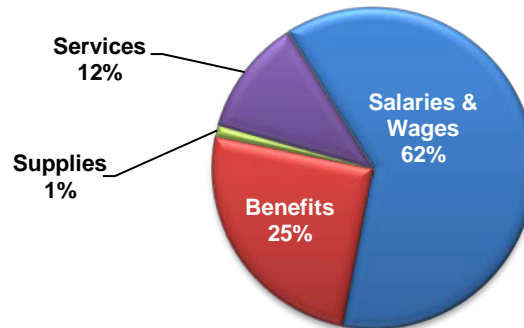


PERSONNEL DEPARTMENT

Mission Statement:

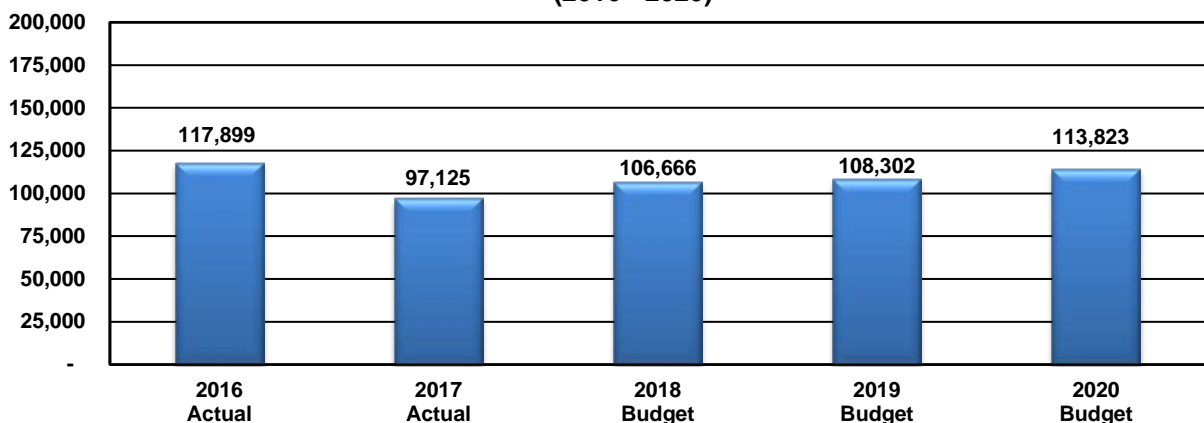
The Personnel Section serves the interests of the City by supporting, developing, and protecting its most valuable resource-people. Personnel will provide guidance in the development, implementation, and equitable administration of policies and procedures, thus fostering a positive work environment.

Personnel Department Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
PERSONNEL						
SALARIES	65,048	61,871	65,976	67,310	70,284	137,594
BENEFITS	25,899	24,523	26,112	26,669	29,216	55,885
SUPPLIES	900	373	1,250	1,250	1,250	2,500
OTHER SERVICES & CHARGES	26,051	10,358	13,328	13,073	13,073	26,146
TOTAL PERSONNEL	117,898	97,125	106,666	108,302	113,823	222,125

Personnel Department Budget (2016 - 2020)



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

STAFFING LEVEL:

The Personnel Department consists of 1 FTE position, Human Resources Manager.

2017-2018 PROGRAM ACCOMPLISHMENTS:

Assisted the following departments with filling open positions:

- **Behavioral Health Program:** Navigators
- **Building:** Building Inspector
- **Clerk:** Office Clerk
- **Engineering:** Civil Engineer and Engineering Senior Technician
- **Finance:** Accounting Technician and Senior Budget Accountant
- **Municipal Court:** Judicial Specialist
- **Police:** Administrative Services Manager, Deputy Chief, Police Officers, Community Services/Code Enforcement Officer, and Sergeant promotional process
- **Prosecutor:** Paralegal
- **Public Works:** Maintenance Technician

2019-2020 PROGRAM USES:

The budget includes costs associated with the hiring of personnel, including police civil service costs. Some training for City employees is 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 Association of Washington Cities (AWC) Labor Relations Institute and other pertinent personnel-related seminars.

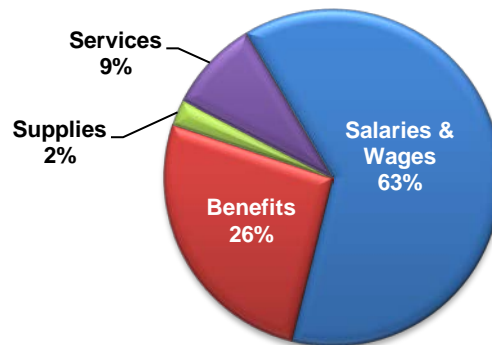
PERSONNEL DEPARTMENT PERFORMANCE MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of approved L&I claims	7	10	8	8	8

INFORMATION SERVICES DEPARTMENT

Mission Statement:

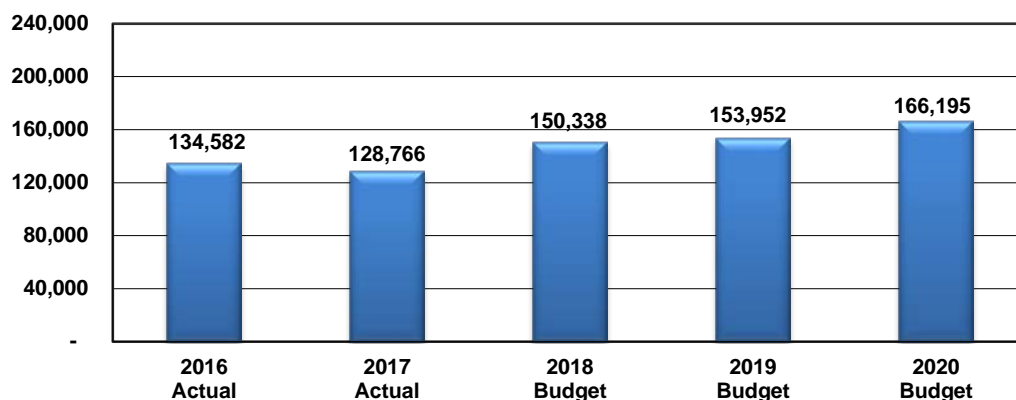
The Information Services Department is committed to providing a stable computing environment, reliable and responsive information technology support services, technological leadership, and vision in support of the City's business requirements.

Information Services Department Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
INFORMATION SERVICES						
SALARIES	89,025	85,136	93,128	96,254	103,992	200,246
BENEFITS	37,895	35,992	38,733	39,668	44,173	83,841
SUPPLIES	8,819	7,112	4,000	4,000	4,000	8,000
OTHER SERVICES & CHARGES	(1,157)	526	14,477	14,030	14,030	28,060
TOTAL INFORMATION SVCS	134,582	128,766	150,338	153,952	166,195	320,147

Information Services Department Budget (2016 - 2020)



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

Staff responsibilities include:

- Delivering timely and effective responses to customer requirements and requests
- Providing vision, leadership, and a framework for evaluating emerging technologies and implementing proven information technology solutions
- Providing citizens, the business community, and City staff with convenient access to appropriate information and services through technology
- Developing and maintaining technically skilled staff that will be competent in current and emerging information technology so they can employ modern technologies to maximize benefits
- Providing a reliable communication and secure computer infrastructure on which to efficiently conduct City business operations today and in the future
- Increasing electronic communications internally and externally to promote a paperless environment

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:

The IS Department consists of 2 FTE positions; one full-time Manager and one full-time Senior Technician that also supports the telemetry program for the water and sewer system. The telemetry function needs technology support as the program is computer based. The IS Department carries a time and materials agreement with Right! Systems Inc to augment the City's IS Department and to provide additional services including network and phone assistance.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Purchased and replaced computers as part of the computer replacement cycle
- Installed Solid State hard drives and upgraded memory in older OptiPlex workstations
- Installed security cameras throughout City Hall
- Replaced and enhanced wireless networking in City Hall
- Installed new email security system and advanced threat protection
- Installed new Barracuda Online Email Archiver
- Installed new Exchange online backup for Office 365 mailboxes
- Installed new cellular amplifier and antenna for Police Dept
- Installed new Police Department EvidenceOnQ server and updated all clients

2019-2020 WORK PLAN:

- Install security camera in elevator
- Install secure wireless network in City Hall to be used with new door locks
- Replace file servers and domain controllers
- Replace all network switches/routers throughout city wide Local Area Network

- Upgrade City Hall door lock system with a modern WiFi system and phase in replacing locks as they fail
- Replace phone system with cloud based Private Automatic Branch Exchange
- Purchase and replace computers for City Council members
- Complete implementation of Windows 10 on all City computers
- Implement Microsoft SharePoint/OneDrive as phase 2 of MS Office 365 rollout
- Replace Anti-Virus Guard (AVG) virus protection
- Evaluate replacing our Internet service with a better, faster, cheaper option
- Implement Dual-Factor authentication for computer access city-wide
- Update aging audio/video (A/V) equipment used for recording City Council meetings and other events in Council Chambers



RISK MANAGEMENT AND CITY PROSECUTOR DEPARTMENTS

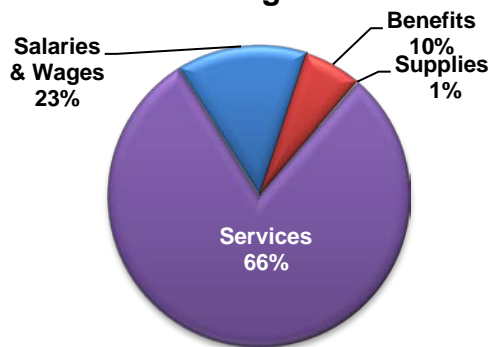
Risk Management Mission Statement:

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.

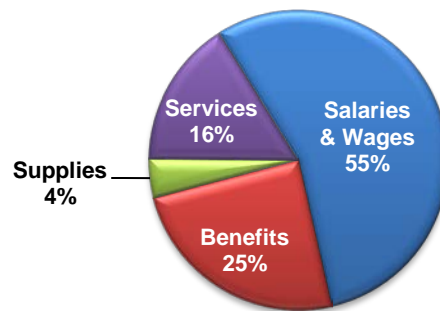
City Prosecutor Mission Statement:

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



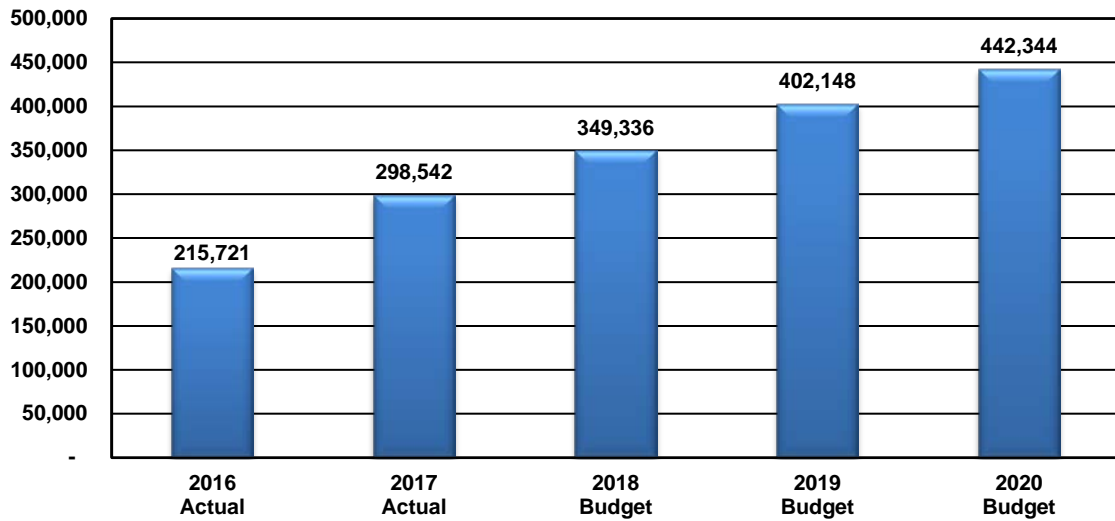
City Prosecutor Uses



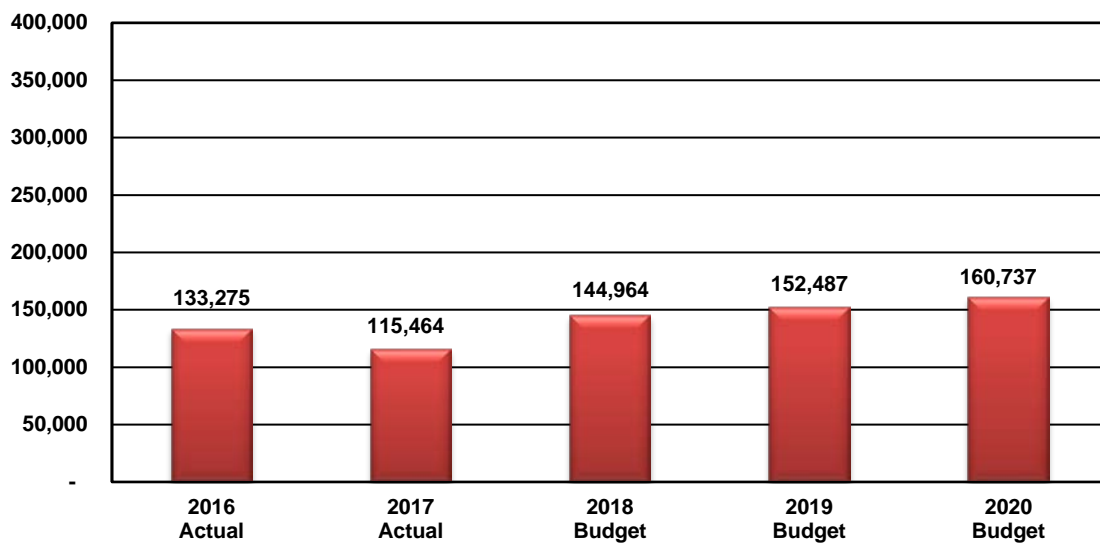
ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
RISK MANAGEMENT						
SALARIES	29,210	42,754	53,429	56,210	61,442	117,652
BENEFITS	9,571	18,396	23,572	24,394	27,412	51,806
SUPPLIES	45	136	876	876	876	1,752
OTHER SERVICES & CHARGES	176,895	237,256	271,459	320,668	352,614	673,282
TOTAL RISK MANAGEMENT	215,721	298,542	349,336	402,148	442,344	844,492

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
PROSECUTOR						
SALARIES	83,573	69,588	78,732	84,014	89,246	173,260
BENEFITS	33,554	29,558	34,732	36,973	39,991	76,964
SUPPLIES	6,078	8,348	6,500	6,500	6,500	13,000
OTHER SERVICES & CHARGES	10,070	7,970	25,000	25,000	25,000	50,000
TOTAL PROSECUTOR	133,275	115,464	144,964	152,487	160,737	313,224

**Risk Management Department Budget
(2016 - 2020)**



**City Prosecutor Department Budget
(2016 - 2020)**



RISK MANAGEMENT DEPARTMENT

PROGRAM DESCRIPTION:

The Risk Management Department serves to identify, manage, and minimize the probability, occurrence, and impact of losses to the City.

Risk Management Functions include:

- Identify and quantify areas of risk to the City
- Implement safety programs and provide training to reduce or eliminate risks to the City
- Investigate, submit, and coordinate tort claims and claim management, both against the City and on the City's behalf as the claimant
- Provide litigation management
- Plan, organize and manage the City's insured programs for municipal, automotive, property and liability claims
- Serve as the City delegate to the Washington Cities Insurance Authority (WCIA)
- Assist City departments in minimizing the probability, occurrence and impact of loss to the City
- Manage updates to the PMC to ensure consistency, including drafting and/or assisting with creation of ordinances
- Review City contracts and assist with ensuring contract compliance
- Serve as American with Disabilities Act coordinator
- Assist with special projects, as requested

The budget includes costs associated with training, travel and dues to ensure compliance with WCIA 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 0.5 FTE support staff person.

A New Program Request was approved authorizing for the hire of 1 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 0.5 FTE providing this support was shared by the Police department and has returned to their department full-time.

2017-2018 PROGRAM ACCOMPLISHMENTS:

Risk Management

- City completed all 2017 WCIA COMPACT requirements, including successful completion of risk audit focused on Special Events
- Created and successfully implemented process for handling, tracking, and maintaining incoming tort claims and litigation
- Successfully managed to completion all pending litigation, including coordination with appointed counsel
- Made additional progress towards ongoing PMC review project
- Trained all City employees and Elected Officials to ensure City compliance with the Open Government Trainings Act
- Increased participation in loss reduction programming throughout the City
- Reduction in actual losses, tort litigation and claims filed to and against the City

2019-2020 WORK PLAN:

Risk Management

Effectively identify, manage, and limit the liability exposure to the City by:

- Establishing processes to ensure indemnification and insurance contract provisions are appropriately and regularly reviewed by the Risk Management Department

- Establishing processes for centralized maintenance of contractually required certificates of insurance
- Developing and implementing additional accident and loss reduction programs, including Special Events processes, ADA compliance, and safety best practices
- Reviewing and updating identified City Code provisions for consistency and compliance with our risk pool recommendations
- Communicating effectively with City leadership and departments regarding claims, litigation, and exposures, as well as options for mitigation
- Maintaining compliance with the obligations of membership in the City's Risk Pool
- Ensuring policies, procedures, and processes are consistent with existing law and are effective in the reduction or elimination of potential liability

CITY PROSECUTOR DEPARTMENT

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 300 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 those involving acts of violence and sex offenses.

A small sampling of the offenses prosecuted by the City Prosecutor include:

- DUI of Alcohol and/or Drugs
- Acts of DV, including Assault 4th Degree
- Violation of a Protection Orders
- Certain Sex Offenses, including Assault 4th Degree with Sexual Motivation
- Communication with a Minor for Immoral Purposes
- Indecent Exposure
- Cyberstalking
- Certain Drug Offenses, including Use of Drug Paraphernalia
- Harassment
- Reckless Endangerment
- Malicious Mischief
- Criminal Trespass
- Theft

In addition to prosecution, City Prosecutor Functions include:

- Serving as the City's legal advisor on all criminal matters, civil and traffic infractions, and crime-related property forfeitures
- Protecting and ensuring the rights of crime victims through successful prosecution, and necessary communication from the City Prosecutor
- Providing regular legal updates and training related to criminal matters to local law enforcement
- Promoting and fostering education of the public about the criminal justice system, crime prevention, and victims' rights
- Working 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

2017-2018 PROGRAM 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
- Reduced the time between receipt of referral to charging decision to 60 days or less on average
- Began implementation of a web-based case management system
- Supported the continued coordination of efforts between the YWCA of Kitsap County, and the

Suquamish Tribe Victim Advocate, to ensure the regular presence of a victim advocate from either or both agencies during weekly court hearings

- Implemented processes to maintain and increase communication with crime victims and witnesses
- Assisted the Cities of Bremerton and Port Townsend, pursuant to Interlocal Agreements, for back-up prosecution services
- Created a Rule 9 Legal Intern Summer program
- Established a twice monthly training schedule with the Poulsbo Police Department to provide necessary legal updates, advice, and recommendations
- Represented the City in over 3,500 criminal hearings and one jury trial in the year 2017

2019-2020 WORK PLAN:

City Prosecutor

Ensure effective, timely, and just criminal prosecution by:

- Timely reviewing referrals for charging decisions
- Timely communicating with referring agency as to disposition, or required additional information
- Establishing and maintaining communication with crime victims, witnesses, and community advocacy agencies
- Appropriately and consistently managing case information and capture case data
- Establishing policies and procedures for the Prosecutor's Office
- Developing alternative strategies to address pressing issues facing the criminal justice system and the City

Provide clear, concise, and accurate information relating to criminal justice to ensure fairness, transparency, and a better understanding of the criminal justice system by:

- Reviewing and updating the PMC to ensure compliance with legislative changes, case law, and to address any other pressing concerns from the public
- Expanding outreach to the citizens of Poulsbo to assist in understanding the criminal justice systems and the tools available to them
- Providing consistent legal advice, training, and updates related to criminal law matters to the Poulsbo Police Department

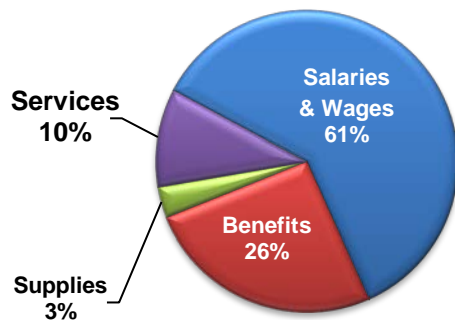


ENGINEERING AND BUILDING DEPARTMENT

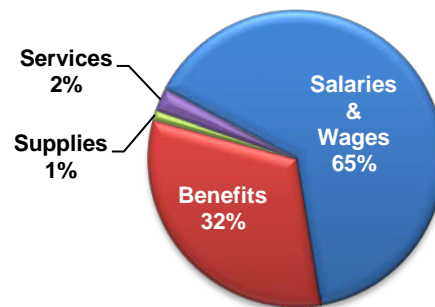
Mission Statement:

The City of Poulsbo Engineering and 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; and, accomplishing our work in a professional, timely, and cost-effective manner.

**Engineering Department
Uses**

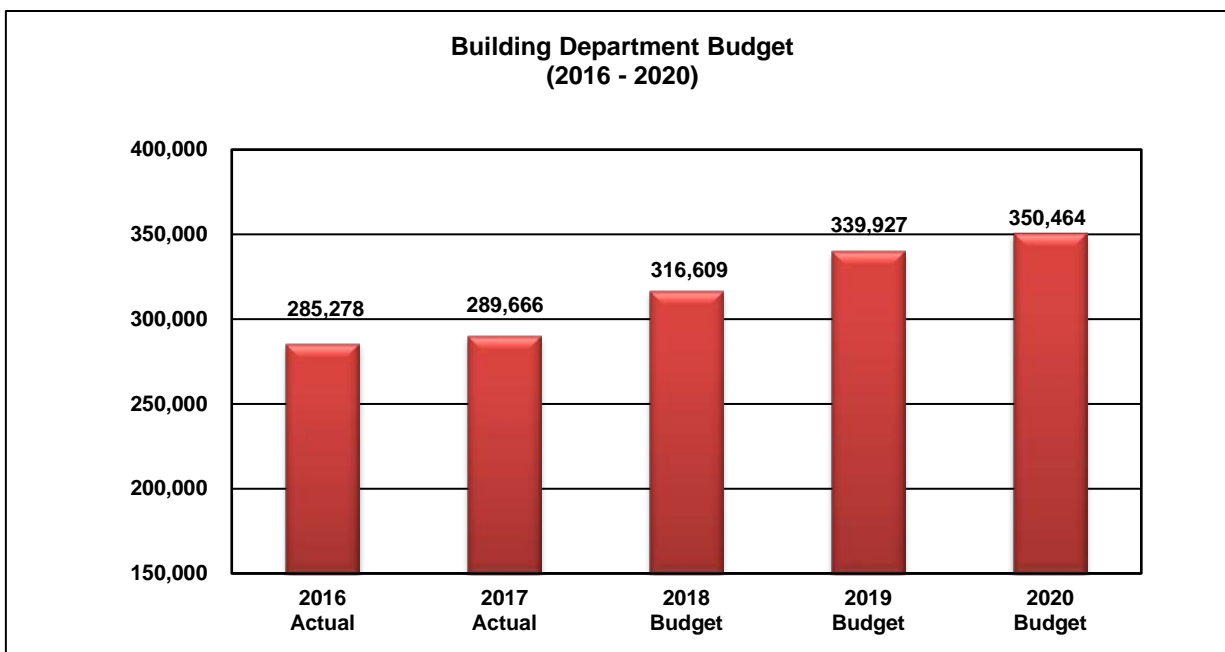
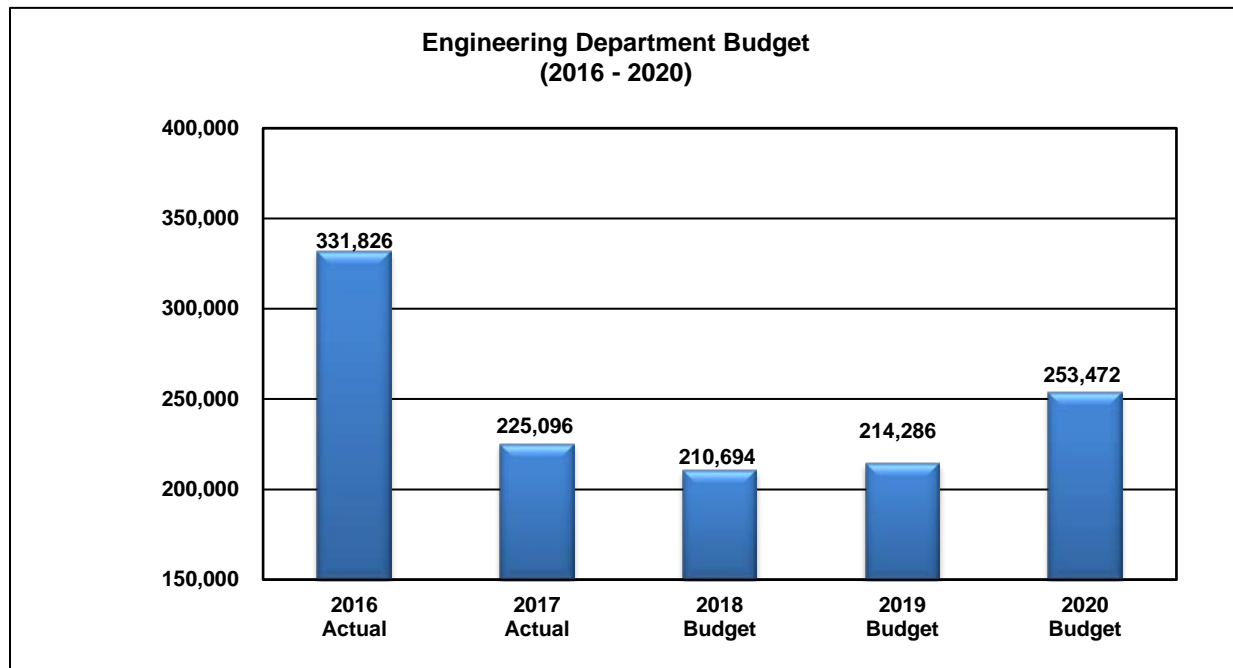


**Building Department
Uses**

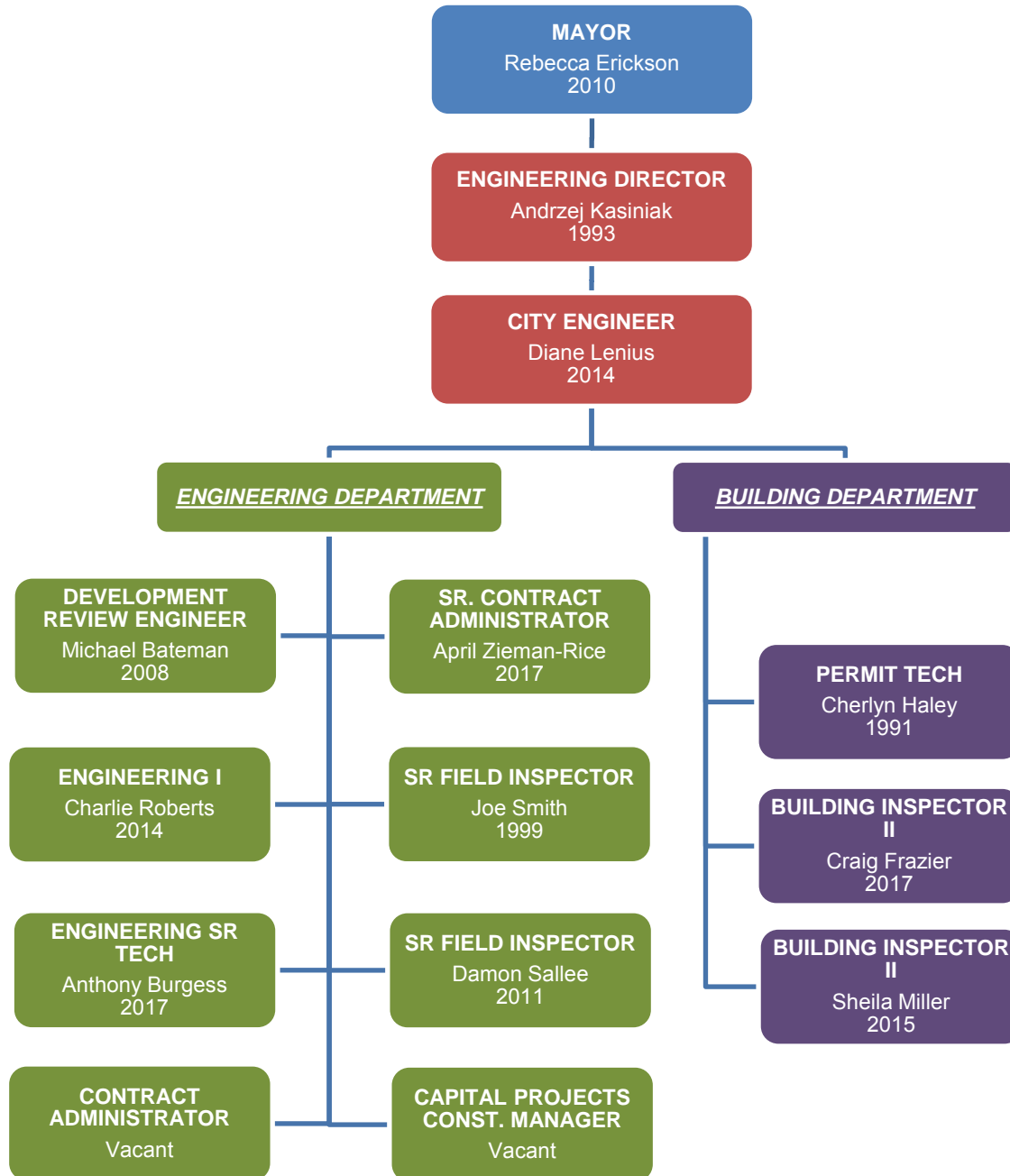


ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
ENGINEERING						
SALARIES	170,419	169,571	133,433	129,273	153,627	282,900
BENEFITS	75,373	69,860	59,215	52,685	67,517	120,202
SUPPLIES	7,431	10,795	7,033	7,883	7,883	15,766
OTHER SERVICES & CHARGES	78,602	(25,130)	11,013	24,445	24,445	48,890
TOTAL ENGINEERING	331,825	225,096	210,694	214,286	253,472	467,758

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
BUILDING						
SALARIES	184,195	188,751	207,344	218,356	227,681	446,037
BENEFITS	91,423	93,379	100,383	105,731	113,943	219,674
SUPPLIES	4,446	4,473	2,100	4,700	2,700	7,400
OTHER SERVICES & CHARGES	5,214	3,063	6,782	11,140	6,140	17,280
TOTAL BUILDING	285,278	289,666	316,609	339,927	350,464	690,391



THE ORGANIZATION OF THE ENGINEERING AND BUILDING DEPARTMENT



ENGINEERING AND 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 KRCC, develops the City comprehensive sanitary sewer, water, storm water, and transportation plans; provides contract management services to several City departments; implements the City's CIP; provides federal and state grant writing and administration services; reviews land use applications; performs field inspections and material testing; processes utility extension agreements, ROW and site construction permits, ROW 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 2018, the Engineering and Building Departments consist of 12.30 FTE positions: An Engineering Director (0.75 FTE), a City Engineer (0.55 FTE), one Contract Administrator, one Senior Engineering Technician, one Engineer 1, one Development Review Engineer, two Senior Field Inspectors, one Permit Technician, and two Building Inspectors. One Capital Projects Construction Manager and one Senior Contract Administrator are a part of the Engineering department; they are funded through the Noll Road Project. The Engineering Director and City Engineer positions are also shared with Public Works (0.25 and 0.45 FTE, respectively).

In 2018, the Engineering Technician position was elevated to an Engineer 1 position to better align the Engineering Department staff with the departure of the Development Review Engineer and the hire of a Senior Engineering Technician.

2017-2018 PROGRAM ACCOMPLISHMENTS:

Engineering

- Reviewed land use applications for conformance with City standards
- Processed ordinances to update General Facility Fees
- Coordinated with the Public Works Department to finalize the Solid Waste Business Plan
- Coordinated and supported the Public Works Department on the telemetry upgrades and water meter replacements
- Completed multiple public works projects including Small Anderson Parkway Retrofit, Pavement Maintenance Demonstration project, Poulsbo Village and Liberty Bay Pump Station Upgrades, Lincoln Well #2 Wastewater Treatment Plant and Central Interceptor cured-in-place-pipe (CIPP) Sewer Lining project, and Harrison Force Main, and Purchased property for the future W. Poulsbo Waterfront Park.

- Continued design on numerous projects; Raab Park Tank Replacement, SR 305 Manhole Replacement, and S. Fork Dogfish Creek Restoration
- Continued design on the Noll Road Improvements project and the ROW acquisition process
- Initiated the ROW phase for the Finn Hill Reconstruction project
- Awarded grant funding for capital projects including but not limited to; West Poulsbo Waterfront Park, Noll Road Improvements, Finn Hill Reconstruction, Forest Rock Lane Pavement Restoration, Liberty Bay Bioretention, S. Fork Dogfish Creek Restoration, S. Fork Dogfish Creek Retrofit and Stormwater Program Support, and SR 305 Tunnel.
- Applied for multiple grant funding opportunities for capital projects including but not limited to; Noll Road Transportation Improvement Board (TIB), W. Poulsbo Waterfront Park Improvements, and Local Roads Safety Program.
- Completed multiple training courses through Washington State Department of Transportation and other opportunities for the staff to ensure their ability to comply with state and federal regulations

2017-2018 PROGRAM ACCOMPLISHMENTS:**Building**

- Launched new permitting software to the 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 – two weeks; Commercial – four weeks. Inspections: Residential – Monday, Wednesday and Friday with overflow Tuesday, and Thursday, as needed. Commercial – five days a week

2019-2020 WORK PLAN:**Engineering and Building**

- Continue to review land use applications, ROW 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 in the CIP, including projects for storm, sewer, and water utilities
- Continue to inspect and monitor private construction projects
- Complete construction of the Noll Road Improvement Project – Phase III – including a roundabout and tunnel at intersection of SR 305 and Johnson Rd
- Complete construction of Finn Hill shared use path
- Complete construction of Forest Rock Lane overlay
- Install three biofiltration systems in Old Town and NKSD - Liberty Bay Biofiltration
- Implement Local Road Safety Program
- Rehabilitate SR 305 manholes along the Central Interceptor
- Constructing new Raab Park Tank
- Design and construct new Westside Well Waste Water Treatment Plant
- Monitor and apply for grants for planning and infrastructure improvements throughout the City
- Support the City Council goal of improving traffic and pedestrian safety
- 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

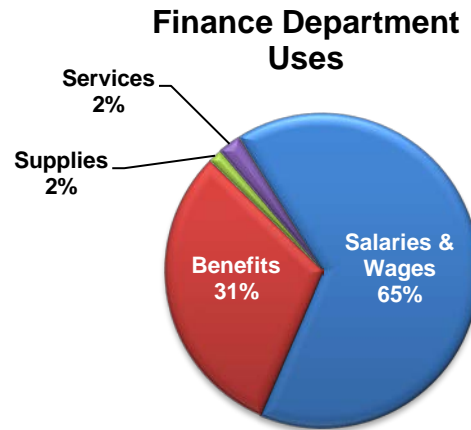
Several New Program Requests were approved for the Building and Engineering Department for the 2019-2020 budget. The first request is to update the Building Code within the PMC and associated necessary funding. The second request is to purchase Building Code books as they are updated on a 3-year cycle. The third request is to provide funding for a formal ADA Transition Plan to provide guidance on ADA improvements. The final new program request is to create two new positions to support the Noll Road Project; a Capital Projects Construction Manager and a Senior Contract Administrator. These positions are 100% funded through project.

CONTRACTING WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Awarded from Small Works Roster	10	1	1	1	1
Consultant Agreements	24	24	39	16	20
Formal Bids	7	5	2	5	5
LAND USE, PERMIT AND INSPECTION WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Right of Way Permits	51	75	78	70	72
Land Use Applications - Reviewed, Conditions or Comments written	52	49	45	51	57
Grading-Site Construction Permit/Application	18	19	3	22	25
Applications	14	5	4	5	5
*Residential Sites - Land Use Applications	7	3	7	5	4
Engineering Services Revenue	\$68,392	\$127,944	\$141,231	\$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 when scheduled					
BUILDING PERMITS					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Building Permits Issued	505	389	405	350	350
Building Permit Revenue	\$570,110	\$595,383	\$409,710	\$550,000	\$550,000
Plan Checking	\$354,622	\$245,322	\$282,922	\$270,000	\$270,000
Protective Inspection Fee	\$8,514	\$14,916	\$19,041	\$15,000	\$15,000
Certificates of Occupancy Issued - Resid	113	79	83	102	100
Certificates of Occupancy Issued - Comm	2	3	7	7	5
Number of Inspections	4,226	3,294	3,396	3,500	3,500

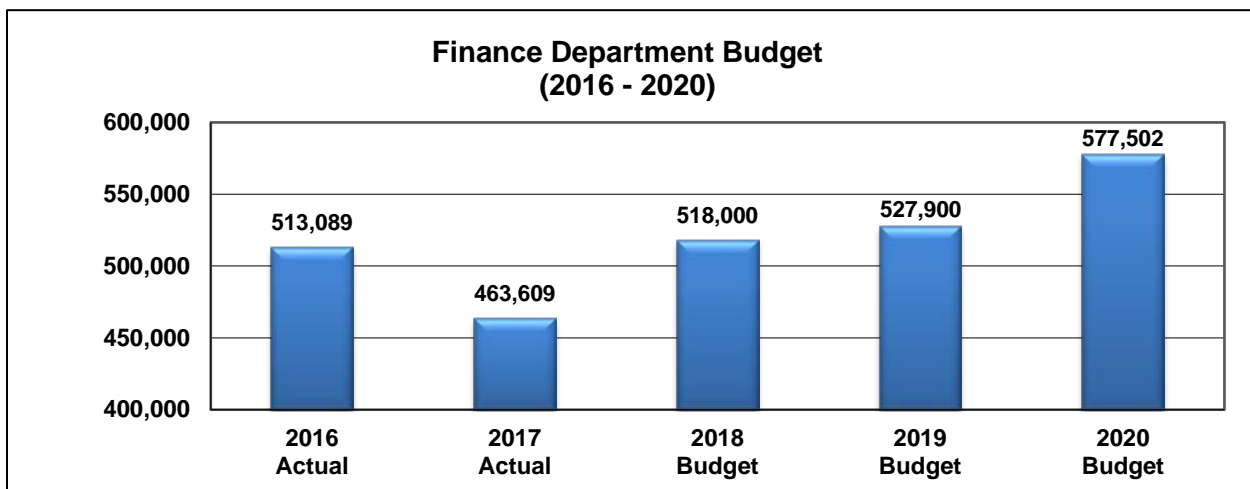
FINANCE DEPARTMENT

Mission Statement:

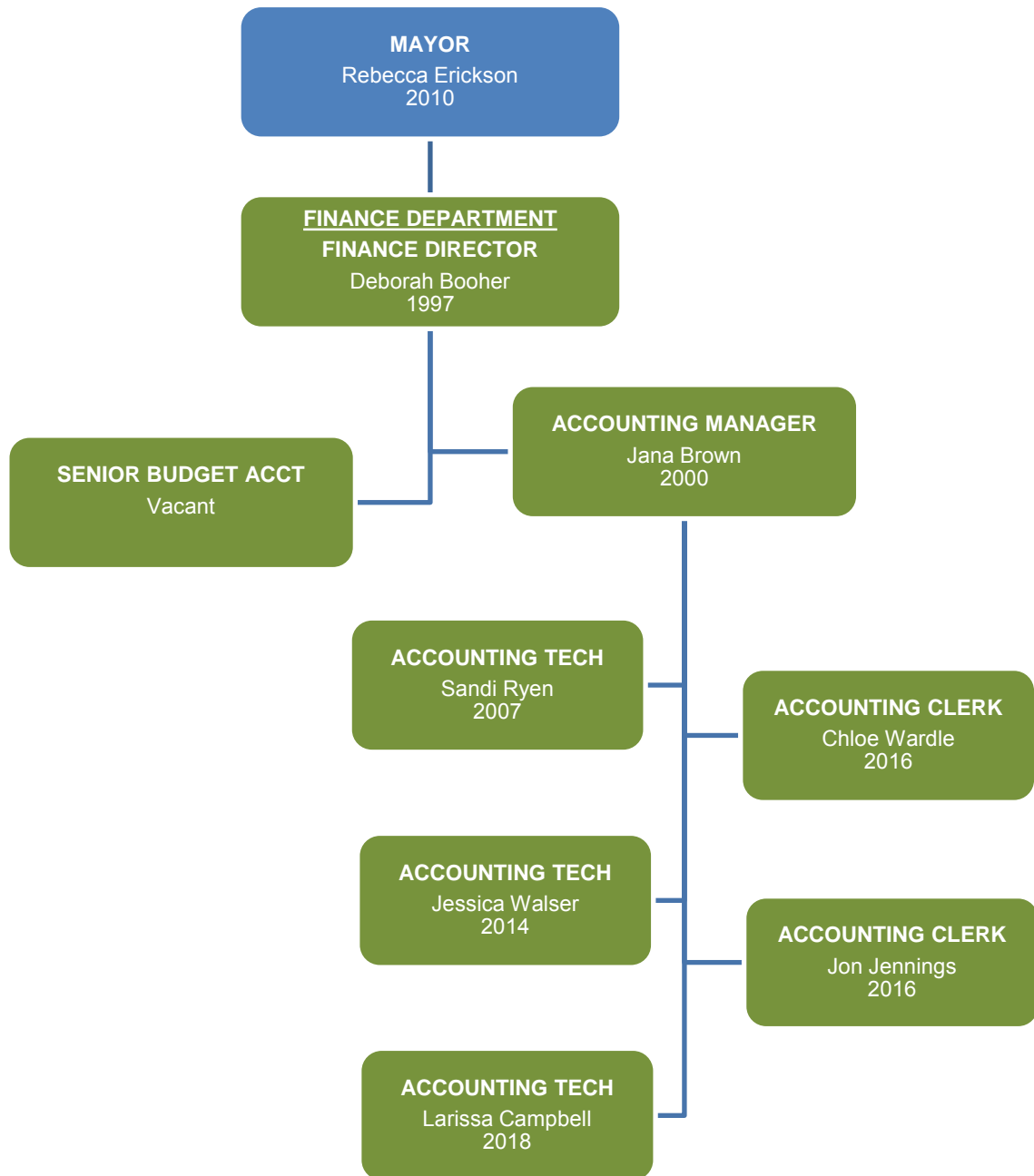
The Finance Department strives to provide exceptional service while safeguarding resources with integrity and efficiency.



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FINANCE						
SALARIES	337,791	306,635	339,140	347,155	375,440	722,595
BENEFITS	158,224	145,546	157,586	159,898	181,215	341,113
SUPPLIES	9,224	4,210	8,250	8,000	8,000	16,000
OTHER SERVICES & CHARGES	7,850	7,218	13,024	12,847	12,847	25,694
TOTAL FINANCE	513,089	463,609	518,000	527,900	577,502	1,105,402



THE ORGANIZATION OF THE FINANCE DEPARTMENT



FINANCE DEPARTMENT - ACCOUNTING and 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 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.

Some responsibilities of the Accounting and Budgeting divisions are:

- Accounts Payable
- Accounts Receivable
- Payroll
- Project Accounting
- Preparation of the 6-year CIP
- Utility Billing
- Receipting all city funds
- Managing daily cash
- Managing City's Investment Portfolio
- Preparation of the CAFR
- Preparation of the Biennial 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 FTE positions. The staffing breakdown is as follows: 1 Finance Director, 1 Accounting Manager, 1 Senior Budget Accountant, 3 Accounting Technicians, and 2 Accounting Clerks.

2018 PROGRAM ACCOMPLISHMENTS:

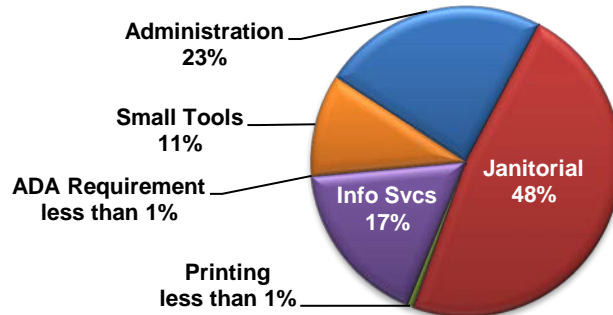
- Received the GFOA Distinguished Budget Award for the 2017-2018 Budget; this is the 18th year receiving the award and the first for the biennial budget
- The City's Accounting Team earned the GFOA award for the 2016 CAFR
- Received Professional Finance Officer Awards from the Washington Finance Officers Association (WFOA) for two staff members. The award is given for continued commitment to achieving educational and professional excellence.
- Served as a President for the WFOA Board, served on the WFOA Education Committee, and as Past President of the Washington Public Treasurers Association 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
- Created on-line utility forms for customers to submit 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
- Prepared City's first biennial budget
- Worked with Public Works, Engineering, and Planning to assist in preparation of Comprehensive and Functional Plans
- Supported Public Works for preparation of Solid Waste Functional Plan
- Issued revenue debt for City's contribution to Kitsap County supporting City's sewer processing
- Received AA+ rating from Standard and Poor's for the revenue debt

FINANCE DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
# of Treasurers Receipts Issued	35,659	34,227	34,358	36,868	37,926
# of E-Gov Transactions	6,185	8,122	8,738	8,760	9,011
Avg # of Utility Accounts billed monthly	3,983	4,149	4,285	4,380	4,510
Avg # of Misc Billing Accounts billed monthly	67	71	77	82	87
# of HDPA accounts billed quarterly	145	136	140	146	148
# of Change of Ownerships	411	406	353	350	350
# of New Connections	202	121	97	130	130
# of ACH Utility Bill payments monthly	582	613	637	679	714
# of Tenant Authorization Changes	180	200	170	225	225
# of Reduced Utility Rate Applications processed	49	44	45	50	50
# of Accounts Sent to Collections	54	79	51	71	71
# of Payroll Checks processed	291	335	276	335	355
# of Payroll Direct Deposits processed	2,780	2,826	3,049	3,100	3,150
# of A/P Physical Checks processed	2,921	2,895	2,832	2,900	2,900
# of A/P Direct Deposits processed	302	336	421	350	350
# of Grants processed	21	18	23	13	15
# of NSF Checks processed	40	42	37	40	40
Average dollars invested (millions)	\$21.3	\$24.8	\$27.1	\$25.0	\$25.0
% of Idle Cash Invested	86%	91%	92%	90%	90%

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	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
CENTRAL SVC ADA						
SUPPLIES	-	-	75	-	-	-
OTHER SERVICES & CHARGES	-	300	175	250	250	500
TOTAL CNTRL SVC ADA	-	300	250	250	250	500
CENTRAL SVC ADMIN						
BAD DEBT EXPENSE	292	332	-	-	-	-
SUPPLIES	(2,011)	2,176	3,000	2,500	2,500	5,000
OTHER SERVICES & CHARGES	109,257	117,827	119,742	131,274	131,274	262,548
TOTAL CNTRL SVC ADMIN	107,538	120,335	122,742	133,774	133,774	267,548
CENTRAL SVC CUSTODIAL						
SALARIES	118,495	123,821	128,737	134,482	142,068	276,550
BENEFITS	58,210	59,953	64,833	66,982	73,089	140,071
SUPPLIES	21,717	13,642	32,250	10,700	10,700	21,400
OTHER SERVICES & CHARGES	61,774	40,348	51,321	50,736	50,736	101,472
TOTAL CNTRL SVC CUSTODIAL	260,196	237,764	277,141	262,900	276,593	539,493
CENTRAL SVC DATA						
SUPPLIES	4,442	3,362	4,000	3,750	3,750	7,500
OTHER SERVICES & CHARGES	61,831	78,835	116,066	95,001	93,001	188,002
TOTAL CNTRL SVC DATA	66,273	82,197	120,066	98,751	96,751	195,502
CENTRAL SVC PRINTING						
SUPPLIES	1,457	579	1,000	750	750	1,500
OTHER SERVICES & CHARGES	2,361	2,942	3,115	3,192	3,192	6,384
TOTAL CNTRL SVC PRINTING	3,818	3,521	4,115	3,942	3,942	7,884
CENTRAL SVC SMALL TOOLS						
SMALL TOOLS	22,300	25,694	60,204	69,250	51,250	120,500
TOTAL CNTRL SVC SM TOOLS	22,300	25,694	60,204	69,250	51,250	120,500
TOTAL CENTRAL SERVICES	460,125	469,811	584,518	568,867	562,560	1,131,427

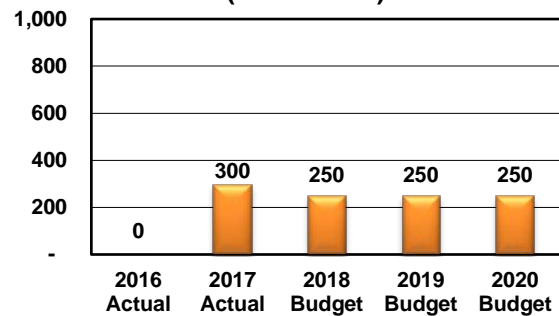
CENTRAL SERVICES - ADA REQUIREMENTS

PROGRAM DESCRIPTION:

In order to meet the federally mandated 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
(2016 - 2020)**



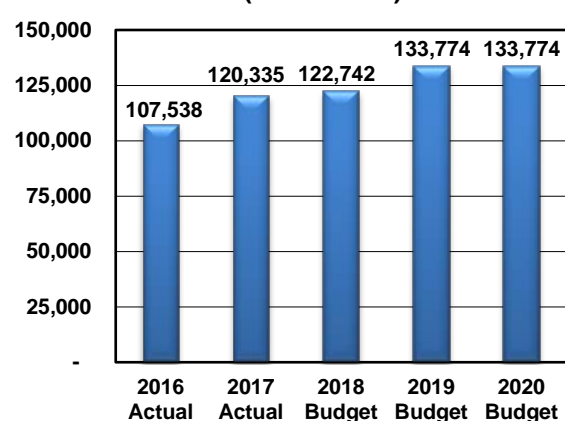
CENTRAL SERVICES - ADMINISTRATION

PROGRAM DESCRIPTION:

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
- City and power utilities
- Internet fees and content filter
- Repairs and maintenance
- General governmental credit card discount fees
- Courier Fee's
- Bank Charges
- Postage Machine Lease
- Telephone Charges

**Central Services
Administrative Section Budget
(2016 - 2020)**



2017-2018 PROGRAM ACCOMPLISHMENTS:

- Updated internet filter coverage

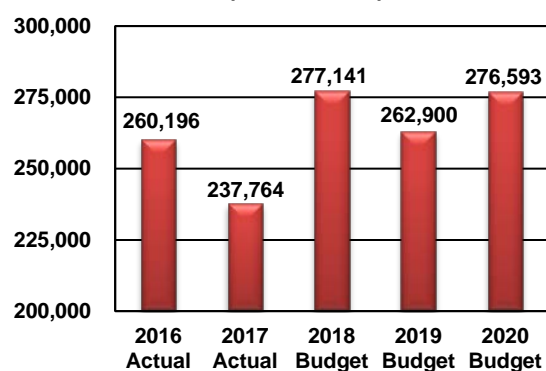
CENTRAL SERVICES - CUSTODIAL and BUILDING MAINTENANCE

PROGRAM DESCRIPTION:

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.

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 and Facilities, the Public Works Complex and Public Works installations including pump houses and other utility structures.

**Central Services
Custodial/Building Maintenance
(2016 - 2020)**



STAFFING LEVEL:

Staffing associated with Central Service includes 2.52 FTE's under the supervision of the Superintendent of Public Works.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Continued to provide routine maintenance and janitorial services to City-owned buildings, as required
- More extensive maintenance to the Parks and Recreation such as water damage repair, and Library such as heating, ventilation, and air conditioning failure
- Assisted various Public Works projects
- Performed boardwalk repairs, as needed
- Performed lighting repairs in the Parks
- Repaired miscellaneous vandalism in the City Parks and trails
- Repaired and provided continued support for City Hall
- Updated the caretaker house at Nelson Park
- Repaired the Coffee Oasis rental
- Updated and repaired the current Public Works buildings
- Updated and repaired the Police Department and upper garage

2019-2020 PROGRAM OBJECTIVES:

- Continuing to support various Public Works projects
- Continuation of routine maintenance projects, as required, throughout the city
- Continuing janitorial support for all City occupied buildings
- Repairing and maintaining City Hall

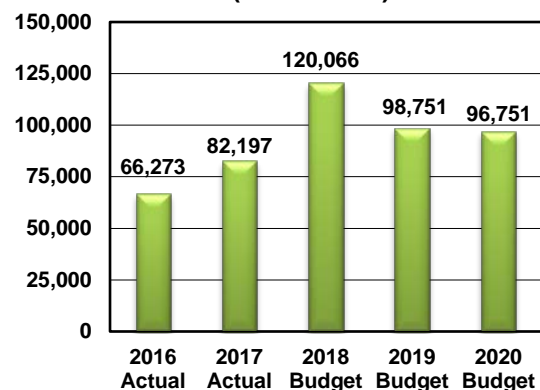
CENTRAL SERVICES - INFORMATION SERVICES**PROGRAM DESCRIPTION:**

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.

**Central Services
Information Services Budget
(2016 - 2020)**

**2017-2018 PROGRAM ACCOMPLISHMENTS:**

- Updated email archiver to cloud based solution
- Implemented Social Media Archiver
- Implemented Purchasing Card program into City's financial software system

2019-2020 PROGRAM PROJECTS:

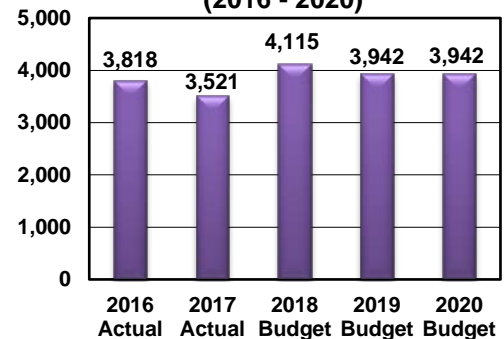
- Upgrading City Hall locking system
- Upgrading the City phone system
- Replacing network switches
- Upgrading financial software to latest release
- Upgrading Internet Service for all City locations

CENTRAL SERVICES - PRINTING and DUPLICATION**PROGRAM DESCRIPTION:**

Central Services Printing and Duplication includes:

- Administrative copy machine repair
- Maintenance contracts
- Printing of Annual Budget
- Printing of Comprehensive Annual Financial Report

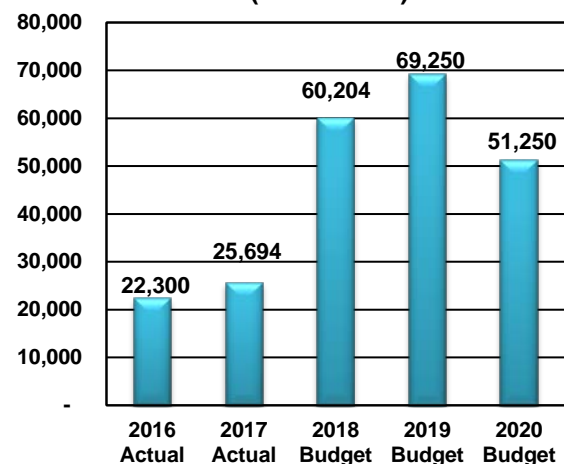
**Central Services
Printing & Duplication Budget
(2016 - 2020)**

**CENTRAL SERVICES - SMALL TOOLS AND MINOR EQUIPMENT****PROGRAM DESCRIPTION:**

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 is considered for funding and allocated to these funds.

Most expenditures are for workstations (computers), set on a 4-year replacement cycle. As the stability and life of desktop work stations has lengthened, each unit is evaluated to upgrade or replace, whichever is more cost effective, however the budget capacity is allocated for a replacement. In 2018, copiers which were at the end of their life, were replaced with leased machines. The City determined it was more cost effective and better served the City's needs to lease machines. Purchase of new control panel and software to support replacement of City Hall locking system will be implemented in 2019. Door locks will be replaced as they fail.

**Central Services
Small Tools and Minor Equipment
(2016 - 2020)**



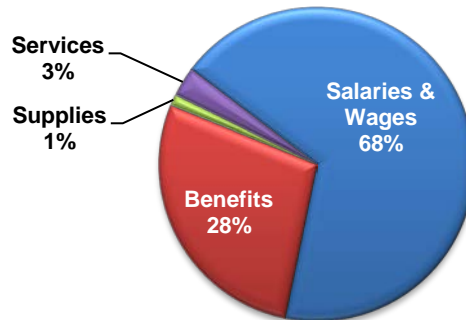
Central Small Tool Equipment Replacement		Cost	
Department	Type of Equipment	2019	2020
Legislative	Laptops City Council	4,800	
Information Services	Servers (2)	8,000	-
Building Maintenance	Locking System Control/Software	5,200	-
All City Departments	Desktops (19 replacement schedule)	34,200	34,200
2nd Floor City Hall	Copier Lease	3,400	3,400
3rd Floor City Hall	Copier Lease	3,400	3,400
Municipal Court	Copier Lease	1,750	1,750
Police	Copier Lease	2,500	2,446
Engineering/Planning	Wide Printer Lease	3,500	3,500
Parks & Recreation	Copier Lease	2,500	2,500
Total		\$ 69,250	\$ 51,196

MUNICIPAL COURT DEPARTMENT

Mission Statement:

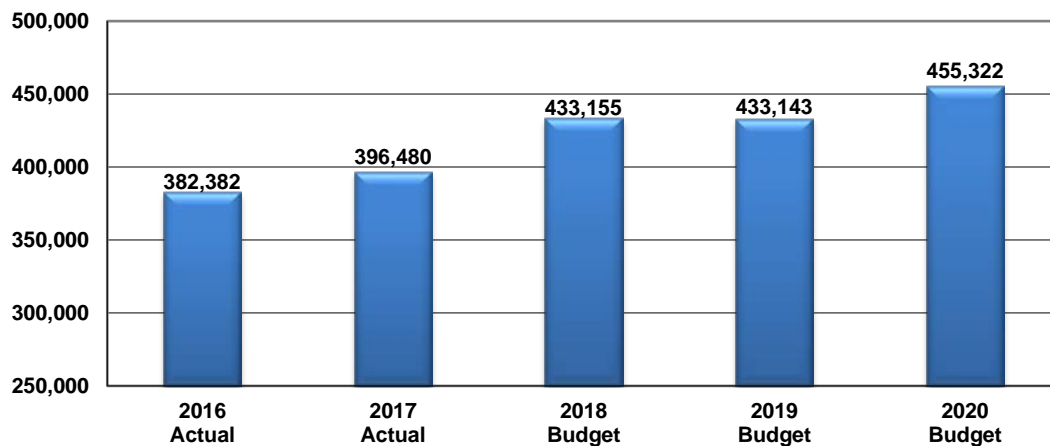
The Court is committed to excellence in providing fair, accessible, and timely resolution of alleged violations of the Poulsbo Municipal Court in an atmosphere of respect for the public, employees, and other government entities.

Municipal Court Uses

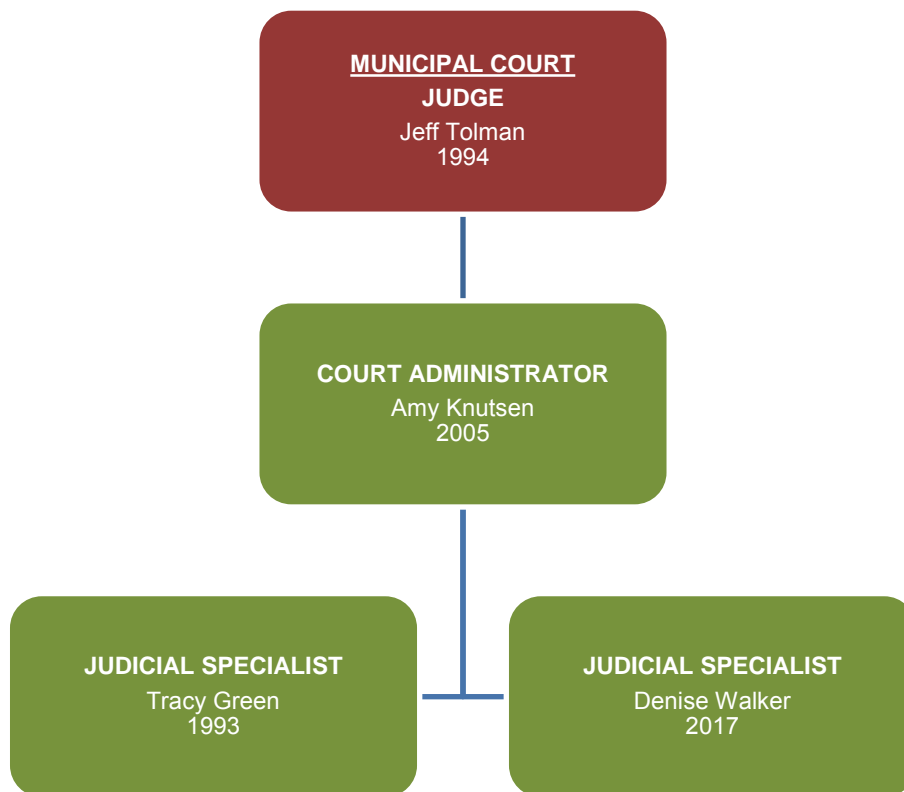


ACCOUNT DESCRIPTION	2016 Actual		2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
JUDICIAL						
SALARIES	264,923	274,729	305,026	295,135	308,684	603,819
BENEFITS	99,267	104,110	110,736	119,800	128,430	248,230
SUPPLIES	8,495	5,155	4,620	4,935	4,935	9,870
OTHER SERVICES & CHARGES	9,697	12,486	12,773	13,273	13,273	26,546
TOTAL JUDICIAL	382,382	396,480	433,155	433,143	455,322	888,465

Municipal Court Budget (2016 - 2020)



THE ORGANIZATION OF THE MUNICIPAL COURT DEPARTMENT



MUNICIPAL COURT DEPARTMENT

PROGRAM DESCRIPTION:

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 PMC 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, gross misdemeanors, potential and dangerous dog appeals, and various types of civil protection orders, to include DV, anti-harassment, sexual assault. It is the goal of the court to maintain accountability for the actions of individuals and ensure the punishment fits the violation.

The Court continues to identify the core services and focus the resources on these services in innovative ways to accomplish their mission. They continue their 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 in the north end of the county.

STAFFING LEVEL:

The Municipal Court consists of one part-time Judge, a one 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 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, and monitoring compliance with court-imposed conditions.

2018 PROGRAM ACCOMPLISHMENTS:

- Continued to work with the trial courts in Kitsap County in organizing common court services
- Ensured training and procedures were in place so court and accounting processes were in accordance with statutes
- Continued training for Staff, Administrator and Judge regarding changes within the judicial system
- Upgraded the video court system to allow video hearings to be heard in the physical courtroom, and to ensure compliance with Washington Supreme Court Rules
- Converted from a dot matrix printer to a laser printer for all court forms including summons, infraction notices, and court calendars. This transition created a reduction in costs and staff time for task completion
- Transitioned to a new credit card vendor, nCourt, to provided better customer service for clients making online, telephone, or in-person payments with the ability to provide bilingual assistance
- Updated brochures, procedures, and forms for DV Protection, Stalking, Protection Weapons, and Anti-Harassment Protection Orders
- Increased the warrant lifespan from three to five years and it resulted in decreasing the required expired warrant hearings
- 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 Education Committees

2019-2020 WORKPLAN:

- Continue to provide prompt, personal, and professional services to those who encounter the Court system
- Continue the commitment to provide timely, quality, and accurate services to those involved in the court system, as well as the public
- Review the Municipal Court webpage to identify broken links and provide updated information that will help those involved in the court obtain the resources they may need to meet probation requirements
- Review case management systems and additional opportunities that will allow those involved in the court system; whether it be the attorneys who represent clients, victims of DV or a crime against their property, family members, or the defendants – to have improved access to court records
- Develop the ability to scan and store electronic records, three years for standard cases and perpetuity for both DUI and DV cases, to be a greater service for future record requests

MUNICIPAL COURT DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Criminal Charges	346	450	425	700	800
Infraction/Parking Charges	1038	1076	991	1400	1550
Civil Orders	29	28	15	25	30
Total Filings	1413	1554	1431	2125	2380
Criminal Hearings	3124	3575	4750	5750	6250
Infraction/Parking Hearings	564	527	566	650	690
Civil Hearings	41	40	15	25	32
Total Hearings	3729	4142	5331	6425	6972

PARKS AND RECREATION DEPARTMENT

Mission Statement:

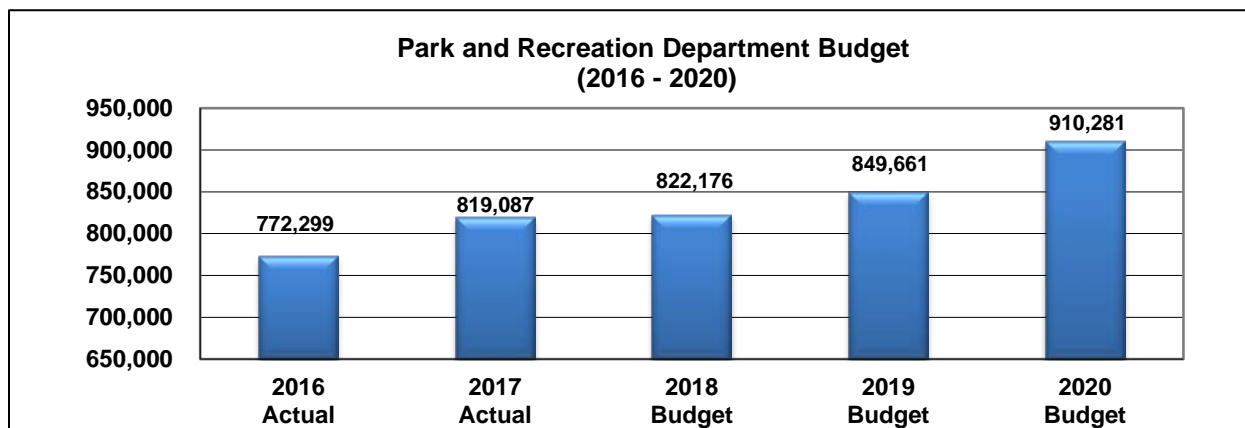
The mission of the Parks and Recreation Department is to promote the quality of life by serving the community's needs for quality and affordable educational and recreational programs, parks, and services to all residents and visitors.

Park and Recreation Department Program Uses

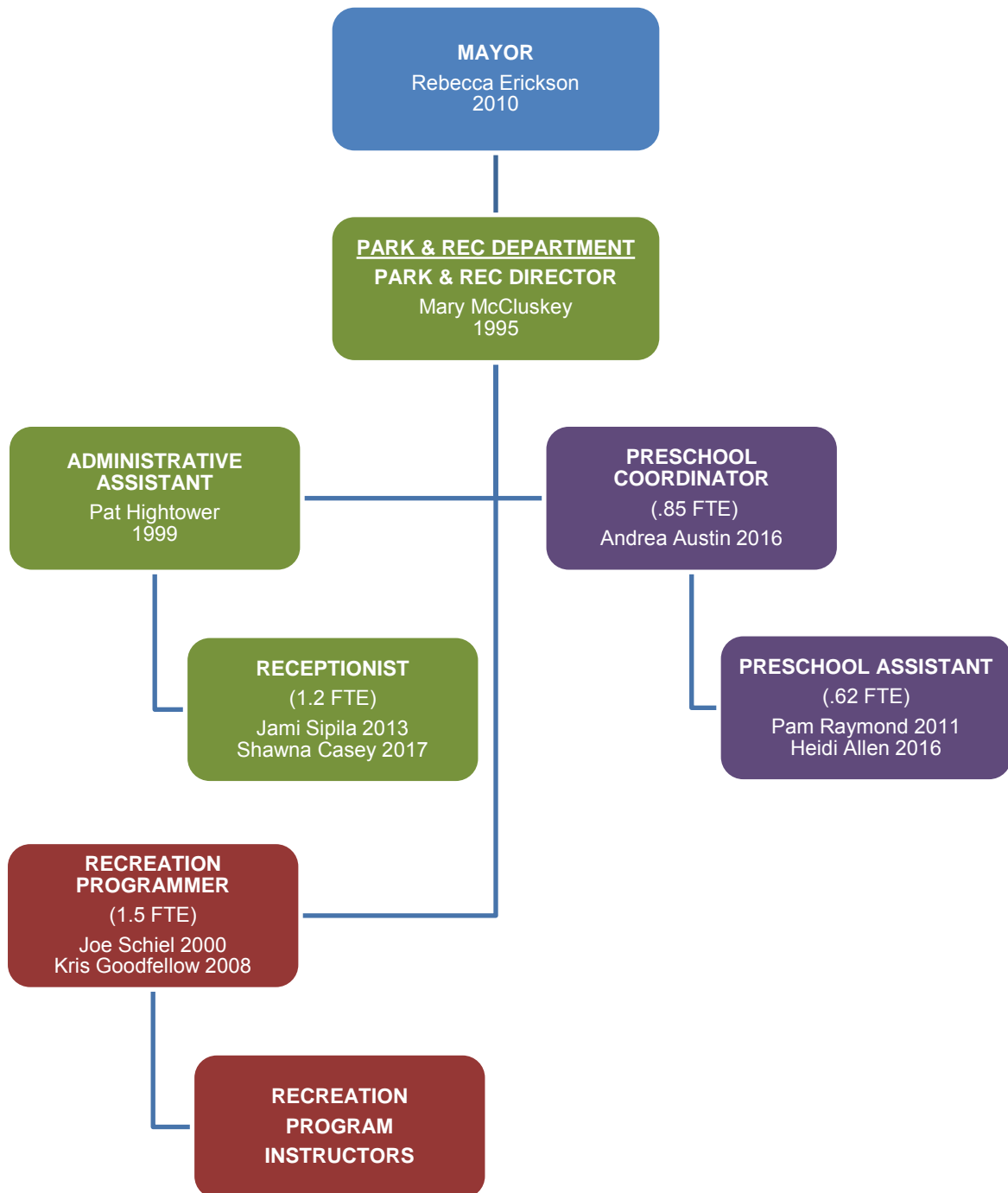


■ Adult 2%	■ Adventure 2%
■ Arts & Crafts 1%	■ Body & Mind <1%
■ Business & Computer <1%	■ Dance 1%
■ Music 3%	■ Park & Rec Admin 66%
■ Preschool 8%	■ Senior 2%
■ Sport & Fitness 14%	■ Youth 1%

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
EDUCATION (PRESCHOOL)						
SALARIES	44,719	43,432	50,670	54,086	56,881	110,967
BENEFITS	8,018	8,374	9,949	10,714	11,286	22,000
SUPPLIES	3,222	3,861	4,326	4,326	4,326	8,652
OTHER SERVICES & CHARGES	-	-	-	-	-	-
RECREATION SERVICES						
SALARIES	385,368	394,062	406,576	429,746	463,406	893,152
BENEFITS	124,024	127,349	133,930	142,739	166,332	309,071
SUPPLIES	29,844	26,111	32,625	32,050	32,050	64,100
OTHER SERVICES & CHARGES	177,104	215,898	184,100	176,000	176,000	352,000
TOTAL PARK & RECREATION	772,299	819,087	822,176	849,661	910,281	1,759,942



THE ORGANIZATION OF THE PARKS AND RECREATION DEPARTMENT



PARKS AND RECREATION DEPARTMENT

PROGRAM DESCRIPTIONS:

Poulsbo Parks and Recreation is a primary provider of community recreation programs in Poulsbo and North Kitsap, including the planning and implementation of 8-10 community-wide special events each year. The Learn and Grow Preschool is the department's largest program, running weekly classes for ages 3-5 throughout the school year. The department prides itself on excellent customer service and being able to answer questions from citizens, patrons, and business owners. The department is also responsible for facility rentals, capital acquisition, and development in city parks. Working with Poulsbo Public Works on maintenance matters is paramount to a successful park system.

STAFFING LEVEL:

The department has two divisions: Administrative and Recreation. There are 6.17 FTEs consisting of: one Parks & Recreation Director, one Administrative Assistant, one full-time Recreation Programmer, one 0.5 FTE Recreation Programmer, two Receptionists (sharing 1.2 FTE), one 0.85 FTE Pre-school Coordinator and two Pre-School Assistants (sharing .62 FTE).

PROGRAM 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 lease rental revenue. User fees cover approximately 70% of all expenses.

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 WWU, Martha and Mary Health Services, Port of Poulsbo and NKSD
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.

2017-2018 ACCOMPLISHMENTS:

Recreation

The Parks and Recreation Department not only provided 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. Many goals have been accomplished with these partners including:

- **PROGRAMS:** Provided 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 were through citizen request or have proven popularity elsewhere. Online registration provided easy, efficient service to the users at any time of the day.

- **SPECIAL EVENTS:** Community-wide special events were scheduled throughout the year. These events were supported and encouraged by our local service organizations and businesses, through personnel, advertising, and monetary support. The regular events that 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 March/April
 - Viking Fest Road Race in May
 - Summer concert series in July and August
 - Kids Day in September
 - Spooktacular in October
 - Salmon Tours in November
- **SOCIAL MEDIA:** The Parks and Recreation Department continued to use different methods of promoting programs; including the city website, Facebook, and newsletter emailing. The email list is over 5,500. Keeping updated information in front of people's eyes was a positive and effective marketing tool.
- **BUSINESS AND COMMUNITY PARTNERSHIPS:** Increased partnerships with local businesses and organizations who also offer recreational experiences was vital to a small community. This Parks and Recreation Department was able to offer more to the community using the local connections. Partnerships for expanded class and program offers include Martha and Mary Health Services, InMotion Dance Studio, UKO Karate, Earthright Insights, Skyhawks Sports Academy, the Kitsap Children's Musical Theater, WWU Poulsbo campus, the Washington State University (WSU) Kitsap Extension office, Port of Poulsbo, West Sound Academy, Evergreen Mountain Bike Alliance, Miss West Sound and Miss Viking Fest, Poulsbo Rotary Club, Poulsbo Lions Club, Poulsbo Kiwanis Club, Kitsap Rowing Association, and Poulsbo Orchestra.
- **RECREATION CENTER:** The Poulsbo Park and Recreation Center building continued to be used to its fullest capacity for the benefit of the community. The building is old but provided a solid home base for recreation programs and staff as they awaited the building of a newer facility. The City has leased-out two spaces in the building to help cover operating expenses including the debt payment. Discussions for a future partnership continued with the Kitsap Public Facilities District.
- **NKSD:** The City maintained a strong relationship with the NKSD that allowed community access of their buildings and fields. Staff enjoyed the open lines of communication with the maintenance and facilities departments, as well as the NKSD's administration. Since the school district owns most facilities used for community recreation programs, it was important to keep working together for the community. The NKSD owns three synthetic fields, and the City played a role by funding a part of the fields through the North Kitsap Regional Events Center project at North Kitsap High School and Strawberry Multi-Use Fields.
- **VOLUNTEERS:** Volunteers continued to be important to this department. People were extremely generous with their time and consistently volunteered in leading programs, chaperoned senior trips, shared expertise, worked in the parks, and provided leadership.

PARTNERSHIP HIGHLIGHTS IN 2017-2018:

- **WWU ON THE PENINSULAS:** WWU Poulsbo offered a degree through the Huxley Environmental Program and partnered with the volunteers of Poulsbo's Fish Park planting, maintaining, and monitoring a stewardship section of the park. Faculty was also involved on the Fish Park Steering Committee and in Centennial Park.
- **COMMUNITY GARDENS:** The Community P-Patch at Raab Park continued to flourish. The 51 sunny plots were rented and bursting with vegetables, flowers and plants. The WSU Kitsap Extension office provided Master Gardener volunteers to coordinate the activities. It was well coordinated and managed.

The Youth Garden at Raab Park continued to be managed by the WSU Kitsap Extension Office along with the Poulsbo Garden Club. They maintained the garden year around and offered eight free youth programs during the summer. Each week had a theme, including worms, butterflies, ladybugs, and sunflowers. Children spent two hours doing crafts, watering, and learning about gardening. 75-150 children attended each Monday event.

- **SENIOR TRIP EXCURSIONS:** It is important that seniors have opportunities to socialize and get away from home for a day. Through a partnership with Martha and Mary Health Services, they provided their 16-passenger shuttle bus for these programs. Charter buses were used for longer excursions.
- **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 nine weeks of youth sailing, eight weeks of Opti sailing, and adult sailing. Improvements to the dock and reconfiguration of the sailing operations area were completed in 2017.

2019-2020 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. Parks and Recreation Department staff members monitor the program trends throughout the state and country and try to develop 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 2019, 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 launching of online registration in 2013 has been positive. The goal is for people to sign-up for programs on their own 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 has experimented with different methods and fees; using a non-resident fee and “early bird” registration fee has been successful. 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 great product and entices people to sign up for classes they want.

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 does not own any ball fields or gyms but continues to have an excellent working relationship with the NKSD 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 NKSD property or City property. Discussion with the YMCA or Public Facilities District continues plans for a possible new center in Poulsbo.



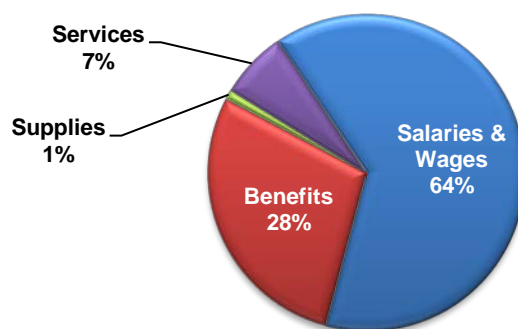
PARKS & RECREATION DEPARTMENT PERFORMANCE MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Response to citizen requests & complaints <i>Goal: 100% within 24 hours</i>	100%	100%	100%	100%	100%
Cancelling classes with advance notice <i>Goal: > 3 days notice</i>	80%	80%	90%	90%	90%
Increase capacity in Preschool Class <i>Goal: Increase enrollment</i>	66%	98%	88%	92%	95%
% classes held with adequate participation	64%	62%	69%	69%	70%
% of transactions using the online program	23%	32%	35%	36%	37%
# of monthly online transactions	147	225	337	225	230
# of special events	9	8	8	9	9
Recover 100% of direct program expenses	100%	100%	100%	100%	100%
# of sign permits	78	75	81	80	80
# of park shelter permits	181	160	184	165	170
# of senior trip registrations	625	562	478	510	520
# of recreation registrations	7095	7927	8161	8100	8200
# of grant applications	5	4	5	3	3
Recreation sponsorships & donations	\$4,966	\$6,602	\$5,997	\$5,500	\$5,500
In-kind volunteer value: Poulsbo's Fish Park	\$31,700	\$28,692	\$25,899	\$24,000	\$26,000

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

Mission Statement:

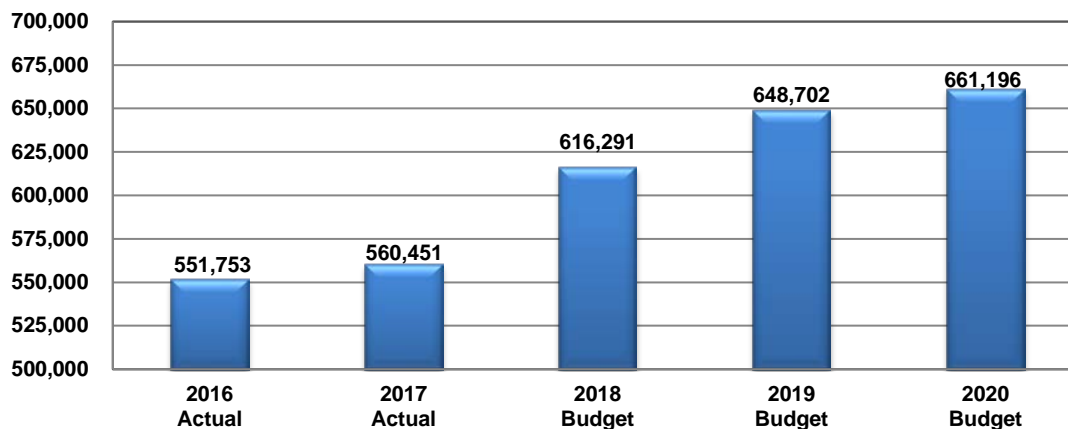
Our mission is to partner with the community, residents, elected officials, and private entities to promote Poulsbo's charm, character, and livability. This is achieved through sustainable comprehensive planning, efficient permit review and processing, and deliberate economic development strategies.

Planning and Economic Development Department Uses

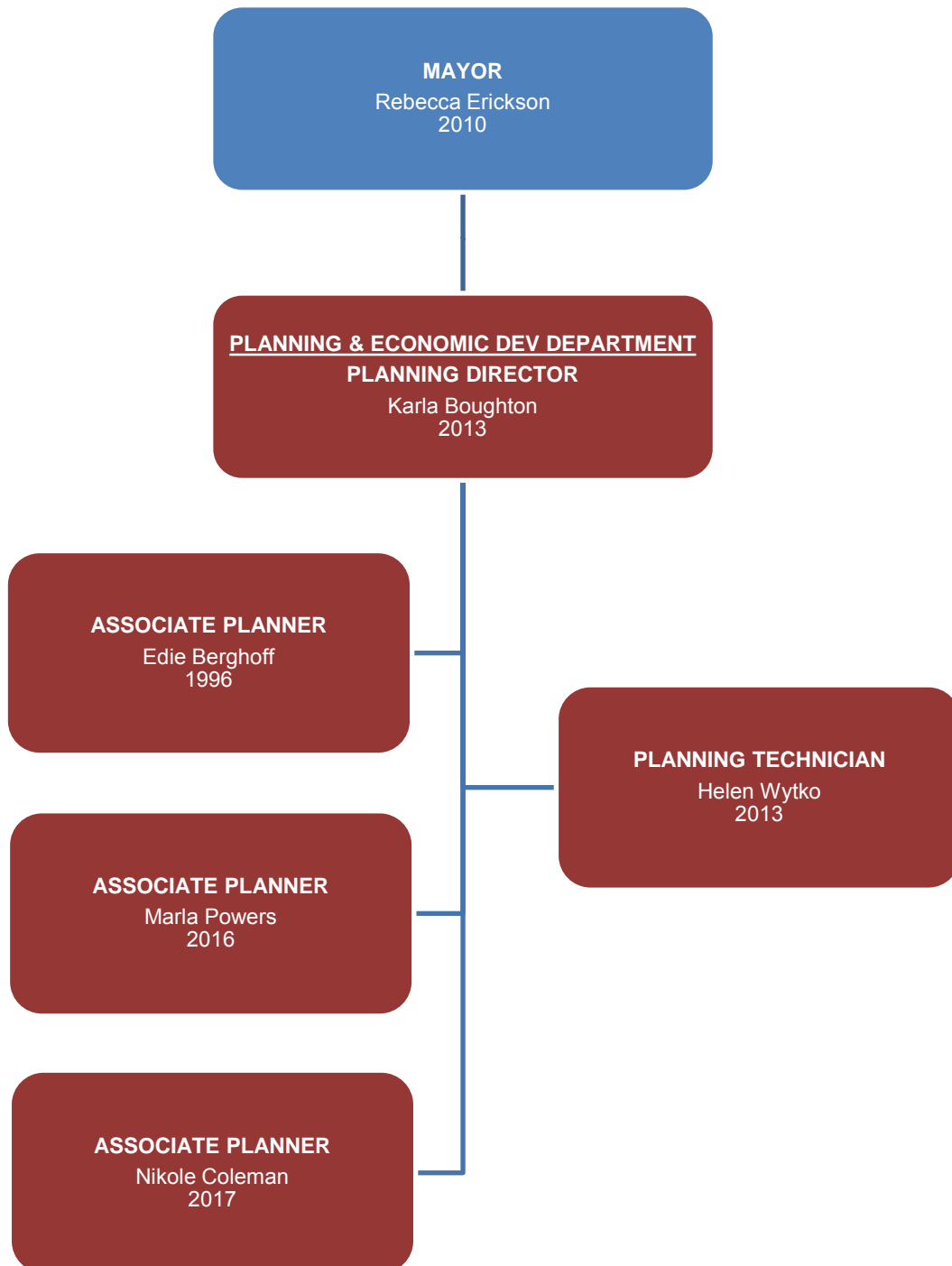


ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
PLANNING						
SALARIES	367,111	359,592	386,564	407,154	426,067	833,221
BENEFITS	149,476	159,609	170,449	180,065	193,646	373,711
SUPPLIES	5,448	6,825	7,818	6,468	6,468	12,936
OTHER SERVICES & CHARGES	29,718	34,425	51,460	55,015	35,015	90,030
TOTAL PLANNING	551,753	560,451	616,291	648,702	661,196	1,309,898

Planning Department Budget (2016 - 2020)



THE ORGANIZATION OF THE PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT



PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

PROGRAM DESCRIPTION and SERVICES:

The City 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.

STAFFING LEVEL:

The Planning and Economic Development Department has 5.0 FTEs. The Department staffing breakdown is: one Director, three Associate Planners, and one Planning Technician.

2017-2018 PROGRAM ACCOMPLISHMENTS: The Planning and Economic Development Department completed an ambitious mix of special projects, departmental/organizational improvements, long-range planning efforts, and daily permit demands, summarized below:

- Maintained development review performance time lines for land use permit review while the complexity of applications continues to increase
- Updated the City's Critical Areas Ordinance per the requirements of RCW 36.70A
- Updated the both Transportation and Park Impact Fee ordinances, consistent with the 2016 Comprehensive Plan Capital Facilities Plan
- Updated the Planning and Economic Development Department land use permit fee schedule
- Updated the Rules of Procedure for the Poulsbo Hearing Examiner
- Created 33 informational handouts available online and at city hall.
- Created 34 new planning application forms available online and at city hall
- Adopted updates to PMC 18.80 Commercial Districts, reflecting new and enhanced standards for development and redevelopment of downtown Poulsbo
- Created "Existing Street Tree Maintenance, Removal and Replacement Guidelines" booklet available online and at city hall
- Developed an Economic Development Strategy Plan
- Provided staff support to the Parks and Recreation Department update to the Urban Paths of Poulsbo Plan
- Regularly attended the monthly Greater Poulsbo Chamber of Commerce Luncheon
- Created "Welcome to Poulsbo" packet for new businesses available online and provided to Poulsbo Chamber of Commerce
- Co-lead with Building and Engineering Departments' key staff members in SmartGov permitting software roll-out and implementation
- Implemented through SmartGov, the ability to apply for land use permits online
- Implemented ability to accept credit card payment for planning, building and engineering permits.
- Provided project management for the conveyance of the Marine Science Center to WWU and its establishment as the Sea Discovery Center
- Provided project management for the conveyance of the Poulsbo Library to Kitsap Regional Library's ownership
- Implemented new code enforcement program
- Continued to represent the City at Kitsap Regional Coordinating Council (KRCC) Planning Director meetings and KRCC Policy Board meetings
- Represented as Kitsap's "Small City" alternate at PSRC Staff Committee
- Continued to review business license applications for zoning compliance

- Continued to provide geographic information system (GIS) support for the City Departments
- Maintained and updated the Department's portion of the City's web site.
- Conducted more than 50 public requests for information and copies of plans and/or reports.
- Continued advancing the region through collaboration with local and regional stakeholders, including the Greater Poulsbo Chamber of Commerce, Kitsap Economic Development Alliance and WWU Peninsulas
- Host one of the four annual Peninsula Planner Forums' in City Council Chambers
- Maintained active memberships with the Planning Association of Washington, the American Planning Association, and the Washington Economic Development Association

2019-2020 WORK PLAN:

The work plan for the 2019-2020 biennium are:

- 1) Facilitating significant changes in the physical development of the city
 - Facilitate redevelopment of Downtown Poulsbo by implementing new development standards for C-1 zoning district
 - Facilitate the anticipated Edward Rose site plan application submittals, consistent with the approved master plan, and in coordination with their project manager and consultant team
 - Maintain statutory timelines for land use permit applications
 - Initiate update to the 2008 Downtown Parking Management Strategy; funding for this study has been approved through a New Program Request
- 2) Meeting statutory update of the shoreline master program due June 2020
- 3) Updating select development regulations
 - Update last set of development regulations adopted in 1995 not updated – Clearing and Grading Ordinance
 - Initiate update to select portions of the City's Zoning Ordinance, including sign code for consistency with *Reed v. Town of Gilbert* Supreme Court decision
- 4) Beginning the foundational technical work for the next population forecast allocation (2021) and periodic comprehensive plan update due in 2024
- 5) Creation of citywide Design Manual including wayfinding signage program

PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT PERFORMANCE MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
# of Public Records Requests	26	35	28	40	45
# of Code Enforcement Requests	2	68	15	25	30
# of Code Enforcement Cases	4	46	31	15	20
# of Appeals	0	0	0	0	0
# of Accessory Dwelling Unit	5	2	3	2	2
# of Administrative Determinations	1	0	0	1	1
# of Boundary Line Adjustments	5	3	7	5	5
# of Comp Plan Amendments	1	6	0	4	3
# of Concomitant Agreement Released	1	2	3	2	2
# of Conditional Use Permits	1	1	1	2	1
# of Critical Area Permits			2	2	1
# of Design Review Board	0	1	8	4	4
# of Final Plats	2	3	3	3	2
# of Home Occupation Permits	1	0	1	2	1
# of Preliminary Plats	2	0	1	2	1
# of Planned Residential Developments	0	0	0	1	1
# of Post Decision Reviews	2	0	2	2	2
# of Pre-Applications	16	22	32	15	18
# of Site Plan Reviews (includes minor and binding site plan review)	14	5	6	5	5
# of State Environmental Policy Act Checklists	9	14	5	10	10
# of Short Plats	1	0	1	2	3
# of Shoreline Permits	1	0	0	0	1
# of Shoreline Exemptions	0	4	6	4	4
# of Temporary Use Permits	2	1	3	2	2
# of Unclassified Planning Permits	5	18	8	5	7
# of Variances	0	0	0	0	0
# of Total Permits	69	82	92	75	76
Land Use Permit Revenue	\$152,795	\$ 91,925	\$ 61,427	\$100,000	\$ 75,000

Some plats are phased and therefore staff resources are needed to be committed over an extended time period (ie...Poulsbo Place; Rose; Mountain Aire)

Unclassified Planning Permits include: neighborhood meetings, unclassified actions, grading & clearing permits, and zoning verification letters

The Planning Department reviews every building permit prior to issuance for compliance with either condition of approval and/or City Zoning Standards

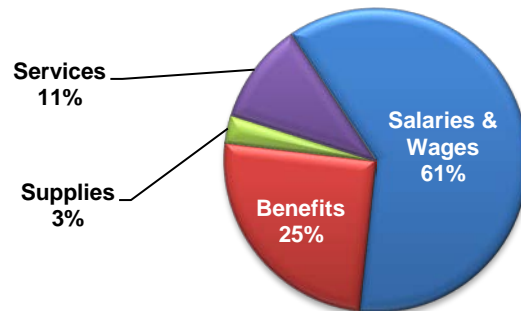


POLICE DEPARTMENT

Mission Statement:

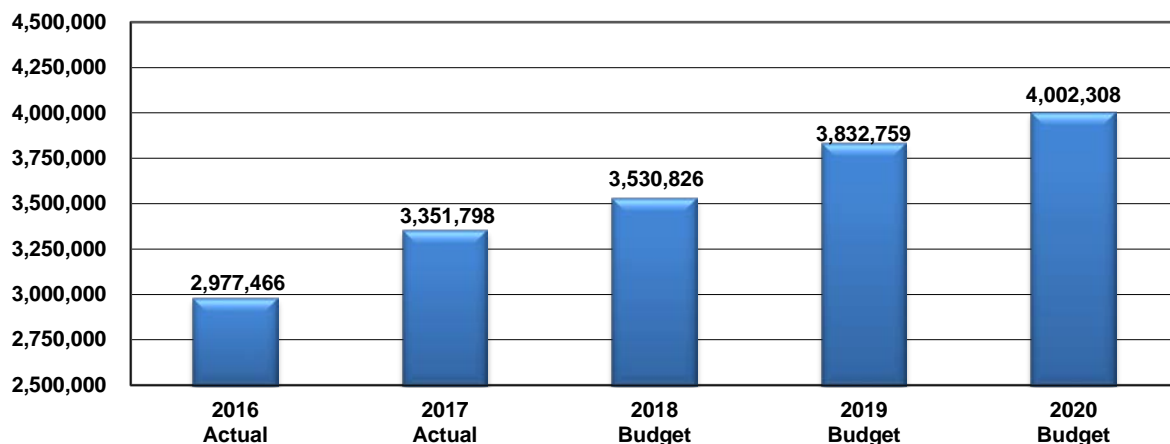
The mission of the Poulsbo Police Department is to safeguard the lives, property and rights of all people; to reduce the incidence and fear of crime; and to enhance public safety while working with our community to improve their quality of life. Our mandate is to do so with honor and integrity, while always conducting ourselves with the highest ethical standards to maintain the confidence of the public we serve.

Police Department Uses

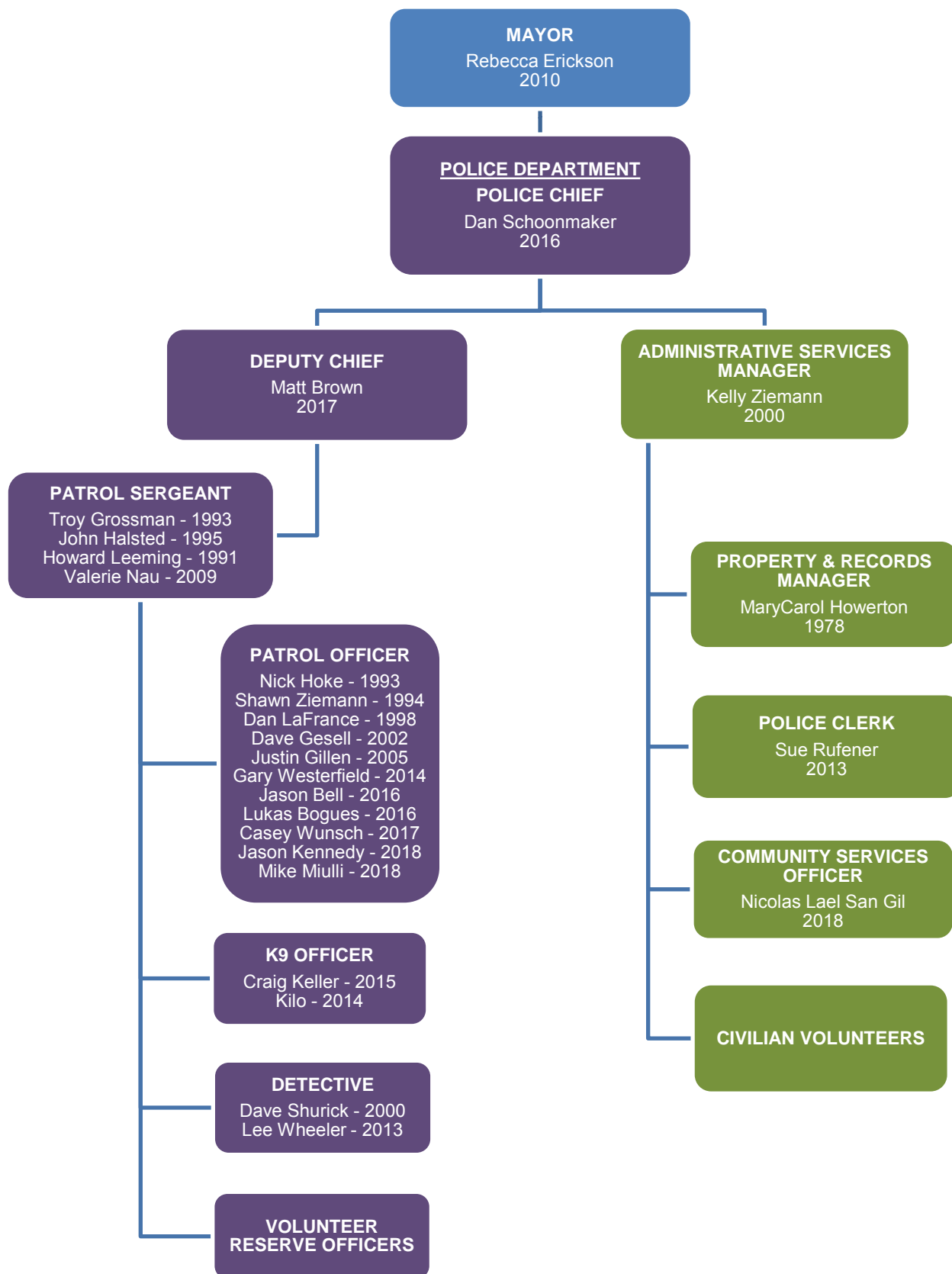


ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
POLICE						
SALARIES	1,853,495	2,057,699	2,162,967	2,347,891	2,446,577	4,794,468
BENEFITS	714,951	814,086	892,015	948,775	1,019,778	1,968,553
SUPPLIES	143,046	113,897	127,414	115,420	117,400	232,820
OTHER SERVICES & CHARGES	265,974	366,116	348,430	420,673	418,553	839,226
TOTAL POLICE DEPARTMENT	2,977,466	3,351,798	3,530,826	3,832,759	4,002,308	7,835,067

Police Department Budget (2016 - 2020)



THE ORGANIZATION OF THE POLICE DEPARTMENT



POLICE DEPARTMENT

PROGRAM DESCRIPTION:

The Poulsbo Police Department consists of a highly qualified and professionally trained group of men and women. The Vision of the Police Department is to be amongst the finest law enforcement agencies in the State of Washington and one which consistently delivers the highest quality public service to make the City one of the safest in the nation. The Core Values of the Poulsbo Police Department are Honor, Integrity, Teamwork and Professionalism; our daily actions shall embody our Mission, Vision, Core Values and Code of Ethics.

SERVICES PROVIDED:

Services provided by the police department include but are not limited to:

- Responding to 911 Calls and 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
- Fingerprinting Services
- Processing Concealed Pistol Licenses and Firearm Transfers



STAFFING LEVEL:

OPERATIONS

The Operations Division of the Poulsbo Police Department consists of twenty Commissioned Law Enforcement Officers. They are one Chief of Police, one Deputy Chief, four Sergeants, twelve Patrol Officers and two detectives.



OPERATIONS - Patrol

The Patrol Division of the Poulsbo Police Department consists of twelve Patrol Officers being supervised by four Sergeants. One new officer was authorized for hire in 2017 and 2018; the 2018 position was modified and approved to instead add a 4th Sergeant. The internal promotion of one patrol officer to a 4th Sergeant and the hiring of one officer from that subsequent vacancy occurred in 2018.

OPERATIONS - Patrol – Dedicated Assignment

School Resource Officer

Of these Patrol Officers, one is assigned, through an agreement with NKSD, as a SRO and patrols, investigates and reports on crimes within Poulsbo schools in addition to fostering positive relationships with students and staff.

K9 Officer

Another Patrol Officer is assigned as a K9 handler to the department's K9 Kilo, a five-year-old Belgian Malinois. This K9 officer, along with Kilo, are specially trained to work together in the detection of narcotics and have done so successfully within the City as well as throughout the County.



OPERATIONS - Patrol – Special Assignment

Marine 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, certified marine officers staff 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. 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

In 2016, an additional motorcycle was added to the unit to bring our total to two motorcycles. 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 often make it difficult to safely enforce traffic ordinances utilizing a full-size patrol car. Patrol vehicles simply do not have the advantages of a 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.

OPERATIONS - Detectives

In addition to the patrol officers, the Poulsbo Police Department has two Detectives. With two detectives, one is primarily assigned to handle felony cases, monitor sex offenders, and investigate cold cases; while the second detective handles large scale felony, organized retail theft and narcotics cases. In 2018, with the increased level of narcotics activity and recognition of the collaborative benefit, the Poulsbo Police Department joined with Bremerton PD's Special Operations Group (SOG), which provides our department with additional resources to include narcotics intelligence and operational manpower.

OPERATIONS – Volunteer Reserve Officers

The City 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.

ADMINISTRATIVE

The Administrative Services Unit consists of the one Administrative Services Manager, one Property and Records Manager, one Police Clerk and one Community Services Officer (CSO). Prior to 2018, there was one Manager, two Police Clerks and one CSO. In 2018, with the departure of one police clerk, the department reorganized this unit by creating the Administrative Services Manager position in lieu of hiring the vacant Police Clerk and reclassifying the previous Manager to the Property and Records Manager. The Administrative Services Manager oversees all civilian staff and volunteers of the Police Department, works in direct collaboration with the Deputy Chief of Police and directly reports to the Chief of Police.

Services provided by the Administrative Services Unit include but are not limited to:

- Processing all Case Reports generated by the Police Department
- Intake, Storage, and Disposition of Property & Evidence
- Public Records Management to include Retention, Disclosure & Destruction

- Fielding Inquiries from the Public
- Processing Fingerprints for Job and Concealed Pistol License Applicants
- Processing Firearm Transfers & Concealed Pistol Licenses
- Maintaining Department Training Records
- Preparation of Payroll, Accounts Payable and Accounts Receivable
- Assisting Patrol, Detectives and the Command Staff

ADMINISTRATIVE – Community Services Officer

In 2016, we added a Community Services Officer position to the Department. This position provides for Administrative and Special Event Support for the Police Department, Court Security and Electronic Home Monitoring for the Municipal Court and Code Enforcement for the City Planning & Economic Development Department.

ADMINISTRATIVE - Volunteers in Police Service

We have a small volunteer service of dedicated volunteers who provide an invaluable resource to the police department. They help by enforcing parking restrictions in Anderson Parkway and disabled parking spaces throughout the City. They also assist the department during festivals with parking and traffic control and by providing additional eyes and ears throughout the community.

2017-2018 PROGRAM ACCOMPLISHMENTS:2017

- Purchase of nine new police vehicles, with Finance Department's assistance through Washington State LOCAL Program, to replace an aging fleet racked with required repairs
- One new Police Officer was approved for and hired in 2017
- Participated in Loaned Executive Management Assistance Program (LEMAP) through WASPC which provided technical assistance and consulting of best practices for law enforcement agencies
- Re-instated department participation and hosting of National Night Out Community Event
- Instituted a regular audit schedule for the Property and Evidence Room
- Began issuance of Daily Training Bulletins through Lexipol
- Recruitment and Hiring of Deputy Chief
- Instituted Special Pink Patches for department work uniforms, worn throughout October in observance of Breast Cancer Awareness Month
- Consolidated department training files
- Established Policy Review Process by the Chief and Deputy Chief to review significant events

2018

- Funding from the Suquamish Tribe to purchase and outfit a marked Special Response Trailer
- One new Sergeant was approved for and hired in 2018, thus bringing our supervisory coverage up to 89% from a previous 66%
- Began utilizing On-Line Training through WCIA; thus saving dollars on overtime and training costs
- Re-organization of Administrative Unit providing for an Administrative Services Manager to oversee the complete unit to include all civilians; allowing the Deputy Chief to oversee Law Enforcement Operations
- Recruitment and Hiring of Community Services Officer
- Enhanced branding throughout department to include back offices and on front lobby doors
- Introduction of new Work Schedule Model for Officers and Sergeants which allows for one full training day per month for all
- Revamp of Field Training Officer Program

2019-2020 WORK PLAN:

- Achieve Law Enforcement Agency Accreditation through WASPC. Agency Accreditation certifies that an agency is operating under the industry best practices and standards.
- Increase training for all personnel to meet state mandates along with addressing our department goal of establishing a Regional Training Partnership Program.
- Developing a social media presence and engaging our citizens and the general public via electronic means like Twitter and Instagram as well as through direct community-based events like National Night Out
- Improving the layout within the Property & Evidence Room to maximize efficiencies and storage
- Continue to incorporate newly approved Drone Program into use
- Continue to incorporate newly approved E-Bike Program into use

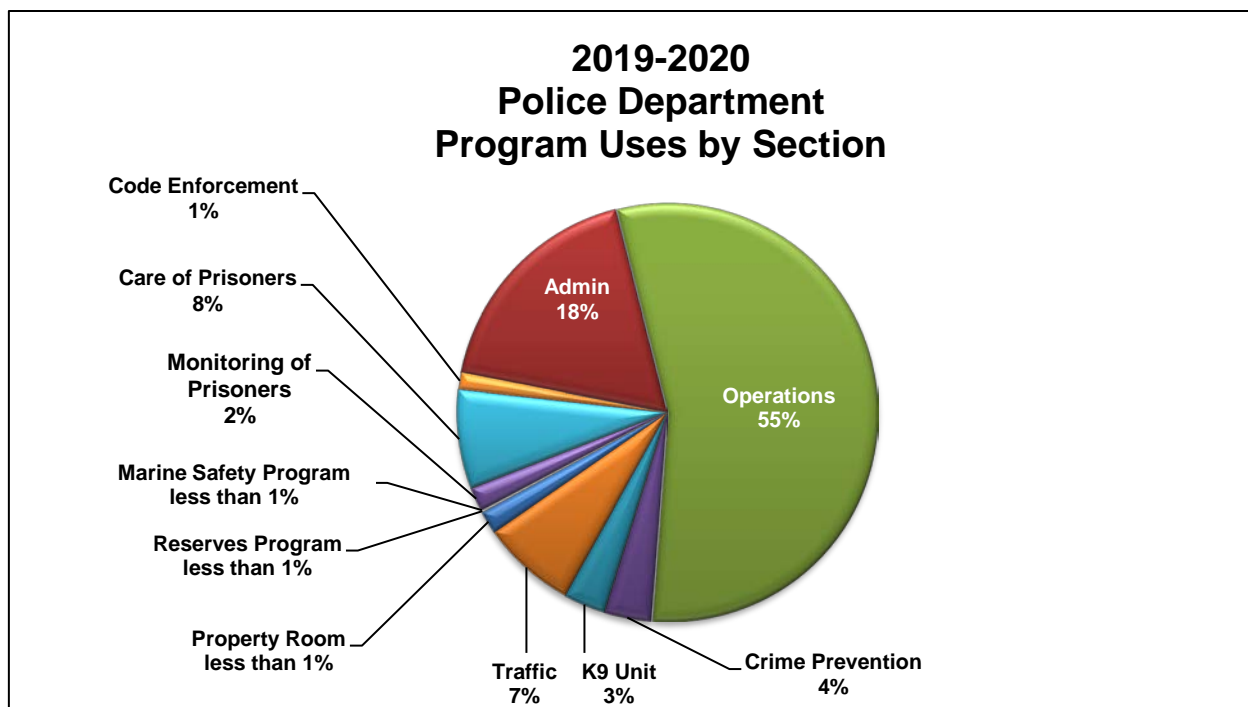
2019-2020 REVENUES:

For 2019-2020, the department will pursue grant opportunities where appropriate. There are no known significant impacts to revenue.

2019-2020 EXPENDITURES:

For 2019, the department has requested only those baseline adjustments necessary to bring our budget up to adequate funding. BARs have been submitted for department Overtime, Training, Casual Labor (Monitoring of Prisoners) and to cover and anticipated Care & Custody of Prisoners Costs.





POLICE DEPARTMENT PERFORMANCE MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
# of Citations Issued (criminal, infraction, parking)	1,358	1,218	1,097	1,400	1,475
# of Driving Under Influence (total included in criminal citations)	38	50	59	52	52
# of Prosecutor Complaints (criminal)	223	437	707	600	650
# of Case Reports	1,760	1,968	1,736	2,250	2,400
# of Training Hours	2,797	2,271	2,600	3,000	3,400
# of Calls for Service	12,215	12,043	13,198	13,250	13,700
# of Vacation House Checks	376	300	100	200	200
# of Handicap Parking Citations	27	38	11	30	35

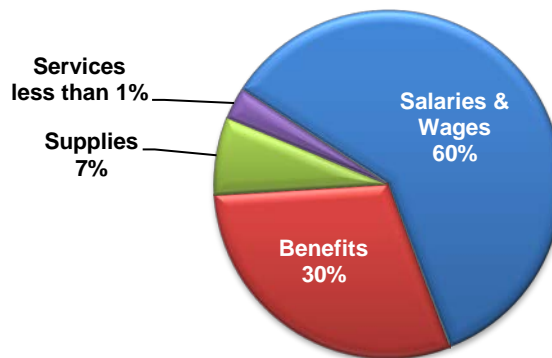


PUBLIC WORKS ADMINISTRATION DEPARTMENT

Mission Statement:

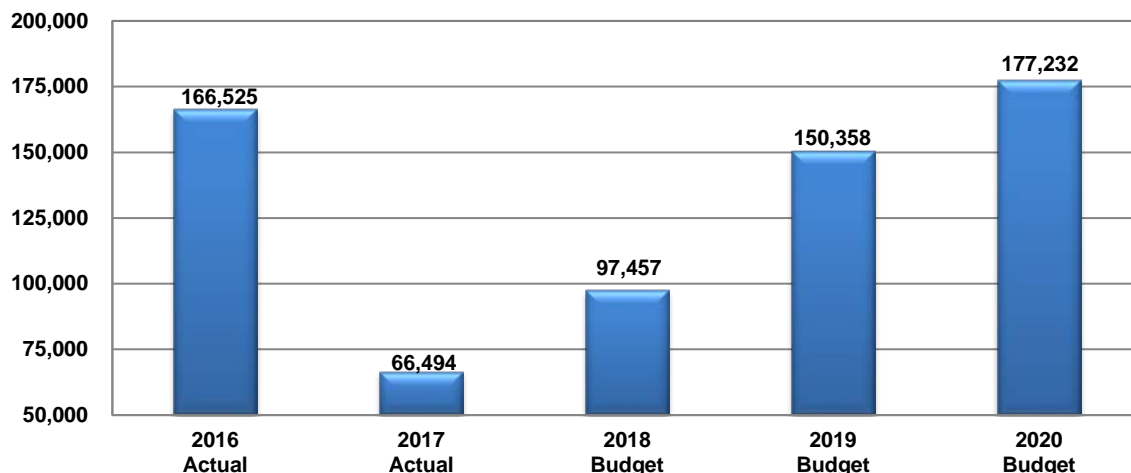
The mission of the Public Works Administrative Department is to provide support services to the Public Works Department. Responsibilities include management and supervision, budgeting, accounting, and purchasing and procurement of supplies, good and services.

Public Works Administration Uses

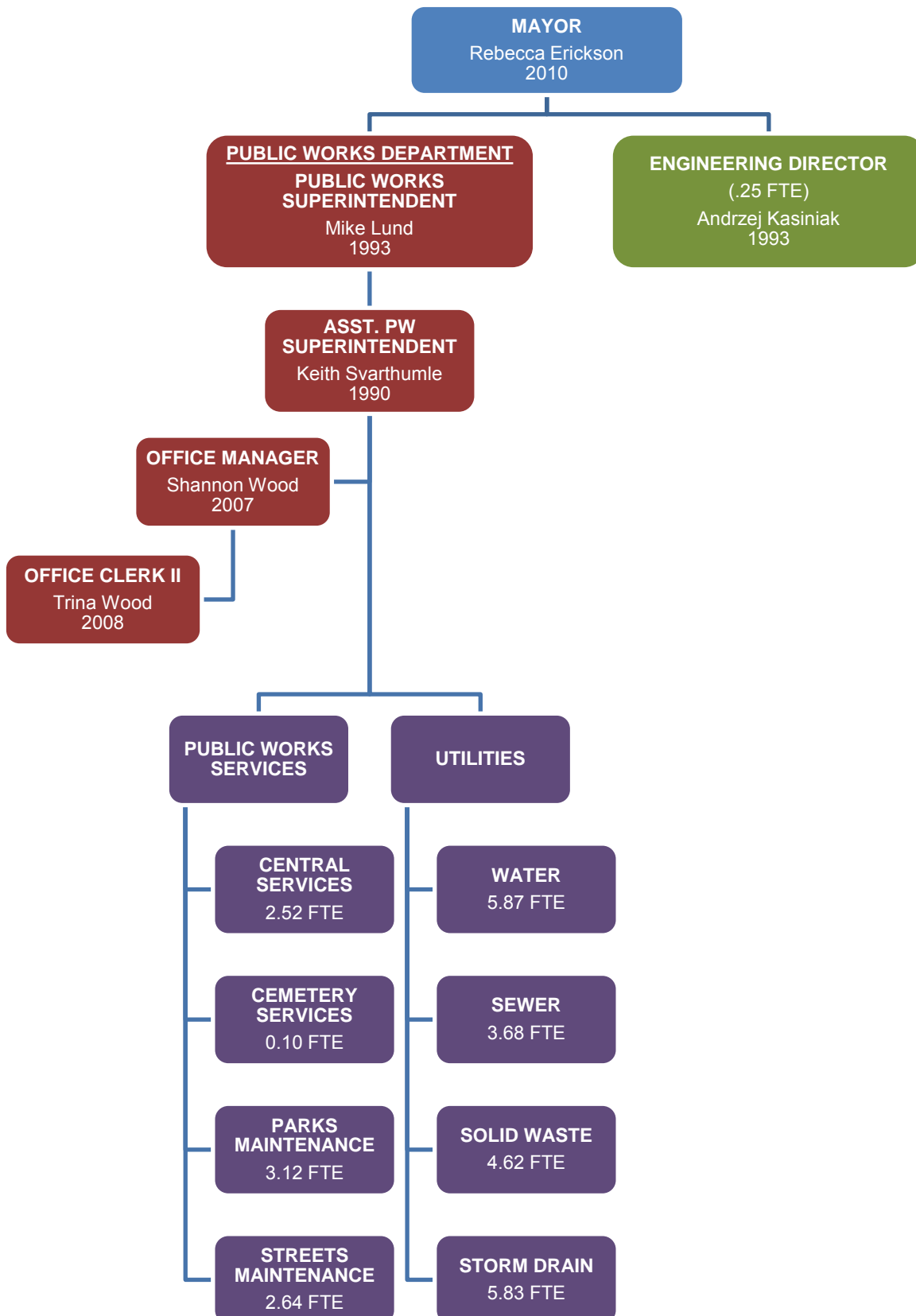


ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
PUBLIC WORKS ADMIN						
SALARIES	119,242	39,596	64,308	97,062	111,944	209,006
BENEFITS	43,737	28,549	34,757	45,966	57,958	103,924
SUPPLIES	14,451	16,112	17,300	12,500	12,500	25,000
OTHER SERVICES & CHARGES	(10,905)	(17,763)	(18,908)	(5,170)	(5,170)	(10,340)
TOTAL PW ADMIN	166,525	66,494	97,457	150,358	177,232	327,590

Public Works Administration Budget (2016 - 2020)



THE ORGANIZATION OF THE PUBLIC WORKS DEPARTMENT



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 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, parks, roadways, trails and sidewalks, water, wastewater, solid waste and stormwater facilities, services, and equipment repair facilities
- Preparation, management, and monitoring of the department's biennial 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, and 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 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.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Supported Engineering Administration
- Provided administrative support of all Public Works departments
- Updated the City's website in support of Public Works
- Continued staff support to other City departments
- Continued plan design review for developer projects
- Support of the volunteer Cemetery Committee
- Updated the City Cemetery records and maps
- Updated the comprehensive Safety Program
- Monitored and provided guidance to the new Coffee Oasis caretaker staff at Nelson Park

2019-2020 WORK PLAN:

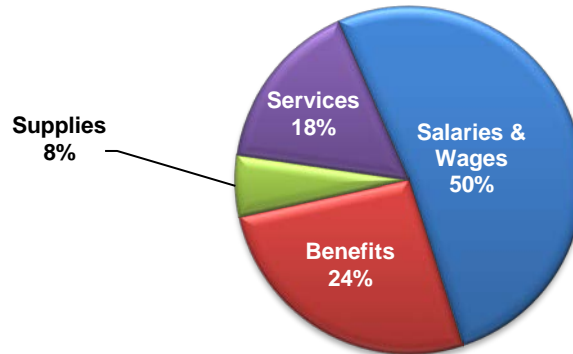
- Continue to provide administrative staff support to all public works departments
- Providing updates to the Public Works portion of the City's website
- Continuing plan design review for developer projects
- Updating and maintaining the City Cemetery records and maps
- Guiding and monitoring our comprehensive Safety Program

PUBLIC WORKS DEPARTMENT (Administration) PERFORMANCE MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
# of Work Orders Processed	217	252	281	320	340
Utility Change of Ownership / New and Change of Service	737	763	1071	800	820
# of Clean-Up Dumpsters	280	273	276	290	300

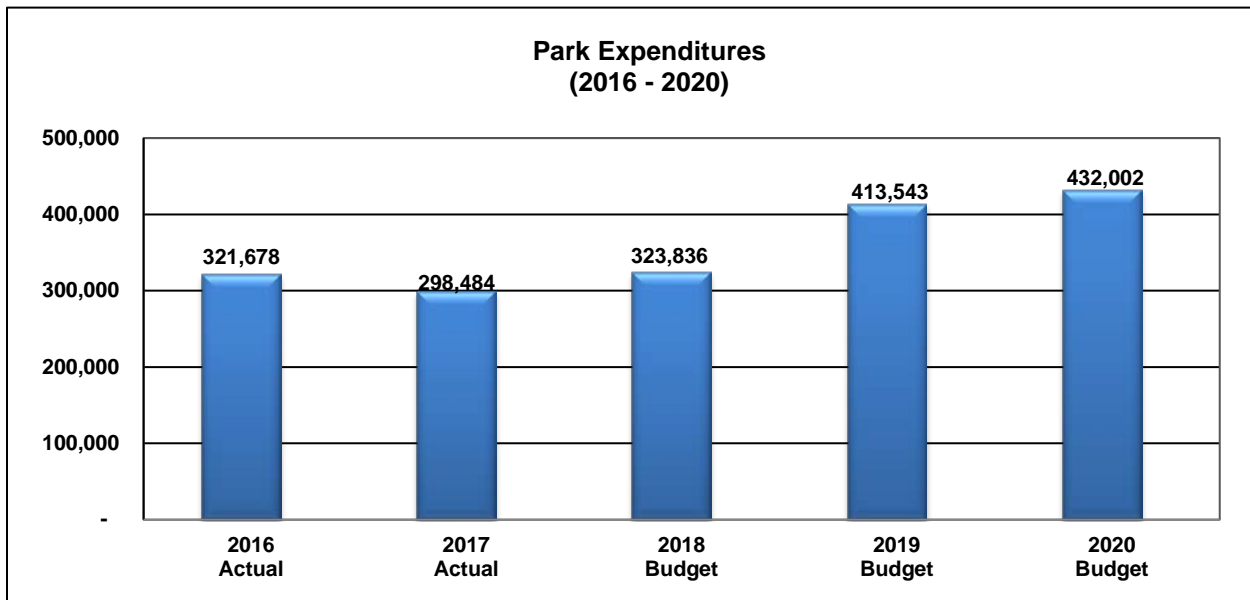


PUBLIC WORKS PARKS PROGRAM

Parks Department Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
PARKS MAINTENANCE						
SALARIES	161,489	138,370	161,274	214,200	222,274	436,474
BENEFITS	73,720	65,557	74,939	108,342	116,702	225,044
SUPPLIES	23,303	22,588	27,363	24,340	24,340	48,680
OTHER SERVICES & CHARGES	63,166	71,969	60,260	66,661	68,686	135,347
TOTAL PARKS MAINT	321,678	298,484	323,836	413,543	432,002	845,545



PARKS PROGRAM

PROGRAM DESCRIPTION and SERVICES PROVIDED:

The Parks program, under the direction of the Public Works Superintendent, is responsible for the management and maintenance of the City's municipal parks. The City's parks provide a high quality and safe recreational experience for both citizens and visitors.

Poulsbo has 20 City parks and open spaces and over five 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 five parks, playgrounds at seven parks, a skate park, and a 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 but is not limited to 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 program through Coffee Oasis at Nelson Park that help with maintaining grounds, restrooms, the picnic shelters, and Dog Park.

STAFFING LEVEL:

Staffing associated with the park's maintenance function includes 3.12 FTE's. The Public Works Superintendent supervises these positions. Two Ground Maintenance Techs at 0.95 FTE each, on Ground Maintenance Tech at one FTE, one Foreman at 0.15 FTE, along with a portion of the City Mechanic, are allocated to the Parks.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Addressed numerous vandalism issues in all city parks
- Watered many newly planted trees/plants and landscaped areas including all new street projects
- Continued maintenance on the Boardwalk
- 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; including cleaning of restrooms, grounds maintenance, mowing, fertilizing, and maintaining numerous irrigation systems
- Conducted weekly inspections of park facilities to ensure safety and compliance with applicable guidelines and regulations
- Continued support of the Fish Park project
- Supported and installed additional playground equipment at various parks
- Raised the tree canopy and removed low growing vegetation in Centennial Park
- Coordinated with Parks and Recreation Department regarding special events
- Raised the tree canopy and removed low growing vegetation in Legion Park
- Helped maintain Rain Gardens throughout the City
- Provided bi-annual herbicide spraying
- Certified a Playground Safety Inspector and renewed certification for a second FTE
- Built new restrooms and landscaped the MIW Waterfront Park
- Renovated the Gazebo at MIW Waterfront Park

2019-2020 WORK PLAN:

Several projects are planned for the operations and maintenance of City parks for 2019 and 2020, including:

- Continuing the Fish Park Restoration
- Continuing development of Centennial Park
- Maintaining the new Morrow Manor Park
- Continuing to upgrade Legion Park
- Continuing the scheduled maintenance and routine repairs for all park facilities
- Providing continued maintenance of all rain gardens
- Ongoing certification of Parks employees
- Ongoing care of City Hall
- Developing the Nelson Park Trail to Poulsbo's Fish Park

For the 2019-2020 budget, a new program request for a Grounds Maintenance Technician has been approved and the City will seek to fill the position in early 2019.

PARKS - OPEN SPACES - TRAILS	
MIW 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 2019</i>	Olhava Park #2

PARKS DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of parks, open spaces and trails maintained	17	18	19	20	21
Acres of parks/open space maintained	67	68.5	68.5	71.5	72
Acres of parks mowed	16.5	16.5	16.5	17.5	18.5
Vandalism/malicious mischief reports	10	20	8	24	24

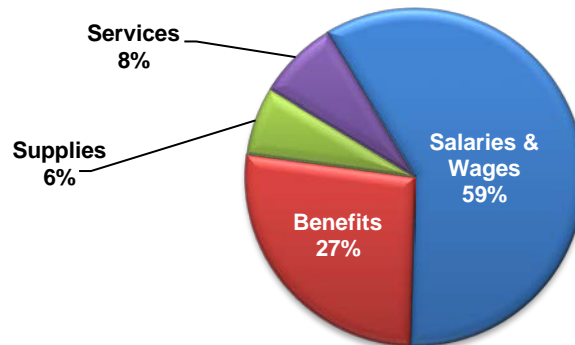


PUBLIC WORKS CEMETERY PROGRAM

Mission Statement:

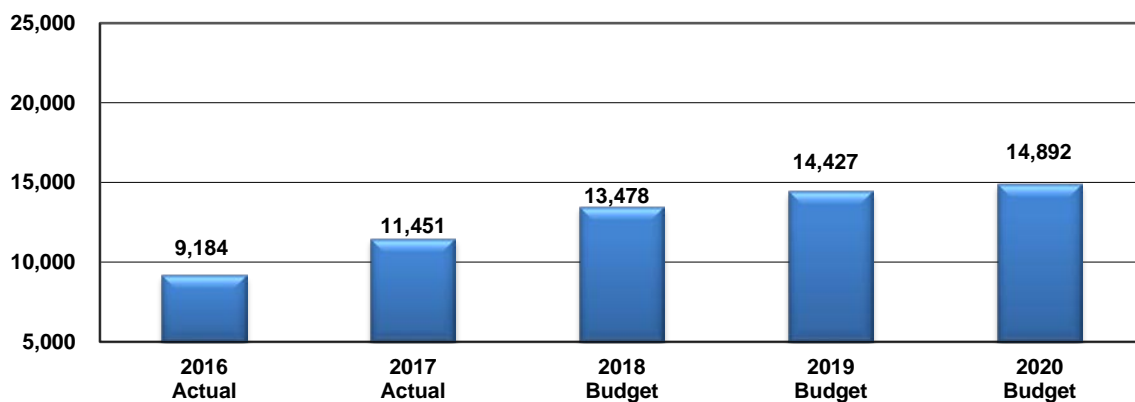
The mission of City of Poulsbo's Municipal Cemetery is to provide a historic public burial ground, affordable to all citizens. The cemetery accomplishes this goal through the collaborative effort of staff and volunteers.

Cemetery Department Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
CEMETERY SERVICES						
SALARIES	6,557	6,279	8,333	8,552	8,757	17,309
BENEFITS	2,028	2,902	3,645	3,789	4,049	7,838
SUPPLIES	369	318	1,055	958	958	1,916
OTHER SERVICES & CHARGES	230	1,952	445	1,128	1,128	2,256
TOTAL CEMETERY SERVICES	9,184	11,451	13,478	14,427	14,892	29,319

Cemetery Expenditures (2016 - 2020)



CEMETERY PROGRAM

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 updates of cemetery records and computer-aided drafting (CAD) mapping
- Assist families researching burial locations of family members
- Meet with individuals to provide assistance in purchasing plots at the cemetery
- Plot locating and marking for burials and monument placement
- Maintenance and upkeep of grounds and facilities
- Assist the public and genealogy groups in records research and investigations
- Support the volunteer Cemetery Committee and provide assistance for cemetery revitalization

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.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Added new water lines, yard hydrants, bench pads, pavement of parking lot, and a new cemetery gateway entrance sign
- Built a new Cemetery Pergola in late 2018, utilizing funds from Cemetery Reserves Fund (314) as authorized by City Council
- Built soil and debris containment bins in 2018
- Placed benches within the municipal cemetery that were received through Private sponsorship and donations

2019-2020 WORK PLAN:

The 2019-2020 programs will be a continuation of the 2017-2018 programs which include:

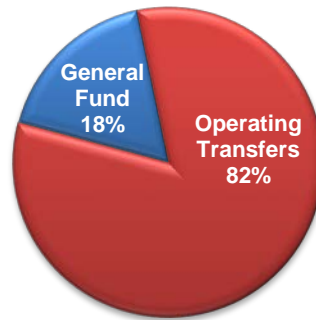
- Continuing administration, management, and supervision of the department
- Continuing to be a liaison to the volunteer cemetery committee

A new program request was approved for funding for the anticipated utilities for the new Pergola in the Cemetery.

NON-DEPARTMENTAL

Non-Departmental budgets represent those appropriations that are not department specific

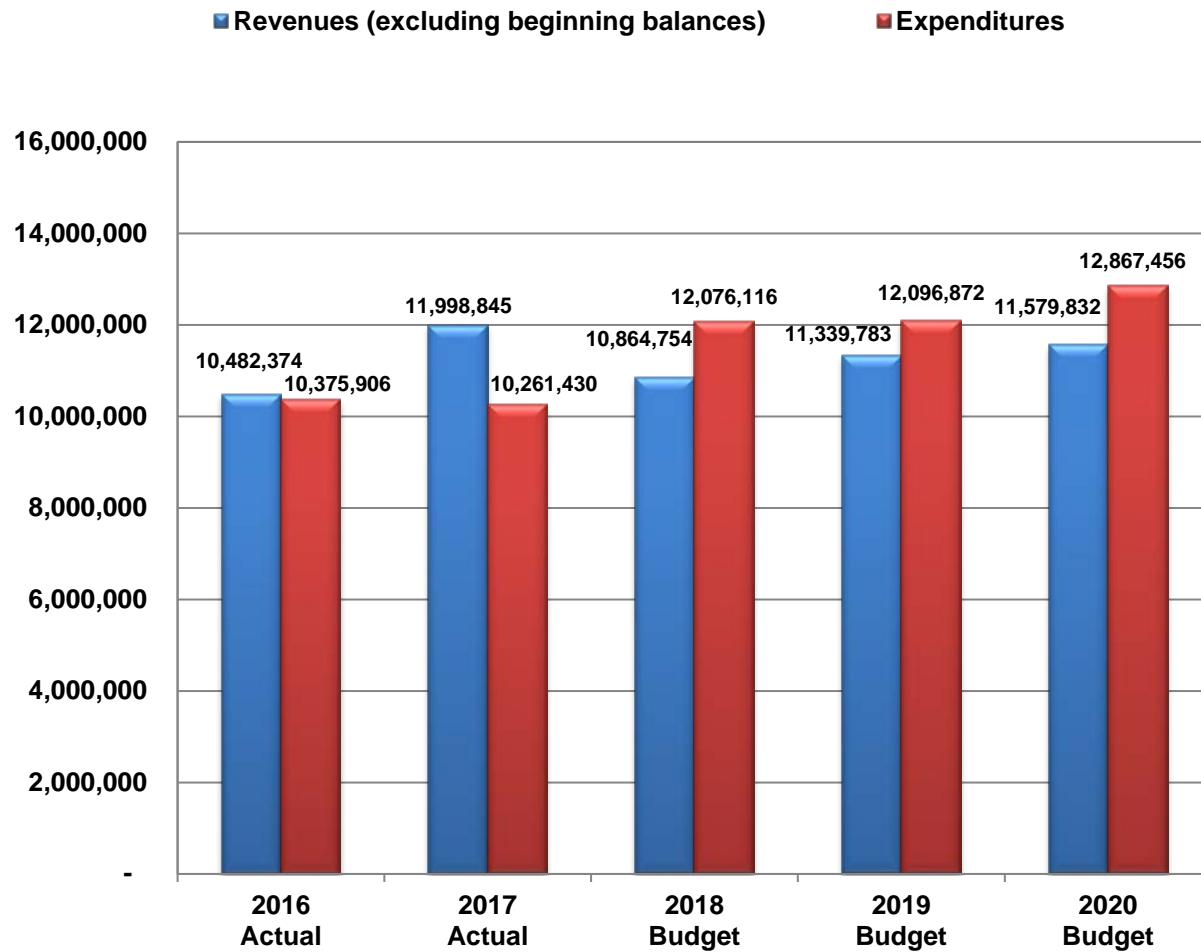
Non-Departmental Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
NON-DEPARTMENTAL						
ANIMAL CONTROL	27,183	27,781	28,393	29,106	29,979	59,085
AUDIT	25,601	21,284	27,498	34,165	34,165	68,330
COMMUNICATIONS - 911	123,585	88,014	93,695	98,380	103,300	201,680
DISASTER PREPAREDNESS	13,521	14,598	16,826	17,818	18,491	36,309
EMPLOYEE BENEFIT PROGRAM	1,083	2,008	2,715	2,671	2,671	5,342
LEGAL	171,708	99,906	184,622	185,523	187,881	373,404
LIBRARY	28,250	29,222	151,655	-	-	-
POLLUTIONS CONTROL	7,388	7,388	7,669	7,856	8,092	15,948
PUBLIC HEALTH	11,753	12,697	12,967	34,998	35,975	70,973
SOIL & WATER CONSERV	11,494	13,502	14,000	14,000	14,000	28,000
SUBSTANCE ABUSE	2,359	-	3,254	-	-	-
OPERATING TRANSFERS	2,078,487	1,746,797	2,374,018	1,897,192	2,138,925	4,036,117
TOTAL NON-DEPARTMENTAL	2,502,412	2,063,197	2,917,312	2,321,709	2,573,479	4,895,188

Note: In 2018, the City Council voted to convey ownership of its Poulsbo Library property to the Kitsap County Rural Library District, also known as Kitsap Regional Library resulting in no further budget tracking needed

Total General Fund Operating Revenues and Expenditures (2016 - 2020)

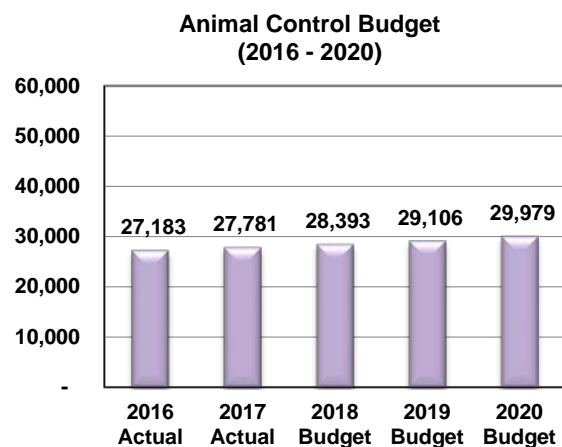


Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

ANIMAL CONTROL

PROGRAM DESCRIPTION:

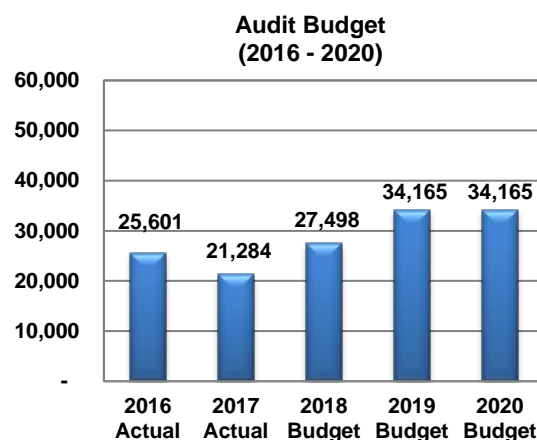
The City contracts with the Kitsap County Humane Society for animal control services. A new contract was signed in late 2016 to cover services for the period of January 1, 2017 through December 31, 2019.



AUDIT

PROGRAM DESCRIPTION:

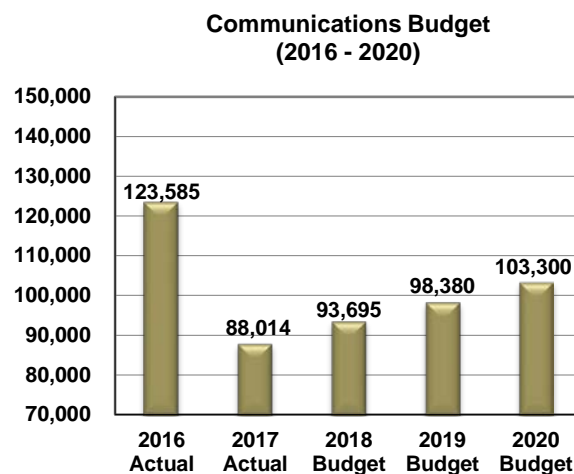
The Washington State Auditor audits the City on an annual basis. Federal grant proceeds in 2019 and 2020 are expected to exceed \$750,000, a single audit will be necessary in 2019 and 2020.



COMMUNICATIONS

PROGRAM DESCRIPTION:

This budget includes all expenditures related to Emergency 911 dispatch service. Dispatch 911 service is contracted from Kitsap 911. The contract also includes the support of the Kitsap County-wide software used in law enforcement operations called I/LEADS. In 2016, a replacement of all police vehicle mobile computer terminals was completed.

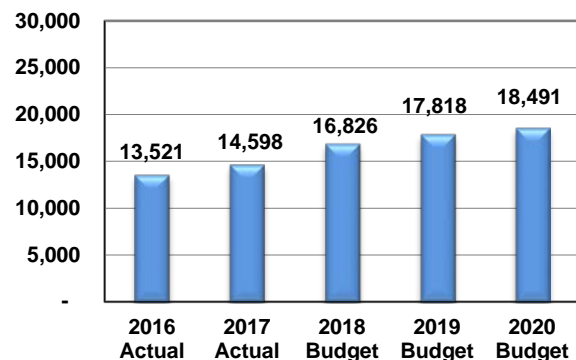


DISASTER PREPAREDNESS

PROGRAM DESCRIPTION:

This budget funds those expenditures associated with emergency management for the City's participation in the County's Department of Emergency Management Programs.

Disaster Preparedness Budget
(2016 - 2020)



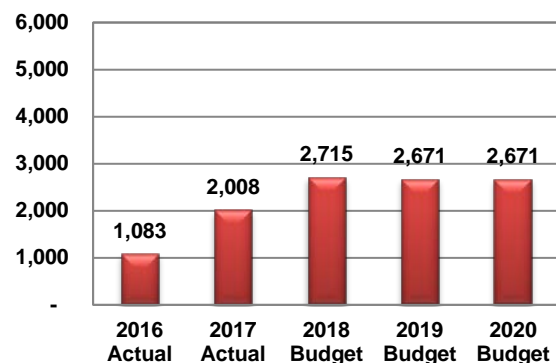
EMPLOYEE BENEFIT PROGRAMS

PROGRAM DESCRIPTION:

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 greater 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.

Employee Benefit Budget
(2016 - 2020)

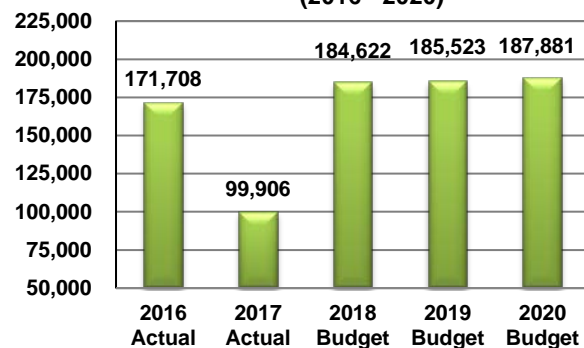


LEGAL

PROGRAM DESCRIPTION:

This budget includes expenditures related to legal services. The City contracts with a selected attorney for general legal needs, and with a primary public defender for indigent defense services.

Legal Budget
(2016 - 2020)

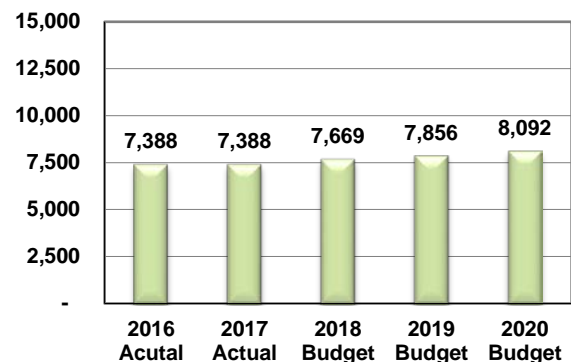


POLLUTIONS CONTROL

PROGRAM DESCRIPTION:

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.

**Pollutions Control Budget
(2016 - 2020)**

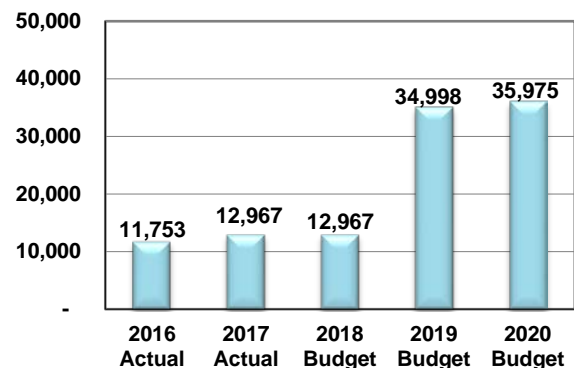


PUBLIC HEALTH

PROGRAM DESCRIPTION:

The City contracts with the County Health District to supplement the services they provide to the City.

**Public Health Budget
(2016 - 2020)**

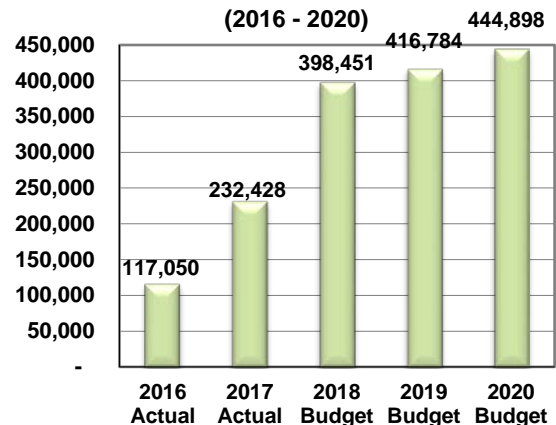


BEHAVIORAL HEALTH

DESCRIPTION:

A grant dependent program the City has managed since 2016. The program has grown from a part time manager and one navigator to a full-time manager and three navigators. Poulsbo has partnered with other surrounding City Police Departments and Municipal Courts to provide direction to resources for mental health and substance abuse support. The program has been very successful and will be supported in 2019 with grant funds, and contributions from Poulsbo, Bainbridge Island and Bremerton. It is anticipated the program will continue in 2020 but is depended on receiving continued grant and local funding.

**Behavioral Health
(2016 - 2020)**

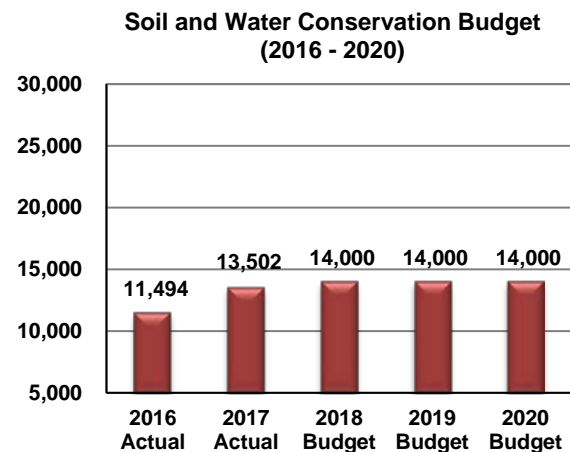


SOIL and WATER CONSERVATION

PROGRAM DESCRIPTION:

In 1997, the City 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.



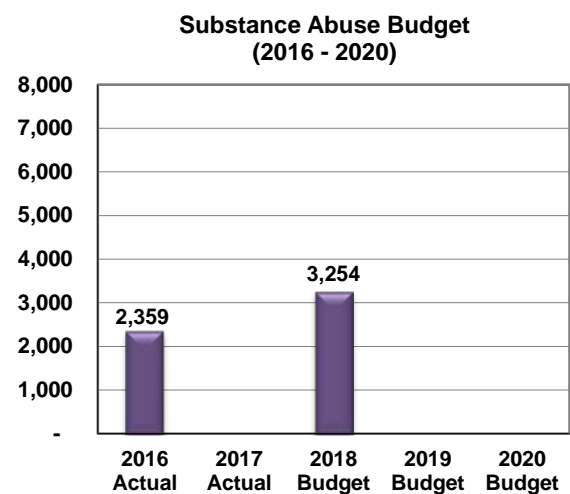
2017-2018 PROGRAM ACCOMPLISHMENTS:

- Maintained Tree City USA designation for the 22nd year by upholding four standards:
 1. Maintaining the Tree Board
 2. Maintaining a tree ordinance
 3. Allocating \$2 per citizen to tree related projects and needs
 4. Celebrating celebrate Arbor Day
- Poulsbo Tree Board members continued to make public education a priority by providing a series of tree pruning and classes including *Tree Basics and How to Recognize Tree Hazards*, as well as a *Tree Walk in Poulsbo's Urban Forest*.
- Other successful and ongoing projects included working with a student from WWU to produce a Tree Walk in Centennial Park, created a Heritage Tree Program for citizens, participated in Salmon Tours both years, took two field trips to see other projects in the County, and have provided input on landscaping improvements at the city cemetery.

SUBSTANCE ABUSE

PROGRAM DESCRIPTION:

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.

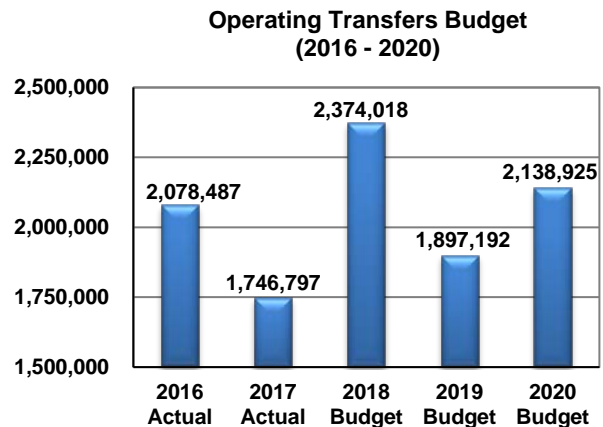


OPERATING TRANSFERS

DESCRIPTION:

This budget includes routine interfund operating transfers and transfers to City Reserves. 2018's increased transfer was due to funds in the amount of \$500,000 earned and not anticipated in 2017 transferred to Capital Reserves to be used towards the future new Public Works building.

The detail of transfers to other funds is detailed in the chart below.



Operating Transfer Summary			
Transfer to Fund	Description	2019	2020
101	Street Maintenance	\$ 665,000	\$ 685,000
204	2010 Park & Recreation Building Debt	\$ 23,242	\$ 22,735
204	2012 City Hall Debt	\$ 141,350	\$ 138,975
204	2015 City Hall Debt	\$ 486,550	\$ 487,000
204	2017 Vehicle Debt	\$ 123,100	\$ 122,965
204	Anticipated Public Works Building Debt	\$ -	\$ -
204	Anticipated Noll Road Debt	\$ -	\$ 210,000
204	Debt Service Costs	\$ -	\$ -
301	Transfer for Capital Equipment	\$ 117,950	\$ 126,250
302	Transfer for Park Projects	\$ 110,000	\$ 114,000
311	Transfer for Neighborhood Streets	\$ 150,000	\$ 150,000
311	Transfer for Street Projects	\$ 55,000	\$ 57,000
331	Transfer for City Governmental Building Repairs	\$ 25,000	\$ 25,000
<i>Total Transfers from General Fund</i>		<i>\$ 1,897,192</i>	<i>\$ 2,138,925</i>

FUND BALANCE & RESERVES:

DESCRIPTION:

After closing the books from the previous year, any excess carryover dollars (those exceeding budgeted beginning balance) may be used to consider unfunded BARs and NPRs. Excess dollars are then transferred into the City's Revenue Stabilization Reserves Assigned Fund Balance. Reduction in reserves 2020 is a planned reduction to fund programs maintaining increased level of service. The reserve balance had continued to grow at levels exceeding the City's Financial Management Policy and it was strategically used to balance the General Fund budget and increase and maintain current levels of service. The use of the balance will be reviewed mid-year to assess projections are as anticipated and may be adjusted as necessary.

Budgeted Fund Balance Amounts	2019	2020
Unassigned	0	0
Assigned - Revenue Stabilization	3,163,459	1,857,680
Assigned - Legal Reserves	225,000	225,000
Assigned - Future Leave Cash-outs	150,000	150,000
Assigned - PEG Fees	69,083	84,283
Assigned - Substance Abuse	5,699	8,654
Total	3,613,241	2,325,617

TOTAL GENERAL FUND BUDGET SUMMARY:

GENERAL FUND SUMMARY					
Department/Section	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget
Legislative	103,374	106,556	140,218	169,184	160,744
Executive	123,431	100,591	112,588	118,332	123,815
Clerk	153,612	155,589	289,203	260,401	284,190
Personnel	117,899	97,125	106,666	108,302	113,823
Information Services	134,582	128,766	150,338	153,952	166,195
Prosecutor	133,275	115,464	144,964	152,487	160,737
Risk Management	215,721	298,542	349,336	402,148	442,344
Engineering	331,826	225,096	210,694	214,286	253,472
Building	285,278	289,666	316,609	339,927	350,464
Finance	513,089	463,609	518,000	527,900	577,502
Central Services	460,124	469,811	584,518	568,867	562,560
Municipal Court	382,382	396,480	433,155	433,143	455,322
Parks and Recreation	772,298	819,086	822,176	849,661	910,281
Planning & Economic Dev	551,752	560,451	616,291	648,702	661,196
Behavioral Health Outreach	117,050	232,428	398,451	416,784	444,898
Police	2,977,470	3,351,798	3,530,826	3,832,759	4,002,308
Public Works Admin	166,525	66,495	97,457	150,358	177,232
Parks	321,678	298,485	323,836	413,543	432,002
Cemetery	9,184	11,451	13,478	14,427	14,892
Non-Departmental	2,505,355	2,073,943	2,917,312	2,321,709	2,573,479
Fund Balance	3,167,644	5,018,415	2,745,925	3,613,241	2,325,617
Total General Fund	\$ 13,543,551	\$ 15,279,844	\$ 14,822,041	\$ 15,710,113	\$ 15,193,073

SPECIAL REVENUE FUNDS (100's)

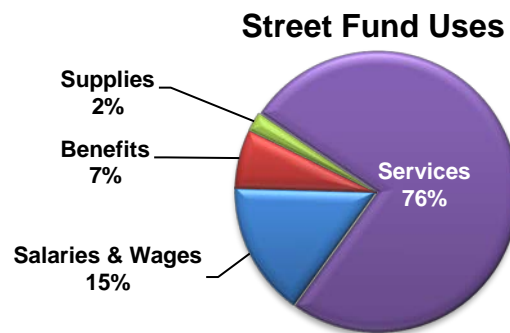
These funds account for the proceeds for specific revenue sources that are legally restricted to expenditures for specific purposes.

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 REET used for expenditures associated with the City's CIP projects
123	Transportation Development Fund	Traffic and sidewalk impact fees
124	Park Development Fund	Park impact fees
131	HDPF Fund	Business improvement area with self-assessed dues & expenditures used for promotion and beautification within downtown assessed area
161	Path and 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

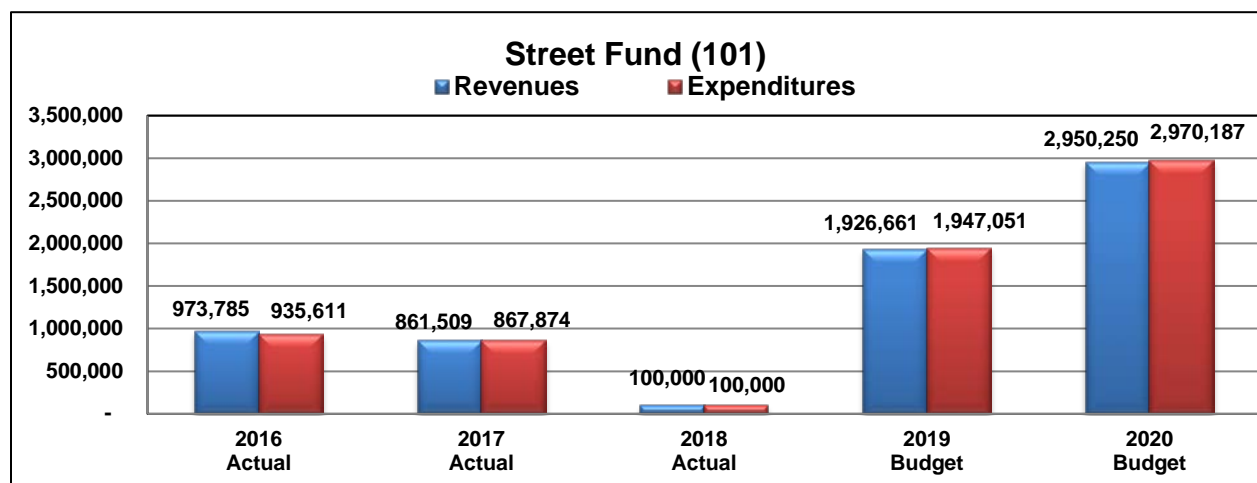
2019					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
101	City Street Fund	\$ 178,097	\$ 1,926,661	\$ 1,947,051	\$ 157,707
121	Capital Improvement Fund	\$ 1,097,929	\$ 505,000	\$ 328,830	\$ 1,274,099
123	Transportation Development Fund	\$ 456,967	\$ 204,000	\$ 350,000	\$ 310,967
124	Park Development Fund	\$ 44,391	\$ 61,000	\$ -	\$ 105,391
131	HDP A	\$ 27,865	\$ 84,828	\$ 87,000	\$ 25,693
161	Path & Trails Reserve Fund	\$ 18,057	\$ 1,224	\$ -	\$ 19,281
171	Drug Enforcement Fund	\$ 38,648	\$ 700	\$ 5,430	\$ 33,918
181	Transient Occupancy Tax Fund	\$ 48,817	\$ 130,500	\$ 150,000	\$ 29,317
191	Police Restricted Fund	\$ 122,019	\$ 32,727	\$ 17,015	\$ 137,731
2020					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
101	City Street Fund	\$ 157,707	\$ 2,950,250	\$ 2,970,187	\$ 137,770
121	Capital Improvement Fund	\$ 1,274,099	\$ 506,000	\$ 1,226,599	\$ 553,500
123	Transportation Development Fund	\$ 310,967	\$ 200,500	\$ 500,000	\$ 11,467
124	Park Development Fund	\$ 105,391	\$ 61,000	\$ 120,000	\$ 46,391
131	Historic Downtown Poulsbo Association Fund	\$ 25,693	\$ 88,928	\$ 88,000	\$ 26,621
161	Path & Trails Reserve Fund	\$ 19,281	\$ 1,264	\$ -	\$ 20,545
171	Drug Enforcement Fund	\$ 33,918	\$ 700	\$ 5,450	\$ 29,168
181	Transient Occupancy Tax Fund	\$ 29,317	\$ 130,500	\$ 130,000	\$ 29,817
191	Police Restricted Fund	\$ 137,731	\$ 33,554	\$ 16,733	\$ 154,552

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.*



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 121						
CAPITAL IMPROVEMENT						
RESOURCES						
BEGINNING BALANCE	308,618	607,125	926,190	1,097,929	1,274,099	1,097,929
TAXES	747,323	794,780	500,000	500,000	500,000	1,000,000
MISCELLANEOUS	84	25,731	2,800	5,000	6,000	11,000
TOTAL RESOURCES	1,056,025	1,427,636	1,428,990	1,602,929	1,780,099	2,108,929
FUND 121						
CAPITAL IMPROVEMENT						
USES						
OTHER FINANCING USES	448,900	435,292	331,061	328,830	1,226,559	1,555,389
FUND BALANCE	607,125	992,344	1,097,929	1,274,099	553,540	553,540
TOTAL USES	1,056,025	1,427,636	1,428,990	1,602,929	1,780,099	2,108,929



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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 ROWs, paths and trails, sidewalks, and parking lots. Activities associated with the street programs are:

- **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 the City'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 FTE's providing for the operation, maintenance and repair of the system.

2017-2018 PROGRAM ACCOMPLISHMENTS:

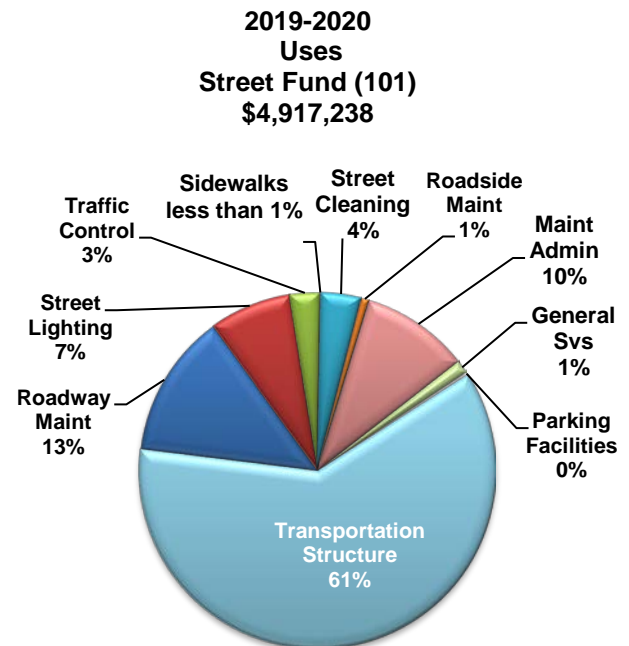
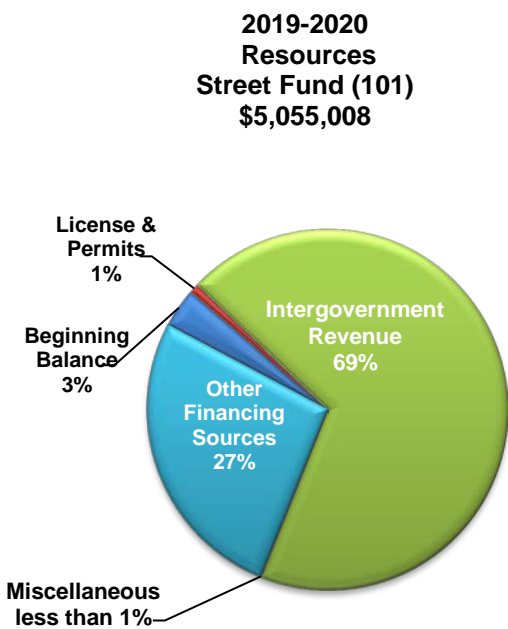
- Developed the City's street sweeping/vacuuming program
- Installed thermos-plastic to maintain crosswalks and stop bars
- Performed routine scheduled/emergency maintenance and repair of streets, roadways, alleys, parking lots, sidewalks, trails, and street lighting
- Performed routine maintenance of roadsides and ROWs
- Maintained and repaired traffic control devices and signage infrastructure
- Maintained city regulatory/guide signs
- Supported capital projects
- Performed pothole/asphalt repairs and crack sealing
- Completed the annual striping program of parking stalls, centerlines, fog lines, and crosswalks including ADA parking stalls
- Supported special events by preparing signs, and placed barricades/cones
- Installed and removed traffic counters at various locations
- Ground trip hazards
- Cleaned pervious roadways, sidewalks, bike lanes, and parking stalls
- Installed sign post reflective wraps
- Developed a comprehensive streets inventory and maintenance program
- Instituted the Speed Management / Safety Program

2019-2020 WORK PLAN:

- Continuing to develop and implement the streets maintenance program
- Developing and implementing a sidewalk maintenance program for needed repairs
- Replacing selected street asphalt, as identified in the CIP
- Updating sign inventory
- Continuing the asphalt/crack seal program
- Cleaning and maintaining pervious pavements
- Thermo-plastic striping placements
- Painting crosswalks and parking stalls
- Performing routine scheduled maintenance and repair of roadways, alleys, parking lots, sidewalks, trails and signage
- Expanding ADA sidewalk access program to include more intersections
- Continuing the Speed Management / Safety Program
- Accomplishing appropriate vegetation control
- Performing street de-icing or sanding and snow removal
- Continuing the traffic sign reflectivity compliance program as directed by the Manual on Uniform Traffic Control Devices

2019-2020 REVENUE SOURCES:

The Street Maintenance Fund (101) derives a 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. Grant revenue received in relation to the Noll Road Roundabout will be recorded in this fund.



2019-2020 EXPENDITURES:

The 2019-2020 operation and maintenance program will be a continuation of the 2017-2018 program and will include the operation, maintenance and repair of the City's transportation systems.

NOLL ROAD ROUNDABOUT**Description:**

The City expects to begin construction of a Roundabout on SR 305 and near the intersection of Johnson Road in 2019. This project is a part of the larger Noll Road Improvements project, specifically the South Segment phase. The project is grant funded through State grants. SR 305 is owned by the State and the City is facilitating the construction on behalf of the State. This project will not be capitalized as the City will not retain any ownership and it will be the State's asset upon completion. All grant revenues and construction expenditures will be treated as pass through. It is expected to be completed in 2021 with a total cost of \$5,000,000

City Council Goal: # 3 - Transportation

Funding:**2019 Project Funding:**

State Grant	\$ 1,000,000
2019 Total	\$ 1,000,000

2020 Project Funding:

State Grant	\$ 2,000,000
2020 Total	\$ 2,000,000

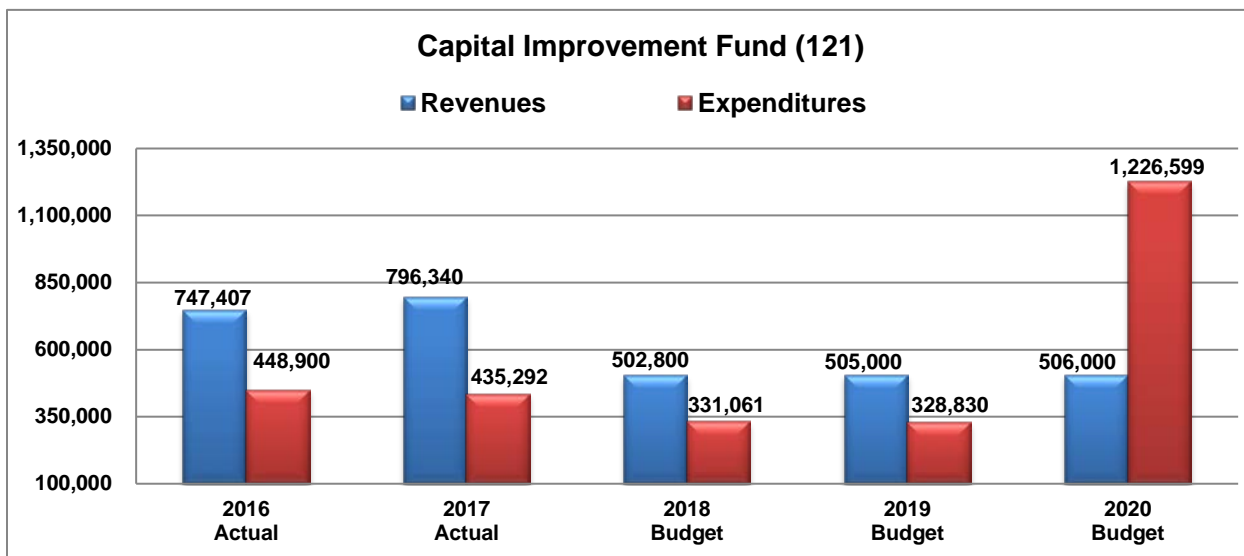
2019-2020 Total	\$ 3,000,000
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CAPITAL IMPROVEMENT FUND 121

Capital Improvement Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 121 CAPITAL IMPROVEMENT RESOURCES						
BEGINNING BALANCE	308,618	607,125	926,190	1,097,929	1,274,099	1,097,929
TAXES	747,323	794,780	500,000	500,000	500,000	1,000,000
MISCELLANEOUS	84	25,731	2,800	5,000	6,000	11,000
TOTAL RESOURCES	1,056,025	1,427,636	1,428,990	1,602,929	1,780,099	2,108,929
FUND 121 CAPITAL IMPROVEMENT USES						
OTHER FINANCING USES	448,900	435,292	331,061	328,830	1,226,559	1,555,389
FUND BALANCE	607,125	992,344	1,097,929	1,274,099	553,540	553,540
TOTAL USES	1,056,025	1,427,636	1,428,990	1,602,929	1,780,099	2,108,929



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

CAPITAL IMPROVEMENT FUND (121)

PROGRAM DESCRIPTION:

The Capital Improvement Fund was established to receive all proceeds of the 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 2019-2020 budget has been developed to not use funds for maintenance; 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.

2019-2020 REVENUE SOURCES:

As previously stated, a majority of this fund's revenue is derived from 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 Kitsap 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 2018. Many projects are continuing into 2019 and 2020 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 including interest are:

- 2019 - \$505,000
- 2020 - \$506,000

2019-2020 EXPENDITURES:

The CIP is prepared and collaborated by City staff. A City 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. The Finance Department (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. Expenditures related to the Noll Road transportation project spanning several years will be used in 2020. Included in the expenditure budget are transfers for debt payment as outlined in the chart below.

2019 Transfers Out of Fund 121		
Fund 201	Debt Service	\$ 78,830
	Support debt payments for 2011 issue of the PWTF Debt for Front St Improvements	
Fund 204	Debt Service	\$ 250,000
	Support debt payments related to City Hall debt	
2020 Transfers Out of Fund 121		
Fund 201	Debt Service	\$ 76,599
	Support debt payments for 2011 issue of the PWTF Debt for Front St Improvements	
Fund 204	Debt Service	\$ 250,000
	Support debt payments related to City Hall debt	
Fund 311	Transportation Project	\$ 900,000
	Support capital improvements for Noll Road project	

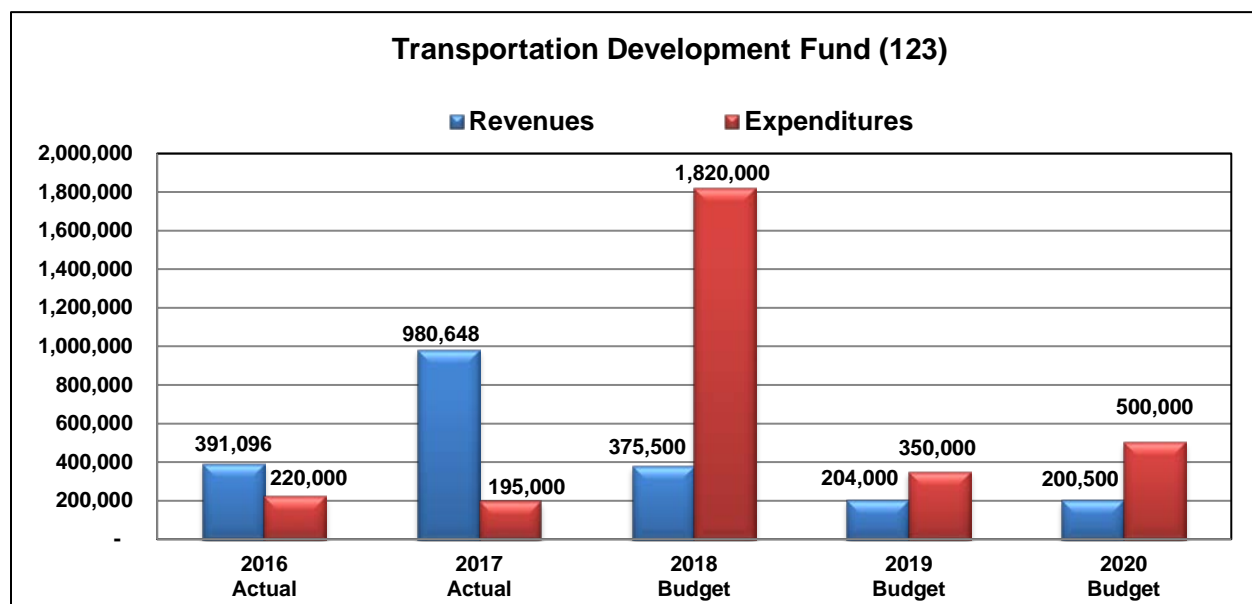


TRANSPORTATION DEVELOPMENT FUND 123

Transportation Development Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 123						
TRANSPORTATION DEVELOPMENT						
RESOURCES						
BEGINNING BALANCE	981,358	1,115,819	1,901,467	456,967	310,967	456,967
CHARGE FOR SERVICES	388,772	976,227	375,000	200,000	200,000	400,000
MISCELLANEOUS	2,324	4,421	500	4,000	500	4,500
TOTAL RESOURCES	1,372,454	2,096,467	2,276,967	660,967	511,467	861,467
FUND 123						
TRANSPORTATION DEVELOPMENT						
USES						
OTHER FINANCING USES	220,000	195,000	1,820,000	350,000	500,000	850,000
FUND BALANCE	1,152,454	1,901,467	456,967	310,967	11,467	11,467
TOTAL USES	1,372,454	2,096,467	2,276,967	660,967	511,467	861,467



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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.

2019-2020 REVENUE SOURCES:

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 commenced the planning process. Revenue projections including interest are:

- 2019 - \$204,000
- 2020 - \$200,500

2019-2020 EXPENDITURES:

Transfers are planned to support funding for the following projects:

2019

- City-wide Safety Improvements \$50,000
- Noll Road Improvements Phase III \$300,000

2020

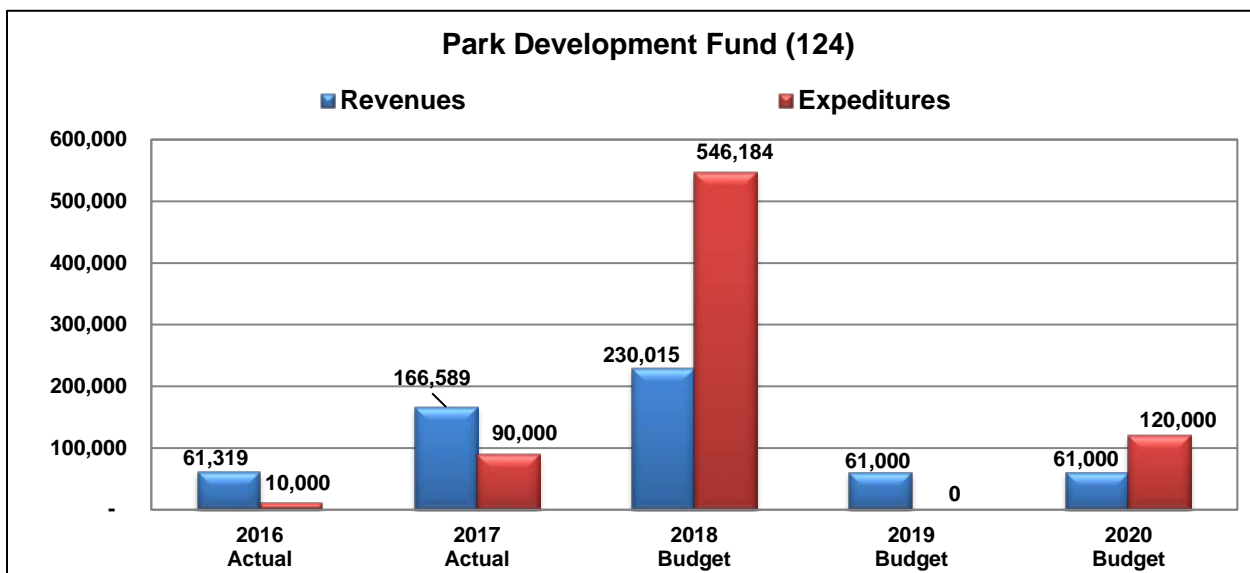
- Noll Road Improvements Phase III \$500,000

PARK DEVELOPMENT FUND 124

Park Development Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 124						
PARK DEVELOPMENT						
RESOURCES						
BEGINNING BALANCE	232,651	283,971	360,560	44,391	105,391	44,391
CHARGE FOR SERVICES	60,597	164,913	228,515	60,000	60,000	120,000
MISCELLANEOUS	722	1,676	1,500	1,000	1,000	2,000
TOTAL RESOURCES	293,970	450,560	590,575	105,391	166,391	166,391
FUND 124						
PARK DEVELOPMENT						
USES						
OTHER FINANCING USES	10,000	90,000	546,184	-	120,000	120,000
FUND BALANCE	283,970	360,560	44,391	105,391	46,391	46,391
TOTAL USES	293,970	450,560	590,575	105,391	166,391	166,391



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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 Policy Act (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 and Recreation Department.

2019-2020 REVENUE SOURCES:

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 commenced the planning process. Revenue projections including interest are:

- 2019 - \$ 61,000
- 2020 - \$ 61,000

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.

2019-2020 EXPENDITURES:

In the past, the city has used these funds towards the 2018 West Poulsbo Waterfront Park acquisition, athletic field improvements to the community field at Vinland Elementary School, the replacement of an aging playground at Betty Iverson Kiwanis Park, new benches at the Waterfront Park, Nelson Park playground additions, and the pedestrian trail between Nelson Park and Fish Park. These funds are transferred into the Park Reserve Fund (302).

Transfers are planned to support funding for the following projects:

2019

- No Transfers

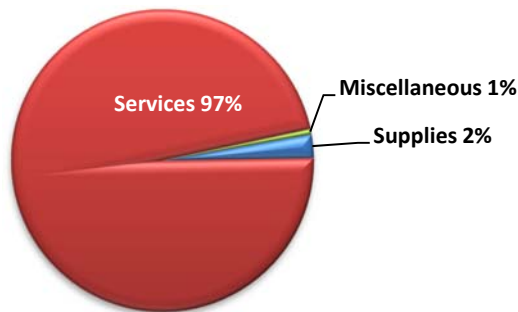
2020

- Rotary Morrow Community Park \$120,000

HISTORIC DOWNTOWN POULSBO ASSOCIATION FUND 131

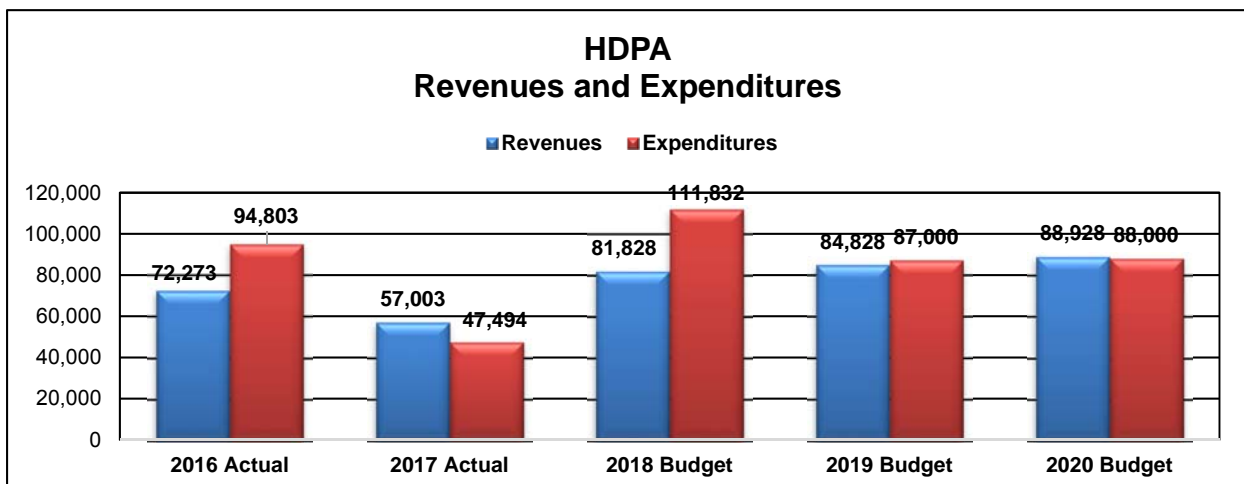
Mission Statement: *To aid general economic development and facilitate business cooperation through promotion and improvement of the Downtown Business District.*

HDBA USES



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 131						
HDBA						
RESOURCES						
BEGINNING BALANCE	69,665	48,360	57,869	27,865	25,693	53,558
MISCELLANEOUS	72,273	57,003	81,828	84,828	88,928	173,756
TOTAL RESOURCES	141,938	105,363	139,697	112,693	114,621	227,314
FUND 131						
HDBA						
USES						
BAD DEBT EXPENSE	2,445	1,948	500	500	500	1,000
SUPPLIES	16,155	129	700	2,200	2,200	4,400
OTHER SERVICES & CHARGES	76,204	45,417	110,632	84,300	85,300	169,600
FUND BALANCE	47,135	57,869	27,865	25,693	26,621	52,314
TOTAL USES	141,939	105,363	139,697	112,693	114,621	227,314

Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance



HDPA FUND (131)

PROGRAM DESCRIPTION:

In 1988, business owners in the downtown area, with the cooperation of the City, formed a BIAA. This organization, dedicated to the beautification and promotion of historic downtown Poulsbo, is known as the 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 by the HDPA and maintained by the City.

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. In 2019, the plan is to have the current website rebuilt and updated. 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. Additionally, 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 the downtown beautification and promotion. The first project was the erection 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. The second was the purchase of bicycle racks that were gifted to the City. All of this, in partner with the City, is to make downtown a friendly and open space that supports retail, pedestrian traffic, and a lively environment.

The Association works all year long to host or assist with public events: Viking Fest, 3rd of July, Beer Festivals, Waterfront Dance, Where's Waldo, Poulsbo Street Dance, Downtown Trick or Treat, Christmas in Little Norway, Girls Night Out, Ladies Night Out, Winter Rendezvous, and monthly Art Walks. The Association looks forward to future co-branding with the Sons of Norway and the Maritime/Historical Society.

2019-2020 REVENUE SOURCES:

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 Finance Department bills Association members on a quarterly basis. For 2019 and 2020, assessments are estimated to total \$94,000.

HDPa QUARTERLY ASSESSMENT SCHEDULE		
Assessment Type	Minimum Quarterly Base	Assessment per Square Footage
Retail	\$60.00	7.5 cents
Non-Retail	\$45.00	4.5 cents

The association recognizes the benefits of maintaining a working relationship with Visit Kitsap Peninsula, formerly the Kitsap 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 2018, the HDPa applied for and received \$33,000 in grant proceeds from Lodging Tax dollars that was used for marketing. The HDPa hopes to be awarded additional grant monies for 2019 and 2020.

2019-2020 EXPENDITURES:

Ongoing:

- Purchasing and replacing beautification elements, as needed
- Continuing event planning and marketing
- Continuing downtown marketing including television, radio, digital, and print advertising
- Rebuilding and maintaining the website
- Developing and printing community brochure
- Certified Folder Display Service to Display Walking Maps on Washington Ferries
- Developing co-op ads with Poulsbo Chamber of Commerce and Visit Kitsap Peninsula

Seasonal-Spring

- Contracting with a local nursery to supply hanging floral baskets
 - Baskets and potted containers are maintained and watered by the HDPa with a percentage of the watering bill paid for by the City
 - Baskets are located on Front and Jensen Streets; inside the HDPa boundary
- Providing light maintenance by installing bistro bulbs in the courtyard and maintaining string lighting for those members who wish to participate
- Hosting Girls Night Out
- Coordinating concerts at the waterfront; partnering with the Bremerton Symphony

Seasonal-Fall

- Hosting the community "Trick or Treat" in downtown Poulsbo
- Hosting the Classic Car Show and Fashion Show
- Coordinating the Christmas/Holidays in Poulsbo including:
 - Decorating downtown with Christmas banners, lighted garland, placards and wreaths
 - Organizing Father Christmas and the Giving Tree (contributions collected for Fishline)
 - Providing free horse and carriage rides
 - Creating street-side and waterfront holiday cheer (Caroling, Lighted Boat Parade, Christmas Ship)
 - Increasing an on-line presence and print advertisign campaign reinforcing - "Experience Little Norway"
 - Participating and coordinating an Advertising campaign with Kitsap Newspaper Group - Holiday Gift Guide
- Promoting art walks, monthly events, and shoulder season promotion
- Creating the Comcast commercial
- Working with the local breweries to bring Oktoberfest to the community
- Participaing and promoting the 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.

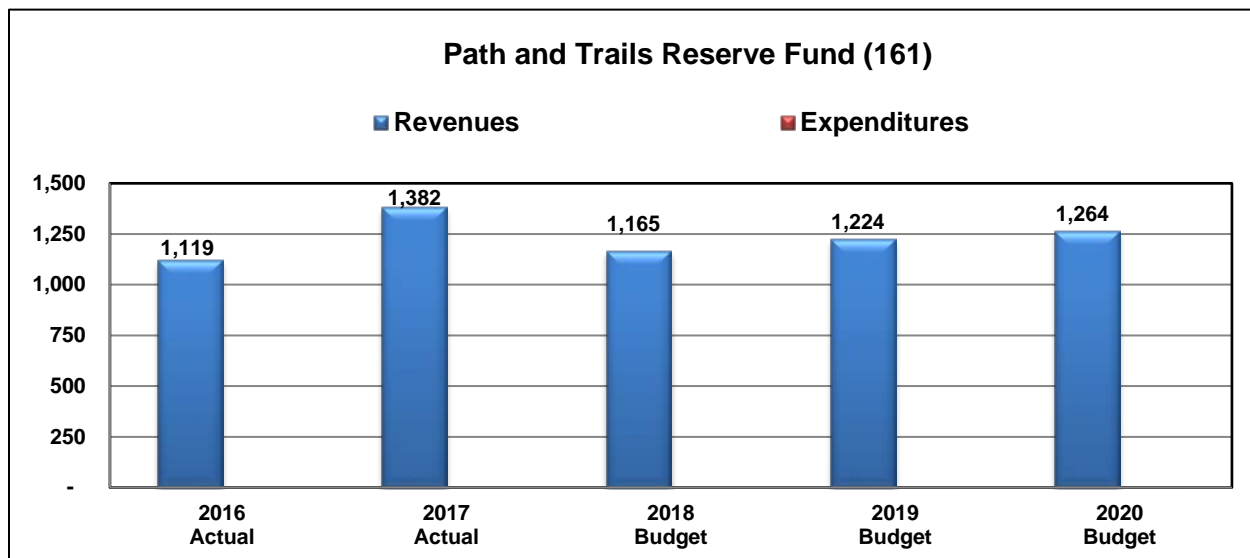


PATHS AND TRAILS RESERVE FUND 161

Paths and Trails Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 161						
PATHS AND TRAILS						
RESOURCES						
BEGINNING BALANCE	14,567	15,685	16,892	18,057	19,281	18,057
INTERGOVERNMENTAL	1,074	1,281	1,085	1,124	1,154	2,278
MISCELLANEOUS	45	101	80	100	110	210
TOTAL RESOURCES	15,686	17,067	18,057	19,281	20,545	20,545
FUND 161						
PATHS AND TRAILS						
USES						
OTHER FINANCING USES	-	-	-	-	-	-
FUND BALANCE	15,686	17,067	18,057	19,281	20,545	20,545
TOTAL USES	15,686	17,067	18,057	19,281	20,545	20,545



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

PATHS AND 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.

2019-2020 REVENUE SOURCES:

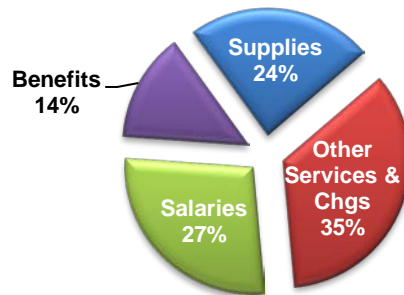
0.5% of the State Fuel Tax is designated to be used specifically for paths and trails. The tax is State shared revenue and is distributed to cities based on their population.

2019-2020 EXPENDITURES:

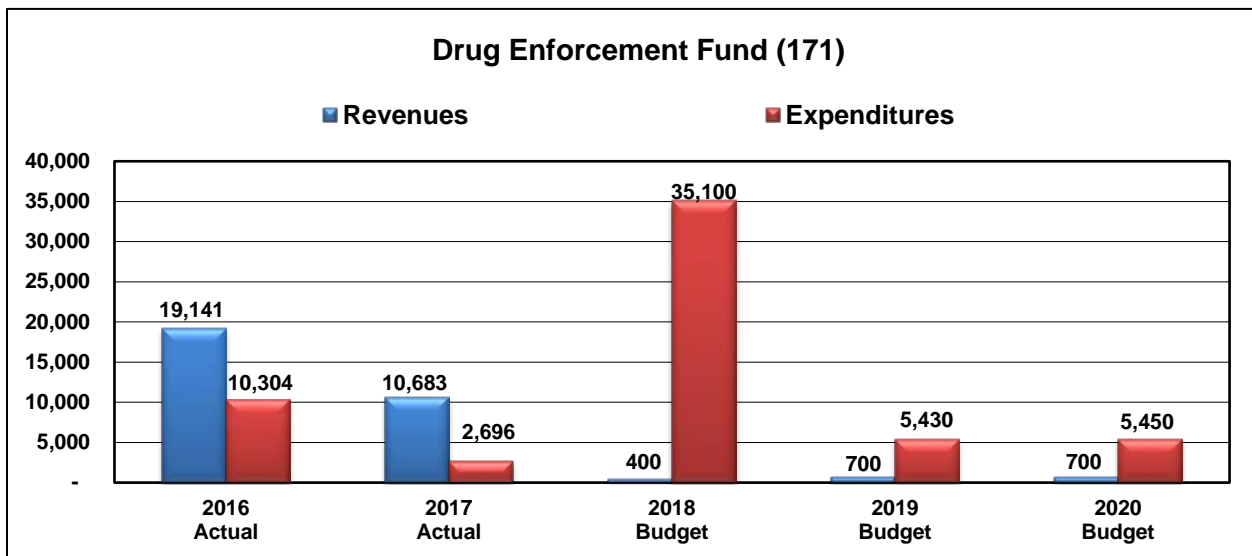
There are no anticipated expenditures in 2019 or 2020.

DRUG ENFORCEMENT FUND 171

Drug Enforcement Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 171 DRUG ENFORCEMENT RESOURCES						
BEGINNING BALANCE	56,524	65,362	73,348	38,648	33,918	38,648
FINES AND FORFEITURES	18,925	10,233	-	-	-	-
MISCELLANEOUS	217	450	400	700	700	1,400
TOTAL RESOURCES	75,665	76,045	73,748	39,348	34,618	40,048
FUND 171 DRUG ENFORCEMENT USES						
SALARIES	2,903	-	-	1,500	1,500	3,000
BENEFITS	846	-	1,500	755	755	1,510
SUPPLIES	1,280	1,885	8,750	1,280	1,300	2,580
OTHER SERVICES & CHARGES	5,275	812	9,850	1,895	1,895	3,790
OTHER FINANCING USES	-	-	15,000	-	-	-
FUND BALANCE	65,362	73,348	38,648	33,918	29,168	29,168
TOTAL USES	75,665	76,045	73,748	39,348	34,618	40,048



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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. 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 use of the monies in this fund are restricted as outlined in RCW 69.50.505 which specify it is exclusively 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's 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.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Continued with a successful K9 Program (Narcotics Detection K9 Kilo) in its fifth year
- Renewed partnership with Bremerton SOG for narcotics investigations
- Installed New Evidence Lockers providing increased storage and enhanced security
- Installed a Dedicated Evidence Processing Station providing a centralized and efficient location
- Two officers attended the 2018 California Narcotic Officers' Association Institute (narcotics training and enforcement exposition)

2019-2020 WORK PLAN:

- Continuing a successful and vibrant K9 Program with Narcotics Detection K9 Kilo
- Continuing a successful partnership with SOG
- Increasing the emphasis on narcotics training and enforcement for detectives, officers, and sergeants
- Furthering the community outreach as it relates to drug awareness and education

2019-2020 RESOURCES:

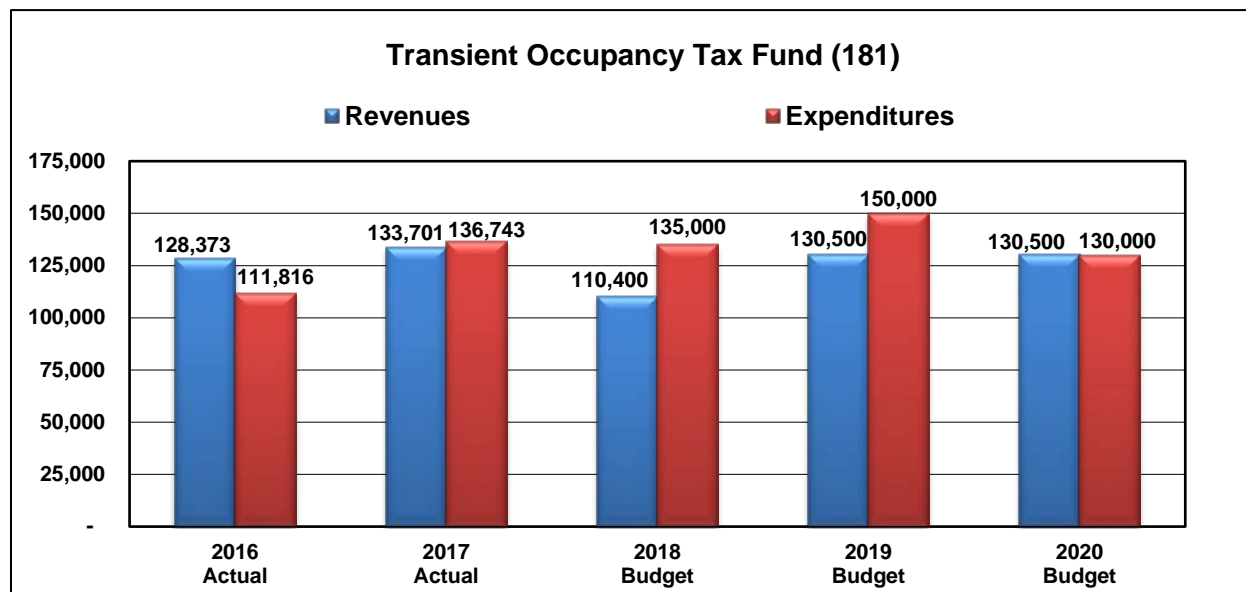
As described, resources are derived from monies and property seized during drug investigations. The City is very conservative in this revenue estimate because of the type of activity that generates the revenue. Additionally, certain law enforcement activities in concert with federal drug enforcement agencies such as the Drug Enforcement Agency or the Department of Homeland Security may result in reimbursement of overtime costs.

TRANSIENT OCCUPANCY TAX FUND 181

Transient Occupancy Tax Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 181						
TRANSIENT OCCUPANCY TAX						
RESOURCES						
BEGINNING BALANCE	59,903	76,460	73,417	48,817	29,317	48,817
TAXES	128,138	130,062	110,000	130,000	130,000	260,000
MISCELLANEOUS	235	18,923	400	500	500	1,000
TOTAL RESOURCES	188,276	225,445	183,817	179,317	159,817	309,817
FUND 181						
TRANSIENT OCCUPANCY TAX						
USES						
SALARIES	-	-	-	-	-	-
BENEFITS	-	-	-	-	-	-
OTHER SERVICES & CHARGES	-	-	135,000	150,000	130,000	280,000
MISCELLANEOUS	111,816	136,743	-	-	-	-
FUND BALANCE	76,460	73,417	48,817	29,317	29,817	29,817
TOTAL USES	188,276	210,160	183,817	179,317	159,817	309,817



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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. 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 per 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:
 - Tourism marketing
 - The marketing and operations of special events and festivals designed to attract tourists
 - 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
 - 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

2019-2020 REVENUE SOURCES:

The City has two hotels, several vacation rentals by owners and air bed and breakfasts on which the tax is levied. The State collects the tax and remits it back to the City on a monthly basis. Revenue projections including interest are:

- 2019 - \$130,500
- 2020 - \$130,500

2019-2020 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 City Council. In 2019 the City will commit an additional \$20,000 from the Fund 181 reserves for a total budget of \$150,000 in projects.

The City Council determined in 2017, generally lodging tax dollars should be committed to marketing efforts for Poulsbo and the surrounding area, which *may* include City expenditures supporting tourist related expenditures that might otherwise be covered in the general fund.

2017-2018 awards went to organizations involved with collaborative efforts in marketing, events and support of the new Maritime Museum and Information Center in downtown Poulsbo.

2019 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 Poulsbo Marketing Coalition was successful for nine years, but 2019 saw organizations applying individually instead of as one coalition.

The 2020 grant process will be held in the Summer of 2019. This gives new or emerging organizations and projects a chance at the 2020 lodging tax funds.

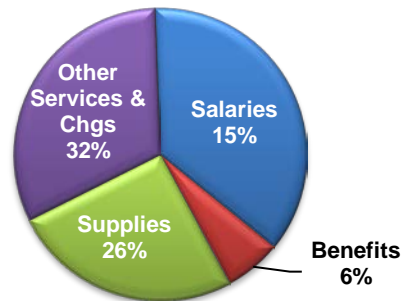
2019 Approved Grant Awards:

Organization	Purpose	Grant Award
Poulsbo Chamber of Commerce	Poulsbo Marketing and Visitor Center	\$ 25,000
Bremerton Symphony	Poulsbo Concert Promotion	\$ 3,500
HDPa	Marketing and branding of Little Norway and event marketing support	\$ 33,000
Viking Fest Corporation	Marketing three Poulsbo Events	\$ 24,000
NK Tourism Coalition	NK Tourism Promotion	\$ 5,000
Poulsbo Historical Society	Marketing Poulsbo through the historical Perspective	\$ 26,000
Visit Kitsap Peninsula	Year-Round Tourism Regional Marketing Services & Support	\$ 33,500
Total:		\$ 150,000

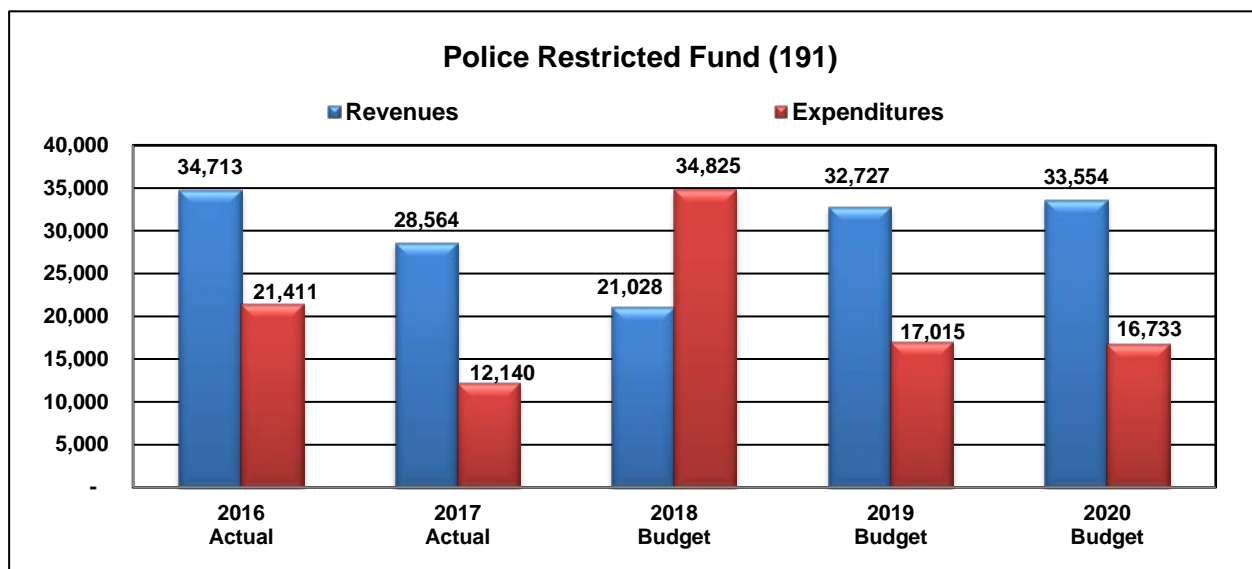


POLICE RESTRICTED FUND 191

Police Restricted Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 191						
POLICE RESTRICTED						
RESOURCES						
BEGINNING BALANCE	99,479	119,522	135,816	122,019	137,731	122,019
INTERGOVERNMENTAL	32,690	23,694	31,678	31,427	32,254	63,681
FINES AND FORFEITURES	1,680	4,278	1,000	100	100	200
MISCELLANEOUS	343	3,161	1,000	1,200	1,200	2,400
TOTAL RESOURCES	134,192	150,655	169,494	154,746	171,285	188,300
FUND 191						
POLICE RESTRICTED						
USES						
SALARIES	4,934	3,248	8,500	6,150	6,150	12,300
BENEFITS	1,600	1,082	3,425	1,050	1,050	2,100
SUPPLIES	8,439	2,674	21,250	4,300	4,300	8,600
OTHER SERVICES & CHARGES	6,438	5,137	14,300	5,515	5,233	10,748
FUND BALANCE	112,781	135,816	122,019	137,731	154,552	154,552
TOTAL USES	134,192	147,957	169,494	154,746	171,285	188,300



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

POLICE RESTRICTED FUNDS (191)

PROGRAM DESCRIPTION:

This fund was created to account for monies which are restricted for use specifically for criminal justice activities. The police department administers this fund of which there are currently three programs identified. These restricted use programs are Marine Safety, Criminal Justice and General Restricted.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Successfully completed a Marine Safety Program with boating patrols, safety checks, and marine enforcement
- Designed and constructed an upgrade for the front counter reception area to enhanced use and security
- Designed and purchased a professional display for use at events such as Recruitment and Community Outreach
- Developed policy and purchased equipment for a new drone program
- Developed policy and purchased equipment for a new e-bike program

2019-2020 WORK PLAN:

- Continuing a successful Marine Safety Program and securing Washington State Parks and Recreation Commission (WSPRC) Grants for funding
- Designating officers to train on, implement and monitor the drone program
- Designating officers to train on, implement and monitor the e-bike program

2019-2020 RESOURCES:**Vessel Registration Fees:**

Money is allocated to counties with eligible boat safety programs approved by the WSPRC. 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 DV (RCW 82.14.330(2)(c).

General Program:

The revenues for this program could be from donations, Department of Justice Grants or other non-drug related confiscated property or monies.

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 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 GO Bonds: 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.

PWTF Loan: 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 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.

Note: All funds are administered by the City's Finance Department

SUMMARY OF THE CITY'S DEBT SERVICE FUNDS

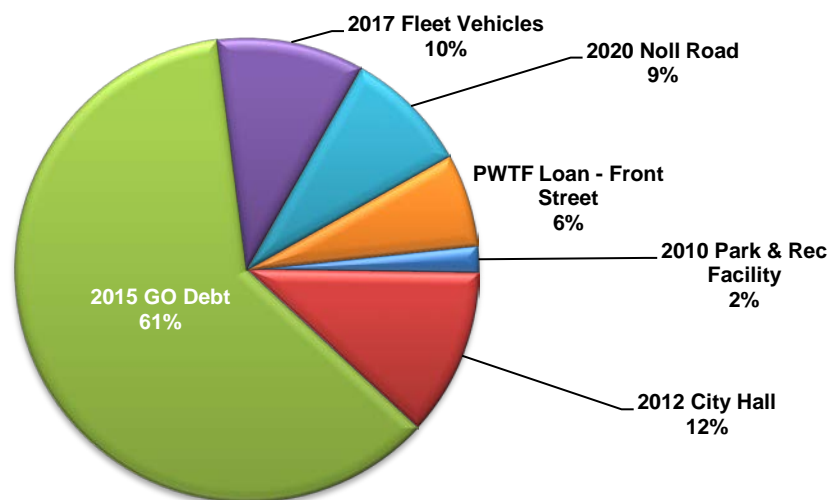
FUND 204 - NON VOTED GO DEBT	
<i>2010 Parks and Recreation Building</i>	
In 2010, the City financed \$310,000 towards the purchase of the Parks and Recreation Building in a LOCAL Certificate of Participation with the State of Washington. This debt will be paid off in June of 2030.	
<i>2012 City Hall</i>	
In early 2012, the City secured a \$2,455,000 LTGO Bond. \$1,795,000 was to pay off the City Hall Line of Credit and \$660,000 was to pay off the 2003 LTGO Bond Anticipation Note, commonly known as Morris Property/Transportation. The \$660,000 transportation bond portion was paid off in December of 2017; the \$1,795,000 bond will be paid off in December of 2031.	
<i>2015 LTGO Debt</i>	
In late 2015, the City secured a \$7,320,000 LTGO 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. The refunding of these two debts will save the City approximately \$59,000 per year in interest. This debt will be paid off in December of 2033.	
<i>2017 Vehicle Fleet Debt</i>	
In 2017, the City financed \$460,000 for the purchase of 10 New Fleet Vehicles; one for the Building Department and nine for the Police Department in a LOCAL Certificate of Participation with the State of Washington. This debt will be paid off in June of 2021.	
<i>2020 GO LTGO Transportation Debt - Noll Road (Intended to issue in 2020)</i>	
A large transportation project with collaboration with the County and State to make safety and transportation projects to City, County and State highways. Road improvements will create an additional main access through the City serving into SR 305. A roundabout with a pedestrian crossing is planned in the project. Much of the project will be grant funded, City reserves and the difference to be funded by debt issue. (\$2,850,000)	

2019-2020 EXPENDITURES:

2019					
Fund #	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
201	Miscellaneous Governmental Debt	\$4,422	\$78,881	\$78,831	\$4,472
204	Non-Voted General Obligation	\$12,301	\$1,024,742	\$1,025,140	\$11,903

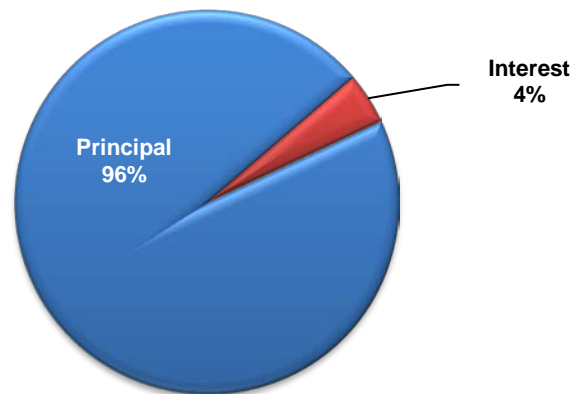
2020					
Fund #	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
201	Miscellaneous Governmental Debt	\$4,472	\$76,650	\$76,600	\$4,522
204	Non-Voted General Obligation	\$11,903	\$1,232,175	\$1,232,875	\$11,203

**2019 - 2020
Debt Payment Distribution by Issue**



MISCELLANEOUS GOVERNMENTAL DEBT FUND 201

Miscellaneous Governmental Debt Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 201						
MISC GOVERNMENTAL DEBT						
RESOURCES						
BEGINNING BALANCE	4,337	4,374	4,403	4,422	4,472	4,422
MISCELLANEOUS	36	29	20	50	50	100
OTHER FINANCING SOURCES	85,524	83,292	81,061	78,831	76,600	155,431
TOTAL RESOURCES	89,897	87,695	85,484	83,303	81,122	159,953
FUND 201						
MISC GOVERNMENTAL DEBT						
USES						
DEBT SERVICE - PRINCIPAL	74,368	74,368	74,369	74,369	74,369	148,738
DEBT SERVICE - INTEREST	11,155	8,924	6,693	4,462	2,231	6,693
FUND BALANCE	4,374	4,403	4,422	4,472	4,522	4,522
TOTAL USES	89,897	87,695	85,484	83,303	81,122	159,953

MISCELLANEOUS GOVERNMENTAL DEBT (201)

PROGRAM DESCRIPTION:

Fund 201 accounts for the revenue and debt expenditures associated with miscellaneous governmental debt.

- **PWTF LOAN – FRONT STREET IMPROVEMENTS**

In 2001, the City obtained a 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 June of 2020.

2019-2020 REVENUE SOURCES:

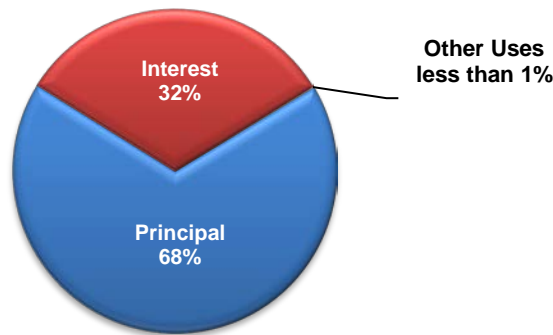
This debt is funded by a transfer out of the Capital Improvement Fund (121).

2019-2020 EXPENDITURES:

2019				
Debt Issue	Principal	Interest	Ending Balance	Payoff Year
2001 PWTF - Front Street	\$ 74,368	\$ 4,462	\$ 74,368	2020
2020				
Debt Issue	Principal	Interest	Ending Balance	Payoff Year
2001 PWTF - Front Street	\$ 74,368	\$ 2,231	\$ -	2020

NON-VOTED GENERAL OBLIGATION DEBT FUND 204

Non-Voted GO Debt Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 204						
NON-VOTED GO DEBT						
RESOURCES						
BEGINNING BALANCE	12,374	11,872	11,963	12,301	11,903	12,301
MISCELLANEOUS	250	490	60	500	500	1,000
OTHER FINANCING SOURCES	995,960	1,003,971	999,135	1,024,242	1,231,675	2,255,917
TOTAL RESOURCES	1,008,584	1,016,334	1,011,158	1,037,043	1,244,078	2,269,218
FUND 204						
NON-VOTED GO DEBT						
USES						
DEBT SERVICE - PRINCIPAL	635,000	655,000	654,409	703,685	820,120	1,523,805
DEBT SERVICE - INTEREST	360,810	348,471	343,548	320,555	411,555	732,110
DEBT SERVICE - ISSUE COSTS	1,133	900	900	900	1,200	2,100
FUND BALANCE	11,641	11,962	12,301	11,903	11,203	11,203
TOTAL USES	1,008,584	1,016,334	1,011,158	1,037,043	1,244,078	2,269,218

NON-VOTED GO DEBT (204)

PROGRAM DESCRIPTION:

Fund 204 accounts for revenue and expenditures associated with the following debt:

- **2010 PARK and RECREATION FACILITY – CERTIFICATE 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 June of 2030.

General Fund pays these debt payments; however, much of the funding comes from rentals located on the property.

2019 – Funding sources:

○ General Fund	\$23,242
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2020 - Funding sources:

○ General Fund	\$22,735
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- **2012 CITY HALL**

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 transportation portion of \$660,000 was paid off in 2017; the remaining bonds will be paid off in December of 2031.

2019 - Funding sources:

○ General Fund	\$141,350
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2020 - Funding sources:

○ General Fund	\$138,975
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- **2015 LTGO DEBT**

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.

2019 - Funding sources:

○ General Fund	\$486,550
○ Capital Improvement Fund	\$250,000

2020 - Funding sources:

○ General Fund	\$487,000
○ Capital Improvement Fund	\$250,000

- **2017 VEHICLE FLEET DEBT**

In 2017, the City entered into a Certificate of Participation with the Washington State Treasurer's office for \$460,000 to finance the acquisition of 10 new fleet vehicles; one for the Building Department and nine for the Police Department. The debt will be paid off in June of 2021.

2019 - Funding sources:

○ General Fund	\$123,100
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2020 - Funding sources:

○ General Fund	\$122,965
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- **2020 TRANSPORTATION NOLL ROAD DEBT**

It is anticipated that GO Obligation Debt will be issued in 2020 to fund the Noll Road Corridor project. A large transportation project spanning several years connecting a City road with State Highway. It includes increasing the capacity for Noll Road creating another main thoroughfare through the City and connecting to the State highway with a large round-about.

2020 - Funding sources:

○ General Fund \$210,000

2019-2020 EXPENDITURES:

2019				
Debt Issue	Principal	Interest	Ending Balance	Payoff Year
2010 LOCAL Parks & Recreation	\$ 15,000	\$ 8,241	\$ 195,000	2030
2012 City Hall Bonds	\$ 95,000	\$ 46,350	\$ 1,350,000	2031
2015 LTGO Debt	\$ 485,000	\$ 251,550	\$ 5,925,000	2033
2017 LOCAL Vehicle Fleet	\$ 108,685	\$ 14,414	\$ 233,945	2021
2020				
Debt Issue	Principal	Interest	Ending Balance	Payoff Year
2010 LOCAL Parks & Recreation	\$ 15,000	\$ 7,735	\$ 180,000	2030
2012 City Hall Bonds	\$ 95,000	\$ 43,975	\$ 1,255,000	2031
2015 LTGO Debt	\$ 500,000	\$ 237,000	\$ 5,425,000	2033
2017 Vehicle Fleet	\$ 114,119	\$ 8,844	\$ 119,825	2021

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 Fund	Replacement of existing and acquisition of new capital equipment	General Fund (Transfer)
302	Park Reserve Fund	Development of parks	4.3% of Property Tax Revenue Grants Park Dev Fund 124 (Transfer)
311	Street Reserve Fund	Capital street projects	6.4% Property Tax (Pmnt Rest) 2.15% Property Tax Revenue Grants Traffic Impr Fund 123 (Transfer)
314	Cemetery Reserve Fund	Capital improvements to City Cemetery	Gravesite Sales
331	Facilities Fund	Capital improvements to facilities	Bond Proceeds Property Sale Proceeds

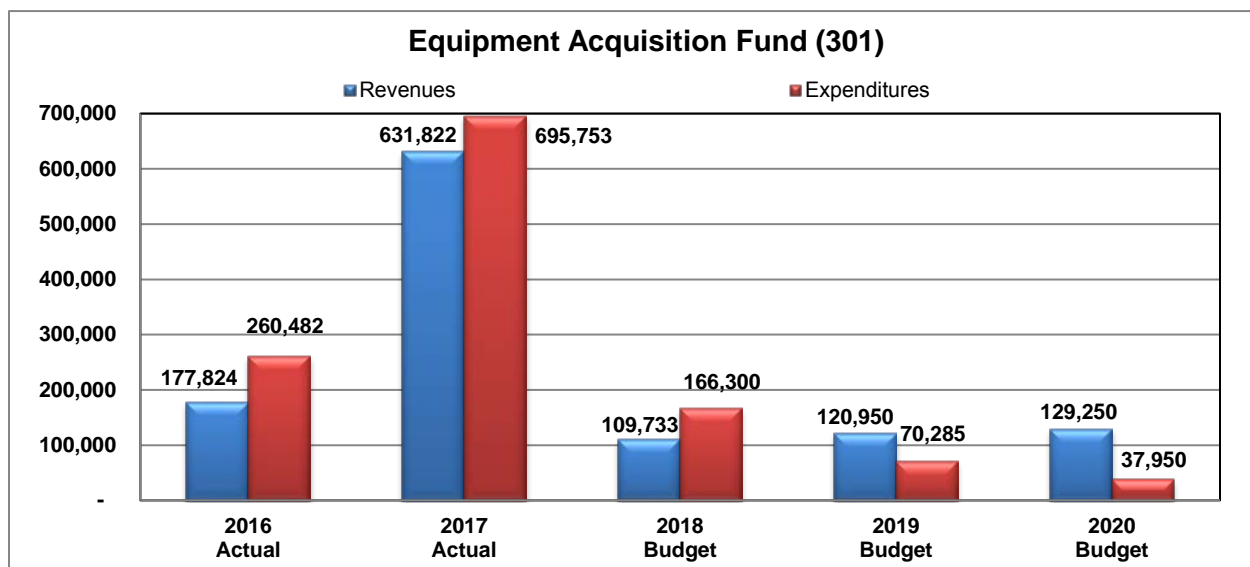
2019					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
301	Equipment Acquisition Fund	\$ 365,253	\$ 120,950	\$ 70,285	\$ 415,918
302	Park Reserve Fund	\$ 205,029	\$ 722,250	\$ 686,250	\$ 241,029
311	Street Reserve Fund	\$ 325,666	\$ 2,469,000	\$ 2,410,000	\$ 384,666
314	Cemetery Reserve Fund	\$ 22,926	\$ 3,150	\$ -	\$ 26,076
331	Facilities Fund	\$ 1,734,788	\$ 30,000	\$ 50,000	\$ 1,714,788
2020					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
301	Equipment Acquisition Fund	\$ 415,918	\$ 129,250	\$ 37,950	\$ 507,218
302	Park Reserve Fund	\$ 241,029	\$ 931,250	\$ 977,434	\$ 194,845
311	Street Reserve Fund	\$ 384,666	\$ 6,271,000	\$ 6,230,000	\$ 425,666
314	Cemetery Reserve Fund	\$ 26,076	\$ 3,150	\$ -	\$ 29,226
331	Facilities Fund	\$ 1,714,788	\$ 30,000	\$ 800,000	\$ 944,788

EQUIPMENT ACQUISITION FUND 301

Equipment Acquisition Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 301						
EQUIPMENT ACQUISITION						
RESOURCES						
BEGINNING BALANCE	568,089	485,432	421,820	365,253	415,918	365,253
MISCELLANEOUS	1,897	3,678	2,750	3,000	3,000	6,000
OTHER FINANCING SOURCES	175,927	628,144	106,983	117,950	126,250	244,200
TOTAL RESOURCES	745,913	1,117,254	531,553	486,203	545,168	615,453
FUND 301						
EQUIPMENT ACQUISITION						
USES						
CAPITAL OUTLAY	252,957	695,787	166,300	70,285	37,950	108,235
FUND BALANCE	492,956	421,467	365,253	415,918	507,218	507,218
TOTAL USES	745,913	1,117,254	531,553	486,203	545,168	615,453



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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 years, 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 City Council. The City 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.

2017 - 2018 PROGRAM ACCOMPLISHMENTS:

Items purchased in 2017 and 2018:

- Several items were purchased which had been delayed for the revenue dollars to grow and fund the purchase
- In 2017, the City joined the States LOCAL program, a State supported cost-effective way to finance equipment or real estate projects, to issue debt for nine police vehicles and one engineering vehicle. The debt is over a 4-year period and the hope is replace the eight remaining police vehicles getting on a rotation replacement schedule not to exceed seven years
 - Nine new police vehicles
 - One Engineering vehicle
 - New Truck for City Mechanic
 - A floating dock for the sailing program
 - Forklift for shared Public Works use
 - A new dump truck for City street maintenance
 - Crack Seal machine for City street repairs
 - Safety warning sign for public works staff when working in the field
 - Security cameras for City Hall
 - A trailer for landscaping needs at the City parks
 - New software
 - Public Retention
 - Records Management
 - Social Media archiving

2019-2020 REVENUE SOURCES:

Funding is provided through operating transfers from the General Fund.

In 2019-2020 the yearly transfers are approximately 6.5% of sales tax. The transfer is then reduced by the amount intended for computer replacements, copier lease amounts, a portion of the debt intended to replace police vehicles and a portion used for City Hall debt payment.

Transfers are as below:

- 2019 - \$117,950
- 2020 - \$126,250

2019-2020 EXPENDITURES:

A detailed list of projected capital purchases for 2019-2020 is provided.

2019			2020		
<i>Capital Purchases</i>			<i>Capital Purchases</i>		
	Requested Amount	Funded		Requested Amount	Funded
<i>Engineering</i>			<i>Park & Rec</i>		
New 4wd Truck replacing blazer	36,000		Sailboat	9,450	9,450
<i>Park & Rec</i>			<i>IT - Building Maint</i>		
Sailboat	9,450		2 Servers	12,000	12,000
Carpet - Fitness Room	7,500	7,500	Network Switches	37,000	16,500
<i>IT - Building Maint</i>			<i>Streets</i>		
Phone System (Change to subscription Based)	12,500	12,500	Bucket Truck	80,000	
Locking System	30,000	5,000			
<i>Public Works</i>					
New vehicle lift	6,000	6,000			
Asset Management Software*	71,425	4,285			
<i>Parks</i>					
Mower	10,000	10,000			
Gator	12,500				
<i>Streets</i>					
Grader with Backhoe	120,000				
Street Sweeper	250,000	25,000			
<i>Total Capital Purchases</i>	<i>565,375</i>	<i>70,285</i>	<i>Total Capital Purchases</i>	<i>138,450</i>	<i>37,950</i>
*Asset Management Software purchase is split between multiple funds, the Funded amount represents the General Fund's portion.					

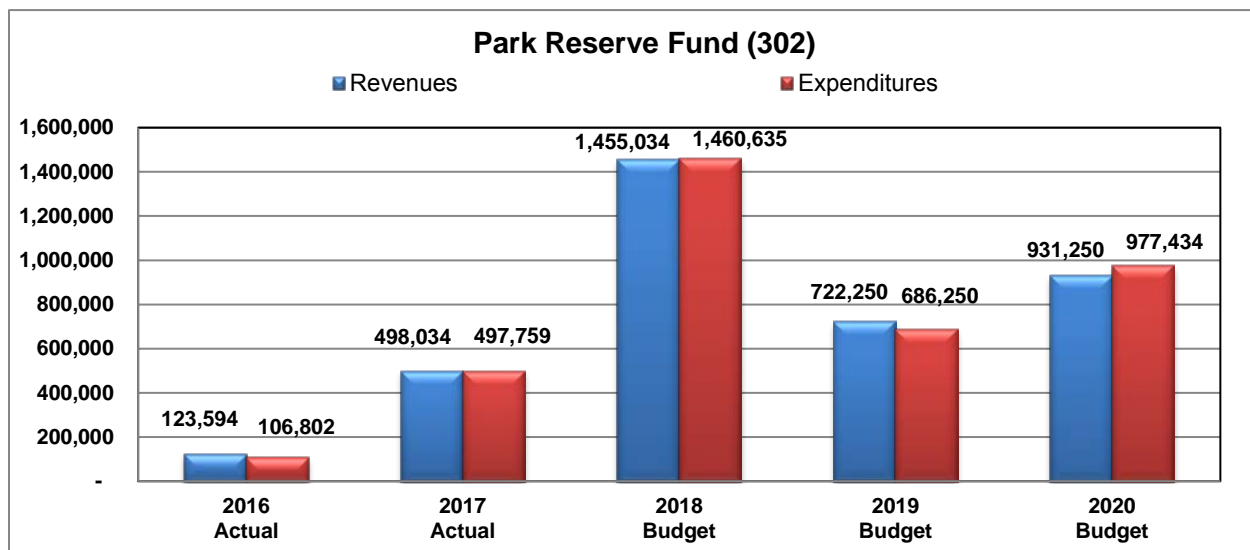


PARK RESERVE FUND 302

Park Reserve Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 302						
PARK RESERVE						
RESOURCES						
BEGINNING BALANCE	193,562	210,355	210,630	205,029	241,029	205,029
INTERGOVERNMENTAL	15,786	6,048	801,850	611,250	696,250	1,307,500
MISCELLANEOUS	2,809	31,986	1,000	1,000	1,000	2,000
OTHER FINANCING SOURCES	105,000	460,000	702,184	110,000	234,000	344,000
TOTAL RESOURCES	317,157	708,389	1,715,664	927,279	1,172,279	1,858,529
FUND 302						
PARK RESERVE						
USES						
CAPITAL OUTLAY	106,802	493,634	1,508,135	686,250	977,434	1,663,684
OTHER FINANCING USES	-	4,125	2,500	-	-	-
FUND BALANCE	210,355	210,630	205,029	241,029	194,845	194,845
TOTAL USES	317,157	708,389	1,715,664	927,279	1,172,279	1,858,529



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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 and Recreation Department.

2017-2018 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 completed its 6-year update of the Park, Recreation, and Open Space Plan 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 WPRC was instrumental in the process of creating this new plan.

- **MIW Waterfront Park Improvements and Benches:** This park is the jewel and focal point for the city, serving residents and tourists throughout the year on Liberty Bay. Major improvements were completed in early 2018 including the installation of new restrooms, the addition of 14 benches that were purchased by sponsors, renovated sidewalks and landscaping, new roofing, and structural and cosmetic improvements to open views on the Austin-Kvelstad Pavilion.
- **Nelson Park Playground Addition:** The City often partners with Eagle Scouts in the community. With the help of Eagle Scout Roan, the city was able to add a “nature play” area at Nelson Park. The city paid for the equipment, and the Eagle Scout accomplished the installation with supervision and volunteers in 2018.
- **Poulsbo’s Fish Park:** Located on the Dogfish Creek estuary at the north end of Liberty Bay along Lindvig Way, Poulsbo’s Fish Park continues to successfully involve the citizenry, businesses, government and service organizations in its development. In March 2017, the City acquired 2.61 acres at the north end of the park for \$1. This property sits in the flood plain of Dogfish Creek and the house was flooded many times throughout the year. The park is now 42.6 acres.

In February of 2018, the City was notified that they had received two different grants for Poulsbo’s Fish Park – Phase IV. The first grant is through the Washington State Department of Commerce, and it will create a pedestrian connection to the “Lord” property, the only property in Fish Park previously inaccessible to visitors. Improvements to the Lord property will include paths, salmon viewing observation areas, picnicking sites, and shoreline restoration on the estuary. The second source is an Aquatic Lands Enhancement Account grant through the Washington State Recreation and Conservation Office. It will fund improvements to the Bond Road parking lot, viewing platforms, trails and boardwalk, a climbing structure, interpretive signage and landscaping. This work will be done on the Holm and Hansen parcels.

Ongoing stewardship and general maintenance projects in the park continue. Eagle Scout candidates contribute to the park in a variety of ways through volunteerism and development. Poulsbo’s Fish Park Steering Committee has continued to be the driving force in this mostly volunteer effort. They have led park planning and provide stewardship of this nature park within the city. Salmon Tours was held in November, and Poulsbo’s Fish Park is a popular stop during this county-wide, family event.

- **Trail Easement and 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. The Kitsap Conservation District completed the native plantings in 2017.
- **Morrow Manor Park:** The property donation will be completed upon recording of the short plat, and the public vision 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 2019-2021 through the Washington Wildlife Recreation Program.

- **Centennial Park Improvements:** With the help of a volunteer grant through the National Fish and Wildlife Foundation, 2018 was a busy year at Centennial Park. This 2.5-acre open space park, in the center of town, is now a place for sitting, picnicking and relaxation. With easy access to the library, medical offices, restaurants and shopping, this urban park is centrally located. The City removed the dilapidated residence in January 2018. This work was followed by upland vegetation removal and many volunteer work parties along Dogfish Creek, replanting of native plants, placement of large woody debris in the creek for habitat restoration, trail building by an Eagle Scout, and the installation of interpretive signage created by students at WWU.
- **Skate + Park and the Community Mural:** Poulsbo Park-a-Palooza kickstarted a community-driven movement to bring an innovative new Skate + Park with a variety of year-round amenities to Poulsbo. With the leadership of Kitsap Leadership Team 5, a mural was painted on the backside of a Public Works building facing Iverson Street in May 2018. The mural depicts the community's dreams and vision for the new multi-use Skate + Park in the center of town. About 200 people participated in the painting, with the hope that the project will serve to get word out to the community that a new park is being proposed and generate a channel through which residents can give voice to the park they'd like to see.
- **Urban Paths of Poulsbo – Trail Plan Update 2018:** The first update to the original Urban Paths of Poulsbo Plan was completed through a public process in 2018. The Poulsbo Parks and Recreation Commission was instrumental in leading the process with staff. This updated plan will be included in the 2019 Comprehensive Plan amendments.

2019-2020 REVENUE SOURCES:

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.

2019

Fund 001	General Fund	\$110,000
	To fund portions of capital park projects	

2020

Fund 124	Park Development Fund	\$120,000
	Accumulated park impact fees to support the Rotary Morrow Community Park capital effort.	

Fund 001	General Fund	\$114,000
	To fund portions of capital park projects	

2019-2020 PARK PROJECTS AND WORKPLAN:

Description: With the assistance of two grants through the Recreation and Conservation Office/ALEA program; and the Dept of Commerce, development will continue into Phase 4 on the Lord, Holm and Hansen parcels in this 42-acre park. Increased public access, environmental education and near shore improvements are planned.

Goal: **Continue deveopment and restoration of Poulsbo's Fish Park**

Objective: Commence work on the Lord/Holm/Hansen parcels.
Work with a the citizen's steering committee and the Poulsbo Parks & Recreation Commission to complete tasks in the two grants.
Complete the DOC grant by the end of 2019; and the RCO/ALEA grant by 2021.

Measurement: Complete the pedestrian link to the Lord Property and across the Holm Property.
Complete public access improvements on the Lord Property.
Complete the improved parking lot along Bond Rd.
Demo old structures on the Hansen property and add gravel trails.

City Council Goal: #4 - Natural Environment
#7 - Parks & Recreation and Open Space

Funding:	2019 Project Funding:	
	Park Reserves	\$ 5,000
	Dept of Commerce Grant	\$ 400,000
	RCO/ALEA Grant	\$ 100,000
	Inkind/Donations	\$ 222,500
	2019 Total	\$ 727,500
	2020 Project Funding:	
	Park Reserves	\$ 5,000
	RCO/ALEA Grant	\$ 250,000
	Inkind/Donations	\$ 222,500
	2020 Total	\$ 477,500
	2019-2020 Total	\$ 1,205,000

Morrow Manor Park

Description: 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 2018. 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 development.

Measurement: Completed construction documents by December 2019, with construction in 2020.

City Council Goal: #4 - Natural Environment
#7 - Parks & Recreation and Open Space

Funding:	2020 Project Funding:
	Park Impact Fees \$ 120,000
	State Grant \$ 335,000
	City Reserves \$ 101,184
	2020 Total \$ 556,184
	2019-2020 Total \$ 556,184

Park Capital Projects Progressing in 2019	Total Overall Park Project Cost	2019 Expenditures
Poulsbo's Fish Park	\$ 4,090,000	\$ 616,250
North End Waterfront Park	\$ 20,000	\$ 20,000
Austurbruin Playground Replacement	\$ 50,000	\$ 50,000
Total	\$ 4,160,000	\$ 686,250

Park Capital Projects Progressing in 2020	Total Overall Park Project Cost	2020 Expenditures
Poulsbo's Fish Park	\$ 4,090,000	\$ 366,250
Morrow Manor Park	\$ 744,071	\$ 556,184
Lions Park Improvements	\$ 55,000	\$ 55,000
Total	\$ 4,889,071	\$ 977,434

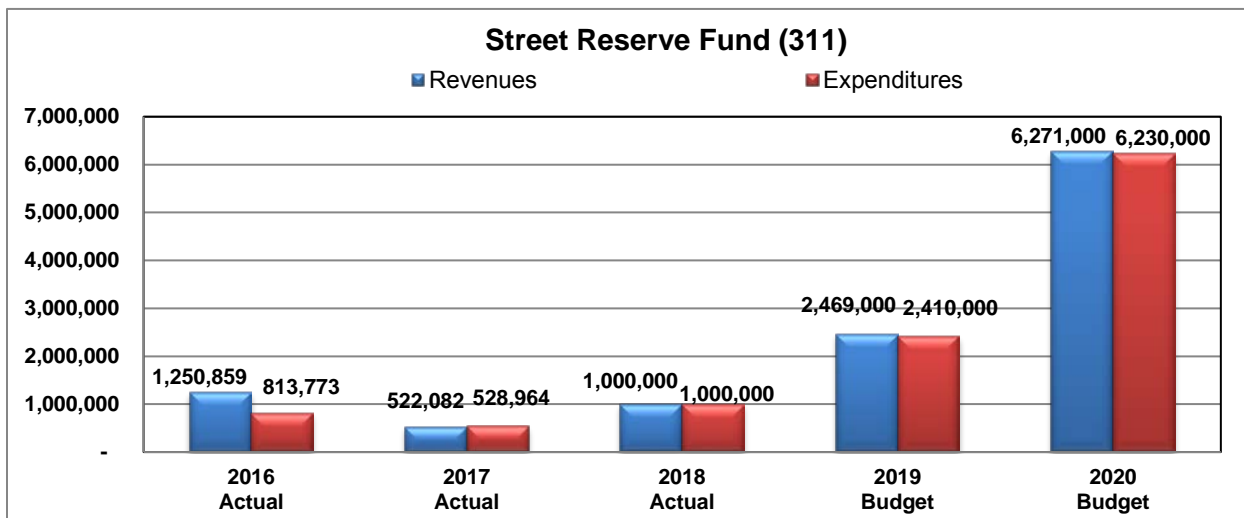


STREET RESERVE FUND 311

Street Reserve Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 311						
STREET RESERVE						
RESOURCES						
BEGINNING BALANCE	709,053	1,139,848	1,138,987	325,666	384,666	325,666
INTERGOVERNMENTAL	473,946	124,075	3,561,441	1,910,000	1,810,000	3,720,000
MISCELLANEOUS	1,414	4,007	4,000	4,000	4,000	8,000
OTHER FINANCING SOURCES	775,500	394,000	2,023,000	555,000	4,457,000	5,012,000
TOTAL RESOURCES	1,959,913	1,661,930	6,727,428	2,794,666	6,655,666	9,065,666
FUND 311						
STREET RESERVE						
USES						
CAPITAL OUTLAY	808,773	533,528	6,401,762	2,410,000	6,230,000	8,640,000
OTHER FINANCING USES	5,000	11,300	-	-	-	-
FUND BALANCE	1,146,140	1,117,102	325,666	384,666	425,666	425,666
TOTAL USES	1,959,913	1,661,930	6,727,428	2,794,666	6,655,666	9,065,666



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

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'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.

2017-2018 PROGRAM ACCOMPLISHMENTS:

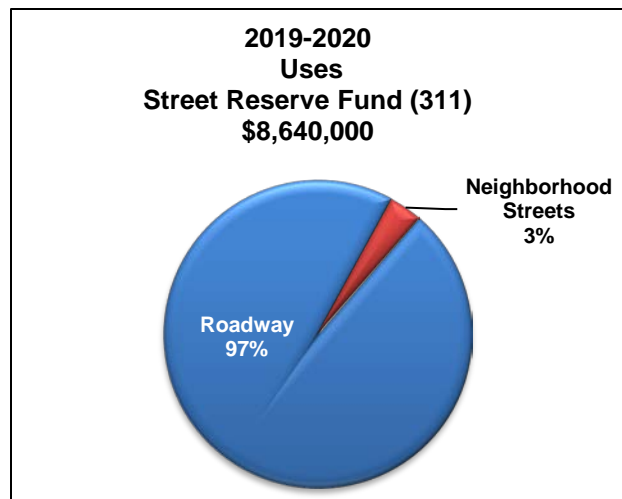
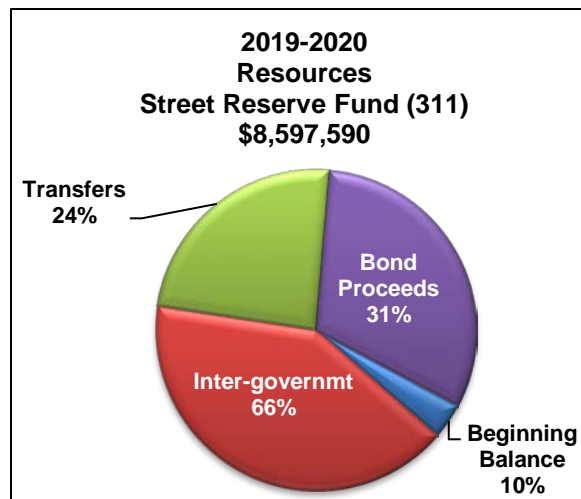
- Continued design on the Liberty Bay Waterfront Trail project and moved forward with the permitting process.
- Continued design on the Noll Road Improvements project and continued the ROW acquisition process, completed National Environmental Policy Act process, initiated environmental permitting, achieved Federal Surface Transportation Program grant partially funding Phase I construction, completed application for State TIB grant funding of Phase I construction. Applied for and received funding for the SR 305 Tunnel.
- Continued design on the Finn Hill Reconstruction project, completed application for project TIB grant and received funding.
- Continued design on Forest Rock Lane road preservation project, completed application for TIB grant and received funding.

2019-2020 REVENUE SOURCES:

The Street Reserve Fund (311) derives the majority of its revenues from TIB grant programs, Federal Surface Transportation program and Safe Routes to School grant programs and operating transfers.

2019 Operating Transfers Into Fund 311		
Fund 123	Traffic Development Fund	\$ 350,000
	Accumulated traffic impact fees to support street projects	
Fund 001	General Fund	\$ 55,000
	To fund portions of capital transportation projects	
Fund 001	General Fund	\$ 150,000
	To fund neighborhood pavement restoration in lieu of new development throughout the city	

2020 Operating Transfers Into Fund 311		
Fund 123	Traffic Development Fund	\$ 500,000
	Accumulated traffic impact fees to support street projects	
Fund 121	Capital Improvement Fund	\$ 900,000
	REET to fund Noll Road	
Fund 001	General Fund	\$ 57,000
	To fund portions of capital transportation projects	
Fund 001	General Fund	\$ 150,000
	To fund neighborhood pavement restoration in lieu of new development throughout the city	



2019-2020 PROGRAM PROJECTS WORKPLAN:

NOLL ROAD ROUNDABOUT

Description:

The City expects to begin construction of a Roundabout on SR 305 and near the intersection of Johnson Road in 2019. This project is a part of the larger Noll Road Improvements project, specifically the South Segment phase. The project is grant funded through State grants. SR 305 is owned by the State and the City is facilitating the construction on behalf of the State. This project will not be capitalized as the City will not retain any ownership and it will be the State's asset upon completion. All grant revenues and construction expenditures will be treated as pass through. It is expected to be completed in 2021 with a total cost of \$5,000,000

City Council Goal: # 3 - Transportation

Funding:

2019 Project Funding:

State Grant	\$ 1,000,000
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2019 Total	\$ 1,000,000
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2020 Project Funding:

State Grant	\$ 2,000,000
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2020 Total	\$ 2,000,000
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2019-2020 Total	\$ 3,000,000
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3RD AVE (MOE TO HOSTMARK)Description:

This project will install sidewalks, curbs, gutters and parking strip.

City Council Goal: # 3 - Transportation

Funding:**2019 Project Funding:**

Federal Grant	\$	-
Street Reserves	\$	-
2019 Total	\$	-

2020 Project Funding:

Federal Grant	\$	100,000
Street Reserves	\$	20,000
2020 Total	\$	120,000

2019-2020 Total	\$	120,000
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LIBERTY BAY WATERFRONT TRAILDescription:

This project continues the design and permitting process for a trail extending from American Legion Park north to the existing trails in Fish Park and Nelson.

City Council Goal: #4 - Natural Environment
#7 - Parks and Recreation and Open Space

Funding:**2019 Project Funding:**

State Grant	\$	30,248
Street Reserves	\$	173,658
2019 Total	\$	203,906

2020 Project Funding:

State Grant	\$	-
2020 Total	\$	-

2019-2020 Total	\$	203,906
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Note: This project is carried over from the 2018-2019 Budget

Transportation Capital Projects Progressing in 2019	Total Overall Transportation Project Cost	2019 Expenditures
Noll Road Improvements	\$ 21,981,000	\$ 2,010,000
3rd Ave (Moe to Hostmark)	\$ 720,000	\$ -
Liberty Bay Waterfront Trail	\$ 471,300	\$ 203,900
City-wide Safety Improvements	\$ 300,000	\$ 250,000
Local Neighborhood Maintenance Program	\$ 1,429,000	\$ 150,000
Total	\$ 24,901,300	\$ 2,613,900

Transportation Capital Projects Progressing in 2020	Total Overall Transportation Project Cost	2020 Expenditures
Noll Road Improvements	\$ 21,981,000	\$ 5,960,000
3rd Ave (Moe to Hostmark)	\$ 720,000	\$ 120,000
Liberty Bay Waterfront Trail	\$ 471,300	
City-wide Safety Improvements	\$ 300,000	\$ -
Local Neighborhood Maintenance Program	\$ 1,429,000	\$ 150,000
Total	\$ 24,901,300	\$ 6,230,000

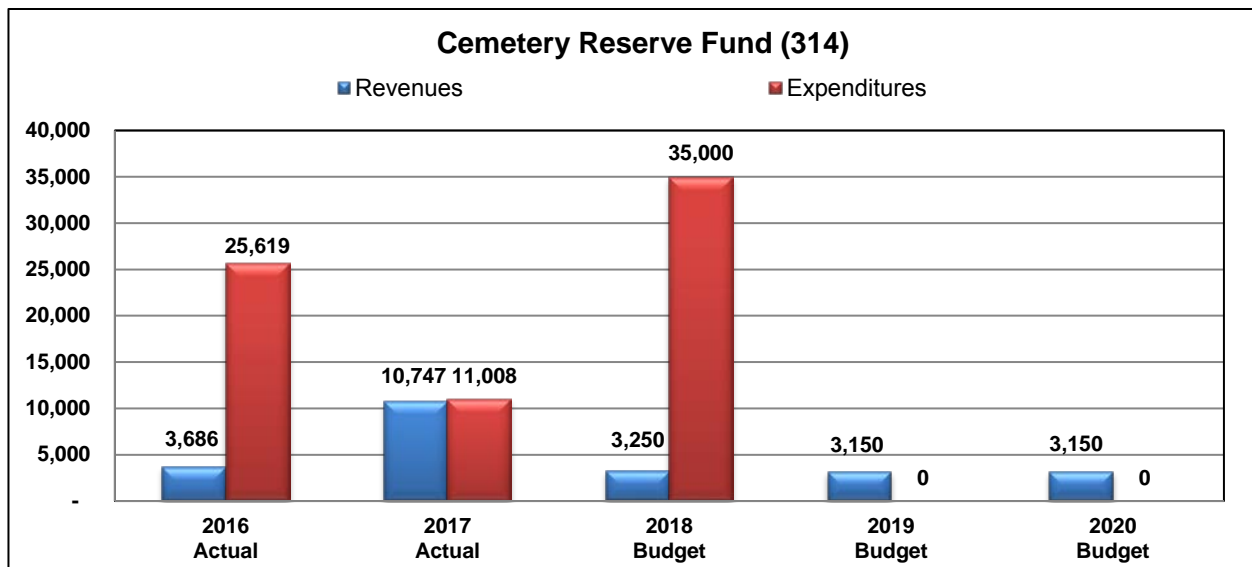


CEMETERY RESERVE FUND 314

Cemetery Reserve Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 314						
CEMETERY RESERVE						
RESOURCES						
BEGINNING BALANCE	76,869	54,936	54,676	22,926	26,076	22,926
CHARGE FOR SERVICES	3,400	4,800	3,000	3,000	3,000	6,000
MISCELLANEOUS	286	5,947	11,150	150	150	300
TOTAL RESOURCES	80,555	65,683	68,826	26,076	29,226	29,226
FUND 314						
CEMETERY RESERVE						
USES						
CAPITAL OUTLAY	25,619	9,408	46,000	-	-	-
OTHER FINANCING USES	-	1,600	-	-	-	-
FUND BALANCE	54,936	54,675	22,826	26,076	29,226	29,226
TOTAL USES	80,555	65,683	68,826	26,076	29,226	29,226



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

CEMETERY RESERVE FUND (314)

PROGRAM DESCRIPTION:

The City owns 5.1 acres of land known as the Poulsbo Cemetery, which dates to 1900. The land is plotted for approximately 2,913 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 13 plots were sold in 2017, (12 regular and 1 cremains) and a total of 15 plots were sold in 2018, (11 regular and 4 cremains)

2017-2018 PROGRAM ACCOMPLISHMENTS:

Beautification of the cemetery. Addition of water lines, yard hydrants, new entry gate, and paving of the parking area as well as the addition of eight memorial benches, nine cement garbage containers, and debris and soil containment bins. During the latter part of 2018, a Pergola with power and water was added per City Council direction.

2019-2020 REVENUE SOURCES:

Revenue is derived from the sale of gravesites.

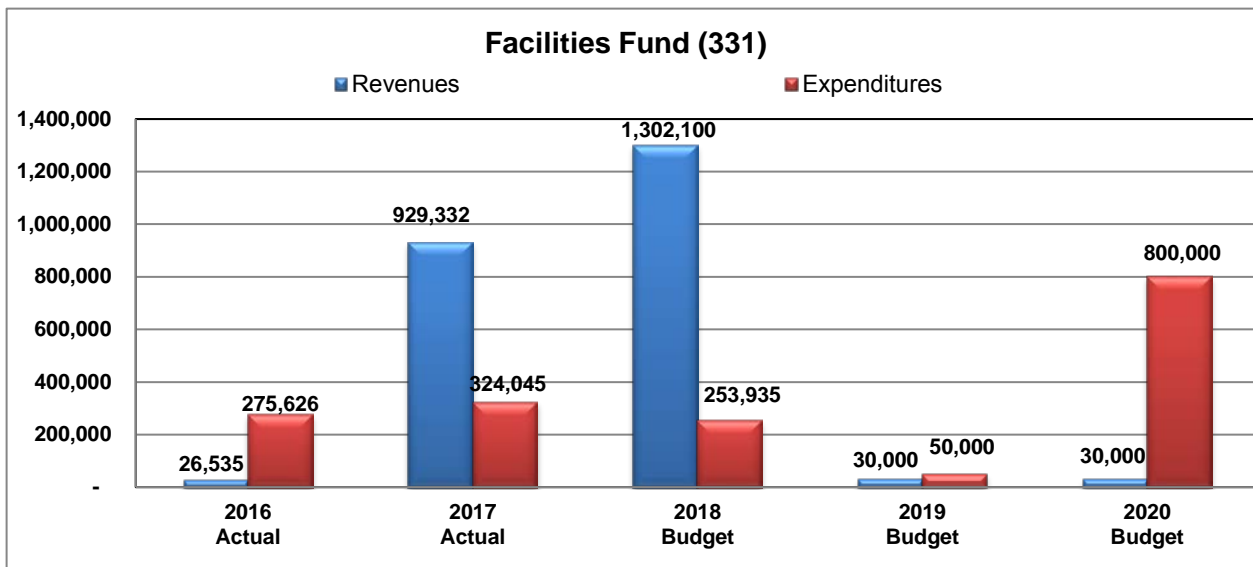
Cemetery Site Rates	
Cremains gravesite	\$200
Regular gravesite	\$400
Family lot (6 regular grave sites)	All sold
Block (24 regular grave sites)	All sold

FACILITIES FUND 331

Facilities Fund Uses



ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 331 FACILITIES RESOURCES						
BEGINNING BALANCE	330,426	81,335	686,623	1,734,788	1,714,788	1,734,788
MISCELLANEOUS	1,535	4,332	2,100	5,000	5,000	10,000
OTHER FINANCING SOURCES	25,000	925,000	1,300,000	25,000	25,000	50,000
TOTAL RESOURCES	356,961	1,010,667	1,988,723	1,764,788	1,744,788	1,794,788
FUND 331 FACILITIES USES						
CAPITAL OUTLAY	275,626	111,057	253,935	50,000	800,000	850,000
OTHER FINANCING USES	-	212,988	-	-	-	-
FUND BALANCE	81,335	686,622	1,734,788	1,714,788	944,788	944,788
TOTAL USES	356,961	1,010,667	1,988,723	1,764,788	1,744,788	1,794,788



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

FACILITIES FUND (331)

PROGRAM DESCRIPTION:

This fund accounts for funds available for capital improvements to City buildings and facilities.

2019-2020 REVENUE SOURCES:

Proceeds from the old City Hall property were received in 2017, and proceeds from the sale of the old Police Station were received in 2018. An annual transfer of \$25,000 to build reserves for future facilities capital repairs and investment earnings are the only other anticipated revenues for the fund.

2019-2020 EXPENDITURES:

2019 Expenditure	
\$	50,000 Pre-design of a New Public Works Building

2020 Expenditure	
\$	800,000 Public Works Building Design

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

2019					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
401	Water Fund	\$ 2,165,700	\$ 2,608,922	\$ 3,134,083	\$ 1,640,539
403	Sewer Fund	\$ 5,090,738	\$ 4,511,342	\$ 5,579,830	\$ 4,022,250
404	Solid Waste Fund	\$ 741,158	\$ 2,402,830	\$ 2,437,364	\$ 706,624
410	Storm Drain Fund	\$ 1,670,322	\$ 2,822,557	\$ 3,465,822	\$ 1,027,057
2020					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
401	Water Fund	\$ 1,640,539	\$ 2,685,445	\$ 4,075,496	\$ 250,488
403	Sewer Fund	\$ 4,022,250	\$ 4,643,177	\$ 4,915,320	\$ 3,750,107
404	Solid Waste Fund	\$ 706,624	\$ 2,481,110	\$ 2,488,454	\$ 699,280
410	Storm Drain Fund	\$ 1,027,057	\$ 2,541,000	\$ 3,264,043	\$ 304,014

WATER FUND 401

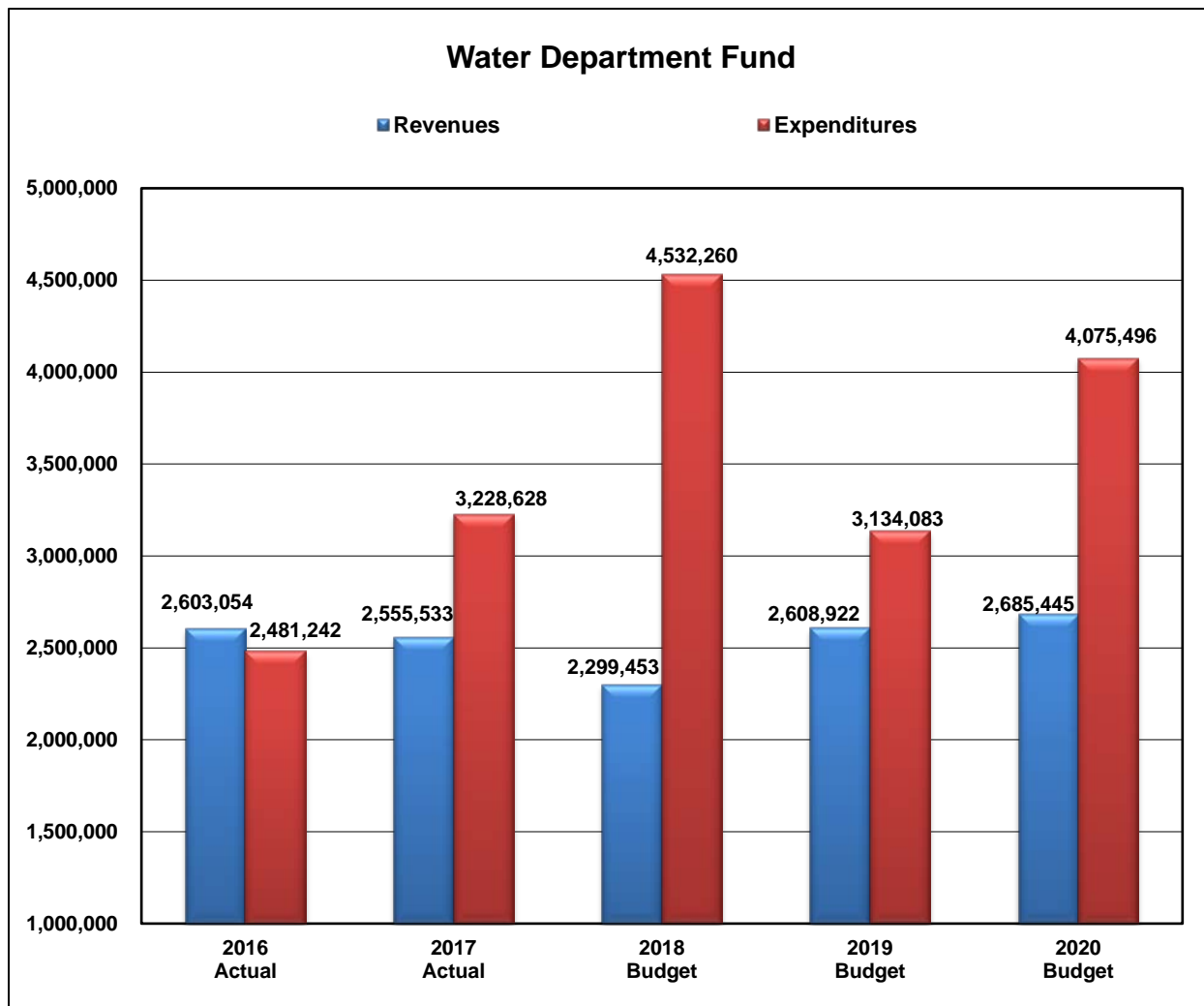
Mission Statement: *The Public Works Department ensures the city's physical infrastructure (buildings and parks, water and sewer systems, roads and sidewalks, and drainage systems) is built and maintained, and that essential public services (solid waste collection and equipment maintenance) are performed in a fiscally responsible manner to support a safe and healthy environment and help the city achieve its vision.*

Water Fund Uses



- Capital Outlays 45%
- Depreciation 15%
- Salaries & Wages 17%
- Services 13%
- Benefits 8%
- Supplies 2%

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 401						
WATER UTILITY						
RESOURCES						
BEGINNING BALANCE	4,153,638	4,704,393	4,398,507	2,165,700	1,640,539	2,696,200
INTERGOVERNMENTAL	-	-	-	-	-	-
CHARGE FOR SERVICES	1,753,152	1,860,782	1,755,485	2,024,362	2,091,034	4,115,396
MISCELLANEOUS	117,668	139,651	143,968	152,000	153,200	305,200
PROPRIETARY OTHER INCOME	732,234	561,788	400,000	432,560	441,211	873,771
OTHER FINANCING SOURCES	-	(6,688)	-	-	-	-
TOTAL RESOURCES	6,756,692	7,259,925	6,697,960	4,774,622	4,325,984	7,990,567
FUND 401						
WATER UTILITY						
USES						
BAD DEBT EXPENSE	61	182	-	-	-	-
SALARIES	460,574	504,126	577,169	611,155	632,513	1,243,668
BENEFITS	207,769	202,592	278,845	296,992	314,085	611,077
SUPPLIES	132,077	107,777	59,650	86,733	86,733	173,466
OTHER SERVICES & CHARGES	440,115	436,362	440,733	448,088	461,665	909,753
OTHER FINANCING USES	-	-	-	-	-	-
CAPITAL OUTLAY	687,895	1,498,656	2,736,458	1,160,615	2,050,000	3,210,615
DEBT SERVICE - PRINCIPAL	100,540	104,500	-	-	-	-
DEBT SERVICE - INTEREST	5,340	1,803	-	-	-	-
DEBT SERVICE - ISSUE COSTS	3,725	3,725	-	-	-	-
DEPRECIATION EXPENSE	443,147	473,161	462,425	530,500	530,500	1,061,000
FUND BALANCE	4,275,450	3,933,730	2,142,680	1,640,539	250,488	780,988
TOTAL USES	6,756,692	7,266,614	6,697,960	4,774,622	4,325,984	7,990,567



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

WATER DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of Active Water Services (includes Residential, Commercial & Multi-Family)	3887	3951	4093	4150	4200
Miles of Water Mains maintained	66.5	66.5	68	69	70
# of Active Meters Read per month	3879	3951	4093	4150	4200
# of Hydrants maintained and exercised		750	775	800	825

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 and the surrounding community.

The City currently provides service to approximately 4,100 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 and 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 organic chemicals and synthetic organic chemicals, chlorine residuals, radio- nuclides and disinfection by-products.

Storage and Distribution System: The distribution system consists of ten storage facilities located in various service zones having a total combined capacity of 4 million gallons of water, six 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 5.87 FTE's providing for the administration, operation, maintenance and repair of the system. Included is a portion of the City Engineer 0.15 FTE, Civil Engineer 0.30 FTE, and IT 0.25 FTE. Public Works staffing, 5.17 FTE is under the supervision of the Utilities Foreman.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Conducted annual water main flushing program
- Complied with state mandated water quality monitoring and testing requirements, including coliform, phase I, II, and V contaminates, lead and copper monitoring
- Updated and distributed annual Consumer Confidence Report for water system performance for the previous year
- Read 4,000 water distribution system service meters per month for the 2017-2018 billing period
- Responded to customer requests for servicing
- Tracked 1,108 backflow assemblies for effectiveness and compliance
- Provided inspections for all new water main construction on the system
- Provided an extensive hydrant maintenance program which included replacing or repairing fire hydrants
- Pumped a total of 703,054,000 gallons of water between July 2016 and June 2018
- Coordinated approximately 2,283 unscheduled meter reads and turn-off's/turn-on's (work orders) with Finance Department
- Provided 1,698 utility locates and markings between January 1, 2017, and September 30, 2018, averaging 81 locates 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

2019-2020 REVENUE SOURCES:

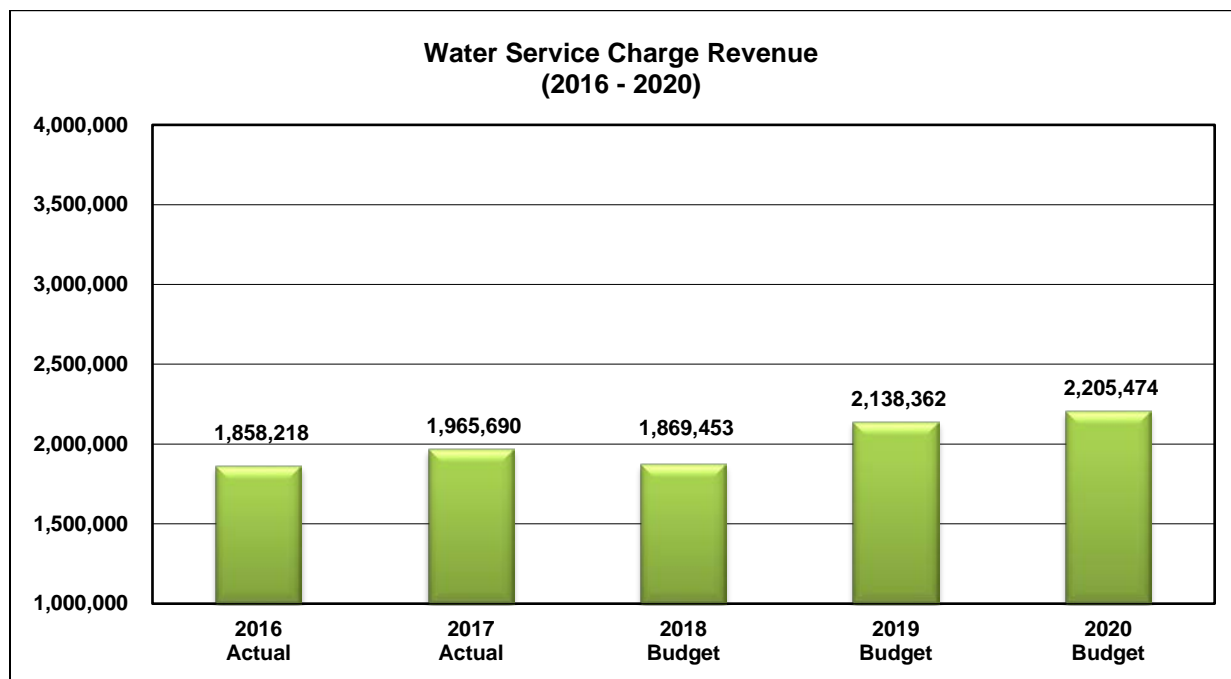
Users support the water utility with revenue generally derived from three sources:

1. Monthly service charges
2. System connection fees
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.

2019 Monthly Residential Water Rate Structure		
	Inside City	Outside City
Base Rate	\$ 15.56	\$ 23.34
<i>plus consumption per 100 cf</i>		
November through May		
0 and over	\$ 2.18	\$ 2.77
June through October		
0 - 1000	\$ 2.18	\$ 4.05
1001 and over	\$ 3.40	\$ 4.05

*2020 rates will not be available until June 2019



2019-2020 EXPENDITURES:**Operation and Maintenance:**

The year 2019-2020 operation and maintenance program will be a continuation of the 2017-2018 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.

Capital Improvements:

The capital improvement program for 2019-2020 includes the following projects and equipment purchases:

2019

Caldart Main	300,000
Noll Road Water Improvements	200,000
Raab Pk Water Tank Replacement	400,000
Westside Well Pump Rehab	20,000
Westside Well Manganese Treatment	150,000
Wilderness Pk Tank Retrofit	80,000
2019 Total:	\$ 1,150,000

2020

Noll Road Water Improvements	550,000
Westside Well Manganese Treatment	1,000,000
Wilderness Tank Retrofit	500,000
2020 Total:	\$ 2,050,000

Debt Service:

There are no anticipated Debt Service expenses for Water in 2019-2020.



SEWER FUND 403

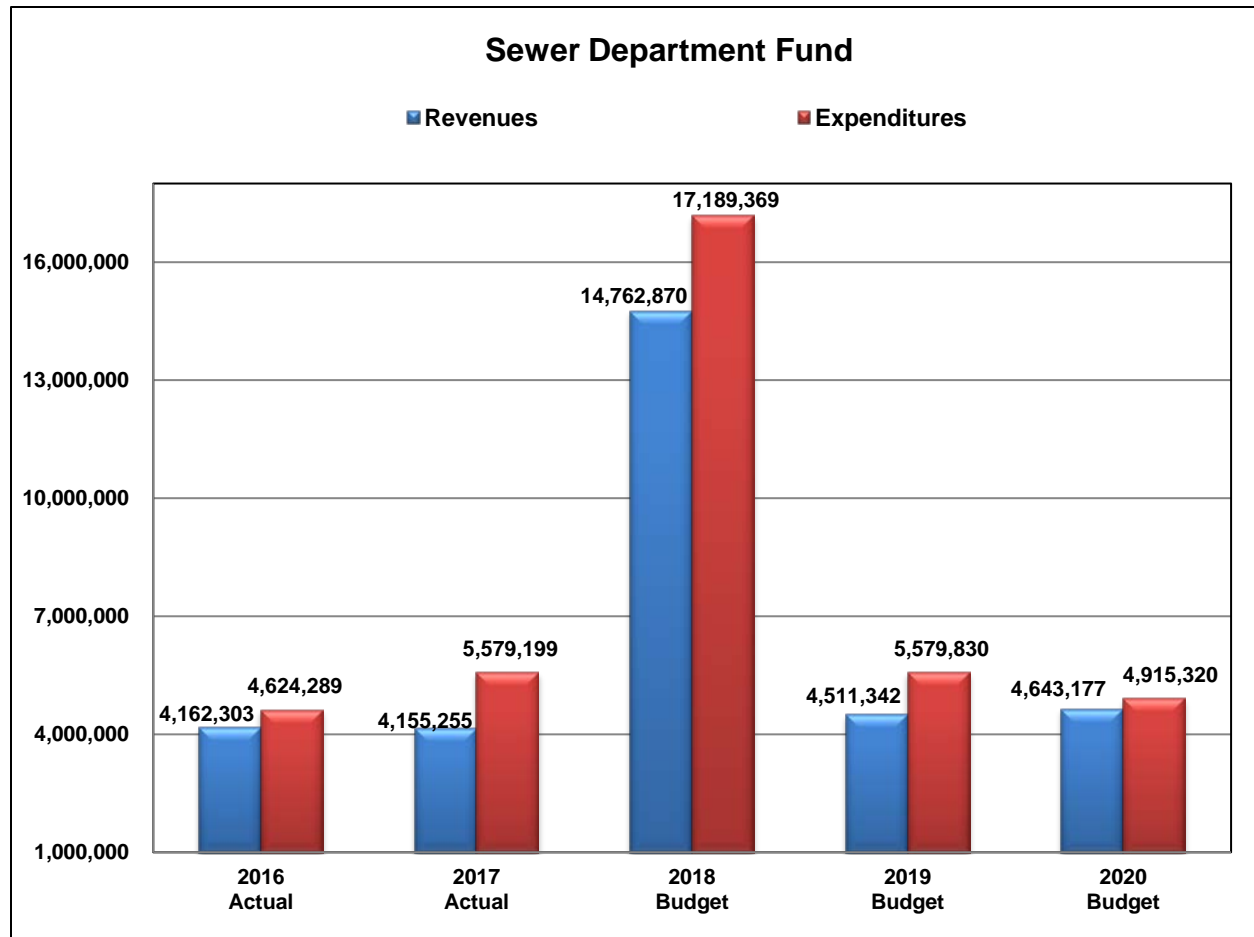
Mission Statement: *The Mission of the Wastewater Department is to provide the citizens of Poulsbo and the surrounding community with quality domestic wastewater service in concert with federal, state and local regulatory requirements together with associated responsibilities including the planning, 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



- Capital Outlay 31%
- Depreciation 18%
- Debt Service 10%
- Services 26%
- Salaries & Wages 10%
- Benefits 5%
- Supplies 1%

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 403						
SEWER UTILITY						
RESOURCES						
BEGINNING BALANCE	7,762,267	7,996,110	7,537,237	5,090,738	4,022,250	6,027,738
CHARGE FOR SERVICES	3,423,043	3,595,101	3,293,790	3,996,328	4,128,163	8,124,491
MISCELLANEOUS	85,792	54,838	99,080	115,014	115,014	230,028
PROPRIETARY OTHER INCOME	653,468	518,477	3,870,000	400,000	400,000	800,000
OTHER FINANCING SOURCES	-	-	7,500,000	-	-	-
TOTAL RESOURCES	11,924,570	12,164,527	22,300,107	9,602,080	8,665,427	15,182,257
FUND 403						
SEWER UTILITY						
USES						
BAD DEBT EXPENSE	143	587	-	-	-	-
SALARIES	427,279	419,021	473,068	507,924	519,384	1,027,308
BENEFITS	187,788	174,825	216,866	233,753	244,032	477,785
SUPPLIES	33,406	25,810	17,000	13,960	13,960	27,920
OTHER SERVICES & CHARGES	1,269,787	1,158,800	1,227,673	1,383,100	1,381,336	2,764,436
CAPITAL OUTLAY	1,393,563	2,491,744	13,948,498	1,979,485	1,300,000	3,279,485
DEBT SERVICE - PRINCIPAL	594,111	370,500	270,000	225,000	235,000	460,000
DEBT SERVICE - INTEREST	18,931	6,391	320,000	286,400	277,400	563,800
DEBT SERVICE - ISSUE COSTS	13,208	13,208	24,124	13,208	13,208	26,416
DEPRECIATION EXPENSE	686,073	795,659	798,000	937,000	931,000	1,868,000
FUND BALANCE	7,300,281	6,707,982	5,004,878	4,022,250	3,750,107	4,687,107
TOTAL USES	11,924,570	12,164,527	22,300,107	9,602,080	8,665,427	15,182,257



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

SEWER DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of Active Sewer Services	3,514	3682	3784	3840	3890
# of Pumping Stations Maintained	9	9	9	9	9
Miles of Sewer Lines Maintained	47	55	56	57	58

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 and the surrounding community.

The City currently provides service to approximately 3,784 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 fifty-six (56) 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 are comprised of nine wastewater lift stations, together with the central interceptor, connecting the City'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 Kitsap County from the City at the Kitsap County's Johnson Way Metering Station located at Johnson Way and SR 305.

STAFFING LEVEL:

The Sewer program is staffed with 3.68 FTE's providing for the administration, operation, maintenance, and repair of the system. Including City Engineer 0.15 FTE, Civil Engineer 0.30 FTE, and IT 0.25 FTE. Public Works staffing, 2.98 FTE is under the supervision of the Utilities Foreman.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Continued pre-design activities associated with wastewater improvements to expand the capacity of the wastewater system
- Cleaned and maintained nine 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
- Central Interceptor Pipe Preservation SR 305
- Replaced water meters
- Replaced the Harrison Force Main
- Replaced the Poulsbo Village Pump station
- Replaced the Liberty Bay Pump station
- 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
- Provided ongoing video inspection program of all Public-owned Sewer mains and laterals
- Provided ongoing telemetry system coordination to support a more efficient monitoring and notification system via remote access creating a quicker response time

2019-2020 REVENUE SOURCES:

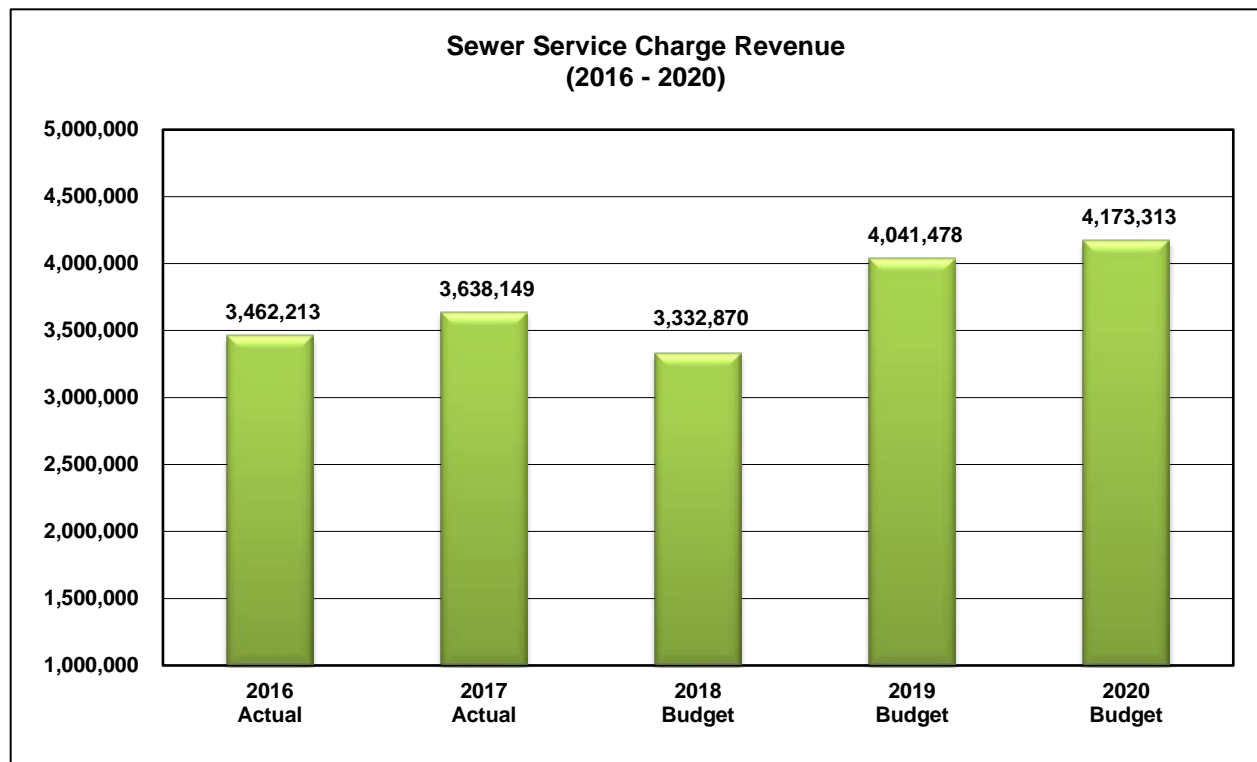
Users support the wastewater utility with revenue generally derived from three sources:

1. Monthly service charges
2. System connection fees
3. Miscellaneous revenues to include investment interest and charges associated with special work requests for customers

The majority of revenue 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.

2019 Monthly Residential Sewer Rate Structure		
	Inside City	Outside City
Base Rate	\$ 53.42	\$ 79.69
<i>Base charge includes 400 cf of water flow</i>		
November through May		
401 and over	\$ 6.78	\$ 10.11
June through October**		
401 and over	\$ 6.78	\$ 10.11

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



2019-2020 EXPENDITURES:**Operation and Maintenance:**

The year 2019-2020 operation and maintenance program will be a continuation of the 2017-2018 program and will include the operation, maintenance, and repair of existing utility system infrastructure to include wastewater collection system, pump stations and conveyance facilities.

Capital Improvements:

The capital improvement program for 2019-2020 includes the following projects and capital purchase:

2019

Sewer Hot Box	10,000
Kitsap Co Lemolo Force Main Capacity	200,000
Kitsap Co Lemolo Siphon Phase 2	200,000
Kitsap Co Solids Dewatering	363,400
Kitsap Co UV Upgrades	331,800
Lemolo House Purchase	500,000
Noll Road Sewer Improvements	210,000
Pump Station Safety Improvements	150,000

2019 Total: \$ 1,965,200

2020

Kitsap Co Lemolo Siphon Phase 2	300,000
Noll Road Sewer Improvements	500,000
Pump Station Safety Improvements	150,000
Raab Park Sewer Rehab	350,000

2020 Total: \$ 1,300,000

Debt Service:

2019 Debt Service expenses for Sewer are estimated to be approximately \$511,400. The City went out for new debt in 2018 for the funding of the City's portion of the Kitsap County Central Kitsap Sewer Treatment Plant.

2020 Debt Service expenses for Sewer are estimated to be approximately \$512,400.

DEBT SERVICE - SEWER			
2019			
description			
Principal	Interest	Ending Balance	Payoff Year
\$ 225,000	\$ 286,400	\$ 6,645,000	2038
2020			
description			
Principal	Interest	Ending Balance	Payoff Year
\$ 235,000	\$ 277,400	\$ 6,410,000	2038



SOLID WASTE FUND 404

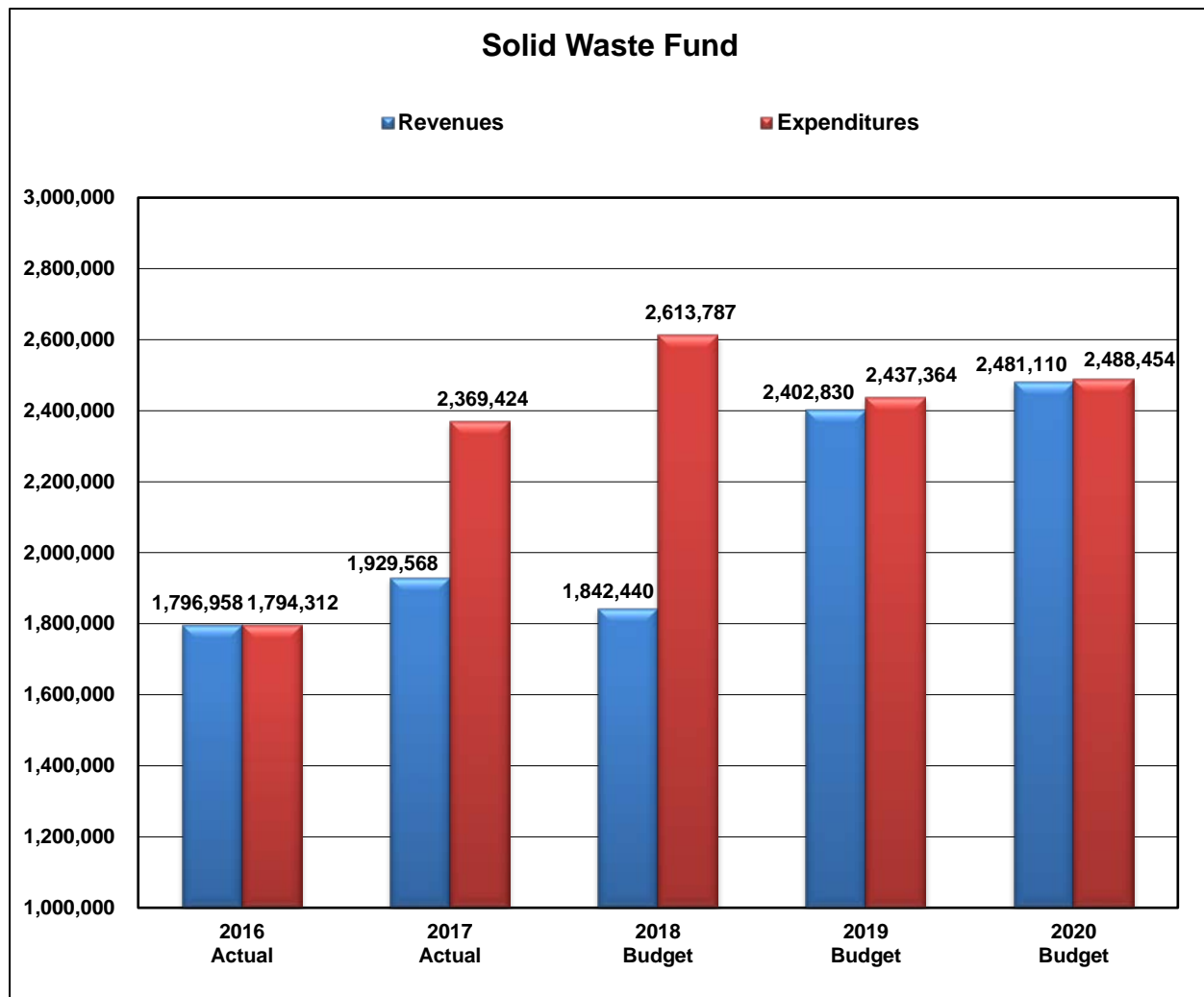
Mission Statement: *The Mission of the Solid Waste Department is to provide the citizens of Poulsbo and the surrounding community refuse and recycling services in concert with federal, state and local regulatory requirements.*

**Solid Waste Fund
Uses**



- Services 56%
- Salaries & Wages 26%
- Benefits 13%
- Depreciation 3%
- Capital Outlay <1%
- Supplies 2%

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 404						
SOLID WASTE UTILITY						
RESOURCES						
BEGINNING BALANCE	1,822,907	1,885,599	1,512,505	741,158	706,624	831,158
CHARGES FOR SERVICES	1,772,076	1,898,736	1,817,440	2,372,126	2,450,406	4,822,532
MISCELLANEOUS	24,882	30,832	25,000	30,704	30,704	61,408
OTHER FINANCING SOURCES	-	-	-	-	-	-
TOTAL RESOURCES	3,619,866	3,815,168	3,354,945	3,143,988	3,187,734	5,715,098
FUND 404						
SOLID WASTE UTILITY						
USES						
BAD DEBT EXPENSE	23	145	-	-	-	-
SALARIES	470,940	579,874	604,729	624,631	639,612	1,264,243
BENEFITS	209,046	264,038	285,252	302,840	315,989	618,829
SUPPLIES	73,936	88,510	74,000	43,500	43,600	87,100
OTHER SERVICES & CHARGES	944,454	1,099,235	1,044,546	1,352,108	1,411,253	2,763,361
CAPITAL OUTLAY	34,639	273,341	517,380	24,285	-	24,285
DEBT SERVICE - PRINCIPAL	-	-	-	-	-	-
DEBT SERVICE - INTEREST	-	-	-	-	-	-
DEBT SERVICE - ISSUE COSTS	-	-	-	-	-	-
DEPRECIATION EXPENSE	61,274	78,941	87,880	90,000	78,000	168,000
OTHER FINANCING USES	-	-	-	-	-	-
FUND BALANCE	1,825,554	1,431,084	741,158	706,624	699,280	789,280
TOTAL USES	3,619,866	3,815,168	3,354,945	3,143,988	3,187,734	5,715,098



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

SOLID WASTE DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
# of Residential Accounts	3196	3399	3490	3590	3690
# of Multi-Family Garbage Units	1022	1040	1060	1080	1100
# of Commercial Dumpster Accounts	334	341	345	350	355
Tons of Waste to Landfill	5979	6116	6256	6396	6536
# of Clean-up Dumpsters Provided	300	273	280	290	300

*Includes Poulsbo Mobile Home Park, it is listed as one (1) account and has 76 units

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 and the surrounding community.

The City provides both residential and commercial solid waste collection and disposal services to approximately 3,490 residential, 380 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. Although the 10-gallon option is being phased out.

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. A new long-haul truck and containers have been purchased in order to keep from driving collection trucks to the Olympic View Transfer Station, as well as removing the necessity of contracting for long haul services.

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 2018, 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.

STAFFING LEVEL:

The Solid Waste program is staffed with 4.62 FTEs providing for the collection and disposal of refuse and solid waste. Staffing is under the supervision of the Public Works Superintendent.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- Continued the City'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
- Provide uninterrupted weekly service to customers
- Utilized the transfer station for transfer of refuse into long haul containers
- Captured commercial extra garbage charges
- Established a Solid Waste Utility Business Plan
- Purchased a new residential side load truck
- Purchased a new long-haul truck and containers

2019-2020 REVENUE SOURCES:

The solid waste utility is supported by its users and revenue is generally derived from service charges which include:

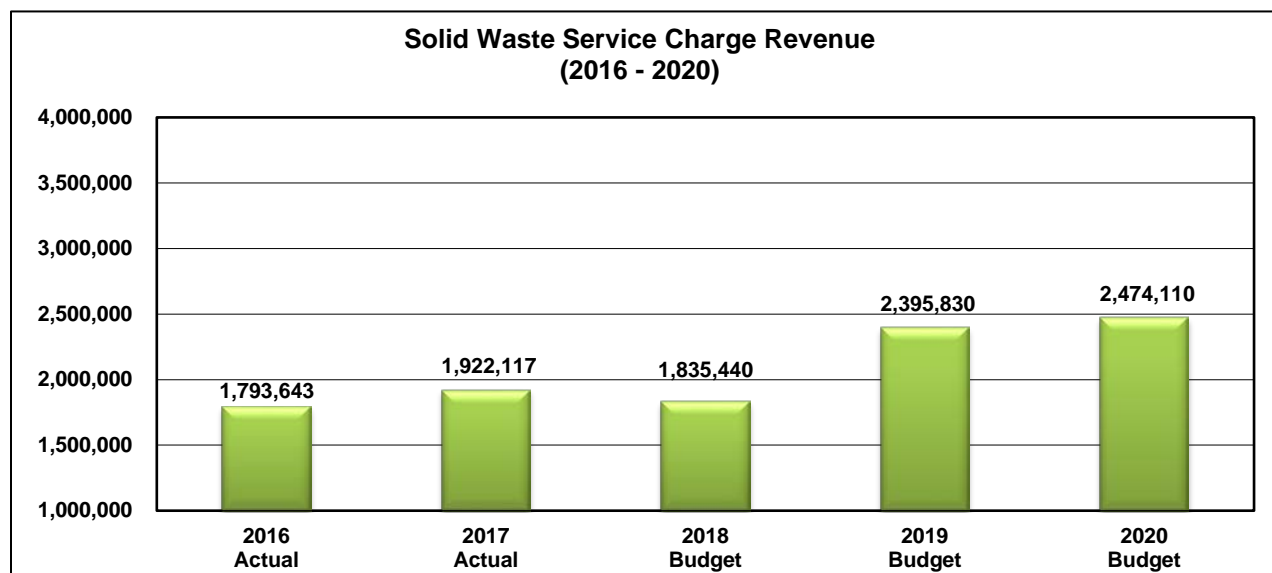
1. Service charges for scheduled residential and regular dumpster garbage collection
2. Service charges for recycling.

Most of the revenue comes from monthly service charges.

2019 Monthly Residential Garbage Rates (includes Recycling Charge)				
# of Cans	Can Size			
	64 Gal	32 Gal	20 Gal	10 Gal
1 Can	\$ 43.83	\$ 25.75	\$ 22.40	\$ 14.39
2 Cans	\$ 87.66	\$ 51.51	\$ 44.79	N/A
3 Cans	\$ 131.49	\$ 77.26	\$ 67.19	N/A

*2020 rates will not be available until June 2019

2018 Residential Customer Can Count				
Can Size	# of Cans			
	1	2	3	4
64 Gallon	757	15	1	0
32 Gallon	2203	50	2	0
20 Gallon	335	3	1	0
10 Gallon	123	0	0	0



2019-2020 EXPENDITURES:

Operation and Maintenance:

The year 2019-2020 operation and maintenance program will be a continuation of the 2017-2018 program and will include the collection and disposal of refuse and solid waste for the citizens of Poulsbo.

Capital Improvements:

One New Program Request was approved for the Solid Waste fund for the 2019-2020 budget. The request is to add weight scales and cameras to front loading garbage trucks. This will enhance the overall safety of the trucks by adding visibility and ensuring trucks are not overloaded.

Debt Service:

There are no anticipated Debt Service expenses for Water in 2019-2020.

STORM DRAIN FUND 410

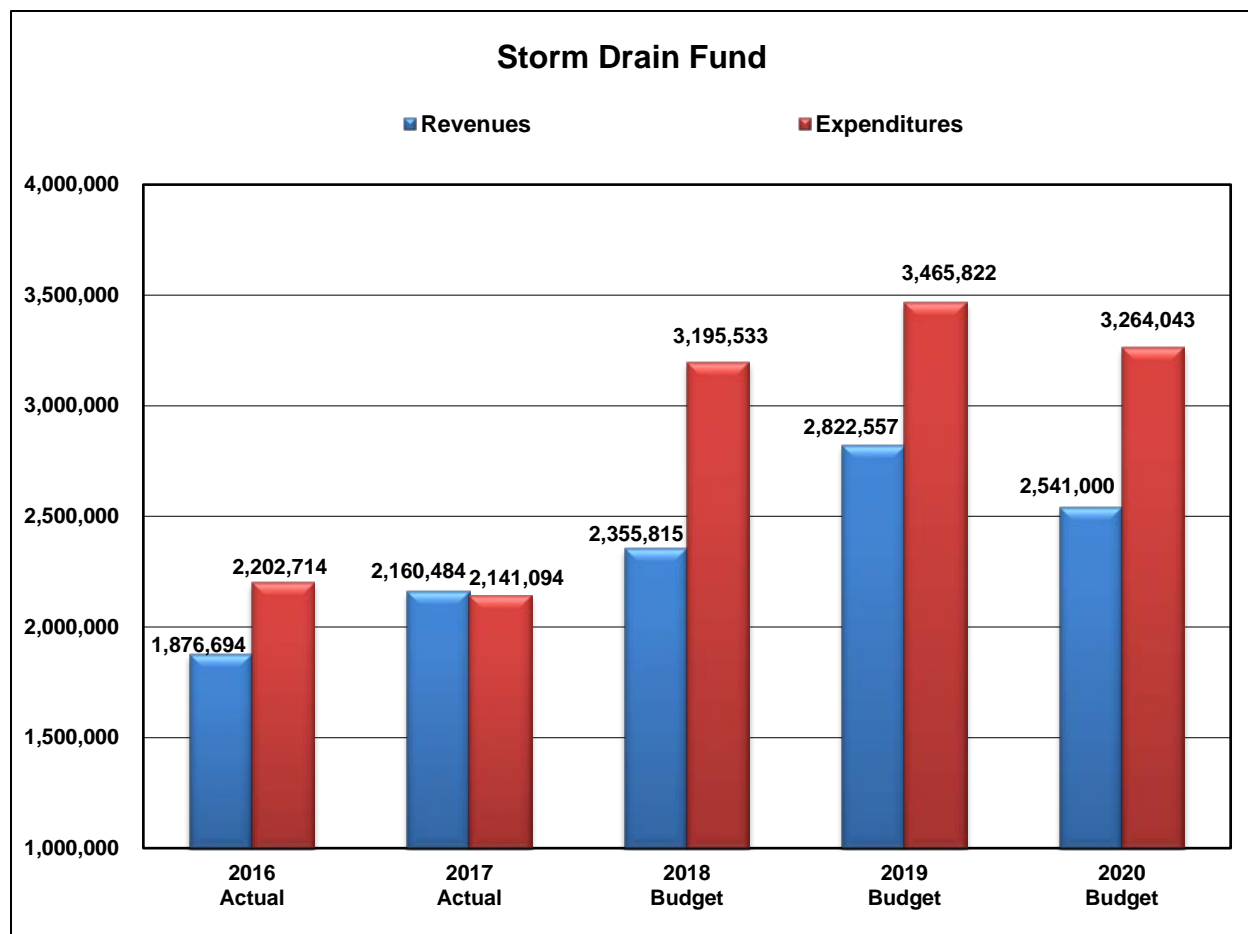
Mission Statement: *Provide for the proper development, management, maintenance, replacement, and improvement of the City's stormwater system in an efficient and cost-effective manner that considers the needs for protection of public health and safety, private property, water quality and the natural 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 46%
- Depreciation 15%
- Salaries & Wages 20%
- Benefits 9%
- Services 10%
- Supplies <1%

ACCOUNT DESCRIPTION	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2019-2020 Budget
FUND 410						
STORM DRAIN UTILITY						
RESOURCES						
BEGINNING BALANCE	1,378,898	1,537,518	2,010,040	1,670,322	1,027,057	2,198,478
INTERGOVERNMENTAL	214,011	293,347	487,500	865,400	525,000	1,390,400
CHARGE FOR SERVICE	1,606,680	1,690,810	1,697,440	1,783,107	1,841,950	3,625,057
MISCELLANEOUS	16,964	22,347	23,000	24,050	24,050	48,100
PROPRIETARY OTHER INCOME	39,039	154,149	147,875	150,000	150,000	300,000
OTHER FINANCING SOURCES	-	-	-	-	-	-
TOTAL RESOURCES	3,255,592	3,698,171	4,365,855	4,492,879	3,568,057	7,562,035
FUND 410						
STORM DRAIN UTILITY						
USES						
BAD DEBT EXPENSE	8	75	-	-	-	-
SALARIES	541,752	589,677	613,849	656,124	674,726	1,330,850
BENEFITS	266,384	236,143	287,889	308,678	324,929	633,607
SUPPLIES	24,456	21,743	20,616	13,000	13,000	26,000
OTHER SERVICES & CHARGES	386,658	301,431	299,020	316,429	326,231	642,660
INTERGOVERNMENTAL	-	-	-	-	-	-
CAPITAL OUTLAY	523,030	489,449	1,483,124	1,643,435	1,476,000	3,119,435
DEBT SERVICE - PRINCIPAL	-	-	-	-	-	-
DEBT SERVICE - INTEREST	-	-	-	-	-	-
DEBT SERVICE - ISSUE COSTS	-	-	-	-	-	-
INTERFUND PAYMENT FOR SVCS	-	-	-	-	-	-
DEPRECIATION EXPENSE	460,426	507,311	512,155	528,156	449,157	977,313
FUND BALANCE	1,052,878	1,552,342	1,149,202	1,027,057	304,014	832,170
TOTAL USES	3,255,592	3,698,171	4,365,855	4,492,879	3,568,057	7,562,035



Note: Revenues are exclusive of Beginning Balance and Expenditures are exclusive of Fund Balance

Type of Measure	2016 Actual	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Treatment: bioswales, bio-infiltration, concentrators, tree boxes	75	75	75	75	75
Flow Control: ponds, vaults, tanks	49	49	49	49	49
Flow Control: orifice structure (Type 2 catch basin/manhole)	54	54	55	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)	5800	4854	5000	5300	5500
Pipe: miles of pipe maintained		69	70	71	72

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. The program also reflects the requirements of the NPDES permit issued to the City by the Washington State Department of Ecology.

Collection System: The collection system, consisting of approximately 69 miles of collection system mains, 4 miles of open drainage ditches, and over 4,800 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 5.83 FTEs. Operation, maintenance, and repair are provided by 4.28 FTEs, which includes a stormwater quality technician. Engineering services are supported by 0.55 FTEs. NPDES 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.

2017-2018 PROGRAM ACCOMPLISHMENTS:

- 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, Filterra™ tree boxes, and concentrators
- Provided vegetation control at retention and detention ponds
- Replaced 20 filters at Vinland Pointe
- Replaced pipe from SR 305 through the Presbyterian Church parking lot
- Continued 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 TMDL. Some of the activities include:
 - Developed the Backyard Pet Waste program and Mutt Mitt program
 - Performed IDDE investigations and education
 - The private drainage facility inspection and maintenance program
 - Developed and maintained stormwater system maps based on a GIS system
 - Completed study for the Liberty Bay Tributaries Fecal Coliform TMDL Implementation Plan.
 - Developed Low Impact code analysis and updates
 - Updated the Stormwater Management code
 - Performed water quality monitoring in support of IDDE program and TMDL Plan implementation
 - Created a rain garden pilot program
 - Continued implementation of the Storm Water Comprehensive Plan

2019-2020 REVENUE SOURCES:

The storm drain utility is supported by its users and revenue is generally derived from service charges, which include:

1. Monthly service charges
2. Building permit connection charges.

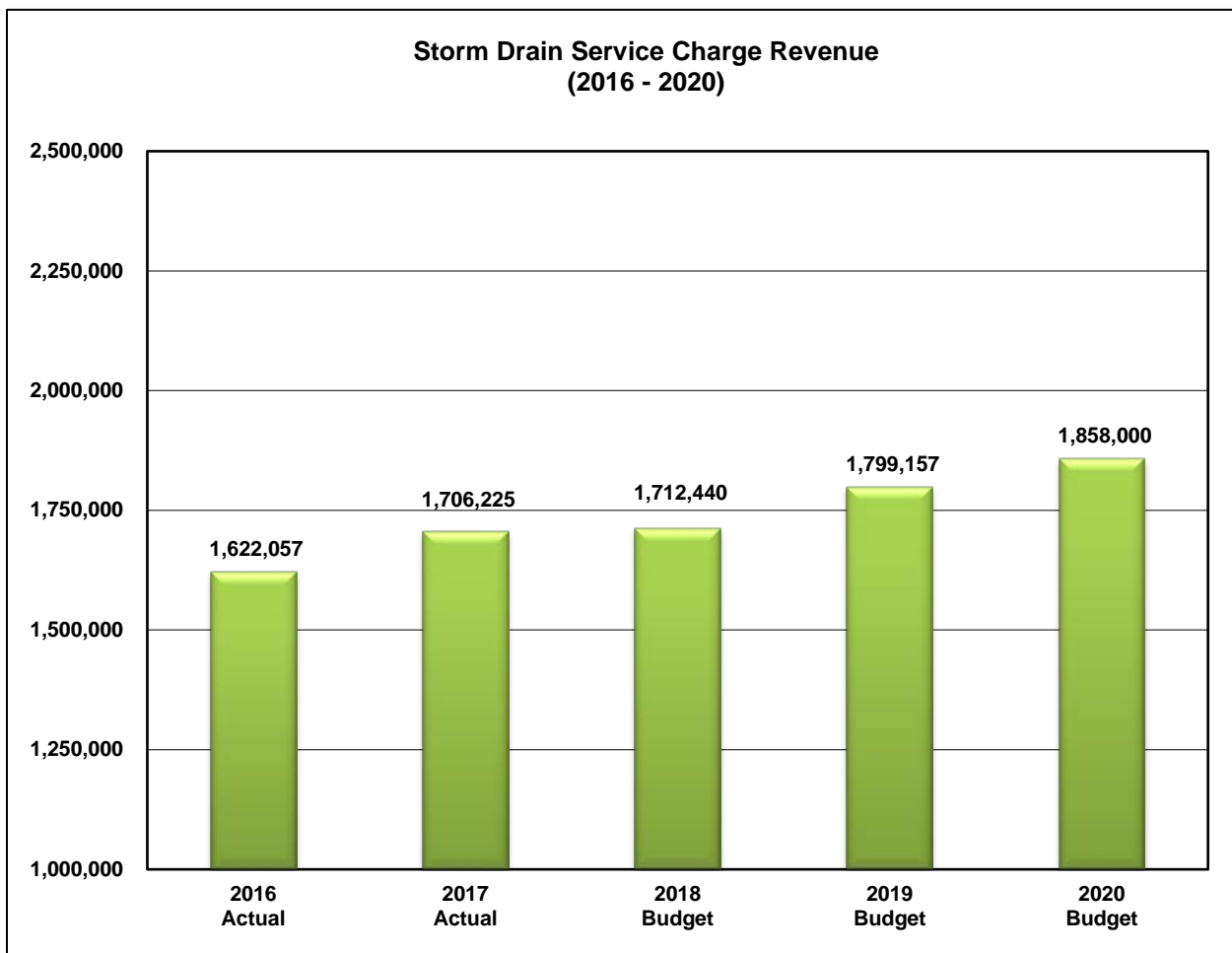
The majority of revenue comes from monthly service charges.

The 2019 and 2020 rates for residential and commercial customers are assessed per impervious surface units. One impervious surface unit 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.

2019 Monthly Residential Stormwater Rate Structure	
	Inside City Limits Only
Rate	\$ 16.99

**2020 Rates will not be available until June 2019*



2019-2020 EXPENDITURES:**Operation and Maintenance:**

The year 2019-2020 operation and maintenance program will be a continuation of the 2017-2018 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'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; IDDE; construction and post construction runoff control, operations and maintenance and TMDL compliance.

Capital Improvements:

The capital improvement program for year 2019-2020 include the following projects:

2019

Bjorgen Creek Culvert Replace-Deer Run	30,000
Dogfish Creek Restoration	284,150
Liberty Bay Bioretention	150,000
Noll Road Basin Direct Discharge	550,000
Noll Road Storm LID	250,000
Noll Road Culvert/Bjorgen Creek	50,000
West Poulsbo Waterfront Park-Storm Drain	250,000

2019 Total: \$ 1,564,150

2020

Deer Run Pond Retrofit	16,000
Dogfish Creek Restoration	500,000
Glen Haven Storm Drain Replacement	10,000
Noll Road Culvert/Bjorgen Creek	500,000
Liberty Bay Bioretention	150,000
Poulsbo Creek Outfall	40,000
Ridgewood / Kevos Pond-Replace SD	260,000

2020 Total: \$ 1,476,000

2019-2020 Total \$ 3,040,150

Debt Service:

There are no anticipated Debt Service expenses for Storm Drain in 2019-2020.



2019 - 2020 BASELINE ADJUSTMENT REQUESTS SUMMARY

Department / Description	2019 COST		2020 COST		Priority Rank by Dept	PG#	On-Going	Funding Source	Approved Funding		
	Requested Amount	Classification	Requested Amount	Classification					2019	2020	
EXECUTIVE											
Increase to Lobbyist Contract	19,000	Other		Other	1	8-3	Yes	General Fund - 001	10,000	-	
TOTAL EXECUTIVE	\$ 19,000		\$ -							\$ 10,000	\$ -
MUNI COURT											
Training	1,000	Other		Other	4	8-4	Yes	General Fund - 001	500		
TOTAL MUNI COURT	\$ 1,000		\$ -							\$ 500	\$ -
CENTRAL SERVICES - INFORMATION SERVICES											
Upgrade Internet Service	12,000	Non-Discretionary			1	8-5	Yes	General Fund - 001	12,000	-	
TOTAL PLANNING	\$ 12,000		\$ -							\$ 12,000	\$ -
PLANNING											
Professional Services	20,000	Other			1	8-6	Yes	General Fund - 001	10,000	-	
TOTAL PLANNING	\$ 20,000		\$ -							\$ 10,000	\$ -
POLICE											
Care and Custody of Prisoners	57,520	Non-Discretionary	32,000	Non-Discretionary	1	8-7	Yes	General Fund - 001	57,520	-	
Overtime	76,050	Non-Discretionary			1	8-8	Yes	General Fund - 001	35,000	-	
Training	5,000	Non-Discretionary			2	8-9	Yes	General Fund - 001	2,500	-	
Casual Labor (Monitoring of Prisoners)	8,190	Non-Discretionary			3	8-10	Yes	General Fund - 001	8,190	-	
TOTAL POLICE	\$ 146,760		\$ 32,000							\$ 103,210	\$ -
ENGINEERING / BUILDING											
Building - Printing & Duplication	2,500	Other			1	8-11	Yes	General Fund - 001	-	-	
Engineering - Printing & Duplication	2,500	Other			2	8-12	Yes	General Fund - 001	-	-	
Engineering - Dues & Subscriptions	1,700	Non-Discretionary			4	8-13	Yes	General Fund - 001	1,700	-	
TOTAL ENGINEERING / BUILDING	\$ 6,700		\$ -							\$ 1,700	\$ -
PUBLIC WORKS - ADMIN											
Repairs & Maintenance - City Hall Monitoring	15,000	Non-Discretionary			2	8-14	Yes	General Fund - 001	15,000	-	
TOTAL PUBLIC WORKS - ADMIN	\$ 15,000		\$ -							\$ 15,000	\$ -
PUBLIC WORKS - PARKS											
Casual Labor	14,040	Other			1	8-15	Yes	General Fund - 001	-	-	
TOTAL PUBLIC WORKS - PARKS	\$ 14,040		\$ -							\$ -	\$ -
STREETS											
ERU Fees King Olav Parking Lot	4,000	Non-Discretionary				8-16	Yes	City Street Fund - 101	4,000	-	
Casual Labor	14,040	Other			1	8-17	Yes	City Street Fund - 101	-	-	
TOTAL STREETS	\$ 18,040		\$ -							\$ 4,000	\$ -
WATER											
Credit Card Fees	60,000	Other				8-18	Yes	Water Fund - 401	2,000	-	
Supplies and Repairs	23,267	Other			1	8-19	Yes	Water Fund - 401	14,000	-	
Casual Labor	14,040	Other			2	8-20	Yes	Water Fund - 401	-	-	
Puget Sound Energy	18,500	Non-Discretionary			3	8-21	Yes	Water Fund - 401	18,500	-	
TOTAL WATER	\$ 115,807		\$ -							\$ 34,500	\$ -
SEWER											
Credit Card Fees	3,000	Other				8-22	Yes	Sewer Fund - 403	1,000	-	
Casual Labor	14,040	Other			1	8-23	Yes	Sewer Fund - 403	-	-	
TOTAL SEWER	\$ 17,040		\$ -							\$ 1,000	\$ -
SOLID WASTE											
Credit Card Fees	3,000	Other				8-24	Yes	Solid Waste Fund - 404	1,000	-	
TOTAL SOLID WASTE	\$ 3,000		\$ -							\$ 1,000	\$ -
STORM DRAIN											
Credit Card Fees	60,000	Other				8-25	Yes	Storm Drain Fund - 410	2,000	-	
Dues and Subscriptions	1,600	Other			1	8-26	Yes	Storm Drain Fund - 410	-	-	
Repairs and Maintenance	6,000	Other			2	8-27	Yes	Storm Drain Fund - 410	-	-	
Casual Labor	14,040	Other			3	8-28	Yes	Storm Drain Fund - 410	-	-	
TOTAL STORM DRAIN	\$ 81,640		\$ -							\$ 2,000	\$ -

Summary Totals	Requested Total			
	2019		2020	
	Requested Amount		Requested Amount	
Grand Total General Fund (001)	234,500		32,000	
Grand Total City Street Fund (101)	18,040		-	
Grand Total Water Fund (401)	115,807		-	
Grand Total Sewer Fund (403)	17,040		-	
Grand Total Solid Waste Fund (404)	3,000		-	
Grand Total Storm Water (410)	81,640		-	
Total All Funds	\$ 470,027		\$ 32,000	

Approved Funding	
2019	2020
152,410	-
4,000	-
34,500	-
1,000	-
1,000	-
2,000	-
\$ 194,910	\$ -



CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Executive

Request Title: Increase to Lobbyist Contract

Responds to Council Goal: 9 - Revenue & Financial Stability

Department Priority: 1

Description of Request:

Current Lobbyist agreement in 2018 was for \$20,000 with a maximum amount of \$6,000 to reimburse for travel expenses. The proposal going forward into 2019 is for \$45,000 a 73% increase over the \$26,000 total. The rates are consistent with surrounding agencies, however a RFP should be conducted for the City to properly conduct their due diligence and receive the best service for the funds allocated.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:

One-Time

☐

Continuous

☒

2019 Cost:

Wages	
Benefits	
Supplies	
Other	19,000
Capital	
Total	\$ 19,000

2020 Cost:

Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Provide the City with a trained professional voice during legislative business, keeping the City's best options available for grant funds, state allocated funds and laws which could assist or provide difficulty for the City to adhere.

Alternatives:

Have the Mayor and Council be the voice for the City.

Funding:

General Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Municipal Court

Request Title: Training Increase

Responds to Council Goal: 8 - Public Safety

Department Priority: 4

Description of Request:

As a new Court Administrator there are numerous trainings that I would like to attend. One of them being the National Court Administrators conference that is held yearly in various locations throughout the US.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	1,000
Capital	
Total	\$ 1,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Attending trainings will allow the court to stay current with various procedures and policies which not only benefit the court staff, but attorneys with their clients and the public who enter the court system.

Alternatives:

If \$1,000 is not approved for 2019, we would request \$500, with the baseline being reviewed again for an additional increase in 2020.

Funding:

General Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department:	Information Services		
Request Title:	Upgrade Internet Service for Speed and Accessibility		
Responds to Council Goal:	10 Customer Service	Department Priority:	1

Description of Request:

Current internet service provided is at a lower amount and based on pricing for more than 15 years ago. With increase in activity within City Hall and outside locations of Public Works and Park and Rec, current levels are struggling and not able to support the increased level of activity. An increase to the service is necessary with a new pricing structure. Current monthly amount of \$856 will increase to \$2,500.

Cost associated with this request is Regulatory ☒ Non-Discretionary Other

<table><tr><td>Frequency:</td></tr><tr><td>One-Time</td></tr><tr><td>Continuous</td></tr><tr><td>X</td></tr></table>	Frequency:	One-Time	Continuous	X	2019 Cost:	
	Frequency:					
	One-Time					
	Continuous					
	X					
	Wages					
	Benefits					
Supplies						
Other	\$ 12,000					
Capital						
	Total	\$ 12,000				

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	

Opportunities:

Improve connections eliminated the system lock and inaccessibility and allow continuous workability.

Alternatives:

Operate inefficiently at the continued level of decreased availability

Funding:

General Fund - 00114200051881 50000492 - Central Services Informaiton Services. Will affect the indirect allocation formula charging more to utility funds.

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Planning and Economic Development

Request Title: Professional Services Increase

Responds to Council Goal: 1 - Land Use

Department Priority: 1

Description of Request:

The request is to increase the professional services line by \$11,132. Resulting in the baseline increasing from \$8,868 to \$20,000. The request is continuous for the 2019 and 2020 budgets.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	20,000
Capital	
Total	\$ 20,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

The increase in funds will be used to assist PED staff in meeting statutory deadlines such as the Shoreline Master Program update, and departmental goals such as the creation of an Urban Design Manual. The requested increase also reflects an increased need by the Department to consult with specialists such as the City's Arborist, Consultant Landscape Architects for landscaping plan review and/or installation issues and Building Architects for design review.

Alternatives:

Without the increase in funds, the current PED Department staff will prioritize statutory required work - permits and update to the Shoreline Master Program.

Funding:

General Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Police (Non-Operational Budget)

Request Title: Care and Custody of Prisoners

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

This expenditure line item will now be maintained in the General Fund Police (Non-Operational) Budget and covers the costs of incarceration at the Kitsap County and City of Forks Jails. These costs are due to increase substantially in 2019 and 2020 due to an anticipated rise in both the daily bed rate and the increasing occupancy forecasted. This budget will need an increase to cover these additional expenditures. 2019 will need \$57,520 for a new ongoing baseline budget of \$298,000; 2020 will need an additional \$32,000 for a new ongoing baseline budget of \$330,000.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	57,520
Capital	
Total	\$ 57,520

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	32,000
Capital	
Total	\$ 32,000

Opportunities:

A baseline adjustment increase to this expenditure line item is a non-discretionary cost, the City does not have authority over sentencing and jail incarceration. Increase of this expenditure baseline will reduce an eventual budget amendment process to correct the budget at mid to end of year.

Alternatives:

If a baseline adjustment increase is not approved, a budget amendment would likely be required mid to end of year to correct the budget or there would need to be a significant reduction of service and related expenditures to fund the additional costs.

Funding:

There is no revenue stream to support this General Fund expenditure.

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Police

Request Title: Overtime

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

The departmental overtime costs (plus associated benefits) have steadily increased year over year despite ongoing efforts to minimize its impact and effect. This departmental overtime line is for all hours worked outside of the employees regular shift in direct benefit to the city to include mandatory overtime for city sponsored events and festivals, contractual obligations and necessary shift coverage to maintain the department's current level of service. The departmental overtime budget was minimally increased last in 2016 due to a change in LTAC funding; otherwise, it has not been increased since prior to 2012.

Cost associated with this request is

☐

Regulatory

☒

Non-Discretionary

☐

Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	65,000
Benefits	11,050
Supplies	
Other	
Capital	
Total	\$ 76,050

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

A baseline adjustment increase to departmental overtime (plus associated benefits) will allow the police department to continue to provide necessary shift coverage while maintaining our current level of service without the eventual budget amendment process to correct the budget at mid to end of year.

Alternatives:

If a baseline adjustment increase is not approved, the departmental overtime (plus associated benefits) will continue at a minimum and there could be a reduction in our current level of service wherever possible.

Funding:

This departmental overtime (plus associated benefits) would be funded from the General Fund for city direct overtime. Separately contracted overtime with outside agencies will still be charged and paid for by the outside event organizer and those costs are not included in this request.

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department:

Police

Request Title:

Training

Responds to Council Goal:

8 - Public Safety

Department Priority:

2

Description of Request:

The State of Washington has mandated that every full-time officer receive a minimum of 24 hrs of state approved training annually. In 2016, the state mandated the addition of Reserve Officers to the 24 hr minimum (WAC 139-05-810). The department's training budget was last increased more than 7 years ago and all subsequent requests have not been approved. It is necessary to increase the departmental training budget to be state compliant; provide opportunities for further education, growth and development for department employees; and begin to establish this department as an educational instruction center for the area.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:

One-Time

☐

Continuous

☒

2019 Cost:

Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

2020 Cost:

Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

A baseline adjustment increase to training would allow state compliance with core training mandates. As part of this training, department individuals could take instruction training & certification which would allow them to become local trainers for other department personnel along with those in surrounding agencies establishing this department as an educational instruction center for the area.

Alternatives:

If a baseline adjustment increase is not approved, the training opportunities would continue to be limited and potentially not fully meet state compliance mandates.

Funding:

Training has no supplemental funding source and would be funded from the General Fund; however, if we develop agency instructors, we could offer and receive benefit from reciprocal local training.

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Police

Request Title: Casual Labor (Monitoring of Prisoners)

Responds to Council Goal: 8 - Public Safety

Department Priority: 3

Description of Request:

The budget for Monitoring of Prisoners (Court Security) falls under the Police Department. Court security involves many aspects and as such often requires a second person to ensure a safe and secure environment - screening at the door, court mandated arrests, screening for jury, video arraignments, etc. To accomplish effective court security, the Police Department has provided a second person and this has been paid out of our regular department casual labor line; however, this as a long-term need can not be supported by our existing budget. We are requesting an addition to our Casual Labor line of \$7,000 (plus benefits) for 2019 and on-going to support this need.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	7,000
Benefits	1,190
Supplies	
Other	
Capital	
Total	\$ 8,190

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

A baseline adjustment increase to Casual Labor (plus associated benefits) will allow the police department to provide the necessary personnel coverage to maintain a safe and secure court environment as outlined in Court General Rule 36 - Trial Court Security.

Alternatives:

If a baseline adjustment increase is not approved, the department will be unable to ensure the necessary personnel coverage as required by the court or as outlined in Court General Rule 36 - Trial Court Security; thus sacrificing a timely response to incidents and effectively minimizing security measures.

Funding:

There is no additional funding source for this expenditure, it will come from the General Fund.

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Building

Request Title: Printing & Duplication

Responds to Council Goal: 10 - Customer Service

Department Priority: 1

Description of Request:

Request to create a budget for copy machine related costs for the Building Department. The black and white and color copy costs have increased significantly in the past 2 years. The copy machine costs for the 2nd floor are currently shared equally between Engineering, Building, Planning. The cost share for copier related charges in 2017, was \$1,700 and is \$1,400 to date in 2018. The Bldg Dept. forecast for 2018 copy costs is ~\$2,500. The Bldg Dept can no longer afford to absorb these costs in their current budget.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:

One-Time

☐

Continuous

☒

2019 Cost:

Wages	
Benefits	
Supplies	2,500
Other	
Capital	
Total	\$ 2,500

2020 Cost:

Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Although measures have been taken to limit the amount of color and unnecessary copies made on the 2nd floor, the costs remain high. Printing & Duplication costs have not previously been a budget category and these costs have been absorbed by other categories.

Alternatives:

Further reduce training costs for the Building Dept. to fund copy machine related costs. Send out larger printer jobs as Engineering does at a slightly reduced cost.

Funding:

General Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Engineering

Request Title: Printing & Duplication

Responds to Council Goal: 10 - Customer Service

Department Priority: 2

Description of Request:

Request to create a budget for copy machine related costs for the Engineering Department. The black and white and color copy costs have increased significantly in the past 2 years. The costs for the 2nd floor are currently shared between Engineering, Building, Planning The cost share for copier related charges in 2017, was \$1,900 and is \$1,400 to date in 2018. The Engineering Dept. forecast for 2018 copy costs is ~\$2,500. The ENG Dept can no longer afford to absorb these costs in their current budget.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	2,500
Other	
Capital	
Total	\$ 2,500

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Although measures have been taken to limit the amount of color and unnecessary copies made on the 2nd floor, the costs remain high. Printing & Duplication costs have not previously been a budget category and these costs have been absorbed by other categories.

Alternatives:

Further reduce training costs for the Engineering Dept. to fund copy machine related costs.

Funding:

General Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Engineering

Request Title: Dues & Subscriptions

Responds to Council Goal: 10 - Customer Service

Department Priority: 4

Description of Request:

The cost to renew the Engineering Department AutoCAD software program has risen significantly in the past 2 years. The Engineering Department's share of the renewal cost is now \$1,700/year. This cost share has increased from \$1,200/year as the software was required to be upgraded from the older discontinued version. The annual budget capacity for Dues & Subscriptions is currently \$1,600/year. AutoCAD is one of the primary software applications used for in house Engineering functions.

Cost associated with this request is

☐

Regulatory

☐

Non-Discretionary

☒

Other

Frequency:

One-Time

☐

Continuous

☒

2019 Cost:

Wages	
Benefits	
Supplies	1,700
Other	
Capital	
Total	\$ 1,700

2020 Cost:

Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

This budget not cover the full cost of the renewal and Engineering has to fund all other dues & subscription costs from other budget categories.

Alternatives:

AutoCAD expired/discontinued the previous version of their software, forcing the City to upgrade to maintain the software subscription. The annual subscription cost has steadily risen. Engineering uses AutoCAD for in house design of utilities, saving the City 50% on the cost of design should this function be contracted out.

Funding:

General Fund.

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department:	Public Works-Building Maintenance
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Request Title:	Repairs and Maintenance - City Hall Monitoring Systems
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Responds to Council Goal:	4 - Capital Facilities	Department Priority:	2
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Description of Request:

Addition of Johnson Controls contract for Building Monitoring systems \$5,000 - City Hall
 Addition of repair and maintenance for City Hall HVAC and Elevator systems which are becoming less reliable with age of the systems.

Cost associated with this request is ☐ Regulatory ☒ Non-Discretionary ☐ Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	15,000
Capital	
Total	\$ 15,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Johnson Control contract for City Hall systems, \$5,000/year.

 Cover additional repairs and maintenance for City Hall as it ages.

Alternatives:

Continue to with the same level of service or less.

Funding:

General Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Parks

Request Title: Casual Labor

Responds to Council Goal: 4 - Capital Facilities **Department Priority:** 1

Description of Request:

Addition of one 5 month casual laborer helping to provide a consistent level of service in the Parks department. Current staffing levels do not provide adequate coverage for vacations and illness, or the ability to provide additional assistance during periods of high demand.

Cost associated with this request is ☐ Regulatory ☐ Non-Discretionary ☒ Other

Frequency: One-Time <input type="checkbox"/> Continuous <input checked="" type="checkbox"/>	2019 Cost:		2020 Cost:	
	Wages	12,000	Wages	
	Benefits	2,040	Benefits	
	Supplies		Supplies	
	Other		Other	
	Capital		Capital	
	Total	\$ 14,040	Total	\$ 0

Opportunities:

To provide at least 5 months of staffing to avoid disruptions and help maintain service levels.

Alternatives:

Continue at the current level of service and possible delay of needed maintenance and services.

Funding:

General Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Streets

Request Title: ERU Fees King Olav Parking Lot

Responds to Council Goal: 8 - Public Safety

Department Priority: 2

Description of Request:

To cover costs of City ERU Storm Drain charges as these parcels which were created after the sale of the Old City hall.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:

One-Time

☐

Continuous

☒

2019 Cost:

Wages	
Benefits	
Supplies	
Other	4,000
Capital	
Total	\$ 4,000

2020 Cost:

Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

This is a mandatory charge but there has not been any budget to support it

Alternatives:

Continue to pay from other streets budgets.

Funding:

Streets Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Streets

Request Title: Casual Position

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

Addition of one 5 month casual laborer helping to provide a consistent level of service in the Water department. Current staffing levels do not provide adequate coverage for vacations and illness, or the ability to provide additional assistance during periods of high demand and emergencies.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	12,000
Benefits	2,040
Supplies	
Other	
Capital	
Total	\$ 14,040

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

To provide at least 5 months of staffing to avoid disruptions and help maintain service levels.

Alternatives:

Continue at the current level of service and possible delay of needed maintenance and repairs.

Funding:

Streets Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Enterprise Funds

Request Title: Credit Card Fees

Responds to Council Goal: 9 - Revenue & Financial Stability

Department Priority:

Description of Request:

Credit Card fees are averaging over \$1,000/mo per utility. This is a very popular service for the citizens of Poulsbo. The Sewer and Solid Waste budgets are able to absorb most of these costs and are only asking for \$3,000 ongoing. The Water and Storm Drain budgets need a little additional help and are asking for \$6,000 ongoing.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	18,000
Capital	
Total	\$ 18,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Help to absorb some of the financial hit to each utility.

Alternatives:

Continue to cut into the operations budgets to cover card fees.

Funding:

40130000053400 / 50000490 = \$6,000 WATER
 40330000053400 / 50000490 = \$3,000 SEWER
 40430000053700 / 50000490 = \$3,000 SOLID WASTE
 41030000053100 / 50000490 = \$6,000 STORM DRAIN

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Water Department

Request Title: Supplies and Repairs

Responds to Council Goal: 4 - Capital Facilities

Department Priority: 1

Description of Request:

Cost of supplies and repairs have increased - increase to the supply and repair line. -

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	14,267
Other	9,000
Capital	
Total	\$ 23,267

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

To better respond to budget needs for the water department. This would allow for more proactive maintenance and repairs instead of reactive. We continually overspend in these areas as supply costs increase.

Alternatives:

Only provide the bare minimum for repairs and maintenance. Level of service will not improve.

Funding:

Water Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Water

Request Title: Casual Labor

Responds to Council Goal: 8 - Public Safety

Department Priority: 2

Description of Request:

Addition of one 5 month casual laborer helping to provide a consistent level of service in the Water department. Current staffing levels do not provide adequate coverage for vacations and illness, or the ability to provide additional assistance during periods of high demand and emergencies.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	12,000
Benefits	2,040
Supplies	
Other	
Capital	
Total	\$ 14,040

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

To provide at least 5 months of staffing to avoid disruptions and help maintain service levels.

Alternatives:

Continue at the current level of service and possible delay of needed maintenance and repairs.

Funding:

Water Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Water Department

Request Title: Puget Sound Energy Utility Services

Responds to Council Goal: 9 - Revenue & Financial Stability

Department Priority: 3

Description of Request:

PSE Costs have increased, installation of treatment plant and general usage of citizens.

Cost associated with this request is



Regulatory



Non-Discretionary



Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	18,500
Capital	
Total	\$ 18,500

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

We have consistently overspent this budget line and should use this opportunity to balance out PSE expenditures.

Alternatives:

Continue to overspend and draw from other water service sources.

Funding:

Water Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments (*those increases needed to maintain current level of service - excluding wages, benefits and contractual costs*)

Requests must be prioritized by department and/or fund

Department:	Public Works - Sewer		
Request Title:	Casual Labor		
Responds to Council Goal:		Department Priority:	1

Description of Request:

Addition of one 5 month casual laborer helping to provide a consistent level of service in the Sewer department. Current staffing levels do not provide adequate coverage for vacations and illness, or the ability to provide additional assistance during periods of high demand and emergencies.

Cost associated with this request is



Regulatory



Non-Discretionary

Other

	2019 Cost:	2020 Cost:
Frequency:	Wages	Wages
One-Time <input type="checkbox"/>	Benefits	Benefits
	Supplies	Supplies
	Other	Other
Continuous <input checked="" type="checkbox"/>	Capital	Capital
	Total	Total
	\$ 14,040	\$ 0

Opportunities:

To provide at least 5 months of staffing to avoid disruptions and help maintain service levels.

Alternatives:

Continue at the current level of service and possible delay of needed maintenance and repairs.

Funding:

Sewer Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Storm Drain

Request Title: Dues and Subscriptions

Responds to Council Goal: 4 - Capital Facilities **Department Priority:** 1

Description of Request:

Increase the ESRI subscription upgrade for use with proposed Asset Management Software.

Cost associated with this request is ☐ Regulatory ☐ Non-Discretionary ☒ Other

Frequency: One-Time <input type="checkbox"/> Continuous <input checked="" type="checkbox"/>	2019 Cost:		2020 Cost:	
	Wages		Wages	
	Benefits		Benefits	
	Supplies		Supplies	
	Other	1,600	Other	
	Capital		Capital	
	Total	\$ 1,600	Total	\$ 0

Opportunities:

To utilize Asset Management software, an upgrade to a higher level of ESRI user is required.

Alternatives:

If the software isn't approved, we would continue at our current level of service.

Funding:

Storm Drain Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Storm Drain

Request Title: Repair and Maintenance

Responds to Council Goal: 4 - Capital Facilities **Department Priority:** 2

Description of Request:

Increase Repair and Maintenance line as aging infrastructure is being repaired or replaced more frequently.

Cost associated with this request is ☐ Regulatory ☐ Non-Discretionary ☒ Other

Frequency: One-Time <input type="checkbox"/> Continuous <input checked="" type="checkbox"/>	2019 Cost:		2020 Cost:	
	Wages		Wages	
	Benefits		Benefits	
	Supplies		Supplies	
	Other	6,000	Other	
	Capital		Capital	
	Total	\$ 6,000	Total	\$ 0

Opportunities:

Aging storm drain lines, catch basins, NPDES requirements are driving repair and maintenance costs up. Allows us to be less reactive and more proactive

Alternatives:

Keep status quo and respond to issues as they arise.

Funding:

Storm Drain Fund

CITY OF POULSBO BASELINE ADJUSTMENT REQUEST

Submit this completed request for Baseline Adjustments *(those increases needed to maintain current level of service - excluding wages, benefits and contractual costs)*

Requests must be prioritized by department and/or fund

Department: Public Works - Storm Drain

Request Title: Casual Labor

Responds to Council Goal: 4 - Capital Facilities

Department Priority: 3

Description of Request:

Addition of one 5 month casual laborer helping to provide a consistent level of service in the Storm Drain department. Current staffing levels do not provide adequate coverage for vacations and illness, or the ability to provide additional assistance during periods of high demand and emergencies.

Cost associated with this request is

☐

Regulatory

☐

Non-Discretionary

☒

Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	12,000
Benefits	2,040
Supplies	
Other	
Capital	
Total	\$ 14,040

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

To provide at least 5 months of staffing to avoid disruptions and help maintain service levels. Helps be more proactive in maintenance rather than reactive.

Alternatives:

Continue at the current level of service and possible delay of needed maintenance and repairs.

Funding:

Storm Drain Fund



2019 - 2020 NEW PROGRAM REQUESTS SUMMARY

Department / Description	2019 COST	2020 COST	On-Going	Funding Source	Approved Funding	
LEGISLATIVE					2019	2020
Referendum for GO Bonds for Parking Garage		20,000	No	General Fund - 001	-	-
Economic Development Initiatives	15,000		Yes	General Fund - 001	-	-
National League of Cities Dues	1,117		Yes	General Fund - 001	1,117	-
Public Art/Urban Design Elements	20,000		Yes	General Fund - 001	-	-
TOTAL LEGISLATIVE	\$ 36,117	\$ 20,000			\$ 1,117	\$ -
MUNI COURT						
Office Clerk II - P/T	34,158		Yes	General Fund - 001	-	-
TOTAL MUNI COURT	\$ 34,158	\$ -			-	-
EXECUTIVE						
Behavioral Health Outreach Program	516,519		Yes	General Fund - 001	60,000	-
Medical Insurance Coverage	***		Yes	General Fund - 001	-	-
Event Coordinator	50,000		Yes	General Fund - 001	-	-
College Mkt Place (Olhava) revitalization	TBD		Yes	General Fund - 001	-	-
TOTAL EXECUTIVE	\$ 566,519	\$ -			\$ 60,000	\$ -
FINANCE						
Accounting Technician - Utilities		89,550	Yes	General Fund - 001	-	-
TOTAL FINANCE	\$ -	\$ 89,550			\$ -	\$ -
CLERK						
Archives Digitization Project	10,000	10,000	Yes	General Fund - 001	-	-
TOTAL CLERK	\$ 10,000	\$ 10,000			\$ -	\$ -
PROSECUTOR / RISK MANAGEMENT						
Assistant City Prosecutor	92,501		Yes	General Fund - 001	-	-
TOTAL PROSECUTOR / RISK MANAGEMENT	\$ 92,501	\$ -			\$ -	\$ -
POLICE						
Police Clerk		85,761	Yes	General Fund - 001	-	-
TOTAL POLICE	\$ -	\$ 85,761			\$ -	\$ -
ENGINEERING / BUILDING						
Building - PMC Building Code Update	5,000		No	General Fund - 001	5,000	-
Building - Code Books	2,000		No	General Fund - 001	2,000	-
Eng/Build - Admin I Position - 50% FTE	33,064		Yes	General Fund - 001	-	-
Capital Projects Construction Manager - Noll Road	144,218		Yes	Street Reserve Fund - 311	144,218	-
Senior Contract Admin - Noll Road	101,638		Yes	Street Reserve Fund - 311	101,638	-
Engineering - ADA Transition Plan	25,000	25,000	No	General Fund - 001	25,000	25,000
Engineering - Speed Control Program	20,000		No	General Fund - 001	-	-
TOTAL ENGINEERING / BUILDING	\$ 330,920	\$ 25,000			\$ 277,856	\$ 25,000
PLANNING						
Downtown Poulsbo Parking Study	40,000		No	General Fund - 001	20,000	-
TOTAL PLANNING	\$ 40,000	\$ -			\$ 20,000	\$ -
PARK & REC						
Recreation Programmer - P/T to F/T	62,624		Yes	General Fund - 001	-	-
P-Patch Operations	9,000		No	General Fund - 001	9,000	-
Preschool Coordinator - Additional Hours	2,280		Yes	General Fund - 001	-	-
TOTAL PARK & REC	\$ 73,904	\$ -			\$ 9,000	\$ -
PUBLIC WORKS - ADMIN						
Mechanic	95,660		Yes	General Fund - 001	-	-
Asset Management Software	71,425	20,250	Yes	General Fund - 001/Utilities	71,425	20,250
TOTAL PUBLIC WORKS - ADMIN	\$ 167,085	\$ 20,250			\$ 71,425	\$ 20,250
PUBLIC WORKS - CEMETERY						
Puget Sound Energy	600		Yes	General Fund - 001	600	-
TOTAL PUBLIC WORKS - CEMETERY	\$ 600	\$ -			\$ 600	\$ -
PUBLIC WORKS - PARKS						
Ground Maintenance Tech I	81,970		Yes	General Fund - 001	81,970	-
TOTAL PUBLIC WORKS - PARKS	\$ 81,970	\$ -			\$ 81,970	\$ -
STREETS						
Maintenance Tech I		89,526	Yes	City Street Fund - 101	-	-
TOTAL STREETS	\$ -	\$ 89,526			\$ -	\$ -
WATER						

2019 - 2020 NEW PROGRAM REQUESTS SUMMARY

Department / Description	2019 COST	2020 COST	On-Going	Funding Source
Engineering - Civil Engineering Position Reclass 30%	999		Yes	Water Fund - 401
Annual Hydrant Maintenance	20,000		Yes	Water Fund - 401
TOTAL WATER	\$ 20,999	\$ -		
SEWER				
Engineering - Civil Engineering Position Reclass 40%	1,332		Yes	Sewer Fund - 403
Hot Box	10,000		No	Sewer Fund - 403
Sewer Utility Financial Plan Review	20,000		No	Sewer Fund - 403
TOTAL SEWER	\$ 31,332	\$ -		
SOLID WASTE				
Garbage Truck Cameras/Scales	20,000	5,000	Yes	Solid Waste Fund - 404
TOTAL SOLID WASTE	\$ 20,000	\$ 5,000		
STORM DRAIN				
Engineering - Civil Engineering Position Reclass 30%	999		Yes	Storm Drain Fund - 410
TOTAL STORM DRAIN	\$ 999	\$ -		

Approved Funding	
999	-
-	-
\$ 999	\$ -
1,332	-
10,000	-
15,000	-
\$ 26,332	\$ -
20,000	5,000
\$ 20,000	\$ 5,000
999	-
\$ 999	\$ -

Summary Totals	Requested Total	
	2019	2020
Grand Total General Fund (001)	1,433,774	250,561
Grand Total City Street Fund (101)	-	89,526
Grand Total Equipment Acquisition Fund (301)	-	-
Grand Total Street Reserve Fund (311)	-	-
Grand Total Water Fund (401)	20,999	-
Grand Total Sewer Fund (403)	31,332	-
Grand Total Solid Waste Fund (404)	20,000	5,000
Grand Total Storm Drain Fund (410)	999	-
Total All Funds	\$ 1,507,104	\$ 345,087

Approved Funding	
2019	2020
204,687	27,025
-	2,025
4,285	-
245,856	-
5,284	4,050
30,617	4,050
24,285	9,050
55,284	4,050
\$ 570,297	\$ 50,250

*** Actual cost will vary by plan choice and plan availability

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Legislative

Request Title: Referendum for General Obligation Bonds for a Parking Garage

Responds to Council Goal:

7 - Economic Dev

Department Priority:

1

Description of Request:

The Planning and Economic Development Department wishes to perform a Downtown Poulsbo Parking Study in 2019. After the study is complete, a referendum needs to be given to the citizens of Poulsbo to determine if they wish to fund the parking garage with general obligation bonds.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	20,000
Capital	
Total	\$ 20,000

Opportunities:

The City frequently hears that there is insufficient parking available in downtown Poulsbo. Once the study is complete, the City needs to find out from the citizens if this is a priority for them and if they wish to fund the construction of a parking garage downtown.

Alternatives:

Do not fund the proposed referendum.

Funding:

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Legislative

Request Title: Economic Development Initiatives

Responds to Council Goal:

7 - Economic Dev

Department Priority:

2

Description of Request:

The Economic Development Committee would like to set aside a budget which can be used for 'economic development initiatives' as they present themselves to the City. The intent is to have a budgeted and continuous item that can be accessed without going through the mid-cycle budget amendment process, to be available upon approval by the Committee, to fund special projects, programs, or research. Examples discussed would be special marketing opportunities, economic market studies, demographic and socio-economic research and analysis, technological opportunities.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	15,000
Capital	
Total	\$ 15,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	15,000
Capital	
Total	\$ 15,000

Opportunities:

The Economic Development Committee wishes to be poised to respond when opportunities that can further the economic development strategies of the City, by establishing an on-going budgeted item.

Alternatives:

Do not fund the Economic Development Initiatives budget request.

Funding:

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Legislative

Request Title: National League of Cities Dues

Responds to Council Goal:

9 - Revenue & Financial Stability

Department Priority:

2

Description of Request:

NLC is a resource and advocate for city leaders from communities large and small. They offer a wide range of benefits with practical solutions for common issues facing American cities and town. Some benefits of membership include discounted admission to national and regional events, access to 7000+ state, foundation, and federal grants in one convenient database, and federal advocacy. They also offer training, networking, leadership opportunities and technical assistance.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	1,117
Capital	
Total	\$ 1,117

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	1,117
Capital	
Total	\$ 1,117

Opportunities:

The City of Poulsbo became a member of the National League of Cities in 2018, with Councilmember Stern paying the dues out of his 2018 Travel/Training budget. Councilmember Stern requested this be a new program request for the 2019-2020 budget.

Alternatives:

Continue funding out of Councilmember Stern's travel/training budget.

Funding:

This would be funded from the general fund.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Legislative

Request Title: Public Art/Urban Design Elements

Responds to Council Goal: 2 - Community Character

Department Priority:

Description of Request:

The Economic Development Committee recommends establishing a new program to be funded for "Public Art/Urban Design Elements". The intent is to have a budgeted item that can be accessed without going through the mid-cycle budget amendment process, to be available upon approval by the City Council, to fund public art or urban design elements. Examples include murals, statues, specialty lighting fixtures, enhanced landscaping, entrance/gateway signage, street furniture, urban plazas' lighting and specialty features, wayfinding signage.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	20,000
Other	
Capital	
Total	\$ 20,000

2020 Cost:	
Wages	
Benefits	
Supplies	20,000
Other	
Capital	
Total	\$ 20,000

Opportunities:

The Economic Development Committee recommends the City Council establish an on-going public art/urban design budget item to fund public art and/or urban design elements opportunities as the City's continues to grow.

Alternatives:

Do not fund the public art/urban design elements budget item.

Funding:

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department:

Request Title:

Responds to Council Goal:

Department Priority:

Description of Request:

Frequency:

One-Time

Continuous

2019 Cost:

Wages

Benefits

Supplies

Other

Capital

Total

2020 Cost:

Wages

Benefits

Supplies

Other

Capital

Total

Opportunities:

Alternatives:

Funding:

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department:

Executive/Behavioral Health

Request Title:

Behavioral Health Outreach Program

Responds to Council Goal:

8 Public Safety

Department Priority:

1

Description of Request:

Continue and expand Behavioral Health program supporting 1 Program Manager and 3 Navigators working with Poulsbo and other local jurisdictions providing support to the Courts and Police forces to provide resources for citizens with mental health, substance abuse and housing challenges. Grant funding has been requested for 2019, and the City will match \$60,000 and other local jurisdictions will collaboratively support \$60,000.

Frequency:

One-Time

X

Continuous

2019 Cost:

Wages	\$ 271,060
Benefits	\$ 143,003
Supplies	\$ 1,300
Other	\$ 101,156
Capital	
Total	\$ 516,519

2020 Cost:

Wages	
Benefits	
Supplies	
Other	
Capital	
Total	

Opportunities:

Provide services and support to the community for outreach programs helping to reduce situations resulting from mental health, substance abuse, and housing challenges.

Alternatives:

Rely on overburden Kitsap Mental Health to serve the City. The funding will allow direct support to the City.

Funding:

ed from County grant proceeds, with the remained being matched by City funds \$60,000 and \$60,000 matching funds

CITY OF POULSBO NEW PROGRAM REQUEST						
Submit this completed request for New Programs <i>(those items not provided by current level of service)</i> All associated capital request costs must be accounted for on this same request Requests must be prioritized by department and/or fund						
Department:	Executive					
Request Title:	Health Insurance Coverage for regular staff working more than .45 fte					
Responds to Council Goal:		Department Priority:		2		
Description of Request:						
It is proposed to offer health insurance coverage to regular employees who work part-time. Under the current agreement, the City covers only full time employees. If the City chooses to cover part-time employees, the Teamsters Trust requires all employees working more than 80 hours a month (approximately a .45 fte) to be covered under the health insurance plan. Currently, employees contribute 5% of the total premium so if part-time employees are required to pay more than 5%, this could be too costly and they would not have the ability to Opt Out. The City is researching the ability to join the State's PEBB plan as an option and offer coverage for the employee only and the part time employees would have the ability to opt out. Due to new GASB standards the City would be required to have additional and time consuming note disclosures, since the plan offers a retiree plan. A spreadsheet is attached showing the funding options. They are calculated based on regular employees, however it will need to be monitored as an employee working 2 months over 80 hours will require to be covered per the Teamsters Trust requirements.						
Insurance Premiums	Monthly Premiums			Annual Amounts		
	Teamsters Medical, Dental Plan A	95% City	5% Employee	Teamsters Plan A	95% City	5% Employee
Per Person	1,571.20	1,499.60	71.60	18,854.40	17,995.20	859.20
5 Personnel				94,272.00	89,976.00	4,296.00
7 Council				131,980.80	125,966.40	6,014.40
Total to General Fund to Change Coverage Limits				226,252.80	215,942.40	10,310.40
	PEBB - Medical Employee Only	95% City	5% Employee	PEBB	95% City	5% Employee
Per Person	675.00	641.25	33.75	8,100.00	7,695.00	405.00
5 Personnel				40,500.00	38,475.00	2,025.00
7 Council				56,700.00	53,865.00	2,835.00
Total to General Fund to Change Coverage Limits				97,200.00	92,340.00	4,860.00
Opportunities:						
Provides a desirable benefit to recruit for future positions and maintain longevity.						
Alternatives:						
Maintain current policies, bargaining unit and trust agreements						
Funding:						
General Fund						

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Finance

Request Title: Accounting Technician - Utilities

Responds to Council Goal: 9 - Revenue & Financial Stability

Department Priority: 1

Description of Request:

Number of utility accounts continue to increase with new developments occurring in the City of Poulsbo. For the past 2 years the number of accounts have grown more than 4% and average growth over 5 years is more than 3%. More developments and multi family housing development are in progress and planned within the next several years. The growing number of customers creates many more phone calls, billing, billing adjustment and customer service requirements.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2020 Cost:	
Wages	55,000
Benefits	32,000
Supplies	
Other	750
Capital	1,800
Total	\$ 89,550

Opportunities:

To provide exceptional customer service to our customers and continue to promptly answer and address customer's questions and or concerns. The position will also provide the ability to be cross trained and support other Finance Department functions due to absences or heavy workloads.

Alternatives:

See reduced customer service levels in requiring more time to answer and return phone calls or implement account changes.

Funding:

This will be a General Fund position, however it will increase the amount of Indirect Costs charged to the utility funds as this will be primarily providing service for the utility customers. Department will be able to absorb most other costs but a new desktop and additional training and related costs.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Clerk's Department

Request Title: Archives Digitization Project

Responds to Council Goal: 10 - Customer Service

Department Priority: 1

Description of Request:

The City archives has reached its capacity for receiving paper records from City departments. The City either needs to rent more space for storage of paper records or start digitizing the paper records. The funding for this new program would allow the Clerk's Department to contract services with a scanning professional. The files would be scanned to the State Auditor's required format to allow the digital image to become the new "original" and destroy the paper copy.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	10,000
Capital	
Total	\$ 10,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	10,000
Capital	
Total	\$ 10,000

Opportunities:

With the implementation of Laserfiche and the web portal, digitization is the preferred staff option. The cost to digitize all records in the archives is currently \$85,000. The Clerk's Department requests on-going budget for professional services to incrementally digitize the archived records and put them into the Laserfiche web portal.

Alternatives:

Allocate a lessor annual amount, or funding for a storage unit to store the new records being created by city departments.

Funding:

The funding would come from the general fund.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: City Prosecutor/Risk Management

Request Title: Assistant City Prosecutor

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

This is a request for a full time Assistant City Prosecutor in the City Prosecutor/Risk Management Departments, including wages, benefits, supplies, training, bar dues, and a one time capital cost.

Frequency:	
One-Time	<input type="checkbox"/>
Continuous	<input checked="" type="checkbox"/>

2019 Cost:	
Wages	57,378
Benefits	32,373
Supplies	2,250
Other	500
Capital	0
Total	\$ 92,501

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	0
Total	\$ 0

Opportunities:

With growth occurring in both the population of the City and the City's departments, there is a direct impact, increasing the service level needed to meet the duties and obligations of the City Prosecutor and Risk Management Department. This new program request provides an opportunity to meet those service level requirements, as well increasing the opportunity to develop new programming that would assist in reducing costs to the City and opportunity to seek new funding mechanisms.

Alternatives:

An alternative would be to begin with a half-time position to be increased to full time in 2020.

Funding:

None.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department:

Police

Request Title:

Police Clerk (1.0 FTE)

Responds to Council Goal:

10 - Customer Service

Department Priority:

1

Description of Request:

Prior to 2007, the Police Dept had 4.0 civilian Administrative FTE's (1 Supervisor; 3 Clerks). In 2007, the department surrendered 1 civilian FTE and has since been operating with 3.0 civilian Administrative FTE's (1 Supervisor; 2 Clerks). The civilian section is responsible for all public records requests, police record mgmt, evidence & property mgmt, budgeting, data entry, response to public via counter-phones-email, fingerprinting, statistics, etc.. The section workload continues to increase in direct relation to department activity and the increase in transitory population. The administrative staffing level needs to be brought back up to 4.0 FTE's to maintain a proper level of service.

Frequency:

One-Time



Continuous



2019 Cost:

Wages

Benefits

Supplies

Other

Capital

Total

\$ 0

2020 Cost:

Wages

Benefits

Supplies

Other

Capital

Total

50,497

32,914

100

2,250

0

\$ 85,761

Opportunities:

The reintroduction of 1.0 civilian Administrative FTE will enable the Police Department to respond to requests from the public, the court and prosecutors in a more efficient and timely manner; ensure adequate staffing to better efficiently address evidence & property to include timely disposal; and allow staff the time to develop and maintain an effective social media and on-line presence in order to engage and involve citizens and the public in general.

Alternatives:

If 1.0 civilian Administrative FTE is not funded, we would like to have a .5 FTE considered. We would still be able to utilize this FTE to alleviate a portion of the workload and it would allow us to move forward with some of the opportunities as listed.

Funding:

The Wages, Benefits and Supplies for a total of \$83,511 are for 1.0 FTE and would be for 2020 and on-going. The Other total of \$2,250 would be for 2020 one-time setup costs for a computer and miscellaneous items.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Building

Request Title: PMC Building Code Update

Responds to Council Goal: 10 - Customer Service

Department Priority: 1

Description of Request:

Chapter 15 of the Poulsbo Municipal Code - Building Code is in need of update to align with current IBC and clarify fire protection requirements. The PMC Codes were adopted in 1999, after the Kona Village Fire in Bremerton in 1995. Older designations for Apartments, and newer model codes adopted, make the PMC antiquated.

Frequency:
One-Time <input checked="" type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	5,000
Benefits	
Supplies	
Other	
Capital	
Total	\$ 5,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Several conflicts are present in the current Code that sometimes make the Code challenging to follow and enforce. It has been 20 years since it was adopted and it is well past time it be updated.

Alternatives:

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Building

Request Title: Code Books

Responds to Council Goal: 10 - Customer Service

Department Priority: 3

Description of Request:

The building department is responsible for and enforces the International Building Code. Code books are updated on a three year rotating basis. This is a requirement under RCW 19.27.031. The implementation date for the next cycle is July 1, 2019.

Frequency:
One-Time <input checked="checked" type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	2,000
Other	
Capital	
Total	\$ 2,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Updated code books in 2019 are required in order to be able to properly enforce the codes and per RCW 19.27.031.

Alternatives:

Without updated code books, the department could be out of compliance and unaware of current rules and regulations that must be enforced.

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Engineering/Building

Request Title: Admin I

Responds to Council Goal: 10 - Customer Service

Department Priority: 2

Description of Request:

The proposed Admin I position (1/2 time - 25hr/week) would serve as administrative support for the Engineering Dept. as well as front counter support for the Building Dept. Currently, the second floor counter is staffed by the joint efforts of the Permit Coordinator (Building). Backup support is provided by the Permit Technician (Planning), and other 2nd Floor staff members who assist in covering vacations, lunches, sick days. The Admin I position will also provide administrative support to the Engineering Dept as the workload for existing staff increases in 2019 with the Construction phase of the Noll Road Improvement project beginning.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	27,228
Benefits	5,836
Supplies	
Other	
Capital	
Total	\$ 33,064

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Currently the Bldg Dept. Permit Tech has the sole responsibility of greeting and assisting customers at the counter. The remaining 2nd floor staff is responsible for covering during busy times, lunches and vacations. This causes work flow interruption and loss of employee productivity. With the onset of the construction phase of the Noll Road Imp. project, additional admin support will be necessary for the ENG Dept. The ENG Dept. has already experienced significant workload increase and an admin is necessary for ENG to continue to provide an acceptable LOS.

Alternatives:

Without administrative support, undue burden has been placed on 2nd floor staff to cover the front counter. Casual labor has also been utilized to cover extended vacation leave. In order for the ENG Dept. to meet current and future work loads, either an Admin I position is needed, or outside consultants will be required to complete work - at a significantly higher cost.

Funding:

This position will be shared between the Building Dept, Engineering Dept. and will be partially funded by projects.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs (*those items not provided by current level of service*)

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Engineering

Request Title: Capital Projects Construction Manager - Noll Road

Responds to Council Goal:

4 - Capital Facilities

Department Priority:

1

Description of Request:

Establish a Capital Projects Construction Manager position starting in 2019 for the duration of the Noll Road Project. This project is a federal funded project that requires a high level of managerial experience. This position will manage all aspects of a \$20M capital improvements project and will require coordination of multiple agencies, including but not limited to, Washington State Dept. of Transportation, Army Corps of Engineers, FHWA, Dept. of Ecology and the Tribe. This position will manage 5-10 City staff depending on the stage of the project. Wages will be a continuous funding request; however, \$3,500 will be a one-time request for computer and supplies.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	100,600
Benefits	40,118
Supplies	500
Other	
Capital	3,000
Total	\$ 144,218

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

This position is critical for the success of the construction of the Noll Road project.

Alternatives:

Hire an outside consultant at a minimum of two times the salary of this position and will still require management by the City.

Funding:

This position will be 80% funded through the Noll Road Capital projects. Costs that cannot be funded by the project (sick leave, vacation, mandatory staff meetings, etc) will be funded through General Fund and may account for approximately 20% of the position cost. The need for this position will be evaluated at the end of the Noll project. We currently anticipate this position will last 6 years.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Engineering

Request Title: Senior Contract Administrator - Noll Road

Responds to Council Goal:

4 - Capital Facilities

Department Priority:

2

Description of Request:

Establish a Senior Contract Administrator position in 2019 for the Noll Road project. This project is a federal funded project that requires a high level of experience and will support the Noll Road project including: administration of contracts with sub consultants and jurisdictions, ensures compliance with the LAG Manual, contractor and consultant coordination on all levels, managing project controls, budget management and administration of Right of Way acquisitions.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	68,257
Benefits	33,381
Supplies	
Other	
Capital	
Total	\$ 101,638

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

This position is critical for the success of the construction of the Noll Road project.

Alternatives:

Hire an outside consultant at a minimum of two times the salary of this position and will still require management by the City.

Funding:

This position will be 80% funded through the Noll Road Capital projects. Costs that cannot be funded by the project (sick leave, vacation, mandatory staff meetings, etc) will be funded through General Fund and may account for approximately 20% of the position cost. The need for this position will be evaluated at the end of the Noll project. We currently anticipate this position will last 6 years.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Engineering

Request Title: ADA Transition Plan

Responds to Council Goal:

4 - Capital Facilities

Department Priority:

3

Description of Request:

A formal ADA Transition Plan is required by Title II of the ADA. FHWA has a renewed focus on this requirement and has made a point of informing agencies that this is an area of heightened interest and regulation. This new program request will provide funding for a self-assessment that will be used to create a prioritized inventory of ADA improvements that are needed throughout the City, to update the ADA Transition Plan as required. Compliance with this requirement is a critical need. It is likely that carrying the transition plan to completion will require additional time and funding, the scope of which will not be apparent until completion of the self-assessment phase.

Frequency:

One-Time



Continuous



2019 Cost:

Wages	
Benefits	
Supplies	
Other	25,000
Capital	
Total	\$ 25,000

2020 Cost:

Wages	
Benefits	
Supplies	
Other	25,000
Capital	
Total	\$ 25,000

Opportunities:

Updating the ADA Transition Plan will provide the City with a targeted planning tool for ADA improvements that can be used to guide the process for implementing ADA improvements. It would allow the City to maintain the current CIP and strategically incorporate future improvements into the CIP each year. If not updated with a full inventory of ADA improvements, there is potential risk to City funding which could impact the level of service to the capital program. Also, as recently experienced via PRR, not having an ADA Transition Plan, puts the City at risk of law suit.

Alternatives:

(1) Do nothing and be out of compliance with federal requirements and risk FHWA sanction.

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Engineering

Request Title: Speed Control Program on Neighborhood Streets

Responds to Council Goal:

9 - Revenue & Financial Stability

Department Priority:

4

Description of Request:

Equipment and planning to assist in neighborhood speeding and traffic calming on City Streets

Frequency:
One-Time <input checked="" type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	20,000
Total	\$ 20,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Increased safety in town (both real and perceived). Reduced speeding complaints and reduced requests for speed bumps, stop signs etc will reduce the associated staff time and help maintain an acceptable level of service.

Alternatives:

Do nothing.

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works/Engineering

Request Title: Civil Engineer Position Reclassification

Responds to Council Goal: 10 - Customer Service

Department Priority: 1

Description of Request:

Reclassify Civil Engineer position from Range 13 to Range 17 Step D to assume supervisory responsibilities for the Capital Project Inspection Team.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	5,500
Benefits	1,170
Supplies	
Other	
Capital	
Total	\$ 6,670

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

This will increase Capital project work load and will be funded by Capital projects.

Alternatives:

Funding:

30% Storm, 30% Water & 40% Sewer which will be reduced by charges to the capital projects.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Planning and Economic Development

Request Title: Downtown Poulsbo Parking Study

Responds to Council Goal:

7 - Economic Dev

Department Priority:

1

Description of Request:

The PED Department would contract with a professional firm to conduct a Downtown Poulsbo parking study. The data collection will 1) quantify total study area parking inventory; 2) provide weekday, weekend, special event and various times of day parking counts, turnover and parking duration; 3) assist in determining downtown employee parking habits and demand; 4) identification of potential parking management strategies.

Frequency:
One-Time <input checked="" type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	40,000
Capital	
Total	\$ 40,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

It has been about 10 years since the last Downtown Poulsbo parking study - and updating existing conditions, parking demand and available inventory is important first step in order to identify potential parking management strategies.

Alternatives:

Do not fund the Downtown Parking Demand Study.

Funding:

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs (*those items not provided by current level of service*)

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department:	Parks and Recreation
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Request Title:	Recreation Programmer (half time to full time)
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Responds to Council Goal:	10 - Customer Service	Department Priority:	1
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Description of Request:

The Parks & Recreation Dept has three employees doing recreation programming and special events: 1 FTE; .5 FTE and the Director still has programming responsibilities in certain areas (approx .25 FTE). The request is to bring the .5 FTE to a 1.0 FTE to do additional youth and adult programs, one more special event, and take over senior programs and others from the Director.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	34,289
Benefits	28,335
Supplies	
Other	
Capital	
Total	\$ 62,624

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

There are more programs and events that can be done, but there needs to be staff. For the director, managing parks and grants has grown tremendously. It is difficult for the director to be managing individual programs, and some programs have become stagnant. The director needs to be more of a problem solver, visionary administrator. Two full time/long term employees will be retiring at the end of this biennium, and continuity is needed.

Alternatives:

Reduced number of adult programs, senior trips, fitness. The Director of the department will still be splitting time between programming, park development, grant management and administration. The .5 FTE has been accumulating comp time during the very busy summer weeks.

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Parks and Recreation

Request Title: P-Patch Operations

Responds to Council Goal: 6 - Parks & Open Space

Department Priority: 2

Description of Request:

The City and the WSU Kitsap Extension Office has worked closely on the Raab Park Community P-Patch for many years. The City has been the landlord while the Extension Office provided Master Gardener volunteers to manage the 51 plot P-Patch garden. The Extension Office has recently decided to discontinue this program into 2019, which means that the City now faces a decision as to whether to continue the program using additional City resources. The renters do pay a rental fee for the plot, and this money is used to purchase supplies, tools and monthly water fees. These fees will need to be raised for 2019. This NPR request is for a garden coordinator to help with the transition.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	7,500
Benefits	1,500
Supplies	
Other	
Capital	
Total	\$ 9,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

The City learned of the Extension Office's decision on 10/17/2018. Alternative methods to operate the garden are being reviewed, but it may not be possible to find volunteers to manage such a big program without compensation. This has been a solid program, with plots being "sold out" most years. This program provides gardening opportunities and resources for those who live in homes without yards. Renters also donate produce to Fishline. The Extension Office wants to continue with the Youth Demonstration Garden which is on a separate contract.

Alternatives:

- (1) To hire a "casual labor" employee to manage the program. This person must be an experienced gardener who can answer questions, return emails and keep up on day-to-day tasks at the garden. (10 hrs week/30 weeks - late March-September). OR
- (2) To remove the garden (including spigots, fencing, wood borders and storage shed) and plant grass; bringing it back to its original park condition (pre-2003).

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department:	Parks and Recreation
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Request Title:	Preschool Coordinator - Additional Hours
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Responds to Council Goal:	10 - Customer Service	Department Priority:	3
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Description of Request:

The Preschool Coordinator and lead teacher of Learn & Grow Preschool is a .85 FTE. She currently works 37.5 hours per week during the school year (40 weeks) and 20 hours per week during the summer (12 weeks). The request is to bump this position up to a .90 FTE or 40 hours per week during the school year in order to get the weekly work done. The school currently has 46 students (50 is the maximum).

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	1,900
Benefits	380
Supplies	
Other	
Capital	
Total	\$ 2,280

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

The Learn & Grow Preschool is a busy preschool and the primary program through the Parks & Recreation Department. Four classes fill the schedule, and the teacher is feeling the crunch to get everything done prior to the school day. The school has one lead teacher and two part time assistants who job-share the position.

Alternatives:

The hours would stay the same, but the lead teacher may need to cut back on the number and types of activities at the school.

Funding:

General fund and user fees. This program generates enough fees to cover actual costs.

CITY OF POULSBORO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works

Request Title: Mechanic

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

Additional Mechanic for Public Works.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	60,719
Benefits	34,941
Supplies	
Other	
Capital	
Total	\$ 95,660

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

With over 120 pieces of equipment to maintain ranging from lawn mowers to Garbage Trucks there is too much for 1 person to adequately maintain and keep the equipment in good working order. Many of the repairs on the larger vehicles should be done by 2 people strictly for safety reasons. Due to lack of resources short cuts are often taken to get the job done. With the addition of a second person work can be done more proactively and safely. This would also allow for the Mechanic to take time off.

Alternatives:

Continue to function as we have with only 1 mechanic.
Proactive Maintenance is often not accomplished strictly due to resources to do the work and other priorities that are happening at the time.

Funding:

Public Works Admin.

This could potentially be funded out of all departments in Public Works as this position will be serving all departments.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works - Admin

Request Title: Asset Management Software and Annual Dues

Responds to Council Goal: 8 - Public Safety

Department Priority: 2

Description of Request:

The City needs a good asset management software to be able to understand our assets and liabilities fully and to plan for future replacements.

Asset Management Software initial cost to be absorbed by Storm Drain grant and the remainder to be split between enterprise and general fund. Annual subscription split between Enterprise Funds and General Fund.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	71,425
Total	\$ 71,425

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	20,250
Capital	
Total	\$ 20,250

Opportunities:

The City has a unique opportunity to purchase majority of the Asset Management Software with a grant. The up front cost is around 71K with 50K being grant funded which leaves 21K to be funded by City. The non grant funded portion of this will be split between all Utilities and Gen. Fund evenly.

Alternatives:

Continue to operate with planning and job costs as we currently do

Funding:

Initial cost \$71,425 funded by Stormwater Grant - \$50,000, Enterprise Funds \$17,140 (Water \$4,285; Sewer \$4,285, Solid Waste \$4,285, Storm Drain \$4,285) General Fund \$4,285 (Parks \$2,143, Streets \$2,143)

Annual costs \$20,250 funded by Enterprise Funds \$16,200 (Water \$4,050, Sewer \$4,050, Solid Waste \$4,050, Storm Drain \$4,050) , General Fund \$4,050 (Parks \$2,025, Streets \$2,025)

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works - Cemetery

Request Title: Puget Sound Energy addition

Responds to Council Goal: 6 - Parks & Open Space

Department Priority: 4

Description of Request:

Puget Sound Energy will be a new expense for the Cemetery going forward. This was due to the installation of the Gazebo. Lighting is also anticipated in future.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	600
Capital	
Total	\$ 600

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

This service was added with Council approval in 2018 with no budget support.

Alternatives:

Cut off electrical service to the Cemetery or pay for with reserves.

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works - Parks

Request Title: Grounds Maintenance Tech I

Responds to Council Goal: 6 - Parks & Open Space

Department Priority: 3

Description of Request:

Additional Grounds Maintenance Tech.

The City is growing more and more every year.

We currently have 2 FTE in the Parks Department that maintain all of our Parks, City Building Landscaping, Assist in roadside maintenance.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	45,351
Benefits	31,740
Supplies	
Other	
Capital	
Total	\$ 77,091

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

With the acquisition of an additional parks FTE it will allow a better level of service for our parks. The City will be able to increase maintenance on grounds and restroom facilities.

Alternatives:

Continue with the 2 FTEs and casual labor to maintain the best we can.

Funding:

General Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works - Streets

Request Title: Maintenance Tech I

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

Addition of Maintenance Tech I.

The City is continually growing and there are more and more Streets/Sidewalks/Signs/Shoulders/Plantings/Signals/Lighting and so on to maintain. Over the last 20 years the City has doubled in population however there has been no increase in the number of FTEs in the Street Department.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2020 Cost:	
Wages	53,700
Benefits	35,826
Supplies	
Other	
Capital	
Total	\$ 89,526

Opportunities:

To be able to be proactive in planning and executing road maintenance projects and increase our level of service.

Alternatives:

Continue to work status quo and maintain the City Streets to the best of our ability

Funding:

Gen Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works - Water

Request Title: Annual Hydrant Maintenance

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

\$20,000 annual budget to support hydrant maintenance.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	20,000
Other	
Capital	
Total	\$ 20,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

The City has around 800 Fire Hydrants to maintain. Many of our hydrants are very old and are in need of maintenance. Unmaintained hydrants do not operate as they should when the time is needed. The City would like to have a dedicated line item funding to be designated just for Fire Hydrant Maintenance.

Alternatives:

- Increase the O/M maintenance fund to include additional hydrant maintenance
- Continue Status Quo on hydrant maintenance which is not a top priority unless it is broken and leaking.

Funding:

Water Department

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department:	Public Works - Sewer
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Request Title:	Hot Box
-----------------------	---------

Responds to Council Goal:	8 - Public Safety	Department Priority:	1
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Description of Request:

Add a Hot Box to the Decant Facility

This was originally to be included in the construction of the Decant Station however it was deleted for budget reasons at the time.

Frequency:
One-Time <input checked="" type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	10,000
Total	\$ 10,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

A "Hot Box" is a container that the contaminated soils from Sewer can be dumped in to allow it to drain into the Sewer and haul away only dry materials to be disposed of at the dump site.

Alternatives:

Currently Contaminated soils are either dumped into our "PIT"

Funding:

Sewer.

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works - Sewer

Request Title: Sewer Utility Financial Plan Review

Responds to Council Goal: 9 - Revenue & Financial Stability

Department Priority: 2

Description of Request:

Review of the sewer utility financial plan in 2019 per direction of Council in 2016. This plan was to be reviewed once every three years.

Frequency:
One-Time <input checked="checked" type="checkbox"/>
Continuous <input type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	20,000
Capital	
Total	\$ 20,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

To verify the sewer utility financial plan is still valid into the next three years per Council request.

Alternatives:

Funding:

Sewer Fund

CITY OF POULSBO NEW PROGRAM REQUEST

Submit this completed request for New Programs *(those items not provided by current level of service)*

All associated capital request costs must be accounted for on this same request

Requests must be prioritized by department and/or fund

Department: Public Works - Solid Waste

Request Title: Truck Cameras/Scales

Responds to Council Goal: 8 - Public Safety

Department Priority: 1

Description of Request:

Add Scales to the Front Loader Garbage Trucks to be able to accurately track the weight of different dumpsters. This will give us the opportunity in the future to revise our rate structure based on weights. This would also allow us to make sure the trucks are not overloaded.

Add Cameras to the Front Loaders to increase visibility for the drivers to see what is around the vehicle as well as what is being dumped into the truck.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2019 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	20,000
Total	\$ 20,000

2020 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

Opportunities:

The Solid Waste Dumpster rate is based on size of the dumpster. However the City is charged by weight when we dump at the Transfer Station. The Scales would allow us to track weights and in the future adjust the rate structure accordingly per the customer.

Alternatives:

Continue with a rate structure that is based solely on size.

Funding:

Solid Waste

City of Poulsbo, Washington



2019 – 2024 City Improvement Plan



Photo Credit:
City of Poulsbo Engineering Department



City of Poulsbo, Washington



2019 – 2024 City Improvement Plan

MAYOR

Rebecca Erickson

CITY COUNCIL Position No. 1
CITY COUNCIL Position No. 2
CITY COUNCIL Position No. 3
CITY COUNCIL Position No. 4
CITY COUNCIL Position No. 5
CITY COUNCIL Position No. 6
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CITY OF POULSBO
2019-2024 City Improvement Plan

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ACRONYMS, ABBREVIATIONS, AND TERMS

GMA	Growth Management Act
CFP	Capital Facilities Plan
CIP	City Improvement Plan
TIP	Transportation Improvement Plan
CITY	City of Poulsbo
CFP	Capital Facilities Plan
REET	Real Estate Excise Tax
LTGO	Limited Tax General Obligation
LOCAL	Local Option Capital Asset Lending
B&O	Business and Occupation
TBD	Transportation Benefit District
TIP	Transportation Improvement Plan



CITY OF POULSBO

2019-2024 City Improvement Plan

INTRODUCTION

The State of Washington Growth Management Act of 1990 (GMA) requires that the City of Poulsbo (City) 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 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)
- **Enterprise** - Projects associated with the City's utilities – Water, Sewer, Storm Water, and Solid Waste

CITY OF POULSBO

2019-2024 City Improvement Plan

COMPREHENSIVE PLAN

The state's 1990 GMA requires all cities within counties planning under the Act adopt a Comprehensive Land Use Plan (Comprehensive Plan). Mandatory elements of the Comprehensive Plan are:

- Land use
- Housing
- Utilities
- Transportation
- Capital facilities

CAPITAL FACILITIES PLAN (CFP)

The CF) 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
- 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 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:

BIENNIAL CAPITAL BUDGET

CITY OF POULSBO

2019-2024 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, City Council members, or City staff may suggest specific capital facility projects or major purchases. In all cases, the suggestion is forwarded to the appropriate City 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	Operation & Maintenance 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

2019-2024 City Improvement Plan

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 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 a multitude of potential funding sources to utilize including taxes, utility rates, grants, impact fees, reserves, and donations. To generate additional revenue, the City also has the ability to raise taxes, existing utility rates or impose new taxes. However, new taxes may be unpopular with the citizens so any decision to move in that direction could prove difficult.

Additionally, the City has the ability to 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 the 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 has received an underlying "AA+" rating from Standard & Poor's for its last Revenue Bond 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's 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 \$38,455,202. 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.

2019 BUDGET DEBT LIMIT

Project	Type	Duration	Interest Rate	Amount Issued	Outstanding
City Hall 2012	Non Voted	2012-2031	2%-3.5%	1,795,000	1,445,000
City Hall 2015	Non Voted	2009-2033	2% - 4%	7,320,000	6,410,000
Park & Rec	Non Voted	2010-2030	3.78%	310,000	210,000
2017 LOCAL Program Vehicle Purch	Non Voted	2017-2021	.4%-2%	460,000	342,630
				\$ 9,885,000	\$ 8,407,630
<p style="text-align: center;">This Debt is controlled by assessed Valuation Debt Limits</p> <p style="text-align: center;">2019 Assessed Valuation \$ 1,874,513,276</p> <p>X 0.025 = \$ 46,862,832 Limited for Combined Debt Balance Available \$ 38,455,202</p> <p>X 0.02 = \$ 28,117,699 Limited for Non-Voted Debt Balance Available \$ 19,710,069</p> <p style="text-align: right;">Balance Available for Voted Debt \$ 18,745,133</p>					

DEBT SCHEDULE SUMMARY

BOND DEBT TO MATURITY						
General Obligation (GO)				Revenue Bonds		
Year	Principal	Interest	Total	Principal	Interest	Total
2019	703,685	321,427	1,025,112	225,000	286,400	511,400
2020	724,119	298,257	1,022,376	235,000	277,400	512,400
2021	749,825	269,358	1,019,183	245,000	265,650	510,650
2022	650,000	242,038	892,038	255,000	253,400	508,400
2023	680,000	216,963	896,963	270,000	240,650	510,650
2024	700,000	190,738	890,738	280,000	232,550	512,550
2025	740,000	163,338	903,338	290,000	221,350	511,350
2026	420,000	134,463	554,463	300,000	209,750	509,750
2027	430,000	118,425	548,425	310,000	197,750	507,750
2028	445,000	101,700	546,700	325,000	185,350	510,350
2029	465,000	84,400	549,400	340,000	172,350	512,350
2030	485,000	66,325	551,325	355,000	155,350	510,350
2031	485,000	47,925	532,925	375,000	137,600	512,600
2032	355,000	29,200	384,200	390,000	122,600	512,600
2033	375,000	15,000	390,000	405,000	107,000	512,000
2034	-	-	-	420,000	90,800	510,800
2035	-	-	-	435,000	74,000	509,000
2036	-	-	-	455,000	56,600	511,600
2037	-	-	-	470,000	38,400	508,400
2038	-	-	-	490,000	19,600	509,600
TOTAL	8,407,630	2,299,554	10,707,184	6,870,000	3,344,550	10,214,550

CITY OF POULSBO

2019-2024 City Improvement Plan

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 the Limited-Tax General Obligation (LTGO) debt are projected to be paid from General Fund dollars and REET.

CITY OF POULSBO

2019-2024 City Improvement Plan

In 2010, the City financed the \$310,000 purchase of the Park and Recreation building with a Local Option Capital Asset Lending (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.

In 2018, the City issued a Water and Sewer Revenue bond to finance the City's proportionate share of the Kitsap County Wastewater Treatment Facility improvements. The amount issued was \$6,970,000. The City's share is 15.38% and this is based upon the volume of wastewater transmitted to the treatment facility. The debt payments are projected to be paid out of the Sewer Enterprise Fund.

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.

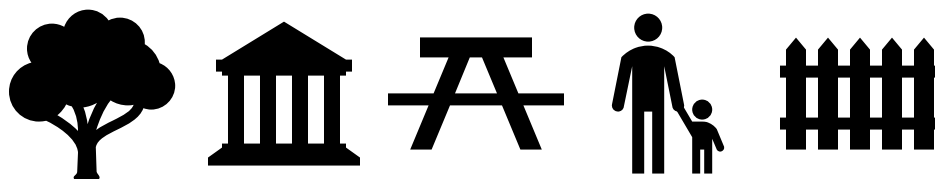
Transportation Benefit District (TBD): The City could form a Transportation Benefit District which raises revenue usually through vehicle license fees or sales taxes. This revenue may be used to support transportation projects such as improvements to roads, sidewalks and transportation demand management.



CITY OF POULSBO

2019 - 2024 CITY IMPROVEMENT PLAN

GENERAL PURPOSE PROGRAM





CITY OF POULSBO

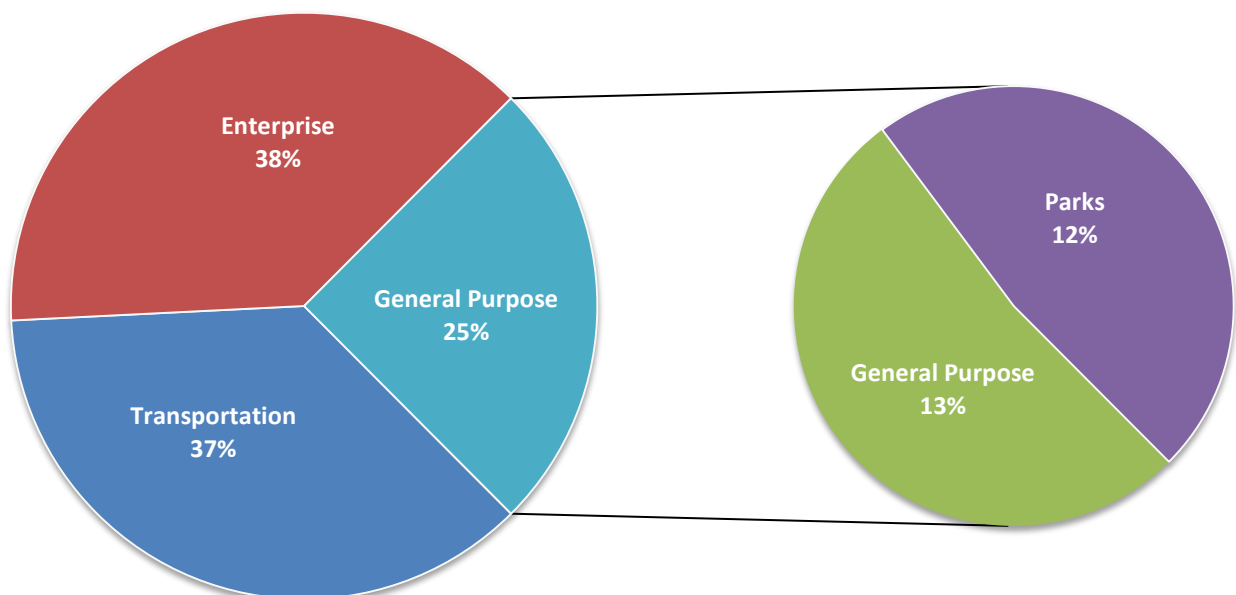
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GENERAL PURPOSE PROGRAM

The General Purpose Program element of the City Improvement Plan comprises Parks & Recreation and General Government projects. Combined, they represent \$16,681,360 or 25% of the \$66,588,898 City Improvement Plan.

Of this 25%, 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 2019 and construction slated to start in 2021. The new facility should be fully operational in the fall of 2022

General Purpose Expenditures



CITY IMPROVEMENT PLAN PROGRAM	AMOUNT
General Purpose	\$ 16,681,360
Transportation	\$ 24,430,545
Enterprise	\$ 25,476,993
TOTAL CAPITAL PROGRAM	\$ 66,588,898



2019 - 2024 GENERAL PURPOSE CAPITAL IMPROVEMENTS

Page	Project Name	Prior Years Costs	Current Years Costs	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	2023 Project Cost	2024 Project Cost	Total Project Cost
GENERAL PROJECTS / MUNICIPAL FACILITIES										
	PW Complex Relocation	2,379,949	490,971	50,000	800,000	2,000,000	3,000,000			8,720,920
	<i>2-State Grants</i>	441,015								441,015
	<i>6-Non-Voted Bonds</i>				800,000	2,000,000	3,000,000			5,800,000
	<i>7-City/Utility Reserves</i>	1,938,934	490,971	50,000						2,479,905
	Total Municipal Facility Capital Projects	\$ 2,379,949	\$ 490,971	\$ 50,000	\$ 800,000	\$ 2,000,000	\$ 3,000,000	\$ -	\$ -	\$ 8,720,920
	Total Municipal Facility Capital Funding Sources	\$ 2,379,949	\$ 490,971	\$ 50,000	\$ 800,000	\$ 2,000,000	\$ 3,000,000	\$ -	\$ -	\$ 8,720,920
	<i>2-State Grants</i>	441,015	-	-	-	-	-	-	-	441,015
	<i>6-Non-Voted Bonds</i>	-	-	-	800,000	2,000,000	3,000,000	-	-	5,800,000
	<i>7-City/Utility Reserves</i>	1,938,934	490,971	50,000	-	-	-	-	-	2,479,905

2019 - 2024 GENERAL PURPOSE CAPITAL IMPROVEMENTS (continued)

Page	Project Name	Prior Years Costs	Current Years Costs	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	2023 Project Cost	2024 Project Cost	Total Project Cost
PARK PROJECTS										
	Austurbruin Playground Replacement			50,000						50,000
	7-City/Utility Reserves			50,000						50,000
	Lions Park Improvements				55,000					55,000
	7-City/Utility Reserves				55,000					55,000
	MIW Waterfront Park - North End Improvements			20,000						20,000
	7-City/Utility Reserves			20,000						20,000
	Morrow Manor Park	17,887			556,184					574,071
	2-State Grants				335,000					335,000
	7-City/Utility Reserves	12,887			101,184					114,071
	8-City Impact Fees	5,000			120,000					125,000
	13-Donation/In-Kind									-
	Poulsbo Fish Park Restoration	3,551,931	99,438	727,500	477,500	115,000	5,000	5,000	5,000	4,986,369
	1-Federal Grants	150,000								150,000
	2-State Grants	2,380,144	75,000	500,000	250,000	110,000				3,315,144
	7-City/Utility Reserves	166,160	24,438	5,000	5,000	5,000	5,000	5,000	5,000	220,598
	13-Donation/In-Kind	855,627		222,500	222,500					1,300,627
	Poulsbo Skate + Park		25,000			800,000				825,000
	2-State Grants					500,000				500,000
	7-City/Utility Reserves		25,000			150,000				175,000
	13-Donation/In-Kind					150,000				150,000
	West Poulsbo Waterfront Park		600,000			50,000	800,000			1,450,000
	2-State Grants		300,000			25,000	400,000			725,000
	7-City/Utility Reserves					25,000	200,000			225,000
	8-City Impact Fees		300,000				200,000			500,000
	Total Park and Recreation Projects	\$ 3,569,818	\$ 724,438	\$ 797,500	\$ 1,088,684	\$ 965,000	\$ 805,000	\$ 5,000	\$ 5,000	\$ 7,960,440
	Total Park and Recreation Capital Funding Sources	\$ 3,569,818	\$ 724,438	\$ 797,500	\$ 1,088,684	\$ 965,000	\$ 805,000	\$ 5,000	\$ 5,000	\$ 7,960,440
	1-Federal Grants	150,000	-	-	-	-	-	-	-	150,000
	2-State Grants	2,380,144	375,000	500,000	585,000	635,000	400,000	-	-	4,875,144
	7-City/Utility Reserves	179,047	49,438	75,000	161,184	180,000	205,000	5,000	5,000	859,669
	8-City Impact Fees	5,000	300,000	-	120,000	-	200,000	-	-	625,000
	13-Donation/In-Kind	855,627	-	222,500	222,500	150,000	-	-	-	1,450,627
	Total General Purpose Capital Projects	\$ 5,949,767	\$ 1,215,409	\$ 847,500	\$ 1,888,684	\$ 2,965,000	\$ 3,805,000	\$ 5,000	\$ 5,000	\$ 16,681,360
	Total General Purpose Capital Funding Sources	\$ 5,949,767	\$ 1,215,409	\$ 847,500	\$ 1,888,684	\$ 2,965,000	\$ 3,805,000	\$ 5,000	\$ 5,000	\$ 16,681,360

PROJECT NAME:	PUBLIC WORKS COMPLEX RELOCATION
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PROJECT DESCRIPTION

Budget:	\$ 8,720,920	Purpose:	General Purpose
Location:	North Viking Avenue	Project Manager:	Andrzej Kasiniak, P.E.

Description:	Relocation of the Public Works complex.
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Justification:	Upgrade the PW facilities (poor condition, drainage problems, site is too small) and relocate to the area where there is less conflict with nearby public uses. The project will be implemented in several phases. 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. In 2015, the City initiated the design phase. The design phase included: site plan and needs assessment. When the city council decided to keep the solid waste utility in house, it became obvious that the existing site is too small. After consultation with Mayor and Public Works Committee the city staff recommended to purchase an additional property. The new, extended PW facility will accommodate all public works functions more efficiently (example - consolidate storage, replace \$550,000 underground detention storage with \$70,000 detention pond) - cost \$500,000. In 2019 the City will initiate the design - \$50,000. In 2019, the site will be graded. The city will construct buildings in 2021/22 - cost \$7,000,000.
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Project Begin:	2010	Project Completion:	2022
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants	441,015								441,015
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds				800,000	2,000,000	3,000,000			5,800,000
7	City/Utility Reserves	1,938,934	490,971	50,000						2,479,905
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 2,379,949	\$ 490,971	\$ 50,000	\$ 800,000	\$ 2,000,000	\$ 3,000,000			\$ 8,720,920

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	447,640		50,000						497,640
	Land/Right of Way	1,100,000	490,971							1,590,971
	Construction	812,309			800,000	1,800,000	2,700,000			6,112,309
	Management	20,000				200,000	300,000			520,000
	Total Costs	\$ 2,379,949	\$ 490,971	\$ 50,000	\$ 800,000	\$ 2,000,000	\$ 3,000,000			\$ 8,720,920

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	Anticipated yearly debt payments
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									
	Debt					500,000	500,000	500,000	500,000	2,000,000
	Total Impact				\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,000,000

PROJECT NAME:	Austurbruin Playground Replacement
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PROJECT DESCRIPTION

Budget:	\$ 50,000	Purpose:	Parks
Location:	Curt Rudolph Road	Project Manager:	Mary McCluskey, Parks & Rec Director
Description:	The neighborhood playground at Austurbruin is in need of a total upgrade. The original playground was built in 1998, and is 20 years old.		
	Wear and tear has made this playground almost obsolete, and it is difficult to get certified parts.		
Project Begin:	2019	Project Completion:	2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			50,000						50,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way									-
	Construction			50,000						50,000
	Management									-
	Total Costs	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	This park is already maintained; no new maintenance impacts should occur.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	Lions Park Improvements
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PROJECT DESCRIPTION

Budget:	\$ 55,000	Purpose:	Parks
Location:	6th/Fjord Drive	Project Manager:	Mary McCluskey, Parks & Rec Director
Description:	Lions Park is one of the most heavily used parks in Poulsbo. Because of that, there are a variety of improvements that need to be made to make it safe and up to date. (1) The chain link fencing around the perimeter of the park needs to be replaced (\$20,000). (2) The very popular merry go round needs to be replaced (\$15,000); and (3) The city would like to install a new playground surfacing system at this park (\$15,000).		
Justification:	This park is heavily used by families with children. Different parts need to be upgraded to keep people safe and secure, while also keeping them engaged. The new playground surfacing system will have an upfront cost, but will be easier to maintain.		

Project Begin: 2020

Project Completion: 2020

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves				55,000					55,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 55,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way									-
	Construction				55,000					55,000
	Management									-
	Total Costs	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 55,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: This park is already maintained. No new maintenance impacts should occur.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	Muriel Iverson Williams Waterfront Park - north end improvements
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PROJECT DESCRIPTION

Budget: \$ 20,000

Purpose: Parks

Location: 18809 Anderson Parkway

Project Manager: Mary McCluskey, Parks & Rec Director

Description: Muriel Iverson Williams Waterfront Park was renovated in 2018, but the area north of the pavilion was not improved during that project. Sidewalk replacement and landscaping is needed to make the park look consistent.

Justification: The rest of the park was upgraded in 2018, but the north end was not included. This park is the jewel of the waterfront, and a uniform look is needed.

Project Begin: 2019

Project Completion: 2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			20,000						20,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way									-
	Construction			20,000						20,000
	Management									-
	Total Costs	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: This park is already maintained. No new maintenance impacts should occur.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	MORROW MANOR PARK
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PROJECT DESCRIPTION

Budget:	\$ 574,071	Purpose:	Parks
Location:	Corner of Noll Road and Mesford	Project Manager:	Mary McCluskey, Park & Rec Director
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 a 2018 RCO (Recreation and Conservation Office) grant, with funding available in 2019-2020. The grant is under WWRP/Local Parks category, which requires a 40-50% match. This is the largest funding source under WWRP, and this park 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 will be donated by the Poulsbo-NK Rotary Club Foundation to be used as a public park in perpetuity. The inkind value is \$100,000. The foundation will be building four "supportive" housing units on the adjacent parcel.		
Project Begin:	2014	Project Completion:	2020

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants				335,000					335,000
3	County									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	12,887			101,184					114,071
8	City Impact Fees	5,000			120,000					125,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 17,887	\$ -	\$ -	\$ 556,184	\$ -	\$ -	\$ -	\$ -	\$ 574,071

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	17,887								17,887
	Land/Right of Way									-
	Construction				536,184					536,184
	Management				20,000					20,000
	Total Costs	\$ 17,887	\$ -	\$ -	\$ 556,184	\$ -	\$ -	\$ -	\$ -	\$ 574,071

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: Limited maintenance impact on future operating budgets.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating			500	1,000	1,000	1,000	1,000	1,000	5,500
	Debt									-
	Total Impact	\$ -	\$ -	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,500

PROJECT NAME:	POULSBO'S FISH PARK
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PROJECT DESCRIPTION

Budget:	\$ 4,986,369	Purpose:	Parks
Location:	288 NW Lindvig Way	Project Manager:	Mary McCluskey, Park & Rec Director

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 ongoing development has been done using city dollars, grant money, land donations, 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 42.6 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 and received two grants in 2018. One was a Senate appropriate through the Dept of Commerce to create a connection between the "Lord" parcel and the rest of the park along Bond Rd. The second grant is through the RCO (Recreation and Conservation Office). The grant is under the Aquatics Lands Enhancement Account (ALEA), which requires a 50% match. Much of the match for this grant will come from a property donation in 2012 (Hansen Property). 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.

Project Begin:	2002	Project Completion:	2024
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants	150,000								150,000
2	State Grants	2,380,144	75,000	500,000	250,000	110,000				3,315,144
3	County									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	166,160	24,438	5,000	5,000	5,000	5,000	5,000	5,000	220,598
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind	855,627		222,500	222,500					1,300,627
	Total Funding	\$ 3,551,931	\$ 99,438	\$ 727,500	\$ 477,500	\$ 115,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 4,986,369

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	110,136	10,000	30,000	25,000					175,136
	Land/Right of Way	1,339,709								1,339,709
	Construction	2,010,586	79,438	672,500	437,500	105,000	4,500	4,500	4,500	3,318,524
	Management	91,500	10,000	25,000	15,000	10,000	500	500	500	153,000
	Total Costs	\$ 3,551,931	\$ 99,438	\$ 727,500	\$ 477,500	\$ 115,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 4,986,369

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: Limited maintenance impact on future operating budgets.

	Prior Years	Current 2018	Six-Year Plan						Total Costs
			2019	2020	2021	2022	2023	2024	
Operating	15,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	22,000
Debt									-
Total Impact	\$ 15,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 22,000

PROJECT NAME:	POULSBO SKATE + PARK
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PROJECT DESCRIPTION

Budget:	\$ 825,000	Purpose:	Parks
Location:	To Be Determined	Project Manager:	Mary McCluskey, Park & Rec Director
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. The park would include other park amenities as recommended through a public process. Fundraising by non profit organizations and citizens will contribute funds to the project. The City will apply for an RCO (Recreation and Conservation Office) grant in 2020, with funding available in 2021. The grant will be in the WWRP/Local Parks category, which requires a 40-50% match. The RCO grants are available every two years, and remain the best State source for public park projects.		
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.		
Project Begin:	2018	Project Completion:	2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants					500,000				500,000
3	County									-
6	Non-Voted Bonds									-
7	City/Utility Reserves		25,000			150,000				175,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind					150,000				150,000
	Total Funding	\$ -	\$ 25,000	\$ -	\$ -	\$ 800,000	\$ -	\$ -	\$ -	\$ 825,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design		25,000			25,000				50,000
	Land/Right of Way					50,000				50,000
	Construction					700,000				700,000
	Management					25,000				25,000
	Total Costs	\$ -	\$ 25,000	\$ -	\$ -	\$ 800,000	\$ -	\$ -	\$ -	\$ 825,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: Limited maintenance impact on future operating budgets.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating					500	500	500	500	2,000
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,000

PROJECT NAME:	West Poulsbo Waterfront Park
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PROJECT DESCRIPTION

Budget:	\$ 1,450,000	Purpose:	Parks
Location:	5th Avenue NW	Project Manager:	Mary McCluskey, Park & Rec Director
Description:	The City acquired 4 low bank waterfront parcels on 5th Avenue NW in West Poulsbo in 2018. Development of these parcels will involve stormwater improvements on one parcel (.76 acre) and park improvements on 3 parcels (1.85 acres). Public visioning for the site will occur in 2019, but recreational opportunities on the site may include: swimming, hand carried boat launch, walking, bird and wildlife viewing, picnicking and play areas. Restoration and habitat improvements will also be made.		
Justification:	The city was fortunate to receive a state grant to purchase three of the last undeveloped parcels on Liberty Bay for public enjoyment. Development of the park will afford a variety of passive and active recreational opportunities for Poulsbo residents.		
Project Begin:	2018	Project Completion:	2022

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants		300,000			25,000	400,000			725,000
3	County									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					25,000	200,000			225,000
8	City Impact Fees		300,000				200,000			500,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ 600,000	\$ -	\$ -	\$ 50,000	\$ 800,000	\$ -	\$ -	\$ 1,450,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design		30,000			25,000				55,000
	Land/Right of Way		550,000							550,000
	Construction					20,000	775,000			795,000
	Management		20,000			5,000	25,000			50,000
	Total Costs	\$ -	\$ 600,000	\$ -	\$ -	\$ 50,000	\$ 800,000	\$ -	\$ -	\$ 1,450,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: Limited maintenance impact on future operating budgets.

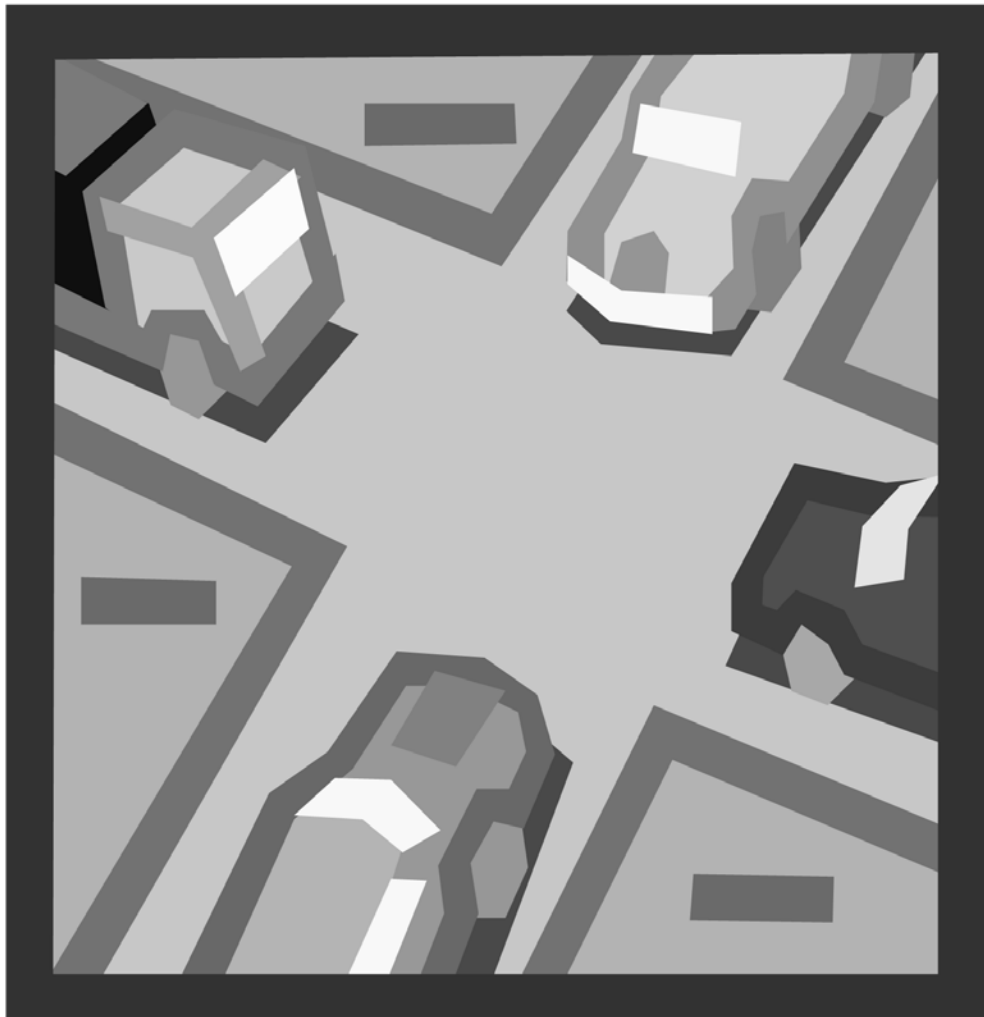
		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating			500	500	500	500	500	500	3,000
	Debt									-
	Total Impact	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 3,000

CITY OF POULSBO

2019 - 2024 CITY IMPROVEMENT PLAN

TRANSPORTATION PROGRAM



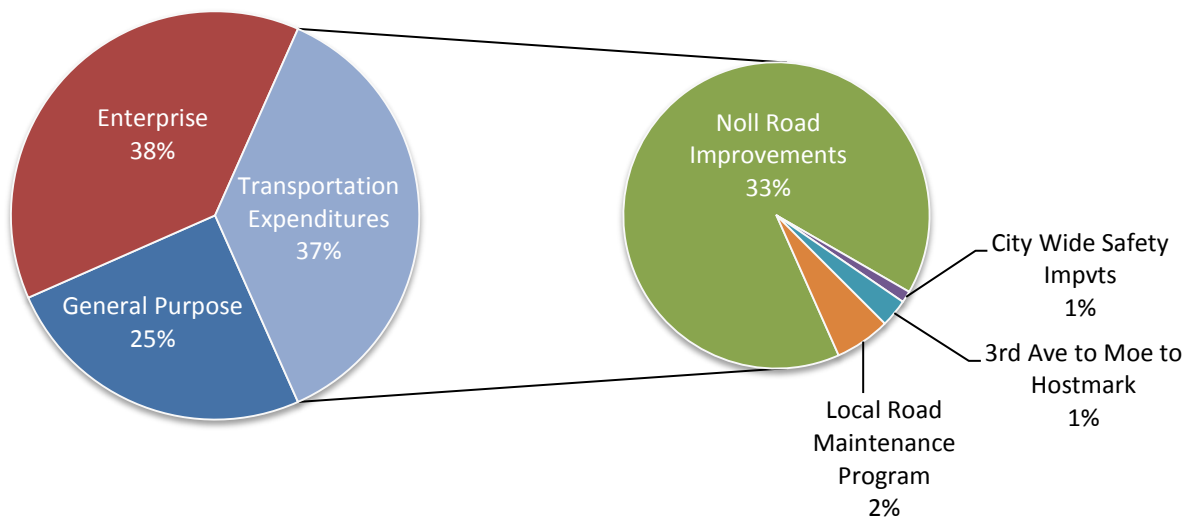


CITY OF POUL019-2024 City Improvement Plan

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 \$81,685,653 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	\$ 16,681,360
Transportation	\$ 24,430,545
Enterprise	\$ 25,476,993
TOTAL CAPITAL PROGRAM	\$ 66,588,898



2019 - 2024 TRANSPORTATION CAPITAL IMPROVEMENTS

Page	Project Name	Prior Years Costs	Current Years Costs	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	2023 Project Cost	2024 Project Cost	Total Project Cost
STREET PROJECTS										
	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
	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
	Local Neighborhood Road Maintenance Program	266,046	263,000	150,000	150,000	150,000	150,000	150,000	150,000	1,429,046
	7-City/Utility Reserves	266,046	263,000	150,000	150,000	150,000	150,000	150,000	150,000	1,429,046
	Noll Road Improvements - Phase III	941,914	3,169,585	2,010,000	5,960,000	400,000		3,000,000		15,481,499
	1-Federal Grants	535,477	1,556,193	1,710,000	1,710,000			2,500,000		8,011,670
	2-State Grants	15,000								15,000
	6-Non-Voted Bonds				2,850,000					2,850,000
	7-City/Utility Reserves	(78,563)	488,392							409,829
	8-City Impact Fees	470,000	1,125,000	300,000	500,000	400,000		500,000		3,295,000
	10-Real Estate Excise Tax				900,000					900,000
	Noll Road Improvements - Roundabout			1,000,000	2,000,000	2,000,000				5,000,000
	2-State Grants			1,000,000	2,000,000	2,000,000				5,000,000
	Noll Road Improvements - Tunnel					1,500,000				1,500,000
	1-Federal Grants					1,350,000				1,350,000
	8-City Impact Fees					150,000				150,000
Total Transportation Capital Projects		\$ 1,207,960	\$ 3,482,585	\$ 3,410,000	\$ 8,230,000	\$ 4,650,000	\$ 150,000	\$ 3,150,000	\$ 150,000	\$ 24,430,545
Total Transportation Capital Funding Sources		\$ 1,207,960	\$ 3,482,585	\$ 3,410,000	\$ 8,230,000	\$ 4,650,000	\$ 150,000	\$ 3,150,000	\$ 150,000	\$ 24,430,545
	1-Federal Grants	535,477	1,556,193	1,710,000	1,810,000	1,850,000	-	2,500,000	-	9,961,670
	2-State Grants	15,000	-	1,200,000	2,000,000	2,000,000	-	-	-	5,215,000
	6-Non-Voted Bonds	-	-	-	2,850,000	-	-	-	-	2,850,000
	7-City/Utility Reserves	187,483	751,392	150,000	170,000	250,000	150,000	150,000	150,000	1,958,875
	8-City Impact Fees	470,000	1,175,000	350,000	500,000	550,000	-	500,000	-	3,545,000
	10-Real Estate Excise Tax	-	-	-	900,000	-	-	-	-	900,000



PROJECT NAME:	3RD AVENUE - (MOE TO HOSTMARK)
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PROJECT DESCRIPTION

Budget:	\$ 720,000	Purpose:	Transportation
Location:	3rd Avenue - Moe to Hostmark	Project Manager:	Andrzej Kasiniak, 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.		

Project Begin:	2020	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants				100,000	500,000				600,000
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves				20,000	100,000				120,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ 120,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 720,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design				120,000					120,000
	Land/Right of Way									-
	Construction					550,000				550,000
	Management					50,000				50,000
	Total Costs	\$ -	\$ -	\$ -	\$ 120,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 720,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	CITY-WIDE SAFETY IMPROVEMENTS
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PROJECT DESCRIPTION

Budget:	\$ 300,000	Purpose:	Transportation
Location:	Various	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.		
Project Begin:	2018	Project Completion:	2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
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
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
	Total Funding	\$ -	\$ 50,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design		50,000							50,000
	Land/Right of Way									-
	Construction			230,000						230,000
	Management			20,000						20,000
	Total Costs	\$ -	\$ 50,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	LOCAL NEIGHBORHOOD ROAD MAINTENANCE PROGRAM
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PROJECT DESCRIPTION

Budget:	\$ 1,429,046	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.		

Project Begin:	Ongoing	Project Completion:	Ongoing
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	266,046	263,000	150,000	150,000	150,000	150,000	150,000	150,000	1,429,046
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ 266,046	\$ 263,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 1,429,046

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way									-
	Construction	251,046	220,000	135,000	135,000	135,000	135,000	135,000	135,000	1,281,046
	Management	15,000	43,000	15,000	15,000	15,000	15,000	15,000	15,000	148,000
Total Costs		\$ 266,046	\$ 263,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 1,429,046

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	NOLL ROAD IMPROVEMENTS - PHASE III
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PROJECT DESCRIPTION

Budget:	\$ 21,981,499	Purpose:	Transportation
Location:	Noll Road	Project Manager:	Diane Lenius, P.E.
Description:	<p>The project as a whole extends from SR305 & Johnson Way vicinity to Lincoln Rd along a new alignment as shown on the City Transportation Plan. This project will be implemented in several phases.</p> <p>Construction will be divided into three or more phases – the South Segment, Middle Segment, and North Segment:</p> <p>The South Segment will be advertised in 2019 and include approximately 3600 LF of new roadway from SR305 & Johnson Way vicinity to Noll Road at Storhoff; construction of this segment will take place in 2019/20/21. 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 2019/20 construction funding will come from Traffic Impact Fees \$1M and a General Purpose Bond. A portion of the debt will be paid for by \$900,000 in Real Estate Excise Tax. City Council authorized a bond for up to \$4.1M and City staff continues to pursue state construction grants to reduce bond requirements. The bond amount will be adjusted as additional funding is secured. A Roundabout* and Pedestrian Tunnel* will be constructed as part of the South Segment work. \$5M in Connect Wasington grants have been awarded for the Roundabout. Advance Construction for the Tunnel will occur in 2019/20. \$1.35M (\$150,000 City Match) in STP Funds have been awarded for the Tunnel in the 2021/22 Funding Cycle.</p> <p>The Middle Segment and North Segments will begin design in 2020 and construction in 2022/23 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.</p> <p>*SR305 Roundabout is Linked to the Noll Project - not City Capital - \$5M</p> <p>*Pedestrian Tunnel is Linked to the Noll Project - not City Capital - \$1.5M</p>		

Justification:	The project will increase roadway capacity and improve safety.
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Project Begin:	2014	Project Completion:	2027
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan							Total Funding
				2019	2020	2021	2022	2023	2024	Future	
1	Federal Grants	535,477	1,556,193	1,710,000	1,710,000	1,350,000		2,500,000			9,361,670
2	State Grants	15,000		1,000,000	2,000,000	2,000,000					5,015,000
3	County										-
4	PWTF										-
6	Non-Voted Bonds				2,850,000						2,850,000
7	City/Utility Reserves	(78,563)	488,392								409,829
8	City Impact Fees	470,000	1,125,000	300,000	500,000	550,000		500,000			3,445,000
9	General Fund Revenue										-
10	Real Estate Excise Tax				900,000						900,000
11	Lease/Sale										-
12	LID										-
	Total Funding	\$ 941,914	\$ 3,169,585	\$ 3,010,000	\$ 7,960,000	\$ 3,900,000	\$ -	\$ 3,000,000	\$ -	\$ -	\$ 21,981,499

	Capital Costs	Prior Years	Current 2018	Six-Year Plan							Total Costs
				2019	2020	2021	2022	2023	2024	Future	
	Planning & Design	775,445	1,683,864		340,000						2,799,309
	Land/Right of Way	165,779	1,485,721								1,651,500
	Construction	690	-	2,710,000	6,858,000	3,510,000		2,700,000			15,778,690
	Management		-	300,000	762,000	390,000		300,000			1,752,000
	Total Costs	\$ 941,914	\$ 3,169,585	\$ 3,010,000	\$ 7,960,000	\$ 3,900,000	\$ -	\$ 3,000,000	\$ -	\$ -	\$ 21,981,499

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	Anticipated yearly debt payments
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		Prior Years	Current 2018	Six-Year Plan							Total Costs
				2019	2020	2021	2022	2023	2024	Future	
	Operating										-
	Debt				302,000	302,000	302,000	302,000	302,000	302,000	1,812,000
	Total Impact	\$ -	\$ -	\$ -	\$ 302,000	\$ 302,000	\$ 302,000	\$ 302,000	\$ 302,000	\$ 302,000	\$ 1,812,000

CITY OF POULSBO

2019 - 2024 CITY IMPROVEMENT PLAN

ENTERPRISE PROGRAM





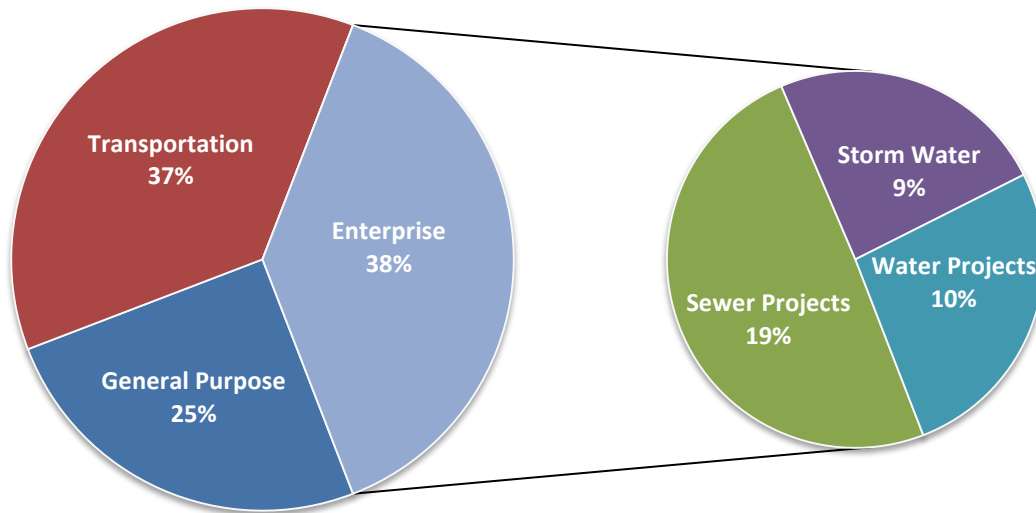
CITY OF POULSBO

2019-2024 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 \$25,476,993 or 38% of the \$66,588,898 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	\$ 16,681,360
Transportation	\$ 24,430,545
Enterprise	\$ 25,476,993
TOTAL CAPITAL PROGRAM	\$ 66,588,898



2019 - 2024 ENTERPRISE CAPITAL IMPROVEMENTS (Sewer)

Page	Project Name	Prior Years Costs	Current Years Costs	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	2023 Project Cost	2024 Project Cost	Total Project Cost
SEWER PROJECTS										
	11th Ave Sewer Replacement					200,000				200,000
	7-Sewer Reserves					200,000				200,000
	Alasund PS Gravity Connection							400,000		400,000
	7-Sewer Reserves							400,000		400,000
	Kitsap County - Campus Building					221,200				221,200
	7-Sewer Reserves					221,200				221,200
	Kitsap County - Lemolo Force Main Capacity			200,000			1,140,000	3,600,000		4,940,000
	7-Sewer Reserves			200,000			1,140,000	3,600,000		4,940,000
	Kitsap County - Lemolo Siphon Phase 2		150,000	200,000	300,000					650,000
	7-Sewer Reserves		150,000	200,000	300,000					650,000
	Kitsap County - Solids Dewatering			363,400						363,400
	7-Sewer Reserves			363,400						363,400
	Kitsap County - UV Upgrades			331,800						331,800
	7-Sewer Reserves			331,800						331,800
	Lemolo House Purchase			500,000						500,000
	7-Sewer Reserves			500,000						500,000
	Noll Road Sewer Improvements		20,000	210,000	500,000					730,000
	7-Sewer Reserves		20,000	210,000	500,000					730,000
	Old Town Sewer Upgrades					100,000	100,000			200,000
	7-Sewer Reserves					100,000	100,000			200,000
	Pump Station Safety Improvements			150,000	150,000					300,000
	7-Sewer Reserves			150,000	150,000					300,000
	Raab Park Sewer Rehab				350,000					350,000
	7-Sewer Reserves				350,000					350,000
	SR305 Force Main Extension					200,000	2,610,000			2,810,000
	7-Sewer Reserves					200,000	2,610,000			2,810,000
	SR305 Storage Facility								600,000	600,000
	7-Sewer Reserves								600,000	600,000
	Total Sewer Capital Projects	\$ -	\$ 170,000	\$ 1,955,200	\$ 1,300,000	\$ 721,200	\$ 3,850,000	\$ 4,000,000	\$ 600,000	\$ 12,596,400
	Total Sewer Capital Funding Sources	\$ -	\$ 170,000	\$ 1,955,200	\$ 1,300,000	\$ 721,200	\$ 3,850,000	\$ 4,000,000	\$ 600,000	\$ 12,596,400
	7-Sewer Reserves	-	170,000	1,955,200	1,300,000	721,200	3,850,000	4,000,000	600,000	12,596,400



PROJECT NAME:	11TH AVENUE SEWER REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 200,000	Purpose:	Sewer
Location:	11th Ave between Swanson and Tollefson	Project Manager:	Mike Lund, PW Superintendent
Description:	The existing concrete 8" sewer line was installed in the mid 1970s. This line is in back yards of various houses and has a lot of root infestation. This project will slip line approximately 500 lf of the existing concrete line and reconnect the existing service lines to the new pipe.		
Justification:	This line has had numerous blockages over the years from roots and is a high maintenance section of our system. This project would replace the existing line and reduce the number of blockages.		

Project Begin:	2021	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					200,000				200,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					15,000				15,000
	Land/Right of Way									-
	Construction					175,000				175,000
	Management					10,000				10,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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	Prior Years	Current 2018	Six-Year Plan						Total Costs
			2019	2020	2021	2022	2023	2024	
	Operating								-
	Debt								-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	ALASUND PUMP STATION GRAVITY CONNECTION
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PROJECT DESCRIPTION

Budget:	\$ 400,000	Purpose:	Sewer
Location:	Noll Road	Project Manager:	Mike Lund, PW Superintendent
Description:	Install 2500 lf of 8" gravity sewer to eliminate the Alasund Meadows Pump Station. This project has been in the preliminary design for the Noll Road Corridor Study for many years. Once the developments along Noll Road install their portion of the gravity sewer the City can install this portion.		
Justification:	This project would eliminate ongoing maintenance cost associated with the Alasund Meadows Pumpstation.		

Project Begin:	2023	Project Completion:	2023
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves							400,000		400,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ -	\$ 400,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design							25,000		25,000
	Land/Right of Way									-
	Construction							365,000		365,000
	Management							10,000		10,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ -	\$ 400,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY CAMPUS BUILDING
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PROJECT DESCRIPTION

Budget:	\$ 221,200	Purpose:	Sewer
Location:	Kitsap County - Various	Project Manager:	Kitsap County
Description:	Kitsap County will replace and upgrade admin building, laboratory and storage/maintenance building. Total cost of project is \$1,400,000; with Poulsbo's share of cost at \$221,200 (15.8%)		
Justification:	To replace outdated structures and improve energy efficiency and capacity.		

Project Begin: 2021

Project Completion: 2021

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					221,200				221,200
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 221,200	\$ -	\$ -	\$ -	\$ 221,200

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way									-
	Construction					221,200				221,200
	Management									-
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 221,200	\$ -	\$ -	\$ -	\$ 221,200

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY - LEMOLO FORCE MAIN CAPACITY
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PROJECT DESCRIPTION

Budget:	\$ 4,940,000	Purpose:	Sewer
Location:	Lemolo Beach	Project Manager:	Andrzej Kasiniak, P.E.
Description:	Kitsap County will replace the existing main between the Chlorination Station and Lemolo Beach. Project Cost Estimate is \$4,940,000 of which Poulsbo's share is 100%.		
Justification:	Kitsap County contract requirement.		
Project Begin:	2019	Project Completion:	2023

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			200,000			1,140,000	3,600,000		4,940,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 1,140,000	\$ 3,600,000	\$ -	\$ 4,940,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design						500,000			500,000
	Land/Right of Way									-
	Construction			200,000			640,000	3,420,000		4,260,000
	Management							180,000		180,000
Total Costs		\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 1,140,000	\$ 3,600,000	\$ -	\$ 4,940,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY - LEMOLO SIPHON PHASE II
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PROJECT DESCRIPTION

Budget:	\$ 650,000	Purpose:	Sewer
Location:	Lemolo Beach	Project Manager:	Andrzej Kasiniak, P.E.
Description:	City will evaluate feasibility cost and timing of adding/replacing of the Lemolo siphons. Feasibility Study in 2018: \$150,000. Preliminary Design/Permitting in 2019: \$200,000; 2020: \$300,000. Contract Documents and Construction in future years.		
Justification:	Kitsap County contract requirement.		
Project Begin:	2018	Project Completion:	TBD

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves		150,000	200,000	300,000					650,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ 150,000	\$ 200,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 650,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design		150,000	200,000	300,000					650,000
	Land/Right of Way									-
	Construction									-
	Management									-
Total Costs		\$ -	\$ 150,000	\$ 200,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 650,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY - SOLIDS DEWATERING
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PROJECT DESCRIPTION

Budget:	\$ 363,400	Purpose:	Sewer
Location:	CK Sewer Treatment Plant	Project Manager:	Kitsap County
Description:	This Kitsap County project will replace the outdated dewatering system. Total cost of project is \$2,300,000; of which Poulsbo's share is \$363,400 (15,8%)		
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.		

Project Begin: 2019

Project Completion: 2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			363,400						363,400
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 363,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 363,400

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			43,600						43,600
	Land/Right of Way									-
	Construction			319,800						319,800
	Management									-
Total Costs		\$ -	\$ -	\$ 363,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 363,400

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY - UV UPGRADES
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PROJECT DESCRIPTION

Budget:	\$ 331,800	Purpose:	Sewer
Location:	CK Sewer Treatment Plant	Project Manager:	Kitsap County
Description:	This Kitsap County project will replace the outdated disinfection system. Total project cost is \$2,100,000; of which Poulsbo's share is \$331,800 (15.8%)		
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.		

Project Begin: 2019

Project Completion: 2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			331,800						331,800
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 331,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 331,800

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			40,000						40,000
	Land/Right of Way									-
	Construction			291,800						291,800
	Management									-
Total Costs		\$ -	\$ -	\$ 331,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 331,800

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	LEMOLO HOUSE PURCHASE
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PROJECT DESCRIPTION

Budget:	\$ 500,000	Purpose:	Sewer
Location:	Lemolo Shore Drive	Project Manager:	Andrzej Kasiniak, P.E.
Description:	City is planning to purchase a house in Kitsap County on Lemolo Shore Drive to be used as a future pump station.		
Justification:	City will use this as future site for launch of siphon.		

Project Begin:	2019	Project Completion:	2019
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			500,000						500,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way			500,000						500,000
	Construction									-
	Management									-
Total Costs		\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	NOLL ROAD SEWER IMPROVEMENTS
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PROJECT DESCRIPTION

Budget:	\$ 730,000	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.		

Project Begin: 2018

Project Completion: 2020

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves		20,000	210,000	500,000					730,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ 20,000	\$ 210,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 730,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design		20,000							20,000
	Land/Right of Way									-
	Construction			200,000	450,000					650,000
	Management			10,000	50,000					60,000
Total Costs		\$ -	\$ 20,000	\$ 210,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 730,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	OLD TOWN SEWER UPGRADES
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PROJECT DESCRIPTION

Budget:	\$ 200,000	Purpose:	Sewer
Location:	Old Town	Project Manager:	Andrzej Kasiniak, P.E.
Description:	Upgrades to sewer connections in the Old Town area of Poulsbo. To be done in conjunction with the Old Town Water Main Replacement Project.		
Justification:	Replace and upgrade the sewer connections during the Water Main Replacement Project in the Old Town area.		

Project Begin: 2021

Project Completion: 2022

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					100,000	100,000			200,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 200,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way									-
	Construction					95,000	95,000			190,000
	Management					5,000	5,000			10,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 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 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	PUMP STATION SAFETY IMPROVEMENTS
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PROJECT DESCRIPTION

Budget:	\$ 300,000	Purpose:	Sewer
Location:	Various Locations	Project Manager:	Mike Lund, PW Superintendent
Description:	This project will improve fall protection and access requirements to various pump stations.		
Justification:	Life Safety and OSHA Regulations		

Project Begin:	2019	Project Completion:	2020
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			150,000	150,000					300,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			5,000	5,000					10,000
	Land/Right of Way									-
	Construction			140,000	140,000					280,000
	Management			5,000	5,000					10,000
Total Costs		\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	RAAB PARK SEWER REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 350,000	Purpose:	Sewer
Location:	Raab Park	Project Manager:	Mike Lund, PW Superintendent
Description:	This project will slip line the existing 8" concrete sewer line that runs from Raab Park to 11th Ave. This pipe flows down a very steep bank and through a heavily wooded area. Access to this line for maintenance is problematic. This project will also reroute the existing sewer line from the Raab Park bathrooms and caretakers house to a manhole on the adjacent school property.		
Justification:	This line is a maintenance problem. Due to the location it has heavy root infestation and is an ongoing maintenance problem. This project would allow staff to focus on other issues within the City.		

Project Begin:	2020	Project Completion:	2020
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves				350,000					350,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design				10,000					10,000
	Land/Right of Way									-
	Construction				335,000					335,000
	Management				5,000					5,000
Total Costs		\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	SR 305 FORCE MAIN EXTENSION
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PROJECT DESCRIPTION

Budget:	\$ 2,810,000	Purpose:	Sewer
Location:	State Route 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).		
Justification:	Prevent overflows and increase the system capacity.		
Project Begin:	2021	Project Completion:	2022

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					200,000	2,610,000			2,810,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 2,610,000	\$ -	\$ -	\$ 2,810,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design									-
	Land/Right of Way									-
	Construction					190,000	2,480,000			2,670,000
	Management					10,000	130,000			140,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 2,610,000	\$ -	\$ -	\$ 2,810,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	SR 305 STORAGE FACILITY
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PROJECT DESCRIPTION

Budget:	\$ 600,000	Purpose:	Sewer
Location:	State Route 305	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The project will install a storage facility along SR 305 to improve system capacity during peak sewer flows.		
Justification:	To accommodate peak flows during wet weather season when we experience high ground water levels during storm events.		

Project Begin:	2021	Project Completion:	2024
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves								600,000	600,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000	\$ 600,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design								50,000	50,000
	Land/Right of Way									-
	Construction								520,000	520,000
	Management								30,000	30,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000	\$ 600,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2019 - 2024 ENTERPRISE CAPITAL IMPROVEMENTS (Water)

Page	Project Name	Prior Years Costs	Current Years Costs	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	2023 Project Cost	2024 Project Cost	Total Project Cost
WATER PROJECTS										
	340 Zone Fire Flow - 4th Ave					250,000				250,000
	7-Water Reserves					250,000				250,000
	3rd Ave Water					500,000				500,000
	7-Water Reserves					500,000				500,000
	Big Valley Well #3						450,000			450,000
	7-Water Reserves						450,000			450,000
	Caldart Main			300,000						300,000
	7-Water Reserves			300,000						300,000
	Front Street Water Main Replacement					250,000				250,000
	7-Water Reserves					250,000				250,000
	Hostmark Pipe					200,000				200,000
	7-Water Reserves					200,000				200,000
	Noll Road Water Improvements		20,000	200,000	550,000					770,000
	7-Water Reserves		20,000	200,000	550,000					770,000
	Old Town Water Main Replacement					350,000				350,000
	7-Water Reserves					350,000				350,000
	Raab Park Tank & Booster Pump	9,856	920,631	400,000						1,330,487
	7-Water Reserves	9,856	920,631	400,000						1,330,487
	SR305 Crossing					200,000				200,000
	7-Water Reserves					200,000				200,000
	Westside Well #2							412,000		412,000
	7-Water Reserves							412,000		412,000
	Westside Well - Pump Rehab			20,000						20,000
	7-Water Reserves			20,000						20,000
	Westside Well - Treatment for Manganese			150,000	1,000,000					1,150,000
	7-Water Reserves			150,000	1,000,000					1,150,000
	Wilderness Tank Retrofit			80,000	500,000					580,000
	7-Water Reserves			80,000	500,000					580,000
	Total Water Capital Projects	\$ 9,856	\$ 940,631	\$ 1,150,000	\$ 2,050,000	\$ 1,750,000	\$ 450,000	\$ 412,000	\$ -	\$ 6,762,487
	Total Water Capital Funding Sources	\$ 9,856	\$ 940,631	\$ 1,150,000	\$ 2,050,000	\$ 1,750,000	\$ 450,000	\$ 412,000	\$ -	\$ 6,762,487
	7-Water Reserves	9,856	940,631	1,150,000	2,050,000	1,750,000	450,000	412,000	-	6,762,487



PROJECT NAME:	340 ZONE FIRE FLOW - 4TH AVE
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PROJECT DESCRIPTION

Budget:	\$ 250,000	Purpose:	Water
Location:	4th Ave	Project Manager:	Mike Lund, PW Superintendent
Description:	Install Fire Pump within this sub-zone to address low pressure issues with fire flow in the 4th Ave tank area.		
Justification:	This fire pump is needed to address low pressure issues within this water system sub-zone. Pressures can reach sub 20 p.s.i. in the distribution system which is below the required 30 p.s.i. threshold.		

Project Begin:	2021	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					250,000				250,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					10,000				10,000
	Land/Right of Way									-
	Construction					232,500				232,500
	Management					7,500				7,500
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	3RD AVE WATER
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PROJECT DESCRIPTION

Budget:	\$ 500,000	Purpose:	Water
Location:	3rd Ave NE (Downtown)	Project Manager:	Mike Lund, PW Superintendent
Description:	Install 8" water main on 3rd Ave NE between Moe St and Hostmark St with new water services, approximately 830 ft.		
Justification:	This main will connect Moe St with Hostmark St to provide fireflow as well as opportunity for connection to any developing businesses along 3rd Ave NE. It will also provide redundancy for the existing neighborhoods with other means of providing water.		

Project Begin: 2021

Project Completion: 2021

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					500,000				500,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					40,000				40,000
	Land/Right of Way									-
	Construction					440,000				440,000
	Management					20,000				20,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	BIG VALLEY WELL #3
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PROJECT DESCRIPTION

Budget:	\$ 450,000	Purpose:	Water
Location:	Big Valley Well Site	Project Manager:	Mike Lund, PW Superintendent
Description:	Drill and develop an additional well at the Big Valley Well site.		
Justification:	Additional source capacity is needed to provide maximum day demand and replenish fire suppression storage by 2034 and a new 500 g.p.m. well will supply sufficient flows.		

Project Begin: 2022

Project Completion: 2022

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves						450,000			450,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000	\$ -	\$ -	\$ 450,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design						35,000			35,000
	Land/Right of Way									-
	Construction						400,000			400,000
	Management						15,000			15,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000	\$ -	\$ -	\$ 450,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	CALDART MAIN
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PROJECT DESCRIPTION

Budget:	\$ 300,000	Purpose:	Water
Location:	Caldart Ave	Project Manager:	Mike Lund, PW Superintendent
Description:	Replace 8" asbestos cement water main with new 8" ductile iron water main on Caldart Ave from Hostmark St to the New Raab Park Reservoir (approximately 1800 ft.)		
Justification:	This asbestos cement water main is past its service life and is the last piece in service to be replaced.		

Project Begin:	2019	Project Completion:	2019
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			300,000						300,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			10,000						10,000
	Land/Right of Way									-
	Construction			280,000						280,000
	Management			10,000						10,000
Total Costs		\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	FRONT STREET MAIN REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 250,000	Purpose:	Water
Location:	Front Street	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This 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.		

Project Begin:	2021	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					250,000				250,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					20,000				20,000
	Land/Right of Way									-
	Construction					220,000				220,000
	Management					10,000				10,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	HOSTMARK PIPE
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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.		

Project Begin:	2021	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					200,000				200,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					20,000				20,000
	Land/Right of Way									-
	Construction					170,000				170,000
	Management					10,000				10,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	NOLL ROAD WATER IMPROVEMENTS
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PROJECT DESCRIPTION

Budget:	\$ 770,000	Purpose:	Water
Location:	Noll Road	Project Manager:	Diane Lenius, P.E.
Description:	Water system improvements associated with the City's Noll Road Improvement Project.		
Justification:	The City will be making required water system improvements associated with the City's Noll Road Improvements construction.		

Project Begin: 2018

Project Completion: 2020

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves		20,000	200,000	550,000					770,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ 20,000	\$ 200,000	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 770,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design		20,000	200,000						220,000
	Land/Right of Way									-
	Construction				500,000					500,000
	Management				50,000					50,000
Total Costs		\$ -	\$ 20,000	\$ 200,000	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 770,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	OLD TOWN WATER MAIN REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 350,000	Purpose:	Water
Location:	Old Town Area	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will replace the undersized water main along three streets located in the Old Town Area of Poulsbo: Harrison, Eliason, and Ryen		
Justification:	This project will improve the fire flow in the Old Town Area of Poulsbo.		

Project Begin:	2021	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					350,000				350,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ 350,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					20,000				20,000
	Land/Right of Way									-
	Construction					320,000				320,000
	Management					10,000				10,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ 350,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	RAAB TANK AND BOOSTER PUMP
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PROJECT DESCRIPTION

Budget:	\$ 1,330,487	Purpose:	Water
Location:	Raab Park	Project Manager:	Mike Lund, PW Superintendent
Description:	Replace Raab Park Reservoir with larger reservoir and add booster pump to transfer water from the middle zone to the high zone (Raab Tank to Pugh Tank).		
Justification:	This reservoir needs replaced as it is cracking and does not meet current seismic standards. A larger tank will add fireflow capacity as well as provide capacity for future growth. A booster pump will allow for redundancy to move water from the middle zone to the high zone in case a well goes down in the high zone.		

Project Begin: 2017

Project Completion: 2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	9,856	920,631	400,000						1,330,487
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ 9,856	\$ 920,631	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,330,487

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	9,856	80,631							90,487
	Land/Right of Way									-
	Construction		840,000	400,000						1,240,000
	Management									-
Total Costs		\$ 9,856	\$ 920,631	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,330,487

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	SR 305 CROSSING
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PROJECT DESCRIPTION

Budget:	\$ 200,000	Purpose:	Water
Location:	State Route 305	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will replace the old water main across SR305.		
Justification:	This project will replace old and undersized pipe.		

Project Begin:	2021	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					200,000				200,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					50,000				50,000
	Land/Right of Way									-
	Construction					140,000				140,000
	Management					10,000				10,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	WESTSIDE WELL #2
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PROJECT DESCRIPTION

Budget:	\$ 412,000	Purpose:	Water
Location:	Westside Well Site - (N Viking)	Project Manager:	Mike Lund, PW Superintendent
Description:	Drill, develop, and equip an additional well at Westside Well site.		
Justification:	Existing source will need to pump more than 18 hrs per day after 2019. Additional supply capacity should be installed to reduce demand on aquifers and equipment. This project will be re-evaluated after a long term water supply study.		

Project Begin:	2023	Project Completion:	2023
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves							412,000		412,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 412,000	\$ -	\$ 412,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design							30,000		30,000
	Land/Right of Way									-
	Construction							367,000		367,000
	Management							15,000		15,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 412,000	\$ -	\$ 412,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	WESTSIDE WELL PUMP REHAB
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PROJECT DESCRIPTION

Budget:	\$ 20,000	Purpose:	Water
Location:	Westside Well - (N Viking Ave)	Project Manager:	Mike Lund, PW Superintendent
Description:	The Westside Well needs to be refurbished due to diminished pumping capabilities.		
Justification:	Since this well was constructed in 2000, we have lost about 200 gallons a minute in pumping capacity. Our well sounding shows it is not a well issue but a pump issue instead. This work needs to be done prior to the West Side Well - Treatment for Manganese Project.		

Project Begin:	2019	Project Completion:	2019
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			20,000						20,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			2,000						2,000
	Land/Right of Way									-
	Construction			16,000						16,000
	Management			2,000						2,000
Total Costs		\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	WESTSIDE WELL TREATMENT FOR MANGANESE
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PROJECT DESCRIPTION

Budget:	\$ 1,150,000	Purpose:	Water
Location:	Westside Well - (N Viking Ave)	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.		
Project Begin:	2019	Project Completion:	2020

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			150,000	1,000,000					1,150,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,150,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			150,000						150,000
	Land/Right of Way									-
	Construction				950,000					950,000
	Management				50,000					50,000
Total Costs		\$ -	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,150,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: It is anticipated there will be limited budget impact in 2019 and 2020.

		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating			5,000	5,000					10,000
	Debt									-
Total Impact		\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000

PROJECT NAME:	WILDERNESS TANK RETROFIT
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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.		

Project Begin:	2019	Project Completion:	2020
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			80,000	500,000					580,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 80,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 580,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			80,000						80,000
	Land/Right of Way									-
	Construction				480,000					480,000
	Management				20,000					20,000
Total Costs		\$ -	\$ -	\$ 80,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 580,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2019 - 2024 ENTERPRISE CAPITAL IMPROVEMENTS (Storm)

Page	Project Name	Prior Years Costs	Current Years Costs	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	2023 Project Cost	2024 Project Cost	Total Project Cost
STORM DRAIN PROJECTS										
	American Legion Park Outfall Repair						120,000			120,000
	7-Storm Drain Reserves						120,000			120,000
	Bjorgen Creek Culvert Replacement - Deer Run			30,000		150,000	150,000			330,000
	7-Storm Drain Reserves			30,000		150,000	150,000			330,000
	Deer Run Pond Retrofit				16,000	184,000				200,000
	7-Storm Drain Reserves				16,000	184,000				200,000
	Dogfish Creek Restoration	6,282	211,863	284,150	500,000	500,000				1,502,295
	2-State Grants		100,000	227,900	375,000	375,000				1,077,900
	7-Storm Drain Reserves	6,282	111,863	56,250	125,000	125,000				424,395
	Forest Rock Hills (SR 305) Outfall					75,000				75,000
	7-Storm Drain Reserves					75,000				75,000
	Glenn Haven Storm Drain Replacement				10,000	100,000				110,000
	7-Storm Drain Reserves				10,000	100,000				110,000
	Liberty Bay Bioretention			150,000	150,000					300,000
	2-State Grants			150,000	150,000					300,000
	Noll Road Basin Direct Discharge			550,000						550,000
	7-Storm Drain Reserves			550,000						550,000
	Noll Road Culvert Replacement/Bjorgen Creek	83,203		50,000	500,000					633,203
	7-Storm Drain Reserves	83,203		50,000	500,000					633,203
	Noll Road Storm LID - Retrofit			250,000						250,000
	2-State Grants			250,000						250,000
	Poulsbo Creek Outfall				40,000	250,000				290,000
	7-Storm Drain Reserves				40,000	250,000				290,000
	Ridgewood/Kevo's Pond - Replace Storm Drains	42,593			260,000					302,593
	7-Storm Drain Reserves	42,593			260,000					302,593
	West Poulsbo Waterfront Park - Storm Drain	5,015	200,000	250,000		500,000	500,000			1,455,015
	2-State Grants			187,500		375,000	375,000			937,500
	7-Storm Drain Reserves	5,015	200,000	62,500		125,000	125,000			517,515
	Total Storm Drain Capital Projects	\$ 137,093	\$ 411,863	\$ 1,564,150	\$ 1,476,000	\$ 1,759,000	\$ 770,000	\$ -	\$ -	\$ 6,118,106
	Total Storm Drain Capital Funding Sources	\$ 137,093	\$ 411,863	\$ 1,564,150	\$ 1,476,000	\$ 1,759,000	\$ 770,000	\$ -	\$ -	\$ 6,118,106
	2-State Grants	-	100,000	815,400	525,000	750,000	375,000	-	-	2,565,400
	7-Storm Drain Reserves	137,093	311,863	748,750	951,000	1,009,000	395,000	-	-	3,552,706
	Total Enterprise Capital Projects	\$ 146,949	\$ 1,522,494	\$ 4,669,350	\$ 4,826,000	\$ 4,230,200	\$ 5,070,000	\$ 4,412,000	\$ 600,000	\$ 25,476,993
	Total Enterprise Funding Sources	\$ 146,949	\$ 1,522,494	\$ 4,669,350	\$ 4,826,000	\$ 4,230,200	\$ 5,070,000	\$ 4,412,000	\$ 600,000	\$ 25,476,993

2019 - 2024 GRAND TOTAL CIP PROJECTS SUMMARY

	GRAND TOTAL CIP PROJECTS	\$ 7,304,676	\$ 6,220,488	\$ 8,926,850	\$ 14,944,684	\$ 11,845,200	\$ 9,025,000	\$ 7,567,000	\$ 755,000	\$ 66,588,898
	GRAND TOTAL CIP FUNDING SOURCES	\$ 7,304,676	\$ 6,220,488	\$ 8,926,850	\$ 14,944,684	\$ 11,845,200	\$ 9,025,000	\$ 7,567,000	\$ 755,000	\$ 66,588,898



PROJECT NAME:	AMERICAN LEGION PARK OUTFALL REPAIR
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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.		

Project Begin:	2022	Project Completion:	2022
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves						120,000			120,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design						20,000			20,000
	Land/Right of Way									-
	Construction						100,000			100,000
	Management									-
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	BJORGEN CREEK CULVERT REPLACEMENT - DEER RUN
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PROJECT DESCRIPTION

Budget:	\$ 330,000	Purpose:	Storm Drain
Location:	Deer Run/Bjorgen Creek	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will improve fish habitat. This project will replace the existing undersized 24-in diameter pipe under Bjorn Street with a new 12-ft wide concrete box culvert. Project funding will be via City funds to improve Bjorgen Creek Basin.		
Justification:	The existing culvert under Bjorn Street is too small and can flood. The culvert is a barrier to fish passage at higher flows.		

Project Begin:	2019	Project Completion:	2022
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants			30,000						30,000
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					150,000	150,000			300,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 30,000	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 330,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			30,000						30,000
	Land/Right of Way									-
	Construction					150,000	150,000			300,000
	Management									-
	Total Costs	\$ -	\$ -	\$ 30,000	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 330,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	DEER RUN POND RETROFIT
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PROJECT DESCRIPTION

Budget:	\$ 200,000	Purpose:	Storm Drain
Location:	Deer Run Subdivision	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will increase the stormwater treatment from the Deer Run development to Dept of 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.		

Project Begin:	2020	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves				16,000	184,000				200,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ 16,000	\$ 184,000	\$ -	\$ -	\$ -	\$ 200,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design				16,000					16,000
	Land/Right of Way									-
	Construction					153,000				153,000
	Management					31,000				31,000
Total Costs		\$ -	\$ -	\$ -	\$ 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 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	DOGFISH CREEK RESTORATION (South Fork)
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PROJECT DESCRIPTION

Budget:	\$ 1,502,295	Purpose:	Storm Drain
Location:	Dogfish Creek (South Fork)	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will reduce flooding, improve water quality and improve fish habitat in the South Fork Dogfish Creek and surrounding area in the vicinity of 8th Avenue and Centennial Park. The project will be constructed in two phases. Phase 1 will occur in 2018-2019 and will consist of restoring about 400-ft of degraded stream and 30,000 sf riparian buffer between 8th Avenue and Centennial Park. Phase 1 will also include stormwater retrofit design to treat run-off from the existing Public Works site and portions of Lincoln Road, 8th Avenue, 7th Avenue and Iverson Street. Phase 2 will consist of retrofit construction including the Poulosbo Library pond retrofit into a treatment wetland, and replacement of 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.		
Justification:	The South Fork Dogfish Creek restoration project requires grant funding for implementation. Grants have been obtained for retrofit design (\$187,000) and a portion of stream restoration (\$100,000). 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 Poulosbo 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.		
Project Begin:	2011	Project Completion:	2021

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants		100,000	227,900	375,000	375,000				1,077,900
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	6,282	111,863	56,250	125,000	125,000				424,395
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 6,282	\$ 211,863	\$ 284,150	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,502,295

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	6,282	195,613	93,750						295,645
	Land/Right of Way									-
	Construction			160,400	480,000	480,000				1,120,400
	Management		16,250	30,000	20,000	20,000				86,250
	Total Costs	\$ 6,282	\$ 211,863	\$ 284,150	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,502,295

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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	Prior Years	Current 2018	Six-Year Plan						Total Costs
			2019	2020	2021	2022	2023	2024	
Operating									-
Debt									-
Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	FOREST ROCK HILLS (SR 305) OUTFALL
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PROJECT DESCRIPTION

Budget:	\$ 75,000	Purpose:	Storm Drain
Location:	Forest Rock Hills / SR 305	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.		

Project Begin:	2021	Project Completion:	2021
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves					75,000				75,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design					10,000				10,000
	Land/Right of Way									-
	Construction									-
	Management					65,000				65,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	GLENN HAVEN STORM DRAIN REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 110,000	Purpose:	Storm Drain
Location:	Glenn Haven	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The project is replacing 700 linear feet of old 12" corrugated metal 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.		

Project Begin: 2020

Project Completion: 2021

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves				10,000	100,000				110,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ 10,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 110,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design				10,000					10,000
	Land/Right of Way									-
	Construction					90,000				90,000
	Management					10,000				10,000
Total Costs		\$ -	\$ -	\$ -	\$ 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 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	Liberty Bay Bioretention			
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PROJECT DESCRIPTION				
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Budget:	\$ 300,000	Purpose:	Storm Drain	
Location:	Liberty Bay	Project Manager:	Andrzej Kasiniak, P.E.	
Description:	The project is 100% Grant funded. Project will install several biofiltration cells at various locations in the City. Two possible locations: one biofiltration cell on Fjord Drive and Sholl Property with Bjorgen Creek Bain.			
Justification:	The project will improve water quality in Liberty Bay, reduction fecal coliform in support of the Liberty Bay Watershed Coliform Bacteria TMDL.			

Project Begin:	2018	Project Completion:	2018
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FUNDING DESCRIPTION										
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	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants			150,000	150,000					300,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves									-
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			30,000						30,000
	Land/Right of Way									-
	Construction			120,000	150,000					270,000
	Management									-
	Total Costs	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS										
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Notes:	
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	NOLL ROAD BASIN DIRECT DISCHARGE
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PROJECT DESCRIPTION

Budget:	\$ 600,000	Purpose:	Storm Drain
Location:	Johnson Rd & Lemolo Shore Drive	Project Manager:	Diane Lenius, P.E.
Description:	The project consists of re-constructing an existing deteriorated and under-sized ditch and stormwater outfall pipe to provide sufficient capacity for peak flows associated with the Johnson Road Basin including the SR305 and Johnson Parkway Roadway improvements projects (Noll Road Improvements Project).		
Justification:	This project is an upgrade and expansion of an existing outfall and conveyance system that has served the existing road system for over 50 years. The system is currently undersized, deteriorated and experiences erosion and periodic flooding. Current stormwater discharges are untreated. The new stormwater facilities will provide improved capacity, reduced erosion/ scour, improved nearshore habitat and provide stormwater treatment facilities that meet the State Department of Ecology 2012 standards for Enhance Treatment. The property owners within the benefiting basin will pay their proportional share of the cost of improvements. Fees will be collected prior to project approval.		
Project Begin:	2019	Project Completion:	2019

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves			550,000						550,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 550,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			60,000						60,000
	Land/Right of Way									-
	Construction			460,000						460,000
	Management			30,000						30,000
Total Costs		\$ -	\$ -	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 550,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	Noll Road Culvert Replacement/Bjorgen Creek Culvert		
PROJECT DESCRIPTION			
Budget:	\$ 633,203	Purpose:	Storm Drain
Location:	South of Noll Road	Project Manager:	Diane Lenius
Description:	This project will replace the existing 36-inch culvert with a 8/10 foot wide culvert		
Justification:	The existing culvert is undersized. Therefore; 1) Creates a fish passage barrier and 2) Creates flooding problems.		
Project Begin:	2017	Project Completion:	2020

FUNDING DESCRIPTION										
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	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	83,203		50,000	500,000					633,203
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 83,203	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 633,203

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	83,203		50,000						133,203
	Land/Right of Way									-
	Construction				450,000					450,000
	Management				50,000					50,000
	Total Costs	\$ 83,203	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 633,203

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS										
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Notes:										
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	Noll Road Storm LID - Retrofit		
PROJECT DESCRIPTION			
Budget:	\$ 250,000	Purpose:	Storm Drain
Location:	Liberty Bay Watershed	Project Manager:	D. Lenius
Description:	This project will improve water quality in the Liberty Bay watershed through design of bioretention, GULD approved manufactured treatment devices and treatment wetland best management practices (BMPs) at Noll Road in the city of Poulsbo. This design will include enhanced treatment and will also reduce flows to Bjorgen Creek by increasing stormwater infiltration and providing stormwater detention		
Justification:	The project will improve water quality in Liberty Bay. This is consistent with City goals.		
Project Begin:	2018	Project Completion:	2021

FUNDING DESCRIPTION										
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	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants			250,000						250,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves									-
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design			250,000						250,000
	Land/Right of Way									-
	Construction									-
	Management									-
	Total Costs	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS										
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Notes:	
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	POULSBO CREEK OUTFALL
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PROJECT DESCRIPTION

Budget:	\$ 290,000	Purpose:	Storm Drain
Location:	Fjord Drive (near 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.		

Project Begin:	2018	Project Completion:	2019
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves				40,000	250,000				290,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ 40,000	\$ 250,000	\$ -	\$ -	\$ -	\$ 290,000

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design				40,000					40,000
	Land/Right of Way									-
	Construction					230,000				230,000
	Management					20,000				20,000
Total Costs		\$ -	\$ -	\$ -	\$ 40,000	\$ 250,000	\$ -	\$ -	\$ -	\$ 290,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	RIDGEWOOD / KEVOS POND STORM DRAIN REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 302,593	Purpose:	Storm Drain
Location:	Ridgewood Subdivision	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.		

Project Begin:	2012	Project Completion:	2019
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	42,593			260,000					302,593
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ 42,593	\$ -	\$ -	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ 302,593

	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	42,593			20,000					62,593
	Land/Right of Way									-
	Construction				220,000					220,000
	Management				20,000					20,000
Total Costs		\$ 42,593	\$ -	\$ -	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ 302,593

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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		Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	WEST POULSBO WATERFRONT PARK
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PROJECT DESCRIPTION

Budget:	\$ 1,455,015	Purpose:	Storm Drain
Location:	S 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.

Project Begin:	2017	Project Completion:	2022
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2018	Six-Year Plan						Total Funding
				2019	2020	2021	2022	2023	2024	
1	Federal Grants									-
2	State Grants			187,500		375,000	375,000			937,500
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves	5,015	200,000	62,500		125,000	125,000			517,515
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 5,015	\$ 200,000	\$ 250,000	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ 1,455,015

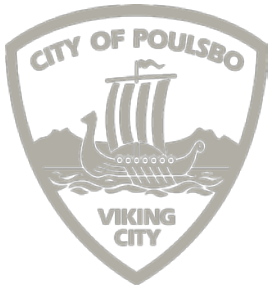
	Capital Costs	Prior Years	Current 2018	Six-Year Plan						Total Costs
				2019	2020	2021	2022	2023	2024	
	Planning & Design	5,015	200,000	230,000						435,015
	Land/Right of Way									-
	Construction					480,000	480,000			960,000
	Management			20,000		20,000	20,000			60,000
	Total Costs	\$ 5,015	\$ 200,000	\$ 250,000	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ 1,455,015

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2018	Six-Year Plan						Total Costs
			2019	2020	2021	2022	2023	2024	
	Operating								-
	Debt								-
Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -





CITY OF POULSBO

2019 – 2024 CITY IMPROVEMENT PLAN

APPENDIX





City of Poulsbo

Legislative Policy

Title: Capital Improvement Policy	Page Number: 1 of 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.



Appendix to 2019-2020 Final Budget

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ORDINANCE NO. 2018-27

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, ADOPTING THE BIENNIAL BUDGET FOR THE YEARS 2019/2020 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 2019, 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, 2019, 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 14, 2018 and November 21, 2018, 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 2019/2020, 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 2019/2020 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 2019/2020, 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:

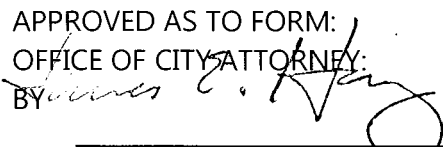


MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED



CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM:
OFFICE OF CITY ATTORNEY:
BY 

FILED WITH THE CITY CLERK: 12/13/18
PASSED BY THE CITY COUNCIL: 12/19/18
PUBLISHED: 12/28/18
EFFECTIVE DATE: 01/02/19
ORDINANCE NO. 2018-27

SUMMARY OF ORDINANCE NO. 2018-27
of the City of Poulsbo, Washington

On December 19, 2018, the City Council of the City of Poulsbo, Washington, approved Ordinance No. 2018-27, the main point of which may be summarized by its title as follows:

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, ADOPTING THE BIENNIAL BUDGET OF THE CITY FOR THE YEARS 2019/2020 COMMENCING JANUARY 1, 2019 AND APPROVING AN ORDINANCE SUMMARY FOR PUBLICATION.

The full text of this ordinance will be mailed upon request.

APPROVED by the City Council at their meeting of December 19, 2018.



CITY CLERK, RHIANNON FERNANDEZ, CMC

CITY OF POULSBORO

Fund Summary
2019-20 Biennial Budget

FUND	#	Beginning Balance	2019 Revenue	2019 Expenditure	Fund Balance	2020 Revenue	2020 Expenditure	Fund Balance
General Fund	001	\$ 4,370,330	11,339,783	12,096,872	3,613,241	11,579,832	12,867,456	2,325,617
Total General Fund		4,370,330	11,339,783	12,096,872	3,613,241	11,579,832	12,867,456	2,325,617
City Streets	101	178,097	1,926,661	1,947,051	157,707	2,950,250	2,970,187	137,770
Capital Improvement	121	1,097,929	505,000	328,830	1,274,099	506,000	1,226,599	553,500
Trans Development	123	456,967	204,000	350,000	310,967	200,500	500,000	11,467
Park Development	124	44,391	61,000	-	105,391	61,000	120,000	46,391
Historic Dwntrn Poulsbo	131	27,865	84,828	87,000	25,693	88,928	88,000	26,621
Path and Trail Reserve	161	18,057	1,224	-	19,281	1,264	-	20,545
Drug Enforcement	171	38,648	700	5,430	33,918	700	5,450	29,168
Transient Occup Tax	181	48,817	130,500	150,000	29,317	130,500	130,000	29,817
Police Restricted Funds	191	122,019	32,727	17,015	137,731	33,554	16,733	154,552
Total Special Revenue Funds		2,032,790	2,946,640	2,885,326	2,094,104	3,972,696	5,056,969	1,009,831
Misc Governmental Debt	201	4,422	78,881	78,831	4,472	76,650	76,600	4,522
Non-Voted Gen Oblig	204	12,301	1,024,742	1,025,140	11,903	1,232,175	1,232,875	11,203
Total Debt Service Funds		16,723	1,103,623	1,103,971	16,375	1,308,825	1,309,475	11,203
Equipment Acquisition	301	365,253	120,950	70,285	415,918	129,250	37,950	507,218
Park Reserve	302	205,029	722,250	686,250	241,029	931,250	977,434	194,845
Street Reserve	311	325,666	2,469,000	2,410,000	384,666	6,271,000	6,230,000	425,666
Cemetery Reserve	314	22,926	3,150	-	26,076	3,150	-	29,226
Facilities Fund	331	1,734,788	30,000	50,000	1,714,788	30,000	800,000	944,788
Total Capital Project Funds		2,653,662	3,345,350	3,216,535	2,782,477	7,364,650	8,045,384	2,101,743
Water System	401	2,165,700	2,608,922	3,134,083	1,640,539	2,685,445	4,075,495	250,489
Sewer System	403	5,090,738	4,511,342	5,579,830	4,022,250	4,643,177	4,915,320	3,750,107
Solid Waste System	404	741,158	2,402,830	2,437,364	706,624	2,481,110	2,488,454	699,280
Storm Drain System	410	1,670,322	2,822,557	3,465,822	1,027,057	2,541,000	3,264,043	304,014
Total Enterprise Funds		9,667,918	12,345,651	14,617,099	7,396,470	12,350,732	14,743,312	5,003,890
Total All Funds		18,741,423	31,081,047	33,919,803	15,902,667	36,576,735	42,022,596	10,456,806
TOTALS		18,741,423	31,081,047	33,919,803	15,902,667	36,576,735	42,022,596	10,456,806

ORDINANCE NO. 2018-25

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, LEVYING THE GENERAL TAXES FOR THE CITY OF POULSBO FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2019, 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 2019; and

WHEREAS, the City's actual levy amount from the previous year was \$2,482,639; and,

WHEREAS, the population of the City is more than 10,000; now, therefore,

THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The regular property tax levy is hereby authorized for the levy to be collected in the 2019 tax year.

The dollar amount of the actual levy amount from the previous year shall increase \$10,343 which is a percentage increase of approximately .42% 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:



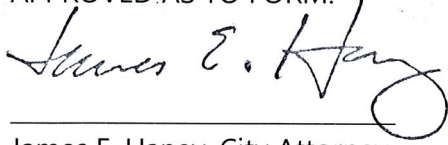
Mayor Rebecca Erickson

ATTEST/AUTHENTICATED:



Rhiannon Fernandez, City Clerk CMC

APPROVED AS TO FORM:



James E. Haney, City Attorney

FILED WITH THE CITY CLERK: 11/08/18

PASSED BY THE CITY COUNCIL: 11/14/18

PUBLISHED: 11/14²³/18

EFFECTIVE DATE: 11/28/18

ORDINANCE NO. 2018-25

SUMMARY OF ORDINANCE NO. 2018-25
of the City of Poulsbo, Washington

On November 14, 2018 the City Council of the City of Poulsbo, Washington, approved Ordinance No. 2018-25, the main point of which may be summarized by its title as follows:

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, LEVYING THE GENERAL TAXES FOR THE CITY OF POULSBO FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2019, 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.

The full text of this ordinance will be mailed upon request.

DATED this 14th day of November, 2018.



CITY CLERK, RHIANNON FERNANDEZ, CMC

LEVY CERTIFICATION
As of November 14, 2018

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 2019 as provided in Ordinance 2018-25 , which was adopted on November 14, 2018:

Estimated Regular Levy	\$2,575,000
Refund Levy	\$ 2,498

Signature:  _____ Date: 11/14/2018
MAYOR, REBECCA ERICKSON



CITY OF POULSBO

Legislative Policy/Procedure

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

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.

FREE: (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.

	<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:

<i>Employee Category</i>	<i>Representative Bargaining Unit</i>
Police Sergeant / Police Officer	Poulsbo Police Officers Association
Public Works / Administration	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), Public Works Director (for Teamsters) and an attorney specializing in personnel law comprise the City's management negotiation team.

Teamsters Local 589 has new 3-year contracts effective from January 1, 2019 through December 31, 2021. Police Association agreement ended December 31, 2018. Negotiations are progressing into 2019 and agreement should be retroactive to January 1, 2019.

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.

<i>Years of Service</i>	<i>Longevity Rate</i>
6 – 10	1%
11 – 15	2%
16 – 20	3%
21 – 25	4%
26 or more	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.

<i>Plan</i>	<i>City Contribution</i>	<i>Employee Contribution</i>	<i>Total</i>
LEOFF 1*	N/A	N/A	N/A
LEOFF 2	0.0543	0.0875	0.1418
PERS 1*	N/A	N/A	N/A
PERS 2	0.127	0.0738	0.2008
PERS 3	0.127	Varies	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.

<i>City Contribution</i>	<i>Employee Contribution</i>	<i>Total</i>
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.

<i>City Contribution</i>	<i>Employee Contribution</i>	<i>Total</i>
0.0145	0.0145	0.029

Rates are as of January 1, 2019

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.

<i>Class</i>	<i>City Contribution</i>	<i>Employee Contribution</i>	<i>Total</i>
Operations	0.88460	.22930	1.1139
Administration	.13300	.07540	.2084
Police	1.27525	.27685	1.5521

Rates are as of January 1, 2019

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 \$1,571.20 per employee, per month. In 2019 & 2020, 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 2019 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 2019 & 2020, Teamsters Bargaining unit and exempt employees will receive a \$100 per month HRA-VEBA contribution from the City.

In 2019 & 2020, the Poulsbo Police Officers Association members will receive \$ \$279.93 per month in an HRA-VEBA contribution from the City until the bargaining unit agreement is settled.

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 3.5% for 2019 and 3% for 2020 Budget. Non-Represented and Management employees have been adjusted by the same percentages.

Wages for the Poulsbo Police Officers Association members (Police Officers and Police Sergeants) are still under negotiations.

RESOLUTION NO. 2018-14

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 2018-10.

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. 2018-10, 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 2. Effective Date. All salaries and wages set forth on Exhibit A shall be effective as of January 1, 2019, unless another date is specified on the Exhibit.

RESOLVED this 19th day of December, 2018.

APPROVED:



MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:



CITY CLERK, RHIANNON FERNANDEZ

FILED WITH THE CITY CLERK: 12/13/18
PASSED BY THE CITY COUNCIL: 12/19/18
RESOLUTION NO. 2018-14

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+	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.

2019 TEAMSTERS LOCAL #589 (Admin/Public Works) SALARY SCHEDULE							
Effective January 1, 2019, 2018 wage rates increase by 3.5%							
Classification	A	B	C	D	E	F	
Receptionist	1	15.24	15.70	16.17	16.66	17.16	17.67
	2	15.55	16.02	16.50	16.99	17.50	18.02
	3	15.85	16.33	16.82	17.32	17.84	18.38
	4	16.17	16.66	17.16	17.67	18.20	18.75
	5	16.50	16.99	17.50	18.02	18.56	19.12
	6	16.82	17.32	17.84	18.38	18.93	19.50
	7	17.16	17.67	18.20	18.75	19.31	19.89
	8	17.50	18.03	18.57	19.13	19.70	20.29
	9	17.85	18.39	18.94	19.51	20.10	20.70
	10	18.21	18.76	19.32	19.90	20.50	21.11
	11	18.57	19.13	19.70	20.29	20.90	21.53
	12	18.94	19.51	20.10	20.70	21.32	21.96
	13	19.32	19.90	20.50	21.12	21.75	22.40
	14	19.70	20.29	20.90	21.53	22.18	22.85
	15	20.11	20.71	21.33	21.97	22.63	23.31
	16	20.52	21.14	21.77	22.42	23.09	23.78
	17	20.91	21.54	22.19	22.86	23.55	24.26
	18	21.35	21.99	22.65	23.33	24.03	24.75
Custodian, Grounds Maintenance Tech I	19	21.83	22.45	23.14	23.82	24.52	25.25
Office Clerk I	20	22.24	22.88	23.57	24.26	25.00	25.75
	21	22.67	23.33	24.05	24.73	25.47	26.24
Office Clerk II	22	23.14	23.82	24.53	25.26	25.99	26.73
Police Clerk	23	23.60	24.27	25.00	25.75	26.50	27.28
Building Permit Specialist	24	24.05	24.73	25.49	26.25	27.00	27.83
Grounds Maintenance Tech II, Accounting Clerk	25	24.53	25.25	25.98	26.74	27.57	28.36
Maintenance Technician I, Administrative Ass't, Building Inspector I, Planning Technician	26	25.00	25.76	26.51	27.28	28.11	28.95
Judicial Specialist, Paralegal	27	25.49	26.25	27.00	27.83	28.66	29.53
Accounting Technician, Contract Admin/Acct	28	25.98	26.74	27.57	28.36	29.21	30.11
Deputy City Clerk	29	26.51	27.29	28.11	28.95	29.79	30.69
	30	27.03	27.84	28.66	29.53	30.40	31.26
Public Records/Evidence Manager, Recreation Programmer	31	27.57	28.36	29.22	30.11	31.02	31.89
Engineering Technician, Maintenance Tech Senior, Water Quality Field Tech, Community Svcs Officer	32	28.12	28.97	29.80	30.69	31.60	32.55
Behavioral Health Navigator	33	28.67	29.53	30.41	31.27	32.24	33.18
Mechanic, Maintenance Mechanic	34	29.22	30.12	31.03	31.89	32.86	33.84
Field Inspector	35	29.80	30.70	31.61	32.56	33.50	34.46
Sr Field Inspector	36	30.43	31.27	32.26	33.18	34.20	35.20
Eng Senior Technician, Senior Budget Accountant, Senior Contract Administrator	37	31.03	31.89	32.85	33.84	34.86	35.89
Building Inspector II	38	31.61	32.56	33.52	34.50	35.55	36.60
Associate Planner	39	32.24	33.21	34.20	35.20	36.27	37.31
Public Works Foreman, Engineer I	40	32.87	33.88	34.86	35.89	36.97	38.05
Construction Supervisor	41	37.20	38.33	39.46	40.65	41.87	43.13
Dvlpmnt Rvw Engineer, Transportation Engr	42	38.70	39.87	41.06	42.29	43.47	44.87
Senior Planner	43	40.09	41.28	42.52	43.77	45.07	46.42

2019 POULSBO POLICE OFFICERS ASSOCIATION (PPOA) SALARY SCHEDULE							
Effective January 1, 2019, 2018 wage rates remain in effect until a new collective bargaining agreement is in effect							
Classification		A	B	C	D	E	F
Police Officer	1	33.44	34.38	35.42	36.51	37.59	38.68
Police Sergeant	2	39.71	40.88	42.10	43.39	44.69	46.05

2019 NON-REPRESENTED HOURLY EMPLOYEES							
Effective January 1, 2019, 2018 wage rates increase by 3.5%							
Classification		A	B	C	D	E	F
Preschool Assistant	1	12.64	13.20	13.66	14.22	14.79	15.38
Receptionist	2	13.62	14.06	14.42	14.87	15.33	15.78
	3	16.02	16.69	17.32	18.04	18.77	19.51
Preschool Coordinator	4	16.29	16.93	17.61	18.31	19.05	19.83
Custodian	5	21.03	21.63	22.31	22.99	23.67	24.33
Office Clerk II	6	22.82	23.52	24.22	24.94	25.69	26.41
Administrative Assistant	7	24.70	25.44	26.21	26.96	27.81	28.63
	8	25.09	25.82	26.66	27.44	28.21	29.12
Recreation Programmer	9	27.07	27.92	28.73	29.61	30.47	31.41

2019 ELECTED/APPOINTED OFFICIALS		
*Effective January 1, 2019, 2018 wage rates increase by 3.5%		
City Council - Position 1-7	\$	9,000 Annual
Mayor	\$	98,373 Annual*
Judge	\$	78,011 Annual*

2019 CASUAL LABOR WAGE SCALE							
	A	B	C	D	E	F	
1	12.00	12.00	12.00	12.00	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	

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

GLOSSARY OF BUDGET RELATED TERMS

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

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

GLOSSARY OF BUDGET RELATED TERMS

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 Poughkeepsie's is now the Historic Downtown Business Association (HDBA)

BID: The price at which a buyer is willing to buy a security

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 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

GLOSSARY OF BUDGET RELATED TERMS

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

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

GLOSSARY OF BUDGET RELATED TERMS

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 (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

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

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

GLOSSARY OF BUDGET RELATED TERMS

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 eleven such units; Clerk, Engineering/Building, Finance, Information Services, Municipal Court, Parks & Recreation, Personnel, Planning, Police, Prosecutor/Risk Management 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

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

GLOSSARY OF BUDGET RELATED TERMS

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 Poulsbo 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

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.

GLOSSARY OF BUDGET RELATED TERMS

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

GLOSSARY OF BUDGET RELATED TERMS

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

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

INVESTMENT: Securities and real estate purchased and held to produce 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

GLOSSARY OF BUDGET RELATED TERMS

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

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

MCT (Mobile Computer Terminal): Computers installed in police vehicles

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

GLOSSARY OF BUDGET RELATED TERMS

on the bonds. Prepayments on the mortgage collateral will be passed on the bondholders thereby causing fluctuations in the principal payment of the bonds

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

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: 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

GLOSSARY OF BUDGET RELATED TERMS

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

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

GLOSSARY OF BUDGET RELATED TERMS

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

PUBLIC WORKS TRUST FUND (PWTF): 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

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

GLOSSARY OF BUDGET RELATED TERMS

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

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

SOG: Special Operations Group

GLOSSARY OF BUDGET RELATED TERMS

SPECIAL ASSESSMENTS: An assessment similar to a tax, but legally distinct and is separately billed, applied to property participating in a 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

GLOSSARY OF BUDGET RELATED TERMS

WESTNET: West Sound Narcotic Enforcement Team

WFOA: Washington Financial Officer's Association

WHOLE LOAN: An unsecuritized residential or commercial mortgage

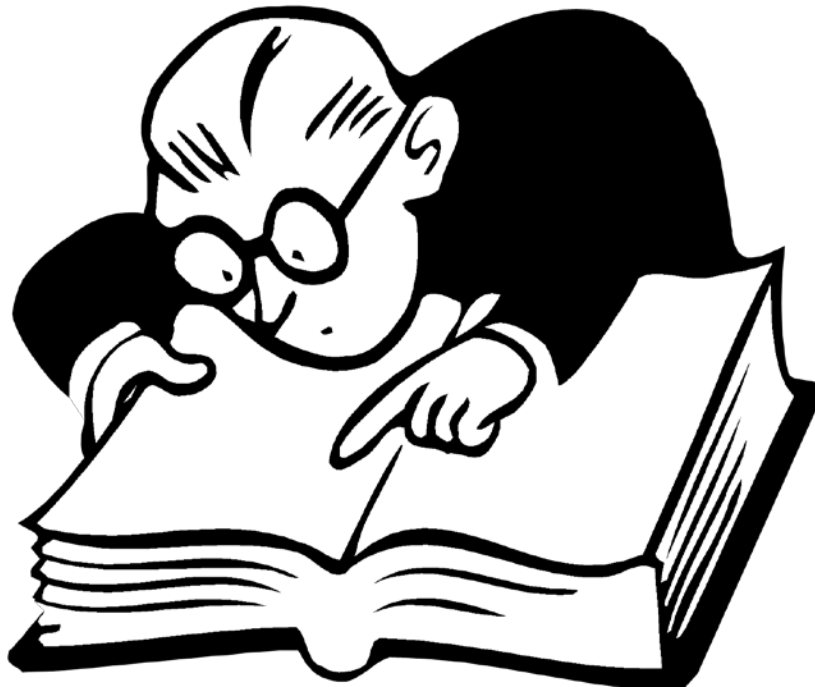
WIRS (Washington Incident Reporting System): A data system that records medic and fire incidents throughout the State for the purpose of providing compiled data

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 2019-2020 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
200 NE Moe Street
Poulsbo, WA 98370
www.cityofpoulsbo.com
(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	Abby Garland	(360) 519-4212

Department Heads

Finance	Debbie Booher, Director	(360) 394-9720
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, Director	(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	Melissa Gaines, 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	Larissa Campbell, 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