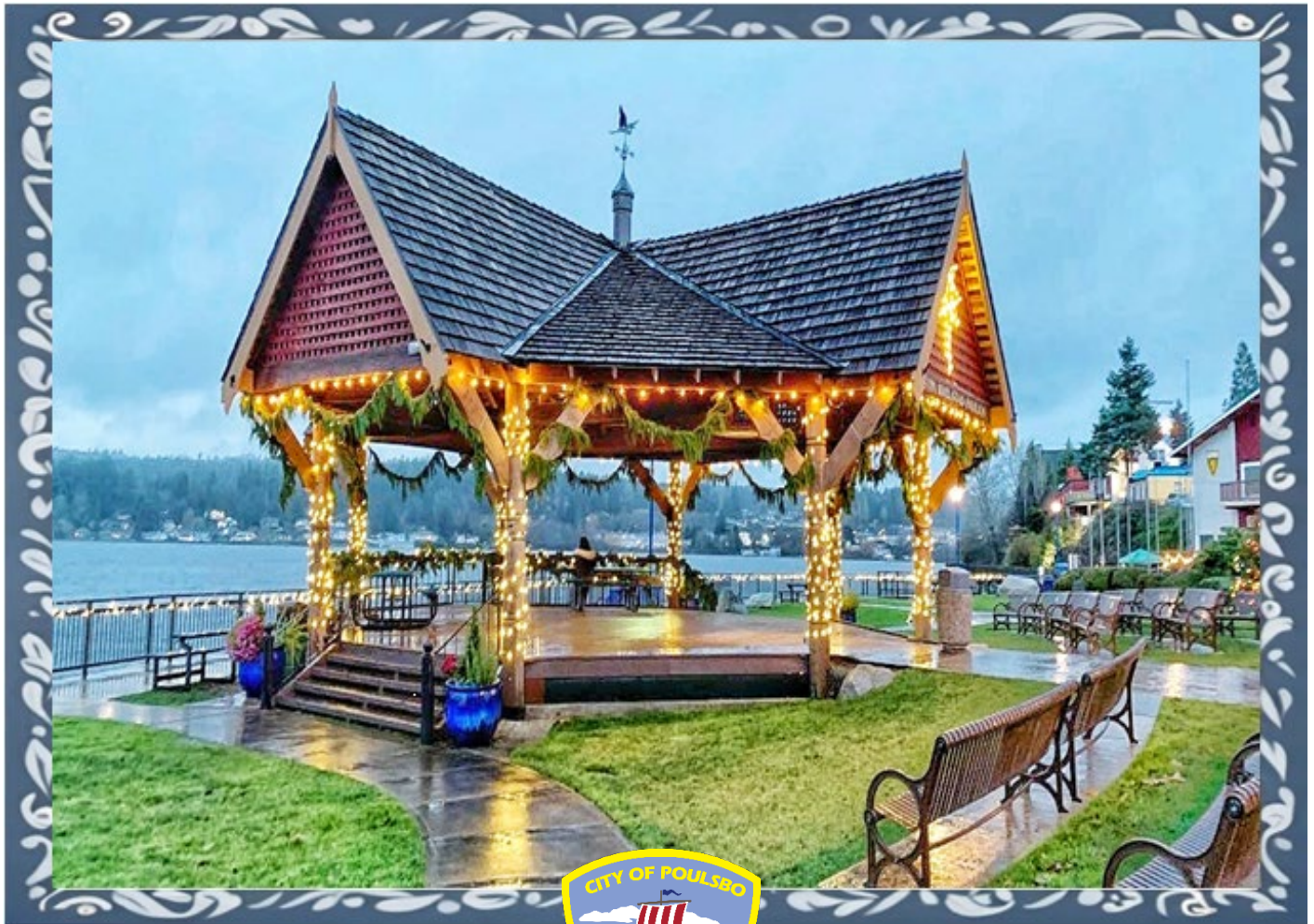


CITY OF POULSBO 2025-2026 ADOPTED BUDGET



200 Northeast Moe Street
Poulsbo, Washington 98370

Mayor

Rebecca Erickson

Council Members

Rick Eckert * Pam Crowe * Britt Livdahl
Doug Newell * Ed Stern * Doug Taber* Gary McVey

CITY OF POULSBO

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.

CITY OF POULSBO, WASHINGTON
200 NE Moe Street
Poulsbo, Washington 98370
360-779-3901
www.cityofpoulsbo.com

FINAL 2025-2026 BUDGET

For Fiscal Year January 1, 2025 to December 31, 2026

Adopted by
Poulsbo City Council
December 18, 2024

Ordinance No. 2024-19

Document prepared by:
Deborah Booher, Assistant City Administrator
Larissa Campbell, Senior Accountant



CITY OF POULSBO OFFICIALS

MAYOR

Rebecca Erickson

CITY COUNCIL

Rick Eckert

Pam Crowe

Britt Livdahl

Doug Newell

Ed Stern

Doug Taber

Gary McVey

DEPARTMENT HEADS

Administrative Services Manager/City Clerk

Assistant City Administrator

Parks & Recreation Director

Planning & Economic Development Director

Housing, Health & Human Services Director

Information Technology Manager

Municipal Court

Police Chief

Human Resources Manager

Public Works Director

Rhiannon Fernandez

Deborah Booher

Jeff Ozimek

Heather Wright

Kimberly Hendrickson

Brooks Reindl

Jeff Tolman

Ron Harding

Deanna Kingery

Diane Lenius

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.

Civil Service Commission Meets: 1st Monday 3:00 PM	
Member	Term Expires
Vacant	2030
Erik Hovey	2026
Donna Jean Bruce	2028

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.

Parks & Recreation Commission Meets: 4th Monday (Every Other Month) 7:00 PM	
Member	Term Expires
Stefan Keel	2025
Vacant	2025
JoAnn Schlachter	2026
Kelly Michaels	2024
Justin Johnson	2025
Mari Gregg	2024
Mary Swoboda-Groh	2026
Amy Zinkhon	2026

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.

Planning Commission Meets: 2nd & 4th Tuesdays 6:00PM	
Member	Term Expires
Raymond Taylor	2025
David Strickton	2026
Kate Nunes	2027
David Strickton	2026
Ray Stevens (Chair)	2028
Mark Kipps	2028
Vacant	2030

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.

Tree Board Meets: 2nd Monday 7:00 PM	
Member	Term Expires
John Martin	2027
Jeff Philip	2025
Gayle Larson	2025
Maxwell Gordinier	2028
Vacant	2025
Vacant	2026
Vacant	2027

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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 2023 and 2024. 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 eleven major sections:

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

Section 1 – INTRODUCTION:

The *Mayor's Transmittal Message* pages 1 to 15 should be read first. It provides an overview of accomplishments for budget cycle 2021-2022 and policy decisions made during the budget preparation process that influenced the 2023-2024 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

HOW TO USE THIS BUDGET DOCUMENT

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.

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 accounts 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 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 2023-2024 budget process, each Department was held to its 2022 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 2022 program bottom line. They are:

- Baseline Adjustment Request (BAR)
- New Program Request (NPR)

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 costs, 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 a 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: the Final Budget Ordinance; employee salary, wage, and benefit information; the Salary and Wage Resolution; Ordinance setting the 2023 Tax Rate; and Financial Policies.

HOW TO USE THIS BUDGET DOCUMENT

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 Assistant City Administrator, 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 Biennium Beginning

January 01, 2023

Christopher P. Morill

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, 2023.

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
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, 2024

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

"Often when you think you're at the end of something you're at the beginning of something else." Fred Rogers

I am proud to present the City of Poulsbo's (City) 2025-2026 Biennial Budget. The City staff, the Council, and I through thoughtful planning required for a biennial budget are excited to present another two-year plan for the City's operating and capital expectations. In the words of Mr. Rogers, I am at the end of my working career and will begin to live life as a retired citizen. It is my intention to retire from the City at the end of 2025. My hope has always been to leave the City in a better place than when I first was allowed to serve the citizens of Poulsbo. Upon reflection, I believe with the help of citizens, City Council and staff I have been able to accomplish this goal and will leave the City with the enhanced programs and services we have grown over the past 14 years. We have built a budget utilizing new revenue streams to support and enhance the services offered by the City. 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 resources for a safe, thriving, and desirable community. Balancing a budget is a tough task and it is through teamwork and perseverance we are presenting a balanced budget.

The 2025-2026 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 2025-2026 Biennial Budget is submitted in accordance with the Revised Code of Washington (RCW) and the Poulsbo Municipal Code (PMC).

2024 was a year of growing our revenues and programs to better serve our citizens. The council committee structure was eliminated and replaced with a council workshop format allowing the council as a whole to participate in expanded conversations and offer materials for a more engaged community. 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 2025-2026 Biennial Budget has been prepared conservatively, but with the intention of enhancing revenue sources, utilizing grant funds for continuity of services, conservative spending, and using reserves to promote the City Council's goal of providing increased governmental

services. While capital project funding continues to be partially funded with grants, it is anticipated there will be upcoming debt issues in the next two years to fund transportation, utility, park and new operational facilities projects. Due to conservatism and proactive planning including diversification of revenues by City Council, I feel Poulsbo will be successful in maintaining and improving service levels while maintaining fund balances that are consistent with the City's Financial Management Policy.

2023-2024 IN REVIEW

The years 2023 and 2024 saw the end of the effects from the pandemic. Treasury funds were fully utilized to support on-going services. The housing market continued to be strong and not felt the reduction many of our neighboring cities are experiencing. Poulsbo continues to be conservative in revenue projections and has experienced minimal declines.

The City's population continued to grow. The population estimate for 2024 is 13,010 people, which is an increase of almost 12% or 612 people over the prior year.

The City implemented two additions to the sales tax rate in the City. These increases were allowed to be councilmanic but do come with legal spending restrictions. The first increase (.1%) was for the Transportation Benefit District. The funds are restricted to transportation needs. Half of the revenue has been directed towards street maintenance and operations. The other half has been designated for repairs of neighborhood streets which are not eligible for future grant funding.

The second increase (.1%) is for affordable housing needs. At least 60% of the funds must be utilized towards serving the housing needs for incomes at or below 60% of the county median. The City is building a multiple housing structure, Nordic Cottages, on a piece of vacant land owned by the City for qualifying seniors and those with disabilities meeting the income criteria. The units will be completed in 2025 and managed by Kitsap County Housing Authority. The tax revenue will provide funding for the future debt payments of the structure.

A portion of the funds may be utilized to support behavioral health programs. The City is planning to use some of the funds to support these programs. The City has been the recipient of several grants to operate a recovery center providing resources to those suffering from behavioral health issues and direct them to resources which will assist with their needs. The City will utilize these funds to supplement some of the costs not covered by the grants and provide continuity of the program when the grant funds have ended.

Sales tax revenue has increased over the past several years but is beginning to stabilize in 2024. Poulsbo has worked hard to diversify their revenue streams and not be dependent on a particular industry. The City recognized actual amounts collected for sales tax and real estate excise tax (REET) revenues higher than anticipated and what was received in prior years.

The City adopted a new Business and Occupation (B&O) tax which was implemented mid-2024. The City Council passed the tax to develop new revenue which will enhance City services. With my anticipated retirement, the City hired a City Administrator starting in January 2025. This will allow an administrator to handle day to day management of the City's' departments and services and allow the Mayor be a part-time position serving local board positions and being an advocate

for the City within the county and state.

Three speed/traffic enforcement cameras are planned for the City. One speed control camera was completed at the end of 2024 with two remaining cameras to go live in 2025. The revenue generated from the infractions will support the cost of the program and an additional Judicial Specialist to support the increased workload in municipal court generated from the cameras. The intent of the cameras is to create vehicle and pedestrian safety.

In 2024 the City amended the Poulsbo Municipal Code allowing a maximum of two retail operations for cannabis with a valid state license to open within two distinct areas of the City. The allowance will give the City the ability to collect a share of the state revenue generated for licensing and collect retail and B&O tax on the business. One new store on Viking Avenue opened for business at the end of 2024.

The City has an aggressive capital plan in hopes of targeting grant funding, which would then require prioritization with staffing and financial resources. The City received multiple grants allowing several transportation and parks project to commence. An accessible playground was constructed in RAAB Park. This project was a priority for the community and grant funding providing options for all to enjoy in one of our busiest parks.

I am excited to move forward with Morrow Manor Park. This new passive park will be built around the natural landscape including benches and playground equipment. Much of the project is funded through grants and should be completed in 2025.

The City entered an agreement with Kitsap Facilities District (KFD) to share in funding the first phase of a new recreational event center. The first phase includes two new tournament ball fields which can support football, soccer and lacrosse, an outdoor basketball court, pickleball courts, walking path, splash pad and structure which will house restrooms and a concession stand. Design is set to be completed in 2025 with construction beginning in 2025. The city will issue debt for the project and the KFD will support a portion of the future debt payment.

Development revenues continued to be stronger than original projections. Several housing developments are under construction as well as increases to the commercial businesses.

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. Site work began in 2024.

Construction was completed for a new apartment building at the old City Hall site, located in the historic downtown section of the City. The building opened 100% occupied.

The City was the recipient of several grants supporting behavioral health programs. Many of the funds were directed to opening a Recovery Resource Center providing a space for contracted providers to meet with customers and a place for citizens to visit and be provided direction to services.



BUDGET DEVELOPMENT

Citizen participation is a key factor for successful government leadership. Educating and informing via this budget document demonstrates our commitment to a partnership with the citizens of Poulsbo. The underlying mission of the City budget is to assist decision makers in making informed choices while 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 the 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 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 2025-2026 Biennial Budget was developed with the following basic goals in mind:

- Establishing a plan of policy and operations
- Facilitating the evaluation of City programs
- Providing management information
- Establishing financial control

To accomplish these goals, it is imperative that 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 2025-2026, but long-range plans to provide quality municipal services to the citizens of Poulsbo. The budget has been prepared based on policy, approved goals, and direction given by the City Council. The Management Team and I utilized these directives when preparing their 2025-2026 submissions.



2025-2026 BUDGET DIRECTIVES

Property Tax Revenue Distribution

The City's property tax levy rate is less than our maximum allowable rate of \$1.60, however it does reflect the legal maximum 1% above the highest allowable levy. If the Implicit Price Deflator (IPD) is less than 1% a substantial needs resolution must be approved by the City Council of only the lesser percentage of the IPD. The IPD for 2024 exceeds 1% not requiring a resolution. The City is levying the full 1% and adding the new amounts allowed for new construction, which generates an approximate rate of \$1.01 per 1000 of assessed valuation. This creates an estimated revenue of approximately \$3.2 million in revenue.

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 been historically conservative in its estimation – rarely estimating more sales tax

revenue than received the previous year. The revenue had grown in 2023 and started to flatten with a small amount of growth in 2024. The 2025 and 2026 estimates are \$5.6 and \$5.7 million. This is slightly higher than what was collected in 2024 recognizing there were new retail businesses opened in Poulsbo mid-2024.

Sales tax is recorded in the General Fund providing for the various governmental departments and services. Criminal Justice Sales Tax funds are received from 0.1% sales tax collected by Kitsap County. The County keeps 90% of these tax funds and distributes the remaining 10% back to cities located within Kitsap County, based on population. 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 2022. The remaining funds will support the Police Department's operating budget in General Fund.



Other Budget Directives

The City approaches the budget from a conservative stance. Transfers are made from the General Fund building funds for capital governmental projects and equipment as well as funds for several debt payments made from the Debt Service Funds. The General Fund budget was balanced with a planned use of reserves to not only maintain but enhance services. The fund balance has grown to a healthy level which is why the Council, and I felt it important to use reserves to enhance services with the goal of revenues growing to support the ongoing functions. Three new police officers and a new Engineer were added to support our growing population and new commercial development in the City. This is a planned strategy as the reserves have continued to grow due to increased revenues and expenditures less than projected over several years. It is the goal of the Council to use the reserves and enhance programs for the citizens. Utilization of use of reserves is at a level that the City continues to maintain fund balances consistent with the City's Financial Management Policy of 12%. The City will evaluate 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 or additional services as well as review projects and reprioritize funding for capital replacement. The labor agreements with the Teamsters group covering Public Works and administrative staff and Police Officer's Association were completed in 2024 and figures from these agreements have been implemented in the budget.

All departments were directed to submit the 2025-2026 budgets with a slight increase for operations and allocations to cover all contractual obligations. This is the first time the City has increased operating budgets without targeted requests. The intention is to recognize the significant increase in cost of regular functions. Supplies, travel, training and tools necessary to accomplish the primary functions of departments have increased consistent with the rising cost of goods the current economy. 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

Funding requests will be evaluated by the Mayor with preliminary recommendations. The City Council will then review the requests and established what is to be funded. The new funding will be implemented into the adopted budget. The details can be reviewed in Sections for Baseline Adjustment Requests/New Program Requests.

STATE INITIATIVES – BUDGET IMPLICATIONS

The State operates on a biennial budget set to begin their fiscal year of July 1, 2025. The state may affect the City's shared revenues, but the City will not know the implications of this change until the State passes their budget. The State's budget is anticipated to be built with revenues anticipated to be relatively flat. Pouslbo's budget has been built with anticipated funding levels remaining the same.

Cities continue to advocate for a higher maximum property tax increase. Many years ago, prior to the 1% above the highest allowable limit the increase allowed was up to 6%. The 1% increase for the City of Pouslbo equates to approximately \$30,000 which does not cover the increase in the cost of services. The Proposed for the last several sessions were to allow for a 3% increase. Although it has not passed in the past sessions, the hope is for approval in the next round of state budget initiatives.

Increased funding for public safety and behavioral health treatments continues to be a priority for requested funding. The new Recovery Center in Pouslbo is primarily funded by grant funds which may impact the continued operation if grant funds are not allocated. There are several measures being proposed at the state level to support police operations and support training and retention programs to provide policing for a safe community.

A proposal for new indigent defense standards is being proposed. This would triple the number of public defenders needed statewide. This would significantly increase the cost of providing the services to our citizens. The proposal consists of an implementation plan through 2027 which will continue to reduce the number of allowed cases per attorney. Public defense is fully funded by local governments. Lobbyists are continuing to work on addressing and minimizing the impact.

New rules for Financial Data Transparency Act meaning information provided to the Municipal Securities Rulemaking Boards system related to bond offerings will need to comply with the updated data format. This will change the method the City of Pouslbo annually submits information and will result in additional cost and time necessary for compliance.

Federal regulations and directives put in place in 2025 most likely will result in reduction of funds being passed down by the state through grant options. Most of the City grants are not federal, but we do realize future funding for capital projects may

2025-2026 BUDGET SUMMARY

The 2025-2026 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 ensure 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.

With a full year history of new taxes imposed in 2023 and 2024 the revenue projections for 2025 and 2026 have been updated to be consistent with the amounts collected. The new B&O tax was in effect for only half of 2024, so estimates are conservative with the intention of monitoring and updating if necessary, based on actual activity. Other neighboring City's revenue trends of the tax were used as tool for estimated as well as utilizing City of Poulsbo's sales tax revenue.

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 City is in the process of updating all of the functional plans with intended rate increases. The functional plans adoption will tie in with the Comprehensive Plan update.

The 2025-2026 Biennial Budget for the City totals \$127 million, allocating \$71 million to 2025 and \$56 million to 2026. A projected fund balance of \$29 million is not included in this figure. Overall, the operating bottom line, both 2025 and 2026, was increased due to additional programs including a new City Administrator, Emergency Operations program, and new staffing in the Police and Engineering Departments to support the growing development and populations.. Other increases are due to the rising costs of providing existing services. Baseline and New Program adjustments and capital improvements are in excess of the operating budget. The Baseline and New Program requests are outlined in Section 8.

Several large capital projects are included in the budget including:

- Public Works' next phase design costs adding a shop to move the final operations to the same site.
- A large project partially funded by the Public Facilities District for an event and recreation center consisting of new fields which can entice tournaments to the area and providing more fields for the growing need of recreation programs is expected to be under construction in 2025.
- The next phase of Noll Road improvements is set to be under construction in 2025 and 2026.
- A few large sewer projects working with Kitsap County is projected to be in progress including a pipeline replacement starting at Johnson Road, pump station improvements

and a large project to update the system for hauled waste are all planned by the County with City funds required in 2025 and 2026.

- A new water tank located at Raab Park to be constructed in 2025, and a few water mains replaced over several locations.
- Storm Drain improvements to include a culvert replacement at 8th avenue is anticipated to be constructed in 2026.

The General Fund budget, providing the basic complement of municipal services, totals \$38 million in 2025-2026 with \$19 million in 2025 and \$19 million in 2026. An expected increase for 2026 is offset with grants for behavioral health programs ending in 2025. The plan is to apply for grant opportunities, which if received will be amended through the mid-year amendment process if the City is successful in receiving the grant funding.

The City employs 116 regular employees. This is an increase which began mid 2024 with increases in the Police, Engineering and Finance Departments. The 2026 reflects less fte as it is anticipated that the Mayor’s position will move to a part time position in 2026 after the next election and positions related to behavioral health have been reduced to reflect the end of grant funds. Full FTE 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 2024 and 2025-2026 budgets and budgeting formats, on a fund-type by fund-type basis, are provided below:

General Fund

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

	2026			2025			2024
	Budget	Increase/ (Decrease)	% of Variance Inc/(Dec)	Budget	Increase/ (Decrease)	% of Variance Inc/(Dec)	Budget (Final)
Revenues							
General Fund	16,441,978	(847,409)	-5.15%	17,289,387	2,230,872	12.90%	15,058,515
Special Revenue Funds	4,782,586	546,497	11.43%	4,236,089	(309,045)	-7.30%	4,545,134
Debt Service Funds	2,275,856	(267,357)	-11.75%	2,543,213	1,358,725	53.43%	1,184,488
Capital Project Funds	5,291,095	(10,244,000)	-193.61%	15,535,095	(8,590,345)	-55.30%	24,125,440
Enterprise Funds	19,176,408	(881,753)	-4.60%	20,058,161	1,415,881	7.06%	18,642,280
Totals	47,967,923	(11,694,022)	-24.38%	59,661,945	(3,893,912)	-6.53%	63,555,857

The General Fund’s baseline operating revenues (not including operating transfers or beginning fund balance) are estimated to increase an average of 9% by the end of 2026. The increase can primarily be attributed to additional tax revenue and one-time grants with several ending in 2026. An increase in the sales tax projection and a full year estimate for the new B&O tax is included. Revenue from the new traffic enforcement cameras has been included in the biennial budget. Other revenue projections for 2025-2026 remain conservative and stable to stay consistent with trends not reflecting a spike in activity.

Expenditures	2026			2025			2024
	Budget	Increase/ (Decrease)	% of Variance Inc/(Dec)	Budget	Increase/ (Decrease)	% of Variance Inc/(Dec)	Budget (Final)
General Fund	18,624,993	(739,538)	-3.97%	19,364,531	1,823,775	9.42%	17,540,756
Special Revenue Funds	4,664,667	(1,035,546)	-22.20%	5,700,213	(1,670,172)	-29.30%	7,370,385
Debt Service Funds	2,275,079	(267,986)	-11.78%	2,543,064	1,359,345	53.45%	1,183,720
Capital Project Funds	4,400,000	(10,265,421)	-233.31%	14,665,421	(9,302,273)	-63.43%	23,967,694
Enterprise Funds	26,082,427	(3,078,599)	-11.80%	29,161,026	(6,483,985)	-22.24%	35,645,011
Totals	56,047,165	(15,387,090)	-27.45%	71,434,255	(14,273,310)	-19.98%	85,707,566

The increase in General Fund in 2025 is due to additional grants for transportation planning and regular operating increases for wages benefits and contractual obligations. The decrease in 2026 is related to grants ending in 2025.

The General Fund is balanced for 2025-2026 with an anticipated use of approximately \$4 million of reserves over both years. Although the Financial Management Policy states on-going expenses are not to be funded from reserves, the Council has pro-actively chosen to utilize the reserves enhancing services with the anticipated new revenues to grow supporting these expenses. They have strategically planned the use of the growing reserves adding additional police staffing taking advantage of the talent pool in the last application process and preparing for growth of revenues or loss of staff due to future retirements. The fund balance remains within the levels established in the Financial Management Policy. The City Council continues to closely monitor balances and will adjust as necessary.

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 transfers from REET and Impact Fees in 2024 for construction of Noll Road a large construction project managed by the City with grant funds flowing through the City. Revenue and expenditure have grown in 2024 and will continue into 2025 and 2026 with the new revenue streams for Transportation Benefit District and affordable housing.

The TBD funds will be used for neighborhood street projects and maintenance and affordable housing will be utilized for a future debt payment of the new structure being built in 2025.

Other expenses are related to transfer of impact fees for projects as planned on the update CIP including Noll Road, 3rd Avenue, Nordic Cottages, Poulsbo Event and Recreation Center (PERC).

Debt Service Funds

These funds provide budget capacity for the principal and interest payments scheduled to be paid during 2025-2026. The debt of the City consists of:

- Non-Voted General Obligation (GO) Debt - debt is for:
 - 2012 debt issue for the City Hall project
 - 2005 and 2009 were refunded with advance refunding for 2009, which has

created a 2015 issue

- Participation with the State LOCAL program for debt issued for the purchase of ten new vehicles including nine police vehicles
- Debt was issued in 2021 for the construction of Noll Road, purchase of a new parcel of land for the Public Works facility and the related improvements.
- Future debt issues planned in 2025 and 2026 are for Nordic Cottages, PERC and the next phase of Noll Road.

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 resources. 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 2025-2026 is included in the appropriate capital project funds. The complete City Improvement Plan (CIP) can be found in Section 9 of this document.

1. **Muriel Iverson Williams Waterfront Park:**

Improvements to the picnic area are planned, in order to make the space more welcoming. Updates and expansion to spaces to eat are expected.

2. **Poulsbo Event and Recreation Center:**

Funding from the Kitsap County Public Facilities District (KPF) will provide funding backing debt payments to construct ball fields and structure by the College Market Place. The cost of the project is projected to be approximately \$13 million, for which the City will issue the debt.



3. **Improvements to the Waterfront Boardwalk:** The waterfront boardwalk continues to be a desirable destination for those walking the shoreline of Poulsbo. The aging boardwalk needs substantial capital improvements to provide safety and longevity.

4. **Acquisition of New Park Land:** Allocated in the CIP is the intention of providing funds to purchase park land expanding the PERC for future development and adding a walking/viewing park in the west side of the City.

5. **Noll Road Improvements Phase IV:** Construction of the next phase of Noll Road to complete the multi-phased project will begin in 2024 and continue through 2025 and 2026. Much of the project is grant funded and supported by impact fees and a new debt issue.

6. **Neighborhood Street 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. New TBD funds will support the ongoing program.

7. **ADA Curb Ramp Upgrades:** A grant has been secured to make ADA improvements to sidewalks around the City for the safety of pedestrians.
8. **Front Street: Design** for improvements downtown Front Street including upgrades to the infrastructure for utilities.

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.

The significant changes in the City's 2025-2026 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 2025-2026 include:

1. **Raab Park Tank:** A new water tank is being constructed in Raab park which will include a new location and re-constructing the restrooms in a new location to provide room for the new tank.
2. **Caldart Main Replacement:** A larger water main will be replaced along Caldart Avenue
3. **Kitsap County Improvements:** The County has developed their capital improvement plan for the sewage plant. All of Poulsbo's sewer is processed through the Brownsville County plant, which means the City must share in these improvements due to their ownership of the capacity allocated to the City. Improvements planned in 2025 and 2026. Improvements include:
 - a. Johnson Way to Norum Pipeline Replacement
 - b. Pump Station 24 Emergency Upgrade
 - c. Solid Facilities and Haul Upgrades
 - d. SCADA System Upgrades
4. **SR305 Force Main:** Construction of an upgraded forcemain along SR305 to be designed in 2025 and constructed in 2026. The project will be funding from reserves and a new debt issue.
5. **8th Avenue Culvert Replacement:** The City will be replacing a culvert to make improvement for storm water run off and provide a safe passage for the stream and spawning salmon. Construction is anticipated to occur in 2026

SUMMARY

The overall financial condition of the City is healthy and as of the start of 2025, City revenues are diversified not depending on one revenue source. Although solid, resources still demand 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. The City has been proactive in establishing new revenue streams to support these enhanced services. The staff remains diligent in pursuing grants for, social and environmental programs, and improvements to the City's infrastructure.

The good news is the use of reserves has been planned and targeted for use while maintaining strong reserve balances consistent with the Financial Management Policies and allowances for unanticipated future events. The City continues to provide its high-level of services for 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 City will regularly monitor and amend the plan for any unanticipated items which could affect the fiscal sustainability of the City. A mid-biennium amendment process will occur mid 2025 which involves a public process allowing citizens to be actively involved in the budget development. The City Council and I pride ourselves in monitoring and proactively staying involved to maintain fiscal responsibility for our citizens.

The 2025-2026 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 successfully maintained strong policies and reserve balances. We will continue to look for cost savings, grant opportunities, and sharing of local resources to minimize the impacts to citizens while continuing to provide optimum customer service.

With the help of the 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 possible growth, instead we have focused on the changing times and moving the City forward while accomplishing multiple progressive programs and projects for 2025-2026. The goals and objectives 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 2025-2026. 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, expanding 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 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 biennial document is located electronically on the City website. As always, 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 the 2025-2026 Biennial Budget document. It has been a privilege to serve the City for more than 14 years. I am proud of the many accomplishments made throughout this time. I feel very successful in leaving the City in a better financial position and an increase in services offered. Through my participation and hard work on local boards and serving as president of the Puget Sound Regional Council was able to obtain funding for several transportation projects necessary for growth in Kitsap County. We were able to succeed through a pandemic, major transportation and park projects, new City buildings enhancing accessibility for our citizens and offer support to our struggling community members. I believe the City is progressing and growing in a thoughtful and planned direction. I will continue to work on economic development, providing stability and services for a desirable community. 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



Mayor Erickson with the Vikings



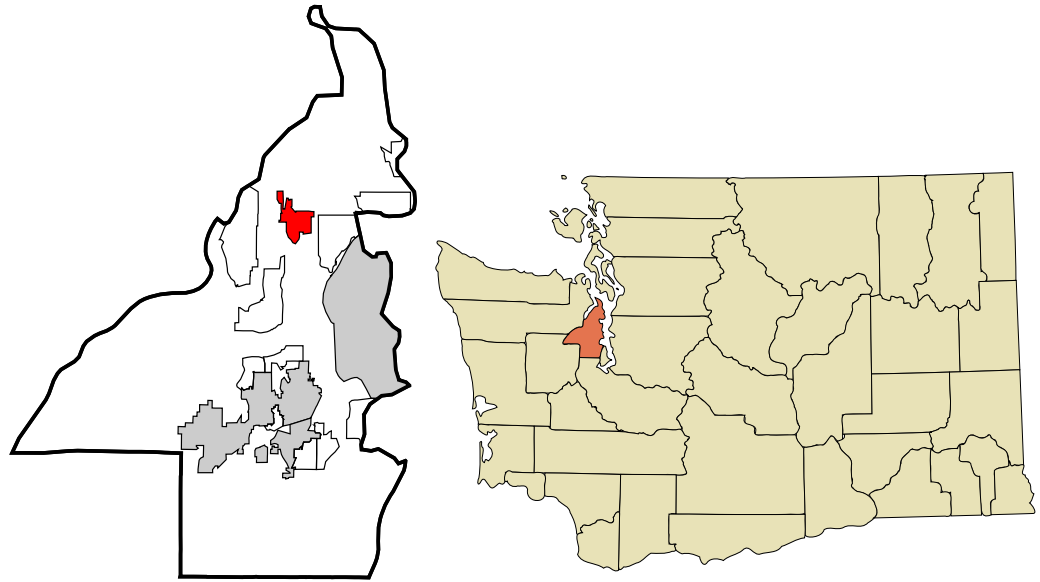
Viking Boat on Liberty Bay



Spring Daffodil blooms

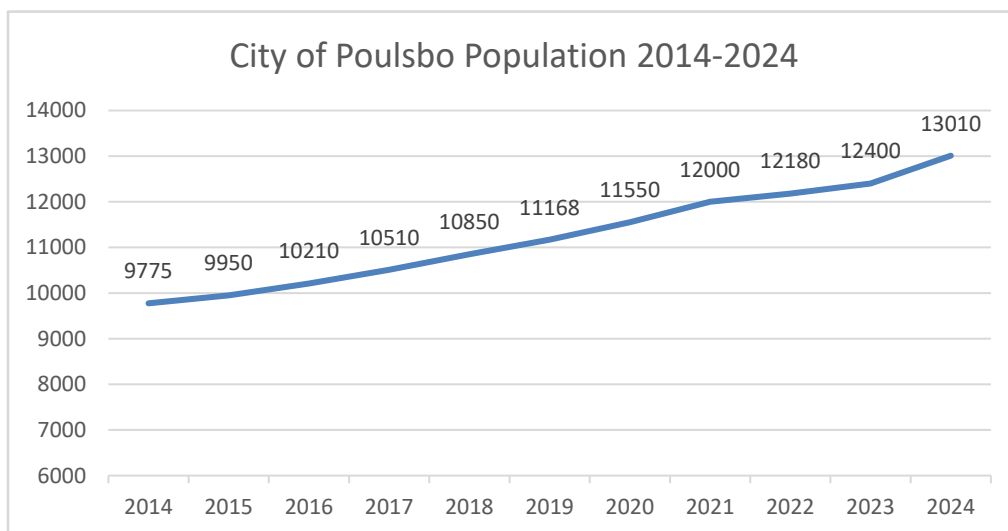
CITY OF POULSBO PROFILE

Poulsbo, Washington, nestled on the scenic Kitsap Peninsula, has a rich history rooted in its Norwegian heritage. The city's story dates to the late 19th century when a group of Norwegian immigrants, primarily from the Midwest, sought a new home in the Pacific Northwest. Poulsbo was officially incorporated in 1907, and its early economy revolved around the timber and fishing industries. The town's Norwegian influence is evident in its architecture, with charming Scandinavian-style buildings and a vibrant arts scene that celebrates Nordic culture. Today, Poulsbo is a popular tourist destination known for its picturesque waterfront, boutique shops, and delicious Scandinavian bakeries. Its history and cultural legacy are proudly preserved in events like the annual Viking Fest, showcasing the city's deep connection to its Norwegian roots. Holding to its Scandinavian heritage has earned the City the nickname "Little Norway" and visits from two Norwegian Kings.



Three military facilities are located within Kitsap County: Bremerton's Puget Sound Naval Shipyard, Naval Submarine Base Bangor, and Keyport's Naval Undersea Warfare Center. Consolidated in 2004 as Naval Base Kitsap, it is the largest naval installation in the Northwest. With a population of 13,010, many of Poulsbo's residents are employed at one of the federal bases or commutes to metropolitan Seattle by ferry.

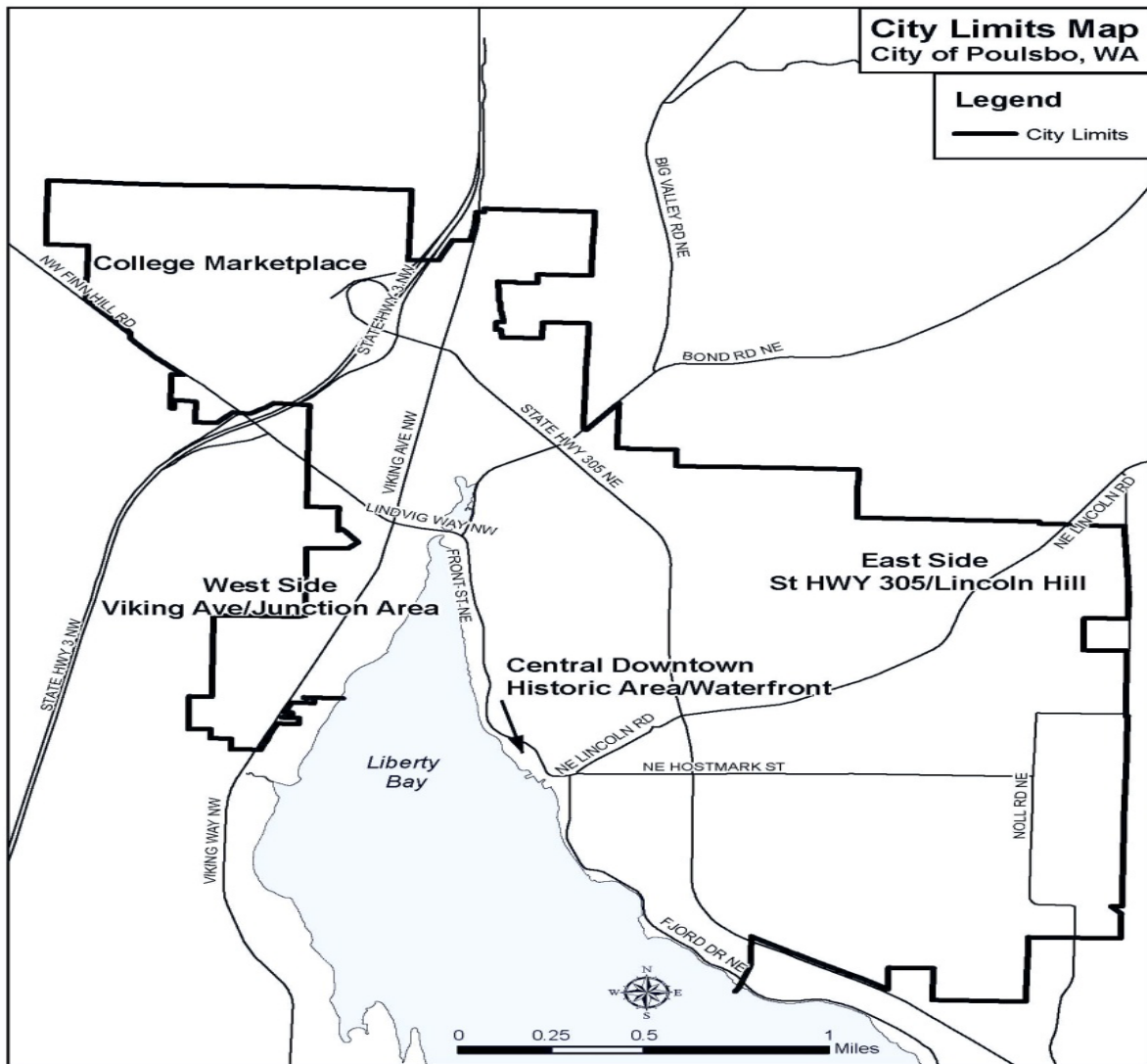
Poulsbo and the surrounding area have seen a boom in development as more people deem the City a great place to live and work. The City acknowledges its responsibility to respond to growth and has adopted development regulations to protect the environment and quality of life. The City continues to review 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. 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)

Located at the heart of Poulsbo, this area serves as the quintessential representation of the city. The downtown district has artfully preserved its historical charm, with many original structures having undergone meticulous renovations. Enhancing its appeal, a picturesque waterfront parkway and boardwalk beckon tourists to explore, shop, and relish an afternoon or an entire weekend. Within this vibrant commercial hub, the "Historic Downtown Poulsbo Association" (HDPA), a thriving business improvement consortium, plays a pivotal role. Assessments levied on businesses within the HDPA's jurisdiction are included in the city's budget, with administration overseen by the city but guided by HDPA. These funds are dedicated to the continued improvement and promotion of the downtown area, which is evident through features like large flowerpots, hanging baskets, vibrant blue metal benches, ornate light standards, and festive banners adorning the streets. HDPA also collaborates with various organizations to orchestrate and support events that invigorate the downtown district.



Poulsbo's Downtown Front Street

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

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

A myriad of parks are conveniently located within walking distance of the downtown area, particularly catering to those arriving by boat. Notable among these are Muriel Iverson Williams (MIW) Park; nestled adjacent to the Port of Poulsbo, American Legion Park, Net Shed Park, Lions Park, and Oyster Plant Park. The MIW Waterfront Park is graced by charming sidewalks encircling a gazebo, serves as a versatile venue for both private gatherings and community events. Recent enhancements have further elevated its appeal, featuring newly installed benches surrounding the gazebo, improved pedestrian pathways, ADA-compliant access to the gazebo, and the replacement of a heavily frequented public restroom with a prefabricated building. These inviting sidewalks seamlessly link to a picturesque waterfront boardwalk connecting to American Legion Park. This tranquil oasis grants access to the beach set against a scenic concrete shoreline wall adorned with decorative waves and "Welcome to Poulsbo" emblem, extending a warm invitation to visiting boaters at the Port of Poulsbo's marina. Meanwhile, American Legion Park beckons with wooded paths, a quaint playground ensconced in lush, wooded surroundings, all offering a serene overlook of Liberty Bay. Lions Park, on the other hand, presents a well-equipped playground, tennis court, ADA-compliant walkways, and a restroom facility adorned with hand-painted tiles, meticulously crafted by residents through a community fundraising initiative. Oyster Plant Park, a charming waterfront gem, boasts an awe-inspiring view of the Olympic Mountains, along with convenient water access, a scenic water-viewing pier, a tranquil trail to the beach, and a launching ramp tailored for hand-carried boats. Net Shed Park, a slender strip of land serenely nestled by the water's edge, provides a welcoming ambiance with a couple of picnic tables where visitors can savor panoramic views of the water and the majestic mountains beyond.

Located at the east-end of historic downtown is the SEA Discovery Center/Poulsbo Aquarium. In 2018, the City turned over the building to Western Washington University (WWU) with an agreement to continue operation of a marine science program and provide a 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 on 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 Historic Downtown area continues to attract new growth. Construction began in 2024 on the Vanaheimr apartments, a mixed use, residential and retail complex on the site of the former Poulsbo Police Station. The Vanaheimr Apartments will add 25 new units of housing to the Historic Downtown district in 2025.

Across the street from the Vanaheimr Apartments, is the re-imagined Eliason Square building. The building will add 5 units of housing and a variety of retail spaces. Eliason Square is anticipated to be completed in 2025.



Artist’s Rendering of Eliason Square

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 with the convenience of being within walking distance of 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 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 state of the art meeting rooms.



Current Poulsbo City Hall

The Poulsbo Historical Society displays 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. The Sophie Apartments have been built in its place which opened with 100% occupancy. The building is zoned with the potential to open retail businesses in the lower level.



The Sophie Apartments during Viking Fest

WEST SIDE – Junction Area/Viking Ave Corridor



Viking Statue

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

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

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

Viking 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 it 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. In 2024 the City Council approved two zones to allow up to two cannabis retail locations within City limits. The first location opened on Viking Avenue in 2024.



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 walkways and is a true fish enhancement allowing a viewing platforms 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. Many 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. Donations have been matched with grants providing for the continued growth and development of the park. 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. In 2020, due to grant funds, the City was able to increase the walking trails and boardwalks. The improvements included a new parking lot and additional park access.



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 2018. One consists of 18 townhomes, known as Vikings Landing, the other consists of 128 single family homes, known as Summerset. The hope is these developments will help to address the lack of housing availability the entire region continues to experience.

Kitsap Transit operates a Transit Center on the north end of Viking Way. 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.

Several new apartment complexes were constructed on North Viking, supporting the struggle to find housing. These complexes have maintained 100% occupancy.



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 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.

The Housing Health and Human Services Department operates the North Kitsap Recovery Resource Center serving people seeking support for substances, mental health concerns, and homelessness. The Recovery Resource Center operates a café that will become part of the Recovery Café Network in mid-2025. When it does, it will be the first city-run Recovery Café in the nation.

Poulsbo is the home of several large grocery store options including Town & Country (formerly Central Market); deemed a destination market boasting local produce and many fast gourmet dining options. In 2024, Town & Country Market unveiled a full remodel including the addition of Field House Restaurant.



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 acquisition of the Safeway brand. The City Council continues to assist with marketing this location to find a suitable and economical solution. There are several fast-food options located along the corridor as well as a gas station with a mini market.

Vibe is a shared co-working facility that 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 made 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 will continue through the 2025-2026 budget cycle. Oslo Bay Apartments are now under construction on Highway 305 between Viking Avenue and Bond Road. Oslo bay is the largest residential construction project currently underway in the City of Poulsbo encompassing 56 acres. There will be a total of 468 apartments, including 244 one-bedroom units, 208 two-bedroom units, and 16 three bedroom units.



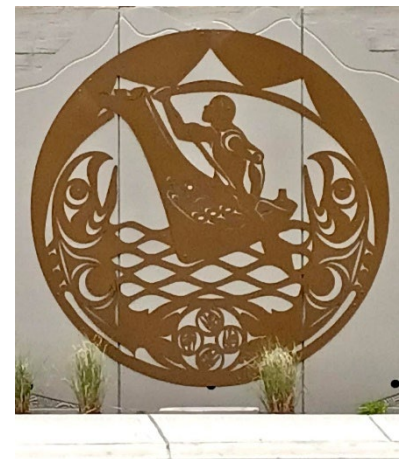
Oslo Bay Apartments Site Plan



Lincoln and Noll Road Roundabout

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.

The next phase of the project was completed in 2023, including improvements (roundabout) at the new intersection in the vicinity of Johnson Road and intersection traffic control at the Noll Road intersection. The roundabout displays beautiful art pieces designed to show the collaboration and unity between the Suquamish Tribe and City. A pedestrian tunnel was constructed allowing safe pedestrian and bicycle traffic to cross the busy highway. The project addressed 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 included 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. The next phase of the project at the North end will begin construction in 2025.



Artwork for the Noll Road Roundabout

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. A community effort is underway to build an inclusive playground next to the original playground. The Raab Park Play-for-All project broke ground in 2024 and will enhance the playground with equipment made to be accessible for all emphasizing access to those challenged with disabilities. The project was primarily funded with grants and local donation.



New Housing on Noll Rd

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. The City is utilizing a piece of land donated by the developments for a new park referred to as Morrow Manor Park. Development will occur in 2025 and will host a piece of art bringing awareness to those who have suffered abuse.

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 College is located within the development offering several options for continued education. The Olympic 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 College then transfer to partner programs offered locally, all without having to leave Kitsap County. The college is growing in popularity and attendance and expansion effort are beginning in 2025.

Olympic College is growing its partnership with Virginia Mason Franciscan Health which will expand health care education in Poulsbo, and Kitsap County. This partnership will bring a building expansion to add 40,000 square feet of space for the health sciences and primary health clinic. This partnership will be an integral part of filling the great need for health care professionals in Kitsap County.

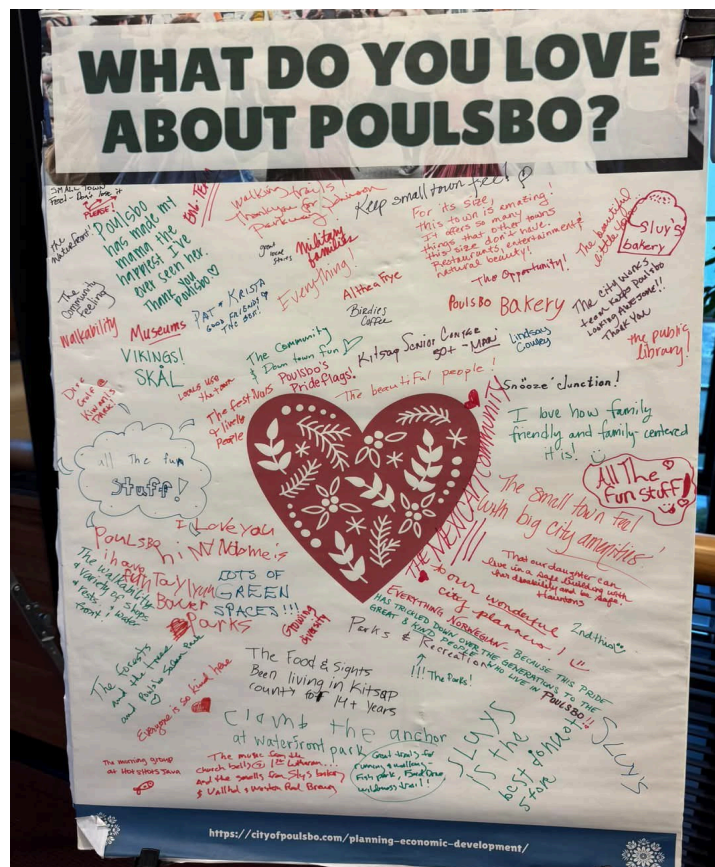


Several large anchor stores: Wal-Mart, Home Depot, Petco, Office Max, and Big 5 are located within this development. Adjacent to these stores are smaller strip malls housing several businesses including newly the opened Chipotle, Jack-in-the-Box, Wendy's, Taco Bell, a drive-through Starbucks, and an 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, are great enhancements 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. College Market Place continues to be a huge investment of private dollars into the community and augments Poulsbo's strong Retail Sales Tax base.

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.

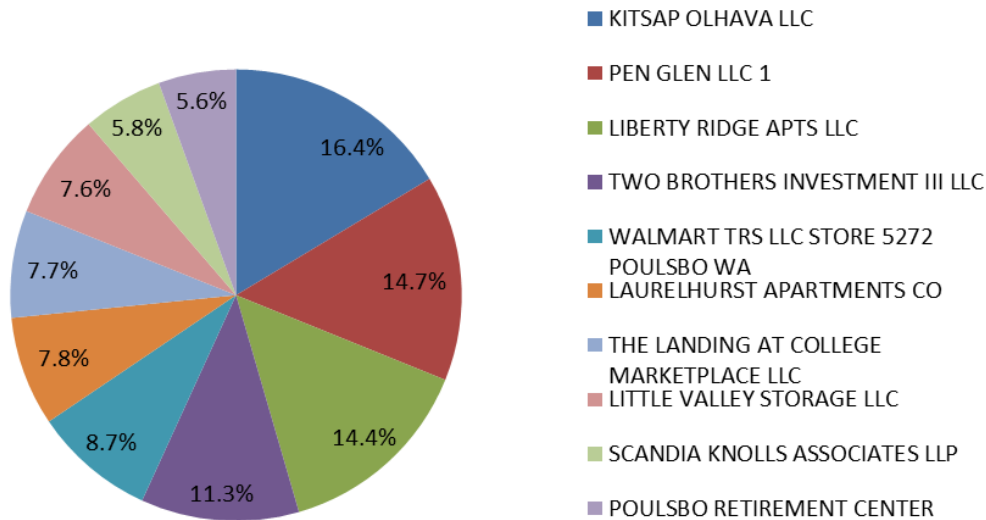


CITY PRINCIPAL TAXPAYERS

Taxpayer	2024		
	Assessed Valuation	Rank	% of Total Assessed Valuation
KITSAP OLHAVA LLC	45,400,850	1	1.56%
PEN GLEN LLC 1	40,842,320	2	1.40%
LIBERTY RIDGE APTS LLC	39,838,750	3	1.37%
TWO BROTHERS INVESTMENT III L	31,405,670	4	1.08%
WALMART TRS LLC STORE 5272 PC	24,163,160	5	0.83%
LAURELHURST APARTMENTS CO	21,729,820	6	0.75%
THE LANDING AT COLLEGE MARKE	21,282,650	7	0.73%
LITTLE VALLEY STORAGE LLC	21,074,030	8	0.72%
SCANDIA KNOLLS ASSOCIATES LLF	15,984,710	9	0.55%
POULSBO RETIREMENT CENTER	15,385,380	10	0.53%
Totals:	\$ 277,107,340		9.53%

Source: Kitsap County Assessor's Office

Assessed Value of Top Ten 2023 Taxpayers



CITY PRINCIPAL EMPLOYERS

<u>Taxpayer</u>	<u>Type of Business</u>	<u>TOTAL EMPLOYEES ¹</u>	<u>Rank</u>	<u>% of Total City Employment</u>
North Kitsap School District	Public Education	857	1	10.88%
Martha & Mary Health Services	Social Services	372	2	4.72%
Walmart ¹	Retail Trade	325	3	4.13%
Town & Country Market ¹	Retail Trade	233	4	2.96%
Watson Furniture Group	Manufacturing	225	5	2.86%
Gateway Fellowship & School/Christ Memorial Childrens Learning Center	Religious & Private Education	197	6	2.50%
Safeway/Albertsons	Retail Trade	170	7	2.16%
Home Depot	Retail Trade	125	8	1.59%
City of Poulsbo ¹	Municipal Government	107	9	1.36%
Liberty Shores / Harbor House	Healthcare	105	10	1.33%
Marine View Beverage	Distribution	-	-	0.00%
Subtotal of Ten Largest Employers		2,716		34.49%
All Other Employers		<u>5,159</u>		<u>65.51%</u>
Total Poulsbo Employment		<u>7,875</u>		<u>100.00%</u>

¹ Full and part-time employees are tracked

Source: Washington State Employment Security Department
 City of Poulsbo Finance Department
 Kitsap Economic Development Alliance
 Town & Country Market
 Liberty Shores/Harbor House
 North Kitsap School District
 Poulsbo Safeway
 US Census Bureau

CITY OF POULSBO DEMOGRAPHIC STATISTICS

<i>Demographic</i>	<i>Census Year</i>	<i>Value</i>
Persons under 5 years	2020	6.5%
Persons under 18 years	2020	19.1%
Persons 65 years and over	2020	20.3%
High School Graduates, % of age 25+	2020	95.1%
Bachelor's Degree or higher, % of age 25+	2020	48.2%
Median Value of Owner-occupied Housing	2020	\$ 574,900
Persons per Household	2020	2.29
Per Capita Income	2020	\$ 50,366
Median Household Income	2020	\$ 95,774
Median Gross Rent	2020	\$ 1,767

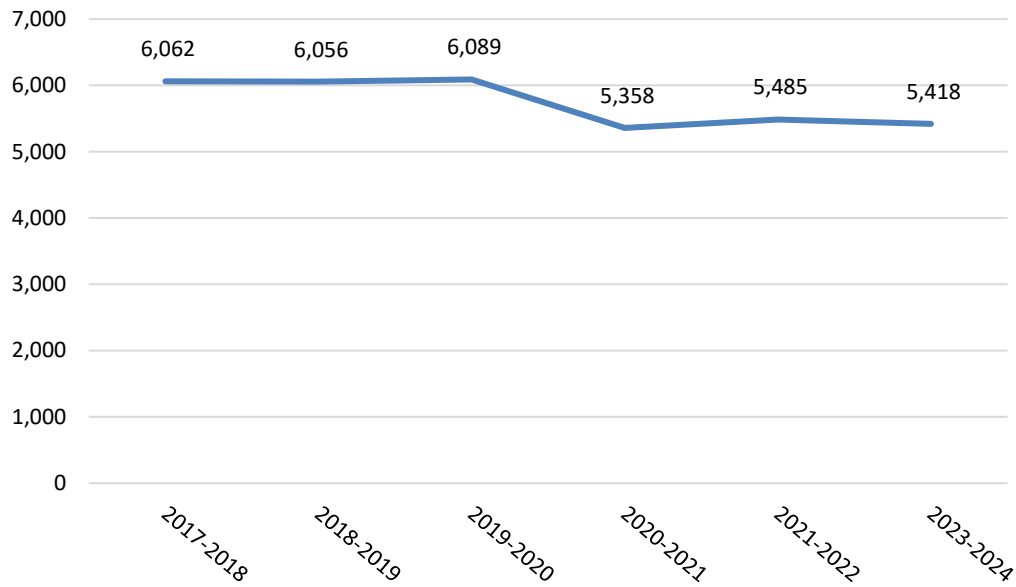
Source: Census.gov

KITSAP COUNTY'S TOP EMPLOYERS

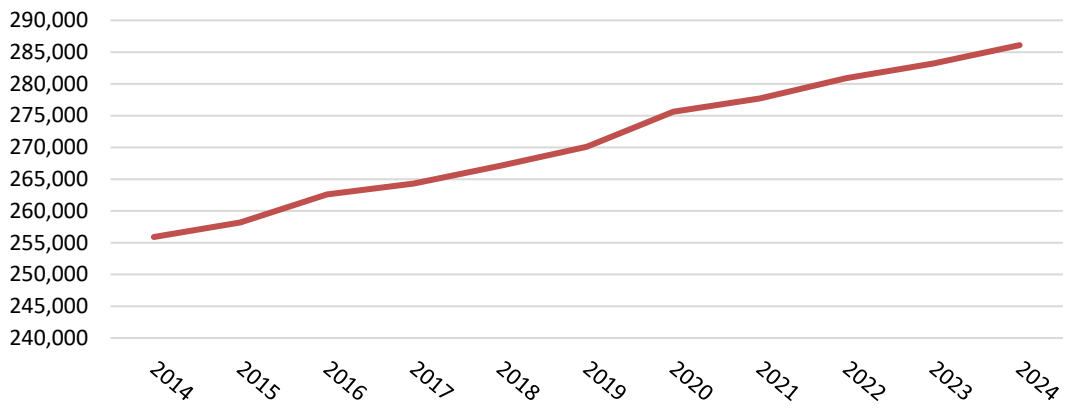
Naval Base Kitsap	38,187
St. Michael Medical Center	1,933
South Kitsap School District	1,580
Central Kitsap School District	1,559
Kitsap County	1,214
Olympic College	951
North Kitsap School District	857
Port Madison Enterprises	830
Bremerton School District	768
Haselwood Auto Group	642

Source: Kitsap Economic Development Alliance

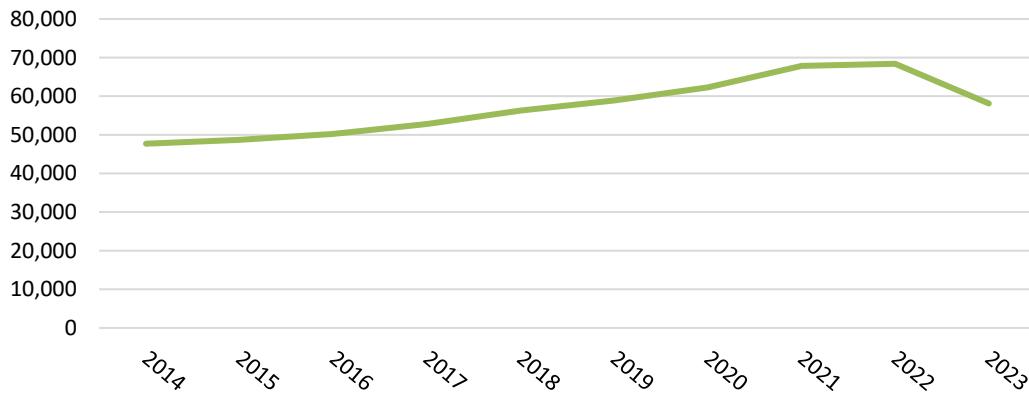
North Kitsap School District Enrollment 2017-2024



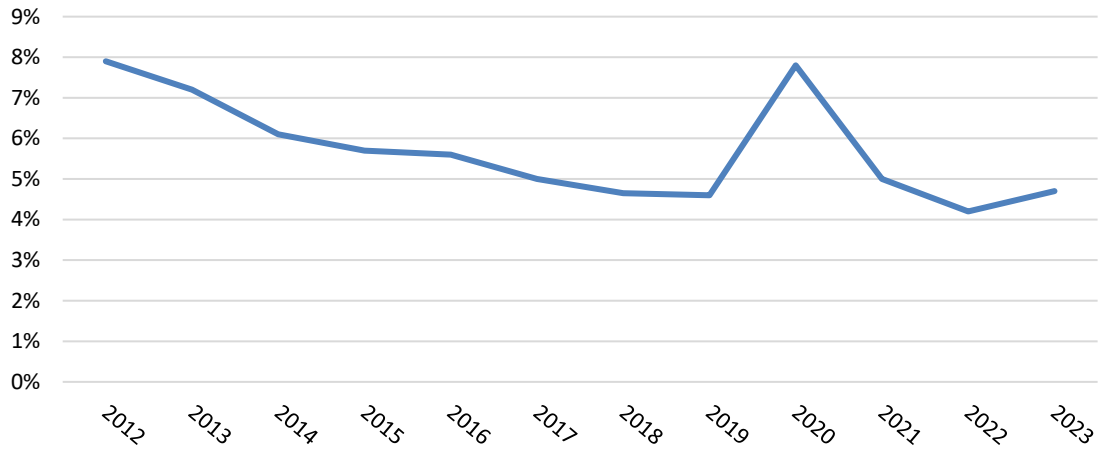
Kitsap County Population 2014-2024



Kitsap County Per Capita Personal Income 2014 - 2023



Kitsap County Unemployment Rate 2012 - 2023



Sources:

Unemployment: Washington State Department of Employment Security, US Bureau of Labor Statistics

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

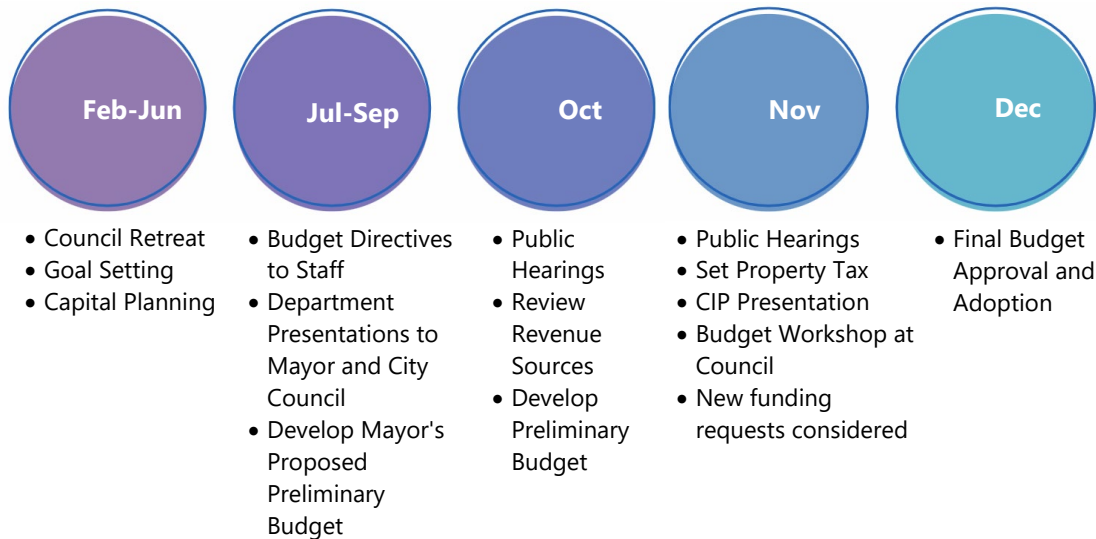


- 1. A Policy Tool:** The City's budget process is conducted in a manner that allows the City's policy officials to comprehensively review the direction of the City and to redirect its activities by means of the allocation of financial resources. On this basis, the budget sets policy for the following biennium. The budget process also facilitates the evaluation of City programs by providing a means to measure the financial activities of the departments.
- 2. An Operations Guide:** The budget provides financial control by setting forth both legislative and administrative guidance to City employees regarding the character and scope of their activities, in both summary and detail form, in the various products of the budget process.
- 3. A Financial Plan:** The budget outlines the manner in which the financial resources of the City will be managed during the budget period. This allocation of resources is based on an understanding of both the current year's needs and the long-term view of the development of City programs. The budget considers 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.

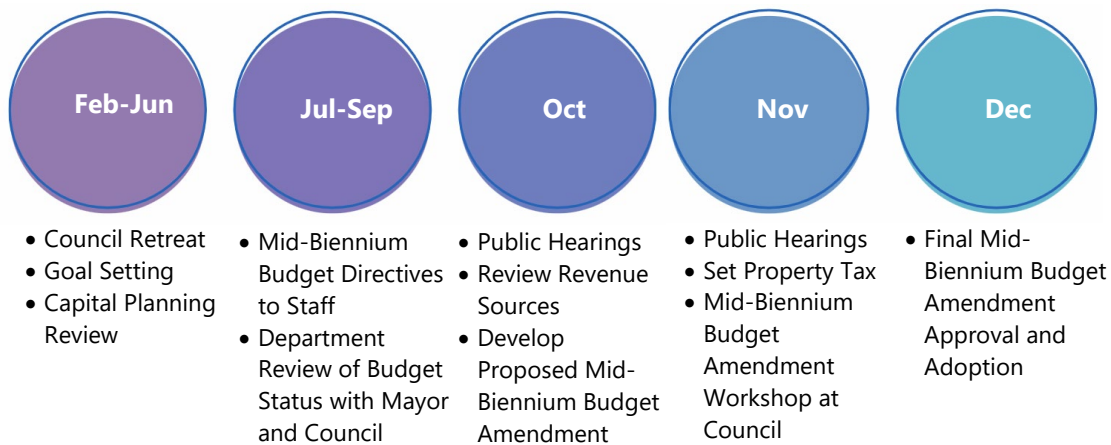
B. PROCESS

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

Year One – Prior to beginning of Biennium Cycle:



Year Two – Mid-Biennium Cycle:



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

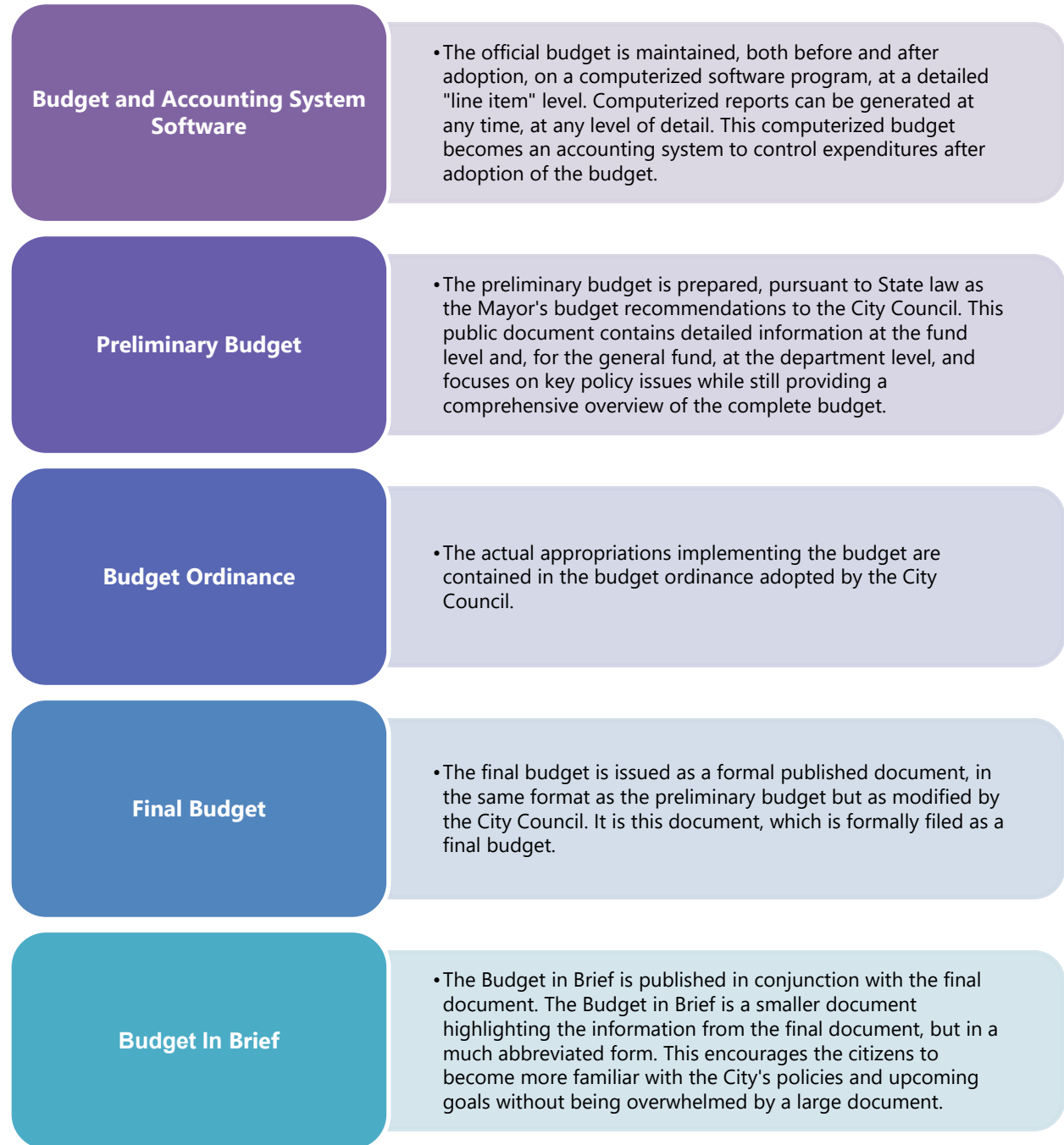
- February - April - a Council retreat is held to discuss goals for the upcoming budget season. The goals are distributed to each department to use during their budget planning. During mid-biennium, this time is used for departments to review their goals and assess their steps toward accomplishment.
- May - June - the Capital Improvement Team meets to begin updating the City Improvement Plan.

- July - August - each department develops its budget and work plans for the following biennium.
- August – in anticipation of the new biennium, departments enter their budget projections directly into the software and run system reports. Historic and current budget data is included in the accounting software system in an integrated budgeting module. The Finance Department develops a tentative revenue projection for the following biennium. During mid-biennium, this time is used for departments to formally review their budget and assess any needed modifications to be made.
- September - departments consult during this period with Council while they are formulating their work programs and proposed budgets. These consultations may be either formal or informal and are intended to anticipate the Council's desires as the work programs and the supporting budget proposals are developed. In preparation of the biennium, a complete proposed budget is presented to the Mayor. The Mayor with each Department Head reviews the budget in detail. In the mid-biennium, departments, along with Finance and the Mayor, will thoroughly review budget status for any revisions as may be needed. The Mayor formulates both their proposal in response to Council goals, and their recommended budget for the following year. In the mid-biennium, the Mayor formulates their recommended mid-biennium budget amendment.
- October - recommendations for the next fiscal year are formally transmitted to the Council in the form of the preliminary budget. Recommendations for the mid-biennium Budget Amendment are formulated through department review with their committees and with the Mayor and formally transmitted to the Council. City Council holds a public hearing on the revenue sources for the preliminary budget and in anticipation of setting the upcoming property tax levy.
- November - Council conducts another budget public hearing before acting formally on the budget as modified during its workshop hearings. In mid-biennium, Council conducts a public hearing before acting formally on the mid-biennium budget amendment.
- December - final action on the budget occurs including adoption and the budget ordinance. Final action on the mid-biennium budget amendment occurs including adoption and the budget amending ordinance.

In adherence to RCW 35A.34.130, the City will prepare a mid-biennium review and modification of the budget beginning no sooner than September 1st 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.

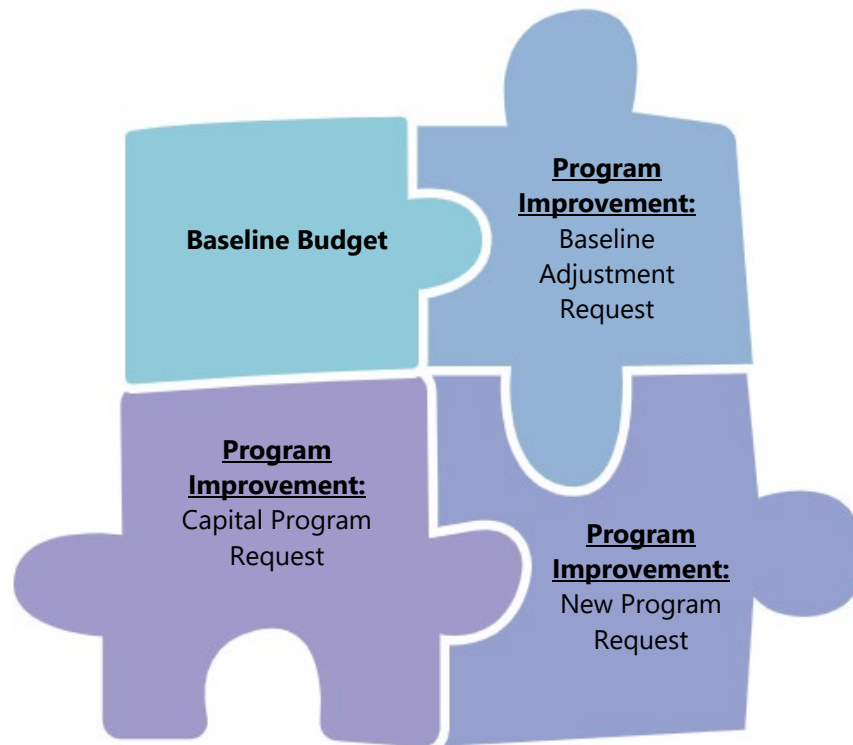
The entire budget process is coordinated as needed in regular weekly meetings of the City Department Heads. The Finance Department provides the staff coordination for the process. The City Council is consulted continually throughout the year as potential issues surface and new program ideas incubate.

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



C. COMPONENTS OF THE BUDGET

There are two distinct parts to the budget that when combined, comprise the final budget:



Baseline Budget:

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

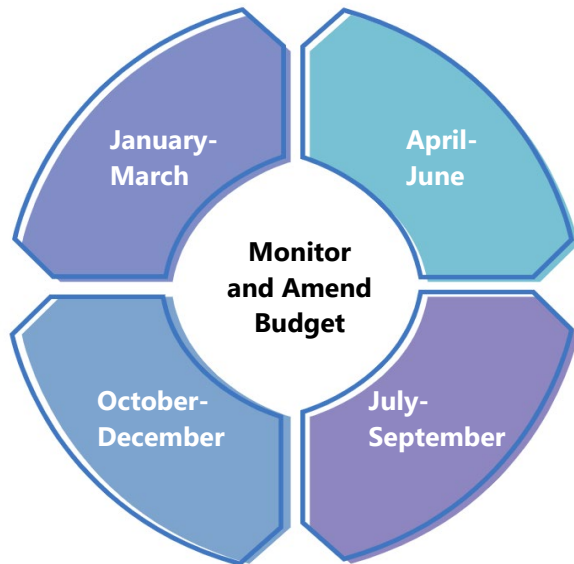
Program Improvements:

(Baseline Adjustment Requests, New Program Requests, and Capital Equipment Replacement Requests)
Program improvements consist of new initiatives or substantial changes to existing programs.

Segregation of the budget into these two components separates key policy issues 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 with 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 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 require City Council approval and as specified in the Financial Management Policy require a super majority. All other requests for reallocation or new money require the Mayor’s approval and are then forwarded to the Finance Department for recommendation and processing to be presented to the 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 the 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.

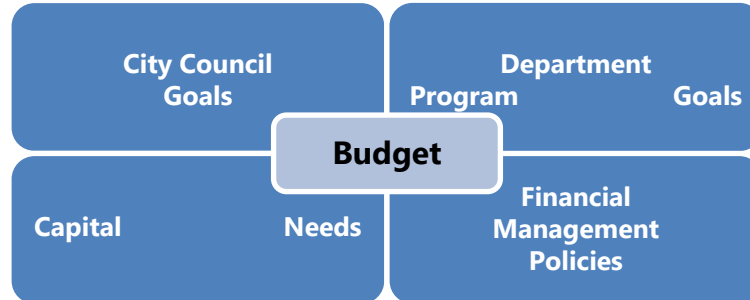
1. POLICY CONTEXT OF THE BUDGET

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

The basic policy document of the City is its Comprehensive Plan. The Comprehensive Plan program, and its implementation, is a building block for the future. It sets the basic vision for the development of the City, and establishes policies and programs intended to achieve that vision. The plan is further articulated by a series of planning elements, which include public improvement elements (such as public utility plans), capital facilities plan (addressing capital projects with established funding in the next five years), policy

elements (such as economic development programs), and regulatory measures. Supporting the Comprehensive Plan are functional plans for parks, transportation, and each of the City's four utilities.

2. BUDGET POLICY DEVELOPMENT



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

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

Policies which support Financial Management and Budget Development are as listed below and full text copies are located in Section 10 – Appendix

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

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

The City of Poulsbo's budget management approach is based on flexibility and coordination, reflecting the City's administration team and management philosophy under which responsibility is shared among departments. While program managers are provided with considerable flexibility in managing their programs 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 department level within the General Fund, and the fund level for all other funds. The measure of success in the budget is whether the City Objectives, followed by department objectives, are achieved within their total appropriation rather than if 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. The 2025-2026 budget was built in compliance with applicable financial policies.

F. LEGAL STRUCTURE

The City of Poulsbo has a strong mayor form of government, organized under the Optional Municipal Code as provided in State law. The Optional Municipal Code confers a limited form of "home rule" to those municipalities organized under these provisions. The independently elected Mayor is responsible for all administrative functions of the City and the Department Heads report to the Mayor. The City Council exercises legislative and quasi-judicial functions. The seven members of the City Council and the Mayor are elected at large for four-year terms. The Mayor develops and proposes the budget while the Council reviews, modifies and approves the proposed budget, as it deems appropriate.

G. BASIS OF ACCOUNTING AND BUDGETING

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

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

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

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

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

- purchases of capital assets are considered expenditures

- redemption of long-term debt is 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

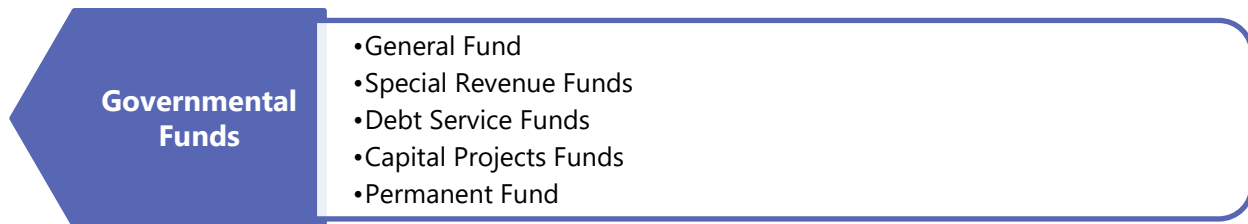
This document is organized so it represents the financial structure of the City. All of the City's accounts are developed and maintained as described below.

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 Funds (100 Fund Series):

Accounts for the proceeds of specific revenue sources with legally restricted expenditures.

Debt Service Fund (200 Fund Series):

Accounts for the payment of outstanding long-term general obligations of the City; except that of the proprietary funds.

Capital Project Funds (300 Fund Series):

Accounts for major general government construction and acquisition projects financed by long-term general obligations.

Permanent Fund (700 Fund Series):

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

PROPRIETARY FUNDS:

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

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

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

FIDUCIARY FUNDS:

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

**Trust and Agency Fund (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 of Poulsbo does not budget funds in the 600 series.

MAJOR FUNDS:

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

A Major Fund has three elements:

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

I. ORGANIZATION CHART

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

J. FINANCIAL SUMMARY

Within each department a table of financial data for each account within the department is included. The information details the projected combined 2025-2026 budget, 2026 budget, 2025 budget, 2024 budget and actual expenditures for 2022 and 2023.

K. CAPITAL EXPENDITURES

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

L. GOALS/OBJECTIVES/PERFORMANCE MEASURES:

The City Council holds a retreat in the beginning of the year to review prior goals, long term goals, and set new goals for the upcoming year. This allows departments to develop their budgets considering the Council Goals and thereby establishing departmental goals. The goals are presented in the Financial Plan instead of each departmental section. For 2025-2026, the departments continue to set goals in the following format:

Goal:		
Responds to Council Goal #:		
Objectives	Measurement	Progress
.	.	.

M. AWARD

The City's 2023-2024 Budget received the distinguished Budget Award from the Government Finance Officers Association (GFOA).

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 nineteenth 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 2025-2026 BUDGET

The 2025-2026 budget is organized essentially in the same format as previous years.

Departments developed their 2025-2026 budgets with a 5% increase over 2024 operating levels exclusive of regular wages, benefits and contractual obligations. The increase was to accommodate expenditure levels established several years ago and is intended to reflect the increase in costs. Wages and benefits are estimated due to current collective bargaining with the two bargaining units in the City. Contractual obligations are budgeted at actual increase rates if applicable.

Staffing levels were increased in 2024 to address the growing needs for community safety and large projects occurring in the City. The 2025-2026 budget has been prepared without any additional intended staffing increases.

For several years revenue related to development has grown and exceeded budget expectations. The estimate for 2025-2026 has been increased to reflect a 5 year average of what has been previously collected. The construction industry is expected to level off in the next few years, but expectations for 2025 remain strong due to ongoing conversations with developers and noting the programs underway in the permitting process.

In 2024 the City established a new revenue source in the form of the Business & Occupation tax joining several neighboring cities in collecting the tax. The 2025-2026 biennial budget will be the first with full year's revenue budgeted for the Business & Occupation tax and the revenue is reflective of a full year. The City remains conservative in its estimation of all revenue sources but regularly monitors it so it can adjust if economic conditions change.

In 2025-2026, departments continue to submit their departmental goals in the same format as established by policy. The presentation is included in the Financial Plan by department. This allows the reader to view the goals by department and see them as a complete package that ties to the City Council goals and value statements.

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

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

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

The budget has been developed with anticipated use of reserves (fund balance) but remains in compliance with the City's Financial Management Policies. The use of reserves is strategic with the anticipation revenue will grow to support ongoing expenses.

Real Estate Excise Tax (REET) has grown over the past several years. Revenue from this resource is

transactional based on the sale of real estate which can make it hard to predict. 2023 and 2024 experienced a steady real estate market. Home sales in 2024 are expected to remain slightly less, but still very constant as the new home construction continues into 2025. 2025 is expected to see a decline with the rising interest rates and the growing inventory. Transfers from REET reserves are planned in 2025-2026 to support the debt payment of City Hall, planned debt for the new PERC and the debt issued necessary for the next phase of Noll Road.

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 percentage increase over the highest allowable levy, with the lower of the Implicit Price Deflator (IPD) cap or 1%. Based on many limiting factors and the growth of assessed value the City's rate is calculated to be \$1.01 for its regular property tax levy which is much lower than the maximum rate of \$1.60 but consistent with the 1% limiting factor. 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 2025 and 2026 have increased over the 2024 budget but remain consistent with actual revenue in 2024. Although the increase in budget over 2023 seems significant, the projection is conservative based on what is anticipated collection in 2025. Projections show a slight increase for 2026 reflecting an increase in costs and new retail businesses opening mid-2024.

Transfers

Most transfers are consistent with prior Council direction with some pointed reductions including:

- Transfer to Street Operations Fund 101 has been decreased for 2025 and 2026, as a portion of the new TBD sales tax is being allocated to the maintenance and operations of our streets.
- Transfer to Capital Parks Project Fund 302 and Street Transportation Fund 311 based roughly on 4% of property tax to support future capital projects.
- Transfer to Capital Acquisitions Reserves is roughly based on 7% of sales tax, but reduced to cover small tools replacements which do not meet the capital threshold but are part of the replacement schedule
- Transfer to the Debt Service Fund 204 have been included to cover current debt and the anticipated future debt payment for improvements to the waterfront boardwalk and the next phase of the Public Works site.
- A transfer from the General Fund is made to reflect the City's support of the Event Coordinator funded from Lodging Tax Funds.
- Transfer to Facilities Fund (331) for reserves for future City facilities or more specifically City Hall future capital repairs or replacements
- Transfer to Lodging Tax fund for City's support of Event Coordinator.

Utility Taxes

The City collects utility tax on utility revenues generated within the City. The rate for water, sewer, and storm drain remains at 12% and solid waste is collected at 6%.

City Improvement Plan

The City's six-year capital improvement plan has been created and anticipated projects with financial impacts in 2025 and 2026 have been included in the budget. You can view the City's Capital Improvement Plan in Section 11.

Capital Equipment / Baseline Adjustments / New Programs

A large number of capital equipment items and funding of Baseline Adjustment and New Programs have been requested in the 2025-2026 Budget. Details for capital equipment requests are detailed in the narratives of each related budget, and Baseline Adjustment/New Program Requests are detailed in Section 8. All approved items will be integrated into the final budget.

O. Changes throughout the Budget Process

A six-month gap exists between the start of the budget process and the adopted budget. In those six months, a variety of factors will change assumptions and information used to create a balanced budget.

Funds will most likely see increases from the Preliminary to the Final budget due to council approving Baseline Adjustment and New Program requests. These requests are located in Section 8 of this document in more detail. Additional updates will be for wages and benefits as the rates continue to be updated and the bargaining unit agreements have been approved.

Project updates will also continue to affect the budget as council and departments prioritize funding.

2025-2026 Biennial Budget Calendar			
May 2024		May 2025	
May 8 2024	<u>Finance Department:</u> - Review upcoming biennial budget process.		
May 1-31 2024	<u>Finance Department:</u> - Meeting with City Departments to discuss City Improvement Plan and financial forecast impacts.		
June 2024		June 2025	
June 21 2024	<u>City Departments:</u> - City Improvement Plan project forms due to Finance.		
July 2024		July 2025	
Jul 22 2024	<u>Finance Department:</u> - Finance provides 2025-2026 Biennial Budget Instruction and Directives to City Departments.	Jul 21 2025	<u>Finance Department:</u> - Finance provides Mid-Biennium Amendment Instruction and Directives to City Departments.
August 2024		August 2025	
Aug 1-31 2024	<u>City Departments:</u> - Complete their Departmental Budgets. - Departments will meet with Mayor for detailed review.	Aug 1-31 2025	<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 16 2024	<u>City Departments:</u> - Submit all Capital Replacement and New Capital Request Forms to the Finance Director to be considered for 2025-2026 Biennial Budget.		
Aug 31 2024	<u>City Departments:</u> - Submit electronic copy of all required Budget worksheets, forms, and checklist to Finance via the N drive. - Departments to have all budget figures and notes entered into financial software.	Aug 31 2025	<u>City Departments:</u> - Submit electronic copy of any Budget Amendment Requests to Finance.
September 2024		September 2025	
Sep 11 2024	<u>City Council Workshop:</u> - Special Budget Session #1: Department Presentations to Council.	Sep 10 2025	<u>City Council Workshop:</u> Proposed Revenue Sources
Sep 18 2024	<u>City Council Workshop:</u> - Special Budget Session #2: Department Presentations to Council. <u>City Council Meeting:</u> - Finance sets Public Hearing on Revenue Sources for October 16, 2024. - Finance sets Public Hearing on Final Budget for November 13 & 20, 2024.		<u>Clerks Department (via extended agenda):</u> - Finance sets Public Hearing on Revenue Sources for October 15, 2025. - Finance sets Public Hearing on Mid-Biennial Budget Amendment for November 19, 2025.
Sep 1-30 2024	<u>Finance Department:</u> - Works with Mayor to develop Mayor's Proposed Preliminary Budget.	Sep 1-30 2025	<u>Finance Department:</u> - Works with Mayor to develop Mayor's Proposed Mid-Biennial Budget Amendment.

October 2024		October 2025	
Oct 1 2024	Finance Department: - Mayor's Proposed Preliminary Budget Publication delivered to the City Council and made available to the public.	Oct 1 2025	City Council Workshop (cont.): Proposed Revenue Sources
Oct 1-31 2024	Finance Department: - Prepares Preliminary Budget Publication.		
Oct 2 2024	City Council Workshop: - Review Mayor's Proposed Preliminary Budget. - Departmental Presentations (carryover)		
Oct 9 2024	City Council Workshop: - Review 2024 Revenues & Expenditures with City Council (3rd Qtr Status Financial Report.)	Oct 8 2025	City Council Workshop: - Review 2025 Revenues & Expenditures with City Council (3rd Qtr Status Financial Report.)
Oct 16 2024	City Council Meeting: - Review 2025-2026 Revenue Sources with City Council and hold Public Hearing on Revenue Sources. - Quarterly budget amendment ordinance	Oct 15 2025	City Council Meeting: - Review 2026 Revenue Sources with Council and hold Public Hearing on Revenue Sources. (Inclusive of B&O Tax)
Oct 31 2024	Finance Department: - Preliminary Budget Publication delivered to the City Council and made available to the public.		
November 2024		November 2025	
		Nov 5 2025	City Council Workshop: - Selected Departments to present their Budget Amendment Requests and CIP to Council.
Nov 13 2024	City Council Workshop: - CIP Presentations City Council Meeting: - Open Public Hearing #1 on Final Budget. - Presentation and discussion of Preliminary Budget. - Set the 2025 Property Tax Levy Ordinance.	Nov 12 2025	City Council Meeting: - Set the 2026 Property Tax Levy Ordinance.
Nov 20 2024	City Council Workshop: - Review Baseline Adjustment & New Program Requests and obtain Committee Recommendations. City Council Meeting: - Continue & then Close Public Hearing #2 on Final Budget from 11/13/24.	Nov 19 2025	City Council Meeting: - Open Public Hearing on Mid-Biennial Budget Amendment. City Council Workshop: - Presentation and discussion of Mayor's Proposed Mid-Biennial Budget Amendment. - Review Budget Amendment Requests and obtain Council recommendations.
December 2024		December 2025	
Dec 11 2024	City Council Workshop: - Final review and approval of the 2025-2026 Biennial Budget.	Dec 3 2025	City Council Workshop: - Final Review and Approval of the Mid-Biennial Budget Amendment.
		Dec 10 2025	City Council Meeting: - Adoption of the Mid-Biennial Budget Amendment Ordinance.
Dec 18 2024	City Council Meeting: - Approval and adoption of the 2025-2026 Biennial Budget.		

CITY OF POULSBO

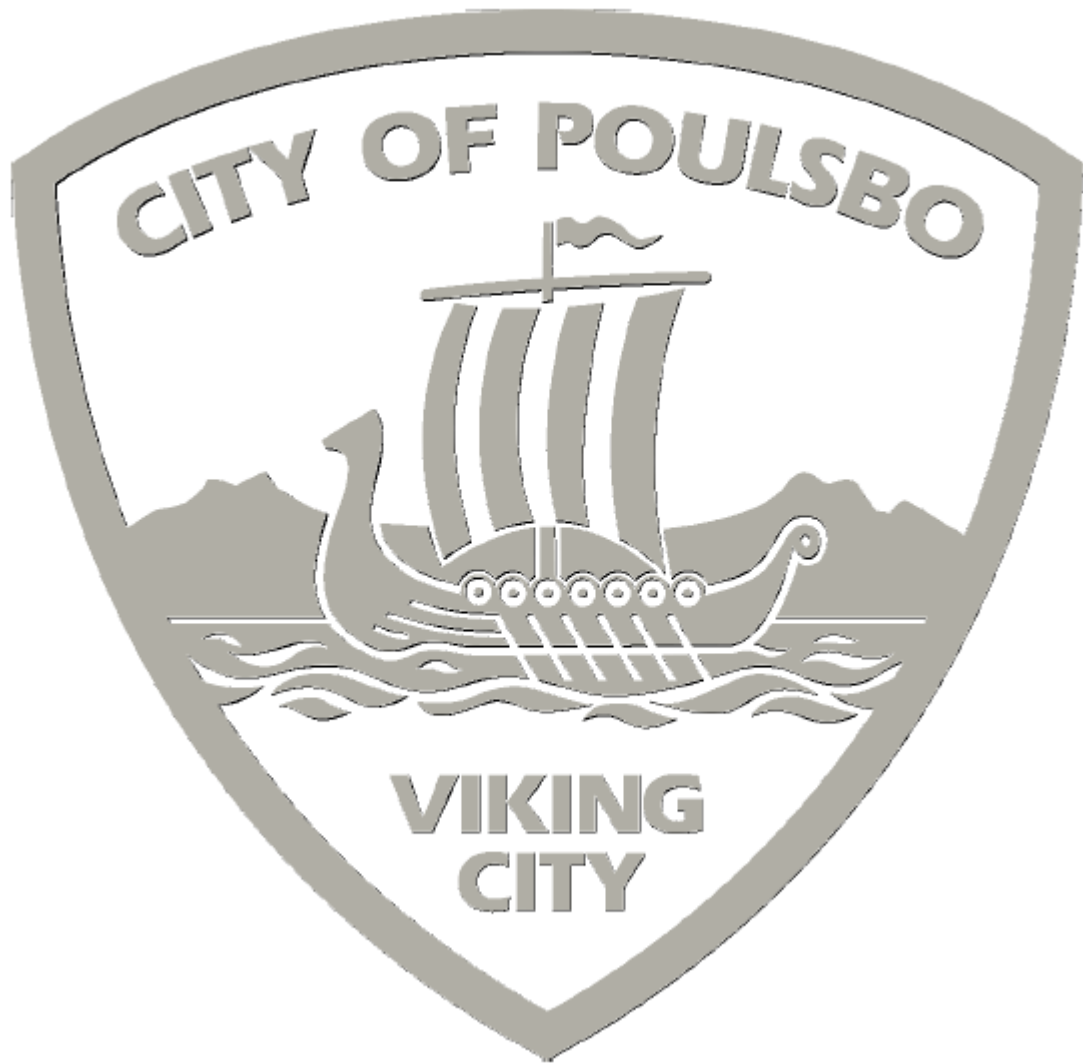
THE BUDGET AS A FINANCIAL PLAN

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 2025, 2026, and beyond.

The City's overall guiding principles and long-term goals are also included in this section, are reviewed annually by the Council, and adjusted as necessary to address the current and forecasted economic and social factors affecting the City. Citizens are encouraged to engage with the City, allowing the City Council to adjust the long-term goals to meet the wants and needs of the citizens. A variety of platforms exist to foster communication with the public, including but not limited to public comment at City Council meetings, open office hours with the Mayor, and direct communication with the Mayor and Department Heads.

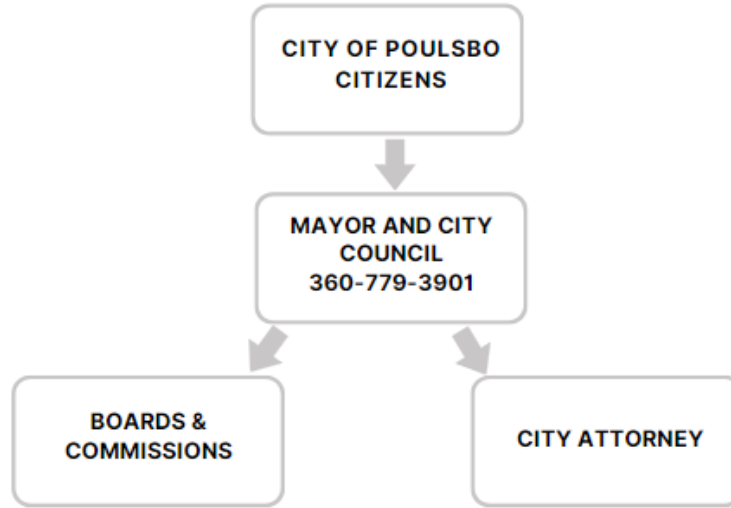
This section describes the overall budget, including all funds. Factors affecting the City's debt capacity are also discussed, followed by a discussion of the working capital of the proprietary funds.

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



City of Poulsbo Organization


<https://cityofpoulsbo.com/>



- FINANCE
Deborah Booher
- MUNICIPAL COURT
Judge Tolman
- CITY CLERK
Rhiannon Fernandez
- HUMAN RESOURCES
Deanna Kingery
- INFORMATION SERVICES
Brooks Riendl

GENERAL GOVERNMENT 

- POLICE
Ron Harding
- EMERGENCY PREPAREDNESS
Diane Lenius
Dan Schoonmaker

PUBLIC SAFETY 


- PLANNING
Heather Wright
- TRANSPORTATION MANAGEMENT
Diane Lenius
- HOUSING HEALTH & HUMAN SERVICES
Kim Hendrickson

PHYSICAL & ECONOMIC ENVIRONMENT 

- PARKS & RECREATION
Jeff Ozimek
- PARK CAPITAL PROJECTS
- RECREATION PROJECTS
- PARK CAPITAL PROJECTS
- SPECIAL EVENTS

CULTURE & RECREATION 

- PUBLIC WORKS
Diane Lenius
- PUBLIC WORKS OPERATIONS
Mike Lund
- UTILITIES
 - WATER
 - SEWER
- SOLID WASTE
- STORM DRAIN

PUBLIC WORKS 

Functions

General Government Services

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.

Physical & Economic Environment

A major class of services provided to achieve a satisfactory living environment for the community and the individual.

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.

Public Works

Combines several classes of services, which provide for maintenance of city-owned facilities and vehicles; and operations and maintenance of city water, sewer, solid waste, and storm drain utilities.

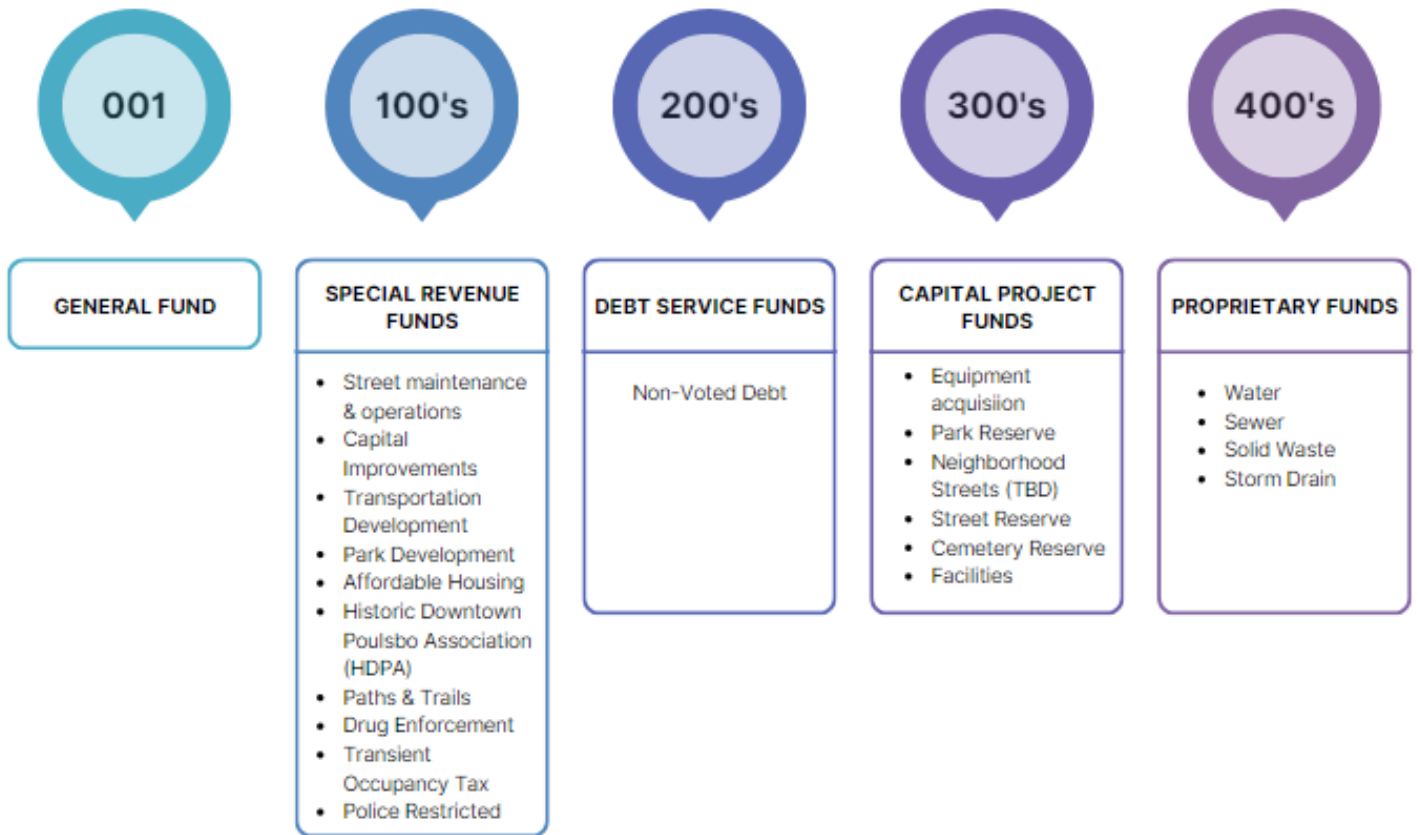
Culture & Recreation

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

Transportation

Class of services to provide safe and adequate flow of vehicles and pedestrians.

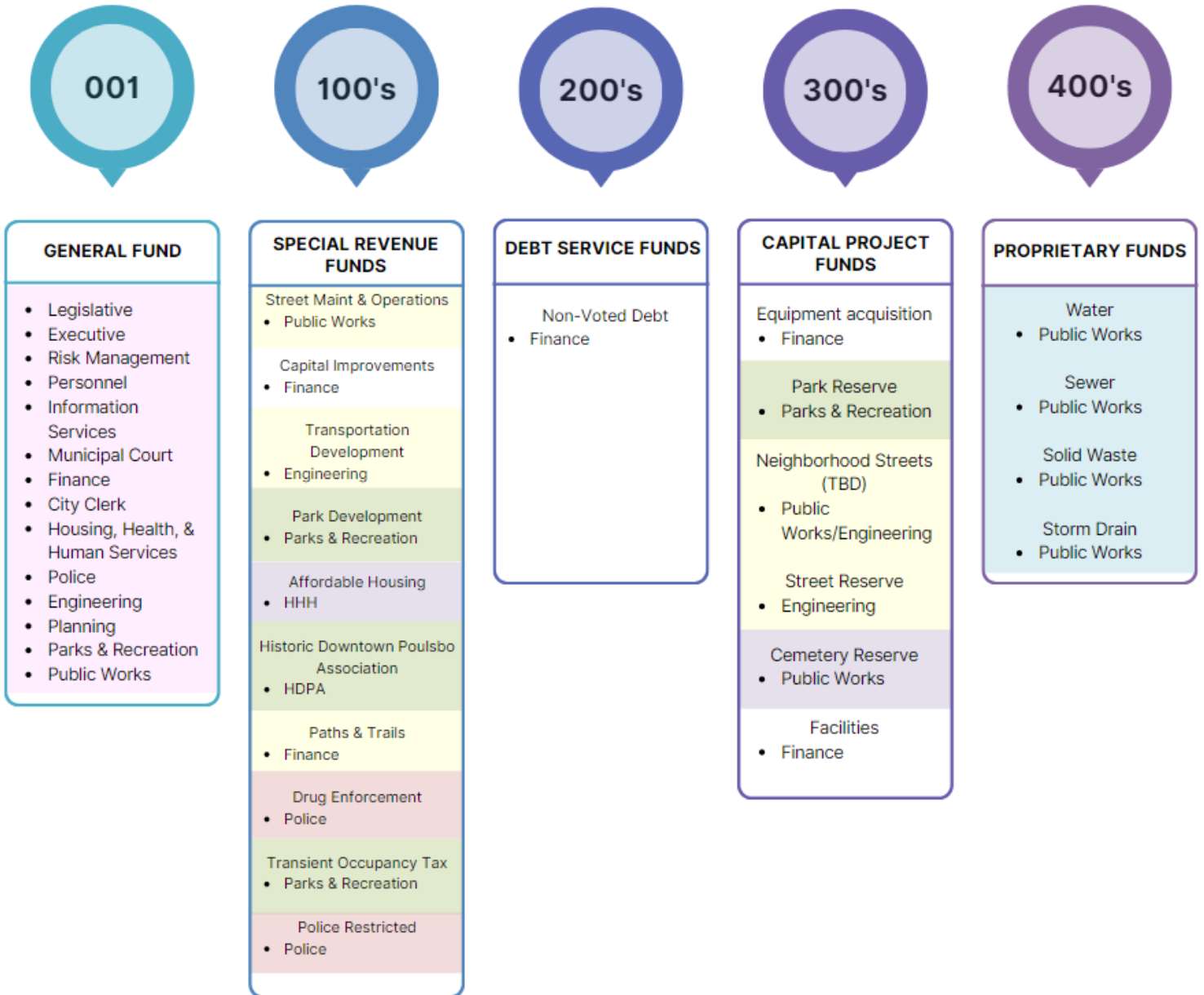
Organization of Funds



Organization of Funds with Function and Responsible Department

Color indicates primary Government Function of the fund (see prior page for detail.) If a fund has no color, there are several functions accounted for in the fund.

- Responsible Departments are bulleted.



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

Mission Statement

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

Vision Statement

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

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

Poulsbo's Guiding Principles

- Respect the historic small-town feel of downtown and existing neighborhoods and districts with the energy and vitality of a growing and changing community.
- Recognize, celebrate and promote the cultural and social diversity of the city.
- Create opportunities for the market to provide a diversity of housing types, sizes, densities, and prices to serve all economic segments and households.
- Connect the City, neighborhoods, and neighbors through Complete Streets is designed to improve safety and connectivity for people of all ages and abilities and enhance the City's streetscape for all users.
- Provide residents of all ages with diverse and accessible recreational and cultural opportunities, including active recreation and social and educational activities that change with trends in the city's demographics.
- Improve and sustain the beauty and health of the surrounding natural environment while adapting to impacts from climate change.

- Develop an economically sustainable balance of services, amenities, and infrastructure that accommodate anticipated levels of growth, protect public health and safety, and enhance the quality of life.
- Support a business-friendly environment that retains small and locally owned businesses, attracts large internationally recognized businesses, expands the jobs and tax base, and encourages innovation and creative partnerships.
- Support the inclusive, accessible, and high-quality education to empower every resident to thrive and contribute to the community's collective advancement.
- Establish processes that engage citizens and community partners and implement policies that reflect the desires and concerns of community members.

Poulsbo's Community Key and Council Long-Term Goals

These goals are presented in draft form and will be included in the upcoming version of the City Comprehensive Plan and will be approved in 2025

Urban Growth

Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

Reduce Sprawl

Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

Transportation

Encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled and are based on regional priorities and coordinated with county and city Comprehensive Plans. {Change per 2023 HB 1181}

Housing

Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types and encourage preservation of existing housing stock. {Change per 2021 HB 1220}

Economic Development

Encourage economic development throughout the state that is consistent with adopted comprehensive plans. Promote economic development opportunity for all residents of the state, especially for unemployed and disadvantaged persons and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

Property Rights

Private property rights shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.

Permits

Applications for both state and local governmental permits should be processed in a timely and fair manner to ensure predictability.

Natural Resource Industries

Maintain and enhance natural resource-based industries, including productive timber, agricultural and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands and discourage incompatible uses.

Open Space and Recreation

Retain recreational opportunities, enhance fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities. {Change per 2023 HB 1181}

Environment

Protect and enhance the environment and enhance the state's high quality of life, including air and water quality and the availability of water. {Change per 2023 HB 1181}

Citizen Participation and Coordination

Encourage the involvement of residents in the planning process, including the participation of vulnerable populations and overburdened communities, to ensure coordination between communities and jurisdictions to reconcile conflicts. {Change per 2023 HB 1181}

Public Facilities and Services

Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

Historic Preservation

Identify and encourage the preservation of lands, sites, and structures that have historical or archaeological significance.

Climate Change and Resiliency

Ensure that comprehensive plans, development regulations, and regional policies, plans, and strategies under RCW 36.70A.210 and chapter 47.80 RCW adapt to and mitigate the effects of a changing climate; support reductions in greenhouse gas emissions and per capita vehicle miles traveled; prepare for climate impact scenarios; foster resilience to climate impacts and natural hazards; protect and enhance environmental, economic, and human health and safety, and advance environmental justice. {Change per 2023 HB 1181}

Shorelines of the State

The goals and policies of the Shoreline Management Act as set forth in RCW 90.58.020.

Public Safety

Ensure the protection of persons and property.

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.

Customer Service

Continuously provide courteous, professional, and responsive customer service.

2025 – 2026 City Council Working Goals



Economic Development

GOAL:

Develop Long-Term Economic Development

Objective 1:

Support Olympic College with the Regional Allied Health Expansion and Western Washington University capital improvements and discuss joint

utilization and planning issues related to the college campus and PERC build outs

Objective 2:

Encourage development of the C-2, C-3, and C-4 commercial zones for housing and community centers outside the historic downtown area.

Objective 3:

Explore Creative Arts District designation.



Revenue and Financial Stability and Customer Service

GOAL:

Support and assist the transition of the New City Executive Structure – City Administrator & Mayor

Objective 1:

Hold Council retreats in 2025 and 2026 following onboard of each position



Enhanced Communication and Participation

GOAL:

Reinforce and improve our relationship with the community related to diversity and inclusivity

Objective 1:

Combat racism in the community.

Objective 2:

Continue strengthening the City's relationship with the Suquamish Tribe

Objective 3:

Develop new approaches to promote, engage, and communicate with Citizens (with special emphasis with Seniors and the Hispanic Community.)



Capital Facilities

GOAL:

Develop a coordinated Comprehensive Improvement and Modernization strategy for the C1 Commercial District

Objective 1:

In conjunction with long-planned utilities upgrades, develop a comprehensive Front Street improvement plan to include improvements for raised crosswalks, repairs/replacement for existing substandard sidewalks, additional small gathering areas similar to Streateries, bike racks, and recycling opportunities

Objective 2:

Synchronize with Public Works and Engineering to implement planned utility upgrades on Front Street in coordination with approved studies on parking, Third Avenue improvements, and Complete Streets to develop a comprehensive downtown improvement plan.

Objective 3:

Develop a funding strategy for implementation.

2025-2026 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 to guide the budget process and respond to the Council’s broader goals. Below is a matrix showing the general goals set by the City Council and how the department current program goals respond to them.

Community and Council Goals											
Department											
	City Clerk	Engineering	Executive	Finance	Information Services	Municipal Court	Parks & Recreation	Personnel	Planning	Police	Public Works
Goal											
Urban Growth			X						X		
Reduce Sprawl			X						X		
Transportation		X									
Housing			X								
Economic Development		X	X						X		
Property Rights		X	X						X		
Permits			X						X		
Natural Resource Industries		X	X								X
Open Space and Recreation			X				X				X
Environment		X	X				X				X
Citizen Participation and Coordination	X		X				X			X	
Public Facilities and Services					X		X		X	X	X
Historic Preservation			X						X		
Climate Change and Resiliency			X						X		X
Shorelines of the State			X								
Public Safety			X			X				X	X
Revenues and Financial Stability	X	X	X	X	X	X	X	X	X	X	X
Customer Service	X	X	X	X		X	X		X	X	X

2025-2026 Goals and Performance Measures

City Clerk Department Goals

Goal: *Provide efficient and effective public and internal access to the records maintained by the City Clerk.*

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

Objectives	Measurement	Progress
<ul style="list-style-type: none"> 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 made available 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"> 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 and Laserfiche web portal for staff and public.
<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/ordinance indexes are updated and hyperlinked to the source document. Records easily searched in Laserfiche web portal.

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
# of City Web page updates	275	300	325	350	350
Percentage of Ordinances, Resolutions, and Contracts posted to L Drive	100%	100%	100%	100%	100%
# of City records in Laserfiche Web Portal	18,520	20,280	21,275	25,000	30,000

City Clerk Department Goals (continued):

Goal:	<i>Improve management of Electronic Records</i>				
<i>Responds to Council Goal #:</i>		11	<i>Customer Service</i>		
<i>Objectives</i>	<i>Measurement</i>		<i>Progress</i>		
<ul style="list-style-type: none"> • Work with IT to find a new solution to manage agency emails • Transition all Library Drive (L-drive) to Sharepoint or Laserfiche • Review microfilm films and perform retention or upload to Laserfiche • Work with IT to implement G-5 Licenses/Sharepoint Implementation 	<ul style="list-style-type: none"> • Identify a solution to perform retention on emails 				
<i>Type of Performance Measure</i>	<i>2022 Actual</i>	<i>2023 Actual</i>	<i>2024 Projected</i>	<i>2025 Projected</i>	<i>2026 Projected</i>
Number of emails stored in Barracuda	unknown	5,800,000	6,667,182	7,400,000	5,000,000
Amount of Data on S drive	unknown	unknown	61,347 files	40,000 files	20,000 files
Amount of Data on L drive	unknown	unknown	50,839 files	30,000 files	10,000 files

City Clerk Department Goals (continued):

Goal: *Utilize social media to share information and news announcements more widely with the public*

Responds to Council Goal #: **18 Customer Service**
11 Enhanced Communication & Participation

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Create a City Facebook page • Establish archive back-up for Facebook page • Purchase emergency communication software 	<ul style="list-style-type: none"> • Creation of City Facebook page • ArchiveSocial software purchased 	<ul style="list-style-type: none"> • Created 06/2017 • ArchiveSocial Software installed in 2017 • Implemented Emergency Communication System in 2021

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Facebook Page Reach	34.5K	47.4K	55.5K	63K	70K
Facebook Page Visits	3.5K	5.9K	7.8K	9.2K	11.1K
Facebook Follows	441	341	246	250	250

Goal: *Create desk guides for all functions of the City Clerk's Office*

Responds to Council Goal #: **18 Customer Service**

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Draft step-by-step instructions of each of the policies, procedures, and tasks of the Clerks Office 	<ul style="list-style-type: none"> • The objective will be met once all processes of the Clerks's Office have been documented. 	<ul style="list-style-type: none"> • 40% completion

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
% of all processes documented	40%	40%	40%	60%	80%

Engineering & Building Department Goals:

Goal: *Construction of the Noll Road Improvements Project - North Segment/Middle Segment SRTS*

Responds to Council Goal #: **3** **Transportation**

Objectives	Measurement	Progress
• Advertise for Construction Noll North-Middle Segment	• Advertise in Nov 2024	• 80% complete
• Complete Construction of the North-Middle Segment	• Contract Completion in Jan 2026	• 0% complete
• Begin design and ROW acquisitions for the Noll Middle Segment	• 60% Design Complete in Mar 2025	• 0% complete

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Middle-North Segment completion in compliance with Federal Funding Requirements				85%	100%

Goal: *Design and begin construction on Phase 2 of the Public Works Facility*

Responds to Council Goal #: **12** **Public Facilities and Services**

Objectives	Measurement	Progress
• Complete Design Public Works Facility	• 90% Design	• 10%
• Development of a Funding Strategy for Construction of the Public Works Facility	• Evaluate and Right-Size Bundle and Rate Structure	• 10%
• Advertise for the Construction of the Public Works Facility	• Advertise to Select Contractor to Construct PW Facility	• 0%

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Public Works Facility Funding Strategy				100%	100%
Public Works Facility Design Complete				0%	100%
Start Construction of the Public Works Facility				0%	0%

Engineering & Building Department Goals (continued):

Goal: *Advertise Poulsbo Events and Recreation Center Project for Construction of Phase 1*

Responds to Council Goal #: **9** **Open Space and Recreation**

Objectives	Measurement	Progress
• Complete Design of Multi Use Fields	• Design Complete	• 10%
• Prepare Bid Package for Advertisement	• Advertise for Construction Bid, Contract Construction in Dec 2025	• 0%

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
PERC 90% Design - Aug 2025				100%	N/A
Complete Design and Advertise for Construction of PERC Project Phase 1 - Fall 2025				100%	100%
Begin Construction of PERC Project Phase 1 - Jan 2026				0%	50%

Goal: *Evaluation of Solid Waste and All Utility Fees*

Responds to Council Goal #: **18** **#N/A**

Objectives	Measurement	Progress
• Solid Waste Service & Rate Evaluation	• Hire a Consultant to Evaluate Services and Rates	• 0%
• Analyze Results of the Consultant Evaluation and Best Options for Citizens	• Long Term Strategy for Solid Waste Services	• 0%
• Identify Impacts of Privatizing Solid Waste on all Utility Services	• Long Term Strategy for Utility Services	• 0%

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Long Term Strategy for Sold Waste Services - June 2025				100%	N/A

Executive Department Goals:

Goal: *Achieve Financial Sustainability by balancing revenues with expenses, while retaining levels of service for the community. Maintain secure, involved business management of the City.*

Responds to Council Goal #: **17 Revenues and Financial Stability**
 18 Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Government understands and acts as an entrepreneur • Staff organization and accountability; core services identified & supported; achieve efficiencies in business processes • Financial controls maintained and reviewed for policy compliance • Funding sources explored to match revenues to defined outcomes • Avoid litigation by proactively seeking solutions for contentious issues • Maintain conservative growth patterns to ensure service level maintenance 	<ul style="list-style-type: none"> • Seizing opportunities as presented • Reposition staff to further enhance job functionality and revise job descriptions; evaluate staff levels • Monitor cash flows with monthly reporting • Grants received, taxes increased, new taxes, Federal Treasury funds, TBD fees passed, new sales tax for TBD, and sales tax for affordable housing passed. • Reduced number of personnel grievances and/or litigation • Right size staff levels to meet financial constraints while maintaining city services 	<ul style="list-style-type: none"> • Reuse of housing, purchasing or acquiring land for public use • Begin succession planning, placing key supportive managers under each department head • Review of balance sheet to ascertain cash flows, manually signing all checks • Increased grant funding achieved • Active risk assessment in place using WCIA resources • Staff movement, rearrangement and enhancement to meet growing population demands

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Number of Grants	17	31	30	30	30

Executive Department Goals (continued):

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

Responds to Council Goal #:	4	Housing
	18	Customer Service
	11	Enhanced Communication & Participation

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Open door policy for public involvement and knowledge • Enhance the communication to the Citizens by improved web development, social media • Continue involvement with service organizations to recruit volunteer services • Public out reach for cultural differences while recognizing our heritage and those of different cultures and backgrounds • Work with Fishline, YWCA, and faith based institutions to provide needed social safety net 	<ul style="list-style-type: none"> • Saturday with the Mayor • Newsletter Generation • Increased grant revenue to service organizations • Engagement with other communities targeting cultural differences. • Increased grant revenue to service organizations 	<ul style="list-style-type: none"> • Saturday Open Door Meetings ongoing and appointment upon request • Monthly newsletters continue with greater content, expand Facebook postings • On going involvement with Fishline, Coffee Oasis and other civic organizations • Form task force for engagement, look at diversity in hiring practices, leading to anti-bias training staff wide. • City member with GARE (Government Alliance on Race and Equity) • New CARES grant submitted. Creation of the Housing Health and Human Services department

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
# of Newsletter Editions Published	12	12	12	12	12

Executive Department Goals (continued):

Goal:	<i>Foster Economic growth through business attraction and support of existing businesses within our community.</i>	
Responds to Council Goal #:		
	8	Economic Development
Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Bring new business into Poulsbo to enhance goods and services for our citizens • Understand each business district as a distinct area and address their specific needs • Target businesses for specific districts: What would work in West Poulsbo, Downtown, Hwy 305, the Village and 10th? • Understand restrictions to business locations: What impedes businesses from locating in Poulsbo? 	<ul style="list-style-type: none"> • Attraction of businesses that work with one another and are symbiotic in nature; increase in tax and licensing revenue; increase in employment • Analysis of service holes: What do we have and what do we need? • Treasury funds allocated to small businesses and non-profits to support economic stability. • Reach out to targeted businesses for retention and recruitment • Code changes promoting better land use policy 	<ul style="list-style-type: none"> • Business recruitment ongoing. Viking avenue with increased business occupation and Olhava with increased construction. • Continue to support downtown with renewed involvement in the HDPa, Poulsbo Chamber and KEDA • Business recruitment ongoing. Welcome Pape, Land Site and Sun Rentals to Viking. Firestone and Fairfield to Olhava. Business recruitment continues • A move toward more residential construction and away from commercial; code changes continue.

Executive Department Goals (continued):

Goal:	<i>Address planning challenges: Continue to thrive while we retain our heritage and quality of life.</i>		
Responds to Council Goal #:	1	Urban Growth	
	9	Open Spaces and Recreation	
	10	Environment	

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Continue to implement/update the Comprehensive Plan • Update the zoning map and validate land use decision for each zone • Vision development for our downtown core and West Poulsbo, 10th Ave, and 305 Corridor • Workshop for involvement • Ensure environmental regard as new code implementation occurs: tree retention, stormwater • Support park and trail creation • Enhance existing parks and trails • Support public art that is privately funded 	<ul style="list-style-type: none"> • Identify key code changes necessary for implementation • Workshop held for downtown and West Poulsbo visioning process • New housing that supports green open spaces and public recreation • Land acquisition to ensure park level of service; trail creation for public access; park development • Completed improvements • Johnson Parkway Roundabout installed 	<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 • Increased activity with the Poulsbo Chamber of Commerce by meeting monthly with the executive director. • Many new subdivisions coming with increased amenities and better transportation access. • Morrow Manor Park and new trails near 7th Avenue, Forest Rock Hills and Noll Rd; ten years of Daffodil Day, West Poulsbo Park, enlarge Fish Park, acquire West Poulsbo Land and Snider Park. • Public Art in the Parkway, Public Art in Olhava

Executive Department Goals (continued):

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

Responds to Council Goal #: **8** **Economic Development**
10 **Revenues and Financial Stability**

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Work with other jurisdictions to establish sharing of both responsibilities and resources • Find revenue sources to offset those regional services we provide • Acknowledge transportation challenges due to our centralized location • Work toward regional planning for the 305 corridor • Work with regional organizations to establish goals and policies that support sustainable practices • Work toward creating a sphere of influence to allow jurisdiction notification of pending activities surrounding Poulsbo 	<ul style="list-style-type: none"> • Strong economies of scale by sharing; documented common needs and identify them • Legislative initiatives developed to support fees for services • Joint transportation projects completed. • Notifications received • Joint meetings held 	<ul style="list-style-type: none"> • Vice President of Puget Sound Regional Council; multiple jurisdiction meetings held • Homeless Housing funding • Johnson Road Roundabout in construction with roundabout and pedestrian facilities. • Work with County Commissioners and planning staff to begin sub-area planning process, sphere of influence

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Completed agreements with agencies for joint projects	6	8	8	8	8

Executive Department Goals (continued):

Goal:	<i>Public Safety, Law Enforcement and Vulnerable Populations: Refocus Poulsbo Law Enforcement toward public service and community outreach</i>	
Responds to Council Goal #:	9 Public Safety	
Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Work with law enforcement to create a culture of professionalism and service • Work with law enforcement to reengage with our community and the communities that surround us. • Encourage our law enforcement to reach out to community members in various ways to engage and understand • Enhance training so all law enforcement personnel are confident and knowledgeable when engaging with those of different cultures, those who are in crisis or who are homeless • Work with other agencies and areas of governance so there is consistency in the application of standards and practice in law enforcement 	<ul style="list-style-type: none"> • All training standards are met in a timely way and consistently applied through the agency • Community meetings/events held • Local standards established by code for training requirements for each office. • Works with Kitsap 911 about dispatch protocols. Can we dispatch differently? Work with state government for systematic reform. Encourage regional use of body cameras. • Consistent policies/practices 	<ul style="list-style-type: none"> • Personnel restructure and enhanced management at all level in our police department. Training and reporting standards are reviewed and verified. • National Night Out and police are engaged and reaching out. Our Police Navigation personnel in place. • 40 hours of Crisis intervention training close to completion for all law enforcement. Review enforcement policies • Systematic reform implemented to State government, dispatch now including the new 988 system

Finance Department Goals:

Goal: *Produce an award winning budget document*

Responds to Council Goal #: **17** **Revenues and Financial Stability**

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

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
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Received GFOA Distinguished Budget Award	***	Yes	***	Yes	***
# of Proficient and/or Outstanding Ratings for GFOA Budget Award	***	99	***	99	***

** 2nd year of Biennial Budget



Goal: *Produce an award winning Annual Comprehensive Financial Report (ACFR)*

Responds to Council Goal #: **17** **Revenues and Financial Stability**

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

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
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Received GFOA Distinguished ACFR Award	Yes	Yes	Yes	Yes	Yes
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Finance Department Goals (continued):

Finance Department Goals		
Goal:	<i>Provide departmental training with internal staff resources to increase departmental efficiency and communication outreach</i>	
Responds to Council Goal #:	17	Revenues and Financial Stability
	18	Customer Service
Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Conduct Training for Financial Operations processes 	<ul style="list-style-type: none"> • Number of trainings held 	<ul style="list-style-type: none"> • Budget Training

<i>Type of Performance Measure</i>	<i>2022 Actual</i>	<i>2023 Actual</i>	<i>2024 Projected</i>	<i>2025 Projected</i>	<i>2026 Projected</i>
# of internal training sessions held		3	3	5	5

Finance Department Goals		
Goal:	<i>Offer option of E-mailed Utility Bills</i>	
Responds to Council Goal #:	10	Revenues and Financial Stability
Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Work with contractor to offer email billed in lieu of mailed hard copy • Outreach to Utility Bill customers providing option of receiving emailed bill 	<ul style="list-style-type: none"> • Emailed bills • Customers enrolled 	<ul style="list-style-type: none"> • Consulted with contractor for options. • Working with software company on compatibility • None

<i>Type of Performance Measure</i>	<i>2022 Actual</i>	<i>2023 Actual</i>	<i>2024 Projected</i>	<i>2025 Projected</i>	<i>2026 Projected</i>
# of customers enrolled	N/A	N/A	72	85	100

Finance Department Goals (continued):

Goal:	<i>Implement new updated financial software for the Finance Department and the Business and Occupation Tax administration</i>	
Responds to Council Goal #:	17	Revenues and Financial Stability
	18	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Explore options for available software 	<ul style="list-style-type: none"> Number of software demos 	<ul style="list-style-type: none"> Select software companies to arrange demos
<ul style="list-style-type: none"> Issue RFP for software solutions 	<ul style="list-style-type: none"> Completed RFP 	<ul style="list-style-type: none"> Issue RFPs to review
<ul style="list-style-type: none"> Select vendor and negotiate contract terms 	<ul style="list-style-type: none"> Executed Contract 	<ul style="list-style-type: none"> N/A
<ul style="list-style-type: none"> Implement new software solutions 	<ul style="list-style-type: none"> Implemented software and users 	<ul style="list-style-type: none"> N/A

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
# Software Demo'd				3	3

Housing, Health, and Human Services Goals:

Goal: *Create Housing and Health Opportunities for Low Income and Vulnerable Residents*

Responds to Council Goal #: **4** **Housing**
18 **Customer Service**

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Complete the Nordic Cottage Project in partnership with Housing Kitsap, find new sites for deeply affordable housing development 	<ul style="list-style-type: none"> • Project completion 	<ul style="list-style-type: none"> • Project will be completed in 2025; we will identify next project in 2025. First Recovery Residence opened in 2024.
<ul style="list-style-type: none"> • Sustain and enhance the Recovery Resource Center 	<ul style="list-style-type: none"> • Identify new partners and funding sources, increased services 	<ul style="list-style-type: none"> • Discussions underway with Suquamish Tribe to expand program
<ul style="list-style-type: none"> • Develop senior initiatives (senior CARES, new drop in center at Parks & Rec) 	<ul style="list-style-type: none"> • Trained volunteers working to support area seniors, open hours at P&R drop in center 	<ul style="list-style-type: none"> • Senior CARES initiative growing each year, working with Parks & Rec to develop new services

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Grants Obtained	4	4	4	4	4
Individuals assisted by H3 Services	311	400	300	300	300

Information Services Goals:

Goal: *Upgrade City network from Microsoft G3 to Microsoft G5 Licesning Bundle*

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

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Implement MS G5 licensing upgrade for city staff. Quotes have been obtained on State contract and new apps and features have been tested by IT department 	<ul style="list-style-type: none"> Self Service Password Reset streamlines staff experience 	<ul style="list-style-type: none"> Working with departments on benefits of migration. Teams Voice, Microsoft Purview (PRRs, etc.)
<ul style="list-style-type: none"> Implement MS G5 licensing upgrade for city staff. Quotes have been obtained on State contract and new apps and features have been tested by IT department 	<ul style="list-style-type: none"> File storage in One Drive online should begin to increase with less dependance on network file shares, increase portability without relying on older infrastructure 	<ul style="list-style-type: none"> Departments already moving this direction. Proper licensing will increase capabilities.
<ul style="list-style-type: none"> Implement MS G5 Licesing with Teams Voice 	<ul style="list-style-type: none"> Replace and modernize phone system. Allows for better record retention, freedom from handsets on desks, SMS messaging - Critical for younger demographic. PRR capable 	<ul style="list-style-type: none"> Many departments looking for this to improve public interaction. Citizens, vendors, etc.
<ul style="list-style-type: none"> Implement MS G5 licensing upgrade for city staff. Quotes have been obtained on State contract and new apps and features have been tested by IT department 	<ul style="list-style-type: none"> Streamline cybersecurity with Windows Defender 	<ul style="list-style-type: none"> Will replace Sophos and Barracuda products in a ever evolving threat landscape
<ul style="list-style-type: none"> Implement MS G5 licensing upgrade for city staff. Quotes have been obtained on State contract and new apps and features have been tested by IT department 	<ul style="list-style-type: none"> Replace Knowbe4 with Microsoft Phishing simulator. Phishing training is required by city's insurance 	<ul style="list-style-type: none"> Reduces overhead on IT department streamlining services
<ul style="list-style-type: none"> Paid Internship Program - Partnering with Olympic College and Western Washington University 	<ul style="list-style-type: none"> Provide training and tier 1 support for technical/cybersecurity students at the city. This allows the two FTEs to focus on higher level items. 	<ul style="list-style-type: none"> We have had two interns in the past year. Huge benefit to staff and IT departmnet. See this program growing in the future.

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Number of staff upgrades completed				50%	50%
Number of staff upgrades in use				50%	50%

Municipal Court Department Goals:

Goal: *Maintain Monthly Financial Audits*

Responds to Council Goal #:	16	Public Safety
	11	Citizen Participation and Coordinaton
	17	Revenues and Financial Stability

Objectives

- Financial audits are a proactive measure to maintain the integrity and health of the courts finances.

Measurement

Reconciliation of Accounts with bank statements to ensure that outstanding reveivables and payables are accurately recorded.

Progress

Cross Training is being impletemented so that there is always cross-checks in place.

Type of Performance Measure	2025 Projected	2026 Projected
Monthly Financial Audits	Maintain current audits	Maintain current audits

Goal: *Update Municipal Court office policy and procedures*

Responds to Council Goal #:	16	Public Safety
	18	Customer Service

Objectives

- Office policies and desk guides need to be reviewed and updated as laws and court rules change.
- Identify and define the daily court tasks that will allow the court to operate basic tasks should an emergency arise.

Measurement

- Updated or new procedures may be put into place or updated and desk guides will be created or changed.
- List of duties/tasks
- Emergency plan

Progress

- As the court begins to transition to a new case management system, the current Policies & Procedures will become obsolete.

Type of Performance Measure	2025 Projected	2026 Projected
Policy/procedure updated	Admin procedures	Daily policies and procedures

Municipal Court Department Goals (continued):

Goal: *Update and reorganize the Municipal Court webpage*

Responds to Council Goal #:	16	Public Safety
	18	Customer Service

Objectives

- 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. Create more autonomy within the website.

Measurement

- Updated forms
- Updated webpage

Progress

- 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.

Type of Performance Measure	2025 Projected	2026 Projected
Webpage item addressed	Updated broken links, revamping pages	Continue to monitor and update court info and links

Parks & Recreation Department Goals:

Goal: *Implement Department Fiscal Improvements*

Responds to Council Goal #: **9 Parks & Recreation and Open Space**
18 Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> • Refine programming budget templates to more accurately and easily track revenue, expenditures, and budgeting 	<ul style="list-style-type: none"> • Update templates to link individual programs to universal master sheet 	<ul style="list-style-type: none"> • Created new Recreation and Special Event Programming budget template. Incorporated indirect cost recovery and FTE staff cost recovery.
<ul style="list-style-type: none"> • Expand sponsorship program 	<ul style="list-style-type: none"> • Increase number of sponsors through outreach. 	<ul style="list-style-type: none"> • Develop Event Sponsorship Program outlining opportunities, benefits, and community impacts and visibility.
<ul style="list-style-type: none"> • Implement alternative funding mechanisms to supplement department funding 	<ul style="list-style-type: none"> • Establish and use a centralized grant calendar 	<ul style="list-style-type: none"> • Reviewing feasibility of implementing a membership program for senior programs

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Measuring department revenue achieved through cost recovery, expanded sponsorship program, grants and alternative funding mechanisms	\$ 517,564.00	\$ 610,463.00	\$ 719,508.00	\$ 842,400.00	\$ 930,050.00

Parks & Recreation Department Goals (continued):

Goal:	<i>Expand Volunteer Program</i>	
Responds to Council Goal #:	9	Parks & Recreation and Open Space
	11	Citizen Participation and Coordination
	18	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Increase accuracy and ease of tracking volunteer hours 	<ul style="list-style-type: none"> Implement Volgistics (or comparable volunteer management software) 	<ul style="list-style-type: none"> Monthly spreadsheets developed to track hours for Recreation, Parks & Trails, Advisory and Events
<ul style="list-style-type: none"> Foster and expand development of community relationships 	<ul style="list-style-type: none"> Expand partnership group and outreach list. Implement community outreach at various clubs and organizations 	<ul style="list-style-type: none"> Software research has been completed. Pending funding and implementation Developed partnerships outreach list Established coordination meetings with community partners
<ul style="list-style-type: none"> Refine matching work party volunteers with projects aligned with their specific interests and department needs. 	<ul style="list-style-type: none"> Expand list of volunteer groups to align with park priorities identified from community input and park assessments 	<ul style="list-style-type: none"> Created work project list based on park assessments and priority levels. Requires matching opportunities to community groups and timelining

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Number of volunteer hours	2,791	5,894	9,400	11,750	12,388

Parks & Recreation Department Goals (continued):

Goal: *Assess and refine recreational program offerings to better serve the community*

Responds to Council Goal #:	9	Parks & Recreation and Open Space
	11	Citizen Participation and Coordination
	16	Public Safety
	18	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Establish a dedicated and funded senior program 	<ul style="list-style-type: none"> Explore and formalize strategic partnerships with NKSCC, Martha & Mary and other organizations Implement membership fee schedule, secure grants, sponsorships, and donations to expand programs Promote expansion of Senior Task Force (advisory group) and coordinate their assistance on goals 	<ul style="list-style-type: none"> Staff in discussion with NK Senior Citizen Center about developing and MOU for future collaborations Staff have secured several community grants to help fund essential senior programs, keeping them free or reduced cost Successfully formed the Senior Task Force, a community advisory group with core set of partners and stakeholders
<ul style="list-style-type: none"> Assess feasibility of bringing back preschool to the Recreation Center for Fall 2025 	<ul style="list-style-type: none"> Conduct preschool feasibility study. Consult with the Parks & Recreation Commission on the findings and recommendations 	<ul style="list-style-type: none"> Staff have started work on the market analysis and feasibility study.
<ul style="list-style-type: none"> Expand afterschool at the school programs 	<ul style="list-style-type: none"> Increased afterschool classes. Engage NKSD for support 	<ul style="list-style-type: none"> Pilot programs have started at two schools
<ul style="list-style-type: none"> Reimplement the Poulsbo's community youth sailing program 	<ul style="list-style-type: none"> Explore a partnership with Poulsbo Yacht Club on coordination of youth sailing programs Offer in-house sailing programs and restart high school sailing 	<ul style="list-style-type: none"> Secure grant funding for the sailing float rebuild. Finished design and engagement with a community lumber company to reduce costs

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
# of recreation classes, camps, workshops (note: this metric will be updated in 2025 to track "participant hours")	884	1035	1038	1075	1125
# of free senior program participants	275	325	625	700	750

Parks & Recreation Department Goals (continued):

Goal: *Recreation Center Improvements and Efficiencies*

Responds to Council Goal #:	9	Parks & Recreation and Open Space
	11	Citizen Participation and Coordination
	18	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Improve accessibility/ADA of facility 	<ul style="list-style-type: none"> Install ADA compliant automatic front doors Upgrade all door handles to ADA compliant levers 	<ul style="list-style-type: none"> Several door handles were replaced with ADA accessible levers. Additional are needed Outdoor steps and ramp were pressure washed One additional ADA parking spot installed based on volume of facility
<ul style="list-style-type: none"> Assess existing space to determine better utilization 	<ul style="list-style-type: none"> Conduct facility use analysis for programming, rentals, and multipurpose rooms 	<ul style="list-style-type: none"> Staff have progressed with multiple planning meetings to reassess existing spaces. Kitchen classroom remodeled
<ul style="list-style-type: none"> Develop plan to repair, improve, and maintain building exterior 	<ul style="list-style-type: none"> Assess building exterior/façade condition, develop recommendations for repairs and budget 	<ul style="list-style-type: none"> In development to determine scope and budget
<ul style="list-style-type: none"> Improve facility security and safety 	<ul style="list-style-type: none"> Install door locks, classroom blackout curtains, updated evacuation plan routes, and selective metal doors 	<ul style="list-style-type: none"> In progress for 2025 implementation

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected

Community Recreation Center average weekly hours of operation	45	51	63	69	76
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Personnel Department Goals:

Goal: *Maintain a reasonable number of Labor & Industries claims per year*

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

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

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
# of Approved Labor & Industry Claims	3	7	4	4	4

Planning & Economic Development Department Goals:

Goal: *Complete and Implement the 2024 Comprehensive Plan Update*

Responds to Council Goal #:	1	Land Use
	4	Natural Environment
	8	Economic Development

Objectives

- Complete and implement the 2024 comprehensive plan which includes amendments to the development regulations and impact fees.

Measurement

- Review functional plans (sewer, water, transportation, stormwater), complete SEPA, and adopting implementing development regulations and revised fees.

Progress

- Drafted all chapters and completed initial review by the planning commission and city council. Drafted the first two chapters of four total for the EIS. Functional plans underway.

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Release EIS				X	
Review public comments of EIS				X	
Determine preferred alternative				X	
Release Comp Plan for adoption				X	
Adopt Comp Plan and implementing Land Development Regulations				X	
Establish impact fees				X	
Revise documents, applications, cheat sheets to reflect changes				X	

Planning & Economic Development Department Goals (continued):

Goal: *Complete and Implement the Critical Areas Ordinance update (June 2025)*

Responds to Council Goal #: **1 Urban Growth**
 10 Natural Environment

Objectives

- Adopt a critical areas ordinance that meets the state mandates

Measurement

- Engage and notify the public and interested parties of the update
- Take proposed code change through the legislative process.
- Implement the code changes, including handouts and fact sheets

Progress

- Created a critical areas ordinance story map - Engaged the Suquamish Tribe
- Created handouts of each critical area

Type of Performance Measure	2022	2023	2024	2025	2026
	<i>Actual</i>	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Create helpful, digestible information for the public				X	
Draft Regulations for the Legislative Process				X	
Hold an open house for the public and stakeholders				X	
Take regulations through the Legislative Process				X	
Adopt and implement regulations				X	
Modify handouts to reflect new ordinances				X	
Create cheat sheets for the public to understand changes				X	
Promote changes in newsletters				X	

Planning & Economic Development Department Goals (continued):

Goal: *Implement downtown parking plan*

Responds to Council Goal #: **1** **Land Use**
8 **Economic Development**

Objectives

- With the help of the consultant and the support of staff, implement the downtown parking concepts as adopted by the city council

Measurement

- improve signage, increase employee parking, provide enforcement and implement paid parking

Progress

- Formed a parking committee that made recommendations adopted by the city council and retained a consultant to provide guidance on implementation.

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Provide staff leadership to Walker Consultants				X	X
Provide updates to the city council, public and engaged stakeholders of the updates by Walker				X	X
Attend Council meetings to discuss the implementation plan				X	X
Assist the city in implementing any changes supported by the city council				X	X
Engage the public and the committee				X	X

Planning & Economic Development Department Goals (continued):

Goal: *Run a customer-service focused department that provides timely reviews and accurate and available information to further planning, economic development, code compliance and city-wide functions.*

Responds to Council Goal #:	18	Customer Service
	5	Economic Development

Objectives

- Continue to support the many arms of planning including current and long-range planning, daily inquiries, building permit reviews, code compliance and economic development.

Measurement

- Meet timelines and new timelines for review of current planning applications, building permits (21 days), invoices (1 week), phone calls, emails (2 days) and Spotlight (monthly).

Progress

- Statutory timelines currently being met but new timelines as required by SB5290 need to be adopted and implemented.

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Write and Adopt Code to meet SB 5290				X	X
Review building permits within 21 days				X	X
Respond to emails, phone calls and code compliance cases within 2 working days				X	X
Process invoices in a timely manner – 1 week maximum				X	X
Maintain a website with up-to-date project information – daily				X	X
Meet SB 5290 timelines				X	X
Further the use of our interactive GIS map				X	X
Support Economic Development by maintaining relations with key stakeholders, providing information to support economic initiatives				X	X
Post agendas for Planning Commission meetings, provide minutes from previous meeting at next scheduled meeting.				X	X
Provide a monthly Spotlight to keep the public up to date on planning initiatives				X	X

Police Department Goals:

Goal: *Revitalize the Police Marine Patrol Program*

Responds to Council Goal #:	16	Public Safety
	18	Customer Service

Objectives <i>How will this goal be accomplished?</i>	Measurement <i>How will it be known when the objective has been met?</i>	Progress <i>What progress has been made in achieving this goal?</i>
<ul style="list-style-type: none"> • Identify interested new marine operators within the department 	<ul style="list-style-type: none"> • Actively solicit for letters of interest from the officers 	<ul style="list-style-type: none"> • Distributed an active solicitation for letters of interest in Oct. 2024 and have received three
<ul style="list-style-type: none"> • Identify a lead marine operator to directly oversee the operations 	<ul style="list-style-type: none"> • Identify a top performer in marine operations who can effectively lead and direct marine operations 	<ul style="list-style-type: none"> • We hired a lateral officer in Sep 2024 with 15+ in a larger department's marine program who will take on the lead with great experience
<ul style="list-style-type: none"> • All new marine operators will need to attend the Basic Marine Law Enforcement (BMLE) Training to become certified 	<ul style="list-style-type: none"> • We will work with and closely watch for new LEO trainings as they are offered by WA State Parks & Boating 	<ul style="list-style-type: none"> • The 2025 courses are yet to be announced
<ul style="list-style-type: none"> • Establishment of scheduled marine patrol shifts during peak boating season 	<ul style="list-style-type: none"> • Dependent on enough officers available to cover regular patrol, we will work to schedule marine patrol activity 	<ul style="list-style-type: none"> • This will rely on 2025 patrol staffing and certifications earned for marine patrol

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
# of hours of Marine Patrol Program	85	47	20	85	120
# of BMLE Certified Operators	3	2	2	4	6

Police Department Goals (continued):

Goal: *Implement an In-House Video Training Channel*

Responds to Council Goal #: **16 Public Safety**

Objectives <i>How will this goal be accomplished?</i>	Measurement <i>How will it be known when the objective has been met?</i>	Progress <i>What progress has been made in achieving this goal?</i>
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- | | | |
|--|--|--|
| <ul style="list-style-type: none"> Identify those on staff who have the experience and understanding of YouTube (or other similar) channel platform. Create training that can be accessed when practical. | <ul style="list-style-type: none"> • Solicit for participation on staff for interest, experience and development. Create at least three trainings to be deployed in 2025. | |
| <ul style="list-style-type: none"> Identify the training subjects and priorities which would be ideally supported by this approach | <ul style="list-style-type: none"> • Develop a master list of training needs from supervisors and as a department in whole | |
| <ul style="list-style-type: none"> Identify equipment needs | <ul style="list-style-type: none"> • Gather equipment needs necessary | |
| <ul style="list-style-type: none"> Identify the training plan and timeline | <ul style="list-style-type: none"> • Create a documented training plan and timeline for 2025-2026. Use in-house survey to evaluate the effectiveness and preference of this training platform | |

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
# of Training Recordings	N/A	N/A	N/A	10	18
# of Training Hours available via In-House Channel	N/A	N/A	N/A	8	16

Police Department Goals (continued):

Goal:

Establish Poulsbo Police Department as a Leader and Vital Asset to Regional Teams and local Law Enforcement Agencies

Responds to Council Goal #:

16 Public Safety

11 Citizen Participation and Coordination

Objectives

How will this goal be accomplished?

Measurement

How will it be known when the objective has been met?

Progress

What progress has been made in achieving this goal?

- Increase the number of Instructors and their instruction disciplines within our department

- Count of Instructors along with the number of instruction disciplines covered

- Increase the number of regional team participants from our department where available

- Count of regional team participants from our department

- As of 2024:
• KCIRT = 1 SWAT = 1 KITT = 1

- Develop an in-house Special Purpose Unit (SPU) which will train accepted participants in a cadre of high-skill response techniques

- Establish the policy, the parameters and the participation requirements for an in-house Special Purpose Unit

- Initial solicitation and testing took place in Aug 2024 which will have one team leader and 3 participants to begin

Type of Performance Measure

**2022
Actual**

**2023
Actual**

**2024
Projected**

**2025
Projected**

**2026
Projected**

of In-House Instructors

6

7

6

7

8

of Disciplines Covered

6

7

7

7

8

Police Department Goals (continued):

Goal: *Increase Community Engagement and Outreach*

Responds to Council Goal #:	16	Public Safety
	11	Citizen Participation and Coordination
	18	Customer Service

Objectives <i>How will this goal be accomplished?</i>	Measurement <i>How will it be known when the objective has been met?</i>	Progress <i>What progress has been made in achieving this goal?</i>
<ul style="list-style-type: none"> Establish a Community Outreach Team (COT) within the staff of our department to be a cadre for community events and requests. Identify the channels of communication and the subjects of interest or effectiveness. Identify the groups and/or events to target who may benefit or have interest in the areas of discussion we provide Assign pre-planned social media posts relative to the season(s) Actively solicit from the department ideas, situations, fun events, etc....to be submitted to the COT for inclusion in social media and other advertising Creation of our own events such as Town Halls, Community Police Academy, etc... Identify a core block of training that COT members need to acquire: Instructor development, PIO, etc. 	<ul style="list-style-type: none"> Solicitation of interest Review of subjects and specialties so we may have a team established with their specific areas of interest and expertise schedule and complete identified trainings 	<ul style="list-style-type: none"> Solicitation to be announced in early 2025

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
# of Events/Presentations participated in	4	6	12	18	24
# of Social Media posts	70	60	85	96	108

Public Works Department Goals:

Goal: *Improve pedestrian safety in the city*

Responds to Council Goal #: **16 Public Safety**

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Initiate a citywide traffic calming program; present plan at public meetings 	<ul style="list-style-type: none"> Less Public Complaints and Tickets issued by Law Enforcement. 	<ul style="list-style-type: none"> Installed more radar speed signs and doing ongoing traffic and speed counts within the City.
<ul style="list-style-type: none"> Review signage for better visibility 	<ul style="list-style-type: none"> Measure Reflectivity and damaged signs. Respond to concerns and complaints 	<ul style="list-style-type: none"> ongoing program
<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"> ongoing program - \$25,000 annually for Sidewalk Safety Program

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Miles of sidewalks maintained	67	75	77	81	85

Goal: *Maintain the City Parks system to provide a safe environment for recreation*

Responds to Council Goal #: **9 Open Space and Recreation**
12 Public Facilities and Services
16 Public Safety

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Grounds and Building care to maintain appealing parks and open spaces 	<ul style="list-style-type: none"> Measured by appearance and functionality. Customers provide feedback as well 	<ul style="list-style-type: none"> on going program
<ul style="list-style-type: none"> Routine playground equipment inspections to insure features are safe. 	<ul style="list-style-type: none"> Measured by reports from our Certified Playground Safety Inspectors. 	<ul style="list-style-type: none"> on going program
<ul style="list-style-type: none"> Work with Parks & Recreation on a Parks Assessment Evaluation 	<ul style="list-style-type: none"> Field inspections by the Parks & Recreation Department 	<ul style="list-style-type: none"> Implementing program to address deficiencies

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Number of parks/open spaces maintained	22	22	22	23	23
Total acreage of parks/open space maintained	71	136	136	137	137

Public Works Department Goals (continued):

Goal: *Meet the requirements of the National Pollutant Discharge Elimination System - Phase II Municipal Stormwater Permit*

Responds to Council Goal #:	10	Environment
	12	Public Facilities and Services
	16	Public Safety
	18	Customer Service

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

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Number of detention ponds maintained	38	40	70	75	80
Number of hours spent street sweeping	566	816	1299	1650	2000

Public Works Department Goals (continued):

Goal: *Improve condition of the City street system*

Responds to Council Goal #:

12	Public Facilities and Services
17	Revenues and Financial Stability
16	Public Safety

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 was approved for neighborhood & street revitalization
<ul style="list-style-type: none"> • Implement Transportation Benefit District (TBD) 	<ul style="list-style-type: none"> • Street schedule prepared and implemented; streets repaired and improved 	<ul style="list-style-type: none"> • Implemented in 2022
<ul style="list-style-type: none"> • 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 chip seal and seal coat program. Provides for maintenance of Neighborhood Streets.
<ul style="list-style-type: none"> • Develop a 5-year Neighborhood Streets Plan 	<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"> • Implement for 2023-2027
<ul style="list-style-type: none"> • Develop a sidewalk hazard survey and requested \$25,000 annually for sidewalk safety program. 	<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 reflectively 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"> • On-going
<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.

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Miles of streets maintained	56	60	67	69	72
Number of street signs maintained	3,200	3,300	3,325	3,350	3,375
Number of hours spent street sweeping	566	816	1299	1650	2000

Public Works Department Goals (continued):

Goal:	<i>Provide sufficient water supply sources to meet the requirements of the Comprehensive Plan</i>	
Responds to Council Goal #:	3	Transportation
	17	Revenues and Financial Stability
	18	Customer Service

Objectives	Measurement	Progress
<ul style="list-style-type: none"> Water conservation measures as recommended by Water System Plan 	<ul style="list-style-type: none"> Water conservation program implemented 	<ul style="list-style-type: none"> We have reduced greatly the unaccounted for water. (The difference between water pumped and water sold)
<ul style="list-style-type: none"> Continue improving infrastructure with CIP process 	<ul style="list-style-type: none"> CIP projects completed 	<ul style="list-style-type: none"> On-going
<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. As of Sept 1st 2022 92% of meters have been changed.
<ul style="list-style-type: none"> Installed water treatment plant at Westside Well to reduce the discolored water from iron and manganese. 	<ul style="list-style-type: none"> This new program has greatly reduce customer complaints and o&m costs associated with mitigating this occurrence 	<ul style="list-style-type: none"> Completed and ongoing

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Miles of watermain lines maintained	80	95	99	102	105
Average number of water meters read monthly	4,390	4,550	4,700	4,860	5,000

Public Works Department Goals (continued):

Goal:	<i>Maintain a cost-effective and responsive solid waste collection system</i>	
Responds to Council Goal #:	12	Public Facilities and Services
	17	Revenues and Financial Stability
	18	Customer Service

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

Type of Performance Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Tons of waste to landfill	6,802	6,960	7,000	7,100	7,200
Number of residential free dumpsters provided	251	255	260	264	270

Public Works Department Goals (continued):

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

Responds to Council Goal #:	12	Public Facilities and Services
	18	Customer Service
	16	Public Safety
	17	Revenues and Financial Stability

Objectives

Measurement

Progress

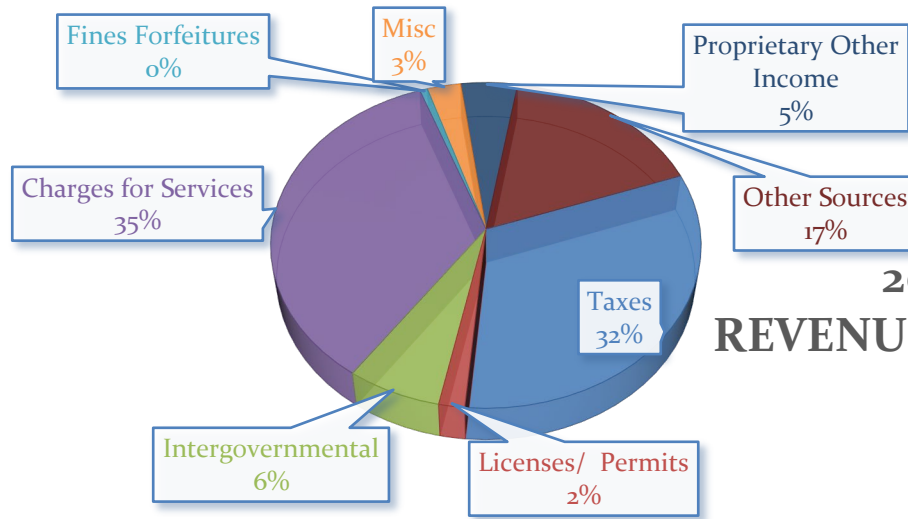
<ul style="list-style-type: none"> Maintain all sewer lift stations (pumps, valves, generators, panels, buildings) to insure uninterrupted service. 	<ul style="list-style-type: none"> Failure rates of mechanical and electrical equipment 	<ul style="list-style-type: none"> Few failures due to keeping 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 August 31st 2022 approximately 50% of the City Sewer mains and approximately 15% 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
<ul style="list-style-type: none"> Quickly assess the condition of Sewer Mains with the SL-Rat (Sewer Line Rapid Assessment Tool) purchased in 2023. 	<ul style="list-style-type: none"> CCTV and jet the lines that have a poor rating as determined by the SL-Rat. 	<ul style="list-style-type: none"> A team of 2 maintenance staff have asserted about 20% of the Gravity Sewer Mains in 4 weeks as of July 2024.
<ul style="list-style-type: none"> Eliminate Alasund Meadows Lift Station by installing a new gravity line on Noll Road. 	<ul style="list-style-type: none"> Eliminates risk of a spill due to electrical and mechanical failure at the lift station. 	<ul style="list-style-type: none"> Gravity line was put into service in 2024.

Type of Performance Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projecte d	Projecte d
Miles of sewer main lines maintained	66	66	67	69	71
Number of pump stations maintained	9	8	8	8	8

ANALYSIS OF 2025-2026 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 2025 and 2026. 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 35%, of which 88% is derived from the services in the City's utilities. Beginning in 2025, water, sewer (wastewater), and stormwater adjustments to utility rates are bracketed with a minimum increase of 2%, and a maximum increase of 6%. Solid waste adjustments will increase 3.8%.
- **Taxes:**
With the majority being received in the General Fund, these make up the next largest source at 32%. Sales tax has seen a steady increase over the last few years. The projection has been increased to reflect the growing revenue. Utility tax rates remain at 12% for water, sewer, and storm drain; and 6% for solid waste and other services.
- **Intergovernmental Revenues:**
Make up 6.5% of anticipated total revenue that 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 be 17%. This category generally consists of proceeds from sales of capital assets and includes debt proceeds for anticipated capital projects.
- **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 been estimated to reflect the projects the City is anticipating moving forward while trying to be conservative.
- **Proprietary (Other Income):**
Comprised of the portion of revenues derived from connections to City utilities intended for capital use, is anticipated to make up 5%.
- **Miscellaneous Revenue:**
Mainly comprised of investment income, anticipated at 3%.
- **Fines and Forfeitures:**
Make up the second smallest portion of revenues at less than 1%. These are revenues which are mostly unpredictable and therefore are budgeted conservatively.



2025-2026 REVENUE BY CATEGORY

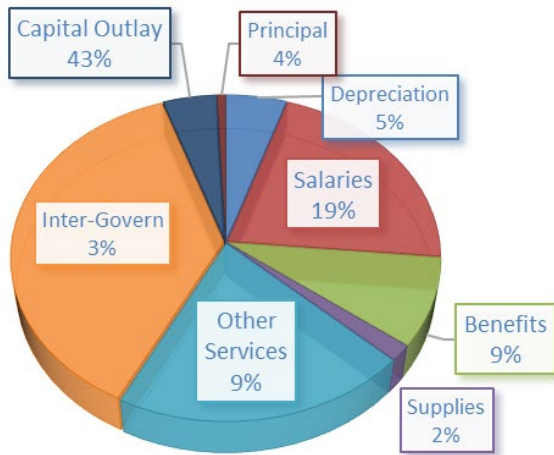
2025-2026 Revenue by Category (Excludes Operating Transfers)									
Fund	Taxes	Licenses/ Permits	Intergovernmental	Charges for Services	Fines Forfeitures	Misc	Proprietary Other Income	Other Sources	Total
<i>General Fund</i>									
001 General	26,201,636	1,681,370	1,698,359	2,538,200	423,450	1,139,750	-	-	33,682,765
Total Special Revenue Funds	26,201,636	1,681,370	1,698,359	2,538,200	423,450	1,139,750	-	-	33,682,765
<i>Special Revenue Funds</i>									
101 Street Fund	615,154	51,200	511,285	-	-	15,450	-	-	1,193,089
110 Neighborhood Streets	920,000	-	-	-	-	-	-	-	920,000
121 Capital Improvement	1,400,000	-	-	-	-	12,000	-	-	1,412,000
123 Transp Dev Fund	-	-	-	1,491,121	-	17,000	-	-	1,508,121
124 Park Dev Fund	-	-	-	200,000	-	4,000	-	-	204,000
125 Affordable House Fund	1,350,000	-	-	-	-	-	-	-	1,350,000
131 Historic DT Poulso	-	-	-	-	-	210,000	-	-	210,000
161 Paths & Trail Reserve	-	-	2,251	-	-	-	-	-	2,251
171 Drug Enforcement	-	-	-	-	-	1,500	-	-	1,500
181 Transient Occupancy	730,000	-	-	-	-	7,000	-	-	737,000
191 Police Restricted	-	-	67,214	-	-	1,500	-	-	68,714
Total Special Revenue Funds	5,015,154	51,200	580,750	1,691,121	-	268,450	-	-	7,606,675
<i>Debt Service Funds</i>									
204 Non-Voted Debt	-	-	-	-	-	300	-	1,140,000	1,140,300
Total Debt Service Funds	-	-	-	-	-	300	-	1,140,000	1,140,300
<i>Capital Project Funds</i>									
301 Equip Acquisition	-	-	-	-	-	7,000	-	-	7,000
302 Park Reserve	-	-	85,000	-	-	10,000	-	1,500,000	1,595,000
310 Neighborhood Streets	-	-	-	-	-	-	-	-	-
311 Street Reserve	-	-	2,898,879	-	-	-	-	-	2,898,879
314 Cemetery Reserve	-	-	-	4,000	-	400	-	-	4,400
331 Facilities Funds	-	-	-	-	-	30,000	-	11,400,000	11,430,000
Total Capital Project Funds	-	-	2,983,879	4,000	-	47,400	-	12,900,000	15,935,279
<i>Proprietary Funds</i>									
401 Water	-	-	-	5,346,198	57,200	400,000	1,150,000	-	6,953,398
403 Sewer	-	-	-	11,756,737	56,000	647,000	3,120,000	2,400,000	17,979,737
404 Solid Waste	-	-	-	7,741,679	54,680	92,976	-	-	7,889,335
410 Storm Drain	-	-	1,080,000	4,906,099	30,000	96,000	300,000	-	6,412,099
Total Proprietary Funds	-	-	1,080,000	29,750,713	197,880	1,235,976	4,570,000	2,400,000	39,234,569
TOTAL	31,216,790	1,732,570	6,342,988	33,984,034	621,330	2,691,876	4,570,000	16,440,000	97,599,588

ANALYSIS OF 2025-2026 BUDGETED EXPENDITURES BY TYPE FOR ALL FUNDS

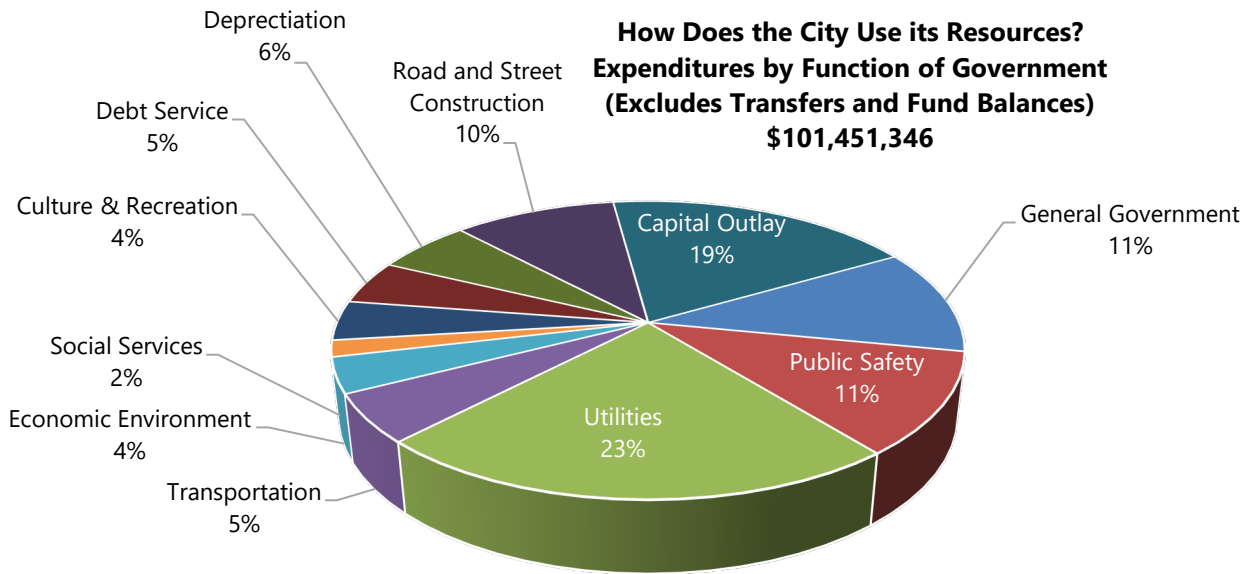
The following presents an analysis of the budgeted expenditures by fund and type anticipated to be expended by the City during 2025 and 2026 (*excluding Fund Balances and Operating Transfers*).

- **Capital Outlay:**
Capital accounts for 43% of the operating budgets with 37% of that being expended from utility funds. There are many utility, transportation and park projects planned for 2025 and 2026, with some of the costs being supported by grants. Continued improvements to several busy roads including Noll Road/Johnson Parkway and 3rd Avenue, 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:**
Salaries and benefits account for 28% of the operating budget. 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 9% of the expenditure budget.
- **Principal and Interest:**
Combined this accounts for 4% of the expenditure budget. This includes existing debt obligations.
- **Depreciation:**
This category accounts for approximately 5% of the total budgeted expenditures.
- **Supplies:**
The smallest category, general supplies, makes up 2% of the expenditure budget.

2025-2026 EXPENDITURE BY TYPE



2025-2026 Expenditures by Object (Excludes Operating Transfers)									
Fund	Depreciation	Salaries	Benefits	Supplies	Other Services	Capital Outlay	Principal	Interest	Total
<i>General Fund</i>									
001 General	-	17,059,417	6,814,738	891,648	8,296,355	-	4,200	240	33,066,598
Total General Fund	-	17,059,417	6,814,738	891,648	8,296,355	-	4,200	240	33,066,598
<i>Special Revenue Funds</i>									
101 Street Fund	-	941,538	417,600	294,831	1,204,557	-	-	-	2,858,526
110 Neighborhood Streets	-	-	-	-	250,000.00	-	-	-	250,000
121 Capital Improvement	-	-	-	-	-	-	-	-	-
123 Trans Develop Fund	-	-	-	-	-	-	-	-	-
124 Park Develop Fund	-	-	-	-	-	-	-	-	-
125 Affordable House Fund	-	374,130	156,873	-	272,000	-	-	-	803,003
131 Historic DT Poulsville	-	-	-	5,400	265,400	-	-	-	270,800
161 Paths & Trail Rsv	-	-	-	-	-	-	-	-	-
171 Drug Enforcement	-	-	2,000	2,000	26,300	-	-	-	30,300
181 Transient Occupancy	-	128,816	77,761	-	803,773	-	-	-	1,010,350
191 Police Restricted	-	8,700	2,480	3,600	20,400	-	-	-	35,180
Total Special Revenue Funds	-	1,453,184	656,714	305,831	2,842,430	-	-	-	5,258,159
<i>Debt Service Funds</i>									
204 Non-Voted Debt	-	-	-	-	-	-	4,459,215	358,927	4,818,142
Total Debt Service Funds	-	-	-	-	-	-	4,459,215	358,927	4,818,142
<i>Capital Project Funds</i>									
301 Equip Acquisition	-	-	-	-	-	100,000	-	-	100,000
302 Park Reserve	-	-	-	-	-	1,970,000	-	-	1,970,000
310 Neighborhood Streets	-	-	-	-	-	780,000	-	-	780,000
311 Street Reserve	-	-	-	-	-	4,815,421	-	-	4,815,421
314 Cemetery Reserve	-	-	-	-	-	-	-	-	-
331 Facilities Funds	-	-	-	-	-	11,400,000	-	-	11,400,000
Total Capital Funds	-	-	-	-	-	19,065,421	-	-	19,065,421
<i>Proprietary Funds</i>									
401 Water	1,602,000	1,552,302	701,675	219,246	2,069,293	4,031,500	45,453	14,447	10,235,916
403 Sewer	2,792,320	1,225,788	517,214	64,880	4,731,004	18,217,115	635,453	445,547	28,629,321
404 Solid Waste	362,344	2,227,900	989,345	284,699	4,893,701	-	71,426	22,703	8,852,118
410 Storm Drain	1,168,520	1,644,370	719,862	74,392	1,372,611	2,495,000	38,960	12,383	7,526,098
Total Proprietary Funds	5,925,184	6,650,360	2,928,096	643,217	13,066,609	24,743,615	791,292	495,080	55,243,453
TOTAL	5,925,184	25,162,961	10,399,548	1,840,696	24,205,394	43,809,036	5,254,707	854,247	117,451,773



- **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:**
 Classes of service provides for 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 \$10,000 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 2025-2026 budget figures, a test for major funds was performed and the following funds qualify as Major Funds:

- Governmental Funds
 - a. General Fund (001)
 - b. Street Reserves Fund (311)
- Proprietary Funds (Business Type)
 - a. Water Fund (401)
 - b. Sewer Fund (403)
 - c. Solid Waste Fund (404)
 - d. Storm Drain Fund (410)

Statements have been prepared with 2025-2026 budget figures and individually show the major funds.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - MAJOR FUNDS
BUDGET FOR 2025-2026

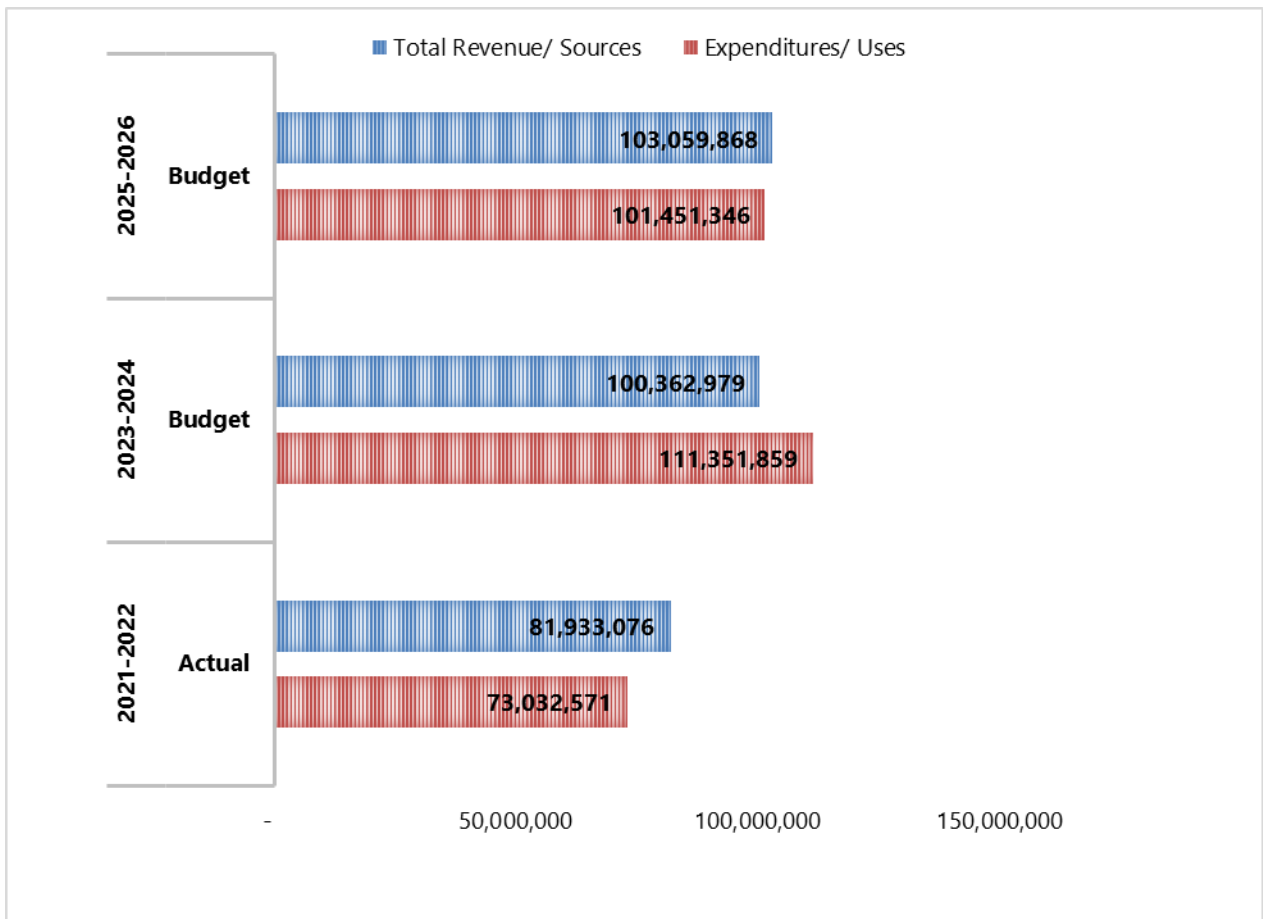
	Major Fund General Fund	Major Fund Street Reserve Fund	Non-Major Governmental Funds	Total
Revenues				
Taxes	\$ 26,201,636	\$ -	\$ 5,015,154	\$ 31,216,790
Licenses and Permits	1,681,370	-	51,200	1,732,570
Intergovernmental	1,698,359	2,898,879	665,750	5,262,988
Charges for Services	2,538,200	-	1,695,121	4,233,321
Fines and Forfeitures	423,450	-	-	423,450
Interest and Other Earnings	1,188,350	-	1,408,180	2,596,530
Total Revenues	33,731,365	2,898,879	8,835,405	45,465,649
Expenditures				
Current:				
General Government	11,594,505	-	-	11,594,505
Public Safety	11,167,880	-	65,480	11,233,360
Utilities	111,711	-	-	111,711
Transportation	2,224,320	-	3,108,526	5,332,846
Economic Environment	2,723,579	-	1,152,350	3,875,929
Social Services	1,147,013	-	661,003	1,808,016
Culture and Recreation	4,097,590	-	270,800	4,368,390
Debt Service:	-	-	4,818,142	4,818,142
Capital Outlay	-	4,815,421	14,250,000	19,065,421
Total Expenditures	33,066,598	4,815,421	24,326,301	62,208,320
<i>Excess of Revenues Over (Under) Expenditures</i>	664,767	(1,916,542)	(15,490,896)	(16,742,671)
Other Financing Sources (Uses)				
Transfers In	-	2,193,121	7,836,529	10,029,650
Transfers Out	(4,922,929)	-	(5,106,721)	(10,029,650)
Bond Proceeds	-	-	12,900,000	12,900,000
Total Other Financing Sources and Uses	(4,922,929)	2,193,121	15,629,808	12,900,000
<i>Net Change in Fund Balances</i>	(4,258,162)	276,579	138,912	(3,842,671)
<i>Fund Balances Beginning of Year</i>	5,206,933	123,404	2,006,033	7,336,370
Fund Balances End of Year	\$ 948,771	\$ 399,983	\$ 2,144,945	\$ 3,493,699

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS - MAJOR FUNDS
 BUDGET FOR 2025-2026**

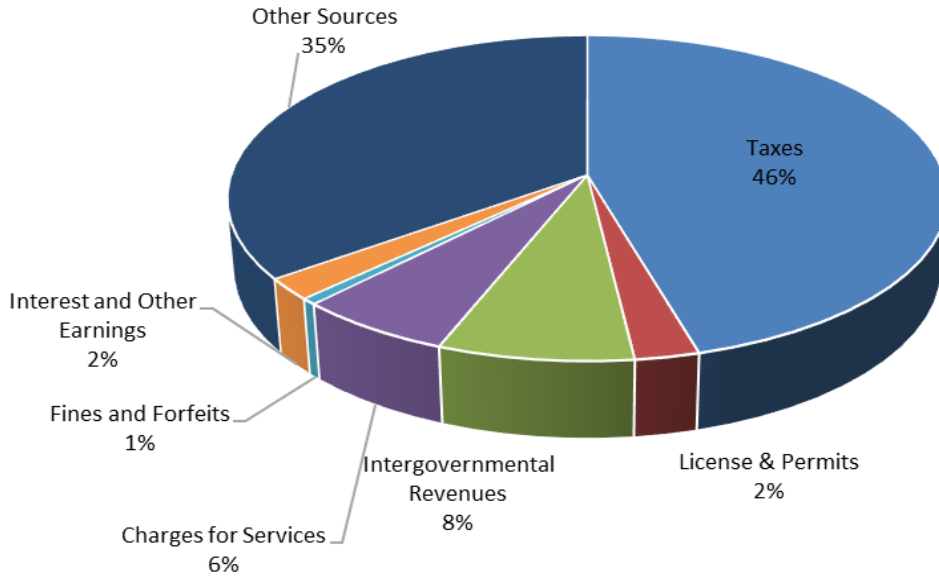
	Business-type Activities Enterprise Funds				
	Water	Sewer	Solid Waste	Storm Drain	Total
Operating Revenues:					
Charges for Services	\$ 5,346,198	\$ 11,756,737	\$ 7,741,679	\$ 4,906,099	\$ 29,750,713
Intergovernmental	-	-	-	1,080,000	1,080,000
Other Operating Revenues	57,200	56,000	54,680	30,000	197,880
Total Operating Revenues	5,403,398	11,812,737	7,796,359	6,016,099	31,028,593
Operating Expenses:					
Salaries & Wages	1,552,302	1,225,788	2,227,900	1,644,370	6,650,360
Benefits	701,675	517,214	989,345	719,862	2,928,096
Supplies	219,246	64,880	284,699	74,392	643,217
Services	2,069,293	4,730,914	4,893,701	1,372,611	13,066,519
Depreciation	1,602,000	2,792,320	362,344	1,168,520	5,925,184
Total Operating Expenses	6,144,516	9,331,116	8,757,989	4,979,755	29,213,376
Operating Income (Loss)	(741,118)	2,481,621	(961,630)	1,036,344	1,815,217
Nonoperating Revenues (Expenses):					
Interest Expense	(14,447)	(445,547)	(22,703)	(12,383)	(495,080)
Other Nonoperating Revenue (Expenses)	400,000	3,047,000	92,976	96,000	3,635,976
Total Nonoperating Revenue (Expenses)	385,553	2,601,453	70,273	83,617	3,140,896
Income (loss) Before Contributions	(355,565)	5,083,074	(891,357)	1,119,961	4,956,113
Capital Contributions	1,150,000	3,120,000	-	300,000	4,570,000
Change in Net Position	794,435	8,203,074	(891,357)	1,419,961	9,526,113
Total Net Position Beginning of	23,592,578	43,899,252	2,348,584	18,400,246	88,240,660
Total Net Position End of Year	\$ 24,387,013	\$ 52,102,326	\$ 1,457,227	\$ 19,820,207	\$ 97,766,773

TOTAL ALL FUNDS

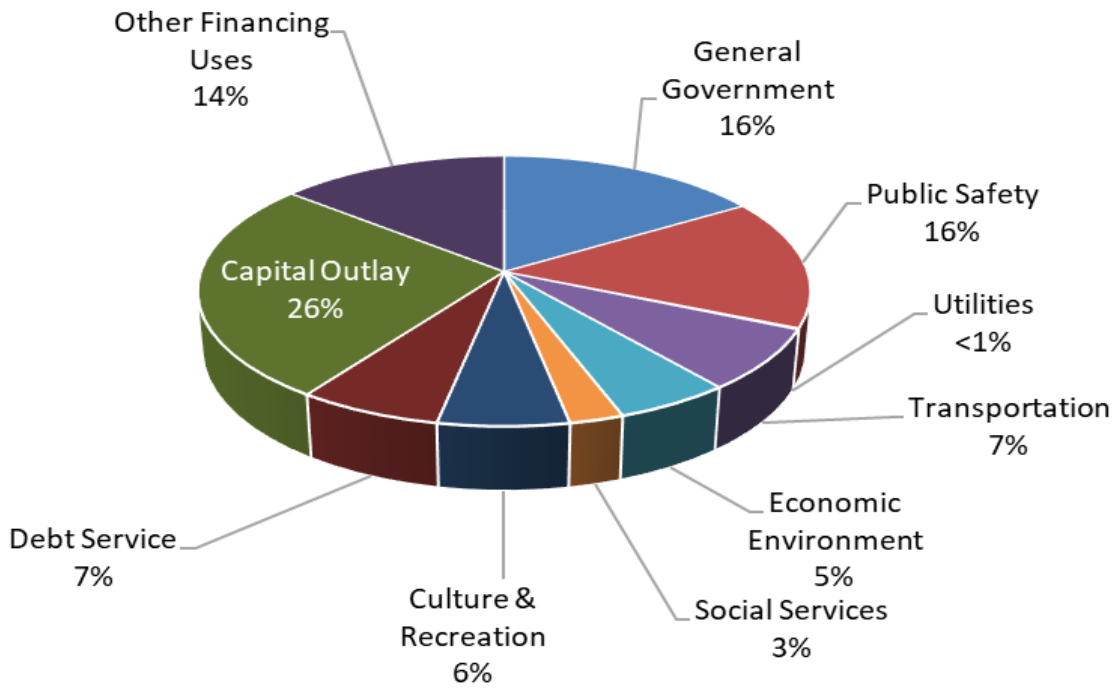
	2021-2022 Actual	2023-2024 Budget	2025-2026 Budget
Governmental Revenues	\$ 57,704,834	\$ 72,281,283	\$ 68,395,299
Proprietary Revenues	24,228,242	28,081,696	34,664,569
Total Revenue/ Sources	81,933,076	100,362,979	103,059,868
Governmental Expenditures	51,043,303	83,146,715	72,237,970
Proprietary Expenses	21,989,268	28,205,144	29,213,376
Expenditures/ Uses	73,032,571	111,351,859	101,451,346
Net Increase (Decrease)	8,900,505	(10,988,880)	1,608,522
Fund Balance/Equity - Beginning	90,492,552	102,333,410	96,924,530
Increase in Contributed Capital	2,901,711	5,580,000	4,570,000
Prior Year Adjustment/Beg Balance Adj	38,642	-	-
Fund Balance/Equity - Ending	\$ 102,333,410	\$ 96,924,530	\$ 102,607,972



2025-2026 Estimated Financial Sources Governmental Funds



2025-2026 Estimated Uses Governmental Funds



Governmental Funds
2021-2026 Summary of Estimated Financial Sources and Uses

(For Budgetary Purposes Only)

	General Fund			Special Revenue Funds		
	2021-2022 Actual	2023-2024 Budget	2025-2026 Budget	2021-2022 Actual	2023-2024 Budget	2023-2024 Budget*
Financial Sources:						
Taxes	\$21,768,289	\$ 22,590,276	\$26,201,636	\$3,604,476	\$3,681,500	\$ 5,015,154
License & Permits	1,745,542	1,309,960	1,681,370	47,995	50,446	51,200
Intergovernmental Revenues	8,821,961	4,150,635	1,698,359	624,625	1,464,061	580,750
Charges for Services	2,188,927	2,104,813	2,538,200	1,567,093	940,000	1,691,121
Fines and Forfeits	70,218	124,500	423,450	6,275	-	-
Interest and Other Earnings	(55,704)	566,748	1,139,750	208,407	206,400	268,450
Other Sources	561,125	66,830	48,600	1,499,879	2,283,870	1,412,000
Total Financial Sources	35,100,358	30,913,762	33,731,365	7,558,750	8,626,277	9,018,675
Expenditures:						
General Government	7,166,964	9,823,249	11,594,505	-	-	-
Public Safety	7,883,643	10,091,555	11,167,880	46,599	88,160	65,480
Utilities	73,559	66,291	111,711	-	-	-
Transportation	8,031,924	2,458,484	2,224,320	2,255,059	3,836,407	3,108,526
Economic Environment	2,293,333	2,824,416	2,723,579	404,222	1,036,384	1,152,350
Social Services	1,044,970	2,378,895	1,147,013	-	-	661,003
Culture & Recreation	2,508,259	3,590,497	4,097,590	148,070	223,800	270,800
Debt Service	38,111	-	-	-	-	-
Capital Outlay	-	-	-	7,190	719,000	-
Other Financing Uses	3,391,171	4,510,553	4,922,929	2,588,500	7,377,454	5,106,721
Total Use of Resources	32,431,934	35,743,940	37,989,527	5,449,640	13,281,205	10,364,880
Net Increase (Decrease) in Fund Balance	2,668,424	(4,830,178)	(4,258,162)	2,109,110	(4,654,928)	(1,346,205)
Fund Balance - Beginning	4,112,931	6,860,693	2,030,515	4,353,436	6,487,077	1,832,149
*Prior Year Adjustment/Beg Balan	79,338	-	-	24,531	-	-
Fund Balance -Ending	\$ 6,860,693	\$ 2,030,515	\$ (2,227,647)	\$ 6,487,077	\$ 1,832,149	\$ 485,944

*Mid Year Adjustments for adjusting Beginning Balance to Actual

Debt Service Funds			Capital Funds			Total Governmental Funds		
2021-2022	2023-2024	2025-2026	2021-2022	2023-2024	2025-2026	2021-2022	2023-2024	2025-2026
Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$25,372,765	\$26,271,776	\$ 31,216,790
-	-	-	-	-	-	1,793,537	1,360,406	1,732,570
-	-	-	4,833,328	14,717,572	2,983,879	14,279,914	20,332,268	5,262,988
-	-	-	14,600	14,000	4,000	3,770,620	3,058,813	4,233,321
-	-	-	-	-	-	76,493	124,500	423,450
3,521	500	300	214,128	367,590	47,400	370,352	1,141,238	1,455,900
3,449,786	2,373,963	4,818,769	6,530,363	15,267,619	17,790,911	12,041,153	19,992,282	24,070,280
<u>3,453,307</u>	<u>2,374,463</u>	<u>4,819,069</u>	<u>11,592,419</u>	<u>30,366,781</u>	<u>20,826,190</u>	<u>57,704,834</u>	<u>72,281,283</u>	<u>68,395,299</u>
-	-	-	-	-	-	7,166,964	9,823,249	11,594,505
-	-	-	-	-	-	7,930,242	10,179,715	11,233,360
-	-	-	-	-	-	73,559	66,291	111,711
-	-	-	-	-	-	10,286,983	6,294,891	5,332,846
-	-	-	-	-	-	2,697,555	3,860,800	3,875,929
-	-	-	-	-	-	1,044,970	2,378,895	1,808,016
-	-	-	-	-	-	2,656,329	3,814,297	4,368,390
3,495,441	2,372,940	4,818,142	-	-	-	3,533,552	2,372,940	4,818,142
-	-	-	9,615,168	31,748,630	19,065,421	9,622,358	32,467,630	19,065,421
-	-	-	51,120	-	-	6,030,791	11,888,007	10,029,650
<u>3,495,441</u>	<u>2,372,940</u>	<u>4,818,142</u>	<u>9,666,288</u>	<u>31,748,630</u>	<u>19,065,421</u>	<u>51,043,303</u>	<u>83,146,715</u>	<u>72,237,970</u>
(42,134)	1,523	927	1,926,131	(1,381,849)	1,760,769	6,661,531	(10,865,432)	(3,842,671)
11,407	(30,727)	(29,204)	3,023,855	4,884,759	3,502,910	11,501,629	18,201,802	7,336,370
-	-	-	(65,227)	-	-	38,642	-	-
<u>\$ (30,727)</u>	<u>\$ (29,204)</u>	<u>\$ (28,277)</u>	<u>\$ 4,884,759</u>	<u>\$ 3,502,910</u>	<u>\$ 5,263,679</u>	<u>\$ 18,201,802</u>	<u>\$ 7,336,370</u>	<u>\$ 3,493,699</u>

PROPRIETARY (BUSINESS TYPE) FUNDS

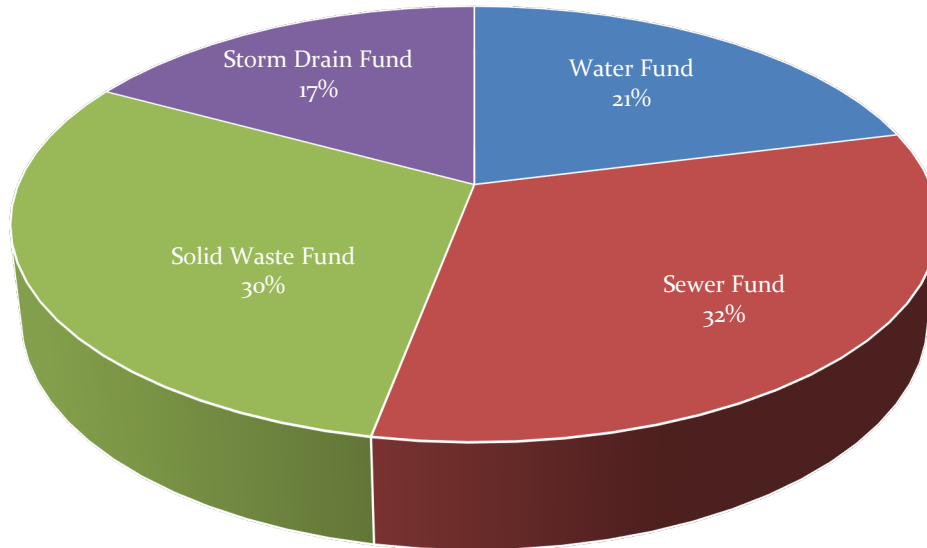
Proprietary funds are managed on a different basis than the general governmental services. Since such business provides new income directly to the fund in the form of charges for services, there is additional revenue to support those additional expenses. Therefore, the management of these funds is not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

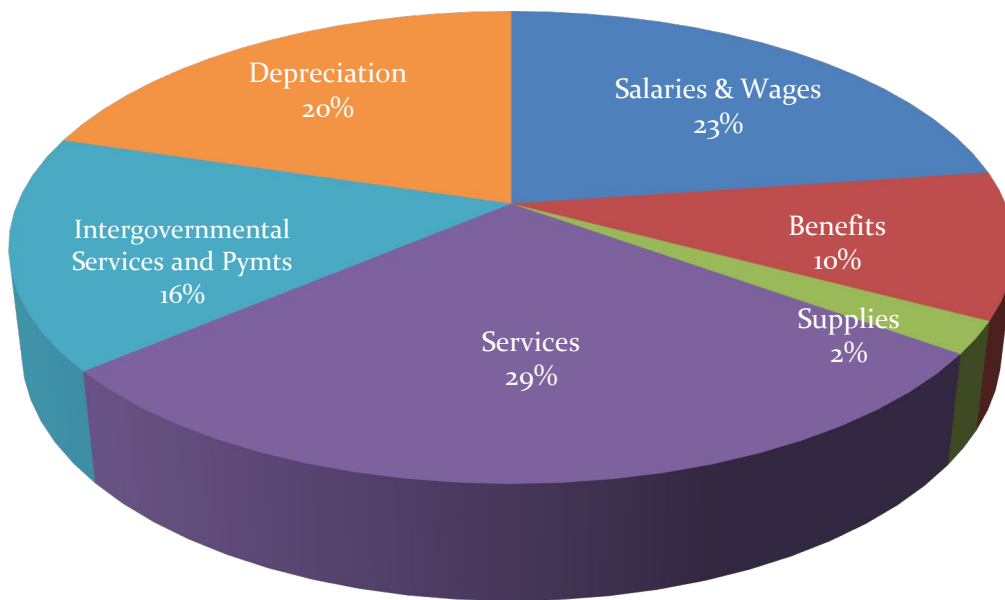
1. Provide a cushion or a contingency for unforeseen needs and emergencies.
2. Provide adequate security for long-term debt.
3. Allow for a capital development program to reduce the need for borrowing to maintain or improve current infrastructure

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

2025-2026 Estimated Operating Expenses Enterprise Funds



2025-2026 Expenditures by Object Enterprise Funds



Enterprise Funds**2021-2026 Summary of Estimated Revenues, Expenses and Changes in Retained Earnings**

(For Budgetary Purposes Only)

	Water Fund			Sewer Fund		
	2021-2022 Actual	2023-2024 Budget	2025-2026 Budget	2021-2022 Actual	2023-2024 Budget	2023-2024 Budget
Operating Revenues						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	4,511,290	4,734,195	5,346,198	9,206,686	10,141,933	11,756,737
Other Operating Revenue	44,801	65,475	57,200	40,176	60,200	56,000
Total Operating Revenues	4,556,091	4,799,670	5,403,398	9,246,862	10,202,133	11,812,737
Operating Expenses						
Salaries & Wages	1,258,814	1,380,467	1,552,302	943,014	1,083,372	1,225,788
Benefits	378,877	627,649	701,675	278,412	468,788	517,214
Supplies	241,266	221,590	219,246	84,604	69,690	64,880
Services	1,253,147	1,649,859	2,069,293	2,042,704	2,622,150	2,660,236
Intergovernmental Services and Pymt	152,196	260,794	-	1,552,819	2,729,638	2,070,678
Depreciation	1,245,772	1,500,000	1,602,000	2,442,584	2,578,384	2,792,320
Total Operating Expenses	4,530,072	5,640,359	6,144,516	7,344,137	9,552,022	9,331,116
Operating Income (Loss)	26,019	(840,689)	(741,118)	1,902,725	650,111	2,481,621
Non- Operating Sources and (Uses)						
Interest Earnings	5,968	80,000	210,000	(84,577)	144,000	640,000
Interest Expenses	(17,306)	(15,748)	(14,447)	(477,317)	(488,648)	(445,547)
Other Nonoperating Revenues (Expe	160,008	200,000	190,000	(7,174)	7,000	2,407,000
Total Non-Operating Sources and (Uses)	148,670	264,252	385,553	(569,068)	(337,648)	2,601,453
Net Increase (Decrease)	174,689	(576,437)	(355,565)	1,333,657	312,463	5,083,074
Total Net Position Beginning	21,767,924	23,289,015	23,592,578	36,634,235	39,186,789	43,899,252
Increase in Contributed Capital	1,346,402	880,000	1,150,000	1,218,897	4,400,000	3,120,000
Prior Year Adjustment	-	-	-	-	-	-
Net Position Ending	\$ 23,289,015	\$ 23,592,578	\$ 24,387,013	\$ 39,186,789	\$ 43,899,252	\$ 52,102,326

Solid Waste Fund			Storm Drain Fund			Total Enterprise Funds		
2021-2022	2023-2024	2025-2026	2021-2022	2023-2024	2025-2026	2021-2022	2023-2024	2025-2026
Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget
\$ -	\$ -	\$ -	\$ 482,723	\$ 1,347,500	\$ 1,080,000	\$ 482,723	\$ 1,347,500	\$ 1,080,000
5,881,867	6,795,094	7,741,679	3,943,080	4,386,479	4,906,099	23,542,923	26,057,701	29,750,713
34,745	54,420	54,680	34,009	26,000	30,000	153,731	206,095	197,880
5,916,612	6,849,514	7,796,359	4,459,812	5,759,979	6,016,099	24,179,377	27,611,296	31,028,593
1,382,074	1,679,152	2,227,900	1,444,046	1,518,227	1,644,370	5,027,948	5,661,218	6,650,360
493,713	752,853	989,345	376,692	657,292	719,862	1,527,694	2,506,582	2,928,096
354,824	276,070	284,699	80,023	128,730	74,392	760,717	696,080	643,217
1,833,468	2,260,936	2,604,201	659,938	1,251,167	1,081,093	5,789,257	7,784,112	8,414,823
1,441,667	2,136,567	2,289,500	237,050	339,855	291,518	3,383,732	5,466,854	4,651,696
289,632	370,000	362,344	985,280	1,100,000	1,168,520	4,963,268	5,548,384	5,925,184
5,795,378	7,475,578	8,757,989	3,783,029	4,995,271	4,979,755	21,452,616	27,663,230	29,213,376
121,234	(626,064)	(961,630)	676,783	764,708	1,036,344	2,726,761	(51,934)	1,815,217
(11,240)	14,000	85,576	(28,533)	10,000	90,000	(118,382)	248,000	1,025,576
(27,195)	(24,277)	(22,703)	(14,834)	(13,241)	(12,383)	(536,652)	(541,914)	(495,080)
6,467	7,400	7,400	7,946	8,000	6,000	167,247	222,400	2,610,400
(31,968)	(2,877)	70,273	(35,421)	4,759	83,617	(487,787)	(71,514)	3,140,896
89,266	(628,941)	(891,357)	641,362	769,467	1,119,961	2,238,974	(123,448)	4,956,113
2,888,259	2,977,525	2,348,584	17,700,505	18,678,279	19,747,746	78,990,923	84,131,608	89,588,160
-	-	-	336,412	300,000	300,000	2,901,711	5,580,000	4,570,000
-	-	-	-	-	-	-	-	-
\$ 2,977,525	\$ 2,348,584	\$ 1,457,227	\$ 18,678,279	\$ 19,747,746	\$ 21,167,707	\$ 84,131,608	\$ 89,588,160	\$ 99,114,273

CITY OF POULSBO
2025-2026 BUDGET
SUMMARY OF FUND ACTIVITY AND
CHANGES IN FUND BALANCE

FUND	TOTAL RESOURCES			TOTAL APPROPRIATIONS			CHANGE	
	2025 Estimated Beginning Fund Balance	2025-2026 Estimated Revenue/ Other Financing Sources	2025-2026 Estimated Total Resources	2025-2026 Projected Expenditures/Ex penses/Other Financing Uses	2026 Projected Ending Fund Balance	2025-2026 Total Projected Appropriations	Change in Fund Balance Inc (Dec)	% of change
001 General Fund	6,475,746	33,731,365	40,207,111	37,989,524	2,217,587	40,207,111	(4,258,159)	-66%
Total Current Expense Fund	6,475,746	33,731,365	40,207,111	37,989,524	2,217,587	40,207,111	(4,258,159)	-66%
101 City Streets	382,753	2,585,089	2,967,842	2,858,526	109,316	2,967,842	(273,437)	-71%
110 Trans Benefit Distr	730,327	920,000	1,650,327	1,030,000	620,327	1,650,327	(110,000)	0%
121 Capital Improvement	1,286,599	1,412,000	2,698,599	1,710,000	988,599	2,698,599	(298,000)	-23%
123 Trans Development Fund	460,454	1,508,121	1,968,575	1,959,721	8,854	1,968,575	(451,600)	-98%
124 Park Development Fund	412,083	204,000	616,083	273,000	343,083	616,083	(69,000)	-17%
125 Affordable Housing Fund	989,718	1,350,000	2,339,718	1,187,003	1,152,715	2,339,718	162,997	16%
131 Historic Dwnntn Poulsbo	76,232	210,000	286,232	270,800	15,432	286,232	(60,800)	-80%
161 Path and Trail Reserve	26,323	2,251	28,574	-	28,574	28,574	2,251	9%
171 Drug Enforcement	28,877	1,500	30,377	30,300	77	30,377	(28,800)	-100%
181 Transient Occup Tax	449,364	757,000	1,206,364	1,010,350	196,014	1,206,364	(253,350)	-56%
191 Police Restricted Funds	218,526	68,714	287,240	35,180	252,060	287,240	33,534	15%
Total Special Revenue Funds	5,061,256	9,018,675	14,079,931	10,364,880	3,715,051	14,079,931	(1,346,205)	-27%
204 Non-Voted Gen Oblig	8,405	4,819,069	4,827,474	4,818,143	9,331	4,827,474	926	11%
Total Debt Service Funds	8,405	4,819,069	4,827,474	4,818,143	9,331	4,827,474	926	11%
301 Equipment Acquisition	250,263	919,790	1,170,053	100,000	1,070,053	1,170,053	819,790	328%
302 Park Reserve	73,330	2,550,000	2,623,330	1,970,000	653,330	2,623,330	580,000	791%
310 Neighborhood Streets	200	780,000	780,200	780,000	200	780,200	-	0%
311 Street Reserve	2,086,171	5,092,000	7,178,171	4,815,421	2,362,750	7,178,171	276,579	13%
314 Cemetery Reserve	58,839	4,400	63,239	-	63,239	63,239	4,400	7%
331 Facilities Fund	2,452,290	11,480,000	13,932,290	11,400,000	2,532,290	13,932,290	80,000	3%
Total Capital Project Funds	4,921,093	20,826,190	25,747,283	19,065,421	6,681,862	25,747,283	1,760,769	36%
401 Water System	6,012,704	6,953,398	12,966,102	10,235,916	2,730,186	12,966,102	(3,282,518)	-55%
403 Sewer System	11,676,863	17,979,737	29,656,600	28,629,321	1,027,279	29,656,600	(10,649,584)	-91%
404 Solid Waste System	1,206,466	7,889,335	9,095,801	8,852,118	243,683	9,095,801	(962,783)	-80%
410 Storm Drain System	2,830,064	6,412,099	9,242,163	7,526,098	1,716,065	9,242,163	(1,113,999)	-39%
Total Enterprise Funds	21,726,097	39,234,569	60,960,666	55,243,453	5,717,213	60,960,666	(16,008,884)	-74%
TOTALS	38,192,597	107,629,868	145,822,465	127,481,421	18,341,044	145,822,465	(19,851,553)	-52%

* Enterprise Funds Beginning Balances are adjusted for non-cash depreciation

2025-2026 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 2025-2026, in order to maintain services and provide funding for the increase in activity happening in Poulsbo. It is also planned to transfer a portion of the General Fund reserved to Capital Park reserves, allocating for future park acquisition. The City has reserve balances higher than required by its Financial Management Policy, which allowed the City Council to knowingly utilize the funds to not only maintain but increase service levels enhancing the needs of the community. One-time dollars are being utilized for professional services to update the City's Comprehensive Plan and related functional plans. The city has focused on addressing the needs for resources to be provided supporting police staffing, mental health and affordable housing by supplementing the program with City reserves. The cost of living increases, and contractual obligations continue to increase at a rate higher than projected revenue, however the City implemented a new Business and Occupation (B&O) with a plan to increase services supported by new revenue. As reflected in history the City Council is conservative in both their revenue and expenditure projections, which has allowed the reserves to grow and anticipate a use of reserves to be less than planned. The anticipated use of reserves will allow the City to be compliant with the Financial Management Policies

Special Revenue Funds:

Changes are primarily in the following funds:

- **City Streets (101):**
The primary source of resources is derived from taxes generated in the General Fund and transferred to the Fund. The fund balance maintained is minimal, allowing funds to be utilized for other governmental services.
- **Transportation Benefit District Fund (110):**
The primary source of resources is derived from a portion of the one tenth of one percent sales tax for transportation. The intended use is for Neighborhood Streets.
- **Capital Improvement (121):**
These are funds generated from Real Estate Excise Taxes. There are capital projects planned in 2025 and 2026 using the funds.
- **Transportation Development (123):**
These are funds generated from traffic impact fees. Reserves are being utilized for capital park projects.
- **Park Development (124):**
These are funds generated from park impact fees. Reserves are being utilized for capital transportation projects.
- **Affordable Housing (125):**
The fund has a new funding source of a portion of sales tax. Reserves are being built for future projects. A portion of the amounts collected is being allocated to Behavioral Health.
- **Historic Downtown Poulsbo Association (HDP - 131):**
These are funds for a delegated Business Improvement Assessment Area (BIAA) supported by member fees. Funds are being utilized to promote local economic growth.

- **Drug Enforcement (171):**
Funds generated from drug seizures are only to be used for drug enforcement. Revenues are not regular and projected. Planned expenditures for drug enforcement from reserves are being utilized to support the new K-9.
- **Transient Occupancy Tax (181):**
Expenditures are projected using reserves to build promotion for tourist events.
- **Police Restricted (191):**
This fund accounts for the Criminal Justice and Marine Safety Programs.

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:

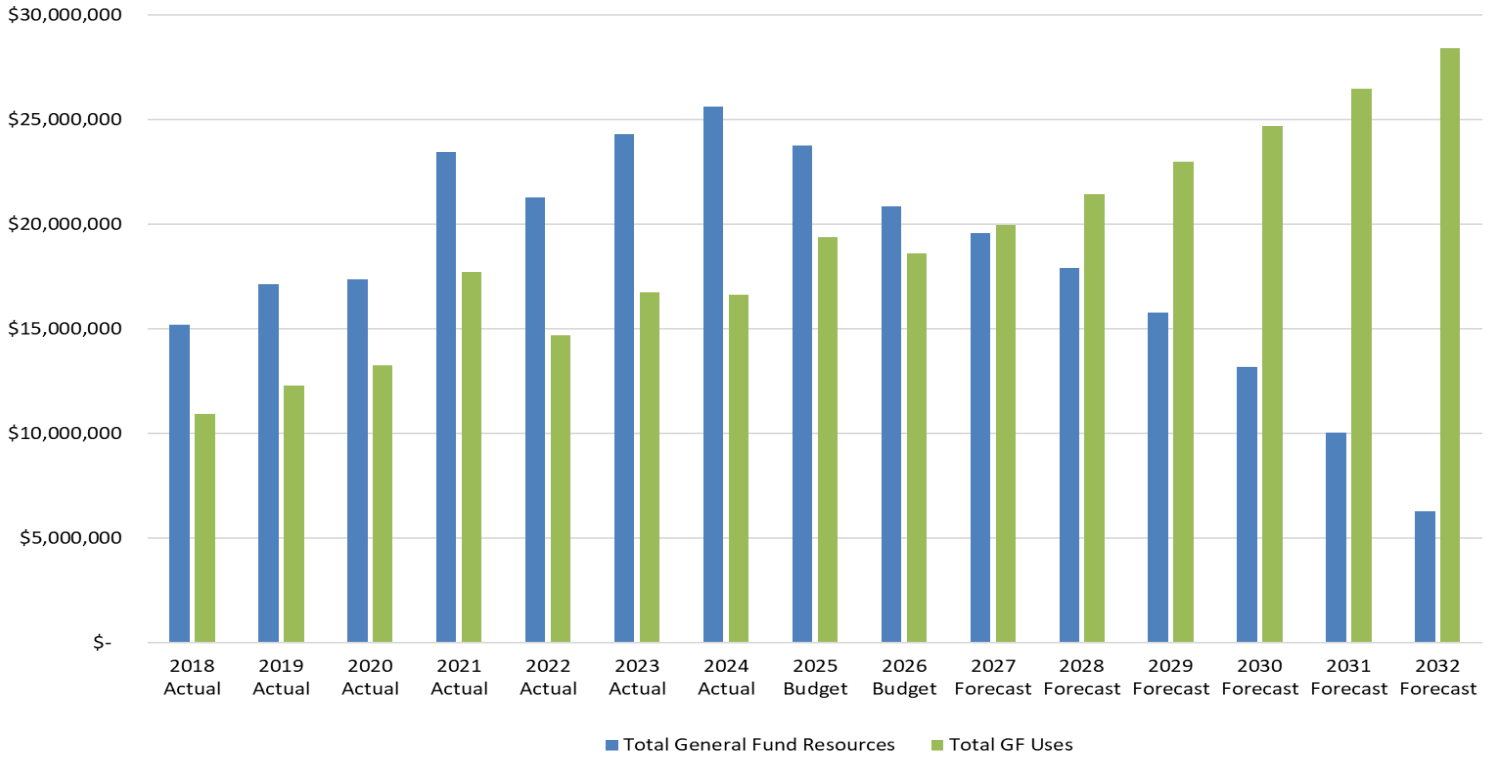
These funds are to account for the City utility services supported by user fees. The fluctuations in the balances are due to the projected capital projects. The large decreases in Sewer Program (403), Solid Waste Program (403) and Storm Drain (410) are due to large capital projects and equipment anticipated for the 2025-2026 budget cycle.

Long-Range Outlook:

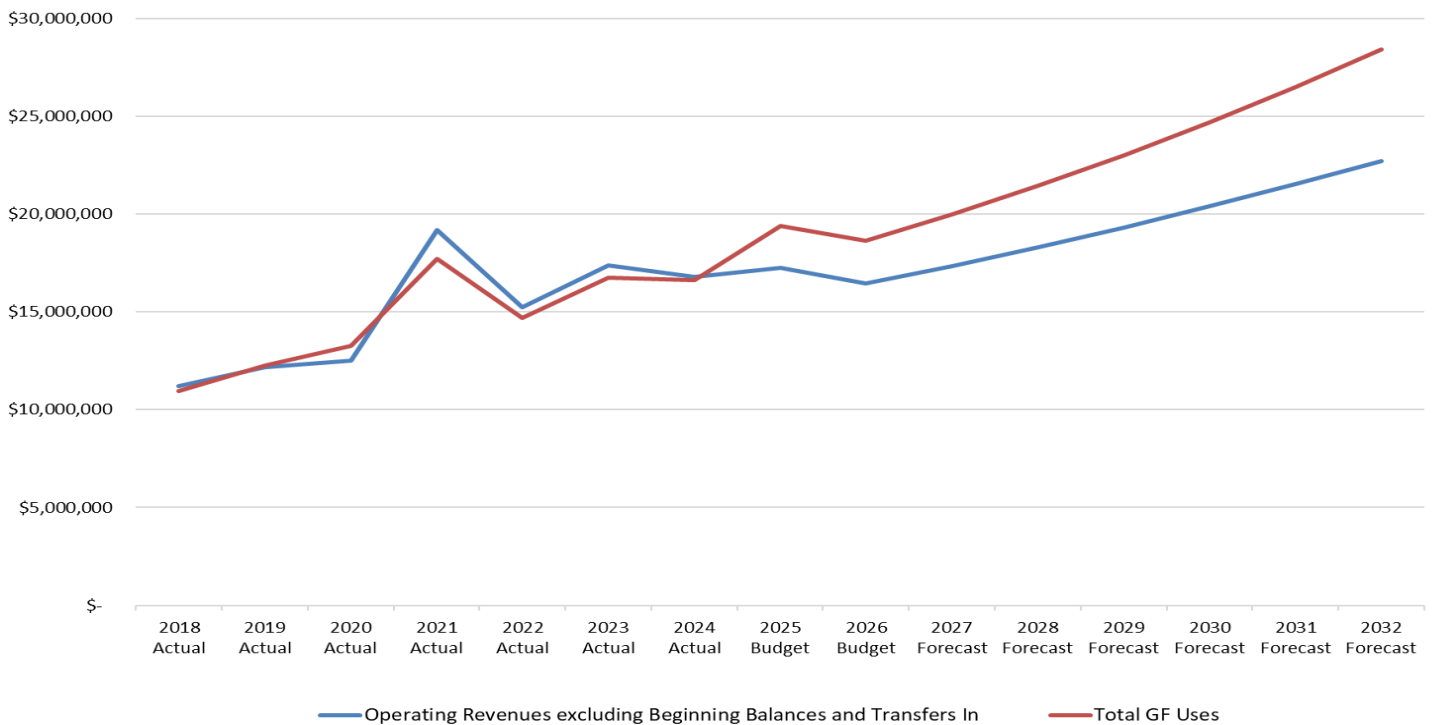
The City is continuing to develop long-range funding plans, with emphasis on the General Fund, the main operating account of the City, and the Enterprise Funds (City Utility Services). The Finance Department works closely with Public Works and Engineering Departments to develop the City's six-year CIP for consistency and reasonably assured funding for future capital needs consistent with the updated functional plans. It is a team effort to balance the improvement needs while maintaining existing services and infrastructure. The City continues to explore new revenue opportunities and increase 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 2025 and 2026, to be conservative in the future budget cycles since reserves were greatly impacted by the pandemic. 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's 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. In 2024 the City added two new revenue streams in response to the growing needs. These revenue streams consist of a Business & Occupation Tax and fees generated from Traffic Enforcement Cameras. The City regulates their fund balances to be consistent with the Financial Management Policy.

General Fund Sources (Includes Beginning Balance) and Uses



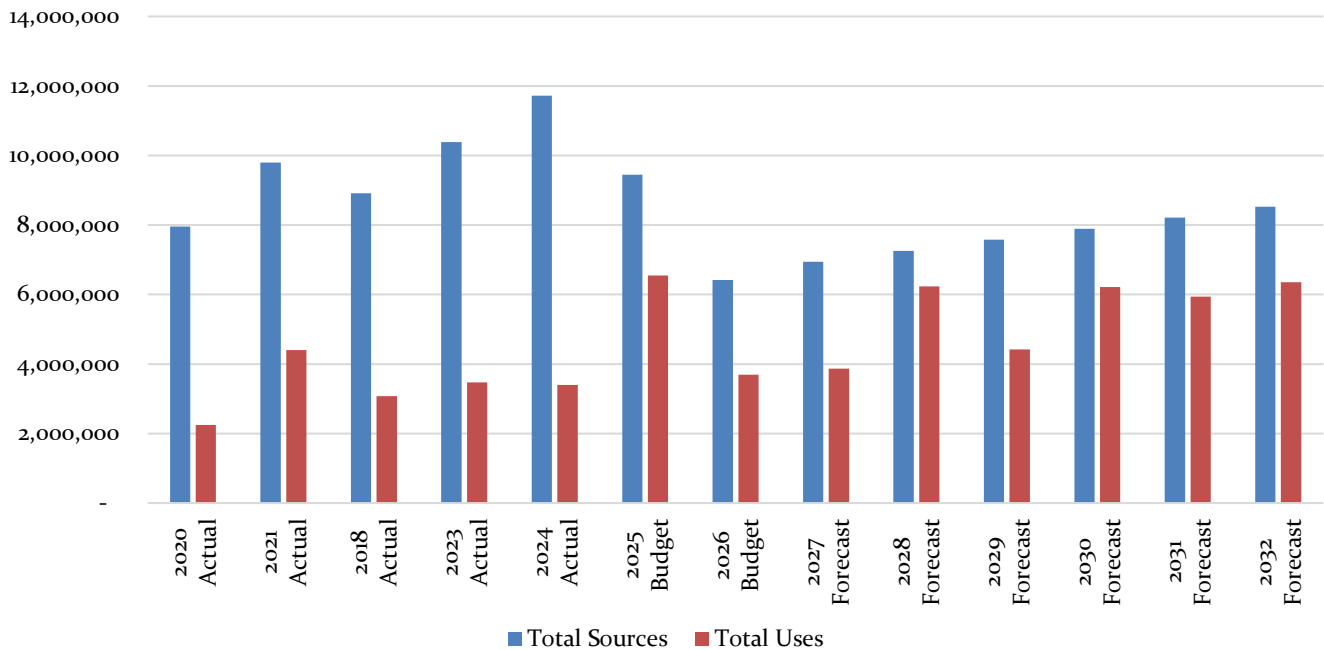
General Fund Operating Revenue to Operating Expenditures



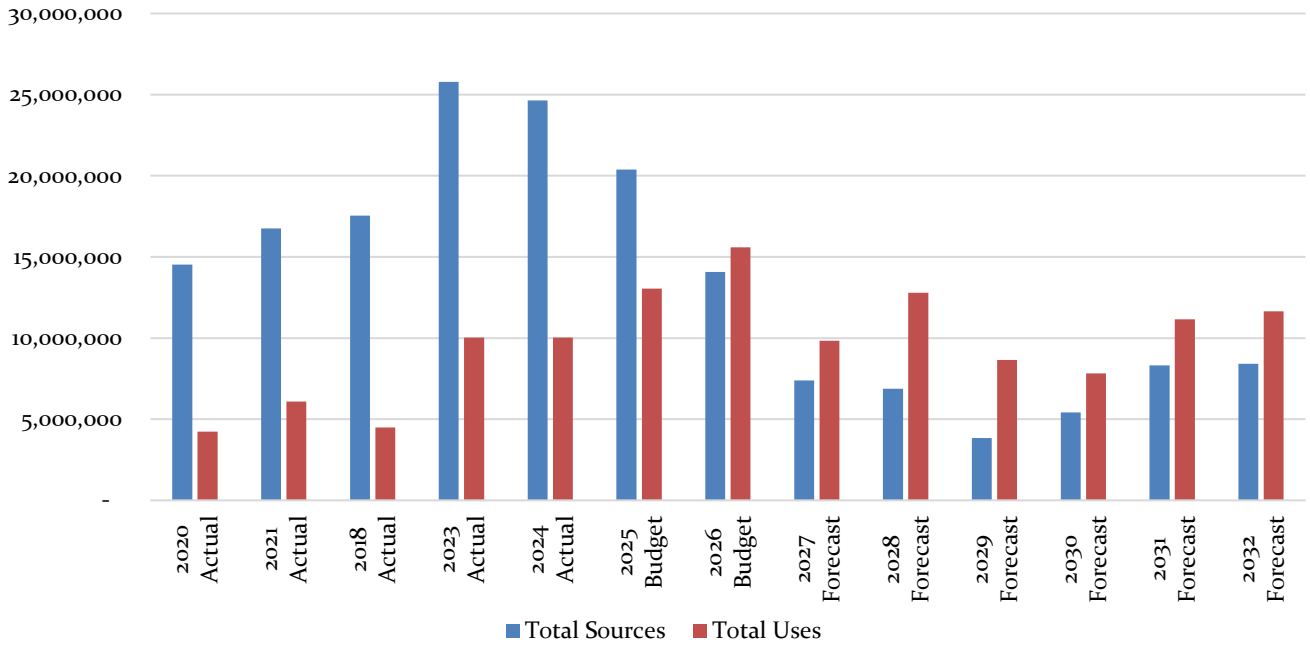
Proprietary Funds:

The next four graphs show 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. Capital 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 reserves have been built to a level supporting funding 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. Rates are regularly reviewed in conjunction with functional plans being updated. The City has several large well projects over the coming years which will utilize reserves built through rates for this purpose. The City is in the process of updating rates supporting the sewer fund to address large capital improvements made at the treatment plant, of which the City must share in the costs. The utility funds have been in the process of updating their functional plans which will result in rate increases to support the updated operating and capital needs.

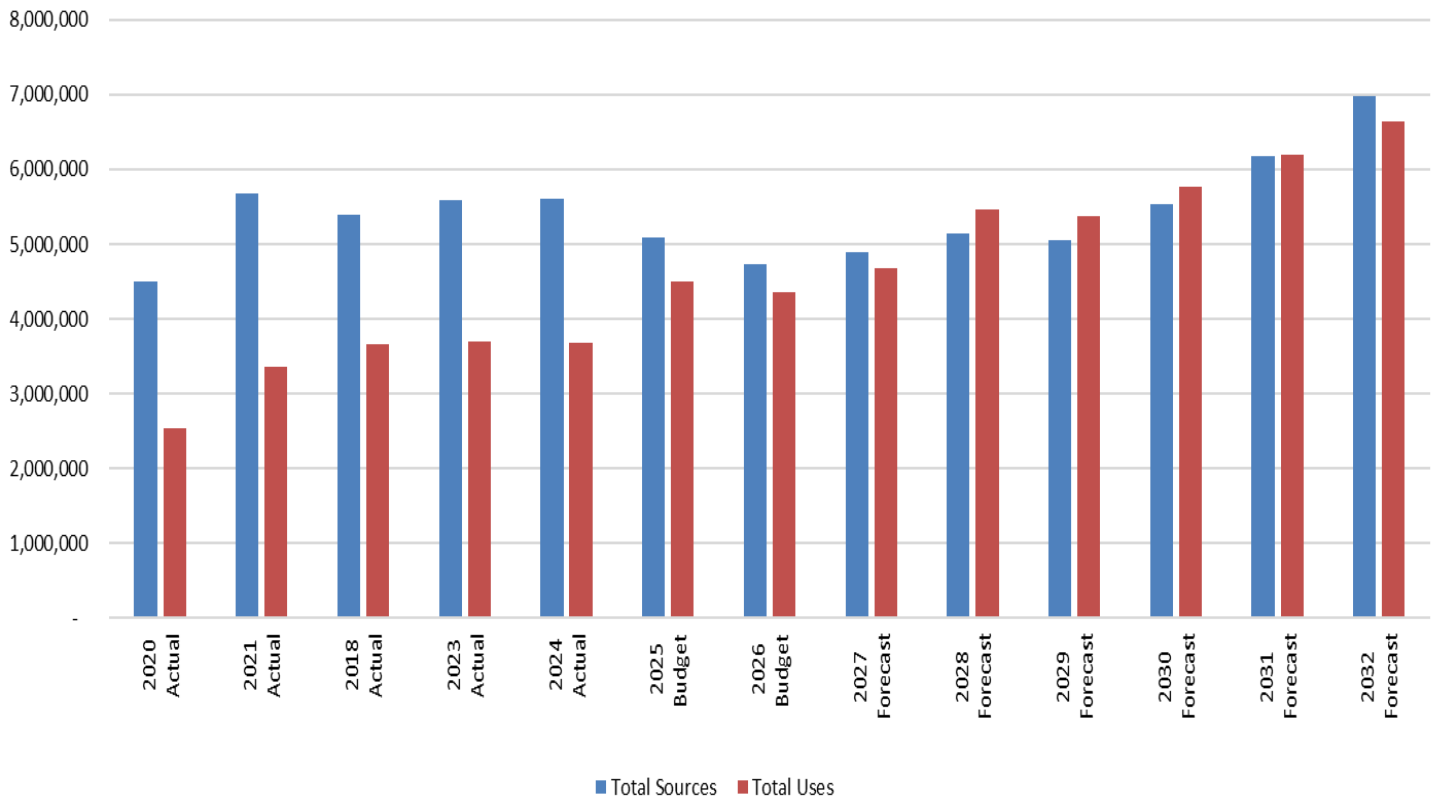
Water Fund



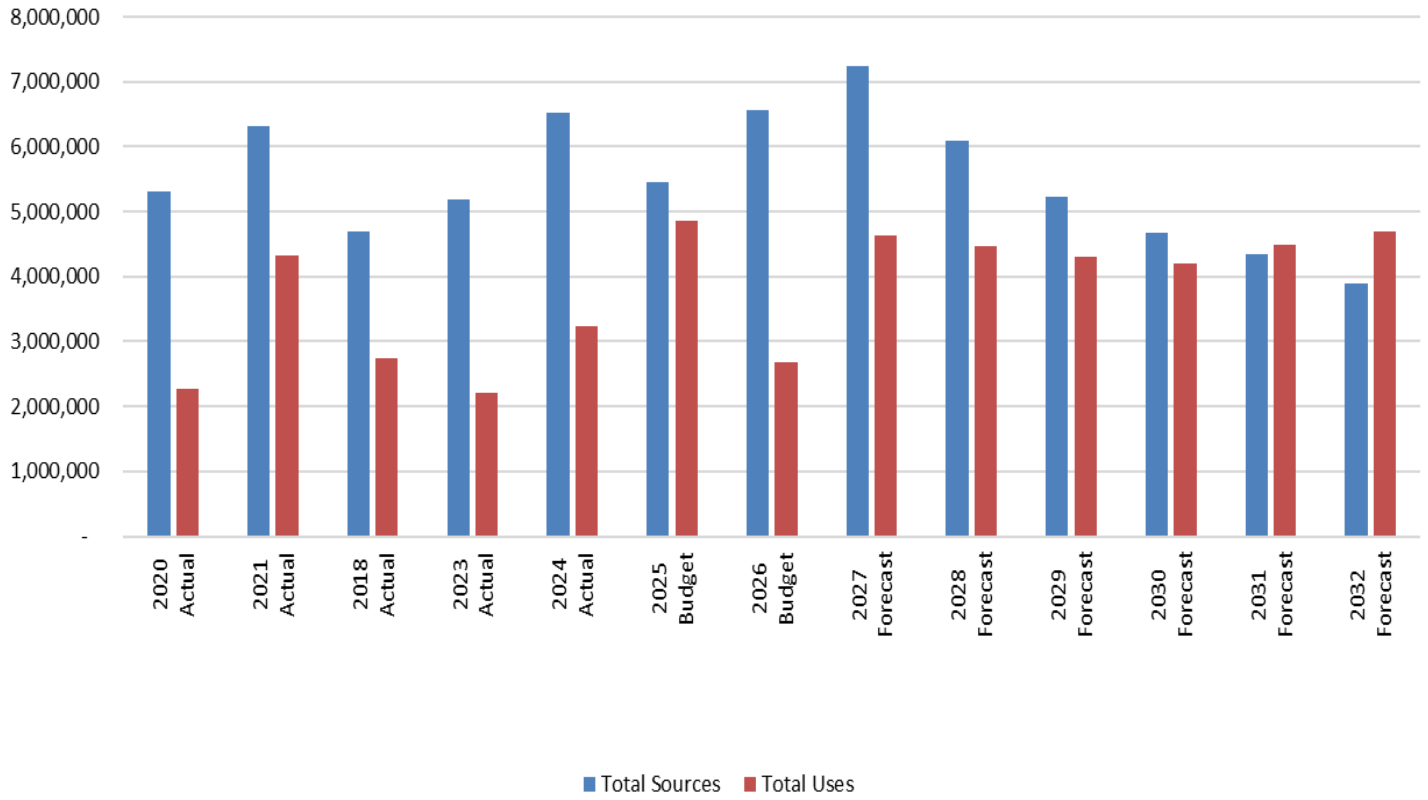
Sewer Fund



Solid Waste Fund



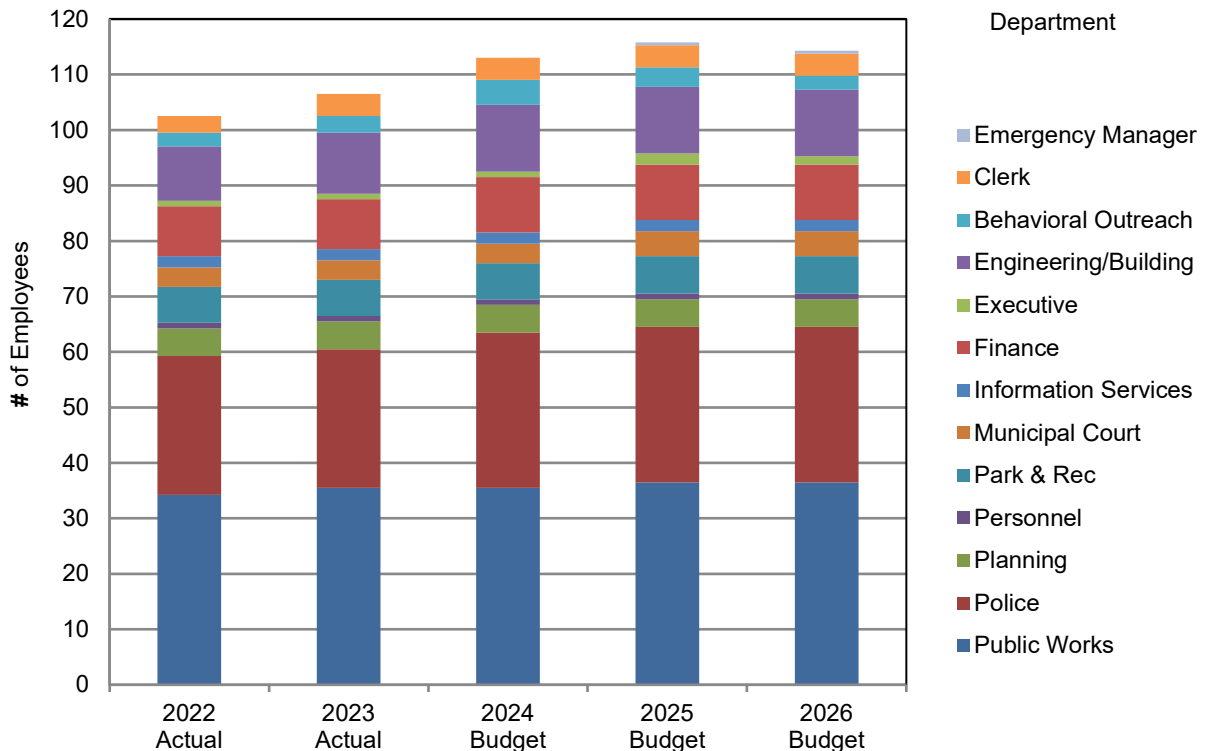
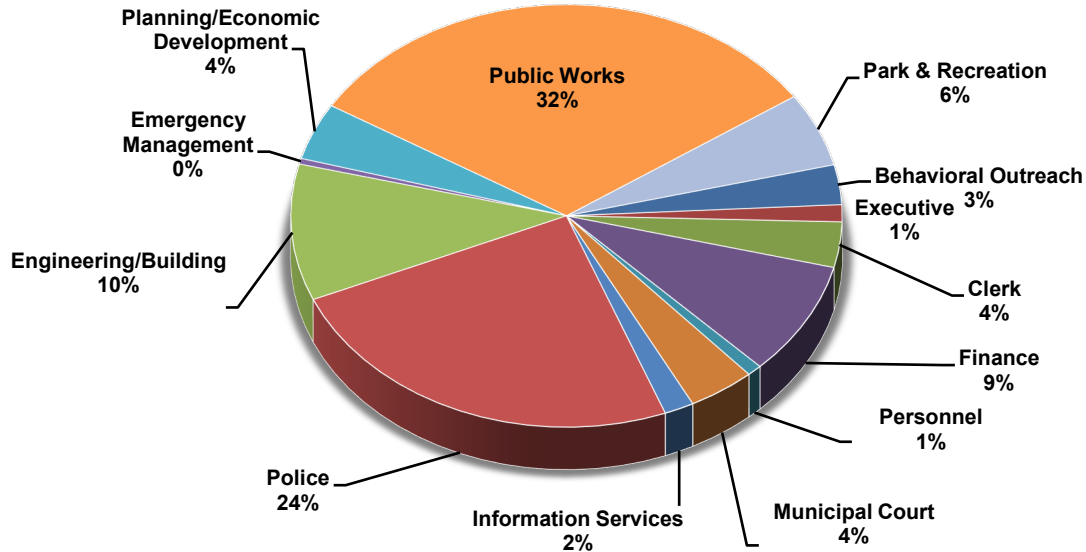
Storm Drain Fund



City Staffing

A significant part, 21% of the City’s operating budget (net of transfers), is funding for employees who in turn provide services to our citizens. The following graphs identify full-time equivalent (FTE) positions by department along with a detailed breakdown by department and title.

2025 - 2026 Staffing by City Department



	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget
Behavioral Health Outreach	1.50	2.00	3.00	2.00	1.00
<i>Recovery Center Managers</i>	-	-	3.00	2.00	1.00
<i>Mental Health Navigator</i>	1.50	2.00	-	-	-
Housing, Health, Human Services	1.00	1.00	1.50	1.50	1.50
<i>HHH Director</i>	1.00	1.00	1.00	1.00	1.00
<i>HHH Fiscal Assistant</i>	-	-	0.50	0.50	0.50
Clerk	3.00	4.00	4.00	4.00	4.00
<i>City Clerk</i>	1.00	1.00	1.00	1.00	1.00
<i>Deputy City Clerk</i>	1.00	1.00	1.00	1.00	1.00
<i>Administrative Assistant</i>	1.00	2.00	2.00	2.00	2.00
Engineering/Building	9.75	11.00	12.00	12.00	12.00
<i>Public Works Director</i>	0.75	0.50	0.50	0.50	0.50
<i>City Engineer</i>	-	1.00	1.00	1.00	1.00
<i>Civil Engineer</i>	-	-	1.00	1.00	1.00
<i>Transportation Engineer</i>	1.00	1.00	1.00	1.00	1.00
<i>Sr Engineering Tech</i>	1.00	1.00	1.00	1.00	1.00
<i>Engineering I</i>	1.00	1.00	1.00	1.00	1.00
<i>Sr Field Inspector</i>	2.00	2.00	2.00	2.00	2.00
<i>Permit Tech</i>	1.00	1.00	1.00	1.00	1.00
<i>Certified Building Official</i>	1.00	1.00	1.00	1.00	1.00
<i>Senior Contract Admin</i>	1.00	1.00	1.00	1.00	1.00
<i>Building Inspector II</i>	1.00	1.00	1.00	1.00	1.00
<i>Office Clerk II</i>	-	0.50	0.50	0.50	0.50
Emergency Management	-	-	0.50	0.50	0.50
<i>Emergency Manager</i>	-	-	0.50	0.50	0.50
Executive	1.00	1.00	1.00	2.00	1.50
<i>Mayor</i>	1.00	1.00	1.00	1.00	0.50
<i>City Administrator</i>	-	-	-	1.00	1.00
Finance	9.00	9.00	10.00	10.00	10.00
<i>Finance Director</i>	1.00	1.00	1.00	1.00	1.00
<i>Senior Accountant</i>	2.00	2.00	2.00	2.00	2.00
<i>Project/Grant Accountant</i>	-	-	-	1.00	1.00
<i>Accounting Tech</i>	3.00	3.00	3.00	2.00	2.00
<i>Accounting Clerk</i>	3.00	3.00	4.00	4.00	4.00
Information Services	2.00	2.00	2.00	2.00	2.00
<i>IS Manager</i>	1.00	1.00	1.00	1.00	1.00
<i>IS Sr Technician</i>	1.00	1.00	1.00	1.00	1.00
Municipal Court	3.52	3.52	3.52	4.52	4.52
<i>Judge</i>	0.52	0.52	0.52	0.52	0.52
<i>Court Administrator</i>	1.00	1.00	1.00	1.00	1.00
<i>Senior Judicial Specialist</i>	-	-	-	1.00	1.00
<i>Judicial Specialist</i>	2.00	2.00	2.00	2.00	2.00
Park & Rec	6.50	6.50	6.50	6.75	6.75
<i>Park & Rec Director</i>	1.00	1.00	1.00	1.00	1.00
<i>Special Events Coordinator</i>	1.00	1.00	1.00	1.00	1.00
<i>Recreation & Parks Programmer</i>	2.00	2.00	2.00	2.00	2.00
<i>Office Manager</i>	1.00	1.00	1.00	1.00	1.00
<i>Receptionist/Office Clerk</i>	1.50	1.50	1.50	1.75	1.75
Personnel	1.00	1.00	1.00	1.00	1.00
<i>Human Resources Dir</i>	1.00	1.00	1.00	1.00	1.00

	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget
Planning	5.00	5.00	5.00	5.00	5.00
<i>Planning Director</i>	1.00	1.00	1.00	1.00	1.00
<i>Senior Planner</i>	1.00	1.00	1.00	1.00	1.00
<i>Associate Planner</i>	2.00	2.00	2.00	2.00	2.00
<i>Administrative Assistant</i>	1.00	1.00	1.00	1.00	1.00
Police	25.00	25.00	28.00	28.00	28.00
<i>Police Chief</i>	1.00	1.00	1.00	1.00	1.00
<i>Lieutenant</i>	2.00	2.00	-	-	-
<i>Deputy Police Chief</i>	-	-	1.00	1.00	1.00
<i>Sergeant</i>	4.00	4.00	5.00	5.00	5.00
<i>Patrol Officer</i>	12.00	12.00	14.00	14.00	14.00
<i>Detective</i>	2.00	2.00	2.00	2.00	2.00
<i>Support Svcs Mgr</i>	1.00	1.00	1.00	1.00	1.00
<i>Sr Police Admin Specialist</i>	-	-	1.00	1.00	1.00
<i>Police Administrative Specialist</i>	1.50	1.50	1.50	1.50	1.50
<i>Evidence Room Mgr</i>	0.50	0.50	0.50	0.50	0.50
<i>Mental Health Navigator</i>	1.00	1.00	1.00	1.00	1.00
Public Works	34.25	35.50	35.50	36.50	36.50
<i>PW Superintendent</i>	1.00	1.00	1.00	1.00	1.00
<i>Asst. PW Superintendent</i>	1.00	1.00	1.00	1.00	1.00
<i>Public Works Director</i>	0.25	0.50	0.50	0.50	0.50
<i>Civil Engineer</i>	1.00	1.00	1.00	1.00	1.00
<i>Office Manager</i>	1.00	1.00	1.00	1.00	1.00
<i>Administrative Assistant</i>	-	1.00	1.00	1.00	1.00
<i>Office Clerk</i>	1.00	1.00	1.00	1.00	1.00
<i>Foreman</i>	2.00	2.00	2.00	2.00	2.00
<i>Engineering Tech Sr</i>	1.00	1.00	1.00	1.00	1.00
<i>Maintenance Tech Sr</i>	12.00	12.00	14.00	14.00	14.00
<i>Maintenance Tech</i>	5.00	5.00	3.00	3.00	3.00
<i>Custodian</i>	2.00	2.00	2.00	2.00	2.00
<i>Grounds Maint Tech I</i>	1.00	1.00	1.00	1.00	1.00
<i>Grounds Maint Tech II</i>	2.00	2.00	1.00	2.00	2.00
<i>Maintenance Mechanic</i>	1.00	1.00	1.00	1.00	1.00
<i>Mechanic Assistant</i>	1.00	1.00	1.00	1.00	1.00
<i>Water Treatment Plant Operator</i>	-	-	1.00	1.00	1.00
<i>Building Mechanic</i>	1.00	1.00	1.00	1.00	1.00
<i>Water Quality Mnt Tech</i>	1.00	1.00	1.00	1.00	1.00
TOTAL FTE	102.52	106.52	113.52	115.77	114.27

Highlighted Staffing Changes

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

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.

In 2025-2026 approved FTE changes and reorganization are as follows:

- In January of 2025 The City Administrator joined the staff
- In 2026 The Mayor will be a part time position due to the addition of the City Administrator in 2025
- The Behavioral Health is grant-dependent. As grant funds are not secured funding beyond June of 2025, the second Recovery Center Manager position is not allocated in 2026. The department will continue to pursue new grant funding opportunities.
- The Municipal Court is increased by one FTE to support the growing needs from the new traffic camera citations and future parking enforcement.
- The City has added a .5 FTE Emergency Management Coordinator
- The Parks & Recreation Department increased the .75 FTE Office Clerk to a 1.0 FTE

Capital Improvement Summary: Projects planned for 2025-2026

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 2025 and 2026. 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.

Parks Projects

Muriel Iverson Williams Waterfront Park

The Muriel Iverson Williams Waterfront Park is the crown jewel of Poulsbo's parks. Located on Liberty Bay, this park hosts many residents and visitors as they walk through historic downtown Poulsbo. The park has gone under renovation over the past 6 years, including new restrooms, benches, pavilion upgrades, sidewalks, and sod. This project will finish off renovations by replacing the picnic area at the sound end of the park with removal of the concrete tables, new sidewalks, landscaping and modern picnic tables.

<i>Muriel Iverson Williams Waterfront Park</i>	2025	2026
Land/Right of Way	-	-
Design	8,000	-
Construction	87,000	-
Total	95,000	-

Funding Source:

- Grants
- Park Reserves
- City Impact Fees

Impact on Operating Budget:

No impact to future operating budgets

Oyster Plant Park

The City of Poulsbo hired Railstar to conduct a structural assessment of the pier and generate a report of the condition of the piles, members, decking, and other structural elements. The report included a summary of the overall condition of the pier, risk factors, recommended repairs for a 50-year service life, and estimated probable construction costs. Estimated priority repairs - to be completed in five years - was \$130,000. Staff worked with Railstar to design an updated railing replacement with installation being conducted by Public Works to save a significant amount of money. This adds ~\$35,000 to the budget. an additional contingency of \$20,000 was added as construction costs have continued to rise.

Funding Source:

- City Impact Fees

Impact on Operating Budget:

No impact to future operating budgets.

<i>Oyster Plant Park</i>	2025	2026
Land/Right of Way		
Design	37,000	
Construction	148,000	
Total	185,000	-

Parks & Recreation Building

Funding remaining from 2024 Rec Center improvements for the HVAC and roof repairs is proposed to be utilized for additional safety, security, and building improvements. These include installation of new ADA doors, ADA locks, painting, removal of racquetball court wall, security cameras, and expansion of staff offices. It also includes hiring a consultant to develop recommendations and a preliminary budget for repairing and maintaining the building's exterior walls.

Funding Source:

- Park Reserves
- City Impact Fees

Impact on Operating Budget:

No Impact to future operating budgets

<i>Parks & Recreation Building</i>	2025	2026
Land/Right of Way		
Design	30,000	
Construction	44,000	-
Total	74,000	-

Poulsbo Events & Recreation Center

Acquisition, planning, design and construction of the Poulsbo Events and Recreation Center (PERC), which will be located on city owned property at College Marketplace. This project is being completed in partnership with the Kitsap Public Facilities District and will serve as an event, recreation, and tournament space. Current plans include a phased approach to construction, with a fields first approach designation for Phase I to be completed in 2024/25, Phase II being a fieldhouse/gym with meeting space, and Phase III to be an outdoor pool. Additional nearby land acquisition remains a strong possibility.

Funding Source:

- Non-voted Bonds

Impact on Operating Budget:

Anticipated budget impact for \$330,000 debt payment in 2025 and 2026

<i>Poulsbo Event & Recreation Center</i>	2025	2026
Land/Right of Way		
Design		-
Construction	11,400,000	
Total	11,400,000	-

Urban Paths & Trails

Urban trails are installed to connect neighborhoods, parks, retail areas and offices. These trails may be placed on city property or rights-of-way, in parks or other city properties, or in other specified areas where a recreational easement between the private property owner and the City is in place. This funding would be used for trails that may or may not be a part of another project and may include areas in College Marketplace (Vista Pathway), additional trails in Raab Park, additional trails in Fish Park, signage on exiting trails, paths between neighborhoods, or connections with trail systems that run outside of the city to the north or south.

Funding Source:
City Impact Fees

Impact on Operating Budget:
No Impact to future operating budgets

<i>Urban Paths & Trails</i>	2025	2026
Land/Right of Way	-	
Design	3,000	
Construction	12,000	
Total	15,000	-

Waterfront Boardwalk

In 2022, an inspection of the Waterfront Boardwalk was completed to ensure its immediate and long-term safety/viability. The results of that inspection provided the City of Poulsbo with a cost estimate to complete high priority repairs to bring the structure up to current safety standards.

Funding Source:
Non-voted Bond

Impact on Operating Budget:
Anticipated budget impact for \$80,000 annual debt payment beginning in 2026.

<i>Waterfront Boardwalk</i>	2025	2026
Land/Right of Way	-	-
Design	-	-
Construction	-	1,200,000
Total	-	1,200,000

Park Land Acquisition

Land acquisition for future parks, trails, and open space expansion.

Funding Source:
City Reserves

Impact on Operating Budget:
No impact on future operating budgets until the land is purchased and developed.

<i>Park Land Acquisition</i>	2025	2026
Land/Right of Way	660,000	-
Design	-	-
Construction	-	-
Total	660,000	-

Park Signage

Install park entrance, trail, and way finding signage throughout Pousbo's anticipated 21 parks. This work also includes the removal and replacement of existing signage. Signage will follow the design guidance from the recommended of the internal and external signage design committees from 2023. The intent is to ensure each of Pousbo's 21 parks has at least one main branded park entrance sign, as well as marked trail signs, kiosks, and wayfinding signage as appropriate. Materials will be selected for ease of installation, low maintenance, and follow the design for a cohesive branded look across the City.

Funding Source:
Park Reserves

Impact on Operating Budget:
Anticipated annual amount of \$300 budgetary impact for 2025 and 2026 to cover maintenance costs.

<i>Park Sinage</i>	2025	2026
Land/Right of Way	-	-
Design	2,000	-
Construction	43,000	-
Total	45,000	-

Land Acquisition – 4th Avenue

Land acquisition for future parks, trails, and open space expansion. \$300,000 for three acres at end of 4th avenue from the housing authority.

Funding Source:

Non-voted Debt

Park Reserves

Impact on Operating Budget:

Budgetary impact is \$200,000 for debt payments in 2025 and 2026

<i>Land Acquisition - 4th Avenue</i>	2025	2026
Land/Right of Way	300,000	
Design	30,000	
Construction		
Total	330,000	-

Transportation Projects

3rd Avenue – Moe St. to Hostmark

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 approximately 775-feet of sidewalks, curbs, gutters and parking strip.

Funding Source:

City Impact Fees

Impact on Operating Budget:

No impact on future operating budgets.

<i>3rd Avenue (Moe to Hostmark)</i>	2025	2026
Land/Right of Way	200,000	-
Design	-	-
Construction	-	-
Total	200,000	-

Front Street Improvements

This project provides traffic calming, non-motorized safety enhancements and pavement restoration on Front Street from Bond Rd. to Jensen Way.

Funding Source:

- Federal Grant
- State Grant
- City Impact Fees

Impact on Operating Budget:

No impact on future operating budgets

<i>Front Street Improvements</i>	2025	2026
Land/Right of Way	-	-
Design	950,000	-
Construction	-	-
Total	950,000	-

Liberty Bay Waterfront Trail

This project will create a pedestrian/bicycle trail along the shoreline from Legion Park to Liberty Bay Auto dealership.

Funding Source:

- Federal Grant
- State Grant

Impact on Operating Budget:

No impact on future operating budgets

<i>Liberty Bay Waterfront Trail</i>	2025	2026
Land/Right of Way	-	-
Design	5,421	330,000
Construction	-	-
Total	5,421	330,000

Local Neighborhood Road Maintenance Program

The annual road maintenance program identifies activities that preserve the local roads including pavement repairs and pavement overlays.

Funding Source:

Neighborhood Street Reserves

Impact on Operating Budget:

No impact on future operating budgets

<i>Local Neighborhood Road Maintenance Plan</i>	2025	2026
Land/Right of Way		
Design		
Construction	340,000	340,000
Total	340,000	340,000

Noll Road Improvements – Phase III Roadway

The project as a whole extends from SR305 & Johnson Way vicinity to Lincoln Rd along with a new alignment as shown on the City Transportation Plan.

Funding Source:

State Grant

City Impact Fees

Impact on Operating Budget:

The 2025-2026 budget includes an estimated debt payment of \$275,000 per year

<i>Noll Road Improvements - Phase III Roadway</i>	2025	2026
Land/Right of Way	-	-
Design	300,000	
Construction	1,350,000	1,530,000
Total	1,650,000	1,530,000

ADA Curb Ramp Upgrades

Project includes various improvements to pedestrian facilities located within the City right of way necessary to bring these facilities into compliance with ADA standards. The ADA transition plan will be the basis for prioritizing projects.

Funding Source:

City Impact Fees

Impact on Operating Budget:

No impact on future operating budgets

<i>ADA Curb Ramp Upgrades</i>	2025	2026
Land/Right of Way		
Design	-	
Construction	150,000	
Total	150,000	-

Water Projects

340 Zone Fire Flow – 4th Avenue

This project will install a fire booster pump near the 4th Avenue tanks to expand a small pressure zone. Also included is a booster pump building, telemetry, approximately 1,600lf of water main and service connections / reconnections.

Funding Source:

Water Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>340 Zone Fire Flow - 4th Avenue</i>	2025	2026
Land/Right of Way	-	-
Design	160,000	-
Construction	-	-
Total	160,000	-

3rd Avenue Water Main Connection

This main will connect Moe St with Hostmark St to provide fire flow 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.

Funding Source:

Water Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>3rd Avenue Water Connection</i>	2025	2026
Land/Right of Way	-	-
Design	30,000	-
Construction	-	-
Total	30,000	-

Caldart Water Main Replacement

This project replaces 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.). This project will be completed with the Raab Park tank project for efficiency.

Funding Source:

Water Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Caldart Water Main Replacement</i>	2025	2026
Land/Right of Way	-	-
Design	-	-
Construction	845,000	-
Total	845,000	-

Front Street Water Main Replacement

This project will replace the old cast iron water main with a 12" ductile iron water main along Front Street between Jensen and 4th Ave. Will include new service connections to buildings, and fire hydrants. Project will be coordinated with Front Street Restoration (Streets Project).

Funding Source:

Water Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Front Street Water Main Replacement</i>	2025	2026
Land/Right of Way	-	-
Design	150,000	-
Construction	-	-
Total	150,000	-

Old Town Water Main Replacement

This project will replace the undersized water main along four streets located in the Old Town Area of Poulsbo: Ness Place, Harrison, Eliason, and Ryen located between Fjord & 6th Ave. Will install new 8" ductile iron main, update service connections to residences, install new fire hydrants and other minor system improvements. Part of a larger project in the Old town area.

Funding Source:

Water Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Old Town Water Main Replacement</i>	2025	2026
Land/Right of Way	-	-
Design	120,000	-
Construction	-	-
Total	120,000	-

Raab Park Water Tank

This project adds a twin tank reservoir (150k gallons) to Raab Park and install earthquake valves and update telemetry. Location of the tank requires Raab restrooms to be relocated and the tank area to be securely fenced. Also includes rehabilitation of the existing Raab Tank based on evaluation including crack sealing and upgrading flexible seismic connections. Other work includes telemetry and electrical improvements on site.

Funding Source:

Water Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Raab Park Water Tank</i>	2025	2026
Land/Right of Way	-	-
Design	-	-
Construction	2,207,500	-
Total	2,207,500	-

Well Variable Frequency Drives

This project will install VFDs (variable frequency drives) at Lincoln Well #2, Westside Well, and Big Valley #2. Big Valley Well #2 will also have its pump and motor replaced as it is at the end of its service life.

Funding Source:

Water Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Well Variable Frequency Drivers</i>	2025	2026
Land/Right of Way	-	-
Design	-	-
Construction	419,000	-
Total	419,000	-

Sewer Projects

3rd Avenue Sewer Main Replacement

This project relocates the existing Sanitary Sewer Main to the 3rd Ave roadway section. Replace with 800 LF of 8" PVC Sewer Pipe. Will be completed prior to and in coordination with 3rd Avenue Improvement project (Streets project).

Funding Source:

Sewer Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>3rd Avenue Sewer</i>	2025	2026
Land/Right of Way	-	-
Design	30,000	-
Construction	-	-
Total	30,000	-

Lemolo House Purchase

The City is planning to purchase a house in Kitsap County on Lemolo Shore Drive to be used as a future pump station.

Funding Source:

Sewer Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Lemolo House Purchase</i>	2025	2026
Land/Right of Way	-	500,000
Design	-	-
Construction	-	-
Total	-	500,000

Kitsap County – Johnson Road to Norum Road Pipeline Replacement

Kitsap County will replace the existing 4,300lf main between the flow meter at Johnson and Lemolo siphon. The project is to replace existing force main with new upsized pipe for capacity and replace outdated material. Project Cost Estimate is \$6,880,000 of which Poulsbo's share is 100%.

Funding Source:
 Non-Voted Bonds
 Sewer Reserves

Impact on Operating Budget:
 Debt Payments will be made to support the Revenue Bond for this project beginning in 2025.

<i>Kitsap County - Johnson Rd. to Norum Rd. Pipeline Replacement</i>	2025	2026
Land/Right of Way	-	-
Design	125,771	-
Construction	5,000,000	-
Total	5,125,771	-

Kitsap County – Solids and Liquid Hauled Waste Upgrade

Long term solids improvements and development of liquid hauled waste facilities to the digesters. Total Project Cost \$82,00,000. City Share 20% of overall project costs at 80%.

Funding Source:
 Sewer Reserves

Impact on Operating Budget:
 No impact on future operating budgets

<i>Kitsap County - Solids and liquid Hauled Waste Upgrade</i>	2025	2026
Land/Right of Way	-	-
Design	-	500,000
Construction	3,600,000	2,404,144
Total	3,600,000	2,904,144

Kitsap County – SCADA System Upgrades

Long term upgrades to the Supervisory Control and Data Acquisition (SCADA) system to improve communications between all the pump stations and treatment plants. City Share 20%.

Funding Source:
Sewer Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Kitsap County - SCADA System Upgrades</i>	2025	2026
Land/Right of Way	-	-
Design	123,000	-
Construction	-	-
Total	123,000	-

Old Town Sewer Upgrade

Upgrades to sewer connections in the Old Town area of Poulsbo. To be done in conjunction with the Old Town Water Main Replacement Project. Roads include Harrison, Eliason, Ryen among others.

Funding Source:
Sewer Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Old Town Sewer Upgrade</i>	2025	2026
Land/Right of Way	-	-
Design	-	25,000
Construction	-	-
Total	-	25,000

Sewer CIPP Lining Project

This project will be a combination project with storm to rehabilitate gravity sewer and storm mains using Cured In Place Pipe (CIPP) Liners. As part of the design, sewer mains that are old, concrete or clay, or in general poor repair with I/I will be prioritized for CIPP Lining. Specific streets will be identified during design. Approximately 5,000LF of sewer will be completed.

Funding Source:
Sewer Reserves

Impact on Operating Budget: No impact on future operating budgets

<i>Sewer CIPP Lining Project</i>	2025	2026
Land/Right of Way	-	-
Design	35,000	-
Construction	-	340,000
Total	35,000	340,000

State Route 305 Force Main Extension

The project will extend the existing Bond road force main from Tollefson to the Kitsap County metering station at Johnson (4800 lf).

Funding Source:
Sewer Reserves

Impact on Operating Budget:
No impact on future operating budgets

<i>State Route 305 Force Main Extension</i>	2025	2026
Land/Right of Way	-	-
Design	400,000	-
Construction	-	3,900,000
Total	400,000	3,900,000

Kitsap County - Pump Station 24 Emergency Upgrades

This upgrade provides emergency upgrades to Pump Station 24 in north CK due to criticality and excessive lead times for equipment to replace pumps, upgrade controls, and reconfigure piping and valves.

Funding Source:
Sewer Reserves

Impact on Operating Budget:
No impact on future operating budgets

<i>Kitsap County - Pump Station 24 Emergency Upgrades</i>	2025	2026
Land/Right of Way	-	-
Design	-	-
Construction	1,072,000	-
Total	1,072,000	-

Storm Drain Projects

3rd Avenue Storm Drain Repair

This project will rehabilitate the 12" concrete storm pipe from the top of 4th Ave to Front Street. This line conveys water from uphill to the bay. The method of rehabilitation will be cured in place pipe (CIPP) and assumed to be steam cured CIP. This project may be coordinated with the 3rd Avenue Improvement Project (streets)

Funding Source:
Sewer Reserves

Impact on Operating Budget:
No impact on future operating budgets

<i>3rd Avenue Storm</i>	2025	2026
Land/Right of Way	-	-
Design	20,000	-
Construction	-	-
Total	20,000	-

8th Avenue Culvert Replacement

This project will reduce flooding, improve water quality and improve fish habitat. The project will replace the existing undersized 24-inch diameter pipe under 8th Ave with a new 12-ft wide concrete box culvert. Initial design has been completed. Final design will be included as part of the culvert replacement grants. The culvert project is an important component of the South Fork Dogfish Creek Restoration project.

Funding Source:
Storm Drain Reserves

Impact on Operating Budget:
No impact on future operating budgets

<i>8th Avenue Culvert Replacement</i>	2025	2026
Land/Right of Way	-	-
Design	100,000	-
Construction	-	1,250,000
Total	100,000	1,250,000

Liberty Bay Storm Outfalls Replacement Project

This project will replace three storm outfalls into Liberty Bay. The stormwater outfall located at the north end of American Legion Park needs energy dissipation to stabilize erosion. This project will replace the last approximately 70' from the last manhole to the Liberty Bay outfall and install energy dissipation. The existing outfall pipe for Poulsbo Creek at the Poulsbo Yacht Club is corroded and has collapsed in places. The existing pipe (approximately 150') will be replaced from the outfall to Lions Park with a bottomless culvert and a new catch basin control structure will be installed. Habitat features at the outfall channel and precast bottomless fish passage culvert design are anticipated.

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

No impact on future operating budgets

<i>Liberty Bay Storm Outfalls Replacement</i>	2025	2026
Land/Right of Way	-	-
Design	-	250,000
Construction	-	-
Total	-	250,000

Forest Rock & Liberty Road Outfalls

This project is the combination of two outfall improvement projects: The Forest Rock Lane outfall near Forest rock lane and SR305 and the Liberty Road Outfall near SR305. The Forest Rock outfall project will alleviate localized flooding and improve water quality by retrofitting an existing swale and outfall at Forest Rock Lane outfall. The improvement at Liberty Road outfall will repair the outfall pipe from the Detention Tank on Liberty Road as well as the Detention facility in the adjacent commercial property as it does not flow properly. The projects have been consolidated for permitting purposes.

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

No impact on future operating budgets

<i>Forest Rock Hills & Liberty Road Outfalls</i>	2025	2026
Land/Right of Way	-	-
Design	25,000	-
Construction	-	100,000
Total	25,000	100,000

High School Ball Field Storm Drain Repair

The project is to rehabilitate 920 lf of 18" Concrete Pipe that runs from Mesford across the ball fields to the outfall swale near the High School Technology Building. The method of rehabilitation will be steam cured in place pipe (CIPP).

Funding Source:

Storm Drain Reserves

Impact on Operating Budget:

No impact on future operating budgets

<i>High School Ball Field Storm</i>	2025	2026
Land/Right of Way	-	-
Design	15,000	-
Construction	-	185,000
Total	15,000	185,000

Storm Drain CIPP Lining Project

This project will be a combination project with sewer to rehabilitate gravity storm and sewer mains using Cured In Place Pipe (CIPP) Liners. As part of the design, storm mains that are old and in need of repair will be identified and prioritized for CIPP Lining. Approximately 4,000LF of storm will be completed. The High School Ball Field Storm (920LF) will be included.

Funding Source

Storm Drain Reserves

Impact on Operating Budget:

No impact on future operating budgets

<i>Storm CIPP Lining Project</i>	2025	2026
Land/Right of Way	-	-
Design	35,000	-
Construction	-	515,000
Total	35,000	515,000

LONG-TERM DEBT OBLIGATIONS AND DEBT CAPACITY

The 2025-2026 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, \$8,483,232 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.

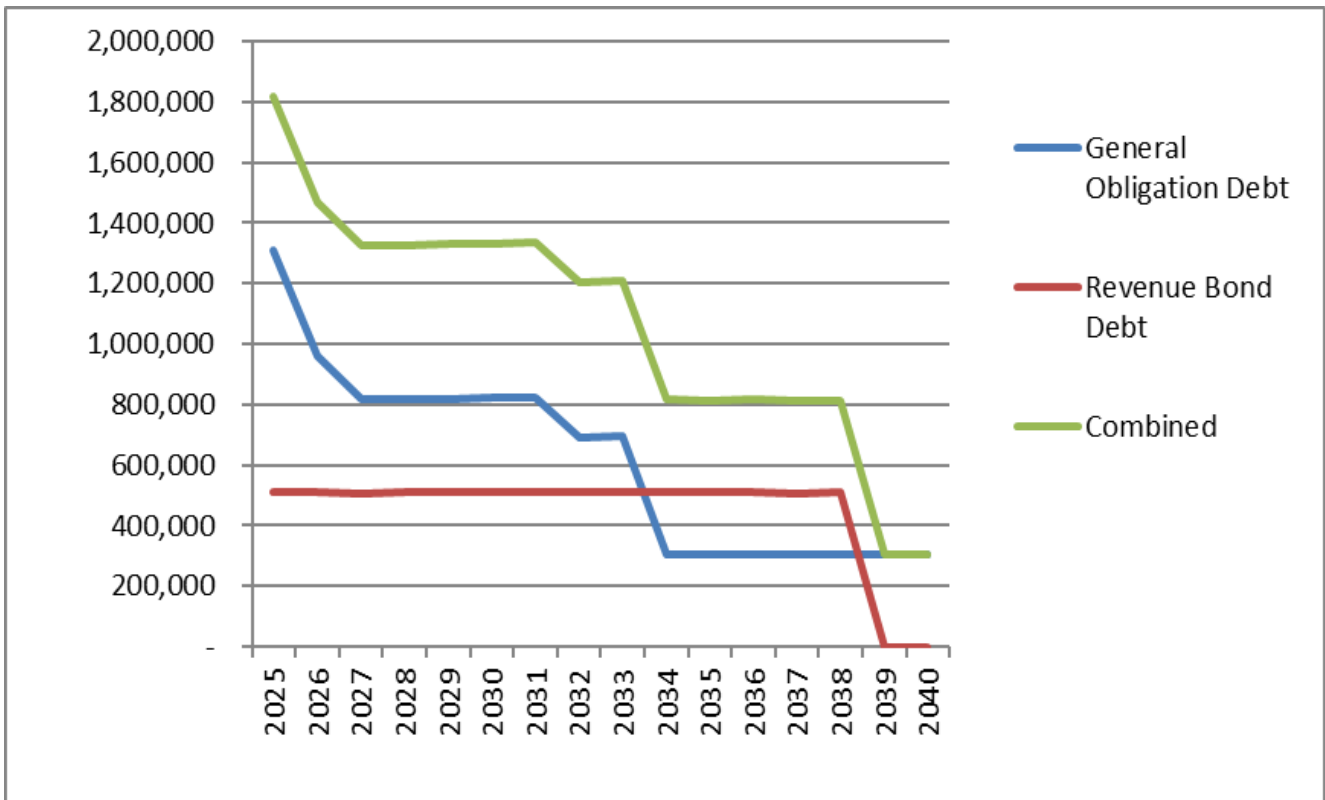
1. The first limit is on the amount of GO that can be incurred without a vote of the people. For this type of debt, a city is limited to 1.5% of its assessed value. For 2025, the City’s limit is \$39,639,235 of which the City has incurred \$8,483,232.
2. The second statutory limit is the amount of GO 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 2025, the City’s limit is \$80,204,111, 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.

2025 BUDGET DEBT LIMIT

Project	Type	Duration	Interest Rate	Amount Issued	Outstanding
LOCAL Program GO Bonds	Non Voted	2022-2026	3% - 5%	520,000	258,257
City Hall 2012 - Refunded Amount in 2021	Non Voted	2009 - 2031	2% - 4%	1,269,475	824,495
City Hall 2015 (Ref 2005 & 2009 bonds)	Non Voted	2009 - 2033	2% - 4%	7,320,000	3,230,000
Ref 2012 - PW Property - Noll Road Issue 2021	Non Voted	2021-2040	.99% - 2.14%	5,021,600	4,170,480
				\$12,341,600	\$ 8,483,232
2025 Assessed Valuation \$ 3,208,164,436					
X	0.025	=	\$ 80,204,111	Limited for Combined Debt	Balance Available \$ 71,720,879
X	0.015	=	\$ 48,122,467	Limited for Non-Voted Debt	Balance Available \$ 39,639,235

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

BOND DEBT TO MATURITY						
General Obligation (GO)				Revenue Bonds		
Year	Principal	Interest	Total	Principal	Interest	Total
2025	1,079,808	227,890	1,307,698	290,000	221,350	511,350
2026	766,698	193,014	959,713	300,000	209,750	509,750
2027	645,190	172,275	817,465	310,000	197,750	507,750
2028	661,065	155,572	816,637	325,000	185,350	510,350
2029	682,275	137,960	820,235	340,000	172,350	512,350
2030	703,810	119,255	823,065	355,000	155,350	510,350
2031	725,530	99,585	825,115	375,000	137,600	512,600
2032	610,875	78,938	689,813	390,000	122,600	512,600
2033	635,530	60,081	695,611	405,000	107,000	512,000
2034	265,430	40,183	305,613	420,000	90,800	510,800
2035	270,500	35,113	305,613	435,000	74,000	509,000
2036	275,830	29,785	305,615	455,000	56,600	511,600
2037	281,370	24,240	305,610	470,000	38,400	508,400
2038	287,085	18,529	305,614	490,000	19,600	509,600
2039	293,025	12,586	305,611	-	-	-
2040	299,210	6,403	305,613	-	-	-
TOTAL	8,483,232	1,411,409	9,894,640	5,360,000	1,788,500	7,148,500



GENERAL FUND REVENUE (001)

The largest operating fund in the City is the General Fund. It provides most 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. Although the budget is adopted as a two-year budget, for ease of preparation, clarity and comparison, each year is presented separately, then combined for a single figure presentation.

For 2025-2026 the General Fund Revenue operating budget, exclusive of beginning balance, is projected to be \$33,731,365.

Variations and Highlights:

2025 operating revenue projection is \$17,289,387 which is an increase of \$2,230,872 compared to the 2024 figure. 2026 operating revenue projection is \$16,441,978 which is a decrease of \$847,409 over the 2025 projection. The decreases are due to the reduction of available grants. Revenue budgets have been prepared conservatively, recognizing slight growth in areas and reductions due to available grants. 2025 revenue projections have increased over 2024 due to the actual collections in 2024. 2025 projections show slight if any growth, due to assumptions things may be economically slowing.

Below some of the variances have been detailed:

- Increase in Property Tax projection, due to increases in new construction and assessed values
- Sales Tax projections have been increased based on increased activity in 2024 and many sales occurring on-line for delivery into the City.
- Grant revenues have been reduced as several current grants were completed in 2024 the largest for a transportation project that the City is facilitating for the state on their highway and main thoroughfare through the City.
- Increase in Charges for Services due to reinstatement and new programs in the Parks & Recreation Department as they are increasing programs and activities.
- Total tax revenue has been increased due to the establishment of a Business and Occupation Tax and a new Traffic Camera enforcement program.
- Development fee revenues have been increased based on an average of the past 5 years.

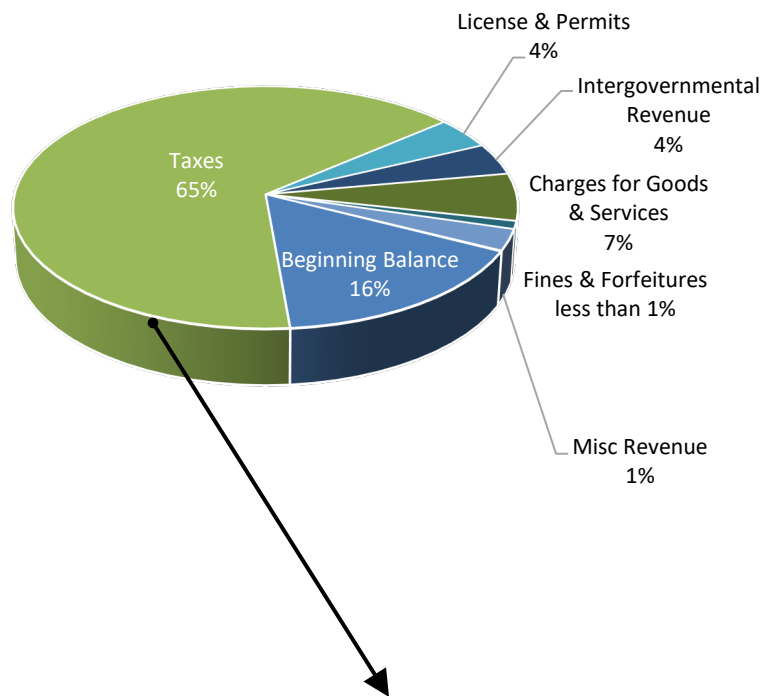
The first section provides an overview of the revenues included in the General Fund as well as a line-item detail of the General Fund Revenue.

GENERAL FUND REVENUE ANALYSIS

The City of Poulsbo's General Fund receives a wide variety of revenue. This page provides a summary of those revenue resources. Taxes are the largest source of income for the General Fund and are detailed by an additional chart. The following pages of this section will discuss key factors for each type of revenue affecting the General Fund in 2025 and 2026.

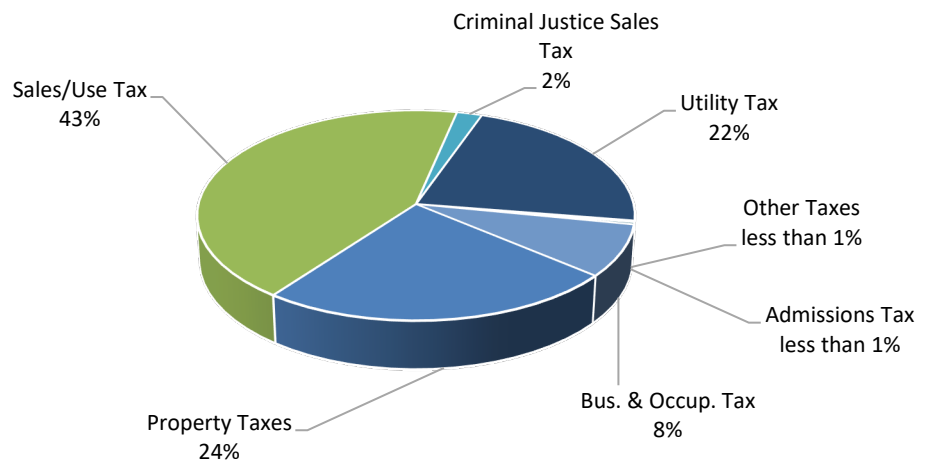
2025-2026 GENERAL FUND RESOURCES

\$33,731,365



2025-2026 GENERAL FUND TAX REVENUE

\$26,201,636



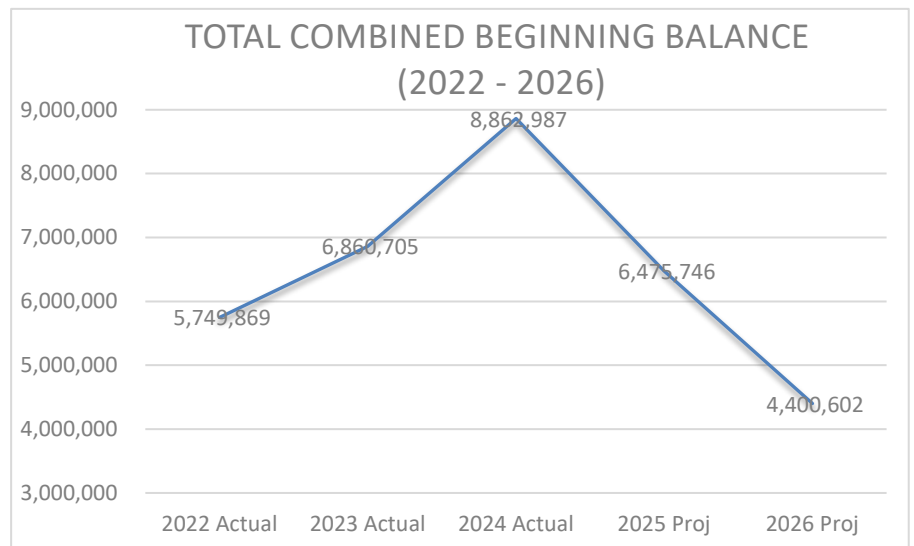
BEGINNING BALANCE:

The beginning balance represents unassigned (carryover, i.e., excess revenue collected over what was estimated, plus any unspent budgeted expenditure dollars from the prior year), assigned funds per Council direction for revenue stabilization, legal reserves, future leave cash outs, plus restricted fund balances for Public Education Government Cable Channel Fees (PEG) and Substance Abuse programs. It is a policy of the City to support current year expenditures with current year revenue, however during the budget process reserve dollars are anticipated to be used to fund expenses. Due to expenditures increasing at a faster pace than revenues, and revenues reserved for future capital projects, this has not always been possible.

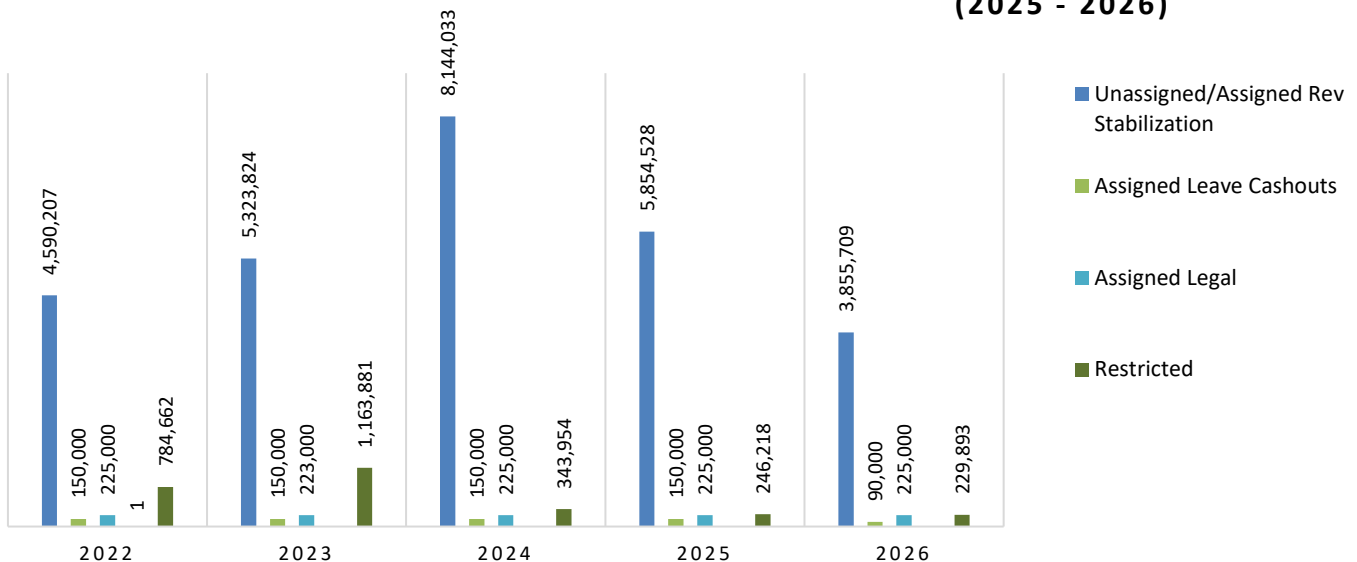
The chart below represents Beginning Balance Unassigned. Revenue Stabilization, carryover dollars for the past several years are because of expenditures being less than projected. An Unassigned Fund Balance is projected because the tax revenue and one-time development revenues in 2022 are trending higher than anticipated. The caution with one-time revenues is to not build ongoing expenditures that become supported by one-time revenues.

The Beginning Balance is broken out and assigned per council and funding restrictions. The following breakdown are 2025 projections.

Beginning Balances	2025 Projections
Unassigned - Fund Balance	-
Assigned - Revenue Stabilization	5,854,528
Assigned - Legal Reserves	225,000
Assigned Future Cash Outs	150,000
Restricted - PEG Fees	147,431
Restricted - Substance Abuse Programs	98,787
Total Beginning Balance	6,475,746



GENERAL FUND BEGINNING BALANCE (2025 - 2026)



TAX REVENUE:

Taxes account for the largest revenue category in the general fund, generating 65% of General Fund’s total resources and 78% of the operating revenue. Because of this, the category receives much of the attention during the budget process.

PROPERTY TAXES:

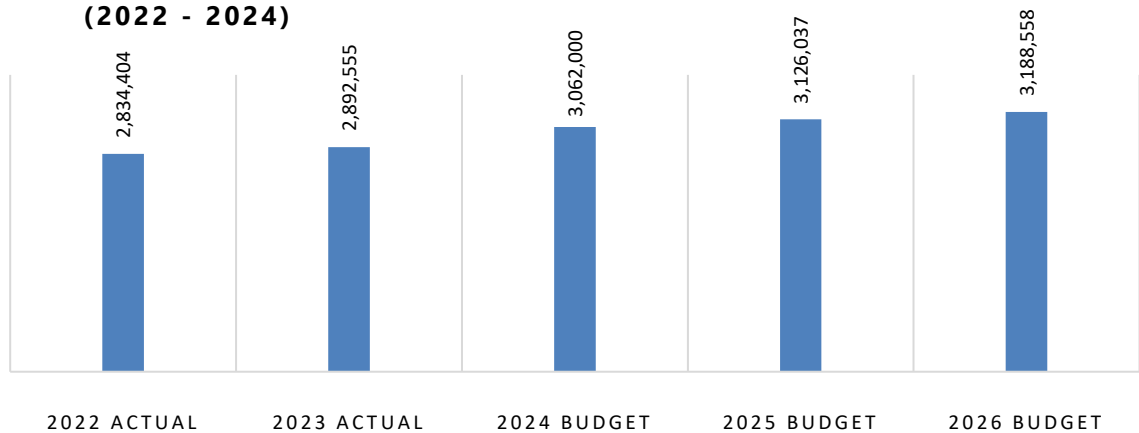
For 2025, the City will levy \$3,242,353. Revenue projections in are \$3,126,037 and 3,188,558 in 2025 and 2026. Revenue projections are slightly reduced taking into account uncollected taxes. The City’s population exceeds 10,000, which allows the City, by RCW, to levy the lower of 1% or the Implicit Price Deflator (IPD) for July increase over the prior highest allowable levy, plus amounts for new construction. For 2023, the IPD exceeded the allowable 1% allowing the City to levy the full 1%.

The assessed value for 2025 reflects an increase of \$220 million, or 7%, in comparison to the 2024 assessed value. The City has several housing and multifamily developments under construction. Continued construction is anticipated in 2025 with a projected decrease in 2026 due to new inventory coming on the market.

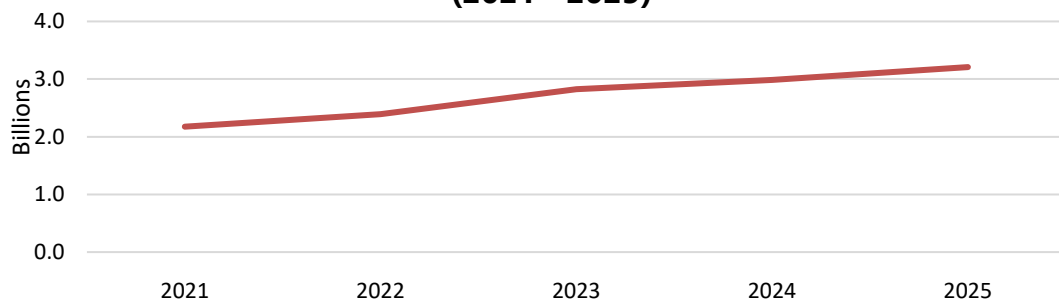
The property tax is a basis for transfers to support street operations, transportation capital improvements, and park capital improvements. The 2025-2026 transfers based on property tax revenue will be approximated and rounded based on percentages below, and adjusted per the need and long-range plan of capital development:

- 4.5% of property tax revenue to Street Reserves (Fund 311) for capital street projects (\$140,000 each year) 4.5% to Park Reserve Fund (302) for capital park projects (\$140,000 each year)
- 26% of property tax revenue to City Street Fund (101) to meet the needs of street maintenance operations (\$689,500 in 2025 and \$702,500 in 2026). There is an increase in the 2025 and 2026 amounts because the increasing cost of operations being more than the increased rate of tax revenue.

**GENERAL FUND PROPERTY TAX REVENUE
(2022 - 2024)**



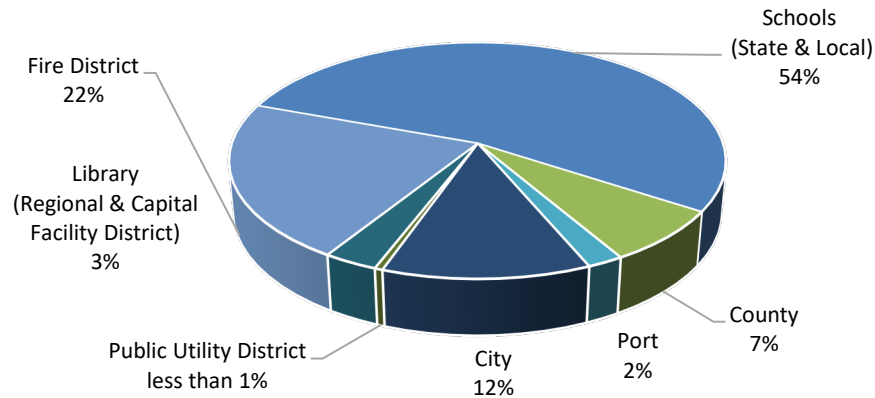
**ASSESSED VALUE OF POULSBO PROPERTIES
(2021 - 2025)**



Year	Property Taxes*	Assessed Value	Rate
2015	\$ 2,192,653	\$ 1,282,347,366	1.7099
2016	\$ 2,262,269	\$ 1,346,103,503	1.6859
2017	\$ 2,346,725	\$ 1,487,995,331	1.5798
2018	\$ 2,509,862	\$ 1,633,038,314	1.5369
2019	\$ 2,570,088	\$ 1,874,513,276	1.3711
2020	\$ 2,689,998	\$ 2,030,684,280	1.3247
2021	\$ 2,743,092	\$ 2,174,433,432	1.2615
2022	\$ 2,810,710	\$ 2,393,713,298	1.1742
2023	\$ 2,909,863	\$ 2,822,114,209	1.0311
2024	\$ 3,062,961	\$ 2,987,976,388	1.0251
2025	\$ 3,242,353	\$ 3,201,131,560	1.0129

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

POULSBO PROPERTY TAX OWNERS 2025 PROPERTY TAX DISTRIBUTION



Properties located within the City limits are also taxed by other taxing jurisdictions. Information in this chart represents taxing jurisdictions' 2025 tax rates as provided by Kitsap County Assessor's Office. The majority of property taxes go to the State and local schools. The City's property tax accounts for 11% of the total tax levied on properties located within the City limits.

Taxes Paid On Home With An Assessed Value of \$400,000		
Taxing Jurisdiction	Tax Rate	Tax Paid
Schools (State & Local)	4.82	\$ 1,927
County	0.62	\$ 249
Port	0.17	\$ 70
City	1.01	\$ 405
PUD	0.04	\$ 18
Library (Regional)	0.27	\$ 110
Fire District #18 & EMS Levy	2.00	\$ 800
TOTAL	8.94	\$ 3,578

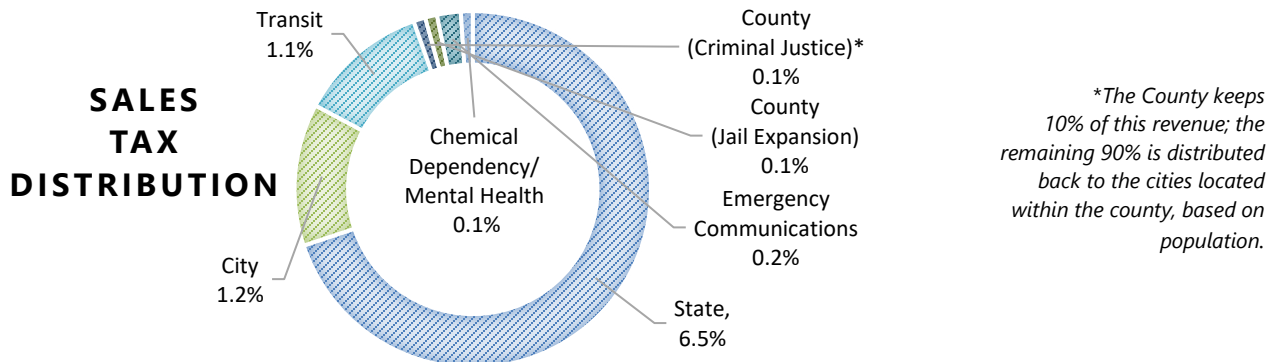
SALES TAXES:

The sales and use tax revenue, in contrast to property tax, is an unstable revenue source and is, therefore, very difficult to predict. It has been a goal of the City to estimate sales tax revenue no greater than what was received the previous year. The revenue projected for 2025-2026 is estimated at slightly higher levels in 2025 & 2025 due to increased online sales. The projection is conservative as it appears 2025 actual collections will be higher. The City has maintained a conservative approach and continues to monitor the global economic environment. The revenue continues to remain consistent and is still producing the City's largest single source of revenue. The City will continue to regularly assess the revenues as they are collected and quickly adjust if necessary.

Sales tax is calculated based on the purchaser's location versus the seller's location. For example, materials shipped to Pouslbo will be reported as a Pouslbo transaction, not at the point of distribution. Pouslbo will collect the related sales tax. The increase in on-line sales paying destination-based sales tax helps stabilize the revenue and to allow more sales tax dollars to remain in the City.

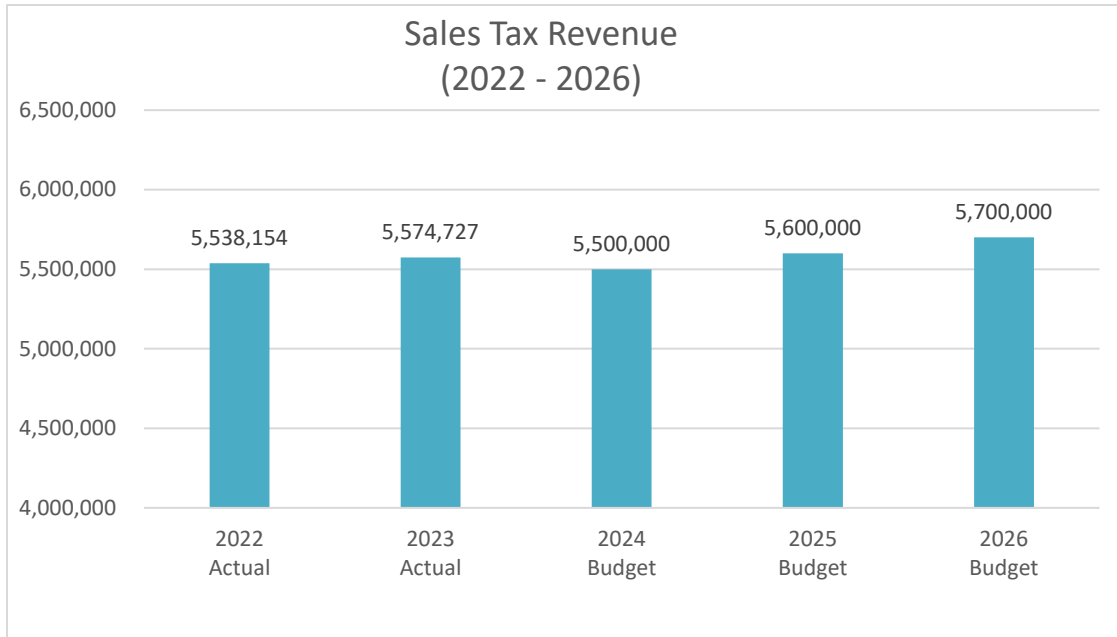
Sales tax for transactions in Pouslbo have a 9.3% tax rate, however the City receives only 1.2% of this rate. The rate was increased in 2022 by .1% to provide funding for affordable housing. Sales tax increased an additional .1% to be utilized for the Transportation Benefit District, bringing the City's portion to 1.2%. The City Council adopted an increase in sales tax at the beginning of 2023. These increases of .2% are collected in Special Revenue funds to track and expend per the legal restrictions.

The 9.3% sales tax rate that is effective April 1, 2023, collected for sales in Pouslbo is distributed as follows:



Sales tax revenue continues to stay constant and predictable, and cannot be attributed to one sector, but several, showing the council's planned diversification. The City has done a good job targeting diversification, which helps the City maintain sustainability. Commercial new development has grown at a consistent rate with new restaurants and other retail businesses opening throughout the City with more projected in the College Market development. Several new housing developments are under construction, helping fund the revenue stream of construction sales tax numbers. All these developments help stabilize funds and support future growth.

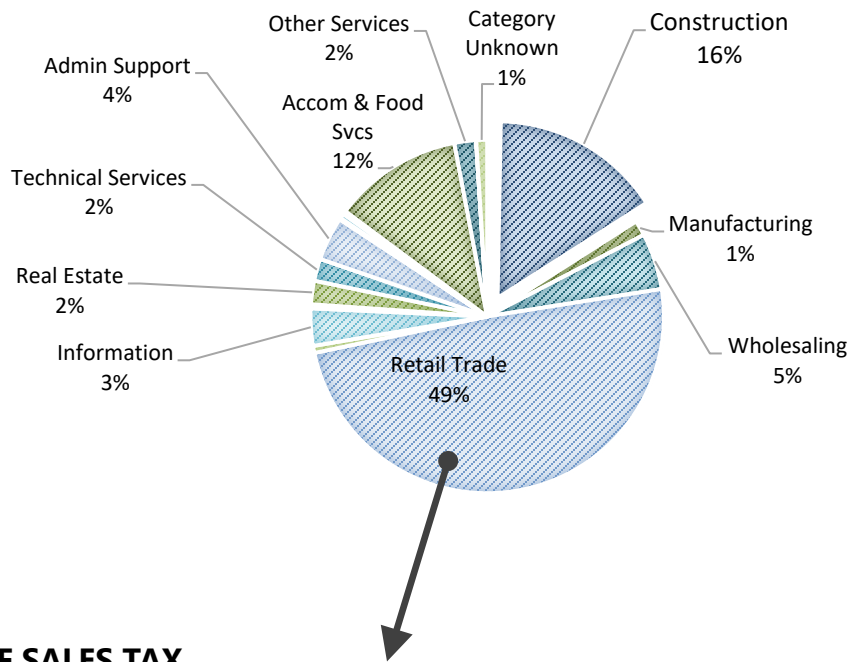
The projection for sales tax revenue for 2025-2026 is \$11,300,000 with projections for 2024 at \$5,600,000 and 2025 at \$5,700,000. Actual revenues are anticipated to exceed this projection impacting the increased Beginning Balance projection. This estimate is consistent with current trends. Sales tax revenue is collected and used in the City's General Fund.



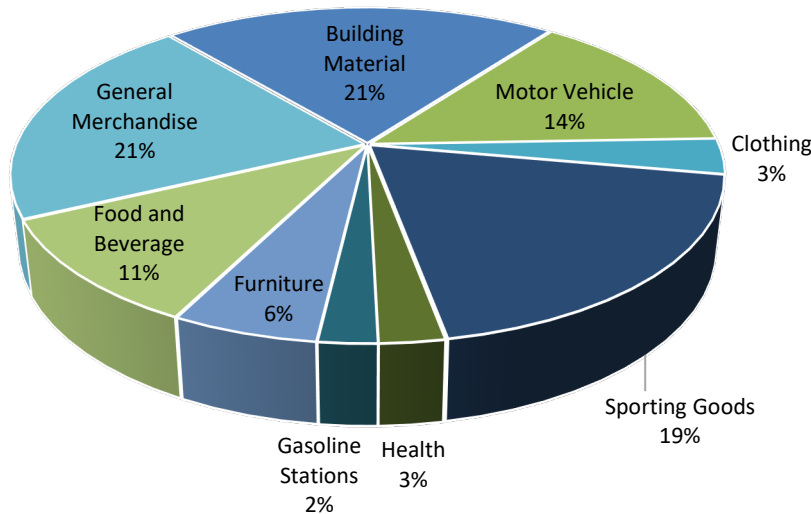
SALES TAX GROUP COMPARISONS BY SIC CODE					
TAX GROUP	2020	2021	2022	2023	2024
Agriculture	2,551	2,175	2,175	1,528	1,476
Mining	2,037	1,912	1,912	455	1,121
Utilities	4,586	5,079	5,079	10,175	14,011
Construction	444,252	566,741	566,741	865,307	888,505
Manufacturing	44,860	67,612	67,612	89,019	79,088
Wholesaling	202,736	228,171	228,171	238,330	292,682
Retail Trade	2,545,735	2,893,442	2,893,442	2,820,516	2,789,268
Transportation	7,977	18,602	18,602	29,925	36,512
Information	137,524	156,064	156,064	180,875	193,236
Finance & Insurance	17,975	23,169	23,169	10,910	20,833
Real Estate	74,882	121,298	121,298	118,630	122,053
Technical Services	63,510	88,302	88,302	113,786	114,729
Admin Support	164,606	186,286	186,286	215,440	226,138
Educational Svcs	3,494	5,924	5,924	8,548	8,016
Health Care	19,100	18,078	18,078	21,818	25,740
Arts, Entertainment	9,986	13,098	13,098	18,177	17,225
Accom & Food Svcs	391,935	532,837	532,837	641,320	672,031
Other Services	93,648	107,706	107,706	110,873	112,174
Public Administratic	1,514	1,069	1,069	362	743
Category Unknown	51,996	59,311	59,311	80,733	56,438
TOTAL	4,284,904	5,096,876	5,096,876	5,576,727	5,672,019

The majority of sales tax revenue (49%) is from Retail Trade. The next largest sales tax categories are Accommodations & Food Services (10%) 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 on which the City was so heavily dependent have changed over the years resulting from changes in the Economic Environment and the Council's continued work to diversify Poulsbo's local economy. Retail sales and new construction are particularly sensitive to changes in economic conditions. Slight changes in the economy, or even expectations, can produce dramatic changes in receipts. For this reason, sales tax is conservatively estimated.

SALES & USE TAX REVENUE BY STANDARD INDUSTRIAL CODE (SIC)



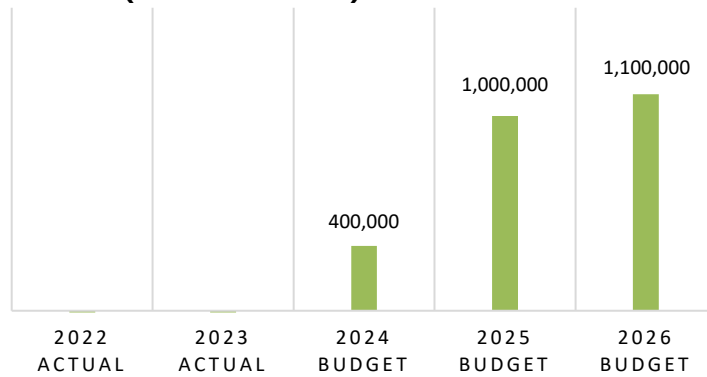
DETAIL OF SALES TAX FOR RETAIL TRADE GROUP



BUSINESS & OCCUPATION TAX:

The City Council adopted a new Business and Occupation Tax in mid-2024. The 2025-2026 budget includes revenues in the amount of \$1,000,000 for 2025 and \$1,100,000 for 2026 and represents approximately 8% of total taxes estimated for the 2025-2026 budget. Businesses are assessed at a rate of .2% for businesses grossing over \$20,000 if they do not produce retail sales tax and those business collection retail sales tax for the City of Poulsville have \$125,000 annual exemption. Tax calculations were established in accordance with the state’s model ordinance maintaining consistency among local governments helping to eliminate confusion for taxpayers. The City’s website contains detailed information regarding reporting, rates and exemptions. <https://cityofpoulsville.com/b-and-o-tax/>. The new revenue is intended to support revenue which had previously been replenished from ARPA and funds to support the City’s first new City Administrator.

**BUSINESS & OCCUPATION TAX REVENUE
(2022 - 2026)**

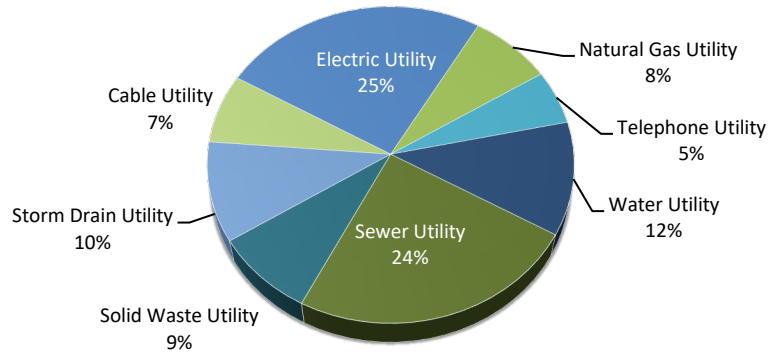


UTILITY TAXES:

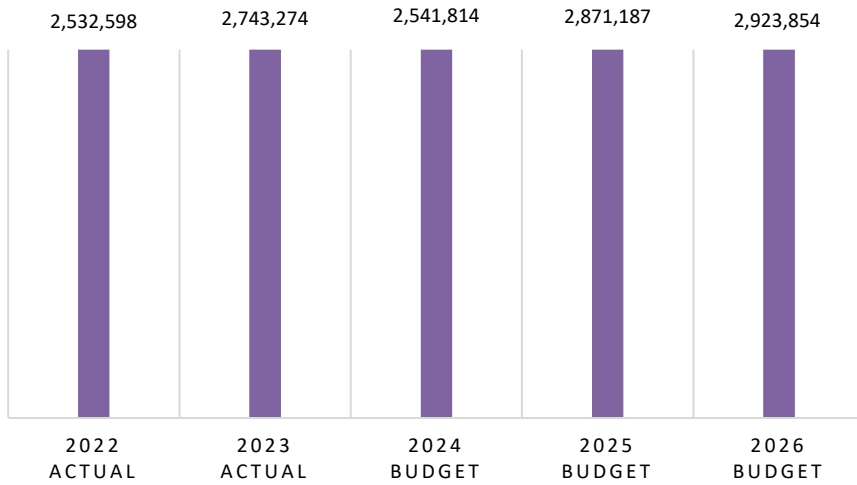
Utility taxes are taxes applied to utilities providing services in the City including City-owned and privately-owned utilities. These taxes tend to be stable from year to year, reflecting normal utility rate increases. Utility rates for water, sewer, and storm drain have fluctuated over the past several years from 6% - 12%. The 2025-2026 budget has been prepared with water, sewer, and storm drain utility tax rates at 12%. All other utility tax rates remain at 6%. The utility billing forms, and the City website contains required information regarding utility tax rates Rate information can be found online at: <https://cityofpoulsville.com/utility-billing/>.

Type of Utility Tax	Tax Rate	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget
Cable Tax	6%	\$ 220,696	\$ 212,655	\$ 215,000	\$ 205,000	\$ 205,000
Electric Tax	6%	\$ 657,665	\$ 733,326	\$ 610,000	\$ 725,000	\$ 730,000
Natural Gas Tax	6%	\$ 204,583	\$ 234,489	\$ 165,000	\$ 223,000	\$ 225,000
Telephone Tax	6%	\$ 148,496	\$ 142,878	\$ 160,000	\$ 160,000	\$ 160,000
Water Utility Tax	6-12%	\$ 289,256	\$ 322,404	\$ 303,249	\$ 329,651	\$ 338,941
Sewer Utility Tax	6-12%	\$ 572,110	\$ 617,352	\$ 599,523	\$ 694,589	\$ 715,427
Solid Waste Utility Tax	6%	\$ 202,078	\$ 224,527	\$ 221,965	\$ 243,918	\$ 250,783
Storm Drain Utility Tax	6-12%	\$ 237,714	\$ 255,643	\$ 267,078	\$ 290,029	\$ 298,703
TOTAL		\$ 2,532,598	\$ 2,743,274	\$ 2,541,815	\$ 2,871,187	\$ 2,923,854

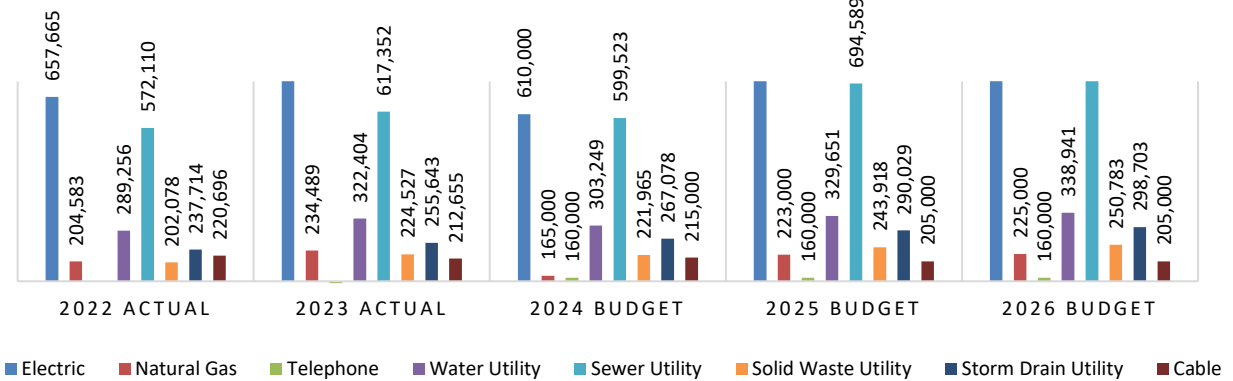
2025-2026 UTILITY TAX REVENUE



UTILITY TAX REVENUE (2022 - 2026)



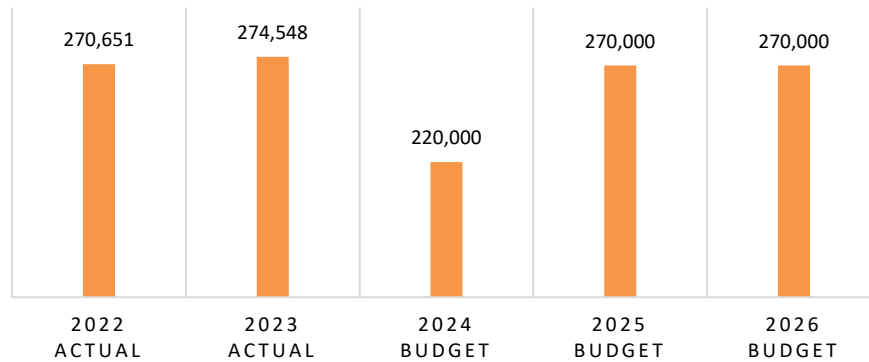
UTILITY TAX REVENUE BY TYPE (2022 - 2026)



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.

**CRIMINAL JUSTICE SALES TAX
(2022 - 2026)**



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 most of this tax revenue. Revenues in 2020 from this source had been limited, but facilities have been increasing in operations since the re-opening after the COVID-19 pandemic. Projections remain low but have been increased by \$3,000 from the 2024 budget.

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

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

LICENSE & PERMIT REVENUE:

This category makes up 5% of revenue in the General Fund. License and Permit Revenues are user fees derived from various regulatory activities of the City.

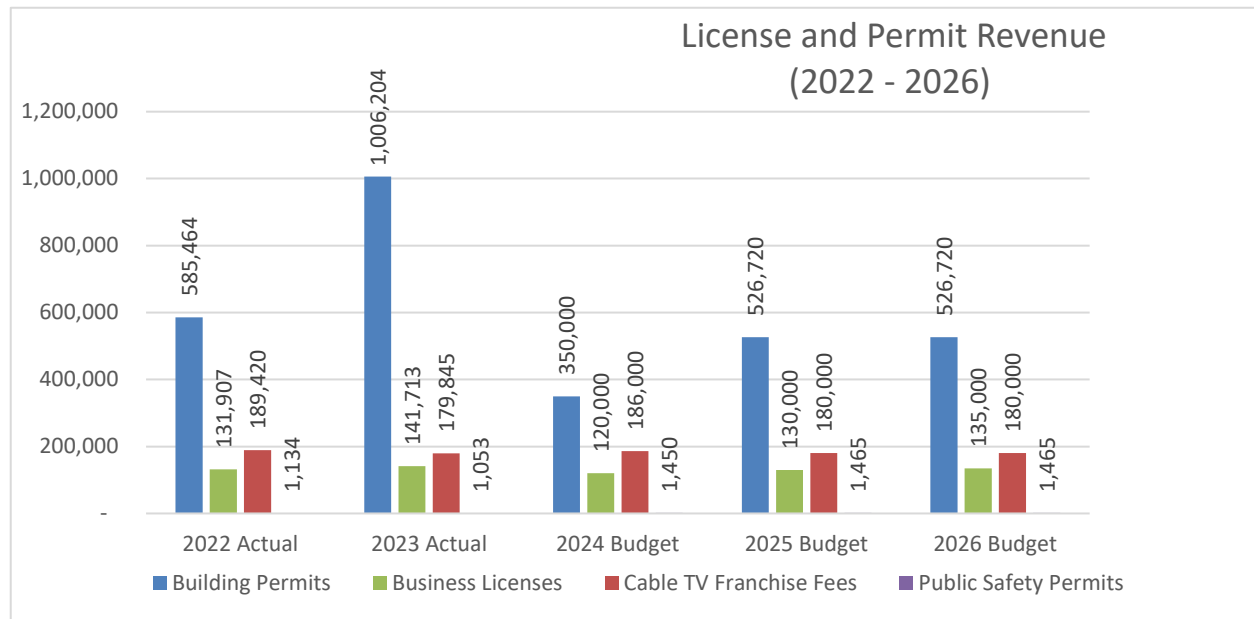
The largest source of the revenue is derived from building permit activities. Since this activity is dependent on new construction, it can be an unstable source of income. The 2025-2026 projections are lower when compared to the previous year’s actual revenue. The City still anticipates growth but is exercising conservatism anticipating an economic impact to this industry.

Cable TV Franchise Fee is 5% of the gross revenue to the cable company providing service within the City of Poulsbo limits. The 2025-2026 projections have been estimated in comparison to actual revenue collected in prior years.

Also recorded in this category are the City’s business license fees. The City contracts with the Washington

State Department of Revenue to administer the City licensing program under their Master License Program. The state charges their fees directly to the license holder, which pays for the program, creating little, if any, cost to the City for the service. 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 2025-2026 increased 8% and 4% respectively over the prior two years.

The remaining revenue is derived from permits issued for Public Safety purposes.



Type of License/Permit	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget
Building Permits	585,464	1,006,204	350,000	526,720	526,720
Business Licenses	131,907	141,713	120,000	130,000	135,000
Cable TV Franchise Fees	189,420	179,845	186,000	180,000	180,000
Public Safety Permits	1,134	1,053	1,450	1,465	1,465

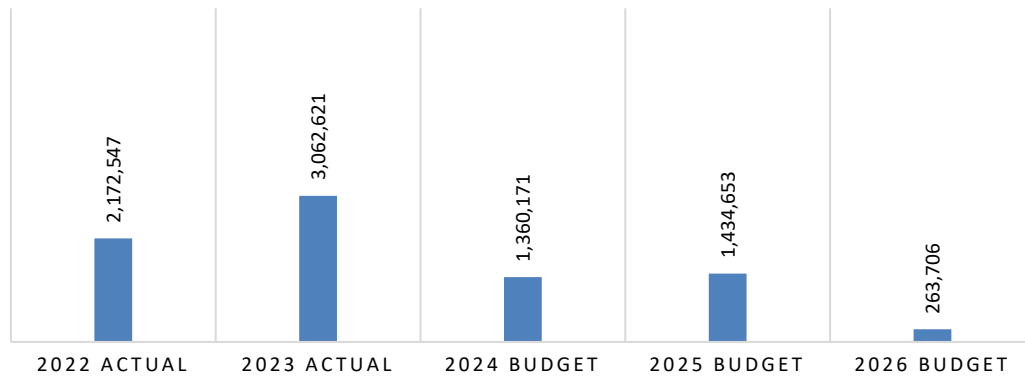
INTERGOVERNMENTAL REVENUE:

For 2025-2026 this category makes up 5% of total General Fund resources.

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

State Shared Revenues are the largest 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.

INTERGOVERNMENTAL REVENUE (2022 - 2026)



Grants are also included in this category and can vary significantly from year to year. The Federal Treasury grant, Behavioral Health Program grants and a large grant for a large state highway project the City managed were included in 2022 and 2023 funds. Grants in 2025 are related to the Behavioral Health program. Funds are being explored for 2026, but with limited grant funding they are not included in 2026 projections. If future funding is secured this will be adjusted midyear.

CHARGES FOR GOODS AND SERVICES REVENUE:

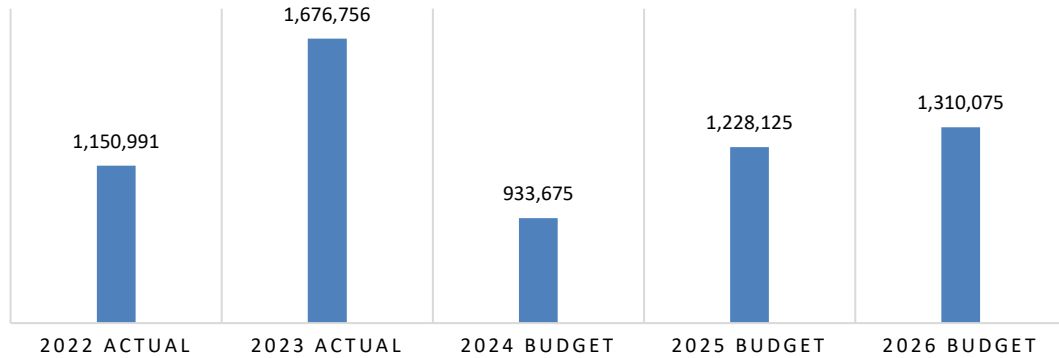
Charges for Goods and Services revenue category makes up 7% of General Fund revenue and is the second largest revenue category. It consists of a wide variety of user fees derived from various activities and services.

Typically, Parks and Recreation fees are the largest generators in the category. These are user fees supporting the City’s numerous recreation programs offered to citizens of all ages. This category will continue to be reviewed throughout the coming years and programs and activity offerings change. If received revenues are less/more than anticipated, expenditures will be adjusted accordingly to allow for a reasonable level of provided services.

Engineering services, plan-checking and zoning fees are included in this category. These revenues can fluctuate based on current development activity. The 2025-2026 projections have been built on the collection history and are estimated at the average level as prior years.

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

CHARGES FOR GOODS & SERVICES (2022 - 2026)



FINES AND FORFEITURES REVENUE:

Fines and Forfeitures consist of fines from law enforcement related activities. The category accounts for less than 1% of total General Fund revenue. The largest source is penalties for traffic and parking infractions. The City is increasing revenue in this category due to a new traffic camera enforcement program. The program is expected to generate an additional \$175,000 in 2025 and the same in 2026. The program will be monitored, and revenue projections will be adjusted as appropriate.

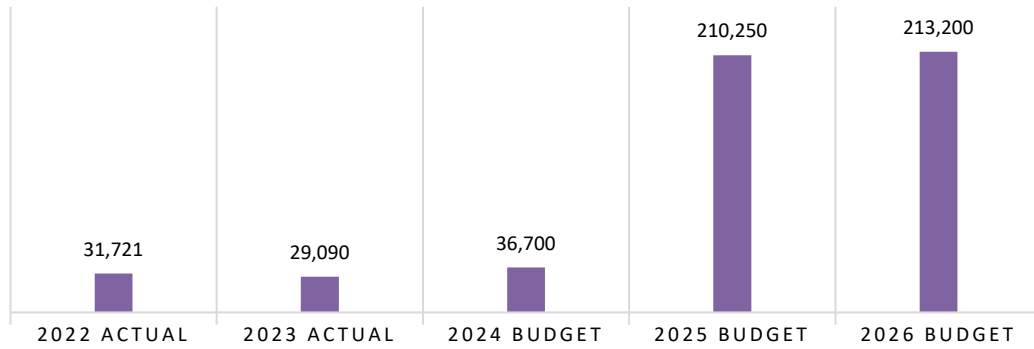
Revenue in this category can fluctuate for many different reasons such as defendants electing to perform Community Work Program, defendants choosing to participate in alternative sentencing methods in lieu of paying their fines or staffing levels of the police department promoting safety and citing less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

Photo traffic enforcement started in late 2024 to enhance safety. Revenues for these civil infractions are included in projections for fines and forfeitures in the 2025 and 2026 budget. The City will have 3 traffic cameras installed by the end of 2026 to capture speed and red light infractions. The fines now make up the largest portion of the fines and forfeitures category at 94%. Funds generated will support the administration of the program and increase police and court funding.

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

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

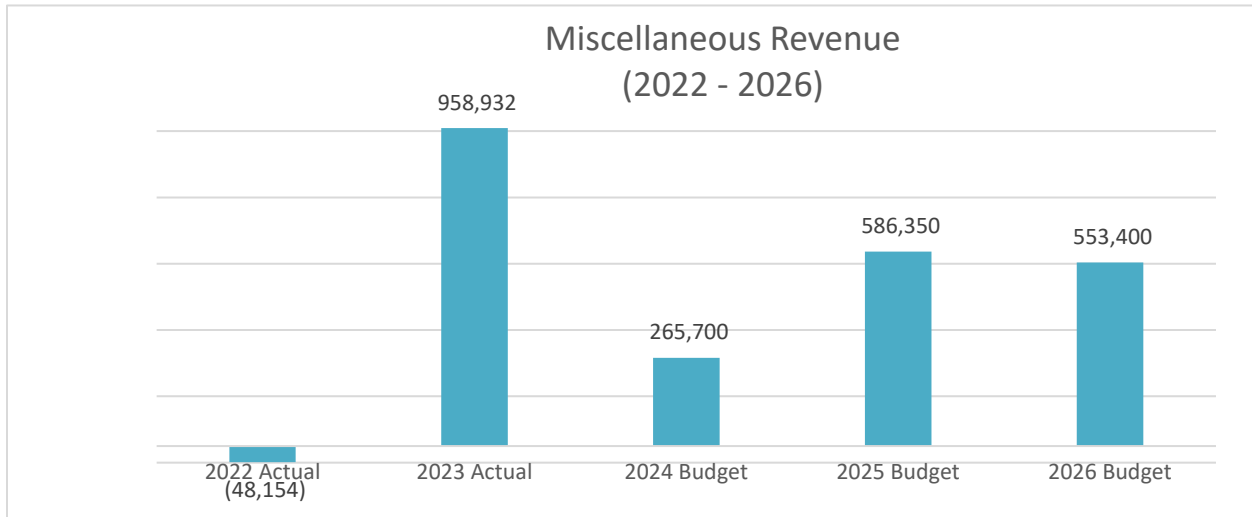
FINES AND FORFEITURES (2022 - 2026)



MISCELLANEOUS REVENUE:

This revenue category generates 1% of all General Fund revenue. In the past, rental income and investment income were the major revenues in this category.

Investment income has been revised upward reflecting the larger portfolio and rising interest rates. Other sources include donations and rental income for City space.



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. There is one budgeted transfer to the General Fund in 2025 for \$48,000 and none in 2026.

**TOTAL GENERAL FUND RESOURCES
(2022 - 2026)**

■ Total Resources (includes Beginning Balance) ■ Operating Revenue



GENERAL FUND REVENUE						
ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
BEGINNING BALANCE						
BEG BAL - ASSGN - REV SATBLIZATION	4,590,207	5,323,824	8,144,033	5,854,528	3,855,709	5,854,528
BEG BAL - ASSGN - LEGAL RESERVE	225,000	223,000	225,000	225,000	225,000	225,000
BEG BAL - ASSGN - FUTURE CASH OUTS	150,000	150,000	150,000	150,000	90,000	150,000
BEG BAL - UNASSIGNED	-	-	-	-	-	-
BEG BAL - RESTRICTED PEG FEES	104,466	119,971	131,431	147,431	162,431	147,431
BEG BAL - RESTRICTED (TREAS)	664,656	1,021,371	196,878	-	-	-
BEG BAL - RESTRICTED OPIOD STTLMNT	-	12,396	15,523	95,000	65,000	95,000
BEG BAL - RESTRICTED SUBSTANCE ABS	15,540	10,143	122	3,787	2,462	3,787
TOTAL BEGINNING BALANCE	5,749,869	6,860,705	8,862,987	6,475,746	4,400,602	6,475,746
TAXES						
REAL & PERS PROP TAX	2,834,404	2,892,555	3,062,000	3,126,037	3,188,558	6,314,595
LOC RET SALES & USE TAX	5,538,154	5,574,727	5,500,000	5,600,000	5,700,000	11,300,000
CRIMINAL JUSTICE TAX	270,651	274,548	220,000	270,000	270,000	540,000
BUSINESS & OCCUPATION TAX	-	-	400,000	1,000,000	1,100,000	2,100,000
ELECTRIC UTIL TAX	657,665	733,326	610,000	725,000	730,000	1,455,000
WATER UTIL TAX	289,256	322,404	303,249	329,651	338,941	668,592
GAS UTIL TAX	204,583	234,489	165,000	223,000	225,000	448,000
SEWER UTIL TAX	572,110	617,352	599,523	694,589	715,427	1,410,016
SOLD WASTE UTIL TAX	202,078	224,527	221,965	243,918	250,783	494,701
CABLE UTILITY TAX	220,696	212,655	215,000	205,000	205,000	410,000
TELEPHONE TAX	148,496	142,878	160,000	160,000	160,000	320,000
STORM DRAIN UTIL TAX	237,714	255,643	267,078	290,029	298,703	588,732
PUNCH BOARD & PULL TAB TAX	2,659	2,605	1,000	1,000	1,000	2,000
BINGO & RAFFLES TAX	-	31	-	-	-	-
AMUSEMENT GAMES TAX	-	64	-	-	-	-
LEASHOLD EXCISE TAX	34,079	36,208	25,000	32,000	32,000	64,000
ADMISSIONS TAX	44,713	55,657	40,000	43,000	43,000	86,000
TOTAL TAXES	11,257,259	11,579,671	11,789,815	12,943,224	13,258,412	26,201,636
LICENSES & PERMITS						
POLICE & PROTCTV	1,134	1,053	1,450	1,450	1,450	2,900
PROF & OCCUPATIONS	-	15	30	15	15	30
CABLE TV FRANCHISE	189,420	179,845	186,000	180,000	180,000	360,000
OTHR BUS LICENSES	131,907	141,713	120,000	130,000	135,000	265,000
BLDG, STRCTR & EQUIP	583,044	999,244	350,000	520,000	520,000	1,040,000
STREET & CURB PERMITS	2,420	6,960	-	6,720	6,720	13,440
TOTAL LICENSES & PERMITS	907,925	1,328,830	657,480	838,185	843,185	1,681,370

INTERGOVERNMENTAL						
FED-CARES	1,092,753	-	196,000	-	-	-
FED-SUBSTANCE ABUSE PREV & TREAT	-	-	-	24,288	-	24,288
FED-DOJ INDIRECT	12,417	5,709	-	-	-	-
FED-HWY PLAN & CONSTR	9,951	105,782	96,268	811,400	-	811,400
FED-HWY SAFETY	11,749	1,608	-	-	-	-
FED-DISASTER PUBLIC	-	824,492	-	-	-	-
FED-HWY SAFETY FS	-	-	-	-	-	-
ST-DIGITAL IMG GRANT	2,243	43,939	-	-	-	-
ST-ADMIN OFFICE OF COURTS	510	3,179	350	350	350	700
ST-CRIML JUST TRNG COMM	1,000	19,002	91,322	-	-	-
ST-DEPT OF NATURL RESRC	116	-	-	-	-	-
ST-TRAFFIC SAFECOM GRT	3,000	3,254	1,250	2,000	2,000	4,000
ST-DEPT OF ECOLOGY GRT	-	-	-	-	-	-
ST-DOT GRANT	491,620	1,094,984	-	-	-	-
ST-TIB GRANT	15,353	96,711	-	-	-	-
ST-DEPT OF COMMERCE	103,496	180,196	99,651	63,417	-	63,417
ST-WSHCA	69,192	316,161	264,196	254,133	-	254,133
ST-LEGISLATURE	-	-	24,404	-	-	-
CRIM JUSTICE TREATMENT	-	-	-	-	-	-
CRIM JUSTICE-VLNT CRM/POPUL	4,190	4,484	4,712	5,360	5,628	10,988
DUI & OTHER CR JSTC ASST	888	1,237	-	-	-	-
LIQUOR/BEER EXCISE TAX	84,822	86,097	89,652	87,906	88,174	176,080
LIQUOR CNTRL BOARD PRFTS	93,068	93,127	93,620	95,799	97,554	193,353
SUQUAMISH TRIBE	5,000	20,000	-	20,000	-	20,000
NK SCHOOL DISTRICT	54,675	102,516	68,344	70,000	70,000	140,000
KITSAP CO - PW	-	-	-	-	-	-
KITSAP CO - HUM SVCS	83,988	58,646	168,000	-	-	-
KITSAP CO - PUBLIC HEALTH	-	-	-	-	-	-
KITSAP CO-FIRE DEPT	-	-	162,402	-	-	-
KITSAP CO PFD	32,631	-	-	-	-	-
CITIES - HUM SVCS	-	1,500	-	-	-	-
TOTAL INTERGOVERNMENTAL	2,172,662	3,062,624	1,360,171	1,434,653	263,706	1,698,359
CHARGE FOR SERVICES						
MUNI CT CIVIL FILINGS	-	-	-	-	-	-
MUNI CT RECORDS SV	-	-	-	-	-	-
MUNI CT ADMIN FEES	2,618	1,694	800	600	600	1,200
BUDGETING & ACCTG SRVCS	18,414	20,107	14,000	18,000	18,000	36,000
MUNI CT WORD PROC COPY SV	41	88	25	25	25	50
PUBLIC, PRINTING & OTHER	2,845	1,520	1,150	2,500	2,700	5,200
ENGINEERING SERVICES	160,358	193,758	90,000	165,000	165,000	330,000
LEGAL SERVICES	1,347	1,488	500	400	500	900
PASSPORT FEES	23,975	24,605	17,000	17,000	17,000	34,000
LAW ENFORCEMENT SVC	3,070	7,493	2,500	3,000	3,000	6,000
CFS DETENTION & CORR	56,491	36,812	2,500	15,000	15,000	30,000
PROTECTIVE INSPECTION FEE	9,702	8,910	10,000	10,000	10,000	20,000
EMERGENCY SVC FEE	3,842	5,794	1,500	7,500	8,000	15,500
ZONING & SUBDIVISION	76,611	98,764	100,000	100,000	100,000	200,000
PLAN CHECKING	336,240	595,056	150,000	225,000	225,000	450,000
MENTAL HEALTH SERVICES	4,837	158,735	-	-	-	-
ACTIVITY FEES	14,464	10,714	10,000	14,500	16,000	30,500
PROGRAM FEES	444,870	521,120	533,700	659,600	739,250	1,398,850
RESIDENTIAL FEE DISCOUNT	(8,736)	(9,902)	-	(10,000)	(10,000)	(20,000)
TOTAL CHARGE FOR SERVICES	1,150,989	1,676,756	933,675	1,228,125	1,310,075	2,538,200

FINES & FORFEITURES						
PROOF OF MV INSURANCE	49	172	300	300	400	700
TRAFFIC INFRACTION PNLTYS	19,063	20,125	23,000	199,000	201,000	400,000
NON-TRAF INFR PENALTIES	-	369	400	400	400	800
CIVIL PARKING INFR PENALT	2,795	720	3,400	2,500	2,800	5,300
DUI FINES	2,452	3,136	2,500	2,800	3,000	5,800
NON-COURT FINES FORF PEN	-	-	-	-	-	-
OTHER CRM TRF MSD FINES	2,499	1,954	3,800	3,000	3,000	6,000
BOATING SAFETY FINES	-	-	650	250	400	650
INV STGTVE FD ASSESSMNTS	108	29	150	-	-	-
OTHER CRM NON-TRF MSD FINES	2,599	1,383	1,300	1,500	1,700	3,200
PUB DFNSE COST RECOUP	2,157	1,204	1,200	500	500	1,000
TOTAL FINES & FORFEITURES	31,722	29,092	36,700	210,250	213,200	423,450
MISCELLANEOUS						
INVESTMENT INTEREST	169,792	514,343	150,000	475,000	440,000	915,000
GAIN (LOSSES) ON INVESTMENT	(322,950)	279,592	-	-	-	-
INTEREST ON RECEIVABLES	14,123	26,576	9,500	20,000	20,000	40,000
INTEREST ACCT REC MUNI CT	1,164	1,528	4,000	-	-	-
RENTALS LEASES & CONCESSION	59,492	66,350	60,400	58,200	59,000	117,200
CONTRIB & DONATIONS	15,318	40,340	31,850	26,750	28,000	54,750
SURPLUS SALES	925	7,506	6,350	2,500	2,500	5,000
JUDGMENTS & SETTLEMENTS	12,396	6,352	-	-	-	-
CASHIER OVRG/SHRT	1	11	-	-	-	-
OTHR MISC REVENUE	1,585	16,335	3,600	3,900	3,900	7,800
TOTAL MISCELLANEOUS	(48,154)	958,933	265,700	586,350	553,400	1,139,750
OTHER FINANCING SOURCES						
PROC SALES OF CAPITAL ASSETS	-	31,892	-	-	-	-
TRANSFERS IN	316,000	63,100	14,974	48,600	-	48,600
INSURANCE RECOVERIES	2,254	21,644	-	-	-	-
TOTAL OTHER FINANCING	318,254	116,636	14,974	48,600	-	48,600
PRIOR PERIOD ADJUSTMENT	-	-	-	-	-	-
TOTAL GENERAL FUND REVENUE	21,540,526	25,613,246	23,921,502	23,765,133	20,842,580	40,207,111

BASELINE BUDGET

INTRODUCTION

This section of the budget presents the details of the City's baseline budget, or, in other words, what is necessary to maintain existing services and programs at the current level. Data is presented by fund, with the General Fund presented in more detail by departments. The financial data includes a narrative describing the program funded. The narrative explains, in general terms, the character of the program and the activity highlights of the upcoming budget year. The proposed work program for 2025 & 2026 is summarized, providing an overview of how the funds will be expended.

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

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

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

CITY OF POULSBO DEPARTMENT HEAD ORGANIZATION CHART



PROGRAM DESCRIPTION:

The General Fund is the City’s largest component of the baseline budget, accounting for approximately 3% of the total City budget. It provides funding for most of the operating services, programs, and employees of the City. The combined 2025-2026 Projected Budget for the General Fund totals \$37,989,898. In 2025, the projected total is \$19,364,532 and in 2026 the projected total is \$18,625,993. The General Fund Budget is divided into nine categories or functions. Those functions are: General Government, Public Safety, Utilities, Transportation, Natural & Economic Environment, Social Services, Culture and Recreation, Capital Outlay, and Debt Service. The category function of General Government is one of the largest and includes services provided by the Mayor, Council, Municipal Court, as well as the Finance and Clerk Departments. These services are generally administrative in nature and include expenditures associated with Personnel, Information Services, and legal services, accounting for 30% of the General Fund. The Public Safety category includes Police and Detention and makes up approximately 60%.

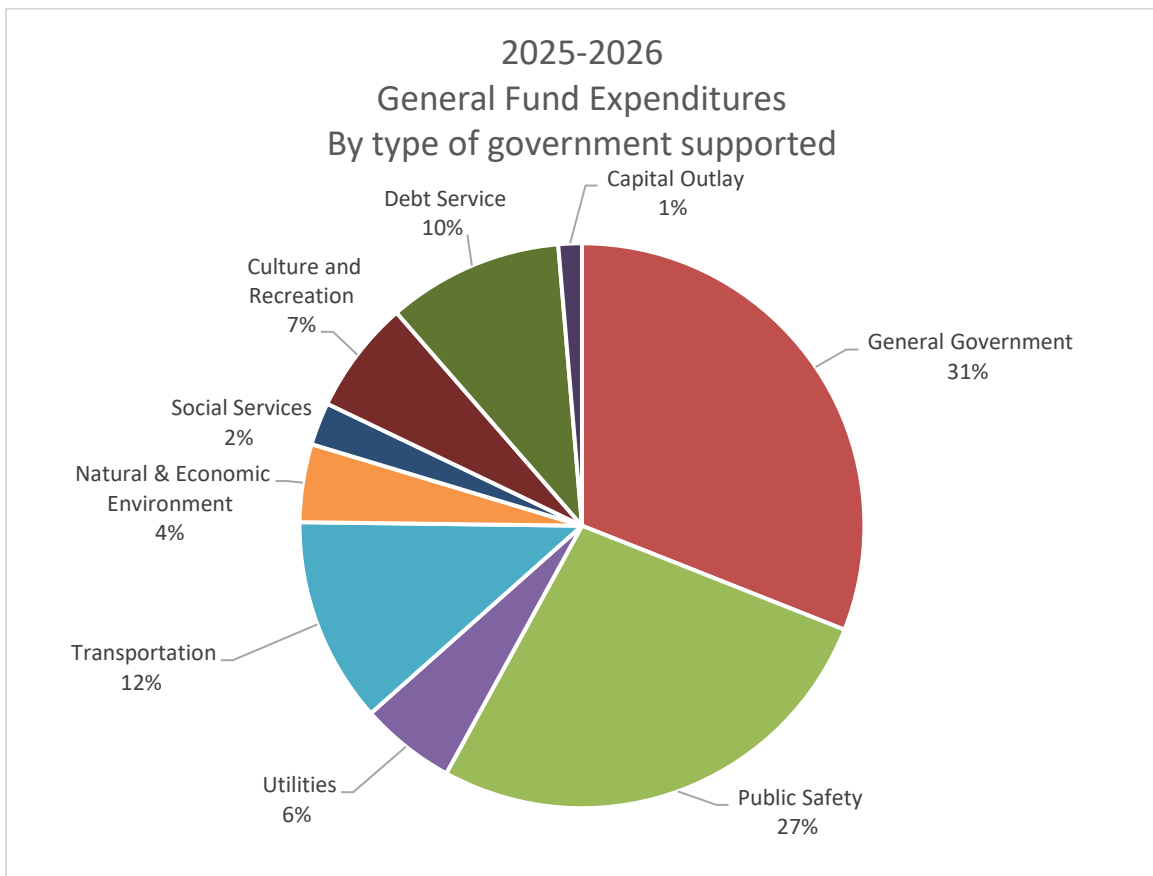
2025 & 2026 PROGRAM HIGHLIGHTS:

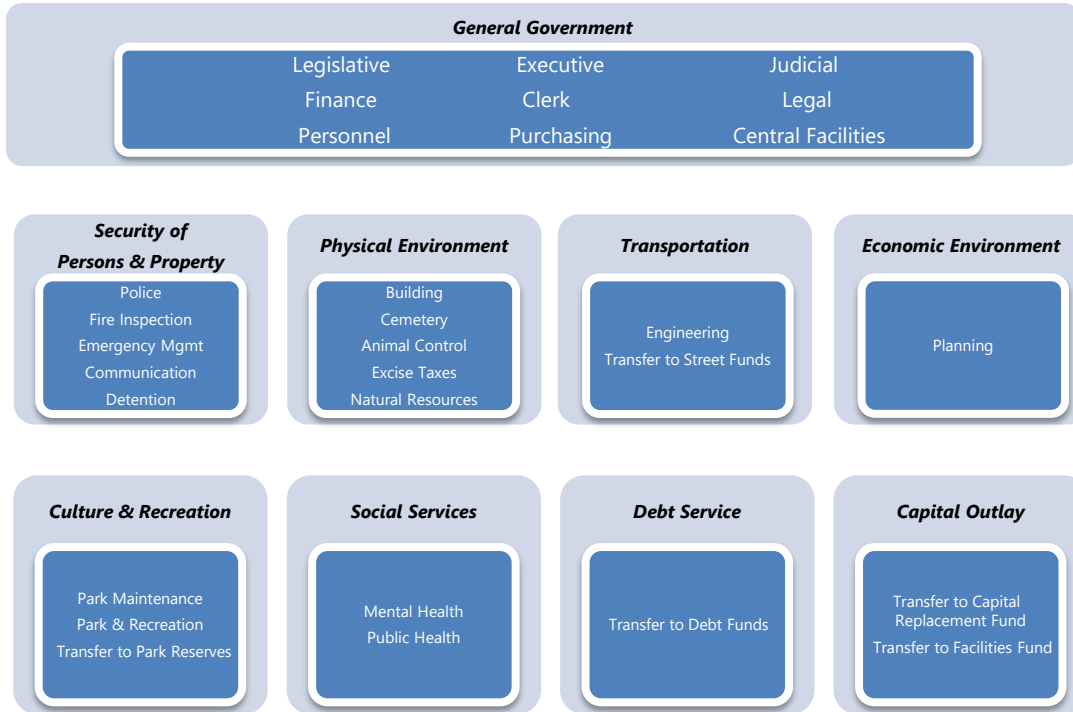
In year’s past, the City’s General Fund baseline budget has not significantly changed from one year to the next in terms of mix and levels of service provided. Departments submitted their 2025 and 2026 budgets at an increase of 5% over 2024 levels with the exception of wages and benefits, and other contractual obligations. Several additional funding requests were made in the form of Baseline Adjustment Requests (BARs) and New Program Requests (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 located in Section 8.

Wages and benefits have been projected with anticipated benefit rates and increases are under review for collective bargaining. Retirement rates, administered by Washington State Retirement System, are established by state legislature. The rates have been increased per the recommended increase from the Office of Financial Management. These rates have been built at a slight decrease to the 2025 and 2026 budget.

While the budget is adopted with the most conservative projections, it is anticipated reserves will be utilized in the upcoming budget cycle due to economic fluctuations and Council approved expenditures for continued levels of service. A growing fund balance in excess of the Financial Management Policy limits, the City Council felt it necessary to utilize reserves to maintain current or improved levels of service and fund several onetime requests.

Function	2025 Budget	2026 Budget	Combined Percent
General Government	5,735,248	5,859,257	31%
Public Safety	5,447,980	5,719,900	27%
Utilities	54,369	57,342	6%
Transportation	1,505,882	718,438	12%
Natural & Economic Environment	1,312,853	1,410,726	4%
Social Services	725,432	421,581	2%
Culture and Recreation	1,995,811	2,101,779	7%
Debt Service	2,586,958	2,335,971	10%
Total General Fund	19,364,533	18,624,994	100%





LEGISLATIVE AND EXECUTIVE DEPARTMENTS

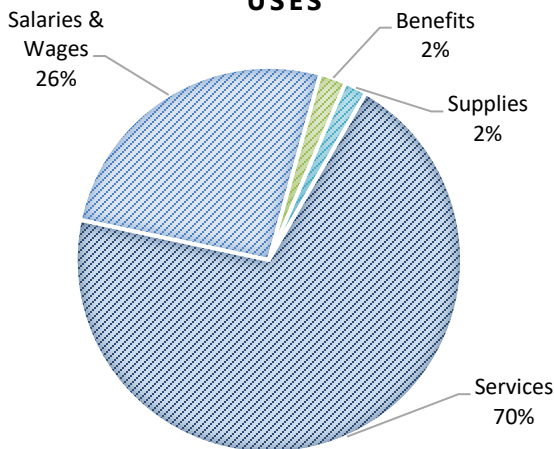
Legislative Mission:

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.

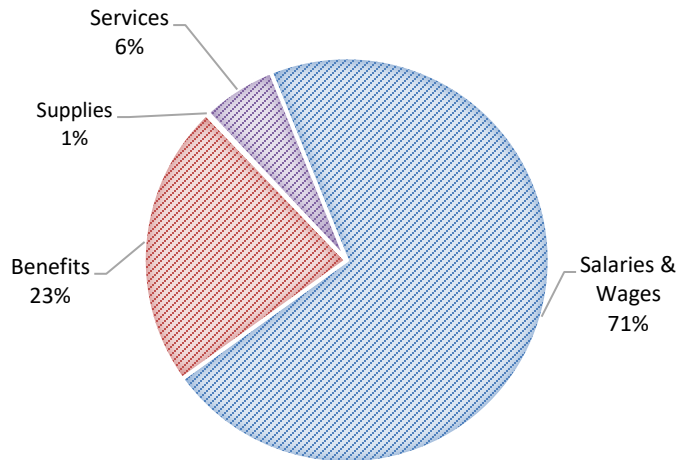
Executive Mission:

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

**LEGISLATIVE DEPARTMENT
2025-2026
USES**



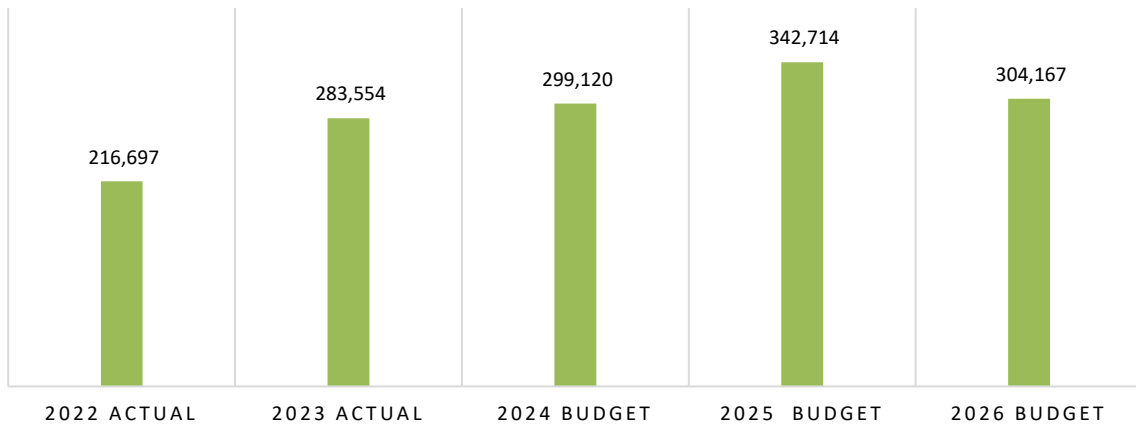
**EXECUTIVE DEPARTMENT 2025-2026
USES**



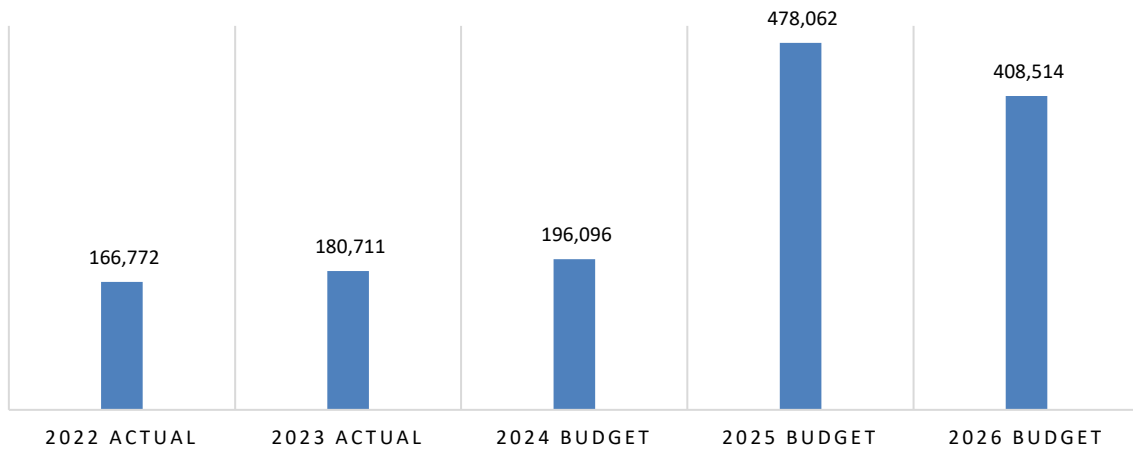
ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
LEGISLATIVE						
SALARIES & WAGES	72,000	72,000	84,000	84,000	84,000	168,000
BENEFITS	5,739	5,799	7,044	7,087	7,186	14,273
SUPPLIES	993	1,476	1,030	11,081	1,081	12,162
OTHER SERVICES & CHARGES	137,964	204,279	207,046	240,546	211,900	452,446
TOTAL LEGISLATIVE	216,696	283,554	299,120	342,714	304,167	646,881

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
EXECUTIVE						
SALARIES & WAGES	114,279	117,707	122,415	347,208	283,875	631,083
BENEFITS	41,030	42,140	43,281	103,933	97,718	201,651
SUPPLIES	93	632	700	736	736	1,472
OTHER SERVICES & CHARGES	11,370	20,231	29,700	26,185	26,185	52,370
TOTAL EXECUTIVE	166,772	180,711	196,096	478,062	408,514	886,576

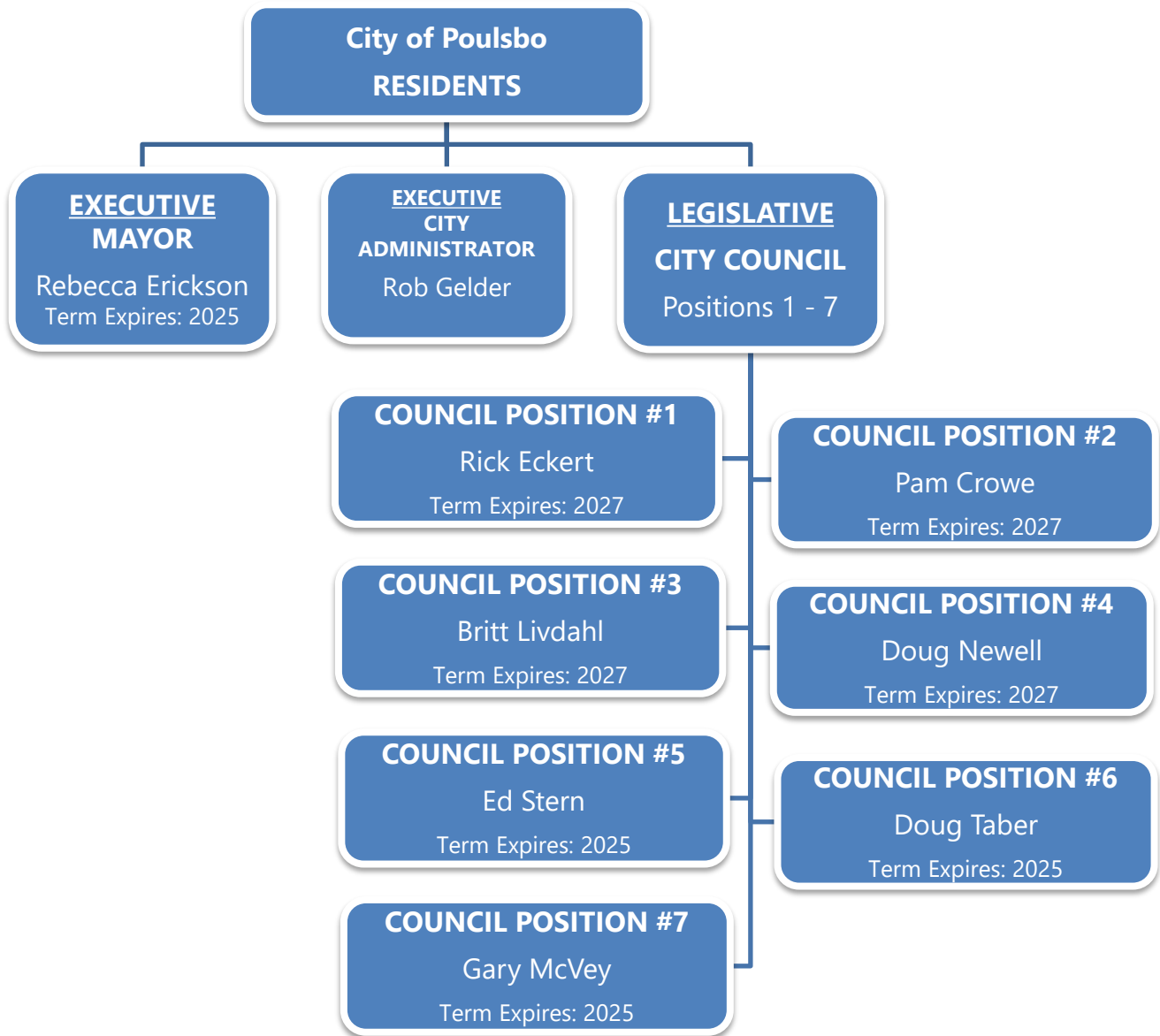
LEGISLATIVE DEPARTMENT BUDGET (2022 - 2026)



EXECUTIVE DEPARTMENT BUDGET (2022 - 2026)



ORGANIZATION OF THE LEGISLATIVE AND EXECUTIVE DEPARTMENTS



City Council Liaison Assignments:

- **City/Suquamish Tribe Intergovernmental Committee:** Councilmembers Stern, Eckert, and Livdahl
- **Lodging Tax Advisory Committee:** Councilmember McVey
- **NKSD School Board:** Councilmember Crowe
- **Poulsbo Chamber of Commerce:** Councilmember Newell
- **Historic Downtown Poulsbo Association** Councilmember Livdahl
- **Port of Poulsbo** Councilmember Taber

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 5:00 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 and one full-time City Administrator. The City Administrator began in January of 2025. In 2026, the Mayor will be a half-time position. The salaries and benefits for both of these changes are incorporated into the 2025-2026 budget.

The Legislative Department City Council consists of seven council members.

2023-2024 PROGRAM ACCOMPLISHMENTS:**Executive**

- Presented a balanced work program, created and implemented by city staff, for approval and adoption of the City Council.
- Achieved a balanced budget while supporting revenue projections and careful use of multiple grant funds received.
- Maintained public outreach through social media and weekly open office hours. Reached out to all people in Poulsbo with a community book read to explore and celebrate our differences and common

sense of purpose.

- Promoted private investment with increased housing starts in Blue Heron, Noll Terrace, Calavista, Liberty Bay Vista, Lincoln Cottages, Winslow Ridge, The Plateau, Audrey Estates and Sandstone subdivisions. New apartments were created with Norland Trails, The Sophie, the Eliason Building and The Landing at College Market Place. Construction of Oslo Apartments is proceeding, our first transit-oriented development adjoining Kitsap Transit's North Base.
- Viking Avenue revitalization continued with increased sales taxes generated. New businesses located and the change in ownership of brewery and bakery locations along with Integrity Roofing, Rockin' Rubies and our first cannabis location.
- College Marketplace expanded with new businesses while planning for the Poulsbo Events and Recreation Center, and Pickleball Kingdom, as well as the development of the Allied Health Center at the Olympic College Campus and the new technology hub of Western Washington University.
- 7th Avenue continues to expand with the relocation and construction of Liberty Bay Bank, Discount Tire, Fred Hutchinson Cancer Center and continued work to reuse underutilized commercial spaces.
- Supported and fostered an active commercial rental market with a vibrant downtown Poulsbo without vacancies, including the expansion of the Poulsbo Historical Society museums, welcoming Coffee Cocina, the Spice and Tea Exchange, Premier Pies and Byrdie's Coffee. Began discussions regarding parking policy to increase parking access. We now have a new mural and are planning for the redevelopment of 3rd Avenue. Our conversation regarding Streateries continues.
- Special events continue to increase to help economic revitalization supported by social media policy and our community calendar, to reach a goal of 52 events in a year.
- Parks and Recreation continues to expand with the groundbreaking of two new parks: the Play for All at Raab Park and Rotary Morrow Park, with increased recreational programming.
- With the relocation of our Public Works Administration to the new location on Viking Avenue, the old Public Works Facility, through a City Council Resolution, will create a permanent home for the Poulsbo Farmers Market.
- Housing, Health, and Human Services continues its important mission with the creation of the North Kitsap Recovery Resource Center, partnering with Gambit Recovery in the Nelson House and introducing a hub and spoke model to address homelessness. Stabilizing our low-cost housing supply with support to the Poulsbo Mobile Home Park.
- Worked to bring more medical services to our community with joint meetings at St. Michaels Medical Center and our regional first responders. Supported the creation of the CARES teams throughout North and Central Kitsap, bringing medical care to our homes and supporting our most vulnerable.
- Involved regionally in Housing Kitsap, to help promote affordable housing and the planning of the Poulsbo Nordic Cottages (small scale, reusable model to create affordable housing).
- Worked with the SR-305 multi-jurisdictional team for completion of the Johnson Parkway roundabout and roadway, including the shared use pathway which was awarded the American Public Works Association national award for the project of the year for a small city.
- Worked with multi-jurisdictional groups to clean Liberty Bay, restore commercial shellfish harvesting, and re-introduce native oyster populations. Adoption of strict stormwater policies and the development of the Sphere of Influence to ensure environmental protections.
- Held regional board positions for Kitsap Transit, Kitsap County Health District, CENCOM – Kitsap 911, Department of Emergency Management, Kitsap Regional Coordinating Council (including Executive Committee), President of the Puget Sound Regional Council (PSRC), PSRC Executive Committee, and PSRC Operations Committee.

Legislative

- Implemented a Transportation Benefit District for Neighborhood Streets
- Approved ILAs with Poulsbo Fire and CK Fire & Rescue for Fire CARES programs
- Adopted the Fireworks Code Amendments
- Adopted 2023 Housekeeping Code Amendments
- Approved a percentage of Local Affordable Housing Tax Funds to be used for Behavioral Health and Housing Related Services
- Approved the North Kitsap Recovery Resource Center
- Adopted an Automated Traffic Safety Camera Ordinance
- Established a City Business & Occupation Tax Program
- Approved Cannabis Retail Zoning Code Amendment
- Approved the Play for All Construction Project
- Approved the Nordic Cottages Project
- 2024 Comprehensive Plan Update
- Approved a K-9 Narcotic Dog Program
- Approved Gambit Recovery Program at Nelson House
- Reviewed 2024 Comprehensive Plan Chapters
- Approved Johnson Ridge Plat
- Approved the City Administrator Position
- Approved Resolution of Hope
- Approved the Interlocal Agreement with the Kitsap Public Facilities District for the Poulsbo Event and Recreation Center (PERC)
- Adopted SR-305/C-3 Code Amendments
- Approved the Emergency Management Coordinator Position
- Approved the Parking Implementation Proposal
- Adopted 2025-2026 Biennium Budget

2023 LEGISLATIVE ELECTIONS:

January 2024, Councilmembers Britt Livdahl was sworn into office after re-election to Council position #3, and Councilmembers Rick Eckert, Pam Crowe, and Doug Newell into their first terms of their respective Council positions (#1, #2, and #4), and Councilmember Doug Taber was appointed to unexpired Council position #6 on April 3, 2024, for a term expiring at the end of 2025. Councilmember Musgrove resigned from the position on March 30, 2024.

2025 LEGISLATIVE AND EXECUTIVE ELECTIONS:

At the end of 2025, the term for Councilmembers in Council Position #'s 5, 6, and 7 and the Mayoral position will expire. The elections for these four positions will take place November 2025, with those elected being sworn-in in January 2026.

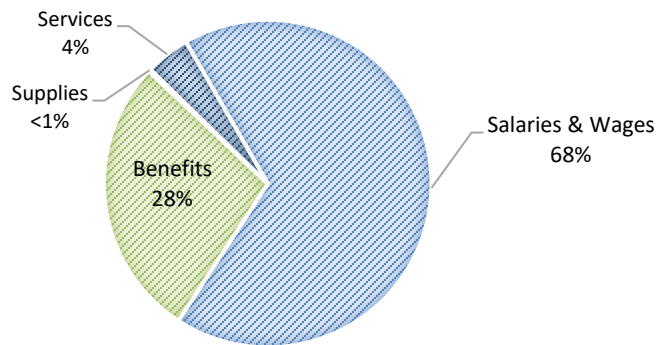
ADMINISTRATIVE SERVICES CLERK'S DEPARTMENT

Mission Statement:

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

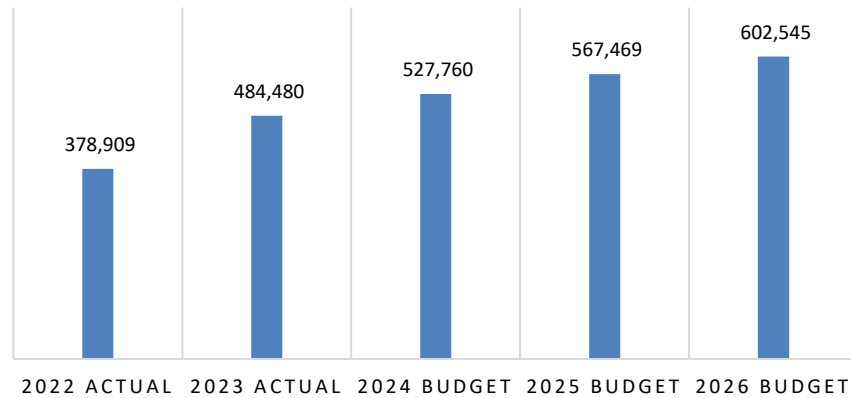
The mission of the Risk Management Department is to protect the City of Poulsbo's assets and resources and to collaborate with staff to help them meet their goals thereby minimizing the probability, occurrence, and impact of losses to the City of Poulsbo.

CLERK'S DEPARTMENT 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
CLERKS						
SALARIES & WAGES	208,105	289,367	313,028	383,933	406,142	790,075
BENEFITS	88,648	125,859	131,458	156,552	169,419	325,971
SUPPLIES	1,888	593	1,350	1,418	1,418	2,836
OTHER SERVICES & CHARGES	80,268	68,662	82,124	25,566	25,566	51,132
TOTAL CLERKS	378,909	484,481	527,960	567,469	602,545	1,170,014

**CLERKS DEPARTMENT BUDGET
(2022 - 2026)**



PROGRAM DESCRIPTION:

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

As of 2024, Human Resources took over the Risk Management responsibility with continued support from the Clerk’s Office. Risk Management Department serves to identify, manage, and minimize the probability, occurrence, and impact of losses to the City.

Staff responsibilities include:

- Providing support to the Mayor, City Administrator, 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.
- Manage and oversee municipal website; and manage information for the Executive, Legislative and Clerk Department portions of the City’s web page.
- Create and publish monthly City E-newsletter.
- Handling City Hall meeting room rentals and reservations.
- Coordinating and processing public records requests.
- Records retention instruction, storage, microfilming, access, and notary services.
- Providing support to Human Resource by performing all job recruitments process for vacant positions.
- Investigate, submit, and coordinate tort claims and claim management, both against the City and on the City’s behalf as the claimant.

STAFFING LEVEL:

The Clerk's Department consists of 4 full-time equivalent (FTE) positions. One full-time Administrative Services Director/City Clerk, one full-time Deputy City Clerk, and two full-time Administrative Assistants, one of which is being shared with Human Resources.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- The Council Meeting restructure became permanent, removing Council committees, and requiring all committee work to flow through the Council work studies during regularly scheduled Council meetings.
- Completed the 2023 WCIA COMPACT requirements, including successful completion of risk audits.
- Supported Municipal Court by processing 50% of the intake of passports.
- Supported HR by processing their account payables, budget preparation, records management, website updates, job recruitments, onboarding new employees, and entering new hires into payroll.
- Provided support to City Attorney in public records litigation.
- Supported the management team in collective bargaining agreement negotiations.
- Created a SharePoint site for employee onboarding.
- Supported onboarding of four new council members

Assisted the following departments with filling open positions:

- **Administrative Services:** Administrative Assistant (1), Emergency Management Coordinator (1), City Administrator (1)
- **Building:** Building Permit Specialist (1)
- **Engineering:** Development Review Engineer (1), Civil Engineer (1), Engineer I (1), Engineering Tech (1), and Office Clerk I (1)
- **Finance:** Accounting Clerk (1) and Accounting Tech (1)
- **HHH:** Recovery Resource Center Manager (3), Administrative Specialist (2), Peer Support Specialist (2), Casual Laborers (3)
- **HR:** Casual Laborer (1)
- **IT:** Casual Laborers (2)
- **Municipal Court:** Casual Laborer (1)
- **Parks & Recreation:** Parks & Recreation Director, Administrative Support Clerk (2), Instructors (52)
- **Planning:** Intern (1)
- **Police:** Officer (7), Administrative Specialist (2), Mental Health Navigator (1), Deputy Chief (1), Casual Laborer (1)
- **Public Works:** Grounds Maintenance Technician (1), Maintenance Technician I (1), Maintenance Mechanic (1), Office Clerk (1), Casual Labor (16)

2025-2026 PROGRAM USES:

The Clerks Department budget include costs associated with training, travel, and dues to ensure compliance with current legal requirements and best practices for City operations. The program will also be providing administrative support to the City Administrator beginning in 2025.

CLERKS DEPARTMENT WORKLOAD MEASURES

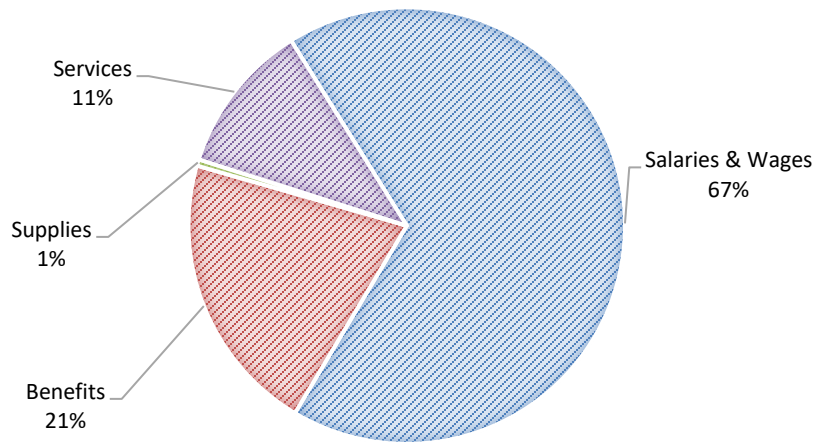
Type of Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
<i>Administrative Services</i>					
Active Business Licenses	1,502	1,194	1,250	1,300	1,300
City Hall Conference Room Reservations	5	11	6	5	5
E-Newsletters Distributed	18,617	13,127	14,263	14,500	15,000
Notary Revenue	2,600	1,240	2,000	2,000	2,000
Signatures Notarized	390	317	330	350	350
Web Page Updates	275	300	325	350	350
<i>Legislative Support Services</i>					
Council Meetings Staffed	37	35	37	36	36
Ordinances Processed	16	18	17	16	16
Pages of Meeting Minutes Processed	300	307	225	250	250
Pages of Ordinances Codified	250	151	250	250	250
Resolutions Processed	22	16	18	18	18
<i>Records Management</i>					
Archives - Record Retrievals	10	15	4	5	5
Archives - Total Boxes Received & Transferred	45	83	22	20	20
Total Destruction Logs Received	44	33	28	25	25
Boxes Destroyed/Non-Boxed Items/E-records	29/15/0	21/12/0	27/6/0	20/5/0	20/5/0
Boxes Transferred to Reg Archivist	5	0	0	2	2
Public Records Requests	670	829	900	950	1000

ADMINISTRATIVE SERVICES **PERSONNEL DEPARTMENT**

Mission Statement:

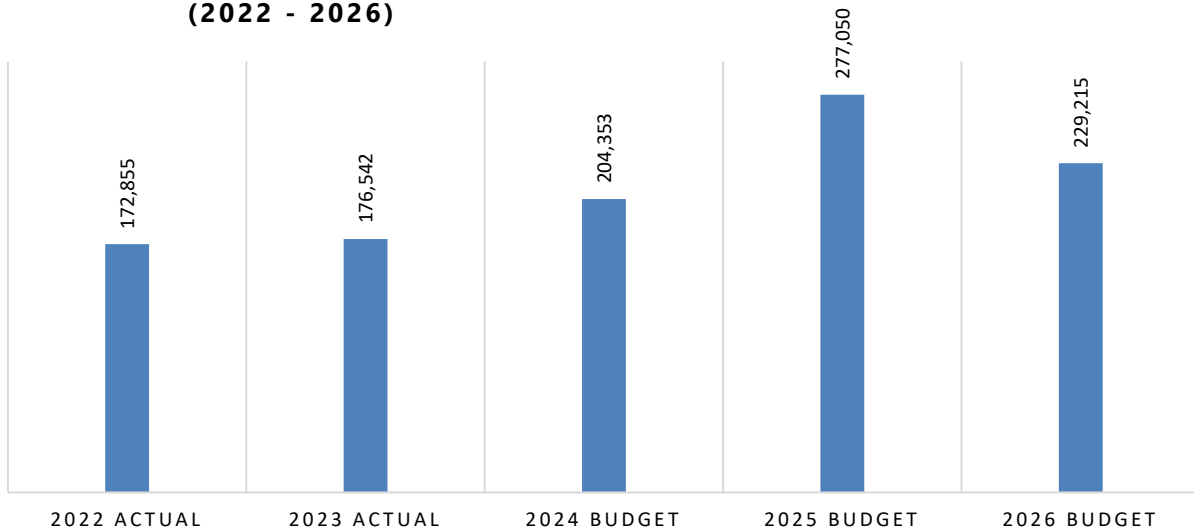
The Personnel Department serves the interests of the City by supporting, developing, and protecting its most valuable resource-people. Personnel will provide guidance in the development, implementation, and equitable administration of policies and procedures, thus fostering a positive work environment.

PERSONNEL DEPARTMENT 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
PERSONNEL						
SALARIES & WAGES	115,333	119,256	131,753	191,103	148,561	339,664
BENEFITS	40,632	42,158	44,634	55,078	50,037	105,115
SUPPLIES	195	94	1,200	1,200	1,200	2,400
OTHER SERVICES & CHARGES	16,696	15,035	26,766	28,206	28,206	56,412
TOTAL PERSONNEL	172,855	176,542	204,353	275,587	228,004	503,591

**PERSONNEL DEPARTMENT BUDGET
(2022 - 2026)**



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 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.
- Identify and quantify areas of risk to the City.
- Implement safety programs and provide training to reduce or eliminate risks to the City.
- Provide litigation management.
- Plan, organize and manage the City's insured programs for municipal, automotive, property, and liability claims.

STAFFING LEVEL:

The Personnel Department consists of 1 FTE position, Human Resources Manager, with support from the Administrative Services Director/City Clerk and Administrative Assistant in the Clerks department.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Main lead in collective bargaining agreement negotiations.
- Communicated effectively with City leadership and departments regarding claims, litigation, and exposures.
- Assisted assigned attorneys and city attorneys on various litigation matters.
- Maintained compliance with the obligations of membership in the City's Risk Pool
- Converted department records into electronic records.
- Served as the City delegate to the Washington Cities Insurance Authority (WCIA)
- Completed the 2024 WCIA COMPACT requirements, including successful completion of risk audits.

2025-2026 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

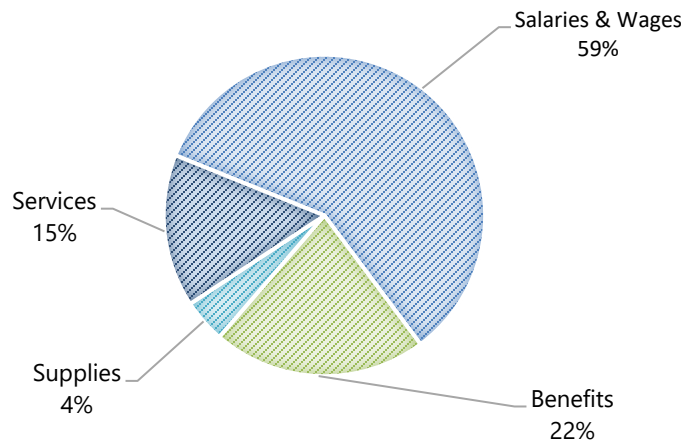
Type of Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2025 Projected
# of approved L&I claims	3	7	4	4	4

ADMINISTRATIVE SERVICES **HOUSING, HEALTH, AND HUMAN SERVICES** **DEPARTMENT**

Mission Statement:

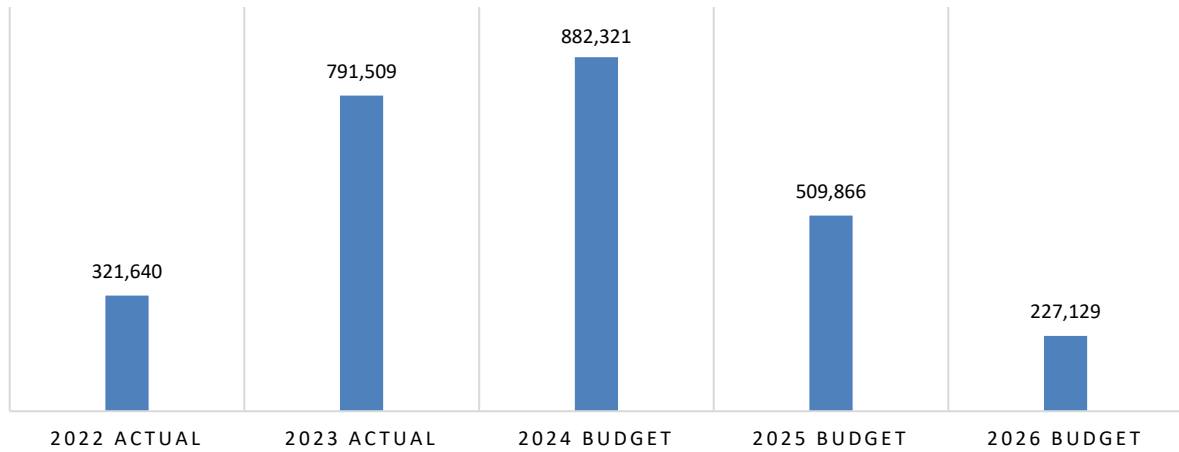
The Housing, Health, and Human Services Department was created in 2020 to strengthen the City's safety net and improve services for low income/vulnerable residents. The Department focuses on four main areas: deeply affordable and transitional housing, low barrier behavioral health services, services for low-income individuals, and public health (in coordination with the County).

HOUSING, HEALTH, AND HUMAN SERVICES 2025-2026 DEPARTMENT USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
HOUSING, HEALTH & HUMAN SVCS						
SALARIES & WAGES	171,430	291,773	359,485	293,249	139,187	432,436
BENEFITS	73,256	112,008	117,606	112,909	46,042	158,951
SUPPLIES	6,168	24,175	19,974	19,902	12,400	32,302
OTHER SERVICES & CHARGES	70,786	363,553	454,488	83,806	29,500	113,306
TOTAL HOUSING, HEALTH & HUMAN :	321,640	791,509	951,553	509,866	227,129	736,995

**HOUSING, HEALTH, AND HUMAN SERVICES BUDGET
(2022 - 2026)**



2024 DEPARTMENT ACCOMPLISHMENTS:

The City Council established a Housing, Health, and Human Services Department (H3) in 2020. The H3 Director worked, in 2024, to refine the functions of H3 and develop new government and nonprofit partnerships to benefit Poulsbo residents. 2024 activity was focused on:

The North Kitsap Recovery Resource Center. H3, working with the Police Department and the Municipal Court, opened the City’s Recovery Resource Center (RRC) in Fall of 2023. The Center is a low-barrier, friendly place where people interested in drug and alcohol recovery are given support and assistance. We work



closely with our police and court to find alternatives to arrest, prosecution, and incarceration when appropriate. In 2024, we staffed the Center with three full-time employees, two part-time employees, and four agencies providing professional services. The RRC is funded by the City’s general fund, affordable housing fund, Kitsap County, the Health Care Authority, the Olympic Community of Health, and the Washington Association of Sheriffs and Police Chiefs.

Repurposing of the Nelson House. When the Coffee Oasis ended their partnership with the City to operate the Nelson House, H3 worked with Arizona-based company, Gambit Recovery to repurpose the House as a recovery residence. The Nelson House is currently home to six men committed to sobriety, and we have established a relationship with Poulsbo manufacturer Watson Furniture which provides vocational opportunities to residents. Residents of the House serve as caretakers to Nelson Park, saving the City funds and beautifying the area.

The Nordic Cottage Project. After four years of planning, fundraising, community outreach, and applications, the Nordic Cottage Project broke ground in October of 2024. The Project is a partnership between the City of Poulsbo and Housing Kitsap and will provide eight units of housing to older adults and individuals with disabilities whose incomes put them at 30% or below of the County’s area median income.

Nonprofit Partnerships. H3 worked with Kitsap Homes of Compassion in 2024 to support several of their Poulsbo homes and we are working together at the Recovery Resource Center, to make the process of requesting housing assistance easier for Poulsbo residents. The Department worked with Gateway Fellowship and the Department of Emergency Management to provide for a severe weather shelter in January-March of 2024, and we will work together to warm, feed, and transport individuals to cold weather shelters later this year. We have an ongoing partnership with Fishline to help individuals in need of case management and emergency cash assistance and an ongoing partnership with the Bluebills to provide home repairs for low income residents.

Senior Initiatives. The Department recognized, through its work through the COVID pandemic and with the Fire CARES team, how many seniors in the Poulsbo area are struggling with isolation and depression. A Senior CARES Initiative was launched in 2022 to match volunteers with seniors through friendly phone conversations and the program has continued this year. We also worked with the Parks and Recreation Department to establish and fund a senior drop in "coffee club" this year.

Municipal Advocacy. The H3 Director was active at the state level, in 2024, advocating for City support affordable housing, behavioral health and crisis response responses.

SERVICES PROVIDED:

Services provided by the Housing, Health, and Human Services Department include but are not limited to:

- Coordinating City efforts to develop affordable housing
- Coordinating City efforts to improve the health of Poulsbo residents
- Coordinating City efforts to improve access to behavioral health services for Poulsbo residents
- Grant writing and strategic partnerships
- Representing the City at local, regional, and national meetings.

2024 REVENUE SOURCES:

H3 obtained grant funds from the Kitsap County Human Services Department, Washington Association of Sheriffs and Police Chiefs, and Health Care Authority for the North Kitsap Recovery Resource Center in 2024 (total \$760,027.00). The Department received a \$200,000.00 grant from the Olympic Community of Health for Center operations in 2023 and 2024.

Approximately \$650,000 is received by the City, each year, through a local affordable housing tax and \$30,000 through the state's 1406 tax rebate program. 25% of the Director's salary and benefits and 25% of the Community Support Specialist salary and benefits is derived from the City's affordable housing sales and Use tax.

Opioid settlement funds, estimated \$95,000.00

Liquor tax estimated at \$82,000.00 total, \$5,000.00 for H3 professional services.

Donations, estimated \$400.00.

STAFFING LEVEL:

The 2024 Housing Health and Human Services Department was staffed by one full-time Director and a part time (.5) Fiscal and Administrative Assistant. In addition, the North Kitsap Recovery Resource Center is staffed with two full-time Managers, one full time Peer Support Specialist, and two part time Peer Support Specialists.

2025-2026 RESOURCES:

Resources are derived from remaining 2024 grant funds, the general fund, housing taxes, opioid settlement fund, liquor tax fund, and state and local grants. 2025 and 2026 revenue will depend on the success of upcoming grant applications.

2025-2026 EXPENDITURES:

The 2025-2026 Housing, Health and Human Services budget will primarily consist of the cost of a full-time Department Director along with a part-time Fiscal and Administrative Assistant, two full-time managers, one full-time Peer Support Specialist, and 1 part-time (casual labor) Peer Support Specialist. H3 plans to additionally maintain a department operations budget, in addition to grant-funded operations and services budget for the North Kitsap Recovery Resource Center.

2025 GOALS:

The Housing, Health, and Human Services Department will continue to:

- Coordinate City efforts to develop deeply affordable housing
- Coordinate City efforts to improve the health of Poulsbo residents
- Coordinate City efforts to improve access to behavioral health services for Poulsbo residents
- Advocate for County, state and federal funds for Poulsbo housing, health and human services.

HOUSING, HEALTH AND HUMAN SERVICES PERFORMANCE MEASURES

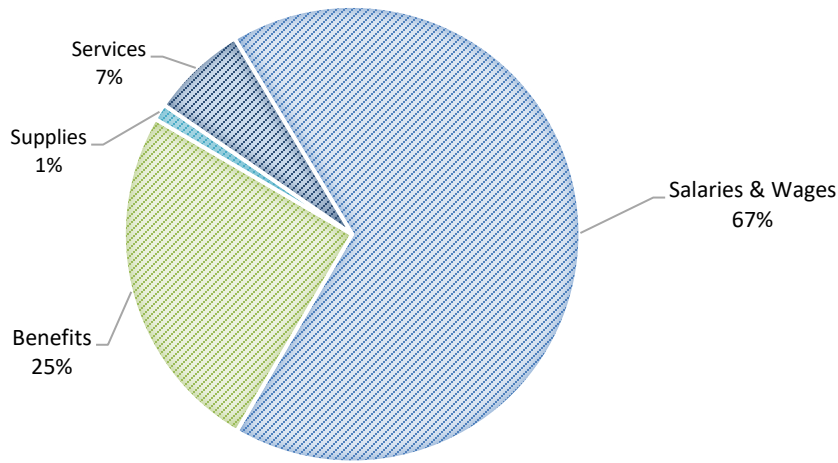
Type of Measure	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Projected
New programs and initiatives	2 Affordable Housing Working Group, Poulsbo Fires CARES	3 Nordic Cottages, Expansion of Poulsbo Fire CARES, COVID-19 response	1 Cold weather shelter staffing	3 Geriatric Specialist program, Senior CARES, Recovery Resource Center	2 Intergovernmental STEP group, establish Recovery Residence at Nelson House	2 Identify new housing projects, new partnership with Suquamish Tribe around recovery resources
Ongoing programs and initiatives	Police Navigator Program	2 Affordable Housing Working Group, Poulsbo Fires CARES	3 Nordic Cottages, Poulsbo Fire CARES, COVID response	3 Nordic Cottages, Poulsbo Fire CARES, Cold weather shelter staffing	4 Geriatric Specialist program, Senior CARES, Recovery Resource Center (first expansion), Nordic Cottages	4 STEP group, Senior CARES, Recovery Resource Center (second expansion), Nordic Cottages
Contracts with partner agencies	2	3	3	8	8	8
Grants Obtained	1	2	4	4	4	4
Volunteers engaged	0	40	50	110	15	25
Individuals directly assisted by H3 Programs	150	340	311	400	300	300
# of Groups/Committees Director Involved In to Improve H3 Services	2	2	3	4	4	4

ADMINISTRATIVE SERVICES **INFORMATION SERVICES DEPARTMENT**

Mission Statement:

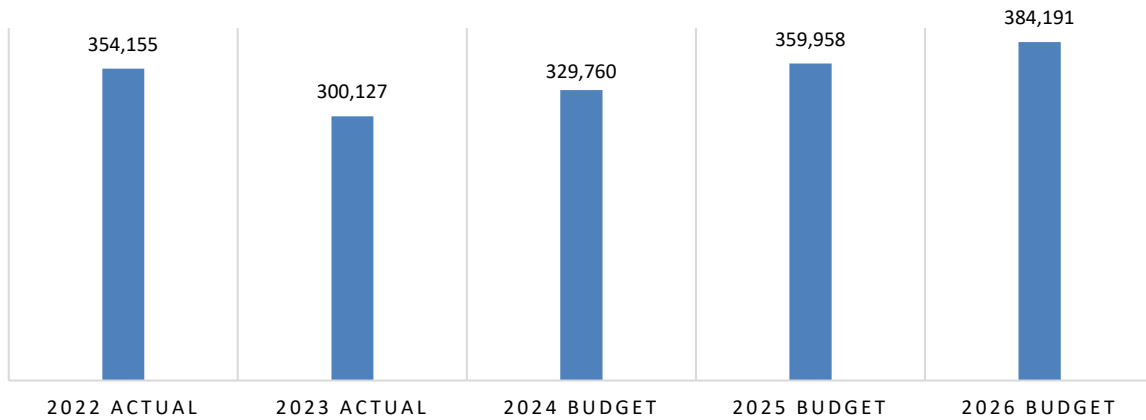
The Information Services Department is committed to providing a stable computing environment, reliable and responsive information technology support services, technological leadership, and vision in support of the City's business requirements.

INFORMATION SERVICES DEPARTMENT 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
INFORMATION SERVICES						
SALARIES & WAGES	252,774	209,885	221,701	224,309	240,294	464,603
BENEFITS	85,644	78,919	81,810	82,933	90,205	173,138
SUPPLIES	6,773	2,053	4,000	4,000	4,000	8,000
OTHER SERVICES & CHARGES	8,963	9,270	22,249	23,561	23,561	47,122
TOTAL INFORMATION SERVICES	354,155	300,127	329,760	334,803	358,060	692,863

INFORMATION SERVICES DEPARTMENT BUDGET (2022 - 2026)



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
- Security cameras

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
- Control City Hall building security, lights, and climate control

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 IT Department consists of 2 FTE positions; one full-time Manager and one full-time Senior Systems Administrator and 1 paid intern position. The information services department utilizes professional services for additional services requiring specialized support.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Windows 11 Upgrade for staff computers 98% completed
- Replacement of non-supported PCs
- Hyper-V server replacement and virtual machine upgrades
- Streamlined computer/software inventory process
- Standardized external file sharing with Microsoft OneDrive
- Police Department interview room camera system implementation
- Setup Isolated IT infrastructure at NKRRC

2024-2025 WORK PLAN:

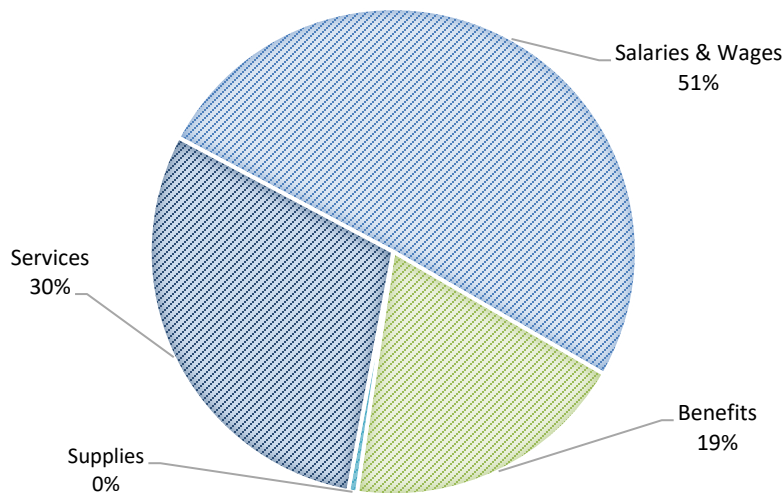
- Implement Microsoft G5 Licensing upgrade for City Staff to allow for better record retention and cloud-based environments
- Modernize the phone system to Teams Voice allowing for freedom from handsets, SMS messaging and better record keeping
- Streamline cybersecurity with Microsoft Defender as part of the G5 licensing experience
- Paid internship program – Partner with Olympic College and Western Washington University for tier 1 support interns benefiting city staff and allowing focus on higher level item for department FTEs

ENGINEERING AND BUILDING DEPARTMENT

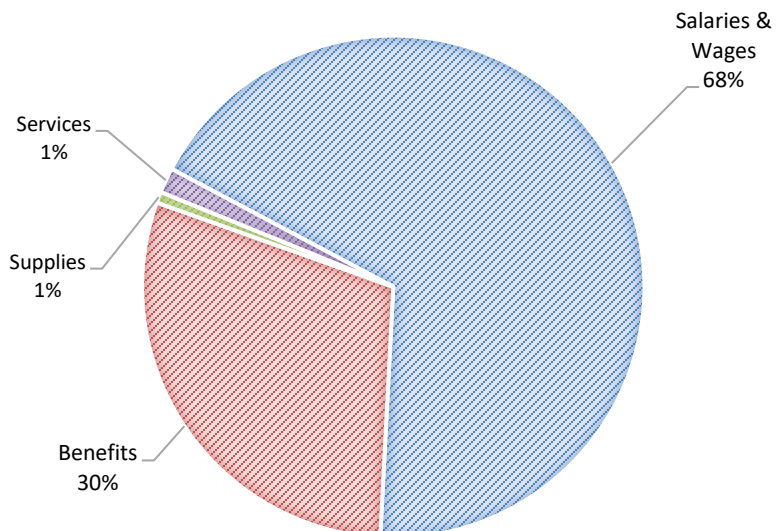
Mission Statement:

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

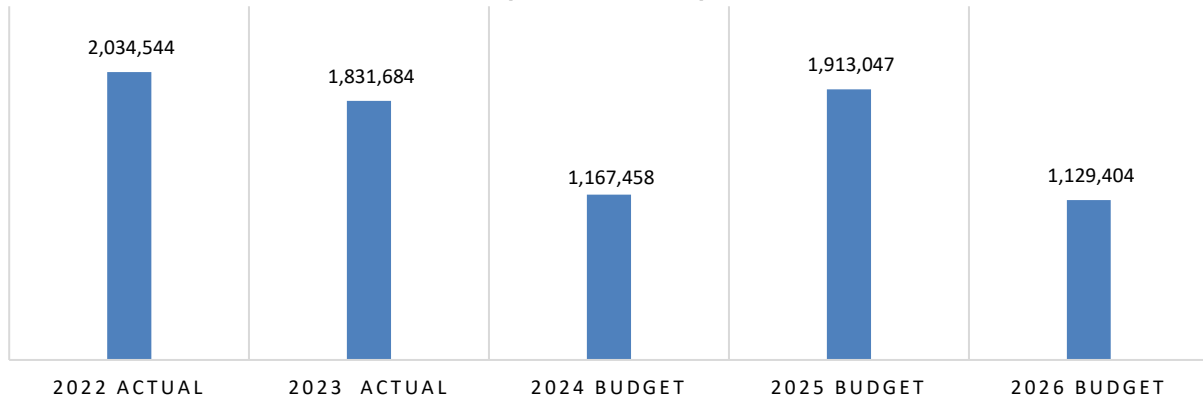
ENGINEERING 2025-2026 USES



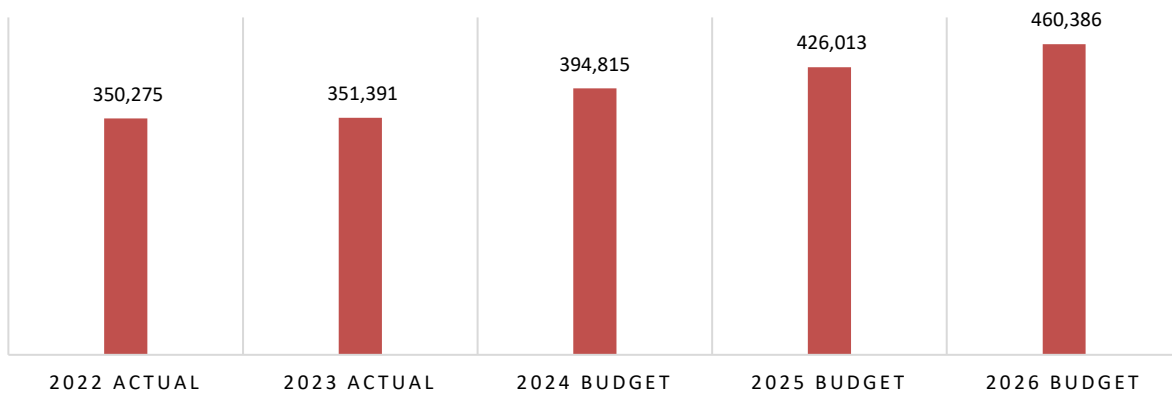
BUILDING 2025-2026 USES



**ENGINEERING BUDGET
(2022 - 2026)**



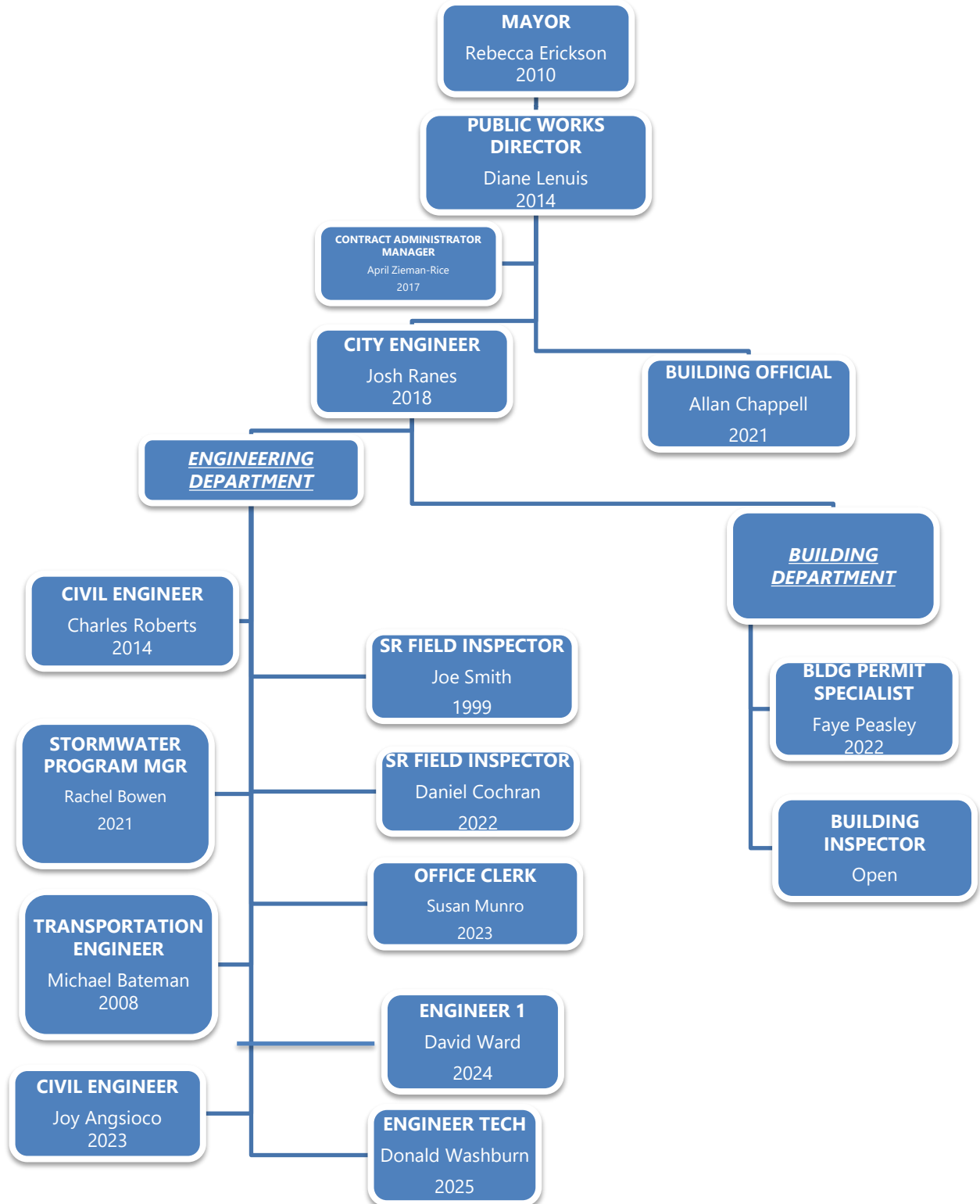
**BUILDING BUDGET
(2022 - 2026)**



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
ENGINEERING						
SALARIES & WAGES	496,782	632,761	623,307	756,689	801,791	1,558,480
BENEFITS	200,119	241,117	235,026	279,803	305,956	585,759
SUPPLIES	11,696	9,521	9,629	9,008	9,008	18,016
OTHER SERVICES & CHARGES	1,526,499	948,285	328,396	889,129	29,129	918,258
TOTAL ENGINEERING	2,235,097	1,831,684	1,196,358	1,934,629	1,145,884	3,080,513

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
BUILDING						
SALARIES & WAGES	234,520	231,218	266,897	290,143	312,127	602,270
BENEFITS	107,354	107,541	118,668	125,250	136,898	262,148
SUPPLIES	3,548	3,652	2,700	3,168	3,168	6,336
OTHER SERVICES & CHARGES	4,853	8,980	6,550	7,150	7,150	14,300
TOTAL BUILDING	350,275	351,391	394,815	425,711	459,343	885,054

THE ORGANIZATION OF THE 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 – Utility Functional Plans
- Development Review (Planning Design & Construction)
- Current Planning
- Contract Administration, Construction Management and Inspection
- Capital Improvements Projects
- Construction of Public Facilities
- Construction of Private Facilities
- Building
- Building Code Enforcement
- Building Plan Review
- Construction Permitting
- Flood Management

SERVICES PROVIDED:

The Engineering Department provides technical assistance to KRCC, develops the City comprehensive (functional) sanitary sewer, water, storm water, and transportation plans; provides contract management services to several City departments; prepares, implements the City's Capital Improvements Plan; provides federal and state grant writing and administration services; reviews land use applications; performs field inspections and material testing; processes utility extension agreements, right-of-way, and site construction permits, ROW vacation requests, and local improvement district applications.

The Building Department is responsible for review and inspection of building structures in compliance with the International Building Code; provides coordination with the fire dept. and response to permit compliance issues.

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 2024, the Engineering and Building Departments consist of 13 FTE positions: The Public Works Director (0.5 FTE), which is shared with Public Works. The City Engineer, one Contract Administrator Manager, two Engineer 1 Development Review Engineers, one Transportation Engineer, one Civil/Capital Projects Engineer, two Senior Field Inspectors, one part time Office Clerk (0.5 FTE), one Deputy Building Official, one Building Permit Specialist, and one Building Inspector II. There is also a Civil/Utilities Engineer and one Stormwater Program Manager (funded via Public Works.)

2023-2024 PROGRAM ACCOMPLISHMENTS:**Engineering**

- Reviewed 23 land use applications for conformance with City standards.
- Completed the \$20.5M Johnson Parkway/SR 305 Roundabout Project.
- Completed the Complete Streets Project providing a plan for all users.
- Completed construction of the \$1.064M Noll Road Sewer Extension project to eliminate the Alasund Meadows Pump Station.
- Completed design of the Noll Road North Segment Project and the Johnson to Norum Sewer project.
- Initiated neighborhood meetings for the 3rd Avenue Improvements project.
- Completed the ROW acquisition process for the Noll Road North Segment
- Partnered with the Parks Department to begin construction of the Rotary Morrow Community Park Project and the Raab Park Play for All Project. Began design of the Poulsbo Events and Recreation Center (PERC) project.
- Awarded grant funding for capital projects including but not limited to; Noll Road Improvements – Middle Segment, 3rd Avenue Improvements, 8th Avenue Realignment Study and Sound to Olympic Trail Connection Study.
- Applied for multiple grant funding opportunities for capital projects including but not limited to; Noll Road Middle Segment STP and TIB, 3rd Avenue Improvements, 8th Avenue Realignment, Sound to Olympic Trail Study and the 8th Avenue Culvert Replacement.
- Completed the Sewer Comprehensive Plan Update, Transportation Plan Update, Stormwater Comprehensive Plan Update and Water Comprehensive Plan Update. Completed the Poulsbo Complete Streets Plan.
- Awarded the APWA Washington Project of the Year – Small Agency \$5M to \$25M as well as awarded APWA National Project of Year in the Small Cities Category for the Johnson Parkway/SR305 Roundabout project.
- 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.

2023-2024 PROGRAM ACCOMPLISHMENTS:**Building**

- Issued a record number of building permits while maintaining existing levels of service.
- 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 – four weeks; Commercial – six weeks.

New Program Requests have been approved for the Engineering Department for the 2023-2024 budget. The Engineering Department was approved to add a part time (0.5 FTE) Office Clerk, received approved funding to update the Stormwater Comprehensive Plan for 2024, and was approved for funding to conduct a Parking Study.

2025-2026 GOALS:**Engineering and Building****Development Review and Construction**

- 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
- Continue to inspect and monitor private construction projects
- Continue transition to a paperless file system

Engineering – Utilities and Solid Waste

- Plan for and develop public works projects in the CIP, including projects for storm, sewer, and water utilities
- Complete design and construction of Raab Park Tank Replacement and Caldart Main project.
- Complete construction of the Johnson to Norum Pipeline Replacement sewer project.
- Complete construction of the Dogfish Creek Retrofit stormwater project.
- Complete construction of the West Poulsbo Waterfront Park stormwater project.
- Complete design and construction of the Well VFD Upgrades project.
- Complete design and construction of the SR-305 Force Main Extension sewer project.
- Complete design and construction of the Sewer CIPP Lining project.
- Begin design of the Public Works Facility.
- Prepare a Utility Rates Evaluation.
- Prepare a Solid Waste Service Evaluation.
- Prepare a Water Rights Assessment.
- Prepare a Seawall Assessment in Coordination with the Port of Poulsbo at the Muriel Iverson Waterfront Park.
- Continue transition to a paperless file system

Engineering - Transportation

- Complete the ADA Improvement Project
- Complete construction of the Noll Improvements project - North segment and Middle Safe Routes to Schools segment. Complete Right of Way acquisitions for the Middle segment. Complete design of the Noll Road Improvements project - Middle segment.
- Complete design of the 3rd Avenue Improvements project.
- Complete the RAISE grant Sound to Olympics Trail Study.
- Complete the 8th Avenue Improvements Study.
- Begin design on the Front Street Improvements project.
- Monitor and apply for grants for planning and infrastructure improvements throughout the City.
- Support the City Council goal of improving traffic and pedestrian safety

Engineering – Special Projects

- Complete design, value engineering and funding strategy for the Public Works Maintenance Facility on Viking Avenue.
- Complete design and advertise for construction for the Poulsbo Events and Recreation Center (PERC).

Building Department

- Continue to maintain the established level of service for plan reviews and inspections
- Continue transition to a paperless file system

CONTRACTING WORKLOAD MEASURES

Type of Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Awarded from Small Works					
Roster	2	5	4	3	3
Consultant Agreements	14	18	30	15	30
Formal Bids	1	1	3	2	2

LAND USE, PERMIT, AND INSPECTION WORKLOAD MEASURES

Type of Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Right of Way Permits	109	75	65	65	65
Land Use Applications - Reviewed, Consitions or Comments written	25	23	15	20	20
Permit-Application	8	10	5	4	4
*Commercial Sites - Land Use Applications	8	9	6	4	4
*Residential Sites Land Use Applications	12	4	4	2	2
Engineering Services Revenue	\$139,665	\$153,517	\$125,000	\$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.

**2024 metrics as of June 2024

BUILDING PERMIT WORKLOAD MEASURES

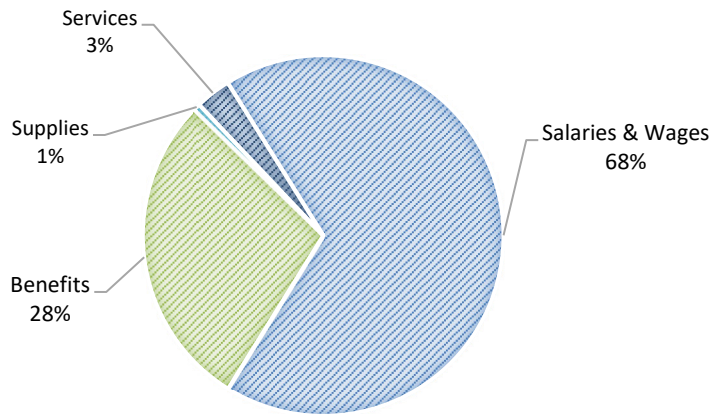
Type of Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Building Permits Issued	409	492	300	300	300
Building Permit Revenue	\$583,044	\$999,244	\$500,000	\$350,000	\$350,000
Plan Checking	\$311,454	\$563,442	\$225,000	\$150,000	\$150,000
Protective Inspection Fee	\$9,702	\$8,910	\$7,500	\$10,000	\$10,000
Certificates of Occupany Issued - Residential	70	154	90	50	50
Certicates of Occupancy Issued - Commercial	12	27	18	10	10
Number of Inspections	2,654	4,597	2,500	2,500	2,500

FINANCE DEPARTMENT

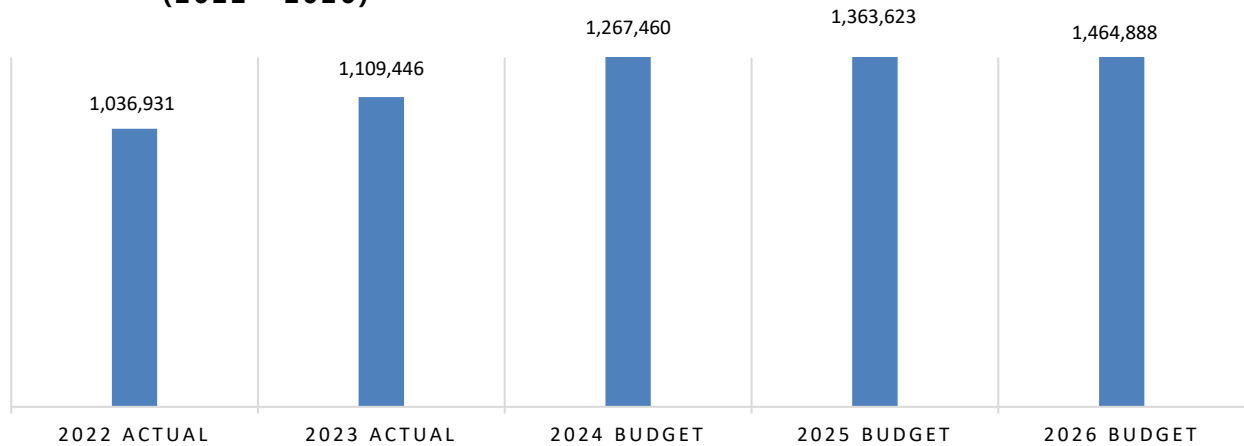
Mission Statement:

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

FINANCE DEPARTMENT 2025-2026 USES

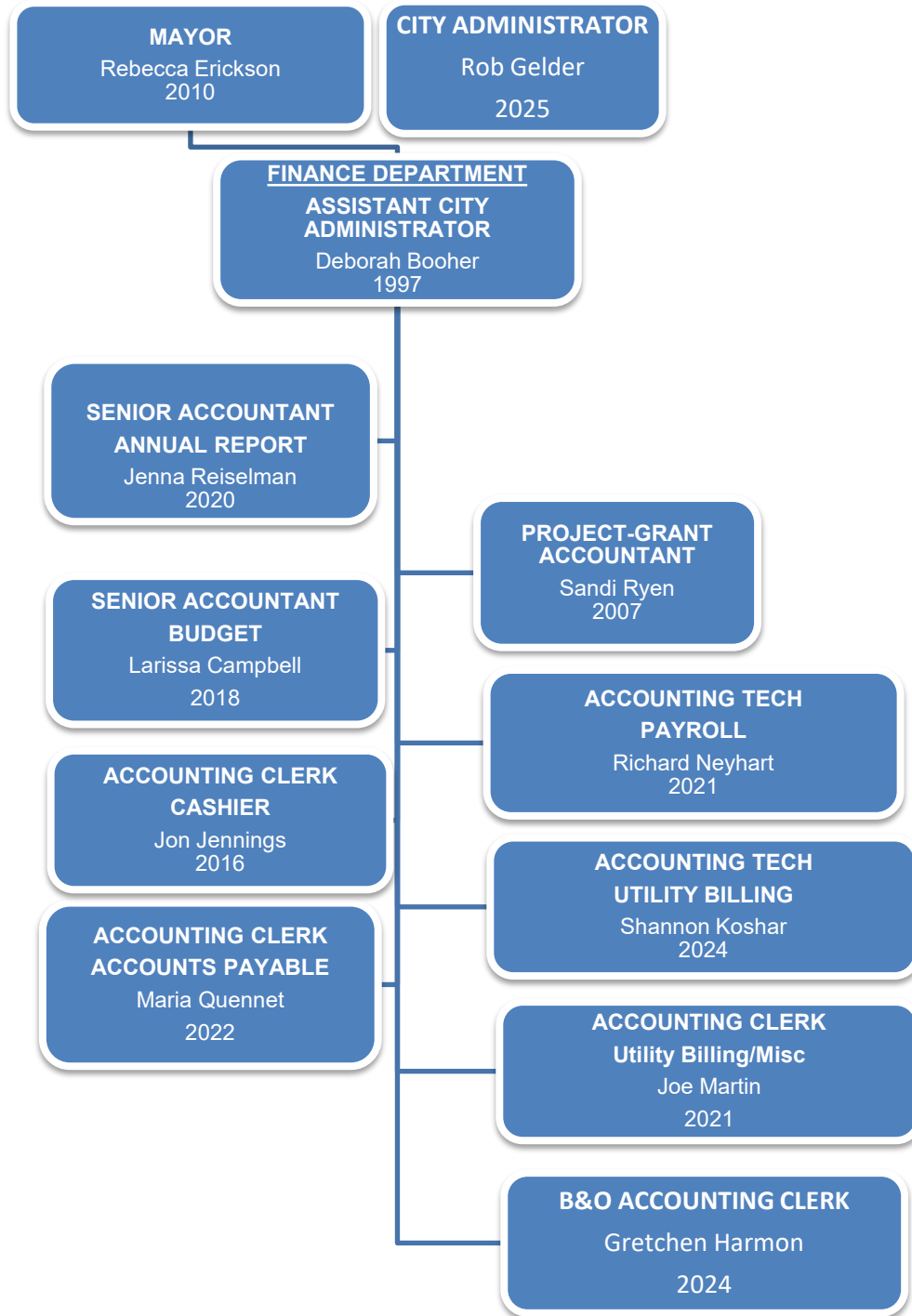


FINANCE DEPARTMENT BUDGET (2022 - 2026)



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FINANCE						
SALARIES & WAGES	697,961	744,533	844,046	924,590	991,270	1,915,860
BENEFITS	304,083	322,891	373,278	385,631	419,716	805,347
SUPPLIES	3,567	4,351	8,500	8,752	8,752	17,504
OTHER SERVICES & CHARGES	31,319	37,670	41,636	44,650	45,150	89,800
TOTAL FINANCE	1,036,931	1,109,446	1,267,460	1,363,623	1,464,888	2,828,511

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 (BARS).

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 Comprehensive Annual Financial Report
- Preparation of the Biennial Budget
- Monitoring and reporting comparisons of projections to actual dollars
- Long term financial forecasts
- Administering City debt
- Administering B&O Tax program

STAFFING LEVEL:

The Finance Department consists of 10 FTE positions. The staffing breakdown is as follows: 1 Assistant City Administrator, 2 Senior Accountants, 3 Accounting Technicians, and 4 Accounting Clerks. The Finance Department increased by 1 FTE of an Accounting Clerk to take on the functions of supporting the new Business and Occupation Tax implemented in 2024.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Received the GFOA Distinguished Budget Award for the 2023-2024 Budget; this is the 2nd year receiving the award.
- The City’s Accounting Team earned the GFOA award for the 2023 Annual Comprehensive Financial Report (ACFR)
- Successfully implemented new GASB Standards
- Served on WFOA Board of directors supporting governmental training to finance individuals at affordable rates
- Continued to scan and create attachments for Accounts Payable, Accounts Receivable, Payroll, Utility Billing and Budget Amendments to make attachments available electronically
- Increased the number of users for the online access portion of our software, allowing utility billing customers to access their account information and make payments online
- Implemented an email billing option for utility customers
- Worked with Public Works, Engineering, and Planning to assist in preparation of Comprehensive and Functional Plans
- Administered and participated in the City Lodging Tax Advisory Committee.

FINANCE DEPARTMENT PERFORMANCE MEASURES					
Type of Measure	2022 Actual	2023 Actual	2024 to Date	2025 Projected	2026 Projected
Received GFOA ACFR Award	Yes	Yes	Expected	Expected	Expected
Received GFOA Distinguished Budget Award	-	Yes	Yes	Expected	Expected
# of Proficient and/or Outstanding Ratings for GFOA Budget Award	-	64/28	64/28	To be determined	To be determined

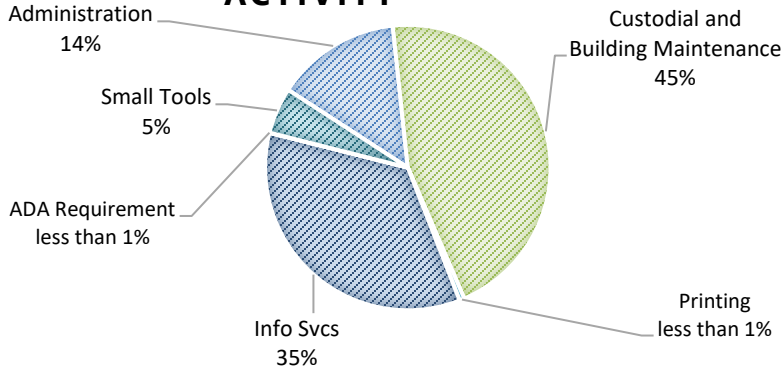
FINANCE DEPARTMENT WORKLOAD MEASURES

Type of Measure	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
# of Treasurers Receipts Issued	31,787	31,329	31,609	32,000	32,000
# of E-Gov Transactions	12,604	9,763	12,337	13,000	13,000
Avg # of Utility Accounts billed monthly	4,486	4,626	4,747	4,811	4,876
Avg # of Misc Billing Accounts billed monthly	132	123	108	115	120
# of HDPAs accounts billed quarterly	139	138	133	140	145
# of Change of Ownerships	249	293	220	280	269
# of New Connections	68	200	54	87	110
# of ACH Utility Bill payments monthly	932	1,019	1,150	1,250	1,250
# of Tenant Authorization Changes	131	261	129	176	182
# of Reduced Utility Rate Applications processed	32	27	27	30	30
# of Accounts Sent to Collections	14	3	16	30	30
# of B&O Tax Returns Processes	-	-	500	3000	3500
# of Payroll Checks processed	120	124	120	124	124
# of Payroll Direct Deposits processed	2,690	2,879	3,150	3,150	3,150
# of A/P Physical Checks processed	2,313	2,370	2,429	2,500	2,600
# of A/P Direct Deposits processed	597	619	628	700	800
# of Grants processed	30	35	38	38	38
# of NSF Checks processed	41	46	42	42	42
Average dollars invested (millions)	\$39.00	\$47.00	\$48.00	\$45.00	\$45.00
% of Idle Cash Invested	90%	87%	90%	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 2025-2026 USES BY ACTIVITY



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
CENTRAL SVC ADA REQUIREMENTS						
SUPPLIES	-	-	-	-	-	-
OTHER SERVICES & CHARGES	-	-	250	250	250	500
TOTAL CNTRL SVC ADA REQS	-	-	250	250	250	500
CENTRAL SVC ADMINISTRATION						
BAD DEBT EXPENSE	75	75	-	-	-	-
SUPPLIES	2,162	1,736	3,100	3,100	3,100	6,200
OTHER SERVICES & CHARGES	131,756	121,217	144,293	137,660	144,435	282,095
TOTAL CNTRL SVC ADMINISTRATION	133,993	123,028	147,393	140,760	147,535	288,295
CENTRAL SVC CUSTODIAL/BLDG MAINT						
SALARIES & WAGES	191,883	200,208	202,162	221,144	235,655	456,799
BENEFITS	102,353	111,730	112,566	119,857	130,820	250,677
SUPPLIES	23,371	37,958	37,330	60,003	60,423	120,426
OTHER SERVICES & CHARGES	44,629	46,243	65,422	57,425	59,075	116,500
TOTAL CNTRL SVC CUSTODIAL/BLDG	362,236	396,139	417,480	458,429	485,973	944,402
CENTRAL SVC INFORMATION SERVICES						
SUPPLIES	3,778	6,153	3,500	4,000	4,000	8,000
OTHER SERVICES & CHARGES	204,563	252,625	281,000	521,145	451,463	972,608
TOTAL CNTRL SVC INFO SVCS	208,341	258,778	284,500	525,145	455,463	980,608
CENTRAL SVC PRINTING						
SUPPLIES	-	1,712	750	750	750	1,500
OTHER SERVICES & CHARGES	2,101	3,185	5,000	5,000	5,000	10,000
TOTAL CNTRL SVC PRINTING	2,101		5,750	5,750	5,750	11,500
CENTRAL SVC SMALL TOOLS						
SMALL TOOLS	13,801	27,755	36,200	36,200	36,200	72,400
OTHER SERVICES & CHARGES	18,132	16,252	17,050	17,050	17,050	34,100
TOTAL CNTRL SVC SM TOOLS	31,933	44,008	53,250	53,250	53,250	106,500
TOTAL CENTRAL SERVICES	738,605	826,850	908,623	1,183,584	1,148,221	2,331,805

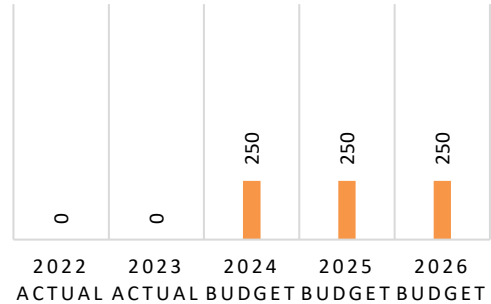
CENTRAL SERVICES - ADA REQUIREMENTS

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
(2022 - 2026)**



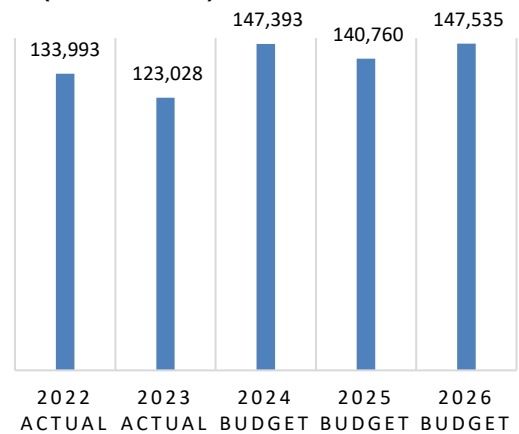
CENTRAL SERVICES - ADMINISTRATION

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
(2022 - 2026)**



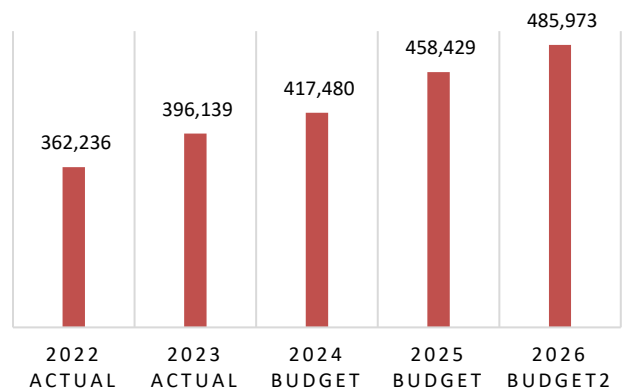
CENTRAL SERVICES - CUSTODIAL AND BUILDING MAINTENANCE

PROGRAM DESCRIPTION:

The mission of the Custodial/Building section of the Central Services Department is to provide for the maintenance and repair of all City owned buildings, to protect and maintain the value of governmental assets.

The Building Maintenance section of the General Fund is under the direction of Public Works. Responsibilities include the repair and maintenance of City owned or leased facilities and equipment. Facilities include City Hall, Parks & Recreation building, rentals, caretaker houses, park structures, restrooms and facilities, Public Works complexes, Decant Station facilities and

**CENTRAL SERVICES
CUSTODIAL/BUILDING MAINTENANCE
(2022 - 2026)**



buildings, and other Public Works installations including Wells, Water Treatment Plants, Pump Stations, Lift Stations, and other utility structures.

The Custodial section of the General fund is also under the direction of Public Works. Responsibilities include janitorial service for City occupied facilities. Facilities include City Hall, Parks & Recreation building, and the Public Works facility.

STAFFING LEVEL:

Staffing associated with Central Service includes 3.02 FTEs under the supervision of the Office Manager and Superintendent of Public Works.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Major renovations to the Parks & Recreation Facility
- Safety lighting installed in parking areas for Parks & Recreation
- Installed all new interior lighting fixtures for Parks & Recreation
- Rebuilt two large Hwy 305 message boards for Parks & Recreation
- Replaced locking systems at Waterfront, Raab, Lions, and Nelson Parks restrooms.
- Continued to provide routine maintenance and janitorial services to City-owned buildings.
- Assisted various Public Works projects, including rebuild of the two Hwy 305 signs.
- Assisted with various Park & Rec Park projects.
- Repaired miscellaneous vandalism in City parks, restrooms, and trails.
- Repaired and provided continued support for City Hall
- Repaired current Mechanics Buildings and provided support.
- Replaced flooring in the Police Department from carpet to laminate.
- Updated and repaired the Police Department Detective Room within the Parks & Rec building.
- Installed bottle fillers on three floors of City Hall, and a filler/water fountains at Parks & Rec
- Installed new safety lighting in City Hall parking garage
- Repairs to Coffee Oasis exterior.
- Repairs to the Public Works facility after flooding due to frozen pipes.
- Installed new exterior doors for Public Works administration
- Replaced restroom doors at Raab and Lions Parks
- Major repairs to City Hall Generator and HVAC system.

2025-2026 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 all City Park facilities.
- Repairing and maintaining City Hall, Public Works, and Parks & Recreation

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.

This budget continues to increase due to additional software subscription-based accessibility on the cloud. Number of users with need for Microsoft 365 licenses continues to grow which results in a much higher annual subscription amount.

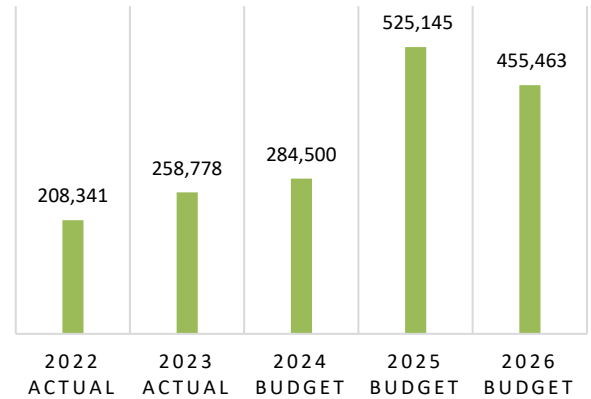
2023-2024 PROGRAM ACCOMPLISHMENTS:

- Implemented Dual-Factor authentication for computer access city-wide.
- Installed password management.
- Completed update for financial software
- Added ability for email of utility bills

2025-2026 PROGRAM PROJECTS:

- Update Microsoft 365 license from G-3 to G-5 allowing for better security and additional enhancement for communication.
- Update Adobe to standard platform
- Update all computers to Microsoft 11

**CENTRAL SERVICES
INFORMATION SERVICES BUDGET
(2022-2026)**



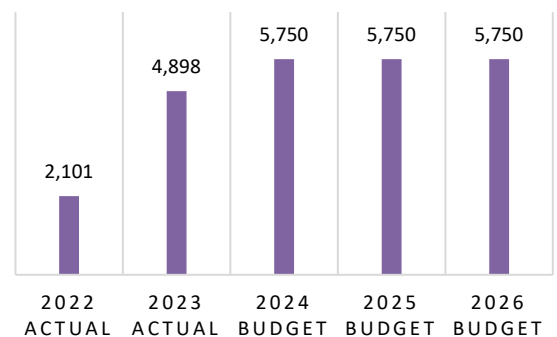
CENTRAL SERVICES - PRINTING AND DUPLICATION

PROGRAM DESCRIPTION:

Central Services Printing and Duplication includes:

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

**CENTRAL SERVICES
PRINTING & DUPLICATION
BUDGET
(2022 - 2026)**

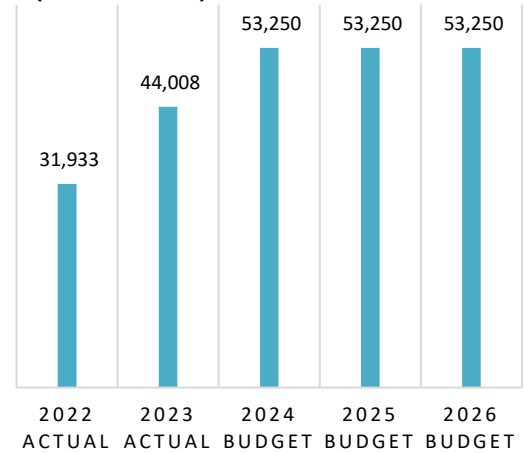


CENTRAL SERVICES - SMALL TOOLS AND MINOR EQUIPMENT

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.

**CENTRAL SERVICES
SMALL TOOLS AND MINOR
EQUIPMENT
(2022 - 2026)**

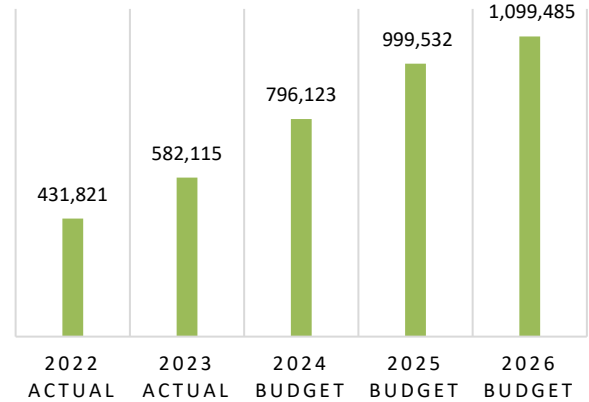


RISK MANAGEMENT:

The Risk Management budget represents the insurance costs related to governmental functions. The portion of the policy allocated to the utilizes has been accounted for in the Enterprise funds.

The City is represented by Washington City’s Insurance Authority to provide liability and property insurance coverage for the City.

**CENTRAL SERVICES
RISK MANAGEMENT BUDGET
(2022-2026)**

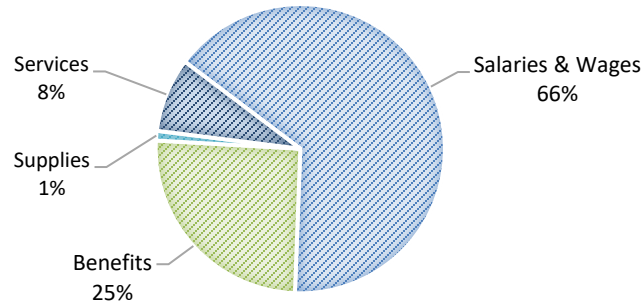


MUNICIPAL COURT DEPARTMENT

Mission Statement:

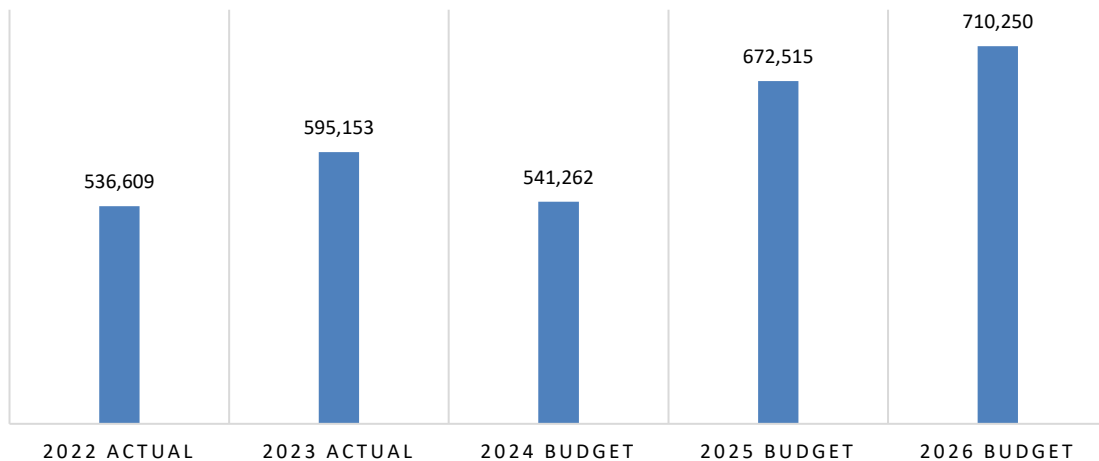
The Court is committed to excellence in providing fair, accessible, and timely resolution of alleged violations of the Poulsville Municipal Court in an atmosphere of respect for the public, employees, and other government entities.

MUNICIPAL COURT 2025-2026 USES

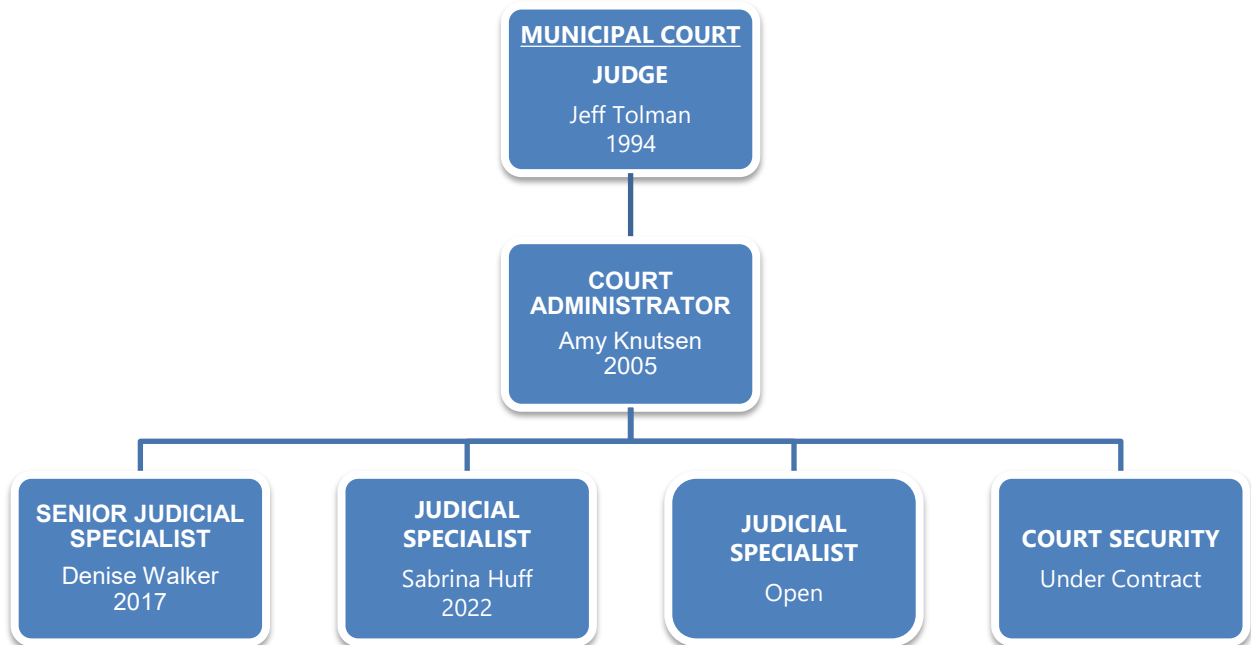


ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
JUDICIAL						
SALARIES & WAGES	382,232	411,766	350,120	439,408	463,785	903,193
BENEFITS	127,692	150,536	130,196	168,324	181,682	350,006
SUPPLIES	3,629	2,718	4,935	7,435	7,435	14,870
OTHER SERVICES & CHARGES	23,056	30,133	56,011	57,348	57,348	114,696
TOTAL JUDICIAL	536,609	595,153	541,262	672,515	710,250	1,382,765

MUNICIPAL COURT BUDGET (2022 - 2026)



THE ORGANIZATION OF THE MUNICIPAL COURT DEPARTMENT



PROGRAM DESCRIPTION:

The Poulsbo Municipal Court has a judge appointed by the Mayor and confirmed by the 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 domestic violence, anti-harassment, and 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 Tuesdays 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 4.52 FTE's: one part-time Judge, one full-time Court Administrator, and three Judicial Specialist positions. The Court Security position, which was under the court is now contracted through a private company.

- 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, monitoring compliance with court-imposed conditions, as well as processing passports twice a month.
- The part-time Court Security position is now contracted to a private security company.

2023-2024 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.
- Continue to be a contributing partner working toward a safe and vital community.
- Court Administrator is currently serving as the Chair of the District and Municipal Court Management and Education & Conference Committees
- The Court Administrator is currently serving as the Regional Director for the Central West division of the District & Municipal Courts. Areas covered are Kitsap, Jefferson, Clallam and Pierce County.
- Started fulfilling public requests via email, reducing postage costs.
- Monthly audits of State clean-up reports which will allow the court to efficiently and effectively convert to the new Case Management System.
- All in perpetuity files are scanned to date.

- Began using SharePoint for day-to-day functions/tasks.

2025-2026 WORKPLAN:

- Continue delivering timely, personalized, and professional services to individuals navigating the Court system.
- Continue 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 update information to ensure individuals involved in the court can access the necessary resources to meet probation requirements.
- Conduct monthly audits for AOC in preparation for the transition to a new Statewide Case Management System managed by AOC (Administrative Office of the Courts).
- Developing workflow, policies, and procedures for the new Automated Traffic Safety Program.

MUNICIPAL COURT DEPARTMENT WORKLOAD MEASURES

Type of Measure	2022	2023	2024 thru	2024	2025	2026
	Actual	Actual	7/31	Projected	Projected	Projected
Criminal Charges	152	148	148	230	275	300
Infraction/Parking Charges	285	286	314	750	1,350	1,500
Total Filings	437	434	462	980	1,625	1,800
Criminal Hearings	3,104	2,222	1,057	1,800	2,200	2,400
Infraction/Parking Hearings	83	112	72	115	140	150
Total Hearings	3,187	2,334	1,129	1,915	2,340	2,550

PARKS AND RECREATION DEPARTMENT

Mission Statement:

The mission of the Parks and Recreation Department is to enrich 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.

Vision Statement:

It is the vision of the Poulsbo Parks and Recreation Department to be the heart of a healthy community through sustainable, safe, and diverse programs and open spaces, where all residents and visitors feel inspired to live, play, learn, and thrive.

Core Values

Community Enrichment

We value our community and are committed to providing parks and programs that inspire, educate, and enhance the overall quality of life for our residents and visitors. Through personal interaction and social media, we will engage our community to ensure transparency, accountability, and collaboration.

Inclusiveness & Equity

We value inclusive parks and recreation programs. We respect and honor the diversity of people, ideas, and cultures. We welcome all residents and visitors regardless of age, ability, race, ethnicity, or income level by offering accessible parks and affordable programs.

Health & Wellness

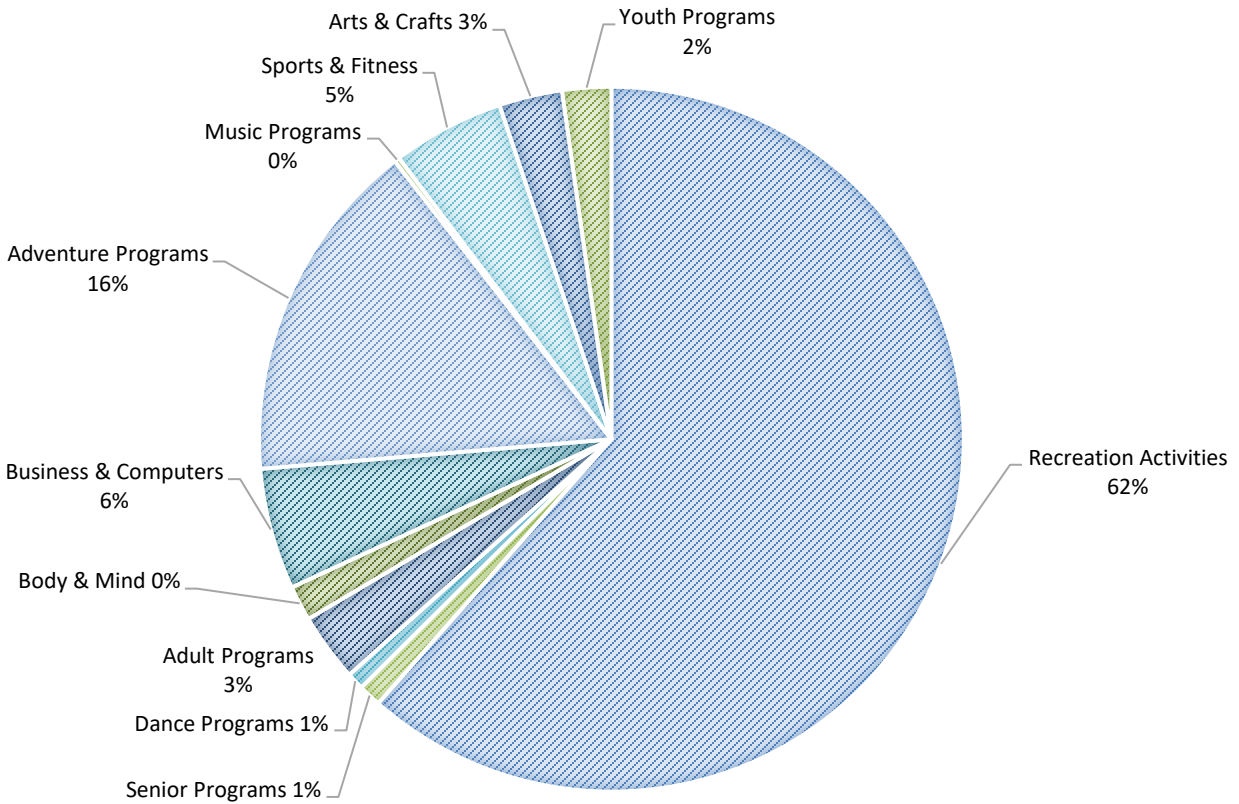
We value the health and well-being of all who visit our parks and participate in our recreation programs. We will strive to maintain the highest quality of standards of safety, function, and beauty, to create a secure environment for all to enjoy.

Stewardship & Sustainability

We value our role as the guardians of the community's open spaces and are dedicated to responsibly manage and care for our natural, cultural, and physical resources for current and future generations.

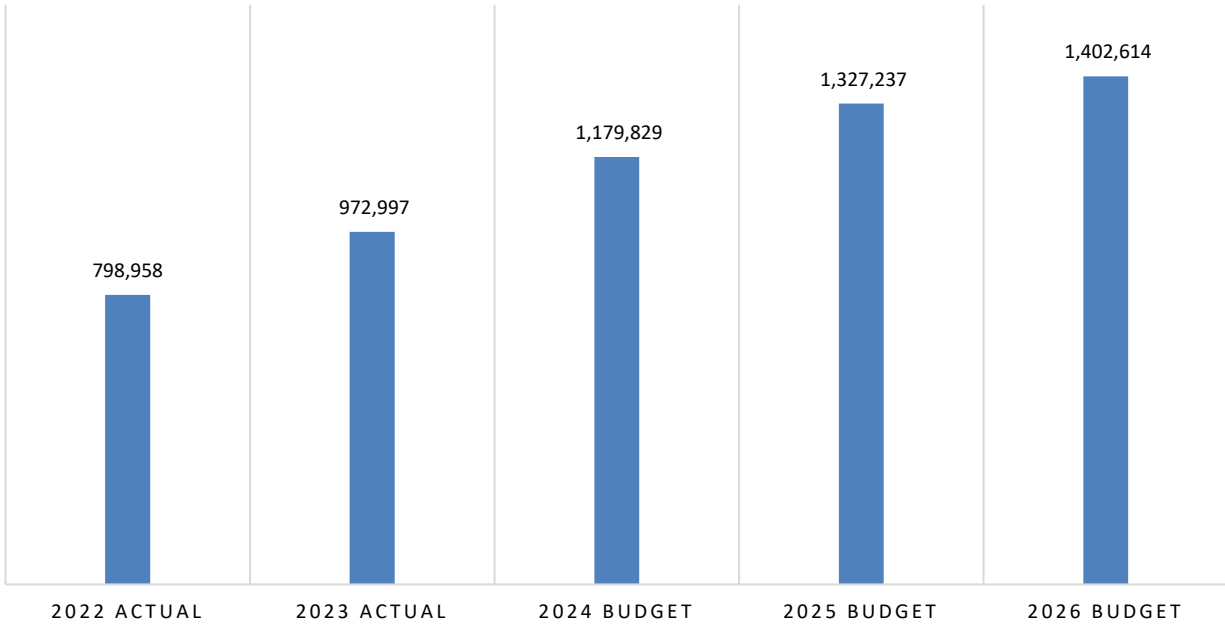


PARKS & RECREATION DEPARTMENT 2025-2026 USES BY PROGRAM/ACTIVITY



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
RECREATION SERVICES						
SALARIES & WAGES	431,386	511,549	586,429	706,459	744,227	1,450,686
BENEFITS	153,546	176,360	194,139	239,783	259,142	498,925
SUPPLIES	24,456	43,531	96,270	58,660	60,760	119,420
OTHER SERVICES & CHARGES	189,570	241,557	302,991	322,335	338,485	660,820
TOTAL PARK & RECREATION	798,958	972,997	1,179,829	1,327,237	1,402,614	2,729,851

PARKS AND RECREATION DEPARTMENT BUDGET (2022-2026)



ORGANIZATION OF THE PARKS & RECREATION DEPARTMENT



PARKS AND RECREATION DEPARTMENT

OVERVIEW:

Poulsbo Parks and Recreation oversees a wide variety of community recreational programming, parks and trails maintenance, extensive volunteer management, capital acquisition and improvement of parks, management of City special events including permitting, administration of the Lodging Tax Advisory Committee, facility administration of the Community Recreation Center, and rentals of park shelters, classrooms, and Highway 305 community signboards. Staff coordinate closely with multiple citizen advisory groups such as the Parks & Recreation Commission, the Poulsbo Tree Board, the Fish Park Steering Committee, two different Skatepark Advisory Coalitions, the Poulsbo Pickleball Advisory Group, and the Senior Task Force.

RECREATION

The Department is a primary provider of community recreation programs throughout Poulsbo and North Kitsap. Between 750-900 individual programs are offered to the community each year in various programming categories such as adult, arts & culture, body & mind, dance, music, senior, sports, sailing, youth, summer camps, afterschool, and health & fitness.

PARKS & TRAILS

The Department coordinates upwards of 50 volunteer work parties each year to help maintain ~170 acres, 26 different parks, and over 5 miles of trails. For 2024, it is expected that over 4,500 volunteer hours – a labor value worth ~\$180,000 – will be logged on maintenance and improvement of parks and trails alone. This number does not consider any planning or advisory meetings to coordinate such efforts. The Department secured funding to acquire and outfit a Department Tahoe vehicle as well as a 12' tools trailer to support the frequent work parties through the City.

SPECIAL EVENTS

The Department oversees the Special Event application permitting process for the City. This includes working with numerous partners to assist them through City requirements, coordinating with other City departments, and reviewing ~50 community-wide special events each year. Of these, around a dozen special events are planned and organized by the Department. To assist with funding City led special events, especially beloved free community events such as the Summer Concert Series at Waterfront Park, a robust Special Events Sponsorship Package was developed.

ADMINISTRATIVE

The Department operates the Community Recreation Center six days a week for ~70 hours/week, hosting a wide variety of programming opportunities and senior gathering spaces. The Administrative team oversees ~300 park, picnic shelter, and Highway 305 community signboard reservations each year, manages the hiring, scheduling, staff adjustments, asset management, marketing, and financial reconciliation for the Department. The Administrative team, as well as the entire Department, takes great pride in delivering excellent customer service and answering questions from community members.

STAFFING LEVEL:

The department has four divisions: Recreation, Parks, Special Events, and Administration. There are 6.75 FTEs consisting of: one full-time Parks & Recreation Director, one full-time Office Manager, one full-time Recreation Programmer, one full-time Parks Programmer, one full-time Special Events Coordinator, and two Office Clerks – one at full-time and one at .75 FTE. Additionally, there are ~56 recreation instructors who teach courses, coach, and assist with various responsibilities.

PROGRAM RESOURCES:

The majority of funding for the Department budget is covered by cost recovery from recreation programming fees. These fees pay for both direct (staff, supplies, facilities) and indirect (FTE positions, marketing, utilities, Admin staff, parks/trails, brochure) expenses. Additionally, the Department brings in supplemental funding through revenue from park and picnic shelter rentals, Highway 305 community signboards, building leases, a robust Special Event Sponsorship Package, and community grants.

2023 & 2024 ACCOMPLISHMENTS:

During the past two years, staff have worked towards rebuilding after the pandemic shut down the department. The Parks and Recreation Department continues to provide a wide variety of recreation programs for the citizenry, as well as building community relationships with a variety of agencies, businesses, organizations, and individuals. A key focus for staff was the focus of growing and forming new community partnerships, updating cost recovery to current and forecasted market conditions, and implementing a continuous improvement philosophy for the Department.

- **PROGRAMS:** Providing citizens with a variety of enjoyable leisure opportunities, which are accessible, safe, well organized, physically attractive, and well maintained. The recreation program's focus is on successful and strong programs that continue to be supported by the community, such as league basketball, gymnastics, and specialized summer camps. New programs are created through citizen requests or programs that have proven popular elsewhere such as pickleball. Online registration provides easy, efficient service to users at any time of the day.

Based on community demand, staff expanded the Health & Fitness program, greatly increasing participation numbers, total programs offered, and generating enough revenue to sustain a part time Fitness Specialist to continue to grow the program. Additionally, the Senior Programs were expanded through several community grants, in-kind donations from businesses, and the collaboration with local partners. With 25% of Poulsbo residents being over 65 years of age or higher, this is an area of service that has high demand.

A key major milestone achievement was the development and implementation of the Recreation for All Assistance Program (RAAP) in close collaboration with Fishline. This program will fund up to \$500 for youth, families, and seniors in need who may need financial assistance to pay for programs and services. The RAAP breaks down barriers and helps to provide equitable access to residents of North Kitsap as well as those who live outside of the area but work at least 30-35 hours/week in North Kitsap.



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DONATE NOW

English ▾

Recreation Assistance for All

Fishline and Poulsbo Parks and Recreation are partnering to offer the Recreation for All Assistance Program (RAAP). RAAP provides financial assistance to cover the cost of classes, camps, activities, and events listed in the Poulsbo Parks and Recreation brochure. This program operates year-round and is for individuals who reside or work in the North Kitsap School District, on subbase Bangor, or are experiencing homelessness. The catalog is located [here](#).



Staff also switched to tracking participant hours as a new metric for analyzing services offered, demand levels, and to be able to continuously adapt to the community's needs. Steady progress has been made to return towards pre-pandemic service levels, but it is expected to potentially take several additional years to before those numbers are reached.



SPECIAL EVENTS: Community-wide special events are scheduled throughout the year. These events are supported and encouraged by our local service organizations and businesses, through personnel, advertising, and monetary support. The regular events that have found a place in our community include:

- Family Formal Dance in February
- Earth Day in April
- Arbor Day in April
- Viking Fest Road Race in May
- Summer concert series in July and August
- Spooktacular in October
- Salmon Tours in November
- Daffodil Days in November
- Tuba Christmas in December



A new Special Event Sponsorship Package was developed, focusing on securing distinct donation levels for sponsors, such as Present Sponsor, Gold Sponsor, Silver Sponsor, and Community Sponsor. The revised program has expanded the quality and impact of the community events Parks & Recreation puts together. For instance, implementing professional quality sound at the Summer Concerts at the Bay series, leading to more consistently well-attended concerts. Additionally, a community advisory committee was formed to help inform the City of preferable artist selections, secure sponsorships, and expand the series into new weeks offered.

Parks & Recreation staff also established a monthly coordination meeting between various City departments to debrief and discuss upcoming events each month, tackle long standing issues such as City cost recovery for Police and Public Works and update the City’s Special Event Permit Application.

FREE COMMUNITY EVENTS: During the pandemic, we recognized a need for more free community activities and acted upon it. Many of these activities are the result of partnering with other local organizations, free apps, and our parks. New to our programming:

- StoryWalks partnering with Kitsap Regional Library
- Park-based scavenger hunts – Hearts in the Park, Leprechaun Hunt, etc.
- Themed Geocaches
- Bioblitz
- Free classes taught by the Poulsbo Tree Board
- Free educational walks in Poulsbo’s Fish Park
- Purple Martin Ambassadors in partnership with the Kitsap Audubon Society
- Celebration of Parks & Rec Month with a variety of free activities for the community throughout the month of July



Parks Events and Programs



Hearts in the Park



Earth Day



Silly Walk



World Laughter Day



Arbor Day



Story Walk

- **BUSINESS AND COMMUNITY PARTNERSHIPS:** Partnerships with local businesses and organizations that also offer recreational experiences are vital in a small community. The Department has been able to offer so much more through local connections. Partnerships for expanded class and program offerings include North Kitsap School District, Kitsap Regional Library, Kitsap Children’s Musical Theater, NK Lacrosse, the WSU Kitsap Extension office, Port of Poulsbo, West Sound Academy, Evergreen Mountain Bike Alliance, InMotion Performing Arts Studio, Bricks4Kidz®, Curiosity Camps, Skyhawks Sports, Miss West Sound and Miss Viking Fest, Poulsbo Rotary Club, Crossroads Rotary Club, Poulsbo Lions Club, Poulsbo Kiwanis Club, and the Poulsbo Community Orchestra.



- COMMUNITY RECREATION CENTER:** The Poulsbo Park and Recreation Center building continues to be used for the benefit of the community. The building is old but provides a solid home base for recreation programs and staff. The lower portion of the building is leased out in addition to smaller spaces that provide continuous rental revenue from Karate, Guitar & Voice lessons. All rental income helps to offset the operating costs of the building and support the Department in offering community services. Three new HVACs were installed, greatly increasing comfort and reliability in the building while also reducing monthly operating costs. Additionally, new LED lighting was installed with assistance from a grant, resulting in a payback period of savings of under two years.



Staff continuously look for ways to repurpose underutilized spaces in the Community Recreation Center as well as leverage grant fundings and local volunteers to conduct facility improvements. Windermere and Mallory Paint helped brighten the front lobby, kitchen, and hallways of the facility, while the Senior Task Force citizen advisory group helped secure supplemental funding to rebuild the facility's aged kitchen.

- NK SCHOOL DISTRICT:** The City maintains a strong relationship with the North Kitsap School District, allowing community access to buildings and fields. Staff enjoy open lines of communication with the maintenance and facilities departments, as well as the school district administration. Since the school district owns most facilities used for community recreation programs, it is important to keep working together for the community. The school district owns three synthetic fields, and the city played a role by funding a part of the fields through the North Kitsap Regional Events Center (NKREC) project at North Kitsap High School and Strawberry Multi-Use Fields.
- VOLUNTEERS:** Volunteers are essential to the delivery of the mission of the Department. A renewed emphasis was placed on attracting, retaining, and accurately logging volunteer efforts in parks, on trails, at special events, in citizen advisory committees, and in the many recreation programs offered throughout the year. Over 16,000 volunteer hours were logged in the past two years, resulting in a total volunteer value of ~\$640,000. This is an exceptional number and one that staff, as well as the Parks & Recreation Commission, is very proud of. It demonstrates the wide reach of the Department and the support from the community to assist with various projects, work parties, programs, and events.

Staff also worked closely with several interns who assisted with GIS field work on mapping trails and park amenities as well as a graphic designer for updating park entrance, trail, and way finding signage.



Partners Include:

- P-Patch Volunteers
- Windermere
- WSU Master Gardeners and Stream Stewards
- Master Gardeners
- NKHS AP Government Students
- Poulsbo’s Fish Park Steering Committee
- Poulsbo Tree Board
- Poulsbo Skate Park Advisory
- Poulsbo Pickleball Advisory Group
- Kitsap County Alternatives to Detention
- Washington Youth Challenge Academy
- Poulsbo Walmart
- Poulsbo Garden Club
- Poulsbo Rotary
- Pearson Elementary
- Crossroads Rotary
- Poulsbo Lions Club
- Key Club Division 19/36
- Western Washington University



2025-2026 CHALLENGES, GOALS AND CRITICAL ISSUES:

The Parks & Recreation Department is unique in that it has the ability to cost recovery from recreational programs to assist with offering much needed community services, classes, events, and programs. Recreation fees sustain the entirety of the programming team, the majority of the administrative team, facility expenses, and department operational expenses. Gross revenue has been steadily growing since Covid, with forecasts to reach \$930,000 by the end of 2026. The entirety of the revenue generated from program fees, rentals, and sponsorships goes back into providing essential community services.

However, there are funding challenges. As programs and staffing levels continue to grow to meet community needs, there is an increased burden of supervision on existing FTE staff to manage the growth. In previous years, staff indicated being at capacity for developing new programs and opportunities. Since then, a refinement of the Department’s structure has been implemented to increase efficiencies and streamline operations. However, there is quickly a point where additional skilled, experienced, and professional staff are required to maintain a resilient staffing structure in providing essential community services. This is especially true as services expand to meet growing City and citizen needs.

Recreation fees alone cannot offset the costs for employing these necessary additional FTEs as health insurance costs are add a significant fiscal burden. To maintain the current level of services, meet future expected needs, as well as develop essential staffing resiliency for operational continuity, the previously mentioned FTE positions may need to adopt a mixture of funding from recreation programming revenue as well as supplemental funding mechanisms.

In the next year, staff will be assisting community members in exploring the creation of a 501 (c)3 Poulsbo Parks & Trails Foundation. The Foundation would support the Department’s mission of providing quality and affordable recreation opportunities, allow for long range budget planning for land, park, and trail development, and open up new avenues of grants as a non-profit. This is especially important as costs rise to maintain and develop City parks.

With over 26 parks, 170 acres, and 5+ miles of trails, a robust volunteer program is essential to maintain and improve community assets. As the volunteer program grows with direct staff oversight, better

technology is needed to more easily and accurately track volunteer hours. Currently, logging volunteers is done via physical sign in sheets and manual Excel data entry. Utilizing a software program would greatly increase efficiency and reduce staff time on this essential responsibility. Additionally, new partnerships need to be developed, and existing ones are fostered for renewed growth. This will come through a long-range plan of utilizing the annual Parks Assessments and matching the needs with interest areas of local groups. Lastly, it's critical that volunteers are recognized properly and frequently for all that they do to serve their community. The Department will develop a renewed volunteer program with these goals in mind.

The Community Recreation Center is a cornerstone of vibrant programming and essential services located in a walkable distance from historic downtown Poulsbo. Staff are consistently seeking ways to repurpose underutilized areas to meet community needs. On the front, it is a goal to implement updated ADA accessibility amenities, assess and update the building envelope, and improve the safety and security of the building. Doing so will build the foundation to expand the programming to seven days a week into the evenings.

On that front, staff are also conducting a market analysis to assess the feasibility of restarting the Parks & Recreation preschool program at the Community Recreation Center. This was a very popular program in years past supporting a core community need and was unfortunately ended due to the Covid pandemic. The program was also a revenue engine to support the Department and its community services. The market analysis is anticipated to be completed in the first half of 2025 to inform future facility and programming decisions.

PARKS & RECREATION DEPARTMENT WORKLOAD MEASURES

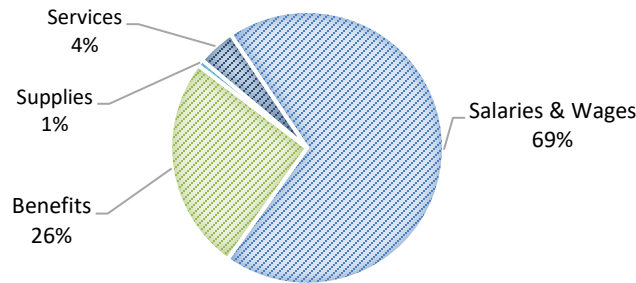
Type of Measure	2021 Actual	2022 Actual	2023 Actual	2024 Projected	2025 Projected	2026 Projected
Response to citizen requests and complaints goal: 100% within one business day	100%	100%	100%	100%	100%	100%
Canceling classes with advanced notice goal: >3 days notice	90%	90%	90%	90%	90%	90%
% of transactions using online program	50%	50%	50%	47%	45%	45%
# of special event permits processed	14	38	41	45	48	50
Recover 100% of direct program expenses	100%	100%	100%	100%	100%	100%
# of park shelter, Highway 305 community signboard, and classroom rentals	246	247	265	407	485	517
# of free senior program participants	0	275	325	625	700	750
# of recreation classes, camps, workshops	582	884	1,035	1,038	1,075	1,125
# of grant applications submitted	2	0	10	17	8	8
Recreation sponsorships and donations	\$3,281	\$14,949	\$28,202	\$25,259	\$26,750	\$28,000
Volunteer Hours	589	2,791	5,894	9,400	11,750	12,388
Administrative adjustments to staff assignments, payrates, and payroll modifications	n/a	64	105	115	150	175
Community Recreation Center average weekly hours of operation	43	45	51	63	69	76

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

Mission Statement:

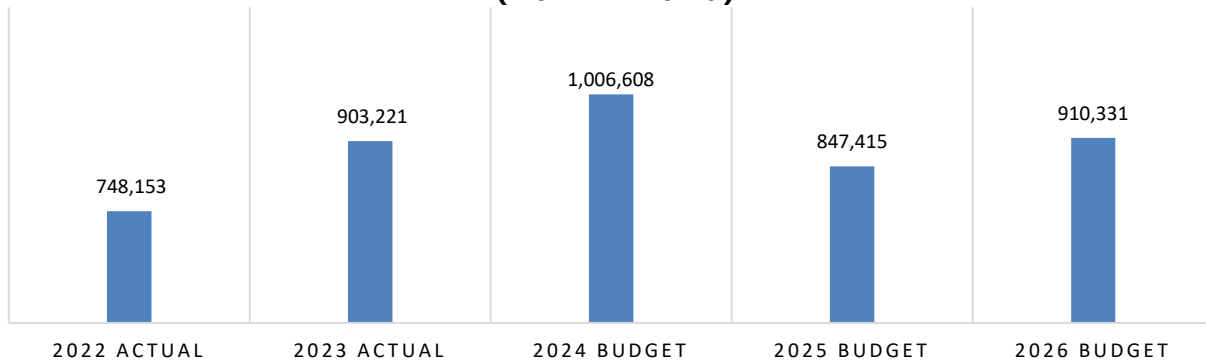
Our mission is to partner with the community, residents, elected officials, and private entities to promote Pouslbo's charm, character, and livability. This is achieved through sustainable comprehensive planning, efficient permit review and processing, and deliberate economic development strategies.

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT 2025-2026 USES

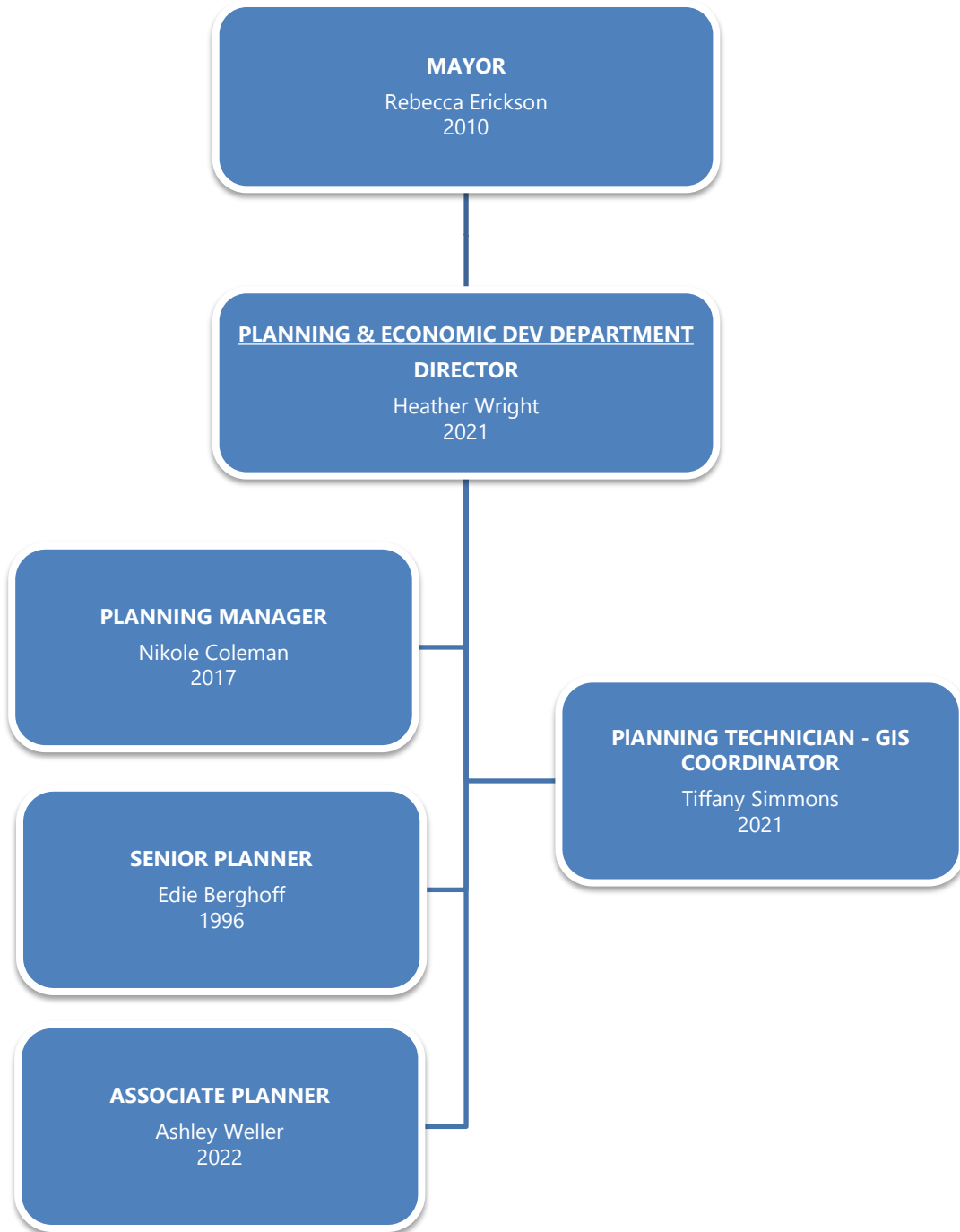


ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
PLANNING						
SALARIES & WAGES	487,257	536,735	582,686	587,191	631,228	1,218,419
BENEFITS	180,362	202,585	214,178	214,309	233,188	447,497
SUPPLIES	2,745	2,538	6,468	6,791	6,791	13,582
OTHER SERVICES & CHARGES	77,789	161,362	203,276	39,124	39,124	78,248
TOTAL PLANNING	748,153	903,220	1,006,608	847,415	910,331	1,757,746

PLANNING DEPARTMENT BUDGET (2022 - 2026)



THE ORGANIZATION OF THE PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT



PROGRAM DESCRIPTION and SERVICES:

The City Planning and Economic Development Department (PED) responds to issues regarding land development, population growth, environmental quality, and economic development. The PED Department has two primary responsibilities, both contributing to the quality of life of Poulsbo residents and the economic stability of the City.

The Long-Range Planning responsibility ensures that citywide development is well-planned, safe, and sustainable. This departmental function conducts comprehensive planning in accordance with the State Growth Management Act and facilitates the development of clear and concise codes. The Long-Range Planning also responds to the requirements of the Shoreline Management Act, changes in State law and evolving local issues. Finally, it represents the City in regional planning programs involving growth management and environmental issues.

The Current Planning Permitting responsibility ensures that land development and use activities are in compliance with city code and regulations, as well as state and local regulations. Permitting achieves this through thorough review and processing of proposed land use permits, ensures statutory timelines are met or exceeded, and staff report and condition of approval development ensures orderly development consistent with applicable code and regulations.

Other important functions of the department include implementation of economic development strategies and work program, automated geographical mapping services, environmental review (SEPA), annexations, building permit review, and staff support to the City Council, Planning, City Planning Commission, and Hearing Examiner.

STAFFING LEVEL:

The Planning and Economic Development Department has 5.0 FTE's. The Department staffing breakdown is: one Director, two Senior Planners, one Associate Planner, and one Planning Technician. In 2022, the Department brought on one casual laborer (former planning director, Karla Boughton) that has served the city since. The main mission supported by the casual labor was to support the 2024 comprehensive plan update, including the Transportation Element. In addition, the Department brought in an intern for the summers of 2023 and 2024.

2023-2024 PROGRAM ACCOMPLISHMENTS:

The Planning and Economic Development Department completed a mix of special projects, departmental/organizational improvements, long-range planning efforts and daily permit demands, summarized below:

- Participated with the cities and counties to adopt our population, employment and housing allocations for the 2024 Comprehensive Plan
- Drafted and took through the planning commission and the city council 13 chapters of our 2024 comprehensive plan update, including a new Health and Human Services Chapter
- Implemented a robust public outreach plan for the 2024 Comprehensive Plan update that included over 12 outreach events including farmers markets, citizen group presentations, and attendance at events as well as creating events for the community to attend (Whisper with a Planner, Coffee with a Planner)
- Completed our first annual housing report
- Passed two development moratoriums to open up residential capacity in our commercial centers
- Completed two moratorium work plans ahead of the one year duration
- Completed a market study and feasibility analysis for the SR 305 corridor
- Adopted amended commercial standards for the SR-305, College Market Place and Business Park zoning districts
- Adopted strategic changes to our zoning code to promote missing middle housing

- Created an interactive City GIS
- Passed an ordinance to allow cannabis as a permitted use
- Updated the Critical Areas Best Available Science Report
- Spearheaded multijurisdictional effort to provide preapproved ADU plan sets for the public
- Took the lead in supporting the downtown parking committee and their recommendations for improvements
- Continued to represent the City at Kitsap Regional Coordinating Council (KRCC) Planning Director meetings and KRCC Policy Board meetings.
- Represented Poulsbo at PSRC Regional Staff Committee
- Received a grant from the Department of Commerce to complete the Comprehensive Plan
- Continued to review business license applications for zoning compliance.
- Maintained and updated the Department's portion of the City's web site.
- Collaborated with local and regional stakeholders, including the Greater Poulsbo Chamber of Commerce, Kitsap Economic Development Alliance and WWU on the Peninsulas
- Prepared a monthly newsletter that covered planning activities.
- Maintained active memberships with the Planning Association of Washington and the American Planning Association

2025-2026 WORK PLAN:

The work plan for the 2024-2025 biennium is:

- Continue and adoption and implementation of the 2024 Comprehensive Plan, including:
 - Choose preferred SEPA EIS Alternative
 - Release functional plans and full Comp Plan for adoption by the City Council
 - Adopt Comprehensive Plan
 - Adjust Impact Fees; including park, schools, transportation and consider adopting Fire
 - Implement the comp plan by preparing and adopting text amendments to the Poulsbo Municipal Code
 - Perform public outreach
- Raise SEPA exemption levels for minor new construction to reduce barriers to missing middle housing
- Amend the PMC to raise short subdivision threshold from 4 to 9 lots to encourage infill development
- Amend the PMC to permanently adopt a unit lot subdivision ordinance
- Adopt amendments to our critical areas ordinance update as required by June 2025
- Adopt statutory amendment to reduce permitting review times as required by SB 5290 by June 2025
- Continue to support the implementation of downtown parking improvements including improved signage, employee parking, enforcement and paid parking.
- Ensure all staff have completed the training and certifications needed to best serve the City of Poulsbo
- Continue to support and provide opportunities for the next generation of planners by providing an internship program
- Adopt a historic preservation ordinance and appoint a historic preservation commission.
- Continue to maintain statutory timelines for land use applications (90 to 120 days from complete application)
- Continue timely review of building permits.
- Continue to provide excellent customer service on land use permitting.
- Process Comprehensive Plan Annual Amendments

- Continue writing and distributing a monthly newsletter that keeps our community informed of land use activity and economic development.
- Continued to represent the City at (KRCC) and PSRC
- Outreach to local groups including the chamber and realtor groups

CURRENT PLANNING

Type of Measure	2022 Actual	2023 Actual	2024 YTD	2025 Projected	2026 Projected
# of Public Records Requests	43	58	46	0	0
# of Code Enforcement Requests	1	6	10	0	0
# of Code Enforcement Cases	0	0	0	0	0
# of Appeals	0	0	0	0	0
# of Accessory Dwelling Unit *	3	3	1	*0	*0
# of Administrative Determinations	1	1	0	0	0
# of Business Licenses	233	290	169	264	264
# of Boundary Line Adjustments	1	1	2	1	2
# of Concomitant Agreement Released	0	0	1	0	1
# of Conditional Use Permits	2	0	3	1	1
# of Critical Area Permits	1	3	2	2	2
# of Design Review	0	2	1	1	1
# of Final Plats	7	2	2	3	3
# of Home Occupation Permits	0	0	0	1	1
# of Preliminary Plats	2	3	2	2	2
# of Planned Residential Developments	1	3	1	2	2
# of Post Decision Reviews	1	1	1	1	1
# of Pre-Applications	23	25	11	23	23
# of Site Plan Reviews	4	9	3	5	5
# of SEPA Checklists (standalone)	2	2	2	2	2
# of Short Plats	2	2	0	1	1
# of Shoreline Permits	2	0	0	1	1
# of Shoreline Exemptions	6	1	2	1	1
# of Temporary Use Permits	1	2	1	1	1
# of Unit Lot Subdivision	0	0	0	2	2
# of Miscellaneous	40	50	26	35	35
# of Variances	0	0	0	0	0
# of Total Current Permits	332	400	230	349	351
Land Use Permit Revenue	\$76,611	\$98,764	\$21,305	\$100,000	\$100,000

* Now a building permit

BUILDING PERMITS

Planning Reviewed Building Permits	2022 Actual	2023 Actual	2024 YTD	2025 Projected	2026 Projected
# of Single Family (SF) New	NA	154	22	80	80
# of SF Remodel/Deck/Addition	N/A	23	7	12	12
# of Signs	NA	21	5	10	10
# of Commercial Multifamily	NA	1	9	4	4
# of Commercial Tenant Improvement	NA	24	5	10	10
# of Commercial New/Addition	NA	6	1	2	2
Planning Reviews total:		229	49	118	118

LONG RANGE PLANNING

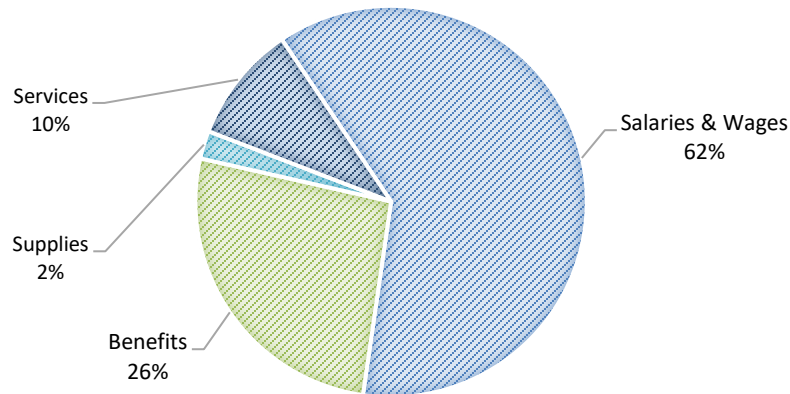
Type of Permit	2022 Actual	2023 Actual	2024 YTD	2025 Projected	2026 Projected
# of Comp Plan Amendments	0	0	0	0	2
# of Code Amendments	6	3	7	1	2
# of Annexations	0	0	1	1	1
Total # of Long Range Permits:	6	3	8	2	5
Number of PC Meetings	20	17	19	20	20
Total Meetings:	20	17	19	20	20

POLICE DEPARTMENT

Mission Statement:

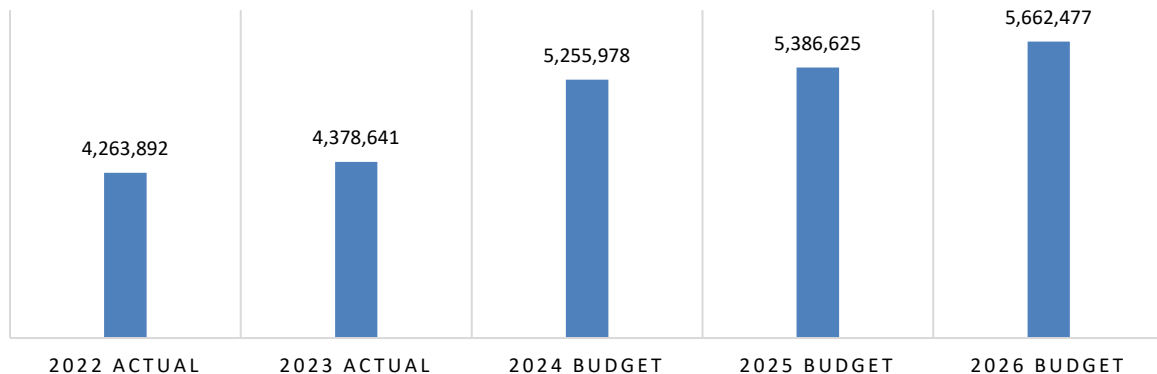
The mission of the Poulsbo Police Department is to safeguard the lives, property, and rights of all people; to reduce the incidence and fear of crime; and to enhance public safety while working with our community to improve their quality of life. Our mandate is to do so with honor and integrity, while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

POLICE DEPARTMENT 2025-2026 USES

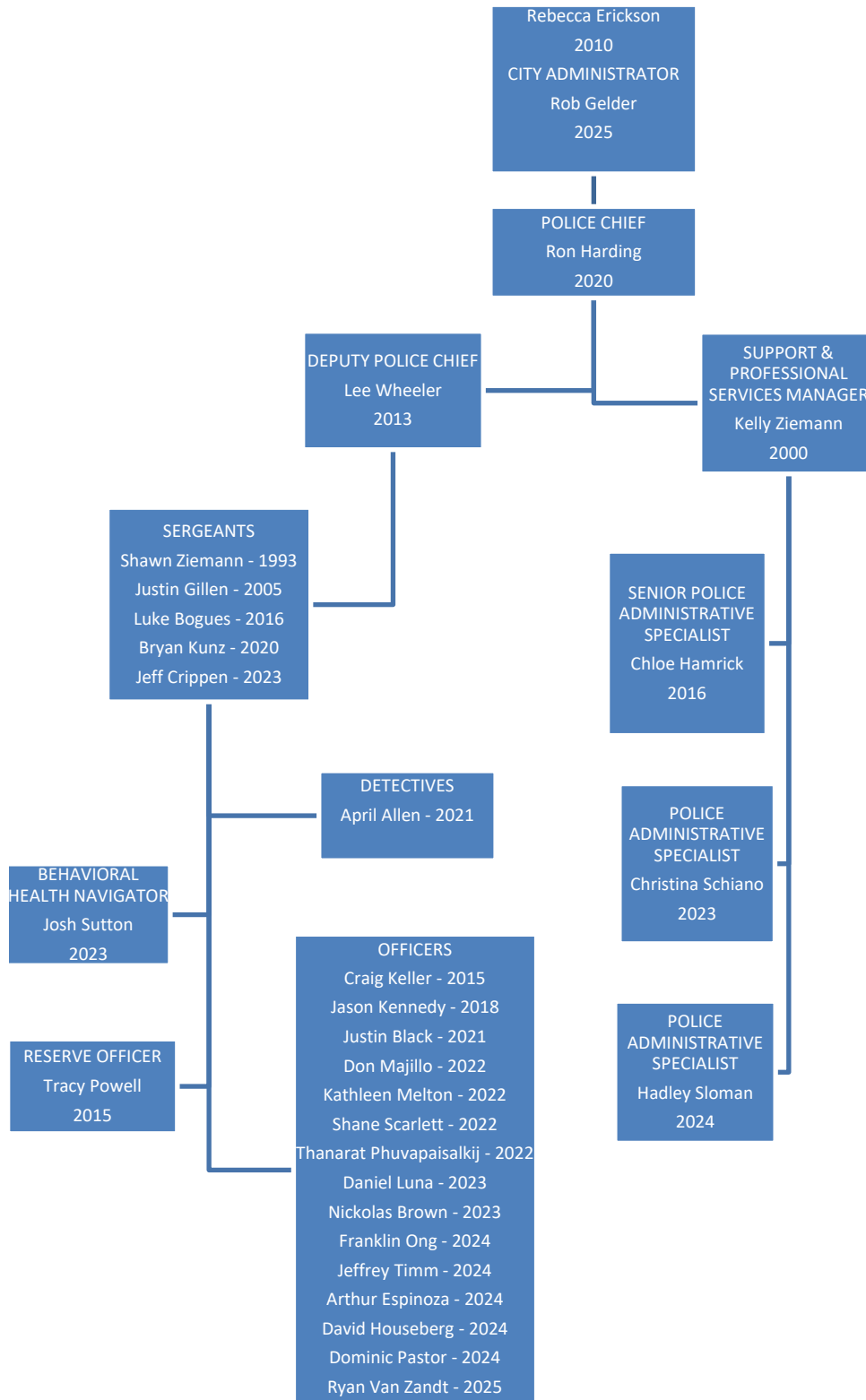


ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
POLICE						
SALARIES & WAGES	2,713,137	2,860,854	3,182,134	3,321,277	3,501,167	6,822,444
BENEFITS	1,009,992	1,107,981	1,258,348	1,390,128	1,509,090	2,899,218
SUPPLIES	139,975	114,377	115,640	137,580	117,580	255,160
OTHER SERVICES & CHARGES	400,789	295,429	669,856	537,640	534,640	1,072,280
TOTAL POLICE DEPARTMENT	4,263,892	4,378,641	5,225,978	5,386,625	5,662,477	11,049,102

POLICE DEPARTMENT BUDGET (2022 - 2026)



THE ORGANIZATION OF THE POLICE DEPARTMENT



POLICE DEPARTMENT

PROGRAM DESCRIPTION:

The men and women of the Poulsbo Police Department work as a team to provide professional law enforcement services to our community. We have identified the virtues of humility, hunger and emotional intelligence as the critical elements of an excellent team, and we incorporate them into all that we do. Humility reminds us we are not above anyone, so we serve in our roles with compassion and empathy. Hunger makes us want to do excellent work. We push ourselves to be the absolute best at our jobs. Emotional Intelligence guides our interactions with people. We strive to listen and understand the perspectives of others. We are accountable to each other and the community we serve.

SERVICES PROVIDED:

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

- Responding to 911 Calls and Requests for Assistance
- Documenting Crimes
- Criminal Investigations and Arrests
- Enforcing Traffic Laws with the Goal of Public Safety
- Investigating Collisions
- Enforcing Marine Traffic Laws
- Providing Public Record Information
- Educating the Public
- Processing Concealed Pistol Licenses and Firearm Releases



STAFFING LEVEL: The Police Department consists of 28 FTE's: one Police Chief, one Deputy Chief, five Sergeants, thirteen Patrol Officers, one Detective, one SRO, one K-9 officer, one Support and Professional Services Manager, three Police Administrative Specialists, and one Navigator. The department also has one reserve officer.

OPERATIONS DIVISION

The Operations Division of the Poulsbo Police Department is composed of Patrol Officers, Detectives, K-9 Officer, Police Navigator, Marine Patrol and School Resource Officer (SRO). These divisions are supervised by five Sergeants and overseen by the Deputy Police Chief.

PATROL DIVISION

The Patrol Division of the Poulsbo Police Department consists of thirteen Patrol Officers, supervised by five Sergeants. The patrol division works in three shifts, (Day Shift, Swing Shift and Night Shift) and provide 24/7 coverage for police services. Patrol is responsible for responding to 911 calls, traffic enforcement, proactive police activity and community engagement. There are several special assignments in the Patrol Division.

PATROL - Specialty Assignments

School Resource Officer



One Patrol Officer is assigned, through an agreement with NKSD, as a School Resource Officer (SRO) to patrol, investigate and report on crimes within Poulsbo schools in addition to fostering positive relationships with students and staff.

Marine Unit



The Marine unit has been working diligently to increase on-water hours to improve boating safety on Liberty Bay. 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



Poulsbo PD has been working to rebuild our motorcycle unit. Low staffing levels have been a challenge however, with staffing strength increasing, the motor unit will have an opportunity to work more frequently. We hope to certify a second officer to operate the police bikes in 2025.

SUAS Unit



In 2021, the department upgraded our SUAS Program, a Small Unmanned Aerial System (commonly referred to as a Drone). We purchased a new SUAS with FLIR capability. This program continues to be a very successful one. We have used it for search and rescue, documenting crime scenes and collision scenes and provide agency support in response to natural disaster or fire. Operators of this equipment must be fully licensed to do so through the FAA and have completed the required training. The department currently has two licensed operators.

In 2024, we expanded the program to include another SUAS with enhanced software capabilities that allow us to participate in the regional Kitsap Collision Investigation Team (KIT). This team investigates major injury and fatality collisions in Kitsap County.

K-9



The department re-introduced its drug detection K-9 program in 2024. With a rise in drug prevalence and ever-increasing overdose fatalities, the city determined that a more aggressive drug investigation emphasis was needed. Having experienced great success in the past with a drug detection K-9, it was decided to reintroduce the program. K9 Officer "Luna" certified with her handler in July of 2024.

DETECTIVES

In addition to the patrol staff, the Poulsbo Police Department is authorized to have up to three Detectives. Low staffing levels have not allowed the department to fill more than one position for the past year, but we anticipate adding a second detective in early 2025. The detective division handles complex felony cases and averages over one hundred investigations a year.

ADMINISTRATIVE DIVISION

The Administrative Services Division consists of one Support and Professional Services Manager, and three full time Police Administrative Specialists. The Support and Professional Services Manager oversees all civilian staff, manages all training records, is the department's public records officer, and serves as the Accreditation Manager for the department. This position works in direct collaboration with the Deputy Chief and reports to the Chief of Police.

Services provided by the Administrative Services Division 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 Concealed Pistol License Applicants
- Processing Firearm Releases & Concealed Pistol Licenses
- Maintaining Department Inventory and Training Records
- Entry and Maintenance of all WACIC/NCIC entries – warrants, protection orders, items
- Preparation and oversight of Payroll, Accounts Payable and Accounts Receivable
- Management and Participation in Special Events and Community Outreach
- Assisting Patrol, Detectives and Command Staff in administrative functions

BEHAVIORAL HEALTH

Poulsbo has continued a very strong commitment to helping address homelessness and drug addiction. The department employs one full-time behavioral health navigator who works closely with Poulsbo officers in the field. They respond to mental health needs in the community and has worked tirelessly to connect people to resources and housing. The navigator also continues to build a close partnership with the North Kitsap Recovery Resource center and the Fire Cares unit. These entities all work as a team to provide services in the greater Poulsbo area.

2023-2024 PROGRAM ACCOMPLISHMENTS

- **Automated Traffic Safety Program**

In 2024, the City established its first automated traffic safety program. The City has contracted with Verra Mobility to install and manage automated cameras in three locations. In fall of 2024, there is a park zone speed enforcement camera on Viking Way near the entrance to Fish Park. The additional school zone enforcement camera on Noll Road by Poulsbo Elementary and a red-light camera on 305 and Bond are anticipated to be live by the end of 2024. These cameras will enhance public safety by addressing speed and safety concerns 24/7 with unbiased, automated enforcement. The system expands the ability to monitor high complaint areas without having to rely on thin patrol resources.

- **K-9 Program Re-Introduction**

The department re-introduced its drug detection K-9 program in 2024. With a rise in drug prevalence and ever-increasing overdose fatalities, the city determined that a more aggressive drug investigation emphasis was needed. Having experienced great success in the past with a drug detection K-9, it was decided to reintroduce the program. K9 Officer "Luna" certified with her handler in July of 2024

- **Department Restructure**

After a thorough workflow analysis, the department proposed a restructure to Council, which was approved. We removed the administration and operations Lieutenant positions and replaced them with a Deputy Chief and Support and Professional Services Manager. This structural change allowed us to hire a third Administrative Specialist and promote a 5th sergeant. In 2024, Council also approved hiring three new police officers, which will give us a patrol strength of 13.

- **Implementation of New RMS**

Kitsap County Law Enforcement agencies transitioned to a new records management system, replacing an aging system that was decades old. Poulsbo PD played an instrumental role in the workgroup that prepared and implemented this new system.

- **North Kitsap Recovery Resource Center**

Poulsbo PD has formed a strong partnership with the Recovery Resource Center. We serve in the leadership group and the operational work group. Officers are making referrals to the center and RRC staff frequently ride with officers in the field. This is a valuable partnership and serves as an integral part of our strategy to provide resources to people struggling with addiction.

- **Certified Property & Evidence Crime Scene Technician**

to further support investigations and with an eye to future growth, our Admin team member assigned to manage the Property & Evidence earned a Crime Scene Technician certification

2025-2026 WORK PLAN

- **Accreditation Maintenance**

Maintain Law Enforcement Agency Accreditation through WASPC. Agency Accreditation certifies that an agency is operating under the industry best practices and standards. We were re-accredited in 2023 and will be re-assessed again in 2027. We will continue documenting all of our proofs and following best practices so our next accreditation will be seamless.

- **Outreach and Community Engagement**

With improved staffing coming on-line in the first quarter of 2025, PPD will be able to expand our outreach and community engagement efforts. We hope to expand our National Night Out program and build on our very successful Law, Justice and Restoration presentations to council by inviting more local politicians and dignitaries. We expect to have several additional outreach efforts in the next two years.

- **Training and Instruction**

Increase training opportunities and attendance for all personnel; develop more in-house instructors.

2025-2026 REVENUES:

For 2025-2026, the department will pursue grant opportunities where appropriate. There are no known significant impacts to revenue.

2025-2026 EXPENDITURES:

The department has submitted only those requests which are necessary to increase our budget up to adequate funding levels and provide for essential equipment replacements.

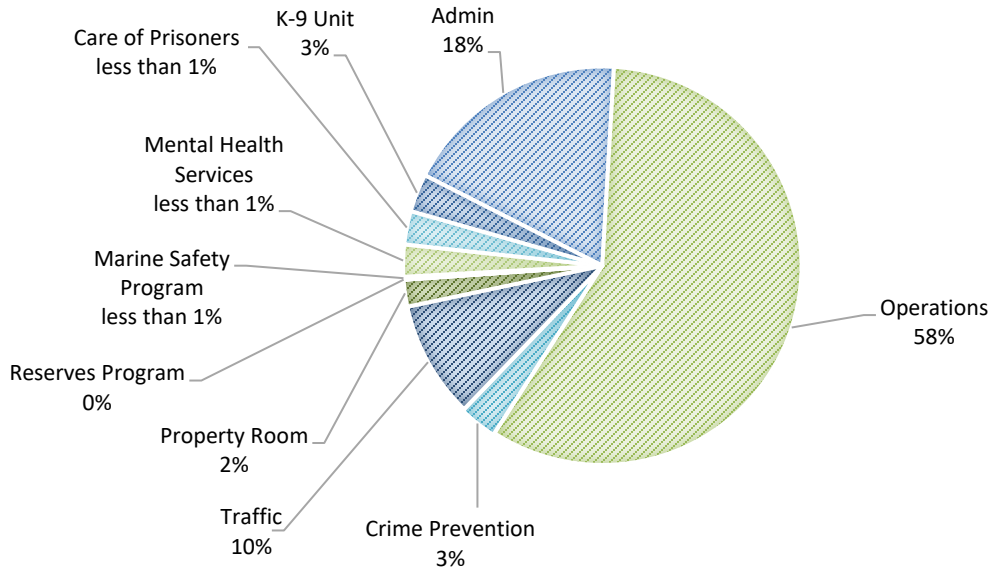
Baseline Adjustment Requests – General Fund

- 2025:
 - AXON Subscription Addition \$16,500 (ongoing)
 - File on Q (Upgrade to Subscription) \$9,000 (ongoing)
 - Executive Level Training \$5,000 (ongoing)
 - K9 Program (Overtime + Benefits) \$5,850 (ongoing)
- 2026:
 - No additional

New Program Requests – General Fund

- 2025
 - Bodycam Redaction Software \$5,000 (ongoing)
- 2026
 - Police Officer (2 FTE) \$428,000 (ongoing)
 - One-time supplies \$205,000

2025-2026 POLICE DEPARTMENT USES BY PROGRAM/ACTIVITY



POLICE DEPARTMENT PERFORMANCE MEASURES

Type of Measure	2023	2024	2025	2026
	Actual	Projected	Projected	Projected
# of Citations Issued	360	1,050	1,200	1,200
# of DUI	29	30	34	34
# of Prosecutor Referrals	246	285	320	370
# of Case Reports	1,361	1,436	1,500	1,600
# of Training Hours (non-academy)	1,350	1,684	1,885	1,950
# of CJTC Academy Hours Attended	1,232	2,464	144	*TBD

PUBLIC WORKS ADMINISTRATION DEPARTMENT

Mission Statement:

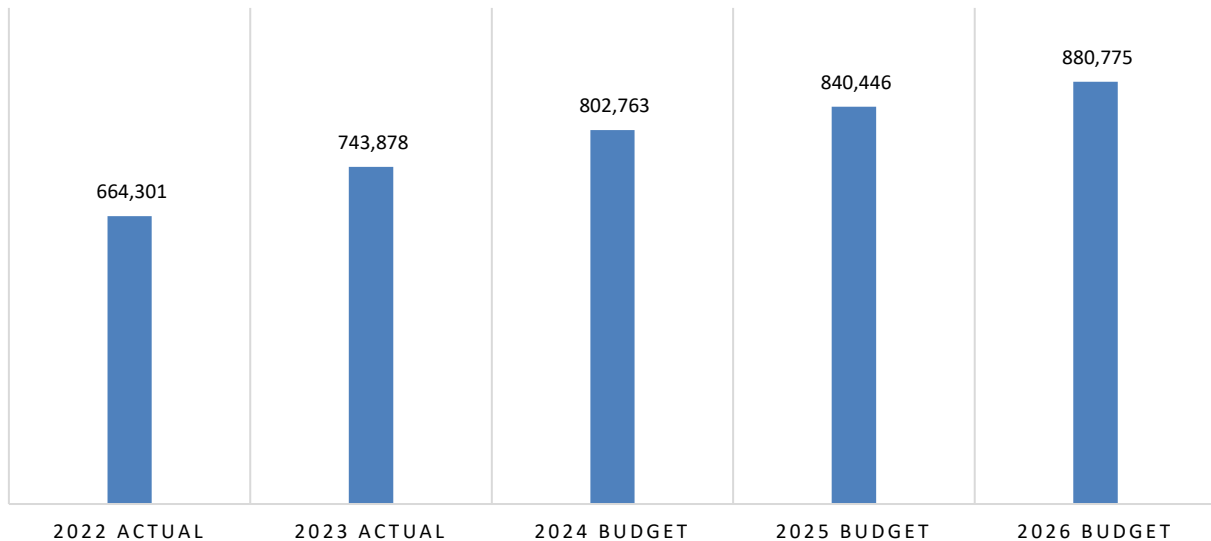
The mission of the Public Works Administrative Department is to provide support services to all Public Works Departments. Responsibilities include management and supervision, budgeting, accounting, purchasing and procurement of supplies, goods, and services.

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
PUBLIC WORKS ADMIN						
SALARIES & WAGES	416,910	468,527	513,450	539,675	562,376	1,102,051
BENEFITS	166,358	184,467	196,588	203,375	218,738	422,113
SUPPLIES	12,104	12,029	12,000	13,000	13,090	26,090
OTHER SERVICES & CHARGES	53,772	55,412	69,200	72,295	74,340	146,635
TOTAL PW ADMIN	649,144	720,435	791,238	828,345	868,544	1,696,889

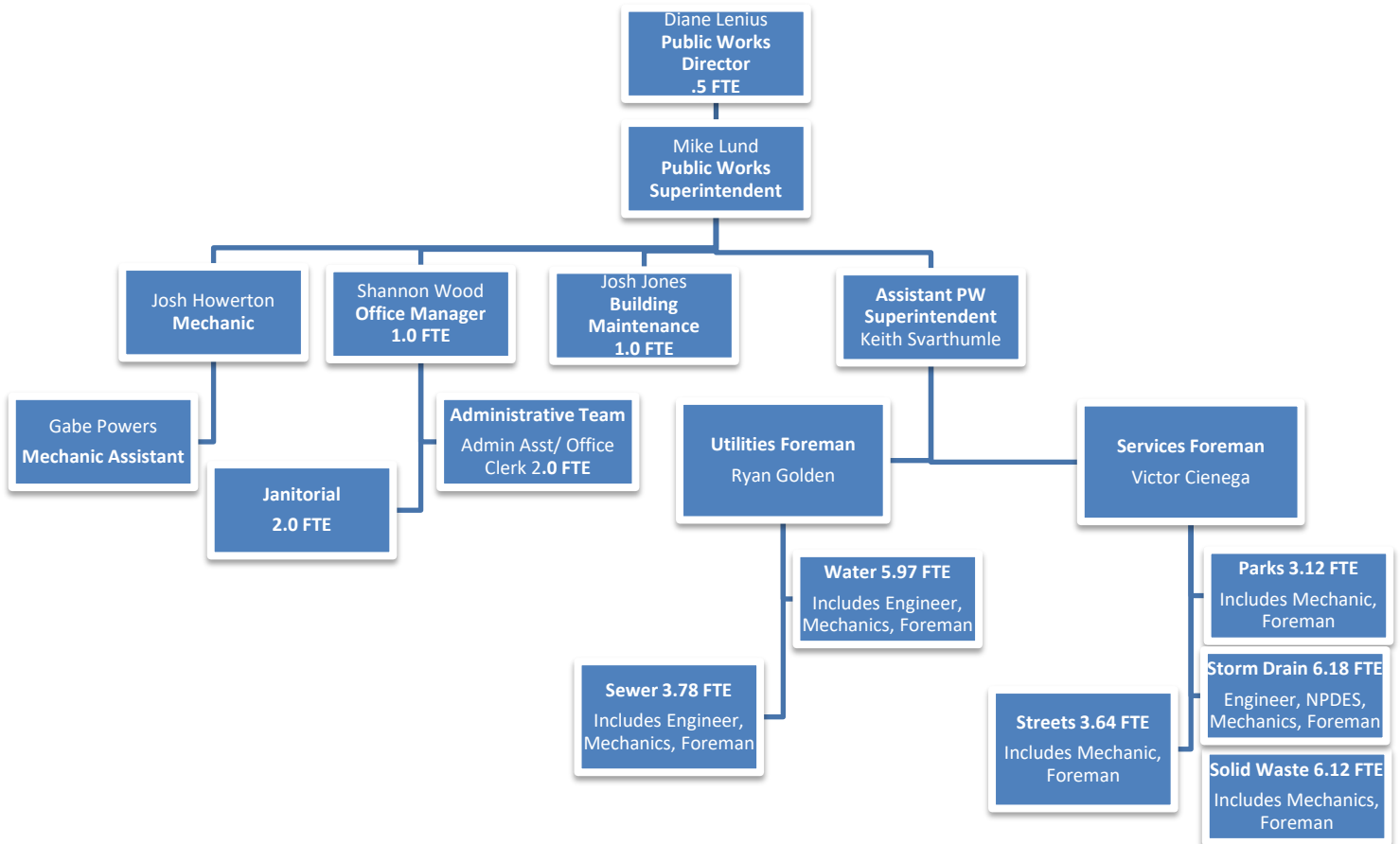
ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
PUBLIC WORKS MECH SHOP						
SALARIES & WAGES	-	-	-	-	-	-
BENEFITS	24	74	400	400	400	800
SUPPLIES	10,680	8,089	6,000	6,400	6,475	12,875
OTHER SERVICES & CHARGES	4,453	15,280	5,125	5,301	5,356	10,657
TOTAL PW MECH SHOP	15,157	23,443	11,525	12,101	12,231	24,332

**The Public Works Administration budget is zeroed out every quarter, and expenses are allocated to the functions they support.*

PUBLIC WORKS ADMINISTRATION BUDGET (2022 - 2026)



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 nine different departments/sections. These include **General Fund** activities associated with Central Services such as 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 Utilities.

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 5.32 FTE's. This includes one Superintendent, one Assistant Superintendent, one Office Manager, one Administrative Assistant (allocated to utility funds), one Office Clerk II, and a portion of the Public Works Director, and City Mechanic. Public Works Administration is under the supervision of the Public Works Superintendent and Public Works Director.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Provided additional support to the Utility and Services sides of the house.
- Supported Engineering Department
- Provided administrative support to 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
- Update the City Cemetery records and maps
- Update the comprehensive Safety Program
- Monitored and provided guidance to the Coffee Oasis caretaker at Nelson Park
- Began Mechanic Shop design, and grading

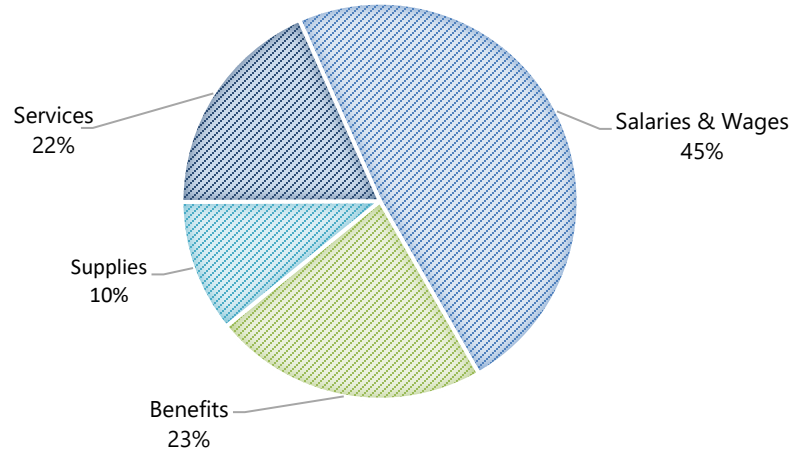
2025-2026 WORK PLAN:

- Continue to provide administrative support to all public works departments
- Continue to support the Engineering Department
- Public Works Mechanic Shop Construction and move.
- 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 (ADMINISTRATION) PERFORMANCE MEASURES					
Type of Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Number of Work Orders processed	511	651	760	825	900
Number of Utility Change of Ownership (new and change of service)	471	559	648	735	825
Number of Clean-up Dumpsters	251	255	267	265	265

PUBLIC WORKS PARKS PROGRAM

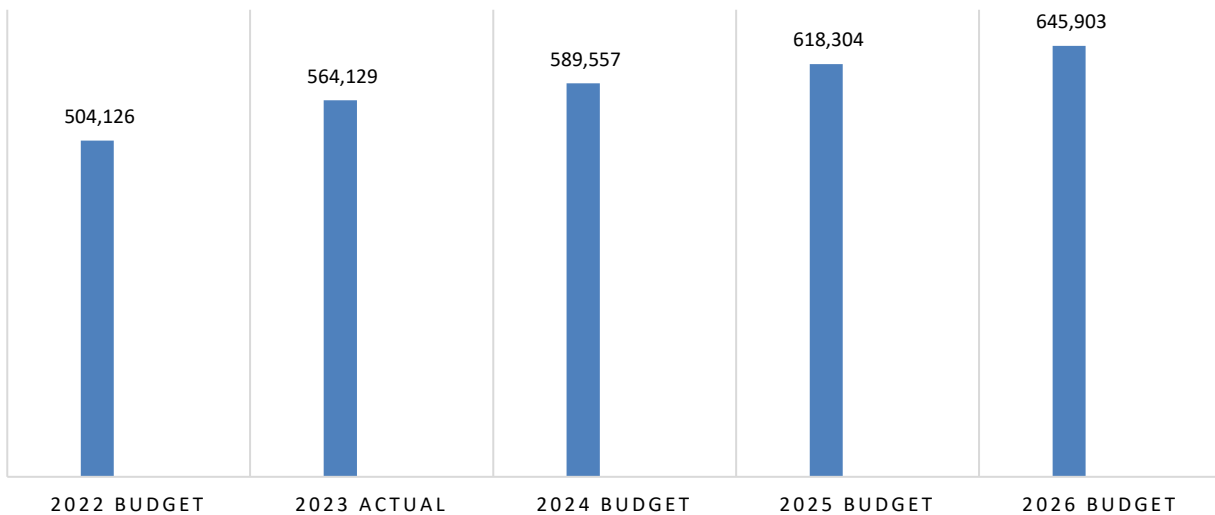
PW PARKS DEPARTMENT 2025-2026 USES



PARKS PROGRAM

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
PARKS MAINTENANCE						
SALARIES & WAGES	224,735	256,905	284,153	298,768	312,777	611,545
BENEFITS	112,741	123,960	129,941	136,170	147,325	283,495
SUPPLIES	73,942	64,003	54,050	68,195	68,465	136,660
OTHER SERVICES & CHARGES	92,707	119,261	121,413	115,171	117,336	232,507
TOTAL PARKS MAINT	504,126	564,129	589,557	618,304	645,903	1,264,207

PW PARKS BUDGET (2022 - 2026)



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.

Pousbo has 22 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 two 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 a significant increase in the demand for maintenance services. Maintenance of these facilities is a labor-intensive activity. During summer months, routine maintenance activities significantly increase, 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 park restrooms including vandalism repair, servicing of public trash receptacles in parks and downtown, 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 which is waiting for a new living facility, and one program through Gambit Recovery at Nelson Park which helps with maintaining grounds, restrooms, and picnic shelters.

STAFFING LEVEL:

Staffing associated with the park's maintenance function includes 3.12 FTE's. Services Foreman supervises these positions under the direction of the Public Works Superintendent. Three Ground Maintenance Techs, (.10 FTE paid by Cemetery), one Foreman, 0.15 FTE, along with a portion of the City Mechanic, are allocated to Parks.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Addressed numerous vandalism issues in all City parks
- Watered many newly planted trees/plants and landscaped areas including all new street projects
- 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
- Coordinated with Parks and Recreation Department regarding special events
- Helped maintain Rain Gardens throughout the City
- Provided bi-annual herbicide spraying
- Provided care for Raab and Nelson as caretakers have not been in residence majority of the years.

- Added Poulsbo Pump Track water hydrant
- Assisted volunteers with cleanup of American Legion Park
- Took over watering of all downtown HDPAs baskets and pots.

2025-2026 WORK PLAN:

Several projects are planned for the operations and maintenance of City parks for 2025 and 2026, including:

- Continuing the Fish Park Restoration
- Continuing development of Centennial Park
- Maintenance of the new Morrow Manor Park
- Continuing to upgrade American 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 vegetation
- Maintaining the Nelson Park Trail to Poulsbo’s Fish Park
- Develop and maintain West Side Park
- Replace Caretaker living facility in Raab Park and hire caretaker

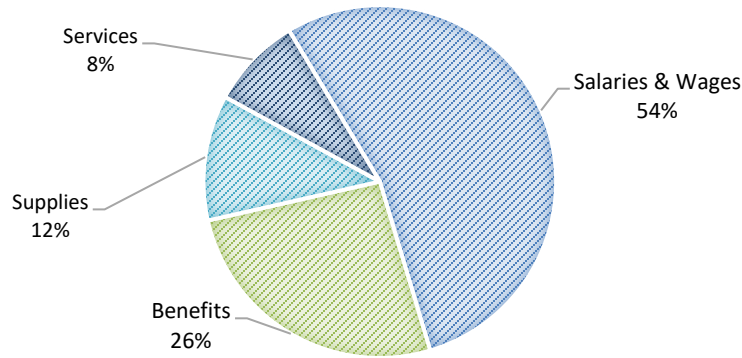
PARKS - OPEN SPACES - TRAILS	
MIW Waterfront Park Betty Iverson Kiwanis Park Austerbruin Park Wilderness Park Hattaland Park Net Shed Vista Park Centennial Park Poulsbo's Fish Park Moe Street Trail Morrow Manor	American Legion Park Lions Park Frank Raab Park Forest Rock Hills Park Oyster Plant Park Mitchusson Park Nelson Park County Road 59 Trail Olhava Park #1 Olhava Park #2

PUBLIC WORKS CEMETERY PROGRAM

Mission Statement:

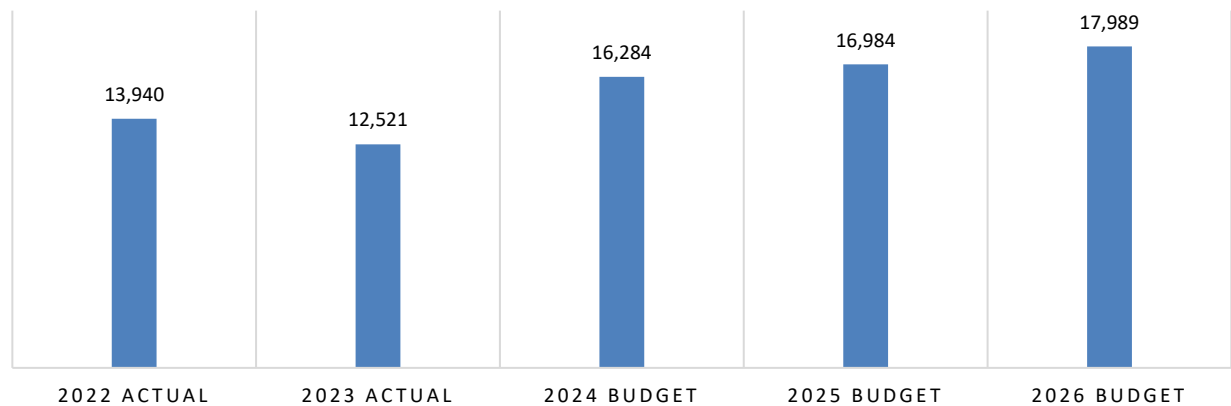
The mission of City of Poulso’s Municipal Cemetery is to provide a historic public burial ground, affordable to all citizens. The cemetery accomplishes this goal through the collaborative effort of staff and volunteers.

CEMETERY DEPARTMENT 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
CEMETERY SERVICES						
SALARIES & WAGES	7,981	7,628	9,463	9,311	9,572	18,883
BENEFITS	3,470	3,571	4,168	4,187	4,931	9,118
SUPPLIES	1,227	361	750	2,014	2,014	4,028
OTHER SERVICES & CHARGES	1,261	962	1,903	1,472	1,472	2,944
TOTAL CEMETERY SERVICES	13,940	12,521	16,284	16,984	17,989	34,973

PW CEMETERY BUDGET (2022 - 2026)



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 at 20002 Caldart Avenue. Public liaison, sales, and records are facilitated and maintained 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 aiding 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 volunteer organizations and provide assistance with cemetery revitalization.
- Look for funding to help with cemetery revitalization
- Act as liaison to Veteran's organizations for various events

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 Services Foreman and the Public Works Superintendent.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Obtained a Grant from Washington State Department of Archaeology and Historic Preservation
- Addition of Row Markers
- Addition of Information Boards
- Addition of Flagpole

2025-2026 WORK PLAN:

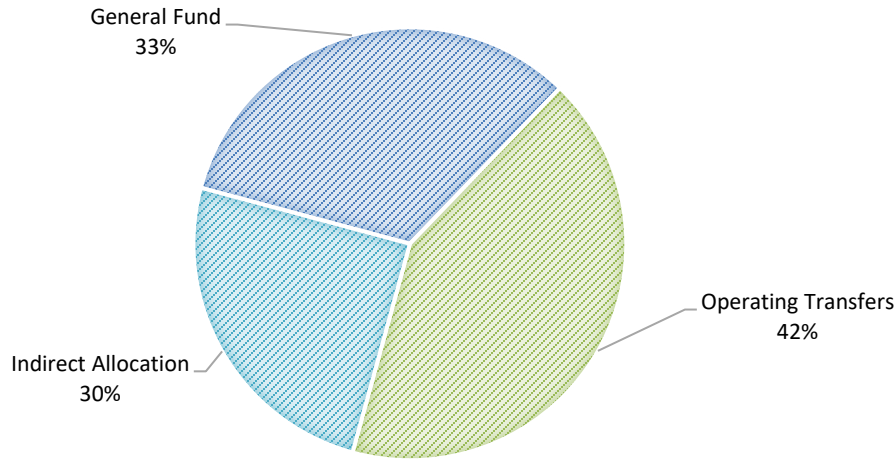
The 2025-2026 programs will be a continuation of the 2023-2024 programs which include:

- Continuing administration, management, and supervision of the department
- Continuing to be a liaison to volunteer groups
- Working to establish patron friendly mapping information
- Continued update to Information Boards and their content

NON-DEPARTMENTAL

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

NON-DEPARTMENTAL 2025-2026 USES



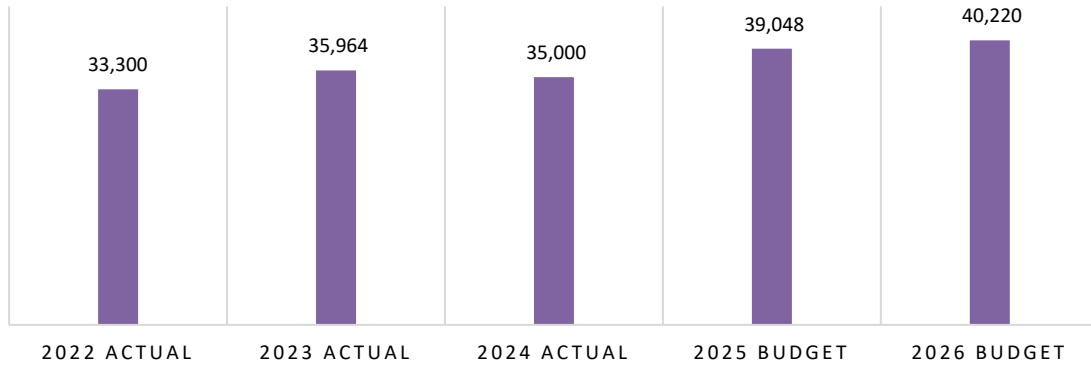
ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
NON-DEPARTMENTAL						
ANIMAL CONTROL	33,300	35,964	35,000	39,048	40,220	79,268
AUDIT	65,648	81,858	95,000	95,000	95,000	190,000
COMMUNICATIONS - 911	128,612	115,025	116,971	117,000	117,000	234,000
DISASTER PREPAREDNESS	27,406	28,789	29,000	29,000	29,000	58,000
EMPLOYEE BENEFIT PROGRAM	7,027	5,630	6,000	6,000	6,000	12,000
INSURANCE & RISK MANAGEMENT	691,096	582,115	796,123	999,532	1,099,485	2,099,017
JUDGEMENTS & SETTLEMENTS MISC	-	510,000	-	-	-	-
LEGAL	282,708	702,935	445,333	503,044	517,166	1,020,210
LIBRARY	-	-	-	-	-	-
POLLUTIONS CONTROL	8,655	9,312	9,542	10,963	11,116	22,079
PUBLIC HEALTH	36,063	39,167	41,125	40,734	42,363	83,097
SOIL & WATER CONSERV	11,235	13,628	14,000	14,000	14,000	28,000
SUBSTANCE ABUSE	8,955	16,830	19,123	35,000	5,000	40,000
PRIOR PERIOD	(40,613)					
OPERATING TRANSFERS	1,735,253	2,151,953	2,356,433	2,586,958	2,335,971	4,922,929
INDIRECT ALLOCATION	(1,197,444)	(1,339,081)	(1,322,335)	(1,461,663)	(1,451,517)	(2,913,180)
TOTAL NON-DEPARTMENTAL	1,797,901	2,954,125	2,641,315	3,014,616	2,860,804	5,875,420

ANIMAL CONTROL

PROGRAM DESCRIPTION:

The City contracts with the Kitsap County Humane Society for animal control services, including pet licensing.

**ANIMAL CONTROL BUDGET
(2022 - 2026)**

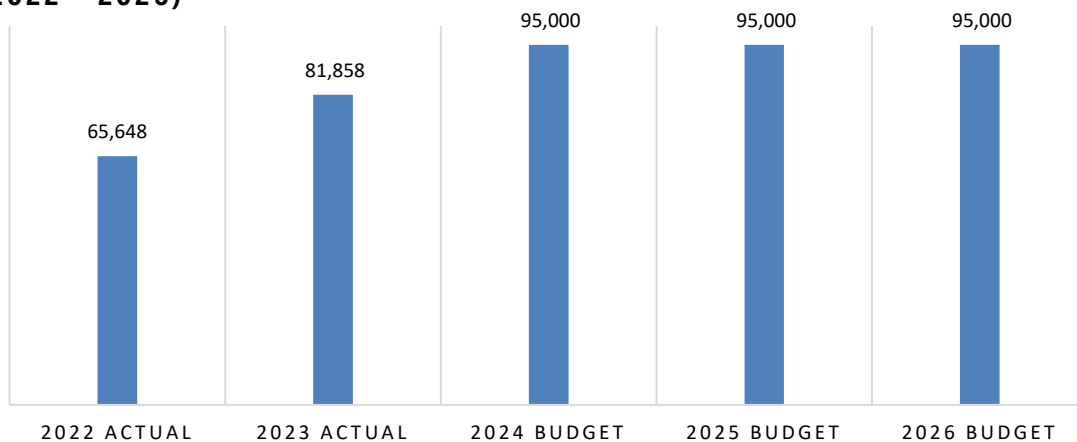


AUDIT

PROGRAM DESCRIPTION:

The Washington State Auditor audits the City on an annual basis. Federal grant proceeds in 2024 are expected to exceed \$750,000, a single audit will be necessary in 2025 and 2026.

**AUDIT BUDGET
(2022 - 2026)**

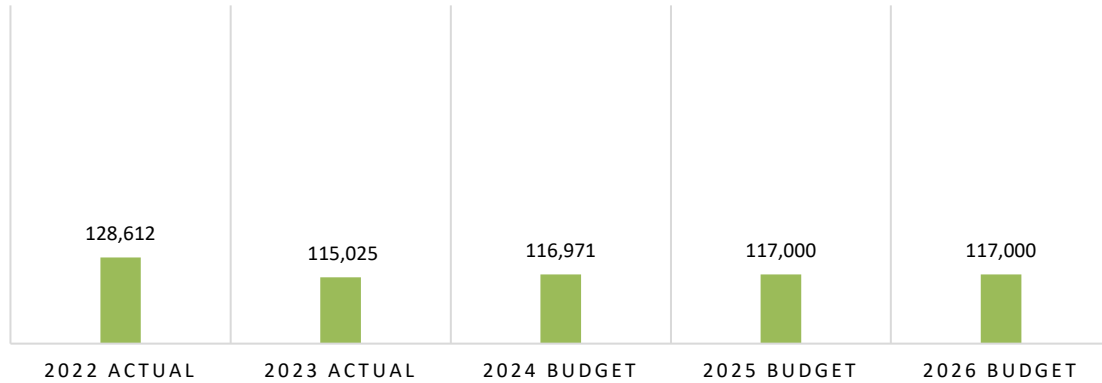


COMMUNICATIONS

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

**COMMUNICATIONS BUDGET
(2022 - 2026)**



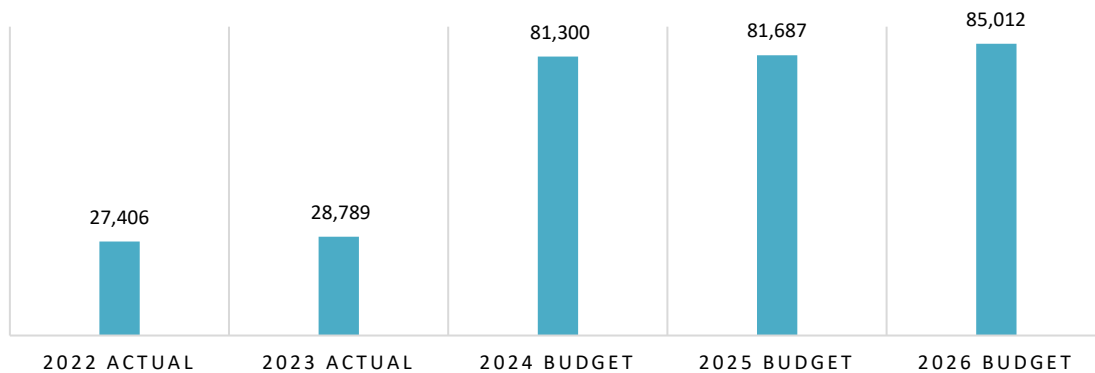
DISASTER PREPAREDNESS

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.

The City has added a part time Emergency Manager position mid-2024. The budget amounts listed below include the expenditures to support the new position for 2024-2026

**DISASTER PREPAREDNESS BUDGET
(2022 - 2026)**

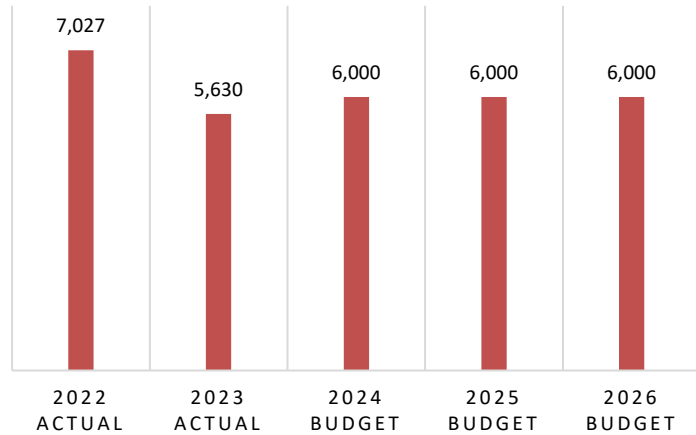


EMPLOYEE BENEFIT PROGRAMS

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.

**EMPLOYEE BENEFIT BUDGET
(2022 - 2026)**



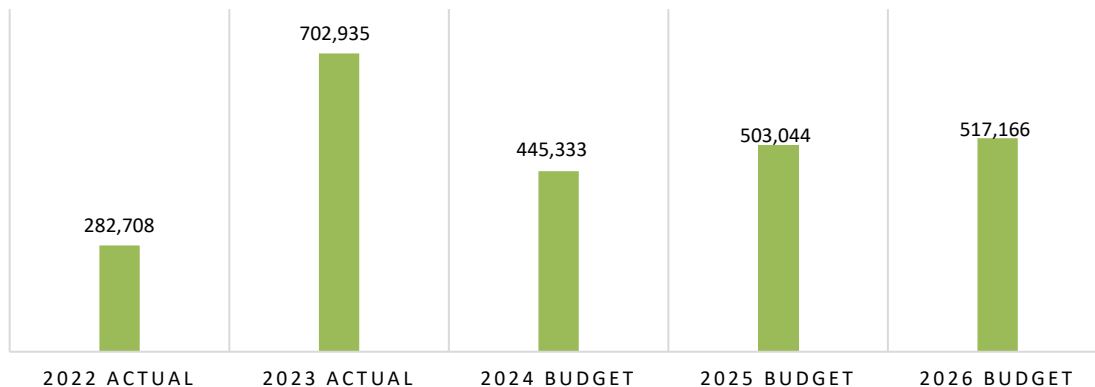
The City’s Wellness Committee, through its Wellness Program, continues to create an environment supportive of positive health practices and lifestyle choices for its employees. The Wellness Program sponsors several educational activities such as Wellness Wednesday emails with rotating health topics. Other morale building programs include a cold weather item drive to benefit Fishline, Employee Appreciation program, an annual Turkey Bowl event, and the Department Head Summer BBQ.

LEGAL

PROGRAM DESCRIPTION:

This budget includes expenditures related to legal services. The City contracts with a selected attorney for general legal needs. The City began to contract with Kitsap County for public defense in 2021. At the end of 2022 the City began a new contract with Kitsap County for prosecution services in lieu of an in-house prosecutor.

**LEGAL BUDGET
(2022 - 2026)**

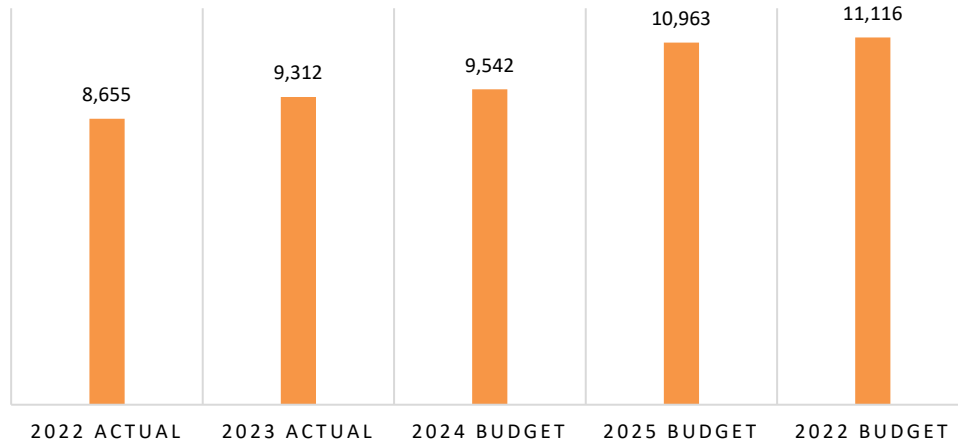


POLLUTION CONTROL

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.

**POLLUTION CONTROL BUDGET
(2022 - 2026)**

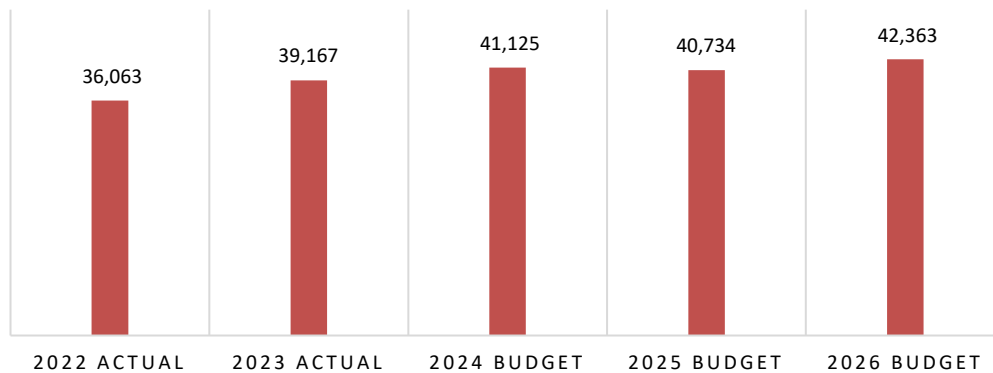


PUBLIC HEALTH

PROGRAM DESCRIPTION:

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

**PUBLIC HEALTH BUDGET
(2022 - 2026)**



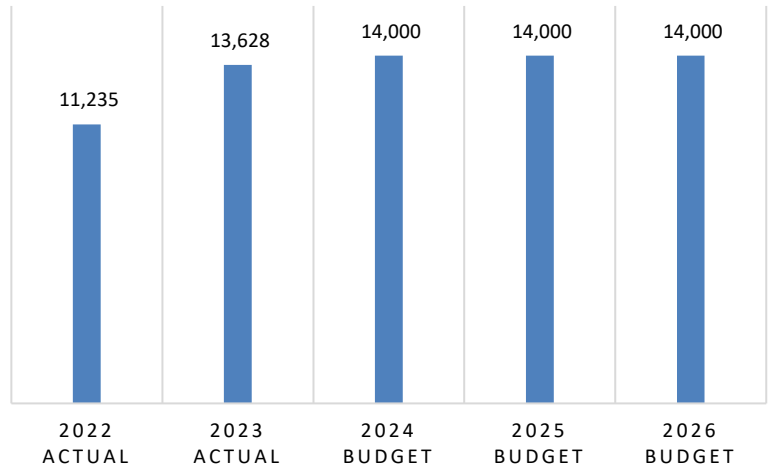
SOIL AND WATER CONSERVATION

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.

**SOIL AND WATER CONSERVATION BUDGET
(2022 - 2026)**



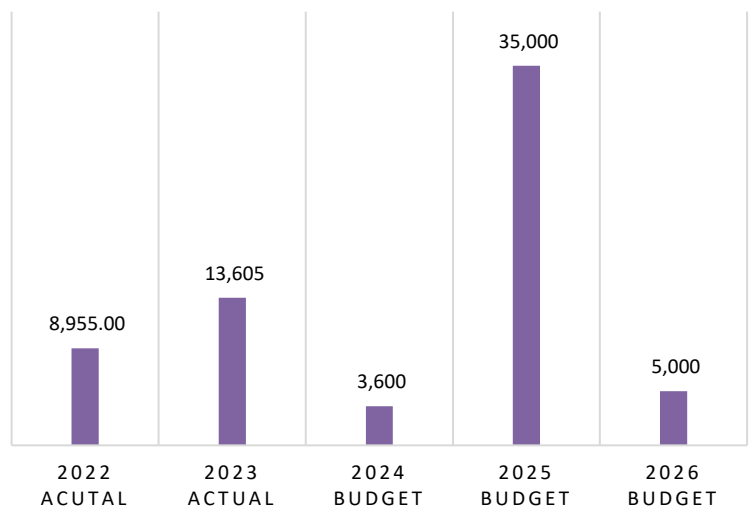
SUBSTANCE ABUSE

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.

A contract was approved in 2022 to have an agency with an in-patient program to support City citizens who are struggling to find support for substance abuse issues. The program is working congruently with the Behavioral Health program as many abuse issues can be directly related to substance abuse issues.

**SUBSTANCE ABUSE BUDGET
(2022 - 2026)**



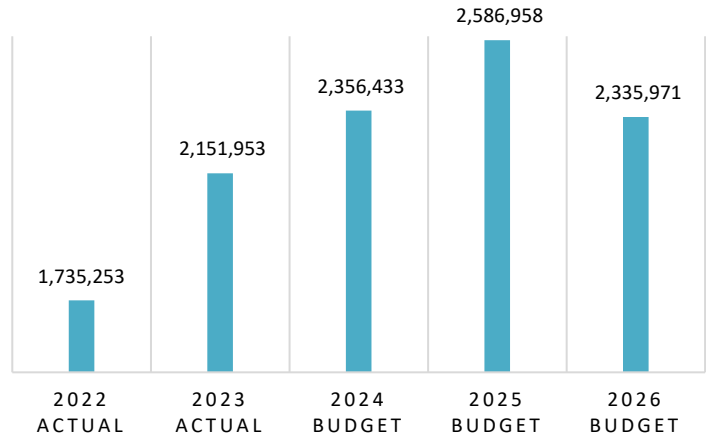
OPERATING TRANSFERS

DESCRIPTION:

This budget includes routine interfund operating transfers and transfers to City Reserves. Transfers to capital reserves are an area where the City adjusts, keeping more operating funds in the General Fund. This is allowed to City obtaining grants for governmental capital programs

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

**OPERATING TRANSFERS BUDGET
(2022 - 2026)**



Operating Transfer Summary			
Transfer to Fund	Description	2025	2026
101	Street Maintenance	689,500	702,500
181	Event Coordinator	10,000	10,000
204	2012 City Hall Debt	125,761	127,188
204	2015 City Hall Debt	489,200	139,800
204	2022 Vehicle Debt	137,125	137,111
204	2021 Public Works New Land/Transportation	91,684	91,684
204	2023 Public Works Building Debt	81,293	81,293
204	Boardwalk	-	80,000
204	Debt Service Costs	1,000	1,000
301	Transfer for Capital Equipment	456,395	456,395
302	Transfer for Park Projects	340,000	342,000
311	Transfer for Street Projects	140,000	142,000
331	Transfer for City Governmental Building Repairs	25,000	25,000
<i>Total Transfers from General Fund</i>		<i>2,586,958</i>	<i>2,335,971</i>

INDIRECT ALLOCATION

DESCRIPTION:

This budget includes indirect allocation to assign the cost of services/functions provided by governmental funds to the utility funds they support, which are the users of those services. The indirect costs are shared across programs, activities, funds, departments, and other cost objectives.

FUND BALANCE & RESERVES:

DESCRIPTION:

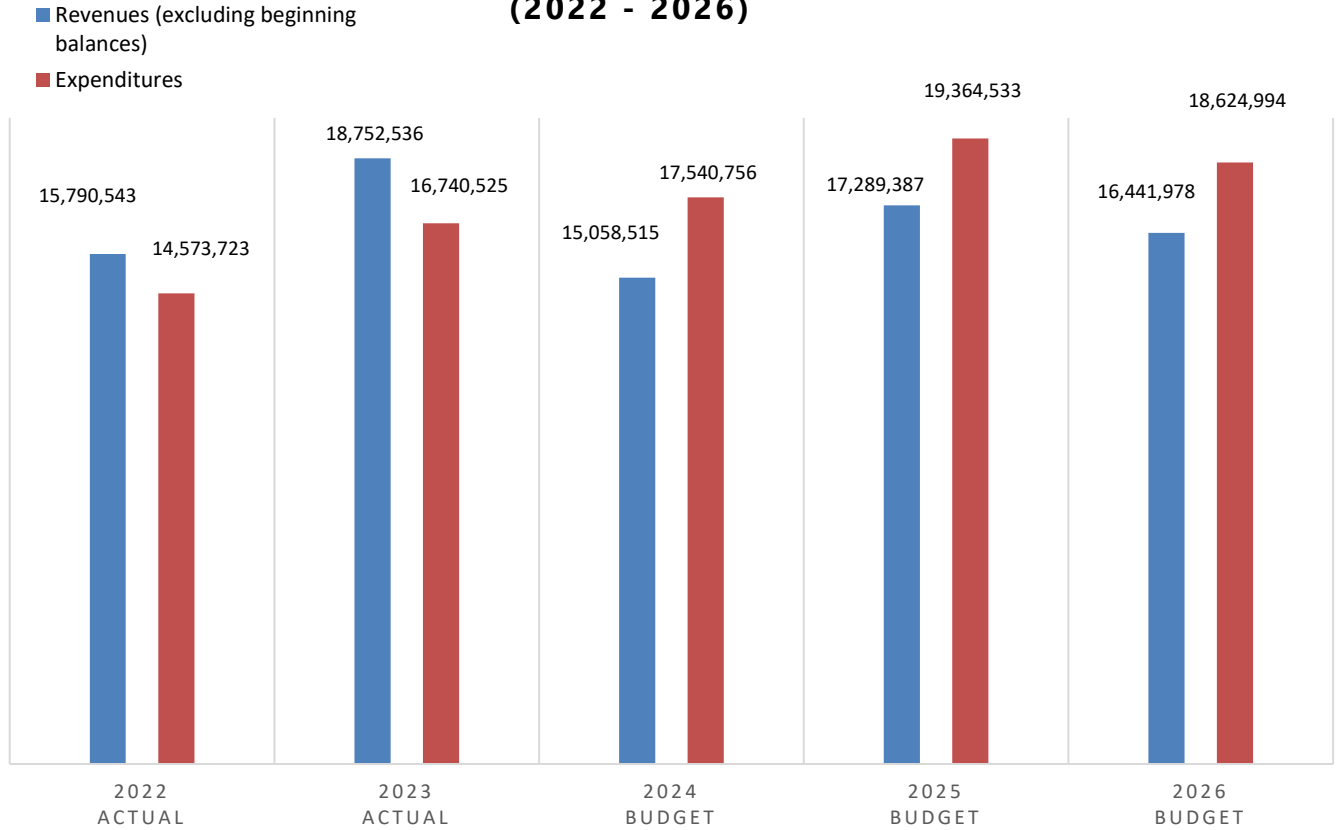
After closing the books from the previous year, any excess carryover dollars (those exceeding budgeted beginning balance) may be used to consider unfunded BARs and NPRs. Excess dollars are then transferred into the City’s Revenue Stabilization Reserves Assigned Fund Balance. A reduction in reserves will occur for the 2025-2026 budget cycle. Reserve funds have been growing due to unanticipated revenue and actual dollars exceeding projections. In order to provide services to our growing population and support the City’s economic growth it was determined to utilize reserves to fund the budget shortfall. The long-range vision is future revenue growth and or attrition will support the increased expenses. Use of reserves is utilizing the amount which exceeds the minimum fund balance amount per the City’s Financial Management Policy. The use of the balance will be reviewed mid-year to assess projections are as anticipated and may be adjusted as necessary.

<i>General Fund Projected Fund Balance</i>			
	2024	2025	2026
Assigned - Legal Reserves	225,000	225,000	225,000
Assigned - Revenue Stabilization	8,144,033	5,854,528	3,855,709
Assigned - Future Leave Cashouts	150,000	90,000	90,000
Assigned - Restricted PEG Fees	147,431	162,431	177,431
Assigned - Restricted Substance Abuse	3,787	2,462	1,176
Assigned - Restricted OPIODS	-	65,000	65,000
Unassigned Fund Balance	(2,289,505)	(1,998,818)	(2,196,730)
Total Projected Fund Balance	6,380,746	4,400,603	2,217,586

General Fund by Functions	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget
General Government	3,634,058	4,694,978	5,735,248	5,735,248	5,859,257
Security of Persons and Property	4,269,349	4,382,703	5,480,720	5,447,980	5,719,900
Utilities & Environment	38,776	37,110	34,087	54,369	57,342
Transportation	1,980,644	1,433,660	3,120,024	1,505,882	718,438
Economic Environment	1,132,855	1,294,717	2,025,203	1,312,853	1,410,726
Mental & Physical Health	498,661	946,673	1,138,326	725,432	421,581
Culture and Recreation	1,401,239	1,602,905	2,131,211	1,995,811	2,101,779
Miscellaneous Non Operating	(117,112)	195,826	3,187,051	-	-
Transfers	1,735,253	2,151,953	2,586,958	2,586,958	2,335,971
Total General Fund	\$ 14,573,723	\$ 16,740,525	\$ 25,438,828	\$ 19,364,533	\$ 18,624,994

TOTAL GENERAL FUND BUDGET SUMMARY:

TOTAL GENERAL FUND OPERATING REVENUES AND EXPENDITURES (2022 - 2026)



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



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
110	Neighborhood Streets Fund	Maintenance and operations of neighborhood streets
121	Capital Improvement Fund	Revenue received from Real Estate Excise Tax (REET) used for expenditures associated with the city's capital improvement plan projects
123	Transportation Development Fund	Traffic and sidewalk impact fees
124	Park Development Fund	Park impact fees
125	Affordable Housing Fund	State House Bill 1406 revenues
131	Historic Downtown Poulsbo Association (HDPa) Fund	Business improvement area with self-assessed dues and expenditures used for promotion and beautification within downtown assessed area
161	Paths & 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 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

2025					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
101	City Street Fund	382,753	1,283,265	1,398,229	267,789
110	Neighborhood Streets Fund	730,327	460,000	755,000	435,327
121	Capital Improvement Fund	1,286,599	706,000	855,000	1,137,599
123	Transportation Development Fund	460,454	490,000	948,600	1,854
124	Park Development Fund	412,083	102,000	258,000	256,083
125	Affordable Housing Fund	989,718	675,000	675,894	988,824
131	Historic Downtown Poulsbo	76,232	105,000	135,400	45,832
161	Paths & Trails Reserve Fund	26,323	1,110	-	27,433
171	Drug Enforcement Fund	28,877	750	15,150	14,477
181	Transient Occupancy Tax Fund	449,364	379,000	641,350	187,014
191	Police Restricted Fund	218,526	33,964	17,590	234,900

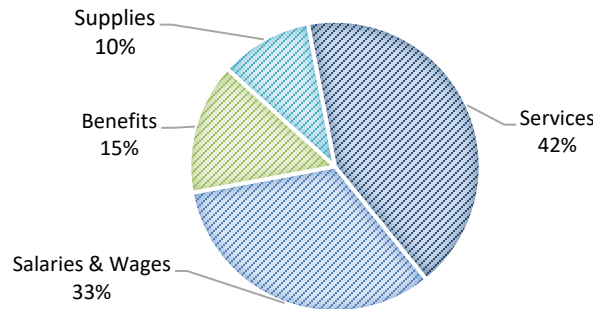
2026					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
101	City Street Fund	267,789	1,301,824	1,460,297	109,316
110	Neighborhood Streets Fund	435,327	460,000	275,000	620,327
121	Capital Improvement Fund	1,137,599	706,000	855,000	988,599
123	Transportation Development Fund	1,854	1,018,121	1,011,121	8,854
124	Park Development Fund	256,083	102,000	15,000	343,083
125	Affordable Housing Fund	988,824	675,000	511,109	1,152,715
131	Historic Downtown Poulsbo	45,832	105,000	135,400	15,432
161	Paths & Trails Reserve Fund	27,433	1,141	-	28,574
171	Drug Enforcement Fund	14,477	750	15,150	77
181	Transient Occupancy Tax Fund	187,014	378,000	369,000	196,014
191	Police Restricted Fund	234,900	34,750	17,590	252,060

CITY STREET FUND 101

Mission Statement:

We believe transportation is essential to supporting daily life. Our goal is to manage our streets and sidewalks in a way the enriches public life and improves community health. Our goal is to build a team committed to excellence and equipped with the skills to meet the challenges of today and tomorrow.

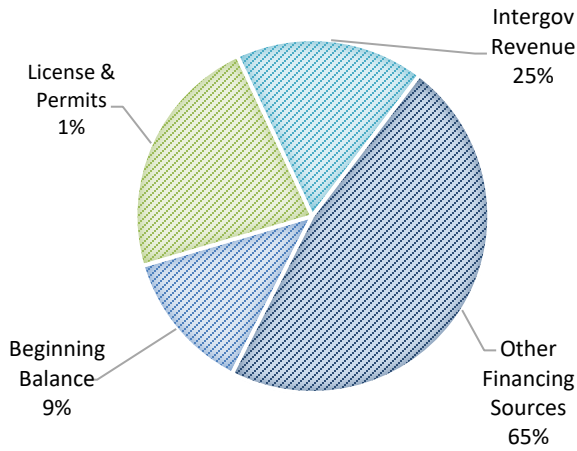
CITY STREET FUND 2025-2026 TOTAL USES



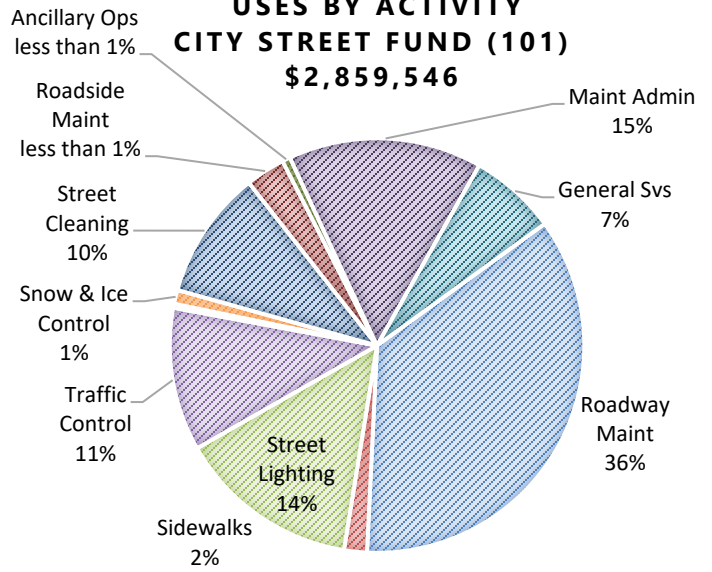
*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 101 CITY STREET RESOURCES						
BEGINNING BALANCE	123,527	23,279	374,594	382,753	267,789	382,753
LICENSES & PERMITS	25,395	272,831	275,606	333,177	333,177	666,354
INTERGOVERNMENTAL	260,995	288,681	343,607	252,863	258,422	511,285
MISCELLANEOUS	18,736	21,580	6,950	7,725	7,725	15,450
OTHER FINANCING SOURCES	791,000	957,000	896,000	689,500	702,500	1,392,000
TOTAL RESOURCES	1,219,653	1,563,371	1,896,757	1,666,018	1,569,613	2,967,842
FUND 101 CITY STREET USES						
SALARIES & WAGES	463,576	447,485	452,680	461,009	480,529	941,538
BENEFITS	175,997	192,811	198,093	201,346	216,254	417,600
SUPPLIES	167,906	126,086	140,750	147,413	147,418	294,831
OTHER SERVICES & CHARGES	407,427	422,630	722,481	588,461	616,096	1,204,557
OTHER FINANCING USES	-	-	-	-	-	-
FUND BALANCE	4,747	374,359	382,753	267,789	109,316	109,316
TOTAL USES	1,219,653	1,563,371	1,896,757	1,666,018	1,569,613	2,967,842

**2025-2026
RESOURCES
CITY STREET FUND (101)
\$2,967,842**

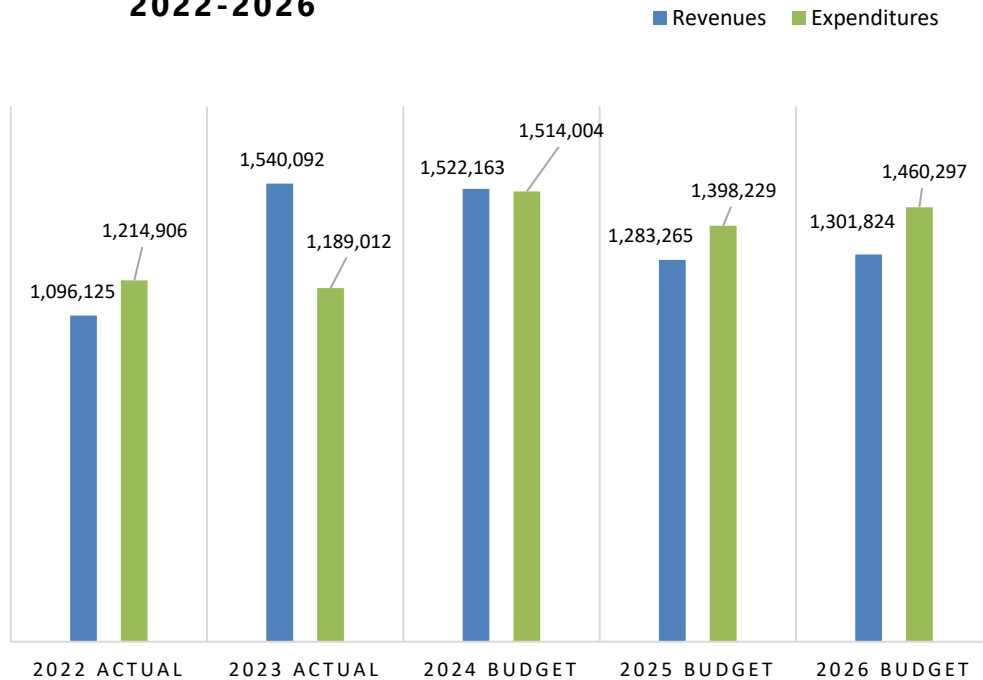


**2025-2026
USES BY ACTIVITY
CITY STREET FUND (101)
\$2,859,546**



Note: Uses are shown exclusive of fund balance.

**CITY STREET FUND (101)
2022-2026**



CITY STREET FUND (101)

PROGRAM DESCRIPTION:

The Street Fund is a Special Revenue Fund providing for the repair and maintenance of the City's transportation system, which includes streets and right-of-way, 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 City of Poulsbo's special events including, but not limited to, Halloween Street Closure, Viking Fest, Arts by the Bay, Annual Street Dance, Bike Criterium, Marathons, Boat Rendezvous and installation and removal of special event banners and lighting.
- **Street and Pedestrian Lighting:**
Installation and maintenance of street and pedestrian lighting. A large push to replace all street lighting with LED service.

STAFFING LEVEL:

The Street Maintenance program is staffed with 3 full-time equivalent positions (FTE's), providing for the operation, maintenance, and repair of the system.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- City's street sweeping/vacuuming program
- Installation of thermos-plastic to maintain crosswalks and stop bars
- Performed routine scheduled/emergency maintenance and repair of streets, roadways, alleys, parking lots, sidewalks and trails, and street lighting
- Performed routine maintenance of roadsides and right of ways
- Maintenance and repair of traffic control devices and signage infrastructure
- Maintained city regulatory/guide signs
- Support of capital projects
- Pothole/asphalt repairs and crack sealing
- Annual striping program of parking stalls, centerlines, fog lines, and crosswalks, including ADA parking stalls
- Support of special events by preparing signs, and placement of barricades/cones

- Installed and removed traffic counters at various locations
- Grinding sidewalk trip hazards
- Cleaning of pervious roadways, sidewalks, bike lanes, and parking stalls
- Installation of sign post reflective wraps
- Developing a comprehensive streets inventory and maintenance program
- Neighborhood Streets Chip Seal, Seal Coat program continued
- Neighborhood Preservation Project extended the life of 1.8 miles of neighborhood roadways. Sealcoating was completed in Stendahl Ridge and Staffordshire.

2025-2026 GOALS AND WORK PLAN:

- There is a current request for an addition of one FTE in 2024 to help perform duties in a more proactive way. This position was put on hold and will be requested in 2025.
- Continue developing and implementing the streets maintenance program
- Develop and implement a sidewalk maintenance program for needed repairs.
- Continue Neighborhood Preservation project, extending neighborhood street life.
- Continue update of sign inventory
- Continue asphalt/crack seal program
- Clean and maintain pervious pavements
- Thermo-plastic striping placements
- Painting crosswalks and parking stalls
- Routine scheduled maintenance and repair of roadways, alleys, parking lots, sidewalks, trails and signage
- Expand ADA sidewalk access program to include more intersections
- Continue the Speed Management / Safety Program
- Accomplish appropriate vegetation control
- Street de-icing or sanding and snow removal
- Continue traffic sign reflectivity compliance program as directed by the Manual on Uniform Traffic Control Devices (MUTCD)

2025-2026 REVENUE SOURCES:

The Street Maintenance Fund (101) derives most 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.

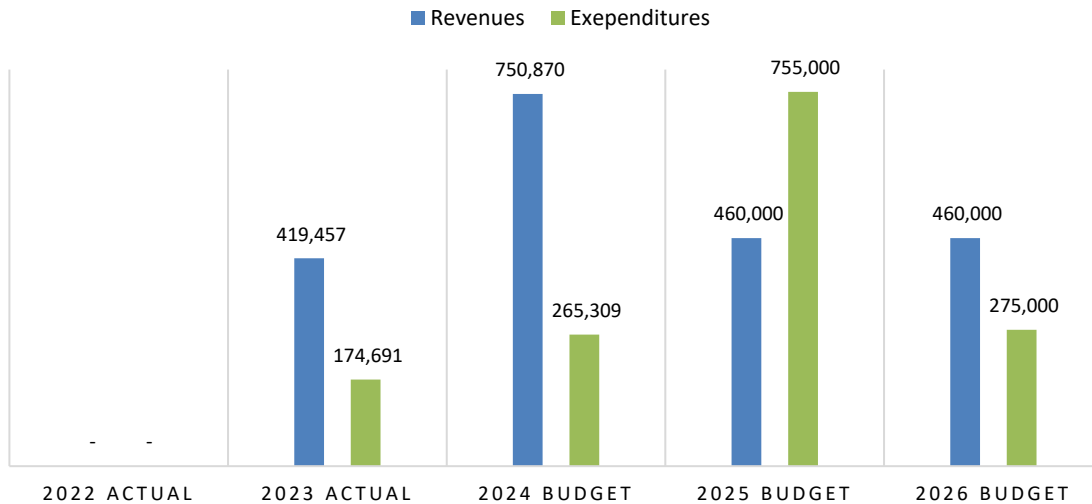
2025-2026 EXPENDITURES:

The 2025-2026 operation and maintenance program will be a continuation of the 2023-2024 program and will include the operation, maintenance, and repair of the City's transportation systems.

NEIGHBORHOOD STREETS FUND 110

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 110						
NEIGHBORHOOD STREETS						
RESOURCES						
BEGINNING BALANCE	-	410,870	244,766	730,327	435,327	730,327
CAR TAB FEES	-	419,457	340,000	460,000	460,000	920,000
TRANSFERS IN	-	-	410,870	-	-	-
TOTAL RESOURCES	-	830,327	995,636	1,190,327	895,327	1,650,327
FUND 110						
NEIGHBORHOOD STREETS						
USES						
SALARIES & WAGES	-	-	-	-	-	-
BENEFITS	-	-	-	-	-	-
SUPPLIES	-	73	-	-	-	-
OTHER SERVICES & CHARGES	-	160,118	265,309	250,000	-	250,000
OTHER FINANCING USES	-	14,500	-	505,000	275,000	780,000
FUND BALANCE	-	655,636	730,327	435,327	620,327	1,650,327
TOTAL USES	-	830,327	995,636	1,190,327	895,327	2,680,327

NEIGHBORHOOD STREETS FUND (110) 2022-2026



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

NEIGHBORHOOD STREETS FUND (110)

PROGRAM DESCRIPTION:

A new fund was established mid-2022 to account for the City's new Transportation Benefit District (TBD) with intended expenses to be used for maintenance of neighborhood street projects.

The TBD was established with an ordinance passed by the City Council allowing the \$20 car tab fee to be utilized for maintenance and improvements to neighborhood streets. Street improvements are not usually eligible for grant funds, meaning all improvements are supported by local taxes and fees. The City Council implemented the TBD to provide sustainable funding for these types of projects. Public Works will manage the budget and a schedule for city wide improvements, strategizing and prioritizing the improvements.

Revenue to support the neighborhood streets projects is placed in the Operations, 110 side of Street Transportation Benefit District Resources to support Seal Coat Projects as well as transferring funds to Capital, 310 for Chip Seal Projects

2025-2026 REVENUE SOURCES:

For fiscal years 2025 and 2026 this fund's revenue will be derived from car tab fees and a sales tax split between Street Maintenance and Neighborhood Streets.

Revenue projections including interest are:

- 2025 - \$460,000
- 2026 - \$460,000

2025-2026 EXPENDITURES:

A transfer has been budgeted in each year to fund 310 for capital neighborhood street expenditures if/when projects commence.

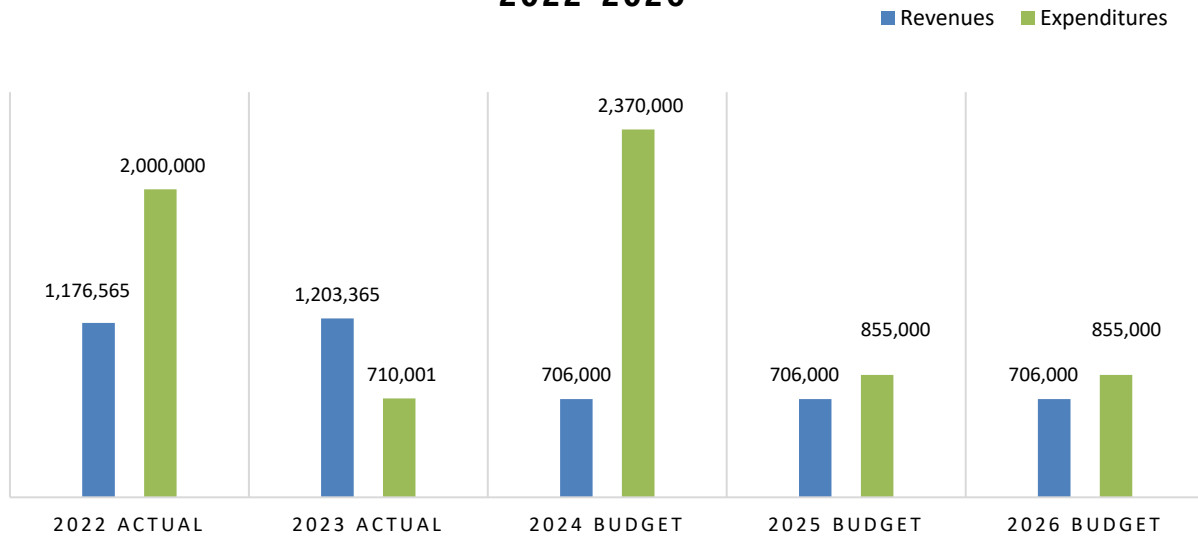
Improvements have been scheduled in 2025 and 2026 for Seal Coat projects. Transfer funding to 310 Chip Seal projects in 2025 and 2026. A pavement assessment is budgeted for \$100,000 in 2025.

- **2025** Transfer for \$80,000 to Fund 310 for capital equipment purchase for street repair
- **2025 Seal Coat Projects, \$575,000, transfer amount to Fund 310**
 - Caldart Heights
 - Phase 4&5 Forest Rock Division
 - Noll Valley Loop
 - Larson Ct
 - Poulsbo Gardens
- **2026 Seal Coat Projects, \$275,000, transfer amount to Fund 310**

CAPITAL IMPROVEMENT FUND 121

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 121						
CAPITAL IMPROVEMENT						
RESOURCES						
BEGINNING BALANCE	3,280,670	2,457,235	2,950,599	1,286,599	1,137,599	1,286,599
TAXES	1,190,701	1,126,039	700,000	700,000	700,000	1,400,000
MISCELLANEOUS	(14,135)	77,326	6,000	6,000	6,000	12,000
TOTAL RESOURCES	4,457,236	3,660,600	3,656,599	1,992,599	1,843,599	2,698,599
FUND 121						
CAPITAL IMPROVEMENT						
USES						
OTHER FINANCING USES	2,000,000	710,001	2,370,000	855,000	855,000	1,710,000
FUND BALANCE	2,457,235	2,950,599	1,286,599	1,137,599	988,599	988,599
TOTAL USES	4,457,235	3,660,600	3,656,599	1,992,599	1,843,599	2,698,599

CAPITAL IMPROVEMENT FUND (121) 2022-2026



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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. Funds were transferred to support the Noll Road project.

2025-2026 REVENUE SOURCES: As previously stated, much 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.

The revenue is very difficult to estimate, as it is solely dependent on the number of real estate transactions made within any year. 2022 and 2023 revenue exceeded projections, due to a strong housing market continuing. Revenue projections remain conservative based on the economic outlook showing a decline in the housing market, but strong enough to knowingly support the planned future uses.

- 2025- \$706,000
- 2026 - \$706,000

2025-2026 EXPENDITURES: The CIP is prepared and collaborated by City staff. A City Council workshop reviewed the strategic plan and address long-term policy planning, including capital improvement planning, as part of the City's comprehensive plan. The Finance Department (Budget) will address short-term planning which falls under the budget process congruent with capital improvement projects 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 2024 Fund and funds for neighborhood streets transportation improvements will also be transferred. A portion of the funds will be transferred to the Debt Service Fund (204) to support the debt payment for the existing City Hall

- 2025 Transfers
 - \$250,000 for City Hall Debt
 - \$275,000 future debt payments related to the next phase of Noll Road. Anticipated debt issue to occur in 2025.
 - \$330,000 future debt payments related to Poulsbo's share of building of a new Public Event Recreation Center (PERC).

- 2026 Transfers
 - \$250,000 for City Hall Debt
 - \$275,000 future debt payments related to the next phase of Noll Road. Anticipated debt issue to occur in 2025.
 - \$330,000 future debt payments related to Poulsbo’s share of building of a new Public Event Recreation Center (PERC).

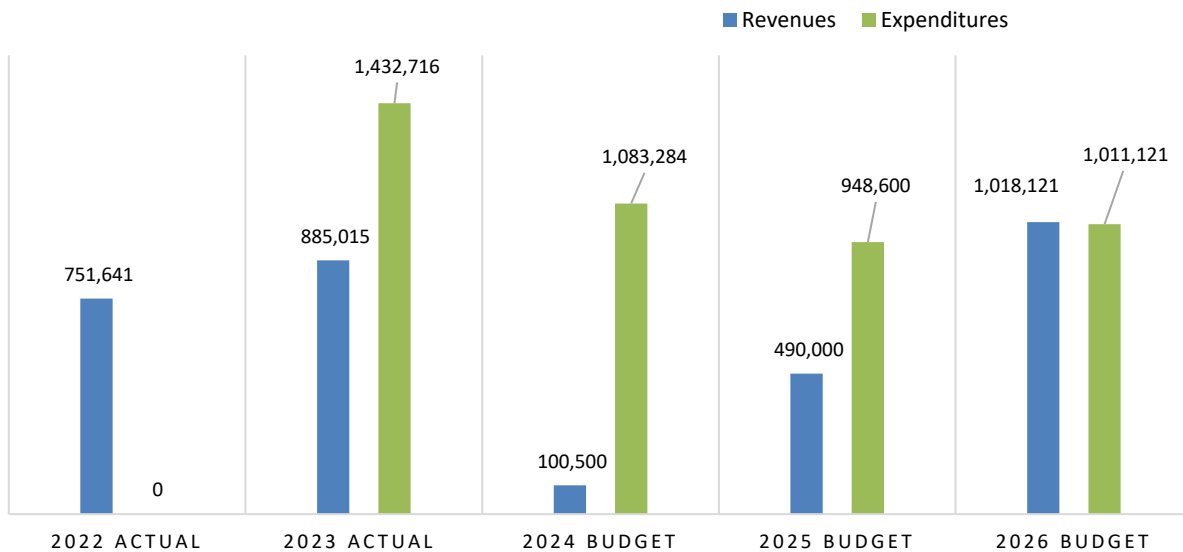


FIELDS-FIRST APPROACH - JULY 22, 2022
POULSBO EVENT & RECREATION CENTER STUDY

TRANSPORTATION DEVELOPMENT FUND 123

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 123						
TRANSPORTATION DEVELOPMENT						
RESOURCES						
BEGINNING BALANCE	1,439,299	1,990,939	1,443,238	460,454	1,854	460,454
CHARGE FOR SERVICES	765,912	812,260	100,000	480,000	1,011,121	1,491,121
MISCELLANEOUS	(14,271)	72,755	500	10,000	7,000	17,000
TOTAL RESOURCES	2,190,940	2,875,954	1,543,738	950,454	1,019,975	1,968,575
FUND 123						
TRANSPORTATION DEVELOPMENT						
USES						
OTHER FINANCING USES	-	1,432,716	1,083,284	948,600	1,011,121	1,959,721
FUND BALANCE	2,190,940	1,443,238	460,454	1,854	8,854	8,854
TOTAL USES	2,190,940	2,875,954	1,543,738	950,454	1,019,975	1,968,575

TRANSPORTATION DEVELOPMENT FUND (123)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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 transportation improvements necessary for growing traffic needs.

2025-2026 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:

- 2025 - \$490,000
- 2026 - \$1,018,121

2025-2026 EXPENDITURES:

Transfers are planned to support funding for the following projects:

2025

- Street reserves - \$900,000
 - \$200,000 Third Avenue
 - \$150,000 ADA Upgrades
 - \$550,000 Noll Road next phase
- General Fund
 - \$48,600 to support study of 8th Avenue for future transportation project. This is the City's match for a grant

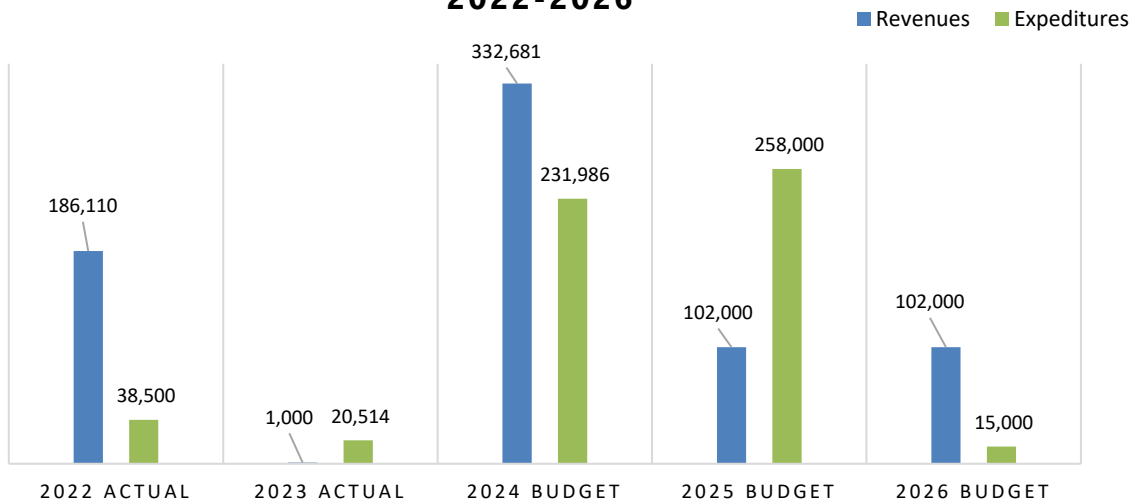
2026

- Street Reserves - \$1,011,121
 - Noll Road Project

PARK DEVELOPMENT FUND 124

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 124						
PARK DEVELOPMENT						
RESOURCES						
BEGINNING BALANCE	273,292	420,901	733,069	412,083	256,083	412,083
CHARGE FOR SERVICES	184,286	317,236	-	100,000	100,000	200,000
MISCELLANEOUS	1,824	15,445	1,000	2,000	2,000	4,000
TOTAL RESOURCES	459,402	753,582	734,069	514,083	358,083	616,083
FUND 124						
PARK DEVELOPMENT						
USES						
OTHER FINANCING USES	38,500	20,514	321,986	258,000	15,000	273,000
FUND BALANCE	420,902	733,068	412,083	256,083	343,083	343,083
TOTAL USES	459,402	753,582	734,069	514,083	358,083	616,083

PARK DEVELOPMENT FUND (124) 2022-2026



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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 Growth Management Act (GMA) and the Park, Recreation and Open Space element of the City's Comprehensive Plan. The funds shall be used for the acquisition of land, cost of planning, or capital improvements of land to be used for public park purposes. The fund is administered by the Parks & Recreation Department.

2025-2026 REVENUE SOURCES:

Park impact 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. Revenue has been projected with funds from anticipated developments which have commenced the planning process and in consultation with the Engineering Department. Revenue projections are hard to estimate as they are transactional based and dependent on projects moving forward. For this reason, projections are conservatively estimated.

Current revenue projections including interest are:

- 2025 - \$102,000
- 2026 - \$ 102,000

2025 - 2026 EXPENDITURES:

Funds are transferred into the Park Reserve Fund (302) which accounts for parks capital projects. In 2023-2024 funds were utilized to make improvements at the Park & Recreation building, which houses the administrative staff and hosts many recreation programs, Play for All at Raab Park, Rotary Morrow Park development, and the Nelson Park caretakers house roof.

For 2025-2026, anticipated Park Impact fee use is slated for the following projects:

- Oyster Plant Park - \$185,000
- Muriel Iverson Williams Park – South End Picnic Area - \$8,000
- Community Recreation Center - \$29,000
- Urban Paths & Trails - \$15,000
- Land Acquisition for (tentative) - \$150,000
- Land Acquisition for three acres at the end of 4th street (tentative) - \$30,000



Muriel Iverson Williams Park – South End Picnic Area

Oyster Plant Park

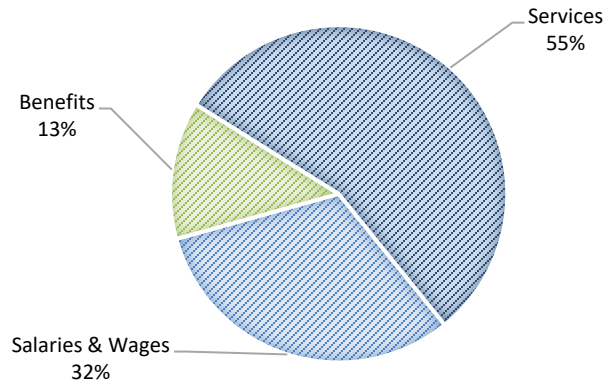


Rotary Morrow Park – Lower Playground



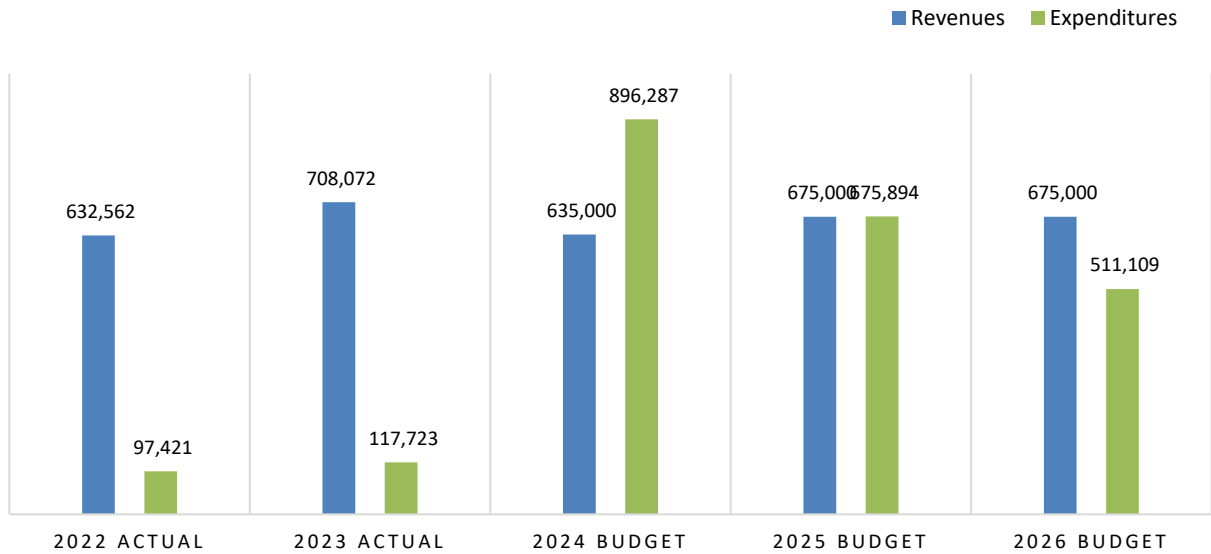
AFFORDABLE HOUSING FUND 125

AFFORDABLE HOUSING FUND 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 125 AFFORDABLE HOUSING RESOURCES						
BEGINNING BALANCE	67,688	660,655	1,251,005	989,718	988,824	989,718
TAXES	630,526	689,967	635,000	675,000	675,000	1,350,000
INTERGOVERNMENTAL	-	-	-	-	-	-
MISCELLANEOUS	2,036	18,105	-	-	-	-
TOTAL RESOURCES	700,250	1,368,727	1,886,005	1,664,718	1,663,824	2,339,718
FUND 125 AFFORDABLE HOUSING USES						
SALARIES & WAGES	28,268	48,589	47,403	243,501	130,629	374,130
BENEFITS	10,617	16,297	13,700	104,393	52,480	156,873
SUPPLIES	-	796	-	-	-	-
SERVICES	58,536	52,040	835,184	328,000	328,000	656,000
FUND BALANCE	602,829	1,251,005	989,718	988,824	1,152,715	1,152,715
TOTAL USES	700,250	1,368,727	1,886,005	1,664,718	1,663,824	2,339,718

AFFORDABLE HOUSING FUND (125)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

AFFORDABLE HOUSING FUND (125)

PROGRAM DESCRIPTION:

State House Bill 1406 was approved, by the State Legislature, in 2019. It creates a sales tax revenue sharing program that allows cities and counties to access a portion of state sales tax revenue to make local investments in affordable housing. House Bill 1406 funds can be used to acquire, rehabilitate, or construct affordable housing, which may include new units of affordable housing within existing structures or facilities providing supportive housing services. In September of 2019, Poulsbo City Council passed Ordinance 2019-15 imposing a local sale and use tax in accordance with this state law. In addition, City Council passed Ordinance 2021-07 in 2021 creating a local sales and use tax for housing and related services. This local fund may be used for affordable housing and (up to 40%) behavioral health related services.

2024 PROGRAM ACCOMPLISHMENTS:

Housing Health and Human Services (H3) manages 1406 and local housing/behavioral health funds, monitors agreements related to these funds and makes expenditure recommendations. In 2024, housing funds were used for emergency rental assistance (approximately \$1,000), support of Kitsap Homes of Compassion (\$6,000), home repairs for low-income residents (up to \$15,000.00), cold-weather shelter staff (\$2,650.00), and pre-construction/construction costs related to the Nordic Cottage Project (\$227,000.00 as of Sept. 2024). Funds were also used for the Housing, Health and Human Services Director’s salary and benefits (25%) and initial salary and benefits (\$11,640.00) for North Kitsap Recovery Resource Center manager, prior to grant funds in early 2024.

2025-2026 REVENUE SOURCES:

2025 Revenues from 1406: \$35,000 (estimated)
2026 Revenues from 1406: \$35,000 (estimated)

2025 Revenues from Local Tax \$640,000 (estimated)
2026 Revenues from Local Tax \$640,000 (estimated)



2025-2026 EXPENDITURES:

All expenditures will be spent in compliance with all state and local laws and planned in conjunction with the City Council.

2025 – We will seek continued Council approval to use state/local housing funds for the Nordic Cottage Project, housing assistance, and emergency rental assistance. 25% of the H3 Director’s salary and benefits are drawn from the local fund. Approximately \$200,000 will be used to support Recovery Resource Center operations if alternative grant funding is not obtained.

2025-2026 PROJECTS AND GOALS:

The Council expressed support for the Affordable Housing Task Force’s recommendations in February 2020. The Housing, Health and Human Services Department will continue to:

- Provide temporary rental assistance for individuals experiencing crisis and displacement.
- Preserve existing affordable housing, including workforce housing.
- Support the creation of temporary affordable housing for low and very low-income individuals.
- Support the creation of long-term affordable housing for chronically vulnerable individual

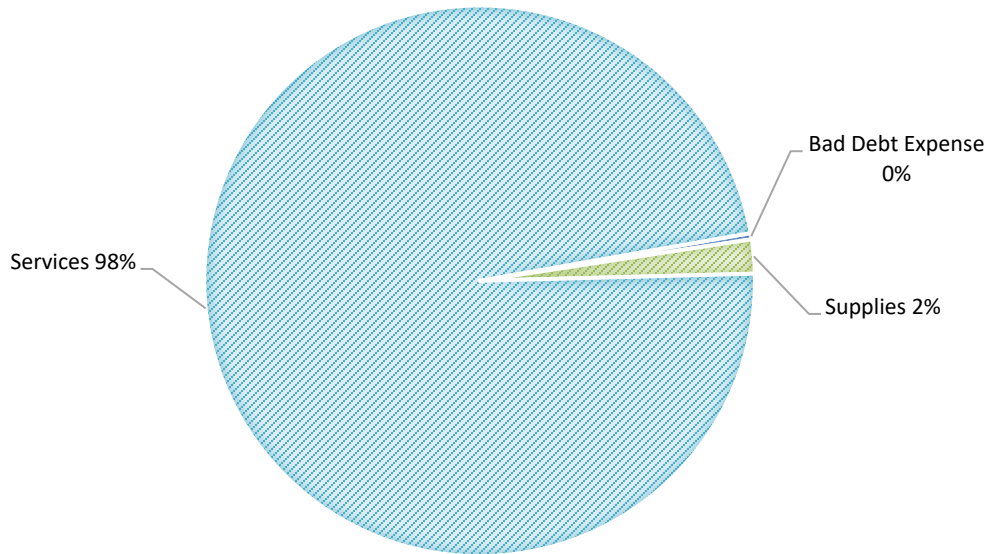


Groundbreaking for the Nordic Cottages – Affordable Senior Housing

HISTORIC DOWNTOWN POULSBO ASSOCIATION (HDBA) FUND 131

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

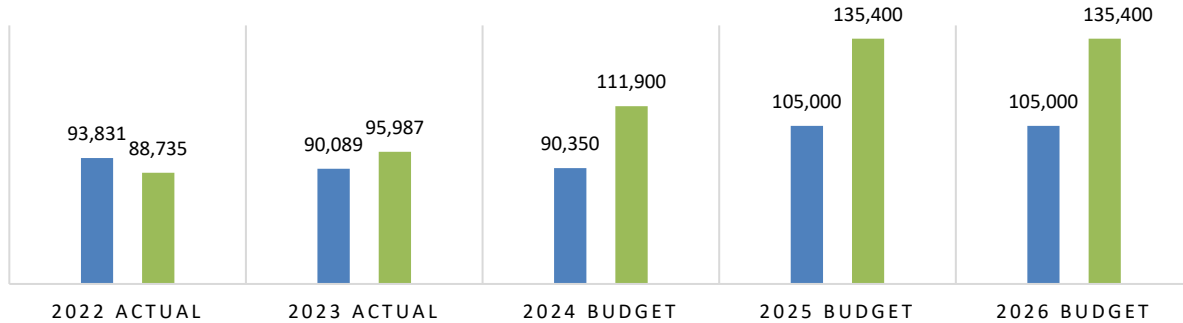
HDBA 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 131						
HISTORIC DWNTWN POULSBO ASSN						
RESOURCES						
BEGINNING BALANCE	98,583	103,680	97,782	76,232	45,832	76,232
MISCELLANEOUS	93,831	90,089	90,350	105,000	105,000	210,000
TOTAL RESOURCES	192,414	193,769	188,132	181,232	150,832	286,232
FUND 131						
HISTORIC DWNTWN POULSBO ASSN						
USES						
BAD DEBT EXPENSE	3,560	3,749	500	500	500	1,000
SUPPLIES	2,683	176	2,500	2,700	2,700	5,400
OTHER SERVICES & CHARGES	82,492	92,062	108,900	132,200	132,200	264,400
FUND BALANCE	103,679	97,782	76,232	45,832	15,432	15,432
TOTAL USES	192,414	193,769	188,132	181,232	150,832	286,232

HDP REVENUES AND EXPENDITURES 2022-2026

■ Revenues ■ Expenditures



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

HISTORIC DOWNTOWN POULSBO ASSOCIATION FUND (HDP) (131)

PROGRAM DESCRIPTION:

In 1988, business owners in the downtown area, with the cooperation of the City, formed a Business Improvement Area Association (BIAA). This organization, dedicated to the beautification and promotion of historic downtown Poulsbo, is known as the "Historic Downtown Poulsbo Association" (HDP).

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 HDP 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 spring and fall and maintained throughout the planting season 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 HDP and maintained by the City of Poulsbo.

Brochures, walking maps, television, radio, internet, and print media are used to promote the downtown area. The association's website provides the names and telephone numbers of each association business member as well as a calendar of events. Live web site links are also provided to all member businesses' websites. The marketing committee has also negotiated favorable advertising rates for Association members.

In 2022, the HDPa contributed to repairs of the downtown clock, and may continue to contribute toward ongoing maintenance as necessary.

The Association also works all year long to host or assist with public events: Viking Fest, Beer Festivals, Waterfront Dance, Where’s Waldo, Street Dance, Poulsbo Film Festival, Liberty Bay Festival, Downtown Trick or Treat, Christmas in Little Norway, Girls Night Out, monthly Art Walks, Ladies Night Out, and other winter activities. The Association is also looking forward to future co-branding with the Sons of Norway and the Maritime/Historical Society.

2025-2026 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.

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

In 2021, the HDPa applied to received grant proceeds from Lodging Tax dollars to be used for marketing. The HDPa was awarded monies from the Lodging Tax Advisory Committee to be used for advertising and promotion of Poulsbo tourism and tourism events. The HDPa has been awarded \$36,300 in Lodging Tax funds for 2023, and hopes to be awarded additional funds in 2024.

2025-2026 EXPENDITURES:

Ongoing:

- Purchase or replacement of beautification elements when needed
- Event planning and marketing
- Television, Radio, and Print Advertising, Digital Marketing
- Website maintenance
- Brochure Printing
- Certified Folder Display Service to Display Walking Maps on WA Ferries
- Co-op ads with Poulsbo Chamber of Commerce and Visit Kitsap Peninsula (VKP), formerly the Kitsap Visitors Convention Bureau.
- Consideration is being given to hire an administrative assistant and/or bookkeeper to help with paperwork, errands, and to keep financial records up to date. This would alleviate some of the burden put on business owners as well as help to maintain continuity as the Board is often in a state of turnover.

Seasonal-Spring

- Contract with a local nursery to supply hanging floral baskets. The baskets and potted containers are maintained and watered by the HDPa with a percentage of the watering bill paid for by the City. These are located on Front and Jensen Streets inside the HDPa boundary.
- Light Maintenance, installing bistro bulbs in the courtyard and maintaining string lighting for those members who wish to participate
- Girls Night Out
- Concerts at the waterfront partnering with the Bremerton Symphony

Seasonal-Fall

- Community "Trick or Treat" in downtown Poulsbo
- Poulsbo Film Festival (supporting and advertising)
- Liberty Bay Festival, partnering with Poulsbo Historical Society and the Maritime Museum
- Potential Classic Car & Boat Show, Partnering with the Port of Poulsbo
- Christmas/Holidays in Poulsbo
 - Decoration of downtown with Christmas banners, lighted garland, placards, and wreaths
 - Father Christmas and the Giving Tree (contributions collected for Fishline)
 - Free horse and carriage rides (exploring other options as speed bumps and exponential price increases and availability may limit this activity in the future)
 - Streetside and waterfront holiday cheer (Caroling, Lighted Boat Parade, Christmas Ship)
 - Increased on-line presence and print advertising campaign reinforcing - "Experience Little Norway"
 - Advertising campaign with Kitsap Newspaper Group - Holiday Gift Guide
- Art Walks, Monthly Events and shoulder season promotion
- Comcast commercial
- Oktoberfest with our local breweries
- Participate/promote Winter Rendezvous, an annual gathering of boaters and non-boaters to promote use of watercraft and water resources all year long, not only in the summer months.

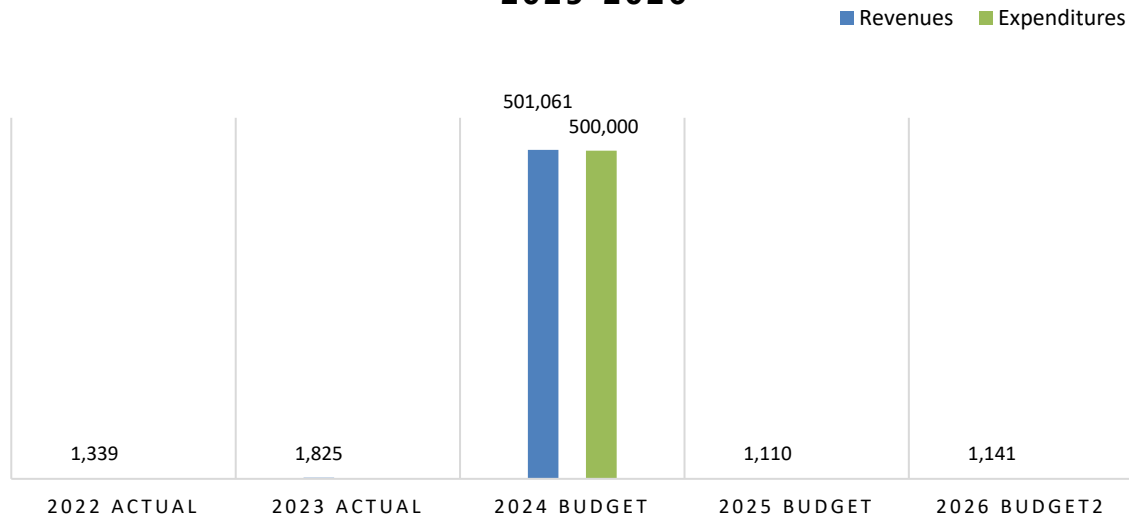


PATHS & TRAILS RESERVE FUND 161



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 161 PATHS AND TRAILS RESOURCES						
BEGINNING BALANCE	22,019	23,438	25,262	26,323	27,433	26,323
INTERGOVERNMENTAL	1,124	1,129	501,061	1,110	1,141	2,251
MISCELLANEOUS	215	696	-	-	-	-
TOTAL RESOURCES	23,358	25,263	526,323	27,433	28,574	28,574
FUND 161 PATHS AND TRAILS USES						
OTHER FINANCING USES	-	-	500,000	-	-	-
FUND BALANCE	23,359	25,263	26,323	27,433	28,574	28,574
TOTAL USES	23,359	25,263	526,323	27,433	28,574	28,574

**PATH & TRAILS RESERVE FUND (161)
2025-2026**



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

PATHS & TRAILS RESERVE FUND (161)

PROGRAM DESCRIPTION:

The purpose of this fund is to track revenue and expenditures associated with the paths and trails reserve fund. This fund is administered by the Public Works Department.

2025-2026 REVENUE SOURCES:

0.5% of the State Motor Vehicle Fuel Tax is designated to be used specifically for path and trail purposes. The tax is a State shared revenue and is distributed to cities based on their population. The following projections are estimated for the 2025-2026 budget cycle. The City has also been awarded a \$500,000 Federal grant for an Alternative Analysis and Predesign Study for connections to and from the Sound to Olympics (STO) shared use path in North Kitsap County.

2025: \$1,110

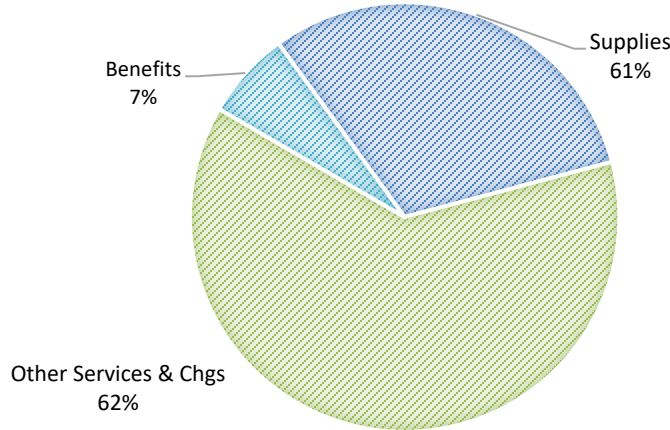
2026: \$1,141

2025-2026 EXPENDITURES:

The Engineering Department was awarded a RAISE (Rebuilding American Infrastructure with Sustainability and Equity) grant in the amount of \$500,000 to do an Alternatives Analysis and Predesign Study for connections to and through historic downtown Poulsbo that enhance the Sound to Olympics (STO) shared use path system in North Kitsap. These connections will allow STO users to enhance their experience on the STO via access to major shopping, dining and recreation opportunities in and around the historic downtown core of Poulsbo

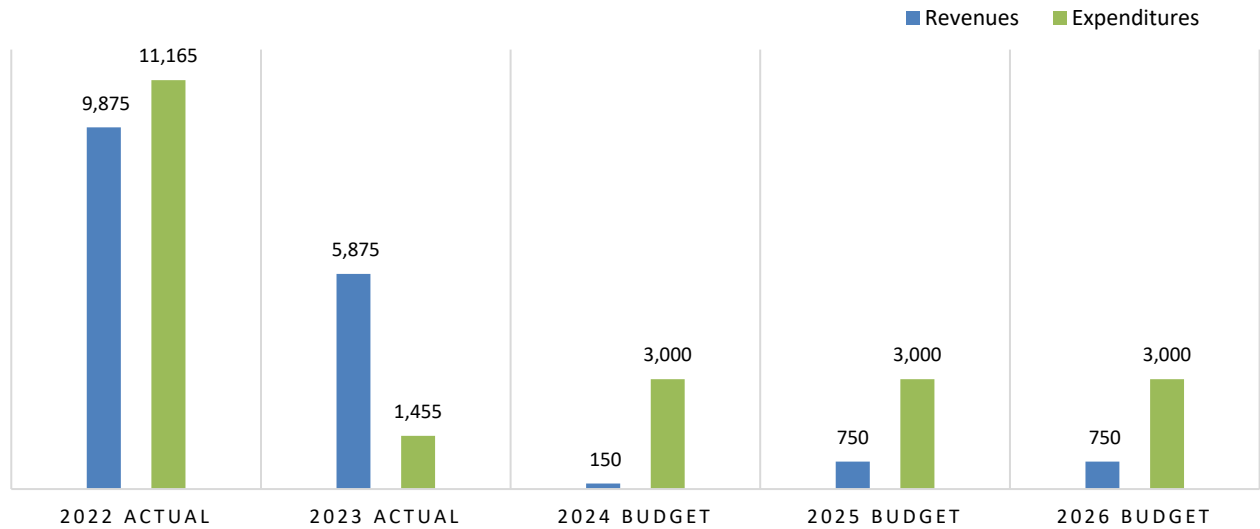
DRUG ENFORCEMENT FUND 171

DRUG ENFORCEMENT FUND 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 171						
DRUG ENFORCEMENT						
RESOURCES						
BEGINNING BALANCE	45,962	31,313	44,027	28,877	14,477	28,877
FINES AND FORFEITURES	9,442	4,559	-	-	-	-
MISCELLANEOUS	433	1,316	150	750	750	1,500
TOTAL RESOURCES	55,837	37,188	44,177	29,627	15,227	30,377
FUND 171						
DRUG ENFORCEMENT						
USES						
SALARIES & WAGES	-	-	2,250	-	-	-
BENEFITS	509	-	500	1,000	1,000	2,000
SUPPLIES	175	-	1,750	4,675	4,675	9,350
OTHER SERVICES & CHARGES	10,481	1,456	13,500	9,475	9,475	18,950
OTHER FINANCING USES	-	-	-	-	-	-
FUND BALANCE	44,672	35,732	26,177	14,477	77	77
TOTAL USES	55,837	37,188	44,177	29,627	15,227	30,377

DRUG ENFORCEMENT FUND (171) 2022-2026



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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 of Poulsbo Police Department. The monies deposited in this fund shall be expended for these purposes only.

At the end of the budget year, any unexpended funds shall remain in the fund and be carried forward from year to year until expended for drug enforcement.

2023-2024 ACCOMPLISHMENTS:

- Continue a successful partnership with Kitsap County SWAT Team
- Increased emphasis on narcotics training and enforcement for Detectives, Officers, and Sergeants.
- Further community outreach as it relates to drug awareness and education.
- Held a Community Forum: Crime and Drugs in Poulsbo
- Re-Introduced K-9 Detection program
- Continued Partnership with Kitsap County Prosecutors Office for training

- **2025-2026 GOALS**
- Take appropriate enforcement action to reduce drug dealing in Poulsbo
- Increase our seizure of cash and property
- Continue strong partnership with Recovery Resource Center

2025-2026 RESOURCES:

As described, resources are derived from monies and property seized during drug investigations. The City is very conservative in this revenue estimate because of the type of activity that generates the revenue.

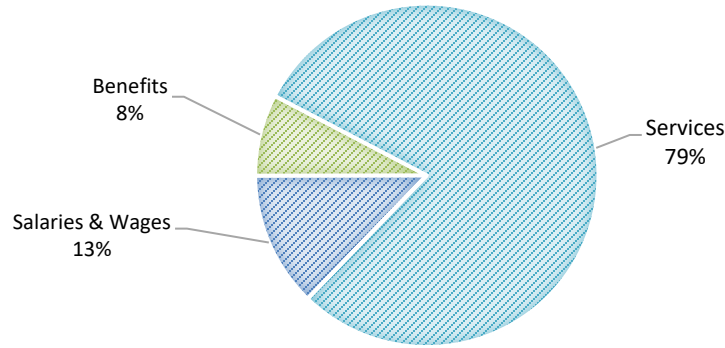
Certain law enforcement activities in concert with federal drug enforcement agencies such as the Drug Enforcement Agency (DEA) or the Department of Homeland Security (DHS) may result in reimbursement of overtime costs.

2025-2026 EXPENDITURES:

Expenditures for 2025-2026 comply with the prior baseline budget.

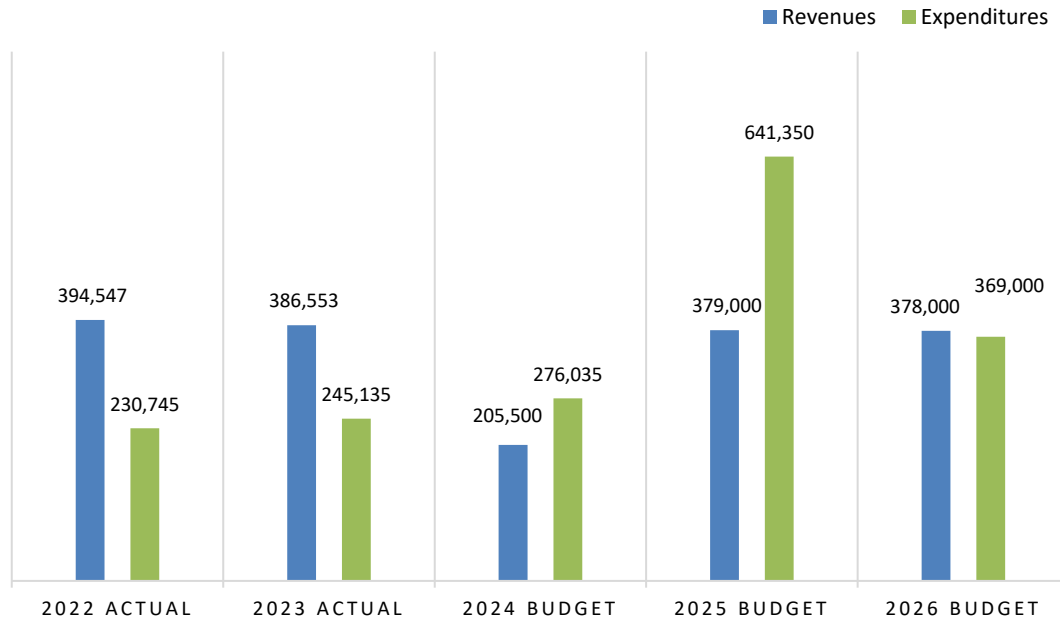
TRANSIENT OCCUPANCY TAX FUND 181

TRANSIENT OCCUPANCY TAX FUND 2025-2026 USES



ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 181						
TRANSIENT OCCUPANCY TAX						
RESOURCES						
BEGINNING BALANCE	208,678	378,481	519,899	449,364	187,014	449,364
TAXES	333,956	366,408	195,000	365,000	365,000	730,000
MISCELLANEOUS	60,591	20,145	10,500	14,000	13,000	27,000
TOTAL RESOURCES	603,225	765,034	725,399	828,364	565,014	1,206,364
FUND 181						
TRANSIENT OCCUPANCY TAX						
USES						
SALARIES & WAGES	39,663	65,478	61,435	62,125	66,691	128,816
BENEFITS	23,732	35,202	36,097	37,086	40,675	77,761
OTHER SERVICES & CHARGES	-	142,571	178,503	542,139	-	542,139
MISCELLANEOUS	167,349	1,884	-	-	261,634	261,634
FUND BALANCE	372,481	519,899	449,364	187,014	196,014	196,014
TOTAL USES	603,225	765,034	725,399	828,364	565,014	1,206,364

TRANSIENT OCCUPANCY TAX FUND (181)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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 (LTAC). As per requirements outlined in RCW 67.28.1817, the Committee must consist of at least five members of whom at least two are representatives from businesses that collect the tax, at least two which are persons involved in activities funded by the tax, and one member from the city who acts as chair. The second 2% tax is subject to recommendations by the lodging tax advisory committee and RCW 67.28.1815 which states, "All revenue from (these) taxes shall be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition or tourism-related facilities, or operation of tourism-related facilities."

Eligible activities/projects, as defined 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:

- a) Tourism marketing
- b) The marketing and operations of special events and festivals designed to attract tourists.
- c) Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district created under chapters 35.57 and 36.100 RCW; or
- d) Supporting the operations of tourism-related facilities owned or operated by nonprofit organizations described under 26 U.S.C. Sec. 501 c (3) and 26 U.S.C. Sec. 501c (6) of the internal revenue code of 1986, as amended.

2025-2026 REVENUE SOURCES:

The City has four hotels, several VRBOs (Vacation Rental by Owner) and Air BNBs (Bed and Breakfast) on which the tax is levied. Two hotels opened their doors in 2021, and the City continues to regularly monitor the revenue for future funding opportunities. The State collects the tax and remits it back to the City on a monthly basis. The City will transfer \$10,000 to the fund in support of the new Event Coordinator. Revenue projections including interest are:

- 2025 - \$379,000
- 2026 - \$378,000

2025-2026 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 (LTAC). The Committee then makes a recommendation to City Council for approval.

2025 funding allocations utilized the following guidelines for decision making:

Extra-weighting given to applications demonstrating:

- New applicants that focus on a) tourism marketing and b) marketing and operations of special events and festivals designed to attract tourists.
- Events created during the off-season: October – April (Spring/Fall/Winter).
- Proven overnight stays in lodging facilities within City limits.

Secondary considerations include:

- City of Poulsbo departments may apply for funds if the request aligns with the RCWs.
- Applicant operations should become more self-sustaining over time.
- Designating 25% or less of funding to be used towards application operations.
- Demonstrable proportionality of 75% or more of awarded funding to be focused on Poulsbo –

pertinent to regional organizations

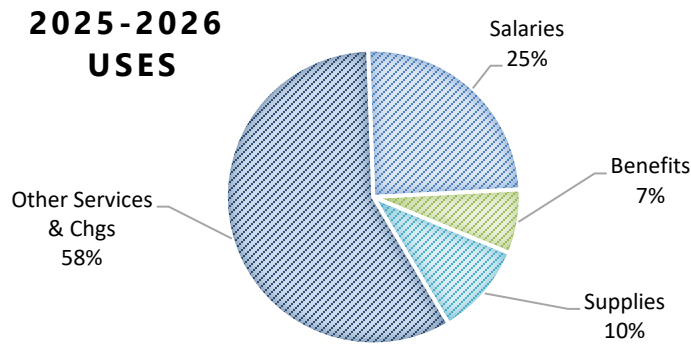
LTAC's funding recommendations encompass a strategic decision to retain an elevated level of reserves with the intentionality to position the committee to have greater flexibility to meet expected future needs as Poulsbo continues to grow.

This decision retains advantages to fund new opportunities such as supporting tourism centered capital projects such as the Poulsbo Event and Recreation Center's tournament fields, drawing new regional, state, and national events to Poulsbo, and greatly expanding tourism marketing.

Organization	2025 Committee Recommendation
Blue Star Banner Program	\$2,000
City of Poulsbo	\$249,000
Historic Downtown Poulsbo Association (HDPa)	\$50,000
Kitsap Bazaar*	\$1,000
Kitsap Winery Alliance	\$4,000
Liberty Bay Books*	\$5,000
Orca Running	\$1,000
Poulsbo Blues and Jazz Festival	\$30,000
Poulsbo Chamber of Commerce & Visit Poulsbo	\$50,000
Poulsbo Community Orchestra (PCO)	\$3,500
Poulsbo Film Festival (PFF)	\$20,000
Poulsbo Historical Society (PHS)	\$30,000
Viking Fest Corp	\$35,000
Visit Kitsap Peninsula (VKP)	\$55,000
WWU SEA Discovery Center	\$105,850
	\$ 641,350

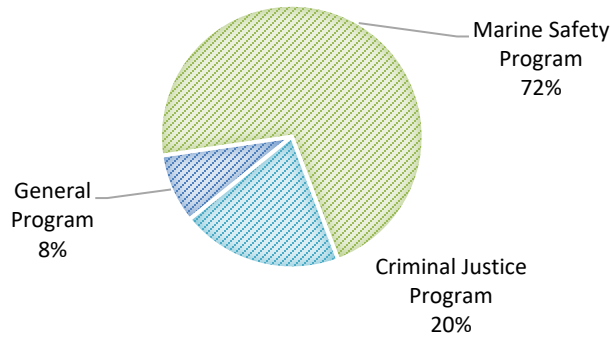
If the 2025 LTAC funding recommendations are approved, \$187,014 will remain in reserves. Funding for 2026 will follow the same budgetary process as 2025.

POLICE RESTRICTED FUND 191



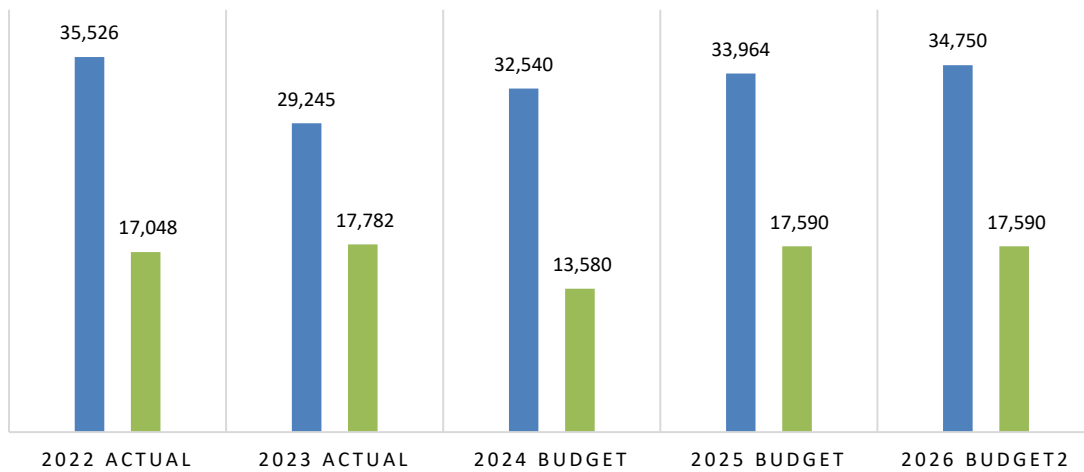
ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 191						
POLICE RESTRICTED						
RESOURCES						
BEGINNING BALANCE	169,625	188,103	199,566	218,526	234,900	218,526
INTERGOVERNMENTAL	24,747	15,809	16,740	25,714	26,500	52,214
FINES AND FORFEITURES	9,293	8,327	15,300	7,500	7,500	15,000
MISCELLANEOUS	1,486	5,109	500	750	750	1,500
OTHER FINANCING SOURCES	-	-	-	-	-	-
TOTAL RESOURCES	205,151	217,348	232,106	252,490	269,650	287,240
FUND 191						
POLICE RESTRICTED						
USES						
SALARIES & WAGES	4,347	2,173	4,000	4,350	4,350	8,700
BENEFITS	1,407	732	1,180	1,240	1,240	2,480
SUPPLIES	835	723	2,900	1,800	1,800	3,600
OTHER SERVICES & CHARGES	10,459	14,154	5,500	10,200	10,200	20,400
CAPITAL OUTLAY	-	-	-	-	-	-
FUND BALANCE	188,103	199,566	218,526	234,900	252,060	252,060
TOTAL USES	205,151	217,348	232,106	252,490	269,650	287,240

**2025-2026
USES BY PROGRAM
POLICE RESTRICTED FUND
\$35,180**



**POLICE RESTRICTED FUND (191)
2022-2026**

■ Revenues ■ Expenditures



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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, which consists of three identified activities. The restricted programs are Marine Safety, Criminal Justice, and General Restricted.

2025-2026 GOALS and WORK PLAN:

- Continue a successful Marine Safety Program and secure WA St Parks Grant for funding.
- Identify further innovative law enforcement strategies and programs.

2025-2026 RESOURCES:**Vessel Registration Fees:**

Money is allocated to counties with eligible boat safety programs approved by the State Parks and Recreation Commission. Distribution is based on the number of registered vessels by county of moorage. The county is responsible for equitable allocation to other jurisdictions with approved programs within the county. (RCW 88.02.040)

Criminal Justice Programs:

Criminal Justice funds must be used for innovative law enforcement strategies (RCW 82.14.330(2)(a)), programs helping at-risk children or child abuse victims (RCW 82.14.330(2)(b)), or programs reducing the level of domestic violence (RCW 82.14.330(2)(c)).

General Program:

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

DEBT SERVICE FUND (204)

This fund accounts 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.

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 204						
NON-VOTED GENERAL OBLIGATION DEBT						
RESOURCES						
BEGINNING BALANCE	12,361	7,728	7,637	8,405	8,554	8,405
MISCELLANEOUS	3,442	153	250	150	150	300
OTHER FINANCING SOURCES	1,043,503	1,187,559	1,184,238	2,543,063	2,275,706	4,818,769
TOTAL RESOURCES	1,059,306	1,195,440	1,192,125	2,551,618	2,284,410	4,827,474
FUND 204						
NON-VOTED GENERAL OBLIGATION DEBT						
USES						
DEBT SERVICE - PRINCIPAL	784,665	928,072	956,314	2,346,758	2,112,457	4,459,215
DEBT SERVICE - INTEREST	266,912	259,732	227,406	196,306	162,621	358,927
DEBT SERVICE - ISSUE COSTS	-	-	-	-	-	-
FUND BALANCE	7,728	7,637	8,405	8,554	9,332	9,332
TOTAL USES	1,059,305	1,195,440	1,192,125	2,551,618	2,284,410	4,827,474

TYPES OF GOVERNMENTAL DEBT:

Voted General Obligation (GO) Bonds: These bonds are the most common form of debt issuance by governments for general purpose, open space, parks, and infrastructure. The bonds offer maximum security to investors through the pledge of the issuer's full faith and credit. These GO bonds require 60% voter approval and assess property owners a special tax levy. The City has no Voted GO debt issued at this time.

Non-Voted General Obligation (GO): This debt is backed by the credit and taxing power of the City to meet its non-voted debt service obligations up to a statutory limit. This debt is issued without voter approval for capital purposes only. The debt can also be in the form of purchase, sales, or lease contracts. Typically, these types of debts are very simple financial arrangements between the government and the vendor who is providing the property being acquired.

Public Works Trust Fund Loan (PWTF): This debt is a low interest intergovernmental loan from Washington State's Public Works Board that is used for repairing, replacing, or creating domestic water systems, sanitary sewer systems, storm sewer systems, roads, and solid waste public works projects.

Revenue Bonds: Bonds that are used for financing construction or improvements to facilities of enterprise systems such as water, sewer, solid waste, and storm drain. Revenue Bonds are retired by means of revenue in proprietary funds. There is no general tax liability for these obligations. Revenue bond debt is accounted for in the enterprise funds (400's) and is controlled by bond covenants.

Local Option Capital Asset Lending (LOCAL) Program Debt: A financing contract with the Office of the State Treasurer for financing equipment and capital needs.

Limited Tax General Obligation (LTGO) Bond Anticipation Note: An obligation which is used for meeting immediate financing needs of a project for which funding has been secured but not received.

- All debt funds are administered by the City's Finance Department •

SUMMARY OF THE CITY'S DEBT SERVICE FUND

FUND 204 - NON-VOTED GENERAL OBLIGATION DEBT
<i>2015 LTGO Debt</i>
In late 2015, the City secured a \$7,320,000 Limited Tax General Obligation Bond. \$3,080,000 was obligated to refund the 2005 Municipal Campus Debt and \$4,225,000 was obligated to refund the callable portion of the 2009 City Hall Debt. 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>2021 Refunding of 2012 City Hall</i>
In early 2021, the City secured a \$1,269,475 Refunding Bond with the 2021 Limited Tax General Obligation Bond funding. This will refund the 2012 Limited Tax General Obligation Bond for City Hall debt and will be paid off in 2031.
<i>2021 LTGO Noll Road & Public Works Building</i>
In February 2021, the City secured a \$5,021,600 Limited Tax General Obligation Bond to fund road improvements not funded through grants or City reserves, and to purchase land and a building, which included improvements for a New Public Works Facility that opened in 2022. This bond will be paid in full in 2040.
<i>2022 Vehicle Fleet Debt</i>
In 2022, the City financed \$520,000 to purchase 9 new fleet vehicles with a LOCAL Certificate of Participation with the State of Washington. This will replace 8 Police Department vehicles and one vehicle for the Engineering Department. This debt will be paid off in June of 2026.

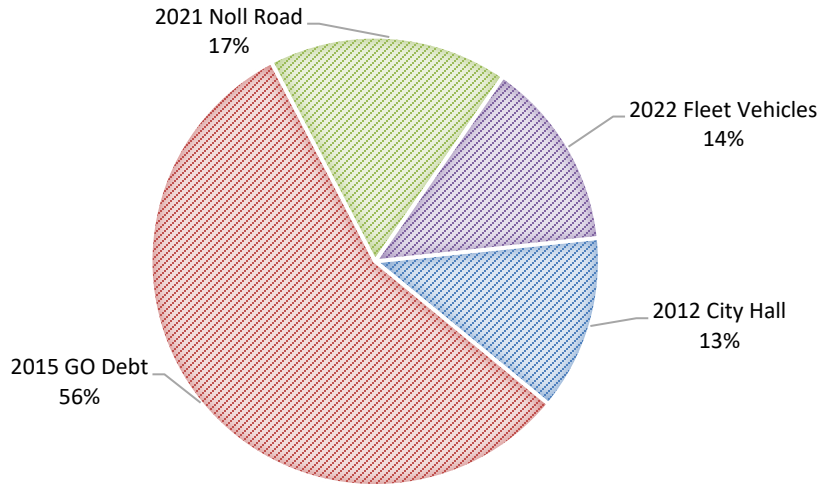
2025					
Fund #	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
204	Non-Voted General Obligation	\$8,405	\$2,543,213	\$2,543,064	\$8,554

2026					
Fund #	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
204	Non-Voted General Obligation	\$8,554	\$2,275,856	\$2,275,079	\$9,331

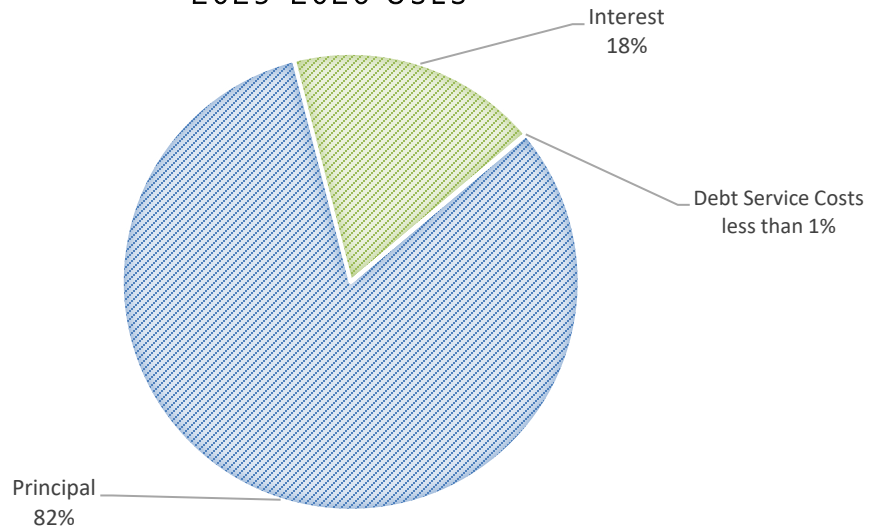
The City of Poulsbo has a bond rating of AA+ from Standard & Poors

NON-VOTED GENERAL OBLIGATION DEBT FUND 204

DEBT PAYMENT DISTRIBUTION BY ISSUE 2025-2026



NON-VOTED GENERAL OBLIGATION DEBT FUND 2025-2026 USES



Note: Debt payment distribution is shown exclusive of debt service costs, which amount to less than 1% of total uses.

NON-VOTED GENERAL OBLIGATION DEBT (204)

PROGRAM DESCRIPTION:

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

- **2021 Refunding of 2012 CITY HALL**

In early 2021, the City secured a \$1,269,475 Refunding bond. This will refund the 2012 Limited Tax General Obligation Bond. This bond will be paid off in 2031.

2025 - Funding sources:

○ General Fund	\$125,761
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2026 - Funding sources:

○ General Fund	\$127,188
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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. The final payment for the 2005 City Hall Debt is budgeted for 2025

2025 - Funding sources:

○ General Fund	\$336,200
○ Capital Improvement Fund	\$400,000

2026 - Funding sources:

○ General Fund	\$389,800
----------------	-----------

- **2021 TRANSPORTATION NOLL ROAD & PUBLIC WORKS BUILDING**

In February 2021, the City secured a \$5,021,600 Limited Tax General Obligation Bond to fund road improvements not funded through grants or City reserves, and to purchase land and a building adjacent to a preexisting Public Works property to house the New Public Works Facility. The road improvements will create additional access with safety improvements and pedestrian access through the City of Poulsville. Funding was also for the necessary improvements to the New Public Works Facility, which opened in 2022. This bond will be paid in full in 2040.

2025 - Funding sources:

○ General Fund	\$172,978
○ Water Fund	\$ 29,950
○ Sewer Fund	\$ 29,950
○ Solid Waste Fund	\$ 47,065
○ Storm Drain Fund	\$ 25,671

2026 - Funding sources:

- o General Fund \$172,977
- o Water Fund \$ 29,950
- o Sewer Fund \$ 29,950
- o Solid Waste Fund \$ 47,064
- o Storm Drain Fund \$ 25,671

• **2022 VEHICLE FLEET DEBT**

In 2022, the City finance \$520,000 to purchase 8 new fleet vehicles with a LOCAL Certificate of Participation with the State of Washington. This will replace 8 Police Department vehicles and 1 Engineering Department vehicle. This Debt will be paid off in June of 2026.

2025 - Funding sources:

- o General Fund \$137,125

2026 - Funding sources:

- o General Fund \$137,111

2025-2026 EXPENDITURES:

2025				
Debt Issue	Principal	Interest	Ending Balance	Payoff Year
2012 City Hall Bonds	113,335	12,426	711,160	2030
2015 LTGO Debt	610,000	129,200	2,620,000	2031
2021 Noll Road	69,159	22,525	1,181,985	2040
*2021 PW Property	61,321	19,972	1,048,027	2040
2022 LOCAL Vehicle Fleet	125,943	11,181	132,313	2026

2026				
Debt Issue	Principal	Interest	Ending Balance	Payoff Year
2012 City Hall Bonds	116,110	11,078	595,050	2030
2015 LTGO Debt	285,000	152,400	2,335,000	2031
2021 Noll Road	69,983	21,702	1,112,002	2040
*2021 PW Property	62,051	19,242	985,976	2040
2022 LOCAL Vehicle Fleet	132,313	4,798	-	2026

*Government portion of debt



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.



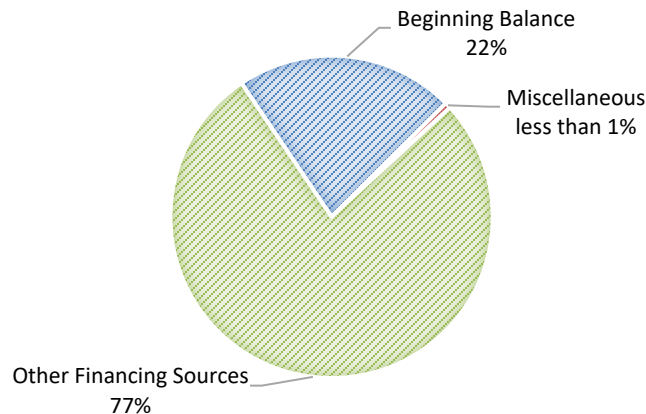
CAPITAL PROJECT FUNDS SUMMARY			
Fund	Fund Name	Description	Funding Source
301	Equipment Acquisition Fund	Replacement of existing and acquisition of new capital equipment	General Fund 001 (Transfer)
302	Park Reserve Fund	Development of parks	Approx. 2.5% of Property Tax Revenue Grants General Fund 001 (Transfer) Park Dev Fund 124 (Transfer)
310	Street Transportation Benefit District	Neighborhood streets	\$20 car tab fee REET transfers
311	Street Reserve Fund	Capital street projects	Approx. 2% Property Tax Rev. Grants General Fund 001 (Transfer) 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

2025					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
301	Equipment Acquisition Fund	\$ 259,208	\$ 459,895	\$ -	\$ 719,103
302	Park Reserve Fund	\$ 73,330	\$ 988,000	\$ 755,000	\$ 306,330
310	Neighborhood Street Fund	\$ 200	\$ 505,000	\$ 505,000	\$ 200
311	Street Reserve Fund	\$ 2,086,171	\$ 2,140,000	\$ 2,005,421	\$ 2,220,750
314	Cemetery Reserve Fund	\$ 58,839	\$ 2,200	\$ -	\$ 61,039
331	Facilities Fund	\$ 2,452,290	\$ 11,440,000	\$ 11,400,000	\$ 2,492,290
2026					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
301	Equipment Acquisition Fund	\$ 719,103	\$ 459,859	\$ 100,000	\$ 1,078,962
302	Park Reserve Fund	\$ 306,330	\$ 1,562,000	\$ 1,215,000	\$ 653,330
310	Neighborhood Street Fund	\$ 200	\$ 275,000	\$ 275,000	\$ 200
311	Street Reserve Fund	\$ 2,220,750	\$ 2,952,000	\$ 2,810,000	\$ 2,362,750
314	Cemetery Reserve Fund	\$ 61,039	\$ 2,200	\$ -	\$ 63,239
331	Facilities Fund	\$ 2,492,290	\$ 40,000	\$ -	\$ 2,532,290

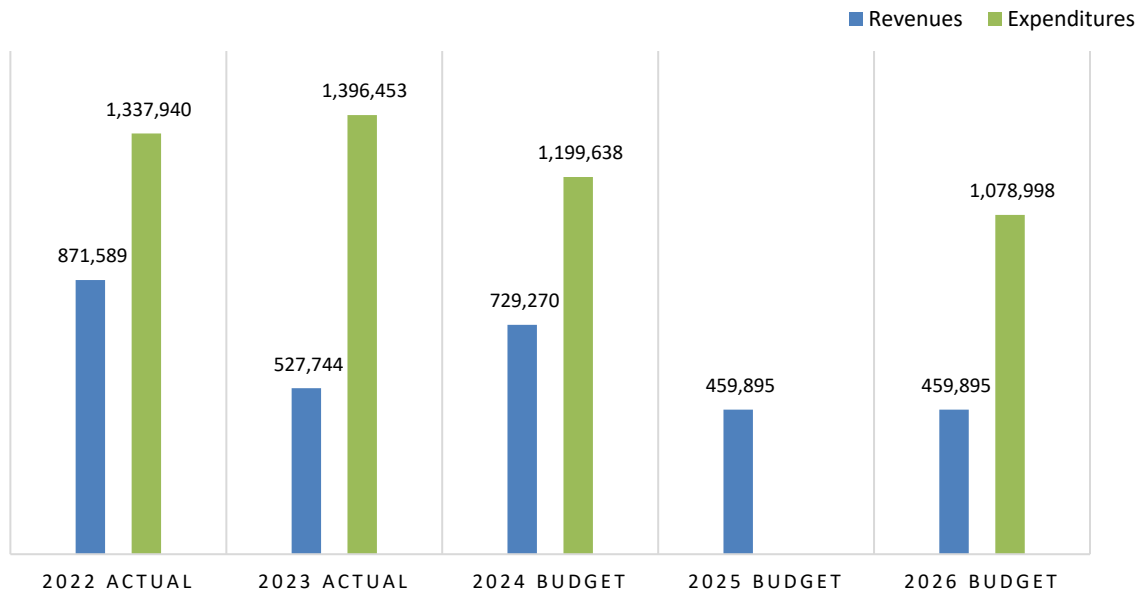
EQUIPMENT ACQUISITION FUND 301

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 301						
EQUIPMENT ACQUISITION						
RESOURCES						
BEGINNING BALANCE	466,351	868,709	470,368	259,208	719,103	259,208
INTERGOVERNMENTAL	60,816	-	351,575	-	-	-
MISCELLANEOUS	720,723	12,184	500	3,500	3,500	7,000
OTHER FINANCING SOURCES	90,050	515,560	377,195	456,395	456,395	912,790
TOTAL RESOURCES	1,337,940	1,396,453	1,199,638	719,103	1,178,998	1,178,998
FUND 301						
EQUIPMENT ACQUISITION						
USES						
TRANSFER OUT	-	-	-	-	-	-
CAPITAL OUTLAY	469,230	926,086	949,375	-	100,000	100,000
FUND BALANCE	868,710	470,367	250,263	719,103	1,078,998	1,078,998
TOTAL USES	1,337,940	1,396,453	1,199,638	719,103	1,178,998	1,178,998

**2025-2026
RESOURCES
EQUIPMENT ACQUISITION FUND (301)
\$1,178,998**



EQUIPMENT ACQUISITION FUND (301)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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 governmental functions. Proprietary capital items are funded in their related funds. The equipment can be of two types: a replacement of existing equipment, or equipment for a newly approved program. When preparing budgets for the upcoming years, departments submit requests for capital equipment to the Assistant City Administrator. The list is then reviewed with the Mayor and recommendations are made to be presented to the City Council during the budget process. 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 \$10,000. 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.

2023 - 2024 PROGRAM ACCOMPLISHMENTS:

Items purchased in 2023 and 2024:

- New metal detector for court
- Updated server, backup server and firewall
- Police vehicles
- New pick up for the Streets Department
- New remote mower for the Parks Department
- New Boom Truck for the Streets Department
- New vehicle for the Health and Human Services Department
- The fund is where capital is recorded for the new lease reporting required by GASB

2025-2026 REVENUE SOURCES:

Funding is provided through operating transfers from the General Fund.

In 2025-2026 the yearly transfers are approximately 6% 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. An annual transfer amount of \$8,945 is being made with the intention of reserving the amount for future equipment replacement for the Police Department. Beginning in 2025, \$200,000 will be transferred for future software replacement.

Transfers are as below:

- 2025 - \$456,395
- 2024 - \$456,395

2025-2026 EXPENDITURES:

Expenditures have been limited for 2025 and 2026 with the anticipation of utilizing funds for future software upgrades to enhance security and provide more user options such as dual authentication and phone service.

- 2026
 - \$100,00 – Replace traffic signal control box.



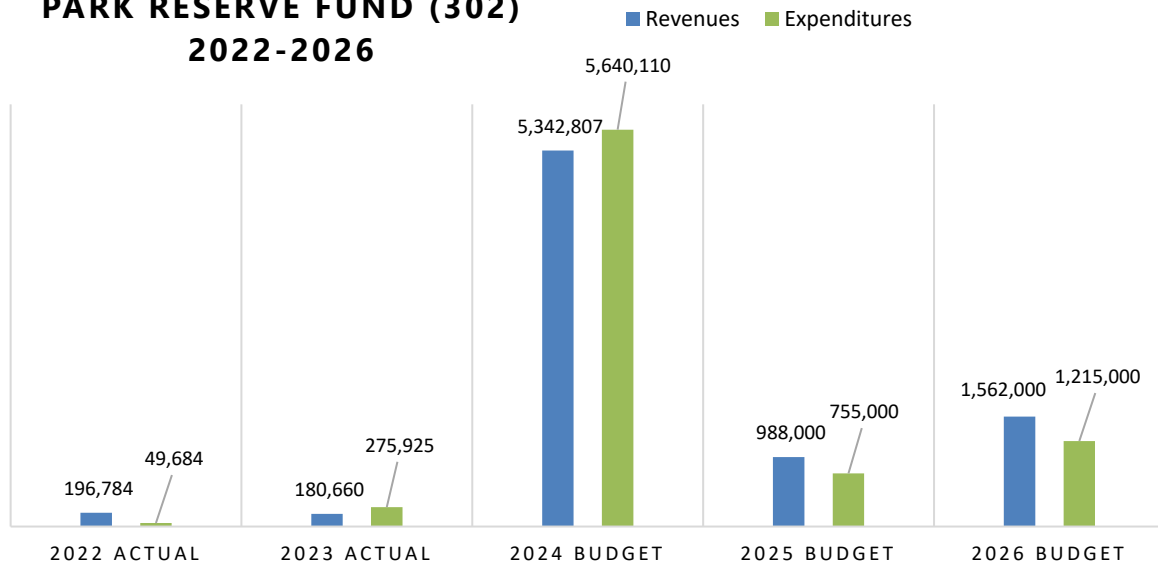
PARK RESERVE FUND 302



Raab Park’s Play for All groundbreaking

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 302						
PARK RESERVE						
RESOURCES						
BEGINNING BALANCE	318,799	465,899	370,633	73,330	306,330	73,330
INTERGOVERNMENTAL	5,405	44,596	1,060,914	85,000	-	85,000
MISCELLANEOUS	38,879	19,550	197,907	5,000	5,000	10,000
OTHER FINANCING SOURCES	152,500	116,514	4,083,986	898,000	1,557,000	2,455,000
TOTAL RESOURCES	515,583	646,559	5,713,440	1,061,330	1,868,330	2,623,330
FUND 302						
PARK RESERVE						
USES						
SERVICES	-	7,356	-	-	-	-
CAPITAL OUTLAY	49,684	265,470	5,621,636	755,000	1,215,000	1,970,000
OTHER FINANCING USES	-	3,100	18,474	-	-	-
FUND BALANCE	465,899	370,633	73,330	306,330	653,330	653,330
TOTAL USES	515,583	646,559	5,713,440	1,061,330	1,868,330	2,623,330

**PARK RESERVE FUND (302)
2022-2026**



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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 & Recreation Department.

2023-2024 PARKS PROGRAM ACCOMPLISHMENTS:

The City’s Parks & Recreation department staff focused on fostering existing and creating new successful partnerships with other government agencies, service organizations, businesses, and citizen advisory groups. These relationships are paramount to the continued and future success of the Parks and Recreation Department in serving the citizens of Poulsbo.

Staff focused on assessing, repairing and improving our existing parks, trails, and assets. A major emphasis was on collaboration with external partners to support park improvements. This includes a substantial increase in volunteer outreach, involvement, and management. Achievements include:

- Exponentially expanded volunteer involvement
 - 10,000+ parks & trails volunteer hours resulting in \$400,000+ of total volunteer value for 2023-2024
 - 80 parks and trails work parties organized and overseen by staff 2023-2024
- Implementation and oversight of several parks focused community advisory groups to collaborate on park improvements including:
 - Poulsbo Pickleball Community Advisory Group
 - Poulsbo Skatepark Advisory Committee (Raab Park skatepark refresh)
 - Poulsbo Skatepark Community Coalition (Long range skatepark planning)

- Dog Advisory Working Group (In formation as of 2024)
- Fish Park Steering Committee
- Poulsbo Tree Board
- **American Legion Park**

This park received several thousand volunteer hours in work party attention in both 2023 and 2024. The focus was multifold, to improve park safety via vegetation management, upgrading railings and stairs, reestablish view corridors, remove invasive species, and plant native drought resistant species. Dozens of hazard trees were identified and removed. A WCIA grant was secured for railing and fence improvements. Additional grants were secured for vegetation management, invasive species removal, and replanting of native species.

One of the highlights of the multiple work parties for both years was the establishment and collaboration with numerous local partnerships such as Poulsbo Rotary, Washington Youth Challenge Academy, Poulsbo Lions, VFW/American Legion Posts, Sons of Norway Vikings, Scouting troops, Crossroads Rotary, Poulsbo Garden Club, and Kitsap Environmental Coalition.



- **Rotary Morrow Park**

Two Department of Commerce grants – totaling \$148,500 - were secured to assist with constructing the park and establishing the playground. Staff worked with partners, contractors, and City Council to creatively leverage limited funding resources to develop the park. Cost savings include splitting the project into two phases – groundwork/site preparation and then installation of the playground with site amenities.

Significant project savings for the playground will result from utilizing a KCDA contract for purchasing, taking advantage of reduced shipping, developing the arbor structure with Poulsbo Rotary and Public Works, and assembling the playground via a community build with 25 volunteers over a weekend.

- **Oyster Plant Park's Pier**

A consulting company – Railstar - was hired to assess the condition of the pier, determine priority repairs, develop a maintenance plan and inspection schedule, as well as put forth an estimated budget. The inspection found several priority repairs would need to be completed, including filling cavities in the pilings, wrapping them, and adding caps to extend their lifespan. Additionally, a new railing design was put forth to replace the aging railing. In 2024, Railstar trained the City's Public Works staff on how to conduct a pier inspection to note the ongoing condition of the pier and develop a maintenance plan.

It is expected that the repairs to the pilings will be completed in 2025 after securing the necessary environmental permits.



- **Raab Park**

Play for All, an inclusive and accessible playground, broke ground late summer of 2024. The project underwent numerous challenges since conception, including needing to value engineer the overall site plan twice as rising construction costs due to market conditions and after effects of the pandemic. Staff secured an additional \$74,000 in federal grants, \$11,000 in state grants, and \$24,000 in local grants to assist with the project as costs increased. It is expected that the project will wrap up early 2025 with a community ribbon cutting and dedication celebration estimated for late spring / early summer.

The 20+ year old skatepark at Raab Park was torn down with plans to rebuild the park to be more accessible, inclusive, and welcoming to all ability levels of skates. Staff coordinated with the Pousbo Skatepark Community Advisory Coalition and the Parks & Recreation Commission to reestablish the skatepark. Community volunteers were successful in funding raising and building the first phase this summer, constructing a newly design half pipe. This is the first of three planned phases. Fundraising and coordination meetings between the Skatepark Coalition and staff continue, with a targeted completion date of early summer 2025.

- **Community Recreation Center**

Multiple facility improvements were completed including installation of three new HVAC systems, new roofing, sealing water intrusions, a rebuilt new community kitchen, LED interior lighting, and new exterior safety lighting. Additionally, a community volunteer project with Windermere staff repainted the main hallways and one classroom.





2025-2026 REVENUE SOURCES:

The City is forecasting transferring a portion (approx. 2.5%) 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.

2025

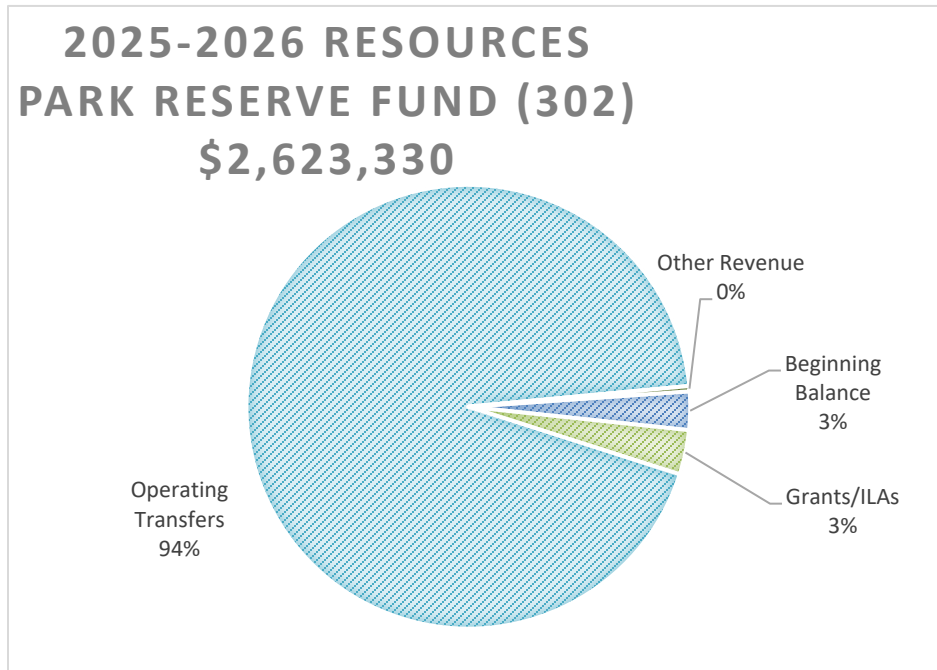
Fund 001	General Fund	\$340,000
Fund 124	Park Development Fund	\$258,000
	Debt Proceeds	\$300,000

To fund portions of capital park projects and reserves for future park land acquisition

2026

Fund 001	General Fund	\$357,000
Fund 124	Park Development Fund	\$142,000
	Debt Proceeds	\$1,200,000

To fund portions of capital park projects and reserves for future park land acquisition



2025-2026 PARK PROJECTS AND GOALS:

Parks have become of increasing importance post COVID-19. The City will continue to look for new acquisitions to connect existing parks and to develop trail systems. Having robust gathering spaces for community members, especially outdoors, is importance for the health and wellbeing of all visitors. Staff are focused on improving existing parks, wrapping up long time projects, and leveraging grant funding.

Muriel Iverson Williams Waterfront Park

Located on Liberty Bay, Muriel Iverson Williams Waterfront Park hosts many residents and visitors as they walk through historic downtown Poulsbo. The park has gone under renovation over the past 6 years, including new restrooms, benches, pavilion upgrades, sidewalks, and sod. This project will finish off renovations by replacing the picnic area at the south end of the park. Work will include the removal of concrete tables, addition of new sidewalks, landscaping, and modern picnic tables. This work is planned for 2025 and will be supported by Public Works. Staff have submitted grant requests to the Lodging Tax Advisory Committee (LTAC) for these improvements as Waterfront Park is a highly visited tourist destination. Additionally, grant funding was submitted to assess the structure

FUNDING DESCRIPTION				
	Sources of Funding	Prior Years	Current 2024	2025
1	Federal Grants			
2	State Grants			85,000
3	County			
4	PWTF			
5	Voted Bonds			
6	Non-Voted Bonds			
7	Park Reserves			
8	City Impact Fees			8,000
9	Park Reserves			2,000
10	Real Estate Excise Tax			
11	Lease/Sale			
12	LID			
13	Donation/In-Kind			
	Total Funding	\$ -	\$ -	\$ 95,000

of the park’s pavilion to ensure a clear maintenance and repair plan are in place.



Oyster Plant Park

The City of Poulsbo hired Railstar to conduct a structural assessment of the pier and generate a report of the condition of the piles, members, decking, and other structural elements. The report included a summary of the overall condition of the pier, risk factors, recommended repairs for a 50-year service life, and estimated probable construction costs. Estimated priority repairs - to be completed in five years - was \$130,000. Staff worked with Railstar to design an updated railing replacement with installation being conducted by Public Works to save a significant amount of money. This adds ~\$35,000 to the budget. An additional contingency of \$20,000 was added as construction costs have continued to rise. Total project cost is budgeted for \$185,000.

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	2025
1	Federal Grants			
2	State Grants			
3	County			
4	PWTF			
5	Voted Bonds			
6	Non-Voted Bonds			
7	Park Reserves			
8	City Impact Fees			185,000
9	Park Reserves			
10	Real Estate Excise Tax			
11	Lease/Sale			
12	LID			
13	Donation/In-Kind			
	Total Funding	\$ -	\$ -	\$ 185,000

An additional \$360,000 will need to be spent to maintain the pier in the next fifty years. With that time frame, staff will seek out competitive grants to assist the project based on frequent reoccurring maintenance inspections.

Community Recreation Center

Funding remaining from 2024 Recreation Center improvements for the HVAC and roof repairs is proposed to be utilized for additional safety, security, and building improvements. These include installation of new ADA doors, ADA locks, painting, expansion of staff offices, and other facility improvements. It also includes

hiring a consultant to develop recommendations and a preliminary budget for repairing and maintaining the building's exterior walls. The Community Recreation Center remains a critical asset and a viable central location for staff and recreational programming. Currently, a substantial portion of recreation programs operate six days a week within the building. The budgeted updates are essential to provide and expand upon the robust programs and community services offered. Staff continue to assess the facility to review ways to repurpose existing spaces to better meet community needs.

FUNDING DESCRIPTION				
	Sources of Funding	Prior Years	Current 2024	2025
1	Federal Grants			
2	State Grants			
3	County			
4	PWTF			
5	Voted Bonds			
6	Non-Voted Bonds			
7	Park Reserves	88,014	22,500	29,000
8	City Impact Fees	88,014	32,500	35,000
9	General Fund Revenue			
10	Real Estate Excise Tax			
11	Lease/Sale			
12	LID			
13	Donation/In-Kind	5,906		
	Total Funding	\$ 181,934	\$ 55,000	\$ 64,000

Park Signage

Work includes the removal, replacement, and installation of park entrance, trail, and way finding signage throughout Poulsbo's parks. The intent is to ensure each of Poulsbo's parks has at least one unified branded park entrance sign, as well as marked trail signs, kiosks, and wayfinding signage as appropriate. Materials will be selected for ease of installation, low maintenance, and follow the design for a cohesive branded look across the City.

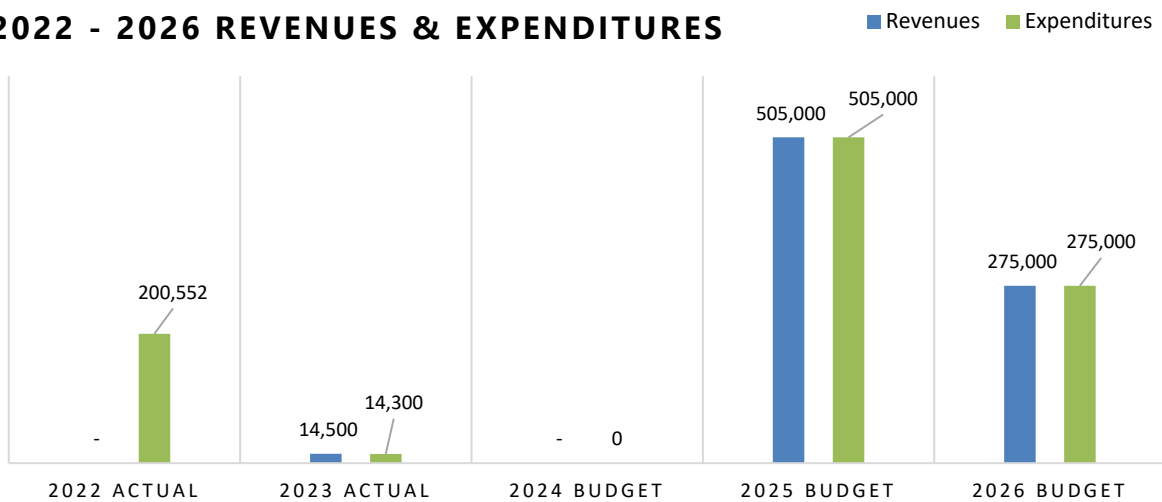
Poulsbo's parks do not have consistent park entrance signage or branding. This has led to confusion from the community over what is and is not a park as well as who operates the park. Additionally, many of Poulsbo's trails are not adequately signed, limited public access through a dearth of information. Once on a trail, little to zero way finding signage exists, creating conflicts with intended use (bikes/dogs/hikers/horses), location, and emergency access routes.

FUNDING DESCRIPTION				
	Sources of Funding	Prior Years	Current 2024	2025
1	Federal Grants			
2	State Grants			
3	County			
4	PWTF			
5	Voted Bonds			
6	Non-Voted Bonds			
7	Park Reserves		25,000	45,000
8	City Impact Fees			
9	General Fund Revenue			
10	Real Estate Excise Tax			
11	Lease/Sale			
12	LID			
13	Donation/In-Kind			
	Total Funding	\$ -	\$ 25,000	\$ 45,000

STREET TRANSPORTATION BENEFIT DISTRICT NEIGHBORHOOD STREETS FUND 310

FUND 310 TRANSPORTATION BENEFIT DISTRICT - NEIGHBORHOOD STREETS						
RESOURCES						
BEGINNING BALANCE	-	-	200	200	200	200
INTERGOVERNMENTAL	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
OTHER FINANCING SOURCES	-	14,500	-	505,000	275,000	780,000
TOTAL RESOURCES	-	14,500	200	505,200	275,200	780,200
FUND 310 TRANSPORTATION BENEFIT DISTRICT - NEIGHBORHOOD STREETS						
USES						
SALARIES & WAGES	-	-	-	-	-	-
BENEFITS	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
CAPITAL OUTLAY	(200,552)	14,300	-	505,000	275,000	780,000
FUND BALANCE		200	200	200	200	200
TOTAL USES	(200,552)	14,500	200	505,200	275,200	780,200

2022 - 2026 REVENUES & EXPENDITURES



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

TRANSPORTATION BENEFIT DISTRICT - NEIGHBORHOOD STREETS FUND (310)

PROGRAM DESCRIPTION:

A new fund was established mid-2022 to account for the City's new Transportation Benefit District (TBD) with intended expenses to be used for neighborhood street projects.

The TBD was established with an Ordinance passed by the City Council to collect a \$20 car tab fee within City Limits. The funds collected are to be used for improvements to neighborhood streets. These streets improvements are not eligible for grant funds, meaning all improvements are supported by local taxes. The Transportation Benefit District provides sustainable funding for these types of projects. Public Works will manage the budget and a schedule for city wide improvements, strategizing and prioritizing the improvements.

Revenue to support the neighborhood streets projects is split between fund 110 for maintenance and operations projects, and fund 310 – Transportation Benefit District Neighborhood Street Fund for capital projects.

An additional funding source is a transfer from Real Estate Excise Tax Fund (121) to provide funding for large pavement maintenance projects which cannot be fully supported by the TBD fees.

2025-2026 REVENUE SOURCES:

This fund's revenue is derived from car tab fees collected through the Washington State Department of Licensing. 2023 will be the first full year of collecting the fee. The projection is consistent with Department of Licensing projections but remains conservative until a trend analysis can be developed.

The Council adopted an additional .1% sales tax for the TBD. State legislature passed new regulations which allow for the additional sales tax to be approved by the local governing body not require a vote of the citizens. This has generated additional revenue of approximately \$450,000

2025-2026 EXPENDITURES:

Improvements have been scheduled for 2025 and 2026.

- **2025 Chip Seal Projects, \$425,000**
 - Poulsbo Gardens
 - Forest Rock, Divisions 1-3
- **2025 Asphalt Hot Box, \$80,000**
- **2026 Chip Seal Projects, \$275,000**
 - Glen Haven
 - Karl Place
 - Norland Ct
 - Bartre Ct
 - 20th Ave
 - Sun Ct

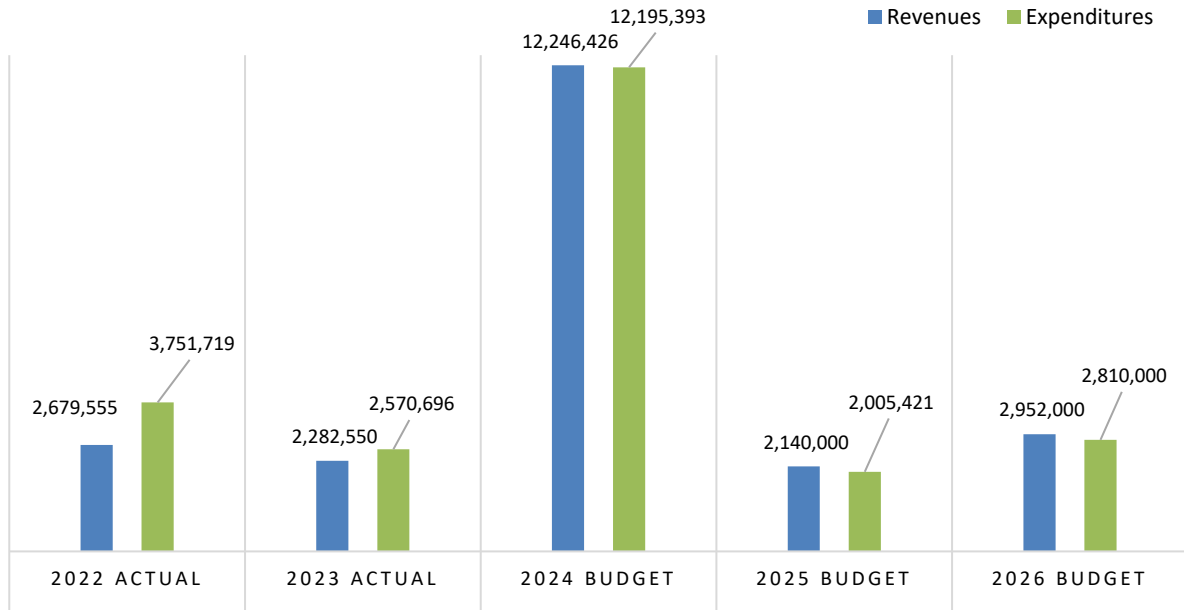


STREET RESERVE FUND 311



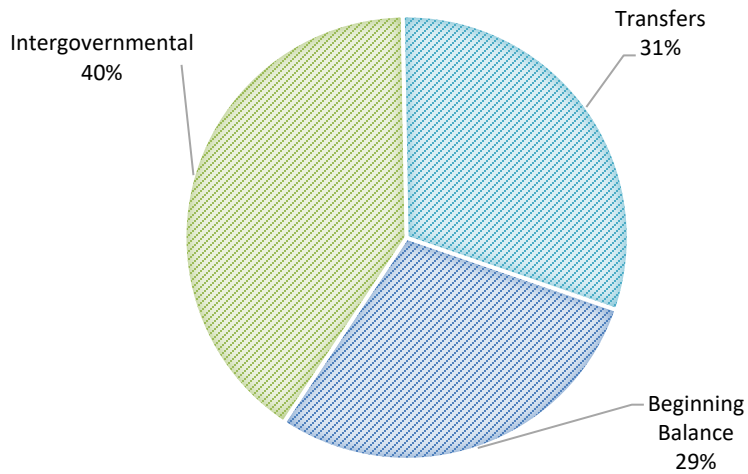
ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 311						
STREET RESERVE						
RESOURCES						
BEGINNING BALANCE	1,283,848	112,414	35,138	2,086,171	2,220,750	2,086,171
INTERGOVERNMENTAL	847,754	159,870	7,891,142	1,100,000	1,798,879	2,898,879
MISCELLANEOUS	7,286	25,036	-	-	-	-
SPECIAL ASSESSMENTS - CAPITAL	164,515	288,928	-	-	-	-
OTHER FINANCING SOURCES	1,660,000	1,808,716	4,355,284	1,040,000	1,153,121	2,193,121
TOTAL RESOURCES	3,963,403	2,394,964	12,281,564	4,226,171	5,172,750	7,178,171
FUND 311						
STREET RESERVE						
USES						
CAPITAL OUTLAY	3,435,719	2,570,696	11,784,523	2,005,421	2,810,000	4,815,421
OTHER FINANCING USES	316,000	-	410,870	-	-	-
FUND BALANCE	326,284	(175,733)	86,171	2,220,750	2,362,750	2,362,750
TOTAL USES	3,963,403	2,394,963	12,281,564	4,226,171	5,172,750	7,178,171

2025-2026 STREET RESERVE FUND (311)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

2025-2026 RESOURCES STREET RESERVE FUND (311) \$7,178,171



STREET RESERVE FUND (311)

PROGRAM DESCRIPTION:

Fund 311, under the administration of the Engineering Department, provides for the planning, design and construction of improvements associated with the City of Poulsbo’s transportation system.

The program includes construction of roads, traffic control devices, curbs, gutters, and sidewalks as well as roadway drainage improvements, and pavement restoration.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- The City completed construction of the Johnson Parkway/SR305 Roundabout, which includes a roundabout and pedestrian tunnel for enhanced safety. The project also features collaborative artwork with a sculpture in the center of the roundabout as well as Suquamish Tribe artwork on the wall entering the Roundabout into Poulsbo.
- The City was recognized for its excellence by being awarded the APWA Washington Project of the Year – Small Agency \$5M to \$25M as well as being awarded the APWA National Project of Year in the Small Cities Category for the Johnson Parkway/SR305 Roundabout project.
- Completed design of the Noll Road North segment and Middle segment Safe Routes to Schools project.
- Completed Right of Way acquisitions for the Noll Road North segment project.
- Completed the Poulsbo Complete Streets Plan.
- Completed the Transportation Comprehensive Plan.
- Began design of the 3rd Avenue Improvements project.
- Began design of the ADA Ramp Improvements project.

2025-2026 REVENUE SOURCES:

The Street Reserve Fund (311) derives most of its revenues from State Transportation Improvement Board (TIB) grant programs, Federal Surface Transportation Program (STP), and Safe Routes to School (SRTS) grant programs and operating transfers.

2025 Operating Transfers Into Fund 311		
Fund 001	General Fund	\$140,000
	To fund portions of capital transportation projects	
Fund 123	Traffic Impact Fees	\$900,000

2026 Operating Transfers Into Fund 311		
Fund 001	General Fund	\$142,000
	To fund portions of capital transportation projects	
Fund 123	Traffic Impact Fees	\$1,011,121

2025-2026 PROGRAM PROJECTS and GOALS:**Noll Road Improvement Project Middle-North Segments**

Description: 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 (segments). Construction will be divided into three or more phases – the South Segment, Middle Segment, and North Segment. The North Segment completes the connection between Mesford Rd and Lincoln Rd and will start construction in 2024. The Middle segment constructs the road from Storhoff Rd NE to Langaunet Rd and will complete construction in 2026. ROW acquisitions for the Middle and North segments will begin in 2022.

Council Goal: #3 - Transportation

Funding:	2025 Project Funding:	
	Federal Grant	\$ 1,100,000
	Impact Fees	\$ 550,000
	2025 Total	\$ 1,650,000
	2026 Project Funding:	
	Federal Grant	\$ 1,018,879
	Impact Fees	\$ 511,121
	2026 Total	\$ 1,530,000
	2025-2026 Total	\$ 3,180,000

3rd Avenue - (Moe to Hostmark)

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 approximately 775-feet of 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 \$120,000. 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.

Council Goal: #3 - Transportation

Funding:	2025 Project Funding:		
	Federal Grant	\$	-
	Street Reserves	\$	200,000
	2025 Total	\$	200,000
	2026 Project Funding:		
	Federal Grant	\$	-
	Street Reserves	\$	-
	2026 Total	\$	-
	2025-2026 Total	\$	200,000

ADA Curb Ramp Upgrades

Description: This project includes various improvements to pedestrian facilities located within the City right of way necessary to bring these facilities into compliance with ADA standards. The ADA transition plan will be the basis for prioritizing projects.

Council Goal: #3 - Transportation

Funding:	2025 Project Funding:		
	State Grant	\$	-
	Impact Fees	\$	100,000
	2025 Total	\$	100,000
	2026 Project Funding:		
	State Grant	\$	-
	Impact Fees	\$	-
	2026 Total	\$	-
	2025-2026 Total	\$	100,000

Front Street Improvements

Description: The project will provide traffic calming, non-motorized safety enhancements, illumination and parking improvements. Pavement Restoration. Jensen Way NE to Hostmark St.

Council Goal: #3 - Transportation

Funding:	2025 Project Funding:		
	State Grant	\$	-
	Street Reserves	\$	-
	2025 Total	\$	-
	 2026 Project Funding:		
	Federal Grants	\$	250,000
	State Grants	\$	200,000
	Impact Fees	\$	500,000
	2026 Total	\$	950,000
	 2025-2026 Total	\$	950,000

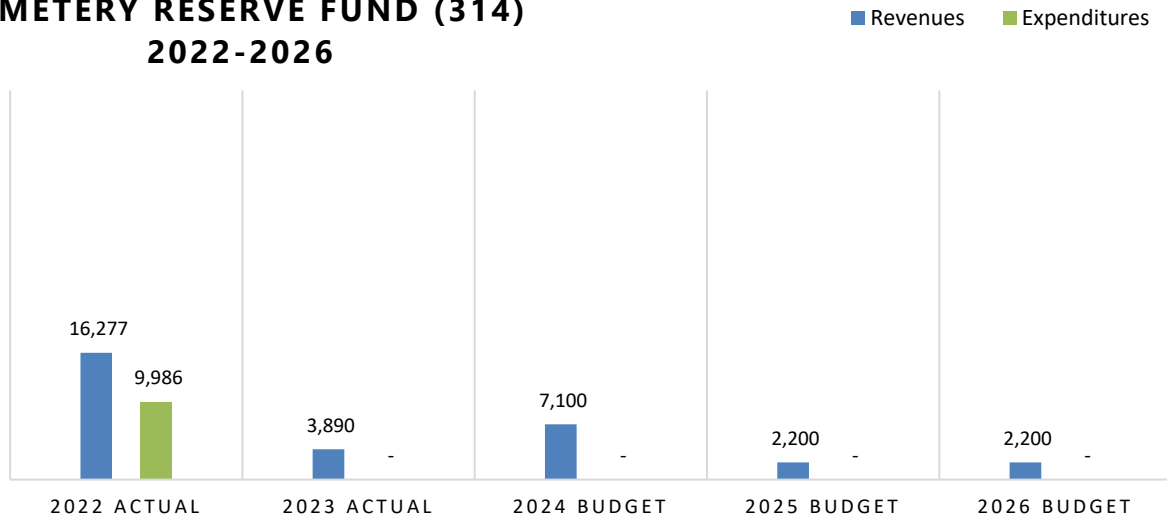
Transportation Capital Projects Progressing in 2023	Total Overall Transportation Project Cost	2025 Expenditures
Noll Road Improvements North-Middle	\$ 11,870,000	\$ 1,650,000
3rd Avenue (Moe to Hostmark)	\$ 3,384,000	\$ 200,000
ADA Curb Ramp Upgrades	\$ 700,000	\$ 100,000
Local Neighborhood Maintenance Program	\$ 1,714,300	\$ 340,000
Total	\$ 17,668,300	\$ 2,290,000

Transportation Capital Projects Progressing in 2024	Total Overall Transportation Project Cost	2025 Expenditures
Noll Road Improvements North-Middle	\$ 11,870,000	\$ 1,650,000
Noll Road Improvements North-Middle	\$ 3,384,000	\$ 200,000
Front Street Improvements	\$ 700,000	\$ 100,000
Local Neighborhood Maintenance Program	\$ 1,714,300	\$ 340,000
Total	\$ 17,668,300	\$ 2,290,000

CEMETERY RESERVE FUND 314

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 314						
CEMETERY RESERVE						
RESOURCES						
BEGINNING BALANCE	41,558	47,849	51,739	58,839	61,039	58,839
INTERGOVERNMENTAL	9,986	-	-	-	-	-
CHARGE FOR SERVICES	6,000	2,950	7,000	2,000	2,000	4,000
MISCELLANEOUS	291	940	100	200	200	400
TOTAL RESOURCES	57,835	51,739	58,839	61,039	63,239	63,239
FUND 314						
CEMETERY RESERVE						
USES						
CAPITAL OUTLAY	9,986	-	-	-	-	-
FUND BALANCE	47,849	51,739	58,839	61,039	63,239	63,239
TOTAL USES	57,835	51,739	58,839	61,039	63,239	63,239

CEMETERY RESERVE FUND (314) 2022-2026



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown 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 back 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.

3 plots were sold between January and July 2024 (3 regular) and a total of 9 plots were sold in 2023 (8 regular, 1 cremains). One plot was refunded and made available for purchase in 2024 and two in 2023.

2023-2024 PROGRAM ACCOMPLISHMENTS:

Wreaths Across America was celebrated in December of each year. A Historical Preservation Grant was obtained in 2022. Placement of new row markers, flagpole, and information boards.

2025-2026 REVENUE SOURCES:

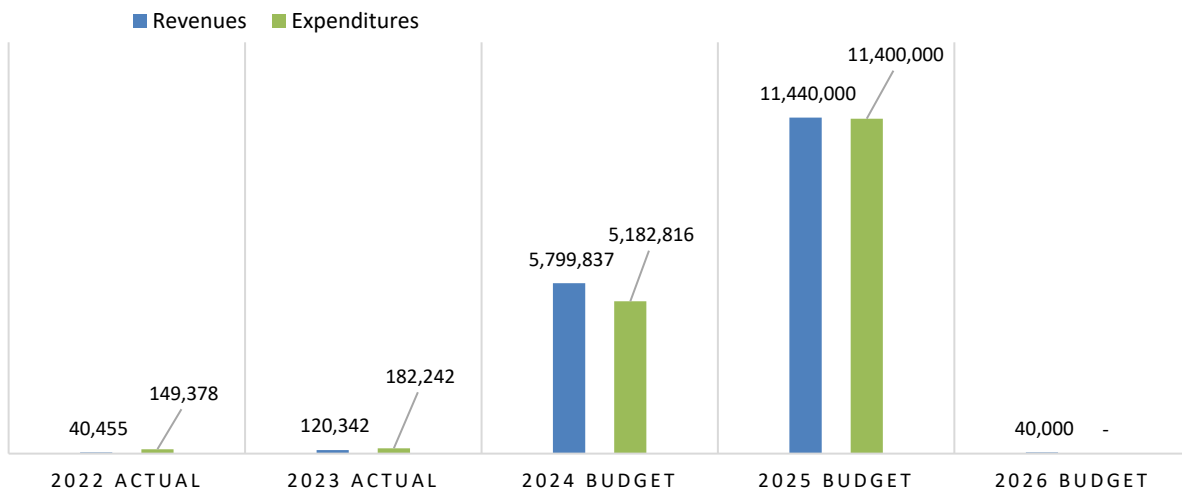
Revenue is derived from the sale of gravesites.

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

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 331						
FACILITIES						
RESOURCES						
BEGINNING BALANCE	2,006,092	1,897,169	1,835,269	2,452,290	2,492,290	2,452,290
INTERGOVERNMENTAL			2,558,153			
MISCELLANEOUS	3,755	95,342	2,500	15,000	15,000	30,000
OTHER FINANCING SOURCES	36,700	25,000	3,239,184	11,425,000	25,000	11,450,000
TOTAL RESOURCES	2,046,547	2,017,511	7,635,106	13,892,290	2,532,290	13,932,290
FUND 331						
FACILITIES						
USES						
CAPITAL OUTLAY	149,378	182,242	5,182,816	11,400,000	-	11,400,000
OTHER FINANCING USES	-	-	-	-	-	-
FUND BALANCE	1,897,169	1,835,269	2,452,290	2,492,290	2,532,290	2,532,290
TOTAL USES	2,046,547	2,017,511	7,635,106	13,892,290	2,532,290	13,932,290

FACILITIES FUND (331)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

FACILITIES FUND (331)

PROGRAM DESCRIPTION:

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

2023-2024 Accomplishments

Construction of Nordic Cottages an eight unit affordable housing began construction in 2025. The complex is set to house 8 residents who meet the criteria for low income threshold. The project will be managed by Kitsap Housing Authority.

2025-2026 REVENUE SOURCES:

It is anticipated debt will be issued for the new Poulsbo Recreation and Event Center.

- **Poulsbo Event & Recreation Center (PERC)**

The project completed lengthy discussions with partners and a community steering committee, resulting in the adoption of phased approach. The first phase will develop two tournament fields, multisport courts, walking paths, and other amenities. The project was successfully funded by Kitsap Public Facilities District (KPF) and City Council. AHBL, a site engineering consulting firm, was hired to develop the site plans for the regional park. Additionally, a \$1.5M grant was submitted to RCO, placing in the top 11 of 44 grants and appears promising.

2025-2026 EXPENDITURES:

Funds are allocated for the government's portion of the new phase of the Public Works facility in 2023.

2025 Expenditures

- Poulsbo Event and Recreation Center (PERC) \$11,400,000
- Designed for a new Public Works Building is planned to begin in 2025 with construction happening the following year.

2026 Expenditures

- Designed for a new Public Works Building is planned to be completed in 2026 with construction happening the following year.

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

2025					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
401	Water Fund	\$ 6,012,704	\$ 3,437,747	\$ 6,546,305	\$ 2,904,146
403	Sewer Fund	\$ 10,280,703	\$ 10,103,045	\$ 15,585,981	\$ 4,797,767
404	Solid Waste Fund	\$ 1,206,466	\$ 3,887,463	\$ 4,356,173	\$ 737,756
410	Storm Drain Fund	\$ 2,830,064	\$ 2,629,906	\$ 2,672,567	\$ 2,787,403
2026					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
401	Water Fund	\$ 2,904,146	\$ 3,515,651	\$ 3,689,611	\$ 2,730,186
403	Sewer Fund	\$ 6,193,927	\$ 7,876,692	\$ 13,043,340	\$ 1,027,279
404	Solid Waste Fund	\$ 737,756	\$ 4,001,872	\$ 4,495,945	\$ 243,683
410	Storm Drain Fund	\$ 2,787,403	\$ 3,782,193	\$ 4,853,531	\$ 1,716,065

**Beginning Balance are adjusted for non-cash expenditures*

WATER FUND 401

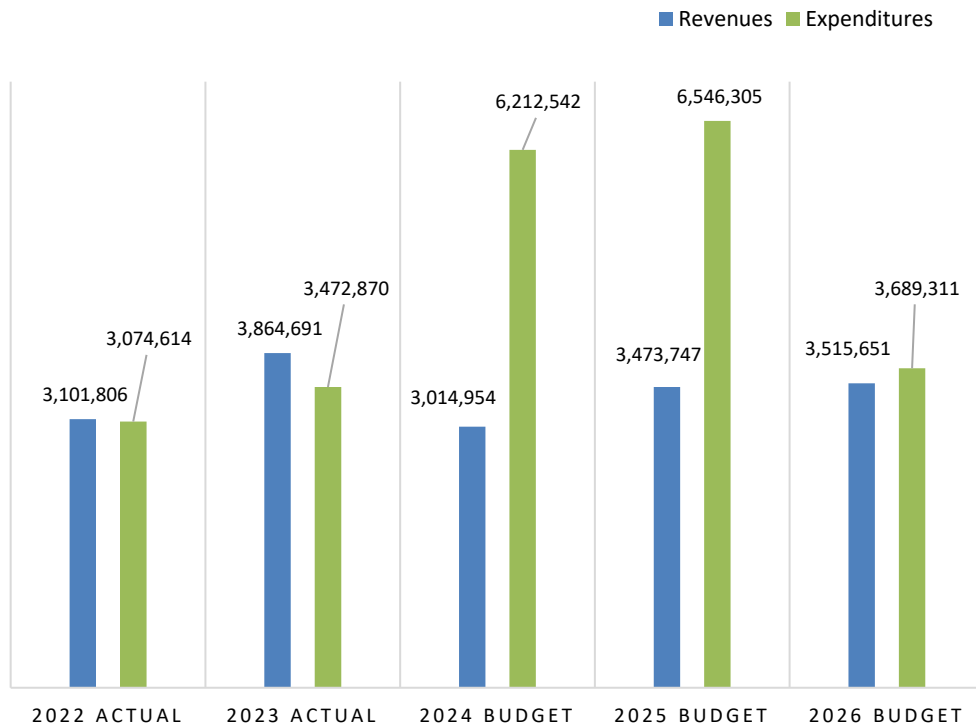
Mission Statement:

To provide safe and reliable drinking water to customers and protect public health; to maintain the water distribution system, while adding new mains and connections to add new customers and provide adequate pressure for firefighting purposes and clean potable water at all times.

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 401						
WATER UTILITY						
RESOURCES						
BEGINNING BALANCE	5,814,596	6,517,527	7,583,451	6,012,704	2,904,146	6,012,704
CHARGE FOR SERVICES	2,315,897	2,573,349	2,406,954	2,634,147	2,712,051	5,346,198
MISCELLANEOUS	113,506	231,517	40,000	133,600	133,600	267,200
PROPRIETARY OTHER INCOME	672,403	932,839	440,000	575,000	575,000	1,150,000
OTHER FINANCING SOURCES	-	126,986	128,000	95,000	95,000	190,000
TOTAL RESOURCES	8,916,402	10,382,218	10,598,405	9,450,451	6,419,797	12,966,102
FUND 401						
WATER UTILITY						
USES						
BAD DEBT EXPENSE	328	1,832	-	-	-	-
SALARIES & WAGES	606,501	675,625	710,493	759,330	792,972	1,552,302
BENEFITS	206,525	246,781	318,429	338,348	363,327	701,675
SUPPLIES	129,500	110,173	103,160	109,240	110,006	219,246
OTHER SERVICES & CHARGES	723,055	907,844	992,351	956,937	1,112,356	2,069,293
CAPITAL OUTLAY	657,245	724,329	3,308,159	3,551,500	480,000	4,031,500
DEBT SERVICE - PRINCIPAL	21,886	22,110	22,342	22,592	22,861	45,453
DEBT SERVICE - INTEREST	8,045	7,821	7,608	7,358	7,089	14,447
DEPRECIATION EXPENSE	721,529	776,355	750,000	801,000	801,000	1,602,000
FUND BALANCE	5,853,983	6,909,348	4,385,863	2,904,146	2,730,186	2,730,186
TOTAL USES	8,928,597	10,382,218	10,598,405	9,450,451	6,419,797	12,966,102

*Beginning Balance adjusted for non-cash capital depreciation expense

WATER FUND (2022-2026)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

WATER FUND (401)

PROGRAM DESCRIPTION:

The Water program is part of an enterprise fund providing for the delivery of domestic water supplies to the citizens of the City of Poulsbo and the surrounding community.

The City of Poulsbo currently provides service to approximately 4,600 residential, irrigation, and commercial water accounts located primarily within the city limits of Poulsbo. The water system consists of a supply, treatment, storage, and distribution system.

Water Supply: Water supply is derived from six groundwater wells; two located in the Big Valley area (Big Valley Well’s 1 & 2), two in the Lincoln Road area (Lincoln Well’s 1 & 2), the Bus Barn Artesian Well and the Westside Well. These wells have a combined capacity of approximately 2,255 gallons per minute. Additionally, the city maintains an intertie with the Kitsap County Public Utility District # 1 for water supply to the 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 ensure the protection of the public health and the safety of the community. Water sampling and testing includes

coliform, lead and copper, volatile and synthetic organic chemicals (VOC's and SOC's), chlorine residuals, radio- nuclides and disinfection by-products. In mid-2018 the Lincoln Well Iron and Manganese Treatment Plant was finished and put into production. The water department operates the plant which filters over 155 million gallons per year. In 2022 the Westside Well Iron and Manganese treatment plant was brought online and put into production.

Storage and Distribution System: The distribution system consists of ten (10) storage facilities located in various service zones having a total combined capacity of 4.2 million gallons of water, six (6) water pump stations and appurtenances, together with a water distribution system consisting of 71 miles of pipe ranging in size from 2 inches to 12 inches in diameter. The water department also maintains and operates 9 Pressure Reducing Stations.

STAFFING LEVEL:

The Water program is staffed with 5.97 fulltime equivalents (FTE's) providing for the administration, operation, maintenance, and repair of the system. Included is a portion of the Civil Engineer position (0.30 FTE). Public Works staffing (5.42 FTE) is under the supervision of the Utilities Foreman. An Office Clerk was added in 2023. The position funding is split among the four utilities, increasing the water FTE by 0.25.

2023-2024 PROGRAM ACCOMPLISHMENTS:

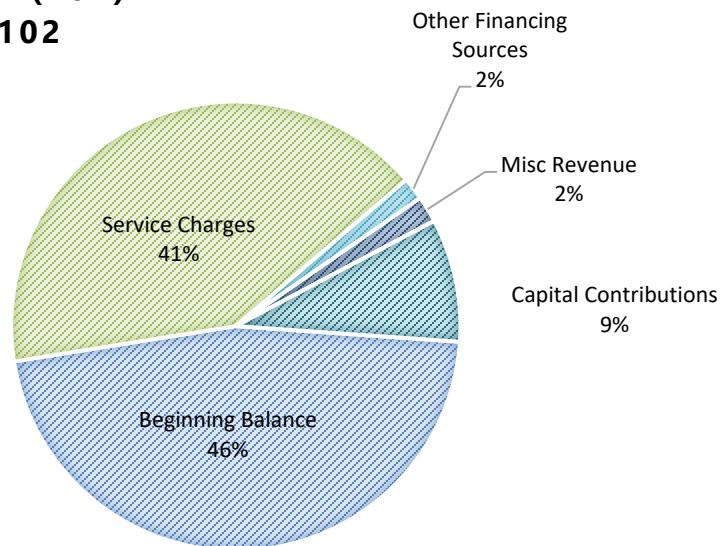
- Conducted biannual water main flushing program
- Complied with state mandated water quality monitoring and testing requirements, including coliform, phase I, II & V contaminates, lead & copper monitoring
- Updated and distributed annual Consumer Confidence Report for water system performance for the previous year
- Read 4,000 water distribution system service meters per month
- Responded to hundreds of customer questions, concerns, and requests
- Currently tracking over 1,400 backflow assemblies for effectiveness and compliance
- Provided inspections and water quality testing for all new water main construction in our system
- Extensive hydrant maintenance program which included replacing or repairing fire hydrants
- Total gallons of water pumped between August 2020 and July 2022: Over 746 million gallons
- Completed over 2,000 unscheduled meter reads, leak checks and turn-off's/turn-on's (work orders) with the Finance Department. An average of over 85 work orders a month.
- Completed over 1,900 utility locates and markings from August 2020 to June 2022, an average of 83 each month
- Continued city-wide program to exercise water valves
- Completed Westside Well Iron and Manganese Treatment Plant in early 2022.
- Conducted over 400 Regulated Water Quality Tests.
- Began Mesford and Swanson PRV Replacement Project

2025-2026 REVENUE SOURCES:

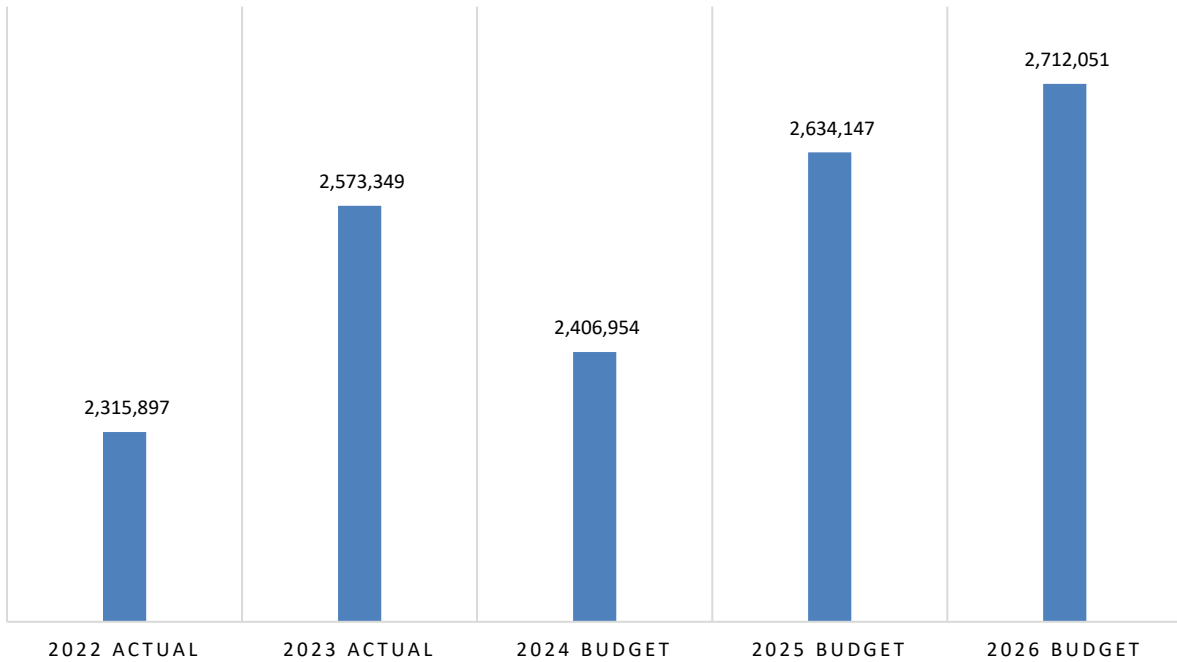
Users support the water utility; revenue is generally derived from three sources: 1) monthly service charges, 2) system connection fees, and 3) miscellaneous revenues to include investment interest and charges associated with special work requests for customers, and cell tower leases. The majority of water revenue comes from monthly service charges. The summer months, June through October, have different consumption rates. Larger usage during these months will have a higher consumption rate. This will more accurately charge the users of the system and promote conservation during the summer months.

2025 Monthly Residential Water Rate Structure		
	Inside City	Outside City
Base Rate	\$ 19.50	\$ 29.24
<i>plus consumption per 100 cf</i>		
November through May		
0 and over	\$ 2.73	\$ 3.48
June through October		
0 - 1000	\$ 2.73	\$ 5.07
1001 and over	\$ 4.26	\$ 5.07

**2025-2026
RESOURCES
WATER FUND (401)
\$12,966,102**



WATER SERVICE CHARGE REVENUE 2022 - 2026

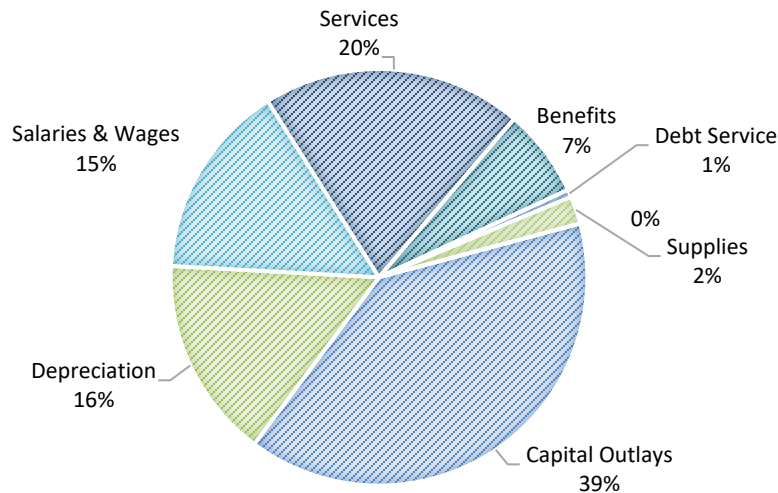


2025-2026 EXPENDITURES:

Operation and Maintenance:

The year 2025-2026 operation and maintenance program will be a continuation of the 2023-2024 program and will include the operation, maintenance, and repair/replacement of the utility’s existing water system infrastructure to include water supply, storage, and distribution systems. Additional duties associated with operations will include water quality monitoring and testing, compliance with regulatory reporting requirements and implementation of the water comprehensive planning requirements.

WATER FUND 2025-2026 USES



Capital Improvements:

The capital improvement program for 2025-2026 includes the following projects and equipment purchases:

2025	
Caldart Main	65,000
Raab Tank	663,221
Well VFD Upgrades	250,000
	978,221
2026	
340 Zone Fire Flow 4th Ave	100,000
Front St Main Replacement	100,000
	200,000
2025-2026 Total	1,178,221

Debt Service:

2025 Debt Service expenses for Water are estimated to be approximately \$29,920

2026 Debt Service expenses for Water are estimated to be approximately \$29,950

DEBT SERVICE - WATER			
2025			
Description: Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 22,315	\$ 7,608	\$ 386,115	2040
2026			
Description: Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 22,592	\$ 7,358	\$ 363,254	2040

WATER DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Number of Active Water Services (includes Residential, Irrigation, Commercial, and Multi Family)	4270	4454	4606	4756	4906
Miles of Water Mains Maintained	93	95	99	102	105
Number of Active Meters read per month	4,390	4,550	4,700	4,860	5,000
Number of Hydrants Maintained and Exercised	735	752	760	775	790

SEWER FUND 403

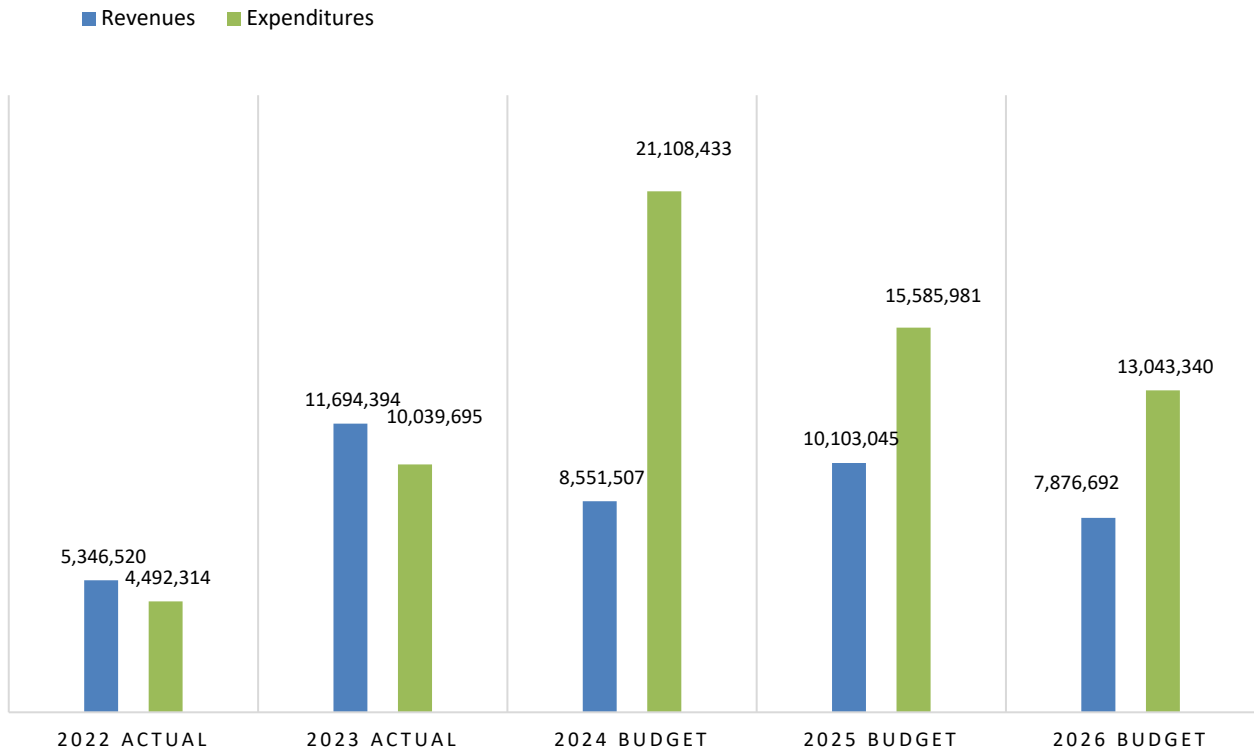
Mission Statement:

The Mission of the Wastewater Department is to provide the citizens of Poulsville 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.

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 403						
SEWER UTILITY						
RESOURCES						
BEGINNING BALANCE	12,057,414	14,087,509	16,924,312	10,280,703	6,193,927	10,280,703
INTERGOVERNMENTAL	-	-	-	-	-	-
CHARGE FOR SERVICES	4,770,464	5,151,181	5,149,357	5,791,545	5,965,192	11,756,737
MISCELLANEOUS	(57,178)	507,114	72,000	348,000	348,000	696,000
GO BOND PROCEEDS	-	-	2,400,000	2,400,000	-	2,400,000
PROPRIETARY OTHER INCOME	633,234	6,032,719	900,000	1,560,000	1,560,000	3,120,000
OTHER FINANCING SOURCES	-	3,380	30,150	3,500	3,500	7,000
TOTAL RESOURCES	17,403,934	25,781,903	25,475,819	20,383,748	14,070,619	28,260,440
FUND 403						
SEWER UTILITY						
USES						
BAD DEBT EXPENSE	1,247	4,543	-	-	-	-
SALARIES & WAGES	474,262	523,769	557,438	602,175	623,613	1,225,788
BENEFITS	162,819	189,253	237,043	250,133	267,081	517,214
SUPPLIES	52,399	34,754	34,365	32,290	32,590	64,880
OTHER SERVICES & CHARGES	1,753,658	2,062,520	2,698,597	2,338,952	2,392,052	4,731,004
CAPITAL OUTLAY	305,315	5,459,352	15,730,944	10,424,971	7,792,144	18,217,115
DEBT SERVICE - PRINCIPAL	276,886	292,110	302,342	312,592	322,861	635,453
DEBT SERVICE - INTEREST	231,905	219,369	240,158	228,708	216,839	445,547
DEPRECIATION EXPENSE	1,233,823	1,254,025	1,307,546	1,396,160	1,396,160	2,792,320
FUND BALANCE	12,911,620	15,742,208	4,367,386	4,797,767	1,027,279	(368,881)
TOTAL USES	17,403,934	25,781,903	25,475,819	20,383,748	14,070,619	28,260,440

*Beginning Balance adjusted for non-cash capital depreciation expense

SEWER FUND (2020-2024)



*Note: Revenues show exclusive of beginning balance
Expenditures are shown including Capital Outlay expenditures and are exclusive of fund balance*

SEWER FUND (403)

PROGRAM DESCRIPTION:

The Sewer program is part of an enterprise fund providing for the collection and treatment of wastewater for the citizens of the City of Poulsbo and the surrounding community.

The City of Poulsbo currently provides service to approximately 3,928 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 56.5 miles of gravity system main, providing collection of wastewater from the drainage basins located throughout the City.

Transmission and Conveyance System: The transmission and conveyance system is comprised of 8 wastewater lift stations, 9.5 miles of force main, connecting the City of Poulsbo’s System with the Kitsap County Wastewater Treatment Plant.

Wastewater Treatment: The City contracts with the Kitsap County Department of Public Works for treatment of its wastewater. Wastewater is received by the County from the City at the County's Johnson Way Metering Station located at Johnson Way and State Highway 305.

STAFFING LEVEL:

The Sewer program is staffed with 3.78 FTE's providing for the administration, operation, maintenance, and repair of the system. Including Civil Engineer (0.30 FTE). Public Works staffing, 3.23 FTE is under the supervision of the Utilities Foreman. An Office Clerk was added in 2023. The position funding is split among the four utilities, increasing the sewer FTE by 0.25.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Continued pre-design activities associated with wastewater improvements to expand the capacity of the wastewater system
- Cleaned and maintained 9 lift stations (including: cleaning floats, changing filters, cleaning wet wells of grease, floats, flapper valves, seals and impellers as needed)
- Removed Alasund Meadows lift station and replaced it with a gravity line.
- Addition of Sewer Line Rapid Assessment Tool (SL-Rat) to quickly assess conditions of sewer mains.
- Conducted dye and smoke tests as required
- Monitored flows daily to wastewater treatment facility
- Jetted problem areas as needed
- Continued manhole inventory
- Completed over 2,900 utility locates and markings from 2023 to 2024, an average of 116 each month
- Reduced inflow and infiltration where possible through the installation of rain stopper inserts, manhole repairs, and trenchless technology repairs (pipe patch system)
- Ongoing video inspection program of all Public-owned Sewer mains and laterals.
- Ongoing telemetry system to support a more efficient monitoring and notification system via remote access creating a quicker response time.
- Continued lift station improvements via the Pump Station Safety Improvement Program
- Continued Inflow and Infiltration Program Study to identify and rectify problem areas
- Completed draft Sewer Comprehensive Plan
- Began design of the Johnson to Norum sewer replacement project
- Negotiated new agreement with Kitsap County Treatment Plant for purchase of increase capacity

2025-2026 REVENUE SOURCES:

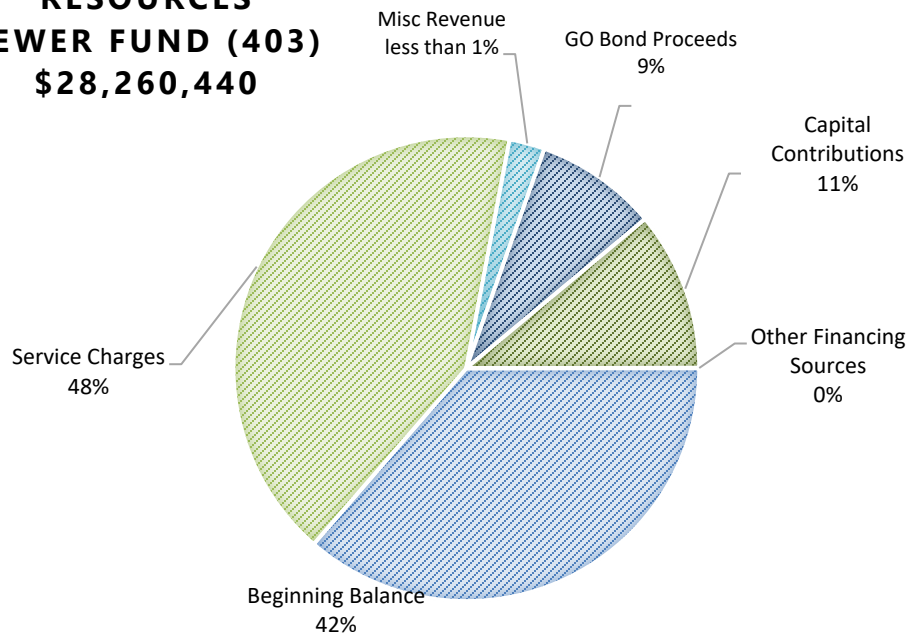
Users support the wastewater utility and revenue is generally derived from three sources: 1) monthly service charges, 2) system connection fees, and 3) miscellaneous revenues to include investment interest and charges associated with special work requests for customers. The majority comes from monthly service charges. The summer months, June through October, charge consumption based on an average water usage during the seven previous months. The rate takes into consideration increased summer usage for watering which does not produce more wastewater.

A change effective in 2023 is the collection of connection fees on behalf of the County. The City will collect and retain the full connection fee, incorporating the County's portion. This results in a much higher revenue source and related excise tax payment due to those collections.

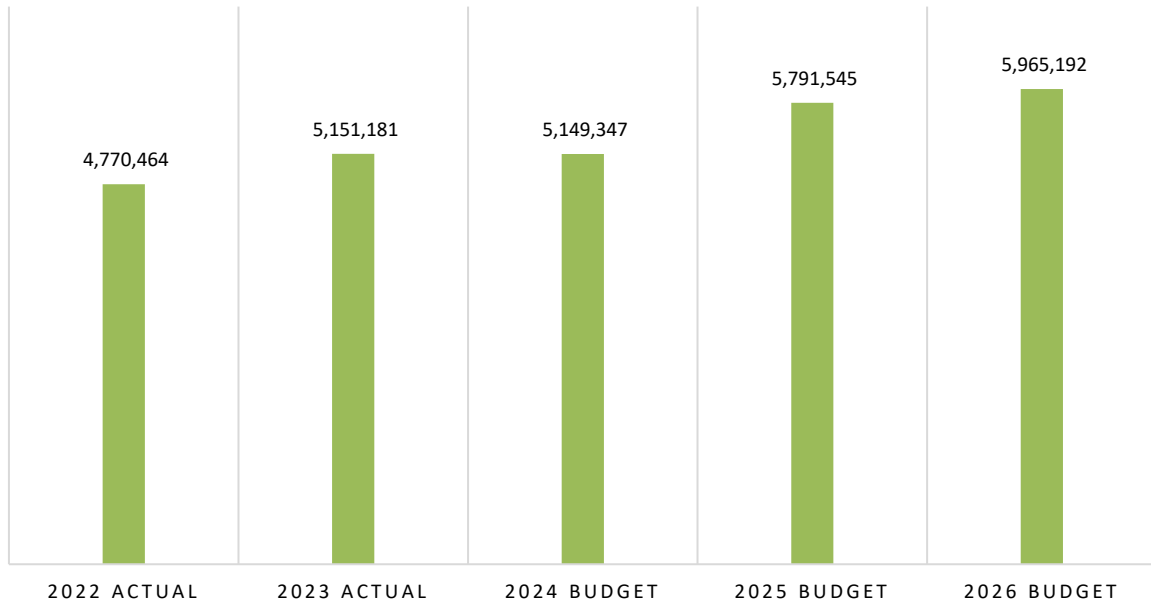
2025 Monthly Residential Sewer Rate Structure		
	Inside City	Outside City
Base Rate	\$ 68.26	\$ 101.83
<i>Base charge includes 400 cf of water flow</i>		
November through May		
401 and over	\$ 8.96	\$ 13.36
June through October**		
401 and over	\$ 8.96	\$ 13.35

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

**2025-2026
RESOURCES
SEWER FUND (403)
\$28,260,440**

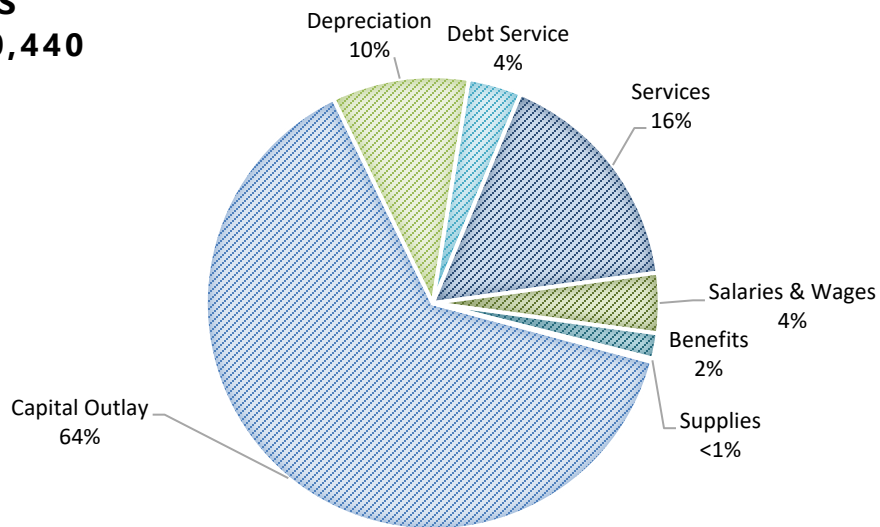


SEWER SERVICE CHARGE REVENUE (2022 - 2026)



2025-2026 EXPENDITURES:

SEWER FUND 2025-2026 USES \$28,260,440



Operation and Maintenance:

The 2025-2026 operation and maintenance program will be a continuation of the 2023-2024 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 City's sewage is processed by the County through an interlocal agreement. The City maintains ownership of capacity with the County, which also results in a City share of the capital improvements in order to maintain ownership of the capacity. Several projects identified for capital funding can be attributed to the agreement. The capital improvement program for 2025-2026 includes the following projects and capital purchases.

2025	
3rd Ave Sewer	30,000
KC Pump Station 24 Upgrades	1,072,000
KC Solids & Liquids Haul	3,600,000
KC SCADA System	162,200
Sewer CIPP Lining Project	35,000
SR 305 Force Main Extention	400,000
	<u>5,299,200</u>
2026	
KC Solids & Liquids Haul	2,904,144
KC SCADA System	123,000
Sewer CIPP Lining Project	340,000
	<u>3,367,144</u>
2025-2026 Total	<u>8,666,344</u>

Debt Service:

2025 Debt Service expenses for Sewer are estimated to be approximately \$541,300

2026 Debt Service expenses for Sewer are estimated to be approximately \$539,700

DEBT SERVICE - SEWER			
2025			
Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 23,158	\$ 6,792	\$ 386,115	2038
Description: Sewer Revenue Debt			
Principal	Interest	Ending Balance	Payoff Year
\$ 290,000	\$ 221,350	\$ 5,070,000	2040
2026			
Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 23,482	\$ 6,468	\$ 363,254	2038
Description: Sewer Revenue Debt			
Principal	Interest	Ending Balance	Payoff Year
\$ 300,000	\$ 209,750	\$ 4,770,000	2040

SEWER DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Number of Active Sewer Services	4041	4178	4210	4300	4390
Number of Pumping Stations Maintained	9	9	8	8	8
Miles of Sewer Lines Maintained	66	66	67	69	71

SOLID WASTE FUND 404

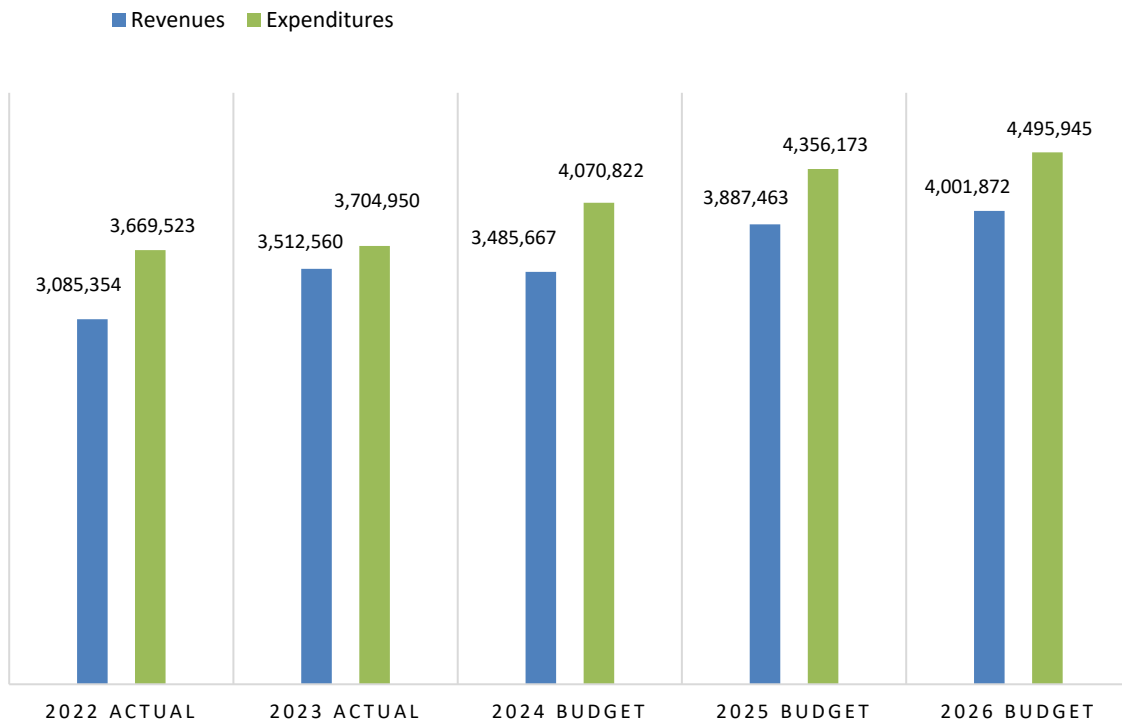
Mission Statement:

The Mission of the Solid Waste Department is to provide the citizens of Poulsville refuse and recycling services in concert with federal, state, and local regulatory requirements.

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 404						
SOLID WASTE UTILITY						
RESOURCES						
BEGINNING BALANCE	2,303,629	1,808,164	1,791,621	1,206,466	737,756	1,206,466
INTERGOVERNMENTAL	-	-	-	-	-	-
CHARGES FOR SERVICES	3,063,310	3,425,242	3,447,757	3,813,635	3,928,044	7,741,679
MISCELLANEOUS	22,044	83,687	34,210	70,128	70,128	140,256
OTHER FINANCING SOURCES	-	3,631	3,700	3,700	3,700	7,400
TOTAL RESOURCES	5,388,983	5,320,724	5,277,288	5,093,929	4,739,628	9,095,801
FUND 404						
SOLID WASTE UTILITY						
USES						
BAD DEBT EXPENSE	3,158	590	-	-	-	-
SALARIES & WAGES	737,653	925,507	887,938	1,092,396	1,135,504	2,227,900
BENEFITS	275,140	318,389	394,208	478,666	510,679	989,345
SUPPLIES	173,823	182,445	135,170	141,334	143,365	284,699
OTHER SERVICES & CHARGES	1,798,054	2,021,353	2,264,573	2,415,540	2,478,161	4,893,701
CAPITAL OUTLAY	477,976	26,186	156,869	-	-	-
DEPRECIATION EXPENSE	156,683	183,446	185,000	181,172	181,172	362,344
DEBT SERVICE - PRINCIPAL	34,393	34,744	35,108	35,502	35,924	71,426
DEBT SERVICE - INTEREST	12,643	12,290	11,956	11,563	11,140	22,703
FUND BALANCE	1,719,460	1,615,774	1,206,466	737,756	243,683	243,683
TOTAL USES	5,388,983	5,320,724	5,277,288	5,093,929	4,739,628	9,095,801

*Beginning Balance adjusted for non-cash capital depreciation expense

SOLID WASTE FUND (2022-2026)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

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 businesses of the City of Poulsbo. The program works in conjunction with the Kitsap County Solid and Hazardous Waste Management Plan which is renewed every 5 years.

The City of Poulsbo provides both residential and commercial solid waste collection and disposal services to approximately 3,873 residential, 383 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 20 gallons to 64 gallons.

Commercial Service: Services includes 20-gallon, 32-gallon, and 64-gallon containers together with dumpsters ranging in size from two yards to eight yards. Customers are referred to Bainbridge Disposal for receptacles greater than eight yards.

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 (OVTS) located in South Kitsap adjacent to the Port of Bremerton Industrial Park off State Highway 3. A long-haul truck and containers were purchased to consolidate waste removal and provide collection truck preservation.

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 2022, 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. The contract renewal will take place in February 2025.

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. 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 6.12 fulltime equivalents (FTE's) providing for the collection and disposal of refuse and solid waste and .87 FTE covering Mechanics and Forman. Staffing is under the supervision of the Services Foreman, and Assistant Public Works Superintendent. An Administrative Assistant was added in 2023. The position funding is split among the four utilities, increasing the solid waste FTE by 0.25.

2023-2024 PROGRAM ACCOMPLISHMENTS:

- Continued the City of Poulsbo's "Keep the City Clean Program", a program which offers residents of the City to annually obtain a one-yard dumpster to encourage residents to keep the city clean and dispose of unneeded and unwanted trash
- Continued cleanup and mowing of old landfill.
- Uninterrupted weekly service to customers
- Utilizing the transfer station for transfer of refuse into long haul containers
- Captured commercial extra garbage charges
- Continued the repair and refurbishment of dumpsters
- Purchase residential cans for the near future
- Purchase dumpsters for the near future

2025-2026 WORK PLAN:

- Continuation of exceptional level of service and customer service for our residents and businesses
- Rate Study to be done in 2025
- Due to increased population, current solid waste routes will be assessed, and implementation of more efficient routes enacted.

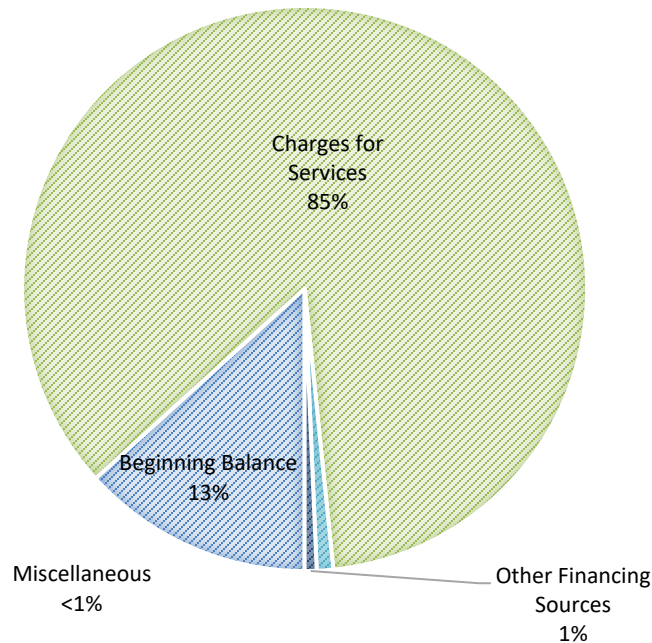
2025-2026 REVENUE SOURCES:

The solid waste utility is supported by its users and revenue is generally derived from service charges, the majority of revenue comes from monthly services charges which include but are not limited to 1) service charges for scheduled residential and regular commercial garbage collection, and 2) miscellaneous charges for residential dumpster rentals 3) miscellaneous charges for additional commercial overages.

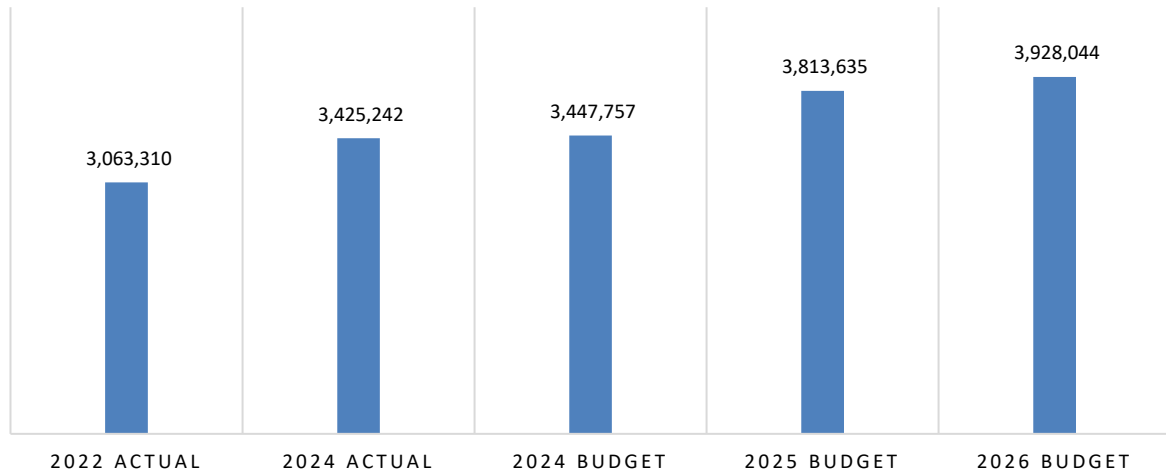
2025 Monthly Residential Garbage Rates (includes \$3 Recycling Charge)		
Can Size		
64 Gal	32 Gal	20 Gal
\$ 57.06	\$ 33.52	\$ 29.17

2025 Residential Customer Can Count				
Can Size	# of Cans			
	1	2	3	4+
64 Gallon	1328	35	2	1
32 Gallon	2111	32	0	1
20 Gallon	403	5	1	0
10 Gallon	64	0	0	0

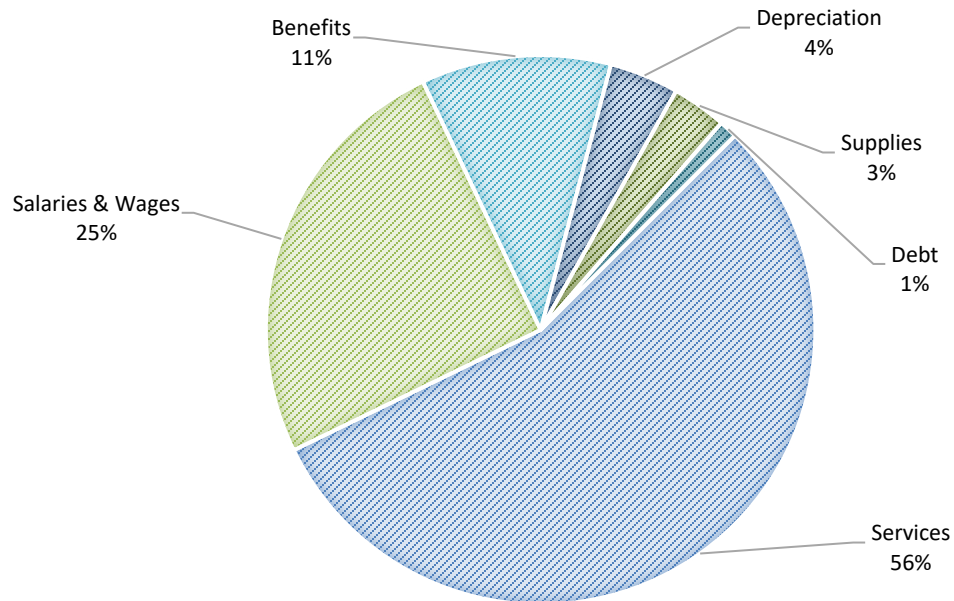
**2025-2026
RESOURCES
SOLID WASTE FUND (404)
\$9,095,801**



SOLID WASTE SERVICE CHARGE REVENUE (2022 - 2026)



SOLID WASTE FUND 2025-2026 USES \$8,852,118



DEBT SERVICE - SOLID WASTE			
2025			
Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 22,592	\$ 7,358	\$ 606,752	2040
2026			
Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 22,861	\$ 7,089	\$ 570,828	2040

SOLID WASTE DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Number of Residential Accounts	3687	3820	3873	3950	4050
Number of Multi-Family Garbage Units*	1289	1335	1359	1384	1409
Number of Commercial Accounts	352	350	355	360	365
Tons of Waste to Landfill	6,802	6,960	7,000	7,100	7,200
Number of Cleanup Dumpsters Provided	251	255	260	264	270

*Includes Poulsbo Mobile Home Park, it is listed as one account and has 76 units.

STORM DRAIN FUND 410

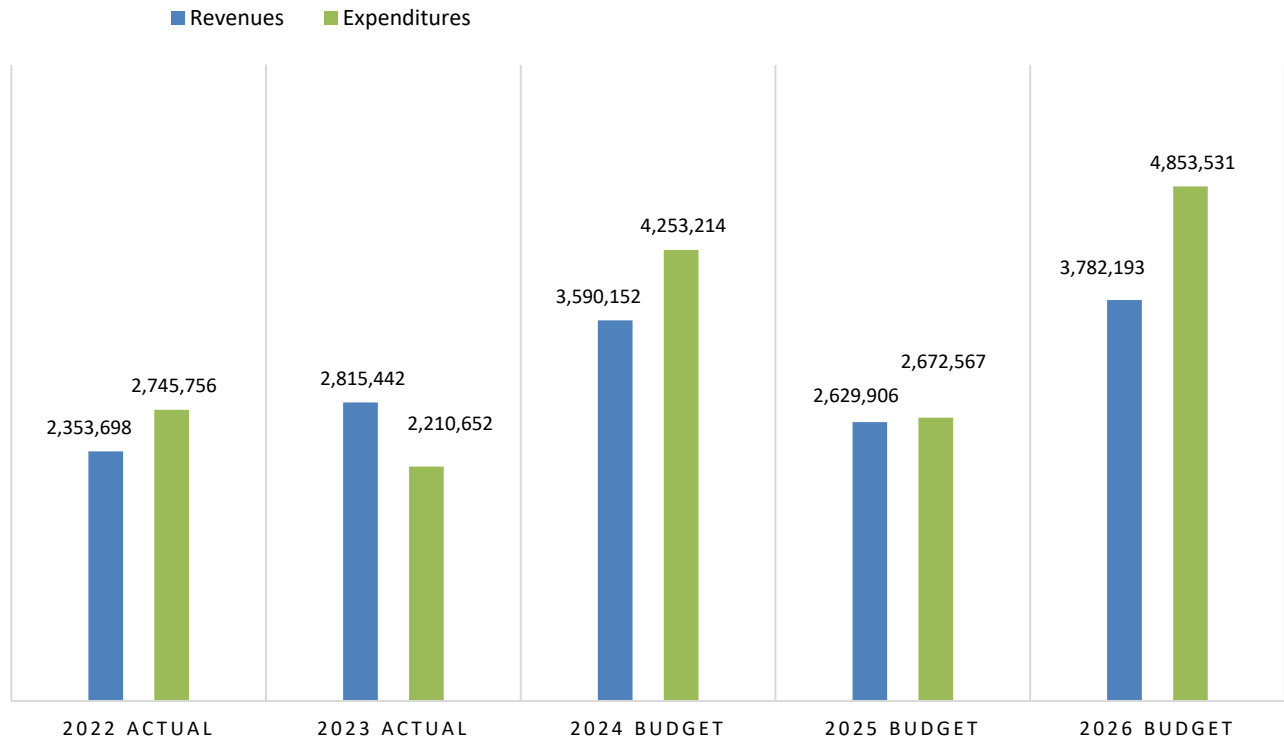
Mission Statement:

Provide for the proper development, management, maintenance, replacement, and improvement of the City's stormwater system in an efficient and cost-effective manner that considers the needs for protection of public health and safety, private property, water quality and the natural environment, and economic development while conforming to Federal, State, and local regulatory requirements and considering the short and long-term goals of the City.

ACCOUNT DESCRIPTION	2022 Actual	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2025-2026 Budget
FUND 410						
STORM DRAIN UTILITY						
RESOURCES						
BEGINNING BALANCE	2,341,149	2,380,626	3,493,126	2,830,064	2,787,403	2,830,064
INTERGOVERNMENTAL	125,984	26,026	1,192,500	-	1,080,000	1,080,000
CHARGE FOR SERVICE	2,070,444	2,294,579	2,225,652	2,416,906	2,489,193	4,906,099
FINES & FORFEITURES	-	-	13,000	15,000	15,000	30,000
MISCELLANEOUS	(21,786)	3,409	5,000	45,000	45,000	90,000
PROPRIETARY OTHER INCOME	179,056	105,388	150,000	150,000	150,000	300,000
OTHER FINANCING SOURCES	-	386,040	4,000	3,000	3,000	6,000
TOTAL RESOURCES	4,694,847	5,196,068	7,083,278	5,459,970	6,569,596	9,242,163
FUND 410						
STORM DRAIN UTILITY						
USES						
BAD DEBT EXPENSE	659	1,446	-	-	-	-
SALARIES & WAGES	636,295	667,507	735,776	803,654	840,716	1,644,370
BENEFITS	193,557	254,581	325,259	347,021	372,841	719,862
SUPPLIES	45,743	58,696	36,760	37,190	37,202	74,392
OTHER SERVICES & CHARGES	499,246	565,201	872,318	679,770	692,841	1,372,611
CAPITAL OUTLAY	836,718	68,213	1,707,430	195,000	2,300,000	2,495,000
DEPRECIATION EXPENSE	507,882	569,352	550,000	584,260	584,260	1,168,520
DEBT SERVICE - PRINCIPAL	18,760	18,951	19,150	19,365	19,595	38,960
DEBT SERVICE - INTEREST	6,896	6,704	6,521	6,307	6,076	12,383
FUND BALANCE	1,949,091	2,985,417	2,830,064	2,787,403	1,716,065	1,716,065
TOTAL USES	4,694,847	5,196,068	7,083,278	5,459,970	6,569,596	9,242,163

STORM DRAIN FUND (410)

STORM DRAIN FUND (2022-2026)



*Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance*

PROGRAM DESCRIPTION:

The Storm Drain program is an enterprise fund providing for the management of storm and surface water runoff for the citizens of the City of Poulsbo. The program also reflects the requirements of the NPDES (National Pollutant Discharge Elimination System) permit issued to the City by the Washington State Department of Ecology.

Collection System: The collection system, consisting of approximately 72 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 6.18 full-time equivalents (FTE's). Operation, maintenance, and repair are provided by 4.93 FTEs, which includes a stormwater quality technician. NPDES (National Pollutant Discharge Elimination System) permit coordination is provided by one 1.0 FTE. An Admin Assistant was added in 2023. The position funding is split among the four utilities, increasing the storm drain FTE by 0.25.

Operations, maintenance and repair staff are supervised by the Public Works Superintendent. NPDES and Engineering staff are supervised by the Public Works Director.

2023-2024 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
- Vegetation control at retention and detention ponds
- On-going development, expansion, refinement, revision, and implementation of programs and procedures for NPDES Permit requirements for public education and outreach, public involvement, illicit discharges, runoff control, operations and maintenance, and Total Maximum Daily Load (TMDL). Some of the activities include:
 - The Backyard Pet Waste program and Mutt Mitt program
 - Illicit discharge detection and elimination (IDDE) investigations and education
 - The private drainage facility inspection and maintenance program
 - Development and maintenance of stormwater system maps based on a GIS (Geographic Information System) system.
 - Completed study for the Liberty Bay Tributaries Fecal Coliform TMDL Implementation Plan.
 - Low Impact Development code analysis and updates
 - Stormwater Management code update
 - Water quality monitoring in support of IDDE program and TMDL Plan implementation
- Continued implementation of the Storm Water Comprehensive Plan
- Completion of three Ecology funded design projects
- Development of the NPDES Source Control Program and code updates

2025-2026 REVENUE SOURCES:

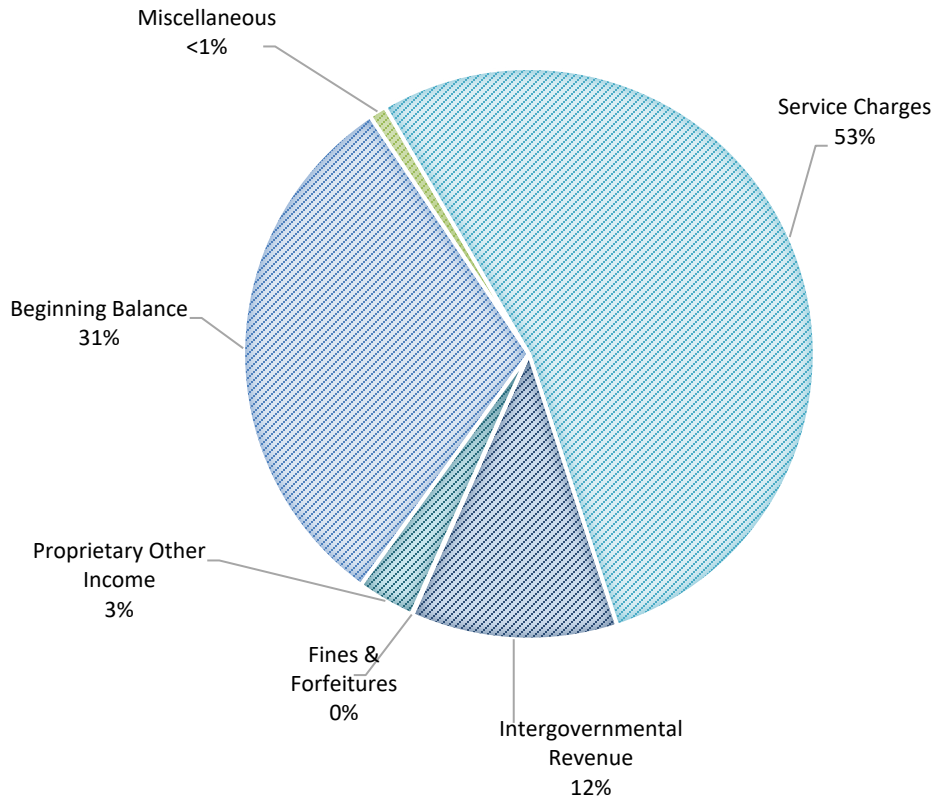
The storm drain utility is supported by its users and revenue is generally derived from service charges, which include: 1) monthly service charges, and 2) building permit connection charges. The majority of revenue comes from monthly service charges.

The 2025 and 2026 rates for residential and commercial customers are assessed per impervious surface units (ISU). One ISU is equivalent to 3,000 square feet of impervious surface.

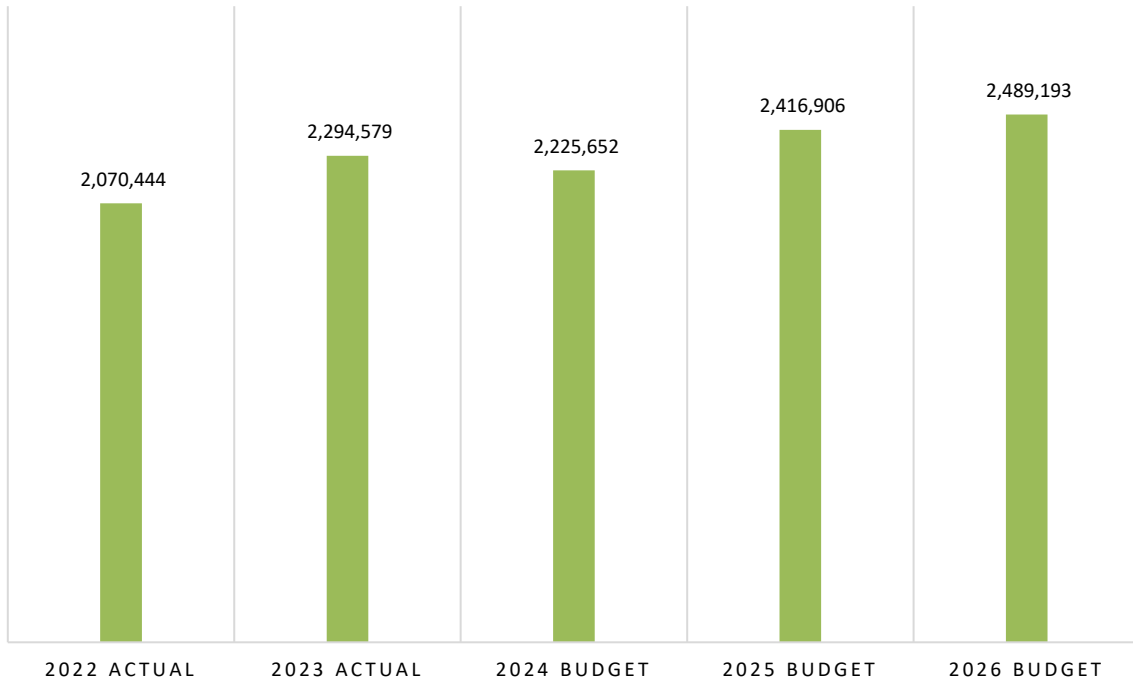
The Comprehensive Plan for stormwater was updated and rates increased to consider NPDES permit-related requirements. Requirements continue to be monitored and updated to ensure compliance.

2025 Monthly Residential Stormwater Rate Structure	
	Inside City Limits Only
Rate	\$ 22.67

**2025-2026 RESOURCES
STORM DRAIN FUND (410)
\$9,242,163**



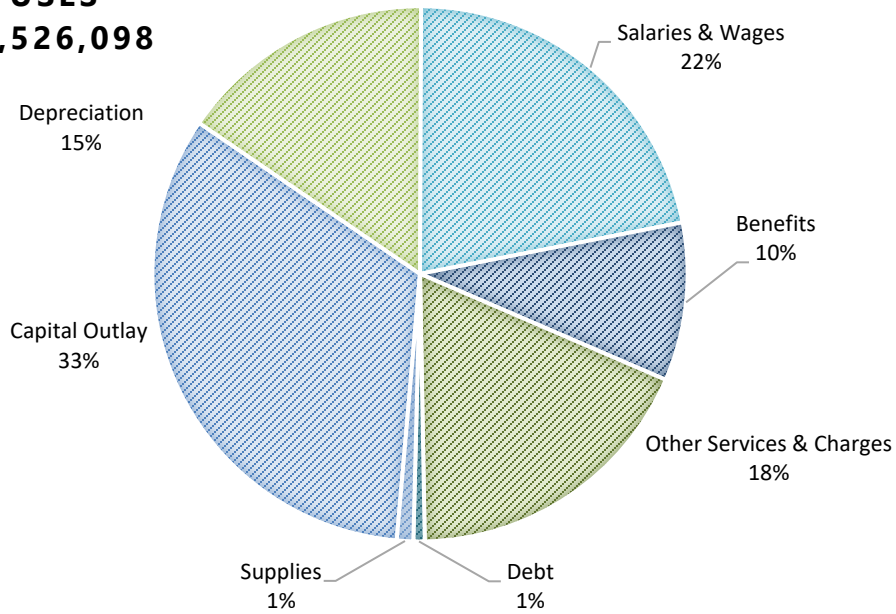
STORM DRAIN SERVICE CHARGE REVENUE (2022 - 2026)



2025-2026 EXPENDITURES:

STORM DRAIN FUND 2025-2026 USES

\$7,526,098



Operation and Maintenance:

The year 2025-2026 operation and maintenance program will be a continuation of the 2023-2024 program. The program will include the operation, maintenance and repair of the utilities existing storm water system infrastructure to include storm drain collection systems and conveyance facilities to reduce flooding and protect water quality pursuant to the City of Poulsbo's Stormwater Comprehensive Plan, adopted stormwater management manuals, and NPDES permit.

NPDES Permit Compliance:

Permit compliance includes activities that address the following elements: public education, outreach, and involvement; illicit discharge detection and elimination; construction & post construction runoff control, operations and maintenance and TMDL compliance.

Capital Improvements:

The capital improvement program for year 2025-2026 include the following projects:

2025

8th Ave Culvert	100,000
Forest Rock Hills Outfall	25,000
HS Ball Field Stormdrain	5,000
Storm CIPP Lining	35,000
	165,000

2026

3rd Ave Storm	155,000
8th Ave Culvert	170,000
Liberty Bay Storm Outfalls	200,000
Forest Rock Hills Outfall	100,000
HS Ball Field Stormdrain	185,000
Storm CIPP Lining	515,000
Bioswale Retrofit	65,000
	1,390,000

2025-2026 Total	1,555,000
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Debt Service:

2025 Debt Service expenses are anticipated to be \$25,672

2026 Debt Service expenses are anticipated to be \$25,671

DEBT SERVICE - STORM DRAIN			
2025			
Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 19,365	\$ 6,307	\$ 330,956	2040
2026			
Public Works Facility			
Principal	Interest	Ending Balance	Payoff Year
\$ 19,595	\$ 6,076	\$ 311,361	2040

STORM DRAIN DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2022	2023	2024	2025	2026
	Actual	Actual	Projected	Projected	Projected
Number of Treatment Facilities - MWS, Bioswales, Bio-infiltration, Concentrators, and Tree Boxes	85	90	208	215	220
Number of Flow Controlled Ponds, Vaults, and Tanks	38	40	70	75	80
Number of Control Structures	66	68	172	177	182
Number of Conveyances, Catch Basins, Inlets, Pipes as required by NPDES.	1435	1375	1445	1530	1575
Miles of Stormwater Pipe Maintained	45	47	82	85	90
Number of Structures Inspected	1586	1533	1605	1575	1650



2025 - 2026 BASELINE ADJUSTMENT REQUESTS SUMMARY

Department / Description	2025 REQUESTED	2026 REQUESTED	Priority Rank by Dept	On-Going	Funding Source	Approved Funding	
						2025	2026
LEGISLATIVE							
KEDA Dues Increase	5,000	5,000	1	Yes	General Fund - 001	5,000	
TOTAL LEGISLATIVE	\$ 5,000	\$ 5,000				\$ 5,000	\$ -

ENGINEERING							
Training	5,000	5,000	1	Yes	General Fund - 001	5,000	5,000
TOTAL ENGINEERING	\$ 5,000	\$ 5,000				\$ 5,000	\$ 5,000

POLICE							
Dues and Subscriptions - AXON	16,500	16,500	1	Yes	General Fund - 001	16,500	16,500
Dues and Subscriptions - File On Q	9,000	6,000	2	Yes	General Fund - 001	9,000	6,000
Executive Level Training	5,000	5,000	5	Yes	General Fund - 001	-	-
K9 Program	13,350	13,350	3	Yes	Drug Enforcement - 171	6,000	6,000
Marine Vessel Annual Maintenance	4,000	4,000	4	Yes	Police Restricted - 191	4,000	4,000
TOTAL POLICE	\$ 47,850	\$ 44,850				\$ 35,500	\$ 32,500

PARKS AND RECREATION							
Reclassification - Office Manager	5,913		1	Yes	General Fund - 001	5,913	6,150
Staff Training and Professional Development	11,300	12,500	2	Yes	General Fund - 001	11,300	12,500
Casual Labor and Facility Attendants	19,900	25,200	3	Yes	General Fund - 001	19,900	25,200
TOTAL PARKS AND RECREATION	\$ 37,113	\$ 37,700				\$ 37,113	\$ 43,850

PUBLIC WORKS							
Parks - Overtime Wages & Benefits	15,005	15,005	1	Yes	General Fund - 001	15,005	15,005
PW - Central Services Maintenance Supplies	15,400	15,400	2	Yes	General Fund - 001	15,400	15,400
Water - Training Increase	3,000	3,000	1	Yes	Water Fund - 401	3,000	3,000
Water - Travel Increase	1,000	1,000	2	Yes	Water Fund - 401	1,000	1,000
Storm Drain - Training Increase	3,500	3,500	1	Yes	Storm Drain - 410	3,500	3,500
Storm Drain - Travel Increase	5,000	5,000	2	Yes	Storm Drain - 410	5,000	5,000
TOTAL PUBLIC WORKS	\$ 42,905	\$ 42,905				\$ 42,905	\$ 42,905

Summary Totals	2025	2026	Approved Funding	
			2025	2026
Grand Total General Fund (001)	108,018	105,605	103,018	101,755
Grand Total Drug Enforcement Fund (171)	13,350	13,350	6,000	6,000
Grand Total Police Restricted Fund (191)	4,000	4,000	4,000	4,000
Grand Total Water Fund (401)	4,000	4,000	4,000	4,000
Grand Total Storm Drain Fund (410)	8,500	8,500	8,500	8,500
TOTAL ALL FUNDS	\$ 137,868	\$ 135,455	\$ 125,518	\$ 124,255



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: **Legislative**

Request Title: **Increase to KEDA Dues**

Responds to Council Goal: **7 Economic Development** **Department Priority:** **1**

Description of Request:

To consider increasing KEDA's dues from \$10,000 to \$15,000 a year.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

Opportunities:

This provides support to facilitate healthy economic growth and investments that support livable, resilient communities, fueled by innovation and the diverse people and businesses of Kitsap County.

Alternatives:

Funding:

General Fund

Organization/Account: 001-110-000-511-60 50000491

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: **Training Budget Increase**

Responds to Council Goal: **10 Customer Service** **Department Priority:** Select Option from Drop Down Menu

Description of Request:

Increase the department training budget to support the growth of our staff. Professional Engineers engage in APWA and Pacific NW Water and Wastewater as well as Stormwater (CESL) training and certifications.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

Opportunities:

The current training budget does not support the cost to offer specific training for our licensed staff. Additional funding is necessary for APWA courses and attendance to conferences for professional engineers, ITE courses, CESL certifications, Inspector certifications, traffic courses, municipal water courses, innovative sewer solutions (rehab, pipe and tunneling) and in order to remain current on fast changing storm standards and EV changes. These are the type of courses necessary to support the continuing education of our Engineering staff. The current Engineering training budget is less than \$250 per staff member per year.

Alternatives:

Limit training opportunities for staff.

Funding:

General Fund

Organization/Account: 00154000054310/50000492

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: **AXON Subscription - increase # to outfit all**

Responds to Council Goal: **8 Public Safety** **Department Priority:** Select Option from Drop Down Menu

Description of Request:

When we implemented the AXON Core + Bundle Subscription model in early 2022, it did not include the entire commissioned staff due to initial cost outlay. With new additions to patrol staffing, it is more essential than ever to have all commissioned staff (patrol, detective, reserve and supervisors) update to the advanced application.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	16,500
Capital	
Total	\$ 16,500

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	16,500
Capital	
Total	\$ 16,500

Opportunities:

Increase the number of users by eight to outfit all existing commissioned employees. The original subscription count in 2022 did not include all and that left us using old cameras and old tasers that do not offer the advanced technology and are becoming obsolete.

Alternatives:

Continue to have some officers using obsolete, older versions of equipment which become harder to repair.

Funding:

In 2024, we utilized a portion of Accreditation Incentive Award funding to get our subscription up to this standard. This \$16,500 amount will be the ongoing cost needed to continue having all commissioned outfitted.

Organization/Account: 0012000052180 / 50000491 - GF / SPP / Dues & Subscriptions Property & Evidence

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: **File On Q - Upgrade to Subscription Base Model**

Responds to Council Goal: **8 Public Safety** **Department Priority:** Select Option from Drop Down Menu

Description of Request:
 The Police Department has been using File On Q, a property & evidence management tracking system, since 2011. Currently we are operating on their stand alone version 7.1 which is quite inferior to the subscription based version 8 they offer. This subscription model includes all of the following for which we currently do not have: free software upgrades, peripheral hardware life-time replacement, unlimited user licenses, and Mobile on Q. There is a \$3,000 one-time implementation cost and then it is a monthly subscription fee of \$499/month ongoing (guaranteed price for 36 months).

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	9,000
Capital	
Total	\$ 9,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	6,000
Capital	
Total	\$ 6,000

Opportunities:
 This upgrade would provide us with all the advantages and sustainability needed in a property & evidence management tracking system; therefore decreasing liability by minimizing any manual operations we currently have due to stagnant functionality.

Alternatives:
 Our current version 7.1. will become further obsolete. We will also continue to incur any equipment hard costs. We will remain at a limited concurrent user license which is often a barrier to the officers and team.

Funding:

Organization/Account: 0012000052180 / 50000491 - GF / SPP / Property & Evidence Dues & Subscriptions

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: **Executive Level Training**

Responds to Council Goal: **8 Public Safety** **Department Priority:** Select Option from Drop Down Menu

Description of Request:

The Police Department must provide funding for an executive level training track to foster and promote opportunities for professional development. These trainings most often involve an increased funding and time committment due to their extensive content and focus. The availability to access such executive level trainings will allow the department to develop leaders from within.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

Opportunities:

Allows the department to increase executive leadership training access and therefore develop leaders from within.

Alternatives:

Without this funding committment, the department will continue to make tough choices and potentially disallow executive level trainings due to the need for officer committed trainings.

Funding:

Organization/Account: 0012000052110 / 50000492 - GF / SPP / Admin 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: **K9 Program**

Responds to Council Goal: **8 Public Safety** **Department Priority:** Select Option from Drop Down Menu

Description of Request:

In mid-2024, the Police Department re-instated it's K9 Narcotics Detection Dog Program. K9 "Luna" came on board in July of 2024 with an initial budget amendment to cover the initial costs. This budget request is to provide funding in 2025/2026 to cover anticipated costs of the program. We are requesting \$5,850 from GF to cover Overtime/Benefits. We are requesting \$7,500 from Fund 171 to cover supplies and training.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	5,000
Benefits	850
Supplies	3,000
Other	4,500
Capital	
Total	\$ 13,350

2026 Cost:	
Wages	5,000
Benefits	850
Supplies	3,000
Other	4,500
Capital	
Total	\$ 13,350

Opportunities:

To adequately fund the anticipated operations cost of the K9 Narcotics Detection Dog Program for the 2025/2026 Budget cycle. This includes Overtime specific to the program along with training and conferences specific.

Alternatives:

Funding:

Organization/Account: 00120002952123 / 50000120 & 50000215 (OT & Benefits) 17120002952123 / 50000310/50000430/50000492

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: **Marine Vessel Annual Maintenance**

Responds to Council Goal: **8 Public Safety** **Department Priority:** Select Option from Drop Down Menu

Description of Request:

The Police Department has one marine vessel which is used to patrol and respond to incidents within Liberty Bay and assist neighboring jurisdictions. As with any vessel, there is required annual maintenance which needs to occur to keep it operational. We have never previously budgeted the full anticipated cost for this so this request is to increase the budget out of Fund 191 to more accurately budget. This request is for \$4,000 additional which would increase the repairs & maintenance budget to \$5,000 annually.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	4,000
Capital	
Total	\$ 4,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	4,000
Capital	
Total	\$ 4,000

Opportunities:

More accurate budget amount for the cost of annual maintenance for the police marine vessel.

Alternatives:

Continue to bring forth Budget Amendments if costs exceed \$1,000.

Funding:

Organization/Account: 19120002152123 / 50000480 - Marine Vessel Program / Repairs & Maintenance

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: **Parks & Recreation**

Request Title: **Reclassification - Office Manager**

Responds to Council Goal: **6 Parks & Recreation and Open Space** **Department Priority: 1**

Description of Request:

The duties of the Administrative Assistant and oversight of the Admin team to required to operate a community Recreation Center 60-70 hours / six days a week, oversee 700+ recreational programs, multiple facility rentals, numerous sponsorship programs, marketing, partnerships, and a growing department needs have substantially increased.

This reclassification is accurate to the current duties and scope of supervisory responsibilities.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	5,054
Benefits	859
Supplies	
Other	
Capital	
Total	\$ 5,913

2026 Cost:	
Wages	5,205
Benefits	885
Supplies	
Other	
Capital	
Total	\$ 6,090

Opportunities:

The current Administrative Assistant job description is out of date and does not accurately match the breadth of duties, responsibilities, and scope of staff supervision required to manage the administrative side of the department and community Recreation Center. This reclassification is part of the department restructuring to capture efficiencies in spreading the workload appropriately within the department, establish resiliency in staffing for consistent and reliable operations, and outline a clearer path for professional, and plan for business continuation.

Alternatives:

As staff approach retirement and department responsibilities increase, it's vital the department has a proper staffing structure with accurate duties, responsibilities, and supervisory scope in place.

Funding:

The Administrative Assistant is funded by the General Fund. The reclassification to Office Manager would remain in the General Fund.

Organization/Account:

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: **Parks & Recreation**

Request Title: **Staff Training and Professional Development**

Responds to Council Goal: **6 Parks & Recreation and Open Space** **Department Priority:** **2**

Description of Request:

The current Parks & Recreation training and professional development budget is vastly inadequate to meet the required trainings needs for professional certifications, trainings, conferences, and staff development. The current budget is 0.07% of the total department expenditures. A minimum of 1% of the department budget is required to meet needs. These needs include keeping professional, time and resource intensive certifications current such as CPRP, CRPE, CPSI, and several others.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	11,300
Other	
Capital	
Total	\$ 11,300

2026 Cost:	
Wages	
Benefits	
Supplies	12,500
Other	
Capital	
Total	\$ 12,500

Opportunities:

As the City encounters staffing challenges, it's critical that the budget supports existing and new staff, ensuring they have annual opportunities for training of updated best practices, retaining and advancing professional certifications, and attend conferences for expanded learning and networking. Investing in staff training is investing the future of the City and it's talented personnel.

Alternatives:

Staff certifications require annual Continuing Education Units (CEUs) in order to staff current with professional organizations. The current budget does not support existing trainings, let alone acquisition of CEUs to keep professional certifications current. The risk is having current certifications lapse.

Funding:

General Fund. - The non-program specific training budget should avoid being dependent upon recreational revenue as they are essential to Administration, Parks & Trails, Recreation, Special Events, Facility Management, and Department Management.

Organization/Account:

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: **Parks & Recreation**

Request Title: **Casual Labor & Facility Attendants**

Responds to Council Goal: **6 Parks & Recreation and Open Space** **Department Priority: 3**

Description of Request:

The Recreation Center, open six days a week, 8:00 am - 8:00 pm (dependent on day), requires robust staffing to ensure safe and efficient operations. The Casual Labor budget increase meets the needs of employing Facility Attendants during evening shifts, weekends, and as substitutes when staff are sick, on vacation, or during during exceptionally busy periods. This BAR maintains current level of service as the existing budget has demonstrably not met needs for the past several years and requires adjustment for accuracy.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	17,000
Benefits	2,900
Supplies	
Other	
Capital	
Total	\$ 19,900

2026 Cost:	
Wages	21,500
Benefits	3,700
Supplies	
Other	
Capital	
Total	\$ 25,200

Opportunities:

Implementation of Facility Attendants is cost effective. The positions are intended to be entry level casual labor. This will reduce the need for higher paid PT regular and FTE position to cover front desk and facility duties. Additionally, these positions build a much needed bench of talent to ensure consistency in reliable and safe operations.

Alternatives:

A BAR is required as the past several years the casual labor budget has not proven accurate to ensure meeting a consistent level of service. A reduction in the budget would result in a lack of coverage for staff sicknesses, vacations, required trainings, professional development, and directly impact services.

Funding:

This Casual Labor budget should come from the General Fund as an adjustment. Recreation Revenue will help supplement Admin expenses.

Organization/Account:

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: **Parks - Public Works**

Request Title: **Overtime Increase**

Responds to Council Goal: **6 Parks & Recreation and Open Space** **Department Priority: 1**

Description of Request:

Increase Parks department overtime budget to support growth in after hours and weekend events. Including but not limited to set up and take down for reserved parking, trash removal, janitorial support for restrooms and additional garbage.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	12,825
Benefits	2,180
Supplies	
Other	
Capital	
Total	\$ 15,005

2026 Cost:	
Wages	12,825
Benefits	2,180
Supplies	
Other	
Capital	
Total	\$ 15,005

Opportunities:

The requested budget cannot support additional overtime caused directly by parks events.

Alternatives:

Lower level of service. Only service restrooms and remove trash once a day on weekends and holidays even during events.

Funding:

General Fund

Organization/Account: 00130000057680 / 50000120 & 00130000057680 / 50000215

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: **Central Services - Public Works**

Request Title: **Increase Maintenance Supplies for Repairs to City Property**

Responds to Council Goal: **4 Capital Facilities** Department Priority: **2**

Description of Request:

To maintain City owned properties not covered by Utilities. All repairs to City Hall facility, and Parks and Rec building. Costs of upkeep for these aging buildings has impacted the budget significantly. Most repairs made to these buildings are safety related.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	15,400
Other	
Capital	
Total	\$ 15,400

2026 Cost:	
Wages	
Benefits	
Supplies	15,400
Other	
Capital	
Total	\$ 15,400

Opportunities:

The current budget does not cover the actual costs of maintaining City owned buildings. This would allow maintenance and repairs to continue while building age. Most of these repairs are emergent and relate to safety.

Alternatives:

Do no repairs other than what will impact safety.

Funding:

General Fund

Organization/Account: 00130000051830 / 50000311

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: **Water Utility**

Request Title: **Training Budget Increase**

Responds to Council Goal: **8 Public Safety** Department Priority: **1**

Description of Request:

Increase in department training budget to support growth of staff. This allows staff to obtain required training and certifications.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	3,000
Capital	
Total	\$ 3,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	3,000
Capital	
Total	\$ 3,000

Opportunities:

The current training budget does not support the cost to offer specific training for our Utility staff. Courses are necessary to support continuing education of staff.

Alternatives:

Limit training opportunity for staff.

Funding:

Water Utility

Organization/Account: 4013000053400 / 50000492

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: **Water Utility**

Request Title: **Travel Budget Increase for Training**

Responds to Council Goal: **8 Public Safety** Department Priority: **2**

Description of Request:

Increase the department travel budget to support training of staff.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	1,000
Capital	
Total	\$ 1,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	1,000
Capital	
Total	\$ 1,000

Opportunities:

The current travel budget does not support the cost to offer specific training for our Utility staff. Courses and travel are necessary to support continuing education of staff.

Alternatives:

Limit training opportunity for staff.

Funding:

Water Utility

Organization/Account: 4013000053400 / 50000430

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: **Storm Drain Utility - Public Works**

Request Title: **Training Budget Increase**

Responds to Council Goal: **10 Customer Service** **Department Priority:** **1**

Description of Request:

Increase in department training budget to support growth of staff. This allows staff and engineer to obtain required training and certifications including attendance at MUNICON, Washington State Municipal Stormwater Conference

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	3,500
Capital	
Total	\$ 3,500

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	3,500
Capital	
Total	\$ 3,500

Opportunities:

The current training budget does not support the cost to offer specific training for our Utility staff. Courses are necessary to support continuing education of staff.

Alternatives:

Limit training opportunity for staff.

Funding:

Storm Drain Utility

Organization/Account: 4103000053100 / 50000492

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: **Storm Drain Utility**

Request Title: **Travel Budget Increase for Training**

Responds to Council Goal: **8 Public Safety** Department Priority: **2**

Description of Request:

Increase the department travel budget to support training of staff. When multiple staff travel to needed conference, hotels tend to cost more than the training. Unfortunately in such a specialized Utility including NPDES, extensive training is required.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

Opportunities:

The current travel budget does not support the cost to offer specific training for our Utility staff. Courses and travel are necessary to support continuing education of staff.

Alternatives:

Limit training opportunity for staff.

Funding:

Storm Drain Utility

Organization/Account: 41030000563100 / 50000430



2025 - 2026 NEW PROGRAM REQUESTS SUMMARY

Department / Description	2025 COST	2026 COST	Priority Rank by Dept	PG#	On-Going	Funding Source	Approved Funding	
							2025	2026
LEGISLATIVE								
Child Care Options	5,000	5,000.00	1	NPR-2	X	General Fund 001	-	-
WWU Small Business Development Center Funding	10,000		2	NPR-3	X	General Fund 001	10,000	-
Public Information Officer		123,500.00	3	NPR-51	X	General Fund 001	-	-
Banner Replacement	10,000	-	4	NPR-53		General Fund 001	10,000	-
TOTAL LEGISLATIVE	\$ 15,000	\$ 5,000.00					\$ 20,000	\$ -
EXECUTIVE								
Appraisal Fees for future possibilities	18,000	-	1	NPR-52		General Fund 001	-	-
TOTAL EXECUTIVE	\$ 18,000	\$ -					\$ -	\$ -
FINANCE								
Project Grant Accountant	5,600		1	NPR-4	X	General Fund 001	5,600	5,824
Financial Software		526,000	2	NPR-5	X	Equipment Acquisition Fund 301	200,000	200,000
TOTAL FINANCE	\$ 5,600	\$ 526,000					\$ 205,600	\$ 205,824
INFORMATION TECHNOLOGY								
Microsoft G5 License Upgrade	178,875	92,000	1	NPR-6	X	Equipment Acquisition Fund 301	178,875	92,000
Paid Intern	53,540		2	NPR-7	x	General Fund 001	-	-
TOTAL INFORMATION TECHNOLOGY	\$ 232,415	\$ 92,000					\$ 178,875	\$ 92,000
MUNICIPAL COURT								
Full-time Judicial Specialist	111,832		1	NPR-8	X	General Fund 001	111,832	116,305
Senior Judicial Specialist	4,400		2	NPR-9	X	General Fund 001	4,400	4,576
TOTAL MUNICIPAL COURT	\$ 116,232	\$ -					\$ 116,232	\$ 120,881
PERSONNEL								
Human Resources Information System	17,923		1	NPR-10	X	General Fund 001	-	-
Human Resources Information System - 3 Modules	31,622		2	NPR-18	X	General Fund 001	-	-
TOTAL PERSONNEL	\$ 31,622	\$ -					\$ -	\$ -
POLICE								
2 New Police Officers	-	633,000	1	NPR-25	X	General Fund 001	-	-
Sighthound - Body camera Redaction Software	5,000	-	2	NPR-26	X	General Fund 001	5,000	-
TOTAL POLICE	\$ 5,000	\$ 633,000					\$ 5,000	\$ -
ENGINEERING / BUILDING								
Engineering NPDES Coordinator Reclassification	7,500		2	NPR-27	X	Storm Drain Fund 410	7,500	7,800
Seawall Assessment - Muriel Iverson Waterfront Park	125,000		1	NPR-28		General Fund 001	-	-
Project Management Software		20,000	2	NPR-29		General Fund 001	-	-
TOTAL ENGINEERING / BUILDING	\$ 132,500	\$ 20,000					\$ 7,500	\$ 7,800
HOUSING, HEALTH, AND HUMAN SERVICES								
North Kitsap Recovery Resource Center (NKRRC)	340,000	208,276	1	NPR-30	X	Fund 125	340,000	208,276
Rental Housing Units & Rental Assistance Increase	50,000	50,000	2	NPR-31	X	Fund 125	50,000	50,000
Security Cameras at NK RRC	6,000	6,000	3	NPR-32	X	General Fund 001	6,000	6,000
Substance Abuse Treatment Services at NK RRC - Liquor Tax	5,000	5,000	4	NPR-33	X	General Fund 001 - Liquor Tax Funds	5,000	5,000
TOTAL HOUSING, HEALTH, AND HUMAN SERVICES	\$ 401,000	\$ 269,276					\$ 401,000	\$ 269,276
PLANNING								
Casual Labor - Special Projects Planner	40,950	40,950	1	NPR-34	X	General Fund 001	40,950	-
Planning Manager	1,736		2	NPR-35	X	General Fund 001	1,736	1,805
TOTAL PLANNING	\$ 42,686	\$ 40,950					\$ 42,686	\$ 1,805

2025 - 2026 NEW PROGRAM REQUESTS SUMMARY

Department / Description	2025 COST	2026 COST	Priority Rank by Dept	PG#	On-Going	Funding Source	Approved Funding	
							2025	2026
PARKS AND RECREATION								
Parks Coordinator FTE	122,679		1	NPR-36	x	General Fund 001	-	-
Office Clerk FTE	42,000		2	NPR-37	x	General Fund 001	20,000	21,680
Senior Programming & Enrichment	18,450	19,428	3	NPR-38	x	General Fund 001	-	-
City Internship Program	20,000		4	NPR-39	x	General Fund 001	-	-
Pacer.ai Software	20,000	22,000	5	NPR-40	x	General Fund 001	20,000	22,000
Parks & Pollinators Program (P3)	5,000		6	NPR-41	x	General Fund 001	5,000	5,000
Park Land Acquisition	600,000		7	NPR-42		General Fund - 001	200,000	200,000
TOTAL PARKS AND RECREATION	\$ 828,129	\$ 41,428					\$ 245,000	\$ 248,680

PUBLIC WORKS								
Solid Waste Evaluation	35,000		1	NPR-43		Solid Waste Fund 404	35,000	-
Utility Rate Evaluation	35,000		1	NPR-44		Water, Sewer, Solid Waste & Storm Drain Funds	35,000	-
Water Rights Assessment	125,000		2	NPR-45		Water Fund 401	-	125,000
Asphalt Hot Box	80,000		2	NPR-46		Neighborhood Streets 110	80,000	-
Pavement Assessment	100,000		1	NPR-47		Neighborhood Streets 110	100,000	-
Sewer Maintenance Technician	155,858		2	NPR-48	X	Sewer Fund 403	-	-
Sewer Maintenance Technician		166,157	3	NPR-49	X	Sewer Fund 403	-	-
Streets Maintenance Technician	155,858		1	NPR-50	X	City Street Fund 101	-	-
TOTAL PUBLIC WORKS	\$ 686,716	\$ 166,157					\$ 250,000	\$ 125,000

Summary Totals	Requested Total	
	2025	2026
Grand Total General Fund (001)	1,351,809	751,378
Grand Total City Street Fund (101)	155,858	-
Grand Total Neighborhood Street Fund (110)	80,000	-
Grand Total Affordable Housing Fund (125)	390,000	258,276
Grand Total Equipment Acquisition Fund (301)	178,875	526,000
Grand Total Park Reserve Fund (302)	-	-
Grand Total Street Reserve Fund (311)	-	-
Grand Total Water Fund (401)	136,666	-
Grand Total Sewer Fund (403)	167,525	166,157
Grand Total Solid Waste Fund (404)	35,000	-
Grand Total Storm Drain Fund (410)	19,167	-
Grand Total Non-Voted Bonds		
TOTAL ALL FUNDS	\$ 2,514,900	\$ 1,701,811

Approved Funding	
2025	2026
445,518	388,190
-	-
180,000	-
390,000	258,276
378,875	292,000
-	-
-	-
8,750	125,000
8,750	-
43,750	-
16,250	7,800
\$ 1,471,893	\$ 1,071,266

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

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ _____

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ _____

Opportunities:

Alternatives:

Funding:

Organization/Account: _____

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: **WWU Small Business Development Center Funding Request**

Responds to Council Goal: **7 Economic Development** Department Priority: **2**

Description of Request:

WWU SBDC emailed the Council on 9/19/24 and presented at the 10/09/24 Council Workshop. They are seeking a renewal of their partnership with a contribution of \$10,000 to support the Kitsap Small Business Development Center (SBDC) in continuing to deliver no-cost business advising assistance to small businesses in the Poulsbo area.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	10,000
Capital	
Total	\$ 10,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	10,000
Capital	
Total	\$ 10,000

Opportunities:

This request comes as they approach the end of their American Rescue Plan Act (ARPA) funding on October 31, 2024 and consider the future of their center in 2025 and beyond. Their goal is to continue their current level of support to all small business owners in Kitsap County. With the recent implementation of the Business and Occupation tax, this support will allow us to better serve Poulsbo business owners. Over the past four years, their advisors have assisted 115 small businesses in the City of Poulsbo.

Alternatives:

Funding:

Organization/Account: 0011100051160 50000491

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 Information Officer**

Responds to Council Goal: **10 Customer Service** Department Priority: **3**

Description of Request:

Hire a Public Information Officer to support City operations and notifications to the public. This position will help administer the City's information to the public for press releases, social media notices, website administration and support customer service providing timely notifications to the public. Many surrounding agencies have a full staff to provide the function which the City has absorbed into their daily functions.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2026 Cost:	
Wages	80,000
Benefits	36,000
Supplies	5,000
Other	2,500
Capital	
Total	\$ 123,500

Opportunities:

Provide timely and larger information to the public promoting communication, public safety and public involvement

Alternatives:

Continue with current staff to absorb the duties.

Funding:

General Fund

Organization/Account: 00113000053010 500000110

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: Banner Replacements

Responds to Council Goal: 7 Economic Development Department Priority: 4

Description of Request:

The street banners for WWU/OC need replacement. They are getting old and frayed.

Frequency:
One-Time <input checked="" type="checkbox"/>
Continuous <input type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	10,000
Capital	
Total	\$ 10,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Continuing supporting the local colleges by advertising their presence in Poulsbo.

Alternatives:

Funding:

Organization/Account:

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**

Request Title: **Appraisal Fees**

Responds to Council Goal: **9 Revenues & Financial Stability** Department Priority: **3**

Description of Request:
 Allocate funds for the appraisal of available property opportunities in the City for the possibility of purchase by the City for future growth of parks and/or City operations. This would be a one time cost evaluating the desirable available properties.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	18,000
Capital	
Total	\$ 18,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:
 Maintain records for the intention of properly and fiscally negotiating property purchases

Alternatives:
 Hire as needed slowing down the process potentially losing the ability to purchase a desirable property.

Funding:
 General Fund

Organization/Account: 00113000053010 50000490

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 Department**

Request Title: **Reclassify Accounting Technician to Project/Grant Accountant**

Responds to Council Goal: **9 Revenues & Financial Stability** Department Priority: **1**

Description of Request:

The number of grants a regulations have increase significantly for the City requiring constant review of contracts and legal requirements. This position support all department in accounting and tracking project to be in compliance with regulations. Federal regulations have implemented a large change effective in 2025. This position must be pro-active in ensuring the City is in compliance with the laws as well as support department to spend and track in accordance with the regulations.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	4,500
Benefits	1,100
Supplies	
Other	
Capital	
Total	\$ 5,600

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Provide wages which are consistent with the increasing responsibilities and provide growth opportunity within the department.

Alternatives:

Increase responsibilities of high level positions and departments to manage the grants and maintain responsibility of legal responsibilities with less support from the finance side

Funding:

General Fund

Organization/Account: 00114200051420

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 Department - Central Services

Request Title: Financial Software

Responds to Council Goal: 9 Revenues & Financial Stability Department Priority: 2

Description of Request:

The current financial software used for financial processes including: general ledger, reporting, payables, payroll, fixed assets, budget, utility billing, receipting and miscellaneous billing was implemented in 2005. Current software is not making updates which will better serve the City and its citizens for on-line billing options and updates for processes. Would like to issue RFP in 2025 with the option to purchase a new software system in 2026 and begin implementation. The request includes overtime and training related costs. One time costs will be casual labor, overtime and training necessary for implementation. Intention is to have a subscription based software solution.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2026 Cost:	
Wages	150,000
Benefits	26,000
Supplies	
Other	
Capital	350,000
Total	\$ 526,000

Opportunities:

Provide better on-line options for customers and support financial tracking and reporting needs for City operations.

Alternatives:

Continue with current software, increase need for outside reporting and tracking reducing integration for more timely and accurate reporting

Funding:

Capital Fund 301

Organization/Account: 30114200059418

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: **Information Technology**

Request Title:

Responds to Council Goal: **10 Customer Service** Department Priority: **1**

Description of Request:

The IT Department is requesting the approval of council to purchase the upgraded version of Microsoft 365 for government. This upgrade will allow the city to realize the full potential of MS applications such as Outlook, Word, Excel, PowerPoint, Teams, Share Point, One Drive etc. The upgrade also introduces new apps such as Teams telephone, Microsoft Advanced Threat Protection, MS Defender for endpoints, Self Service Password Reset, multi-factor authentication, MS Phish Simulator and email spam and virus filtering to name just a few. The city is not entitled to these apps and features until such time as we purchase the G5 GCC Licenses for all end users requiring these services.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Pro Service-Phones	30,000.00
Pro Service-G5 Suite	36,875.00
Hardware	20,000.00
Licensing	92,000.00
Total	\$ 178,875.00

2026 Cost:	
Wages	
Training	
PRO Services	
Hardware	
Licensing	92,000.00
Total	\$ 92,000.00

Opportunities:

see attached addendum

Alternatives:

Keep Microsoft licensing at current levels with no upgrades, and the entire network would be less secure as Microsoft will prioritize the latest security patches and application features into G5 licensing before upgrading older versions.

Funding:

30114200059418 500000640

Organization/Account:

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: **Information Technology**

Request Title:

Responds to Council Goal: **4 Capital Facilities** Department Priority: **4**

Description of Request:

The IT Department is requesting \$53,540.00 for a paid intern program for the 2025-2026 biennium budget cycle.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	45760.00
Benefits	7780.00
Supplies	
Other	
Capital	
Total	\$ 53540.000

2026 Cost:	
Wages	45760.00
Benefits	7780.00
Supplies	
Other	
Capital	
Total	\$ 53540.00

Opportunities:

This program will provide additional tier 1 end user support allowing the IT Managers to focus on network and cybersecurity vulnerabilities in an ever changing IT landscape.

Alternatives:

Keep existing department size and structure maintaining current network infrastructure as is.

Funding:

Organization/Account:

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: **Full-Time Judicial Specialist**

Responds to Council Goal: **8 Public Safety** Department Priority: **1**

Description of Request:

A full-time clerk will be needed to handle the extra workload resulting from the introduction of the 3 Traffic Enforcement Cameras.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	70,697
Benefits	38,635
Supplies	2,500
Other	
Capital	
Total	\$ 111,832

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$

Opportunities:

The new clerk will assist in reducing the workload caused by the three traffic cameras and the onboarding of new police officers.

Alternatives:

Without a new clerk, the ability to process payments, handle hearing requests, and manage phone calls would be significantly affected

Funding:

Organization/Account: 00112000051251/50000110, 50000210, 50000310

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: **Senior Judicial Specialist**

Responds to Council Goal: **8 Public Safety** Department Priority: **2**

Description of Request:

Requesting the reclassification of a Judicial Specialist to a Senior title (step 18). The current Judicial Specialist has over 27 years of court experience, serves as a back up to the Court Administrator and has managed most of the training for an entry-level Judicial Specialist. The current range of clerks (within Kitsap County Muni Courts) with a Senior title range is between \$31.20 - \$41.26.

Cost associated with this request is: Regulatory Non-Discretionary Other

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	4,400
Benefits	
Supplies	
Other	
Capital	
Total	\$ 4,400

2026 Cost:	
Wages	2,280
Benefits	
Supplies	
Other	
Capital	
Total	\$ 2,280

Opportunities:

Maintain the extensive experience and long-standing tenure of the county's most senior clerk.

Alternatives:

Funding:

Organization/Account: 00112000051251/50000110, 50000210

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: **Human Resources**

Request Title: **Human Resources Information System**

Responds to Council Goal: **10 Customer Service** Department Priority: **1**

Description of Request:

The Human Resources Department has had a huge increase in hiring, and seeks to use software to streamline the hiring and onboard process.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	17,923
Capital	
Total	\$ 17,923

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	13,693
Capital	
Total	\$ 13,693

Opportunities:

Reduce staff time in recruiting candidates, scheduling interviews, and onboarding new hires with software. Looking to get the Insight and Onboard modules.

Alternatives:

Funding:

See attached quote. This quote is for two products: Insight and Onboard. There is a set-up fee for the first year. Costs include sales tax of 9.3%.

2027 cost would be \$13,693 (year 3 of three year contract).

Organization/Account: 00118600051810 50000491

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: **Human Resources**

Request Title: **Human Resources Information System (3 modules)**

Responds to Council Goal: **10 Customer Service** Department Priority: **2**

Description of Request:

The Human Resources Department has had a huge increase in hiring, and seeks to use software to streamline the hiring and onboard process. The department already has software for training; however, we are seeking to implement trainings with the same company that will provide the hiring and onboarding process. Support from our current vendor for training software has not met expectations.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	31,622
Capital	
Total	\$ 31,622

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	21,002
Capital	
Total	\$ 21,002

Opportunities:

Reduce staff time in recruiting candidates, scheduling interviews, and onboarding new hires with software. Looking to get the Insight, Onboard, and Learn modules.

Alternatives:

We currently spend ~\$5,900 annually for training software. If Learn module is funded, this contract would be terminated.

Funding:

See attached quotes. This quote is for all three products: Insight, Onboard, and Learn. There is a set-up fee for the first year. If we are funded for Learn, we would discontinue the Vector contract for a \$5,900 savings, deferring the bottom line cost for software. 2027 cost would be \$27,566 (year 3 of three year contract). Sales tax of 9.3% added to all quotes.

Organization/Account: 00118600051810 50000491

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: **Two (2) New FTE Police Officers**

Responds to Council Goal: **8 Public Safety** Department Priority: **2**

Description of Request:

In order to maintain adequate patrol staffing levels for the pace of growth experienced and future growth anticipated within the City of Poulsbo, the police department is requesting two (2) new FTE Police Officers be added for 2026. The cost of \$633,000 in 2026 would include all the initial startup and one-time capital costs for two. Ongoing would be estimated for both at a total of \$440,000 annually.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2026 Cost:	
Wages	230,000
Benefits	150,000
Supplies	8,000
Other	60,000
Capital	185,000
Total	\$ 633,000

Opportunities:

To allow the police department continued growth at pace with the population, as the call volume increases and while continuing to provide stellar service to our community.

Alternatives:

Without the addition of more officers, we will not be able to provide the kind of service that our community expects as it grows ever larger. Call response times will increase, officers will be on sick leave more frequently, and it will be difficult to retain the staff we have as they continue the levels of overtime and increased expectations.

Funding:

Organization/Account:

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: **Sighthound - Body Camera Redaction Software**

Responds to Council Goal: **10 Customer Service** Department Priority: **2**

Description of Request:

Body Camera Redactions are a manual and time intensive process which will only continue to compound as requests amplify. "Sighthound" is an AI-powered redaction application providing us with easy-to-use editing tools, not available within AXON, which will result in less operational time and therefore employee cost in redactions. This request is for \$5,000 annually and will provide user licenses for all four members of the Police Administrative Services team and all will be trained on the process.

	2025 Cost:		2026 Cost:	
Frequency:	Wages		Wages	
One-Time	Benefits		Benefits	
	Supplies		Supplies	
Continuous	Other	5,000	Other	5,000
	Capital		Capital	
	Total	\$ 5,000	Total	\$ 5,000

Opportunities:

Utilize AI software specifically written to address the most common redactions necessary for body cameras when responding to public records requests. On average it takes approximately 2.5x the length of a body cam video to perform redactions in AXON. With AI-powered redaction, this is projected to reduce employee time down to 1.5x.

Alternatives:

Continue to use the AXON redaction studio which is cumbersome and is driven by manual operation which is very time consuming.

Funding:

Organization/Account: 00120000052110 / 50000491 - GF / SPP / Dues & Subscriptions Admin

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**

Request Title: **Engineering Tech/Reclassification**

Responds to Council Goal: **10 Customer Service** Department Priority: **Choose Option from Drop Down Menu**

Description of Request:
Reclassification to Stormwater Program Manager Role.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input type="checkbox"/>

2025 Cost:	
Wages	6,410
Benefits	1,090
Supplies	
Other	
Capital	
Total	\$ 7,500

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:
 This duties of this unique position require specific skills, abilities, and requirements that most candidates for the Eng/Sr Tech position would not necessarily have. This reclassification aligns the duties of this position with similar positions in other jurisdictions.

Alternatives:

Funding:
Stormwater

Organization/Account:

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: **Seawall Assessment**

Responds to Council Goal: **8 Public Safety** Department Priority: **1**

Description of Request:

The City needs to do an assessment of the seawall in Liberty Bay in the location of the Muriel Iverson Waterfront Park as there has been concern regarding the effects natural erosion has had on the seawall. Engineering will engage a consultant who specializes in this type of assessment.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	125,000
Capital	
Total	\$ 125,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

This assessment is necessary as it affects infrastructure as well as public safety.

Alternatives:

Wait until the situation becomes more urgent.

Funding:

General Fund

Organization/Account:

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: **Project Management Software**

Responds to Council Goal: **4 Capital Facilities** Department Priority: **2**

Description of Request:

Engineering requests software to better manage capital projects. Engineering currently operates without this type of tool and as projects become more complicated we find it a necessary tool for staff to effectively manage the execution of the larger projects and to assure the project stays on budget without the necessity to hire outside consultants to assist with the delivery of the projects.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	20,000
Capital	
Total	\$ 20,000

Opportunities:

Project management software will assist the Engineering team's ability to manage projects more efficiently. The tool will summarize reporting of project status (dash board view). The tool will allow controlled/shared access for the consultant, city, and contractor staff. The tool will support tracking of schedule, construction quantities, pay estimates, RFI's, submittals, etc.

Alternatives:

Continue managing projects utilizing our traditional methods, potentially utilize consultant tools for project delivery. This increases complexity for file management and archiving and decreases productivity.

Funding:

General Fund

Organization/Account: 00154000054310/50000491

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: **Housing, Health, Human Services**

Request Title: **North Kitsap Recovery Resource Center**

Responds to Council Goal: **8 Public Safety** Department Priority: **1**

Description of Request:

H3 is requesting the use of local affordable housing/behavioral health funds in 2025 and 2026 to fund essential services at the Recovery Resource Center if grant funding is not obtained by the end of 2024. 2025 wages and benefits are for one essential operations manager and one outreach manager position for half the year (grant funding for the other 6 months already secured). 2026 wages & benefits estimated for one essential operations manager for the whole year.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	163,200
Benefits	108,800
Office Supp	
Sm Tools/Equip	
Rent & utilities	65,000
Total	\$ 340,000

2026 Cost:	
Wages	94,710
Benefits	47,000
Office Supp	
Sm Tools/Equip	
Rent & Utilities	65,000
Total	\$ 206,710

Opportunities:

H3 will continue to pursue grant opportunities for RRC operations.

Alternatives:

H3 will continue to pursue grant opportunities for RRC operations.

Funding:

City Council has approved up to 40% of local affordable tax funding to support behavioral health services and miscellaneous housing services. 40% of 650,000 estimated tax revenue is \$260,000. The total request for 2025 is \$340,000 reduced by the use of remaining grant funds for \$42,000, and \$30,000 from Opioid fund, and the remainder will be covered by housing reserves.

Organization/Account: 125-185-000-???-00 50000110, 50000210, 50000310, 50000350, 50000450, 50000471

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: **Housing, Health, and Human Services**

Request Title: **Increasing units of rental housing & rental assistance**

Responds to Council Goal: **5 Housing** Department Priority: **2**

Description of Request:

H3 is requesting the use of \$50,000 in 2025 and 2026 for housing related services. \$35,000 is requested for professional services in 2025 which will include a needs assessment related to the start up/creation of STEP housing in Poulsbo (recovery housing, diversion housing, supportive housing) and funds for a new STEP project. \$15,000 is requested for a new rental assistance program that will be managed by an outside nonprofit to prevent homelessness. In 2026, \$35,000 is requested for services related to STEP Housing and \$15,000 is requested for our rental assistance program.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Prof. Services	35,000
Misc/rental asst	15,000
Total	\$ 50,000

2026 Cost:	
Wages	
Benefits	
Prof. Services	35,000
Misc/rental asst	15,000
Total	\$ 50,000

Opportunities:

H3 will explore and pursue grants related to STEP Housing

Alternatives:

Funding:

Local affordable housing sales tax.

Organization/Account: 125-185-037-551-00 50000410, 50000490

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: **Housing, Health, Human Services**

Request Title: **NK Recovery Resource Center Security Cameras**

Responds to Council Goal: **8 Public Safety** Department Priority: **3**

Description of Request:

Maintain existing two security cameras, licensing fees, and panic buttons at the North Kitsap Recovery Resource Center. Add one new security camera and licensing fee, per recommendation from safety consultation with local in/out-patient mental health provider. Ongoing, maintain 3 cameras, 2 panic buttons, and associated license fees for this budget cycle, for risk mitigation.

Frequency:
One-Time <input type="checkbox"/>
Continuous <input checked="" type="checkbox"/>

2025 Cost:	
Wages	
Benefits	
Supplies	
Equip/dues subscription	6,000
Total	\$ 6,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Equip/dues subscription	6,000
Total	\$ 6,000

Opportunities:

n/a

Alternatives:

Previous grant funds were used to purchase existing equipment.

Funding:

City of Poulsbo General Fund. Account coding can be assigned between small tools and equipment and dues & subscription per finance department guidance, once actual costs are known.

Organization/Account: 001 185 000 564 00 50000350 (small tools & equipment) and possibly 50000491 (dues & subscriptions)

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:	Housing, Health, Human Services		
Request Title:	Substance Abuse Treatment Services at NK Recovery Resource Center- State Liquor Tax		
Responds to Council Goal:	8 Public Safety	Department Priority:	4

Description of Request:

Every year the City of Poulsbo receives funding from the state of Washington Liquor tax. Per RCW 71.24.555, no less than 2% of the city's share of liquor taxes and profits must be devoted to support substance use disorder services. We estimate \$5,000.00 as the City of Poulsbo's portion of tax funds for supporting substance use disorder professional (SUDP) services. These funds are intended to pay for contracted SUDP treatment services at the North Kitsap Recovery Resource Center.

Frequency:	2025 Cost:		2026 Cost:	
	One-Time <input type="checkbox"/>			
Continuous <input type="checkbox"/>	Wages		Wages	
	Benefits		Benefits	
	Supplies		Supplies	
	Prof. Services	5,000	Prof. Services	5,000
	Capital		Capital	
	Total	\$ 5,000	Total	\$ 5,000

Opportunities:

Per state RCW 71.24.555

Alternatives:

n/a

Funding:

Liquor Tax

Organization/Account: 001 185 035 566 00 50000410 Chemical Dependency Professional Services

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: **Casual Labor**

Responds to Council Goal: **1 Land Use** Department Priority: **1**

Description of Request:

Retain a Special Projects Planner to complete the 2024 Comp Plan update including the EIS and impact fees. Also, to support the 2025 Critical Areas code update as well as other special projects as assigned.
 This request is intended to cover 2025 and 2026, then funding will be reassessed.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	35,000
Benefits	5,950
Supplies	
Other	
Capital	
Total	\$ 40,950

2026 Cost:	
Wages	35,000
Benefits	5,950
Supplies	
Other	
Capital	
Total	\$ 40,950

Opportunities:

Efficiency and quality are provided for the entire planning team by retaining a Special Projects Planner and her 25+ years of Poulsbo experience.

Alternatives:

Hire a consultant that won't have the same familiarity and history with the City of Poulsbo while ultimately costing the city more time and money.

Funding:

General Fund

Organization/Account:

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: **Planning Manager**

Responds to Council Goal: **9 Revenues & Financial Stability** Department Priority: **2**

Description of Request:

Promote one Senior Planner to Planning Manager.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	1,484
Benefits	252
Supplies	
Other	
Capital	
Total	\$ 1,736

2026 Cost:	
Wages	3,455
Benefits	587
Supplies	
Other	
Capital	
Total	\$ 4,042

Opportunities:

The current Senior Planner has served the planning profession for over 15 years, with 8 years dedicated to the City of Poulsbo. She has the education and experience, knowledge and ability to serve the essential functions of a planning manager. She has led the City of Poulsbo in meeting the increasing requirements of the Growth Management Act.

Alternatives:

Do not provide an opportunity for professional growth for our most engaged and productive planner who has successfully led our long range planning efforts with quality and integrity.

Funding:

General - Pay Scale 23, starting at 3rd step.

Organization/Account:

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 & Recreation**

Request Title: **Parks Coordinator FTE**

Responds to Council Goal: **6 Parks & Recreation & Open Space** Department Priority: **1**

Description of Request:

Parks & Recreation has employed a Parks Coordinator utilizing American Rescue Plan Act (ARPA) funds. Those funds are set to expire at the end of 2024. The Parks Coordinator is responsible for the inspection, assessment, maintenance, and improvements for the City's parks, trails, and playgrounds. They coordinate extensively with community groups and volunteers to maintain the City's 24 parks and open space areas, significantly reducing the need for additional staffing. Request is to fully fund the Parks Coordinator from the General Fund.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	77,321
Benefits	38,858
Supplies	6,500
Other	
Capital	
Total	\$ 122,679

2026 Cost:	
Wages	81,187
Benefits	40,800
Supplies	7,000
Other	
Capital	
Total	\$ 128,987

Opportunities:

The Parks Coordinator has successfully demonstrated over the past several years to provide quantifiable significant value to the City and community. They are the only Certified Playground Safety Inspector (CPSI) in the City, conduct regular park assessments to determine needs, liabilities, and improvements, and organize numerous volunteer work parties. By the end of 2024, they will have organized ~50 volunteer work parties for the City. They have grown the Parks & Recreation volunteer program exponentially since 2021, leveraging the value of one FTE into multiples. For instance, this position will generate three times the value of services provided to the City through volunteers compared to the cost of funding the FTE.

2021: 580 volunteer hours, \$20,000.
 2022: 2,800 volunteer hours, \$105,000
 2023: 5,900 volunteer hours, \$237,000
 *2024 (forecast): 9,000 volunteer hours, \$360,000
 (Independent Sector National Value of each Volunteer hour for Washington State: 2021 \$34.87; 2022 \$37.63; 2023 \$40.28)

Alternatives:

The City has adopted a parks and trails model that extensively relies on volunteers to maintain the 24 parks and miles of trail. Continuing the position that can oversee and grow that area is in line with City stated goals.

Funding:

Funding annually from the General Fund. This is a non-revenue recovered position, instead provided leveraged value of the position to the City through coordination of volunteer work parties, assistance with parks & trails grants, and collaborations with community partners. The value is estimated to be at \$360,000 in 2024 and anticipated to keep growing.

Organization/Account:

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 & Recreation**

Request Title: **Office Clerk FTE**

Responds to Council Goal: **6 Parks & Recreation & Open Space** Department Priority: **3**

Description of Request:

The Office Clerk FTE position will provide needed department resiliency to ensure continuation of essential services, workload division, succession planning to the Administrative Assistant who manages accounts receivable, fiscal reconciliation, oversight and audit trails, extensive staff hiring programming monthly payments, facility reservations, and numerous other tasks.

The new FTE position will reduce the "revolving door" of the existing position.

	2025 Cost:		2026 Cost:	
Frequency:	Wages	17,000	Wages	
One-Time	Benefits	25,000	Benefits	
	Supplies		Supplies	
Continuous	Other		Other	
	Capital		Capital	
	Total	\$ 42,000	Total	\$

Opportunities:

This position will be responsible for accounts receivable, facility reservations and payments, advertising revenue league teams, weekly AP Claims Batches, monthly Mastercard Batches, Backup on Records Management, website updates, assistance with brochure development, and special projects - ie: sport court banner sponsorship program.

Alternatives:

This position will be a backup to the Administrative Assistant who is nearing retirement. Without increased hours and responsibilities, the Department will not be able to meet current and growing community needs. Administrative is the heart that lifts a team to function effectively.

Funding:

As the Department continues to grow in services, donations, sponsorships, facility rentals, staffing, programming, and parks and trails, our administrative needs substantially increase. Funding will need to be split between the General Fund and Recreation Programming fees. The position is currently funded .75 with associated revenues, and the hope is by increasing fees the other amount will be funded, however, conservatively estimating General Fund may need to supplement.

Organization/Account:

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: **Senior Programming & Enrichment**

Responds to Council Goal: **6 Parks & Recreation & Open Space** Department Priority: **3**

Description of Request:

Nearly 25% of Poulso's population is over age 60 and an additional 14.2% of the population will reach age 60 within the next 10 years. Residents 65 years and over make up a larger portion of the population in Poulso than in Kitsap County and the state as a whole (2024 Poulso Comp Plan).

Parks & Recreation has been growing senior programming and enrichment activities, socials, as well as collaborative community partnerships these last four years. A Senior Task Force was created with active citizen, Parks & Recreation Commission, and service group involvement to investigate long term funding and programming solutions. As seniors are one of the most vulnerable populations with fixed income - as well as making up 25% of the Poulso community - it's essential a baseline budget is created to support essential services and to foster community partnerships.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	15,000
Benefits	2,550
Supplies	900
Other	
Capital	
Total	\$ 18,450

2026 Cost:	
Wages	15,750
Benefits	2,678
Supplies	1,000
Other	
Capital	
Total	\$ 19,428

Opportunities:

Funding will help Parks & Recreation staff develop programs, enrichment activities, foster community partnerships with North Kitsap Senior Citizen Center, Martha & Mary, Fishline, and others to offer a robust, year round, collaborative offering. Baseline funding is required as these program are non-revenue recovering except for special trips which require transportation.

Alternatives:

The City is uniquely positioned to centrally organize a partnership of community service groups, non-profits, and sponsoring businesses to develop a robust offering of services for seniors in Poulso. Without funding, the needs of one of community's most vulnerable populations will remain unmet and underserved. Funding will be leveraged through community partnerships, sponsorships, grants, and other methods to grow these offerings.

Funding:

General Fund - Senior programs, enrichment courses, social wellbeing and gather opportunities are non-cost recovering. Seniors are a vulnerable population with limited resources.

Organization/Account:

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 & Recreation**

Request Title: **City Internship Program**

Responds to Council Goal: **2 Community Character** Department Priority: **7**

Description of Request:

In recent years the City has seen the number of intern application increase as new professionals seek to enter into a career of public service. Internships have been on a case-by-case basis without an established organizational structure, marketing and partnership effort, planning and oversight committee, or dedicated funding source. This NPR seeks to establish a formalized City of Poulsbo internship program, Internship Committee, marketing/outreach plan, resources for supervisors of selected interns, and budget.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	20,000
Capital	
Total	\$ 20,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	20,000
Capital	
Total	\$ 20,000

Opportunities:

Establishing and formalizing a City wide internship program offers multiple benefits.

- 1.) Organization, resources, and structure for all departments new to supervising interns
- 2.) Pipeline of talented, trained, and potentially new employees
- 3.) Strengthening of strategic partnerships with university and colleges such as WWU and OC.
- 4.) Leveraging existing staffing resources to mentor interns and tackle numerous projects to advance City and Council goals

Alternatives:

Reduce funding for wages and focus on developing an internship committee, marketing materials, and building the structure of the City program first. Funding for specific interns could come out of individual department budgets. This would allow for the structure to be created first at a lower expense.

Funding:

General Fund. See notes above.

Organization/Account:

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 & Recreation**

Request Title: **Pacer.ai Software**

Responds to Council Goal: **7 Economic Development** Department Priority: **7**

Description of Request:

In order to better serve citizens, plan for future needs, and prioritize operations for efficiency, the City needs access to consistent relevant data regarding use of public roads, facilities, parks & trails, economic zones, special events, and other areas. Pacer.ai would provide personnel with a City email address access to the data outlining visitor, employee, and resident use level.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	20,000
Capital	
Total	\$ 20,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	22,000
Capital	
Total	\$ 22,000

Opportunities:

Data is current as four days prior and helps provide empirical evidence of various use types for City streets, parks, trails, economic zones, special event areas, as well as patterns of behavior for visitors, employees, and residents. This data will help City staff and partners better understand to plan and prepare to serve needs. For instance, understanding directional traffic impacts M-Su on an hourly basis, understanding demographics and time of use for City parks, visitor count and origin for special events.

Alternatives:

The City does not have any data gathering tool that helps inform decisions for planning and operations. There are no planned alternatives.

Funding:

Staff will be submitting an LTAC grant to cover 100% of the cost of the annual subscription for 2025. Additionally, staff intend to submit another grant for 2026, but if not accepted, the City would need to pay for 2026 annual software subscription cost.

Additionally, if the City can sign the contract with Pacer.ai before the end of the year for a two year subscription, a larger discount of 20% off will apply. This will effectively reduce the total price in 2025 to ~\$18,000 and in 2026 (~\$20,000), saving \$4,000.

Organization/Account:

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 & Recreation**

Request Title: **Parks & Pollinators Program (P3)**

Responds to Council Goal: **6 Parks & Recreation & Open Space** Department Priority: **7**

Description of Request:

The Parks & Pollinators Program (P3) is a City led - with partner and community support - to plant drought resistant, naturalized and/or native flowering species of perennials and wildflowers in parks and along public spaces such as roads, sidewalks, and median strips to develop a network of pollinator corridors.

A pollinator corridor establishes linking habitats for important native species such as bees, butterflies, hummingbirds and others. This deliberate planning helps them thrive and contribute to building a healthy diverse ecosystem and is especially important as their populations have been steadily declining in developed areas. Pollinators are essential to the survival of our ecosystems. Through increased biodiversity and improved habitat, we can ensure future generations enjoy a natural environment that is healthier and more resistant to climate change.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	5,000
Capital	
Total	\$ 5,000

Opportunities:

Proof of concept exists at American Legion Park with Pearson Elementary establishing the first pollinator site and along many of Poulsbo's roads and parks via the daffodil program. P3 expands these first steps and will work with local community groups to determine preferred species, planting locations, and supplemental funding to leverage the public benefit. Planned outreach for potential partnerships include Poulsbo Garden Club, Rotary, Lions, Kiwanis, North Kitsap School District, Poulsbo Tree Board, business complexes, and individual neighborhoods.

The Parks & Recreation Director intends to create a citizen task force to assist with the establishment of the program and the goals outlined above.

Alternatives:

The City does not have an established pollinator, planting plan, or City beautification plan.

Funding:

The Mayor has set aside \$5,000 annually from her discretionary fund to support this program. Additional funding will be sought through partner support with volunteer groups and individual community members assisting with the plantings.

Organization/Account:

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 & Recreation**

Request Title: **Park Land Acquisition Program**

Responds to Council Goal: **6 Parks & Recreation & Open Space** Department Priority: **7**

Description of Request:

Funding for future park acquisitions. There are several possibilities which may become available in the future. Allowing the possibility of purchasing land for future parks as the City continues to grow and develop the need and desirability of more park land may be necessary. Establishing a program for assigning funds for acquisitions. It may be increasing General Fund transfer or delegating a portion of future impact fees towards land acquisition and a portion for park improvements. Suggested start up amount from General Fund for \$600k with future amounts to be determined

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	0
Capital	600,000
Total	\$ 600,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	0
Capital	
Total	\$ 0

Opportunities:

Future projections of land opportunities has been researched and parcels determined desirable for park land

Alternatives:

The City will continue to apply for grant opportunities, but if not available will require using reserves and or debt issue.

Funding:

General fund, Impact Fees, Grants

Organization/Account:

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**

Request Title: **Solid Waste Evaluation**

Responds to Council Goal: **10 Customer Service** Department Priority: Choose Option from Drop Down Menu

Description of Request:

Retaining a consultant to perform an evaluation of the City's Solid Waste function. As costs to perform this service continue to rise, it is necessary to evaluate the long term viability of continuing this service by the City, or alternatively contract these services out to a private company.

Frequency:
One-Time
<input checked="" type="checkbox"/>
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	35,000
Capital	
Total	\$ 35,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Alternatives:

Implement assessment in house. Update 2016 Solid Waste Evaluation with current revenue & expenditures.

Funding:

Solid Waste.

Organization/Account:

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**

Request Title: **Utility Rate Evaluation**

Responds to Council Goal: **10 Customer Service** Department Priority: Choose Option from Drop Down Menu

Description of Request:

Retaining a consultant to perform an evaluation of the City's utility rates. As costs for construction and operation continue to rise and our need for capital investments to our utility infrastructure continue to grow, it is necessary to evaluate the the utility rates and long term financial needs.

Frequency:
One-Time
<input checked="" type="checkbox"/>
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	35,000
Capital	
Total	\$ 35,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Alternatives:

Funding:

Water, Sewer and Storm and Solid Waste reserves.

Organization/Account:

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**

Request Title: **Water Rights Assessment**

Responds to Council Goal: Choose Option from Drop Down Menu Department Priority: Choose Option from Drop Down Menu

Description of Request:

Retaining a consultant to perform an assessment of the City's water rights and long term well and water rights strategy.

Frequency:
One-Time
<input checked="" type="checkbox"/>
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	125,000
Capital	
Total	\$ 125,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Alternatives:

Funding:

Water Reserves

Organization/Account: 001

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: **Asphalt Hot Box**

Responds to Council Goal: **8 Public Safety** Department Priority: **2**

Description of Request:

Vital to Public Works when preparing a pothole repair program for Neighborhood Streets. An Asphalt Hot Box allows asphalt to stay hot for hours in order to more permanently repair potholes and alligator cracked areas without the waste of disposing of cold asphalt. In 2023 and 2024 we were asked to WAIT on this piece of equipment.

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	80,000
Total	\$ 80,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

Provides better public safety and a more permanent repair of potholes and alligatored areas. Also keep crews from making multiple repairs to the same area. Helps keep staff safe and out of the roadway.

Alternatives:

Continue with multiple applications of tar throughout the year instead of fixing once as a more permanent repair.

Funding:

Neighborhood Streets

Organization/Account: 31030090553530 / 50000640

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**

Request Title: **Pavement Assessment**

Responds to Council Goal: **8 Public Safety** Department Priority: Choose Option from Drop Down Menu

Description of Request:

Retaining a consultant to perform an assessment of all City streets to determine the conditions of our streets and to assist in prioritizing needs and projects for the future.

Frequency:
One-Time
<input checked="" type="checkbox"/>
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	100,000
Capital	
Total	\$ 100,000

2026 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

Opportunities:

The last streets assessment was completed in 2016 and as the City streets continue to wear and population increases, it is necessary to assess them again. This will allow the City to strategically plan maintenance of its streets and apply for grant opportunities.

Alternatives:

Continue to utilize the outdated pavement assessment and field observation for prioritization.

Funding:

General fund.

Organization/Account: 001

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: **Maintenance Tech 2025**

Responds to Council Goal: **8 Public Safety** Department Priority: **1**

Description of Request:

New Maintenance Tech position for Sewer Department, 1.0 FTE This is the third request for position. Requested in 2023 and 2024 but came back with a wait for funding.
 Uniforms: \$620 (ongoing 50000220)
 Uniforms Taxable: \$250 (ongoing 50000221)
 Computer access for Public Works, Cartegraph, and Calendars (\$2,000)
 Vehicle for new Sewer position = \$50,000 (one-time 40330000059435 / 50000640)

	2025 Cost:		2026 Cost:	
Frequency:	Wages	63,851	Wages	70,236
One-Time	Benefits	39,137	Benefits	43,051
	Supplies		Supplies	
Continuous	Other	2,870	Other	2,870
	Capital	50,000	Capital	
	Total	\$ 155,858	Total	\$ 116,157

Opportunities:

This will increase staff for sewer department to include maintenance and repair of sewer lines, pumps, valves, and daily sewer services. As the population of Poulsbo increases, personnel are needed to provide a safe level of service.
 This will be the third ask for this position from the Sewer Utility.

Alternatives:

Put citizens at risk as we lower the level of service but increase the population.

Funding:

Sewer Utility

Organization/Account: 40330000053500 / See coding above in the description

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: **Maintenance Tech 2026**

Responds to Council Goal: **8 Public Safety** Department Priority: **1**

Description of Request:

New Maintenance Tech position for Sewer Department, 1.0 FTE T.
 Uniforms: \$620 (ongoing 50000220)
 Uniforms Taxable: \$250 (ongoing 50000221)
 Computer access for Public Works, Cartegraph, and Calendars (ongoing \$2,000)
 Vehicle for new Sewer position = \$50,000 (one-time 40330000059435 / 50000640)

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	
Benefits	
Supplies	
Other	
Capital	
Total	\$ 0

2026 Cost:	
Wages	70,236
Benefits	43,051
Supplies	
Other	2,870
Capital	50,000
Total	\$ 166,157

Opportunities:

This will increase staff for sewer department to include maintenance and repair of sewer lines, pumps, valves, and daily sewer services. As the population of Poulsbo increases, personnel are needed to provide a safe level of service.

Alternatives:

Put citizens at risk as we lower the level of service but increase the population.

Funding:

Sewer Utility

Organization/Account: 40330000053500 / See coding above in the description

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 2025**

Responds to Council Goal: **8 Public Safety** Department Priority: **1**

Description of Request:

New Maintenance Tech position for Streets Department, 1.0 FTE This is the second request for position, 2024 came back with a wait for funding.
 Uniforms: \$620 (ongoing 50000220)
 Uniforms Taxable: \$250 (ongoing 50000221)
 Misc: Access to Public Works, Cartegraph, Calendars, and Fuel (ongoing \$2,000)
 Vehicle for new Streets position = \$50,000 (one-time)

Frequency:
One-Time
Continuous

2025 Cost:	
Wages	63,851
Benefits	39,137
Supplies	
Other	2,870
Capital	50,000
Total	\$ 155,858

2026 Cost:	
Wages	70,236
Benefits	43,051
Supplies	
Other	2,870
Capital	
Total	\$ 116,157

Opportunities:

This will increase staff for Streets Department for maintenance and repair of streets, alleys, rights-of-way, and sidewalks. Other duties include striping roadways, crosswalks and curbs, as well as flagging for streets and utilities repair within the roadway and right-of-way. As the population of Poulsbo increases, personnel are needed to provide a safe level of service.

Alternatives:

Lower level of service in care and maintenance of streets and safety of crew when operating in the right of way or street.

Funding:

Streets/GF

Organization/Account: 10130000542 / See coding above in the description

City of Poulsbo, Washington



2025 – 2030 City Improvement Plan





City of Poulsbo, Washington



2025 – 2030 City Improvement Plan

Mayor

Rebecca Erickson

City Council Position No. 1

Rick Eckert

City Council Position No. 2

Pam Crowe

City Council Position No. 3

Britt Livdahl

City Council Position No. 4

Doug Newell

City Council Position No. 5

Ed Stern

City Council Position No. 6

Doug Taber

City Council Position No. 7

Gary McVey

Assistant City Administrator

Deborah Booher

Parks & Recreation Director

Jeff Ozimek

Public Works Director

Diane Lenius

Planning & Economic Development

Heather Wright

Director

CITY OF POULSBO
2025-2030 City Improvement Plan
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CITY OF POULSBO

2025-2030 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 Capital Improvement policy is found in the Appendix, Section 10 of this document.

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
2025-2030 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 CFP element of the Comprehensive Plan must include:

- An inventory of existing capital facilities owned by public entities showing the location and capacities of the capital facilities
- A forecast of the future needs for such facilities
- The proposed locations and capacities of expanded or new capital facilities;
- At least a six-year plan that will finance such capital facilities within projected funding capacities, which clearly identifies sources of public money for such purposes
- 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:

- | | |
|---|---|
| <ul style="list-style-type: none">• General Purpose
Parks and Recreation
Municipal buildings
Police• Transportation
Roads
Paths & Trails | <ul style="list-style-type: none">• Enterprise
Water
Sewer
Solid Waste
Storm Drain |
|---|---|

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
2025-2030 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
2025-2030 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 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.



CITY OF POULSBO
2025-2030 City Improvement Plan

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 \$71,720,879. 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.

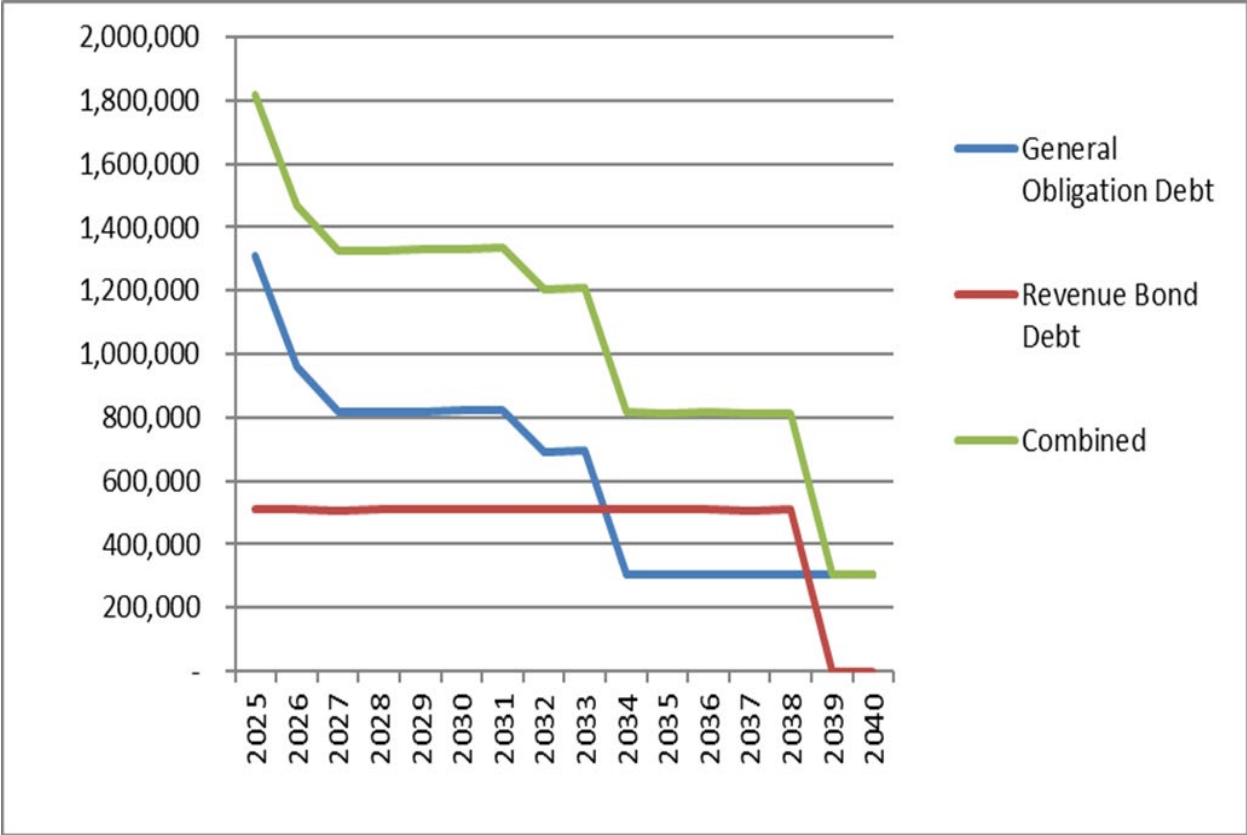
The Debt Management policy is found in the Appendix, Section 10 of this document.

2025 BUDGET DEBT LIMIT

Project	Type	Duration	Interest Rate	Amount Issued	Outstanding
LOCAL Program GO Bonds	Non Voted	2022-2026	3% - 5%	520,000	258,257
City Hall 2012 - Refunded Amount in 2021	Non Voted	2009 - 2031	2% - 4%	1,269,475	824,495
City Hall 2015 (Ref 2005 & 2009 bonds)	Non Voted	2009 - 2033	2% - 4%	7,320,000	3,230,000
Ref 2012 - PW Property - Noll Road Issue 2021	Non Voted	2021-2040	.99% - 2.14%	5,021,600	4,170,480
				\$12,341,600	\$ 8,483,232
2025 Assessed Valuation \$ 3,208,164,436					
X	0.025	=	\$ 80,204,111	Limited for Combined Debt	Balance Available \$ 71,720,879
X	0.015	=	\$ 48,122,467	Limited for Non-Voted Debt	Balance Available \$ 39,639,235

DEBT SCHEDULE SUMMARY

BOND DEBT TO MATURITY						
General Obligation (GO)				Revenue Bonds		
Year	Principal	Interest	Total	Principal	Interest	Total
2025	1,079,808	227,890	1,307,698	290,000	221,350	511,350
2026	766,698	193,014	959,713	300,000	209,750	509,750
2027	645,190	172,275	817,465	310,000	197,750	507,750
2028	661,065	155,572	816,637	325,000	185,350	510,350
2029	682,275	137,960	820,235	340,000	172,350	512,350
2030	703,810	119,255	823,065	355,000	155,350	510,350
2031	725,530	99,585	825,115	375,000	137,600	512,600
2032	610,875	78,938	689,813	390,000	122,600	512,600
2033	635,530	60,081	695,611	405,000	107,000	512,000
2034	265,430	40,183	305,613	420,000	90,800	510,800
2035	270,500	35,113	305,613	435,000	74,000	509,000
2036	275,830	29,785	305,615	455,000	56,600	511,600
2037	281,370	24,240	305,610	470,000	38,400	508,400
2038	287,085	18,529	305,614	490,000	19,600	509,600
2039	293,025	12,586	305,611	-	-	-
2040	299,210	6,403	305,613	-	-	-
TOTAL	8,483,232	1,411,409	9,894,640	5,360,000	1,788,500	7,148,500



CITY OF POULSBO
2025-2030 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 City Street Fund (101) to fund maintenance and operations along with small street projects. 4% will be transferred to the Street Reserves Fund (311) and 4% will be transferred to the Park Reserve Fund (302) to support capital projects. Park Impact Fees will transfer \$35,000 in 2023 and another \$35,000 in 2024 to support specific park projects. Traffic Impact Fees will transfer \$125,000 in 2023 and \$125,000 in 2024 to support specific street projects.

REVENUES

Affordable Housing Sales Tax – The City collects an additional one tenth of one percent of sales tax to fund affordable housing related activities. The Nordic Cottages affordable senior housing project is funded by this sales tax.

Business & Occupation Tax (B & O Tax): The City implemented a B & O Tax beginning in 2024. Revenues generated from this tax could be allocated to fund capital projects listed on the City Improvement Plan

Transportation Benefit District (TBD): In fiscal year 2021, the City opted to form a Transportation Benefit District, which raises revenue through vehicle license fees. This revenue may be used to support transportation projects such as improvements to roads, sidewalks, and transportation demand management. In 2023 the City implemented .1% sales tax increase for additional TBD funding. This will be used to support transportation operation and capital expenditures.

Real Estate Excise Tax (REET): The City uses the second one-quarter percent (1/4%) of the Real Estate Excise Tax (REET) for Debt Payments of City Hall. 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. The first one-quarter percent can be used for transportation projects and is intended to fund a portion of the Noll Road project.

BOND FINANCING

In early 2012, the City secured a \$2,455,000 Limited Tax General Obligation bond (LTGO) that was delegated to pay off the remaining balance of a Line of Credit with the remainder utilized to refund the 2003 LTGO bond anticipation note. 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 is projected to be paid from General Fund dollars and REET.

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.)

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.

CITY OF POULSBO

2025 – 2030 CITY IMPROVEMENT PLAN

GENERAL PURPOSE PROGRAM

CITY OF POULSBO
2025-2030 City Improvement Plan

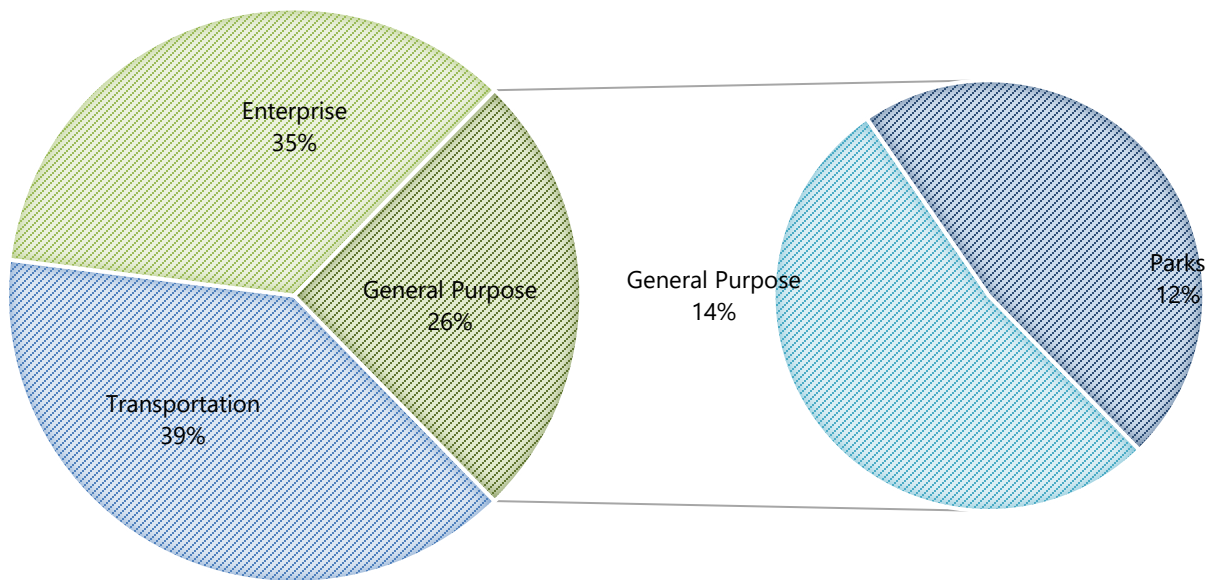
GENERAL PURPOSE PROGRAM

The General Purpose Program element of the City Improvement Plan comprises Parks & Recreation and General Government projects. Combined, they represent \$37,506,602 or 26% of the \$147,759,328 City Improvement Plan.

Of this 26%, 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 the next phase of the Public Works Complex; Phase 1 was completed in 2022 and design for the next phase began in 2022 and will continue with the intent for construction to be several years out due to funding constraints. Funding for Phase II is not included in the 2025-2026 budget.

GENERAL PURPOSE EXPENDITURES

■ Transportation ■ Enterprise ■ General Purpose ■ Parks



CITY IMPROVEMENT PLAN PROGRAM	AMOUNT
General Purpose	\$ 37,506,602
Transportation	\$ 58,082,707
Enterprise	\$ 52,170,019
TOTAL CAPITAL PROGRAM	\$ 147,759,328



2025 - 2030 GENERAL PURPOSE CAPITAL IMPROVEMENTS

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost
GENERAL PROJECTS / MUNICIPAL FACILITIES										
	PW Complex Relocation Phase II	-	500,000	800,000	450,000	8,100,000	6,650,000	-	-	16,500,000
	6-Non-Voted Bonds	-	-	-	-	6,700,000	4,600,000	-	-	11,300,000
	7-City Reserves	-	500,000	800,000	450,000	1,000,000	1,450,000	-	-	4,200,000
	11-Lease/Sale	-	-	-	-	400,000	600,000	-	-	1,000,000
	Nordic Cottages	127,360	3,140,000	-	-	-	-	-	-	3,267,360
	2-State Grants	-	240,000	-	-	-	-	-	-	240,000
	3-County	-	400,000	-	-	-	-	-	-	400,000
	6-Non-Voted Bonds	-	2,500,000	-	-	-	-	-	-	2,500,000
	7-City Reserves	127,360	-	-	-	-	-	-	-	127,360
	Total Municipal Facility Capital Projects	\$ 127,360	\$ 3,640,000	\$ 800,000	\$ 450,000	\$ 8,100,000	\$ 6,650,000	\$ -	\$ -	\$ 19,767,360
	Total Municipal Facility Capital Funding Sources	\$ 127,360	\$ 3,640,000	\$ 800,000	\$ 450,000	\$ 8,100,000	\$ 6,650,000	\$ -	\$ -	\$ 19,767,360
	2-State Grants	-	240,000	-	-	-	-	-	-	240,000
	3-County	-	400,000	-	-	-	-	-	-	400,000
	5-Voted Bonds	-	-	-	-	-	-	-	-	-
	6-Non-Voted Bonds	-	2,500,000	-	-	6,700,000	4,600,000	-	-	13,800,000
	7-City Reserves	127,360	500,000	800,000	450,000	1,000,000	1,450,000	-	-	4,327,360
	11-Lease/Sale	-	-	-	-	400,000	600,000	-	-	1,000,000

PROJECT NAME:	PUBLIC WORKS COMPLEX RELOCATION PHASE II
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PROJECT DESCRIPTION

Budget:	\$ 16,500,000	Purpose:	General Purpose
Location:	North Viking Avenue	Project Manager:	PW Superintendent Mike Lund
Description:	Phase 2 relocation of the Public Works complex to move the mechanic, vehicle, streets, and sign shops to the 22125 Viking Avenue location. This phase shall be funded by Enterprise funds and General fund at 20% each. \$3,200,000 per fund.		
Justification:	Final move from current location at 710 NE Iverson to Public Works property. Iverson property to be sold to help offset costs. The Iverson site is insufficient to serve existing operations and the City desires to move all facilities to a consolidated location. This project will be phased.		
Project Begin:	2023	Project Completion:	2028

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding	
				2025	2026	2027	2028	2029	2030		
1	Federal Grants										-
2	State Grants										-
3	County										-
4	PWTF										-
5	Voted Bonds										-
6	Non-Voted Bonds					6,700,000	4,600,000				11,300,000
7	City/Utility Reserves	36,910	463,091	800,000	450,000	1,000,000	1,450,000				4,200,000
8	City Impact Fees										-
9	General Fund Revenue										-
10	Real Estate Excise Tax										-
11	Lease/Sale					400,000	600,000				1,000,000
12	LID										-
13	Donation/In-Kind										-
	Total Funding	\$ 36,910	\$ 463,091	\$ 800,000	\$ 450,000	\$ 8,100,000	\$ 6,650,000	\$ -	\$ -	\$ -	\$ 16,500,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs	
				2025	2026	2027	2028	2029	2030		
	Planning & Design	36,910	463,091	800,000	450,000						1,750,000
	Land/Right of Way										-
	Construction					7,950,000	6,550,000				14,500,000
	Management					150,000	100,000				250,000
	Total Costs	\$ 36,910	\$ 463,091	\$ 800,000	\$ 450,000	\$ 8,100,000	\$ 6,650,000	\$ -	\$ -	\$ -	\$ 16,500,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: _____

	Prior Years	Current 2024	Six-Year Plan						Total Costs		
			2025	2026	2027	2028	2029	2030			
	Operating										-
	Debt										-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	NORDIC COTTAGES
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PROJECT DESCRIPTION

Budget:	\$ 3,267,360	Purpose:	Build 8 one bedroom low income units
Location:	609 NE Lincoln	Project Manager:	

Description:

The City of Poulsbo is working with applicant Housing Kitsap to build 2 cottages that will add 8 units of low income housing in Poulsbo.

Justification:

The City is obliged, through state law and its comprehensive plan, to provide for low income housing.

Project Begin:	2023	Project Completion:	2024
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants		240,000							240,000
3	County		400,000							400,000
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds		2,500,000							2,500,000
7	City/Utility Reserves	127,360								127,360
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation- Rental Income									-
	Total Funding	\$ 127,360	\$ 3,140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,267,360

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	127,360	140,000							267,360
	Land/Right of Way									-
	Construction		3,000,000							3,000,000
	Management									-
	Total Costs	\$ 127,360	\$ 3,140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,267,360

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs
			2025	2026	2027	2028	2029	2030	
	Rental Revenue		(124,800)	(124,800)	(124,800)	(124,800)	(124,800)	(124,800)	(748,800)
	Operating****		112,000	112,000	112,000	112,000	112,000	112,000	672,000
	Debt		160,000	160,000	160,000	160,000	160,000	160,000	960,000
	Total Impact	-	147,200	147,200	147,200	147,200	147,200	147,200	883,200

2025 - 2030 GENERAL PURPOSE CAPITAL IMPROVEMENTS (CONTINUED)

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost
PARK PROJECTS										
	Edwards Park	-	-	-	-	45,000	-	440,000	-	485,000
	2-State Grants	-	-	-	-	-	-	330,000	-	330,000
	7-Park Reserves	-	-	-	-	45,000	-	-	-	45,000
	8-City Impact Fees	-	-	-	-	-	-	110,000	-	110,000
	Lions Park Restroom Replacement	-	-	-	-	330,000	-	-	-	330,000
	7-Park Reserves	-	-	-	-	220,000	-	-	-	220,000
	8-City Impact Fees	-	-	-	-	110,000	-	-	-	110,000
	Oyster Plant Park	-	19,000	185,000	-	-	-	-	-	204,000
	7-Park Reserves	-	-	-	-	-	-	-	-	-
	8-City Impact Fees	-	19,000	185,000	-	-	-	-	-	204,000
	Muriel Iverson Williams Waterfront Park	-	-	95,000	-	-	-	-	-	95,000
	2-State Grants	-	-	85,000	-	-	-	-	-	85,000
	7-Park Reserves	-	-	2,000	-	-	-	-	-	2,000
	8-City Impact Fees	-	-	8,000	-	-	-	-	-	8,000
	Parks & Recreation Building	181,934	55,000	64,000	-	-	-	-	-	300,934
	7-Park Reserves	88,014	22,500	29,000	-	-	-	-	-	139,514
	8-City Impact Fees	88,014	32,500	35,000	-	-	-	-	-	155,514
	13-Donation/In-Kind	5,906	-	-	-	-	-	-	-	5,906
	Play for All at Raab Park - Expansion	-	-	-	-	30,000	15,000	75,000	-	120,000
	1-Federal Grants	-	-	-	-	-	-	-	-	-
	2-State Grants	-	-	-	-	-	-	60,000	-	60,000
	8-City Impact Fees	-	-	-	-	15,000	-	15,000	-	30,000
	13-Donation/In-Kind	-	-	-	-	15,000	15,000	-	-	30,000
	Poulsbo Event and Recreation Center (PERC)	197,172	1,700,000	11,400,000	-	-	-	-	-	13,297,172
	3-County	197,172	1,700,000	7,110,000	-	-	-	-	-	9,007,172
	6-Non-Voted Bonds	-	-	4,290,000	-	-	-	-	-	4,290,000
	13-Donation/In-Kind	-	-	-	-	-	-	-	-	-
	Urban Paths & Trails	-	-	-	15,000	-	-	-	-	15,000
	8-City Impact Fees	-	-	-	15,000	-	-	-	-	15,000
	Waterfront Boardwalk	46,136	-	-	1,200,000	-	-	-	-	1,246,136
	6-Non-Voted Bonds	-	-	-	1,200,000	-	-	-	-	1,200,000
	7-Park Reserves	46,136	-	-	-	-	-	-	-	46,136
	Land Acquisition - Overlook Park	-	-	660,000	-	-	-	-	-	660,000
	7-Park Reserves	-	-	150,000	-	-	-	-	-	150,000
	8-City Impact Fees	-	-	150,000	-	-	-	-	-	150,000
	9-General Fund Revenue	-	-	360,000	-	-	-	-	-	360,000
	Land Acquisition - 4th Avenue Housing Kit	-	-	330,000	-	-	-	-	-	330,000
	6-Non-Voted Bonds	-	-	300,000	-	-	-	-	-	300,000
	8-City Impact Fees	-	-	30,000	-	-	-	-	-	30,000

2025 - 2030 GENERAL PURPOSE CAPITAL IMPROVEMENTS (CONTINUED)

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost
PARK PROJECTS										
	Park Signage	-	25,000	45,000	-	-	-	-	-	70,000
	7-Park Reserves	-	25,000	45,000	-	-	-	-	-	70,000
	West Poulisbo Waterfront Park	-	-	-	100,000	50,000	400,000	400,000	-	550,000
	2-State Grants	-	-	-	100,000	50,000	400,000	400,000	-	550,000
	7-Park Reserves	-	-	-	-	-	-	-	-	100,000
	8-City Impact Fees	-	-	-	50,000	50,000	50,000	-	-	50,000
	Muriel Iverson Williams Waterfront Park - Gazebo	-	-	36,000	-	-	-	-	-	36,000
	2-State Grants	-	-	36,000	-	-	-	-	-	36,000
	Total Park and Recreation Projects	\$ 425,242	\$ 1,799,000	\$ 12,815,000	\$ 1,215,000	\$ 455,000	\$ 115,000	\$ 915,000	\$ 915,000	\$ 17,739,242
	Total Park and Recreation Capital Funding Sources	\$ 425,242	\$ 1,799,000	\$ 12,815,000	\$ 1,215,000	\$ 455,000	\$ 115,000	\$ 915,000	\$ 915,000	\$ 17,739,242
	1-Federal Grants	-	-	-	-	-	-	-	-	-
	2-State Grants	-	-	121,000	-	-	-	790,000	-	911,000
	3-County	197,172	1,700,000	7,110,000	-	-	-	-	-	9,007,172
	5-Voted Bonds	-	-	-	-	-	-	-	-	-
	6-Non-Voted Bonds	-	-	4,590,000	1,200,000	-	-	-	-	5,790,000
	7-Park Reserves	134,150	47,500	226,000	-	315,000	50,000	-	-	772,650
	8-City Impact Fees	88,014	51,500	408,000	15,000	125,000	50,000	125,000	-	862,514
	9-General Fund Revenue	-	-	360,000	-	-	-	-	-	360,000
	11-Lease/Sale	-	-	-	-	-	-	-	-	-
	13-Donation/In-Kind	5,906	-	-	-	15,000	15,000	-	-	35,906
	Total General Purpose Capital Projects	\$ 552,602	\$ 5,439,000	\$ 13,615,000	\$ 1,665,000	\$ 8,555,000	\$ 6,765,000	\$ 915,000	\$ 915,000	\$ 37,506,602
	Total General Purpose Capital Funding Sources	\$ 552,602	\$ 5,439,000	\$ 13,615,000	\$ 1,665,000	\$ 8,555,000	\$ 6,765,000	\$ 915,000	\$ 915,000	\$ 37,506,602

PROJECT NAME:	KATHERINE EDWARDS PARK
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PROJECT DESCRIPTION

Budget:	\$ 485,000	Purpose:	Parks
Location:	Finn Hill/Olhava	Project Manager:	P & R Director Jeff Ozimek

Description: In 2022, this property was donated to the City of Poulsbo by a private citizen. The terms of the donation included that the property would remain as parkland in perpetuity. Based upon the topography and the north fork of Johnson Creek running through the property, this park will best serve the community as a passive park with a small parking lot, picnic area, and trails that connect to other areas around College Marketplace and the west side of Poulsbo.

Justification: The intent of this donation was to develop this property as a park for the community to enjoy. Funding for this project in 2025 will go toward preliminary design and cost estimates. Grant funding for the remainder of the project will be applied for in 2026.

Project Begin:	2022	Project Completion:	2027
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants							330,000		330,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves					45,000				45,000
8	City Impact Fees							110,000		110,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ 440,000	\$ -	\$ 485,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design					45,000	30,000	25,000		100,000
	Land/Right of Way									-
	Construction							360,000		360,000
	Management							25,000		25,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 30,000	\$ 410,000	\$ -	\$ 485,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating						500	500	500	1,500
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 1,500

PROJECT NAME:	LIONS PARK RESTROOM REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 330,000	Purpose:	Parks
Location:	6th/Fjord Drive	Project Manager:	P & R Director Jeff Ozimek

Description: Lions Park is one of the most heavily used parks in Poulsbo. The restroom building is old, and also houses a part of the sewer lift station. A total replacement is needed. A pre-fabricated, unisex building would be a preferred replacement unit.

Justification: This park is heavily used by families with children. Updated restroom facilities are a necessary amenity.

Project Begin:	2026	Project Completion:	2026
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves					220,000				220,000
8	City Impact Fees					110,000				110,000
9	City/Utility Reserves									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 330,000	\$ -	\$ -	\$ -	\$ 330,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design					10,000				10,000
	Land/Right of Way									-
	Construction					300,000				300,000
	Management					20,000				20,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ 330,000	\$ -	\$ -	\$ -	\$ 330,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	OYSTER PLANT PARK
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PROJECT DESCRIPTION

Budget:	\$ 204,000	Purpose:	Parks
Location:	Oyster Plant Park	Project Manager:	P & R Director Jeff Ozimek

Description: The City of Poulsbo hired Railstar to conduct a structural assessment of the pier and generate a report of the condition of the piles, members, decking, and other structural elements. The report included a summary of the overall condition of the pier, risk factors, recommended repairs for a 50-year service life, and estimated probable construction costs. Estimated priority repairs - to be completed in five years - was \$130,000. Staff worked with Railstar to design an updated railing replacement with installation being conducted by Public Works to save a significant amount of money. This adds ~\$35,000 to the budget. an additional contingency of \$20,000 was added as construction costs have continued to rise.

Justification: Structural report prioritizes repairs within five years. An additional \$360,000 will need to be spent to maintain the pier in the next fifty years. With that timeframe, staff will seek out competitive grants to assist the project based on frequent reoccurring maintenance inspections.

Project Begin: 2024

Project Completion: 2025

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves									-
8	City Impact Fees		19,000	185,000						204,000
9	Park Reserves									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ 19,000	\$ 185,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design		35,000	37,000						72,000
	Land/Right of Way									-
	Construction			135,000						135,000
	Management			13,000						13,000
	Total Costs	\$ -	\$ 35,000	\$ 185,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	MURIEL IVERSON WILLIAMS WATERFRONT PARK
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PROJECT DESCRIPTION

Budget:	\$ 95,000	Purpose:	Parks
Location:	18809 Anderson Parkway	Project Manager:	P & R Director Jeff Ozimek

Description: The Muriel Iverson Williams Waterfront Park is the crown jewel of Pousbo's parks. Located on Liberty Bay, this park hosts many residents and visitors as they walk through historic downtown Pousbo. The park has undergone renovation over the past 6 years, including new restrooms, benches, pavilion upgrades, sidewalks and sod. This project will complete renovations by removing the current picnic area at the south end of the park and replacing with new sidewalks, landscaping, lower tree limb removal, improved lighting, and modern picnic tables.

Justification: Staff will be submitting a request to LTAC for funding the construction of the project from LTAC reserves, billing the A&E design work, permitting, and oversight to Parks Reserves and Impact Fees. This idea was proposed at LTAC as Waterfront Park is a highly visited tourist destination.

Project Begin: 2022

Project Completion: 2025

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants			85,000						85,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves									-
8	City Impact Fees			8,000						8,000
9	Park Reserves			2,000						2,000
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding		\$ -	\$ 95,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			8,000						8,000
	Land/Right of Way									-
	Construction		-	85,000						85,000
	Management			2,000						2,000
	Total Costs		\$ -	\$ 95,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	PARKS & RECREATION BUILDING
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PROJECT DESCRIPTION

Budget:	\$ 329,900	Purpose:	Government Facilities
Location:	19540 Front Street, Poulsbo, WA	Project Manager:	P & R Director Jeff Ozimek

Description: Funding remaining from 2024 Rec Center improvements for the HVAC and roof repairs is proposed to be utilized for additional safety, security, and building improvements. These include installation of new ADA doors, ADA locks, painting, removal of racquetball court wall, security cameras, and expansion of staff offices. It also includes hiring a consultant to develop recommendations and a preliminary budget for repairing and maintaining the building's exterior walls.

Justification: The Parks and Recreation building remains a critical asset and a viable central location for staff and recreational programming. Currently, a majority of our community recreation programs are operated in the building. Updates and repairs are essential to continue our ability to provide and expand upon our robust community programs and services. Critically important are ADA accessibility improvements, staff offices to meet increasing programming needs, as well as repurposing under utilized spaces such as the two racquetball courts.

Project Begin:	2022	Project Completion:	2025
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves	88,014	36,983	29,000						153,997
8	City Impact Fees	88,014	36,983	35,000						159,997
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind	5,906		10,000						15,906
	Total Funding	\$ 181,934	\$ 73,966	\$ 74,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329,900

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			30,000						30,000
	Land/Right of Way									-
	Construction	181,934	73,966	44,000						299,900
	Management									-
	Total Costs	\$ 181,934	\$ 73,966	\$ 74,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329,900

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

		Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	PLAY FOR ALL - EXPANSION
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PROJECT DESCRIPTION

Budget:	\$ 120,000	Purpose:	Parks
Location:	Raab Park	Project Manager:	P & R Director Jeff Ozimek

Description: Play for All at Raab Park is a community inclusive playground in Poulsbo. The project's original scope was unable to be fully met due to exponential increases in construction costs. This project expands upon current design to implement new inclusive pieces of playground equipment, sensory amenities, and deeper integration with the existing playground.
The project expansion will consider adding a sensory/sound zone for play as well as a small nature play area.

Justification: Play for All is an inspiring community project that has strong community and non-profit organizational support, additional fundraising opportunities, and grant availability. This project will rely on community partners to help raise funds to steer it's growth towards the original design and beyond.

Project Begin:	2025	Project Completion:	2029
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants							60,000		60,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves									-
8	City Impact Fees					15,000		15,000		30,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind					-	15,000	15,000		30,000
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 15,000	\$ 75,000	\$ -	\$ 120,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design					30,000	10,000	12,000		52,000
	Land/Right of Way									-
	Construction					-		60,000		60,000
	Management							8,000		8,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 10,000	\$ 80,000	\$ -	\$ 120,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating							500		500
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 500

PROJECT NAME: POULSBO EVENTS AND RECREATION CENTER

PROJECT DESCRIPTION

Budget:	\$ 13,297,172	Purpose:	Government Facilities
Location:	College Marketplace	Project Manager:	Karla Boughton/P & R Director Jeff Ozimek

Description: Acquisition, planning, design and construction of the Poulsbo Events and Recreation Center (PERC), which will be located on city owned property at College Marketplace. This project is being completed in partnership with the Kitsap Public Facilities District and will serve as an events, recreation, and tournament space. Current plans include a phased approach to construction, with a fields first approach designation for Phase I to be completed in 2024/25, Phase II being a fieldhouse/gym with meeting space, and Phase III to be an outdoor pool. Additional nearby land acquisition remains a strong possibility.

Justification: The City has had a "regional event center" type facility on its Capital Facilities Plan for many years. With the support of the City Council and Mayor, city staff competed successfully for funding from the Kitsap Public Facilities District to look into the feasibility of a facility that will serve recreational, educational, cultural, and sports related programs for the community. The PERC will be Poulsbo's future for recreation and community service programs, as well as providing space for local and regional events and boosting connections with local educational institutions.

Project Begin:	2020	Project Completion:	2026
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County	197,172	1,600,000	-	7,110,000					8,907,172
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds			-	4,290,000					4,290,000
7	Park Reserves									-
8	City Impact Fees									-
9	General Fund Revenue		100,000							100,000
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind			-						-
	Total Funding	\$ 197,172	\$ 1,700,000	\$ -	\$ 11,400,000	\$ -	\$ -	\$ -	\$ -	\$ 13,297,172

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	197,172	1,700,000							1,897,172
	Land/Right of Way									-
	Construction			-	11,400,000					11,400,000
	Management									-
	Total Costs	\$ 197,172	\$ 1,700,000	\$ -	\$ 11,400,000	\$ -	\$ -	\$ -	\$ -	\$ 13,297,172

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
Operating										-
Debt							1,500,000			
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -

PROJECT NAME:	URBAN PATHS & TRAILS
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PROJECT DESCRIPTION

Budget:	\$ 15,000	Purpose:	Parks
Location:	Various	Project Manager:	P & R Director Jeff Ozimek

Description: Urban trails are installed to connect neighborhoods, parks, retail areas and offices. These trails may be placed on city property or rights-of-way, in parks or other city properties, or in other specified areas where a recreational easement between the private property owner and the City is in place. This funding would be used for trails that may or may not be a part of another project, and may include areas in College Marketplace (Vista Pathway), additional trails in Raab Park, additional trails in Fish Park, signage on exiting trails, paths between neighborhoods, or connections with trail systems that run outside of the city to the north or south.

Justification: The most recent update of the Urban Paths of Poulsbo (2018) highlights a variety of urban trail projects that can be accomplished using volunteers and city purchased materials, or by using a contractor. These trails may be placed on city property or rights-of-way, in parks or other city properties, or in other specified areas where a recreational easement between the private property owner and the City is in place, and benefits pedestrians and possibly bikers. This CIP allocation is intended to build new paths and trails

Project Begin:	2020	Project Completion:	2025
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves									-
8	City Impact Fees					15,000				15,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design				3,000					3,000
	Land/Right of Way									-
	Construction				11,000					11,000
	Management				1,000					1,000
	Total Costs	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

		Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Operating				300	300	300	300		1,200
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ 300	\$ 300	\$ 300	\$ 300	\$ -	\$ 1,200

PROJECT NAME:	WATERFRONT BOARDWALK
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PROJECT DESCRIPTION

Budget:	\$ 1,246,136	Purpose:	Parks
Location:	18809 Anderson Parkway	Project Manager:	P & R Director Jeff Ozimek
Description:	In 2022, an inspection of the Waterfront Boardwalk was completed to ensure its immediate and long-term safety/viability. The results of that inspection provided the City of Pounsbo with a cost estimate to complete high priority repairs to bring the stucture up to current safety standards.		
Justification:	This is a highly used structure, both on an everyday basis as well as during special events. High priority repairs are needed to keep the iconic boardwalk safe for users.		
Project Begin:	2021	Project Completion:	2025

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds				1,200,000					1,200,000
7	Park Reserves	46,136								46,136
8	City Impact Fees									-
9	Park Reserves									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 46,136	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ 1,246,136

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design		78,500							78,500
	Land/Right of Way									-
	Construction	37,728	641,664							679,392
	Management	8,408	83,700							92,108
	Total Costs	\$ 46,136	\$ 803,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs
			2025	2026	2027	2028	2029	2030	
	Operating			300	300	300	300		1,200
	Debt								-
	Total Impact	\$ -	\$ -	\$ 300	\$ 300	\$ 300	\$ 300	\$ -	\$ 1,200

PROJECT NAME:	LAND ACQUISITION
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PROJECT DESCRIPTION

Budget:	\$ 660,000	Purpose:	Parks
Location:	To Be Determined	Project Manager:	Jeff Ozimek, Park & Rec Director
Description:	Land acquisition for future parks, trails, and open space expansion. This list will expand as opportunities arise. The City will apply for an RCO waiver to allow retroactive reimbursement of property acquisition if awarded a grant in the 2026 cycle. Estimated to fund 50% of the acquisition cost with incidentals.		
Justification:	Funding needs to be set aside for future property acquisition to meet the needs of citizens, connect trails, expand parks, plan for growth, and retain parkland for potential future development.		
Project Begin:	2026	Project Completion:	2028

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves			150,000						150,000
8	City Impact Fees			150,000						150,000
9	General Fund Revenue			360,000						360,000
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 660,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 660,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			40,000						40,000
	Land/Right of Way			600,000						600,000
	Construction									-
	Management			20,000						20,000
	Total Costs	\$ -	\$ -	\$ 660,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 660,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	LAND ACQ - 4th Ave Housing Kitsap
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PROJECT DESCRIPTION

Budget:	\$ 330,000	Purpose:	Parks
Location:	End of 4th Avenue, Housing Kitsap	Project Manager:	Jeff Ozimek, Park & Rec Director
Description:	Land acquisition for future parks, trails, and open space expansion. \$300,000 for three acres at end of 4th avenue from the housing authority. Housing Kitsap may be able to carry the debt, allowing the City to pay it off over 10 years. Needs discussion.		
Justification:	Funding needs to be set aside for future property acquisition to meet the needs of citizens, connect trails, expand parks, plan for growth, and retain parkland for potential future development.		

Project Begin:	2026	Project Completion:	2035
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds			-						-
6	Non-Voted Bonds			300,000						300,000
7	Park Reserves									-
8	City Impact Fees			30,000						30,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 330,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			25,000						25,000
	Land/Right of Way			300,000						300,000
	Construction									-
	Management			5,000						5,000
	Total Costs	\$ -	\$ -	\$ 330,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	PARK, TRAIL, AND WAYFINDING SIGNAGE
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PROJECT DESCRIPTION

Budget:	\$ 70,000	Purpose:	Parks
Location:	Poulsbo Parks and Trails	Project Manager:	P & R Director Jeff Ozimek

Description: Install park entrance, trail, and way finding signage throughout Poulsbo's anticipated 21 parks. This work also include the removal and replacement of existing signage. Signage will follow the design guidance from the recommendeds of the internal and external signage design committees from 2023. The intent is to ensure each of Poulsbo's 21 parks has at least one main branded park entrance sign, as well as marked trail signs, kiosks, and wayfinding signage as appropriate. Materials will be selected for ease of install, low maintenance, and follow the design for a cohesive branded look across the City

Justification: Poulsbo's parks do not have consistent park entrance signage or branding. This has led to confusion from the community over what is and is not a park as well as who operates the park. Additionally, many of Poulsbo's trails are not adequately signed, limited public access through a dearth of information. Once on a trail, little to zero way finding signage exists, creating conflicts with intended use (bikes/dogs/hikers/horses), location, and emergency access routes.

Project Begin:	2024	Project Completion:	2025
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding	
				2025	2026	2027	2028	2029	2030		
1	Federal Grants										-
2	State Grants										-
3	County										-
4	PWTF										-
5	Voted Bonds										-
6	Non-Voted Bonds										-
7	Park Reserves		25,000	45,000							70,000
8	City Impact Fees										-
9	General Fund Revenue										-
10	Real Estate Excise Tax										-
11	Lease/Sale										-
12	LID										-
13	Donation/In-Kind										-
	Total Funding	\$ -	\$ 25,000	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs	
				2025	2026	2027	2028	2029	2030		
	Planning & Design		2,000	2,000							4,000
	Land/Right of Way										-
	Construction		22,000	42,000							64,000
	Management		1,000	1,000							2,000
	Total Costs	\$ -	\$ 25,000	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating	300	300	300	300	300	300	300		1,800
	Debt									-
	Total Impact	\$ -	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ -	\$ 1,800

PROJECT NAME:	WEST POULSBO WATERFRONT PARK
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PROJECT DESCRIPTION

Budget:	\$ 550,000	Purpose:	Parks
Location:	5th Ave NW	Project Manager:	P & R Director Jeff Ozimek

Description: The City acquired four, low-bank waterfront parcels on 5th Avenue NW in West Poulso in 2018. Development of these parcels will involve stormwater improvements on one parcel (.76 acre) and park improvements on three parcels (1.85 acres). Public visioning for the site occurred in 2022, but recreational opportunities on the site may include: swimming, 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. The development of the park will afford a variety of passive recreational opportunities for Poulso residents. 2025 funding is requested for preliminary design and cost estimates for the project to ensure accurate requests for grant funding.

Project Begin:	2025	Project Completion:	2027
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants							400,000		400,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Park Reserves					50,000	50,000			100,000
8	City Impact Fees						50,000			50,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 100,000	\$ 400,000	\$ -	\$ 550,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design									-
	Land/Right of Way									-
	Construction									-
	Management									-
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs
			2025	2026	2027	2028	2029	2030	
Operating				500	500	250	250		1,500
Debt									-
Total Impact	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 250	\$ 250	\$ -	\$ 1,500

PROJECT NAME:	AUSTIN KVELSTAD PAVILION
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PROJECT DESCRIPTION

Budget:	\$ 36,000	Purpose:	Parks
Location:	MIW Park	Project Manager:	Jeff Ozimek, Park & Rec Director
Description:	The Austin Kvelstad Pavilion is a community icon that is both beloved and heavily programmed. A structural engineering firm would be hired to prepare an Interim Report, including recommendations for priority repairs, maintenance needed, and budget. Available information would be gathered such as drawings, geotechnical reports and other documentation, and return to the structure for a detailed inspection. The project is intended to prepare the pavilion to remain in stable and good condition in the future.		
Justification:	The marine environment, heavy community use, and age have taken a toll on the pavilion structure. Before any work is scheduled, an Interim Report and structural assessment should be completed, prioritizing repairs and maintenance concerns.		

Project Begin:	2026	Project Completion:	2028
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants			36,000						36,000
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	\$ -	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			36,000						36,000
	Land/Right of Way									-
	Construction									-
	Management									-
	Total Costs	\$ -	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF POULSBO
2025 - 2030 CITY IMPROVEMENT PLAN

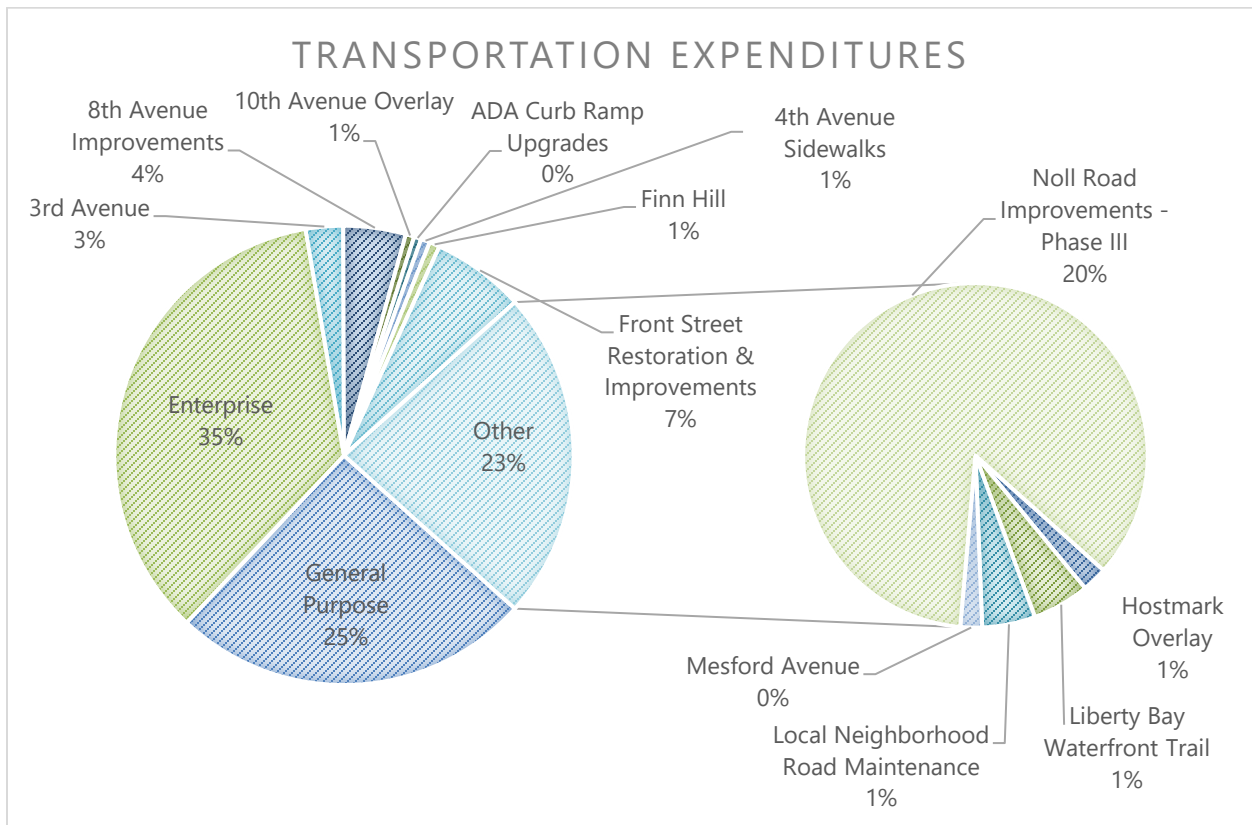
TRANSPORTATION PROGRAM



CITY OF POULSBO
2025-2030 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 \$58,082,707 or 39% of the \$147,759,328 City Improvement Plan. The projects listed in the Transportation Program are projects from the Transportation Improvement Plan (TIP) that have established with available funding.



CITY IMPROVEMENT PLAN PROGRAM	AMOUNT
General Purpose	\$ 37,506,602
Transportation	\$ 58,082,707
Enterprise	\$ 52,170,019
TOTAL CAPITAL PROGRAM	\$ 147,759,328

2025 - 2030 TRANSPORTATION CAPITAL IMPROVEMENTS

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost
STREET PROJECTS										
	3rd Ave (Moe to Hostmark)	43,808	256,192	200,000	-	3,384,000	-	-	-	3,884,000
	1-Federal Grants	-	-	-	-	2,062,000	-	-	-	2,062,000
	2-State Grants	-	-	-	-	1,000,000	-	-	-	1,000,000
	8-City Impact Fees	43,808	256,192	200,000	-	322,000	-	-	-	822,000
	4th Avenue Sidewalks	-	-	-	-	120,000	830,000	-	-	950,000
	2-State Grants	-	-	-	-	-	655,000	-	-	655,000
	8-City Impact Fees	-	-	-	-	120,000	175,000	-	-	295,000
	8th Avenue Improvements	-	-	-	-	-	1,500,000	-	5,000,000	6,500,000
	1-Federal Grants	-	-	-	-	-	-	-	3,000,000	3,000,000
	2-State Grants	-	-	-	-	-	600,000	-	1,500,000	2,100,000
	8-City Impact Fees	-	-	-	-	-	900,000	-	-	900,000
	10-Real Estate Excise Tax	-	-	-	-	-	-	-	500,000	500,000
	10th Avenue Overlay	-	-	-	-	85,000	800,000	-	-	885,000
	2-State Grants	-	-	-	-	-	650,000	-	-	650,000
	7-Street Reserves	-	-	-	-	85,000	-	-	-	85,000
	8-City Impact Fees	-	-	-	-	-	150,000	-	-	150,000
	Finn Hill Overlay	3,908	106,092	-	-	960,000	-	-	-	1,070,000
	2-State Grants	-	-	-	-	830,000	-	-	-	830,000
	8-City Impact Fees	3,908	106,092	-	-	130,000	-	-	-	240,000
	Front Street Preservation	-	-	-	-	-	-	3,740,000	-	3,740,000
	1-Federal Grants	-	-	-	-	-	-	1,800,000	-	1,800,000
	2-State Grants	-	-	-	-	-	-	1,500,000	-	1,500,000
	8-City Impact Fees	-	-	-	-	-	-	440,000	-	440,000
	Front Street Improvements	-	-	-	-	950,000	-	4,980,000	-	5,930,000
	1-Federal Grants	-	-	-	-	250,000	-	3,000,000	-	3,250,000
	2-State Grants	-	-	-	-	200,000	-	1,800,000	-	2,000,000
	8-City Impact Fees	-	-	-	-	500,000	-	180,000	-	680,000
	Hostmark Overlay	-	-	-	-	-	820,000	-	-	820,000
	1-Federal Grants	-	-	-	-	-	555,000	-	-	555,000
	8-City Impact Fees	-	-	-	-	-	265,000	-	-	265,000
	Liberty Bay Waterfront Trail	311,009	-	5,421	330,000	100,000	1,100,000	-	-	1,846,430
	1-Federal Grants	244,579	-	5,421	-	-	-	-	-	250,000
	2-State Grants	-	-	-	330,000	100,000	1,100,000	-	-	1,530,000
	7-Street Reserves	66,430	-	-	-	-	-	-	-	66,430
	Local Neighborhood Road Maintenance Program	14,300	-	-	340,000	340,000	340,000	340,000	340,000	1,714,300
	7-Street Reserves	14,300	-	-	340,000	340,000	340,000	340,000	340,000	1,714,300
	ADA Upgrades	-	600,000	150,000	-	-	-	-	-	750,000
	2-State Grants	-	600,000	-	-	-	-	-	-	600,000
	8-City Impact Fees	-	-	150,000	-	-	-	-	-	150,000
	Mesford Avenue	-	-	-	-	-	50,000	650,000	-	700,000
	1-Federal Grants	-	-	-	-	-	-	500,000	-	500,000
	7-Street Reserves	-	-	-	-	-	50,000	-	-	50,000
	8-City Impact Fees	-	-	-	-	-	-	150,000	-	150,000

2025 - 2030 TRANSPORTATION CAPITAL IMPROVEMENTS (CONTINUED)

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost	
	STREET PROJECTS										
	Roll Road Improvements - Phase III - Roadway	13,456,256	12,656,721	1,650,000	1,530,000	-	-	-	-	29,292,977	
	1-Federal Grants	5,163,019	4,478,303	-	1,018,879	-	-	-	-	10,660,201	
	2-State Grants	880,023	2,257,418	1,100,000	-	-	-	-	-	4,237,441	
	6-Non-Voted Bonds	1,577,469	3,500,000	-	-	-	-	-	-	5,077,469	
	7-Street Reserves	1,000,000	-	-	-	-	-	-	-	1,000,000	
	8-City Impact Fees	2,495,000	781,000	550,000	511,121	-	-	-	-	4,337,121	
	10-Real Estate Excise Tax	1,907,302	1,640,000	-	-	-	-	-	-	3,547,302	
	12-Local Assessment	433,443	-	-	-	-	-	-	-	433,443	
	Total Transportation Capital Projects	\$ 13,829,281	\$ 13,619,005	\$ 2,005,421	\$ 3,150,000	\$ 4,989,000	\$ 5,440,000	\$ 9,710,000	\$ 5,340,000	\$ 58,082,707	
	Total Transportation Capital Funding Sources	\$ 13,829,281	\$ 13,619,005	\$ 2,005,421	\$ 3,150,000	\$ 4,989,000	\$ 5,440,000	\$ 9,710,000	\$ 5,340,000	\$ 58,082,707	
	1-Federal Grants	5,407,598	4,478,303	5,421	1,268,879	2,062,000	555,000	5,300,000	3,000,000	22,077,201	
	2-State Grants	880,023	2,857,418	1,100,000	530,000	1,930,000	3,005,000	3,300,000	1,500,000	15,102,441	
	6-Non-Voted Bonds	1,577,469	3,500,000	-	-	-	-	-	-	5,077,469	
	7-Street Reserves	1,080,730	-	-	340,000	425,000	390,000	340,000	340,000	2,915,730	
	8-City Impact Fees	2,542,716	1,143,284	900,000	1,011,121	572,000	1,490,000	770,000	-	8,429,121	
	10-Real Estate Excise Tax	1,907,302	1,640,000	-	-	-	-	-	500,000	4,047,302	
	12-Local Assessment	433,443	-	-	-	-	-	-	-	433,443	

PROJECT NAME:	3RD AVENUE (MOE TO HOSTMARK)
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PROJECT DESCRIPTION

Budget:	\$ 3,884,000	Purpose:	Transportation
Location:	3rd Ave - Moe to Hostmark	Project Manager:	PW Director Diane K. Lenius, 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 approximately 775-feet of sidewalks, curbs, gutters and parking strip. The project will be funded by STP/Federal grant and/or TIB/State grant \$1,500,000 and City Match \$225,000. 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:	2023	Project Completion:	2028
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants					2,062,000				2,062,000
2	State Grants					1,000,000				1,000,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves									-
8	City Impact Fees	43,808	256,192	200,000		322,000				822,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 43,808	\$ 256,192	\$ 200,000	\$ -	\$ 3,384,000	\$ -	\$ -	\$ -	\$ 3,884,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	43,808	256,192							300,000
	Land/Right of Way			200,000						200,000
	Construction					3,184,000				3,184,000
	Management					200,000				200,000
	Total Costs	\$ 43,808	\$ 256,192	\$ 200,000	\$ -	\$ 3,384,000	\$ -	\$ -	\$ -	\$ 3,884,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	4TH AVENUE SIDEWALKS
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PROJECT DESCRIPTION

Budget:	\$ 950,000	Purpose:	Transportation
Location:	4th Avenue	Project Manager:	PW Director Diane K. Lenius, P.E.
Description:	Install missing sections of sidewalk on the west side - Iverson St. to Torval Canyon Rd.		
Justification:	This project will improve safety and mobility.		
Project Begin:	2027	Project Completion:	2029

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants						655,000			655,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	City/Utility Reserves									-
8	City Impact Fees					120,000	175,000			295,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ 830,000	\$ -	\$ -	\$ 950,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design					120,000				120,000
	Land/Right of Way									-
	Construction						755,000			755,000
	Management						75,000			75,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ 830,000	\$ -	\$ -	\$ 950,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	8TH AVENUE IMPROVEMENTS
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PROJECT DESCRIPTION

Budget:	\$ 6,500,000	Purpose:	Road Restoration
Location:	8th Avenue	Project Manager:	PW Director Diane K. Lenius, P.E.
Description:	The project includes the relocation of the intersection, realignment of 8th Avenue and an improved connection to SR305 (vicinity of Lincoln).		
Justification:	This project will improve safety and intersection operations.		
Project Begin:	2025	Project Completion:	2030

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants								3,000,000	3,000,000
2	State Grants						600,000		1,500,000	2,100,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves									-
8	City Impact Fees						900,000			900,000
9	General Fund Revenue									-
10	Real Estate Excise Tax								500,000	500,000
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 5,000,000	\$ 6,500,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design					1,500,000				1,500,000
	Land/Right of Way									-
	Construction								4,500,000	4,500,000
	Management								500,000	500,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ 5,000,000	\$ 6,500,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	10TH AVENUE OVERLAY
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PROJECT DESCRIPTION

Budget:	\$ 580,000	Purpose:	Road Restoration
Location:	10th Avenue	Project Manager:	PW Director Diane K. Lenius, P.E.
Description:	The project will overlay the road on 10th Avenue from NE Lincoln Rd to NE Liberty Rd. Includes ADA Improvements.		
Justification:	The existing road is deteriorated asphalt and needs to be replaced.		
Project Begin:	2027	Project Completion:	2028

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants						650,000			650,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves					85,000				85,000
8	City Impact Fees						150,000			150,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 85,000	\$ 800,000	\$ -	\$ -	\$ 885,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design					85,000				85,000
	Land/Right of Way									-
	Construction						725,000			725,000
	Management						75,000			75,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ 85,000	\$ 800,000	\$ -	\$ -	\$ 885,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	FINN HILL OVERLAY
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PROJECT DESCRIPTION

Budget:	\$ 1,070,000	Purpose:	Road Restoration
Location:	Finn Hill	Project Manager:	City Engineer Josh Ranes, P.E.
Description:	Project will resurface NW Finn Hill Rd from Viking Ave to SR3 overpass and from Olhava Way to Rhododendron Drive.		
Justification:	The existing asphalt surface is in very bad condition.		
Project Begin:	2023	Project Completion:	2027

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants					830,000				830,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves									-
8	City Impact Fees	3,908	106,092			130,000				240,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 3,908	\$ 106,092	\$ -	\$ -	\$ 960,000	\$ -	\$ -	\$ -	\$ 1,070,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	3,908	106,092							110,000
	Land/Right of Way									-
	Construction					900,000				900,000
	Management					60,000				60,000
	Total Costs	\$ 3,908	\$ 106,092	\$ -	\$ -	\$ 960,000	\$ -	\$ -	\$ -	\$ 1,070,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	FRONT STREET RESTORATION
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PROJECT DESCRIPTION

Budget:	\$ 1,000,000	Purpose:	Road Restoration
Location:	Front Street	Project Manager:	PW Director Diane K. Lenius, P.E.
Description:	Traffic calming, non-motorized safety enhancements and pavement restoration. Bond Rd to Jensen Way		
Justification:	The existing deteriorated asphalt is over 30 years old and needs to be replaced. Safety enhancements.		
Project Begin:	2029	Project Completion:	2030

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants							1,800,000		1,800,000
2	State Grants							1,500,000		1,500,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves									-
8	City Impact Fees							440,000		440,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,740,000	\$ -	\$ 3,740,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design							300,000		300,000
	Land/Right of Way									-
	Construction							3,140,000		3,140,000
	Management							300,000		300,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,740,000	\$ -	\$ 3,740,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	FRONT STREET IMPROVEMENTS
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PROJECT DESCRIPTION

Budget:	\$ 2,500,000	Purpose:	Road Restoration
Location:	Front Street	Project Manager:	PW Director Diane K. Lenius, P.E.
Description:	Traffic calming, non-motorized safety enhancements, illumination and parking improvements. Pavement Restoration. Jensen Way NE to Hostmark St.		
Justification:	The existing deteriorated asphalt is over 30 years old and needs to be replaced. Safety and parking improvements.		
Project Begin:	2026	Project Completion:	2029

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants				250,000			3,000,000		3,250,000
2	State Grants				200,000			1,800,000		2,000,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves									-
8	City Impact Fees				500,000			180,000		680,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ 950,000	\$ -	\$ -	\$ 4,980,000	\$ -	\$ 5,930,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design				950,000					950,000
	Land/Right of Way									-
	Construction							4,530,000		4,530,000
	Management							450,000		450,000
	Total Costs	\$ -	\$ -	\$ -	\$ 950,000	\$ -	\$ -	\$ 4,980,000	\$ -	\$ 5,930,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	HOSTMARK OVERLAY
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PROJECT DESCRIPTION

Budget:	\$ 600,000	Purpose:	Road Restoration
Location:	Hostmark	Project Manager:	City Engineer Josh Ranes, P.E.
Description:	Project will overlay road on Hostmark Street from Front St. NE to SR305. Includes ADA improvements.		
Justification:	The existing asphalt surface is in poor condition.		
Project Begin:	2028	Project Completion:	2028

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants						555,000			555,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves									-
8	City Impact Fees						265,000			265,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 820,000	\$ -	\$ -	\$ 820,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design						75,000			75,000
	Land/Right of Way									-
	Construction						695,000			695,000
	Management						50,000			50,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 820,000	\$ -	\$ -	\$ 820,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	LIBERTY BAY WATERFRONT TRAIL
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PROJECT DESCRIPTION

Budget:	\$ 1,846,430	Purpose:	Transportation
Location:	Anderson Parkway/ Fish Park	Project Manager:	PW Director Diane K. Lenius, P.E.

Description: This project will create a pedestrian/bicycle trail along the shoreline from Legion Park to Liberty Bay Auto dealership.

Justification: The project will enhance pedestrian connectivity between Anderson Parkway and Fish Park.

Project Begin:	2011	Project Completion:	2029
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants	244,579		5,421						250,000
2	State Grants				330,000	100,000	1,100,000			1,530,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves	66,430								66,430
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 311,009	\$ -	\$ 5,421	\$ 330,000	\$ 100,000	\$ 1,100,000	\$ -	\$ -	\$ 1,846,430

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	311,009		5,421	330,000					646,430
	Land/Right of Way					100,000				100,000
	Construction						1,000,000			1,000,000
	Management						100,000			100,000
	Total Costs	\$ 311,009	\$ -	\$ 5,421	\$ 330,000	\$ 100,000	\$ 1,100,000	\$ -	\$ -	\$ 1,846,430

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	LOCAL NEIGHBORHOOD ROAD MAINTENANCE PROGRAM
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PROJECT DESCRIPTION

Budget:	\$ 1,714,300	Purpose:	Transportation
Location:	City-Wide	Project Manager:	PW Superintendent Mike Lund
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

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Neigh Street Reserves	14,300		340,000	340,000	340,000	340,000	340,000		1,714,300
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 14,300	\$ -	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000	\$ -	\$ 1,714,300

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design									-
	Land/Right of Way									-
	Construction	14,300		306,000	306,000	306,000	306,000	306,000		1,544,300
	Management			34,000	34,000	34,000	34,000	34,000		170,000
	Total Costs	\$ 14,300	\$ -	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000	\$ -	\$ 1,714,300

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	ADA CURB RAMP UPGRADES
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PROJECT DESCRIPTION

Budget:	\$ 600,000	Purpose:	Transportation
Location:	Varies	Project Manager:	PW Director Diane K. Lenius, P.E.
Description:	Project includes various improvements to pedestrian facilities located within the City right of way necessary to bring these facilities into compliance with ADA standards. The ADA transition plan will be the basis for prioritizing projects.		
Justification:	Improve ADA access in accordance with our ADA Transition Plan.		
Project Begin:	2023	Project Completion:	2025

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants		600,000							600,000
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves									-
8	Neighborhood Streets									-
9	City Impact Fees			150,000						150,000
10	General Fund Revenue									-
11	Real Estate Excise Tax									-
12	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ 600,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design		50,000							50,000
	Land/Right of Way									-
	Construction		500,000	100,000						600,000
	Management		50,000							50,000
	Total Costs	\$ -	\$ 600,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 700,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	MESFORD AVENUE IMPROVEMENTS
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PROJECT DESCRIPTION

Budget:	\$ 700,000	Purpose:	Road Restoration
Location:	Mesford Avenue	Project Manager:	PW Director Diane K. Lenius, P.E.

Description: The project will overlay a section of road, add sidewalks and drainage improvements.

Justification: This project will replace a missing segment of sidewalk within a school zone.

Project Begin:	2028	Project Completion:	2029
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants							500,000		500,000
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Street Reserves						50,000			50,000
8	City Impact Fees							150,000		150,000
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
Total Funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 650,000	\$ -	\$ 700,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design						50,000			50,000
	Land/Right of Way									-
	Construction							600,000		600,000
	Management							50,000		50,000
Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 650,000	\$ -	\$ 700,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	NOLL ROAD IMPROVEMENTS - PHASE III - ROADWAY
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PROJECT DESCRIPTION

Budget:	\$ 29,292,977	Purpose:	Transportation
Location:	Noll Road	Project Manager:	PW Director Diane K. Lenius, P.E.

Description: 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 (segments). Construction will be divided into three or more phases – the South Segment, Middle Segment, and North Segment: The South Segment is fully funded and was advertised in 2020 and includes approximately 3600 LF of new roadway from SR305 & Johnson Way vicinity to Noll Road at Storhoff; construction of this segment will take place in 2020/21/22. The Middle Segment and North Segments will begin right of way acquisition and design in 2020 and construction in 2024/25/26 to be completed by 2027. These segments will be funded by FHWA/STP, TIB, and CITY TIF over the next 10 years. The North Segment has already secured \$1.97 million in STP funding. The City has been successful in obtaining grant funds from these sources for past similar projects; therefore these funds are reasonably assured. **This funding summary (below) is for all the roadway minus the Roundabout and Tunnel.**

Justification: The project will increase roadway capacity and improve safety.

Project Begin:	2014	Project Completion:	2027
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan					Total Funding	
				2025	2026	2027	2028	2029		2030
1	Federal Grants	5,163,019	4,478,303		1,018,879					10,660,201
2	State Grants	880,023	2,257,418	1,100,000						4,237,441
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds	1,577,469	3,500,000							5,077,469
7	Street Reserves									-
8	City Impact Fees	2,495,000	781,000	550,000	511,121					4,337,121
9	Special Assessments	433,443								433,443
10	Real Estate Excise Tax	1,907,302	1,640,000							3,547,302
11	Lease/Sale									-
12	Liability	1,000,000								1,000,000
13	Donation/In-Kind									-
	Total Funding	\$ 13,456,256	\$ 12,656,721	\$ 1,650,000	\$ 1,530,000	\$ -	\$ -	\$ -	\$ -	\$ 29,292,977

	Capital Costs	Prior Years	Current 2024	Six-Year Plan					Total Costs	
				2025	2026	2027	2028	2029		2030
	Planning & Design	2,769,024	350,688	300,000						3,419,712
	Land/Right of Way	1,630,449	921,051							2,551,500
	Construction	8,443,075	9,713,943	1,000,000	1,380,000					20,537,018
	Management	613,708	1,671,039	350,000	150,000					2,784,747
	Total Costs	\$ 13,456,256	\$ 12,656,721	\$ 1,650,000	\$ 1,530,000	\$ -	\$ -	\$ -	\$ -	\$ 29,292,977

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan					Total Costs		
			2025	2026	2027	2028	2029		2030	
	Operating									-
	Debt	302,000	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
2025 - 2030 CITY IMPROVEMENT PLAN

ENTERPRISE PROGRAM

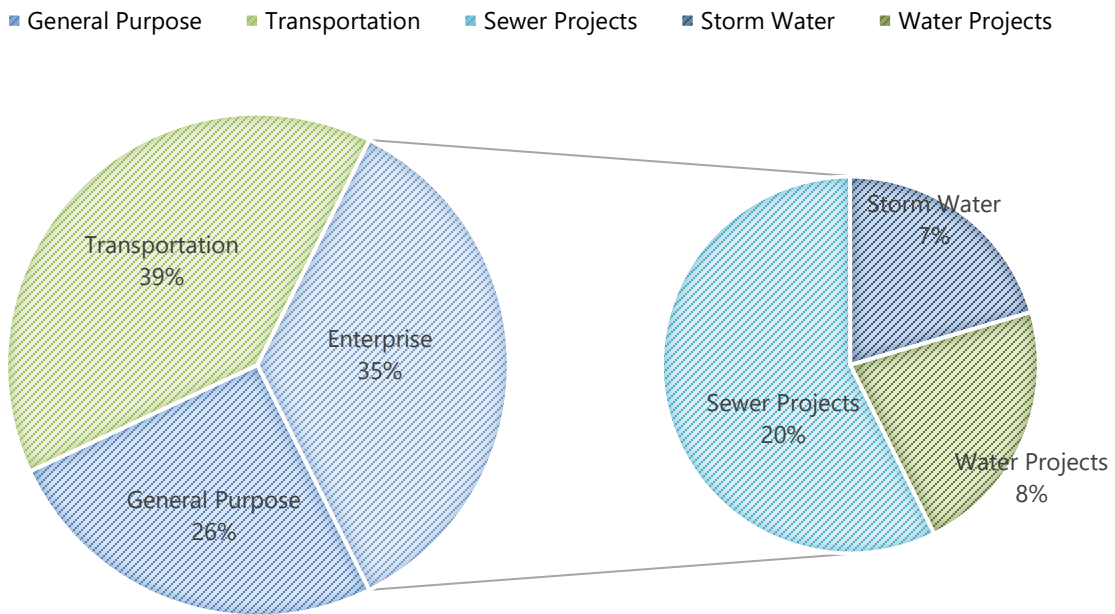


CITY OF POULSBO
2025-2030 City Improvement Plan

ENTERPRISE PROGRAM

The Enterprise Program element of the City Improvement Plan comprises Water, Wastewater, Solid Waste and Storm Water Utility Programs. Combined, they represent \$52,170,019 or 35% of the \$147,759,328 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	\$ 37,506,602
Transportation	\$ 58,082,707
Enterprise	\$ 52,170,019
TOTAL CAPITAL PROGRAM	\$ 147,759,328

2025 - 2030 ENTERPRISE CAPITAL IMPROVEMENTS (WATER)

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost	
	WATER PROJECTS										
	340 Zone Fire Flow - 4th Ave	-	-	-	160,000	-	1,502,000	-	-	1,662,000	
	7-Water Reserves	-	-	-	160,000	-	1,502,000	-	-	1,662,000	
	3rd Ave Water	21,723	128,277	30,000	-	550,000	-	-	-	730,000	
	7-Water Reserves	21,723	128,277	30,000	-	550,000	-	-	-	730,000	
	Caldart Main	-	50,000	845,000	-	-	-	-	-	895,000	
	7-Water Reserves	-	50,000	845,000	-	-	-	-	-	895,000	
	Front Street Water Main Replacement	-	-	-	150,000	-	-	1,361,000	-	1,511,000	
	7-Water Reserves	-	-	-	150,000	-	-	1,361,000	-	1,511,000	
	Hostmark Pipe/SR 305 Crossing	-	-	-	-	-	-	200,000	1,906,000	2,106,000	
	7-Water Reserves	-	-	-	-	-	-	200,000	1,906,000	2,106,000	
	Old Town Water Main Replacement	-	-	-	120,000	1,640,000	-	-	-	1,760,000	
	7-Water Reserves	-	-	-	120,000	1,640,000	-	-	-	1,760,000	
	Raab Tank	40,062	192,500	2,207,500	-	-	-	-	-	2,440,062	
	7-Water Reserves	40,062	192,500	2,207,500	-	-	-	-	-	2,440,062	
	Well VFD Upgrades	-	50,000	419,000	-	-	-	-	-	469,000	
	7-Water Reserves	-	50,000	419,000	-	-	-	-	-	469,000	
	Total Water Capital Projects	\$ 61,785	\$ 420,777	\$ 3,501,500	\$ 430,000	\$ 2,190,000	\$ 1,502,000	\$ 1,561,000	\$ 1,906,000	\$ 11,573,062	
	Total Water Capital Funding Sources	\$ 61,785	\$ 420,777	\$ 3,501,500	\$ 430,000	\$ 2,190,000	\$ 1,502,000	\$ 1,561,000	\$ 1,906,000	\$ 11,573,062	
	7-Water Reserves	61,785	420,777	3,501,500	430,000	2,190,000	1,502,000	1,561,000	1,906,000	11,573,062	

PROJECT NAME:	340 ZONE FIRE FLOW - 4TH AVENUE
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PROJECT DESCRIPTION

Budget:	\$ 1,662,000	Purpose:	Water
Location:	4th Ave	Project Manager:	PW Director Diane Lenius, P.E.
Description:	This project will install a fire booster pump near the 4th Avenue tanks to expand a small pressure zone. Also included is a booster pump building, telemetry, approximately 1,600lf of water main and service connections / reconnections.		
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. All services above elevation 155 in the vicinity will be connected to the zone.		
Project Begin:	2026	Project Completion:	2028

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Water Reserves				160,000		1,502,000			1,662,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ 160,000	\$ -	\$ 1,502,000	\$ -	\$ -	\$ 1,662,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design				160,000					160,000
	Land/Right of Way									-
	Construction						1,360,000			1,360,000
	Management						142,000			142,000
	Total Costs	\$ -	\$ -	\$ -	\$ 160,000	\$ -	\$ 1,502,000	\$ -	\$ -	\$ 1,662,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	3RD AVENUE WATER
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PROJECT DESCRIPTION

Budget:	\$ 730,000	Purpose:	Water
Location:	3rd Ave NE (Downtown)	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Install 8" water main on 3rd Ave NE between Moe St and Hostmark St with new water services, approximately 830 ft. This will include fire hydrants, and connections for fire protection in buildings downtown.		
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:	2023	Project Completion:	2027

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2023	Six-Year Plan						Total Funding
				2024	2025	2026	2027	2028	2029	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Water Reserves	21,723	128,277		30,000		550,000			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	\$ 21,723	\$ 128,277	\$ -	\$ 30,000	\$ -	\$ 550,000	\$ -	\$ -	\$ 730,000

	Capital Costs	Prior Years	Current 2023	Six-Year Plan						Total Costs
				2024	2025	2026	2027	2028	2029	
	Planning & Design	21,723	128,277		30,000					180,000
	Land/Right of Way									-
	Construction						500,000			500,000
	Management						50,000			50,000
	Total Costs	\$ 21,723	\$ 128,277	\$ -	\$ 30,000	\$ -	\$ 550,000	\$ -	\$ -	\$ 730,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2023	Six-Year Plan						Total Costs	
			2024	2025	2026	2027	2028	2029		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	CALDART MAIN
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PROJECT DESCRIPTION

Budget:	\$ 895,000	Purpose:	Water
Location:	Caldart Ave	Project Manager:	PW Director Diane Lenius, P.E.
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.). This project will be completed with the Raab Park tank project for efficiency.		
Justification:	This asbestos cement water main is past its service life and is the last piece in service to be replaced.		
Project Begin:	2024	Project Completion:	2025

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Water Reserves		50,000	845,000						895,000
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	\$ 845,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design		50,000							50,000
	Land/Right of Way									-
	Construction			770,000						770,000
	Management			75,000						75,000
	Total Costs	\$ -	\$ 50,000	\$ 845,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	FRONT STREET MAIN REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 1,511,000	Purpose:	Water
Location:	Front Street	Project Manager:	PW Director Diane Lenius, P.E.
Description:	This project will replace the old cast iron water main with a 12" ductile iron water main along Front Street between Jensen and 4th Ave. Will include new service connections to buildings, and fire hydrants. Project will be coordinated with Front Street Restoration (Streets Project).		
Justification:	The existing main on Front street is old cast iron and needs to be replaced. It is undersized and past the end of its service life.		
Project Begin:	2026	Project Completion:	2029

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
6	Non-Voted Bonds									-
7	Water Reserves				150,000			1,361,000		1,511,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
	Total Funding	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 1,361,000	\$ -	\$ 1,511,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design				150,000					150,000
	Land/Right of Way									-
	Construction							1,236,000		1,236,000
	Management							125,000		125,000
	Total Costs	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 1,361,000	\$ -	\$ 1,511,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	HOSTMARK PIPE/SR 305 CROSSING
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PROJECT DESCRIPTION

Budget:	\$ 2,106,000	Purpose:	Water
Location:	Hostmark Street	Project Manager:	PW Director Diane Lenius, P.E.

Description: This project extends the new 12" distribution main on Hostmark across SR 305 to 4th Avenue for connection to the new Front Street water main project. Includes reconnecting water mains in the vicinity, new hydrants, and service connections.

Justification: This new connection better serves the lower system with a 12" distribution main. The current pipe runs through the woods and is undersized. This will provide additional fire flow and system redundancy to downtown and the low pressure zone.

Project Begin:	2029	Project Completion:	2030
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF								1,906,000	1,906,000
6	Non-Voted Bonds									-
7	Water 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	\$ 1,906,000	\$ 2,106,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design							200,000		200,000
	Land/Right of Way									-
	Construction								1,731,000	1,731,000
	Management								175,000	175,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 1,906,000	\$ 2,106,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	OLD TOWN WATER MAIN REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 1,760,000	Purpose:	Water
Location:	Old Town Area	Project Manager:	PW Director Diane Lenius, P.E.
Description:	This project will replace the undersized water main along four streets located in the Old Town Area of Poulsbo: Ness Place, Harrison, Eliason, and Ryen located between Fjord & 6th Ave. Will install new 8" ductile iron main, update service connections to residences, install new fire hydrants and other minor system improvements. Part of a larger project in the Old town area.		
Justification:	This project will improve the fire flow in the Old Town Area of Poulsbo on Eliason, Harrison, and Ryan. The entire old town area will need water main replacement and upsizing is preliminarily estimated at \$4m+. This project will be a small portion of the overall project and will provide an opportunity to better estimate the need in the area.		
Project Begin:	2026	Project Completion:	2027

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding	
				2025	2026	2027	2028	2029	2030		
1	Federal Grants										-
2	State Grants										-
3	County										-
4	PWTF										-
5	Voted Bonds										-
6	Non-Voted Bonds										-
7	Water Reserves				120,000	1,640,000					1,760,000
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	\$ 1,640,000	\$ -	\$ -	\$ -	\$ -	\$ 1,760,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs	
				2025	2026	2027	2028	2029	2030		
	Planning & Design				120,000						120,000
	Land/Right of Way										-
	Construction					1,520,000					1,520,000
	Management					120,000					120,000
	Total Costs	\$ -	\$ -	\$ -	\$ 120,000	\$ 1,640,000	\$ -	\$ -	\$ -	\$ -	\$ 1,760,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs		
			2025	2026	2027	2028	2029	2030			
	Operating										-
	Debt										-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	RAAB TANK
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PROJECT DESCRIPTION

Budget:	\$ 2,440,062	Purpose:	Water
Location:	Raab Park	Project Manager:	Mike Lund, PW Superintendent
Description:	Add twin tank reservoir (150k gallons) to Raab Park and install earthquake valves and update telemetry. Location of the tank requires Raab restrooms to be relocated and the tank area to be securely fenced. Also includes rehabilitation of the existing Raab Tank based on evaluation including crack sealing, and upgrading flexible seismic connections. Other work includes telemetry and electrical improvements on site.		
Justification:	This reservoir needs rehabilitated as it is cracking and requires repairs. Addition of a twin tank will allow the existing tank to be taken offline for maintenance increasing system redundancy as well as providing additional storage to the middle zone which currently has a deficit and relies on the upper zone for capacity. The earthquake valve will add seismic system resilience.		
Project Begin:	2023	Project Completion:	2025

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Water Reserves	40,062	192,500	2,207,500						2,440,062
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 40,062	\$ 192,500	\$ 2,207,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,440,062

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	40,062	192,500							232,562
	Land/Right of Way									-
	Construction			1,997,500						1,997,500
	Management			210,000						210,000
	Total Costs	\$ 40,062	\$ 192,500	\$ 2,207,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,440,062

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	WELL VFD UPGRADES
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PROJECT DESCRIPTION

Budget:	\$ 469,000	Purpose:	Water
Location:	Westside, Lincoln Well #2, Big Valley	Project Manager:	Diane Lenius PE, Public Works Director
Description:	Project will install VFDs (variable frequency drives) at Lincoln Well #2, Westside Well, and Big Valley #2. Big Valley Well #2 will also have its pump and motor replaced as it is at the end of its service life.		
Justification:	VFDs will reduce the impact of water hammer at this locations. With the treatment plant upgrades at both Lincoln and Westside, the water hammer is exacerbated since there is no longer long stretches of pipe to alleviate the effect. VFDs will allow the sites to ramp up and ramp down providing less impact on the equipment. Big Valley #2 needs its pump and motor replaced as it is more than 20 years old and is nearing the end of its service life. A VFD at this location will provide future system redundancy.		
Project Begin:	2024	Project Completion:	2025

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Water Reserves		50,000	419,000						469,000
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	\$ 419,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 469,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design		50,000							50,000
	Land/Right of Way									-
	Construction			379,000						379,000
	Management			40,000						40,000
	Total Costs	\$ -	\$ 50,000	\$ 419,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 469,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2025 - 2030 ENTERPRISE CAPITAL IMPROVEMENTS (SEWER)

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost
SEWER PROJECTS										
	3rd Ave Sewer	21,723	128,277	30,000	-	350,000	-	-	-	530,000
	7-Sewer Reserves	21,723	128,277	30,000	-	350,000	-	-	-	530,000
	Kitsap County - Johnson to Norum Pipeline Replacement	424,154	-	5,125,771	-	-	-	-	-	5,549,925
	6-Non-Voted Bonds	-	-	2,400,000	-	-	-	-	-	2,400,000
	7-Sewer Reserves	424,154	-	2,725,771	-	-	-	-	-	3,149,925
	Kitsap County - Pump Station 24 Emergency Upgrades	-	1,400,000	1,072,000	-	-	-	-	-	2,472,000
	7-Sewer Reserves	-	1,400,000	1,072,000	-	-	-	-	-	2,472,000
	Kitsap County - Solids & Liquid Hauled Waste Upgrade	-	4,258,800	3,600,000	2,904,144	1,296,656	1,060,400	1,060,400	-	13,120,000
	7-Sewer Reserves	-	4,258,800	3,600,000	2,904,144	1,296,656	1,060,400	1,060,400	-	13,120,000
	Kitsap County - SCADA System Upgrades	-	246,200	162,200	123,000	84,200	42,000	-	-	657,600
	7-Sewer Reserves	-	246,200	162,200	123,000	84,200	42,000	-	-	657,600
	Kitsap County - Third Lemolo Siphon	56,884	46,928	-	-	500,000	603,000	-	-	1,206,812
	7-Sewer Reserves	56,884	46,928	-	-	500,000	603,000	-	-	1,206,812
	Lemolo House Purchase	-	-	-	500,000	-	-	-	-	500,000
	7-Sewer Reserves	-	-	-	500,000	-	-	-	-	500,000
	Lindvig Pump Station Redundant	-	-	-	-	600,000	-	-	-	600,000
	7-Sewer Reserves	-	-	-	-	600,000	-	-	-	600,000
	Old Town Sewer Upgrades	-	-	-	25,000	215,000	-	-	-	240,000
	7-Sewer Reserves	-	-	-	25,000	215,000	-	-	-	240,000
	Poulsbo MH Sewer Re-Route	-	-	-	-	-	-	350,000	-	350,000
	7-Sewer Reserves	-	-	-	-	-	-	350,000	-	350,000
	Sewer CIPP Lining Project	-	-	35,000	340,000	-	-	-	-	375,000
	7-Sewer Reserves	-	-	35,000	340,000	-	-	-	-	375,000
	SR305 Force Main Extension	-	-	400,000	3,900,000	-	-	-	-	4,300,000
	7-Sewer Reserves	-	-	400,000	3,900,000	-	-	-	-	4,300,000
	Total Sewer Capital Projects	\$ 502,761	\$ 6,080,205	\$ 10,424,971	\$ 7,792,144	\$ 3,045,856	\$ 1,705,400	\$ 350,000	\$ -	\$ 29,901,337
	Total Sewer Capital Funding Sources	\$ 502,761	\$ 6,080,205	\$ 10,424,971	\$ 7,792,144	\$ 3,045,856	\$ 1,705,400	\$ 350,000	\$ -	\$ 29,901,337
	6-Non-Voted Bonds	-	-	2,400,000	-	-	-	-	-	2,400,000
	7-Sewer Reserves	502,761	6,080,205	8,024,971	7,792,144	3,045,856	1,705,400	350,000	-	27,501,337

PROJECT NAME:	3RD AVENUE SEWER
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PROJECT DESCRIPTION

Budget:	\$ 530,000	Purpose:	Sewer
Location:	3rd Ave NE (Downtown)	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Relocate the existing Sanitary Sewer Main to the 3rd Ave roadway section. Replace with 800 LF of 8" PVC Sewer Pipe. Will be completed prior to and in coordination with 3rd Avenue Improvement project (Streets project).		
Justification:	The existing Sanitary Sewer on 3rd ave has a long belly in the line which is in need of constant maintenance and needs to be replaced. The existing sewer is also along the top of the slope on the East side of 3rd Ave between Hostmark and Moe St. As part of the 3rd ave road project retaining walls will need to be installed along the slope to allow more parking. The sewer needs to be relocated into the roadway to complete this work.		

Project Begin:	2023	Project Completion:	2024
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Sewer Reserves	21,723	128,277	30,000		350,000				530,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 21,723	\$ 128,277	\$ 30,000	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ 530,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	21,723	128,277	30,000						180,000
	Land/Right of Way									-
	Construction					300,000				300,000
	Management					50,000				50,000
	Total Costs	\$ 21,723	\$ 128,277	\$ 30,000	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ 530,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY - JOHNSON ROAD TO NORUM ROAD PIPELINE REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 5,549,925	Purpose:	Sewer
Location:	Johnson to Norum	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Kitsap County will replace the existing 4,300lf main between the flow meter at Johnson and Lemolo siphon. The project is to replace existing force main with new upsized pipe for capacity and replace outdated material. Project Cost Estimate is \$6,880,000 of which Poulsbo's share is 100%. Kitsap County CFP #9, Project #PR000860		
Justification:	Kitsap County contract requirement and add capacity and upgrade existing system.		
Project Begin:	2022	Project Completion:	2024

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds			2,400,000						2,400,000
7	Sewer Reserves	424,154		2,725,771						3,149,925
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 424,154	\$ -	\$ 5,125,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,549,925

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	424,154		125,771						549,925
	Land/Right of Way									-
	Construction			4,500,000						4,500,000
	Management			500,000						500,000
	Total Costs	\$ 424,154	\$ -	\$ 5,125,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,549,925

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY PUMP STATION 24 EMERGENCY UPGRADES
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PROJECT DESCRIPTION

Budget:	\$ 2,472,000	Purpose:	Sewer
Location:	Kitsap County PS 24	Project Manager:	PW Director Diane Lenius. P.E.
Description:	Emergency upgrades to PS 24 in north CK due to criticality and excessive lead times for equipment to replace pumps, upgrade controls, and reconfigure piping and valves.		
Justification:	This is an emergency repair for Kitsap County. Contract requirement to participate in proportionate share - 61.8% based on flow.		
Project Begin:	2024	Project Completion:	2024

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding	
				2025	2026	2027	2028	2029	2030		
1	Federal Grants										-
2	State Grants										-
3	County										-
4	PWTF										-
5	Voted Bonds										-
6	Non-Voted Bonds										-
7	City/Utility Reserves		1,400,000	1,072,000							2,472,000
8	City Impact Fees										-
9	General Fund Revenue										-
10	Real Estate Excise Tax										-
11	Lease/Sale										-
12	LID										-
13	Donation/In-Kind										-
Total Funding		\$ -	\$ 1,400,000	\$ 1,072,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,472,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs	
				2025	2026	2027	2028	2029	2030		
	Planning & Design		556,200								556,200
	Land/Right of Way										-
	Construction		830,400	900,000							1,730,400
	Management		13,400	172,000							185,400
Total Costs		\$ -	\$ 1,400,000	\$ 1,072,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,472,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY SOLIDS AND LIQUID HAULED WASTE UPGRADE
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PROJECT DESCRIPTION

Budget:	\$ 13,120,000	Purpose:	Sewer
Location:	Kitsap County - Varies	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Long term solids improvements and development of liquid hauled waste facilities to the digesters. Total Project Cost \$82,00,000. City Share 20% of overall project costs at 80%. Kitsap County CFP #3, Project #PR0001012.		
Justification:	Equipment upgrade. Kitsap County Contract requirement to participate in proportionate share.		
Project Begin:	2023	Project Completion:	2028

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding	
				2025	2026	2027	2028	2029	2030		
1	Federal Grants										-
2	State Grants										-
3	County										-
4	PWTF										-
5	Voted Bonds										-
6	Non-Voted Bonds										-
7	Sewer Reserves		4,258,800	3,600,000	2,904,144	1,296,656	1,060,400				13,120,000
8	City Impact Fees										-
9	General Fund Revenue										-
10	Real Estate Excise Tax										-
11	Lease/Sale										-
12	LID										-
13	Donation/In-Kind										-
	Total Funding	\$ -	\$ 4,258,800	\$ 3,600,000	\$ 2,904,144	\$ 1,296,656	\$ 1,060,400	\$ -	\$ -	\$ -	\$ 13,120,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs	
				2025	2026	2027	2028	2029	2030		
	Planning & Design		1,850,000		500,000						2,350,000
	Land/Right of Way										-
	Construction		2,408,800	3,600,000	2,404,144	1,296,656	1,060,400				10,770,000
	Management										-
	Total Costs	\$ -	\$ 4,258,800	\$ 3,600,000	\$ 2,904,144	\$ 1,296,656	\$ 1,060,400	\$ -	\$ -	\$ -	\$ 13,120,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs		
			2025	2026	2027	2028	2029	2030			
	Operating										-
	Debt										-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY SCADA SYSTEM UPGRADES
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PROJECT DESCRIPTION

Budget:	\$ 657,600	Purpose:	Sewer
Location:	Kitsap County - Varies	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Long term upgrades to the Supervisory Control and Data Acquisition (SCADA) system to improve communications between all the pump stations and treatment plants. City Share 20%. Kitsap County CFP #6, Project #PR001013.		
Justification:	Equipment upgrade. Kitsap County Contract requirement to participate in proportionate share.		
Project Begin:	2023	Project Completion:	2028

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Sewer Reserves		246,200	162,200	123,000	84,200	42,000			657,600
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ 246,200	\$ 162,200	\$ 123,000	\$ 84,200	\$ 42,000	\$ -	\$ -	\$ 657,600

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design		246,200	162,200	123,000	84,200	42,000			657,600
	Land/Right of Way									-
	Construction									-
	Management									-
	Total Costs	\$ -	\$ 246,200	\$ 162,200	\$ 123,000	\$ 84,200	\$ 42,000	\$ -	\$ -	\$ 657,600

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	KITSAP COUNTY - THIRD LEMOLO SIPHON
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PROJECT DESCRIPTION

Budget:	\$ 1,206,812	Purpose:	Sewer
Location:	Lemolo Beach	Project Manager:	PW Director Diane Lenius, P.E.
Description:	City will evaluate feasibility cost and timing of adding/replacing of the Lemolo siphons. Feasibility Study in 2019: \$100,000. Project will construct a third siphon under Liberty Bay. City will conduct predisgn and permitting effort. Contract Documents and Construction in future years. City Share of project is 100%. Total projected costs \$8,770,000. Kitsap County CFP #10, Project #PR000064.		
Justification:	Kitsap County contract requirement. And provide redudancy to the sewer system under Liberty Bay at the most critical point.		
Project Begin:	2018	Project Completion:	2030

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Sewer Reserves	56,884	46,928			500,000	603,000			1,206,812
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 56,884	\$ 46,928	\$ -	\$ -	\$ 500,000	\$ 603,000	\$ -	\$ -	\$ 1,206,812

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	56,884	46,928			500,000	603,000			1,206,812
	Land/Right of Way									-
	Construction									-
	Management									-
	Total Costs	\$ 56,884	\$ 46,928	\$ -	\$ -	\$ 500,000	\$ 603,000	\$ -	\$ -	\$ 1,206,812

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	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:	PW Director Diane Lenius, 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:	2026	Project Completion:	2026

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Sewer 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 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	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

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	LINDVIG PUMP STATION REDUNDENT FORCE MAIN
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PROJECT DESCRIPTION

Budget:	\$ 600,000	Purpose:	Sewer
Location:	Lindvig	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Install 1,200 LF of 8" Force Main to connect to existing Force Main (before it drops over the hill onto the beach) and run up Front Street to connect to Gravity Main at Jensen.		
Justification:	This would allow Lindvig Lift Station to pump to MSC in the event there is an issue with the Bond Road F.M. All of Olhava and Viking can be routed to Lindvig in an emergency and the only section that would go to Bond would be Oslo Apts and the little bit on Bernt Road.		
Project Begin:	2027	Project Completion:	2027

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Sewer 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 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	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

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	OLD TOWN SEWER UPGRADES
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PROJECT DESCRIPTION

Budget:	\$ 240,000	Purpose:	Sewer
Location:	Old Town	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Upgrades to sewer connections in the Old Town area of Poulsville. To be done in conjunction with the Old Town Water Main Replacement Project. Roads include Harrison, Eliason, Ryen among others.		
Justification:	Replace and upgrade the sewer connections during the Water Main Replacement Project in the Old Town area.		
Project Begin:	2026	Project Completion:	2027

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Sewer Reserves				25,000	215,000				240,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ -	\$ 25,000	\$ 215,000	\$ -	\$ -	\$ -	\$ 240,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design				25,000					25,000
	Land/Right of Way									-
	Construction					200,000				200,000
	Management					15,000				15,000
	Total Costs	\$ -	\$ -	\$ -	\$ 25,000	\$ 215,000	\$ -	\$ -	\$ -	\$ 240,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	POULSBO MOBILE HOME SEWER REROUTE
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PROJECT DESCRIPTION

Budget:	\$ 350,000	Purpose:	Sewer
Location:	Lincoln Road	Project Manager:	PW Director Diane Lenius, P.E.
Description:	Reroute 900 LF of sewer down Lincoln from Larson Court to Caldart		
Justification:	The City Sewer main from Pugh to Larson Ct all runs through the Poulso Mobile Home Park. This line has had many issues over the years and access to it is very difficult as the setbacks with Mobile Homes was never enforced for maintenance access. Project will move public sewer main from private property to right of way.		
Project Begin:	2029	Project Completion:	2029

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Sewer 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 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design							25,000		25,000
	Land/Right of Way									-
	Construction							310,000		310,000
	Management							15,000		15,000
	Total Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	SEWER CIPP LINING PROJECT
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PROJECT DESCRIPTION

Budget:	\$ 375,000	Purpose:	Sewer
Location:	Varies	Project Manager:	Diane Lenius PE, Public Works Director

Description: This project will be a combination project with storm to rehabilitate gravity sewer and storm mains using Cured In Place Pipe (CIPP) Liners. As part of the design, sewer mains that are old, concrete or clay, or in general poor repair with I/I will be prioritized for CIPP Lining. Specific streets will be identified during design. Approximately 5,000LF of sewer will be completed.

Justification: CIPP Lining is a good option for rehabilitating pipes that are old and have lots of I/I while avoiding the need to dig up the entire street and fully replaced. Potential areas include 10th Ave, Swanson, Tollefson and others.

Project Begin:	2025	Project Completion:	2026
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding	
				2025	2026	2027	2028	2029	2030		
1	Federal Grants										-
2	State Grants										-
3	County										-
4	PWTF										-
5	Voted Bonds										-
6	Non-Voted Bonds										-
7	City/Utility Reserves			35,000	340,000						375,000
8	City Impact Fees										-
9	General Fund Revenue										-
10	Real Estate Excise Tax										-
11	Lease/Sale										-
12	LID										-
13	Donation/In-Kind										-
Total Funding		\$ -	\$ -	\$ 35,000	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 375,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs	
				2025	2026	2027	2028	2029	2030		
	Planning & Design			35,000							35,000
	Land/Right of Way										-
	Construction				320,000						320,000
	Management				20,000						20,000
Total Costs		\$ -	\$ -	\$ 35,000	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 375,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets

	Prior Years	Current 2024	Six-Year Plan						Total Costs		
			2025	2026	2027	2028	2029	2030			
	Operating										-
	Debt										-
Total Impact		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2025 - 2030 ENTERPRISE CAPITAL IMPROVEMENTS (STORM)

Page	Project Name	Prior Years Costs	2024 Project Cost	2025 Project Cost	2026 Project Cost	2027 Project Cost	2028 Project Cost	2029 Project Cost	2030 Project Cost	Total Project Cost
STORM DRAIN PROJECTS										
	3rd Avenue Storm	-	-	20,000	-	155,000	-	-	-	175,000
	7-Storm Drain Reserves	-	-	20,000	-	155,000	-	-	-	175,000
	8th Avenue Culvert Replacement	-	-	100,000	1,250,000	-	-	-	-	1,350,000
	1-Federal Grants	-	-	100,000	1,080,000	-	-	-	-	1,080,000
	7-Storm Drain Reserves	-	-	100,000	170,000	-	-	-	-	270,000
	Liberty Bay Storm Outfalls	-	-	-	250,000	-	-	900,000	900,000	2,050,000
	7-Storm Drain Reserves	-	-	-	250,000	-	-	900,000	900,000	2,050,000
	Bjorgen Creek Culvert Replacement - Deer Run	-	-	-	-	-	200,000	1,800,000	-	2,000,000
	1-Federal Grants	-	-	-	-	-	-	1,600,000	-	1,600,000
	7-Storm Drain Reserves	-	-	-	-	-	200,000	200,000	-	400,000
	Dogfish Creek Retrofit (South Fork)	227,697	-	-	-	-	45,000	-	3,155,000	3,427,697
	2-State Grants	227,697	-	-	-	-	-	-	2,560,000	2,787,697
	7-Storm Drain Reserves	-	-	-	-	-	45,000	-	595,000	640,000
	Forest Rock Hills (SR 305) Outfall	-	-	25,000	100,000	-	-	-	-	125,000
	7-Storm Drain Reserves	-	-	25,000	100,000	-	-	-	-	125,000
	High School Ball Field Storm	-	-	15,000	185,000	-	-	-	-	200,000
	7-Storm Drain Reserves	-	-	15,000	185,000	-	-	-	-	200,000
	Noll Road Storm LID - Retrofit	167,923	-	-	-	-	650,000	-	-	817,923
	2-State Grants	167,923	-	-	-	-	520,000	-	-	687,923
	7-Storm Drain Reserves	441	-	-	-	-	130,000	-	-	571,000
	Storm CIPP Lining Project	-	-	35,000	515,000	-	-	-	-	550,000
	7-Storm Drain Reserves	-	-	35,000	515,000	-	-	-	-	550,000
	Total Storm Drain Capital Projects	\$ 395,620	\$ -	\$ 195,000	\$ 2,300,000	\$ 155,000	\$ 895,000	\$ 2,700,000	\$ 4,055,000	\$ 10,695,620
	Total Storm Drain Capital Funding Sources	\$ 395,620	\$ -	\$ 195,000	\$ 2,300,000	\$ 155,000	\$ 895,000	\$ 2,700,000	\$ 4,055,000	\$ 10,695,620
	1-Federal Grants	-	-	-	-	-	-	1,600,000	-	2,680,000
	2-State Grants	395,179	-	-	-	-	520,000	-	2,560,000	3,475,179
	7-Storm Drain Reserves	441	-	195,000	1,220,000	155,000	375,000	1,100,000	1,495,000	4,540,441
	Total Enterprise Capital Projects	\$ 960,166	\$ 6,500,982	\$ 14,121,471	\$ 10,522,144	\$ 5,390,856	\$ 4,102,400	\$ 4,611,000	\$ 5,961,000	\$ 52,170,019
	Total Enterprise Funding Sources	\$ 960,166	\$ 6,500,982	\$ 14,121,471	\$ 10,522,144	\$ 5,390,856	\$ 4,102,400	\$ 4,611,000	\$ 5,961,000	\$ 52,170,019

2025 - 2030 GRAND TOTAL CIP PROJECTS SUMMARY

GRAND TOTAL CIP PROJECTS	\$ 15,342,049	\$ 25,558,987	\$ 29,741,892	\$ 15,337,144	\$ 18,934,856	\$ 16,307,400	\$ 15,236,000	\$ 11,301,000	\$ 147,759,328
GRAND TOTAL CIP FUNDING SOURCES	\$ 15,342,049	\$ 25,558,987	\$ 29,741,892	\$ 15,337,144	\$ 18,934,856	\$ 16,307,400	\$ 15,236,000	\$ 11,301,000	\$ 147,759,328

PROJECT NAME:	3RD AVENUE STORM
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PROJECT DESCRIPTION

Budget:	\$ 175,000	Purpose:	Storm Drain
Location:	3rd Avenue	Project Manager:	PW Director Diane Lenius, P.E.
Description:	This project will rehabilitate the 12" concrete storm pipe from the top of 4th Ave to Front Street. This line conveys water from uphill to the bay. The method of rehabilitation will be cured in place pipe (CIPP) and assumed to be steam cured CIP. This project may be coordinated with the 3rd Avenue Improvement Project (streets)		
Justification:	Existing storm pipe in deteriorating and is in need of repair.		

Project Begin:	2025	Project Completion:	2027
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Storm Drain Reserves			20,000		155,000				175,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 20,000	\$ -	\$ 155,000	\$ -	\$ -	\$ -	\$ 175,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			20,000						20,000
	Land/Right of Way									-
	Construction					145,000				145,000
	Management					10,000				10,000
	Total Costs	\$ -	\$ -	\$ 20,000	\$ -	\$ 155,000	\$ -	\$ -	\$ -	\$ 175,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	8TH AVENUE CULVERT REPLACEMENT
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PROJECT DESCRIPTION

Budget:	\$ 1,350,000	Purpose:	Storm Drain
Location:	Dogfish Creek (South Fork)	Project Manager:	PW Director Diane Lenius, P.E.
Description:	This project will reduce flooding, improve water quality and improve fish habitat. The project will replace the existing undersized 24-inch diameter pipe under 8th Ave with a new 12-ft wide concrete box culvert. Initial design has been completed. Final design will be included as part of the culvert replacement grants. The culvert project is an important component of the South Fork Dogfish Creek Restoration project. Federal AOP Grant will be pursued.		
Justification:	The South Fork of Dogfish Creek culvert under 8th Avenue is too small and can flood, especially when partially blocked with sediment. The stream routinely overflows its banks onto 8th Avenue. The culvert is a barrier to fish passage at higher flows.		
Project Begin:	2025	Project Completion:	2026

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants				1,080,000					1,080,000
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Storm Drain Reserves			100,000	170,000					270,000
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	\$ 1,250,000	\$ -	\$ -	\$ -	\$ -	\$ 1,350,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			100,000						100,000
	Land/Right of Way									-
	Construction				1,150,000					1,150,000
	Management				100,000					100,000
	Total Costs	\$ -	\$ -	\$ 100,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ -	\$ 1,350,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	Liberty Bay Storm Outfalls Replacement Project
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PROJECT DESCRIPTION

Budget:	\$ 2,050,000	Purpose:	Storm Drain
Location:	Varies	Project Manager:	PW Director Diane Lenius, P.E.

Description: This project will replace three storm outfalls into Liberty Bay. The stormwater outfall located at the north end of American Legion Park is in need of energy dissipation to stabilize erosion. This project will replace the last approximately 70' from the last manhole to the Liberty Bay outfall and install energy dissipation. The existing outfall pipe for Poulsbo Creek at the Poulsbo Yacht Club is corroded and has collapsed in places. The existing pipe (approximately 150') will be replaced from the outfall to Lions Park with a bottomless culvert and a new catch basin control structure will be installed. Habitat features at the outfall channel and precast bottomless fish passage culvert design are anticipated.

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. 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 its 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. Projects will be permitted together for efficiency.

Project Begin:	2026	Project Completion:	2030
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding	
				2025	2026	2027	2028	2029	2030		
1	Federal Grants										-
2	State Grants										-
3	County										-
4	PWTF										-
5	Voted Bonds										-
6	Non-Voted Bonds										-
7	Storm Drain Reserves				250,000			900,000	900,000		2,050,000
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	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ 2,050,000	

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs	
				2025	2026	2027	2028	2029	2030		
	Planning & Design				250,000						250,000
	Land/Right of Way										-
	Construction							800,000	800,000		1,600,000
	Management							100,000	100,000		200,000
	Total Costs	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ 2,050,000	

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs		
			2025	2026	2027	2028	2029	2030			
	Operating										-
	Debt										-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

PROJECT NAME:	DOGFISH CREEK RETROFIT (SOUTH FORK)
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PROJECT DESCRIPTION

Budget:	\$ 3,427,697	Purpose:	Storm Drain
Location:	Dogfish Creek (South Fork)	Project Manager:	PW Director Diane Lenius, 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. Includes retrofit of the Library Pond, water quality treatment improvements on 7th and Iverson. 90% Design completed.

Justification: The South Fork Dogfish Retrofit requires grant funding for implementation. Grants have been obtained for design. Construction grants will be pursued. The Dogfish Creek Retrofit will focus on improving water quality within the Dogfish Creek basin. The area lacks water quality facilities and the improvements to the creek to allow additional habitat require an improvement to water quality to support the health of the creek. Treatment for this stormwater basin was identified as a high priority in the Liberty Bay TMDL Plan and the 2016 Stormwater Comprehensive Plan.

Project Begin:	2019	Project Completion:	2030
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FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants	227,697							2,560,000	2,787,697
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Storm Drain Reserves						45,000		595,000	640,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 227,697	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ 3,155,000	\$ 3,427,697

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	227,697					45,000			272,697
	Land/Right of Way									-
	Construction								2,905,000	2,905,000
	Management								250,000	250,000
	Total Costs	\$ 227,697	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ 3,155,000	\$ 3,427,697

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: There will be no additional impact on future operating budgets.

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	FOREST ROCK (SR 305) & LIBERTY ROAD OUTFALLS
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PROJECT DESCRIPTION

Budget:	\$ 125,000	Purpose:	Storm Drain
Location:	Forest Rock Hills / SR 305 & Liberty Road	Project Manager:	PW Director Diane Lenius, P.E.
Description:	This project is the combination of two outfall improvement projects: The Forest Rock Lane outfall near Forest rock lane and SR305 and the Liberty Road Outfall near SR305. The Forest Rock outfall project will alleviate localized flooding and improve water quality by retrofitting an existing swale and outfall at Forest Rock Lane outfall. The improvement at Liberty Road outfall will repair the outfall pipe from the Detention Tank on Liberty Road as well as the Detention facility in the adjacent commercial property as it does not flow properly. The projects have been consolidated for permitting purposes.		
Justification:	The existing swale and outfall at Forest Rock lane 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. At Liberty Road, during the WSDOT Hwy 305 Widening Project the storm lines were rerouted and the grades do not function properly causing back up condition at all times. In the heavy rain events this causes localized flooding and potential property damage.		
Project Begin:	2025	Project Completion:	2026

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Storm Drain Reserves			25,000	100,000					125,000
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ -	\$ -	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			25,000						25,000
	Land/Right of Way									-
	Construction				90,000					90,000
	Management				10,000					10,000
	Total Costs	\$ -	\$ -	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes:	There will be no additional impact on future operating budgets.
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	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	HIGH SCHOOL BALL FIELD STORM REPAIR
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PROJECT DESCRIPTION

Budget:	\$ 200,000	Purpose:	Storm Drain
Location:	N. Kitsap High School	Project Manager:	Diane Lenius, P.E.
Description:	The project is to rehabilitate 920 lf of 18" Concrete Pipe that runs from Mesford across the ball fields to the outfall swale near the High School Technology Building. The method of rehabilitation will be steam cured in place pipe (CIPP).		
Justification:	The existing pipe is very old and is showing cracks and deterioration. This storm pipe carries flows from Lincoln Road, 20th Ave -Norland Ct Area, and parts of Mesford.		
Project Begin:	2025	Project Completion:	2026

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Storm Drain Reserves			15,000	185,000					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	\$ -	\$ -	\$ 15,000	\$ 185,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			15,000						15,000
	Land/Right of Way									-
	Construction				170,000					170,000
	Management				15,000					15,000
	Total Costs	\$ -	\$ -	\$ 15,000	\$ 185,000	\$ -	\$ -	\$ -	\$ -	\$ 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 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	NOLL ROAD STORM LID - RETROFIT
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PROJECT DESCRIPTION

Budget:	\$ 817,923	Purpose:	Storm Drain
Location:	Liberty Bay Watershed	Project Manager:	PW Director Diane Lenius, P.E.
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 Basin in the city of Poulsbo. The project has completed 90% design plans with improvements at three locations including bioretention swale retrofits at Megger Circle and Alasund Meadows. State grants will be considered for construction funding.		
Justification:	The project will improve water quality in Liberty Bay. This is consistent with City goals.		
Project Begin:	2018	Project Completion:	2029

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants	167,482					520,000			687,482
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Storm Drain Reserves	441					130,000			130,441
8	City Impact Fees									-
9	General Fund Revenue									-
10	Real Estate Excise Tax									-
11	Lease/Sale									-
12	LID									-
13	Donation/In-Kind									-
	Total Funding	\$ 167,923	\$ -	\$ -	\$ -	\$ -	\$ 650,000	\$ -	\$ -	\$ 817,923

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design	167,923					20,000			187,923
	Land/Right of Way									-
	Construction						580,000			580,000
	Management						50,000			50,000
	Total Costs	\$ 167,923	\$ -	\$ -	\$ -	\$ -	\$ 650,000	\$ -	\$ -	\$ 817,923

ESTIMATED IMPACT ON FUTURE OPERATING BUDGETS

Notes: _____

	Prior Years	Current 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT NAME:	STORM CIPP LINING PROJECT
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PROJECT DESCRIPTION

Budget:	\$ 550,000	Purpose:	Storm Drain
Location:	Varies	Project Manager:	Diane Lenius, P.E.
Description:	This project will be a combination project with sewer to rehabilitate gravity storm and sewer mains using Cured In Place Pipe (CIPP) Liners. As part of the design, storm mains that are old and in need of repair will be identified and prioritized for CIPP Lining. Approximately 4,000LF of storm will be completed. The High School Ball Field Storm (920LF) will be included.		
Justification:	CIPP Lining is a good option for rehabilitating pipes that are old and have lots of I/I while avoiding the need to dig up the entire street and fully replaced. Potential areas include the High School Ball Field storm main.		
Project Begin:	2025	Project Completion:	2026

FUNDING DESCRIPTION

	Sources of Funding	Prior Years	Current 2024	Six-Year Plan						Total Funding
				2025	2026	2027	2028	2029	2030	
1	Federal Grants									-
2	State Grants									-
3	County									-
4	PWTF									-
5	Voted Bonds									-
6	Non-Voted Bonds									-
7	Storm Drain Reserves			35,000	515,000					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	\$ -	\$ -	\$ 35,000	\$ 515,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000

	Capital Costs	Prior Years	Current 2024	Six-Year Plan						Total Costs
				2025	2026	2027	2028	2029	2030	
	Planning & Design			35,000						35,000
	Land/Right of Way									-
	Construction				480,000					480,000
	Management				35,000					35,000
	Total Costs	\$ -	\$ -	\$ 35,000	\$ 515,000	\$ -	\$ -	\$ -	\$ -	\$ 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 2024	Six-Year Plan						Total Costs	
			2025	2026	2027	2028	2029	2030		
	Operating									-
	Debt									-
	Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Appendix to 2025-2026 Final Budget

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ORDINANCE NO. 2024-19

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, ADOPTING THE BIENNIAL BUDGET FOR THE YEARS 2025/2026 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 2025, 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, 2025, 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 13, 2024 and November 20, 2024, 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,

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 2025/2026, one copy of which has been and now is on file with the office of the City Clerk, by this reference is

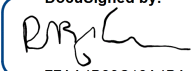
hereby incorporated herein as if set forth in full and said final biennial budget shall be and the same is hereby adopted in full.

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 2025/2026 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 2025/2026, 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:

DocuSigned by:

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MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED

DocuSigned by:

D24DA14DCG764A8...

CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM:
OFFICE OF CITY ATTORNEY:

Signed by:
BY 
833D9DC77F3647E
EMILY F. ROMANENKO

FILED WITH THE CITY CLERK: 12/12/2024
PASSED BY THE CITY COUNCIL: 12/18/2024
PUBLISHED: 12/23/2024
EFFECTIVE DATE: 12/28/2024
ORDINANCE NO. 2024-19

SUMMARY OF ORDINANCE NO. 2024-19
of the City of Poulsbo, Washington

On the 18th day of December, 2024, the City Council of the City of Poulsbo, Washington, approved Ordinance No. 2024-19, 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 2025/2026 AND APPROVING AN ORDINANCE SUMMARY FOR PUBLICATION.

The full text of this ordinance will be mailed upon request.

Dated this 18th day of December, 2024.

DocuSigned by:



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CITY CLERK, RHIANNON FERNANDEZ, CMC

EXHIBIT A
ORDINANCE NO. 2024-19

CITY OF POULSBO

Fund Summary
2025-2026 Biennial Budget

FUND	#	Beginning Balance	2025 Revenue	2025 Expenditure	2026 Beginning Balance	2026 Revenue	2026 Expenditure	Fund Balance
General Fund	001	\$ 6,475,746	17,289,387	19,364,531	4,400,602	16,441,978	18,624,993	2,217,587
Total General Fund		6,475,746	17,289,387	19,364,531	4,400,602	16,441,978	18,624,993	2,217,587
City Streets	101	382,753	1,283,265	1,398,229	267,789	1,301,824	1,460,297	109,316
Trans Benefit Dist (TBD)	110	730,327	460,000	755,000	435,327	460,000	275,000	620,327
Capital Improvement	121	1,286,599	706,000	855,000	1,137,599	706,000	855,000	988,599
Trans Development	123	460,454	490,000	948,600	1,854	1,018,121	1,011,121	8,854
Park Development	124	412,083	102,000	258,000	256,083	102,000	15,000	343,083
Affordable Housing	125	989,718	675,000	675,894	988,824	675,000	511,109	1,152,715
Historic Dwntrn Poulso	131	76,232	105,000	135,400	45,832	105,000	135,400	15,432
Path and Trail Reserve	161	26,323	1,110	-	27,433	1,141	-	28,574
Drug Enforcement	171	28,877	750	15,150	14,477	750	15,150	77
Transient Occup Tax	181	449,364	379,000	641,350	187,014	378,000	369,000	196,014
Police Restricted Funds	191	218,526	33,964	17,590	234,900	34,750	17,590	252,060
Total Special Revenue Funds		5,061,256	4,236,089	5,700,213	3,597,132	4,782,586	4,664,667	3,715,051
Non-Voted Gen Oblig	204	8,405	2,543,213	2,543,064	8,554	2,275,856	2,275,079	9,331
Total Debt Service Funds		8,405	2,543,213	2,543,064	8,554	2,275,856	2,275,079	9,331
Equipment Acquisition	301	250,263	459,895		710,158	459,895	100,000	1,070,053
Park Reserve	302	73,330	988,000	755,000	306,330	1,562,000	1,215,000	653,330
Neighborhood Streets	310	200	505,000	505,000	200	275,000	275,000	200
Street Reserve	311	2,086,171	2,140,000	2,005,421	2,220,750	2,952,000	2,810,000	2,362,750
Cemetery Reserve	314	58,839	2,200	-	61,039	2,200	-	63,239
Facilities Fund	331	2,452,290	11,440,000	11,400,000	2,492,290	40,000	-	2,532,290
Total Capital Project Funds		4,921,093	15,535,095	14,665,421	5,790,767	5,291,095	4,400,000	6,681,862
Water System	401	6,012,704	3,437,747	6,546,305	2,904,146	3,515,651	3,689,611	2,730,186
Sewer System	403	10,280,703	10,103,045	15,585,981	4,797,767	7,876,692	13,043,340	1,027,279
Solid Waste System	404	1,206,466	3,887,463	4,356,173	737,756	4,001,872	4,495,945	243,683
Storm Drain System	410	2,830,064	2,629,906	2,672,567	2,787,403	3,782,193	4,853,531	1,716,065
Total Enterprise Funds		20,329,937	20,058,161	29,161,026	11,227,072	19,176,408	26,082,427	5,717,213
Total All Funds		36,796,437	59,661,945	71,434,255	25,024,127	47,967,923	56,047,166	18,341,044
TOTALS		36,796,437	59,661,945	71,434,255	25,024,127	47,967,923	56,047,166	18,341,044

Proprietary Funds Ending Balance adjusted for non-cash capital depreciation expense

ORDINANCE NO. 2024-16

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, LEVYING THE GENERAL TAXES FOR THE CITY OF POULSBO FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2025, 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 2025; and

WHEREAS, the City's actual levy amount from the previous year was \$3,062,961; and,

WHEREAS, the population of the City is more than 10,000; now, therefore,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON,

DO ORDAIN AS FOLLOWS:

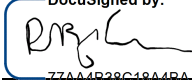
Section 1. The regular property tax levy is hereby authorized for the levy to be collected in the 2025 tax year.

The dollar amount of the actual levy amount from the previous year shall increase \$19,328. which is a percentage increase of approximately .63102% 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. Effective Date. This ordinance shall take effect and be in full force five (5) days after publication of the attached summary which is hereby approved.

APPROVED:

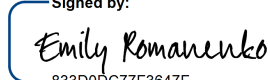
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MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:

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CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

Signed by:
BY: 
833D00C7ZE3647E

FILED WITH THE CITY CLERK: 11/06/2024
PASSED BY THE CITY COUNCIL: 11/13/2024
PUBLISHED: 11/18/2024
EFFECTIVE DATE: 11/23/2024
ORDINANCE NO. 2024-16

SUMMARY OF ORDINANCE NO. 2024-16
of the City of Poulsbo, Washington

On November 13, 2024 the City Council of the City of Poulsbo, Washington, approved Ordinance No. 2024-16, 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, 2025, 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 13th day of November, 2024.

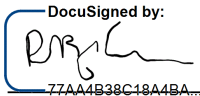
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CITY CLERK, RHIANNON FERNANDEZ, CMC

LEVY CERTIFICATION
As of November 13, 2024

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 2024 as provided in Ordinance 2024-16, which was adopted on November 13, 2024:

Estimated Regular Levy	\$3,242,353
Refund Levy	\$ 34,097

Signature:  _____
MAYOR, REBECCA ERICKSON

Date: 11/15/2024



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.

FEE: (1) Commitment fee: a payment to investors or prospective investors, which may or may not be refundable, for the purpose of obtaining a commitment to purchase securities; (2) Standby fee: a non-refundable amount

FIXED-RATE MORTGAGE: A mortgage which features level monthly payments that is determined at the outset of the mortgage and remains constant throughout the life of the mortgage.

FLAT: A security trades flat when it is traded with no accrued interest.

FORWARD TRADE: A transaction where the settlement will occur on a specified date in the future at a price agreed upon on the trade date.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes.

GNMA Is: Pass-through mortgage-backed securities on which registered holders receive separate principal and interest payments on each of their certificates. GNMA I securities are single-issuer pools. Investors may expect to receive principal and interest payments on the 15th day of each month.

GNMA IIs: Pass-through mortgage-backed securities on which registered holders receive an aggregate principal and interest payment from a central paying agent on all of their GNMA II certificates. Principal and interest payments are disbursed on the 20th day of each month. GNMA II securities are collateralized by multiple-issuer pools or custom pools (one issuer but different interest rates that may vary within one percentage point). Multiple-issuer pools are known as Jumbos. Jumbo pools are generally larger and often contain mortgages that are more geographically diverse than single-issuer pools. Jumbo pool mortgages have interest rates that may vary within one percentage.

GRADUATED PAYMENT MORTGAGE (GPM): A mortgage that features negative amortization in which early payments are insufficient to pay the interest due on the outstanding principal. As a result, the unpaid interest is added to the principal thereby increasing the borrower's balance owed. The payments must graduate or

increase over time until they can completely amortize the loan's remaining principal balance by its maturity. The number, frequency and rate of increases are specified in the original contract.

INTEREST: Compensation paid or to be paid for the use of money. Interest is generally expressed as an annual percentage rate.

INTEREST ONLY (I/O): The interest only portion of a stripped mortgage-backed security. For I/O securities, all of the interest distribution is due to the registered holder based on the current face of the underlying mortgage-backed security.

INTEREST RATE: The face coupon rate of a security.

ISSUER: An entity, which issues and is obligated to pay amounts due on securities.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY DATE: The date on which the principal amount of the security is due and payable to the registered owner of the security.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, banker's acceptances, etc.) are issued and traded.

MORTGAGE: A legal instrument that creates a lien upon real estate securing the payment of a specified debt, such as a mortgage note.

MORTGAGE-BACKED BOND: A mortgage-backed bond is a general obligation of the issuer, secured by mortgage collateral, where the issuer retains ownership of the mortgages. The bond is secured by the market value of the underlying mortgages. Since the value of the mortgages will decrease over time as a result of principal amortization and prepayments, the market value of the collateral must exceed the value of the bonds issued. Unlike pass-through securities, the cash flow in a mortgage-backed bond is not directly related to the cash flow of the underlying mortgage collateral. Interest on the bond is paid semiannually at a predetermined rate and principal is paid at maturity.

MORTGAGE-BACKED SECURITIES: The term mortgage backed securities is a generic term that refers to securities backed by mortgages, including pass-through securities, mortgage-backed bonds, mortgage pay-through securities and CMOs.

MORTGAGE BANKER: An entity that originates mortgage loans, sells them to other investors and service the loans.

MORTGAGE PAY-THROUGH BONDS: These bonds combine features of pass-through securities and mortgage-backed bonds. A pay-through bond, like a mortgage-backed bond, is a debt obligation of the issuer, secured by mortgage collateral that is owned by the issuer. However, like a pass-through security, the cash flow on a pay-through bond is related to the cash flow in the mortgage collateral. Therefore, the cash flow generated by the mortgage collateral must be sufficient to cover principal and interest payments on the bonds. Prepayments on the mortgage collateral will be passed on to the bondholders thereby causing fluctuations in the principal payment of the bonds.

ODD LOT: A quantity of securities, which is less than the accepted unit of trading.

OFFER: The price at which a seller will sell a

security.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

ORIGINAL FACE: The face value (original principal amount) of a security as of its issue date.

PAR: The face amount of a security.

PAYMENT DATE: Also known as the payable date. The date that actual principal and interest payments are made to the registered holder of a security. For GNMA Is, the payment date is the 15th day of the second month following the record date. For GNMA II's, the payment date is the 20th day of the month following the record date. For FHLMC PCs, the payment date is the 15th day of the second month following the record date. For FNMA MBSs, the payment date is the 25th day of the month following the record date.

P&I (PRINCIPAL AND INTEREST): In the case of mortgage-backed securities and other asset-backed securities, P&I includes regularly scheduled payments as well as prepayments, if any.

POOL: A collection of mortgages assembled by an originator or master servicer as the basis for a security. Pools are identified by a number.

PORTFOLIO: Collection of securities held by an investor.

PREPAYMENT: The unscheduled partial or complete payment of the principal amount outstanding on a debt obligation before it is

due.

PRICE: The dollar amount to be paid for a security expressed as a percentage of its current face value.

PRIMARY DEALER: A group of government securities dealers that daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

PRINCIPAL: The face amount of a bond, exclusive of accrued interest and payable at maturity.

PRINCIPAL ONLY (P/O): The principal only portion of a stripped mortgage-backed security. For P/O securities, all of the principal distribution is due to the registered holder based on the current face of the underlying mortgage-backed security.

PRUDENT PERSON RULE: An investment standard. In some states the law required that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state—the so-called legal list. In other states the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

PUT OPTION: The right to sell a security at a predetermined price on or before a specified future date.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REPURCHASE AGREEMENT (RP or REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security buyer in effect lends the seller money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

RATINGS: Designations used by investor's services to give relative indications of credit quality.

RECORD DATE: The date for determining who is entitled to payment of principal and interest (and prepayment) on a security. The record date for most mortgage-backed securities is the last calendar day of the month (however, the last day on which they can be presented for transfer is the last business day of the month.) The record date for CMOs and ABSs varies with each issue.

REGISTERED HOLDER: The name in which a security is registered as stated on the certificate itself or on the books of the paying agent. All principal and interest payments are made to the registered holder regardless of beneficial ownership on the record date.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified later date.

SAFEKEEPING: The storage and protection of customers' securities (i.e., held in the vault) provided as a service by a bank or institution acting as agent for the customer.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SEC RULE 15C3-1: See uniform net capital rule.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SERVICING FEE: The amount withheld from the monthly interest payments made by a mortgagor and retained by the mortgage servicer.

SERVICING: The duties of the servicer for which a fee is received. Servicing consists of collecting and pooling principal, interest and escrow payments as well as certain operational procedures covering accounting, bookkeeping, insurance, tax records, loan payment follow-up, delinquency loan follow-up, and loan analysis.

SETTLEMENT DATE: The date agreed upon by the parties to a transaction for the payment of funds and the delivery of securities.

TAIL: The portion of a GNMA pool that is not divisible by \$5,000. For physical GNMA the tail must remain intact. For example, on a GNMA with an original face of \$6,038,921.65 the tail equals \$3,921.65. For book-entry FNMA and FHLMC securities, tails may be split into multiples of one dollar (\$1).

TRANSFER AGENT: A transfer agent is appointed to maintain records of securities owners, to cancel and issue certificates and to address issues arising from lost, destroyed or stolen certificates.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

TREASURY BOND: Long-term U.S. Treasury

securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one to ten years.

WEIGHTED AVERAGE COUPON (WAC): An arithmetic mean of the coupon rate of the underlying mortgages that collateralize a security.

WEIGHTED AVERAGE MATURITY (WAM): An arithmetic mean of the remaining term of the underlying mortgages that collateralize a security.

WHOLE LOAN: An unsecuritized residential or commercial mortgage.

YIELD: The annual percentage returns, as computed in accordance with standard industry practices that is earned on a security.

Z-BOND: See accrual Bond.

City of Poulsbo Debt Policy

SECTION I – INTRODUCTION & GUIDING PRINCIPLES

Purpose and Overview

The Debt Policy for the City of Poulsbo is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth comprehensive guidelines for the issuance and management of all financings of the City Council. Adherence to the policy is essential to ensure that the Council maintains a sound debt position and protects the credit quality of its obligations.

Capital Planning:

The City shall integrate its debt issuance with its Capital Improvement Program (CIP) spending to ensure that planned financing conforms to policy targets regarding the level and composition of outstanding debt. This planning considers the long-term horizon, paying particular attention to financing priorities, capital outlays and competing projects. Long term borrowing shall be confined to the acquisition and/or construction of capital improvements and shall not be used to fund operating or maintenance costs. For all capital projects under consideration, the City shall set aside sufficient revenue from operations to fund ongoing normal maintenance needs and to provide reserves for periodic replacement and renewal. The issuance of debt to fund operating deficits is not permitted.

Legal Governing Principles

In the issuance and management of debt, the City shall comply with the state constitution and with all other legal requirements imposed by federal, state, and local rules and regulations, as applicable.

- State Statutes – The City may contract indebtedness as provided for by RCW 35A.40.090. General Obligation indebtedness is subject to the limitations on indebtedness provided for in RCW 39.36.020(2)(b) and Article VIII of the Washington State Constitution. Bonds evidencing such indebtedness shall be issued and sold in accordance with chapter 39.46.
- Federal Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations including the Internal Revenue Code of 1986, as amended; the Treasury Department regulations there under; and the Securities Acts of 1933 and 1934.
- Local Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by local rules and regulations.

Roles & Responsibilities

The City Council shall:

- Approve indebtedness;
- Approve appointment of independent financial advisor and bond counsel;
- Approve the Debt Policy;
- Approve budgets sufficient to provide for the timely payment of principal and interest on all debt; and

- In consultation with the City's General Counsel, financial advisor, and bond counsel, shall determine the most appropriate instrument for a proposed bond sale.

The Finance Director in consultation with the Finance Committee, the Mayor and full Council shall:

- Assume primary responsibility for debt management
- Provide for the issuance of debt at the lowest possible cost and risk;
- Determine the available debt capacity;
- Provide for the issuance of debt at appropriate intervals and in reasonable amounts as required to fund approved capital expenditures;
- Recommend to the City Council the manner of sale of debt;
- Monitor opportunities to refund debt and recommend such refunding as appropriate.
- Comply with all Internal Revenue Service (IRS), Securities and Exchange (SEC), and Municipal Securities Rulemaking Board (MSRB) rules and regulations governing the issuance of debt.
- Provide for the timely payment of principal and interest on all debt and ensure that the fiscal agent receives funds for payment of debt service on or before the payment date;
- Provide for and participate in the preparation and review of offering documents;
- Comply with all terms, conditions and disclosure required by the legal documents governing the debt issued;
- Submit to the City Council all recommendations to issue debt;
- Distribute to appropriate repositories information regarding financial condition and affairs at such times and in the form required by law, regulation and general practice, including Rule 15c2-12 regarding continuing disclosure;
- Provide for the distribution of pertinent information to rating agencies; and
- Apply and promote prudent fiscal practices.

Ethical Standards Governing Conduct

The members of the City staff, the Mayor and the City Council will adhere to the standards of conduct as stipulated by the Public Disclosure Act, RCW 42.17 and Ethics in Public Service, RCW 42.52.

SECTION II – PROFESSIONAL SERVICES

Professional Services

The City's Finance Department shall be responsible for the solicitation and selection of professional services that are required to administer the City's debt.

- Bond Counsel – With the exception of debt issued by the State, all debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all city and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.
- Financial Advisor – A Financial Advisor may be used to assist in the issuance of the City's debt. The Financial Advisor will provide the City with the objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring of market opportunities, structuring and pricing of debt, and preparing official statements of disclosure.
- Underwriters – An Underwriter will be used for all debt issued in a negotiated sale method. The Underwriter is responsible for purchasing negotiated debt and reselling the debt to investors.
- Fiscal Agent – A fiscal agent will be used to provide accurate and timely securities processing and timely payment to bondholders. As provided under RCW 43.80, the City will use the Fiscal Agent that is determined by the State.
- Professional Service providers may be selected through a competitive selection process conducted by the Finance Director in consultation with the Finance Committee and Legal Counsel; the City Council shall approve the most qualified financial advisor/underwriter and bond counsel.
- These services shall be regularly monitored by the Finance Director.

SECTION III – DEBT STRUCTURE

Types of Debt Instruments:

The City may utilize several types of municipal debt obligations to finance long-term capital projects. Subject to the approval of City Council, the City is authorized to sell:

- **Unlimited Tax General Obligation Bonds** – The City shall use Unlimited Tax General Obligation Bonds, also known as “Voted General Obligation Bonds” as permitted under RCW 35A.40.090 for the purpose of general purpose, open space and parks, and utility infrastructure. Voted issues are limited to capital purposes only. Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project. UTGO Bonds are payable from excess tax levies and are subject to the assent of 60% of the voters at an election to be held for that purpose.
- **Limited Tax General Obligation Bonds** – A Limited-Tax General Obligation debt (LTGO), also known as “Non-Voted General Obligation Debt”, requires the City to levy a property tax sufficient to meet its debt service obligations but only up to a statutory limit. The City shall use Limited Tax General Obligation (LTGO) Bonds as permitted under RCW 35A.40.090 for general capital purposes only. General Obligation debt is backed by the full faith and credit of the City and is payable from General Fund reserves and taxes collected by the City. LTGO Bonds will only be issued if:
 - A project requires funding not available from alternative sources;
 - Matching fund monies are available which may be lost if not applied for in a timely manner; or,
 - Emergency conditions exist.
- **Revenue Bonds** – The City shall use Revenue Bonds as permitted under RCW 35A.40.090 for the purpose of financing construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Improvement Plan. No taxing power or general fund pledge is provided as security.
- **Special Assessment/Local Improvement District Bonds** – The City shall use Special Assessment Bonds as permitted under RCW 35A.40.090 for the purpose of

assuring the greatest degree of public equity in place of general obligation bond where possible. Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who specifically benefit from the capital improvements through annual assessments paid to the City. LID's are formed by the City Council after a majority of property owners agree to the assessment. No taxing power or general fund pledge is provided as security, and LID Bonds are not subject to statutory debt limitations. The debt is backed by the value of the property within the district and an LID Guaranty Fund, as required by State Law.

- **Short Term Debt** – The City shall use short term debt as permitted under RCW 39.50, for the purpose of meeting any lawful purpose of the municipal corporation, including the immediate financing needs of a project for which long term funding has been secured but not yet received. The City may use inter-fund loans rather than outside debt instruments to meet short-term cash flow needs for the project. Inter-fund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of the funds will not impact the fund's current operations. All inter-fund loans will be subject to Council approval and will bear interest at prevailing rates.
- **Leases** – The City is authorized to enter into capital leases under 35A.40.090 RCW, subject to the approval of City Council.
- **Public Works Trust Fund Loans** – The City shall use Public Works Trust Fund Loans as provided under RCW 43.155 for the purpose of repairing, replacing or creating domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste/recycling facilities and bridges.
- **Local Option Capital Asset Lending (LOCAL) Program Debt** – The City is authorized to enter into a financing contract with the Office of the State Treasurer under RCW 39.94, for the purpose of financing equipment and capital needs through the State Treasurer's Office subject to existing debt limitations and financing considerations. The LOCAL Program is an expanded version of the state agency lease/purchase program that allows the pooling of funding into larger offerings of securities.

SECTION IV – TRANSACTION SPECIFIC POLICIES

Method of Sale - The City shall evaluate the best method of sale for each proposed bond issue.

1. **Competitive Bid Method** – Any competitive sale of the City's debt will require the approval of City Council. City debt issued on a competitive bid basis will be sold to the bidder proposing the lowest true interest cost to the City.

2. **Negotiated Bid Method** – When a negotiated sale is deemed advisable (in consultation with the Mayor and City Council) the Finance Director shall negotiate the most competitive pricing on debt issues and broker commissions in order to ensure the best value to the City.
 - If debt is sold on a negotiated basis, the negotiations of terms and conditions shall include, but not be limited to, prices, interest rates, underwriting or remarketing fees and commissions.
 - The City, with the assistance of its Financial Advisor, shall evaluate the terms offered by the underwriting team. Evaluations of prices, interest rates, fees and commissions shall include prevailing terms and conditions in the marketplace for comparable issuers.
 - No debt issue will be sold on a negotiated basis without an independent financial advisor.
3. The City shall use refunding bonds in accordance with the Refunding Bond Act, RCW 39.53. Unless otherwise justified, the City will refinance debt to achieve true savings as market opportunities arise. Refunding debt shall never be used for the purpose of avoiding debt service obligations. A target 5% cost savings (discounted to its present value) over the remainder of the debt must be demonstrated for any “advance refunding”, unless otherwise justified. The City, in consultation with its Financial Advisor, may approve a “current refunding” transaction of an existing debt issue if the refunding demonstrates a positive present value savings over the remaining life of the debt.
4. With Council approval, interim financing of capital projects may be secured from the debt financing marketplace or from other funds through an inter-fund loan as appropriate in the circumstances.
5. When issuing debt, the City shall strive to use special assessment, revenue or other self supporting bonds in lieu of general obligation bonds.

Limitations on Debt Issuance

1. The City shall remain in compliance with all debt limitations. As part of the annual budgeting process, a current summary of outstanding debt and compliance targets is prepared. The City shall observe the following limitations on debt issuance:
 - **General Obligation** – 2.5% of Assessed Value (RCW 39.36.020(2)(b))
 - **Non-Voted: 1.5%**
 - **Voted: 2.5%**
 - **Open Space and Park Facilities** – 2.5% of Assessed Value (RCW 39.36.020(4))

2. Debt payments shall not extend beyond the estimated useful life of the project being financed. The City shall keep the average maturity of general obligations bonds at or below 20 years, unless special circumstances arise warranting the need to extend the debt schedule.
3. Debt Limit Target: The City shall not exceed 90% of the legal debt limits from above.

Debt Structuring Practices

The following terms shall be applied to the City's debt transactions, as appropriate. Individual terms may change as dictated by the marketplace or the unique qualities of the transaction.

- **Maturity** –The City shall issue debt with an average life less than or equal to the average life of the assets being financed. Unless otherwise stated in law, the final maturity of the debt shall be no longer than 40 years (RCW 39.46.110).
- **Debt Service Structure** – Unless otherwise justified, debt service should be structured on a level basis. Refunding bonds should be structured to produce equal savings by fiscal year. Unless otherwise justified, debt shall not have capitalized interest. If appropriate, debt service reserve funds may be used for revenue bonds.
- **Price Structure** – The City's long-term debt may include par, discount, and premium bonds. Discount and premium bonds must be demonstrated to be advantageous relative to par bond structures, given market conditions.
- **Call Provisions** – For each transaction, the City shall evaluate the costs and benefits of call provisions. In general, the City shall opt for the shortest possible optional call consistent with optimal pricing.
- **Bond Insurance** – For each transaction, the City shall evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City shall be competitively priced.
- **Tax-exemption** – Unless otherwise justified and deemed necessary, the City shall issue its debt on a tax-exempt basis.
- **Reimbursement resolution** – Must be adopted by City Council if the project hard costs are advanced prior to the bond sale.

SECTION V – COMMUNICATION

It is the policy of the City to remain as transparent as possible. The City shall manage relationships with the rating analysts assigned to the City's credit, using both informal and formal methods to disseminate information.

- The City's Comprehensive Financial Report (CAFR) shall be the primary vehicle for compliance with continuing disclosure requirements. The CAFR may be supplemented with additional documentation as required. Each year included in the CAFR, the City will report its compliance with debt targets and the goals of this Debt Management Policy.
- The City will issue a material event notice in accordance with provisions of SEC Rule 15c2-12. Prior to issuance of any material event, the Finance Director will discuss the materiality of any event with the Mayor, City Attorney and designated Council members, to ensure equal, timely and appropriate disclosure to the marketplace.
- The City shall seek to maintain and improve its current bond rating.

SECTION VI - COMPLIANCE

Investment of Proceeds

The City shall comply with all applicable Federal, State and contractual restrictions regarding the investment of bond proceeds. This includes compliance with restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds as well as restrictions on the time period over which some of the proceeds may be invested.

Arbitrage Liability Management

Due to the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City shall solicit the advice of bond counsel and other qualified experts about arbitrage rebate calculations. The City shall, when deemed necessary or required, contract with a third party for preparation of the arbitrage rebate calculation.

The City shall maintain an internal system for tracking expenditure of bond proceeds and investment earnings by opening a separate account in the state pool. The expenditure of bond proceeds shall be tracked in the financial system by issue. Investments may be pooled for

financial accounting purposes and for investment purposes. When investment of bond proceeds are co-mingled with other investments, the City shall adhere to IRS rules on accounting allocations.

Bond Users Clearinghouse

The City shall ensure that the Bond Users Clearinghouse receives municipal bond information for all debt sold as provided by RCW 39.44.200 – 39.44.240 and WAC 365-130.

Legal Covenants

The City shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of a bond offering.

Periodic Policy Review

At a minimum, the debt policy will be reviewed and updated every five years.



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.



CITY OF POULSBO Legislative Policy/Procedure

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.

 <h2 style="margin: 0;">City of Poulsbo</h2> <h3 style="margin: 0;">Legislative Policy</h3>	
Title: Capital Improvement Policy	Page Number: 1 of 2
Department: Finance Department	Effective Date: January 1, 2024
Revised Date: November 2023	Revised by: Finance Department

PURPOSE

Poulsbo’s City government is accountable for a considerable investment in buildings, parks, roads, water, sewer, and storm drain infrastructure, 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 \$50,000 or more, and an estimated service life of 15 years or more.

GUIDELINES

- A. Annually, a six-year capital improvement 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 two years of the six-year capital improvement program will be used as the basis for formal fiscal year appropriations during the biennial 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 work group composed of the Public Works Director, Public Works Superintendent, City Engineer, Parks and Recreation Director, and Finance Director/Assistant City Administrator 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. Consideration of ongoing maintenance costs will be included in the plan and be a determining factor to fund and approve moving forward with the proposed project.
- H. A biennial capital budget will be developed and adopted by the City Council as part of the biennial budget process, with a midyear adjustment taking place in the odd calendar years.
- I. 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 Capital Projects Work Committee will review Legislative Policies and recommend to Council any appropriate changes.

RESOLUTION NO. 2024-17

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 2024-13.

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

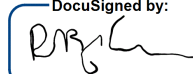
AS FOLLOWS:

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. 2024-13, 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 the attached exhibits shall be effective as of January 1, 2025, unless another date is specified on the Exhibit.

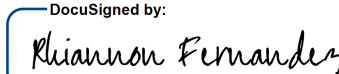
RESOLVED this 11th day of December, 2024.

APPROVED:

DocuSigned by:

77AA4B38C18A4BA...

MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:

DocuSigned by:

D21DA14DCC754A8...

CITY CLERK, RHIANNON FERNANDEZ

FILED WITH THE CITY CLERK: 12/05/2024
PASSED BY THE CITY COUNCIL: 12/11/2024
RESOLUTION NO. 2024-17

LONGEVITY

- A. All regular employees, except for Officers covered under the Poulso Police Officers' Association (PPOA) collective bargaining agreement, shall receive longevity pay beginning after completion of five (5) years of continuous employment as follows:

<u>Total Years Service</u>	<u>Longevity Pay</u>
6-10 years	2%
11-15 years	3%
16-20 years	4%
21-25 years	5%
26+	6%

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.

- B. All Officers shall receive longevity pay beginning after completion of five (5) years of continuous employment, with the percentages listed below applied to the Officer's base wage for each block of five (5) years of continuous service completed as set forth below.

<u>Total Years Service</u>	<u>Longevity Pay</u>
6-10 years	2%
11-15 years	3%
16-20 years	4%
21-25 years	5%
26+	6%

2025 ELECTED/APPOINTED OFFICIALS		
*Effective January 1, 2025, 2024 wage rates increase by 3.5%		
City Council - Position 1-7	\$ 12,000	Annual
Mayor	\$ 138,220	Annual*
Judge	\$ 94,736	Annual*

2025 MANAGEMENT SALARY SCHEDULE							
*Effective January 1, 2025, 2024 wage rates increase by 3.5%							
Classification		A	B	C	D	E	F
	1	81,160	83,595	86,103	88,686	91,347	94,087
	2	83,595	86,103	88,686	91,347	94,087	96,910
Senior Systems Administrator	3	86,103	88,686	91,347	94,087	96,910	99,817
	4	88,686	91,347	94,087	96,910	99,817	102,812
	5	91,347	94,087	96,910	99,817	102,812	105,896
	6	94,087	96,910	99,817	102,812	105,896	109,073
Assistant IT Manager	7	96,910	99,817	102,812	105,896	109,073	112,345
Administrative Services Manager, Asst PW Superintendent	8	99,817	102,812	105,896	109,073	112,345	115,715
City Clerk, Court Administrator	9	102,812	105,896	109,073	112,345	115,715	119,186
	10	105,896	109,073	112,345	115,715	119,186	122,762
Support & Professional Services Mngr	11	109,073	112,345	115,715	119,186	122,762	126,445
Building Official, Housing Health & Human Services Director	12	112,345	115,715	119,186	122,762	126,445	130,238
Civil Engineer, Construction Manager, Planning Manager	13	115,715	119,186	122,762	126,445	130,238	134,145
	14	119,186	122,762	126,445	130,238	134,145	138,169
PW Superintendent	15	122,762	126,445	130,238	134,145	138,169	142,314
Administrative Services Director/City Clerk, Human Resources Manager, IT Manager, Parks & Recreation Director	16	126,445	130,238	134,145	138,169	142,314	146,583
	17	130,238	134,145	138,169	142,314	146,583	150,980
	18	134,145	138,169	142,314	146,583	150,980	155,509
Lieutenant	19	138,169	142,314	146,583	150,980	155,509	160,174
City Engineer	20	142,314	146,583	150,980	155,509	160,174	164,979
	21	146,583	150,980	155,509	160,174	164,979	169,928
Deputy Chief	22	150,980	155,509	160,174	164,979	169,928	175,026
Finance Director, Planning & Economic Development Director	23	155,509	160,174	164,979	169,928	175,026	180,277
Public Works Director	24	160,174	164,979	169,928	175,026	180,277	185,685
Police Chief	25	164,979	169,928	175,026	180,277	185,685	191,256
Assistant City Administrator	26	169,928	175,026	180,277	185,685	191,256	196,994
	27	175,026	180,277	185,685	191,256	196,994	202,904
	28	180,277	185,685	191,256	196,994	202,904	208,991
	29	185,685	191,256	196,994	202,904	208,991	215,261
	30	191,256	196,994	202,904	208,991	215,261	221,719
City Administrator	31	196,994	202,904	208,991	215,261	221,719	228,371

2025 TEAMSTERS LOCAL #589 (Admin/Public Works) SALARY SCHEDULE							
Effective January 1, 2025, 2024 wage rates increase by approx 3.5%							
Classification		A	B	C	D	E	F
Custodian	1	26.50	27.30	28.12	28.96	29.83	30.72
Office Clerk I	2	27.02	27.83	28.67	29.53	30.42	31.33
Grounds Maintenance Tech I	3	27.59	28.42	29.27	30.15	31.05	31.98
Special Events Coordinator	4	28.12	28.96	29.83	30.72	31.64	32.59
Office Clerk II	5	28.67	29.53	30.42	31.33	32.27	33.24
	6	29.27	30.15	31.05	31.98	32.94	33.93
Police Administrative Specialist	7	29.83	30.73	31.65	32.60	33.58	34.59
Building Inspector I, Grounds Maintenance Tech II, Maintenance Technician I, Mechanic Assistant	8	30.41	31.32	32.26	33.23	34.23	35.26
Accounting Clerk, Judicial Specialist	9	31.05	31.98	32.94	33.93	34.95	36.00
	10	31.63	32.58	33.56	34.57	35.61	36.68
Administrative Ass't, Planning/GIS Coordinator, Senior Police Administrative Specialist	11	32.25	33.22	34.22	35.25	36.31	37.40
Peer Support Specialist II	12	32.93	33.92	34.94	35.99	37.07	38.18
Building Permit Specialist, Parks Coordinator, Recreation Programmer,	13	33.57	34.58	35.62	36.69	37.79	38.92
Accounting Technician, Contract Admin/Acct, Engineering Technician, Senior Judicial Specialist	14	34.21	35.24	36.30	37.39	38.51	39.67
Maintenance Tech Senior, Water Quality Field Tech	15	34.94	35.99	37.07	38.18	39.33	40.51
Assistant Planner	16	35.61	36.68	37.78	38.91	40.08	41.28
Field Inspector	17	36.30	37.39	38.51	39.67	40.86	42.09
Deputy City Clerk	18	37.06	38.17	39.32	40.50	41.72	42.97
Engineering Senior Technician, Project-Grant Accountant	19	37.78	38.91	40.08	41.28	42.52	43.80
Sr Field Inspector, Mechanic, Maintenance Mechanic, Water Treatment Plant Operator	20	38.52	39.68	40.87	42.10	43.36	44.66
Behavioral Health Navigator, Recovery Café Coordinator, Recovery Resource Center Manager	21	39.32	40.50	41.71	42.96	44.25	45.58
Associate Planner, Building Inspector II, Engineer I, NPDES Coordinator	22	40.09	41.29	42.53	43.81	45.12	46.47
Office Manager, Senior Contract Administrator	23	40.86	42.09	43.35	44.65	45.99	47.37
PW Foreman	24	41.72	42.97	44.26	45.59	46.96	48.37
Engineer II, Senior Foreman	25	42.53	43.81	45.12	46.47	47.86	49.30
	26	43.36	44.66	46.00	47.38	48.80	50.26
Senior Accountant, Contract Administrator Manager	27	44.27	45.60	46.97	48.38	49.83	51.32
Construction Supervisor	28	45.12	46.47	47.86	49.30	50.78	52.30
	29	45.99	47.37	48.79	50.25	51.76	53.31
Engineer III, Dvlpmnt Rvw Engineer, Trans Engr	30	46.95	48.36	49.81	51.30	52.84	54.43
	31	47.86	49.30	50.78	52.30	53.87	55.49
Senior Planner	32	48.79	50.25	51.76	53.31	54.91	56.56
	33	49.81	51.30	52.84	54.43	56.06	57.74
Engineer IV	34	50.79	52.31	53.88	55.50	57.16	58.87

2025 POULSBO POLICE OFFICERS ASSOCIATION (POA) SALARY SCHEDULE							
Effective January 1, 2025, 2024 wage rates increase by 5%							
Classification		A	B	C	D	E	F
Police Officer	1	44.74	46.09	47.47	48.89	50.36	51.87
Police Sergeant	2				58.82	60.54	62.27

2025 NON-REPRESENTED HOURLY EMPLOYEES							
Effective January 1, 2025, 2024 wage rates increase by 3.5%							
Classification		A	B	C	D	E	F
Receptionist	1	Min wage	Min wage	17.10	17.61	18.14	18.68
	2	Min wage	17.10	17.61	18.14	18.68	19.24
	3	17.10	17.61	18.14	18.68	19.24	19.82
	4	17.61	18.14	18.68	19.24	19.82	20.41
	5	18.15	18.69	19.25	19.83	20.42	21.03
P&R Administrative Support Clerk	6	18.69	19.25	19.83	20.42	21.03	21.66
	7	19.25	19.83	20.42	21.03	21.66	22.31
	8	19.83	20.42	21.03	21.66	22.31	22.98
	9	20.42	21.03	21.66	22.31	22.98	23.67
	10	21.03	21.66	22.31	22.98	23.67	24.38
	11	21.66	22.31	22.98	23.67	24.38	25.11
	12	22.31	22.98	23.67	24.38	25.11	25.86
	13	22.98	23.67	24.38	25.11	25.86	26.64
	14	23.67	24.38	25.11	25.86	26.64	27.44
Office Clerk	15	24.38	25.11	25.86	26.64	27.44	28.26
	16	25.11	25.86	26.64	27.44	28.26	29.11
	17	25.86	26.64	27.44	28.26	29.11	29.98
Custodian	18	26.64	27.44	28.26	29.11	29.98	30.88
	19	27.44	28.26	29.11	29.98	30.88	31.81
HHH Administrative and Fiscal Assistant	20	28.26	29.11	29.98	30.88	31.81	32.76
	21	29.11	29.98	30.88	31.81	32.76	33.74
	22	29.98	30.88	31.81	32.76	33.74	34.75
	23	30.89	31.82	32.77	33.75	34.76	35.80
	24	31.82	32.77	33.75	34.76	35.80	36.87
	25	32.77	33.75	34.76	35.80	36.87	37.98
Community Services Officer	26	33.75	34.76	35.80	36.87	37.98	39.12
Emergency Management Coordinator	27	34.76	35.80	36.87	37.98	39.12	40.29

2025 CASUAL LABOR WAGE SCALE							
		A	B	C	D	E	F
1	Min wage	Min wage	Min wage	Min wage	Min wage	Min wage	Min wage
2	Min wage	Min wage	Min wage	Min wage	Min wage	Min wage	Min wage
3		16.75	17.00	17.25	17.50	17.75	18.00
4		18.25	18.50	18.75	19.00	19.25	19.50
5		19.75	20.00	20.25	20.50	20.75	21.00
6		21.25	21.50	22.00	22.50	23.00	23.50
7		24.00	24.50	25.00	25.50	26.00	26.50
8		27.00	27.50	28.00	28.50	29.00	29.50
9		30.00	31.00	32.00	33.00	34.00	35.00
10		36.00	37.00	38.00	39.00	40.00	41.00
11		42.00	43.00	44.00	45.00	46.00	47.00
12		48.00	49.00	50.00	51.00	52.00	53.00
13		54.00	55.00	60.00	65.00	70.00	75.00
14		80.00	85.00	90.00	95.00	100.00	105.00

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 and Poulsbo Police Officers Association entered into their new contract year beginning on January 1, 2025.

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	2%
11 – 15	3%
16 – 20	4%
21 – 25	5%
26 or more	6%

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	0.0532	0.0853	0.1385
PERS 1*	N/A	N/A	N/A
PERS 2	0.0911	0.0636	0.1547
PERS 3	0.0911	Varies 5%-15%	Varies

Rates are as of January 1, 2025

*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, 2021

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, 2021

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	1.96885	.39815	2.367
Administration	.23965	.11785	.3575
Police	4.44269	.4525	4.89519

Rates are as of January 1, 2025

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 \$1,616.20 per employee, per month. In 2021, 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 and disability insurance premium of \$29.00 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 2021 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 either tax-deferred or post-tax (ROTH) dollars. This is an employee participation plan only. The City does not contribute to this plan.

PAID FAMILY MEDICAL LEAVE ACT:

All regular City employees are eligible for the Washington Paid Family Medical Leave Act. This program provides paid leave to employees for qualifying events. Employees pay .658% of gross wages. The City contributes .262% to this program for a total of .92% of gross wages.

RETIREE HEALTH COVERAGE:

Teamster Local 589 employees voted to participate in the RWT-Plus Plan offered by the Teamsters Trust. This plan provides medical benefits to retirees. The monthly premium for 2021 is \$94.85 per active employee. The City pays for the monthly premium in exchange for a reduction in contributions to Teamster employees VEBA account benefit.

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 2025, Teamsters Bargaining unit will receive a \$27.58 per month HRA-VEBA contribution from the City.

In 2025, exempt employees will receive a \$70.00 per month HRA-VEBA contribution from the City.

In 2021, the Pousbo Police Officers Association members will receive \$ \$160.00 per month in an HRA-VEBA contribution from the City.

BUDGETING:

The City funds positions at their full cost for budgetary purposes even if vacancies occur during the year.

COST OF LIVING ADJUSTMENT (COLA):

Wages for the Teamsters Bargaining Unit (Public Works/Administration) employees have been adjusted by 3.5% for 2025 Budget. 2025 increases were estimated based on historical factors but will be adjusted during the mid-biennium per the bargaining agreement effective January 1, 2025. Non-Represented and Management employees have been adjusted by the same percentages.

Wages for the Pousbo Police Officers Association members (Police Officers and Police Sergeants) have been adjusted by 5% as per the bargaining agreement for 2025. 2025 increases were estimated based on historical factors but will be adjusted during the mid-biennium per the bargaining agreement effective January 1, 2025.

MAJOR CHANGES:

- The City has entered into new bargaining agreements with both the Teamsters Local 589 and the Pousbo Police Officer's Association. These agreements put in place a % increase for the first year and then will increase accordingly with the CPI-U for the Seattle-Tacoma-Bellevue area with a ceiling of 4% and a floor of 2%.
- The Longevity percentage for Management and Teamsters has increased to 2% of gross wages, beginning in 2025 (see chart in the above section).
- The Teamsters group has received an extra Floating Holiday to account for inclement weather

Both bargaining agreements will be negotiated again in 2027 for new agreements to take effect in 2028.

GLOSSARY OF BUDGET RELATED TERMS

ACCOUNT: A record of additions, deletions, and balances of individual assets, liabilities, equity, revenues and expenses

ACCOUNTING SYSTEM: The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity

ACCOUNTS PAYABLE: A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government

ACCOUNTS RECEIVABLE: An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government, but not including amounts due from other funds or other governments

ACCRUAL BASIS ACCOUNTING: Refers to the method accounting of revenues and expenditures on the basis of when they are incurred or committed, rather than when they are made or received. All funds except the governmental funds are accounted on this basis and the governmental funds are accounted on a modified accrual basis

ACCRUED INTEREST: Interest earned but not yet paid on a security since the latest of the security's issue date or last record date

ACCUMULATED DEPRECIATION: A contra-asset account used to report the accumulation or periodic credits to reflect the expiration of the estimated service life of fixed assets

AD VALOREM TAXES: A tax levied on the assessed value of real property

ADJUSTABLE-RATE MORTGAGE (ARM): A mortgage which features predetermined adjustments of the interest rate at regular intervals. An ARM's interest rate is tied to an index outside the control of the lender

ADMINISTRATIVE SERVICE DEPARTMENTS: Refers to organizational units or departments who primarily provide service to other departments or divisions. These include: Legislative: City Council and its functions; Financial Services: The accounting, financial reporting, customer service and treasury functions; Personnel Services: Provides centralized personnel services to all City operations; Administrative Services: Provides supervision of Financial Services and Personnel Services as well as budget, fiscal planning, tax and license, data processing, risk management and other general administrative services; Civil Service: The independent panel of persons who work with personnel/hiring issues for the public safety departments

AGENCIES: Federal Agency securities

AGENCY FUND: A governmental accounting classification used to describe those situations where one jurisdiction is acting on behalf of another

ALEA: Aquatic Lands Enhancement Account

ALLOCATION: A component of an appropriation earmarking expenditures for a specific purpose and/or level of organization

AMORTIZATION: (1) The portion of the cost of a limited life or intangible asset charged as an expense

during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity

ANNUAL FINANCIAL REPORT: The official annual report of a government. It includes (a) the five combined financial statements in the combined statements, overview and their related notes and (b) combined statements by fund type and individual fund and account group financial statements prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, required supplemental information, extensive introductory material and a detailed statistical section

APPROPRIATION: The legal spending level authorized by an ordinance of the city council. Spending should not exceed this level without prior approval of the council

APPROPRIATION ORDINANCES: The official enactment by the city council establishing the legal authority for city officials to obligate and expend resources

ASKED: The price at which securities are offered

ASSESSED VALUATION: The value assigned to properties within the city, which is used in computing the property taxes to be paid by property owners

ASSETS: Property owned by a government, which has monetary value

AUDIT: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- ascertain whether financial statements fairly present financial position and result of operations;
- test whether transactions have been legally performed;
- identify areas for possible improvements in accounting practices and procedures;
- ascertain whether transactions have been recorded accurately and consistently; and
- ascertain the stewardship of officials responsible for governmental resources

AUDITOR'S REPORT: In the context of a financial audit, a statement by the auditor describing the scope of the audit and the audit standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with generally accepted accounting practices or some other comprehensive basis system of accounting

AWC (Association of Washington Cities): An official organization of cities and towns of Washington established to aid local governments in the solution of common problems. Each city paying the annual service fee is a member and has an equal voice in the determination of the Association's policy

BALANCE SHEET: A statement presenting the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specified date

BALANCED BUDGET: Total resources equal total uses (Beginning Balance + Revenues = Total Expenditures + Fund Balance)

B&O: Business and Occupation

BAR: Baseline Adjustment Request

BARS: (The Budgeting, Accounting and Reporting System): The accounting system's manual prescribed by the Washington State Auditor's Office

BASE BUDGET: Ongoing expense for personnel and contractual services, and the replacement of supplies and equipment required to maintain service levels previously authorized by the council

BASIC FINANCIAL STATEMENTS: Those financial statements, including notes, necessary for the fair presentation of the financial position and results of operations of an entity in conformity with GAAP. The basic financial statements include a balance sheet, an "all inclusive" operating statement, a budget comparison statement (for all governmental funds for which annual appropriated budgets are adopted), and a statement of changes in financial position (for proprietary funds, pension trust funds and non-expendable trust funds)

BASIS OF ACCOUNTING: A term used to refer to when revenues, expenditures, expenses and transfers, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made regardless of the nature of the measurement, on either the cash or accrual method

BASIS POINT: A measurement of changes in prices or yields for fixed income securities. One basis point equals 1/100 of 1 percent

BEARER SECURITY: A security the owner of which is not registered on their books of the issuer. A bearer security is payable to the holder

BIAA (Business Improvement Area Association): An association formed by downtown businesses which assess themselves quarterly dues to be used to enhance and promote the downtown area. City of Poulsbo's is now the Historic Downtown Business Association (HDBA)

BID: The price at which a buyer is willing to buy a security

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT: a set of United States government financial statements comprising the financial report of a state, municipal or other governmental entity that complies with the accounting requirements by the Governmental Accounting Standards Board

CALL OPTION: The right to purchase a security at a predetermined price on or before a specified future date

CAPITAL ASSETS: Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets

CAPITAL BUDGET: A plan of proposed capital expenditures and the means of financing them. The capital budget may be enacted as part of the complete annual budget including both operating and capital outlays. The capital budget is based on the Capital Improvement Plan (CIP)

CAPITAL OUTLAY: Expenditures, which result in the acquisition of or addition to Fixed Assets. The City of Poulsbo's capital threshold is \$5,000

CAPITAL PROJECT: Projects, which purchase or construct capital assets. Typically, a capital project encompasses a purchase of land or construction of a building or facility, with a life expectancy of more than 10 years

CASH BASIS: The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid

CASH FLOW BUDGET (Cash Budget): A projection of the cash receipts and disbursements anticipated during a given time period. Typically, this projection covers a year and is broken down into separate projections for each month, week and/or day during the year

CDBG (Community Development Block Grants): Grant funds administered through Department of Community Development of the State of Washington

CENCOM: 911 Police, fire, medical emergency central communication system operated by Kitsap County

CERTIFICATE OF DEPOSIT (CD): A negotiable or non-negotiable receipt for monies deposited in a bank or other financial institution for a specified period for a specified rate of interest

CIP: Capital Improvement Plan

CKWWTP: Central Kitsap Wastewater Treatment Plant

CMC (Certified Municipal Clerk): A certification program offered through the International Institute of Municipal Clerks awarded for a combination of education and experience

CMFA (Certified Municipal Finance Administrator): Certification program for finance officers offered through the Municipal Treasurers' Association

CPM (Certified Purchasing Manager): A certification program offered through the National Association of Purchasing Managers

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies

COMMERCIAL PAPER: Corporate promissory notes issued to provide short-term financing, sold at a discount and redeemed at face value. A principal component of money market funds portfolios, because of the high yields

CONCURRENT OR CONCURRENCY: The improvements that are in place at the time the impacts of development occur, or that the necessary financial commitments are in place. Public facilities and services shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service level below locally established minimum standards

CONFIRMATION: A document used to state and supplement in writing the terms of a transaction, which have previously been agreed to verbally

CONTINGENCY: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for

COST ALLOCATION: The assignment of applicable costs incurred by a central services department (like Administrative Services) to a fund based on the benefit to the fund being assessed

COUNCILMANIC BONDS: Non-voted bonds, which can be authorized by the Council in an amount up to 1.5 percent of the assessed valuation of the city

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date

CPI (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

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

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 untampered 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.

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 Poulso'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

GNMA Is: Pass-through mortgage-backed securities on which registered holders receive separate principal and interest payments on each of their certificates. GNMA I securities are single-issuer pools. Investors may expect to receive principal and interest payment on the 15th day of each month

GNMA IIs: Pass-through mortgage-backed securities on which registered holders receive an aggregate principal and interest payment from a central paying agent on all of their GNMA II certificates. Principal and interest payment are disbursed on the 20th day of each month. GNMA II securities are collateralized by multiple-issuer pools or custom pools (one issuer but different interest rates that may vary within one percentage point). Multiple-issuer pools are known as Jumbos. Jumbo pools are generally larger and often contain mortgages that are more geographically diverse than single-issuer pools. Jumbo pool mortgages have interest rates that may vary within one percentage

GOALS: The objective of specific tasks and endeavors

GOVERNMENTAL FUND TYPES: Funds, which provide general government services. These include the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Funds

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE): Securities guaranteed by GNMA and issued by mortgage banks, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes

GPM: Gallons per minute

GRADUATED PAYMENT MORTGAGE (GPM): A mortgage that features negative amortization in which early payments are insufficient to pay the interest due on the outstanding principal. As a result, the unpaid interest is added to the principal thereby increasing the borrower's balance owed. The payments must graduate or increase over time until they can completely amortize the loan's remaining principal balance by its maturity. The number, frequency and rate of increases are specified in the original contract

GRANT: A contribution of assets, usually cash, by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grants are usually made for specified purposes

GUARANTY FUND: A fund established by a bond issuer, which is pledged, as security for the payment of one or more bond issues. Normally used for LIDs

HDPA: Historic Downtown Poulsbo Association, previously the Business Improvement Area Association (BIAA)

HDPE: High density polyethylene

IAC: Interagency Committee for Outdoor Recreation

IDP (Implicit Price Deflator): Is a nation-wide indicator of the average increase in prices for all domestic personal consumption. It is indexed to a base of 100 in 1992. It is derived from the national income and product accounts' best known summary measure, "gross domestic product"(GDP). The GDP is comprised of four major categories: (1) personal consumption expenditures; (2) gross private domestic investment; (3) net exports of goods and services; and (4) government purchases

IMPACT FEES: A fee assessed on new development that creates additional demand and need for public facilities

I&I: Inflow and infiltration

INFRASTRUCTURE: The underlying foundation, the basic installations and facilities, on which the continuance and growth of a jurisdiction depends, i.e., streets, roads, sewer, and water systems

INTEREST: Compensation paid or to be paid for the use of money. Interest is generally expressed as an annual percentage rate

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

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 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 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 I's, 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

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

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

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

WESTNET: West Sound Narcotic Enforcement Team

WFOA: Washington Financial Officer's Association

WHOLE LOAN: An un-securitized 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 2025-2026 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.

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Mayor Becky Erickson (360) 779-3901

Council Members

Position #1	Rick Eckert	(360) 930-8411
Position #2	Pam Crowe	(360) 908-2372
Position #3	Britt Livdahl	(360) 509-9660
Position #4	Doug Newell	(360) 394-9880
Position #5	Ed Stern	(360) 779-6678
Position #6	Doug Taber	(707) 297-1373
Position #7	Gary McVey	(360) 394-9880

Department Heads

Finance	Deborah Booher, Asst City Administrator	(360) 394-9720
Clerks	Rhiannon Fernandez, Admin Svc/City Clerk	(360) 394-9711
Police	Ron Harding, Chief	(360) 779-3113
Housing, Health & Human Svcs	Kimberly Hendrickson, Director	(360) 394-9794
Planning & Economic Dev	Heather Wright, Director	(360) 394-9731
Parks & Recreation	Jeff Ozimek, Director	(360) 779-9898
Public Works	Diane Lenius, Director	(360) 394-9750
Personnel	Deanna Kingery, Human Resources Mgr	(360) 394-9705
Information Services	Brooks Riendl, Information Technology Mgr	(360) 394-9701
Municipal Court	Jeff Tolman, Municipal Court Judge	(360) 779-9846

Finance Department Staff

Annual Financial Report	Jenna Reisman, Sr Accountant	(360) 394-9725
Budget/Investments	Larissa Campbell, Sr Accountant	(360) 394-9707
Project/Grants/Fixed Assets	Sandi Ryen, Project-Grant Accountant	(360) 394-9721
Accounts Receivable	Shannon Koshar, Acct Technician	(360) 394-9724
Payroll/Misc Billing	Richard Neyhart, Acct Technician	(360) 394-9728
Accounts Payable	Maria Quennet, Acct Clerk	(360) 394-9722
Taxes – B&O, Admissions	Gretchen Harmon	(360) 394-9749
Cashier	Jon Jennings, Acct Clerk	(360) 394-9726
Utilities	Joe Martin, Acct Clerk	(360) 394-9723

Contracts

Auditors	State Auditor's Office	(360) 895-6133
City Attorney	Ogden, Murphy & Wallace	(206) 447-7000
Bond Counsel	Foster Garvey, PLLC	(206) 447-4400
Insurance	Washington Cities Insurance Authority	(206) 575-6046