CITY OF POULSBO

2027-2028 PRELIMINARY BUDGET

Mayor Ed Stern

Council members:

Rick Eckert – Pam Crowe – Britt Livdahl

Doug Newell – Michael Fitzpatrick – Doug Taber – Leighton Thomas

CITY OF POULSBO, WASHINGTON
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PRELIMINARY 2027-2028 BUDGET

For Fiscal Years January 1, 2027, to December 31, 2028

Prepared by the Finance Department

Deborah Booher
Finance Director – Assistant City Administrator

Larissa Campbell
Senior Budget Accountant

CITY OF POULSBO
OFFICIALS

MAYOR

Ed Stern

CITY COUNCIL

Rick Eckert
Pam Crowe
Britt Livdahl
Doug Newell
Michael Fitzpatrick
Doug Taber
Leighton Thomas

DEPARTMENT HEADS

City Administrator	*Rob Gelder*
Finance Director-Assistant City Administrator	*Deborah Booher*
City Clerk	*Rhiannon Fernandez*
Human Resources Director	*Kameil Borders*
Information Services Director	*Brooks Riendl*
Public Works Director	*Jessica Knickerbocker*
Parks & Recreation Director	*Jeff Ozimek*
Planning Director	*Heather Wright*
Police Chief	*Ron Harding*
Public Works Superintendent	*Mike Lund*

CITY ATTORNEY

Ogden, Murphy, Wallace, P.L.L.C.

CITY OF POULSBO
HOW TO USE THIS BUDGET DOCUMENT

The City of Poulsbo's Preliminary 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 year's 2027-2028. The main objective of the Preliminary Budget Document is to communicate this information to our readers in a manner that is clear, concise and understandable. Following review of this suggested section, 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 Preliminary Budget is divided into 10 major sections listed below.

Click on the section you would like to view

Budget Process
General Fund
Special Revenue Funds
Debt Service Funds
Capital Project Funds
Enterprise Funds
Baseline Adjustment Requests
New Program Requests
Salaries & Wages Information
City Improvement Plan

Should you have any questions regarding the information presented in this document, please feel free to contact:

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City of Poulsbo

Office of Mayor Edward Stern

October 31, 2026

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

> *"Real progress cannot be measured by money alone. We must ensure that economic growth contributes to our quality of life, rather than degrading it." Tony Blair*

I am proud to present the City of Poulsbo's (City) 2027-2028 Preliminary Biennial Budget. The City Council, staff and I, through thoughtful planning, are excited to present another two-year plan for the City's operating and capital expectations. In the words of Tony Blair, I have spent much of my career focusing on economic growth and stability for a thriving community. It is not money alone, but our drive as citizens to provide a better quality of life. I am lucky to represent what I feel is one of the best cities in the world due to our citizens, volunteers, elected officials and staff who work hard to maintain a City that is a wonderful place to live, work and visit. 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 2027-2028 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 2027-2028 Biennial Budget is submitted in accordance with the Revised Code of Washington (RCW) and the Poulsbo Municipal Code (PMC).

2025 and 2026 was a year of change with me stepping in as Mayor, changing the role to part time and hiring the first City Administrator position to exist in the City. Several new council members joined the City in 2026 bringing fresh and new ideas to establish updated Council priorities and a plan to work on accomplishing the related goals. 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, our neighboring tribes and those who are struggling and in need of more social services.

The 2027-2028 Biennial Preliminary Budget has been prepared conservatively, with the intention of maintaining existing services and implementing programs previously approved and in the Council's working goals.
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.

2025-2026 IN REVIEW

The years 2025 and 2026 were years of growth. The City issued the largest debt in the City's history providing funding for the final phase of Noll Road a transportation program spanning more than 10 years, Nordic Cottages an affordable housing project providing housing for the elderly, low-income population and the Poulsbo Event and Recreation Center (PERC) a new facility with ball fields, sport court and walking paths providing opportunities for future tournaments.

The City's population continued to grow. The population estimate for 2027 is 13,510 people, which is an increase of 3% or 400 people over the prior year.

The behavioral health programs continue to grow providing more services to the community. At the existing Recovery Center, a kitchen was added to provide meals to eligible registered members. This allows members to not only be provided recovery services it helps members stay healthy and well fed. Several grants help provide funding for the operation and growth of the facility.

Sales tax revenue has continued to grow and with several projects intended in the next couple years, it is anticipated the revenue will remain strong. The City continues to do a good job of economic development and diversification eliminating the dependency of a particular industry.

The implementation of Business and Occupation (B&O) tax in mid-2024 allowed the City to hire a City Administrator in January 2025. This allows an administrator to handle day to day management of the City and the Mayor's position reduced to 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 and two cameras 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.

The City began construction of the Poulsbo Event and Recreation Center (PERC). The center will host two tournament sized turf fields, several pickleball courts, a basketball court and walking path around the site. This will support the community's demand for more playing fields and create a destination for future tournaments.

Oslo Bay development began construction in 2025 and will continue the development in phases. The project will house several multi housing structures covering 56 acres near the North Viking Transit Center.

I have established the Mayor's Blue Ribbon Commission focusing on affordable housing for our citizens creating a welcoming community for all. We will work with citizen groups and local developers for opportunities to offer affordable housing and offer possible tax incentives for the construction of the units.

The City led a county task force to develop Accessible Dwelling Unit plans which could be used for citizens at a minimal cost and decrease the amount of time and cost of permits. The City developed one of the ADU units in RAAB Park with the planned residence for a park caretaker. Habitat for Humanity volunteered their effort and were able to keep the costs minimal with community volunteer labor.

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 budget defines an operating budget reflecting the goals and priorities of the City. It also builds a long-range forecast representing the future development and sustainability of the City. The budget provides communication to the Citizens of the functions and roles of the City to provide a fiscally responsible financial plan.

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 2027-2028 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.

2027-2028 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. The City is levying the full 1% and adding the new amounts allowed for new construction, which generates an approximate rate of $1.03 per 1000 of assessed valuation. This creates an estimated revenue of approximately $3.4 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, the City has been historically conservative in its estimation – rarely estimating more sales tax revenue than received the previous year. The revenue has grown an average of 1% – 2% annually since 2022. Estimates are $5.6 and $5.7 million for 2027 and 2028.

Other Budget Directives

The City approaches the budget from a conservative stance while continually evaluating trends, economic factors and future developments for anticipated growth. 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 Council, and I felt it important to use reserves to maintain existing services while planning for support of the City's new programs underway.

The Poulsbo Event and Recreation Center will be completed in 2027. The City is estimating the new operation and maintenance costs necessary to operate the new facility. The center is a new facility and the cost to operate is estimated to be supported 15% by revenues. It is planned to hire 1.5 staff to maintain the park and 1 programmer to administer user schedules and related fees.

The City successfully negotiated a contract with a solid waste operator. The contracted service will be able to offer garbage service at a rate less than the City due to spreading the rates over a larger customer base. The contract is set to commence in March 2027.

The City plans to hire a communications officer in 2027. This is to take the place of a Code Enforcement Officer. The plan is for the individual to build relationships throughout the City, encourage compliance to the City Code and provide consistent City messages to the public.

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 expire the end of 2027. The budget has been built with preliminary estimates which will be finalized when the agreements are finalized.

All departments were directed to submit the 2027-2028 budgets with a slight increase for operations and allocations to cover all contractual obligations. The intention is to recognize the significant increase in cost of regular functions. Supplies, utilities, travel, training and tools necessary to accomplish the primary functions of departments have increased consistently with the rising cost of goods in 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 City Administrator and Department Heads. The Mayor will then review for their recommendations and bring forward to Council helping to prioritize additional funding requests. The City Council will then review the requests and establish 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, 2027. The state's budget may affect the City's shared revenues, benefit rates and grant funding. The City has built the budget based on projected related revenues, but figures may need to be updated if the State's budget changes the City's assumptions.

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 up to 6%. The 1% increase for the City of Poulsbo

equates to approximately $33,000 which does not cover the increase in the cost of services. It has been proposed for several prior sessions to allow for a 3% increase, but it has yet to pass and be enacted into law.

Increased funding for public safety and behavioral health treatments continues to be a priority for requested funding. The new Recovery Center in Poulsbo 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.

2027-2028 BUDGET SUMMARY

The 2027-2028 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.

The new B&O began mid-2024, and the City continues to monitor the revenue and address if a change in the exemption amount is feasible. The revenue has exceeded expectations. The projected revenue has been increased based on the monitoring. It is expected to be evaluated mid 2027 for rate and/or exemption levels.

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 finalizing the functional plans and passed an ordinance to increase the rates in 2027. With Solid Waste being provided by a private contractor, this did affect other funds. The effect is due to indirect allocations, insurance costs and debt payments for the Public Works facility absorbed by the other utilities. Several personnel positions remained vacant in other Public Work's functions with the intent of moving solid waste personnel into those positions.

The 2027-2028 Biennial Budget for the City totals $160 million, allocating $66 million to 2027 and $94 million to 2028. A projected fund balance of $48 million is not included in this figure. Overall, the operating bottom line, both 2027 and 2028, 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:

- New financial software is expected to begin implementation in 2027 and continue in 2028.
- Public Works' next phase design costs adding a shop to move the final operations to the same site.

- A large project was 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. The project began in 2026 and is set to be completed in 2027.
- A few large sewer projects working with Kitsap County are 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 2027 and 2028.

The General Fund budget, providing the basic complement of municipal services, totals $46 million in 2027-2028 with $23 million in 2027 and $24 million in 2028. Anticipated increases are due to operations of the new events center and debt payments for the next phase of the Public Works building and replacement of City police vehicles.

The City employs 118 regular employees with planned increases for the event center, a new communications person and grant funded Community Support Peer in the HHH program. 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 2026 and 2027-2028 budgets and budgeting formats, on a fund-type by fund-type basis, are provided below:

General Fund

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

The General Fund's baseline operating revenues (not including operating transfers or beginning fund balance) are estimated to increase an average of 17% by the end of 2028. The increase can primarily be attributed to additional tax revenue and one-time grants with several ending in 2028, B&O tax with better projections, revenue related to safety camera violations. Other revenue projections for 2027-2028 remain conservative and stable to stay consistent with trends not reflecting a spike in activity.

The General Fund is balanced for 2027-2028 with an anticipated use of approximately $4 million of reserves over both years. Included in the reduction of General Fund reserves are transfers to capital funds for future park and street projects and capital acquisitions. The Council has proactively chosen to utilize the reserves enhancing services with 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.

Other government fluctuations are reflective of the City's capital program, capital acquisitions and transfers from the Special Revenue funds supporting the City's capital program.

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.

Significant changes in the Enterprise Funds are due to Solid Waste services being contracted out mid-2027, redistribution of related debt issues, and capital programs for the utility's programs.

	2027			2028		
	Revenue	Expense	Increase (Decrease)	Revenue	Expense	Increase (Decrease)
General Fund	20,999,800	22,699,014	(1,699,215)	21,471,464	23,568,444	(2,096,980)
Special Revenue Funds	5,665,653	5,756,741	(91,088)	5,356,450	6,149,276	(792,826)
Debt Service Funds	2,884,779	2,668,653	216,126	2,893,753	2,668,653	225,100
Capital Project Funds	14,210,895	14,053,600	157,295	9,377,015	8,887,000	490,015
Enterprise Funds	39,196,591	48,354,630	(9,158,039)	20,592,000	24,833,593	(4,241,593)
Totals	***82,957,718***	***93,532,638***	***(10,574,921)***	***59,690,682***	***66,106,967***	***(6,416,284)***

SUMMARY

The overall financial condition of the City is healthy and as of the start of 2027 allowing the planned use of reserves to sustain and provide additional services. City revenues are diversified not depending on one revenue source/industry. 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 2027 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.

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.

The 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 the Council had prioritized with staff. 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 will continue to engage the community throughout my term in office.

ACKNOWLEDGMENT

The Mayor's Office, City Administrator and Finance Department sincerely appreciates the cooperation and assistance of the City Council and City Staff in addressing the financial requirements of fiscal years 2027-2028. 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.poulsbo.gov) 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 2027-2028 Biennial Budget document. It has been a privilege to serve the City for 25 more years as a council member and now as Mayor. I am proud of the many accomplishments made throughout this time. Through my participation and hard work on local boards I will continue to fight for the City of Poulsbo's grant funds necessary for projects and growth in Kitsap County. I will continue to fight for affordable housing in our community working with volunteer citizen groups and local developers. 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,



Edward R. Stern
Mayor for the City of Poulsbo.

2027-2028
PRELIMINARY BIENNIAL BUDGET

Budget Process

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:



- Council Retreat
- Goal Setting
- Capital Planning

- Budget Directives to Staff
- Department Presentations to Mayor and City Council
- Develop Mayor's Proposed Preliminary Budget

- Public Hearings
- Review Revenue Sources
- Develop Preliminary Budget

- Public Hearings
- Set Property Tax
- CIP Presentation
- Budget Workshop at Council
- New funding requests considered

- Final Budget Approval and Adoption

Year Two – Mid-Biennium Cycle:



- Council Retreat
- Goal Setting
- Capital Planning Review

- Mid-Biennium Budget Directives to Staff
- Department Review of Budget Status with Mayor and

- Public Hearings
- Review Revenue Sources
- Develop Proposed Mid-Biennium Budget Amendment

- Public Hearings
- Set Property Tax
- Mid-Biennium Budget Amendment Workshop at Council

- Final Mid-Biennium Budget Amendment Approval and Adoption

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. Historical 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 the City Administrator 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 for the biennium, a complete proposed budget is presented to the Mayor. The Mayor reviews the budget in detail. In 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 the proposal in response to Council goals, and the recommended budget for the following year. In mid-biennium, the Mayor formulates the 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. 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.

Budget and Accounting System Software

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

Preliminary Budget

- The preliminary budget is prepared, pursuant to State law as the Mayor's budget recommendations to the City Council. This public document contains detailed information at the fund level and, for the general fund, at the department level, and focuses on key policy issues while still providing a comprehensive overview of the complete budget.

Budget Ordinance

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

Final Budget

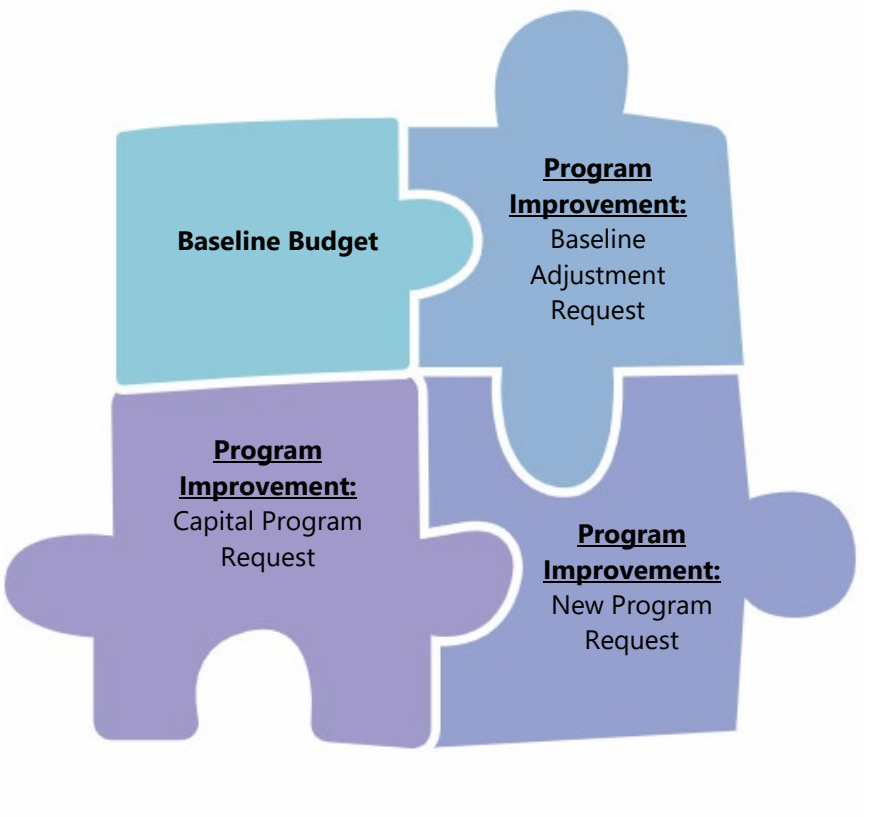
- The final budget is issued as a formal published document, in the same format as the preliminary budget but as modified by the City Council. It is this document, which is formally filed as a final budget.

Budget In Brief

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

C. COMPONENTS OF THE BUDGET

There are two distinct parts to the budget 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.

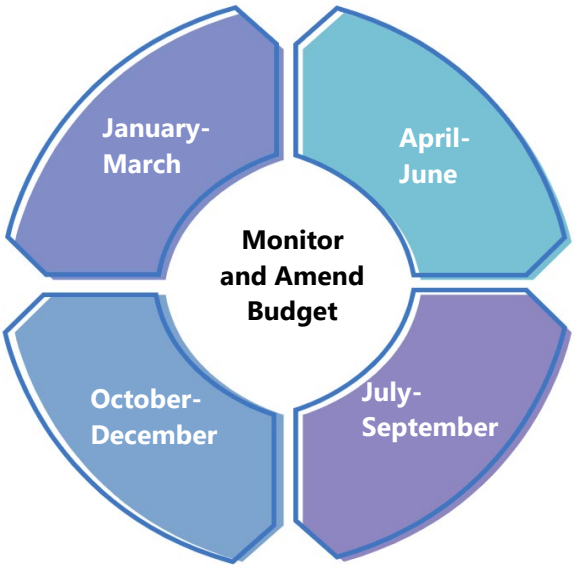
Program Improvements:

(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 operating 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 ongoing process with continual monitoring and possible adjustments reflecting actual results and 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. Departments are expected to monitor their accounts regularly. Monthly reports are released comparing budget to actual data and all items with a variance greater than 15% 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 supermajority. All other requests for reallocation or new money require the Mayor's approval and are then forwarded to the Finance Department for recommendation and processing to be presented to Council for approval or denial. Quarterly, the ordinance amending the budget at fund level is before the City Council and open for public comment, which incorporates amendments approved within the quarter. 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.

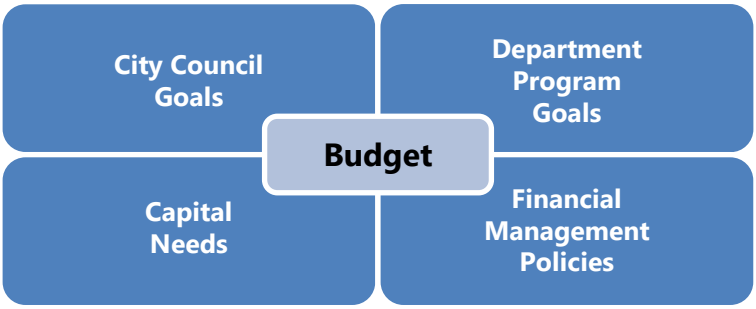
1. POLICY CONTEXT OF THE BUDGET

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 biennially 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 (included with the Final Adopted Budget)

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

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

The City of Poulsbo's budget management approach is based on flexibility and coordination, reflecting the City's administration team and management philosophy under which responsibility is shared among departments. While program managers are provided considerable flexibility in managing their programs on a day-to-day basis, the budget of one department is expected to interact and to consider 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 2027-2028 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

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

H. BUDGET STRUCTURE

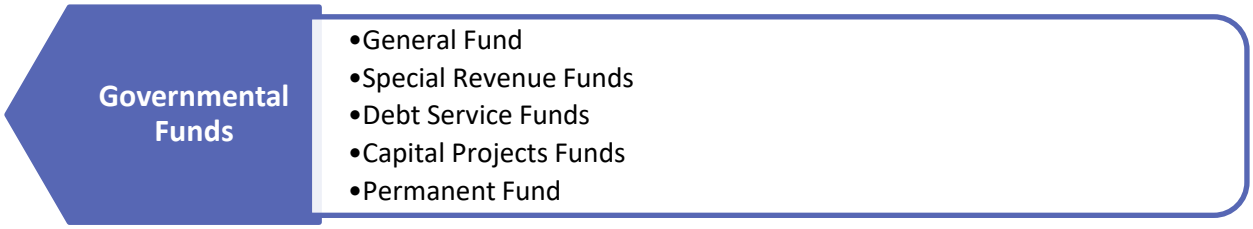
This document is organized so it represents the financial structure of the City. All of the City's accounts are developed and maintained as described below.

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

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

GOVERNMENTAL FUND TYPES:

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



General Fund (Fund 001):

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

Special Revenue 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.

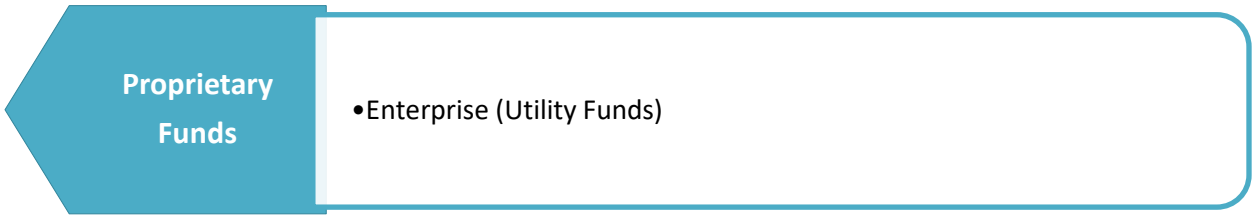
Capital Projects Funds (300 Fund Series):

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

Permanent Fund (700 Fund Series):

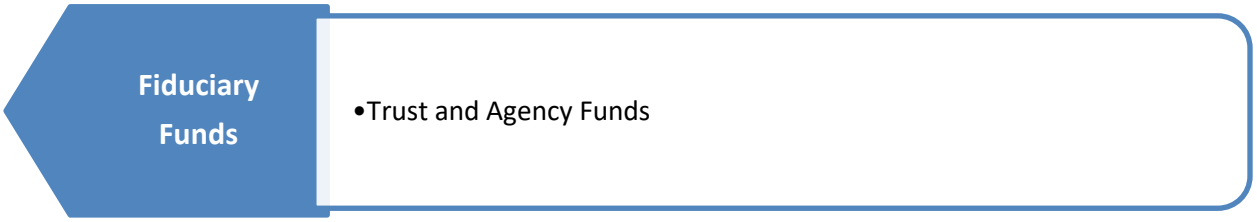
Accounts for resources that are legally restricted so only earnings, not principal, may be used to support the reporting government programs for the benefit of the government or its citizens.

PROPRIETARY FUNDS:
This group of funds accounts for the activities of the City, which are of 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 (Through mid-2027 only), 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 (FTEs).

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 2027-2028 budget, 2028 budget, 2027 budget, 2026 budget and actual expenditures for 2025 and 2024.

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. The departments prepare their goals based on the established Council goals and are presented in the departmental budgets section.

M. AWARD

The City's 2025-2026 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. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for the award. The 2027-2028 Biennial Budget is prepared according to the revised GFOA criteria for budgets submitted, beginning in 2027, and required in 2028 going forward. Information about the new criteria can be found here: gfoa.org/budget-award.

N. 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.

O. Public Engagement

The City of Poulsbo welcomes the public to participate in the budget process. Citizens can be involved in a variety of ways. The City Council holds multiple public hearings during the budget process that allows an extended speaking time to voice thoughts and concerns. The City Council is available by email at their City-provided address and individual council members hold open appointments to hear from the public.

Budget information is provided through the Finance Department website and provides regular financial reports beyond the budget documents, including sales tax revenue, Real Estate Excise Tax (REET) revenue, and a full financial status report provided quarterly. Visit the Finance Department website here: poulsbo.gov/finance-department/.

2027-2028 Biennial Budget Calendar

July 2026		July 2027	
Week of Jul 27 2026	***Finance Department:*** - Finance provides 2027-2028 Biennial Budget Instruction and Directives to City Departments.	**Week of Jul 26 2027**	***Finance Department*** **:** - Finance provides Mid-Biennium Amendment Instruction and Directives to City Departments.
August 2026		**August 2027**	
Aug 1-31 2026	***City Departments*** **:** - Complete their Departmental Budgets. - Departments will meet with City Administrator for detailed review.	**Aug 1-31 2027**	***City Departments*** **:** - 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
Aug 17 2026	***City Departments:*** - Submit all Capital Replacement and New Capital Request Forms to the Finance Director to be considered for 2027-2028 Biennial Budget.		
Aug 31 2026	***City Departments*** **:** - Submit electronic copy of budget worksheets to the N: drive. - Departments to have all budget figures and notes entered into financial software.	**Aug 31 2027**	***City Departments*** **:** - Submit electronic copy of any Budget Amendment Requests to Finance.
September 2026		**September 2027**	
		Sep 8 2027	***City Council Workshop:*** Proposed Revenue Sources
Sep 9 2026	***City Council Workshop:*** CIP Presentations ***City Council Meeting*** **:** - Finance sets Public Hearing on Revenue Sources for October 21, 2026. - Finance sets Public Hearing on Final Budget for November 4 & Dec 18, 2026.		***Clerks Department (via extended agenda):*** - Finance sets Public Hearing on Revenue Sources for October 13, 2027. - Finance sets Public Hearing on Mid-Biennial Budget Amendment for November 10, 2027.
Sep 1-30 2026	***Finance Department*** **:** - Works with City Administrator & Mayor to develop Mayor's Proposed Preliminary Budget.	**Sep 1-30 2027**	***Finance Department*** **:** - Works with City Administrator & Mayor to develop Mayor's Proposed Preliminary Budget.

October 2026		October 2027	
Oct 3 2026	***Finance Department*** **:** - Mayor's Proposed Preliminary Budget Publication delivered to the City Council and made available to the public.	**Oct 6 2027**	***City Council Workshop (cont.,)*** **:** Proposed Revenue Sources
Oct 1-31 2026	***Finance Department*** **:** - Prepares Preliminary Budget Publication.		
Oct 7 2026	***City Council Workshop*** **:** - Review Mayor's Proposed Preliminary Budget. - Departmental Presentations - Review 2026 Revenues & Expenditures with City Council		
		Oct 6 2027	***City Council Workshop:*** - Review 2027 Revenues & Expenditures with City Council (3rd Qtr Status Financial Report).
Oct 21 2026	***City Council Meeting:*** - Review 2027-2028 revenue sources with City Council and hold Public Hearing on Revenue Sources. - Quarterly budget amendment ordinance -Review Baseline Adjustment & New Program Requests	**Oct 13 2027**	***City Council Meeting*** **:** - Review 2027 Revenue Sources with Council and hold Public Hearing on Revenue Sources. (Inclusive of B&O Tax)
November 2026		**November 2027**	
Nov 2 2026	***Finance Department*** **:** - Preliminary Budget Publication delivered to the City Council and made available to the public.		
Nov 4 2026	***City Council Meeting:*** - Public Hearing #1 on Final Budget -Set 2027 Property Tax Levy Ordinance	**Nov 3 2027**	***City Council Workshop*** **:** - Selected Departments to present their Budget Amendment Requests and CIP to Council.
Nov 18 2026	***City Council Meeting*** **:** - Public Hearing #2 on Final Budget. -Final Review & Approval of the 2027-2028 Biennial Budget	**Nov 10 2027**	***City Council Meeting*** **:** - Set the 2028 Property Tax Levy Ordinance.
		Nov 17 2027	***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 2026		December 2027	
Dec 9 2026	***City Council Workshop :*** -Review any remaining from 11/18 if needed	**Dec 1 2027**	***City Council Workshop :*** - Final Review and Approval of the Mid-Biennial Budget Amendment.
		Dec 8 2027	***City Council Meeting :*** - Adoption of the Mid-Biennial Budget Amendment Ordinance.
Dec 16 2026	***City Council Meeting:*** - Approval and adoption of the 2027-2028 Biennial Budget.		

2027-2028
PRELIMINARY BIENNIAL BUDGET

General Fund

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 2027-2028 the General Fund Revenue operating budget, exclusive of beginning balance, is projected to be $42,471,264.

Variations and Highlights:

2027 operating revenue projection is $20,999,800 which is an increase of $1,851,179 compared to the 2026 figure. 2028 operating revenue projection is $21,471,464 which is an increase of $845,309 over the 2027 projection. Revenue budgets have been prepared conservatively, recognizing slight growth in areas and reductions due to available grants. 2027 revenue projections have been increased over 2026 due to the actual collections in 2025. 2026 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 2027 and many sales occurring on-line for delivery into the City.
- Grant revenues have been reduced as several current grants were completed in 2026 the largest for a transportation project the City is facilitating for the state on their highway and main thoroughfare through the City.
- Increase in Charges for Services due to new traffic safety camera citation revenue and 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 adjusted sales tax projections.
- Development fee revenues have been increased based on an average of the past 5 years but are anticipated to level off in 2028.

The first section outlines the General Fund revenue budget. The General Fund is presented in full detail in the Revenue section of the adopted budget.

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 2027 and 2028.

BEGINNING BALANCE:

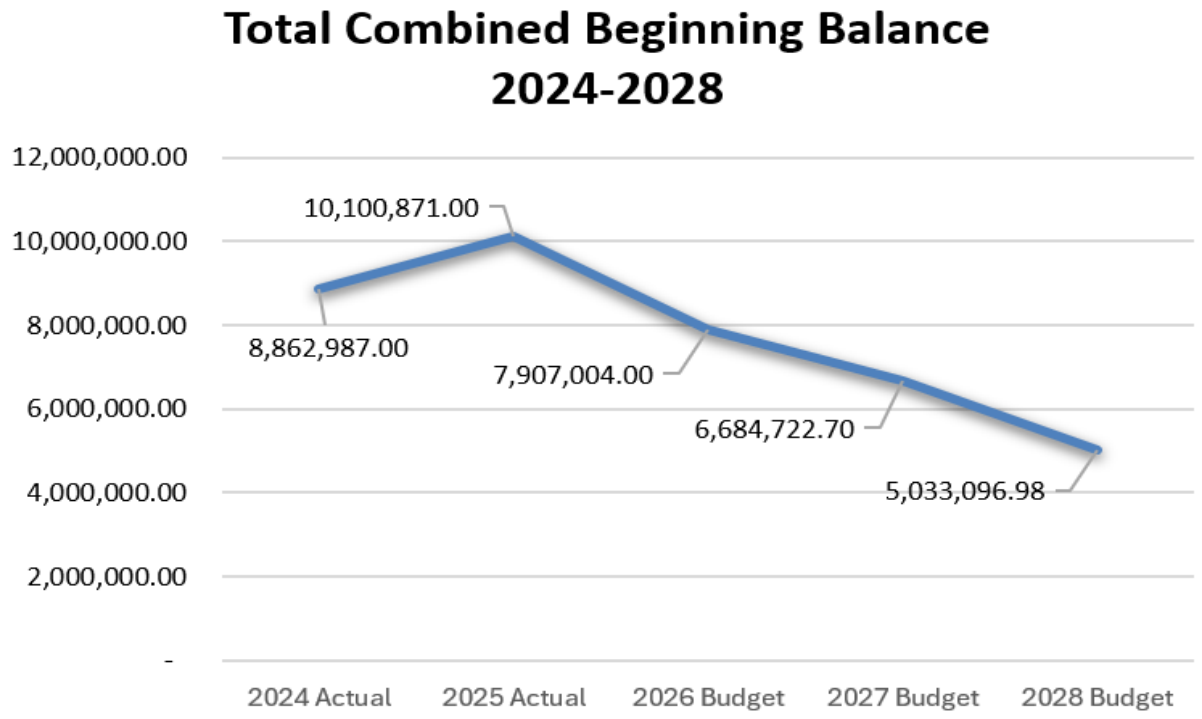
The beginning balance represents unassigned (carryover, i.e., excess revenue collected over what was estimated, plus any unspent budgeted expenditure dollars from the prior year), assigned funds per Council direction for revenue stabilization, legal reserves, future leave cash outs, plus restricted fund 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.

Two new assigned beginning balances were added in 2026. The first is for Engineering Technology Fees that are assigned for future software purchases and the second is assigned for future parking needs.

The chart below represents Beginning Balance Unassigned. Revenue stabilization and 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.

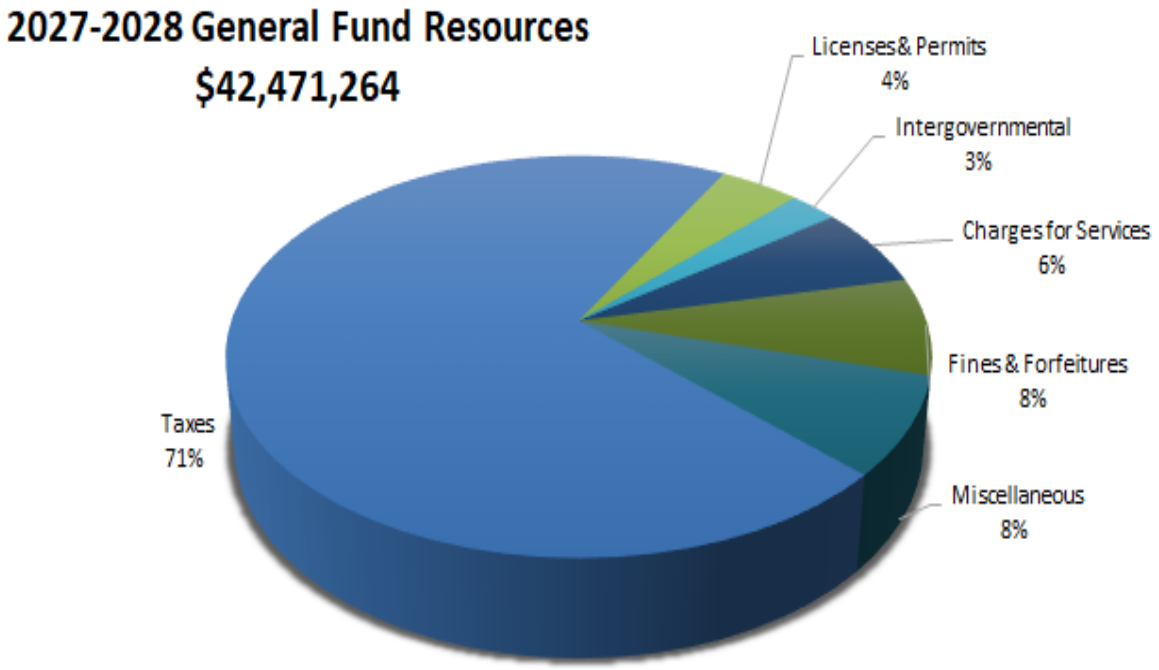
The Beginning Balance is broken out and assigned per council and funding restrictions. The following breakdown are 2027 projections.

Beginning Balance	2027 Projections
Restricted - PEG FEES	78,595.00
Restricted Substance Abuse Programs	(304.24)
Assigned - Parking	422,480.00
Restricted - Opioid Settlement	(930.00)
Assigned - Revenue Stabilization	4,172,731.00
Assigned -Legal Reserves	225,000.00
Assigned - Future Cashouts	90,000.00
Assigned -Engineering Tech Fees	45,526.00
Total Beginning Balance	5,033,097.76



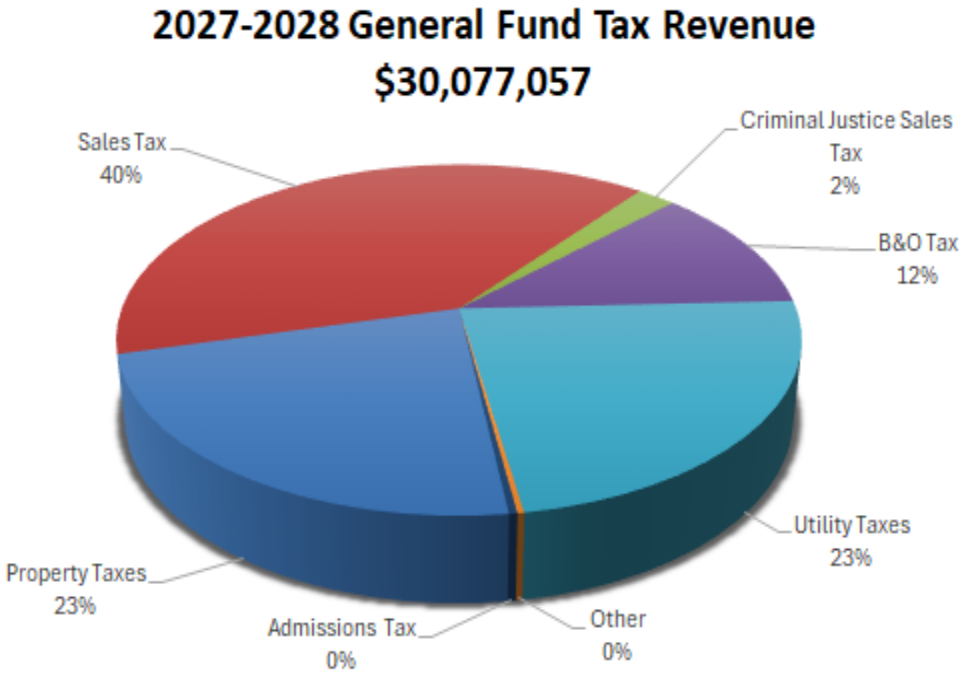
TOTAL GENERAL FUND REVENUE:

Revenue Category	2027 Budget	2028 Budget	Combined Budget
Taxes	14,797,621.00	15,279,436.00	30,077,057.00
Licenses & Permits	917,515.00	917,515.00	1,835,030.00
Intergovernmental	645,777.00	472,801.00	1,118,578.00
Charges for Services	1,334,437.00	1,419,612.00	2,754,049.00
Fines & Forfeitures	1,617,400.00	1,717,400.00	3,334,800.00
Miscellaneous	1,687,050.00	1,664,700.00	3,351,750.00
Totals	**20,999,800.00**	**21,471,464.00**	**42,471,264.00**



TAX REVENUE:

Taxes account for the largest revenue category in the general fund, generating 70% 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.

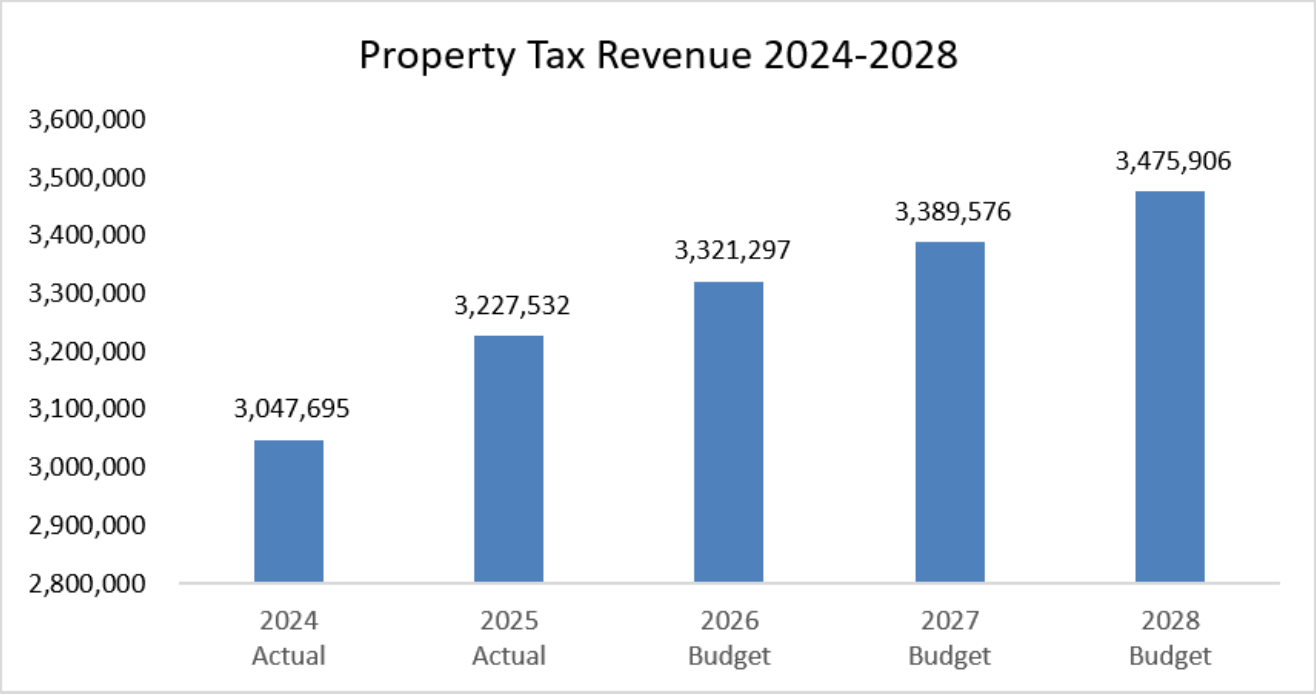


PROPERTY TAXES:
For 2027, the City will levy $**3,389,576** and projects a levy in 2028 of approximately $**3,475,906**. The City's population exceeds 10,000, which allows the City, by RCW, to levy the lower of 1% or the Implicit Price Deflator (IPD) for July increase over the prior highest allowable levy, plus amounts for new construction. For 2026, the IPD exceeded the allowable 1% allowing the City to levy the full 1%.

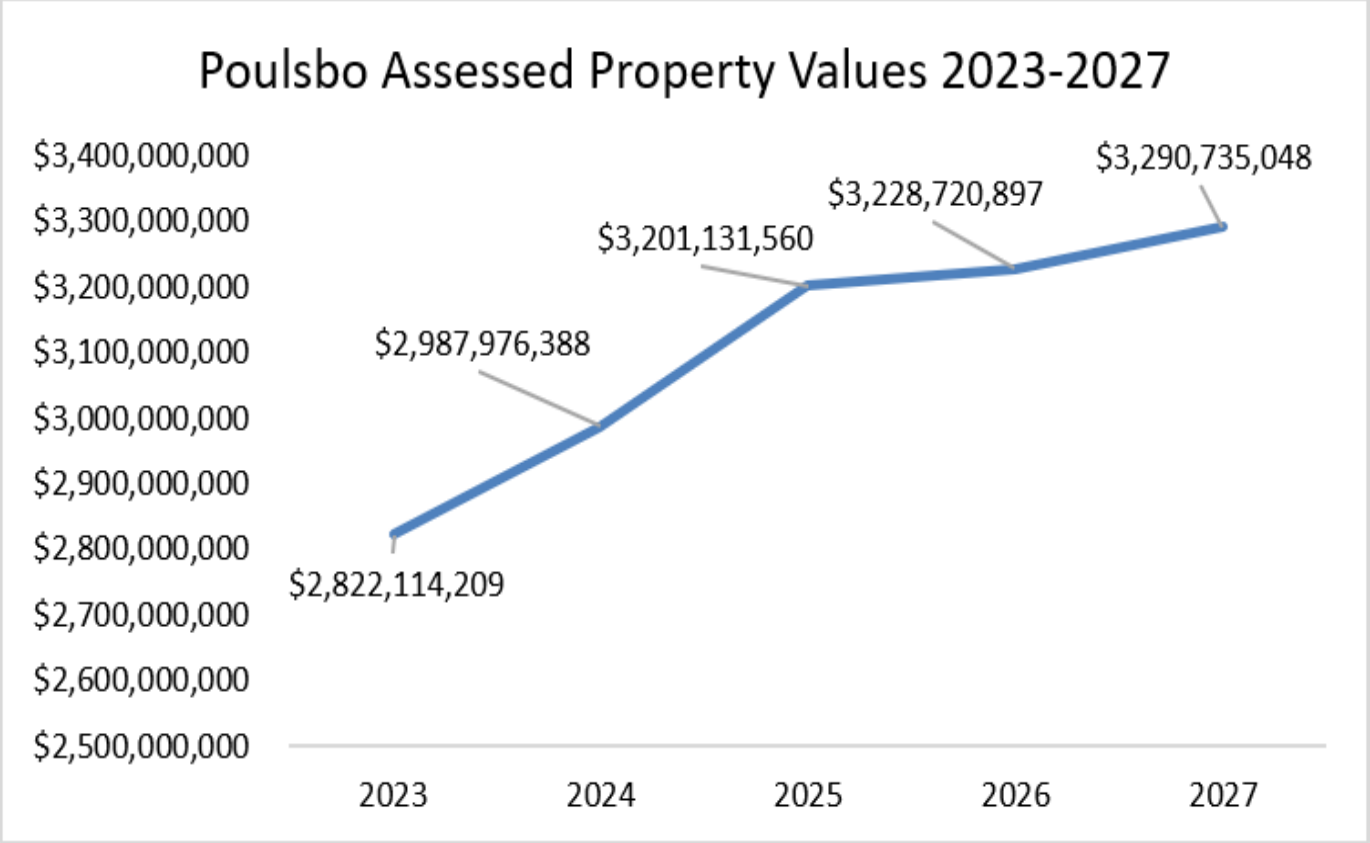
The assessed value for 2027 reflects an increase of $6**2 million**, or **2%**, in comparison to the 2026 assessed value. The City has several housing and multifamily developments under construction. Construction is anticipated to continue at a slower pace in 2027 and is expected to level off in 2028 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 2027-2028 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:

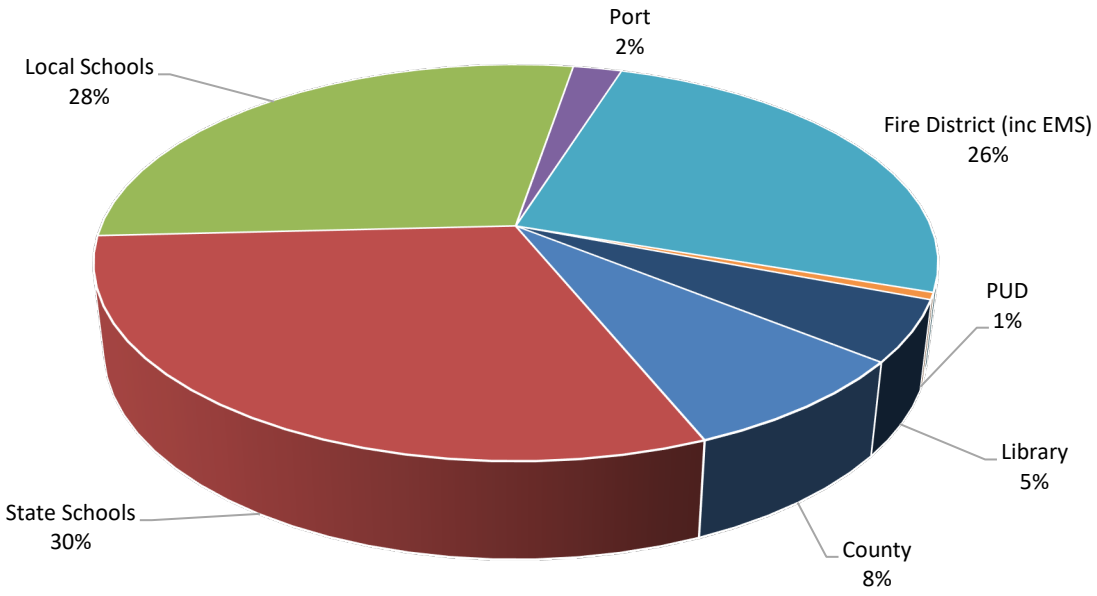
- 4.3% of property tax revenue to Street Reserves (Fund 311) for capital street projects and 4.3% to Park Reserve Fund (302) for capital park projects
- 26% of property tax revenue to City Street Fund (101) to meet the needs of street maintenance operations. The transfer to the City Street Fund has been increased to support growing need for street maintenance. It is anticipated that this increase will also support one new FTE.



Year	Property Taxes*	Assessed Value	Rate
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
2026	$ 3,321,297	$ 3,228,720,897	1.0287
2027	$ 3,389,576	$ 3,290,735,048	1.0300



Poulsbo Property Tax Owners
2027 Property Tax Distribution



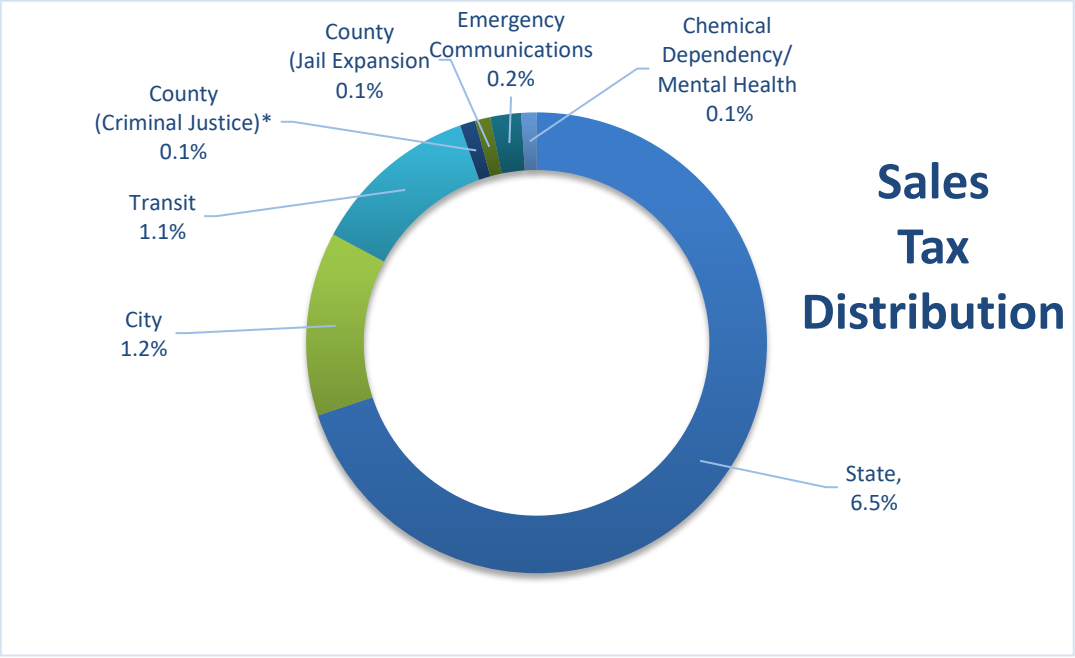
2026 Property Tax Rates	Poulsbo
County	0.63
State Schools	2.39
Local Schools	2.23
Port	0.17
Fire District (inc EMS)	2.00
PUD	0.04
Library	0.39
City Regular	**1.03**
Total Rate	8.89
Cost for $400,000 Home	*3,555*

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 2027-2028 is estimated at slightly higher levels due to continued consumer spending. The projection is conservative as it appears 2026 actual collections will meet budget expectations. 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 Poulsbo will be reported as a Poulsbo transaction, not at the point of distribution. Poulsbo 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 Poulsbo 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%.

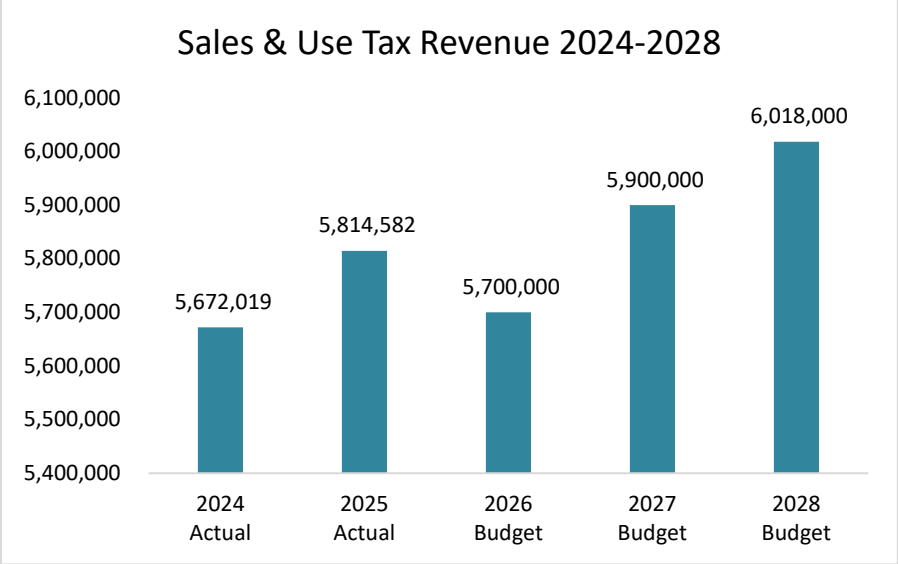
The 9.3% sales tax rate that is effective April 1, 2023, collected for sales in Poulsbo is distributed as follows:



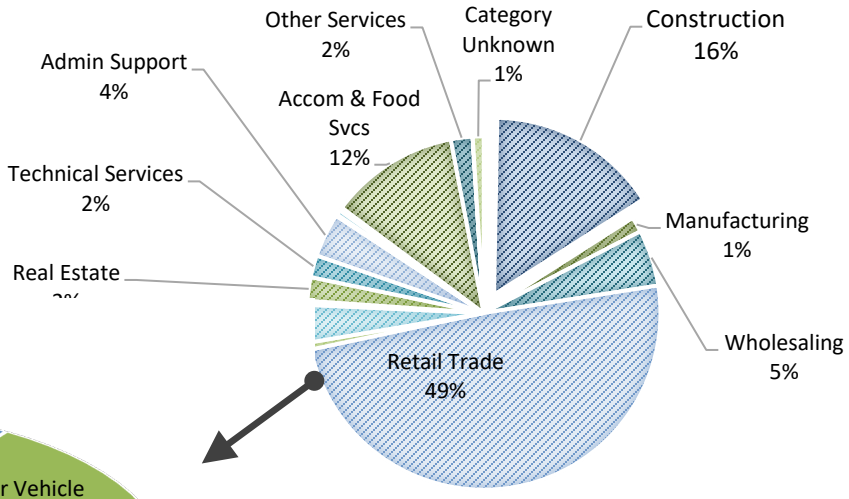
The City of Poulsbo has diverse categories of businesses which collect sales tax, that helps sustain collections. Economic development has increased through new restaurants, retail business, and construction projects.

The projection for sales tax revenue for 2027-2028 is $11,918,000 with projections for 2027 at $5,900,000 and 2025 at $6,018,000. This estimate is consistent with current trends. Sales tax revenue is collected and

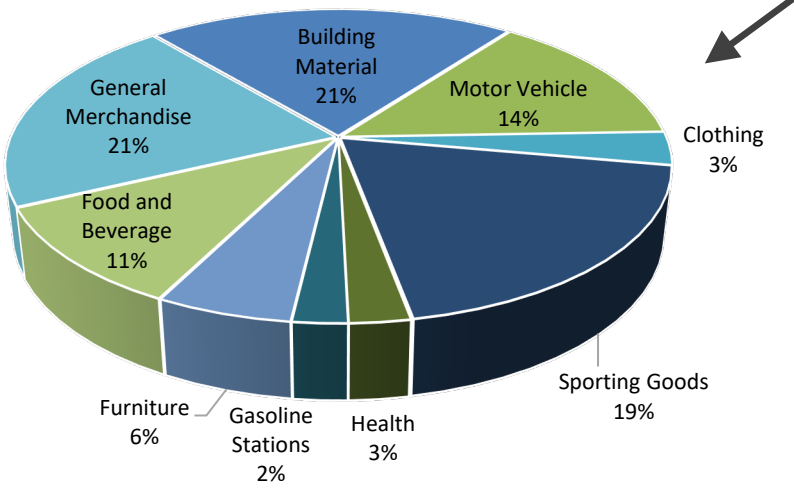
used in the City's General Fund.



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

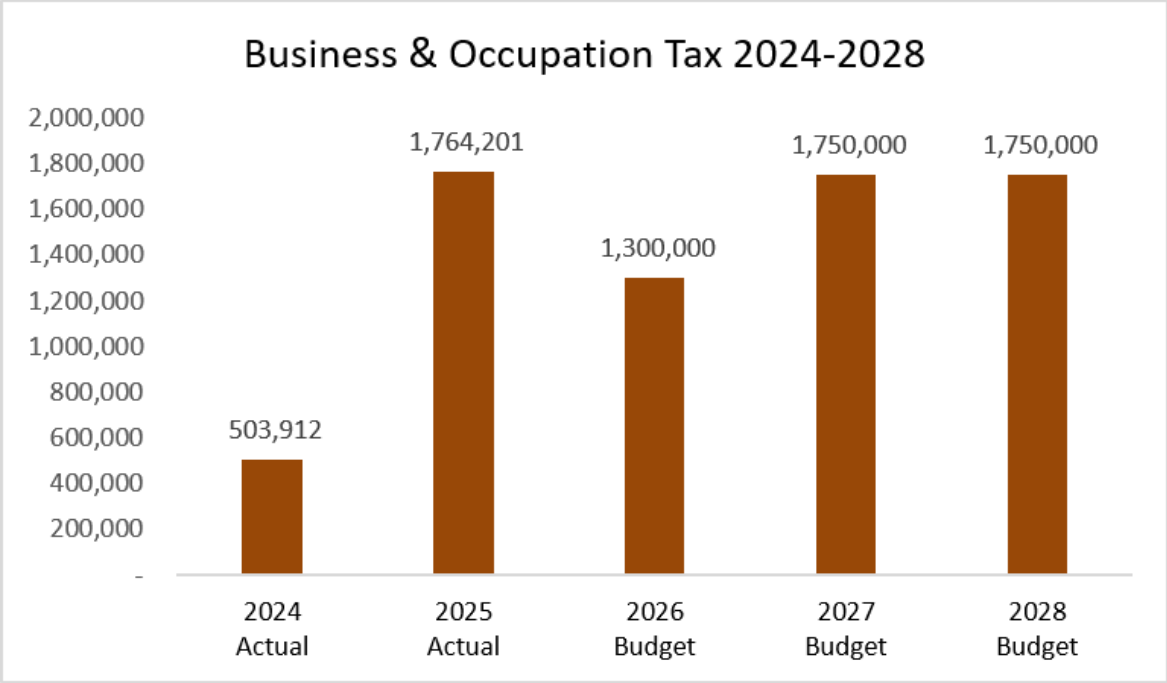


DETAIL OF SALES TAX FOR RETAIL TRADE GROUP



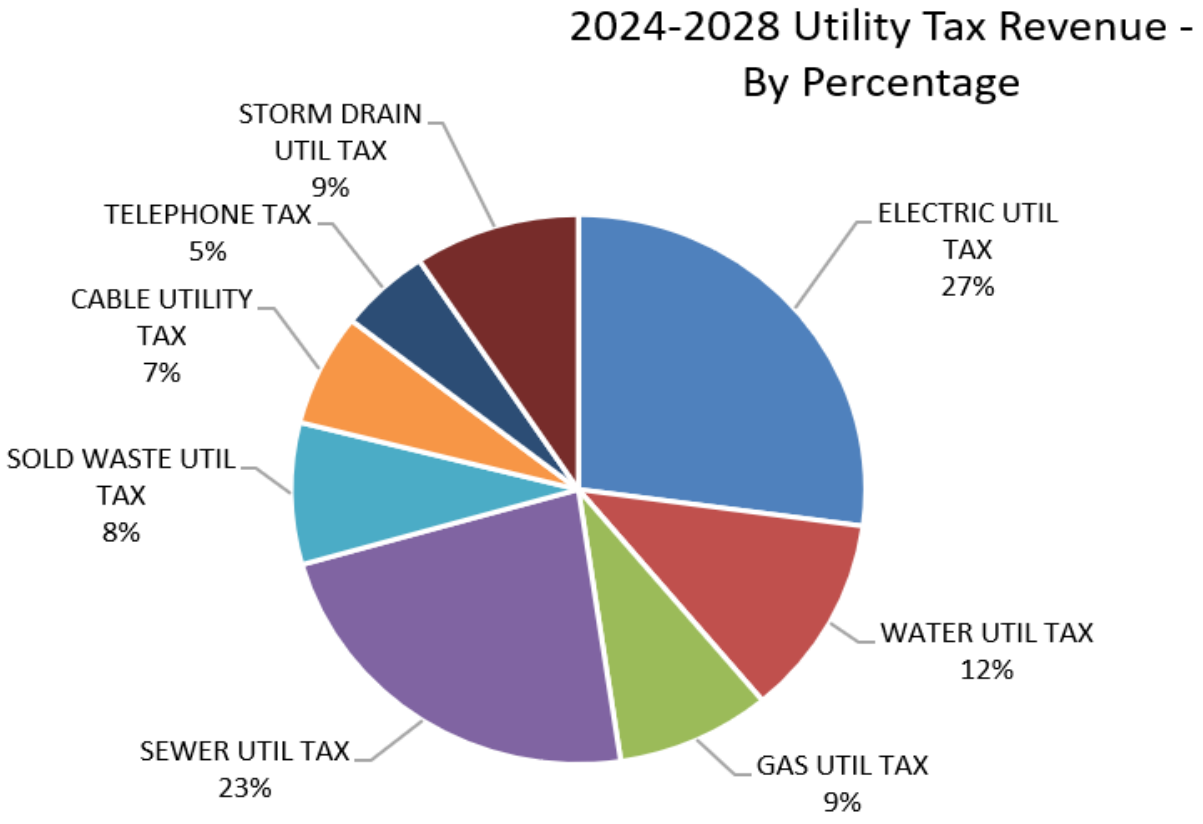
BUSINESS & OCCUPATION TAX:
The City Council adopted a new Business and Occupation Tax in mid-2024. The 2027-2028 budget includes revenues in the amount of $1,750,000 for 2027 and 2028 and represents approximately 12% of total taxes estimated for the 2027-2028 budget. Businesses are assessed at a rate of .2% of the gross revenues over 125,000.

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. poulsbo.gov/b-and-o-tax/.This revenue is intended to support the General Fund after all ARPA funds were expended and the new City Administrator position that began in 2025.

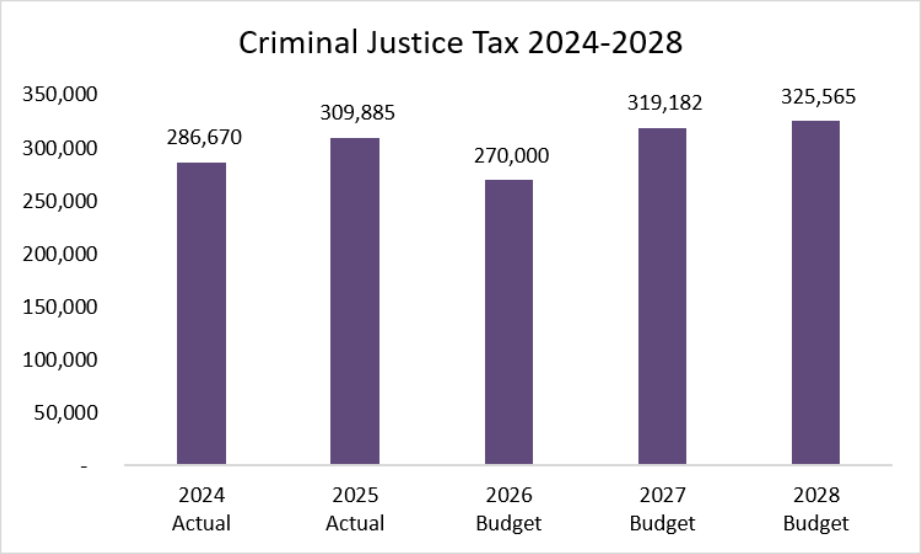


UTILITY TAXES:
Utility taxes are taxes applied to utilities providing services in the City including City-owned and privately-owned utilities. These taxes tend to be stable from year to year, reflecting normal utility rate increases. Utility rates for water, sewer, and storm drain have fluctuated over 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: poulsbo.gov/utility-billing/.

Utility Taxes:	2024 Actual	2025 Actual	2026 Budget	2027 Budget	2028 Budget
ELECTRIC UTIL TAX	794,595	929,783	730,000	930,000	957,900
WATER UTIL TAX	345,921	388,181	338,941	382,463	418,209
GAS UTIL TAX	255,066	210,180	225,000	220,000	220,000
SEWER UTIL TAX	672,375	712,486	715,427	805,951	886,546
SOLD WASTE UTIL TAX	244,190	326,289	250,783	346,876	440,879
CABLE UTILITY TAX	193,496	184,447	205,000	185,000	185,000
TELEPHONE TAX	150,363	148,264	160,000	150,000	150,000
STORM DRAIN UTIL TAX	273,390	287,213	298,703	328,573	361,431
Total	2,929,396	3,186,843	2,923,854	3,348,863	3,619,965



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



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

The largest of these, admission tax, is a 5% tax on qualifying admission charges. A 10-plex theatre in the City provides most of this tax revenue..

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 2027-2028 projections have increased due to continued construction activity.

Cable TV Franchise Fee is 5% of the gross revenue to the cable company providing service within the City of Poulsbo limits. The 2027-2028 projections have been reduced as there are less cable tv subscribers.

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 2027-2028 increased 8% and 4% respectively over the prior two years.

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

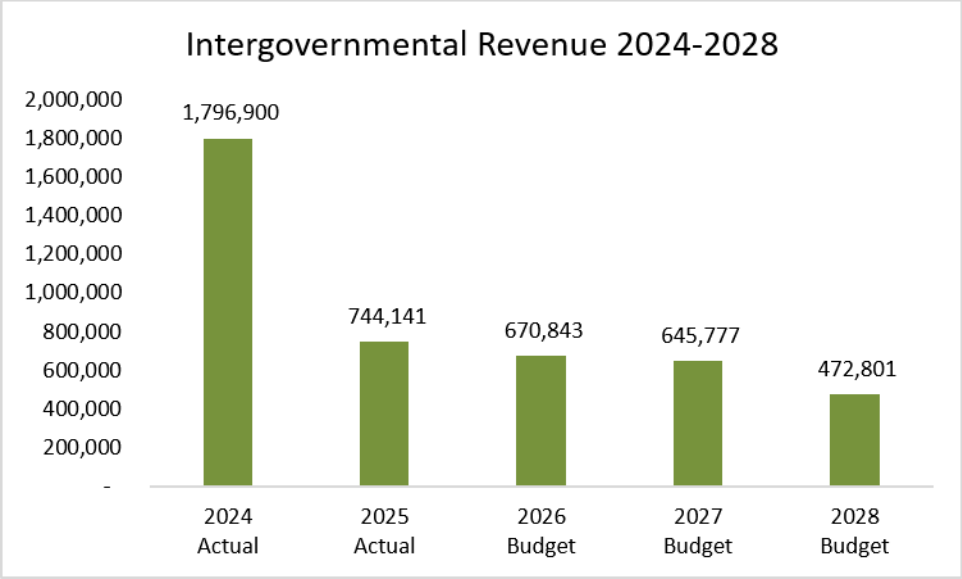
Permit Type	2024 Actual	2025 Actual	2026 Budget	2027 Budget	2028 Budget
POLICE & PROTCTV	1,187	1,641	1,450	1,500	1,500
CABLE TV FRANCHISE	165,713	155,524	180,000	157,000	157,000
BUSINESS LICENSES	143,519	160,812	135,000	150,000	150,000
BUILDING PERMTS	547,156	663,350	520,000	600,000	600,000
STREET & CURB PERMITS	7,920	5,940	6,720	9,000	9,000
TOTAL	**865,495**	**987,267**	**843,170**	**917,500**	**917,500**

INTERGOVERNMENTAL REVENUE:
For 2027-2028 this category makes up 3% of total General Fund resources.

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

State Shared Revenues are the largest 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.

State and Federal grants are also accounted for in this category. Grants are not added to the budget until an official award has been received.



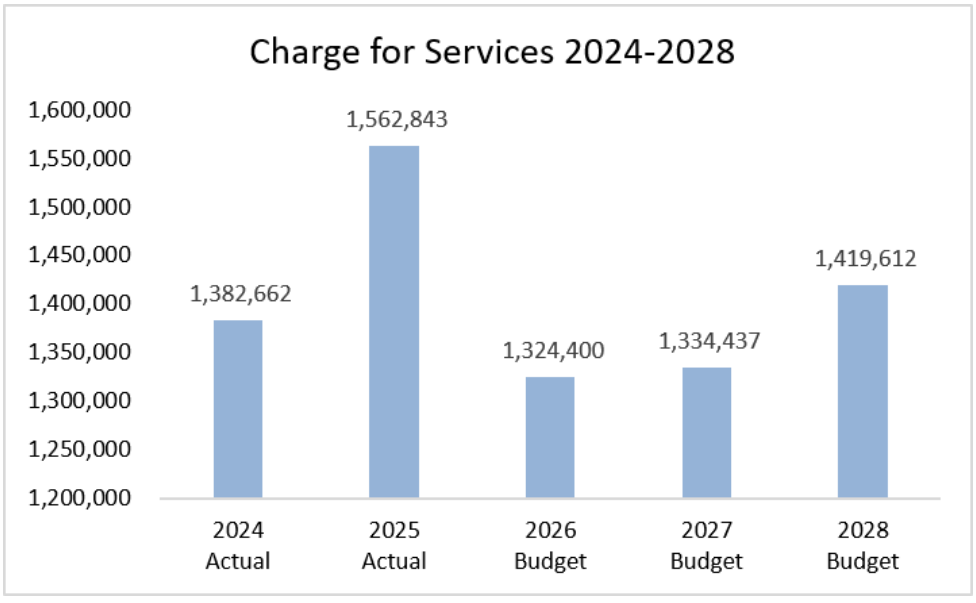
CHARGES FOR GOODS AND SERVICES REVENUE:

Charges for Goods and Services revenue category makes up 6% of General Fund revenue. 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 be reviewed throughout the coming years as programs and activities 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 2027-2028 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.

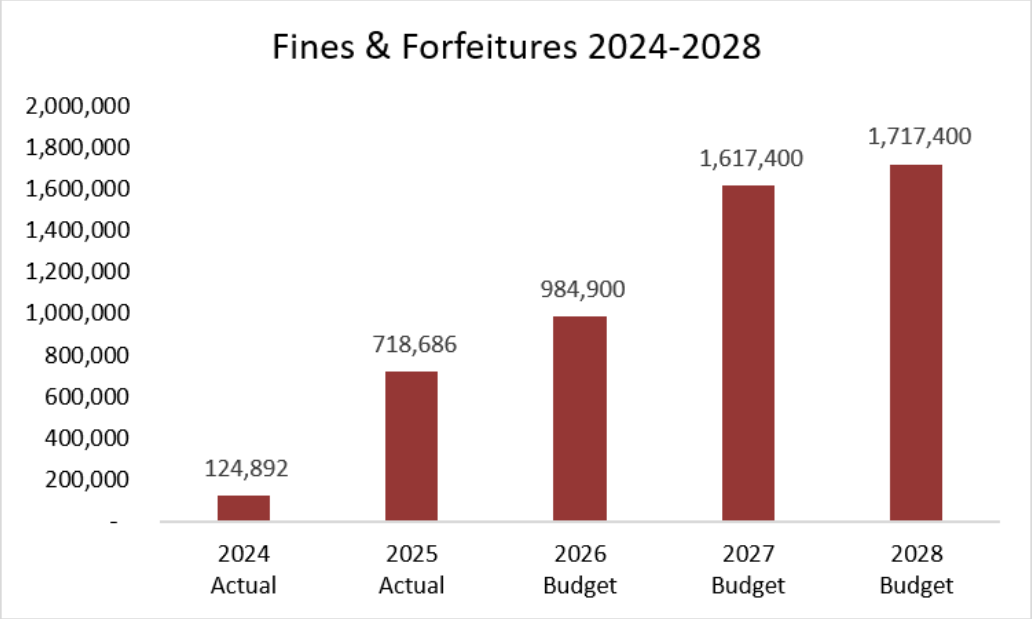


FINES AND FORFEITURES REVENUE:

Fines and Forfeitures consist of fines from law enforcement related activities. The category has grown to approximately 8% of total General Fund revenue. The largest source is penalties for traffic safety camera citations. Three traffic safety cameras were fully in use in 2025. Citation revenue from the cameras has exceeded expectations. This revenue is supporting a Municipal Court Clerk position that was added in 2025 to support the additional workload.

The City began enforcing time parking limits in 2025 to alleviate some of the challenges in the Historic Downton area. Citations from timed parking enforcement are budgeted to generate an additional $60,000 of revenue in 2027 & 2028.

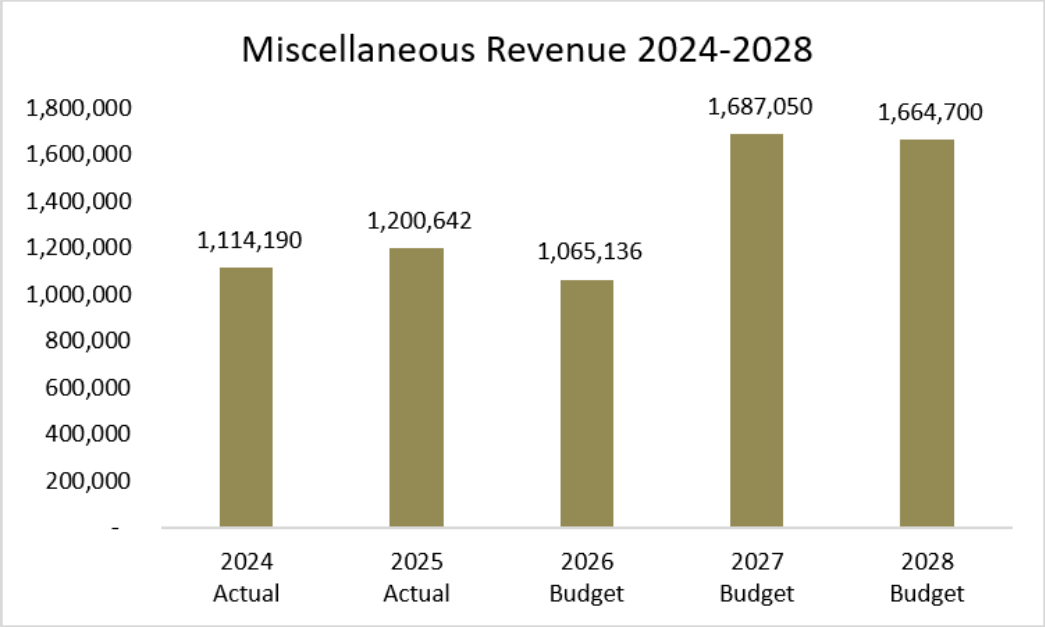
Revenue in this category can fluctuate for many different reasons such as defendants electing to perform Community Work Program, defendants choosing to participate in alternative sentencing methods in lieu of paying their fines or staffing levels of the police department promoting safety and citing less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



MISCELLANEOUS REVENUE:

This revenue category has grown to be approximately 8% of all General Fund revenue. The primary sources of miscellaneous revenue are investment interest, investment services, and paid parking revenue.

The City started collecting fees for parking at the Anderston Parkway lot, a heavily used parking lot in the Historic Downtown. Parking Fees change by season, reducing the hourly rate in the late fall and winter months. Collection did not begin until August of 2026, and the program will continue to be monitored. Projections for 2027-2028 are based on the result of a parking study done prior to implementing the program.



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 are no budgeted other financing sources revenue in 2027 or 2028.

2027-2028 General Fund Revenue Budget

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
BEGINNING BALANCE						
BEG BAL - ASSGN - REV SATBLIZATION	8,144,033	9,494,150	7,314,400	*6,163,058*	*6,163,058*	*6,163,058*
BEG BAL - ASSGN - LEGAL RESVERVE	225,000	225,000	225,000	*225,000*	*225,000*	*225,000*
BEG BAL - ASSGN - FUTURE CASH OUTS	150,000	150,000	90,000	*90,000*	*90,000*	*90,000*
BEG BAL - ASSGN ENG TECH FEES	-	-	23,526	*23,526*	*45,526*	*23,526*
BEG BAL - ASSGN PARKING	-	-	-	-	*422,480*	-
BEG BAL - UNASSIGNED	-	-	-	-	*(1,990,328)*	-
BEG BAL - RESTRICTED PEG FEES	131,431	144,017	141,249	*141,595*	*78,595*	*141,595*
BEG BAL - RESTRICTED (TREAS)	196,878	-	-	-	-	-
BEG BAL - RESTRICTED OPIOD STTLMNT	15,523	83,992	105,509	*78,509*	*(930)*	*78,509*
BEG BAL - RESTRICTED SUBTANCE ABS	122	3,712	7,320	*11,035*	*(304)*	*11,035*
TOTAL BEGINNING BALANCE	**8,862,987**	**10,100,871**	**7,907,004**	***6,732,723***	***5,033,097***	***6,732,723***

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
TAXES						
REAL & PERS PROP TAX	3,047,695	3,227,532	3,321,297	3,389,576	3,475,906	*6,865,482*
LOC RET SALES & USE TAX	5,672,019	5,814,582	5,700,000	5,900,000	6,018,000	*11,918,000*
CRIMINAL JUSTICE TAX	286,670	309,885	270,000	319,182	325,565	*644,747*
BUSINESS & OCCUPATION TAX	503,912	1,764,201	1,300,000	1,750,000	1,750,000	*3,500,000*
ELECTRIC UTIL TAX	794,595	929,783	730,000	930,000	957,900	*1,887,900*
WATER UTIL TAX	345,921	388,181	338,941	382,463	418,209	*800,672*
GAS UTIL TAX	255,066	210,180	225,000	220,000	220,000	*440,000*
SEWER UTIL TAX	672,375	712,486	715,427	805,951	886,546	*1,692,497*
SOLD WASTE UTIL TAX	244,190	326,289	250,783	346,876	440,879	*787,755*
CABLE UTILITY TAX	193,496	184,447	205,000	185,000	185,000	*370,000*
TELEPHONE TAX	150,363	148,264	160,000	150,000	150,000	*300,000*
STORM DRAIN UTIL TAX	273,390	287,213	298,703	328,573	361,431	*690,004*
PUNCH BOARD & PULL TAB TAX	2,906	1,526	1,000	1,000	1,000	*2,000*
BINGO & RAFFLES TAX	16	17	-	-	-	-
AMUSEMENT GAMES TAX	200	374	-	-	-	-
LEASHOLD EXCISE TAX	39,500	39,167	32,000	39,000	39,000	*78,000*
ADMISSIONS TAX	53,008	51,783	43,000	50,000	50,000	*100,000*
TOTAL TAXES	12,535,322	14,395,910	13,591,151	14,797,621	15,279,436	***30,077,057***
LICENSES & PERMITS						
POLICE & PROTCTV	1,187	1,641	1,450	1,500	1,500	*3,000*
PROF & OCCUPATIONS	-	-	15	15	15	*30*
CABLE TV FRANCHISE	165,713	155,524	180,000	157,000	157,000	*314,000*
OTHR BUS LICENSES	143,519	160,812	135,000	150,000	150,000	*300,000*
BLDG, STRCTR & EQUIP	547,156	663,350	520,000	600,000	600,000	*1,200,000*
STREET & CURB PERMITS	7,920	5,940	6,720	9,000	9,000	*18,000*
TOTAL LICENSES & PERMITS	865,495	987,267	843,185	917,515	917,515	***1,835,030***

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
INTERGOVERNMENTAL						
FED-HWY PLAN & CONSTRC	92,730	419	24,300	24,300	-	*24,300*
FED-HWY SAFETY	5,200	12,072	-	3,500	3,500	*7,000*
FED-HWY SAFETY FST	-	1,662	-	-	-	-
FED-PRIORITY SAFETY PRGM	556	2,961	-	-	-	-
FED-ARPA COVID-19	196,878	-	-	-	-	-
FED-PREV & TRTMT SUB AB	11,985	24,555	-	-	-	-
ST-LEGISLATURE	24,051	-	-	-	-	-
ST-CRIML JUST TRAING COMM	42,956	4,015	-	-	-	-
ADMIN OFFICE OF COURTS	858	3,098	350	4,000	5,500	*9,500*
ALEA/DEPT OF NATURL RESRC	-	59,917	-	-	-	-
ST-TIB GRANT	510,097	-	-	-	-	-
ST-DEPT OF CHILD YOUTH & FAMILY	1,076	-	-	-	-	-
ST-TRAFFIC SAFECOM GRT	795	3,248	2,000	-	-	-
ST-DEPT OF COMMERCE	55,734	20,000	-	-	-	-
ST-WSHCA	452,735	333,244	266,837	227,837	100,000	*327,837*
CRIMINAL JUSTC POPULATION	4,865	5,324	5,628	6,080	6,080	*12,160*
MARIJUANA EXCISE TX	-	21,764	16,000	22,000	16,000	*38,000*
DUI OTHER CRIM JUSTC ASSI	1,074	1,386	-	-	-	-
LIQUOR/BEER EXCISE TAX	85,862	83,429	88,174	84,302	85,988	*170,290*
LIQR CONTRL BOARD PRFTS	93,607	96,994	97,554	98,758	100,733	*199,491*
SUQ MIT SUQUAMISH TRIBE	-	-	20,000	20,000	-	*20,000*
NK SCHOOL DISTRICT	47,841	70,053	70,000	75,000	75,000	*150,000*
KITSAP CO - HUM SVCS	168,000	-	80,000	80,000	80,000	*160,000*
LAW ENFORCEMENT SERVICES	-	-	-	-	-	-
TOTAL INTERGOVERNMENTAL	1,796,900	744,141	670,843	**645,777**	**472,801**	***1,118,578***

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
CHARGE FOR SERVICES						
MUNI CT RECORDS SVCS	27	-	100	200	300	*500*
MUNI CT ADMIN FEES	741	502	500	1,000	1,200	*2,200*
BUDGTNG & ACCTG SRVCS	18,949	16,011	18,000	16,000	16,000	*32,000*
MUNI CT WORD PROC COPY SV	58	127	25	50	75	*125*
PUBLIC, PRINTING & OTHER	1,265	524	2,700	2,200	500	*2,700*
ENGINEERING SRVS	180,826	197,488	165,000	125,000	125,000	*250,000*
OTHER ENGINEERING SRVS	17,414	31,256	-	-	-	*-*
LEGAL SERVICES	726	1,579	500	1,000	1,000	*2,000*
PASSPORT FEES	23,975	23,660	17,000	23,000	23,000	*46,000*
LAW ENFORCEMENT SVC	2,500	14,814	21,000	7,500	7,500	*15,000*
DETENTION & CORRECTION SR	28,565	31,448	15,000	30,000	17,000	*47,000*
PROTECTIVE INSPECTION FEE	9,405	9,603	10,000	10,000	10,000	*20,000*
EMERGENCY SVC FEE	9,964	6,744	8,000	16,000	18,000	*34,000*
ZONING & SUBDIVISION	55,630	75,911	100,000	100,000	100,000	*200,000*
PLAN CHECKING	323,644	379,715	225,000	225,000	225,000	*450,000*
OTHER PLANNING/DEVEL SRVS	42,033	39,974	-	16,787	16,787	*33,574*
TXBL CULTURE & REC FEES	50,387	485	-	-	75,000	*75,000*
CULTURE & REC PROGRAM FEES	597,444	705,819	692,250	702,700	720,250	*1,422,950*
OTHR CULTR & REC FEES	29,520	39,581	59,325	68,000	73,000	*141,000*
RESIDENTIAL FEE DISCOUNT	(10,411)	(12,398)	(10,000)	(10,000)	(10,000)	*(20,000)*
TOTAL CHARGE FOR SERVICES	1,382,662	1,562,843	1,324,400	***1,334,437***	***1,419,612***	***2,754,049***
FINES & FORFEITURES						
PROOF OF MV INSURANCE	393	991	400	250	250	*500*
TRAFFIC INFRACTION PNLTYS	52,831	153,886	94,000	120,000	120,000	*240,000*
NON-TRAF INFR PENALTIES	211	449	600	750	750	*1,500*
CIVIL PARKING INFR PENALT	3,735	10,172	6,300	63,200	63,200	*126,400*
TRAFFIC CAMERA INFRACTION	61,473	528,370	875,000	1,400,000	1,500,000	*2,900,000*
DUI FINES	2,611	732	3,000	3,000	3,000	*6,000*
NON-COURT FINES FORF PEN	-	20,252	-	25,000	25,000	*50,000*
OTHER CRM TRF MSD FINES	2,117	1,196	3,000	3,000	3,000	*6,000*
BOATING SAFETY FINES	83	54	400	-	-	*-*
OTHER CRM NON-TRF MSD FINES	988	1,879	1,700	1,700	1,700	*3,400*
PUB DFNSE COST RECOUP	450	705	500	500	500	*1,000*
TOTAL FINES & FORFEITURES	124,892	718,686	984,900	***1,617,400***	***1,717,400***	***3,334,800***

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
MISCELLANEOUS						
INVESTMENT INTEREST	**209,535**	197,192	225,000	200,000	200,000	*400,000*
INVESTMENT SERVICE FEES	**566,814**	625,132	215,000	500,000	500,000	*1,000,000*
GAIN (LOSSES) ON INVESTMENT	**65,596**	123,398	-	-	-	-
INTEREST ON RECEIVABLES	**28,378**	24,224	20,000	20,000	15,000	*35,000*
INTEREST ACCT REC MUNI CT	**952**	1,018	-	750	500	*1,250*
RENTALS LEASES & CONCESSION	**72,743**	90,606	51,000	54,500	56,000	*110,500*
PAID PARKING	-	-	450,000	800,000	800,000	*1,600,000*
CONTRIB & DONATIONS	**55,190**	73,919	98,136	62,000	45,000	*107,000*
SPECIAL ASSESSMENTS	-	23,526	-	23,000	21,000	*44,000*
SURPLUS SALES	**2,503**	2,636	2,500	1,000	1,000	*2,000*
JUDGMENTS & SETTLEMENTS	**96,736**	21,516	-	13,000	13,000	*26,000*
CASHIER OVRG/SHRT	(30)	34	-	-	-	-
OTHR MISC REVENUE	15,773	17,441	3,500	12,800	13,200	*26,000*
TOTAL MISCELLANEOUS	1,114,190	1,200,642	1,065,136	***1,687,050***	***1,664,700***	***3,351,750***
OTHER FINANCING SOURCES						
PROC SALES OF CAPITAL ASSETS	30,565	30	-	-	-	-
TRANSFERS IN	18,474	-	-	-	-	-
INSURANCE RECOVERIES	2,115	22,639	-	-	-	-
TOTAL OTHER FINANCING	51,154	22,669	-	-	-	-
TOTAL GENERAL FUND REVENUE	26,733,602	29,733,029	26,386,619	***27,732,522***	***26,504,561***	***49,203,986***

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 2027 & 2028 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 29% of the total City budget. It provides funding for most of the operating services, programs, and employees of the City. The combined 2027-2028 projected expenditure budget for the General Fund totals $46,148,160 In 2027, the projected total is $22,651,425 and in 2028 the projected total is $23,496,734. 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 City Clerk Departments. These services are generally administrative in nature and include expenditures associated with Personnel, Information Services, and legal services, accounting for 29% of the General Fund. The Public Safety category includes Police and Detention and makes up approximately 29%.

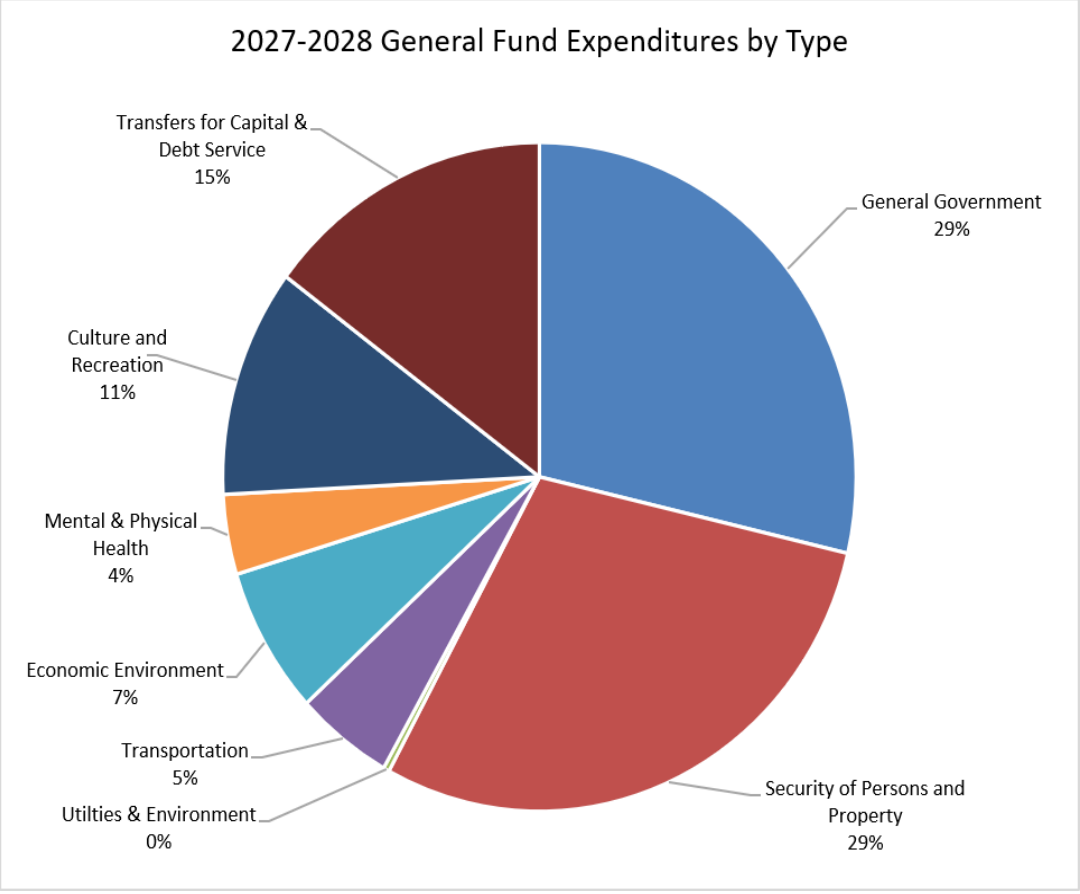
2027 & 2028 PROGRAM HIGHLIGHTS:

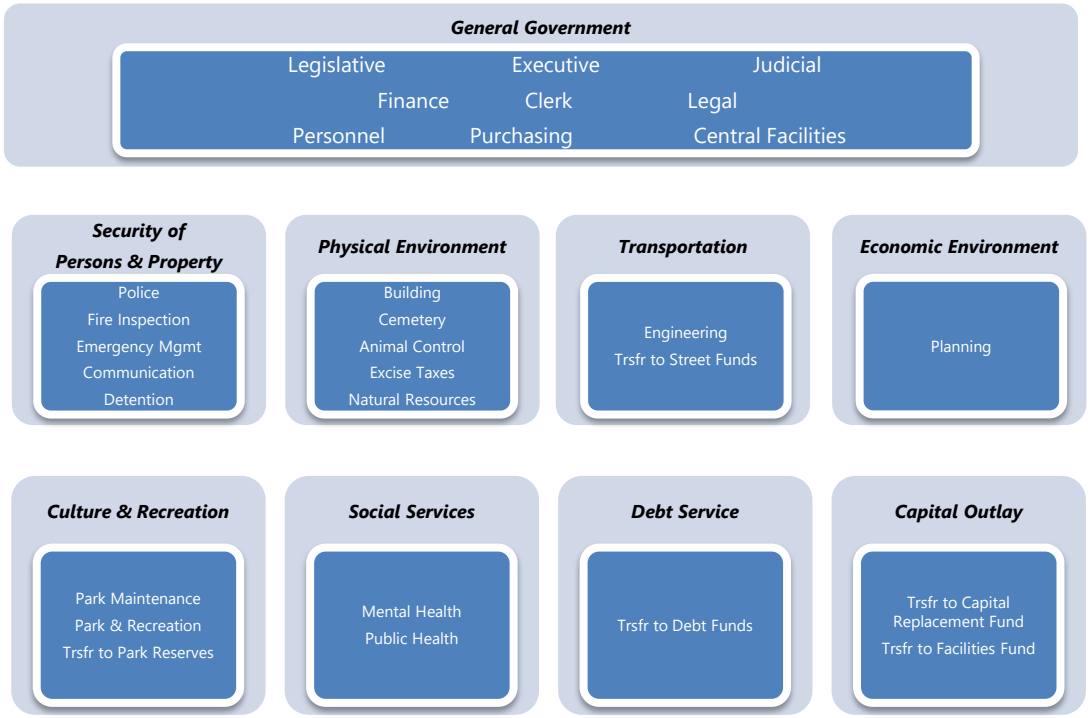
In year's past, the City's General Fund baseline budget has not significantly changed from one year to the next in terms of mix and levels of service provided. Departments submitted their 2027 and 2028 budgets at an increase of 5% over 2026 levels with the exception of wages and benefits, and other contractual 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 grouped in a separate section.

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 remained consistent for the past two years.

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, City Council felt it necessary to utilize reserves to maintain current or improved levels of service and fund several onetime requests.

General Fund by Functions	2027 Budget	2028 Budget	Combined %
General Government	6,495,465	6,700,605	29%
Security of Persons and Property	6,615,645	6,912,076	29%
Utilties & Environment	69,080	70,748	0%
Transportation	1,126,654	1,126,905	5%
Economic Environment	1,615,543	1,715,779	7%
Mental & Physical Health	875,984	732,839	3%
Culture and Recreation	2,506,711	2,901,356	12%
Transfers for Capital & Debt Service	3,346,342	3,336,427	14%
Total General Fund	***$ 22,651,424***	***$ 23,496,735***	***100%***




General Government
Legislative
Executive
Judicial
Finance
Clerk
Legal
Personnel
Purchasing
Central Facilities
Security of Persons & Property
Police
Fire Inspection
Emergency Mgmt
Communication
Detention
Physical Environment
Building
Cemetery
Animal Control
Excise Taxes
Natural Resources
Transportation
Engineering
Trsfr to Street Funds
Economic Environment
Planning
Culture & Recreation
Park Maintenance
Park & Recreation
Trsfr to Park Reserves
Social Services
Mental Health
Public Health
Debt Service
Trsfr to Debt Funds
Capital Outlay
Trsfr to Capital Replacement Fund
Trsfr to Facilities Fund

LEGISLATIVE AND EXECUTIVE DEPARTMENTS

Legislative Mission:

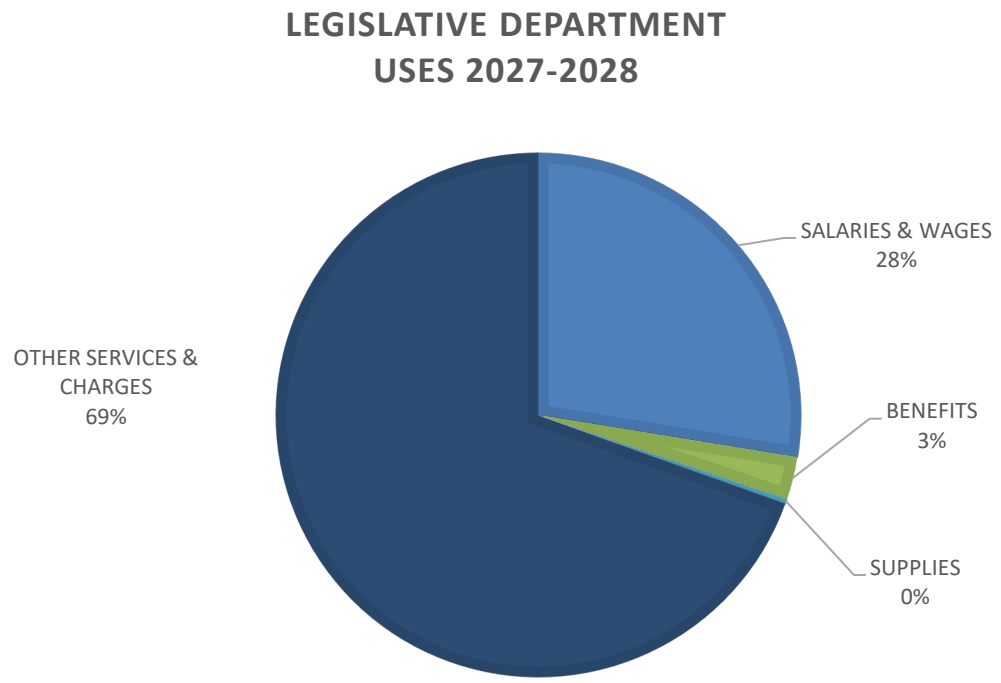
Our City's Council endeavors to balance residents' concerns and opinions with the law. The Council establishes the priorities of the City along with setting policies and a budget to allow the Mayor, City Administrator and Department Leadership to run day-to-day business effectively and efficiently.

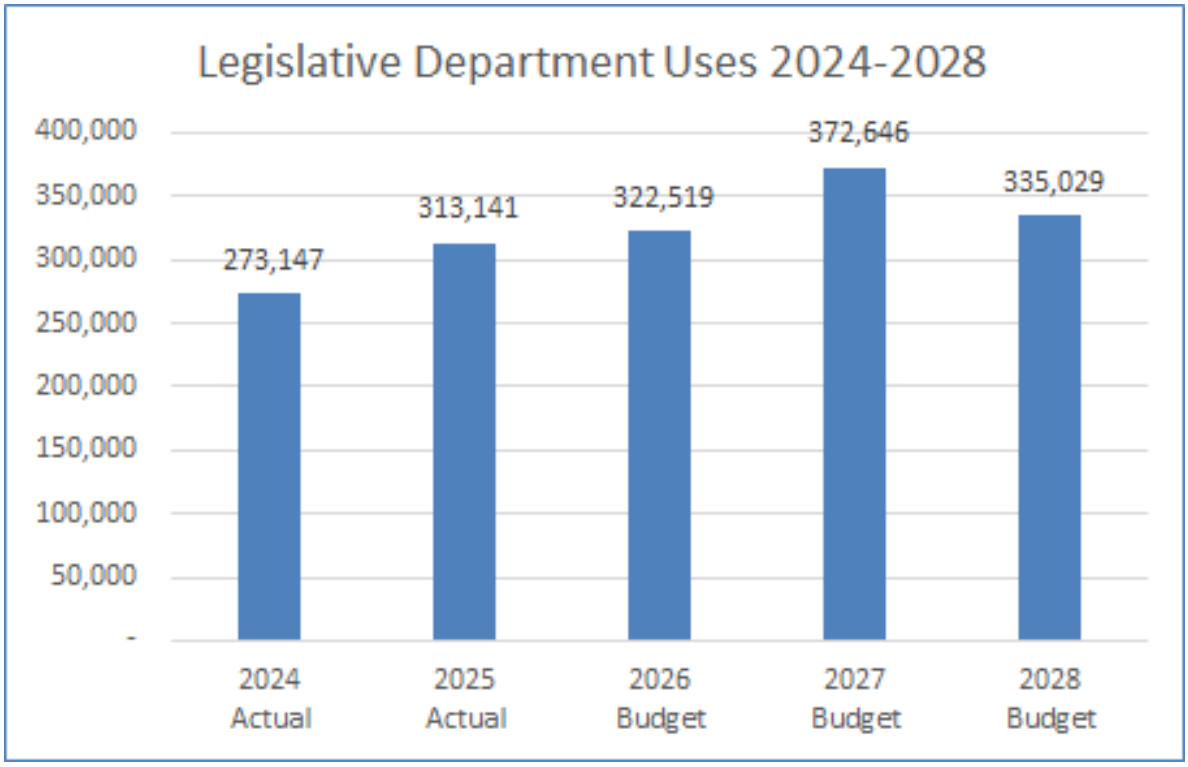
Executive Mission:

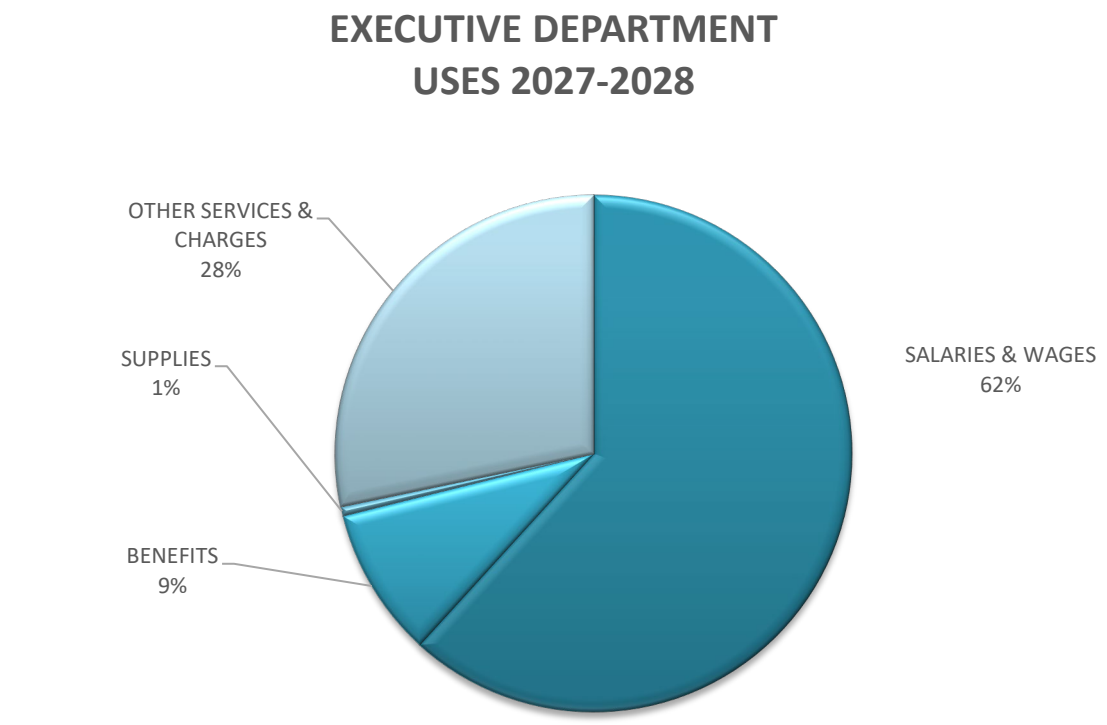
To protect the citizens' best interests by fairly and faithfully administering the City's day-to-day business, carrying out the policies set by Council and ensuring all laws and ordinances are equally enforced.

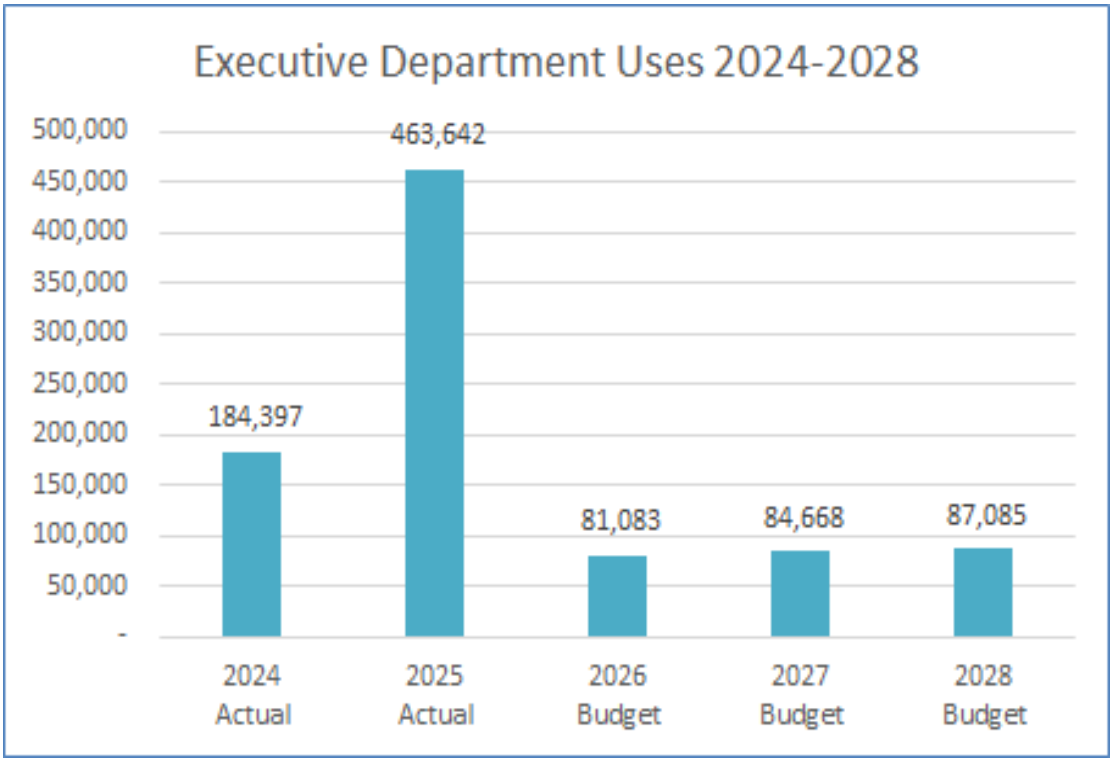
ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
LEGISLATIVE						
SALARIES & WAGES	84,510	84,000	97,500	*97,500*	*97,500*	*195,000*
BENEFITS	7,946	7,692	8,888	*9,185*	*9,343*	*18,528*
SUPPLIES	677	13,765	1,081	*1,081*	*1,081*	*2,162*
OTHER SERVICES & CHARGES	180,013	207,684	215,050	*264,880*	*227,105*	*491,985*
TOTAL LEGISLATIVE	273,147	313,141	322,519	***372,646***	***335,029***	***707,675***

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
EXECUTIVE						
SALARIES & WAGES	123,328	338,503	50,000	*52,000*	*54,080*	*106,080*
BENEFITS	44,048	95,723	7,503	*7,884*	*8,221*	*16,105*
SUPPLIES	-	171	500	*500*	*500*	*1,000*
OTHER SERVICES & CHARGES	17,021	29,245	23,080	*24,284*	*24,284*	*48,568*
TOTAL EXECUTIVE	184,397	463,642	81,083	***84,668***	***87,085***	***171,753***


LEGISLATIVE DEPARTMENT
USES 2027-2028
SALARIES & WAGES
28%
BENEFITS
3%
SUPPLIES
0%
OTHER SERVICES &
CHARGES
69%

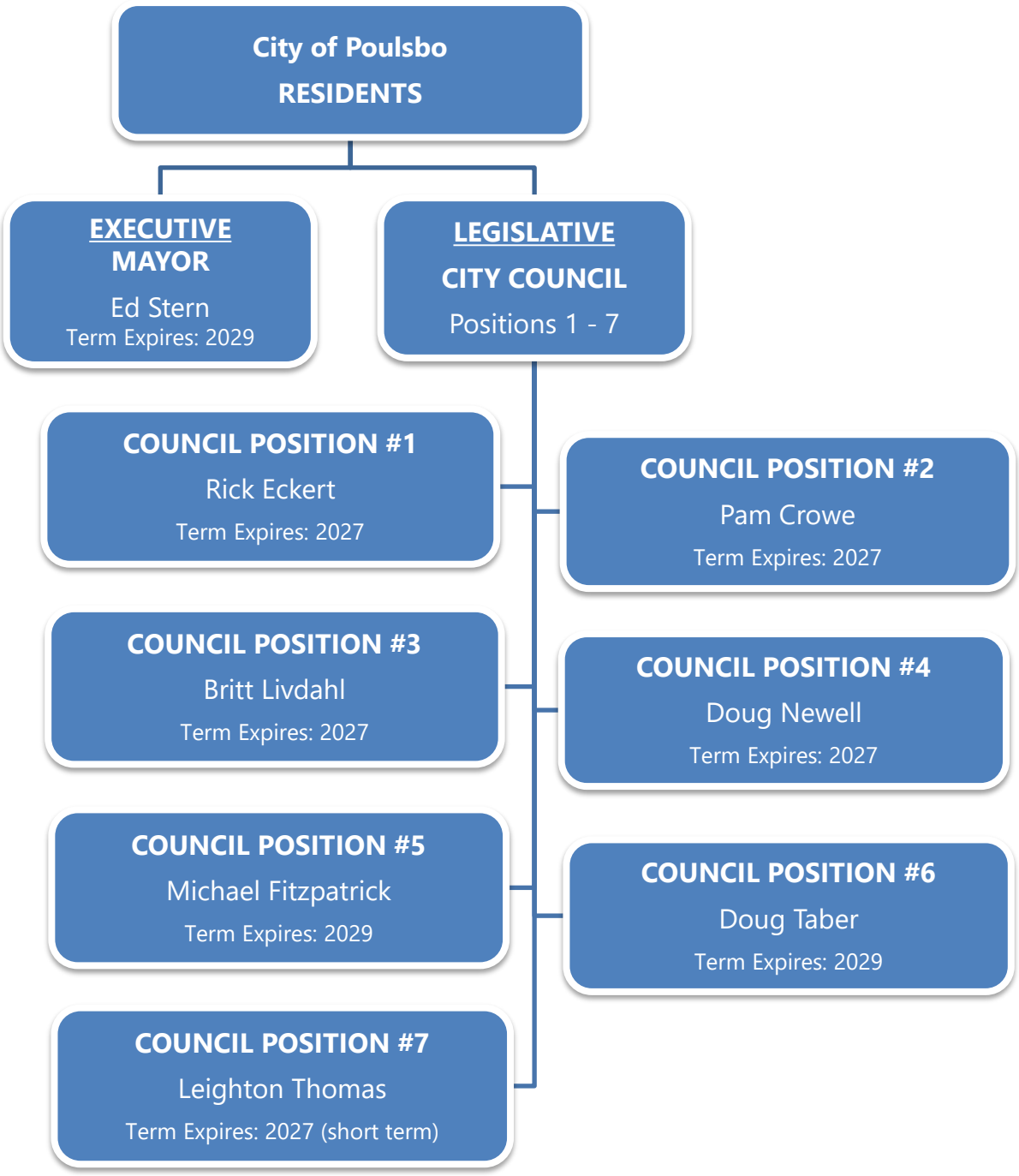

Legislative Department Uses 2024-2028
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
-
273,147
313,141
322,519
372,646
335,029
2024 Actual
2025 Actual
2026 Budget
2027 Budget
2028 Budget





The 2025 increase in Executive Department is due to the addition of the City Administrator position. The City Administrator's department budget has been separated to its own department as of January 1, 2026.

ORGANIZATION OF THE LEGISLATIVE AND EXECUTIVE DEPARTMENTS



City Council Liaison Assignments:

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

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 with the City Administrator, 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 department leadership 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 part-time Mayor and the City Administrator. As of January 1, 2026, the City Administrator's budget has been moved to a separate department to distinguish between the two different executive department budgets.

The Legislative Department City Council consists of seven council members.

2025-2026 PROGRAM ACCOMPLISHMENTS:

Executive

- Presented and implemented a balanced work program developed by City staff and approved by the City Council, aligning organizational priorities, resources, and service delivery.
- Achieved a balanced budget through responsible fiscal management, sound revenue forecasting, and strategic use of grant funding.
- Strengthened community engagement and communication through ongoing social media outreach and weekly open office hours, providing residents with accessible opportunities to connect with City leadership.
- Established the City Administrator position within the Executive Department, strengthening organizational leadership, coordination, and administrative capacity.
- Established the Blue Ribbon Commission on Affordable Homeownership to explore strategies and solutions for increasing opportunities for affordable homeownership in the community.
- Led the City's America 250 commemoration, including a community celebration recognizing the 250th

anniversary of the United States.
- Piloted a drone light show as an alternative to traditional Fourth of July fireworks, providing a new community celebration experience while exploring alternative event options.
- Celebrated and strengthened Poulsbo's community, history, and culture through the America 250 commemoration, Sami cultural recognition, community proclamations, the Rotary Peace Pole, and recognition of outstanding community members and City employees for their contributions and service.
- Expanded and supported special events and community programming to promote economic vitality and community engagement, utilizing social media and the City's community calendar to increase awareness and work toward a goal of 52 events annually.
- Advanced Parks and Recreation opportunities with the groundbreaking of the Poulsbo Event & Recreation Center, representing a significant investment in community gathering, recreation, and quality of life.
- Provided regional leadership and representation through participation in leadership and board positions with Kitsap Transit, Kitsap County Health District, Housing Kitsap, Kitsap 911, Department of Emergency Management, Kitsap Regional Coordinating Council and its Executive Committee, Kitsap Economic Development Alliance, and the Public Works Board Executive Committee.

Legislative

Over the past two years, the City Council has advanced significant initiatives that support Poulsbo's long-term growth, infrastructure, housing, public safety, environmental stewardship, and quality of life.
- Adopted the 2024 Comprehensive Plan Periodic Update and continued implementation of updated land use, housing, transportation, and environmental policies to guide Poulsbo's future growth.
- Advanced housing affordability and housing choice, including the Permit-Ready ADU Program, affordable housing funding opportunities, and partnerships supporting affordable housing projects.
- Supported the Nordic Cottages affordable housing project, including property management and tenant selection policies and ultimately accepting the completed project.
- Established a stronger framework for addressing housing and homelessness, including the Housing Affordability Workshop Series, recommendations from the H3 Affordable Housing Ad-Hoc Committee, and continued support for the Recovery Resource Center, Recovery Café, and Nelson House.
- Completed major transportation and infrastructure projects, including Johnson Parkway, the West Poulsbo Stormwater Retrofit Project, the 2025 Pavement Preservation Project, Complete Streets curb ramp improvements, Rotary Morrow Community Park, Nordic Cottages, and Lindvig Pump Station improvements.
- Advanced the Noll Road Improvements Project, including right-of-way acquisition and continued planning and grant efforts for the middle segment.
- Adopted updated Six-Year Transportation Improvement Programs and continued planning for major transportation investments, including Front Street, 3rd Avenue, Noll Road, and improvements along the SR 305 corridor.
- Advanced the Poulsbo Events & Recreation Center (PERC), including Phase I construction, property and project planning, and continued development of the City's future community recreation facility.
- Expanded and improved parks and recreation opportunities, including completion of the Raab Park Play for All project and Rotary Morrow Community Park.
- Implemented a downtown paid parking program, establishing paid parking zones, adopting program policies, and moving toward a sustainable long-term approach to downtown parking management and enforcement.
- Strengthened emergency preparedness and community resilience through updates to the Emergency Operations Plan, Continuity of Operations Plan, and Multi-Hazard Mitigation Plan, while also advancing Emergency Operations Center planning and tsunami awareness initiatives.
- Advanced environmental protection and sustainability, including urban canopy planning, Tree Board initiatives, water conservation measures, stormwater improvements, South Fork Dogfish Creek restoration, and efforts to address derelict vessels in Liberty Bay.
- Invested in public safety and emergency services, including updates to fireworks regulations, marine patrol operations, traffic safety initiatives, and municipal court technology.

- Strengthened regional partnerships, working collaboratively with Kitsap County, the Suquamish Tribe, Port of Poulsbo, Visit Kitsap Peninsula, Kitsap Public Facilities District, and other regional organizations.
- Supported local businesses and economic development, including partnerships with the Kitsap Economic Development Alliance and Washington Small Business Development Center, updates to business licensing requirements, and continued support for Poulsbo's tourism and special events.
- Improved City facilities, technology, and public services, including municipal court case management modernization, Council Chambers audio/visual improvements, and building security enhancements.
- Advanced long-term utility and infrastructure planning, including water supply planning, Lincoln Well No. 2 rehabilitation, irrigation and water conservation regulations, sewer improvements, stormwater investments, and solid waste planning.
- Adopted policy and regulatory updates to keep the City responsive to community needs, including parking, traffic, fireworks, business licensing, impact fees, parks and recreation fees, tree regulations, and other municipal code updates.

2027 LEGISLATIVE AND EXECUTIVE ELECTIONS:
January 2026, Councilmembers Doug Taber and Gary McVey were sworn into office after re-election to Council position #6 and #7 respectively, and Councilmember Michael Fitzpatrick into their first term of their respective Council positions (#5), and Councilmember Leighton Thomas was appointed to unexpired Council position #7 on July 8, 2026, for a term expiring at the end of 2027. Councilmember McVey resigned from the position on June 30, 2026. January 2026, Mayor Ed Ster was sworn into office for a first term in the Mayoral position.

2028 LEGISLATIVE AND EXECUTIVE ELECTIONS:
At the end of 2027, the term for Councilmembers in Council Position #1, 2, 3, and 7's (short term) will expire. The elections for these four positions will take place November 2027, with those elected to positions 1, 2, and 3 being sworn in in January 2026 and position 7 after the certification of the vote.

2027 – 2028 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:
Explore options for creation of an "Innovation Fund" to support emerging entrepreneurs within City limits.

Objective 3:
Explore Creative Arts District and/or Entertainment District designation.

Enhanced Communication and Participation

GOAL:
Reinforce and improve our relationship with the community

Objective 1:
Approve the hiring of a communications manager.

Objective 2:
Continue strengthening the City's relationship with the Suquamish Tribe, along with other key community partners.

Objective 3:
Develop new approaches to promote, engage, and communicate with community to possibly include Council town halls, newsletter articles, etc.

Capital Facilities

GOAL:
Launch the financing and construction of a new Public Works facility along with the initiation of the Front Street redevelopment/redesign.

Objective 1:
In conjunction with long-planned utilities upgrades, initiate community involvement in the development of 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:
Support a funding strategy for implementation.

Objective 4:
Approve financing for new Public Works facility.

Financial Systems and Budget Projections

GOAL:
Support migration to new ERP software(s) and partner with staff to have reporting tools to make sound budgetary decisions

Objective 1:
Fund and approve contracts for new ERP software provider(s).

Objective 2:
Review monthly reporting and request additional information to support decision making process.

Executive Department Goals

Goal: ***Identify and secure a suitable parcel and advance development of a 12-unit cottage court to expand workforce housing opportunities in Poulsbo.***

Objectives	*Measurement*	*Progress*
Identify a suitable parcel that can accommodate development of a 12-unit cottage court.	Suitable parcel identified and evaluated for development potential.	Potential properties identified and evaluated.
Engage with the property owner to establish an agreement for use or acquisition of the property.	Agreement secured with the property owner.	Suitable parcel secured or an agreement established with the property owner.
Advance preliminary site planning and predesign for the proposed cottage court development.	Predesign completed for the proposed 12-unit cottage court.	Preliminary site planning/predesign completed.
Initiate the design and permitting process necessary to move the project toward construction.	Design and permitting milestones achieved.	Project advances into formal design and permitting. 12-unit cottage court project positioned for future construction.

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.***

Objectives	*Measurement*	*Progress*
• Government understands and acts as an entrepreneur	• Seizing opportunities as presented	• Reuse of housing, purchasing or acquiring land for public use
• Staff organization and accountability; core services identified & supported; achieve efficiencies in business processes	• Reposition staff to further enhance job functionality and revise job descriptions; evaluate staff levels	• Begin succession planning, placing key supportive managers under each department head
• Financial controls maintained and reviewed for policy compliance	• Monitor cash flows with monthly reporting	• Review of balance sheet to ascertain cash flows, manually signing all checks
• Funding sources explored to match revenues to defined outcomes	• Grants received, taxes increased, new taxes, Federal Treasury funds, TBD fees passed, new sales tax for TBD, and sales tax for affordable housing passed.	• Increased grant funding achieved
• Avoid litigation by proactively seeking solutions for contentious issues	• Reduced number of personnel grievances and/or litigation	• Active risk assessment in place using WCIA resources
• Maintain conservative growth patterns to ensure service level maintenance	• Right size staff levels to meet financial constraints while maintaining city services	• Staff movement, rearrangement and enhancement to meet growing population demands

Executive Department Goals

Goal:	***Continue regional coordination and advocacy with Western Washington University (WWU), Olympic College, local jurisdictions, and Tribal partners to advance the Allied Health Center Phase 2 project and support efforts to secure state funding.***

Objectives	***Measurement***	***Progress***
• Reconvene the countywide Allied Health Center steering committee at the WWU Poulsbo campus to provide project status updates and establish next steps.	Hold quarterly steering committee meetings and document attendance, project updates, and identified next steps.	Steering committee reconvened and meeting on a quarterly basis.
• Support WWU's $70 million capital budget request to the Washington State Legislature for Allied Health Center Phase 2.	Participate in legislative advocacy efforts during the 2027 Washington State legislative session, including meetings and communications supporting WWU's capital budget request.	WWU's $70 million capital budget request included in the state legislative advocacy effort.
• Coordinate with Bainbridge Island, Bremerton, and Tribal partners to develop consistent messaging and a coordinated approach to state legislative advocacy.	Coordinate with regional and Tribal partners on legislative priorities, messaging, and advocacy activities.	Regional and Tribal partners aligned on legislative priorities and coordinated advocacy activities.
• Maintain collaboration with WWU and Olympic College to identify opportunities to restart and advance the Phase 2 project.	Track key project and funding developments throughout the year and report updates to the Mayor and City Council.	Legislative funding decision and/or other state support secured for Phase 2.
•		Clear next steps established with WWU and Olympic College for restarting and advancing the project.

Executive Department Goals

Goal:	***Work with Kitsap County and regional partners to reestablish District Court services in North Kitsap, with a goal of providing monthly court services at Poulsbo City Hall and improving access to the court system for North Kitsap residents.***

Responds to Council Goal #: **8 Economic Development**

Objectives	***Measurement***	***Progress***
Work with Kitsap County to identify and establish a stable funding source to support a monthly District Court presence at Poulsbo City Hall.	Secure a funding agreement with Kitsap County to support monthly District Court services in Poulsbo.	Continued engagement with Kitsap County regarding funding, service delivery, and implementation.
Coordinate with neighboring jurisdictions and regional partners to build support for restoring District Court services in North Kitsap.	Establish an agreed-upon schedule and scope of services for a monthly District Court presence at Poulsbo City Hall.	Funding source and agreement identified and secured.
Develop a framework with Kitsap County and the District Court for providing monthly services at Poulsbo City Hall.	Obtain and document support from North Kitsap jurisdictions and other regional partners.	Existing letters of support from neighboring jurisdictions expanded or formalized as appropriate.
Advocate for improved access to court services for North Kitsap residents who currently must travel to the county seat in Port	Finalize operational requirements and a timeline for implementation.	Monthly District Court schedule established for Poulsbo City Hall.

CITY ADMINISTRATOR DEPARTMENT

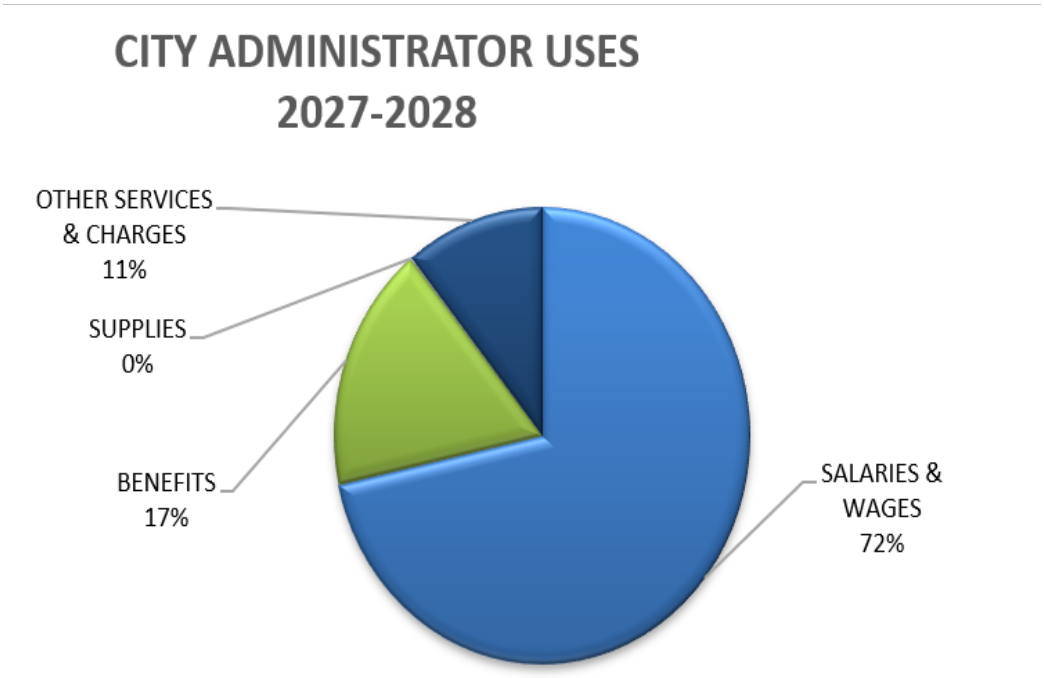
Executive Mission:

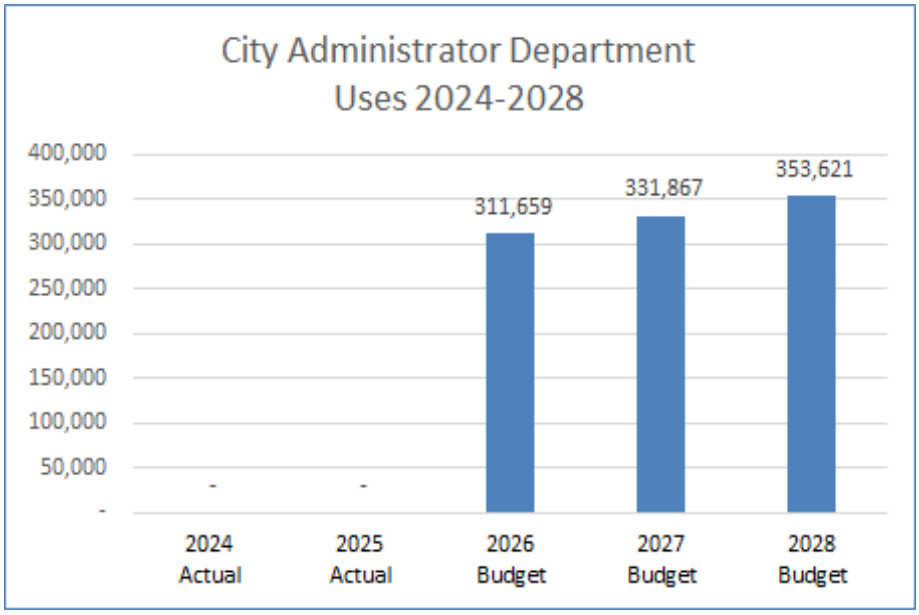
To protect the citizens' best interests by fairly and faithfully administering the City's day-to-day business, carrying out the policies set by Council and ensuring all laws and ordinances are equally enforced.

DEPARTMENT FUNDING

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
EXECUTIVE						
SALARIES & WAGES	-	-	221,077	*236,821*	*253,677*	*490,498*
BENEFITS	-	-	54,222	*57,618*	*62,516*	*120,134*
SUPPLIES	-	-	300	*300*	*300*	*600*
OTHER SERVICES & CHARGES	-	-	36,060	*37,128*	*37,128*	*74,256*
TOTAL CITY ADMINISTRATOR	-	-	311,659	***331,867***	***353,621***	*685,488*

The City Administrator's budget was accounted for the Executive Department for the first year of the position. In 2026 a new department was created to account for the City Administrator's specific expenditures.





Department Description & Services:

The City Administrator serves as the City's Chief Administrative Officer under the direction and authority of the Mayor, providing leadership and oversight of day-to-day municipal operations. The position works collaboratively with department directors and City leadership to implement the policy direction and priorities established by the Mayor and City Council, while advancing the City's short- and long-term goals.

The City Administrator provides executive leadership to City departments, directly supervises department heads and managers, evaluates organizational performance, and promotes effective interdepartmental coordination and collaboration. In partnership with the Assistant City Administrator/Finance Director, the City Administrator directs the annual budget process, monitors budget compliance, and identifies operational efficiencies, program improvements, and responsible use of City resources.

The position serves as a key link between the Mayor, City Council, City staff, regional partners, governmental agencies, and the community. The City Administrator represents the City in regional committees and task forces, works with neighboring jurisdictions on shared concerns, and engages with state and federal officials and legislators as needed. The position also serves as the City's primary media contact and administrative resource to the City Council.

Additional responsibilities include supporting Council agenda development, coordinating with the City Attorney on compliance with applicable laws and regulations, addressing administrative and community concerns, and participating in labor negotiations and contract interpretation and administration. Through these responsibilities, the City Administrator promotes effective, accountable, and coordinated delivery of municipal services and supports the implementation of City priorities and adopted policies.

STAFFING LEVEL:

The City Administrator Department consists of 1 FTE position, City Administrator, with support from the Clerks Department.

2025-2026 PROGRAM ACCOMPLISHMENTS:

- Position began in January of 2025
- Conducted onboarding interviews with all staff, identified and implemented areas for improvement
- Established Leadership Team meeting structure to support cross-departmental collaboration and planning for citywide programs
- At the direction of Council, implemented parking enforcement and established monthly community open houses to share program details along with receiving feedback for modifications
- Facilitated a smooth transition of mayoral leadership in January 2026
- Supported Mayor in identifying and operationalizing priority initiatives
- Supported the chartering and staffing of the Mayor's Blue Ribbon Commission on Affordable Homeownership
- Along with risk manager and WCIA, navigated active claims
- After long tenured leadership, the recruitment for a new Human Resources Director in 2025 and a new Public Works Director in 2026.

2027-2028 PROGRAM USES

The City Administrator's Department budget includes costs associated with training, travel, and dues to ensure compliance with current legal requirements and best practices for City operations.

City Administrator 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.***

Objectives	*Measurement*	*Progress*
• Implementation of new ERP software solutions	• Successful migration and training of staff	• Contract under negotiation
• Explore options for fleet management that lowers annual financial impacts.	• Identify a partner that can ease workload for staff and assist with the lowering of annual costs of fleet management.	• Interviewing vendors
• Analyze pros/cons between accrual and cash basis for accounting for possible transition with new ERP	• Process under discussion, need to finalize cost/benefit analysis to ensure staff demands are beneficial to governance needs.	• Discussing return on investment for accrual and annual reporting.
• Explore energy efficiency options for city owned facilities and fleets to reduce financial impacts of increasing power rates. Options could include solar and EV.	• Identify a partner ESCO to assist with analysis and options for financing.	• Initiating review of DES contracts.
• Support Mayor and executive functions of City through collaborative partnership.	• Clear and consistent hand offs of work and responsibilities.	• Staff and community members have an understanding of point of contact and roles

City Administrator Goals

Goal: ***Develop and implement a new communications manager role, create/expand channels for outreach and education***

Objectives	*Measurement*	*Progress*
* With appropriated funding, recruit and hire communications manager professional.	* Sussessful recruitment	* Initiating following apprpriated authority given.
* Develop a centralized expertise for outreach and education to support departments and community connections.	* Onboarding and program development.	* Initiating following apprpriated authority given.
* Increase the channels for proactive and consistent communications with constituencies/ stakeholders	* Onboarding and program development.	* Initiating following apprpriated authority given.
* Facilitate successful transition of solid waste services to external hauler	* Development of customer communications to ensure understanding of contract and billing changes	* Will begin after contract approval

City Administrator Goals

Goal: ***Ensure the long term sustainability of public works infrastructure***

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

Objectives	*Measurement*	*Progress*
* Onboard Public Works leadership, ensuring long term sustainability of service delivery	* Successful onboarding and workplan development by PW Director and team	* Annual development
* Public Works facility: finalize design and permitting, financing, bid package and construction.	* Permit issued, financing secured, bid awarded	* In process
* Finalize emergency warming/cooling and temporary evacuation capacity at Parks & Recreation building.	* Equipment and protocols for activation are finalized and implemented	* in development

City Administrator Goals

Goal:	***Work with stakeholders to explore innovative ways to support local economy and creation of businesses.***

Responds to Council Goal #: **8 Economic Development**

Objectives	***Measurement***	***Progress***
* Along with HDPA, downtown businesses, stakeholders, explore possible Front Street event closures to promote new energy and pedestrian experiences.	* Committee created to plan for and communicate design and implementation of a closure pilot	* Committee initiated and planning underway
* Explore structure and options for creating an "innovations fund" to support new business creation in the City.	* Develop program parameters with PED staff, along with community stakeholders, secure funding approval.	* Program structure, policies under development

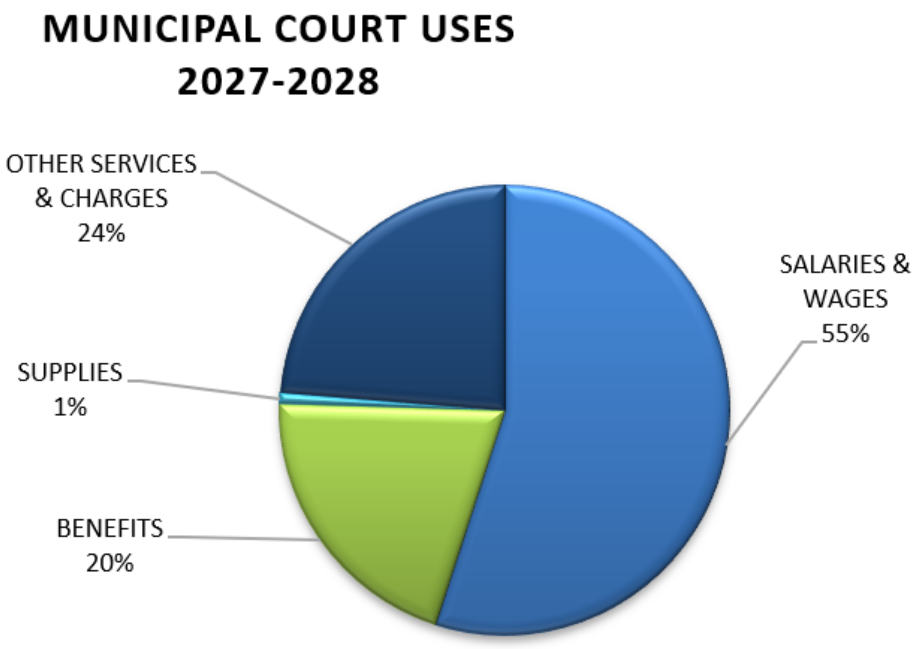
MUNICIPAL COURT

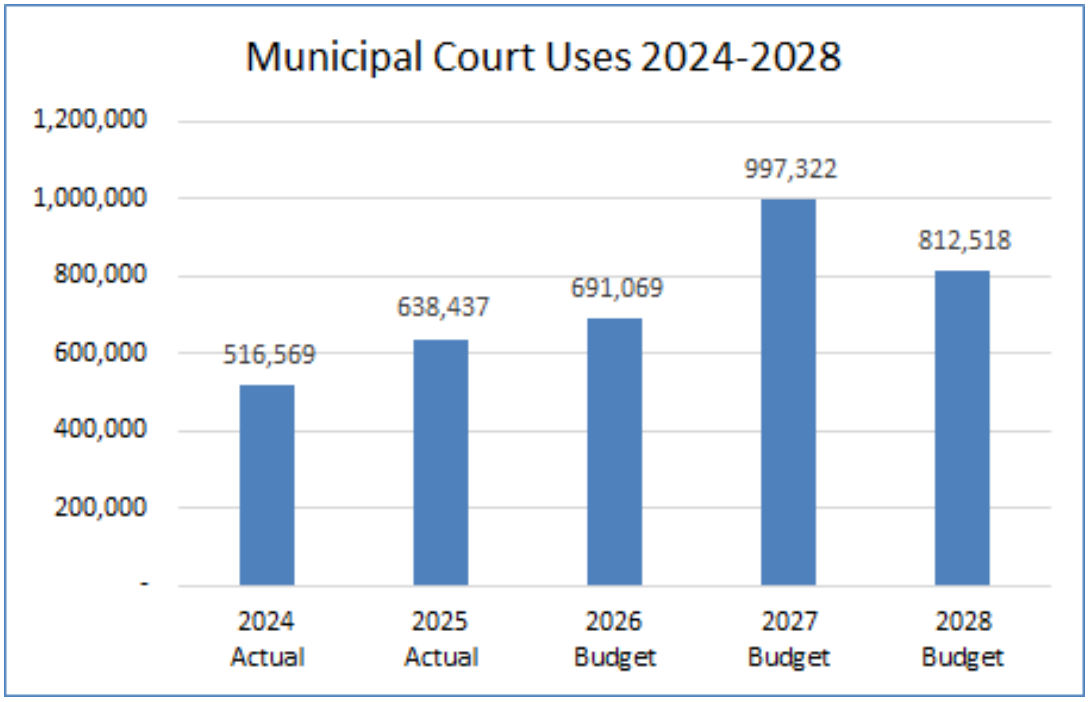
Mission Statement:

To provide fair, impartial, and accessible justice while serving the community with integrity, respect, and professionalism.

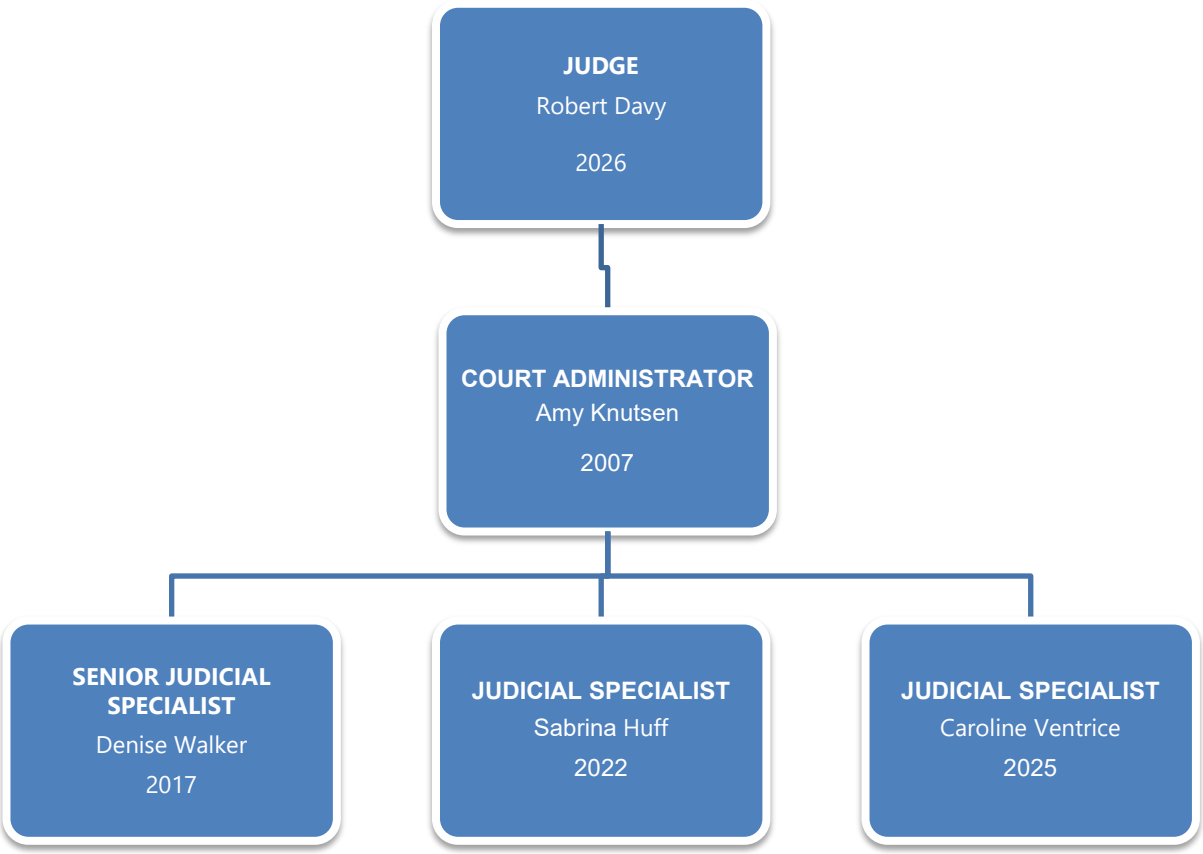
DEPARTMENT FUNDING

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
MUNICIPAL COURT						
SALARIES & WAGES	354,821	435,828	458,028	486,976	508,135	*995,111*
BENEFITS	126,208	152,504	168,258	*178,253*	*191,990*	*370,243*
SUPPLIES	3,330	10,984	7,435	*7,435*	*7,435*	*14,870*
OTHER SERVICES & CHARGES	32,210	39,121	57,348	*324,658*	*104,958*	*429,616*
TOTAL JUDICIAL	516,569	638,437	691,069	***997,322***	***812,518***	***1,809,840***





THE ORGANIZATION OF THE MUNICIPAL COURT



Municipal Court Introduction:

The Poulsbo Municipal Court is presided over by a judge appointed by the Mayor and confirmed by the City Council to a four-year term. The judge currently serves on a part-time basis.

The Court handles traffic infractions, City code violations, misdemeanors, gross misdemeanors, impound hearings, and potential and dangerous dog appeals. Its goal is to promote accountability, ensure fair and appropriate consequences, and provide justice that reflects the nature of each violation.

The Court focuses its resources on core services, seeks innovative approaches to fulfill its mission, and supports alternatives to incarceration when appropriate. The Court also works toward sustainable solutions for jail housing while continuing to be a valued partner in maintaining a safe and vibrant community.

The court continues to process passport applications in conjunction with the Clerk's Department each Tuesday.

STAFFING LEVEL:

The Municipal Court consists of 4.52 FTE's: one part-time Judge, one full-time Court Administrator, one Senior Judicial Specialist and two Judicial Specialist positions. The Court Security position, which is 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, grants and special projects.
- The Senior Judicial Specialist oversees all post-conviction monitoring (under the direction of the Judge), training of the Judicial Specialists and processes accounts payables.
- 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.

2025/2026 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.
- Continued 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 Committee.
- Court Administrator was nominated and elected as the CEC (Court Education Committee) Assistant Chair
- Implemented workflow process for paid parking.
- Monthly audits of State clean-up reports which will allow the court to efficiently and effectively convert to a new Case Management System in 2027.
- All in-perpetuity files are scanned to date.
- Began using SharePoint for day-to-day functions, tasks and in-court work.
- Upon the appointment of Judge Davy, all court forms were updated to be fillable electronically at the time of each hearing.
- Implemented mandatory monthly check-ins with all Deferred Prosecution defendants.

2027/2028 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.
- Transition the court to a new court software program – Journal Technologies.
- Implement new workflows with policies and procedures that coincide with Journal Technologies.

MUNICIPAL COURT WORKLOAD MEASURES

Type of Measure	2024 Actual	2025 Actual	2026 as of 7/31	2027 Projected	2028 Projected
Criminal Charges	302	468	253	550	600
Infraction/Parking Charges	2,171	7,422	9,521	17,000	18,500
Total Filings	2,473	7,890	9,774	17,550	19,100
Criminal Hearings	2,269	3,704	2,392	4,300	4,500
Infraction/Parking Hearings	356	1,457	1,703	4,500	5,000
Total Hearings	2,625	5,161	4,095	8,800	9,500

Municipal Court Department Goals

Goal: ***Implement Journal Technology Software***

Objectives	*Measurement*	*Progress*
Negotiate a contract with Journal Technologies. Training all court employees on the new software system.	Contract successfully executed. Court Software successfully implemented and live	Budget approval from City Council. Back up existing data Conversion of historical data Implementation of external interfaces Verify and validate integration of processes and data Document new workflows

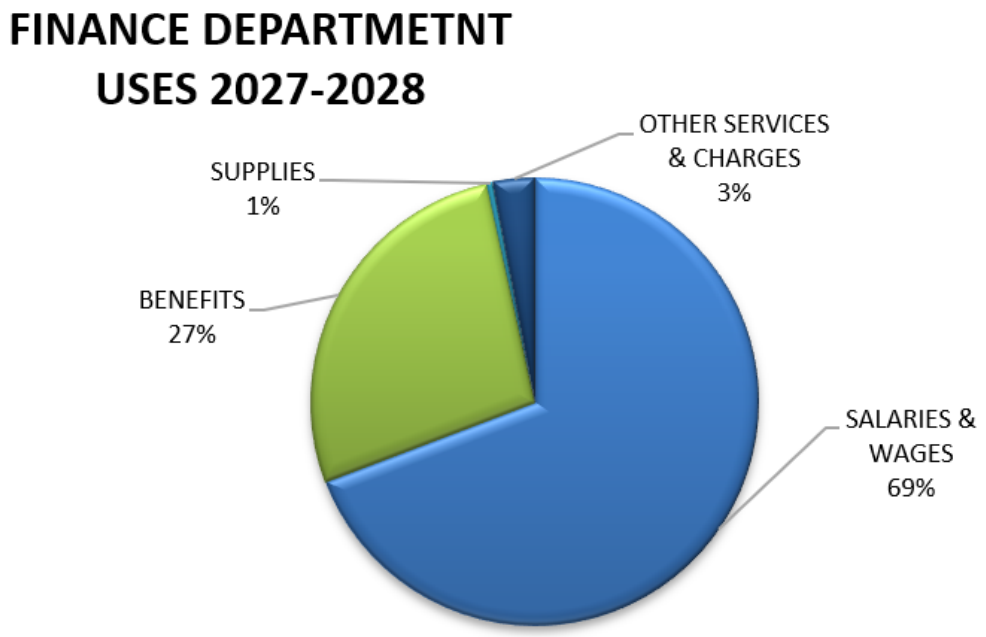
FINANCE DEPARTMENT

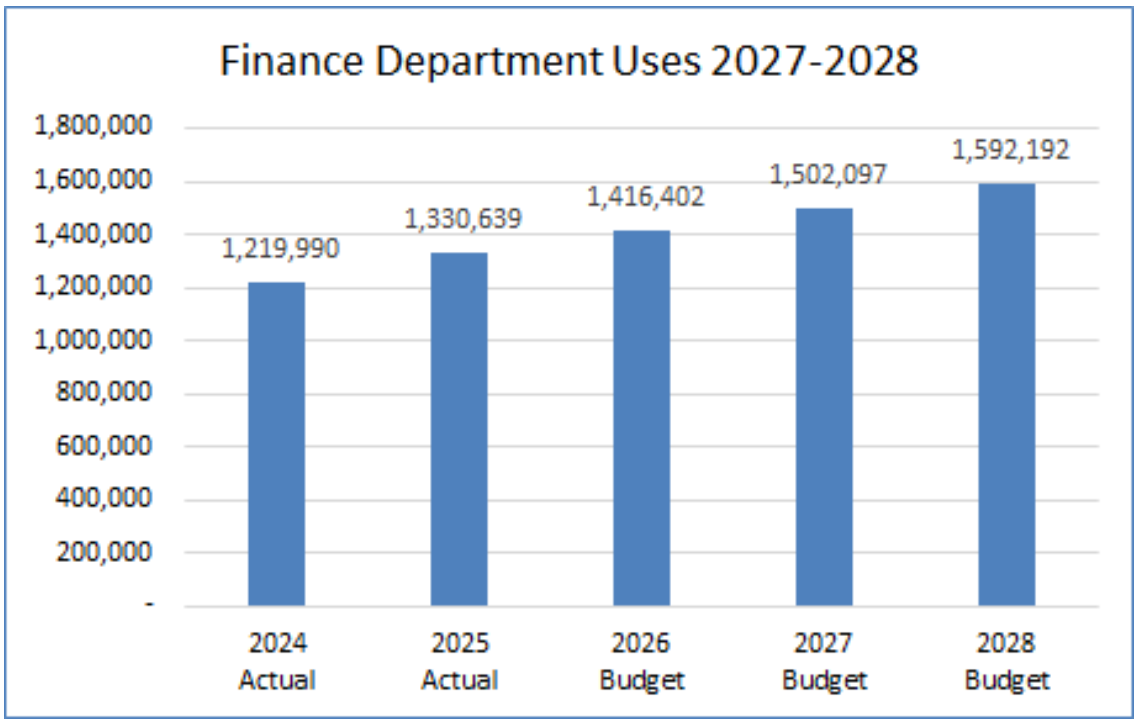
Finance Department Mission Statement:

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

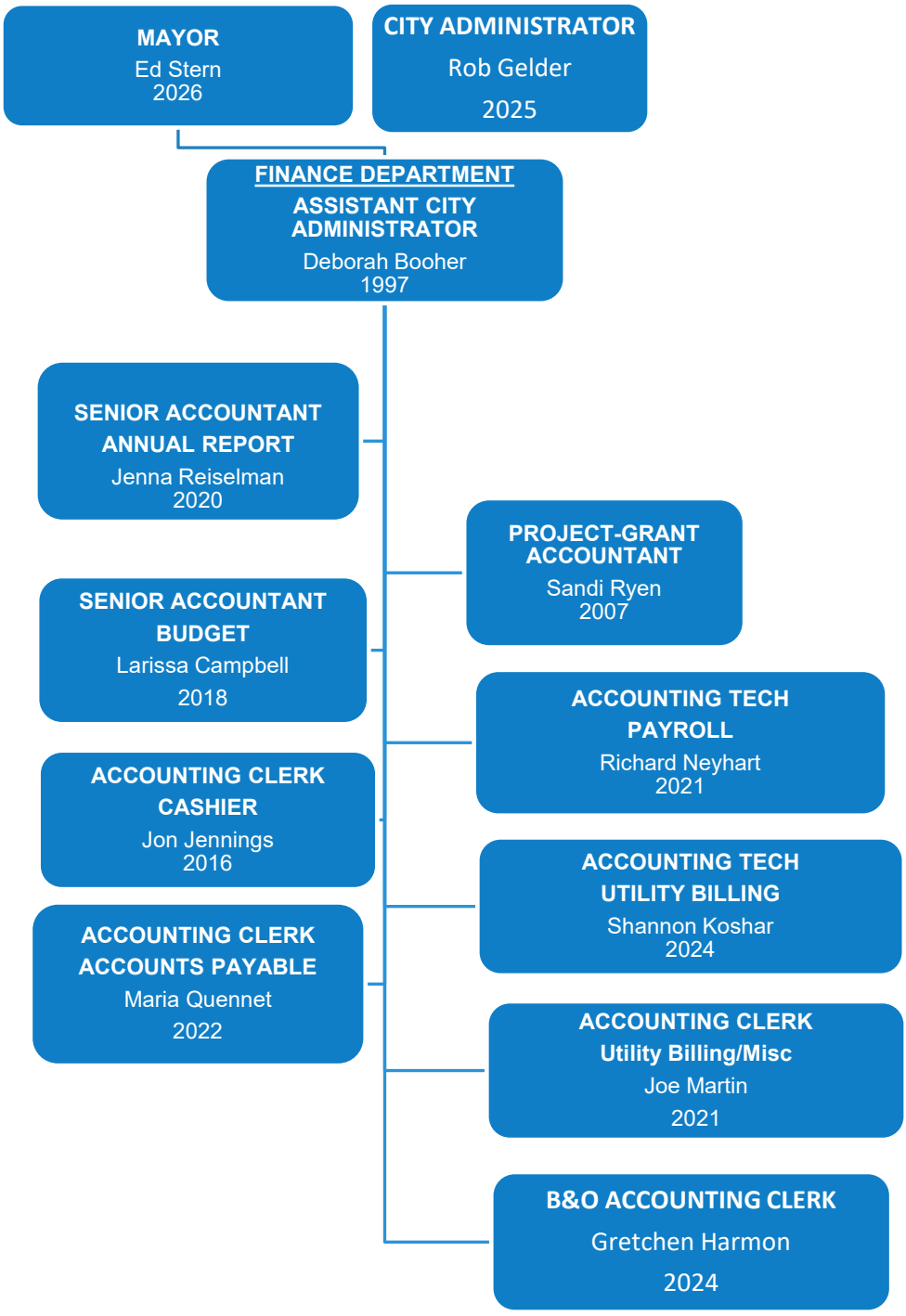
DEPARTMENT FUNDING:

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FINANCE						
SALARIES & WAGES	829,547	923,137	978,903	*1,043,177*	*1,098,758*	*2,141,935*
BENEFITS	345,116	365,493	383,597	*406,444*	*440,433*	*846,877*
SUPPLIES	1,708	4,211	8,752	*6,850*	*6,850*	*13,700*
OTHER SERVICES & CHARGES	43,619	37,798	45,150	*45,626*	*46,151*	*91,777*
TOTAL FINANCE	1,219,990	1,330,639	1,416,402	***1,502,097***	***1,592,192***	***3,094,289***




Finance Department Uses 2027-2028
1,800,000
1,600,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
1,219,990
1,330,639
1,416,402
1,502,097
1,592,192
2024 Actual
2025 Actual
2026 Budget
2027 Budget
2028 Budget

THE ORGANIZATION OF THE FINANCE DEPARTMENT



Finance Department Introduction

The City of Poulsbo's Finance Department oversees the city-wide Accounting and Budgeting functions and manages all funds that flow in and out of the City. The department operates under the Finance Handbook of policies that provide internal controls to safeguard all resources.

Departmental Services

The Finance Department provides the following services:

<u>Accounting Services -</u> Day-to-day accounting activities for City business
Receiving and managing all cash
Banking management
Accounts Receivable and Payable
Administering the City's Business & Occupation Tax (B&O)
Annual Audit with the WA State Auditor's Office
Grant management
Payroll
Preparing the Annual Comprehensive Financial Report
Project Accounting
Utility Billing

<u>Budgeting Services –</u> Facilitating, planning, and monitoring resources and expenditures on a biennial basis
Preparing and maintaining the Biennial budget
Preparing the 6-year Capital Improvement Plan (CIP) in collaboration with the Engineering, Parks and Recreation, and Public Works Departments
Financial monitoring and reporting of comparisons of projections to actual dollars
Personnel Budgeting

<u>Financial Services –</u> Activities to monitor the current and future financial health of the City
Managing the City's Investment Portfolio
Long-term financial forecasts
Administering the City's Long-term Debt
Developing and maintaining financial management policies and internal controls

The Finance Department sets department-wide goals that include all department services. Goals include Preparing an Annual Comprehensive Financial Report that receives the GFOA's Certificate of Achievement and a Biennial Budget that receives the GFOA's Distinguished Budget Presentation Award. The Finance Department is seeking to implement new Enterprise Resource Planning software by 2028. Function specific goals are outlined below.

The Finance Department collaborates with all City departments. Services are added in response to new programs, projects, revenue and expenditure sources. Collaboration efforts include inter-department meetings to stay current on projects, grants, budget status, and future needs.

The City is responding to growth which results in increased activities in all departments. This directly impacts the Finance Department's workload for all functions. Specific function increases include utility customer growth, higher volume of accounts receivable and payable payments, grant management, construction projects, and utility infrastructure improvements. The Finance Workload Measures displayed below highlights areas of increased workloads.

The Finance Department also responds to changes in laws, changes in the Washington State Budgeting Accounting and Reporting System (BARS), and new accounting standards from the Governmental Accounting Standards Board (GASB). Each change can provide an opportunity to enhance our services to comply with new legal and regulatory standards.

Looking forward to the 2027-2028 Biennium there will be two new GASB standards to implement involving presentation of Capital Assets and Subsequent Events.

Finance Department Budget

Staffing includes 10 Full-time Equivalent employees for the following positions:

Assistance City Administrator/Finance Director – 1
Senior Accountants – 2
Accounting Technicians – 3
Accounting Clerks - 4

Salaries for the 2027-2028 Biennium total $1,098,758. 2027 Salaries increased 4% over 2026 in accordance with the Collective Bargaining Agreement between the

City of Poulsbo and Teamsters Local 589 employee union. Benefits increased by 10% due to health insurance and Washington State Labor and Industries insurance increases.

The Finance Department budgets conservatively to save resources whenever possible. Contracted services consist of department specific software, investment portfolio advisors, legal services, and annual audit costs.

These services are estimated to cost $91777 for the 2027-2028 Biennial Budget period.

To measure internal costs, the City uses an indirect allocation model to distribute service costs from the General Fund to other operating funds such as the Utilities Funds and City Street Fund.

The Finance Department allocates 100% of its function and hours costs to the Street Operations fund and Utility Funds.

The allocation formula used is:

100% of Audit Cost x (times) percent of Operating Expenditures

Departmental Goals & Performance Measures

Finance Department Goals		
Goal:	***Produce an award winning Annual Comprehensive Financial Report (ACFR)***	
Objectives	***Measurement***	***Progress***
• Implement GFOA (Government Finance Officers Association) reviewers suggested improvements	• Receipt of GFOA ACFR Award	• See table below
• Complete ACFR document and submit to GFOA within 6 months of new fiscal year to be considered for Distinguished	• Receipt of GFOA ACFR Award	• See table below

Type of Performance Measure	*2023 Actual*	*2024 Actual*	*2025 Projected*	*2026 Projected*	*2027 Projected*
Received GFOA Distinguished ACFR Award	Yes	Yes	Yes	Yes	Yes

Finance Department Goals

Goal: ***Produce an award winning budget document***

Objectives	***Measurement***	***Progress***
• Implement GFOA (Government Finance Officers Association) reviewers suggested improvements	• Receipt of GFOA Budget Award and/or increase in number of proficient and/or outstanding ratings over previous year	• See table below
• Complete budget document and submit to GFOA within 90 days of adoption for consideration of GFOA Distinguished Budget Award	• Receipt of GFOA Budget Award and/or increase in number of proficient and/or outstanding ratings over previous year	• See table below

Type of Performance Measure	***2023 Actual***	***2024 Actual***	***2025 Actual***	***2026 Projected***	***2027 Projected***
Received GFOA Distinguished Budget Award	Yes	***	Yes	***	Yes
# of Proficient and/or Outstanding Ratings for GFOA Budget Award	99	***	99	***	***
** 2nd year of Biennial Budget					

FINANCE DEPARTMENT WORKLOAD MEASURES

Type of Measure	2024 Projecte	2025 Projected	2026 Projected	2027 Projected	2028 Projected
# of Treasurers Receipts Issued	31,609	32,000	32,000	32,000	32,000
# of E-Gov Transactions	12,337	13,000	13,000	13,000	13,000
Avg # of Utility Accounts billed monthly	4,747	4,811	4,876	4,811	4,876
Avg # of Misc Billing Accounts billed monthly	108	115	120	115	120
# of HDPA accounts billed quarterly	133	140	145	140	145
# of Change of Ownerships	220	280	269	280	269
# of New Connections	54	87	110	87	110
# of ACH Utility Bill payments monthly	1,150	1,250	1,250	1250	1,250
# of Tenant Authorization Changes	129	176	182	176	182
# of Reduced Utility Rate Applications processed	27	30	30	30	30
# of Accounts Sent to Collections	16	30	30	30	30
# or B&O Tax Returns Processes	500.00	3,000.00	3,500	3000	3500
# of Payroll Checks processed	120	124	124	124	124
# of Payroll Direct Deposits processed	3,150	3,150	3,150	3,150	3,150
# of A/P Physical Checks processed	2,429	2,500	2,600	2,500	2,600
# of A/P Direct Deposits processed	628	700	800	700	800
# of Grants processed	38	38	38	38	38
# of NSF Checks processed	42	42	42	42	42
Average dollars invested (millions)	$48.00	$45.00	$45.00	$45.00	$45.00
% of Idle Cash Invested	90%	90%	90%	90%	90%

ADMINISTRATIVE SERVICES

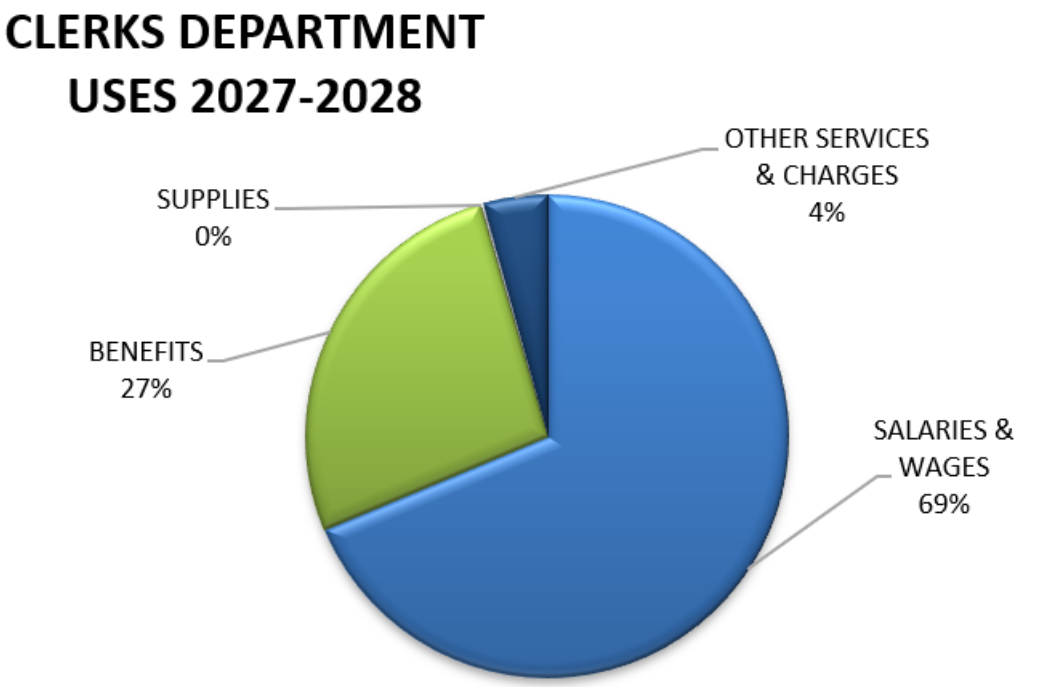
CLERK'S DEPARTMENT

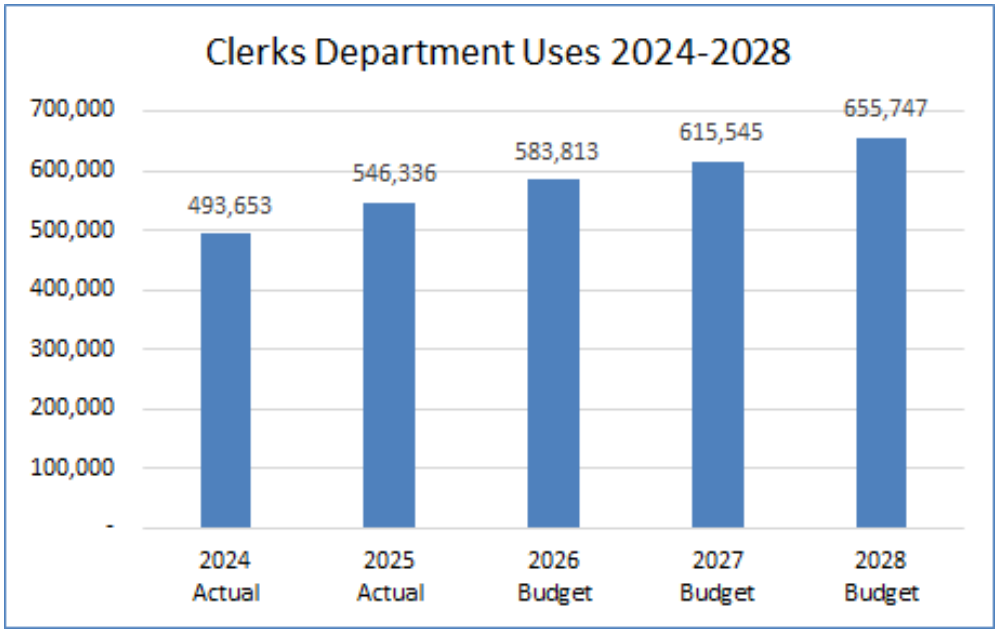
Mission Statement:

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.

Department Funding

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
CLERKS						
SALARIES & WAGES	333,674	381,619	402,118	*423,695*	*449,769*	*873,464*
BENEFITS	140,858	149,169	154,711	*163,265*	*177,382*	*340,647*
SUPPLIES	1,849	653	1,418	*1,418*	*1,418*	*2,836*
OTHER SERVICES & CHARGES	17,272	14,895	25,566	*27,167*	*27,178*	*54,345*
TOTAL CLERKS	493,653	546,336	583,813	***615,545***	***655,747***	***1,271,292***





PROGRAM DESCRIPTION: The Clerk's Department serves as a central information and administrative resource for City government. In addition to providing information to the public and City staff, the department maintains and updates the Poulsbo Municipal Code; is responsible for the processing and maintenance of ordinances, resolutions, proclamations, and policies; provides records management and retention services for most City departments; and coordinates and processes public records requests.

In 2024, Human Resources assumed primary responsibility for Risk Management, with continued support from the Clerk's Office. Risk Management is responsible for identifying, managing, and minimizing the probability, occurrence, and impact of losses to the City.
Staff responsibilities include:

- Providing administrative support to the Mayor, City Administrator, City Council, and Human Resources/Risk Management.
- Preparing City Council agendas and electronic agenda packets for publication on the City's website.
- Attending City Council meetings and recording and transcribing meeting minutes.
- Coordinating with Bremerton-Kitsap Access Television for the broadcast of City Council meetings.
- Issuing and reviewing business and occupational licenses, as well as miscellaneous licenses and permits.
- Processing ordinances, resolutions, contracts, and agreements.
- Processing real property documents and legal matters.
- Answering telephone calls and processing and distributing City mail.
- Managing and overseeing the municipal website, including the Executive, Legislative, and Clerk's Department portions of the City's website.
- Creating and publishing the monthly City E-newsletter.
- Managing City Hall meeting room rentals and reservations.
- Coordinating and processing public records requests.
- Providing records management services, including records retention guidance, storage, microfilming, access, and notary services.

- Providing support to Human Resources by coordinating and processing recruitment activities for vacant positions.
- Investigating, submitting, and coordinating tort claims and claim management, including claims made against the City and claims submitted by the City as 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.

2025-2026 PROGRAM ACCOMPLISHMENTS:

- Supported the transition of City leadership by coordinating the onboarding of two new Councilmembers—one elected in 2025 and one appointed through a Council selection process following the retirement of an incumbent Councilmember—and preparing for the transition to a new Mayor in 2026.
- Implemented NeoGov Insight in 2025 and NeoGov Onboard in 2026, improving the City's recruitment, hiring, and employee onboarding processes and creating greater efficiency through digital workflows.
- Identified and contracted with CivicPlus for the City's website upgrade project following a community survey and input from internal stakeholders. Initiated the website redesign project, including implementation of DocAccess to improve ADA accessibility by converting PDF documents to HTML, and PADS to streamline online forms, workflow processes, and digital services.
- Created an online appointment scheduling tool for passport services, providing residents with a convenient way to schedule appointments and improving staff efficiency in managing passport services.
- Provided administrative support to Human Resources, including accounts payable processing, budget preparation, records management, website updates, job recruitment, employee onboarding, and entering new hires into payroll.
- Supported staff and City leadership with the appointment and reappointment process for boards and commissions, coordinating applications, communications, and appointment documentation for [XX] appointments during 2025-2026.
- Continued to manage and maintain the City website and provide timely updates to ensure accurate, current, and accessible information for the public.
- Coordinated and processed public records requests and supported records retention and management activities across City departments.
- Continued coordination with Bremerton-Kitsap Access Television to support the recording and broadcast of City Council meetings.
- Assisted HR with filling vacant positions and onboarding all new hires.

2026-2027 PROGRAM USES:

The Clerks Department budget includes costs associated with training, travel, and dues to ensure compliance with current legal requirements and best practices for City operations.

CLERKS DEPARTMENT WORKLOAD MEASURES

Type of Measure	2023 Actual	2024 Actual	2025 Actual	2026 Projected	2027 Projected	2027 Projected
Administrative Services						
Active Business Licenses	3,028	3,586	3,900	3,450	3,450	3,450
E-Newsletters Distributed	10,892	17,010	24,439	21,972	22,000	23,000
Legislative Support Services						
Council Meetings Staffed	37	38	35	38	37	37
Ordinances Processed	17	19	24	18	18	18
Pages of Meeting Minutes Processed	337	309	277	300	300	300
Pages of Ordinances Codified	404	268	354	373	385	400
Resolutions Processed	14	18	21	17	20	20
Records Management						
Archives - Record Retrievals	9	8	14	10	10	10
Archives - Total Boxes Received & Transferred	6	23	25	27	27	27
Total Destruction Logs Received	37	37	97	43	45	45
Boxes Destroyed/Non-Boxed Items/E-records	26/11/0	27/9/1	62/22/13	40/5/10	40/10/5	40/10/5
Boxes Transferred to Reg Archivist	0	0	0	0	0	0
Public Records Requests	565	1068	1054	1081	1100	1200

Administrative Services Department Goals

Goal: ***Improve management of Electronic Records***

Objectives	***Measurement***	***Progress***
• Work with IT to manage agency records, including emails, in Sharepoint	• Obtain budget for contracted services to create a records repository in Sharepoint and train employees	• Get budget in 2027-28 budget for one time expense
• Transition all Library Drive (L-drive) to Sharepoint	• Identify a solution to create records repository and train employees	• Contract with vendor
• Work with IT to implement G-5 Licenses/Sharepoint Implementation		• All records migrated to Sharepoint
• Review microfilm films and perform retention or upload to records repository	• Number of micofilm rolls reduce	• Number of rolls reduced each year

Administrative Services Department Goals

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

Objectives	*Measurement*	*Progress*
• Increase Facebook communication • Support departments with Facebook cross-posting	• Increase proactive posts	• Track annual engagement numbers

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

Administrative Services Department Goals

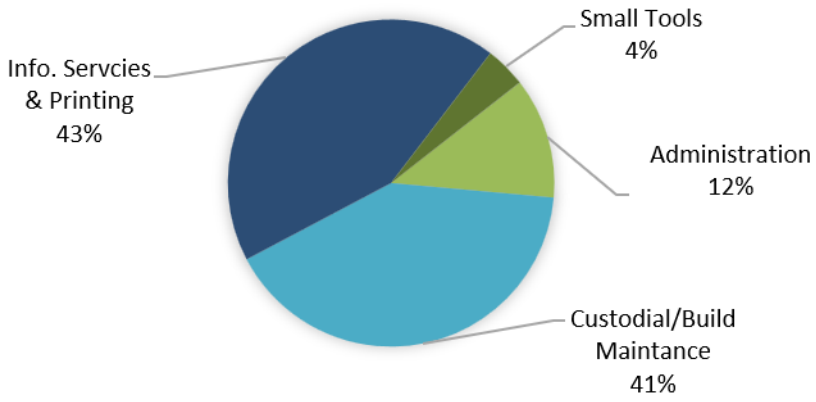
Goal: ***Implement accessibility standards for the City's electronic communications to ensure digital information and services are accessible to all community members and meet applicable WCAG 2.1 accessibility requirements.***

Objectives	*Measurement*	*Progress*
• Develop and implement consistent accessibility standards and practices for City electronic communications.	• Accessibility standards and procedures established and communicated to City staff.	• Accessibility standards and internal procedures adopted.
• Review and improve the accessibility of City websites, documents, forms, social media content, and other digital communications.	• Staff training and resources provided to employees responsible for creating or publishing digital content.	• Staff training completed and ongoing resources made available.
• Provide staff training and resources to support the creation and maintenance of accessible digital content.	• City electronic communications reviewed for accessibility and prioritized for remediation.	• Priority websites, documents, forms, and digital communications reviewed and remediated.
• Establish processes for identifying, correcting, and preventing accessibility barriers in electronic communications.	• Accessibility issues identified, corrected, and tracked through an established process.	• Accessibility improvements incorporated into routine content development and publishing processes.
• Coordinate accessibility efforts across departments to promote consistent practices throughout the organization.	• New electronic content developed in accordance with established accessibility standards.	• Continued reduction in accessibility barriers and increased consistency in accessible electronic communications across the City.

CENTRAL SERVICES

Central Services provides General Fund departments throughout the City with services and operating supplies which are not department specific.

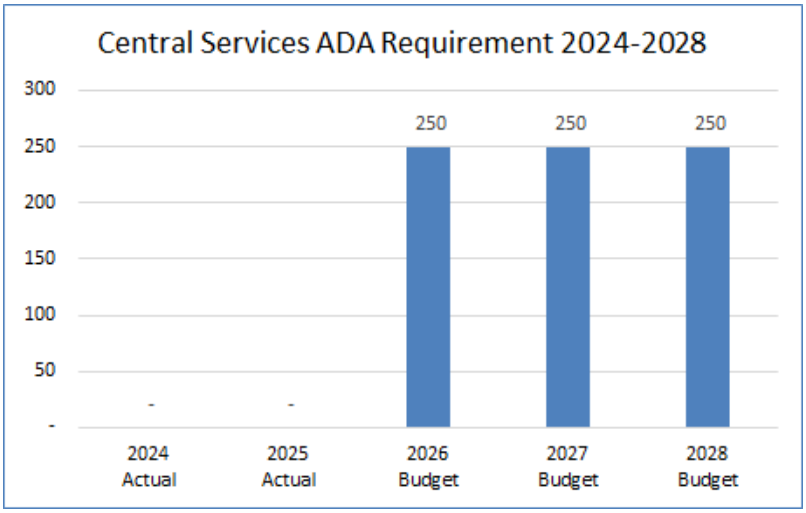
CENTRAL SERVICES USES BY ACTIVITY 2027-2028



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.

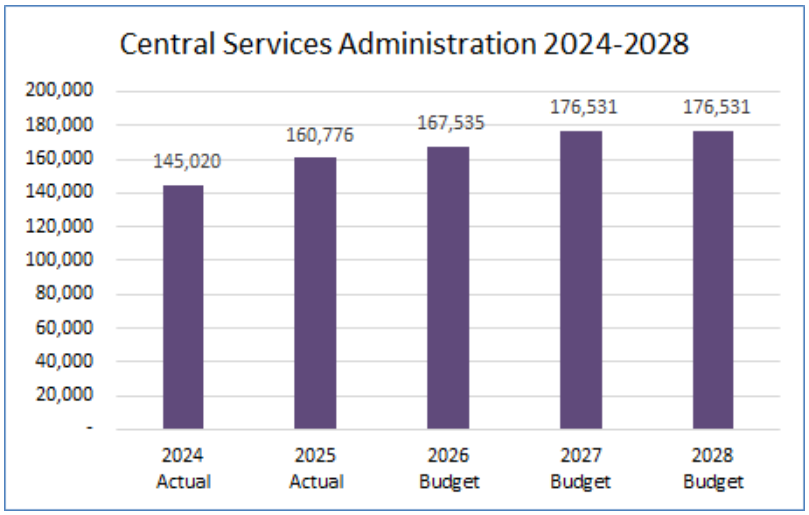


CENTRAL SERVICES – ADMINISTRATION

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

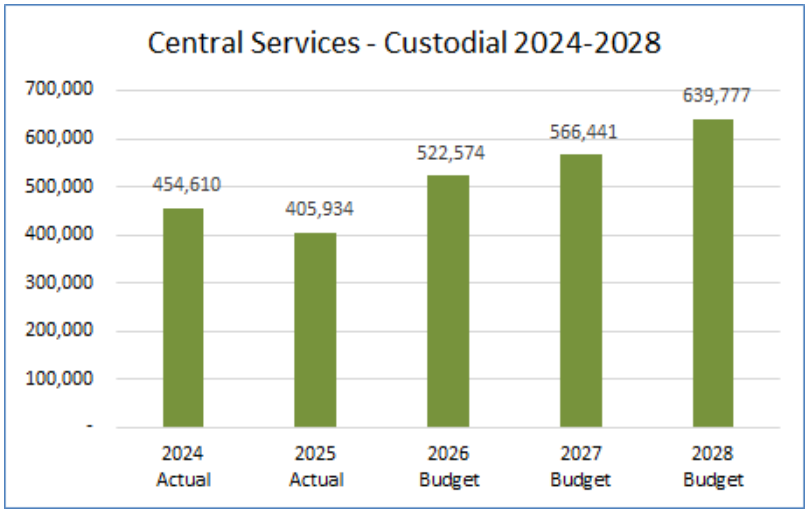


CENTRAL SERVICES - CUSTODIAL AND BUILDING MAINTENANCE

PROGRAM DESCRIPTION:

The mission of the Custodial/Building section of the Central Services Department is to provide for the maintenance and repair of 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 budlings, and other Public Works installations including 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.

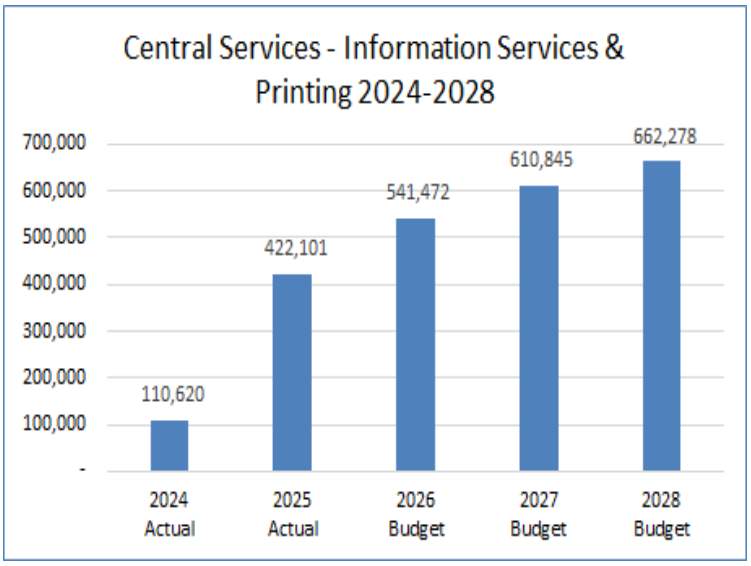
CENTRAL SERVICES - INFORMATION SERVICES

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 and extra protection for cyber security. New software added for new accounting requirements such as lease reporting. Number of users with need for Microsoft 365 licenses continues to grow which results in a much higher annual subscription amount.

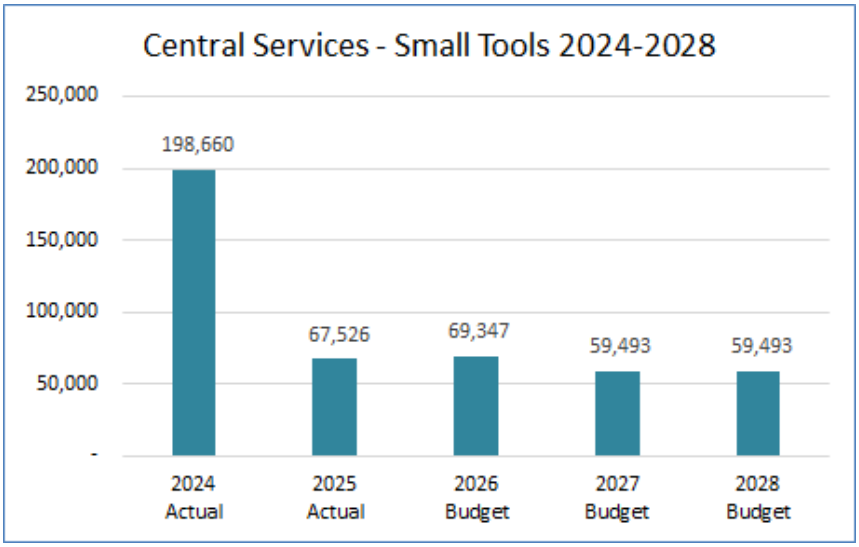


CENTRAL SERVICES - SMALL TOOLS AND MINOR EQUIPMENT

PROGRAM DESCRIPTION:

The City's capitalization policy has a threshold of $10,000. 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.

Also included in the budget are leases for copiers throughout City Hall.



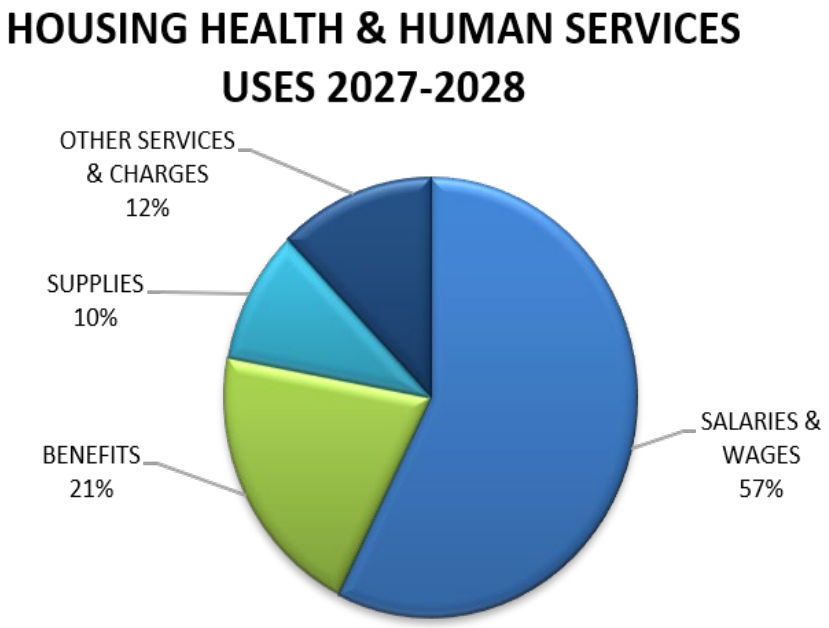
HOUSING, HEALTH, AND HUMAN SERVICES DEPARTMENT

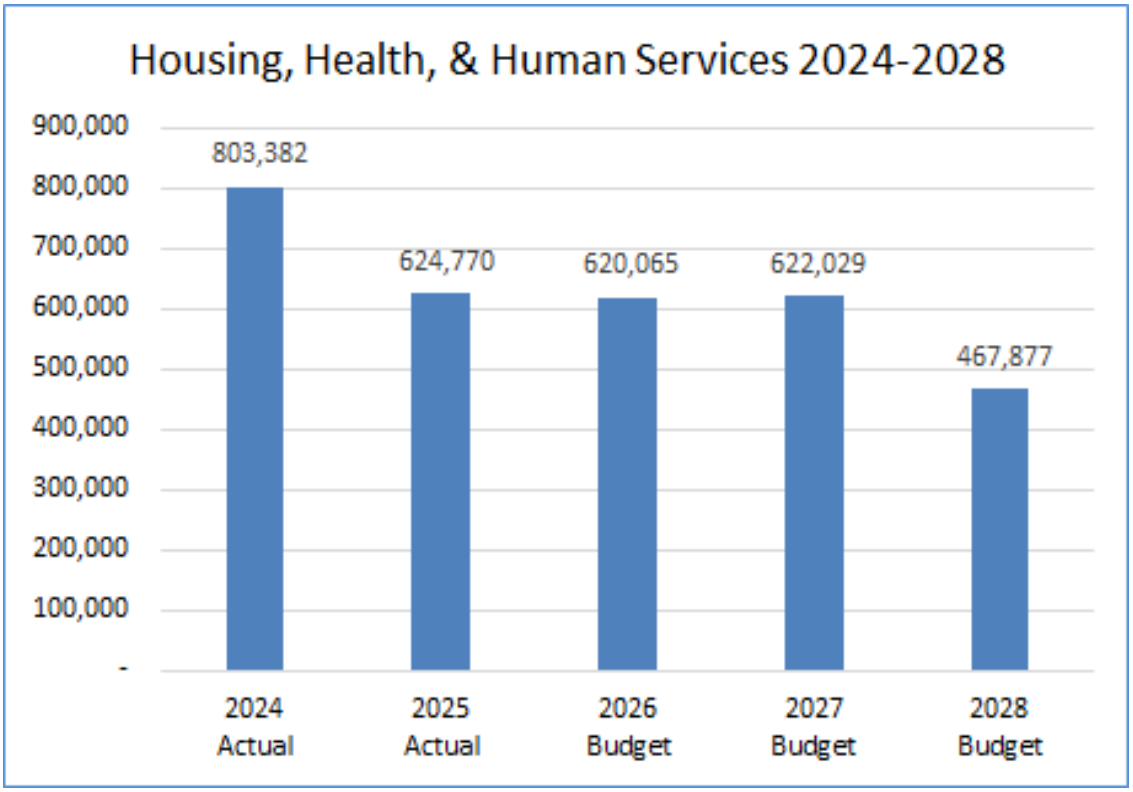
Mission Statement:

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 three main areas: STEP (shelter, transitional, emergency and supportive) housing, low barrier behavioral health services, and recovery services centered on social connections and peer support. H3 works closely with the Poulsbo Police Department and Poulsbo Municipal Court to provide meaningful alternatives to arrest and incarceration.

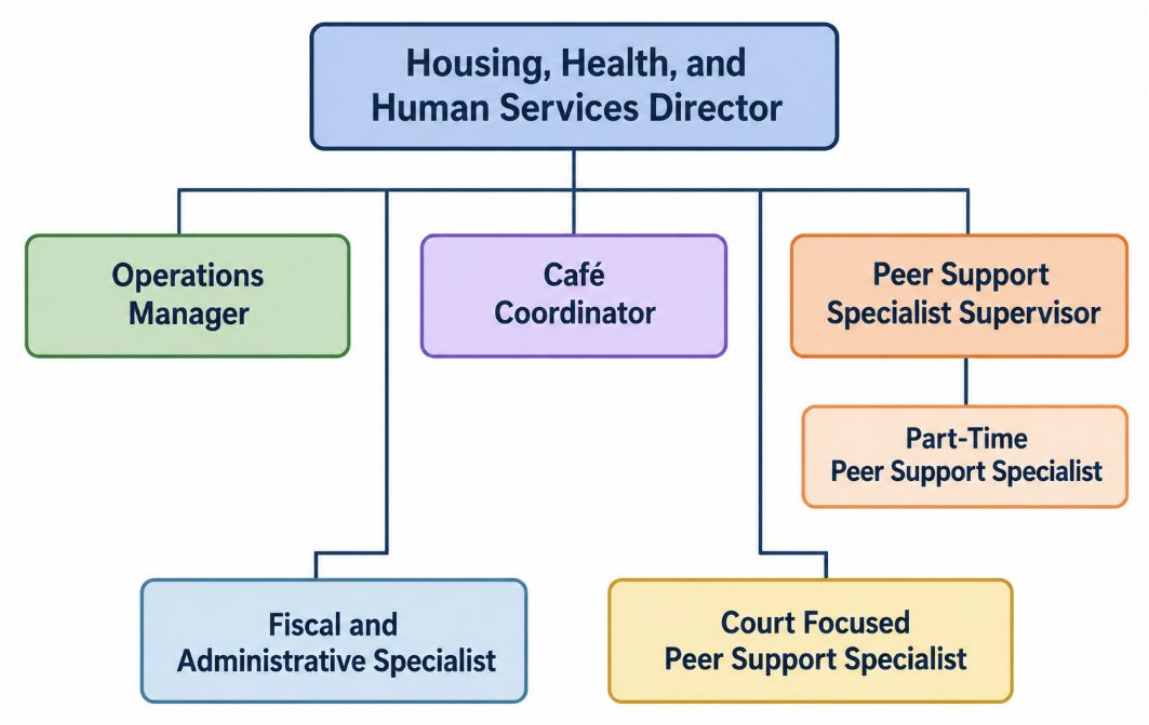
DEPARTMENT FUNDING:

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
HOUSING, HEALTH & HUMAN SVCS						
SALARIES & WAGES	312,878	316,353	400,976	367,698	274,325	*642,023*
BENEFITS	114,718	117,243	125,889	133,914	96,222	*230,136*
SUPPLIES	34,637	42,825	38,200	55,700	54,700	*110,400*
OTHER SERVICES & CHARGES	341,149	148,349	55,000	64,717	71,880	*136,597*
TOTAL HOUSING, HEALTH & HUMAN SVCS	803,382	624,770	620,065	***622,029***	***467,877***	***1,119,156***





H3 Organization



DEPARTMENT INTRODUCTION

City Council established a Housing, Health, and Human Services Department (H3) in 2020. The H3 Director has worked, over the past six years, to define the functions of H3, pursue outside funding, and develop new government and nonprofit partnerships to benefit Poulsbo residents. Recent activities include:

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 recovery – regardless of its form - are given support and assistance. We work with partners to provide mental health services, substance use services, housing and benefit assistance, and vocational training. City employees provide peer support. We work closely with Poulsbo police and court to find alternatives to arrest, prosecution, and incarceration when appropriate. The RRC is funded by the City's general fund, affordable housing fund, Kitsap County, and the Health Care Authority.

The North Kitsap Recovery Café opened in the Summer of 2025. The Café is a drug and alcohol-free community space two doors down from the Recovery Center that provides long-term recovery support for members. We support people in maintaining recovery, reducing relapse, and fulfilling their potential. Our Café is part of the international Recovery Café Network and is the first that is city run. Like other Recovery Cafés, we are committed to serving people experiencing trauma and other mental health issues, homelessness, and substance use disorders.

Repurposing of the Nelson House=Expanding Recovery Housing. 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 residents serve as caretakers to Nelson Park, saving the City funds and beautifying the area. Gambit opened a second recovery house in Poulsbo in 2026 and plans on opening a new home in North Kitsap later this year,

The Nordic Cottage Project. After years of planning, fundraising, community outreach, and applications, the Nordic Cottage Project broke ground in October of 2024 and welcomed its first residents in September 2025. The Project is a partnership between the City of Poulsbo and Housing Kitsap and provides eight units of housing to older adults and individuals with disabilities whose incomes are at 30% or below of the County's area median income.

Safe Park and Other Homeless to Housed Initiatives. The Department works with a local Church to provide a safe and structured parking program with individuals living in their vehicles. This is part of a larger, multi departmental effort in the City, led by H3, to help move people who are homeless into shelter and housing.

SERVICES PROVIDED:

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

- Coordinating City efforts to develop deeply affordable housing.
- Coordinating City efforts to improve access to behavioral health, substance use treatment, and recovery services for Poulsbo residents.
- Identifying service gaps and developing innovative programs to address unmet community needs.
- Overseeing the operation and development of the North Kitsap Recovery Resource Center and Recovery Café.
- Working with law enforcement, municipal courts, and community partners to develop

alternatives to arrest, prosecution, and incarceration.
- Coordinating City initiatives to address homelessness and help individuals transition into stable housing.
- Developing and managing grants, pursuing outside funding, and establishing strategic partnerships.
- Collaborating with City departments, government agencies, nonprofit organizations, and community stakeholders to coordinate services and maximize resources.
- Monitoring program performance, evaluating outcomes, and reporting on Department activities.
- Representing the City at local, regional, state, and national meetings, coalitions, and policy discussions.
- Advising City leadership on housing, behavioral health, homelessness, and human services policies and emerging community needs.

H3 programs and services are defined by the needs of Poulsbo residents, City Council priorities, available funding, and opportunities to develop partnerships with government agencies and nonprofit organizations. Since its establishment in 2020, the Department has steadily expanded its scope of services, with an emphasis on affordable housing, behavioral health, recovery support, and alternatives to involvement in the criminal justice system. Goals are established for individual programs and generally focus on improving access to services, increasing stability, supporting recovery, and reducing unnecessary arrests, incarceration, and use of emergency services.

H3 continues to develop new initiatives in response to emerging community needs, often leveraging outside funding and partnerships to expand services without placing the full financial burden on the City. Key challenges include securing sustainable funding, managing a growing portfolio of programs with limited staffing, coordinating services across multiple agencies, and responding to increasing demand for affordable housing and behavioral health support. As a relatively new department, H3 is also working to strengthen its administrative infrastructure, establish consistent performance measures, and evaluate program outcomes to ensure that services remain effective, accountable, and responsive to community needs.

The Housing, Health, and Human Services Department measures costs through the City's budgeting and financial reporting processes, with expenditures tracked by program and funding source. Costs are generally organized into four primary categories:

- **Salaries and Wages:** Personnel costs associated with H3 administration, management, and other departmental functions, excluding staff assigned to recovery services.
- **Employee Benefits:** Benefits and payroll-related expenses for H3 personnel, excluding recovery services staff.
- **H3 Operating Budget:** Departmental expenditures associated with departmental administrative costs, training, travel, communications and subscriptions.
- **Recovery Services:** Expenditures associated with operating the North Kitsap Recovery Resource Center and Recovery Café, including staff salaries, benefits, contracted services, supplies, and other operating expenses.

A note on historical expenditures: The chart above reflects expenditures from 2024 through 2028. In 2024-2026, salaries and benefits were not consistently separated between recovery services and other

H3 functions. As a result, the historical figures may be misleading when comparing expenditures across categories. The revised categories are intended to provide a clearer picture of the costs associated with general H3 operations versus direct recovery services.

H3 programs are supported through a combination of City general funds, affordable housing funds, grants, and contributions from government and community partners. **This snapshot does not include expenditures from the City's Affordable Housing Tax Fund.** The Department works to maximize outside funding and in-kind contributions to reduce costs to the City.

HOUSING, HEALTH AND HUMAN SERVICES PERFORMANCE MEASURES

Type of Measure	2023 Actual	2024 Actual	2025 Actual	2026 Projected	2027 Projected	2028 Projected
New programs and initiatives	Recovery Resource Center, senior outreach program, Pooulsbo Mobile Home Park assistance program	Bluebills home repair program, recovery housing at Nelson Park, Spanish translation line	Recovery Café, Nordic Cottage opening,	Police pre-arrest diversion, safe park program	Court diversion (structured), homeless to housing initiative, STEP NOFO and project identification, recovery services board/foundation	groundbreaking of STEP housing project
Ongoing programs and initiatives	Poulsbo Fire CARES, behavioral health navigator program, cold weather shelter, Nordic Cottages	Recovery Resource Center, senior outreach, BH navigator, Nordic Cottages	Recovery Resource Center, BH navigator, Nordic Cottages, Bluebills home repair, recovery housing	Recovery Resource Center, Recovery Center, BH navigator, Nordic Cottages, Bluebills home repair, recovery housing	Recovery Resource Center, Recovery Center, BH navigator, Nordic Cottages, Bluebills home repair, recovery housing, safe park, pre-arrest diversion	Recovery Resource Center, Recovery Center, BH navigator, Nordic Cottages, Bluebills home repair, recovery housing, safe park, pre-arrest diversion, STEP NOFO project
Contracts with partner agencies	Poulsbo Fire, Olympic Community of Health	Believe in Recovery, AMFM Healhcare, Housing Kitsap, BJC, Gambit	Kitsap Homes of Compassion, Housing Kitsap, AMFM, Health Care Authority, County, Gambit	Kitsap Homes of Compassion, Housing Kitsap, AMFM, Health Care Authority, County, Gambit, Suquamish Tribe	Kat's Cottage, Housing Kitsap, AMFM, Health Care Authority, County, Gambit	Kat's Cottage, Housing Kitsap, AMFM, Health Care Authority, County, Gambit
Grants Obtained	Olympic Community of Health, WASPC	Olympic Community of Health, WASPC	Heath Care Authority, County, Recovery Café Network	Heath Care Authority, County	Heath Care Authority, County, Recovery Café Network	Heath Care Authority, County
Volunteers engaged	appx 20	appx 20	appx 20	appx 30	appx 30	appx 30
Individuals directly assisted by H3 Recovery Programs	15	196	372	390	400	400

ADMINISTRATIVE SERVICES

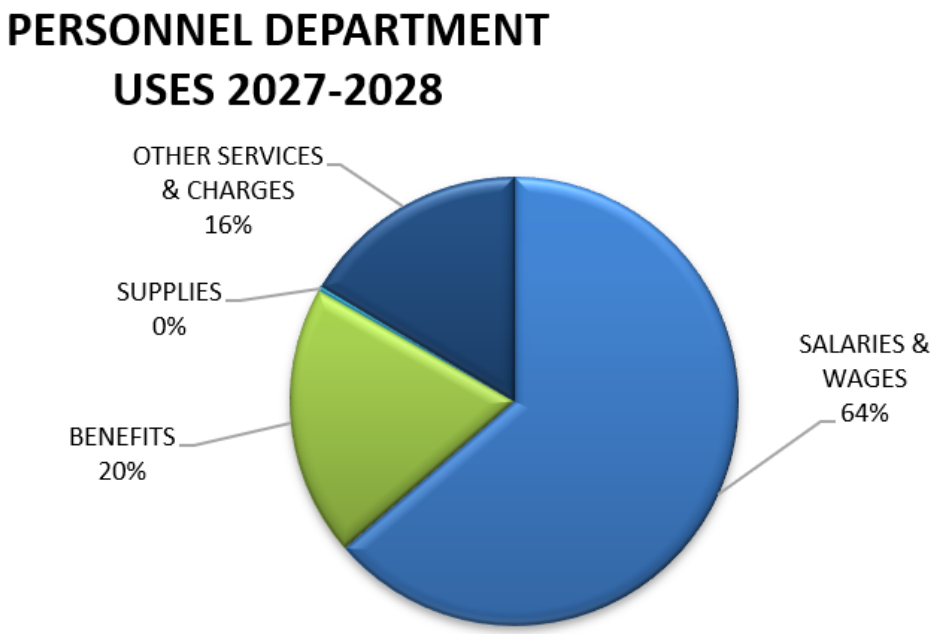
PERSONNEL DEPARTMENT

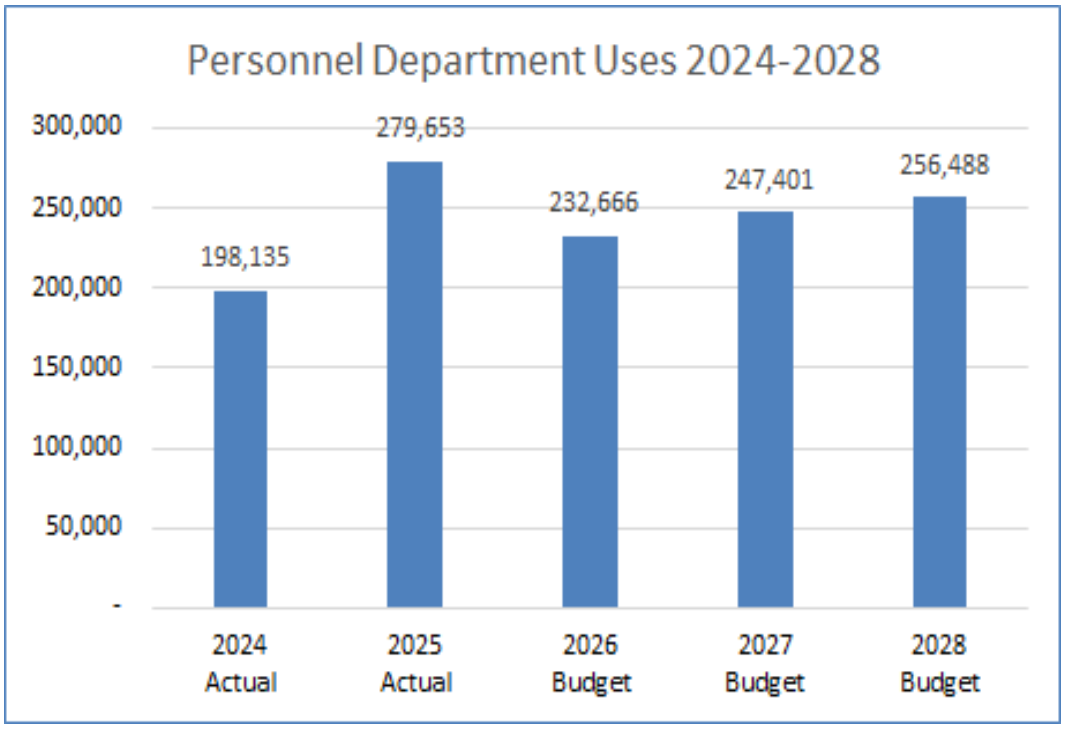
Mission Statement:

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.

DEPARTMENT FUNDING

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
PERSONNEL						
SALARIES & WAGES	131,603	199,875	148,308	*157,228*	*163,492*	*320,720*
BENEFITS	43,804	47,947	44,841	*47,514*	*51,010*	*98,524*
SUPPLIES	131	580	1,200	*900*	*900*	*1,800*
OTHER SERVICES & CHARGES	22,597	31,251	38,317	*41,759*	*41,086*	*82,845*
TOTAL PERSONNEL	198,135	279,653	232,666	***247,401***	***256,488***	***503,889***





DEPARTMENT SERVICES:

The Human Resources Department provides services and programs that support City departments in developing and maintaining a qualified, effective, and diverse workforce. The department provides employment-related services to City employees, applicants, and leadership while supporting employee development, workplace safety, risk management, and compliance with applicable laws and regulations.

Functions include:

- Employee recruitment, testing, selection, onboarding, and personnel administration.
- Classification and compensation, including the development and maintenance of job descriptions and compensation plans.
- Benefits coordination and administration of employee health insurance, retirement, and other benefit programs.
- Employee relations, including labor negotiations, contract administration, and dispute resolution.
- Employee development, including coordination and administration of City-wide training requirements and professional development opportunities.
- Civil Service Secretary/Examiner responsibilities.
- Labor and Industries coordination, including workplace injury and workers' compensation matters.
- Equal Employment Opportunity compliance, including responding to and investigating harassment and discrimination complaints.
- Risk management, including identifying and assessing areas of risk to the City and developing strategies to minimize potential losses.
- Development and implementation of workplace safety programs and training to reduce or eliminate risks to employees and the City.
- Litigation and claims management in coordination with the Clerk's Office, City Attorney, and applicable insurance providers.

- Administration and coordination of the City's insurance programs, including municipal, automotive, property, and liability coverage and claims.

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

2025-2026 PROGRAM ACCOMPLISHMENTS:

- Implemented NeoGov Insight hiring software.
- Updating the Personnel Handbook and other city policies.
- 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
- Served as the City delegate to the Washington Cities Insurance Authority (WCIA)
- Completed the 2025 and 2026 WCIA COMPACT requirements, including successful completion of risk audits.

Assisted the following departments with filling open positions:
- **Administrative Services:** HR Director (1), Senior Systems Administrator (1)
- **Building:** Building Permit Specialist (1)
- **Engineering**: Public Works Director (1), Engineering Tech (2), Building Inspector (1), Building Inspector II (1), Project Coordinator (1), Casual Labor (3)
- **Finance:** Accounting Clerk (1) and Accounting Tech (1)
- **HHH:** Peer Support Specialist (2), Peer Support Specialist II (1), Café Coordinator (1), Administrative Specialist (1), Intern (1)
- **HR:** Casual Laborer (1)
- **Municipal Court**: Judge (2), Judge Pro-Tem (3)
- **Parks & Recreation:** Parks & Recreation Director, Administrative Support Clerk (2), Instructors (52)
- **Planning:** Intern (1)
- **Police:** Support Services Manager (1), Lieutenant (1), Officer (2)
- **Public Works:** Grounds Maintenance Technician (1), Casual Labor (16)

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.

Administrative Services Department Goal

Goal: ***Implement and launch a new agency-wide Learning Management System (LMS) provided through the Washington Cities Insurance Authority (WCIA) to strengthen employee training, professional development, and compliance tracking.***

Objectives	*Measurement*	*Progress*
• Learn and establish administrative processes for managing the new LMS.	• HR administrators trained and proficient in use of the LMS.	• Administrative access received and system evaluated.
• Develop an implementation plan for agency-wide deployment.	• System configured and ready for agency-wide use.	• HR staff trained on system administration and reporting capabilities.
• Configure the system and establish appropriate user access, training assignments, and reporting processes.	• Employee accounts and department access established.	• Implementation plan and agency training priorities established.
• Introduce the LMS to employees and departments and transition applicable training to the new platform.	• Initial training courses assigned and completed through the LMS.	• LMS launched agency-wide.
• Establish ongoing processes for assigning, monitoring, and documenting employee training.	• Processes established for monitoring completion and generating training reports.	• Employees actively using the system and completing assigned training

HR Department Goal

Goal: ***Update and Centralize Job Descriptions***

Objectives	*Measurement*	*Progress*
• Review all existing job descriptions for accuracy, consistency, and alignment with current responsibilities and organizational needs.	• 100% of City job descriptions reviewed and updated as appropriate.	• Inventory of all current job descriptions completed.
• Update and standardize job descriptions in coordination with department leadership and supervisors.	• Updated job descriptions reviewed and approved by the appropriate department leadership.	• Job descriptions reviewed and prioritized for updates.
• Establish a consistent format and process for maintaining job descriptions going forward.	• All current, approved job descriptions uploaded to NeoGov Insight.	• Updated job descriptions completed and approved by departments.
• Enter and publish all approved job descriptions in NeoGov Insight.	• Standard process established for reviewing and updating job descriptions on an ongoing basis.	Job descriptions progressively added to NeoGov Insight.
		• All active job descriptions available and maintained in NeoGov Insight.

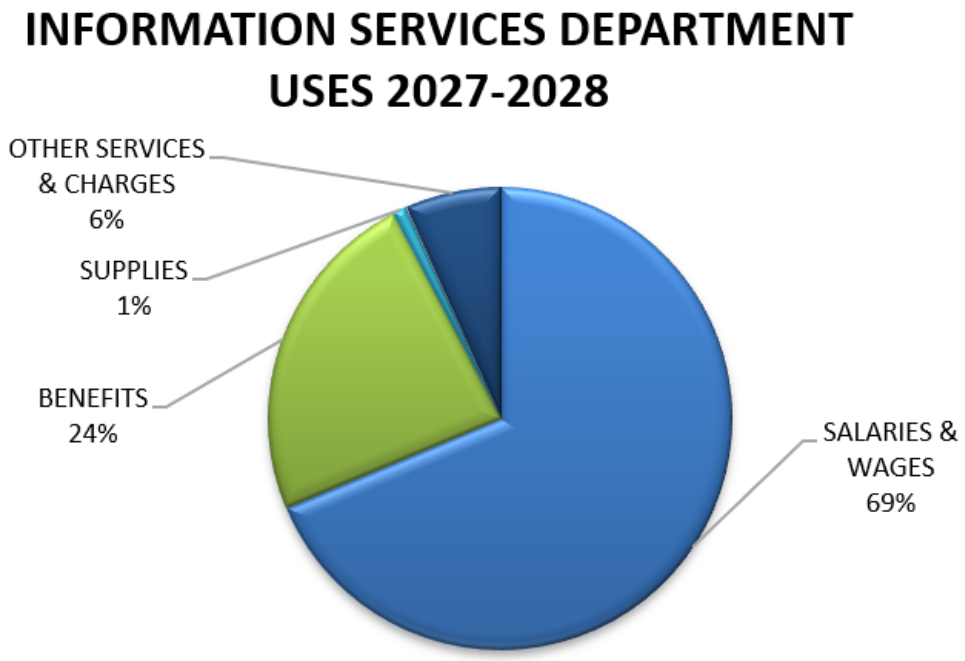
Information Services Department

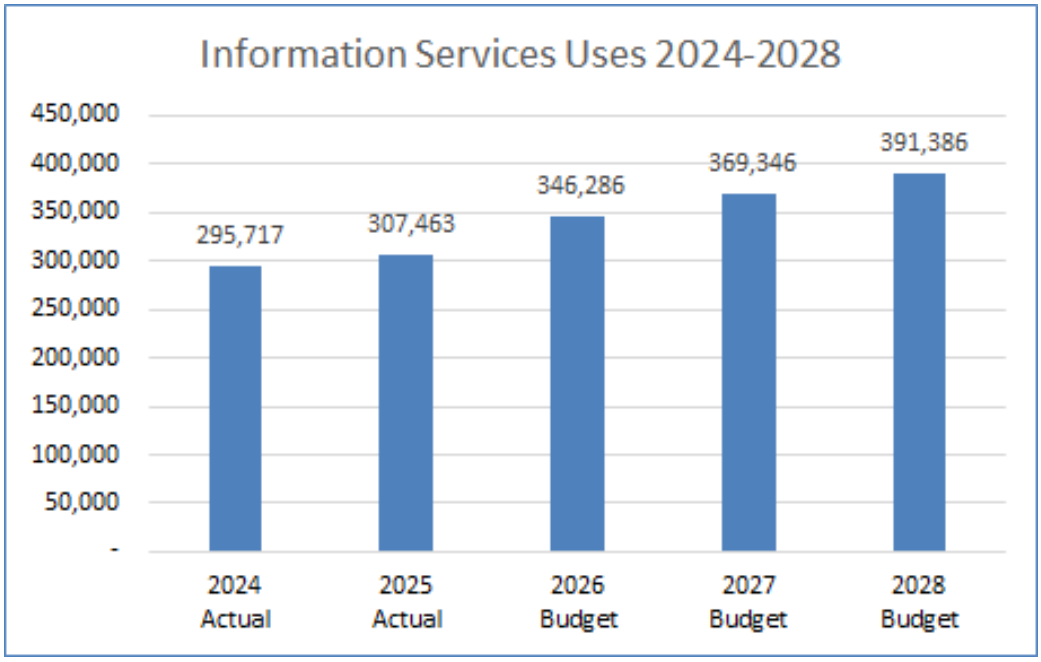
Mission Statement:

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.

Department Funding:

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
INFORMATION SERVICES						
SALARIES & WAGES	206,975	219,922	237,292	*253,867*	*268,610*	*522,477*
BENEFITS	71,030	78,094	81,433	*86,540*	*93,837*	*180,377*
SUPPLIES	6,843	1,961	3,654	*3,654*	*3,654*	*7,308*
OTHER SERVICES & CHARGES	10,869	7,487	23,907	*25,285*	*25,285*	*50,570*
TOTAL INFORMATION SERVICES	295,717	307,463	346,286	***369,346***	***391,386***	***760,732***





Department Introduction

The Information Technology Department structures its operations to deliver modern, reliable, and secure digital infrastructure for City operations. Departmental services are defined across two primary operational categories: Forward-Facing User Support, which serves as the direct point of contact for daily staff assistance, device onboarding, and desktop troubleshooting; and Core Infrastructure & Security Management, which oversees behind-the-scenes systems including network administration, cloud infrastructure, domain management, and data protection.

Specific, measurable goals are established for each service category to ensure high operational standards and continuous improvement. Forward-facing user support services are evaluated against response times, resolution rates, and system uptime targets. Meanwhile, infrastructure and modernization initiatives are tracked through structured implementation milestones, patch management compliance metrics, and lifecycle replacement schedules.

To meet evolving operational demands, the department is actively expanding its capabilities by onboarding strategic new services. A major ongoing initiative is the comprehensive SharePoint Migration project, which transitions legacy file servers and document management platforms into a centralized, secure cloud environment with automated retention policies. Additionally, the department is expanding its Remote Monitoring and Management (RMM) capabilities via NinjaOne to automate patch management across all endpoints, while rolling out Mobile Device Management (MDM) and modernizing wireless infrastructure to fully support a mobile and remote-capable workforce.

While expanding these services, the department faces several key operational challenges:

- **Evolving Security & Compliance Requirements: Combating increasingly complex cybersecurity threats requires continuous investments in Managed Detection and Response (MDR), mandatory Multi-Factor Authentication (MFA), and strict zero-trust identity policies.**

- **Legacy Infrastructure Offboarding: Balancing day-to-day user support requests while simultaneously decommissioning legacy on-premises servers, domain controllers, and legacy software platforms requires dedicated staff bandwidth and vendor coordination.**
- **Workforce & Workload Demands: Managing an increasing volume of technical projects and expanded cloud infrastructure across municipal facilities requires careful prioritization of staff time, training, and strategic vendor partnerships to maintain high service levels.**

Departmental Results

As a central service, the Information Technology Department collaborates closely with every municipal department to maintain secure operations, enable workforce mobility, and align technology investments with organizational goals. Key results achieved through this collaboration include:

- **Comprehensive Technical Support & Operations:** Delivering daily forward-facing hardware and software support across all city facilities. Beyond resolving routine desktop and network issues, IT partners directly with department heads to support specialized, line-of-business applications—ranging from coordinating file server and cloud migrations to onboarding endpoint management and modernizing wireless connectivity. IT also collaborates directly with HR and the City Clerk's office on staff onboarding to ensure new hires receive hardware, access controls, and cybersecurity training from day one.
- **Centralized Purchasing & Technology Governance:** Leading strategic oversight and technical evaluation for all municipal software, hardware, and AV procurement. By involving the IT Director in all citywide technology purchases, the department ensures proper vendor sourcing, cybersecurity compliance, compatibility with existing cloud infrastructure (such as Azure and SharePoint), and long-term budget sustainability. Recent collaborative purchasing and implementation initiatives include:
    - Partnering with Public Works on field hardware modernization, including sewer camera truck systems and Esri ArcGIS mapping integration.
    - Coordinating with Parks & Recreation to upgrade physical security infrastructure, including keyless badge access control and camera surveillance matching City Hall standards.
    - Working with vendor to design and deploy modern wireless microphones and AV control systems in the City Council Chambers.

Information Services Department Goals

Goal: ***Increase security across all city provided IT assets***

Objectives	*Measurement*	*Progress*
• Adhere to the latest recommendations on logon security (MFA, Password Length, Expiration)	• Single factor authentication will be replaced with 2 factor authentication in the next 30 days department by department beginning with IT, then Finance, then Clerks and Muni Court. Objective will be met when all staff is authenticating with MFA.	• New Cisco / DUO MFA server has been installed and Single Sign On has been implemented to synchronize network logons with Microsoft Office 365 Email portal. Testing has begun with IT and once all bugs are worked out will progress to the rest of departments.
• Acceptable Use of City provided technology resources (Web, email, network access)	• Internet Security Web Filter has been installed and is currently scanning Internet browsing activity for the cityofpoulsbo.com domain. Beginning in the next few months IT will go from "Auditing" to active managing Internet categories such as TikTok, personal email etc.	• Applications such as TikTok, personal email such as gamil, outlook.com and AOL are being configured for network blocks to prevent security breaches and ransomeware attacks.
• Local User Priveleges to City Assets (Software installs, Desktop Experience, etc.)	• Local Administrative privileges on city owned computers, laptops and cell phones are being blocked to prevent unauthorized downloads and software installations on city owned equipment	• The new Manage Engine App is installed and is being configured to monitor and take neccessary action to reduce network vulnerabilities by unauthorized software installs.
• Data Backup & Protection - safeguards for ransomware attacks, data corruption, etc.	• Onsite & offsite backups of file servers, databases and critical network infrasturcture	• New Barracuda Backup Server in Place.
• City provided email best practices	• Phishing Training for all employees - Simulated emails that offer training for individuals that click on harmful links, etc.	• Working on a new contract with our existing vendor (Knowbe4) and getting bids from other providers
• Network Permiter Protection	• Network Sniffing Tool, Permiter Penetration Testing, Security Intern	• Picses Router, etc. Security Intern from WWU Cyber Security Program. MS-IAC (DHS-CISA) Vulnaribility Scanning Service

Information Services Department Goals

Goal: ***Current List of Active IT Projects***

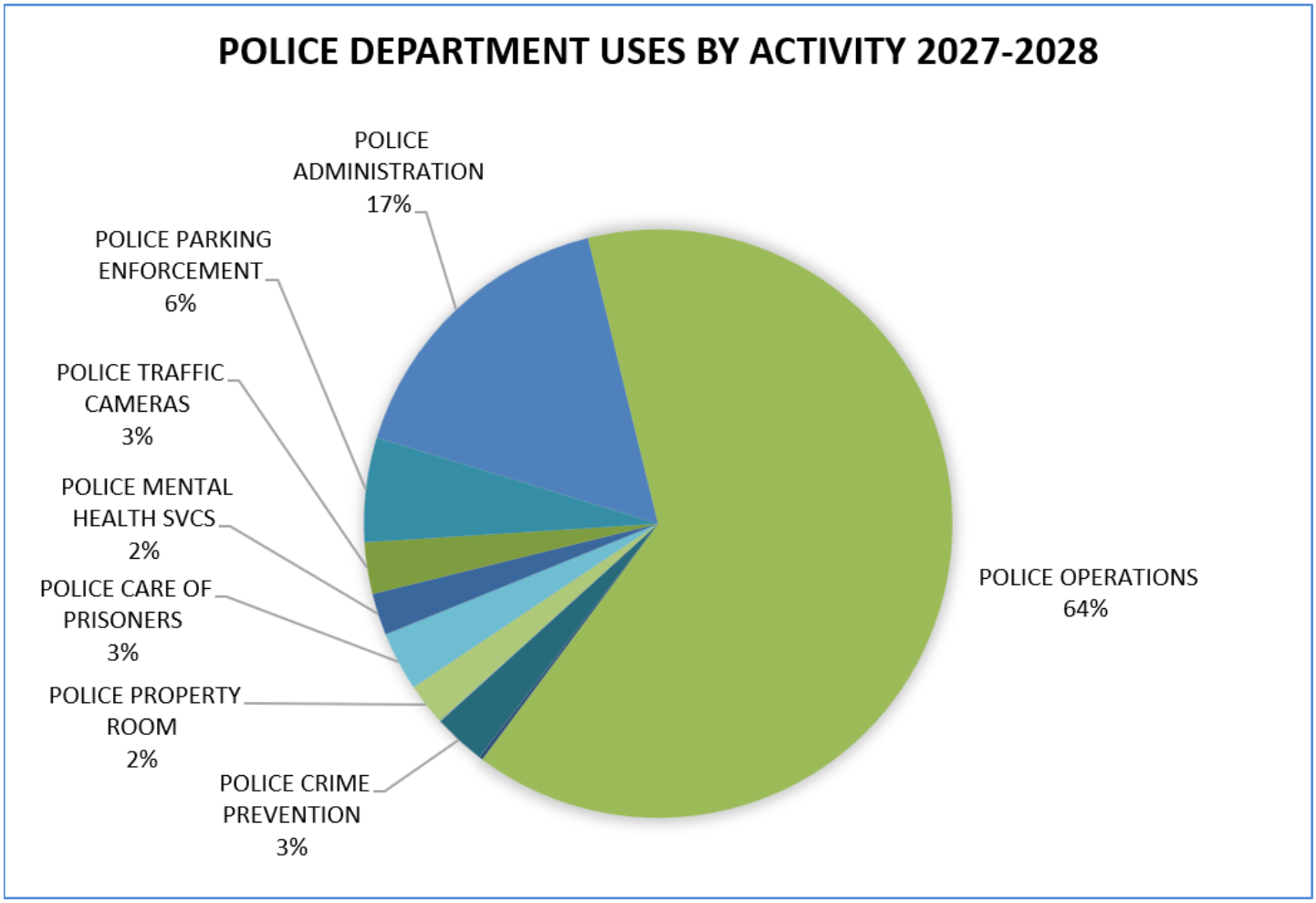
Objectives	*Measurement*	*Progress*
• Chambers/Courts Networking	• Redirect Network Traffic through City Network	• Network diagram complete. Partial migration (Tricaster, Clerks PC, Granicus Encoder)
• Upgrading Microsoft Server OS's and Software	• Upgrade or rebuild all VM's and Servers to 2019 or higher, apply all applicable updates to server software, retire and consolidate PC and server hardware	• AD Sync Server replaced, IT-2 Server ugpraded. Remaining Servers (COP-HV1, Schlage Lock Server, Exchange)
• Desktop PC/Laptop replacement schedule - City Computer Assets to Windows 11	• Return to 5 year replacement cycle on desktop PCs and laptops ~20 PCs per year, purge Windows 11 incompatible PCs	• 5 oldest PCs complete. Next round are problem PCs (Security Update issues)
• Police Interview Room Camera & DVR System	• Install Police Interview Room Camera System	• Waiting on cameras, rest of equipment in
• Access Control System Replacement/Upgrade	• R&D replacement options for EOL system within next 5 years.	• Looking to simplify the current environment. Combine with rest of IT infrastrucutre Security

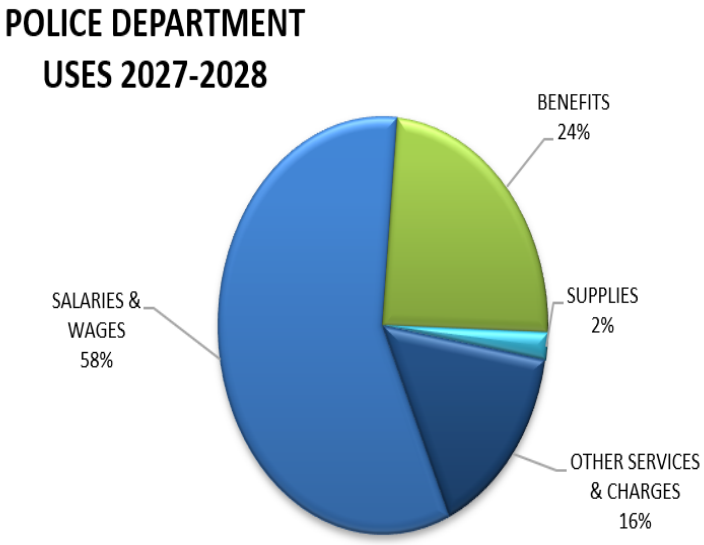
POLICE DEPARTMENT

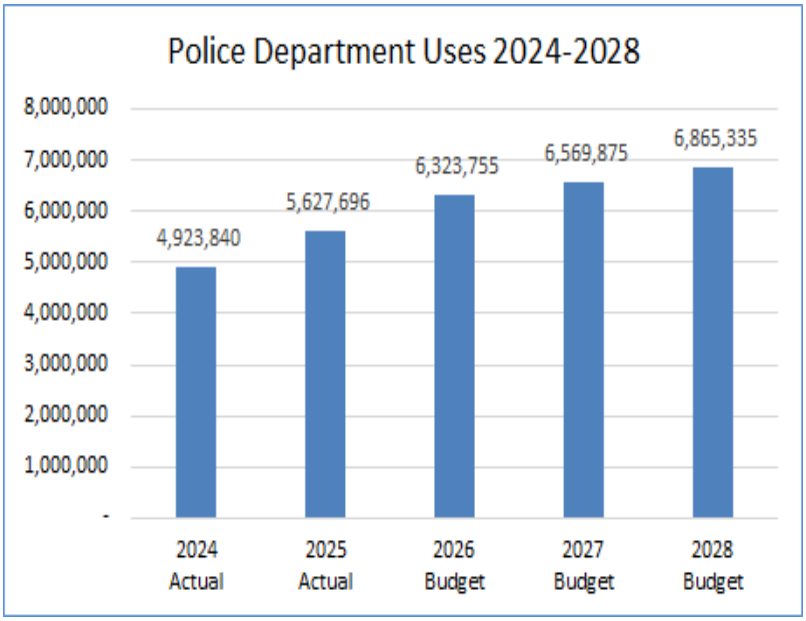
Police Department Mission Statement:

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 crimes; 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.

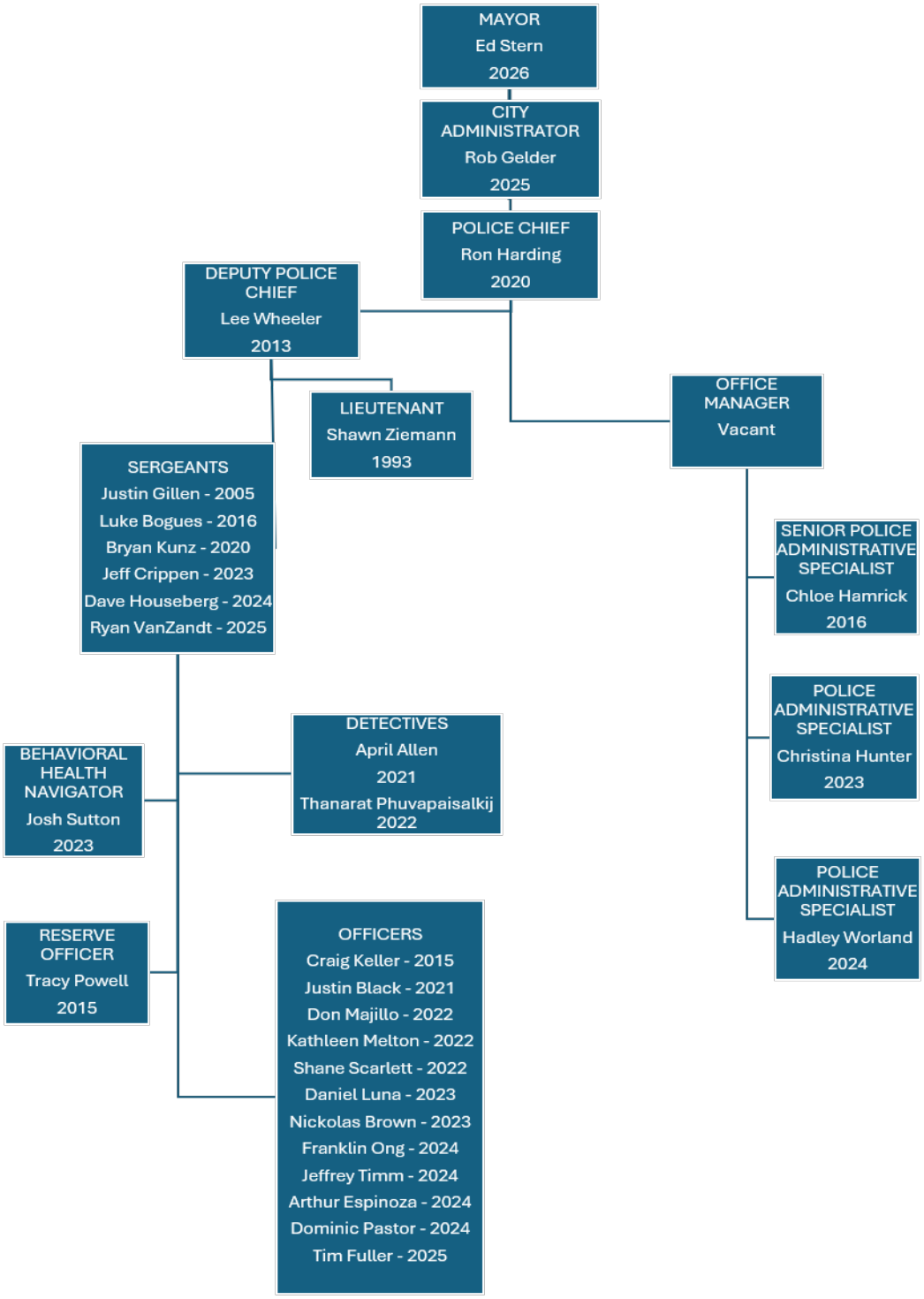
POLICE DEPARTMENT BUDGET DETAIL						
ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	2027 Budget	2028 Budget	2027-2028 Budget
POLICE ADMINISTRATION						
SALARIES & WAGES	718,827	752,601	721,059	*733,797*	*770,997*	*1,504,794*
BENEFITS	263,871	292,914	273,836	*290,340*	*312,646*	*602,986*
SUPPLIES	6,048	3,410	9,175	*10,500*	*10,500*	*21,000*
OTHER SERVICES & CHARGES	26,966	39,477	38,950	*40,150*	*40,150*	*80,300*
POLICE OPERATIONS						
SALARIES & WAGES	2,132,909	2,050,898	2,317,418	*2,809,501*	*2,936,806*	*5,746,307*
BENEFITS	836,211	822,227	952,786	*1,151,222*	*1,232,276*	*2,383,498*
SUPPLIES	111,406	111,430	96,714	*115,000*	*115,000*	*230,000*
OTHER SERVICES & CHARGES	147,243	112,896	113,135	*121,300*	*121,300*	*242,600*
POLICE RESERVE PROGRAM						
BENEFITS	-	-	-	-	-	-
SUPPLIES	980	672	450	*250*	*250*	*500*
OTHER SERVICES & CHARGES	655	637	550	*500*	*500*	*1,000*
POLICE MARINE SAFETY						
SALARIES & WAGES	3,745	9,777	2,000	*3,000*	*3,000*	*6,000*
BENEFITS	16,237	3,943	340	*510*	*510*	*1,020*
SUPPLIES	-	739	20,000	*20,000*	-	*20,000*
OTHER SERVICES & CHARGES	-	23,560	50,000	-	-	-
POLICE K9 UNIT						
SALARIES & WAGES	-	119,830	114,565	-	-	-
BENEFITS	-	34,157	51,633	-	-	-
SUPPLIES	-	-	-	-	-	-
OTHER SERVICES & CHARGES	-	-	-	-	-	-
POLICE CRIME PREVENTION						
SALARIES & WAGES	46,774	117,029	118,069	*124,539*	*132,214*	*256,753*
BENEFITS	17,852	48,340	52,770	*54,402*	*59,445*	*113,846*
SUPPLIES	166	3,293	3,215	*4,250*	*4,250*	*8,500*
OTHER SERVICES & CHARGES	148	699	3,760	*3,350*	*3,350*	*6,700*
POLICE TRAFFIC						
SALARIES & WAGES	140,225	271,698	251,241	-	-	-
BENEFITS	48,857	98,951	107,088	-	-	-
SUPPLIES	4,397	16,010	8,600	-	-	-
OTHER SERVICES & CHARGES	3,945	7,233	9,650	*2,500*	*2,500*	*5,000*
POLICE PROPERTY ROOM						
SALARIES & WAGES	32,384	35,252	37,152	*40,388*	*42,756*	*83,144*
BENEFITS	16,603	17,358	17,686	*19,136*	*20,779*	*39,915*
SUPPLIES	2,228	1,845	1,700	*2,000*	*2,000*	*4,000*
OTHER SERVICES & CHARGES	26,826	52,651	63,395	*92,485*	*90,000*	*182,485*
POLICE CARE OF PRISONERS						
OTHER SERVICES & CHARGES	174,457	223,334	205,000	*213,200*	*221,728*	*434,928*
POLICE MENTAL HEALTH SVCS						
SALARIES & WAGES	95,281	97,040	97,739	*103,144*	*108,917*	*212,061*
BENEFITS	41,273	40,680	42,788	*44,541*	*48,490*	*93,031*
SUPPLIES	46	363	200	*600*	*600*	*1,200*
OTHER SERVICES & CHARGES	2,917	3,526	1,500	*1,750*	*1,750*	*3,500*
POLICE TRAFFIC CAMERAS						
SALARIES & WAGES	-	-	-	-	-	-
BENEFITS	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
OTHER SERVICES & CHARGES	4,365	105,842	171,000	*190,000*	*190,000*	*380,000*
POLICE PARKING ENFORCEMENT						
SALARIES & WAGES	-	-	-	-	-	-
BENEFITS	-	-	-	-	-	-
SUPPLIES	-	19,409	5,591	-	-	
OTHER SERVICES & CHARGES	-	87,973	363,000	*377,520*	*392,621*	*770,141*
TOTAL POLICE DEPARTMENT	4,923,840	5,627,696	6,323,755	***6,569,875***	***6,865,335***	***13,435,209***


POLICE DEPARTMENT USES BY ACTIVITY 2027-2028
POLICE ADMINISTRATION 17%
POLICE PARKING ENFORCEMENT 6%
POLICE TRAFFIC CAMERAS 3%
POLICE MENTAL HEALTH SVCS 2%
POLICE CARE OF PRISONERS 3%
POLICE PROPERTY ROOM 2%
POLICE CRIME PREVENTION 3%
POLICE OPERATIONS 64%


POLICE DEPARTMENT USES 2027-2028
BENEFITS 24%
SUPPLIES 2%
OTHER SERVICES & CHARGES 16%
SALARIES & WAGES 58%


Police Department Uses 2024-2028
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
4,923,840
5,627,696
6,323,755
6,569,875
6,865,335
2024 Actual
2025 Actual
2026 Budget
2027 Budget
2028 Budget

THE ORGANIZATION OF THE POLICE DEPARTMENT



Police Department Introduction

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.

Departmental Services

Services provided by the Poulsbo 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

Emergency Response –
Defined as 24/7 response to in-progress calls for service

911 Dispatch Calls
Criminal Activity
Traffic Collisions
Assist Fire/Aid Crews
Agency Assists
Report Documentation

Criminal Investigations –
Defined as detailed and thorough criminal case development

Performed by Officers, Sergeants, and Detectives
Thorough Case Analysis
Suspect Identification
Victim, Witness, and Suspect Interviews
Evidence Collection
Prosecutor Coordination
Case Management
Report Documentation

Traffic Enforcement and Safety –
Defined as addressing hazardous driving behaviors and enforcing traffic laws

Traffic Stops for Speeding, Impaired Driving, and other reckless behaviors
Citation Issuance
Regional Traffic Safety Emphasis Participation
Impaired Driving identification education and training
Traffic Safety Camera Program
Marine Patrol of Liberty Bay

Community Services –
Defined as public licensing services and educational engagement

Concealed Pistol Licensing
Crime Prevention Presentations
Citizens Academy
Clubs and Organizational Presentations

School and Youth Services –
Defined as dedicated school resource officer mentorship and engagement

Dedicated Officer for four (4) North Kitsap School District Schools
Vinland Elementary, Poulsbo Elementary, Poulsbo Middle School, and North Kitsap High School
Active on-site presence to foster positive relationships with police
Investigate and report on crimes involving youth

Special Operations –
Defined as specialized resources and training for high-risk and/or unusual incidents

Intra-agency team of 6 officers available for high-risk, tactical situations
Inter-agency involvement with Kitsap County Regional SWAT Team
Drone Operations
Active Participation on the Kitsap Interagency Traffic Team

Behavioral Health Response –
Defined as addressing individuals experiencing behavioral-health crises and/or substance-use concerns

Direct partnership with North Kitsap Recovery Resource Center
Dedicated Police Navigator to work with officers
Pre-Arrest Diversion Program

Public Records –
Defined as maintaining, processing, and providing access to departmental records in accordance with applicable laws, regulations, and public disclosure requirements

Fulfill Public Record Requests
Adhere to the WA Secretary of State Retention Guidelines
Maintain integrity of all departmental records

Property & Evidence –

Defined as management of the chain of custody of all items identified as property and/or physical evidence to a crime

Proper Packaging and Handling
Maintaining, Documenting, and Auditing for each item
Lab Analysis Requests and Protocols
Prosecutor & Defense Review
Return to Owner
Firearm Release
Safe and Authorized Destruction or Disposal
Final Disposition for each item

Administrative and Support Services –

Defined as all functions and processes which are of a business nature and adhere to local, state, and federal policies and laws

Budgeting
Procurement
Accounts Payable
Contract Management
Personnel
Inventory Management
Crime Reporting
Policy Development and Administration
Training Administration and Documentation
Professional Standards

Is the department adding new services?

The department is not adding new services but would like to expand existing services on an impactful scale. Specifically, Marine services are very limited due to staffing levels. If the Police Department is able to hire the requested officers, we will expand our Marine Services significantly.

The police department would also be able to expand traffic enforcement with new officers, as well as targeted drug enforcement.

What challenges is the department facing in providing services.

Our current staffing levels do not allow a relief factor. If an officer is gone on vacation, or in training or injured, we must back-fill with overtime to cover shift staffing minimum levels. Adding new officers would help us reduce dependence on overtime and allow us to expand our services.

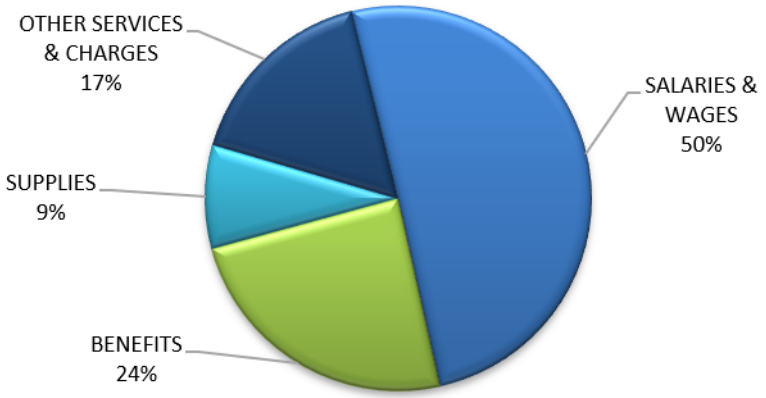
PUBLIC WORKS CEMETERY PROGRAM

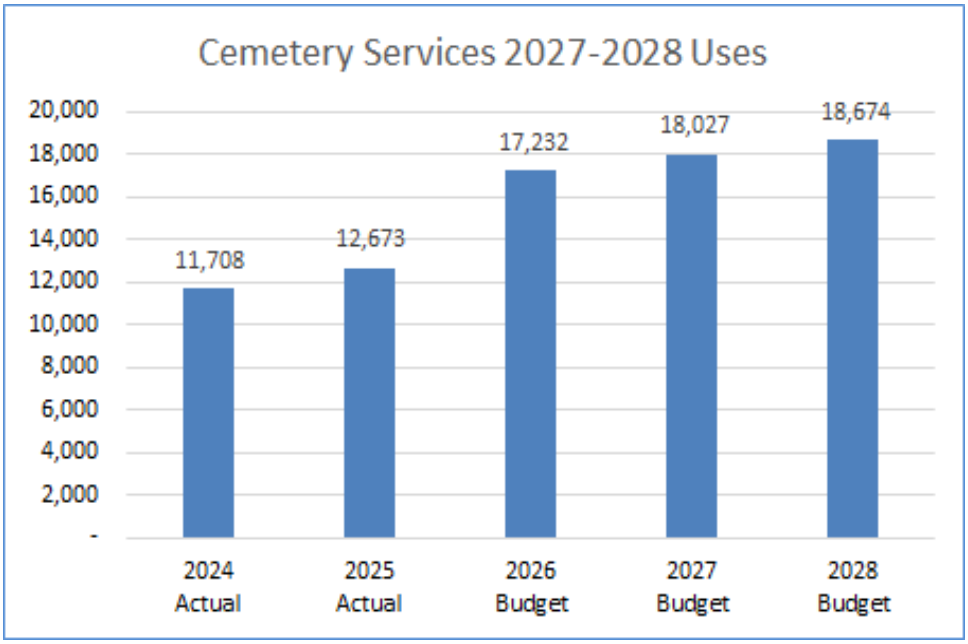
Mission Statement:

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

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
CEMETERY SERVICES						
SALARIES & WAGES	7,202	7,843	9,513	*9,099*	*9,391*	*18,490*
BENEFITS	3,578	3,663	4,233	*4,280*	*4,635*	*8,915*
SUPPLIES	434	525	2,014	*1,600*	*1,600*	*3,200*
OTHER SERVICES & CHARGES	494	642	1,472	*3,048*	*3,048*	*6,096*
TOTAL CEMETERY SERVICES	11,708	12,673	17,232	***18,027***	***18,674***	***36,701***

CEMETERY SERVICES USES 2027-2028





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 aid 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 Supervisor and the Public Works Superintendent.

2027-2028 WORK PLAN:

The 2027-2028 programs will be a continuation of the 2025-2026 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
- Have the lower field surveyed and opened for cemetery sales

PUBLIC WORKS ADMINISTRATION DEPARTMENT

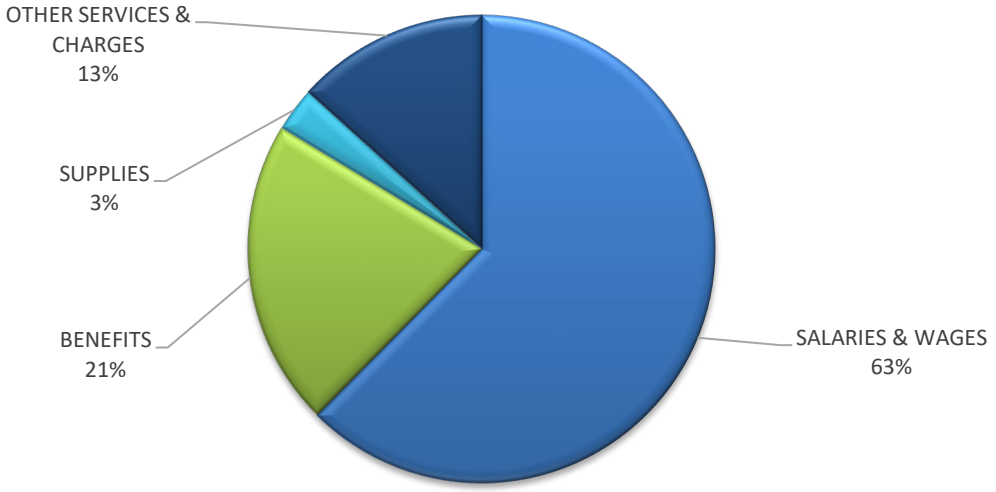
Mission Statement:

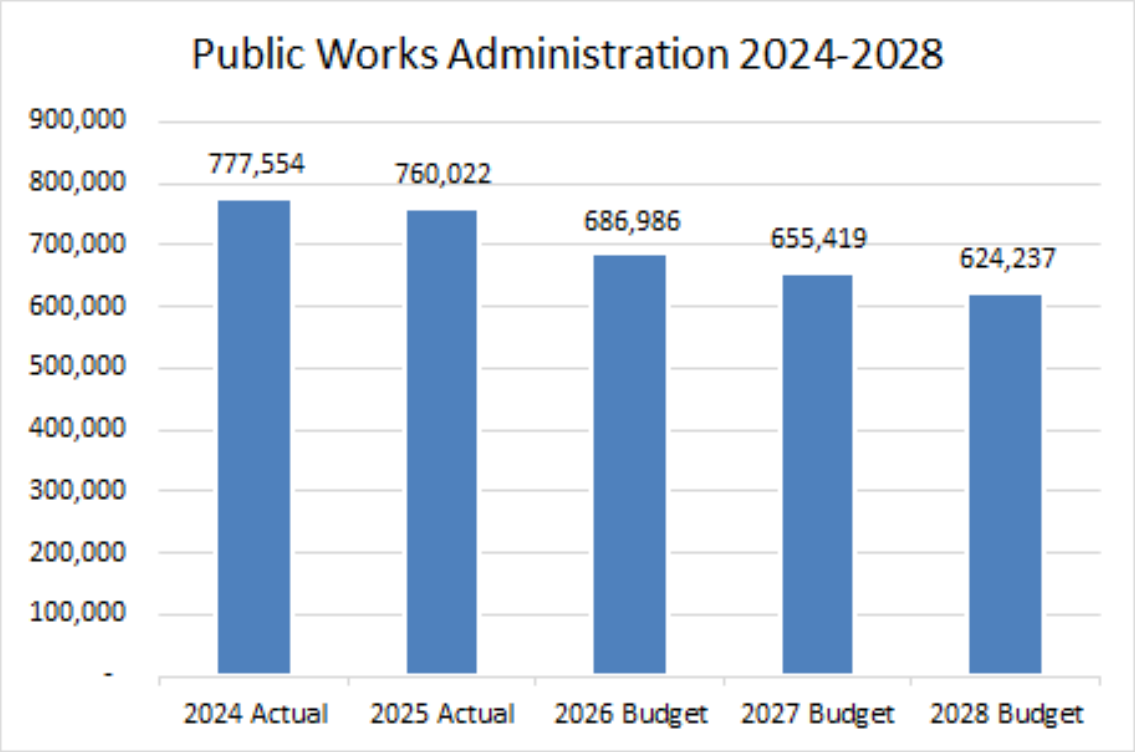
The mission of the Public Works Administrative Department is to provide support services to all Public Works Departments. Responsibilities include management and supervision, budgeting, accounting, purchasing and procurement of supplies, goods, and services.

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
PUBLIC WORKS ADMIN						
SALARIES & WAGES	506,599	504,579	434,339	*410,305*	*388,408*	*798,713*
BENEFITS	191,766	173,598	152,986	*140,006*	*129,867*	*269,873*
SUPPLIES	12,801	9,633	13,090	*12,500*	*12,500*	*25,000*
OTHER SERVICES & CHARGES	56,121	60,900	74,340	*79,765*	*80,619*	*160,384*
TOTAL PW ADMIN	767,286	748,710	674,755	***642,576***	***611,394***	***1,253,970***

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
PUBLIC WORKS MECH SHOP						
SALARIES & WAGES	-	-	-	-	-	-
BENEFITS	71	397	400	*850*	*850*	*1,700*
SUPPLIES	7,228	6,655	6,475	*7,068*	*7,068*	*14,136*
OTHER SERVICES & CHARGES	2,969	4,260	5,356	*4,925*	*4,925*	*9,850*
TOTAL PW MECH SHOP	10,268	11,312	12,231	***12,843***	***12,843***	***25,686***

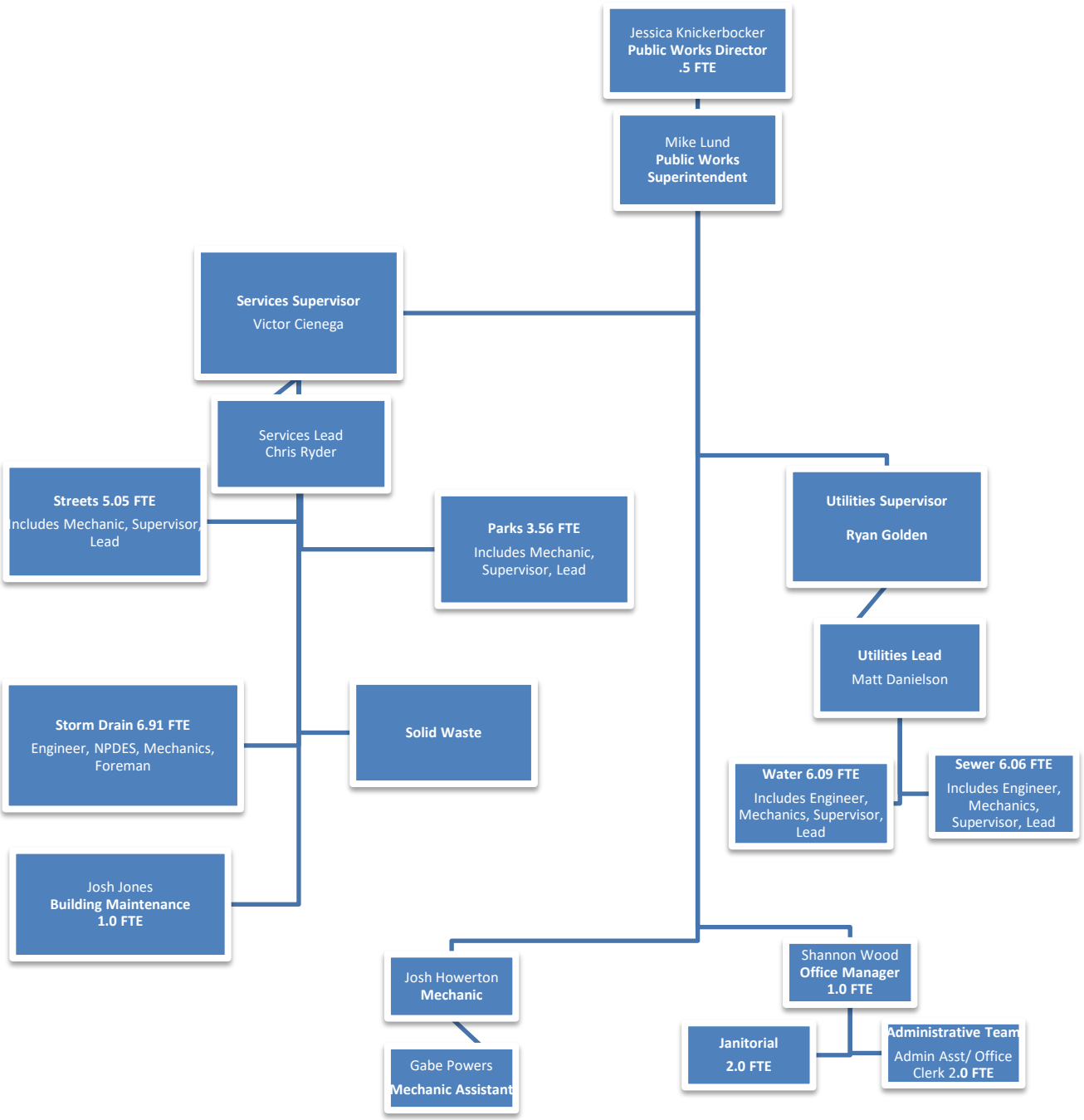
Public Works Administration Uses 2027-2028





The Public Works Administration budget is zeroed out every quarter, and expenses are allocated to the functions they support.

ORGANIZATION OF THE PUBLIC WORKS DEPARTMENT



PUBLIC WORKS DEPARTMENT - ADMINISTRATION PROGRAM

DEPARTMENT SERVICES:
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
- Guide and monitor the comprehensive Safety Program to include OSHA training as well as providing support of EOC.

STAFFING LEVEL:
Staffing associated with Public Works Administration includes 2.5 FTE's. This includes the Superintendent, one Office Manager, a portion of the Public Works Director, one Administrative Assistant, and one Office Clerk II (both allocated to other funds) are under the supervision of the Office Manager, Public Works Superintendent and Public Works Director.

2025-2026 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 construction plan design review for developer projects
- Update the City Cemetery records and maps
- Update the Comprehensive Safety Program
- Monitored and provided guidance to the Gambit Recovery caretaker and supplies for staff at Nelson Park
- Began Mechanic Shop design
- Improved the Accident Prevention Plan
- Increased OSHA and other Safety Training
- Prepared to outsource Solid Waste Utility during 2027

- Answer all See Click Fix and Complaint Forms for the City

2027-2028 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 construction plan design review for developer projects
- Updating and maintaining the City Cemetery records and maps
- Guiding and monitoring our comprehensive Safety Program
- Outsource Solid Waste Utility during 2027
- Continue to answer all See Click Fix and Complaint Forms for the City

Public Works Department Goals

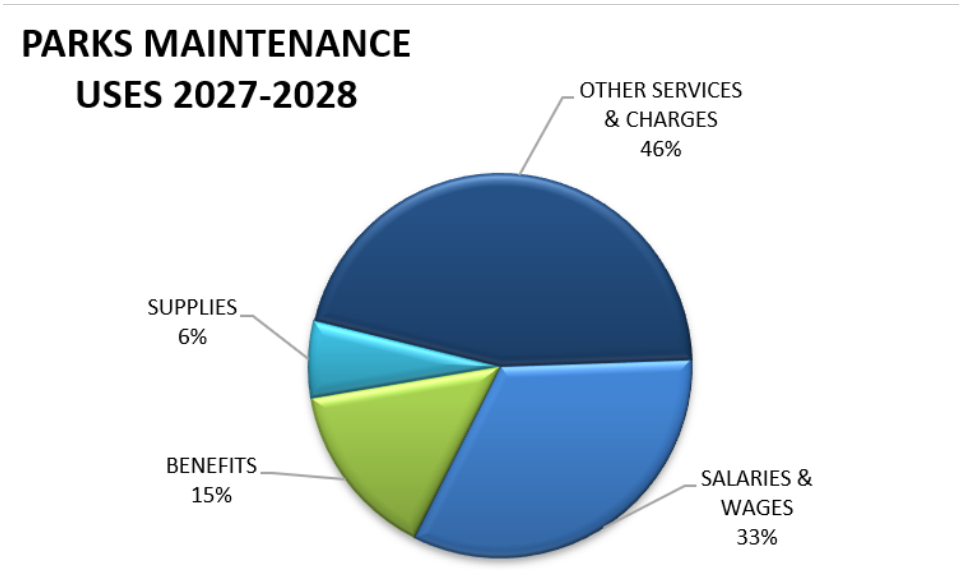
Goal: ***Improve pedestrian safety in the city***

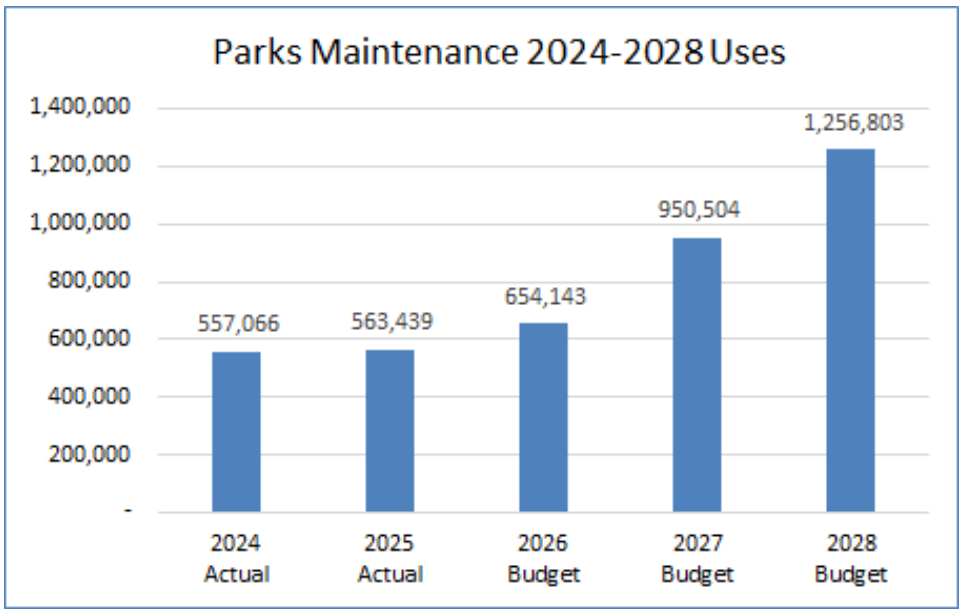
Objectives	*Measurement*	*Progress*
• Initiate a citywide traffic calming program; present plan at public meetings	• Less Public Complaints and Tickets issued by Law Enforcement.	• Installed more radar speed signs and doing ongoing traffic and speed counts within the City.
• Review signage for better visibility	• Measure Reflectivity and damaged signs. Respond to concerns and complaints	• ongoing program
• Sidewalk Safety	• Less Public Complaints and slip and fall claims by citizens	• ongoing program - $25,000 annually for Sidewalk Safety Program

Type of Performance Measure	*2024 Actual*	*2025 Actual*	*2026 Projected*	*2027 Projected*	*2028 Projected*
Miles of sidewalks maintained	82	84	88.5	91	94

PUBLIC WORKS PARKS PROGRAM

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
PARKS MAINTENANCE						
SALARIES & WAGES	273,151	242,360	310,064	*345,999*	*381,596*	*727,595*
BENEFITS	128,016	114,368	139,404	*154,593*	*175,295*	*329,888*
SUPPLIES	51,031	78,443	68,465	*71,478*	*71,478*	*142,956*
OTHER SERVICES & CHARGES	104,869	128,268	136,210	*378,434*	*628,434*	*1,006,868*
TOTAL PARKS MAINT	557,066	563,439	654,143	***950,504***	***1,256,803***	***2,207,307***





PARKS PROGRAM

PROGRAM DESCRIPTION and SERVICES PROVIDED:

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

Poulsbo has 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 eight parks, a skate park, and a dog park located within Raab Park.

Construction of the Poulsbo Event and Recreation Center (PERC) which is a Regional Soccer Complex with amenities to include multi-use courts, trails, pickleball, parking, turf fields, etc. will finish construction in 2027 and we will care for the facilities and grounds both before and upon completion.

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 will soon have two live on-site caretakers, one at Raab Park which will have a new living facility mid-2027, and currently one program through Gambit Recovery at Nelson Park which helps with maintaining grounds, restrooms, and picnic shelters.

STAFFING LEVEL:

Staff associated with the park's maintenance function includes 3.56 FTE's. Services Operations Supervisor supervises these positions under the direction of the Public Works Superintendent. Three Ground Maintenance Techs, (.10 FTE paid by Cemetery), one Supervisor, 0.15 FTE, along with a portion of the City Mechanic, and Admin Staff are allocated to Parks.

2025-2026 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
- 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 daily inspections of park facilities to ensure safety and compliance with applicable guidelines and regulations
- Conducted quarterly inspections of park playground equipment to ensure safety and compliance with

applicable guidelines and regulations. Work with vendors and oversee corrections if any found.
- Continued support of the Fish Park restoration and upkeep
- 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 as caretakers have not been in residence.
- Assisted volunteers with cleanup of American Legion Park
- Took over watering of all downtown HDPA baskets and pots.
- Lighting improvements at Legion
- Removal of trees and upgrade in MIWP south end project
- Bench installation at various parks
- Pollinator program for P&R
- Removal of hazardous trees and replacement of boardwalks in Fish Park
- Waterfront boardwalk decking and handrail replacement
- Trail safety
- Cemetery grounds upkeep
- Signage replacement and additions
- Assist other departments as needed

2027-2028 WORK PLAN:

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

- Continuing the Fish Park Restoration
- 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
- Replacement of Play Equipment at Lions Park
- Major turf repair and maintenance at MIWP
- Repairs and maintenance to MIWP Gazebo
- Develop and maintain West Side Park
- Getting ready for the PERC

PARKS - OPEN SPACES - TRAILS	
MIW Waterfront Park	American Legion Park
Betty Iverson Kiwanis Park	Lions Park
Austerbruin Park	Frank Raab Park
Wilderness Park	Forest Rock Hills Park
Hattaland Park	Oyster Plant Park
Net Shed Vista Park	Mitchusson Park
Centennial Park	Nelson Park
Poulsbo's Fish Park	County Road 59 Trail
Moe Street Trail	Olhava Park #1
Morrow Manor	Olhava Park #2

Public Works Department Goals

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

Objectives	*Measurement*	*Progress*
• Grounds and Building care to maintain appealing parks and open spaces	• Measured by appearance and functionality. Customers provide feedback as well	• on going program
• Routine playground equipment inspections to insure features are safe.	• Measured by reports from our Certified Playground Safety Inspectors.	• on going program
• Work with Parks & Recreation on a Parks Assessment Evaluation	• Field inspections by the Parks & Recreation Department	• Ongoing program to address deficiencies

Type of Performance Measure	*2024 Actual*	*2025 Actual*	*2026 Projected*	*2027 Projected*	*2028 Projected*
Number of parks/open spaces maintained	22	22	22	23	23
Total acreage of parks/open space maintained	136	136	137	141	141

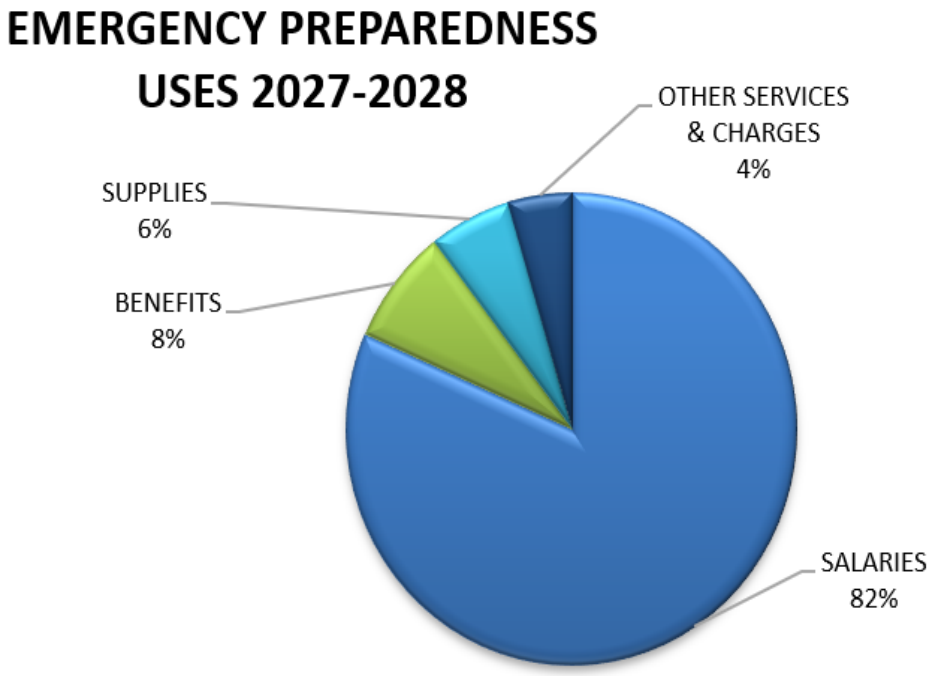
Emergency Management Department

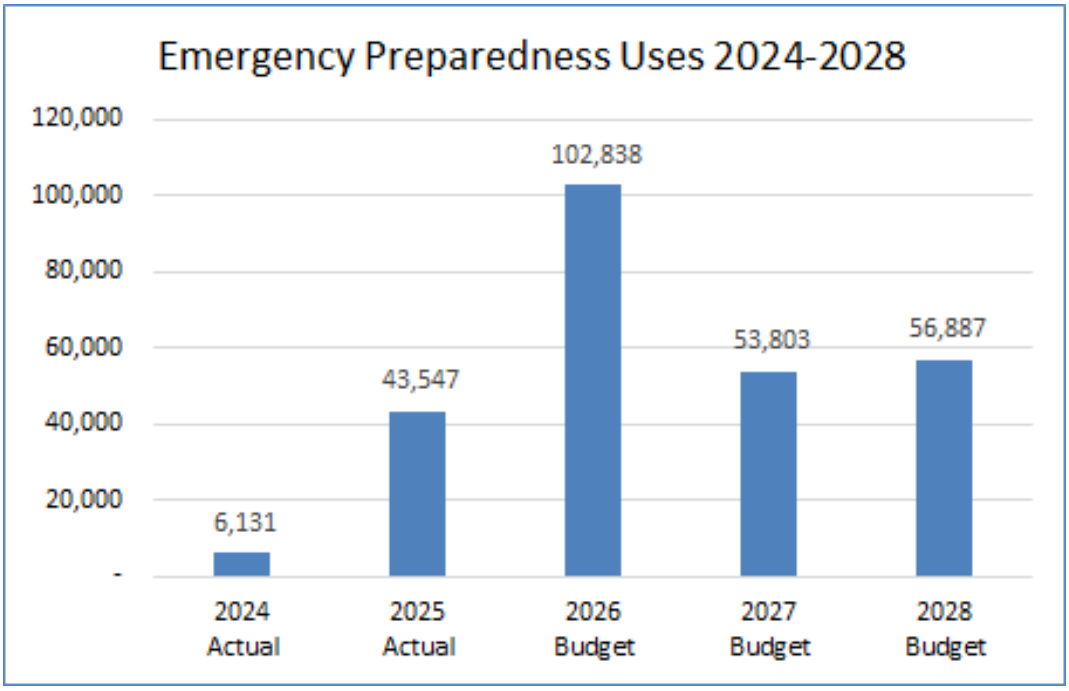
Emergency Management Department Mission:

To build a prepared and resilient City through planning, coordination, training, and response.

DEPARTMENT FUNDING:

OTHER SERVICES & CHARGES	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
EMERGENCY PREPAREDNESS						
SALARIES	3,852	39,366	42,049	*43,744*	*46,550*	*90,294*
BENEFITS	335	3,417	4,039	*4,284*	*4,562*	*8,846*
SUPPLIES	1,617	69	3,000	*3,275*	*3,275*	*6,550*
OTHER SERVICES & CHARGES	326	694	53,750	*2,500*	*2,500*	*5,000*
TOTAL EMERGENCY PREPAREDNESS	6,131	43,547	102,838	***53,803***	***56,887***	*110,690*





Departmental Services

The City of Poulsbo Emergency Management Department provides planning, coordination, preparedness, training, and support intended to strengthen the City's ability to respond to and recover from emergencies and disasters. Departmental services are defined primarily by the City's identified hazards, continuity needs, regulatory and planning requirements, lessons learned from exercises and actual incidents and identified gaps in the City's emergency preparedness capabilities. Emergency Management works across all City departments and with regional partners to ensure that emergency preparedness is a coordinated City responsibility rather than an isolated function.

Goals are focused on developing sustainable capabilities. Current priorities include strengthening Emergency Operations Center (EOC) readiness, improving employee and departmental preparedness, maintaining and updating emergency plans and procedures, conducting training and exercises, improving redundant power and communications capabilities, developing evacuation and public-information systems, and strengthening coordination with regional and community partners. Progress is measured not simply by completion of individual projects, but by whether the City has increased its ability to maintain essential services and effectively coordinate during an emergency.

The primary challenge facing Emergency Management is balancing the continued development of the City's emergency management program with limited staffing, funding, and time. Emergency preparedness also crosses departmental and jurisdictional boundaries, requiring significant coordination among City departments, neighboring jurisdictions, Kitsap County, public safety agencies, utilities, community organizations, and other partners. Because major emergencies occur infrequently, maintaining organizational awareness, training, equipment readiness, and employee engagement between incidents is an ongoing challenge.

The department's long-term objective is to continue moving the City from reliance on individual knowledge and improvised response toward a sustainable, documented, trained, and exercised emergency management system. The goal is not to eliminate risk, but to ensure that when an emergency occurs, the City has prepared personnel, established plans, reliable resources, and strong partnerships necessary to respond effectively, maintain essential services, and support community recovery.

What are the costs for each department?

Personnel costs primarily consist of staff time dedicated to emergency management planning, coordination, training, exercises, EOC readiness, community preparedness, regional coordination, and emergency response activities. Additional personnel costs may occur when employees from other City departments participate in emergency management training, exercises, planning activities, or actual emergency operations.

Internal costs include the use of existing City personnel, facilities, vehicles, technology, administrative support, and other departmental resources in support of emergency management activities. Because emergency management is inherently a Citywide responsibility, departments such as Public Works, Police, Parks and Recreation, Finance, IT, Administration, and others may contribute staff time or resources to preparedness activities without those expenses appearing directly within the Emergency Management budget.

The department also seeks to control costs by selecting equipment and resources that can serve both emergency and routine City operations. This dual-purpose approach allows emergency preparedness investments to provide value during normal operations while ensuring those resources are available when an emergency occurs.

Departmental Results

Yes. Emergency Management is inherently a Citywide function and relies heavily on collaboration with all City departments. The Emergency Management Department serves as a coordinating resource, helping departments prepare for emergencies while recognizing that each department retains responsibility for its own personnel, essential services, resources, and operational responsibilities.

The department also works to ensure that emergency preparedness becomes part of normal City operations rather than something addressed only during a disaster. Police, Public Works, Parks and Recreation, Finance, IT, Administration, and other departments each bring unique capabilities and responsibilities to the City's emergency response system. Emergency Management's role is to help connect those capabilities into a coordinated and effective Citywide response.

Ultimately, the City's ability to respond to and recover from a significant emergency depends less on the capabilities of any single department and more on how effectively all departments can work together toward common priorities.

Emergency Management Department Goals

Goal: ***Continue prepare the City of Poulsbo as prepared as reasonably possible before and emergency occurs, and capable of coordinating an effective response and recovery after an emergency occurs.***

Objectives	*Measurement*	*Progress*
• Develop space and resources at the Parks and Recreation Facility for an emergency warming, cooling, and temporary evacuaction center.	• In collboration with Parks and Rec Staff, determine space needs and the ability for dual-purpose/shared space.	• Currently schedule for Fall 2026
• Continuosly update critical EM documetns (Emergency Operations Plan, Continuity of Operations Plan, etc...) to ensure compliance and readiness.	• Scheduled for quarterly review	• Continuous

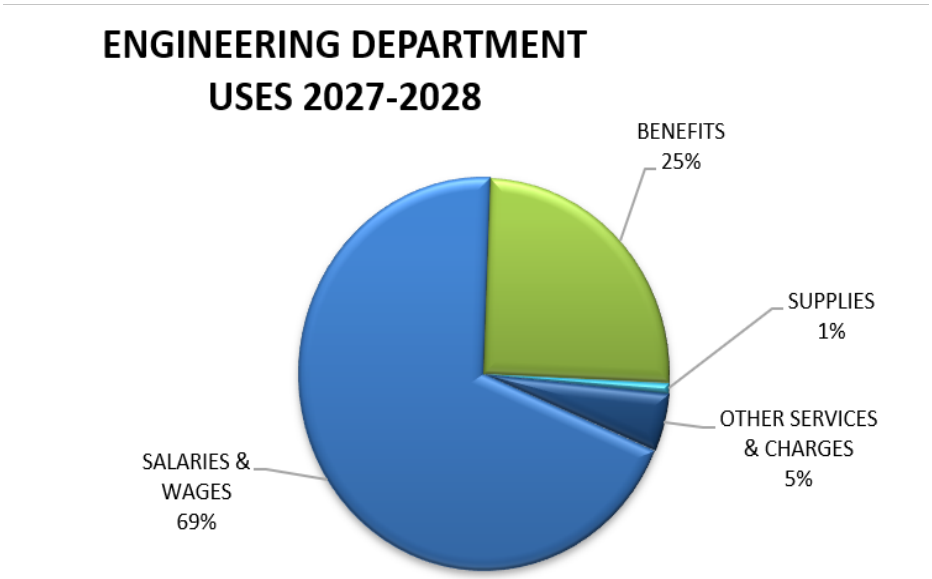
Engineering and Building Departments

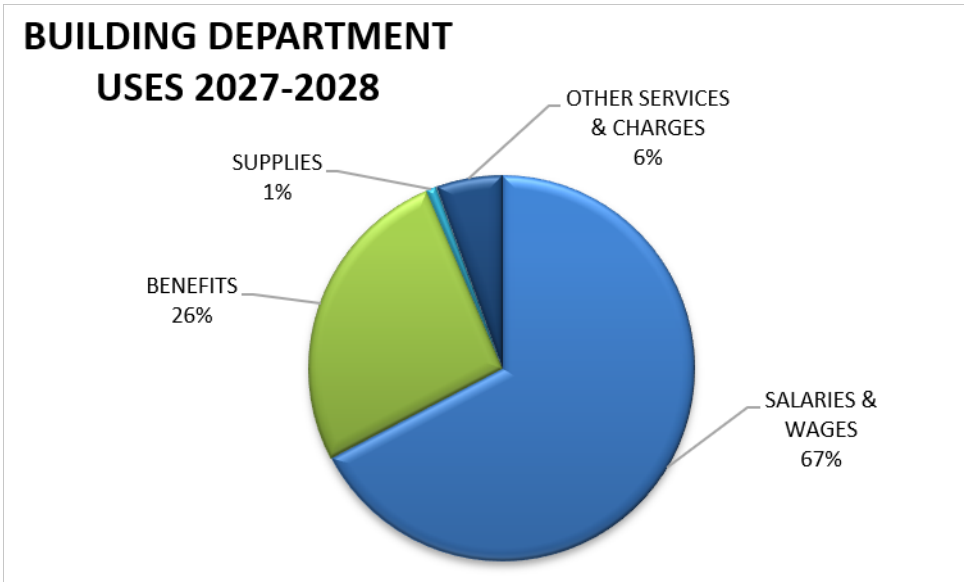
The City of Poulsbo Engineering and Building Team strives to support the City's Vision Statement and promotes public health, safety, and welfare by assisting in the development of the City's existing sewer, storm, water, and street infrastructure; administering the City's transportation grant funding program; ensuring that new projects meet City and International Building Code standards; and accomplishing our work in a professional, timely, and cost-effective manner.

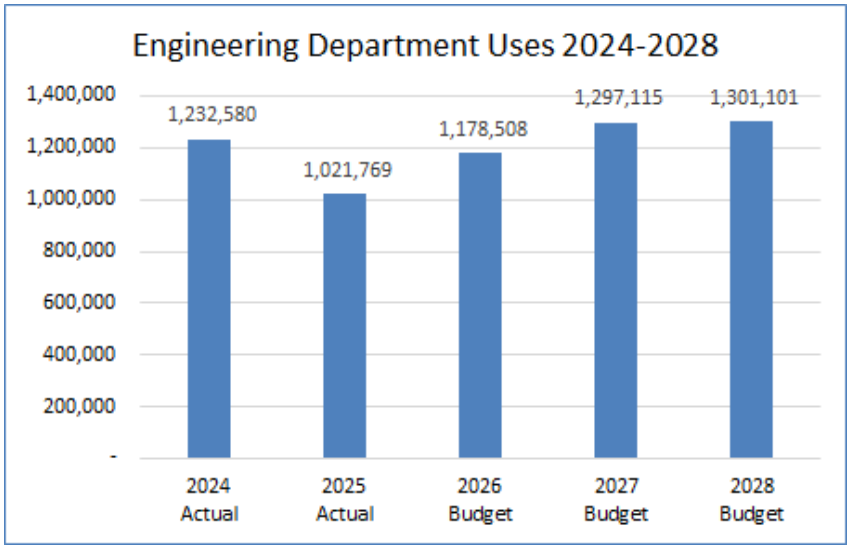
Department Funding

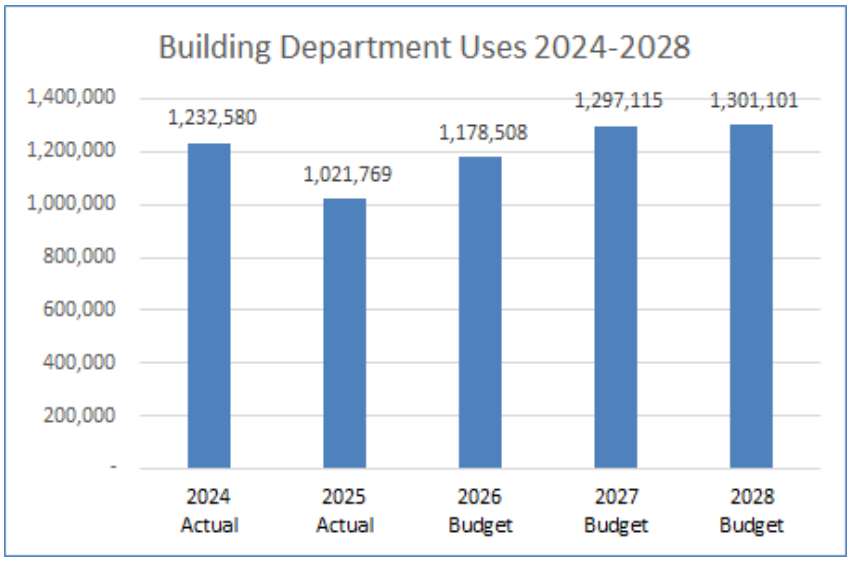
ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
ENGINEERING						
SALARIES & WAGES	720,212	690,443	794,024	*891,888*	*906,561*	*1,798,449*
BENEFITS	270,983	251,696	281,952	*317,331*	*334,944*	*652,275*
SUPPLIES	6,732	11,748	12,008	*13,500*	*9,500*	*23,000*
OTHER SERVICES & CHARGES	234,652	67,882	90,524	*74,396*	*50,096*	*124,492*
TOTAL ENGINEERING	1,232,580	1,021,769	1,178,508	***1,297,115***	***1,301,101***	***2,598,216***

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
BUILDING						
SALARIES & WAGES	262,440	252,724	417,217	*345,124*	*369,281*	*714,405*
BENEFITS	116,101	106,762	161,133	*133,611*	*145,877*	*279,488*
SUPPLIES	2,871	5,309	7,783	*4,595*	*4,595*	*9,190*
OTHER SERVICES & CHARGES	4,779	16,919	31,150	*31,250*	*27,250*	*58,500*
TOTAL BUILDING	386,192	381,713	617,283	***514,580***	***547,003***	***1,061,583***

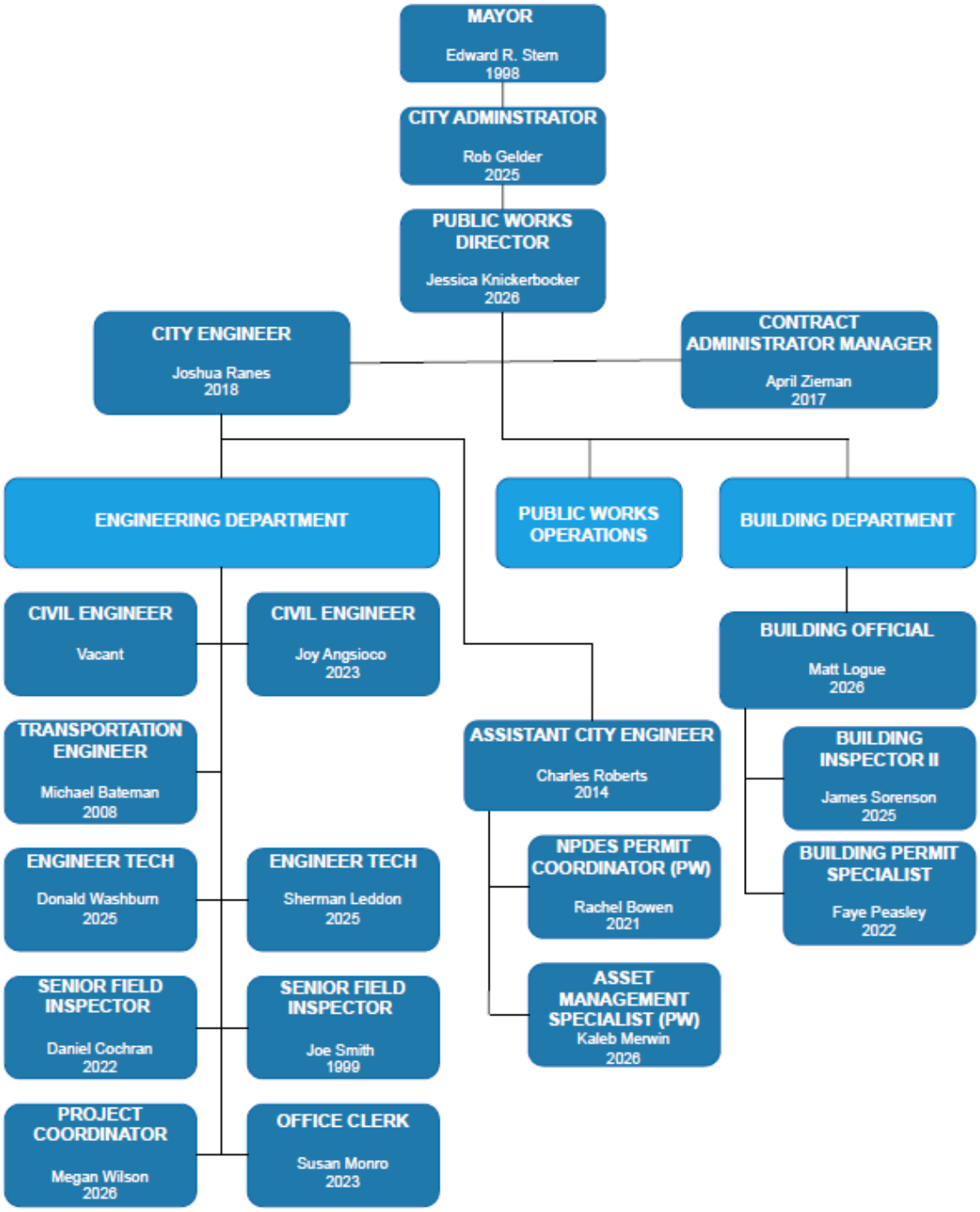



BUILDING DEPARTMENT
USES 2027-2028
OTHER SERVICES & CHARGES 6%
SUPPLIES 1%
BENEFITS 26%
SALARIES & WAGES 67%


Engineering Department Uses 2024-2028
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
1,232,580
1,021,769
1,178,508
1,297,115
1,301,101
2024 Actual
2025 Actual
2026 Budget
2027 Budget
2028 Budget


Building Department Uses 2024-2028
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
1,232,580
1,021,769
1,178,508
1,297,115
1,301,101
2024 Actual
2025 Actual
2026 Budget
2027 Budget
2028 Budget

THE ORGANIZATION OF THE ENGINEERING AND BUILDING DEPARTMENT



Department Introduction

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 2026, the Engineering and Building Departments consist of 14 FTE positions: The Public Works Director (0.5 FTE), which is shared with Public Works. The City Engineer, one Contract Administrator Manager, two Engineer Techs/Development Review Engineers, one Transportation Engineer, one Civil/Capital Projects Engineer, one Project Coordinator, two Senior Field Inspectors, one part-time Office Clerk (0.5 FTE), one Building Official, one Building Permit Specialist, and one Building Inspector II. There is also a Civil/Utilities Engineer, Asset Management Specialist and one Stormwater Program Manager (funded via Public Works)

Engineering salaries and benefits for the 2027-2028 Biennium total $3,514,782. Building salaries and benefits for the 2027-2028 Biennium total $969,643. 2027 Salaries increased 4% over 2026 in accordance with the Collective Bargaining Agreement between the City of Poulsbo and Teamsters Local 589 employee union.

Goals and metrics - including performance measures

CONTRACTING WORKLOAD MEASURES

Type of Measure	2024 Actual	2025 Actual	2026 Projected	2027 Projected	2028 Projected
Awarded from Small Works Roster	5	5	7	5	5
Consultant Agreements	23	22	15	30	15
Formal Bids	4	3	6	4	2

LAND USE, PERMIT, AND INSPECTION WORKLOAD MEASURES

Type of Measure	2024 Actual	2025 Actual	2026 Projected	2027 Projected	2028 Projected
Right of Way Permits	77	119	75	75	75
Land Use Applications - Reviewed, Consitions or Comments written	26	43	15	20	20
Permit-Application	5	11	5	4	4
*Commercial Sites - Land Use Applications	2	4	6	4	4
*Residential Sites Land Use Applications	3	4	4	2	2
Engineering Services Revenue	$180,826	$197,488	$165,000	$125,000	$125,000

*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.

**2026 metrics as of June 2026

BUILDING PERMIT WORKLOAD MEASURES

Type of Measure	2024 Actual	2025 Actual	2026 Projected	2027 Projected	2028 Projected
Building Permits Issued	463	459	400	300	300
Building Permit Revenue	$886,770	$1,080,999	$750,000	$350,000	$350,000
Plan Checking	$329,548	$387,239	$250,000	$150,000	$150,000
Protective Inspection Fee	$9,750	$9,438	$9,000	$10,000	$10,000
Certificates of Occupany Issued - Residential	120	101	90	50	50
Certicates of Occupancy Issued - Commercial	30	31	30	10	10
Number of Inspections	2,739	3,145	2,500	2,500	2,500

Engineering & Building Department Goals

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

Objectives	*Measurement*	*Progress*
Complete Design Public Works Facility	90% Design	50%
Development of a Funding Strategy for Construction of the Public Works Facility	Evaluate and Right-Size Bundle and Rate Structure	100%
Permitting	Submit and Obtain Permits	10%
Advertise for the Construction of the Public Works Facility	Advertise to Select Contractor to Construct PW Facility	0%

Engineering & Building Department Goals

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

Objectives	*Measurement*	*Progress*
Solid Waste Service & Rate Evaluation	Hire a Consultant to Evaluate Services and Rates	100%
Analyze Results of the Consultant Evaluation and Best Options for Citizens	Long Term Strategy for Solid Waste Services	100%
Identify Impacts of Privatizing Solid Waste on all Utility Services	Long Term Strategy for Utility Services	100%
Negotiate Solid Waste contract and implement rate adjustments	Contract in Place and Rates Adjusted	5%

Engineering & Building Department Goals

Goal: ***Complete Construction of Poulsbo Events and Recreation Center Project***

Objectives	*Measurement*	*Progress*
• Complete Construction	• Ribbon cutting event, open to public	• 30%
• Program facility/fields	• Staffing and programming approved	• 0%

Engineering & Building Department Goals

Goal: ***Front Street Preliminary Design and Pursuit of Grants***

Objectives	*Measurement*	*Progress*
• Site Survey & Preliminary Schemati	• Initiate Schematics	• 0% complete
• Peform public input process and design study	• Hire consultant for public engagement & concept design alternatives	• 0% complete
• Pursue grants for preliminary design	• PSRC and/or RTCC grant application submitted	• 0% complete
• Begin design	• Begin design 2028	• 0% complete

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

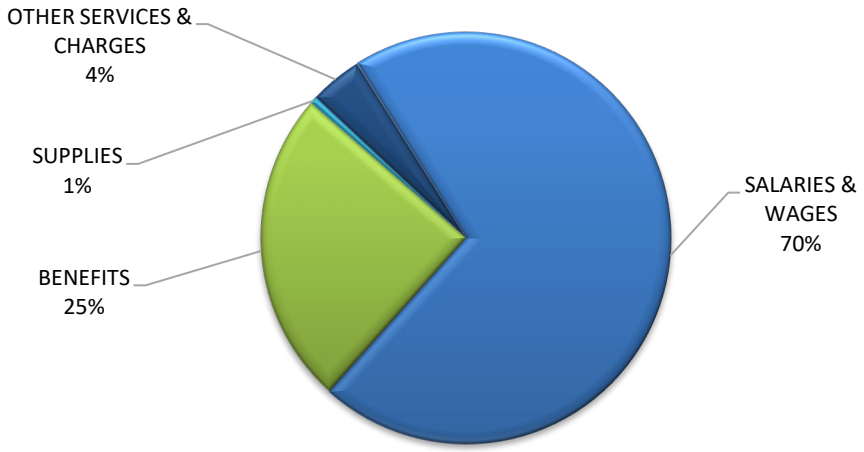
Mission Statement:

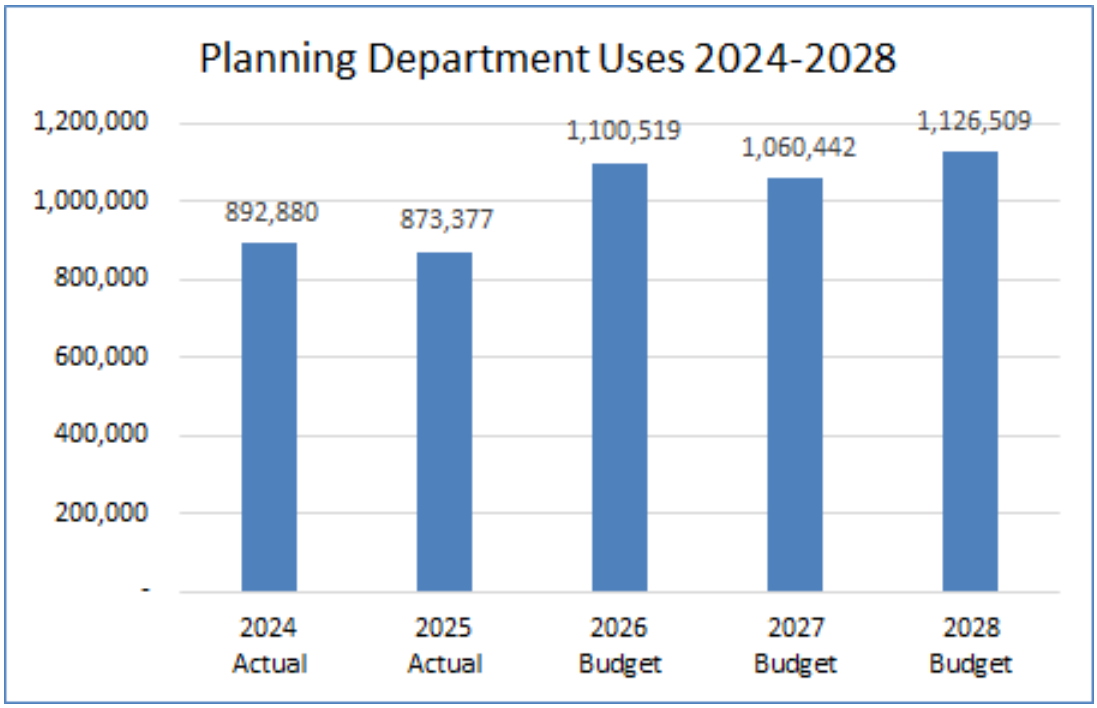
Our mission is to partner with the community, residents, elected officials, and private entities to promote Poulsbo's charm, character, and livability. This is achieved through sustainable comprehensive planning, efficient permit review and processing, and deliberate economic development strategies.

DEPARTMENT FUNDING:

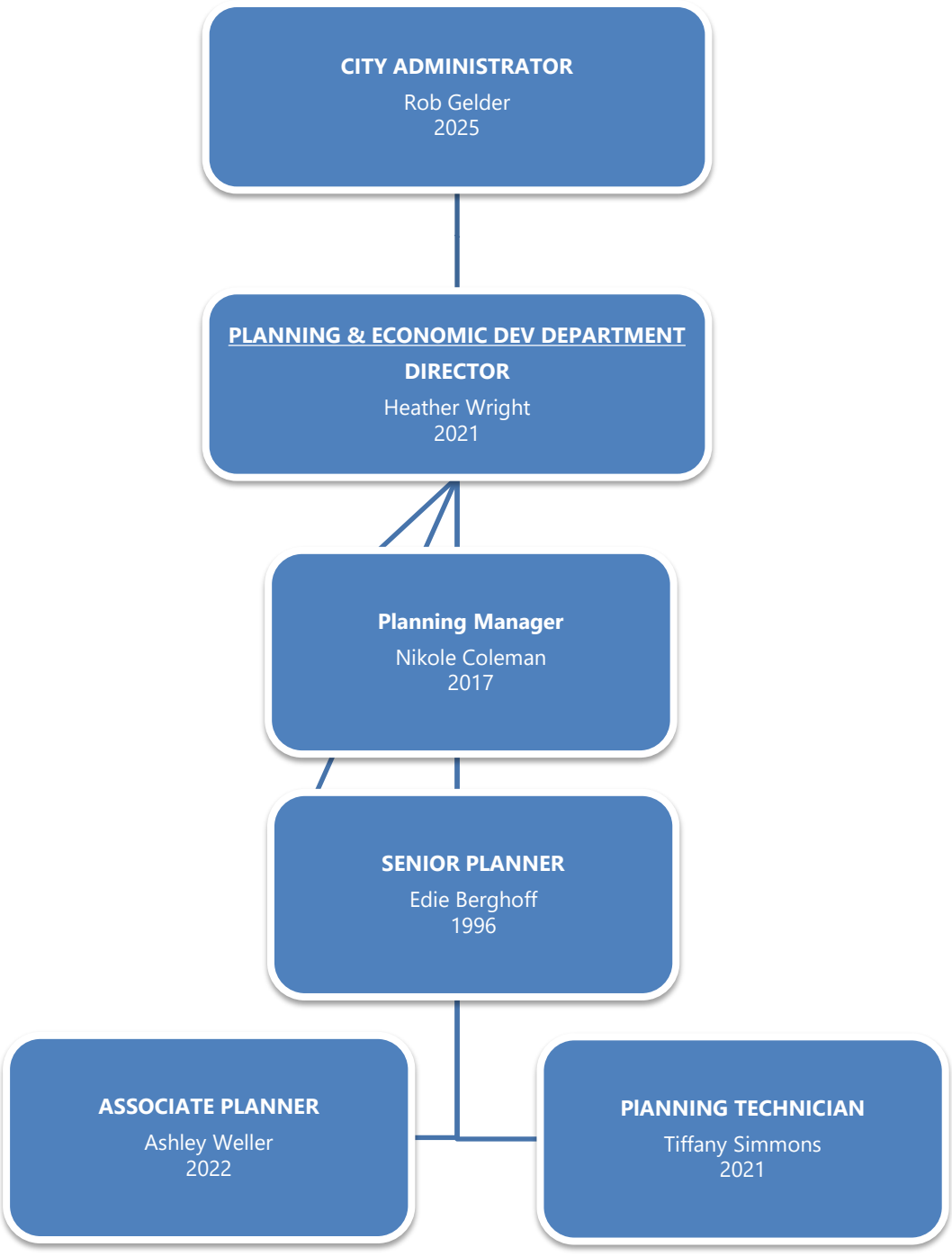
ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
PLANNING						
SALARIES & WAGES	555,978	559,612	727,050	*749,898*	*792,052*	*1,541,950*
BENEFITS	204,588	198,671	259,882	*258,794*	*282,707*	*541,500*
SUPPLIES	1,510	1,678	6,791	*6,791*	*6,791*	*13,582*
OTHER SERVICES & CHARGES	130,804	113,415	106,796	*44,959*	*44,959*	*89,918*
TOTAL PLANNING	892,880	873,377	1,100,519	***1,060,442***	***1,126,509***	***2,186,950***

PLANNING DEPARTMENT USES 2027-2028




Planning Department Uses 2024-2028
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
892,880
873,377
1,100,519
1,060,442
1,126,509
2024 Actual
2025 Actual
2026 Budget
2027 Budget
2028 Budget

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, 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, one Planning Manager, one Senior Planner, one Associate Planner, and one Planning/GIS Coordinator. The department has been supported at various levels since 2021 by casual labor and intern positions.

2025-2026 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:

- Adopted our 2024 Comprehensive Plan and implementing Development Regulations.
- Updated our critical areas ordinance.
- Adjusted impact fees to be proportionate of unit size and adopted a new, fire impact fee.
- Amended the PMC to permanently adopt a unit lot subdivision ordinance.
- Adopted statutory amendment to reduce permitting review times as required by SB 5290 by June 2025
- Processed Comprehensive Plan Annual Amendments.
- Led city council policy discussions around downtown parking and supported the police and the executive departments in implementing enforced and paid parking.
- Supported a county and its associated city-wide effort to adopt pre-approved accessory dwelling unit plans.
- Completed an annual housing report.
- Conducted a 4-part housing affordability series with our city council.
- Supported the Mayor's Blue-Ribbon Commission on Public Private Partnerships for Affordable Ownership Housing.
- Participated in multiple outreach events to keep our community and the region informed of efforts on housing.
- Continued to represent the City at Kitsap Regional Coordinating Council (KRCC) Planning Director meetings and KRCC Policy Board meetings.
- Represented Poulsbo at PSRC Reginal Staff Committee.
- 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.

2027-2028 WORK PLAN:

The work plan for the 2027-2028 biennium are:

- Continued implementation of the 2024 Comprehensive Plan;
- Process Comprehensive Plan Annual Amendments
- Adopt critical areas ordinance update, Round 2;
- Adopt a historic preservation ordinance and appoint a historic preservation commission.
- Update code compliance;
- Adopt state mandated updates;
- Analyze growth potential in our Urban Growth Area, pursue UGA swap, explore annexation;
- Update our tree regulations;
- Begin our Climate Change and Resilience Chapter update to our Comp Plan;
- Begin our Shoreline Master Plan Update.
- 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
- 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.
- 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	2024 Actual	2025 Actual	2026 YTD	2027 Projected	2028 Projected
# of Public Records Requests	46	66	53	55	55
# of Code Enforcement Requests	12	16	12	10	10
# of Code Enforcement Cases	0	0	0	0	0
# of Appeals	0	0	1	1	0
# of Accessory Dwelling Unit *	0	0	*0	*0	*0
# of Administrative Determinations	0	0	4	2	0
# of Business Licenses	169	286	267	240	240
# of Boundary Line Adjustments	3	3	4	3	2
# of Concomitant Agreement Released	1	1	0	0	0
# of Conditional Use Permits	1	0	1	1	1
# of Critical Area Permits	2	1	4	2	2
# of Design Review	1	1	4	2	2
# of Final Plats	2	0	0	3	1
# of Home Occupation Permits	0	0	0	0	0
# of Preliminary Plats	2	2	0	1	1
# of Planned Residential Developments	2	3	0	1	1

# of Post Decision Reviews	3	3	1	2	1
# of Pre-Applications	17	16	9	14	14
# of Site Plan Reviews	3	6	10	4	3
# of SEPA Checklists (standalone)	3	1	2	2	1
# of Short Plats	1	0	1	1	1
# of Shoreline Permits	0	0	0	0	0
# of Shoreline Exemptions	8	4	4	3	3
# of Temporary Use Permits	2	2	1	1	1
# of Unit Lot Subdivision	0	1	0	0	0
# of Miscellaneous	27	26	19	24	24
# of Variances	0	0	0	0	0
# of Total Current Permits	305	437	373	372	366
Land Use Permit Revenue	$97,663	$115,885	$94,158	$90,000	$90,000

* Not a building permit

BUILDING PERMITS

Planning Reviewed Building Permits	**2024 Actual**	**2025 Actual**	**2026 YTD**	**2027 Projected**	**2028 Projected**
# of Single Family (SF) New	43	57	42	40	30
# of SF Remodel/Deck/Addition/ ADU	12	14	14	12	12
# of Signs	8	15	15	10	10
# of Commercial Multifamily	5	0	1	1	0
# of Commercial Tenant Improvement	13	5	8	8	8
# of Commercial New/Addition	1	2	1	1	1
Planning Reviews total:	**82**	**93**	**81**	**72**	**71**

LONG RANGE PLANNING

Type of Permit	**2024 Actual**	**2025 Actual**	**2026 YTD**	**2027 Projected**	**2028 Projected**
# of Comp Plan Amendments	0	4	0	2	1
# of Code Amendments	7	2	0	2	1
# of Annexations	1	0	0	1	1
Total # of Long Range Permits:	8	6	0	5	3
Number of PC Meetings	15	9	6	10	10
Total Meetings:	15	9	6	10	10

PARKS AND RECREATION DEPARTMENT

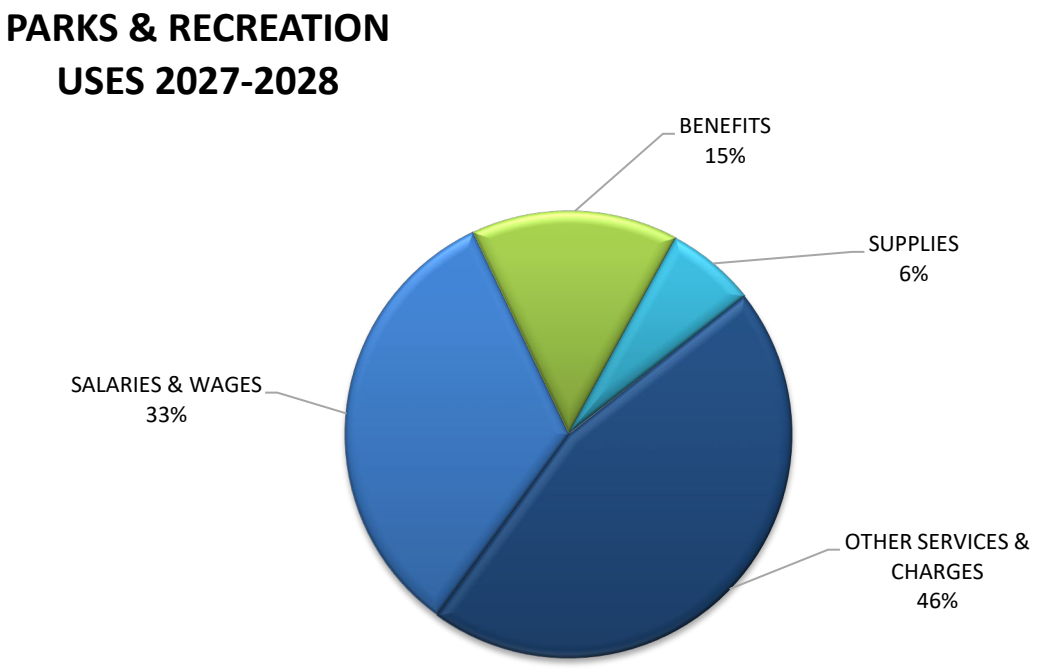
Mission Statement:

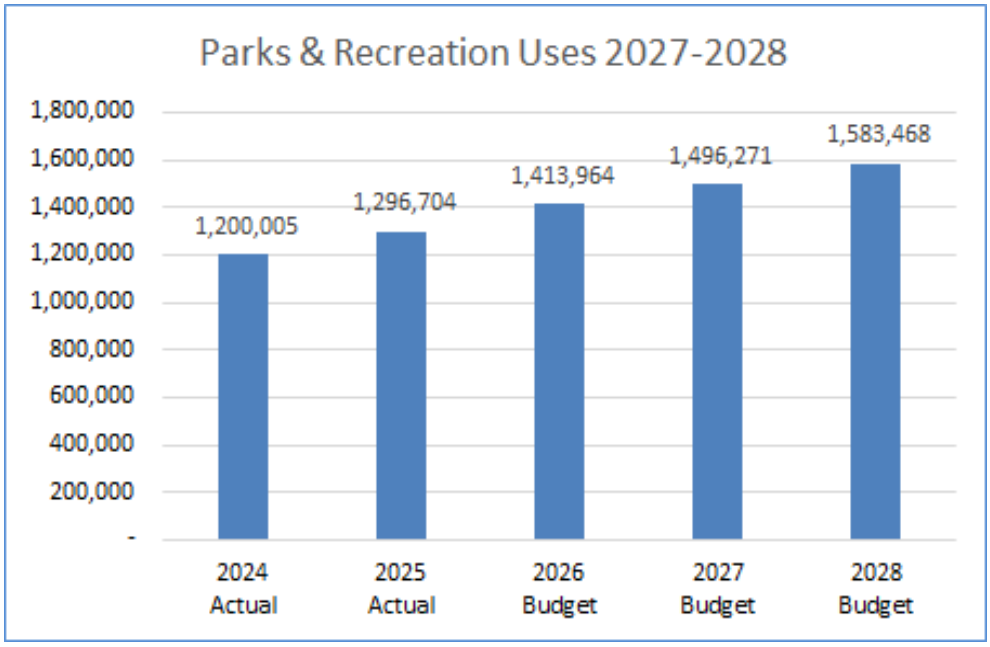
The mission of the Parks and Recreation Department is to enrich the quality of life by serving the community's needs for quality andaffordable educational and recreational programs, parks, and services to all residents and visitors.

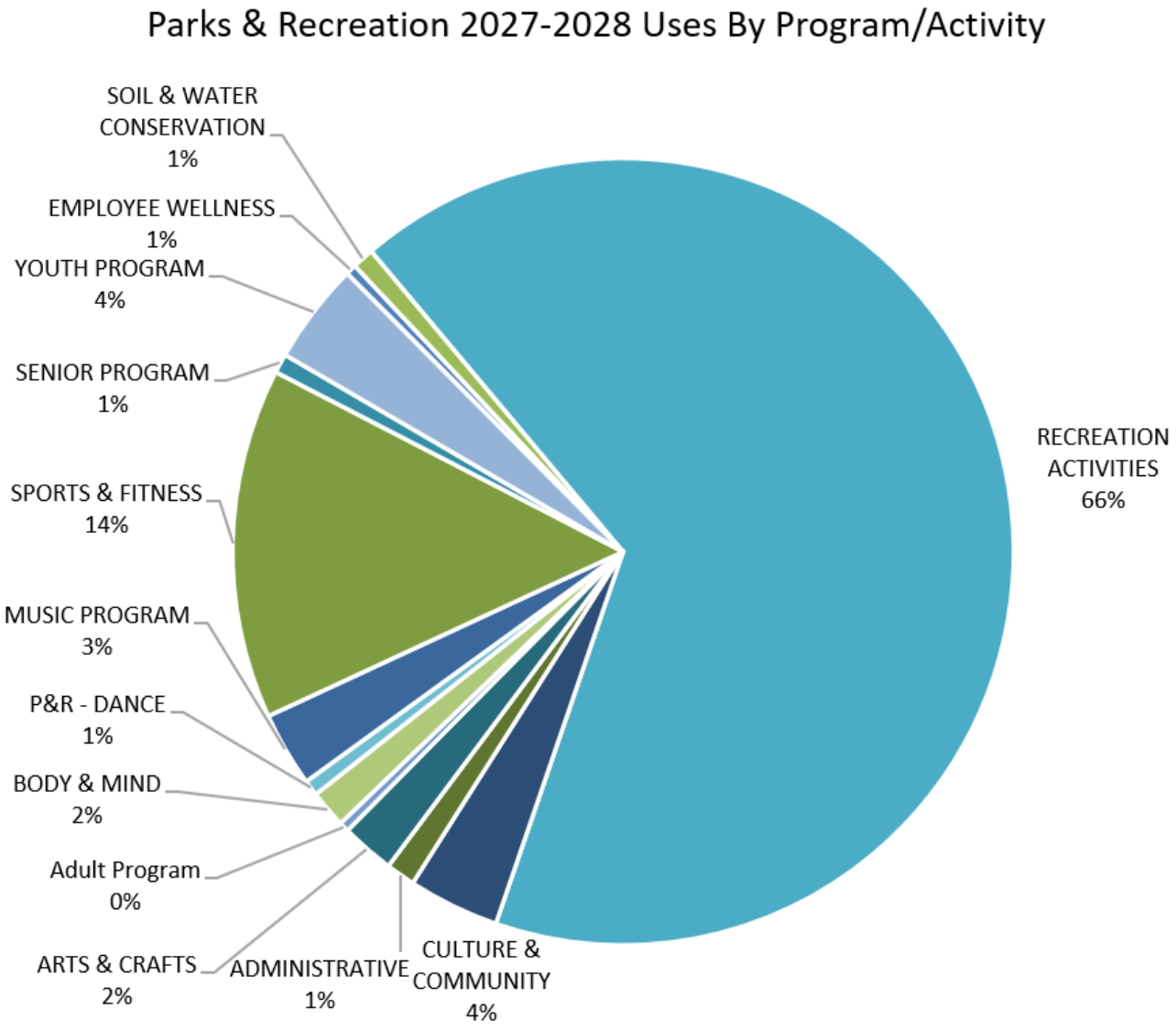
Vision Statement:

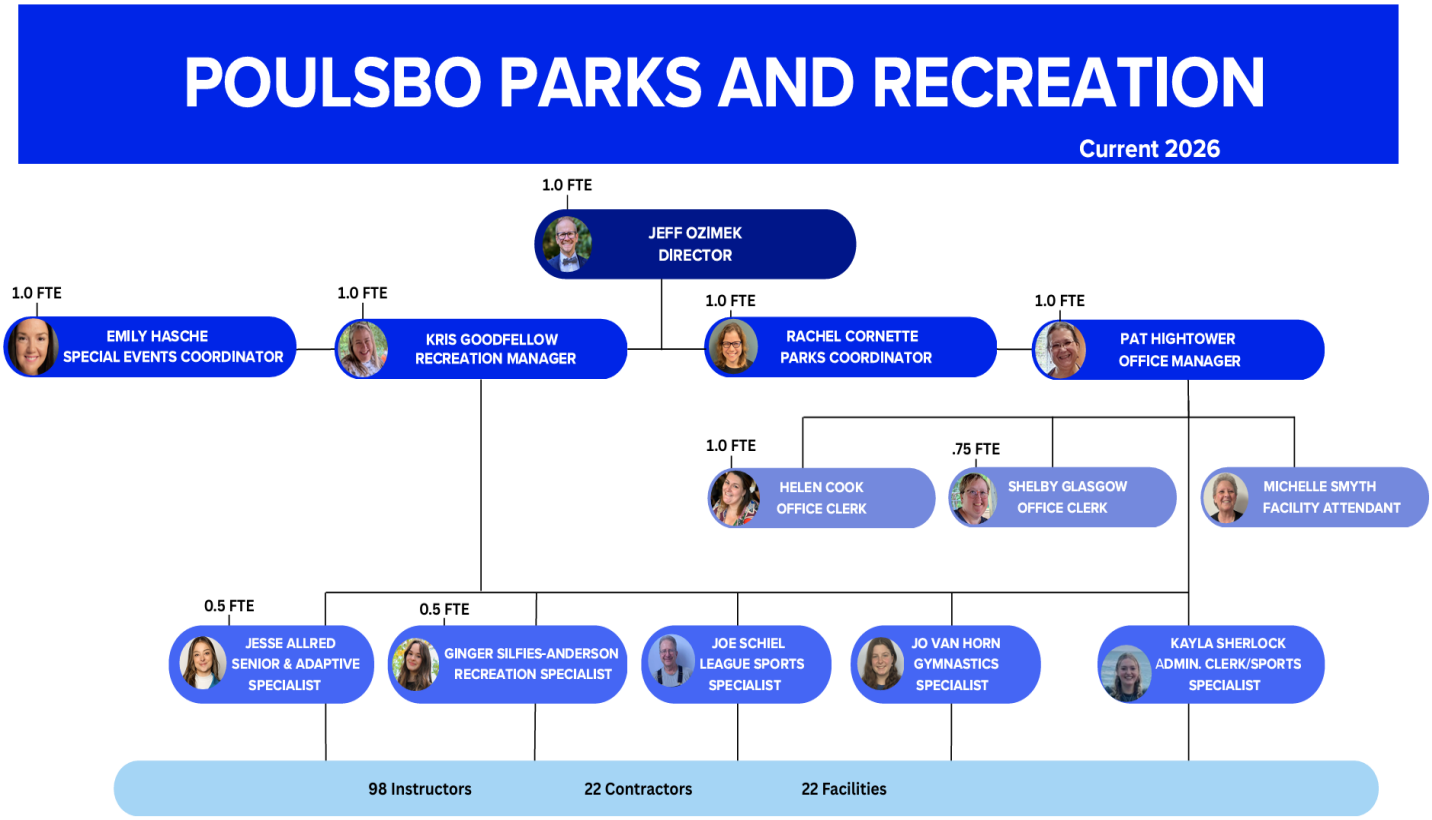
It is the vision of the Poulsbo Parks and Recreation Department to be the heart of a healthy community through sustainable, safe, anddiverse programs and open spaces, where all residents and visitors feel inspired to live, play, learn, and thrive.

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
RECREATION SERVICES						
SALARIES & WAGES	611,518	693,829	764,111	*833,376*	*880,576*	*1,713,952*
BENEFITS	195,201	229,216	246,078	*264,460*	*285,592*	*550,051*
SUPPLIES	65,536	66,623	55,540	*45,960*	*48,810*	*94,770*
OTHER SERVICES & CHARGES	327,750	307,037	348,235	*352,475*	*368,490*	*720,965*
TOTAL PARK & RECREATION	1,200,005	1,296,704	1,413,964	***1,496,271***	***1,583,468***	***3,079,738***




Parks & Recreation Uses 2027-2028
1,800,000
1,600,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
1,200,005
1,296,704
1,413,964
1,496,271
1,583,468
2024 Actual
2025 Actual
2026 Budget
2027 Budget
2028 Budget


Parks & Recreation 2027-2028 Uses By Program/Activity
SOIL & WATER CONSERVATION 1%
EMPLOYEE WELLNESS 1%
YOUTH PROGRAM 4%
SENIOR PROGRAM 1%
SPORTS & FITNESS 14%
MUSIC PROGRAM 3%
P&R - DANCE 1%
BODY & MIND 2%
Adult Program 0%
ARTS & CRAFTS 2%
ADMINISTRATIVE 1%
CULTURE & COMMUNITY 4%
RECREATION ACTIVITIES 66%



PARKS AND RECREATION DEPARTMENT

OVERVIEW OF SERVICES:

The City of Poulsbo's Parks and Recreation Department is supported by a dedicated team of 7.75 FTE's working alongside an expansive team of over 100 instructors, recreation specialists, facility attendants, and contractors. This community-focused workforce operates across four primary divisions:

- Recreation
- Parks and Trails
- Special Events
- Administration

These divisions oversee approximately 1,400 annual recreation programs, manage 26 parks encompassing 170 acres of parkland and open space, 22 facilities, as well as 5.5 miles of trails. Additionally, the department is responsible for coordinating nearly 10,000 volunteer hours each year, managing permitting to support 50+ annual special events held within City limits, rentals of park facilities and signboards, administering the Lodging Tax Advisory Committee's annual Poulsbo Tourism Grant, developing Poulsbo's quarterly Senior Connections Newsletter with partners, and collaborating with a robust network of community partnerships for service delivery, volunteer efforts, and capital projects. Staff work closely with multiple citizen advisory groups such as the Parks & Recreation Commission, the Poulsbo Tree Board, the Fish Park Steering Committee, the Poulsbo Pickleball Advisory Group, and the Senior Task Force.

The department's initiatives and accomplishments in serving the community have been consistently recognized by industry peers, receiving awards from the National Recreation and Parks Association, Washington Recreation & Parks Association, Washington Festivals & Events Association, and multiple other affiliated organizations.

RECREATION

The Department is the primary provider of community recreation programs throughout Poulsbo and North Kitsap. Recently, the department achieved a record offering of 1,400 individual programs offered to the community annually in various programming categories such as adult, arts & culture, body & mind, dance, music, senior, sports, sailing, youth, summer camps, afterschool, and health & fitness. This outstanding offering of a diverse set of programs offers community members a high quality of life through enrichment, active learning, skill develop, fitness and wellness, team sports, arts, and fellowship opportunities.

PARKS & TRAILS

The Department coordinates frequent volunteer work parties each month to help maintain ~170 acres, 26 different parks, and over 5 miles of trails. In 2024-2025, an incredible 7,500 volunteer hours – labor valued at ~$315,000 – was achieved towards the maintenance and improvement of parks and trails. Note, this number does not include the robust amount of planning and advisory meetings with community partners and associated task forces to coordinate such tremendous efforts, or volunteer hours for special events and recreational programming. When taking those volunteer categories into account, in 2024-2025, a remarkable amount of 16,200+ volunteer hours – labor valued at over $675,000 – was achieved in serving the community.

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, such as Viking Fest Road Race – Race for Rec, the beloved Summer Nights at the Bay free community concert series, and Spooktacular, a robust Special Events Sponsorship Package was developed. Recently, the Department has also assisted community leaders in brining back the 4th of July celebration as well as developing a drone light show over Liberty Bay.

ADMINISTRATIVE

The Department operates the Community Recreation Center Monday through Saturday, seeing approximately 1,000 visitors during the ~70 hours the facility is open each week. During this time a wide variety of programming opportunities, social gatherings, and activities for all ages – youth, families, and seniors – are held in the Recreation Center's various classrooms, gyms, and social spaces. The Administrative team also over sees ~300 park, picnic shelter, and Highway 305 community signboard reservations each year, manages the hiring, scheduling, and staff adjustments for ~100 casual labor employees, asset management, marketing/promotions, and financial reconciliation for the full Department.

LODGING TAX ADVISORY COMMITTEE (LTAC)

The Department administrates the Lodging Tax Advisory Committee's annual Poulsbo Tourism Grant in close collaboration with the Finance Director and Senior Accountant. Staff work closely with the LTAC Chair and LTAC representatives to outline an annual timeline for the grant process, which includes compiling annual reports from each Poulsbo Tourism Grant awardee to report to the state via the JLARC process, verifying quarterly receipts and documentation from awardees, developing and issuing annual grant contracts to awardees, verifying all application requirements, scheduling and administrating LTAC meetings, preparing budget documents, updating the website, promoting the Poulsbo Tourism Grant, communicating with LTAC, City Council, and the public, sending out award letters, managing public meetings and documents, and assisting applicants to help navigate each year's application process. Additional information about LTAC can be found in Fund 181's narrative.

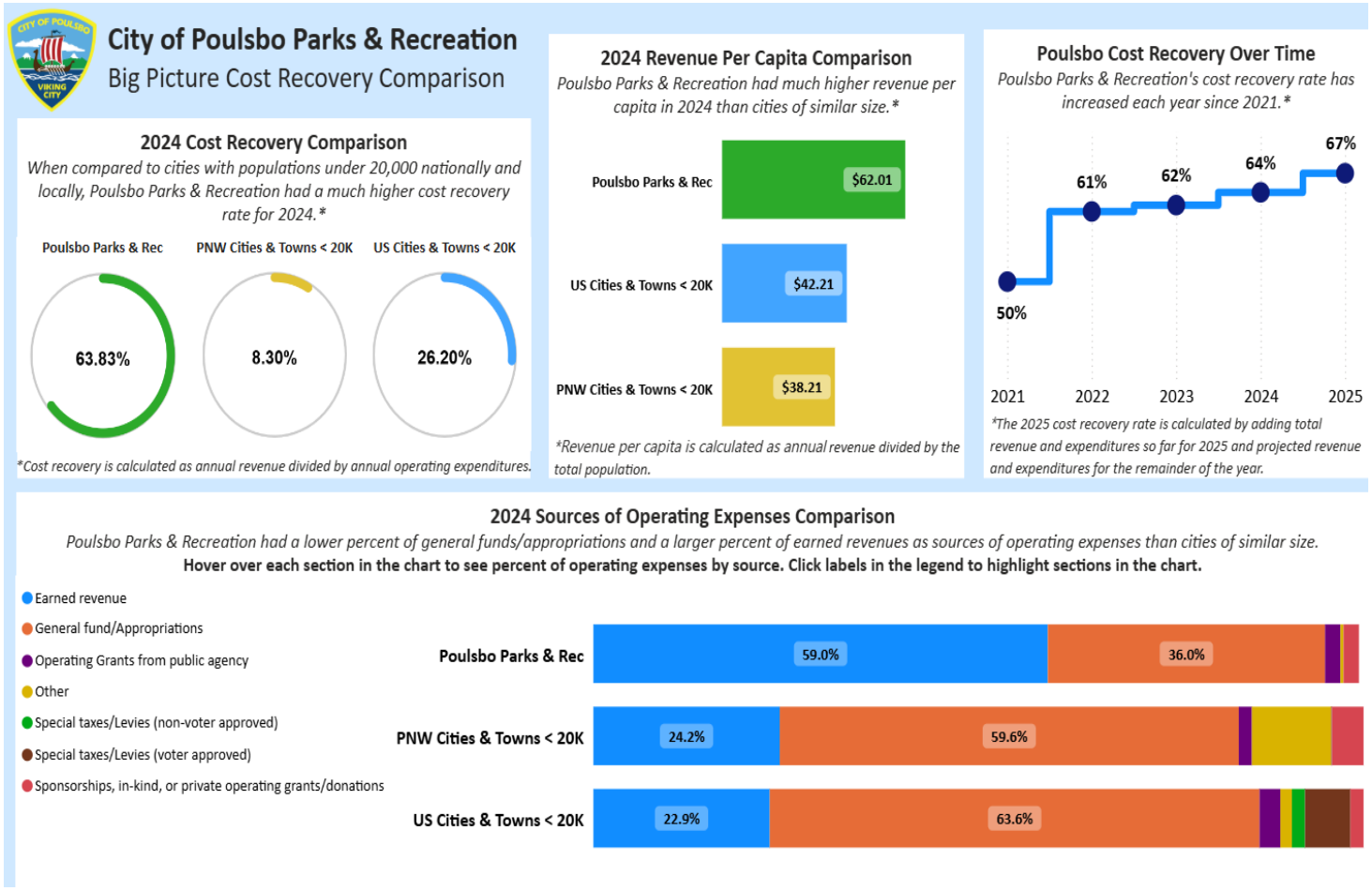
STAFFING LEVEL:

The department has four divisions: Recreation, Parks, Special Events, and Administration. There are 7.75 FTEs consisting of: one full-time Parks & Recreation Director, one full-time Office Manager, one full-time Recreation Manager, one full-time Parks Coordinator, one full-time Special Events Coordinator, one full-time Office Clerk, one .75 FTE Office Clerk, and two .5 FTE Recreation Specialists. Additionally, there are ~100 recreation instructors who teach courses, coach, and assist with various responsibilities as well as several part-time casual labor Recreation Specialists and Facility Attendants.

PROGRAM RESOURCES:

Approximately 63% of the Department's annual operating budget is cost recovered from recreation programming fees, facility rentals, sponsorships, and grants. ~36% of the Department's budget is funded by the General Fund. Comparatively, referencing the National Recreation & Parks Association's 2024 Agency Performance Review, similar sized jurisdictions of under 20,000 residents in the Pacific Northwest cost recover ~8% of their department's annual operating expenditures and similar sized jurisdictions of under 20,000 residents in the United States cost recover ~26% of their department's annual operating expenditures.

Cost recovery efforts by the Department significantly outpace those of peer jurisdictions of similar sizes by a large margin. These recovery efforts support direct costs such as instructors, supplies, and facilities as well as indirect costs such as FTE positions, marketing, utilities, front desk operations, staff training, and more. This translates to lower use of General Fund to provide vastly increased additional programs and amenities for taxpayers.



2027-2028 GOALS:

Looking ahead, the Department is focused on multiple areas in the coming years, preparing for the upcoming PROS Plan Update, Poulsbo Event & Recreation Center (PERC) operations, new capital projects, and expanded programming. Importantly, efforts need to continue on establishing city wide park and programming metrics, with extra efforts in establishing a Natural Resources Management Plan for all City parks. This information is critical in helping to understand fiscal and labor efforts required to maintain new park properties in serving the community to the level of service desired.

- Increase community awareness
- Extensive community engagement and update to the Parks, Recreation, and Open Space (PROS) Plan.
- Implement, evaluate, and continually improve Poulsbo Event & Recreation Center (PERC) operations
- Foster strategic partnerships to leverage limited City resources
- Invest in staff training and professional development, increasing resiliency and improving service
- Develop tailored Natural Resource Management Plans for City parks
- Explore and pilot Park Stewardship Program
- Modernize and improve Community Recreation Center, expanding programming and repurpose underutilized spaces
- Update and streamline Special Event Permit process
- Update and publish Parks Annual Assessment Report

2027-2028 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. Discretionary recreation fees sustain roughly two thirds of the Department's annual operating expenditures, supporting much of the programming team, the administrative team, facility expenses, utilities, and department operational expenses. The entirety of the revenue generated from program fees, rentals, and sponsorships goes back into providing essential services for the community.

However, there are funding challenges. As programs and staffing levels continue to grow to meet community needs, there in 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 coming 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 continually one-for-one offset the costs for employing these necessary additional FTEs. When assessing metrics of service delivery, cost recovery, and revenue per capita, the Department goes above and beyond peer jurisdictions of similar sizes in the PNW as well as nationally by a significant margin. To maintain the current level of services, meet future expected needs, as well as develop essential staffing resiliency for operational continuity, new FTE positions will need General Fund support.

Regarding implementing, new capital projects and addressing maintenance concerns, staff have worked with community members to assist in the creation of a new philanthropic Poulsbo Parks & Trails Foundation 501(c)3. The Foundation's intent is to 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.

PARKS & RECREATION DEPARTMENT

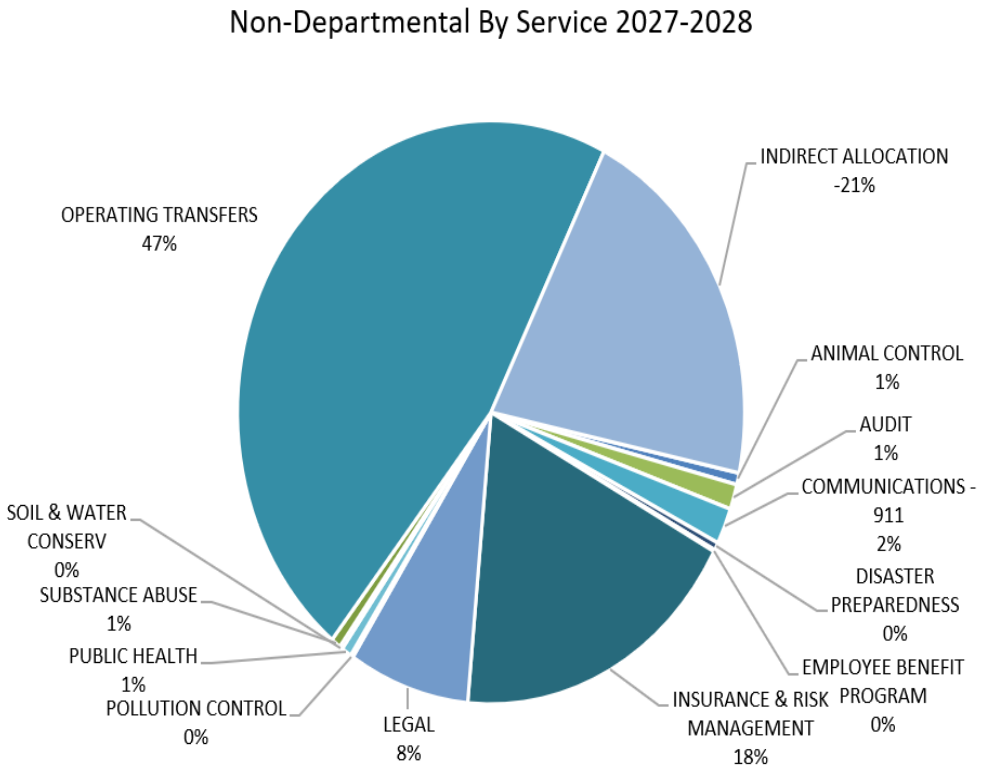
WORKLOAD MEASURES

Type of Measure	2024 Actual	2025 Projected	2025 Actual	2026 Projected	2026 Actual As of 10/1/2026	2027 Projected	2028 Projecte
Response to citizen requests and complaints goal: 100% within one business day		100%		100%	100%	100%	100%
Canceling classes with advanced notice goal: >3 days notice		90%		90%	90-95%	92%	92%
% of transactions using online program	47%	45%	48%	45%	51%	50%	50%
# of special event permits processed		48		50	48	50	52
Recover 100% of direct program expenses		100%		100%		100	100
# of park shelter, Highway 305 community signboard, and classroom rentals	349	485	419	517	333 as of 8.24.26	430	450
# of free senior program participants	909	700	1173	750	1320	1450	1525
# of recreation classes, camps, workshops		1,075		1,125	1,430	1475	1525
# of grant applications		8		8	8	8	8
Recreation sponsorships and donations		$26,750		$28,000	$22,587	24000	25000
Volunteer Hours		11,750		12,388		9500	10500
Administrative adjustments to staff assignments, payrates, and payroll modifications		150		175	74 as of 8/20/26	125	140
Community Recreation Center average weekly hours of operation	49 Jan/Feb, then 59	69	59	76	59	59	61
Average weekly visitors to the Rec Center					832	880	950

NON-DEPARTMENTAL

Non-Departmental budgets represent General Fund appropriations that are not department specific.

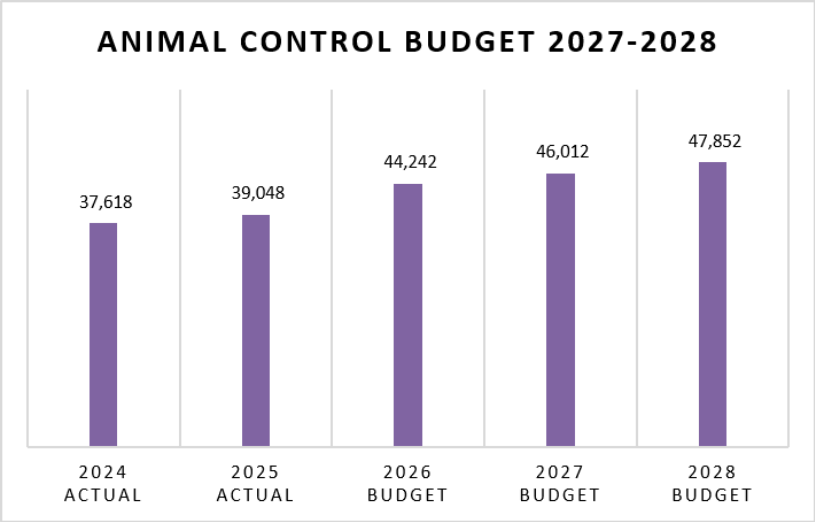
ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
NON-DEPARTMENTAL						
ANIMAL CONTROL	37,618	39,048	44,242	*46,012*	*47,852*	*93,864*
AUDIT	81,990	91,484	99,750	*99,750*	*99,750*	*199,500*
COMMUNICATIONS - 911	100,820	95,869	117,000	*140,564*	*147,592*	*288,156*
DISASTER PREPAREDNESS	14,078	14,078	29,000	*30,160*	*31,366*	*61,526*
EMPLOYEE BENEFIT PROGRAM	5,659	5,730	6,950	*6,950*	*6,950*	*13,900*
INSURANCE & RISK MANAGEMENT	796,202	1,026,490	1,084,708	*1,268,472*	*1,395,319*	*2,663,791*
LEGAL	427,619	488,970	517,166	543,688	560,954	*1,104,643*
POLLUTION CONTROL	9,923	10,963	11,591	*12,170*	*12,779*	*24,949*
PUBLIC HEALTH	39,167	41,657	42,363	*44,481*	*46,705*	*91,186*
SOIL & WATER CONSERV	14,692	14,604	14,000	14,000	14,000	*28,000*
SUBSTANCE ABUSE	28,267	-	75,000	59,439	29,250	*88,689*
OPERATING TRANSFERS	2,355,434	6,124,453	2,784,431	3,346,342	3,336,427	*6,682,769*
INDIRECT ALLOCATION	(1,392,212)	(1,523,291)	(1,451,517)	(1,490,543)	(1,520,354)	*(3,010,897)*
TOTAL NON-DEPARTMENTAL	2,519,258	6,430,054	3,374,683	***4,121,486***	***4,208,591***	***8,330,076***



ANIMAL CONTROL

PROGRAM DESCRIPTION:

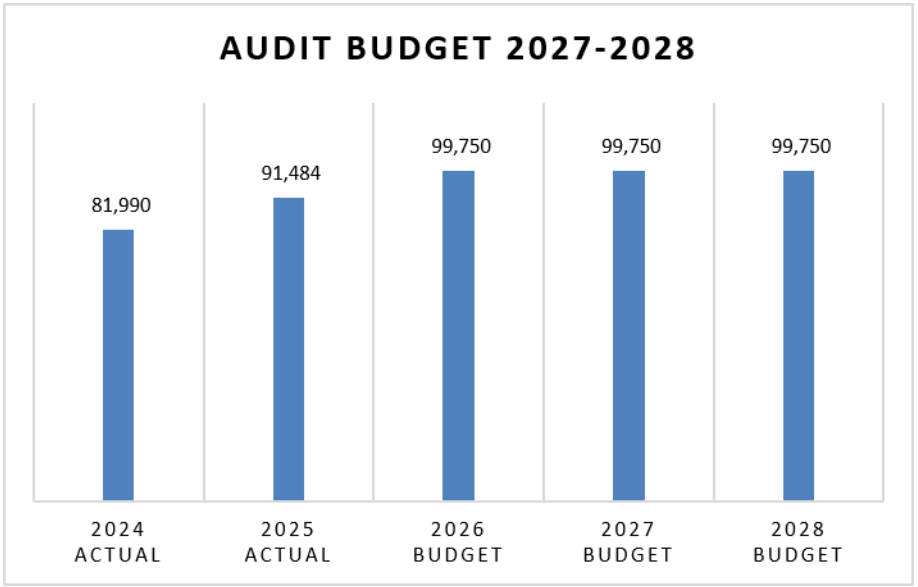
The City contracts with the Kitsap County Humane Society for animal control services, including pet licensing.



AUDIT

PROGRAM DESCRIPTION:

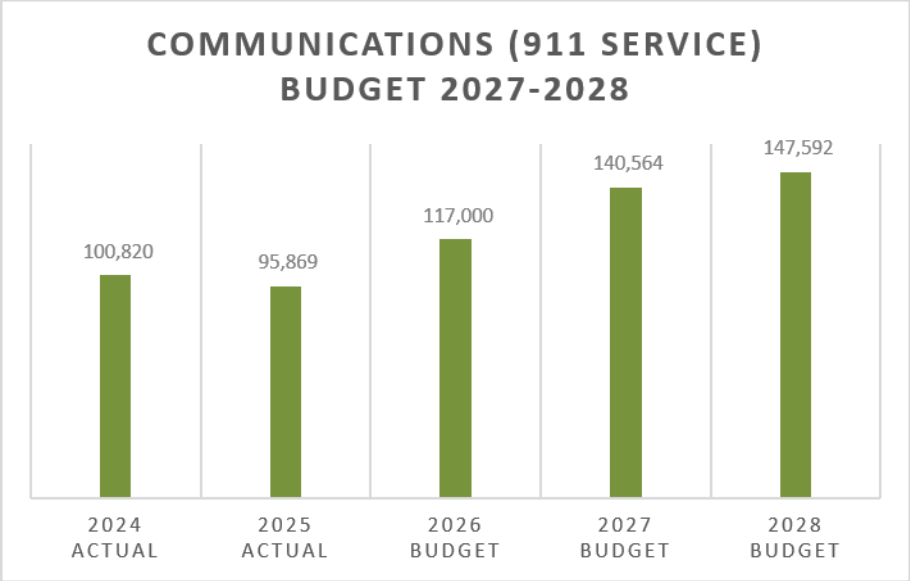
The Washington State Auditor audits the City on an annual basis. Federal grant proceeds in 2026, 2027, and 2028 are expected to exceed $1,000,000 a single audit will be necessary for 2026-2028.



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

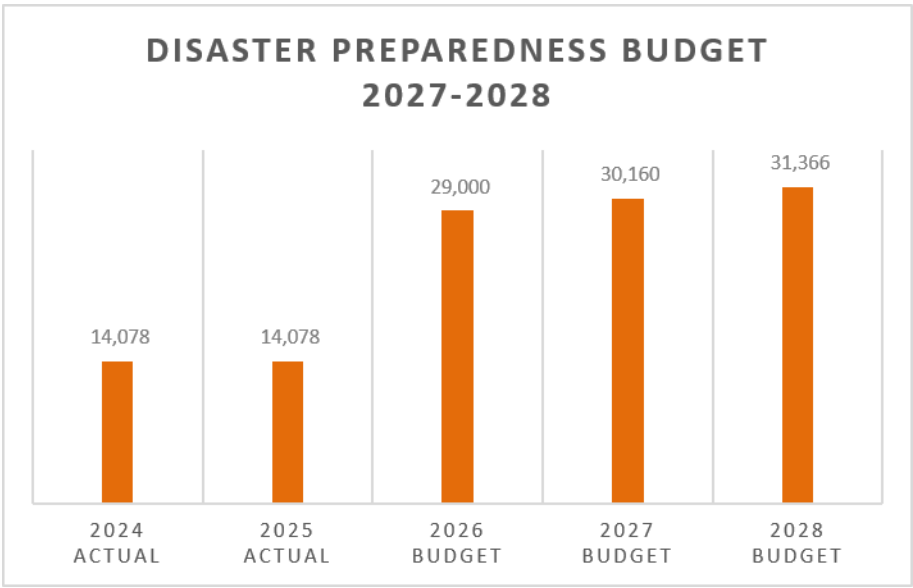


DISASTER PREPAREDNESS

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.

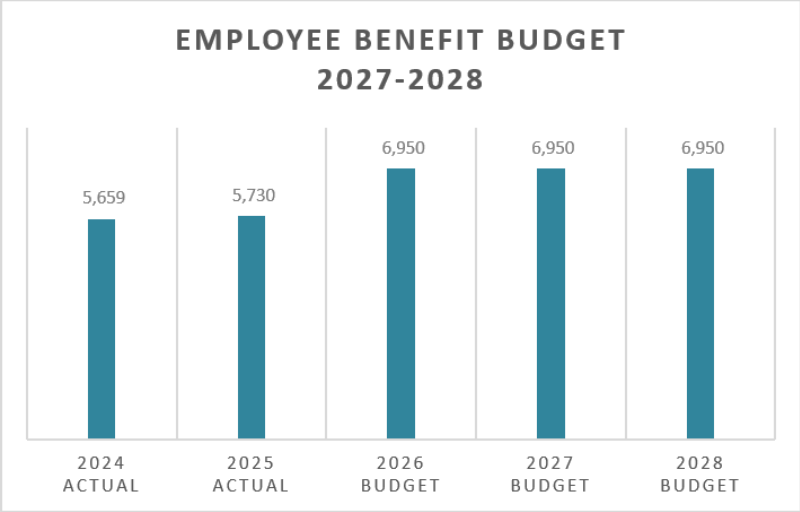


EMPLOYEE BENEFIT PROGRAMS

PROGRAM DESCRIPTION:

The Employee Benefit budget is prepared and monitored by the City Administrator. This budget supports the City's Wellness Program, which is governed by a committee of representatives from each City department. The committee develops, promotes, and carries out policies, programs and activities aimed at preventing illnesses and injuries, and promoting greater morale, reduced absenteeism, and enhanced productivity and performance among City employees.

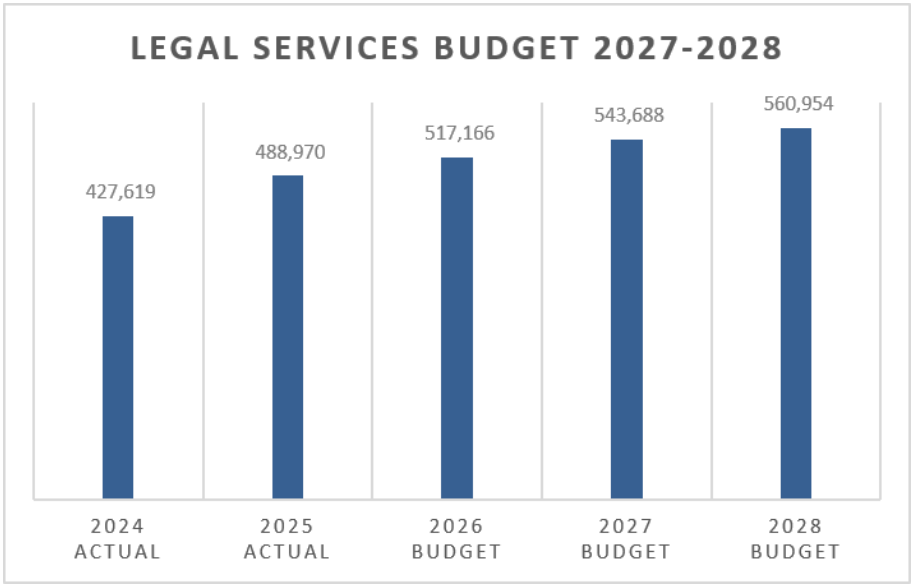
The City's Wellness Committee, through its Wellness Program, continues to create an environment supportive of positive health practices and lifestyle choices for its employees. The Wellness Program sponsors several educational activities such as Wellness Wednesday emails with rotating health topics. 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:

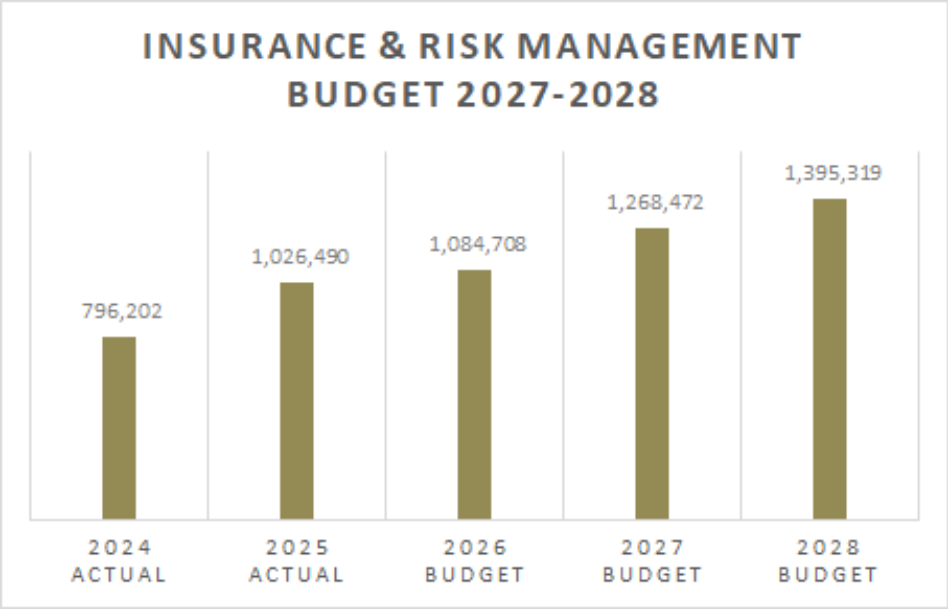
This budget includes expenditures related to legal services. The City contracts with a selected attorney for general legal needs. The City began to contract with Kitsap County for public defense in 2021. At the end of 2022 the City began a new contract with Kitsap County for prosecution services in lieu of an in-house prosecutor.



INSURANCE & RISK MANAGEMENT

PROGRAM DESCRIPTION:

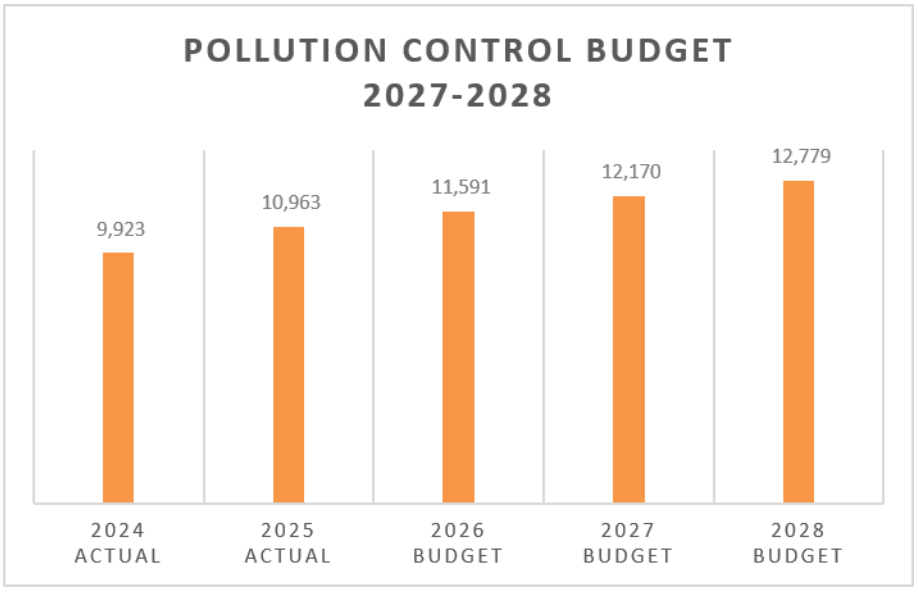
This budget includes expenditures related to insurance costs to the City. This portion is the insurance expenditure allocated to the General Fund. It is also allocated to the City Streets Fund and Utility Funds.



POLLUTIONS CONTROL

PROGRAM DESCRIPTION:

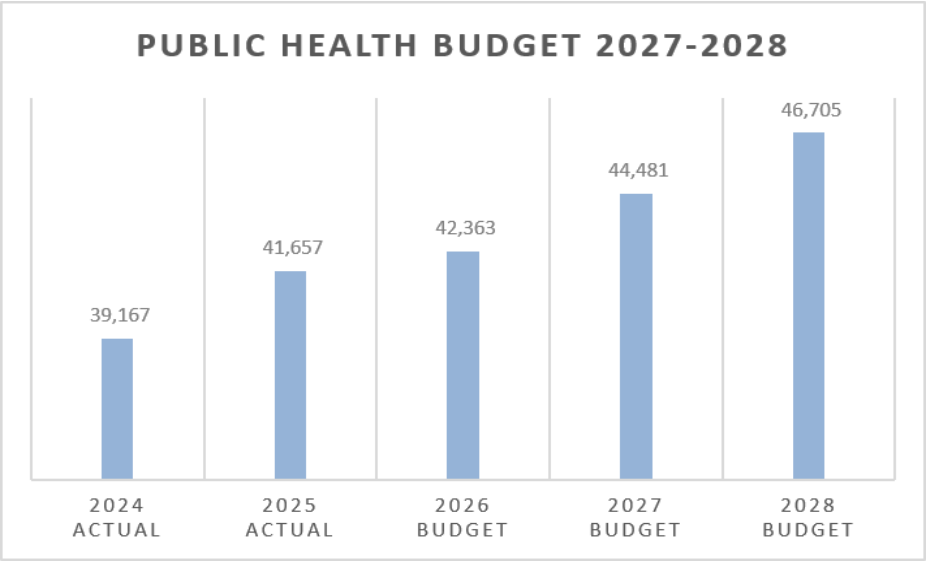
The City contributes to the Puget Sound Air Pollution Control for maintenance of clean air in the Puget Sound Region as set forth by the terms of the Washington State Clean Air Act, RCW 70.94.093.



PUBLIC HEALTH

PROGRAM DESCRIPTION:

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

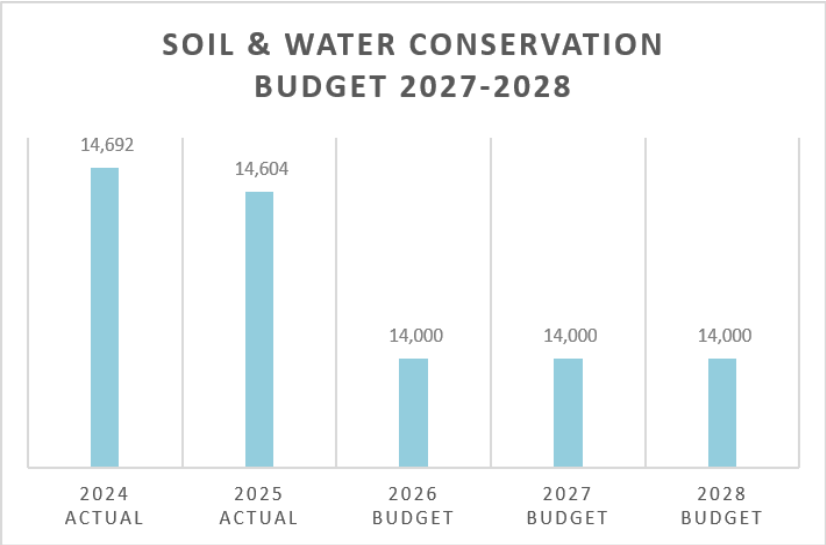


SOIL AND WATER CONSERVATION

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.

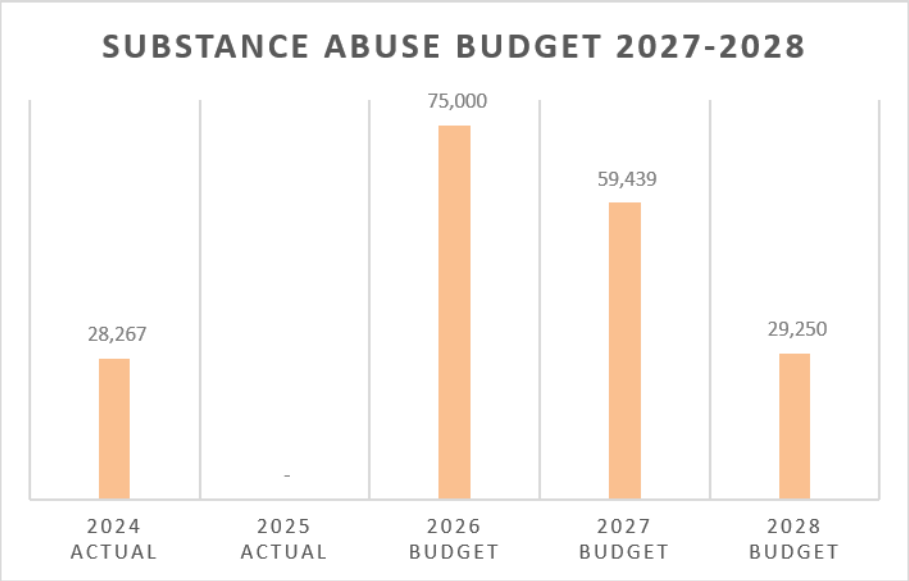


SUBSTANCE ABUSE

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.

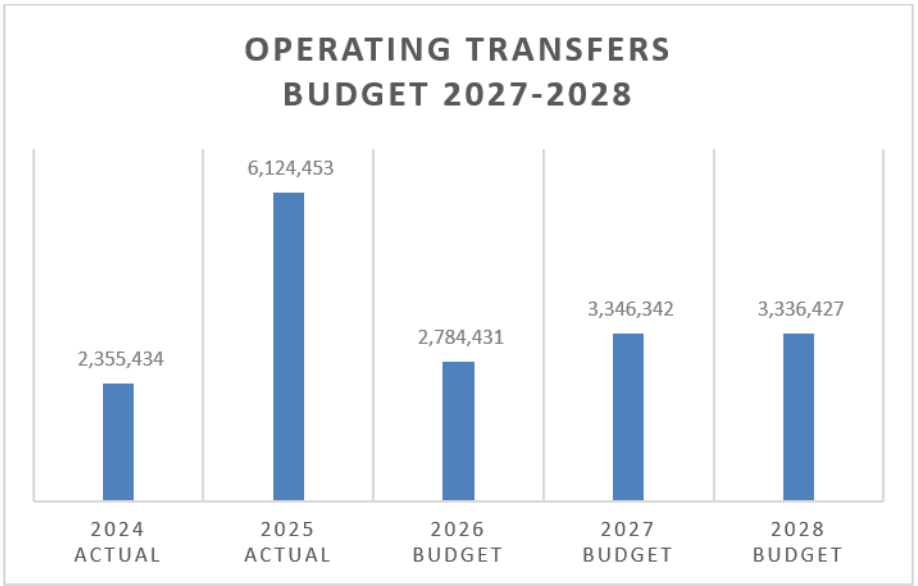


OPERATING TRANSFERS

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 Transfer Summary			
Transfer to Fund	**Description**	**2027**	**2028**
101	Street Maintenance	1,083,018	1,106,009
204	2012 City Hall Debt	123,453	124,424
204	2015 City Hall Debt	117,000	119,000
204	2021 Transportation - Noll Road	91,683	91,685
204	2021 Public Works Land/Tenant Improvements	81,293	81,294
204	2027 Anticipated Police Cars	225,000	225,000
204	2027 Anticipated PW Building	523,000	523,000
204	Debt Service Costs	1,000	1,000
301	Transfer for Capital Equipment	374,950	333,070
301	Transfer for Police Firearm Replacement	8,945	8,945
301	Transfer for Financial Software	200,000	200,000
302	Transfer for Park Projects	146,000	149,000
302	Transfer for Park Acquisition	200,000	200,000
311	Transfer for Street Projects	146,000	149,000
331	Transfer for City Governmental Building Repairs	25,000	25,000
	Total Transfers from General Fund	*3,346,342*	*3,336,427*

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:

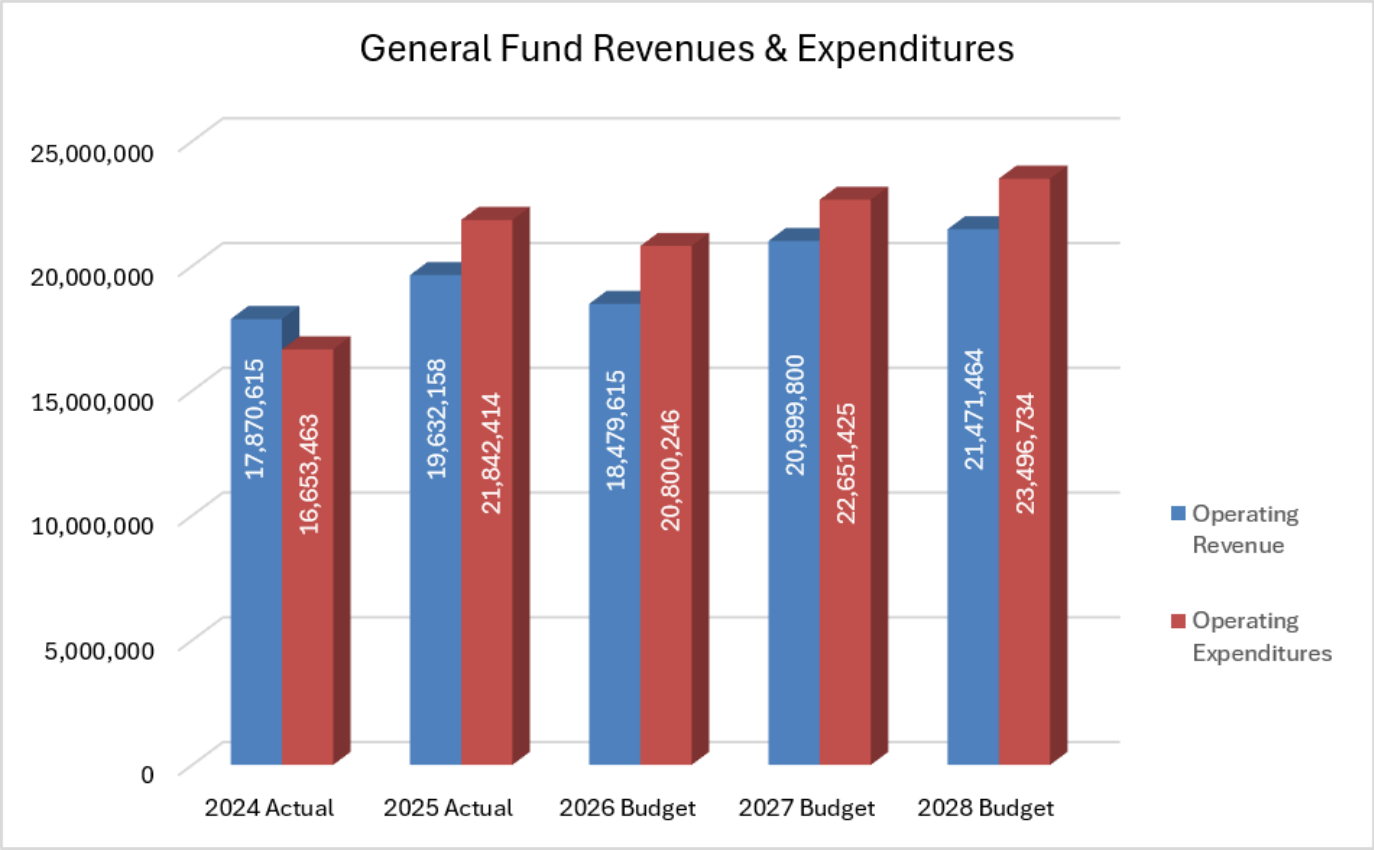
DESCRIPTION:

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.

General Fund Projected Fund Balance			
	2026	**2027**	**2028**
Assigned - Legal Reserves	225,000	225,000	225,000
Assigned - Revenue Stabilization	5,163,058	4,172,730	1,745,597
Assigned - Future Leave Cashouts	90,000	90,000	90,000
Assigned - Restricted PEG Fees	141,595	78,595	65,595
Assigned - Restricted Substance Abuse	(3,965)	(304)	3,430
Assigned - Restricted OPIODS	45,509	(930)	(17,180)
Assigned - Eng Technology Fees	23,526	45,526	65,526
Assigned - Parking	-	422,480	829,859
Total Projected Fund Balance	5,684,723	5,033,097	3,007,827

General Fund by Functions	2024 Actual	2025 Actual	2026 Budget	2027 Budget	2028 Budget
General Government	4,181,912	5,118,268	5,912,206	6,495,465	6,700,605
Security of Persons and Property	4,871,281	5,488,045	6,440,491	6,615,645	6,912,076
Utilties & Environment	36,244	36,466	56,958	69,080	70,748
Transportation	823,244	728,189	760,562	1,126,654	1,126,905
Economic Environment	1,317,311	1,302,679	1,763,350	1,615,543	1,715,779
Mental & Physical Health	963,282	791,333	939,880	875,984	732,839
Culture and Recreation	1,150,870	1,928,540	2,142,369	2,506,711	2,901,356
Miscellenous Non Operating	963,282	302,909	-	-	-
Transfers	2,355,434	6,124,453	2,784,431	3,346,342	3,336,427
Total General Fund	***$ 16,662,861***	***$ 21,820,881***	***$ 20,800,246***	**$ 22,651,424**	***$ 23,496,735***

TOTAL GENERAL FUND BUDGET SUMMARY:



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

2027-2028
PRELIMINARY BIENNIAL BUDGET

Special Revenue Funds

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

2027					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
101	City Street Fund	414,408	1,802,967	1,968,797	248,578
110	Neighborhood Streets Fund	826,765	530,000	960,000	396,765
121	Capital Improvement Fund	2,594,502	800,000	834,750	2,559,752
123	Transportation Development Fund	1,193,926	507,500	572,000	1,129,426
124	Park Development Fund	1,056,031	105,000	20,000	1,141,031
125	Affordable Housing Fund	1,783,574	895,000	488,284	2,190,290
131	Historic Downtown Poulsbo Association (HDPA) Fund	43,446	120,575	83,400	80,621
161	Paths & Trails Reserve Fund	29,976	501,085	500,000	31,061
171	Drug Enforcement Fund	29,380	950	15,150	15,180
181	Transient Occupancy Tax Fund	442,029	373,000	466,600	348,429
191	Police Restricted Fund	255,923	29,576	16,590	268,909

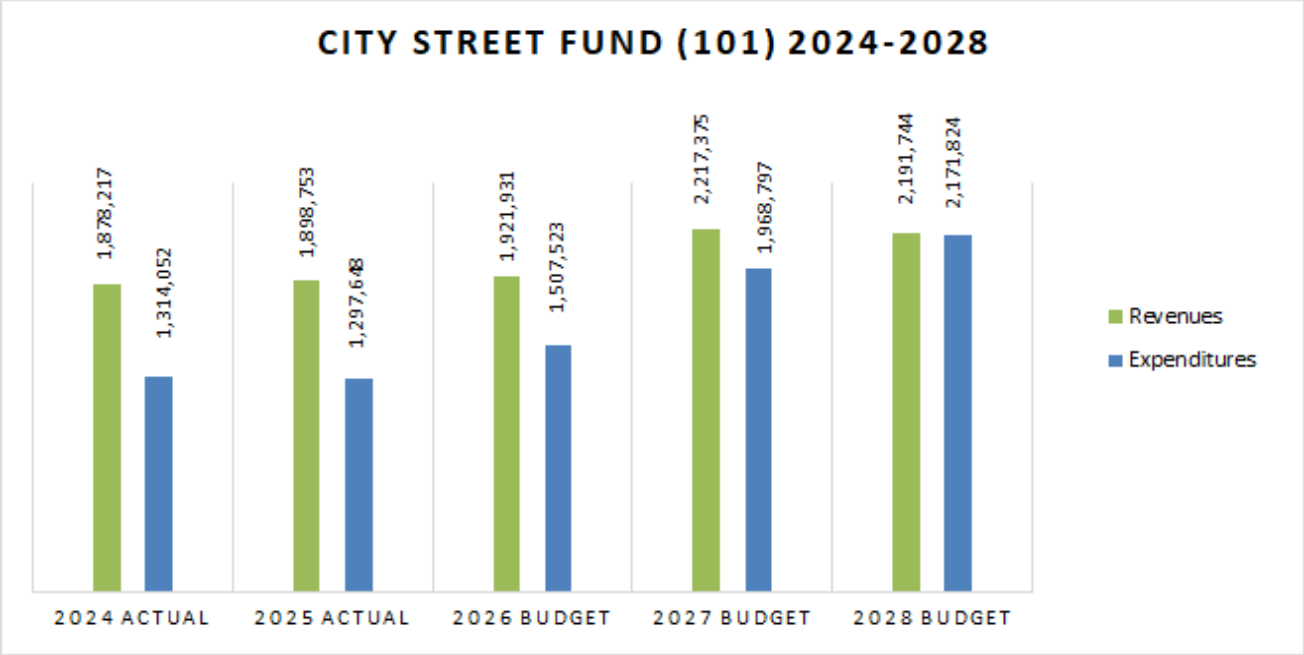
2028					
Fund	Fund Name	Beginning Balance	Total Resources	Total Uses	Ending Balance
101	City Street Fund	248,578	1,943,166	2,171,825	19,919
110	Neighborhood Streets Fund	396,765	530,000	460,000	466,765
121	Capital Improvement Fund	2,559,752	700,000	838,250	2,421,502
123	Transportation Development Fund	1,129,426	657,500	1,780,000	6,926
124	Park Development Fund	1,141,031	105,000	130,000	1,116,031
125	Affordable Housing Fund	2,596,574	895,000	657,618	2,833,956
131	Historic Downtown Poulsbo Association (HDPA) Fund	80,621	120,575	83,400	117,796
161	Paths & Trails Reserve Fund	31,061	1,114	-	32,175
171	Drug Enforcement Fund	15,180	950	15,150	980
181	Transient Occupancy Tax Fund	348,429	373,000	365,000	356,429
191	Police Restricted Fund	268,909	30,145	16,590	282,464

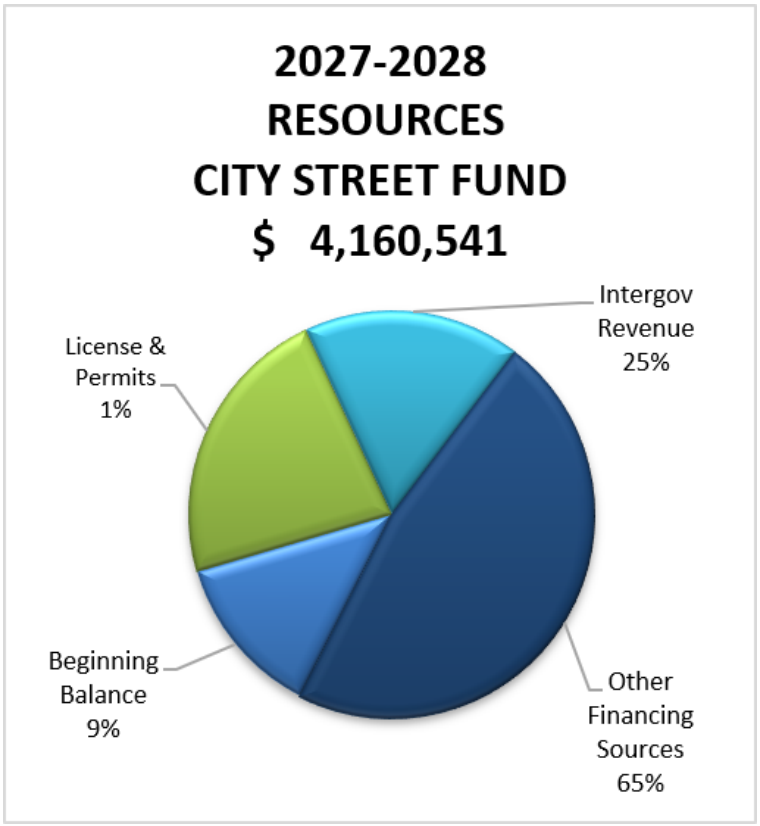
CITY STREET FUND 101

Mission Statement:

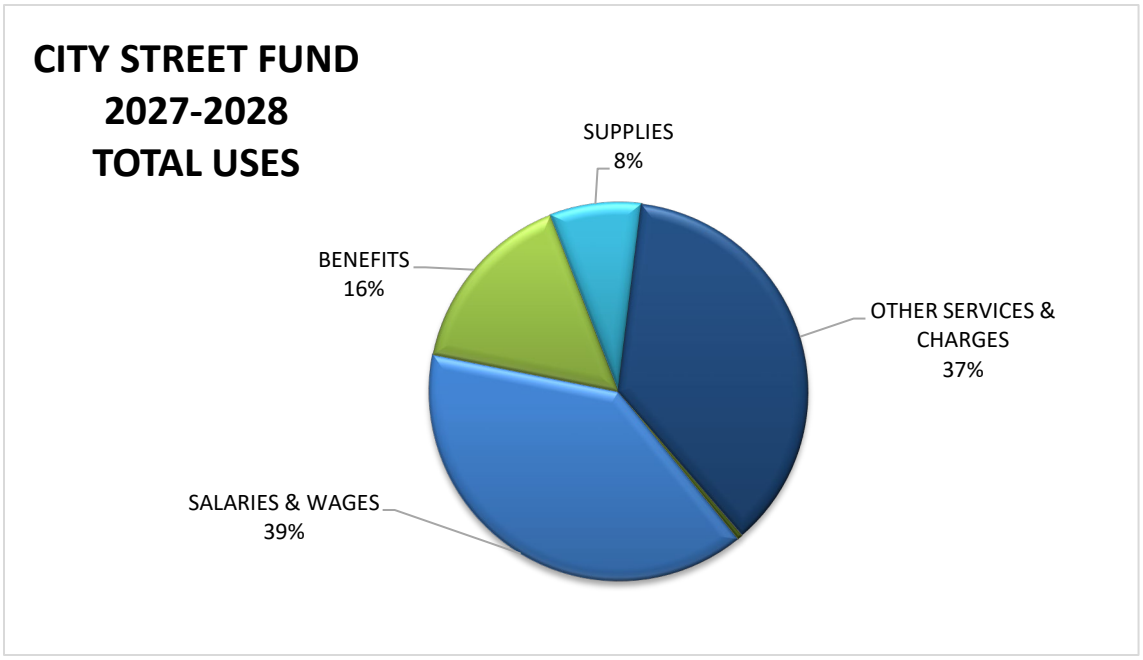
We believe transportation is essential to supporting daily life. Our goal is to manage our streets and sidewalks in a way the enriches public life and improves community health. Our goal is to build a team committed to excellence and equipped with the skills to meet the challenges of today and tomorrow.

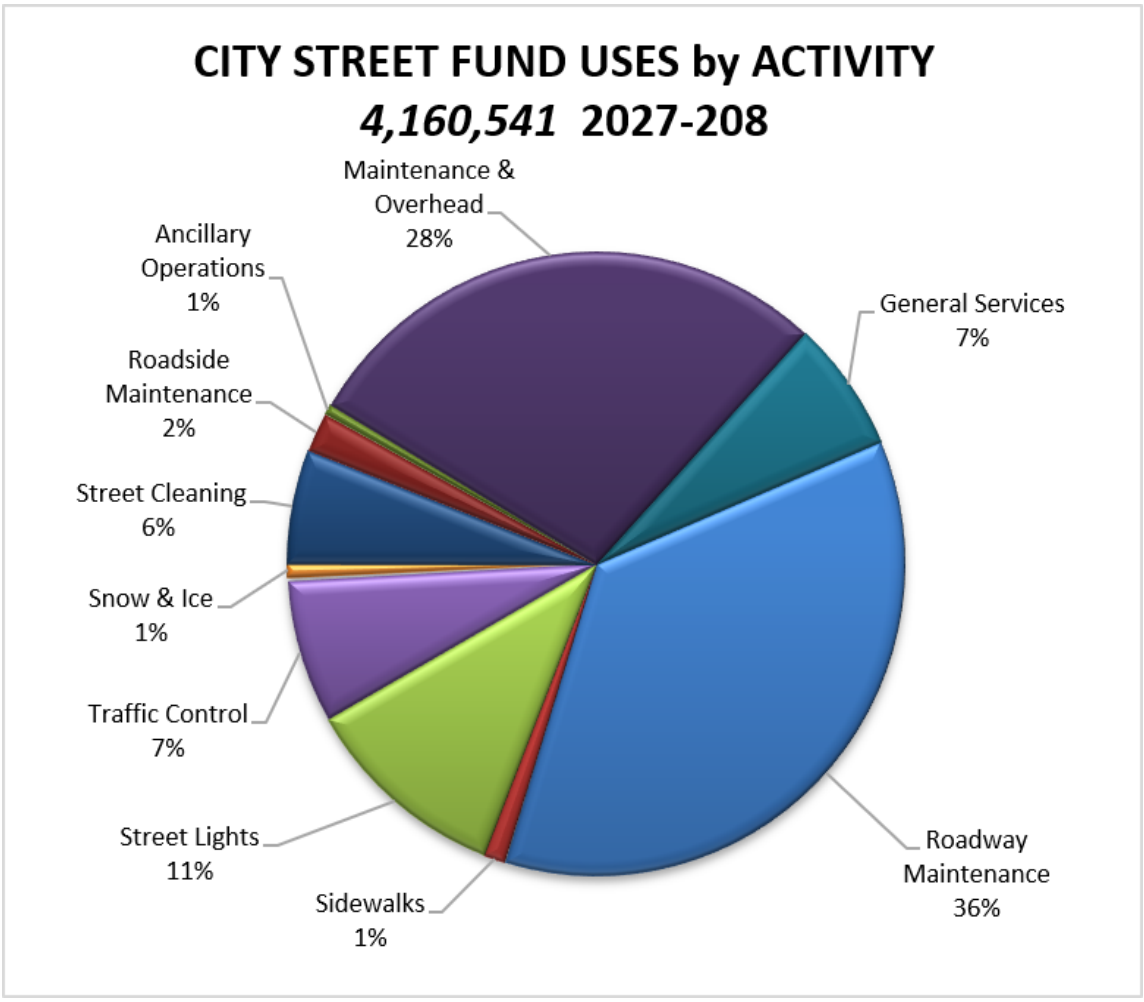
ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	2027 Budget	2028 Budget	2027-2028 Budget
FUND 101 CITY STREET						
RESOURCES						
BEGINNING BALANCE	374,594	580,663	584,607	*414,408*	*248,578*	*414,408*
SALES TAX - TRANSPORTATION	332,209	341,251	307,577	*350,000*	*367,500*	*717,500*
LICENSES & PERMITS	20,550	35,670	25,600	*117,000*	*210,000*	*327,000*
INTERGOVERNMENTAL	235,865	242,059	258,422	*248,449*	*255,157*	*503,606*
MISCELLANEOUS	18,999	9,610	24,225	*4,500*	*4,500*	*9,000*
OTHER FINANCING SOURCES	896,000	689,500	721,500	*1,083,018*	*1,106,009*	*2,189,027*
TOTAL RESOURCES	1,878,217	1,898,753	1,921,931	***2,217,375***	***2,191,744***	***4,160,541***
FUND 101 CITY STREET						
USES						
SALARIES & WAGES	478,854	445,396	486,453	*762,365*	*859,304*	*1,621,669*
BENEFITS	204,630	189,143	211,056	*307,532*	*357,742*	*665,274*
SUPPLIES	122,739	116,328	177,418	*160,877*	*164,475*	*325,352*
OTHER SERVICES & CHARGES	507,829	546,780	632,596	*738,023*	*790,304*	*1,528,327*
FUND BALANCE	564,165	601,105	414,408	248,578	19,920	*19,920*
TOTAL USES	1,878,217	1,898,753	1,921,931	***2,217,375***	***2,191,744***	***4,160,541***





Total Resources is inclusive of beginning balance


CITY STREET FUND
2027-2028
TOTAL USES
SUPPLIES
8%
BENEFITS
16%
OTHER SERVICES &
CHARGES
37%
SALARIES & WAGES
39%


CITY STREET FUND USES by ACTIVITY
4,160,541 2027-208
Maintenance &
Overhead
28%
Ancillary
Operations
1%
General Services
7%
Roadside
Maintenance
2%
Street Cleaning
6%
Snow & Ice
1%
Traffic Control
7%
Street Lights
11%
Sidewalks
1%
Roadway
Maintenance
36%

CITY STREET FUND (101)

PROGRAM DESCRIPTION:

The Street Fund is a Special Revenue Fund, managed by the Public Works Department. It provides 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, 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. A request was submitted for the addition of one FTE in 2026 as the City experiences growth, and in doing so continues to add streets, sidewalks, crosswalks, and traffic signals. The funding request for a new Street Maintenance Technician in 2026 was not approved but has been requested again for 2027.

2025-2026 PROGRAM ACCOMPLISHMENTS:

- City's street sweeping/vacuuming program
- 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
- Paid Parking Signage for new City paid parking program
- South End MIWP Project
- Support of capital projects

- Pothole/asphalt repairs and crack sealing
- Large asphalt repairs to South Viking, Hostmark, Olhava, Torgeson, and Sommerseth.
- 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
- Multiple sidewalk repairs
- Installation of sign post reflective wraps
- Developing a comprehensive streets inventory and maintenance program with Vialytics
- Neighborhood Streets Chip Seal, Seal Coat program continued
- Installation of Noll Road Flashing Beacon.
- Hazardous Tree removals
- Burnt Road shoulder repairs
- Homeless encampment cleanups
- Tsunami warning signs installed for EOC
- Roadside sign cleanups
- Post Office overflow parking lot, re-grade and gravel
- Replaced 100 streetlights with LED Heads
- Noll Road Pot Holing project for Engineering
- 3rd Ave Pot Holing project for Engineering
- Flower Basket Pole renovations
- Replaced 35 foot Johnson Way light pole
- Replaced truncated domes on Olhava, Reliance area, and Fjord

2027-2028 GOALS AND WORK PLAN:

- There is a current request for an addition of one FTE in 2027 to help perform duties in a more proactive way. This position has been asked for since 2023-2024 and put on hold in 2025-2026.
- Continue developing and implementing the streets inventory and maintenance program with Vialytics
- Sign inventory, road inventory with the help of our new Asset Manager
- Continue with LED light conversion downtown
- 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
- 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)

2027-2028 REVENUE SOURCES:

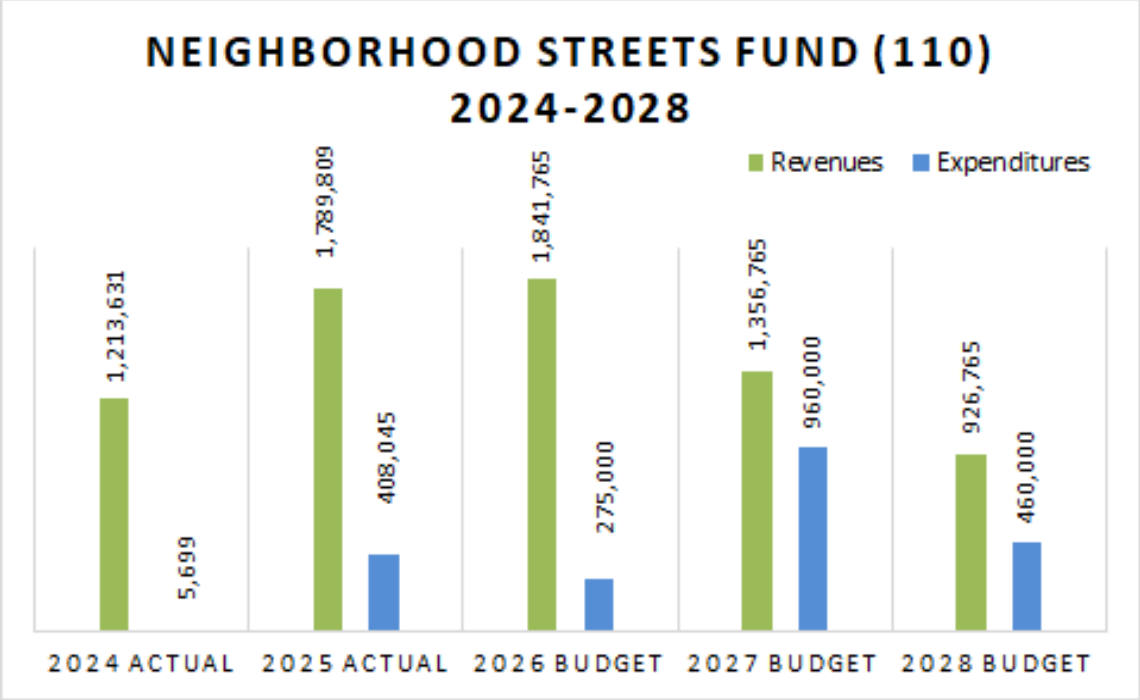
The Street Maintenance Fund (101) derives most of its revenues from operating transfers associated with revenue received from property taxes. Additional revenue for this fund comes from state shared revenue gas taxes. In mid-2027, the City Street Fund will begin receiving franchise fees due to a new franchise agreement for solid waste.

2027-2028 EXPENDITURES:

The 2025-2026 operation and maintenance program will be a continuation of the 2025-2026 program and will include the operation, maintenance, and repair of the City's transportation systems.

NEIGHBORHOOD STREETS FUND 110

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 110 NEIGHBORHOOD STREETS ***RESOURCES***						
BEGINNING BALANCE	244,766	1,207,933	1,381,765	*826,765*	*396,765*	*826,765*
CAR TAB FEES & SALES TAX	554,061	545,505	460,000	*525,000*	*525,000*	*1,050,000*
CAR TAB FEES & SALES TAX	3,934	36,371	-	*5,000*	*5,000*	
TRANSFERS IN	410,870	-	-	-	-	-
TOTAL RESOURCES	1,213,631	1,789,809	1,841,765	***1,356,765***	***926,765***	***1,876,765***
FUND 110 NEIGHBORHOOD STREETS ***USES***						
SALARIES & WAGES	-	7,135	-	-	-	-
BENEFITS	-	1,919	-	-	-	-
SUPPLIES	2,656	23,990	-	*12,000*	*12,000*	*24,000*
OTHER SERVICES & CHARGES	3,043	295,002	275,000	*448,000*	*448,000*	*896,000*
OTHER FINANCING USES	-	-	-	*500,000*	-	*500,000*
FUND BALANCE	1,207,932	1,381,764	1,566,765	396,765	466,765	*1,876,765*
TOTAL USES	1,213,631	1,709,809	1,841,765	***1,356,765***	***926,765***	***3,296,765***



Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

NEIGHBORHOOD STREETS FUND (110)

PROGRAM DESCRIPTION:
The Neighborhood Streets Fund is managed by the Public Works Department. This 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 a councilmanic $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 plans 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 and Chip Seal Projects as well as transferring funds to Capital, 310 for major roadway reconstruction, and overlay.

2027-2028 REVENUE SOURCES:
For fiscal years 2027 and 2028 this fund's revenue will be derived from car tab fees and a sales tax split between Street Maintenance and Neighborhood Streets.

2027-2028 EXPENDITURES:
Improvements have been scheduled in 2027 and 2028 for Seal Coat/Chip Seal projects. Funding to 310 for Overlay as part of larger CIP project.

2025-2026 PROGRAM ACCOMPLISHMENTS:

- **2025 Scrub Seal Project - $300,000 – 2.13 Miles of Roadway Preservation**
  - Poulsbo Gardens
  - Caldart Heights
  - Forest Rock Div. 1-5

- **2026 Scrub Seal Project - $700,000 – 3.65 Miles of Roadway Preservation**
  - Ridgewood
  - Karl Place
  - Glen Haven
  - Schooner Ct
  - 20th Ave / Bartre Area
  - Old Town Area
    - 6th Ave
    - 9th Ave
    - Matson
    - Sommerseth
    - Ryan St
    - Nelson Pl
    - Holm Ct
    - Shorewood Ct
    - Torgeson St
    - Haugen St

- Nordness St

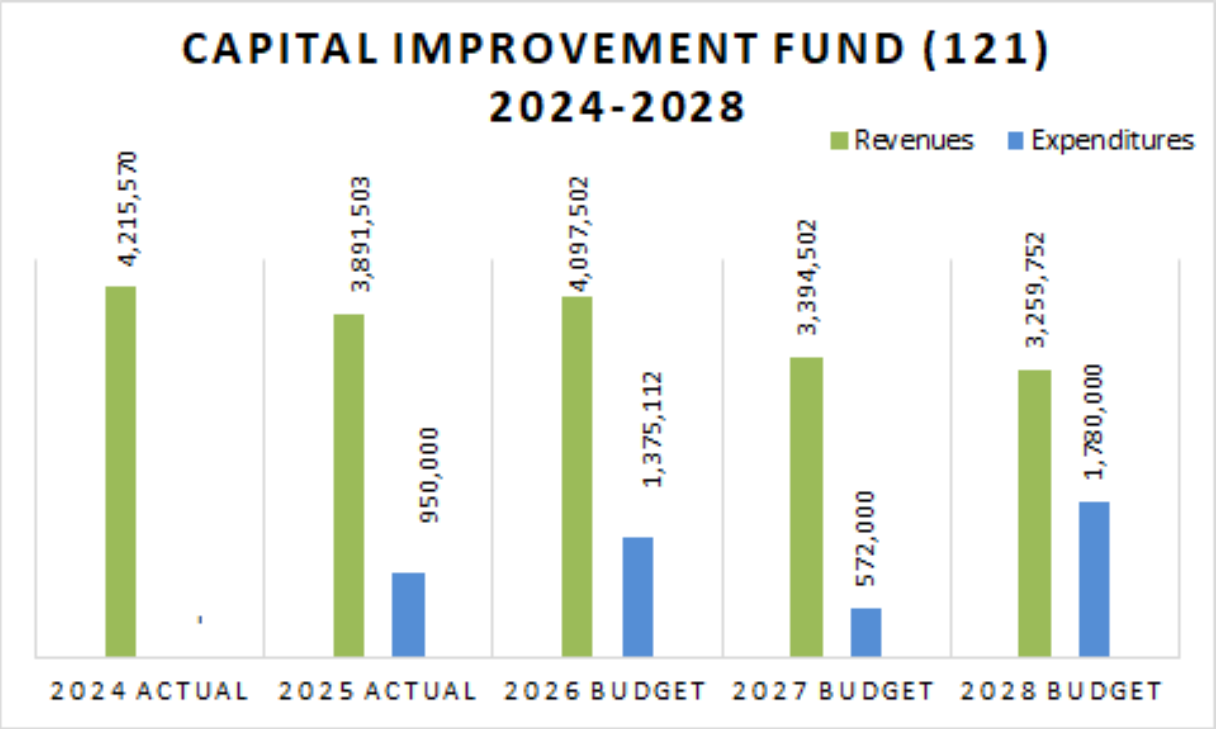
2027-2028 WORK PLAN:

- **2027 Planned Project – Estimated Streets Portion - $500,000 - .50 Miles of Roadway Overlay (This would be considered Capital as it will be an overlay)**
  - Streets Project in conjunction with Utility Project. – Water Main Replacement in parts of Old Town
    - Harrison St – Fjord to SR 305
    - Eliason St – Fjord to 6th Ave
    - Ness Pl – Eliason to Hostmark

- **2028 Planned Project - $200,000**
  - Prep work for larger 2029 Project (Patching, Crack Seal)
    - 15th Loop
    - Haven Heights
    - Viking Heights

CAPITAL IMPROVEMENT Fund (121)

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 121 CAPITAL IMPROVEMENT						
RESOURCES						
BEGINNING BALANCE	2,950,599	2,735,570	3,391,502	*2,594,502*	*2,559,752*	*2,594,502*
TAXES	1,178,970	1,057,834	700,000	*800,000*	*700,000*	*1,500,000*
MISCELLANEOUS	86,001	98,099	6,000	-	-	-
TOTAL RESOURCES	4,215,570	3,891,503	4,097,502	***3,394,502***	***3,259,752***	***4,094,502***
FUND 121 CAPITAL IMPROVEMENT						
USES						
OTHER FINANCING USES	1,480,000	500,000	1,603,000	*834,750*	*838,250*	*1,673,000*
FUND BALANCE	2,735,570	3,391,503	2,494,502	2,559,752	2,421,502	*2,421,502*
TOTAL USES	4,215,570	3,891,503	4,097,502	***3,394,502***	***3,259,752***	***4,094,502***



Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

Capital Improvement Fund (121) Introduction

The Capital Improvement Fund was established to receive all proceeds of the Real Estate Excise Tax (REET) disbursed to the City by the Kitsap County Treasurer's Office. REETs are collected in two parts of ¼% each. Real Estate Excise Taxes are collected from the property seller when real property is sold. The Finance Department manages the revenues & expenditures of the Capital Improvement Fund.

The first ¼% of REET, known as REET 1, collected shall be solely used 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, known as REET 2, may only be levied by cities and counties that are required to or choose to plan under the Washington State Growth Management Act (GMA). Participating Cities and Counties may use REET 2 funds for capital projects and limited maintenance. The City of Poulsbo is a participating City and collects REET 2 in addition to REET 1.

Revenue

The nature of REET revenue can be difficult to estimate since it is dependent on the real estate market. From 2020 through 2025 real estate sales have remained strong allowing the City to build reserves to fund planned capital projects. Revenues are budgeted conservatively based on the potential for an economic decline in the real estate market.

Revenue Projection

2027 – $800,000
2028 – $700,000

Expenditures

Expenditures for capital projects are budgeted based on the City's Capital Improvement Plan (CIP). The CIP is prepared on the basis of 'reasonably assured funding' for projects. Funds from REETs are allocated to specific projects through fund transfers. Currently, REETs are used for the Debt Service on the following projects:

- 2027 Transfers
    - $178,250 for the 2026 Noll Road Transportation Construction Project
    - $250,000 for the 2026 Refunding Bond for the Municipal Campus (City Hall) building
    - $406,500 for the Poulsbo Events & Recreation Center (PERC) – City of Poulsbo Portion

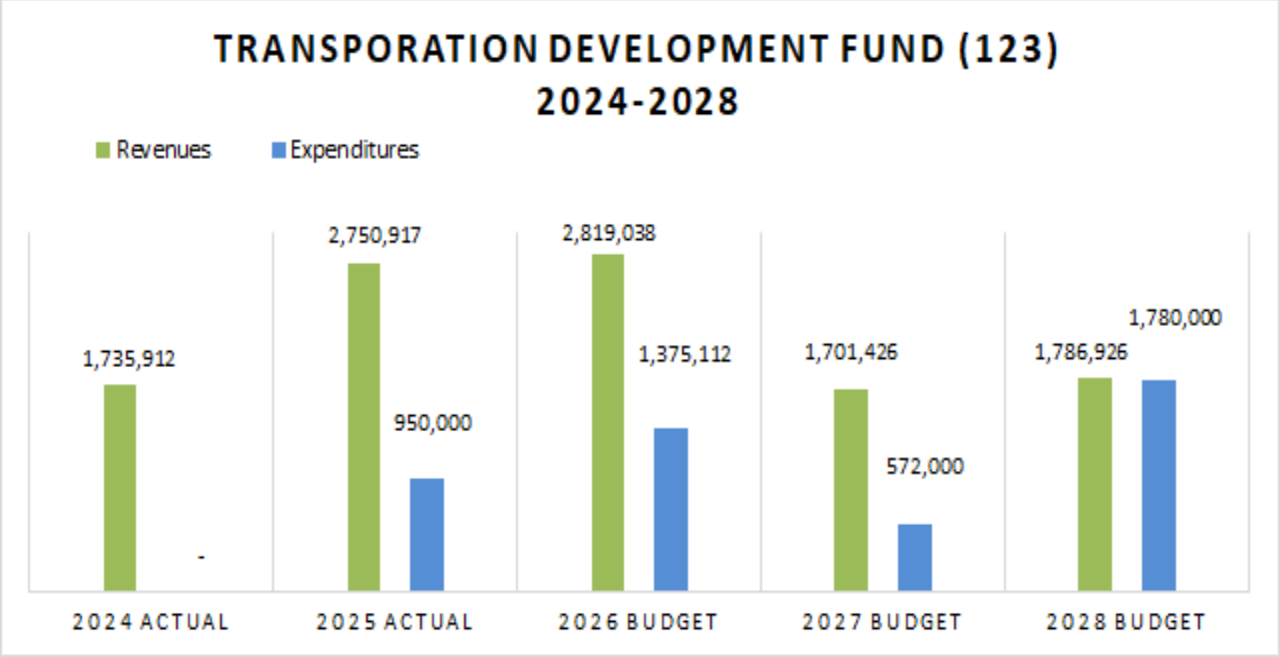
- 2028 Transfers
    - $179,750 for the 2026 Noll Road Transportation Construction Project
    - $250,000 for the 2026 Refunding Bond for the Municipal Campus (City Hall) building
    - $408,500 for the Poulsbo Events & Recreation Center (PERC) – City of Poulsbo Portion

The full Capital Improvement Plan is included in the Capital Budget section.

TRANSPORTATION DEVELOPMENT FUND 123

Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance.

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 123 TRANSPORTATION DEVELOPMENT						
RESOURCES						
BEGINNING BALANCE	1,443,238	1,935,913	1,800,917	*1,193,926*	*1,129,426*	*1,193,926*
CHARGE FOR SERVICES	255,090	752,305	1,011,121	*500,000*	*650,000*	*1,150,000*
MISCELLANEOUS	37,584	62,699	7,000	*7,500*	*7,500*	*15,000*
TOTAL RESOURCES	1,735,912	2,750,917	2,819,038	***1,701,426***	***1,786,926***	***2,358,926***
FUND 123 TRANSPORTATION DEVELOPMENT						
USES						
OTHER FINANCING USES	-	950,000	1,375,112	572,000	1,780,000	*2,352,000*
FUND BALANCE	1,735,912	1,800,917	1,443,926	1,129,426	6,926	*6,926*
TOTAL USES	1,735,912	2,750,917	2,819,038	***1,701,426***	***1,786,926***	***2,358,926***



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.

This fund is managed by the Finance Department.

2027-2028 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 investment interest are:

- 2027 - $1,701,426
- 2028 - $1,786,926

2027-2028 EXPENDITURES:

Transfers are planned to support funding for the following capital projects:

2027

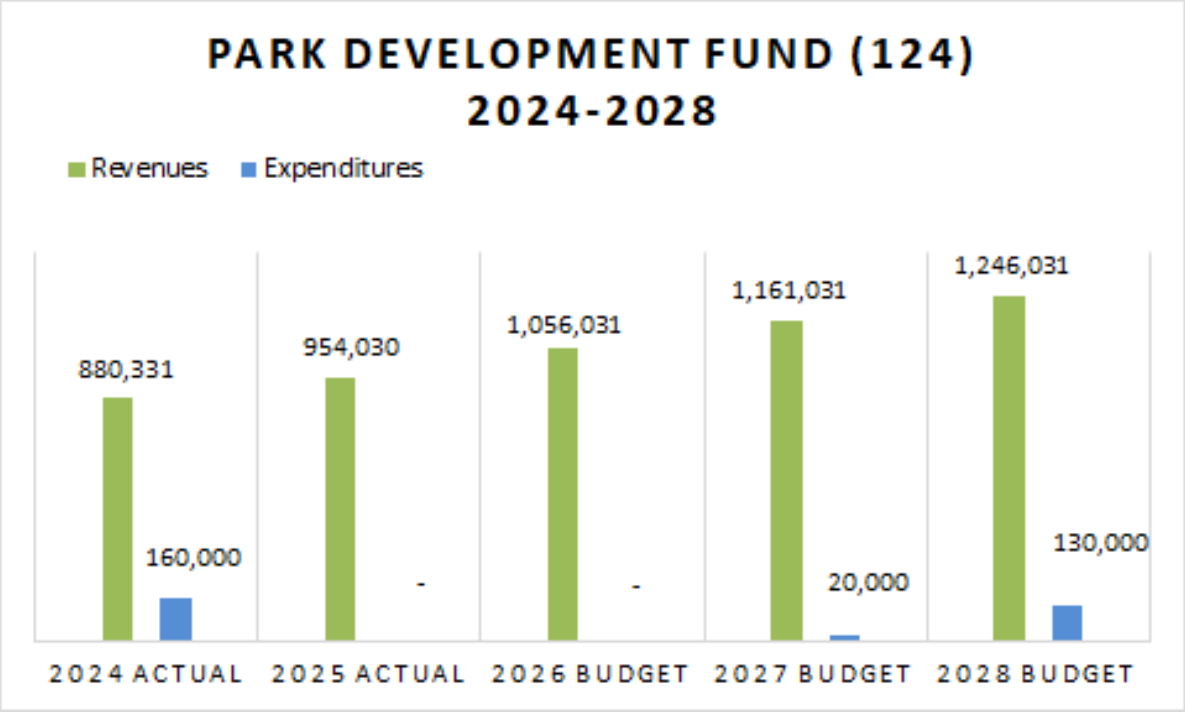
- Street reserves - $382,000
    - $60,000 – Front Street Improvements for Historic Downtown
    - $322,000 – 3rd Avenue Improvements
    - $550,000 Noll Road next phase

2028

- Street reserves – 1,780,000
    - $500,000 – Front Street Improvements for Historic Downtown
    - $250,000 – 4th Avenue Sidewalks
    - $130,000 – Finn Hill Overlay
    - $900,000 – 8th Avenue Improvements

PARK DEVELOPMENT FUND 124

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 124 PARK DEVELOPMENT						
RESOURCES						
BEGINNING BALANCE	733,069	720,331	954,031	*1,056,031*	*1,141,031*	*1,056,031*
CHARGE FOR SERVICES	125,551	211,929	100,000	*100,000*	*100,000*	*200,000*
MISCELLANEOUS	21,711	21,770	2,000	*5,000*	*5,000*	*10,000*
TOTAL RESOURCES	880,331	954,030	1,056,031	***1,161,031***	***1,246,031***	***1,266,031***
FUND 124 PARK DEVELOPMENT						
USES						
OTHER FINANCING USES	160,000	-	-	*20,000*	*130,000*	*150,000*
FUND BALANCE	720,331	954,030	1,056,031	1,141,031	1,116,031	*1,116,031*
TOTAL USES	880,331	954,030	1,056,031	***1,161,031***	***1,246,031***	***1,266,031***



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 Plant (PROS Plan) 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. Impact fees are intended to ensure growth contributes its proportionate share toward growth-related infrastructure needs.

Park Impact Fees were implemented in 2011. Since implementation, average parkland development costs per acre – used in the calculation of establishing appropriate impact fees for the community's desired level of service identified in the 2011, 2016, and 2021 PROS Plan - have only increased a total of 2.4% over 15 years or 0.16%/year. Importantly, that 2.4% increase only applied during the 2016 cycle. In comparison, development costs across Washington state have skyrocketed in cost over the same 15 year timeframe, resulting in a significant gap of resources needed to offset future growth.

Three previous Council workshops were held on April 15, 2026, May 13, 2026, and June 3, 2026, as part of the City's 2026 Impact Fee Update process. These workshops provided an overview of impact fee requirements, reviewed the draft rate studies and methodologies, and discussed implementation and policy considerations associated with the proposed updates. During the June 17, 2026, Council meeting, City Council approved Ordinance No. 2026 - 08, an ordinance of the City of Poulsbo, Washington, amending chapter 3.84 of the Poulsbo Municipal Code to update the park impact fee amount; providing clarification based upon square footage; and providing for severability and establishing an effective date. The update is intended to ensure consistency with the recently adopted Comprehensive Plan, the City's Parks, Recreation and Open Space Plan, updated facility and cost assumptions, current growth projections, and applicable state law requirements. The proposed changes are intended to ensure that new development contributes its proportionate share toward park improvements needed to serve future growth while supporting the City's long-term parks planning efforts.

As part of this process, the Parks & Recreation Commission also met with staff to review and offer a recommendation for City Council regarding action for updating Park Impact Fees. The Commission voted unanimously to "Adopt the 1st two phased increases of the Park Impact Fees, reevaluate during the 2028 PROS update with an outside consultant, then pausing with no automatic increases to park impact fees until new fee increases can be determined - if any - based on the PROS plan update."

2027-2028 REVENUE SOURCES:
Park Impact Fees provide the revenue for this fund. Park Impact Fees are assessed in accordance with Chapter 3.84 PMC based on the applicable development and building permit activity. As part of the 2026 Park Impact Fee update, the City changed the timing of park impact fee payment from building permit issuance to Certificate of Occupancy/Final Inspection. This change reduces upfront carrying costs for development by allowing payment later in the construction process, while ensuring fees are collected before occupancy. This change provided several benefits including reducing the upfront carrying costs for developers and supporting housing affordability discussions. With Park Impact Fees increasing, city staff, the Parks & Recreation Commission, Kitsap Builders Association, and City Council were in favor of reducing upfront development burden while units were under construction. Fees would still be collected before occupancy.

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 difficult to estimate as they are transactional based, dependent on projects moving forward, as well as the change in timing for collecting Park Impact Fees For these reasons, projections are conservatively estimated. Current revenue projections including interest are:

- 2027 - $115,000
- 2028 - $ 115,000

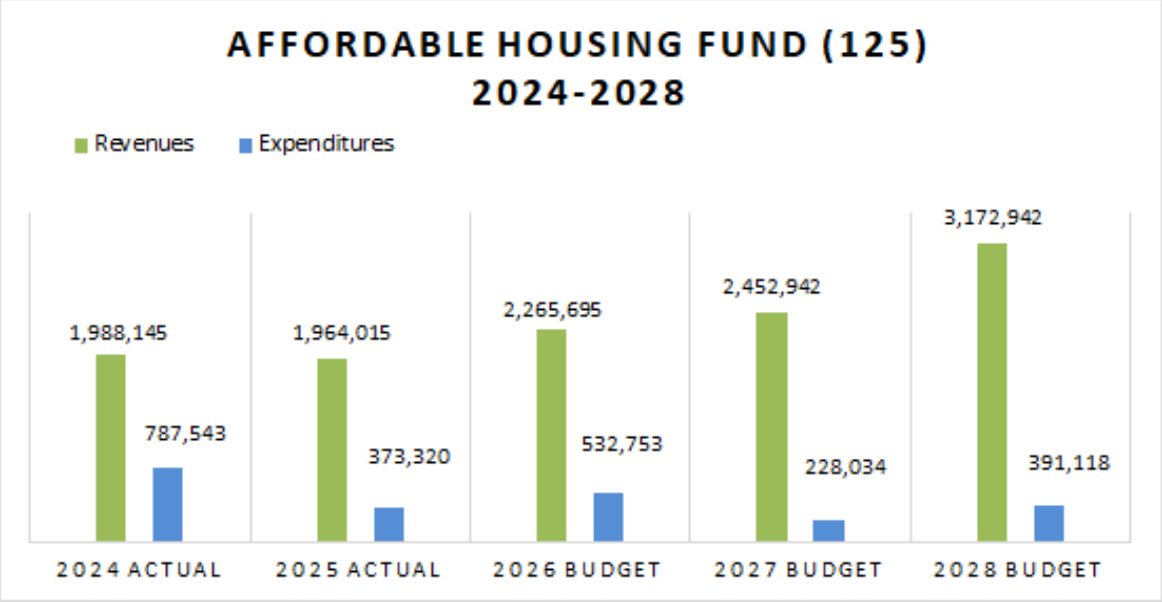
2027 - 2028 EXPENDITURES:

Funds are transferred into the Park Reserve Fund (302) which accounts for parks capital projects. For 2027-2028, anticipated Park Impact Fee use is slated for the following projects:

- Lions Park – Playground Update & Expansion- $140,000
    - Note: This project will also be supported by Fund 302 Park Reserves and an anticipated community fundraising campaign.

AFFORDABLE HOUSING FUND 125

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 125 AFFORDABLE HOUSING						
RESOURCES						
BEGINNING BALANCE	1,251,005	1,200,602	1,584,544	*1,783,574*	*2,596,574*	*1,783,574*
TAXES	703,057	720,303	675,000	*720,000*	*720,000*	*1,440,000*
INTERGOVERNMENTAL	-	-	-	-	-	-
MISCELLANEOUS	34,083	47,952	151,991	*175,000*	*175,000*	*350,000*
TOTAL RESOURCES	1,988,145	1,968,857	2,411,535	***2,678,574***	***3,491,574***	***3,573,574***
FUND 125 AFFORDABLE HOUSING						
USES						
SALARIES & WAGES	39,504	187,541	135,156	*98,679*	*210,621*	*309,300*
BENEFITS	11,139	72,646	59,197	*39,955*	*91,097*	*131,052*
SUPPLIES	43	935	-	-	-	-
SERVICES	22,673	123,190	241,608	*171,400*	*176,150*	*347,550*
OTHER FINANCING USES	714,184	-	192,000	*178,250*	*179,750*	*358,000*
FUND BALANCE	1,200,602	1,584,545	1,783,574	2,190,290	2,833,956	*2,427,672*
TOTAL USES	1,988,145	1,968,857	2,411,535	***2,678,574***	***3,491,574***	***3,573,574***



Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

AFFORDABLE HOUSING FUND (125)

PROGRAM INTRODUCTION:

The Housing, Health, and Human Services Department (H3) oversees the administration and allocation of the City of Poulsbo's Affordable Housing Tax Fund (Fund 125). In 2021, the Poulsbo City Council approved a 0.1% sales and use tax, effective January 1, 2022, to support affordable housing and related services. Expenditures are governed by state law (RCW 82.14.530) and local ordinances and resolutions that establish restrictions on how funds may be spent. Under local policy, at least 60% of revenues are designated for affordable housing, while up to 40% may support eligible behavioral health and recovery services. Historically, the City has used these funds to support affordable housing construction, rental assistance, and recovery services programs, including operations at the North Kitsap Recovery Resource Center and Recovery Café.

In addition to revenues generated by the City's local affordable housing sales tax, Fund 125 receives approximately $30,000 annually through Washington State's HB 1406 program, enacted in 2019. This program allows eligible cities and counties to retain a portion of existing state sales tax revenues for affordable housing purposes, providing an additional funding source without increasing the sales tax paid by residents. Unlike the City's locally adopted affordable housing tax, HB 1406 revenues are subject to more restrictive state requirements and must be used for eligible affordable housing activities, such as acquisition, construction, rehabilitation, or certain housing-related services such as rental assistance.

H3 is responsible for identifying funding priorities for 125 funds, developing partnerships, recommending expenditures to City leadership, and ensuring that investments comply with applicable state and local requirements.

125 Fund programs and services are developed in response to identified community needs, City Council priorities, available funding, assigned uses of funding, and opportunities for partnerships with government agencies and nonprofit organizations. Goals are established for each program based on its intended outcomes, with progress measured through service utilization, individuals served, housing placements, recovery outcomes, and other relevant performance measures.

H3 continues to develop new services and initiatives to address gaps in affordable housing and behavioral health support. In 2027, the City plans to issue a Notice of Funding Opportunity (NOFO) to incentivize the development of new STEP housing (shelters, transitional housing, emergency housing, and permanent supportive housing) through partnerships with housing developers and service providers. We plan to have a new project identified early in the year based on the recommendations of a STEP Housing Advisory Group.

One of H3's greatest challenges is the limited capacity of a small city like Poulsbo to meet the affordable housing targets established under Washington's Growth Management Act, as amended by HB 1220 (2021). These requirements call for cities to plan for housing affordable to residents across all income levels, including extremely low- and very low-income households and people experiencing

homelessness. While Poulsbo is expected to accommodate its share of the region's housing needs, the City has limited financial resources, available land, and staff capacity to support affordable housing development at the scale needed. The high cost of construction, limited availability of state and federal housing subsidies, and shortage of development partners make these targets particularly difficult to achieve. H3 must therefore focus on leveraging limited local funds to attract outside investment, incentivize affordable housing development, and establish regional partnerships capable of producing housing that the City cannot finance or develop independently.

COSTS:

Costs associated with Fund 125 are measured by expenditures in two primary categories: affordable housing and behavioral health services. Under City policy, 60% of local fund revenues are designated for housing-related investments, including affordable housing development, rental assistance, housing-related services, and initiatives such as the planned 2027 STEP Housing Notice of Funding Opportunity (NOFO). The remaining 40% is designated for eligible behavioral health and recovery services, including operations at the North Kitsap Recovery Resource Center and Recovery Café.

Costs are tracked through separate budget line items for personnel, benefits, contracted services, and program expenditures, including debt payments on the Nordic Cottages. The budget also distinguishes between H3 administrative costs and direct recovery services expenditures. Because some personnel and administrative costs support both housing and behavioral health activities, these expenses must be allocated appropriately to provide an accurate accounting of expenditures within each funding category. This distinction is particularly important when comparing historical expenditures, as earlier budgets did not consistently separate personnel costs associated with recovery services from other H3 functions.

COLLABORATION:

H3 works closely with the City's Planning and Economic Development Department to advance affordable housing goals, identify development opportunities, and develop strategies to meet state-established housing targets. This collaboration includes evaluating potential housing sites, identifying regulatory and financial barriers to development, coordinating with housing developers and nonprofit partners, and exploring opportunities to leverage local funds to attract outside investment. H3 also works closely with the Poulsbo Police Department and Poulsbo Municipal Court to guide investments in behavioral health and recovery services. These partnerships help ensure that recovery programs respond to the needs of justice-involved individuals, support pre-arrest and court-based diversion, and connect residents with substance use treatment, mental health services, housing assistance, and peer recovery support. Together, these interdepartmental partnerships help the City align its housing, public safety, and behavioral health investments to address community needs and make effective use of limited resources.

Historic Downtown Poulsbo Association (HDPA) 131

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

Department Introduction

In 1988, business owners in the downtown area, with the cooperation of the City, formed a Business Improvement Area Association (BIAA). This organization, dedicated to the beautification and promotion of historic downtown Poulsbo, is known as the "Historic Downtown Poulsbo Association" (HDPA).

Businesses self-assess fees to support the beautification, preservation, and promotion of downtown Poulsbo. Donations are also accepted from corporations and any other business or individuals who wish to support the program. By attending quarterly member meetings, members can join committees, run for open board positions, and discuss their ideas. The Board communicates through email and in person with the members regarding ongoing projects, and upcoming promotions.

The skill and expertise of HDPA members has been the key to the success of the organization. The volunteer board and committee members decide how the association's budget will be spent. The City Council approves both the budget and expenditures. These funds are used for promotion, beautification, and administration purposes. The City provides the services of accounts receivable, accounts payable, and annual report preparation in compliance with Washington state regulations. The City is paid for these services.

Fund Services

How are programs/services defined?

HDPA work falls into three standing programs. Everything the fund pays for should map to one of them:

- Beautification and district appearance — hanging baskets and street pots on Front and Jensen, banner standards, holiday lighting, wreaths and garland, courtyard/bistro lighting, and repair or replacement of district amenities (including occasional participation in assets such as the downtown clock).
- Promotion and marketing — website and member listings, walking maps, print/digital/radio/television advertising, co-op placements with the Poulsbo Chamber and Visit Kitsap, holiday gift-guide and "Experience Little Norway" campaigns, and tourism grant-funded promotion when awarded.
- Events and activation — HDPA-hosted or co-hosted downtown events that draw residents and visitors onto Front Street and the waterfront. Recurring examples include Girls Night Out, downtown Trick-or-Treat, Christmas / Holidays in Little Norway, Art Walks, and partnership roles in Viking Fest, Liberty Bay Festival, film and brewery events, and waterfront programming.

Are goals set for each service?

Yes, at a practical level. The Board does not run a large performance-measure shop, but each program has standing aims the Administrator and committees work to:

- Beautification — 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 HDPA.
- Promotion — Brochures, walking maps, 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. We have been using a marketing company to assist with what's listed above including maintaining our website, social media, and creating our marketing materials.

- Events — The Association also works all year long to host or assist with public events: Viking Fest, Beer Festivals, 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.

HDPA is also putting written event procedures in place, so hosting is consistent from year to year (classification, permits, merchant notice, volunteers, wrap-up). That is a process goal, not a new standalone program.

Is the department adding new services?

No major new program is proposed for 2027–2028. The biennium is a reset toward core work after several years of higher professional services and repair spending.

What is new or newly formalized, rather than brand-new service lines:

- A budgeted interfund professional services charge to the City ($3,500 per year) so Fund 131 pays for the AR/AP and reporting work the City already performs.
- Receipt and programming of the restricted Kvam Flower Fund contribution ($35,275 proposed in 2027 and $20,275 in 2028). This supports existing beautification; it is not a new service category. Note: the working file currently shows the related Kvam expense accounts at $0. Those restricted dollars will be programmed into floral and beautification work consistent with donor purpose before or at adoption, either in the Kvam org code or in the existing supplies / repairs lines.
- Continued use of a part-time Administrator (budgeted inside Professional Services) instead of relying only on volunteer Board members for paperwork, vendor coordination, and event logistics. The 2025–2026 narrative flagged this hire as under consideration; it is now part of how the fund operates.

HDPA is not adding City staff, capital programs, or events that would require a new assessment.

What challenges is the department facing in providing services?

- Capacity. A volunteer Board turns over. Continuity now sits with a part-time Administrator and a small set of trusted volunteers. Large events compete with the same people who also run shops.
- Rising event compliance cost. City special-event rules effective 2026 include a $200 application fee, $2 million insurance limits, and growing cost-recovery for Police and Public Works. Those costs land in this fund, not in the general fund.
- Flat assessment revenue. Special assessments are proposed at $48,000 each year — in line with 2024–2025 actuals — while advertising, insurance, and City service charges do not stay flat.
- Fund-balance drawdown. Audited-style actual ending balances were about $85,600 (2024) and $73,800 (2025). The working file proposes an ending balance near $12,100–$12,200. That is a policy choice to spend down reserves for district work; it leaves less cushion for a missed assessment year or an uninsured loss.
- Restricted-gift timing. A large Kvam contribution was posted in 2026. Spending it on the purpose intended, on a City calendar, without mixing it into unrestricted operating cash, takes discipline.
- Shared downtown calendar. Viking Fest-scale and waterfront events are multi-agency. HDPA can host or support, but it cannot control City, Port, or nonprofit timelines.

What are the costs for this fund?

How are costs measured?

Costs are measured in City BARS lines inside Fund 131. The Board and Administrator build a line-item budget; the City records actuals. There is no cost-per-resident metric and no FTE count. The useful measures are: (1) dollars by object (advertising, professional services, repairs, and so on), (2) whether spending stays inside the three programs above, and (3) whether ending fund balance remains solvent.

The proposed operating expenditure budget is $83,400 in 2027 and $83,400 in 2028 ($166,800 for the biennium). That is $30,500 (27%) below the 2026 adopted uses budget of $113,900, driven mainly by a sharp reduction in repairs and maintenance (from $33,700 to $5,000) and professional services (from $44,000 to $25,000), partly offset by higher advertising ($19,200 to $22,000) and new lines for rentals, printing, and interfund services.

What are the costs for personnel?

Fund 131 has no City employees and no salary-and-benefit object codes. There is no PERS, health, or overtime cost in this fund.

People's costs appear only as contracted professional services. The $25,000 per year Professional Services line is the bucket for the part-time Administrator, any event support contracts, as well as contracting characters for downtown events such as Santa, The Easter Bunny, Olaf and Vikings appearances throughout the year. That line is $19,000 below the 2026 budget of $44,000. HDPA is not requesting a City FTE.

What are the costs for contracted purchases?

Nearly all Fund 131 spending is contracted or vendor paid. Proposed annual amounts:

- Professional services — $25,000. Administrator, specialized contractors, and similar outside help.
- Advertising — $22,000. Digital, print, co-op with Chamber / Visit Kitsap, tourism promotion and contracting a marketing company to assist with social media marketing and website management. This is the largest single object and is where lodging-tax awards, when received, are typically spent.
- Repairs and maintenance — $5,000. Routine upkeep of banners, lighting, planters, and district amenities after several heavier-repair years ($28,021 actual in 2024; $14,000 in 2025; $33,700 budgeted in 2026).
- Operating rentals and leases — $2,400. Office space rental which includes a flat rate for payroll services for our contractors including out admin.
- Printing and duplication — $2,500. Maps, brochures, merchant packets, event materials. (2026 budgeted this at $0 while actual mid-year already exceeded $2,200; the 2027 line corrects that.)
- Insurance — $2,000. Association and event liability. City special-event insurance expectations have increased; this line should be watched.
- Office supplies, small tools, communication, postage — $2,500 combined.
- Miscellaneous — $10,000. Event-day costs, merchant-facing extras, and items that do not fit a tighter object code. This is a flexibility line and should stay exception based.
- Bad debt — $500. Allowance for uncollectible assessments.

Kvam Flower Fund contracted floral work will be charged either to the Kvam org code or to supplies/repairs once the Board programs the restricted contribution. It is not a second beautification program; it is how a restricted gift is spent.

What are internal costs?

The only budgeted internal (City-to-HDPA) cost is Interfund Professional Services at $11,500 per year ($23,000 biennium). That is the payment to the City for accounts receivable, accounts payable, state-compliant annual reporting and payment to the city for watering budgeted at $8,000 per year. It was $0 in 2024–2025 actuals and in the 2026 budget; booking it in 2027–2028 makes the City's staff time visible instead of absorbing it silently in another fund.

Other City support is billed event-by-event under special-event cost recovery (Police, Public Works barricades and cleanup, permit fees) and lands in the object codes above, not in a separate interfund line. The City also pays a share of downtown planter watering; that contribution does not flow through Fund 131 as an HDPA expenditure.

Revenues, Expenditures, and Fund Balance

Operating resources (excluding beginning balance) are built on two stable sources plus one restricted gift:

- Special assessments — $48,000 per year. In line with 2024 actual $47,544 and 2025 actual $48,735. Mid-year 2026 collections were already $37,627.
- Contributions and donations — $34,500 per year. 2024 actual $28,728; 2025 actual $36,815. Includes lodging-tax / tourism awards when granted and general sponsorships. LTAC is competitive and not guaranteed; the donation line is held flat rather than grown.
- Investment interest — $1,000 per year.
- Kvam Flower Fund (restricted) — $35,275 in 2027 and $20,275 in 2028. A $50,000 contribution posted in 2026 year-to-date. These dollars are not interchangeable with assessment revenue.

Operating resources (excludes beginning fund balance)

Source	2024 Act.	2025 Act.	2026 Budg.	2027 Prop.	2028 Prop.
Special assessments	47,544	48,735	48,000	48,000	48,000
Contrib. & donations	28,728	36,815	34,500	34,500	34,500
Kvam Flower Fund	0	0	37,075	35,275	20,275
Investment interest	1,306	1,106	1,000	1,000	1,000
Interest on receivables	529	994	0	0	0
Total operating resources	**78,107**	**87,650**	**83,500**	**118,775**	**103,775**

Expenditures

	2024 Act.	2025 Act.	2026 Budg.	2027 Prop.	2028 Prop.
Professional services	17,322	57,276	44,000	25,000	25,000
Advertising	30,861	10,144	19,200	22,000	22,000 000
Repairs & maintenance	28,021	14,000	33,700	5,000	5,000
Miscellaneous	9,729	7,828	10,000	10,000	10,000
Insurance	2,059	3,658	2,500	2,000	2,000

	2024 Act.	2025 Act.	2026 Budg.	2027 Prop.	2028 Prop.
Office supplies	1,529	3,720	2,500	1,000	1,000
Interfund prof. services	0	0	0	11,500	11,500
Rentals & leases	0	1,800	—	2,400	2,400
Printing	56	214	0	2,500	2,500
Communication / postage	691	101	1,300	1,300	1,300
Small tools / bad debt / other	0	683	700	700	700
Total expenditures	**90,268**	**99,424**	**113,900**	**83,400**	**83,400**

2024–2025 expenditure totals match the working-file fund totals. Object lines are rounded. "Other" includes small tools and the bad-debt allowance.

Fund balance picture

	2024 Act.	2025 Act.	2026 Budg.	2027 Prop.	2028 Prop.
Beginning restricted balance	97,782	85,621	73,846	80,521	117,696
Ending fund balance	**85,621**	**73,847**	**43,446**	**80,621**	**117,796**

The 2027 beginning-balance figure in the working file ($12,000) is a planning placeholder and is well below the mid-year 2026 computed balance (~$118,800 on the working file's fund-balance row, which includes the Kvam receipt). Finance and HDPA should reconcile the 2027 starting point to the audited 2026 close before the book is printed, or the adopted budget will understate available resources. Ending-balance targets of about $12,200 assume the Board is comfortable running a thinner reserve than the last four years.

Fund / Departmental Results

Does this department collaborate with other departments?

Yes. HDPA cannot deliver its services alone, and Fund 131 is built on that fact.

- Finance — billing and collecting assessments, paying vendors, interfund charges, annual report, lodging-tax claims when awarded.
- Parks & Recreation / Special Events — special-event permits, park-use rules, community signboards, event calendar coordination.
- Public Works — planter watering share, barricades, no-parking, extra garbage, street and park condition after events, banner hardware in the right-of-way.
- Police — traffic and crowd plans, off-duty officers when an event requires them.
- Fire authority — tents, cooking, occupancy, and open-flame reviews when events trigger them.
- Planning / economic development — downtown district health, signage, and BIA boundary questions.

Outside the City, HDPA regularly works with the Poulsbo Chamber of Commerce, Visit Kitsap, Poulsbo Historical Society, the Maritime Museum, Sons of Norway, the Port of Poulsbo, downtown property owners, and lodging-tax / LTAC processes at the City. Co-branding and co-hosted events are the rule for anything larger than a simple activation.

Results the Board can point to are visible rather than statistical: planted and lighted streets, a published event calendar merchants can sell against, tourism messaging in regional channels, and a district that still functions as

Poulsbo's front door. For grant-funded promotion, HDPA reports attendance, out-of-area visitor information, and lodging-related metrics on the City's LTAC claim schedule.

2027–2028 Use of Funds (program view)

Ongoing, both years

- Replace beautification elements as they wear out; maintain banner standards and lighting.
- Event planning and marketing for the adopted downtown calendar.
- Advertising and digital presence; website and member directory; walking maps and ferry-rack display.
- Co-op advertising with the Chamber and Visit Kitsap when it stretches the dollar.
- Part-time Administrator support and City interfund financial services.
- Insurance, communications, and a modest miscellaneous contingency.

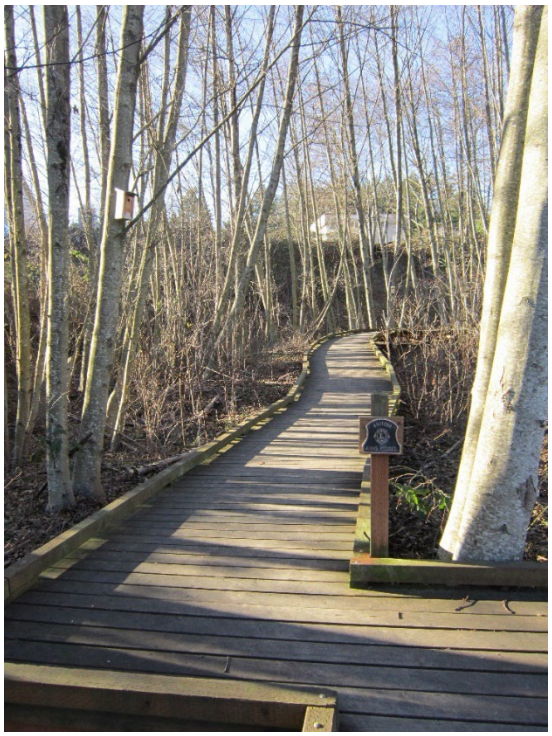
Seasonal — spring and summer

- Nursery for hanging baskets and pots on Front and Jensen; HDPA pays to water and maintains; City pays a share of water.
- Courtyard / bistro lighting maintenance for participating members.
- Girls Night Out and other right-sized spring activations.
- Waterfront concert or similar partnership programming when a partner is ready and the permit path is clean.

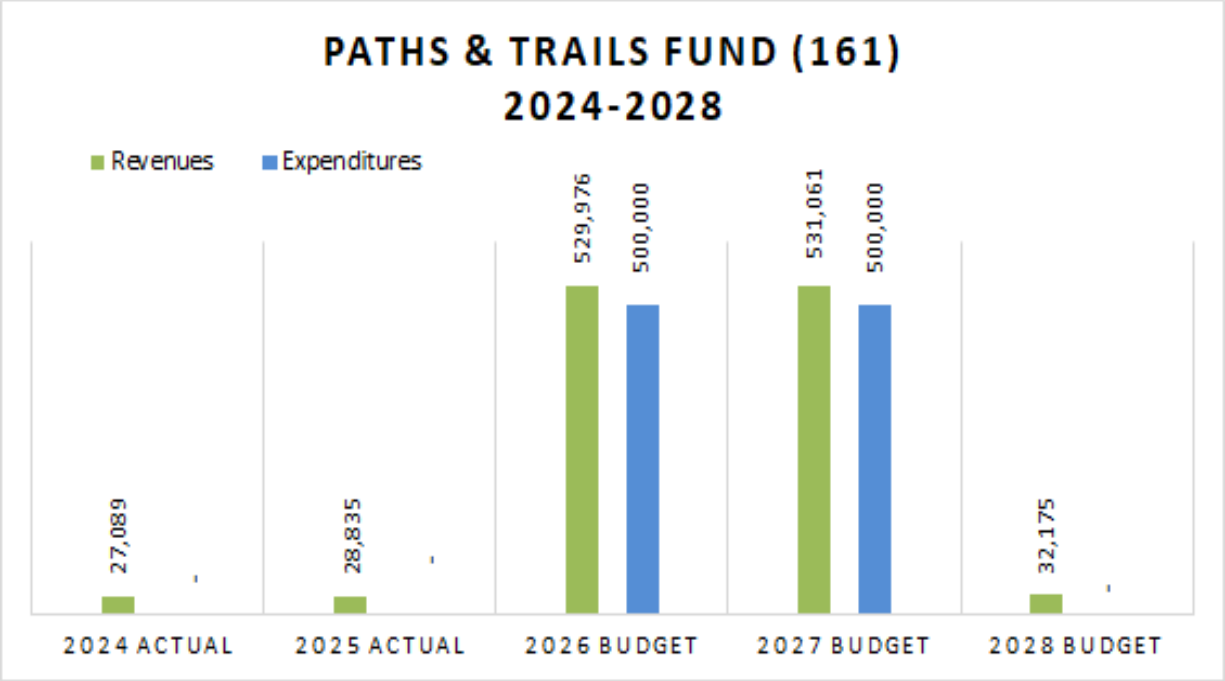
Seasonal — fall and winter

- Downtown Trick-or-Treat.
- Support and advertising for Poulsbo Film Festival and Liberty Bay Festival partners.
- Holidays in Little Norway: banners, lighted garland, wreaths and placards; Father Christmas, Olaf and the Giving Tree (Fishline); street and waterfront cheer (caroling, lighted boat parade / Christmas ship as those events are hosted by others).
- Holiday Gift Guide and "Experience Little Norway" advertising.
- Art Walks, shoulder-season promotion, and brewery / Oktoberfest partnership promotions as capacity allows.

PATHS & TRAILS RESERVE FUND 161



ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 161 PATHS AND TRAILS						
RESOURCES						
BEGINNING BALANCE	25,262	27,089	28,835	*29,976*	*31,061*	*29,976*
INTERGOVERNMENTAL	1,105	1,134	501,141	*501,085*	*1,114*	*502,199*
MISCELLANEOUS	722	612	-	-	-	-
TOTAL RESOURCES	27,089	28,835	529,976	***531,061***	***32,175***	***532,175***
FUND 161 PATHS AND TRAILS						
USES						
OTHER SERVICES & CHARGES	-	-	500,000	*500,000*	-	*500,000*
FUND BALANCE	27,089	28,835	29,976	31,061	32,175	*32,175*
TOTAL USES	27,089	28,835	529,976	***531,061***	***32,175***	***532,175***



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.

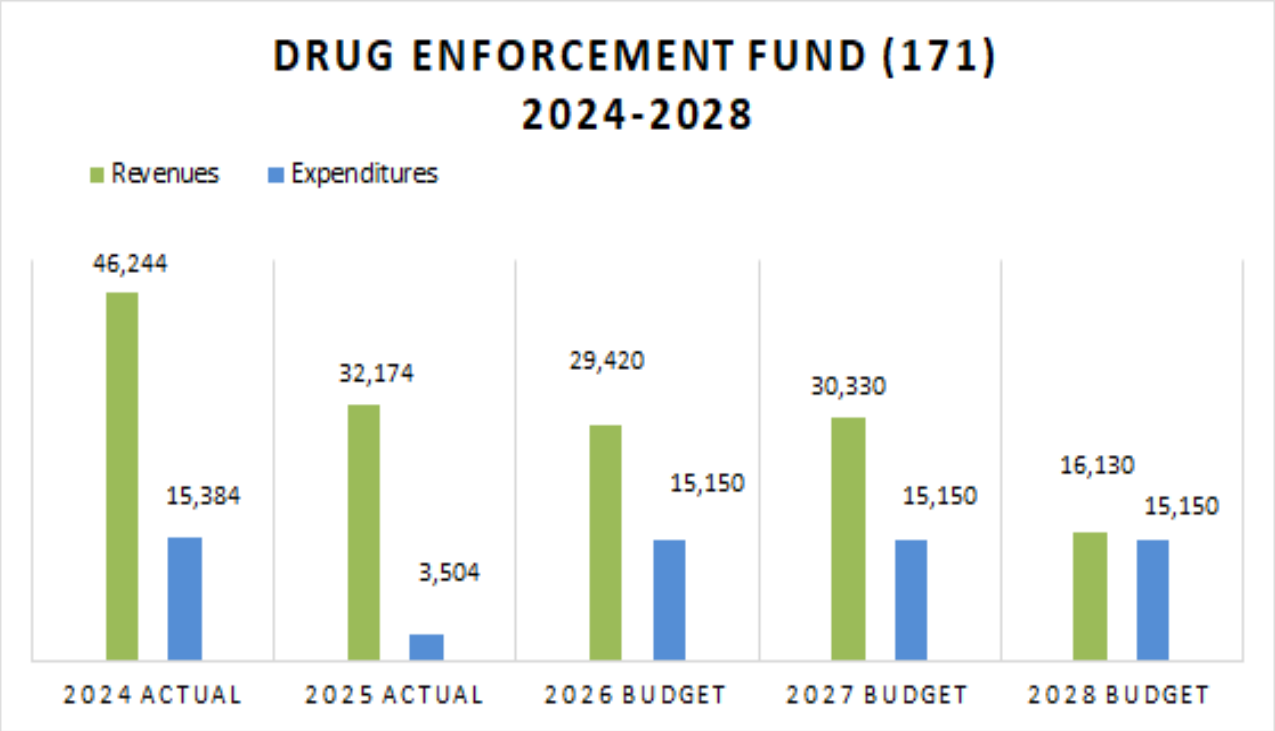
2027-2028 REVENUE SOURCES:
0.5% of the State Motor Vehicle Fuel Tax is designated to be used specifically for path and trail purposes. The tax is a State shared revenue and is distributed to cities based on their population. The following projections are estimated for the 2025-2026 budget cycle. The 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.

2027: $501,085
2028: $1,114

2027-2028 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)

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 171 DRUG ENFORCEMENT						
RESOURCES						
BEGINNING BALANCE	44,027	30,860	28,670	*29,380*	*15,180*	*29,380*
MISCELLANEOUS	2,217	1,314	750	*950*	*950*	*1,900*
TOTAL RESOURCES	46,244	32,174	29,420	***30,330***	***16,130***	***31,280***
FUND 171 DRUG ENFORCEMENT						
USES						
SALARIES & WAGES	-	-	-	*1,500*	*1,500*	*3,000*
BENEFITS	-	-	1,000	*1,000*	*1,000*	*2,000*
SUPPLIES	1,974	708	4,675	*6,750*	*6,750*	*13,500*
OTHER SERVICES & CHARGES	13,410	2,796	9,475	*5,900*	*5,900*	*11,800*
FUND BALANCE	30,860	28,670	14,270	15,180	980	*980*
TOTAL USES	46,244	32,174	29,420	***30,330***	***16,130***	***31,280***



Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

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.

The Drug Enforcement Fund is managed by the Police Department.

2027-2028 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.

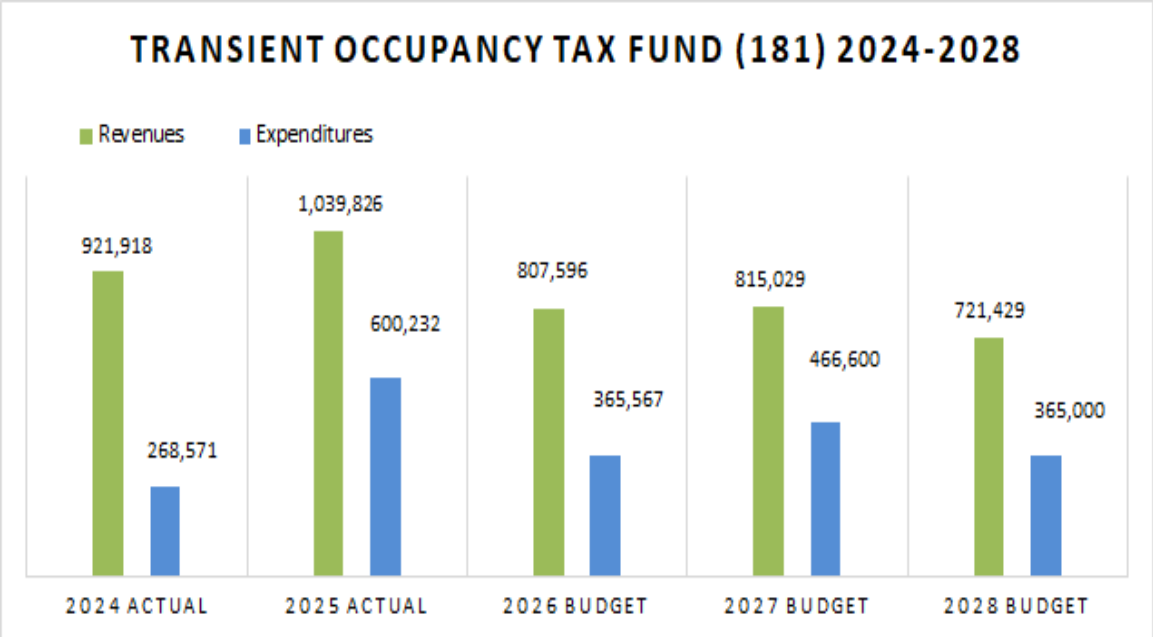
Certain law enforcement activities in concert with federal drug enforcement agencies such as the Drug Enforcement Agency (DEA) or the Department of Homeland Security (DHS) may result in reimbursement of overtime costs.

2027-2028 EXPENDITURES:

Expenditures for 2027-2028 comply with the prior baseline budget.

TRANSIENT OCCUPANCY TAX FUND 181

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 181 TRANSIENT OCCUPANCY TAX						
RESOURCES						
BEGINNING BALANCE	519,899	652,448	439,596	*442,029*	*348,429*	*442,029*
TAXES	379,034	369,823	365,000	*365,000*	*365,000*	*730,000*
MISCELLANEOUS	12,985	17,555	3,000	*8,000*	*8,000*	*16,000*
OTHER FINANCING SOURCES	10,000	-	-	-	-	
TOTAL RESOURCES	921,918	1,039,826	807,596	***815,029***	***721,429***	***1,188,029***
FUND 181 TRANSIENT OCCUPANCY TAX						
USES						
SALARIES & WAGES	59,926	44,762	65,714	*68,367*	*72,941*	*141,308*
BENEFITS	35,226	25,521	38,219	*39,360*	*43,143*	*82,503*
SUPPLIES	5,295	-	-	*500*	*500*	*1,000*
SERVICES	168,124	415,449	261,634	*278,373*	*248,416*	*526,789*
OTHER FINANCING USES	-	114,500	-	*80,000*	-	
FUND BALANCE	653,347	439,594	442,029	348,429	356,429	*436,429*
TOTAL USES	921,918	1,039,826	807,596	***815,029***	***721,429***	***1,188,029***



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 Parks and Recreation Director with close collaboration and support from the Finance Director, Senior Accountant, and Special Events Coordinator. 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 Council 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 are 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.

2027-2028 REVENUE SOURCES:
The City has four hotels and multiple 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. Revenue projections including interest are:

- 2027 - $373,000
- 2028 - $373,000

2027-2028 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. Challenges faced by LTAC revolve around 1.) receiving an increased number of applications with funding requests, 2.) recent years requests far exceeding available grant resources, and 3.) educating applicants on eligible projects. Each of these areas has greatly increased the amount of city staff time required to administrate the grant process.

2026/2027 funding allocations utilized the following guidelines for decision making:

Core weighting provided for:

- New applicants who 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 (Fall/Winter/Spring).
- Proven overnight stays in lodging facilities within City limits.

Other award funding considerations include:

- Applicant initiatives should work towards becoming self-sustaining over time, within 3 years.
- Designating 25% or less of funding to be used towards applicant operations.
- Funding to be focused within the City of Poulsbo.
- Events should address transportation and parking challenges.
- Emphasis on utilizing alternative venues and parks outside of the downtown corridor.

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 assist with funding upcoming areas such as supporting tourism centered capital projects such as repairing the beloved Austin-Kvelstad Pavilion in Poulsbo's iconic Muriel Iverson Williams Waterfront Park, promoting the Poulsbo Event and Recreation Center's tournament fields to draw new regional, state, and national events to Poulsbo that result in filled overnight lodging, and focusing on one-time funding for large impact initiatives. City Staff with the LTAC Chair are working closely with LTAC representatives and City Council to provide an updated process for utilizing the reserves. The LTAC Committee has recommended $484,600 in 2027, which uses $119,600 of reserves.

POULSBO'S LODGING TAX ADVISORY COMMITTEE 2026-2027:

Category	Representative, Organization
Elected official from the municipality	Michael Fitzpatrick, Poulsbo City Council
Staff (Non-voting)	Debbie Booher, Assistant City Administrator Larissa Campbell, Senior Accountant Emily Hasche, Special Events Coordinator Jeff Ozimek, Parks and Recreation Director
Business that collects lodging tax	Ashley Walchok, Fairfield Inn & Suites by Marriott
Business that collects lodging tax	Melissa Smith, 360 Vacation Rentals
Organization eligible to apply	Greg Enright, Cultural Arts Foundation of the Northwest
Organization eligible to apply	Kathi Foresee, Viking Fest Corporation

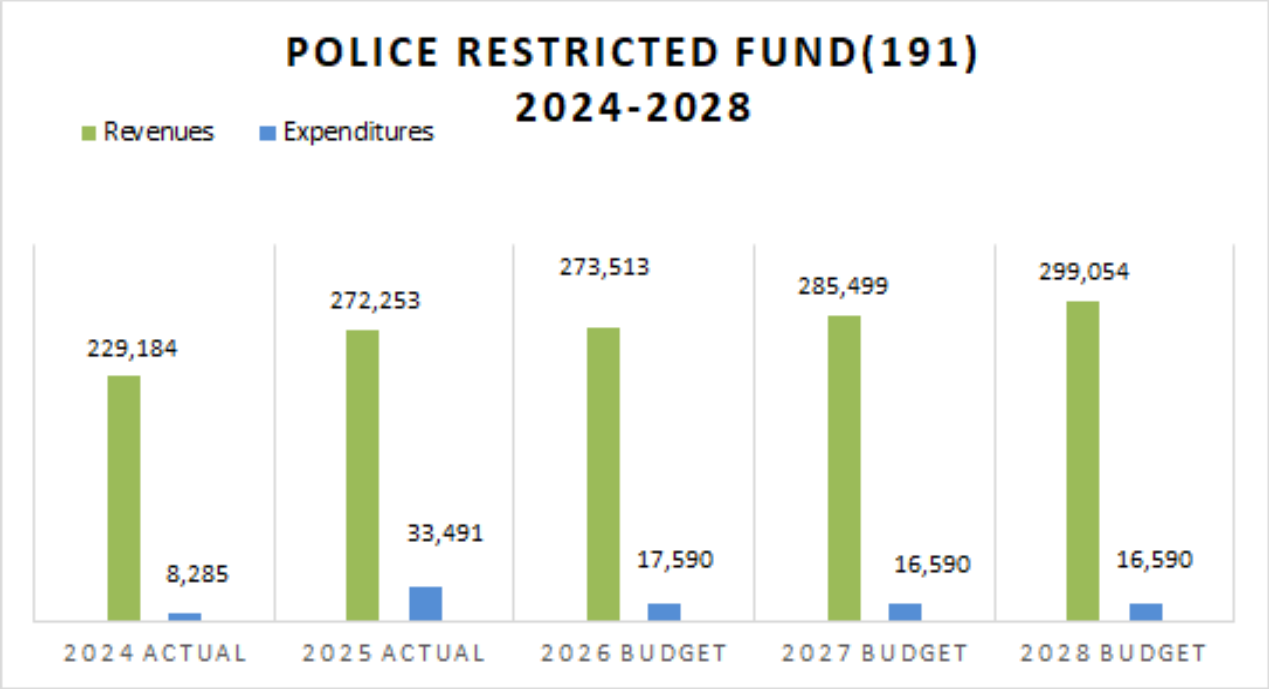
ADMINISTRATION

The Poulsbo Tourism Grant, requires substantial amount of city staff time to administrate. Staff work closely with the LTAC Chair and LTAC representatives to outline an annual timeline for the grant process. This timeline includes administrative tasks such as compiling annual reports from each Poulsbo Tourism Grant awardee to report to the state via the JLARC process, verifying quarterly receipts and documentation from awardees, developing and issuing annual grant contracts to awardees, verifying all application requirements, scheduling and administrating LTAC meetings, preparing budget documents, updating the website, promoting the Poulsbo Tourism Grant, communicating with LTAC, City Council, and the public, sending out award letters, managing public meetings and documents, and assisting applicants to help navigate each year's application process.

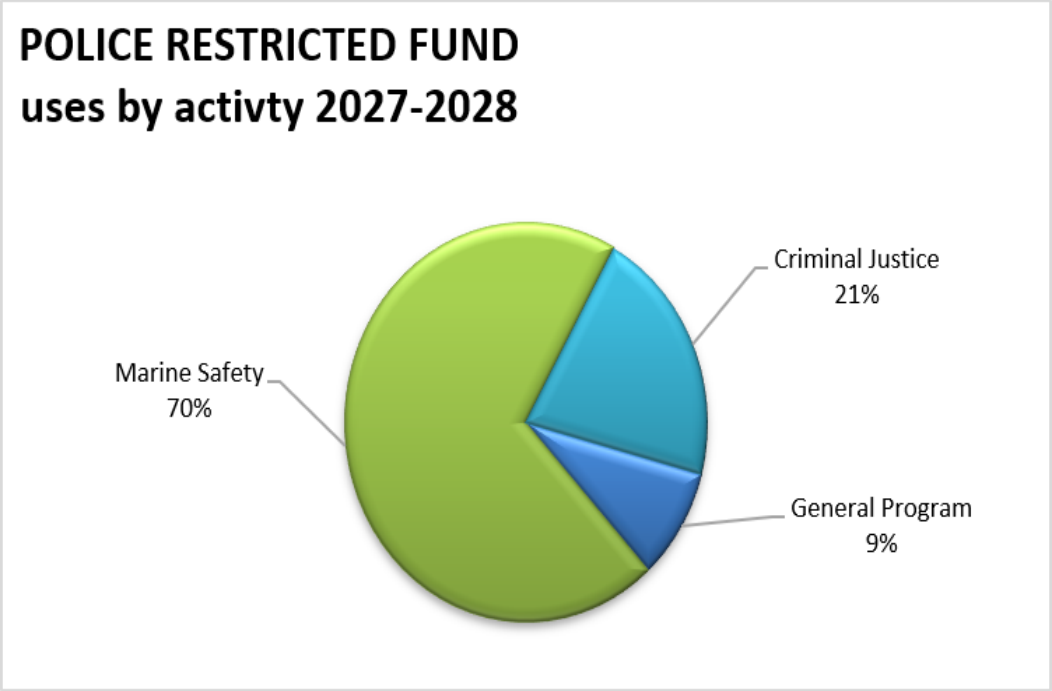
The Special Events Coordinator is responsible for the majority of the above listed city staff responsibilities, working under the direction of the Parks & Recreation Director and closely coordinating with the Finance Director, Senior Accountant, and LTAC Chair. The Special Events Coordinator position and associated expenses are funded through an annual Poulsbo Tourism Grant application by the City, offset by the revenue when two hotels opened up in 2021. An additional hotel is in planning phases which is expected to bring in additional lodging tax revenue once opened.

POLICE RESTRICTED FUND 191

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 191						
POLICE RESTRICTED						
RESOURCES						
BEGINNING BALANCE	199,565	220,899	238,763	*255,923*	*268,909*	*255,923*
INTERGOVERNMENTAL	23,298	44,743	34,000	*28,076*	*28,645*	*56,721*
FINES AND FORFEITURES	731	113	-	-	-	-
MISCELLANEOUS	5,590	6,498	750	*1,500*	*1,500*	*3,000*
OTHER FINANCING SOURCES	-	-	-	-	-	-
TOTAL RESOURCES	229,184	272,253	273,513	***285,499***	***299,054***	***315,644***
FUND 191						
POLICE RESTRICTED						
USES						
SALARIES & WAGES	1,423	10,786	4,350	*4,350*	*4,350*	*8,700*
BENEFITS	424	4,632	1,240	*1,240*	*1,240*	*2,480*
SUPPLIES	-	4,650	1,800	*1,800*	*1,800*	*3,600*
OTHER SERVICES & CHARGES	6,438	13,422	10,200	*9,200*	*9,200*	*18,400*
FUND BALANCE	220,899	238,762	255,923	268,909	282,464	*282,464*
TOTAL USES	229,184	272,253	273,513	***285,499***	***299,054***	***315,644***



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.

2027-2028 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.

2027-2028
PRELIMINARY BIENNIAL BUDGET

Debt Service Fund

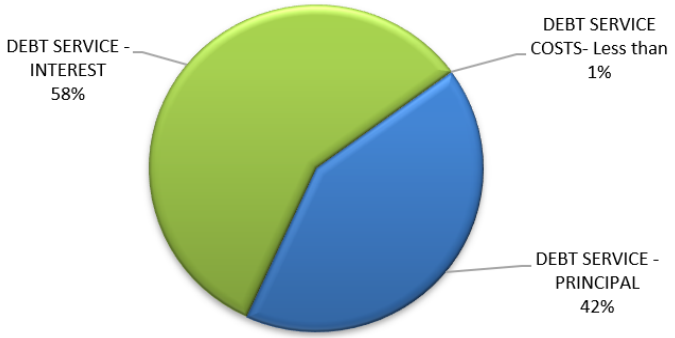
DEBT SERVICE FUND (204)

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	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 204 NON-VOTED GENERAL OBLIGATION DEBT						
RESOURCES						
BEGINNING BALANCE	7,637	10,101	9,886	*688,664*	*913,763*	*688,664*
INTERGOVERNMENTAL	-	-	570,000	*709,250*	*710,250*	*1,419,500*
MISCELLANEOUS	159	135	150	*100*	*100*	*200*
OTHER FINANCING SOURCES	1,183,239	1,175,063	1,813,706	*2,175,429*	*2,183,403*	*4,358,832*
TOTAL RESOURCES	1,191,035	1,185,299	2,393,742	***3,573,443***	***3,807,516***	***6,467,196***
FUND 204 NON-VOTED GENERAL OBLIGATION DEBT						
USES						
DEBT SERVICE - PRINCIPAL	953,319	979,758	1,542,457	*1,087,634*	*1,142,073*	*2,229,707*
DEBT SERVICE - INTEREST	227,264	195,304	142,379	*1,571,046*	*1,525,580*	*3,096,626*
DEBT SERVICE COSTS	350	350	20,242	*1,000*	*1,000*	*2,000*
FUND BALANCE	10,102	9,887	688,664	913,763	1,138,863	*1,138,863*
TOTAL USES	1,191,035	1,185,298	2,393,742	***3,573,443***	***3,807,516***	***6,467,196***

NON-VOTED GENERAL OBLIGATIONS
DEBT FUND 2027-2028 uses



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.

- The Debt Service Fund is administered by the City's Finance Department -
- *The City of Poulsbo has a bond rating of AA+ from Standard & Poors* -

FUND 204 - NON-VOTED GENERAL OBLIGATION DEBT

2021 Refunding of 2012 City Hall

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.

2021 LTGO 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, which included improvements for a New Public Works Facility that opened in 2022. This bond will be paid in full in 2040.

2022 Vehicle Fleet Debt

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 December of 2026.

2026 Refunding 2015 LTGO Debt

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.

2026 Noll Road LTGO Debt

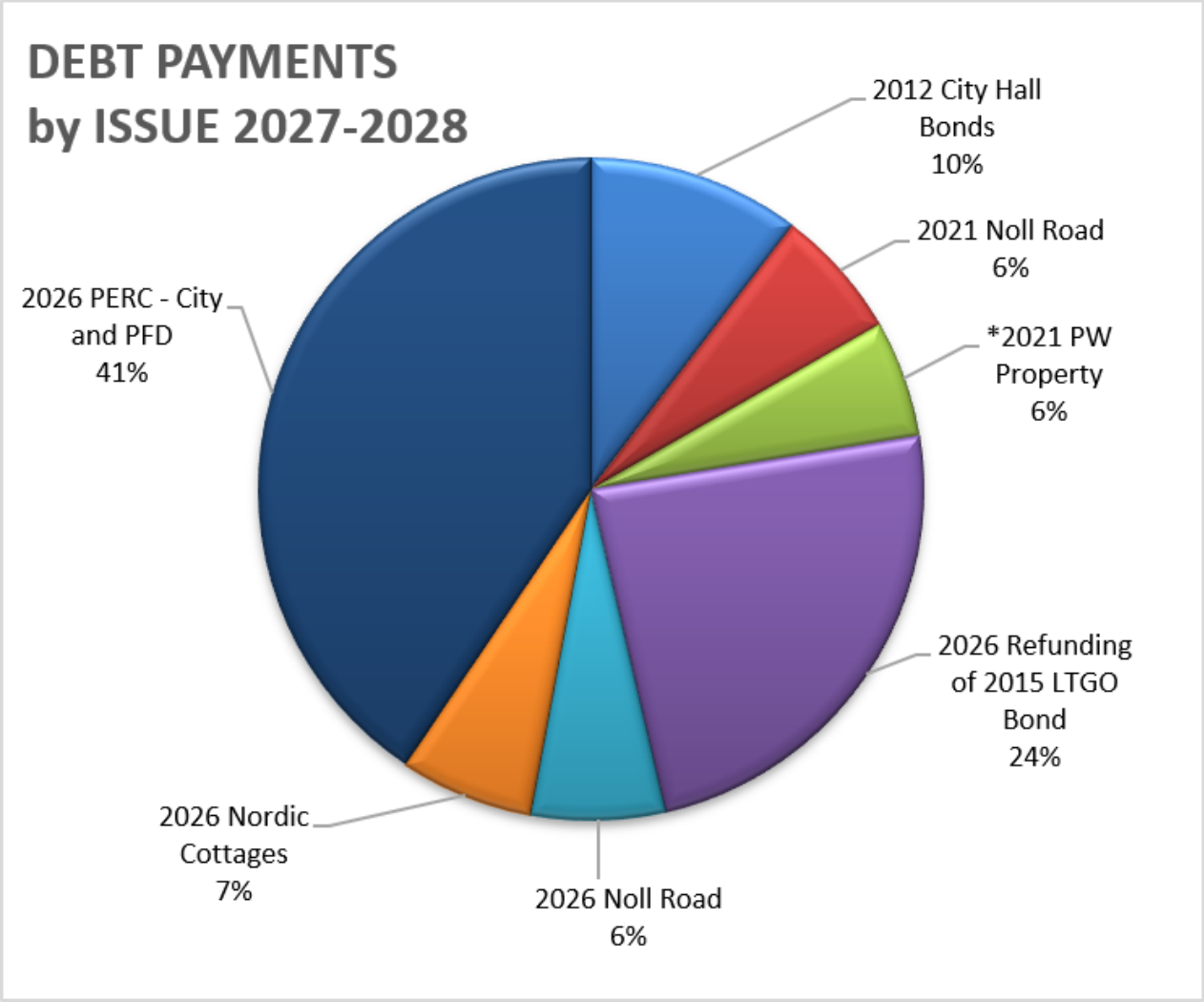
In early 2026, The City issued a 2,410,000 Limited Tax General Obligation Bond. The bond proceeds fund construction costs not funded by grants or City reserves for the Noll Road project, phases 3-4. This project is estimated to be completed in 2027.

2026 Nordic Cottages LTGO Debt

In early 2026, The City issued a 2,410,000 Limited Tax General Obligation Bond. The bond proceeds fund the construction of the Nordic Cottages. Nordic Cottages consist of 8 deeply affordable housing units for low-income senior citizens and adults with disabilities.

2026 Poulsbo Events & Recreation Center (PERC)

In early 2026, The City issued a 14,080 Limited Tax General Obligation Bond. The bond proceeds are for the construction on the Poulsbo Events & Recreation Center, which is a park facility with tournament level fields, community gather place, playground amenities, extensive parking, and walking paths. This bond is issued in cooperation, through an inter-local agreement with the Kitsap Public Facilities District (KPFD). The KPFD is funding 8,944,000 and the City is funding 5,136,000 of the total debt service



**Governmental portion of debt*

2027				
Fund:	**Beginning Balance**	**Total Resources**	**Total Uses**	**Ending Balance**
Debt Service Fund - 204	688,664	2,884,779	2,659,680	913,763

2028				
Fund:	**Beginning Balance**	**Total Resources**	**Total Uses**	**Ending Balance**
Debt Service Fund - 204	913,763	2,893,753	2,668,653	1,138,863

2027				
Debt Issue	**Principal**	**Interest**	**Ending Balance**	**Payoff Year**
2012 City Hall Bonds	113,885	9,568	481,165	2031
2021 Noll Road	70,892	20,792	1,041,111	2040
*2021 PW Property	62,857	18,436	923,118	2040
2026 Refunding of 2015 LTGO Bond	260,000	107,000	1,880,000	2033
2026 Noll Road	70,000	108,250	2,095,000	2045
2026 Nordic Cottages	70,000	108,250	2,095,000	2045
2026 PERC - City and PFD	440,000	675,750	13,075,000	2045

2028				
Debt Issue	**Principal**	**Interest**	**Ending Balance**	**Payoff Year**
2012 City Hall Bonds	116,450	7,974	364,715	2031
2021 Noll Road	71,885	19,799	969,226	2040
*2021 PW Property	63,738	17,556	859,380	2040
2026 Refunding of 2015 LTGO Bond	275,000	94,000	1,605,000	2033
2026 Noll Road	75,000	104,750	2,020,000	2045
2026 Nordic Cottages	75,000	104,750	2,020,000	2045
2026 PERC - City and PFD	465,000	653,750	12,610,000	2045

*Governmental portion of debt



2027-2028
PRELIMINARY BIENNIAL BUDGET

Capital Projects Funds

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.

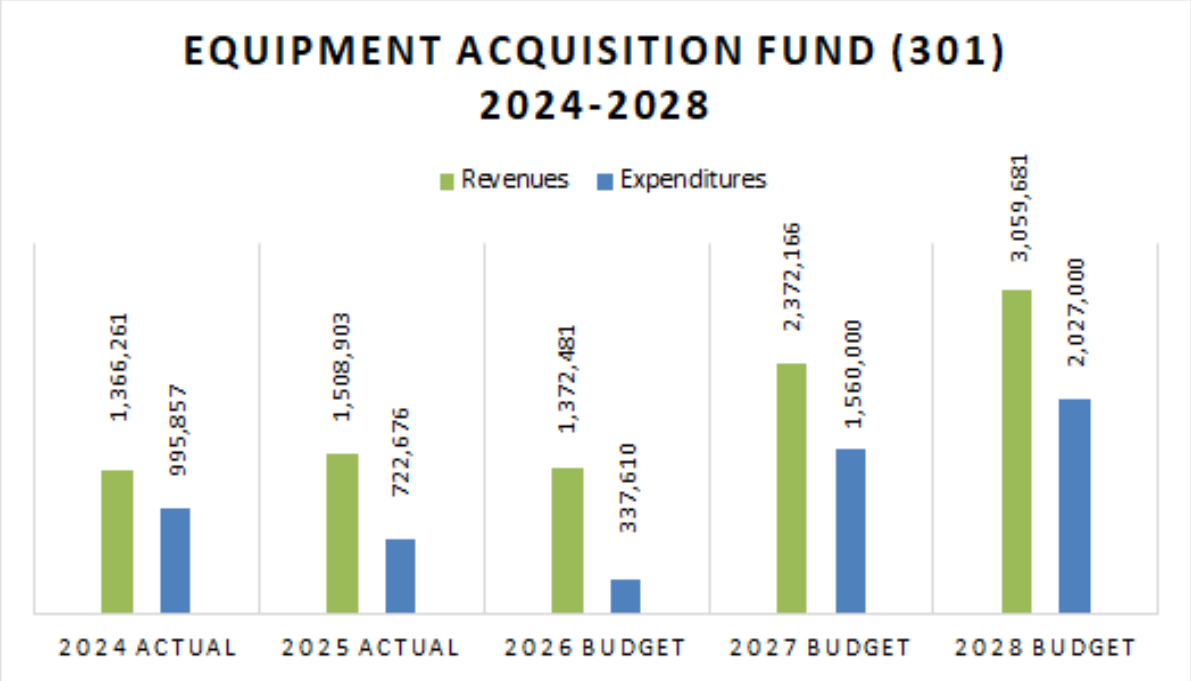


CAPITAL PROJECT FUNDS SUMMARY			
Fund	**Fund Name**	**Description**	**Funding Source**
301	Equipment Acquisition Fund	Replacement of existing and acquisition of new capital equipment	General Fund 001 (Transfer)
302	Park Reserve Fund	Development of parks	Approx. 2.5% of Property Tax Revenue Grants General 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 Fuld 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

2027					
Fund	**Fund Name**	**Beginning Balance**	**Total Resources**	**Total Uses**	**Ending Balance**
301	Equipment Acquisition Fund	$ 769,271	$ 1,602,895	$ 1,560,000	$ 812,166
302	Park Reserve Fund	$ 745,423	$ 704,000	$ 809,600	$ 639,823
310	Neighborhood Street Fund	$ 3,427	$ 500,000	$ 500,000	$ 3,427
311	Street Reserve Fund	$1,058,168	$ 4,530,000	$ 4,384,000	$ 1,204,168
314	Cemetery Reserve Fund	$ 69,143	$ 4,000	$ -	$ 67,143
331	Facilities Fund	$4,685,820	$ 6,845,000	$ 6,800,000	$ 4,755,820
2028					
Fund	**Fund Name**	**Beginning Balance**	**Total Resources**	**Total Uses**	**Ending Balance**
301	Equipment Acquisition Fund	$ 812,166	$ 4,530,515	$ 2,027,000	$ 1,032,681
302	Park Reserve Fund	$ 639,823	$ 2,829,000	$ 2,410,000	$ 1,058,823
310	Neighborhood Street Fund	$ 3,427	$ -	$ -	$ 3427
311	Street Reserve Fund	$1,204,168	$ 4,241,500	$ 4,160,000	$ 1,285,668
314	Cemetery Reserve Fund	$ 67,143	$ 4,000	$ -	$ 71,143
331	Facilities Fund	$4,755,820	$ 55,000	$ -	$ 4,810,820

EQUIPMENT ACQUISITION FUND 301

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 301 EQUIPMENT ACQUISITION						
RESOURCES						
BEGINNING BALANCE	470,368	370,404	786,226	*769,271*	*812,166*	*769,271*
INTERGOVERNMENTAL	24,825	-	-	-	-	
MISCELLANEOUS	7,680	3,328	3,500	*4,000*	*3,500*	*7,500*
OTHER FINANCING SOURCES	863,388	1,135,171	582,755	*1,598,895*	*2,244,015*	*3,842,910*
TOTAL RESOURCES	1,366,261	1,508,903	1,372,481	***2,372,166***	***3,059,681***	***4,619,681***
FUND 301 EQUIPMENT ACQUISITION						
USES						
TRANSFER OUT	-	-	-	-	-	-
CAPITAL OUTLAY	995,857	722,676	337,610	*1,560,000*	*2,027,000*	*3,587,000*
FUND BALANCE	370,404	470,367	1,034,871	812,166	1,032,681	*1,032,681*
TOTAL USES	1,366,261	786,227	1,372,481	***2,372,166***	***3,059,681***	***4,619,681***



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.

2025 - 2026 PROGRAM ACCOMPLISHMENTS:
Items purchased in 2025 and 2026:

- City Hall Electronic Door Locks Upgrade
- Two Police Vehicles
- Public Works Dump Truck – Governmental Portion
- Capital Leases for Traffic Safety Cameras
- Capital Software Agreements

2027-2028 REVENUE SOURCES:
Funding is provided through operating transfers from the General Fund.

In 2027-2028 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:

- 2027 - $583,895
- 2028 - $542,015

The City will be replacing the Police Car Fleet of about 10 vehicles and will fund this through an anticipated debt issue through the Washington State LOCAL financing program. The budget includes $815,000 in estimated debt proceeds.

In 2026 the City completed an RFP process for new financial software. There is anticipated 1,702,000 in other note proceeds for the capital implementation and subscription costs beginning in 2028. This is a non-cash budget item and is offset as a capital outlay expenditure.

2027-2028 EXPENDITURES:

- 2027
  - $815,000 – Police Vehicles, 8 Patrol, 1 Admin, and 1 Police Boat
  - Streets Department Replacement Vehicle
  - Street Sweeper (Cost shared with Storm Drain Utility Fund)
  - Engineering Department Vehicle
  - Council Chamber Audio Equipment
- 2028
  - Parks Maintenance Replacement Vehicle
  - Streets Department Replacement Vehicle
  - Financial Software

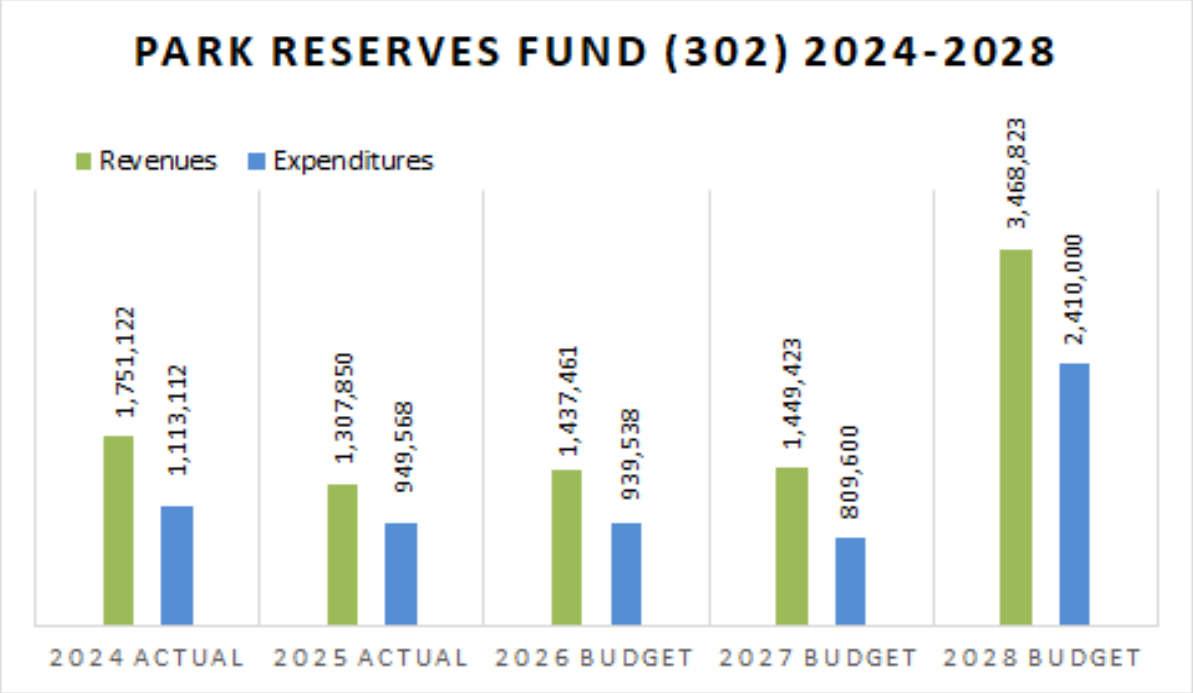


PARK RESERVE FUND 302



Poulsbo Event & Recreation Center (PERC) groundbreaking

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 302 PARK RESERVE						
RESOURCES						
BEGINNING BALANCE	370,633	370,633	825,661	*745,423*	*639,823*	*745,423*
INTERGOVERNMENTAL	643,252	337,279	-	*258,000*	*500,000*	*758,000*
MISCELLANEOUS	115,237	145,438	5,000	-	*10,000*	*10,000*
OTHER FINANCING SOURCES	622,000	454,500	606,800	*446,000*	*2,319,000*	*2,765,000*
TOTAL RESOURCES	1,751,122	1,307,850	1,437,461	***1,449,423***	***3,468,823***	***4,278,423***
FUND 302 PARK RESERVE						
USES						
SALARIES & WAGES	51,471	71,928	-	-	-	
BENEFITS	19,971	28,068	-	-	-	
SERVICES	-	-	12,000	-	-	
CAPITAL OUTLAY	1,023,196	849,573	927,538	*809,600*	*2,410,000.00*	*3,219,600*
OTHER FINANCING USES	18,474	-	-	-	-	-
FUND BALANCE	638,010	358,282	497,923	*639,823*	*1,058,823.00*	*1,058,823*
TOTAL USES	1,751,122	1,307,850	1,437,461	***1,449,423***	***3,468,823***	***4,278,423***



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 resources for improvements and replacement equipment at City parks. The fund is administered by the Parks & Recreation Department.

2025-2026 PARKS PROGRAM ACCOMPLISHMENTS:
The City's Parks & Recreation department focused on completing multiple capital projects running simultaneously during this cycle. Several of the projects were significantly delayed due to COVID while other projects were opportunities brought forth by community members, such as rebuilding and expanding Raab Park's community skatepark. These projects frequently involved the support and coordination with other governmental agencies as well as collaborative partnerships with citizen advisory groups and service organizations. These relationships continue to be paramount to the current and future success of the Parks and Recreation Department in serving the citizens of Poulsbo.

The following projects were accomplished during this period:

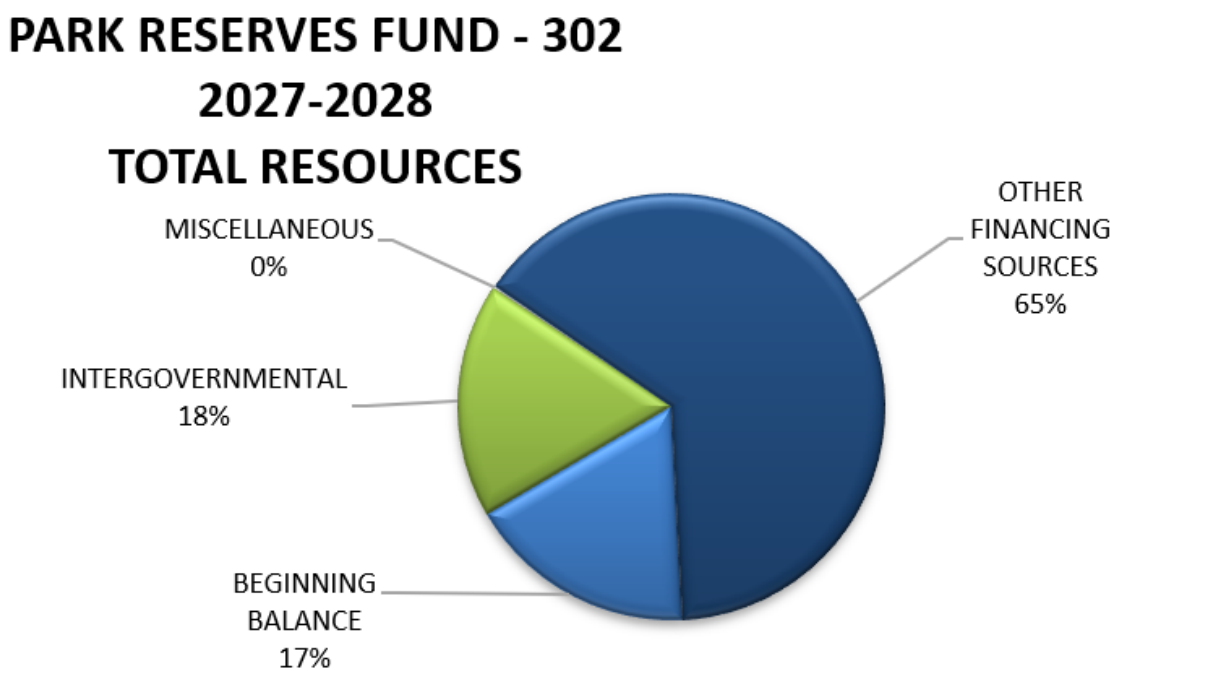
- New rebuilt and expanded community skatepark – Raab Park
- New neighborhood playground - Rotary Morrow Park
- New regional inclusive and accessible "Play for All" playground - Raab Park
- New community program on establishing critical pollinator corridors in public spaces and replanting native drought resistant species - Poulsbo Pollinator Project (P3)
- Groundbreaking & construction for the Poulsbo Event & Recreation Center (PERC)
- Updated Community Recreation Center ADA door access, fully refurbished kitchen, expanded admin office and customer service counter, facility roof and HVAC replacements.

Staff continued focusing 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. For awareness, the Department coordinates frequent volunteer work parties each month to help maintain ~170 acres, 26 different parks, was achieved towards the maintenance and improvement of parks and trails. Note, this number does not the robust amount of planning and advisory meetings with community partners and associated task forces to coordinate such tremendous efforts, or volunteer activities for special events and recreational programming. When taking those into account, in 2024-2025, a remarkable amount of 16,200+ volunteer hours – labor valued at over $675,000 – was achieved in serving the community.

2027-2028 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.

2027		
Fund 001	General Fund	$146,000
Fund 001	General Fund	$200,000
	Reserves for future park land purchase	
2028		
Fund 001	General Fund	$149,000
Fund 001	General Fund	$200,000
	Reserves for future park land Purchase	
Fund 302	Park Reserves – Bond Proceeds	$1,840,000



2027-2028 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.

Lions Park Playground Update & Expansion

Lions Park is one of the most heavily utilized and beloved parks in the community. In the last twelve months, it has seen 137,000 visits with an average dwell time of approximately an hour each visit. The playground is the oldest in the park system with an age of 26 years. The industry standard is for playgrounds to last 15 years, though that time can be lengthened with routine preventative maintenance and repairs. Upon a recent playground safety inspection, staff recorded significant wear on multiple parts of the playground. The age and proximity to the water have advanced the corrosion. Due to the age, advancing corrosion, lack of replacement parts, and intensity of use, the project has moved to the top of Fund 302. Staff are working with community partners to form a steering committee for design as well as implementing a fund raising campaign.



Muriel Iverson Williams Waterfront Park: Austin-Kvelstad Pavilion Repairs

Muriel Iverson Waterfront Park is the gem of the City park system, seeing 142,00 visitors over the last twelve months and over 27 special events. In October of 2025, Railstar Engineering performed a thorough inspection, survey and structural analysis of Poulsbo's unique Austin-Kvelstad Pavilion. The structural report highlighted several areas for repair and replacement, to ensure the longevity and safety of the iconic pavilion.



Image 5: Floor framing from beneath.

This project will address the structural repairs related to the timber framing, decking, and flooring of the pavilion. The recommended repairs are intended to extend the life, usability, increase safety, and reduce annual maintenance burden for the pavilion.



Images 6&7: Crack in slab foundation (left) Sill member with advanced levels of decay (right).

Oyster Plant Park

The City of Poulsbo hired Railstar Engineering 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 are to be completed in five years, and environmental permitting is being finalized, allowing for construction activity to occur in summer of 2027. The pier's railings were redesigned for longevity as well as to reduce annual maintenance. The railings were replaced by Public Works

Wilderness Park Bridge Repair



In 2025, the pedestrian bridge on the Wilderness Park Trial suffered catastrophic damage from the impact of a large tree falling upon it. Unfortunately, the bridge was put out of commission due to the damages, temporarily closing the trail for public safety. Upon inspection of replacing the bridge, it was determined the season creek it crossed fed into the headwaters of Dogfish Bay, requiring additional environmental permitting. Additionally, the replacement will need to meet present safety and construction standards, raising the cost. The project will replace the bridge as well as provide trail improvements for public safety and access.

Park Signage



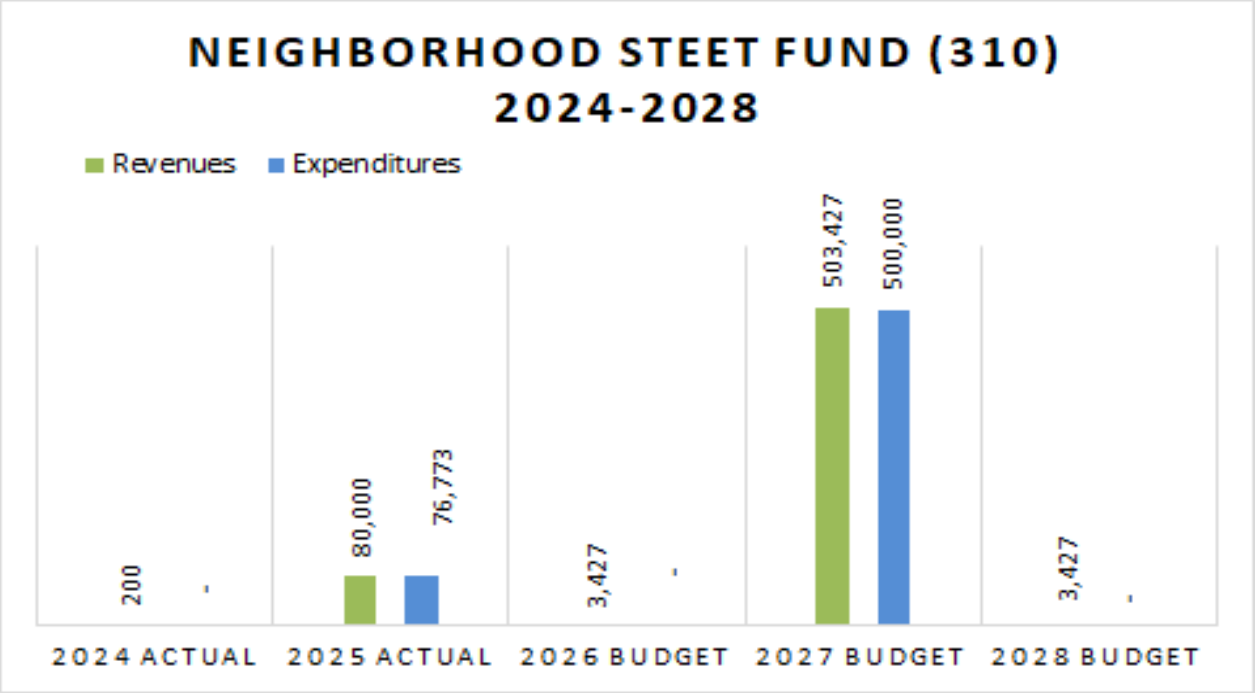
Work includes the removal, replacement, and installation of park entrance, trail, and way finding signage throughout Poulsbo's parks as well as the Community Recreation Center. The intent is to ensure each of Poulsbo's parks have at least one unified branded park entrance sign, as well as marked trail signs, kiosks, and wayfinding signage as appropriate. Materials will be selected for ease of install, 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. This project is steadily being implemented based on staff availability and steering committee guidance on signage design and placement.

TRANSPORTATION BENEFIT DISTRICT NEIGHBORHOOD STREETS FUND 310



ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 310 TRANSPORTATION BENEFIT DISTRICT - NEIGHBORHOOD STREETS						
RESOURCES						
BEGINNING BALANCE	200	-	3,427	*3,427*	*3,427*	*3,427*
OTHER FINANCING SOURCES	-	80,000	-	*500,000*	-	*500,000*
TOTAL RESOURCES	200	80,000	3,427	***503,427***	***3,427***	***503,427***
FUND 310 TRANSPORTATION BENEFIT DISTRICT - NEIGHBORHOOD STREETS						
USES						
CAPITAL OUTLAY	-	76,773	-	*500,000*	-	*500,000*
FUND BALANCE	200	3,227	-	3,427	3,427	*3,427*
TOTAL USES	200	80,000	-	***503,427***	***3,427***	***503,427***



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 Public Works Department Administers this fund

The TBD was established with a councilmanic $20 car tab fee to be utilized for improvements to neighborhood streets. These streets improvements are not eligible for grant funds, meaning all improvements are supported by local taxes. 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 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.

2027-2028 REVENUE SOURCES:

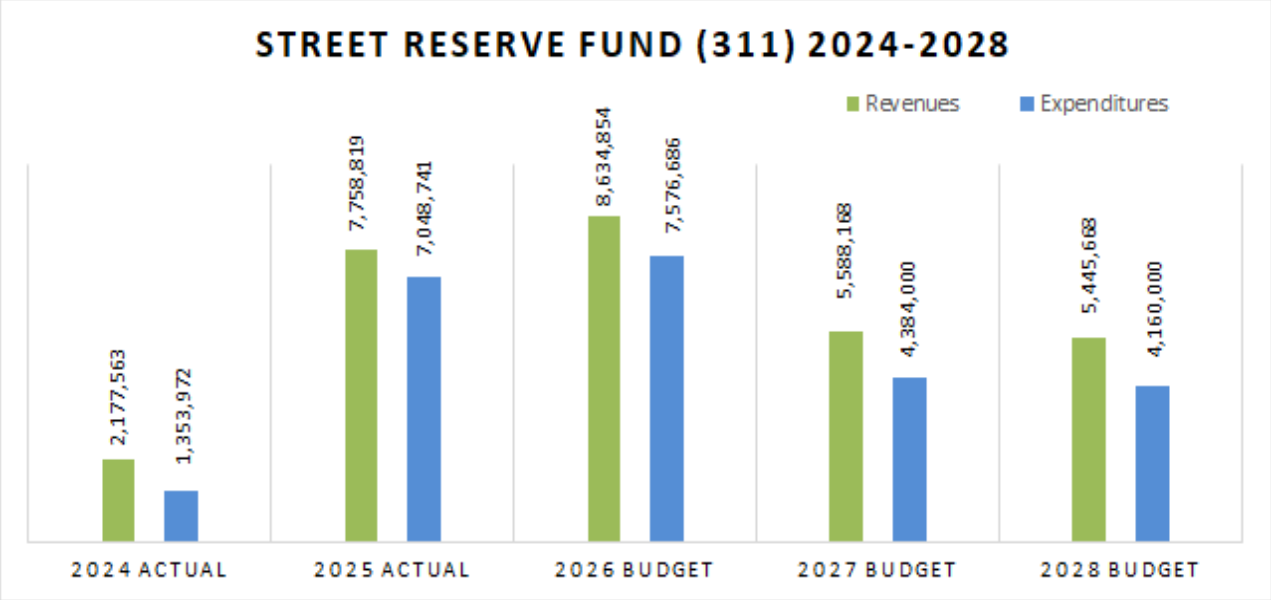
This fund's revenue is derived from car tab fees collected through Washington State Department of Licensing. The projection is consistent with Department of Licensing projections but remains conservative until a trend analysis can be developed. Revenues for capital Neighborhood Streets projects are transferred in from Fund 110. A Transfer of $500,000 is budgeted for 2027 for one overlay project.

The Council adopted an additional .1% sales tax for the TBD. State legislature passed new regulations which allows 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 $460,000

STREET RESERVE FUND 311



ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 311 STREET RESERVE						
RESOURCES						
BEGINNING BALANCE	35,138	823,591	710,080	*1,058,168*	*1,204,168*	*1,058,168*
INTERGOVERNMENTAL	1,235,437	5,567,972	3,219,862	*3,812,000*	*2,312,500*	*6,124,500*
MISCELLANEOUS	24,988	27,256	-	-	-	-
OTHER FINANCING SOURCES	882,000	1,340,000	4,704,912	*718,000*	*1,929,000*	-
TOTAL RESOURCES	2,177,563	7,758,819	8,634,854	***5,588,168***	***5,445,668***	***9,829,668***
FUND 311 STREET RESERVE						
USES						
SALARIES & WAGES	75,388	222,914	-	-	-	-
BENEFITS	29,694	76,805	-	-	-	-
CAPITAL OUTLAY	838,020	6,749,021	7,576,686	4,384,000	4,160,000	*8,544,000*
OTHER FINANCING USES	410,870	-	-	-	-	-
FUND BALANCE	823,591	710,078	1,058,168	1,204,168	1,285,668	*1,285,668*
TOTAL USES	2,177,563	7,758,819	8,634,854	***5,588,168***	***5,445,668***	***9,829,668***



Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

STREET RESERVE FUND (311)

PROGRAM DESCRIPTION:

Fund 311, under the administration of the Engineering Department, provides for the planning, design and construction of improvements associated with the City of Poulsbo's transportation system.

Fund Services

The program includes construction of roads, traffic control devices, curbs, gutters, and sidewalks as well as roadway drainage improvements, and pavement restoration. These projects are directed by the City's Capital Improvements Program (CIP)

The projects are planned for in the City's 6 Year CIP to be completed between 2027-2032 within the approved budgets for each project.

Projects are updated annually. When new projects are identified, budgets and timelines are set, and these projects are added to the CIP.

The City pursues grants to fund transportation projects from Federal Highway Administration (FHWA), Transportation Improvement Board (TIB) and other granting agencies. Timelines and budgets are established for projects based on funding opportunities specific to each project.

What are the costs for the department?

Costs for transportation projects are established by project needs and are added and updated in the City's CIP annually. The budgets are established to include City and consultant construction management needs by project.

If the project needs include consulting services in the design phase and/or the construction phase, consultants are selected and contracted. These costs are included in the established project budgets.

Internal City staff efforts are also included in the budgets of projects that are included in the City CIP.

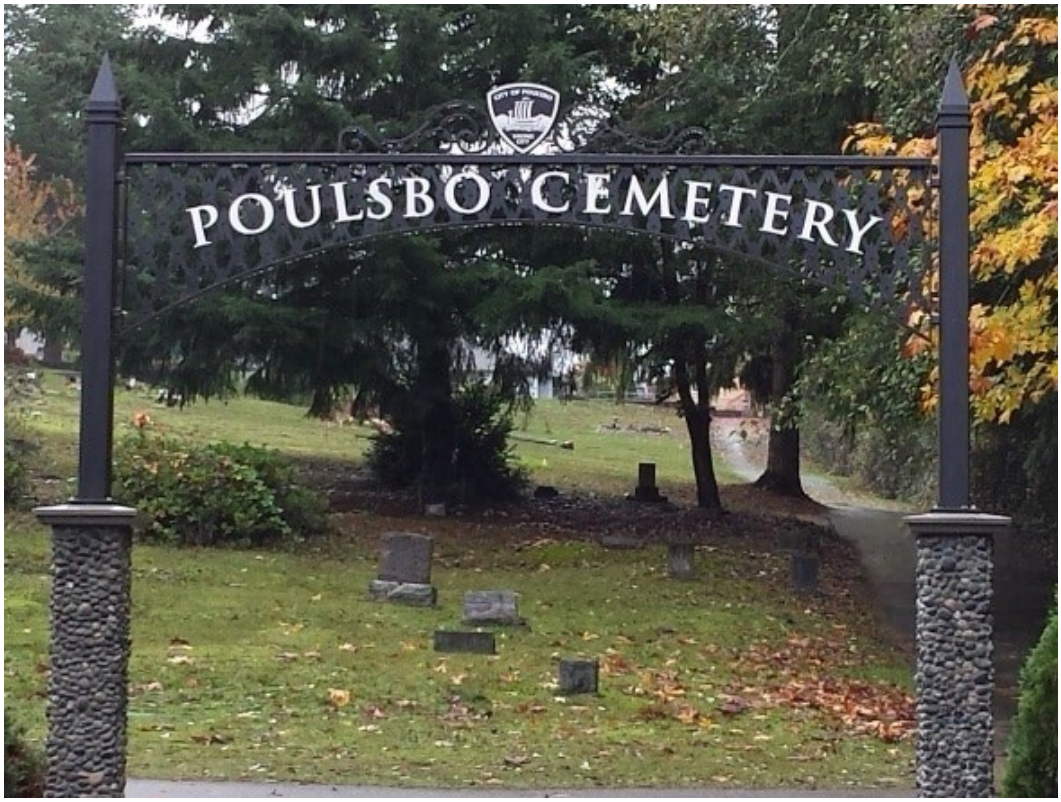
Fund Results

Multiple enterprise funds are often part of a single project and budgeted in the City CIP by utility fund.

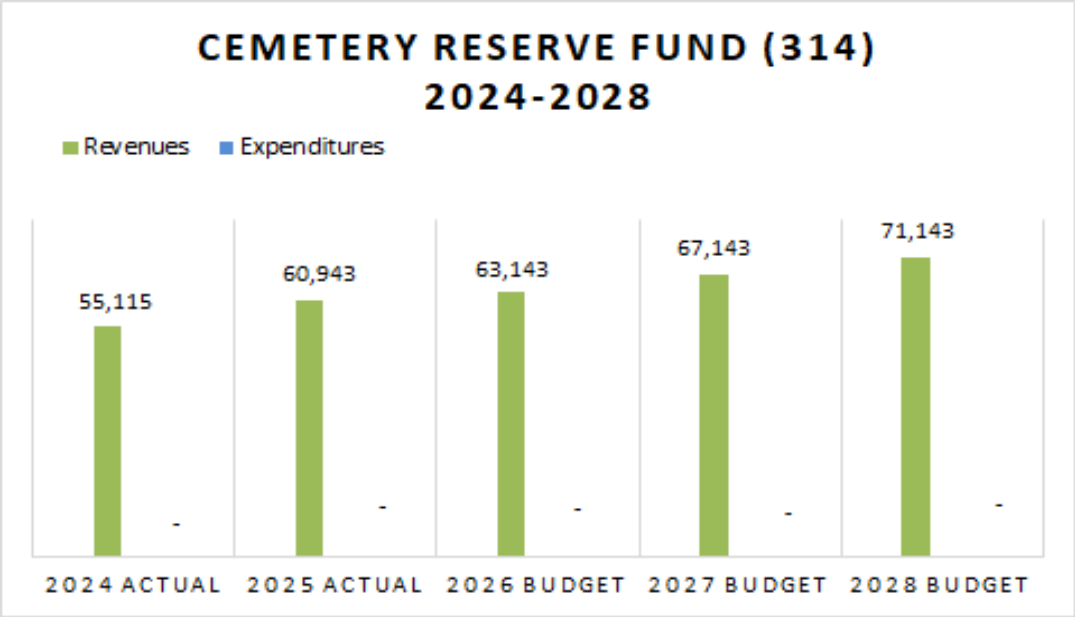
Revenues for this fund are transferred in from a combination of the General Fund, Capital Projects Fund, and the Transportation Development Fund.

The full list of projects accounted for in this fund is located in the Capital Budget section.

CEMETERY RESERVE FUND 314



ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 314 CEMETERY RESERVE						
RESOURCES						
BEGINNING BALANCE	51,739	55,116	60,943	*63,143*	*67,143*	*63,143*
CHARGE FOR SERVICES	2,400	5,000	2,000	*3,600*	*3,600*	*7,200*
MISCELLANEOUS	976	827	200	*400*	*400*	*800*
TOTAL RESOURCES	55,115	60,943	63,143	***67,143***	***71,143***	***71,143***
FUND 314 CEMETERY RESERVE						
USES						
CAPITAL OUTLAY	-	-	-	-	-	-
FUND BALANCE	55,115	60,943	63,143	67,143	71,143	*71,143*
TOTAL USES	55,115	60,943	63,143	***67,143***	***71,143***	***71,143***



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.

13 plots were sold between January and September 2026 (8 regular, 5 cremains) and a total of 11 plots were sold in 2025 (8 regular, 3 cremains).

2025-2026 PROGRAM ACCOMPLISHMENTS:

Wreaths Across America is celebrated in December of each year. A Historical Preservation Grant was obtained in 2022 and continues to be reported annually. Placement of new row markers, flagpole, and information boards.

If Council approves, planning for survey to be done to open the lower section of the cemetery sometime in 2027-2028.

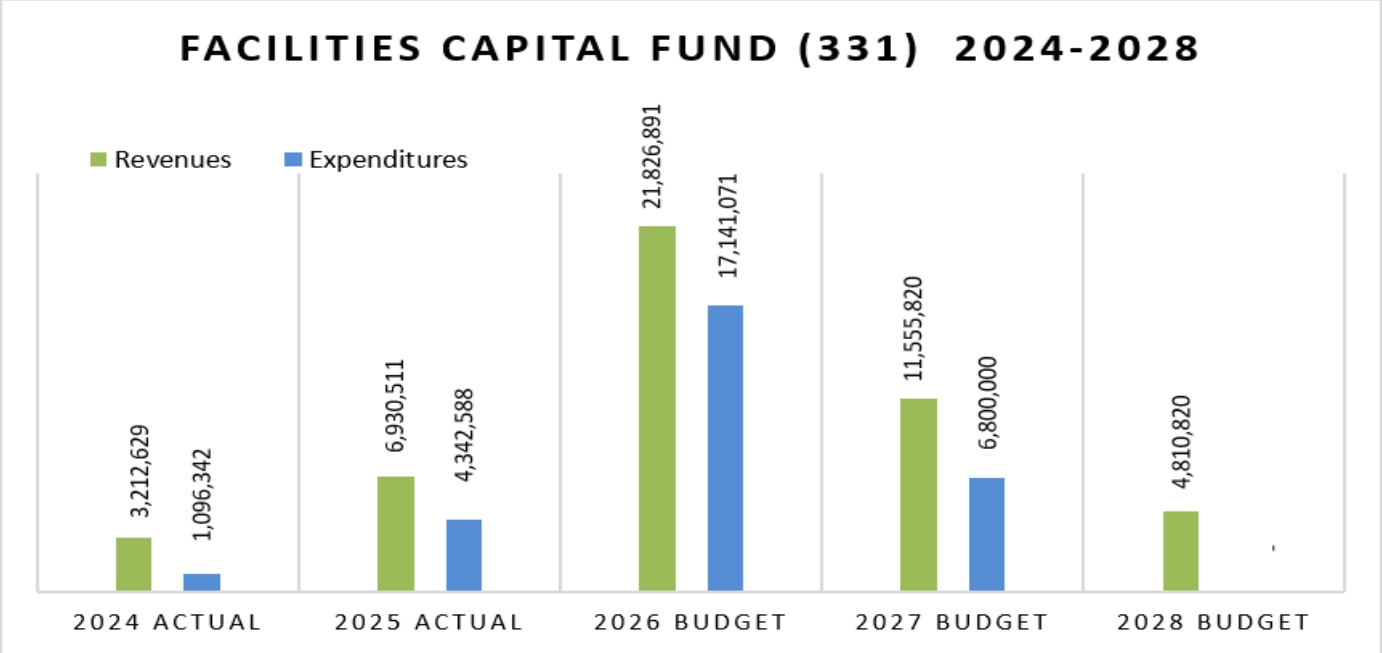
2027-2028 REVENUE SOURCES:

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	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 331 FACILITIES						
RESOURCES						
BEGINNING BALANCE	1,835,269	2,116,288	2,587,922	*4,685,820*	*4,755,820*	*4,685,820*
INTERGOVERNMENTAL	548,376	1,337,870	1,053,469	-	-	
MISCELLANEOUS	56,601	62,857	15,000	*45,000*	*30,000*	*75,000*
OTHER FINANCING SOURCES	772,383	3,413,496	18,170,500	*6,825,000*	*25,000*	*6,850,000*
TOTAL RESOURCES	3,212,629	6,930,511	21,826,891	***11,555,820***	***4,810,820***	***11,610,820***
FUND 331 FACILITIES						
USES						
SALARIES & WAGES	47,229	46,660	-	-	-	-
BENEFITS	14,954	14,923	-	-	-	-
CAPITAL OUTLAY	1,034,159	4,281,004	17,141,071	*6,800,000*	-	*6,800,000*
OTHER FINANCING USES	-	-	-	-	-	-
FUND BALANCE	2,116,287	2,587,923	4,685,820	4,755,820	4,810,820	*4,810,820*
TOTAL USES	3,212,629	6,930,511	21,826,891	***11,555,820***	***4,810,820***	***11,610,820***



Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

Introduction

This fund accounts for resources and expenditures available for capital improvements to City buildings and facilities. The Capital Facilities Fund is managed by the Finance Department.

Revenues

The Capital Facilities fund is funded through transfers from other governmental funds, grants, or bond proceeds. Projects are budgeted based on the capital threshold of more than $10,000 in cost and a useful life of greater than one year for City facilities. The 2027-2028 Budget includes bond proceeds of $6,800,000 and an annual transfer from the General Fund of $25,000.

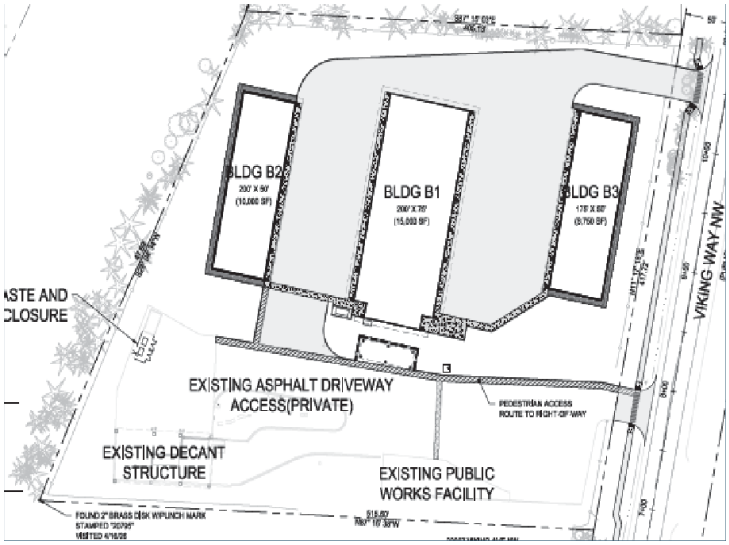
Expenditures

The City has two active projects accounted for in the Capital Facilities Fund.

The Poulsbo Events and Recreation Center (PERC) began construction in 2026 and is scheduled to be completed in early 2027. This project was funded through City funds, grants, and bond proceeds. The PERC is a collaboration between the City of Poulsbo and the Kitsap Public Facilities District (KPFD) through an inter-local agreement. The KPFD is contributing 64% of the total limited tax obligation bond or $8,9440,00.

In 2027 the City will begin construction on the second phase of the Public Works facility. The governmental portion of this project is budgeted at $6,800,000, or 34% of the project. The remaining 66% is allocated to the three proprietary utility funds. This project will be funded through a limited tax general obligation debt issue.





2027-2028
PRELIMINARY BIENNIAL BUDGET

Enterprise Funds

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	Services the City's storm drainage system	Funded by user charges and connection fees

2027					
Fund	**Fund Name**	**Beginning Balance**	**Total Resources**	**Total Uses**	**Ending Balance**
401	Water Fund	$ 8,319,204	$ 7,976,757	$ 10,265,106	$ 6,030,855
403	Sewer Fund	$ 25,795,878	$ 19,744,257	$ 27,300,640	$ 18,239,495
404	Solid Waste Fund	$ 1,789,643	$ 4,678,000	$ 2,944,130	$3,523,513
410	Storm Drain Fund	$ 4,383,023	$ 6,797,577	$ 8,067,109	$3,113,491
2028					
Fund	**Fund Name**	**Beginning Balance**	**Total Resources**	**Total Uses**	**Ending Balance**
401	Water Fund	$ 6,030,855	$ 4,628,000	$ 4,825,686	$ 6,685,477
403	*Sewer Fund	$ 18,239,495	$ 11,744,500	$ 15,086,438	$ 14,897,557
404	**Solid Waste Fund	-	-	-	-
410	Storm Drain Fund	$ 3,113,491	$ 4,219,500	$ 4,722,867	$ 2,610,124

**Beginning Balance are adjusted for non-cash expenditures*
*** This fund will dissolve in 2027.*

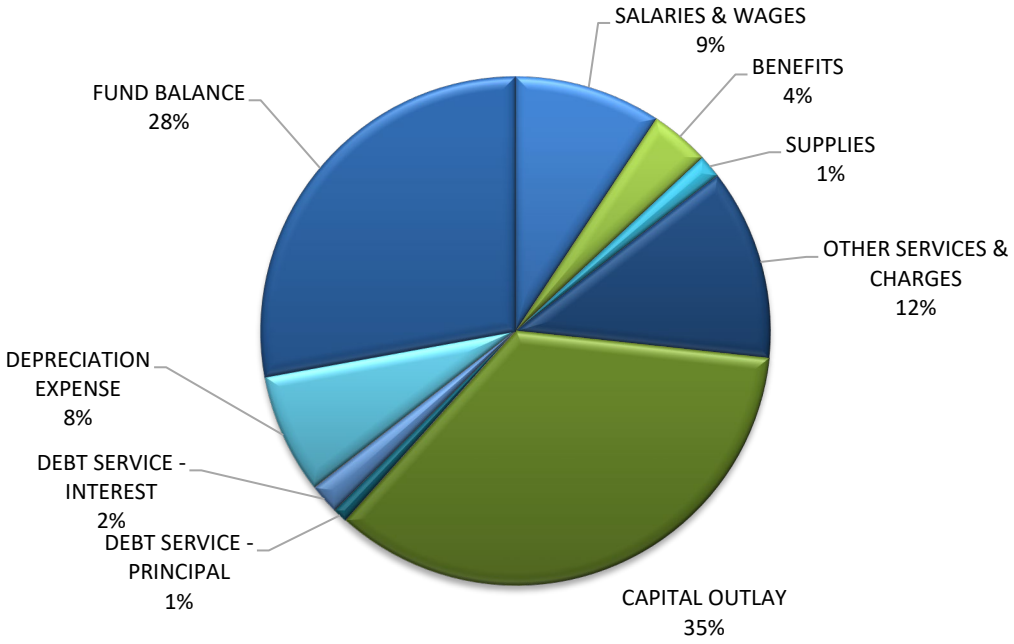
WATER FUND 401

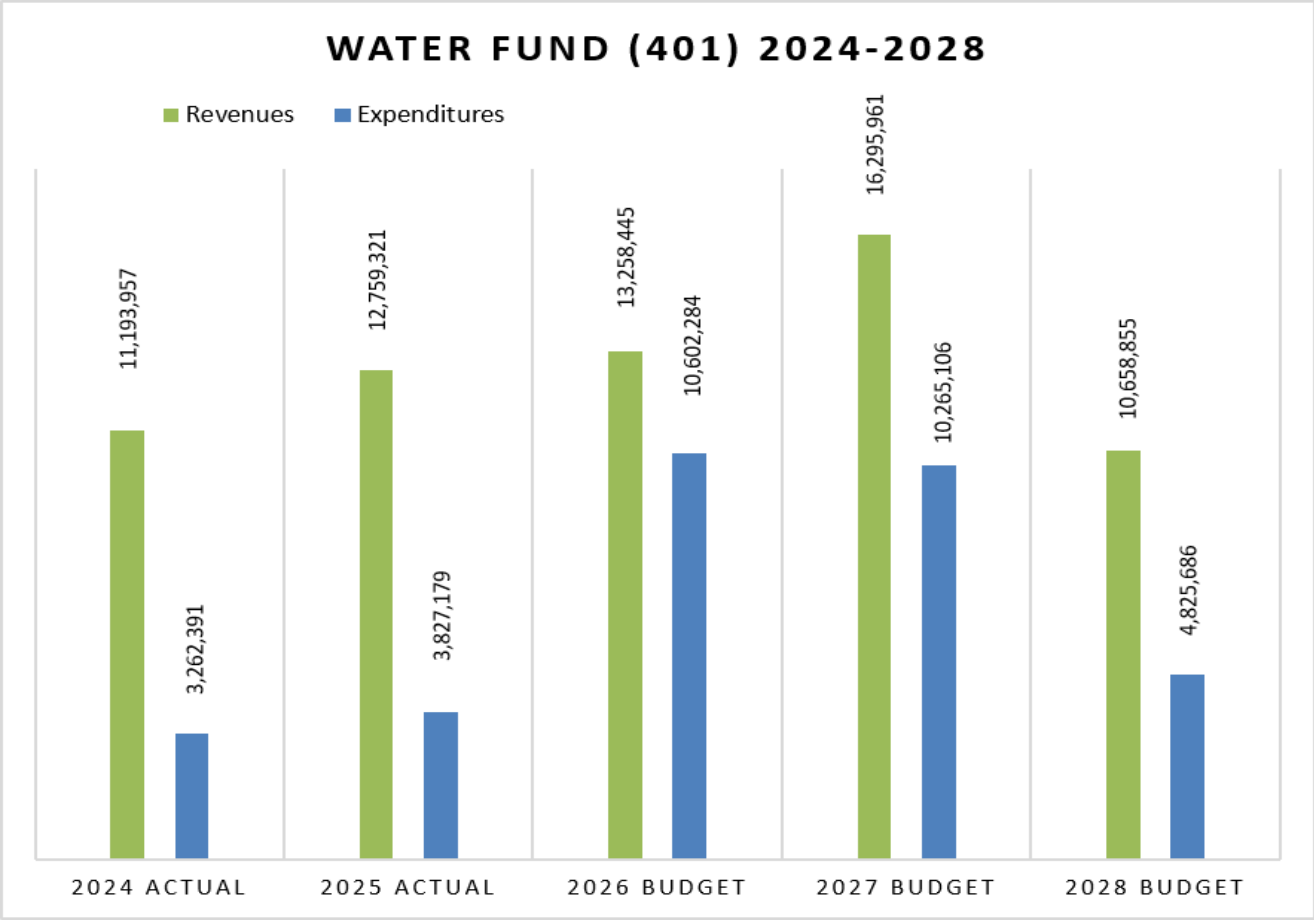
Mission Statement:

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	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 401 WATER UTILITY						
RESOURCES						
BEGINNING BALANCE	7,583,451	8,648,956	9,742,794	*8,319,204*	*6,030,855*	*8,319,204*
CHARGE FOR SERVICES	2,722,489	3,019,036	2,740,651	*3,413,000*	*3,783,000*	*7,196,000*
MISCELLANEOUS	314,561	386,968	200,000	*270,000*	*270,000*	*540,000*
PROPRIETARY OTHER INCOME	573,456	704,361	575,000	*575,000*	*575,000*	*1,150,000*
TOTAL RESOURCES	11,193,957	12,759,321	13,258,445	***16,295,961***	***10,658,855***	***20,923,961***
FUND 401 WATER UTILITY						
USES						
BAD DEBT EXPENSE	83	-	-	-	-	-
SALARIES & WAGES	703,132	700,613	808,540	*944,171*	*999,702*	*1,943,873*
BENEFITS	326,504	320,707	1,106,538	*380,715*	*410,843*	*791,558*
SUPPLIES	116,889	217,951	690,706	*154,206*	*154,253*	*308,459*
OTHER SERVICES & CHARGES	988,525	1,072,864	1,217,610	*1,253,526*	*1,291,932*	*2,545,458*
CAPITAL OUTLAY	273,845	642,632	5,947,940	*6,510,000*	*800,000*	*7,310,000*
DEBT SERVICE - PRINCIPAL	22,342	22,592	22,861	*23,158*	*169,940*	*193,098*
DEBT SERVICE - INTEREST	7,767	7,470	7,089	*198,330*	*198,015*	*396,345*
PRIOR PERIOD ADJUSTMENT	4,050	-	-	-	-	-
DEPRECIATION EXPENSE	819,254	842,350	801,000	*801,000*	*801,000*	*1,602,000*
FUND BALANCE	7,931,566	8,932,142	2,656,161	6,030,855	5,833,169	*5,833,169*
TOTAL USES	11,193,957	12,759,321	13,258,445	***16,295,961***	***10,658,855***	***20,923,961***

Water Fund 2027-2028 Uses





Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

WATER DEPARTMENT WORKLOAD MEASURES					
Type of Measure	**2024 Actual**	**2025 Actual**	**2026 Projected**	**2027 Projected**	**2028 Projected**
Miles of Water Mains Maintained 2024/2025 includes services lines	84	85	77.5	82	87
Number of Active Meters read per month	4,601	4,698	4,750	4,800	4,850

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 Water Fund is administered by the Public Works Department.

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 five primary 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), and the Westside Well. These wells have a combined capacity of approximately 2,205 gallons per minute. The City maintains two additional wells as backup or emergency sources: an artesian well known as the Bus Barn Artesian Well and the Pugh Well. Additionally, the city maintains an intertie with the Kitsap County Public Utility District # 1 for water supply to the Olhava Zone. The City produces approximately 415 million gallons of water annually.

Water Treatment: The City provides for treatment and disinfection of its water supplies. Sources of water supplies are treated utilizing sodium hypochlorite to insure proper disinfections pursuant to State Health Department Standards. Additionally, the city adds fluoride to its water supplies at the sources as an additional health benefit. The city water supply is tested daily by city staff. Sampling and laboratory testing is conducted monthly pursuant to the requirements of the Federal Safe Drinking Water Act to insure the protection of the public health and the safety of the community. Water sampling and testing includes coliform, lead and copper, volatile and synthetic organic chemicals (VOC's and SOC's), chlorine residuals, radio- nuclides and disinfection by-products. The City provides manganese treatment plants for three of its wells: in 2018 the Lincoln Well Iron and Manganese Treatment Plant was finished and put into production, providing manganese treatment for Lincoln Well #1 and #2. In 2022 the Westside Well Iron and Manganese treatment facility was brought online.

Storage and Distribution System: The distribution system consists of ten (10) storage facilities located in various service zones having a total combined capacity of 4.1 million gallons of water, 5 primary wells, two (2) booster stations and appurtenances, together with a water distribution system consisting of 90 miles of pipe ranging in size from 2 inches to 12 inches in diameter. The water department also maintains and operates 13 Pressure Reducing Stations.

STAFFING LEVEL:

The Water program is staffed with 6.09 full-time 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), Asset Management Specialist (0.20 FTE), Portions of two Admin support (0.40 FTE), Mechanics (0.39 FTE), Water Quality Field Tech (0.05 FTE), and Public Works staffing (4.75 FTE) is under the supervision of the Utilities Supervisor along with the Utilities Lead, added in 2026.

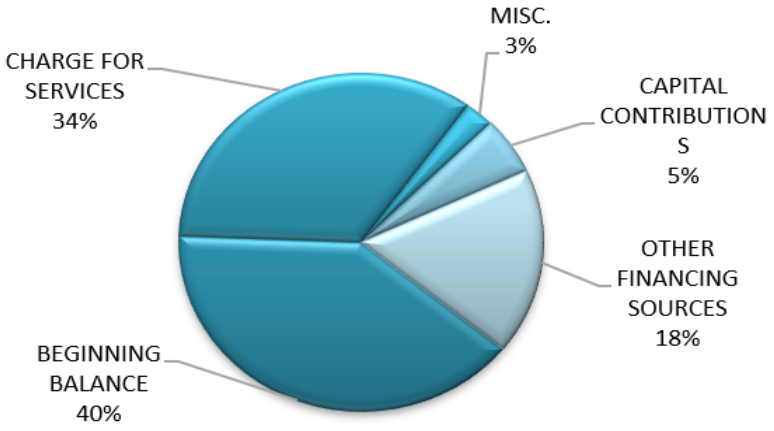
2025-2026 PROGRAM ACCOMPLISHMENTS:

- Conducted biannual water main flushing program
- Complete Water System Plan in compliance with comprehensive plan process
- 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 4,500 water distribution system service meters per month
- Completed 1359 Utility Locates and Markings in 2025 and 820 locates 6 months into 2026, with an average of 114 each month.
- Responded to hundreds of customer questions, concerns, and requests
- Currently tracking over 1,400 backflow assemblies for effectiveness and compliance
- Implemented VEPO CrossConnex software to manage backflow program
- 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
- Completed rehab maintenance on Lincoln Well #2 and restored production capacity
- Total gallons of water pumped between January 2025, and July 2026 was over 649 million gallons.
- Completed 1,506 unscheduled meter reads, leak checks and turn-off's/turn-on's (work orders) with Finance Department. An average of over 125 work orders a month.
- Completed over 2,179 utility locates and markings from January 2025 to June 2026, an average of 114 each month
- Continued city-wide program to exercise water valves
- Conducted over 400 Regulated Water Quality Tests.
- Completed Noll Road Phase 3A & 3B water main upgrades Implementation of Irrigation Regulations and code changes

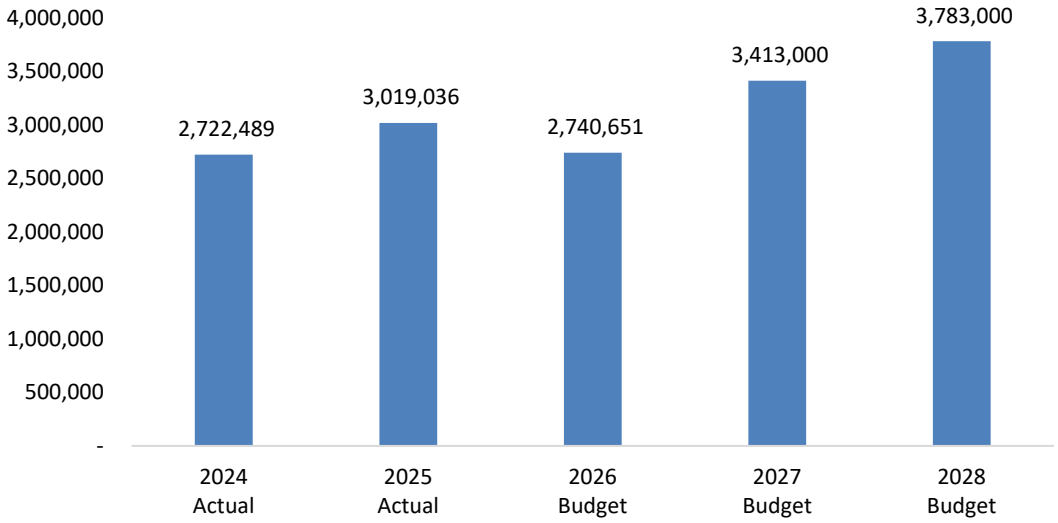
2027-2028 REVENUE SOURCES:

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.

WATER FUND RESOURCES 2027-2028



WATER CHARGE FOR SERVICES 2024-2028



2026 Monthly Residential Water Rate Structure		
	Inside City	Outside City
Base Rate	$ 21.23	$ 31.83
plus consumption per 100 cf		
November through May		
0 and over	$ 2.97	$ 3.79
June through October		
0 - 1,000	$ 2.97	$ 5.51
1,001 and over	$ 4.64	$ 5.51

2027-2028 EXPENDITURES:

Operation and Maintenance:
The year 2027-2028 operation and maintenance program will be a continuation of the 2025-2026 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.

Capital Improvements:
The capital improvement program for 2027-2028 includes the following projects:

2027	
Old Town Water Main Replacement	1,640,000
Well Rehab (3 Wells)	600,000
PW Facility - Bond	4,270,000
	6,510,000
2028	
3rd Ave Water	550,000
Wilderness Booster	250,000
	800,000
2027-2028 Total	**7,310,000**

**Capital Projects are detailed in full in the Capital Budget section.*

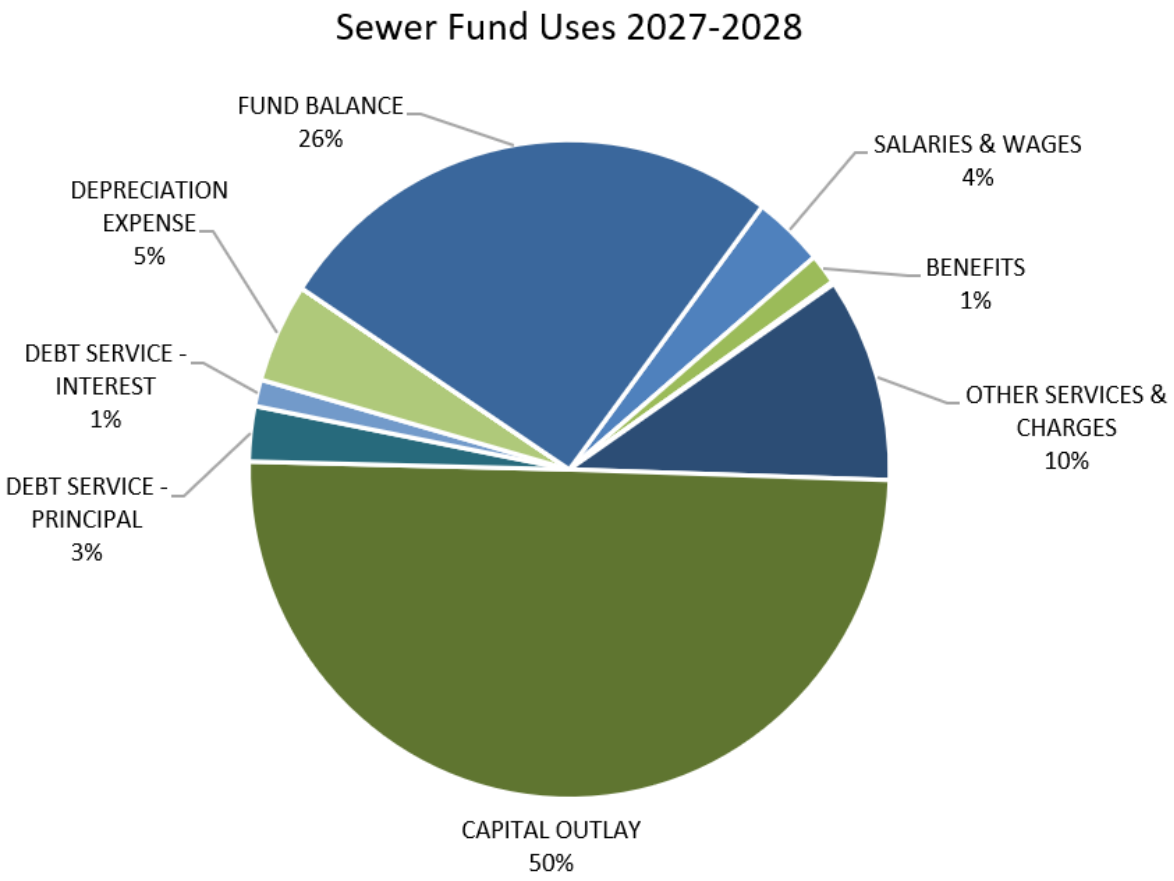
SEWER FUND 403

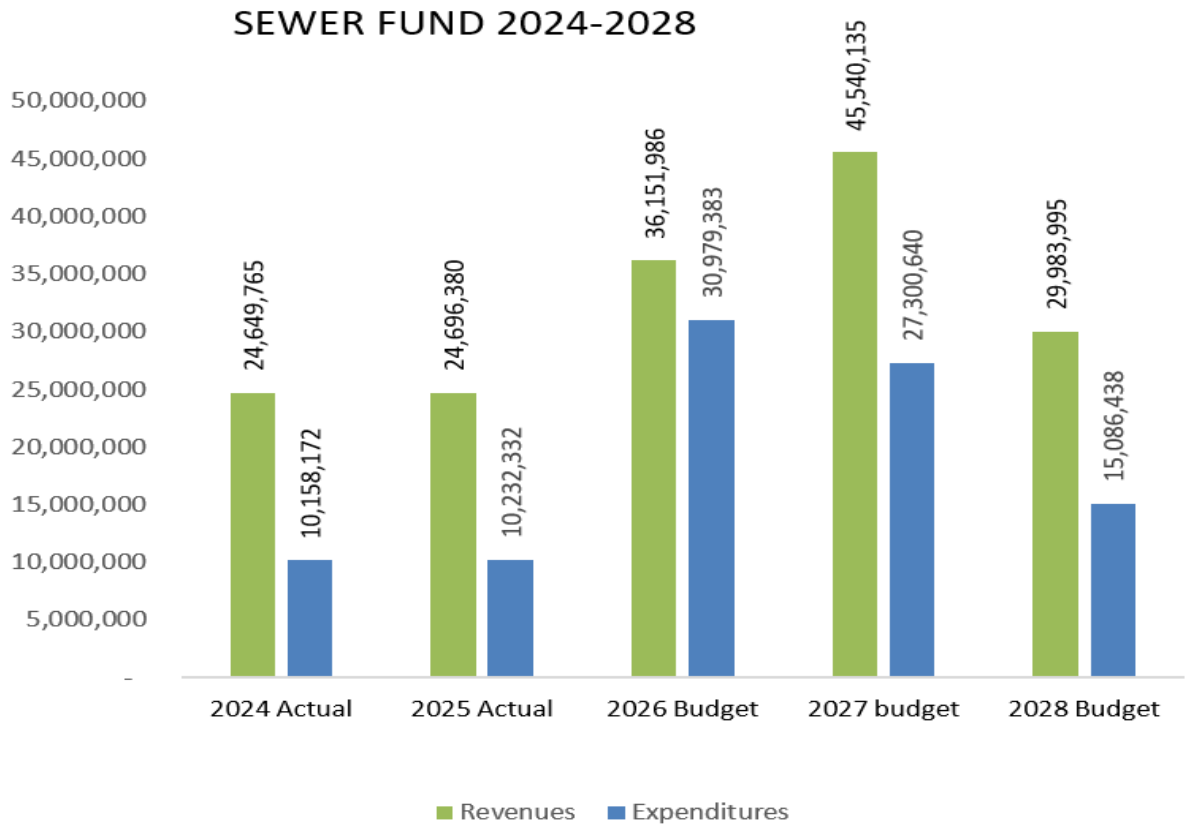
Mission Statement:

The Mission of the Wastewater Department is to provide the citizens of Poulsbo and the surrounding community with quality domestic wastewater service in concert with federal, state and local regulatory requirements together with associated responsibilities including the planning, design and expansion of the utility in support of the short and long-term goals of the City and the maintenance, replacement and upgrade of utility infrastructure.

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 403 SEWER UTILITY						
RESOURCES						
BEGINNING BALANCE	16,924,312	15,849,527	16,046,774	*25,795,878*	*18,239,495*	*25,795,878*
CHARGE FOR SERVICES	5,634,919	5,969,695	6,136,992	*6,711,500*	*7,431,500*	*14,143,000*
MISCELLANEOUS	523,576	572,978	323,500	*253,000*	*253,000*	*506,000*
GO BOND PROCEEDS	-	-	12,084,720	*11,219,757*	*2,500,000*	*13,719,757*
CAPITAL CONTRIBUTIONS	1,566,958	2,304,180	1,560,000	*1,560,000*	*1,560,000*	*3,120,000*
TOTAL RESOURCES	24,649,765	24,696,380	36,151,986	***45,540,135***	***29,983,995***	***57,284,635***
FUND 403 SEWER UTILITY						
USES						
BAD DEBT EXPENSE	240	-	-	-	-	-
SALARIES & WAGES	570,291	534,206	764,812	*1,038,114*	*1,005,025*	*2,043,139*
BENEFITS	253,803	240,487	336,156	*435,345*	*424,974*	*860,319*
SUPPLIES	41,451	34,271	36,590	*34,356*	*34,403*	*68,759*
OTHER SERVICES & CHARGES	2,800,652	2,786,532	2,663,202	*2,836,675*	*2,919,922*	*5,756,597*
CAPITAL OUTLAY	4,543,615	4,511,881	24,442,763	*20,568,493*	*8,000,000*	*28,568,493*
DEBT SERVICE - PRINCIPAL	302,342	312,592	787,861	*643,158*	*907,345*	*1,550,503*
DEBT SERVICE - INTEREST	210,986	199,411	551,839	*348,339*	*398,609*	*746,948*
DEPRECIATION EXPENSE	1,430,655	1,612,951	1,396,160	*1,396,160*	*1,396,160*	*2,792,320*
PRIOR PERIOD ADJUSTMENT	4,138	-	-	-	-	-
FUND BALANCE	14,491,593	14,464,048	5,172,603	18,239,495	14,897,557	*14,897,557*
TOTAL USES	24,649,765	24,696,380	36,151,986	***45,540,135***	***29,983,995***	***57,284,635***

*Beginning Balance adjusted for non-cash capital depreciation expense





Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

SEWER DEPARTMENT WORKLOAD MEASURES				
Type of Measure	**2025 Actual**	**2026 Projected**	**2027 Projected**	**2028 Projected**
# of Pumping Stations Maintained	8	8	8	8
Miles of Sewer Lines Maintained	68	70	74	78

SEWER FUND (403)

PROGRAM DESCRIPTION:
The Sewer program is an enterprise fund providing for the collection and treatment of wastewater for the citizens of the City of Poulsbo and the surrounding community. The Sewer fund is managed by the Public Works Department.

The City of Poulsbo currently provides service to approximately 4,393 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 8wastewater 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 6.56 full-time 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), Asset Management Specialist (0.20 FTE), Portions of two Admin support (0.40 FTE), Mechanics (0.36 FTE), Water Quality Field Tech (0.05 FTE), and Public Works staffing (5.25 FTE) is under the supervision of the Utilities Supervisor along with the Utilities Lead, added in 2026.

2025-2026 PROGRAM ACCOMPLISHMENTS:

- Continued pre-design activities associated with wastewater improvements to expand the capacity of the wastewater system
- Cleaned and maintained 8 lift stations (including: cleaning floats, changing filters, cleaning wet wells of grease, floats, flapper valves, seals and impellers as needed)
- 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

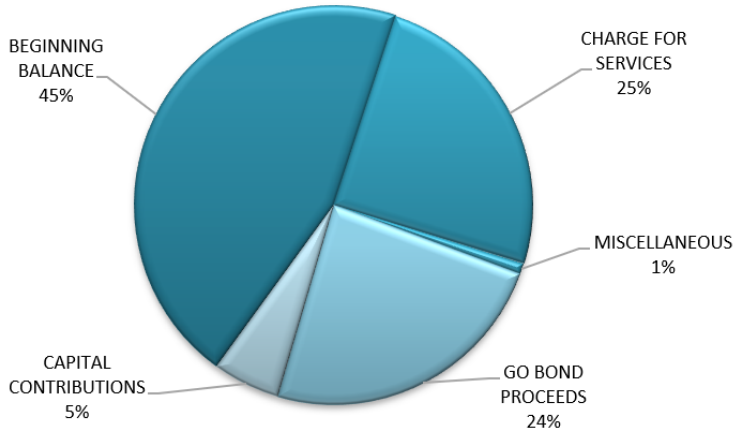
- Continued manhole inventory
- Completed 1359 utility locates and markings in 2025 and 820 locates 6 months into 2026, an average of 114 each month
- Reduced inflow and infiltration where possible through the installation of rain stopper inserts, manhole repairs, and trenchless technology repairs (pipe 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 replacement of the Lindvig PS VDF
- Completed draft Sewer Comprehensive Plan
- Supported Kitsap County on the Johnosn to Norum sewer replacement project by taking lead on design. County completed construction project successfully
- Negotiated new agreement with Kitsap County Treatment Plant for purchase of increase capacity
- Coordinated with Kitsap County on the CKTP Solids and Liquids Hauled Waste project, a $24m investment for the City at the Treatment Plant
- Design and construction of the 11th Avenue Sewer and Gateway Sewer Replacement project
- Design of the SR305 Sewer Force main Extension

2027-2028 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.

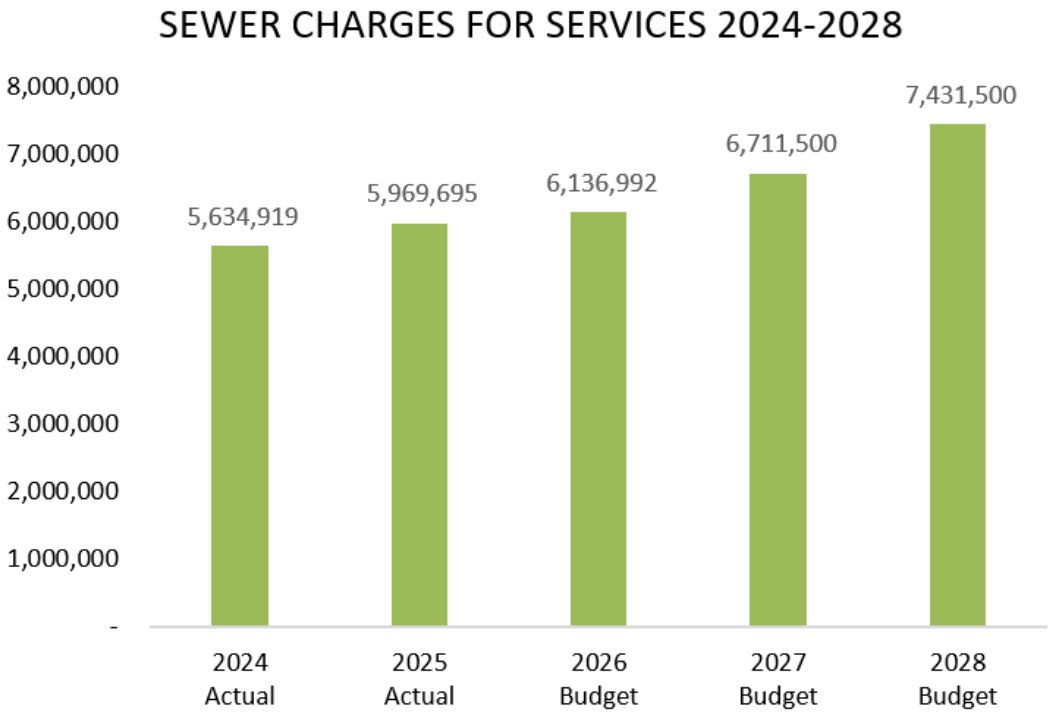
A change effective in 2023 is the collection of connection fees on behalf of the County. The City will collect and retain the full connection fee, incorporating the County's portion. This results in a much higher revenue source and related excise tax payment due to those collections.

SEWER FUND RESOURCES 2027-2028



2026 Monthly Residential Sewer Rate Structure		
	Inside City	Outside City
Base Rate	$ 70.10	$ 104.58
Base charge includes 400 cf of water flow		
November through May		
401 and over	$ 9.20	$ 13.71
June through October**		
401 and over	$ 9.20	$ 13.71

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



2027-2028 EXPENDITURES:

Operation and Maintenance:
The 2027-2028 operation and maintenance program will be a continuation of the 2025-2026 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 2027-2028 includes the following projects and capital purchases.

2027	
3rd Ave Sewer	350,000
KC Solids & Liquid Hauled Waste	10,000,000
Old Town Sewer Upgrades	215,000
SR305 Force Main Extension	5,500,000
PW Facility - Bond	4,270,000
	20,335,000
2028	
KC Solids & Liquid Hauled Waste	8,000,000
	8,000,000
2027-2028 Total	**28,335,000**

**Capital Projects are detailed in full in the Capital Budget section.*

SOLID WASTE FUND 404

ACCOUNT DESCRIPTION	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 404 SOLID WASTE UTILITY						
RESOURCES						
BEGINNING BALANCE	1,791,621	1,808,076	1,827,997	*1,789,643*	*3,523,513*	*1,789,643*
CHARGES FOR SERVICES	3,753,700	3,988,090	4,524,634	*4,635,000*	-	*4,635,000*
MISCELLANEOUS	58,177	56,237	46,488	*43,000*	-	*43,000*
TOTAL RESOURCES	5,603,498	5,852,403	6,399,119	***6,467,643***	***3,523,513***	***6,467,643***
FUND 404 SOLID WASTE UTILITY						
USES						
BAD DEBT EXPENSE	108	-	-	-	-	-
SALARIES & WAGES	826,156	969,221	1,145,814	*297,361*	-	*297,361*
BENEFITS	384,534	438,791	498,344	*137,010*	-	*137,010*
SUPPLIES	184,946	189,525	143,365	*138,751*	-	*138,751*
OTHER SERVICES & CHARGES	2,202,010	2,435,911	2,513,161	*2,142,772*	-	*2,142,772*
CAPITAL OUTLAY	26,133	(23,989)	80,556	-	-	-
DEPRECIATION EXPENSE	158,958	147,327	181,172	*181,172*	-	*181,172*
DEBT SERVICE - PRINCIPAL	35,108	35,502	35,924	*36,391*	-	*36,391*
DEBT SERVICE - INTEREST	11,923	11,528	11,140	*10,673*	-	*10,673*
PRIOR PERIOD ADJUSTMENT	4,797	-	-	-	-	-
FUND BALANCE	1,768,825	1,648,589	1,789,643	3,523,513	-	*3,523,513*
TOTAL USES	5,603,498	5,852,403	6,399,119	***6,467,643***	**-**	***6,467,643***

The budget for the Solid Waste fund will be revised to reflect three months of revenues and expenditures, January – March of 2027. Solid Waste services will be contracted to an outside agency in early 2027.

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 completed a competitive Request for Proposal (RFP) process to contract out the City's Solid Waste services. Contracting out this service will save the rate payers by approximately 25%. The continuing costs of the City maintaining this service would have been unsustainable for the City and its rate payers. The City selected Bainbridge Disposal as the lowest bidder.

This fund will be dissolved upon complete on services. Service is estimated to transition to Bainbridge Disposal between March and June of 2027.

EXAMPLE MONTHLY RATES

Sample Service Level	2027 City Rates	2027 City Rates w/o Utility Tax	Bainbridge Disposal 2027 Rates
Single-family 64-Gallon Garbage Cart with Recycling	$68.09	$64.24	$40.72
Multifamily* & Commercial 64-Gallon Garbage Cart	$68.09	$64.24	$23.97*
Multifamily* & Commercial 2-Yard Garbage Container	$251.08	$236.87	$132.62*

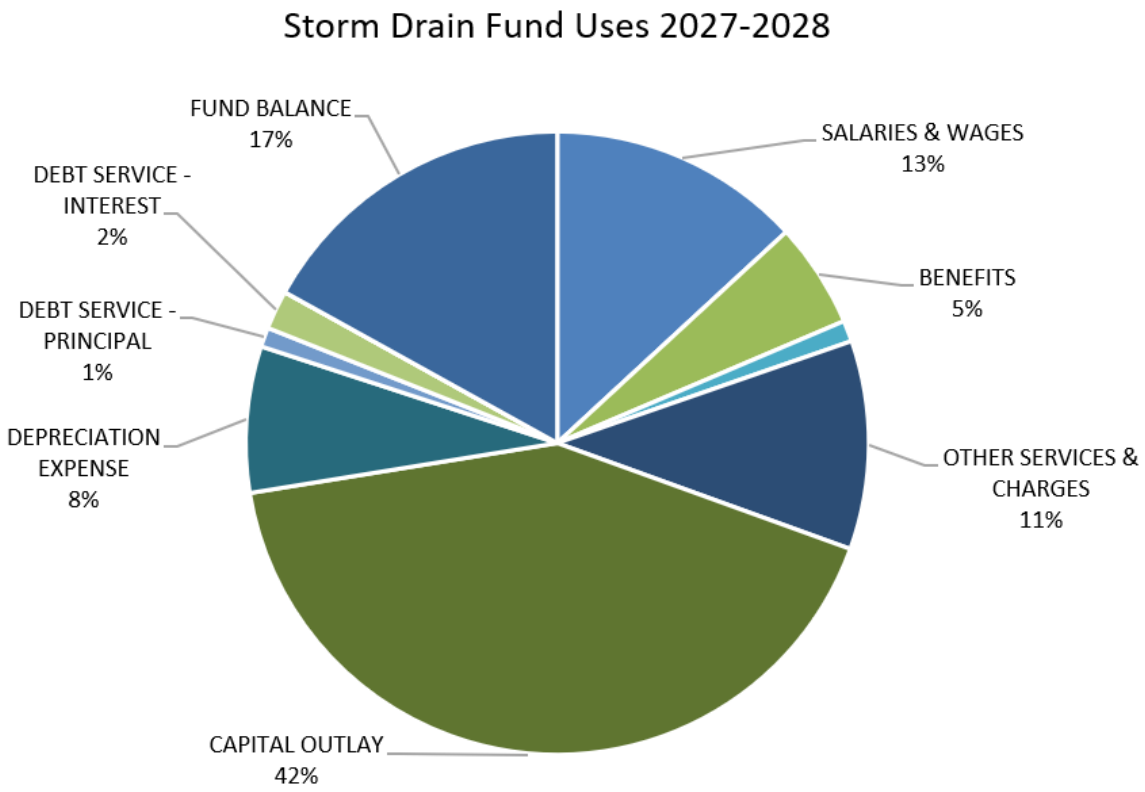
**Multifamily recycling is currently included with garbage services, but will cost properties $5.30 per unit in new contract.*

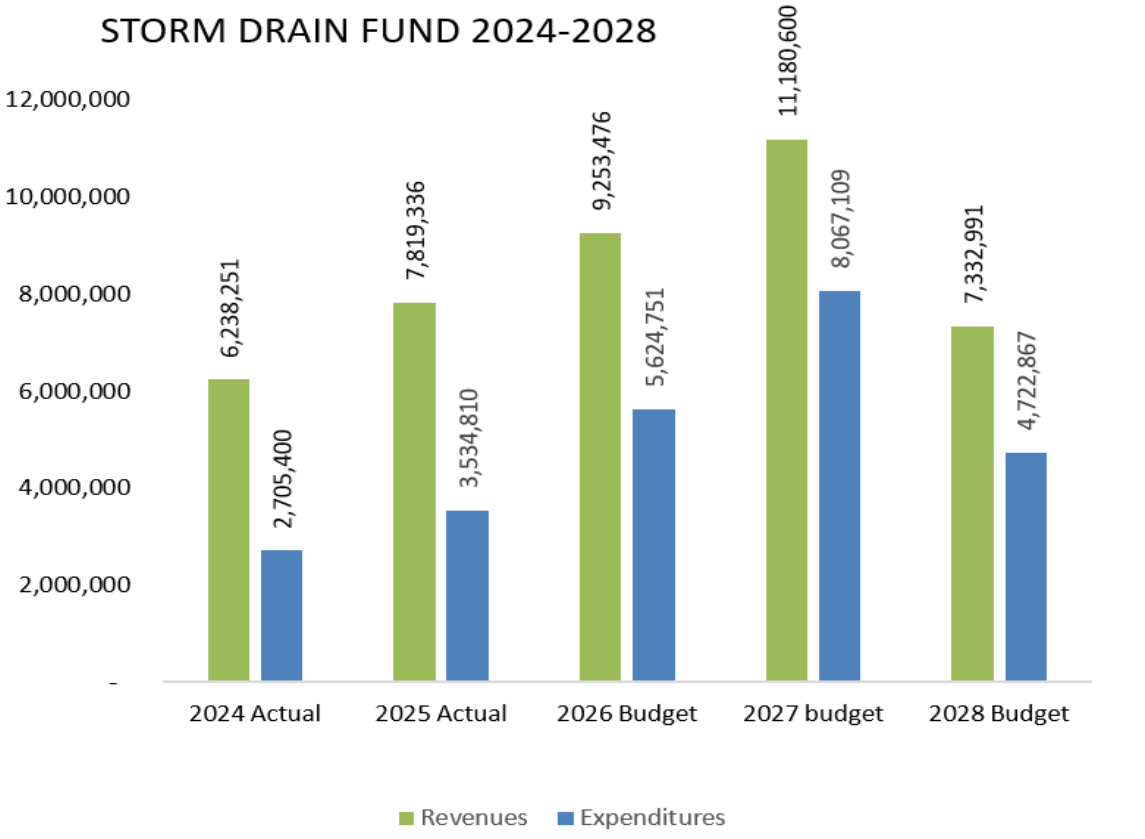
STORM DRAIN FUND 410

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	2024 Actual	2025 Actual	2026 Budget	*2027 Budget*	*2028 Budget*	*2027-2028 Budget*
FUND 410 STORM DRAIN UTILITY						
RESOURCES						
BEGINNING BALANCE	3,493,126	4,098,541	5,024,393	*4,383,023*	*3,113,491*	*4,383,023*
INTERGOVERNMENTAL	132,734	871,934	1,526,890	*340,000*	*1,228,000*	*1,568,000*
CHARGE FOR SERVICE	2,361,531	2,494,996	2,504,193	*2,665,000*	*2,795,000*	*5,460,000*
MISCELLANEOUS	93,054	135,891	48,000	*46,500*	*46,500*	*93,000*
CAPITAL CONTRIBUTIONS	157,806	217,974	150,000	*3,746,077*	*150,000*	*3,896,077*
TOTAL RESOURCES	6,238,251	7,819,336	9,253,476	***11,180,600***	***7,332,991***	***15,400,100***
FUND 410 STORM DRAIN UTILITY						
USES						
BAD DEBT EXPENSE	86	-	-	-	-	-
SALARIES & WAGES	751,101	823,029	874,795	*992,088*	*1,031,534*	*2,023,622*
BENEFITS	332,697	326,806	1,113,941	*408,134*	*432,306*	*840,440*
SUPPLIES	78,074	86,659	45,202	*84,029*	*84,070*	*168,099*
OTHER SERVICES & CHARGES	638,299	668,670	761,238	*832,838*	*835,178*	*1,668,016*
CAPITAL OUTLAY	261,657	934,761	2,219,644	*4,990,000*	*1,465,000*	*6,455,000*
DEPRECIATION EXPENSE	613,457	669,233	584,260	*584,260*	*584,260*	*1,168,520*
DEBT SERVICE - PRINCIPAL	19,150	19,365	19,595	*19,850*	*134,887*	*154,737*
DEBT SERVICE - INTEREST	6,504	6,288	6,076	*155,910*	*155,632*	*311,542*
PIOR PERIOD ADJUSTMENT	4,375	-	-	-	-	-
FUND BALANCE	3,932,851	4,684,526	4,048,725	3,113,491	2,610,124	*2,610,124*
TOTAL USES	6,638,251	8,219,336	9,673,476	***11,180,600***	***7,332,991***	***15,400,100***





Note: Revenues are shown exclusive of beginning balance
Expenditures are shown exclusive of fund balance

STORM DRAIN DEPARTMENT WORKLOAD MEASURES					
Type of Measure	2024 Actual	2025 Actual	2026 Actual	2027 Projected	2028 Projected
Number of Subsurface Treatment Facilities Inspected	208	215	160	170	185
Number of Ponds, Tanks, Vaults Inspected	70	75	130	140	150
Number of Control Structures Inspected	172	177	72	80	90
Note: Previous control structure numbers included "tees" 2026 numbers and projections do not					
Number of Conveyance Structures	1,445	1,530	3,381	3,600	3900
Miles of Stormwater Pipe Inspected	82	85	51	54	57
Number of Catch Basins Inspected	1,605	1575	1690	1800	1950

STORM DRAIN FUND (410)

PROGRAM DESCRIPTION:

The Storm Drain program is an enterprise fund providing for the management of storm and surface water runoff for the citizens of the City of Poulsbo. The program also reflects the requirements of the NPDES (National Pollutant Discharge Elimination System) permit issued to the City by the Washington State Department of Ecology. This fund is administered by the Public Works Department.

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.

2025-2026 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 (check with Jordon about the number we did for 2025-2026)
- 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 Mutt Mitt program
  - Natural Yard Care Behavior Change Campaign
  - 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.

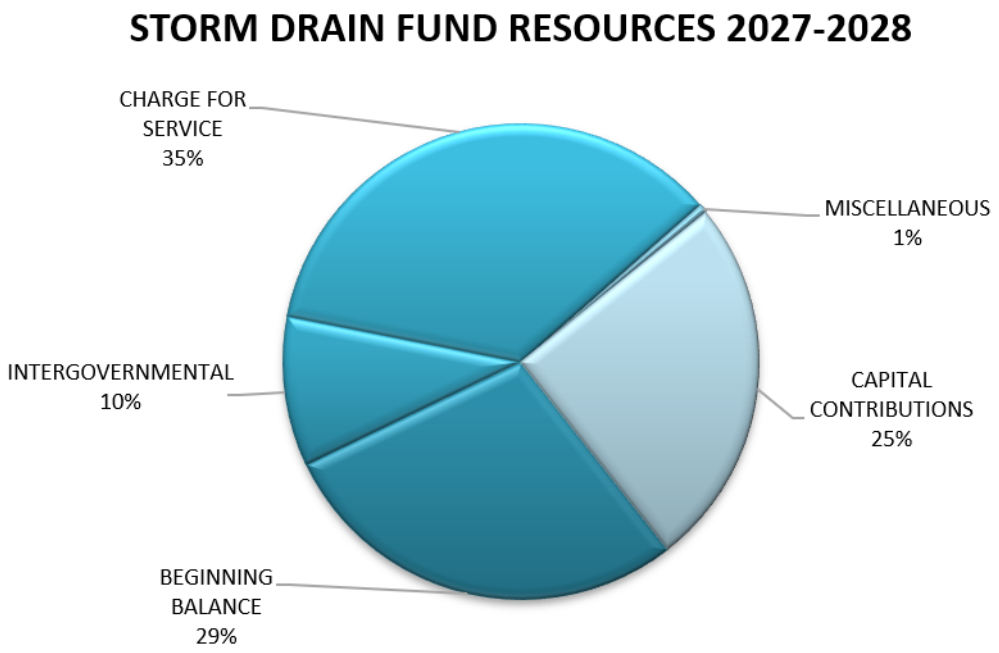
  - Low Impact Development code analysis and updates
  - Stormwater Management code update
  - Water quality monitoring in support of IDDE program and TMDL Plan implementation
- Completed the Stormwater Functional Plan in accordance with the Comprehensive Plan
- Completed the Ecology funded West Poulsbo Stormwater Retrofit project in Nelson Park
- Received Ecology funding for phase 1 of the South Fork Dogfish Creek Stormwater Retrofit project
- Received Ecology funding for the Noll Road Stormwater LID Retrofit project
- Received RCO funding for the 8th Avenue Culvert design project
- Implementation of the NPDES Source Control Program
- Replaced 100 lf of Storm Line at Mesford and Schooner,
- Replaced 5th Ave and Viewmont 60 lf
- Repaired culvert and ditch line at Liberty and Sunbelt
- Lowered 4 catch basins on Johnsonway foot path
- Lowered catch basins on Olhava Way
- Vault cleanout for a plug on Fortune
- Nelson Park Bioswale rehab

2027-2028 REVENUE SOURCES:

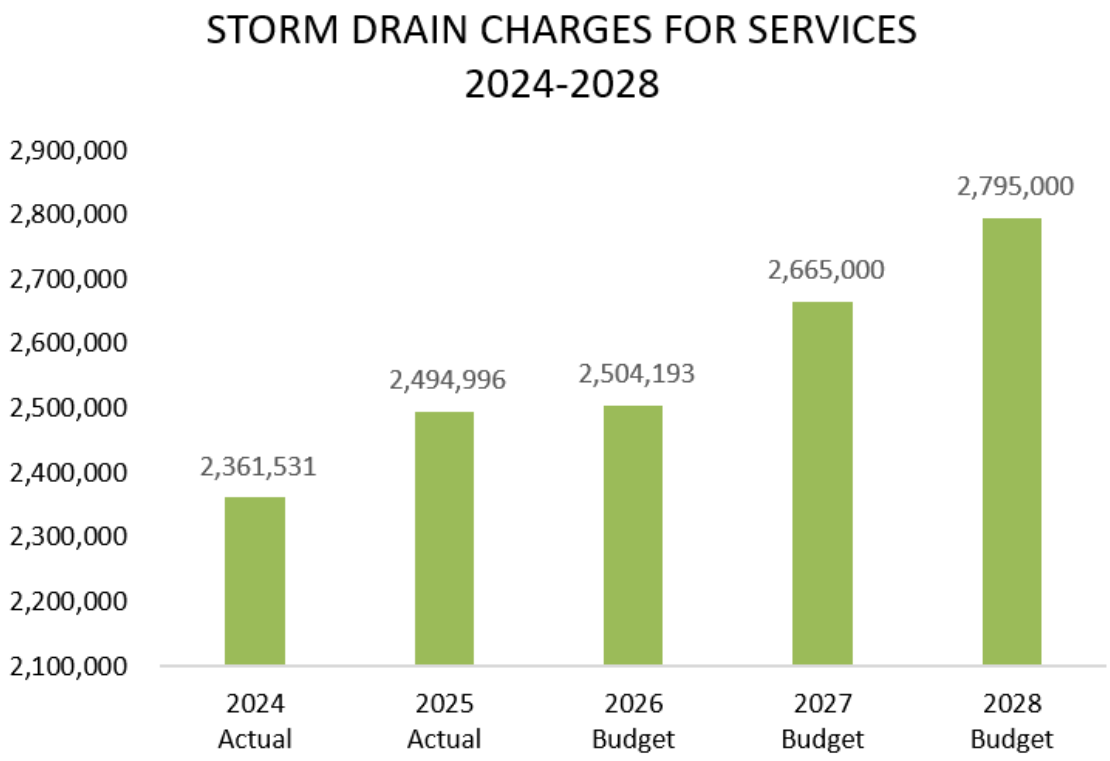
The storm drain utility is supported by its users and revenue is generally derived from service charges, which include: 1) monthly service charges, and 2) building permit connection charges. The majority of revenue comes from monthly service charges.

The 2027 and 2028 rates for residential and commercial customers are assessed per impervious surface units (ISU). One ISU is equivalent to 3,000 square feet of impervious surface.

The Comprehensive Plan for stormwater was updated and rates increased to take into account NPDES permit-related requirements. Requirements continue to be monitored and updated to ensure compliance.



2026 Monthly Residential Stormwater Rate Structure	
	Inside City Limits Only
Rate	$ 23.28



2027-2028 EXPENDITURES:

Operation and Maintenance:
The year 2027-2028 operation and maintenance program will be a continuation of the 2025-202 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:
stormwater planning; public education, outreach, and involvement; illicit discharge detection and elimination; source control; construction & post construction runoff control, operations and maintenance and TMDL compliance.

Capital Improvements:
The capital improvement program for year 2027-2028 include the following projects:

2027	
Liberty Bay Storm Outfalls	250,000
Noll Road Storm LID - Retrofit	400,000
South Fork Dog Fish Creek Retrofit	1,545,000
PW Facility - Bond	4,340,000
	6,535,000
2028	
3rd Ave Storm	20,000
8th Ave Culvert Replacement	1,445,000
	1,465,000
2027-2028 Total	**8,000,000**

**Capital Projects are detailed in full in the Capital Budget section.*

2027-2028
PRELIMINARY BUDGET

Baseline Adjustment Requests

2027-2028 Baseline Adjustment Requests

Department	Request	2027	2028	Total	Source (Fund)	One-Time?	Type	Council Approved
Executive - Mayor	Advertising Increase	2,000	2,000	4,000	General Fund	N	Operations	**Y**
Human Resources	Professional Services Increase	5,000	5,000	10,000	General Fund	N	Operations	**Y**
Public Works	Downtown Basket Watering	30,000	35,000	65,000	General Fund	N	Operations	**Y**
Public Works	Utilities Increase (PSE) - Water Fund	37,885	38,642	76,527	Water	N	Operations	**Y**
	Total Baseline Adjustment Requests	***74,885***	***80,642***	***155,527***				

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

Executive - Mayor's Office

TITLE OF REQUEST

Advertising Increase

DESCRIPTION - (explain the background of the issue)

Establish a $2,000 annual advertising budget for the Mayor's Office to support promotional and public outreach efforts on behalf of the City of Poulsbo. The funds would provide the Mayor with a limited budget to promote City programs, events, initiatives, community engagement opportunities, and other City-related information through appropriate advertising channels. Currently, the Mayor's budget contains $0 for advertising, limiting the City's ability to proactively promote activities and initiatives that may benefit from additional public awareness and outreach.

JUSTIFICATION - (explain why this is necessary)

The City has an ongoing need to effectively communicate with residents, businesses, visitors, and the broader community about City programs, services, events, initiatives, and opportunities for public participation. While the City uses its website, social media, newsletters, and other communication channels, paid advertising provides an additional way to reach audiences that may not otherwise receive City information. The requested $2,000 annual budget would give the Mayor a modest, flexible funding source to promote City initiatives, community events, public engagement opportunities, and other activities that support the City's communication and outreach goals. Establishing a dedicated budget would also provide a consistent and transparent funding source for these promotional efforts.

FUNDING

Required - Account Coding: **Organization:** **113000051310** **Account:** **50000411**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☑	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		2,000	2,000	☐	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

Human Resources

TITLE OF REQUEST

Professional Services Increase

DESCRIPTION - (explain the background of the issue)

There has been an increased need for professional services to engage outside investigators to conduct personnel and workplace complaint investigations. Due to the nature and complexity of certain complaints, an independent third-party investigator may be necessary to ensure the investigation is conducted objectively, thoroughly, and in accordance with best practices. Additionally, when a police department management recruitment process occurs, there are significant professional services costs associated with utilizing PST for recruitment and related services.

JUSTIFICATION - (explain why this is necessary)

Funding for professional services is necessary to ensure the organization has the resources to appropriately address complex personnel complaints and specialized recruitment needs as they arise. The number, nature, and timing of employee complaints and management recruitments are not within HR's control and cannot be reliably predicted during the budget development process. However, HR is responsible for ensuring these matters are addressed appropriately and in a timely manner. Additional funding will provide the flexibility to obtain qualified third-party investigative and recruitment services when circumstances warrant, while supporting a fair, objective, and professional process.

FUNDING

Required - Account Coding: **Organization:** **00118600051810** **Account:** **50000410**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☑	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		5,000	5,000	☐	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Downtown Beautification and Watering

DESCRIPTION - (explain the background of the issue)

The downtown core of Poulsbo has served as a major draw to locals and visitors alike. The planting and watering of hanging baskets and planters has historically been a partnership with the HDPA. The costs have risen over the past few years, along with a challenge of the HDPA having the means to share in the costs. If funded, this request would be to assume the basic costs for planting and watering during the summer tourism season.

JUSTIFICATION - (explain why this is necessary)

The inviting look of downtown Poulsbo can be correlated in part to the hanging baskets. It has become a basic part of an expected level of service that should be supported consistently.

RESPONSE - (explain why this was not in original adopted budget)

There has been an historic, nominal budget amount which has consistently not kept up with costs or expectations.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		30,000	35,000	☐	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Utility Services Increase for Water

DESCRIPTION - (explain the background of the issue)

Addition to the Utility Services line in the Water Budget

JUSTIFICATION - (explain why this is necessary)

Significant increases to PSE rates as well as additions of multiple housing developments within the city which causes pumps to run more often.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☑	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		37,885	38,642	☐	☑
Fund(s) Involved		40130000053400 / 50000471			

This completed form is due back to Finance no later than AUGUST 31, 2026

2027-2028
PRELIMINARY BIENNIAL BUDGET

New Program Requests

2027-2028 New Program Requests								
ONE TIME REQUESTS - Excluding Personnel								
Department	**Request**	**2027**	**2028**	**Total**	**Source**	**One-Time?**	**Type**	**Council Approved**
ENG/PW/IT	GIS Consulting Services	25,000	-	25,000	Water, Sewer, Storm, Streets	Y	Operations	**Y**
Housing, Health & Human Services	STEP Notice of Funding Opportunity	500,000	-	500,000	Affordable Housing Fund	Y	Operations	**Y**
Information Technology	SharePoint Migration	160,000	-	160,000	General Fund	Y	Operations	**Y**
Information Technology	City Hall Chambers AV Equipment Replacement (PEG Fees)	75,000	25,000	100,000	General Fund	Y	Operations	**Y**
Parks & Recreation	PROS Plan Update	150,000	-	150,000	General Fund	Y	Operations	**Y**
Parks & Recreation	Rec Center Building Improvements	46,000	-	46,000	Parks Capital	Y	Operations	**N**
Parks & Recreation	Fish Park Boardwalk Assessment	20,000	-	20,000	General Fund	Y	Operations	**N**
Parks & Recreation	Water Fountain Replacement	21,000	-	21,000	Parks Capital	Y	Operations	**Y**
Public Works	City Hall Building Envelope Evaluation	25,000	-	25,000	General Fund	Y	Operations	**Y**
Public Works	Safety Ladders to P&R Roof	30,000	-	30,000	Equipment Acquisition	Y	Operations	**Y**
Public Works	P&R HVAC Kitchen Area	16,400	-	16,400	Facilities Fund	Y	Operations	**N**
	Total One Time Requests - Operations	***1,068,400***	***25,000***	***1,093,400***				

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department

TITLE OF REQUEST

Pro-West & Associates GIS Consulting Services

DESCRIPTION - (explain the background of the issue)

Pro-West will partner with the city to conduct a comprehensive analysis on our existing GIS infrastructure and help us develop a roadmap to move forward. This roadmap will systematically transition legacy data—such as stormwater, water systems, sewer lift stations, and road networks into an integrated Esri enterprise asset management environment. By leveraging Pro-West as an on-demand technical extension of our team, the city can maximize existing data investments, establish long-term geospatial standards, and modernize municipal infrastructure.

JUSTIFICATION - (explain why this is necessary)

Municipal growth and increasingly complex state and federal mandates—such as NPDES stormwater and Department of Health requirements—have made manual GIS tracking unsustainable. Contracting with Pro-West & Associates provides immediate, specialized Esri technical expertise to build a compliant, modern GIS framework to meet expanding regulatory deadlines.

RESPONSE - (explain why this was not in original adopted budget)

In the past, the City maintained a minimal GIS footprint due to limited dedicated GIS staffing. This was adequate for static mapping and simple spatial record-keeping. However, rapid city growth and expanding regulatory mandates now require advanced GIS capabilities. Partnering with Pro-West & Associates bridges both our staffing and licensing gaps, providing full-service technical expertise and enterprise-level capability without adding permanent FTE overhead.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		25,000		☑	☐
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Use of affordable housing funds for STEP notice of funding opportunity (NOFO) program and .25 administrative assistance

DESCRIPTION - (explain the background of the issue)

The City of Poulsbo collects a local sales and use tax to create affordable housing. In 2026, City Council expressed support for using $500,000 of this tax to create a new funding opportunity for profit or non profit developers able to create shelter, transitional, emergency, or permanent housing for people making 30% or less of the County average median income. This request will fund the NOFO program and 10 hours a week of administrative assistance - $15,600 (salary) and $3,120 (benefits). The H3 fiscal/admin will change from a .5 to a .75 position.

JUSTIFICATION - (explain why this is necessary)

The City is obliged to create affordable housing because it collects taxes for this purpose. State law mandates that the City plan for all types of housing-including STEP-in its comprehensive plan. City Council would like to use an open and competitive process to encourage a new Poulsbo project.

RESPONSE - (explain why this was not in original adopted budget)

New approach to funds collected.

FUNDING

Required - Account Coding: **Organization:** **124 185 037 551 00** **Account:** **50000410, 500010, 50000210**

Legally Mandated	☑	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		518,720	18,720	☐	☑
Fund(s) Involved		local affordable housing tax reserves-60% fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department

TITLE OF REQUEST

SharePoint Migration: File Server Decommissioning & Data Retention Alignment

DESCRIPTION - (explain the background of the issue)

Transitioning to SharePoint and standing down local file servers is critical to eliminate aging hardware risks, enforce mandatory data retention schedules, and adapt to modern hybrid work. Local file servers lack automated compliance tools, making record retention and public record disclosures increasingly difficult to manage. Decommissioning this hardware eliminates recurring server replacement costs, improves cyber resilience, and secures municipal records in a modern, audited cloud environment.

JUSTIFICATION - (explain why this is necessary)

To execute a seamless transition without overburdening City resources, we will be partnering with StoneShare, a specialized SharePoint implementation firm with placement on the Washington State Department of Enterprise Services (DES) IT Professional Services (ITPS) master contract. They will manage the resource-heavy phases: architecting custom departmental site structures, establishing state-compliant data retention rules, leading departmental workshops, and training staff. Outsourcing this work ensures the project is completed efficiently and in compliance with public records laws without interrupting daily operations.

RESPONSE - (explain why this was not in original adopted budget)

The time has come to modernize: aging hardware risks and modern public records compliance make staying on local servers unsustainable. To overcome past resource constraints, StoneShare will manage the full end-to-end implementation—from department interviews and site architecture to retention configuration and staff training—delivering a turnkey solution limiting the impact on daily operations.

FUNDING

Required - Account Coding: **Organization:** **001-142-000-518-18** **Account:** **50000410**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028
Estimated Dollar Change		160,000	
Fund(s) Involved			

One-Time ☑ **On-Going** ☐

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department

TITLE OF REQUEST

City Hall Chambers A/V Equipment Replacements

DESCRIPTION - (explain the background of the issue)

The Council Chambers microphone system is over five years old and utilizes legacy audio technology that cannot support our workshop table layout, resulting in degraded audio quality during public meetings. The TriCaster AV control system has reached end-of-life (EOL) status and requires replacement to maintain reliable broadcast capabilities for Council Chambers. The TriCaster AV control system has reached end-of-life (EOL) status and requires replacement to maintain reliable broadcast capabilities for Council Chambers.

JUSTIFICATION - (explain why this is necessary)

Upgrading to modern wireless microphones—capable of running on battery or AC power—will significantly enhance audio clarity and provide total room flexibility for varied meeting formats. Replacing this system is critical to prevent hardware failure during live broadcasts, ensure regulatory compliance for public access to government meetings, and maintain seamless streaming for residents. The TriCaster AV system serves as the backbone of public meeting broadcasts.

RESPONSE - (explain why this was not in original adopted budget)

These AV infrastructure assets were previously unassigned to a formal capital lifecycle replacement schedule. Their inclusion in this budget cycle is driven by the TriCaster reaching vendor End-of-Life (EOL) status and the physical reconfiguration of Council Chambers to a workshop layout, which exposed technical limitations in our legacy audio equipment. This will be fully offset by designated Public, Educational, and Governmental (PEG) franchise fees, requiring zero impact on the City's General Fund.

FUNDING

Required - Account Coding: **Organization:** **001-184-030-511-60** **Account:** **50000350**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		75,000 (Mics)	25,000 (Tricaster)	☑	☐
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Parks & Recreation

TITLE OF REQUEST

Rec Center Bldg Improvements

DESCRIPTION - (explain the background of the issue)

Tenant improvements for building accessibility, ADA wayfinding signage, room labeling, lobby and hallway improvements, implemented with a cohesive design. Also includes funding for sound deadening the piano room to reduce impacts to the adjacent multipurpose room. Funding request will also be used to renovate offices for additional staff, expanding upon sports and leagues, and moving the Recreation Specialists to be closer to the Recreation Manager for ease of daily coordination.

JUSTIFICATION - (explain why this is necessary)

The Community Recreation Center sees nearly 1,000 visitors weekly, more than all other City facilities combined by a larger margin. It's essential to ensure visitors have accessibility options assisting them in directing where classrooms, bathrooms, courts, and meeting locations are. Additional upgrades are also needed for sound deadening to better utilize existing spaces within the facility. Without adequately prepared rooms, programming cannot function and services cannot be delivered to satisfaction.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		46,000		☑	☐
Fund(s) Involved		302 - Parks Reserves			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Parks & Recreation

TITLE OF REQUEST

Fish Park Boardwalk Assessment

DESCRIPTION - (explain the background of the issue)

Conduct a structural engineering review of the pedestrian boardwalk in Fish Park to better understand the current condition and how to extend the life of the structure via repairs and a preventative maintenance schedule.

JUSTIFICATION - (explain why this is necessary)

The boardwalk was walked by Parks & Rec, Public Works, and contracted structural engineering staff to determine if an assessment of the current condition and proposed repairs would be warranted. This was done in response to the concerns about the numerous failing boards and portions of the substructure. An assessment would provide a clear picture of the current condition, propose necessary repairs, and develop a plan and tentative budget to extend the life of the boardwalk

FUNDING

Required - Account Coding: **Organization:** **001-300-000-576-80** **Account:** **50000410**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	**2028**	**One-Time**	**On-Going**
Estimated Dollar Change		20,000		☑	☐
Fund(s) Involved		General Fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Parks & Recreation

TITLE OF REQUEST

Public Water Fountain Replacement

DESCRIPTION - (explain the background of the issue)

Project replaces aged and failed water fountains at Lions Park, Raab Park playground/pavilion, and Raab Park dog park

JUSTIFICATION - (explain why this is necessary)

Multiple water fountains have failed with others at their age. The new replacements will align with the same water fountains as the PERC for ease of sourcing parts and repairs.

*Note: The initial request of $42,000 for six water fountains (Lions Park, Oyster Plant Park, Raab Park playground/pavilion, Raab Park dog park, Front Street at Marina Market, and Front Street at King Harold) was reduced based on newly identified playground replacement needs. Only the essential fountain replacements are being recommend at this time (9.11.26).

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		21,000		☑	☐
Fund(s) Involved		302 - Parks Reserves			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Building Envelope Evaluation of City Hall Structure

DESCRIPTION - (explain the background of the issue)

Evaluation of Building envelope for current condition and ongoing maintenance needs.

JUSTIFICATION - (explain why this is necessary)

Evaluation needed to determine and prioritize the long term maintenance needs.

FUNDING

Required - Account Coding: **Organization:** **001-300-000-518-30** **Account:** **50000410**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		25,000		☑	☐
Fund(s) Involved		001			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Ladder Installation to P&R Roof

DESCRIPTION - (explain the background of the issue)

Install safety ladders for access to the multilevel roof at P&R to provide maintenance for HVAC and Building.

JUSTIFICATION - (explain why this is necessary)

SAFETY

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		30,000		☑	☐
Fund(s) Involved		331			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

Parks & Recreation

TITLE OF REQUEST

PROS Plan Update

DESCRIPTION - (explain the background of the issue)

This project will create a comprehensive, community-driven Parks, Recreation, and Open Space (PROS) Plan to guide future investments and ensure the City's parks and recreation system meets the needs of a growing and changing population. Recent Park Impact Fee updates raised important questions regarding the community's desired level of service, including the appropriate number of park acres per 1,000 residents as demographics and recreation preferences evolve.

JUSTIFICATION - (explain why this is necessary)

The need for this project became particularly evident during the City's recent Park Impact Fee update. In discussing compliance with new state requirements, the City Council questioned whether the City's long-standing acreage-per-1,000-resident level-of-service methodology adequately reflects today's recreation needs. While park acreage remains an important planning metric, it does not fully measure whether residents have equitable access to parks, trails, recreation facilities, and programs that meet the needs of a diverse and growing community. Council expressed a clear desire to evaluate modern measures of service, including accessibility, park distribution, trail connectivity, recreation amenities, facility utilization, demographic trends, and community priorities before incorporating the full cost of future park improvements into the City's impact fee program.

This is especially important as the City of Poulsbo is experiencing continued residential growth, changing demographics, and increasing demand for parks, recreation facilities, trails, and open space.

The City recognizes that developing a meaningful PROS Plan requires specialized technical expertise beyond its available staff resources. The Parks and Recreation Department is responsible for operating and maintaining parks, trails, recreation facilities, and programs, but does not have dedicated staff with expertise in comprehensive parks and recreation system planning, recreation needs assessments, demographic analysis, public engagement, level-of-service evaluation, or long-range capital planning. While City staff will provide project oversight and local knowledge, consultant services are essential to conduct technical analyses, facilitate meaningful public participation, evaluate current and future recreation needs, and develop implementable recommendations supported by data and community input.

Equally important is the need for an inclusive public engagement process. The City intends to engage residents, youth, community organizations, user groups, businesses, and other stakeholders through surveys, workshops, stakeholder meetings, online engagement, and other outreach efforts that exceed the City's existing staffing capacity. This process will ensure the updated PROS Plan reflects the recreation priorities and values of the entire community.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		150,000		☑	☐
Fund(s) Involved		General Fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

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TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

HVAC to P&R Kitchen Area

DESCRIPTION - (explain the background of the issue)

Adding ventilation to the kitchen area to include cooling, heating and exhaust from existing unit that supplies HVAC to the main hallways/staff offices.

JUSTIFICATION - (explain why this is necessary)

Lack of air flow in kitchen area. Being able to hold cooking classes in the room without windows open for ventilation. Safety concerns.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		11,600		☑	☐
Fund(s) Involved		331			

This completed form is due back to Finance no later than AUGUST 31, 2026

ONGOING REQUESTS								
Department	**Request**	**2027**	**2028**	**Total**	**Source**	**One-Time?**	**Type**	**Council Approved**
				-				
Engineering	SmartGov BlueBeam Connector (Software)	3,414	1,664	5,078	General Fund	N	Operations	**Y**
Housing, Health & Human Services	Use of local housing funds to prevent & reduce homelessness	16,700	16,700	33,400	Affordable Housing Fund	N	Operations	**Y**
Housing, Health & Human Services	Use of HB1406 Funds for Rental Assistance	50,000	50,000	100,000	Affordable Housing Fund	N	Operations	**Y**
Housing, Health & Human Services	Recovery Café & Recovery Center Rent	83,300	87,400	170,700	General Fund	N	Operations	**N**
Information Technology	Audit Tool Enhancement to Manage Engine	2,850	3,135	5,985	General Fund	N	Operations	**Y**
Information Technology	VPN Multi-factor Authentication	2,200	2,420	4,620	General Fund	N	Operations	**Y**
Information Technology	Managed Detection & Response: Center for Internet Security (CrowdStrike)	-	13,500	13,500	General Fund	N	Operations	**Y**
Information Technology/Parks & Recreation	Facility Security & Safety Improvements	140,000	6,120	146,120	Parks Capital Fund/Transfer from General Fund	N	Operations	**Y - 100,000**
Legislative	Council Meeting Video ADA Modifications Reqs.	6,000	-	6,000	General Fund	N	Operations	**Y**
Parks & Recreation	4th of July	12,000	12,000	24,000	General Fund	N	Operations	**Y**
Public Works	Annual MIWP Boardwalk Evaluation	10,000	10,000	20,000	General Fund	N	Operations	**N**
Public Works	Annual Water Tank Cleaning & Inspection	20,000	20,000	40,000	Water	N	Operations	**Y**
Public Works	RBAW Mobile Pump Out Program	8,000	8,000	16,000	Storm	N	Operations	**Y**
	Total Ongoing Requests - Operations	***354,464***	***230,939***	***585,403***				

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Building

TITLE OF REQUEST

SmartGov BlueBeam Connector

DESCRIPTION - (explain the background of the issue)

The Bluebeam Connector is an optional software solution designed to seamlessly integrate two separate software systems, improving review efficiency, increasing productivity, and reducing the need for manual data entry.

JUSTIFICATION - (explain why this is necessary)

The Bluebeam connector is necessary to streamline the City's electronic plan review process by integrating Bluebeam review software with our existing SmartGov permitting software. This is part of our ongoing process improvement to increase efficiency with electronic plan review and permitting.

RESPONSE - (explain why this was not in original adopted budget)

The Bluebeam Connector was not in the original budget because the need for integration between Bluebeam and SmartGov was identified as part of our ongoing efforts to improve the electronic plan review and permitting system.

FUNDING

Required - Account Coding: **Organization:** **001-540-000-558-50** **Account:** **50000491**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		3,414	1,664	☑	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
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Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Use of Local Housing Funds to Prevent and Reduce Homelessness

DESCRIPTION - (explain the background of the issue)

The City of Poulsbo has used local affordable housing funds for the last two years to prevent displacement for low income Poulsbo residents through home repair. It has also funded a local "safe park" program to help individuals sleep safely while they connect to housing and recovery services. H3 is requesting funds to continue both of these programs, plus a new initiative to provide in home safety assessments for low income older adults in Poulsbo who are struggling to live safely at home.

JUSTIFICATION - (explain why this is necessary)

Local housing tax dollars can be used prevent homelessness through preventative measures (referred to in RCW as "other housing services'). Council has expressed interest in the use of affordable housing tax funds to prevent and reduce homelessness and this is a continuation and extension of current programs.

FUNDING

Required - Account Coding: **Organization:** **125 185 037 566 00** **Account:** **50000410**

Legally Mandated	☑	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		16,700	16,700	☐	☑
Fund(s) Involved		local affordable tax-40%			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Use of 1406 Funds for Rental Assistance

DESCRIPTION - (explain the background of the issue)

The City of Poulsbo collects "1406" funds from Washington State to fund supportive or affordable housing. State law authorizes the use of these funds for rental assistance in small jurisdictions, like Poulsbo, if recipients' income is at or below 60% of the county's median income. Council authorized the use of affordable housing funds for rental assistance in 2026 and H3 would like to continue the program using 1406 funds.

JUSTIFICATION - (explain why this is necessary)

H3 has worked with housing providers, such as Kitsap Homes of Compassion and Gambit Recovery, to subsidize rent to keep low income or recovery housing affordable. We have also worked with Fishline to extend one time emergency rental assistance. These programs are an important part of the City's affordable housing strategy.

FUNDING

Required - Account Coding: **Organization:** **125 185 000 551 00** **Account:** **50000490**

Legally Mandated	☑	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		50,000	50,000	☐	☑
Fund(s) Involved		1406 dedicated funds			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

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or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Use of General Funds to Pay for Rent at Recovery Café and Recovery Center

DESCRIPTION - (explain the background of the issue)

The City of Poulsbo operates a Recovery Café and Recovery Center in rented space at Poulsbo Village.

JUSTIFICATION - (explain why this is necessary)

H3 has insufficient funds to cover costs if it is Council's preference to keep both recovery spaces open 2027-2028. If this new budget request is granted, it will allow affordable housing tax funds to be used for necessary staffing and operations. It is H3's hope that a different location will be found in the next two years that does not incur rental costs.

FUNDING

Required - Account Coding: **Organization:** **001 185 564 00** **Account:** **50000450**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		83,300	87,400	☐	☑
Fund(s) Involved		general funds			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department

TITLE OF REQUEST

Audit Tool to Monitor Logins and Changes Online Enhancement

DESCRIPTION - (explain the background of the issue)

To maintain compliance and oversight, the City must extend its auditing framework beyond on-premises servers by expanding ManageEngine ADAudit Plus to monitor cloud activities across Microsoft Azure.

JUSTIFICATION - (explain why this is necessary)

This expenditure expands ManageEngine ADAudit Plus to satisfy mandatory CJIS compliance and cyber insurance auditing requirements. Centralized logging ensures real-time threat visibility across our hybrid (on-premises and Azure) environment, eliminating compliance penalties and reducing organizational liability. This increases our annual subscription from $1,150 to $4,000 ($2,850 net increase).

RESPONSE - (explain why this was not in original adopted budget)

Recent shifts in enterprise technology have moved critical data and security controls to cloud environments, requiring a corresponding update to our oversight systems.

FUNDING

Required - Account Coding: **Organization:** **001-142-000-518-18** **Account:** **50000491**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		2,850	3,135	☐	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department

TITLE OF REQUEST

City VPN MFA Enhancement

DESCRIPTION - (explain the background of the issue)

There is a critical requirement to supplement multi-factor authentication (MFA) at the identity level, with immediate priority on securing VPN access.

JUSTIFICATION - (explain why this is necessary)

Enforcing multi-factor authentication (MFA) for VPN access is necessary to maintain cybersecurity insurance eligibility and align with industry compliance standards.

RESPONSE - (explain why this was not in original adopted budget)

The expansion of our remote workforce, combined with heightened cyber insurance mandates and targeted attacks on legacy entry points, has lowered our risk tolerance and requires an updated security baseline.

FUNDING

Required - Account Coding: **Organization:** **001-142-000-518-50** **Account:** **50000491**

Legally Mandated ☐

Non-Discretionary ☐ ie…contract changes, utilities, expenses beyond department control

Other ☐ ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		2,200	2,420	☐	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department

TITLE OF REQUEST

Managed Detection & Response (MDR) Services: Center for Internet Security (CIS)

DESCRIPTION - (explain the background of the issue)

Traditional antivirus only blocks known threats on single devices, while MDR provides active, 24/7 monitoring across our entire network by CIS's Security Operations Center (SOC). Moving beyond basic workstation security is more critical than ever.

JUSTIFICATION - (explain why this is necessary)

Working with the Center for Internet Security (CIS) for Managed Detection and Response (MDR) delivers 24/7/365 threat monitoring tailored for municipal operations. Utilizing CIS's dedicated Security Operations Center (SOC) satisfies strict cyber insurance mandates and public-sector compliance standards as the city grows.

RESPONSE - (explain why this was not in original adopted budget)

While the City utilizes PISCES—a non-profit academic program for baseline monitoring—it does not provide immediate 24/7 threat remediation. Upgrading to CIS Managed Detection & Response (MDR) secures a dedicated Security Operations Center (SOC) capable of active, immediate incident response around the clock. Procuring this service through the Center for Internet Security (CIS) delivers substantial cost savings compared to commercial MDR platforms evaluated in past market research.

FUNDING

Required - Account Coding: **Organization:** **001-142-000-518-50** **Account:** **50000490**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		12,600	13,500	☐	☑
Fund(s) Involved					

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CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department/Parks & Recreation

TITLE OF REQUEST

Facility Security & Safety Improvements

DESCRIPTION - (explain the background of the issue)

The Parks & Recreation facility currently relies on legacy mechanical keys and no surveillance, creating physical security risks and operational inefficiencies that diverge from standards at City Hall and other city resources. Modernizing this site closes critical safety gaps and integrates the facility into the city's centralized security architecture.

JUSTIFICATION - (explain why this is necessary)

Access Control Modernization: Replacing high-risk, physical key locks (prone to loss and unauthorized duplication) with individually assigned electronic access badges. Zone & Emergency Management: Implementing centralized access policies to manage facility zones during operational hours, secure the perimeter during off-hours, and enable rapid lockdown during emergencies. Video Surveillance System Expansion: Installing targeted security cameras to eliminate critical blind spots, monitor high-traffic areas, and cover exterior perimeters.

RESPONSE - (explain why this was not in original adopted budget)

This project was initially scoped during the 2026 budget process; however, the original estimate omitted critical requirements, including complete exterior camera coverage, access controls for all interior doors, and the associated vendor labor for system installation and integration. $46k out of Parks Reserves - Rest out of General Fund

FUNDING

Required - Account Coding: **Organization:** **001-142-000-597-00/302-740-000-594-76** **Account:** **50000090/50000650**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		140,000	6,120	☑	☑
Fund(s) Involved					

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CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Legislative

TITLE OF REQUEST

Council Meeting Video ADA Modification Requirements

DESCRIPTION - (explain the background of the issue)

The City is preparing to improve the accessibility of City Council meeting videos to meet federal ADA Title II web accessibility requirements. For public entities with populations under 50,000, the federal compliance deadline is April 26, 2028.The project will require an upgrade to the City's existing video encoder through Granicus to support live captioning. The City will also need post-production software capable of providing accessible meeting content, including closed captioning, transcripts, and audio descriptions. The City has received a proposal from ViddyScribe for post-production accessibility services at an estimated cost of $50,000 annually. A separate quote will be obtained from Granicus for the required encoder upgrade. Because accessibility technology and available services continue to evolve, this funding will provide a starting point for implementation planning. During the 2028 mid-biennium budget review, the City Council can evaluate available technologies, costs, and service options and determine the appropriate level of accessibility and presentation for Council meeting videos on the City's website. The $6,000 is a one time cost to upgrade the encoder, the ongoing costs in 2028 and would be for the software subscription for services including sales tax.

JUSTIFICATION - (explain why this is necessary)

The City currently does not have the technology necessary to provide fully accessible Council meeting videos. The ViddyScribe proposal provides captioning, transcripts, and audio descriptions for recorded meetings and would assist the City in meeting its federal accessibility obligations while improving access to public meetings for individuals with disabilities. The current ViddyScribe quote is $50,000 annually, based on an enterprise account and an estimated three Council meetings per month at approximately four hours per meeting. This funding request does not include the additional cost of upgrading the City's existing Granicus video encoder, for which a separate quote will be obtained. Given the April 2028 compliance deadline and the continued evolution of accessibility technology, establishing funding now will allow the City to plan for implementation while providing the Council an opportunity during the 2028 mid-biennium review to determine the appropriate long-term level of city council meeting videos on the website. An alternative to this cost would be not provide the meeting videos on the website, and make them available upon request via a public records request.

FUNDING

Required - Account Coding: **Organization:** **?** **Account:** **?**

Legally Mandated	☑	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		6,000	60,000	☐	☑
Fund(s) Involved					

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CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

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or request funding for a new program

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TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Parks & Recreation

TITLE OF REQUEST

4th of July

DESCRIPTION - (explain the background of the issue)

2026 was the inaugural celebration of Poulsbo's 4th of July community special event. Staff worked closely with community organizations and individuals to put together the widely celebration event, seeing ~2,300 people of all ages attend throughout the day. the 4th of July community committee has expressed it's desire to continue to organize the event going forth, including fundraising to support the event.

JUSTIFICATION - (explain why this is necessary)

In the case full funding to cover event costs is not secured by the 4th of July Committee through donations/sponsorships and Council would like the event to occur regardless, this budget request serves two purposes: 1.) Inform City Council of the 2026 expenses incurred by the City to support the event which included Police, Public Works, and Parks & Recreation staff time, bands, sound, materials, and other event related costs and 2.) Have up to the requested budget amount available for City support

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		12,000	12,000	☑	☐
Fund(s) Involved		General Fund			

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CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

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TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Annual MIWP Boardwalk Evaluation

DESCRIPTION - (explain the background of the issue)

Annual evaluation of the structure.

FUNDING

Required - Account Coding: **Organization:** **001-300-000-576-80** **Account:** **50000410**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		10,000	10,000	☐	☑
Fund(s) Involved		001			

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CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

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or request funding for a new program

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TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Annual Tank Cleaning and Inspection

DESCRIPTION - (explain the background of the issue)

For Divers to inspect and clean one or more of the City Water Tanks/Towers annually. Divers use specialized underwater vacuums or airlift pumps to remove sediment from the bottom of the tank without wasting water or shutting down the municipal supply.

JUSTIFICATION - (explain why this is necessary)

Water Safety

FUNDING

Required - Account Coding: **Organization:** **401-300-000-534-00** **Account:** **50000410**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		20,000	20,000	☐	☑
Fund(s) Involved		401			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

RBAW Mobile Pump Out Program 2027-2028

DESCRIPTION - (explain the background of the issue)

The Recreational Boating Association of Washington (RBAW) has another pending Clean Vessel Act grant from Washington State Parks. This grant will provide free mobile marine pump outs from a third party pump out vessel moored at Liberty Bay Marina. The City's match for this program would be $8,000 annually and RBAW would provide all administrative support for the program.

JUSTIFICATION - (explain why this is necessary)

This program will continue to improve water quality by giving recreational boaters a convenient method to dispose of sewage from sanitary waste tanks avoiding the release of sewage into Liberty Bay.

RESPONSE - (explain why this was not in original adopted budget)

This is in anticipation of the 3 year grant continuation with Washington State Parks and will continue into 2028 budget year.

FUNDING

Required - Account Coding: **Organization:** **410-300-000-531-00** **Account:** **50000410**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		8,000	8,000	☑	☑
Fund(s) Involved		41030000053100 / Storm Drain			

This completed form is due back to Finance no later than AUGUST 31, 2026

PERSONNEL REQUESTS								
Department	**Request**	**2027**	**2028**	**Total**	**Source**	**One-Time?**	**Type**	**Council Approved**
Administration	Communications Manager	123,500	129,675	253,175	General Fund	N	Personnel	**Yes**
Engineering	Assistant City Engineer	4,133	4,257	8,390	Water, Sewer, Storm, Projects	N	Personnel	**Yes**
Finance	Accounting Technician	130,000	121,000	251,000	Equipment Acquisition	N	Personnel	**N**
Housing, Health & Human Services	Administrative Assistance increase for STEP NOFO Program (FTE Increase from .5 to .75	18,720	20,592	39,312	Affordable Housing Fund	N	Personnel	**N**
~~Housing, Health & Human Services~~	~~Use of grant funds to support Café Coordinator position~~	~~124,000~~	~~124,000~~	~~248,000~~	~~General Fund~~	~~N~~	~~Personnel~~	**N/A**
~~Housing, Health & Human Services~~	~~Use of grant and local tax funds to support new Recovery Services Manager position~~	~~124,000~~	~~124,000~~	~~248,000~~	~~General Fund/Affordable Housing Fund~~	~~N~~	~~Personnel~~	**N/A**
Housing, Health & Human Services	Community Diversion Peer 1.0 FTE	105,000	105,000	210,000	General Fund	N	Personnel	**Y**
Housing, Health & Human Services	Peer Support Specialist (Casual Labor)	33,415	30,000	63,415	General Fund	N	Personnel	**N**
Information Technology	PC Technician	120,000	123,600	243,600	General Fund	N	Personnel	**N**
Parks & Recreation	Recreation Specialist - Additional Hours	23,535	24,948	48,483	General Fund	N	Personnel	**N**
Parks & Recreation	Senior Wellness Program (SAIL)	10,468	11,096	21,564	General Fund	N	Personnel	**Y**
Planning	Casual Labor	8,096	8,096	16,192	General Fund	N	Personnel	**N**
Police	New Police Officer - 2027	270,500	189,500	460,000	General Fund	N	Personnel	**N**
Police	New Police Officer - 2028	-	283,000	283,000	General Fund	N	Personnel	**N**
Police	Police Admin Specialist, 1FTE - 2028	-	120,000	120,000	General Fund	N	Personnel	**N**
Police	Casual Labor - Administrative	45,000	-	45,000	General Fund	Y	Personnel	**Y**
Public Works	Maintenance Technician (1FTE) Parks Maint.	154,000	157,000	311,000	General Fund	N	Operations	**N**
Public Works	Maintenance Technician (1FTE) Streets	168,750	120,000	288,750	Streets	N	Personnel	**Y**
Public Works	Safety Manager (FTE Increase from .5 to 1.0)	50,000	55,000	105,000	General Fund	N	Personnel	**N**
	Related Benefits	22,000	22,000	44,000				**N**
Public Works	Fleet Supervisor	10,117	10,584	20,701	General Fund, Water, Sewer, Solid Waste, Storm	N	Personnel	**Y**
	Total Personnel Requests	***1,545,234***	***1,783,348***	***3,328,582***				

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Administration

TITLE OF REQUEST

Communications Manager

DESCRIPTION - (explain the background of the issue)

Hire a communications manager 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 and stakeholders.

JUSTIFICATION - (explain why this is necessary)

Provide timely and proactive information to the public promoting communication, public safety and public involvement.

RESPONSE - (explain why this was not in original adopted budget)

It has been previously requested but not funded.

FUNDING

Required - Account Coding: **Organization:** **113000051310** **Account:** **50000411**

Legally Mandated ☐ ie…taxes, newly enacted legislation

Non-Discretionary ☐ ie…contract changes, utilities, expenses beyond department control

Other ☑ ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		123,500	129,675	☐	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

Engineering

TITLE OF REQUEST

Assistant City Engineer

DESCRIPTION - (explain the background of the issue)

The Civil/Utilities Engineer shall be reclassified as Assistant City Engineer Management Salary Schedule classification 15 Grade E.

JUSTIFICATION - (explain why this is necessary)

In addition to the Civil/Utilities Engineer job description, this position is responsible for utility rate analysis, the supervision of staff and stand in for the City Engineer when absent. Therefore, the appropriate classification is Assistant City Engineer. Position funded by 50% Projects, 15% Water, 15% Sewer, 20% Storm and 0% General Fund.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		4,133	4,257	☐	☑
Fund(s) Involved		Projects, Water, Sewer, Storm			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Finance

TITLE OF REQUEST

Accounting Technician - Software Implementation

DESCRIPTION - (explain the background of the issue)

The request is for a new Accounting Technician to support and help facilitate the new financial software project. The implementation is anticipated to be an 18 to 24 month project. The plan is at the end of the 2 year project, the position will remain in the finance department to support the growing customer and projects the City has undertaken. The position would be able to help and support miscellaneous billing, annual inventory and surplus process, work on policies and training guides needed reflecting the new software. The new position will have additional needs for tools, overtime and training. Some may be a one time cost in order to get the employee set up and a possible new work station.

JUSTIFICATION - (explain why this is necessary)

The Finance Department will be implementing a new financial software and will need additional labor to help facilitate the project. This staff person will be the liaison for training, data entry and other department shared functions. The position will then be intended to become a permanent position supporting functions and responsibilities of new projects the City has implemented ie. Parking, housing, Taxes, construction projects, new recreation facility and related programs. Have increased the workload of the department.

FUNDING

Required - Account Coding: **Organization:** **00114200051420** **Account:** **Various**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		130,000	121,000	☐	☑
Fund(s) Involved		For two years software project in capital fund and then General Fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Use of affordable housing funds for STEP notice of funding opportunity (NOFO) program and .25 administrative assistance

DESCRIPTION - (explain the background of the issue)

The City of Poulsbo collects a local sales and use tax to create affordable housing. In 2026, City Council expressed support for using $500,000 of this tax to create a new funding opportunity for profit or non profit developers able to create shelter, transitional, emergency, or permanent housing for people making 30% or less of the County average median income. This request will fund the NOFO program and 10 hours a week of administrative assistance - $15,600 (salary) and $3,120 (benefits). The H3 fiscal/admin will change from a .5 to a .75 position.

JUSTIFICATION - (explain why this is necessary)

The City is obliged to create affordable housing because it collects taxes for this purpose. State law mandates that the City plan for all types of housing-including STEP-in its comprehensive plan. City Council would like to use an open and competitive process to encourage a new Poulsbo project.

RESPONSE - (explain why this was not in original adopted budget)

New approach to funds collected.

FUNDING

Required - Account Coding: **Organization:** **124 185 037 551 00** **Account:** **50000410, 500010, 50000210**

Legally Mandated	☑	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		518,720	18,720	☐	☑
Fund(s) Involved		local affordable housing tax reserves-60% fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Use of HCA and County grant funds to support Café Coordinator position

DESCRIPTION - (explain the background of the issue)

The City of Poulsbo receives or is expected to receive Health Care Authority and Kitsap County funding to support recovery services. We would like to use $80,000 in county funds and$ 44,000 in HCA funds to fund the Café Coordinator position.

JUSTIFICATION - (explain why this is necessary)

Grant funded, necessary staffing for recovery operations

FUNDING

Required - Account Coding: **Organization:** **001 185 564 00** **Account:** **5000110/5000210**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		80,000 and 44,000	80,000 and 44,000	☑	☐
Fund(s) Involved		HCA and County funding			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Use of HCA and County grant funds to support new Recovery Services Manager position

DESCRIPTION - (explain the background of the issue)

The City of Poulsbo receives or is expected to receive Health Care Authority and Kitsap County funding to support recovery services. We would like to use $80,000 in county funds and$ 44,000 in HCA funds to fund the Recovery Services Manager position.

JUSTIFICATION - (explain why this is necessary)

Grant funded, necessary staffing for recovery operations

FUNDING

Required - Account Coding: **Organization:** **001 185 564 00** **Account:** **5000110/5000210**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	**2028**	**One-Time**	**On-Going**
Estimated Dollar Change		80,000 and 44,000	80,000 and 44,000	☐	☐
Fund(s) Involved		HCA and County funding			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☑	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

New H3 position: Community Diversion Peer. Temporary full time position that is project specific.

DESCRIPTION - (explain the background of the issue)

H3 employs a part time, causal labor employee to provide peer support services for individuals charged with crimes in the Poulsbo Municipal Court and individuals Poulsbo Police refer to the Recovery Center as part of the pre-arrest diversion program. This new full time position will be the point person in 2027 for these and other criminal diversion efforts in H3.

JUSTIFICATION - (explain why this is necessary)

Diversion is a high priority for our City Council, Police Department, and Court and we will be more successful in our efforts with a full time, dedicated position in 2027. Further, having a full time peer on staff will ensure adequate staffing at the Recovery Center (for safety reasons, we strive to have two employees in the Center at all times). This is a necessary position if Council wishes to maintain a Recovery Center and Recovery Cafe in 2027. If the approach is successful, we will pursue grant funding to continue the position.

FUNDING

Required - Account Coding: **Organization:** **001 185 000 564 00** **Account:** **50000110 and 50000210**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		105,000		☑	☐
Fund(s) Involved		general funds			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

H3

TITLE OF REQUEST

Peer Support Specialist - Casula Labor, Part Time

DESCRIPTION - (explain the background of the issue)

H3 employs a part time, causal labor employee to provide peer support services in the Recovery Café and Recovery Center. This peer was funded with Recovery Café Network grant funds in 2026. We propose using opioid settlement dollars in 2027 and 2028 to fund the position.

JUSTIFICATION - (explain why this is necessary)

Peer support is central to the work of the Recovery Café and Recovery Center and an important part of the City's opioid response strategy.

FUNDING

Required - Account Coding: **Organization:** **001 185 036 566 00** **Account:** **50000130 and 5000210**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		33,415	30,000	☐	☑
Fund(s) Involved		general funds			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

IT Department

TITLE OF REQUEST

PC Technician Staffing Request

DESCRIPTION - (explain the background of the issue)

Citywide staffing growth and a mandate requiring IT oversight on all city software have significantly increased daily staffing workloads. Adding a dedicated PC Support Technician offloads routine tasks, resolving end-user tickets faster while preventing administrative bottlenecks. .

JUSTIFICATION - (explain why this is necessary)

Currently, operational tasks and general desktop support consume a significant portion of senior IT staff time, pulling capacity away from strategic cybersecurity initiatives, infrastructure upgrades, and compliance management. Offloading daily user support enables senior IT staff to focus entirely on software security reviews and safeguarding critical infrastructure, including municipal SCADA and utility networks, against modern cyber threats.

RESPONSE - (explain why this was not in original adopted budget)

While the department has previously requested intern support or general staffing adjustments, compounding operational demands—including citywide workforce growth, mandatory IT oversight on software purchases, and strict cybersecurity requirements for SCADA networks—have escalated routine ticket backlogs into a major risk. Securing a full-time PC Support Technician is now a critical requirement to safeguard senior staff capacity, keep infrastructure projects on schedule, and maintain citywide security.

FUNDING

Required - Account Coding: **Organization:** **001-188-000-518-81** **Account:** **50000110**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change				☐	☑
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Parks & Recreation

TITLE OF REQUEST

Recreation Specialist - Additional Hours

DESCRIPTION - (explain the background of the issue)

Increase an additional 15 hours/week to oversee growth of afterschool programs (new schools added), youth camps, non-league sports, art programs, and department analytics. The responsibilities of these program areas previously overseen by casual labor staff are being transferred to the position. This improves customer service, quick response times, and provides the Recreation Manager with a .75 FTE staff to help coordinate the Rec Division's 1,400+ programs. The funding for this position is fully cost recovered by 1.) reducing casual labor hours in various program areas as this position will now be taking on those responsibilities and 2.) forecasted revenue growth of new program areas, such as the expansion of after school programs.

JUSTIFICATION - (explain why this is necessary)

We cannot generate additional revenue without added staff to support management of current programs or help develop new ones. Program offerings increased from 1,200 in 2025 to 1,430 in 2026, which has expanded workload capacity needs.

#2 Funding Recommendation by the Parks & Recreation Commission.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		23,535	24,948	☐	☑
Fund(s) Involved		001-740-000-571-20; 50000110			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028 or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Parks & Recreation

TITLE OF REQUEST

Stay Active and Independent for Life (SAIL) - Senior Wellness Program

DESCRIPTION - (explain the background of the issue)

SAIL (Stay Active and Independent for Life) is an evidence-based senior wellness program approved by the Administration on Aging for **fall prevention and senior mobility**. It is a higher-intensity strength, balance, and fitness class designed for adults 65 and older. Our new Senior and Adaptive Specialist completed the training to offer a morning SAIL class, providing an alternative to the Lifelong Fitness class in the afternoon, which reached registration numbers of up to 70 participants this past spring and summer. For context, the Lifelong Fitness class regularly sees 45 seniors at each of the Monday, Wednesday, and Friday classes.

JUSTIFICATION - (explain why this is necessary)

Parks & Recreation is currently offering the new SAIL class on Monday and Wednesday mornings in the smaller fitness room, with a maximum capacity of 12 participants. The class filled immediately. All four fall months (September through December) are fully booked, each with a lengthy waitlist. So far, the program is meeting its goal: registration for September's Lifelong Fitness class has decreased to 37 participants, which is a much more manageable number for our facility and staff.

This program request is to offer SAIL courses to strengthen seniors, increase their independent mobility, and assist with fall prevention. Funding this program meets the rising needs of a changing demographic in Poulsbo, where over 25% of residents identify as a senior, forecast to increase to 40% in the next 8 years per the Comp Plan. The course will also lessen the burden on the Monday, Wednesday, Friday Lifelong Fitness offerings, expanding the selection of free senior programs for the Poulsbo community and providing a consistent place for regular senior fellowship and engagement.

SAIL is designed per the national guidelines as a two day/week class. The New Program Request is budgeted to offer a Monday/Wednesday course, a Tuesday/Thursday course, and 2 hours/week for the Senior & Adaptive Specialist to perform necessary administration and substitute for a SAIL instructor if needed. Materials and SAIL training are inclusive in the request.

Senior & Adaptive Specialist	$2,810
Benefits	$488
Sail Instructor(s)	$5,400 ($27 per hr. 4x per week, per year) currently Jesse
Benefits	$920
Materials	$400 – weights, yoga mats, yoga blocks
Training	$400 – SAIL training for new instructor(s)
Misc.	$50

Total for SAIL program: $10,468; offered 4x per week

RESPONSE - (explain why this was not in original adopted budget)

Given the strong demand, growing senior demographic within City limits, and increasing need for senior services, especially proactive fall prevention classes, staff would like to add additional SAIL classes. However, due to the limited 20 hours/week of our Senior and Adaptive Specialist, staff are requesting a program budget to offer this class. The Senior & Adaptive Specialist would set the program up for success, then hire a part time/casual labor instructor positions to run the courses, freeing up their time to continue their duties in building a robust, community engaged, senior & adaptive program.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		10,468	11,096	☐	☑
Fund(s) Involved		General Fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Planning and Economic Development

TITLE OF REQUEST

Casual Labor

DESCRIPTION - (explain the background of the issue)

Support the Counter and public noticing requirements. Requested amount includes wages and benefits.

JUSTIFICATION - (explain why this is necessary)

Some tasks assigned to our remote planner require an on-site presence and cannot be completed remotely. Continuing to provide approximately 6 hours per week of part-time staff support ensures these responsibilities are completed efficiently and provides the department with the necessary in-office coverage to support the planner's work.

RESPONSE - (explain why this was not in original adopted budget)

The employee went to remote work in 2025 and we already had casual labor budget to cover the work in 2025 and 2026.

FUNDING

Required - Account Coding: **Organization:** **0015 800 005 5860** **Account: 50000130**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		8,100	8,100	☐	☑
Fund(s) Involved		General Fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Police

TITLE OF REQUEST

(1) New Police Officer for 2027

DESCRIPTION - (explain the background of the issue)

The Police Department is requesting one new officer in 2027. This request is consistent with the 5-year hiring plan developed at the request of Mayor Erickson in June of 2022. The plan outlined a need to hire 2 new officers in 2023, 2024, 2025 and 1 new officer in 2026 and 2027, for a total of 8 new officers. The city authorized 2 new officers for 2023-24 but none for 2025-26. The department staffing needs have not changed so the request to hire 1 new officer for 2027 is being renewed.

JUSTIFICATION - (explain why this is necessary)

The City of Poulsbo is growing. Our community has expectations of the Police Department that we are not able to meet consistently with our current staffing level. With a patrol staff of 11 and 6 sergeants, we are able to staff our 24/7 operation with 1.83 officers and 1 supervisor on each shift. We have no relief factor available to cover training, vacation or sick leave. Without more officers, we backfill absences with overtime to maintain minimum staffing levels. Our community consistently asks for more traffic enforcement and more marine patrol. Current staffing levels aren't adequate to staff a marine program year round or allow us to increase traffic enforcement efforts. If the community we serve is to receive more service, our staffing must increase.

RESPONSE - (explain why this was not in original adopted budget)

Our request for more officers in the 2025-26 budget was not approved.

FUNDING

Required - Account Coding: **Organization:** **001-200-000-521-20** **Account:** **50000110**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	**2028**	**One-Time**	**On-Going**
Estimated Dollar Change		270,500	189,200	☑	☑
Fund(s) Involved		General Fund		*see calculations tab for estimated one-time and ongoing costs	

This completed form is due back to Finance no later than AUGUST 31, 2026

	2027 HIRE					
Y-1 Lateral	157,108.00	S&W	Y-2 Lateral	164,963.00	S&W	projected 5% over PYR
	89,190.00	1x		24,160.00	Ongoing	
	24,160.00	Ongoing				
	270,458.00			189,123.00		

1x = Vehicle, Veh Upfit, Equip Upfit, BLEEA

Ongoing = AXON add, fuel, phone, train, etc..

Y-1 Entry	150,212.00	S&W	Y-2 Entry	157,723.00	S&W	projected 5% over PYR
	95,892.00	1x		24,160.00	Ongoing	
	24,160.00	Ongoing				
	270,264.00			181,883.00		

1x = Vehicle, Veh Upfit, Equip Upfit, BLEEA

Ongoing = AXON add, fuel, phone, train, etc..

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Police

TITLE OF REQUEST

(1) New Police Officer for 2028

DESCRIPTION - (explain the background of the issue)

The Police Department is requesting one new officer in 2028. This request is consistent with the 5-year hiring plan developed at the request of Mayor Erickson in June of 2022. The plan outlined a need to hire 2 new officers in 2023, 2024, 2025 and 1 new officer in 2026 and 2027, for a total of 8 new officers. The city authorized 2 new officers for 2023-24 but none for 2025-26. The department staffing needs have not changed so the request to hire 1 new officer for 2028 is being renewed.

JUSTIFICATION - (explain why this is necessary)

The City of Poulsbo is growing. Our community has expectations of the Police Department that we are not able to meet consistently with our current staffing level. With a patrol staff of 11 and 6 sergeants, we are able to staff our 24/7 operation with 1.83 officers and 1 supervisor on each shift. We have no relief factor available to cover training, vacation or sick leave. Without more officers, we backfill absences with overtime to maintain minimum staffing levels. Our community consistently asks for more traffic enforcement and more marine patrol. Current staffing levels aren't adequate to staff a marine program year round or allow us to increase traffic enforcement efforts. If the community we serve is to receive more service, our staffing must increase.

RESPONSE - (explain why this was not in original adopted budget)

Our request for more officers in the 2025-26 budget was not approved.

FUNDING

Required - Account Coding: **Organization:** **001-200-000-521-20** **Account:** **50000110**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change			283,000	☑	☑
Fund(s) Involved		General Fund		*see calculations tab for estimated one-time and ongoing costs	

This completed form is due back to Finance no later than AUGUST 31, 2026

	2028 HIRE						
Y-1 Lateral	164,963.00	S&W		Y-2 Lateral	173,211.00	S&W	projected 5% over PYR
	93,649.00	1x	proj 5% over PYR		25,000.00	Ongoing	
	24,160.00	Ongoing					
	282,772.00				198,211.00		

1x = Vehicle, Veh Upfit, Equip Upfit, BLEEA

Ongoing = AXON add, fuel, phone, train, etc..

Y-1 Entry	157,723.00	S&W		Y-2 Entry	165,609.00	S&W	projected 5% over PYR
	100,686.00	1x	proj 5% over PYR		25,000.00	Ongoing	
	24,160.00	Ongoing					
	282,569.00				190,609.00		

1x = Vehicle, Veh Upfit, Equip Upfit, BLEEA

Ongoing = AXON add, fuel, phone, train, etc..

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Police

TITLE OF REQUEST

(1) New Police Admin Specialist for 2028

DESCRIPTION - (explain the background of the issue)

The police department is experiencing continued growth in public records requests and volume of traffic citations associated with the traffic safety program. We are also processing and managing more property and evidence items due to increased officer activity. A new police administrative specialist is necessary to handle the increased workload of PRR's, shift processing citations from officers to the admin specialist and free more time for the property and evidence technician to focus on property and evidence management.

JUSTIFICATION - (explain why this is necessary)

The police department is in need of more administrative support in order to handle an increased workload. A new administrative specialist could process electronic tickets and allow officers and sergeants to relinquish that responsibility. This new position would also allow the property and evidence technician to spend more time managing the property and evidence room.

FUNDING

Required - Account Coding: **Organization:** **001-200-000-521-10** **Account:** **50000110**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change			120,000	☐	☑
Fund(s) Involved		General Fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Police

TITLE OF REQUEST

Casual Labor - Administrative

DESCRIPTION - (explain the background of the issue)

The Police Department's Administrative Services Manager will retire November 1, 2026 after over 25 years with the city. This will result in the loss of one FTE and will create a significant operational and administrative gap until a qualified replacement can be hired, and fully trained.

JUSTIFICATION - (explain why this is necessary)

This position has been responsible for a broad range of critical administrative, operational, financial, personnel, and departmental support functions. Given the breadth of work and institutional knowledge, the transition cannot be accomplished through a simple redistribution of duties without creating additional workload and operational risk for existing staff. To minimize disruption and maintain effective Police Department operations, temporary staffing for administrative support is being requested. Funding for this support is a prudent investment in maintaining continuity, and reducing risk of delays or errors.

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		45,000		☑	☐
Fund(s) Involved		General Fund			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Grounds Maintenance Tech

DESCRIPTION - (explain the background of the issue)

New Grounds Maintenance Tech position for Parks Department, 1.0 FTE - Uniforms:$650 (ongoing 50000220), Uniforms Taxable: $250 (ongoing 50000221), Computer access for PW ($2,000), Vehicle for new position = $50,000 (one-time 30114200059476 / 50000640)

JUSTIFICATION - (explain why this is necessary)

Parks currently has only 3 FTE Grounds Maintenance Tech positions for all parks and facility grounds maintenance. This would increase staff to include better care and maintenance of city parks and all facility grounds. As the number of parks increases and Fish Park has moved from volunteers to staff, more positions are needed to keep up with maintenance.

FUNDING

Required - Account Coding: **Organization:** **001-300-000-576-80** **Account:** **50000110**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		154,000		☑	☑
Fund(s) Involved		Parks			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Maintenance Tech

DESCRIPTION - (explain the background of the issue)

New Maintenance Tech position for Streets Department, 1.0 FTE - This is the **fourth** request for position. Requested in 2023, 2024, and 2025 with a wait for funding. Uniforms:$650 (ongoing 50000220), Uniforms Taxable: $250 (ongoing 50000221), Computer access for PW ($2,000), Phone: $600 (ongoing 50000420) Vehicle for new position = $50,000 (one-time 301142000594444 / 50000640)

JUSTIFICATION - (explain why this is necessary)

This increases 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 need to provide a safe level of service and to support our Neighborhood streets.

FUNDING

Required - Account Coding: **Organization:** **101-300-000-542-30** **Account:** **50000110**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		168,750		☑	☑
Fund(s) Involved		Streets			

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028 or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☐	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Safety Manager

DESCRIPTION - (explain the background of the issue)

This request is to increase the Emergency Management Coordinator position to full time in order to be expanded to include safety programming and training to the City

JUSTIFICATION - (explain why this is necessary)

One are for improvement identified over the course of the past year has been the need to increase our program supporting a safe workplace to ensure employee safety, good work outcomes and to mitigate any risks for not having a greater level of attention.

RESPONSE - (explain why this was not in original adopted budget)

Leveraging a current position and expanding their scope

FUNDING

Required - Account Coding: **Organization:** **Account:**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☐	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		50,000	55,000	☐	☐
Fund(s) Involved					

This completed form is due back to Finance no later than AUGUST 31, 2026

CITY OF POULSBO
2027-2028 Baseline Adjustment Request
OR
NEW FUNDING REQUEST

This form is intended to facilitate requests to increase the baseline budget for 2027-2028
or request funding for a new program

Please use the Capital Equipment Replacement form for items that meet the capitalization criteria.

TYPE OF REQUEST

☐	**Request to increase the 2027-2028 Baseline Budget**
☑	**New Funding Request**

DEPARTMENT RESPONSIBLE

Public Works

TITLE OF REQUEST

Fleet Supervisor Reclassification

DESCRIPTION - (explain the background of the issue)

The Public Works Fleet Supervisor plans, assigns, schedules, evaluates and supervises the work of subordinate staff. Typical responsibilities include the creation of short- and long-term work plans, making recommendations regarding resources and funding, and ensuring that projects are completed on time, within budget and with expected quality.

JUSTIFICATION - (explain why this is necessary)

Our lead mechanic has been operating at this level for the past years. We feel the need to pay him a commensurate salary for services provided. The Fleet Supervisor also acts as the Lead Mechanic. This position is responsible for performing field leadership, overseeing mechanic shop activities, supervising the mechanics assistant and performing the most complex journey level assignments.

FUNDING

Required - Account Coding: **Organization:** **Account:** **50000110 / 50000210**

Legally Mandated	☐	ie…taxes, newly enacted legislation
Non-Discretionary	☐	ie…contract changes, utilities, expenses beyond department control
Other	☑	ie…other adjustment

		2027	2028	One-Time	On-Going
Estimated Dollar Change		10,117	10,584	☐	☑
Fund(s) Involved		Split			

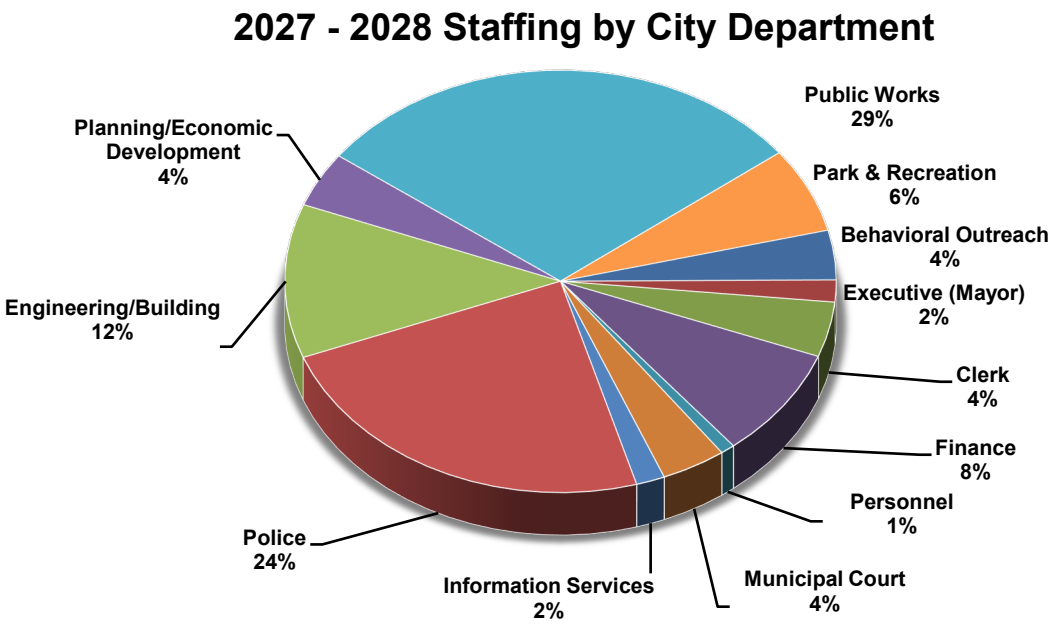
This completed form is due back to Finance no later than AUGUST 31, 2026

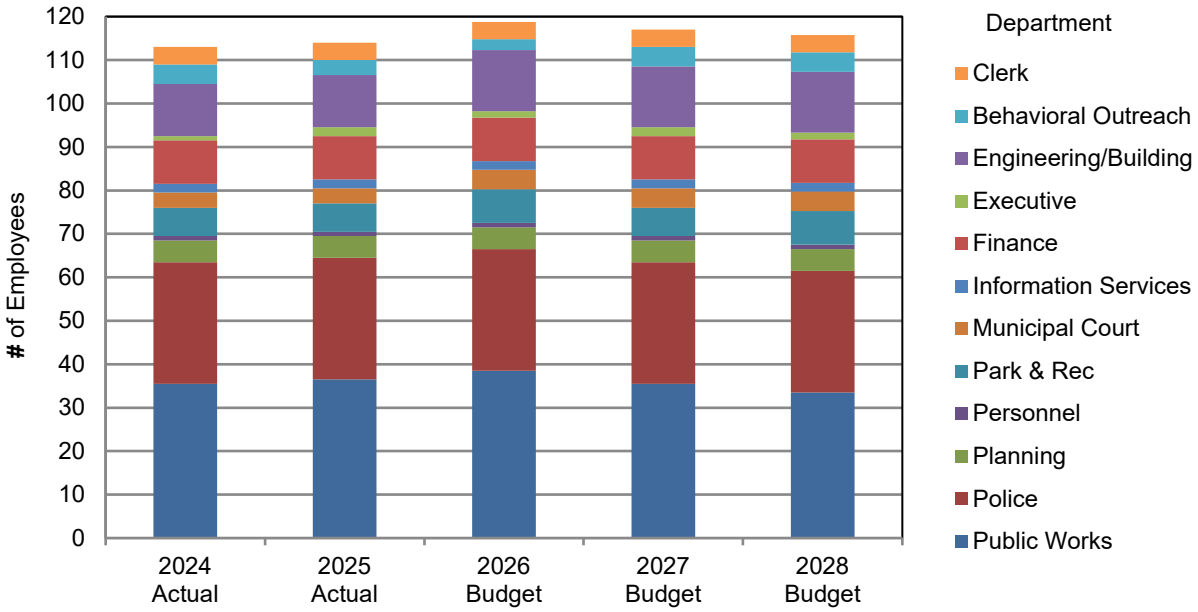
2027-2028
PRELIMINARY BIENNIAL BUDGET

Salaries & Wages

City Staffing

19% 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.

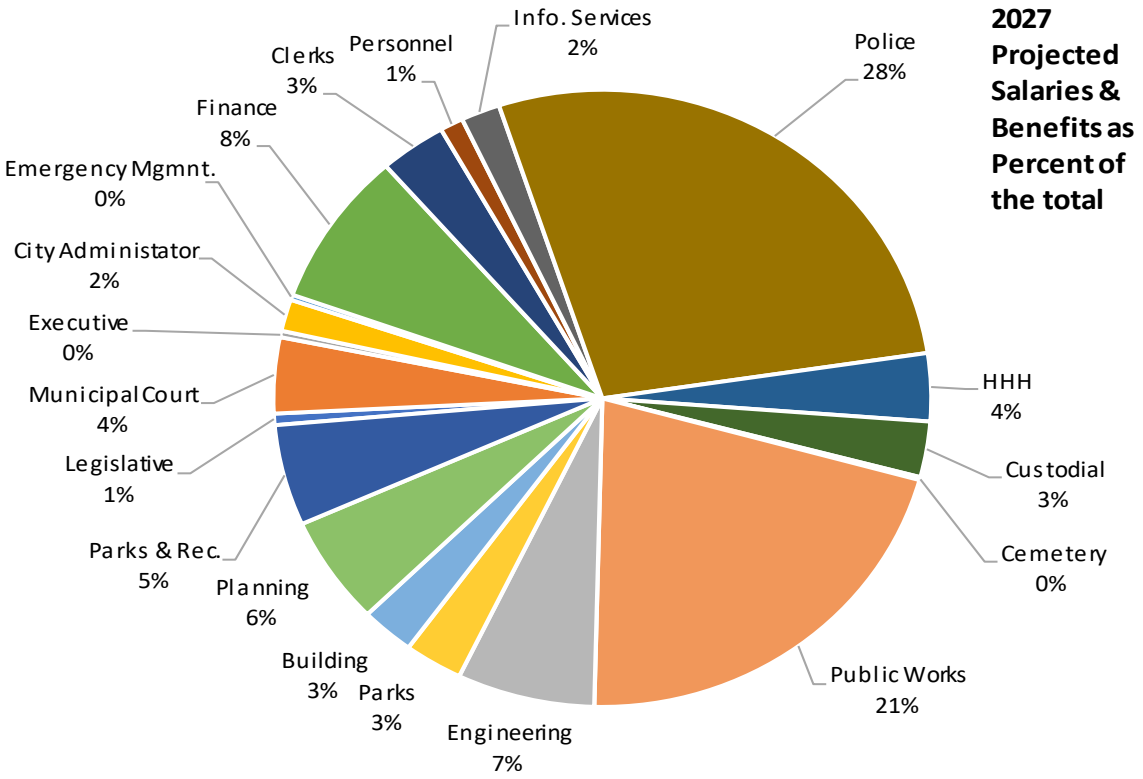




Salaries & Wages as Projected for 2027

Department	*FTE*	*Wages*	*Benefits*	*Total S&W with Benefits*
Legislative	0.00	97,500	9,185	106,685
Municipal Court	4.52	520,739	183,408	704,147
Executive	0.50	52,000	7,384	59,384
Executive - City Administrator	1.00	236,821	57,233	294,054
Emergency Management	0.50	43,744	4,284	48,028
Finance	10.00	1,037,677	401,661	1,439,338
Clerks	4.00	419,390	160,994	580,384
Personnel	1.00	156,558	46,959	203,518
Information Services	2.00	253,867	85,770	339,637
Police	28.00	3,487,214	1,427,890	4,915,104
Mental Health - HHH	4.50	459,576	170,604	630,180
Central - Custodial	4.03	349,991	166,127	516,119
Cemetery	0.20	19,192	8,197	27,389
Public Works	26.67	2,613,798	1,130,281	3,744,079
Engineering	11.00	884,888	315,091	1,199,979
Parks	4.10	342,200	167,010	509,210
Building	3.00	335,124	130,331	465,455
Planning	6.00	745,818	257,995	1,003,813
Parks & Recreation	7.75	674,993	261,845	936,838
Total City	118.77	12,731,090	4,992,250	17,723,340

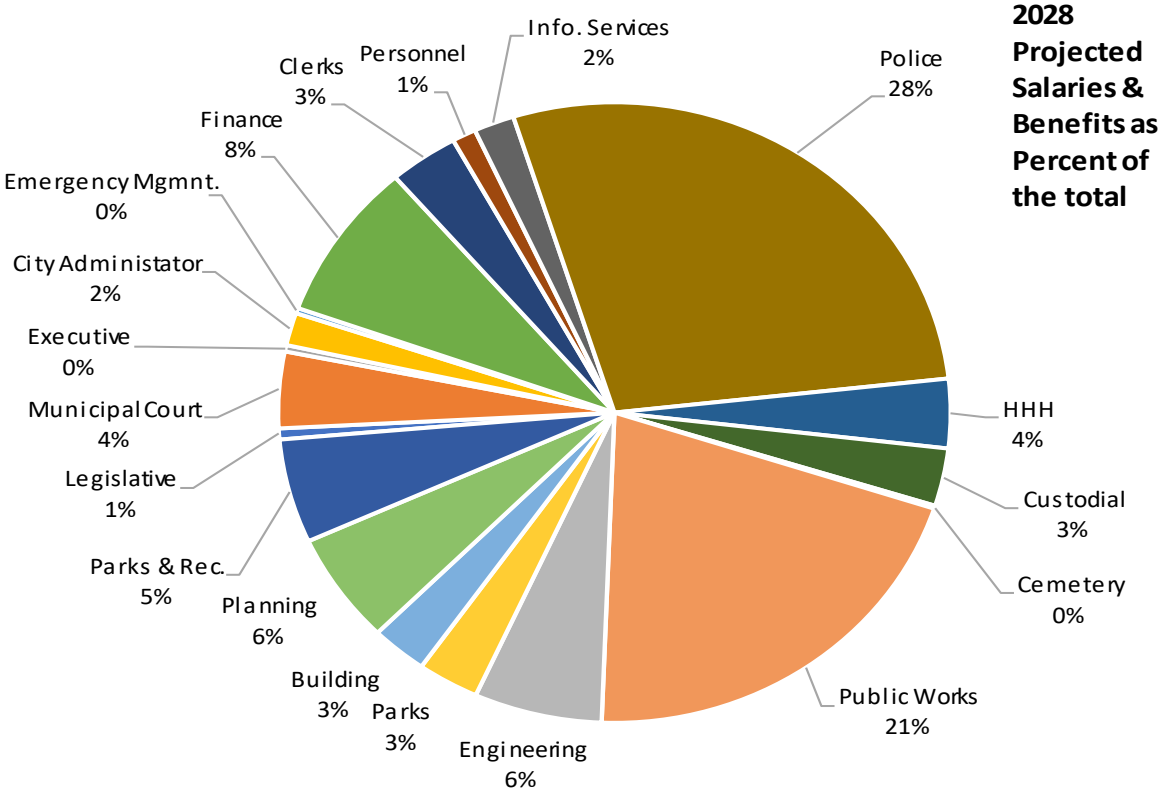
Projected Salaries & Wages do not include indirect allocation



Salaries & Wages as Projected for 2028

Department	*FTE*	*Wages*	*Benefits*	*Total S&W with Benefits*
Legislative	0.00	97,500	9,343	106,843
Municipal Court	4.52	541,898	197,032	738,930
Executive	0.50	54,080	7,721	61,801
Executive - City Administrator	1.00	253,677	62,104	315,780
Emergency Management	0.50	46,550	4,562	51,113
Finance	10.00	1,093,258	435,371	1,528,629
Clerks	4.00	445,463	174,999	620,462
Personnel	1.00	162,822	50,428	213,250
Information Services	2.00	268,610	93,011	361,621
Police	28.00	3,664,935	1,555,474	5,220,409
Mental Health - HHH	4.50	484,945	185,097	670,042
Central - Custodial	4.08	374,564	183,612	558,176
Cemetery	0.20	19,883	8,865	28,748
Public Works	25.56	2,657,498	1,168,211	3,825,709
Engineering	10.00	830,909	313,292	1,144,201
Parks	4.16	366,125	184,806	550,931
Building	3.00	360,356	142,662	503,018
Planning	6.00	789,543	279,655	1,069,198
Parks & Recreation	7.75	719,867	285,421	1,005,288
Total City	116.77	13,232,484	5,341,666	18,574,150

Projected Salaries & Wages do not include indirect allocation



Staffing Levels by Department and Title

	2024 Actual	2025 Actual	2026 Budget	2027 Budget	2028 Budget
Behavioral Health Outreach	**3.00**	**2.00**	**3.00**	**3.00**	**3.00**
Recovery Center Managers	3.00	2.00	1.00	1.00	1.00
Café Coordinator	-	-	1.00	1.00	1.00
Peer Support Specialist	-	-	1.00	1.00	1.00
Housing, Health, Human Services	**1.50**	**1.50**	**1.50**	**1.50**	**1.50**
HHH Director	1.00	1.00	1.00	1.00	1.00
HHH Fiscal Assistant	0.50	0.50	0.50	0.50	0.50
Clerk	**4.00**	**4.00**	**4.00**	**5.00**	**5.00**
City Clerk	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Deputy City Clerk	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Administrative Assistant	*2.00*	*2.00*	*2.00*	*2.00*	*2.00*
Communications Manager	-	-	-	*1.00*	*1.00*
Engineering/Building	**12.00**	**12.00**	**14.00**	**14.00**	**14.00**
Public Works Director	*0.50*	*0.50*	*0.50*	*0.50*	*0.50*
City Engineer	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Civil Engineer	*1.00*	*1.00*	*2.00*	*2.00*	*2.00*
Transportation Engineer	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Sr Engineering Tech	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Engineering I	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Sr Field Inspector	*2.00*	*2.00*	*2.00*	*2.00*	*2.00*
Permit Tech	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Certified Building Official	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Senior Contract Admin	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Project Coordinator	-	-	*1.00*	*1.00*	*1.00*
Building Inspector II	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Office Clerk II	*0.50*	*0.50*	*0.50*	*0.50*	*0.50*
Emergency Management	**0.50**	**0.50**	**0.50**	**0.50**	**0.50**
Emergency Manager	*0.50*	*0.50*	*0.50*	*0.50*	*0.50*
Executive	**1.00**	**2.00**	**1.50**	**1.50**	**1.50**
Mayor	*1.00*	*1.00*	*0.50*	*0.50*	*0.50*
City Administrator	-	*1.00*	*1.00*	*1.00*	*1.00*
Finance	**10.00**	**10.00**	**10.00**	**10.00**	**10.00**
Finance Director	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Senior Accountant	*2.00*	*2.00*	*2.00*	*2.00*	*2.00*
Project/Grant Accountant	-	*1.00*	*1.00*	*1.00*	*1.00*
Accounting Tech	*3.00*	*2.00*	*2.00*	*2.00*	*2.00*
Accounting Clerk	*4.00*	*4.00*	*4.00*	*4.00*	*4.00*
Information Services	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**
IS Manager	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
IS Sr Technician	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Municipal Court	**3.52**	**4.52**	**4.52**	**4.52**	**4.52**
Judge	*0.52*	*0.52*	*0.52*	*0.52*	*0.52*
Court Administrator	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Senior Judicial Specialist	-	*1.00*	*1.00*	*1.00*	*1.00*
Judicial Specialist	*2.00*	*2.00*	*2.00*	*2.00*	*2.00*
Park & Rec	**6.50**	**6.75**	**7.75**	**7.75**	**7.75**
Park & Rec Director	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Special Events Coordinator	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Recreation & Parks Programme	*2.00*	*2.00*	*2.00*	*2.00*	*2.00*
Office Manager	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Parks Corrdinator	-	-	*1.00*	*1.00*	*1.00*
Receptionist/Office Clerk	*1.50*	*1.75*	*1.75*	*1.75*	*1.75*
Personnel	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**
Human Resources Dir	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*

	2024 Actual	2025 Actual	2026 Budget	2027 Budget	2028 Budget
Planning	**5.00**	**5.00**	**5.51**	**5.00**	**5.00**
Planning Director	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Senior Planner	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Associate Planner	*2.00*	*2.00*	*2.00*	*2.00*	*2.00*
Code Enforcement	*-*	*-*	*0.51*	*-*	*-*
Administrative Assistant	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Police	**28.00**	**28.00**	**28.00**	**28.00**	**28.00**
Police Chief	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Deputy Police Chief	*1.00*	*1.00*	*1.00*	*1.00*	*1.00*
Lieutenant	*-*	*-*	*1.00*	*1.00*	*1.00*
Sergeant	*5.00*	*5.00*	*6.00*	*6.00*	*6.00*
Patrol Officer	*14.00*	*14.00*	*12.00*	*12.00*	*12.00*
Detective	*2.00*	*2.00*	*2.00*	*2.00*	*2.00*
Support Svcs Mgr	*1.00*	*1.00*	*1.00*	*-*	*-*
Office Manager	*-*	*-*	*-*	*1.00*	*1.00*
Sr Police Admin Specialist	*1.00*	*1.00*	*1.00*	*-*	*-*
Police Administrative Specialist	*1.50*	*1.50*	*1.50*	*2.50*	*2.50*
Evidence Room Mgr	*0.50*	*0.50*	*0.50*	*0.50*	*0.50*
Mental Health Navigator	*1.00*	1.00	1.00	1.00	1.00
Public Works	**35.50**	**36.50**	**38.50**	**35.00**	**33.00**
PW Superintendent	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Asst. PW Superintendent	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Public Works Director	*0.50*	*0.50*	***0.50***	*1.00*	*1.00*
Civil Engineer	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Office Manager	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Asset Manager	*-*	*-*	***1.00***	*1.00*	*1.00*
Administrative Assistant	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Office Clerk	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Foreman	*2.00*	*2.00*	***2.00***	*2.00*	*2.00*
Utilities Lead	*-*	*-*	***2.00***	*2.00*	*2.00*
Engineering Tech Sr	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Maintenance Tech Sr	*14.00*	*14.00*	***13.00***	*10.00*	*9.00*
Maintenance Tech	*3.00*	*3.00*	***3.00***	*2.00*	*1.00*
Custodian	*2.00*	*2.00*	***2.00***	*2.00*	*2.00*
Grounds Maint Tech I	*1.00*	*1.00*	***2.00***	*2.00*	*2.00*
Grounds Maint Tech II	*1.00*	*2.00*	***1.00***	*1.00*	*1.00*
Maintenance Mechanic	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Mechanic Assistant	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Water Treatment Plant Operatc	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Building Mechanic	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
Water Quality Mnt Tech	*1.00*	*1.00*	***1.00***	*1.00*	*1.00*
TOTAL FTE	**113.52**	**115.77**	**121.78**	**118.77**	**116.77**

FTE Counts for 2027 & 2028 may change dependent on the transition to the new solid waste contract provider

2027-2028
PRELIMINARY BIENNIAL BUDGET

City Improvement Plan

City of Poulsbo, Washington

2027 – 2032
City Improvement Plan



CITY OF POULSBO
2027-2032 City Improvement Plan

INTRODUCTION

The State of Washington's 1990 Growth Management Act (GMA) requires the City of Poulsbo to develop a Comprehensive Plan addressing land use, housing, capital facilities, utilities, public facilities, and transportation. A central element of this plan is the fully funded Capital Facilities Plan (CFP), which must identify funding sources for all included projects and expenditures. When land use decisions depend on future infrastructure improvements subject to concurrency, the CFP also obligates the City to complete those improvements within six years of development.

The detailed strategies and programs for implementing the CFP are described in the City Improvement Plan (CIP), a long-range assessment of financial needs, anticipated revenues, and policy direction. The CIP outlines the City's six-year plan for capital construction and major acquisitions, and reflects the City's Mission Statement, Council goals, departmental priorities, and service level standards that support public safety and residents' quality of life.

The Capital Improvement policy is found in the Appendix Section of this document.

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, and Storm Water.



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:

- ***General Purpose***
  - Parks and Recreation
  - Municipal buildings
  - Police
- ***Transportation***
  - Roads
  - Paths & Trails
- ***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

CAPITAL SPENDING DEFINED

The City of Poulsbo's Capital Improvement Policy defines a capital project as a project that is nonrecurring in nature, with a cost of $50,000 or more, and an estimated service life of 15 years or longer. The City Council will designate the annal ongoing funding levels for each of the major categories within the CIP. These parameters are used consistently across the capital budgeting process.

PROJECT PRIORITIZATION CRITERIA

The City evaluates anticipated growth against existing facilities to ensure service level standards are maintained. When growth is expected to reduce service levels, corrective projects are identified. Capital project ideas may also come from the public, City Council, or staff, and all proposals are sent to the City Council for review and cost estimates. A full financial package was presented to the City Council during a Council Workshop.

Because service level standards vary by project category, prioritization criteria also differ. The consistent criterion across all categories is alignment with City Council goals and Comprehensive Plan policies. Category-specific criteria are listed below. Each project presented in the major projects section of the capital budget meets one or more of the following criteria.

General Purpose Criteria

- Legal Mandates
- Health and Safety
- Economic Development
- Operation and Maintenance/Reliability
- Project Feasibility
- GMA Compliance
- Liability
- Other Impacts

Transportation Criteria

- Safety
- Mobility
- Structural Condition
- Multimodal/Intermodal
- Multi-Agency
- Project Cost
- Economic Development
- Operation & Maintenance Cost Impact
- Legal Mandate
- Relationship to Plans and Policies
- Environmental Issues
- Other Impacts

Enterprise Criteria

- Legal or Contractual Mandate
- Health and Safety
- Reliability and Efficiency
- Environmental Issues
- Economic Development
- Relationship to Other Project
- Relationship to Plans and Policies
- Project Costs
- Number of Customers or Area Affected
- Other Impacts

If an essential projected is not funded through the CIP process then it will be reevaluated to determine if can be completed by reducing the scope, waiting until other projects that are prioritized are completed, or moved farther out on the calendar. The City reevaluates the City Improvement plan annually, which can provide an opportunity for the City Council to adjust priorities as necessary.

FUNDING THE CIP

State and Federal mandates continue to place financial pressure on the City, while funding constraints have resulted in aging infrastructure that requires increased maintenance and eventual replacement. To support future growth, the City must diversify its revenue base and attract new industry, which requires investment in site development. When development relies on future infrastructure improvements, all funding sources for those improvements must be identified in the plan. Because most existing revenues are committed to operations, debt service, or reserves, few new projects can proceed without securing new funding.

To finance the CIP, the City may use taxes, utility rates, grants, impact fees, reserves, and donations. Additional revenue could be generated by increasing or adding fees, taxes, or raising utility rates, though such actions may be unpopular.

The City may also issue bonds to finance capital spending, although doing so commits the City to long-term debt payments. Accordingly, the CIP evaluates funding sources based on annual cash flow needs, and the capital project summary identifies projected annual funding obligations.

While some capital facilities could be funded through voter-approved bonds, total indebtedness is limited to maintain a favorable bond rating. For more information about the City's long-term debt obligations, please see the Debt Service fund narrative within the governmental fund narratives. The City's Debt Policy is located in the appendix section of this document.

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: Excess reserves over the financial management policy of two months of operating expenditures are allocated to the capital reserves.

Police Reserves: These reserves are in place to purchase, or at least partially fund, large equipment purchases.

Street, Street Reserve, and Park Reserve Funds: The City allocates portions of the property tax revenue collected in the General Fund to street and park purposes. Approximately 26% is transferred to the City Street Fund (101) to support maintenance, operations, and small street projects. An additional 4% is transferred to the Street Reserve Fund (311), and 4% is transferred to the Park Reserve Fund (302), to support capital projects. Impact-fee revenue also supports

specific projects: Park Impact Fees will provide $146,000 in 2027 and $149,000 in 2028, while Traffic Impact Fees will provide $382,000 in 2027 and $1,780,000 in 2024.

REVENUES

Affordable Housing Sales Tax – The City collects an additional one tenth of one percent of sales tax to fund affordable housing related activities. This revenue may be used for capital projects dedicated to affordable housing.

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 fund debt service payments for City Hall. The second one-quarter percent can be used for transportation projects and is intended to fund debt service payments for a portion of the Noll Road project and the Poulsbo Events & Recreation Center (PERC).

BOND FINANCING

The City has issued bonds for the following projects: City Hall, Noll Road Transporration project, The Nordic Cottages affodable housing, and the PERC.
Long-term debt is anticitpated in 2027-2028 for the Public Works Facility expansion and Waterfront Boardwalk projects.

A full listing of the City's long-term debt obligaions can be found in the Debt Service Fund narrative and Enterprise Fund narratives.

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.

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.). The 2027-2028 Budget includes approved Hotel/Motel tax to rehabilitate the Muriel Iverson Waterfront Park Pavillion, which is City-owned infrastructure that is also a tourist destination.

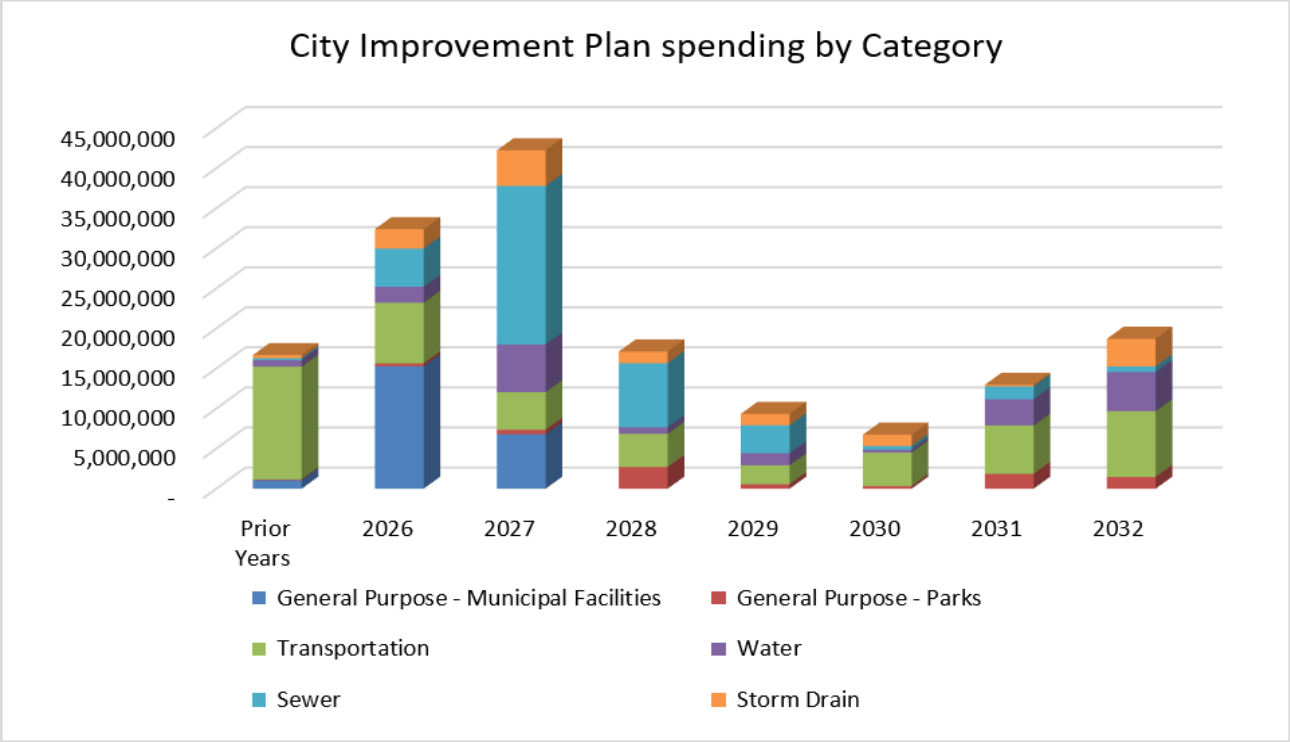
Parking Fees: The City has implemented a paid parking model for it's most frequently used parking lot. Revenues from paid parking will be monitored to develop a revenue projection for 2027 and 2028. In 2026, the City will collect fees from mid-August through December 31. The City has assigned parking fees to fund future parking improvements.

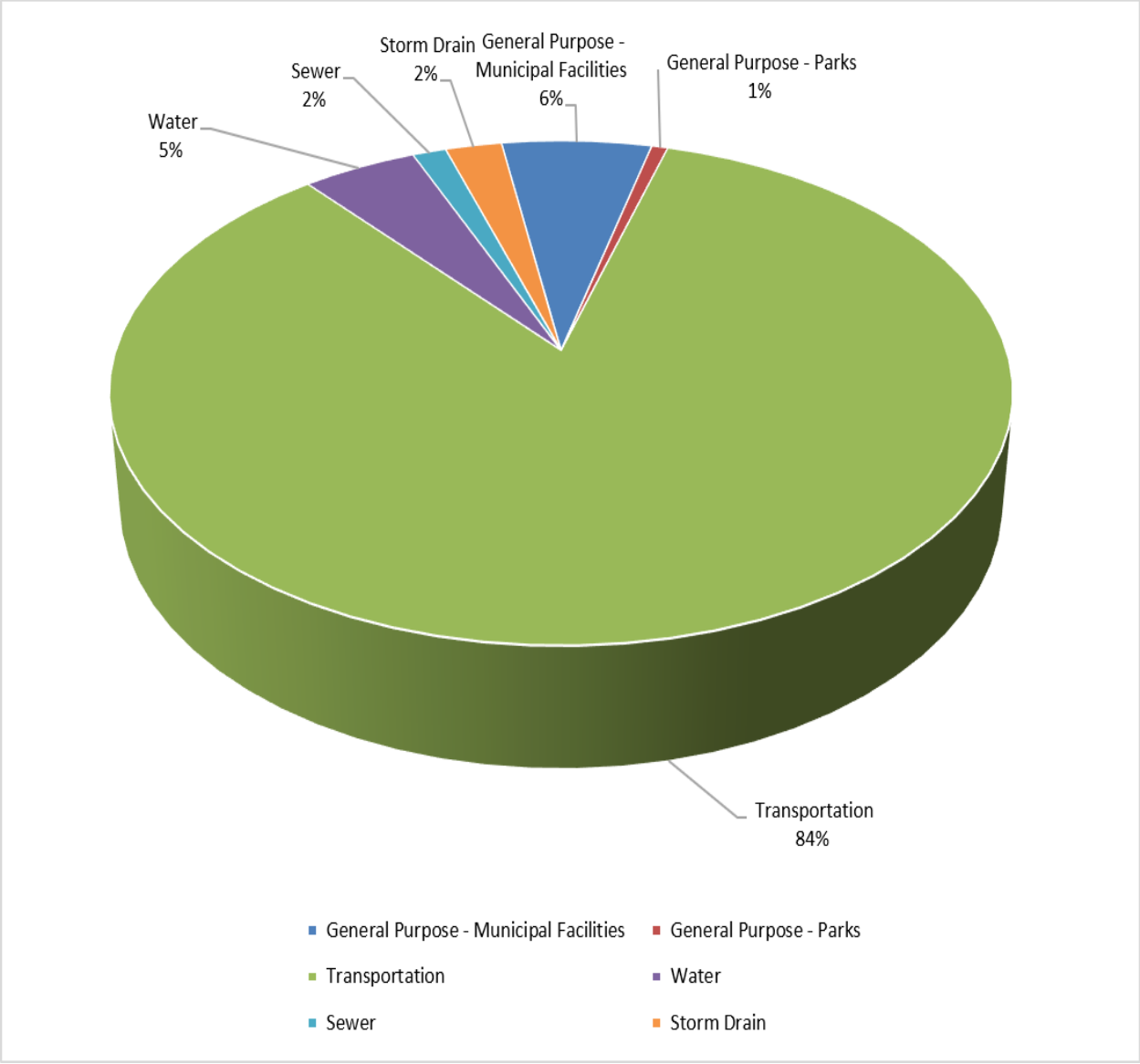
CAPITAL SPENDING LEVEL

Capital Spending for the 2027-2028 Biennium is budgeted at $59,360,191. The total planned spending for the 2027-2032 Capital Improvement Plan is $107,115,898.

	Prior Years	2026	2027	2028	2029	2030	2031	2032	Total
General Purpose - Municipal Facilities	1,052,858	15,274,101	6,800,000	-	-	-	-	-	6,800,000
General Purpose - Parks	114,015	365,869	551,600	2,700,000	560,000	325,000	1,860,000	1,465,000	7,461,600
Transportation	14,072,671	7,576,650	4,694,000	4,160,000	2,365,000	4,190,000	6,030,000	8,210,000	29,649,000
Water	804,774	1,973,901	5,958,757	800,000	1,500,000	360,000	3,267,000	4,877,107	16,762,864
Sewer	235,637	4,780,783	19,784,757	8,000,000	3,500,000	450,000	1,611,600	710,000	34,056,357
Storm Drain	395,620	2,426,923	4,446,077	1,465,000	1,415,000	1,415,000	200,000	3,445,000	12,386,077
Total:			42,235,191	17,125,000	9,340,000	6,740,000	12,968,600	18,707,107	107,115,898

**Prior Years & 2026 costs are excluded from totals*




Storm Drain
2%
General Purpose -
Municipal Facilities
6%
General Purpose - Parks
1%
Sewer
2%
Water
5%
Transportation
84%
General Purpose - Municipal Facilities
General Purpose - Parks
Transportation
Water
Sewer
Storm Drain

Major Projects

This section details the City's major projects for the 2027-2032 Capital Improvement Plan term. They are organized by category, General Purpose Municipal Facilities, Parks, Transportation, Water, Sewer, and Storm Drain.

The sections begin with a summary or the project name and cost. Each project page will provide the following information:

- Benefits of the project
- Project timelines – indicated by year of project funding
- Project funding sources

All projects presented have reasonably assured funding in the years indicated with each description. Contingent projects are not included with the Capital Improvement Plan and are added as needs are reassessed or resources become available.



Groundbreaking ceremony for the Poulsbo Events & Recreation Center, April 2026

Project Name	Prior Yrs.	2026	2027	2028	2029	2030	2031	2032	Total
PARK PROJECTS (Cost in 1000s)									
Moe Street Trail - A&E	-	-	35	50	100	255	-	-	**440**
Lions Park Improvements	-	-	30	280	35	35	850	-	**1,230**
Oyster Plant Park	70	4	237	-	-	-	-	-	**311**
Muriel Iverson Williams Waterfront Park - Pavilion Repair	-	-	95	-	-	-	-	-	**95**
American Legion Park	-	-	-	20	35	950	-	-	**1,005**
Waterfront Boardwalk	46	250	-	2,340	-	-	-	-	**2,636**
PERC - Amphitheatre	-	-	-	-	25	15	250	-	**290**
Park Signage	-	4	35	-	-	-	-	-	**39**
West Poulsbo Waterfront Park	-	-	-	-	-	-	35	1,450	**1,485**
Wilderness Park Bridge Repair	-	-	120	-	-	-	-	-	**120**
Total Park Projects	**116**	**258**	**552**	**2,690**	**195**	**1,255**	**1,135**	**1,450**	**7,651**
FUNDING SOURCES (in 1000s)									
State Grants	-	-	80	500	-	460	275	650	**1,965**
Non-Voted Bonds	-	-	-	1,840	-	-	-	-	**1,840**
Park Reserves	116	258	472	150	95	145	405	-	**1,641**
City Impact Fees	-	-	-	130	75	600	375	650	**1,830**
Donation/In-Kind	-	-	-	70	25	50	80	150	**375**
Total Funding	**116**	**258**	**552**	**2,690**	**195**	**1,255**	**1,135**	**1,450**	**7,651**

Project: Moe Street Trail - A&E
Location: Moe Street

Schedule: 2027-2030
Budget: $440,000

Project Description





Description: This project will design improvements to the existing Moe Street trail. The trail connects downtown Poulsbo to upper streets and features a view of Liberty Bay and the Olympic Mountains.
Benefit: Improve pedestrian connectivity in the downtown Poulsbo area.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	35	-	-	35
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	-	-	35	50	25	20	-	-	130
City Impact Fees	-	-	-	-	75	200	-	-	275
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**35**	**50**	**100**	**255**	**-**	**-**	**440**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	35	50	-	-	-	-	85
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	15	35	-	-	50
Construction	-	-	-	-	85	220	-	-	305
Total	**-**	**-**	**35**	**50**	**100**	**255**	**-**	**-**	**440**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	1	1	1	3
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**1**	**1**	**1**	**3**

Project: Lions Park Improvements
Location: Lions Park

Schedule: 2029-2031
Budget: $920,000

Project Description





Description: This project will update and expand the aged 26 year old playground at Lions Park, followed by a larger park update in future years. The park update will be informed by extensive community input and is intended to align with PROS Plan outreach. It is expect that the existing restrooms - which are quite old and need to be modernized - will be replaced and moved to a more appropriate spot in the park.
Benefit: Improve facilities at a popular park.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	250	-	250
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	-	-	30	100	35	35	320	-	520
City Impact Fees	-	-	-	120	-	-	250	-	370
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	60	-	-	30	-	90
Total	**-**	**-**	**30**	**280**	**35**	**35**	**850**	**-**	**1,230**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	25	20	30	30	60	-	165
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	5	15	5	5	90	-	120
Construction	-	-	-	245	-	-	700	-	945
Total	**-**	**-**	**30**	**280**	**35**	**35**	**850**		**1,230**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	1	1	1	1	1	5
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**1**	**1**	**1**	**1**	**1**	**5**

Project: Oyster Plant Park
Location: Fjord Dr.

Schedule: 2024-2027
Budget: $308,000

Project Description





Description: This project will conduct a structural assessment of the Oyster Plant Park pier. This project will implement the recommended repairs to restore the pier and install an updated railing.
Benefit: Improve safety and longevity of the pier over the next fifty years.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	70	4	237	-	-	-	-	-	311
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**70**	**4**	**237**	**-**	**-**	**-**	**-**	**-**	**311**
CAPITAL COSTS (in 1000s)									
Planning & Design	16	3	10	-	-	-	-	-	29
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	1	25	-	-	-	-	-	26
Construction	54	-	202	-	-	-	-	-	256
Total	**70**	**4**	**237**	**-**	**-**	**-**	**-**	**-**	**311**
OPERATING COSTS (in 1000s)									
Operating	-	-	1	1	1	1	1	1	6
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**1**	**1**	**1**	**1**	**1**	**1**	**6**

Project: Muriel Iverson Williams Waterfront Park - Pavilion Repair **Schedule:** 2027
Location: Liberty Bay Waterfront Park **Budget:** $95,000

Project Description





Description: This project will repair the Austin/Kvelstad Pavilion located at Liberty Bay Waterfront Park. The pavilion is a popular event and gathering location, and it is a centerpiece of the Poulsbo waterfront.
Benefit: Improve the resilience and safety of the pavilion.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	80	-	-	-	-	-	80
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	-	-	15	-	-	-	-	-	15
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**95**	**-**	**-**	**-**	**-**	**-**	**95**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	35	-	-	-	-	-	35
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	7	-	-	-	-	-	7
Construction	-	-	53	-	-	-	-	-	53
Total	**-**	**-**	**95**	**-**	**-**	**-**	**-**	**-**	**95**
OPERATING COSTS (in 1000s)									
Operating	-	-	1	1	1	1	1	1	6
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**1**	**1**	**1**	**1**	**1**	**1**	**6**

Project: American Legion Park
Location: American Legion Park

Schedule: 2028-2030
Budget: $1,005,000

Project Description





Description: Park improvement project including expansion of playground, shelter, and general refresh.
Benefit: This park is 50 years old and is in need of improvements. This park is an extension of the Waterfront Boardwalk and will benefit citizens and visitors to Poulsbo.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	425	-	-	425
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-		-	-	-
Park Reserves	-	-	-	-	20	75	-	-	95
City Impact Fees	-	-	-	10	-	400	-	-	410
General Fund Revenue	-	-	-		-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	10	15	50	-	-	75
Total	**-**	**-**	**-**	**20**	**35**	**950**	**-**	**-**	**1,005**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	16	30	85	-	-	131
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	4	5	95	-	-	104
Construction	-	-	-	-	-	770	-	-	770
Total	**-**	**-**	**-**	**20**	**35**	**950**	**-**	**-**	**1,005**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	1	1	1	3
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**1**	**1**	**1**	**3**

Project: Waterfront Boardwalk **Schedule:** 2021-2028
Location: Liberty Bay Waterfront Park **Budget:** $2,636,000

Project Description





Description: This project will repair the waterfront boardwalk at Liberty Bay Waterfront Park, which is an iconic feature of downtown Poulsbo. The repairs are necessary to bring the structure up to current safety standards.
Benefit: Ensure the safety and long-term viability of the highly used boardwalk.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-		500	-	-	-	-	500
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	1,840	-	-	-	-	1,840
Park Reserves	46	250	-	-	-	-	-	-	296
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**46**	**250**	**-**	**2,340**	**-**	**-**	**-**	**-**	**2,636**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	220		5	-	-	-	-	225
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	30		235	-	-	-	-	265
Construction	46	-		2,100	-	-	-	-	2,146
Total	**46**	**250**	**-**	**2,340**	**-**	**-**	**-**	**-**	**2,636**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	1	1	1	1	1	5
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**1**	**1**	**1**	**1**	**1**	**5**

Project: PERC - Amphitheatre
Location: PERC

Schedule: 2029-2031
Budget: $290,000

Project Description





Description: This projects adds amphitheater-style seating to the PERC, which can be used for spectator seating and for events.

Benefit: Provides spectator seating and widens the functionality of the PERC.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	25	-	25
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	-	-	-	-	15	15	50	-	80
City Impact Fees	-	-	-	-	-	-	125	-	125
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	10	-	50	-	60
Total	**-**	**-**	**-**	**-**	**25**	**15**	**250**	**-**	**290**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	20	13	10	-	43
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	5	2	40	-	47
Construction	-	-	-	-	-	-	200	-	200
Total	**-**	**-**	**-**	**-**	**25**	**15**	**250**	**-**	**290**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	1	1	2
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**	**2**

Project: Park Signage
Location: Poulsbo Parks and Trails

Schedule: 2026-2027
Budget: $39,000

Project Description






Description: This project will install park entrance, trail, and wayfinding signage throughout Poulsbo's anticipated 21 parks. This project also includes removing and replacing existing signage.
Benefit: Create consistent park entrance signage, expand trail access, and limit confusion by clearly marking trails.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	-	4	35	-	-	-	-	-	39
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**4**	**35**	**-**	**-**	**-**	**-**	**-**	**39**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	2	-	-	-	-	-	2
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	3	-	-	-	-	-	3
Construction	-	4	30	-	-	-	-	-	34
Total	**-**	**4**	**35**	**-**	**-**	**-**	**-**	**-**	**39**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: West Poulsbo Waterfront Park
Location: 5th Ave NW

Schedule: 2031-2032
Budget: $1,485,000

Project Description





Description: This project will develop four waterfront parcels in West Poulsbo. Development will include park improvements, stormwater improvements, and habitat restoration. Possibilities for the site include swimming, walking, bird and wildlife viewing, picnicking, and play areas.
Benefit: Expand recreational opportunities for residents at a prime location.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	650	650
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	-	-	-	-	-	-	35	-	35
City Impact Fees	-	-	-	-	-	-	-	650	650
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	150	150
Total	**-**	**-**	**-**	**-**	**-**	**-**	**35**	**1,450**	**1,485**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	-	30	85	115
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	5	155	160
Construction	-	-	-	-	-	-	-	1,210	1,210
Total	**-**	**-**	**-**	**-**	**-**	**-**	**35**	**1,450**	**1,485**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	1	1
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**

Project: Wilderness Park Bridge Repair
Location: Wilderness Park

Schedule: 2027
Budget: 120,000

Project Description





Description: This project will perform repairs to failing bridges within Wilderness Park. This will allow closed areas to reopen.
Benefit: Improve the safety and longevity of structures within the park, allow closed trails to reopen.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Park Reserves	-	-	120	-	-	-	-	-	120
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**120**	**-**	**-**	**-**	**-**	**-**	**120**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	5	-	-	-	-	-	5
Land/Right of Way	-	-	2	-	-	-	-	-	2
Management	-	-	16	-	-	-	-	-	16
Construction	-	-	97	-	-	-	-	-	97
Total	**-**	**-**	**120**	**-**	**-**	**-**	**-**	**-**	**120**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	1	1	1	1	1	5
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**1**	**1**	**1**	**1**	**1**	**5**

Project Name	Prior Yrs.	2026	2027	2028	2029	2030	2031	2032	Total
TRANSPORTATION PROJECTS (Cost in 1000s)									
3rd Ave (Moe to Hostmark)	61	584	4,134	-	-	-	-	-	**4,779**
4th Avenue Sidewalks	-	-	-	250	-	2,000	-	-	**2,250**
8th Avenue Improvements	-	336	-	1,500	-	-	-	5,000	**6,836**
10th Avenue Overlay	-	-	-	-	85	-	800	-	**885**
Finn Hill Overlay	5	105	-	960	-	-	-	-	**1,070**
Front Street Restoration - Lindvig to Sunset	-	-	-	-	530	-	-	3,210	**3,740**
Front Street Improvements - Historic Downtown	-	-	60	950	-	-	4,980	-	**5,990**
Hostmark Overlay	-	-	-	-	250	1,190	-	-	**1,440**
Mesford Avenue	-	-	-	500	1,500	-	-	-	**2,000**
Viking Avenue - Complete Streets	-	-	-	-	-	1,000	250	-	**1,250**
Noll Road Improvements - Phase III - Roadway	20,565	6,551	-	-	-	-	-	-	**27,116**
Neighborhood Streets Overlay - Old Town	-	-	500	-	-	-	-	-	**500**
Total Transportation Projects	**20,630**	**7,577**	**4,694**	**4,160**	**2,365**	**4,190**	**6,030**	**8,210**	**57,856**
FUNDING SOURCES (in 1000s)									
Federal Grants	9,346	1,603	2,062	683	750	1,600	3,150	4,800	**23,993**
State Grants	2,968	1,641	1,750	1,630	900	2,100	2,450	2,700	**16,139**
Non-Voted Bonds	2,500	2,500	-	-	-	-	-	-	**5,000**
Street Reserves	1,202	51	-	68	85	-	-	-	**1,406**
City Impact Fees	2,274	1,391	382	1,780	630	490	430	210	**7,587**
Real Estate Excise Tax	1,907	390	-	-	-	-	-	500	**2,797**
Local Assessment	433	-	500	-	-	-	-	-	**933**
Total Funding	**20,630**	**7,577**	**4,694**	**4,160**	**2,365**	**4,190**	**6,030**	**8,210**	**57,856**

Project: 3rd Ave (Moe to Hostmark)
Location: 3rd Ave

Schedule: 2023-2027
Budget: $4,779,000

Project Description





Description: This project will reconstruct 3rd Ave roadway and install sidewalks, curbs, gutters, storm drainage and treatment, and parking spaces along 3rd Avenue from Moe to Hostmark.
Benefit: Improve safety and reduce street maintenance costs.

Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	2,062	-	-	-	-	-	2,062
State Grants	-	-	1,750	-	-	-	-	-	1,750
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	61	584	322	-	-	-	-	-	967
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**61**	**584**	**4,134**	**-**	**-**	**-**	**-**	**-**	**4,779**
CAPITAL COSTS (in 1000s)									
Planning & Design	66	434	-	-	-	-	-	-	500
Land/Right of Way	-	150	-	-	-	-	-	-	150
Management	-	-	450	-	-	-	-	-	450
Construction	-	-	3,684	-	-	-	-	-	3,684
Total	**66**	**584**	**4,134**	**-**	**-**	**-**	**-**	**-**	**4,784**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: 4th Avenue Sidewalks
Location: 4th Ave

Schedule: 2028-2030
Budget: $1,080,000

Project Description





Description: This project will install missing sections of sidewalk on the west side from Iverson St. to Torval Canyon Rd. Repair deficient sidewalks on the east side between NE Hostmark St. and NE Iverson St. Reconstruct roadway pavement between NE Hostmark St. and NE Iverson St. Project may be phased.

Benefit: Improve safety and mobility.

Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	1,100	-	-	1,100
State Grants	-	-	-	-	-	800	-	-	800
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	-	-	-	250	-	100	-	-	350
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**250**	**-**	**2,000**	**-**	**-**	**2,250**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	250	-	-	-	-	250
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	250	-	-	250
Construction	-	-	-	-	-	1,750	-	-	1,750
Total	**-**	**-**	**-**	**250**	**-**	**2,000**	**-**	**-**	**2,250**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: 8th Avenue Improvements
Location: 8th Ave

Schedule: 2026-2032
Budget: $6,836,000

Project Description





Description: This project includes the reconstruction of the intersection of 8th Avenue and Iverson Street.
Benefit: Improve the safety of the intersection by moving the intersection away from SR 305 and shortening crosswalks.

Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	311	-	-	-	-	-	3,000	3,311
State Grants	-	-	-	600	-	-	-	1,500	2,100
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	-	24	-	900	-	-	-	-	924
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	500	500
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**336**	**-**	**1,500**	**-**	**-**	**-**	**5,000**	**6,836**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	356	-	1,000	-	-	-	-	1,356
Land/Right of Way	-	-	-	500	-	-	-	-	500
Management	-	-	-	-	-	-	-	500	500
Construction	-	-	-	-	-	-	-	4,500	4,500
Total	**-**	**356**	**-**	**1,500**	**-**	**-**	**-**	**5,000**	**6,856**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: 10th Avenue Overlay
Location: 10th Ave

Schedule: 2029-2031
Budget: $885,000

Project Description





Description: This project will overlay the road on 10th Avenue from Lincoln Rd. to Liberty Rd. The existing road is deteriorated asphalt and needs to be replaced. Includes ADA improvements.
Benefit: Repair the roadway surface and improve ADA features.

Capital Funding (in Thousands)

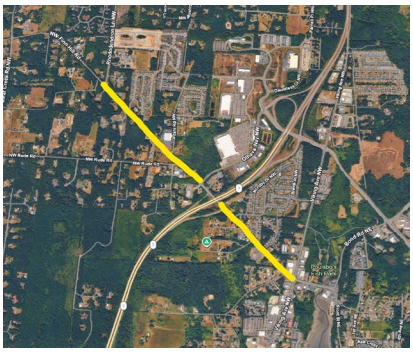
	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	650	-	650
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	85	-	-	-	85
City Impact Fees	-	-	-	-	-	-	150	-	150
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**85**	**-**	**800**	**-**	**885**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	85	-	-	-	85
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	75	-	75
Construction	-	-	-	-	-	-	725	-	725
Total	**-**	**-**	**-**	**-**	**85**	**-**	**800**	**-**	**885**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Finn Hill Overlay
Location: Finn Hill Rd.

Schedule: 2023-2028
Budget: $1,069,000

Project Description





Description: This project will resurface NW Finn Hill Road from Viking Ave to the SR 3 overpass, and from Olhava Way to Claret Loop NW
Benefit: Improve the quality of the roadway surface.

Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	830	-	-	-	-	830
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	5	105	-	130	-	-	-	-	240
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**5**	**105**	**-**	**960**	**-**	**-**	**-**	**-**	**1,070**
CAPITAL COSTS (in 1000s)									
Planning & Design	5	105	-	-	-	-	-	-	110
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	85	-	-	-	-	85
Construction	-	-	-	875	-	-	-	-	875
Total	**5**	**105**	**-**	**960**	**-**	**-**	**-**	**-**	**1,070**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Front Street Restoration - Lindvig to Sunset
Location: Front Street

Schedule: 2029-2032
Budget: $3,740,000

Project Description





Description: This project includes pavement restoration, traffic calming improvements, and non-motorized safety enhancements along Front St. from Lindvig Way to Sunset St.
Benefit: Improve safety and repair the aging roadway.

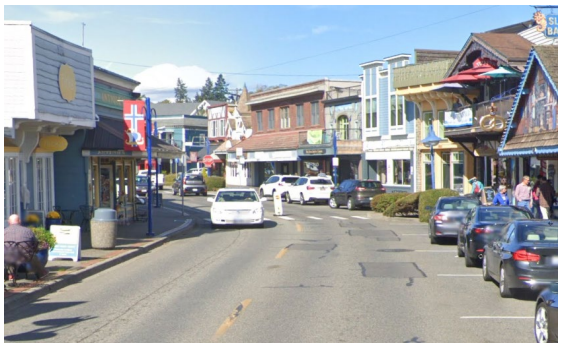
Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	1,800	1,800
State Grants	-	-	-	-	300	-	-	1,200	1,500
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	-	-	-	-	230	-	-	210	440
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**530**	**-**	**-**	**3,210**	**3,740**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	530	-	-	-	530
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	350	350
Construction	-	-	-	-	-	-	-	2,860	2,860
Total	**-**	**-**	**-**	**-**	**530**	**-**	**-**	**3,210**	**3,740**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Front Street Improvements - Historic Downtown
Location: Front Street

Schedule: 2027-2031
Budget: $5,990,000

Project Description





Description: This project includes traffic calming, non-motorized safety enhancements, lighting improvements, and parking improvements from Jensen Way to Hostmark St.
Benefit: Improve the safety and mobility of downtown Poulsbo.

Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	250	-	-	3,000	-	3,250
State Grants	-	-	-	200	-	-	1,800	-	2,000
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	-	-	60	500	-	-	180	-	740
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**60**	**950**	**-**	**-**	**4,980**	**-**	**5,990**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	250	750	-	-	-	-	1,000
Land/Right of Way	-	-	-	200	-	-	-	-	200
Management	-	-	-	-	-	-	500	-	500
Construction	-	-	-	-	-	-	4,480	-	4,480
Total	**-**	**-**	**250**	**950**	**-**	**-**	**4,980**	**-**	**6,180**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Hostmark Overlay and Sidewalk Improvements **Schedule:** 2029-2030
Location: Hostmark Street **Budget:** $1,440,000

Project Description





Description: The project will overlay the roadway on Hostmark St. from Front St. to SR 305. The project also includes sidewalk, safety, and ADA improvements.
Benefit: Repair the aging roadway and improve ADA features.

Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	900	-	-	900
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	-	-	-	-	250	290	-	-	540
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**250**	**1,190**	**-**	**-**	**1,440**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	250	-	-	-	250
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	100	-	-	100
Construction	-	-	-	-	-	1,090	-	-	1,090
Total	**-**	**-**	**-**	**-**	**250**	**1,190**	**-**	**-**	**1,440**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Mesford Avenue
Location: Mesford Avenue

Schedule: 2028-2029
Budget: $2,000,000

Project Description





Description: This project will overlay a section of road and add drainage improvements. The project will add sidewalks, including missing segments of sidewalk within school zone.
Benefit: Improve pedestrian safety within a school zone and repair the existing roadway.

Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	433	750	-	-	-	1,183
State Grants	-	-	-	-	600	-	-	-	600
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	68	-	-	-	-	68
City Impact Fees	-	-	-	-	150	-	-	-	150
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**500**	**1,500**	**-**	**-**	**-**	**2,000**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	400	-	-	-	-	400
Land/Right of Way	-	-	-	100	-	-	-	-	100
Management	-	-	-	-	150	-	-	-	150
Construction	-	-	-	-	1,350	-	-	-	1,350
Total	**-**	**-**	**-**	**500**	**1,500**	**-**	**-**	**-**	**2,000**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Viking Avenue - Complete Streets
Location: Viking Avenue

Schedule: 2030-2031
Budget: $1,250,000

Project Description





Description: This project will update Viking Avenue to improve intersection safety, improve connectivity, reduce congestion, and make non-motorized improvements.
Benefit: Improve safety and multimodal connectivity.

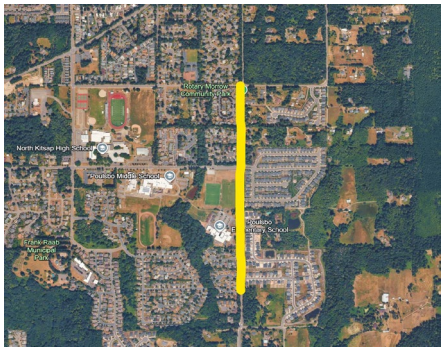
Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	500	150	-	650
State Grants	-	-	-	-	-	400	-	-	400
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Street Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	-	-	-	-	-	100	100	-	200
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**1,000**	**250**	**-**	**1,250**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	1,000	-	-	1,000
Land/Right of Way	-	-	-	-	-	-	250	-	250
Management	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**1,000**	**250**	**-**	**1,250**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Noll Road Improvements - Phase III - Roadway **Schedule:** 2014-2026
Location: Noll Road Corridor - Middle Segment **Budget:** $20,559,000

Project Description





Description: This project completes the Noll Road Corridor by constructing a shared-use path, performing drainage and utility improvements, and overlaying the roadway between Mesford and Bjorn St.
Benefit: Improve safety, connectivity, and multimodal transportation options and repair an aging roadway.

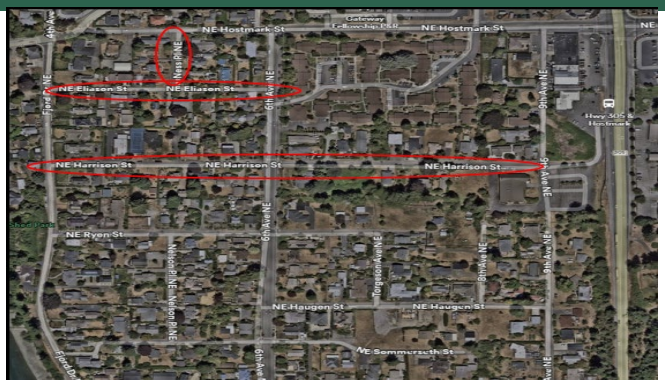
Capital Funding (in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	9,346	1,292	-	-	-	-	-	-	10,637
State Grants	2,968	1,641	-	-	-	-	-	-	4,609
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	1,577	2,500	-	-	-	-	-	-	4,077
Street Reserves	1,838	51	-	-	-	-	-	-	1,889
City Impact Fees	2,495	677	-	-	-	-	-	-	3,172
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	1,907	390	-	-	-	-	-	-	2,297
Lease/Sale	-	-	-	-	-	-	-	-	-
Local Assessment	433	-	-	-	-	-	-	-	433
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**20,565**	**6,551**	**-**	**-**	**-**	**-**	**-**	**-**	**27,116**
CAPITAL COSTS (in 1000s)									
Planning & Design	3,128	684	-	-	-	-	-	-	3,812
Land/Right of Way	2,117	-	-	-	-	-	-	-	2,117
Management	3,353	586	-	-	-	-	-	-	3,939
Construction	11,967	5,281	-	-	-	-	-	-	17,248
Total	**20,565**	**6,551**	**-**	**-**	**-**	**-**	**-**	**-**	**27,116**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Neighborhood Streets Overlay - Old Town **Schedule:** 2027
Location: Ness Place, Eliason St. and Harrison St. **Budget:** $500,000

Project Description





Description: This project will overlay approximately 2500 LF of roadway as a part of the Old Town Watermain Replacement Project

Benefit: Elisaon, Ness, and Harrison are all in a failed pavement condition requiring full reconstruction. This proj

Capital Funding (Cost in Thousands)

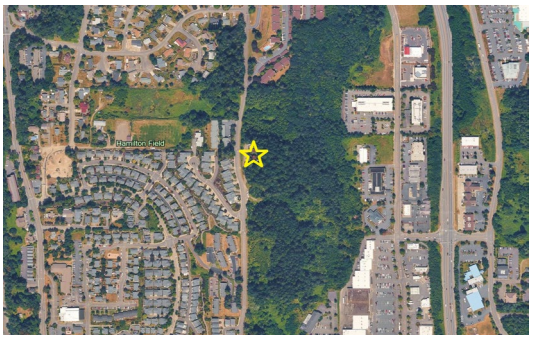
	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
City/Utility Reserves	-	-	-	-	-	-	-	-	-
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Local Assessment	-	-	500	-	-	-	-	-	500
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**500**	**-**	**-**	**-**	**-**	**-**	**500**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	34	-	-	-	-	-	34
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	-	-
Construction	-		466	-	-	-	-	-	466
Total	**-**	**-**	**500**	**-**	**-**	**-**	**-**	**-**	**500**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project Name	Prior Yrs.	2026	2027	2028	2029	2030	2031	2032	Total
WATER PROJECTS (Costs in 1000s)									
340 Zone Fire Flow - 4th Ave	-	-	-	-	-	160	-	1,502	**1,662**
3rd Ave Water	30	178	-	550	-	-	-	-	**758**
Caldart Main	1	25	-	-	-	-	-	856	**882**
Front Street Water Main Replacement	-	150	-	-	-	-	1,361	-	**1,511**
Hostmark Pipe/Sr 305 Crossing	-	-	-	-	-	200	1,906	-	**2,106**
Old Town Water Main Replacement	-	120	1,640	-	-	-	-	-	**1,760**
Raab Tank	61	55	-	-	-	-	-	2,519	**2,635**
Noll Road Water Improvements	713	226	-	-	-	-	-	-	**940**
Wilderness Booster	-	-	-	250	1,500	-	-	-	**1,750**
Well Rehab	-		600	-	-	-	-	-	**600**
Public Works Facility	-	551	3,700	-	-	-	-	-	**4,251**
Total Water Projects	**805**	**1,305**	**5,940**	**800**	**1,500**	**360**	**3,267**	**4,877**	**18,854**
FUNDING SOURCES (in 1000s)									
PWTF	-	-	-	-	-	-	1,906	-	**1,906**
Non-Voted Bonds	-	-	3,700	-	-	-	-	-	**3,700**
Water Reserves	805	1,305	2,240	800	1,500	360	1,361	4,877	**13,248**
Total Funding	**805**	**1,305**	**5,940**	**800**	**1,500**	**360**	**3,267**	**4,877**	**18,854**

Project: 340 Zone Fire Flow - 4th Ave
Location: 4th Ave

Schedule: 2030-2032
Budget: $1,662,000

Project Description



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 1,600 ft of water main, and service connections/reconnections.

Benefit: Address low pressure issues within this water system sub-zone.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	-	-	-	-	-	160	-	1,502	1,662
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**160**	**-**	**1,502**	**1,662**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	160	-	-	160
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	150	150
Construction	-	-	-	-	-	-	-	1,352	1,352
Total	**-**	**-**	**-**	**-**	**-**	**160**	**-**	**1,502**	**1,662**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: 3rd Ave Water
Location: 3rd Ave

Schedule: 2023-2028
Budget: $758,000

Project Description





Description: This project will install 8" water main on 3rd Avenue 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.
Benefit: Provide fireflow, allow developing businesses to connect, provide redundancy for existing neighborhoods.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	32	178	-	550	-	-	-	-	760
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**32**	**178**	**-**	**550**	**-**	**-**	**-**	**-**	**760**
CAPITAL COSTS (in 1000s)									
Planning & Design	32	178	-	-	-	-	-	-	210
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	50	-	-	-	-	50
Construction	-	-	-	500	-	-	-	-	500
Total	**32**	**178**	**-**	**550**	**-**	**-**	**-**	**-**	**760**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Caldart Main
Location: Caldart Ave

Schedule: 2024-2032
Budget: $882,000

Project Description





Description: This project will replace 8" asbestos cement water main with new 12" ductile iron water main on Caldart Ave from Hostmark St. to the New Raab Park Reservoir (approximately 1800 ft). Project will be completed with the Rabb Park tank project.
Benefit: The asbestos cement water main is past its service life and is the last piece in service to be replaced.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	47	25	-	-	-	-	-	856	928
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**47**	**25**	**-**	**-**	**-**	**-**	**-**	**856**	**928**
CAPITAL COSTS (in 1000s)									
Planning & Design	47	25	-	-	-	-	-	-	72
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	100	100
Construction	-	-	-	-	-	-	-	756	756
Total	**47**	**25**	**-**	**-**	**-**	**-**	**-**	**856**	**928**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Front Street Water Main Replacement
Location: Front Street

Schedule: 2026-2031
Budget: $1,511,000

Project Description





Description: This project will replace the old cast iron water main with a 12" ductile iron water main along Front Street between Jensen Way and 4th Ave. Includes new service connections to buildings and fire hydrants. Project will be coordinated with Front Street Restoration (streets project).
Benefit: 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.

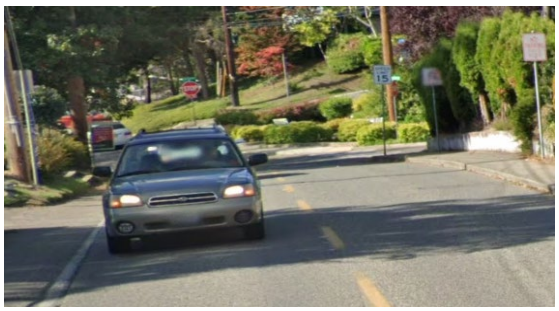
Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	-	150	-	-	-	-	1,361	-	1,511
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**150**	**-**	**-**	**-**	**-**	**1,361**	**-**	**1,511**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	150	-	-	-	-	-	-	150
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	150	-	150
Construction	-	-	-	-	-	-	1,211	-	1,211
Total	**-**	**150**	**-**	**-**	**-**	**-**	**1,361**	**-**	**1,511**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Hostmark Pipe/SR 305 Crossing
Location: Hostmark Street

Schedule: 2030-2031
Budget: $2,106,000

Project Description





Description: This project extends the new 12" distribution main on Hostmark across SR 305 to 4th Ave for connection to the new Front Street water main project. Includes reconnecting water mains in the vicinity, new hydrants, and service connections.
Benefit: Replace an undersized pipe, provide additional fire flow and system redundancy to downtown.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	1,906	-	1,906
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	-	-	-	-	-	200	-	-	200
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**200**	**1,906**	**-**	**2,106**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	200	-	-	200
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	150	-	150
Construction	-	-	-	-	-	-	1,756	-	1,756
Total	**-**	**-**	**-**	**-**	**-**	**200**	**1,906**	**-**	**2,106**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Old Town Water Main Replacement
Location: Old Town Area

Schedule: 2026-2027
Budget: $1,760,000

Project Description



Description: This project will replace the undersized water main along four streets located in the Old Town area of Poulsbo: Ness Place, Harrison St, Eliason St, and Ryen St located between Fjord and 6th Ave. Will include new 8" ductile iron main, update service connections to residences, and install new fire hydrants.
Benefit: Improve the fire flow in the Old Town area of Poulsbo.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	-	120	1,640	-	-	-	-	-	1,760
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**120**	**1,640**	**-**	**-**	**-**	**-**	**-**	**1,760**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	120	50	-	-	-	-	-	170
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	150	-	-	-	-	-	150
Construction	-	-	1,440	-	-	-	-	-	1,440
Total	**-**	**120**	**1,640**	**-**	**-**	**-**	**-**	**-**	**1,760**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Raab Tank
Location: Raab Park

Schedule: 2023-2032
Budget: $2,635,000

Project Description





Description: This project will add a twin tank reservoir with a capacity of 150,000 gallons to Raab Park. Includes earthquake valves, updating telemetry, and the rehabilitation of the existing Raab Tank.
Benefit: The existing reservoir is cracking and requires repairs. Addition of a twin tank will allow the existing tank to be taken offline for maintenance. It will also provide additional storage to the middle zone, which currently has a deficit and relies on the upper zone for capacity.

Capital Funding (Cost in Thousands)

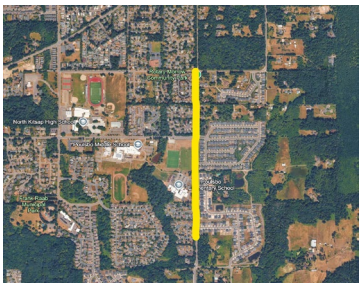
	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	156	55	-	-	-	-	-	2,519	2,730
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**156**	**55**	**-**	**-**	**-**	**-**	**-**	**2,519**	**2,730**
CAPITAL COSTS (in 1000s)									
Planning & Design	156	55	-	-	-	-	-	-	211
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	250	250
Construction	-	-	-	-	-	-	-	2,269	2,269
Total	**156**	**55**	**-**	**-**	**-**	**-**	**-**	**2,519**	**2,730**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Noll Road Water Improvements
Location: Noll Road Corridor

Schedule: 2014-2026
Budget: $940,000

Project Description





Description: This project includes the water improvements within Noll Road Corridor (streets project). The Noll Road Corridor project constructs a shared-use path, overlays the existing roadway, and performs utility improvements.

Benefit: Improve safety, connectivity, multimodal transportation options, and utility infrastructure.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	1,077	226	-	-	-	-	-	-	1,303
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**1,077**	**226**	**-**	**-**	**-**	**-**	**-**	**-**	**1,303**
CAPITAL COSTS (in 1000s)									
Planning & Design	66	-	-	-	-	-	-	-	66
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	-	-
Construction	1,010	226	-	-	-	-	-	-	1,236
Total	**1,077**	**226**	**-**	**-**	**-**	**-**	**-**	**-**	**1,303**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Wilderness Booster
Location: Wilderness Park

Schedule: 2028-2029
Budget: $1,750,000

Project Description



Description: This project will replace the existing booster station at the Wilderness tank site with a larger booster pump capable of supplying approximately 500gpm. The existing booster is old and in need of replacement. The project will also involve some pipe configuration modifications at the Hostmark & Caldart intersection to provide a system connection between pressure zones.
Benefit: Improve system resilience and redundancy, provide a way to shift water through pressure zones.

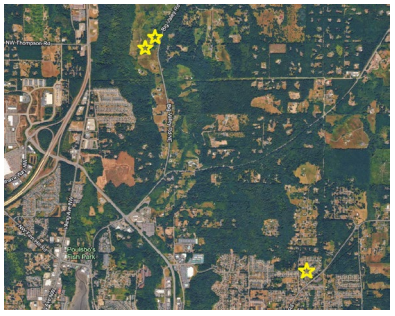
Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	-	-	-	25	1,500	-	-	-	1,525
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**25**	**1,500**	**-**	**-**	**-**	**1,525**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	25	150	-	-	-	175
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	100	-	-	-	100
Construction	-	-	-	-	1,250	-	-	-	1,250
Total	**-**	**-**	**-**	**25**	**1,500**	**-**	**-**	**-**	**1,525**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Well Rehab (3 wells) **Schedule:** 2027

Location: Lincoln Well #1, Big Valley Wells #1 and #2 **Budget:** $600,000

Project Description



Description: This project has 2 phases – the first phase will be an assessment of the source capacity of three of our wells: Lincoln Well #1, Big Valley Wells #1 and #2. The assessment will compare the current capacity with the original installed capacity and will recommend a rehabilitation program for each of the three wells.
Benefit: Rehabilitation of existing sources providing for continued long term water supply to the City.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Water Reserves	-	-	600	-	-	-	-	-	600
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**600**	**-**	**-**	**-**	**-**	**-**	**600**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	100	-	-	-	-	-	100
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	25	-	-	-	-	-	25
Construction	-	-	475	-	-	-	-	-	475
Total	**-**	**-**	**600**	**-**	**-**	**-**	**-**	**-**	**600**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Public Works Facility
Location: North Viking Avenue

Schedule: 2026-2027
Budget: $4,251,000

Project Description





Description: This is the water portion of Public Works Facility project, which relocates the PW facility from Iverson to Viking. The project constructs 3 buildings and various site improvements.
Benefit: Builds a modern, appropriately sized facility for Public Works.

Capital Funding (Cost in Thousands)

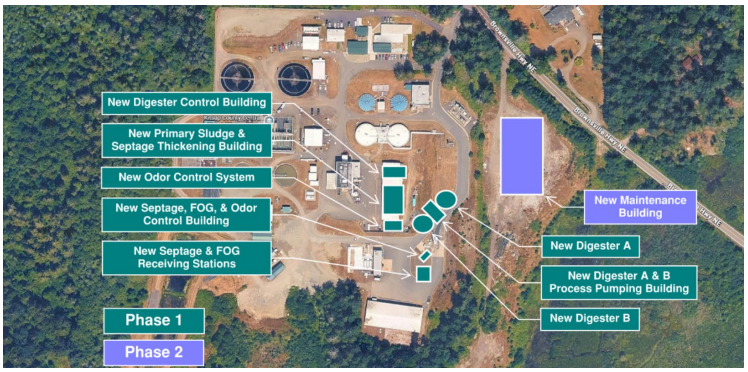
	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	3,700	-	-	-	-	-	3,700
Water Reserves	-	551	-	-	-	-	-	-	551
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**551**	**3,700**	**-**	**-**	**-**	**-**	**-**	**4,251**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	551	194	-	-	-	-	-	745
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	200	-	-	-	-	-	200
Construction	-	-	3,326	-	-	-	-	-	3,326
Total	**-**	**551**	**3,720**	**-**	**-**	**-**	**-**	**-**	**4,271**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	192	192	192	192	192	958
Total	**-**	**-**	**-**	**192**	**192**	**192**	**192**	**192**	**958**

Project Name	Prior Yrs.	2026	2027	2028	2029	2030	2031	2032	Total
SEWER PROJECTS (Cost in 1000s)									
3rd Ave Sewer	32	148	350	-	-	-	-	-	**530**
Kitsap County - Solids & Liquid Hauled Waste Upgrade	-	2,500	10,000	8,000	3,500	-	-	-	**24,000**
Kitsap County - SCADA System Upgrades	-	-	-	-	-	-	252	-	**252**
Kitsap County - Third Lemolo Siphon	-	-	-	-	-	-	710	710	**1,420**
Lindvig Redundant Force Main	-	-	-	-	-	-	650	-	**650**
Old Town Sewer Upgrades	-	25	215	-	-	-	-	-	**240**
Sewer CIPP Lining Project	-	-	-	-	-	450	-	-	**450**
SR 305 Force Main Extension	-	657	5,500	-	-	-	-	-	**6,157**
Noll Road (North) Sewer Improvements	203	104	-	-	-	-	-	-	**307**
Public Works Facility	-	551	3,720	-	-	-	-	-	**4,271**
Total Sewer Projects	**236**	**3,985**	**19,785**	**8,000**	**3,500**	**450**	**1,612**	**710**	**38,277**
FUNDING SOURCES (in 1000s)									
PWTF	-	-	7,500	2,500	-	-	-	-	**10,000**
Non-Voted Bonds	-	-	3,720	-	-	-	-	-	**3,720**
Sewer Reserves	236	3,985	8,565	5,500	3,500	450	1,612	710	**24,557**
Total Funding	**236**	**3,985**	**19,785**	**8,000**	**3,500**	**450**	**1,612**	**710**	**38,277**

Project: Kitsap County - Solids & Liquid Hauled Waste Upgrade **Schedule:** 2023-2029

Location: Kitsap County - Varies **Budget:** $24,000,000

Project Description



Description: Long term solids improvement and development of liquid hauled waste facilities to the digesters. City share is 20% of the overall project costs. **Kitsap County CFP #3, Project #PR0001012**

Benefit: Equipment upgrade. Kitsap County Contract requirement to participate in proportionate share.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	7,500	2,500	-	-	-	-	10,000
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	-	2,500	2,500	5,500	3,500	-	-	-	14,000
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**2,500**	**10,000**	**8,000**	**3,500**	**-**	**-**	**-**	**24,000**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-		-	-	-	-	-	-
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	-	-
Construction	-	2,500	10,000	8,000	3,500	-	-	-	24,000
Total	**-**	**2,500**	**10,000**	**8,000**	**3,500**	**-**	**-**	**-**	**24,000**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Kitsap County - SCADA System Upgrades **Schedule:** 2023-2031

Location: Kitsap County - Varies **Budget:** $252,000

Project Description



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 is 20% of the overall project costs. **Kitsap County CFP #6, Project #PR001013**

Benefit: Equipment upgrade. Kitsap County Contract requirement to participate in proportionate share.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	-	-	-	-	-	-	252	-	252
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**252**	**-**	**252**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	-	-	-	-
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	252	-	252
Total	**-**	**-**	**-**	**-**	**-**	**-**	**252**	**-**	**252**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Kitsap County - Third Lemolo Siphon
Location: Lemolo Beach

Schedule: 2018-2032
Budget: $1,420,000

Project Description



Description: Project will construct a third siphon under liberty bay. City will conduct pre-design and permitting effort. City share of the project is 100%. **Kitsap County CFP #10, Project #PR000064**

Benefit: Kitsap County contract requirement, provide redundancy to the sewer system under Liberty Bay at the most critical point.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	-	-	-	-	-	-	710	710	1,420
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**710**	**710**	**1,420**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	-	710	710	1,420
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**710**	**710**	**1,420**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Lindvig Redundant Force Main **Schedule:** 2031

Location: Lindvig Way **Budget:** $650,000

Project Description



Description: This project will install 1,200 ft of 8" force main to connect to the existing force main and run up Front Street to connect to the gravity main at Jensen Way.

Benefit: This would allow Lindvig Lift Station to pump to MSC in the event there is an issue with the Bond Rd. force main, which would let all of Olhava and Viking be routed to Lindvig in an emergency.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	-	-	-	-	-	-	650	-	650
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**650**	**-**	**650**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	-	50	-	50
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	30	-	30
Construction	-	-	-	-	-	-	570	-	570
Total	**-**	**-**	**-**	**-**	**-**	**-**	**650**	**-**	**650**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Old Town Sewer Upgrades **Schedule:** 2026-2027

Location: Old Town **Budget:** $240,000

Project Description



Description: This project performs upgrades to sewer connection is the Old Town area of Poulsbo. This project will be done in conjunction with the Old Town Water Main Replacement project.

Benefit: Replace and upgrade the sewer connections in the Old Town area.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	-	25	215	-	-	-	-	-	240
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**25**	**215**	**-**	**-**	**-**	**-**	**-**	**240**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	25	-	-	-	-	-	-	25
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	5	-	-	-	-	-	5
Construction	-	-	210	-	-	-	-	-	210
Total	**-**	**25**	**215**	**-**	**-**	**-**	**-**	**-**	**240**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Sewer CIPP Lining Project **Schedule:** 2030

Location: Varies **Budget:** $450,000

Project Description



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. Approximately 5,000 lf of sewer will be completed.

Benefit: CIPP Lining rehabilitates pipes that are old and have lots of I/I without the need to dig up the entire street to be fully replaced.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	-	-	-	-	-	450	-	-	450
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**450**	**-**	**-**	**450**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	45	-	-	45
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	25	-	-	25
Construction	-	-	-	-	-	380	-	-	380
Total	**-**	**-**	**-**	**-**	**-**	**450**	**-**	**-**	**450**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: SR 305 Force Main Extension **Schedule:** 2026-2027

Location: State Route 305 **Budget:** $6,157,000

Project Description



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

Benefit: Prevent overflows and increase the system capacity in the Central Interceptor.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	-	657	5,500	-	-	-	-	-	6,157
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**657**	**5,500**	**-**	**-**	**-**	**-**	**-**	**6,157**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	657	-	-	-	-	-	-	657
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	450	-	-	-	-	-	450
Construction	-	-	5,050	-	-	-	-	-	5,050
Total	**-**	**657**	**5,500**	**-**	**-**	**-**	**-**	**-**	**6,157**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Noll Road (North) Sewer Improvements **Schedule:** 2014-2026

Location: Noll Road Corridor **Budget:** $307,000

Project Description





Description: This is the sewer portion of the Noll Road Corridor Project. The project includes the roadway, sidewalks, a shared-use path, and utility improvements.

Benefit: Improve mobility and connectivity to keep up with the growing population.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Sewer Reserves	266	104	-	-	-	-	-	-	370
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**266**	**104**	**-**	**-**	**-**	**-**	**-**	**-**	**370**
CAPITAL COSTS (in 1000s)									
Planning & Design	11	-	-	-	-	-	-	-	11
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	-	-
Construction	256	104	-	-	-	-	-	-	359
Total	**266**	**104**	**-**	**-**	**-**	**-**	**-**	**-**	**370**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Public Works Facility
Location: North Viking Avenue

Schedule: 2026-2027
Budget: $4,251,000

Project Description





Description: This is the sewer portion of Public Works Maintenance Facility project located on Viking Avenue. The project will construct three new buildings, and will also construct various site improvements including water, sewer, and frontage improvements.

Benefit: Creates a modernized and appropriately sized facility for Public Works.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	3,700	-	-	-	-	-	3,700
Sewer Reserves	-	551	-	-	-	-	-	-	551
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**551**	**3,700**	**-**	**-**	**-**	**-**	**-**	**4,251**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	551	194	-	-	-	-	-	745
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	200	-	-	-	-	-	200
Construction	-	-	3,326	-	-	-	-	-	3,326
Total	**-**	**551**	**3,720**	**-**	**-**	**-**	**-**	**-**	**4,271**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	192	192	192	192	192	961
Total	**-**	**-**	**-**	**192**	**192**	**192**	**192**	**192**	**961**

Project Name	Prior Yrs.	2026	2027	2028	2029	2030	2031	2032	Total
STORM DRAIN PROJECTS (Cost in 1000's)									
3rd Avenue Storm	-	-	-	20	155	-	-	-	**175**
8th Avenue Culvert Replacement	-	338	-	1,445	-	-	-	-	**1,783**
Liberty Bay Storm Outfalls	-	-	250	-	900	900	-	-	**2,050**
Bjorgen Creek Culvert Replacement - Deer Run	-	-	-	-	-	-	200	1,800	**2,000**
Dogfish Creek Retrofit (South Fork)	228	1,545	-	-	-	-	-	1,645	**3,418**
Forest Rock (SR 305) & Liberty Road Outfalls	-	-	-	-	125	-	-	-	**125**
High School Ball Field Storm	-	-	-	-	200	-	-	-	**200**
Noll Road Storm LID - Retrofit	168	-	400	-	-	-	-	-	**568**
Storm CIPP Lining Project	-	-	-	-	35	515	-	-	**550**
Public Works Facility	-	544	3,796	-	-	-	-	-	**4,340**
Total Storm Drain Projects	**396**	**2,427**	**4,446**	**1,465**	**1,415**	**1,415**	**200**	**3,445**	**15,209**
FUNDING SOURCES (Cost in 1000's)									
State Grants	396	1,551	340	1,228	720	720	-	2,875	**7,830**
Non-Voted Bonds	-	-	3,500	-	-	-	-	-	**3,500**
Storm Drain Reserves	-	876	510	237	695	695	200	570	**3,783**
Total Funding	**396**	**2,427**	**4,350**	**1,465**	**1,415**	**1,415**	**200**	**3,445**	**15,113**

Project: 3rd Avenue Storm
Location: 3rd Avenue

Schedule: 2028-2029
Budget: $175,000

Project Description





Description: This project will rehabilitate the 12" concrete storm pipe from the top of 4th Ave to Front Street. The method of rehabilitation will be cured in place pipe (CIPP). Project will be coordinated with the 3rd Ave Improvement Project (streets project).

Benefit: Existing storm pipe is deterioration and is in need of repair.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	-	-	20	155	-	-	-	175
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**20**	**155**	**-**	**-**	**-**	**175**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	20	-	-	-	-	20
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	15	-	-	-	15
Construction	-	-	-	-	140	-	-	-	140
Total	**-**	**-**	**-**	**20**	**155**	**-**	**-**	**-**	**175**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: 8th Avenue Culvert Replacement
Location: 8th Avenue

Schedule: 2026-2028
Budget: $1,783,000

Project Description





Description: This project will replace the existing undersized 24" pipe under 8th Ave with a new 12-ft wide concrete box culvert. The existing culvert is too small and can flood, especially when partially blocked by sediment. The stream routinely overflows its banks onto 8th Avenue. The culvert is a barrier to fish passage at higher flows. Federal AOP Grant will be pursued.

Benefit: Reduce flooding, improve water quality, and improve fish habitat.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	238	-	1,228	-	-	-	-	1,466
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	100	-	217	-	-	-	-	317
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**338**	**-**	**1,445**	**-**	**-**	**-**	**-**	**1,783**
CAPITAL COSTS (in 1000's)									
Planning & Design	-	338	-	-	-	-	-	-	338
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	150	-	-	-	-	150
Construction	-	-	-	1,295	-	-	-	-	1,295
Total	**-**	**338**	**-**	**1,445**	**-**	**-**	**-**	**-**	**1,783**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Liberty Bay Storm Outfalls
Location: Varies

Schedule: 2027-2030
Budget: $2,050,000

Project Description



Description: This project will replace three storm outfalls into Liberty Bay. Approximately 70' of pipe will be replaced and energy dissipation will be installed at the outfall located at the north end of American Legion Park. The outfall pipe for Poulsbo Creek is corroded and has collapsed in places. Approximately 150' of pipe will be replaced with a bottomless culvert and a new catch basin control structure.

Benefit: 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, and further erosion could cause the manhole to tip into the bay. Several outfall pipes are corroding and need replacement.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	720	720	-	-	1,440
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	-	250	-	180	180	-	-	610
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**250**	**-**	**900**	**900**	**-**	**-**	**2,050**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	250	-	100	-	-	-	350
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	100	100	-	-	200
Construction	-	-	-	-	700	800	-	-	1,500
Total	**-**	**-**	**250**	**-**	**900**	**900**	**-**	**-**	**2,050**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Bjorgen Creek Culvert Replacement - Deer Run **Schedule:** 2031-2032

Location: Deer Run/Bjorgen Creek **Budget:** $2,000,000

Project Description





Description: This project will replace the existing undersized 24" pipe under Bjorn Street with a new 12-ft wide concrete box culvert, which will improve fish habitat. Federal AOP Grant will be pursued.

Benefit: The existing culvert under Bjorn Street is too small and can flood. The culvert is a barrier to fish passage at higher flows.

Capital Funding (Cost in Thousands)

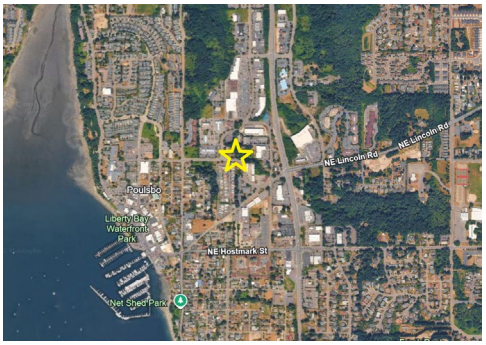
	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	1,530	1,530
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	-	-	-	-	-	200	270	470
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**200**	**1,800**	**2,000**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	-	-	200	200	400
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	150	150
Construction	-	-	-	-	-	-	-	1,450	1,450
Total	**-**	**-**	**-**	**-**	**-**	**-**	**200**	**1,800**	**2,000**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Dogfish Creek Retrofit (South Fork) **Schedule:** 2019-2032

Location: Dogfish Creek (South Fork) **Budget:** $3,418,000

Project Description





Description: This project includes retrofit of the Library Pond and water quality treatment improvements on 7th and Iverson. The area lacks water quality facilities, and the improvements to the creek to allow additional habitat require an improvement to the water quality to support the health of the creek.
Benefit: This project will reduce flooding, improve water quality, and improve fish habitat.

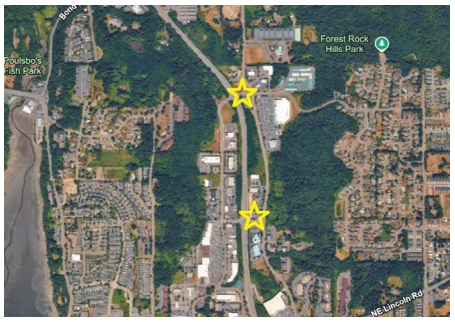
Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	228	1,313	-	-	-	-	-	1,345	2,886
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	232	-	-	-	-	-	300	532
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**228**	**1,545**	**-**	**-**	**-**	**-**	**-**	**1,645**	**3,418**
CAPITAL COSTS (in 1000s)									
Planning & Design	228	-	-	-	-	-	-	200	428
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	150	-	-	-	-	-	150	300
Construction	-	1,395	-	-	-	-	-	1,295	2,690
Total	**228**	**1,545**	**-**	**-**	**-**	**-**	**-**	**1,645**	**3,418**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Forest Rock (SR 305) & Liberty Road Outfalls **Schedule:** 2029

Location: Forest Rock Hills, Liberty Road **Budget:** $125,000

Project Description



Description: This project is the combination of two outfall improvement projects that have been consolidated for permitting purposes. 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 will repair the outfall pipe and the detention facility since the water does not flow properly.
Benefit: Repair failing outfalls to prevent flooding and property damage.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	-	-	-	125	-	-	-	125
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**125**	**-**	**-**	**-**	**125**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	10	-	-	-	10
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	5	-	-	-	5
Construction	-	-	-	-	110	-	-	-	110
Total	**-**	**-**	**-**	**-**	**125**	**-**	**-**	**-**	**125**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: High School Ball Field Storm
Location: North Kitsap High School

Schedule: 2029
Budget: $200,000

Project Description





Description: This project will rehabilitate 920 lf of 18" concrete pipe that runs from Mesford Road across the ball fields to the outfall swale near the High School Technology Building. Steam cured in place pipe (CIPP) will be used for the repair.

Benefit: The existing pipe is showing cracks and deterioration and needs to be replaced.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	-	-	-	200	-	-	-	200
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**200**	**-**	**-**	**-**	**200**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	20	-	-	-	20
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	10	-	-	-	10
Construction	-	-	-	-	170	-	-	-	170
Total	**-**	**-**	**-**	**-**	**200**	**-**	**-**	**-**	**200**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Noll Road Storm LID - Retrofit
Location: Various

Schedule: 2018-2027
Budget: $568,000

Project Description



Description: This project will install bioretention and treatment devices in the Noll Basin to improve water quality. Includes bioretention swale retrofits at Megger Circle and Alasund Meadows.
Benefit: The project will improve water quality in Liberty Bay.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	168	-	340	-	-	-	-	-	508
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	-	60	-	-	-	-	-	60
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**168**	**-**	**400**	**-**	**-**	**-**	**-**	**-**	**568**
CAPITAL COSTS (in 1000s)									
Planning & Design	168	-	25	-	-	-	-	-	193
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	25	-	-	-	-	-	25
Construction	-	-	350	-	-	-	-	-	350
Total	**168**	**-**	**400**	**-**	**-**	**-**	**-**	**-**	**568**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Storm CIPP Lining Project **Schedule:** 2029-2030

Location: Varies **Budget:** $550,000

Project Description



Description: This project will be a combination project with sewer to rehabilitate gravity storm and sewer mains using cured in place pipe (CIPP) liners. Storm mains that are old and in need of repair will be prioritized for CIPP lining. Approximately 4,000 lf of storm will be completed. Includes the High School Ball Field Storm.

Benefit: CIPP lining rehabilitates old pipes with lots of I/I without needing to dig up the entire street to be fully replaced.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	-	-	-	-	-	-	-
Storm Drain Reserves	-	-	-	-	35	515	-	-	550
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**35**	**515**	**-**	**-**	**550**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	-	-	-	35	-	-	-	35
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	15	-	-	15
Construction	-	-	-	-	-	500	-	-	500
Total	**-**	**-**	**-**	**-**	**35**	**515**	**-**	**-**	**550**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Project: Public Works Facility
Location: North Viking Avenue

Schedule: 2026-2027
Budget: $4,244,000

Project Description





Description: This is the storm portion of Public Works Maintenance Facility project located on Viking Avenue. The project will construct three new buildings, and will also construct various site improvements including water, sewer, and frontage improvements.

Benefit: Creates a modernized and appropriately sized facility for Public Works.

Capital Funding (Cost in Thousands)

	Prior	2026	2027	2028	2029	2030	2031	2032	Total
FUNDING SOURCES (in 1000s)									
Federal Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-	-
PWTF	-	-	-	-	-	-	-	-	-
Voted Bonds	-	-	-	-	-	-	-	-	-
Non-Voted Bonds	-	-	3,596	-	-	-	-	-	3,596
Storm Drain Reserves	-	544	200	-	-	-	-	-	744
City Impact Fees	-	-	-	-	-	-	-	-	-
General Fund Revenue	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax	-	-	-	-	-	-	-	-	-
Lease/Sale	-	-	-	-	-	-	-	-	-
LID	-	-	-	-	-	-	-	-	-
Donation/In-Kind	-	-	-	-	-	-	-	-	-
Total	**-**	**544**	**3,796**	**-**	**-**	**-**	**-**	**-**	**4,340**
CAPITAL COSTS (in 1000s)									
Planning & Design	-	544	194	-	-	-	-	-	738
Land/Right of Way	-	-	-	-	-	-	-	-	-
Management	-	-	200	-	-	-	-	-	200
Construction	-	-	3,402	-	-	-	-	-	3,402
Total	**-**	**544**	**3,796**	**-**	**-**	**-**	**-**	**-**	**4,340**
OPERATING COSTS (in 1000s)									
Operating	-	-	-	-	-	-	-	-	-
Debt	-	-	-	195	195	195	195	195	975
Total	**-**	**-**	**-**	**195**	**195**	**195**	**195**	**195**	**975**