

General Fund Overview

Introduction:

The General Fund is the principal governmental fund of the City and is used to account for all revenues and expenditures which are not accounted for in any other fund. The majority of General Fund revenue come from property taxes, sales taxes, business and occupation taxes, utility

taxes, federal and state grants, fines, and charges for services. These resources pay for police, fire, parks, municipal court, police and fire pension, community development, economic development, government facilities, and administration.

General Fund

	<u>Actual</u> <u>2012</u>	<u>Actual</u> <u>2013</u>	<u>Actual</u> <u>2014</u>	<u>Actual</u> <u>2015</u>	<u>Budget</u> <u>2016</u>	<u>Budget</u> <u>2017</u>
Taxes	\$22,034,371	\$21,923,588	\$22,470,086	\$28,610,613	\$28,986,308	\$30,089,730
Licenses & Permits	867,468	992,460	1,025,164	1,149,596	1,202,600	1,207,185
Intergovernmental	1,259,048	897,937	974,294	1,314,869	1,492,571	1,127,430
Charges for Services	4,980,811	4,673,758	4,764,439	5,010,981	5,051,176	5,213,444
Fines & Forfeits	1,214,619	1,041,637	927,338	1,052,305	971,500	1,220,800
Other Revenue	4,815,285	4,460,645	4,541,111	692,534	315,781	340,470
Total	\$35,171,602	\$33,990,025	\$34,702,432	\$37,830,898	\$38,019,936	\$39,199,059

Overview

Budgeted General Fund revenue for 2017 incorporates anticipated increases in both tax and licenses, charges for services and fines and forfeiture categories. Tax revenue is due to a combined 12% anticipated increase in sales and criminal justice tax. Interfund charges for services from City owned utilities and internal service funds are also budgeted to increase. An additional \$240,000 from Photo Enforcement Penalties increase Fines and Forfeits by 3.21%.

Though the combined General Fund Revenue has increased by over \$1.1 million, it is im-

portant to note that ongoing revenues are not keeping up with anticipated increases for ongoing expenditures.

Property Tax

The City's property tax is levied based on the assessed property value from the previous year, as determined by the Kitsap County Assessor. Annually the City Council sets the property tax levy as part of the annual budget process. The levy limit applied to the highest allowed levy is the lesser of 1% or the IPD for tax districts with a population greater than 10,000. For this year, the IPD was less than 1% at 0.953%. In order to

General Fund Overview

increase the levy limit up to 1%, a substantial need ordinance must be adopted. The budgeted property tax for 2017 is calculated with a substantial need at 1% and will be adopted by ordinance. The budgeted property tax revenue (including refunds, canceled taxes and supplements) is \$7,205,000.

In addition, the EMS tax levy of forty-five cents (\$0.45) per thousand dollars (\$1,000) of assessed

valuation, has been levied with estimated revenue (including delinquencies) of \$1,235,700. The following tables recap the City's recent property tax levy information along with 2017 estimates. Property tax dollars are allocated among the state and six taxing districts. For taxes collected in 2017, only \$0.27 of every dollar is distributed to the City of Bremerton.

Historical City Assessed Valuation, Property Taxes Levied, and Property Tax Rates - City of Bremerton - 2012 - 2017

Assessed Valuation	Regular		Emergency Medical Services		City Bonds		Total		
	Amount	Per \$1,000	Amount	Per \$1,000	Amount	Per \$1,000	Amount	Per \$1,000	
2017	2,748,207,581	7,146,878	2.60	1,214,585	0.45	1,315,000	0.48	9,676,463	3.53
2016	2,503,409,559	7,085,163	2.83	1,215,901	0.49	1,427,025	0.57	9,728,089	3.89
2015	2,354,542,747	6,935,409	2.95	1,177,271	0.50	902,387	0.39	9,015,067	3.83
2014	2,293,000,729	6,764,817	2.95	1,146,501	0.50	897,638	0.40	8,808,956	3.85
2013	2,394,781,600	6,613,992	2.76	1,197,391	0.50	833,038	0.35	8,644,421	3.61
2012	2,548,965,492	6,522,962	2.56	1,274,482	0.50	778,826	0.31	8,576,270	3.37

Note: 2017 are estimates

Historical Ad Valorem Property Tax Rates in the City of Bremerton 2012 - 2017

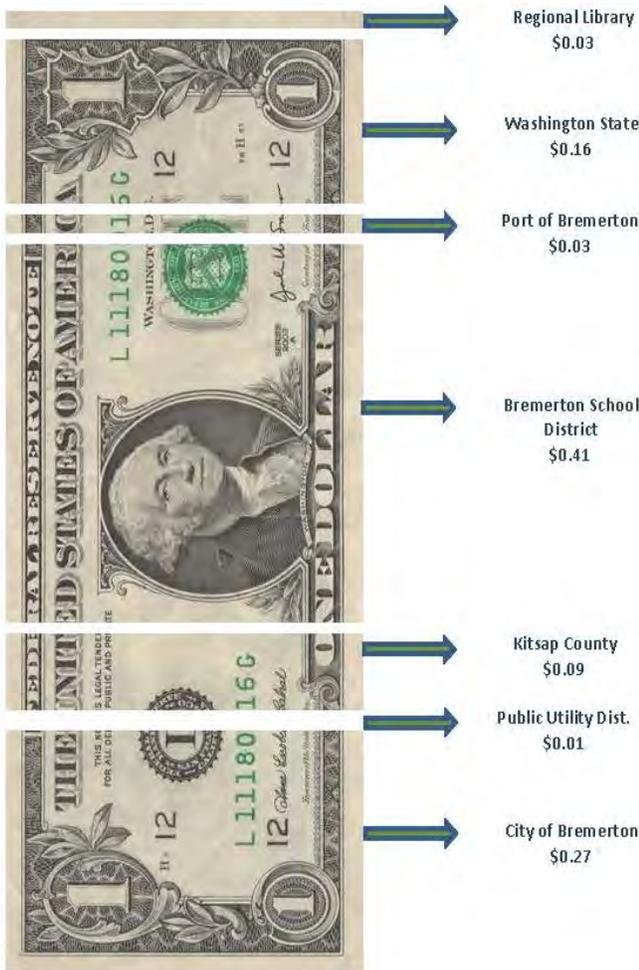
(Rates in Dollars per \$1,000 of Assessed Valuation)

Collection Year	Total City of Bremerton					Other Government Agencies							Total	
	City		Emergency			School								
	General Fund	City Bonds	Medical Services	Total	Percent	Wash State	Kitsap County	Port of Bremerton	District No. 100	PUD	Regional Library	Total		Percent
2017	\$2.60	\$0.48	\$0.45	\$3.53	100.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%	\$3.53
2016	2.83	0.57	0.49	3.89	28.1%	2.36	1.17	0.38	5.57	0.08	0.38	9.93	71.9%	13.82
2015	2.95	0.39	0.50	3.83	27.6%	2.18	1.20	0.39	5.82	0.08	0.39	10.06	72.4%	13.89
2014	2.95	0.40	0.50	3.85	26.9%	2.47	1.24	0.39	5.89	0.09	0.40	10.48	73.1%	14.32
2013	2.76	0.35	0.50	3.61	26.3%	2.51	1.20	0.38	5.53	0.08	0.39	10.09	73.7%	13.70
2012	2.56	0.31	0.50	3.37	26.3%	2.50	1.14	0.81	4.54	0.08	0.37	9.44	73.7%	12.81

Note: At time of publication other government agency data unavailable for 2017.

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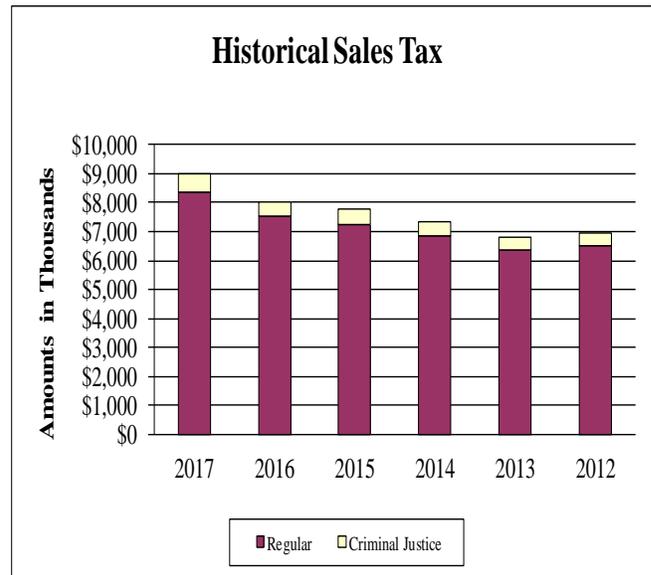
Property Tax Distribution



Sales & Use Tax

The sales tax rate in Bremerton is 8.7%. Of this amount, the City's portion is .85%, with the balance going to other agencies. The budgeted amount for 2017, including criminal justice, is \$9.005 million. Combined sales and use tax revenue for 2017 is budgeted with a increase of 6%

Historical Sales Tax



Historical City of Bremerton Sales & Use Tax - 2012-2017

Year	Regular	Criminal Justice
2017	\$8,375,000	\$630,000
2016	7,514,000	531,000
2015	7,241,253	541,747
2014	6,864,848	490,256
2013	6,362,000	446,000
2012	6,504,599	451,761

2016 & 2017 Budget

over 2016 year-end projections. The anticipated additional \$515,000 is primarily attributed to increases in auto sales, the City's primary source of sales tax, along with significant increases in food and beverage services and construction. Specialty trade contractors, building material retailers and health and personal care retail are also showing significant growth over the prior year.

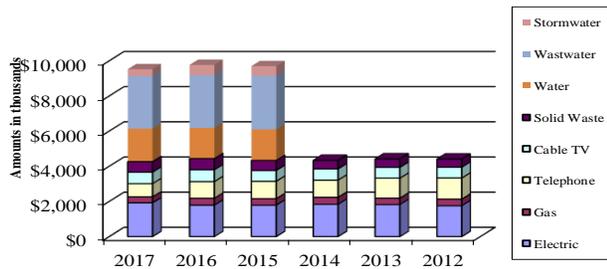
General Fund Overview

Utility Tax

Utility taxes are levied on the gross operating revenues earned by private utilities; electric, gas, telephone, cable television, and solid waste, within Bremerton. Due to a change in accounting in 2015, utility tax for City owned utilities for Water, Wastewater and Stormwater are now budgeted in the tax category. Previously this revenue source was budgeted under transfers/other revenue.

In totality, the budget anticipates \$9.566 million from utility taxes; a \$201,108 decrease from the prior year. Increase are anticipated in only three utility tax categories, electricity (7.38%), water (8.26%) and wastewater (0.41%). Decreases are forecasted in the remaining tax categories with a significant reduction in Stormwater Utility Tax due to a 40% allocation going to the Transportation Capital Projects Fund to support street and sidewalk improvement projects.

Utility Taxes

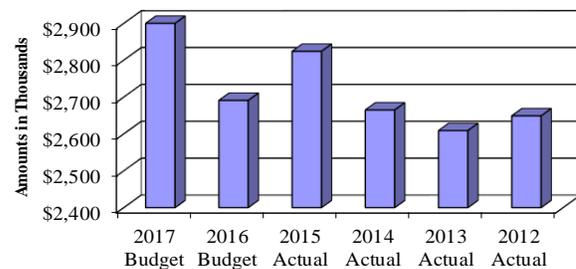


Business & Occupation Tax

The City of Bremerton imposes a local business and occupation tax which applies to the gross income of businesses that engage in business activity within the City. Tax rates vary from 0.125% to 0.2% of gross revenue depending on

the classification of business activity. For 2017, the B & O tax exemption for businesses increases to \$160k as part of a long-term plan to eliminate the City's dependency on Business and Occupation Tax revenue. Business & Occupation Tax is the fourth largest source of revenue in the General Fund and is budgeted at \$2.9 million in 2017; 1.8% higher than 2016 year-end projections.

Business & Occupation Tax



Other Taxes

The remaining tax revenues compose a small share of total tax receipts for the City. These other taxes are as follows:

- Amusement Device Gross Receipts Tax - rate of 2% on gross revenues
- Gambling Taxes (including pull tabs, card rooms, bingo, raffles, and fundraising) - rates vary from 2% to 20%
- Leasehold Tax — State tax of 12.84% of which the City is allocated a 4% portion

The 2017 budget anticipates receipts of \$181k from these sources, which is essentially unchanged from the prior year projected receipts.

Licenses and Permits

Bremerton collects license and permit fees that include, among others, annual business licenses, building permits, and franchise fees. The Com-

General Fund Overview

munity Development Department issues a number of permits for new construction and development including building permits and various building, plumbing, and mechanical inspection permits. These building related fees are dependent on new construction, and though permit activity is showing growth, a conservative forecast remains for the upcoming year with \$516k budgeted.

The 2017 budget anticipates total receipts of \$1.207 million from various license and permit sources, which is a slight increase of .38% compared to the prior year budget. Construction permits, account for 43% of the total revenue in this category.

Intergovernmental Revenue

Intergovernmental revenues are made up of state shared revenues, grants, and other intergovernmental revenues. State-collected revenues that are shared with all cities are allocated to individual jurisdictions on a per capita basis. Population figures, determined annually as of April 1 by the State demographer in the Office of Financial Management, are used as the basis for the per capita distribution of these funds.

The budget includes liquor excise tax receipts and liquor board profits totaling \$531k, an increase of approximately 3.4% from prior years' budget. To be eligible to receive liquor taxes and profits, the City must devote at least two percent of its distribution to support an approved alcoholism or drug addiction program.

Marijuana Excise Tax distributions provide for state shared revenue for cities and counties. Due to recent legislation, revenue is allocated in part by the proportional share of total revenues generated by licensed retailers physically located within their jurisdiction, as well as a per capita

allocation. For 2017, the proposed budget includes \$8,500 in marijuana enforcement revenue.

State Criminal Justice revenues are distributed on a per capita basis, and in part, on crime rates. For 2017, the city anticipates a 41% decrease from the prior year with a combined total revenue of approximately \$170k.

Total projected intergovernmental revenue for 2017 is \$1.127 million.

Charges for Service

Plan check fees are charged for development drawing review prior to the issuance of building permits and are budgeted at \$300k in 2017, a 9% increase from the prior year budget. This is primarily due increases in plan reviews in 2016 that are anticipated to continue in the upcoming year.

The City of Bremerton Parks & Recreation Department provides a variety of services for our residents. The fees from these services include all participant and sponsorship fees for City recreation programs. Revenue from recreation activities is not anticipated to change in 2017.

The City of Bremerton Fire and Emergency Services Department charges a fee for ambulance transport services which is not anticipated to change in 2017. The main source of revenue for transport services comes from payments received from Medicare.

Many of the City's administrative services are provided centrally for the benefit of all departments and funds. These costs are allocated to the proprietary funds. The 2017 charges are calculated on the basis of the cost allocation plan and interfund services provided from one

General Fund Overview

fund to another. The budgeted revenue for 2017 is \$1.574 million for general government services and \$1.539 million for engineering services. Additionally, the City's Code Enforcement Officer is accounted for within the Department of Community Development. Code enforcement and abatement services are supported by an interfund charge to the Abatement Fund in the amount of \$100k.

Fines & Forfeits

The amount received from fines and forfeits includes traffic citations and other fines imposed through enforcement of ordinances. The projected revenue for 2017 is \$1.221 million, which is a 25.66% increase from the prior year. The majority of the increase is accounted for under photo enforcement penalties, due in part, by a higher volume of traffic at some intersections, and the system now notifying the Department of Motor Vehicles to place a hold on vehicle registrations when there are multiple unpaid citations.

Miscellaneous Revenues

Miscellaneous revenues include interest on investments, donations, and other revenues from lease and rental arrangements. The budgeted revenue from these sources in 2017 are \$241k which is essentially no change from the prior year.

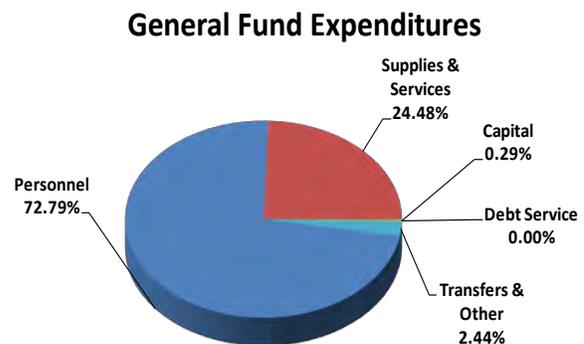
Other Financing Sources

In 2017, other revenue consists of a \$100k transfer-in from the General Government Capital Improvement Fund for building capital improvements.

Expenditures

Total General Fund expenditures, \$40,157,037 are higher than the amended 2016 budget by \$1.067 million, 2.7%. Personnel costs continue to be the largest expense for the General Fund at 72.79% of total expenditures. Increases in personnel are attributed to wage adjustments, increases in retirement contribution rates and additional staff. Supplies and Services, the second largest expenditure category in the General Fund, is decreased by \$157k. And transfers to other funds are essentially unchanged.

The following departmental budgets provide details on objectives, goals, and planned General Fund expenditures for 2017.



General Fund Overview

**2017 GENERAL FUND REVENUES
BY SOURCE**

ACCOUNT	2014 ACTUAL	2015 ACTUAL	2016 BUDGET	2017 BUDGET	% CHANGE
TAXES					
311.1000 General Property Tax	7,929,239	8,124,453	8,302,000	8,440,700	1.67%
313.1100 Retail Sales & Use	6,864,848	7,241,253	7,514,000	8,375,000	11.46%
313.7100 Sales Tax - Criminal Justice	490,256	541,747	531,000	630,000	18.64%
316.1000 B & O Taxes	2,664,795	2,824,168	2,691,000	2,900,000	7.77%
316.4100 Electric Utility Taxes	1,839,046	1,786,917	1,788,000	1,920,000	7.38%
316.4300 Gas Utility Taxes	394,593	371,878	395,000	340,000	-13.92%
316.4500 Garbage/Solid Waste	483,359	573,835	636,000	599,000	-5.82%
316.4600 Television Cable Taxes	636,564	609,528	675,000	650,000	-3.70%
316.4700 Telephone Taxes	978,824	987,548	945,000	750,500	-20.58%
316.4801 Water Utility Tax	-	1,767,957	1,745,268	1,889,425	8.26%
316.4802 Wastewater Utility Tax	-	3,051,164	2,995,536	3,007,910	0.41%
316.4803 Stormwater Utility Tax	-	547,164	587,084	408,945	-30.34%
316.8000 Gambling/Amusement	64,841	54,108	52,420	57,250	9.21%
317.2000 Leasehold Excise Tax	123,721	128,893	129,000	121,000	-6.20%
TOTAL TAXES	22,470,086	28,610,613	28,986,308	30,089,730	3.81%
LICENSES & PERMITS					
321.0000 Misc. Licenses, Permits & Fees	626,126	631,883	646,600	647,185	0.09%
322.1000 Construction Permits	369,067	476,052	511,500	515,500	0.78%
322.3000 Animal Licenses	4,325	-	-	-	N/A
322.4000 Right Of Way Permits	21,443	36,280	40,000	40,000	0.00%
322.9000 Other Non-Business Licenses	4,203	5,381	4,500	4,500	0.00%
TOTAL LICENSES & PERMITS	1,025,164	1,149,596	1,202,600	1,207,185	0.38%
INTERGOVERNMENTAL REVENUE					
331.0000 Federal Grants - Direct	29,670	33,561	29,081	29,752	2.31%
332.0000 Federal Revenue	-	241	-	-	N/A
333.0000 Federal Grants - Indirect	7,871	10,988	4,200	4,200	0.00%
334.0000 State Grants	59,977	273,127	362,450	121,300	-66.53%
336.0098 City County Assistance	30,379	114,198	95,040	93,050	-2.09%
336.0620 Criminal Justice High Crime	217,039	151,444	210,000	115,000	-45.24%
336.0621 Law & Justice (LO POP)	52,615	46,608	40,000	12,555	-68.61%
336.0626 Criminal Justice - Special Programs	36,585	38,877	38,000	42,100	10.79%
336.0641 Marijuana Enforcement	-	5	-	8,500	N/A
336.0651 DUI - Cities	6,752	5,797	6,500	6,000	-7.69%
336.0691 Fire Insurance Premium	56,876	54,506	52,707	57,953	9.95%
336.0694 Liquor Excise Tax	65,159	129,718	174,500	189,135	8.39%
336.0695 Liquor Board Profits	338,259	342,014	339,300	342,225	0.86%
337.0700 Bremerton Housing Authority	24,549	39,414	40,000	41,200	3.00%
337.0801 Kitsap County	48,563	74,371	100,793	64,460	-36.05%
TOTAL INTERGOVERNMENTAL REVENUE	974,294	1,314,869	1,492,571	1,127,430	-24.46%

General Fund Revenue Detail

**2017 GENERAL FUND REVENUES
BY SOURCE**

ACCOUNT	2014 ACTUAL	2015 ACTUAL	2016 BUDGET	2017 BUDGET	% CHANGE
CHARGES FOR SERVICE					
341.0000 General Government	55,093	59,496	85,975	69,200	-19.51%
342.1000 Law Enforcement Services	134,423	155,131	128,250	135,550	5.69%
342.2000 Fire Protection Services	9,293	8,168	-	-	N/A
342.3300 Probation Fees	317,399	264,658	300,000	265,000	-11.67%
342.3600 Home Detention Fees	12,296	8,729	8,500	6,000	-29.41%
342.4000 Inspection Fees	-	112	500	100	-80.00%
342.5000 Emergency Service Fee	9,996	7,479	9,500	8,000	-15.79%
342.6000 ALS Transport Fees	577,999	562,927	550,000	550,000	0.00%
343.6000 Cemetery Fees	13,177	15,706	14,500	11,500	-20.69%
345.2900 Other Environmental	5,000	-	-	-	N/A
345.8100 Zoning Fees	60,305	24,978	45,920	41,420	-9.80%
345.8300 Plan Check Fees	193,247	209,640	275,000	300,000	9.09%
347.3000 Park Rentals	67,541	75,876	76,500	81,000	5.88%
347.4000 Event Admission Fee	5,072	5,016	5,000	5,000	0.00%
347.6000 Recreation Fees	173,892	165,026	174,000	171,500	-1.44%
349.1000 Interfund General Government	1,569,172	1,805,044	1,778,579	1,929,746	8.50%
349.2100 Law Enforcement Services	205,037	310,000	100,000	-	-100.00%
349.3000 Other Interfund Services	828,905	786,503	851,738	1,243,989	46.05%
349.5700 Community Services	-	-	100,000	100,000	0.00%
349.7600 IFD Services	38,685	11,007	-	-	N/A
349.9500 Road Const & Engineering Services	487,907	535,486	547,214	295,439	-46.01%
TOTAL SERVICE CHARGES	4,764,439	5,010,982	5,051,176	5,213,444	3.21%
FINES & FORFEITURES					
352.0000 Civil Penalties	5,837	3,639	4,500	5,000	11.11%
353.0000 Non-Parking Infractions	298,363	241,261	240,000	263,000	9.58%
354.0000 Photo Enforcement Penalties	527,694	709,092	625,000	865,000	38.40%
355.0000 Criminal Traffic Misdemeanor	19,219	22,057	25,200	23,200	-7.94%
356.0000 Non-Traffic Misdemeanors	12,041	17,752	11,800	11,200	-5.08%
357.3000 Court/Public Defender Recoupment	9,020	7,458	8,000	7,400	-7.50%
359.0000 Non-Court Fines	55,164	51,045	57,000	46,000	-19.30%
TOTAL FINES & FORFEITURES	927,338	1,052,304	971,500	1,220,800	25.66%
MISCELLANEOUS REVENUES					
361.0000 Interest Earnings	78,424	79,602	90,500	88,500	-2.21%
362.0000 Rents & Royalties	146,237	130,690	135,780	141,170	3.97%
367.1100 Donations	2,186	1,547	11,500	2,000	-82.61%
369.0000 Other Miscellaneous Revenue	31,325	13,914	9,000	8,800	-2.22%
TOTAL MISCELLANEOUS REVENUES	258,172	225,753	246,780	240,470	-2.56%

General Fund Revenue Detail

**2017 GENERAL FUND REVENUES
BY SOURCE**

ACCOUNT	2014 ACTUAL	2015 ACTUAL	2016 BUDGET	2017 BUDGET	% CHANGE
OTHER FINANCING SOURCES					
380.0000 Non-Revenue	98,863	-	-	-	N/A
395.0000 Sale of Assets	-	1,025	-	-	N/A
397.0000 Operating Transfers-In	122,731	465,756	60,000	100,000	66.67%
397.0401 Transfer From Water - PILOT	1,366,011	-	-	-	N/A
397.0451 Transfer From Wastewater - PILOT	2,621,252	-	-	-	N/A
397.0481 Transfer From Stormwater - PILOT	73,398	-	-	-	N/A
398.0000 Insurance Recoveries	684	-	9,001	-	N/A
TOTAL OTHER FINANCING	4,282,939	466,781	69,001	100,000	44.93%
TOTAL GENERAL FUND REVENUES	\$ 34,702,432	\$ 37,830,898	\$ 38,019,936	\$ 39,199,059	3.10%

General Fund Revenue Detail

General Fund

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	221.13	222.46	221.56	226.22
Revenues				
Taxes	\$22,474,238	\$28,610,613	\$28,986,308	\$30,089,730
Licenses & Permits	1,025,164	1,149,596	1,202,600	1,207,185
Intergovernmental	974,294	1,314,869	1,492,571	1,127,430
Charges for Services	4,764,439	5,010,981	5,051,176	5,213,444
Fines & Forfeits	923,186	1,052,304	971,500	1,220,800
Other Revenue	4,517,248	692,534	315,781	340,470
Debt Proceeds	0	0	0	0
Total	<u>34,678,569</u>	<u>37,830,897</u>	<u>38,019,936</u>	<u>39,199,059</u>
Expenditures				
City Council	327,218	331,302	341,856	356,542
Executive	339,669	356,572	365,928	437,016
Finance	1,309,507	1,351,847	1,501,846	1,570,997
Legal	993,449	998,169	1,071,364	1,140,796
Human Resources	449,694	600,807	697,828	578,207
Community Development	1,327,821	1,400,066	1,664,379	1,785,892
Municipal Court	1,349,402	1,365,301	1,399,910	1,393,329
City Auditor	180,116	177,619	81,540	79,541
Law Enforcement	9,600,915	10,087,848	10,561,193	10,795,058
Fire/Emergency Medical Services	8,703,899	8,984,656	8,702,529	9,439,332
Police & Fire Pension	1,975,927	2,022,090	1,976,400	1,812,800
Facilities	846,689	1,007,043	1,038,568	1,268,829
Parks & Recreation	2,661,331	2,756,015	2,879,487	2,826,066
Engineering	1,872,395	2,126,636	2,374,028	2,240,412
Non-Departmental	2,827,613	3,648,226	4,433,052	4,432,220
Total Expenditures	<u>34,765,645</u>	<u>37,214,197</u>	<u>39,089,908</u>	<u>40,157,037</u>
Revenue over(under) expenditures	-87,076	616,700	-1,069,972	-957,978
Beginning fund balance	4,732,971	4,645,895	5,262,595	5,866,029
Ending fund balance	<u>\$4,645,895</u>	<u>\$5,262,595</u>	<u>\$4,192,623</u>	<u>\$4,908,051</u>



General Fund				
	Actual 2014	Actual 2015	Budget 2016	Budget 2017
Expenditures				
Personnel	\$26,278,246	\$27,168,703	\$27,992,460	\$29,229,264
Supplies, services & taxes	7,921,816	9,228,509	9,988,903	9,831,890
Capital expenditures	52,611	18,278	0	115,000
Debt service	107,972	12,972	127,972	0
Transfers	405,000	785,735	980,573	980,883
Total General Fund	<u>\$34,765,645</u>	<u>\$37,214,197</u>	<u>\$39,089,908</u>	<u>\$40,157,037</u>



City Council

General Fund

Summary:

The City Councilors are elected by the citizens of Bremerton to perform the legislative function of the City government, establish goals, priorities and policies, adopt ordinances and resolutions, adopt the budget, exercise the rights and powers

set forth in the City Charter, and exercise all powers of a municipal governing body pursuant to state laws and the home rule provisions of the Washington constitution.

General Fund - City Council

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
Positions	8.80	8.80	8.80	8.80
Expenditures				
Personnel	\$290,307	\$292,681	\$298,500	\$304,400
Supplies, services & taxes	36,911	38,621	43,356	52,142
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
City Council Total	<u>\$327,218</u>	<u>\$331,302</u>	<u>\$341,856</u>	<u>\$356,542</u>

2017 Budget Highlights:

- Create City Council policies and directives.
- Provide legislative direction and leadership to ensure the delivery of quality services to citizens of Bremerton.
- Fairly fund City departments to ensure operations and programs remain within their budgets.

2017 Capital Considerations:

- There are no capital considerations budgeted.

2016 Accomplishments:

Approved Projects and Plans

- Lebo Blvd Improvement Project (Goal No. 3)
- Crosswalks Improvement Project (Goal No. 3)
- Street Lights Retrofit Project (Goal No.3)

Achieved Cost Savings or Revenue

- Employee Compensation & Classification Study (In Progress)
- Parking Study (In Progress)

Improved Administrative Process

- Post Notices on Facebook (Goal No. 2)
- Performance Audit/Review of Fire Department (Goal No. 1)
- Began Discussions on Medical Care Services Succession Plan (Goal No. 7)
- Began Discussions on Annexation (Goal No. 7)

2017 Goals:

1. Social Media and Increase Public Outreach
2. Repair City Roads/Sidewalks Maintenance and Identify Funding Sources
3. Economic Development
4. Improve Financial Sustainability of City Parks
5. Medical Care Services Succession Plan
6. Annexation

Executive Department

General Fund

Summary:

The Executive Department is directed by the Mayor, who is elected by Bremerton voters each four years. The mayor also serves as the administrative head of the City government. Executive responsibilities include: administering programs and policies established by the City Council; direction and coordinating departmental opera-

tions; informing the Council on City affairs, problems and future needs; reviewing policies and regulations involving municipal governmental management; and submittal of the City's annual budget.

General Fund - Executive

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	2.00	2.00	2.00	3.10
Expenditures				
Personnel	\$268,343	\$270,876	\$275,400	\$358,000
Supplies, services & taxes	71,326	85,696	90,528	79,016
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Executive	\$339,669	\$356,572	\$365,928	\$437,016

2017 Budget Highlights:

- Added an Economic Development position.
- Provide administrative direction and leadership to ensure delivery of quality services to the citizens of Bremerton in the most efficient manner.
- Monitor 2017/2018 State transportation budget.
- Implement City Council policies, directions and goals.
- Provide intergovernmental coordination.
- Increase economic development through CDBG funding downtown buildings and streets.
- Continue working with Bremerton Housing Authority to provide the needed affordable housing in the city.

2017 Capital Considerations:

- Budgeted in other departments throughout the City.

2016 Accomplishments:

- Contracted with CGI for eight videos depicting living, working and playing in Bremerton.
- Purchased permanent canopy for stage on boardwalk.
- Hired lobbyist for 2017 session for Capital projects, monitoring 2016 transportation package for west sound and representing City Council Legislative agenda.
- Led delegation of 13 to Kure Japan and visit to Naval Base in Yokosuka.
- Hosted record setting AOPA Fly-In with 705 planes, 4,000 attendees, 160 campers and 1,065 parked cars.
- Spyglass Hill Apartments completed.
- Expanded Brewfest to two days.

2017 Goals:

- Work with Bremerton School District to complete demolition of former East High School.
- Complete annexation plans for Gorst and work with County to hold public meetings and encourage petition annexation for Navy Yard City, Rocky Point and West Hills.
- Receive new Olympic class 144 car ferry on Bremerton route.
- Begin construction of transit station in East Bremerton.
- Hire Economic development person to bring new business and occupy empty downtown buildings.
- Complete WSDOT striping along Wastewater Treatment Plant to allow continuation of two lanes of traffic.
- Begin passenger only ferry service operated by King County Marine Division
- Bring at least one manufacturing company to be constructed in PSIC-Bremerton.

Financial Services

General Fund

Summary:

The Department of Financial Services is comprised of the Finance Division, City Clerk, Bremerton Kitsap Area Television (BKAT), Parking and Information Technology.

The Finance Division provides service support for both external users and internal users by providing information to facilitate the decision-making process in the areas of budgeting, accounting, reporting, treasury management, revenue collection and payment services in the areas of payroll and accounts payable.

The City Clerk Division is responsible for offi-

cial City records, public information disclosure, records and contract management, and serves as City Council Liaison. This division also provides for the planning, funding and management of the City's parking system, Animal Control and serves as the Secretary of the City's LEOFF pension boards.

BKAT activity is presented in the Special Revenue Funds.

Information Technology is presented in under Internal Service Funds.

General Fund - Financial Services

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	11.75	11.38	11.96	12.46
Expenditures				
Personnel	\$957,251	\$1,051,316	\$1,182,900	\$1,247,300
Supplies, services & taxes	352,256	300,531	318,946	323,697
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Financial Services	<u>\$1,309,507</u>	<u>\$1,351,847</u>	<u>\$1,501,846</u>	<u>\$1,570,997</u>

2017 Budget Highlights:

- Update financial policies and procedures.
- Consolidated chart of accounts utilized in public works to provide a more streamlined approach.
- Banking and merchant service fees are anticipated to remain unchanged from the prior year.

2017 Capital Considerations

- There are no capital considerations in 2017.

2016 Accomplishments:

- All City departments have been migrated to electronic timekeeping.
- The 2015 annual financial statements were submitted prior to the required filing deadline.
- The finance department executed multiple workshops that included all departments in the City.
- Received Distinguished Budget Award from Washington Finance Officers Association (WFOA) for 2016 Annual Budget document.

2017 Goals:

- Produce timely financial statements.
- Implement innovative banking tools that will help reduce risk and improve efficiencies.
- Work with Departments to develop meaningful reports.
- Continue to provide training and workshops for City departments that encourages collaboration and communication between users and finance.

2017 Budget Highlights:

- Staffing a part-time clerical position to assist with, contract processing and records management. This position will be also responsible for outgoing and incoming mail.

2017 Capital Considerations:

- There are no capital considerations for 2017.

2016 Accomplishments

- Streamlined contract process reducing the time a contract is scanned and filed from 2 months to 10 days.
- Updated public records response procedures.
- Continued efforts to manage Tower Leases with Public Works and to lay the ground work for Small Cell Towers Policy.

2017 Goals:

- Update Electronic Records Management Practices and Policies.
- Continue establishing a Small Cell Towers Policy.
- Review record management policies and update procedures.

Legal Services

General Fund

Summary:

The Legal Department is comprised of the City Attorney’s Office, City Prosecution and Risk Management. Human Resources is also under the oversight of the Legal Department and is represented under its own department within the General Fund.

reduction of liability exposures, and provides legal advice to the Mayor, City Council, and all City staff.

The staffing costs of Risk Management are included in the legal department budget with a transfer from the Risk Management Fund budget to offset those costs. The Risk Management program is presented in the Internal Service Funds section of this document.

The City Attorney is the legal advisor of the City and represents the City in all legal matters involving the City including, but not limited to: the prosecution of all criminal violations of the Bremerton Municipal Code, the limitation and

General Fund - Legal Department

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	8.63	8.63	8.00	8.20
Expenditures				
Personnel	\$931,947	\$884,879	\$951,600	\$1,009,800
Supplies, services & taxes	61,502	113,290	119,764	130,996
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Legal Department	<u>\$993,449</u>	<u>\$998,169</u>	<u>\$1,071,364</u>	<u>\$1,140,796</u>

2017 Budget Highlights:

- Provide and administer all legal services as required for the City.
- Provide legal support and guidance on City actions and general policy development considerations of City Officials.

2017 Capital Considerations:

- The City Attorney's Office does not have capital funds budgeted for 2017.

2016 Accomplishments:

- Provided professional, accessible legal representation to City Council, the Mayor and City departments and staff.
- Drafted new and updated current provisions of the Bremerton Municipal Code.
- January through September 2016:
 - o Charged 1,105 misdemeanor criminal cases
 - o All convictions that have been appealed were upheld
 - o Resolved 7 drug forfeiture cases
 - o There were no civil jury trials and no civil judgments entered against the City
- Efficiently, professionally and successfully represented the City in all phases of litigation.

2017 Goals:

- Continue to review and update the Bremerton Municipal Code.
- Continue to provide professional, accessible legal representation to City Council, the Mayor, City departments and staff.
- Efficiently, professionally and successfully represent the City in all phases of litigation including civil defense and criminal prosecution.

Human Resources

General Fund

Summary:

Human Resources is responsible for providing support to employees and management by performing the centralized functions of recruitment, selection, orientation, benefits enrollment and administration, development and training, and labor and employee relations, including contract negotiations and administration. Additionally, they also serve as a resource in assisting administrative and managerial personnel in managing, motivating, and disciplining employees effec-

tively, and assuring compliance with all legal requirements such as the Civil Service Code through the Civil Service Officer and Civil Service Commission, Bremerton Municipal Code, RCW, Equal Employment Opportunity, Fair Labor Standards, ADA, FMLA, and Collective Bargaining Laws.

General Fund - Human Resources

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	3.14	3.00	3.00	3.00
Expenditures				
Personnel	\$232,892	\$307,556	\$322,100	\$335,700
Supplies, services & taxes	216,802	293,251	375,728	242,507
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Human Resources	\$449,694	\$600,807	\$697,828	\$578,207

2017 Budget Highlights:

- Funding for the Employee Wellness Program.
- Funding for Civil Service promotional testing for Police/Fire personnel as required by Labor Agreements and Civil Services Rules.
- Funding for Hepatitis Shots, CDL physicals, pre-employment physicals and random drug testing for employees with Commercial Driver's Licenses.
- Funding for Strategic Government Resources on-line training.

2017 Capital Considerations:

- Human Resources does not have capital funds budgeted in 2017.

2016 Accomplishments:

- Provided support to employees and management by performing the centralized functions of recruitment, selection, benefits enrollment and administration, training, employee relations, including contract negotiations and administration.
- Assisted managerial personnel in managing and motivating employees effectively, and assuring compliance with all legal requirements such as the Civil Service Rules, RCW, Equal Employment Opportunity, FLSA, ADA, FMLA.
- Successfully negotiated contracts with Bremerton Police Officer's Guild, Bremerton Police Management Association and Teamsters Local 589 and International Association of Fire Fighters Local 437.
- Contracted JB Rewards Systems to conduct and Classification and Compensation Study on all Teamsters and Management & Professional positions.
- Management & Professional Classification and Compensation Study is underway.

2017 Goals:

- Continue to provide management, employees, and our external customers with consistent, timely guidance and direction, ensuring the City's compliance with policies, labor agreements and employment laws.
- Continue to work with Unions to come up with alternatives to current medical benefits.

Community Development

General Fund

Summary:

The Community Development Department is responsible for leading city-wide and neighborhood planning for growth and development, conducting environmental planning, administering land use and environmental codes, performing plan review and inspections, providing public information on community plans and development rules, pursuing annexations consistent with growth plans, insuring compliance with land use, building and nuisance codes, supporting urban

design initiatives and project reviews, providing program administration for the Community Development Block Grant (CDBG) and HOME program activities. The department also provides administrative and technical support to the City's contract Hearing Examiner, and council appointed Planning Commission and Design Review Board.

General Fund - Community Development

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	11.00	11.00	11.00	12.00
Expenditures				
Personnel	\$1,120,888	\$1,136,241	\$1,240,500	\$1,397,550
Supplies, services & taxes	176,933	228,825	368,879	328,342
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	30,000	35,000	55,000	60,000
Total Community Development	\$1,327,821	\$1,400,066	\$1,664,379	\$1,785,892

2017 Budget Highlights:

- Staff will continue to protect public safety through permit review and inspection.
- Continue to support the City's economic revitalization by efficient and timely processing of permits.
- Staff will continue to ensure the City's compliance with state mandates for building, land use, and environmental protection regulations.
- The long-range-planning division will continue to ensure that the City's development regulations are consistent with State and Federal Laws.
- The City will continue with efforts to annex our urban growth areas.
- The department has proposed a succession and growth plan for staffing to ensure that the city maintains efficient permit review timelines for applicants.

2017 Capital Considerations:

- Community Development does not have any capital expenditures in 2017.

2016 Accomplishments:

- Issued new development permits that support Bremerton's revitalization.
- Permit activity in the first half of the year remains steadily busy.
- Adopted the required major update to the City's Comprehensive Plan, Zoning Code, and Shoreline Master Program regulations. This adoption occurred several weeks in advance of the State mandated deadline.

2017 Goals:

- Continue to support the creation of new housing units and other revitalization projects.
- Continued work with Kitsap County and the Federal Department of Defense Office of Economic Adjustment for the Joint Land Use Study to address issues identified in the JLUS study.
- Coordinate with Kitsap County for public outreach with the City's Urban Growth Areas.

Municipal Court

General Fund

Summary:

The Municipal Court is a court of limited jurisdiction for the City hearing cases involving alleged violations of City ordinances and State misdemeanor statutes, traffic, parking infractions, photo enforcement infractions, requests for

orders of protection, restitution hearings and hearing examiner appeals. The department is directed by the Judge who is elected by the citizens of Bremerton and serves a four year term.

General Fund - Municipal Court

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	9.88	9.38	8.88	8.38
Expenditures				
Personnel	\$838,541	\$835,683	\$867,000	\$871,300
Supplies, services & taxes	510,861	529,618	532,910	522,029
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Municipal Court	<u>\$1,349,402</u>	<u>\$1,365,301</u>	<u>\$1,399,910</u>	<u>\$1,393,329</u>

2017 Budget Highlights:

- The court has eliminated a vacant part-time FTE for next year. This will reduce personnel expenses by \$30,800.00.
- The budget reflects anticipate saving of approximately \$2,500 printing costs and file supplies.

2017 Capital Considerations:

- There are no capital considerations planned for 2017.

2016 Accomplishments:

- Continued Award of grants
 - Office of Public Defense, \$11,500.
 - Administrative Office of the Courts – Interpreter Funding—\$2,768. This reimburses the City a portion of interpreters costs expended.
- The Court has a vacant part –time FTE position that we anticipated filling in July 2016. This position will not be filled.

2017 Goals:

- We are implementing the Electronic Case Management upgrade and a paperless system. The details of this program are highlighted on the Trial Court Improvement page as that program will be funding it. We will review all of our processes as we go paperless to ensure that all the tasks we do are necessary.
- With the new system, we anticipate saving in staffing costs and supplies as we will no longer need expensive NCR forms.

City Auditor

General Fund

Summary:

The City Auditor’s Office conducts financial, compliance and performance audits to assure citizens, elected City Officials and management that the City is utilizing resources in an effective

and efficient manner. The City Charter requires the City to have an auditor function and audit committee.

General Fund - City Auditor

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	1.20	1.20	0.60	0.60
Expenditures				
Personnel	\$167,692	\$172,070	\$75,300	\$72,400
Supplies, services & taxes	12,424	5,549	6,240	7,141
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
City Auditor Total	<u>\$180,116</u>	<u>\$177,619</u>	<u>\$81,540</u>	<u>\$79,541</u>

2017 Budget Highlights:

- Budget is consistent with prior year.

2017 Capital Considerations:

- There are no capital considerations.

2016 Accomplishments:

- 2016 was a transition year for the City Auditor office as the former, long standing auditor retired and the City reduced the position to 16 hours per week. The City Auditor office was vacant for three months, with the new City Auditor, Jenny Sims, being appointed mid-year.
- Opened the Audit Committee meetings to the public.
- Worked with the Police Department to improve internal controls over its Pending Seizure Bank Account, and Property and Evidence Room.
- Tested internal controls over department imprest accounts.
- Reviewed Gold Mountain Golf Course operating results, debt service, and contract terms.
- Performed Capital Assets Inventory testing.

2017 Goals:

- Assist management with their responsibility of establishing and maintaining the control environment in their departments.
- Assess whether management's controls are properly designed, implemented and working effectively, and make recommendations on how to improve internal controls.
- Develop annual work plan based on risk assessment and/or management recommendations.
- Follow up on recommendations from prior audits.

Law Enforcement

General Fund

Summary:

The Police Department is responsible for the maintenance of public order, responding to incidents of criminal activity, traffic control, criminal investigations, crime prevention, Homeland Security issues and other related public services. The Chief of Police and all Officers under his direction are tasked with enforcement of all Federal Laws, Washington State Laws and City Ordinances within the boundaries of the City.

- Administration
- Investigations
- Patrol
- Special Operations Group
- Property & evidence
- Community resources
- Traffic unit
- Off Duty-contracted
- Home detention
- Central dispatch services

The department is comprised of the following units:

General Fund - Law Enforcement

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	71.06	71.76	71.76	72.76
Expenditures				
Personnel	\$8,125,380	\$8,666,716	\$9,024,200	\$9,232,100
Supplies, services & taxes	1,475,535	1,421,132	1,536,993	1,562,958
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Law Enforcement	<u>\$9,600,915</u>	<u>\$10,087,848</u>	<u>\$10,561,193</u>	<u>\$10,795,058</u>

2017 Budget Highlights:

- The budget includes the addition of one police officer, \$103,900.
- Awarded \$23,752 JAG grant for Community Resource Unit staffing.
- State grant award of approximately \$22,000 grant for sex offender monitoring.
- State funding of approximately \$5,000 for DUI enforcement.

2017 Capital Considerations:

- The Police Department does not have capital funds budgeted in 2017.

2016 Accomplishments:

- 49 active Neighborhood Watch groups.
- Increased participation in the Landlord Notification program to 1751 landlords representing 10,998 properties.
- Address verification of all sex offenders.
- Promoted 3 sergeants, 2 lieutenants and 2 corporals.
- Managed Taxi Licensing
 - Licensed 14 companies
 - Licensed 63 drivers.
- Succession planning.
- Development through training of managers and corporals.
- Citizen volunteer program.
 - 14 Active volunteers.
 - 1,142 volunteer hours

2017 Goals:

- Use of bike patrols, as available, to reduce crime.
- Implement ASMi comprehensive paperless training tracking and documentation.
- Continue to move toward a paperless office.
- Increase effectiveness with bike patrols and greater focus on property crime investigation.
- Train three Crisis Intervention Officers.
- Explore the implement of a de-escalation policy and training.
- Conflict resolution training.
- Meet 2017 WASPC accreditation requirements.

Fire/Emergency Medical Services

General Fund

Summary:

The Fire Department is responsible for protecting the citizens from the adverse effects of fires, medical emergencies, hazardous material incidents, and man-made or natural disasters.

The department is comprised of the following divisions:

- Administration
- Fire Suppression
- Fire Prevention and Investigation
- Rescue & Emergency Aid
- Training
- Facilities
- ALS Billing Services
- Central Dispatch Services

General Fund - Fire/Emergency Medical Services

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	56.00	58.00	58.00	59.00
Expenditures				
Personnel	\$7,894,476	\$8,126,571	\$7,823,800	\$8,539,100
Supplies, services & taxes	809,423	858,085	878,729	900,232
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Fire/Emergency Medical	<u>\$8,703,899</u>	<u>\$8,984,656</u>	<u>\$8,702,529</u>	<u>\$9,439,332</u>

2017 Budget Highlights:

- Continue to evaluate Idle Reduction Units on three paramedic units, we will evaluate the annual cost saving.
- Received a multi-jurisdiction grant from the Department of Homeland Security for SCBA equipment.
- The budget includes the addition of one Assistant Fire Chief.

2017 Capital Considerations:

- There are no capital items budgeted in 2017 under Fire Operations. Fire Public Safety Capital is located within the Capital Improvement Funds section of this document.

2016 Accomplishments:

- The highest priority going into the year was to maintain emergency response staffing levels. Using the Tapp International study, we were able to determine using overtime versus hiring employees to meet response needs.
- As of July 30, 2016 the Fire Department responded to 4876 requests for emergency assistance, compared to 5033 for 2015. This represents a 3.12% decrease in call for service.
- There were no fire fatalities as of this date. The last fire fatality was on December 24, 2013.
- As of this date there has been only one large structure fire, which was a 6-unit apartment fire with one civilian injury.
- Promoted one Captain and two Lieutenants.
- Hired four Firefighter/EMT's, with possibility of hiring four more Firefighter/EMT's because of retirements.

2017 Goals:

- The highest priority this year will be to maintain staffing levels.
- The Fire Department will continue to look for alternative funding sources.

Police and Fire Pension

General Fund

Summary:

The Police and Fire Pension budget accounts for pension payments for firefighters and law enforcement officers who were hired under the Law Enforcement Officers & Firefighters (LEOFF 1) Retirement System and prior retirement acts. Program expenditures include medi-

cal premiums, pension and disability payments for firefighters and law enforcement officers hired prior to October 1, 1977 and who are vested in the system. These payments are mandated by the state, so are not subject to the City's discretion.

General Fund - Police & Fire Pension

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
Expenditures				
Personnel	\$1,659,707	\$1,607,899	\$1,580,500	\$1,400,500
Supplies, services & taxes	316,220	414,191	395,900	412,300
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Fire/Emergency Medical	<u>\$1,975,927</u>	<u>\$2,022,090</u>	<u>\$1,976,400</u>	<u>\$1,812,800</u>

2017 Budget Highlights:

- 8.5% decrease in overall budget due to the expectation that under 65 LEOFF 1 will be moving to a new plan Jan 1 creating a significant savings.

2017 Capital Considerations:

- There are no capital expenditures budgeted in 2017.

2016 Accomplishments:

- Successfully moved all LEOFF 1 over 65 to a new Medicare Advantage plan providing additional benefits to the members and overall savings with combined premiums and out-of-pocket expenses.

2017 Goals:

- Maintain level of services provided to LEOFF 1 Retirees.
- Communicate with members about VA benefits and who is eligible.
- Move LEOFF 1 under 65 members to the AWC LEOFF 1 Plan.

Goals for the Pension Budget are related to creating efficiencies and cost-savings. The LEOFF 1 Pension Program is legislatively mandated as a service provided only to a specific group of Police and Fire retirees.

General Facilities

General Fund

Summary:

General facilities staffing is responsible for the upkeep and maintenance of all City buildings and grounds, other than those in the Parks and Recreation Department. In addition, this division is responsible for Utility (water, sewer, storm) inventory, which includes ordering and

receiving equipment and supplies for the Department of Public Works & Utilities. They are also responsible for the repair of small miscellaneous equipment, which includes pumps, generators, and saws.

General Fund - Facilities

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
Expenditures				
Personnel	\$288,327	\$272,100	\$393,060	\$408,217
Supplies, services & taxes	558,362	734,943	645,508	745,612
Capital expenditures	0	0	0	115,000
Debt service	0	0	0	0
Transfers	0	0	0	0
Total General Facilities	\$846,689	\$1,007,043	\$1,038,568	\$1,268,829

2017 Budget Highlights:

This function provides facility maintenance support for building systems maintenance, landscape maintenance, custodial services, elevator maintenance, fire suppression services, HVAC maintenance, building lease requirements, pest control, security services and improvements to properties (some in-house, some contracted) for all General Fund owned facilities (except Parks) which include the Conference Center, Fountain Room, Norm Dicks Government Center, Police and Fire, Court, Naval Museum, Equipment services, Public Works Complex, Parking Facilities and Parking Lots, Library, and the Ferry Terminal Tunnel Control Room.

2017 Budget for Facility Maintenance:

- Focus is to maintain similar level of service to General Fund buildings in 2017 with minor reduction in funding, and still prioritizing safety and security improvements.
- Includes focus on appearances, energy efficient measures and improvements to City Facility and properties including maintenance of lighting and electrical service.

2017 Capital Considerations:

- Enclose work by at Equipment Services to provide safe and secure work area for welding and repairs of equipment, \$100,000.
- Purchase of Fiber Optics Fusion Machine, \$15,000.

2016 Accomplishments:

- Zero lost-time accidents
- Roof top HVAC unit replacement at Municipal Court building
- Exterior sealing of the concrete at the Naval Museum/Building 50
- Performed all needed repairs and corrections at General Fund buildings and grounds, while staying within budget.
- Security camera system installation at Park Avenue Plaza Parking Facility- P3 and P4.
- Rooftop exhaust fan unit replacement at Fire Station #2 and #3.

2017 Goals:

- Zero lost-time accidents
- Continue energy efficiency measures at all City facilities.
- Service and appearance improvements at City Facilities and Properties.
- Improve camera systems and security measures to prevent vandalism and graffiti at City facilities and Parking Facilities.
- Ensure public and employee safety and security at all city facilities, per city, local, OSHA, WISHA standards.
- Continue with new facility maintenance management program.
- Remodel plans and construction at Fire Station #2 and #3 facilities.
- Tenant improvements and relocation of city engineering division to the NDGC, fifth floor office space.
- CDBG funding for improvements to the downtown Library Building.

Parks and Recreation

General Fund

Summary:

The Parks and Recreation Department provides safe and attractive parks, facilities and programs for the enjoyment of Bremerton’s citizens and visitors. The Department operates and maintains the Sheridan Park Community Center, Bremerton Senior Center and Ivy Green Cemetery.

The Department maintains 335 acres of park land including 31 parks and beautification areas located throughout the City. A broad menu of recreational programs and activities for a variety of ages and interests are offered with many recovering a portion or all of the incremental costs to provide these services.

General Fund - Parks and Recreation

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	22.72	23.03	23.28	23.45
Expenditures				
Personnel	\$1,845,357	\$1,915,575	\$1,980,400	\$2,006,200
Supplies, services & taxes	750,391	809,190	771,115	819,866
Capital expenditures	52,611	18,278	0	0
Debt service	12,972	12,972	127,972	0
Transfers	0	0	0	0
Total General Parks	<u>\$2,661,331</u>	<u>\$2,756,015</u>	<u>\$2,879,487</u>	<u>\$2,826,066</u>

2017 Budget Highlights:

- The budget includes increases in seasonal staff to support increased park usage.

2017 Capital Considerations:

- There are no capital considerations budgeted for 2017.

2016 Accomplishments:

- Hosted over 400 Park Facility rental events.
- Supported several special events.
- Received Department of National Resources Tree Planting Grant for Blueberry Park.
- Awarded \$10,000 Grant for Pendergast Dog Park improvements.
- Improved Lions Park ballfields with infield soil amendments and new scoreboard through a Lions Club donation.
- Completed Harborside Fountain filtration and disinfection system upgrades.
- Purchased and installed canopy for boardwalk stage.
- Pendergast Regional Park property debt service paid in full.

2017 Goals:

- Improve Special Event permitting process.
- Upgrade quality of Pendergast Park ballfield infields.
- Inspect condition of all leased park properties for lease compliance.
- Continue to support, encourage and recognize volunteers and volunteer groups.
- Implement online facility and park reservation and scheduling application.
- Complete Stormwater permit maintenance.
- Develop plan to address deferred maintenance.
- Renovation of Conference Center and Memorial Plaza fountain control system.

Engineering

General Fund

Summary:

Engineering manages comprehensive planning, design and construction of City infrastructure; traffic engineering; development project review and permitting; provides engineering services to all City departments; obtains grant and low inter-

est loan funding from Federal and State sources; and assists in regional transportation coordination.

General Fund - Engineering

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
FTE positions	14.95	14.28	14.28	14.47
Expenditures				
Personnel	\$1,652,458	\$1,628,540	\$1,777,200	\$1,876,697
Supplies, services & taxes	219,937	498,096	596,828	363,715
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Total Engineering	<u>\$1,872,395</u>	<u>\$2,126,636</u>	<u>\$2,374,028</u>	<u>\$2,240,412</u>

2017 Budget Highlights:

- Pursue grants for utility and street projects as approved by the City Council.
- Continue to support other City Departments, along with PW&U Street and Utilities.
- Provide planning, design, construction management, and inspection services for utility and street improvements.
- Review, approve and inspect developer constructed utility and street improvements.
- Respond to citizen inquiries as required for utility and street issues.
- Manage City records and systems including addressing, system mapping, GIS, project files, construction records, hydraulic models of the utility systems, etc.
- \$36,500 is budgeted for on-going groundwater monitoring of the former Chevron Property per the Agreed Order with Ecology.

2017 Capital Considerations:

- There are no capital considerations budgeted for 2017.

2016 Accomplishments:

- Completed pre-purchase of equipment for the Burwell Tunnel reconstruction.
- Coordinated ADA committee meetings, and made major progress in completing the ADA Transition Plan.
- Prepare and distributed the City's first ADA Annual Report.
- Submitted numerous grant and loan applications to fund street and utility improvements.
- Reviewed and approved development submittals to support issuance of permits.
- Inspected development construction to ensure compliance with standards.
- Ongoing response to citizen complaints on utility and right-of-way issues including traffic, signage, and parking.
- Ongoing support to all City Departments on engineering related issues.
- Ongoing support to all Divisions of Public Works & Utilities on operation and maintenance issues with the utility and street systems.

2017 Goals:

- Make progress in relocating utility poles to improve ADA accessibility.
- Pursue grants for utility and street projects as approved by the City Council.
- Assist in delivering projects funded by the Transportation Benefit District.
- Continue to support Parks, Community Development, and other City Departments.
- Provide engineering support for all Divisions in Public Works & Utilities in support of utility and street operations.
- Provide planning, design, construction management and inspection services.
- Provide review, approval, and inspection for developer constructed utility and street improvements throughout the City.
- Respond to citizen inquiries as required for utility and street issues.
- Manage City records and systems including addressing, system mapping, project files, construction records, hydraulic models of the utility systems, etc.
- On-going GW monitoring at Evergreen Park.

Non-Departmental

General Fund

Summary:

The General Fund Non-Departmental budget accounts for activities of a general nature not associated with a specific service function or department.

Various activities include:

- Payment to Kitsap County Auditor’s Office for voter registration and election services.
- Contracts with Kitsap County Emergency Management Services for the delivery of a comprehensive, all-hazards emergency management program.
- Payment for participation in professional associations, including the Puget Sound Regional Council, Association of Washington Cities.
- Local governments are legally responsible for expending at least 2% of collected liquor excise taxes and profits for alcoholism programs. The non-departmental budget includes this transfer to the County Health to fulfill this obligation.
- Contracts with the Bremerton-Kitsap County Health District for certain public health support and services.
- Funding for the enforcement of the “Clean Air Act” through the Puget Sound Clean Air Agency.
- Photo Enforcement contract costs.
- Care and custody of prisoner costs.
- Contributions to ER&R Fund for equipment and vehicle replacements.
- Costs of postage on City mailings where not directly covered by fund or Department budgets.
- Contracts with the Humane Society for animal control services.
- Transfers of monies to financially support the following funds:
 - Street Fund
 - Government Center LTGO Fund
 - Contingency Reserve Fund

Non-Departmental (Cont'd)
General Fund

General Fund - Non-Departmental				
	Actual 2014	Actual 2015	Budget 2016	Budget 2017
Expenditures				
Personnel	\$4,680	\$0	\$200,000	\$170,000
Supplies, services & taxes	2,352,933	2,897,491	3,307,479	3,341,337
Capital expenditures	0	0	0	0
Debt service	95,000	0	0	0
Transfers	375,000	750,735	925,573	920,883
Total Non-Departmental	\$2,827,613	\$3,648,226	\$4,433,052	\$4,432,220

2017 Budget Highlights:

- Support for economic development continues with a \$20,000 annual KEDA membership payment and a \$10,000 payment for KADA.
- Expenditure appropriations for care and custody of prisoners, including incarceration and electronic home monitoring is budgeted at \$1,600,000.
- Includes \$170,000 for pending outcome of ongoing Wage and Classification Study.
- Funding for ER&R, \$300,000
- Transfers to the following funds:
 - Street Fund, \$760,000
 - Government Center LTGO Fund, \$75,000
 - Contingency Reserve Fund, \$85,883

2017 Capital Considerations:

- There are no capital considerations in the Non-Departmental budget.

2016 Accomplishments:

- Incorporated set aside budget amount for labor negotiations into individual department budgets.
- Transferred \$90,573 into Contingency Reserve Fund to bring the balance of that fund up to the allowable reserve.

2017 Goals:

- Maintain current levels of service.

Ending Fund Balance

General Fund

Summary:

This account is used to indicate the estimated and actual amounts of fund balance for the General fund on a working capital basis as of the end of the year. It represents the excess of General Fund current assets over current liabilities.

General Fund - Ending Fund Balance

	Actual 2014	Actual 2015	Budget 2016	Budget 2017
Expenditures				
Personnel	\$0	\$0	\$0	\$0
Supplies, services & taxes	0	0	0	0
Capital expenditures	0	0	0	0
Debt service	0	0	0	0
Transfers	0	0	0	0
Ending Fund Balance	<u>4,645,895</u>	<u>5,262,595</u>	<u>4,192,623</u>	<u>4,908,051</u>
Total Expenditures	<u>\$4,645,895</u>	<u>\$5,262,595</u>	<u>\$4,192,623</u>	<u>\$4,908,051</u>
Original Budgeted Ending Fund Balance	\$2,969,922	\$3,192,752	\$3,785,422	\$4,908,051