

## INTRODUCTION

Special revenue funds are a category of funds which account for proceeds of specific revenue sources - which are restricted for specific purposes and expenditures. The 2009 budget includes 13 special revenue funds:

**Arterial Street Fund** – dedicated capital construction fund for the purpose of making capital improvements to the City’s arterial street system as provided in the Transportation Improvement Plan. Primary source of revenues is state and federal grant funds.

**Street Fund** - comprised of three main functions:

**Street Maintenance** – streets/sidewalk maintenance, snow/ice control, etc

**Traffic Maintenance** – traffic control devices maintenance

**Electronics** – maintenance of traffic signals, streetlights, telephones, radios, etc

Funding for the street program comes from a combination of fuel taxes, parking taxes, Real Estate Excise Tax (REET) funds transferred in from the General Government Capital Improvement Fund, Community Development Block Grant (CDBG) fund allocations, a portion of the net Revenues of the Parking System, charges to other departments and governmental agencies for services provided, and transfers from the General Fund.

**Contingency Reserve** – this fund was established to protect the City’s General Fund in the event of unforeseen and unfunded emergency requirements. By City ordinance, all proceeds from the sale of general government property is to be deposited into the Contingency Reserve Fund.

**Civic Improvement Fund** - established for the collection and expenditure of lodging taxes which are to be used for stadium facilities, convention center facilities, performing arts facilities, visual arts centers, and the promotion of tourism.

**Parking System** – used to account for the revenues and expenditures for the entire City’s parking facilities and lots – including the City’s parking garage, conference center parking garage, Fifth and Park lot, and the Craven lots, along with all metered on-street parking in the City and all fees collected from parking violations.

**Community Development Block Grant** – provides 1) administration of federal Community Development Block Grant (CDBG) and Home programs, and 2) establishment and implementation of housing projects using federal, state, and private funds.

**Abatement Revolving Fund** – established as a source of funding for carrying out repair, demolition, or removal of conditions which are subject to abatement under the City’s building, fire, zoning, and nuisance ordinances.

**Police Special Projects** - created to account for monies and proceeds from the sale of property seized during drug investigations and forfeited pursuant to state and federal law.

---

## Special Revenue Funds Overview

**Public Access Television (BKAT)** – accounts for revenues and expenditures of the Public, Education, and Government (PEG) channel which provides public access television service to the citizens of Kitsap County through franchise agreements with local cable providers. Revenue sources come from a combination of PEG fees collected by the cable providers, cable franchise fees, service contract fees with other governmental entities, and a variety of charges for services for production assistance and equipment usage.

**Gift and Donation Fund** - established for the purpose of accepting gifts and donations on behalf of all departments of the City.

**Trial Improvement Fund** – In 2005 the legislature passed SB5454 for the expressed purpose of providing relief to cities who have courts of limited jurisdiction, as well as district and state courts. Each city that has an elected municipal court judge that is compensated at 95% but not more than 100% of the district court judge salary will receive an annual distribution. Each city for which the state contributes to the municipal court judge’s salary is required to create a trial court improvement account. This account must be funded in an amount equal to the state’s contribution (\$24,000 in 2009) and must be appropriated by the City Council to fund improvements to court staffing, programs, facilities, and services. The staffing changes for 2009 include a salary adjustment for the Municipal Judge to bring it up to the required 95% of District Court Judges in order to ensure eligibility for participation in these funds.

**One Percent for the Arts** – Bremerton City Council established a One Percent (1%) for the Arts Program for designated city funded capital projects by Ordinance No. 4940. The Council action established a One Percent for the Arts Fund to account for the pool of appropriated funds and donations that are accumulated in accordance with the ordinance.

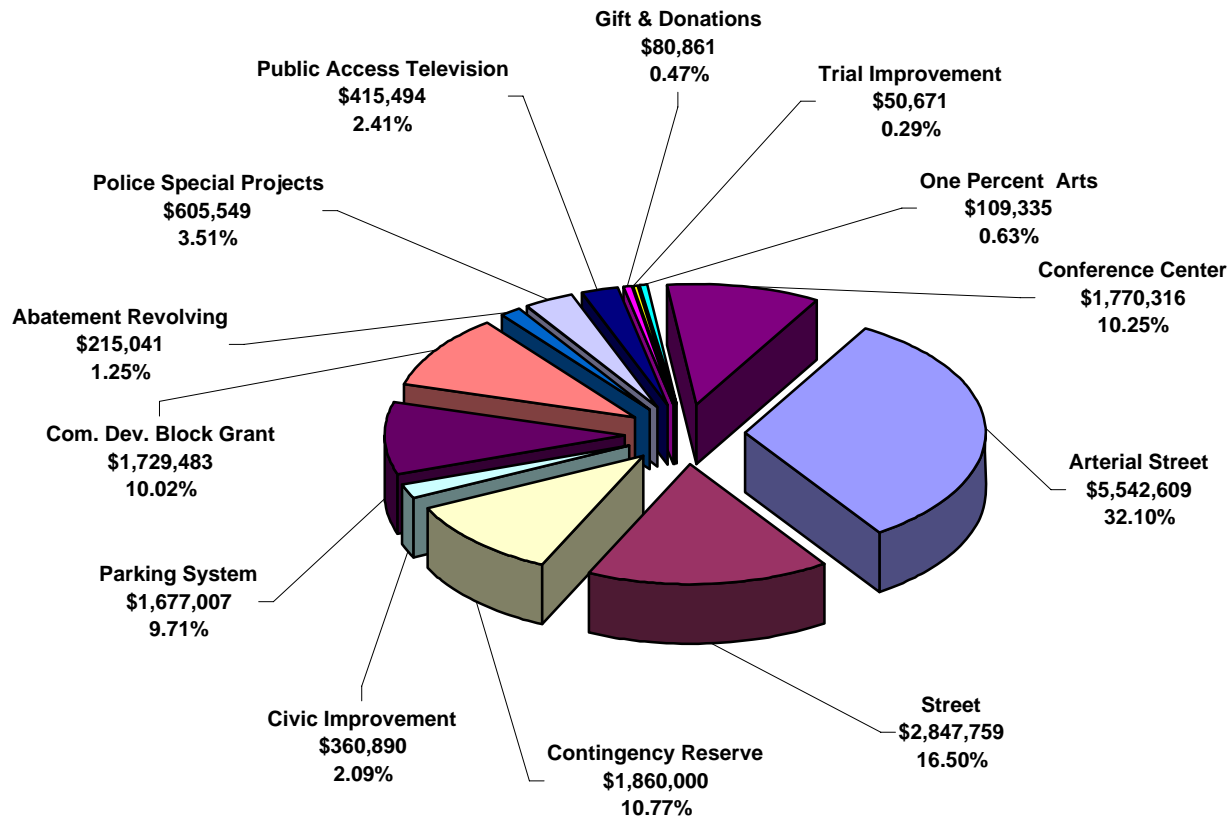
**Conference Center Operating Fund** - this fund was established to account for revenues and expenditures related to the operation, maintenance, security, and capital improvements to the new Conference Center complex. Revenues are provided by Conference Center charges for services, as well as a lodging tax allocation, and General Fund contributions.



---

## Special Revenue Funds Overview

## 2009 Budget Special Revenue Funds



	<u>2007 Actual</u>	<u>2008 Budget</u>	<u>2009 Budget</u>
Arterial Street	10,116,669	10,888,001	5,542,609
Street	3,520,841	3,177,724	2,847,759
Contingency Reserve	3,188,972	2,339,199	1,860,000
Civic Improvement	581,233	492,890	360,890
Parking System	2,088,992	1,938,356	1,677,007
Com. Dev. Block Grant	1,816,916	1,765,072	1,729,483
Abatement Revolving	186,703	223,158	215,041
Police Special Projects	675,640	663,674	605,549
Public Access Television	494,988	575,051	415,494
Gift & Donations	121,764	83,061	80,861
Trial Improvement	28,277	34,971	50,671
One Percent for Arts	98,030	105,603	109,335
Conference Center	2,408,810	1,726,937	1,770,316
<b>Total Special Revenue</b>	<b>25,327,835</b>	<b>24,013,697</b>	<b>17,265,015</b>

## ARTERIAL STREETS

### *Special Revenue Fund - 101*

#### Function Description:

The Arterial Streets Fund is managed by the Engineering Division of the Public Works and Utilities Department as a dedicated capital construction fund for the purpose of making capital improvements to the City's arterial street system. As a standard policy, most of these funds are leveraged as match for federal highway grants for new construction identified in the Transportation Improvement Plan.

#### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	6,841,144	7,403,412	5,017,501	4,988,501
Taxes				
Licenses & Permits				
Intergovernmental	2,069,444	1,783,067	5,679,500	452,347
Charges for Services		19,738		20,000
Fines & Forfeits				
Other Revenue	406,089	910,452	191,000	81,761
<b>TOTAL</b>	<b>9,316,677</b>	<b>10,116,669</b>	<b>10,888,001</b>	<b>5,542,609</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel	103,208	320,713		28,817
Supplies, Services & Taxes	1,597,395	3,121,149	27,500	36,676
Capital Expenditures	212,661	1,657,306	5,872,000	623,615
Debt Service				
Transfers				
Ending Fund Balance	7,403,412	5,017,501	4,988,501	4,853,501
<b>TOTAL</b>	<b>9,316,677</b>	<b>10,116,669</b>	<b>10,888,001</b>	<b>5,542,609</b>
Staffing Level	4.12	4.12	4.12	4.12

#### Budget and Program Highlights:

The following is a list of transportation system capital improvement projects which are scheduled to be planned, designed and/or constructed in 2009:

- Construct traffic signal at Burwell and State Street
- Provide an annual upgrade of traffic signal equipment
- Provide technical assistance to the Public Works Operations Manager
- Continue design of 11<sup>th</sup> Street and Warren Avenue improvements
- Continue design and construction of Pacific Avenue

#### Recent Accomplishments:

- Completed construction of Navy Yard Highway Phase 1-D
- Completed construction of Phase I of Pacific Avenue improvements
- Constructed pedestrian improvements on Harlow Drive

**Fund Initiatives:**

FUND GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
<b>Initiative</b>	<b>Outcome</b>			
Seek Additional and Sustainable Funding Source for Street Maintenance and Overlay Program	Provide Adequate Revenues for Core City Infrastructure Needs	Long Term Funding Source	Approval of Funding Mechanism and Plan	2009
<b>Initiative</b>	<b>Outcome</b>			
Capital Funding	Funding for 11 <sup>th</sup> & Warren	Receive funding	Funds available for ROW acquisition & construction	2009

**2010-2014 Budgetary Considerations:**

- Continue to work on a sustainable funding source for street maintenance. In the last year this has become increasingly difficult due to the rising costs of bituminous and Portland Cement products.
- Due to the global demand on bituminous products the availability may decrease.
- Pursue funding for projects on the Transportation Improvement Plan. The first two projects are Arsenal Way improvements and 11<sup>th</sup> and Warren intersection improvements.

# ARTERIAL STREET FUND

## 2009 BUDGET

### FINANCIAL SUMMARY BY PROJECT

PROJECT	PROJECT NUMBER	SOURCE OF FUNDS							EXPENDITURES			
		Beginning Cash	FUEL TAX	MISC OTHER REVENUE	KITSAP TRANSIT	KITSAP COUNTY	FEDERAL INDIRECT WSDOT	TOTAL REVENUE	Road & Street Mgmt	DESIGN Engineering	ROADWAY Construction	TOTAL EXPENSE
SR304	1145	111.10	336.0087		337.0802	337.0801	333.2020		543.1041	595.1041	595.3041	
Navy Yard Highway Stage 1D		135.000		65.000					-	-	200,000	200,000
SR303 (Design Only)	Unassigned	-	23,400				150,000		-	173,400	-	173,400
Transportation Tunnel Imprvmts	Unassigned		66,000	20,000					-	-	86,000	86,000
Wheaton Way at Schley Canyon	Unassigned		21,868				142,347			58,500	105,715	164,215
Slope failure due to failed culvert	Unassigned		48,732	16,761					65,493	-	-	65,493
Miscellaneous												
<b>TOTAL</b>		135.000	160,000	101,761	-	-	292,347		65,493	231,900	391,715	<b>689,108</b>

## STREETS

### *Special Revenue Fund - 102*

#### Mission Statement:

To perform all necessary functions of maintenance, as spelled out by function description, to serve the citizens and working staff of Bremerton to make this a model community where people would be willing to live in and raise their families.

#### Function Description:

The Maintenance Operations of Public Works and Utilities Department is comprised of three divisions: Streets, Electronics, and Traffic. Under Special Revenue Fund 102, the Street and Traffic Divisions are charged with the responsibility of maintaining the streets, sidewalks, right-of-way structures, and facilities as nearly as possible in its original condition as constructed or subsequently improved. This includes snow and ice control, abatement of hazardous properties, and other project work as directed. The Electronics Division is responsible for the maintenance of City and contracted traffic signals, street lighting, telephone and radio communications systems, water fountain & pumping systems, and electrical maintenance of all City owned facilities.

#### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	386,505	322,624	193,074	4,809
Taxes	313,781	293,874	360,000	300,000
Licenses & Permits				
Intergovernmental	590,031	610,671	610,000	690,000
Charges for Services	489,483	441,456	344,250	383,450
Fines & Forfeits				
Other Revenue	1,301,063	1,852,216	1,670,400	1,469,500
<b>TOTAL</b>	<b>3,080,863</b>	<b>3,520,841</b>	<b>3,177,724</b>	<b>2,847,759</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel	1,333,141	1,455,750	1,703,865	1,763,804
Supplies, Services & Taxes	1,296,061	1,730,942	1,340,150	1,006,770
Capital Expenditures	108,037	92,443	128,900	40,000
Debt Service	21,000	48,632		
Transfers				
Ending Fund Balance	322,624	193,074	4,809	37,185
<b>TOTAL</b>	<b>3,080,863</b>	<b>3,520,841</b>	<b>3,177,724</b>	<b>2,847,759</b>
Staffing Level	19.49	19.99	19.99	18.49

#### Budget and Program Highlights:

- Work with the Mayor, City Council, Public Works Director, Engineering staff and the public to identify and implement a sustainable funding mechanism that can provide stable funding for the long term preservation of the City's street system.
- Establish a program to replace aging traffic light system to meet the demands of the growing community.
- Work towards completing the software programming to control record keeping of maintenance, billing and inventory systems through Cartegraph.
- Establish a program in coordination with the Parks Department to regularly clean the Harborside Plaza, Louis Mentor Boardwalk, Memorial Plaza, City-owned Harborside parking garage, and sidewalks to improve the appearance of downtown.

- Continue to seek funding for the Pacific Avenue Corridor Improvements including wider sidewalks, new street lighting, irrigated planters and improved parking.
- Evaluate the impacts, positive and negative, of moving management of the Parking System to Public Works & Utilities from the City Clerk’s Office.

**Initiatives to Support City-Wide Strategic Priorities:**

STRATEGIC PRIORITY		GOAL OR MEASURE	Measurement Criteria	When
<b>Supportive Transportation, with Seamless, Efficient and Varied Choices</b>				
<b>Initiative</b>	<b>Outcome</b>			
Seek Additional and Sustainable Funding source for Street Maintenance and Overlay Program	Provide Adequate Revenues for Core City Infrastructure Needs	Long Term Funding Source	Approval of Funding Mechanism and Plan	2009
<b>Initiative</b>	<b>Outcome</b>			
Implement Expanded Sidewalk Improvement Program	Revitalized Bremerton - Safe, Healthy, Attractive Neighborhoods	Plan Implementation	Designated Funding Source for Expanded Program	2010

**2010-2014 Budgetary Considerations:**

- Replace aging traffic signal software system
- Begin to replace 5 traffic signal intersections control equipment each year for the next 6 years
- Acquire funding to add additional staff to both Electronics and Traffic Shop
- Add 10-ton used asphalt roller to equipment fleet for better performance of asphalt overlays
- Replacement of pedestrian movement displays to “timed units” required to meet MUTCD standards
- Replace aging arrow board portable trailers to LED display - solar powered
- Continue remodel of 100 Oyster Bay Complex and move all Public Works Staff by 2010 for efficiency

**STREET  
BUDGET BREAKDOWN**

<b><u>DESCRIPTION</u></b>	<b><u>2008 BUDGET</u></b>	<b><u>2009 BUDGET</u></b>
<b>ELECTRONICS</b>		
Personnel	258,274	349,853
Supplies & Services	197,605	119,189
<b>TOTAL EXPENDITURE</b>	<b>455,879</b>	<b>469,042</b>
<b>ROADWAY</b>		
Personnel	493,979	405,822
Supplies & Services	573,603	339,749
<b>TOTAL EXPENDITURES</b>	<b>1,067,582</b>	<b>745,571</b>
<b>SIDEWALKS</b>		
Personnel	40,770	129,634
Supplies & Services	5,000	7,000
<b>TOTAL EXPENDITURES</b>	<b>45,770</b>	<b>136,634</b>
<b>STREET LIGHTS</b>		
Personnel	15,366	41,810
Supplies & Services	317,500	325,000
<b>TOTAL EXPENDITURES</b>	<b>332,866</b>	<b>366,810</b>
<b>TRAFFIC CONTROL</b>		
Personnel	333,565	372,185
Supplies & Services	157,191	122,652
<b>TOTAL EXPENDITURES</b>	<b>490,756</b>	<b>494,837</b>
<b>PARKING FACILITIES</b>		
Personnel	10,244	1,554
Supplies & Services	1,000	1,000
<b>TOTAL EXPENDITURES</b>	<b>11,244</b>	<b>2,554</b>
<b>SNOW &amp; ICE CONTROL</b>		
Personnel	55,710	43,615
Supplies & Services	5,000	6,000
<b>TOTAL EXPENDITURES</b>	<b>60,710</b>	<b>49,615</b>
<b>ROADSIDE</b>		
Personnel	55,021	31,485
Supplies & Services	4,500	3,500
<b>TOTAL EXPENDITURES</b>	<b>59,521</b>	<b>34,985</b>

**STREET  
BUDGET BREAKDOWN**

<b><u>DESCRIPTION</u></b>	<b><u>2008 BUDGET</u></b>	<b><u>2009 BUDGET</u></b>
<b>ANCILLARY</b>		
Personnel	157,248	125,527
Supplies & Services	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<u>157,248</u>	<u>125,527</u>
<b>ADMINISTRATION</b>		
Personnel	208,608	214,834
Supplies & Services	<u>74,551</u>	<u>78,480</u>
<b>TOTAL EXPENDITURES</b>	<u>283,159</u>	<u>293,314</u>
<b>TRAINING</b>		
Personnel	32,703	24,945
Supplies & Services	<u>4,000</u>	<u>4,000</u>
<b>TOTAL EXPENDITURES</b>	<u>36,703</u>	<u>28,945</u>
<b>COMMUNITY EVENTS</b>		
Personnel	42,377	22,540
Supplies & Services	<u>200</u>	<u>200</u>
<b>TOTAL EXPENDITURES</b>	<u>42,577</u>	<u>22,740</u>
<b>CAPITAL</b>	128,900	40,000
<b>ENDING BALANCE</b>	4,809	37,185
<b>TOTAL EXPENDITURES</b>	<u><u>3,177,724</u></u>	<u><u>2,847,759</u></u>

## CONTINGENCY RESERVE

### *Special Revenue Fund - 103*

#### Function Description:

This Fund was established as a special revenue fund to protect the City's General Fund in the event of unforeseen and unfunded emergency requirements. This fund shall maintain a minimum balance of \$1,000,000. Proceeds from all General Fund real property shall be deposited into this fund.

#### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	2,260,596	2,079,107	1,579,199	1,810,000
Taxes				
Licenses & Permits				
Intergovernmental				
Charges for Services				
Fines & Forfeits				
Other Revenue	2,542,322	1,109,865	760,000	50,000
<b>TOTAL</b>	<b>4,802,918</b>	<b>3,188,972</b>	<b>2,339,199</b>	<b>1,860,000</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel				
Supplies, Services & Taxes				
Capital Expenditures				
Debt Service				
Transfers	2,723,811	1,609,773	635,000	855,720
Ending Fund Balance	2,079,107	1,579,199	1,704,199	1,004,280
<b>TOTAL</b>	<b>4,802,918</b>	<b>3,188,972</b>	<b>2,339,199</b>	<b>1,860,000</b>
Staffing Level	0.00	0.00	0.00	0.00

#### Budget and Program Highlights:

- The 2009 budget does not anticipate any receipts from the sale of General Government real property.
- Transfers out for 2008 include:
  - \$65,720 to General Fund (Fund 001) - Accumulated interest in excess of targeted minimum fund levels - to be used for flower basket irrigation system installation (\$60,720) related to the tunnel project and stairwell tread replacement project (\$5,000) at the police station which addresses a safety issue.
  - \$40,000 to Street Fund (Fund 102) - Accumulated interest in excess of targeted minimum fund levels to be used for phone system equipment upgrades.
  - \$350,000 to Public Safety Bond Fund (Fund 302) - Proceeds from the sale of the Permit Building on 4<sup>th</sup> street which closed in 2008 - to be used for the Municipal Court Project.
  - \$400,000 to Parks Capital Improvement Fund (Fund 302) - Net proceeds from West Hills Precinct sale concluded in 2007 - to be used for the parks maintenance building project.

#### Recent Accomplishments:

- In 2008, funds were transferred in the amount of \$250,000 to the Boardwalk Project (Fund 311) - proceeds from the sale of Capital Hill Fire Station which closed in 2007 - used for preliminary design and permitting for the Boardwalk project.

- In 2008, funds were transferred in the amount of \$35,000 to Parks Facilities & Construction Fund (Fund 310) - portion of the net proceeds from West Hills Precinct sale concluded in 2007 - used for preliminary design and planning of parks maintenance building project.
- The Contingency Reserve Fund has remained at or above the required minimum level during 2008 and is projected to continue exceeding the minimum requirement throughout 2009.

**Departmental Initiatives:**

DEPARTMENTAL GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency, Accountable, and Financially Responsible City Governance</b>				
Initiative	Outcome			
Develop a plan and recommend staffing levels for General Fund property management	More efficient use of General Fund property resources	Submittal of recommendations on organizational assignment and staffing	Adoptions and implementation of plan	2009

**2010-2014 Budgetary Considerations:**

The expenditure of Contingency Reserve funds for capital purposes that is in excess of \$1,000,000 is at the discretion of City Council.

## CIVIC IMPROVEMENT

### Special Revenue Fund - 104

#### Function Description:

This Fund was established as a special revenue fund for the collection and expenditure of Lodging Taxes as provided under Chapter 67.28.180 RCW. These funds may be used for stadium facilities, convention center facilities, performing arts facilities, visual arts centers and the promotion of tourism.

#### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	161,844	237,999	155,890	23,890
Taxes	333,577	331,093	335,000	335,000
Licenses & Permits				
Intergovernmental				
Charges for Services				
Fines & Forfeits				
Other Revenue	7,578	12,141	2,000	2,000
<b>TOTAL</b>	<b>502,999</b>	<b>581,233</b>	<b>492,890</b>	<b>360,890</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel				
Supplies, Services & Taxes	148,696	145,113	304,000	165,000
Capital Expenditures				
Debt Service	16,304	59,885		
Transfers	100,000	220,345	165,000	180,000
Ending Fund Balance	237,999	155,890	23,890	15,890
<b>TOTAL</b>	<b>502,999</b>	<b>581,233</b>	<b>492,890</b>	<b>360,890</b>
Staffing Level	0.00	0.00	0.00	0.00

#### Budget and Program Highlights:

The Lodging Taxes collected and receipted in the Civic Improvement Fund shall be used and distributed for 2009 as provided below:

- City of Bremerton Conference Center - **\$155,000**
- Admiral Theatre - **\$90,000**
- Remainder (**\$100,000**) recommended by the Lodging Tax Advisory Committee to be allocated as follows:
  - Bremerton Symphony - **\$7,500**
  - Historic Ships - **\$10,000**
  - Kitsap County Historical Society & Museum - **\$5,000**
  - Washington State Science & Engineering Fair - **\$10,000**
  - Kitsap Visitor & Convention Bureau - **\$10,000**
  - Bremerton Chamber of Commerce - **\$20,000**
  - Admiral Theatre - **\$12,500**
  - Kitsap Golf Group - **\$15,000**
  - City of Bremerton 1% for the Arts Commission - **\$10,000**

#### Recent Accomplishments:

- Retained the services of an outside consultant to market and promote City 2008 summer events to increase tourism and attending. Funding for the campaign was provided by the Lodging Tax Allocation Committee with the 2008 budget allocations.

**Initiatives to Support City-Wide Strategic Priorities:**

STRATEGIC PRIORITY		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficient, Accountable, and Financially Responsible City Governance</b>				
Initiative	Outcome			
Evaluate Effectiveness of 2008 Lodging Tax Contract for Community Events Promotion - Recommend Whether Funds Should be Used for this Purpose in the Future	Efficient use of Lodging Tax Revenues in the Promotion of Tourism for the City	Report Completion and Submittal to the Lodging Tax Committee	Submittal of Report to Lodging Tax Committee	2009

**2010-2014 Budgetary Considerations:**

The revenue from lodging taxes is expected to grow as a result of increased tourism activity in Bremerton. In particular, the current construction of a new hotel in the downtown area will further increase the revenues from lodging taxes in the future. Long-term ongoing fund utilization is expected annually for the Admiral Theatre for operations (\$90,000/year) and for the Kitsap Conference Center (\$155,000/year). Other uses of lodging taxes outside of these ongoing commitments vary from year-to-year based upon applications received and approved by the review committee and the availability of funds.

## PARKING SYSTEM OPERATING

### *Special Revenue Fund - 105*

#### Function Description:

This Fund was established as a special revenue fund to account for the receipt of revenues and expenditures for all of the City's parking facilities and lots comprised of the City 4<sup>th</sup>/Washington Parking Garage, Conference Center Parking Garage, Fifth and Park lot and the Craven lots, all metered on-street parking in the City, and all fees collected from parking violations.

#### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	301,557	249,984	158,606	5,007
Taxes				
Licenses & Permits				
Intergovernmental				
Charges for Services	1,770	1,940	1,500	1,500
Fines & Forfeits	341,947	342,060	340,000	357,000
Other Revenue	1,654,917	1,495,008	1,438,250	1,313,500
<b>TOTAL</b>	<b>2,300,191</b>	<b>2,088,992</b>	<b>1,938,356</b>	<b>1,677,007</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel	2,916	51,355	39,220	
Supplies, Services & Taxes	514,205	505,593	596,229	583,304
Capital Expenditures	71,847	17,024	66,300	60,000
Debt Service				
Transfers	1,461,238	1,356,414	1,231,600	939,450
Ending Fund Balance	249,984	158,606	5,007	94,253
<b>TOTAL</b>	<b>2,300,191</b>	<b>2,088,992</b>	<b>1,938,356</b>	<b>1,677,007</b>
Staffing Level	0.00	0.49	0.49	0.49

#### Budget and Program Highlights:

- Collect revenues from all of the City's parking operating system, including metered on-street parking, parking garages and lot parking violations.
- Manage and oversee the Contract for parking enforcement services and maintenance, management and security services for the City's parking garages and other related costs of operating the parking system.
- Record and pay FY 2009 principal and interest debt payments on the Conference Center Parking Garage weekly demand revenue bonds.

#### Recent Accomplishments:

- Prepared a preliminary feasibility analysis for the proposed additional City parking garage facility. This analysis included an inventory and assessment of current City parking assets and considered future anticipated demand/need.
- Assessed and reviewed the adequacy of lighting in City parking lot areas and recommended changes as needed for the next Capital Improvement Plan update.
- Raised parking rates at the Conference Center Garage, the three City parking lots and on-street parking to bring the fees to market standards.

**Fund Initiatives:**

FUND GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
Initiative	Outcome			
Implement a marketing and promotion program for the City parking system assets.	Increase utilization of existing parking system assets and improve revenue collections	Achievement of 2009 budgeted revenue expectations which are increased over the prior year financial results	Year end financial results showing revenues equal to or greater than budgeted	2009

**2010-2014 Budgetary Considerations:**

The Parking System has a requirement to provide for the debt service obligation of the Conference Center Parking garage after first covering normal operating and maintenance expenses of the system. Revenues in excess of those basic requirements can be made available for street improvements and/or to support General Fund operations. Revenues have been soft in the parking system for the past two years (2007 and 2008) - primarily due to the opening of the Navy parking garage facility and the disruptions in the downtown area caused by redevelopment construction. Efforts will be made in 2009 to promote and improve the usage of the existing parking system assets. In addition, it is expected that in 2010 the City should reconsider and review the option of installing pay and display parking meters in the downtown street parking areas again. A more robust community process and a plan that lays out how the funds will be used should be a part of that process.

**PARKING SYSTEM OPERATING FUND PRO FORMA 1 (FUND 105)**

	Actuals		Revised			Inflation factor			1.03		
	2007	2008	2008	2009	2010	2011	2012	2013	2011	2012	2013
<b>BEGINNING FUND BALANCE</b>	<b>249,983</b>	<b>158,606</b>	<b>158,606</b>	<b>5,007</b>	<b>94,253</b>	<b>63,250</b>	<b>70,518</b>	<b>77,053</b>			
<b>REVENUES</b>											
Residential Parking	1,940	1,500	1,500	1,500	1,545	1,591	1,639	1,688			
On-Street parking	133,152	185,000	185,000	166,500	171,495	176,640	181,939	187,397			
City Garage	158,405	275,000	275,000	275,000	283,250	291,748	300,500	309,515			
Off-Street Parking (Daily) - City parking	263,814	250,000	250,000	255,000	262,650	270,530	278,646	287,005			
Parking Infractions	342,060	340,000	340,000	357,000	367,710	378,741	390,103	401,806			
Transfer In - (Fund 308, Cap Imp Fund) Real Estate Excise Tax	425,000	106,250	106,250	-	-	-	-	-			
Interest Earnings	33,378	17,000	17,000	12,000	5,000	5,000	5,000	5,000			
Conference Center Parking Garage	<u>481,260</u>	<u>605,000</u>	<u>605,000</u>	<u>605,000</u>	<u>623,150</u>	<u>641,845</u>	<u>661,100</u>	<u>680,933</u>			
<b>Total Revenues</b>	<b>1,839,009</b>	<b>1,779,750</b>	<b>1,672,000</b>	<b>1,672,000</b>	<b>1,714,800</b>	<b>1,766,095</b>	<b>1,818,927</b>	<b>1,873,344</b>			
<b>Total Available</b>	<b>2,088,992</b>	<b>1,938,356</b>	<b>1,677,007</b>	<b>1,677,007</b>	<b>1,809,053</b>	<b>1,829,345</b>	<b>1,889,445</b>	<b>1,950,397</b>			
<b>EXPENDITURES</b>											
Parking System Operating Expense	546,300	635,449	635,449	583,304	600,803	618,827	637,392	656,514			
Capital Facilities	27,672	66,300	66,300	60,000	65,000	15,000	20,000	100,000			
Transfer Out - (Fund 102, Streets)	330,000	330,000	330,000	275,000	330,000	350,000	380,000	400,000			
Transfer Out - (Fund 001, General Fund)	320,000	265,000	265,000	-	100,000	125,000	125,000	125,000			
Transfer Out - (Fund 201, Bond Fund) debt service	706,414	636,600	636,600	664,450	650,000	650,000	650,000	650,000			
Transfer Out - (Fund 112, Park Develop)											
Transfer Out - (Gov. Center)											
<b>Total Expenditures</b>	<b>1,930,386</b>	<b>1,933,349</b>	<b>1,582,754</b>	<b>1,582,754</b>	<b>1,745,803</b>	<b>1,758,827</b>	<b>1,812,392</b>	<b>1,931,514</b>			
<b>ENDING FUND BALANCE</b>	158,606	5,007	5,007	94,253	63,250	70,518	77,053	18,883			

## COMMUNITY DEVELOPMENT BLOCK GRANT

### *Special Revenue Fund - 106*

#### **Mission Statement:**

To work with the community to administer Federally funded programs with the goal of making Bremerton a place of social, economic, and physical health.

#### **Function Description:**

The City receives three types of annual funding from the US Department of Housing and Urban Development (HUD): Community Development Block Grant (CDBG) for community projects that primarily benefit low income people, HOME funds for affordable housing, and Shelter Plus Care funds to serve homeless individuals suffering from substance abuse, mental illness, or both. The City also maintains a portfolio of loans made to low income homeowners at subsidized interest rates. Income from these loans and the HOME program provide an ongoing program for income qualified first time homebuyers and homeowners within the City of Bremerton. These three HUD funding sources provide the majority of the funds required for Block Grant group's administrative expenses, including salaries and benefits for two full time staff members, and the administrative overhead costs of managing the program. Block Grant staff salaries receive a subsidy from the City's General Fund, since the HUD Administrative allowance does not adequately cover reasonable staffing needs.

#### **Budget Data Recap:**

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	1,419,387	513,082	499,244	435,468
Taxes				
Licenses & Permits				
Intergovernmental	906,991	1,101,056	1,074,828	1,224,709
Charges for Services	218,433	165,849	150,000	21,483
Fines & Forfeits				
Other Revenue	67,904	36,929	41,000	47,823
<b>TOTAL</b>	<b>2,612,715</b>	<b>1,816,916</b>	<b>1,765,072</b>	<b>1,729,483</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel	141,347	133,138	149,698	178,679
Supplies, Services & Taxes	1,449,572	1,046,022	953,176	1,056,200
Capital Expenditures				
Debt Service				
Transfers	508,715	138,512	226,730	58,000
Ending Fund Balance	513,082	499,244	435,468	436,604
<b>TOTAL</b>	<b>2,612,715</b>	<b>1,816,916</b>	<b>1,765,072</b>	<b>1,729,483</b>
Staffing Level	2.00	2.00	2.00	2.00

#### **Budget and Program Highlights:**

CDBG and HOME funds are allocated through an annual competitive cycle. A Citizens Advisory Committee (CAC) reviews the applications, interviews the applicants, and provides a list of recommended funding priorities for the City Council. The Council is responsible for the ultimate funding decisions. Funding recommendations are presented in a Public Hearing at the City Council. HOME funded projects may also be initiated by the City through an RFP process, although this mechanism has never been utilized. In this scenario, the Council would vote on City-initiated HOME projects and may not involve the input of the CAC. Funding recommendations for the Down-Payment Assistance and Housing Rehabilitation Loan Programs, the two programs managed in-house,

are developed by Block Grant staff based on annual program activity and the loan portfolio capacity. The recommendations are presented to Council each Spring with the annual Policy Plan. Residential loan applications are accepted throughout the year, and are approved based on need and funding is availability. Shelter Plus Care funds are renewed annually in February.

### **Recent Accomplishments:**

- KCR New Services Center received LEED Silver Certification.
- Initiated construction of a new facility on the Kitsap Mental Health Services campus.
- Completed improvements to Eastpark and Jarstad Pool facilities serving low income populations; improvements to Stephenson Canyon Greenway underway.
- Initiated a project to upgrade the kitchen at the Bremerton Senior Center.
- Funded continued residential rehabilitation programs providing services throughout the city, provides critical home improvements for vulnerable low income residents:
  - Weatherization and minor home repair helps families save money they need for other expenses - served 7 households so far in 2008.
  - Housing Rehabilitation Loan Program addresses health and safety repairs such as sewer repairs, leaky roofs and walls, and accessibility modifications, allowing residents to stay in their homes - served 6 households so far in 2008.
- Down Payment Assistance program has continued providing first-time homebuyers with the tools they need to own their own home and gain financial stability. So far in 2008 the program has made 5 down payment loans.
- Introduced the new House Key Bremerton Down Payment Assistance program in partnership with the Washington State Housing Finance Commission (WSHFC), bringing to Bremerton's first-time low-income homebuyers low interest rates, quality loan products, 3:1 matching funds from WSHFC, financial counseling geared to homebuyers, and quality servicing with the buyer's interest at heart.
- Provided a many vital services to Bremerton's low income population throughout the year through a variety of non-profit agencies including:
  - In 2008, CDBG from the City of Bremerton provided assistance and legal advocacy for more than 500 women and their children fleeing from domestic violence.
  - Block Grant dollars support Kitsap Community Resources Housing programs, sheltering approximately 1,000 homeless men, women, and children and helping to prevent eviction for more than 500 others.
  - More than 5,000 of our city's most vulnerable residents were fed with 10,000 plus meals and boxes of food through local food assistance programs.
  - Approximately 50 micro business owners benefited from business training/coaching and more than 20 businesses were launched or developed.
  - 100 children were able to attend structured after school and summer programs, and 150 adults received literacy education to help them achieve their goals.
  - Bremerton's Seniors will benefit from a new kitchen in the Senior Center and all of our citizens will be able to enjoy the trails and beauty of a cleaner and safer Stephenson Canyon.
- Funded 4 high-quality grassroots projects in the second year of the Neighborhood Enhancement Program, a small matching grant program to empower neighborhoods to improve their surroundings.

## Fund Initiatives:

FUND GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
<b>Initiative</b>	<b>Outcome</b>			
Maintain and fund a quality Vital Home Repair Program	Safe housing for long time, low-income homeowners	Projects completed (10)	Number of projects completed or underway	2009
<b>Initiative</b>	<b>Outcome</b>			
Partner with the Washington State Housing Finance Commission for matching funds for the Down Payment Assistance Program	Increased DPA to meet a changing real estate market; Increased home ownership in the City	Purchase by first time homebuyer enabled with City support Low-Income (10)	Number of home purchases enabled or underway by program	2009
<b>Initiative</b>	<b>Outcome</b>			
Encourage more purchase/rehabilitation projects with the City's HOME funds	Rise in quality of the City's housing stock while affordability is maintained; new options through HUD 203(k) Streamline	Upgraded units preserved as affordable housing (20); number of 203(k) trained lenders	Number of units in upgraded condition and preserved as affordable; number of 203(k) loans.	2009
<b>Initiative</b>	<b>Outcome</b>			
Ensure that CDBG projects implement the goals and objectives of the Consolidated Plan	Closer adherence to HUD regulations; better chances for ongoing funding in the future	Continued community support for program	Future HUD funding	2009
<b>Initiative</b>	<b>Outcome</b>			
Expand and deepen CDBG/HOME program goals and information to community, City Council, staff	Understanding of program constraints and benefits, as well as value of program impact in addressing community needs	Continued community and City support for program	More thorough, deeper and informative presentations to Council and staff, more outreach to community	2009
<b>Initiative</b>	<b>Outcome</b>			
Encourage projects that leverage more matching funds from other public and private sources	Bigger, better projects with more outside funding for Bremerton, to stretch limited HUD entitlement funding	Higher quality projects with leveraged outside funding (5)	Number of higher quality projects with leveraged funding	2008
<b>Initiative</b>	<b>Outcome</b>			
Maintain ongoing HUD McKinney funding for the Shelter Plus Care Program.	Continued services for local mentally ill and chemically dependent homeless people.	Fewer mentally ill or chemically dependent homeless	Steady number of graduates successfully completing the program	2009
<b>Initiative</b>	<b>Outcome</b>			
Find permanent funding and/or a feasible ongoing funding strategy for the Neighborhood Enhancement Program, allowing at least 2 projects per year plus administrative costs.	Community projects that unite and beautify neighborhoods; a program that the community can rely on year after year so neighborhood momentum grows	At least \$12,000 in funding per year (\$10,000 program funds, \$2,000 admin funds); 2 projects completed with 1 new communities involved	Dollars of funding and number of projects completed by community	2009

## 2010-2014 Budgetary Considerations:

The City expects to continue to receive consistent Federal funding for the CDBG, HOME and Shelter Plus Care programs over the next five years, though funding level may decrease each year. The Consolidated Plan was updated in Fall 2005 to set priorities for the funding received. While funding is expected to be consistent or slightly reduced, the need for services continues to grow; therefore, the City continues to value projects that leverage other funding sources, both public and private, in order to ensure maximum benefit to the community.

The Block Grant program has seen a stunning increase in public interest in its funds. Typically, the program receives grant requests amounting to about 2 times the amount we expect to receive in our annual entitlement allocation of CDBG funds. For the 2009 funding round, the program received CDBG grant requests of nearly \$1.6

million, but our anticipated 2009 entitlement will be \$452,300 - st over a quarter of the need. In addition, the HOME program, traditionally harder to qualify for, garnered nearly a million in grant requests for 2009.

The City of Bremerton Block Grant program administration (staff payroll, benefits, operating expenses) is currently fully funded with a maximum allowable percentage of the City's annual CDBG (20%), HOME (10%), and Shelter Plus Care (2%) entitlements. These, together with a portion of Program Income receipts, have been stretched to near capacity, as the City's entitlement continues to decrease and administration costs continue to rise. For 2009 the Block Grant Program again includes City general funds to help bridge the gap.

The City continues to administer loan programs to low income homeowners in the City of Bremerton which provide program income. Federal regulations prohibit the practice of setting aside large amounts of program income as a revolving loan fund; rather the income shall be reallocated to eligible projects in annual funding cycles. For the City, this means spending down program income in advance of entitlement income and allocating all available financial resources.

The Department of Housing and Urban Development measures the City's CDBG Program for timeliness. Primary Jurisdictions, like Bremerton, can only have 1½ times their annual entitlement and program income in reserve on the benchmark date of November 2<sup>nd</sup> each year. A greater reserve places the City at risk of recapture of funds or loss of future funding; therefore the timely completion of CDBG and HOME funded projects is vital.

## ABATEMENT REVOLVING

*Special Revenue Fund - 108*

### Mission Statement:

To work with diverse elements of the community to develop the City of Bremerton as a socially, economically and physically healthy City by providing collaborative processes and responsive services that achieve the community's desired future.

### Function Description:

This fund was established as a source of funding for carrying out repair, demolition or removal of conditions which are subject to abatement under the City's building, fire, zoning, and nuisance ordinances. Sources of funds include all collections under abatement proceedings, fines and penalties levied by the City's administrative hearing examiner, interest earnings, and periodic transfers from the General Fund.

### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	61,873	137,575	183,658	183,041
Taxes				
Licenses & Permits				
Intergovernmental				
Charges for Services	58,073	22,836	19,500	12,000
Fines & Forfeits				
Other Revenue	21,994	26,292	20,000	20,000
<b>TOTAL</b>	<b>141,940</b>	<b>186,703</b>	<b>223,158</b>	<b>215,041</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel			5,617	
Supplies, Services & Taxes	4,365	3,045	34,500	32,000
Capital Expenditures				
Debt Service				
Transfers				
Ending Fund Balance	137,575	183,658	183,041	183,041
<b>TOTAL</b>	<b>141,940</b>	<b>186,703</b>	<b>223,158</b>	<b>215,041</b>
Staffing Level	0.00	0.00	0.00	0.00

### Budget and Program Highlights:

Code Enforcement will continue to be a citizen complaint-based program, dealing with those issues that the community deems unacceptable. With 600 complaints already received through mid-October, the volume of activity will likely exceed the 637 complaints received in 2007. With current staffing levels, complaints will need to be prioritized by severity in 2009. Adoption of the International Property Maintenance Code, which replaced the Uniform Code for the Abatement of Dangerous Buildings in 2008 has provided a more flexible tool for dealing with substandard building issues.

### Recent Accomplishments:

- Filed judgment for abatement costs in 1<sup>st</sup> Sesko matter.
- Collected \$14,000+ in fines and penalties through August.
- Provided 20 vouchers for free dumping at the landfill.
- Provided free removal of numerous hulk vehicles or spurred removal by property owners who realized they could benefit from rising scrap metal values.

- Provided free weed abatements for three property owners, totaling \$1,410.00.
- Issued 80 Notices of Violation for non-compliant properties.
- The MV Ked was removed from the waterfront at the end of Pennsylvania Avenue, financed by the Derelict Vessel Program of the Department of Natural Resources. The Ked is the largest vessel removed by the program so far, at a cost of approximately \$400,000.00. This project has been in the works for many years.

**Fund Initiatives**

STRATEGIC PRIORITY		GOAL OR MEASURE	Measurement Criteria	When
<b>Safe, Healthy, Livable Neighborhoods</b>				
Initiative	Outcome			
Increase Emphasis on Property Maintenance - Code Enforcement	Improved Neighborhood Environments	Apply a Holistic Interdepartmental Compliance Strategy	Establish Multi-Department Compliance Team and Set Target Area Priorities	2010

**2010-2014 Budgetary Considerations:**

With the current staffing the code enforcement program will continue to function as a ‘complaint driven’ program, responding only to compliance issues when they are brought to the City’s attention by citizens. As the city progresses with annexations it will likely result in increased code enforcement activities, particularly in those areas that developed under less stringent codes and have existed under lower levels of scrutiny for compliance with property maintenance and safety codes.

## POLICE SPECIAL PROJECTS

### *Special Revenue Fund - 110*

#### Function Description:

This fund was created to account for monies and proceeds from the sale of property seized during drug investigations and forfeited pursuant to state and federal law. This fund has also been established for the purpose of accumulating funds for expansion and improvement of law enforcement services.

#### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	194,335	441,895	511,674	452,549
Taxes				
Licenses & Permits				
Intergovernmental				
Charges for Services				
Fines & Forfeits	43,030	38,422	37,000	38,000
Other Revenue	254,687	195,323	115,000	115,000
<b>TOTAL</b>	<b>492,052</b>	<b>675,640</b>	<b>663,674</b>	<b>605,549</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel				167,032
Supplies, Services & Taxes	50,157	89,402	160,600	159,700
Capital Expenditures		24,564	45,000	52,000
Debt Service				
Transfers		50,000	5,525	16,100
Ending Fund Balance	441,895	511,674	452,549	210,717
<b>TOTAL</b>	<b>492,052</b>	<b>675,640</b>	<b>663,674</b>	<b>605,549</b>
Staffing Level	0.00	0.00	0.00	2.00

#### Budget and Program Highlights:

- This program utilizes sufficient funds for the purchase of illicit narcotics, drugs and controlled substances during drug investigations. All such purchases will be affected under the auspices of a commissioned police officer.
- Procure designated law enforcement training, equipment and maintenance and the purchase and maintenance of vehicle fleet and fuel.
- Provide sufficient operational cash flow.
- For 2009 this fund will support one police officer and one office assistant assigned to SOG.

#### Recent Accomplishments:

- Managed 277 incidents/investigations for 2007
- Arrested and charged 228 individuals in 2007
- Street value of Narcotics purchased or seized in 2007 in excess of \$1,111,292.
- Initiated 159 new cases through 2<sup>nd</sup> quarter of 2008

**Fund Initiatives:**

FUND GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
<b>Initiative</b>	<b>Outcome</b>			
Continue U/C vehicle rental program	Provide quality U/C vehicles and ability to rotate same	Replace vehicles that are used in undercover operations as needed	Quick turnover Officer safety Cost effective no vehicle replacement cost or maintenance costs	2009
<b>Initiative</b>	<b>Outcome</b>			
Ability to run U/C operations with sufficient cash flow	Maintain ability to address community issue that require undercover and covert operations	Arrest and prosecute felony drug cases and other cases as assigned	Numerical value	2009
<b>Initiative</b>	<b>Outcome</b>			
Purchase high end equipment not supported by General fund	Provide quality operational equipment and officer safety equipment as needed	Meet all operational needs.	Quality of investigations and officer safety	2009

**2010-2014 Budgetary Considerations:**

Sustained revenue or fund balance growth are needed to fund drug operations, maintain a functional fleet of vehicles; keep current with technological changes in covert surveillance equipment and to keep our officers outfitted with quality tactical ballistic gear. This is equipment of high cost and normally not funded by the general fund.

## BREMERTON KITSAP ACCESS TELEVISION

*Special Revenue Fund - 113*

### Mission Statement:

Bremerton Kitsap Access Television (BKAT) provides non-commercial television to the citizens of Kitsap County. BKAT provides the opportunity for Public, Local Government Agencies and Educational institutions to produce community programming that informs, entertains, and responds to the public interest in the cable service environment.

### Function Description:

BKAT is a Public, Education and Government (PEG) channel provided to the citizens of Kitsap County through franchise agreements with local cable providers. BKAT provides PEG programming on the cable system in the City of Bremerton and Kitsap County. BKAT provides training to the public in television production.

### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	43,073	(8,997)	222,467	13,854
Taxes	39,443	139,866	240	44,240
Licenses & Permits			249,300	252,000
Intergovernmental	107,241	130,818		
Charges for Services	125,057	77,475	91,794	92,900
Fines & Forfeits				
Other Revenue	1,872	155,826	11,250	12,500
<b>TOTAL</b>	<b>316,686</b>	<b>494,988</b>	<b>575,051</b>	<b>415,494</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel	203,711	187,797	230,049	239,482
Supplies, Services & Taxes	67,048	26,214	48,308	38,875
Capital Expenditures	54,924	38,510	257,840	108,000
Debt Service				
Transfers		20,000	25,000	25,000
Ending Fund Balance	(8,997)	222,467	13,854	4,137
<b>TOTAL</b>	<b>316,686</b>	<b>494,988</b>	<b>575,051</b>	<b>415,494</b>
Staffing Level	2.00	2.00	2.00	2.00

### Budget and Program Highlights:

The program highlights for 2009 include:

- Digital recording for broadcast for Kitsap County: Board of County Commissioners, Hearing Examiner and Kitsap Regional Coordinating Council meetings and other programs as requested.
- Digital recording for broadcast for the City of Bremerton: City Council meetings, Mayor's Roundtable and Inside Bremerton, Mayor's Town Hall Meetings, and other programs as requested.
- Digital Recording for broadcast for the City of Poulsbo: City Council meetings and other programs as requested.
- Digital Recording for broadcast for the City of Port Orchard: City Council meetings and other programs as requested.
- Potential new contract to video record for broadcast the Port of Bremerton Commissioner meetings and other programs as requested.
- Implement elements identified in the BKAT business plan for 2009 specifically:

- Develop marketing materials and begin implementation of marketing actions identified in the BKAT business plan. The objective of this effort is to seek and attract new participants on the system, raise public awareness of programs on BKAT through training, marketing and resources to the community, obtain donations and sponsorships and to recruit volunteers.
- Develop a more robust cadre of volunteers to assist in providing services to the community.

### Recent Accomplishments

- Completed the expansion of the Tibardis Road building and relocated the BKAT production studio from it's prior location at the Comcast building on Sylvan Way to Tibardis. In coordination with Kitsap County, ensured head end connectivity was completed at Tibardis and relocated playback equipment there as well.

### Fund Initiatives:

FUND GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
<b>Initiative</b>	<b>Outcome</b>			
Develop Marketing Program	Community will be more aware of BKAT	More involvement and excitement in BKAT	Sponsorships recognized in programs	2009
<b>Initiative</b>	<b>Outcome</b>			
Secure sponsorships	Additional revenue for operations	Commitments form sponsors	Sponsorship \$\$	2009
<b>Initiative</b>	<b>Outcome</b>			
Volunteer/Contractor Team	Larger Production team	Larger pool of staff for productions	Increase the pool to 7	2009

### 2010-2014 Budgetary Considerations:

Significant equipment upgrades have been made and will continue for the next two year period for the purposes of replacing aged and deteriorated equipment, upgrading to digital formats, and providing for significant labor savings by allowing administration and playback to occur from one location with less manual processes and significantly reduced staff time associated with the previous practice of having to travel to the studio location several times a week to perform these functions. The identified efficiencies and the greater use of volunteers are expected to improve operations, flexibility and quality of productions. BKAT intends to continue using contract labor through a cadre of production staff to help with workloads as needed - but the usage will vary and be driven by increased business needs and limited to production activities. These business changes and actions are vital to the long term sustainability of BKAT.

## GIFT AND DONATION

### Special Revenue Fund - 114

#### Function Description:

This Fund was established as an expendable trust fund for the purpose of accepting gifts and donations on behalf of all departments of the City as authorized by RCW 35.21.100. The fund shall receive donations, memorials, bequests and other contributions made to the City by citizens and organizations.

#### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	83,887	100,111	68,861	41,261
Taxes				
Licenses & Permits				
Intergovernmental				
Charges for Services	1,182	921	3,500	3,500
Fines & Forfeits				
Other Revenue	37,364	20,732	10,700	36,100
<b>TOTAL</b>	<b>122,433</b>	<b>121,764</b>	<b>83,061</b>	<b>80,861</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel				
Supplies, Services & Taxes	22,322	52,903	31,800	39,032
Capital Expenditures				
Debt Service				
Transfers			10,000	10,000
Ending Fund Balance	100,111	68,861	41,261	31,829
<b>TOTAL</b>	<b>122,433</b>	<b>121,764</b>	<b>83,061</b>	<b>80,861</b>
Staffing Level	0.00	0.00	0.00	0.00

#### Budget and Program Highlights:

##### *Fire*

The Fire Donation fund is used to receive donations from constituents for the purchase of capital equipment other than vehicles, medical supplies, training courses for the public and other emergency medical aid purposes recommended by the employees' advisory committee and approved by the Fire Chief. This fund is established under BMC 3.26.400.

##### *Parks and Recreation*

The Parks and Recreation Department is committed to enriching the lives of Bremerton citizens with aquatic, athletic and recreational opportunities for persons of all ages and provide safe, attractive parks and facilities for play, health and fitness, and celebrations. The Department receives donations from a variety of sources. Most of these donations are earmarked by the donor for specific uses either for programs or for capital improvements. This fund enables the Department to receive and expend donated funds. The Department also offers scholarships for patrons who cannot afford regular class or program fees. According to Department policy, the Scholarship fund subsidizes the patron according to their income level.

- To provide a vehicle for individuals and organizations to donate funds to support programs and projects of their choice.
- To offer funding assistance to patrons who are not able to afford class or program fees according to the Department policy.

**Police**

The Police Department receives donations for law enforcement equipment and services. Funds have been donated to support the K-9 program and equipment needs.

**Miscellaneous**

Donations to the City or administered by the City of an ad hoc or non-recurring nature.

**Fund Initiatives:**

DEPARTMENTAL GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
<b>Initiative</b>	<b>Outcome</b>			
To purchase capital equipment other than vehicles, medical supplies, training courses for the public and other emergency medical aid purposes not allowed in the budget	To allow for additional equipment, training for the public and first responders not allowed in the budget process	To allow for a minimum of six (6) CPR classes for the public	Number of classes	2009
		To allow paramedics to attend classes above and beyond the normal classes	Number of classes	
<b>Initiative</b>	<b>Outcome</b>			
Work with Service Clubs - Lions Rotary, Kiwanis to tell our story and publicize park needs	Increased awareness and donations to assist in park programs and capital projects	Speak to service clubs and other similar groups	5 Club presentations	2009
<b>Initiative</b>	<b>Outcome</b>			
Contingency planning for replacement of aging police dogs should need arise	Provide continued narcotic and/or tracking dog services to the community	Timely purchase of a suitable police dog candidate	Police K-9 team accreditation	2009

**2010-2014 Budgetary Considerations:**

In aggregate the fund should continue to see small sustained donations and expenses.

## TRIAL IMPROVEMENT FUND

### *Special Revenue Fund - 116*

#### **Mission Statement:**

The Trial Improvement Fund is dedicated solely to fund improvements to the municipal court's staffing, programs, facilities, or services.

#### **Function Description:**

Municipalities with an elected judge who is compensated at a rate equivalent to at least ninety-five percent, but not more than one hundred percent, of a district court judge receive an apportionment from the State Administrator for the Courts for court improvements.

#### **Budget Data Recap:**

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance		10,116	25,371	26,671
Taxes				
Licenses & Permits				
Intergovernmental	10,047	17,490	9,600	24,000
Charges for Services				
Fines & Forfeits				
Other Revenue	69	671		
<b>TOTAL</b>	<b>10,116</b>	<b>28,277</b>	<b>34,971</b>	<b>50,671</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel				
Supplies, Services & Taxes		2,906	8,300	50,000
Capital Expenditures				
Debt Service				
Transfers				
Ending Fund Balance	10,116	25,371	26,671	671
<b>TOTAL</b>	<b>10,116</b>	<b>28,277</b>	<b>34,971</b>	<b>50,671</b>
Staffing Level	0.00	0.00	0.00	0.00

#### **Budget and Program Highlights:**

The focus for the 2008 budget was the updating of the recording software and equipment for the courtrooms as well as the court clerks desktops. This increased functionality allowed the municipal court to accommodate the addition of the second courtroom on to the recording system as well as allowing for the clerks to review recordings from their desktops.

The focus for the 2009 budget will be to allow the fund to grow until a permanent court facility is decided upon and needs to be furnished. The anticipated furnishings will include, but are not limited to, additional security equipment, furniture, additional filing cabinets, new seating for the courtrooms, etc.

**Fund Initiatives:**

FUND GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
Initiative	Outcome			
Develop recommendation of trial improvement priorities	Efficient use of allocated resources	Plan for expenditures	Refined budget definition	2009

**2010-2014 Budgetary Considerations:**

Revenue will ramp up in succeeding years providing a needed source of funds to equip and provision the new court facility. In addition to this, the court will continue to focus on court security, equipment, and new technologies.

# ONE PERCENT FOR ARTS

## Special Revenue Fund - 117

**Mission Statement:**

To enhance the quality of life for the residents of Bremerton by expanding their experiences with the arts through Public Art.

**Function Description:**

One percent of the costs related to the new construction of City projects (generally exclusive of utilities, equipment purchases and roadways) are dedicated to public art. The program is administered by the Arts Commission supported by the Department of Community Development.

**Budget Data Recap:**

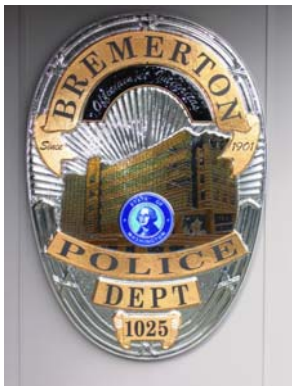
Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance		51,913	73,583	60,425
Taxes				
Licenses & Permits				
Intergovernmental				
Charges for Services				
Fines & Forfeits				
Other Revenue	51,913	46,117	32,020	48,910
<b>TOTAL</b>	<b>51,913</b>	<b>98,030</b>	<b>105,603</b>	<b>109,335</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel				
Supplies, Services & Taxes		268	750	500
Capital Expenditures		24,179	64,000	89,660
Debt Service				
Transfers				
Ending Fund Balance	51,913	73,583	40,853	19,175
<b>TOTAL</b>	<b>51,913</b>	<b>98,030</b>	<b>105,603</b>	<b>109,335</b>
Staffing Level	0.00	0.00	0.00	0.00

**Budget and Program Highlights:**

The Arts Commission began meeting in February 2006 and has been growing as an organization. The Commission continues to formalize as an organization and has now completed their first installation with large public art pieces being placed on a site that has excellent public visibility and presence. The Commission continues to refine their process of soliciting artists and selecting art.

**Recent Accomplishments:**



**JD Francis**  
Glass Police Badge



**James Kelsey**  
Tides of Justitia  
Stainless Steel Sculpture &  
Granite Seating

- The Commission successfully installed two custom-created artwork pieces at the Art Morken Law Enforcement Building at 1025 Burwell: A large glass replica of the newly redesigned police badge by J.D. Francis, and a large stainless steel sculpture by James Kelsey. The installation was celebrated at a dedication of the art on May 22, 2008
- The Commission continues to develop an Arts Master Plan that will help identify key areas in the city where public art can be placed.
- The Commission seeks to install public art along Pacific Avenue in downtown to support the revitalization, and a call-to-artists has been advertised seeking submissions for consideration.

**Fund Initiatives:**

FUND GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
Initiative	Outcome			
Establish public art selection process	Enhanced visual interest of new City capital projects	Install art on Pacific Avenue	Dedication of Art	2009

**2010-2014 Budgetary Considerations:**

The Commission will work with the public and interested artist to install public art along Pacific Avenue to support the revitalization of Bremerton’s downtown. The group will continue work on the Arts Master Plan (currently in development) and will identify key areas where public art can be placed and where opportunities exist to integrate public art with the City’s capital investments.

## CONFERENCE CENTER

*Special Revenue Fund - 120*

### Function Description:

This special revenue fund was established to account for and fund the contracted operations of the Kitsap Conference Center at Bremerton Harborside as well as the maintenance and improvements to the Harborside facility.

### Budget Data Recap:

Category - Revenue	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Beginning Fund Balance	84,642	191,735	164,098	91,380
Taxes				
Licenses & Permits				
Intergovernmental				
Charges for Services	1,334,546	1,303,549	1,301,839	1,357,391
Fines & Forfeits				
Other Revenue	639,677	913,526	261,000	321,545
<b>TOTAL</b>	<b>2,058,865</b>	<b>2,408,810</b>	<b>1,726,937</b>	<b>1,770,316</b>

Category - Expenditures	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Personnel	104,109	111,094	117,556	99,882
Supplies, Services & Taxes	1,410,145	1,614,188	1,549,913	1,536,817
Capital Expenditures	21,925	13,793	50,000	90,500
Debt Service	330,951	505,637		
Transfers				
Ending Fund Balance	191,735	164,098	9,468	43,117
<b>TOTAL</b>	<b>2,058,865</b>	<b>2,408,810</b>	<b>1,726,937</b>	<b>1,770,316</b>
Staffing Level	1.50	1.76	1.76	1.76

### Budget and Program Highlights:

The Conference Center is a program which was undertaken for the sole purpose of attracting visitors to the City of Bremerton and surrounding communities. In addition, the Conference Center was developed with the expectation that it would serve as a catalyst for the redevelopment of Bremerton's waterfront and downtown core, providing a cornerstone to the long-term growth in Bremerton and Kitsap County. The facility is intended to increase local hotel occupancy and generate restaurant and retail business by attracting groups that will stay multiple days in the City - stimulating economic activity through the creation of jobs, tax revenues, and commercial activity.

- 2009 Sales Objectives:
  - Achieve an economic impact on the region of \$2 million
  - Welcome 44,175 guests to KCCH and the Fountain Room
  - Achieve revenue goal of \$1,357,391
  - Increase multi-day conference business from the region by targeting King County, Tacoma, Olympia, and Naval business
- 2009 Marketing Objectives:
  - Maximize marketing opportunities jointly with downtown Bremerton businesses to promote the Conference Center and the Harborside District
  - Increase awareness of Kitsap Conference Center at Bremerton Harborside as the premier waterfront conference, meeting, and social event venue in the West Sound through professional public relations activities

**Recent Accomplishments:**

- Cost sharing with other plaza occupants (Kitsap Transit, Hampton, and Anthony’s) has been agreed to in principal and a multi-party contract prepared which is currently going through final review and discussion processes. Agreement among the parties to this multi party contract is anticipated in late 2008 or early 2009. Costs to be reimbursed are a proportionate share of common area maintenance costs and waste receptacle area cleaning expense.

**Fund Initiatives:**

DEPARTMENTAL GOALS/INITIATIVES		GOAL OR MEASURE	Measurement Criteria	When
<b>Efficiency and Effectiveness</b>				
Initiative	Outcome			
Update and Refine the Financial Operating Plan for the Conference Center Operations	Provide Excellence in Citizen Satisfaction While Reducing General Fund Financial Support	Development of Plan and Proforma Financial Projections	Updated Financial Plan Submitted with Proposed 2010 Budget	2009

**2010-2014 Budgetary Considerations:**

Current projections anticipate continued financial support to the Conference Center Operating Fund by the General Fund. Now that we have several years of operational experience behind us, it is time to review the operations to consider appropriate alternative funding sources, potential operational changes, and chart a revised blueprint for the overall financial management of this critical City asset. This work was begun in 2007 and has continued into 2008 in that staff has been working to obtain necessary cost sharing agreements between other plaza area occupants. Final completion of the revised financial plan and forecast for the Conference Center Operating Fund will get underway in 2009 after the cost sharing arrangements have been finalized.

**CONFERENCE CENTER & PLAZA OPERATIONS**

	ACTUALS			ASSUMPTIONS:			REVENUES		
	2006	2007	2008	Updated	2009	2010	2011	2012	2013
						FIXED EXPENSE	5.00%		
<b>COLUMBIA HOSPITALITY PROJECTIONS</b>									
GROSS REVENUE	1,334,546	1,303,549	1,422,219	1,357,391	1,357,391	1,448,979	1,528,673	1,612,750	1,701,452
TOTAL COST OF SALES	260,450	283,155	266,610	257,057	257,057	269,910	283,406	297,576	312,455
TOTAL DIRECT EXPENSE	499,205	522,826	587,081	552,592	552,592	580,222	609,233	639,695	671,680
DEPARTMENT PROFIT	574,891	497,568	568,528	547,742	547,742	598,847	636,034	675,479	717,317
UNDISTRIBUTED OPER EXP	352,640	400,094	436,451	427,170	427,170	448,529	470,955	494,503	519,228
GROSS OPERATING PROFIT	222,251	97,474	132,077	120,572	120,572	150,318	165,079	180,976	198,089
FIXED EXPENSES	97,838	103,574	111,260	109,761	109,761	113,054	116,446	119,939	123,537
<b>INCOME B/4 INT, TAXES &amp; DEPR</b>	<b>124,413</b>	<b>(6,100)</b>	<b>20,817</b>	<b>10,811</b>	<b>10,811</b>	<b>37,264</b>	<b>48,633</b>	<b>61,037</b>	<b>74,552</b>
MISCELLANEOUS INCOME - INTEREST EARNINGS	2,677	4,328	1,500	1,545	1,545	1,591	1,639	1,688	1,739
CONTINGENCY RESERVE FUND TRANSFER (PROPERTY PROCEEDS)	200,000	500,000							
GENERAL FUND TRANSFER	337,000	125,000	50,000	50,000	50,000	125,000	100,000	100,000	100,000
PLAZA OPS COST ALLOCATIONS - ANTHONYS/KITSAP TRANSIT			25,000	115,000	115,000	30,000	30,900	31,827	32,782
<b>REV FROM HOTEL/MOTEL TAX</b>	<b>100,000</b>	<b>155,000</b>	<b>155,000</b>	<b>155,000</b>	<b>155,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>
Transfer From General Capital Improvement (conf const funds)		125,000							
<b>FACILITY EXPENSE</b>									
Start Up/FFE Expense for Fountain View Room - Harborside Park									
GENERAL FACILITIES/ELECTRONICS/FOUNTAIN									
Personnel (elec tech)	42,965	44,016	44,724	37,955	37,955	39,094	40,267	41,475	42,719
Maintenance/Supplies - maintenance contracts	127,378	112,763	154,000	151,000	151,000	155,530	160,196	165,002	169,952
INSURANCE (Property/Liability)	46,223	45,873	44,943	36,237	36,237	37,324	38,444	39,597	40,785
PARKS/GROUNDS									
Personnel (.75 Svc Specialist Sr., .25 parks laborer)	61,144	67,078	72,832	61,927	61,927	63,785	65,699	67,670	69,700
Maintenance/Supplies	10,237	3,000	3,000	3,000	3,000	3,090	3,183	3,278	3,376
DEBT REPAYMENT (LOC)	330,951	505,637	0	0	0	0	0	0	0
CAPITAL RESERVE TRANSFER (3%)	40,036	39,091	39,055	40,722	40,722	43,469	45,860	48,383	51,044
CAPITAL (CITY) TRANSFER	23,727	98,370	5,000	22,000	22,000	35,000	15,000	15,000	15,000
TOTAL MAINTENANCE EXPENSE	682,661	915,828	363,554	352,841	352,841	377,292	368,649	380,405	392,576
<b>BALANCE</b>	<b>153,364</b>	<b>140,764</b>	<b>29,527</b>	<b>9,042</b>	<b>9,042</b>	<b>25,605</b>	<b>38,128</b>	<b>52,275</b>	<b>68,772</b>
<b>CAPITAL RESERVE</b>									
CAP RESERVE (CH) (3% OF REV)	40,036	39,091	39,055	40,722	40,722	43,469	45,860	48,383	51,044
CAPITAL (CITY) RESERVE	23,727	98,370	5,000	22,000	22,000	35,000	15,000	15,000	15,000
CAPITAL EXPENDITURES (CH)	38,099	113,034	45,000	90,500	90,500	111,000	35,000	82,500	72,500
<b>BALANCE CAPITAL RESERVE</b>	<b>38,371</b>	<b>62,798</b>	<b>61,853</b>	<b>34,075</b>	<b>34,075</b>	<b>1,544</b>	<b>27,404</b>	<b>8,287</b>	<b>1,831</b>