



Department of Administrative Services Kitsap County Courthouse

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Benjamin A. Holland, Director

MEMORANDUM

To: Kitsap County Board of Commissioners
Kitsap County Elected Officials and Department Heads
County Employees
Kitsap County Citizens
Members of the Press

From: Ben Holland, Director

Subject: 2008 Preliminary Budget

Date: November 21, 2007

Introduction:

When we published the letter to our citizens in the 2007 budget, we made the following comments, "We approach this year with caution and with the understanding that we cannot sustain our current expenses with our current revenue streams. When you couple this with the fact that our population continues to increase and brings a demand for increased services, we are faced with the challenge of providing the same level of service with a workforce that will not grow and may, in fact, have to shrink. While this is a balancing act, we are working with a collaborative strategy and a realistic plan for moving forward." The "collaborative strategy" mentioned above included developing a task force of elected and appointed officials looking at revenues, expenditures, and strategic initiatives. This document is the culmination of that collaborative effort.

The cost of government is increasing in Kitsap County. This is primarily because our population is growing, health care costs are sky-rocketing, costs such as fuel and utilities are increasing, and there are increasing regulatory mandates from both the state and federal governments. Most of these mandates come without funding, for instance, the Family Medical Leave Act (Federal) or the requirement to incarcerate people that drive vehicles while intoxicated (State). While the intent of these mandates is admirable, the requirement to accomplish them comes with a price.

We have worked hard to become more efficient. We have established new automated systems to help us with the business of general government but this is a people-driven business and personnel costs have been increasing rapidly. We cannot respond to a 911 call by computer, we cannot enforce traffic rules without deputies on the road. We cannot operate a court system without judges

and the personnel required to support them; we cannot hold elections without making sure that they are free of ambiguities; we cannot maintain a road system or build new roads without an engineering staff. The list goes on and on.

Overview of the 2008 Preliminary Budget:

In accordance with nationally recognized rules of governmental accounting and budgeting, the County is financially organized into separate fiscal and accounting entities known as funds. All of these funds fall into one of six categories of funds as follows:

- 1) **General Fund** –finances the ordinary operations of the county not specifically provided for in any other fund.
- 2) **Special Revenue Funds** –Used to account for specific revenue sources that are legally restricted to expenditures for specific purposes.
- 3) **Debt Service Funds** – Accounts for the accumulation of resources for and the payment of general long-term debt.
- 4) **Capital Project Funds** –Acquisition or construction of major capital facilities.
- 5) **Enterprise Funds** –Operations that are financed and operated in a manner similar to private businesses.
- 6) **Internal Service Funds** –Finances goods or services provided by a department to other departments or agencies within the county.

All of the funds in the 2008 Preliminary have been balanced. Attachment (1) summarizes the 2008 Preliminary budget by fund (expenditures only). In the General Fund we funded all positions at 96% of their full pay expecting that there will be a certain amount of vacant positions because of resignations and the time it takes to recruit new employees. We have also added in a 3.9% cost-of-living allowance for all non-elected employees since our labor contracts call for this. The 2008 Preliminary Budget includes 108 funds broken down as follows:

	<u># of Funds</u>	<u>Type of Fund</u>	<u>Proposed Expenditures</u>
	1	General Fund	\$ 87,617,666
	60	Special Revenue Funds	122,801,253
	13	Debt Service Funds	11,183,329
	8	Capital Project Funds	16,671,589
	23	Enterprise Funds	69,215,321
	3	Internal Service Funds	<u>20,472,529</u>
Totals	108		\$ 327,961,687

We will begin our discussion with the county’s largest fund, the General Fund, and then follow on with discussions of other major funds.

General Fund:

Due to actions taken this year, we expect to begin 2008 in a healthier financial condition than previously anticipated. But, we realize that we must continue to curb the rate of increase of our expenditures to closely match our expected increases in revenues in order to carry forward this healthier financial condition into 2009 and beyond. In June, we met with all elected and appointed officials and presented a five-year financial plan for the General Fund that we call the "living-within-our-means" plan (Attachment (2)). This original plan called for a \$3.4 million reduction from a "status quo" budget in 2008. Although there have been changes to this plan, we have basically been working with the goal of either (1) cut between \$3.0 and \$3.5 million dollars from what it would cost to provide all the services in 2008, that we currently provide in 2007; or (2) increasing revenues to the General Fund.

In August, the Board of County Commissioners directed that the Department of Community Development (DCD) be removed from the General Fund and become an enterprise type operation per the recommendation of our consultant report on DCD. The idea here is that many functions of this department (permitting, inspecting, etc.) should pay for themselves. This has been done but as we worked out the details of this change, we discovered that some parts of DCD should be supported by the General Fund (for instance: long-range planning) so although DCD has been removed from the General Fund, there will be a transfer from the General Fund to support those functions that should rightfully be supported by the General Fund. Attachment (3) was our financial plan based on DCD being removed from the General Fund. This plan showed that we needed to reduce the 2008 status quo budget by about \$3.3 million. For now, we have included DCD as part of the group of Special Revenue Funds and will discuss it later in this document.

In August, we decided to direct reductions of both supplies and service budgets for all departments by 6% and 3% respectively when compared to their 2007 budgets. We later found that we could not do that for certain supplies (like envelopes for elections) or services (like utility fees).

Also in August, we developed a plan for reducing personnel costs. We worked collaboratively with our labor organizations to reduce medical insurance expenses and, after months of negotiation, we reached an agreement that keeps medical insurance costs for 2008 at 2007 levels when medical insurance benefits have increased at a rate of 19% annually over the last 10 years. We could not have done this without the cooperation of all 16 of our labor organizations. We also worked to develop a staff reduction plan where we gave some programs (like law and justice) higher weights than other programs (like general government). We needed to cut personnel costs but we felt these types of cuts (weighted cuts) might be more palatable to the public because we have identified

those functions that the public consider more important. Additionally, we directed fewer cuts in those areas where we have mandated round-the-clock operations. Attachment (4) is our staff reduction plan showing the weighting system used. Although nearly 30 positions have been removed from the 2008 Preliminary Budget, salaries and benefits budgets remain nearly the same as in 2007 because of the expected increases in salaries and benefits of the remaining positions.

Because of the weighting mentioned above, the fact that facilities maintenance moved to the general government program (\$2.24 million), and the fact that the Department of Community Development was removed from the General Fund, the program percentages have changed somewhat. Shown below is a table that shows the General Fund program percentages for 2008:

LAW AND JUSTICE	\$	61,442,617	70.1%
ADMIN & GENERAL GOVERNMENT		18,463,279	21.1%
COMMUNITY SERVICES		5,755,126	6.6%
HEALTH & HUMAN SERVICES		<u>1,956,644</u>	<u>2.2%</u>
Total General Fund Program Budget	\$	87,617,666	100.0%

We summarized our efforts for reductions by sending a document to the departments showing them directed cuts for personnel. At that time we did tell departments that they could increase revenues or they could reduce costs in other areas rather than personnel if that could be done. As a result, our preliminary budget includes a combination of those strategies. Attachment (5) shows personnel positions that have been unfunded for 2008 (we chose not to eliminate these needed positions, but to not fund them). In all, we propose reducing 27 positions (\$2.0 million).

There have been requests for new positions. Attachment (6) is a list of all new positions requested, which ones are funded by new revenue, and whether we funded or did not fund these positions in this preliminary budget. Attachment (7) is increases anticipated in revenues, Attachment (8) lists increased expenditures authorized, and Attachment (9) shows other miscellaneous reductions by the departments.

Although we have only discussed the General Fund so far, there have been ripple effects for other Kitsap County Funds. The internal service funds have been asked to reduce rates or transfer funds from their reserves to the General Fund.

Estimating Revenues:

Taxes are the General Fund's primary source of revenue and represent about 67% of all revenues. The largest single tax is property tax. Forecasting property tax revenue is relatively simple because it is limited to one percent growth plus an amount for new construction added to the tax assessment roles. Although Initiative 747 has been found by the State Supreme Court to be invalid, Kitsap County will adhere to the 1.0% increase per the intent of this initiative. The 1.0% property tax increase on existing properties will generate an additional \$262,782 and new construction will generate an additional \$760,635. Total property taxes will be about \$26.2 million

Our second largest revenue, sales tax, was estimated using trends based on 10-years of data. We expect sales taxes to increase by about \$1.4 million (5.7%) over current revenue expectations in 2007. Total sales taxes (including the 0.1% criminal justice sales tax) will be about \$25.8 million.

Most other revenues are those submitted by the departments responsible for them as they are the subject matter experts for their areas of responsibility.

The Road Fund traditionally provides \$1.4 million in "diverted road taxes" to fund traffic enforcement functions within the General Fund. Although it costs more for traffic enforcement than \$1.4 million we felt that we could not increase this revenue. The new Community Development enterprise will also provide some revenue to the General Fund for personnel services, building maintenance, and legal costs.

Expenditure Estimates:

Throughout the funds, we have estimated expenditures based on programs those expenses support. Where personnel costs are involved, we are very meticulous with our projections. All personnel costs are estimated using personnel currently filling the position or, in the case of a vacancy, we use the grade and step that the hiring department expects to use when hiring a new employee to fill that position.

To further minimize the expenditures in 2008 to critical spending only, the Board imposed the following decision criteria for proposed operating budget reductions:

1. Direct services prioritized over administrative functions (unless necessary to assure adequate oversight and control/audit compliance)
2. Mandatory services prioritized over discretionary services
3. Regional services prioritized over local services

4. Unincorporated local services prioritized over in-city services
5. Raising fees prioritized over cutting services

6. Service delivery efficiencies prioritized over service level reductions (where achievable without additional up front investment—for investment-dependent ideas, see Criteria 11 below).

7. Full cost recovery for contracts

8. Set rural service levels differently than urban service levels (for local services)

9. No new programs unless mandated, completely self-supporting, generate net revenue or equivalent offsetting cuts are made.

10. Capital Budgets:
 - a. Re-examine proposed capital budget projects for impact on ongoing operating costs: re-prioritize or eliminate priority of capital projects for which ongoing operating costs cannot be sustained.

11. Investment Proposals:
 - a. Ideas that will, with expenditure of 1-time money, return demonstrable savings within 1-3 years

Attachment (10) lists General Fund revenues and expenditures by department and Attachments (11) and (12) give General Fund revenues and expenditures by account.

The Department of Community Development:

The Department of Community Development has been moved into a Special Fund in order to operate more like a non-profit business so that we can recover costs related to construction permitting, inspections, and land use applications. This is being accomplished so that we can truly account for the costs of performing these services. That is, the county is identifying those services that should pay for themselves. The proposed fee structure is based on a gradual increase (2-3 years) and includes a process improvement factor. Permitting for a single family residence could increase between 8% and 16% in 2008. Fee increases are part of a continuing public process expected to be finalized in January or February of 2008. As Kitsap County continues to grow, the land available to build diminishes. For the last few years, we will experienced a more challenging process of plan review and permitting because of building lots are becoming more unique and require greater review and additional research to ensure the structure is not compromised.

Other functions and services provided by Community Development which includes natural resource and environmental services will continue to be funded from the General Fund by a transfer to the DCD Fund.

The Road and Road Construction Funds:

The Public Works Road Division is responsible for building, operating and maintaining Kitsap County's transportation infrastructure. Functions include:

- Road Construction
 - Engineering and surveying
 - Right of way acquisition
 - Construction management
- Road Maintenance
- Traffic Operations
- Transportation Planning

Property tax is the Road Fund's primary source of revenue and represents about 95% of all revenues. Forecasting property tax revenue is relatively simple because it is limited to one percent growth plus an amount for new construction added to the tax assessment roles. Although Initiative 747 has been found by the State Supreme Court to be invalid, Kitsap County will adhere to the 1.0% increase per the intent of this initiative. Property taxes in the Road Fund will be approximately \$21.9 million. We believe that the Road Fund will be challenged in the future to meet the needs of Kitsap County because it has limited revenues and the costs of personnel and construction material (especially petroleum based products like asphalt) are increasing so rapidly.

Total 2008 revenues in the Road Fund are estimated to be \$23.0 million.

The Road Construction Fund includes the 38 separate road projects listed in our proposed Transportation Improvement Plan (TIP). The largest of these projects is the Waaga Way Extension (\$6.7 million for 2008) followed by the Miller Bay, Indianola, Gunderson roads complex and intersections (\$2.9 million). Total road construction projects add up to \$18.7 million. The Road Construction fund receives its revenues from the State's Motor Vehicle Fuel Tax and transfers from the Real Estate Excise Tax Fund, and Road Impact Fee Funds.

Not included in the Road Construction Fund is the Bethel Corridor Development Project (\$4.6 million in 2008) because its long range costs are large enough to warrant establishment of a project fund.

The Real Estate Excise Tax Fund:

We use the Real Estate Excise Tax (REET) Fund to leverage funding for most of our projects outside of the Road Fund. The revenue source for the fund is the real estate excise tax. This is a 1.78% tax on transfers and sales of property. Kitsap County receives 0.50% or less than one third of this tax. There have been many real estate sales over the past few years but the last few months have seen a dramatic drop in activity so we are cautious about projections for this fund.

We expect to receive about \$5.6 million in real estate excise tax in 2008, down from a high of \$7.2 million in 2005 and \$7.0 million in 2006.

Expenditures in the REET Fund are primarily for debt service on bonds issued to support our capital facilities plans. Debt service transfers in 2008 will be \$5.0 million. We will also transfer \$1.0 million to the Road and Road Construction funds.

Central Communications (CENCOM):

CENCOM is the single consolidated Public Safety Answering Point (PSAP) providing 911-call answering and public safety dispatch countywide. Following are the main services provided:

- Answer all incoming 911 emergency telephone calls countywide.
- Provide public safety dispatch for all law enforcement, fire service and emergency medical response.
- Maintain the countywide Enhanced 911 telephone system for wire line and wireless 911 calls.
- Maintain the countywide emergency services radio network.
- Coordinate standard dispatch policy and procedures for 13 separate public safety jurisdictions.

Central Communications receives a 0.1% sales tax estimated to be \$3.6 million for 2008. It also receives about \$1.3 from cities and fire/EMS districts for dispatching. CENCOM will receive \$677,891 from the County General Fund for the county's share of emergency dispatches.

Enterprise Funds (Waste Water, Solid Waste, and Surface and Stormwater Management Programs):

Solid Waste:

The Solid Waste Division of Public Works is responsible for developing and implementing the County's Comprehensive Solid Waste Management Plan in

compliance with RCW Chapter 70.95.020 and Chapter 70.015.007. The following are the main services provided:

- Oversee and administer the solid waste disposal system including the operation of the Olympic View Transfer Station (OVTS)
- Provide rural solid waste and recycling services at the drop box facilities located throughout Kitsap County
- Establish and monitor the service level for curbside recycling programs in unincorporated Kitsap County
- Provide household hazardous waste collection and the Small Quantity Generator (SQG) Collection Program at the Moderate Risk Waste (MRW) Collection Facility
- Monitor County-owned closed landfills
- Provide programs about waste reduction, recycling, composting, litter, and pollution prevention to public and private school students and Kitsap County businesses and residents through school/adult/community education programs
- Coordinate litter and illegal dumping cleanup and prevention efforts through the Clean Kitsap Program

The preliminary budget for Solid Waste operations is \$5.1 with the bulk of revenues coming from the charges for services.

The Solid Waste division also operates or contracts for the operations of various transfer stations throughout Kitsap County. The budget for these operations is \$13.2 million with the revenues coming from fees for these services.

Wastewater (Sewer) Operations:

The Wastewater Division of the Public Works Department provides sanitary sewer service for various unincorporated areas of Kitsap County. Our employees operate and maintain four wastewater treatment plants, 56 pump stations, approximately 164 miles of sewer lines, approximately 34 miles of force mains, approximately 3800 manholes, and one community drainfield system.

The following are the main services provided:

- Secondary treatment of domestic and commercial sewage to insure that the resulting discharge into Puget Sound meets all current State and Federal water quality requirements.
- Operation, maintenance, and inspection of wastewater collection and transmission facilities.
- Design review and inspection of developer financed sanitary sewer extensions.
- Manage a capital facilities program to provide necessary repair, replacement and upgrades to the County's sewer infrastructure.

The waste water division treats more than 1.5 billion gallons of sewage a year and operates 56 pump stations, 3 air stations, 2 metering stations, and 1 chlorine station.

The waste water budget for 2008 is \$13.1 million and revenues come primarily from charges for these services. Revenues come primarily from the Sewer Improvement and Sewer Repair and Replacement funds.

Surface and Stormwater Management Program:

The Surface and Stormwater Management Program (SSWM) is responsible for implementing the County's flood reduction and non-point pollution control program.

The following are the main services provided:

- Inspection, operation and maintenance of stormwater control facilities.
- Planning, design and construction of projects that:
 - Reduce flooding
 - Reduce non-point pollution
 - Improve fish passage
- Pollutant source identification and control
- Surface Water resource related public outreach, involvement and education.

The operations budget for the Surface and Stormwater Management Program is \$5.8 million with most of its revenue coming from fees for services. The budget for the SSWM program is \$1.75 million.

Kitsap County continues to provide good value for its tax dollars:

The Board of County Commissioners continues to be committed to controlling the costs of Kitsap County government. The latest Kitsap citizen survey shows that most citizens feel that they get a good value and are satisfied with the levels of services provided by the county. One of the main sources of revenue supporting services is property tax. In 2005 the per capita property tax rate for the General Fund was 27¢ per day. The 2006 per capita property tax for the General Fund levy is 27.5¢ per day. Had we followed inflation of 3.3% (The change in the Seattle Consumer Price Index (CPIU) from first half of 2005 to 2006)) the rate would have climbed to 28¢.

Kitsap County Economy:

Washington State Labor and Industries' employment report for September, 2007 reported that the state unemployment rate is 4.8%. Kitsap County's (the Bremerton Primary Metropolitan Statistical Area) unemployment rate,

in the same report, is lower at 4.3% and is on average with all other Puget Sound counties. A positive statistic is that our unemployment rate is down from over 5.0% a year ago.

At the same time, although Kitsap County property values have increased substantially, the real estate market has slowed over the last six months indicating a potential near term decrease in real estate market and sales taxes. Impacts of the nation-wide real estate financial markets have had an effect on our local regional market, causing revenue forecasts to be guarded.

Cost Drivers:

The County has limited or no control over the increased cost of providing services. Some of the current cost drivers are health insurance rates, retirement benefits, and the rising cost of fuel, postage and construction material.

Personnel costs (salaries and benefits) account for 67% of the expenditures in the General Fund. Unlike “one-time” costs such as construction costs, personnel costs are “continuing” costs so their relative importance in projecting expenses is very high. As stated before, the cost of health care is soaring. The County and most of the unions representing County employees have worked collaboratively through the collective bargaining process to limit the County’s exposure to the increasing cost of health care. We have been able to negotiate a 0.0% increase for next year.

The cost of providing retirement benefits is also rising sharply. The Washington Pension Rate Setting Council has increased employer contributions to the PERS 1, 2, & 3 retirement plans by 51.2% last year (from 2.44% to 3.69%). Since wages for personnel in the PERS retirement plans is nearly \$43 million, this increase amounts to an additional \$1 million in retirement costs, an amount more than four times the allowed 1.0% increase in property taxes. We are also experiencing cost increases in other retirement plans, such as the Law Enforcement Officers and Firefighters (LOEFF) plans 1 and 2. Other benefit related categories, such as workers compensation and dental insurance, are increasing at a similar rate. Unfortunately, the cost of maintaining current benefits is rising faster than any revenue source. The County cannot absorb these increases indefinitely.

Like the costs of benefits and fuel, the costs of construction materials have skyrocketed. The cost of asphalt increased more than 20% (from \$37 to \$46 per ton) in 2006 and has increased another 33% (up to \$59 per ton) in 2007, which greatly affects the ability to maintain Kitsap County Roads.

Additional challenges are the state and federal legislative acts that create expenses to the counties and cities. These “unfunded mandates” cost Kitsap

County \$3.2 million in 2005 and over \$20 million since 1995. Although much of this legislation is relevant to maintaining our safety, such as increased monitoring of sex offenders or stronger prosecution of domestic violence cases, imposing laws like these without providing a funding source for the increased monitoring or prosecution means that other necessary programs suffer.

An example of a state-mandated but unfunded mandate is the Revised Code of Washington, Title 46 (RCW 46) which requires mandatory jail time for those found driving under the influence (DUI) and driving with a suspended license (DWSL). Although these are necessary laws, they came with no funding to accomplish these functions. RCW 46 cost Kitsap County \$1.65 million in 2006 (24,441 inmate days).

Public Defense Costs, not funded by the state, were more than \$4.0 million, an amount greater than we spend on county parks.

The Budget Process:

The basic budget process used for 2008 involved (1) reviewing all current or “base” budgets for adequacy and removing “one-time” non-recurring expenditures and (2) analyzing requested increases to the base budget.

Coincident with the review of departmental requests, the Board held a meeting with all elected and appointed officials on August 3, 2007 detailing the financial challenges that the county faces. Many of these officials reduced their requests because of this meeting.

Each department was directed to submit a budget proposal and requested additions during the week of August 30. This deadline was extended due to the August briefing and directions to reduce spending further. These documents were then compiled into notebooks and summarized for the Board of County Commissioners in September, October and November. The Board held meetings open to the public throughout September, October and November during which each elected official and department director discussed his/her budgets and any requested additions in detail.

After studying actual overtime and extra help (temporary workers) for the last several years, the Board decided to place \$800,000 into overtime and \$500,000 into extra help. These amounts were placed in a Board controlled cost center and will be removed from the budgets of all General Fund departments. Elected and appointed officials were then asked to justify all overtime and extra help requests. Part of the final budget process will be to divide out overtime and extra help funding to the departments. As the Board approves overtime and extra help requests, they will reduce the amount of these accounts in the Board controlled cost center by the same amount. Attachments (13) shows extra help and overtime funded in this proposed budget.

Attachments:

- (1) All Funds Balance Report
- (2) Original General Fund Five-Year Plan
- (3) General Fund Five-Year Financial Plan (Without DCD)
- (4) Distribution of FTEs – Weighting Program
- (5) Positions Reduced or Eliminated
- (6) Request Positions
- (7) New Revenue
- (8) New Miscellaneous Requests
- (9) Miscellaneous Reductions
- (10) General Fund Revenues and Expenses
- (11) General Fund Revenues by Account (no subs)
- (12) General Fund Expenditures by Account
- (13) Overtime and Extra Help Funded

KITSAP COUNTY BUDGET - ALL FUNDS

Fund	2008 Expenses
GENERAL FUND	
001 General Fund	\$ 87,617,666
SPECIAL REVENUE FUNDS	
101 County Roads	\$ 24,742,973
102 County Road Construction	7,937,000
103 Cencom Operations	6,783,294
104 Emergency Services	439,855
105 Law Library	87,039
106 KPREP	1,380,961
111 Election Reserve	534,739
112 Auditor's Doc.Preservation	195,714
113 Housing Affordability	500,000
114 WESTNET	839,985
117 Boating Safety Program	73,150
119 Special Purpose Path	30,000
120 Noxious Weed Control	358,519
123 Electronic Technology Excise	120,000
124 Veterans Relief	230,000
125 Expert Witness Fund	25,000
129 Conservation Futures Tax	1,157,703
130 Community Service	51,007
131 Real Estate Excise Tax	7,963,058
132 Kitsap County Stadium	203,736
134 1% For Art Program	104,000
135 Prisoner Commissary	211,614
136 SIU Revenue	312,799
139 Kitsap S.A.I.V.S.	10,700
140 Drug Forfeiture Enforcement	17,000
141 Antiprofitereing Revolving	7,500
142 Family Court Services	19,250
143 Trial Court Improvement	107,200
145 Pooling Fees	256,072
146 GMA Park Impact Fees	497,646
150 County Parks Acq & Dev	250,000
151 Wetland Mitigation Bank	-
156 911 Enhancement	2,345,642
159 Crime Prevention	53,400
160 Kingston Commuter Parking	83,740
161 Regional Septic Loan Program	3,000,000
162 Recovery Center	2,580,000
163 Dispute Resolution Center	50,000
164 CDBG Entitlement Fund	2,420,385
166 HOME Entitlement	3,244,668
170 Indianola Forrest Fund	-
171 Jail & Juvenile Sales Tax	4,142,999
173 Service Area 1 Rd Impact Fee	300,000

KITSAP COUNTY BUDGET - ALL FUNDS

Fund	2008 Expenses
174 Service Area 2 Rd Impact Fee	-
175 Service Area 3 Rd Impact Fee	10,000
176 Service Area 4 Rd Impact Fee	21,000
177 Regional Service Area Roads	197,000
179 PEG Fund	96,200
181 Mental Health	24,757,500
182 Developmental Disabilities	3,650,000
183 Substance Abuse Treatment	2,655,384
185 Youth Services/Juvenile Svs	5,000
189 Commute Trip Reduction	44,795
190 Area Agency on Aging	4,132,600
191 JTPA/WIA Administration	2,821,000
192 Employment & Training(Non-WIA)	1,290,000
193 Kitsap Reg Coordinating Coun.	417,220
Department of Community Development	<u>9,035,206</u>
TOTAL SPECIAL REVENUE FUNDS	\$ 122,801,253

DEBT SERVICE FUNDS

230 KC GO Refunding Bond 96	\$ 1,022,258
266 Crid #39 Debt Service	28,300
281 LTGO Bond Fund '99	392,478
282 LTGO Bond Fund '99B	585,598
283 LTGO Bond Fund 2000	657,330
284 LTGO Bond Fund 2001 & Refdg	1,504,380
286 LTGO Bond Fund 2002A-PFD	957,389
287 LTGO Bond Fund 2003	707,040
288 LTGO Bond Fund 2003B	1,086,682
289 LTGO Bond Fund 2004	1,643,240
290 Road Improvement Guaranty	-
291 LTGO Bond Fund 2005 Refdg	971,864
292 LTGO Bond Fund-2006	<u>1,626,770</u>
TOTAL DEBT SERVICE FUNDS	\$ 11,183,329

CAPITAL PROJECTS FUNDS

302 Model Toxic Control Act Fund	\$ 100,000
333 Bethel Corridor Dev Project	4,575,000
382 Parks Capital Improvement	5,988,924
384 KC Capital Project 2001 Fund	800,000
385 CenCom Facility Project Fund	550,000
386 PFD 2002A Facility Project	300,000
387 KC Admin Bldg Project	1,857,665
392 2006 LTGO Bond Projects	<u>2,500,000</u>
TOTAL CAPITAL PROJECTS FUNDS	\$ 16,671,589

ENTERPRISE FUNDS

401 Solid Waste	\$ 5,109,533
402 Sewer Utility	13,135,719

KITSAP COUNTY BUDGET - ALL FUNDS

Fund	2008 Expenses
405 Sewer Improvement	3,604,600
406 Sewer Revenue Bond 96	1,709,858
410 Sewer Construction	13,743,187
411 Sewer Repair & Replacement	5,690,857
414 Sewer Revenue Bonds 99	852,080
415 Bainbridge Is Landfill Capital	1,000,000
416 Bainbridge Is Landfill O & M	80,000
417 Hansville Landfill Capital	-
418 Hansville Landfill O & M	270,000
419 Norseland Landfill Capital	200,000
420 Norseland Landfill O & M	155,000
423 Sewer GO Bds 79 CK	113,606
424 ULID # 8 Manchester	-
434 Solid Waste Planning Reserve	150,000
437 Transfer Station Operations	13,250,842
438 Solid Waste Capital Imp	2,250,000
439 Landfill Post Closure Res	341,000
440 Surface/Stormwater Mgmt Prog	5,755,306
441 SSWM Program Capital Fund	1,753,733
442 SSWM Asset Replacemt Fund	-
450 Village Greens	50,000
TOTAL ENTERPRISE FUNDS	<u>\$ 69,215,321</u>
INTERNAL SERVICE FUNDS	
501 Equipment Rental & Revolving	11,440,257
514 Self Insurance	4,004,037
516 Information Services	5,028,235
	<u>\$ 20,472,529</u>
TOTAL ALL FUNDS	<u>\$ 327,961,687</u>
Summary of Funds	
General Fund	\$ 87,617,666
Special Revenue Funds	122,801,253
Debt Service Funds	11,183,329
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TOTAL ALL FUNDS	<u>\$ 327,961,687</u>

General Fund 5-Year Financial Plan

	<u>2007</u> <u>Budget</u>	<u>2007</u> <u>Projected</u>	<u>2008</u> <u>Status Quo</u> <u>System</u>	<u>2008</u> <u>Projected</u>	<u>2009</u> <u>Projected</u>	<u>Living Within Our Means</u>			<u>2012</u> <u>Projected</u>
						<u>2010</u> <u>Projected</u>	<u>2011</u> <u>Projected</u>		
Beginning Fund Balance	\$ 9,213,000	\$ 9,213,000		\$ 6,542,250	\$ 6,889,915	\$ 7,137,390	\$ 7,404,604		\$ 7,656,397
Revenues	+ \$ 86,529,661	\$ 87,230,000		\$ 91,865,531	\$ 95,165,204	\$ 98,728,047	\$ 102,085,299		\$ 105,426,727
63.6% Law and Justice	\$ 59,153,035	\$ 57,635,554	\$ 60,574,967	\$ 58,426,478	\$ 60,525,070	\$ 62,791,038	\$ 64,926,250		\$ 67,051,398
22.7% Admin & General Gov.	21,070,476	20,571,181	21,620,311	20,853,476	21,602,501	22,411,267	23,173,363		23,931,867
11.4% Community Services	10,629,164	10,330,901	10,857,777	10,472,671	10,848,833	11,254,997	11,637,724		12,018,647
2.3% Health and Human Scvs.	2,092,686	2,084,305	2,190,605	2,112,907	2,188,800	2,270,745	2,347,962		2,424,815
Expenditures	- \$ 92,945,361	\$ 90,621,941	\$ 95,243,660	\$ 91,865,531	\$ 95,165,204	\$ 98,728,047	\$ 102,085,299		\$ 105,426,727
Ending Fund Balance	= \$ 2,797,300	\$ 5,821,059		\$ 6,542,250	\$ 6,889,915	\$ 7,137,390	\$ 7,404,604		\$ 7,656,397
7.5% Policy for Fund Balance	\$ 6,489,725	\$ 6,542,250		\$ 6,889,915	\$ 7,137,390	\$ 7,404,604	\$ 7,656,397		\$ 7,907,005
Savings Needed	\$ 3,692,425	\$ 721,191		\$ 347,665	\$ 247,475	\$ 267,213	\$ 251,794		\$ 250,607
Projected Unspent (1.5%)				\$ 1,377,983	\$ 1,427,478	\$ 1,480,921	\$ 1,531,279		\$ 1,581,401
Placed in GF Fund Balance				\$ 347,665	\$ 247,475	\$ 267,213	\$ 251,794		\$ 250,607
To be appropriated at Mid-Year review				\$ 515,159	\$ 590,001	\$ 606,854	\$ 639,743		\$ 665,397
To Cumulative Reserve Fund				\$ 515,159	\$ 590,001	\$ 606,854	\$ 639,743		\$ 665,397

Assumption: 2.5% unspent in 2007

General Fund Projection Without DCD (And Personnel Savings of \$3,043,662 in 2008)

	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>		<u>2012</u>
Revenues Without DCD									
Property Tax	\$ 26,209,789		\$ 27,035,670		\$ 27,886,276		\$ 28,762,255		\$ 29,664,267
Sales Taxes	25,457,104		27,177,887		28,398,670		29,569,453		30,740,236
Other Taxes	6,307,643		6,425,707		6,543,772		6,661,837		6,779,902
Licenses & Permits	743,306		941,636		911,935		1,080,249		1,245,401
Intergovernmental	7,003,363		7,080,658		7,027,503		7,088,884		7,149,788
Charges for Scvs	9,276,651		9,819,071		10,055,116		10,501,345		10,944,688
Fines & Forfeits	2,980,759		3,115,240		3,249,721		3,384,202		3,518,683
Miscellaneous	2,917,071		2,919,130		2,911,188		2,913,246		2,915,304
Other Sources	2,548,810		2,634,246		2,723,033		2,815,302		2,911,192
	\$ 83,444,496		\$ 87,149,245		\$ 89,707,214		\$ 92,776,773		\$ 95,869,461

Expenses Without DCD and \$3,043,662 labor savings in 2008

Salaries	\$ 42,294,914	\$ 2,252,310	\$ 42,164,862	\$ 44,339,960	\$ 46,627,261	\$ 49,032,554
Benefits	15,630,862	791,352	15,804,078	17,180,330	18,676,429	20,302,811
Supplies	2,939,073		3,056,636	3,365,454	3,705,473	4,079,845
Services	12,561,517		13,063,978	14,220,643	15,479,717	16,850,268
Intergovernmental	1,863,058		1,937,580	2,024,249	2,114,795	2,209,391
Capital Outlay	1,075,000		1,118,000	1,097,968	1,078,295	1,058,974
Debt Service	-		-	-	-	-
Interfund Payments	8,514,647		8,855,233	9,087,652	9,326,172	9,570,952
Other Uses	1,909,087		1,955,450	2,037,446	2,122,879	2,211,895
	\$ 86,788,158	\$ 3,043,662	\$ 87,955,817	\$ 93,353,702	\$ 99,131,022	\$ 105,316,691
	\$ (3,343,662)		\$ (806,572)	\$ (3,646,488)	\$ (6,354,249)	\$ (9,447,230)

Less Internal Service Reduction (300,000)

Labor Savings Needed **\$ 3,043,662**

Reductions in Labor, Alternative Scenarios

Assuming a \$ 3,000,000 reduction is needed in Labor Costs

Average Cost of an FTE \$ 76,213 then the reduction required is 39.4 FTEs

Scenario 4 - Base Reductions on a Priority System (Dollars)

	<u>FTEs</u>	<u>Personnel Costs</u>	<u>Priority Weight</u>	<u>Priority Driven Reduction</u>	<u>Reduction in FTEs</u>	<u>% FTEs Lost</u>	<u>% \$ Lost</u>
Admin & General Gov.	147.1	\$ 10,490,528	5.0	35.3%	13.9	9.4%	10.1%
Community Service	115.5	8,576,807	15.0	25.8%	10.2	8.8%	9.0%
Health & Human Services	3.1	310,355	5.0	1.0%	0.4	13.3%	10.1%
Law And Justice	548.8	42,697,567	75.0	37.8%	14.9	2.7%	2.7%
Totals	814.5	\$ 62,075,257	100.0	100.0%	39.4		

Unfunded Positions by General Fund Department

<u>Department</u>	<u>Position</u>	<u>FTE</u>	<u>Savings</u>
Commissioners	Administrator Staff Position	0.50	\$ 48,394
	Public Info Officer/Policy Analyst	0.50	45,447
Superior Courts	Office Assistant II	1.00	50,551
	Law Clerk	0.50	30,441
District Courts	Admininistrator Probation Svcs	1.00	112,830
	Dist Court Prob Officer	1.00	77,056
	Office Assistant II	1.00	53,026
	Dist Court Prob Officer Lead	1.00	100,826
Prosecutor	Deputy Prosecutor II P/T	0.50	39,811
	Office Spvr II	0.50	36,004
Clerk	Court Clerk II	1.00	56,092
	Office Spvr II	0.75	60,543
Assessor	Cadastral Aide	1.00	55,322
Auditor	System Analyst	1.00	104,470
	Accountant I	1.00	91,359
	Office Spvr III-Licensing	1.00	81,427
	Office Assistant I	1.00	42,242
Coroner	Fiscal Technician II	0.50	20,410
Treasurer	Office Assistant I	0.25	12,323
Administrative Services	Program Assistant	1.00	66,394
	Office Assistant II	0.40	27,095
Gen. Admin. & Ops.	Public Info Officer/Policy Analyst	0.50	45,447
	Maint Mechanic I	1.00	54,666
Facilities Maintenance	Custodian P/T	0.50	23,609
	Process Server	1.00	60,046
	Deputy Sheriff II	1.00	96,258
Sheriff	Deputy Sheriff II	1.00	94,935
	Deputy Sheriff II	1.00	86,940
	Evidence/Prop Control Spec	1.00	61,586
	Court Services Officer	1.00	76,383
	Court Services Officer	0.50	35,818
Parks and Recreation	Recreation Specialist	1.00	65,009
	Personnel	Human Resources Analyst I	0.90
Personnel	Office Assistant II	0.60	30,334
	Trng & Dev Coordinator	0.20	14,517
	Grand Totals	33 Positions	27.60

Requested Positions by Department

<u>Department</u>	<u>Position</u>	<u>FTE</u>	<u>Expense</u>	<u>Justification</u>	<u>Included in Prelim Budget</u>	<u>% Revenue backed</u>
Prosecutor	Deputy Prosecutor	1	\$ 66,000	New Court Room Support	No	0
Prosecutor	Records Specialist	1	\$ 67,756	New Court Room Support	No	0
Prosecutor	Records Specialist	1	\$ 49,495	New Court Room Support	No	0
Juvenile	Court Services Officer	1	\$ 51,153	Grant	Yes	100%
Juvenile	Treatment Case Manager	1	\$ 62,925	Grant	Yes	100%
Parks and Recreation	Stewardship Coordinator	0.5	\$ 25,418	Coresponding Reduction	Yes	100%
Parks and Recreation	Accountant II	1	\$ 74,218	Coresponding Reduction	Yes	100%
Administrative Services	Budget Analyst	1	\$ 55,312	Coresponding Reduction	No	90%
Community Development	Fiscal Tech	1	\$ 55,320	DCD Enterprise Fund	Yes	100%
Auditor	Program Specialist	1	\$ 57,715	Election Reimbursment	Yes	100%
Public Works	Lead Technician	1	\$ 75,476	Solid Waste Enterprise Fund	Yes	100%
TOTAL		10.5				

Increased and New Revenue to General Fund

<u>Department</u>	<u>Source of Revenue</u>	<u>Revenue</u>
Administrative Services	Special Project Funding for Admin	\$ 41,012
Auditor Elections Services	Interfund Transfer Elections GF (Even Year)	714,637
	Registration fees- County costs	253,716
	Revenue from Districts & Cities	109,000
	Election Reserve Transfer to Cover Technology Costs	55,522
	Cadidate Filing fees	20,000
	Record Search Fees- Increased demand charges	23,757
BOCC & Administrator	Public Works Contribution to Planning Manager	60,148
Clerk	Increased fees for Service	109,745
Coroner	Autopsy Cost Reimbursement- rate increase	21,500
	Autopsy Report Fee Increase	2,000
District Court	New Grant Revenue from State-Interpreter	19,600
	Adult Probation Increased Revenue	141,000
Facilities Maintenance	Additional Revenue-Rental Houses	7,100
	Public works Support-Custodial	87,780
	Givens Center/Daycare Custodial Services	53,540
	Public works Support-Mechanical	39,029
Jail	Revenue from cities	263,000
	State Inmate Contract-Revenue above Contract	213,400
Juvenile	New Drug & Alcohol Program	292,384
Parks Recreation & Planning	Increased Sports Field Charges	135,000
	Parking Charge	65,000
	Picnic Shelter Rental	47,190
	Increased Fair Gate Admissions	6,100
Prosecutor	Internal Services Revenue	362,000
	Legal Services to cities	432,721
Sheriff	Increase Civil process fees	35,000
	Casino Impact fees- Suquamish Tribe	17,500
	Traffic Safety Grant	57,732
	Traffic safety coordinator -Reimursed from Cities	10,500
Superior Court	New revenue- State interpreter funds	17,500
	BJA/OJP grant rollover- drug court compliance	67,436
	Substance abuse service fees from Drug Court Participants	58,000
		\$ 3,839,549

Other Requests to Department Budgets in General Fund

<u>Department</u>	<u>Description Of Request</u>	<u>Increased Expenses</u>	<u>Revnuue Source other than GF</u>	<u>Cost Driver</u>
Auditor	Bulk Mail Service s for Presidential Election	12,034	Recovered from Agencies	Mandated Function
	Increased Costs of Envelopes for Ballots & Voter Pamphlets	24,636	Recovered from Agencies	Mandated Function
	Increase Cost of Postage	31,775	Recovered from Agencies	Mandated Function
	Supplies & Services	5,943	Recovered from Agencies	Mandated Function
	Increase Cost of Postage	8,960	Recovered from Agencies	Mandated Function
District Court	Eliminated Supervision and reclass Staff for increase responsibility	29,927		Productivity
	Bench Chairs for New Courtroom	6,526		Public Service
	Supplies & Services for New Courtroom	14,682		Public Service
	Computer Equipment-New Courtroom	15,200		Public Service
	Increased Costs for Indigent Defense	21,523		Mandated Function
	Interpreter Services	24,861	Grant Funded-State	Mandated Function
	Misc Supplies & Services	2,602		Productivity
G A & O	Computer Equipment Upgrades	11,048		Productivity
	Utilities (Electricity & Gas) Increased Costs	30,000		External Inflation
	External Agency Support Increased Costs	88,515		External Inflation
	Health Department Requested Increase	42,005		External Inflation
	Transfer to DCD-Natural Resource Management	939,859		Public Service
	Transfer to DCD-Special Projects	109,448		Public Service
	Unemployment Costs Due to Lay-Offs	250,000		One Time-Efficiency
Facilities	One Time Expense Cube Van	65,000		Productivity
	Travel Expense to Confrence	2,526		Effectiveness
Fair, Parks & Recreation Jail	Utilities Increased Cost	94,402	Partial Support from Bed Rate	External Inflation
	Inmate Medical Care	526,532		Mandated Service (total \$1.1 million)
	Inmate meal cost increase	128,060	Partial Support from Bed Rate	External Inflation
	Cost of Meals increase	6,985	Grant Funded	External Inflation
Juvenile Prosecutor	Grant Funding for new Alcohol and drug program	23,530	Grant Funded	Public Service
	Increased cost of Law books	5,000		Effectiveness
Sheriff	Desks & Phones to support new courtroom	3,675		Public Service
	Computer Equipment for personnel for new courtroom	4,500		Public Service
	Increase for copier and fax rentals	1,830		External Inflation
	Other Misc- Court fees, labor law web fees	2,396		External Inflation
	Computer replacements	10,210		Productivity
	Software for computer replacements	17,888		Productivity
	Sharps and hazardous property disposal increases	731		External Inflation
	Cell phone service increases	1,891		External Inflation
	Travel	3,885		Mandated Function
	Sex Offender Mailings Increased Cost	4,891		Mandated Function
	Kingston office equipment	1,159		Productivity
	Misc Supplies & Services	1,186		Productivity
	Utilities Increased Cost	2,090		External Inflation
	Hands free kits and accessories for cell phones	16,037		Mandated Function
	Updates for MCT's	25,818		Public Service
	Rebuild engine on traffic van in lieu of replacement	5,000		Public Service
	Small Tools & Equipment- Radars, radios, tasers, etc.	11,713		Effectiveness
Renew 2 Harley leases for 24 months	13,478	Possible Grant	Public Service	
Increase Cost of Fuel for non ER&R vehicles	18,000		External Inflation	
Increased Cost of Repairs of non-ER&R vehicles	15,000		External Inflation	
Superior Court	Indigent Support (Medical Evals) Restore to 2007 Budget Levels	3,515		Mandated Function
	Indigent Defense - Restore to 2007 Budget Level	10,341		Mandated Function
	Drug Court Supplies	48,541	Fees will cover	Public Service
	Digital Recording Equipment -One Time Expense	10,750		One Time-Efficiency

Total \$ 2,756,104

Miscellaneous Reductions by Department

<u>Department</u>	<u>Description Of Reduction</u>	<u>Expenses</u>
Administrative Services	Reduce Misc Supplies & Services	\$ 4,209
	Reduced off site travel and training	2,075
Assessor	Eliminate Small Computer Equipment Request	35,000
Auditor	Reduce Misc Office Supplies	330
	Reduce Misc Office Supplies-Elections	7,139
	Reduce Misc Office Supplies-Department	2,527
Commissioners	Administrator - Cost of Living Allowance (COLA) freeze	5,000
Coroner	Eliminate Clothing Allowance & all Non-Mandantory Training	4,610
	Retired Emergency Van reducing maintenance costs	16,720
	Negotiated Reduced Contract with Forensic Pathologist	11,933
Fair, Parks & Recreation	Eliminate various Recreational Prorams	58,542
Jail	Other Supplies & Services	13,588
Personnel	Delete Funding for Admin Employee Association	4,279
	Delete Funding for Management	4,279
	Delete Funding for Prof Tech Employee Association	4,279
	Reduced Outside Training Consultants	5,510
	Provide Administrative Support to Grants	53,359
Sheriff	Supplies & Services	472
	Small Tools & equipment	2,000
	Computer Software	672
Superior Court	Supplies & Services	15,197
WSU Extension	Reduce General Fund Support to WSU	30,730
		<hr/>
	Total	\$ 282,450

**KITSAP COUNTY GENERAL FUND
REVENUE BY DEPARTMENT**

Department	2006 Actual	2007 Budget	2007 Six Month	2008 Preliminary
General Fund				
County Commissioners	\$ 116,072	\$ 125,000	\$ 54,478	\$ 80,000
Superior Courts	339,619	294,021	47,879	117,298
District Courts	2,930,564	3,150,438	1,613,942	3,530,007
Prosecutor	2,387,873	2,649,554	1,197,274	3,139,120
Clerk	1,803,739	1,491,342	758,967	1,601,087
Assessor	1,043	1,500	454	1,200
Auditor	4,206,492	4,422,588	1,774,374	4,568,166
Coroner	58,856	62,500	31,935	84,000
Treasurer	5,224,685	4,468,800	2,989,327	5,073,300
Administrative Services	46,834	-	1,129	14,950
General Admin. & Operations	52,397,821	53,900,278	27,684,566	58,543,716
Facilities Maintenance	-	-	-	164,809
Sheriff	1,887,927	2,138,211	724,239	1,944,556
Jail	2,237,549	3,101,633	1,552,079	3,559,575
Juvenile	2,667,752	2,856,858	1,052,409	3,314,157
Parks	1,605,732	1,626,994	482,027	1,776,725
Personnel & Human Resources	94,047	126,400	41,468	105,000
General Fund	\$ 78,006,605	\$ 80,416,117	\$ 40,006,547	\$ 87,617,666

**KITSAP COUNTY GENERAL FUND
EXPENDITURES BY DEPARTMENT**

Department	2006 Actual	2007 Budget	2007 Six Month	2008 Prelim
General Fund				
County Commissioners	\$ 1,169,304	\$ 1,281,447	\$ 637,627	\$ 1,127,869
Superior Courts	2,763,005	2,985,681	1,340,425	2,945,886
District Courts	2,692,324	2,903,804	1,311,025	3,011,808
Prosecutor	7,206,551	7,751,645	3,822,413	8,278,684
Clerk	6,007,993	6,470,435	3,105,464	6,402,131
Assessor	2,342,554	2,494,987	1,108,118	2,438,214
Auditor	3,535,163	3,686,381	1,783,508	3,659,732
Coroner	867,281	928,301	466,581	911,376
Treasurer	889,746	904,596	456,746	919,082
Administrative Services	653,293	943,642	453,724	926,833
General Admin. & Operations	9,700,665	8,321,827	3,399,781	9,963,686
Facilities Maintenance	-	966,902	-	2,251,683
Sheriff	18,325,551	18,799,485	8,675,710	18,900,376
Jail	9,365,311	10,938,226	4,568,489	11,907,112
Juvenile	7,178,007	7,599,971	3,367,916	8,064,639
Parks	5,559,976	5,269,310	2,496,829	4,056,183
Cooperative Extension	295,771	314,698	76,634	286,718
Personnel & Human Resources	1,619,916	1,715,398	762,655	1,565,654
General Fund	\$ 80,172,411	\$ 84,276,736	\$ 37,833,645	\$ 87,617,666

KITSAP COUNTY GENERAL FUND REVENUES BY ACCOUNT

SOURCE	2006 Actual	2007 Budget	2007 Six Month	2008 Prelim
00001 General Fund				
TAXES				
3110 GENERAL PROPERTY TAX	\$ 25,863,172	\$ 26,648,109	\$ 14,311,277	\$ 27,662,407
3130 RETAIL SALES AND USE TAX	23,119,370	23,500,000	11,999,977	25,850,000
3160 BUSINESS TAXES	1,376,570	1,446,846	742,522	1,516,846
3170 EXCISE TAXES	844,107	780,716	427,868	844,214
3190 PENALTIES & INTEREST ON TAXES	2,250,317	2,025,000	1,158,374	2,325,000
TOTAL TAXES	\$53,453,536	\$54,400,671	\$28,640,018	\$58,198,467
LICENSES AND PERMITS				
3210 BUSINESS LICENSES AND PERMITS	2,061	4,420	2,224	4,420
3220 NON-BUSINESS LICENSE & PERMITS	199,864	196,125	114,346	249,125
TOTAL LICENSES AND PERMITS	\$201,925	\$200,545	\$116,570	\$253,545
INTERGOVERNMENTAL REVENUE				
3310 DIRECT FEDERAL GRANTS	\$807,210	\$889,937	\$30,544	\$616,050
3330 INDIRECT FEDERAL GRANTS	1,300,811	2,077,117	626,950	1,992,229
3340 STATE GRANTS	2,228,440	1,719,830	634,530	1,913,591
3350 STATE SHARED REVENUES	105,372	61,556	56,179	88,032
3360 STATE ENTITLEMENTS	1,774,979	1,749,423	922,297	1,864,178
3380 INTERGOVERNMENTAL SERVICE	1,415,702	2,281,714	1,155,058	2,760,742
TOTAL INTERGOVERNMENTAL REVENUE	\$7,632,514	\$8,779,577	\$3,425,558	\$9,234,822
CHARGES FOR SERVICES				
3410 GENERAL GOVERNMENT	\$3,913,712	\$4,201,532	\$2,134,759	\$3,933,669
3420 TRANSFER OFFENDER FEE	935,236	1,000,944	599,583	1,302,033
3460 MENTAL & PHYSICAL HEALTH	52,700	52,000	28,970	58,000
3470 CULTURE AND RECREATION	672,472	673,000	92,259	821,100
3490 OTHER INTERFUND/DEPT CHARGES	2,598,277	2,540,386	443,751	3,511,112
TOTAL CHARGES FOR SERVICES	\$8,172,397	\$8,467,862	\$3,299,322	\$9,625,914
FINES AND FORFEITURES				
3510 SUPERIOR COURT-FELONY	\$149,075	\$138,699	\$76,867	\$141,174
3520 CIVIL PENALTIES	24,733	19,000	16,521	25,400
3530 NON-PARKING INFRACTION PENALTY	1,420,856	1,443,640	851,805	1,844,000
3540 PARKING INFRACTION PENALTIES	8,318	8,500	3,764	7,500
3550 CRIMINAL TRAFFIC MIS. PENALTY	119,343	110,458	82,754	150,000
3560 CRIMINAL NON-TRAFFIC PENALTIES	20,849	22,407	7,438	15,000
3570 CRIMINAL COSTS	847,383	1,023,377	292,472	587,778
3590 MISC FINES AND PENALTIES	113,872	107,934	55,575	135,324
TOTAL FINES AND FORFEITURES	\$2,704,429	\$2,874,015	\$1,387,196	\$2,906,176
MISCELLANEOUS REVENUE				
3610 INTEREST EARNINGS	\$2,687,300	\$2,233,500	\$1,670,201	\$2,557,000
3620 RENTS, LEASES & CONCESSIONS	604,881	670,500	249,696	748,450
3660 TRUST & OTHER I/F MISC REV	144,410	90,921	0	174,809
3670 OTHER	30,747	0	15,995	17,000
3690 OTHER MISC REVENUE	151,442	126,516	85,193	779,052
TOTAL MISCELLANEOUS REVENUE	\$3,618,780	\$3,121,437	\$2,021,085	\$4,276,311
OTHER FUNDING SOURCES				
3860 AGENCY DEPOSITS	\$0	\$0	\$0	\$31,600
4970 OPERATING TRANSFERS IN	2,223,021	2,572,010	1,116,798	3,090,831
TOTAL OTHER FUNDING SOURCES	\$2,223,021	\$2,572,010	\$1,116,798	\$3,122,431
GENERAL FUND REVENUE TOTALS	\$ 78,006,602	\$ 80,416,117	\$ 40,006,547	\$ 87,617,666

KITSAP COUNTY GENERAL FUND EXPENSES BY ACCOUNT

EXPENDITURE OBJECT	2006 Actual	2007 Budget	2007 Six Month	2008 Prelim
00001 General Fund				
SALARIES				
5101 REGULAR SALARIES	\$35,292,172	\$38,298,785	\$18,172,497	\$39,561,332
5102 OVERTIME PAY	1,192,760	773,884	593,621	942,005
5103 LONGEVITY PAY	436,187	468,845	233,928	486,733
5104 SICK LEAVE PAYOUT	25,965	20,000	0	69,096
5106 ANNUAL LEAVE PAYOUT	209,420	78,000	58,540	97,961
5108 SHIFT DIFFERENTIAL PAY	24,276	18,744	10,188	29,539
5109 EXTRA HELP	865,027	748,228	355,183	441,516
5110 OUT OF CLASS PAY	78,960	35,000	26,759	40,000
5112 BAILIFF	48,168	63,227	24,295	57,296
5113 BALLOT PROCESSORS	75,163	73,424	36,274	95,662
5121 INTERN PAY	0	0	2,000	5,749
5190 MISCELLANEOUS PAY	97,469	239,390	46,598	483,150
5197 PREMIUM-RECRUITMT/RETENTION	2,853	9,838	2,868	0
TOTAL SALARIES	\$38,348,420	\$40,827,365	\$19,562,751	\$42,310,039
BENEFITS				
5201 INDUSTRIAL INSURANCE	\$898,023	\$849,031	\$409,776	\$867,408
5202 SOCIAL SECURITY	2,822,667	3,018,378	1,452,325	3,103,935
5203 PERS RETIREMENT	905,394	1,858,401	818,678	2,285,338
5204 OTHER RETIREMENT PLANS	-106	0	0	0
5205 CLOTHING ALLOWANCE	158,758	237,221	51,324	226,156
5206 LEOFF RETIREMENT	391,712	413,934	204,992	443,869
5207 MEDICAL COSTS	91,513	194,250	25,970	203,962
5208 LEOFF MEDICAL INSURANCE	313,834	393,750	194,828	413,437
5210 MEDICAL INSURANCE	6,270,754	6,793,342	3,063,146	6,525,069
5211 DENTAL INSURANCE	390,168	595,375	212,706	612,219
5213 LIFE INSURANCE	21,959	33,216	11,938	32,383
5214 VISION INSURANCE	156	284	68	139
5215 DISABILITY INSURANCE	39,733	44,370	17,924	39,002
5216 DEPENDENT BENEFITS	139,226	150	66,818	125,863
5217 AUTOMOBILE ALLOWANCE	14,592	18,000	8,749	18,000
5220 UNEMPLOYMENT COMPENSATION	103,853	108,173	44,873	250,000
5228 LEOFF REIMBURSEMENT	29,602	0	27,284	0
TOTAL BENEFITS	\$12,591,838	\$14,557,875	\$6,611,399	\$15,146,780
SUPPLIES				
5311 OFFICE/OPERATING SUPPLIES	\$1,470,346	\$1,615,528	\$746,891	\$1,584,435
5312 KITCHEN SUPPLIES	534,654	738,212	287,972	806,705
5313 FIRST AID & MED. SUPPLIES	831	3,774	204	2,461
5314 PRISONER PRESCRIPTIONS	74,130	156,465	31,010	156,078
5315 OPERATING SUPPLIES	0	0	0	900
5321 FUEL CONSUMED	29,485	30,122	10,715	31,315
5351 SMALL TOOLS & EQUIPMENT	349,454	400,212	79,252	213,224
5352 COMPUTER SOFTWARE	212,755	232,805	58,039	132,325

5353 SMALL COMPUTER EQUIPMENT	785,034	194,440	89,021	250,891
5354 TELEPHONE EQUIPMENT	15,655	9,384	5,455	31,638
TOTAL SUPPLIES	<u>\$3,472,344</u>	<u>\$3,380,942</u>	<u>\$1,308,559</u>	<u>\$3,209,972</u>

SERVICES

5411 ACCOUNTING & AUDITING	\$137,220	\$125,000	\$13,984	\$140,000
5413 MEDICAL, DENTAL & HOSPITAL	431,498	474,784	167,983	420,138
5414 COMPUTER PROGRAMMING SERVICES	0	3,000	0	2,889
5415 MANAGEMENT CONSULTING	289,653	388,089	159,394	356,627
5416 SPECIAL LEGAL SERVICES	3,741,825	3,823,768	1,847,968	3,871,239
5417 INDIGENT BURIALS	1,000	3,000	0	2,500
5418 PRISONER MEDICAL	828,247	689,055	360,872	1,252,492
5419 OTHER PROFESSIONAL SERVICES	3,803,002	2,551,538	964,846	2,376,263
5421 TELEPHONE	14,074	6,270	6,462	10,621
5422 CELLULAR TELEPHONES	105,453	99,796	44,933	106,208
5425 POSTAGE	399,497	474,652	221,961	490,567
5431 MILEAGE	96,044	98,077	38,091	100,924
5432 TRAVEL	179,340	207,574	72,723	203,155
5433 PER DIEM	39,834	38,359	13,601	38,868
5435 VEHICLE ALLOWANCE	2,373	3,000	1,020	2,889
5438 NON-EMPLOYEE MILEAGE	167,633	192,500	96,827	185,246
5439 NON-EMPLOYEE TRAVEL	25,902	29,680	6,027	28,402
5441 ADVERTISING	117,570	119,521	44,456	102,972
5451 OPERATING RENTAL/LEASES	693,861	698,969	282,285	678,582
5462 PROPERTY/BOILER/MACHINERY	3,838	2,500	0	2,600
5471 GAS	297,851	298,114	174,091	344,976
5472 WATER	131,615	109,366	24,588	113,271
5473 SEWER	84,210	98,288	36,106	102,686
5474 ELECTRICITY	725,566	710,025	320,927	747,300
5475 WASTE DISPOSAL	107,844	120,086	55,121	121,193
5477 HAZARDOUS WASTE DISPOSAL	7,503	7,194	3,376	10,866
5478 SURFACE WATER MANAGEMENT	19,543	23,024	23,667	25,000
5481 REPAIRS & MAINT-BUILDINGS	142,983	206,105	55,634	213,201
5482 REPAIRS & MAINT-IMPROVEMENTS	10,128	8,697	5,946	8,376
5483 REPAIRS & MAINT-EQUIPMENT	161,247	153,041	56,133	170,619
5484 REPAIRS & MAINT-COMPUTER EQUIP	84,293	40,510	118,189	25,590
5491 COURT COSTS & INVESTIGATIONS	104,685	133,760	56,430	128,811
5492 DUES/SUBSCRIPTIONS/MEMBERSHIPS	268,590	289,329	194,690	299,154
5493 BANK & CREDIT CARD SERV FEEERV	3,462	5,975	1,841	2,505
5494 FILING & RECORDING	1,435	302	712	292
5495 WITNESS FEES	1,420	6,061	430	5,215
5496 PRINTING & BINDING	186,415	170,830	68,597	184,248
5497 REGISTRATION & TUITION	132,628	140,673	54,604	135,877
5499 OTHER	220,172	222,696	59,031	201,111
TOTAL SERVICES	<u>\$13,769,454</u>	<u>\$12,773,208</u>	<u>\$5,653,546</u>	<u>\$13,213,473</u>

INTERGOVERNMENTAL

5512 PUBLIC HEALTH SERVICES	\$1,598,961	\$1,696,044	\$895,919	\$1,750,043
5513 COOPERATIVE EXTENSION SERVICES	107,633	146,093	0	124,622
5519 MISC INTERGOVERNMENTAL SERVICE	21,591	4,000	4,000	6,500
5520 I/G PYMTS, FED, STATE, LOCAL	22,221	0	0	0
5530 EXT TAXES & OPER ASSESSMENTS	5,587	0	0	0
5540 I/G TAXES & OPER ASSESSMENTS	0	0	1,262	3,300
TOTAL INTERGOVERNMENTAL	<u>\$1,755,993</u>	<u>\$1,846,137</u>	<u>\$901,181</u>	<u>\$1,884,465</u>

CAPITAL OUTLAY

5630 OTHER IMPROVEMENTS	\$0	\$140,000	\$0	\$0
5641 COMPUTER EQUIPMENT	962,349	933,425	95,216	315,000
5642 OTHER MACHINERY & EQUIPMENT	217,820	407,668	153,037	931,810
TOTAL CAPITAL OUTLAY	\$1,180,169	\$1,481,093	\$248,253	\$1,246,810

DEBT SERVICE

5860 OTHER DEBT SERVICE COSTS	\$0	\$25,000	\$0	\$25,000
TOTAL DEBT SERVICE	\$0	\$25,000	\$0	\$25,000

INTERFUND

5912 I/F I.S. SERVICE CHARGES	\$1,567,240	\$1,666,468	\$833,236	\$1,600,381
5913 I/F I.S. PROG MAINT & DEV CHGS	762,403	919,326	233,479	964,360
5914 I/F IS COMPUTER MAINTENANCE	20,624	20,604	10,294	20,604
5917 I/F GIS SERVICE CHARGES	0	47,192	23,596	49,919
5918 I/F GIS MAPPING SVS.	0	75,449	18,154	81,173
5921 I/F COMMUNICATION	352,017	384,609	133,061	398,665
5931 I/F SUPPLIES	32,756	16,240	15,491	18,000
5932 I/F SUPPLIES ROAD MATERIALS	0	0	0	4,000
5951 I/F OPER RENTAL & LEASES	1,997,785	2,660,711	1,244,910	2,586,480
5961 I/F INSURANCE SERVICES	1,313,831	1,390,257	348,089	1,452,176
5981 I/F REPAIRS & MAINTENANCE	70,624	25,260	12,811	17,000
5993 I/F TRAINING	24,360	29,114	9,980	25,000
5995 I/F PURCHASING CHARGES	126,297	0	0	0
5996 INDIRECT COST ALLOCATIONS	163,486	206,769	51,692	206,769
5999 OTHER I/F SERVICES & CHARGES	1,029,219	587,045	10,060	1,017,319
TOTAL INTERFUND	\$7,460,642	\$8,029,044	\$2,944,853	\$8,441,846

TRANSFERS

6971 OPERATING TRANSFERS OUT	\$1,593,552	\$1,356,072	\$603,107	\$2,139,281
TOTAL TRANSFERS	\$1,593,552	\$1,356,072	\$603,107	\$2,139,281

GENERAL FUND EXPENSE TOTALS	\$80,172,412	\$84,276,736	\$37,833,649	\$87,617,666
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Overtime and Extra Help Approved in the 2008 Preliminary Budget

Extra Help

SUPERIOR COURT	9051	\$	15,345
SUPERIOR COURT (DRUG COURT)	9052		10,000
PROSECUTOR	9081		17,262
CLERK	9091		2,700
ASSESSOR	9151		35,995
AUDITOR - ELECTION SERVICES	9162		5,530
AUDITOR - VOTER REGISTRATION	9163		1,480
CORONER	9171		6,500
GENERAL ADMINISTRATION & OPS	9251		60,000
COURTHOUSE SECURITY	9253		19,479
FACILITIES MAINTENANCE CUSTODIAL	9274		7,000
SHERIFF - DETECTIVE	9405		22,468
JUVENILE - DETENTION	9422		73,263
JUVENILE - DIVERSION/PREVENTION	9425		6,250
JUVENILE - CRISIS RESIDENTIAL	9426		9,700
JUVENILE - SUBSTANCE ABUSE	9427		6,292
COUNTY FAIR	9502		14,560
RECREATION	9504		29,956
PARKS	9509		92,736
P & HS - PERSONNEL	9601		5,000
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		\$	441,516

Overtime

AUDITOR - ELECTION SERVICES	9162	\$	3,800
AUDITOR - VOTER REGISTRATION	9163		6,000
CORONER	9171		22,000
COURTHOUSE SECURITY	9253		1,000
FACILITIES BUILDING MAINTENANCE	9273		3,000
SHERIFF - ADMINISTRATION	9401		3,000
SHERIFF - CIVIL RECORDS	9402		16,005
SHERIFF - TRAFFIC	9403		100,000
SHERIFF - PATROL	9404		432,000
SHERIFF - DETECTIVE	9405		100,000
JAIL	9411		175,000
JUVENILE - DETENTION	9422		60,000
JUVENILE - DIVERSION/PREVENTION	9425		200
JUVENILE - CRISIS RESIDENTIAL	9426		13,000
P & HS - PERSONNEL	9601		7,000
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		\$	942,005