Kitsap County
2018 Budget Hearings

September 13 – 22, 2017

2018 Budget Process Overview

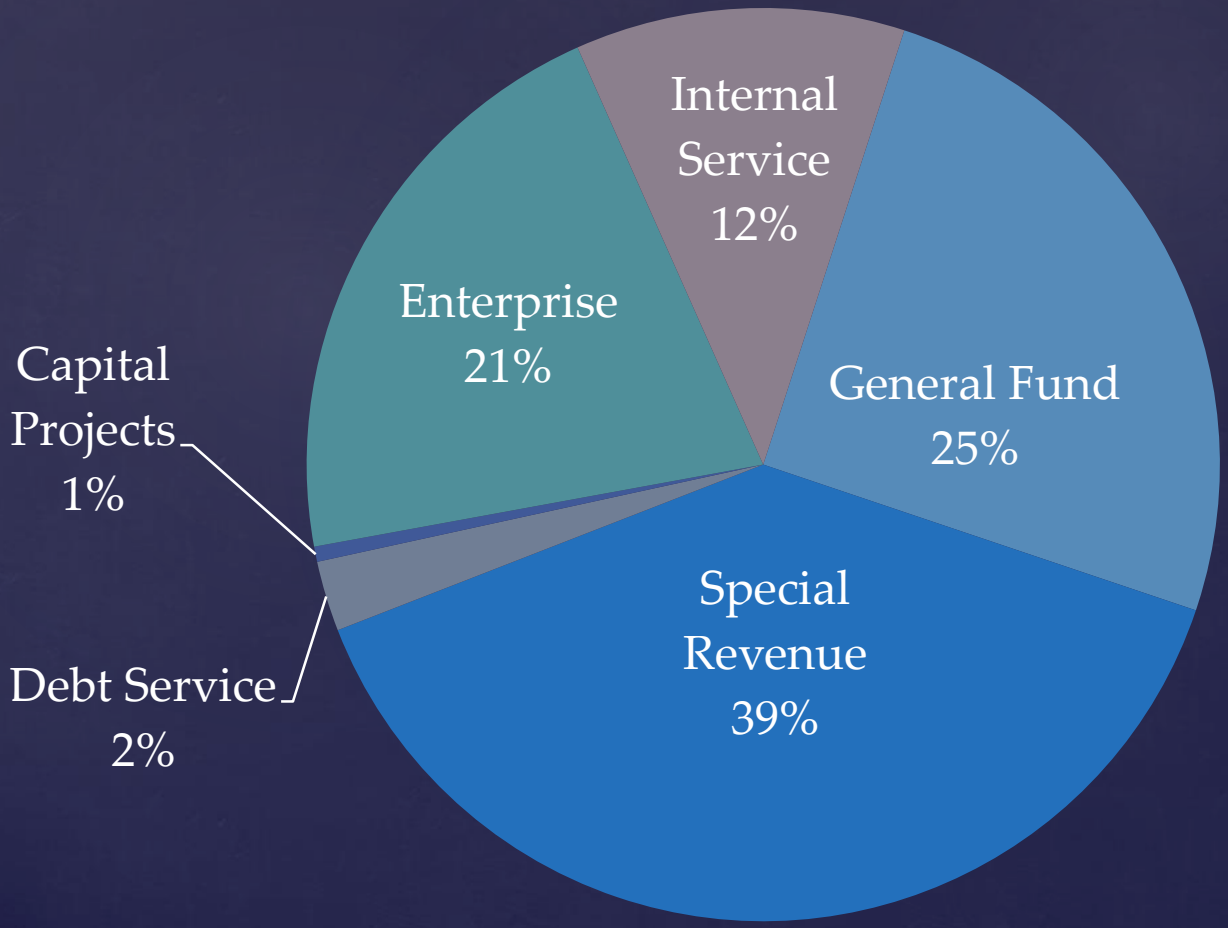
- January – April, 2017
  - Preparation of 6-year Revenue Forecast
  - Preparation of Indirect Cost Allocation
  - Preparation of Status Quo Salary and Benefit Budgets

- May – June, 2017
  - Review of Information to Date with the Board, Department Heads, and Elected Officials
  - Preparation of the Budget Call Letter

- July – August, 2017
  - Distribution of Budget Call Letter
  - Department & Office Requests Submitted

- September 13 – 22, 2017
  - Budget Review Hearings
  - www.kitsapgov.com/das

Kitsap County Proposed 2018 Budget $400.1 Million



Fund Structure – 2018 Preliminary

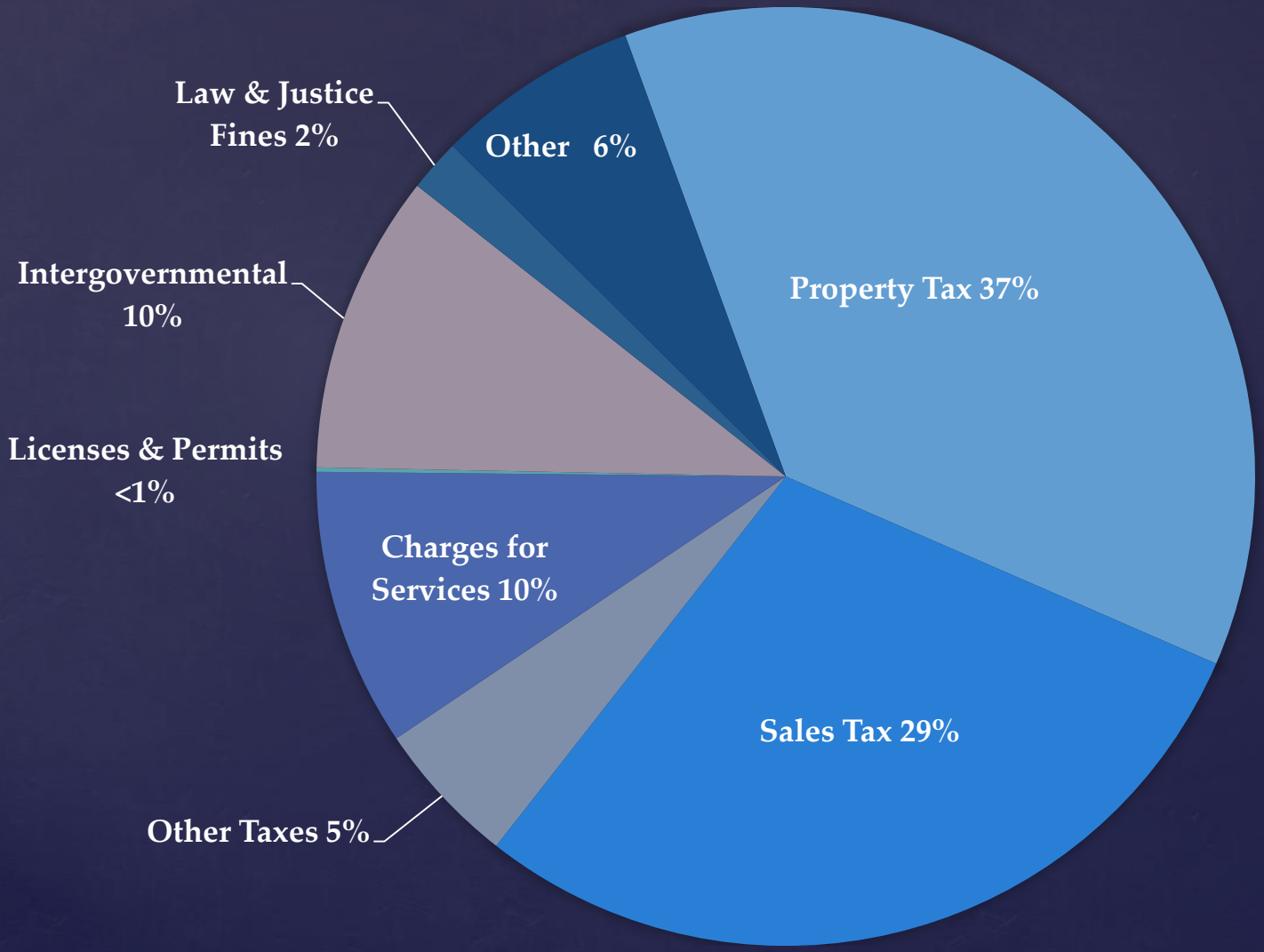
# of Funds	Type of Fund	2018 Request	Example
1	General Fund	$ 100,708,578	Law & Justice, Parks, Admin
57	Special Revenue	$155,703,070	Roads, Mental Health, Community Development
5	Debt Service	$ 9.962.289	Repayment of Debt
3	Capital Projects	$ 2,150,451	Parks, Facilities (exclude PW)
15	Enterprise	$ 84,869,140	Solid Waste, Sewer, Stormwater
6	Internal Service	$ 46,670,586	Fleet & Equipment, Risk Mgmt, Technology, Employee Benefits
Total = 87		**$400,064,114**	

Most Funds are legally restricted for very specific purposes

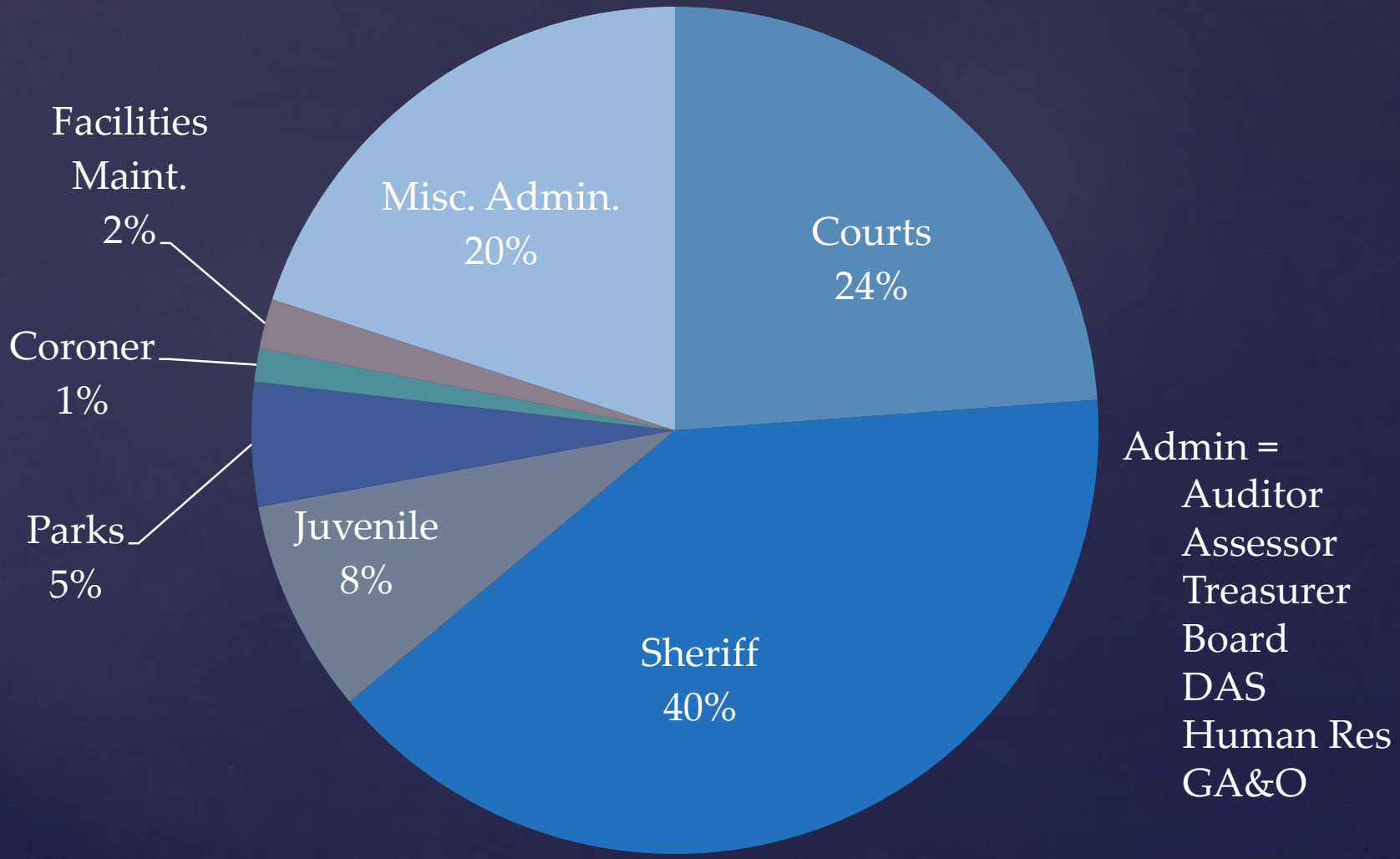
What is the General Fund?

- The County's largest individual fund and the center of **County budget challenges**
- The one fund outside of Public Works that citizens think about when considering **County services** and functions
- Finances the majority of the **traditional services** associated with County government
- Most of the **budget deliberations** center around this fund since it allows for resource allocation flexibility
- Primary sources of revenue = **Property and Sales Taxes**

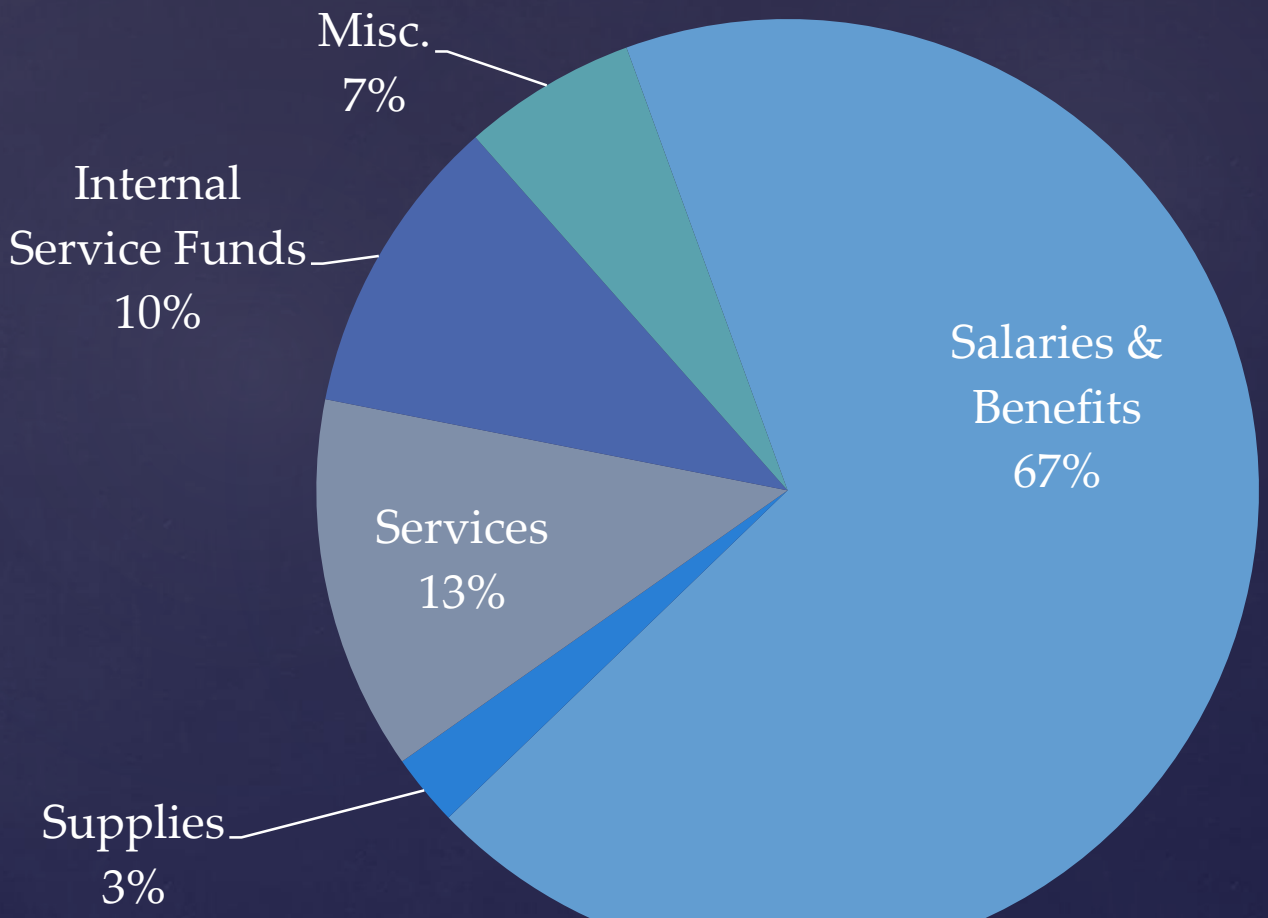
General Fund Revenue - 2018



General Fund Expenditures – 2018 (By Function)



General Fund Expenditures – 2018 (By Category)



Your Property Tax Dollar - 2017

County	Roads	State Education	Local Schools	Fire Districts	Cities	Other*
9.1%	7.8%	19.3%	34.2%	15.7%	6.4%	7.5%

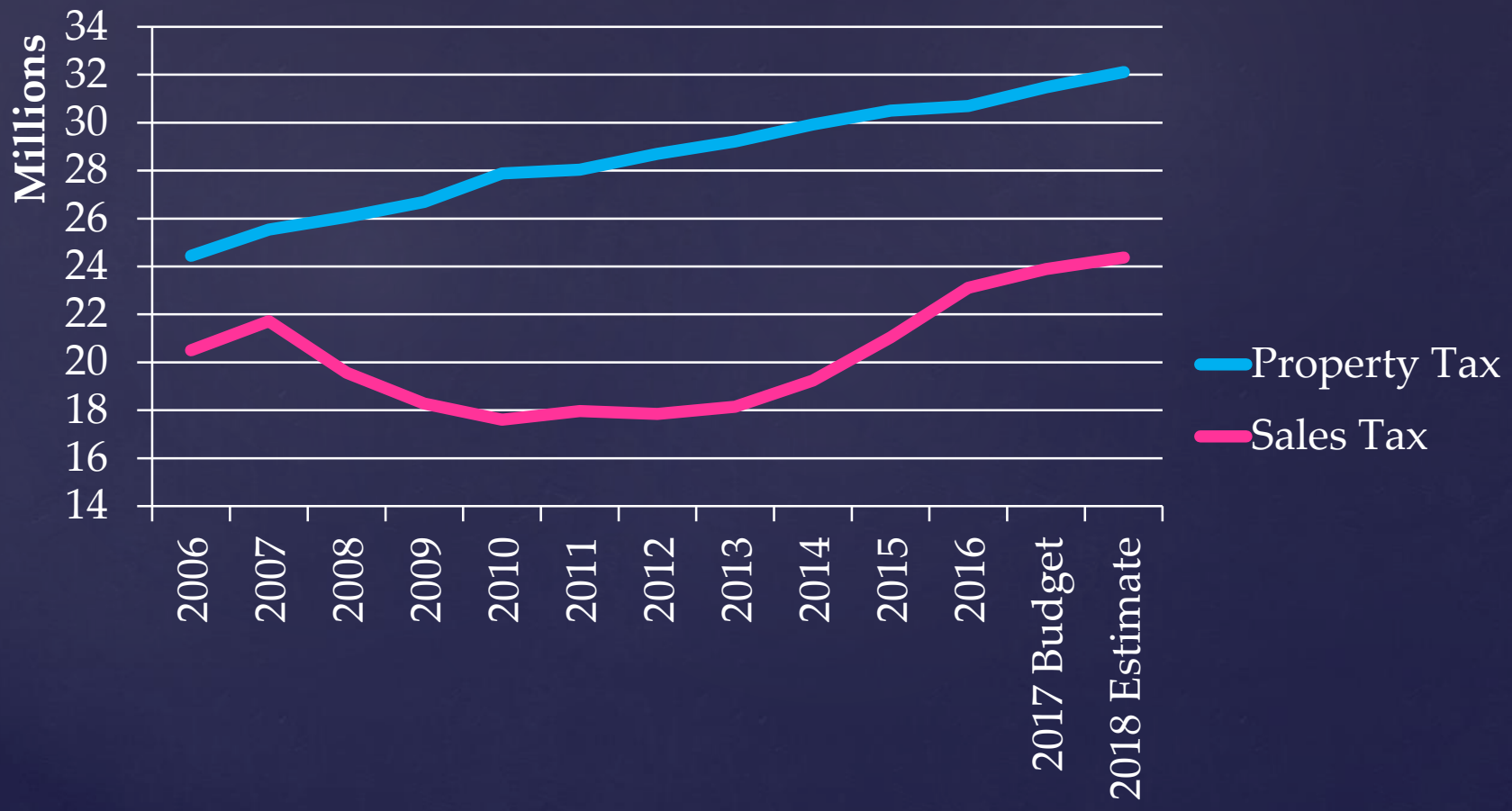
*Other = Conservation Futures, Ports, Utility Districts, Park Districts, Libraries

1% Limit on Property Tax

- Property tax revenue is the largest and most stable revenue source for Kitsap County's General Fund
- Initiative 747 - Passed by voters in 2001
  - Limits property tax levy increases to 1% plus new construction each year
  - Prior limit was 6%
  - Because our expenses grow faster than 1%, we cannot maintain the status quo without other revenues growing faster than 1% and/or cuts every year

New Construction Tax Dollars

Property and Sales Tax Receipts



Changes in Information Services

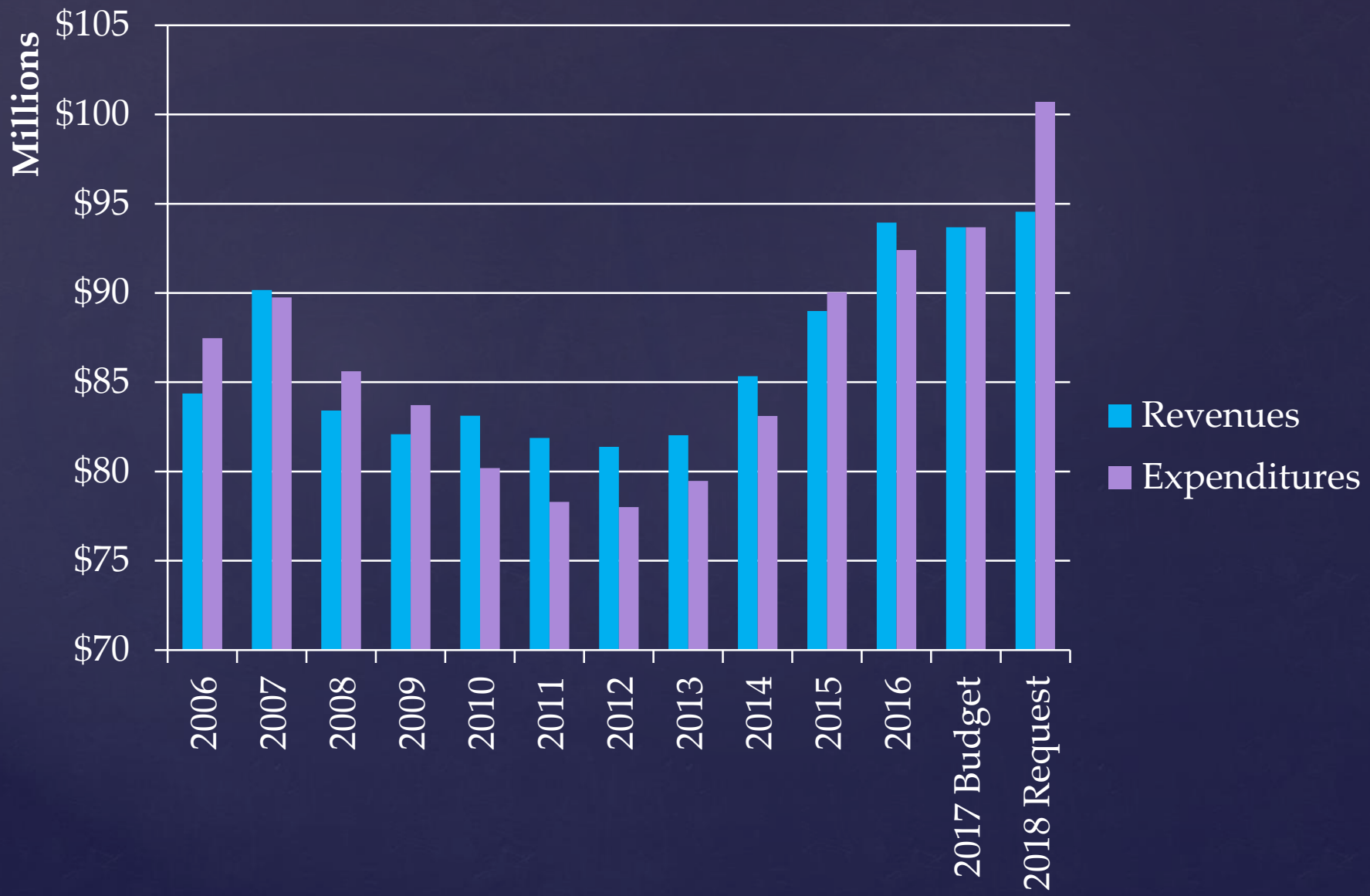
A request was made by the 2017 Budget Committee to create a more transparent allocation model for Information Services' interfund charges.

This has resulted in the following:

- All overhead personnel and non-platform cost are now allocated by number of computers.
- G.I.S. , application services and the P.E.A.K. program, which were previously subsidized by the General Fund, are now spread countywide based on actual usage.
- Communications (telephone, voice/video) are no longer a separate charge and are now included in IS Service Charges.
- Implementation of the Computer Fleet Program has been added to each department/office. Budgets include the cost of computers to be replaced in 2018 and the cost recovery of those put into service in 2017.

This will allow all departments and offices to clearly see the increases triggered by changes in staffing or project requests.

General Fund Revenues vs. Expenditures



2018 Remaining Budget Process

- September 13 – 22, 2017 - Televised Budget Review Hearings
  - Departments & Offices present their 2018 requests to the Budget Review Committee – 9 Members
    - Three County Commissioners, County Administrator, Three Citizen Representatives, Two Organized Labor Representative
    - Schedule, video of presentations, and presentation materials available on the County's website: www.kitsapgov.com/das
- September 25, 28 & 29, 2017 – Commissioner Deliberations
- October 25, 2017 – Final Budget Review with Commissioners
- November 16, 2017 – Notice of Public Hearing
- December 4, 2017 – Public Hearing and Adoption

Your Budget Office Staff

- **Amber D'Amato – Director of Administrative Services**
- **Stephanie Hettema – Budget and Finance Manager**
  - Board of County Commissioners, Department of Administrative Services, General Administration and Operations, Sales Tax, Property Tax, Jail/Juvenile Sales Tax Fund, Bond Issuance, Budget Process and Calendars
- **Aimée Campbell – Financial Analyst**
  - Information Services, Facilities, Building Repair and Replacement Fund, Public Defense, District Court, Public Works, ER&R, Community Development, Parks, WSU Extension, Conservation Futures
- **Kristofer Carlson – Financial Analyst**
  - Coroner, Human Resources, Clerk, Superior Court, Law Library, Juvenile Detention, Prosecutor, Sheriff/Jail, Board, Treasurer, Assessor, Auditor, Elections, Contract Review, Position Control, Employee Benefit Fund
- **Lisa Fryer – Financial Analyst (P/T)**
  - Emergency Management, Human Services, Risk Management, Indirect Cost Allocation, Debt Services, Real Estate Excise Tax, Special Projects, Capital Projects, Industrial Development Corporation, Kitsap Regional Coordinating Counsel