

2015 GRANT SUMMARY PAGE

MENTAL HEALTH, CHEMICAL DEPENDENCY, AND THERAPEUTIC COURTS RFP
KITSAP COUNTY HUMAN SERVICES DEPARTMENT

Proposal Title: Behavioral Health Outreach Pilot Program/BH Specialist

Please Check One X New Grant Application

Continuation Grant Application

Proposal Summary:

The City of Poulsbo requests funding to create a **Pilot Behavioral Health Outreach Program** staffed by a **Behavioral Health Specialist** (.75 FTE). This Specialist will serve adults with a mental illness or co-occurring mental health and substance abuse disorders who are involved with the criminal justice system through the Poulsbo and Port Orchard Municipal Courts.

The main objective of this program is to divert offenders with mental illness (often dually diagnosed with drug and/or alcohol abuse) who have been charged with minor crimes away from jail and into treatment. The Specialist will work with individuals who have agreed to pre-trial, post charging diversion agreements (PDA's) to help ensure that the requirements of these agreements are successfully completed. Our expectation is that the existence of more successfully completed PDA's will lead to an increased use of PDA's in the Kitsap County legal system. Our aim is the increased utilization of diversion strategies for people with mental and behavioral health issues.

The Specialist's primary responsibility will be to PDA participants who appear in Poulsbo and Port Orchard Municipal Courts, but, if time allows, he/she will provide services to other courts in Kitsap County (Municipal and District) who utilize diversion alternatives.

Requested Funds Amount: \$ 73,510.00

Matching/In-kind Funds Amount: \$ 12,105.00

City of Poulsbo

Agency or Organizational Name

200 NE Moe Street

Street Address

Poulsbo, WA 98370

City

State

Zip

Mayor Becky Erickson

(360) 779-3901

berickson@cityofpoulsbo.com

Primary Contact

Phone

E-Mail

Non-Profit Status: 501©3 of the Internal Revenue Code? ___ Yes No

Federal Tax ID Number: 91-6001488

- If incorporated, attach a list of the members of the Board of Directors, including names and addresses. N/A
- If not incorporated (sole proprietor or partnership), attach a list of the names and addresses of the principals. N/A

Signature

Mayor, City of Poulsbo, March 24, 2015

Title

Date

Mental Health Chemical Dependency and Therapeutic Courts Behavioral Health Outreach Program-Narrative

Overview

The City of Poulsbo requests funding to create a **Pilot Behavioral Health Outreach Program** staffed by a **Behavioral Health Specialist** (.75 FTE). This Specialist will serve adults with a mental illness or co-occurring mental health and substance abuse disorders who are involved with the criminal justice system through the Poulsbo and Port Orchard Municipal Courts.

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Organizational Capacity

A. Governance

The City of Poulsbo will serve as the lead entity and fiscal agent for this pilot program. Poulsbo Mayor Becky Erickson will provide guidance and oversight for the program's administration and deliverables. During the first year of operation, the Behavioral Health Program will consist of a single Behavioral Health Specialist, a .75 FTE mental health professional contracted through Kitsap Mental Health Services. The position is located at KMHS, with duties performed in the field and at the Poulsbo and Port Orchard Municipal Courts.

The City of Poulsbo is a code city incorporated in the State of Washington in 1908. Poulsbo is a city governed by a strong mayor and a city council of seven all elected at large without election districts. The staff of the City of Poulsbo reports directly to the mayor who acts as the chief executive officer of the municipal corporation. There are eleven business operating groups within city government, and all are supervised by department managers. Each department manager reports directly to the Mayor. The Mayor will directly manage the contract with KMHS.

Poulsbo has chosen to subcontract with Kitsap Mental Health Services (KMHS) for this pilot program because of its extensive history of client services. KMHS is a private, not-for-profit community mental health center that provides both mental health and behavioral health care services to children, families, adults and seniors in Kitsap County. The organization has over thirty-five years of experience hiring, training,

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supervising, mental health professionals and providing care for Kitsap County residents and meeting project deliverables.

B. History of Project Management

The Executive Department of the City of Poulsbo has extensive experience managing complex public projects. At present, the city is administering \$4,412,000 in grants from the Federal Highway Administration, Washington State Department of Ecology, Washington State Department of Commerce and the Washington Transportation Improvement Board. The City of Poulsbo is routinely awarded many types of grants and successfully obligates and manages funding in a timely manner for each of them. All grants issued to the City of Poulsbo have been audited successfully. Each project using grant funding has been successfully completed, on time and within budget parameters.

Subcontractor Kitsap Mental Health Services has been successfully managing federally and locally funded projects since its founding in 1978. The organization has a history of implementing and managing projects, successfully meeting deliverables in a timely manner, within budget, and consistent with funding expectations.

KMHS currently holds similar contracts with the Kitsap County Superior Court and with the Kitsap County Juvenile Services departments, wherein KMHS provides two mental health professionals who have similar duties to the proposed Behavioral Health Specialist. An existing **Adult Drug Court Therapist** serves as a liaison between the Kitsap County Drug Court and KMHS staff, and an existing **Behavioral Health Specialist** serves as a liaison between KMHS and the Kitsap Juvenile and Family Court. Both of these existing positions overlap, in significant ways, with our proposed position, and we expect that the establishment of this new position will further the important progress, already being made, linking the work of Kitsap County courts and the County mental health system. KMHS' experience with these positions allied with the Courts and the supervision of these contracts and affiliated employees will inform their approach to the proposed Specialist position.

C. Staffing Capacity

During the first year of operation, the Behavioral Health Program will consist of a single Behavioral Health Specialist, a .75 FTE mental health professional contracted through Kitsap Mental Health Services. The position will be located at KMHS, with duties performed in the field and at the Poulsbo and Port Orchard Municipal Courts. The Municipal Courts of Port Orchard and Poulsbo will provide meeting space to the Specialist on an as-needed basis.

KMHS supervision of the contract deliverables and the Behavioral Health Specialist position will be by an assigned KMHS Adult Outpatient Services Clinical Director.

Working together, the City of Poulsbo Mayor and the KMHS Clinical Director will assess the Specialist's performance and impact reported on a quarterly basis, with input from

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the Specialist, individuals served by the Specialist, judges and other city personnel participating in the pilot program. These quarterly reports will culminate in an annual report that will be submitted to the Mental Health, Chemical Dependency and Therapeutic Court Advisory Committee.

The Poulsbo Mayor will use her office to facilitate communication between those involved in the pilot program. She will work with judges, prosecutors, public defenders, media, and community groups to increase awareness and acceptance of the Program and she will explore ways to align the Specialist's efforts with the work of Crisis Intervention Officers and other law enforcement officers in Kitsap County.

Community Need and Benefit

A. Needs Assessment

Based on national statistics from the National Institute of Mental Health, Kitsap County has approximately 36,000 adults with any mental illness (AMI) – around 18% of its adult population. Many of these people manage their illness successfully. But some of them do not. As noted in the Kitsap County Behavioral Health Strategic Plan, only a little over one in three people with a mental health problem will receive mental health services (14). We know, from two decades of national studies, that almost half of all individuals with schizophrenia or bipolar disorder are not being treated for their illness at any given time.

The prevalence of untreated mental illness has a profound effect on local policing and the criminal justice system. A 2015 Islanders for Collaborative Policing survey indicates that police officers in Kitsap County encounter people exhibiting signs of acute mental illness on a frequent and increasing basis. 63% of responding officers report that they interact with people showing signs of mental and behavioral problems at least five times in a typical week. 22% of officers report interaction at least ten times in the same period. 71% percent of officers report that the number of these interactions has increased in the last year.

There are, unfortunately, no reliable statistics that tell us how many people with mental illness and co-occurring disorders end up in our municipal and county courts. But we know, from speaking to prosecutors, defense attorneys, and judges, that the numbers are significant, and seem to be increasing each year. We also know, from Kitsap Corrections Chief Ned Newlin, that at least 25% and up to 40% of the Kitsap Jail population shows signs of mental illness, and at least of half of the Jail's pharmaceutical budget is spent on mental-health related medications (presentation to Islanders for Collaborative Policing's Mental Health Working Group, January 7, 2015). Our local courts are processing and sentencing many hundreds of people, each year, with mental health disorders.

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There is a strong desire, throughout the criminal justice system, to find non-jail alternatives for people suffering from mental illness. Jail is not seen as a just, effective, or economically sensible response to people suffering from mental and behavioral disorders, particularly when their crimes are of a non-violent nature. The one non-jail alternative available at the Municipal and District Court level—pre-trial diversion agreements—are often not effective.

Pre-Trial Diversion Agreements. Municipal Courts and District Courts in Kitsap County use “pre-trial” or “post-charging” diversion agreements, referred to as PDA’s, on a varying basis. PDA’s are judge-approved agreements that allow people, including those with mental and behavioral health issues, to avoid incarceration in exchange for voluntary compliance with a list of rules and requirements. In the context of defendants with mental health issues, these agreements may include provisions for mental health treatment.

PDA’s, when used to promote mental health treatment, often fail. Mental health resources, for those who are not Medicaid eligible or who do not meet state designated criteria for services provided at Community Mental Health Agencies (CMHA), can be expensive and difficult to access. Even for those with access to CMHA’s, logistical obstacles are often considerable. There is no one, at present, who provides personalized assistance to people participating in diversion plans. There is no one who monitors participants, encourages their success, or intervenes at early signs of noncompliance. There is, further, no one measuring the frequency of these agreements, their effects on individuals, or their effects on the larger criminal justice system. We simply do not know how many people are satisfying the terms of their PDA’s, or if PDA’s are reducing recidivism.

PDA’s are one way to help people suffering from untreated mental disorders. They are an appealing alternative to incarceration for minor criminal offenses. But in order to be effective, someone should be available to help individuals comply with their treatment plans. Someone should assess agreements to determine their short and long term consequences. The Behavioral Health Specialist will perform these tasks and, in doing so, will provide an important service for individuals, the Poulsbo and Port Orchard Municipal Courts, and the broader community.

B. Link between Community Need and Strategic Plan

As noted above, police officers and judges in Kitsap County encounter people with untreated mental illness on a frequent basis. The fact that so many people suffering from mental illness end up in Kitsap County Jail points to an acute need for additional treatment options. The proposed Behavioral Health Specialist addresses this need by:

- (1) encouraging court supervised diversion plans as an alternative to incarceration, and
- (2) ensuring that people participating in at least some diversion plans have personalized, monitored treatment.

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The Behavioral Specialist Program clearly addresses the needs identified in the County Behavioral Health Strategic Plan under “**Outpatient Treatment.**” The Specialist will assist individuals with case planning, case consultation and referral services for the purpose of engaging and retaining clients in treatment. The Specialist will also assist with “**Recovery Support Services**” by addressing the health, housing, vocational, and social support needs of diversion plan participants.

In addition, the Specialist will address some of the needs identified, in the Strategic Plan, under “**Behavioral Health Prevention, Early Intervention, and Treatment.**” The Specialist will promote collaboration between health and justice stakeholders, and share important information about defendants with mental and behavioral health issues county-wide.

The Specialist Position is consistent with enabling statute RCW 82.14.460 in that the Specialist will assist in the provision of “therapeutic court programs and services.” There is, unfortunately, no Mental Health Court in Kitsap County, but a Behavioral Health Specialist may be seen as an important step in this direction. Specialists will work to divert people with illness away from harmful jail stays and into personalized treatment plans.

To summarize: the Kitsap County Behavioral Health Strategic Plan identifies a county-wide gap in outpatient services. The Specialist Program will address this gap by adding a mental health professional to the Municipal Court system and connecting at-risk individuals with needed services.

Project Description –

A. Project Design--Activities, Goals, Outcomes

The Behavioral Health Specialist will assist clients with mental and behavioral health issues who are charged with non-violent criminal offenses. The pilot project will focus on Municipal Courts in Poulsbo and Port Orchard.

When a judge approves a post charging, pre-trial diversion agreement (PDA) that includes a mental health treatment plan, the Specialist will be called in as a resource. The Specialist will offer his/her services to the participating individual, and assist with diagnosis, service referrals, facilitation, housing, and explanations of court requirements. In this context, the Specialist is essentially a case-worker.

The Specialist will perform duties in four categories: initial duties, client services, communication and reporting. This is a new position, but shares qualities with the recently established Drug Court Therapist (who works with the Adult Drug Court) and Behavioral Health Therapist (who works with the Juvenile and Family Court).

Initial Duties:

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- Meet and establish relationships with court staff, judges, public defenders and the Kitsap County Prosecutor.
- Establish contacts and build relationships with the Crisis Intervention Officers and other law enforcement personnel in Kitsap County to explain services and prepare for police interaction with PDA participants.
- Research and contact service providers in Kitsap County who can assist clients in each jurisdiction.
- Develop specific job duties with City of Poulsbo Mayor Erickson and KMHS.
- Develop a plan for data collection. The Specialist will collect information on number of PDA's, content of PDA's, and effects of these agreements.

Client Services:

- Meet with diversion plan participants at Poulsbo and Port Orchard Municipal Courts (and other courts if time permits), at the KMHS office, and in the community; develop client relationships.
- Alone, or in conjunction with KMHS staff, complete psychosocial assessments that are based on client and family interviews, review of records, and collateral interviews. Use assessments to determine coping skills, strengths, placement needs, treatment needs, and assess the clients' ability to meet the diversion agreement requirements.
- Compile and interpret psychological, chemical dependency and medical records history on each client.
- Complete emergency assessments for potentially suicidal clients and facilitate therapeutic crisis intervention, when needed, through on-duty CIOs in each jurisdiction.
- Arrange expert evaluations for both inpatient and outpatient mental health and substance abuse evaluations and treatment.
- Help clients understand their diversion agreements; develop a friendly, supportive relationship with clients and monitor their compliance with agreements; provide outreach to non-compliant clients as appropriate.
- Provide emergency assistance resource information so clients have access to basic needs such as food, clothing, transportation, clothing, and shelter.
- Explore potential temporary and permanent housing options, shelters, and extended family resources; coordinate with agencies, facilities and families to successfully arrange housing or residential placement.

Communication with family members, courts, community:

- With client permission, communicate with family members and caretakers about status of the client.
- Respond, where appropriate, to information requests from judges, prosecutors and public defenders, both general and client-specific.

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- Be prepared to help the courts understand clients' status in terms of mental health, treatment, housing, medical condition, etc.
- When appropriate, communicate with attorneys and judges regarding clients' need for services, appropriate treatment programs, PDA compliance, and the status of family and community support.
- Communicate with community groups, such as NAMI, the League of Women Voters, the Vulnerable Adult Task Force and the Islanders for Collaborative Policing Mental Health Working Group, to build knowledge about the position and solicit feedback.
- Attend meetings with CIOs and other service providers, as appropriate, to maintain strong ties with providers.

Reporting:

- Gather data and prepare monthly reports for the Poulsbo Mayor, KMHS, Municipal Judges, and other interested parties.
- Collect, analyze, and summarize data that will appear in an Annual Report at the conclusion of the grant period.
- Maintain records on each client, maintaining relevant privacy protections.

The objectives of the Behavioral Health Specialist Program are to:

- increase the use of court-supervised diversion agreements as alternatives to incarceration for adults with a mental illness or co-occurring mental health and substance abuse disorders who have committed minor offenses.
- improve outcomes for mentally ill individuals who have entered diversion agreements.
- increase coordination and collaboration between the criminal justice system and the county mental health system.
- collect and assess data about people with mental health disorders who enter into diversion agreements within this grant period.
- give police access to an additional mental health professional.
- enhance continuity of care for mentally ill individuals.
- provide support to mentally ill individuals, their families and caregivers.
- educate court personnel and the community at large regarding the specific needs of mentally ill individuals.

B. Community Collaboration, Integration and Collective Impact

The Behavioral Health Specialist Pilot Program will be a multi-city, cooperative effort between the cities of Poulsbo and Port Orchard, their Municipal Courts, and Kitsap Mental Health Services (KMHS). As noted, the Specialist will work closely with many individuals and organizations: police officers, judges, prosecutors, defenders, mental health service providers, community groups, families and caregivers. If the pilot program

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is successful, we expect it to broaden, in the near future, to include more cities, courts and agencies. We are very persuaded by the need for a collaborative, “collective impact” approach in the mental health context.

Information sharing is a major feature of the Specialist’s work. This ensures that the Specialist will have many opportunities to educate and receive feedback from those involved in criminal justice, social services, and mental health and chemical dependency services across the county.

The amount requested for this pilot project is small—\$73,510—but the collective impact may be considerable. The Specialist’s services will potentially have a great effect on individuals participating in PDA’s and on Municipal Court Judges. It will encourage new forms of court/mental health provider collaboration and strengthen partnerships already in place. If successful, this pilot project may attract interest, and support, for a Mental Health Court in Kitsap County.

C. Project Outcomes and Measures

Quantify and Measure. Success of the pilot program will be reflected in:

- Documented court/judge satisfaction with the Specialist’s work.
- Documented defendant/client satisfaction.
- An increase in the number of PDAs issued during the grant term (and/or indications that they will increase in the future).
- Evidence of successful PDA completion by clients.
- Low recidivism for individuals receiving Program services.

Baseline for Project. In discussions with local judges, prosecutors, and public defenders, we found there is no reliable tracking system for capturing the number of PDAs supervised by each court, the content of PDA’s, or what happens to individuals after a PDA’s are agreed to. This lack of baseline data shows the need for the proposed Specialist Position.

Timeline. Should this grant be awarded, KMHS will write a job description for final approval by Mayor Erickson within one month of contract award and assignment and the identified/hired within the first quarter. The Specialist’s first self-assessment will be at end of the first month and the Mayor’s first quarterly report will be issued in October 2015. The conclusion of the Pilot Program will be in June 2016.

Project Financial Feasibility

A. Budget Narrative

We request \$73,510 to fund the first year of the Behavioral Specialist Program. \$64,000 of this amount will be used to pay a Specialist’s .75 FTE salary (\$47,466) and benefits (\$16,694). The remaining \$9,350 will be used to pay for start-up costs incurred by

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KMHS (position advertising, orientation and training, laptop) and the Specialist's travel expenses, supervisory and project oversight.

In addition to the \$73,510 the City of Poulsbo will be providing in-kind services of \$12,105 for grant administration including lead agency financial status for grant reporting and management. The City of Poulsbo considers this as a 14.1% match for the grant funds and is not seeking any reimbursements for their support.

Meeting space will be provided to the Specialist, without charge, by the Municipal Courts of Poulsbo and Port Orchard.

B. Additional Resources and Sustainability

Year one of the Behavioral Health Specialist Program will be funded entirely by a MHCD grant. We anticipate most of the Program's cost, in year two, will be funded by a combination of city and (non-MHCD) county contributions. We will work with the Kitsap Department of Human Services later this year to apply for U.S. Justice Department funding.

Total Agency Budget Form

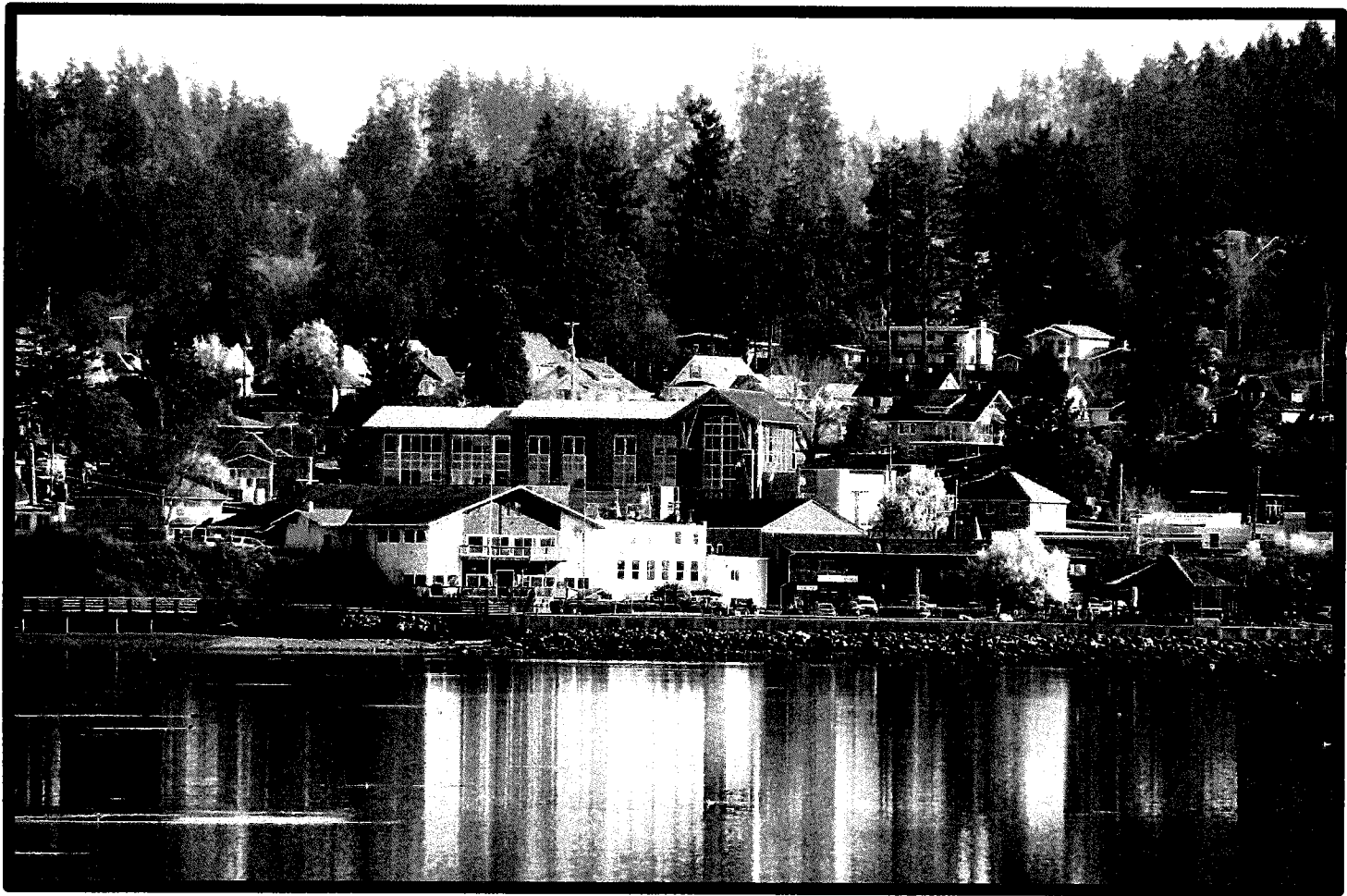
Agency Name: City of Poulsbo

Project: Behavioral Health Pilot Program

Accrual Cash

See the attached "Budget in Brief"

City of Poulsbo
2015
Budget-In-Brief



City of Poulsbo
Mission Statement

Our City is committed to managing the public resources to promote community health, safety and welfare and plan for the future to accommodate growth, without burden, while preserving our natural resources and enhancing those qualities that make our community unique and desirable.

POULSBO'S COMMUNITY KEY GOALS & COUNCIL GOALS

1. Land Use
2. Community Character
3. Natural Environment
4. Capital Facilities
5. Housing
6. Parks & Recreation and Open Space
7. Economic Development

*Goals 1 through 7 –as adopted in the City's Comprehensive Plan

The following are Council Goals previously established which are not addressed in Poulsbo's Community Key Goals.

8. Public Safety
9. Revenues and Financial Stability
10. Customer Service

*Please visit the 2015 budget document for more detail regarding the goals.

2015 COUNCIL WORKING GOALS

1. Develop and Implement a "Neighborhood Streets Maintenance Program"
2. Complete Sale of Old City Hall Property and Market Police Station
3. Develop Long Term Economic Development Plan
4. Increase Public Awareness of City Information and Simplify Access
5. Create Joint Regional Transportation Vision for State Route 305
6. Construct New Public Works Facility
7. Implement Dog Fish Creek Study
8. Lindvig Bridge Beautification
9. Explore Sources of Funding for Parks.

ABOUT POULSBO

The City of Poulsbo is located in Kitsap County, west of Seattle. Originally settled by orwegian immigrants in the late 1800's on Liberty Bay, a fjord of Puget Sound, Poulsbo continues to maintain its Scandinavian atmosphere through its architecture, celebrations, and hospitality. Holding to its Scandinavian heritage has earned the City the nickname "Little Norway" and visits from two Norwegian Kings.

Three military bases are located in Kitsap County. Many of Poulsbo's residents are employed at one of the federal bases or commute to metropolitan Seattle by ferry. In addition, Poulsbo has a large and active senior citizen population.

Poulsbo operates under a Mayor-Council form of government. The Mayor, elected by the people to a four-year term, is the executive officer of the City, coordinating the day-to-day activities. The council is the policy-making branch and consists of seven members elected at large to staggered four-year terms.

The City government provides a full range of municipal services through its 11 operating departments. The City boasts 19 parks, including four waterfront parks, as well as a community recreation department that provides educational, recreational, and physical fitness services. The broad range of recreational facilities provides year-round services for citizens of all ages.

Poulsbo at a Glance

Post Office Chartered	1886
Incorporated	1908
Population	9775
Elevation	0-400 feet
Land Area	2954 acres
Average Temperature (min/max)	44°/61°F
Average Annual Precipitation	36"
Miles of City Streets	45
Acres of Parks	67.5
Assessed Value	\$1,282,347,366
City Retail Sales Tax	8.7%
Fire District Rating Class	4
Full Time Equivalent (FTE) Employees.....	89.86

THE BUDGET PROCESS

Budget development is a yearlong process. The City is constantly looking for ways to streamline operations, to be more efficient, and make adjustments to improve service delivery. Many of Council's actions throughout the year have budgetary implications for the coming year. In addition, citizen input and ideas received during the year are reflected in the budget proposals prepared by the City staff. Some of the significant events that contribute to the annual budget preparation are:

Jan *City Council holds retreat to discuss goals and priorities for the upcoming year.*

May *Capital Improvement Team meets to begin CIP process.*

July • *Budget kickoff.*

• *Council provides direction to staff for preparation of next year's budget.*

• *Electronic budget information is available to Department Heads, Mayor, and Council.*

July-• *Each City department prepares a "basic budget" for all existing services.*

Aug • *Additional Funding and New Programs requests are submitted separately.*

• *Departments review budgets with their Council Committees.*

Sept *Budget staff prepares the Preliminary Budget for review by the Mayor.*

Oct • *Proposed Preliminary Budget presented to Council.*

• *Budget staff reviews current revenue sources with Council.*

• *A public hearing on revenue sources is held. The property tax rate is set.*

Nov • *The Preliminary Budget is presented to Council and made available to the public.*

• *The City Council holds a series of budget work sessions to review the preliminary budget.*

• *Each department presents their proposed budget.*

• *The capital improvement plan is also presented.*

• *A public hearing is held to gather citizen input on the Preliminary Budget and any modifications that were made by the Council during their review.*

Dec *The City Council completes their review of the budget and approves an ordinance adopting the budget for the coming year.*

Jan- *The City publishes the final budget document during the first quarter of*

Mar *the budget year.*

Jan- *The adopted budget is monitored and amended, if necessary,*

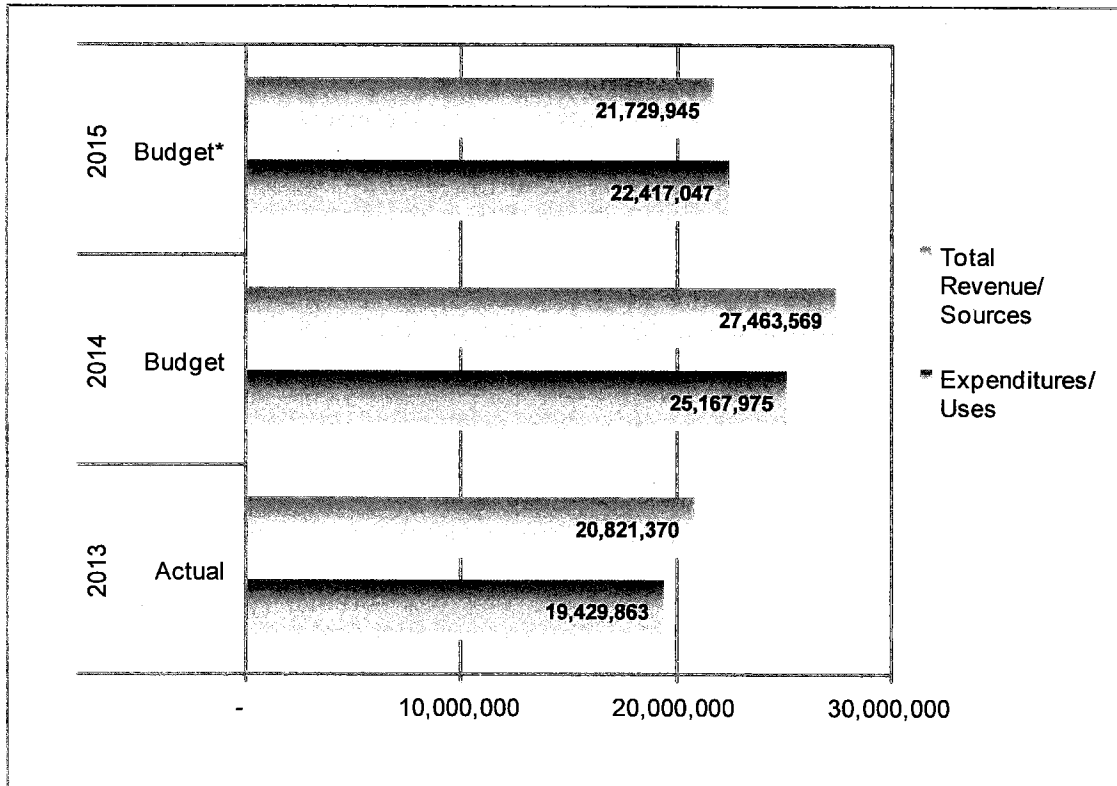
Dec *throughout the budget year.*

ABOUT POULSBO'S BUDGET

The City of Poulsbo's budget is made up of 21 funds. Each fund is balanced so revenues equal expenditures.

TOTAL ALL FUNDS

	2013 Actual	2014 Budget	2015 Budget*
Governmental Revenues	\$ 13,513,333	\$ 19,617,344	\$ 14,940,945
Proprietary Revenues	7,308,037	7,846,225	6,789,000
Total Revenue/ Sources	20,821,370	27,463,569	21,729,945
Governmental Expenditures	13,606,763	19,003,013	15,713,775
Proprietary Expenses	5,823,100	6,164,963	6,703,272
Expenditures/ Uses	19,429,863	25,167,975	22,417,047
Net Increase (Decrease)	1,391,506	2,295,594	(687,102)
Fund Balance/Equity - Beginning	57,778,671	61,295,145	62,038,592
Increase in Contributed Capital	1,992,716	145,000	145,000
Prior Period Adjustments	144,141	-	-
Fund Balance/Equity - Ending	\$ 61,307,034	\$ 63,735,739	\$ 61,496,490



POULSBO'S 2015 GENERAL FUND RESOURCES

At A Glance

Total Resources - \$11,741,752

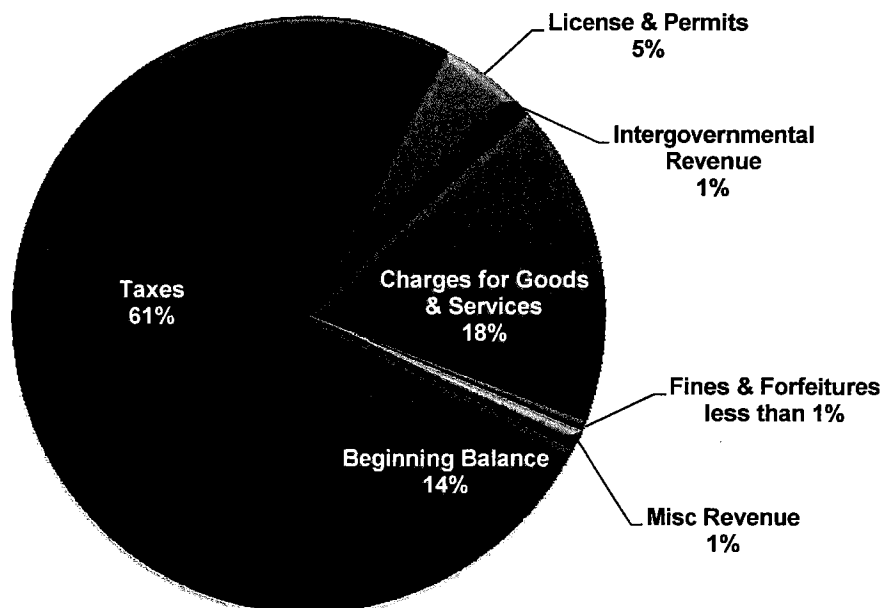
One of the largest operating funds is the General Fund, which includes police, financial, public works administration, planning, engineering services and parks and recreation. Most of the tax revenue collected by the City goes into the General Fund. This makes the General Fund the primary focus for the City Council during the budget review process. The charts on the following pages provide an overview of the revenue and expenditures included in the City's General Fund.

"Where does the City's money come from?"

Revenues in the General Fund are typically general purpose and, with a few exceptions, available for any public purpose. Taxes represent the largest source of revenue, with sales tax being the City's largest revenue source. Resources in the General Fund come from eight areas:

- ***Beginning Balance - Undesignated***
- ***Taxes*** - property, sales, and utility
- ***Licenses & Permits*** - building and business
- ***Intergovernmental*** - liquor profits tax, grants, and reimbursement for school officer
- ***Charges for Goods & Services*** - charges for services provided
- ***Fines & Forfeitures*** - fines from law enforcement related activities
- ***Miscellaneous Revenue*** - interest income, copy charges, etc
- ***Operating Transfers*** - transfers from other funds for General Fund expenditures

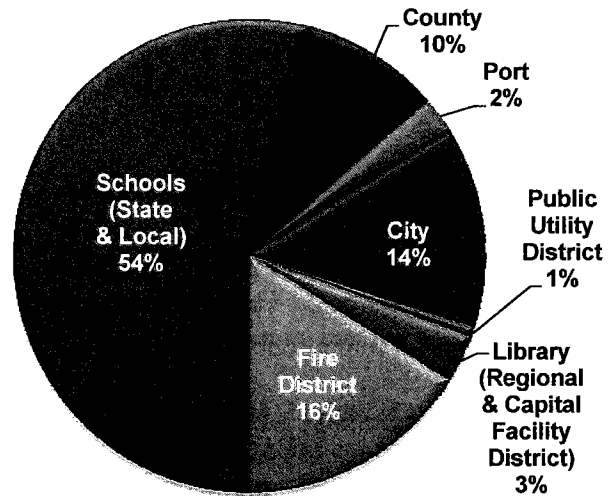
**2015 General Fund Resources
\$11,741,752**



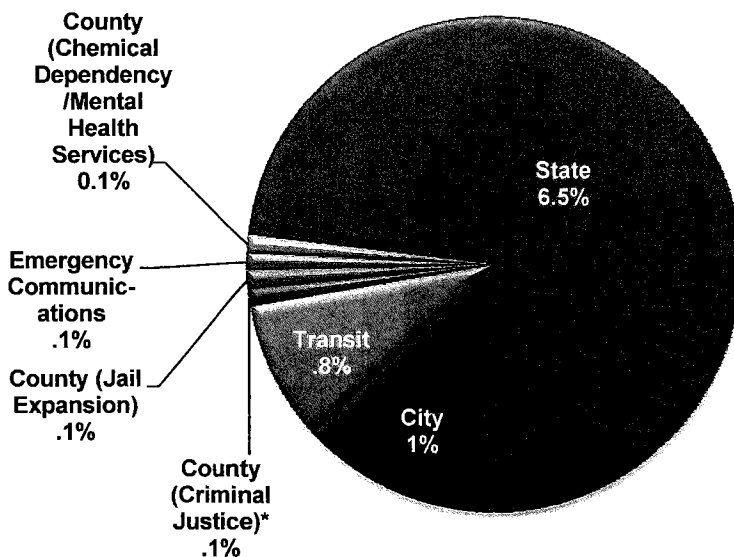
PROPERTY TAX

For 2015, the estimated assessed value of properties located within the City is \$1.28 billion. This includes approximately \$29.9 million in new construction. This assessed value is expected to generate approximately \$2,192,653 in property tax revenue for the City. The City was not able to levy 1% over its highest allowable levy, due to the rate capping to amount. Although property taxes represent a large portion of funding for City services, the portion of each property owner's total bill that goes to the City is relatively small. In 2015, the total property tax rate for Poulsbo properties is \$12.40 per \$1,000 of assessed valuation. Of that total, 14%, or \$1.71 per \$1,000 of assessed valuation, will go to the City. The graph to the left outlines how the total property tax paid by a City property owner in 2015 will be distributed amongst taxing jurisdictions.

**Poulsbo Property Tax Owners
2015 Property Tax Distribution**



2015 Sales Tax Distribution



SALES TAX

The sales tax rate paid on transactions within the City limits of Poulsbo is 8.7%. The total sales tax rate was increased effective January 1, 2014. The increase is to be used for chemical dependency or mental health treatment services. Similar to property taxes, however, the majority of this tax does not go to the City. The chart to the right indicates how the total 8.7% sales tax is distributed.

GENERAL FUND SALES & PROPERTY TAX REVENUE

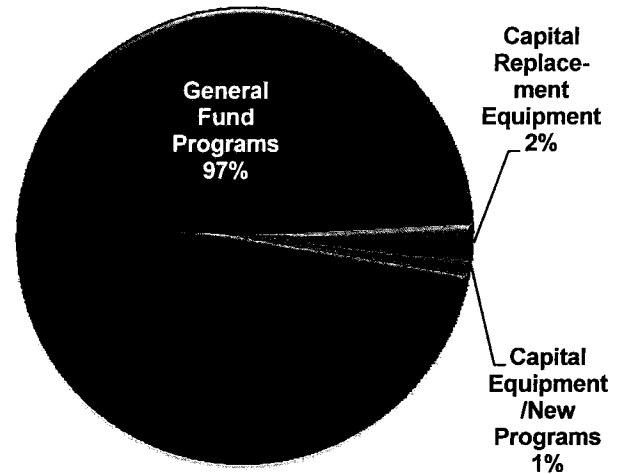
At a Glance

“How does the City spend the Sales Tax and Property Tax it receives?”

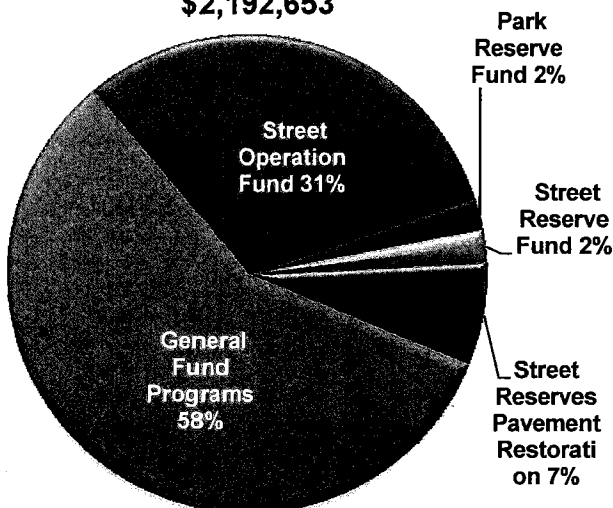
SALES TAX

The State of Washington collects the 8.7% sales tax paid to vendors doing business within Poulsbo city limits and distributes the City’s portion (1%) back to the City on a monthly basis. Sales tax is the City’s largest revenue source and although it is a healthy source of income for the City, the estimation has historically been very conservative - never estimating more sales tax revenue than received the previous year. The revenue projected for 2015 is higher than the 2014 projection but is consistent with the actual amount collected in 2014. For 2015, estimated sales tax revenue is \$2,950,000. The City’s sales tax revenue is collected and used in the City’s General Fund with the exception of 2.5% transferred to Capital Equipment Acquisition Fund (301) for capital equipment.

**How is Poulsbo's Sales Tax Spent?
\$2.95 Million**



**How is Poulsbo's Property Tax Spent?
\$2,192,653**



PROPERTY TAX

The Kitsap County Treasurer collects the property tax levied by the City of Poulsbo and remits it to the City on a monthly basis. The property tax is recorded in the City’s General Fund. City Council’s practice is to allocate amounts of property tax as below:

- 31% to the Street Fund (101) for street maintenance, will be reduced \$100,000 for Storm Drain to support street operations.
- 2.15% to Park Reserves (302) for capital park projects.
- 2.15% to Street Reserves (311) for capital projects.
- 7% to Street Reserves to fund capital restoration street projects.

GENERAL FUND USES

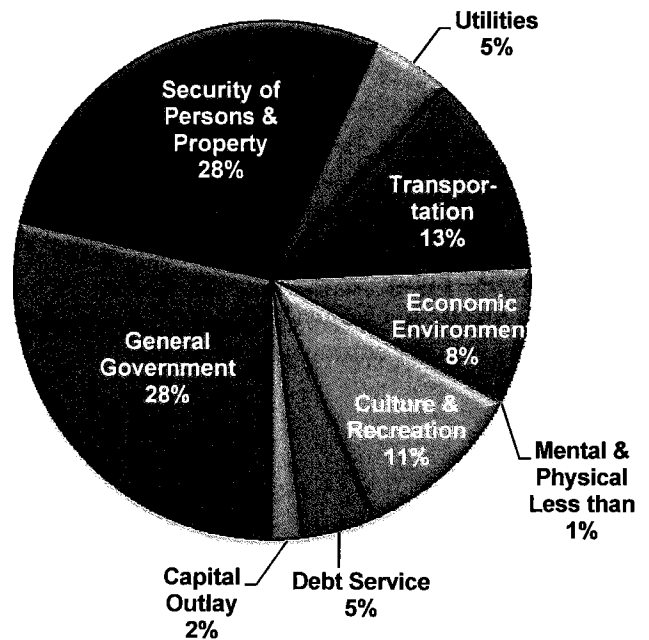
At a Glance

“Where does the City’s money go?”

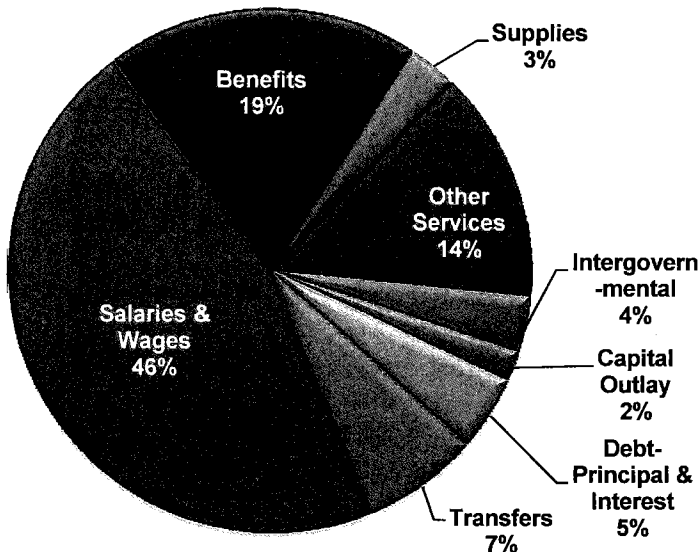
EXPENDITURES BY PROGRAM

The General Fund accounts for most of the City’s general operating expenditures (about 39% of the total operating budget). The services are broken down in nine categories, which include services provided by the following Departments: Council, Finance, Human Resources, Information Services, Municipal Court, City Clerk, Risk Management, Police, Engineering, Public Works Administration, Parks, Cemetery, and Planning.

**General Fund Expenditures
(by type of government being supported)
\$10,475,426**



**General Fund Expenditures
(by type)
\$10,475,426**



EXPENDITURES BY TYPE

“Salaries” and “Benefits” categories combined make up the largest expense. This is to be expected from a government agency, since their primary function is public service. Of these expenditures, 25% can be directly related to Police Service. “Operating Transfers” are transfers made to other funds for Capital Outlay, Debt Service, and other amounts to reserve for future use. “Other Services” is composed of contracted services, travel, rentals, insurance, utilities, and repair and maintenance.

BUDGET CHANGE HIGHLIGHTS

- Departments were directed to submit budgets maintaining the same base budget as 2014, with the exception of wages and benefits. Requests for additional funds were submitted with either a Baseline Adjustment Request or New Program Request.
- The administrative services department was reorganized, creating a Risk Management department and reducing the clerks department to 2 FTEs.
- Transfers to support capital equipment, street and park projects will continue to be reduced for 2015. The projects and equipment were either delayed or used reserves for funding. This allowed funds to remain in the General Fund to support ongoing operations.
- Utility Tax for City services was increased to 12% for water and sewer and will remain 6% for storm drain in 2015. Also, beginning in 2015 the City will begin to assess a 6% utility tax on cable services, supplementing the decline in some of our other restricted tax revenues.

CAPITAL PROJECT HIGHLIGHTS

The following general, transportation, park and enterprise projects are included in the 2015 budget.

- **Poulsbo's Fish Park Expansion & Development:** Improvements to this park will continue in 2015.
- **Recreation Center HVAC:** A new HVAC system in the Parks & Recreation building will be installed.
- **Eastside/Morrow Manor Park:** A new park on the east side of town with donated land is being planned for construction in 2016. Design costs have been allocated in 2015.
- **Vista Park:** An area along the ridge at the College Market Place development with spectacular views of Liberty Bay will be improved with pedestrian access and benches to sit and enjoy the view.
- **Noll Road Improvements Phase III:** Design for phase 3 and purchase of Right of Ways to begin construction in 2017 for improvements to support traffic flow at intersections joining SR305.
- **Neighborhood Street Pavement Restoration:** Funds will be allocated on an annual basis to be used for pavement and restoration of neighborhood streets.
- **Pump Station Upgrades:** Upgrades to the Poulsbo Village Pump Station and Liberty Bay Pump Station.
- **Capital Facilities Charge for Central Kitsap Plant:** An agreement with the county for a plan to improve the treatment plant has been completed. The agreement calls for an annual distribution supporting the City's share of the plant. Per the agreement three large projects of plant upgrades, the City must financially share with the County for sewer processing will occur over the next several years. The City will be working on establishing a debt schedule to fund Poulsbo's share, based on capacity, over the next several years.
- **Harrison Force Main Replacement:** Construction of a 12 inch force main from the Marine Science Center pump station along Fjord Drive to tie into the existing main at Harrison Street.
- **Pugh Well/Lincoln Well:** Treatment for Manganese construction for a treatment facility at the well to eliminate the higher than normal manganese content in the raw water.
- **Water Line Replacements:** Nordness, Matson, and Fjord Streets water mains will all be seeing improvements in 2015
- **3rd Avenue Central Business District LID Retrofit:** Construction will be completed on 3rd Avenue and the downtown business district installing landscaping and pervious pavement to improve safety and water run-off.
- **Public Works Complex Relocation:** A parcel of land was purchased for the intent of relocating the Public Works facility and moving the large equipment out of the center of town. Design and construction will be phased over several years and construction set for 2016. In 2014 the City was the recipient of a grant to begin construction of a decant facility for the disposal of storm water waste on the site. The Decant facility is being combined to house a solid waste transfer station. This project will be completed in 2015.

Poulsbo City Government
 200 NE Moe Street, Poulsbo, WA 98370-7347
 City Hall Office: 360-779-3901
 www.cityofpoulsbo.com

Mayor Rebecca Erickson

Council Members

Kenneth Thomas	623-238-8746	Gary Nystul	360-697-2453
Jim Henry	360-981-3252	David Musgrove.....	360-908-6888
Connie Lord	360-779-6142	Ed Stern.....	360-779-6678
Jeff McGinty	360-779-9538		

City Departments

Mayor's Office.....	779-3901
City Clerk's Department.....	394-9880
Nicole Stephens, City Clerk	
Engineering Department.....	779-4078
Andrzej Kasiniak, Assistant Public Works Director	
Finance Department	394-9881
Deborah Booher, Finance Director	
Parks & Recreation.....	779-9898
Mary McCluskey, P&R Director	
Planning/Building Department.....	394-9882
Barry Berezowsky, Planning Director	
Police Department.....	779-3113
Alan Townsend, Chief of Police	
Public Works Department	779-4078
Dan Wilson, Public Works Superintendent	

Telephone Directory (360 Area Code)

Administration/Finance	Parks & Recreation.....	779-9898
Citizen Information	Programs & Class Information	
Business License	Park Reservations	
Accounts Receivable (billing) ...		
Accounts Payable	Planning Department.....	394-9882
Budget Information		
Payroll	Police Department	
Information Services	Emergency Only	9-1-1
Utility Billing/New Accts.....	Business Call.....	779-3113
Engineering/Building.....	Public Works Department	779-4078
Building Inspections	Curbside Recycling	
Building Permits	Garbage	
	Park Maintenance	
Kitsap County Fire District #18	Sewer	
Fire Emergency Only	Storm Drain	
Medical Emergency.....	Streets	
Business Call	Water	
Library	City/County Recycle Center.....	779-1044
Municipal Court.....		

Special Project Budget Form

Agency Name: City of Poulsbo

Project: Behavioral Mental Health Specialist

Enter the estimated costs associated with your project/program	Total	Requested Funds	Other Funds
Personnel			
Managers	\$52,716.00	\$47,466.00	\$5,250.00
Staff	\$0.00	\$0.00	\$0.00
Total Benefits	\$18,899.00	\$16,694.00	\$2,205.00
SUBTOTAL	\$71,615.00	\$64,160.00	\$7,455.00
Supplies & Equipment			
Equipment	\$1,500.00	\$1,500.00	\$0.00
Office Supplies	\$350.00	\$350.00	\$0.00
Other (Describe)	\$0.00	\$0.00	\$0.00
SUBTOTAL	\$1,850.00	\$1,850.00	\$0.00
Administration			
Advertising/Marketing	\$550.00	\$300.00	\$250.00
Audit/Accounting	\$4,000.00	\$0.00	\$4,000.00
Communication	\$0.00	\$0.00	\$0.00
Insurance/Bonds	\$400.00	\$0.00	\$400.00
Postage/Printing	\$0.00	\$0.00	\$0.00
Training/Travel/Transportation	\$6,000.00	\$6,000.00	\$0.00
% Indirect	\$0.00	\$0.00	\$0.00
Other (Describe): Laptop	\$1,200.00	\$1,200.00	\$0.00
SUBTOTAL	\$12,150.00	\$7,500.00	\$4,650.00
Ongoing Operations & Maintenance			
Janitorial Service	\$0.00	\$0.00	\$0.00
Maintenance Contracts	\$0.00	\$0.00	\$0.00
Maintenance of Existing Landscaping	\$0.00	\$0.00	\$0.00
Repair of Equipment and Property	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00
Other (Describe):	\$0.00	\$0.00	\$0.00
Other (Describe):	\$0.00	\$0.00	\$0.00
Other (Describe):	\$0.00	\$0.00	\$0.00
SUBTOTAL	\$0.00	\$0.00	\$0.00
Other			
Debt Service	\$0.00	\$0.00	\$0.00
Other (Describe):	\$0.00	\$0.00	\$0.00
SUBTOTAL	\$0.00	\$0.00	\$0.00
TOTAL PROJECT BUDGET	\$85,615.00	\$73,510.00	\$12,105.00

Project Salary Summary

Description

Number of Professional FTEs	0.75
Number of Clerical FTEs	0.00
Number of All Other FTEs	0.07
Total Number of FTEs	0.82

Salary Information

Salary of Executive Director or CEO	\$0.00
Salaries of Professional Staff	\$52,716.00
Salaries of Clerical Staff	\$0.00
Other Salaries (Describe Below)	\$0.00
Description:	\$0.00
Description:	\$0.00
Description:	\$0.00
Total Salaries	\$52,716.00
Total Payroll Taxes	\$0.00
Total Cost of Benefits	\$18,899.00
Total Cost of Retirement	\$0.00
Total Payroll Costs	\$71,615.00

March 24, 2015

Kitsap County Citizens Advisory Board
C/O Kitsap County Human Services
614 Division Street MS-23
Port Orchard, WA 98366

**KITSAP
MENTAL
HEALTH
SERVICES**

**Re: Letter of Commitment to provide Mental Health, Chemical
Dependency and Therapeutic Court Programs**

Dear Citizens Advisory Committee:

I am writing to express my support and commitment for the City of Poulsbo grant application to provide Mental Health, Chemical Dependency and/or Therapeutic Court Programs.

The City of Poulsbo is proposing the services of a KMHS affiliated behavioral health professional to provide behavioral health services to individuals who have agreed to pre-trial, post charging diversion agreements (PDA's) in the Poulsbo and Port Orchard Municipal Courts to help ensure requirements of these agreements are successfully completed.

Kitsap Mental Health Services will commit the following resources to the proposal submitted by the City of Poulsbo:

- .75 FTE Behavioral Health Professional devoted to project

Kitsap Mental Health Services will provide a .75 FTE Behavioral Health Professional (BHP) who will be responsible for behavioral health services to individuals with mental illnesses who meet PDA criteria. The Behavioral Health Professional will be a member of a team that includes a judge and other assigned court staff to collectively redirect and restore the lives of adult PDA participants and to reduce the likelihood of their further involvement in the justice system.

We believe our support and commitment will significantly improve the availability of Mental Health, Chemical Dependency and/or Therapeutic Court Program services in the County and we look forward to working with you on this exciting endeavor.

Sincerely,



Joe Roszak
Chief Executive Officer

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Carolyn Powers
Wes Tallman
Dennis Veloni

Joe Roszak
Chief Executive Officer

*The mission of Kitsap
Mental Health Services
is to shape the future of
mental health through
state of the science
service delivery,
community partnerships
and advocacy.*

Ph (360) 373-5031
TDD (360) 478-2715
Fax (360) 377-0458

5455 Almira Drive NE
Bremerton, WA 98311-8331

www.kitsapmentalhealth.org



*KMHS does not discriminate against
any person on the basis of race, color,
national origin, sex, disability, marital
status, religion, ancestry, age, veteran
status, or other protected status under
applicable laws in its programs and
activities.*

Organizational Chart
Pilot Behavioral Health Outreach Program
The City of Poulsbo
The City of Port Orchard
Kitsap Mental Health
March 25, 2015

