

Revenue Assumptions

Critical Assumptions

The City's construction activity will abate in response to a general economic slowdown and a slower growth in assessed valuation as well as lower availability of land for building and completion of several large projects.

Property Taxes

General levy is set at \$.9371 per \$1,000 Assessed Valuation (AV) – an increase of 1% from 2007 plus new construction as limited by Initiative 747 and assuming a 99% collection rate. AV of \$6.6 billion includes \$187 MM in new construction. A General Obligation (GO) Bond was levied for payment of debt service cost on \$8.0 million in Open Space bonds issued in December 2002 and July 2004 adds \$.0846 per \$1,000 AV.

Sales & Use Tax

Increase of 20% above 2007 collections adjusted for the completion of several major mixed-use construction projects plus additional \$400,000 for receipts anticipated from Streamlined Sales Tax Legislation.

B&O Tax

Increase of 3% over 2007 receipts.

Tax on Utility Revenue

Rates unchanged since 2000 at 6%. 2008 budget assumes that winter weather is average. 8% increase from 2007 receipts, adjusted for projected inflation and estimated real growth.

Business Licenses

Increase of 3% over 2007 estimate due to growth, increased efficiency in compliance and better regulation.

Cable TV Franchise

Franchise Fees and Public Education & Government (PEG) capital amounts are budgeted to be level in comparison to 2007 receipts and 20% and 10% respectively over 2007 budgeted amounts.

Intergovernmental Revenue

Liquor taxes and profits are estimated by Municipal Research and Services Center (MRSC) of Washington.

Passport Charges

Approximately equal to 2007 collections.

Fines & Forfeits

6% increase over 2007. An increase in parking fines is based on increased staffing in parking enforcement with an enhancement to automation of related processes.

Interest

4% net yield on invested balances.

Real Estate Excise Tax

7% growth over 2007 receipts. This is in line with Kitsap County Assessed Valuation growth and level sales.

Commercial Parking Tax

Rate was set at 24% of gross revenues. Estimate 15% growth over 2007 budgeted amounts due to reduced ferry services at other Puget Sound portals.

Motor Vehicle Fuel Tax

Estimate by Municipal Research and Services Center (MRSC) of Washington.

Right-of-Way Permits

10% lower than 2007 collections to reflect lower building activity.

Parking

Approximately equal to 2007 collections.

Water Charges

Increased 10% from 2007 estimated collections (4.1% CPI adjustment plus 2% rate increase per Ordinance 2000-49 plus 3.9% growth in consumption).

Sewer Charges

Increased 20% from 2007 estimated collections pursuant to a rate study to offset cost of upgrades to the Sewer Treatment Plant and growth.

System Participation

Estimated up 10% due to completion and implementation of larger projects.

Storm & Surface Water Management (SSWM) Charges

Increased collections due to staff attention to Kitsap County database detail. SSWM utility rates were increased to \$115.44 in 2007 and \$149.64 in 2008. Thereafter revenue is estimated at cost of CPI plus 2%.

Hotel/Motel Tax

Approximately equal to 2007 collections.

Building Permits

Estimated at 10% over 2007 collections reflecting an increase in estimated fees offset by a decline due to reductions in housing inventories and increasing interest rates.

Zoning & Subdivision

Estimated at \$25,000 over 2007 collections.

Plan Checking Fees

Estimated at 2007 collections plus 10%.

Capital Grants

Sum of grants identified as “likely” (see page R-12).

LID Assessments

Sum of estimated payments for outstanding Local Improvement Districts.

Revenues by Fund

Fund/Account	2004 Actual	2005 Actual	2006 Actual	2007 Final Budget	2008 Final Budget
GENERAL FUND					
Property Taxes	5,376,784	5,523,631	5,716,476	5,975,000	6,250,000
Sales & Use Tax	2,273,869	2,590,352	3,202,164	3,120,000	3,585,000
Sales Tax - Criminal Justice	253,601	271,184	296,962	300,000	325,000
B&O Tax & Penalties	293,550	308,403	348,897	360,000	400,000
Utility Tax on Private Utilities	1,836,409	1,995,655	2,126,596	2,242,000	2,650,000
Utility Tax on City Utilities	306,647	328,634	326,188	393,000	501,181
Leasehold & Other Taxes	6,830	6,333	12,103	6,000	8,900
TOTAL TAXES	10,347,690	11,024,192	12,029,386	12,396,000	13,720,081
Business License & Penalties	57,576	67,294	67,494	70,000	72,000
Franchise Fees on Cable TV	90,066	142,464	162,403	150,000	185,000
Franchise Fees on Cable TV - Public Education & Government (PEG) Capital	47,540	48,976	52,248	50,000	55,000
Animal Licenses	2,479	2,663	2,148	2,500	2,500
Other Licenses & Permits	1,306	1,309	1,888	2,500	2,500
Adult Probation Fees	80,112	87,642	79,749	90,000	95,000
Passport Charges	30,751	28,345	29,617	36,000	36,000
Court Fees & Law Enforcement Charges	10,024	2,215	3,431	25,000	32,000
All Other Charges	35,829	345,479	54,586	35,000	35,000
Interfund Rent	1,136,989	1,327,636	943,636	1,430,000	950,000
TOTAL FEES & SERVICE CHARGES	1,492,672	2,054,023	1,397,200	1,891,000	1,465,000
Criminal Justice	22,910	23,751	20,375	30,000	25,500
Liquor Excise	82,648	89,034	95,204	97,000	110,000
Liquor Profits	154,754	154,335	144,036	168,000	175,000
Intergovernmental Service Revenue	18,194	36,786	565	40,000	45,000
Vessel Registration Fees	16,798	17,817	18,263	20,000	20,000
Law Enforcement Grants	779	15,509	6,628	75,000	10,000
Planning & Other Operating Grants	76,312	491,937	2,120,861	254,000	233,500
Other Intergovernmental Revenue	15,000	-	350,498	500	-
TOTAL INTERGOVERNMENT REVENUE	387,395	829,169	2,756,430	684,500	619,000
Traffic Fines	112,719	94,687	93,576	135,000	140,000
Drug Related Confiscations	1,276	-	-	5,000	5,000
Parking Fines	45,669	62,284	79,574	120,000	125,000
DUI Penalties	2,558	5,430	4,890	5,000	5,000
Other Traffic Misdemeanors	2,325	2,447	2,845	3,000	5,000
Non-Traffic Misdemeanors	949	516	1,171	5,000	5,000
Court Recoupments	11,214	9,960	6,905	10,000	12,000
All Other Fines & Forfeits	1,102	9,102	4,450	2,500	15,000
TOTAL FINES & FORFEITS	177,812	184,426	193,411	285,500	312,000

Revenues by Fund Continued

Fund/Account	2004 Actual	2005 Actual	2006 Actual	2007 Final Budget	2008 Final Budget
GENERAL FUND Continued					
Facilities Rental	20,965	31,179	36,774	35,000	40,000
Dock Use Charges	6,371	16,234	13,570	15,000	15,000
Private Donations/Sales of Purchase of Development Rights/FAR Purchases	10,406	41,541	464,254	250,000	350,000
All Other Miscellaneous	10,670	35,116	17,018	30,000	50,000
Insurance Recoveries	5,200	6,838	35,000	20,000	20,000
Other Miscellaneous Revenue	12,941	11,491	209,328	-	-
TOTAL MISCELLANEOUS REVENUE	66,553	142,399	775,944	350,000	475,000
Interest	133,140	217,698	362,227	185,000	250,000
TOTAL INVESTMENT REVENUE	133,140	217,698	362,227	185,000	250,000
TOTAL GENERAL FUND	12,605,262	14,451,907	17,514,598	15,792,000	16,841,081
STREETS FUND					
Commercial Parking Lot Tax	284,089	417,516	512,604	500,000	575,000
Motor Vehicle Fuel Tax - Streets & Arterials	439,679	464,852	515,976	565,000	580,000
Right-of-Way Permits	8,436	16,856	19,160	20,000	30,000
Parking - Taxable & Fees	276,204	281,789	328,434	375,000	375,000
Parking Monthly	64,567	61,975	50,760	70,000	70,000
Interest on Investments - Streets	6,144	5,169	7,552	5,000	5,000
Other Revenues - Streets	2,770	622	801	3,000	25,000
Miscellaneous Revenue	46,363	-	63,600	-	-
TOTAL STREETS FUND	1,128,252	1,248,779	1,498,887	1,538,000	1,660,000
SPECIAL REVENUE FUNDS					
Real Estate Excise Tax Fund:					
Real Estate Excise Tax	2,097,434	2,263,625	2,398,622	2,100,000	2,500,000
Interest on Investments - Real Estate Excise	39,823	1,647	31,793	-	45,000
TOTAL REAL ESTATE EXCISE TAX FUND	2,137,257	2,265,272	2,430,415	2,100,000	2,545,000
Civic Improvement Fund:					
Hotel/Motel Tax	55,420	69,448	97,769	80,000	100,000
Interest on Investments & Other Revenues - Hotel/Motel	2,195	1,110	2,248	1,000	2,000
TOTAL CIVIC IMPROVEMENT FUND	57,615	70,558	100,017	81,000	102,000
Affordable Housing Fund:					
Private Donations - Affordable Housing	14,690	12,100	6,080	15,000	15,000
Fees in Lieu/Other	126,650	40,000	62,000	70,000	70,000
Interest on Investments & Other Revenues - Affordable Housing	31,148	105,846	73,582	75,000	75,000
TOTAL AFFORDABLE HOUSING FUND	172,488	157,946	141,662	160,000	160,000
TOTAL SPECIAL REVENUE FUNDS	2,367,360	2,493,776	2,672,094	2,341,000	2,807,000

Revenues by Fund Continued

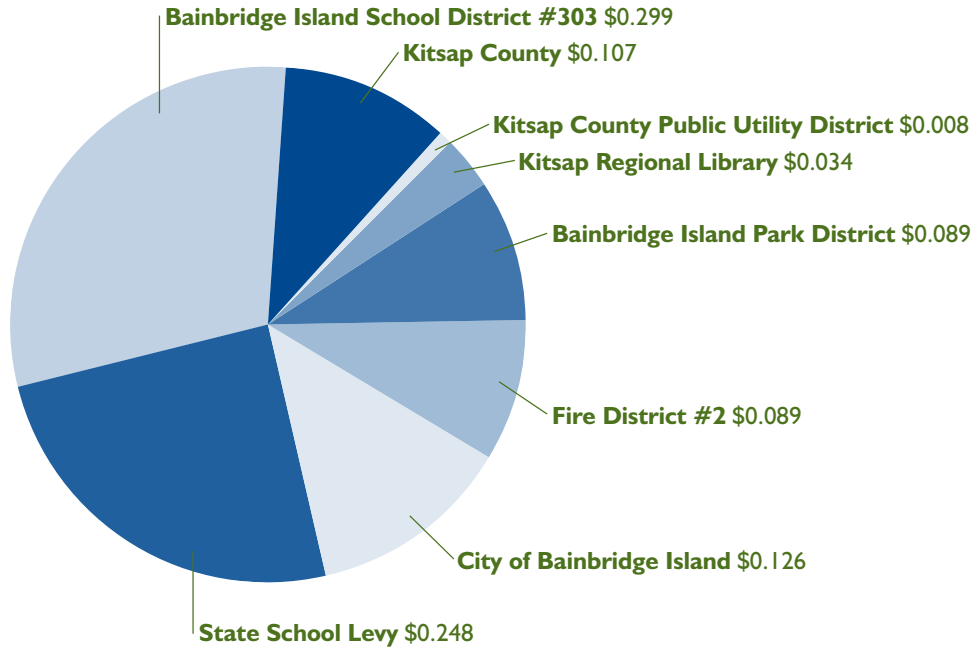
Fund/Account	2004 Actual	2005 Actual	2006 Actual	2007 Final Budget	2008 Final Budget
BOND FUNDS					
GO Bond Fund:					
Property Taxes - Bond Levy	409,709	531,987	556,697	560,000	560,000
GO Bond Fund	-	5,570	-	-	-
TOTAL GO BOND FUND	409,709	537,557	556,697	560,000	560,000
LID Bond Fund:					
LID Assessments	159,923	126,688	16,286	285,000	10,000
LID Bond Fund	5,537	-	-	-	-
TOTAL LID BOND FUND	165,460	126,688	16,286	285,000	10,000
TOTAL BOND FUNDS	575,169	664,245	572,983	845,000	570,000
CAPITAL & LID CONSTRUCTION FUNDS					
Capital Construction Fund:					
WA State & Local Grants & Donations	1,730,449	869,150	35,419	370,000	600,000
US Government Grants	105,790	2,119,504	33,628	960,000	3,492,068
Private Donations	360,802	-	-	-	100,000
Capital Construction Fund	24,581	7,216	-	-	-
Miscellaneous Revenue	9,974	-	-	-	-
TOTAL CAPITAL CONSTRUCTION FUND	2,231,596	2,995,870	69,047	1,330,000	4,192,068
LID Capital Construction Fund:					
LID Construction	-	-	-	-	-
TOTAL LID CAPITAL CONSTRUCTION FUND	-	-	-	-	-
TOTAL CAPITAL & LID CONSTRUCTION FUNDS	2,231,596	2,995,870	69,047	1,330,000	4,192,068

Revenues by Fund Continued

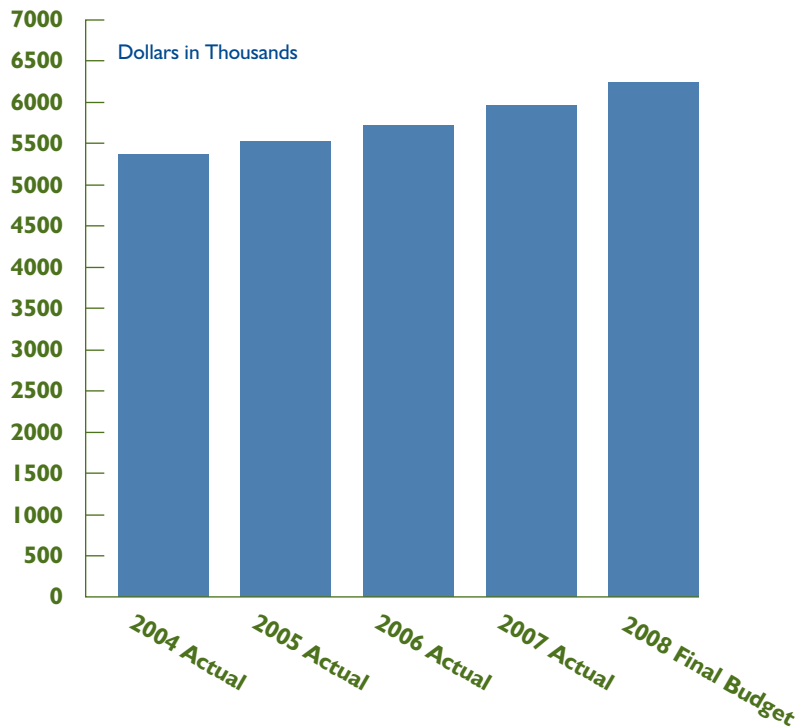
Fund/Account	2004 Actual	2005 Actual	2006 Actual	2007 Final Budget	2008 Final Budget
WATER, SEWER & SSWM UTILITY FUNDS					
Water Operating Fund:					
Water Charges	1,783,932	1,742,985	1,985,958	2,214,500	2,298,000
Water Connections	47,399	35,934	27,435	40,000	40,000
Local Improvement District (LID) Assessments	11,857	19,222	9,051	-	-
Connections & All Others	419,861	412,080	419,879	315,000	425,000
Interest on Investments	40,856	63,021	61,802	108,500	125,000
TOTAL WATER OPERATING FUND	2,303,905	2,273,242	2,504,125	2,678,000	2,888,000
Sewer Operating Fund:					
Sewer Charges	1,568,708	1,726,369	1,906,599	2,110,500	2,594,269
LID Assessments	141	-	-	150,000	400,000
Connections & All Others	478,595	540,646	554,646	360,000	425,000
Interest on Investments	33,146	114,551	99,418	20,500	75,000
Miscellaneous Revenue	1,800	4,364	-	-	-
TOTAL SEWER OPERATING FUND	2,082,390	2,385,930	2,560,663	2,641,000	3,494,269
Storm & Surface Water Fund:					
Storm Water Management Charges	876,032	848,062	1,053,780	1,500,000	1,905,000
LID Assessments	-	-	-	-	-
Connections & All Others	6,333	24,449	200,218	112,000	130,000
Interest on Investments	244	-	-	21,000	21,231
TOTAL STORM & SURFACE WATER FUND	882,609	872,511	1,253,998	1,633,000	2,056,231
TOTAL WATER, SEWER & SSWM UTILITY FUNDS	5,268,904	5,531,683	6,318,786	6,952,000	8,438,500
BUILDING & DEVELOPMENT SERVICES FUND					
Building Permits & Inspections	428,567	697,372	624,768	1,212,050	775,000
Planning Review of Building Permits	92,557	95,566	92,721	130,000	150,000
Fire Inspections & Reviews	5,823	5,597	4,189	5,000	10,000
Engineering Fees	53,899	29,915	13,701	-	-
Zoning & Subdivision	175,546	329,198	208,938	275,000	300,000
Plan Checking Fees	296,727	479,049	366,537	475,000	525,000
Other Planning & Development Fees	241,993	184,481	132,234	285,000	325,000
Interest on Investments & Other Revenues	1,231	8,770	755	5,000	7,500
TOTAL BUILDING & DEVELOPMENT SERVICES FUND	1,296,343	1,829,948	1,443,843	2,387,050	2,092,500
TOTAL REVENUE - ALL FUNDS	25,472,886	29,216,208	30,090,238	31,185,050	36,601,149

Allocation of One Property Tax Dollar

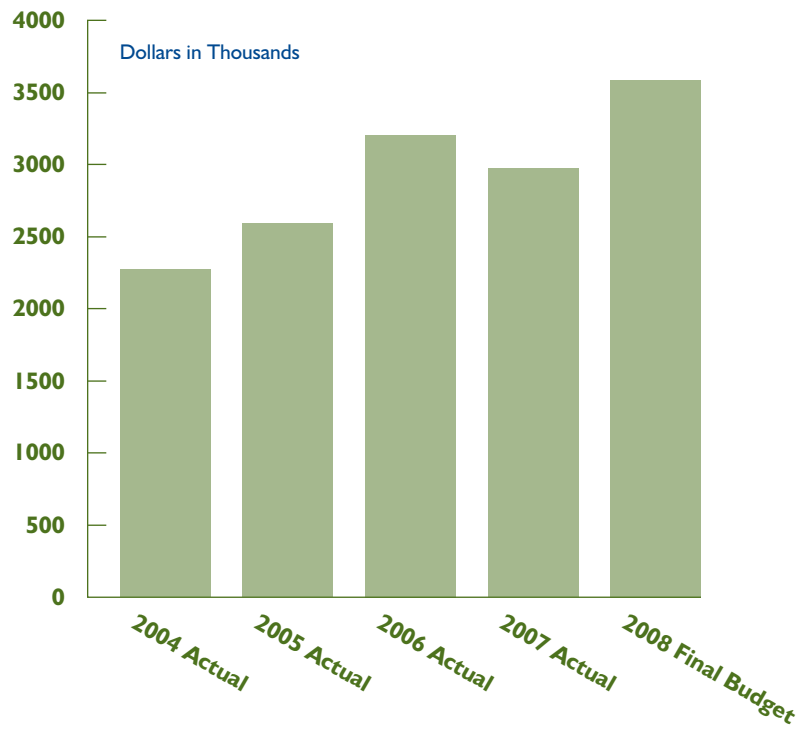
Source: Kitsap County Assessor 2008 Statement of Assessments.



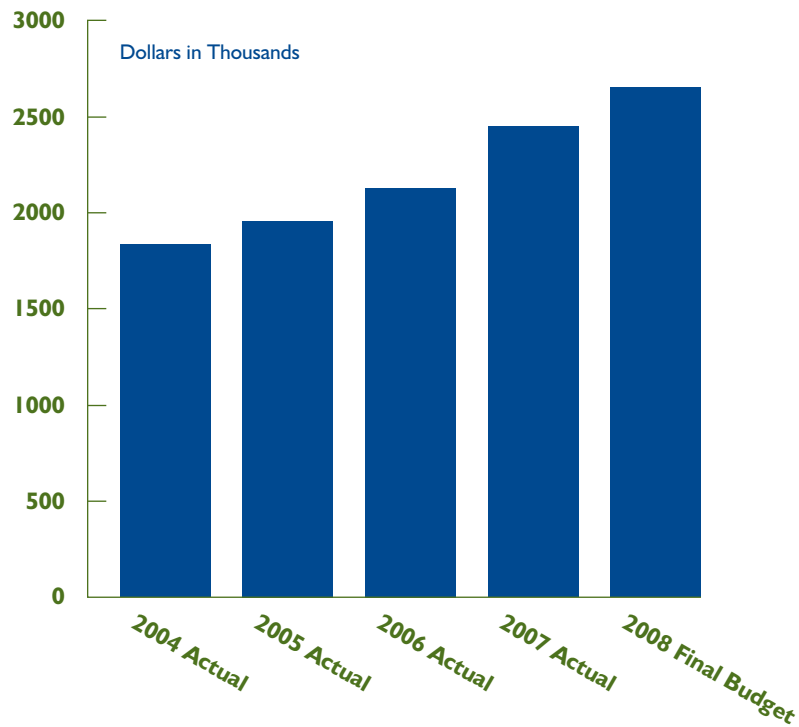
Property Tax Revenue



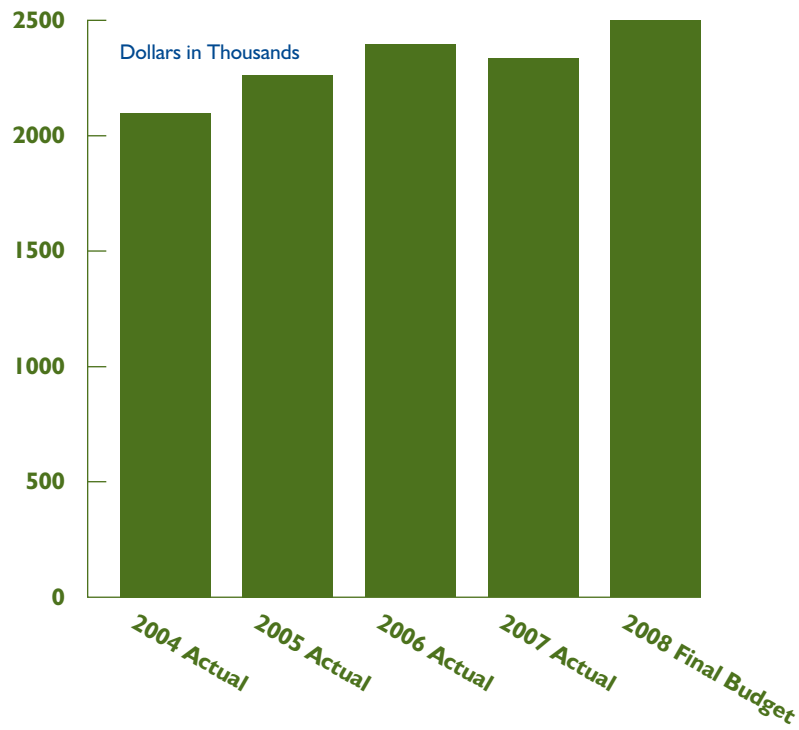
Sales and Use Tax Revenue



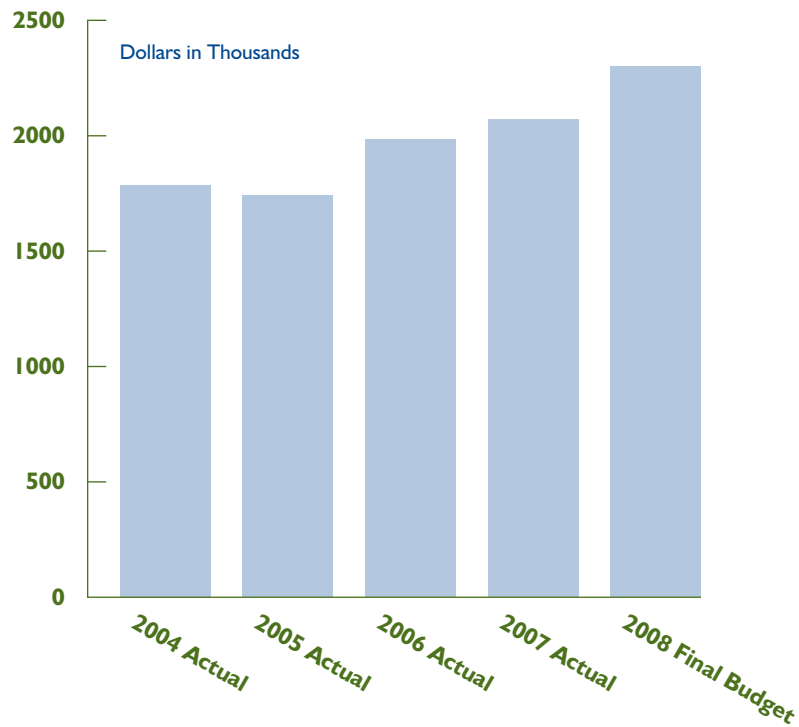
Tax Revenue on Private Utilities



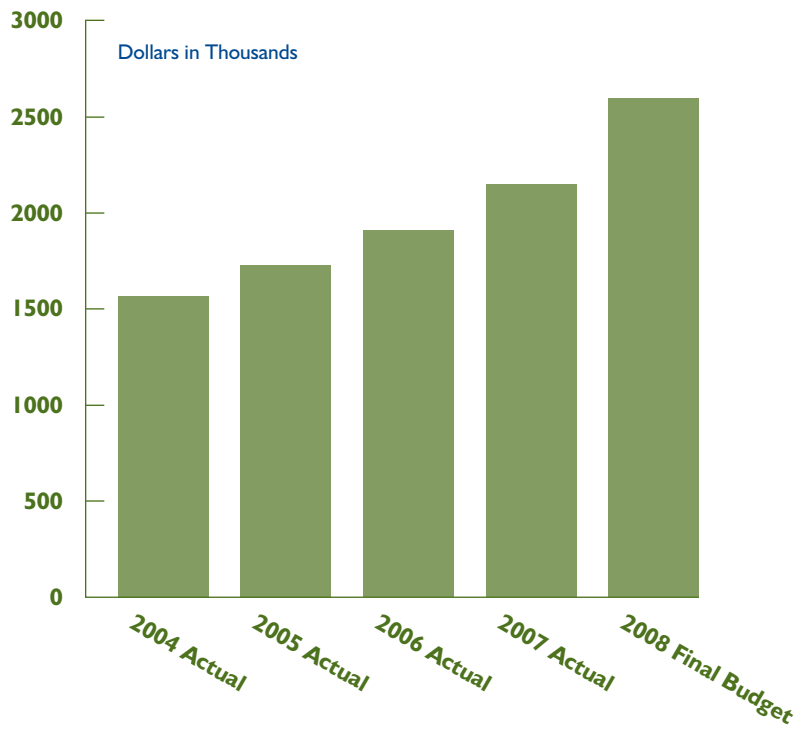
Real Estate Excise Tax Revenue



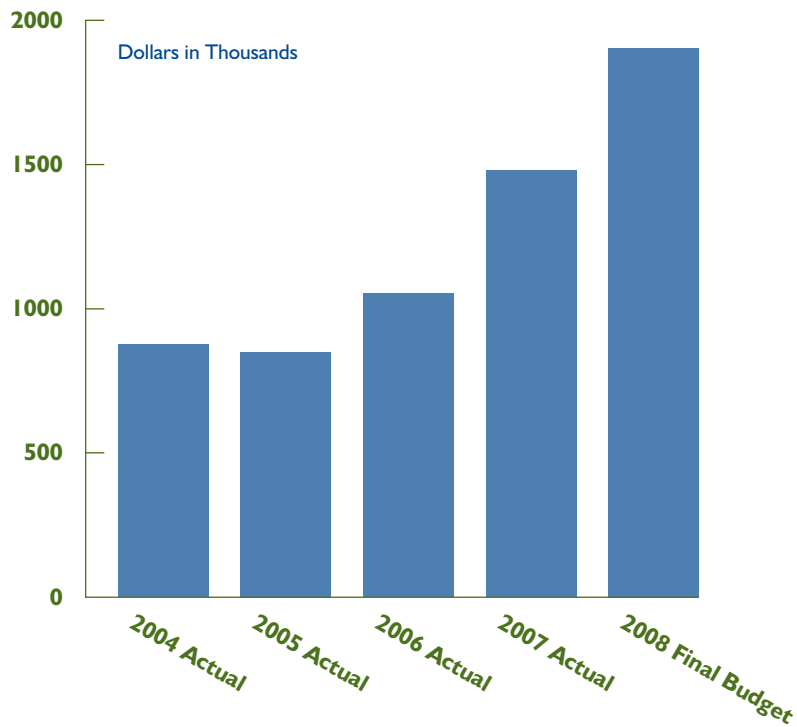
Water Utility Charge Revenue



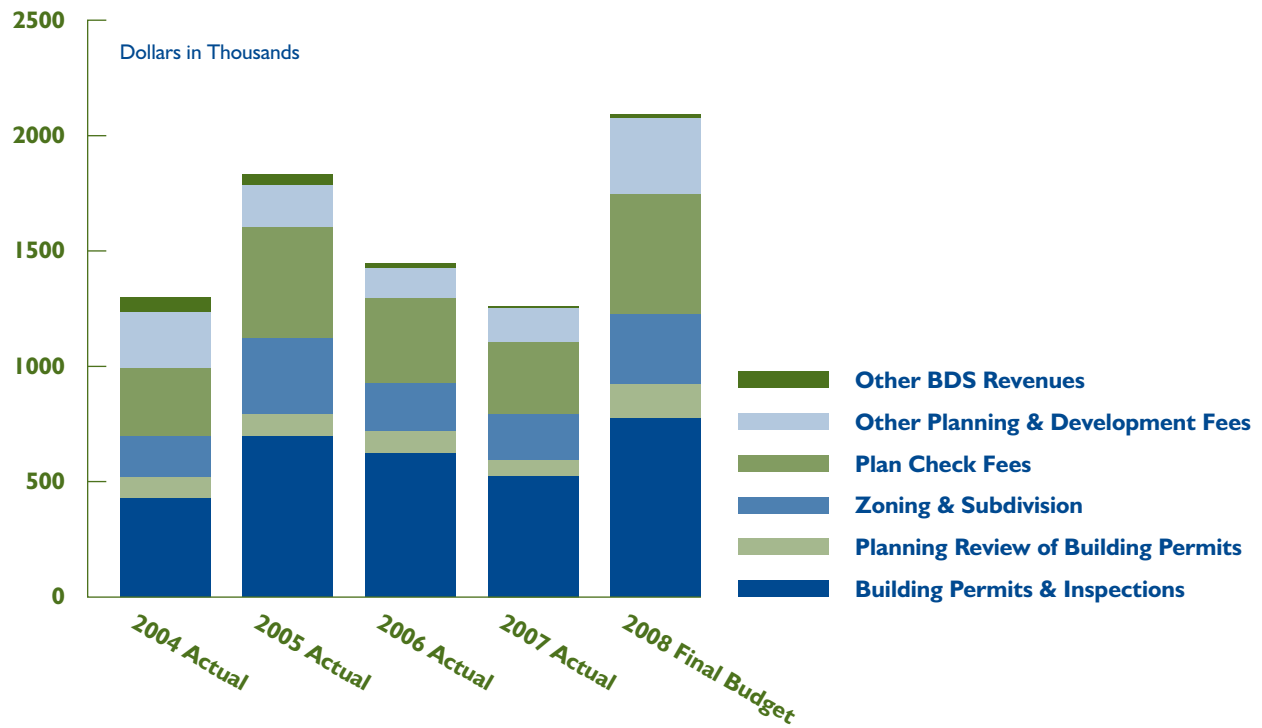
Sewer Utility Charge Revenue



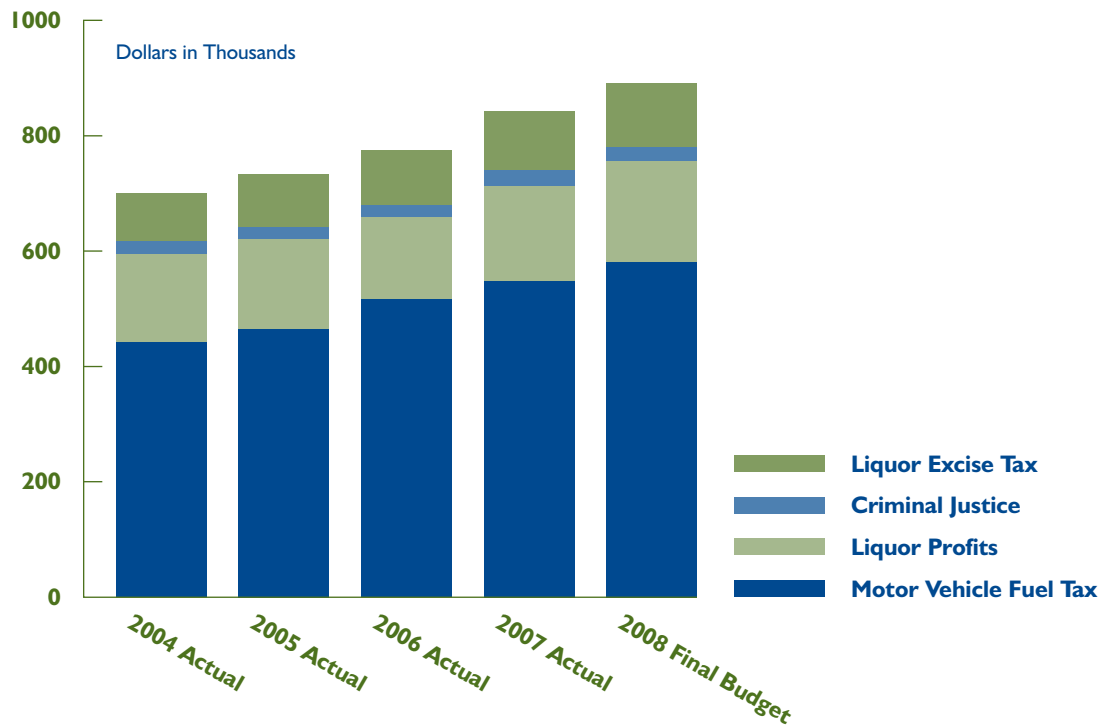
Storm and Surface Water Management (SSWM) Utility Charge Revenue



Building and Development Services Revenue



State Shared Revenue



Awarded Grants

The City of Bainbridge Island applies for and receives grants from other governments and organizations to finance some of the City's activities. For operating grants and capital grants, the City budgets only those grants which it has already been awarded or which the granting agency has notified the City that it is highly likely the City will receive the grant. For smaller operating grants, the City projects pools based on prior experience. The following lists and describes the grant funds, some or all of which are budgeted in 2008:

Operating Grants

TRAFFIC SAFETY GRANTS	\$10,000
The City routinely receives small law enforcement grants from both State and Federal agencies. These are not individually projected and are treated as a pool for budgeting purposes.	
STATE DEPARTMENT OF ECOLOGY GRANT	\$85,000
This is the balance in a Centennial Clean Water Fund grant to design and test a comprehensive long-term surface and near-shore water quality monitoring program.	
DERELICT VESSEL REMOVAL PROGRAM	\$101,000
This is the balance in a Washington State Department of Natural Resources' Derelict Vessel removal program. This is a comprehensive program for addressing the problem of derelict or abandoned vessels. Local jurisdictions are reimbursed up to 90% of the disposal cost for each derelict vessel processed under the program.	
STATE ARCHIVIST RECORDS GRANT	\$22,526
This grant provides funds for improving records management at the City.	
TOTAL OPERATING GRANTS	\$218,526

Capital Grants

PRITCHARD PARK / NIKKEI MEMORIAL	\$100,000
The State of Washington provided a \$500,000 grant for development of the Nikkei Memorial. Approximately \$100,000 of this grant is remaining.	
SHORELINE & HABITAT RECOVERY PROJECTS: The State Recreation and Conservation Office and the U.S. Department of Interior (through the National Oceanic & Atmospheric Administration and the Suquamish Tribe) are providing grants for shoreline and habitat restoration. The projects included are:	
STRAWBERRY PLANT PARK & SHORELINE RESTORATION	\$577,350
This project involves the old Strawberry Plant property in the back of Eagle Harbor.	
BLAKELY HARBOR PARK SHORELINE RESTORATION	\$250,000
Initial feasibility study.	
PRITCHARD PARK EAST BLUFF	\$235,000
Design and construction phases.	
PRITCHARD PARK WEST RIP-RAP REMOVAL & RESTORATION	\$400,000
Design and construction phases.	
WATERFRONT PARK SHORELINE IMPROVEMENTS	\$473,690
This project will restore shoreline and develop access to the water in the Eagle Harbor Waterfront Park.	
TRANSPORTATION GRANTS: The U.S. Federal Highway Administration and the State of Washington provide transportation grants. Included are:	
BLAKELY & WILKES SCHOOL NON-MOTORIZED IMPROVEMENTS	\$50,000
Sidewalk, walkway and traffic calming around these schools.	
WYATT WAY STREET IMPROVEMENTS, GROW TO MADISON	\$850,000
Provide bike lanes, sidewalks and planter strips on Wyatt Way from Grow Avenue to Madison Avenue and a roundabout at the intersection of Wyatt and Madison.	
WING POINT WAY RECONSTRUCTION, FERNCLIFF TO PARK	\$866,000
Provide bikeway and shoulder improvements, a pedestrian sidewalk/trail and reconstruction of the paved surface.	
WINSLOW WAY STREET & UTILITY IMPROVEMENTS	\$822,000
Provide improved sidewalks, bikeways and paved surface from SR 305 to Ericksen Avenue and address Ericksen/Bjune intersection operation and safety.	
TOTAL CAPITAL GRANTS	\$4,624,040

Debt Financing

The City applies for and receives low-interest loans for capital projects from both the Washington State Public Works Trust Fund (PWTF) and the Washington State Department of Ecology. For 2008, the following PWTF loan has been awarded:

Public Works Trust Fund Loan

WASTEWATER TREATMENT PLANT UPGRADES	\$5,000,000
PWTF loan for construction at ½ of 1% interest over 20 years with final payment due July 1, 2026. The loans are capped at 85% of actual cost. The first payment was in July 2006 for interest only with equal annual payments of principal plus interest thereafter. The total loan amount awarded for this project is \$7,182,500.	
TOTAL PUBLIC WORKS TRUST FUND LOAN	\$5,000,000

Other Loans Or Bonds

WINSLOW WAY UTILITY IMPROVEMENTS, GROW TO SR 305 REVENUE BONDS	\$1,000,000
To carry forward the utility portions of the Winslow Way Improvement project.	
QUAY APARTMENTS PURCHASE PARTICIPATION GENERAL OBLIGATION BONDS	\$1,500,000
This is the first of two payments representing the City's participation in the purchase of the Quay Apartments for low-income housing. The second payment of \$2,350,000 will occur in 2009 and will also be financed with long term debt. The total purchase price is \$12,600,000. Other outside parties are participating in the acquisition.	
NON-MOTORIZED TRANSPORTATION, OPEN SPACE ACQUISITION, SOCCER FIELDS AND DECEMBER 2007 STORM DAMAGE REPAIR GENERAL OBLIGATION BONDS	\$2,500,000
This is a mix of projects all financed with long-term debt.	
WASTE WATER TREATMENT PLANT UPGRADE REVENUE BONDS	\$3,000,000
Financing for the portion of this project not covered by PWTF Loans.	
TOTAL OTHER LOANS OR BONDS	\$8,000,000
TOTAL 2008 BUDGETED DEBT FINANCING	\$13,000,000

Interfund Transfers

	Transfers In	Transfers Out
GENERAL FUND	-	1,381,000
STREET FUND	1,325,000	-
REAL ESTATE EXCISE TAX FUND	-	2,500,000
CIVIC IMPROVEMENT FUND	-	-
AFFORDABLE HOUSING FUND	-	-
GO BOND FUND	1,525,000	-
LID BOND FUND	-	-
CAPITAL CONSTRUCTION FUND	-	-
LID CAPITAL CONSTRUCTION FUND	-	-
WATER OPERATING FUND	-	-
SEWER OPERATING FUND	-	-
STORM & SURFACE WATER FUND	-	-
DEVELOPMENT SERVICES FUND	1,031,000	-
TOTAL INTERFUND TRANSFERS	3,881,000	3,881,000

Budget Comparison – Citywide

	2006 Actual	2007 Final Budget	2008 Budget
Revenues:			
Taxes	15,595,078	15,636,000	17,455,081
Fees & Service Charges	2,907,816	4,363,050	3,650,000
Intergovernmental Revenue	3,517,103	2,808,500	5,481,568
Fines & Forfeits	193,411	285,500	312,000
Charges for Utility Services	4,987,905	5,748,000	6,837,269
Miscellaneous	2,025,618	1,488,000	1,849,500
Assessments	14,906	435,000	410,000
Investment Revenue	575,472	421,000	605,731
TOTAL REVENUES	29,817,309	31,185,050	36,601,149
Other Sources:			
Loans / Sale of Bonds	132,990	9,754,500	13,000,000
Other External Sources	(44,772)	450,000	3,500,000
From Other Funds & Sub-Funds	10,660,760	4,812,500	3,881,000
TOTAL SOURCES	40,566,287	46,202,050	56,982,149
Expenditures:			
Salaries	9,066,169	9,925,928	10,649,377
Benefits	2,702,095	3,260,412	3,607,500
Supplies	970,831	1,098,905	993,003
Professional Services	2,107,017	3,517,661	5,054,124
Other Services & Charges	4,690,869	6,794,095	4,895,491
Intergovernmental	1,230,406	1,408,073	1,550,660
TOTAL OPERATING EXPENDITURES	20,767,387	26,005,074	26,750,155
Non-Operating Expenditures:			
Capital Equipment	869,427	690,000	574,031
Capital Projects	4,821,935	19,100,346	23,199,838
Debt Service	2,425,009	3,041,971	3,749,532
Other Non-Operating Expenditures	-	-	-
TOTAL EXPENDITURES	28,883,758	48,837,391	54,273,556
Other Uses:			
To Other Funds & Sub-Funds	10,660,760	4,812,500	3,881,000
TOTAL USES	39,544,518	53,649,891	58,154,556

Salaries

In a decision made in 1990, the Public Employee Relations Commission (PERC) recognized the International Association of Machinists and Aerospace Workers (IAMAW) as the representative of the City of Bainbridge Island employees.

The City and IAMAW are presently protected by a three year contract effective January 1, 2008 through December 31, 2010 covering employees except commissioned Police officers. There are 98 employees represented by this agreement.

In 1999, the City's commissioned Police officers split with the IAMAW and formed their own guild to negotiate with the City on their behalf.

The City and Police Guild are presently covered by a three year contract effective January 1, 2008 through December 31, 2010. There are 21 employees represented by this agreement.

There are 33 employees who are management and are unrepresented by either union.

During 2007 a salary structure was negotiated for all union and unrepresented positions to be implemented in 2008. The recommended salary ranges were based on survey data for similar positions in comparable cities in this region and setting Bainbridge Island positions at the 65 percentile of a blended number of government and private sector surveys. A series of four incremental steps to achieve that salary was then arrayed below that salary. Employees are typically hired at a salary several steps below the top and receive annual 5.0 % incremental increases towards it. The maximum time it would take to reach the top step is 4 years, assuming employee performance is satisfactory. The Bainbridge Island budget for salaries and benefits is completed with data from the financial system based on the current employee base and projected year by year changes.

Full Time Equivalent Staffing

Department/Position	2007 Budget	Change	2008 Budget
MUNICIPAL COURT: No changes	5.77	0.00	5.77
EXECUTIVE No changes	7.00	0.00	7.00
FINANCE & ADMINISTRATIVE SERVICES: No changes	14.00	0.00	14.00
PUBLIC SAFETY: Add: Police Officer (School Resource Officer)	28.00	1.00	29.00
PLANNING & COMMUNITY DEVELOPMENT: Add: Deputy Planning & Community Development Director Remove: Building Inspector Remove: Urban Designer, Downtown Planning On loan from Public Works: Sr. Project Manager	32.45	1.00 (1.00) (1.00) 1.00	32.45
PUBLIC WORKS: On loan to Planning & Community Development: Sr. Project Manager	59.00	(1.00)	58.00
INFORMATION TECHNOLOGY: No changes	5.80	0.00	5.80
2007 BUDGET	152.02		
ADDED FTE STAFF - CITYWIDE		0.00	
2008 BUDGET			152.02

Annual Salary Ranges

Range	2008 Positions	Minimum	Maximum
UNREPRESENTED:			
	Mayor (75% FTE)	Fixed at	63,000
	City Councilmember	Fixed at	12,000
	Municipal Court Judge (67% FTE)	Fixed at	89,936
23	City Administrator	140,004	160,002
22	Finance & Administrative Services Director ^a , Police Chief ^a	107,623	134,952
21	Planning Director ^a , City Attorney ^a , Public Works Director ^a	97,840	122,684
20.5	Deputy Police Chief	93,393	117,108
20	City Engineer, Deputy Finance Director, IT Director ^a , Deputy Planning Director	88,945	111,531
19	Public Works Operations & Maintenance Manager	80,859	101,392
18.5	Assistant City Engineer, Building Official	77,184	96,783
18	Planning Manager, Accounting Manager, Budget Manager, Sr Project Manager	73,508	92,174
17.5	Public Works Supervisor	70,167	87,985
17	Court Administrator, Project Analyst	66,826	83,795
16	City Clerk, Executive Assistant	60,751	76,177
15	Sr Exec Secretary, Sr Human Resources Analyst	55,228	69,252
14	Harbormaster, Paralegal	50,207	62,956
13	Executive Secretary	47,816	59,958
IAM:			
17.5	Engineer II, Senior Plan Check Engineer	70,167	87,985
17	Engineer I, Project Manager II	66,826	83,795
16	Project Manager I, Water Resource Program Mgr, Survey Program Manager, Systems Administrator, Sr Planner, Special Project Planner	60,751	76,177
15	Associate Planner, Crew Chief, Sr Accountant, Budget Analyst, Sr IT Specialist	55,228	69,252
14.6	Utility Program Specialist	52,223	65,484
14.5	Engineering Technician II	51,534	64,620
14	Code Enforcement, Building Inspector, Planner, Electrician, Accountant, Contract Coordinator, Waste Water Treatment Plant Operator	50,207	62,956
13.5	Mechanic, Sign Specialist II, Administrative Secretary-Dept.	47,816	59,958
12.6	Engineering Technician I, Sign Specialist I	44,517	55,821
12.5	Permit Technician, Evidence Technician	43,469	54,507
11.5	Sr Accounting Tech, Sr Court Clerk, PW Worker, Admin Sec-Div, IT Tech	39,517	49,552
11	Office Specialist, Accounting Technician	37,721	47,300
10.7	Court Clerk, Parking Enforcement Officer	36,924	46,300
GUILD:			
	Police Lieutenant	70,716	83,796
	Police Officer ^b	55,224	69,252

Notes:

^a Plus merit pay and 4% City-paid deferred compensation.

^b Commissioned police officers eligible for a variety of premium pay, educational incentives and other salary and benefit additions.

Limits on Debt

Washington State law places limits on the amount of debt that cities may issue. Those limits cover all direct debt of the City. The City Council has the authority under RCW 35.42.200 to obligate the taxpayers without a vote of the people for up to a net aggregate total of 1.5% of the 'taxable property value' (assessed value) within the City. With a 60% vote of the people, the City can issue bonds of up to 2.5% of the assessed value for general purposes plus up to 2.5% for utility purposes plus up to

2.5% for open space and park facilities. The total for all purposes may not exceed 7.5% and the total for general purposes may not exceed 2.5% whether or not a vote has been held. There are no limits (other than political or market driven ones) on the amount of debt that can be issued which is not an obligation of the taxpayers (utility revenue debt and local assessment debt).

	12/31/2007 Outstanding	Legal Limit	Remaining (Unused) Margin
LIMITED TAX - GENERAL OBLIGATION (LTGO) BONDS: (Requires a majority vote of the City Council)			
1995 LTGO (Water/Sewer/Storm Drain) Bonds	535,000		
1998 LTGO (City Hall/Streets) Bonds	6,770,000		
1999 LTGO (Streets/Water) Bonds	445,000		
2005 LTGO (Refunding) Bonds	7,295,000		
2007 LTGO (Capital Constructions) Bonds	4,120,000		
TOTAL LTGO BONDS	19,165,000		
Public Works Trust Fund Loans	2,225,954		
All Other Direct General Obligation Debt	3,925,450		
TOTAL DIRECT DEBT	\$25,316,404	\$99,172,957	\$73,856,553
	25.5% of legal limit		
SPECIAL LEVY GENERAL OBLIGATION (GO) BONDS: (Requires a 60% vote of the people)			
For General Purposes	0	\$66,115,304	
For Utility Purposes	0	\$165,288,261	
For Parks & Open Space	7,130,000	\$165,288,261	
TOTAL SPECIAL LEVY BONDS	\$7,130,000	\$396,691,826	\$389,561,826
TOTAL GENERAL OBLIGATION DEBT	\$32,446,404	\$495,864,783	\$463,418,379
	6.5% of legal limit		
ASSESSMENT DEBT:			
Public Works Trust Fund Loan for South Island Sewer	4,760,000		
TOTAL ASSESSMENT DEBT	\$4,760,000		
	No legal limit		
TOTAL REVENUE DEBT	NONE		
	No legal limit		

Debt Service Cost

This table shows the City's projected debt service costs (excluding the cost of capital leases). The years 2006 and 2007 are included for comparison. The 2008 total differs from the budgeted expenditures due to changes between the initial budget creation and current information now available.

	Voted Bonds	LTGO Bonds	PWTF Loans	Other Debt	Total
2006	\$551,768	\$1,826,434	\$375,721	\$91,716	\$2,845,639
2007	549,718	1,846,026	456,861	201,744	3,054,349
2008	542,518	2,150,957	654,197	238,352	3,586,024
2009	544,718	2,237,511	668,835	238,212	3,689,276
2010	535,968	2,123,919	853,256	127,980	3,641,123
2011	536,593	2,123,400	849,133	60,016	3,569,142
2012	666,193	2,118,739	845,011	559,431	4,189,374
2013	665,893	2,115,641	840,889	-	3,622,423
2014	669,111	2,122,940	836,767	-	3,628,818
2015	671,516	1,882,824	832,644	-	3,386,984
2016	667,954	1,884,280	793,667	-	3,345,901
2017	668,608	1,717,200	789,893	-	3,175,701
2018	672,783	1,377,645	786,119	-	2,836,547
2019	675,390	713,850	782,345	-	2,171,585
2020	671,280	303,479	778,572	-	1,753,331
2021	675,813	304,680	774,798	-	1,755,291
2022	673,683	305,480	771,024	-	1,750,187
2023	674,993	305,880	767,250	-	1,748,123
2024	-	305,880	763,477	-	1,069,357
2025	-	305,220	432,600	-	737,820
2026	-	304,149	190,419	-	494,568
2027	-	307,393	189,481	-	496,874
2028	-	-	188,543	-	188,543
TOTALS	\$11,314,500	\$28,683,527	\$15,221,502	\$1,517,451	\$56,736,980

Long-Term Debt and Debt Service

	Original Issue	12/31/2007 Balance	2008 Principal	2008 Interest	12/31/2008 Balance	Final Maturity
EXISTING DEBT:						
1995 Limited Tax - General Obligation (LTGO) Bonds - Refunded 1989 Water, Sewer & Storm Drain Revenue Bonds	\$2,450,000	\$535,000	\$260,000	\$27,293	\$275,000	Nov-2009
1998 LTGO Bonds - New City Hall construction & Street projects	9,900,000	6,770,000	435,000	300,675	6,335,000	Dec-2018
1999 LTGO Bonds - Street projects & a new water reservoir	4,900,000	445,000	215,000	22,480	230,000	Dec-2009
2005 LTGO Bonds - Refunded most portions of the 1996, 1997 & 1999 LTGO bonds	7,410,000	7,295,000	325,000	278,279	6,970,000	Dec-2019
2007 LTGO Bonds - Capital Construction	4,120,000	4,120,000	130,000	157,231	3,990,000	Dec-2027
2002 Voted GO Bonds - Open Space purchases	4,500,000	4,035,000	240,000	171,209	3,795,000	Dec-2022
2004 Voted GO Bonds - Open Space purchases	3,500,000	3,095,000	-	131,309	3,095,000	Dec-2023
Public Works Trust Fund (PWTF) loan - New Storm Drain Decant Facility design	179,025	162,265	9,545	811	152,720	Jul-2024
PWTF loan - New Storm Drain Decant Facility construction	782,000	740,842	41,158	3,704	699,684	Jul-2026
PWTF loan - South Island Sewer construction	5,600,000	5,040,000	296,471	25,200	4,743,529	Jul-2025
PWTF loan - Sewage Treatment Plant upgrade design	389,215	358,488	21,088	1,792	337,400	Jul-2024
PWTF loan - Sewage Treatment Plant upgrade construction loan #1A	2,182,500	685,516	198,884	17,900	486,632	Jul-2025
PWTF loan - Street improvements	594,000	278,843	34,855	2,788	243,988	Jul-2015
Salter property purchase	130,000	65,000	15,000	4,940	50,000	Jan-2011
Suyematsu property purchase	549,000	549,000	-	41,724	549,000	Jan-2012
Brownell property purchase	400,000	306,597	131,208	15,480	175,389	Apr-2010
Kitsap County property purchase	300,000	90,000	30,000	-	60,000	Jan-2010
TOTAL EXISTING DEBT:	\$47,885,740	\$34,571,551	\$2,383,209	\$1,202,815	\$32,188,342	
BUDGETED NEW DEBT:						
2008 LTGO - Capital Construction	4,000,000	-	-	-	4,000,000	
2008 Revenue Bonds - Storm Drain	1,000,000	-	-	-	1,000,000	
2008 Revenue Bonds - Sewage Treatment	3,000,000	-	-	-	3,000,000	
PWTF loan - Sewage Treatment Plant upgrade construction loan #1B	1,435,500	-	-	-	1,435,500	
PWTF loan - Sewage Treatment Plant upgrade construction loan #2	3,564,500	-	-	-	3,564,500	
TOTAL BUDGETED NEW DEBT	\$60,885,740	\$34,571,551	\$2,383,209	\$1,202,815	\$45,188,342	

Notes:
The following types of debt are not included above but are included in the Limits On Debt schedule: Capital equipment leases, compensated absences, accounts payable and accrued payroll.