



Kitsap 911 Board of Directors Meeting

May 6, 2025 (12:30 to 2:00)

Via Hybrid Option of Zoom or in-person at the Norm Dicks Governance Center

Mission Statement: We are Kitsap 911 providing exceptional public safety emergency communications services every day.

A G E N D A

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|---|---|---------|
| 1 | Call to Order | (Chair) |
| 2 | Additions to the agenda | (Chair) |
| 3 | Public Comment (Limited to 2 minutes per speaker) | (Chair) |
| 4 | Consent Agenda - All matters listed within the Consent Agenda have been distributed to each member of the Board as a separate document for reading and study, are considered routine and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by a Board member or by citizen request. | (Chair) |
- [Click here to open the consent agenda.](#)
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Employee Recognition

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| 5 | Employee of the Year 2024 and Employee of the 1 st Quarter 2025 | (Jameson) |
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Action Items

(These would be items previously discussed and/or routine items ready for action. Click blue text to view)

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| 6 | Approval of Strategic Initiative #2 | (Jameson) | Page 3 |
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Discussion Items

(New items not previously discussed, not ready for action.)

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|---|--|----------------------|----------------------------|
| 7 | Proposed Funding Formula v2 Slide Deck , Info Paper and Letter of Opposition | (Jameson/
Rogers) | Pages 5-36 |
| 8 | New Bank Account for the Purpose of Using ACH Payments | (Rogers) | Page 37 |
| 9 | Strategic Initiative #3 | (Taylor) | Page 38 |
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Standing Reports

(As Time Permits)

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|----|---|--------------------|-------------------------|
| 10 | Strategic Advisory Board Report | (Chief LaGrandeur) | |
| 12 | LMR Project Report | (Peabody) | |
| 13 | Monthly Finance Report | (Rogers) | Page 41 |
| 14 | Goals and Tech Project Report | (Higashi) | Page 45 |
| 15 | Staffing Report | (Taylor) | |
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- | | | |
|----|---|---------|
| 16 | Executive Session to Discuss Employee Performance | (Chair) |
| 17 | Up-Coming Discussion Items | |
| | o CAD RFP Vendor Selection (June) | |
| | o Kitsap 911 Funding Formula Proposal (June) | |
| | o LMR Program Debt Financing Options (June) | |
| | o 2026 Budget Review (Sept) | |
| 18 | Good of the Order | (All) |
| 19 | Adjourn | (Chair) |

Adopted Board Expectations

Collaboration and Communication: Engage in open, honest, and constructive dialogue with fellow board members, agency staff, and stakeholders. Foster a culture of collaboration, active listening, and mutual respect.

Active Engagement: Thoroughly review materials in advance, consistently attend meetings, participate in discussions, and make informed contributions to decision-making.

Integrity & Ethics: Uphold the highest ethical standards and act in the best interests of the agency.

Accountability & Growth: Hold oneself, peers, and agency staff accountable while seeking continuous improvement and professional development.

Public Comment may be submitted to pubcomment@kitsap911.org All comments received prior to 12:00 PM on May 5, 2025, will be included in the public comment report. Comments received after that will be distributed to Kitsap 911 Board members after the meeting concludes. Members of the public may also comment during the meeting via zoom by using the Q&A feature.

Zoom Webinar Link:

When: May 6, 2025 at 1230

Event Name: Kitsap 911 Board Meeting

Please click the link below to join the event:

https://events.zoom.us/j/AvOxTLqL10Y9x5U-vsGbA0hfpBr5kKhO64Lmm0toZAxj1_zt-Kt~A7bs_PDTGIEQD8vE-EzJ2djfiY3789gbj-qk_6GPSe3M5UfJPg-kReg7byYSg



Board of Directors Action Item Summary

May 6, 2025 (12:30 to 2:00)

Agenda Item #6

Agenda Item: Action on Strategic Initiative #2 Review of Financial Philosophy
Submitted By: Maria Jameson-Owens
Title: Executive Director
Attachments:

Budgetary Impact (If Applicable)

Budgeted Amount:

Expenditure Required:

Budget Category:

Reviewed By: Director Ellingson, Director Wheeler, Maria Jameson-Owens, Brandon Wecker, Jamie Donley, John Higashi, Rachael Taylor, Steve Rogers
Reviewed Date: April 28, 2025

Summary Statement:

To ensure long-term sustainability amid rising costs and public expectations, Kitsap 911 must regularly refine its financial philosophy. This initiative strengthens financial decision-making, transparency, and reliability.

Focus Areas:

1. **Financial Principles:** Reinforce transparent, accurate, and efficient financial practices.
2. **Funding Formula:** Assess and refine for fairness and long-term stability.
3. **Communication:** Clearly convey financial philosophy to stakeholders.

Work Plan:

1. **Financial Principles:** Review and update financial processes and policies to focus on long-term stability, responsible spending, and clear reporting. Work with leadership and the Board to ensure financial processes are current, efficient, and thorough.
 - **Timeline:** 3–6 months
2. **Funding Formula:** Review Funding Formula. Analyze and refine the existing funding formula including input from member agencies to ensure fairness, adequacy, and sustainability in supporting Kitsap 911's financial needs.
 - **Timeline:** 3–6 months.
3. **Communication:** Communicate the financial philosophy to all stakeholders, enhancing transparency and trust.
 - **Timeline:** Ongoing.

Success Measurement:

- **Financial Stability:** Continued adherence to the budget, avoidance of deficit spending in the operating budget, a Board-approved update to the Funding Formula, and the establishment of an equipment and replacement fund to ensure long-term stability, both operationally and financially.
- **Transparency and Trust:** Clear and timely communication with stakeholders and enhanced trust in financial decisions.
- **Alignment:** Evidence of consistent decision-making across leadership based on the financial philosophy.

This initiative ensures Kitsap 911 remains transparent and financially resilient and is prepared for future challenges.

Recommendation:

Approve Strategic Initiative #2 - Review of Financial Philosophy as proposed.



Board of Directors Discussion Item Summary

May 6, 2025 (12:30 to 2:00)

Agenda Item #7

Agenda Item: Review of Proposed Funding Formula – Version 2
Submitted By: Maria Jameson
Title: Executive Director
Attachments: New Funding Formula Slide Deck

Budgetary Impact (If Applicable)

Budgeted Amount: None
Expenditure Required: None
Budget Category: Revenue

Reviewed By: Kitsap 911 Funding Committee
Reviewed Date: 04/29/2025
Summary Statement:

Background:

Under the direction of the Kitsap 911 Board of Directors (BOD), the Kitsap 911 Funding Committee was established to review and revise the existing funding formula. Current user fee methodology (in place since 2008) has not included any increases and did not account for recurring equipment operating costs.

The Funding Committee included:

- Six Finance Managers from Central Kitsap Fire & Rescue (CKFR), South Kitsap Fire & Rescue (SKFR), Port Orchard (PO), Bainbridge Island (BI), Kitsap County Sheriff's Office (KCSO), and Kitsap 911.
- Three Chiefs representing SKFR, North Kitsap Fire & Rescue (NKFR), and Bainbridge Island Police Department (BIPD) and the Kitsap County Undersheriff
- Kitsap 911 Executive and Deputy Directors

Initial Proposal – Version 1:

On March 25, 2025, the Funding Committee reviewed the revised funding formula (Version 1) and found it to be reasonable and well-supported. The committee endorsed the formula and recommended it for review and approval by the Kitsap 911 Board of Directors.

On April 1, 2025, Kitsap 911 formally presented Version 1 to the Board. However, the Board did not support the proposal, primarily due to concerns about the magnitude of the fee increase. The Board requested that any revised funding formula address the following:

- A clear explanation of why user fees need to increase
- A revised and transparent calculation methodology
- A funding model that avoids excessive reliance on budget projections

- Mechanisms to smooth or prevent large spikes in call volume or associated fees
- A clearer breakdown of the “Cost per Call” calculation
- Benchmarking with other agencies to provide context
- A concise summary of proposed changes

Revised Proposal – Version 2:

In response to the Board’s feedback, Kitsap 911 developed a second version of the funding formula with a reduced increase to user fees. As part of this revision, all passthrough items from Version 1 were reevaluated to determine whether Kitsap 911 received a benefit, either directly or indirectly, from any of them. The analysis indicated that Kitsap 911 receives a benefit of:

- **35%** from Mobile Computing Terminals (MCTs) and radios
- **100%** from the nurse triage line

These adjustments allowed Kitsap 911 to reduce the proposed user fee increase by approximately **\$260,000**, however, to maintain a balanced budget, Kitsap 911 identified the following projects from the 2026 budget that will likely be delayed as a result:

- Facilities Upgrades (programming bay, parking lot expansion) - \$200,000
- Finance ERP Implementation - \$30,000
- Curb Replacement - \$30,000
- Password Policy Manager - \$14,000
- Hiring of Additional Operations Staffing

Funding Committee Feedback on Version 2:

Version 2 was presented to the Funding Committee on April 28, 2025. While many committee members appreciated the effort to address concerns, some expressed hesitation about the reduced fee increase. Several preferred Version 1 for its long-term sustainability, though they were willing to proceed with Version 2 if necessary.

Next Steps:

Kitsap 911 is seeking input on Proposed Funding Formula Version 2.

Once the majority of the Board agrees that a version is ready for adoption, Kitsap 911 will distribute the final proposal to stakeholders along with a scheduled voting date.



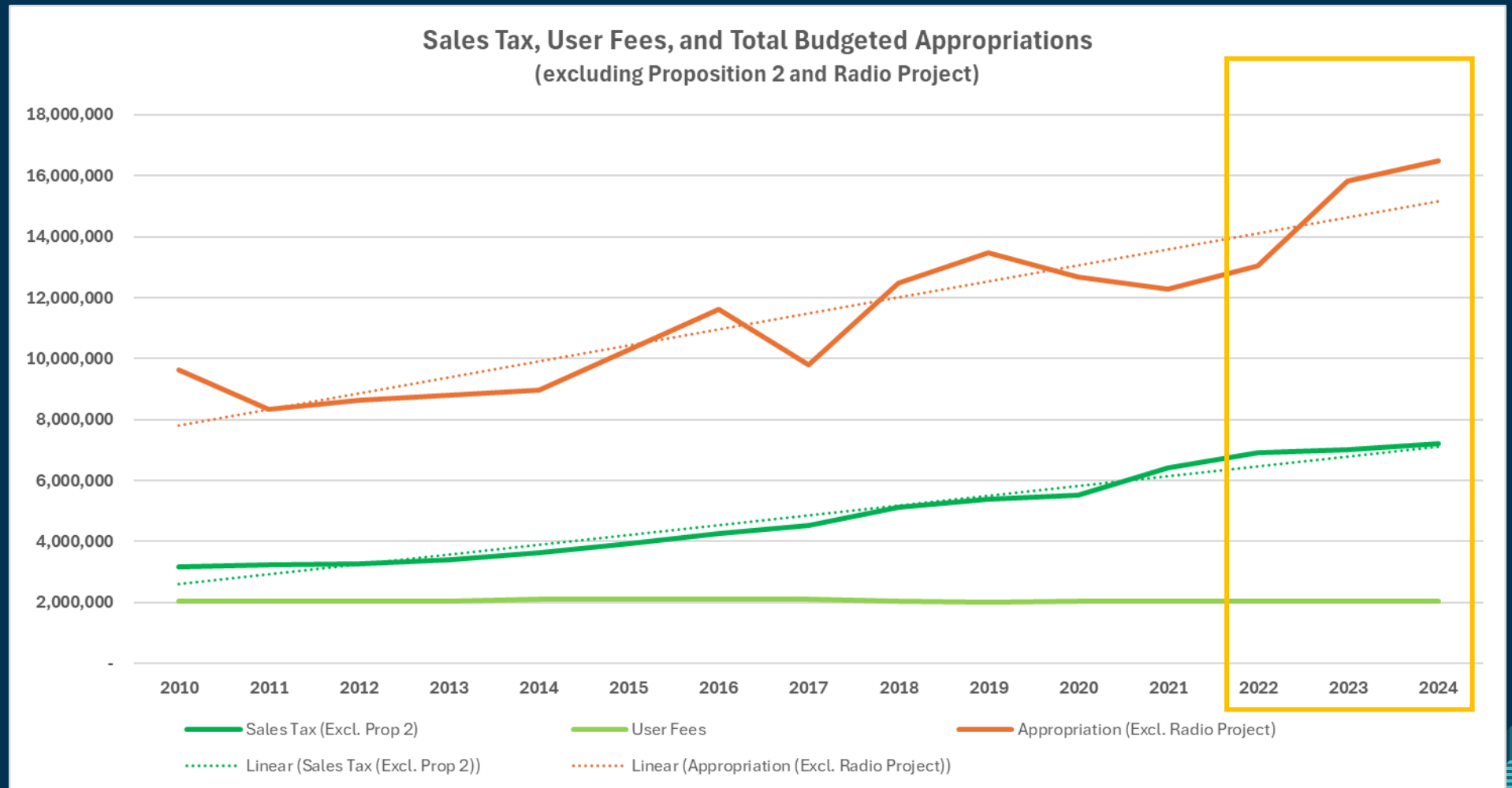
The New Funding Formula

Updated 04/29/2025

From the recent BOD meeting, we heard...

- Why is an increase to user fees needed?
- The rationale used to calculate the increase needs to be revised.
- Using budget numbers as a basis may not provide enough constraint.
- The new funding formula should have a way to prevent and/or smooth out large spikes (e.g., in call volumes or fees).
- A better explanation of the Cost per Call calculation is needed.
- A comparison of the cost per call from other agencies would be helpful.
- A summary of proposed changes is needed.

Why is an increase needed?



Why is an increase needed?

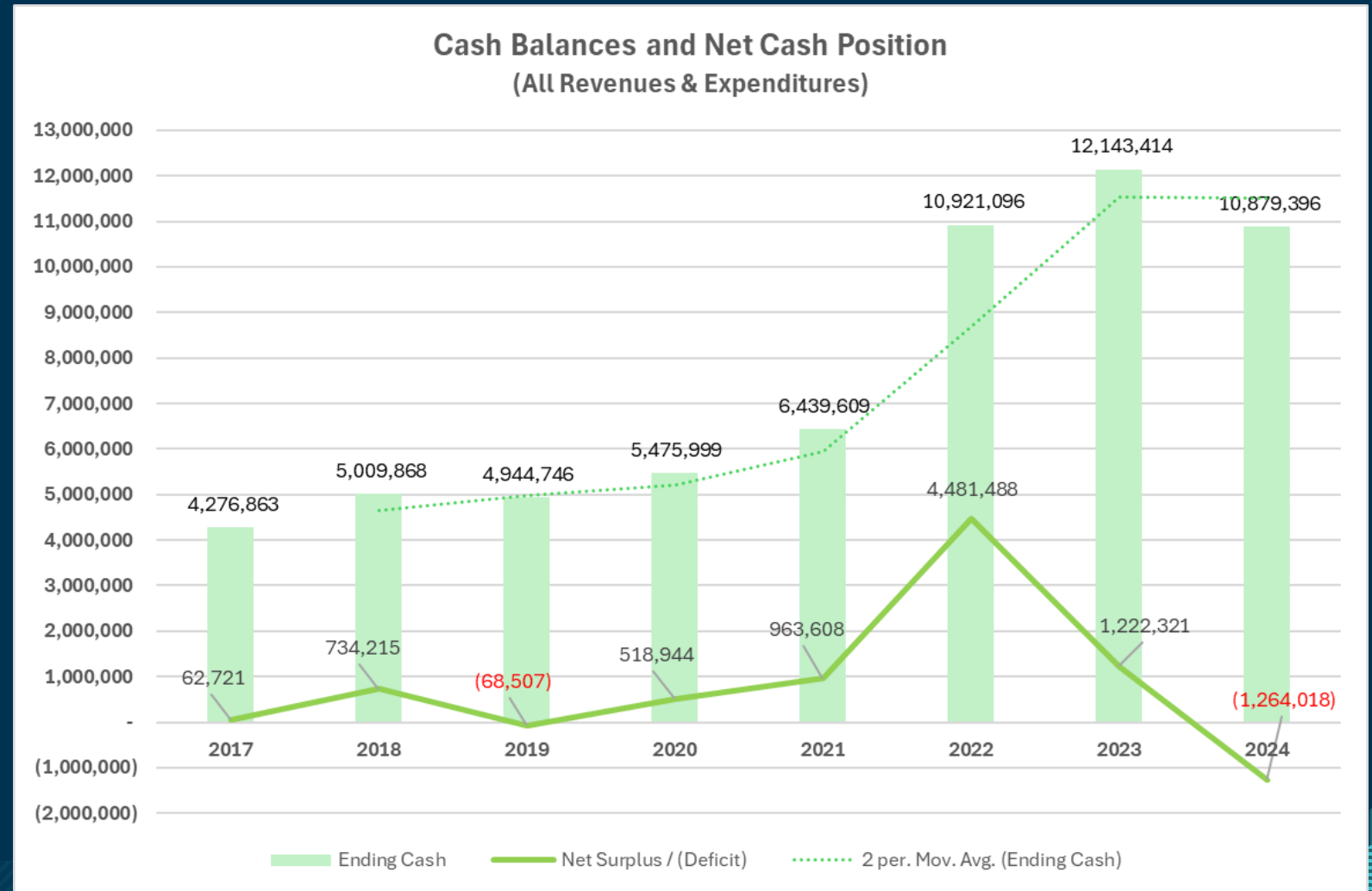
_____ – Postponed capital projects

_____ – Capital projects completed

2020-2021 – Inflation from CARES Act

_____ – Inflation and new Prop 2 revenues (June 2022)

2022-2024 – Large, expected capital outlays from LMR project



Why is an increase needed?

- Proposition 2 sales tax revenues
- Radio/LMR project expenditures
- Sales & Excise Taxes
- User Fees
- Other Revenues
- Capital and Operating Expenditures

Adjusted Net Cash Position
(excludes Prop 2 & LMR Project)



Why is an increase needed?

- These adjustments reduced the budgeted operating deficit from \$2.2M to \$90K.

2025 (Budget)	
Total Revenues (Excl. Prop 2)	11,496,948
Operating Expenditures	13,686,779
Budgeted Deficit	(2,189,831)
2025 (Adjusted)	
Total Revenues (Excl. Prop 2)	11,496,948
Adjusted Operating Expenditures	11,586,779
Adjusted Budgeted Deficit	(89,831)

Fee Increase Calculation Methodology (original)

Agency	2025 User Fee Allocations		Total Difference	Difference per year (3-year split)	CPI: 2.0% 2026 (CPI only)	CPI: 2.0% Total Allocation (Including Catchup Payment)			CPI: 2.0% 2029 Total
	Original	Revised				2026 Total	2027 Total	2028 Total	
Kitsap County	\$ 572,876.05	\$ 782,742.05	\$209,866.00	\$ 69,955.33	\$ 584,333.57	\$ 654,288.90	\$ 737,330.01	\$ 822,031.94	\$ 838,472.58
Kitsap Coroner	9,722.86	10,901.44	1,178.57	392.86	9,917.32	10,310.18	10,909.24	11,520.28	11,750.69
Kitsap Animal Control	50,000.00	58,115.71	8,115.71	2,705.24	58,115.71	58,115.71	58,115.71	58,115.71	58,115.71
Poulsbo PD	84,156.97	119,998.16	35,841.19	11,947.06	85,840.11	97,787.17	111,689.97	125,870.83	128,388.25
Bainbridge Island PD	88,561.20	122,779.41	34,218.22	11,406.07	90,332.42	101,738.49	115,179.33	128,888.99	131,466.77
Port Orchard PD	130,199.02	170,773.60	40,574.58	13,524.86	132,803.00	146,327.86	162,779.28	179,559.73	183,150.92
Suquamish PD	64,441.43	88,273.45	23,832.03	7,944.01	65,730.26	73,674.27	83,091.77	92,697.62	94,551.57
Pt. Gamble PD	51,028.89	78,075.84	27,046.95	9,015.65	52,049.47	61,065.12	71,302.07	81,743.76	83,378.64
Bremerton PD	321,726.31	422,017.69	100,291.38	33,430.46	328,160.84	361,591.30	402,253.59	443,729.12	452,603.70
Bremerton Fire	184,108.58	208,589.57	24,480.99	8,160.33	187,790.75	195,951.08	208,030.43	220,351.37	224,758.40
North Kitsap F&R	67,207.20	103,604.95	36,397.75	12,132.58	68,551.34	80,683.92	94,430.18	108,451.36	110,620.39
Port Gamble Fire	5,879.17	5,888.84	9.67	3.22	5,996.75	5,999.97	6,123.19	6,248.87	6,373.85
Central Kitsap F&R	188,674.22	250,210.59	61,536.37	20,512.12	192,447.70	212,959.82	237,731.14	262,997.88	268,257.84
South Kitsap F&R	222,103.69	272,963.83	50,860.14	16,953.38	226,545.76	243,499.14	265,322.50	287,582.33	293,333.98
Poulsbo Fire/FD18	87,557.71	130,610.07	43,052.36	14,350.79	89,308.86	103,659.65	120,083.63	136,836.09	139,572.81
Bainbridge Island Fire	72,375.50	96,886.27	24,510.77	8,170.26	73,823.01	81,993.27	91,803.40	101,809.73	103,845.92
Total	\$ 2,200,618.78	\$ 2,922,431.47	\$721,812.69	\$240,604.22	\$ 2,251,746.87	\$ 2,489,645.85	\$ 2,776,175.44	\$ 3,068,435.61	\$ 3,128,642.02

Fee Increase Calculation Methodology (revised)

v.04/18/2025

Agency	2025 User Fee Allocations		Total Difference	Difference per year (3- year split)	CPI: 2.0% 2026 (CPI only)	CPI: 2.0%		CPI: 2.0%	
	Original	Revised				Total Allocation (Including Catchup Payment)		CPI: 2.0%	
						2026 Total	2027 Total	2028 Total	2029 Total
Kitsap County	\$ 572,876.05	\$ 717,881.88	\$ 145,005.83	\$ 48,335.28	\$ 584,333.57	\$ 632,668.85	\$ 693,657.51	\$ 755,865.94	\$ 770,983.26
Kitsap Coroner	9,722.86	9,282.69	(440.18)	(146.73)	9,917.32	9,770.59	9,819.27	9,868.93	10,066.31
Kitsap Animal Control	50,000.00	55,761.47	5,761.47	1,920.49	55,761.47	55,761.47	55,761.47	55,761.47	55,761.47
Poulsbo PD	84,156.97	107,514.70	23,357.74	7,785.91	85,840.11	93,626.02	103,284.45	113,136.05	115,398.77
Bainbridge Island PD	88,561.20	110,978.66	22,417.46	7,472.49	90,332.42	97,804.91	107,233.50	116,850.66	119,187.67
Port Orchard PD	130,199.02	157,448.40	27,249.38	9,083.13	132,803.00	141,886.13	153,806.98	165,966.25	169,285.58
Suquamish PD	64,441.43	79,850.98	15,409.55	5,136.52	65,730.26	70,866.78	77,420.64	84,105.57	85,787.68
Pt. Gamble PD	51,028.89	68,140.88	17,111.99	5,704.00	52,049.47	57,753.47	64,612.54	71,608.79	73,040.97
Bremerton PD	321,726.31	391,135.29	69,408.98	23,136.33	328,160.84	351,297.17	381,459.44	412,224.96	420,469.46
Bremerton Fire	184,108.58	193,390.35	9,281.77	3,093.92	187,790.75	190,884.67	197,796.28	204,846.13	208,943.05
North Kitsap F&R	67,207.20	91,143.58	23,936.39	7,978.80	68,551.34	76,530.14	86,039.54	95,739.13	97,653.91
Port Gamble Fire	5,879.17	5,888.84	9.67	3.22	5,996.75	5,999.97	6,123.19	6,248.87	6,373.85
Central Kitsap F&R	188,674.22	223,555.73	34,881.51	11,627.17	192,447.70	204,074.87	219,783.54	235,806.38	240,522.51
South Kitsap F&R	222,103.69	248,863.88	26,760.19	8,920.06	226,545.76	235,465.82	249,095.20	262,997.16	268,257.10
Poulsbo Fire/FD18	87,557.71	114,162.99	26,605.28	8,868.43	89,308.86	98,177.29	109,009.27	120,057.89	122,459.05
Bainbridge Island Fire	72,375.50	87,618.36	15,242.86	5,080.95	73,823.01	78,903.96	85,562.99	92,355.20	94,202.30
Total	\$ 2,200,618.78	\$ 2,662,618.68	\$ 461,999.90	\$ 153,999.97	\$ 2,249,392.63	\$ 2,401,472.11	\$ 2,600,465.81	\$ 2,803,439.38	\$ 2,858,392.94

Fee Increase Calculation Methodology

- No additional dispatch floor staff hired
- Facilities Upgrades (programming bay, parking lot expansion) - \$200,000
- Finance ERP Implementation - \$30,000
- Curb Replacement - \$30,000
- Password Policy Manager - \$14,000

Fee Increase Calculation Methodology

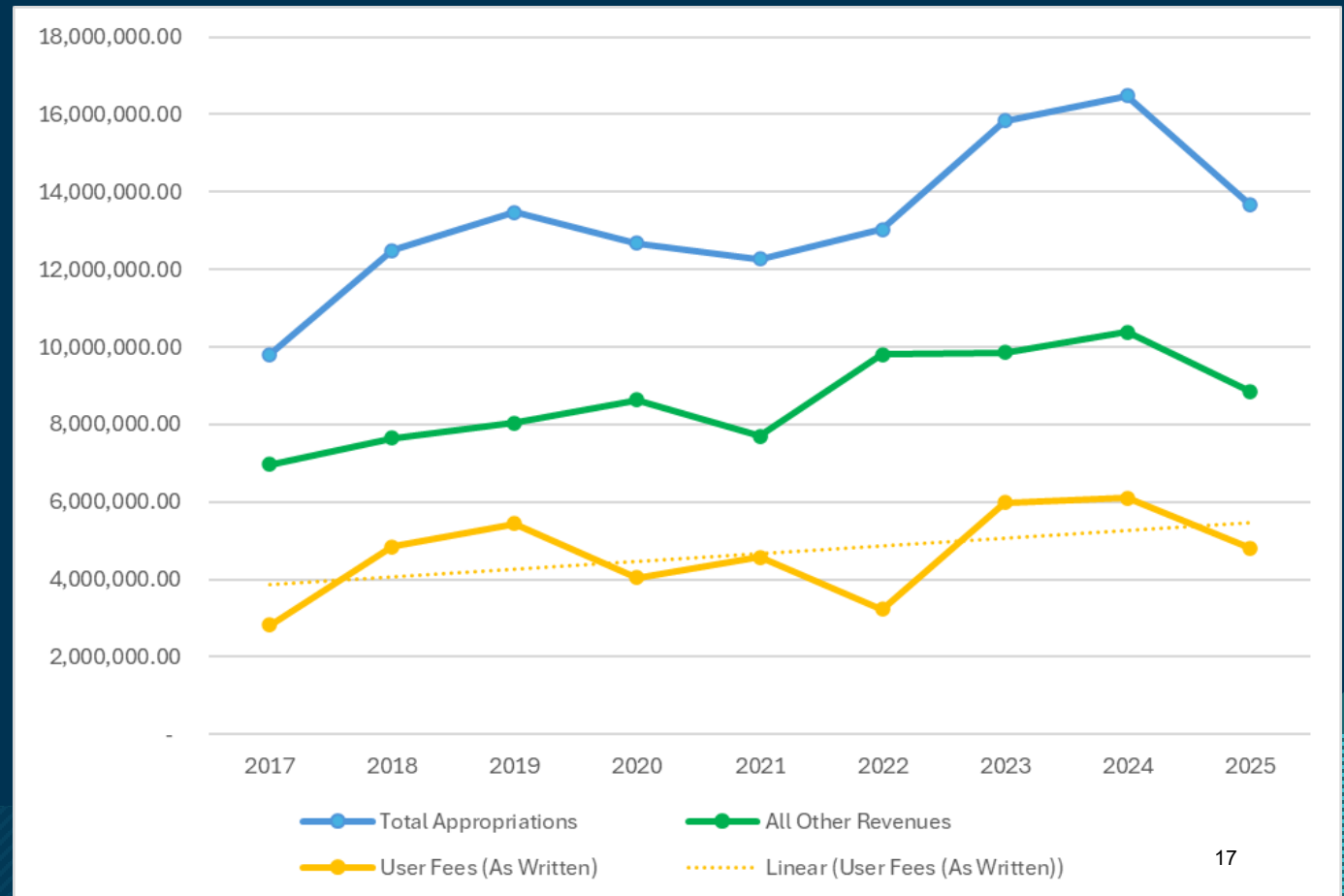
	Radio Hardware Replacement Costs						MCT Hardware Replacement Costs			Total Hardware Replacement Costs			
	Portable		Mobile		Total Radio Hardware Cost		Cost		Total MCT Hardware Cost			CPU Amount Paid over 7 Years	Agency Savings over 7 Years
Agency	Count	Cost	Count	Cost			Count	(Average)					
Kitsap County	182	\$6,800.00	166	\$7,500.00	\$ 2,482,600.00		124	\$7,956.00	\$ 986,544.00	\$ 3,469,144.00		\$ 592,089.56	\$ 2,877,054.44
Kitsap Coroner	20	6,800.00	5	7,500.00	173,500.00		0	-	-	173,500.00		3,006.25	170,493.75
Kitsap Animal Control	5	6,800.00	5	7,500.00	71,500.00		5	7,956.00	39,780.00	111,280.00		23,389.70	87,890.30
Poulsbo PD	30	6,800.00	31	7,500.00	436,500.00		25	7,781.24	194,531.00	631,031.00		118,271.25	512,759.75
Bainbridge Island PD	28	6,800.00	33	7,500.00	437,900.00		23	7,699.00	177,077.00	614,977.00		109,396.37	505,580.63
Port Orchard PD	36	6,800.00	38	7,500.00	529,800.00		25	7,699.00	192,475.00	722,275.00		119,834.50	602,440.50
Suquamish PD	25	6,800.00	26	7,500.00	365,000.00		15	7,956.00	119,340.00	484,340.00		72,694.35	411,645.65
Pt. Gamble PD	25	6,800.00	23	7,500.00	342,500.00		20	7,699.00	153,980.00	496,480.00		94,520.80	401,959.20
Bremerton PD	96	6,800.00	91	7,500.00	1,335,300.00		55	7,956.00	437,580.00	1,772,880.00		266,545.95	1,506,334.05
Bremerton Fire	46	9,400.00	30	8,500.00	687,400.00		11	9,334.00	102,674.00	790,074.00		77,002.95	713,071.05
North Kitsap F&R	60	9,400.00	33	8,500.00	844,500.00		11	9,692.36	106,615.96	951,115.96		79,047.20	872,068.76
Central Kitsap F&R	135	9,400.00	61	8,500.00	1,787,500.00		24	9,281.00	222,744.00	2,010,244.00		171,635.80	1,838,608.20
South Kitsap F&R	117	9,400.00	27	8,500.00	1,329,300.00		22	9,991.00	219,802.00	1,549,102.00		153,043.90	1,396,058.10
Poulsbo Fire/FD18	68	9,400.00	37	8,500.00	953,700.00		17	9,681.82	164,590.94	1,118,290.94		117,506.90	1,000,784.04
Bainbridge Island Fire	90	9,400.00	35	8,500.00	1,143,500.00		16	9,681.82	154,909.12	1,298,409.12		15,031.25	1,283,377.87
Total	963		641		\$12,920,500.00		393		\$ 3,272,643.02	\$ 16,193,143.02		\$ 2,013,016.73	\$ 14,180,126.29

Using Budgeted Appropriations as a Basis

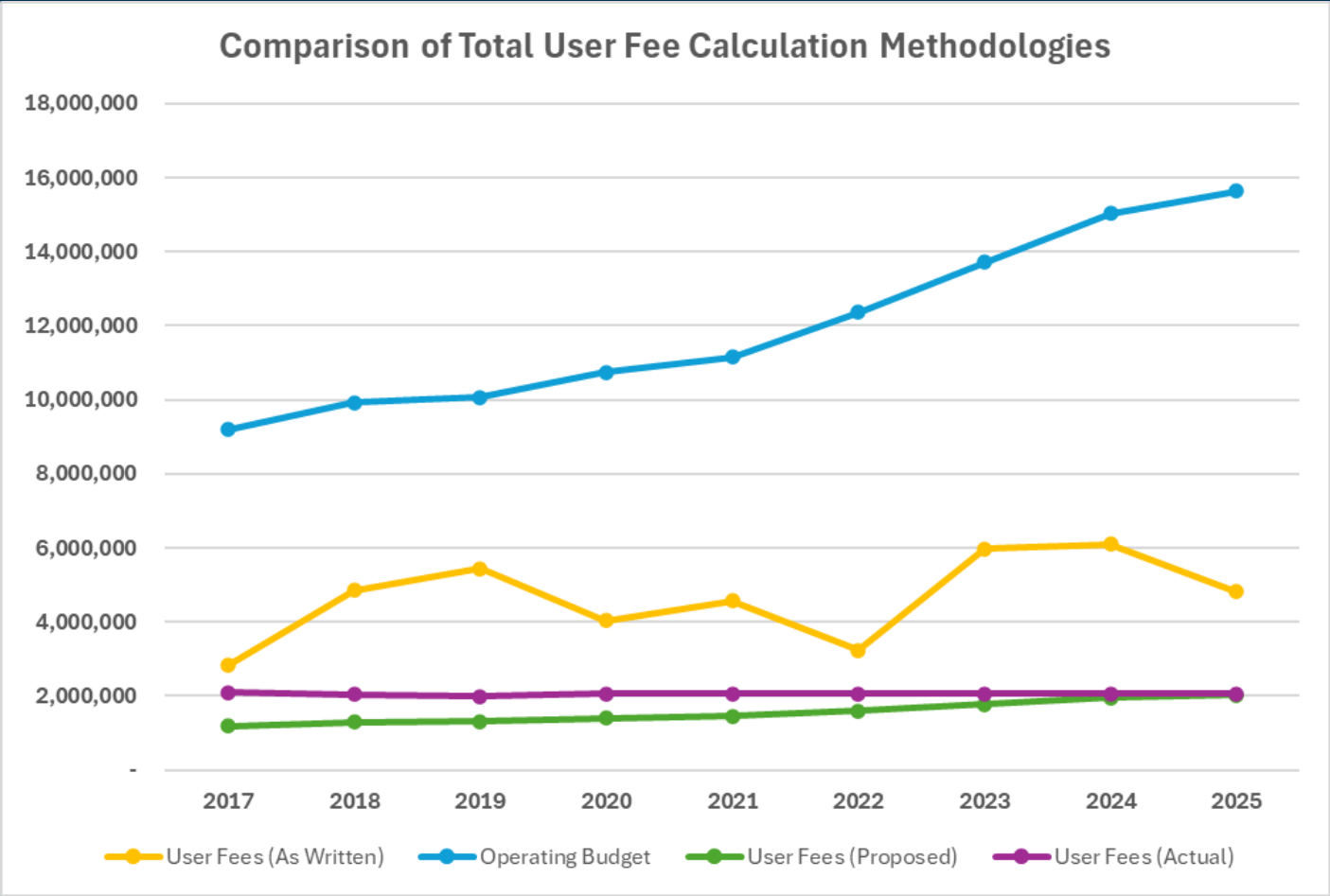
“(2) Calculate the Total Console Share (the amount of the user share that needs to be split between police and fire.

(a) Total Console Share = Total Appropriations

(b) All other funding Sources - Total Base.”¹



Using Budgeted Appropriations as a Basis (cont.)



Cost per Call

- Law: 68%
- Fire: 32%

Agency	Calls for Service			
	Fee Type	Cost per Call	Total Calls	Total CFS
Kitsap County	Law	7.58	78,503	\$ 594,981.92
Kitsap Coroner	Law	7.58	456	3,456.07
Kitsap Animal Control	Law	7.58	5,675	43,011.38
Poulsbo PD	Law	7.58	10,804	81,884.57
Bainbridge Island PD	Law	7.58	11,421	86,560.88
Port Orchard PD	Law	7.58	17,270	130,891.02
Suquamish PD	Law	7.58	8,212	62,239.55
Pt. Gamble PD	Law	7.58	6,310	47,824.11
Bremerton PD	Law	7.58	43,801	331,972.06
Bremerton Fire	Fire	15.26	9,863	150,489.91
North Kitsap F&R	Fire	15.26	3,195	48,749.39
Port Gamble Fire	Fire	15.26	270	4,119.67
Central Kitsap F&R	Fire	15.26	10,060	153,495.74
South Kitsap F&R	Fire	15.26	12,069	184,149.12
Poulsbo Fire/FD18	Fire	15.26	4,012	61,215.20
Bainbridge Island Fire	Fire	15.26	3,180	48,520.52
Total			225,101	\$ 2,033,561.11

Cost per Call (cont.)

Agency	Fire Cost
Spokane Regional 911 (SREC)	\$ 99.23
Snohomish County 911	33.28
Kitsap 911	16.72
CRESA	10.75
Agency	Law Cost
Spokane Regional 911 (SREC)	\$ 33.13
CRESA	10.75
Snohomish County 911	10.22
Kitsap 911	7.22

Current Funding Formula Language

(B) Service Fee Formula. The allocable proportion for each fire district, city, county, and tribe shall be computed as follows:

(1) Calculate the Total Base.

(a) Total Base = Number of Agencies X \$5,000

(2) Calculate the Total Console Share (the amount of the user share that needs to be split between police and fire).

(a) Total Console Share = Total Appropriations

(b) All other funding Sources - Total Base.

(3) Calculate the Police/Fire Split (Percentage of the Console Share paid for by police and by fire).

(a) Police Split= Number of Police Allocated Consoles/ Total Number of Consoles.

(b) Fire Split = Number of Fire Allocated Consoles / Total Number of Consoles.

“Console” terminology
updated to “Frequency”

Current Funding Formula Language (cont.)

(4) Calculate the Police/Fire Share (actual dollar amount paid for by police and by fire).

(a) Police Share = Total Console Share X Police Split.

(b) Fire Share = Total Console Share X Fire Split.

(5) Calculate the Units of Use.

(a) Agency Units of Use = Average of the previous 3 full years of Agency's Units of Use, adjusted for annexations.

(b) Total (Police or Fire) Units of Use = Sum of each (Police or Fire) Agency's Units of Use.

(6) Calculate the Cost per (police and fire) Unit of Use.

(a) Cost per Police Unit = Police Share / Total Police Units of Use.

(b) Cost per Fire Unit = Fire Share / Total Fire Units of Use.

Current Funding Formula Language (cont.)

(7) Calculate Surcharges - Repeat Steps 4 through 6 as needed to calculate any Per Unit Surcharges.

(a) Final Cost per Unit = Cost per Unit (from Step 6) + all per Unit Surcharges

(8) Calculate each Agency's Allocation.

(a) Agency Allocation = (Agency Units of Use X Total Cost Per Unit) + Base.

Replaced with “the sum of
Calls for Service, Cost per
Unit, and Surcharges”

Summary of Changes

User Fees = Calls for Service + Cost per Unit + Surcharges

-
- 13% of weighted operating budget
 - Maximum annual change = -4.0%/+7.5%
 - Refund issued if more than 6.0% under labor budget
 - Fire/Law allocation is based on frequency share (no change)
 - Agency allocations are based on 3-year call average (no change)

-
- Kitsap 911 absorbs ~35% of all recurring costs
 - Radio and MCT counts provided by the agency

-
- An agency only pays for what it uses/benefits from (no change)
 - May include administrative costs
 - Allocation method to be decided by stakeholders

-
- User Fees may be paid annually or quarterly
 - Other minor changes in verbiage/terminology

Final Thoughts

Key Takeaways

Replacement Costs / Agency Savings

	Total Hardware Replacement Costs		CPU Amount Paid over 7 Years	Agency Savings over 7 Years
Agency				
Kitsap County	\$ 3,469,144.00		\$ 592,089.56	\$ 2,877,054.44
Kitsap Coroner	173,500.00		3,006.25	170,493.75
Kitsap Animal Control	111,280.00		23,389.70	87,890.30
Poulsbo PD	631,031.00		118,271.25	512,759.75
Bainbridge Island PD	614,977.00		109,396.37	505,580.63
Port Orchard PD	722,275.00		119,834.50	602,440.50
Suquamish PD	484,340.00		72,694.35	411,645.65
Pt. Gamble PD	496,480.00		94,520.80	401,959.20
Bremerton PD	1,772,880.00		266,545.95	1,506,334.05
Bremerton Fire	790,074.00		77,002.95	713,071.05
North Kitsap F&R	951,115.96		79,047.20	872,068.76
Central Kitsap F&R	2,010,244.00		171,635.80	1,838,608.20
South Kitsap F&R	1,549,102.00		153,043.90	1,396,058.10
Poulsbo Fire/FD18	1,118,290.94		117,506.90	1,000,784.04
Bainbridge Island Fire	1,298,409.12		15,031.25	1,283,377.87
Total	<u>\$ 16,193,143.02</u>		<u>\$ 2,013,016.73</u>	<u>\$ 14,180,126.29</u>

Fee Increase Calculation Methodology (revised)

v.04/18/2025

Agency	2025 User Fee Allocations		Total Difference	Difference per year (3- year split)	CPI: 2.0% 2026 (CPI only)	CPI: 2.0%		CPI: 2.0%	
	Original	Revised				Total Allocation (Including Catchup Payment)		CPI: 2.0%	
						2026 Total	2027 Total	2028 Total	2029 Total
Kitsap County	\$ 572,876.05	\$ 717,881.88	\$ 145,005.83	\$ 48,335.28	\$ 584,333.57	\$ 632,668.85	\$ 693,657.51	\$ 755,865.94	\$ 770,983.26
Kitsap Coroner	9,722.86	9,282.69	(440.18)	(146.73)	9,917.32	9,770.59	9,819.27	9,868.93	10,066.31
Kitsap Animal Control	50,000.00	55,761.47	5,761.47	1,920.49	55,761.47	55,761.47	55,761.47	55,761.47	55,761.47
Poulsbo PD	84,156.97	107,514.70	23,357.74	7,785.91	85,840.11	93,626.02	103,284.45	113,136.05	115,398.77
Bainbridge Island PD	88,561.20	110,978.66	22,417.46	7,472.49	90,332.42	97,804.91	107,233.50	116,850.66	119,187.67
Port Orchard PD	130,199.02	157,448.40	27,249.38	9,083.13	132,803.00	141,886.13	153,806.98	165,966.25	169,285.58
Suquamish PD	64,441.43	79,850.98	15,409.55	5,136.52	65,730.26	70,866.78	77,420.64	84,105.57	85,787.68
Pt. Gamble PD	51,028.89	68,140.88	17,111.99	5,704.00	52,049.47	57,753.47	64,612.54	71,608.79	73,040.97
Bremerton PD	321,726.31	391,135.29	69,408.98	23,136.33	328,160.84	351,297.17	381,459.44	412,224.96	420,469.46
Bremerton Fire	184,108.58	193,390.35	9,281.77	3,093.92	187,790.75	190,884.67	197,796.28	204,846.13	208,943.05
North Kitsap F&R	67,207.20	91,143.58	23,936.39	7,978.80	68,551.34	76,530.14	86,039.54	95,739.13	97,653.91
Port Gamble Fire	5,879.17	5,888.84	9.67	3.22	5,996.75	5,999.97	6,123.19	6,248.87	6,373.85
Central Kitsap F&R	188,674.22	223,555.73	34,881.51	11,627.17	192,447.70	204,074.87	219,783.54	235,806.38	240,522.51
South Kitsap F&R	222,103.69	248,863.88	26,760.19	8,920.06	226,545.76	235,465.82	249,095.20	262,997.16	268,257.10
Poulsbo Fire/FD18	87,557.71	114,162.99	26,605.28	8,868.43	89,308.86	98,177.29	109,009.27	120,057.89	122,459.05
Bainbridge Island Fire	72,375.50	87,618.36	15,242.86	5,080.95	73,823.01	78,903.96	85,562.99	92,355.20	94,202.30
Total	\$ 2,200,618.78	\$ 2,662,618.68	\$ 461,999.90	\$ 153,999.97	\$ 2,249,392.63	\$ 2,401,472.11	\$ 2,600,465.81	\$ 2,803,439.38	\$ 2,858,392.94

INFORMATION PAPER

Funding Formula History and Analysis

April 18, 2025

OVERVIEW

OVERVIEW

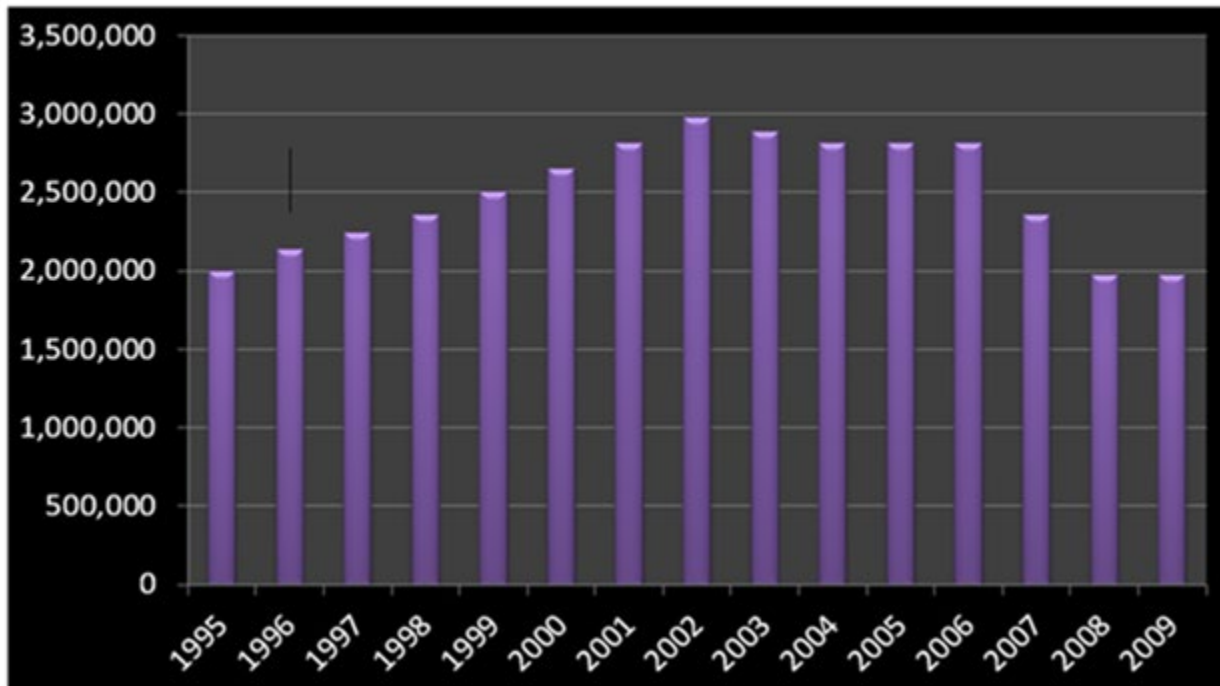
The funding formula currently used to charge partner agencies for dispatch services (“User Fees”) has remained unchanged since it was first adopted in 2009. Today’s economic climate, evolving technology pricing models, and shifting cost structures have rendered it outdated—and because few current members of the Board of Directors and Strategic Advisory Board were involved in its development, a clear chronology is essential to frame our discussion for how to revise it. This paper aims to establish a timeline of significant events, review historical funding practices, pinpoint the formula’s shortcomings, and explore how the future might play out under present-day conditions.

BACKGROUND

Kitsap 911 (formerly known as Cencom) was initially funded primarily with User Fees, and the established methodology was that partner agencies would fund Kitsap 911’s entire appropriations budget, less all other revenues (e.g., excise taxes, grants). In 1995, the fees were set at \$2M, which was sufficient to cover its operational needs at the time. However, by 1998, additional funding was needed for several large capital projects, and that year, the Board had approved 6% annual increases for 10 years to cover the construction and financing costs to update its radio system. By 2002, User Fees had risen by nearly 50%, and by then, it was clear that a new funding mechanism was needed.

In November 2004, Kitsap County voters approved a 0.1% sales tax increase dedicated to emergency communications and public safety services, and in January 2005, Cencom began receiving its new primary revenue source. By 2005, sales tax revenues had been established as a reliable source of funding and the 6% annual increase was repealed. Cencom was on stable ground, and to the benefit of the partner agencies, User Fees declined steadily between 2005 and 2008, and it was generally accepted that a revision to the funding mechanism would be appropriate.

User Agency Fees 1995-2009¹



By December 2007, more than 70 different funding mechanisms had been reviewed by the Cencom Policy Board, all of which were rejected. There was constant disagreement, not only with how to calculate the total fees, but also with how to allocate those fees to the partner agencies in the most logical, equitable way. Numerous factors, such as the assessed valuation of real property, number of officers, population, number of vehicles, number of dispatching apparatuses, and others were considered as a basis, but none were accepted.

In total, 75 different methods were reviewed, and in January 2008, the Policy Board made two critical decisions as the starting point to ultimately develop the revised funding formula. First, it decided to keep the original methodology for calculating total fees in place (i.e., total budgeted appropriations minus all other revenues), and second, to allocate those fees to the partner agencies first by splitting the total between Fire and Law Enforcement agencies based on their respective share of dedicated console utilization (i.e., how many of the available frequencies are dedicated for Fire/Law agencies), and then to each agency by a respective 3-year average of their Units of Use (i.e., dispatched events).

In November 2008, the Cencom Board further agreed upon a list of eight assumptions to underly the new funding formula:

1. Every agency should pay an equal share of our fixed costs plus a variable amount based on units of use
2. Fire and Police units of use are not equal
3. There should be a mechanism to include extras
4. Future customers outside of Kitsap County should consider Kitsap 911's total costs, not just those not paid for by sales and excise taxes
5. Assessed value should not be included as a variable
6. Population should not be included as a variable
7. The number of officers or apparatus should not be included as a variable
8. How we define a unit of use should remain substantially unchanged

Following months of discussions with the Strategic Advisory Board, the Executive Committee, and other stakeholders, in September 2009, the Board adopted a funding formula with the following basic elements:

- A base fee of \$5,000 per agency
- Allocable costs split between Fire and Law based on the number of dedicated consoles
- \$50,000 minimum buy-in
- No “ala carte” pricing, but includes a mechanism for surcharges
- 2-year implementation

The Board also decided that total User Fees should be kept level with 2008 fees during the 2-year implementation phase, that an analysis should be conducted thereafter, and that the fee that each agency pays would be based on their 3-year average for Calls for Service; the intended analysis was never done, however. As a consequence, total User Fees have since been fixed at approximately \$2M (the same amount as 1995), and in December 2016, the Funding Formula was formally adopted into the bylaws of Kitsap 911, with no changes.

Years later, citing the need to replace its entire emergency communications system as well as rising operational needs, Kitsap 911 asked voters to approve another 0.1% sales tax increase. In November 2021, Proposition 2 passed with broad support, and in July 2022, Kitsap 911 began putting its new funding source to good use.

While the 2021 sales tax allocation (“Proposition 2”) effectively guaranteed the funding for the new communications system (the “Radio Project”), Kitsap 911’s underlying funding mix has steadily deteriorated. A growing Kitsap County population and economy has allowed Kitsap 911 to absorb the rising costs for both operations and capital projects primarily through unexpended sales tax revenues, but in recent years, that margin has gotten increasingly smaller. While User Fees have remained unchanged since 2009 (flat with 1995), CPI-U for the Seattle-Tacoma-Bellevue area has increased by 46.9% over that same period (and 77.8% since 1995).

Kitsap 911 enjoyed a modest budget surplus in 2017 and 2018, with ending cash and investments totaling approximately \$5.0M by the end of 2018; however, by the end of 2019, primarily due to necessary capital projects and rising operating costs, it experienced its first budget deficit of approximately \$69K. While small and easily absorbed by unexpended funds from prior years, the following year brought with it Covid-19, lockdowns, supply chain disruptions, etc. Through the federal CARES Act, Kitsap 911 was fortunate enough to receive a reimbursement of \$723,761 for costs it incurred to enable remote call-taking and dispatching capabilities. Without these funds, the annual deficit in 2020 would have been approximately \$205K; additionally, without the indirect inflationary effect that the CARES Act had on spending in Kitsap County generally, the deficit may have been close to \$426K.

In response to economic factors, in 2021 Kitsap 911 began making cuts to its operating budget and timing adjustments to its capital projects schedule. Excluding the indirect temporary effects from an inflationary economy, increased consumer spending, and major construction and development projects, Kitsap 911 achieved a budget surplus of approximately \$715K and \$792K for 2021 and 2022, respectively, and an adjusted cumulative surplus of \$1.8M, while still being able to reserve all Proposition 2 revenues for future use on the Radio Project.

Over the next two years, however, this surplus was completely erased. Sales tax and other revenues flattened while operating costs continued to rise and necessary capital projects were being completed, and in 2023 and 2024, the annual deficit (excluding Proposition 2 sales tax revenues and the Radio Project), was \$1.3M and \$2.2M, respectively, and on a cumulative basis, cash balances have declined from \$4.3M to \$3.8M between 2017 and 2024. Barring a comprehensive revision to the Funding Formula, this declining trend is expected to continue.

ISSUE NO. 1: The method currently used by Kitsap 911 (“Funding Formula”) to charge its partner agencies for User Fees was adopted in 2009 and is now out of date, both with today’s economy, as well in the way that companies charge for goods and services today. Most notably, since 2009, while total User Fees have not changed, CPI-U² has increased 46.9% (Attachment 1, page 1), and most software and service companies have switched to a business model that charges its customers on an ongoing basis for goods and services that were once a one-time fee.

ISSUE NO. 2: The use of the total User Fees calculation methodology, as described in Kitsap 911’s Bylaws, was paused upon adoption in 2009; this was done for analysis of the new method and to allow partner agencies two years to adjust their prospective budgets. After that period, the intention was to calculate total User Fees as written; however, previous directors instead established the current practice in which total fees would be held at approximately \$2M – an amount first established in 1995 – and have not changed since.

As written, the total amount to be paid by partner agencies equals Kitsap 911’s total appropriations, minus \$5,000 per agency (base fees) and all other revenues³. If applied as written, total User Fees would fluctuate materially each year (Attachment 1, page 2), whether due to inflation, large capital projects, expansion of services provided, and other factors, making budgeting and forecasting significantly more challenging, both for Kitsap 911 and its partner agencies.

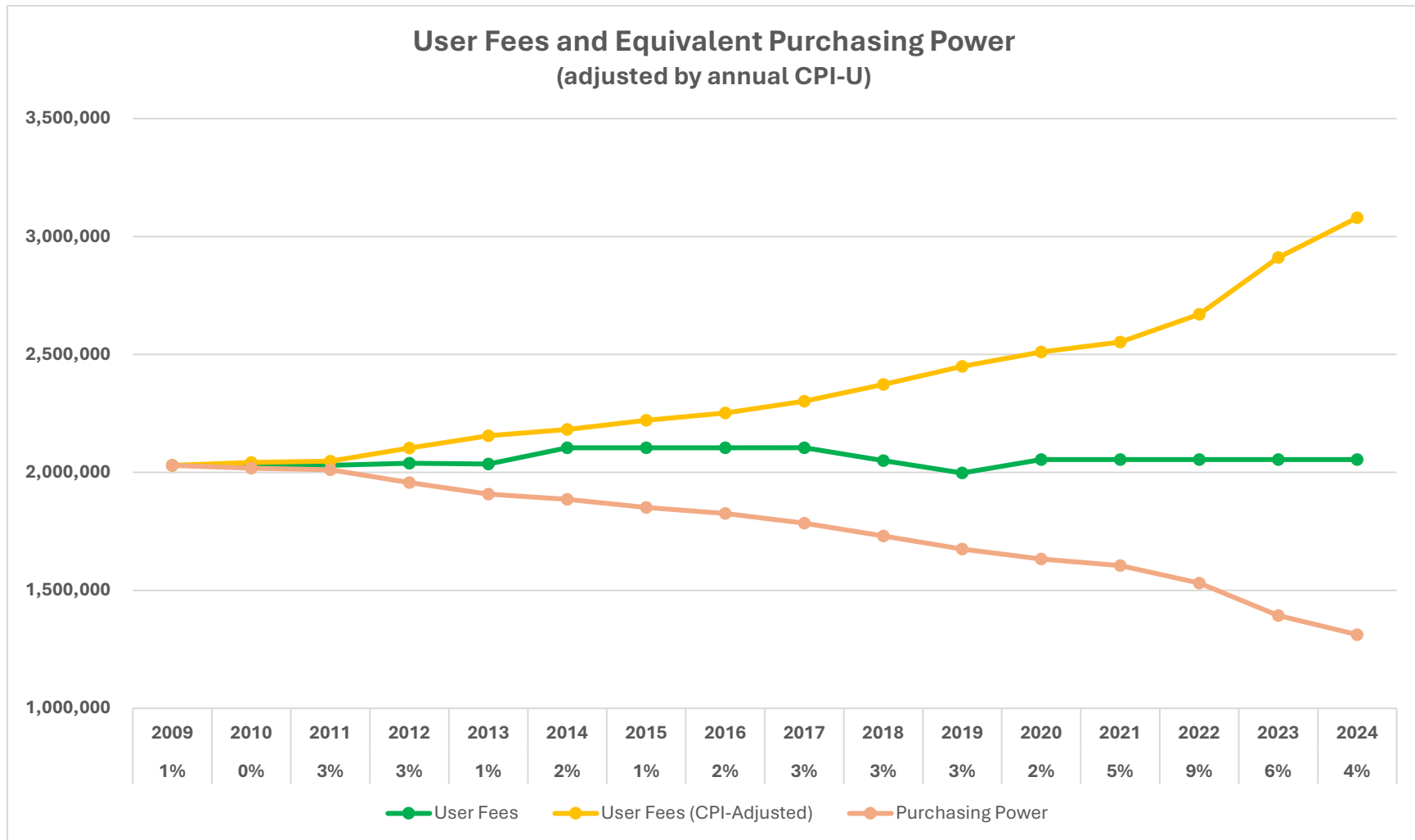
ISSUE NO. 3: To calculate the total User Fees, the current Funding Formula language uses the phrase “Total Appropriations³,” which contemplates proposed capital projects in addition to budgeted operating costs. In addition to material annual fluctuations, if calculated as written, baseline User Fees would be significantly higher overall than they are today (Attachment 1, page 3).

CONCLUSION

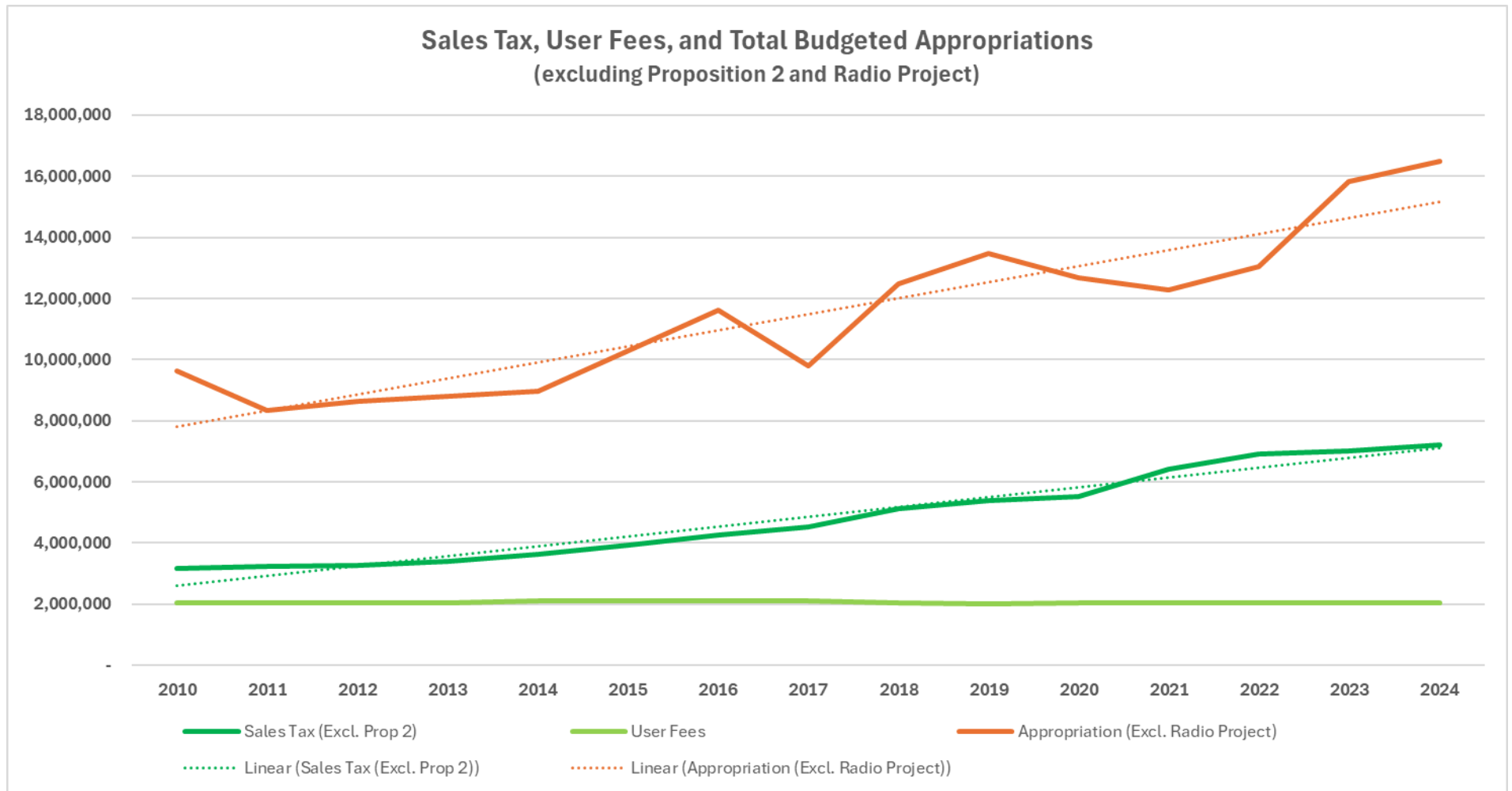
Any recommendation to revise the funding formula brought forward for Board review and approval will include proposed solutions for issues 1, 2, and 3.

2 - U.S. Bureau of Labor Statistics - All items in Seattle-Tacoma-Bellevue, WA, all urban consumers, not seasonally adjusted.

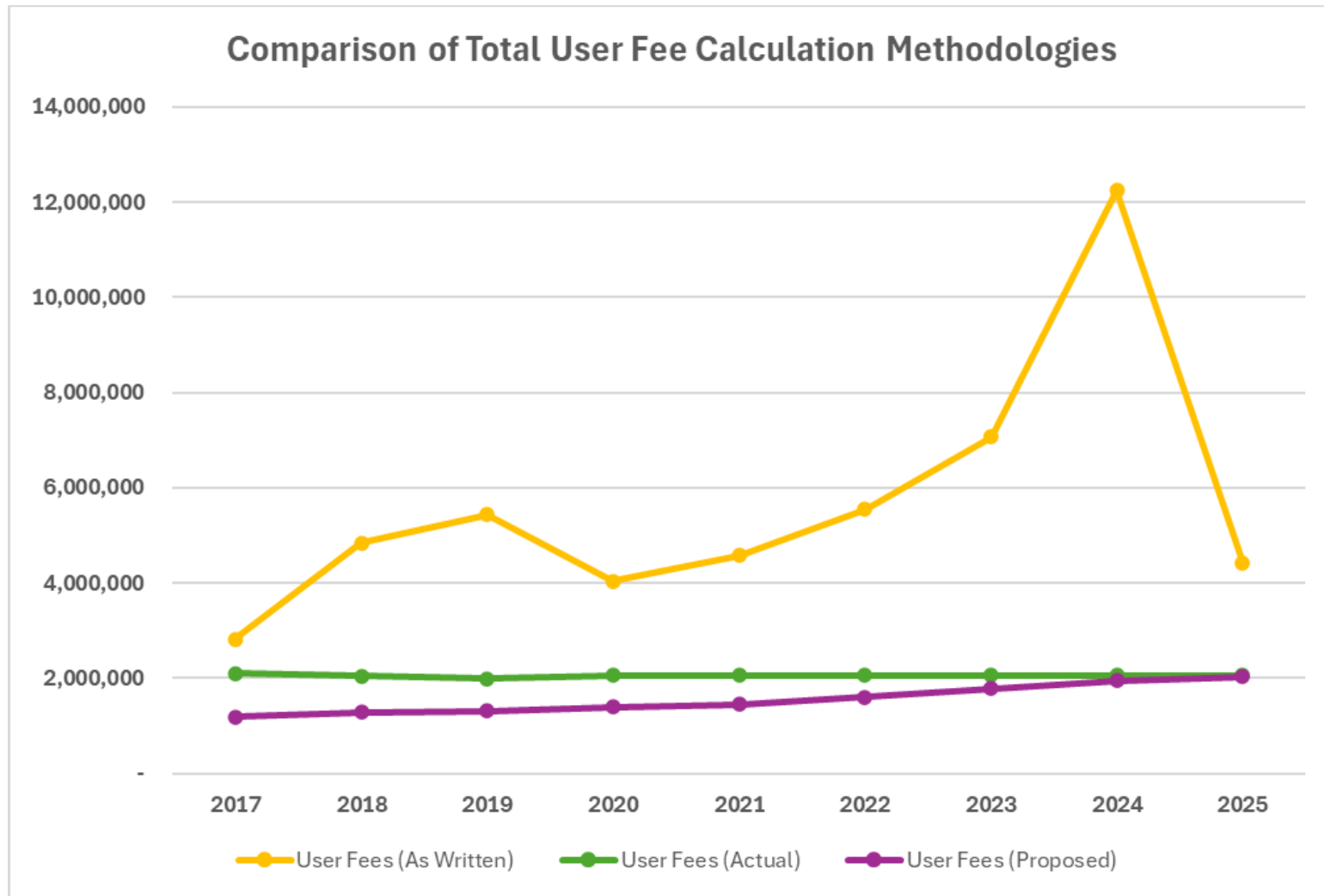
3 - Kitsap 911 Bylaws (updated 12/04/2018) – Section IX (B) (1) and Section IX (B) (2)



In 2009, Total User fees were set at approximately \$2M and have not changed significantly since then. In contrast, between 2009 and 2024, CPI-U for the Seattle-Tacoma-Bellevue area increased by over 46%; as a result, in 2024, that amount had the equivalent purchasing power of \$1.3M. Adjusting annually for CPI-U, User Fees would have risen to approximately \$3.1M (nearly 19% of Kitsap 911's Total Appropriation), representing a difference of \$1.8M.



In 2010, the percentage of Kitsap 911's budget (excluding Proposition 2 and the Radio Project) funded by sales tax and user fees was 33% and 21%, respectively; in contrast, in 2024, sales tax had funded 44%, while user fees had only funded 12%. Over that same period, while sales tax revenues and total appropriations rose by approximately 127% and 71% respectively, the dollar increase in appropriations has surpassed that of sales tax by approximately \$2.8M, due to expanded services provided, higher costs, and other factors.



Total User Fees (As Written): Total Appropriation – Base User Fee – All other Revenues

Total User Fees (Actual): Approx. \$2M (unchanged since 2009)

Total User Fees (Proposed): Weighted Operating Budget x 13%

This graph shows a pro forma comparison of User Fee methodologies, assuming each had been in place since 2017.



KITSAP COUNTY BOARD OF COMMISSIONERS

Accessible, efficient, effective, and responsive county services

Christine Rolfes
DISTRICT 1

Oran Root
DISTRICT 2

Katherine T. Walters
DISTRICT 3

April 28, 2025

Maria Jameson-Owens
Executive Director
Kitsap 911
911 Carver Street
Bremerton, WA 98312

RE: Formal Opposition to Proposed 2025 Kitsap 911 User Fee Increases and Formula Amendment

Dear Ms. Jameson-Owens,

The Kitsap County Board of Commissioners respectfully submits this letter of opposition in response to the proposed changes to the 2025 user fee structure and funding formula currently under consideration by the Kitsap 911 Board.

While we understand the need to modernize the allocation methodology to ensure long-term sustainability, we have significant concerns about the scale and speed of the cost increases this proposal would impose on member agencies. Based on the draft model, it appears that Kitsap County's total user fee allocation would increase by over **\$209,000 (or 36.63%)** compared to current levels. We also note that minimum user fee protections, such as the \$50,000 floor applied to Animal Control, highlight the need for more thoughtful consideration of how these increases scale for entities with niche but vital public safety roles.

Kitsap County is committed to working collaboratively to ensure that the 911 system is adequately and sustainably funded, but that effort must reflect shared priorities, fiscal realities, and open dialogue. We respectfully request that the Board of Directors delay any formal consideration of amendments to the service fee formula until all proposals have been fully vetted with impacted stakeholders.

Thank you for your consideration of our concerns. We look forward to continuing this important conversation and remain committed to working collaboratively to ensure a fair, predictable, and sustainable funding structure for all.

Sincerely,

Christine Rolfes, Chair

Oran Root

Katherine T. Walters

Kitsap 911 Letter of Opposition
April 28, 2025

Cc: Kitsap 911 Board of Directors:

Mayor Greg Wheeler, City of Bremerton
Council Member Eric Younger, Chair, Bremerton City Council
Council Member Jennifer Chamberlin, Bremerton City Council
Mayor Rob Putaansuu, City of Port Orchard
Mayor Becky Erickson, City of Poulsbo
Council Member Clarence Moriwaki, City of Bainbridge Island
Kitsap County Sheriff John Gese
Fire Commissioner Bob Muhleman, CKFR
Fire Commissioner Dave Ellingson, Poulsbo Fire
Fire Commissioner Dusty Wiley, SKFR

Michael T. ...



Board of Directors Discussion Item Summary

May 6, 2025 (12:30 to 2:00)

Agenda Item #8

Agenda Item: New Bank Account for the Purpose of Using ACH Payments
Submitted By: Steve Rogers
Title: Finance Manager
Attachments: None

Budgetary Impact (If Applicable)

Budgeted Amount: None
Expenditure Required: None
Budget Category: Accounts Payable

Reviewed By: Maria Jameson-Owens and Brandon Wecker

Reviewed Date: 04-28-2025

Summary Statement:

Under Section 2.110.140 of Kitsap 911's Ordinance, Kitsap County serves as our treasurer and manages our primary operating bank account. However, Kitsap County's policies do not permit special purpose districts to pay non-governmental vendors via ACH, forcing us to rely on traditional mailed checks. This constraint has led to checks being lost or arrive late, resulting in late fees, service disruptions, and unnecessary administrative burdens.

To address these inefficiencies, we propose establishing a dedicated KeyBank account solely for issuing ACH payments to vendors. Importantly, this would mirror existing practices: Kitsap 911 already maintains separate accounts for payroll direct deposits and FSA reimbursements, both established with the County Treasurer's approval. Furthermore, the Kitsap Regional Library, which operates under a similar ordinance requirement, utilizes this structure.

We have confirmed with Peter Boissonneau, Kitsap County Treasurer, that this proposal aligns with Section 2.110.140. Approval of this request would immediately improve operational efficiency, reduce risk exposure to late fees and account suspensions, and enhance financial stability without altering Kitsap County's role as our treasurer.

Recommendation:

Provide input on the proposed new bank account at the May board meeting.

Vote on the proposed new bank account resolution at the June board meeting.



Board of Directors Discussion Item Summary

May 6, 2025 (12:30 to 2:00)

Agenda Item #9

Agenda Item: Discuss Strategic Initiative #3 Comprehensive Hiring and Retention Plan
Submitted By: Maria Jameson-Owens
Title: Executive Director
Attachments:

Budgetary Impact (If Applicable) TBD

Budgeted Amount:

Expenditure Required: TBD

Budget Category: Human Resources

Reviewed By: Director Ellingson, Director Wheeler, Maria Jameson-Owens, Brandon Wecker, Jamie Donley, John Higashi, Rachael Taylor, Steve Rogers

Reviewed Date: April 28, 2025

Summary Statement:

The trends identified in the strategic positioning process highlight a significant shift in the workforce, including reduced job commitment, evolving workforce expectations, and increased challenges in attracting candidates with the skills necessary for complex roles, as well as retaining highly skilled personnel. These changes, coupled with growing operational demands, necessitate the development of a proactive hiring and retention strategy to ensure that Kitsap 911 can effectively meet its staffing needs in this evolving environment. By adapting to these new workforce norms, Kitsap 911 can attract top talent, retain valuable employees, and prepare for leadership transitions in an increasingly competitive job market.

This initiative will focus on:

- **Attracting Talent:** Developing a robust recruitment process that actively targets qualified candidates with the skills necessary to meet the evolving needs of Kitsap 911.
- **Retention:** Creating an environment that fosters employee satisfaction, growth, and commitment, ensuring that high-performing employees are supported and encouraged to stay with the organization long-term.
- **Succession Planning:** Identifying key roles and responsibilities within the organization and preparing for potential leadership transitions, ensuring that talent pipelines are well-established and ready to fill vacancies as needed.

Expected Outcomes:

- Improved ability to recruit and hire high-quality candidates.
- Enhanced employee retention, reducing turnover and increasing institutional knowledge.
- Development of a succession plan to ensure continuity in key roles.

How We Will Accomplish These Goals**Attracting Talent:**

- **Action 1:** Evaluate current recruitment processes, refine job descriptions and position competencies, and explore new recruitment channels to attract a diverse pool of candidates.

Timeline: 1st Quarter Annually

- **Action 2:** Hold in-person testing at Kitsap 911 to increase accessibility.

Timeline: Begin 4th Quarter 2025 and evaluate results

- **Action 3:** Increase the number of community events we attend, including job fairs and career fairs at high schools to educate youth about 911 as a career.

Timeline: Begin 2nd Quarter 2025

Retention

- **Action 1:** Develop a retention strategy that includes competitive benefits, professional development opportunities, and employee engagement activities.

Timeline: 3rd quarter 2025 and reviewed annually

- **Action 2:** Hold quarterly check-ins with new employees to address any needs or concerns they have in their first year of employment.

Timeline: Began in 2024. Continuously moving forward.

Succession Planning

- **Action 1:** Conduct an annual succession planning survey and follow-ups with employees who plan to leave in the short term and those who wish to promote.

Timeline: Annual

- **Action 2:** Implement a mentorship and career development program to support internal growth and succession planning.

Timeline: 3rd Quarter 2025

Success Measurement:

- Increased number of qualified candidates applying for open positions.
- Fill each new hire academy.

- Reduced turnover rates.
- Enhanced internal promotion rates and succession success.

Recommendation:

Discuss Proposed Strategic Initiative #3 - Comprehensive Hiring and Retention Plan at the May 2025 meeting with the intent of considering this initiative for approval at the June 2025 Board meeting.

Executive Summary

Kitsap 911 Board of Directors

Summary: For the year-to-date period ended March 31, 2025, revenues were above, and expenditures were below expectations.

Revenues: As of March 31, 2025, we have received approximately \$5.50M (17.91%) of projected annual revenues, which was above our year-to-date forecast of \$4.87M by approximately \$631K (12.94%).

We have received approximately \$3.70M (26.26%) of the total projected sales tax revenues, which was above our year-to-date forecast of \$3.46M by approximately \$235K (6.77%). Total sales tax revenues are divided evenly between our two 1/10th of 1% allocations, each receiving approximately \$1.85M year-to-date.

We have received approximately \$688K (25.32%) of the total projected excise tax revenues, which was above our year-to-date forecast of \$680K by approximately \$8K (1.27%).

We have received approximately \$1.12M (8.04%) of the total projected for other revenues, which was above our year-to-date forecast of \$0.73M by approximately \$388K (53.01%). For the current month, the variance from budget was primarily due to normal timing differences in the receipt of user agency and tower lease payments.

Operating Expenditures: As of March 31, 2025, we have expended approximately \$4.16M (22.97%) of our total operating expenditures appropriation, which was under our year-to-date expectation of \$4.47M by approximately \$315K (7.05%).

We have expended approximately \$3.44M (26.63%) of our total operating salaries and benefits budget, which was below our year-to-date goal of \$3.48M by approximately \$38K (1.10%).

We have expended approximately \$0.72M (15.28%) of the total non-labor operating expenditures, which below our year-to-date goal of \$1.00M by approximately \$277K (27.72%).

Proposition 2-Funded Capital Project Expenditures: As of March 31, 2025, we have expended approximately \$0.63M (5.41%) of our total annual appropriation of \$11.72M.

Other Capital Projects and Non-Operating Expenditures: As of March 31, 2025, we have expended approximately \$9K (0.28%) of our total annual appropriation of \$3.32M.

Debt and Cash Reserves: As of March 31, 2025, no new debt obligations are expected within the next three months, and no reserves have been used.

Risks: A slowing economy poses the greatest risk to our revenues, primarily because Kitsap 911's main source of revenue is derived from taxable retail sales in Kitsap County; supply chain disruptions and shortages are also primary factors contributing to our inherent level of risk. We will continue to monitor these and other risks over the coming months.

Kitsap 911 Public Authority
Budget Status Report
For the Three Months Ended March 31, 2025

	Year-to-Date Actual	YTD Budget	% of YTD Budget	Annual Budget	% of Annual Budget
REVENUES					
Sales and Excise Taxes					
Sales Tax	\$ 1,848,405	\$ 1,731,152	106.77%	\$ 7,040,065	26.26%
Sales Tax (Proposition 2)	1,848,405	1,731,152	106.77%	7,040,065	26.26%
Telephone Excise Taxes	688,223	679,588	101.27%	2,718,354	25.32%
Total Sales and Excise Taxes	4,385,034	4,141,893	105.87%	16,798,484	26.10%
Agency Fees and Surcharges					
Agency User Fees	851,465	550,155	154.77%	2,200,619	38.69%
NPRV MCT Surcharges	17,759	31,087	57.13%	124,347	14.28%
Total Agency Fees and Surcharges	869,225	581,242	149.55%	2,324,966	37.39%
State and Federal Funding					
State Military Grant	-	12,500	0.00%	50,000	0.00%
State and Community Highway Grant	-	535	0.00%	2,142	0.00%
Other Grants	-	-	0.00%	-	0.00%
Total State and Federal Funding	-	13,035	0.00%	52,142	0.00%
Other Revenues					
Tower Lease Revenue	157,032	113,757	138.04%	455,029	34.51%
Investment Interest	89,445	21,041	425.10%	84,164	106.28%
Debt Proceeds	-	-	0.00%	11,000,000	0.00%
Miscellaneous Revenues	3,325	2,261	147.09%	9,043	36.77%
Total Other Revenues	249,803	137,059	182.26%	11,548,236	2.16%
TOTAL REVENUES	\$ 5,504,061	\$ 4,873,229	112.94%	\$ 30,723,828	17.91%
OPERATING EXPENDITURES					
Labor and Personnel					
Salaries and Wages - Ops	\$ 2,107,876	\$ 2,271,757	92.79%	\$ 8,437,955	24.98%
Benefits - Ops	669,936	505,350	132.57%	1,877,016	35.69%
Payroll Taxes - Ops	189,390	181,682	104.24%	674,821	28.07%
Subtotal Labor and Personnel - Ops	2,967,201	2,958,790	100.28%	10,989,792	27.00%
Salaries and Wages - TSG	418,259	517,734	80.79%	1,923,013	21.75%
Benefits - TSG	35,957	123,645	29.08%	459,254	7.83%
Payroll Taxes - TSG	15,408	42,556	36.21%	158,066	9.75%
Subtotal Labor and Personnel - TSG	469,624	683,936	68.66%	2,540,334	18.49%
Budgeted Attrition	-	(167,609)	0.00%	(622,548)	0.00%
Total Labor and Personnel	3,436,826	3,475,117	98.90%	12,907,577	26.63%
Debt Service					
Debit Service Payments - Principal	\$ -	\$ -	0.00%	\$ 150,000	0.00%
Debit Service Payments - Interest	-	-	0.00%	320,000	0.00%
Total Debt Service	-	-	0.00%	470,000	0.00%
Building and Tower Sites					
Lease/Rent Payments	126,338	174,264	72.50%	699,703	18.06%
Repairs and Maintenance - Facilities	24,734	26,342	93.89%	280,158	8.83%
Insurance	117,606	106,699	110.22%	213,398	55.11%
Utilities	51,660	51,533	100.25%	200,208	25.80%
Total Building and Tower Sites	320,338	358,839	89.27%	1,393,467	22.99%

Kitsap 911 Public Authority
Budget Status Report
For the Three Months Ended March 31, 2025

	Year-to-Date Actual	YTD Budget	% of YTD Budget	Annual Budget	% of Annual Budget
Computer and Other Equipment					
Repairs and Maintenance - Equipment	25,705	174,364	14.74%	1,462,023	1.76%
Software	173,562	193,949	89.49%	540,489	32.11%
Total Computer and Other Equipment	199,267	368,313	54.10%	2,002,512	9.95%
Supplies and Professional Services					
Supplies	6,430	24,573	26.17%	64,573	9.96%
Professional Services	93,516	93,589	99.92%	484,345	19.31%
Communications	73,051	107,578	67.91%	593,368	12.31%
Total Supplies and Professional Services	172,997	225,740	76.64%	1,142,287	15.14%
Other Operating Expenditures					
Travel and Training	9,379	21,909	42.81%	99,563	9.42%
Miscellaneous	20,510	24,788	82.74%	89,643	22.88%
Total Other Operating Expenditures	29,890	46,697	64.01%	189,206	15.80%
SUBTOTAL OPERATING SUPPLIES & SERVICES	\$ 722,492	\$ 999,588	72.28%	\$ 5,197,471	13.90%
TOTAL OPERATING EXPENDITURES	\$ 4,159,318	\$ 4,474,705	92.95%	\$ 18,105,048	22.97%
CAPITAL AND OTHER NON-OPERATING EXPENDITURES					
Proposition 2-Funded Projects					
LMR and Radio Replacement Projects	\$ 24,092			\$ 8,532,518	0.28%
All Other Projects	610,021			\$ 3,185,000	19.15%
Total Proposition 2-Funded Projects	634,113			11,717,518	5.41%
Other Non-Operating Projects					
Capital Projects	9,254			3,316,224	0.28%
Total Other Non-Operating Projects	9,254			3,316,224	0.28%
SUBTOTAL OTHER NON-OPERATING PROJECTS	\$ 643,367			\$ 15,033,742	4.28%
TOTAL EXPENDITURES	\$ 4,802,685			\$ 33,138,791	14.49%

Kitsap 911 Public Authority

Fund Balance Report As of March 31, 2025

Cash Balances	As of:	
Beginning Cash and Cash Equivalents	03/31/2025	02/28/2025
Non-Custodial Cash in Bank	\$ 2,347,750.08	\$ 2,643,844.59
Investments	9,229,551.23	8,973,086.16
Total Cash and Cash Equivalents	\$ 11,577,301.31	\$ 11,616,930.75

Source of Funds	03/31/2025
Beginning Proposition 2 Balance	\$ 8,806,796.54
Net Change from Use of Funds	(23,806.96)
Ending Proposition 2 Balance	\$ 8,782,989.58

Beginning Balance from All Other Sources	\$ 2,810,134.21
Net Change from Use of Funds	(15,822.48)
Ending Balance from All Other Sources	\$ 2,794,311.73

Total Cash from All Sources	\$ 11,577,301.31
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Stabilization Fund and Periodic Debt Analysis

Stabilization Fund	
17% of Budgeted Annual Revenues	\$ 3,353,050.83
Funds in Excess/(Deficit) of Threshold	8,224,250.48
Total	\$ 11,577,301.31

Debt Financing Recommendation	
Minimum Excess Cash Level	\$ 2,500,000.00
Funds in Excess/(Deficit) of Threshold	8,224,250.48
Funds in Excess of Minimum	\$ 5,724,250.48

Debt Financing Recommended within 90 Days	No
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Kitsap 911 2025 Key Projects and Initiatives

Technical Projects			Estimated		
Proj/Task#	Project/Initiative		Priority	Start	on Status
2019 1	Backup Center - Phase 1		3	9/30/2022	TBD In Progress
2023 2	Cyber Security Upgrade		3	Q4 2023	Q1 2025 Late
2023 3	Replace AV System		4	Q4 2023	Q2 2025 Rescheduled
2023 4	Dispatch Floor Project - Carpet		3	Q4 2023	Q2 2025 In Progress
2023 5	Dispatch Floor Project - Soundproofing		3	Q4 2023	Q2 2025 Complete+
2023 6	Dispatch Floor Project - Console Furniture		2	Q4 2023	Q2 2025 In Progress
2025 7	CAD Upgrade Part 1		1	9/1/2024	Q3 2025 In Progress
2025 8	Data Center Improvement		4	Q1 2025	Q3 2025 In Progress
2025 9	SonicWall Replacement		2	Q1 2025	Q3 2025 In Progress
2025 10	Firewall Cluster at Backup Center		3	Q4 2024	TBD In Progress
2025 11	Windows Server Licensing		3	Q1 2025	Q3 2025 Complete+
2025 12	Temp Sensors at all sites		4	Q1 2025	Q4 2025 In Progress
2025 13	PowerRecall Implementation		4	Q1 2025	Q3 2025 Complete+
2025 14	QA program		3	Q4 2024	Q3 2025 In Progress
2025 15	CAD Upgrade Part 2		1	Q3 2025	Q3 2026 Not Started
2025 16	Backup Center - Phase 2		3	TBD	TBD Not Started

Microwave Expansion Project (Multi-Year)			Estimated		
Task#	Milestone		Priority	Start	on Status
MVE 1	Complete microwave hops to additional radio sites		2	Q1 2025	Q4 2025 Not Started

LMR Replacement Project (Multi -Year)			Estimated		
Task#	Milestone		Priority	Start	Completion Status
LMR 1	Integration Testing of Radio System, Console system, CAD, etc.		1	Q2 2024	Q1 2025 In Progress
LMR 2	Move Radio Equipment to Tower Sites		1	Q3 2024	Q1 2025 In Progress
LMR 3	System Testing and Acceptance of Phase 1 Sites		1	Q1 2025	Q2 2025 Not Started
LMR 4	DC Power Systems Replacement		2	Q4 2023	Q2 2025 In Progress
LMR 5	Complete replacement of Law Portable Radios		1	Q1 2025	Q4 2025 In Progress
LMR 6	Phase 1 Coverage Testing		2	Q2 2025	Q3 2025 Not Started
LMR 7	Complete Replacement all Law Mobile Radios		1	Q1 2025	Q4 2025 In Progress