



## **Kitsap 911 Board of Directors Meeting on April 1, 2025**

**Via Virtual Meeting and Norm Dicks Governance Center**

### **ATTENDING:**

#### **Board of Directors:**

David Ellingson, Fire Commissioner (Chair)  
Becky Erickson, City of Poulsbo Mayor  
Clarence Moriwaki, City of Bainbridge Island  
Bob Muhleman, Fire Commissioner  
Rob Putaansuu, City of Port Orchard Mayor  
Christine Rolfes, Kitsap County Commissioner  
Oran Root, Kitsap County Commissioner  
Katie Walters, Kitsap County Commissioner  
Greg Wheeler, City of Bremerton Mayor (Vice Chair)  
Dusty Wiley, Fire Commissioner  
Eric Younger, City of Bremerton

#### **Staff:**

Maria Jameson-Owens, Executive Director  
Brandon Wecker, Deputy Director  
Rachael Taylor, Human Resources Manager  
Steve Rogers, Kitsap 911 Finance Manager  
Scott Peabody, Kitsap 911 Radio Program Manager  
John Higashi, Technical Services Manager  
Barrie Hillman, Executive Assistant

#### **Absent:**

Jennifer Chamberlin, City of Bremerton  
John Gese, Kitsap County Sheriff's Office  
Jamie Donley, Associate Director of Operations

**Guests:**

Chief Joe Clark, Bainbridge Island Police Department  
Chief Rick LaGrandeur, North Kitsap Fire & Rescue  
Chief Jeff Faucett, South Kitsap Fire & Rescue  
Bryce Odin  
Dawn Perry, Kitsap 911  
Ken Bagwell, Attorney to Kitsap 911  
Jan Glarum

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**Call to Order:** Chair David Ellingson called the meeting to order at 1230.

**Additions:**

None.

**Public Comment:**

None.

**Consent Agenda**

Chair Ellingson introduced the consent agenda items.

**Director Clarence Moriwaki moved to approve the Consent Agenda including approval of minutes from the Board of Directors 03-04-2025 meeting; the approval of payment of claims for A/P Warrant Numbers 7085 through 7137 totaling \$670,408.95; the payroll dated 02-28-2025 and 03-14-2025 totaling \$876,557.88; and the Use Tax dated February 2025 with a total increase of \$18.33. Director Dusty Wiley seconds. Motion passed unanimously.**

**Employee Recognition**

None.

**Action Items**

**Guild Negotiations**

Chair Ellingson indicated that the Board would go into closed session for the purpose of discussing Guild Negotiations for fifteen minutes. The closed session started at 1235, returning at 1250. At 1250 the board returned to regular session and extended closed session for another 15 minutes until 1305. The closed session ended at 1305.

**Approval of Resolution 2025-002 Adoption of the Board of Director Expectations**

Executive Director, Maria Jameson-Owens, indicated that the Board reviewed the proposed Board of Directors Expectations and since that meeting, she added one more bullet point to embrace and encourage out of the box, thinking, creativity and innovation. Additionally, a

review timeline was added to Section 2. The intent is to do a self-evaluation on our performance as a board each first quarter.

**Director Moriwaki moved to adopt Resolution 2025-002 Adoption of the Board of Directors' Expectations. Director Owen Root seconded the motion. Motion passes unanimously.**

### Approval of Strategic Initiative #1

Ms. Jameson-Owens said at the last board meeting, we reviewed strategic initiative number one, out of five strategic initiatives that came out of the strategic positioning process. There is a work plan for each element with some timelines for completion.

**Director Katie Walters moved to adopt Strategic Initiative #1 Board Education, Alignment and Structure Review. Director Bob Muhleman seconded the motion. Motion passes unanimously.**

### Discussion Items

#### New Funding Formula

Ms. Jameson-Owens reiterated that this is a discussion item and no action is expected today. The Kitsap 911 Funding Committee was formed by the Board to review and revise the current funding formula as the current formula has not increased agency fees since 2008, and did not address reoccurring and increased costs. The committee was made up of five financial managers from the various agencies, three chiefs, the undersheriff, Ms. Jameson-Owens and Deputy Director Brandon Wecker. On March 25, the Kitsap 911 Funding Committee determined that the proposed funding formula was reasonable and well founded, and the committee endorsed the formula and recommended its review and approval by the Kitsap. 911 Board of Directors.

Finance Manager, Steve Rogers shared a [slide deck](#) and indicated that we spent a lot of time analyzing the mechanisms that other 911 centers use for user fees, and there were only a few things we needed to tweak to make ours current with how things work today. In the new formula, the amount each agency ultimately pays is the sum of three parts, the largest of which is Calls for Service, just like it is today.

The biggest change here is in the actual amount that our partner agencies pay in total. The total fee from the previous formula was set back in 2008 at around \$2 million and it hasn't moved much since. That methodology was well-intentioned but it caused us to get way behind the Consumer Price Index (CPI) curve. Going forward, the new formula instead uses a weighted percentage of our operating budget, rather than using a fixed number that never changes. That allows us to keep up with inflation, but because it also includes an upper and lower cap on what

a year-over-year change can be, sudden or significant swings aren't possible.

The way we allocate those costs down to our partner agencies was really well-designed, and we couldn't think of a better way to do it, so other than in how we determine the total number itself, there really weren't any other changes needed here.

The second part of the funding formula deals with how we treat ongoing equipment costs. This feature is new, and any acquisition costs are excluded but what is now included are the ongoing costs for the core software, licenses, and services that each agency has on their radios and Mobile Computer Terminals (MCTs).

Along that same line, we have surcharges, which is the third and final part of the formula. There is no difference in how we treat costs like these, compared to how we do things right now, but we did expand this section to include a few more of the ongoing costs for the services that each agency has requested, or might request in the future.

Director Rob Putaansuu asked for examples of what "additional costs" might be. Mr. Rogers indicated that Fire agencies use a tool called First Due that only they use so only they would get charged for that.

On the left of the slide, is the new Bylaws language that we've drafted, and on the right, is an interpretation in plain English. Instead of a flat number that never changes, the total allocation is now a percentage of our operating budget. 13% is just the number that landed closest to that 2008 number.

The rest of these bullets are exactly how we do things now. Once we have the total allocation, we look at the Fire and Law cost split, and we base that on the number of consoles dedicated to one or the other. We then multiply the total allocation by that percentage, then we divide those Fire and Law amounts by their respective total calls for service, which gives us the Cost per Call number. Then, we take each agency's 3-year average calls for service and multiply that by the Cost per Call number, and if that annual amount is \$50,000 or more, then that's your number; otherwise, your Calls for Service total is \$50,000 – that minimum is currently only applicable to Kitsap Animal Control. The only thing that has changed here is the total amount that gets allocated – nothing about how it gets allocated has changed.

The new section is Cost per Unit, and it is luckily a lot more straightforward than the calls for service section. We basically just look at the costs for the core software and services that a radio or Mobile Computer Terminal (MCT) needs, and then we multiply that by the number of radios and MCTs that each agency has. These are ongoing costs like internet, dual factor authentication, cell service, things like that – not the cost to buy the unit itself.

Next, Surcharges are added in. Like the Cost per Unit approach, agencies only pay for what they actually have, and the Surcharge bucket is a catch-all for any ongoing costs that don't get included in the Cost per Unit section. There is no change in how we treat these costs, but again, the list needed to expand a bit to cover a few things that aren't currently being paid for by the agencies but should be.

After that, the subtotal from each of the three sections are added together to get the user fee total for the year.

One of the comments we received from the Funding Committee last week was the concern that if we came in significantly under our labor budget then partner agencies would have been overcharged for the year. Since personnel costs comprise the largest percentage of our operating budget, they thought that number would be an efficient metric to use, and we agreed. Following that meeting, we added this section, which basically means that each year, we'll look at our labor costs for the prior year, and if those actuals came in more than 6% under budget, we'll redo the calls for service calculation and send each agency a check for the difference. This is another control this formula uses to prevent manipulation and significant swings.

He shared a slide that shows what the service fees would look like if we had implemented these changes effectively this year. If approved, these changes would take effect in 2026, but we are proposing a 3-year phase-in on the increase to avoid that big of a jump all at once. This was something that the Funding Committee requested, and we agreed. He shared a slide that shows the three-year phase-in. For 2026, we use 2025 as the basis year, then adjust for CPI, and then include the phase-in amount on top of that. This one includes the updated radio and MCT counts that the agencies provided, so this is a pretty good estimate for what next year would look like, assuming CPI comes in at around 2%.

This presentation was very well received by the Funding Committee. Nearly all members voiced their support for this model, and agree that it is a logical, fair, and transparent way to approach our funding going forward.

Director Greg Wheeler asked which agencies were represented on the Funding Committee.

Ms. Jameson Owens indicated it was Central Kitsap Fire & Rescue's Finance Manager, South Kitsap Fire & Rescue's Chief and Finance Manager, Port Orchard's Finance Manager, Bainbridge Island Police Department's Police Chief and Finance Manager, Kitsap County Undersheriff and their Finance Manager, and North Kitsap Fire & Rescue's Chief.

Director Putaansuu asked to confirm that his finance director, Noah Crocker, saw these numbers. Ms. Jameson-Owens indicated that he was not at the last meeting but was at the

meeting before that and he received the information and numbers immediately after the last meeting. The only information he would not have had was the rebate option.

Director Greg Wheeler indicated that there are a couple of ways to look at Calls for Service, one being that each jurisdiction is responsible for the number of calls and two, some bear the brunt of people who generate more 911 calls. 55% of unsheltered people are in Bremerton but Bremerton's population is not 55% of the county. Bremerton's calls are going to continue to increase. He wanted to be sure everyone heard who was on the committee and plans to listen to the discussion.

Director Putaansuu said that there is a new shelter that just opened in South Kitsap and wants those services available throughout the county, and not just on the south end of the county. Poulsbo has a small piece as well. He is seeing a very alarming number there too but he can't think of a more equitable way to skin this.

Director Wheeler said he would be debating that but not right now.

Director Becky Erickson indicated that she does not understand the formula and said she has a certain level of concern and sticker shock. Budgets operate as a constraint and there doesn't seem to be a constraint mechanism here. She needs to look at the numbers more but this is way too much money for Poulsbo and for Poulsbo Fire as well and the City has constraints we have to deal with. There doesn't seem to be any constraint and Kitsap 911 just asks for everything over and over. She indicated she would not vote for this.

Ms. Jameson-Owens reiterated that there is no expectation that the Board would be giving approval today and that this is just providing the Board a first look at the proposed formula. It has gone to the Strategic Advisory Board (SAB) so that the chiefs can review it with their people and then we will bring it back to the Board. She asked for clarification about the confusion over the Costs per Call.

Director Erickson said she doesn't understand why a call to the Bremerton Fire Department would cost more than a call to Poulsbo Fire Department.

Ms. Jameson-Owens indicated that all Fire Departments have the same Cost per Call.

Chair Ellingson said that one part is related to the number of equipment each agency has and the other is dependent on the number of calls generated by the organization.

Mr. Rogers says that the allocation is exactly how we do it now and the only aspect that changed is that the \$2 million amount set in 2008 is no longer set and is tied to the operating budget so it can flex with CPI. CPI has increased 46% since 2008 and the increase here is less

than that. He emphasized that a lack of constraint is always a concern in accounting. The first mechanism for control is the oversight of this Board. The numbers we allocate to user agencies is based on budget. As long as the Board approves the budget in a fiscally responsible way, the numbers that go to the agencies will be fiscally responsible. The second control the increase is limited to a CPI increase capped at 7.5%. Significant increases are impossible. The third constraint is that if we over budget, we issue a rebate.

Director Erickson said but it is all based on the budget so you set your budget at X so we must pay X. It is that we have this amount of money coming in so the budget is set within that. This is backwards. The budget is driving the request rather than the amount of money we have available and she prefers the latter.

Mr. Rogers indicated that we looked at a lot of other agencies and their feedback is tying it to the budget allows flexibility.

Director Wheeler indicated he does not like to be in the position where we are in a zero-sum game. If he argues the case for new nonprofits like the Medical Respite center in downtown Bremerton, the only operation like that in Kitsap County and is going to be the place where previously homeless folks will be discharged to complete their respite, wound care and recovery with no other options after that, other than a very few getting into transitional housing. The rest go back onto the street highly vulnerable again for more 911 calls on top of what we actually have today. This changes how we might look at this in the future because disproportionately, we will see an increase in our 911 calls because of these type of services. He does appreciate what he sees from the county and his partnerships from the different agencies which are extremely valuable but this is where the City of Bremerton is headed.

Ms. Jameson-Owens shared that there are numerous people within Kitsap County that call 911 50 to 100 times per day. We do not count each additional call but add them to the same call event. A Call for Service is a dispatched event, not all of the phone calls.

Director Erickson said in local government has revenue streams from sales tax, fees, property taxes and such that most come together into a general fund which is how much money we have to spend period. Then we fit the budget to meet that number. What Kitsap 911 is doing is saying we are going to produce these fees and therefore, we need this much money which is the opposite of how we do our budgeting. There is no control and Kitsap 911 is saying that we have to have this much money even though that is not how we budget in local government. We start with our revenue projection; we figure out how much cash flow we're going to have and then we figure out what we can spend.

Director Putaansuu said he hears what Director Erickson is saying but asked do we stop answering the phone in November because we ran out of budget? Director Erickson said no, we

cut costs.

Ms. Jameson-Owens commented that she is very aware that Kitsap 911's budget is approved by the Board. The problem that we're trying to solve is that we haven't added any additional costs to our formula since 2008. So many things have changed since then. A cost for a service that used to be a one-time fee such as Word; you had that program for as long as you wanted to have it. That's not the case anymore. Now, there is a monthly cost to that service, and we have never gone back and said to the agencies that for all of these things we put on your MCT, they now have a monthly cost. We pay 3.5 million dollars for a full MCT hardware replacement cycle. However, now, on top of that, there are hundreds of thousands of dollars of monthly fees as well. We are trying to figure out, based on what the agencies want and based on what the agencies use, the cost. If they decide they no longer want to use Mobile Responder, they don't have to use it and can use their MCT instead. We are not taking away any hardware we are paying for. We're looking to pay for the extras that the agencies are adding on to it. Digital Alerting is a great example. Years ago, the fire agencies came forward with a million dollars because they wanted us to change to digital alerting because it would be better on their times. We did that. There is now a maintenance fee of about \$170,000 per year for just that system that we never discussed should be sent back to the fire agencies. Those are the things that we're trying to figure out. Since 2008 we haven't looked at any of this so it is completely understandable why it's shocking to see the large number. But if you look at the time frame and all the changes in technology it actually does make sense. Mr. Rogers and Ms. Jameson-Owens are willing to come out and have individual conversations. We've told the Fire and Law chiefs that we would come meet with their councils or their groups. What we needed to do today is to let you have a first look at it. Chief Rick LaGrandeur is here today to also share the perspective of the SAB. No one believes this is going to go through and be approved today. But the big part we want everybody to get out of this is, agencies are paying for things that they are using, and they can choose not to use them. They can turn them off. They can decide, we don't need that service. There is a variety of options here. This is just step one.

Chief Rick LaGrandeur said as part of the Funding Committee he gained a lot of insight, and this is a lot to digest the first time it is seen. As a collective entity the SAB agrees that it is time to update the formula. We're looking for something that not only keeps funding where it needs to be, but it is sustainable and predictable for the future. At this point he feels that we have that in this. If we go forward with this formula, he is no more excited than anyone else to pay this much more next year but he does believe this is necessary, because we can't continue with a formula and user fees that we haven't upgraded in 17 years. As far as feedback received, he can't speak for every agency but it has been mostly positive. Yes, there are concerns because everybody's going to end up paying more. But once again, we think it's important to continue to work on this process and come up with something that is sustainable and predictable going forward so we don't have to go another 5, 10 years down the road and rehash it again in a really difficult process like we're having to do right now. We are doing some difficult work but it



is going to have significant benefits for us as individual agencies, Kitsap 911, and our emergency services as a whole in Kitsap County.

Director Eric Younger indicated his empathy for the Kitsap 911 Board as far as raising funds. This is very similar to what they all face in our jurisdictions with the property tax being capped at 1%. Except now we say we want to get X amount of dollars based on a percentage and then we'll decide how to spend it. He thinks we are hearing some pushback from this board, saying, we want to see the justification, why there should be an increase, and then we can talk about the formula on how to share this additional money if we need above the sales tax contribution. It would be much easier to just apply a CPI of 2% every year and have that pool of money. But he doesn't think they are satisfied with that approach at this point.

Chair Ellingson said that everybody on this board has constraints on their budgets, and the city and the counties certainly have more flexibility than fire agencies do, because they are limited just to the property tax. They don't have any other taxes, so they either have to ask for a levy increase or watch the sales tax revenue go up and down from one year to the next. They are probably the poor ones on the board.

Director Putaansuu is agreeing with the sentiments he is hearing regarding just adding CPI to it every year. This is a discussion that we need to have on an annual basis as part of the budget process. It is important to recognize that we haven't touched this since 2008 and that is the fundamental problem and why it is such a big number. This should have been an annual conversation and it wasn't. That is an element of why we are uncomfortable. His number is bigger than others at \$40,000.

Chair Ellingson said that we did have those conversations over the years but helping the bottom line was that we had the income and sales tax was increasing every year. The sales tax went up and that covered the increases in those user fees. We were able to keep it flat for all those years but then things flattened out and all of a sudden, we have to absorb those costs because our sales tax is just not keeping up.

Director Christine Rolfes is looking at the Kitsap County number, which is \$200,000 and that is a sheriff's deputy. They are looking for 6 million dollars in cuts in their budget just to get started. In 2026 we will be looking at 3-4 million to cut. When we are adding \$200,000 here, there is nowhere for them to go except for one more cut. In order to pay for this, they are looking at a county sheriff. It is a sheriff's deputy here or it is some kind of cost reduction in 911. That is the trade-off in she is working in her head.

Director Wheeler indicated that he is balancing his budget on reserves this year. Good, healthy, fiscal management has got us to the point where any budget like ours, any household budget, could survive like we are going to do on reserves. That is not sustainable. This year in reserves,

next year more into reserves. If this economy does not improve, then we are looking at cuts. And this adding on to the other cuts where we are talking real people; boots, boots on the ground with direct services to the public.

Director Moriwaki said that unlike Director Wheeler, his city didn't have to dip into reserves and came up with a balanced budget but at a cost. His police department is lower per capita than any other city in this county and any other municipality on the Peninsula. On his police forces they had budgeted three hires and they froze those. When they have vacations or illness, we have guys doing overtime, and they're already doing long shifts and they have been very good. Their morale is good but they're human beings, too. His community, his citizens, wanted a balanced budget. His permits don't come out as fast as people wish. They didn't hire two planners. They made that choice and they sacrificed city services. This really concerns him because they were trying to do what was fiscally responsible. And it wasn't to the level of service that he would like to see. They made that choice. Their reserves are solid. They have six months of funding but they wanted to keep that there.

Director Moriwaki asked that the slide of the Projection of Total User Fees Slide be put up. He asked if the cost per units of radios per each agency and mobile computer terminals are paid for by the bond. Ms. Jameson-Owens indicated that all the radios and computers themselves are paid for out of the bond. It is \$14 million for the radios and \$3 to 4 million every time we upgrade the MCTs.

Director Moriwaki stated that Bainbridge uses 61 radios and 23 MCTs but what is that cost? Is it an administrative cost? Ms. Jameson-Owens said there is no administrative overhead. That is for what is on the radio. For example, every new radio for this system has cellular coverage. If an officer is out of range for a tower and not get getting good coverage, it will automatically move to a cellular device so that they should be able to get some sort of connection. It is enhancing the radio program overall. It costs \$180 per year per radio to have that service. It is not the hardware. It is an option if they want to cut it off, they can cut it off. But what we hear over and over again is that we're increasing radio coverage for officer safety and the safety of responders. If they cut it off, they are taking away one element. It is \$180 per radio for about 1,400 radios going out. This is \$180 per radio for the year. It is \$40 per month.

Director Moriwaki just wanted to share the pain they are feeling in his community as well.

Director Wheeler indicated that they are required by state law to present a balanced budget to adopt. When we talk about reserves, we are talking about ending fund balances. Imagine you are at your kitchen table and you are doing your budget - your income, your outgoing, and you have a balance at the end. Let's say it's a thousand dollars. You have adopted your own household budget policy. His city had an 18% ending reserve balance that we were maintaining for operating costs. They are down to 14 this year and 10 next year. The budgets are balanced.

It is the same as the household where you like to have a certain amount at the end of each month. But this is where we are this year and next year, and again, per state law, they are required to balance budgets.

Director Erickson requested that before the next meeting we contact other dispatch services and ask what their Cost per Call is. Are we high or are we low? If we are really high, what are they doing better than we are? If we are really low then let's write the check. Ms. Jameson-Owens indicated that we have contacted all the regional dispatch centers and we are second from the bottom in user fees and there is only one agency in Olympia that is less than us. Kitsap 911's user fees are about 13% of our budget and there is one agency that is at 56%. Director Erickson reiterated that she wants the Cost per Call amount. What does it cost when the City of Kent dispatches their fire? What does it cost when the City of Tacoma dispatches their police? They should have that data. Ms. Jameson-Owens said that they may have that data depending on their funding formula. Director Erickson said she wants to be able to measure.

Ms. Jameson-Owens reminded the Board that we did start talking about this topic before the 2025 budget was approved and that was when we formed the Funding Committee to look at it. We are willing to go back and get more information and continue talking about it. However, she asked if the Board would consider approving sending the required 60-day notice that we are considering a change to funding formula in the By-laws. We want to prepare to work on our budget in September so that other agencies can plan their budgets but if we don't give notice, we can't make a change. Sending out the notice does not require that we make a change or this change. It just says we are considering it and nothing would happen before the June meeting.

Chair Ellingson said it is reasonable to give them that notice.

Director Putaansuu said with the caveat that none of us are comfortable with what we are seeing.

Chair Ellingson said that the metrics the board is looking for will help explain the numbers generated in the summary sheet.

Ms. Jameson-Owens said the notice just says we will be looking. It does not reference any type of proposal. We can say it is a work in progress and that we may have an increase or we may not.

Director Moriwaki said to make it very clear the Board has not made a decision on this because when they get it, they assume that as the board we are putting it out there and it was our idea. He would be the first person asking about that.

Ms. Jameson-Owens said that everyone who would get the notification already knows we are in

this process because they have seen the proposal and many of them are on the committee. This is just the official notification that we may make a change.

Director Oran Root asked if there is an expiration date. Ms. Jameson-Owens said no we only have to provide at least 60 days' notice.

Director Moriwaki asked that this say this is a proposal from the staff at 911. He is really uncomfortable that the public feel that we developed this formula and we were happy with our increases to our local agencies. Ms. Jameson-Owens asked if he was comfortable if the language was approved by the Chair first.

Director Putaansuu said its not a public notice. It is notifying our members which is them. He is comfortable putting a notice out but he is not comfortable with what we are seeing and that has to come back to us to work on.

Director Rolfes proposed saying that the proposal is from the Kitsap 911 Funding Committee. Secondly, to get anyone's attention it should have the PowerPoint notes attached to it so that people respond to it.

Director Wheeler asked if we are going to tell the committee what recommendation they are going to make. Chair Ellingson said not today but eventually we will have to set a policy which will affect all the agency budgets. Ms. Jameson-Owens had the Board confirm that she could go back to the Kitsap 911 Funding Committee to continue working on the proposal.

### Strategic Initiative #2 – Financial Philosophy

Mr. Rogers shared that this initiative is essential for ensuring Kitsap 911's long-term sustainability in the face of rising costs and evolving public expectations, and its overarching goal is to strengthen our financial decision-making processes. Our financial philosophy is already great, which is why we have a perfect audit report record, but by further refining it, we can further enhance transparency, maintain financial stability, and ensure reliable funding for our operations. There are three key focus areas within this initiative:

- **Financial Principles:** We will reinforce our commitment to transparent, accurate, and efficient financial practices. This includes ensuring that our financial reports provide meaningful insights for both internal leadership and external stakeholders.
- **Funding Formula:** Recognizing the need for fairness and long-term stability, we will assess and refine our funding formula. Collaborating with member agencies, we aim to create a sustainable approach that meets Kitsap 911's financial needs.

- Communication: The clear communication of our financial philosophy is vital. By doing so, we can foster transparency, build stakeholder trust, and ensure a mutual understanding of our financial goals and decisions.

Over the next 3 to 6 months, we propose the following actions to achieve these objectives:

- First, we will review and update our financial processes and policies, and once that is done, we will work with leadership and the Board to update anything that needs updating. The goal is to ensure responsible spending, clear reporting, and up-to-date policies that set us up well for the future.
- Next, we will evaluate and refine the funding formula. As you know, discussions about the current funding model are happening now, and input from the board and other stakeholders will be integral to ensure the new formula meets our financial needs, while being fair and equitable to our partner agencies.

Our last focus area will be an ongoing effort. To enhance our communication, we will provide regular updates and transparent reports to our stakeholders, ensuring our financial philosophy is well understood and supported. We will evaluate the success of this initiative using the following indicators:

- For Financial Principles: adhering to the budget, avoiding deficit spending when possible, and establishing an equipment and replacement fund.
- For the Funding Formula, we will continue to work with our stakeholders to create a comprehensive amendment to the Bylaws which will be ultimately approved by the Board.
- And for Communication, our ongoing focus will be on building trust by maintaining meaningful, and transparent financial reports, and updating those reports as situations change.

The plan is to bring the finalized draft to the next Board meeting as an action item for the Board's approval.

### Executive Director's Performance Plan

Chair Ellingson indicated that the end of the performance period is May 1<sup>st</sup> and he requested that the Board provide any input to please provide those comments by May 1<sup>st</sup>. If there is any input on how we develop the next performance plan, please send those as well.

### Strategic Advisory Board Report

Chief LaGrandeur reported that one additional component the SAB has been working on is updating the MCT policy into a Communications Equipment Policy to include the radios as well. A draft of that document has been sent out to the SAB after the last meeting for review and provide feedback. This is a critical component because changes to this document impact the budget planning. We are aware there is a time restraint so we will continue to work on that.

Chair Ellingson asked for clarification on the Tech Goals and Projects for the two line items on the Radio project that looked to be the same. Executive Assistant Barrie Hillman indicated that one line item was for mobile radios and one was for portable radios.

### Good of the Order

Director Bob Muhleman reported that he had visited Kitsap 911 to observe for three hours on March 21. He wanted to visit to see all the upgrades that are being done, he wanted to observe first hand call receivers and wanted to find out first hand on the health and culture of Kitsap 911. The board has already been briefed on the performance measures which were close to perfect. He wanted an internal perspective on the health and culture of the organization. He sat in with a call receiver, fire dispatcher and police dispatcher meeting Wendy, Tim, Jessica, Brandy, Drew and several others. He listened in on calls and had a lot of questions including how well the employees enjoyed working at Kitsap 911. He received 100% positive feedback and zero negative feedback. He was told that Ms. Jameson-Owens has her office right next to the dispatch floor where she was more accessible to all the employees. The previous director's office was way upfront and out of site. He was told that she knows each and every employee by name along with the families and their pets. Everyone that he talked to said that they felt totally comfortable discussing any issue with Ms. Jameson-Owens and she goes out of her way to support their health and wellbeing. He would like to thank Ms. Jameson-Owens for including the Strategic Advisory Board report every month on this agenda. These are our fire chiefs and police chiefs who are on the other end of the radios. Neither Ms. Jameson-Owens nor Deputy Director, Brandon Wecker were in the building when he visited and he has not discussed his report with either one of them. The employees were not cherry picked as they just happened to be on duty at the time of his visit. Many of the Board have visited but if they have not, he encourages them to contact Ms. Hillman to schedule it.

Considering another issue, over the past year he has heard several negative comments about Fire officials being too involved with the influencing of Kitsap 911. Fire and Police depend on the very best from Kitsap 911 24 hours a day 7 days a week. Even though the three fire representatives on this board are from three different fire districts, South, Central and Poulsbo, they represent all five Kitsap County fire districts. Unlike all the rest of the Board in this room, all three of them are retired and have the time to devote to fire and life safety. All three of them have been on this board for 20 years and unlike the rest of the Board their only focus is to provide the very best fire and Emergency Medical Services to the citizens of Kitsap County. They are not responsible for the other things, other directors are responsible for like public works,

public parks, health districts, transportation, homeless and all other elected duties and responsibilities.

Director Rolfes said thank you to Director Muhleman and the other fire officials for being able to invest more time into this Board. She spent an hour on the center floor and thoroughly enjoyed it and thanked Ms. Hillman for setting it up and the others involved on the floor.

Director Muhleman said that the people who work at Kitsap 911 have to have very acute hearing because people call in for whom English is a second language; they are very excited and the dispatchers are speed typers and manage multiple things at once. He was an air traffic controller in Vietnam and it was nothing like what the dispatchers have to manage. He asked a dispatcher what they do when there is a crisis and the answer was that they all work as a team. It is a very stressful job and they are all so calm and competent in what every one was doing. They answered every question. He has to give the Chair feedback on performance and how does he do that without going up there and observing some performance. He can see the performance measures that Brandon gave the Board and those are the most important. But he wanted the inside view. The staff was all very appreciative. He asked why there was a gate in front of Maria's office and it's because she would take care of an employee's dog. These people are amazing and this is a tough, tough job.

**The Meeting adjourned at 1409.**

***The next scheduled meeting of the Kitsap 911 Board of Directors is May 6, 2024, at 1230  
Virtually or In-Person at Norm Dicks Government Chambers.***



# The New Funding Formula

Summary of Changes and Calculation Steps



# Summary of Changes

- Total Allocation Amount
  - User Fees have been set at approx. \$2.05M since 2008
  - New formula instead uses a weighted percentage of the operating budget, which allows for gradual increases (i.e., CPI)
  - No other change to allocation methodology (i.e., cost per call, 3-year call average, and Fire/Law split still used)
- Ongoing hardware costs – New
  - The ongoing costs for each unit (i.e., MCT, Radio) will be added to the User Fee total
  - The cost to buy a radio or MCT is excluded
- Surcharges
  - No change to how surcharges are treated
  - Additional costs have been included

# Calculation Steps

## Bylaws Language

1. Calculate Calls for Service (“CFS”)
  - a. Multiply 13% by Kitsap 911’s weighted operations budget (not to exceed a year-over-year increase of 7.5% or a decrease of 4.0%) for the Total Calls for Service Allocation
  - b. Divide the number of dedicated Fire/Law console positions by the total number of dedicated console positions
  - c. Multiply the Total Calls for Service Allocation by the respective Fire/Law dedicated console position proportion
  - d. For the Cost per Call, divide the respective Fire/Law allocations by their total calls (3-year average)

## Plain English Explanation

- a) 13% (\$2.03M) is the closest whole percentage to the current User Fees level (\$2.05M). Includes an annual cap to limit large CPI swings.
- b) Of the 5.50 total dedicated consoles, 1.75 are Fire and 3.75 are Law (32% and 68%, respectively).
- c) The Total Calls for Service Allocation is multiplied by the Fire/Law percentage to derive the total Fire/Law allocation.
- d) The total Fire/Law allocation is divided by the Fire/Law 3-year call average.

# Calculation Steps

## Bylaws Language

- e. Multiply the respective Fire/Law Cost per Call by each agency's Total Calls
  - f. The Calls for Service total is the greater of the above or \$50,000.
- 
- 2. Calculate Cost per Unit ("CPU")  
Multiply the annual Cost per Unit (e.g., MCT, Radio) by each agency's total unit count

## Plain English Explanation

- e) The Fire/Law cost per call is multiplied by that agency's rolling 3-year average of calls for service
  - f) Calls for Service is subject to a minimum of \$50K (currently, this is only applicable to Kitsap Animal Control).
- 
- 2. The cost per unit is multiplied by the total number of units (as provided by the agency). This excludes the cost to buy the unit itself.

# Calculation Steps

## Bylaws Language

### 3. Calculate Surcharges

Ascertain the ongoing costs for any optional or additional customizations, plus any reasonable costs for upkeep and administration.

### 4. Each agency shall pay their respective sum of CFS, CPU, and Surcharges.

### 5. Prior to March 31, Kitsap 911 shall reconcile the personnel costs from the prior year. Should budgeted annual costs exceed actual costs by more than 6.0%, Kitsap 911 shall issue a refund for Calls for Service to each agency with actual costs as a basis.

## Plain English Explanation

### 3. This is exactly how surcharges are currently treated. The only difference is that the list of surcharges has been expanded to include more of the software, licenses, and services requested by user agencies.

### 4. The three main parts are added together to comprise that year's user fees.

### 5. Because the Calls for Service portion is tied to a *budgeted* number, if the actuals for labor (~80% of our operating budget) end up being significantly under, we will send a rebate back to each user agency for the difference.

# Proforma 2025 User Fees\*

		Calls for Service		Cost per Unit								
Agency	CFS Minimum			Radios		MCTs		Total		Total Allocation	Total Allocation	Difference
		Total Calls	Total CFS	Count	Total CPR	Count	Total CPM	Surcharges			(Current)	\$ %
Kitsap County	\$ -	78,503	\$ 594,981.92	348	\$ 64,380.00	124	\$ 120,933.26	\$ 2,446.88		\$ 782,742.05	572,876.05	\$ 209,866.00 36.63%
Kitsap Coroner	-	456	3,456.07	25	4,625.00	0	-	2,820.37		10,901.44	9,722.86	1,178.57 12.12%
Kitsap Animal Control	50,000.00	5,675	43,011.38	10	1,850.00	5	4,876.34	1,389.37		58,115.71	50,000.00	8,115.71 16.23%
Poulsbo PD	-	10,804	81,884.57	61	11,285.00	25	24,381.70	2,446.88		119,998.16	84,156.97	35,841.19 42.59%
Bainbridge Island PD	-	11,421	86,560.88	61	11,285.00	23	22,431.17	2,502.37		122,779.41	88,561.20	34,218.22 38.64%
Port Orchard PD	-	17,270	130,891.02	74	13,690.00	25	24,381.70	1,810.88		170,773.60	130,199.02	40,574.58 31.16%
Suquamish PD	-	8,212	62,239.55	51	9,435.00	15	14,629.02	1,969.88		88,273.45	64,441.43	23,832.03 36.98%
Pt. Gamble PD	-	6,310	47,824.11	48	8,880.00	20	19,505.36	1,866.37		78,075.84	51,028.89	27,046.95 53.00%
Bremerton PD	-	43,801	331,972.06	187	34,595.00	55	53,639.75	1,810.88		422,017.69	321,726.31	100,291.38 31.17%
Bremerton Fire	-	9,863	150,489.91	76	14,060.00	11	14,915.15	29,124.51		208,589.57	184,108.58	24,480.99 13.30%
North Kitsap F&R	-	3,195	48,749.39	93	17,205.00	11	14,915.15	22,735.41		103,604.95	67,207.20	36,397.75 54.16%
Port Gamble Fire	-	270	4,119.67	0	-	0	-	1,769.17		5,888.84	5,879.17	9.67 0.16%
Central Kitsap F&R	-	10,060	153,495.74	196	36,260.00	24	32,542.13	27,912.71		250,210.59	188,674.22	61,536.37 32.62%
South Kitsap F&R	-	12,069	184,149.12	144	26,640.00	22	29,830.29	32,344.42		272,963.83	222,103.69	50,860.14 22.90%
Poulsbo Fire/FD18	-	4,012	61,215.20	105	19,425.00	17	23,050.68	26,919.19		130,610.07	87,557.71	43,052.36 49.17%
Bainbridge Island Fire	-	3,180	48,520.52	125	23,125.00	0	-	25,240.75		96,886.27	72,375.50	24,510.77 33.87%
<b>Total</b>	<b>\$ 50,000.00</b>	<b>225,101</b>	<b>\$ 2,033,561.11</b>	<b>1,604</b>	<b>\$ 296,740.00</b>	<b>377</b>	<b>\$ 400,031.70</b>	<b>\$ 185,110.04</b>	<b>\$</b>	<b>\$ 2,922,431.47</b>	<b>2,200,618.78</b>	<b>\$ 721,812.69 32.80%</b>

\*2025 User Fees assuming the new methodology. For illustrative purposes only.

# Projection of Total User Fees 2026-2029

				[B]	[E]					
				Difference per year (3- year split)	[C]	[D]	CPI: 2.0%		CPI: 2.0%	
[A]			CPI: 2.0%		Total Allocation (Including Catchup Payment)			CPI: 2.0%		
2025 User Fee Allocations	Total		2026 (CPI only)		2026 Total	2027 Total	2028 Total	2029 Total		
Agency	Original	Revised	Difference							
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	

# Projection of Total User Fees (cont.)

## 2026-2029

**Assumptions Used:**

- 1) Each agency's total Units of Use for 2025 was used for all years. Actual 2026-2029 allocations will vary slightly from the model, as a trailing 3-year average is used in the calculation.
- 2) Annual CPI was fixed at 2.0% (a relatively flat economy is assumed). Actual future CPI is likely to vary from the model, which would increase or decrease the total allocation.
- 3) For the maximum annual percentage increase/decrease, a floor and ceiling cap of -4.0% and 7.5%, respectively, is assumed (i.e., if actual CPI is 10.0%, it would only increase by a maximum of 7.5%, or if CPI was -8.0%, the maximum decrease would be -4.0%). These same percentage caps are used by South Sound 911.

**Notes:**

- [A] - This is the total difference between the 2025 user fees approved by the Kitsap 911 Board and those same fees as calculated using the new methodology.
- [B] - The total difference referenced in note [A] is divided evenly over 3 years.
- [C] - The user fees for 2026 will use the Board-approved 2025 user fees as a basis, and that number will be adjusted for annual inflation. For estimation purposes, 2% is used, but the final amount will be based on the actual (weighted) CPI percentage.
- [D] - The total allocation for 2026 will include the CPI-adjusted allocation referenced in note [B] and the catch-up amount referenced in note [C].
- [E] - 2027 and 2028 will follow the same methodology (i.e., 2027 will use 2026 as a basis, adjust for CPI, and add the catch-up amount), and subsequent years will only include the CPI adjustments. The total increase in the revised allocations between 2026 and 2028 is 5%, which is consistent with the CPI increases.

## New Funding Formula Calculation

### **Calculation Steps**

1. Calculate Calls for Service (“CFS”)
  - a. Multiply 13% by Kitsap 911’s weighted operations budget (not to exceed a year-over-year increase of 7.5% or a decrease of 4.0%) for the Total Calls for Service Allocation
  - b. Divide the number of dedicated Fire/Law console positions by the total number of dedicated console positions
  - c. Multiply the Total Calls for Service Allocation by the respective Fire/Law dedicated console position proportion
  - d. For the Cost per Call, divide the respective Fire/Law allocations by their total calls (3-year average)
  - e. Multiply the respective Fire/Law Cost per Call by each agency’s Total Calls
  - f. The Calls for Service total is the greater of the above or \$50,000
2. Calculate Cost per Unit (“CPU”)

Multiply the annual Cost per Unit (e.g., MCT, Radio) by each agency’s total unit count
3. Calculate Surcharges

Ascertain the ongoing costs for any optional or additional customizations, plus any reasonable costs for upkeep and administration
4. Each agency’s User Fee is their respective sum of CFS, CPU, and Surcharges.
5. Prior to March 31, Kitsap 911 shall reconcile the personnel costs from the prior year. Should budgeted annual costs exceed actual costs by more than 6.0%, Kitsap 911 shall issue a refund for Calls for Service to each agency with actual costs as a basis.

### **Additional Information**

1. Calls for Service
  - a. The total amount is a percentage of Kitsap 911’s operating budget and includes gradual CPI increases
  - b. Allocated based on each agency’s rolling 3-year average calls for service
2. Cost per Unit
  - a. A “Unit” refers to an MCT and/or a radio
  - b. The costs include those for core functionalities (e.g., internet, cellular service)
  - c. Includes only ongoing costs. All acquisition costs are excluded.
3. Surcharges
  - a. Includes ongoing costs for all other additions, customizations, etc. as agreed upon (e.g., First Due, Mobile Responder)