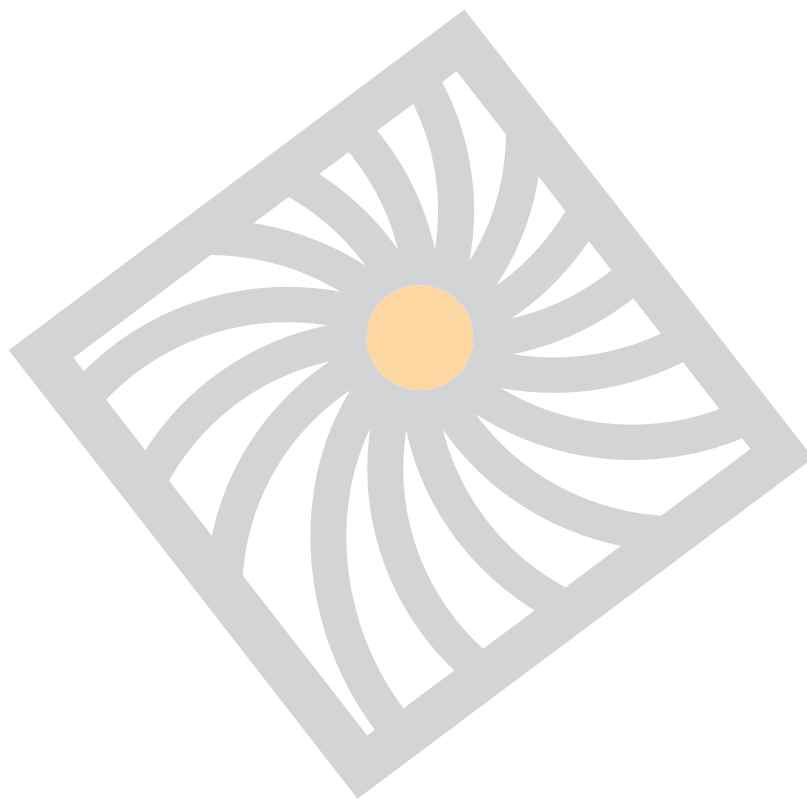


City of Port  
Townsend 

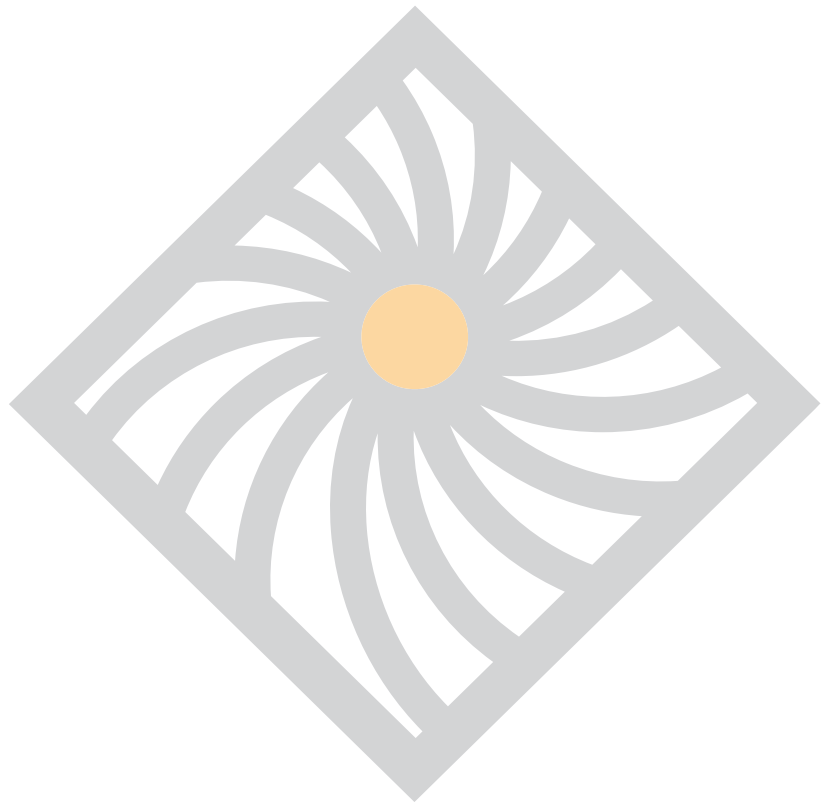
# City Manager's Final Budget 2023



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\* Cover Photo, "Concerts on the dock" by David Conklin Photography







**CITY OF PORT TOWNSEND VISION**

*A thriving community for all...*

**CITY OF PORT TOWNSEND MISSION STATEMENT**

*Champion aspirations for a thriving community as envisioned in our Comprehensive Plan*

**THE 2023 CITY MANAGER BUDGET AND 2022 REVIEW**

**Message from the City Manager:**

I am proud of our community for how well we have bounced back – and forward – from some of the most difficult years in memory. Our renown festivals, events, performances, and activities came fully alive after a bit of dormancy the last few years, igniting our imaginations, spirits and the kind of cohesiveness that brings a great community together. Of course, this makes me deeply proud of our partners from all sectors that put their energies, inspiration, hard work and creativity to the task of breathing this new life into Port Townsend. Thank you.

I am also proud of our City team for how they have continued to work diligently through real adversity to deliver the services you depend on – everything from water, streets and library books to parks, permits and public safety. Not only has the team worked through unprecedented difficulties related to Covid, but they have done so in the face of issues amplified by Covid, like our historic staff recruitment and retention challenges. Almost all City teams were understaffed and many still are. Because our staff count has been trending downward the past decade, we were already operating beyond maximum effort. Being down further puts far more load on everyone and makes it harder to get the job done.

Despite these challenges, the team and I have focused squarely and holistically on the budget process, as the budget underpins everything we do. Together, we have created better processes, better collaboration, better tools, better delivery, and better strategy. I'd like to explain each of these to you briefly.

### ***Better Processes***

Like the last couple of years, we front-loaded our 2023 strategic workplan retreat with City Council in the summer, a half-year earlier than usual. Doing this allows us to decide our priorities first, and then let those priorities shape the development of a budget that focuses on delivering and investing in our priorities. With new finance team leadership, we have also been working to reexamine and understand the past with an aim for wholesale improvements in how we do things. One of these areas was the all-team development of a Capital Facilities Plan so we have a good trajectory for across-the-board investments over the next 6+ years and continue to build out a more forward-thinking and comprehensive vision. Another area was in unraveling layers of unnecessary complexity in general revenue to create one main revenue line to the general fund. This strategy allows us to determine the best allocation of general revenue to best support departments, programs, and priorities.

### ***Better Collaboration***

Similar to how all departments collaborated together on the Capital Facilities Plan, department directors have been increasingly involving their managers and teams in the budget process, so the budget reflects their expertise, observations and experience. Department directors and I continue to work through the budget together almost every step of the way – and this has been enjoyable as we’ve onboarded new department directors who have embraced this approach. Beyond our direct City team, we continue to collaborate on budget-related items with other organizations and agencies. For instance, the Intergovernmental Collaborative Group (ICG) has held public sessions on coordinated capital investments, projects and housing, fueled by renewed commitments and the momentum of recent state and national awards to take us to greater heights. Each investment or project has a direct budget impact or strategic investment angle, so the better we collaborate, the better we all do.

### ***Better Delivery***

Collaboration and hard work have driven several successes this past year. They help build momentum and practice – and we try to learn from them as well as from our mistakes. Despite the problems borne by the pandemic, we have made new headway like planning and building new projects, signing new historic agreements, recruiting and retaining great talent, making investments in streets and parks, delivering great programs and committing to even more productive partnerships. Whether on the streets, in our water system or at our library, the City team continues to innovate for better delivery for our community.

## ***Better Tools***

Our financial forecasting continues to resemble a quality crystal ball. The team continues to work with high uncertainty and to do very well anticipating and preparing for trends. The financial forecast looks strong for 2023 as we come through Covid with most revenue streams on the rise. Of course, inflation and costs are on a fast rise too, so that's why I'm thrilled to have excellent financial firepower in the team to get the balance right.

Beyond the team, we have a second installation of one-time federal ARPA fund dollars to program and another year of restricted "banked capacity" funds from the annexation of our Fire Department into East Jefferson Fire Rescue. Those tools will likely help us fill gaps created and exacerbated by Covid. They also may be forerunners for others that might emerge from our Financial Sustainability Task Force and their report to City Council next year.

## ***Better Strategy***

Making those improvements above are an awesome start, but if we just cruised along year to year, we would start to lose ground on longer-term financial sustainability and the challenges of balancing a budget would only get more difficult. That's why we are lining up our 2023 budget process within the context of our financial sustainability project – and why one of the top strategic priorities is "strengthen our financial position." Doing so will help ensure our year-by-year budget priorities and investments put and keep us on a financially sustainable path so we can do what we do indefinitely.

Where they come together is our integrated approach of using one-time federal ARPA funds strategically alongside the highly disciplined use of a healthy general fund reserve balance to pay off some of our debt. Doing so both provides priority tools and resources we need to be more effective while building some space otherwise occupied by debt payments.

You might recognize those financial sustainability principles in practice elsewhere, too. For instance, they show up in everything from the reconstruction of a road like Walnut Street and the installation of an Edge Lane Road to the completion of Banked Capacity projects for parks and the development of the Capital Facilities Plan. We are committed both right now and in the long run to stewarding every dollar of public funds for the best positive benefit for all of our community.

Now that you know a little bit about the budget philosophy and what guided the budget development, what's the snapshot of what's actually in the 2023 budget? A few highlights:

- **New positions.** There are a total of 100.7 Full Time Equivalent (FTE) positions, up from 95.2 in 2022. This is an increase after consecutive years of reduction (from 109.2 in 2018). New budgeted positions include a Long-Range Planner, a Communications and Marketing Manager, a Deputy Police Chief, an HR Assistant,

an in-house Behavioral Health Navigator, a Housing Grant Coordinator and five seasonal workers (Parks, Streets, Facilities).

- **New equipment and resources.** Use of a healthy equipment reserve fund and one-time federal funding allows for the purchase of long-needed equipment to make work more efficient and effective. This includes a temporary long-range planning position referenced above, parking management implementation support, public record scanning, audio-visual improvements for public meetings, security and performance upgrades to Information Technology systems, replacement of key City vehicles, match for Kah Tai restroom improvements, and improvements in the City Hall staff working environment.
- **New collaborations/projects.** “Banked Capacity” annexation levy funding prioritizes street improvements across the city. The “How Your City Works” program will be scaled up in 2023 and the Communications and Marketing Manager position will amplify existing relationships and opportunities. A number of task forces – including Financial Sustainability, Envision the Golf Course, Healthier Together, deer management, Equity-Diversity-Inclusion Advisory Body – will advance complex issues for City Council consideration.
- **New savings.** New approaches and innovation in how we deliver services will create savings. These include but are not limited to road surfacing, traffic calming treatments, LED lighting, and facility repair and maintenance.
- **New revenue.** The Port Townsend Paper Corporation (Mill) will continue to contribute capital (and some general) funding to the water system through the water use agreement and this will be the first full year of billing for their water consumption. ARPA and Banked Capacity funding continues in 2023, with Banked Capacity funding increasing by approximately \$300,000 (to deliver on street projects noted above).
- **New approach to pay down debt.** Using our healthy general fund reserve balance, currently far above the 8-15% policy, to pay off some of our existing debt (bonds totaling about \$600,000 and \$1,000,000) will help provide some headroom for the coming years which would have otherwise been used for debt payments.

Thank you for your interest and involvement in this community endeavor. I encourage you to dive into more detail in the budget book. I hope you’ll see that we have started to move past these difficult years to put ourselves in a better financial position for the long term. After all, our community depends on the City to be stable, sustainable and supportive – and we all depend on each other to create a healthy, inclusive and resilient community for us and for future generations.

John Mauro  
City Manager



## 2023 BUDGET

The budget is adopted at the fund level. The chart below (which represents Exhibit A to the budget ordinance) provides an overview of the revenues, expenditures, and projected ending fund balances:

<b>CITY OF PORT TOWNSEND 2023 BUDGET FUND SUMMARY</b>						
	2022 Est. Ending Fund Balance	2023 Proposed Revenue Budget*	2023 Proposed Expense Budget*	Rev vs. Exp Y/E Target	2023 Proposed Rev vs. Exp YTD Actual	2023 Projected Ending Fund Balance
<b>GENERAL FUND</b>	5,346,613	14,081,332	15,643,031	(1,561,699)	(1,561,699)	3,784,914
Drug Enforc. / Contingency	201,950	60,150	0	60,150	60,150	262,100
Street	415,414	1,171,775	1,294,275	(122,500)	(122,500)	292,913
Library	605,776	1,203,905	1,217,295	(13,390)	(13,390)	592,386
Real Estate Excise Tax	997,723	701,500	567,625	133,875	133,875	1,131,598
ARPA Grant	2,052,861	0	1,673,000	0	0	379,861
Lodging Tax	607,373	525,750	479,343	46,407	46,407	653,780
Fire / EMS	6,044	4,000	4,000	0	0	6,044
Affordable Housing	55,862	100,101	92,896	7,205	7,205	63,067
Community Development Block Grant	171,436	20,150	20,000	150	150	171,586
Community Services	652,494	2,479,904	2,477,913	1,991	1,991	654,485
<b>TOTAL SPECIAL REV FUNDS</b>	<b>5,766,931</b>	<b>6,267,235</b>	<b>7,826,347</b>	<b>113,888</b>	<b>113,888</b>	<b>4,207,819</b>
<b>DEBT SERVICE FUND</b>	<b>428,121</b>	<b>2,795,638</b>	<b>2,799,016</b>	<b>(3,378)</b>	<b>(3,378)</b>	<b>424,743</b>
General Capital	527,785	1,538,900	1,286,130	252,770	252,770	780,555
Street Capital	190,337	1,765,281	1,749,759	15,522	15,522	205,859
<b>CAPITAL PROJECTS FUNDS</b>	<b>718,122</b>	<b>3,304,181</b>	<b>3,035,889</b>	<b>268,292</b>	<b>268,292</b>	<b>986,414</b>
Golf Course	926	25,000	24,672	328	328	1,254
System Development	1,402,316	369,440	33,500	335,940	335,940	1,738,256
Water / Sewer Operations	4,466,134	9,333,609	9,238,070	95,539	95,539	4,561,673
Water / Sewer Capital	4,514,765	8,670,329	5,031,875	3,638,454	3,638,454	8,153,219
Storm Operations	708,388	1,173,824	1,337,982	(164,158)	(164,158)	544,231
Storm Capital	57,955	335,200	331,480	3,720	3,720	61,675
<b>ENTERPRISE FUNDS</b>	<b>11,150,486</b>	<b>19,907,402</b>	<b>15,997,579</b>	<b>3,909,823</b>	<b>3,909,823</b>	<b>15,060,308</b>
Public Works Admin	106,349	764,238	750,878	13,360	13,360	119,710
IT Equipment O&M / Replacement	173,225	410,955	352,978	57,977	57,977	231,202
Fleet Equipment O&M / Replacement	2,238,013	808,170	1,367,083	(558,913)	(558,913)	1,679,099
Engineering Services	14,219	1,474,584	1,047,103	427,481	427,481	441,700
Unemployment Self-Insurance	18,115	50,000	50,000	0	0	18,115
<b>INTERNAL SERVICE FUNDS</b>	<b>2,549,921</b>	<b>3,507,947</b>	<b>3,568,041</b>	<b>(60,094)</b>	<b>(60,094)</b>	<b>2,489,826</b>
Firemen's Pension	295,820	34,235	26,548	7,687	7,687	303,507
Custodial / Refundable Deposits	64,059	0	0	0	0	64,059
Memorial Fund	3,108	0	0	0	0	3,108
<b>FIDUCIARY FUNDS</b>	<b>362,987</b>	<b>34,235</b>	<b>26,548</b>	<b>7,687</b>	<b>7,687</b>	<b>370,674</b>
<b>GRAND TOTAL</b>	<b>26,323,180</b>	<b>49,897,970</b>	<b>48,896,451</b>	<b>2,674,519</b>	<b>2,674,519</b>	<b>27,324,699</b>

## **AMERICAN RESCUE PLAN ACT**

The American Rescue Plan Act of 2021 (ARPA) provided \$350 billion in funding for state and local governments. The City of Port Townsend was awarded \$2,755,388. The first tranche of this funding, \$1,373,493, was received in July 2021. The second half was received in July 2022. The funding has limited eligible uses but, in general, can be used for:

- Revenue replacement for the provision of government services to the extent the reduction in revenue was due to the COVID-19 public health emergency.
- COVID-19 expenditures or negative economic impacts of COVID-19, including assistance to small businesses, households, industries, and economic recovery.
- Premium pay for essential workers.
- Investments in water, sewer, and broadband infrastructure.

Based on updated guidance received from the Federal Treasury in March 2022, the City determined that the best use of the funds received from ARPA is Revenue Replacement.

These funds are temporary in nature and non-recurring so care should be used in allocating these funds in ways that do not add programs that require ongoing financial commitments.

In September 2021, the City Council discussed the adoption of three priority pillars when determining the programs/projects these funds would be allocated to. These pillars are 1) support staff, 2) support financial sustainability, and 3) deliver an integrated community backed vision for parks and recreation. Based on these pillars, an array of projects was presented for consideration in both 2021 and 2022. In 2022, all prior projects were reviewed to ensure federal guidance requirements will be met.

The funds must be obligated before December 31, 2024 and spent by the end of 2026 as specified in the ARPA Treasury guidelines.

The updated project list below totals \$2,755,388 and allocates both tranches of funds:

AMERICAN RESCUE PLAN ACT (ARPA) FUNDS				
2023 BUDGET				
TOTAL ALLOCATION - \$2,755,388				
Priority Pillar	Project	2022 Allocation	2023-2024 Allocation	Category
Staff Support	Public Records Scanning	\$ 50,000	\$ 50,000	Professional Services
Staff Support	Strategic Department Reviews	\$ 22,500		Professional Services
Staff Support	Advanced police recruitment	\$ 4,155		Professional Services
Staff Support	Engagement Survey	\$ 40,000		Professional Services
Staff Support	Key position recruitment	\$ 5,500	\$ 34,500	Professional Services
Staff Support	Improve IT Infrastructure		\$ 100,000	Machinery & Equipment
Staff Support	Police staff vehicle replacement		\$ 25,000	Machinery & Equipment
Staff Support	Two-year term Long Range Planner		\$ 225,000	Salaries & Benefits
Financial Sustainability	Library Window/Bathroom		\$ 100,000	General Capital
Financial Sustainability	Pink House renovations	\$ 10,000	\$ 100,000	General Capital
Financial Sustainability	Kah Tai Restrooms		\$ 35,000	General Capital
Financial Sustainability	Parking Management		\$ 83,533	Professional Services
Financial Sustainability	Sims Way		\$ 50,000	Professional Services
Financial Sustainability & Staff Support	Chamber Upgrades	\$ 35,000	\$ 85,500	Machinery & Equipment
Financial Sustainability & Staff Support	Electronic permit submittal/plan review	\$ 8,200		Machinery & Equipment
Financial Sustainability & Staff Support	Police vehicles x2	\$ 178,000	\$ 178,000	Machinery & Equipment
Financial Sustainability & Staff Support	Kick off broom	\$ 23,500		Machinery & Equipment
Financial Sustainability & Staff Support	Kubota for use with rebooted volunteer program	\$ 25,000		Machinery & Equipment
Financial Sustainability & Staff Support	Mini-excavator	\$ 65,000		Machinery & Equipment
Financial Sustainability & Staff Support	Parks lift gate	\$ 6,000		Machinery & Equipment
Financial Sustainability & Staff Support	Parks Vehicles		\$ 85,000	Machinery & Equipment
Financial Sustainability & Staff Support	Pickup	\$ 31,000		Machinery & Equipment
Financial Sustainability & Staff Support	Tree pruning at Chetz/Gateway	\$ 15,000		Professional Services
Financial Sustainability & Staff Support	Facility planning, phase 1: DSD/PW shades, furniture, climate control, door locks	\$ 130,000		Professional Services
Financial Sustainability & Staff Support	City Hall Carpet Floor 1 and 3		\$ 90,000	Professional Services
Financial Sustainability & Staff Support	Construct City Hall Phase 3 improvements to support staff work environment		\$ 310,000	General Capital
Vision for Parks & Recreation	Communications and professional consultant support	\$ 25,000		Professional Services
Vision for Parks & Recreation	Development and implementation of a Community Health and Wellness Center plan	\$ 30,000		Professional Services
Vision for Parks & Recreation	Director of Parks and Recreation Strategy	\$ 100,000	\$ 400,000	Salaries & Benefits
	<b>TOTAL 2022 - 2024 ARPA Requests</b>	<b>\$ 803,855</b>	<b>\$ 1,951,533</b>	

In 2022, a Special Revenue Fund was established to monitor the ARPA revenues and proposed expenditures based on best practice guidance received from the State Auditor’s Office to ensure proper accounting and coding for these funds. Anticipated operating expenses and corresponding transfers are reflected in the graphs and materials presented in the budget.

**2023 BUDGET ASSUMPTIONS**

**The 2023 City Manager Proposed Budget** allocates resources to initiatives included in the City’s 2023 strategic workplan. This workplan was developed by staff and reviewed and workshopped with the City Council at an all-day retreat held on July 18, 2022.

The 2023 strategic workplan is broken down into seven major categories:

- INVEST IN OUR PEOPLE  
Build and nurture the capacity of our staff, teams, volunteers, advisory board

members, Councilmembers and partnerships and provide them the toolsets, skillsets, and mindsets to achieve more together

- **ENGAGE OUR COMMUNITY**  
Build beyond notification and response to more deeply and inclusively engage our community in decisions that affect their lives and livelihoods as well as ground civic dialogue in civility and kindness
- **STRENGTHEN OUR FINANCIAL POSITION**  
Set the City and community up for sustained success by deliberately choosing to build financial sustainability to address the challenges of today and prepare for tomorrow
- **ENVISION OUR SUSTAINABLE FUTURE**  
Determine the future of parks, streets, facilities, community assets, as well as our strategic direction as an organization and community
- **EMBRACE AND RESOLVE OUR COMMUNITY'S CHALLENGES**  
Work through additional challenging decisions previously deferred that help shape our community's well-being, including many that have been put off for years or decades
- **DELIVER THE BASICS**  
Advance additional capital & operational departmental priorities with needed City Council policy or budget action(s)
- **SERVE OUR COMMUNITY**  
Deliver on critical operations, ongoing statutory responsibilities, and core City functions

Associated funding in the 2023 budget has been given to specific budgeted items. Staff time for many of the projects is a key component to successful completion. A summary of the City's 2023 strategic workplan is included as part of the 2023 Budget Book.

## **AFFORDABLE HOUSING**

**Affordable Housing is a key priority for 2023 and beyond.** The City continues its work to support efforts for affordable housing in the city and region. The City has made significant contributions to housing in a variety of ways. Some key examples of these contributions are:

- Implementation of a Sales & Use Tax for Affordable and Supportive Housing (Substitute House Bill 1406) in 2020. This tax is a tax credit against the state portion of our City sales tax and did not increase the total amount of retail sales tax. *Investment of approximately \$21,000 per year; cumulative total of \$63,000 through 2022.*
- Fee deferrals for housing providers for certain permit fees and system development charges. Providers include Habitat for Humanity, Peninsula



Housing, Olympic Community Action Program and Bayside Housing & Services. *Total investment from 2011-2021 of \$420,914.*

- The City Council directed staff to pursue different options for the Cherry Street property after several failed attempts to materialize affordable housing construction. This year's budget includes funding to prepare the City's Cherry Street property for surplus. Proceeds from the property may be dedicated to support affordable housing in other locations. *In 2022 \$100,000 was approved by City Council to accomplish this work. The work will likely be performed in 2023. Investment of approximately \$62,000 annually for debt service payment with a total commitment over a 20-year period of \$1,324,125 for total principal and interest payments.*
- The City obtained a grant from Department of Commerce in 2021 to acquire property that will be earmarked for affordable housing – *Grant provides investment of \$1,375,000 for the property purchase. Fourteen acres was acquired for the Evans Vista Neighborhood.*
- The City obtained a grant from Department of Commerce in 2021 to build utility infrastructure to support affordable housing – *Grant provides investment of \$1,700,000 for the extension of utilities to lower the cost of building affordable housing.*
- The City secured \$500,000 in 2022 to Master Plan the Evans Vista neighborhood from the Jefferson County American Rescue Plan Act funds.

The City Council has also made legislative changes related to housing including:

- Adopted multi-family tax exemption (Ordinance 3200, 2018) – provided limited or 12-year exemptions from ad valorem property taxation for qualified new multiple-unit housing in targeted areas
- Removed the owner-occupied requirement for Accessory Dwelling Units (ADUs) (Ordinance 3241, 2019)
- Adopted regulations to allow up to an eight-plex in the R-II single-family zone through a conditional use permit (Ord. 3241, 2019)
- Raised the maximum SEPA threshold exemption to the maximum allowable (Ord. 3241, 2019). Projects that may be eligible for SEPA exemption include single-family residential projects, up to 20 dwelling units, and multi-family residential projects, up to 60 dwelling units.
- Repealed modulation requirements (Ordinance 3247, 2020)
- Increased the size allowed for an attached ADU to 1000 square feet (Ordinance 3247, 2020)
- Decreased the lot size allowed in a cottage development to 2500 square feet (Ordinance 3247, 2020)
- Adopted regulations allowing zero lot line/shared wall construction duplexes (Ordinance 3272, 2021)
- Reduced the minimum lot size allowed in a Planned Unit Development to 2000 square feet (Ordinance 3272, 2021)

The City also worked in partnership with Jefferson County through our Interlocal Agreement to support affordable housing and homeless housing programs. The new Housing Fund Board builds on collaborative efforts from the previous Joint Oversight Board and Housing Task Force to create a budget and plan for the use of collective affordable housing funds like the aforementioned Sales and Use Tax as well as other local-authority funding.

This effort aims at greater participation by elected officials and greater transparency in the granting process for a more successful and coordinated program.

The City continues to explore additional strategies to promote affordable housing. The 2023 budget includes the following request to further affordable housing initiatives:

- Long Range Planner funded with 2-year American Rescue Plan Act allocation.
- Professional Services Budget for code amendments that build residential capacity and key up prioritization for an annual 2023 Comprehensive Plan Amendment.

## **KEY REVENUE ASSUMPTIONS**

**The City's Property Tax Levy** for 2023 is proposed at \$3,874,792, which includes the allowable statutory increase of 1.0% plus an adjustment for the value of new construction and refunds. The 1% statutory increase is budgeted at \$33,248 for 2023. Additionally, the City's property tax levy includes \$311,549 of banked capacity (discussed below). New construction in the city is estimated at \$24,219,067. Property values in the city grew in the aggregate by 20% or approximately \$442,107,433. The General Levy totals \$2,531,637. The General Levy is allocated via internal transfers to Public Safety & General Services, Community Services (Parks, Trails, Facilities), Affordable Housing initiatives, Debt Service and Fireman's Pension. The Library Lid Lift component of the levy is budgeted at \$1,193,155 and is available to be used for library operations.

An excess property tax assessment of approximately \$150,000 related to the Mountain View Commons voted tax assessment will be levied to fund 50% of the annual debt service for this voted bond.

The City had \$908,724 of banked levy capacity related to the annexation of City fire services into the East Jefferson Fire District service area. The City Council adopted a post-annexation policy which allowed the City to levy the banked capacity incrementally over a 3-year period.

- In 2020, the City Council's adopted post-annexation policy allowed the City to levy the first 33% of the banked capacity. Due to the economic conditions during the pandemic, the Council chose not to levy the banked capacity in 2020 for 2021 taxes.
- In 2021, the City Council's adopted post-annexation policy allowed the City to levy 66%, or \$602,610 of the banked capacity in 2021 for 2022 taxes.

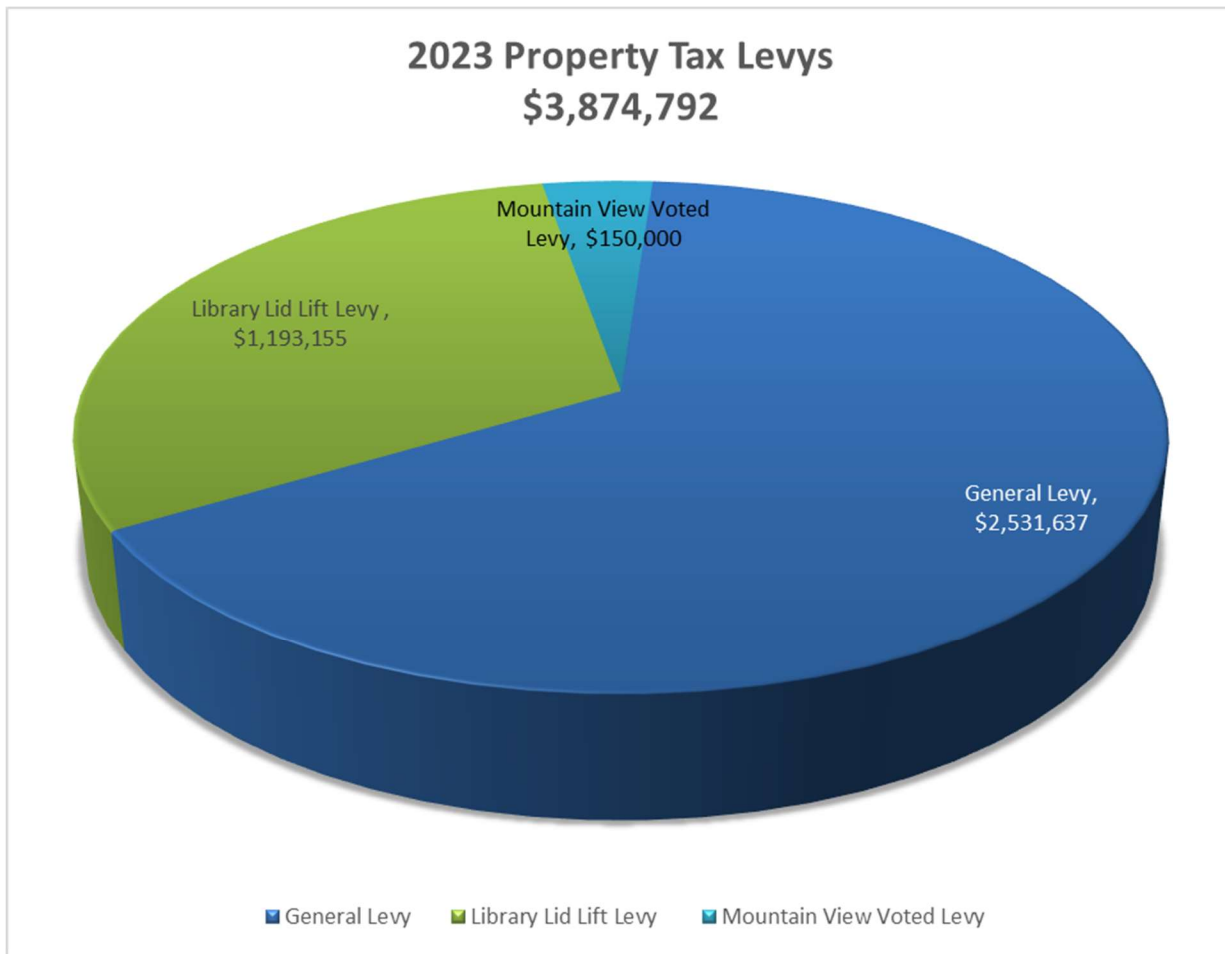
- In 2022, the City Council’s adopted post-annexation policy would allow the City to levy the remaining 34%, or \$306,114 of this banked capacity in 2022 for 2023 taxes.

The post-annexation policy restricts the use of these funds from 2020 through 2024 for specific uses. The planned projects that this banked capacity levy will fund in 2023 include:

\$800,000 - Residential Street Repair projects & contingency  
 \$ 40,000 - RCO grant match or park related project  
\$ 68,000 - Contingency  
 \$908,000 -Total Banked Capacity Projects

Additional detail is provided in the Capital Improvement Projects section of the budget book.

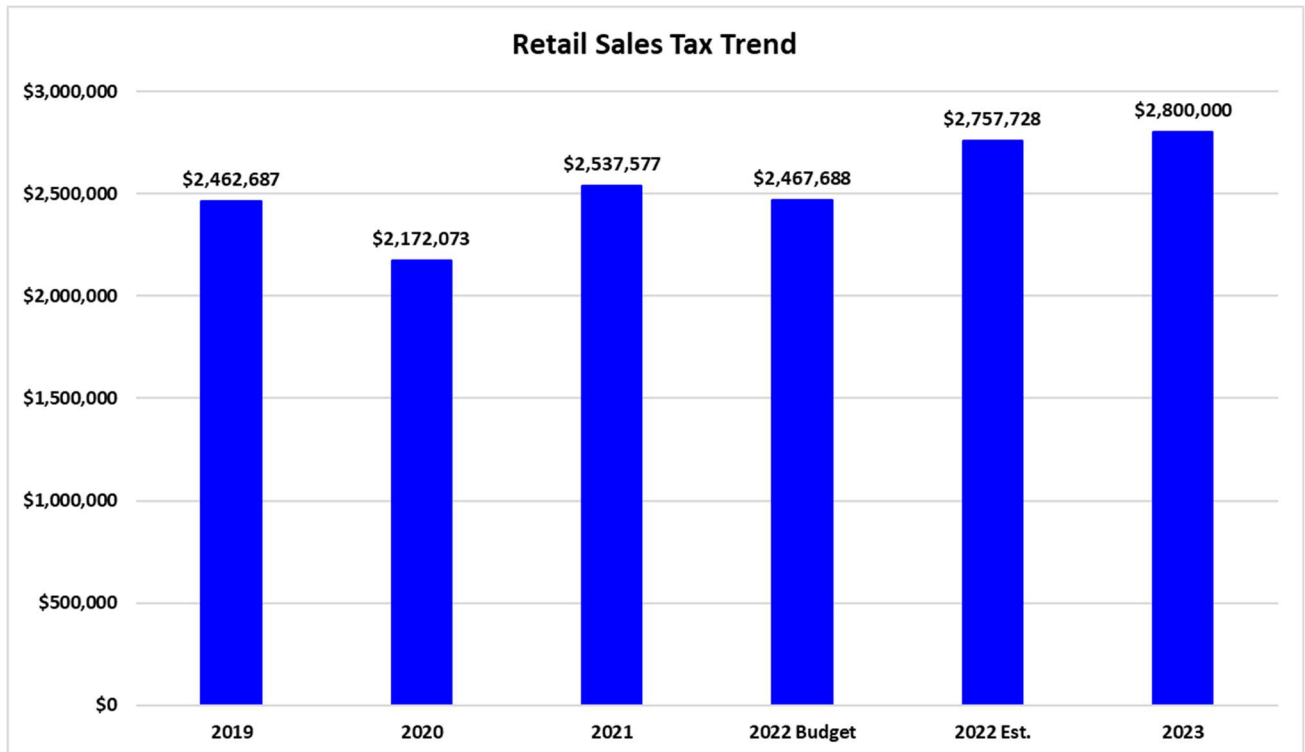
Below is a chart showing the distribution of property taxes:



**Retail Sales Taxes** in 2022 are projected to come in at 12% above the forecasted 2022 adopted budget reflecting continued recovery from Covid-19 related decreases in 2020. A year over year comparison for the year-to-date period through Sept of sales tax data indicates that all sectors showed improvement in 2022 as compared to the 2021 with the exception of manufacturing which was showed a 7% decrease. Increases in accommodation/food were up 13% compared to this period of time in 2021.

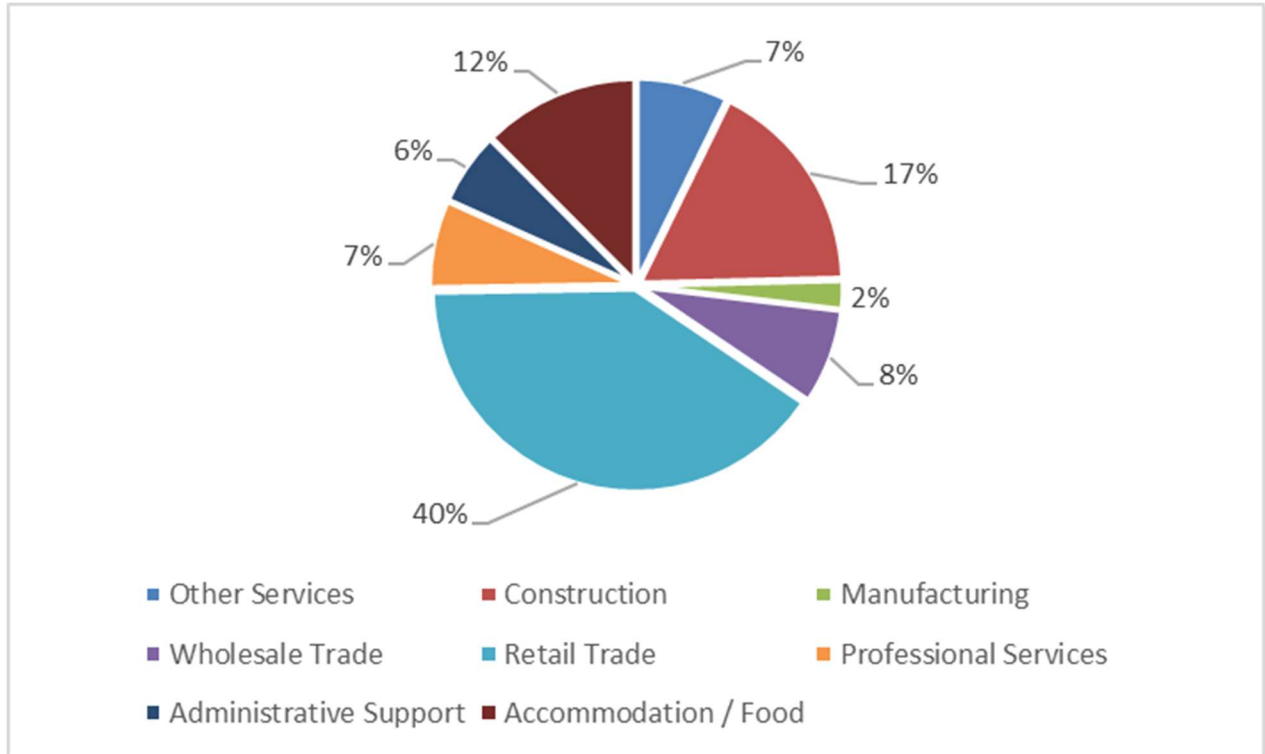
In 2023, the City’s budget anticipates sales tax revenue growth of 2.0% as compared to the 2022 estimated revenue.

Below is a chart demonstrating the trend of retail sales taxes over the last five years showing the forecasted growth for 2023.

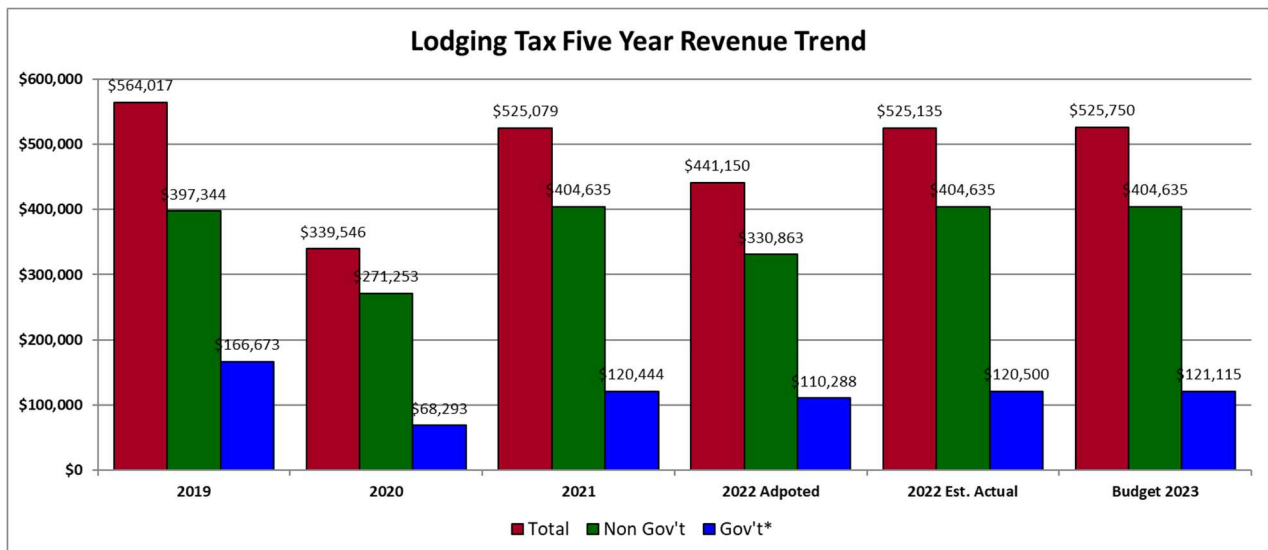




Retail sector as a % 2022 year to date Revenue through September.

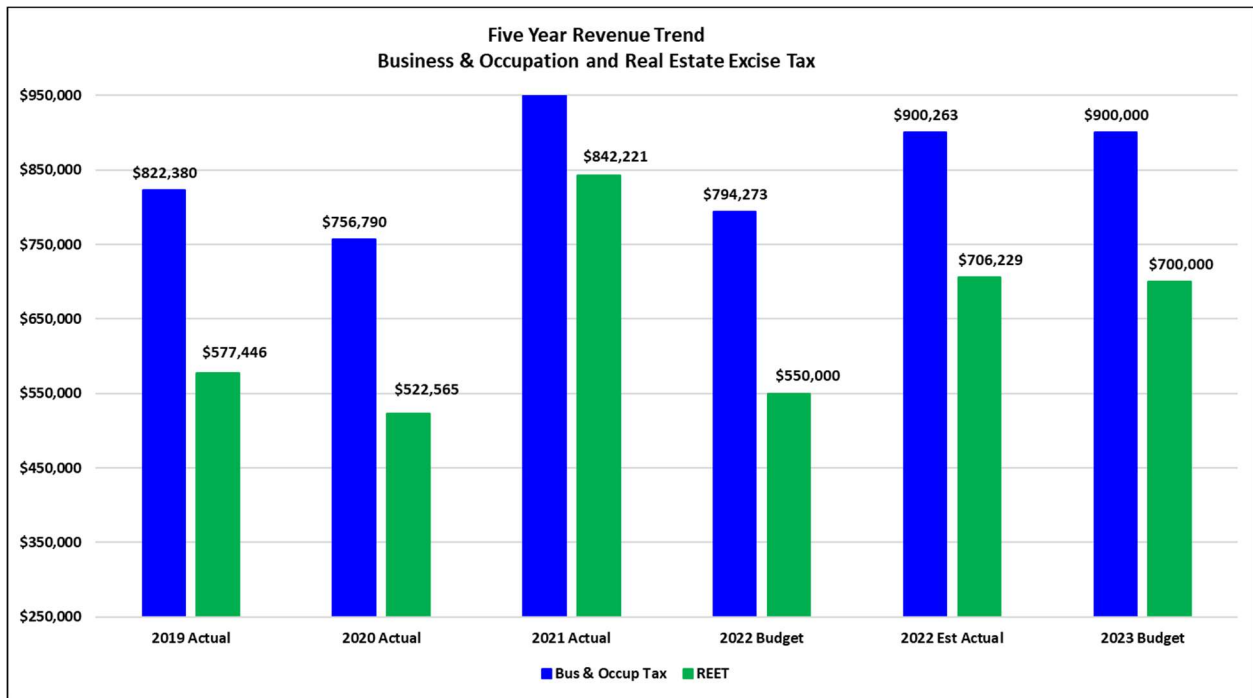


**Lodging Taxes** are projected at \$525,000 for 2022, which is 19% higher than the 2022 adopted budget of \$441,000. The 2023 budget forecast maintains this forecast for 2023. Expenditures are restricted to marketing and tourism related infrastructure. The chart below depicts the significant impact COVID-19 has had on tourism related taxes in Port Townsend in 2020 and the recovery since then.



**Business & Occupation Taxes** are projected to be above the budgeted amount of \$794,000 by 13% for 2023. The 2023 amount is maintained at this forecast of \$900,000.

**Real Estate Excise Taxes (REET)** year to date collections in 2022 have been favorably impacted by a robust housing market. The 2022 REET revenues are projected to be \$706,000 or 28% greater than the adopted budget. 2023 REET revenues are budgeted at \$700,000. It is difficult to forecast when large commercial properties or large dollar home sales will occur, which can disproportionately distort this revenue source. These funds are restricted to capital improvements or debt service, which reduces the City's reliance on general fund dollars to make up City matching project funds.



**Utility Tax** revenues in the proposed 2023 budget are based on all City water, sewer, storm water and garbage services. In 2018, City Council renewed an additional 2% tax for five more years (See Ordinance 3203). The additional 2% currently supports two Community Services maintenance workers to serve Parks and the Mountain View facility. Total public utility tax forecasted for 2023 is \$2,011,466 and is split among General Services (45%), Public Safety (7%), Streets (39%) and Community Services (9%).

Garbage service is required within the City. Garbage utility tax is slated to increase at the monthly service rate increase of 8% (contracted CPI adjustment).

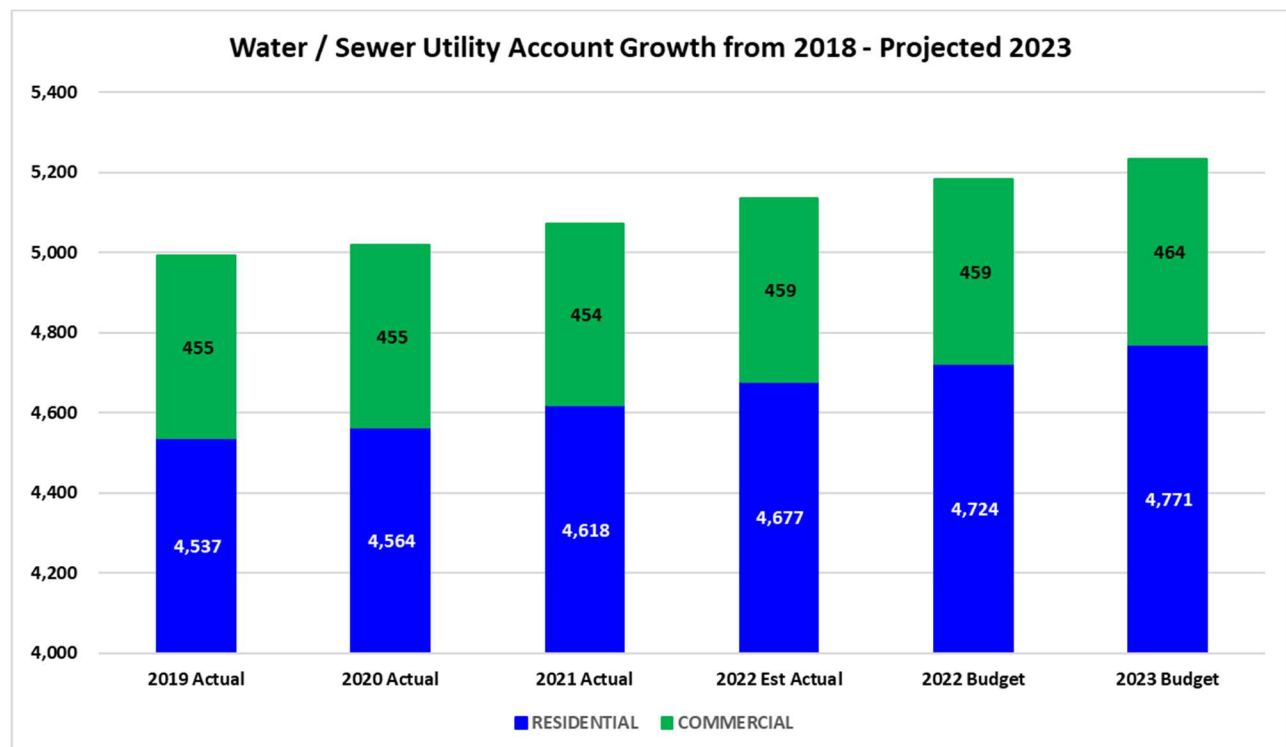
Private utility tax rates are 6% of the private utility revenue. The 2023 telephone and electric private utility taxes are estimated to be \$869,000. The electric and telephone utility taxes are projected to increase by 2% compared to 2022 projections.

**State Shared Revenues** are based on distributions that are shared via state revenue assessments. The City receives distributions for liquor profits and tax, criminal justice and marijuana tax distributions, fuel and multi-modal gas taxes, which primarily support Public Safety and Streets. Some of these distributions are population-based with the City’s population for 2022 listed by the Office of Financial Management as 10,290 (a 4.8% increase from 2020’s population of 9,815). 2023 projected state shared revenue is \$401,209.

**Overhead Cost Recovery** is projected to increase by approximately \$108,164, or 6% in 2023. This increase is the result of several factors that are inputs in the City’s adopted overhead cost recovery model. The allocation model looks back two years to recover overhead costs occurring in 2021 for 2023. The increased revenue in 2022 is primarily the result of allocating more overhead to the Streets, Water, Sewer, and Community Funds due to increased property valuations, debt service costs and Council agenda bills in those funds.

**Utility Revenues (Water, Sewer and Stormwater)** are budgeted at the adopted rate increases outlined in the rate tables in Ordinance 3281. The City uses utility rate models provided by *FCS Consulting Group*, to analyze whether our utility rates fully support capital infrastructure and operations of water, sewer, and stormwater.

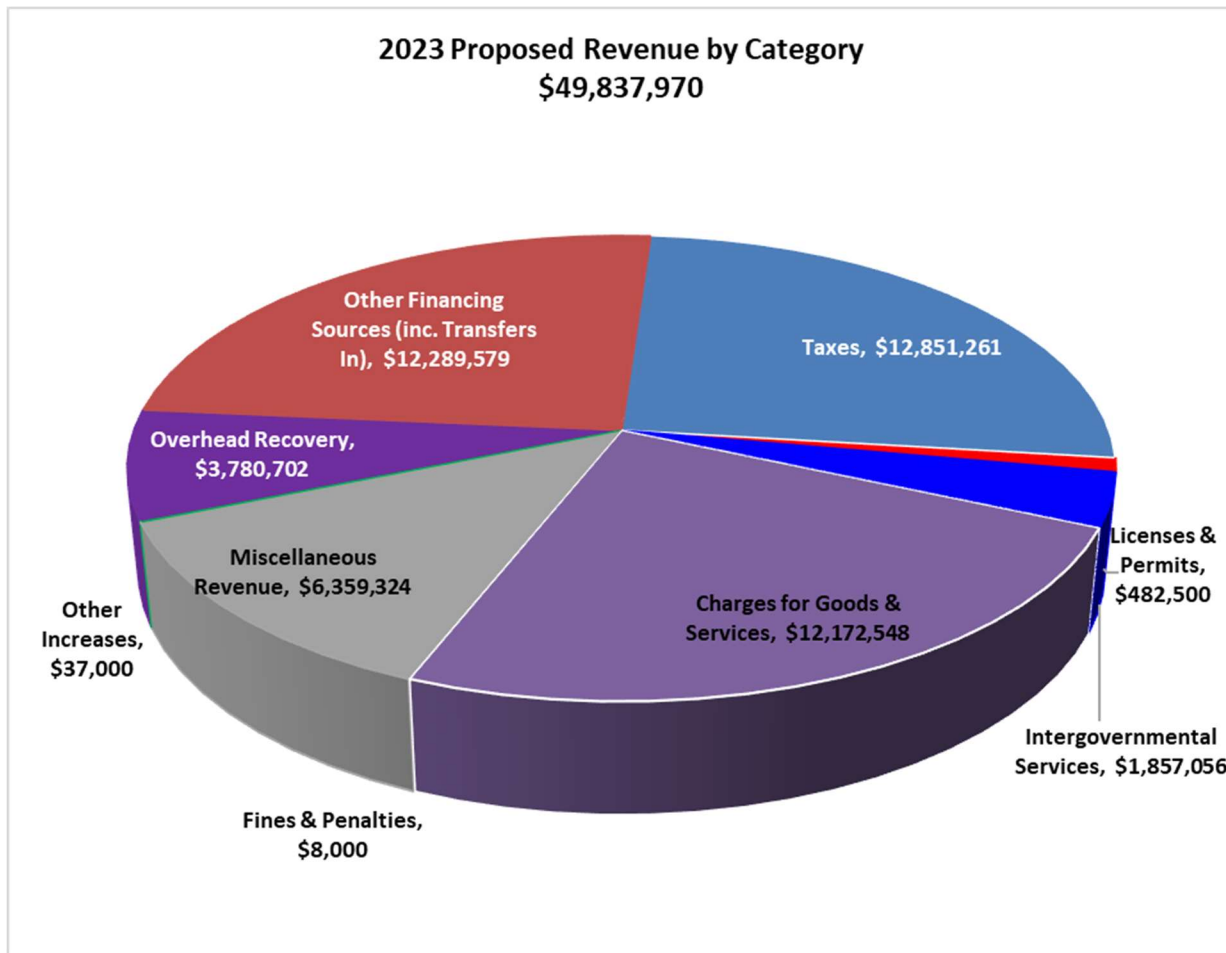
In 2023, the City is projected to have a total of 5,235 water/sewer accounts with 464, or 8.9%, of those projected to be commercial accounts. Below is a chart demonstrating the growth in commercial and residential water/sewer accounts from 2019 through projected 2023:



Total water/sewer/stormwater revenue is forecasted to be \$10,507,433 as compared to \$9,531,121 in 2022, or a 10% increase. As noted earlier, this represents scheduled rate increases in ordinance 3281, and 1% account growth but also includes transfers in for debt service and from the mill agreement for services and operating capital. Increases excluding transfers in 2023 are 6% reflecting rate increases and growth in accounts.

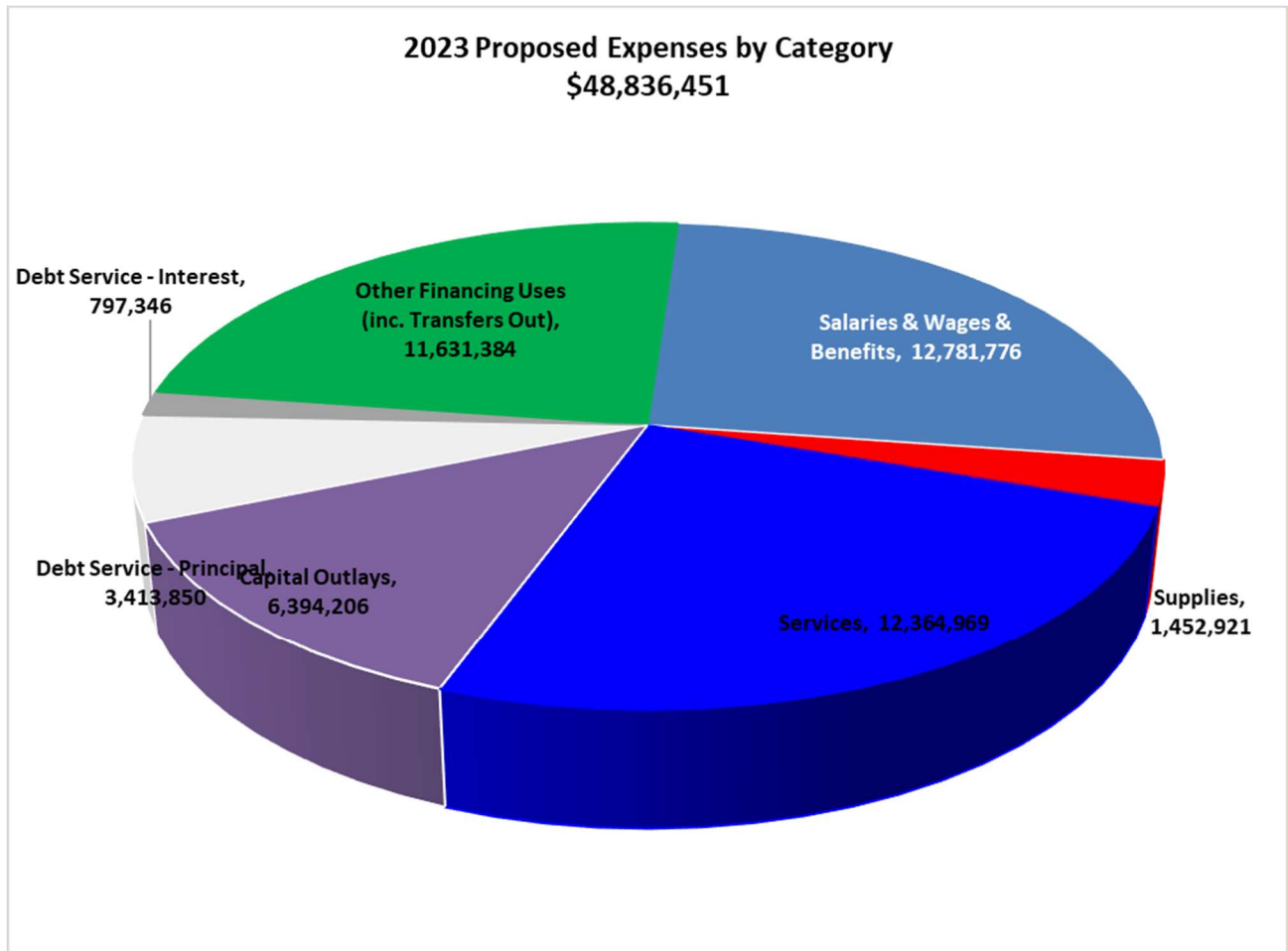
**Capital Revenues** provide substantial funding for general government, street and utility projects through state and federal grants and Department of Ecology loan proceeds. A smaller amount of capital funding may be administered with inter-fund loans, transfers, bank lines of credit or other debt financing. Additional details regarding capital projects are provided later in this document.

**Total Revenues** budgeted for 2023 are \$49,837,970, comprised of capital funding of \$3,304,181, fiduciary fund revenue of \$34,235, and operating revenue of \$46,499,554.



## KEY EXPENDITURE ASSUMPTIONS

**2022 Proposed Total Expenditures of \$48,836,451** include all operating fund appropriations in addition to water, sewer, general and street capital funds.



### Labor

**Personnel Wages & Benefits** represent a significant portion of the City's operating expenses at \$12,781,776 or 26% of proposed operating costs. Removing internal transfers and debt service from operating costs, staffing is 39% of the total. The City continues to balance the need to retain qualified, capable staff by providing fair and competitive wages while also maintaining appropriate service levels. Recruitment of key positions and police officers will continue to be a challenge in 2023 due to a competitive labor market and housing affordability and availability.

**Council member health benefits considered for the first time** - City Council Members are considering the addition of health coverage. The budget as presented includes \$50,000 to cover the costs if voted.

**For non-elected positions**, the 2023 budget proposes a net increase of 5.5 positions. There are a total of 100.7 Full Time Equivalent (FTE) positions, up from 95.2 in 2022. This is an increase after consecutive years of reduction (from 109.2 in 2018). New budgeted positions include a Long-Range Planner, a Communications and Marketing Manager, a Deputy Police Chief, an HR Assistant, an in-house Behavioral Health Navigator, a Housing Grant Coordinator and five seasonal workers (Parks, Streets, Facilities). The positions are outlined by position in the chart below:

<b>CITY OF PORT TOWNSEND - AUTHORIZED POSITIONS *</b>						
<b>Department/Division</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2023 Requested vs 2022</b>
<b>General Government</b>						
City Manager	2.0	2.0	1.0	1.0	1.0	0.0
City Attorney	3.6	2.6	2.0	2.0	2.0	0.0
Communications					1.0	1.0
Development Service & Planning	8.3	8.3	8.0	8.5	10.0	1.5
Finance & Utility Billing (UB)	6.3	7.5	9.0	9.0	9.0	0.0
Police Admin & Operations	20.0	19.8	18.6	20.1	22.1	2.0
City Clerk/Human Resources	5.0	4.0	3.6	4.0	5.0	1.0
PEG TV Studio	0.0	0.0	0.0	0.0	0.0	0.0
Facilities	3.5	4.0	3.5	3.5	3.5	0.0
Street	2.2	1.9	1.7	1.7	1.7	0.0
Parks Maintenance & Recreation	4.5	4.0	3.5	4.2	4.2	0.0
Pool	8.3	8.0	4.0	0.0	0.0	0.0
Library	9.6	8.9	8.9	8.9	8.9	0.0
Equipment Rental	4.0	4.0	3.0	3.0	3.0	0.0
<b>Total General Government</b>	<b>77.3</b>	<b>75.1</b>	<b>66.8</b>	<b>65.9</b>	<b>71.4</b>	<b>5.5</b>
<b>Public Works &amp; Utilities (excl UB)</b>						
Public Works Administration	4.2	4.2	2.5	2.5	2.5	0.0
Public Works Engineering	6.7	5.4	5.9	6.5	6.5	0.0
Utilities						0.0
Water Distribution	5.5	5.5	5.0	5.0	5.0	0.0
Water Quality & Resource	3.5	3.5	4.0	4.0	4.0	0.0
Wastewater Collection	2.5	2.6	2.2	2.2	2.2	0.0
Wastewater Treatment	3.8	3.6	3.5	3.5	3.5	0.0
Biosolids	2.5	2.5	2.5	2.5	2.5	0.0
Stormwater	3.3	3.5	3.1	3.1	3.1	0.0
<b>Total Public Works &amp; Utilities</b>	<b>31.9</b>	<b>30.8</b>	<b>28.7</b>	<b>29.3</b>	<b>29.3</b>	<b>0.0</b>
<b>TOTAL CITY FTES</b>	<b>109.2</b>	<b>105.9</b>	<b>95.5</b>	<b>95.2</b>	<b>100.7</b>	<b>5.5</b>
Percentage Change					<b>5.8%</b>	
<b>Positions not currently counted as FTES</b>						
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	
Mayor/Council	7.0	7.0	7.0	7.0	7.0	

\* Does not include leave payouts or seasonal positions



**Employee groups include three sectors**, the Police Collective Bargaining Unit, General Collective Bargaining Unit, and non-represented personnel.

The Police Collective Bargaining Unit ratified a 2-year contract in July 2022. The new contract expires December 31, 2023. Negotiations for a new agreement will take place in 2023. Assuming some vacancies will continue in 2023, 15.0 full-time officers and 1.10 reserve/provisional officers were included in the budget and a vacancy factor considered. Recruiting and retaining officers continues to be a challenge for Port Townsend and nationally.

The General Collective Bargaining Unit ratified a 3-year contract. The new contract expires December 31, 2024.

With these collective bargaining agreements in place, wage rates for 2023 are contracted to increase 5.0% for all City staff. Due to current labor market conditions and higher than normal inflationary times, salary increases for staff are above average. All increases are included in the budget estimates for 2023.

A full list of authorized positions along with the position classification salary schedule, and more detailed budget assumptions is included in the Staffing and Compensation section of the Proposed Budget Book.

**Benefits offered to employees** include medical, dental, vision, long-term disability, life insurance and retirement. Medical costs for 2023 are forecast to increase by approximately 4.0% for the AWC benefit plan (general government non-represented employees), less the 2.0% WellCity discount. To achieve the discount, City employees who receive AWC benefits participate in a variety of wellness activities that promote a healthy lifestyle.

The Teamsters Local 589 benefit plan, which covers both the Police and General Government union employees, is budgeted to increase 4.0% in 2023.

Retirement contributions for most employees (PERS) are funded at 10.39% of eligible employee wages. The PERS contribution increase in September 2022. Police officers are covered by the LEOFF retirement system at a rate of 5.30% of eligible employee wages. This participation rate is mandated by the Washington State Retirement System. Employees also have the choice of enrolling in either the MissionSquare (formerly ICMA) or Washington State deferred compensation program which is not employer funded.

**The 2023 budget includes 5 Seasonal Staff** for Janitorial, Streets (2), and Parks (2) maintenance. Seasonal staff are typically hired between May and October and are budgeted at an equivalent to 0.50 FTE each. Seasonal staff support spring and summer clean-up efforts in parks, maintain streets right of ways as well as assist with weekend restroom and garbage collection.

**Washington State minimum wage** increases in 2023 to \$15.74 per hour, which is a \$1.25 per hour, or 8.6%, increase. This increase impacts seasonal wage rates and some part time library positions. Additionally, the increase impacts higher level position through



wage compression. Wage compression occurs when pay adjustments regardless of experience, skills or seniority increase the base wage and bring those wages closer to the wages of more senior, experienced, skilled positions. The Director of People & Performance will continue to monitor the impact of minimum wage adjustments on all City positions.

## **2023 CAPITAL PROJECTS**

The proposed 2023 budget has a variety of capital projects that add new infrastructure investment and improve aging infrastructure. A breakdown of planned projects is listed below and explained in more detail in the Capital Improvement Plan section of the budget document.

### **General Government and Street Capital Projects:**

- Library windows & doors funded by 2017 bond proceeds
- City Hall ARPA funded improvements
- Kitchen shelter, kiosks/signs and playground funded by banked capacity
- Kearney Street – WSDOT project
- Kah Tai Restrooms
- Affordable housing
- Sims Way & Boatyard
- Street & sidewalk projects funded by banked capacity

### **Water/Sewer and Stormwater Utility Capital Projects** included in the capital budget:

- 1mg Standpipe project
- OGWS master meters & cathodic protection
- OGWS Lords lake
- Water line replacements – funded with capital surcharge fees
- Sewer outfall project funded with System Development and Department of Ecology loans/grants
- Wastewater nutrient study
- General master plan for sewer
- Affordable Housing Utility project

Port Townsend  
2023 Fund Summary

**City of Port Townsend  
GENERAL FUND  
BUDGET SUMMARY**

General Fund	2020 Actual	2021 Actual	2022 Budget	2023 Proposed	Increase/Decrease 2023 Proposed vs 2022 Budget
<b>Beginning Fund Balance</b>	1,914,034	2,279,172	5,311,932	4,014,834	
<b>Revenues</b>					
Taxes	7,085,093	7,796,481	8,333,126	10,249,102	23.0%
Licenses & Permits	322,974	484,832	417,442	482,500	15.6%
Intergovernmental Services	636,000	1,767,224	1,631,047	271,881	-83.3%
Charges for Goods & Services	1,783,162	1,935,624	1,887,677	2,038,568	8.0%
Fines & Penalties	29,490	20,624	29,300	8,000	-72.7%
Miscellaneous Revenue	113,394	116,209	72,411	189,281	161.4%
Other Increases	9,151	920	-	35,000	0.0%
Other Financing Sources (inc. Transfers In)	54	900	-	807,000	0.0%
<b>Total Revenue</b>	<b>9,979,318</b>	<b>12,122,814</b>	<b>12,371,003</b>	<b>14,081,332</b>	<b>13.8%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	4,355,053	4,147,154	5,143,914	6,047,871	17.6%
Supplies	70,801	61,434	82,322	88,378	7.4%
Services	2,437,193	2,322,785	2,389,879	3,049,842	27.6%
Capital Outlays	8,533	690	55,401	290,550	424.4%
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	2,742,600	2,557,991	5,996,584	6,166,389	2.8%
<b>Total Expenditure</b>	<b>9,614,180</b>	<b>9,090,054</b>	<b>13,668,101</b>	<b>15,643,031</b>	<b>14.4%</b>
<b>Net Change in Fund Balance</b>	<b>365,138</b>	<b>3,032,760</b>	<b>(1,297,098)</b>	<b>(1,561,699)</b>	<b>20.4%</b>
<b>Ending Fund Balance</b>	<b>2,279,172</b>	<b>5,311,932</b>	<b>4,014,834</b>	<b>2,453,135</b>	
<b>Fund Bal. 8-15 % of Revenue</b>	<b>22.8%</b>	<b>43.8%</b>	<b>32.5%</b>	<b>17.4%</b>	<b>MEETS POLICY</b>
<b>General Fund - Expenditures by Department</b>					
Mayor & Council	115,409	106,705	117,455	189,085	61.0%
City Manager	302,257	332,053	352,141	393,128	11.6%
City Attorney	482,775	473,441	571,799	588,574	2.9%
Human Resources	267,926	201,236	366,604	475,072	29.6%
Planning & Development Services	986,951	1,009,602	1,073,348	1,559,512	45.3%
Finance Department	409,265	411,311	448,923	694,237	54.6%
Police Administration	554,879	493,686	633,382	939,214	48.3%
Police Operations	2,767,472	2,568,333	3,108,413	3,237,486	4.2%
Police Training	15,777	7,474	33,646	36,700	9.1%
City Clerk	265,988	271,868	289,717	400,969	38.4%
Contracts & Intergovernmental	750,886	687,300	676,779	999,331	47.7%
PEG Access	1,550	1,571	9,000	9,725	8.1%
Non-Departmental (inc. Transfers Out)	2,693,043	2,525,475	5,986,894	6,119,999	2.2%
<b>Total Expenditures</b>	<b>9,614,180</b>	<b>9,090,054</b>	<b>13,668,101</b>	<b>15,643,031</b>	<b>14.4%</b>

**Mayor & Council**

**Goal Statement:**

To provide cogent strategic guidance and policy direction as elected leaders and positive change-makers for the community they represent and serve, clearly understood and operationalized by City staff.

Port Townsend  
2023 Fund Summary

**2023 Key Goal:**

- Mayor and City Council are equipped with the tools and technical know-how to do their jobs well on behalf of the community they serve.
- Leverage relationships with AWC, including participation in their board of directors and conferences.

**2023 Work Plan:**

- Restore training budgets across departments and prioritize professional development opportunities for staff and Councilmembers
- Develop a handbook and enhanced, coordinated, and regular training
- Upgrades to Council chambers

**City Manager**

**Goal Statement:**

To deliver integrated, strategic and sustainable value from the City organization to the community by operationalizing City Council policy direction, developing and leveraging partnerships, enhancing staff and team performance, providing clear direction, nurturing deep community participation and engagement, and ensuring continuous delivery of quality services.

**2023 Key Goal:**

- City Department Directors equipped and supported with the tools, skills and leadership know-how to do their jobs well on behalf of the community they serve, including training in common high performance organization methods and language to foster greater team cohesion and success.
- Strategic communications capacity builds public trust and confidence.

**2023 Work Plan:**

- Provide coordinated, simultaneous executive leadership training for department directors to build the best leadership team in WA

**City Attorney and City Clerk**

**Goal Statement:**

To ensure the City's compliance with regulatory and legal requirements, including the open public meetings act, the public records act, and bidding requirements; to provide clear and direct legal advice and risk management services; and to support the other City departments in completing their priorities

**2023 Key Goal:**

- Council Chamber technology upgrades
- Public records scanning and organization

**2023 Work Plan:**

- Advisory Board Handbook
- Equity, Diversity, and Inclusion Advisory Board

**Human Resources**

**Goal Statement:**

To create and support a culture of growth and development, accountability, engagement, and effective communication.

**2023 Key Goal:**

- Improve staff engagement and job satisfaction
- Bolster training for all staff

**2023 Work Plan:**

- Launch engagement survey, analyze results, act
- Continue and improve staff training opportunities to include the Leadership Team

**Planning & Development Services**

**Goal Statement:**

To steward the public engagement and community visioning process with Planning Commission and City Council to update the Comprehensive Plan in such a way that ensures equity, sustainability, and consistent implementation. Administer and enforce provisions of building, zoning, land division, environmental protection, streets, and relevant utility codes to ensure compliance with the Comprehensive Plan, state, federal and other city statutes.

**2023 Key Goal:**

- Streamline the process of adding housing units to the development pipeline with policy, regulatory, and procedural improvements.
- Complete e-permitting enhancements to be paperless in 2023.

**2023 Work Plan:**

- Prioritize and deliver targeted, timed, and impactful zoning code changes to help unlock and inspire affordable, dense, quality infill development.
- Initiate preliminary work for the 2025 Comprehensive Plan Update including a Buildable Lands Inventory.
- Determine future of Evans Vista demonstration project and deliver infrastructure to make it development ready.
- Assist with maximizing disposition of the Cherry Street – Carmel Building

## **Finance Department**

### **Goal Statement:**

Provide required and desired financial reporting and practices, steward preparation and collective oversight of balanced funds and budgets and information technology needs to ensure the success of all departmental and organizational activities.

### **2023 Key Goal:**

- Work closely with the Financial Sustainability Task Force, City Council and City Leadership to deliver a plan that will ensure a financially sustainable future for the City

### **2023 Work Plan:**

- Work with the Financial Sustainability Task Force to create a financial sustainability report and action plan to deliver to Council for action and next steps
- Revise budget schedule, process and reporting through improved processes and integrated software
- Analyze current debt load, capacity and propose sustainable debt policy

## **Police Department**

### **Goal Statement:**

To work in partnership with our community to provide a safe and compassionate environment while reducing crime and the fear of crime.

### **2023 Key Goal:**

- Become fully staffed using innovative recruiting and retention strategies
- Train and equip officers so they can provide the best possible service to the community
- Partner with the community to build trust while solving crime and reducing the fear of crime
- Hold officers to the highest standards through the use of policing best practices

### **2023 Work Plan:**

- Sustainable staffing for Police Team
- Chief's Cabinet/Advisory Forum
- Strategic Planning
- Path to Accreditation

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend</b>					
<b>DRUG ENFORCEMENT / CONTINGENCY FUND</b>					
<b>BUDGET SUMMARY</b>					
<b>Contingency Fund</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	185,867	201,717	201,828	221,978	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	850	111	150	150	0.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	15,000	-	20,000	60,000	200.0%
<b>Total Revenue</b>	<b>15,850</b>	<b>111</b>	<b>20,150</b>	<b>60,150</b>	<b>198.5%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	-	-	-	-	
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	-	-	-	
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net Change in Fund Balance</b>	<b>15,850</b>	<b>111</b>	<b>20,150</b>	<b>60,150</b>	<b>198.5%</b>
<b>Ending Fund Balance</b>	<b>201,717</b>	<b>201,828</b>	<b>221,978</b>	<b>282,128</b>	
<b>Fund Balance 2% of GF Rev</b>	<b>2.0%</b>	<b>1.7%</b>	<b>1.8%</b>	<b>2.0%</b>	<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

**City of Port Townsend  
STREET FUND  
BUDGET SUMMARY**

Street Fund	2020	2021	2022	2023	Increase/Decrease 2023 Proposed vs 2022 Budget
	Actual	Actual	Budget	Proposed	
<b>Beginning Fund Balance</b>	320,221	419,869	474,400	436,339	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	231	231	-	-	
Intergovernmental Services	190,762	199,802	191,098	213,500	11.7%
Charges for Goods & Services	5,581	672	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	3,778	18,711	300	750	150.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	654,100	699,959	742,525	957,525	29.0%
<b>Total Revenue</b>	<b>854,453</b>	<b>919,375</b>	<b>933,923</b>	<b>1,171,775</b>	<b>25.5%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	175,538	165,779	175,141	248,711	42.0%
Supplies	62,602	64,211	75,991	132,952	75.0%
Services	341,765	455,704	541,702	605,963	11.9%
Capital Outlays	-	-	-	122,500	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	174,900	179,150	179,150	184,150	2.8%
<b>Total Expenditure</b>	<b>754,804</b>	<b>864,844</b>	<b>971,984</b>	<b>1,294,275</b>	<b>33.2%</b>
<b>Net Change in Fund Balance</b>	<b>99,648</b>	<b>54,531</b>	<b>(38,061)</b>	<b>(122,500)</b>	
<b>Ending Fund Balance</b>	<b>419,869</b>	<b>474,400</b>	<b>436,339</b>	<b>313,839</b>	
<b>Fund Bal. 2-3 % of Expenditures</b>	<b>55.6%</b>	<b>54.9%</b>	<b>44.9%</b>	<b>24.2%</b>	<b>MEETS POLICY</b>

**Street Operations**

**Goal Statement:**

The City of Port Townsend Streets and Collections Division of Public Works has the primary responsibility of maintaining city streets, the wastewater collections system, and the stormwater collection system. Maintenance includes street repair, vegetation control, garbage management, special projects in right of way, event support, sidewalk repairs, annual cleaning of sewer and stormwater pipes, catch basin and maintenance holes maintenance, sweeping, and snow plowing.

**2023 Key Goal:**

- A primary goal of this division is to migrate away from right of way mowing to street repairs. This will involve drainage control work and moving to hot mix asphalt patching compared to cold mix pothole repairs.

**2023 Work Plan:**

- The division will play a primary role in supporting 2023 road restoration associated with banked capacity funds. The division will perform drainage control ahead of street work.
- The work plan includes purchasing hot mix asphalt repair equipment as well as performing a test section repair of Lawrence Street using recycled concrete to stabilize the base.



Port Townsend  
2023 Fund Summary

**City of Port Townsend  
LIBRARY FUND  
BUDGET SUMMARY**

Library Fund	2020 Actual	2021 Actual	2022 Budget	2023 Proposed	Increase/Decrease 2023 Proposed vs 2022 Budget
<b>Beginning Fund Balance</b>	253,200	366,498	523,691	584,390	
<b>Revenues</b>					
Taxes	1,113,489	1,137,083	1,180,000	1,193,155	1.1%
Licenses & Permits	-	-	-	-	
Intergovernmental Services	16,064	649	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	189	636	-	-	
Miscellaneous Revenue	19,286	18,479	250	10,750	4200.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>1,149,028</b>	<b>1,156,848</b>	<b>1,180,250</b>	<b>1,203,905</b>	<b>2.0%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	533,152	528,510	626,056	714,430	14.1%
Supplies	86,380	73,022	104,976	102,218	-2.6%
Services	404,942	380,467	386,519	397,647	2.9%
Capital Outlays	4,129	17,656	2,000	3,000	50.0%
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	7,128	-	-	-	
<b>Total Expenditure</b>	<b>1,035,731</b>	<b>999,654</b>	<b>1,119,551</b>	<b>1,217,295</b>	<b>8.7%</b>
<b>Net Change in Fund Balance</b>	<b>113,298</b>	<b>157,193</b>	<b>60,699</b>	<b>(13,390)</b>	<b>-122.1%</b>
<b>Ending Fund Balance</b>	<b>366,498</b>	<b>523,691</b>	<b>584,390</b>	<b>571,000</b>	
<b>Fund Balance 5-8% of Tax Rev.</b>	<b>32.9%</b>	<b>46.1%</b>	<b>49.5%</b>	<b>47.9%</b>	<b>MEETS POLICY</b>

**Goal Statement:**

The City Library's mission is: *Uplifting our community through reading, learning, connection, and creativity.*

**Main areas of work:**

- Books and material circulation including curbside delivery, databases, e-books and e-audiobooks, children's web resources, grab bags, interlibrary loan
- Programs and events, including virtual programming, youth programming and adult programming
- Staff response to patron requests and associated services
- Access to technology

Link to library's strategic plan:

[https://ptpubliclibrary.org/sites/default/files/fileattachments/library/page/7905/ptpl\\_strategic\\_plan\\_2021-25\\_updated\\_for\\_2022.pdf](https://ptpubliclibrary.org/sites/default/files/fileattachments/library/page/7905/ptpl_strategic_plan_2021-25_updated_for_2022.pdf)

Port Townsend  
2023 Fund Summary

**2023 Key Goals:**

- We will use our Core Services, partnerships, assets, and resources to continue to advance four Strategic Initiatives designed to help us be the best possible library for the Port Townsend community:
  - Increase equitable access to library offerings to serve all Port Townsend residents and visitors according to their needs, interests, and abilities.
  - Build community as a trusted convener and connector, both within and beyond library walls.
  - Help our Port Townsend community learn, do, create, and share.
  - Make efficient and effective use of local and regional resources.

**2023 Work Plan:**

- Library Capital Projects: Pink House restoration, window replacement, bathroom remodel
- Develop and launch "How Your City Works" v2.0, including curated and resourced short videos of core city functions with support of other City departments.
- Develop a 2023 theme and program (e.g., year of kindness) with tangible and visible participatory elements

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend REAL ESTATE EXCISE TAX FUND BUDGET SUMMARY</b>					
<b>REET</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	<b>453,932</b>	<b>468,588</b>	<b>332,524</b>	<b>348,158</b>	
<b>Revenues</b>					
Taxes	522,565	842,221	550,000	700,000	27.3%
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	2,090	303	300	1,500	400.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>524,656</b>	<b>842,524</b>	<b>550,300</b>	<b>701,500</b>	<b>27.5%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Personnel Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	-	-	-	-	
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	510,000	510,000	534,666	567,625	6.2%
<b>Total Expenditure</b>	<b>510,000</b>	<b>510,000</b>	<b>534,666</b>	<b>567,625</b>	<b>6.2%</b>
<b>Net Change in Fund Balance</b>	<b>14,656</b>	<b>332,524</b>	<b>15,634</b>	<b>133,875</b>	<b>756.3%</b>
<b>Ending Fund Balance</b>	<b>468,588</b>	<b>801,111</b>	<b>348,158</b>	<b>482,033</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend</b>					
<b>ARPA American Rescue Plan Act Fund</b>					
<b>BUDGET SUMMARY</b>					
<b>Contingency Fund</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	-	-	-	2,052,861	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	-	-	-	-	
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	2,756,728	-	-100.0%
<b>Total Revenue</b>	-	-	<b>2,756,728</b>	-	-100.0%
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	-	-	-	-	
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	-	703,867	1,673,000	137.7%
<b>Total Expenditure</b>	-	-	<b>703,867</b>	<b>1,673,000</b>	137.7%
<b>Net Change in Fund Balance</b>	-	-	<b>2,052,861</b>	<b>(1,673,000)</b>	-181.5%
<b>Ending Fund Balance</b>	-	-	<b>2,052,861</b>	<b>379,861</b>	
<b>Sufficient to Meet Obligations</b>	<b>0.0%</b>	<b>0.0%</b>	<b>16.6%</b>	<b>2.7%</b>	<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend LODGING TAX FUND BUDGET SUMMARY</b>					
<b>Lodging Tax</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Adopted</b>
<b>Beginning Fund Balance</b>	270,864	178,656	415,629	522,592	
<b>Revenues</b>					
Taxes	339,547	525,079	441,000	525,000	19.0%
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	1,082	124	150	750	400.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>340,628</b>	<b>525,203</b>	<b>441,150</b>	<b>525,750</b>	<b>19.2%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	250,053	125,185	194,187	339,343	74.8%
Capital Outlays	57,783	38,045	15,000	15,000	0.0%
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	125,000	125,000	125,000	125,000	0.0%
<b>Total Expenditure</b>	<b>432,836</b>	<b>288,230</b>	<b>334,187</b>	<b>479,343</b>	<b>43.4%</b>
<b>Net Change in Fund Balance</b>	<b>(92,208)</b>	<b>236,973</b>	<b>106,963</b>	<b>46,407</b>	<b>-56.6%</b>
<b>Ending Fund Balance</b>	<b>178,656</b>	<b>415,629</b>	<b>522,592</b>	<b>568,999</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend FIRE/EMS FUND BUDGET SUMMARY</b>					
<b>Fire/EMS</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	7,242	7,278	9,569	9,569	
<b>Revenues</b>					
Taxes	15,813	5,957	4,000	4,000	0.0%
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	36	1	-	-	
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>15,848</b>	<b>5,958</b>	<b>4,000</b>	<b>4,000</b>	<b>0.0%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	15,813	3,666	4,000	4,000	0.0%
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	-	-	-	
<b>Total Expenditure</b>	<b>15,813</b>	<b>3,666</b>	<b>4,000</b>	<b>4,000</b>	<b>0.0%</b>
<b>Net Change in Fund Balance</b>	<b>36</b>	<b>2,291</b>	<b>-</b>	<b>-</b>	
<b>Ending Fund Balance</b>	<b>7,278</b>	<b>9,569</b>	<b>9,569</b>	<b>9,569</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend AFFORDABLE HOUSING FUND BUDGET SUMMARY</b>					
<b>Affordable Housing</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	31,184	41,437	87,658	47,664	
<b>Revenues</b>					
Taxes	78,307	118,265	96,302	30,001	-68.8%
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	134	28	100	100	0.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	70,000	
<b>Total Revenue</b>	<b>78,441</b>	<b>118,292</b>	<b>96,402</b>	<b>100,101</b>	<b>3.8%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	3,530	10,176	31,000	31,000	0.0%
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	64,658	61,896	105,396	61,896	-41.3%
<b>Total Expenditure</b>	<b>68,188</b>	<b>72,072</b>	<b>136,396</b>	<b>92,896</b>	<b>-31.9%</b>
<b>Net Change in Fund Balance</b>	<b>10,253</b>	<b>46,221</b>	<b>(39,994)</b>	<b>7,205</b>	<b>-118.0%</b>
<b>Ending Fund Balance</b>	<b>41,437</b>	<b>87,658</b>	<b>47,664</b>	<b>54,869</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>



Port Townsend  
2023 Fund Summary

<b>City of Port Townsend</b>					
<b>COMMUNITY DEVELOPMENT BLOCK GRANTS</b>					
<b>BUDGET SUMMARY</b>					
<b>CDBG</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	<b>192,350</b>	<b>191,956</b>	<b>163,538</b>	<b>155,438</b>	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	10,020	40,170	11,750	20,000	70.2%
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	897	101	150	150	0.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>10,918</b>	<b>40,270</b>	<b>11,900</b>	<b>20,150</b>	<b>69.3%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Personnel Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	11,311	68,689	20,000	20,000	0.0%
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	-	-	-	
<b>Total Expenditure</b>	<b>11,311</b>	<b>68,689</b>	<b>20,000</b>	<b>20,000</b>	<b>0.0%</b>
<b>Net Change in Fund Balance</b>	<b>(394)</b>	<b>(28,418)</b>	<b>(8,100)</b>	<b>150</b>	<b>-101.9%</b>
<b>Ending Fund Balance</b>	<b>191,956</b>	<b>163,538</b>	<b>155,438</b>	<b>155,588</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

**City of Port Townsend  
COMMUNITY SERVICES FUND  
BUDGET SUMMARY**

Community Svcs	2020 Actual	2021 Actual	2022 Budget	2023 Proposed	Increase/Decrease 2023 Proposed vs 2022 Budget
<b>Beginning Fund Balance</b>	116,120	233,248	535,955	680,780	
<b>Revenues</b>					
Taxes	581,684	609,611	596,499	2	-100.0%
Licenses & Permits	-	-	-	-	
Intergovernmental Services	44,657	11,602	-	-	
Charges for Goods & Services	49,979	21,797	4,000	4,000	0.0%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	33,325	178,801	37,300	37,550	0.7%
Other Increases	7,700	16,242	2,000	2,000	0.0%
Other Financing Sources (inc. Transfers In)	1,179,373	1,255,693	1,378,019	2,436,352	76.8%
<b>Total Revenue</b>	<b>1,896,718</b>	<b>2,093,745</b>	<b>2,017,818</b>	<b>2,479,904</b>	<b>22.9%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	886,499	722,325	739,455	1,046,258	41.5%
Supplies	170,858	193,880	161,172	227,569	41.2%
Services	654,251	851,328	940,066	1,112,085	18.3%
Capital Outlays	-	3,702	-	85,000	
Debt Service - Principal	30,000	-	30,000	-	-100.0%
Debt Service - Interest	574	-	300	-	-100.0%
Other Financing Uses (inc. Transfers Out)	37,408	19,803	2,000	7,000	250.0%
<b>Total Expenditure</b>	<b>1,779,590</b>	<b>1,791,038</b>	<b>1,872,993</b>	<b>2,477,913</b>	<b>32.3%</b>
<b>Net Change in Fund Balance</b>	<b>117,128</b>	<b>302,706</b>	<b>144,825</b>	<b>1,991</b>	<b>-98.6%</b>
<b>Ending Fund Balance</b>	<b>233,248</b>	<b>535,955</b>	<b>680,780</b>	<b>682,771</b>	
<b>Fund Bal. 2-3 % of Expenditures</b>	<b>13.1%</b>	<b>29.9%</b>	<b>36.3%</b>	<b>27.6%</b>	<b>MEETS POLICY</b>
<b>Community Services Fund - Expenditures by Department</b>					
City Facilities	635,815	566,338	615,937	862,215	40.0%
Mountain View Facilities	165,507	167,746	210,213	198,201	-5.7%
Parks Maintenance	538,908	546,305	601,228	776,458	29.1%
Parks Strategy	-	-	-	273,424	
Events	3,410	1,305	-	-	
Pool	368,902	488,142	387,190	339,490	-12.3%
Non-Departmental (inc. Transfers Out)	67,047	21,203	58,425	28,125	-51.9%
<b>Total Expenditures</b>	<b>1,779,590</b>	<b>1,791,038</b>	<b>1,872,993</b>	<b>2,477,913</b>	<b>32.3%</b>

**Community Services – Facilities, Parks**

**Goal Statement:**

The City of Port Townsend Community Services Department is a Division of Public Works. The Department has the primary responsibility of managing city facilities, parks maintenance, the pool contract with the YMCA, the golf contract for operations, and operations of the Mountain View Campus. Additionally, the division expenses include funds for Strategic Parks Strategy in the form of salary and services support. This is a short-term expense to facilitate sustainable parks funding and to develop a vision for recreation and parks for the future.

Port Townsend  
2023 Fund Summary

**2023 Key Goals:**

- The facilities division goal for next year is to improve internal service through training and upgrades to city systems. The aging Mountain View Pool also is challenging for the facilities team to maintain and keep operational.
- Achieving facilities goals is reliant on seasonal and janitorial support included in this year's budget proposal. This strategy will provide the time for the skilled employees to perform proactive maintenance and special projects such as small remodels that are typically contracted.
- The parks division proposes to expand deferred maintenance for trails and trees. The division looks forward to expanding the volunteer program consistent with the work plan goals. The department will look to hire and manage seasonals based on behalf of parks and streets which also will leverage the volunteer efforts.
- Parks will be hiring a new maintenance employee to fill the gap by a long-time retiring employee.
- Facilitate decision-making on the future of the golf course and Mountain View Campus and begin implementing the community-backed preferred approach.
- Develop sustainable park funding and strive for equitable distribution of funds in parks and trails.
- Embark on decision-making and engagement around the future of the aquatics/community health and wellness center.

**2023 Work Plan:**

- The facilities division will undertake City Hall HVAC, and a City Hall remodel as budgeted. The Division also is evaluating the Pink House and Pope Marine for restoration opportunities.
- The facilities division proposes to undertake the library projects associated with windows and restroom restoration.
- The parks division will undertake the kitchen shelter and install trail signage based on the 2022 banked capacity funding.
- The facilities division seeks to perform a buildings assessment and capital improvement plan to better understand investment needs based on proactive maintenance.
- The parks division has the goal of compliance with RCO for the Kah Tai restrooms to facilitate future parks grants.
- The parks division will also be part of an open space planning effort in the coordination of maintenance with the Jefferson Land Trust.
- The parks division is in the process of reviewing and revising the rules of the parks.
- The parks division includes short-term funding for parks strategy which includes significant projects of evaluating a health and wellness center to replace Mountain View Pool as well as evaluation of the Golf Course and its future use. It also includes working with the financial sustainability task forces to explore options for Parks and Recreation dedicated funding.

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend GENERAL OBLIGATION DEBT SERVICE BUDGET SUMMARY</b>					
<b>G.O. Debt Service</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	96,823	97,548	155,559	156,296	
<b>Revenues</b>					
Taxes	401,976	457,333	402,000	150,001	-62.7%
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	1,638	293	237	1,000	321.9%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	4,060,250	1,302,467	1,309,180	2,644,637	102.0%
<b>Total Revenue</b>	<b>4,463,864</b>	<b>1,760,093</b>	<b>1,711,417</b>	<b>2,795,638</b>	<b>63.4%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	-	1,326	2,500	2,500	0.0%
Capital Outlays	-	-	-	-	
Debt Service - Principal	3,685,896	1,053,485	1,087,123	2,190,266	101.5%
Debt Service - Interest	777,243	647,272	621,057	606,250	-2.4%
Other Financing Uses (inc. Transfers Out)	-	-	-	-	
<b>Total Expenditure</b>	<b>4,463,139</b>	<b>1,702,082</b>	<b>1,710,680</b>	<b>2,799,016</b>	<b>63.6%</b>
<b>Net Change in Fund Balance</b>	<b>725</b>	<b>58,011</b>	<b>737</b>	<b>(3,378)</b>	<b>-558.3%</b>
<b>Ending Fund Balance</b>	<b>97,548</b>	<b>155,559</b>	<b>156,296</b>	<b>152,918</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend GENERAL CAPITAL PROJECTS BUDGET SUMMARY</b>					
<b>General CIP</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	538,656	428,596	403,245	403,149	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	1,372,000	656,400	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	2,267	237	-	1,000	
Other Increases	12,961	-	-	-	
Other Financing Sources (inc. Transfers In)	291,386	34,524	492,308	881,500	
<b>Total Revenue</b>	<b>306,614</b>	<b>34,761</b>	<b>1,864,308</b>	<b>1,538,900</b>	
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	56,586	34,524	24,808	18,630	-24.9%
Capital Outlays	176,191	11,914	328,887	1,267,500	285.4%
Debt Service - Principal	60,000	-	1,415,500	-	-100.0%
Debt Service - Interest	1,742	-	-	-	
Other Financing Uses (inc. Transfers Out)	122,154	13,675	95,209	-	-100.0%
<b>Total Expenditure</b>	<b>416,673</b>	<b>60,113</b>	<b>1,864,404</b>	<b>1,286,130</b>	<b>-31.0%</b>
<b>Net Change in Fund Balance</b>	<b>(110,060)</b>	<b>(25,352)</b>	<b>(96)</b>	<b>252,770</b>	<b>-263402.1%</b>
<b>Ending Fund Balance</b>	<b>428,596</b>	<b>403,245</b>	<b>403,149</b>	<b>655,919</b>	<b>62.7%</b>
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>
<b>General CIP Fund Breakdown:</b>					
	<b>2020 Change in</b>	<b>2021 Change in</b>	<b>2022 Change in</b>	<b>2023 Change in</b>	
	<b>Fund Balance</b>	<b>Fund Balance</b>	<b>Fund Balance</b>	<b>Fund Balance</b>	
301 - General Capital	(47,252)	(24,874)	(34,887)	142,678	
315 - 2015 Bonds	-	-	-	-	
350 - 2017 Bonds	(49,504)	53	(95,209)	(95,209)	
355 - 2018 Bonds	(13,304)	(531)	-	500	
360 - 2020 Bonds	-	-	-	-	
<b>Total</b>	<b>(110,060)</b>	<b>(25,352)</b>	<b>(130,096)</b>	<b>47,969</b>	

Port Townsend  
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<b>City of Port Townsend STREET CAPITAL PROJECTS BUDGET SUMMARY</b>					
Street CIP	2020	2021	2022	2023	Increase/Decrease 2023 Proposed vs 2022 Budget
	Actual	Actual	Adopted	Proposed	
<b>Beginning Fund Balance</b>	100,638	(71,221)	110,420	403,907	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	144,944	550,738	4,260,918	503,775	-88.2%
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	362	39	-	500	
Other Increases	5,869	-	-	-	
Other Financing Sources (inc. Transfers In)	673,434	78,044	570,337	1,261,006	121.1%
<b>Total Revenue</b>	<b>824,609</b>	<b>628,821</b>	<b>4,831,255</b>	<b>1,765,281</b>	<b>-63.5%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	58,692	78,044	45,182	34,978	-22.6%
Capital Outlays	362,724	369,136	4,492,586	1,714,781	-61.8%
Debt Service - Principal	540,000	-	-	-	
Debt Service - Interest	23,825	-	-	-	
Other Financing Uses (inc. Transfers Out)	11,226	-	-	-	
<b>Total Expenditure</b>	<b>996,468</b>	<b>447,180</b>	<b>4,537,768</b>	<b>1,749,759</b>	<b>-61.4%</b>
<b>Net Change in Fund Balance</b>	<b>(171,859)</b>	<b>181,641</b>	<b>293,487</b>	<b>15,522</b>	<b>-94.7%</b>
<b>Ending Fund Balance</b>	<b>(71,221)</b>	<b>110,420</b>	<b>403,907</b>	<b>419,429</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>
<b>Street CIP Fund Breakdown:</b>					
	<u>2020 Change in Fund Balance</u>	<u>2021 Change in Fund Balance</u>	<u>2022 Change in Fund Balance</u>	<u>2023 Change in Fund Balance</u>	
304 - Street Vacation Proceeds	816	39	-	-	
305 - Street Capital Fund	(172,675)	181,602	293,487	304,191	
<b>Total</b>	<b>(171,859)</b>	<b>181,641</b>	<b>293,487</b>	<b>304,191</b>	

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<b>City of Port Townsend GOLF COURSE FUND BUDGET SUMMARY</b>					
<b>Golf Course</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	12,219	6,252	5,485	2,287	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	6,936	8,363	7,200	25,000	247.2%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	10,000	-	-100.0%
<b>Total Revenue</b>	<b>6,936</b>	<b>8,363</b>	<b>17,200</b>	<b>25,000</b>	<b>45.3%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	1,691	1,045	10,000	15,000	50.0%
Services	11,212	8,085	10,398	9,672	-7.0%
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	-	-	-	
<b>Total Expenditure</b>	<b>12,903</b>	<b>9,130</b>	<b>20,398</b>	<b>24,672</b>	<b>21.0%</b>
<b>Net Change in Fund Balance</b>	<b>(5,967)</b>	<b>(767)</b>	<b>(3,198)</b>	<b>328</b>	<b>-110.3%</b>
<b>Ending Fund Balance</b>	<b>6,252</b>	<b>5,485</b>	<b>2,287</b>	<b>2,615</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>



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<b>City of Port Townsend SYSTEM DEVELOPMENT CHARGES BUDGET SUMMARY</b>					
<b>SDCs</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease 2023 Proposed vs 2022 Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	
<b>Beginning Fund Balance</b>	970,680	1,105,953	1,463,326	1,062,580	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	377,986	445,530	367,440	367,440	0.0%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	4,595	715	1,814	2,000	10.3%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>382,581</b>	<b>446,245</b>	<b>369,254</b>	<b>369,440</b>	<b>0.1%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	-	-	-	-	
Capital Outlays	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	247,309	88,872	770,000	33,500	-95.6%
<b>Total Expenditure</b>	<b>247,309</b>	<b>88,872</b>	<b>770,000</b>	<b>33,500</b>	<b>-95.6%</b>
<b>Net Change in Fund Balance</b>	<b>135,273</b>	<b>357,373</b>	<b>(400,746)</b>	<b>335,940</b>	<b>-183.8%</b>
<b>Ending Fund Balance</b>	<b>1,105,953</b>	<b>1,463,326</b>	<b>1,062,580</b>	<b>1,398,520</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>

Port Townsend  
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**City of Port Townsend  
WATER/SEWER OPERATIONS  
BUDGET SUMMARY**

Water Sewer Op	2020 Actual	2021 Actual	2022 Budget	2023 Proposed	Increase/Decrease 2023 Proposed vs 2022 Budget
<b>Beginning Fund Balance</b>	2,585,369	3,049,474	3,713,169	4,158,375	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	931	497	-	-	
Charges for Goods & Services	6,494,639	6,948,217	7,036,335	7,537,785	7.1%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	115,343	112,995	92,250	101,000	9.5%
Other Increases	-	-	1,415,500	-	-100.0%
Other Financing Sources (inc. Transfers In)	1,177,755	1,249,801	1,252,054	1,694,824	35.4%
<b>Total Revenue</b>	<b>7,788,669</b>	<b>8,311,510</b>	<b>9,796,139</b>	<b>9,333,609</b>	<b>-4.7%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	2,263,807	2,260,368	2,339,966	2,629,120	12.4%
Supplies	388,414	430,451	469,397	617,828	31.6%
Services	2,970,355	3,423,599	4,007,920	4,369,104	9.0%
Capital Outlays	129,759	-	156,700	263,700	68.3%
Debt Service - Principal	1,155,754	1,244,501	1,185,416	1,172,882	-1.1%
Debt Service - Interest	143,770	177,744	159,586	160,436	0.5%
Other Financing Uses (inc. Transfers Out)	272,704	111,152	1,031,948	25,000	-97.6%
<b>Total Expenditure</b>	<b>7,324,564</b>	<b>7,647,815</b>	<b>9,350,933</b>	<b>9,238,070</b>	<b>-1.2%</b>
<b>Net Change in Fund Balance</b>	<b>464,105</b>	<b>663,695</b>	<b>445,206</b>	<b>95,539</b>	<b>-78.5%</b>
<b>Ending Fund Balance</b>	<b>3,049,474</b>	<b>3,713,169</b>	<b>4,158,375</b>	<b>4,253,914</b>	
<b>60 Days of Operating Expenses</b>	<b>152</b>	<b>177</b>	<b>162</b>	<b>168</b>	<b>MEETS POLICY</b>
<b>Water Sewer Fund - Expenditures by Department</b>					
Utility Billing	42	518,629	524,505	748,823	24.4%
Water Distribution	403	2,223,368	2,278,381	2,398,742	-14.4%
Water Quality / WTF	404	1,879,535	2,029,688	2,784,849	31.8%
Wastewater Treatment	405	1,481,480	1,425,751	1,719,302	-25.3%
Wastewater Collection	406	769,048	870,611	1,011,347	1.0%
Biosolids	407	452,504	518,879	575,007	7.9%
Non-Departmental (inc. Transfers Out)	000	-	-	-	
<b>Total Expenditures</b>	<b>7,324,564</b>	<b>7,647,815</b>	<b>9,350,933</b>	<b>9,238,070</b>	<b>-1.2%</b>

**Water & Sewer Operations**

**Goal Statement:**

The City of Port Townsend water and sewer (wastewater) fund is a combined fund although expenditures and revenues are tracked separately between water and sewer. The goal of these enterprise utilities is to work as a business unit to ensure that expenses do not exceed revenues while providing reliable utility services as an essential public service.

**2023 Key Goal:**

- The water division of public works will seek to implement the new cross connection program adopted by the City Council as required by the Washington Administrative Code.

Port Townsend  
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- The water division will continue replacing aging pipelines in order to make the system more reliable and minimize distribution system leakage.
- The water division will continue to implement the Water Supply Agreement with the Port Townsend Paper Mill and facilitate capital improvements into the Olympic Gravity Water System
- The wastewater division anticipates updating the NPDES Permit for the Wastewater Treatment Plant Discharge to the Salish Sea.
- The wastewater division is in the process of completing an update to the General Sewer Plan including an evaluation of nutrients as part of the city's nutrient permit and evaluation of the compost facility/septage handling.

**2023 Work Plan:**

- The work plan for the water division is mostly focused on capital projects and filling the key position of Water Operations Manager.
- The water division has several capital projects such as the raw water master meter installation, OGWS pipeline assessment, Lords Lake East Dam stability evaluation, 1 MG standpipe coating design, cathodic protection of the OGWS, and rehabilitation of the control valve structure at the Big Quilcene Diversion.
- The work plan for the wastewater division is focused on capital projects such as the outfall subject to staffing, and preparation for the 2022 banked capacity investments at Pacific Street.
- Water and sewer project achievement is dependent on filling engineering staff positions.
- The wastewater division with the help of the PW administration, engineering, and finance, need to update the sewer rate model for the five-year period beginning in 2024 for City Council consideration.

Port Townsend  
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<b>City of Port Townsend Olympic Gravity Water System (OGWS) BUDGET SUMMARY</b>					
<b>Water Sewer CIP</b>	<b>2020</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	688,212	630,243	545,057	3,037,643	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	3,500,000	4,892,500	39.8%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	3,711	338	-	-	
Other Increases	30,000	-	30,000	-	-100.0%
Other Financing Sources (inc. Transfers In)	54,000	54,079	54,248	-	-100.0%
<b>Total Revenue</b>	<b>87,711</b>	<b>54,417</b>	<b>3,584,248</b>	<b>4,892,500</b>	<b>36.5%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	81,389	50,777	787,714	1,127,134	43.1%
Capital Outlays	10,081	34,747	-	-	
Debt Service - Principal	52,632	52,632	52,632	-	-100.0%
Debt Service - Interest	1,579	1,447	1,316	-	-100.0%
Other Financing Uses (inc. Transfers Out)***	-	-	250,000	429,000	71.6%
<b>Total Expenditure</b>	<b>145,680</b>	<b>139,603</b>	<b>1,091,662</b>	<b>1,556,134</b>	<b>42.5%</b>
<b>Net Change in Fund Balance</b>	<b>(57,969)</b>	<b>(85,186)</b>	<b>2,492,586</b>	<b>3,336,366</b>	<b>33.9%</b>
<b>Ending Fund Balance</b>	<b>630,243</b>	<b>545,057</b>	<b>3,037,643</b>	<b>6,374,009</b>	

Port Townsend  
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<b>City of Port Townsend WATER/SEWER CAPITAL BUDGET SUMMARY</b>					
<b>Water Sewer CIP</b>	<b>2020</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	2,167,498	2,471,741	2,564,787	1,823,542	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	90,000	191,500	112.8%
Charges for Goods & Services	1,355,769	1,427,205	1,461,329	1,461,329	0.0%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	10,529	1,407	961,500	1,427,500	48.5%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	2,603,324	248,726	2,748,525	697,500	-74.6%
<b>Total Revenue</b>	<b>3,969,622</b>	<b>1,677,338</b>	<b>5,261,354</b>	<b>3,777,829</b>	<b>-28.2%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	100,976	41,409	24,895	17,917	-28.0%
Capital Outlays	505,545	215,301	4,000,125	1,374,000	-65.7%
Debt Service - Principal	1,862,500	-	-	-	
Debt Service - Interest	49,639	-	-	-	
Other Financing Uses (inc. Transfers Out)***	1,146,718	1,327,582	1,977,579	2,083,824	5.4%
<b>Total Expenditure</b>	<b>3,665,379</b>	<b>1,584,292</b>	<b>6,002,599</b>	<b>3,475,741</b>	<b>-42.1%</b>
<b>Net Change in Fund Balance</b>	<b>304,243</b>	<b>93,046</b>	<b>(741,245)</b>	<b>302,088</b>	<b>-140.8%</b>
<b>Ending Fund Balance</b>	<b>2,471,741</b>	<b>2,564,787</b>	<b>1,823,542</b>	<b>2,125,630</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>
<b>Water/Sewer CIP Fund Breakdown:</b>					
	<b>2020 Change in</b>	<b>2021 Change in</b>	<b>2022 Change in</b>	<b>2022 Change in</b>	
	<b>Fund Balance</b>	<b>Fund Balance</b>	<b>Fund Balance</b>	<b>Fund Balance</b>	
415 - Water / Sewer CIP	51,859	(7,946)	(226,495)	169,690	
420 - 2020 Revenue Bond Fund	-	-	-	-	
430 - Utility Debt Reserve Fund	252,384	100,992	(514,750)	236,275	
<b>Total</b>	<b>304,243</b>	<b>93,046</b>	<b>(741,245)</b>	<b>405,965</b>	

\*\*\* Operating Transfers include funding Water Capital Debt Service in the Water / Sewer Operating Fund

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**City of Port Townsend  
STORMWATER OPERATIONS  
BUDGET SUMMARY**

Stormwater	2020 Actual	2021 Actual	2022 Budget	2023 Proposed	Increase/Decrease 2023 Proposed vs 2022 Budget
<b>Beginning Fund Balance</b>	175,681	429,869	738,472	688,477	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	1,085,481	1,153,186	1,150,182	1,173,074	2.0%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	1,181	2,293	300	750	150.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>1,086,662</b>	<b>1,155,479</b>	<b>1,150,482</b>	<b>1,173,824</b>	<b>2.0%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	313,553	284,075	310,762	352,949	13.6%
Supplies	39,076	40,995	39,468	72,908	84.7%
Services	340,790	414,581	423,850	489,764	15.6%
Capital Outlays	1,661	-	16,000	6,000	-62.5%
Debt Service - Principal	46,399	47,791	49,225	50,702	3.0%
Debt Service - Interest	34,962	33,570	32,137	30,660	-4.6%
Other Financing Uses (inc. Transfers Out)	56,033	25,864	329,035	335,000	1.8%
<b>Total Expenditure</b>	<b>832,475</b>	<b>846,876</b>	<b>1,200,477</b>	<b>1,337,982</b>	<b>11.5%</b>
<b>Net Change in Fund Balance</b>	<b>254,188</b>	<b>308,603</b>	<b>(49,995)</b>	<b>(164,158)</b>	<b>228.3%</b>
<b>Ending Fund Balance</b>	<b>429,869</b>	<b>738,472</b>	<b>688,477</b>	<b>524,319</b>	
<b>60 Days of Operating Expenses</b>	<b>188</b>	<b>318</b>	<b>209</b>	<b>143</b>	<b>MEETS POLICY</b>

**Stormwater Operations**

**Goal Statement:**

The City of Port Townsend owns and operates a stormwater collection system that includes roadside ditches, wedge asphalt curbs, concrete curbs, rain gardens, and stormwater facilities such as Froggy bottoms. The Streets and Collections Division of Public Works is responsible for annual maintenance which includes cleaning, street sweeping, and stormwater repairs. This includes responding to heavy rain events to manage localized flooding. Leaf control is a major proactive maintenance strategy.

The stormwater system is also managed by the engineering division to implement the Western Washington Stormwater Manual for water quality improvement.

**2023 Key Goals:**

- The Streets division seeks to shift resource investment from vegetation control to street repair. In particular, stormwater management is a key function that needs to be restored prior to street investments. The division will spend considerable time in 2024 working on restoring ditches and making small drainage improvements.

Port Townsend  
2023 Fund Summary

**2023 Work Plan:**

- In 2024, the City will become a NPDES Phase II community which means, the City will be required to obtain a NPDES permit for stormwater discharges to the Salish Sea. This will involve developing a compliance program in 2023. This may also involve hiring a new position to serve as the city stormwater compliance manager.
- The Stormwater system rates are due to be updated by January 1, 2024. Thus, a stormwater rate study will need to be performed in 2023.
- Additional projects include the construction of Discovery Road and restoration of stormwater control ahead of the 2023 Banked Capacity Street repairs. Stormwater management is required ahead of street investments.

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend STORMWATER CAPITAL BUDGET SUMMARY</b>					
<b>Stormwater CIP</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	(10,580)	(188,183)	580	580	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	69,785	230,215	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	-	480,023	-	200	
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	483,120	532,474	312,185	335,000	7.3%
<b>Total Revenue</b>	<b>552,905</b>	<b>1,242,712</b>	<b>312,185</b>	<b>335,200</b>	<b>7.4%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	-	-	-	-	
Supplies	-	-	-	-	
Services	-	9,014	22,185	29,510	33.0%
Capital Outlays	449,010	1,044,935	290,000	301,970	4.1%
Debt Service - Principal	270,000	-	-	-	
Debt Service - Interest	11,499	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	-	-	-	
<b>Total Expenditure</b>	<b>730,509</b>	<b>1,053,949</b>	<b>312,185</b>	<b>331,480</b>	<b>6.2%</b>
<b>Net Change in Fund Balance</b>	<b>(177,603)</b>	<b>188,763</b>	<b>-</b>	<b>3,720</b>	
<b>Ending Fund Balance</b>	<b>(188,183)</b>	<b>580</b>	<b>580</b>	<b>4,300</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>



Port Townsend  
2023 Fund Summary

**City of Port Townsend  
PUBLIC WORKS ADMINISTRATION  
BUDGET SUMMARY**

PW Admin Service Fund)	(Internal	2020	2021	2022	2023	Increase/Decrease
		Actual	Actual	Budget	Proposed	2023 Proposed vs 2022 Budget
<b>Beginning Fund Balance</b>		48,101	53,404	90,290	90,349	
<b>Revenues</b>						
Taxes		-	-	-	-	
Licenses & Permits		-	-	-	-	
Intergovernmental Services		-	97	-	-	
Charges for Goods & Services		477,425	509,669	540,445	680,345	25.9%
Fines & Penalties		-	-	-	-	
Miscellaneous Revenue		822	2,363	60	83,893	139721.7%
Other Increases		-	-	-	-	
Other Financing Sources (inc. Transfers In)		-	-	-	-	
<b>Total Revenue</b>		<b>478,247</b>	<b>512,130</b>	<b>540,505</b>	<b>764,238</b>	<b>41.4%</b>
<b>Expenditures</b>						
Salaries & Wages & Benefits		377,798	411,191	426,676	441,100	3.4%
Supplies		3,324	2,180	4,413	3,689	-16.4%
Services		90,161	61,872	108,857	303,588	178.9%
Capital Outlays		1,661	-	500	2,500	400.0%
Debt Service - Principal		-	-	-	-	
Debt Service - Interest		-	-	-	-	
Other Financing Uses (inc. Transfers Out)		-	-	-	-	
<b>Total Expenditure</b>		<b>472,945</b>	<b>475,243</b>	<b>540,446</b>	<b>750,878</b>	<b>38.9%</b>
<b>Net Change in Fund Balance</b>		<b>5,303</b>	<b>36,887</b>	<b>59</b>	<b>13,360</b>	<b>22544.8%</b>
<b>Ending Fund Balance</b>		<b>53,404</b>	<b>90,290</b>	<b>90,349</b>	<b>103,710</b>	
<b>Sufficient to Meet Obligations</b>						<b>MEETS POLICY</b>

**Public Works Administration**

**Goal Statement:**

The City of Port Townsend Public Works Administration division is responsible for providing oversight and direction of the Public Works Department. The division goal is to provide support to all the divisions of public works in terms of budgeting and team development, compliance with regulations, development of partnerships, and implementation of best available science and practices subject to available resources. The division also leads large special projects and public engagement. Engineering also supports Public Works Administration with 50% of the City Engineer being funded from revenues of this division.

**2023 Key Goals:**

- The number one goal for this division is to fill the Deputy Public Works/City Engineer position. Until this position and the empty project engineer is filled, the capacity of Public Works to take on capital and special projects is limited.
- Fill the key role of water operations manager.

Port Townsend  
2023 Fund Summary

**2023 Work Plan:**

- Subject to budget and filling the City Engineer position, this division will lead the development and implementation of a parking management plan.
- This division will lead rate studies for the stormwater utility as well as the sewer utility.
- Lead preparation for NDPES Phase II implementation in 2024 across the engineering division and the streets/collections division.
- Support director team development of management and leadership training.
- Support the Planning and Community Development in housing solutions such as code updates, Cherry Street, and Evans Vista development.
- Support the engineering department in the update of engineering standards
- Support the Administration and Finance Departments in Financial Sustainability
- Support the Parks Strategy effort.
- Support the HR Department with training and skills development program.
- Support the City Hall Departments with implementation of City Hall improvements subject to funding.
- Support implementation of the Comprehensive Streets program, particularly associated with banked capacity projects.
- Support Planning and Community Development Department in Open Space Planning and Buildable Lands Inventory.
- Support Capital Projects
- Support implementation of the Water Supply Agreement projects and coordination.

Port Townsend  
2023 Fund Summary

**City of Port Townsend  
EQUIPMENT RENTAL & REPLACEMENT FUND  
BUDGET SUMMARY**

ERR (Internal Service Fund)	2020 Actual	2021 Actual	2022 Budget	2023 Proposed	Increase/Decrease 2023 Proposed vs 2022 Budget
<b>Beginning Fund Balance</b>	1,751,793	1,785,705	2,111,904	2,333,909	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	6,708	279	-	-	
Charges for Goods & Services	1,179,731	1,133,734	1,200,399	1,216,225	1.3%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	32,656	19,378	1,165	2,900	148.9%
Other Increases	-	1,359	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<u>1,219,095</u>	<u>1,154,749</u>	<u>1,201,564</u>	<u>1,219,125</u>	1.5%
<b>Expenditures</b>					
Salaries & Wages & Benefits	483,367	366,185	365,010	375,837	3.0%
Supplies	111,241	135,918	171,028	185,189	8.3%
Services	203,695	184,057	244,875	217,830	-11.0%
Capital Outlays	386,880	133,847	198,645	941,205	373.8%
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	8,543	-	-	
<b>Total Expenditure</b>	<u>1,185,183</u>	<u>828,551</u>	<u>979,558</u>	<u>1,720,061</u>	75.6%
<b>Net Change in Fund Balance</b>	33,912	326,199	222,006	(500,936)	-325.6%
<b>Ending Fund Balance</b>	1,785,705	2,111,904	2,333,909	1,832,973	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>
<b>ERR Fund Breakdown:</b>					
	<u>2020 Change in Fund Balance</u>	<u>2021 Change in Fund Balance</u>	<u>2022 Change in Fund Balance</u>	<u>2023 Change in Fund Balance</u>	
500 - ERR Fleet Replacement	500 (8,961)	214,132	222,467	(500,664)	
510 - ERR Fleet O&M	510 11,943	52,795	(461)	(48,201)	
520 - ERR I.T. O&M	520 (2,123)	58,779	-	37,730	
525 - ERR I.T. Replacement	525 33,053	493	-	18,500	
<b>Total</b>	<u>33,912</u>	<u>326,199</u>	<u>222,006</u>	<u>(492,635)</u>	

**Fleet Rental & Replacement**

**Goal Statement:**

The City of Port Townsend Fleet division is a Public Works internal service function. The division focuses on repair and maintenance of the City's fleet. The division also purchase replacement vehicles for those departments contributing to the replacement funds. A key goal of the division is to restore general fund replacement funding of vehicles. The Police Department, Community Services Department, and other administration departments currently do not pay for replacement.

The division seeks to provide reliable internal service to sustain an aging fleet.

Port Townsend  
2023 Fund Summary

**2023 Key Goal:**

- Purchase of street sweeper, 10 CY dump truck, and a water distribution pickup.
- Subject to funding, purchase of hot mix asphalt repair equipment to allow the street division to transition from cold mix to hot mix street repair.

**2023 Work Plan:**

- Work with the Police Department and Parks Division to evaluate options for development of a sustainable funding program for vehicle replacement.
- Perform a study on the city's fleet to recommend greenhouse gas emission reduction.

**Information Technology (IT) Rental & Replacement**

**Goal Statement:**

The City of Port Townsend Information Technology (IT) division is a Finance and Technology Services internal service function. The division focuses on the repair and maintenance of the City's technology infrastructure. The City also replaces aging equipment across all City departments based on equipment age and functional needs.

**2023 Key Goal:**

- Support departments at all levels with technology needs through computer hardware, software programs and technology-related projects

**2023 Work Plan:**

- Improve IT infrastructure, robustness, and cybersecurity
- City Hall and Chamber technology upgrades
- Support the City's preparedness for disasters, including a continuity of operations plan

Port Townsend  
2023 Fund Summary

**City of Port Townsend  
ENGINEERING FUND  
BUDGET SUMMARY**

<b>Engineering Internal Service Fund</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Proposed</b>	<b>Increase/Decrease 2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	55,593	131,824	56,460	338,799	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	808,438	719,488	1,259,867	1,474,484	17.0%
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	776	4,536	100	100	0.0%
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	-	-	-	-	
<b>Total Revenue</b>	<b>809,214</b>	<b>724,024</b>	<b>1,259,967</b>	<b>1,474,584</b>	<b>17.0%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	577,332	626,943	776,475	850,298	9.5%
Supplies	5,912	5,150	8,315	7,189	-13.5%
Services	149,739	167,129	180,338	183,115	1.5%
Capital Outlays	-	167	12,500	6,500	-48.0%
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
Other Financing Uses (inc. Transfers Out)	-	-	-	-	
<b>Total Expenditure</b>	<b>732,983</b>	<b>799,389</b>	<b>977,628</b>	<b>1,047,103</b>	<b>7.1%</b>
<b>Net Change in Fund Balance</b>	<b>76,231</b>	<b>(75,364)</b>	<b>282,339</b>	<b>427,481</b>	<b>51.4%</b>
<b>Ending Fund Balance</b>	<b>131,824</b>	<b>56,460</b>	<b>338,799</b>	<b>766,280</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>

**Engineering**

**Goal Statement:**

The City of Port Townsend engineering division is an enterprise fund within the Public Works Department. This means that the division bills other funds for every hour worked. As such, the revenues in the budget often are shown to exceed expenses indicating that there is more work than can be performed by the division staff. In actuality, the division struggles to cover costs and the fund balance is near zero making it challenging for the division to take on tasks unless there is billing authority granted from other funds.

The underlying goal of the division is to provide technical support for management of existing assets and the development of new public infrastructure. Engineering is a key division providing support to Public Works administration. This support comes in the form of internal service to other departments such as GIS mapping, software support, development review, contracting, bidding, purchasing, code enforcement, planning for future infrastructure and technical support to operations, planning for future infrastructure. External services are also a key element of engineering's responsibilities such as right of way management, permitting, franchise utility management, traffic analysis, and environmental compliance.

Port Townsend  
2023 Fund Summary

Design of capital projects makes up over half of the engineering division's work which includes design and development of new infrastructure as well as capital repairs replacements, grant procurement, and capital funding program management.

**2023 Key Goals:**

- Become fully staffed if not accomplished in 2022. Consider hiring an additional project engineering staff position subject to approval through a supplemental budget.
- Update GIS delivery application to replace outdated software.
- If staffing is available, delivery of capital projects
- Improved development review and infrastructure inspection in coordination with the Planning and Community Development Department.
- Subject to staffing, update of engineering standards and related codes.
- Continued development of a city-wide infrastructure extension plan for 2024 code updates.
- Move to a digital office and records management through training and use of digital resources in coordination with the public records officer.

**2023 Work Plan:**

- If staffing is available and subject to funding, support the parking plan development and implementation.
- Focus on construction projects including Discovery, 2022 banked capacity, and 2023 banked capacity with existing resources.
- If staffing is available, support of engineering studies and designs including rate studies, general sewer plan update,
- Subject to funding, buildable lands and open space support
- Support NPDES Phase II stormwater program

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend</b>						
<b>UNEMPLOYMENT RESERVE FUND</b>						
<b>BUDGET SUMMARY</b>						
<b>Unemployment Service Fund</b>	<b>Internal</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Increase/Decrease</b>
		<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>		25,474	25,590	22,231	22,231	
<b>Revenues</b>						
Taxes		-	-	-	-	
Licenses & Permits		-	-	-	-	
Intergovernmental Services		-	-	-	-	
Charges for Goods & Services		-	-	-	-	
Fines & Penalties		-	-	-	-	
Miscellaneous Revenue		116	14	-	-	
Other Increases		-	-	-	-	
Other Financing Sources (inc. Transfers In)		72,492	22,631	-	50,000	
<b>Total Revenue</b>		<b>72,609</b>	<b>22,646</b>	<b>-</b>	<b>50,000</b>	
<b>Expenditures</b>						
Salaries & Wages & Benefits		72,492	26,004	-	50,000	
Supplies		-	-	-	-	
Services		-	-	-	-	
Capital Outlays		-	-	-	-	
Debt Service - Principal		-	-	-	-	
Debt Service - Interest		-	-	-	-	
Other Financing Uses (inc. Transfers Out)		-	-	-	-	
<b>Total Expenditure</b>		<b>72,492</b>	<b>26,004</b>	<b>-</b>	<b>50,000</b>	
<b>Net Change in Fund Balance</b>		<b>116</b>	<b>(3,359)</b>	<b>-</b>	<b>-</b>	
<b>Ending Fund Balance</b>		<b>25,590</b>	<b>22,231</b>	<b>22,231</b>	<b>22,231</b>	
<b>Sufficient to Meet Obligations</b>						<b>MEETS POLICY</b>

Port Townsend  
2023 Fund Summary

<b>City of Port Townsend FIREMEN'S PENSION FUND BUDGET SUMMARY</b>					
<b>LEOFF 1 Fiduciary Fund</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Proposed</b>	<b>Increase/Decrease 2023 Proposed vs 2022 Budget</b>
<b>Beginning Fund Balance</b>	258,871	277,705	294,571	302,244	
<b>Revenues</b>					
Taxes	-	-	-	-	
Licenses & Permits	-	-	-	-	
Intergovernmental Services	-	-	-	-	
Charges for Goods & Services	-	-	-	-	
Fines & Penalties	-	-	-	-	
Miscellaneous Revenue	1,211	160	-	-	
Other Increases	-	-	-	-	
Other Financing Sources (inc. Transfers In)	34,235	34,235	34,235	34,235	0.0%
<b>Total Revenue</b>	<b>35,446</b>	<b>34,395</b>	<b>34,235</b>	<b>34,235</b>	<b>0.0%</b>
<b>Expenditures</b>					
Salaries & Wages & Benefits	1 15,388	16,189	25,202	25,202	0.0%
Supplies	3 -	-	-	-	
Services	4 1,224	1,340	1,360	1,346	-1.0%
Capital Outlays	6 -	-	-	-	
Debt Service - Principal	7 -	-	-	-	
Debt Service - Interest	8 -	-	-	-	
Other Financing Uses (inc. Transfers Out)	0 -	-	-	-	
<b>Total Expenditure</b>	<b>16,612</b>	<b>17,529</b>	<b>26,562</b>	<b>26,548</b>	<b>-0.1%</b>
<b>Net Change in Fund Balance</b>	<b>18,834</b>	<b>16,866</b>	<b>7,673</b>	<b>7,687</b>	<b>0.2%</b>
<b>Ending Fund Balance</b>	<b>277,705</b>	<b>294,571</b>	<b>302,244</b>	<b>309,931</b>	
<b>Sufficient to Meet Obligations</b>					<b>MEETS POLICY</b>



**CITY OF PORT TOWNSEND, WASHINGTON**  
**STAFFING AND COMPENSATION SUMMARY**

The City of Port Townsend employs approximately 100 individuals. City employees are made up of four groups:

- General Government Bargaining Unit - employees who are members of the Local Union No. 589 of the International Brotherhood of Teamsters
- Police Department Bargaining Unit - employees who are members of the Local Union No. 589 of the International Brotherhood of Teamsters
- Non-represented management, library and “confidential” employees who do not belong to any bargaining group
- Part-time and temporary/seasonal employees

Compensation and benefits for the two Teamsters bargaining units are negotiated and certain wage changes, pay scales and benefit packages are administered based on the contractual agreements.

The Police Collective Bargaining Unit ratified a 2-year contract in July 2022. The new contract expires December 31, 2023. Negotiations for a new agreement will take place in 2023. Assuming some vacancies will continue in 2023, 15.0 full-time officers and 1.10 reserve/provisional officers were included in the budget and a vacancy factor considered. Recruiting and retaining officers continues to be a challenge for Port Townsend and nationally.

The General Collective Bargaining Unit ratified a 3-year contract. The new contract expires December 31, 2024.

With these collective bargaining agreements in place, wage rates for 2023 are contracted to increase 5.0% for all City staff. Due to current labor market conditions and higher than normal inflationary times, salary increases for staff are above average. All increases are included in the budget estimates for 2023.

Changes to Council members’ compensation were considered by an independent Salary Commission during the fall of 2021. Council compensation had not been changed since 2007. Five commission members were appointed to determine whether and what changes were necessary to monthly salaries for these elected officials. The commissioners considered multiple points of data including cost of living changes during the period of 2007-2021, salaries for officials in comparable communities, time required to carry out the functions of the office, and salaries received by members of other governing boards in Jefferson County. Individual interviews with council members were conducted by the commission to better assess time commitment to the position. The commission’s binding decision on compensation was presented to the City Clerk on November 9, 2021. Based on the commission’s determination, compensation levels for 2022-3 are as follows:

- Effective January 1, 2022 – the Mayor’s monthly salary will be \$1,025.
- Effective January 1, 2022 – each Council member’s monthly salary will be \$700.

Salaries will be increased by \$25-\$50 per month every two years between now and 2028 when a subsequent Salary Commission consideration is statutorily required.

The binding decision can be challenged by referendum within 30 days

Medical insurance for Council members was determined to be separate from compensation by the 2021 Salary Commission. Staff and Council are researching the possibility of providing medical coverage for the first time. The budget as presented includes \$50,000 to cover the costs if voted in by Council. Depending on the final decision made by Council, a budget supplemental may need to be brought forward in 2023 to cover any additional costs.

The 2023 budget reflects a total of 100.7 full time equivalents (FTEs) excluding Council members. This is an increase after consecutive years of reduction (from 109.2 in 2018). The FTE count reflects an increase of 5.5 positions compared to the 2022 budgeted positions.

Additions include:

- Temporary Long-Range Planner – 2-year temporary position funded by ARPA will help to support updates to the City’s Comprehensive Plan as well as assist with the delivery of code amendments to streamline processes
- Communications and Marketing Manager – this position will develop and implement a cohesive and coordinated communications strategy to support internal and external City communications and functions, helping to tell a compelling and nested set of narratives to build community trust and confidence in the City. The position will also manage critical contracts and relationships to maximize the positive benefit of tourism in our community.
- Deputy Police Chief – this position will handle the day-to-day operations of the Police department, including the supervision of patrol, traffic, investigations, drug enforcement, training. Crime prevention and the School Resource Program (SRO). The Deputy Police Chief will physically work in the field, key to improving department morale and reducing use of force incidents and citizen complaints.
- HR Assistant – provide administrative support to the Human Resources department allowing the Director of People and Performance as well as the HR Generalist to focus on high-impact strategic HR initiatives while continuing to support all staff.
- Behavioral Health Navigator (in-house, grant funded) –The Navigator assists police with the increasing number of calls for service for individuals with mental health and/or substance abuse disorders. The services provided by the Navigator help extend the police staff.
- Housing Grant Coordinator – this is a shared, grant funded position with local community partners. This role will be developed in 2023 to best fit the needs of the partners.

- Seasonal Workers – Janitorial (1), Streets (2), and Parks (2) maintenance. Seasonal staff are typically hired between May and October and are budgeted at an equivalent to 0.50 FTE each. Seasonal staff support spring and summer clean-up efforts in parks, maintain streets right of ways as well as assist with weekend restroom and garbage collection.

Despite these additions, City staffing is still not back to 2018 staffing levels. Service requests from our community often exceed our staff's capacity to respond; setting service level expectations and matching the City's ability to fund these service levels will be a key topic in discussions with the Financial Sustainability Task Force.

Details on the assumptions used in preparation of the 2023 salary and benefit budget, including details regarding the proposed staff reductions, are provided below.

### **2023 Budget Assumptions for General Government Agreement**

The General Government Agreement covers Public Works, Development Services, Finance and Police Administration employees. The General Government Agreement with the Teamsters defines the pay scales, seniority rates and annual inflationary adjustments to salaries for this group of employees. The proposed 2023 budget was prepared by reviewing each employee's position and seniority as compared to the wage charts, as well as including a rate increase of 5.00%, which is higher than rates normally included in the City's long-range forecast.

Full time employees receive a full benefit package that includes health, life, dental and retirement benefits. The current contract calls for employees in this group to contribute 10% of the total cost of the medical benefit costs for themselves and any covered dependents, which is how the City budgeted these costs. Teamster benefit rates are budgeted to increase 4.0% in 2023.

### **2023 Budget Assumptions for Police Agreement**

The Police Agreement with the Teamsters defines the pay scales, compensated hours, seniority rates and cost of living adjustments to salaries for police officers and sergeants. The Police Collective Bargaining Unit ratified a 2-year contract in July 2022. The new contract expires December 31, 2023.

2023 Budget assumptions are forecasted with an hourly rate increase of 5.0%, which is higher than rates normally included in the City's long-range forecast. Full-time employees receive a full benefit package that includes health, life, dental and retirement benefits. Employees contribute 10% of the medical benefit costs for themselves and any covered dependents. Teamster benefit rates are budgeted to increase 4.0% in 2023.

## **2023 Budget Assumptions for Non-represented employees**

The non-represented employee group is made up of management and professional level staff, part-time library staff, and confidential/administrative staff. This group has no formal contractual agreement and benefit and wage increases have historically been dictated by performance and availability of budget dollars. Full time employees receive a full benefit package that includes health, life, dental and retirement benefits. Employees contribute 15% of the total cost of these benefits for themselves and any covered dependents. Medical benefit rates are forecasted to increase 4.5% which is partially offset by a 2.0% discount for WellCity designation. Employees may choose from two dental plans. The dental premiums are budgeted for no increases in 2023. There are no increases forecasted for vision benefit rates.

A classification scale and compensation policy for non-represented employees was approved by the City Council in 2015 to formalize wages and establish a predictable compensation system. Due to today's competitive recruitment and retention environment, a comprehensive review of both represented and non-represented compensation is being conducted in Fall 2022 with results to follow in early 2023. Depending on the results of the compensation study, the salary schedules may require adjustments. Any adjustments will be brought forward in 2023 budget supplemental

The 2023 budget includes a wage adjustment for non-represented employees of 5.0% consistent with bargaining unit staff.

**Minimum Wage** - For 2023, the minimum wage will increase \$1.25 or 8.6% to \$15.74 per hour. This increase impacts library and seasonal wage rates. Additionally, the increase begins to impact higher level position through wage compression. Wage compression occurs when pay adjustments regardless of experience, skills or seniority increase the base wage and bring those wages closer to the wages of more senior, experienced, skilled positions. The Director of People & Performance will continue to monitor the impact of minimum wage adjustments on all City positions.

## **Recruiting Staff, Succession Planning and Best Practices**

The City continues to strive to foster a healthy City organization through investing in leadership development and training and adopting and implementing best employment practices.

In 2021, the City Manager restructured the Human Resources Department by hiring a Director of People & Performance. This position reports directly to the City Manager and is a key member of the City's leadership team. This position is supported by a full time Human Resource Specialist/Generalist. Additionally, in 2023, a full time Human Resource Assistant will be recruited to support this effort. The Director will focus on recruitment, retention, and development of City staff. Development of career pathing and City-wide training opportunities for growth will enhance the City's ability to retain valued employees and set standards for a high-performance culture. The 2023 budget adds

resources for staff training and education that were significantly reduced during the pandemic.

A total of 100.7 positions are included in the budget for 2023, not including volunteer hours or accrued leave payouts. Volunteer hours amount to approximately 3.36 FTEs and assist with police operations, library operations, and parks maintenance.

A chart below shows the trend by department of authorized staffing over the last five years:

<b>CITY OF PORT TOWNSEND - AUTHORIZED POSITIONS *</b>						
<b>Department/Division</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2023 Requested vs 2022</b>
<b>General Government</b>						
City Manager	2.0	2.0	1.0	1.0	1.0	0.0
City Attorney	3.6	2.6	2.0	2.0	2.0	0.0
Communications					1.0	1.0
Development Service & Planning	8.3	8.3	8.0	8.5	10.0	1.5
Finance & Utility Billing (UB)	6.3	7.5	9.0	9.0	9.0	0.0
Police Admin & Operations	20.0	19.8	18.6	20.1	22.1	2.0
City Clerk/Human Resources	5.0	4.0	3.6	4.0	5.0	1.0
PEG TV Studio	0.0	0.0	0.0	0.0	0.0	0.0
Facilities	3.5	4.0	3.5	3.5	3.5	0.0
Street	2.2	1.9	1.7	1.7	1.7	0.0
Parks Maintenance & Recreation	4.5	4.0	3.5	4.2	4.2	0.0
Pool	8.3	8.0	4.0	0.0	0.0	0.0
Library	9.6	8.9	8.9	8.9	8.9	0.0
Equipment Rental	4.0	4.0	3.0	3.0	3.0	0.0
<b>Total General Government</b>	<b>77.3</b>	<b>75.1</b>	<b>66.8</b>	<b>65.9</b>	<b>71.4</b>	<b>5.5</b>
<b>Public Works &amp; Utilities (excl UB)</b>						
Public Works Administration	4.2	4.2	2.5	2.5	2.5	0.0
Public Works Engineering	6.7	5.4	5.9	6.5	6.5	0.0
Utilities						0.0
Water Distribution	5.5	5.5	5.0	5.0	5.0	0.0
Water Quality & Resource	3.5	3.5	4.0	4.0	4.0	0.0
Wastewater Collection	2.5	2.6	2.2	2.2	2.2	0.0
Wastewater Treatment	3.8	3.6	3.5	3.5	3.5	0.0
Biosolids	2.5	2.5	2.5	2.5	2.5	0.0
Stormwater	3.3	3.5	3.1	3.1	3.1	0.0
<b>Total Public Works &amp; Utilities</b>	<b>31.9</b>	<b>30.8</b>	<b>28.7</b>	<b>29.3</b>	<b>29.3</b>	<b>0.0</b>
<b>TOTAL CITY FTES</b>	<b>109.2</b>	<b>105.9</b>	<b>95.5</b>	<b>95.2</b>	<b>100.7</b>	<b>5.5</b>
Percentage Change					<b>5.8%</b>	
<b>Positions not currently counted as FTES</b>						
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	
Mayor/Council	7.0	7.0	7.0	7.0	7.0	
<i>* Does not include leave payouts or seasonal positions</i>						

CITY OF PORT TOWNSEND			
NON-BARGAINING EMPLOYEE POSITION CLASSIFICATION SALARY SCHEDULE			
BUDGET 2023			
<b>Elected Officials</b>			
<b>Classification</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Positions</b>
Mayor	\$ 12,300.00	\$ 12,300.00	1.00
Councilmembers	\$ 8,400.00	\$ 8,400.00	6.00
<b>Non Represented Employees</b>			
<b>Classification</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Positions</b>
City Manager	\$ 138,338	\$ 198,762	1.00
Public Works Director	\$ 133,474	\$ 163,342	1.00
City Attorney	\$ 130,896	\$ 157,075	1.00
Chief of Police	\$ 121,079	\$ 154,289	1.00
Director of Finance & Technology Services	\$ 117,806	\$ 150,531	1.00
Planning & Community Development Director	\$ 117,806	\$ 143,985	1.00
Parks & Recreation Strategic Director	\$ 117,806	\$ 143,985	1.00
Deputy Police Chief	\$ 107,021	\$ 130,431	1.00
Deputy Public Works Director/City Engineer	\$ 107,021	\$ 130,431	1.00
Director of People & Performance	\$ 107,021	\$ 130,431	1.00
Parks, Recreation & Community Services Director	\$ 107,021	\$ 130,431	0.00
Assistant City Engineer II	\$ 98,221	\$ 123,203	0.00
Assistant City Engineer I	\$ 94,899	\$ 119,037	0.00
Library Director	\$ 94,899	\$ 117,806	1.00
Human Resources Manager	\$ 91,876	\$ 127,256	0.00
Prosecuting Attorney/Assistant City Attorney	\$ 91,113	\$ 112,032	0.00
Planning Manager	\$ 91,114	\$ 112,032	1.00
Building Official	\$ 89,991	\$ 107,988	1.00
Parks & Facilities Manager	\$ 89,991	\$ 107,988	1.00
Public Works Operations Manager - WW/Bio	\$ 89,991	\$ 107,988	1.00
Public Works Operations Manager - Water Resources	\$ 89,991	\$ 107,988	1.00
Public Works Operations Manager - Streets/Sewer/Stormwater	\$ 89,991	\$ 107,988	1.00
Civil Engineer II	\$ 89,991	\$ 107,988	1.00
City Clerk	\$ 86,980	\$ 112,981	1.00
Public Records Officer	\$ 86,980	\$ 112,981	1.00
Operations Manager - Parks, Recreation & Facilities	\$ 85,082	\$ 117,806	0.00
Finance Manager	\$ 87,691	\$ 122,109	1.00
Accounting Manager	\$ 87,691	\$ 122,109	1.00
Civil Engineer III	\$ 83,101	\$ 114,610	1.00
Senior Planner	\$ 81,994	\$ 104,808	1.00
Finance & Budget Analyst	\$ 81,994	\$ 104,808	0.00
Project Manager	\$ 81,994	\$ 104,808	0.00
Library Manager - Public and Technical Services	\$ 71,856	\$ 84,589	1.00
Library Manager - Youth Services	\$ 71,856	\$ 84,589	1.00
Civil Engineer EIT	\$ 67,152	\$ 86,797	1.00
Deputy City Clerk	\$ 64,194	\$ 84,973	0.00
Executive Assistant to City Manager	\$ 64,194	\$ 84,973	0.00
Human Resources Specialist or Generalist	\$ 64,194	\$ 84,973	1.00
Legal Assistant/Deputy Clerk	\$ 64,194	\$ 84,973	1.00
Legal Assistant	\$ 64,194	\$ 84,973	0.00
Payroll and Benefits Administrator	\$ 64,194	\$ 84,973	0.00
Executive Assistant to Chief of Police	\$ 60,628	\$ 80,298	0.00
<b>Hourly Part-Time Positions</b>			
Library Associate	\$ 22.71	\$ 26.76	0.50
Library Assistant	\$ 17.12	\$ 20.19	3.51
Library Assistant Substitute		\$ -	0.54
Library Courier, Library Page	\$ 15.74	\$ 18.99	1.30
<b>Reserve and Seasonal Positions</b>			
<b>** Seasonals not included in Total FTE count</b>			

Reserve Police Officers, commissioned		\$ 37.79	1.00
Reserve Police Officers, noncommissioned		\$ 25.00	0.35
Seasonal Workers	\$ 15.74	\$ 18.99	2.50
<b>Total Non-Represented Employees</b>			<b>36.20</b>

**CITY OF PORT TOWNSEND**

**UNCLASSIFIED EMPLOYEE POSITION CLASSIFICATION SALARY SCHEDULE**

**BUDGET 2023**

<b>Classification</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Positions</b>
Temporary Long Range Planner	<i>to be determined</i>		1.00
Communications/Marketing Manager	<i>to be determined</i>		1.00
Human Resources Assistant	<i>to be determined</i>		1.00
Housing Grants Coordinator	<i>to be determined</i>		0.50
Navigator	<i>to be determined</i>		1.00
<b>Total Unclassified Employees</b>			<b>4.50</b>

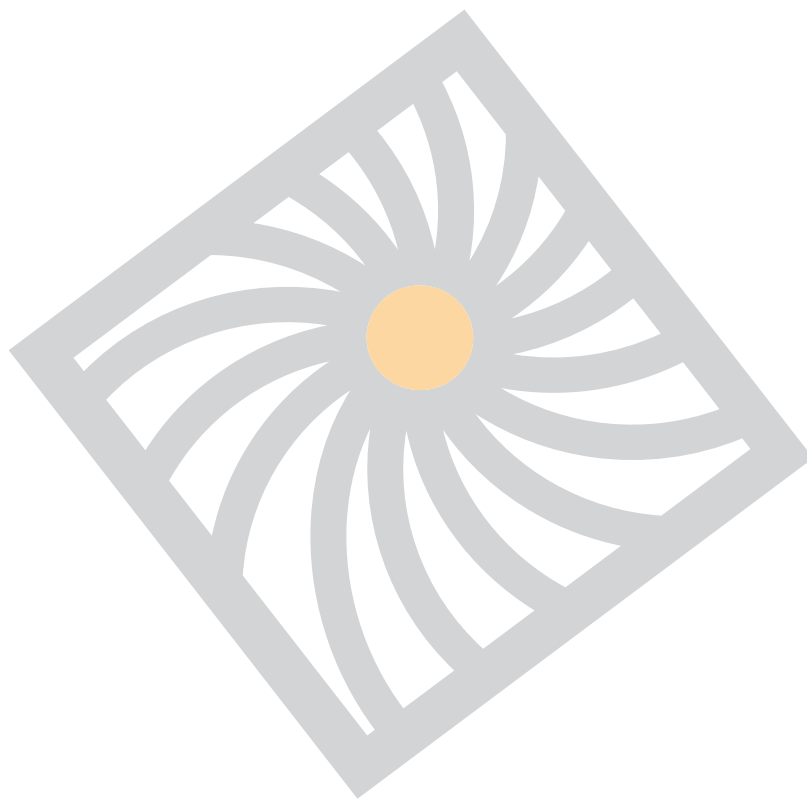
**CITY OF PORT TOWNSEND**

**UNION/REPRESENTED EMPLOYEE POSITION CLASSIFICATION SALARY SCHEDULE**

**BUDGET 2023**

<b>Union/Represented Employees</b>			
<b>Classification</b>	<b>Minimum/hr</b>	<b>Maximum/hr **</b>	<b>Positions</b>
IT Network Administrator	\$ 43.85	\$ 49.77	1.00
Accountant	\$ 37.81	\$ 42.90	0.00
Associate Planner	\$ 36.49	\$ 44.14	0.00
Crew Chief	\$ 35.79	\$ 40.66	1.00
GIS Coordinator	\$ 35.13	\$ 39.94	1.00
IT Technical Support	\$ 35.13	\$ 39.94	0.00
Building Inspector	\$ 34.30	\$ 38.97	1.00
Code Compliance Officer	\$ 34.30	\$ 38.97	1.00
Public Works Inspector	\$ 34.30	\$ 38.97	1.00
Crew Chief Apprentice	\$ 33.30	\$ 37.82	1.00
Lead Equipment Operator	\$ 33.30	\$ 37.82	4.00
Lead Operator	\$ 33.30	\$ 37.82	2.00
Police Records Lead	\$ 33.30	\$ 37.82	1.00
Assistant Planner	\$ 32.75	\$ 37.19	0.00
Finance Specialist	\$ 32.75	\$ 37.19	1.00
Land Use Specialist	\$ 32.75	\$ 37.19	1.00
Project Accounting Specialist	\$ 32.75	\$ 37.19	1.00
Purchasing/Contracts Specialist	\$ 32.75	\$ 37.19	0.00
Mechanic	\$ 31.79	\$ 36.12	0.00
Equipment Operator	\$ 31.09	\$ 35.18	12.00
Finance Tech III	\$ 28.04	\$ 31.83	1.00
Police Clerk	\$ 28.04	\$ 31.83	1.00
Public Works/Engineering Support Specialist III	\$ 28.04	\$ 31.83	0.00
Parks, Rec & Community Services Admin Support Spec	\$ 26.03	\$ 29.47	0.00
Public Experience Liaison	\$ 26.03	\$ 29.47	3.00
Community Services Officer	\$ 25.56	\$ 29.23	1.00
Finance Tech II	\$ 25.56	\$ 29.23	1.00
Maintenance Worker	\$ 25.56	\$ 29.23	7.00
Permit Tech	\$ 25.56	\$ 29.23	2.00
Public Works/Engineering Support Specialist II	\$ 25.56	\$ 29.23	0.00
Administrative Assistant	\$ 24.72	\$ 28.08	0.00
Public Works Administrative Assistant	\$ 25.77	\$ 29.13	0.00
Police Officer	\$ 37.79	\$ 43.37	12.00
Sergeant	\$ 48.58	\$ 53.14	3.00
<b>Total Union/Represented Employees</b>			<b>60.00</b>
<b>TOTAL CITY POSITIONS</b> (Excluding Elected Officials, Seasonals & Reserve Officers)			<b>100.70</b>

\*\* max pay does not include longevity or other premiums as may be applicable





## **CITY OF PORT TOWNSEND, WASHINGTON 2023 CAPITAL PLAN**

The City developed a Capital Facilities Plan (CFP) in 2022 to serve as a six-year capital improvement plan which is updated at least once every 2 years consistent with the requirements of the Growth Management Act. The CFP was adopted in 2022 for the years 2023 – 2028. This plan includes both funded and unfunded capital projects that add new infrastructure to the City and those that replace and improve aging City infrastructure. The most significant funded capital projects planned in 2023 or those already underway are described below with project budget summaries and project pages to follow:

### **Transportation Projects**

The City is currently developing a Comprehensive Streets Program to prioritize and develop strategies to address the back-log of street maintenance needs. This will continue an aggressive grant program to help fund transportation improvements. The following two improvement projects are currently underway.

- Discovery Road Bikeway, Roadway and Sidewalk Project includes the planning, design and construction of a sidewalk on both sides of the street, a bicycle pathway on the south side of Discovery Road from Rainier Street to McClellan Street, along with stormwater improvements and reconstruction of the existing failed pavement. The project is funded by a Federal Surface Transportation Program (STP) grant, a State grant through WSDOT's Pedestrian & Bicycle Safety Program, Federal Surface Transportation Block Grant funds, a State of Washington Transportation Improvement Board grant, and City matching funds. The City went through a public stakeholder process for establishing the project design features in 2021. Construction is planned in 2023. The first quarter supplement for 2023 will roll previously budgeted funds forward into 2023.
- The City secured STBG funds in 2021 to support the WSDOT Kearny Street Roundabout Project. These funds are intended to make improvements to City streets that abut the WSDOT project and enhance pedestrian and bicycle safety with additional project features. A portion of this project will be rolled forward into the 2023 budget in the first quarter supplemental.

### **Banked Capacity Projects**

The City Council approved increasing the property tax levy rate to fund approximately \$600,000 of parks and streets capital needs. Based on fiscal sustainability principles, the backlog of maintenance challenges, and the goal of making improvements that met a number of key criteria outlined below, the following projects were prioritized. These projects were initiated in 2022 and expect to be completed by 2023. Some of these

projects will be rolled forward into the 2023 budget as part of the first quarter supplemental..

Project Type	Name	Project Cost
Street restoration/Non-motorized	Pacific Ave.	\$ 66,581
Non-motorized	Spruce Trail	\$ 21,300
Non-motorized	Lawrence & MTN View ADA Curb Ramps	\$ 60,000
Non-motorized	Sidewalks (9th St between McPherson & Hancock)	\$ 227,500
Parks	Chetzemoka Kitchen Shelter (\$50,000 Match)	\$ 100,000
Parks	Bishop Swingset (Hancock St. & Parkside Dr.)	\$ 30,000
Parks	Parks kiosks, Intepretive, and Trail Signage (Citywide)	\$ 61,000
	<b>Subtotal</b>	<b>\$ 566,381</b>
	<b>Contingency</b>	<b>\$ 38,619</b>
	<b>TOTAL</b>	<b>\$ 605,000</b>

*2022 Banked Capacity Projects*

Banked capacity projects for 2023 focus on street repairs with a small amount of funding supporting Kah Tai Nature Park. 2023 banked capacity projects are included in the 2023 budget as follows:

- RCO grant match = \$40,000
  - Residential street repair projects = \$800,000
  - Contingency = \$68,000
- Total = \$908,000**

**Stormwater Projects**

The stormwater capital improvements for 2023 include support for banked capacity projects associated with road work. One of the key elements of road repair is to address drainage problems ahead of the street work. Some capital funds were budgeted in 2022 and will be rolled forward to 2023 in the first quarter supplemental.

The City also budgets a small amount of stormwater work associated with repair and maintenance.

## **Wastewater Projects**

Several projects are planned in 2023 to improve the City's wastewater system. These projects include

- General Sewer Plan update and Nutrient Study. These two projects address the future of the wastewater system in order to prioritize investment in the system. This includes analyzing what upgrades are needed at the Wastewater Treatment Plant to address the forthcoming required reduction of nutrient discharges. These projects were initiated in 2022 and will be completed in 2023. The 2023 budget will need to be amended to account for project roll forward in the 1<sup>st</sup> quarter supplemental.
- The City is working through the permitting phase of replacing the Wastewater Treatment Plant outfall. Construction is anticipated in 2024.
- The wastewater fund will contribute to capital improvements associated with banked capacity projects to ensure sewer lines are extended and repaired ahead of road construction.

## **Water Projects**

The City will be working on the following water system improvements in 2022.

- Installation of water meters on the Olympic Gravity Water System to support the new Mill agreement. A portion of this work is completed. The remainder of the work will be budgeted in 2023 in the 1<sup>st</sup> quarter supplemental.
- The east dam of Lords Lake will be upgraded to address seismic stability concerns. In 2023, an engineering study of the dam will assess the scope of the work necessary. This project was budgeted in 2022 and will be rolled forward in the first quarter supplemental. This project is largely grant funded and the City is waiting for FEMA authorization.
- The 1 million gallon steel reservoir (standpipe) is in need of repainting. Design will occur in 2023. .
- Additional Olympic Gravity Water System projects are included in the 2023 budget including:
  - A pipeline condition assessment
  - Cathodic protection
  - Big Quilcene Main Valve Control building upgrades
- The City also budgets \$200,000 annually to remove spaghetti lines and address other capital replacement.

## **Facilities Projects**

The Port Townsend Library annex needs window replacement and rehabilitation of the restrooms. These projects are anticipated to be completed in 2023 and 2024. A portion of these funds will be rolled forward to 2023 as part of the 1<sup>st</sup> quarter supplemental.

Utilizing ARPA funds, the 2023 budget includes City Hall upgrades to be constructed in 2023. This work follows up on spacing planning and investments performed in 2022.

### **Affordable Housing Project**

An affordable housing support project is underway utilizing State grant funds. These grant funds will allow the City to purchase property to be used for affordable and workforce housing as well as to expand the City's utilities to ensure adequate service to support housing development. The 2023 budget includes funding from the County ARPA funds for site master planning and permitting.

### **Economic Development Projects**

The City partnered with the Port of Port Townsend and the Jefferson County PUD to secure Jefferson County Public Infrastructure Funds for a project that achieves multiple objectives, primarily for safety and economic development. Approximately \$1.6 million of Port, PUD, and grant funds will expand the Boat Haven Boat Yard and underground the transmission power lines. This project will impact the Flats District and poplar trees along Sims Way. The City is contributing \$135,000 along with grant funds to replace the poplars and support the installation of a path along SR 20.

### **2022 Completed Projects**

The Gaines Street pump station project was completed in 2022. A number of other projects included much work in preparation for completion in 2023.

2023 Budget Project Status by Fund	2023 Project Budget
<b>General Government</b>	
Pink House	100,000
Library Windows	100,000
Library Restrooms	-
Chetzemoka Kitchen Shelter	92,500
Kah Tai Restrooms	75,000
City Hall Upgrades Phase 3	400,000
Affordable Housing	500,000
<b>Subtotals</b>	<b>1,267,500</b>
<b>Street</b>	
Sims Way and Boatyard Expansion Project	135,000
Pacific & Spruce	72,881
9th St Sidewalk	212,500
ADA Lawrence St	-
Kearney St	426,400
2023 Banked Capacity Street Repair Projects	868,000
Discovery Road	-
<b>Subtotals</b>	<b>1,714,781</b>
<b>Water</b>	
Discovery Road	-
Pacific & Spruce	-
1 MG Standpipe Coating	140,000
General Water Capital Replacement, Improvements, and Repairs	200,000
OGWS Master Meters	125,000
Lords Lake	75,000
Big Quilcene Main Control Valve Building Replacement	125,000
Pipeline Condition Assessment - 1928 OGWS Pipeline	150,000
Cathodic Protection - 1928 OGWS Pipeline	154,000
<b>Subtotals</b>	<b>969,000</b>
<b>Sewer</b>	
Discovery Road	-
Pacific & Spruce	-
2023 General Sewer Capital Replacement, Improvements, and Repairs	200,000
Sewer Outfall	100,000
General Sewer Plan	50,000
Wastewater Nutrient	15,000
Affordable Housing	40,000
<b>Subtotals</b>	<b>405,000</b>
<b>Storm</b>	
General Stormwater Capital Replacement, Improvements, and Repairs	50,000
ADA Lawrence St	-
Discovery Road	-
Pacific & Spruce	-
2023 Banked Capacity Street Repair Projects	251,970
<b>Subtotals</b>	<b>301,970</b>
<b>TOTALS</b>	<b>4,658,251</b>



**Project Description**

Evaluate and make repairs to exterior of the Charles Pink House. The siding and trim are in disrepair.

Revenue			Project Budget	Prior Year Revenues	2022 Actual	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
ARPA		\$	305,000			5,000		100,000	205,000	305,000	
						-				-	-
										-	-
<b>Total Revenue</b>		<b>\$</b>	<b>305,000</b>	-		-	-	100,000	205,000	<b>305,000</b>	-
Expense				Prior Year Expenditures	2022 Actual	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>											
Terrapin Contract \$12,000		\$	35,000		780	5,000		35,000		35,000	
										-	-
										-	-
										-	-
Subtotal		\$	35,000							-	-
<b>Construction</b>											
	General Government	\$	250,000					65,000	185,000	250,000	-
										-	-
										-	-
										-	-
Subtotal		\$	250,000							-	-
<b>Project Management</b>											
	General Government	\$	20,000						20,000	20,000	-
										-	-
										-	-
										-	-
Subtotal		\$	20,000							-	-
<b>Project Contingency</b>		\$	-							-	-
										-	-
<b>Total Expense</b>		<b>\$</b>	<b>305,000</b>	-	-	5,000	-	100,000	205,000	<b>305,000</b>	-



**Project Description**

The 1989 addition to the Port Townsend Library has windows with frames that are beginning to rot due to moisture intrusion and window failure. This project replaces the windows for this portion of the library. The source of funds for this project are bond revenues as well as American Rescue Plan Act funds.

Revenue	Project Budget	Prior Year Revenues	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues
Bond Fund	\$ 62,209		-	500	62,209			62,209
Real Estate Excise Tax	\$ 7,791		-		7,791			7,791
Federal Grant (ARPA)	\$ 100,000					100,000		100,000
								-
								-
								-
<b>Total Revenue</b>	<b>\$ 170,000</b>	-	-	500	70,000	100,000		<b>170,000</b>

Expense		Prior Year Expenditures	2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures
<b>Design Engineering / Permitting</b>								
								-
								-
								-
								-
Subtotal	\$ -							-
<b>Construction</b>								
	General Government	\$ 167,500	-		67,500	100,000		167,500
								-
								-
Subtotal	\$ 167,500							-
<b>Project Management</b>								
	General Government	\$ 2,500	197	500	2,500			2,500
								-
								-
								-
Subtotal	\$ 2,500							-
<b>Project Contingency</b>		\$ -						-
<b>Total Expense</b>	<b>\$ 170,000</b>	-	197	500	70,000	100,000		<b>170,000</b>

Library Restrooms



**Project Description**

The library restrooms in the 1989 addition to the Library are in need of rehabilitating. The project includes: demolishing and replacing all fixtures, toilet partitions, all toilet accessories and finishes. Also included is: painting, tile removal, and rot repair in Men's and Women's restrooms. The source of funds for this project are bond revenue as well as American Rescue Plan Act funds.

Revenue		Project Budget	Prior Year Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
General Government or Federal Funds		\$ 33,000		-	33,000			33,000	
								-	
								-	
								-	
								-	
<b>Total Revenue</b>		<b>\$ 33,000</b>	-	-	33,000	-		<b>33,000</b>	-

Expense			Prior Year Expenditures	2022 est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>								-	-
								-	-
								-	-
								-	-
Subtotal		\$ -						-	-
<b>Construction</b>								-	-
	General Government	\$ 30,500			30,500			30,500	-
								-	-
								-	-
								-	-
Subtotal		\$ 30,500						-	-
<b>Project Management</b>								-	-
	General Government	\$ 2,500			2,500			2,500	-
								-	-
								-	-
								-	-
Subtotal		\$ 2,500						-	-
<b>Project Contingency</b>								-	-
		\$ -						-	-
<b>Total Expense</b>		<b>\$ 33,000</b>	-	-	33,000	-	-	<b>33,000</b>	-



Chetzemoka Kitchen Shelter



**Project Description**

The Chetzemoka Kitchen Shelter is currently closed due to failing structural elements. The roof was rebuilt in recent years; however, the remaining elements of this historic structure need to be rehabilitated. This project uses a combination of banked capacity and a donation for Chetzemoka Park as revenue to fund the project.

Revenue			Project Budget	Prior Year Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Banked Capacity		\$ 50,000			-	7,500	42,500		50,000	-
Donations		\$ 50,000					50,000		50,000	-
									-	
									-	
									-	
									-	
<b>Total Revenue</b>		<b>\$ 100,000</b>		-	-	7,500	92,500		<b>100,000</b>	-

Expense			Prior Year Expenditures	2022 Est. Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date	
<b>Design Engineering / Permitting</b>										
								-	-	
								-	-	
								-	-	
								-	-	
								-	-	
Subtotal		\$ -						-	-	
<b>Construction</b>										
	General Government	\$ 92,500				92,500		92,500	-	
								-	-	
								-	-	
								-	-	
Subtotal		\$ 92,500						-	-	
<b>Project Management</b>										
	General Government	\$ 7,500			7,500			7,500	-	
								-	-	
								-	-	
								-	-	
Subtotal		\$ 7,500						-	-	
<b>Project Contingency</b>		\$ -						-	-	
<b>Total Expense</b>		<b>\$ 100,000</b>		-	-	7,500	92,500		<b>100,000</b>	-

Kah Tai Restrooms



**9 – Cost Efficiencies**

Kah Tai Lagoon Park  
WWRP Local Plans 22-182  
City of Port Townsend

Total Project Budget: \$223,380

Local funds: \$47,014  
Volunteer Labor: \$20,000  
WWRP Request: \$156,366

**Project Description**

Staff submitted for a RCO grant to rehabilitate Kah Tai Restrooms to bring the City into compliance with the original land water conservation grant for the park.

Revenue	Project Budget	Prior Year Revenues	2023 Budget	2024 Budget	Future Budget	Total Revenues	Actuals To Date
2023 Banked Capacity	\$ 40,000		40,000			40,000	-
						-	-
ARPA	\$ 35,000		35,000			35,000	
						-	
						-	
<b>Total Revenue</b>	<b>\$ 75,000</b>	-	75,000	-		<b>75,000</b>	-

Expense		Prior Year Expenditures	2023 Budget	2024 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>							
	General Government	\$ 10,000	10,000			10,000	-
						-	-
						-	-
						-	-
	Subtotal	\$ 10,000				-	-
<b>Construction</b>							
	General Government	\$ 60,000	60,000			60,000	-
						-	-
						-	-
						-	-
	Subtotal	\$ 60,000				-	-
<b>Project Management</b>							
	General Government	\$ 5,000	5,000			5,000	-
						-	-
						-	-
						-	-
	Subtotal	\$ 5,000				-	-
<b>Project Contingency</b>							
		\$ -				-	-
<b>Total Expense</b>	<b>\$ 75,000</b>	-	75,000	-		<b>75,000</b>	-

Supporting Affordable Housing with Infrastructure

Development  
Option: 14 Acres at Evans Vista Street

COUNCIL INFRASTRUCTURE AND DEVELOPMENT COMMITTEE  
SEPTEMBER 1, 2021



**Project Description**

The City received two grants for affordable housing in 2021. An additional Federal Grant is anticipated in late 2021 as well. The funding is directed to create land available for affordable housing through acquisition of property and the construction of sewer infrastructure to support full development of the land. An interfund loan will provide cashflow until reimbursement from the State is received for the acquisition of property.

Revenue			Prior Year Revenues	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Federal Grant (Anticipated)		\$ 2,500,000				800,000		2,500,000	2,500,000	-
State Utility Grant		\$ 1,700,000					26,500	1,673,500	1,700,000	-
State Affordable Housing Grant		\$ 1,372,000	1,355,476		16,523.71				1,372,000	1,372,000
City Funds		\$ 43,500			30,000.00		13,500		43,500	30,000
Jefferson County ARPA		\$ 500,000					500,000		500,000	
									-	-
									-	-
<b>Total Revenue</b>		<b>\$ 6,115,500</b>	1,355,476		46,523.71	800,000	540,000	4,173,500	<b>6,115,500</b>	1,402,000

Expense			Prior Year Expenditures	2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Land Purchase / Permitting</b>										
Land Purchase		\$ 1,372,000	1,355,476		16,523.71				1,372,000	1,355,476
Planning and Permitting		\$ 500,000					500,000		500,000	-
Cultural resources	General Government	\$ 43,500		30,973.20	43,500.00				43,500	30,973
									-	-
									-	-
Subtotal		\$ 1,915,500							-	-
<b>Construction</b>										
									-	-
									-	-
Sewer Lift Station and Forcemain	Sewer	\$ 3,150,000				700,000		2,450,000	3,150,000	-
									-	-
Subtotal		\$ 3,150,000							-	-
<b>Project Management/Design Engineering</b>										
	General Government	\$ 2,500		1,661.93	2,500.00				2,500	1,662
									-	-
									-	-
	Sewer	\$ 1,047,500		133.72	500.00	100,000	40,000	1,007,000	1,047,500	134
									-	-
Subtotal		\$ 1,050,000							-	-
<b>Project Contingency</b>		\$ -							-	-
									-	-
<b>Total Expense</b>		<b>\$ 6,115,500</b>	1,355,476	32,769	63,023.71	800,000	540,000	3,457,000	<b>6,115,500</b>	1,388,245



**Project Description**

City Hall underwent a remodel in 2007 and left many parts of the project incomplete. In 2021 a front counter was added to the lobby. After space planning in 2022, a continued phased approach to upgrading the City Hall office spaces on floors 2R and 3 were recommended. These floors were never completed in the earlier remodels of City Hall. The work proposed includes sound control, HVAC, carpet replacement, furniture, and conference room development.

Revenue		Project Budget	Prior Year Revenues	2023 Budget	2024 Budget	Future Budget	Total Revenues	Actuals To Date
ARPA		\$ 400,000		400,000			400,000	-
							-	-
							-	-
							-	-
							-	-
<b>Total Revenue</b>		<b>\$ 400,000</b>	-	400,000	-		<b>400,000</b>	-

Expense			Prior Year Expenditures	2023 Budget	2024 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>							-	-
							-	-
							-	-
							-	-
							-	-
Subtotal		\$ -					-	-
<b>Construction</b>								
	General Government	\$ 350,000		350,000			350,000	-
							-	-
							-	-
							-	-
Subtotal		\$ 350,000					-	-
<b>Project Management</b>								
	General Government	\$ 50,000		50,000			50,000	-
							-	-
							-	-
							-	-
Subtotal		\$ 50,000					-	-
<b>Project Contingency</b>		\$ -					-	-
<b>Total Expense</b>		<b>\$ 400,000</b>	-	400,000	-		<b>400,000</b>	-



**Project Description**

The Sims Way and Boatyard Expansion project was approved by the City Council, Port of Port Townsend, and Jefferson County PUD on 9/12/22. The construction of the south side of the project will be led by the Port with the City doing work overtime on the north side. The project involves removal of the existing Poplar trees, expanding the boatyard, and planting new trees on the south side. The project involves selective removal over time on the Kah Tai side by the City

Revenue		Project Budget	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
ARPA		\$ 50,000		2,000	50,000			50,000	-
In Kind Match - North Side - \$100,000								-	-
PIF		\$ 185,000		30,000	50,000	135,000	-	185,000	-
								-	-
								-	-
<b>Total Revenue</b>		<b>\$ 235,000</b>	-	32,000	100,000	135,000	-	<b>235,000</b>	-
Expense			2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>									
Design Consultant - Port		\$ 30,000		30,000		30,000		30,000	-
								-	-
								-	-
								-	-
Subtotal		\$ 30,000						-	-
<b>Construction</b>									
Construction Contract		\$ 190,000			100,000	90,000		190,000	-
In Kind Match - North Side \$100,000								-	-
								-	-
								-	-
Subtotal		\$ 190,000						-	-
<b>Project Management</b>									
Engineering Administration		\$ 15,000	1,376	2,000		15,000		15,000	1,376
								-	-
								-	-
Subtotal		\$ 15,000						-	-
<b>Project Contingency</b>									
		\$ -						-	-
								-	-
<b>Total Expense</b>		<b>\$ 235,000</b>	<b>1,376</b>	<b>32,000</b>	<b>100,000</b>	<b>135,000</b>	<b>-</b>	<b>235,000</b>	<b>1,376</b>



**Project Description**

Pacific Street is currently a gravel street. The street also is part of the Valley Trail leading from Kah Tai to Fort Worden. This project includes the construction of a 16' wide asphalt shared-use street on Pacific Avenue between Tremont Street and Cedar Street. This will connect to and pave the Spruce Street trail easement between Cedar Street and Center Street. Banked capacity funds make this project possible. Water, Sewer, and Stormwater work will also be performed prior to construction of the street improvements.

Revenue		Project Budget	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Banked Capacity		\$ 87,881		5,000	15,000	72,881		87,881	-
Water		\$ 75,000		5,000	75,000	-		75,000	-
Sewer		\$ 60,000		5,000	60,000	-		60,000	-
Stormwater		\$ 25,000		5,000	25,000	-		25,000	-
<b>Total Revenue</b>		<b>\$ 247,881</b>	-	20,000	175,000	72,881		247,881	-
Expense			2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals To Date
<b>Design Engineering / Permitting</b>								-	-
								-	-
								-	-
								-	-
Subtotal		\$ -						-	-
<b>Construction</b>								-	-
	Street	\$ 72,881	7,560			72,881		80,441	7,560
	Water	\$ 60,000			60,000	-		60,000	-
	Sewer	\$ 49,000			49,000	-		49,000	-
	Storm	\$ 19,000			19,000	-		19,000	-
Subtotal		\$ 200,881			128,000	72,881		200,881	-
<b>Project Management</b>								-	-
	General Government							-	-
	Street	\$ 15,000	1,268	5,000	15,000	-		16,268	1,268
	Water	\$ 15,000		5,000	15,000	-		15,000	-
	Sewer	\$ 11,000		5,000	11,000	-		11,000	-
	Storm	\$ 6,000		5,000	6,000	-		6,000	-
Subtotal		\$ 47,000						-	-
<b>Project Contingency</b>								-	-
		\$ -		20,000	47,000	-	-	47,000	-
<b>Total Expense</b>		<b>\$ 247,881</b>	<b>8,828</b>	40,000	175,000	72,881		247,881	8,828

9th St Sidewalk



**Project Description**

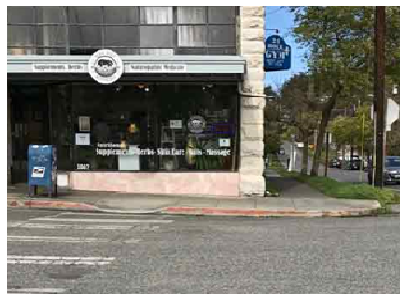
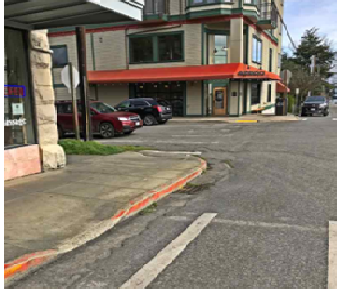
This project constructs a 6' wide sidewalk on 9th Street between McPherson Street and the recently finished Complete Streets sidewalk which ends at Hancock Street and connects to Sheridan Street. This project will connect the business park to Sheridan serving pedestrians in the neighborhood with a continuous sidewalk. Banked Capacity funding makes this project possible.

Revenue			Project Budget	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Banked Capacity		\$	227,500		15,000	35,000	212,500		227,500	-
									-	-
									-	-
									-	-
									-	-
<b>Total Revenue</b>		<b>\$</b>	<b>227,500</b>	-	15,000	35,000	212,500	-	227,500	-

Expense			2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>								-	-
								-	-
								-	-
								-	-
								-	-
Subtotal		\$	-					-	-
<b>Construction</b>								-	-
	Street	\$	182,500	8,325	30,000	182,500		182,500	8,325
								-	-
								-	-
Subtotal		\$	182,500					-	-
<b>Project Management</b>								-	-
	Street	\$	45,000	584	5,000	30,000		45,000	584
								-	-
								-	-
Subtotal		\$	45,000					-	-
<b>Project Contingency</b>								-	-
		\$	-					-	-
<b>Total Expense</b>		<b>\$</b>	<b>227,500</b>	<b>8,909</b>	<b>15,000</b>	<b>35,000</b>	<b>212,500</b>	<b>227,500</b>	<b>8,909</b>



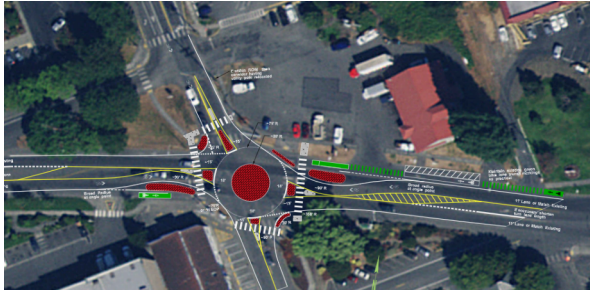


**Project Description**

The Lawrence American Disabilities Act project provides for improved accessibility to the existing sidewalk network. This project is a high priority for Disability Awareness Starts Here and the City given the intensity of pedestrian activity in the center of Uptown and proximity to Farmers Market. This project is made possible with revenues from banked capacity.

Revenue			Project Budget	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Banked Capacity		\$	60,000		5,000	60,000			5,000	-
									-	-
Storm		\$	15,000			15,000			-	-
<b>Total Revenue</b>		<b>\$</b>	<b>75,000</b>	<b>-</b>	<b>5,000</b>	<b>75,000</b>	<b>-</b>		<b>5,000</b>	<b>-</b>
Expense				2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>										
									-	-
									-	-
									-	-
									-	-
Subtotal		\$	-						-	-
<b>Construction</b>										
	Street	\$	38,000			38,000			38,000	-
									-	-
	Storm	\$	12,000			12,000			12,000	-
Subtotal		\$	50,000						-	-
<b>Project Management</b>										
	Street	\$	22,000	800	5,000	22,000			22,000	800
									-	-
	Sewer								-	-
	Storm	\$	3,000						-	-
Subtotal		\$	25,000			3,000			3,000	-
<b>Project Contingency</b>										
		\$	-						-	-
<b>Total Expense</b>		<b>\$</b>	<b>75,000</b>	<b>800</b>	<b>5,000</b>	<b>75,000</b>	<b>-</b>		<b>75,000</b>	<b>800</b>





**Project Description**

Washington State Department Of Transportation is replacing signals at Mill Road/SR20 and Kearney/SR20 with compact roundabouts at each location. The City secured Federal Surface Transportation Block Grant funds through a competitive process administered by Jefferson County. The funds will be used to enhance the WSDOT project with improved pedestrian and bike facilities as well as work on the roundabout approaches. The project was approved by the City Council on August 16, 2021.

Revenue			Project Budget	Prior Year Revenues	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues
Federal Grant Funds (STBG)		\$	476,900			74,390	108,125	368,775		476,900
Real Estate Excise Tax		\$	74,500			11,610	16,875	57,625		74,500
										-
										-
										-
<b>Total Revenue</b>		<b>\$</b>	<b>551,400</b>	-		86,000	125,000	426,400		<b>551,400</b>

Expense			Prior Year Expenditures	2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	
<b>Design Engineering / Permitting</b>										
	Street	\$	86,000		81,000	86,000	-		86,000	
									-	
									-	
	Subtotal	\$	86,000						-	
<b>Construction</b>										
	Street	\$	465,400			14,000	424,400		438,400	
									-	
									-	
	Subtotal	\$	465,400						-	
<b>Project Management</b>										
	Street	\$	-	1,528	5,000	25,000	2,000		27,000	
									-	
									-	
	Subtotal	\$	-						-	
<b>Project Contingency</b>										
									-	
<b>Total Expense</b>		<b>\$</b>	<b>551,400</b>	-		86,000	125,000	426,400		<b>551,400</b>





## Discovery Road

Improving Pedestrian and Bicycle Mobility

City of Port Townsend  
May 19, 2021



**Project Description**

The Discovery Road Project includes constructing a bicycle way, sidewalks, and curb ramps between the roundabout at Rainier Street and McClellan Street near Salish Coast Elementary School. The project will completely rebuild the failing pavement as well. The City received several grants to fund this large project. Discovery Road is an important arterial street connecting SR20 to Fort Worden. The City and stakeholders evaluated options for this project in the spring of 2021. City Council approved the concept design on May 17, 2021. Construction is anticipated in summer 2022.

Revenue	Project Budget	Prior Year Revenues	2022 Actuals	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Transportation Improvement Board - State Grant (UAP)	\$ 2,629,618	28,211		281,396	2,551,133	50,274		2,629,618	28,211
Washington State Department Of Transportation	\$ 1,442,082	-		37,339	1,442,082			1,442,082	-
Federal Grant Funds STP	\$ 621,515	265,292	303,468	356,223	159,578			621,515	568,759
Local - Street Funds - Bond	\$ 270,000	270,000		(123,831)				270,000	270,000
Water	\$ 240,000	776		49,224	180,000			180,000	776
Sewer	\$ 115,000	-		20,000	180,000			180,000	-
Storm	\$ 250,000	-			250,000			250,000	-
<b>Total Revenue</b>	<b>\$ 5,568,215</b>	564,278		620,352	4,762,793	50,274	-	<b>5,573,215</b>	867,746

Expense		Prior Year Expenditures	2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>									
	Street	\$ 755,854	339,058	287,592	416,796			339,058	626,649
	Water	\$ 34,216			34,216			-	-
	Sewer	\$ 13,217			13,217			-	-
	Subtotal	\$ 803,287						-	-
<b>Construction</b>									
	Street	\$ 3,322,829			4,030,719			4,030,719	-
	Water	\$ 190,937			150,000			150,000	-
	Sewer	\$ 92,877			160,000			160,000	-
	Storm	\$ 250,000			230,000			230,000	-
	Subtotal	\$ 3,856,643						-	-
<b>Project Management</b>									
	Street	\$ 197,810	259,856	54,603	(123,831)	126,867		386,723	314,459
	Water	\$ 12,833	776	1,649		30,000		30,776	2,425
	Sewer	\$ 6,242		1,523		20,000		20,000	1,523
	Storm	\$ -		98		20,000		20,000	98
	Subtotal	\$ 216,885						-	-
<b>Project Contingency</b>									
		\$ 691,400						-	-
<b>Total Expense</b>	<b>\$ 5,568,215</b>	<b>599,689</b>		<b>340,398</b>	<b>4,767,586</b>	<b>-</b>	<b>-</b>	<b>5,367,275</b>	<b>945,154</b>



**Project Description**

Miscellaneous capital repairs and replacement work comes up most years. The rate analysis includes \$200,000 per year of miscellaneous and unforeseen capital improvements. These funds also support removal and replacement of several thousand feet of spaghetti lines (4" or smaller pipes) which are a sources of leaks and system service failures. The city has started replacing 20 year old water meters as well.

Revenue			Project Budget	Prior Year Revenues	2022 Actual Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues
Water Rates		\$	200,000					200,000		200,000
										-
										-
										-
<b>Total Revenue</b>		<b>\$</b>	<b>200,000</b>	-	-	-	-	200,000		<b>200,000</b>
Expense				Prior Year Expenditures	2022 Actual Expenditures	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures
<b>Design Engineering / Permitting</b>										-
										-
										-
										-
										-
Subtotal		\$	-							-
<b>Construction</b>										-
	Water	\$	200,000		9,894			200,000		209,894
										-
										-
Subtotal		\$	200,000							-
<b>Project Management</b>										-
					1,110					1,110
										-
										-
										-
Subtotal		\$	-							-
<b>Project Contingency</b>										-
		\$	-							-
<b>Total Expense</b>		<b>\$</b>	<b>200,000</b>	-			-	<b>200,000</b>		<b>211,004</b>



**Project Description**

Accurate metering is necessary to ensure equitable water system cost sharing for the Olympic Gravity Water System operations and asset replacement. Port Townsend Municipal and the Mill water consumption will be individually metered at the point of delivery, located at the intersection of Mill Road and South 8th Street. Engineering and design for the metering is underway in 2021 and installation of the meters will occur in March 2022 during the annual paper mill maintenance shutdown.

Revenue		Project Budget	Actual 2022	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Water Operating		\$ 275,000		119,000	150,000	125,000		275,000	119,000
								-	-
								-	-
								-	-
								-	-
								-	-
<b>Total Revenue</b>		<b>\$ 275,000</b>	-	119,000	150,000	125,000		<b>275,000</b>	119,000

Expense			Actual 2022	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>								-	-
								-	-
RH2 Contract \$44,000	Water	\$ 55,000	40,551	44,000	42,500	12,500		55,000	40,551
								-	-
								-	-
Subtotal		\$ 55,000							
<b>Construction*</b>								-	-
								-	-
	Water	\$ 200,000	33,109	70,000	102,500	97,500		200,000	103,109
								-	-
								-	-
Subtotal		\$ 200,000						-	-
<b>Project Management</b>								-	-
								-	-
	Water	\$ 20,000	491	5,000	5,000	15,000		20,000	5,491
								-	-
								-	-
Subtotal		\$ 20,000						-	-
<b>Project Contingency</b>								-	-
		\$ -						-	-
<b>Total Expense</b>		<b>\$ 275,000</b>	<b>74,151</b>	<b>119,000</b>	150,000	125,000		<b>275,000</b>	<b>149,151</b>

1 MG Standpipe Coating



**Project Description**

The 1-million gallon steel standpipe needs periodic repainting to preserve the structure. The tank has not been recoated since it was constructed in 1995. Engineering and design for painting and corrosion protection is scheduled for 2022 and repainting in 2023. The project will require taking the standpipe offline for approximately 2 months to sandblast and recoat the tank.

Revenue		Project Budget	Prior Year Revenues	2022 Actual Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues
Water Operating		\$ 850,000		-		150,000	140,000	710,000	850,000
									-
									-
									-
									-
<b>Total Revenue</b>		<b>\$ 850,000</b>	-	-	-	150,000	140,000		<b>850,000</b>

Expense			Prior Year Expenditures	2022 Actual Expenditures	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures
<b>Design Engineering / Permitting</b>									
									-
	Water	\$ 100,000		-		140,000	100,000		100,000
									-
Subtotal		\$ 100,000							-
<b>Construction</b>									
									-
	Water	\$ 710,000					-	710,000	710,000
									-
Subtotal		\$ 710,000							-
<b>Project Management</b>									
									-
	Water	\$ 40,000		-		10,000	40,000		40,000
									-
Subtotal		\$ 40,000							-
<b>Project Contingency</b>		\$ -							-
<b>Total Expense</b>		<b>\$ 850,000</b>	-	-	-	150,000	140,000	710,000	<b>850,000</b>



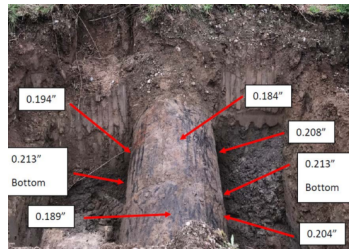
**Project Description**

As part of the water supply agreement, a capital spending plan was developed to address system long term reliability. Investments in the diversions are anticipated in the long-term plan. The main control valve building at the Big Quilcene Diversion has experienced significant rot and needs replacing at the request of the operating crew.

Revenue		Project Budget	Prior Year Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Water - Olympic Gravity Water System Fund		\$ 125,000				125,000	-	125,000	-
								-	-
								-	-
								-	-
								-	-
<b>Total Revenue</b>		<b>\$ 125,000</b>	-	-	-	125,000		<b>125,000</b>	-

Expense			Prior Year Expenditures	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>									
	Water	\$ 15,000				15,000		15,000	-
								-	-
								-	-
								-	-
	Subtotal	\$ 15,000						-	-
<b>Construction*</b>									
	General Government							-	-
	Water	\$ 100,000				100,000		100,000	-
	Storm							-	-
	Subtotal	\$ 100,000						-	-
<b>Project Management</b>									
	Water	\$ 10,000				10,000		10,000	-
								-	-
	Subtotal	\$ 10,000						-	-
<b>Project Contingency</b>									
		\$ -						-	-
<b>Total Expense</b>		<b>\$ 125,000</b>		-	-	125,000	-	<b>125,000</b>	-



**Project Description**

As part of the water supply agreement, a capital spending plan was developed to address system long term reliability. Evaluation of the 1928 section of the pipeline is included in the plan to accurately assess the remaining useful life. This study will guide replacement strategies to ensure water delivery is sustained.

Revenue		Project Budget	Prior Year Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Water - Olympic Gravity Water System Fund		\$ 550,000				150,000	400,000	550,000	-
								-	-
								-	-
								-	-
								-	-
<b>Total Revenue</b>		<b>\$ 550,000</b>	-	-	-	150,000		<b>550,000</b>	-

Expense			Prior Year Expenditures	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals To Date
<b>Design Engineering / Permitting</b>									
	Water	\$ 425,000				125,000	300,000	425,000	-
								-	-
								-	-
								-	-
	Subtotal	\$ 425,000						-	-
<b>Construction*</b>									
	General Government							-	-
	Water							-	-
	Storm							-	-
	Subtotal	\$ -						-	-
<b>Project Management</b>									
	Water	\$ 125,000				25,000	100,000	125,000	-
								-	-
								-	-
	Subtotal	\$ 125,000						-	-
<b>Project Contingency</b>									
		\$ -						-	-
<b>Total Expense</b>		<b>\$ 550,000</b>		-	-	150,000	400,000	<b>550,000</b>	-



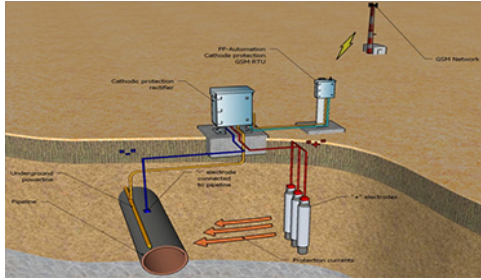


**Project Description**

The City is required to retain an engineering consultant to develop alternatives for improving East Dam stability during possible seismic events. The alternatives will also examine minimizing earthquake-induced embankment deformations which can lead to uncontrolled release of reservoir contents. The City is applying for a High Hazard Potential Dams Grant in 2021 in order to conduct the engineering study in 2022.

Revenue		Project Budget	Prior Year Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Water - Olympic Gravity Water System Fund		\$ 88,100			88,100			88,100	-
FEMA Grant - Hazard Mitigation Grant		\$ 86,900			11,900	75,000		86,900	-
								-	-
								-	-
								-	-
<b>Total Revenue</b>		<b>\$ 175,000</b>	-	-	100,000	75,000		<b>175,000</b>	-

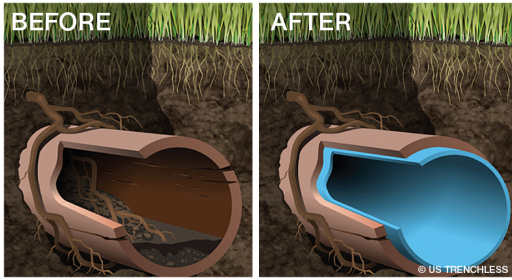
Expense			Prior Year Expenditures	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>									
	Water	\$ 130,000		-	95,000	35,000		130,000	-
								-	-
								-	-
	Subtotal	\$ 130,000						-	-
<b>Construction*</b>									
	General Government							-	-
	Water							-	-
	Storm							-	-
	Subtotal	\$ -						-	-
<b>Project Management</b>									
	Water	\$ 45,000			5,000	40,000		45,000	-
								-	-
	Subtotal	\$ 45,000						-	-
<b>Project Contingency</b>									
		\$ -						-	-
<b>Total Expense</b>		<b>\$ 175,000</b>		-	100,000	75,000	-	<b>175,000</b>	-



**Project Description**

As part of the water supply agreement, a capital spending plan was developed to address system long term reliability. Cathodic protection is a key feature in the system needed to extend the life of the pipeline. Cathodic protection is missing in the area between the Master meters and south past Otto Street. This project will install a new cathodic system for this section of the pipeline.

Revenue			Project Budget	Prior Year Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Water - Olympic Gravity Water System Fund		\$	154,000				154,000		154,000	-
									-	-
									-	-
									-	-
									-	-
<b>Total Revenue</b>		<b>\$</b>	<b>154,000</b>	-	-	-	154,000		<b>154,000</b>	-
Expense				Prior Year Expenditures	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>										
	Water	\$	-						-	-
									-	-
									-	-
									-	-
	Subtotal	\$	-						-	-
<b>Construction*</b>										
	General Government								-	-
	Water	\$	130,000				130,000		130,000	-
	Storm								-	-
	Subtotal	\$	130,000						-	-
<b>Project Management</b>										
Cathodic Protection - 1928 OGWS Pipeline										
									-	-
	Water	\$	24,000				24,000		24,000	-
									-	-
	Subtotal	\$	24,000						-	-
<b>Project Contingency</b>										
		\$	-						-	-
<b>Total Expense</b>		<b>\$</b>	<b>154,000</b>		-	-	154,000		<b>154,000</b>	-



**Project Description**

Miscellaneous capital repairs and replacement work comes up most years. The rate analysis includes \$200,000 per year of miscellaneous and unforeseen capital improvements. These funds support pipe replacement, and rehabilitation such as CIPP or slip lining.

Revenue		Project Budget	Prior Year Revenues	2022 Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Water Rates		\$ 200,000				200,000		-	-
								-	
<b>Total Revenue</b>		<b>\$ 200,000</b>	-	-	-	200,000		<b>200,000</b>	-
Expense			Prior Year Expenditures	2022 Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>								-	-
								-	-
								-	-
								-	-
								-	-
Subtotal		\$ -						-	-
<b>Construction</b>								-	-
	Water	\$ 200,000				200,000		200,000	-
								-	-
								-	-
Subtotal		\$ 200,000						-	-
<b>Project Management</b>								-	-
								-	-
								-	-
								-	-
Subtotal		\$ -						-	-
<b>Project Contingency</b>								-	-
		\$ -						-	-
<b>Total Expense</b>		<b>\$ 200,000</b>	-		-	200,000		<b>200,000</b>	-

Sewer Outfall



**Project Description**

This project includes permitting, design and construction to replace or rehabilitate the off-shore portion of the existing wastewater treatment plant outfall system with a new outfall and diffuser. The City has secured Department of Ecology loans to help construct this project.

Revenue		Project Budget	Prior Year Revenues	2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Revenues
Department of Ecology (ECY) Loan/Grant		\$ 408,000	408,000						408,000
Department of Ecology (ECY) Loan		\$ 3,330,000				90,000	90,000	3,240,000	3,330,000
Sewer System Development Charge		\$ 200,000	92,576					107,424	200,000
Sewer		\$ 170,000			11,000	10,000	10,000	149,000	170,000
									-
									-
									-
<b>Total Revenue</b>		<b>\$ 4,108,000</b>	500,576		11,000	100,000	100,000	3,496,424	<b>4,108,000</b>
Expense			Prior Year Expenditures	2022 Actuals	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures
<b>Design Engineering / Permitting</b>									-
									-
									-
	Sewer	\$ 805,000	394,222	2,582	10,000	80,000	80,000	320,778	805,000
									-
Subtotal		\$ 805,000							-
<b>Construction</b>									-
									-
									-
	Sewer	\$ 2,710,000						2,710,000	2,710,000
									-
Subtotal		\$ 2,710,000							-
<b>Project Management</b>									-
									-
									-
	Sewer	\$ 403,000	92,428	126	1,000	20,000	20,000	289,572	403,000
									-
Subtotal		\$ 403,000							-
<b>Project Contingency</b>									-
		\$ 190,000						190,000	190,000
<b>Total Expense</b>		<b>\$ 4,108,000</b>	486,650		11,000	100,000	100,000	3,510,350	<b>4,108,000</b>



**Project Description**

The General Sewer Plan for the City was last updated in 2000. This update involves a significant review of the entire sanitary sewer system to plan for the next 20 years. The City selected RH2 Engineering in 2021 to complete the plan update in 2022. The plan will result in an updated Capital Plan as well as project operational needs for operating the sewer system.

Revenue		Project Budget	Prior Year Revenues	2022 Actual Revenues	2022 Est. Actuals	2022 Budget Sewer	2023 Budget	Future Budget	Total Revenues	Actuals To Date
Sewer System Development Charge		\$ 230,000	37,777		100,000	210,000	20,000		230,000	37,777
Interlocal Agreement with Jeff. Co		\$ 30,000			10,000		30,000		30,000	-
									-	-
									-	-
									-	-
<b>Total Revenue</b>		<b>\$ 260,000</b>	37,777	-	110,000	210,000	50,000		<b>260,000</b>	37,777

Expense			Prior Year Expenditures	2022 Actual Expenditures	2022 Est. Actuals	2022 Budget Sewer	2023 Budget	Future Budget	Total Expenditures	Actuals to Date
<b>Design Engineering / Permitting</b>									-	-
									-	-
									-	-
RH2 Contract = 198522+30000	Sewer	\$ 230,000	27,571	47,566	100,000	180,000	50,000		230,000	75,137
									-	-
Subtotal		\$ 230,000							-	-
<b>Construction</b>									-	-
									-	-
									-	-
									-	-
Subtotal		\$ -							-	-
<b>Project Management</b>									-	-
									-	-
									-	-
	Sewer	\$ 30,000	10,206	3,565	10,000	30,000			30,000	13,771
									-	-
Subtotal		\$ 30,000							-	-
<b>Project Contingency</b>									-	-
									-	-
									-	-
									-	-
<b>Total Expense</b>		<b>\$ 260,000</b>	37,777	51,131		210,000	50,000		<b>260,000</b>	88,908



**Project Description**

The City's Wastewater Treatment Plant does an exceptional job removing nutrients from the waste stream before reclaimed water is released into the Strait of Juan De Fuca. In order to reduce nutrient loading to the Puget Sound, the Department of Ecology is expected to place new limits on the City's National Pollutant Discharge Elimination System (NPDES) permit. The City will receive a grant to perform a study of the plant to determine what upgrades are necessary to comply with the new permit.

Revenue			Prior Year Revenues	2022 Actuals	2022 Est. Actual Revenues	2022 Budget Sewer	2023 Budget	Future Budget	Total Revenues
Department of Ecology (ECY) Nutrient Grant		\$ 160,000				160,000			160,000
Sewer Rates		\$ 15,000			3,500		15,000		15,000
									-
									-
									-
<b>Total Revenue</b>		<b>\$ 175,000</b>	-		3,500	160,000	15,000		<b>175,000</b>

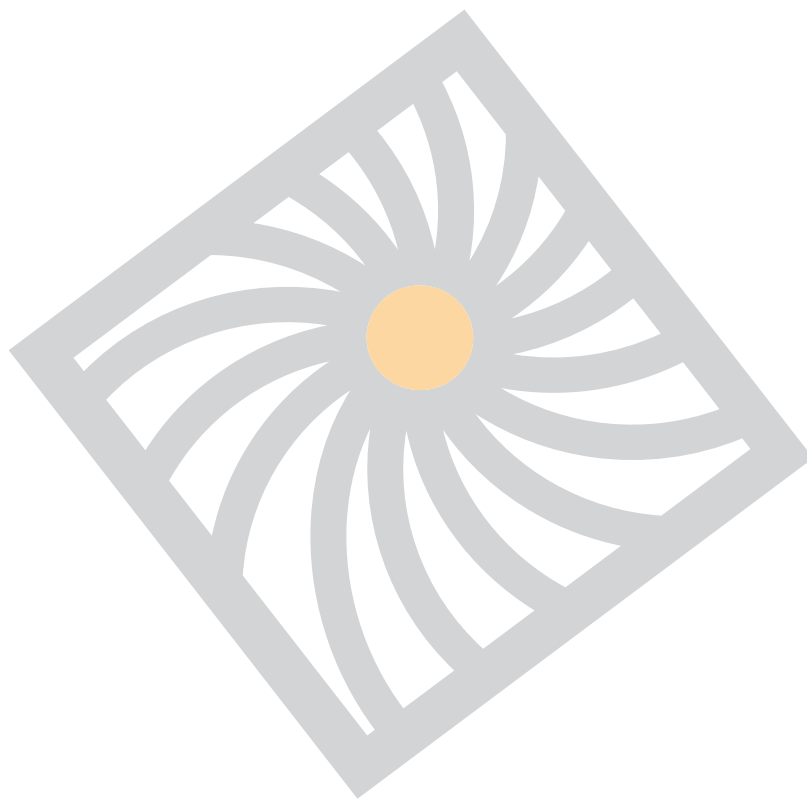
Expense			Prior Year Expenditures	2022 Actuals	2022 Est. Actual Expenditures	2022 Budget Sewer	2023 Budget	Future Budget	Total Expenditures
<b>Design Engineering / Permitting</b>									-
									-
	Sewer	\$ 160,000		1,655	2,500	155,000	5,000		160,000
									-
Subtotal		\$ 160,000							-
<b>Construction</b>									-
									-
									-
									-
Subtotal		\$ -							-
<b>Project Management</b>									-
									-
	Water								-
	Sewer	\$ 15,000		98	1,000	5,000	10,000		15,000
									-
Subtotal		\$ 15,000							-
<b>Project Contingency</b>									-
		\$ -							-
<b>Total Expense</b>		<b>\$ 175,000</b>	-		3,500	160,000	15,000		<b>175,000</b>



**Project Description**

Miscellaneous capital repairs and replacement work comes up most years. The rate analysis includes \$50,000 per year of miscellaneous and unforeseen capital improvements.

Revenue			Project Budget	Prior Year Revenues	2022 Actual Revenues	2022 Est. Actual Revenues	2022 Budget	2023 Budget	Future Budget	Total Revenues
Stormwater Rates		\$ 50,000			5,000			50,000		55,000
										-
										-
										-
<b>Total Revenue</b>		<b>\$ 50,000</b>		-	-	-	-	50,000		<b>55,000</b>
Expense				Prior Year Expenditures	2022 Actual Expenditures	2022 Est. Actual Expenditures	2022 Budget	2023 Budget	Future Budget	Total Expenditures
<b>Design Engineering / Permitting</b>										
										-
										-
										-
										-
Subtotal		\$ -								-
<b>Construction</b>										
	Storm	\$ 50,000			4,711	5,000		50,000		55,000
										-
										-
Subtotal		\$ 50,000								-
<b>Project Management</b>										
					54					-
										-
										-
										-
Subtotal		\$ -								-
<b>Project Contingency</b>										-
		\$ -								-
<b>Total Expense</b>		<b>\$ 50,000</b>		-			-	<b>50,000</b>		<b>55,000</b>





## CITY COUNCIL 2022

Name	Public Phone	Email	Term Expires
Ben Thomas	360-379-2980	<a href="mailto:bthomas@cityofpt.us">bthomas@cityofpt.us</a>	12/31/25 Pos. 1
Aislinn Diamanti	360-379-2980	<a href="mailto:adiamanti@cityofpt.us">adiamanti@cityofpt.us</a>	12/31/25 Pos. 2
Monica MickHager	360-379-2980	<a href="mailto:mmickhager@cityofpt.us">mmickhager@cityofpt.us</a>	12/31/23 Pos. 3
Owen Rowe	360-379-2980	<a href="mailto:orowe@cityofpt.us">orowe@cityofpt.us</a>	12/31/23 Pos. 4
Libby Urner Wennstrom	360-379-2980	<a href="mailto:lwenstrom@cityofpt.us">lwenstrom@cityofpt.us</a>	12/31/25 Pos. 5
Amy Howard	360-379-2980	<a href="mailto:ahoward@cityofpt.us">ahoward@cityofpt.us</a>	12/31/23 Pos. 6
David Faber	360-379-2980	<a href="mailto:dfaber@cityofpt.us">dfaber@cityofpt.us</a>	12/31/23 Pos. 7

Fax Number for all Council members is the Admin fax line: 360-385-4290



# COUNCIL COMMITTEE ASSIGNMENTS

## Updated March 16, 2022

### COUNCIL STANDING COMMITTEES

Infrastructure and Development (1<sup>st</sup> Wed. 3pm Virtual/Chambers)-----DF, AH, **AD**  
 Culture and Society (2<sup>nd</sup> Wed. at 4:30pm, Virtual/Chambers) -----MM, **OR**, BT  
 Finance and Budget (3<sup>rd</sup> Wed. 3pm / Virtual/Chambers)-----LW, AH, **MM**  
 Intergovernmental Collaborative Group (Board of Commissioners)----- Council of the Whole

### CITY BODIES WITH COUNCIL REPRESENTATIVES

Alternative Electric Management Committee -----Unassigned  
 Lodging Tax Advisory Committee (LTAC) -----DF

### OUTSIDE BODIES WITH COUNCIL REPRESENTATIVES

#### Economic Development

North Olympic Peninsula Resource Conservation & Development Council (NODC) AD (MM alt.)

#### Health

Jefferson County Board of Health ----- LW  
 Jefferson County Developmental Disabilities Advisory Board ----- OR  
 Jefferson County Clean Water District Advisory Council-----MM  
 Jefferson County Behavioral Health Committee----- AD  
 Jefferson County Solid Waste Facilities Task Force ----- OR

#### Housing

Affordable Housing Task Force ----- Unassigned (**doesn't currently exist**)  
 Housing Fund Board -----AH, AD

#### Infrastructure

Public Infrastructure Board -----DF

#### Law and Justice

Jefferson County/Port Townsend Regional Emergency Planning Committee -----MM

#### Transportation

Jefferson Transit Authority Board----- BT, DF  
 Peninsula Regional Transportation Planning Organization Executive Board-----BT (DF Alt)  
 Surface Transportation Block Grant (STBG) Selection Committee-----DF

#### Other

Climate Action Committee ----- OR  
 Jefferson County/City of Port Townsend LEOFF I Retirement/Disability Board -----DF  
 JeffCom Administrative Board ----- Staff  
 OlyCAP Board of Directors----- AH  
 Joint Growth Management Steering Committee----- AD, DF, BT  
 Jefferson County FEMA funds (Dove House Advocacy Services, administrative agency)----- AD  
 Port Townsend Main Street HUD Loan Committee----- AH  
 Creative District ----- OR  
 Fort Worden Public Development Authority ----- LW  
 Jefferson Broadband Action Team ----- LW  
 Team Jefferson Economic Development Council (EDC)-----MM

<b>PARKS, REC, TREES &amp; TRAILS ADVISORY BOARD (5-7)</b>		
<b>Council Liaison: Amy Howard</b>		
Meets Bi-monthly 4:30pm 4th Tuesday at City Hall		
Pos.	Name & Experience	Exp.
1	Matt Miner	5/1/25
2	Jim Todd	5/1/23
3	Jennifer Rotermund	5/1/24
4	Pamela Adams	5/1/25
5	Rebecca Kimball	5/1/25
6	Russell Hill	5/1/24
7	Deborah Jahnke, Chair	5/1/24

<b>HISTORIC PRESERVATION COMMITTEE (5-7)</b>		
<b>Council Liaison: Monica MickHager</b>		
Meets 3:00pm 1st Tuesday at City Hall		
Pos.	Name	Exp.
1	Kathleen Knoblock	5/1/23
2	Michael D'Alessandro	5/1/23
3	George Randels	5/1/23
4	Walt Galitzki	5/1/24
5	Richard Berg, Chair	5/1/24
6	Craig Britton, Vice Chair	5/1/25
7	Kathleen Croston	5/1/25

<b>LODGING TAX ADVISORY COMMITTEE (11 voting)</b>		
<b>Council Liaison: None</b>		
Meets 3:00pm quarterly 2nd Tuesday at City Hall		
Pos.	Name & Role	Exp.
1	David Faber, Chair (Elected Official)	N/A
2	Sherri Hanke (At Large Position)	5/1/23
3	Cindy Finnie (At Large Position)	5/1/25
4	Katy Goodman (Recipient)	5/1/25
5	Barb Trailer (Recipient)	5/1/24
6	Danielle McClelland (Recipient)	5/1/25
7	Denise Winter (Recipient)	5/1/25
8	VACANT	5/1/22
9	VACANT (Collector)	5/1/22
10	Natalie Maitland, Fort Worden PDA Designee (Collector)	5/1/23
11	Nathan Barnett (Collector)	5/1/24
12	Main Street Designee (Nonvoting)	5/1/24
13	Arlene Alen (Nonvoting)	5/1/23
14	VACANT (Nonvoting)	5/1/20

<b>ARTS COMMISSION (9 max.)</b>		
<b>Council Liaison: Ben Thomas</b>		
Meets 3:00pm 1st Wednesday at City Hall		
Pos.	Name	Exp.
1	Nan Toby Tyrrell	5/1/23
2	Alexis Arrabito	5/1/23
3	Sheila Long	5/1/23
4	Cosmo Rapaport	5/1/24
5	Lindsey Wayland	5/1/25
6	Sally Kiely	5/1/25
7	Joe Gillard	5/1/24
8	Dan Groussman	5/1/25
9	Nhattaleah Nichols, Chair	5/1/24

<b>FINANCIAL SUSTAINABILITY TASK FORCE</b>		
<b>Council Liaison: None</b>		
TBD		
Pos.	Name	Exp.
1	Catharine Robinson	N/A
2	Earl Murman	N/A
3	John Nowak	N/A
4	Richard Jahnke	N/A
5	Troy Surber	N/A
6	VACANT	N/A
7	VACANT	N/A
8	VACANT	N/A

<b>LIBRARY ADVISORY BOARD (5-7)</b>		
<b>Council Liaison: Owen Rowe</b>		
Meets Bi-monthly 1:00pm 2nd Tuesday at the LLC		
Pos.	Name	Exp.
1	Ann Katzenbach	5/1/25
2	Ellie Mathews	5/1/24
3	Jacqueline Mention, Chair	5/1/24
4	Kathy Ryan	5/1/23
5	Kathleen Hawn	5/1/23
6	Rebakah Daro Minarchek	5/1/23
7	David Tolmie	5/1/25

<b>PEG ACCESS COORDINATING COMMITTEE (8)</b>		
Meets 3:30pm 2nd Tuesday at the Gael Stuart Building		
Name		
_____, City Council (Chair)		
Joanna Sanders, City Clerk		
Melody Eisler, Library Director		
John Polm, School District Superintendent		
_____, School District Video Instructor		
Richard Durr, School District Representative		
VACANT, Video Professional		
_____, Citizen Representative		
VACANT, Student Representative		
VACANT Producers Group Representative (Optional)		
VACANT Education Group Representative (Optional)		

<b>CLIMATE ACTION COMMITTEE (15)</b>		
Meets bi-monthly 3:00 p.m. on 2nd Tuesday		
Pos.	Name	Exp.
1	Jefferson County BoCC ( Kate Dean)	N/A
2	City Council (Owen Rowe)	N/A
3	JeffPUD (Jeff Randall - <i>Vice Chair</i> )	N/A
4	Jefferson County Public Health (Laura Tucker)	N/A
5	Jefferson Healthcare (Chris O'Higgins)	N/A
6	Jeff. Transit (John Bender)	N/A
7	Port of PT ( Eric Toews/Jim Pivarnik)	N/A
8	PT Paper Corp. (Michael Clea)	N/A
9	Cindy Jayne - <i>Chair</i>	12/31/23
10	Arlene Alen	12/31/24
11	David Wilkinson	12/31/22
12	Diane McDade	12/31/24
13	Cara Loriz	12/31/24
14	Kate Chadwick (Policy)	12/31/23
15	Dave Seabrook	12/31/24

<b>PLANNING COMMISSION (7)</b>		
Meets 6:30pm 2nd & 4th Thursday at City Hall		
Pos.	Name	Exp.
1	Samantha Bair Jones	12/31/24
2	Neil Nelson	12/31/23
3	Rick Jahnke, Vice Chair	12/31/24
4	Viki Sonntag	12/31/23
5	Lois Stanford, Chair	12/31/22
6	Robert Doyle	12/31/22
7	Andreas Andreadis	12/31/24

<b>CIVIL SERVICE COMMISSION (3)</b>		
Meets as needed		
Pos.	Name	Exp.
1	Gail Ryan	12/31/25
2	Troy Surber	12/31/24
3	Richard Knight, Chair	12/31/23

<b>FORT WORDEN PDA (9-11)</b>		
<b>Council Liaison:</b> Libby Wennstrom		
Meets at Fort Worden Commons B		
Pos.	Name	Exp.
1	Brad Mace	10/24/22
2	Victoria Brazitis	10/24/22
3	David King	10/24/23
4	Eva Weber	10/24/23
5	John Begley	10/24/24
6	Rodger Schmitt	10/24/24
7	Celeste Tell	10/24/24
8	VACANT	10/24/22
9		10/24/25
10		10/24/25
11		10/24/25