

PORT OF BREMERTON

2022 BUDGET



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Mission Statement

To increase the economic opportunity for all of Kitsap County by generating jobs, developing infrastructure and improving local quality of life. We are a regional leader in creating economic and recreational opportunities for our community. We support a sustainable local economy through strategic public investments and stewardship of our natural environment.

Vision Statement

Imagine a community where our people can drive to work, come home to their family, and enjoy a quality of life all within the same area they live. Our community and the Port share a common vision of the future. The Port's role in that future is to build, operate and maintain world-class facilities providing recreation and economic development opportunities for aviation, marine and business. We strive for an abundance of sustainable jobs, a healthy environment, and access to recreational opportunities, which all contribute to the quality of life that is unique to Kitsap County - where quality of life and economic opportunity are in balance.

Cary Bozeman, Commissioner, January 1, 2022 - December 31, 2027

District 1: West Bremerton, portions of East Bremerton, Kitsap Lake and Chico

Previously the Chief Executive Officer of the Port of Bremerton from 2009-2011, Cary returned as Port Commissioner in 2016 for a six year term (2016-2021). He has also served as mayor of Bellevue and Bremerton, where he has lived since 1997. In addition, Cary is the founder of The Bozeman Group, a consulting firm that works with cities to create economically viable downtown urban neighborhoods. He has received several honors throughout his career including being named by Seattle Magazine as one of the most influential people of 2007 and receiving the Governor’s 2004 Economic Development Award.

Gary Anderson, Commissioner, January 1, 2020 - December 31, 2025

District 2: Downtown Port Orchard, portions of Eastern South Kitsap

Born and raised on a family farm in Kitsap County, Gary Anderson has more than 30 years of experience in land use and development issues. He worked at residential real estate before starting his own company focusing on commercial property development. He has served on the Board of Directors for the Port Orchard Chamber, as President of the Association of Realtors, and as a member of the Port Orchard Rotary. “I have held a desire to improve our community's way of life and have put that desire into my efforts as a commercial real estate broker.” Anderson said, “[I] have considered running for Port Commission for the past 10 years to further meet that desire.”

Anderson was elected to serve as Port Commissioner in 2020 for a six-year term and is looking forward to supporting the Port of Bremerton to create economic opportunity and jobs in Kitsap County. He’s focused on helping to improve the quality of life for residents and to uphold the commitment to fiscal responsibility to taxpayers investing in our community.

Axel Strakeljahn, Commissioner, January 1, 2018 – January 1, 2023

District 3: Portions of South Kitsap, Southwest Bremerton, Seabeck/Holly/Crosby

Axel Strakeljahn was first elected to the Board of Commissioners in 2012 and was reelected in 2018. Commissioner Strakeljahn has spent the past 30 years working and living on the shores of the Kitsap Peninsula. After years of leading successful businesses in the community, he also actively supports community organizations such as Boys and Girls Club and Habitat for Humanity. The retired director of one of Kitsap County’s largest retail corporations, Axel explains that his decision to run for commissioner was based on a desire to offer his extensive business knowledge in the public service arena. After successfully operating several large businesses, he hopes to bring decades of experience in producing and managing large budgets, controlling expenses, establishing more promotional events, and bringing new business to the Port of Bremerton.

Message From the CEO

As we continue to push through these historic times, the Port of Bremerton, like many of us, has had its obstacles and opportunities come its way. Working from home, zoom meetings, virtual conferences and social distancing have become a norm in the way business is done over the last two years. Rising construction costs, delays in product availability, and the rising real estate market has hindered some businesses from beginning or expanding in the Port. Despite the obstacles, opportunities have materialized for some businesses that have found unplanned success from a demand in their products or services that was created through the results of the last two years.

The Industrial Park signed 40 new and extended leases for industrial park tenants in 2021. The Port of Bremerton was awarded the “Job Creator of the Year” by the Washington Public Ports Association for its significant growth in family wage jobs in the Port community. Over the last 5 years, the Port has increased the number of jobs in the industrial park by well over 250% to approximately 2600 jobs. Positioned with shovel-ready property, partnerships with private sector, and thanks to the hard work of staff, we were able to unify as a team and find ways to help local businesses accomplish their goals of growth. Continued infrastructure improvements on Highway 3 were made to prepare for transportation for the new Amazon facility and for future growth in the Puget Sound Industrial Center. In the coming year, projects will include 3 more business expansions, continued design development of “Skypark” - a new 20-acre industrial park with airport runway access, new entryway monuments and other improvements based upon the Port’s 20-year master planned approved by the Port Commission in 2020.

Bremerton National Airport completed many projects to add to a facility where Hangar space is currently at 100% occupancy. A pad ready site was recently completed for 3 corporate hangars. Many improvements were also made in runway signage as well as taxiway and runway LED lighting which will be more energy-efficient, brighter, clearer, and have improved intensity levels, benefitting the pilots through better visibility and safety. In 2022 we expect to see the completion of a multipurpose facility which will include a commercial hangar, office space, pilots lounge, and the return of the airport’s restaurant which is enjoyed by many pilots as well as the local community. Other major plans for the airport this year is the design of additional hangar expansion to allow for general aviation hangar facilities and upgrades to the airport’s apron and taxiway. The Port expects to receive over \$4 million in grant awards to assist in the construction costs of the airport improvements.

The Port has been very successful in marketing its two marinas located in Port Orchard and Bremerton. Although many planned events have been cancelled due to COVID protocols, permanent moorage is at 100% capacity. Its state-of-the-art marina facilities are attracting boaters from all over the country. It is expected that many events will return to the waterfront by summer, increasing occupancy to the visitor moorage slips as well. There are two major projects currently in progress at the marinas. At the Bremerton marina is a public/private partnership for an exciting waterfront development project that includes apartments, retail, and commercial space along with a 385-space parking garage, of which 75 spaces will be reserved for marina tenants. Plans for a breakwater replacement began at the Port Orchard

Marina. The breakwater benefits the public and community by protecting the marina and its 471 boat slips, providing a place to walk on the water, places to gather and recreate, and a space for visiting boaters to come and spend time at the Port Orchard waterfront. The marina brings in more than \$10 million in revenue to Port Orchard and Kitsap County every year which makes replacing the breakwater a vital investment. The Port also recently purchased property adjacent to the Port Orchard Marina boat launch, which will be used for future needs near the marina and waterfront. Additionally, automated pay stations are planned to be installed at both marinas for more convenient paying options for visiting boaters.

Administratively, the Port continues to focus on operational efficiencies and improved customer service. The 2022 budget estimates an increase in operating revenues of 6%, while operating expenses increases only 1.4%. The Port Commissioners voted once again not to impose any additional tax levy for the community. The ability to administer to aeronautical, marine, and industrial business sectors in a timely and user-friendly fashion as well as remain in compliance with all city, state and federal regulations requires efficient infrastructure and creative personnel. The Port's culture is driven by creativity, accountability, and teamwork from all employees. Port staff are proactive in finding new ways to better serve our tenants and our community.

Within these investments mentioned above, lies several underlying components which continue to be the backbone of the Commissioners' direction for 2022;

- To be responsible with taxpayer investment
- To continue the vision of job growth and quality of life to the community
- To create a professional looking industrial park, marina, and airport
- To be the leader in industrial economic development
- To accommodate needs of current tenants
- To be better prepared for future tenants

As we work with this everchanging environment, I believe the budget plan for 2022 along with the current workforce and leadership at the Port of Bremerton, the Port is positioned to accomplish its goals for the coming year and I am very excited for the Port's future.

Jim Rothlin
Chief Executive Officer

Message From the CFO

The budget translates the Port's policies and plans into a reality that delivers services and capital improvement projects. The budget communicates the plans to the general public by outlining the costs of Port services and projects, and the revenues that will support these services and projects. Once the Commission adopted the budget, it became the work plan to be accomplished for the coming year.

Preparation of the budget involves stakeholders. Each of them has the opportunity and responsibility to contribute suggestions for projects and processes that would improve the use of Port's resources more efficiently.

The budget provides four functions:

Function 1

The budget as a policy guideline

Fiscal policies provide guidelines for the Port Commissioners and Management Team to make sound business decisions. These policies help ensure that the Port's day-to-day operations are maintained and the Commissioners' vision for the community is achieved.

Function 2

The budget as a fiscal plan

Fiscal planning is an aspect of the budget and is also a legal requirement by the State. Revenues and beginning fund balances are estimated to determine resources available in the Port operations. Expenditures and project commitments and ending fund balances are measured against available resources to determine the Port's fund appropriations.

Function 3

The budget as an operational guideline

The total expenditures including staffing time to complete the objective of operations should be reported out by department or division. The process ensures to maintain the operations of the Port and how they reach goals of the Port Commissioners.

Function 4

The budget as a communication tool

The budget encourages the general public review of the Port operations and invites citizens to provide input to the budget. Citizens are welcome to discuss challenges and opportunities with the Port Commissioners.

Sherman Hu

Chief Financial Officer

➔ **Fiscal Management:**

The Port can meet the public requirements through continual systems improvement, automation and innovation.

➔ **Budget Development Process:**

The Commissioners, chief executive officer, chief operations officer, chief financial officer, directors, and managers participated in the 2022 Budget Development Process.

They have the opportunities and responsibilities to address how to use the Port's resources more efficiently and effectively.

➔ **Budget Oversight/Monitoring:**

The Office of Chief Financial Officer provides monthly financial status reports to the directors and managers to review the cost activities to ensure all costs staying within the budget limits.

Property Tax Comparison - 2021 to 2022			
2021 (2021 Tax Payment)		2022 (2022 Tax Payment)	
2020 Levied Amount	\$ 3,835,039	2021 Levied Amount	\$ 3,915,398
0% Increase	-	0% Increase	-
New Construction	58,590	New Construction	82,377
Utilities	-	Utilities	-
Refunds	27,334	Refunds	8,457
Total 2021 Levy	\$ 3,920,963	Total 2022 Levy	\$ 4,006,232

Sources: Kitsap County Assessor's Office

2022 TAX YEAR LEVY LIMIT CALCULATION

PORT OF BREMERTON

District # 8800

Previous Year's Levy Including Any Refunds & Canceled Taxes Levied = 3,915,398

The district's resolution or ordinance must authorize any increase in terms of both the dollars and percentage over the previous year's levy. This increase is exclusive of new construction, increases in state assessed property (utilities), any annexations and refunds requested.

Highest Allowed Levy Since 1986 = 4,194,387

Differences between this amount and the previous year's levy are refunds and canceled taxes levied last year which are not included in this amount and/or any banked capacity your district may have.

1% Increase to Highest Allowed Levy = 4,236,331

This is the maximum allowed but may change to match what is authorized by resolution or is lawfully allowed for your district. It is exclusive of the items listed under the previous year's levy. The dollar and percent increase over the previous year's actual levy to collect this amount is \$320,933 and 8.1967%.

Amount due to New Construction = 82,377

New construction assessed value 320,795,057 X .256789 (the prior year's levy rate) = 82,377

Amount due to Increase in Utilities = 0

This amount will be zero until the values are received from the Department of Revenue. Since this amount may be unknown when you have your budget hearings, you may want to add an amount in your budget or levy certification in order to collect any unknown amount due to an increase in utilities.

AV of Annexed Property = 0

Amount due to Annexations = 0

The amount due for annexations is set when assessed values are final in January. Districts with annexations may want to add an amount in the budget or levy certification for any increases allowed.

Current Total Assessed Value = 17,306,739,084

This amount may fluctuate until values are final in January.

Tax Refunds & Canceled Taxes less Supplements = 8,457

Please include a dollar amount for refunds and canceled taxes in your budget and or levy certification to show the district's intent to collect these amounts.

Projected Levy Rate = .249539

Maximum Levy Rate = .45

Maximum levy rates for cities are estimated until final levy rates for Fire and Library Districts are known.

ESTIMATED TOTAL LEVY LIMIT AMOUNT = 4,327,165

Kitsap County Assessor's Office, Holly Becksted (360) 337-7084 hbecksted@co.kitsap.wa.us

Port of Bremerton Revenue Summary



Revenues	2021 Final Budget	2022 Final Budget	Changes
Airport	520,420	563,550	43,130
Industrial Parks	1,434,263	1,543,845	109,582
Port Orchard Marina	1,787,885	1,852,935	65,050
Bremerton Marina	1,057,230	1,118,910	61,680
Non-Operating			-
Tax Levy	3,835,039	3,920,963	85,924
Grants/Loans	5,315,534	4,543,922	(771,612)
Timber Sales Reserve		200,000	200,000
Total Revenues	13,950,371	13,744,125	(206,246)

Port of Bremerton Expense Summary



Operating Expenses	2021 Final Budget	2022 Final Budget	Changes
Airport	1,032,966	1,036,167	3,201
Industrial Parks	764,577	862,203	97,626
Port Orchard Marina	1,596,331	1,584,065	(12,265)
Bremerton Marina	1,349,601	1,286,041	(63,560)
Other Marinas	79,626	79,626	-
General & Administrative	2,075,526	2,145,058	69,532
Total Operating Expenses	\$ 6,898,626	6,993,160	94,534
Available Resources for Capital Projects	7,051,745	6,750,965	189,068

Port of Bremerton Capital Projects Summary



Available Resources for Capital Projects	7,051,745	6,750,965	189,068
Capital Projects	2021 Final Budget	2022 Final Budget	Changes
Airport	1,631,724	5,317,314	3,685,590
Industrial Parks	1,424,951	558,426	(866,525)
Port Orchard Marina	3,505,070	383,250	(3,121,820)
Bremerton Marina	165,000	209,250	44,250
Other Marinas		25,000	25,000
General & Administrative	325,000	257,725	(67,275)
Total Capital Projects	7,051,745	6,750,965	(300,780)

Dept	2022 Capital Budget Detail	Total Project Budget	New \$\$ 2022
Admin	Seabeck Project Reserve		\$ 50,000
Airport	Multipurpose Facility (Construction)	\$ 4,882,838	\$ 620,850
Airport	Multipurpose Facility (Engineering - CM)	\$ 439,186	\$ 25,892
Airport	South Hangar Project (Phase 2) (Design)	\$ 331,443	\$ -
Airport	Taxiway/Apron Rehab (Design +CN) (AIP)	\$ 4,501,317	\$ 4,165,922
Airport	Port Terminal/Avian Sewer Lift Station Replacement	\$ 60,000	\$ 60,000
Airport	SR3 Landscape Beautification	\$ 274,650	\$ 274,650
Airport	East Side Environmental Assessment	\$ 150,000	\$ 150,000
Airport/OVIP	Front Mower (50/50 Split with OVIP)	\$ 25,000	\$ 25,000
BREM/POM	Marina Reventment Boat Demolition Concrete Pad	\$ 15,000	\$ 15,000
BREM	Washington Ave Parking Lot	\$ 2,200,000	\$ -
BREM	Pile Coatings Splash Zone Repairs (40 piles/Year)	\$ 150,000	\$ 150,000
BREM	USS turner Joy Moorage Improvements	\$ 10,000	\$ 10,000
BREM	Electric Automatic Meter Upgrades	\$ 15,000	\$ 15,000
BREM	Fish Cleaning Station (RCO Grant)	\$ 3,000	\$ 3,000
BREM/POM	Green Marina Skimmer (Grant Funded)	\$ 30,000	\$ 30,000
BREM/POM	Portable Pump Out Pump (RCO Grant)	\$ 25,000	\$ 25,000
GA	Site, Utility, Building Improvements	\$ 200,000	\$ 132,725
GA	Business Development Opportunities	\$ 75,000	\$ 75,000
GA	Software Upgrades, System Expansion	\$ 200,000	\$ -
Harper	Pile Anodes / Splash Coat Zone Repairs(10 piles)	\$ 25,000	\$ 25,000
OVIP	Inventech Marine Site (Construction)	\$ 1,200,000	\$ -
OVIP	OVIP 7 HVAC Replacement	\$ 35,000	\$ 35,000
OVIP	Bldg 5650 (OVIP 2) Fascia and Roof Replacement	\$ 400,000	\$ 400,000
OVIP	Small Wastewater Elec. Panel & Pump Replacement	\$ 110,926	\$ 110,926
POM	Bay Street Environmental Project (521 & 525)	\$ 125,000	\$ 125,000
POM	Bay Street Building Improvements (521 & 525)	\$ 130,000	\$ 130,000
POM	Port Orchard Yacht Sales Roof Replacement	\$ 12,000	\$ 12,000
POM	North & East Breakwater (Design)(DOC Grant)*	\$ 1,521,000	
POM	Pile Coatings Splash Zone Repairs (20 piles/Year)	\$ 40,000	\$ 40,000
POM	Electric Automatic Meter Upgrades	\$ 20,000	\$ 20,000
POM	Fuel Dock Dispenser Replacement	\$ 25,000	\$ 25,000
	TOTAL	\$ 17,231,360	\$ 6,750,965

Supplemental Information

Calendar For 2022 Budget Development

July 19 – August 31	September 1 to 15	October 4 to 7	October 21	November 9 to 17	November 23 to 30
<ul style="list-style-type: none"> • Finance distributes budget worksheets to department directors on 7/19. • Directors complete the budget worksheets on 8/24. • CFO organizes the budget worksheets for COO and CEO's review on 8/25. • CFO, COO and CEO review the budget worksheets from 8/26 to 31. 	<ul style="list-style-type: none"> • CFO, COO and CEO meet to discuss the preliminary budgets from 9/1 to 9/8. • Finance distributes the preliminary budget to department directors 9/8. • Community workshop on 9/14. • Department directors give back their preliminary budgets to Finance on 9/15. 	<ul style="list-style-type: none"> • CFO, COO and CEO review the department budgets and finalize the preliminary budgets from 10/4-10/7. 	<ul style="list-style-type: none"> • 10/21 first preliminary budget presented (work study session). 	<ul style="list-style-type: none"> • 11/9 second preliminary budget presented (work study session). • 11/10, first Public Hearing Notice (Kitsap Sun). • 11/17, second Public Hearing Notice (Kitsap Sun). 	<ul style="list-style-type: none"> • 11/23, Public Hearing and Final Budget and related Resolutions Approval. • 11/30 Resolutions due to Kitsap County per RCW.



2022 Community Activities					
	2019	2020	2021	2022	2022
	Final Budget	Final Budget	Final Budget	Budget Request	Commissioners Allocation
Allocation of Port Resources to Community Agencies / Groups					
Kitsap Regional Coordinating Council	9,336	9,336	9,336	9,336	9,336
Kitsap Economic Development Alliance (KEDA)	15,000	15,000	15,000	15,000	10,000
Gorst Coalition Work			20,000	20,000	20,000
Leadership Kitsap	1,000	1,000	2,250	2,250	1,000
Puget Sound Regional Council	5,361	5,365	5,155	5,155	5,155
Visit Kitsap Peninsula	2,000	2,000	2,000	4,500	2,000
Washington Public Ports Assn.	11,125	11,558	11,558	11,558	11,558
Sub -Totals	43,822	44,259	65,299	67,799	59,049
Other Community Events					
Blackberry Festival/Bremerton Rotary	2,500	2,500	2,500	5,000	2,500
Bremerton Bridge Blast		6,000	8,500	25,000	8,500
Bremerton Fly-In & Car Show	2,500	7,500	3,500	3,500	3,500
Bremerton Pilots Association	5,250	7,000	7,000	7,000	7,000
Fathoms of Fun (POM) Concerts by the Bay	2,500	2,500	2,500	2,500	2,500
Fathoms of Fun (POM) Fireworks	2,500	6,000	6,000	7,000	6,000
Legislative Luncheon	2,000		2,000	2,000	2,000
Rock the Dock (Bremerton Marina)	2,500	2,500	2,500	2,500	2,500
Small Business Development Center				10,000	2,500
Wings of Freedom			1,000	1,000	1,000
Future Economic Development Opportunities	10,000	2,000	4,000	2,000	2,000
Sub -Totals	29,750	36,000	39,500	67,500	40,000
TOTAL	73,572	80,259	104,799	135,299	99,049

Glossary

Accounting System

The set of records and procedures that are used to record, classify, and report information as to the financial status and operating conditions of an entity.

Adopted Budget

Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the final budget approved by the Port Commissioners. The adopted budget becomes effective January 1st. Subsequent to adoption Commissioners may make changes throughout the year.

Appropriation

An authorization made by the Commissioners that permits officials to make expenditures or incur obligations against governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one year period. Multi-year appropriations can also be established for capital project and other special purpose funds. Multi-year appropriation authority remains in effect until the amount appropriated has been totally expended or until the fund, program, or project is closed because its assigned purpose has been changed or accomplished.

Assessed Valuation

The assessed value (AV) set on taxable property as a basis for levying property taxes placed upon real and personal property by the Kitsap County Assessor.

Assets

Resources having a monetary value and that are owned or held by an entity.

Audit

An annual financial report prepared by an independent auditor. A comprehensive audit document contains a summary statement of the scope of the audit, explanatory comments concerning any exceptions to generally accepted auditing standards, explanatory comments concerning verification procedures, financial statements and schedules, statistical information, supplemental comments, and any finding or recommendations.

B.A.R.S.

The prescribed "Budgeting, Accounting and Reporting System" where compliance is required for all governmental entities within the State of Washington.

Balanced Budget

Revenues (include Beginning Fund Balance) equals or exceeds expenditures (include Ending fund Balance).

Beginning Fund Balance

The beginning fund balance is the residual fund balances representing unused funds brought forward from the previous financial year (ending fund balance).

Bond

A debt instrument with a written promise to pay a specified principal amount along with periodic interest at specific future dates. Bonds are typically used for financing of specific capital expenditures.

Budget

A budget is a financial operational plan including an estimate of proposed expenditures and the means of financing them. The budget designates the financial plan presented for adoption and finally approved. It is usually to specify whether the budget under consideration is preliminary and proposed, or whether the appropriating body has approved it.

Budget Amendment

A change to a budget adopted in accordance with State law. A budget may be amended to increase expenditures/expenses at the fund level by ordinance without public notice or public hearing requirements,

Budgetary Basis

Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with the exception that neither depreciation nor amortization is budgeted for proprietary funds and bond principal in the enterprise funds is subject to appropriation.

Capital (Outlay/Asset)

Expenditures made to acquire, reconstruct, or construct major fixed or capital assets. A fixed asset is a tangible object of a long-term, will continue to be held or used such as land, buildings, machinery, furniture, and other equipment. A capital asset must exceed \$5,000 in cost and have an expected live expectancy of 12 months.

Capital Improvement Fund

Account for the acquisition or construction of major capital facilities, with exception to those facilities financed by proprietary and trust funds.

Capital Improvement Program (CIP)

A plan for a capital expenditure to be incurred each year over a period of five or more future years setting forth each capital project, the amount to be expended in each year, and the method of funding those expenditures.

Cash Basis of Accounting

Under this accounting method, transactions are recognized with the timing of related cash receipts and disbursements.

Cash Management

Management of cash necessary to pay for Port services while investing temporary cash excesses in order to earn investment income. Include forecasting inflows and outflows of cash, establishing and maintaining banking relationships, and investing funds in accordance with the Port's investment policy objectives.

Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted. Contingency may be appropriated for a specific purpose by the Commissioners upon the approval of a resolution.

Debt Service

Principal and Interest on outstanding bonds due and payable, during the calendar or fiscal year.

Debt Service Fund

Established to account for the accumulation of resources and for the payment of general obligation debt that have been approved by the voters. It would exclude Enterprise fund debt and contractual obligations accounted for in other individual funds.

Depreciation

Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy or obsolescence.

Employee Benefits

Contributions made by a government to meet commitments or obligations for employee related expenses. Included is the government's share of costs for social security and the pension, medical and life insurance plans.

Encumbrance

Amount of money committed and set aside, but not yet expended, for the purchases of goods or services.

Ending Fund Balance

The residual non-restricted funds that is spendable or available for appropriation after the end of the fiscal or calendar year, or during the fiscal or calendar year.

Expenditures/Expenses

The type of accounts that record transactions for the cost of goods received or services rendered whether cash payments have been made or not. These accounts are called expenditures on the modified accrual basis of accounting and expenses on the accrual basis.

General Fund

Accounts for all receipts and disbursement transactions associated with ordinary Port operations. This fund is tax general revenue supported. Major revenue sources for the General Fund include property, sales, excise taxes, and miscellaneous permits and fees.

G.O. Bonds

Governmental Obligation Bonds (G.O. Bond) are secured by the full faith and credit of the issuer. G.O. bond issued by local units of government are secured by a pledge of the issuer's property taxing power. Usually issued G.O Bond pays for general capital improvements such as parks and Port facilities.

Grant

A contribution by one governmental entity to another entity. The contribution is usually made to aid in the support of a specified function. Infrastructure Public domain capital assets such as roads, bridges, streets, sidewalks and similar assets that is immovable.

Indirect Charges

Administrative and overhead costs that are incurred in one area, and charged to the rest of the agency. These charges are budgeted as inter-fund transfers.

Inter-local Agreement

A contract between two government entities whereby one government assumes the lead responsibility of a project that overlaps both jurisdictions.

Levy

Gross amount of property taxes imposed on the assessed value of taxable property. The net amount received by a government will be less than the gross levy as a result of delinquent or uncollectible payments or early payment discounts. Budgets are developed on the basis of the projected amount of property taxes receivable.

Line Item Budget

The individual account lines of budget, where proposed appropriations are based on individual objects of expense within a department or program.

Operating Budget

The operating budget is the primary means by which most of the acquisition, spending, and service delivery activities of a government are controlled. Law requires the use of annual operating budgets.

Operating Transfer

Routine or recurring transfers of assets between funds that support the normal operations of the recipient fund.

Outstanding Debt

The balance due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Personnel Benefits

Employer contributions paid by the Port as part of the conditions of employment. Examples include health/dental/vision insurance, state public employee's retirement system, and employment security.

Property Tax

Based off of the assessed value of property times the permanent tax rate and are used as the source of monies to pay general obligation debt and core city services.

Proposed Budget

Combines the operating, non-operating and reserve estimated prepared by the Chief Financial Officer, then presented to the Port Commissioners for their review, recommendation and approval.

Resource

Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

Revenue

Income received by the Port in support of a program of services to the local community. It includes such items as property taxes, fees, user charges, grants, interest income, and miscellaneous revenue.

Services and Charges

An expenditure classification that includes professional services, communication, travel, advertising, rentals, leases, insurance, public utility services, and repairs and maintenance.

Supplies

An expenditure classification for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, power, water, gas, inventory, resale items, small tools and equipment.

Tax Levy

The total amount of property taxes needed to pay for basic government operations as well as sufficient amounts to pay for principal and interest on voter-approved bond issues.

Tax Rate

The amount of tax levied for each \$1,000 of assessed valuation as determined by the Kitsap County Assessor's office.