



CITY OF COVINGTON
SPECIAL MEETING AGENDA
CITY COUNCIL BUDGET WORKSHOP
Council Chambers – 16720 SE 271st Street, Suite 100, Covington
www.covingtonwa.gov

Saturday, October 29, 2016 – 8:00 a.m.
(Council & Leadership Team Breakfast beginning @ 7:30 a.m.)

GENERAL INFORMATION:

The workshop is an informal meeting involving discussion between and among the City Council and city staff regarding presentations and strategies. Workshops may involve presentations, feedback, brainstorming, etc., regarding further work to be done by the staff on key policy matters.

CALL CITY COUNCIL WORKSHOP TO ORDER

APPROVAL OF AGENDA

ITEM(S) FOR DISCUSSION

1. Strategic Plan Development (Jim Reid)
2. Break
3. Discuss and Consider Town Center Developer Decision (Bolli)
4. Review Budget Strategies (Bolli)
5. Department 2017 Budget Presentations
 - Executive (Bolli)
 - Finance (Hendrickson)
 - Police (McCurdy)
 - Community Development (Hart)
 - Public Works (Vondran)
 - Parks & Recreation (Newton)
6. Review Budget Forecast (Hendrickson)
7. Working Lunch
8. Budget Discussion (Council)

ADJOURN



STRATEGIC PLAN

DEVELOPMENT DOCUMENT

VISION

Covington: Unmatched quality of life

MISSION

Covington is a destination community where neighbors, businesses and civic leaders collaborate to preserve and foster a strong sense of unity.

GOALS

ECONOMIC DEVELOPMENT

Goal Statement: Encourage and support a business community that is committed to Covington for the long-term and offers diverse products and services, family wage jobs, and a healthy tax base to support public services.

Objectives:

- Promote and assist local business retention and expansion.
- Grow Covington as a destination city.

Actions: (Need to be specific as to outcome and when it will be achieved)

- These are the projects that will achieve or advance the goal and objectives:
 - 2017-18:
 -
 -
 - 2019-20:
 -
 -

THE TOWN CENTER

Goal Statement: Establish Downtown Covington as a vibrant residential, commercial, educational, social, and cultural gathering place that is safe, pedestrian-friendly, well-designed, and well-maintained.

Objectives:

- Make town center the social and cultural focal point of the city.
- Develop a strong mixed use and pedestrian friendly town center.
- Foster Town Center development and branding.

Actions:

- These are the projects that will achieve or advance the goal and objectives:
 - 2017-18:
 -
 -
 - 2019-20:
 -
 -

COMMUNITY

Goal Statement: Provide city services, programs, and facilities that emphasize and meet the needs of our Covington Community.

Objectives:

- Continue to develop and improve city services and programs that meet community needs.
- Provide facilities that enhance quality of life.

Actions:

- These are the projects that will achieve or advance the goal and objectives:
 - 2017-18:
 -
 -
 - 2019-20:
 -
 -

NEIGHBORHOODS

Goal Statement: Foster community cohesiveness, communications, and cooperation, and maintain neighborhoods that offer a variety of housing options that are diverse, safe, accessible, and well-designed.

Objectives:

- Diversify our housing market.
- Participate in and support neighborhood events.
- Foster safe and desirable neighborhoods.

Actions:

- These are the projects that will achieve or advance the goal and objectives:
 - 2017-18:
 -
 -
 - 2019-20:
 -
 -

MUNICIPAL SERVICES

Goal Statement: Plan, develop, implement, and maintain high quality capital infrastructure and services that reflect the needs of a growing community.

Objectives:

- Ensure high quality capital infrastructure to match our growth.
- Provide sustainable municipal services that meet community needs.

Actions:

- These are the projects that will achieve or advance the goal and objectives:
 - 2017-18:
 -
 -
 - 2019-20:
 -
 -

CUSTOMER SERVICE

Goal Statement: Recruit, support, and retain a professional team of employees, volunteers, and stakeholders who offer outstanding customer service, ensure stewardship of the public's money, and promote the City.

Objectives:

- Maintain a positive and supportive people-focused organization.
- Recruit and retain the very best employees and volunteers.
- Provide outstanding customer service to the Covington community.

Actions:

- These are the projects that will achieve or advance the goal and objectives:
 - 2017-18:
 -
 -
 - 2019-20:
 -
 -

City of Covington

2017 Budget Workshop
 Saturday, October 29, 2016
 Covington Council Chambers

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growing beyond tradition

Budget Strategies

- Critical need versus non-critical need
- Prioritize services and needs based on council discussions and the annual council summit
- Maintain levels of service
- Increase staff efficiency through technology and outsourcing

Some major budget decisions:

- Create a capital reserve fund
- Maintain General Fund balance of 25%
- Maintain staffing levels, increase efficiencies and encourage staff retention:
 - Tuition reimbursement reserve of \$2,500 ongoing
 - Improve IT deficiencies and leverage technology for productive in-house gains
 - Office space reorganization
 - Create in-house legal counsel position
- Continue efforts to establish a Town Center
- Increase Human Services funding
- Provide resources for the community's 20th anniversary
- Fund priority CIP projects
- Per capita allocation for public art

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Executive Department

2017 Budget Presentation

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growing beyond tradition

Comparative Budget

Executive			
Description	2016 Budget	2016 Estim Actual	2017 Requested
Salaries and Wages	582,576	566,024	603,040
Personnel Benefits	227,571	219,594	232,732
Supplies	3,310	5,260	2,980
Other Services and Charges	89,065	111,570	202,950
Intergovernmental Services	139,165	87,350	123,940
Executive	1,041,687	989,798	1,165,642



Comparative Budget

Personnel			
Description	2016 Budget	2016 Estim Actual	2017 Requested
Salaries and Wages	190,315	170,601	199,915
Personnel Benefits	57,569	50,547	55,548
Supplies	1,100	1,600	1,910
Other Services and Charges	167,621	163,361	187,230
Personnel	416,605	386,109	444,603



2017 Decision Cards

- **Funded**
 - Branding Initiatives, \$5,000 one time
 - Human Resource Online Software, \$7,000 one time and \$3,440 ongoing
 - Fall Protection for Pool Maintenance, \$22,000 one time and \$3,500 ongoing
 - Fall Prevention for Aquatic Center Roof, \$35,000 one time

- **Unfunded**
 - Marketing Assistant, \$2,860 one time and \$52,975 ongoing



Future Significant Budget Issues

- None



Council, Court, Legal & Central

2017 Budget Presentation



Comparative Budget

City Council			
Description	2016 Budget	2016 Estim Actual	2017 Requested
Interfund Loan	-	725,000	-
Operating Transfer Out	1,150,151	1,058,037	983,194
Salaries and Wages	48,863	47,253	49,467
Personnel Benefits	4,201	3,984	4,159
Supplies	6,870	6,960	5,190
Other Services and Charges	198,210	172,975	113,080
City Council	1,408,295	2,014,209	1,155,090



Comparative Budget

Municipal Court			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Supplies	-	230	-
Other Services and Charges	120,400	135,000	146,400
Intergovernmental Services	360,000	352,000	375,000
Municipal Court	480,400	487,230	521,400



Comparative Budget

Legal			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Other Services and Charges	96,000	120,000	96,000
Legal	96,000	120,000	96,000



Comparative Budget

Central Services			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Central Services Overhead Payment	(311,157)	(311,157)	(337,407)
Salaries and Wages	106,297	108,401	111,370
Personnel Benefits	43,241	42,682	44,917
Supplies	50,482	49,079	45,559
Other Services and Charges	802,791	790,237	826,549
Capital Outlay	23,300	23,300	-
Central Services	714,954	702,542	690,988



2017 Decision Cards

- **Funded**
 - 20th Anniversary Celebration, \$10,500, one time
 - Chambers Video Livestream and Archiving, \$2,750 one time and \$200 ongoing
 - Office Space Reorganization, \$49,480 one time and \$24,900 ongoing
 - Conference Room Upgrade, \$7,000 one time
- **Unfunded**
 - Carpet – Public Works Offices, \$14,850 one time and \$2,160 ongoing
- **Municipal court**
 - None
- **Legal services**
 - None
- **Central services**
 - None



Future Significant Budget Issues

- Continued IT Development
- Potential Building Lease Agreement



Finance Department

2017 Budget Presentation



Comparative Budget

Finance			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Salaries and Wages	366,735	363,444	373,852
Personnel Benefits	146,550	142,681	150,437
Supplies	1,635	2,199	1,725
Other Services and Charges	44,315	41,710	45,485
Intergovernmental Services	55,000	45,100	52,000
Finance	614,235	595,134	623,499



2017 Decision Cards

- Funded**
- None
- Unfunded**
- None



Future Significant Budget Issues

- Largest expenditure is audit fees.
- Potential software conversion or upgrade.
- Additional staff as the city grows.



**Community Development
Department**

2017 Budget Presentation



Comparative Budget

Community Development

Description	2016 Budget	2016 Estim Actual	2017 Requested
Salaries and Wages	234,100	200,863	267,997
Personnel Benefits	78,667	72,117	85,167
Supplies	1,765	2,910	2,015
Other Services and Charges	76,054	46,415	40,706
Intergovernmental Services	17,530	14,660	17,530
Community Development	408,116	336,965	413,415



Comparative Budget

Development Services Fund

Description	2016 Budget	2016 Estim. Actual	2017 Requested
Salaries and Wages	612,922	588,761	622,895
Personnel Benefits	224,567	202,456	225,659
Supplies	25,179	18,470	9,628
Other Services and Charges	499,026	431,604	497,064
Intergovernmental Services	84,025	116,600	101,625
Development Services	1,445,719	1,357,891	1,456,871



2017 Decision Cards

Funded

- **Comprehensive Plan Certification Process**
 - \$5,000- General Fund
 - Consultant assistance to respond to PSRC "Conditional Certification" of the city's Comprehensive Plan.
- **Comprehensive Plan Implementation (Transportation Concurrency)**
 - \$10,000- General Fund
 - \$14,000 – Development Services
 - Carry over from 2016. Additional costs associated with final scope. Not completed in 2016 due to work plan priorities.
- **Electronic Plan Review**
 - \$4,200 – Development Services
 - Carry over from 2016 (Original Amount \$13,500)
 - Continue implementing electronic review program development & training
- **Critical Area Survey Program**
 - \$16,000 (\$8,000 DS/\$8,000 SWM)
 - Develop CRA Inventory Results in budget and prioritization for maintenance.
 - Carry over from 2016. Not completed in 2016 due to work plan priorities.



Future Significant Budget Issues

- **Forecasting and Matching Development Services Expenditures with Anticipated Reduced Revenues.**
- **Implementation of New Program Service Needs.**
 - Costs of Electronic Plan Review
 - Implementation of Comprehensive Plan Elements
 - Increased Code Enforcement Inspection, Fines & Court Responses
 - Responding to Records Retention and Digital Storage
 - Address Staff Stress Levels with Group Therapy



Public Works Department

2017 Budget Presentation



Comparative Budget

Street Fund			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Operating Transfer Out	6,000	1,950	2,000
Salaries and Wages	387,353	373,153	390,214
Personnel Benefits	161,980	146,462	161,139
Supplies	66,302	65,483	59,953
Other Services and Charges	518,123	525,600	542,691
Intergovernmental Services	99,495	91,800	97,995
Capital Outlay	11,000	11,280	-
Street Fund	1,250,253	1,215,728	1,253,992



Comparative Budget

Parks Maintenance			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Salaries and Wages	133,349	134,008	166,102
Personnel Benefits	57,977	56,151	62,735
Supplies	28,011	24,250	30,133
Other Services and Charges	110,572	78,140	116,153
Capital Outlay	47,000	49,796	-
Parks Maintenance	376,909	342,345	375,123



Comparative Budget

Surface Water Management Fund			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Salaries and Wages	602,825	574,307	639,433
Personnel Benefits	244,666	227,363	250,604
Supplies	47,064	37,214	38,570
Other Services and Charges	1,142,805	1,257,355	1,380,503
Intergovernmental Services	63,119	60,000	73,247
Capital Outlay	628,938	454,500	346,350
Debt Service: Interest	32,837	34,142	2,025
Transfer Out	-	9,105	-
Surface Water Management	2,762,254	2,653,986	2,730,732



2017 Budget

CIP Fund – Street Projects	2017 Budget
CIP 1086 – 164 th Ave SE	917,000
CIP 1127 – SR 516 Widening at Jenkins Creek	3,893,232

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2017 Decision Cards

Funded

- IT Support Technician - \$20,230 ongoing (GF)
- Full Office 365 migration - \$13,000 one-time, \$7,000 ongoing (GF)
- Firewall & Anti-Virus Improvements - \$3,000 one-time, \$1,000 ongoing (GF)
- Herbicide Spray Tank - \$8,500 one-time, \$1,215 ongoing (SWM, Streets, Parks)
- Maintenance Facility Permitting & Improvements - \$90,000 one-time (SWM, Streets, Parks)
- Vehicle #3390 Replacement - \$43,075 one-time, \$650 ongoing (SWM)
- Critical Area Survey and Maintenance Program - \$16,000 one-time (DS, SWM)

Unfunded

- Pavement Management System Survey - \$35,000 one-time (Streets)
- Parks Maintenance Seasonal (9 month) - \$31,710 ongoing (Parks Maint.)
- Public Works Office Carpet Replacement - \$14,850 one-time, 2,160 ongoing

Future Significant Budget Issues

- Long Term Maintenance Facility Options
- Additional Maintenance Staff
- Fleet Replacement Funding
- Sustainability of Street Fund and Maintenance Division

Parks & Recreation Department

2017 Budget Presentation



Comparative Budget

Aquatics			
Description	2016	2016	2017
	Budget	Estim Actual	Requested
Salaries and Wages	574,311	561,092	592,970
Personnel Benefits	155,225	150,280	136,979
Supplies	77,540	76,509	61,252
Other Services and Charges	195,799	194,480	196,442
Capital Outlay	67,400	5,072	-
Aquatics	1,070,275	987,433	987,643

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Comparative Budget

Athletics		
Description	2016	2016
	Budget	Estim Actual
Salaries and Wages	119,768	112,157
Personnel Benefits	37,144	43,927
Supplies	60,512	58,095
Other Services and Charges	25,674	30,271
Athletics	243,098	244,450

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Comparative Budget

Recreation, Special Events and Arts		
	2016	2016
Description	Budget	Estim Actual
Salaries and Wages	159,781	170,701
Personnel Benefits	69,505	61,205
Supplies	19,690	34,049
Other Services and Charges	100,888	89,210
Intergovernmental Services	11,000	11,000
Capital Outlay	-	3,500
Recreation, Special Events and Arts	360,864	369,665

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Comparative Budget

Recreation and Cultural Arts	
	2017
Description	Budget
Salaries and Wages	285,723
Personnel Benefits	116,062
Supplies	93,649
Other Services and Charges	133,295
Intergovernmental Services	11,000
Recreation and Cultural Arts	639,729

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Comparative Budget

Parks			
	2016	2016	2017
Description	Budget	Estim Actual	Requested
Salaries and Wages	210,620	185,884	199,430
Personnel Benefits	76,376	64,526	83,715
Supplies	2,700	1,920	2,160
Other Services and Charges	15,610	15,335	16,045
Intergovernmental Services	960	960	970
Parks	306,266	268,625	302,320

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2017 Budget

CIP Fund – Parks Projects	2017 Budget
CIP 1019 – South Covington Park	160,000

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2017 Decision Cards

- **Funded (Operating Budget)**
 - Aquatic center risk management - \$40,160 ongoing
 - AED and trainers for aquatic center - \$5,000 one-time
 - Public art funding - \$18,752 ongoing
 - Recreation guide - \$12,815 ongoing
 - Revise employee training and development program - \$2,000 ongoing
 - Jenkins Creek Park master plan - \$3,000 one-time

- **Unfunded (Operating Budget)**
 - Aquatic center condition assessment - \$57,250

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Decision Cards

- **Funded (Capital Budget)**
 - Covington Community Park – \$177,000
 - SoCo Park - \$198,806

- **Unfunded (Capital Budget)**
 - None

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Future Significant Budget Issues

- Maintenance for existing and expanding park system
- Capital replacement
 - Existing parks amenities
 - Covington Aquatic Center
- Limitations of grant funding

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POLICE DEPARTMENT

2017 Budget Presentation



Comparative Budget

<i>Law Enforcement</i>			
Description	2016 Budget	2016 Estim Actual	2017 Requested
Supplies	7,378	6,635	7,426
Other Services and Charges	11,792	11,774	11,792
Intergovernmental Services	3,780,550	3,780,550	3,886,985
Law Enforcement	3,799,720	3,798,959	3,906,203



2017 Decision Cards

Funded

- None

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Future Significant Budget Issues

- Continued residential growth (add 1 officer/1,000)
- Continued retail growth
- Support for victims after initial police contact and other members of the public seeking information about the police



Discuss Budget Presentations


