



City of Valdez

212 Chenega Ave.
Valdez, AK 99686

Meeting Agenda - Final

City Council

Thursday, July 18, 2019

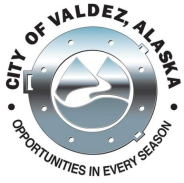
6:00 PM

Council Chambers

Work Session (Council 2020 Budget Priorities)

WORK SESSION AGENDA - 6:00 pm

1. [2020 Council Budget Priorities](#)



Legislation Text

File #: 19-0300, **Version:** 1

ITEM TITLE:

2020 Council Budget Priorities

SUBMITTED BY: Brian Carlson, Finance Director

FISCAL NOTES:

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

RECOMMENDATION:

Receive and file

SUMMARY STATEMENT:

This workshop is meant to elicit policy direction from Council for preparation of the 2020 annual operating budget.

This direction will provide the basis of the annual budget policy statement, which will be included on the Aug. 6 agenda for formal Council approval.

The Budget Policy Statement will then provide management with budgeting direction and parameters.

Attachments (2): 2020 Council Priorities.ppt
 2019 Department Work Plans.pdf

Workshop Agenda, July 18, 2019

- Review 2019 Priorities and Work Plans
- Discuss 2020 Priorities
 - Non-Critical Project Priorities to be Discussed in Spring of 2020
 - Draft 2020 Budget Policy Statement
- Re-cap July 11th Workshop; Discuss Policy Recommendations

2019 Council Work-Plan Priorities

Work Plan

Continuation and completion of Kelsey Dock project.

Create multi-year plan for office and storage space needs.

Design of proposed new fire station.

Development and implementation of pavement management plan.

Enhanced communications and public outreach.

Enhanced enforcement of city codes and zoning regulations.

Expansion of housing options.

Explore expanded and optimized project management options.

Explore expanded senior healthcare initiatives.

Long-term financial planning and budget sustainability

Mitigate wildlife hazards.

Ongoing economic development and diversification.

Ongoing flood hazard assessment and mitigation.

Review of citywide procurement procedures.

Review of options for daycare and early childhood development.

Scheduling and quantifying of ongoing and deferred maintenance.

General Fund Policies and Priorities:

- Fund Balance Target
 - Set at two months; \$6.5MM
 - Assign remaining balance; \$65MM
 - Economic Development
 - Specific Initiatives
- Mill Levy
 - Continue at 20 Mills (maximum)
 - Explore possible 30 Mills (legal)
 - Adjust based on a target
- TAPS Litigation
 - Settlement Ends after 2020
- School Funding
 - Continue at Statutory Cap (\$10MM)
- Personnel
 - FTE Targets and Limits
 - Health Insurance
 - COLA
- Carry-Forward Funds (\$3-\$4MM)
 - Set a Target to Drive Budgeting Practices
 - Earmark for Specific Purpose
- Community Orgs (CSOs)
 - Set a Cap; % or \$
 - Use Earmarked Funds
- Operating Surplus / Deficit
 - Evaluate Operations and Initiatives by "The Lines"

Reserves and Projects: Policies and Priorities

- Continue with Existing Processes and Dates
- Use(s) of Surplus and Carry-Forward
- Continue with Energy Assistance Program
- Targets for Equipment and Technology Reserves
- New Reserves, New Initiatives

Permanent Fund Policies and Priorities

- Mission, Strategy, Tactics
- Appropriations & Liquidations
 - 1.5% Annually Per City Charter (\$3MM); Ballot Measure to Change
 - When to Use Annual Appropriation?
 - Earmark for Specific Initiative(s)
- Additions
 - Whether / When to Add Funds; Greater Investment Flexibility

Debt Service Fund: Policies and Priorities

- Use of Debt to Retain Excess Revenue
- SB57; Oil and Gas Properties
- Five-Year Settlement and Ongoing TAPS Valuation

Special Revenue Funds: Policies and Priorities

- How to Plan, Budget, and Evaluate Operations?
 - Manage Rates – Maintain “Affordable” Costs for Citizens
 - Manage Subsidies
 - Maintain a Percentage Range
 - Maintain a Dollar Range
 - Manage Toward Self-Sufficiency and/or Profitability
 - Equipment and Capital Improvement Funded via General Fund
 - Allow Managers Greater Authority if Targets Are Met
 - Clarify Management Objectives

Department	2019 Budgeted \$ Subsidy	2019 Budgeted % Subsidy	Rate Changes Since 2015
Airport	264,798	70%	None
Harbor	None	None	Increase
Port	352,772	34%	Increase
Sewer	318,020	53%	None
Water	521,361	69%	None
Total Subsidies	1,456,951		

Other Funds: Policies and Priorities

- Housing Fund: \$2.7MM Balance
 - Inactive Since Inception in 2016
- Health Insurance Fund
 - Not Directly Budgeted; Indirect via “Benefits” Expense
 - What are Triggers for Plan Design Change?
 - Fund Balance
 - Premium Renewal Rates
 - Participant Requests
- Providence Valdez Medical Center (PVMC)
 - External Fund – Not on City’s Books
 - Apprx. \$7MM Unassigned Fund Balance

Budget Document: Review, Analysis, Presentation

- Comparisons to Prior Years
 - Adopted vs Revised Budgets
 - Actual Expenses
 - Multi-Year Averages
- Council Priorities
 - Identification of Budget Impacts
- Department Budgets
 - Work Plans and Budget Impacts
 - Personnel Requests
 - "A La Carte"
- Personnel
 - Budget for Full Employment
 - "A La Carte"
- Annual, Bi-Annual
 - Begin Bi-Annual with 2021 Budget
- Council Binders

2019 Department Work-Plans

Department	Subject
Airport	<p>Assist the State of Alaska with their Airport Master planning efforts.</p> <p>Continue to work with stakeholders and the FAA to improve flight navigation system upgrades.</p> <p>Work with Capital Facilities team to repair the HVAC system and open the Whitney side of the Airport.</p>
Animal Control	<p>Complete implementation and full-integration of Pet Point program.</p> <p>Continue Improvement of Animal Care Practices.</p> <p>Develop comprehensive animal information pamphlet for residents and visitors.</p> <p>Identify and address areas throughout Valdez lacking adequate signage.</p> <p>Increase Volunteer Program.</p> <p>Initiate an Animal Shelter Facility beautification program.</p> <p>Resolve dog kennel health and safety issues (black mold/drain failures).</p>
Building Maintenance	<p>Continue to install energy efficient components and systems in an effort to reduce the costs associated with all City facilities.</p> <p>Cross train technicians to become proficient in all trades as a better way to utilize and maximize individual skills.</p> <p>Maintain existing roofs.</p> <p>Manage the increased work load necessitated by tightened regulations, increased assets, aging buildings, and additional snow removal responsibilities.</p> <p>Oversee compliance with the SPCC plans for maintaining fuel tanks and hazardous materials.</p> <p>Train staff in building maintenance fields, such as HVAC and boiler repairs/maintenance, to increase the efficient operation of City buildings.</p> <p>Use Maintenance Connect software to identify and reduce the amount of deferred maintenance, track costs and resource needs.</p>

2019 Department Work-Plans

Department	Subject
City Clerk	<p>Continue development and implementation of Zasio electronic records management system.</p> <p>Continue to increase voter turnout and spark interest by our citizens to serve on the City Council, the School Board or as a member of a City Board or Commission. Promote citizen engagement and involvement in local government. Continue with ongoing revisions to City Code.</p> <p>Create a Public Information Office operating procedures manual to codify roles, responsibilities, processes, programs, and goals.</p> <p>Develop and implement "Kids in Government" program.</p> <p>Develop and implement newly elected officials and boards and commissions training program.</p> <p>Provide training for Clerk staff necessary to achieve or retain the highest degree of professional certification.</p>
Civic Center	<p>Comprehensive assessment for installation of live video feed technology.</p> <p>Design and installation of security camera technology.</p> <p>Enhancements to communications systems.</p> <p>Replacement of the doors in the front of the building.</p> <p>Staining of the building.</p>
Community Development	<p>Adoption of updated FEMA Flood Insurance Rate Maps by ordinance.</p> <p>Assist in the development of the Comprehensive plan.</p> <p>Continue to Develop City Wide Flood Mitigation Strategic Plan for adoption by resolution.</p> <p>Continue to streamline building, zoning, floodplain development and septic application reviews and strive for a 7 to 10 day permit turnaround.</p> <p>Encourage and allow new building types by code adoption.</p> <p>Innovate to improve compliance by outreach.</p> <p>Make public land available by increasing city land sales by 50%.</p> <p>Revise City Code to reflect wants and needs of the community.</p>

2019 Department Work-Plans

Department	Subject
Economic Development	<p>Assist Kimley Horn in the comprehensive plan development.</p> <p>Assist Ports and Harbors with their marketing strategies.</p> <p>Direct Emergency Management operations.</p> <p>Work on a plan to get city water and sewer to more of the community located at 10 mile.</p> <p>Work with Community Development in getting city owned property surveyed, and appraised and on the market for sale.</p>
Engineering	<p>Accommodate training of staff to enhance project engineering and management skills.</p> <p>Administer all CIP and MM projects approved for 2019, including the current expansion project.</p> <p>Assist City Administration with planning initiatives associated with the City's new revitalization program.</p> <p>Develop multi-year CIP and MM project needs for future implementation utilizing standard preventative maintenance and replacement schedules.</p> <p>Provide continuous improvement of procurement and project management services to ensure delivery of high-quality projects and timely response to the needs of City stakeholders.</p>
Finance	<p>Creation of Budget and Performance Metrics.</p> <p>Development of Bi-annual Budget.</p> <p>Financing options for multi-Year CIP and deferred maintenance.</p> <p>Integrated Web-Based Merchant Services for all facilities.</p> <p>Intermediate and Long Term Financial Planning.</p> <p>Revision of Financial Policies.</p> <p>Risk Management Analysis.</p> <p>Third-party review of procurement and contracting</p>

2019 Department Work-Plans

Department	Subject
Fire/EMS	<p>Fire station mitigation issues.</p> <p>Maintain certification requirements for all levels of Emergency Medical Technicians, each of the Technical Rescue disciplines, and all levels of Firefighting.</p> <p>New fire station, design, and construction.</p> <p>Provide for the ongoing training for all members of the fire department.</p>
Harbor	<p>Ensure a smooth opening transition in the New Commercial Boat Harbor.</p> <p>Finish the Waterfront Master Planning effort.</p> <p>Streamline and modernize billing and reporting processes.</p>
Human Resources	<p>Benefit cost-reduction strategies.</p> <p>Certify HR Representative as Benefits Coordinator.</p> <p>Consistent Performance Improvement processes City-wide.</p> <p>Consistent Performance Review processes leading to meritbased increases rather than longevity increases.</p> <p>Continued Refinement of City Personnel Regulations and development of an accessible Employee Handbook.</p> <p>Continuing education as SHRM-SCP for Director of Human Resources.</p> <p>Establish effective annual training programs for staff, supervisors and management.</p> <p>Institute creative employee recognition programs to bolster morale.</p> <p>Rework the City bi-weekly pay schedule to include a middle management/professional exempt pay schedule and related efforts to reduce overtime costs.</p> <p>Rework the City Temporary staff pay scale to be competitive in Valdez.</p> <p>Transfer benefits management to H.R.</p>

2019 Department Work-Plans

Department	Subject
Information Services	<p>Continue GIS data verification process and establish data standards and deployment plan.</p> <p>Facilitate IT needs for ongoing staff rehabilitation and repurposing of facilities.</p> <p>Facilitate the upgrade of the 911 servers and dispatch consoles.</p> <p>Maintain and update city technology systems in accordance with the technology replacement plan.</p> <p>Update City-wide wireless infrastructure.</p>
Law	<p>Represent the City before FERC in the Alaska LNG permitting process to ensure objective analysis of the Valdez Alternative.</p> <p>Represent the City in cooperatively developing a program for evaluating escaped property based upon a proper interpretation of the primary use standard and prepare for potential litigation regarding the same.</p> <p>Represent the City in evaluating options and preparing for litigation and settlement discussion in advance of the TAPS ad valorem settlement expiration.</p> <p>Represent the City in seeking an administrative resolution to the Tax Cap restrictions on supplemental assessments while simultaneously evaluating litigation options.</p> <p>Represent the City in the administrative proceeding challenging amendments to the Valdez Marine Terminal Spill Response and Contingency Plan that weaken oil spill protections for the Port of Valdez.</p>
Law Enforcement	<p>Complete the Valdez Municipal Code revision.</p> <p>Document history of VPD and establish a “former/current employee” wall.</p> <p>Establish a dedicated schedule and succession plan for the CCU Lab.</p> <p>Establish ALICE training as a “for credit” course offered through PWSC.</p> <p>Maintain comprehensive training standards aimed at professional development and succession planning.</p> <p>Partner with COV Departments and 3rd party to establish an impound lot and remediate the abandoned vehicles.</p> <p>Use VPD Facebook page, and other avenues, to increase recruitment and maintain retention.</p>

2019 Department Work-Plans

Department	Subject
Library	<p>Continue to increase the circulation of library materials.</p> <p>Develop and implement new programs for youth of all ages, including early literacy programs.</p> <p>Improve the quality of the library collection and streamline collection development procedures.</p> <p>Increase community outreach and promote library resources.</p>
Park Maintenance	<p>Completion of frisbee golf course project.</p> <p>Completion of Gold Fields dugouts rebuild and painting, begun in 2018.</p> <p>Continued brushing/maintenance and expanded signage of shooting range.</p> <p>Develop Cemetery site-plan and engineered lots for expansion in 2019.</p> <p>Develop plan to upgrade in-town ski trails.</p> <p>Develop replacement plan for North Meyring picnic shelter.</p> <p>Licensing of herbicide applicators for Ruth Pond.</p> <p>Removal of remaining danger-trees from various locations within the Parks system.</p> <p>Replacement of Alpine Woods playground.</p> <p>Site preparation and installation of archery area with fixed targets.</p>
Parks & Recreation	<p>Continue to expand programming for the Community Center (formerly Teen Center).</p> <p>Continue to provide consistent/sustainable programming amongst seasonal facilities and programs including: summer camps, open gyms, rock wall and the ski hill.</p> <p>Continue to provide quality programs for all ages – develop programs for those user groups not currently participating.</p> <p>Continue towards completion of Parks & Rec Master Plan.</p> <p>Revisions to aquatic program and offerings</p>
Port	<p>Create a Cruise Ship Service & Operations Plan.</p> <p>Design and implement an integrated Ports & Harbors marketing and business development plan to leverage the waterfront facilities to further balance Port Revenues.</p> <p>Develop a Port Wide Emergency Response Plan for all developed facilities.</p> <p>Streamline and modernize billing and reporting processes.</p>

2019 Department Work-Plans

Department	Subject
Public Safety	<p>Audit 2014/2015 case files.</p> <p>Begin using NIBRS as a Federal reporting method.</p> <p>Complete the upgrade of the Emergency Dispatch Center.</p> <p>Dedicate two TAC's to complete necessary duties.</p> <p>Enhance the pre-trial services offered by the Valdez Jail.</p> <p>Institute a "monthly in-house procedures" training program.</p> <p>Maintain comprehensive training standards aimed at professional development and succession planning.</p>
Sewer	<p>Evaluate deferred maintenance and CIP needs.</p> <p>Evaluate service and rate structure and cost.</p> <p>Maintain and cross train certifications.</p>
Solid Waste	<p>Evaluation and identification of options and opportunities for recycling solid waste materials.</p> <p>Evaluation of baler, landfill, and collection operations for overtime staffing options and efficiencies.</p> <p>Modification of State of Alaska DEC Solid Waste permit.</p> <p>Training and education of staff in operations and management of solid waste.</p>
Streets/Shop	<p>Continued asphalt crack-sealing.</p> <p>Continued training and cross-training.</p> <p>Develop Pavement Management Plan and Concrete Replacement Plan.</p> <p>Expanded mowing and brush-cutting on City rights-of-way.</p> <p>Training of crew in use of new asphalt recycling equipment.</p>
Water	<p>Assist with development of new well.</p> <p>Continue operating and maintaining water systems to ensure the highest quality drinking water.</p> <p>Evaluate deferred maintenance and CIP need.</p> <p>Evaluate service and rate structure, and cost recovery goals.</p> <p>Maintain and cross-train certifications.</p>
Grand Total	