

INTRODUCTION

The Introduction section begins with the Mayor’s budget message, which discusses City initiatives and issues considered for the 2019-2020 Adopted Biennial Budget.

Kent at a Glance contains a brief history, demographics, economic statistics and general information about the City of Kent, which provides context for the budget.

The Goals and Strategies section outline the City’s mission, vision and goals. It also contains a discussion of the strategic planning efforts of the City.

The Performance Measures section reports measures related to each of five goals: thriving city, evolving infrastructure, inclusive community, innovative government and sustainable services.

Mayor’s Budget Letter.....	3
Kent at a Glance.....	6
Mayor and Council.....	12
Principal Officials.....	13
City of Kent Organization.....	14
Goals and Strategies.....	15
Performance Measures.....	19

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OFFICE OF THE MAYOR

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Kent, WA 98032
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January 1, 2019

Council President Boyce
Members of the City Council
Kent Residents

I am proud to present the City's adopted 2019-2020 budget. This was my first budget process as Mayor, and I was so pleased with the communication and collaboration with residents, business owners and the City Council throughout the year. I thank the City Council for their teamwork and willingness to engage on many important budget issues.

As a result of our collaboration, the adopted budget reflects both Council's and my shared commitment to providing valuable government services to our residents in a cost-effective and efficient manner. This budget also makes progress toward our City's strategic vision and respects the opinions of our residents and businesses.

Within the \$676.8 million total budget, \$214.0 million is allocated to the General Fund. The budget is balanced and includes necessary expenditure reductions as well as revenue increases to address the challenge of expenses increasing at a faster rate than revenues.

As with previous budgets, the 2019-2020 process included significant challenges and required difficult choices on how to reduce City spending in the General Fund. City leaders also had to make decisions about how to best spend our valuable yet limited resources. Unlike previous budgets, the upcoming biennium includes the first two years of significant revenue reductions in the General Fund. The loss of state-shared Streamlined Sales Tax mitigation revenues beginning in 2019, coupled with the expiration of the Panther Lake Annexation Sales Tax credit in June 2020, will result in a negative impact of over \$10.0 million, or roughly 10 percent, to the City's General Fund revenues. The City termed this impact the "fiscal cliff" to describe the magnitude of the loss.

I am very proud of the steps taken previously to mitigate these impacts. While this loss is certainly significant, the fiscal cliff would have been a much larger challenge had the City not taken proactive steps. These steps included talking to our residents about the fiscal cliff as early as 2014, making strategic transfers, eliminating negative fund balances, refunding existing debt to reduce interest costs, and updating our fiscal policies to address fund balance levels.

Furthermore, this budget continues to utilize a conservative budgeting approach where realistic, albeit conservative, revenue forecasting is used to inform expenditure levels. Additionally, the City made the extremely difficult decision to begin levying the full property tax rate allowable under state law beginning in 2018. Finally, the City has taken a lead role in working with the State as well as other cities negatively affected by the state's decision to eliminate Streamlined Sales Tax mitigation monies beginning in 2019. We did not know the outcome of those efforts at the time this budget was adopted, so we are planning for the worst-case scenario but are hopeful the legislature will find a way to continue the program.

The magnitude of the fiscal cliff could not be addressed with a single solution. The adopted budget includes a three-pronged approach to solving the loss of revenue: ongoing expenditure reductions, new revenues and a reallocation of ongoing revenues.

The budget includes over \$2 million in ongoing expenditure reductions by non-public safety General Fund departments. These reductions range from cuts to line items to reductions of positions. These cuts will unfavorably affect City services and programs not related to public safety. The reduction exercise, while difficult, was another necessary step to solve the fiscal cliff. While departments will do what they can to mitigate the effects of these cuts, the fact of the matter is that the City workforce is still very lean on the heels of the Great Recession, and we cannot continue to simply add more workload on already overworked staff. The instruction I gave to departments as they began to work on their reductions was, as the funding goes away, the non-legally mandated work goes away too. While the initial strategy was not to make any reductions until 2020, the adopted budget makes cuts, including personnel reductions, beginning in January 2019.

The second prong was an increase in revenues. The 2019–2020 budget includes a \$1.2 million annual increase in permit and plans review revenue. This is a result of increased volume, not increased rates. Other revenue adjustments included an increase in interest revenue as a result of the new investment strategy. There is also new revenue from water and sewer franchise fees. Beginning in 2020, the budget includes an increase in City B&O tax rates which will increase revenue by roughly \$3.4 million. The B&O increase in 2020 is the first of four increases between now and 2028. The decision to increase taxes is never easy and the decision to do so was not taken lightly. These changes to the B&O rate structure are based on the City's long-term economic development plan and include different rates depending on the business type. The new ordinance maintains a threshold of \$250,000 and institutes a cap of \$20 million on gross receipts from retail sales. The increased revenue will be used to fund ongoing operations in the General Fund.

The final prong adopted in the budget to deal with the fiscal cliff was the reallocation of existing revenues. The 2019–2020 budget includes an annual shift of \$470,000 in sales tax collections from capital to fund ongoing operations. Out of necessity, this continues the City's shift of monies that have been historically used for capital purposes. With the reality that government expenses continue to increase at a faster rate than revenues, the City's long-term financial forecasts include further redirections of resources away from capital. While this isn't ideal, under the current environment, it is necessary to continue to fund status quo operations, even at our reduced level.

Public safety for our residents, businesses and visitors continues to be the City's first priority. Excluding transfers, nearly 60 percent of General Fund resources are dedicated to public safety. The 2019–2020 General Fund budget includes funding for an increase of six police officer positions and one additional parking enforcement officer. The budget maintains funding with adjustments for inflation for other public safety programs and departments: Municipal Court, Corrections and Prosecution. Using revenue from the newly-authorized red-light camera program, the budget provides for body worn cameras and in-car video equipment for police officers. It also provides resources to fully fund the car-per-officer program.

While reducing expenses in the General Fund, the adopted budget includes a deliberate strategy for greater efficiencies of City programs. It includes two new positions for our sign shop. These positions, which will be funded from B&O revenues, will cost less and will provide a higher work output than the current contract. The budget funds over \$500,000 annually for contracted support to extend the life of our current accounting and human resources information management system. A plan is in place to begin working with stakeholders on a replacement strategy for the aging system.

The adopted budget maintains remaining City services and programs at their current level with adjustments for inflation and labor costs. Funding for new initiatives discussed above was based on need, value to the public and Council policy. The strategic operational expenditure increases which are included in the budget are backed by sustainable revenues.

The Capital budget allocates the new \$3.0 million revenue stream for long overdue parks capital and major maintenance projects. The budget also includes allocations of \$3.0 million of fund balance each year from the Capital Resource Fund for necessary work on Kent Commons, additional police department office space, the Senior Activity Center and IT projects. These are initial steps toward major renovations of these aging assets. The Capital budget also appropriates \$200,000 of fund balance from the Capital Resource Fund in 2019 for work to resolve the leaking roof in City Hall and \$1.75 million in 2019 for long overdue improvements to the City's fuel island. Resources for the fuel island also include \$500,000 of Capital Resource Fund balance.

Careful planning of our current general capital resources must take place to ensure that we are using these monies as effectively as possible. Success in our ability to restore our Streamlined Sales Tax mitigation monies from the State will certainly have a positive impact on our capital resources. Any mitigation revenue the City receives will be treated as one-time revenue for capital projects. This is a shift from the way the City previously budgeted this revenue.

The adopted budget takes into consideration the feedback that I heard from residents and businesses. Earlier this year, I held three community budget meetings where I discussed the budget issues facing the City, helped educate the community on the upcoming fiscal cliff and received direct feedback on which City services they value most. Not surprisingly, residents' top priority was public safety which this budget advances. Additionally, I heard that they wanted to at least maintain our current level of service in our adaptive recreation programs, which this budget maintains, and finally, I heard that residents want a continuation of the current services provided. While my budget does include expense reductions, I tried to limit the impact as much as possible, given the magnitude of lost revenues.

The 2019-2020 adopted budget is the culmination of an 11-month collaborative effort among the Mayor, City Council, City staff and the Kent community. I want to thank the Council and community for their willingness to work together to proactively address the fiscal cliff and thank City departments and Finance staff for their creativity and hard work to identify sustainable solutions. This work has resulted in a budget that is supportive of the needs of our community while recognizing the challenges ahead. Together, we have built on sound financial practices to create a solid foundation with which to plan our future.

Respectfully,



Dana Ralph

Mayor

KENT AT A GLANCE

KENT AT A GLANCE



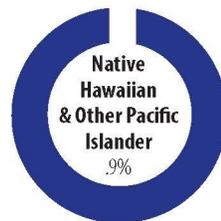
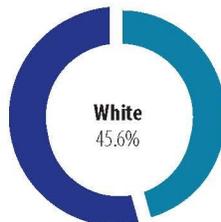
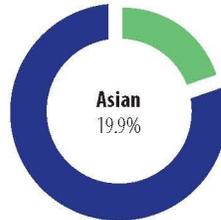
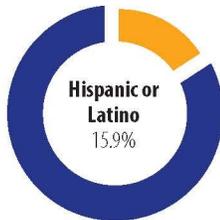
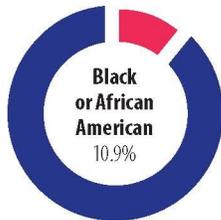
GEOGRAPHIC FOOTPRINT



Kent is the 6th
Largest City in
Washington State



POPULATION DIVERSITY



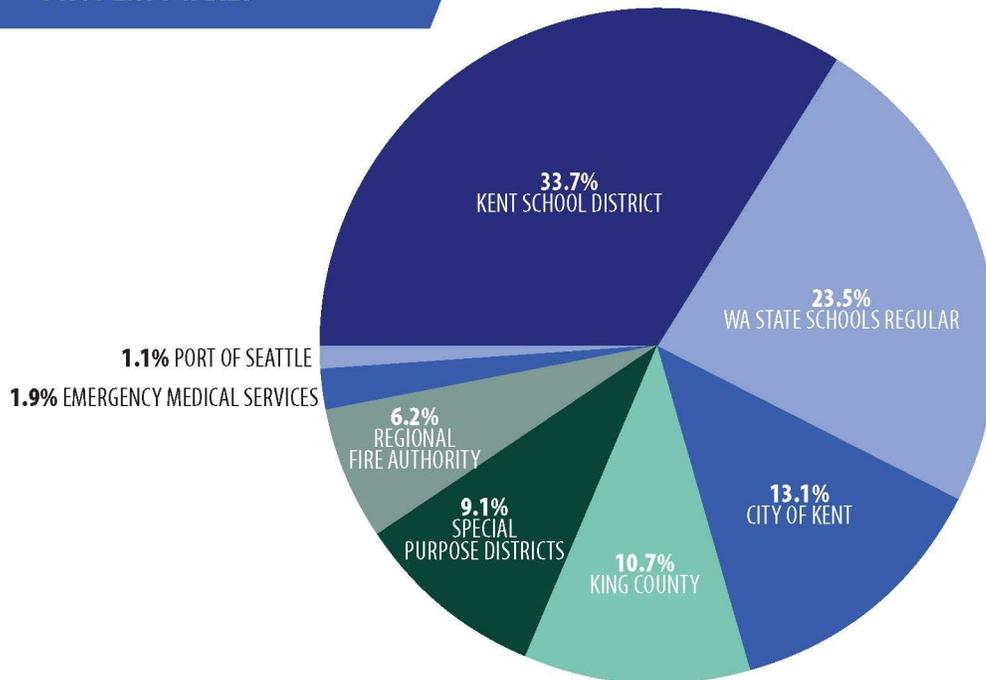
Source: US Census Bureau

KENT AT A GLANCE

WHERE DO YOUR TAXES GO?



PROPERTY TAXES



Source: King County Assessor's Office

SALES TAX



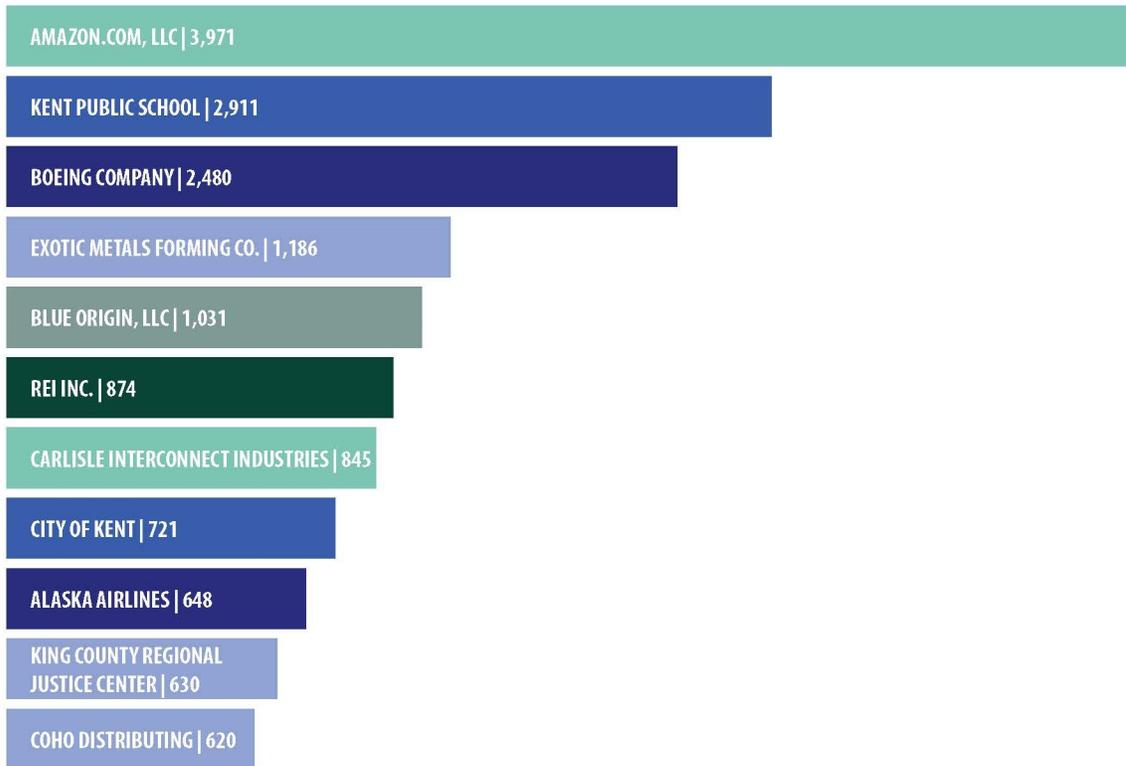
Businesses pay the State of Washington Department of Revenue sales and use tax in Kent of 10%.* Of this amount, the City of Kent receives .90% of sales tax with the state retaining 0.1% for administrative fees. The remaining amount is distributed to the above agencies on a monthly basis, with a two-month lag from the time of sales.

KENT AT A GLANCE

TOP 10 TAXPAYERS & EMPLOYERS



TOP EMPLOYERS



MAJOR INDUSTRIES



Source: Data USA

KENT AT A GLANCE

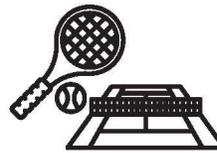
PARKS, RECREATION & COMMUNITY SERVICES



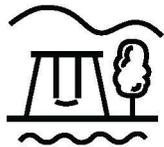
PARKS



773.98
Acres of Open Space
& Nature Area



12
Tennis Courts



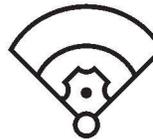
404.39
Acres of Parks



55
Parks



28
Miles of Trails



21
Ball Fields

COMMUNITY FACILITIES



Kent Commons Community Center

The Kent Commons provides space for social gatherings such as sporting events, receptions, community events and meetings.



Kent Senior Activity Center

Kent Senior center offers a wide variety of activities for seniors and their families such as gaming, musical performances, and arts & crafts.



acceso ShoWare Center

Home to the Seattle Thunderbirds, Seattle Mist and Tacoma Stars, ShoWare Center seats up to 7,000 and hosts a variety of sport events, performances, and social gatherings.



Riverbend Golf Complex

Riverbend provides various recreational activities for both the golfer and non-golfer and a variety of programs for every skill level and age group.

KENT AT A GLANCE

UTILITIES



WATER



287
Miles of Water Mains

14,453
Water Customers

7.59 Million
Gallons of Water Per Day

SEWER



215.12
Miles of Sanitary Sewer System

324.17
Miles of Storm Sewer System

16,285
Sanitary Sewer Customers

SOLID WASTE



25,271
Residential Customers Served

2,233
Commercial Customers

375
Multi-Family Customers

1,224
Commercial Recycling Customers

TRANSPORTATION



726
Lane Miles of Streets

6,600
Street Lights

117
Miles of Residential Sidewalk

115
Miles of Commercial/Arterial Sidewalks

ABOUT KENT

Kent is the sixth largest city in the state of Washington and the third largest in King County. Its beautiful setting features a view of Mount Rainier rising majestically over the landscape, and the Cascade and Olympic Mountains on the horizons.

Kent is in the heart of the Seattle—Tacoma metroplex. The City is seven miles from SeaTac International Airport and both the Union Pacific and Burlington Northern railroads run through Kent. Kent is also central to Sound Transit and King County Metro transit, with the Kent Station providing bus and commuter train service to many destinations.

Incorporated in 1890 with an official population of 793, Kent was second only to Seattle in King County. At that time, Kent was a thriving agricultural area and major grower of hops and berries. During and after the Great Depression, Kent was known as the “Lettuce Capital of the World”. Dairy farming was also an important segment of the local economy, with the first can of Carnation Milk produced in Kent in 1899. Timber harvesting and agriculture remained the dominant industries until the 1950’s, when industrial development began in what is known today as the industrial north core. Kent has grown significantly, primarily through annexation, from one square mile and about 3,500 residents in the 1950’s to our current size of 34.41 square miles and nearly 129,000 residents.

Where river steamboats once transported crops to Seattle’s public market, truckers now arrive at Kent warehouses to pick up and deliver goods for the global market place. The Kent valley industrial area has one of the largest concentrations of distribution, warehousing and manufacturing facilities in North America. With businesses like Amazon, Boeing, Exotic Metals, Blue Origin, Recreation Equipment Inc. (REI), Alaska Airlines, Hexcel, Oberto Sausage, and Columbia Distributing, it’s no wonder the area is considered the “powerhouse” of South King County.

Those looking for shopping and entertainment need to look no further. Kent’s retail activity in the East Hill and Meridian areas continue to grow, including a highly coveted Trader Joe’s. Those looking for an international flair will enjoy the Great Wall Mall at the north end of the Kent Valley, which attracts people from throughout King and Pierce counties.

Downtown’s Kent Station is a convenient gathering place for friends and family. With retail shopping, movie theaters, dining options, college classes, and proximity to the access ShoWare Center, it’s more than just another shopping center. Kent Station is a contemporary, open air urban village—a place where the community gathers to shop, dine, relax, learn and celebrate.

The access ShoWare Center is a 6,000 seat, 150,000 square foot multi-purpose arena located in downtown Kent. It is North America’s first sports and entertainment arena to achieve Gold certification from Leadership in Energy & Environmental Design by the US Green Building Council. Because of its intimate design and flexible scale, access ShoWare Center is home to the Western Hockey League’s Seattle Thunderbird’s and has been an ideal venue for wide events including concerts, family shows, professional and exhibition sports, trade shows, community gatherings and more.

MAYOR/COUNCIL



Mayor Dana Ralph



**Council Members from Left to Right: Les Thomas, Toni Troutner
Brenda Fincher, Bill Boyce, Marli Larimer, Satwinder Kaur, Dennis Higgins**

PRINCIPAL OFFICIALS

Kent operates under a Mayor-Council form of government. The City Council consists of seven residents of Kent who are elected at large to staggered, four-year terms. Members of the City Council then elect one council member to serve as president of the Council. The member elected serves a two-year term as president, and can be re-elected to as many two-year terms as desired by a majority of the City Council. The City Council President serves as the Mayor Pro Tem during any absence from the city by the Mayor. The City Council has five committees: Economic and Community Development, Operations, Parks and Human Services, Public Safety, and Public Works.

	Term Expiration
MAYOR	
Dana Ralph	12-31-2021
COUNCIL MEMBERS	
Bill Boyce, President	12-31-2019
Brenda Fincher	12-31-2021
Dennis Higgins	12-31-2019
Satwinder Kaur	12-31-2021
Marli Larimer	12-31-2019
Les Thomas	12-31-2019
Toni Troutner	12-31-2021

GENERAL GOVERNMENT

- Derek Matheson, Chief Administrative Officer
- Barbara Lopez, Interim Finance Director
- Pat Fitzpatrick, City Attorney
- Mike Carrington, Information Technology Director
- Natalie Winecka, Interim Human Resources Director

ECONOMIC AND COMMUNITY DEVELOPMENT

- Kurt Hanson, Economic and Community Development Director

PARKS, RECREATION AND COMMUNITY SERVICES

- Julie Parascondola, Parks, Recreation and Community Services Director

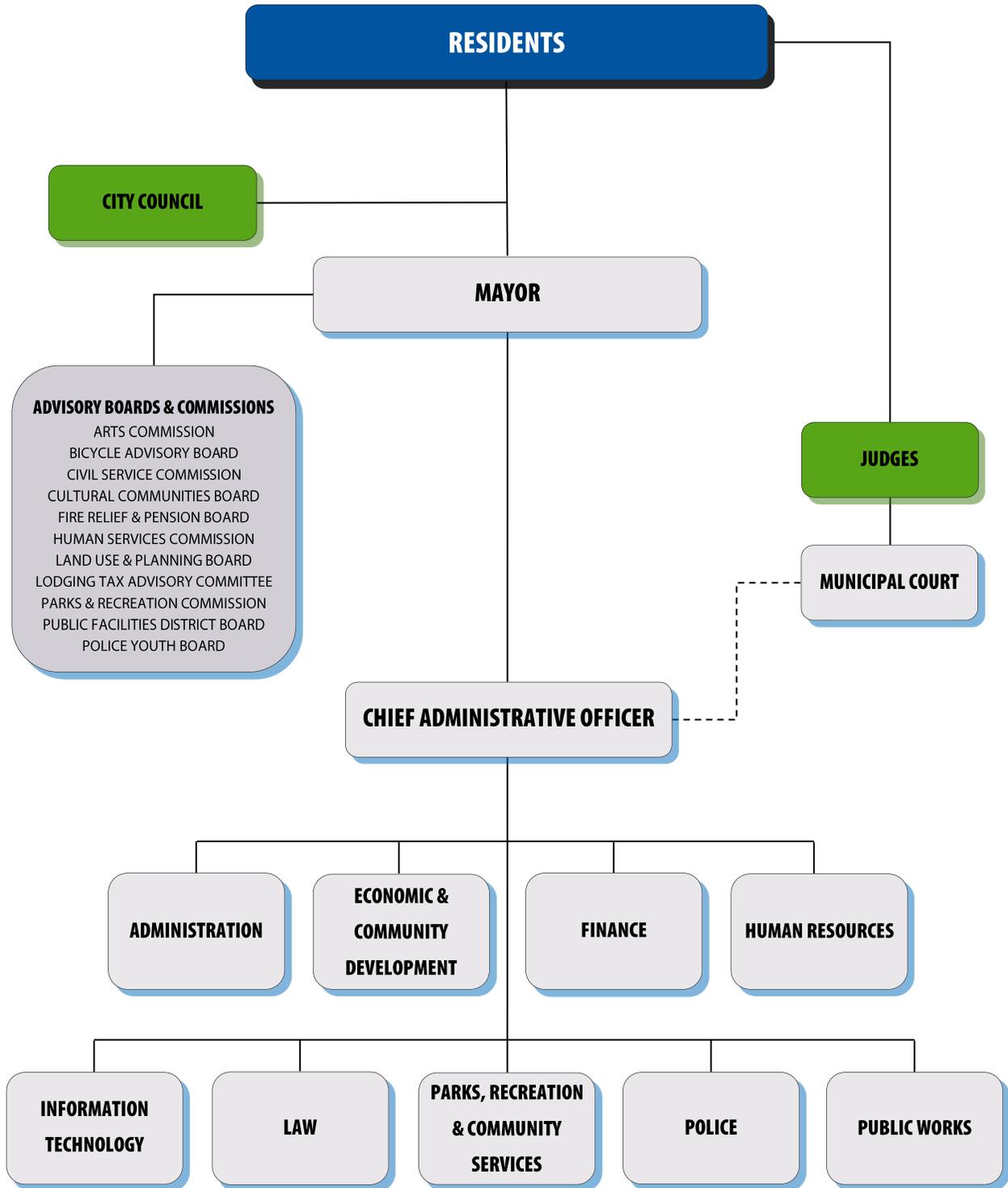
PUBLIC SAFETY

- Rafael Padilla, Police Chief

PUBLIC WORKS

- Tim LaPorte, Public Works Director

CITY OF KENT ORGANIZATION CHART



GOALS & STRATEGIES

Our vision

**Kent – where people choose to live
and businesses change the world**

mission

The City of Kent is committed to building a safe, thriving, sustainable and inclusive community.

values

Integrity

Do the right thing

Teamwork

Work together

Caring

Care for those we serve

Innovation

Find a way

Communication

Connect to understand

Achievement

Be the difference

goals

Thriving City

Creating safe neighborhoods, healthy people, vibrant commercial districts and inviting parks and recreation

Innovative Government

Delivering outstanding customer service, developing leaders and fostering innovation

Evolving Infrastructure

Connecting people and places through strategic investments in physical and technological infrastructure

Sustainable Services

Providing quality services through responsible financial management, economic growth and partnerships

Inclusive Community

Embracing our diversity and advancing equity through genuine community engagement



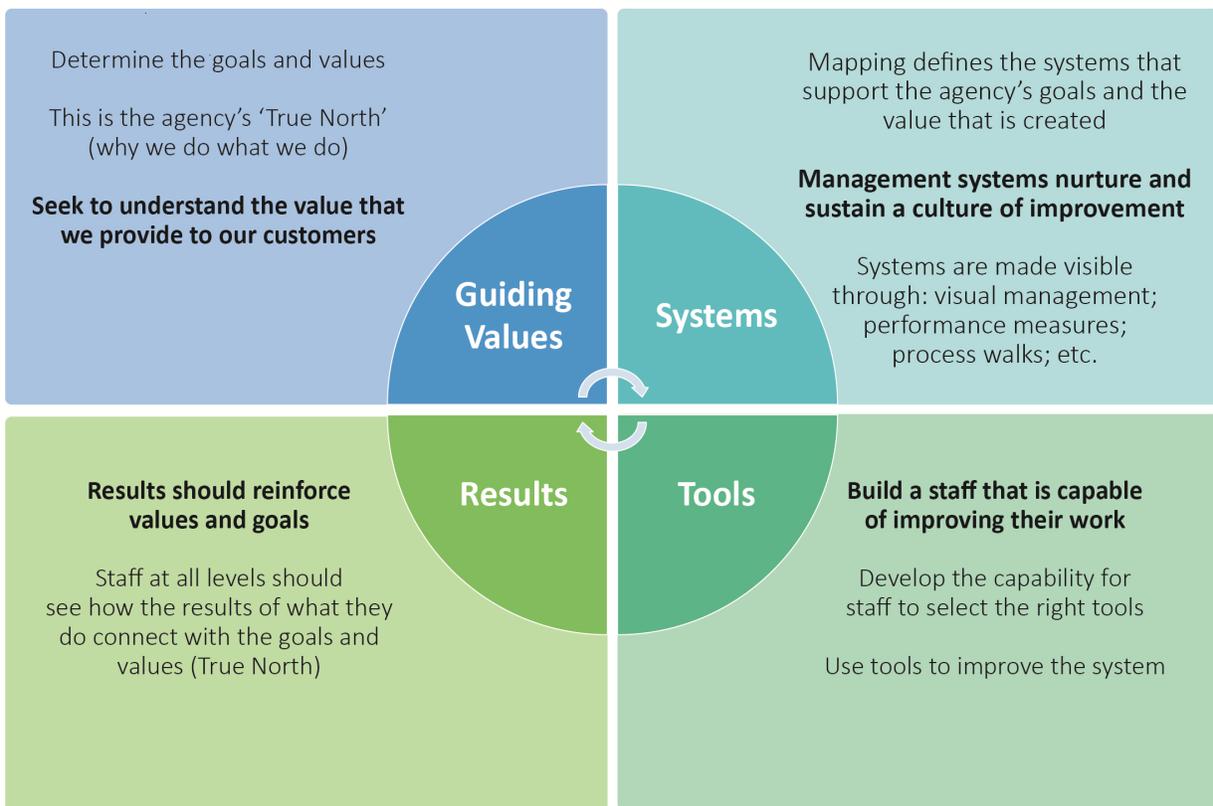
GOALS & STRATEGIES

STRATEGIC PLANNING PROCESS

The building blocks for the City’s strategic planning process, includes the following:

- ◆ High level framework, based on LEAN principals
- ◆ Our organizational structure, i.e. roles and responsibilities
- ◆ Kent strategy system
- ◆ Strategy mapping initiative

FRAMEWORK—THE LEAN ORGANIZATION



GOALS & STRATEGIES

STRATEGIC PLAN ORGANIZATION STRUCTURE

To bring this framework to life, an organizational structure was established around the Plan—Do—Check—Adjust nature of strategic planning. This structure is a key element of the overall Kent Strategy System.

PLAN	STRATEGIC PLAN LEADERSHIP COMMITTEE	DEPARTMENT STRATEGIC PLANNING TEAMS
	CAO, Finance Director, HR Director, IT Director and Business Strategy & Performance Analyst	Leaders and subject matter experts within each department
	Meets quarterly; overall responsibility for the ongoing cusses of the City's Strategic Plan	Meets regularly to define objectives, strategies, outcomes and metrics connecting department activities to the Strategic Plan
DO	GOAL AREA DEPARTMENT LEADS	
	Department program/project managers and subject matter experts for each of the goals in the City's Strategic Plan	Update department leadership of the progress towards their assigned goal or goals, assist with implementation of supporting strategies, attend Goal Area Group Meetings
CHECK	GOVERNMENT PERFORMANCE COORDINATOR	GOAL AREA DEPARTMENT LEADS
	Responsible for the focus and quality of the work done by Department Strategic Planning Teams and Goal Area Department Leads	Department program/project managers and subject matter experts for each of the goals in the City's Strategic Plan
	Provide mentorship on LEAN practices, lead and update the Strategic Reporting Dashboard, and participate as a member of the Strategic Plan Leadership Committee	Update department leadership of the progress towards their assigned goal or goals, assist with implementation of supporting strategies and attend Goal Area Group Meetings
ADJUST	GOAL AREA GROUPS	
	Senior leaders from each department	Facilitate quarterly meetings with Goal Area Department Leads Ensure ongoing progress for each goal in the City's Strategic Plan, track metrics, and update Strategic Plan Leadership Committee on overall progress for each goal

GOALS & STRATEGIES

STRATEGY MAPPING

In late 2016, the City launched a Strategy Mapping Initiative, whereby each department’s Strategic Planning Team maps their core processes and systems. The primary goals of the initiative are to:

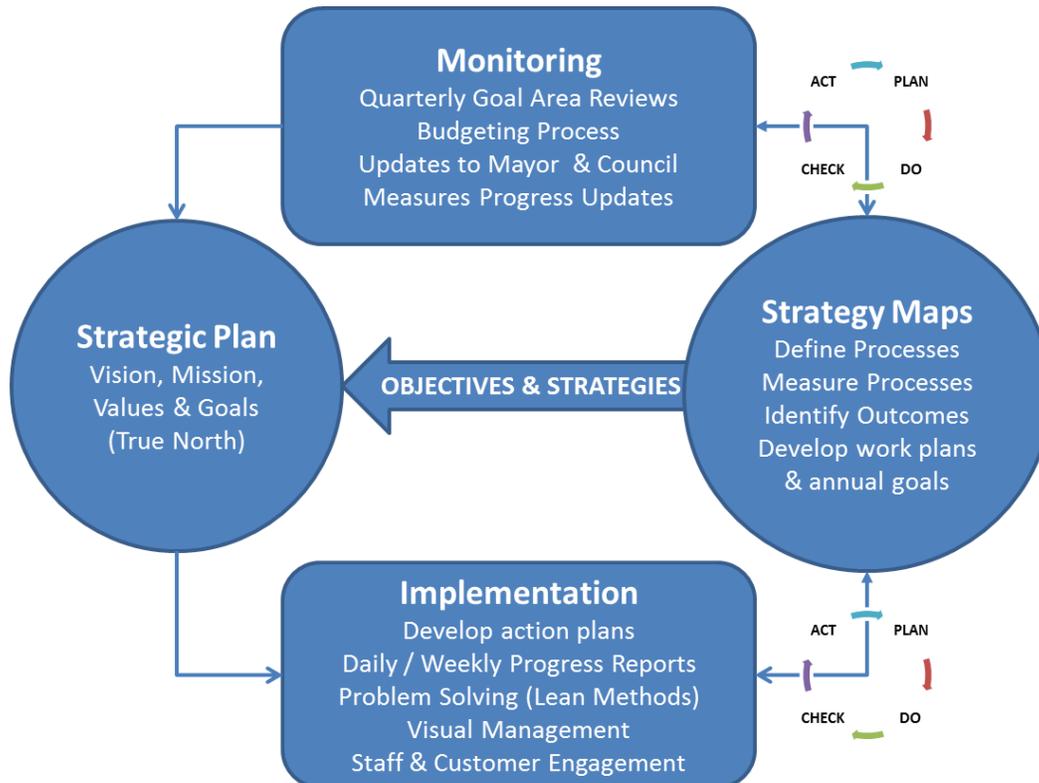
- ◆ Adjust nature of strategic planning (This structure is a key element of the overall KENT Strategy System)
- ◆ Define major programs at a department level
- ◆ Define core processes, key strategies and expected outcomes for each major program
- ◆ Develop meaningful measures around those core processes and expected outcomes
- ◆ Define the connection between core processes, program strategies and strategic plan goals

We continue our efforts to complete strategy mapping for all of the major programs operated by the City, to ensure that we are focusing on the strategies, core processes and programs that best address the overall strategic goals and ultimately, the needs of our residents.

RESIDENT FEEDBACK

The 2018 resident survey was not completed in time to inform the 2019-2020 budget. The Mayor, along with the Finance Director conducted several budget roadshows with residents in various communities. Residents provided face-to-face feedback at these events which assisted in the budget planning process.

KENT STRATEGY SYSTEM



PERFORMANCE MEASURES

PERFORMANCE MEASURES

Performance measurement is the process of collecting, analyzing, and reporting data regarding the performance of an organization. It is a tool to help local government evaluate the quality and effectiveness of government services. The use of performance measures in local government is driven by:

- ◆ Increased citizen demands for government accountability;
- ◆ Greater interest on the part of local legislators in performance related information to assist in program evaluation and resource allocation decisions;
- ◆ The efforts of various organizations and professional associations to make governments more results-oriented.

Performance measures help us recognize, and share, our successes and opportunities for improvement. As part of its ongoing effort to improve resident and business engagement and make performance data available to the public, the City has designed the performance measures around the Council's five goals:

- ◆ **Thriving City**—Creating safe neighborhoods, healthy people, vibrant commercial districts, and inviting parks and recreation
- ◆ **Evolving Infrastructure**—Connecting people and places through strategic investments in physical and technological infrastructure
- ◆ **Inclusive Community**—Embracing our diversity and advancing equity through genuine community engagement
- ◆ **Innovative Government**—Delivering outstanding customer service, developing leaders and fostering innovation
- ◆ **Sustainable Services**—Providing quality services through responsible financial management, economic growth and partnerships

These goals articulate key policy and service priorities for Kent, and guide the allocation of resources throughout the budget and capital improvement program to assure organizational work plans and projects are developed that incrementally move the community towards stated goals. Council goals are long term in nature and the City's ability to make progress toward their achievement is based on the availability of resources at any given time. Implicit in the allocation of resources is the need to balance levels of taxation and community impacts with service demands and the achievement of goals.

COUNCIL GOAL: THRIVING CITY

MEASURE #1: CRIME RATES

RESPONSIBLE DEPARTMENT: Police

Indicators	Results			
	2015	2016	2017	2018
Overall National Incident-Based Reporting System (NIBRS) Crime Rates	50	61	57	n/a

ABOUT THIS MEASURE: Crime rates provide a basic measure of safety in the community.

WHY IT IS IMPORTANT: With current city growth, an understaffed police force, the regional homeless crisis, the opiate epidemic and challenges countywide with the criminal justice system, crime rate trends are expected to continue. The 2019-2020 adopted budget continues an ongoing emphasis on staffing and other public safety initiatives.

MEASURE #2: STAFFING

RESPONSIBLE DEPARTMENT: Police

Indicators	Results			
	2015	2016	2017	2018
Ratio of Officers per 1,000 Population	1.17	1.16	1.13	1.24
Crimes per Officer	n/a	56.83	50.64	45.12

ABOUT THIS MEASURE: Currently the Kent Police Department has the lowest ratio of officers per thousand population, but the highest ratio of crimes per officer, as compared to other cities in the Puget Sound Region. In 2018, the City of Kent paid over \$2.6 million in overtime to cover street staffing and respond to violent crimes. Much of this overtime resulted in mandatory assignment where officers had to extend their shifts for up to six additional hours to cover minimum staffing and calls for services. That means officers were forced to work 16 hour shifts to help keep Kent safe. This has resulted in a tired and stressed workforce.

WHY IT IS IMPORTANT: Having adequate Police staffing allows for the department to have timely responses to emergencies, investigate crimes and proactively address crime problems. Adequate police staffing provides not only a measure of security and safety for the public, but also for the officers themselves.

COUNCIL GOAL: THRIVING CITY

MEASURE #3: MAJOR CRIMES

RESPONSIBLE DEPARTMENT: Police

Indicators	Results			
	2015	2016	2017	2018
Homicides	5	5	11	6
Thefts	4,257	4,841	4,487	4,139

ABOUT THIS MEASURE: The City of Kent is one of the fastest growing cities in the state. As a result of this growth, the City has experienced a spike in violent and property crimes. The mission of the Kent Police Department is to aggressively fight crime while serving with compassion.

WHY IT IS IMPORTANT: Our residents and businesses deserve the highest quality of service to keep them safe and address quality of life issues.



COUNCIL GOAL: EVOLVING INFRASTRUCTURE

MEASURE #1: INFRASTRUCTURE

RESPONSIBLE DEPARTMENT: Public Works

Indicators	Results			
	2015	2016	2017	2018
Number of Pothole Claims Paid Out	0	2	3	0

ABOUT THIS MEASURE: This measure indicated how many claims were paid out on potholes for the City. It is a measure for responsiveness, and success in this measure may not equal zero due to factors outside our control, such as snow and/or ice in any given year. Pothole claims are typically paid out if response times are not up to the City standard. Factors like a weather event may cause slower response times and result in paid claims.

WHY IT IS IMPORTANT: Responsiveness is important for this measure because unfilled potholes can cause damage to vehicles.

MEASURE #2: RECYCLING

RESPONSIBLE DEPARTMENT: Public Works

Indicators	Results			
	2015	2016	2017	2018
Tons of recycling and compost diverted from landfill	44,907	51,920	51,263	47,777
Tons of garbage sent to landfill	72,038	75,285	77,220	78,820

ABOUT THIS MEASURE: This measure focuses on recycling and garbage. The City offers three free annual Recycling Collection Events to residents of the city and King County in order to dispose of hard to recycle items such as scrap metal, appliances, mattresses, shredding, electronics, batteries, Styrofoam and more. The City also contracts with a consultant that works directly with residents in multifamily housing where recycle rates currently sit at a lowly 13 percent. The City has a plan in place to work with its consultant to increase this number by six percent within two years.

Republic Services is the City's solid waste provider and does a great job of educating residents about the importance of "Recycling Right" and providing the latest updates when it comes to recycling. Their website, RepublicServicesKent.com is always up-to-date with the latest information on customer rates as well as how and where to dispose of specific items.

COUNCIL GOAL: EVOLVING INFRASTRUCTURE

WHY IT IS IMPORTANT: The City of Kent takes the diversion of recycling and composting from King County’s last remaining landfill very seriously. The Cedar Hills landfill is scheduled to fill to capacity and close by the year 2040 since its final expansion just concluded. Once this landfill reaches full capacity, residents will be forced to put our trash on trains, as Seattle currently does, and send it over to Eastern Washington or Oregon to landfills where the cost to transport is extremely high. The county could also build a “waste to energy” facility and incinerate our trash however, questions arise as to where to build this facility and how much it will cost.

The bottom line is the City of Kent encourages its residents and the residents of King County to extend the life of our current landfill as long as possible through free recycling events, engaging education and creating strategic partnerships to ensure recyclables are “Empty, Clean & Dry” and inspire residents to “Recycle Right, not recycle more”.

MEASURE #3: NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT COMPLIANCE

RESPONSIBLE DEPARTMENT: Public Works

Indicators	Results			
	2015	2016	2017	2018
Number of G20 Notifications Committed	0	0	1	0
Number of Correction Notices or Violations for NPDES Permit	0	0	0	0

ABOUT THIS MEASURE: The National Pollutant Discharge Elimination System (NPDES) Municipal Stormwater Permit is required by Federal and State law. The purpose is to require cities and counties to manage stormwater in a way that is protective of the environment. This permit requires Kent to implement a host of stormwater programs, including: stormwater education and outreach; spill and illicit discharge response; development and construction oversight; and long-term operations and maintenance of stormwater systems.

WHY IT IS IMPORTANT: Compliance with the NPDES municipal permit is important because it helps prevent pollution of streams, lakes and Puget Sound. As a Federal and State-mandated permit program under the Federal Clean Water Act strong penalties are assessed for non-compliance.

COUNCIL GOAL: EVOLVING INFRASTRUCTURE

MEASURE #4: PAVEMENT PRESERVATION

RESPONSIBLE DEPARTMENT: Public Works

Indicators	2015	Results		
		2016	2017	2018
Paved lane miles assessed as satisfactory as a percentage of total miles	n/a*	48.90%	n/a*	50.11%

*Due to funding and time restraints, the data has only been gathered every other year.

ABOUT THIS MEASURE: Roadways are huge part of the cities’ infrastructure. The condition of the city roadways in the past had been significantly declining due to lack of funding. Without dedicating resources and investing in our roads the pavement deteriorates rapidly. Currently, there are dedicated B&O and solid waste utility tax funds being invested in our roadways.

WHY IT IS IMPORTANT: It is important to measure progress in this area because it is such a huge part of our infrastructure and the City’s biggest and most visible asset.



COUNCIL GOAL: INCLUSIVE COMMUNITY

MEASURE #1: COMMUNICATION AND ENGAGEMENT

RESPONSIBLE DEPARTMENT: Administration

Indicators	Results			
	2015	2016	2017	2018
Residents reached through Mayor's Budget Roadshow	n/a	n/a	n/a	200 approx
Facebook Followers - % increase	n/a	n/a	n/a	44.4%
Twitter Followers - % increase	n/a	n/a	n/a	17.9%
Kent Now Videos	n/a	n/a	n/a	18

ABOUT THIS MEASURE: The Communication division's mission is to proactively communicate with Kent's various audiences about City programs, services and initiatives; share events, information and resources; and facilitate engagement between the City, residents, businesses, local partners and elected officials.

WHY IT IS IMPORTANT: It is important that all residents, communities and businesses within Kent have access to the information they need to successfully live and work in Kent. We want to ensure every resident and business has a voice and a forum to be heard, and that they feel both welcome and valued.



COUNCIL GOAL: INCLUSIVE COMMUNITY

MEASURE #2: LEGISLATIVE ADVOCACY

RESPONSIBLE DEPARTMENT: Administration

Indicators	Results			
	2015	2016	2017	2018
Meetings with City staff and lobbyist to identify priorities	10	10	10	10
Meetings at Operations and City Council meetings to discuss and approve priorities	2	2	2	2
Meetings with legislators at City Hall and in Olympia to advocate for the City's priorities	n/a	n/a	10	10

ABOUT THIS MEASURE: The Communications Manager is responsible for working with City staff and our lobbyist to identify and advocate for the City's top legislative priorities. Each year we meet to discuss the upcoming years priorities.

WHY IT IS IMPORTANT: Some of the City's priorities require legislative support, including the following:

- ◆ Replacing funding that the City will lose when streamlined sales tax mitigation ends in 2019;
- ◆ Requesting capital funding for infrastructure projects like the Mill Creek Flood Plain Stabilization project and phase 2 of the 224th project;
- ◆ Asking for support for the early delivery of the Puget Sound Gateway project, and authorizing a pilot program to address street racing.

Each of these projects impact the City's sustainability whether it is directly impacting infrastructure needs, replacing much needed funding or supporting public safety.

COUNCIL GOAL: INNOVATIVE GOVERNMENT

MEASURE #1: PUBLIC ACCESS TO MATERIALS

RESPONSIBLE DEPARTMENT: Administration

Indicators	Results			
	2015	2016	2017	2018
Agendas, Minutes, and Notices, published through electronic agenda management system	n/a	n/a	n/a	259

ABOUT THIS MEASURE: The City Clerk’s Office oversees management of City Council and City Council Committees agendas, minutes and meeting notices. Through technology, the City Clerk’s Office deployed an electronic agenda management system, providing on-line public access through the City’s website.

WHY IT IS IMPORTANT: The portal allows access 24/7 to all agendas, minutes and meeting notices. Additionally, the public may sign-up for automatic notification of any published agenda or meeting notice.

MEASURE #2: RESPONSIVE RECORD MANAGEMENT

RESPONSIBLE DEPARTMENT: Administration

Indicators	Results			
	2015	2016	2017	2018
Public Record Requests Received	n/a	n/a	3,262	3,443
# of Completed Records Requests within 5 days	n/a	n/a	2,607	2,852
% of Completed Records Requests within 5 days	n/a	n/a	80%	83%

ABOUT THIS MEASURE: The time-consuming process of request intake, record gathering, and delivery of requested records requires many staff hours and resources city-wide. Over the past two years, most requests were received and processed through the Public Records Center portal on the City’s website. Over the past year, the City Clerk’s Office improved the delivery process of responsive records, transitioning from physical paper copies to electronic delivery through the Public Records Center portal.

WHY IT IS IMPORTANT: By developing this process, the City Clerk’s Office reduced their paper consumption and improved delivery and access to the requester.

COUNCIL GOAL: SUSTAINABLE SERVICES

MEASURE #1: CREDIT WORTHINESS

RESPONSIBLE DEPARTMENT: Finance

Indicators	Results			
	2015	2016	2017	2018
Bond Rating - Standard & Poor's (S&P)	AA	AA+	AA+	AA+
Bond Rating - Moody's	A2	A2	Aa3	Aa3

ABOUT THIS MEASURE: The City of Kent is rated by both Standard and Poor's (S&P) and Moody's Investment Services. The City's general obligation rating from S&P is an AA+ rating, which is S&P's second highest rating. It puts the City at the top of the range as a "very low credit risk". The Aa3 rating from Moody's is judged to be of high quality and subject to very low credit risk.

WHY IT IS IMPORTANT: A bond rating is a direct reflection of a City's creditworthiness, similar to an individual's credit rating. The City's high ratings reflect consistency with key credit factors, such as a healthy financial position, a strong economy and tax base and mid-ranged debt and pension burdens. High ratings also translate to lower interest rates for future borrowings (bonds or otherwise).

MEASURE #2: FINANCIAL MANAGEMENT

RESPONSIBLE DEPARTMENT: Finance

Indicators	Results			
	2015	2016	2017	2018
Unqualified audit opinion on prior years' financial statements	Yes	Yes	Yes	Yes
# of audit findings - financial, accountability and single audits combined	0	1	0	0

ABOUT THIS MEASURE: The Revised Code of Washington (RCW) Chapter 43.09 RCW requires the State Auditor's Office to examine the financial affairs of local governments. Accordingly, the City of Kent undergoes annual financial, accountability and single audits.

WHY IT IS IMPORTANT: Each audit is an opportunity to review an organization's financial management practices, which provide the foundation for effective stewardship of resources and ensuring the safety and security of financial assets. No other indicator provides a better measure of the efficacy of those practices.

COUNCIL GOAL: SUSTAINABLE SERVICES

MEASURE #3: FINANCIAL CONDITION

RESPONSIBLE DEPARTMENT: Finance

Indicators	Results			
	2015	2016	2017	2018
General Fund Reserves as a % of Expenditures				
Target (2015 only): 10%	11.50%	18.75%	20.80%	20.00%
Target: 18%				
General Fund Revenues as a % of Ongoing Expenditures				
Target: > 100%	104.70%	105.10%	101.60%	102.20%
General Fund Tax Revenues as a % of Personnel Costs				
Target: > 100%	99.20%	107.90%	105.40%	104.60%

ABOUT THIS MEASURE: The Government Finance Officers Association best practice recommends reserve equal to two months of budgeted expenditures, or about 16 percent. In early 2017, Council formally adopted a fund balance policy that calls for 18 percent reserves in the General Fund. Reserves are used during economic downturns and in rare cases for large unforeseen expenditures or revenue reductions. Any use of reserves that reduces the fund balance below the minimum required must include a repayment plan.

Maintaining annual revenues as a percentage of expenditures at 100 percent or higher indicates that ongoing costs are fully supported by ongoing revenues, which is a key component of a structurally balanced budget. It could also be argued that ongoing tax revenue (majority of revenues) should cover ongoing personnel costs (majority of costs).

WHY IT IS IMPORTANT: Financial condition is an indicator of the City's ability to provide sustainable core services through economic cycles and meet unforeseen needs. Additionally, the concept of structural balance is a key factor in developing a sustainable spending plan. By establishing a budget where operational costs are supported by recurring revenues, future liabilities for continuing costs are avoided.

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