

City of Camas Financial Discussion

PLANNING CONFERENCE

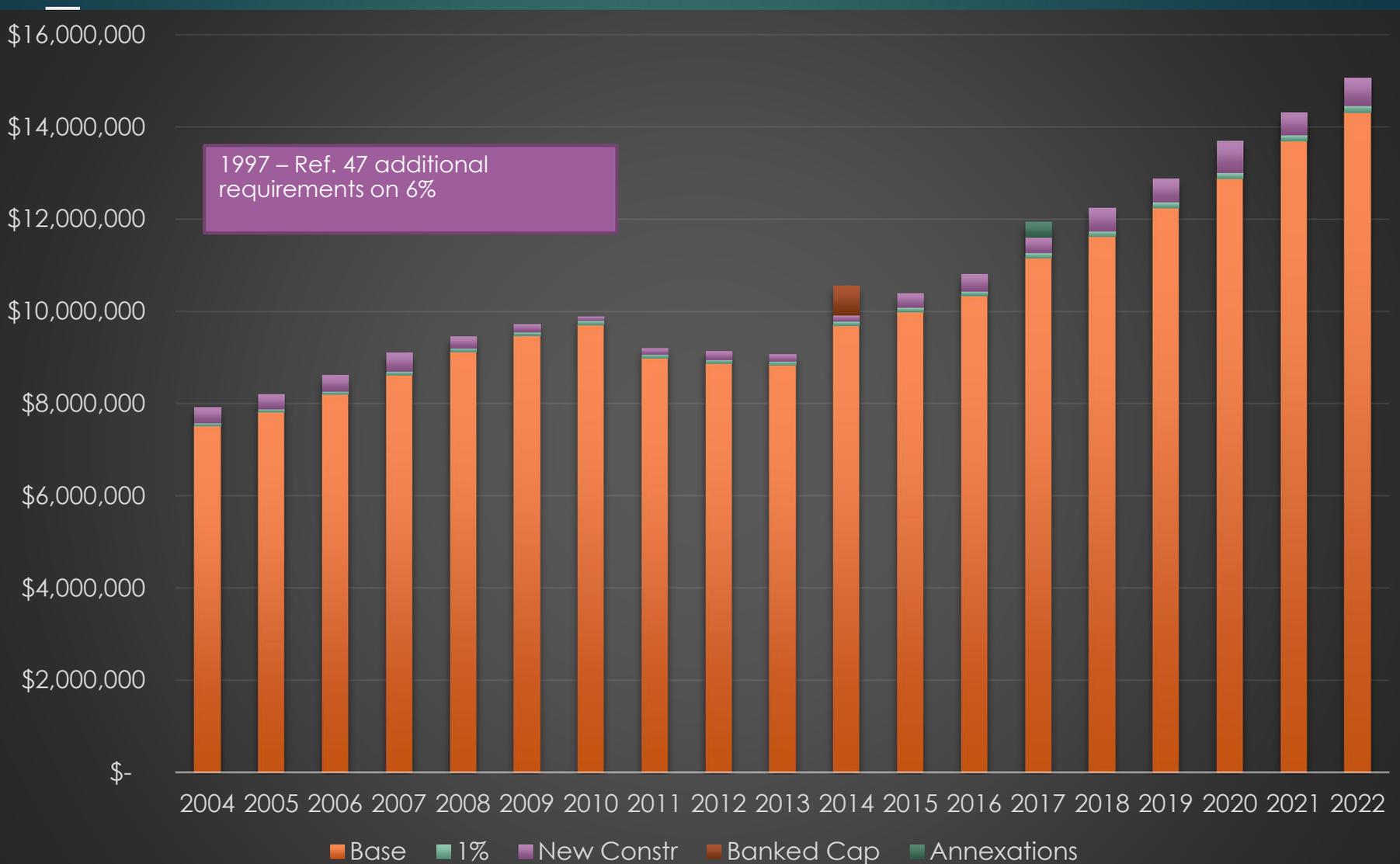
CITY OF CAMAS

JANUARY 28, 2017

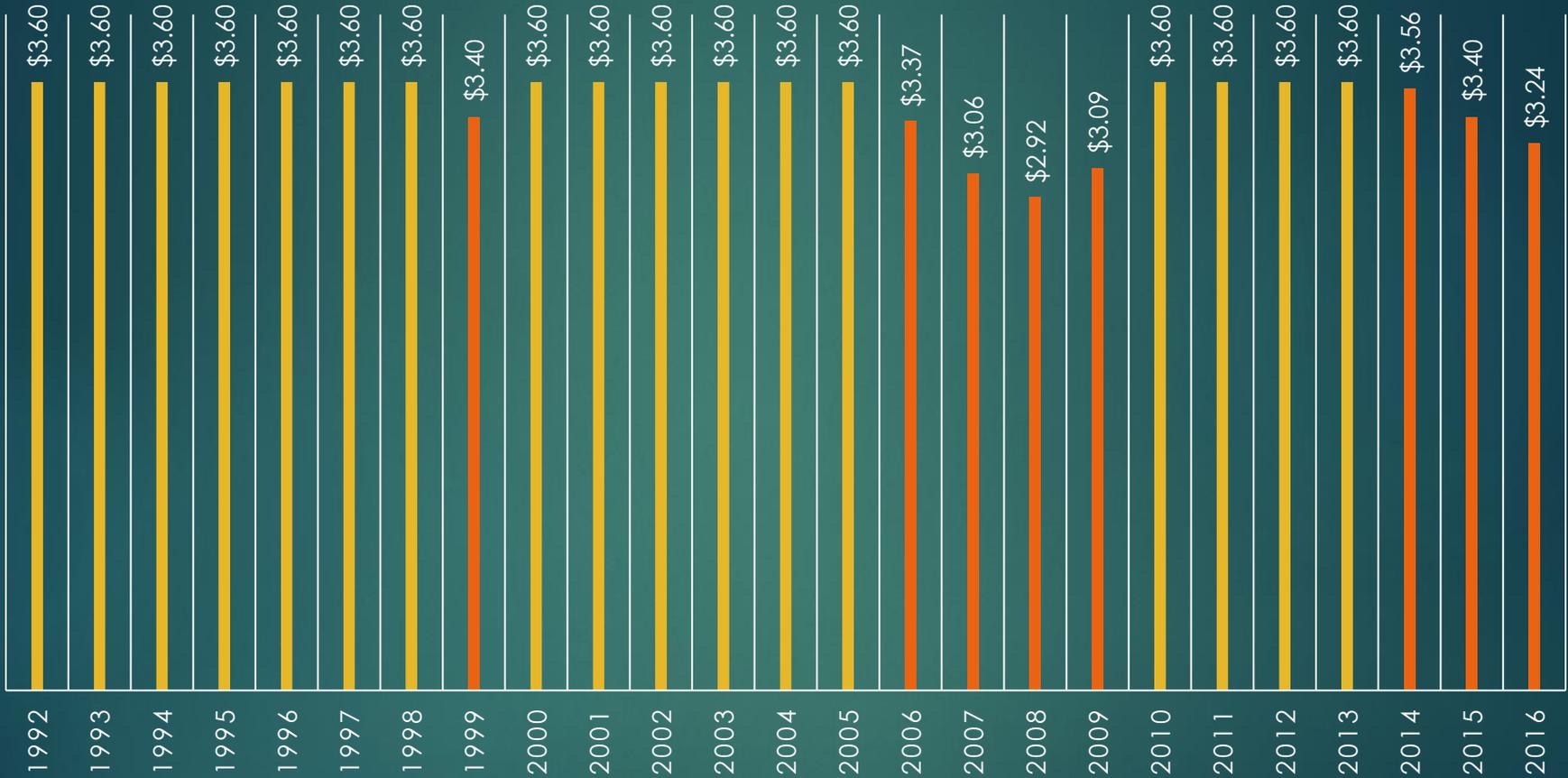
Financial Discussion

- ▶ Historical Perspective
 - ▶ Property Taxes
 - ▶ “Fixed Costs with Fixed Income”
 - ▶ Fund Balance Question
- ▶ Bridging the Gap
 - ▶ Strategies Used
 - ▶ Unmet Needs
 - ▶ Level of Service
 - ▶ Question of Sustainability
- ▶ North Shore Needs
 - ▶ Needs Identified
- ▶ Next Steps

City of Camas Property



Tax Rates



The City's levy rate has been \$3.60 – 17 of the last 23 years.

General Fund Fixed Income and Costs Annual Increases

Revenue

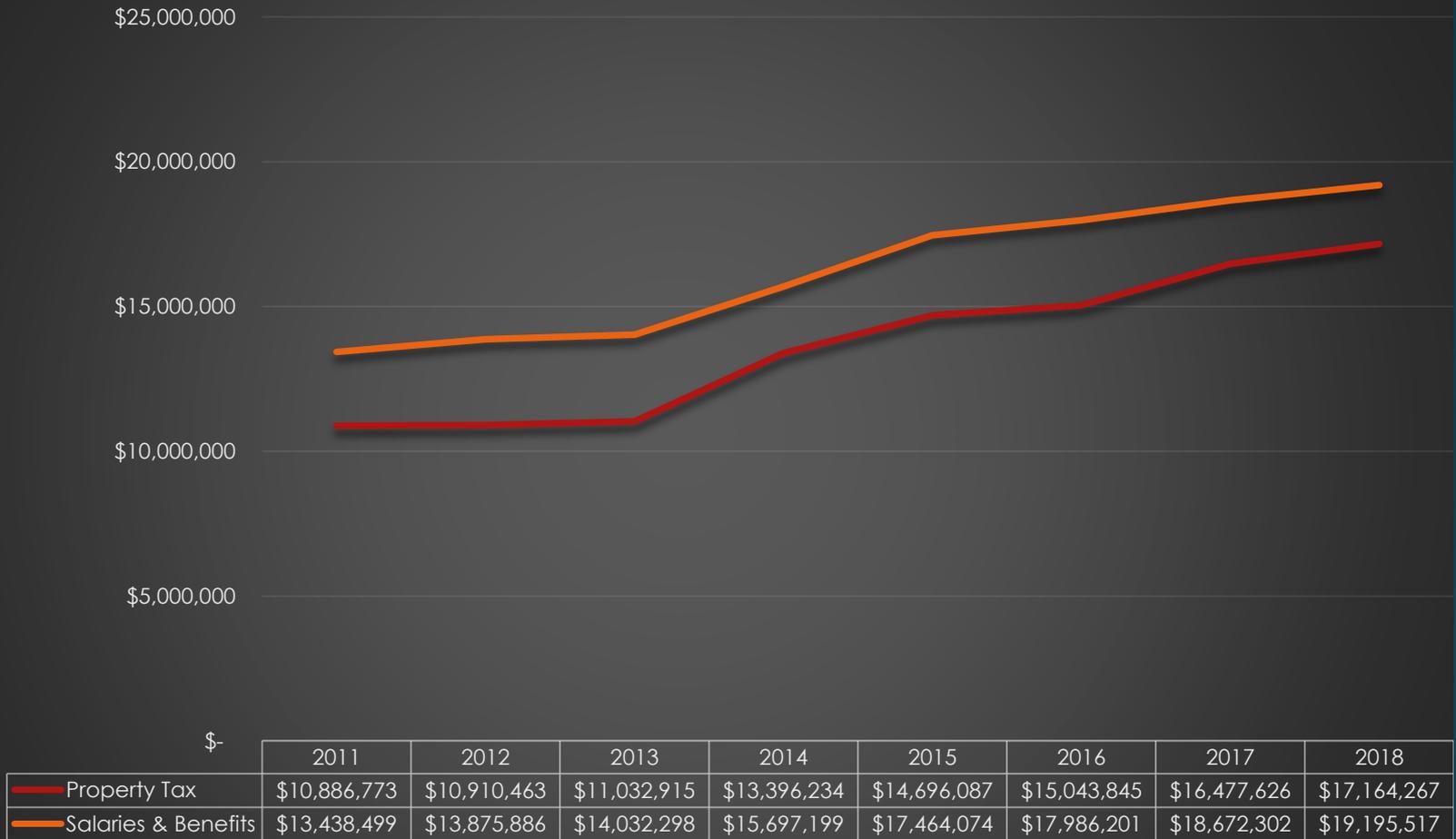
- Property Taxes 1% = \$108,000

Costs

- Wages 1% = \$109,800
- Benefits 5% = \$200,000

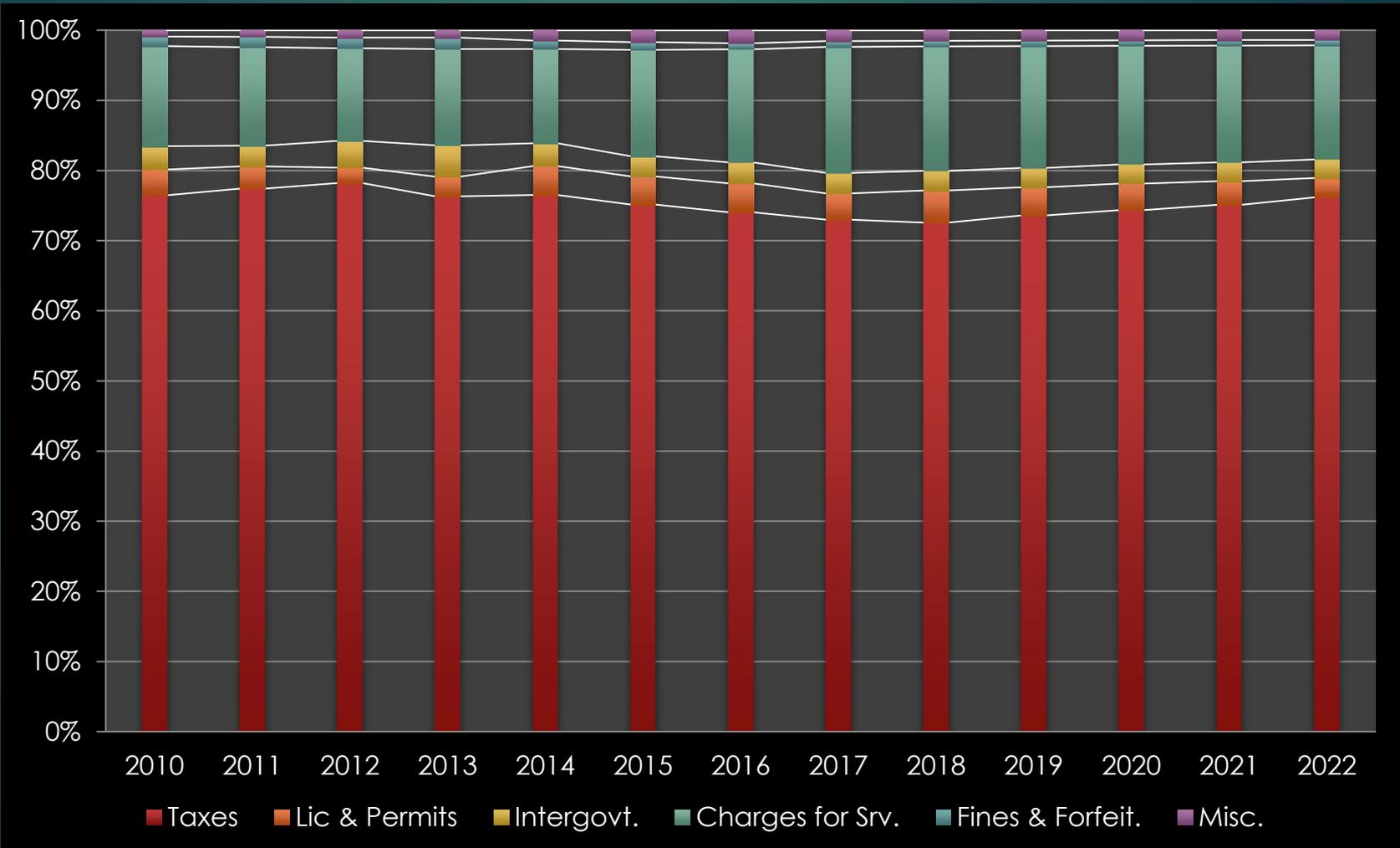
The Budget is balanced with New Construction.

Fixed Costs with Fixed

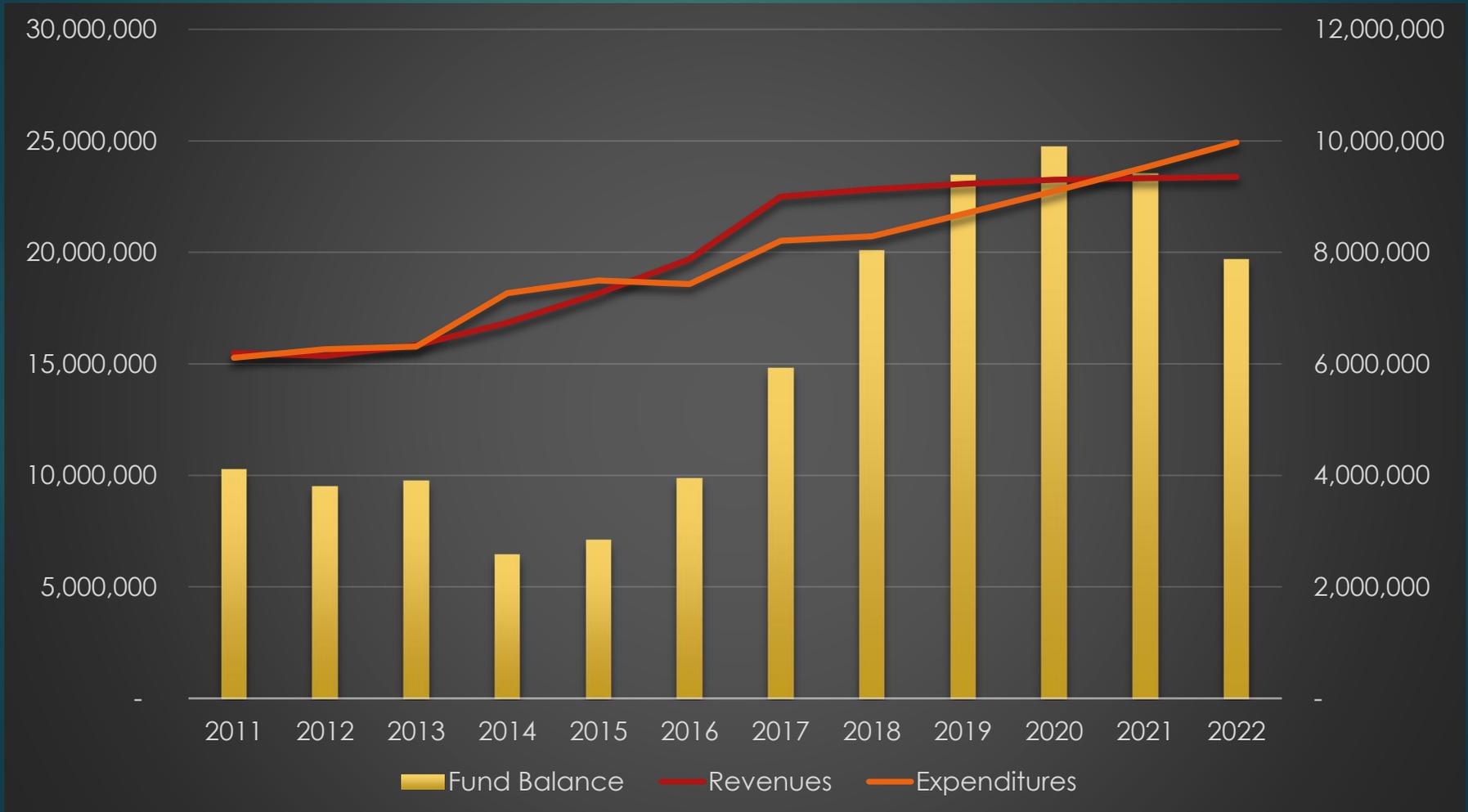


General Fund Revenue

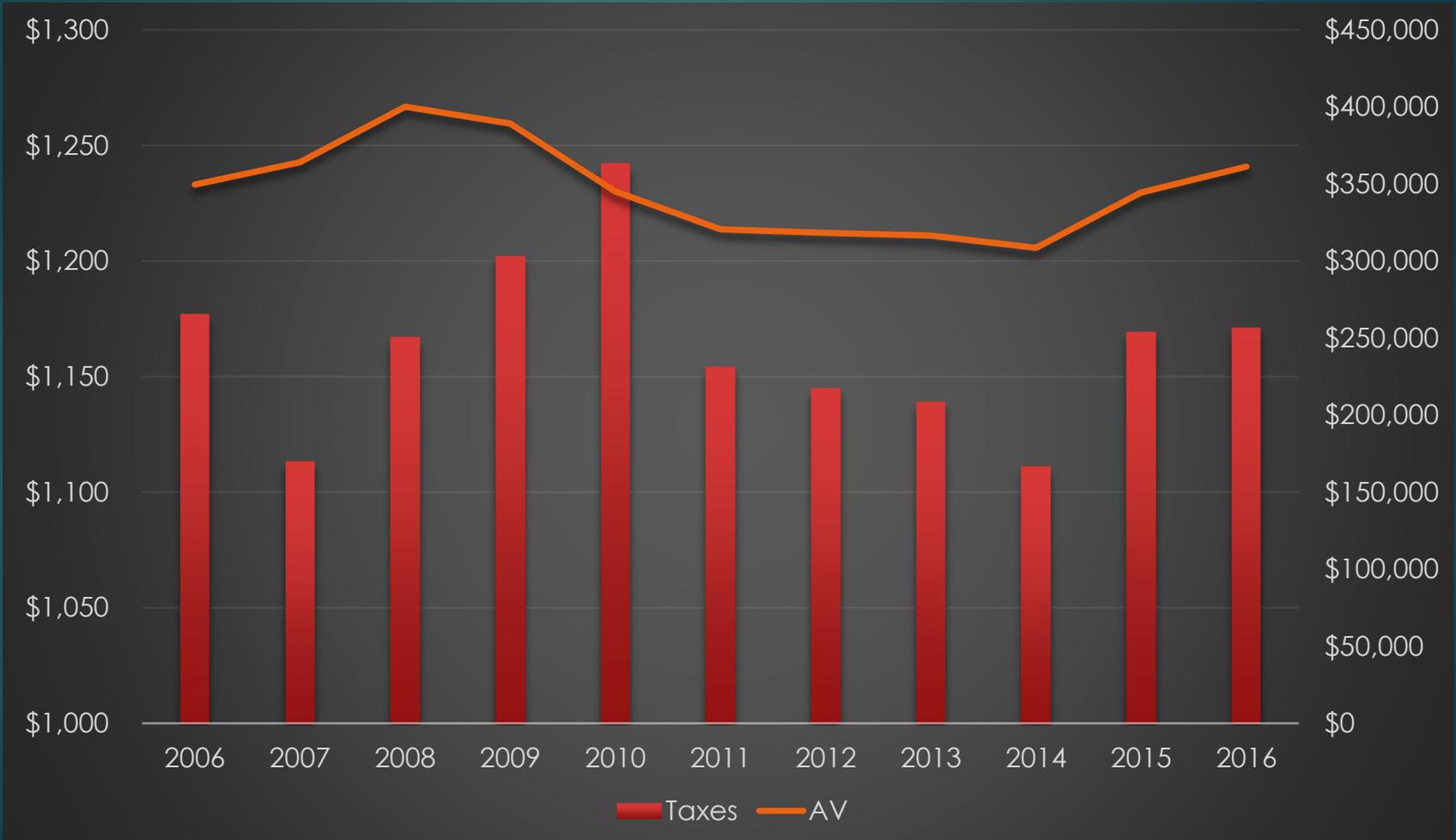
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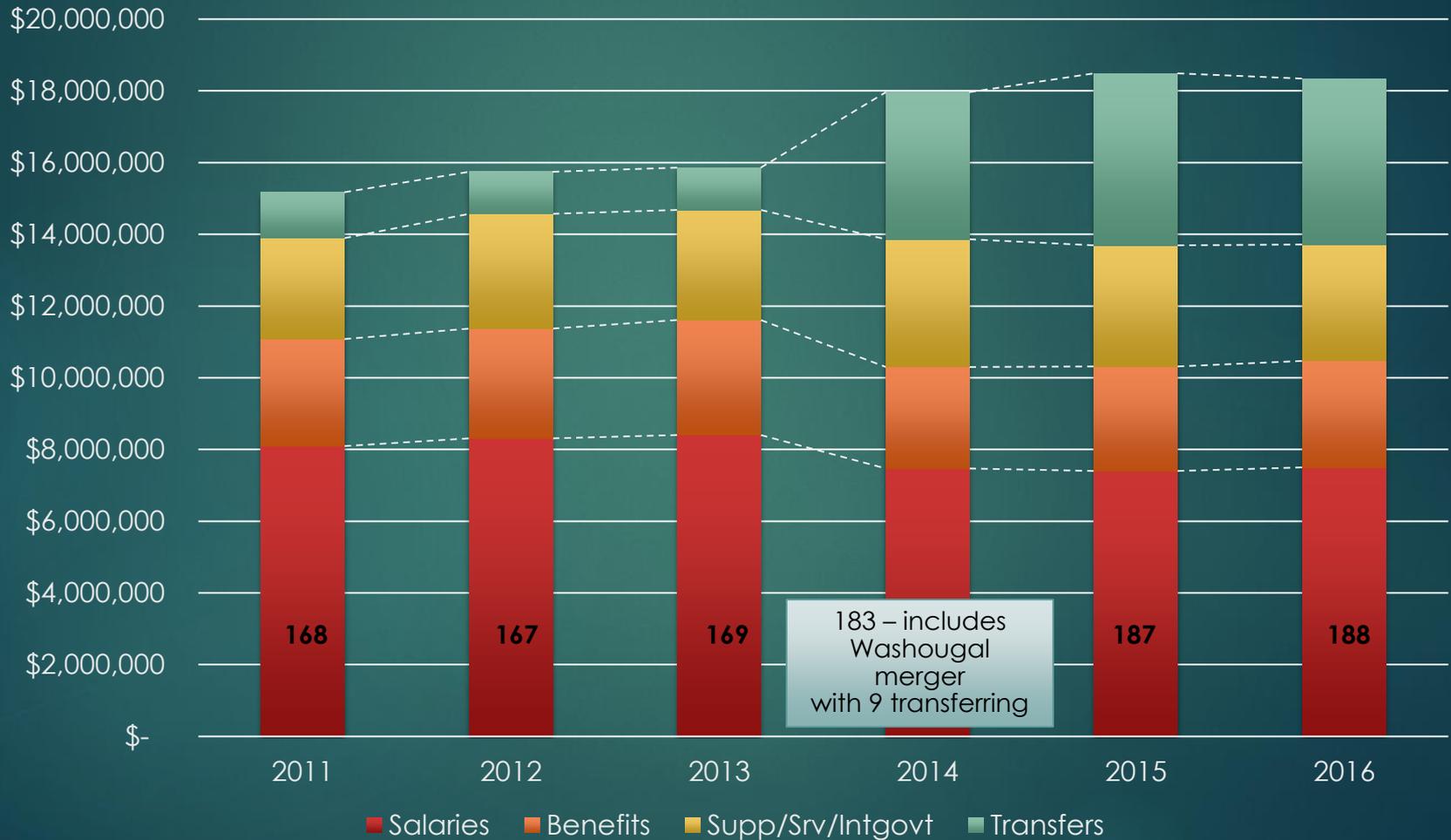
General Fund Revenue and Expenditure Trends



Property Tax Bill Growth

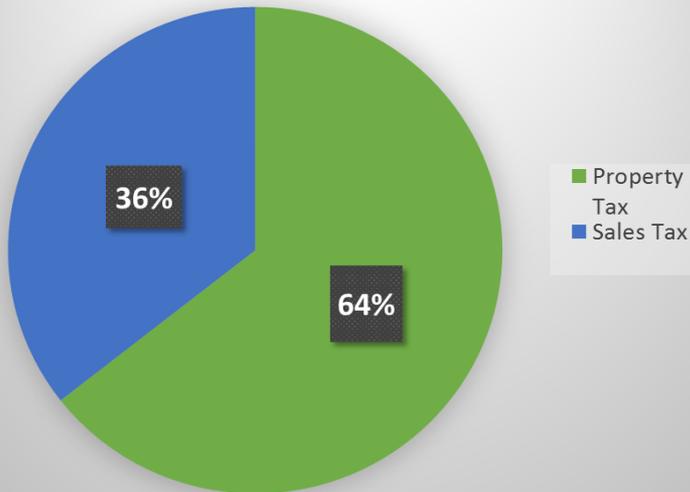


Growth in Expenditures and FTEs

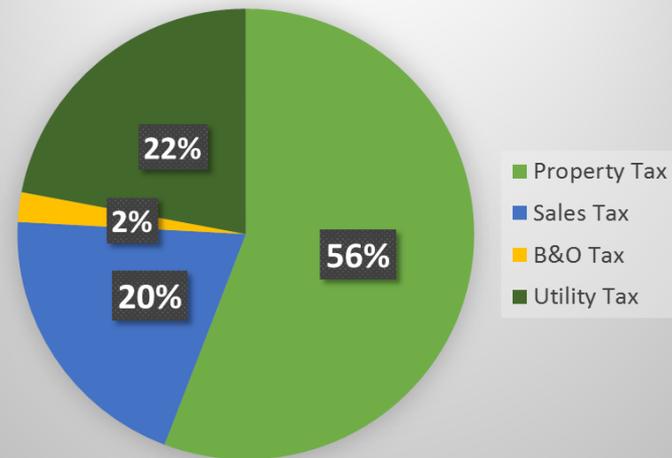


Sustainability

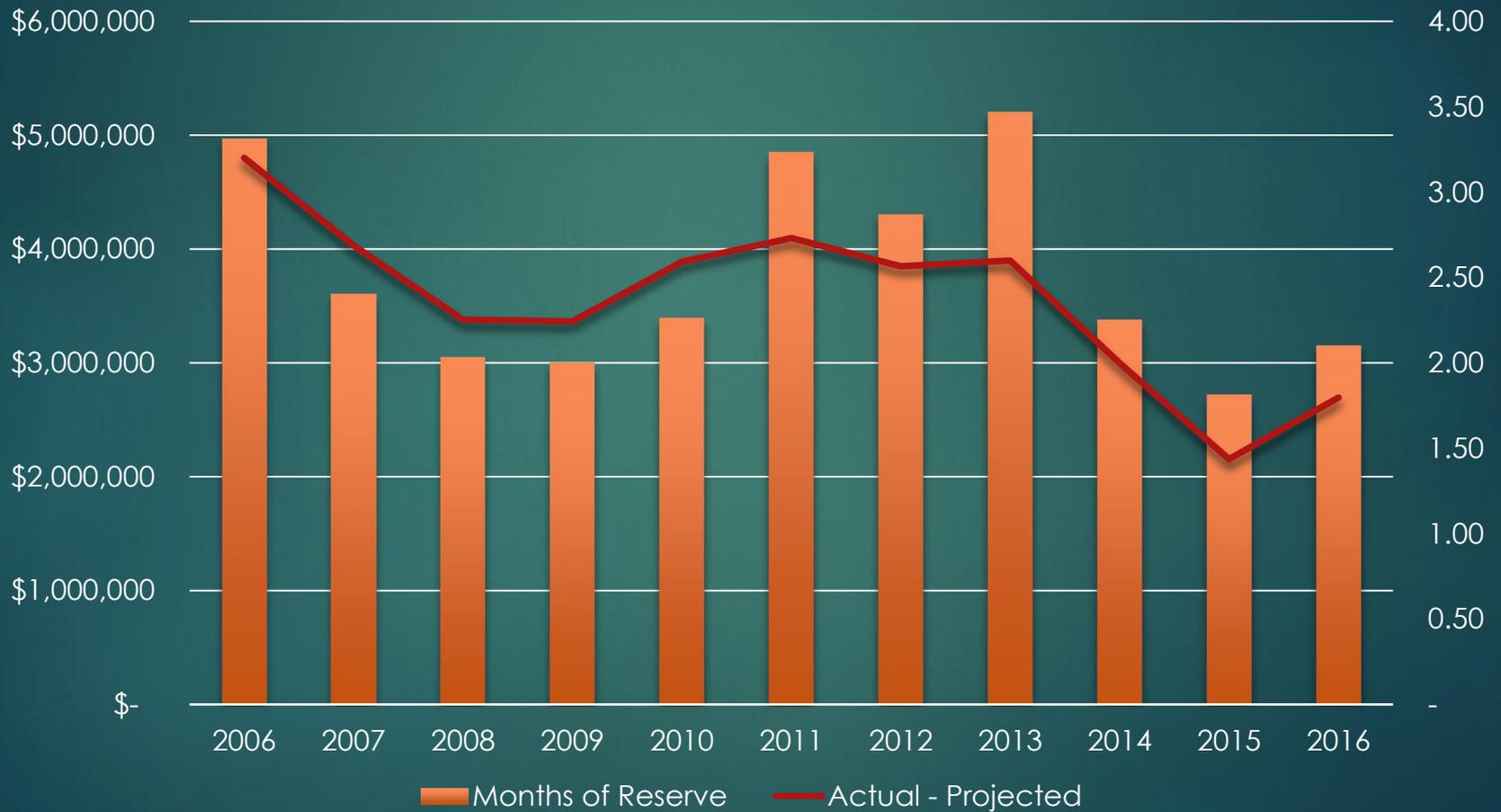
Camas Revenue Diversity



Example of Other WA Cities Revenue Diversity



General Fund Reserve



Bridging the Gap

Strategies Used – Containing Costs

Positions Delayed
or Not Filled



- Police Officer
- Planning Manager
- Accountant
- Assistant Library Director
- Building Inspector
- Network Administrator

Deferred Maintenance



- Road Maintenance – slower pace
- Vehicle Replacements
- Playground Equipment Replacement
- Computer Replacement
- Roof Repairs

Pay Reductions



- No Cost of Living in 2010-2011
- Mandatory unpaid leave/furlough days

Reduce Programs



- Library Collection Reduced
- Cemetery Irrigation
- Swimming Pool Season
- Status Quo Programming
- No Training
- Reduced hours to the public

Reduce Fund Balance



- Adopted a Budget with lower fund balance 2015

New Strategy for Cost Containing 2017-2018

- ▶ Double fill Police and Fire vacancies for training purposes
 - ▶ Cost for Police Officer
 - ▶ \$100,000/annually salaries and benefits
 - ▶ \$3,000 for clothing and equipment, insurance, etc.
 - ▶ Cost for Fire
 - ▶ \$200,000/annually for salaries and benefits
 - ▶ \$3,000 for clothing, equipment, insurance, etc.

Level of Service

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Law Enforcement

- ▶ Sworn staffing levels continue to struggle with increased demands for service driven by annexation and population growth.
- ▶ Minimum Police Officer staffing the majority of the year. As a result, increased response times, fewer traffic stops and lower arrest statistics. After 2:30am, only 2 police officers
- ▶ Code Enforcement shares FTE with Parking, Code Enforcement is almost full time now
- ▶ Traffic Officer is needed in lieu of using overtime hours from another agency.

Level of Service

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Community Development

- ▶ Strained level of service with increased activity in development
- ▶ Building Inspection may require overtime and/or additional help

Animal Control

- ▶ Adequate with current funding
- ▶ Costs have been held constant with the shelters

Level of Service

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Detention and Corrections

- ▶ Current level of service is adequate – prisoners are detained in the City Jail temporarily with all other prisoners held either in the Clark County or Skamania County Jail.
- ▶ This is a variable budget year to year with medical costs and population in the jail

Municipal Court

- ▶ Adequate level of service
- ▶ Financial needs include continued repairs, maintenance and upgrades to Municipal Court especially security
- ▶ This is a variable budget year to year with caseload driving indigent defense, detention and offender programs.

Level of Service

Legislative

- ▶ Adequate level of service

Executive

- ▶ Adequate level of service

Level of Service

Human Resources

- ▶ Adequate level of service

Administrative Services

- ▶ Adequate level of service

Level of Service

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Legal

- ▶ Adequate level of service for civil
- ▶ Prosecutor costs are driven by caseload with Indigent Defense compliance, additional court days and unforeseen legal complications

Finance

- ▶ Adequate level of service
- ▶ Continue to look for ways to automate services for utility customers, vendors and employees
- ▶ Challenges are in ever changing treasury, accounting, and pension liabilities requirements
- ▶ New financial system will be required in the next five years

Level of Service

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Information Technology

- ▶ Current systems and applications require ongoing maintenance and upgrades
- ▶ New technologies will be required to increase efficiencies and improve customer service
- ▶ New and upgraded facilities will require additional technology infrastructure and additional support FTE

Engineering

- ▶ Engineering has struggled to keep up with capital and private development projects with two temporary Engineering Technicians and a consulting firm
- ▶ Without additional help, productivity and effectiveness will continue to decrease. Already limiting construction inspections which will increase risk of long-term impacts
- ▶ Storm Water NPDES permit requirements have required use of current FTE, reducing available engineering staff to work on capital and development work

Level of Service

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Fire and EMS

- ▶ Budget resources are frequently challenging but the current staffing is striving to maintain current level of service
- ▶ Overtime is a struggle with multiple on the job injuries and resignations
- ▶ Call volumes occasionally exceed staffing capabilities
- ▶ Operational deployment issues with increasing calls for service will continue to be a problem as the City grows
- ▶ Continued impacts of Medicare/Medicaid funding impact Ambulance revenue
- ▶ Aging workforce will lead to retirement of 1/3 of the department within the next 5 years

Level of Service

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Central Services

- ▶ Adequate level of service with the reallocation of staff
- ▶ Need to maintain summer help
- ▶ Major maintenance and preventative maintenance need to be addressed. Roofs are in the biennium budget
- ▶ Replacement of City Hall and the Fire Station will need to be explored
- ▶ Long term municipal facilities plan will need to be addressed for 2019-2020 biennium

Library

- ▶ Changes with the partnership with Fort Vancouver Library may impact the collection budget
- ▶ Cataloging software and technical support may need to be funded
- ▶ Self-service platform may need to be funded as well
- ▶ Demand for enhancing online services continue to grow

Level of Service

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Parks and Recreation

- ▶ Budget resources are adequate for current level of service with a reliance on donations for special events
- ▶ Swimming Pool operations are at 10 weeks
- ▶ Community Center and the Pool are in need of major maintenance

Parks Maintenance

- ▶ In need of additional grounds maintenance workers and additional funding to maintain parks
- ▶ Playground equipment and hazardous tree removal partially funded
- ▶ Trails only serviced as requested
- ▶ Eliminated "routine" maintenance of some open space areas
- ▶ Some maintenance such as sports fields, paved surface maintenance, tree pruning are rarely completed

Level of Service

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Streets

- ▶ Current budget increased but still falls short of overall need
- ▶ Additional funding will be required to maintain right of ways added to the system including 6th and Norwood, Friberg-Strunk and 38th Ave.
- ▶ Develop strategies to limit impact of pavement cuts and collect fees to offset impacts
- ▶ Pavement preservation still underfunded to maintain current levels
- ▶ Challenges with maintaining roads in recently annexed areas not constructed to city standards
- ▶ Performing reactionary maintenance vs preventive maintenance
- ▶ Additional funding needed to complete O&M of signals, ADA, guardrails and bridges
- ▶ Lacking resources for large events such as snow and ice

Level of Service

Storm Water Drainage (Utility Fund)

- ▶ Budget resources are adequate to maintain the current level of service
- ▶ The current NPDES permit will require additional staff time and resources to meet all the conditions to stay in compliance
- ▶ Development will result in compliance pressures on staff
- ▶ Maintenance activities need to be more preventive
- ▶ Reallocating staff reduces available FTE in Streets
- ▶ Rate analysis to be completed in 2017

Solid Waste (Utility Fund)

- ▶ Budget resources are adequate to maintain current level of service
- ▶ In 2018, past annexations will need to be absorbed into the collection system
- ▶ Potential results of the Solid Waste study and rate analysis in 2017

Level of Service

Water/Sewer (Utility Fund)

- ▶ Budgeted resources are adequate for the current level of service
- ▶ Seasonal operating changes as part of the Jones/Boulder water source development may warrant budget changes
- ▶ Additional regulatory pressures and pace of the North Shore development will also cause budget changes
- ▶ Rate analysis to be completed in 2017
- ▶ STEP system maintenance program lacking – may require additional funding
- ▶ Asset Management program may require additional funding

Equipment Rental Fund (Enterprise Fund)

- ▶ Budgeted resources are currently adequate to maintain the current level of service
- ▶ Rate structures will continue to be fine tuned
- ▶ Reduction on reliance of reserve fleet will impact future budgets
- ▶ Large equipment significantly past useful life. Replacements will have impact on all funds.

Unmet Needs Total

2015-2016

	Biennial Costs
2 Police Officers	\$274,499
Mobile Technology	\$54,000
Partnership Proj Comm Ed	\$12,000
Seasonal Help-Sports Fields	\$39,769
Library Collection Increase	\$54,000
Enhance Public Mtg Rooms	\$44,780
Library Staffing Increase	\$203,568
Furniture for Library	\$32,000
Gurney Replacement	\$33,000
Fire Inspector	\$104,302
Brush Truck	\$150,000
TOTAL	\$1,001,918

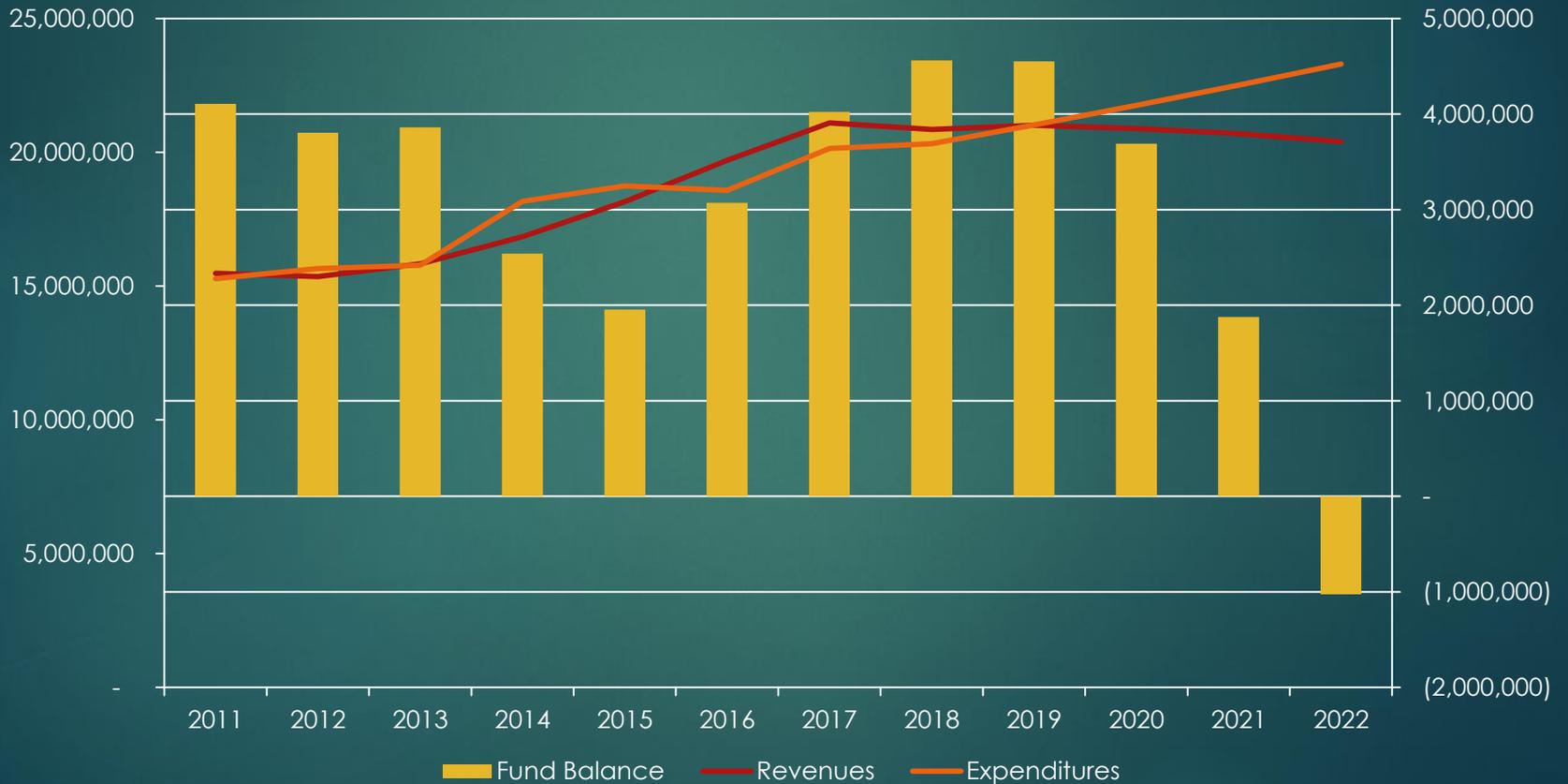
2017-2018

	Biennial Costs
Traffic Detail Officer*	\$94,100
City-Wide Phone System	\$100,000
Engineer*	\$100,000
Grounds Maint. Worker	\$160,000
Hazard Tree Removal	\$100,000
Playground Equipment Repl	\$100,000
Trail Maintenance Vehicle	\$18,000
Street Maintenance Worker	\$160,000
Brush Truck	\$60,000
SCBAs	\$150,000
TOTAL	\$1,042,100

North Shore Needs

City's Need for Growth

General Fund 2011-2022 Forecast No North Shore Growth



North Shore Needs

Direct Services

Municipal Court

Human Resources

Police

Detention & Corrections

Fire and EMS

Engineering

Animal Control

Parks and Recreation

Building

Library

Streets

Annual Costs Range (Per Capita Model)

Year	Costs
2018	\$1,537,430
2019	\$1,368,820
2020	\$1,651,415
2021	\$1,931,424
2022	\$2,222,367

Examples of Service Needs

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Police

- ▶ Currently, City is divided into East and West with a patrol car in each. North Shore will be an additional zone – North
- ▶ Capital Costs for North Zone \$150,000
- ▶ Annual Costs \$470,000

Streets/Parks/Utilities

- ▶ Additional lane miles, parks and trails will result in additional supplies and FTE to serve
- ▶ Response time from current Ops Center significant
- ▶ City will have a role in providing new infrastructure with resources to design, construct and maintain

Fire and EMS

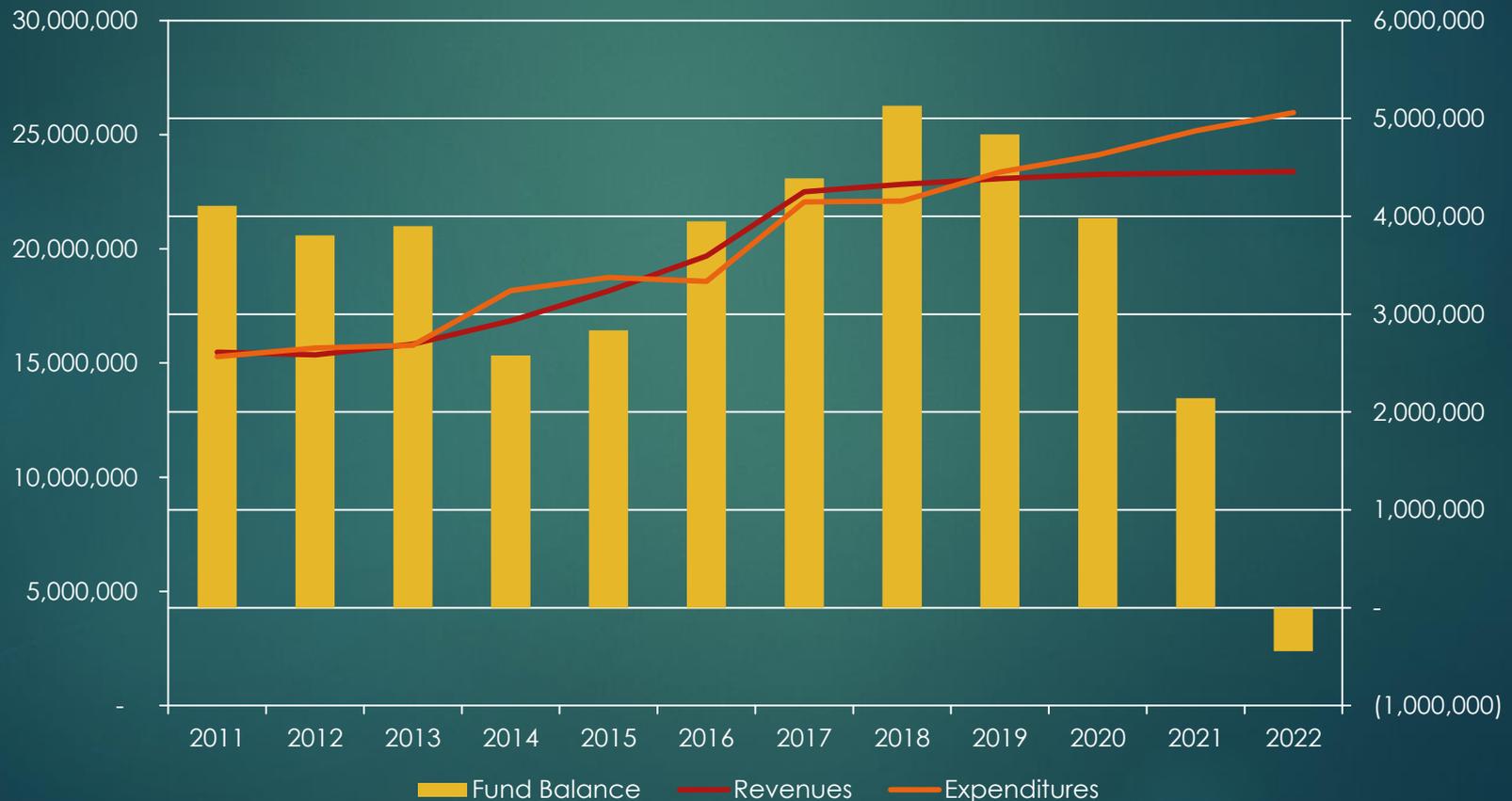
- ▶ North Shore would likely require addition of at least one additional paramedic transport unit stationed in the area
- ▶ Six additional paramedics (2 per shift over 3 shifts)
- ▶ Potentially a station with current stations will also need to be replaced in the next 10 years \$5-8 million

Capital

- ▶ North Shore Service Building
 - ▶ Police, Ops and Library – mobile option \$500,000
 - ▶ \$4-12 million depending on facilities available e.g. pole barn & mobile building vs. permanent structure

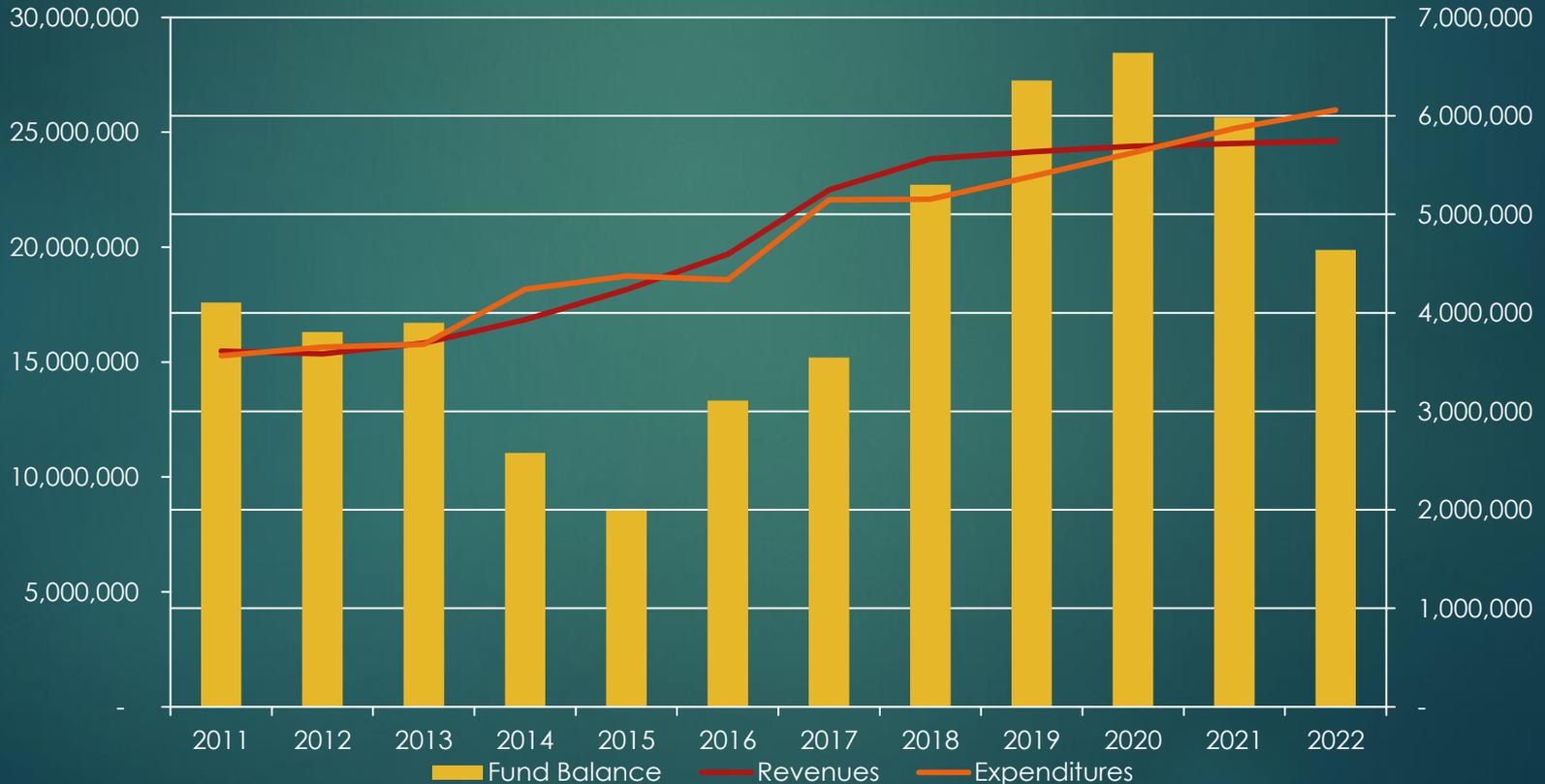
North Shore Not Enough with a Recession

General Fund 2011-2022 Forecast with North Shore



3% in Utility Taxes Sustainable

General Fund 2011-2022 Forecast with North Shore and Utility Taxes



Direction for Staff

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Option A Status Quo

- Growth will continue to help support existing services

Option B Fund Balance Question

- Assess risk to determine appropriate GF fund balance

Option C Utility Taxes

- Begin a process to explore and implement utility taxes

Option D Other Revenue Options

- Explore other revenue options such as TBD, or additional property tax options