



CITY COUNCIL WORKSHOP MEETING AGENDA
Saturday, January 28, 2017, 9:00 AM
Lacamas Lake Lodge, 227 NE Lake Road

ANNUAL PLANNING CONFERENCE - Day 2 of 2

I. OPENING COMMENTS AND AGENDA REVIEW (9:00 a.m.)

A. City of Camas Financial Discussion (9:15 a.m.)

Details: Council will discuss with staff the financial status of the City. Staff will present the property tax historical perspective and provide context to the current fund balance situation the City has. City Departments will discuss with Council how the gap between revenues and expenditures have been bridged in prior budgets as well as discuss current level of service provided to the Camas community. Unmet needs, sustainability and North Shore funding forecasts will also be presented. Staff is seeking direction from Council on funding options to further explore for City services.

Presenter: Cathy Huber Nickerson, Finance Director; Pete Capell, City Administrator and Department Heads

Recommended Action: This item is for Council's information only.

 [City of Camas Financial Discussion](#)

II. BREAK (10:30 a.m.)

A. City of Camas Financial Discussion - Continued (10:45 a.m.)

III. PUBLIC COMMENTS (11:55 a.m.)

IV. WORKING LUNCH - Continue Financial Discussion (12:00 p.m.)

V. ADJOURNMENT OF PLANNING CONFERENCE (1:00 p.m.)

NOTE: The City welcomes participation of its citizens in the public meeting process. Effort will be made to ensure anyone with special needs can participate. For more information call 360.834.6864.

City of Camas Financial Discussion

PLANNING CONFERENCE

CITY OF CAMAS

JANUARY 28, 2017

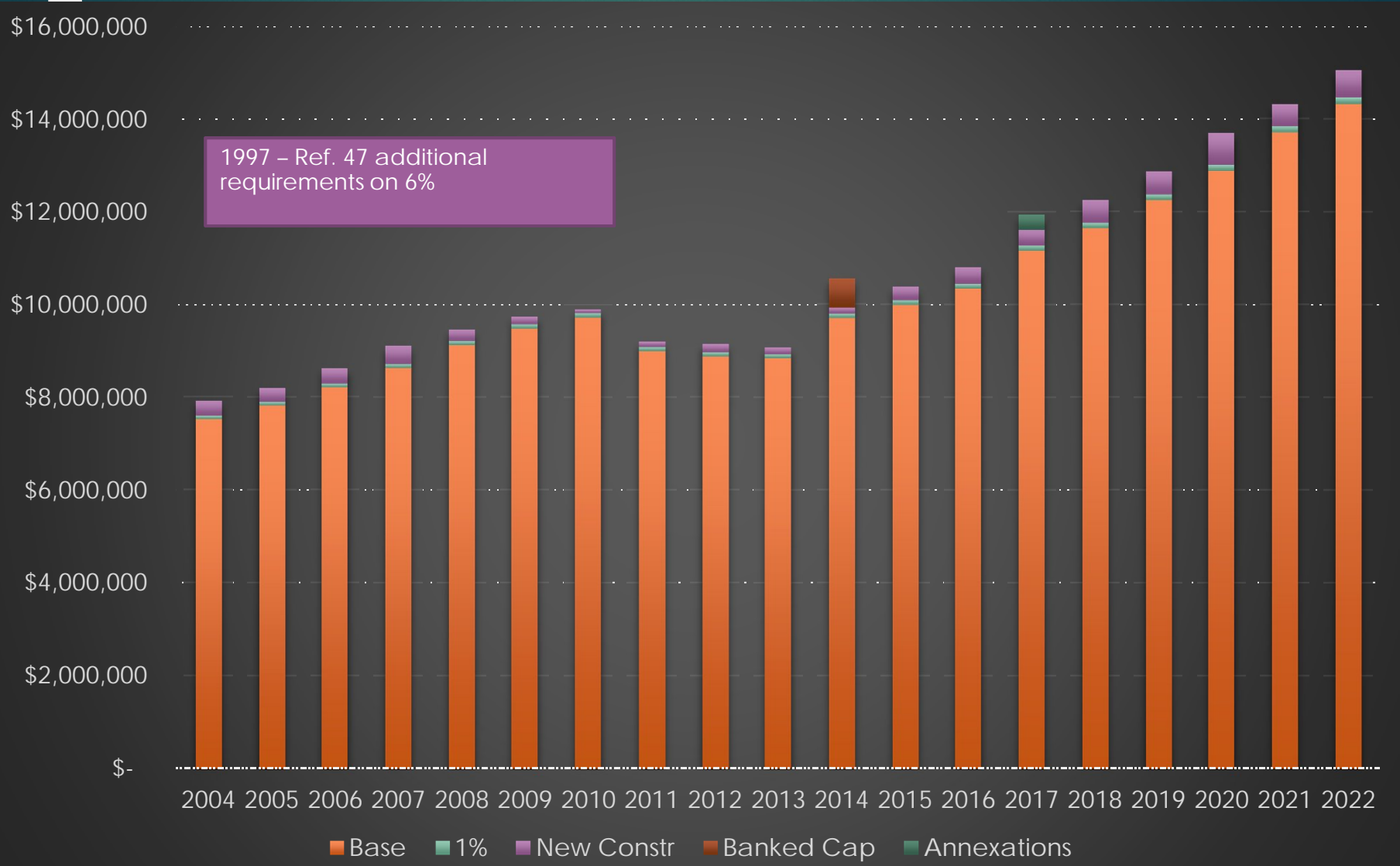
Financial Discussion

2

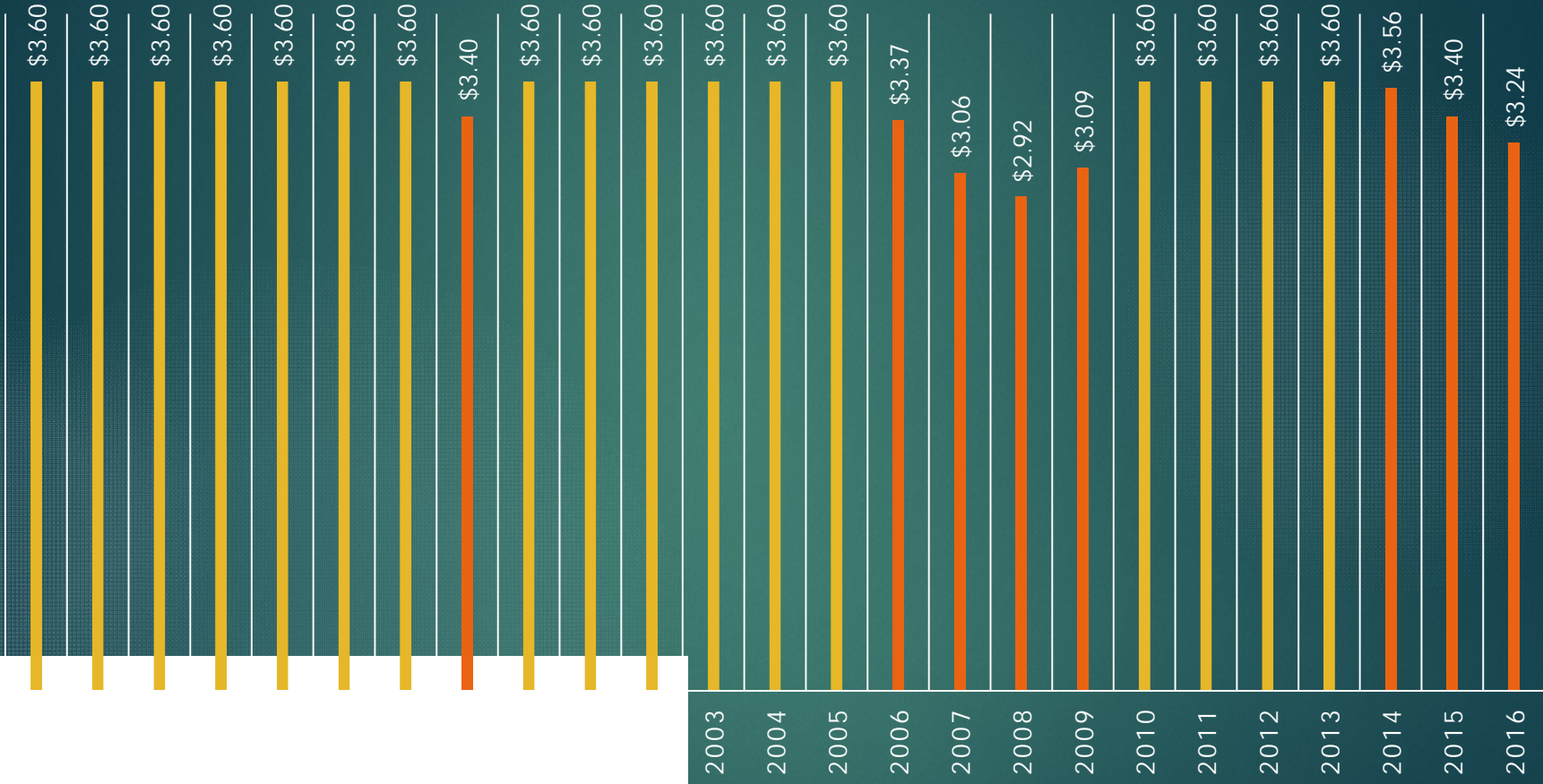
- ▶ Historical Perspective
 - ▶ Property Taxes
 - ▶ "Fixed Costs with Fixed Income"
 - ▶ Fund Balance Question
- ▶ Bridging the Gap
 - ▶ Strategies Used
 - ▶ Unmet Needs
 - ▶ Level of Service

- ▶
- ▶
- ▶

City of Camas Property



Tax Rates



\$3.60 – 17 of the last 23 years.

General Fund Fixed Income and Costs Annual Increases

Revenue

- Property Taxes 1% = \$108,000

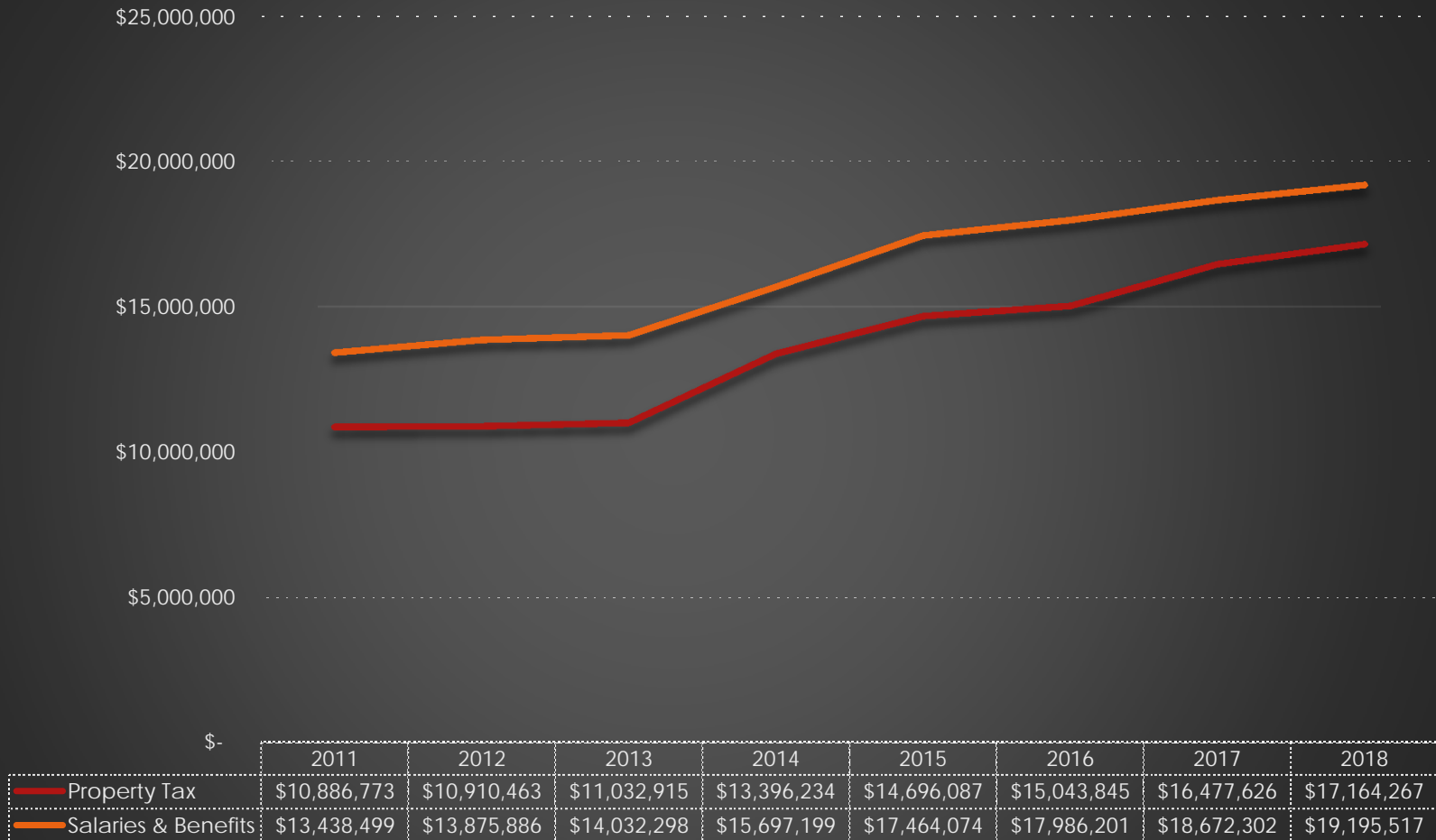
Costs

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

The Budget is balanced with New Construction.

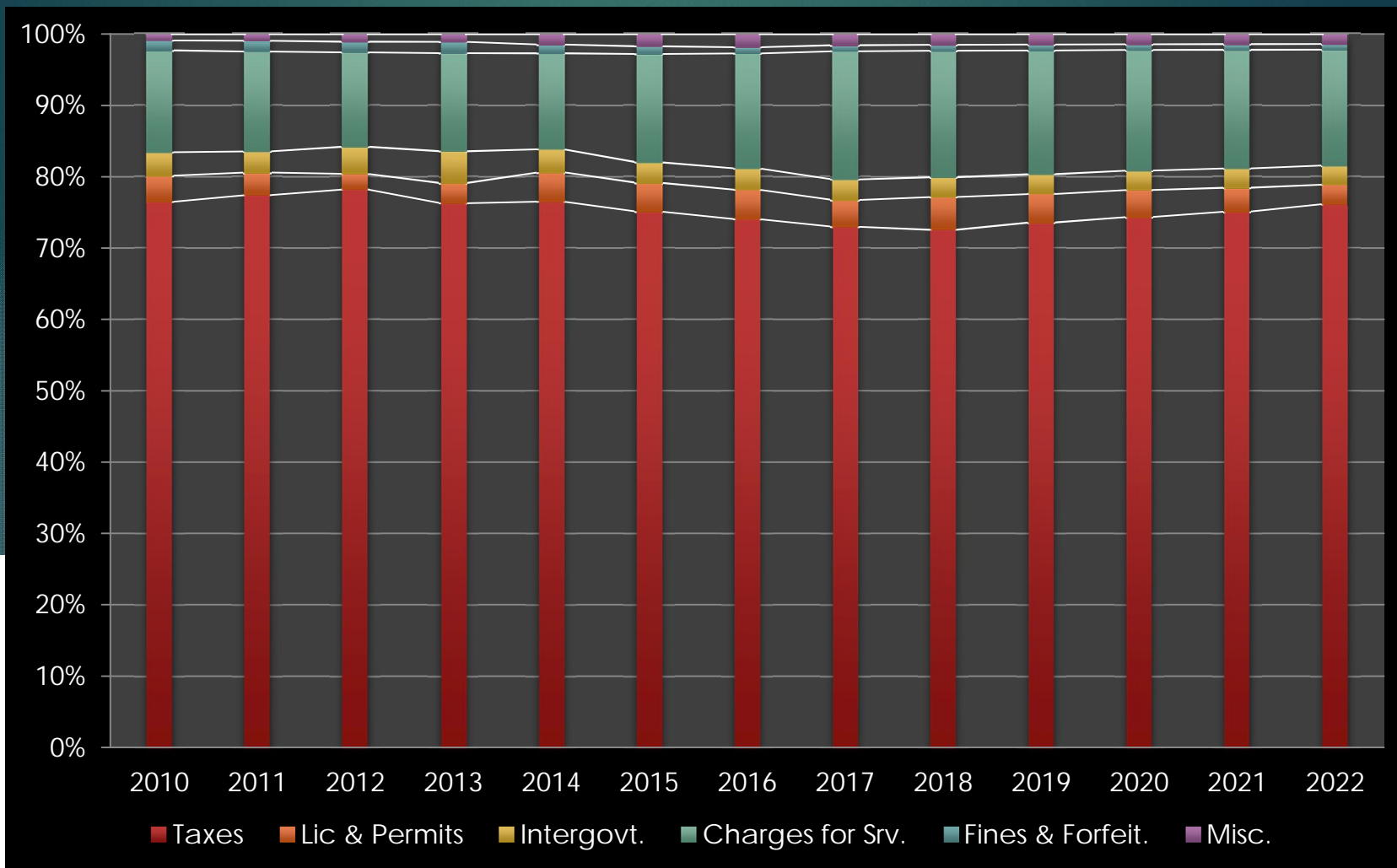
Fixed Costs with Fixed

6

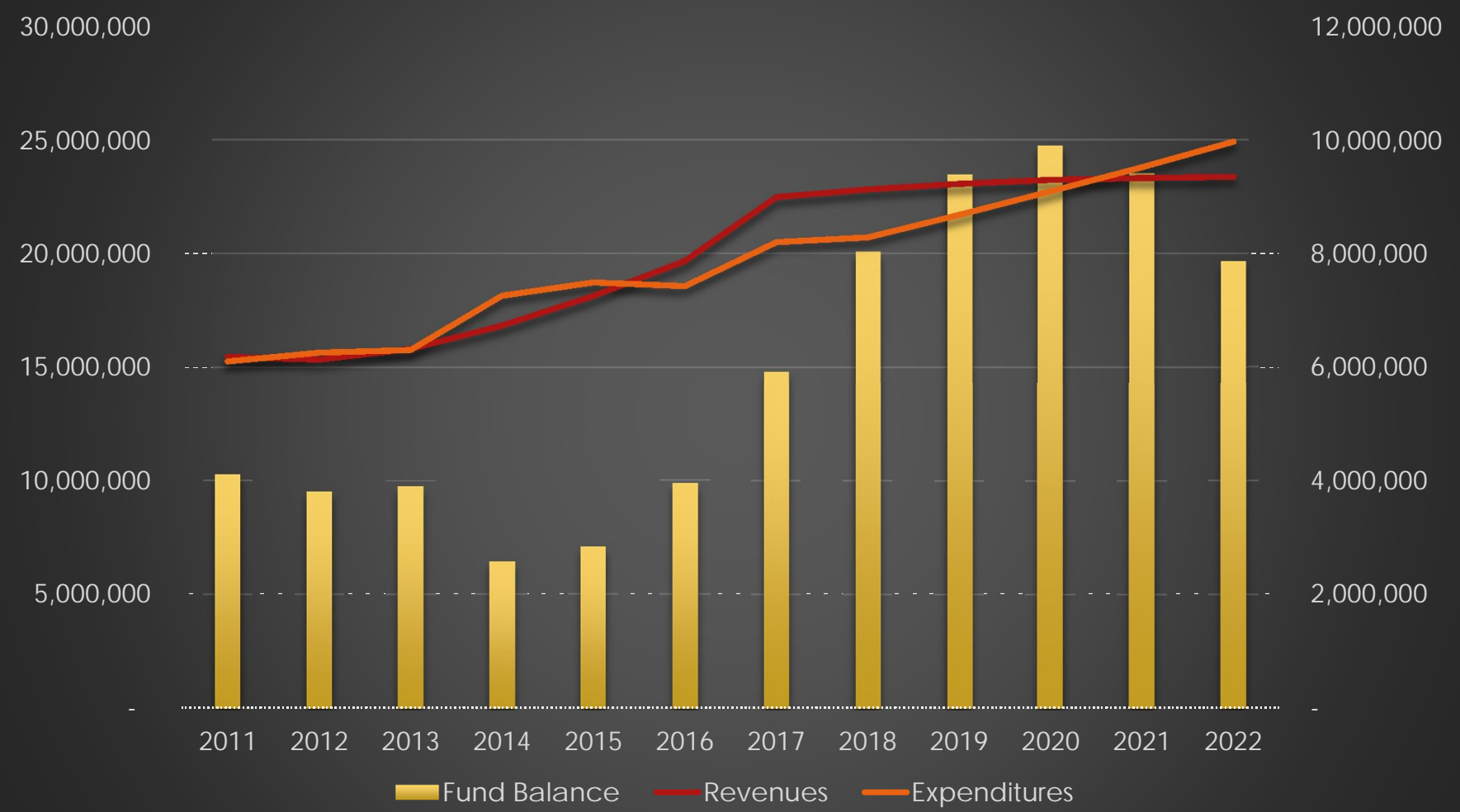


General Fund Revenue

7

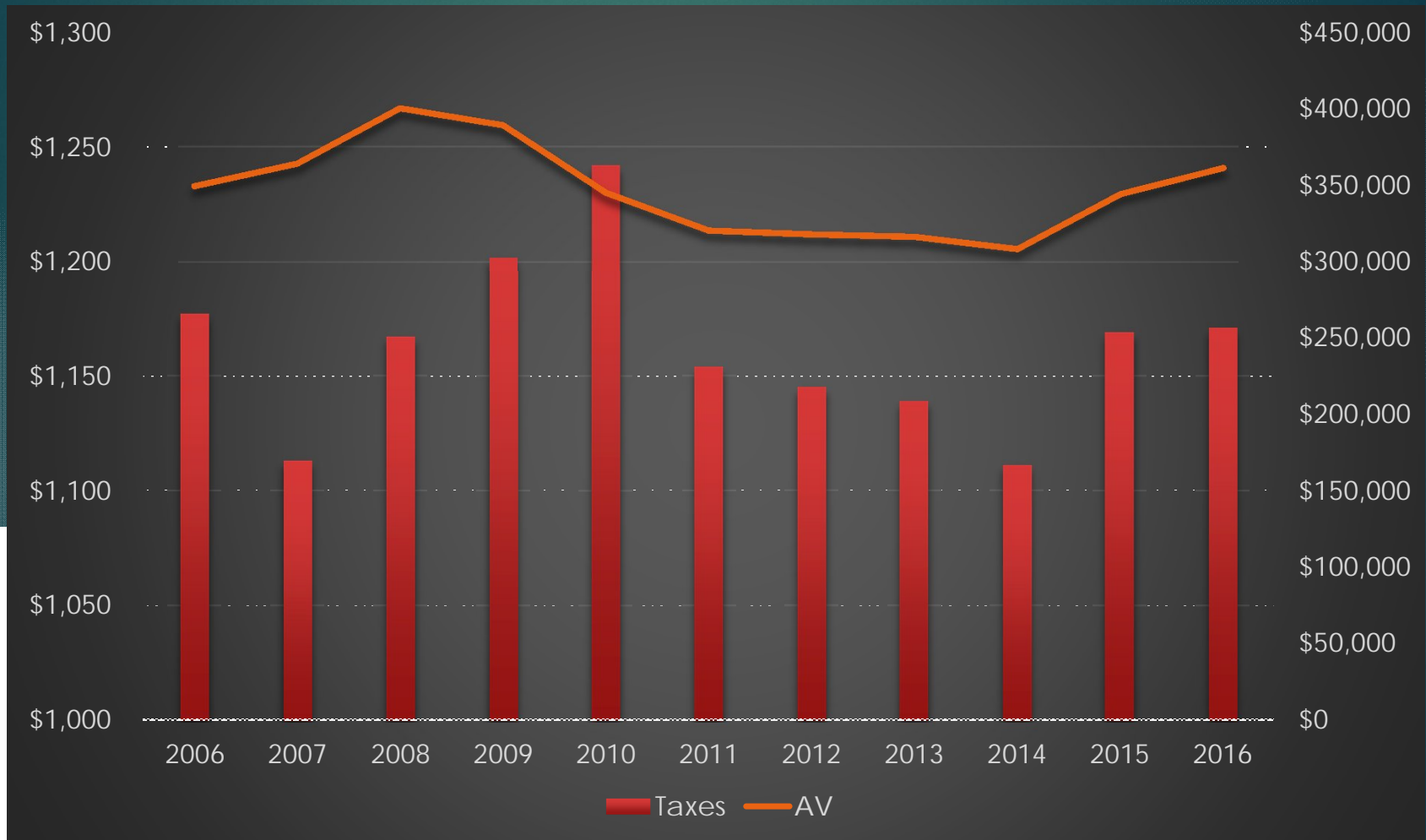


General Fund Revenue and Expenditure Trends

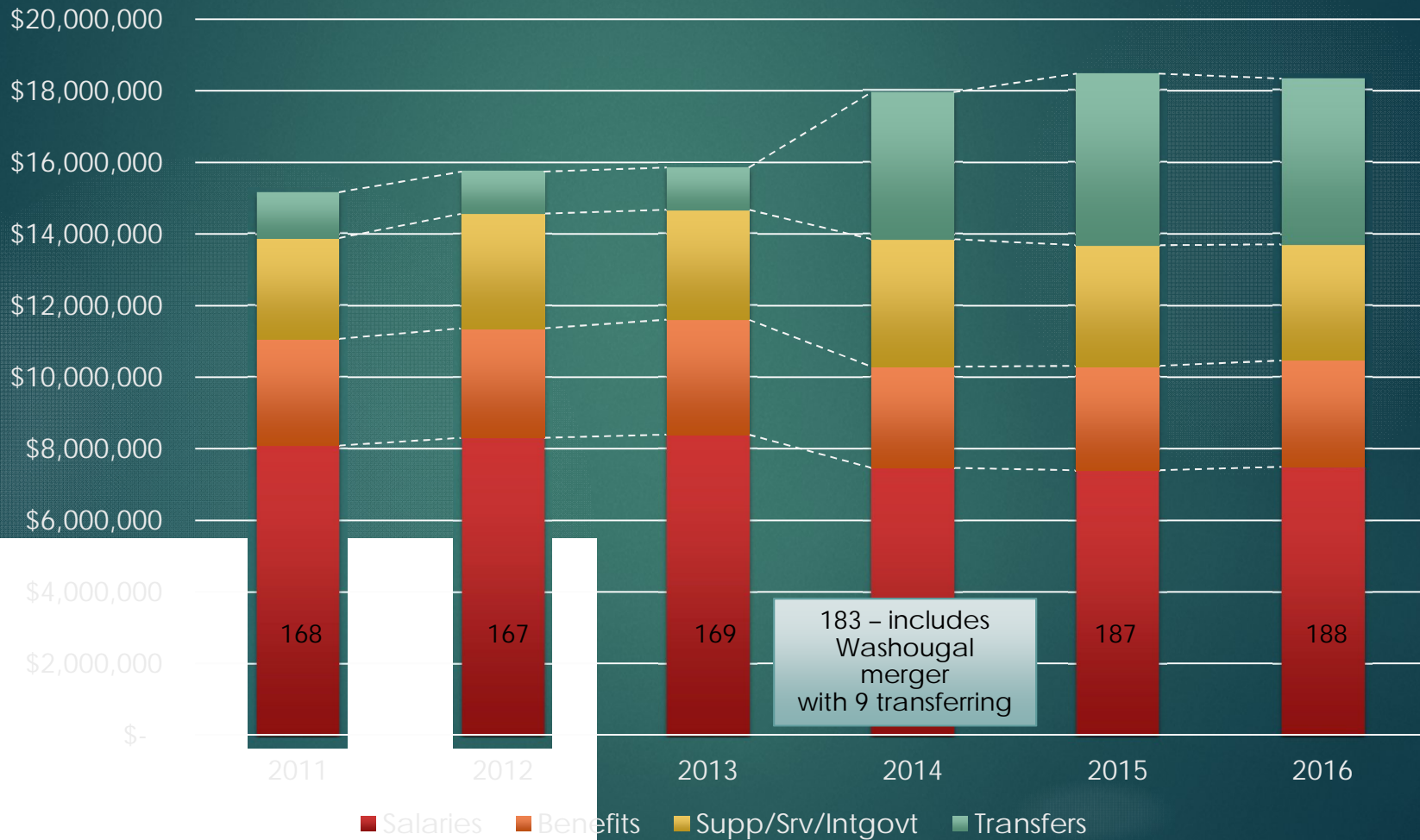


Property Tax Bill Growth

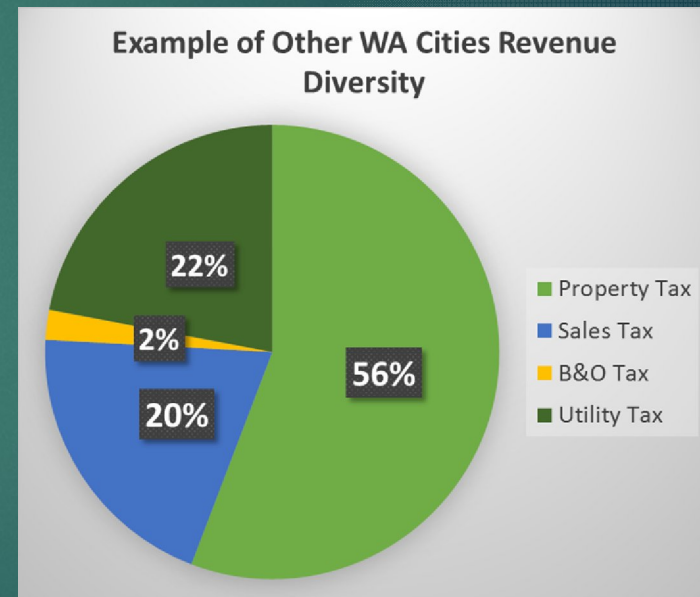
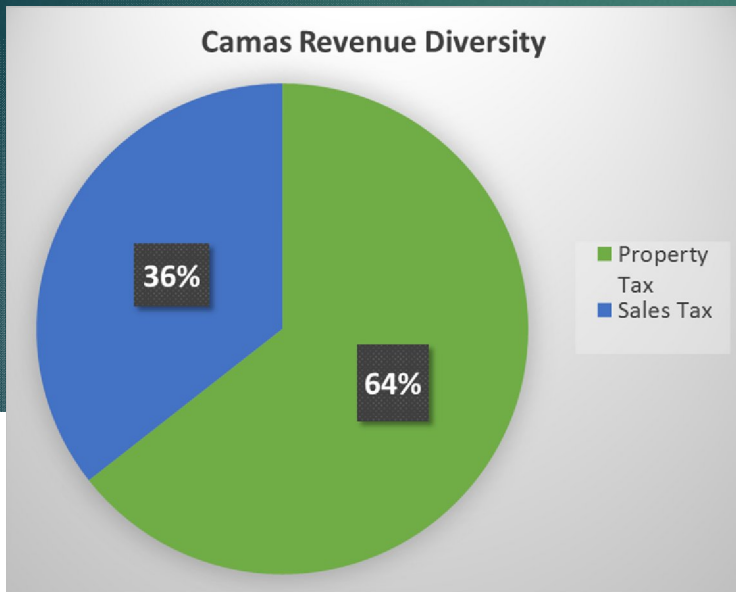
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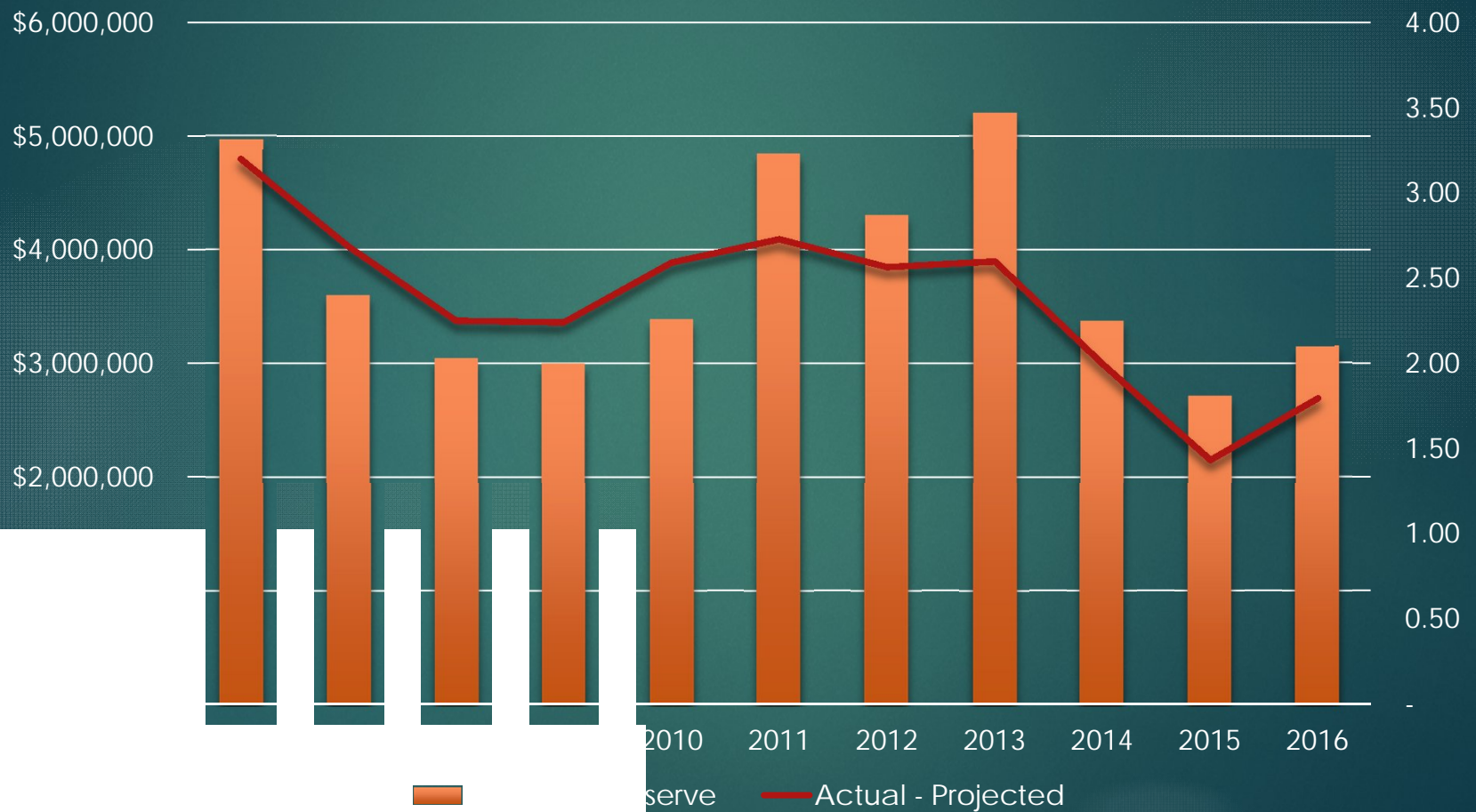
Growth in Expenditures and FTEs



Sustainability



General Fund Reserve



Discussion Over the Years

13

- ▶ 2005 Paul Lewis Study – Level of Service
- ▶ 2012 Lloyd Halverson – “The General Fund Riddle – Potential Options for Consideration”
- ▶ 2013 State Audit Verbal Recommendation – General Fund Fund Balance Trend Concern
- ▶ 2014 Planning Conference – Biennial Budgets, Debt and Financial Policies
- ▶ Actual Budget Discussion
- ▶ Revenue Trends and Options

Bridging the Gap

Strategies Used – Containing Costs

Positions Delayed or Not Filled

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

Deferred Maintenance

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

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.



▶ \$100,000/annually salaries and benefits

▶ \$3,000 for clothing and equipment, insurance, etc.

Level of Service

17

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

18

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

19

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

20

Legislative

- ▶ Adequate level of service

Executive

- ▶ Adequate level of service

Level of Service

21

Human Resources

- ▶ Adequate level of service

Administrative Services

- ▶ Adequate level of service

Level of Service

22

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

23

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

24

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

25

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 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

26

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

27

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

29

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

30

▶ 2015/2016

- ▶ 2 Police Officers
- ▶ Mobile Technology Development
- ▶ Partnership Project with Community Ed
- ▶ Seasonal Help – Sports Fields
- ▶ Increase to Library Collection
- ▶ Library Strategic Planning
- ▶ Enhance Public Meeting Rooms
- ▶ Library Staffing Increase

- ▶
- ▶
- ▶
- ▶

▶ 2017/2018

- ▶ Traffic Detail Officer
- ▶ City-Wide Phone and Voicemail System
- ▶ Engineer
- ▶ Grounds Maintenance Worker
- ▶ Fully Funded Hazard Tree Removal
- ▶ Fully Funded Playground Equipment Replacement
- ▶ Trail Maintenance Vehicle
- ▶ Street Maintenance Worker
- ▶ Brush Truck
- ▶ SCBAs

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

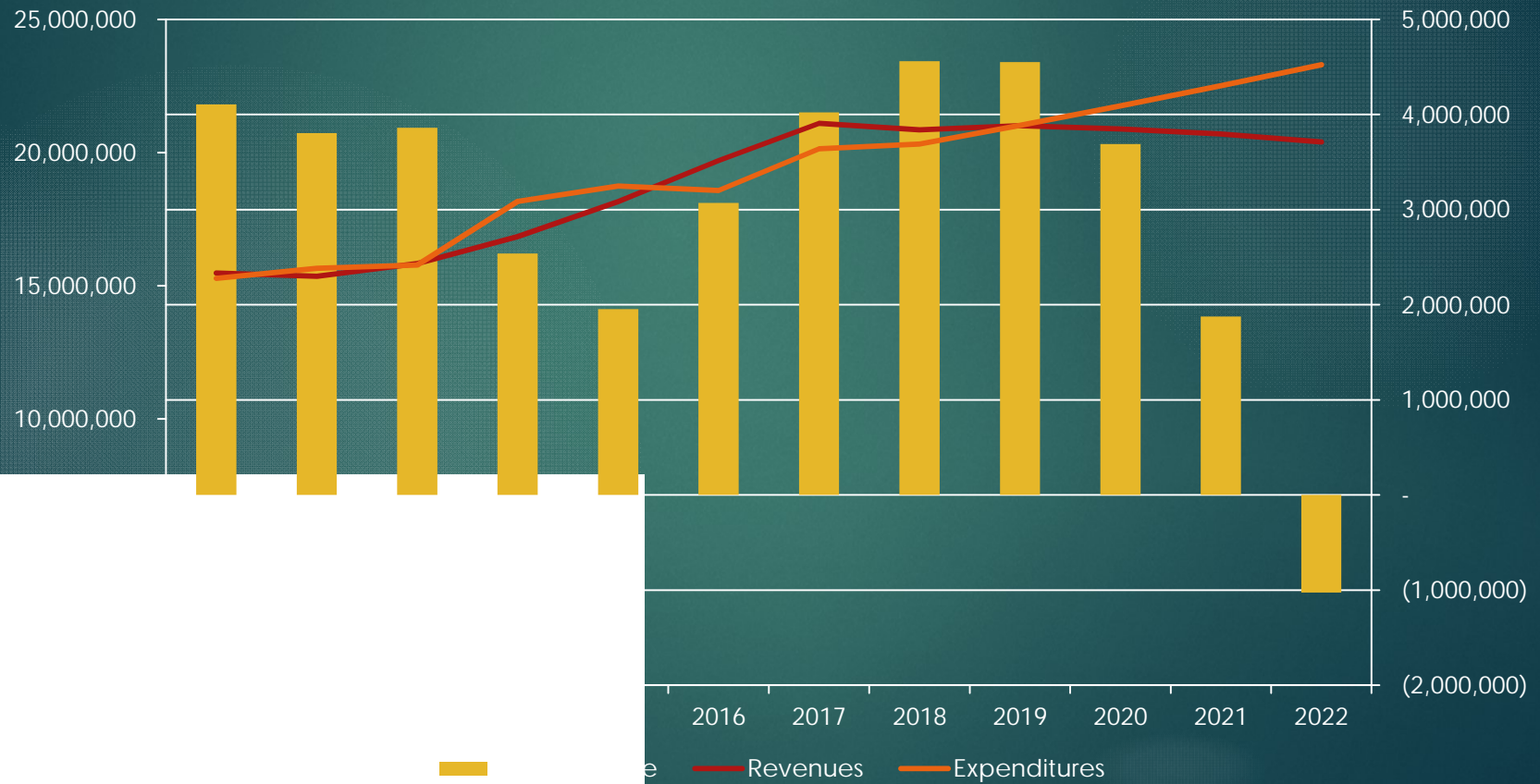
2017-2018

	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

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

35

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

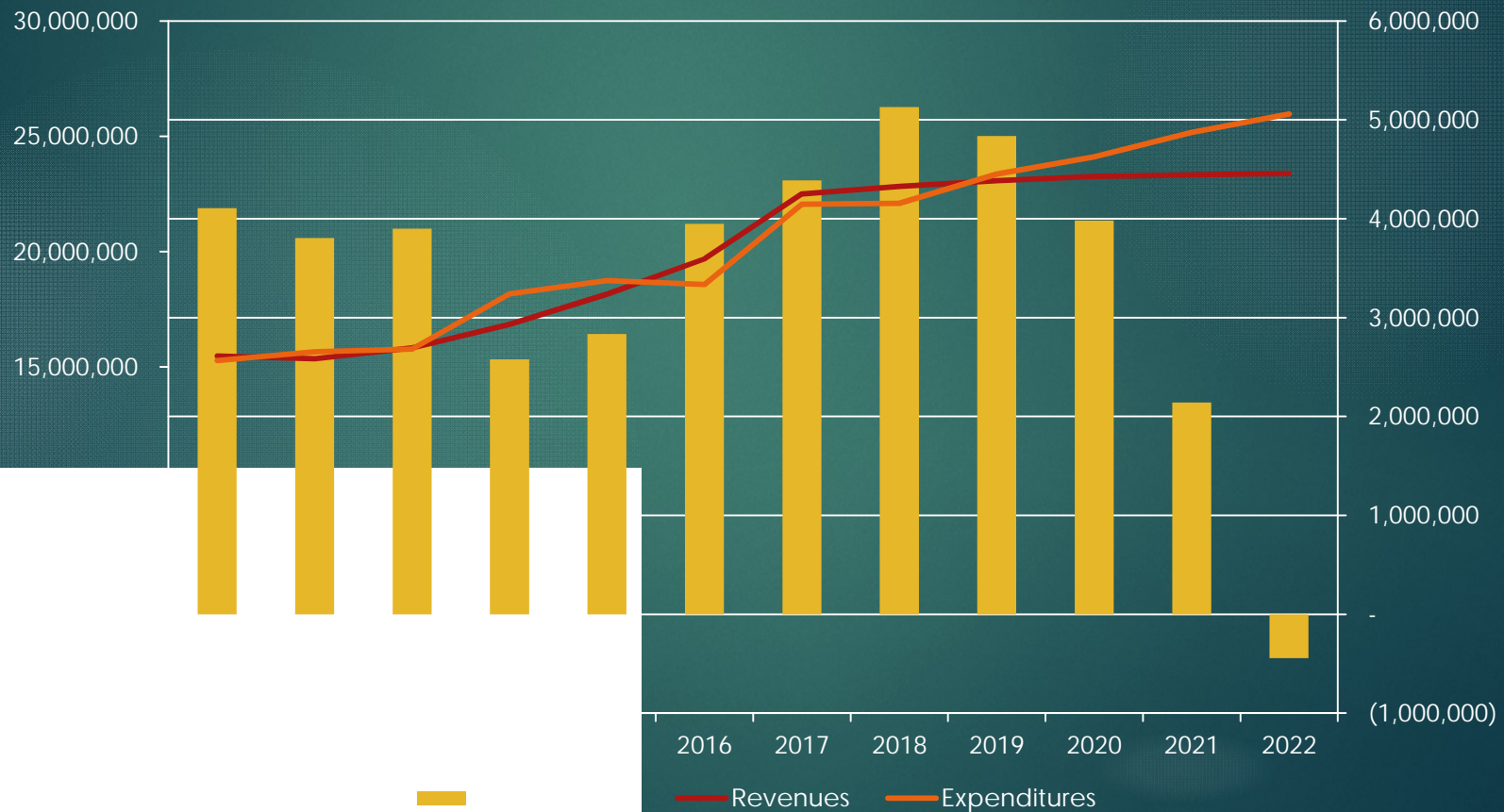
- ▶ North Shore would likely require addition of at least one additional paramedic transport unit stationed in the area
- ▶ Six additional paramedics (2 per shift over 3 shifts)
- ▶ Potentially a station with current stations will also need to be replaced in the next 10 years \$5-8 million

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

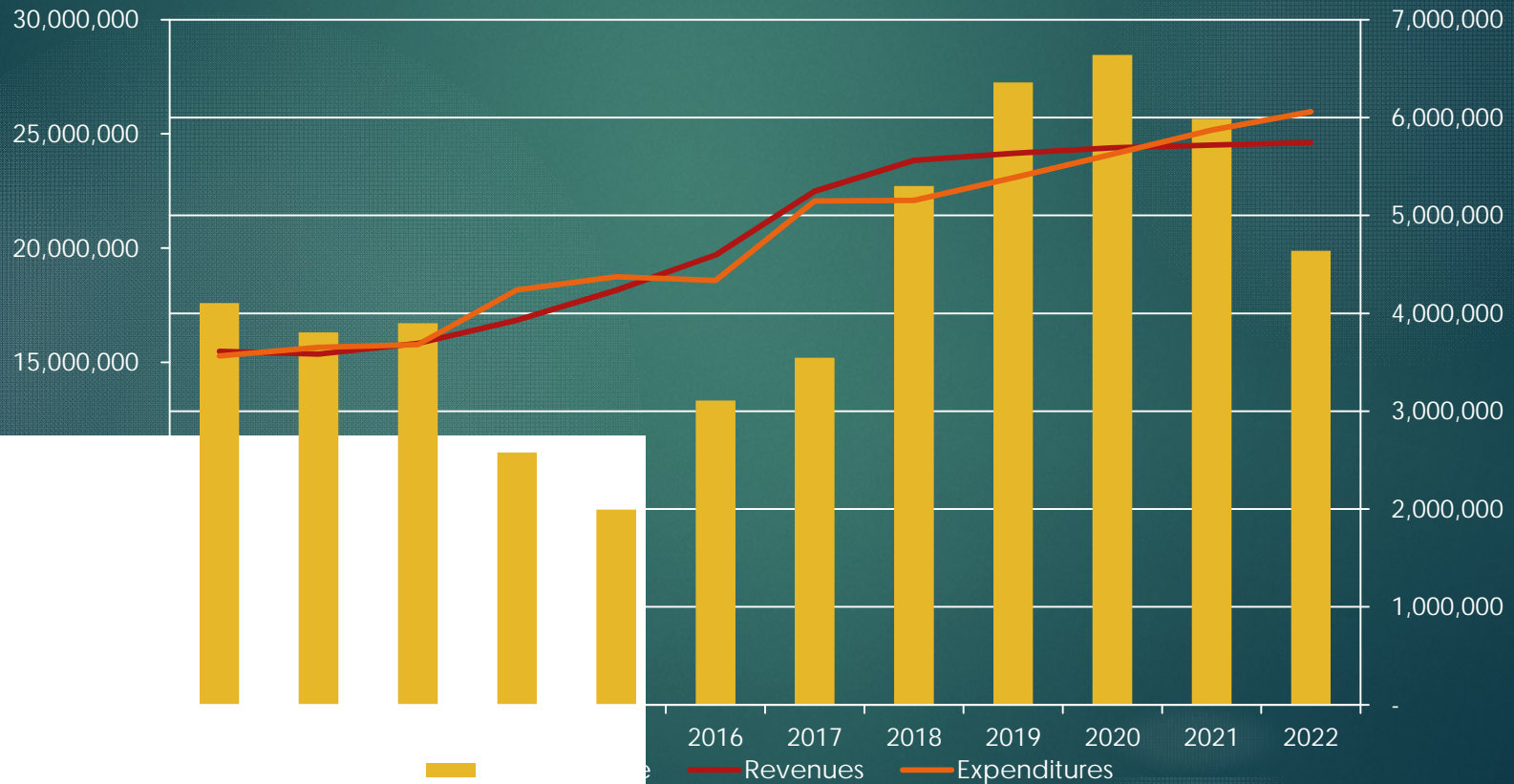
General Fund 2011-2022 Forecast with North Shore



3% in Utility Taxes Sustainable

37

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



Direction for Staff

38

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 for additional property tax options