

2027 Tax Revenue Presentation

CITY OF CAMAS: 27-28 BUDGET PREPARATION



Balancing Options

2027 Impacts

Lever Description	Key Points
Utility Tax	Utility Tax increase
Property Tax Levy Offset	Impact Property Tax Levy Resolution 25-012
Sales Tax Criminal Justice	1/10th of 1% (PD and Court Services)
General Fund Position Freeze	Freezes all currently vacant positions
General Fund Reductions	GF Reduction Directive Total

Previously Shared 10/5/26

Option 1	
4% Total tax (2% increase)	500,000
\$.60 (release)	1,043,284
adopt fully	618,750
hold all	632,129
4% GF Reduction	1,198,999

Previously Shared 10/5/26

Option 2	
6% Total Tax (4% increase)	1,000,000
\$.60 (release)	1,043,284
adopt fully	618,750
hold all	632,129
2.5% GF Reduction	749,374

New

Option 3	
6% Total Tax (4% increase)	1,000,000
\$.58 (release)	1,232,972
adopt fully	618,750
hold all	632,129
2% GF Reduction	599,500

New

Option 4	
6% Total Tax (4% increase)	1,000,000
\$.55 (Release)	1,517,504
adopt fully	618,750
hold all	632,129
1% GF Reduction	299,750

New

Option 5	
6% Total Tax (4% increase)	1,000,000
\$.53 (Release)	1,707,192
adopt fully	618,750
hold all	632,129
.5% GF Reduction	149,875

Expense Reduction Options

Non-City Sponsored Community Events
Employee Engagement Events
Software/Tools
Vehicles
School Resource Officer
Seasonal Work Force
Overtime
City Sponsored Community Events
Snow & Ice Control
Staff Drinking Water
Engage Camas Software
Cemetery Operations

X
X
X
X
X
X
X
X
X
X
X
X

X
X
X
X
X
X
X
X

X
X
X
X
X

X
X
X
X

X
X
X

Utility Tax

Utility Tax Underutilized

- Provides little structural support compared to peer Clark County cities, where utility taxes actively carry general fund operational weight.

Over-Reliance on Internal Charges

- General Fund relies heavily on internal service chargebacks (admin, legal, finance support allocated across other funds).

Policy Takeaway

- Internal cost recoveries cannot balance a structural gap without bleeding enterprise and dedicated funds. Sustainable solutions require evaluating external, broad-based tax authority.



Criminal Justice Sales Tax

City	Submitted Verification of Sales & Use Tax Authorization	Criteria Verified by WSCJTC	Applied for Grant
Battle Ground	✓	✓	
Camas			✓
Ridgefield	✓	✓	✓
Vancouver	✓	✓	✓
Washougal	✓	✓	✓
Yacolt	✓	✓	

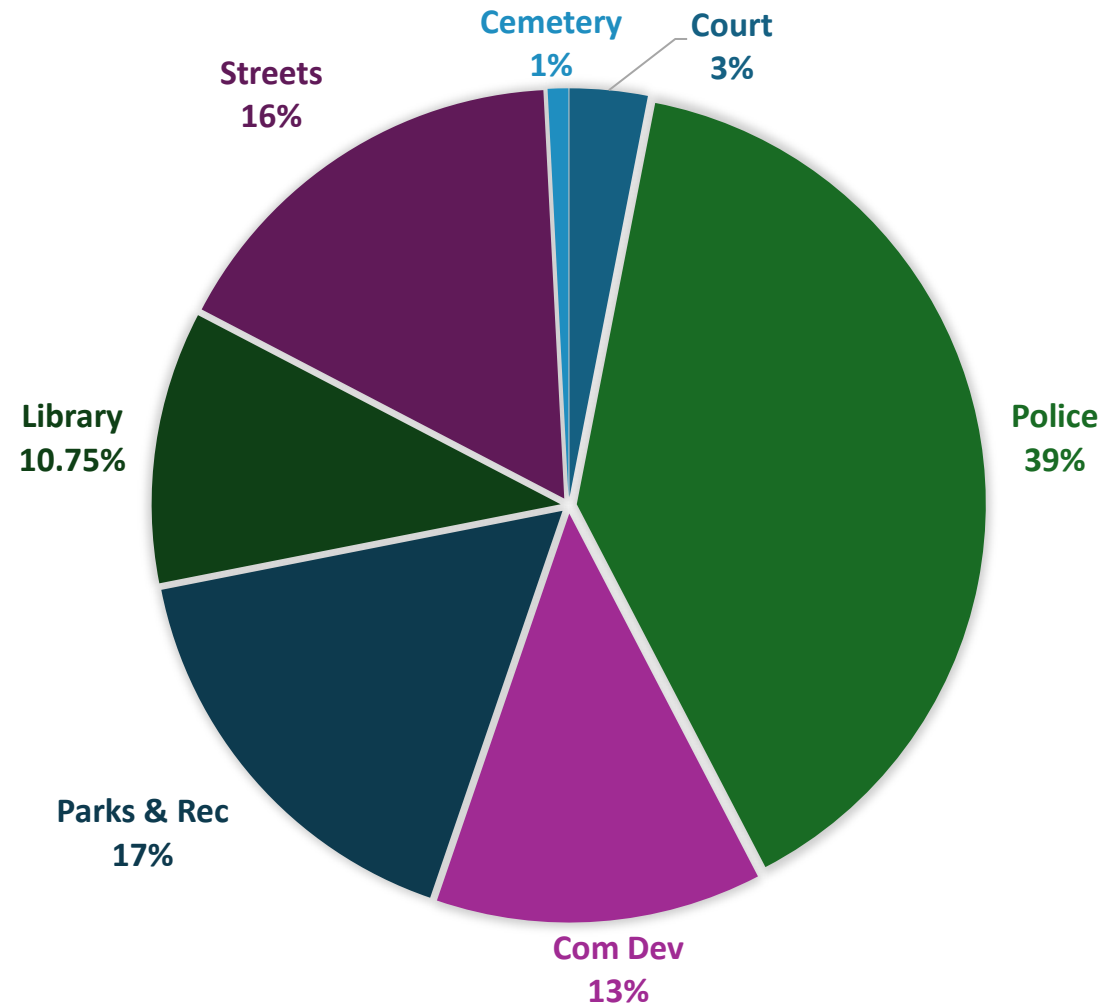
0.1% local sales and use tax under RCW 82.14.345

100% of the tax revenue must be used for **criminal justice purposes** — defined to include law enforcement, domestic violence services, community advocates, and other programs that substantially assist the criminal justice system

No revenue-sharing requirement applies to this tax; a city or county can use it independently

Police Chief Jones and Administrative Services Director Gorsuch have presented on this previously.

2027 Planned City Services Supported through Property Tax



What is the 1% levy limit?

DOES THAT MEAN MY TAXES CANNOT RISE MORE THAN 1%?

- The 1% limit is a **growth cap on local government property tax revenue, not a direct cap on your bill**. It's part of Washington's unique property tax structure, which prioritizes stability for homeowners while funding public services through local levies

WHAT DOES THE 1% LIMIT *ACTUALLY* DO?

- Under **RCW 84.55** and the Washington Constitution, Camas can increase its **regular levy revenue** by no more than **1% per year**, plus certain "add-ons" such as:
 - New construction
 - Improvements to property
 - State-assessed value increases from wind, solar, biomass, or geothermal projects

Assessed Value

Clark County Assessor's Office determines assessed values.

Goal is market value, but it is a snapshot in time.

Comparable sales are used.

Annual valuations are done but physical assessments are on a cycle.

Check out:

<http://gis.clark.wa.gov/applications/gishome/property/>



Structural Gap

- Inflation vs. the 1% Cap
 - **Revenue Growth Cap:** Regular property tax revenue is statutorily capped at **1% per year** (RCW 84.55).
 - **Cost Escalation:** Municipal expenditure drivers (construction costs, fuel, health insurance, asphalt, collective bargaining/CPI) historically rise at **2% to 4%+ annually**.
 - **The Core Takeaway:** Under the 1% cap, property tax purchasing power diminishes every year unless supplemented by new construction or other revenue sources. A flat 0% levy choice widens this gap permanently.

Levy Calculation

Tax Levy Amount
will change
pending RFA

PROCESS

- What do we need to support the City's Operations?
 - Apply statutory 1% revenue limit to prior year levy
- Divide by the value of all applicable properties in Camas City Limits.
- This gives us a rate.
- The rate is levied, or applied, on each taxpayer's property.

FORMULAIC EXAMPLE

- $\left(\frac{\text{Tax Levy}}{\text{City's Assessed Value (AV)}} \right) = \text{Tax Rate}$
- $\text{Tax Rate} * \text{Home Value} = \text{Tax Bill}$
- $\left(\frac{16,786,654}{9,171,438,885} \right) = \$1.83/\$1,000$
- $.\$1.83/\$1,000 * \$750,000 = \$1,372.74$
- When AV goes up, the rate goes down.

New Construction

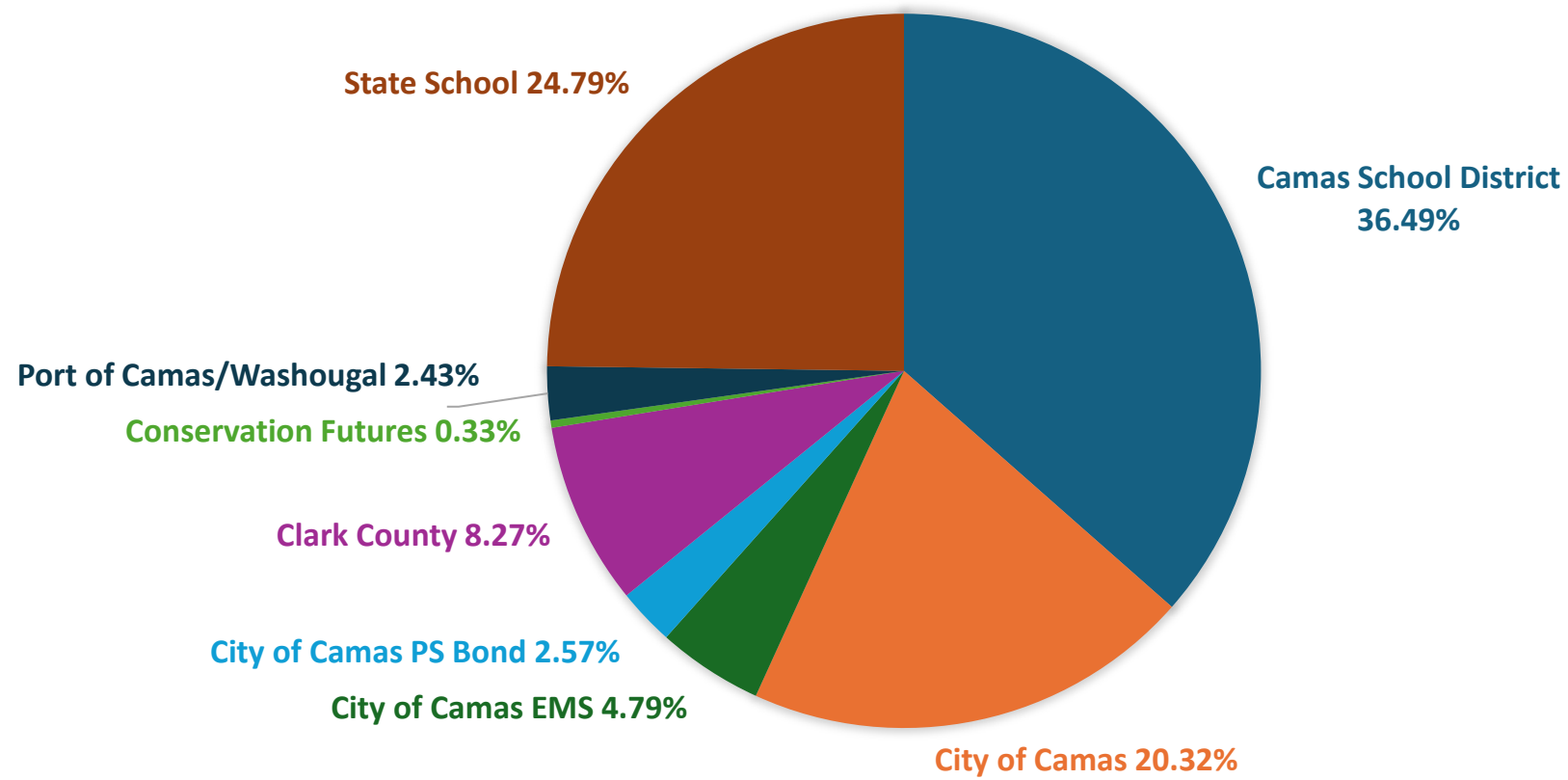
PROCESS

- New construction can increase tax collections, too.
- This is added on by the Clark County Assessor's Office.

FORMULAIC EXAMPLE

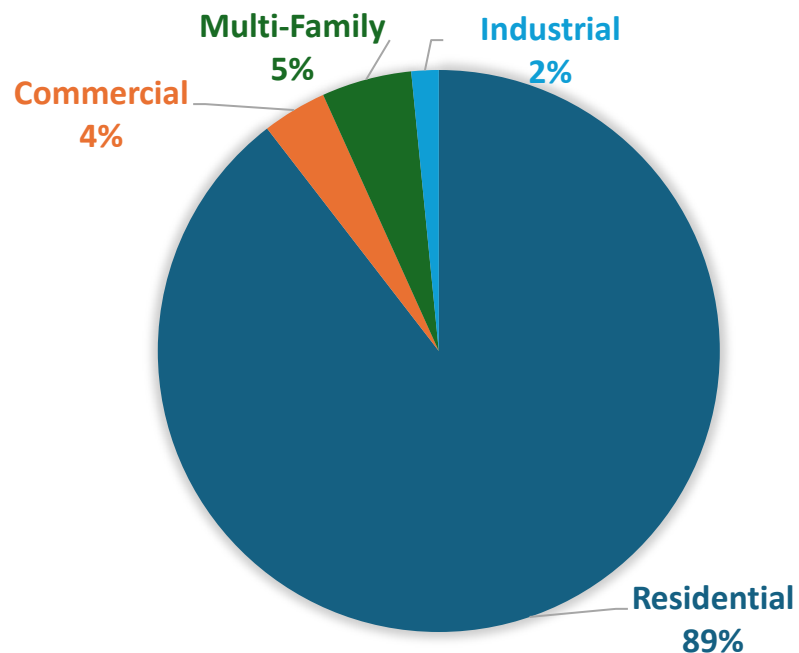
- *new construction assessed value * prior year regular levy rate = additional levy capacity*
- $166,840,336 * .00181652 = \$303,068.$

Property Tax Bill Breakdown

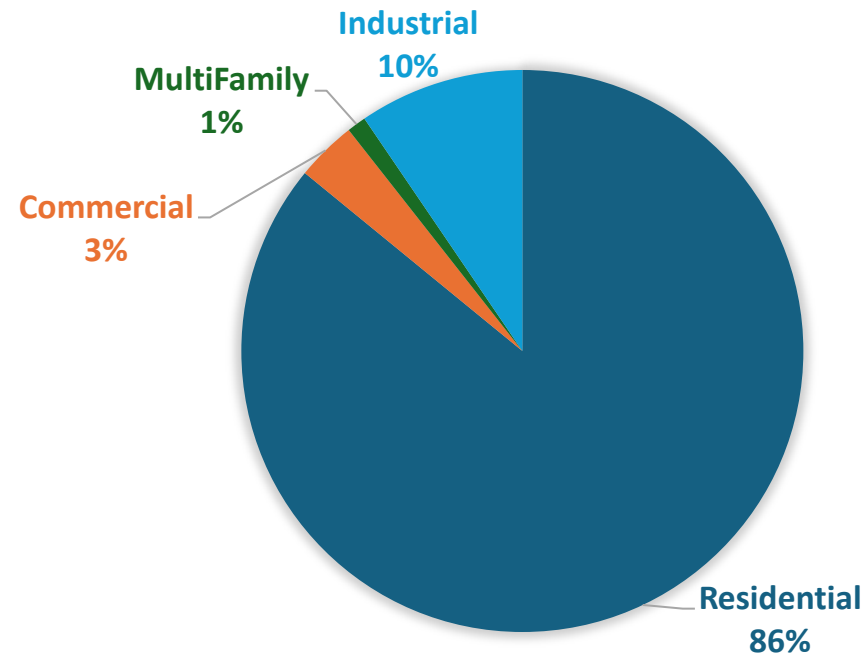


Who Pays Property Taxes in Camas?

2026



2016



Neighboring Jurisdictions

City	2026	Note
Camas	\$1.82	w/ City Fire Dept and City Library capacity
	\$0.81	City Levy (no City Fire Dept, if annexed to FVRL)
Battle Ground	\$0.95	City Levy (no City Fire Dept, Belongs to FVRL)
LaCenter	\$0.77	City Levy (no City Fire Dept, Belongs to FVRL)
Ridgefield	\$0.58	City Levy (no City Fire Dept, Belongs to FVRL)
Vancouver	\$2.41	City Levy (no City Fire Dept, Belongs to FVRL)
Washougal	\$1.48	City Levy (no City Fire Dept, Belongs to FVRL)
Yacolt	\$1.09	Town Levy (no City Fire Dept, Belongs to FVRL)

Estimated Household Impact

Median Assessed Home Value in Camas is \$750,000

STATUS QUO (0% INCREASE)

- City levy portion changes only based on relative AV shift

1% REGULAR LEVY INCREASE

- In the example calculation earlier, a rate of \$1.83 is roughly \$15 more per year, or \$1.25 per month.

Tax Levy Amount
will change
pending RFA

*Excludes non-city levies (Camas School District, Clark County, State Schools).

Senior & Disabled Property Tax Exemption

- Administered by Clark County Assessor's Office
 - RCW 84.36
- Eligibility Criteria
 - Income thresholds, age (61+), disability status, or qualifying veterans.
- Annual Deadline April 30th
 - The county has a filing deadline (April 30th) to ensure qualifying residents utilize available relief.

Councilmanic Options for Property Tax



1: **Adopt 1% Regular Levy Increase + New Construction**

Preserves operational purchasing power against inflation



2: **0% Increase (Collect New Construction Only)**

Results in a compounding, permanent loss to future baseline revenue



3: **Bank Capacity**

Take 0% or < 1% for 2027 while legally preserving the capacity via formal resolution for future years

THANK YOU