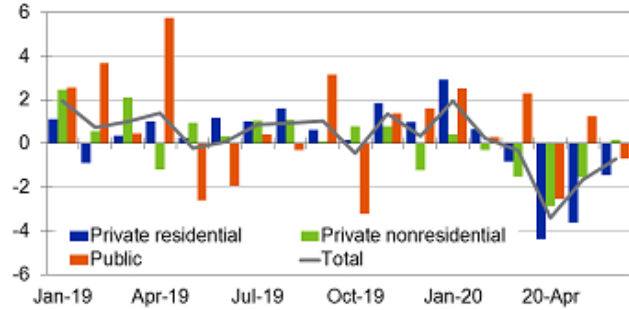


2021-2022 Budget  
Strategy

# City of Camas

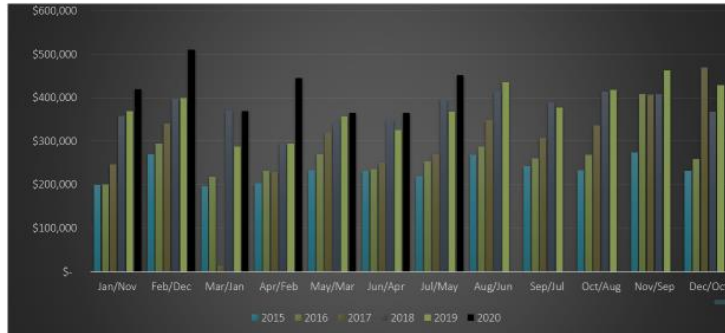
## Construction Spending Disappoints

Construction spending, % change



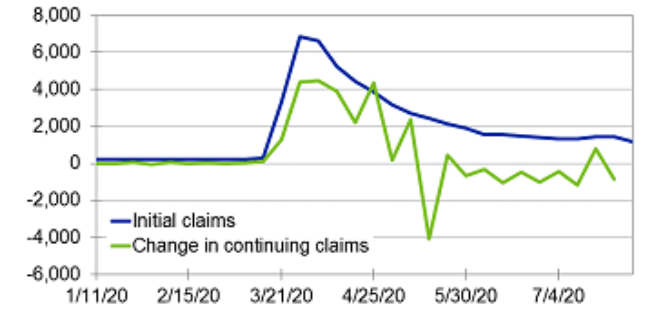
Sources: Census Bureau, Moody's Analytics

## Sales and Use Tax



## Initial Claims Finally Easing?

Unemployment insurance, ths

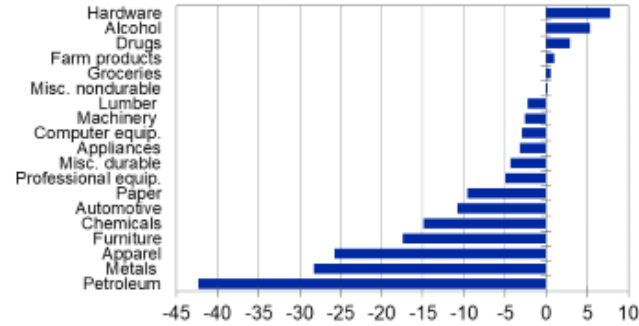


Sources: Employment & Training Administration, Moody's Analytics

# Conflicting Economic Signals

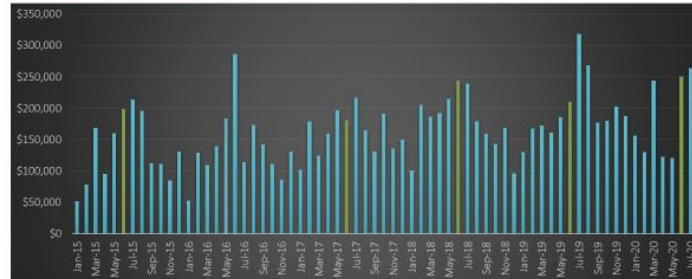
## Wholesale Sales Rebounding

Volume in Jun 2020, % change from Jun 2019

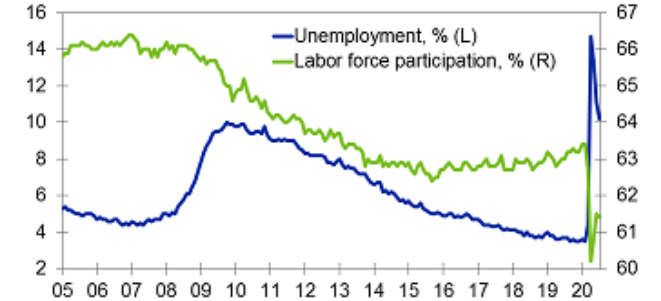


Sources: Census Bureau, Moody's Analytics

## Real Estate Excise Tax



## Jobless Rate Improving, Still Elevated



Sources: BLS, Moody's Analytics





# How to adopt a budget in a time of uncertainty?

Perhaps look to a guidepost  
we all rely on locally...



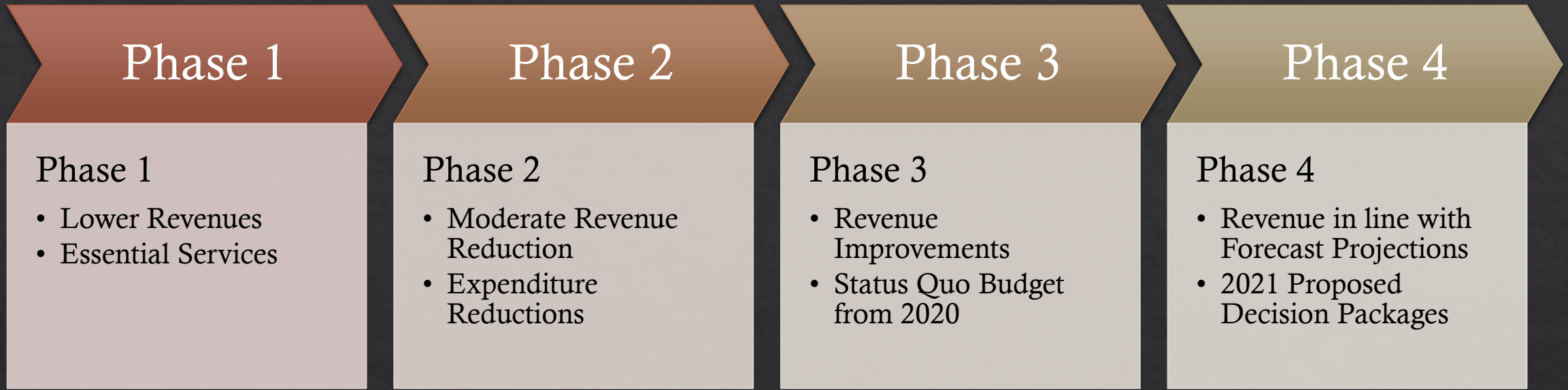
# Governor Inslee's Phased Approach

- Following Safe Start Washington's Phased Approach provides a clear path forward

<b>WASHINGTON'S PHASED APPROACH</b> Modifying Physical Distancing Measures as we Reopen the State				
INDIVIDUALS AND BUSINESSES SHOULD FOLLOW ALL REQUIREMENTS LISTED ABOVE DURING ALL PHASES				
	 <b>Phase 1</b>	 <b>Phase 2</b>	 <b>Phase 3</b>	 <b>Phase 4</b>
<b>High-Risk Populations*</b>	Continue to Stay Home, Stay Healthy	Continue to Stay Home, Stay Healthy	Continue to Stay Home, Stay Healthy	Resume public interactions, with physical distancing
<b>Recreation</b>	Some outdoor recreation (hunting, fishing, golf, boating, hiking)	Outdoor recreation involving 5 or fewer people outside your household (camping, beaches, etc.)	<ul style="list-style-type: none"> <li>- Outdoor group rec. sports activities (50 or fewer people)</li> <li>- Recreational facilities at &lt;50% capacity (gyms, public pools, etc.)</li> <li>- Professional sports without audience participation (horseracing, baseball, etc.)</li> </ul>	Resume all recreational activity
<b>Gatherings (social, spiritual)</b>	<ul style="list-style-type: none"> <li>- None</li> <li>- Drive-in spiritual service with one household per vehicle</li> </ul>	Gather with no more than 5 people outside your household per week	Allow gatherings with no more than 50 people	Allow gatherings with >50 people
<b>Travel</b>	Essential travel and limited non-essential travel for Phase I permissible activities	Essential travel and limited non-essential travel for Phase I & II permissible activities	Resume non-essential travel	Continue non-essential travel
<b>Business/Employers</b>	<ul style="list-style-type: none"> <li>- Essential businesses open</li> <li>- Existing construction that meets agreed upon criteria</li> <li>- Landscaping</li> <li>- Auto/RV/boat/ORV sales</li> <li>- Retail (curb-side pick-up orders only)</li> <li>- Car washes</li> <li>- Pet walkers</li> </ul>	<ul style="list-style-type: none"> <li>- Remaining manufacturing</li> <li>- Additional construction phases</li> <li>- In-home/domestic services (nannies, housecleaning, etc.)</li> <li>- Retail (in-store purchases allowed with restrictions)</li> <li>- Real estate</li> <li>- Professional services/office-based businesses (telework remains strongly encouraged)</li> <li>- Hair and nail salons/barbers</li> <li>- Pet grooming</li> <li>- Restaurants/taverns &lt;50% capacity table size no larger than 5 (no bar-area seating)</li> </ul>	<ul style="list-style-type: none"> <li>- Restaurants/taverns &lt;75% capacity/ table size no larger than 10</li> <li>- Bar areas in restaurant/taverns at &lt;25% capacity</li> <li>- Movie theaters at &lt;50% capacity</li> <li>- Customer-facing government services (telework remains strongly encouraged)</li> <li>- Libraries</li> <li>- Museums</li> <li>- All other business activities not yet listed except for nightclubs and events with greater than 50 people</li> </ul>	<ul style="list-style-type: none"> <li>- Nightclubs</li> <li>- Concert venues</li> <li>- Large sporting events</li> <li>- Resume unrestricted staffing of worksites, but continue to practice physical distancing and good hygiene</li> </ul>

\* High-risk populations are currently defined by CDC as: persons 65 years of age and older; people of all ages with underlying medical conditions (particularly not well controlled), including people with chronic lung disease or moderate to severe asthma, people who have serious heart conditions, people who are immunocompromised, people with severe obesity, people with diabetes, people with chronic kidney disease undergoing dialysis, and people with liver disease; people who live in a nursing home or long-term care facility.





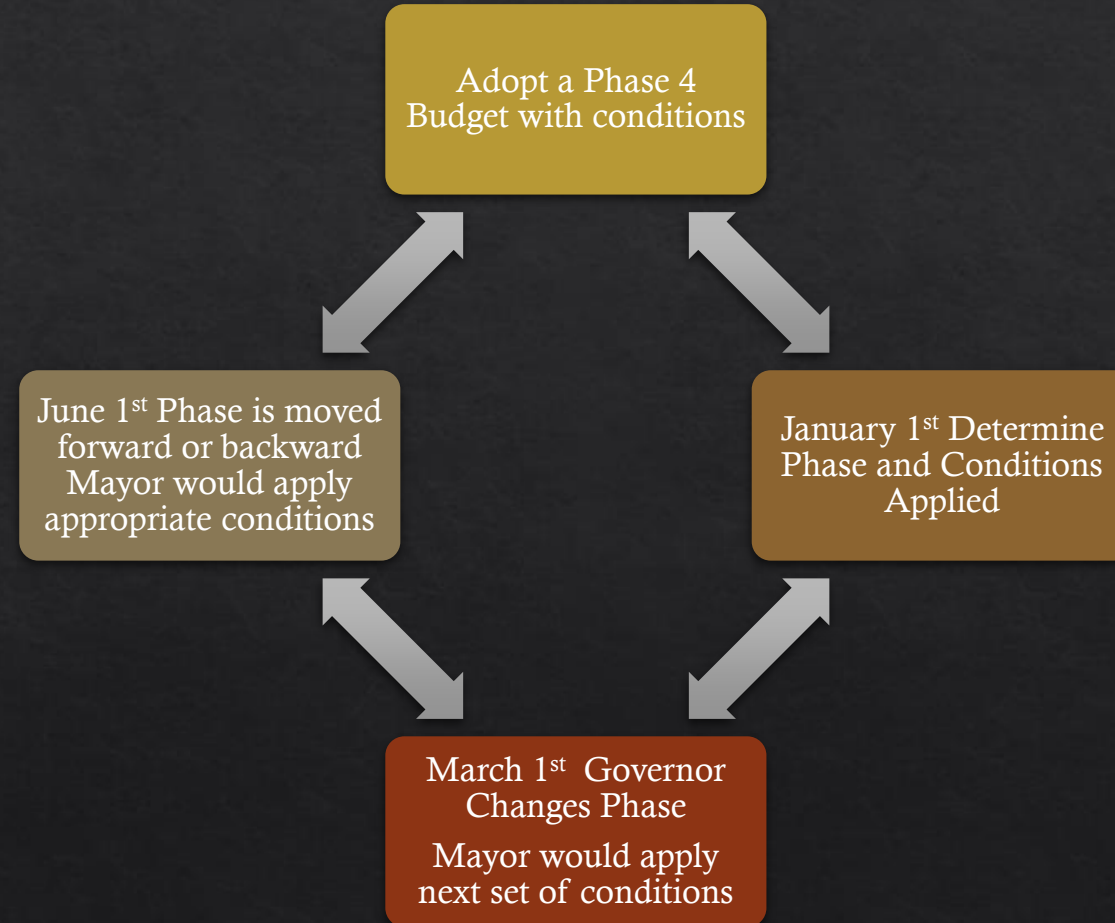
# Link the 2021-2022 Budget to a Phased Approach



## BUDGET GUIDANCE

Governor's Phase	Budget Phase	2020 Service Delivery	2020 Staffing Level	Revenue	2021 Budget Plan Operating	Capital	Revenue	2022 Budget Plan Operating	Capital
<b>PHASE 1</b>									
Stay Home, Stay Safe	Essential	No travel	No hirings	Property Tax Status Quo	No hirings	2020 Essential Capital	Property Tax Status Quo	No hirings	Essential Capital
No Gatherings		Essential capital	No seasonals	2020 Fee Schedule	No seasonals		2020 Fee Schedule	No seasonals	
Only Essential Travel			No OT	No late fees or penalties	No OT		No late fees or penalties	No OT	
Essential Businesses			Work at Home	Limited Com Dev Fees	Work at Home		Limited Com Dev Fees	Work at Home	
Some outdoor recreation				No Recreation Fees/Rentals	Furlough employees		No Recreation Fees/Rentals	Furlough employees	
<b>If a Rollback</b>			<b>Furloughs</b>		No travel		No travel		
			<b>Leave accruals to be used</b>		Essential expenses		Essential expenses		
<b>PHASE 2</b>									
Limited Reopening	Essential +	No travel	Hiring exceptions per Mayor	Property Tax 1%	2020 Limited Budget	2020 Essential Capital	Property Tax 1%	2021 Limited Budget	Essential Capital
5 People Gatherings	COVID costs	Essential capital	No seasonals	2020 Fee Schedule	No seasonals		2021 Fee Schedule		
Limited Travel			No OT	No late fees or penalties	Hiring exceptions per Mayor		No late fees or penalties		
New Construction			Work at Home	Com Dev Fees resume	Work at Home		Com Dev Fees resume		
Retail limited			Work onsite permitted	No Recreation Fees/Rentals	Work onsite permitted		No Recreation Fees/Rentals		
50% capacity for restaurants					No travel				
Recreation with fewer than 5					No OT				
<b>PHASE 3</b>									
Moderate Reopening	Limited Budget	Limited travel	Begin hiring	Property Tax 1%	2020 Status Quo Budget	2020 Capital Projects	Property Tax 1%	2021 Status Quo Budget	2022 Capital Budget
Gatherings (of 10 to possibly 50)		Capital Projects	Seasonals	2021 Fee Schedule		Studies	2022 Fee Schedule		Studies
Resume Travel		Studies	Work at Home (compromised)	Late fees and penalties			Late fees and penalties		
Gov't, libraries, movie theaters			Work onsite	Com Dev Fees resume			Com Dev Fees resume		
75% capacity for restaurants			Offices open	Recreation Fees/Rentals			Recreation Fees/Rentals		
Outdoor group activities									
<b>PHASE 4</b>									
Resume Public Interaction	Full Budget	Travel permitted	Work onsite	Property Tax 1%	2021 Proposed	2020-2021 Capital Projects	Property Tax 1%	2022 Proposed Budget	2022 Capital Budget
Allow gatherings >50		Studies	Offices open	2021 Fee Schedule	Decision Packages	Studies	2021 Fee Schedule	Decision Packages	Studies
Continue travel				Late fees and penalties			Late fees and penalties		
Resume unrestricted worksites				Comm Dev Fees			Comm Dev Fees		
				Recreation Fees/Rentals			Recreation Fees/Rentals		

# How this would work



- ◇ Provides certainty to
  - ◇ Public on service levels
  - ◇ Employees on status and workload
  - ◇ Council on budget commitments
- ◇ Better links revenue cashflows to expenses both operating and capital
- ◇ Enables a timely budget response to the phases in both directions

## Benefits of “Phased Based Budget”



Questions?