Revenue Forecast 2027-2028

City Council Workshop – September 8, 2026

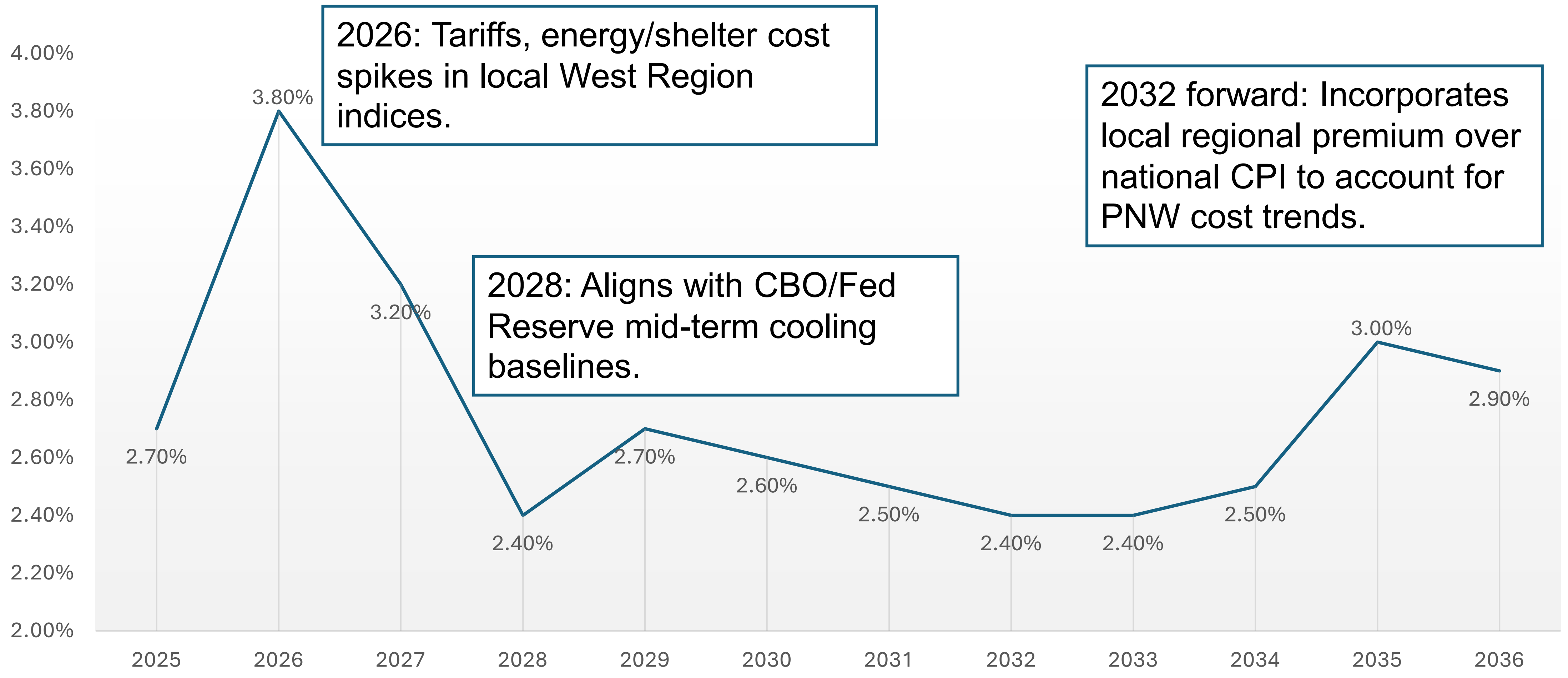
Why forecast 10 years?

- Provides insights into current trends into the future
- Allows for what-if scenarios for policy development
- Checks to see if decisions are financially sustainable
- Highlights potential structural deficits
- Determines potential burn rate of fund balance

CPI Forecasts

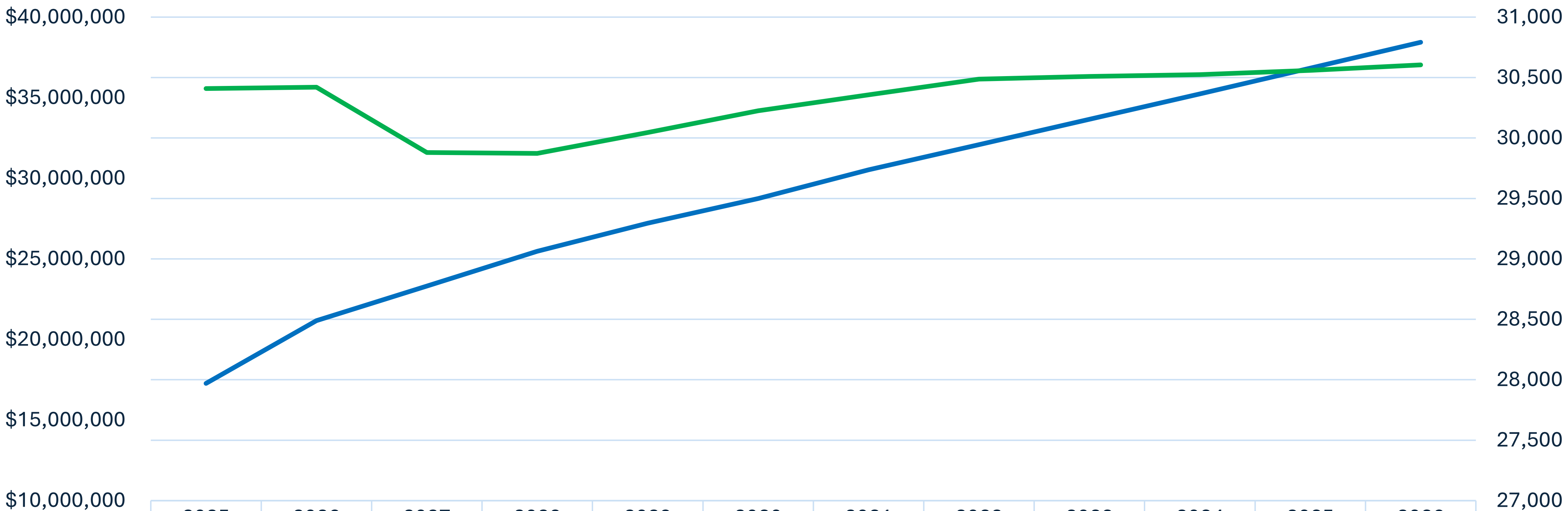
Forecasts	2026	2027	2028	2029	2030	2031
Moody's Analytics	3.4%	2.8%				
City of Camas	3.6%	3.2%	2.4%	2.7%	2.6%	2.5%
WA State ERFC*	3.8%	3.9%	3.9%	4.0%	4.1%	4.2%

Inflation



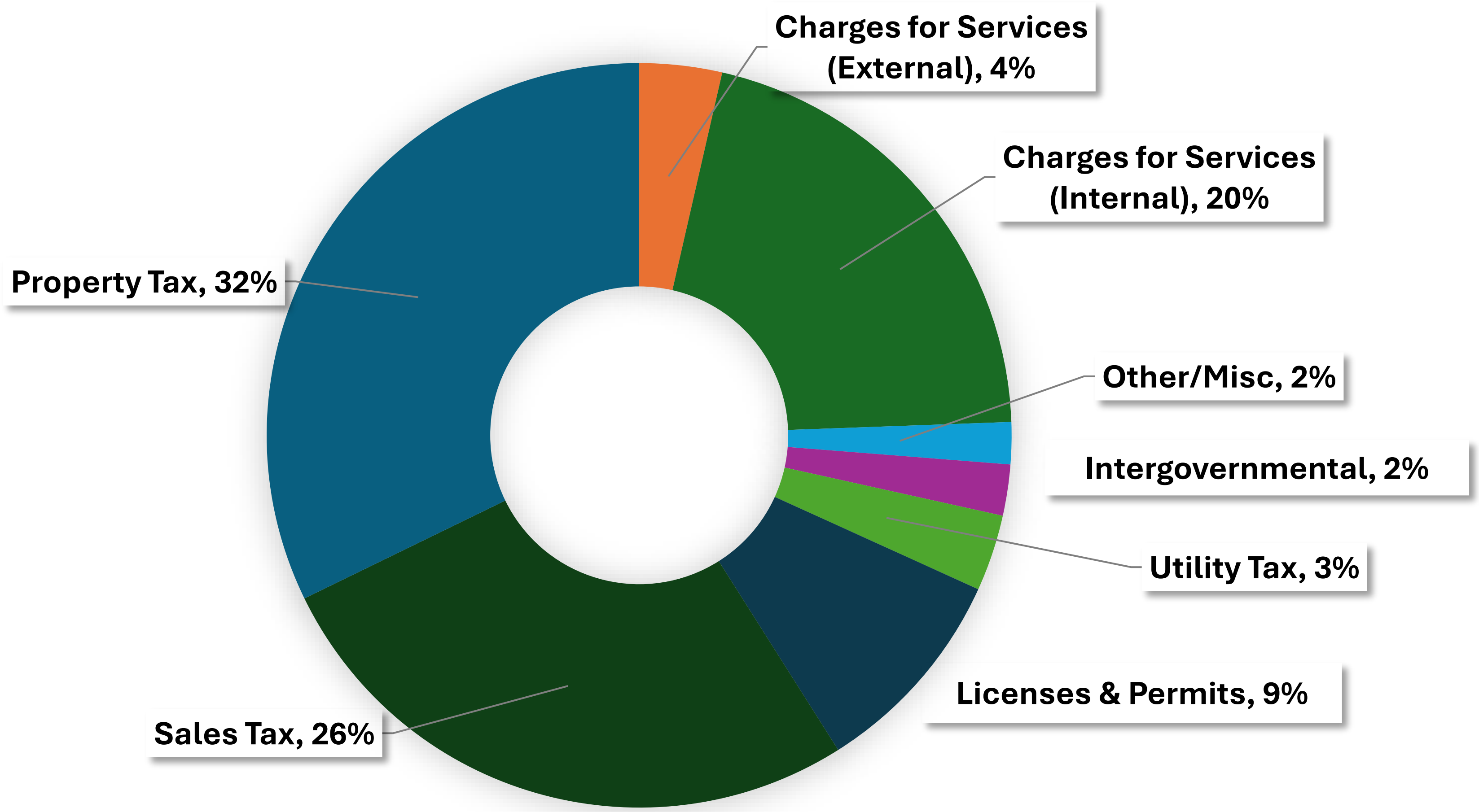
2026: Tariffs, energy/shelter cost spikes in local West Region indices.
2028: Aligns with CBO/Fed Reserve mid-term cooling baselines.
2032 forward: Incorporates local regional premium over national CPI to account for PNW cost trends.
4.00%
3.80%
3.60%
3.40%
3.20%
3.00%
2.80%
2.60%
2.40%
2.20%
2.00%
2.70%
3.80%
3.20%
2.40%
2.70%
2.60%
2.50%
2.40%
2.40%
2.50%
3.00%
2.90%
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036

General Fund and Population



	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Population	27,970	28,490	28,775	29,063	29,295	29,500	29,736	29,944	30,154	30,365	30,578	30,792
Revenue	$35,565,1	$35,656,6	31,596,3	31,544,5	32,842,0	34,195,4	35,172,4	36,147,3	36,317,0	36,438,0	36,697,8	37,035,8

General Fund Revenues, Projected 2027



Rethinking the Three-Legged Stool: Tax Engine vs. Cost Recovery

The Traditional Municipal Model

Property Tax

- Predictable baseline
- (capped at 1% growth under RCW 84.55).

Sales Tax

- Dynamic growth tied to local economic retail activity.

Utility Tax

- Stable, broad-based local tax lever under direct Council policy authority.

Camas’s Projected 2027 Reality

Utility Tax Underutilized

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

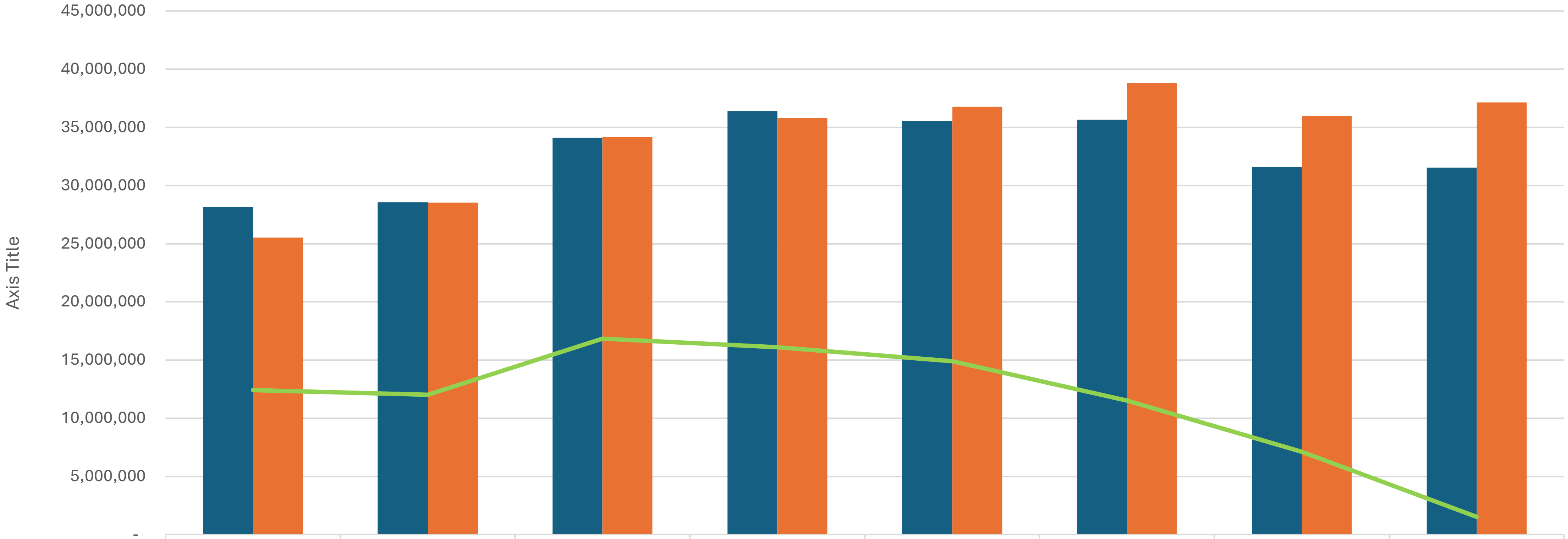
Over-Reliance on Internal Charges

- 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.

Projected Revenues and Expenditures



	2021	2022	2023	2024	2025	2026	2027	2028
Revenues	28,145,849	28,553,499	34,096,233	36,407,477	35,565,180	35,656,663	31,596,306	31,544,521
Expenditures	25,525,849	28,527,642	34,183,105	35,788,953	36,779,018	38,797,891	35,989,927	37,136,659
Fund Balance	12,425,029	12,026,050	16,840,851	16,108,085	14,894,247	11,513,019	7,119,398	1,527,260

Common Budget-Balancing Tricks

These tactics "balance" budgets on paper while masking underlying problems

Tactic	What It Looks Like	What's Under the Mask
One-time asset sales	Selling city property, or leasing assets	Provides cash once, creates no recurring revenue
Draining reserves	Drawing down general fund balance each year	Eliminates the city's emergency cushion
Deferred maintenance	Postponing road repairs, building upgrades	Creates larger infrastructure costs later
COLA freeze	Skipping or reducing cost of living increases (COLA)	Wage disparity postponement increases exponentially

Remaining Budget Process

Forecast	Engagement	Draft	Recommendation	Approved
• Baseline Budget • Revenue Forecast • Decision Packages	• Public Engagement • Council Engagement	• Revenue Budget • Property Tax • Fee Schedule, Internal and External	• Recommended Budget Presentation	• Property Tax Resolutions • Fee Schedule • Budget formally adopted