



Staff Report

October 19, 2020 Council Workshop

Mayor's Recommended 2021-2022 Operating Budget Presentation

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BACKGROUND: This presentation is designed to provide a mid-level overview of the Mayor's Recommended 2021-2022 Operating Budget to City Council and the public. This presentation will provide operating summary detail by fund, discuss the Operating Decision Packages as well as how the Mayor's budget initiatives are incorporated in the operating budget for the upcoming biennium.

SUMMARY: The Mayor's Recommended 2021-2022 Biennial Budget was prepared to incorporate his three initiatives for the biennium: Honesty, Land, People. With Honesty, communications and equity are a focus. The use of technology will be key. With the investment in the Legacy Lands in 2019-2020, this next biennium, 2021-2022 will focus on the City's efforts to be careful stewards of the City's natural assets. This budget will provide funding for trails, care for the historic Leadbetter House, clean-up of Lacamas Lake and support for our existing parks. For the final initiative, the budget will focus on our children and older citizens, by enhancing our parks, library, streets to provide accessibility and safety.

The City's revenue budget for the 2021-2022 is projected to be slower than in recent years but still stable with modest growth. Camas continues to be a place people desire to move to. The budget is built to address the City's growing community with several infrastructure projects.

Given the uncertain economic times during the COVID-19 pandemic, the Mayor's Recommended 2021-2022 Budget has a budget strategy designed to adapt to a changing financial environment. The Recommended Budget appears to be status quo budget with several capital projects, but the implementation of the 2021-2022 Budget is tied to the Washington State's Phased Approach for Safe Start. As a result, in Phase 1 the budget will be limited in 2020 Budget levels with some line item placed on hold such as staff hires, seasonal help, travel, training and all construction. In Phase 2, the Mayor has discretion to open some expenses and allow capital projects as well. In Phase 3, the 2021-2022 Budget is implemented but may still have some restrictions in place. In Phase 4, the Mayor may opt to implement the fully adopted 2021-2022 Budget.

The Operating Budget is primarily a status quo budget with six decision packages incorporated by the Mayor. These packages include:

Central Services	Facilities Maintenance Worker and a truck
Parks Maintenance	Maintenance Worker
Community Development	Comprehensive Plan Costs
Camas/Washougal Fire Dept.	Electronic Patient Care Report
Public Works	Hydro seeder
Solid Waste	Solid Waste Driver

This presentation provides the 2021-2022 Recommended Operating Budgets for the City's

- General Fund
- Street Fund
- Camas/Washougal Fire Department
- Lodging Tax
- Cemetery
- Stormwater
- Solid Waste
- Water/Sewer

The 2021-2022 Baseline Budget assumes the following:

- 2020 vacant positions are filled
- 2020 expenditures put on hold for the COVID-19 pandemic are restored such as training
- Cost of Living Adjustments as prescribed by the labor contracts
- Estimated benefit cost increases (these will be adjusted to actual increases before adoption)
- Known contract increases

Overall, this is a conservative budget in that the budget assumes a Phase 4 budget from January 1, 2021 through December 31, 2022. The City may likely remain in Phase 2 until a vaccine is available. This means the fund balance projections may be low with the strong possibility of continued spending restrictions remaining in effect into the next biennium.

EQUITY CONSIDERATIONS:

What are the desired results and outcomes for this agenda item? The intent of this budget is to fund City services which benefit the whole community while delivery is inclusive and accessible.

What's the data? What does the data tell us? N/A

How have communities been engaged? Are there opportunities to expand engagement? Prior to the COVID-19 pandemic, the City had planned several public engagement activities during the budget building process. Unfortunately, with the COVID-19 restrictions, the City has one online engagement activity to evaluate capital project decision packages this month and two public hearings which will be scheduled in November. As in prior budget planning efforts, the City will place the whole 2021-2022 budget online which allows the community to drill down into the budget as well as track in real time how the City's resources are spent against the adopted budget.

Who will benefit from, or be burdened by this agenda item? All Camas citizens will benefit from the 2021-2022 Budget.

What are the strategies to mitigate any unintended consequences? N/A

Does this agenda item have a differential impact on underserved populations, people living with disabilities, and/or communities of color? Please provide available data to illustrate this impact. No, the 2021-2022 Budget provides equal access to resources.

Will this agenda item improve ADA accessibilities for people with disabilities? The Mayor's Recommended Budget provides funding to provide more accessible street crossings and more accessibility to the Louis Bloch park and ball fields.

What potential hurdles exists in implementing this proposal (include both operational and political)? N/A

How will you ensure accountabilities, communicate, and evaluate results? The Finance Department provides at <https://finance.cityofcamas.us> the City's Open Budget tool for residents to ensure the City is accountable and provides results of the approved budget. The Finance Director also provides quarterly reviews of the budget to actual in an open meeting which is televised online. In addition, the Washington State Auditor's Office audits the City's Annual Financial Report which provides a budget to actual statements.

How does this item support a comprehensive plan goal, policy or other adopted resolution? This item will eventually be adopted by City Ordinance and is compliant with state law, City's municipal code, the City's Strategic Plan and all other City plans and financial policies.

BUDGET IMPACT: This presentation provides the Mayor's Recommended Operating 2021-2022 Budget.

RECOMMENDATION: Presentation only.