



City of Camas 2025-2026 Biennial Budget

Agenda

City of Camas 2025-2026 Budget Outlook

- How is the City of Camas funded
- How has this changed over time
- Importance of maintaining AAA rating
- Structural Deficit
- Revenue Forecast
- Critical Police Needs

Closing the Gap

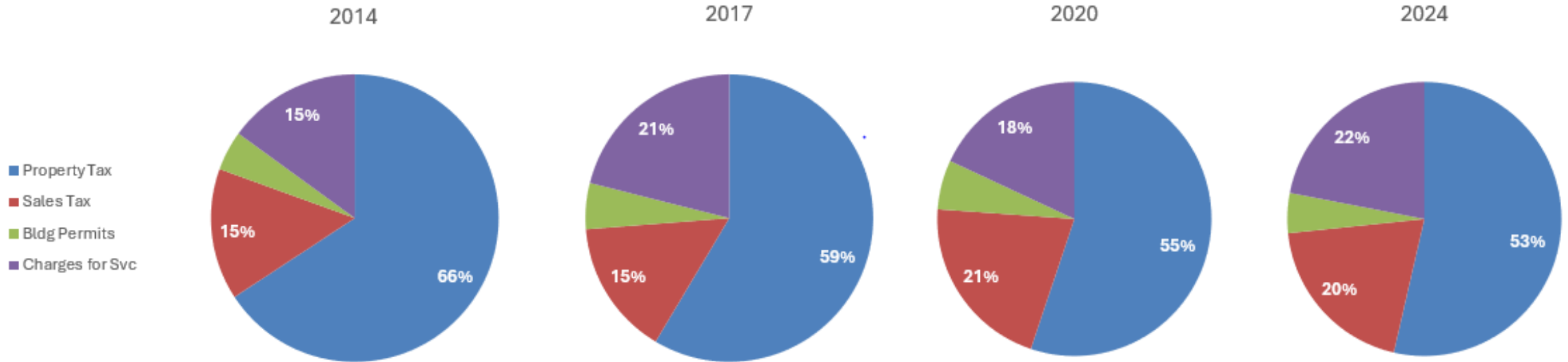
- Baseline Reductions
- Property Taxes
- Fees and Business Licenses
- Transportation Benefit District
- Utility Taxes

Next Steps



2025-2026 Budget Outlook

General Fund Major Revenue Sources

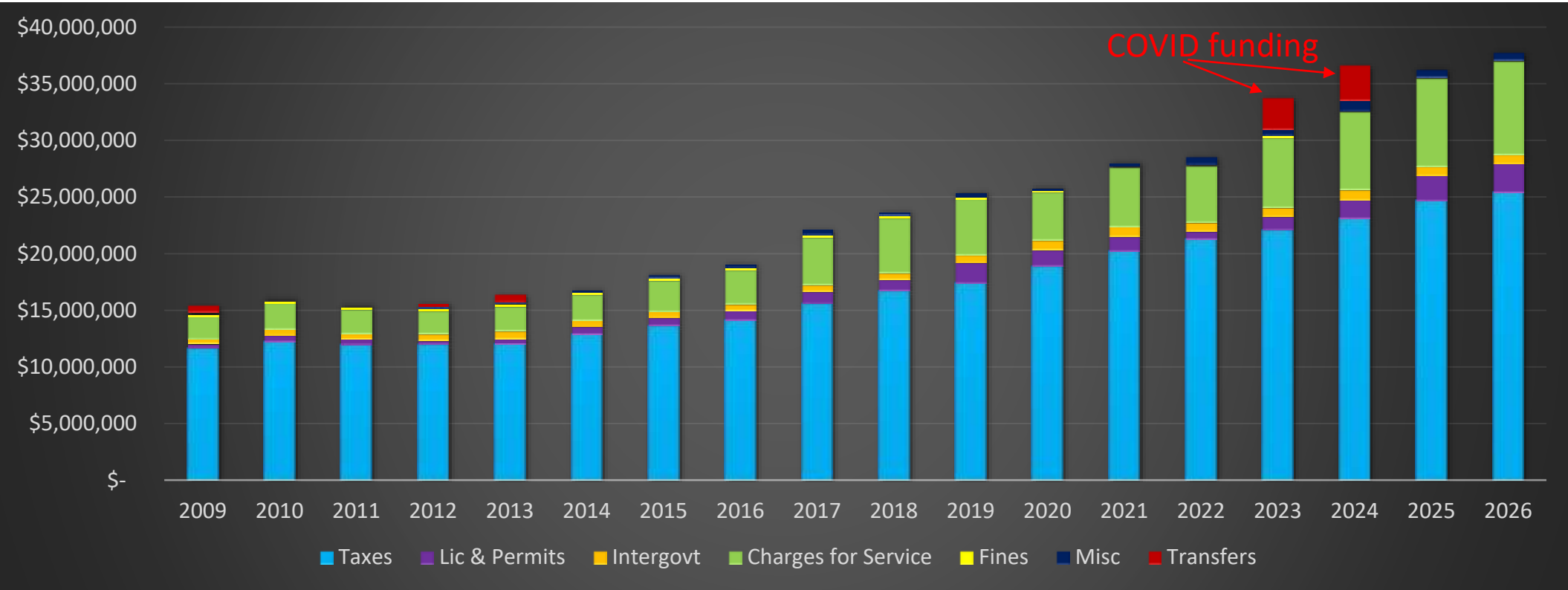


Over the past 10 years, property taxes from businesses have decreased

Change in General Fund Major Revenue Sources

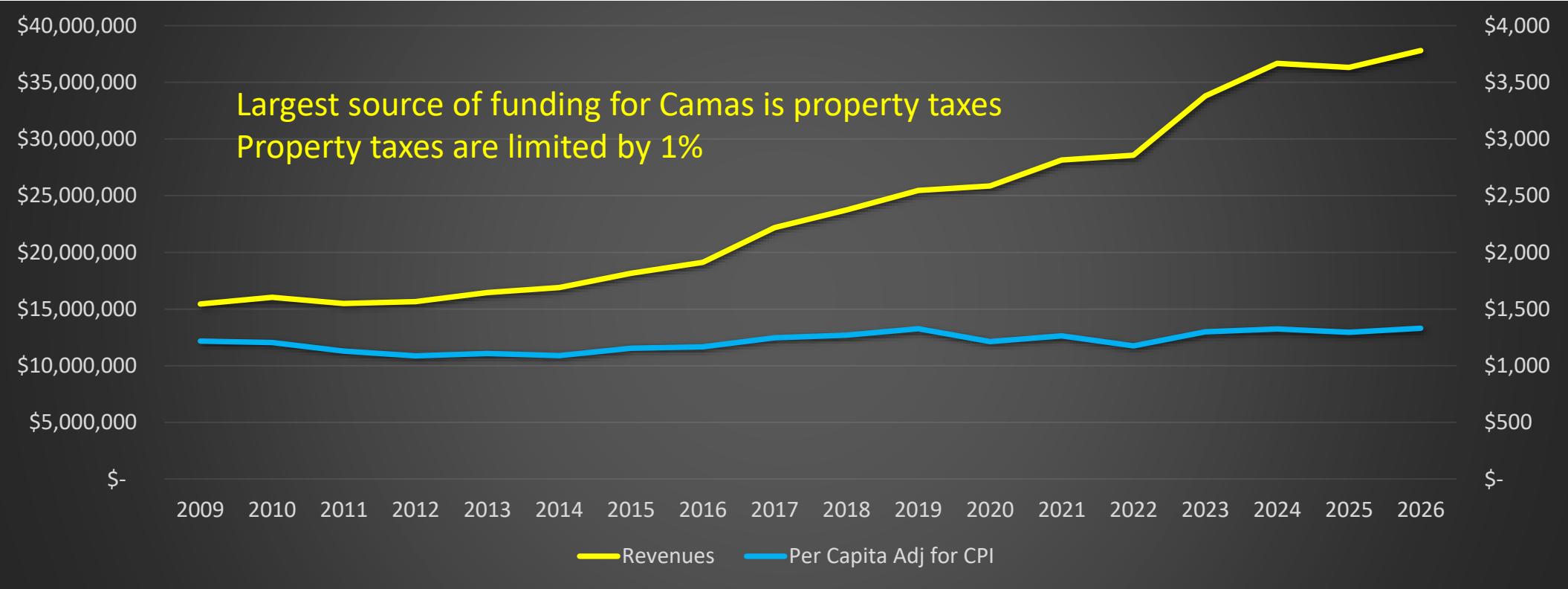
- Sales Tax increased during COVID with e-commerce
- Building Permits are a small source of funding
- Fees were increased to help with inflationary pressures

General Fund Revenues for 2009-2026



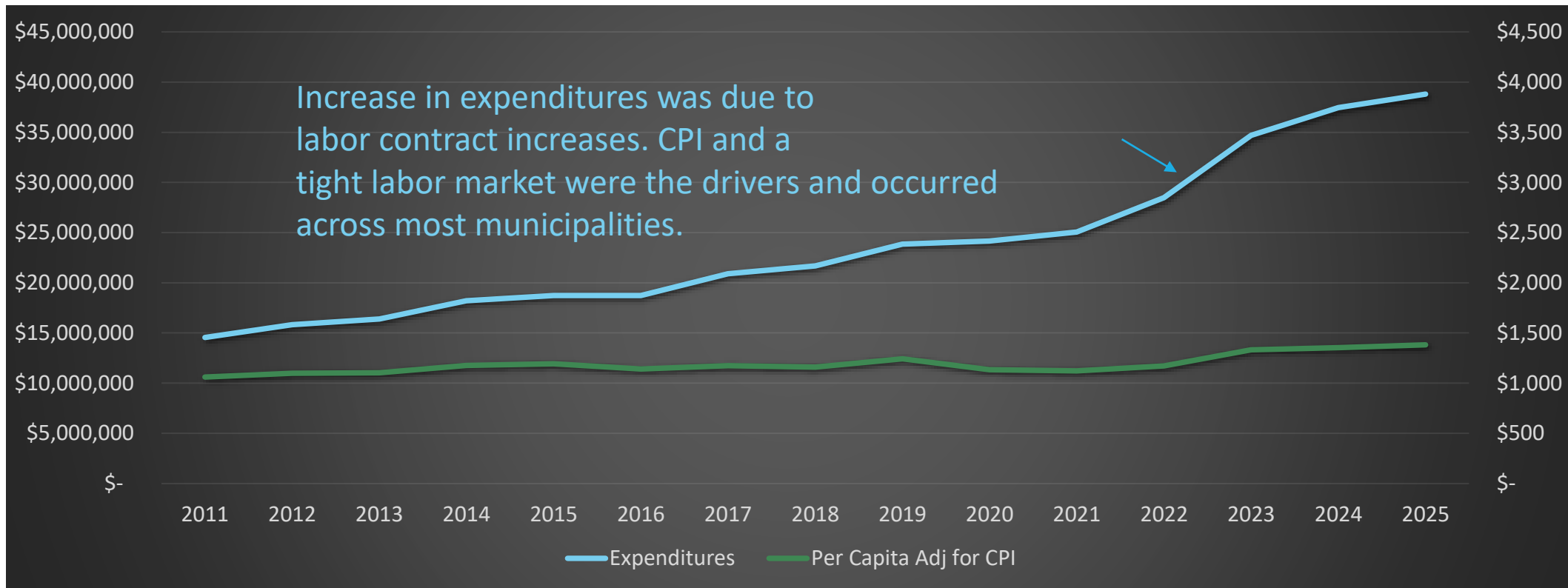
Coming out of the Great Recession, City had moderate growth with increase in new residents

Funding compared to Population

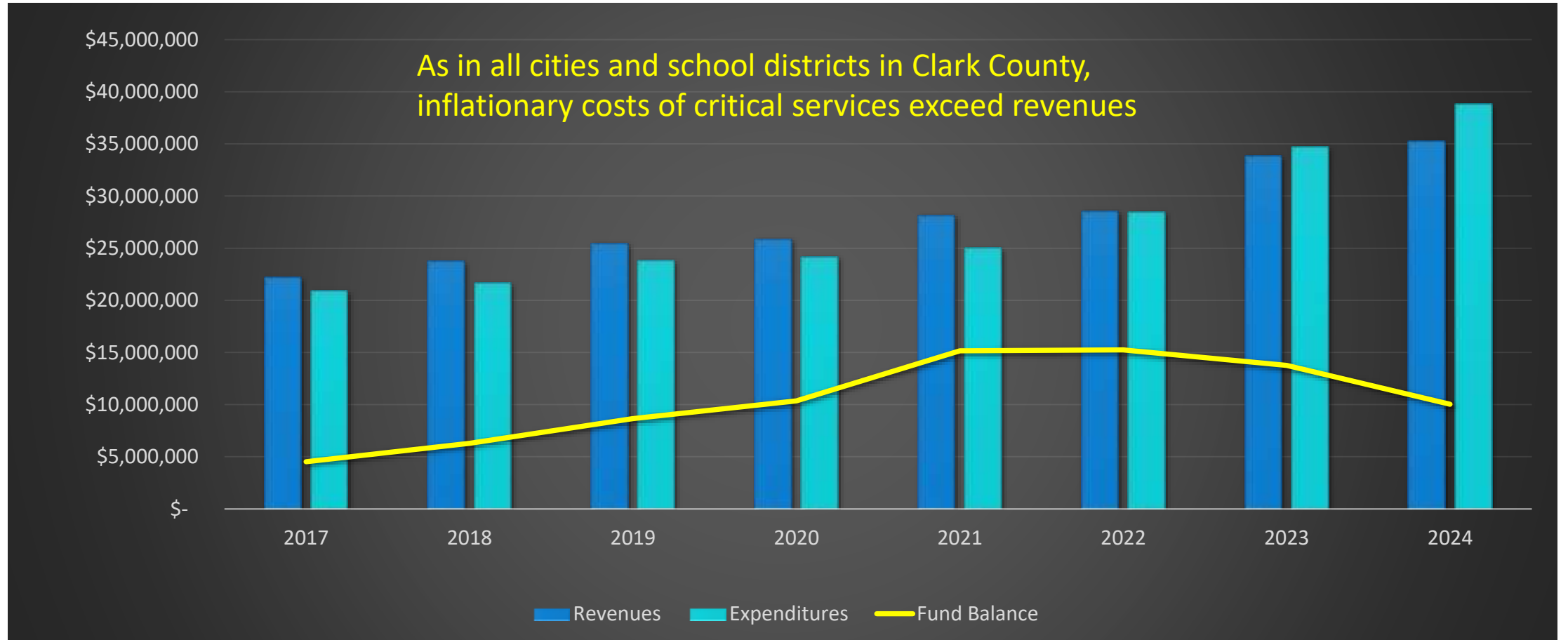


Tax Burden to the residents has remained flat when adjusted for population including the proposed new revenues

Spending compared to Population



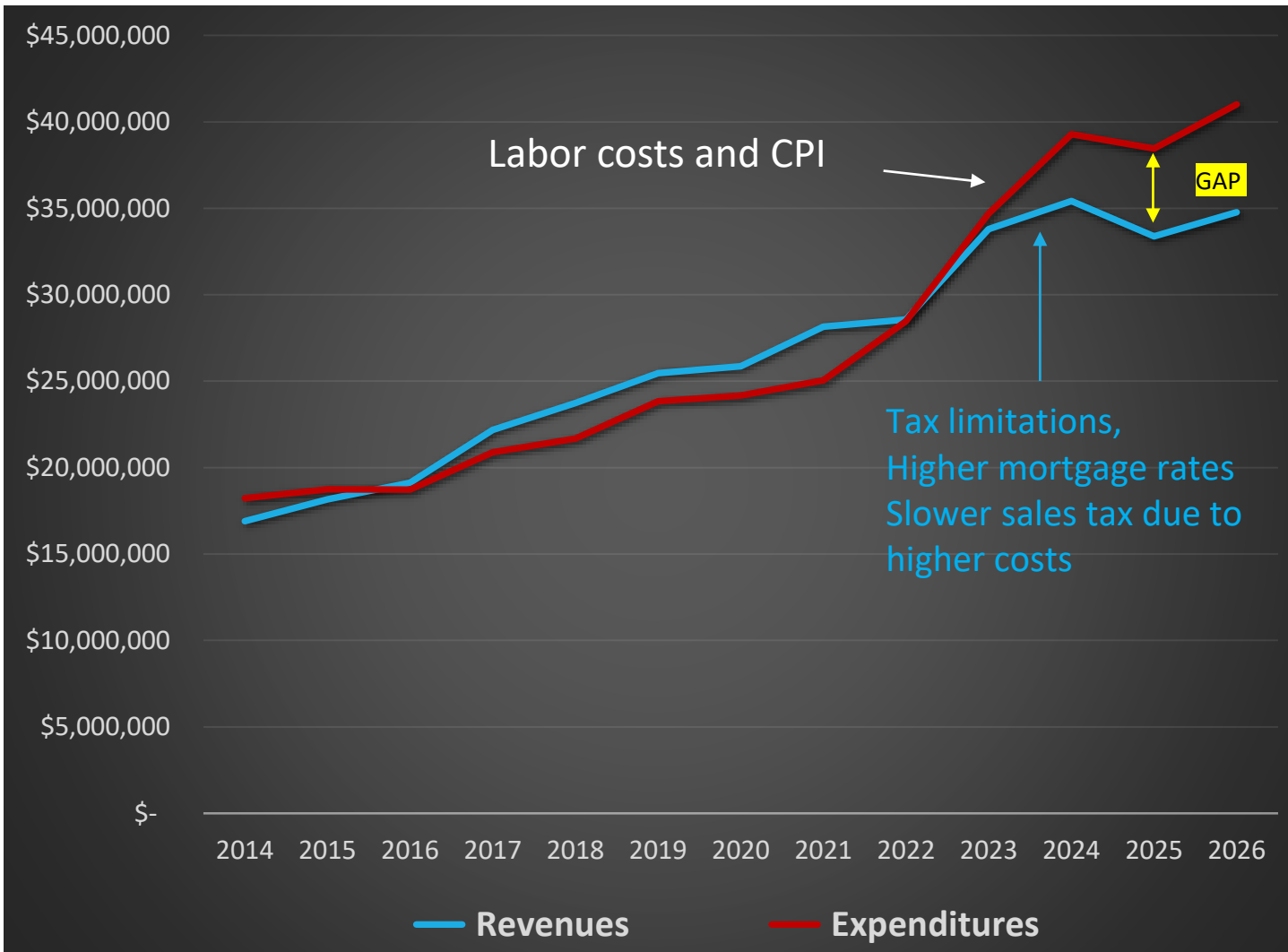
Projected Revenues and Expenditures



Structural Deficit

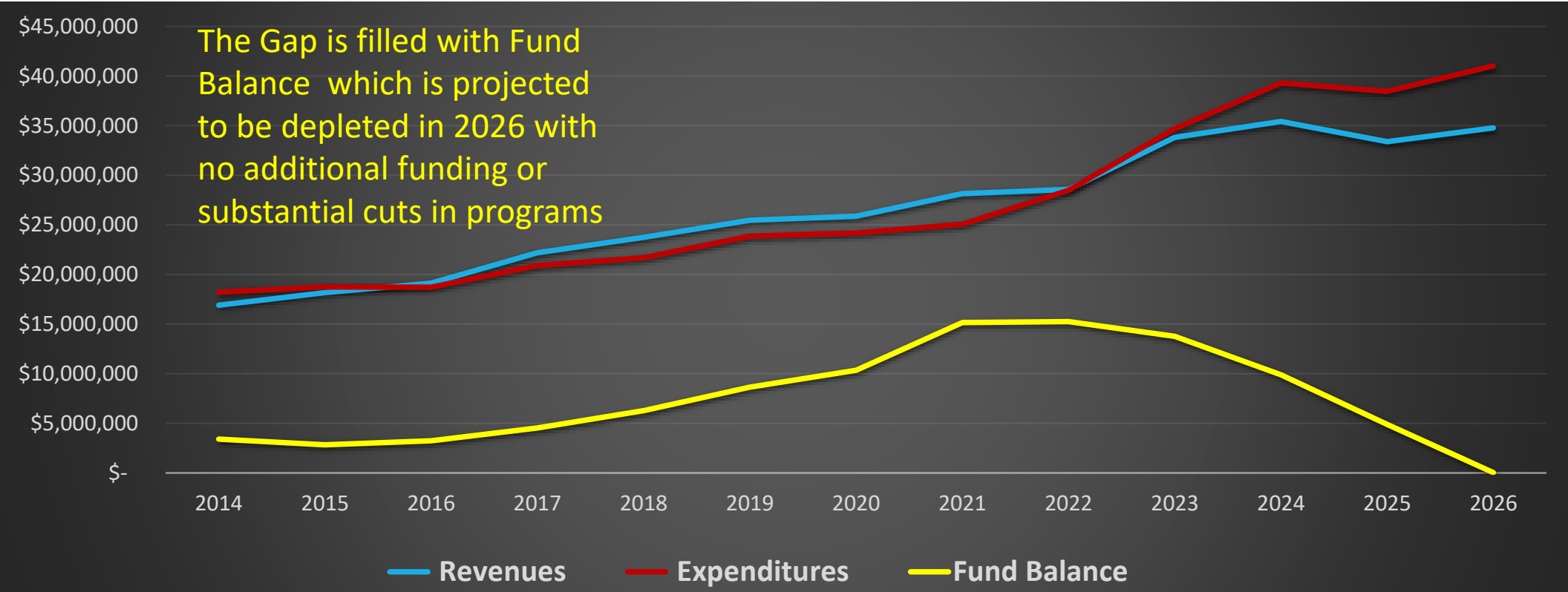
Structural Deficit.

A budget deficit that results from a fundamental imbalance in government receipts and expenditures, as opposed to one based on one-off or short-term factors. [Source: Financial Times]



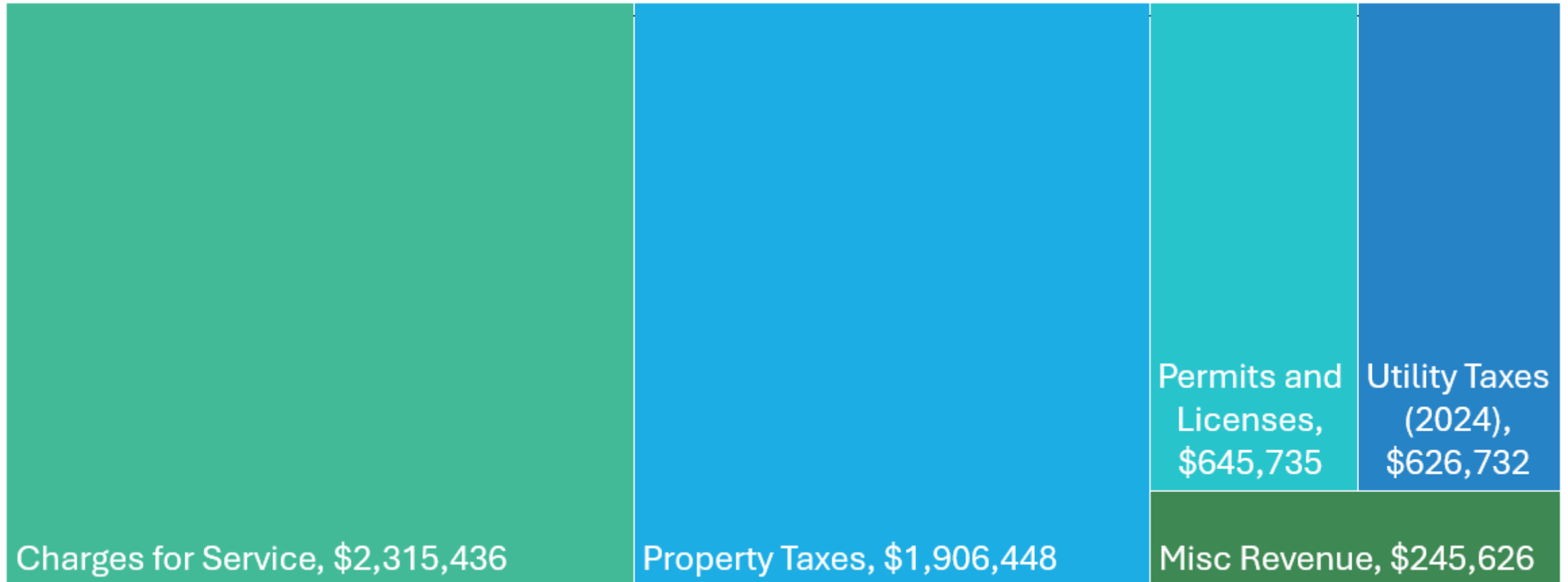
Structural Deficit Trends

Fund Balance Impact



General Fund Revenue Increases from 2021-2025

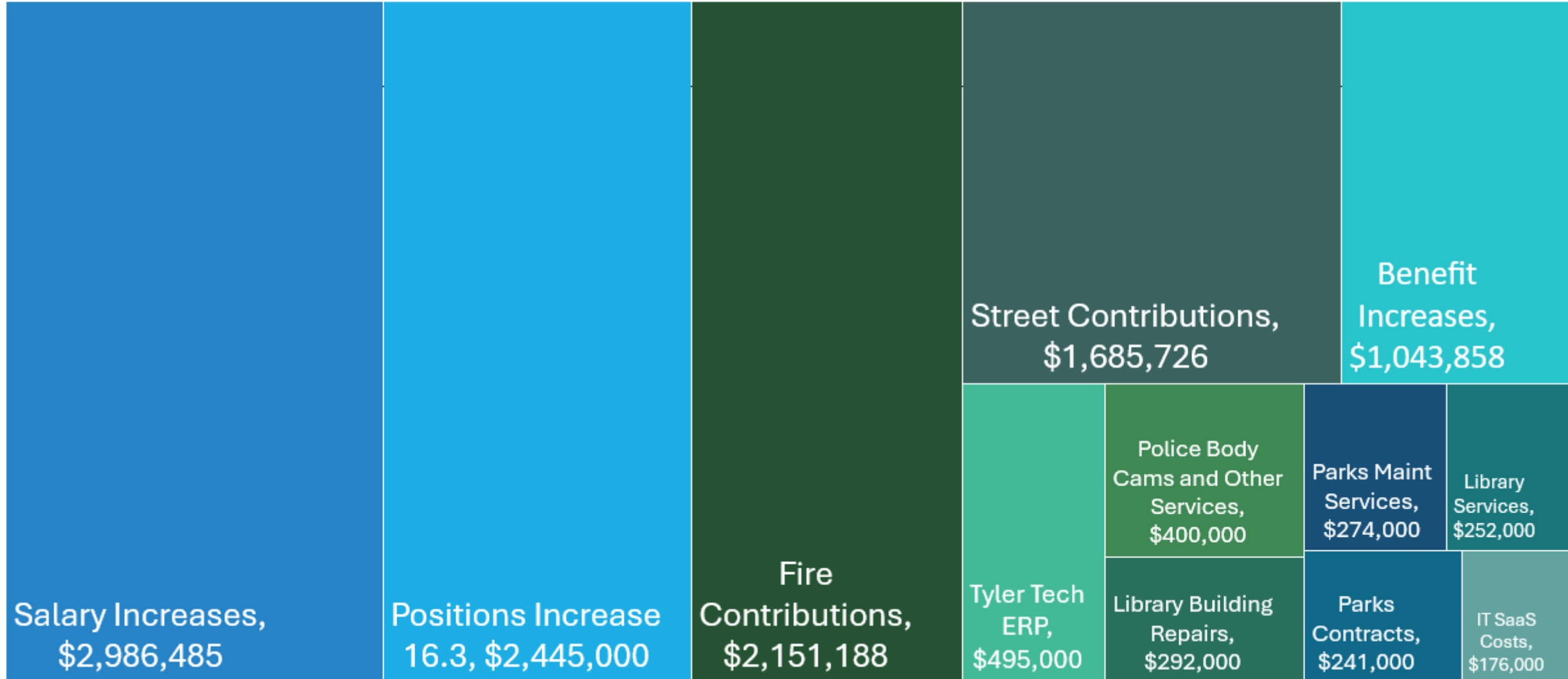
\$5 million



Note: Sales Tax (\$78,753), Other Taxes (\$466,350), Intergovernmental (\$161,033) and Fines (\$1,271)

General Fund Expense Increases from 2021-2025

\$12.9 million



Budget Policy

City adopts and maintains a balanced budget and an integrated capital budget by end of each biennium.

Expenditures shall not exceed revenues plus available unrestricted fund balances.

Any budgeted use of fund balance resources should not cause the City to drop below reserve fund balance policy ...

It shall be the goal of the City to achieve a long-term structurally balanced budget, where ongoing expenditures are supported by ongoing revenues.



Closing the Gap

Structural Deficit: \$8.7 million

What actions have been taken?

Reorganization: IT and Facilities Savings: \$316,000

Reduction: 16 positions not filled in 2023 & 2024: Savings: \$2.4 million

Reduction: Baseline costs reduced by \$200,000





Still leaves a deficit of: \$5.8 million with budget priorities that include:

1. Basic needs in the general fund
2. Cost-preventive street maintenance
3. Critical Police staffing



Expenditures

Reductions and Police Packages

Positions not filled for 2023-2024

Volunteer Coordinator	Development Engineering Manager	Operations Project Manager	IT Support Specialist
Parks Project Manager	Recreation Specialist	2 Overhire Police Officers	2 Police Sergeants
3 Maintenance Workers for Streets	Division Chief of Operations for Fire	EMS Training Officer	3 Person Engine Company for Fire (12 FTE)

Police Critical Requirements

Police Department does not have adequate supervision for patrol operations.

- Primary hours not covered by supervision are in the middle of the night.
- In a critical incident, having a supervisor available to direct and coordinate resources is essential.

The Captain position's span of control and task load is too large.

- Administrative Lieutenant position would be responsible for supervising Detective Unit, Code Enforcement, Parking Enforcement, School Resource Officer Program and evidence.

Police Critical Requirements

Police Department is at current authorized staffing and is facing a potential retirement cliff where 45% of sworn officers are eligible to retire within 5 years.

- On average it takes about a year from date of hire to have an officer working solo and taking calls for service.
- Plus, the time for recruiting and hiring.



Funding with a voted
4% utility tax on water,
sewer, stormwater, and
solid waste

To be dedicated to Police
specifically:

- 2 Police Sergeants
- 1 Administrative Lieutenant
- 1 Overhire Police Officer
- Vehicles
- Equipment and Uniforms
- Training



An aerial photograph of a suburban neighborhood. The image shows several houses with grey roofs, green lawns, and mature trees. Winding asphalt roads connect the properties. In the center, there is a house with a blue swimming pool. The overall scene is a typical residential area with a mix of greenery and built-up structures.

Revenues

Property Taxes, Fees and Business Licenses,
Transportation Benefit District, and Utility Taxes

Balancing
the
remaining
\$5.8 million

Property Tax 1% increase for General
Fund services

Utility Taxes 2% \$1,000,000 for General
Fund services

Increase Fees and Business Licenses
\$721,500 for General Fund services

TBD with sales tax and car license fees
\$2,140,000 for street preservation

Utility Taxes 4% \$2,000,000 for Critical
Police staffing

Property Taxes

General Fund 1% lawful increase

EMS Levy increased by new voted levy rate \$0.46

Fire Station Bond Levy to start at \$0.22

Property Tax	2025 Revenue Estimate	Tax Levy	Impact to Taxpayer from prior year
GF Levy	\$15,633,890	\$1.90	(\$6.00)
EMS Levy	\$3,719,074	\$0.46	\$87
Voted Bond Levy	\$1,800,000	\$0.22	\$147



Fees and Business Licenses

City Fee Schedule increases annually to recover increase in service delivery costs, historically CPI.

Increase Fees by market or at a minimum of 10% which would generate approximately \$227,000 in 2025

City Business Licenses are \$10 annually regardless of size. Licenses vary by jurisdictions and can be assessed on employee and revenue

Increase Business Licenses to \$50 to match other Clark County cities which would generate approximate \$133,750 in 2025

Transportation Benefit District

City is proposing to create a Transportation District which would allow the City to have dedicated revenue to fund street preservation and complete street focus.

The City is considering a \$20 annual car license fee which would generate \$570,000 annually.

In addition, to generate funding equitably for users of the City streets who are not residents, the City would impose 0.1% sales tax. This revenue source is estimated to generate \$500,000 annually.



TBD Funding Options – Sales Tax

SALES TAX OPTIONS

Sales Tax up to 0.3% requiring a vote of a simple majority for 10 years but can be renewed. To generate up to \$1.8 million annually

Council (majority vote) may impose 0.1% for up to 10 years and may be renewed. To generate approximately \$500,000 annually

CURRENT SALES TAX RATE FOR CAMAS

Washington State Sales Tax Rate	6.50%
Camas Basic/Optional Rate	1.00%
Camas Criminal Justice Rate	0.10%
C-TRAN Rate	0.70%
Clark County Public Safety	0.10%
Clark County Mental Health Rate	0.10%
Total Sales Tax Rate	8.50%

Fee Amount	Conditions
\$20	Vehicle License Fee can be implemented with Council vote.
Up to \$40	Only if a \$20 fee has been in effect for at least 24 months
Up to \$50	Only if a \$40 fee has been in effect for at least 24 months but is subject to a potential referendum
Up to \$100	Subject to a simple majority of voters but voters have rejected this effort every time with the exception of Seattle

TBD Funding Options – Vehicle License Fees

RCW 36.73.040(3)(B) AND
IN 2020 *GARFIELD
COUNTY TRANS. AUTH. ET
AL. V. STATE ET AL*

Utility Taxes

2023-2024 Utility Tax of 2% will sunset as required.

Readopt 2% Utility Tax to fund core services such as municipal court, fire department, library, parks and recreation, and streets maintenance

2% Utility Tax on Water, Sewer, Stormwater and Solid Waste generates approximately \$500,000 annually

Consider options for 4% Utility Tax to fund Critical Police requirements.

4% Utility Tax on Water, Sewer, Stormwater and Solid Waste would generate approximately \$1,000,000 annually for Police requirements

Funding Priorities and Sources

- Police: 4% voter approved on utility tax
- Streets: Transportation Benefit District
- General Fund Needs: Council-approved 2% utility tax and increase in fees

Next Steps

Revenue Public Hearings

November 18th Council Meeting

Revenue Considerations
and Adoption

November 18th Council Meeting

2025-2026 Budget Public
Hearing and Adoption

December 2nd Council Meeting



Questions