CITY OF WASHOUGAL
CITY COUNCIL WORKSHOP AGENDA
Monday, October 24, 2022
5:00 PM

MEETING INFORMATION
Please click on link below to join webinar:
https://us02web.zoom.us/j/89989436636

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENTS

IV. NEW BUSINESS

A. Community Development - Town Center Residential Parking Regulations

B. Finance - 2023 City Manager's Proposed Budget Presentation

V. PUBLIC COMMENTS

VI. REPORTS AND COMMUNICATIONS

A. CITY MANAGER

B. MAYOR

C. CITY COUNCIL

VII. ADJOURNMENT

UPCOMING MEETINGS: Monday, November 7, 2022 - Workshop at 5:00 pm and Council at 7:00 pm

BUSINESS OF THE CITY COUNCIL

City of Washougal, Washington

FOR AGENDA OF:
10/24/2022

SUBJECT:
Town Center Residential Parking Regulations

DEPT. OF ORIGIN:
Community Development

REVIEWED AT:
CD Council Committee: September 27, 2022

TO BE RETURNED TO COUNCIL:
Yes

EXPENDITURE REQUIRED:	BUDGETED:	APPROPRIATION REQUIRED:
$0	$0	$0

SUMMARY STATEMENT

The Community Development Council Committee has discussed the possibility of increasing the parking requirements for residential construction within the Town Center zoning designations. The current parking regulations are as follows:

Use Type	Minimum	Maximum
Residential	0.5 stall per unit	2 per unit

The CD Council Committee would like the Council to discuss increasing the parking minimum for residential development to 1 stall per unit for studios and 1 bedroom units, and 1.5 stalls for 2 or more bedroom units.

RECOMMENDED ACTION

Discuss the Town Center residential parking minimums and give direction to staff regarding a possible code change to increase the required parking for residential development.

BUSINESS OF THE CITY COUNCIL

City of Washougal, Washington

FOR AGENDA OF:
10/24/2022

SUBJECT:
2023 City Manager's Proposed Budget Presentation

DEPT. OF ORIGIN:
Finance

REVIEWED AT:

TO BE RETURNED TO COUNCIL:
Yes

ATTACHMENTS:

- **2023 City Manager Budget Message.pdf**
- **2023 Proposed Budget**

EXPENDITURE REQUIRED: **BUDGETED:** **APPROPRIATION REQUIRED:**

SUMMARY STATEMENT

RECOMMENDED ACTION

CITY HALL
1701 C Street
Washougal, WA
98671
(360)835.8501
Fax
(360)835.8808

POLICE
DEPARTMENT
1320 A Street
Washougal, WA
98671
(360)835.8701
Fax
(360)835.7559

To the Mayor, City Council & Residents of Washougal:

I am pleased to present the proposed City of Washougal 2023 Budget. The proposed 2023 budget is an expression of the Council's priorities, maintains existing services levels and targets key service enhancements and continued capital investments.

In 2022 we began to emerge from the implications of the COVID-19 pandemic. As we look to 2023, we continue our conservative budgeting approach. Consistent with the broader national and regional economic trends, we are experiencing cost pressures in staffing and escalating costs in delivering capital projects. The 2023 budget maintains our conservative management of on-going expenses, while adapting to the realities of these cost pressures. We are cautiously optimistic that economic conditions will continue to improve, as we anticipate economic growth in our community over the next several years.

In determining its priorities for the 2023 budget, the Council considered and was guided by our Strategic Plan, our capital facilities plans and community input. Within this context, we can maintain our current service levels in all program areas and make modest enhancements to our Pavement Management Program and Community Engagement efforts. We continue to utilize capital project funds to pursue Council and community priorities by investing in important capital facilities projects, enhanced by the addition of ARPA funding.

Clark County voters approved a sales tax increase earlier this year. Our proceeds from this will be used to implement a body-worn camera program and make other program enhancements in our Police Department.

To ensure that we can maintain our current service levels and make these modest program enhancements, the 2023 general fund operating budget assumes that the Council will adopt a 1% increase in our overall property tax levy and our EMS levy. A modest use of fund balance in our Fire Fund will be used to support needed operating equipment replacements. We are currently engaged with the City of Camas in identifying a plan to address staffing needs and fire apparatus and station replacement. Once finalized, funding for these replacements will be considered in a supplemental budget in 2023.

Highlights from Council's priorities in the 2023 budget and their alignment with the Priority Pillars in our Strategic Plan include:

Pillar #1: Communication and Pillar #2: Community Engagement

- Continued development and implementation of our Community Engagement Plan
- Enhanced community engagement related to events

Pillar #3: Core Services – Public Safety

- Police body-worn camera program
- Security Improvements at various City facilities
- Fire operating equipment replacement

Pillar #3 Core Services – Transportation and Public Infrastructure, Parks and Open Space

- Modest enhancement to funding for the Pavement Management Program
- Ongoing design for 32nd St. railroad underpass
- Sidewalks on Evergreen Way from 39th to 42nd (pending receipt of grant funding)
- Sidewalks on 39th Street from Evergreen to J (pending receipt of grant funding)
- Shared Use Path 27th Street and Renaissance Trail Segment 5– Design
- Shared Use Path Evergreen Way from 32nd to Sunset View (pending receipt of grant funding)
- Columbia River Trail lighting project
- Safety Improvements 32nd Street
- Neighborhood traffic calming
- Water, Wastewater and Storm Drainage system improvements
- Hamllik Park Basketball Court (pending receipt of grant funding)
- Hathaway Park Lower Playground
- Civic Campus Project (w/ Dog Park) (pending use of ARPA and receipt of grant funding) - 2023 supplemental budget
- Completion of Facilities Master Plan
- Public Works Operations Center maintenance, repair and improvements

Pillar #3 Core Services – Community Livability and Services

- Implement enhanced program in community aesthetics and code compliance
- Building Repairs and enhancements to East County Family Resource Center
- Support for East County Family Resource Center and ReFuel Washougal

Pillar #4 Economic Development

- Initiation of a Towncenter Sub-Area Plan and Planned Action Ordinance
- Continued partnership with CREDC
- Tourism promotion

I am pleased propose a balanced baseline operating budget which maintains all existing service levels for 2023 and provides for modest enhancements to services in response to community and Council priorities. We can continue advancing our capital facilities efforts, planning and delivering key projects.

I would like to thank the members of the City Council for their leadership and efforts in identifying priorities and providing policy guidance. I would also like to thank the City staff, who work hard every day to deliver outstanding service. And “thank you” to the many volunteers who serve on our boards and commissions and in support of the various programs that make Washougal a great community.

Respectfully Submitted,

David Scott
City Manager

2023 City Manager's Proposed Budget

10/24/2022 | Presented by Daniel Layer

City of Washougal

Agenda

- Key assumptions
- Budget highlights
- Presentation of the City Manager’s 2023 Proposed Budget
- Budget message and proposed ordinance
- Next steps

Key Assumptions – General and Street

- Baseline Budget - Maintain service levels
- Key investments based on Council priorities
  - Modest Enhancements to Community Engagement programming (added to baseline)
  - Towncenter Sidewalk Program (to be reviewed with capital budget)
- Key investments based on Council priorities (use of reserves)
  - Finalize Strategic Plan
  - Initiate Comprehensive Plan/Town Center Sub Area Plan/Planned Action Ordinance
  - General Facilities Plan

Key Assumptions – General and Street

- Key investments based on Council priorities (from new County-wide sales tax revenue)
  - Bodycam hardware and software implementation
    - Annual savings for 5-year replacement
  - 1 FTE Police Records Management Support
  - 1 FTE Police Officer (contingent upon results of federal appropriation)

- Continue to fund the Fire Department per the latest and pending agreements
  - Use of fire reserves

Key Assumptions – General and Street

Revenue Assumptions:

- 1% councilmanic property tax increase + 2.73% new construction
- Utility taxes pursuant to previously adopted plan
- Trending of revenues
- $4,500,618 in ARPA funding:
  - $891,500 already programmed by Council (2023 Capital Budget)
  - $3,609,118 available for future Council determined project(s)

Key Assumptions – General and Street

Expense assumptions:

- Maintain service levels
- COLAs per contracts: 4%
- Medical benefits cost increases: AWC 4.5% increase; KAISER 11.55% increase
- DRS contribution rates: PERS 10.39%; LEOFF 5.30%
- Key investments based on Council priorities
- Continued use of Economic Development funding ($50K)
  - Pursuing funding opportunities for capital projects to enhance economic development

Art Capital Projects ~ 2023 Budget

Total Budget: $19,000

- Other projects ~ $19,000
  - Beginning fund balance $14,000
- Art Commission recommendations pending

Facilities Capital Projects ~ 2023 Budget

Total Budget: $2,320,000

- Social Service Building Maintenance and Repair Project ~ $927,000
  - $227,000 CDBG
  - $700,000 Legislative appropriation
- PW Operations Center Building Maintenance and Repair Project ~ $1,000,000
  - $500,000 LID settlement proceeds
  - $500,000 general fund 2021 surplus
- Facilities Master Plan ~ $150,000
  - $100,000 previously appropriated use of general fund balance in 2022
  - $50,000 general fund 2021 surplus
- Security Improvements at Various City Facilities ~ $243,000
  - $143,000 ARPA funds
  - $100,000 general fund 2021 surplus

Transportation Capital Projects ~ 2023 Budget

Total Budget: $5,036,900

- Evergreen Way Sidewalks 39th to 42nd ~ $300,000
  - $239,000 Transportation Improvement Board (TIB) Grant (*Application Submitted*)
  - $61,000 Transportation Impact Fees (TIF)
- 39th Street and Evergreen Way Intersection Improvements ~ $120,000
  - $120,000 TIF
- 32nd Street Underpass (Continued Design & Planning) ~ $441,900
  - $270,000 Legislative Appropriation
  - $171,900 TIF
- Bike Path Evergreen Way: 32nd Street to Sunset View ~ $1,100,000
  - $200,000 Local Match (ARPA funding)
  - $900,000 WSDOT Pedestrian and Bicyclist Program Grant (*Application Submitted*)

Transportation Capital Projects ~ 2023 Budget (cont.)

- 39th Street Sidewalk: Evergreen Way to J Street ~ $1,340,000
  - $300,000 Local Match (ARPA funding)
  - Balance from WSDOT Safe Routes to Schools Program Grant (*Application Submitted*)
- 32nd Street Safety Improvements ~ $896,000
  - $16,000 Local Match (ARPA funding)
  - WSDOT Safety Grant Awarded
- Columbia River Trail Lighting Project ~ $200,000
  - $200,000 ARPA funding
- 27th Street Shared Use Path & Renaissance Trail Segment 5 ~ $539,000
  - Regional Transportation Council (RTC) Transportation Alternatives Program (TAP) Grant for Design Phase
- Sidewalk Improvements – Downtown Corridor ~ $100,000
  - Transportation Capital Fund Balance

Pavement Management Program (PMP) ~ 2023 Budget (2022 Budget)

- **Total Budget: $1,000,000 ($907,000)**
  - 2023 funding:
    - $264,000 Transportation Benefit District (TBD) Fees
    - $170,000 General Fund Transfer (GF)
    - $566,000 Real Estate Excise Tax (REET)
  - History:
    - 2021 and 2022 funding was $261,800 TBD, $170,000 GF and $475,200 REET
    - 2020 program truncated due to COVID
    - 2019 funding was $171,000 TBD, $217,000 GF and $475,000 REET
    - 2018 funding was $275,000 GF and $475,000 REET

Parks Capital Projects ~ 2023 Budget

Total Budget: $300,000

- Hamllik Park Basketball Court ~ $70,000
  - $50,000 Community Development Block Grant (CDBG)
  - $20,000 Park Impact Fees (PIF)

- Hathaway Park Lower Playground ~ $55,000
  - $14,700 Parks Foundation Grant
  - $30,300 PIF
  - $10,000 Danielson Donation

- Dog Park – Phase #1 ~ $75,000
  - $75,000 Parks Foundation Grant (pending)

- Schmid Park Conceptual Design ~ $100,000
  - $100,000 PIF

Water/Sewer Capital Projects ~ 2023 Budget

Total Budget: $430,670

- Machinery & Equipment ~ $95,000
- Intergovernmental Taxes ~ $125,670
  - Water - $55,000
  - Sewer - $70,670
- Indirect Costs ~ $10,000
- Northside/Tower Development Debt Service ~ $200,000

Water/Sewer Bonded Projects ~ 2023 Budget

Total Budget: $6,200,548

- Water ~ $922,158
  - Automatic Meter Reading – AMI ~ $422,282
  - Water Main Installation – 32/34th St / “J” St ~ $284,280 (carryforward from 2022)
  - SCADA system upgrade ~ $112,551
  - Northside Lift Station No. 8 Completion ~ $50,000
  - Major Pipe Repairs – Throughout City ~ $53,045

Water/Sewer Bonded Projects ~ 2023 Budget (cont.)

- Sewer ~ $2,683,030
  - Pump Station #1 relocation ~ $1,254,552 (carryforward from 2022)
  - SCADA system upgrade ~ $228,478 ($112.5k carryforward from 2022)
  - Anoxic Selector ~ $1,200,000 (pending Congressional Appropriation)

- Debt Payments (revenue transferred in from O&M accounts) ~ $2,415,360
  - Water ~ $603,840
  - Sewer ~ $1,714,905
  - Stormwater ~ $96,615

- Indirect Costs ~ $180,000

Budget Highlights – General ERR

- Streets Department - $60,000
  - Truck replacement
- Facilities Department - $55,000
  - Truck replacement

City Manager’s Proposed 2023 Budget

City of Washougal

General and Street Fund Revenues

	2021 Actual	2022 Budget	2023 Proposed	$ Change	% Change
Regular Property Taxes	$ 5,855,578	$ 6,034,902	$ 6,235,043	$ 200,141.00	3.32%
Retail Sales Taxes/Criminal Justice	$ 2,984,958	$ 2,985,320	$ 3,747,000	$ 761,680.00	25.51%
Utility Taxes	$ 2,836,361	$ 2,771,244	$ 2,898,476	$ 127,232.00	4.59%
Leasehold and Gambling Taxes	$ 435,835	$ 435,000	$ 440,000	$ 5,000.00	1.15%
Licenses and Permits	$ 526,086	$ 517,200	$ 540,700	$ 23,500.00	4.54%
State and Federal Grants	$ 2,318,121	$ 2,305,378	$ 160,436	$ (2,144,942.00)	-93.04%
State Shared Revenues/Entitlements	$ 913,055	$ 836,869	$ 800,927	$ (35,942.00)	-4.29%
Animal Control Fees	$ 113,999	$ 142,825	$ 124,500	$ (18,325.00)	-12.83%
General Government Charges	$ 253,920	$ 309,250	$ 327,900	$ 18,650.00	6.03%
Sub Division/Zoning/Planning Fees	$ 1,618,883	$ 980,000	$ 1,168,000	$ 188,000.00	19.18%
Indirect Cost Recovery	$ 940,955	$ 1,121,780	$ 1,117,000	$ (4,780.00)	-0.43%
Interest and Rents	$ 85,306	$ 58,793	$ 110,100	$ 51,307.00	87.27%
Other Revenue - Transfers etc	$ -	$ -	$ 159,560	$ 159,560.00	0.00%
Total Revenue	**$ 18,883,056**	**$18,498,561**	**$ 17,829,642**	**$ (668,919.00)**	**-3.62%**

General and Street Fund Expenses

	2021 Actual	2022 Budget	2023 Proposed	$ Change	% Change
Council	$ 89,525	$ 106,006	$ 114,890	$ 8,884.00	8.38%
City Managers Office	$ 486,348	$ 705,580	$ 704,785	$ (795.00)	-0.11%
Human Resources	$ 186,413	$ 219,675	$ 225,170	$ 5,495.00	2.50%
Finance	$ 1,403,376	$ 1,434,180	$ 1,554,869	$ 120,689.00	8.42%
Economic Development	$ 5,000	$ 55,000	$ 55,000	$ -	0.00%
Legal	$ 14,090	$ 20,000	$ 20,000	$ -	0.00%
General Government Services	$ 1,926,153	$ 1,532,200	$ 2,674,703	$ 1,142,503.00	74.57%
Police	$ 3,923,000	$ 4,209,794	$ 4,561,711	$ 351,917.00	8.36%
Fire	$ 3,365,994	$ 4,257,394	$ 4,640,880	$ 383,486.00	9.01%
Community Development/Planning	$ 1,487,418	$ 1,640,413	$ 2,589,019	$ 948,606.00	57.83%
Engineering	$ 158,458	$ 168,604	$ 173,621	$ 5,017.00	2.98%
Animal Control	$ 198,488	$ 271,050	$ 249,000	$ (22,050.00)	-8.14%
Parks	$ 458,548	$ 614,933	$ 623,441	$ 8,508.00	1.38%
City Building Maintenance	$ 469,301	$ 571,750	$ 637,795	$ 66,045.00	11.55%
Street Maintenance	$ 987,183	$ 1,089,083	$ 1,073,758	$ (15,325.00)	-1.41%
Total Expenses	**$15,159,295**	**$16,895,662**	**$ 19,898,642**	**$ 3,002,980**	**18%**

Long Range Forecast

Updated 10/24/2022

	2019 Year End	2020 Year End	2021 Year End*	2022 Est	2023 Est	2024 Est	2025 Est	2026 Est	2027 Est	2028 Est
Population	16,107	17,039	17,329	17,623	17,923	18,228	18,537	18,853	19,173	19,499
Rev/Capita	$ 824	$ 884	$ 1,090	$ 1,050	$ 995	$ 1,008	$ 1,020	$ 1,033	$ 1,047	$ 1,060
Exp/Capita	$ 818	$ 832	$ 875	$ 1,035	$ 1,110	$ 1,010	$ 1,024	$ 1,038	$ 1,052	$ 1,067
Forecast Revenue % Chg	2.36%	13.48%	25.41%	-2.04%	-5.50%	3.00%	3.00%	3.00%	3.00%	3.00%
Forecast Expense % Chg	-0.08%	7.50%	6.97%	20.35%	15.29%	-7.50%	3.10%	3.10%	3.10%	3.10%

	2019 Year End	2020 Year End	2021 Year End*	2022 Est	2023 Est	2024 Est	2025 Est	2026 Est	2027 Est	2028 Est
Revenue	$ 13,268,699	$ 15,056,910	$ 18,883,056	$ 18,498,561	$ 17,829,642	$ 18,364,531	$ 18,915,467	$ 19,482,931	$ 20,067,419	$ 20,669,442
Expenditure	$ 13,182,904	$ 14,171,660	$ 15,159,295	$ 18,243,662	$ 19,898,642	$ 18,406,244	$ 18,976,837	$ 19,565,119	$ 20,171,638	$ 20,796,959
Surplus/(Deficit)	**$ 85,795**	**$ 885,250**	**$ 3,723,761**	**$ 254,899**	**$ (2,069,000)**	**$ (41,713)**	**$ (61,370)**	**$ (82,188)**	**$ (104,219)**	**$ (127,517)**
Ending Cash Reserve	$ 3,528,623	$ 4,413,873	$ 8,137,634	$ 8,392,533	$ 6,323,533	$ 6,281,820	$ 6,220,450	$ 6,138,262	$ 6,034,043	$ 5,906,525
Reserves as % Expense	26.8%	31.1%	53.7%	46.0%	31.8%	34.1%	32.8%	31.4%	29.9%	28.4%
Reserves as % Revenue	26.6%	29.3%	43.1%	45.4%	35.5%	34.2%	32.9%	31.5%	30.1%	28.6%
Net Revenue as % Expense	0.7%	6.2%	24.6%	1.4%	-10.4%	-0.2%	-0.3%	-0.4%	-0.5%	-0.6%
Minimum Reserve at 16%	$ 1,573,157	$ 1,704,605	$ 1,835,379	$ 2,294,506	$ 2,543,783	$ 2,304,999	$ 2,396,294	$ 2,490,419	$ 2,587,462	$ 2,687,513
Additional Reserves	$ 1,955,466	$ 2,709,267	$ 6,302,254	$ 6,098,027	$ 3,779,750	$ 3,976,821	$ 3,824,156	$ 3,647,842	$ 3,446,581	$ 3,219,012

***Unaudited**

Use of Reserves / Fund Balance

- The 2023 Proposed Budget appropriates $2,069,000 of General Fund Reserves:
  - ARPA funds ($859,000)
    - Keyless entry, Evergreen Way Bike Path, 39th Street Sidewalk Project, 32nd Street Safety Improvements, Columbia River Trail Light Project
  - 2020 & 2021 Surplus ($1,210,000)
    - 2025 Comprehensive Plan/Town Center Sub Area Plan/Planned Action Ordinance, Public Works Operations Center Maintenance and Repairs, Facilities Master Plan, City Hall Security Improvements, Shorelines, and Strategic Plan.
- Use of Fire Reserves for slated equipment replacements ($100,000).

Utility Funds

Section Title

City of Washougal

Key Assumptions – Utilities

- Following FCS rate study
- Following capital facilities plan

Utility Fund – Water/Sewer

Water/Sewer Utility	2021 Actual	2022 Budget	2023 Proposed	$ Change	% Change
Revenues					
Water Sales	$ 4,203,805	$ 4,057,978	$ 4,077,803	$ 19,825	0.49%
Sewer Sales	$ 5,616,928	$ 4,782,333	$ 5,607,866	$ 825,533	17.26%
Other Revenues	$ 156,480	$ 80,800	$ 110,800	$ 30,000	37.13%
Total Revenue	**$ 9,977,213**	**$ 8,921,111**	**$ 9,796,469**	**$ 875,358**	**9.81%**
Total Expenses	$ 10,743,903	$ 10,251,952	$ 10,465,323	$ 213,371	2.08%
Total Net Revenue	**$ (766,690)**	**$ (1,330,841)**	**$ (668,854)**	**$ 661,987**	**49.74%**

Utility Fund – Stormwater

Storm Water Utility	2021 Actual	2022 Budget	2023 Proposed	$ Change	% Change
Revenues					
Storm Water Sales	$ 1,666,996	$ 1,416,900	$ 1,423,985	$ 7,085	0.50%
Storm Water Connection Fee	$ 54,014	$ 45,000	$ 45,000	$ -	0.00%
Other Revenues	$ 115,805	$ 133,500	$ 150,500	$ 17,000	12.73%
Total Revenue	**$ 1,836,815**	**$ 1,595,400**	**$ 1,619,485**	**$ 24,085**	**1.51%**
Total Expenses	$ 1,387,883	$ 2,095,853	$ 2,002,880	$ (92,973)	-4.44%
Total Net Revenue	**$ 448,932**	**$ (500,453)**	**$ (383,395)**	**$ 117,058**	**-23.39%**

Other Funds

City of Washougal

Hotel Motel Tax Fund ~ 2023 (2022) Budgets

Total Budget: $120,500 ($111,100)

- Salary/Benefits ~ $0 ($20,100)
- Professional Services ~ $100,000 ($86,000)
  - Tourism Consultant ~ $18,000
  - City of Washougal / Port of Camas-Washougal - July 4th Fireworks ~ $30,000
  - Camas Washougal Chamber of Commerce - Visitor Information Center ~ $1,200
  - Reed Creative - Video Refresh ~ $9,400
  - Camas-Washougal Historical Society - Washougal Heritage Walking Map ~ $5,300
  - Washougal Arts & Culture Alliance - Art Festival ~ $3,200
  - Other Event Support as Recommended by the LTAC ~ $32,900
- Event Support/Advertising ~ $5,000 ($0)
- Indirect Costs ~ $15,500 ($5,000)

All Funds

Fund	Fund Title	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
001	General	8,392,533	17,304,712	19,323,712	6,373,533
003	Abatement	79,600	500	15,000	65,100
101	Street	-	1,073,758	1,073,758	-
103	Cemetery	2,700	221,900	214,600	10,000
104	REET 1st Qtr %	1,420,000	510,000	356,600	1,573,400
105	Park Impact Fee	275,000	200,300	200,300	275,000
106	REET 2nd Qtr %	1,610,000	939,500	1,000,000	1,549,500
108	Hotel/Motel Tax	100,000	100,500	120,500	80,000
110	Transportation Development	1,700,000	406,000	352,900	1,753,100
118	PEG Fee	-	-	-	-
125	EMS Restricted Revenue	61,500	-	61,500	-
126	Fire impact Fee	381,500	50,750	98,060	334,190
127	Affordable Housing Sales Tax Credit	23,000	15,000	38,000	-
141	Drug Seizure Fund	25,000	4,100	4,100	25,000
212	UTGO Debt	300	-	-	300
215	Downtown Revitalization Bond	337	356,600	356,600	337
350	Parks Capital Projects	-	300,000	300,000	-
351	Building Contingency	-	2,320,000	2,320,000	-
353	Transportation Capital	100,000	4,936,900	5,036,900	-

All Funds

Fund	Fund Title	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
355	Art Project Fund	14,000	5,000	19,000	-
401	Water/Sewer	200,000	9,796,469	10,465,323	(468,854)
403	Stormwater	1,209,961	1,619,485	2,002,880	826,566
406	Water/Sewer Capital	6,800,000	3,168,496	430,670	9,537,826
410	PW Trust Fund Loan	779	299,853	299,853	779
413	Water/Sewer/Storm Bond	1,500,000	3,420,360	4,871,722	48,638
414	Water/Sewer/Storm Bond Reserve	1,596,825	500	-	1,597,325
510	Employment Security	110,000	1,000	30,450	80,550
520	ER&R vehicle	40,000	90,500	115,000	15,500
521	ER&R IT	40,000	211,100	211,000	40,100
604	Perpetual Care	390,750	10,000	-	400,750
610	Downtown Bond Guarantee	1,117,000	6,000	-	1,123,000
631	Low Income Assistance	5,543	14,000	14,000	5,543
	Grand Total	**27,196,328**	**47,383,283**	**49,332,428**	**25,247,183**

Budget Message and Ordinance

City of Washougal

City Manager's Budget Message

To the Mayor, City Council & Residents of Washougal:

I am pleased to present the proposed City of Washougal 2023 Budget. The proposed 2023 budget is an expression of the Council's priorities, maintains existing services levels and targets key service enhancements and continued capital investments.

In 2022 we began to emerge from the implications of the COVID-19 pandemic. As we look to 2023, we continue our conservative budgeting approach. Consistent with the broader national and regional economic trends, we are experiencing cost pressures in staffing and escalating costs in delivering capital projects. The 2023 budget maintains our conservative management of on-going expenses, while adapting to the realities of these cost pressures. We are cautiously optimistic that economic conditions will continue to improve, as we anticipate economic growth in our community over the next several years.

In determining its priorities for the 2023 budget, the Council considered and was guided by our Strategic Plan, our capital facilities plans and community input. Within this context, we can maintain our current service levels in all program areas and make modest enhancements to our Pavement Management Program and Community Engagement efforts. We continue to utilize capital project funds to pursue Council and community priorities by investing in important capital facilities projects, enhanced by the addition of ARPA funding.

Clark County voters approved a sales tax increase earlier this year. Our proceeds from this will be used to implement a body-worn camera program and make other program enhancements in our Police Department.

To ensure that we can maintain our current service levels and make these modest program enhancements, the 2023 general fund operating budget assumes that the Council will adopt a 1% increase in our overall property tax levy and our EMS levy. A modest use of fund balance in our Fire Fund will be used to support needed operating equipment replacements. We are currently engaged with the City of Camas in identifying a plan to address staffing needs and fire apparatus and station replacement. Once finalized, funding for these replacements will be considered in a supplemental budget in 2023.

Highlights from Council's priorities in the 2023 budget and their alignment with the Priority Pillars in our Strategic Plan include:

<u>Pillar #1: Communication and Pillar #2: Community Engagement</u>

- Continued development and implementation of our Community Engagement Plan
- Enhanced community engagement related to events

<u>Pillar #3: Core Services – Public Safety</u>

- Police body-worn camera program
- Security Improvements at various City facilities
- Fire operating equipment replacement

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<u>Pillar #3 Core Services – Transportation and Public Infrastructure, Parks and Open Space</u>

- Modest enhancement to funding for the Pavement Management Program
- Ongoing design for 32nd St. railroad underpass
- Sidewalks on Evergreen Way from 39th to 42nd (pending receipt of grant funding)
- Sidewalks on 39th Street from Evergreen to J (pending receipt of grant funding)
- Shared Use Path 27th Street and Renaissance Trail Segment 5– Design
- Shared Use Path Evergreen Way from 32nd to Sunset View (pending receipt of grant funding)
- Columbia River Trail lighting project
- Safety Improvements 32nd Street
- Neighborhood traffic calming
- Water, Wastewater and Storm Drainage system improvements
- Hamllik Park Basketball Court (pending receipt of grant funding)
- Hathaway Park Lower Playground
- Civic Campus Project (w/ Dog Park) (pending use of ARPA and receipt of grant funding) - 2023 supplemental budget
- Completion of Facilities Master Plan
- Public Works Operations Center maintenance, repair and improvements

<u>Pillar #3 Core Services – Community Livability and Services</u>

- Implement enhanced program in community aesthetics and code compliance
- Building Repairs and enhancements to East County Family Resource Center
- Support for East County Family Resource Center and ReFuel Washougal

<u>Pillar #4 Economic Development</u>

- Initiation of a Towncenter Sub-Area Plan and Planned Action Ordinance
- Continued partnership with CREDC
- Tourism promotion

I am pleased propose a balanced baseline operating budget which maintains all existing service levels for 2023 and provides for modest enhancements to services in response to community and Council priorities. We can continue advancing our capital facilities efforts, planning and delivering key projects.

I would like to thank the members of the City Council for their leadership and efforts in identifying priorities and providing policy guidance. I would also like to thank the City staff, who work hard every day to deliver outstanding service. And "thank you" to the many volunteers who serve on our boards and commissions and in support of the various programs that make Washougal a great community.

Respectfully Submitted,

David Scott
City Manager

Budget Ordinance

Fund	Fund Title	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
001	General	8,392,533	17,304,712	19,323,712	6,373,533
003	Abatement	79,600	500	15,000	65,100
101	Street	-	1,073,758	1,073,758	-
103	Cemetery	2,700	221,900	214,600	10,000
104	REET 1st Qtr %	1,420,000	510,000	356,600	1,573,400
105	Park Impact Fee	275,000	200,300	200,300	275,000
106	REET 2nd Qtr %	1,610,000	939,500	1,000,000	1,549,500
108	Hotel/Motel Tax	100,000	100,500	120,500	80,000
110	Transportation Development	1,700,000	406,000	352,900	1,753,100
118	PEG Fee	-	-	-	-
125	EMS Restricted Revenue	61,500	-	61,500	-
126	Fire impact Fee	381,500	50,750	98,060	334,190
127	Affordable Housing Sales Tax Credit	23,000	15,000	38,000	-
141	Drug Seizure Fund	25,000	4,100	4,100	25,000
212	UTGO Debt	300	-	-	300
215	Downtown Revitalization Bond	337	356,600	356,600	337
350	Parks Capital Projects	-	300,000	300,000	-
351	Building Contingency	-	2,320,000	2,320,000	-
353	Transportation Capital	100,000	4,936,900	5,036,900	-
355	Art Project Fund	14,000	5,000	19,000	-
401	Water/Sewer	200,000	9,796,469	10,465,323	(468,854)
403	Stormwater	1,209,961	1,619,485	2,002,880	826,566
406	Water/Sewer Capital	6,800,000	3,168,496	430,670	9,537,826
410	PW Trust Fund Loan	779	299,853	299,853	779
413	Water/Sewer/Storm Bond	1,500,000	3,420,360	4,871,722	48,638
414	Water/Sewer/Storm Bond Reserve	1,596,825	500	-	1,597,325
510	Employment Security	110,000	1,000	30,450	80,550
520	ER&R vehicle	40,000	90,500	115,000	15,500
521	ER&R IT	40,000	211,100	211,000	40,100
604	Perpetual Care	390,750	10,000	-	400,750
610	Downtown Bond Guarantee	1,117,000	6,000	-	1,123,000
631	Low Income Assistance	5,543	14,000	14,000	5,543
	Grand Total	**27,196,328**	**47,383,283**	**49,332,428**	**25,247,183**

2023 Budget Next Steps

City of Washougal

Formal Budget Calendar

- October 24: 2023 City Manager's Proposed Budget
- October 24: Set hearings for Ad Valorem taxes and budget (to be held 11/7/2022)
- November 7: 3rd Quarter 2022 Update
- November 7: Public Hearings, adopt Ad Valorem taxes, possibly adopt budget
- November 14, November 21, December 5, December 12, and December 19: remaining dates for budget adoption

Questions

- Thank you!