CITY OF WASHOUGAL
CITY COUNCIL WORKSHOP AGENDA
Monday, April 27, 2020
5:00 PM

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENTS

IV. NEW BUSINESS

- **A. Finance: 2019 Year End Budget Update**
- **B. Administration: COVID-19 Response Review**

V. PUBLIC COMMENTS

VI. REPORTS AND COMMUNICATIONS

- **A. CITY MANAGER**
- **B. MAYOR**
- **C. CITY COUNCIL**

VII. ADJOURNMENT

UPCOMING MEETINGS: Monday, May 11, 2020 - Workshop at 5:00 pm and Council at 7:00 pm

2019 Year End Review

April 27, 2020 Council Workshop

City of Washougal

Workshop Agenda

2019 Financial Summary

2019 Summary – General & Street Funds

Final 2019 budget included(includes amendment):

- Use of reserves - $267,260
  - Fire SCBA/Turnouts ~ $147,260
  - Community Development Downtown code revisions ~ $50K
  - Website Update ~ $40K
  - Court Security Upgrades ~ $30K

- Revenue transfers into GF - $59K
  - Use Fund 125 ~ $59K

2019 Summary –
General & Street Funds

Final 2019 actual:

• Revenues	$13,268,699
• Expenses	($13,182,904)
• Surplus	$85,795

- Website was completed ($40K)
- Community Development land study partially completed ($44K)
- Court Security was completed ($30K)
- No use of fund 125 ($0K) – remaining fund balance $60K

2019 Revenues – General & Street Funds

2019 total revenues are at 96.3% of the budget

- Overall revenue is up 2.4% from 2018

2019 Revenues – General & Street Funds

Revenue Source	2019 Actual	2019 Budget	% of Budget	2018 Actual	2019 v 2018
Regular Property Taxes	$ 5,632,176	$ 5,532,705	101.8%	$ 5,341,732	5.4%
Retail Sales Taxes/Criminal Justice	$ 2,197,092	$ 2,207,630	99.5%	$ 2,175,195	1.0%
Utility Taxes	$ 2,554,507	$ 2,782,973	91.8%	$ 2,484,784	2.8%
Leasehold and Gambling Taxes	$ 275,280	$ 304,610	90.4%	$ 135,723	102.8%
Licenses and Permits	$ 302,797	$ 312,250	97.0%	$ 251,823	20.2%
State and Federal Grants	$ 42,510	$ 25,250	168.4%	$ 34,599	22.9%
State Shared Revenues/Entitlements	$ 794,483	$ 803,111	98.9%	$ 801,317	-0.9%
Animal Control Fees	$ 112,953	$ 131,500	85.9%	$ 107,618	5.0%
General Government Charges	$ 231,052	$ 262,509	88.0%	$ 254,046	-9.1%
Sub Division/Zoning/Planning Fees	$ 91,410	$ 184,560	49.5%	$ 296,914	-69.2%
Indirect Cost Recovery	$ 921,253	$ 1,121,780	82.1%	$ 972,208	-5.2%
Interest and Rents	$ 113,187	$ 48,136	235.1%	$ 84,564	33.8%
Other Revenue - Transfers & Misc	$ -	$ 59,020	0.0%	$ 11,316	0.0%
Total	**$ 13,268,699**	**$ 13,776,034**	**96.3%**	**$ 12,951,839**	**2.4%**

2019 Expenses – General & Street Funds

2019 total expenditures are at 93.8% of the budget

- This is down 0.1% from 2018

2019 Expenses – General & Street Funds

Department	2019 Actual	2019 Budget	% of Budget	2018 Actual	2019 v 2018
Council	$ 86,471	$ 92,556	93.4%	$ 85,782	0.8%
Judicial	$ 404,611	$ 523,500	77.3%	$ 392,293	3.1%
Mayor & Administrator	$ 410,614	$ 449,080	91.4%	$ 430,849	-4.7%
Human Resources	$ 166,526	$ 174,647	95.4%	$ 170,600	-2.4%
Finance	$ 1,101,919	$ 1,171,730	94.0%	$ 1,148,984	-4.1%
Economic Development	$ 5,000	$ 55,000	9.1%	$ 55,000	-90.9%
Legal	$ 12,155	$ 20,000	60.8%	$ 16,500	-26.3%
General Government Services	$ 1,094,277	$ 1,282,151	85.3%	$ 1,039,651	5.3%
Police	$ 3,460,330	$ 3,493,274	99.1%	$ 3,457,652	0.1%
Fire	$ 3,370,488	$ 3,377,004	99.8%	$ 3,290,352	2.4%
Intergovernment Services	$ -	$ 17,000	0.0%	$ 11,690	-100.0%
Community Development/Planning	$ 912,786	$ 1,024,765	89.1%	$ 764,276	19.4%
Engineering	$ 146,105	$ 131,004	111.5%	$ 136,557	7.0%
Animal Control	$ 209,091	$ 248,950	84.0%	$ 224,496	-6.9%
Parks	$ 572,721	$ 531,133	107.8%	$ 490,084	16.9%
City Building Maintenance	$ 442,707	$ 409,163	108.2%	$ 451,371	-1.9%
Street Maintenance	$ 787,103	$ 1,046,783	75.2%	$ 1,028,215	-23.4%
Total	**$ 13,182,904**	**$ 14,047,740**	**93.8%**	**$ 13,194,352**	**-0.1%**

2019 Revenue – Utility Funds

2019 total revenues:

- Water/sewer revenues are at 94.8% of the budget
- Stormwater revenues are at 93.6% of the budget

2019 Expenditure – Utility Funds

2019 total expenses:

- Water/sewer expenses are at 70% of the budgeted amounts
- Stormwater expenses are at 86% of the budgeted amounts

2019 Revenues & Expenses – Utility Funds

Water/Sewer Utility	2019	2019 Budget	% of Budget	2018
Revenues				
Water Sales	$ 3,920,541	$ 3,999,093	98.0%	$ 3,920,541
Sewer Sales	$ 4,234,762	$ 4,712,275	89.9%	$ 4,234,762
Other Revenues	$ 176,996	$ 80,800	219.1%	$ 176,996
Total Revenue	**$ 8,332,299**	**$ 8,792,168**	**94.8%**	**$ 8,332,299**
Total Expenses	$ 7,663,934	$ 10,945,222	70.0%	$ 7,672,556
Total Net Revenue	**$ 668,365**	**$ (2,153,054)**		**$ 659,743**

Storm Water Utility	2019	2019 Budget	% of Budget	2018
Revenues				
Storm Water Sales	$ 1,361,850	$ 1,423,357	95.7%	$ 1,361,850
Storm Water Connection Fee	$ 32,513	$ 45,000	72.3%	$ 32,513
Other Revenues	$ 73,445	$ 99,751	73.6%	$ 73,445
Total Revenue	**$ 1,467,808**	**$ 1,568,108**	**93.6%**	**$ 1,467,808**
Total Expenses	$ 1,301,957	$ 1,514,548	86.0%	$ 1,493,444
Total Net Revenue	**$ 165,852**	**$ 53,560**		**$ (25,636)**

2019 Revenue & Expenses – All Funds

2019 Revenues & Expenses – All Funds

		2019			2019 Budget			2018		
Fund	Fund Description	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)
001/101	General & Street	$ 13,268,699	$ 13,182,904	$ 85,795	$ 13,776,034	$ 14,047,740	$ (271,706)	$ 12,951,838	$ 13,194,264	$ (242,426)
003	Abatement Fund	$ 5,022	$ -	$ 5,022	$ 1,200	$ 19,500	$ (18,300)	$ 1,091	$ -	$ 1,091
103	Cemetery Fund	$ 216,326	$ 199,265	$ 17,061	$ 211,300	$ 231,252	$ (19,952)	$ 191,921	$ 195,494	$ (3,573)
104	REET-1st 1/4%	$ 442,706	$ 356,700	$ 86,006	$ 460,000	$ 356,100	$ 103,900	$ 520,769	$ 358,600	$ 162,169
105	Park Development Fund	$ 125,684	$ 60,400	$ 65,285	$ 226,000	$ 495,360	$ (269,360)	$ 168,237	$ 151,170	$ 17,067
106	REET-2nd 1/4%	$ 639,137	$ 856,830	$ (217,693)	$ 838,000	$ 863,000	$ (25,000)	$ 783,975	$ 656,736	$ 127,239
108	Hotel Motel Tax	$ 94,691	$ 137,321	$ (42,631)	$ 91,400	$ 178,200	$ (86,800)	$ 105,684	$ 165,658	$ (59,974)
110	Transportation Development	$ 274,018	$ 57,868	$ 216,150	$ 312,000	$ 1,085,399	$ (773,399)	$ 316,834	$ 482,774	$ (165,940)
118	PEG Fees	$ 2,627	$ -	$ 2,627	$ 1,600	$ 10,000	$ (8,400)	$ 1,884	$ -	$ 1,884
125	EMS Resrticted	$ 1,365	$ -	$ 1,365	$ -	$ 59,020	$ (59,020)	$ 979	$ -	$ 979
126	Fire Impact Fee Fund	$ 32,618	$ 53,300	$ (20,682)	$ 60,500	$ 53,300	$ 7,200	$ 53,382	$ 25,411	$ 27,971
141	Drug Seizure Fund	$ 5,223	$ 10,600	$ (5,376)	$ 10,300	$ 19,200	$ (8,900)	$ 16,913	$ 13,150	$ 3,763

2019 Revenue & Expenses – All Funds

		2019			2019 Budget			2018		
Fund	Fund Description	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)
212	UTGO Bond Redemption Fund	$ 86,239	$ 111,600	$ (25,361)	$ 85,200	$ 111,600	$ (26,400)	$ 81,006	$ 113,300	$ (32,294)
215/315	Downtown Bond Debt Dund	$ 356,708	$ 356,700	$ 8	$ 356,100	$ 356,100	$ -	$ 358,605	$ 358,600	$ 5
350	Capital Projects Fund	$ 925,253	$ 1,532,991	$ (607,739)	$ 4,065,709	$ 4,353,335	$ (287,626)	$ 206,169	$ 461,591	$ (255,422)
351	Facilities Capital Project	$ 251,108	$ 430,830	$ (179,723)	$ 295,466	$ 564,666	$ (269,200)	$ 30,932	$ 41,484	$ (10,552)
353	Transportation Capital Fund	$ 1,402,719	$ 523,482	$ 879,237	$ 3,776,946	$ 4,119,846	$ (342,900)	$ 2,432,930	$ 3,325,392	$ (892,462)
355	Art Project Fund	$ 5,000	$ 5,047	$ (47)	$ 5,000	$ 5,000	$ -	$ 5,000	$ 5,000	$ -

2019 Revenue & Expenses – All Funds

		2019			2019 Budget			2018		
Fund	Fund Description	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)
401	Water/Sewer Fund	$ 8,332,299	$ 7,663,934	$ 668,365	$ 8,792,168	$ 10,945,222	$ (2,153,054)	$ 8,332,299	$ 7,672,556	$ 659,743
403	Stormwater Utility Fund	$ 1,467,808	$ 1,301,957	$ 165,852	$ 1,568,108	$ 1,514,548	$ 53,560	$ 1,467,808	$ 1,493,444	$ (25,636)
406	Water/Sewer Construction Res.	$ 967,778	$ 963,214	$ 4,563	$ 1,951,944	$ 926,285	$ 1,025,659	$ 1,491,510	$ 641,376	$ 850,134
408	Water/Sewer Bond Redemption	$ -	$ -	$ -	$ 3,443	$ 3,443	$ -	$ -	$ -	$ -
410	PWTF Loan Redemption	$ 305,282	$ 305,282	$ -	$ 307,093	$ 306,341	$ 752	$ 307,093	$ 307,093	$ -
412	Water/Sewer Bond Redemption	$ 34	$ -	$ 34	$ -	$ -	$ -	$ 25	$ -	$ 25
413	Water/Sewer/Storm Bond	$ 2,447,551	$ 3,211,582	$ (764,031)	$ 5,167,940	$ 6,367,940	$ (1,200,000)	$ 2,473,080	$ 3,291,979	$ (818,899)
414	Water/Sewer/Storm Bond Res.	$ 2,215	$ -	$ 2,215	$ 1,800	$ -	$ 1,800	$ 1,588	$ -	$ 1,588

2019 Revenue & Expenses – All Funds

		2019			2019 Budget			2018		
Fund	Fund Description	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)	Rev	Exp	Surplus/ (Def.)
510	Employment Security Reserve	$ 3,548	$ 20,183	$ (16,635)	$ 3,000	$ 30,450	$ (27,450)	$ 2,752	$ 5,394	$ (2,642)
520	ER&R - Rolling Stock	$ 135,587	$ 138,303	$ (2,716)	$ 136,400	$ 152,100	$ (15,700)	$ 202,938	$ 286,928	$ (83,990)
521	ER&R - IT FUND	$ 85,063	$ 94,188	$ (9,125)	$ 95,100	$ 95,000	$ 100	$ 143,076	$ 155,795	$ (12,719)
604	Cemetery Perpetual Care Fund	$ 9,646	$ -	$ 9,646	$ 9,802	$ -	$ 9,802	$ 9,476	$ -	$ 9,476
610	Downtown Bond Guarantee Func	$ 23,950	$ -	$ 23,950	$ 56,490	$ -	$ 56,490	$ 67,349	$ -	$ 67,349
631	Agency Fund - Low Income	$ 232	$ -	$ 232	$ 10,300	$ 14,000	$ (3,700)	$ 7,332	$ 2,520	$ 4,812
	Total All Funds	**$ 31,922,196**	**$ 31,574,483**	**$ 341,655**	**$ 42,676,343**	**$ 47,283,947**	**$ (4,607,604)**	**$ 32,740,529**	**$ 33,405,709**	**$ (671,234)**

LGIP - Investment Update

January	February	March
48,350.32	**44,133.00**	**49,149.01**
2.4920%	2.5131%	2.5230%
April	**May**	**June**
47,997.35	**48,816.88**	**47,542.96**
2.5405%	2.4954%	2.5059%
July	**August**	**September**
51,790.37	**48,558.00**	**42,367.24**
2.4774%	2.2880%	2.1953%
October	**November**	**December**
40,251.69	**34,288.26**	**34,418.58**
2.0564%	1.8286%	1.7737%

Total LGIP Interest YTD
537,663.66

Note: LGIP investments are liquid

Bond - Investment Update

Purchasing Fund	Maturity Date	Amount Paid	Maturity Value	Over the Life of the Bond Expected Interest
Bond Reserve/GF (60/40)	8/19/2019	2,498,432.50	2,500,000.00	109,375.00
Water/Sewer	10/15/2019	999,566.96	1,033,000.00	30,800.00
GF/Water/Sewer	4/28/2023	2,002,050.00	2,000,000.00	32,000.00
Water/Sewer	9/10/2021	1,632,108.45	1,605,000.00	38,118.76
GF/Water/Sewer (50/50)	12/14/2020	998,640.00	1,000,000.00	93,750.00
		8,130,797.91	**8,138,000.00**	**304,043.76**

Earnings Received to Date:	
General Fund	$ 20,200.00
Other Funds	$ -
W/S and SW Bond Funds	$ 26,450.00
Total Earnings	$ 46,650.00

Yellow Bonds matured during the last months of the year – then replaced with the two new ones. The December maturity has not been replaced yet.

2019 Recap – Long Term Projections General & Street Funds

Updated 4/25/20

	2017 Est	2018 Year End	2019 Est Actual	2020 Est	2021 Est	2022 Est	2023 Est	2024 Est
Population	15,629	15,863	16,101	16,342	16,588	16,836	17,089	17,345
Rev/Capita	$ 786	$ 817	$ 824	$ 868	$ 880	$ 893	$ 907	$ 920
Exp/Capita	$ 795	$ 832	$ 819	$ 891	$ 882	$ 896	$ 910	$ 924
Forecast Revenue % Chg	2.51%	5.47%	2.36%	6.86%	3.00%	3.00%	3.00%	3.00%
Forecast Expense % Chg	3.51%	6.19%	-0.08%	10.40%	3.10%	3.10%	3.10%	3.10%

	2017 Actual	2018 Year End	2019 Est Actual	2020 Est	2021 Est	2022 Est	2023 Est	2024 Est
Revenue	$ 12,290,413	$ 12,962,204	$ 13,268,699	$ 14,178,571	$ 14,603,928	$ 15,042,046	$ 15,493,307	$ 15,958,107
Expenditure	$ 12,424,866	$ 13,193,461	$ 13,182,904	$ 14,553,287	$ 14,629,439	$ 15,082,952	$ 15,550,523	$ 16,032,589
Surplus/(Deficit)	**$ (134,453)**	**$ (231,258)**	**$ 85,795**	**$ (374,716)**	**$ (25,511)**	**$ (40,905)**	**$ (57,216)**	**$ (74,483)**
Ending Cash Reserve	$ 3,656,220	$ 3,424,963	$ 3,510,758	$ 3,136,042	$ 3,110,531	$ 3,069,625	$ 3,012,410	$ 2,937,927
Reserves as % Revenue	29.7%	26.4%	26.5%	22.1%	21.3%	20.4%	19.4%	18.4%
Net Revenue as % Expense	-1.1%	-1.8%	0.7%	-2.6%	-0.2%	-0.3%	-0.4%	-0.5%
Minimum Reserve at 16%	$ 1,497,500	$ 1,583,628	$ 1,573,157	$ 1,765,666	$ 1,813,384	$ 1,885,946	$ 1,960,758	$ 2,037,888
Additional Reserves	$ 2,158,720	$ 1,841,335	$ 1,937,601	$ 1,370,376	$ 1,297,147	$ 1,183,679	$ 1,051,652	$ 900,039

Thank You

- Questions?

BUSINESS OF THE CITY COUNCIL
City of Washougal, Washington

FOR AGENDA OF:
4/27/2020

SUBJECT:
COVID-19 Response Review

DEPT. OF ORIGIN:
Administration

REVIEWED AT:
March 23, 2020
April 13, 2020

TO BE RETURNED TO COUNCIL:
Yes

ATTACHMENTS:

- **COVID-19 Response Update April 27 2020 Council worksession.pdf**

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

SUMMARY STATEMENT

RECOMMENDED ACTION

Washougal COVID-19 Response

April 27, 2020 Update to Council

City of Washougal

Washougal COVID-19 Response Update to Council April 27, 2020

- **Previous Council Action April 13, 2020**
  - Extended emergency orders timing to be consistent with Governor Inslee's
  - Status to be reviewed at each Council meeting
  - No further updates, current expiration May 4, 2020, anticipate further extensions

- **Limited construction re-opening effective April 24, 2020**

Washougal COVID-19 Response Update to Council April 13, 2020

- **Virtual Emergency Operations Center**
  - Operations continuing, operational transition plans under development
- **Close coordination with CRESA, County Public Health, County, other cities**
- **City Facilities and Access to Services**
  - The City is still open for business, but with limitations and protocols in place to comply with orders and to promote social distancing
  - City Hall open Mon-Thursday but closed to the public: Services by appointment with social distancing practices to limit or eliminate public access into the building
  - Telework and social distancing protocols in place for employees
  - Two public works houses open Mon-Fri with telework and social distancing protocols
  - Public works operations on split shifts (transition away from split shifts underway)
  - Police lobby closed to the public
  - All departments constantly evaluating work protocols to promote social distancing

Washougal COVID-19 Response Update to Council April 27, 2020

- **GF Operating Budget Fiscal Impact Mitigation Plan: Target = $1.6M**
- **Expense reductions/offsetting revenues of $1.259M identified**
    - Project deferrals (projects using GF) = $355K
    - Salary savings in Police Department (includes backfilling 1 of 2 vacancies): $265K
    - Eliminate seasonals in GF programs: $128K
    - Reduce GF supplies and services 10% = $95.3K
    - Freeze second Code Compliance Officer = $93.6K
    - Eliminate vacation "buy-backs" in 2020 (police and non reps) = $92.9K
    - ER&R reductions (vehicle and IT) = $60K
    - Use Fund 125 balance = $59K
    - Economic Development (no need to expend budget in 2020) = $50K
    - Eliminate travel = $32.9K
    - Reduced events support and professional services administration = $27.4K
- **Remaining $341K = staffing adjustments, use of reserves**

Washougal COVID-19 Response Update to Council April 27, 2020

- **GF related projects status (preliminary estimate $355K GF savings)**
  - Social Services Building – move forward ($32K GF, leverages $227K grant)
  - Schmid Ballfields – move forward (no GF – grants, state, PIF, REET)
  - Waterfront Trail – move forward (no GF – state, TIF)
  - 32nd Underpass Design – move forward (no GF – federal)
  - Jemtegaard Trail – move forward (no GF – grant, REET)
  - Downtown Park, other Park/Transportation/Facilities Opportunities – defer ($153K GF savings)
  - Hamlik Bike Park – defer ($32K GF savings)
  - Pavement Management Program – reduced
    - ✓ Cut GF portion $170K
    - ✓ Do REET portion (reconstruct on 32nd)
    - ✓ TBD $$ pending WA Supreme Court

Washougal COVID-19 Response Update to Council April 27, 2020

- **GF Reserve Status** (including Fire/EMS)
  - **2020 beginning reserve balance** (includes $696K held by Camas for Fire/EMS) = $4.21M
  - **Total reserve target (3 months or 25%)** = $3.54M
    - **Minimum operational reserve** (per policy = 2 months or 16.67%) = $2.36M
    - **Emergency and Project reserve** (1 month or 8.33%) = $1.18M
  - **Reserve "buffer"** = $670K

* GF reserve balance includes reserve preservation (defer downtown planning project) = $250K

Washougal COVID-19 Response Update to Council April 27, 2020

Utility Funds Operating Budget Fiscal Impact Evaluation

- Updated impact scenarios represent wide range of low to high impacts, primarily to cash flow, with some impacts due to reduced utility use
- Need more data to make better informed mid to long-term decisions
- Short term posture:
  - Continue with essential projects
  - Pause other projects
  - Seek modest operational savings
  - Revisit end of May

Washougal COVID-19 Response Update to Council April 27, 2020

Utility related projects status (short term outlook)

- Woodburn Hill Transmission Main Improvements– move forward
- Northside – move forward
- Other projects – pause pending updated data