



proud past, promising future

CLARK COUNTY
WASHINGTON

Quarterly Finance Report 2017 Second Quarter

July 26, 2017

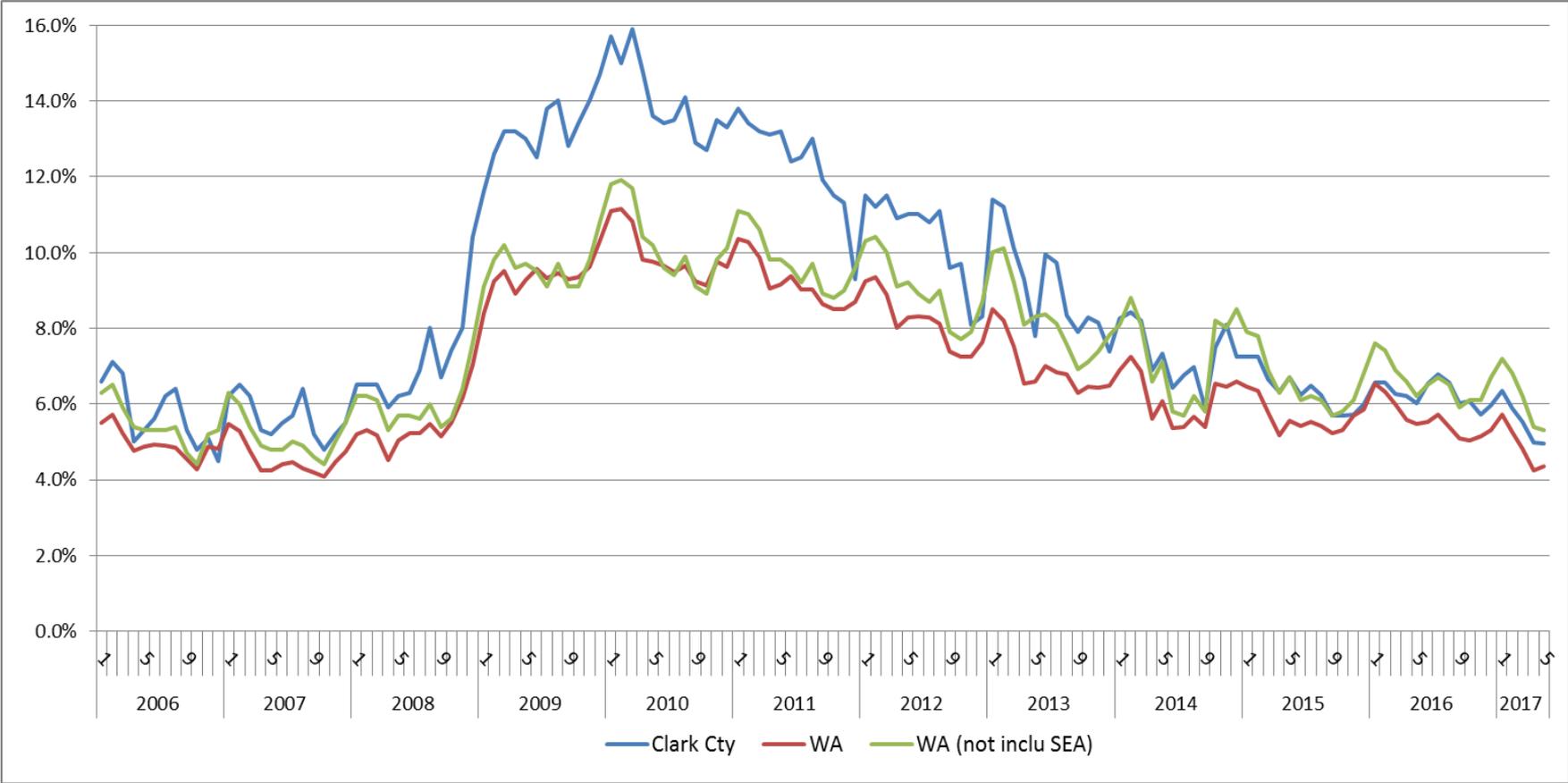
Overview Quarterly Report Sections

- Leading Indicators pgs. 1-4
 - Retail Sales, Building Permits, Home Sales, Inflation, Unemployment, Jail Bed Days.
- Revenue and Expense Overview pgs. 5-7
- Major Fund Analysis pgs. 8-16
 - General Fund, Community Development, Road Fund, Health Department, Event Center, Central Support (Facilities)
- Employment pgs. 17-19
- Major Revenue Detail pg. 20
- Department Expense Detail pgs. 21-26
- Appendix pgs. 43-45
 - Ten years history

Leading Indicators

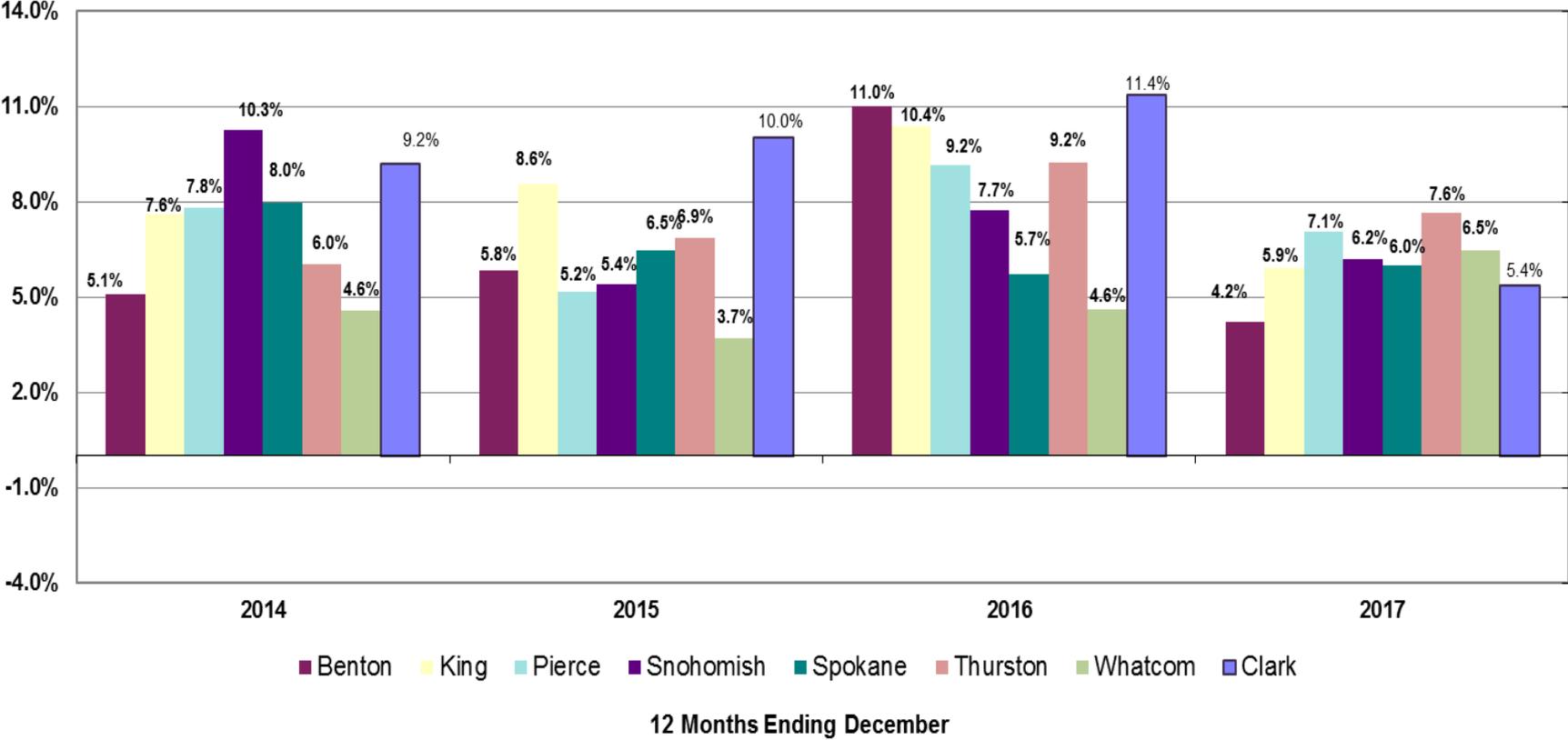
1. Building Permits (Higher)
2. Land Use Review Permits (Steady)
3. Median Home Sales Price (Higher)
4. Home Sales (Steady)
5. Employment (Steady)
6. Retail Sales (Slowing Growth)
7. Construction as a % of Retail Sales (Steady)

County Unemployment Compared to State (p.4)

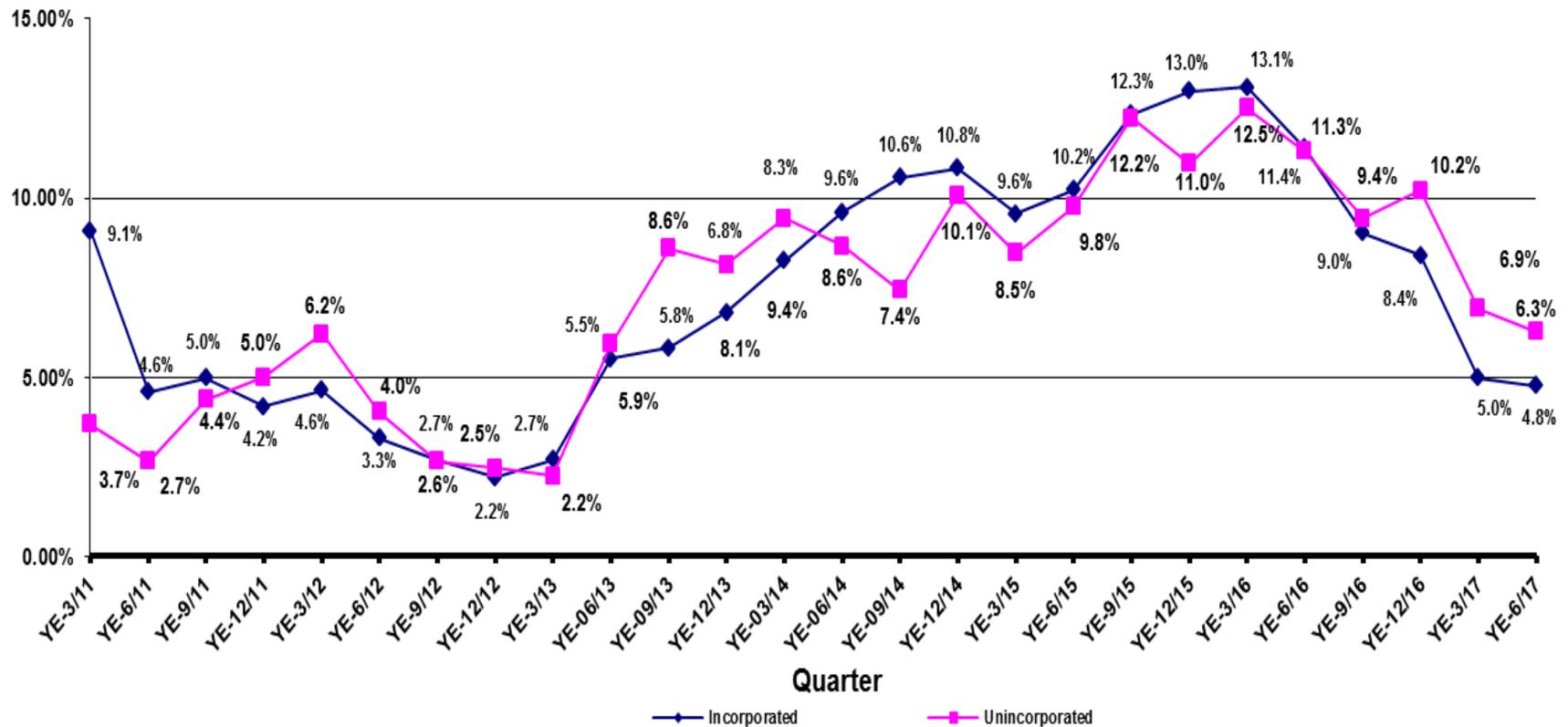


Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Major County Retail Sales Growth (p.6)



Clark County 12 Months Ending Retail Sales Growth/Decline (p.6 & 43)

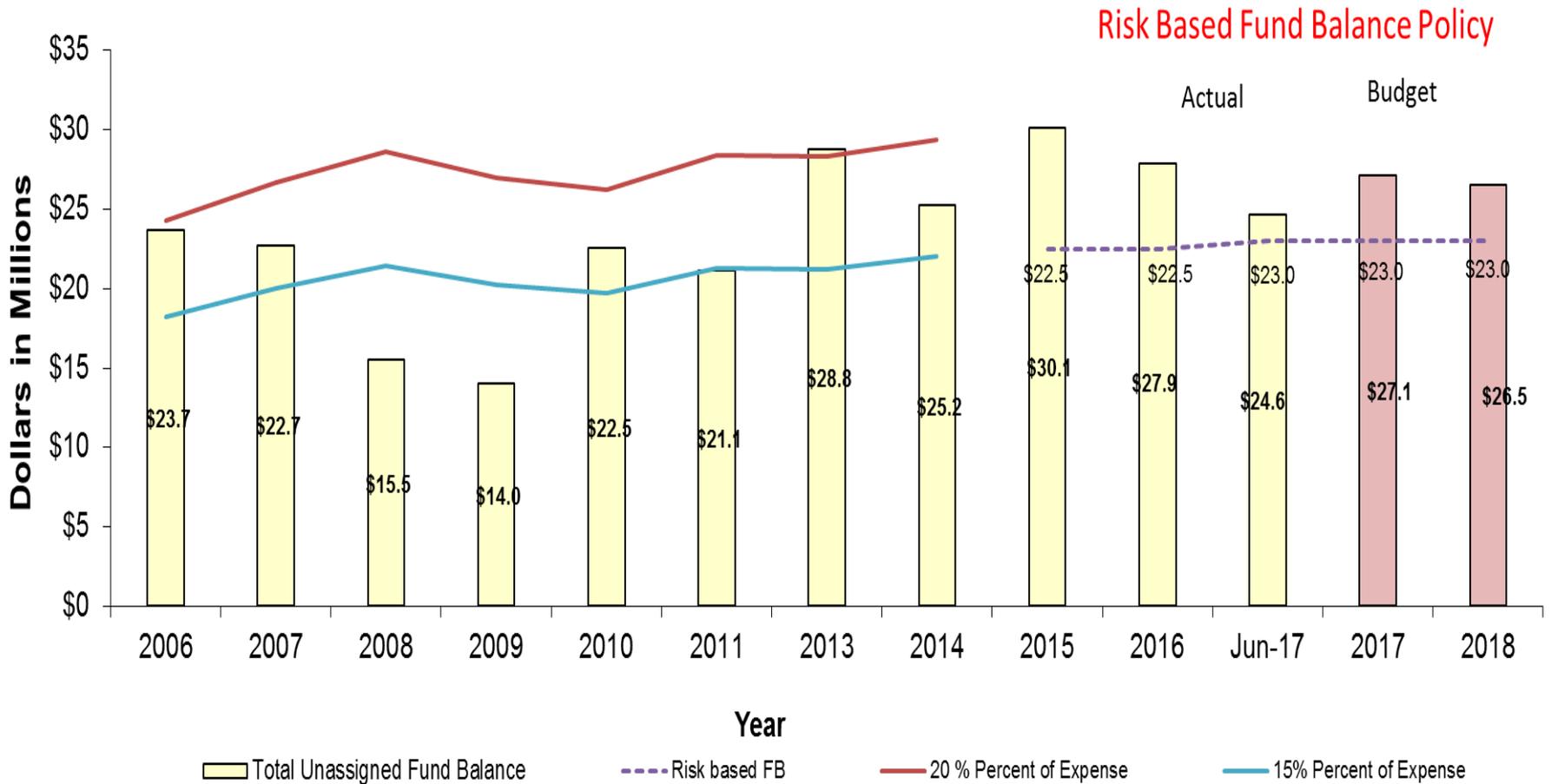


General Fund

- First two quarters of 2017, total ongoing General Fund revenues were \$1.5M less than the same period of 2016, despite a 7.4% increase in sales tax and 2.7% increase in property tax. Increasing revenues offset decreases in court revenues, criminal justice revenue, and other revenues.
- Revenues did come in slightly lower than the most recent forecast by \$6.6M or 2.1%. Notable revenues below forecast include court revenue, criminal justice revenue, and timber sale revenue.
- GF biennium-to-date expenses were approximately 23.8 percent of budget, generating approximately \$3.9M in expense savings for the biennium.

General Fund (p.8-9 & 44)

Clark County General Fund Total Unassigned Fund Balance Compare to Best Practices



Other Major Funds (p. 10-16)

- Department of Community Development
 - Community Development fund balance increased by \$0.7M from 2016 and remains solid at \$5.3M.
 - YTD DCD revenue, not including transfer, was \$5.7M, 4.3 percent higher than in the same period of 2016:
 - \$4.3M of revenue was from Building activities and
 - \$640.8K in revenue was attributed to Land Use Revenue
 - The GF obligation to DCD is \$499.0K , (\$362.4K Land Use, \$136.6K Permit Center)
 - A portion of school impact fees payments were miscoded to fund 1011. After researching the issues, it was determined that the miscoding occurred over several years. The impact to fund 1011 totals approximately \$2.68M that reduced the fund balance in 2016 by \$2.34M and additional reduction will be in 2017 by \$0.34M. The Auditor's office had made an independent review of the analysis and \$2.68M will be transferred in third quarter of 2017
- Road Fund
 - Road Fund fund balance decreased by \$16.3M during 2015-2016 biennium and budgeted to spend \$17.6M during 2017-2018.
 - Based on the six year Transportation Improvement Plan (TIP), Road Fund fund balance is committed to a variety of projects and an increase in road preservation and maintenance.
 - The TIP relies on impact fees. There have been approximately \$3.8M in impact fee waivers granted to date, with the potential of another \$18.1M from grandfathered projects.

Summary

- Economic indicators are steady or continue to show incremental improvement. The retail sale taxes growth rate is beginning to decline. There has been minimal overall growth in General Fund revenues.
- General Fund revenues are slightly behind 2017 forecast. Lower revenue are offset by projected expense savings with a net negative impact to fund balance of approximately \$2.7M

A copy of the complete second quarter financial report may be obtained at:

<http://www.clark.wa.gov/auditor/financial/finreports.html>

Financial Trends Monitoring Report

2016



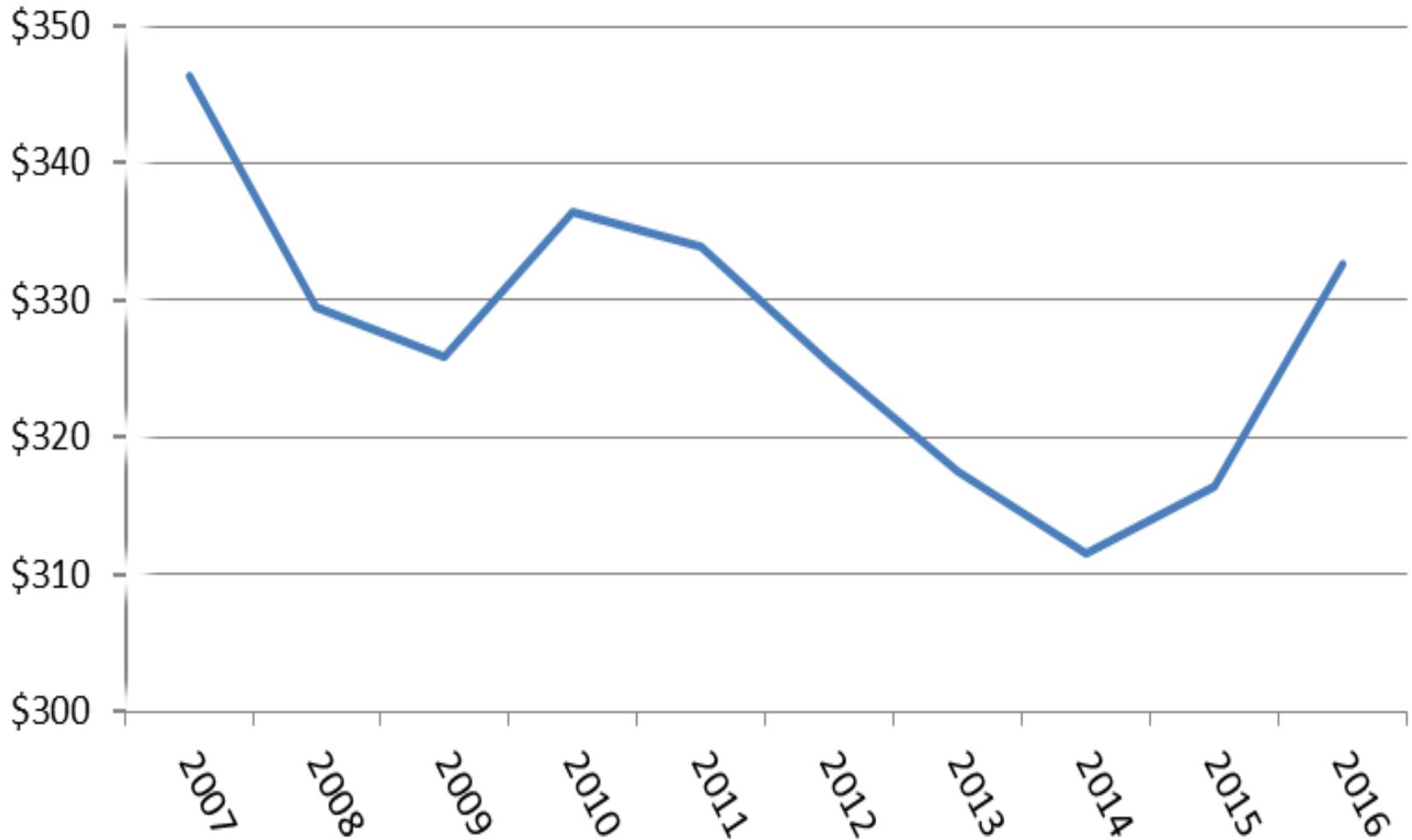
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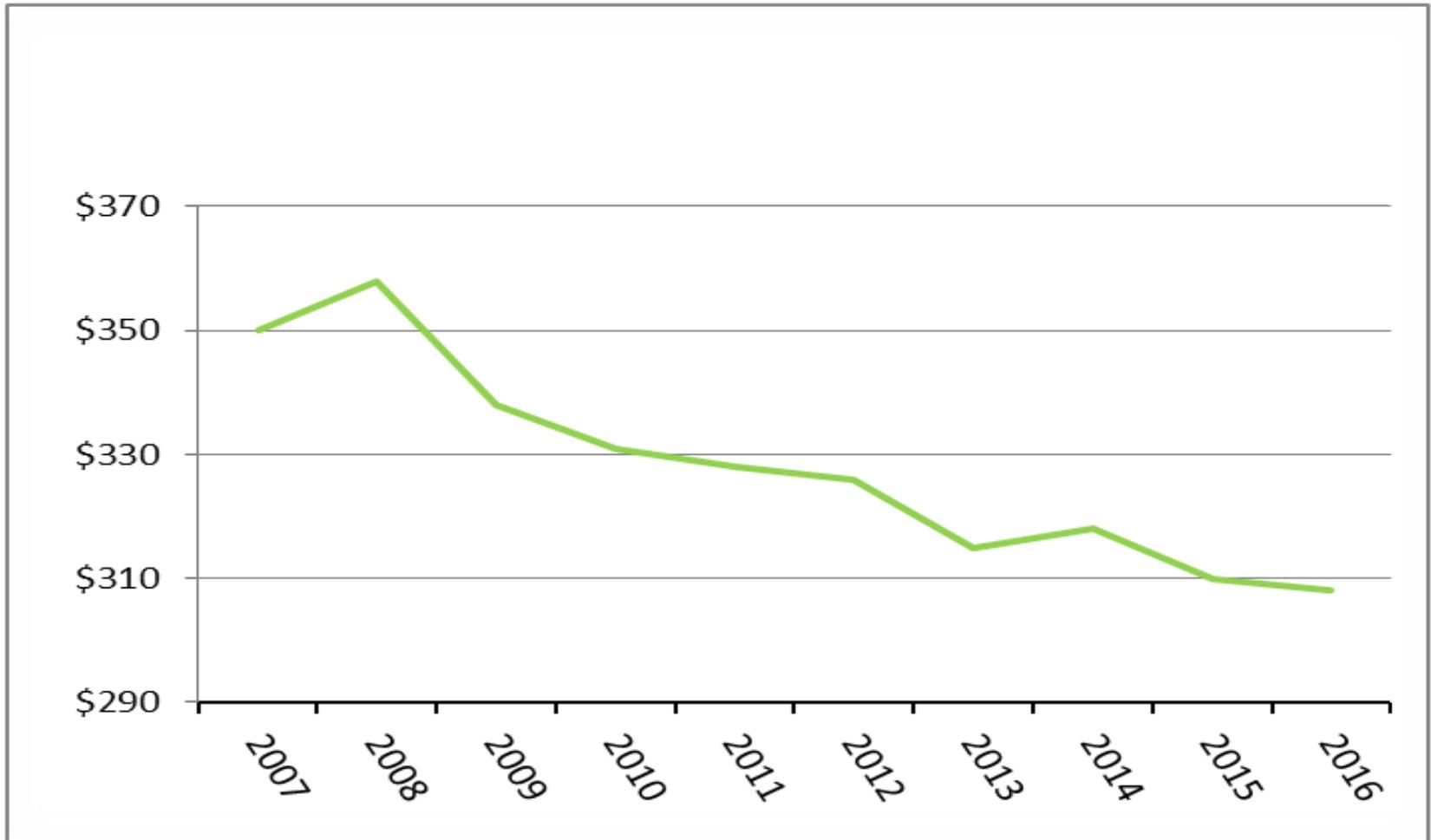
Overview Trends Report

- 17 Clark County Fiscal Policies
- 29 Financial measures and demographic indicators in five categories:
 - Revenues
 - Expenditures
 - Operation
 - Debt Structure
 - Economic Base

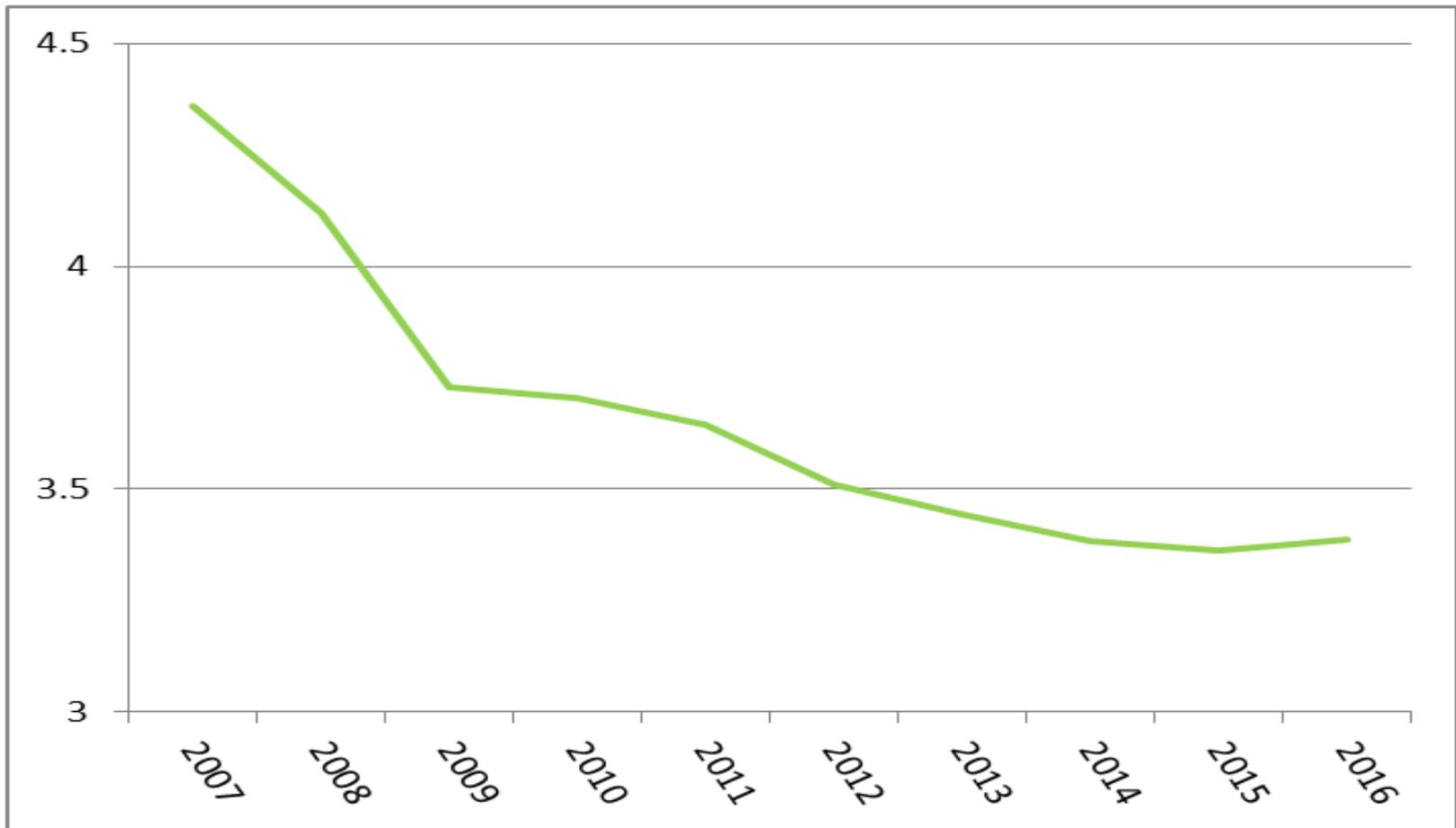
General Fund Revenue Per Capita Adjusted (p.2)



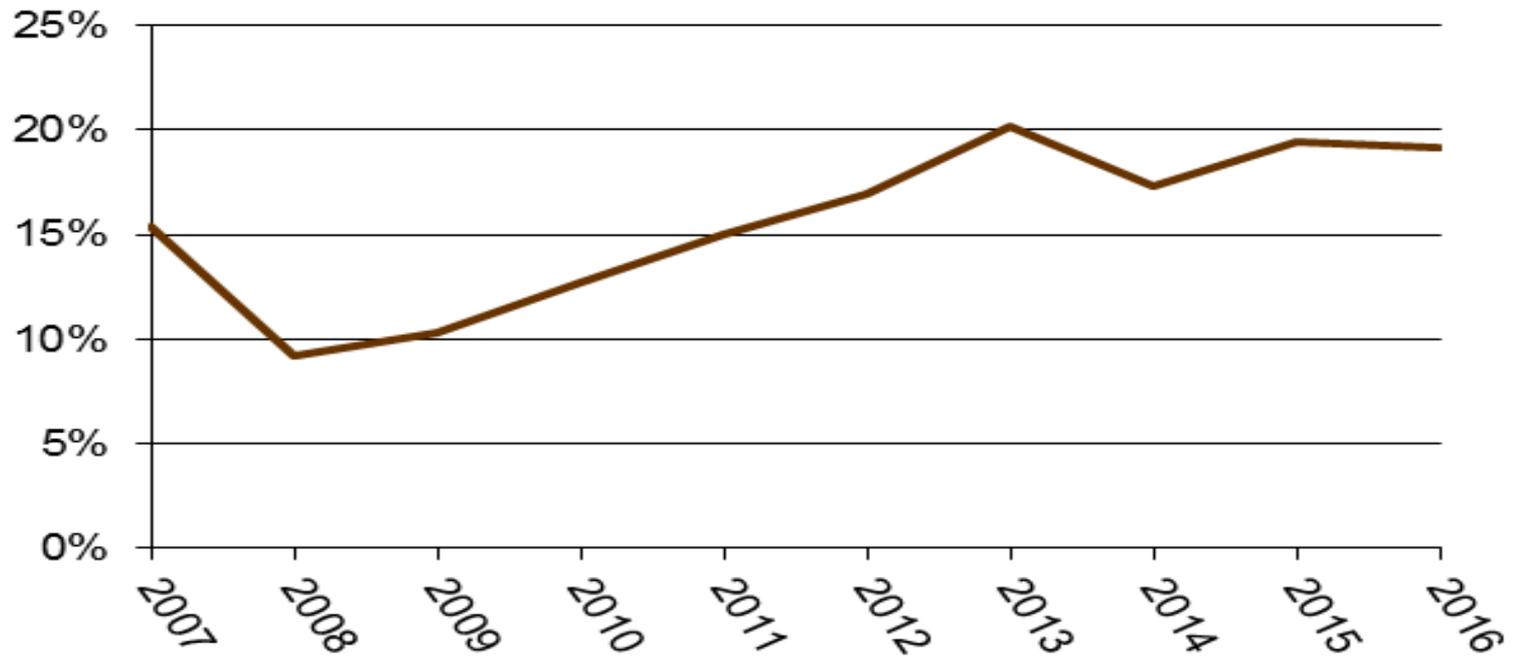
General Fund Expenditures Per Capita Adjusted for CPI (p.9)



Employees Per 1,000 Capita (p.10)

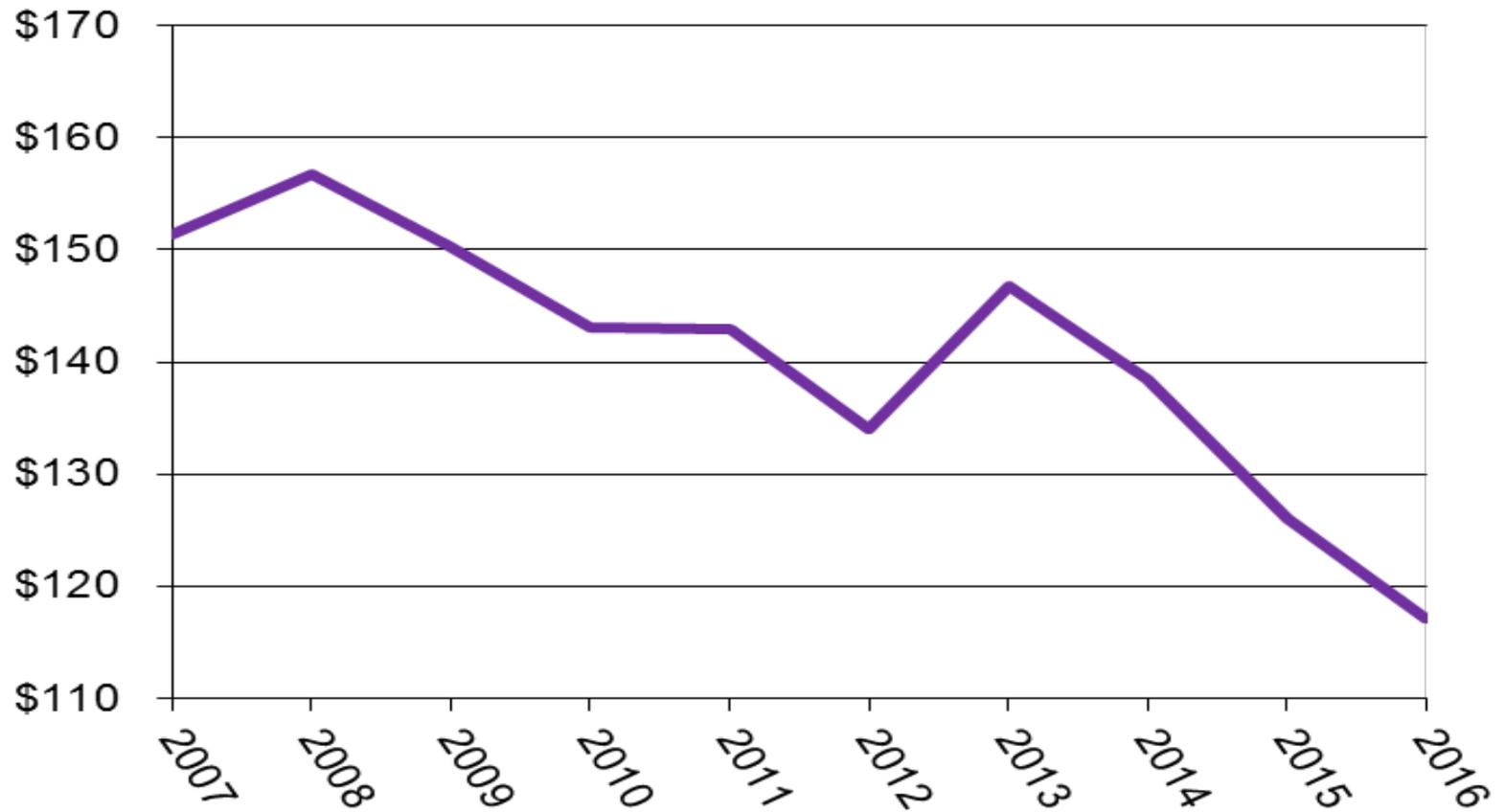


Unassigned Fund Balance-General Fund (& Permanent Reserve) as a Percentage of General Fund Op. Expense (p.15)



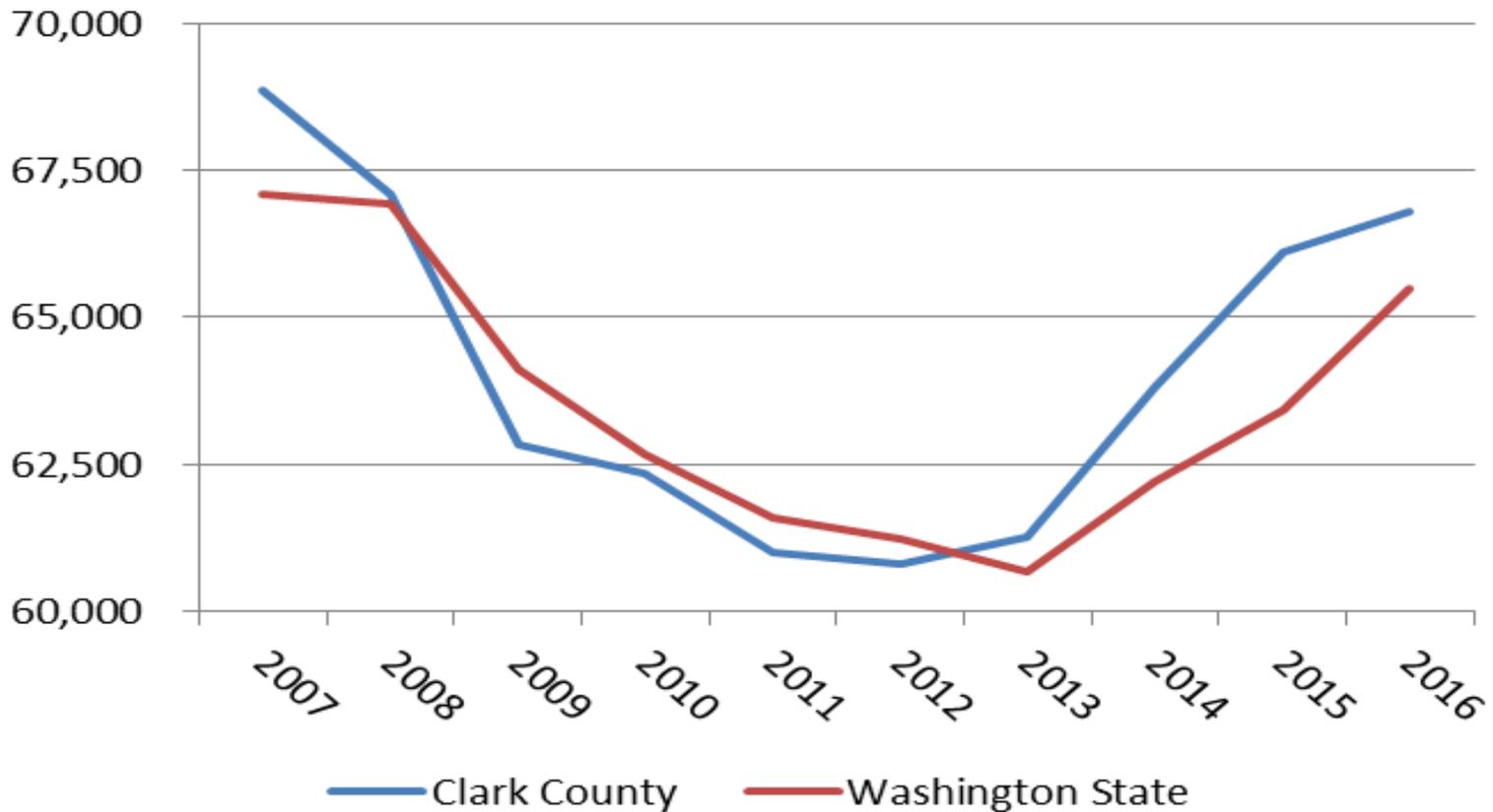
Long – Term Debt (p.20)

(In Millions)



Median Household Income (p.24)

(Median household income adjusted for inflation)



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