



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Clark County

For the period January 1, 2023 through December 31, 2023

Published September 5, 2024

Report No. 1035442



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**Office of the Washington State Auditor
Pat McCarthy**

September 5, 2024

Board of County Councilors
Clark County
Vancouver, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Clark County's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the County's financial activities and condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Clark County January 1, 2023 through December 31, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Clark County are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the County.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the County’s compliance with requirements applicable to each of its major federal programs.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
93.568	Low-Income Home Energy Assistance
93.568	COVID-19 – Low-Income Home Energy Assistance

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$2,432,644.

The County did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS****Clark County**
January 1, 2023 through December 31, 2023

This schedule presents the status of findings reported in prior audit periods.

Audit Period: 2022	Report Ref. No.: 133262	Finding Ref. No.: 2022-001
Finding Caption: The County's internal controls were inadequate for ensuring accurate financial reporting of capital contributions.		
Background: The County has a system in place to capture and track capital asset activity. Various County departments are responsible for ensuring the accuracy of the information reported in the tracking system, including key data like dates and determining whether the transaction is capitalizable, before reporting it to the Auditor's Office for recording in the accounting system. The County's internal controls did not ensure key data was accurately entered into the capital asset tracking system. Additionally, the County did not have an effective review in place to detect errors before recording the activity in its accounting system. As a result, land and capital contributions were overstated by \$42,421,401.		
Status of Corrective Action: (check one) <input checked="checked" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid		
Corrective Action Taken: <i>The Clark County Auditor's Office has worked with many departments to ensure a complete understanding of the process related to the tracking system. The Auditor's office has also implemented additional procedures to review capital contributions and ensure the accuracy of the type of transactions as well as the calculated value to report on capital contributions on the financial statements.</i>		

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Clark County **January 1, 2023 through December 31, 2023**

Board of County Councilors
Clark County
Vancouver, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of Clark County, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 28, 2024.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We noted certain other matters that we have reported to the management of the County in a separate letter dated June 28, 2024.

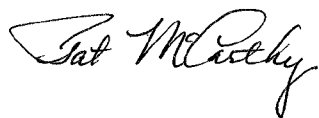
REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

June 28, 2024 except for our report on the Schedule of Expenditures of Federal Awards, for which the date is August 29, 2024

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Clark County January 1, 2023 through December 31, 2023

Board of County Councilors
Clark County
Vancouver, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of Clark County, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2023. The County's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

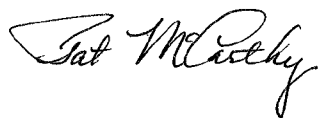
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

August 29, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Clark County January 1, 2023 through December 31, 2023

Board of County Councilors
Clark County
Vancouver, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of Clark County, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of Clark County, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, County Roads, Community Services Grants, Campus Development, Opioid and Overdose Response and American Rescue Plan funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Matters of Emphasis – Correction of Prior Year Misstatement

As discussed in Note 22 to the financial statements, the County's 2022 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed;

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the financial section of our report be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This supplementary information is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Pat McCarthy". The signature is cursive and fluid, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

June 28, 2024 except for our report on the Schedule of Expenditures of Federal Awards, for which the date is August 29, 2024

FINANCIAL SECTION

Clark County January 1, 2023 through December 31, 2023

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2023

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2023

Statement of Activities – 2023

Balance Sheet – Governmental Funds – 2023

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position – 2023

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – 2023

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities – 2023

General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – 2023

County Roads – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – 2023

Community Service Grants – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – 2023

Campus Development – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – 2023

Opioid and Overdose Response – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – 2023

American Rescue Plan – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – 2023

Statement of Net Position – Proprietary Funds – 2023

Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds – 2023

Statement of Cash Flows – Proprietary Funds – 2023

Statement of Fiduciary Net Position – Fiduciary Funds – 2023

Statement of Changes in Fiduciary Net Position – Fiduciary Funds – 2023

Notes to Financial Statements – 2023

REQUIRED SUPPLEMENTARY INFORMATION

Other Post Employment Benefits – PERS, PSERS, LEOFF II – 2023

Other Post Employment Benefits – LEOFF I – 2023

Schedule of Proportionate Share of the Net Pension Liability (Asset) – PERS 1, PERS 2/3,
PSERS, LEOFF 1, LEOFF 2 – 2023

Schedule of Employer Contributions – PERS 1, PERS 2/3, PSERS, LEOFF 2 – 2023

Notes to Required Supplementary Information – Pension – 2023

Modified Approach for Reporting Clark County's Infrastructure Capital Assets – 2023

Notes to Required Supplementary Information – Modified Approach – 2023

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards – 2023

Notes to the Schedule of Expenditures of Federal Awards – 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Clark County's discussion and analysis provides a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information in the letter of transmittal, which can be found preceding this narrative, and with the County's financial statements and notes to the financial statements which follow this discussion.

FINANCIAL HIGHLIGHTS

- Clark County's total assets and deferred outflows, combined, exceeded its total liabilities and deferred inflows, combined, at December 31, 2023, by \$2.0 billion (a \$159.5 million increase over December 31, 2022). Of this amount, \$14.0 million reflects prior period adjustments.
- Total net position of the County is comprised of the following:
 - 1) Net investment in capital assets of \$1.5 billion includes all capital assets, net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets.
 - 2) Restricted net position of \$298.9 million represents the portion restricted by constraints imposed from outside the County, such as debt covenants, grants and laws.
 - 3) An unrestricted net position of \$189.2 million is reported in the 2023 government-wide financial statements.
- For the year ended December 31, 2023, Clark County reported a \$159.5 million increase in net position inclusive of prior period adjustments), compared to a \$118.7 million increase in net position for 2022. Details of contributing factors to the change are included later within this analysis.
- The General Fund's total fund balance increased, from \$79.9 million in 2022 to \$101.4 million in 2023, for an annual increase of 26.9%. Details of contributing factors to the change are included later within this analysis.
- Clark County's total long term liabilities are \$137.5 million at December 31, 2023, (includes \$36.8 million in pension and OPEB liabilities), down from \$144.9 million in 2022 (includes \$17.5 million in pension and OPEB liabilities). See Note 11 in the notes to the financial statements for more detailed information about liabilities.
- Remaining capacity for non-voted debt was \$1.4 billion at year-end, no change from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Clark County's basic financial statements, which include three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other required supplementary information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with an overview of Clark County's finances in a manner similar to private-sector business. The statements distinguish functions of Clark County that are principally supported by taxes and intergovernmental revenues ("governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges ("business-type activities"). Governmental activities include services provided to the public, such as law enforcement and public safety; the court systems; legal prosecution and indigent defense; jails and corrections; road construction and maintenance; community planning and development; parks and open space preservation; public health; and care and welfare of the disadvantaged and mentally ill. Other general government services provided include elections, property assessment, tax collection, and the issuance of permits and licenses. Business-type activities of Clark County include storm water management, solid waste, and a golf course.

The **statement of net position** presents information on all of the County's assets, deferred outflows, liabilities, deferred inflows and net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The **statement of activities** presents information showing how the County's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. As a result, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods, such as revenues pertaining to uncollected taxes, unpaid vendor invoices, and employee earned but not used vacation and sick leave. This statement separates program income (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program). By separating program revenue from general revenue, users can identify the extent to which each program relies on taxes for funding. Certain administrative costs or indirect costs are allocated to the various programs, but are eliminated from the direct program costs for comparative purposes.

Both of the government-wide financial statements have separate columns for governmental activities, business-type activities, and a discretely presented component unit.

Governmental activities – Governmental activities are primarily supported by taxes and intergovernmental revenues (generally grants). Most basic services fall into this category, including general government; public safety; physical environment; transportation; economic environment; social services; culture and recreation; and debt service. Also included within the governmental activities are the operations of five blended component units: Industrial Revenue Bond Corporation, Fairgrounds Site Management Group (Event Center Fund), Emergency Medical Services District 1, Emergency Medical Services District 2, and the Metropolitan Parks District. Although legally separate from the County, these component units are blended with the primary government (Clark County) because of their governance relationship with the County and fiscal dependency. These five entities are reflected in the nonmajor combining special revenue fund statements. Further information regarding these blended component units is found in the *Summary of Significant Accounting Policies* beginning on the first page of *Notes to Financial Statements*.

Business-type activities - Business-type activities are intended to recover all or a significant portion of their costs through user fees and charges to external users. These include storm water management, solid waste, and a golf course. Presentation of total assets and total liabilities between the government-wide statements and fund statements will differ slightly because the "internal balances" are combined into a single line in the asset section on the government-wide statement.

Discretely presented component unit - The government-wide financial statements include not only Clark County (the primary government) but also a legally separate Clark County Public Facilities District for which the County is financially accountable. Financial information for this discretely presented component unit is reported in a column separate from the financial information for the County. A description of this component unit can be found in note 1 of the *Notes to Financial Statements*.

Fund Financial Statements

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of Clark County can be divided into three categories: **governmental** funds, **proprietary** funds, and **fiduciary** funds.

Governmental funds are used to account for most of a government's tax-supported activities and to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements' use of accrual accounting, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at year end. Such information is useful in evaluating a government's near-term financing requirements in comparison to resources available.

Because the focus of governmental fund financial statements is narrower than that of government-wide financial statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This gives readers a better understanding of the long-term impact of the government's financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to the governmental activities column in the government-wide statements, in order to facilitate this comparison.

The governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances present separate columns of financial data for the General Fund, County Roads Fund, Campus Development Fund, Opioid and Overdose Response Fund, Community Services Grants Fund, ARPA Fund, and the Development Impact Fees Fund which are considered major funds for financial reporting purposes. The governmental fund financial statements can be found immediately following the government-wide financial statements. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in combining statements, outside of the basic financial statements (following the required supplementary information section of this report).

The County maintains budgetary controls with an annual appropriated budget to ensure compliance with legal provisions. Budgets for governmental funds are established in accordance with state law, and are adopted on a fund level, except for the General Fund, which is adopted on a department level. A budgetary comparison of revenues, expenditures, and changes in fund balances is provided for the General Fund, all special revenue funds, general obligation bond fund and all capital project funds. Major fund budgetary variance statements are included with the basic financial statements, while nonmajor fund budget variance schedules follow the combining fund statements. Budgetary variances for the General Fund are discussed in more detail later in this section.

Proprietary funds account for a government's business type activities, where all or part of the costs of activities are supported by fees and charges paid directly by those who benefit from the activities. Proprietary funds provide the same type of information as government-wide financial statements, only in more detail, since both apply the accrual basis of accounting. Proprietary fund statements follow governmental fund statements in this report. The County maintains two types of proprietary funds:

Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. Enterprise funds account for the County's solid waste, storm water, and golf course. The Clean Water Fund is considered a major fund for financial reporting purposes. The County reports two nonmajor enterprise funds: the Solid Waste Fund and the Tri-Mountain Golf Course O&M Fund.

Internal service funds report activities that provide services to the County's other programs and activities on a cost reimbursement basis. The County uses internal service funds to account for vehicle fleet, election services, insurance reserves, self-insured medical insurance, equipment replacement reserves, and various other administrative services. The revenues and expenses of the internal service funds that are duplicated in other funds through allocations are eliminated in the government-wide statements, with the remaining balances included in the governmental activities column. All internal service funds are aggregated in a single column in the basic proprietary fund financial statements. Individual fund data can be found in the combining statements.

Fiduciary funds are used to account for resources that are held by a government as a trustee or agent for parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Clark County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The County has three types of fiduciary funds: 1) Investment Trust Funds (external portion of investment pools and individual investment accounts that are held in a trust as defined by GASB 84 - i.e. belong to other jurisdictions), 2) Private Purpose Trust Funds (fiduciary activities that are not required to be reported in pension, OPEB, or other employee benefit trust funds or investment trust funds that meets the criterion of GASB 84 - i.e. trust arrangements where the principal and interest benefit those outside of the County), and 3) Custodial Funds (fiduciary activities that are not required by GASB 84 to be reported in the fiduciary fund types 1) through 2) above - i.e. held by Clark County in its custodial role until these non-trust fund monies are distributed to the private parties, organizations, or government agencies to which they belong).

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

GOVERNMENT- WIDE FINANCIAL ANALYSIS

Analysis of Net Position

Net position may serve over time as a useful indicator of a government's financial position. Clark County's combined net position (governmental and business-type activities) was \$2.0 billion at the end of 2023 (a \$159.5 million increase from 2022).

The bulk of the County's net position is comprised of investments in capital assets, while most of the rest is restricted for culture and recreation, economic environment, transportation and social services activities.

The County has an unrestricted net position of \$189.2 million at the end of 2023. Of the County's total net position, 75.6% is net investment in capital assets, 14.9% is subject to external restrictions by outside parties, and the unrestricted amount represents 9.4% of the total net position. Unrestricted net position is positive at the end of 2023, a decrease of \$60.3 million over 2022. Pension and OPEB liabilities are a major part of the County's total liabilities. In 2023, these liabilities combined stood at \$36.8 million, a decrease of \$(3.0) million from 2022. The structure and the management of the County's pension and OPEB plans are described in detail in note 13 and note 15.

The condensed financial information that follows is derived from the government-wide Statement of Net Position and reflects the County's net position in 2023 compared with 2022.

Clark County Net Position

	Governmental Activities		Business-Type Activities		Total		% of PY
	2023	2022	2023	2022	2023	2022	
Current & other assets	\$ 622,788,232	\$ 576,548,327	\$ 22,657,677	\$ 20,680,347	\$ 645,445,909	\$ 597,228,674	108.1%
Capital assets (net of depreciation)	1,442,067,452	1,395,307,287	131,187,438	126,809,366	1,573,254,890	1,522,116,653	103.4%
Total assets	2,064,855,684	1,971,855,614	153,845,115	147,489,713	2,218,700,799	2,119,345,327	104.7%
Total deferred outflows of resources	37,118,908	36,889,028	558,390	608,427	37,677,298	37,497,455	100.5%
Long term liabilities	136,744,045	144,114,008	797,763	780,510	137,541,808	144,894,518	94.9%
Other liabilities	70,359,568	111,851,110	1,693,292	1,190,511	72,052,860	113,041,621	63.7%
Total liabilities	207,103,613	255,965,118	2,491,055	1,971,021	209,594,668	257,936,139	81.3%
Total deferred inflows of resources	43,772,298	55,166,889	389,815	623,360	44,162,113	55,790,249	79.2%
Net position:							
Net investment in capital assets	1,383,343,305	1,328,354,827	131,187,438	126,809,366	1,514,530,743	1,455,164,193	104.1%
Restricted	298,287,598	258,541,709	649,111	578,416	298,936,709	259,120,125	115.4%
Unrestricted	169,467,778	110,716,099	19,686,086	18,115,437	189,153,864	128,831,536	146.8%
Total net position	\$ 1,851,098,681	\$ 1,697,612,635	\$ 151,522,635	\$ 145,503,219	\$ 2,002,621,316	\$ 1,843,115,854	108.7%

Total liabilities decreased \$(48.3) million in 2023. Other liabilities decreased \$(41.0) million while long-term liabilities decreased \$(7.4) million. The County's long term debt is explained in more detail in Note 10 and Note 11. Deferred outflows increased \$0.2 million.

Total assets increased \$99.4 million in 2023 from 2022, primarily because of capital asset increase of \$51.1 million and cash position increased of \$29.3 million due to deposits for federal support for recovery assistance from the COVID-19 pandemic as well as a change in Net Pension asset. Deferred inflows decreased \$(11.6) million, due to the decrease in amount related to pensions of \$(10.3) million.

Governmental activities net position increased \$153.5 million in 2023, from 2022. Because governmental activities make up 92.4% of the total primary government, many of the drivers of the changes in assets and liabilities are the same as the total primary government.

Governmental total assets increased \$93.0 million in 2023. Capital assets net of depreciation increased \$46.8 million and cash and investments increased \$27.4 million from 2022, primarily due to funding received for the COVID-19 relief. Deferred outflow of resources is a consumption of net assets which is applicable to a future period, while a deferred inflow of resources is an acquisition of net position which is applicable to a future reporting period. In 2023, Clark County's Governmental Activities deferred outflows increased a net of \$0.2 million. Deferred inflows (DI) decreased \$(11.4) million overall, with individual line-items changes to DI-pensions of \$(10.0) million, DI-lessor financing leases of \$(1.3) million, and DI-amount related to debt refunding of \$(0.1) million.

Governmental total liabilities increased \$(48.9) million. Long term liabilities decreased \$(7.4) million, primarily due to change in pension liabilities. Governmental activities had an unrestricted net position of \$169.5 million in 2023, compared to a unrestricted net position of \$110.7 million in 2022.

Business-type net position increased \$6.0 million in 2023 over 2022. Net position for business type activities is entirely invested in capital assets or is otherwise unrestricted. Net investment in capital assets in business activities increased \$4.4 million or 3.5% while the unrestricted portion of the net position increased from \$18.1 million to \$19.7 million. In 2022, 12.5% of the total net position for business-type activities was unrestricted, while at December 31, 2023, 13.0% was unrestricted.

Analysis of Changes in Net Position

The County's total change in net position (includes prior year adjustments) related to 2023 activities was an increase of \$159.5 million compared to an increase of \$118.7 million in 2022. The condensed financial information that follows is derived from the Government-Wide Statement of Activities and reflects how the County's 2023 changes in net position compare with 2022.

Clark County Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Program Revenues						
Charges for services	\$ 99,218,822	\$ 101,942,890	\$ 16,864,089	\$ 15,191,198	\$ 116,082,911	\$ 117,134,088
Operating grants and contributions	130,397,452	132,714,551	664,327	638,669	131,061,779	133,353,220
Capital grants and contributions	29,078,550	17,163,017	-	3,343,343	29,078,550	20,506,360
General Revenues						
Taxes	229,540,316	221,132,527	-	-	229,540,316	221,132,527
Gain on sale of assets	50,487	238,634	-	(3,107)	50,487	235,527
Interest earnings	26,899,696	(4,029,452)	946,161	(374,933)	27,845,857	(4,404,385)
Insurance Recoveries	-	-	-	-	-	-
Total revenues	515,185,323	469,162,167	18,474,577	18,795,170	533,659,900	487,957,337
Program Expenses*:						
General government	99,832,331	95,741,040	-	-	99,832,331	95,741,040
Public safety	95,712,350	84,658,203	-	-	95,712,350	84,658,203
Transportation	50,964,233	39,724,059	-	-	50,964,233	39,724,059
Natural and Economic environment	45,494,897	75,846,885	-	-	45,494,897	75,846,885
Social Services	60,783,489	39,010,412	-	-	60,783,489	39,010,412
Culture & recreation	20,720,211	23,243,627	-	-	20,720,211	23,243,627
Solid Waste	-	-	3,006,061	2,342,440	3,006,061	2,342,440
Stormwater	-	-	7,675,743	6,534,437	7,675,743	6,534,437
Golf Course	-	-	2,200,655	2,023,803	2,200,655	2,023,803
Sewer	-	-	-	2,375,614	-	2,375,614
Interest on long term debt	1,837,529	2,530,332	-	-	1,837,529	2,530,332
Total expenses	375,345,040	360,754,558	12,882,459	13,276,294	388,227,499	374,030,852
Excess (deficiency) of revenues over (under) expenses	139,840,283	108,407,609	5,592,118	5,518,876	145,432,401	113,926,485
Special Item	-	-	-	-	-	-
Transfers	395,000	848,015	(395,000)	(848,015)	-	-
Change in Net Position	140,235,283	109,255,624	5,197,118	4,670,861	145,432,401	113,926,485
Net position as of January 1	1,697,612,635	1,585,557,495	145,503,219	138,118,689	1,843,115,854	1,723,676,184
Prior period adjustments	13,250,763	2,799,516	822,298	2,713,669	14,073,061	5,513,185
Change in accounting principle	-	-	-	-	-	-
Net position as of December 31	\$ 1,851,098,681	\$ 1,697,612,635	\$ 151,522,635	\$ 145,503,219	\$ 2,002,621,316	\$ 1,843,115,854

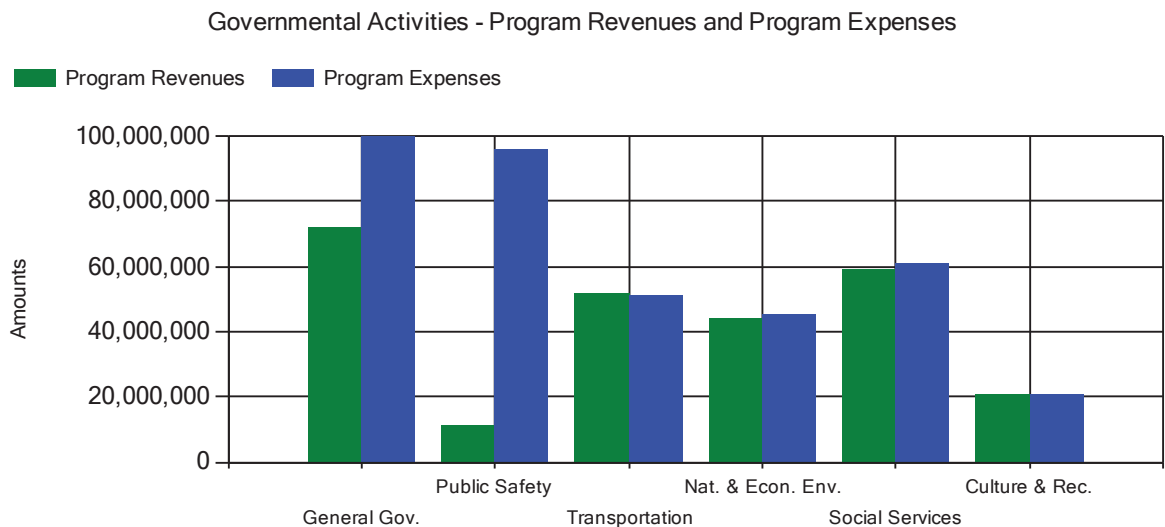
*Total program expenses include the indirect expense allocation

Total revenues increased \$45.7 million in 2023 from 2022, with governmental activities increasing \$46.0 million and business-type activities decreasing \$(0.3) million. Tax revenue increased \$8.4 million in 2023 from 2022, and accounted for 43.0% of total revenues in 2023. Property Tax revenue increased \$6.5 million in 2023, while sales/use and excise/other taxes, combined, increased \$2.0 million. Charges for services decreased \$(1.1) million in 2023 while grants and contributions increased \$6.3 million. In 2023, governmental activities provided \$515.2 million, or 96.5%, of revenues while business-type activities provided \$18.5 million, or 3.5%.

The County's expenses cover a range of services, the largest two of which were for general government and public safety (combined account for 50.4%), followed by transportation (13.1%), social services (15.7%), culture and recreation (5.3%) and economic environment (11.7%). Utilities, golf course and interest expense combined are (3.9%). Total expenses for the year were \$388.2 million, increasing \$14.2 million from 2022. Governmental activities accounted for 95.7% of total County expenses. Governmental activity expenses increased \$14.2 million in 2023 (over 2022), while business type activity expenses decreased \$(0.1) million.

Governmental activities – General government function expenses increased by \$4.1 million, public safety increased \$11.1 million, and transportation expenses increased by \$11.2 million, compared to prior year expenses. The increases in both general government and public safety are a result of the response to Covid 19 pandemic where there have been delays in filling vacant positions. Natural and Economic environment decreased \$(30.4) million, social services increased \$21.8 million, culture and recreation decreased \$(2.5) million and interest on long-term debt remained the same.

The following graph illustrates 2023 governmental activities program revenues and expenses by function.



Business-type activities – Business-type activities revenue decreased \$(1.6) million to \$18.5 million in 2023 when compared to 2022. Contributions and grants decreased \$(3.3) million. Charges for services increased \$1.7 million.

Overall expenses for the year decreased \$(0.4) million to \$12.9 million. Revenues, expenses, and changes in fund balance are discussed in more depth in the **Proprietary Funds Analysis** section of this management's discussion and analysis.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Clark County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Following is a discussion of the financial highlights of the County's funds.

Governmental Funds – Fund Balance Analysis

The focus of Clark County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Unassigned fund balance serves as a useful measure of the County's net resources available for spending at the end of

the fiscal year. The General Fund, County Roads Fund, Community Services Grants Fund, Campus Development Fund, Opioid and Overdose Response Fund, American Rescue Plan Fund and Development Impact Fee Fund are the major governmental funds in 2023.

As of December 31, 2023, the County's governmental funds reported combined ending fund balances of \$415.9 million, a \$77.0 million increase from 2022. Total governmental assets increased \$44.6 million this year. There is a \$27.0 million increase in cash, deposits and investments due to cash received for the COVID-19 pandemic and a \$(12.2) million decrease in accounts receivable, amounts due from other governments and due from other funds, combined. Lessor financing leases are \$13.6 million. Changes are discussed below, within the specific funds and fund type.

Total governmental liabilities and deferred inflows of resources, combined, are \$113.6 million in 2023, compared to \$146.0 million in 2022, an decrease of \$(32.4) million. Among the most significant changes are an decrease of \$(39.5) million in unearned revenue due to the American Rescue Plan Act.

The **General Fund's** total fund balance increased \$21.5 million, from \$79.9 million in 2022 to \$101.4 million in 2023. In 2023, \$10.3 million was transferred out to other funds, compared to \$11.5 million in 2022. There was a \$(1.7) million decrease of unassigned fund balance in the General Fund at the end of 2023.

Total assets increased \$21.7 million in 2023, over 2022. Cash and investments and deposits in trust, combined, at the end of the year were \$23.5 million higher than at the end of 2022. Due from other funds increase \$0.8 million in 2023.

General Fund liabilities and deferred inflows of resources, combined, are \$19.8 million at December 31, 2023, compared to \$19.7 million in 2022, an increase of \$0.2 million. Accounts payable and accrued liabilities, combined, decreased \$(4.5) million, due to other funds increased \$0.9 million in 2023, compared to 2022, and deferred inflows decreased \$(2.0) million. Deferred inflows due to unavailable revenue (other/accounts receivable and courts) decreased \$(2.1) million.

The **County Roads** major fund total fund balance increased \$9.0 million, from \$36.1 million in 2022 to \$45.1 million in 2023. Total assets increased \$9.2 million. Cash, cash equivalents and pooled investments increased by \$10.7 million and due from other governments decreased by \$2.5 million. Total liabilities and deferred inflows increased \$0.2 million from \$7.0 million in 2022 to \$7.2 million in 2023.

The **Community Services Grants** major fund reported a \$13.1 million increase in fund balance at the end of 2023 related to a prior period adjustment. Total assets increased by \$9.8 million, namely cash, cash equivalents and pooled investments and notes receivable, while total liabilities decreased \$(3.4) million, split between accounts payable and due to other funds.

The **American Rescue Plan** major fund is used to collect and disburse federal grant (ARPA) monies the County received for recovery from the COVID 19 pandemic. The fund received monies that are restricted for federally approved grant expenditures, and currently has \$22.5 million in unspent grant funding. At the end of the year the fund had a small fund balance due to most of the liabilities and assets being fairly equal. In 2023, total assets were \$27.0 million and total liabilities were the same, \$27.0 million. The County is required to spend the grant

monies by December 31, 2026 and obligate all monies by December 31, 2024.

The **Development Impact Fees** fund collects park and traffic impact fees for the park acquisition and development and traffic projects in the County. The cash increased \$9.6 million in 2023 compared to 2022. There are no major liabilities in this fund. The fund balance increased from \$45.5 million in 2022 to \$55.9 million in 2023.

The **Campus Development Fund** total fund balance increased \$0.9, from \$3.6 million in 2022 to \$4.5 million in 2023. Total assets were \$16.7 million in 2023. Of this balance \$13.6 million is leases receivable.

The **Opioid and Overdose Response Fund** total assets increased \$11.2 million from \$9.7 million in 2022 to \$20.9, million in 2023. Of this amount \$19.6 million is accounts receivable. These receivables are settlements from litigation related to Opioid lawsuits.

Non-major governmental funds combined increased total fund balance by \$23.0 million in 2023. Total assets increased \$33.7 million, while cash and investments increased \$25.3 million. Total liabilities increased \$1.6 million. The amounts above are normalized to take into account the change of the Campus Development and Opioid and Overdose Response being included as major funds reported in 2023.

Fund balance: Approximately 71.1% of the governmental fund balance (\$295.7 million) is non-spendable or restricted by constraints outside county government. An additional 18.8%, (\$78.3 million), is committed or assigned for specific purposes, such as technology improvements, housing, mental health, public safety programs, and compensated absences. The remaining 10.1%, (\$41.9 million), is available for spending at the County's discretion.

Governmental Funds – Revenue, Expenditure, and Change in Fund Balance Analysis-

Governmental fund revenues total \$478.8 million for 2023, compared to \$451.9 million in 2022 (up \$26.8 million, a 5.9% increase). Tax revenue increased \$6.3 million in 2023 and accounted for 47.9% of total governmental revenue collected in 2023. Intergovernmental revenue (predominately grants) decreased \$(7.1) million in 2023 from 2022 and accounted for 28.7% of total governmental revenue in 2023. Charges for services and licenses and permit revenue, combined, account for 16.5% of total revenues, and increased by \$1.1 million in 2023. Interest earnings increased \$24.1 million in 2023.

Governmental funds expenditures were \$412.3 million in 2023, an increase of \$3.6 million from 2022. Current expenditures account for 91.3% of total expenditures, while capital outlay accounts for 6.1% and debt service accounts for 2.6% of total expenditures. Details regarding the changes in revenues and expenditures from 2022 to 2023 follow.

The **General Fund** is the chief operating fund for the County. General Fund revenues increased \$14.1 million from 2022 to 2023, while expenditures increased \$16.2 million during the same period.

The largest increase in General Fund revenue in 2023 came from a \$10.1 million increase in interest revenue due to the mark-to-market adjustment for bond investments. The General fund had a \$0.3 million increase in sales tax revenues and a \$2.9 million increase in property

tax revenue (assessed value increases due to new construction in 2021, levy increases in 2022, with collections in 2023).

For current expenditure reporting in 2023, general government current expenditures increased \$7.1 million, public safety increased \$11.1 million, and culture and recreation current expenditures decreased \$(0.4) million. Natural and economic environments increased \$0.8 million, with minor changes in other functions and capital outlay.

County Roads Fund, a major special revenue fund, is used to account for the maintenance and operations of the public roads and bridges of the County. At the end of the 2023, the net change in fund balance was an increase of \$9.0 million.

Total revenue increased \$5.8 million overall from 2022 to 2023. Property tax recorded an increase of \$3.3 million, intergovernmental revenue (grants) of \$0.5 million and charges for services decreased \$(0.5) million. Current expenditures increased by \$5.8 million in 2023, while capital outlay for road construction decreased \$(2.9) million. Transfers in reflects capital contributions from other funds including traffic impact fees. This decreased \$(1.7) million in 2023 versus 2022.

Community Services Grants Fund is a major special revenue fund that receives the majority of its funding through state and federal grants for various housing, weatherization, and youth programs. The net change in fund balance for 2023 was an increase of \$13.1 million.

Revenues overall decreased from \$55.9 in 2022 to \$36.0 million in 2023. Charges for services provided to clients decreased by \$(1.3) million in 2023. Intergovernmental revenues (grants) decreased \$(19.7) million and represent 90.4% of total revenue. Expenditures decreased \$(21.8) million. Transfers in represents financial support from the General Fund, which decreased \$(0.1) million in 2023.

In 2023, there was a \$13.1 million prior period adjustment due to an updated understanding of a loan program that the county has participated in for many years, which led to the removal of the allowance for doubtful accounts and reported in the same line related to notes receivables.

American Rescue Plan is a major special revenue fund that received the federal grant for the American Rescue Plan that was approved by the federal government as second round funding for the COVID-19 response. The fund balance for 2023 was small due to the revenues and expenses being aligned. Revenues for 2023 were \$39.7 million and expenditures (including transfers) for 2023 were \$39.7 million.

Development Impact Fees is a major capital projects fund that receives traffic and park impact fees for parks acquisition and development and road improvements. Transfers out are made to other funds when participating in capital projects with multiple funding sources. Fund balance increased \$10.4 million in 2023 versus \$2.0 million in 2022. In 2023, revenues increased \$5.6 million and total expenses including transfers out decreased \$(2.9) million.

Campus Development is a major special revenue that collects rental revenues from the tenants of the Center for Community Health and the Public Service Center, and pays expenditures related to maintenance, operations and debt service for these buildings. At the end of 2023 the total fund balance was \$4.5 million. The lease receivable balance was \$13.6 million.

Opioid and Overdose Response is a major special revenue fund established to collect the settlements from litigation related to Opioid lawsuits. The funds received are restricted to be used

on response to the Opioid epidemic. At the end of 2023 accounts receivable were \$19.6 million which consists of known settlements of opioid lawsuits.

Nonmajor Governmental Funds in the aggregate are discussed below. For 2023, the Campus Development and Opioid and Overdose Response Funds are being reported as major funds for 2023. In the prior year they were reported as nonmajor funds. The comparison below normalizes the data between the years.

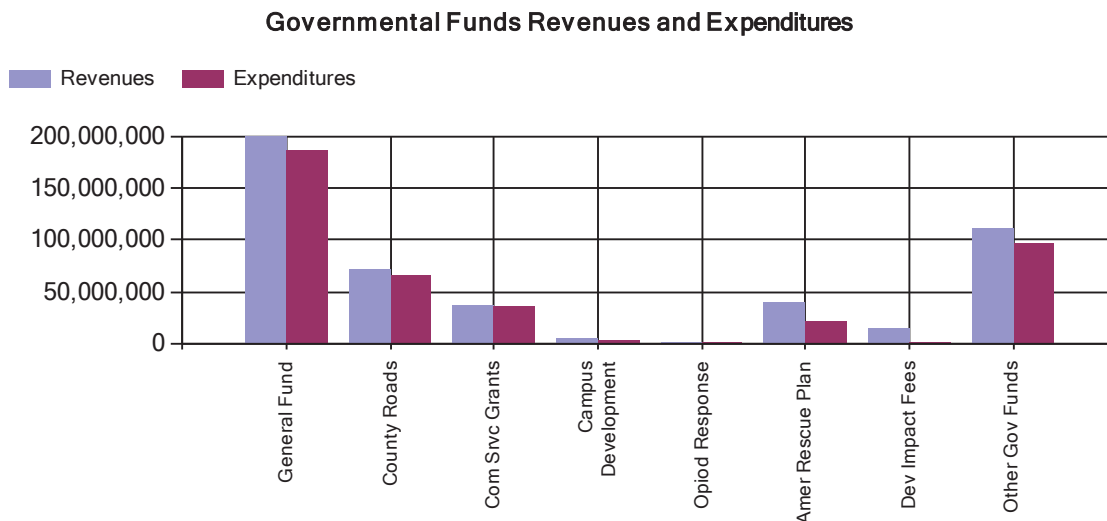
Combined, the nonmajor fund balances is \$167.2 million in 2023 compared to \$149.9 million 2022.

Total non-major governmental funds revenue increased \$8.8 million in 2023 over 2022. Taxes decreased \$(0.5) million. Intergovernmental revenue increased by \$0.4 million. Charges for services decreased \$(1.3) million. Interest earnings increased \$9.4 million due to mark-to-market adjustments . Other revenues decreased by \$(0.7) million.

Total non-major governmental funds expenditures increased by \$0.6 million. Social services expenditure increased \$5.3 million and culture & recreation increased \$2.0 million, with minor changes to other items.

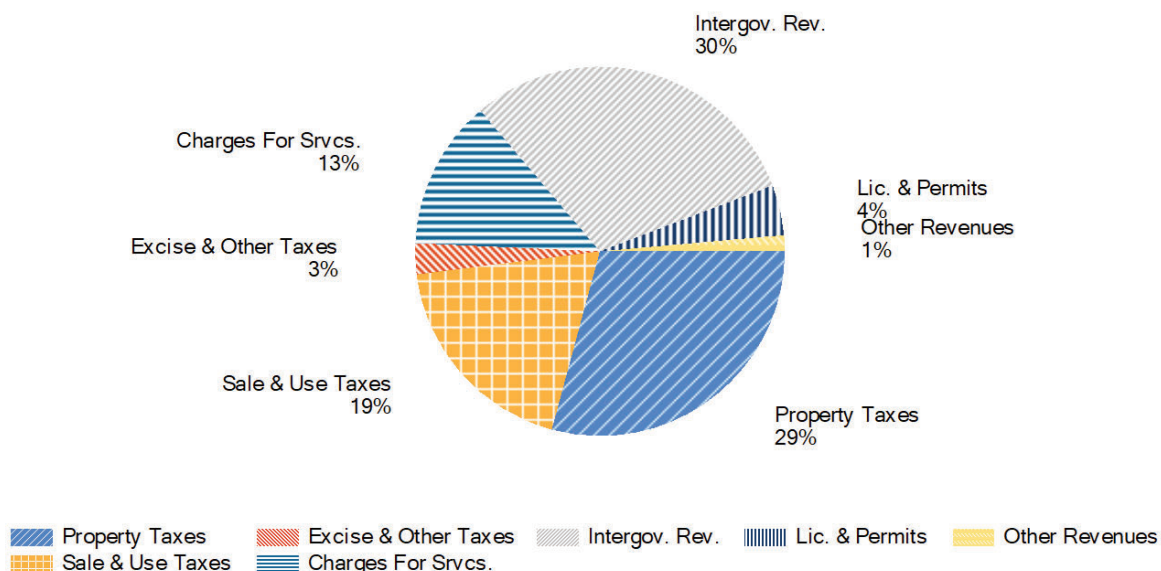
Total other financing sources/uses decreased \$(3.4) million in 2023 over 2022.

The following chart shows the revenue and expenditure amounts for the year ended December 31, 2023, for the seven major governmental funds and for all other governmental funds, combined. Revenues do not include interfund transfers in or proceeds from debt or the sale of assets and expenditures do not include interfund transfers out:



The following chart shows total governmental revenues by percentage for each type of revenue for the year ended December 31, 2023.

Governmental Revenues By Source



Proprietary Funds Analysis

The County's enterprise fund financial statements provide the same type of information found in the government-wide financial statements for business-type activities, although in more detail. Internal service funds, although proprietary, are not included in the following section.

Enterprise Funds – Net Position Analysis

Clark County has three enterprise funds, one of which (Clean Water) is considered a major fund. The following table reflects the “*Enterprise Funds Statement of Net Position*” for the year ending December 31, 2023, compared to the prior year.

Clark County Washington Enterprise Funds - Statement of Net Position						
	Major		Non-Major		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Total current assets	\$ 12,884,471	\$ 12,227,231	\$ 9,185,607	\$ 7,912,017	\$ 22,070,078	\$ 20,139,248
Total non current assets	123,725,679	119,263,342	8,110,870	8,124,440	131,836,549	127,387,782
Total assets	<u>136,610,150</u>	<u>131,490,573</u>	<u>17,296,477</u>	<u>16,036,457</u>	<u>153,906,627</u>	<u>147,527,030</u>
Total deferred outflows of resources	<u>372,042</u>	<u>418,014</u>	<u>186,348</u>	<u>190,413</u>	<u>558,390</u>	<u>608,427</u>
Total current liabilities	1,242,625	907,443	534,910	341,029	1,777,535	1,248,472
Total non current liabilities	<u>554,202</u>	<u>573,271</u>	<u>220,830</u>	<u>187,135</u>	<u>775,032</u>	<u>760,406</u>
Total liabilities	<u>1,796,827</u>	<u>1,480,714</u>	<u>755,740</u>	<u>528,164</u>	<u>2,552,567</u>	<u>2,008,878</u>
Total deferred inflows of resources	<u>259,092</u>	<u>427,767</u>	<u>130,723</u>	<u>195,593</u>	<u>389,815</u>	<u>623,360</u>
Total net position	<u>\$ 134,926,273</u>	<u>\$ 130,000,106</u>	<u>\$ 16,596,362</u>	<u>\$ 15,503,113</u>	<u>\$ 151,522,635</u>	<u>\$ 145,503,219</u>

Total assets for enterprise funds increased \$6.4 million. Current assets increased \$1.9 million, non current assets increased \$4.4 million. Cash and investments increased \$1.9 million at the end of 2023 over 2022.

Total liabilities and deferred inflows, combined, increased \$0.3 million.

The **Clean Water Fund**, a major fund, accounts for operations, maintenance, and capital improvements of the County's storm water facilities. Total net position in the Clean Water Fund is \$134.9 million at the end of 2023, or an increase of \$4.9 million over 2022. Liabilities decreased by \$(0.3) million. The Clean Water Fund has an unrestricted fund balance (resources available for discretionary spending) of \$11.2 million in 2023, compared to \$10.7 million in 2022.

Enterprise Funds Revenue and Expense Analysis

The **Clean Water Fund** total operating revenues for 2023 were \$7.8 million and was fairly consistent with prior years revenue. Operating expenses were \$7.7 million in 2023, compared to \$6.5 million in 2022. Operating income for 2023 is \$0.1 million, a decrease of \$(1.1) million over 2022.

The nonmajor funds operating revenues were reduced by \$(1.9) million and operating expenses were reduced by \$(1.5) million due to the transfer of the sewer treatment plant at June 30, 2022, to the regional sewer utility.

The following table reflects the enterprise funds revenues and expenses for the year ending December 31, 2023, compared to the prior year.

Clark County Washington							
Enterprise Funds - Revenues and Expenses							
	Major		Non-Major		Total		
	Clean Water						
	2023	2022	2023	2022	2023	2022	
Total operating revenues	\$ 7,811,032	\$ 7,758,747	\$ 5,515,466	\$ 7,399,526	\$ 13,326,498	\$ 15,158,273	
Total operating expenses	7,675,743	6,534,219	5,206,716	6,741,857	12,882,459	13,276,076	
Operating income (loss)	135,289	1,224,528	308,750	657,669	444,039	1,882,197	
Total non-operating revenues(expenses)	635,715	(34,033)	1,053,578	327,587	1,689,293	293,554	
Income (loss) before contributions and transfers	771,004	1,190,495	1,362,328	985,256	2,133,332	2,175,751	
Extraordinary item/special item	-	-	-	-	-	-	
Capital contributions	3,458,786	3,343,343	-	-	3,458,786	3,343,343	
Transfers, net	-	(641,922)	(395,000)	(206,093)	(395,000)	(848,015)	
Change in net position	4,229,790	3,891,916	967,328	779,163	5,197,118	4,671,079	
Net position, January 1	130,000,106	123,498,400	15,503,113	15,320,264	145,503,219	138,818,664	
Change in accounting principle							
Prior period adjustment	696,377	2,609,790	125,921	103,879	822,298	2,713,669	
Net Position January 1-restated	130,696,483	126,108,190	15,629,034	15,424,143	146,325,517	141,532,333	
Net position, December 31	\$ 134,926,273	\$ 130,000,106	\$ 16,596,362	\$ 16,203,306	\$ 151,522,635	\$ 146,203,412	

GENERAL FUND BUDGETARY HIGHLIGHTS

Analysis of Original versus Final 2023 Annual Budget

The County adopted an annual budget for the period January 1, 2023, through December 31, 2023. It is amended during the budget year by supplemental appropriation ordinances. RCW 36.40 allows for supplemental budget appropriations as needed throughout the year. County budget policies identify specific situations where supplemental budget requests are warranted, namely:

- An unforeseen situation which puts the safety and welfare of the citizens of Clark County at risk.
- An unforeseen situation which hinders the ability of a department or office to fulfill a statutory obligation imposed upon a department manager or elected official.
- A labor contract settlement, legal settlement, or other judgement that exceeds those amounts currently available within the current budget.
- Unforeseen revenue source that is associated with expenditures such as grants.

General Fund final budgeted revenues increased 0.6% from the original budget and appropriated expenditures increased 4.6% from the original budget.

Expenditure appropriations increased \$8.4 million driven largely by expenditure increases of \$10.6 million in Public Safety.

The following table shows the changes between the original and the final annual General Fund budget, and the variances between the final budget and the actual revenues and expenditures through the end of the year.

Clark County Washington
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023

	Original 2023 Budget	Final 2023 Budget	2023 Actual	Variance with Final Budget Positive/ (Negative)
<u>Revenues:</u>				
Taxes	\$ 138,349,511	\$ 138,349,511	\$ 137,750,533	\$ (598,978)
Licenses & permits	3,613,571	3,613,571	3,590,916	(22,655)
Intergovernmental	19,184,851	19,843,288	18,127,612	(1,715,676)
Charges for services	27,710,006	28,080,367	27,874,479	(205,888)
Fines & forfeitures	2,510,772	2,510,772	1,814,837	(695,935)
Miscellaneous	2,561,197	2,681,197	10,586,216	7,905,019
Total revenues	193,929,908	195,078,706	199,744,593	4,665,887
<u>Expenditures</u>				
Current:				
General government	87,595,268	84,454,887	81,105,284	3,349,603
Public safety	81,885,354	92,519,049	93,275,704	(756,655)
Transportation	2,953,942	2,037,862	1,406,007	631,855
Natural & Economic env.	3,733,524	4,589,209	3,341,073	1,248,136
Social services	2,076,248	2,343,206	2,189,754	153,452
Culture and recreation	2,330,527	2,354,887	2,124,276	230,611
Capital outlay:	-	-	-	-
General government	430,000	460,000	912,617	(452,617)
Public safety	-	307,881	110,292	197,589
Transportation	1,737,582	1,572,950	1,430,404	142,546
Culture and recreation	-	7,401	7,401	-
Principal	-	-	1,211,270	(1,211,270)
Interest	273,390	770,106	122,927	647,179
Total expenditures	183,015,835	191,417,438	187,237,009	4,180,429
Excess (deficiency) of revenues over expenditures	10,914,073	3,661,268	12,507,584	8,846,316
Sale of capital assets	-	-	26,256	26,256
Refunding proceeds from long term bonds	-	-	-	-
Finance lease and SBITA	-	-	826,397	826,397
Transfers in	164,750	18,487,448	18,457,806	(29,642)
Transfers out	(19,828,675)	(22,130,726)	(10,321,057)	11,809,669
Total other financing sources(uses)	(19,663,925)	(3,643,278)	8,989,402	12,632,680
Net change in fund balance	(8,476,462)	17,990	21,496,986	21,478,996
Fund balance as of January 1	79,923,642	79,923,642	79,923,642	-
Prior period adjustment			\$ -	-
Fund balance as of December 31	\$ 71,173,790	\$ 79,941,632	\$ 101,420,628	\$ 21,478,996

General Fund Budget to Actual Comparison

Actual revenues are 2.3%, or \$4.7 million, over the final revenue budget. Expenditures at the end of the year are 97.8% of the final budget, generating expenditure savings of \$4.2 million. Significant revenue increases occurred in interest earnings of \$7.8 million due to the mark-to-market adjustment for bond investments. The expenditure savings of \$4.2 million reflected namely not filling positions (supporting savings of \$3.3 million in general governmental, \$1.2 million in Natural and Economic Environment, and \$0.3 million elsewhere) and holding off capital outlay of \$0.3 million.

The fund balance in the General Fund including prior period adjustments increased \$21.5 million during 2023 to \$101.4 million.

CAPITAL ASSET, INFRASTRUCTURE, AND DEBT ADMINISTRATION

Capital Assets

Total capital asset value as of December 31, 2023 is \$1.6 billion (original cost, net of accumulated depreciation). Capital assets include land, buildings, system improvements, machinery and equipment, park facilities, road and bridge infrastructure, storm water facilities, trails, intangible assets including right-to-use (RTU) assets financed from lessee leases and service-based it arrangements (SBITAs), and construction in progress. Of this amount, \$921.2 million (55.6%) is infrastructure (such as roads, bridges, stormwater facilities and pathways) and \$437.5 million (27.8%) is land. Major capital asset events during the current fiscal year included the following:

- A variety of construction projects were ongoing during the year. The County spent \$17.2 million in 2023 on transportation projects. Capitalized governmental infrastructure projects totaled \$40.9 million and land was \$15.8 million.
- Business type capitalized additions were infrastructure of \$3.5 million and land of \$0.8 million.
- Intangible assets-software additions to capital assets (both on-premise and SBITAs implementations) totaled \$1.9 million as the County continues to replace various systems.
- Vehicles, road equipment, and trailers were added to the fleet as either replacements or new equipment, at a cost of \$7.6 million.

The County uses the modified approach to report infrastructure capital assets. Further discussion of the modified approach can be found in the notes to the financial statements. The county has maintained condition levels of the capital assets required by the modified approach and there have been no significant changes to the condition level of any of the capital assets the county maintains. See Required Supplemental Information (RSI). Additional information on the County's capital assets can be found in note 6 of the Notes to Financial Statements.

Infrastructure

The County has recorded the value of all infrastructure acquired from 1980 to present, and has included that value in the financial statements. The County has not reported infrastructure acquired prior to January 1, 1980. Governmental infrastructure assets were first reported in 2001, with implementation of GASB Statement 34. All infrastructure assets were depreciated until 2003, when the County first chose to use the modified approach.

The modified approach was used for bridge and stormwater infrastructure from 2003 to 2016, depreciated in years 2017 and 2018, then restarted the modified approach in 2019.

Roads were on the modified approach for years 2001 through 2013, depreciated in years 2014 through 2017, then restarted the modified approach in 2018. See the required supplementary information (RSI) section for modified approach data.

Most of the County's bridges were built prior to 1980, and are not included in the listing of capital asset infrastructure in the financial statements, in accordance with GASB Statement 34 reporting requirements.

The County's storm water facilities are fairly recent additions to infrastructure assets, with more than 95% of the total system being added since 1996. Stormwater facilities consist mainly of holding ponds, and are commonly earthen in construction with no moving parts or non-earthen structural layers. Some facilities include some rugged construction, generally consisting of cinder block retention walls. Stormwater facilities are intended to collect and treat stormwater prior to infiltration or entering the existing storm system and waterways. There is very little maintenance or preservation activity required for this subsystem, when compared to the investment in the subsystem.

Debt Administration

At December 31, 2023, Clark County had total bonded debt outstanding of \$41.8 million (including unamortized premiums/discounts of \$0.5 million), compared to \$46.8 million a year earlier. The annual change reflects bond principal redeemed of \$5.0 million. All bonded debt is held in governmental activities and is backed by the full faith and credit of the County. The County was upgraded to a Moody's Aa1 rating in 2016 for its limited tax general obligation debt, which was reaffirmed in early 2018. Additional information on the County's long-term debt can be found in notes 10 and 11 of the Notes to Financial Statements.

ECONOMIC OUTLOOK

Economic factors have a direct impact on County revenues and the demand for services. During 2022, the County's financial condition continues to recover from economic effect of COVID-19 pandemic.

The County's main revenue sources include taxes, charges for service and intergovernmental (grant) revenues. Property taxes comprise 27.6% of total 2023 County revenues (excluding transfers, gain on sale of assets and special items). Even though property taxes tend to be stable, State and voter approved limitations to property taxes have kept the property tax increases to 1% each year, plus any new construction. The County Council approved the 1% increase in General Fund and Road Fund for the years 2017 through 2023; previously, the last year the Council took the increase was in 2012. Property tax revenue increased by 3.4% in 2023, following an increase of 7.0% in 2022 (from statistical).

Sales and use tax revenues are another significant revenue source for the County (17.7% of total revenues). Taxable retail sales in Clark County, which are impacted by construction activity, increased 8.0% in 2023, following an increase of 8.0% in 2021 (from statistical).

Governmental charges for services decreased \$(2.7) million, or (2.7)% in 2023. Government-wide operating grants and contributions increased \$6.3 million, or 4.1%. The federal ARPA grant is the second round of general grant funding to address the impacts of the COVID-19 pandemic.

New construction in unincorporated Clark County, as evidenced by permit value, peaked in 2023 at \$1.1 billion (single family residential of \$524.9 million, multi-family residential of \$56.1, and commercial of \$559.6 million). Construction related single-family residential building permits issued by the Community Development Department increased to 1,055 in 2023 from 929 in 2022, multi-family permits in 2023 totaled 22 (354 units) compared to 36 (412 units) in 2022, and commercial building permits in 2023 totaled 122 compared to 149 in 2022.

For the County as a whole, the new construction related assessed value added to the real property tax base in 2023 for tax collection in 2024 was \$2.0 billion.

Other factors impacting the economic condition in Clark County include an annual inflation rate (CPI-U West B/C) of 4.2% for 2023, down from 8.2% in 2022; and the annual unemployment rate of 4.3% in 2023, down from 4.7% in 2022.

Requests for Information

This financial report is designed to provide a general overview of Clark County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Auditor's Office, Clark County, 1300 Franklin Street, P.O. Box 5000, Vancouver, WA, 98666-5000.

CLARK COUNTY, WASHINGTON
Statement of Net Position
December 31, 2023

	Primary government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Clark County Public Facilities District
ASSETS				
Cash, cash equivalents & pooled investments	\$ 460,511,672	\$ 20,681,540	\$ 481,193,212	\$ 427,509
Deposits in trust	715,000	-	715,000	-
Net Receivables	82,963,594	1,194,823	84,158,417	168,057
Inventories	3,147,951	125,921	3,273,872	-
Prepays	4,749,474	6,282	4,755,756	-
Notes receivable	25,464,524	-	25,464,524	-
Capital assets not being depreciated/amortized:				
Land, infrastructure and construction in progress	1,271,778,564	129,874,193	1,401,652,757	-
Capital assets net of accumulated depreciation/amortization	170,288,888	1,313,245	171,602,133	-
Net pension asset	45,236,017	649,111	45,885,128	-
Total assets	2,064,855,684	153,845,115	2,218,700,799	595,566
DEFERRED OUTFLOWS OF RESOURCES				
Amounts related to pensions	35,033,130	533,324	35,566,454	-
Amounts related to Asset Retirement Obligations	327,212	-	327,212	-
Amounts related to OPEB	1,758,566	25,066	1,783,632	-
Total deferred outflows of resources	37,118,908	558,390	37,677,298	-
LIABILITIES				
Internal balances	(1,126,840)	1,126,840	-	-
Accounts payable and other current payables	18,385,440	235,024	18,620,464	168,838
Accrued liabilities	8,451,553	156,113	8,607,666	-
Deposits payable	1,533,184	43,658	1,576,842	-
Due to other governments	2,618,721	17,906	2,636,627	-
Unearned revenue	40,497,510	113,751	40,611,261	-
Long term liabilities:				
Other due within one year	16,038,659	22,731	16,061,390	-
Other due in more than one year	84,319,282	403,052	84,722,334	-
Net pension liability	14,990,942	313,405	15,304,347	-
Total OPEB Liability	21,395,162	58,575	21,453,737	-
Total liabilities	207,103,613	2,491,055	209,594,668	168,838
DEFERRED INFLOWS OF RESOURCES				
Amounts related to pensions	24,459,178	389,648	24,848,826	-
Amounts related to OPEB	8,461	167	8,628	-
Amounts Related to Leases	18,533,590	-	18,533,590	-
Amounts related to refunding	771,069	-	771,069	-
Total deferred inflows of resources	43,772,298	389,815	44,162,113	-
NET POSITION				
Net investment in capital assets	1,383,343,305	131,187,438	1,514,530,743	-
Restricted for:				
Culture and recreation	60,508,478	-	60,508,478	-
Economic environment	67,709,038	-	67,709,038	-
Public Safety	4,501,553	-	4,501,553	-
Debt service- debt covenants	17,054,758	-	17,054,758	-
Transportation	45,619,774	-	45,619,774	-
Health and human services	47,425,692	-	47,425,692	-
Landfill and other remediation	4,947,188	-	4,947,188	-
General government	5,135,100	-	5,135,100	-
Workers compensation claims	150,000	-	150,000	-
Pension	45,236,017	649,111	45,885,128	-
Unrestricted	169,467,778	19,686,086	189,153,864	426,728
Total net position	\$ 1,851,098,681	\$ 151,522,635	\$ 2,002,621,316	\$ 426,728

See accompanying notes to the financial statements

CLARK COUNTY, WASHINGTON
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position			Clark County Public Facilities District
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business- Type Activities	Total	
<i>Primary Government:</i>									
<i>Governmental Activities:</i>									
General government	\$ 107,161,539	\$ (7,329,208)	\$ 27,682,472	\$ 44,227,177	\$ -	\$ (27,922,682)	\$ -	\$ (27,922,682)	\$ -
Public safety	95,544,384	167,966	6,975,159	4,299,979	-	(84,437,212)	-	(84,437,212)	-
Transportation	48,875,287	2,088,946	14,389,912	10,582,790	26,797,439	805,908	-	805,908	-
Natural & Economic Environment	43,957,978	1,536,919	17,181,961	26,666,672	-	(1,646,264)	-	(1,646,264)	-
Social services	58,144,352	2,639,137	20,823,808	38,396,508	-	(1,563,173)	-	(1,563,173)	-
Culture and recreation	20,365,170	355,041	12,165,510	6,224,326	2,281,111	(49,264)	-	(49,264)	-
Interest on long term debt	1,837,529	-	-	-	-	(1,837,529)	-	(1,837,529)	-
Total governmental activities	375,886,239	(541,199)	99,218,822	130,397,452	29,078,550	(116,650,216)	-	(116,650,216)	-
<i>Business-type Activities:</i>									
Solid waste	2,881,296	124,765	2,955,052	639,327	-	-	588,318	588,318	-
Golf course	2,200,655	-	2,606,805	-	-	-	406,150	406,150	-
Water	7,259,309	416,434	11,302,232	25,000	-	-	3,651,489	3,651,489	-
Total business-type activities	12,341,260	541,199	16,864,089	664,327	-	-	4,645,957	4,645,957	-
Total primary government	388,227,499	-	116,082,911	131,061,779	29,078,550	(116,650,216)	4,645,957	(112,004,259)	-
<i>Component Unit</i>									
Public Facilities District	5,719,970	-	-	1,629,612	-	-	-	-	(4,090,358)
Total Component Unit	5,719,970	-	-	1,629,612	-	-	-	-	(4,090,358)
<i>General Revenues:</i>									
Property taxes						132,312,269	-	132,312,269	-
Sales taxes						84,866,883	-	84,866,883	1,680,013
Excise and other taxes						12,361,164	-	12,361,164	-
Interest and investment earnings						26,899,696	946,161	27,845,857	137,941
Gain on sale of capital assets						50,487	-	50,487	-
Transfers						395,000	(395,000)	-	-
Total general revenues and transfers						256,885,499	551,161	257,436,660	1,817,954
Change in net position						140,235,283	5,197,118	145,432,401	(2,272,404)
Net position as of January 1						1,697,612,635	145,503,219	1,843,115,854	2,699,132
Prior Period Adjustment						13,250,763	822,298	14,073,061	-
Net position as of January 1 - restated						1,710,863,398	146,325,517	1,857,188,915	2,699,132
Net position as of December 31						\$ 1,851,098,681	\$ 151,522,635	\$ 2,002,621,316	\$ 426,728

See accompanying notes to the financial statements

Clark County Washington
Balance Sheet
Governmental Funds
December 31, 2023

	Special Revenue Major Funds				
	General Fund	County Roads	Community Services Grants	Campus Development	Opioid and Overdose Response
Assets					
Cash, cash equivalents and pooled investments	\$ 97,503,429	\$ 35,723,190	\$ 12,930,015	\$ 2,900,591	\$ 1,316,448
Taxes receivable	13,605,708	2,098,799	-	-	-
Accounts receivable	5,120,620	98,895	2,700	10,406	19,598,708
Interest receivable	-	-	-	120,550	-
Lease receivable	-	-	-	13,625,940	-
Due from other funds	1,382,797	6,817,428	2,565,766	44	-
Due from other governments	1,814,903	5,188,400	4,623,246	11,831	-
Inventory	4,454	2,345,758	-	-	-
Prepaid expenditures	1,526,903	2,748	26,395	-	-
Notes/contract receivables	300,284	-	25,162,810	-	-
Total assets	121,259,098	52,275,218	45,310,932	16,669,362	20,915,156
Liabilities, deferred inflows of resources and fund balance					
<i>Liabilities</i>					
Accounts payable	5,274,187	2,191,738	4,109,315	30,807	95,169
Other payables	31,492	2,267	3,539	-	-
Due to other funds	3,163,971	1,500,715	127,508	12	-
Due to other governments	488,367	62,403	225,877	8,670	-
Claims and judgements payable	118,600	-	-	-	-
Accrued liabilities	5,953,156	865,326	132,071	19	-
Deposits payable	14,808	365,190	64,528	2,500	-
Unearned revenue	413,792	794,360	2,700	-	-
Total liabilities	15,458,373	5,781,999	4,665,538	42,008	95,169
<i>Deferred Inflows of Resources</i>					
Unavailable revenue-property taxes	1,119,896	1,042,688	-	-	-
Unavailable revenue-leases	-	-	-	12,156,011	-
Unavailable other revenue	1,453,470	379,508	77,852	-	-
Unavailable revenue-court	1,806,731	-	-	-	-
Unavailable revenue-settlements	-	-	-	-	19,598,708
Total deferred inflows of resources	4,380,097	1,422,196	77,852	12,156,011	19,598,708
<i>Fund Balance</i>					
Nonspendable	1,531,357	2,348,505	26,395	-	-
Restricted	-	42,352,106	40,414,478	2,656,959	1,221,279
Committed	-	-	-	-	-
Assigned	57,465,410	370,412	126,669	1,814,384	-
Unassigned	42,423,861	-	-	-	-
Total fund balance	101,420,628	45,071,023	40,567,542	4,471,343	1,221,279
Total liabilities, deferred inflows of resources, and fund balance	\$ 121,259,098	\$ 52,275,218	\$ 45,310,932	\$ 16,669,362	\$ 20,915,156

See accompanying notes to the financial statements

Clark County Washington
Balance Sheet
Governmental Funds
December 31, 2023

	Special Revenue Major Funds	Capital Project Major Funds	Other Governmental Funds	Total
	American Rescue Plan	Development Impact Fees		
Assets				
Cash, cash equivalents and pooled investments	\$ 26,387,216	\$ 56,919,286	\$ 170,671,624	\$ 404,351,799
Taxes receivable	-	-	3,429,943	19,134,450
Accounts receivable	-	-	6,985,635	31,816,964
Interest receivable	-	-	-	120,550
Lease receivable	-	-	-	13,625,940
Due from other funds	112,096	300,856	3,708,393	14,887,380
Due from other governments	-	-	3,696,123	15,334,503
Inventory	-	-	6,870	2,357,082
Prepaid expenditures	463,938	-	297,232	2,317,216
Notes/contract receivables	-	-	1,430	25,464,524
Total assets	26,963,250	57,220,142	188,797,250	529,410,408
Liabilities, deferred inflows of resources and fund balance				
<i>Liabilities</i>				
Accounts payable	949,215	1,606	2,925,988	15,578,025
Other payables	-	-	20,159	57,457
Due to other funds	3,350,413	1,295,194	6,943,881	16,381,694
Due to other governments	60,005	-	1,773,399	2,618,721
Claims and judgements payable	-	-	-	118,600
Accrued liabilities	94,036	-	1,406,143	8,450,751
Deposits payable	-	-	991,725	1,438,751
Unearned revenue	22,502,583	-	1,081,099	24,794,534
Total liabilities	26,956,252	1,296,800	15,142,394	69,438,533
<i>Deferred Inflows of Resources</i>				
Unavailable revenue-property taxes	-	-	147,971	2,310,555
Unavailable revenue-leases	-	-	5,925,699	18,081,710
Unavailable other revenue	-	-	411,133	2,321,963
Unavailable revenue-court	-	-	-	1,806,731
Unavailable revenue-settlements	-	-	-	19,598,708
Total deferred inflows of resources	-	-	6,484,803	44,119,667
<i>Fund Balance</i>				
Nonspendable	463,938	-	304,102	4,674,297
Restricted	-	55,923,342	148,416,683	290,984,847
Committed	-	-	11,428,200	11,428,200
Assigned	-	-	7,086,032	66,862,907
Unassigned	(456,940)	-	(64,964)	41,901,957
Total fund balance	6,998	55,923,342	167,170,053	415,852,208
Total liabilities, deferred inflows of resources, and fund balance	\$ 26,963,250	\$ 57,220,142	\$ 188,797,250	\$ 529,410,408

See accompanying notes to the financial statements

CLARK COUNTY, WASHINGTON
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
December 31, 2023

Total fund balances as shown on the Governmental Funds Balance Sheet:	\$ 415,852,208
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. This amount reflects the initial investment in capital assets, net of depreciation. (This amount does not include internal service funds.)	1,412,968,489
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(99,766,305)
The County reports unavailable revenue under a modified accrual basis of accounting in the governmental funds balance sheet. Government-wide statements record revenue when it is earned, therefore unavailable revenue is not reported in the government-wide statements.	26,037,957
Other long-term assets and deferred charges are not available to pay for current-period expenditures and are not included in the fund statements. These items are reported in the statement of net position.	(590,192)
Internal service funds are used to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	77,717,513
Other items related to pension and other post-employment benefit (OPEB) activity are not financial resources, therefore, not reported in the funds.	18,879,011
Total net position as reflected on the Statement of Net Position:	<u>\$ 1,851,098,681</u>

See accompanying notes to the financial statements

Clark County Washington
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue Major Funds				
	General Fund	County Roads	Community Services Grants	Campus Development	Opioid and Overdose Response
Revenues:					
Property taxes	\$ 77,831,748	\$ 43,879,880	\$ -	\$ -	\$ -
Sales and use taxes	59,307,154	-	-	-	-
Excise and other taxes	611,631	270,029	-	-	-
Licenses & permits	3,590,916	547,470	42,540	-	-
Intergovernmental	18,127,612	17,892,816	32,503,647	-	-
Charges for services	27,874,479	6,888,758	2,507,877	18,780	-
Fines & forfeitures	1,814,837	-	-	-	-
Interest earnings (loss)	10,094,453	1,343,586	909,846	1,814,384	5,542
Donations	54,840	-	-	-	-
Other revenues	436,923	15,286	-	3,338,462	730,317
Total revenues	199,744,593	70,837,825	35,963,910	5,171,626	735,859
Expenditures:					
Current:					
General government	81,105,284	1,642	-	3,332,820	-
Public safety	93,275,704	-	-	-	-
Transportation	1,406,007	50,442,574	-	-	-
Natural & Economic env.	3,341,073	-	15,697,626	-	-
Social services	2,189,754	-	21,441,706	-	237,922
Culture and Recreation	2,124,276	-	-	-	-
Capital outlay:					
General government	912,617	-	-	-	-
Public Safety	110,292	-	-	-	-
Transportation	1,430,404	14,983,467	-	-	-
Natural and economic environment	-	-	-	-	-
Social Services	-	-	-	-	-
Culture & recreation	7,401	-	-	-	-
Debt service:					
Principal	1,211,270	106,000	-	-	-
Interest and other charges	122,927	-	220	-	-
Total expenditures	187,237,009	65,533,683	37,139,552	3,332,820	237,922
Excess (deficiency) of revenues over (under) expenditures	12,507,584	5,304,142	(1,175,642)	1,838,806	497,937
Other Financing Sources (Uses):					
Sale of capital assets	26,256	46	-	-	-
Insurance recoveries	-	-	-	-	-
Finance Lease and SBITA	826,397	224,020	-	-	-
Transfers in	18,457,806	5,869,581	1,108,305	-	-
Transfers out	(10,321,057)	(1,635,131)	-	(981,560)	-
Total other financing sources (uses)	8,989,402	4,458,516	1,108,305	(981,560)	-
Net change in fund balances	21,496,986	9,762,658	(67,337)	857,246	497,937
Fund balance as of January 1	79,923,642	36,058,365	27,438,824	3,614,097	723,342
Prior period adjustments	-	(750,000)	13,196,055	-	-
Fund balance as of January 1 - restated	79,923,642	35,308,365	140,634,879	3,614,097	723,342
Fund balance as of December 31	\$ 101,420,628	\$ 45,071,023	\$ 40,567,542	\$ 4,471,343	\$ 1,221,279

See accompanying notes to the financial statements

Clark County Washington
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue Major Funds	Capital Project Major Fund	Other Governmental Funds	Total
	American Rescue Plan	Development Impact Fees		
Revenues:				
Property taxes	\$ -	\$ -	\$ 10,418,225	\$ 132,129,853
Sales and use taxes	-	-	25,559,729	84,866,883
Excise and other taxes	-	-	11,479,504	12,361,164
Licenses & permits	-	-	15,834,061	20,014,987
Intergovernmental	39,663,480	-	29,198,104	137,385,659
Charges for services	-	11,890,057	9,971,109	59,151,060
Fines & forfeitures	-	-	5,301	1,820,138
Interest earnings (loss)	-	2,353,824	7,548,609	24,070,244
Donations	-	-	443,738	498,578
Other revenues	-	-	1,932,221	6,453,209
Total revenues	39,663,480	14,243,881	112,390,601	478,751,775
Expenditures:				
Current:				
General government	7,020,253	-	4,438,093	95,898,092
Public safety	327,747	-	10,221,623	103,825,074
Transportation	-	-	-	51,848,581
Natural & Economic env.	-	-	15,539,242	34,577,941
Social services	9,039,398	-	38,709,571	71,618,351
Culture and Recreation	8,325	209	16,523,540	18,656,350
Capital outlay:				
General government	4,287,699	-	164,696	5,365,012
Public Safety	-	-	-	110,292
Transportation	-	-	741,571	17,155,442
Natural and economic environment	-	-	34,482	34,482
Social Services	523,574	-	231,212	754,786
Culture & recreation	-	570,562	1,142,043	1,720,006
Debt service:				
Principal	114,062	-	7,491,263	8,922,595
Interest and other charges	16,730	-	1,672,690	1,812,567
Total expenditures	21,337,788	570,771	96,910,026	412,299,571
Excess (deficiency) of revenues over (under) expenditures	18,325,692	13,673,110	15,480,575	66,452,204
Other Financing Sources (Uses):				
Sale of capital assets	-	-	5,986	32,288
Insurance recoveries	-	-	2,535	2,535
Finance Lease and SBITA	-	-	231,212	1,281,629
Transfers in	-	-	31,484,356	56,920,048
Transfers out	(18,322,698)	(3,273,866)	(25,579,337)	(60,113,649)
Total other financing sources (uses)	(18,322,698)	(3,273,866)	6,144,752	(1,877,149)
Net change in fund balances	2,994	10,399,244	21,625,327	64,575,055
Fund balance as of January 1	4,004	45,524,098	145,544,726	338,831,098
Prior period adjustments	-	-	-	12,446,055
Fund balance as of January 1 - restated	4,004	45,524,098	145,544,726	351,277,153
Fund balance as of December 31	\$ 6,998	\$ 55,923,342	\$ 167,170,053	\$ 415,852,208

See accompanying notes to the financial statements

CLARK COUNTY, WASHINGTON
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2023

Net change in fund balances as shown on Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance:	\$ 64,575,055
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense	14,925,394
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) to increase net position.	26,475,437
Internal service fund expenses are allocated to other funds. The net expense of certain internal service fund activities is reported with governmental activities on the Statement of Activities.	7,044,386
The issuance of long-term debt and other long term liabilities provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This entry is the net effect of these differences in the treatment of long-term debt issuance and payments.	8,959,062
Governmental funds report revenue in the current period for revenues unearned and/or deferred in prior periods, since they were not available financing sources at the time. Government-wide statements record revenues at the time they are earned. This amount accounts for the change in deferred inflows of resources during the fiscal year and the change in other long term assets.	3,161,945
Some expenses reported in the statement of activities do not require the use of current financial resources, and accordingly, are not reported as expenditures in governmental funds.	<u>15,094,004</u>
Change in net position, as reflected on the Statement of Activities	<u>\$ 140,235,283</u>

See accompanying notes to the financial statements

Clark County Washington
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the year ended December 31, 2023

	Original Budget	Final Budget	Actual to Date	Variance with Final Budget Positive/ (Negative)
Revenues:				
Property taxes	\$ 77,445,117	\$ 77,445,117	\$ 77,831,748	\$ 386,631
Sales and use taxes	60,436,000	60,436,000	59,307,154	(1,128,846)
Excise and other taxes	468,394	468,394	611,631	143,237
Licenses & permits	3,613,571	3,613,571	3,590,916	(22,655)
Intergovernmental	19,184,851	19,843,288	18,127,612	(1,715,676)
Charges for services	27,710,006	28,080,367	27,874,479	(205,888)
Fines & forfeitures	2,510,772	2,510,772	1,814,837	(695,935)
Interest earnings (loss)	2,326,058	2,326,058	10,094,453	7,768,395
Donations	-	-	54,840	54,840
Other revenues	235,139	355,139	436,923	81,784
Total revenues	193,929,908	195,078,706	199,744,593	4,665,887
Expenditures:				
Current:				
General government	87,595,268	84,454,887	81,105,284	3,349,603
Public safety	81,885,354	92,519,049	93,275,704	(756,655)
Transportation	2,953,942	2,037,862	1,406,007	631,855
Natural & Economic env.	3,733,524	4,589,209	3,341,073	1,248,136
Social services	2,076,248	2,343,206	2,189,754	153,452
Culture and Recreation	2,330,527	2,354,887	2,124,276	230,611
Capital outlay:				
General government	430,000	460,000	912,617	(452,617)
Public Safety	-	307,881	110,292	197,589
Transportation	1,737,582	1,572,950	1,430,404	142,546
Culture and recreation	-	7,401	7,401	-
Debt service:				
Principal	-	-	1,211,270	(1,211,270)
Interest and other charges	273,390	770,106	122,927	647,179
Total expenditures	183,015,835	191,417,438	187,237,009	4,180,429
Excess (deficiency) of revenues over expenditures	10,914,073	3,661,268	12,507,584	8,846,316
Sale of capital assets	-	-	26,256	26,256
Finance Lease and SBITA	-	-	826,397	826,397
Transfers in	164,750	18,487,448	18,457,806	(29,642)
Transfers out	(19,828,675)	(22,130,726)	(10,321,057)	11,809,669
Total other financing sources(uses)	(19,663,925)	(3,643,278)	8,989,402	12,632,680
Net change in fund balance	(8,749,852)	17,990	21,496,986	21,478,996
Fund balance as of January 1	79,923,642	79,923,642	79,923,642	-
Prior period adjustments	-	-	-	-
Fund balance as of January 1-restated	79,923,642	79,923,642	79,923,642	-
Fund balance as of December 31	\$ 71,173,790	\$ 79,941,632	\$ 101,420,628	\$ 21,478,996

See accompanying notes to the financial statements

Clark County Washington
County Roads
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the year ended December 31, 2023

	Original Budget	Final Budget	Actual to Date	Variance with Final Budget Positive/ (Negative)
<u>Revenues</u>				
Property taxes	\$ 41,241,322	\$ 41,241,322	\$ 43,879,880	\$ 2,638,558
Excise and other taxes	290,000	290,000	270,029	(19,971)
Licenses and permits	454,000	454,000	547,470	93,470
Intergovernmental	25,760,300	22,220,300	17,892,816	(4,327,484)
Charges for services	11,832,015	14,229,015	6,888,758	(7,340,257)
Interest earnings (loss)	150,000	150,000	1,343,586	1,193,586
Other revenues	379,000	379,000	15,286	(363,714)
Total Revenues	80,106,637	78,963,637	70,837,825	(8,125,812)
<u>Expenditures</u>				
Current:				
General government	-	-	1,642	(1,642)
Transportation	64,353,321	64,066,775	50,442,574	13,624,201
Capital outlay:				
Transportation	19,067,488	17,357,116	14,983,467	2,373,649
Principal	-	-	106,000	(106,000)
Interest and other charges	41,305	116,353	-	116,353
Total Expenditures	83,462,114	81,540,244	65,533,683	16,006,561
Excess (deficiency) of revenues over expenditures	(3,355,477)	(2,576,607)	5,304,142	7,880,749
Sale of capital assets	466,000	466,000	46	(465,954)
Finance Lease and SBITA	-	-	224,020	224,020
Transfers in	11,275,318	11,779,318	5,869,581	(5,909,737)
Transfers out	(1,635,131)	(1,635,131)	(1,635,131)	-
Total other financing sources (uses)	10,106,187	10,610,187	4,458,516	(6,151,671)
Net change in fund balance	6,750,710	8,033,580	9,762,658	1,729,078
Fund balance as of January 1	36,058,365	36,058,365	36,058,365	-
Prior period adjustments	-	-	(750,000)	(750,000)
Fund balance as of January 1 -restated	36,058,365	36,058,365	35,308,365	(750,000)
Fund balance as of December 31	\$ 42,809,075	\$ 44,091,945	\$ 45,071,023	\$ 979,078

See accompanying notes to the financial statements

Clark County Washington
Community Services Grants
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the year ended December 31, 2023

	Original Budget	Final Budget	Actual to Date	Variance with Final Budget Positive/ (Negative)
<u>Revenues</u>				
Licenses and permits	\$ 45,000	\$ 45,000	\$ 42,540	\$ (2,460)
Intergovernmental	51,660,031	66,143,748	32,503,647	(33,640,101)
Charges for services	10,650,056	10,650,056	2,507,877	(8,142,179)
Interest earnings (loss)	1,000	1,000	909,846	908,846
Total Revenues	62,356,087	76,839,804	35,963,910	(40,875,894)
<u>Expenditures</u>				
Current:				
General government	1,394	-	-	-
Natural & Economic env.	9,918,076	9,911,371	15,697,626	(5,786,255)
Social services	52,244,914	66,725,625	21,441,706	45,283,919
Interest and other charges	9,101	24,237	220	24,017
Total Expenditures	62,173,485	76,661,233	37,139,552	39,521,681
Excess (deficiency) of revenues over expenditures	182,602	178,571	(1,175,642)	(1,354,213)
Transfers in	1,308,305	1,308,305	1,108,305	(200,000)
Transfers out	(200,000)	(200,000)	-	200,000
Total other financing sources (uses)	1,108,305	1,108,305	1,108,305	-
Net change in fund balance	1,290,907	1,286,876	(67,337)	(1,354,213)
Fund balance as of January 1	27,438,824	27,438,824	27,438,824	-
Prior period adjustments	-	-	13,196,055	13,196,055
Fund balance as of January 1 -restated	27,438,824	27,438,824	40,634,879	13,196,055
Fund balance as of December 31	\$ 28,729,731	\$ 28,725,700	\$ 40,567,542	\$ 11,841,842

See accompanying notes to the financial statements

Clark County Washington
Campus Development
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the year ended December 31, 2023

	Original Budget	Final Budget	Actual to Date	Variance with Final Budget Positive/ (Negative)
<u>Revenues</u>				
Charges for services	\$ 6,000	\$ 6,000	\$ 18,780	\$ 12,780
Interest earnings (loss)	16,000	16,000	1,814,384	1,798,384
Other revenues	4,863,484	4,863,484	3,338,462	(1,525,022)
Total Revenues	4,885,484	4,885,484	5,171,626	286,142
<u>Expenditures</u>				
General government	3,337,580	3,337,580	3,332,820	4,760
Total Expenditures	3,337,580	3,337,580	3,332,820	4,760
Excess (deficiency) of revenues over expenditures	1,547,904	1,547,904	1,838,806	290,902
Transfers out	(981,560)	(981,560)	(981,560)	-
Total other financing sources (uses)	(981,560)	(981,560)	(981,560)	-
Net change in fund balance	566,344	566,344	857,246	290,902
Fund balance as of January 1	3,614,097	3,614,097	3,614,097	-
Fund balance as of December 31	\$ 4,180,441	\$ 4,180,441	\$ 4,471,343	\$ 290,902

See accompanying notes to the financial statements

Clark County Washington
Opioid and Overdose Response
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the year ended December 31, 2023

	Original Budget	Final Budget	Actual to Date	Variance with Final Budget Positive/ (Negative)
<u>Revenues</u>				
Interest earnings (loss)	\$ -	\$ -	\$ 5,542	\$ 5,542
Other revenues	571,012	1,730,532	730,317	(1,000,215)
Total Revenues	571,012	1,730,532	735,859	(994,673)
<u>Expenditures</u>				
Social services	571,012	1,730,532	237,922	1,492,610
Total Expenditures	571,012	1,730,532	237,922	1,492,610
Net change in fund balance	-	-	497,937	497,937
Fund balance as of January 1	723,342	723,342	723,342	-
Fund balance as of December 31	\$ 723,342	\$ 723,342	\$ 1,221,279	\$ 497,937

See accompanying notes to the financial statements

Clark County Washington
American Rescue Plan
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the year ended December 31, 2023

	Original Budget	Final Budget	Actual to Date	Variance with Final Budget Positive/ (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 61,684,810	\$ 83,440,165	\$ 39,663,480	\$ (43,776,685)
Total Revenues	61,684,810	83,440,165	39,663,480	(43,776,685)
<u>Expenditures</u>				
General government	26,517,491	29,111,525	7,020,253	22,091,272
Public safety	400,000	400,000	327,747	72,253
Natural & Economic env.	157,622	157,622	-	157,622
Social services	19,070,654	19,120,656	9,039,398	10,081,258
Culture and Recreation	-	8,325	8,325	-
General government	15,765,000	16,545,298	4,287,699	12,257,599
Social services	300,000	300,000	523,574	(223,574)
Principal	-	-	114,062	(114,062)
Interest and other charges	-	-	16,730	(16,730)
Total Expenditures	62,210,767	65,643,426	21,337,788	44,305,638
Excess (deficiency) of revenues over expenditures	(525,957)	17,796,739	18,325,692	528,953
Transfers out	-	(18,322,698)	(18,322,698)	-
Total other financing sources (uses)	-	(18,322,698)	(18,322,698)	-
Net change in fund balance	(525,957)	(525,959)	2,994	528,953
Fund balance as of January 1	4,004	4,004	4,004	-
Fund balance as of December 31	\$ (521,953)	\$ (521,955)	\$ 6,998	\$ 528,953

See accompanying notes to the financial statements

Clark County Washington
Statement of Net Position
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Fund			Governmental Activities
	Major	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Clean Water			
Assets				
Current assets:				
Cash, cash equivalents and pooled investments	\$ 12,115,119	\$ 8,566,421	\$ 20,681,540	\$ 56,159,873
Deposit in trust	-	-	-	715,000
Special assessments receivable	101,576	-	101,576	-
Other receivables	4,318	266,591	270,909	825,279
Due from other funds	-	61,512	61,512	3,439,573
Due from other governments	657,861	164,477	822,338	1,507,353
Inventory (at cost)	-	125,921	125,921	790,868
Prepaid expense	5,597	685	6,282	2,432,258
Lease receivable - short term	-	-	-	56,213
Total current assets	12,884,471	9,185,607	22,070,078	65,926,417
Noncurrent assets:				
Lease receivable - Long term	-	-	-	542,472
Net pension asset	431,424	217,687	649,111	1,641,464
Capital assets not being depreciated				
Land	39,493,511	6,590,758	46,084,269	-
Infrastructure not being depreciated	83,198,019	-	83,198,019	-
Construction in progress	591,905	-	591,905	3,855,687
Capital assets being depreciated				
Buildings	-	1,741,378	1,741,378	102,357
Improvements	-	891,412	891,412	1,270,962
Machinery and equipment	27,432	257,105	284,537	52,545,698
Infrastructure	-	944,358	944,358	-
Intangibles	-	-	-	2,674,990
Less accumulated depreciation	(16,612)	(2,531,828)	(2,548,440)	(31,350,731)
Total noncurrent assets	123,725,679	8,110,870	131,836,549	31,282,899
Total assets	136,610,150	17,296,477	153,906,627	97,209,316
Deferred outflows of resources				
Deferred outflows - pension	354,468	178,856	533,324	1,348,665
Deferred outflows - OPEB	17,574	7,492	25,066	71,206
Deferred outflows - ARO	-	-	-	146,335
Total deferred outflows of resources	372,042	186,348	558,390	1,566,206
Liabilities				
Current liabilities:				
Accounts payable	108,334	126,006	234,340	2,382,508
Other payables	97,820	57,806	155,626	405,888
Due to other funds	872,239	316,112	1,188,351	818,419
Due to other governments	143	17,763	17,906	150,592
Accrued liabilities	734	438	1,172	3,046
Deposits payable	43,658	-	43,658	94,434
Lease liability - Short term	-	-	-	186,870
Unearned Revenue	113,751	-	113,751	300,227
Compensated absences- current	2,881	15,478	18,359	45,786
Current long term liabilities	3,065	1,307	4,372	3,582,316
Total current liabilities	1,242,625	534,910	1,777,535	7,970,086
Noncurrent liabilities:				
Lease liability - Long Term	-	-	-	82,478
Contracts payable	-	-	-	158,396
Compensated absences	304,833	98,219	403,052	803,149
Net pension liability	208,301	105,104	313,405	792,542
Total OPEB Liability	41,068	17,507	58,575	166,402
Asset retirement obligation	-	-	-	880,000
Accrued claims payable	-	-	-	8,767,247
Total noncurrent liabilities	554,202	220,830	775,032	11,650,214
Total liabilities	1,796,827	755,740	2,552,567	19,620,300
Deferred inflows of resources				
Deferred inflows - Pensions	258,975	130,673	389,648	985,339
Deferred inflows - Lease	-	-	-	451,881
Deferred inflows - OPEB	117	50	167	472
Total deferred inflows of resources	259,092	130,723	389,815	1,437,692
Net Position				
Net Investment in capital assets	123,294,255	7,893,183	131,187,438	28,888,749
Restricted for workers compensation claims	-	-	-	150,000
Restricted for pension	431,424	217,687	649,111	1,641,464
Unrestricted	11,200,594	8,485,492	19,686,086	47,037,317
Total net position	\$ 134,926,273	\$ 16,596,362	\$ 151,522,635	\$ 77,717,530

Clark County Washington
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major			Internal Service Activities
	Clean Water	Nonmajor Enterprise Funds	Total	
OPERATING REVENUES				
Charges for services	\$ 7,804,578	\$ 5,515,466	\$ 13,320,044	\$ 60,917,499
Miscellaneous	6,454	-	6,454	7,468,875
Total operating revenues	7,811,032	5,515,466	13,326,498	68,386,374
OPERATING EXPENSES				
Personal services	2,309,389	1,341,381	3,650,770	10,696,830
Pension and OPEB Adjustment	(192,667)	(102,124)	(294,791)	(733,850)
Contractual services	5,516,529	3,824,904	9,341,433	44,580,844
Other supplies and expenses	39,555	92,796	132,351	9,793,354
Depreciation	2,937	49,759	52,696	3,626,331
Total operating expenses	7,675,743	5,206,716	12,882,459	67,963,509
Operating Income (loss)	135,289	308,750	444,039	422,865
NONOPERATING REVENUES (EXPENSES)				
Interest and investment revenue	578,301	367,860	946,161	2,833,017
Asset Retirement Obligation Expense	-	-	-	(24,333)
Grant revenue	25,000	639,327	664,327	112,093
Miscellaneous revenue	32,414	46,391	78,805	102,724
Gain/(loss) on disposition of capital assets	-	-	-	35,342
Interest expense	-	-	-	(45,975)
Total non-operating revenues (expenses)	635,715	1,053,578	1,689,293	3,012,868
Income (loss) before contributions, special items and transfers	771,004	1,362,328	2,133,332	3,435,733
Capital contributions	3,458,786	-	3,458,786	20,069
Transfers in	-	-	-	3,991,326
Transfers out	-	(395,000)	(395,000)	(402,725)
Change in net position	4,229,790	967,328	5,197,118	7,044,403
Net position as of January 1	130,000,106	15,503,113	145,503,219	70,506,568
Prior period adjustments	696,377	125,921	822,298	166,559
Net position as of January 1	130,696,483	15,629,034	146,325,517	70,673,127
Net position as of December 31	\$ 134,926,273	\$ 16,596,362	\$ 151,522,635	\$ 77,717,530

See accompanying notes to the financial statements

Clark County Washington
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major	Nonmajor Enterprise Funds		Internal Service Funds
	Clean Water		Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers (inflows)	\$ 7,941,234	\$ 5,515,466	\$ 13,456,700	\$ 1,975,158
Receipts from customers (outflows)	-	(15,878)	(15,878)	(270,245)
Receipts from interfund services provided (inflows)	-	-	-	58,673,919
Receipts from interfund services provided (outflows)	-	(23,655)	(23,655)	(1,505,819)
Payments to suppliers (outflow)	(5,677,729)	(3,905,628)	(9,583,357)	(54,324,129)
Payments to employees	(2,292,302)	(1,300,627)	(3,592,929)	(10,577,069)
Payments for interfund services used (inflows)	439,831	200,000	639,831	808,456
Payments for interfund services used (outflows)	-	(20,805)	(20,805)	(39,055)
Miscellaneous receipts/expenses (inflows)	38,868	46,391	85,259	7,534,625
Claims paid (outflows)	-	-	-	(140,187)
Claims paid (inflows)	-	-	-	392,019
Net cash provided (used) by operating activities	449,902	495,264	945,166	2,527,673
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating grants received	25,000	639,327	664,327	112,093
Advance from other funds- outflows	-	-	-	-
Repayment of long-term debt and other	-	-	-	-
Operating Debt interest	-	-	-	-
Transfer to other governments	-	-	-	-
Transfers from other funds	-	-	-	3,991,326
Transfers to other funds	-	(395,000)	(395,000)	(402,725)
Net cash provided (used) by noncapital financing activities	25,000	244,327	269,327	3,700,694
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	771,580	-	771,580	20,069
Principal paid on capital debt	-	-	-	(45,975)
Principal paid on lease debt	-	-	-	(359,314)
Purchases of capital assets	(1,047,185)	-	(1,047,185)	(8,808,380)
Proceeds from sales of capital assets	-	-	-	465,138
Net cash (used) by capital and related financing activities	(275,605)	-	(275,605)	(8,728,462)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest earnings	578,301	367,860	946,161	2,833,015
Net cash provided by investing activities	578,301	367,860	946,161	2,833,015
Net increase/(decrease) in cash and cash equivalents	777,598	1,107,451	1,885,049	332,920
Cash and cash equivalents on January 1	11,337,521	7,458,970	18,796,491	56,541,953
Cash and cash equivalents on December 31*	\$ 12,115,119	\$ 8,566,421	\$ 20,681,540	\$ 56,874,873

*Includes all cash, investments, and deposits in trust.

See accompanying notes to the financial statements

Clark County Washington
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities -- Enterprise Funds			Governmental Activities
	Major	Nonmajor Enterprise Funds		
	Clean Water		Totals	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 135,289	\$ 308,750	\$ 444,039	\$ 422,865
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	2,937	49,759	52,696	3,626,331
Pension expense for non-cash change in pension items	(192,667)	(102,124)	(294,791)	(733,850)
Miscellaneous receipts	32,414	46,391	78,805	102,724
(Increase) decrease in deposits	-	-	-	-
(Increase) decrease in accounts receivable	79,821	(17,888)	61,933	(82,385)
(Increase) decrease in due from other funds	-	(23,655)	(23,655)	(1,815,545)
(Increase) decrease in due from other governments	9,335	2,010	11,345	(148,589)
Increase (decrease) in accounts payables	(119,085)	(4,501)	(123,586)	327,280
(Increase) decrease in prepaids	31,202	(685)	30,517	(312,100)
Increase (decrease) in due to other funds	439,831	179,195	619,026	769,401
Increase (decrease) in due to other governments	(33,762)	17,258	(16,504)	(36,963)
Increase (decrease) in other liabilities	47,500	1,532	49,032	216,891
Increase (decrease) in inventory	-	-	-	71,852
Increase (decrease) in compensated absences	17,087	39,222	56,309	119,761
Asset donated to governmental activities	-	-	-	-
Net cash provided (used) by operating activities	\$ 449,902	495,264	\$ 945,166	\$ 2,527,673
Noncash investing, capital, and financing activities				
Contribution of capital assets	\$ 2,692,838	-	\$ 2,692,838	\$ -
RTU - Lease Capital Assets	\$ -	\$ -	\$ -	\$ 1,249,317

See accompanying notes to the financial statements

Clark County Washington
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Investment Trust Fund	Private Purpose Trust Fund - Crass	Custodial Funds
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ 33,254,981
Cash and deposits in trust	-	-	320,850
Pooled investments at fair value	491,541,125	61,047	-
Taxes receivable for other governments	-	-	10,318,695
Other assets	-	-	4,766,605
Total Assets	<u>491,541,125</u>	<u>61,047</u>	<u>48,661,131</u>
Liabilities			
Accounts payable and other liabilities	-	-	1,357,026
Due to other governments	-	-	8,662,062
Total Liabilities	<u>-</u>	<u>-</u>	<u>10,019,088</u>
Net Position			
Restricted-Pool participants	491,541,125	-	-
Restricted-Individuals, organizations & government	-	61,047	38,642,043
Total Net Position	<u>\$ 491,541,125</u>	<u>\$ 61,047</u>	<u>\$ 38,642,043</u>

See accompanying notes to the financial statements

Clark County Washington
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Investment Trust Fund	Private Purpose Trust Fund - Crass	Custodial Funds
Additions:			
Property tax collections for other governments	\$ -	\$ -	\$ 768,311,002
Additions by participants	802,558,217	-	-
Collection from investment disbursements	-	-	895,963,802
State and federal share revenues and grants collected for other governments	-	-	1,237,640,776
Other tax collections	-	-	88,191,424
Court collections for other governments	-	-	4,010,262
Assessments collected from customers	-	-	42,004,672
Collection of debt proceeds	-	-	775,000
Other Custodial Collections	-	-	89,592,935
Investment Income			
Interest, dividends and other	14,115,148	2,949	-
Net increase decrease in fair value of investments	13,489,434	-	(942,378)
Net investment income	27,604,582	2,949	(942,378)
Total Additions	830,162,799	2,949	3,125,547,495
Deductions:			
Distributions to participants	910,761,279	-	-
Distributions for investment purchases	-	-	798,081,058
Payments of property tax	-	-	379,280,770
Payments of other tax collections	-	-	81,513,136
Payments of court collections	-	-	3,941,467
Disbursements for wages and benefits	-	-	1,085,060,306
Disbursements to vendors and suppliers	-	-	625,819,842
Disbursements to bond and debt holders	-	-	135,105,507
Other Custodial disbursements	-	2,999	13,609,867
Total Deductions	910,761,279	2,999	3,122,411,953
Change in net position held for individuals, organizations and other governments	(80,598,480)	(50)	3,135,542
Net Position			
Restricted Net position as of January 1	572,139,605	61,097	35,506,501
Restricted Net position as of December 31	<u>\$ 491,541,125</u>	<u>\$ 61,047</u>	<u>\$ 38,642,043</u>

See accompanying notes to the financial statements

CLARK COUNTY WASHINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Clark County have been prepared in conformance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Washington State Auditor's Office has developed and implemented the Budgeting, Accounting, and Reporting System (BARS), designed to promote uniformity among cities and counties in Washington. Following is a summary of significant accounting policies for Clark County.

A. Financial Reporting Entity

The reporting entity "Clark County" consists of Clark County as the primary government, one discretely presented component unit, and five blended component units for which the County is financially accountable. Blended component units are legally separate entities, but are in substance a part of the County's operations. The data from these entities are combined with the financial data from the primary government.

In addition, the County has two related organizations (***Clark Regional Emergency Services Agency***) and (***Vancouver Library Capital Facilities Area***). Information on these relationships is included in Note 20, in these *Notes to the Financial Statements*.

Clark County is a Home Rule Charter County, which is governed by a five-member council and managed by an appointed county manager. Under this form of government, the council performs the legislative function of government and the county manager performs the executive functions. The home rule charter gives voters the powers of initiative and referendum. Under the charter there are four council districts which each elect one council member, with the fifth council member, the council chair, elected county-wide.

Discretely Presented Component Unit:

In 2002, Clark County formed the ***Clark County Public Facilities District (CCPFD)*** to collect a portion of state sales and use taxes within the public facilities district. These revenues are to be used solely to acquire, collect, own, remodel, maintain, and equip regional centers as defined by law. In 2003, the CCPFD and the City of Vancouver Public Facilities District (City PFD) entered into an interlocal agreement to transfer ninety-seven percent of the sales tax revenue received by the County PFD to the City's PFD to support the construction of the Vancouver Convention Center. The remainder of the revenue goes to support the construction and maintenance of the County Fairgrounds Expo Center.

As contractually required under the interlocal agreement, each year the City PFD sends CCPFD the excess tax revenue received over a cap amount as set out in the interlocal agreement. Under the interlocal agreement pursuant to the flow of funds under the refunding, the City PFD agrees to pay CCPFD 50% of the "surplus" annual revenues from the convention center project up to \$650,000, provided that payment doesn't exceed the amount the CCPFD transferred to the City PFD for the year. At the end of 2023, the CCPFD has no note receivable from the City PFD. The CCPFD is composed of five directors appointed by the Clark County Councilors. The CCPFD is a discretely presented component unit because the County cannot impose its will on the CCPFD and the CCPFD provides services to other entities. Separately issued financial statements for the CCPFD can be obtained by contacting the Clark County Auditor's Office, P.O. Box 5000,

Vancouver, Washington 98666-5000.

Blended Component Units:

Industrial Revenue Bond Corporation of Clark County (IRBC) was established in 1982 with the granting of its charter under RCW 39.84. The IRBC encourages industrial development by issuing industrial revenue bonds in accordance with the 1981 Economic Development Act of the State of Washington. Revenue bonds issued by the corporation are payable solely from revenues of the industrial development facility funded by the revenue bonds and are neither a liability nor a contingent liability of Clark County, the IRBC, or any other public entity. There are no bond issues outstanding at December 31, 2023. IRBC is a component unit of the County because: 1) it is a separate legal entity; 2) the Board of County Councilors comprises the Board of the IRBC and has operational responsibility for the IRBC; and 3) the County can impose its will on the IRBC. The operations of the IRBC are reported as a blended special revenue fund.

Emergency Medical Service District Number 1 (EMSD1) was established in 1986 as a quasi-municipal corporation and an independent taxing authority under RCW 36.32.480. In 1987, the District entered into an Interlocal Cooperation Agreement with Cowlitz County Emergency Medical Service District Number 1 and the Town of Yacolt to operate a joint emergency medical services agency designated as "North Country Emergency Medical Service" (NCEMS). EMSD1 ordinance designates the Board of Clark County Councilors as the governing body. The County has operational and financing responsibility for EMSD1. EMSD1 is a separate legal entity and collects property taxes and remits the property taxes received through the interlocal agreement to NCEMS.

Emergency Medical Service District Number 2 (EMSD2) was established in 1986 as a quasi-municipal corporation and an independent taxing authority under RCW 36.32.480. In 1995, an Emergency Medical Service (EMS) Interlocal Cooperation Agreement was signed by the County and various cities within the county to enable these jurisdictions to exercise uniform EMSD2 regulatory oversight and to participate in purchasing ambulance services in the contract service area. The EMSD2 is a separate legal entity. The EMSD2 ordinance designates the Board of Clark County Councilors as the governing body of the EMSD2. The County has operational and financing responsibility for the EMSD2, which is reported as a blended special revenue fund (Emergency Medical Services).

The Interlocal Cooperation Agreement expired on December 31, 2014 and the City of Vancouver elected not to renew its membership. The remaining parties agreed to keep the district intact. The City of Vancouver became the treasurer for all post 2014 monies. Clark County is holding the pre-2015 funds for EMSD until it is determined how the funds will be spent.

Fairgrounds Site Management Group (FSMG) was established in 2004 as a non-profit organization to oversee the management, operations and maintenance of the county fairgrounds and event center. All operating revenues collected by FSMG are the sole property of the County. The County adopts a budget for the expenditures relating to operations of the fairgrounds, financially supports the operations of the Event Center and the fairgrounds, and the services of the FSMG are provided almost entirely to the County. FSMG is a component unit of the County because: 1) it is a separate legal entity; 2) the five member board is made up of three members appointed by the Clark County Councilors and two members appointed by the Clark County Fair Association, 3) the County can impose its will on FSMG and 4) the County has the financial burden of supporting and funding operations at the fairgrounds and Event Center. Its operations are reported as a blended special revenue fund (Event Center Fund).

Metropolitan Park District (MPD) was approved by the citizens of the County by vote in 2005 under the authority of RCW 35.61. The MPD creates a district whereby a property tax is imposed to provide operating and maintenance funding for park and trail development in the unincorporated urban area of Clark County. The collection of taxes and the operation of the MPD are reported as a blended special revenue fund (Metropolitan Parks District Fund). The MPD is a separate legal entity governed by the Board of County Councilors and the County is operationally responsible for MPD activities and transactions.

B. Government-wide and Fund Financial Statements

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separate from business-type activities, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which direct expenses of a function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other revenues not included among program revenues are reported as general revenues.

Fund financial statements are used to report additional and more detailed information about the primary government and its blended component units. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized when measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues, when material, to be available if they are collected within 60 days of the end of the fiscal period. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. Exceptions to this rule include unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property and certain other taxes, licenses, and interest associated within the current period are

all considered to be susceptible to accrual, and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

Clark County reports seven major governmental funds:

- The *General Fund* is the County's primary operating fund. It is used to account for all activities of the general government not accounted for and reported in another fund.
- The *County Roads Special Revenue Fund* finances the design, construction, and maintenance of county roads. Restricted revenue streams consist primarily of county road property taxes and grants.
- The *Community Services Grants Special Revenue Fund* is a multi-grant fund used to finance a variety of community improvement and relief services, including assistance to the elderly, weatherization, special volunteers, and aid to the economically disadvantaged. All grant revenues are restricted to these specific services.
- The *Campus Development Fund* is a fund established to collect rental revenues from the tenant of the center for community health and public service center and to pay expenditures related to maintenance, operations and debt service for these buildings.
- The *Opioid and Overdose Response Fund* is a fund established to collect the settlements from litigation related to the Opioid lawsuits. The funds received are restricted to be used on response to the opioid epidemic.
- The *American Rescue Plan Fund* collects grant revenue from the American Rescue Plan legislation.
- *Development Impact Fees* collects developer impact fees for parks and road improvements for specific geographic regions in the county.

The County reports one major proprietary fund:

- The *Clean Water Fund* accounts for activities related to the County's stormwater drainage systems, in accordance with the Federal Clean Water Act.

Additionally, the County reports the following non-major fund types:

- *Special revenue funds* account for and report the proceeds of specific revenue sources that are restricted or committed to finance specific activities or functions, as required by law or administrative regulation.
- *Capital project funds* account for and report resources that are restricted, committed or assigned to be used for acquisition or construction of capital projects or other capital assets.
- *Debt service funds* account for and report financial resources that are restricted, committed or assigned to be used for payment of principal and interest on long-term debt.
- *Internal service funds* account for and report services such as equipment rental, elections, central support, self-insurance, building maintenance, retirement benefit reserve, and data processing services provided to other departments and government agencies, on a cost reimbursement basis.
- *Non-major enterprise funds* account for and report solid waste operations associated with the oversight of solid waste in Clark County and activity at the Tri-Mountain Golf Course.
- The *private-purpose trust fund* accounts for and reports resources legally held in trust for a private entity, the Children's Home Society, to benefit homeless or orphaned children.

Only earnings on investments may benefit this activity. The capital portion of the trust must be preserved intact. No resources are used to support the County's programs.

- *Investment trust funds* account for and report external pooled and non-pooled investments held by the County Treasurer on behalf of outside entities in the County's investment program. Pooled money is invested and monitored by the County for external participants that are generally government entities that do not have their own treasurer (such as fire and school districts).
- *Other Custodial Activities* are custodial in nature and do not present results of operations or have a measurement focus. These funds account for and report assets (such as property taxes collected on behalf of other governments) that the County holds for others in an agency capacity. These funds include cities, towns, and fire, school, port, cemetery, air pollution, library, and drainage districts.

In the government-wide statement of activities interfund activity for direct expenses are not eliminated from program expense, while indirect expenses allocated to various functional programs are shown in a separate column. Amounts reported as program revenues include charges to customers or applicants for goods, services or privileges provided and operating and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. General revenues include all taxes, interest earnings, and the gain on sale of capital assets. Special items and interfund transfers are reported separately from revenues and expenses.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Principal operating revenues of the Clean Water Fund, the non-major enterprise funds and the County's internal service funds are charges to customers for sales and services and activity fees. Operating expenses for enterprise and internal service funds include personnel costs, contractual services, other supplies and expenses, utilities, intergovernmental expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's intent to use restricted resources first, then unrestricted resources, as they are needed.

D. Budgetary Information

The annual budget for Clark County is adopted in accordance with the provisions of the Revised Code of Washington (RCW), as interpreted by the Budgeting, Accounting, and Reporting Systems (BARS) of the State of Washington, and on a basis consistent with generally accepted accounting principles.

The Board of County Councilors adopts annual appropriations for the general, special revenue, and capital project funds. Budgetary constraints for debt service funds are determined by the terms of the debt instruments or enabling legislation. During the budget process, each county department submits detailed estimates of anticipated revenues and expenditure requests for the ensuing budget years. The budget office compiles this data and makes it available for public comment in early October of the budget adoption year. A recommended budget is published in the third week of November with a public hearing held during the first week in December, when the final budget is adopted. The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and

other legally authorized changes.

The annual budget is adopted, and systematically monitored on fund level for special revenue, general obligation bond debt service, and capital project funds and on department level for the General Fund. Personnel costs in each fund are controlled by position. Capital projects and material capital acquisitions are approved on a project basis, with the most significant capital items being reflected in the six years Transportation Improvement Plan, which is updated and approved each year by the Board.

Annual budgets are amended by supplemental appropriation resolutions that are approved by the Board during public meetings. Revisions which increase the total appropriation of any fund are published in the official county newspaper at least two weeks before the public hearing. Revisions approved by the Board during 2023 consisted of awards and modifications of grants, the release of contingency funds to specific programs, and enhanced revenues supporting expanded program requirements. Departments may transfer budget amounts between certain categories of expenditures (such as supplies and services) with authorized approval, without approval of the Board as long as they do not exceed their total department/fund budget.

E. Assets, Liabilities, Deferred Inflows/Outflows and Net Position or Fund Balance

1. *Cash and Cash Equivalents (See Note 4 for more details)*

It is County policy to invest all temporary cash surpluses. The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments generally with original maturity of three months from the date of acquisition. This amount is classified on the balance sheet as cash and cash equivalents in various funds. The interest on these investments is prorated to the various funds. For purposes of the statement of cash flows, the County considers pooled investments and deposits in trust to be cash equivalents.

2. *Investments (See Note 4 for more details)*

The Clark County Treasurer (Treasurer) is empowered by the State of Washington to act as the fiduciary agent for the County (as Treasurer) and other junior taxing districts (as ex-officio Treasurer). This includes being responsible for the receipting, depositing and prudent investment of public funds as legally prescribed by the laws of the State. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, banker's acceptances, certain other government agency obligations, and the Washington State Local Government Investment Pool. County policy dictates that all investment instruments other than non-negotiable certificates of deposit and monies placed with the Washington State Local Government Investment Pool, and similar money market accounts, be transacted on the delivery versus payment basis. The Washington State Local Investment Pool is measured at amortized cost.

The Treasurer's Office administers and maintains the Clark County Investment Pool for the County and other jurisdictional governments within the county. Participation in the Pool is voluntary. All participants have the option of investing in the Pool, or requesting specific investment amounts and maturity dates for investments outside the Pool. All securities are measured at fair value.

3. *Receivables (See Note 7)*

Taxes receivable consist of delinquent property taxes, as well as other taxes received in the first 60 days following the fiscal year end, which are accrued as revenue in the statements. Property taxes are levied annually before December 15th and become a lien as of January

1st. Property taxes are recorded on the balance sheet as taxes receivable and deferred inflows of resources at the beginning of the year in the fund statements. Taxes are due in two equal installments on April 30th and October 31st. All uncollected property taxes at year-end are reported as taxes receivable. No allowance for doubtful taxes receivable is recorded because delinquent taxes are considered fully collectible.

Special assessment receivables consist of current and delinquent assessments, and related penalties and interest, which are recorded when levied. Clean water assessments account for 100% of the \$101,576 of special assessments due at December 31, 2023. Of the \$101,576 clean water special assessment due at December 31, 2023, all of the receivable is delinquent.

Accounts receivable consist of amounts due from individuals or organizations for goods and services. Notes/contracts receivable consist of amounts due on open account from individuals or organizations for goods, services, sales of capital assets, and for low-income housing notes. Notes/contract receivable includes loans that have been issued low-income housing notes or contracts that will be forgiven upon completion of the contract.

4. Amounts Due to and from Other Funds and Governments, Interfund Loans and Advances Receivable (See Note 8 for more details)

Outstanding lending and borrowing arrangements between funds at the end of the year are referred to as “advances due to/from other funds”. Other outstanding balances between funds are reported as “due to/from other funds”. Residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”. Interfund balances between governmental funds and interfund balances between proprietary funds have been eliminated and are not included in the government-wide statement of net position.

Due from other governments can include amounts due from grantors for grants issued for specific programs and capital projects, motor vehicle fuel tax receivable, amounts due for services to other governments (for example, providing court or jail services) and other pass-through revenues receivable.

5. Inventories and Prepaid Items

Inventories are generally held in the county road fund and consist of expendable supplies, rock, vehicle parts, fuel, signs and other roadway supplies. The cost is recorded as expenditures at the time inventory items are consumed. Inventory is valued using the average cost method, which approximates the market value.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The County uses the consumption method by recognizing expenditures in the period service is provided.

6. Capital Assets (See Note 6 for more details)

Capital assets include land, buildings, improvements, equipment, infrastructure, and all other tangible and intangible assets that have initial useful lives extending beyond two years. Infrastructure assets normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure

include roads, bridges, stormwater facilities, and water systems. Capital assets are defined by the County as assets with an initial individual cost of more than \$100,000 for infrastructure assets and more than \$5,000 for all other asset categories.

The County has recorded the value of all infrastructure (which meets the \$100,000 capital threshold requirement referred to in the previous paragraph) acquired from 1980 to present, and has included that value in the financial statements. The County has not reported infrastructure acquired prior to January 1, 1980. Governmental infrastructure assets were first reported in 2001, with the implementation of Governmental Accounting Standards Board Statement # 34 (GASB #34). All infrastructure assets were depreciated until 2003, when the County first chose to use the modified approach. The modified approach was used for bridge and stormwater infrastructure from 2003 to 2016. In 2017 and 2018 the County reported these facilities as capital assets being depreciated. In 2018, the County reverted to the modified approach for capitalized roads after having depreciated road assets in 2017.

When capital assets are purchased they are capitalized and depreciated (with the exception of construction in progress, land, easements, and infrastructure being reported using the modified approach) in government-wide financial statements and proprietary fund statements. Capital asset costs are recorded as expenditures of the current period in governmental fund financial statements. Capital assets purchased or constructed by the County are valued at cost. Donated capital assets are valued at estimated acquisition value as of the date received.

Improvements to capital assets that materially add to the function or capacity of the asset are capitalized. Improvements are also capitalized if they extend the life of an asset, which is being depreciated. Other repairs and normal maintenance are expensed.

Outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation of these assets does not commence until the project is substantially completed.

Buildings, equipment, improvements, software, and certain infrastructure are depreciated using the straight-line method.

Machinery and equipment purchased on capital leases are treated as capital assets, indicating a constructive or actual transfer of the benefits and risks of ownership to the County, and are valued at the lesser of the fair value of the leased property or the net present value of the minimum lease payments required by the contract.

Estimated useful lives are as follows:

Buildings	40 – 60 years
Improvements other than buildings	10 - 50 years
Heavy vehicles and equipment	5 - 15 years
Data Processing Equipment	3 - 5 years
Other Equipment	3 - 15 years
Infrastructure	10 - 80 years
Software	5 - 10 years

7. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. Employees with a minimum of ten years of services are permitted to cash out a portion of their accrued sick leave at termination, based on a percentage of accumulated hours. The remainder of unpaid sick leave is not earned until taken by the employee, and therefore is recorded at the time used in governmental funds. All vacation pay and eligible sick leave pay is accrued when incurred in the government-wide and proprietary funds. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund, special revenue funds, and internal service funds typically liquidate the governmental activities liability for compensated absences.

8. Other Accrued Liabilities

These accounts consist mainly of accrued employee wages and benefits, and other post-employment benefits, where applicable. The General Fund typically liquidates the liability for other post-employment benefits.

9. Long-term Obligations (See Note 10 and 11)

Revenue bonds and other long-term liabilities directly related to and financed from proprietary funds are accounted for in the respective proprietary funds. The County currently has no outstanding revenue bonds. All other County long-term debt is reported in the governmental column of the government-wide statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight line interest method since it is not materially different from the effective interest method. Bonds payable are reported net of the premium or discount. Bond issuance costs are reported as costs of the current period. In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the current period. The face amount of debt is reported as other financing sources when received. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance cost is reported as debt service expenditures.

10. Pensions and OPEB

For purposes of measuring the net pension and the other post employment benefits liability, assets, deferred outflows and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of calculating the restricted net position related to the net pension asset, the county included the net pension asset and the related deferred outflows and deferred inflows.

11. Asset Retirement Obligation

An Asset Retirement Obligation (ARO) is a legally enforceable liability associated with the retirement of a tangible capital asset that has a substantial cost to a government. An ARO is recognized when the liability is incurred and reasonably estimable. Incurrence of a liability requires both an internal obligating event and an external obligating event resulting from normal operations. An internal obligating event includes acquiring or placing a capital asset into operation. An external obligating event requires federal, state, or local laws or regulations, a binding contract or issuance of a court judgement requiring specific actions to

retire an asset. The obligation will be paid from operating income; no assets have been set aside to fund the obligations.

12. *Deferred outflows/inflows of resources*

The statement of net position will sometimes report a separate section for *deferred outflows of resources*. This element represents a consumption of assets that applies to future periods and will not be recognized as an outflow of resources (expense or expenditure) until then. The County currently reports three items as deferred outflows of resources. These items are deferred charge on refunding and amounts related to pensions, OPEB and asset retirement obligations.

The statements of financial position will also sometimes report a separate section for *deferred inflows of resources*. This element represents an acquisition of assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until then. On the Statement of Net Position, the County reports only amounts related to pensions, OPEB, leases and refunding of debt in this category. On the fund balance sheets the County reports unavailable revenue in this category. The unavailable revenue arises from property taxes, leases, special assessments and court fees. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

13. *Net Position and Fund Balances*

In the financial statements, assets and deferred outflows in excess of liabilities and deferred inflows are presented in one of two ways depending on the measurement focus of the fund.

On the Statement of Net Position for government-wide reporting and the proprietary funds, net position is segregated into three categories: net investment in capital asset (or *investment in capital assets*, if there is no debt against the assets); restricted net position; and unrestricted net position.

- *Net investment in capital assets* represents total capital assets less accumulated depreciation and debt directly related to capital assets, minus unspent bond proceeds. Deferred inflows or outflows of resources attributable to the acquisition, construction or improvement of capital assets or related debt are included in this component of net position.
- *Restricted net position* is the portion of the County's net position, which is subject to external legal restrictions (by the Revised Code of the State of Washington or by contractual agreements with outside parties) on how they may be used, and therefore are not available for general spending at the discretion of the County.
- *Unrestricted net position* represents amounts not included in other categories.

On governmental fund balance sheets, assets and deferred outflows in excess of liabilities and deferred inflow are reported as fund balances and are segregated into separate classifications indicating the extent to which the County is bound to honor constraints on specific purposes for which those funds can be spent.

Fund balance is reported as *Nonspendable* when the resources cannot be spent because they are either in a nonspendable form or are legally or contractually required to be maintained intact. The County's resources in nonspendable form in 2023 are all prepaid expenditures and inventory.

Fund balance is reported as *Restricted* when the constraints placed on the use of resources

are either: (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, the County's policy is to use restricted resources first and then unrestricted resources, as needed.

Fund balance is reported as *Committed* when the Board of County Councilors (the government's highest level of decision-making authority) adopts a resolution that places specific constraints on how the resources may be used. Once adopted, the commitment remains until it is modified or rescinded by the adoption of a new resolution by the Board of County Councilors.

Amounts in the *Assigned* fund balance category do not meet the criteria to be classified as committed, and are generally more temporary in nature. In other words, additional action does not need to be taken to remove the assignment. *Assigned* fund balance is reported when the intent to use funds for a specific purpose is formally expressed by the Board of Councilors.

The County's current policy only addresses restricted and unrestricted resources (as stated in Note 1-C, above). Without a written policy, the County considers that committed amounts will be used first (after restricted funds), followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes the reconciliation between *fund balance — total governmental funds* and *net position — governmental activities* as reported in the government-wide statement of net position.

One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

General Obligations Bonds Payable	\$	(9,190,000)
Direct Placement Bonds Payable		(32,065,245)
Plus: Issuance premium (to be amortized as interest expense)		(547,005)
Finance Purchase Payable		(2,642,619)
Direct placement advances due to other governments		(7,871,468)
Compensated Absences		(15,414,659)
Interest Payable		(579,606)
Pollution Remediation Obligation		(6,545,147)
Asset Retirement Obligation		(4,140,412)
Lease Payable Obligation		(1,311,040)
SBITA Payable Obligation		(4,056,354)

Impact Fee Credits	(15,402,750)
Net adjustment to reduce fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ <u>(99,766,305)</u>

Another element of that reconciliation explains that “other items related to pension and other post-employment benefit (OPEB) activity are not financial resources, therefore, not reported in the funds.” The details of this difference are as follows:

Net Pension Asset	\$ 43,594,554
Deferred Outflow of Resources - Pension	33,684,464
Deferred Outflow of Resources - OPEB	1,687,360
Net Pension Liability	(14,198,402)
Total OPEB Liability	(22,407,137)
Deferred inflow of Resources - Pension	(23,473,839)
Deferred Inflow of Resources - OPEB	(7,989)
Net adjustment to increase fund balance - total governmental	
funds to arrive at net position - governmental activities	\$ <u>18,879,011</u>

A final element of this reconciliation explains “Other long-term assets and deferred charges are not available to pay for current-period expenditures and are not included in the fund statements. These items are reported in the statement of net position.” The details of this are as follows:

Deferred amounts related to asset retirement obligations	\$ 180,877
Deferred charges on refunding	(771,069)
Net adjustment to increase fund balance - total governmental	
funds to arrive at net position - governmental activities	\$ <u>(590,192)</u>

B.Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between *net changes in fund balances—total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over

their estimated useful lives and reported as depreciation expense.” The difference of this amount is as follows:

Capital Outlays and Constructed Assets	\$ 23,904,178
Lease and SBITA Right to Use Assets added	1,459,402
Depreciation/Amortization Expense	(10,438,186)
Net adjustment to increase net changes in fund balances—total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 14,925,394</u>

Another element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) to increase net position” is as follows:

Donated capital assets	\$ 26,544,450
Disposal of capital assets	(69,013)
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net position governmental activities	<u>\$ 26,475,437</u>

Another element of that reconciliation states that “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this difference are as follows:

Grant revenues	\$ 540,141
Net change in impact fee credits	(4,155,903)
Issuance of debt related to leases	(231,212)
Issuance of debt related to SBITA	(1,216,973)
Other revenues unavailable	9,587,922
Municipal Court revenue	(2,118,838)
Pension Contributions from State	574,392
Tax revenues - unavailable	182,416
Net adjustment to increase net changes in fund balances—total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 3,161,945</u>

Another element of that reconciliation states that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.” The details of this difference are as follows:

Principal payment on loans and leases	\$ 8,922,595
Amortization of issuance premiums	36,467
Net adjustments to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 8,959,062</u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Pollution remediation adjustment	\$	(558,038)
Interest expense adjustment		(15,454)
Amortization of amount related to asset retirement obligations		(129,317)
Pension and OPEB expense adjustment		17,133,882
Lease payable adjustment		170,234
SBITA payable adjustment		87,703
Compensated absences		(1,595,006)
Net adjustments to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u>15,094,004</u>

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Negative Fund Balance

There is one special revenue fund that has a negative fund balance at the end of 2023.

Crime Victim and Witness Assistance is a fund that is established to provide assistance to crime victims and witnesses. This fund has a negative fund balance of \$(64,964) due to the some grants funding terminating. The fund anticipates receiving more revenue to cover the expenditures in the future.

NOTE 4 - DEPOSITS AND INVESTMENTS

A. Deposits

Deposits consist of cash and cash equivalents on deposit with the Treasurer. All receipts received by the Treasurer are deposited into qualified bank depositories as specified by the Washington Public Deposit Protection Commission (PDPC). All deposits are either covered by federal depository insurance or held in a multiple financial institution collateral pool administered by the PDPC. The Treasurer also designated specific financial institutions per RCW 36.48.101 that are authorized to accept district deposits.

Deposits are subject to custodial credit risk, which occurs in the event of a failure of a depository financial institution, the county would not be able to recover deposits or collateral securities that are in possession of an outside party. As noted above, County deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the PDPC.

To mitigate risk the county only deposits with institutions which are listed on the approved PDPC listing.

B. Investments

Clark County Investment Policy directs the Clark County Treasurer (Treasurer) to invest all temporary cash surpluses. As such, the Treasurer administers and maintains the Clark County Investment Pool (CCIP) to manage investments, with interest earned prorated to invested funds.

Investments are subject to the following risks:

Interest Rate Risk: Interest rate risk is the risk the county may face should interest rate variances affect the fair value of investments. In accordance with county investment policy, the Treasurer manages interest rate risk by limiting the weighted average maturity of its investment portfolio to maturities that fulfill the cash flow needs of the county and its junior taxing districts. The securities in the portfolio are managed to ensure sufficient cash is available to meet anticipated cash flow needs, based on historical information. Cash in excess of necessary liquidity needs is invested with the following maturity limitations:

Type of Security	Maturity Constraints	Minimum % of Total Portfolio
Any single security (unless matched to a specific cash flow requirement)	Under 5 years	100%
	Under 1 year	25%
	Under 30 days	10%
Repurchase and Reverse Agreements	90 days	N/A
Commercial Paper	270 days	N/A
Banker's Acceptances	180 days	N/A

Within these maturity constraints, callable agency securities may make up no more than 25% of the total portfolio. The maximum weighted average maturity of the Pool cannot exceed one- and one-half years. As of December 31, 2023, the actual weighted average maturity of the County's Investment Pool was 1.27 years.

Investment Type	Fair Value (or Amortized Cost)	Weighted Average Maturity (Years)
US Sponsored Entities	\$ 365,952,072	1.69
US Treasury	93,722,950	0.34
Supranational	48,672,350	2.87
Corporate Bonds	206,331,859	1.62
Municipal Bonds	77,756,692	1.51
Commercial Paper	-	0.00
Money Market	-	0.00
Local Gov't Investment Pool	187,072,498	0.00
Total \$	979,508,421	1.27

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To limit risk, state law does not allow general governments to invest in corporate equities. In the case of split ratings, where the major Nationally Recognized Statistical Ratings Organizations (NRSRO) ratings differ, the lower rating shall apply. All securities must be purchased on the secondary market and may not be purchased directly from the issuer. State law and county policy further limits such risk by placing the following credit standards on securities at the time of purchase:

Type of Security	Credit Standards
Banker's Acceptances	A1/P1
Corporate Notes	"A-" or equivalent
Commercial Paper	A1/P1 and "A-" or equivalent
Repurchase Agreements	"A" if maturity is less than one week, or "AA" if maturity is greater than one week
Securities Lending Agreements	Long term rating of "A-" or equivalent
Secondary US Agency Obligations	"AA-" or equivalent
Supranational	"AA-" or equivalent
Municipal Bonds	"A-" or equivalent

As of December 31, 2023, the ratings of debt securities, U.S. Treasuries (AAA)* and the following Government Sponsored Enterprises (GSE's) are:

Debt Security	S&P Rating
Fannie Mae (Federal National Mortgage Association)	AA+
Farmer Mac (Federal Agricultural Mortgage Corporation)	AA+
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+
Federal Home Loan Bank	AA+
Federal Farm Credit Bank	AA+
Tennessee Valley Authority	AA+

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. County policy is to only place investments in financial institutions covered by the PDPC.

Concentration Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. County policy requires that the portfolio be structured to diversify investments to reduce the risk of loss by over-concentration of assets in a specific maturity, a specific issuer, or a specific type of security. U.S. treasuries and federal agencies that have fixed rates are not limited because they carry little credit risk. Specific limits of each eligible security are described below:

- 1) No more than 5% of the portfolio value will be invested in the securities of any single issuer with the following exceptions:

- a. US government obligations are not limited.
 - b. Primary US agency obligations are limited to 35% per issuer.
 - c. Repurchase agreement counterparties are limited to 20% per overnight or 10% if greater than one day.
 - d. Commercial paper is limited to 3% per issuer.
 - e. Corporate notes are limited to 3% per issuer for AA- or above rated issuers and limited to 2% for issuers rated at least A+, A, or A-. Foreign issuers are further constrained to 2% limit for each country, with the exception of Canadian issuers, which have no limit.
- 2) Limited to no more than 25% between both commercial paper and corporate notes.
 - 3) Limited to no more than 25% in banker's acceptance
 - 4) Limited to no more than 10% in secondary US agency obligations.
 - 5) Limited to no more than 100% in the Washington State Local Government Investment Pool (LGIP).
 - 6) Limited to no more than 20% in municipal bonds.
 - 7) Limited to no more than 25% in securities lending agreements.
 - 8) Limited to no more than 30% in Repurchase agreements
 - 9) The amount of exposure from non-negotiable certificates of deposits (in or outside of the Certificate of Deposit Account Registry Service program) and/or flexible certificates of deposits is limited to no more than 40% of the total portfolio.

Those issuers that exceed 5% of the total investment portfolio's fair value as of December 31, 2023 are disclosed below:

Issuer	% of Investment Portfolio
US Treasury - Notes	23.70%
Washington State LGIP	19.10%
Federal Farm Credit Bank	7.10%
Federal Home Loan Bank	15.80%
Federal Home Loan Mortgage Corporation	5.10%

Investments in Local Government Investment Pool (LGIP)

The county is a voluntary participant in the LGIP which is authorized by RCW 43.250.030 and is managed and operated by the Washington State Treasurer. The State Finance Committee is the administrator of the statute that created the LGIP and adopts rules. The State Treasurer is responsible for establishing the investment policy for the LGIP and reviews the policy annually. Proposed changes are reviewed by the LGIP Advisory Committee.

Investments in the LGIP, a qualified external investment pool, are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals. The only restriction on withdrawals from the LGIP is when a deposit is received electronically via Automated Clearing House (ACH). In this case, a five-day waiting period exists.

The Office of the State Treasurer prepares a stand alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-02200, online at www.tre.wa.gov.

Clark County Investment Pool

The Treasurer administers and maintains the Clark County Investment Pool for county and other jurisdictional governments within the county. As of December 31, 2023, the Pool had an average maturity of approximately 464 days.

The CCIP is not Security and Exchange Commission-(SEC) registered. Authority to manage the Pool is derived from RCW 36.29.022. Regulatory oversight is provided by the County Finance Committee which, by statute, consists of the County Treasurer, County Auditor, and Chair of the Board of County Councilors. The committee approves the investment policy annually and makes all appropriate rules and regulations to carry out the provisions of RCW 36.48.010 through 36.48.060.

The Treasurer's Office currently uses an investment advisor. During 2023, the Treasurer contracted with Government Portfolio Advisors, LLC to review the investment portfolio and assist with the portfolio strategy on a quarterly basis. The Treasurer has an Intergovernmental Investment Pool Committee that is made up of all Pool participants from the junior taxing districts within the county. This committee meets on a quarterly basis and assists in sharing information to Pool members regarding the Pool's strategy.

The Treasurer's Investment Strategy Committee is made up of the Treasurer, Chief Deputy Treasurer, Finance Manager, Senior Management Analyst and Investment Officer within the Treasurer's Office. The committee meets weekly to discuss investment strategies, economic conditions, analysis of yield curve shifts, possible Federal Reserve Board actions, cash flow forecasts, and spreads on various securities. This committee also monitors the fair market value of the Pool and the Net Asset Value (NAV).

Each participant has an investment services agreement with the Treasurer outlining the roles and responsibilities of each entity. The Treasurer provides monthly fair value investment reports on a fund level to all participants through footnote disclosures. This information is based on the NAV of each share in the CCIP relative to each fund's month-end investment balances. A share is defined as what \$1.00 invested is worth based on the market value of the portfolio's holdings. The NAV per CCIP share is computed by dividing the total value of the securities and other CCIP assets of the Pool, less any liabilities, by the total outstanding CCIP shares. Participants for whom the Treasurer serves as Treasurer or ex-officio Treasurer may redeem Pool shares for normal expenditure purposes on a daily basis and will receive one dollar per share for shares redeemed. Participants who are their own Treasurer are required to give one day's written notice of CCIP withdrawals.

The use of amortized cost valuation means that the CCIP's stable \$1.00 price value may vary from its market value NAV per share. In the unlikely event that the Treasurer were to determine that the extent of the deviation (set at 0.985 to 1.015 by policy) between the Pool's amortized cost per share and the market value NAV per share may result in the material dilution or other unfair results to the shareholders, the Treasurer may cause that Pool to take such action as it deems appropriate to eliminate or reduce dilutions.

As of December 31, 2023, the Pool had an unrealized loss of \$13,056,871. This loss would only be realized if every investment in the Pool were immediately liquidated at that date.

As noted above, each Pool participant maintains an investment services agreement that allows the Treasurer to invest their funds in the Pool. There are no specific, legally binding guarantees

given to participants to support the value of the shares. Separate financial statements are not prepared for the Pool. Condensed financial statements are provided below:

Clark County Investment Pool (CCIP)

Condensed Statement of Net Position

12/31/2023

Assets

Pooled Investments	\$ 979,508,421
Total Assets	<u>\$ 979,508,421</u>

Deferred Outflow of Resources -

Liabilities -

Deferred Inflows of Resources -

Net Position - Assets Held in Trust for pool participants \$ 979,508,421

Clark County Investment Pool

External Pool	\$ 491,541,125
Internal Pool	487,906,249
Private Purpose Trust Fund	<u>61,047</u>
Total Clark County Investment Pool	<u>\$ 979,508,421</u>

The External pool is 50.18% of the Clark County Investment Pool

Clark County Investment Pool (CCIP)

Condensed Statement of Changes in Net Position

Year Ended December 31, 2023

Investment income (net of distributions)	\$ 45,681,576
Net Change in Pool Investments	(90,675,633)
Net Change in Directed Investments	<u>-</u>
Net Increase resulting from Operations	(44,994,057)
Net Position, Beginning	<u>1,024,502,478</u>
Net Position, Ending	<u>\$ 979,508,421</u>

Monthly gross investment yields ranged from 1.66% to 3.44% and averaged 2.59% for the year. Following is a table with information on the investment types used by the Pool, as of December 31, 2023.

Investment	Weighted Average Maturity	Fair Value	Amortized Cost	Book Value	Yield Ranges
US Sponsored Entities	617 days	365,952,072	\$ -	371,887,159	0.28% to 5.27%
US Treasury	124 days	93,722,950	-	96,038,527	0.23% to 1.80%
Supernational	1047 days	48,672,350	-	50,086,984	0.26% to 4.73%
Corporate Bonds	592 days	206,331,859	-	206,832,495	0.96% to 5.86%
Municipal Bonds	551 days	77,756,692	-	80,647,630	0.38% to 5.10%
Local Government Investment Pool	turns daily	-	187,072,498	187,072,498	5.51%
Total		\$ 792,435,923	\$ 187,072,498	\$ 992,565,293	

Outside Investments and Deposits (Non-Pooled)

On December 31, 2023, there were no outside the CCIP investments.

Investments Measured at Fair Value

The Treasurer's Office measures and reports investments at fair value using the valuation input hierarchy established by generally accepted accounting principles, as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable;
- Level 3: Unobservable inputs for an asset or liability.

On December 31, 2023, the county had the following recurring fair value measurements as detailed below.

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Inside Pool Investments	12/31/2023			
<i>Investments by Fair Value</i>				
US Sponsored Entities	\$ 365,952,072	\$ -	\$ 365,952,072	\$ -
US Treasury	93,722,950	93,722,950	-	-
Supernational	48,672,350	-	48,672,350	-
Corporate Bonds	206,331,859	-	206,331,859	-
Municipal Bonds	77,756,692	-	77,756,692	-
Inside Investments at Fair Value	792,435,923	93,722,950	698,712,973	\$ -

Investments measured at amortized costs	
Local Government Investment Pool	187,072,498
Total measured at amortized cost	187,072,498
<i>Total Pooled Investments</i>	<i>\$ 979,508,421</i>

C. Summary of Deposit and Investment Balances

The reconciliation of cash, cash equivalents (including pooled investments) and investments as show in the government-wide and fund financial statements is as follows:

	Government Wide	Fiduciary Funds
Cash on hand	\$ 198,570	\$ -
Deposits with private financial institutions	(5,769,098)	33,575,831
Internal investment pool	487,906,249	-
External investment pool	-	491,602,172
Total deposits and investments	<u>\$ 482,335,721</u>	<u>\$ 525,178,003</u>
Cash, cash equivalents, and pooled investments	\$ 481,620,721	\$ 33,254,981
Pooled investments at fair value	-	491,602,172
Deposits in trust	715,000	320,850
Total deposits and investments	<u>\$ 482,335,721</u>	<u>\$ 525,178,003</u>

NOTE 5 - PROPERTY TAXES

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities such as the State of Washington (state-wide school levies 1 and 2), cities and towns within the county, and local school, fire, cemetery, library, and port districts. Property taxes are recorded as receivables and deferred inflows of resources when levied. Property taxes are levied and become an enforceable lien against properties as of January 1. Levy and tax payments are payable in two installments on April 30th and October 31st. Delinquent property taxes accrue interest at twelve percent per annum and are assessed a penalty between three and eleven percent, depending on the duration of delinquency. Balance of taxes receivable includes related interest and penalties. No allowance for uncollectible taxes is established since delinquent taxes are considered fully collectible at the time of billing due to the statutory lien and priority collection laws in the State of Washington. Prior year tax levies were recorded using the same principal, and delinquent taxes are evaluated annually.

Regular property tax levies are subject to rate and amount limitations, as described below, and to uniformity requirements of Article VII, Section 1 of the State Constitution, which specifies that a taxing district must levy the same rate on similarly classified property throughout the district. Aggregate property taxes vary within the County because of its different and overlapping taxing districts.

The Washington State Constitution and Washington State law, RCW 84.55.010, limit the levy rate as follows: The Washington State constitution limits the total regular property taxes to one percent of true and fair value or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each district, except Port Districts and Public Utility Districts, is proportionately reduced until the total is at or below the one percent limit. The regular property tax increase limitation (chapter 84.55 RCW) limits the total dollar amounts of regular property taxes levied by an individual taxing district to the amount of taxes levied in the previous year multiplied by a limit factor, plus adjustments for new construction, state assessed utility value, and annexations at the previous year's rate. The limit factor is the lesser of 101 percent or 100 percent plus inflation.

In addition, statutory dollar rate limits are specified for regular property tax levy rates for most types of taxing districts under RCW 84.52.043. The County may levy up to \$1.80 per \$1,000 of assessed valuation (AV) for general governmental services. The exempt portion of total assessed value (AV) is approximately 0.8267%, and this amount has been excluded from the AV amounts below.

The County's regular levy in 2022 for tax collection in 2023 is \$0.774 per \$1,000 of AV on net assessed valuation of \$97.26 billion (total AV of \$98.07 billion less \$0.81 billion of exempt property AV), for a tax levy of \$75.3 million. In addition, the County has a levy for Conservation Futures that was \$0.029 per \$1,000 of net assessed valuation of \$97.26 billion, for a tax levy of \$2.8 million. Both of these share the same county-wide assessed value.

The County is also authorized to levy \$2.25 per \$1,000 of assessed valuation in unincorporated areas for road construction and maintenance. This levy is subject to the same limitations as the levy for general government services. The County's assessed value in 2022 for tax collection in 2023 is \$1.071 per \$1,000 on a net assessed valuation of \$44.96 billion for a total road levy of \$48.1 million. A portion of the road levy can be diverted for traffic policing. The diverted portion of the county road levy for 2023 is \$4.6 million (approximately \$0.11 per \$1,000 of assessed valuation). The road levy serves approximately 46.2% of the County (on an assessed value basis).

County provides the legislative and executive functions for the Metropolitan Park District(MPD). A parks district is authorized to levy \$0.75 per \$1,000 of assessed valuation within the district for parks operations. This levy is subject to the same limitations as the levy for general government services. The County park district net assessed value in 2022 for tax collection in 2023 is \$29.61 billion, the levy rate is \$0.1385 per \$1000 of AV, and the tax levy is \$4.1 million. The MPD serves approximately 46.2% of the County (on an assessed value basis).

The exempt portion of total assessed value is approximately 0.8267%. All Clark County property tax levys are regular (non-voted). The County has no excess (voted) levies.

The Statistical Section provides detailed assessed valuation (schedule 6), property tax levy rates (schedule 7), and property tax levy and collection history (schedule 8) for the last ten years.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance-restated	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated/amortized				
Land	\$ 375,565,576	\$ 15,809,395	\$ -	\$ 391,374,971
Infrastructure* - restated	817,453,124	40,911,731	-	858,364,855
Intangible assets - easements	199,482	19,275	-	218,757
Construction in progress-restated **	32,339,408	31,168,814	41,688,243	21,819,979
Total capital assets, not being depreciated/amortized	<u>1,225,557,592</u>	<u>87,909,215</u>	<u>41,688,243</u>	<u>1,271,778,564</u>
Capital assets, being depreciated/amortized:				
Buildings	148,548,424	59,987	24,000	148,584,411
Improvements other than buildings	107,708,386	4,942,241	-	112,650,627
Machinery and equipment -restated	66,806,327	7,556,755	2,175,741	72,187,341
Intangible assets - software	38,916,639	400,089	7,066,893	32,249,835
Intangible assets - RTU, SBITA software	370,000	98,920	-	468,920
Intangible assets - RTU, SBITA subscription	6,282,547	1,129,270	-	7,411,817
Intangible assets - RTU, leases	3,394,194	231,212	312,678	3,312,728
Infrastructure	22,335,335	-	-	22,335,335
Total capital assets being depreciated/ amortized	<u>394,361,852</u>	<u>14,418,474</u>	<u>9,579,312</u>	<u>399,201,014</u>
Less accumulated depreciation/amortization for:				
Buildings	84,333,992	2,352,006	3,240	86,682,758
Improvements other than buildings	61,858,409	2,758,064	-	64,616,473
Machinery and equipment - restated	41,271,745	3,759,296	1,909,981	43,121,060
Intangible assets - software	27,245,413	2,394,269	7,065,388	22,574,294
Intangible assets - RTU, SBITA software	2,775	37,844	-	40,619
Intangible assets - RTU, SBITA subscription	762,561	1,591,962	-	2,354,523
Intangible assets - RTU, leases	1,376,564	702,891	111,870	1,967,585
Infrastructure*	7,103,667	451,145	-	7,554,812
Total accumulated depreciation/amortization	<u>223,955,128</u>	<u>14,047,477</u>	<u>9,090,479</u>	<u>228,912,126</u>
Total capital assets, being depreciated/amortized, net	<u>170,406,724</u>	<u>370,997</u>	<u>488,833</u>	<u>170,288,888</u>
Governmental activities capital assets, net	<u>\$ 1,395,964,316</u>	<u>\$ 88,280,212</u>	<u>\$ 42,177,076</u>	<u>\$ 1,442,067,452</u>
Depreciation/amortization expense was charged to functions as follows:				
General governmental services			\$ 5,246,875	
Public safety			642,234	
Transportation			513,556	
Natural and Economic Environment			648,440	
Health and human services			1,270,271	
Culture and recreation			2,116,810	
			<u>10,438,186</u>	
Depreciation/amortization on capital assets held by the County's internal service funds is charged to various functions based upon their usage.			<u>3,609,292</u>	
Total governmental activities depreciation/amortization expense			<u>\$ 14,047,477</u>	

* In 2018 the County began reporting road infrastructure assets using the modified approach. The County roads are currently reported as capital assets not being depreciated at a net value which includes depreciation expenses accumulated prior to 2018. Bridges were depreciated prior to 2003 and 2017-2018. From 2003 to 2016 and after 2018 the County reported bridges using the modified approach at a net value which includes depreciation expenses accumulated prior to 2019.

**\$1.1M shouldn't be on construction in progress in 2022, removed in 2023 and adjusted beginning balance.

	Beginning Balance - restated	Increases	Decreases	Ending Balance
Business-type Activities				
Capital assets, not being depreciated/amortized				
Land restated**	\$ 45,251,331	\$ 832,938	\$ -	\$ 46,084,269
Construction in progress	1,223,339	1,056,579	1,688,013	591,905
Infrastructure*	79,664,791	3,533,228	-	83,198,019
Total capital assets, not being depreciated/amortized	126,139,461	5,422,745	1,688,013	129,874,193
Capital assets, being depreciated/amortized:				
Buildings	1,741,378	-	-	1,741,378
Improvements other than buildings	891,412	-	-	891,412
Machinery and equipment - restated**	284,537	-	-	284,537
Infrastructure	944,358	-	-	944,358
Total capital assets being depreciated/amortized	3,861,685	-	-	3,861,685
Less accumulated depreciation/amortization for:				
Buildings	1,380,752	10,903	-	1,391,655
Improvements other than buildings-restatement	568,373	17,608	-	585,981
Machinery and equipment	245,069	2,937	-	248,006
Infrastructure*	301,549	21,248	-	322,797
Total accumulated depreciation/amortization	2,495,743	52,696	-	2,548,440
Total capital assets, being depreciated/ amortized, net	1,365,942	(52,696)	-	1,313,245
Business-type activities capital assets, net	<u>\$ 127,505,403</u>	<u>\$ 5,370,049</u>	<u>\$ 1,688,013</u>	<u>\$ 131,187,438</u>

Depreciation/amortization expense was charged to functions as follows:

Golf Course	\$ 32,151
Solid Waste	17,608
Clean Water	2,937
Total business-type activities depreciation/amortization expense	<u>\$ 52,696</u>

* Storm Water facilities were depreciated prior to 2003 and 2017-2018. From 2003 to 2016 and after 2018 the County reported these facilities using the modified approach at a net value which includes depreciation expenses accumulated prior to 2019.

** Land restated to prior year capital contribution of \$683,798. Machinery and equipment restated to prior year addition of \$12,239

NOTE 7 – RECEIVABLE BALANCES

Accounts receivable as of December 31, 2023 for the County's individual major funds, non-major funds and internal service funds are shown in the following table.

	Taxes, Special Assessments Receivable	Accounts Receivable	Interest Receivable	Leases Receivable	Due From Other Governments	Notes, Contracts	Total
Governmental Activities							
General Fund	\$ 13,605,708	\$ 5,120,620	\$ -	\$ -	\$ 1,814,903	\$ 300,284	\$ 20,841,515
Development Impact Fees	-	-	-	-	-	-	-
Campus Development	-	10,406	120,550	13,625,940	11,831	-	13,768,727
County Roads	2,098,799	98,895	-	-	5,188,400	-	7,386,094
Opioid and Overdose Reponse	-	19,598,708	-	-	-	-	19,598,708
Community Service Grants	-	2,700	-	-	4,623,246	25,162,810	29,788,756
Nonmajor Governmental	3,429,943	6,985,635	-	-	3,696,123	1,430	14,113,131
Internal Service	-	825,279	-	598,685	1,507,353	-	2,931,317
Total Governmental	\$ 19,134,450	\$ 32,642,243	\$ 120,550	\$ 14,224,625	\$ 16,841,856	\$ 25,464,524	\$ 108,428,248
Business-Type Activities							
Clean Water	101,576	4,318	-	-	657,861	-	763,755
Nonmajor Enterprise	-	266,591	-	-	164,477	-	431,068
Total Business-Type	\$ 101,576	\$ 270,909	\$ -	\$ -	\$ 822,338	\$ -	\$ 1,194,823
Total Gross Receivables	\$ 19,236,026	\$ 32,913,152	\$ 120,550	\$ 14,224,625	\$ 17,664,194	\$ 25,464,524	\$ 109,623,071

NOTE 8 - INTERFUND BALANCES AND TRANSFERS

Interfund transactions (receivables and payables) usually involve the exchange of goods and services between funds in a normal business relationship. These accounts are generally paid in full the month following the billing date. The composition of interfund accounts receivables at December 31, 2023 is shown in the following table.

Due from These Funds	Due To These Funds									Total
	General Fund	County Roads	Comm. Svc. Grants	American Rescue Plan	Impact Fees	Campus Development	Other Governmental	Other Enterprise	Internal Service	
General Fund		246,613				44	1,895,381		1,021,933	3,163,971
County Roads	39,831				300,856				1,160,028	1,500,715
Community Svc. Grants	22			112,096			13,932		1,458	127,508
American Rescue Plan	841,102		2,509,311							3,350,413
Campus Development							12			12
Development Impact Fees		1,247,685					47,508			1,295,194
Clean Water	360	518,674							353,205	872,239
Other Governmental	496,650	4,096,410	56,454				1,623,023	58,745	612,601	6,943,881
Other Enterprise							114,359		201,753	316,112
Internal Service	4,832	708,046					14,178	2,767	88,595	818,419
Total	1,382,797	6,817,428	2,565,766	112,096	300,856	44	3,708,393	61,512	3,439,573	18,388,464

The General Fund also issues short-term interfund loans (funded by the permanent reserve) to several non-major funds, in order to provide liquidity. Permanent reserve within the General Fund is operating similar to a line of credit (up to \$5.0 million). Outstanding balances are charged interest at a floating rate based on the County's line of credit rate.

Interfund transfers represent subsidies, reimbursement for capital project costs and contributions with no corresponding debt or promise to repay. The purpose of General Fund transfers is to subsidize operating activities within other funds, to fund capital project activities, and for debt service. Interfund transfers from other funds are generally for debt service or for capital projects being managed by other funds. Interfund transfers during the year ended December 31, 2023 are as follows:

Transfers In to these funds	Transfers Out of these funds								Total
	General Fund	County Road	American Rescue Plan	Impact Fees	Campus Development	Internal Services	Non-Major Governmental	Non-Major Enterprise	
General Fund			18,322,698				135,268		\$ 18,457,806
County Road				2,209,580			3,660,000		\$ 5,869,581
Comm. Services Grants	1,108,305								\$ 1,108,305
Internal Services	2,855,226				27,119	402,725	461,256	245,000	\$ 3,991,326
Non-Major Governmental	6,357,526	1,635,131		1,064,286	954,441		21,322,973	150,000	\$ 31,484,356
Total	\$ 10,321,057	\$ 1,635,131	\$ 18,322,698	\$ 3,273,866	\$ 981,560	\$ 402,725	\$ 25,579,337	\$ 395,000	\$ 60,911,374

- The County Road fund received \$2.2 million from Impact Fee Capital Project funds, which is a typical source of funding for road projects.
- The Debt Service fund received \$4.7 million from the REET Capital Improvement fund and \$1.6 million from the County Road fund for debt service payments.
- Other governmental fund transfers in include \$10.4 million from the Mental Health Sales Tax Fund, \$6.3 million from the General Fund and \$1.6 million from the County Road fund.

**NOTE 9 – LEASES, SUBSCRIPTION-BASED IT ARRANGEMENTS (SBITAs) AND
PUBLIC-PRIVATE PARTNERSHIPS**

A. County as Lease Lessee

The County is committed under various leases for buildings (office space and storage) and equipment (copiers). At December 31, 2023, the County has eight lessee financing leases in which it is acting as Lessee. Under GASB 87, an implicit interest rate is calculated for each individual lease using the internal rate of return method. That method measures cash flow as well as actual beginning and projected ending FMV of the underlying asset. The present value of the leases are aggregated on a fund basis. Proprietary funds record lessee leases in the fund level statements of (1) Net Position and (2) Revenues, Expenses and Changes in Net Position. Both roll into the government-wide statements. Governmental funds report lessee leases current expenditures in the fund level Statement of Revenue, Expenses and Changes in Fund Balances, while total economic resources are reported in the government-wide statements.

The County capitalization threshold is \$100K and the lease must be longer than one year including possible extension(s). The threshold is measured as the present value (PV) of the lease payments using the individual implicit interest rate applicable. The eight building leases qualify as financing leases under GASB 87, while the copier leases do not as (1) each copier lease is below the capitalization threshold and (2) the copier leases taken as a whole are expensed throughout various funds of the County and are deemed immaterial.

The estimated amount of variable lease payments is less than \$20K annually, typically common area building maintenance.

The right-to-use (RTU) intangible capital assets associated with the lessee leases comprise buildings used for office space and storage:

	Beginning Balance	Increase	Decreases	Ending Balance
Governmental Activities				
Capital assets being amortized				
RTU Buildings	3,394,194	231,212	312,678	3,312,728
Total	<u>\$ 3,394,194</u>	<u>\$ 231,212</u>	<u>\$ 312,678</u>	<u>\$ 3,312,728</u>
Less accumulated amortization for:				
RTU Buildings	1,376,564	702,891	111,870	1,967,585
Total	<u>\$ 1,376,564</u>	<u>\$ 702,891</u>	<u>111,870</u>	<u>\$ 1,967,585</u>

The County's schedule of future minimum payments for these financing lease liabilities is as follows:

Leases Payable

Governmental Activities

	Principal	Interest	Total Requirements
December 31:			
2024	438,393	161,004	599,397
2025	270,820	123,228	394,048
2026	239,762	87,640	327,402
2027	166,165	61,504	227,669
2028	139,306	39,557	178,863
2029-2033	325,942	49,908	375,850
Total	\$ 1,580,388	\$ 522,841	\$ 2,103,229

Notes:

The weighted-average remaining lease term is 4.9 years.

The weighted-average discount rate is 11.85%.

In November 2023, the County signed a long-term lease for building space including parking. The lease commences on March 1, 2024, and it replaces two non-renewable leases that are expiring effective April 30, 2024. This agreement provides for a non-cancellable lease period of twenty years with five-year options. The lease commitment for the non-cancellable period of twenty years is \$19.1 million.

B. County as Lease Lessor

At December 31, 2023, the County has eleven lease receivables in which it is acting as Lessor. Under GASB 87, an implicit interest rate is calculated for each individual lease using the internal rate of return method. The present value of the leases are aggregated on a fund basis. All funds record lessee receivables on the fund level Statement of Net Position (Balance Sheet for the governmental funds), and are rolled into the government-wide Statement of Net Position. The County capitalization threshold is \$100K and the lease must be longer than one year including possible extension(s). The threshold is measured as the present value (PV) of the lease payments using the individual implicit interest rate applicable.

The Center For Community Health Building: Houses external tenants (comprising five leases) and two county departments delivering health and human services to veterans and lower-income individuals and families. The County owns the building, but the underlying land is leased from the US Department of Veteran Affairs (VA) for 75 years (through 2081) through an Enhanced Use Lease (EUL) arrangement. At the end of the 75 years, the building must be transferred to the VA in its then condition. Most of the leases are for 25-30 years in length inclusive of extension options that we believe will be exercised. There are two active full-payment tenant leases with the VA, with the fourth floor of the building reserved for future VA use as needed per the EUL, for no charge. The external leases have a combined lease receivable present value (PV) balance of \$13.1 million as of year-end.

County Jail Work Center Facility: Twenty percent of this building was leased to Lifeline Connections Crisis Wellness Center in 2020 for delivering crisis stabilization and detox services to County residents using overnight and short-term stays. The lease is 10 years including extensions that we believe will be exercised. The financing lease receivable PV balance is \$1.0 million at year-end.

The Dolle Building: Provides office space to smaller businesses and non-profits, generally as year-to-year operating leases. However, there are four financing leases as they have terms greater than one year. The combined financing lease receivable PV balance is \$0.2 million as of year-end.

The lessor lease contracts collection and revenue summary is as follows:

	Beginning Balance	Accrual / Increase	Collection / Decrease	Ending Balance
Governmental Activities				
Lessor Lease Contracts Collection				
Lessor Lease Principal Receivable	14,780,770	151,297	707,441	14,224,626
Lessor Lease Interest Receivable	125,370	1,799,706	1,804,528	120,548
Total Lease Contracts Collection	<u>\$ 14,906,140</u>	<u>\$ 1,951,002</u>	<u>\$ 2,511,969</u>	<u>\$ 14,345,174</u>
Lessor Lease Revenue - Modified Accrual				
Lessor Lease Revenue		1,194,188		
Lessor Interest Revenue		1,799,706		
Total Lessor Lease Revenue		<u>\$ 2,993,894</u>		

The County's schedule of future receipts included in the measurement of the lease receivables is as follows:

Lease Receivables

Governmental Activities

	Principal	Interest	Total Receipts
December 31:			
2024	769,756	1,708,527	2,478,283
2025	712,068	1,633,147	2,345,215
2026	803,546	1,545,389	2,348,935
2027	888,475	1,444,546	2,333,021
2028	1,010,176	1,328,076	2,338,252
2029-2033	6,201,325	4,496,450	10,697,775
2034-3038	<u>3,839,280</u>	<u>543,538</u>	<u>4,382,818</u>
Total	\$ 14,224,626	\$ 12,699,673	\$ 26,924,299

C. County as SBITA Lessee

The County is committed under various subscription-based IT arrangements (SBITAs). At December 31, 2023, the County has eight qualifying SBITAs under GASB 96 in which it is acting as Lessee. Under GASB 96, an incremental borrowing rate (IBR) is calculated for each individual SBITA using the Washington State Treasurer LOCAL Loan Program bond sale results adjusted to reflect a "lease credit" interest rate. The present value of the SBITAs are aggregated on a fund basis. Governmental funds report lessee SBITAs current expenditures in the fund level Statement of Revenue, Expenses and Changes in Fund Balances, while total economic resources are reported in the government-wide statements. There are no business activity SBITAs at this time.

The County has two independent criteria for SBITA capitalization:

1. Any qualifying implementation costs (typically post-selection expenses excluding training) of

\$100K present value or more are capitalized and amortized over ten years, or

2. Post implementation annual subscription costs of \$100K present value or more are capitalized and amortized over the life of the SBITA agreement including possible extensions. Negotiated multi-year price guarantees (typically with annual price increases) are treated as options to extend since the County procurement cycle for SBITAs is 3-4 years. Annual SBITA agreements with no extension options or price guarantees are treated as short-term and expensed as incurred.

In most cases, a SBITA will have capitalized costs under criteria two only.

There are no variable SBITA subscription payments.

The right-to-use (RTU) intangible capital assets associated with the lessee SBITAs:

	Beginning Balance	Increase	Decreases	Ending Balance
Governmental Activities				
Capital assets being amortized				
RTU SBITA-Software Implementations	370,000	98,920	-	468,920
RTU SBITA-Software Subscriptions	6,282,547	1,149,337	20,067	7,411,817
Total	<u>\$ 6,652,547</u>	<u>\$ 1,248,257</u>	<u>\$ 20,067</u>	<u>\$ 7,880,737</u>
Less accumulated amortization for:				
RTU SBITA-Software Implementations	2,775	37,844	-	40,619
RTU SBITA-Software Subscriptions	762,561	1,591,962	-	2,354,523
Total	<u>\$ 765,336</u>	<u>\$ 1,629,806</u>	<u>\$ -</u>	<u>\$ 2,395,142</u>

The County's schedule of future minimum payments for these SBITA liabilities is as follows:

SBITAs Payable

Governmental Activities

	Principal	Interest	Total Requirements
December 31:			
2024	1,467,768	113,939	1,581,707
2025	1,411,210	75,996	1,487,206
2026	1,115,572	34,139	1,149,711
2027	61,804	495	62,299
Total	<u>\$ 4,056,354</u>	<u>\$ 224,569</u>	<u>\$ 4,280,923</u>

Notes:

The weighted-average remaining subscription term is 3.3 years.

The weighted-average discount rate is 2.99%.

D. County as Public-Private Partnership Transferor

GASB 94, Public-Private Partnerships (PPP), is effective January 1, 2023. The County has one PPP. In prior reporting years (2021 and 2022), this contract was reported as a lessor lease under GASB 87. There is no change to the underlying financial data as a result of this reporting change.

The Clark County Amphitheater: Is a PPP operator-constructed outdoor performing arts/event facility that opened in 2005. Ownership was transferred to the County upon construction completion, with the operator holding a real property leasehold interest. The facility was valued at \$16.0 million when placed in service. The operating period is approximately 44 years (through January 2048) inclusive of extensions that we believe will be exercised. The PPP contract receivable present value (PV) balance is \$6.6 million as of year-end 2023. Payments are received semi-annually and interest is compounded accordingly.

The County capitalization threshold of PPP contracts is \$100K and the PPP must be longer than one year including possible extension(s). The threshold is measured as the present value (PV) of the operator payments using the internal rate of return method.

	Beginning Balance	Accrual / Increases	Collection / Decrease	Ending Balance
Governmental Activities				
PPP Transferor Contract Collection				
PPP Transferor Principal Receivable	\$ 6,683,705	\$ -	\$ 52,710	\$ 6,630,995
PPP Transferor Interest Receivable	-	447,290	447,290	-
Total Transferor Contracts Collection	\$ 6,683,705	\$ 447,290	\$ 500,000	\$ 6,630,995
PPP Transferor Revenues - Modified Accrual				
PPP Transferor Contract Revenue		\$ 246,904		
PPP Transferor Interest Revenue		447,290		
Total PPP Transferor Revenues		\$ 694,194		

The County's schedule of future receipts included in the measurement of the PPP receivable is as follows:

PPP Transferor Receivable

Governmental Activities

	Principal	Interest	Total Requirements
December 31:			
2024	\$ 56,302	\$ 443,698	\$ 500,000
2025	60,142	439,858	500,000
2026	64,242	435,758	500,000
2027	68,622	431,378	500,000
2028	124,138	425,862	550,000
2029-2033	759,788	1,990,212	2,750,000
2034-2038	1,158,269	1,691,731	2,850,000
2039-2043	2,091,651	1,158,349	3,250,000
2044-2048	2,247,841	352,159	2,600,000
Total	\$ 6,630,995	\$ 7,369,005	\$ 14,000,000

Notes:

The remaining operating term is 24.1 years.
The discount rate is 6.71%.

NOTE 10- LONG-TERM DEBT

A. General Obligation Bonds

General obligation bonds are direct debt obligations that pledge the full faith and credit of the government issuing the debt. These bonds are generally issued as 20-year serial bonds with equal amounts of principal maturing each year.

Public Placement Bonds

The County issues public placement general obligation (G.O) bonds to provide funds for the acquisition and construction of major capital facilities. Public placement of G.O. bonds have also been issued for governmental activities. The beginning balance of unmatured debt in 2023 was \$9,670,000. During 2023, bonds were paid down by \$480,000 thru principal amounts maturing.

No assets are pledged as collateral for these public placement bonds. If the bonds are not paid by the maturity date, then interest will continue to be paid at the original rate until both principal and interest are paid in full.

Currently outstanding Clark Conty general obligation debt is as follows:

Bond Series	Original Amount	Description	Amount Outstanding
2014B LTGO Refunding	5,010,000	These bonds are due in annual installments of \$180,000 to \$350,000 through 2035, with interest rates ranging from .85% to 4.4%. This issue is being serviced by the following funds: Real Estate Excise Tax and the Campus Development. This issue refunded a portion of the 2005B LTGO issue. After 2024 the bonds may be redeemed prior to maturity at par plus accrued interest to the date fixed for redemption.	\$ 3,350,000
2018 LTGO	6,355,000	These bonds are due in annual installments of \$250,000 to \$510,000 through 2038, with interest rates ranging from 4% to 5%. This issue is being serviced by the Conservation Futures Fund. After 2027 the bonds may be redeemed prior to maturity at par plus accrued interest to the date fixed for redemption.	5,840,000
Totals	\$ 11,365,000		\$ 9,190,000

Annual debt service requirements to maturity for these Limited Tax General Obligation (LTGO) issuances are as follows:

Public Placement General Obligation Bonds

Year Ending December 31	Principal	Interest
2024 \$	495,000	\$ 393,663
2025	520,000	372,433
2026	545,000	349,538
2027	570,000	325,288
2028	595,000	299,663
2029-2033	3,405,000	1,071,778
2034-2038	3,060,000	337,740
Totals \$	9,190,000	\$ 3,150,103

Direct Placement Bonds

The County issued direct placement G.O. bonds to provide funds for the acquisition and construction of major capital facilities. The beginning balance of unmatured debt in 2023 was \$36,562,339. In 2023, direct placement G.O. bonds were paid down by \$4,497,094 through principal amounts maturing.

Currently outstanding direct placement G.O. bonds are as follows:

Bond Series	Original Amount	Description	Amount Outstanding
2017 LTGO Refunding	\$ 23,965,000	These bonds are due in annual installments of \$2,795,000 to \$3,235,000 through 2026, at an interest rate of 2.06%. This issue is serviced by the following funds: Real Estate Excise Tax, Campus Development, and the General Fund. This issue refunded a portion of the 2006 LTGO issue. Upon default, interest rates increased to 10% per annum. No assets are pledged as collateral.	\$ 9,280,000
2022 LTGO Refunding	24,197,339	Bonds are due in annual installments of \$670,391 to \$1,412,094 through 2042, with interest rates ranging from 3.16% to 3.46%. This issues is serviced by the following funds: Real Estate Excise TAs, Campus Development, Exhibition Hall and General Fund. This issue refunded portions of the 2004A LTGO Issue.	\$ 22,785,245
		Total	\$ 32,065,245

Annual debt service requirements to maturity for these bonds are as follows:

Direct Placement General Obligation Bonds

Year Ending December 31, 2023

	<u>Principal</u>	<u>Interest</u>
2024 \$	4,668,100	\$ 918,316
2025	4,806,348	802,697
2026	4,487,597	687,900
2027	1,918,169	605,548
2028	1,647,642	542,521
2029-2033	8,076,103	1,903,902
2034-2038	3,911,267	769,806
2039-2042	2,550,019	224,327
Totals \$	32,065,245	\$ 6,455,017

B. Advances Due to Other Governments

The County has ten low-interest (.5%) loans from the State of Washington Department of Commerce Public Works Trust Fund. These loans must be repaid within 20 years in annual installments on each loan ranging from \$76,917 to \$592,586. All Public Works Trust Funds Loans issued three loans in 2004, one in 2008, and one in 2011 will incur a rate increase to

12% per annum upon default while all other Public Works Trust Funds have a late penalty of 1% per month, or up to 12% per annum. No assets are pledged as collateral. Should the Public Works Trust Fund Loans default, the entire remaining balance, with interest, may be declared due and payable immediately. The funds from these loans were used for county road projects. These loans will be paid back by the County Road Fund. The beginning balances of unmatured loans in 2023 was \$9,459,303. In 2023, loans were paid down by \$1,587,834 through principal amounts maturing.

These loans are all classified as direct placement debt and are considered advances due to other governments. Annual debt service requirements to maturity are as follows:

Direct Placement Governmental Activities			
Year Ending December 31	Principal	Interest	
2024	\$ 1,510,646	\$ 39,357	
2025	1,145,766	31,804	
2026	1,145,766	26,075	
2027	1,145,766	20,346	
2028	1,145,766	14,618	
2029-2031	1,777,758	17,778	
Totals	\$ 7,871,468	\$ 149,978	

C. Other Financing Arrangements

The County entered into an agreement in 2008 for financing energy, plumbing and lighting savings improvements in various buildings, with an interest rate of 4.19%. The agreement was renegotiated in February 2018 with an interest rate of 2.75%. The assets and related obligations are accounted for in the Statement of Net Position. The cost of the assets total \$7,738,718 and are being depreciated. Title to the assets transfers to the County when the final payment is made. The agreement has no termination provisions.

Other Financing Arrangements Governmental Activities

Year Ending December 31	Principal	Interest	Total
2024	\$ 582,220	\$ 65,370	\$ 647,590
2025	598,435	49,156	647,591
2026	615,101	32,490	647,591
2027	632,231	15,360	647,591
2028	214,633	1,231	215,864
	2,642,620	163,607	2,806,227

D. Arbitrage Rebate Liability

The Tax Recovery Act of 1986 established regulations for the rebate of arbitrage earnings to the federal government on certain local government bonds. Issuing governments must calculate and remit annually any rebate due at least every five years. The County has a cumulative negative rebate amount for its bonds. No liability was recorded as of December 31, 2023.

NOTE 11 – CHANGES IN LONG-TERM LIABILITIES

The following is a summary of the county's long-term debt transactions for the year ending December 31, 2023:

	Beginning Balance	New Issues	Retirements	Ending Balance	Due Within One Year
Governmental activities					
Governmental Funds-					
Bonds payable - public offerings					
General obligation bonds	\$ 9,670,000	\$ -	\$ 480,000	\$ 9,190,000	\$ 495,000
Unamortized amounts:					
For issuance premiums	583,471	-	36,467	547,004	36,467
Bonds payable - direct placements	36,562,339	-	4,497,094	32,065,245	4,668,100
Total bonds payable	46,815,810	-	5,013,561	41,802,249	5,199,567
Private placement financing arrangement	3,209,065	-	566,445	2,642,620	582,220
Asset retirement obligation	4,005,064	135,348	-	4,140,412	-
Leases payable	1,582,339	231,212	502,511	1,311,040	251,523
SBITAs payable	4,413,356	1,149,337	1,506,339	4,056,354	1,467,768
Advances due to other governments	9,459,302	-	1,587,834	7,871,468	1,510,646
Pollution remediation liability	5,987,109	558,038	-	6,545,147	675,400
Total OPEB Liability	23,375,234	-	968,097	22,407,137	1,178,376
Net Pension liability	16,155,248	-	1,956,846	14,198,402	-
Claims and judgments	115,566	3,034	-	118,600	118,600
Compensated absences	13,819,653	19,954,106	18,359,100	15,414,659	1,290,068
Total Governmental Funds	128,937,746	22,031,075	30,460,733	120,508,088	12,274,168
Internal Service Funds					
Claims and judgments	11,623,794	2,817,120	1,383,520	13,057,394	3,468,895
Contracts Payable	264,181	-	55,263	208,918	50,522
Leases payable	628,662	-	359,314	269,348	186,870
Asset retirement obligation	880,000	-	-	880,000	-
Total OPEB Liability	123,135	55,683	-	178,818	12,416
Net Pension liability	927,317	-	134,775	792,542	-
Compensated absences	729,174	1,046,575	926,812	848,937	45,788
Total Internal Service Funds	15,176,263	3,919,378	2,859,684	16,235,957	3,764,491
Total Governmental Activities	\$ 144,114,009	\$ 25,950,453	\$ 33,320,417	\$ 136,744,045	\$ 16,038,659
Business-type activities	Beginning Balance	New Issues	Retirements	Ending Balance	Due Within One Year
Total OPEB Liability	49,237	13,708	-	62,945	4,371
Net Pension liability	367,703	-	54,297	313,406	-
Compensated absences	363,570	352,397	294,556	421,411	18,359
Total Business-type Activities	\$ 780,510	\$ 366,105	\$ 348,853	\$ 797,762	\$ 22,730

* Claims and judgments are included in the Governmental Fund Financial Statements, as well as government-wide statements.

Claims, judgments and compensated absences are generally paid for by the General Fund for governmental activities. The county is limited to a non-voted debt capacity of 1.5% and a voted debt capacity of 2.5% of assessed valuation. At December 31, 2023 the remaining non-voted debt capacity was \$1,616,757,786 and the remaining voted and non-voted capacity was \$2,668,423,274.

NOTE 12 – FUND BALANCES, GOVERNMENTAL FUNDS

Note 1 section E subsection 13 addresses definitions of fund balance classifications and the County's policy on the order of resource uses for Governmental Funds. Following is a table which shows detail information by fund balance classification for the Governmental Fund Balance Sheet.

GOVERNMENTAL FUND BALANCES

	General Fund	County Roads	Community Services Grants	American Rescue Plan	Campus Dev	Opioid & Overdose Response	Dev Impact Fees	Other Government Funds
Nonspendable								
Prepays	1,526,903	2,748	26,395	463,938	-	-	-	297,232
Inventories	4,454	2,345,758	-	-	-	-	-	6,870
Total nonspendable	1,531,357	2,348,506	26,395	463,938	-	-	-	304,102
Restricted For:								
<i>General Government:</i>								
Anti-profiteering program	-	-	-	-	-	-	-	38,753
Legislative/administrative support	-	-	-	-	-	-	-	1,865,209
Facilities maintenance	-	-	-	-	2,656,959	-	-	-
<i>Public safety:</i>								
Drug enforcement	-	-	-	-	-	-	-	603,321
Emergency communications	-	-	-	-	-	-	-	1,574,064
Law enforcement	-	-	-	-	-	-	-	2,502,666
<i>Physical environment:</i>								
Pollution remediation	-	-	-	-	-	-	-	11,492,335
<i>Transportation:</i>								
Road projects & operations	-	42,352,106	-	-	-	-	20,089,562	-
<i>Economic environment:</i>								
Affordable housing	-	-	34,408,794	-	-	-	-	1,304,924
Legislative/administrative support	-	-	2,127,173	-	-	-	-	-
Weatherization & energy efficiency	-	-	1,372,083	-	-	-	-	-
Community action programs	-	-	1,038,436	-	-	-	-	-
Tourism promotion	-	-	-	-	-	-	-	113,727
Veteran's assistance	-	-	-	-	-	-	-	534,315
Industrial development financing	-	-	-	-	-	-	-	20,469
Developmental disability programs	-	-	-	-	-	-	-	1,634,732
Economic Development	-	-	-	-	-	-	-	38,867,630
<i>Health and human services:</i>								
Mental health programs	-	-	-	-	-	-	-	32,084,508
Substance abuse programs	-	-	-	-	-	-	-	1,469,109
Public and environmental health programs	-	-	-	-	-	-	-	13,281,178
Child abuse prevention program	-	-	-	-	-	-	-	424,400
Opioid and overdose response	-	-	-	-	-	1,221,279	-	-
<i>Cultural/recreational:</i>								
Youth services	-	-	1,467,992	-	-	-	-	-
Law Library	-	-	-	-	-	-	-	351,562
Parks capital and operations	-	-	-	-	-	-	3,715,146	17,748,431
Parks acquisition & development	-	-	-	-	-	-	32,118,637	1,991,009
Camp Bonneville cleanup & development	-	-	-	-	-	-	-	3,459,583
<i>Debt service</i>	-	-	-	-	-	-	-	17,054,758
Total restricted	-	42,352,106	40,414,478	-	2,656,959	1,221,279	55,923,342	148,416,683

GOVERNMENTAL FUND BALANCES - continued

	General Fund	County Roads	Community Services Grants	American Rescue Plan	Campus Dev	Opioid & Overdose Resposne	Dev Impact Fees	Other Government Funds
Committed For:								
Construction inspection/permitting	-	-	-	-	-	-	-	11,428,200
Total committed	-	-	-	-	-	-	-	11,428,200
Assigned for:								
<i>General Govt:</i>								
Facilities maintenance	10,000,000	-	-	-	1,814,384	-	-	-
Techonology Projects	-	-	-	-	-	-	-	1,428,027
Crime victim compensation	-	-	-	-	-	-	-	2,115
<i>Board approved Projects</i>	24,736,277							
<i>Public safety</i>								
Law enforcement	-	-	-	-	-	-	-	126,630
<i>Economic environment:</i>								
Construction/permitting operating	-	-	-	-	-	-	-	2,131,857
Mental Health	-	-	-	-	-	-	-	289,934
County Capital Projects	20,000,000	-	-	-	-	-	-	105,783
Veteran's services	-	-	-	-	-	-	-	35,113
<i>Health and human services:</i>								
Public and environmental health	-	-	-	-	-	-	-	5,189
Substance abuse programs	-	-	-	-	-	-	-	127,383
<i>Culture/recreation:</i>								
Parks capital and operations	-	-	-	-	-	-	-	487,939
Fair and event center operations	-	-	-	-	-	-	-	1,751,153
<i>Compensated absences</i>	2,729,133	370,412	126,669	-	-	-	-	610,235
Total assigned	57,465,410	370,412	126,669	-	1,814,384	-	-	7,101,358
Unassigned:	42,423,861	-	-	(456,940)	-	-	-	(80,290)
Total	101,420,628	45,071,023	40,567,542	6,998	4,471,343	1,221,279	55,923,342	167,170,053

NOTE 13 – PENSION PLANS

The following table represents the aggregate pension amounts for all plans for the year 2023:

Aggregate Pension Amounts - All Plans	
Pension liabilities	\$ 15,304,348
Pension assets	45,885,128
Deferred outflows of resources	35,566,454
Deferred inflows of resources	24,848,826
Pension expense/expenditures	(3,676,931)

State Sponsored Pension Plans

Substantially all County full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (ACFR) that includes financial statements and required supplementary information for each plan.

The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

PERS Plan 1 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

PERS Plan 1		
Actual Contribution Rates:	Employer	Employee
January - June 2023		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.39%	6.00%
July - August 2023		
PERS Plan1	6.36%	6.00%
Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
Total	9.39%	6.00%
September-December 2023:		
PERS Plan 1	6.36%	6.00%
Plan 1 UAAL	2.97%	
Administrative Fee	0.18%	
Total	9.51%	6.00%

PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as 2% of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's

60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

PERS Plan 2/3		
Actual Contribution Rates:	Employer 2/3	Employee 2
January - June 2023		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
Total	10.39%	6.36%
July - August 2023		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
Employee Pers Plan 3		Varies
Total	9.39%	6.36%
September-December 2023:		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
Total	9.51%	6.36%

Clark County's actual PERS plan contributions were \$4,208,567 to PERS Plan 1 and \$6,983,106 to PERS Plan 2/3 for the year ended December 31, 2023.

Public Safety Employees' Retirement System (PSERS)

PSERS Plan 2 was created by the 2004 Legislature and became effective July 1, 2006. To be eligible for membership, an employee must work on a full time basis and:

- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington, and carry a firearm as part of the job; or
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; or
- Function as a limited authority Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the above criteria.

PSERS membership includes:

- PERS 2 or 3 employees hired by a covered employer before July 1, 2006, who met at least one of the PSERS eligibility criteria and elected membership during the period of July 1, 2006 to September 30, 2006; and
- Employees hired on or after July 1, 2006, by a covered employer, that meet at least one of the PSERS eligibility criteria.

PSERS covered employers include:

- Certain State of Washington agencies (Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor and Cannabis Board, Parks and Recreation Commission, and Washington State Patrol),
- Washington State Counties,
- Washington State Cities (except for Seattle, Spokane, and Tacoma),
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

PSERS Plan 2 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the average final compensation (AFC) for each year of service. The AFC is based on the member's 60 consecutive highest creditable months of service. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years). There is no cap on years of service credit. Members are eligible for retirement at the age of 65 with five years of service; or at the age of 60 with at least ten years of PSERS service credit; or at age 53 with 20 years of service. Retirement before age 60 is considered an early retirement. PSERS members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies. PSERS Plan 2 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PSERS Plan 2 members are vested after completing five years of eligible service.

Contributions

The **PSERS Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The Plan 2 employer rates include components to address the PERS Plan 1 unfunded actuarial accrued liability and administrative expense currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates.

The PSERS Plan 2 required contribution rates (expressed as a percentage of current-year covered payroll) for 2023 were as follows:

PSERS Plan 2		
Actual Contribution Rates:	Employer	Employee
January-June 2023:		
PSERS Plan 2	6.60%	6.60%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.63%	6.60%
July-August 2023:		
PSERS Plan 2	6.60%	6.60%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
Total	9.63%	6.60%
September-December 2023:		
PSERS Plan 2	6.73%	6.60%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.20%	
Total	9.90%	6.60%

The County's actual plan contributions were \$865,142 to PSERS Plan 2 and \$443,852 to PERS Plan 1 for the year ended December 31, 2023.

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate defined benefit plans.

LEOFF Plan 1 provides retirement, disability and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service – 2.0% of FAS
- 10-19 years of service – 1.5% of FAS
- 5-9 years of service – 1% of FAS

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. Members are eligible for retirement with five years of service at the age of 50. Other benefits include duty and non-duty disability payments, a cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan I had no required employer or employee contributions for fiscal year 2023. Employers paid only the administrative expense of 0.20% of covered payroll.

LEOFF Plan 2 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

Contributions

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The rates are adopted by the LEOFF Plan 2 Retirement Board and are subject to change by the Legislature.

Effective July 1, 2017, when a LEOFF employer charges a fee or recovers costs for services rendered by a LEOFF 2 member to a non-LEOFF employer, the LEOFF employer must cover both the employer and state contributions on the LEOFF 2 basic salary earned for those services. The state contribution rate (expressed as a percentage of covered payroll) was 3.41% in 2023.

The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

LEOFF Plan 2		
Actual Contribution Rates:	Employer	Employee
January - August 2023		
State and local governments	5.12%	8.53%
Administrative Fee	0.18%	
Total	5.30%	8.53%
Ports and Universities	8.53%	8.53%
Administrative	0.18%	
Total	8.71%	8.53%
September - December 2023:		
State and local governments	5.12%	8.53%
Administrative Fee	0.20%	
Total	5.32%	8.53%
Ports and Universities	8.53%	8.53%
Administrative Fee	0.20%	
Total	8.73%	8.53%

Clark County's actual contributions to the plan were \$951,648 for the year ended December 31, 2023.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute. For the state fiscal year ending June 30, 2023, the state contributed \$87,966,142 to LEOFF Plan 2. The amount recognized by Clark County as its proportionate share of this amount is \$574,392.

Actuarial Assumptions

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2023 with a valuation date of June 30, 2022. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2013-2018 Demographic Experience Study* and the *2021 Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2022 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2023. Plan liabilities were rolled forward from June 30, 2022, to June 30, 2023, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.25% salary inflation
- **Salary increases:** In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.00%

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates, which vary by member status, as the base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

The actuarial results reflect the following changes in assumptions and methods since the last valuation.

Method Changes

Methods did not change from the prior contribution rate setting June 30, 2021 Actuarial Valuation Report (AVR). OSA did make an assumption change to adjust TRS Plan 1 assets, LEOFF Plan 1/2 assets, and LEOFF participant data to reflect certain material changes occurring after June 30, 2022 measurement date.

Discount Rate

The discount rate used to measure the total pension liability for all DRS plans was 7.0 percent.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA's assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.0 percent was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.0 percent was determined using a building-block-method. In selecting this assumption, the OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMA's) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns at various future times.

Estimated Rates of Return by Asset Class

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, are summarized in the table below. The inflation component used to create the table is 2.20 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.50%
Tangible Assets	7%	4.70%
Real Estate	18%	5.40%
Global Equity	32%	5.90%
Private Equity	23%	8.90%
	100%	

Sensitivity of the Net Pension Liability/ (Asset)

The table below presents Clark County's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0 percent) or 1-percentage point higher (8.0 percent) than the current rate.

	1% Decrease 6.00%	Current Discount. Rate 7.00%	1% Increase 8.00%
PERS 1	\$ 21,381,331	\$ 15,304,348	\$ 10,000,571
PERS 2/3	34,474,912	(31,697,575)	(86,062,455)
PSERS 2	2,622,960	(1,691,599)	(5,096,731)
LEOFF 1	(2,604,840)	(2,937,661)	(3,226,268)
LEOFF 2	1,582,595	(9,558,293)	(18,676,154)

Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the County reported its proportionate share of the net pension liabilities (assets) as follows:

	Liability (or Asset)
PERS 1	\$ 15,304,348
PERS 2/3	(31,697,575)
PSERS 2	(1,691,599)
LEOFF 1	(2,937,661)
LEOFF 2	(9,558,293)

The amount of the asset reported above for LEOFF Plans 1 and 2 reflects a reduction for State pension support provided to the County. The amount recognized by the County as its proportionate share of the net pension asset, the related State support, and the total portion of the net pension asset that was associated with the County were as follows:

	LEOFF 1 Asset	LEOFF 2 Asset
LEOFF - employer's proportionate share	\$ (2,937,661)	\$ (9,558,293)
LEOFF - State's proportionate share of the net pension asset associated with the employer	(19,870,267)	(6,103,828)
Total	\$ (22,807,928)	\$ (15,662,121)

At June 30, the County's proportionate share of the collective net pension liabilities was as follows:

	Proportionate Share 6/30/22	Proportionate Share 6/30/23	Change in Proportion
PERS 1	0.62672%	0.67044%	0.04372%
PERS 2/3	0.74014%	0.77336%	0.03322%
PSERS 2	1.32300%	1.59526%	0.27226%
LEOFF 1	0.09467%	0.09898%	0.00430%
LEOFF 2	0.35120%	0.39850%	0.04730%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30, 2023 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Non-employer Allocations* for all plans except LEOFF 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2022. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). The state of Washington contributed 87.12 percent of LEOFF 1 employer contributions, and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data. In fiscal year 2023, the state of Washington contributed 39% of LEOFF 2 employer contributions pursuant to RCW 41.26.725 and all other employers contributed the remaining 61% of employer contributions.

Pension Expense

For the year ended December 31, 2023, the County recognized pension expense as follows:

Pension Expense		
PERS 1	\$	1,081,140
PERS 2/3		(4,655,726)
PSERS 2		377,079
LEOFF 1		(366,145)
LEOFF 2		(113,279)
Total	\$	(3,676,931)

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (1,726,397)
Contributions subsequent to the measurement date	1,998,492	-
Total	\$ 1,998,492	\$ (1,726,397)

PERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,456,760	\$ (354,159)
Net difference between projected and actual investment earnings on pension plan investments	-	(11,945,562)
Changes of assumptions	13,307,739	(2,900,563)
Changes in proportion and differences between contributions and proportionate share of contributions	543,782	(2,100,742)
Contributions subsequent to the measurement date	3,736,690	-
Total	\$ 24,044,971	\$ (17,301,026)

PSERS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 529,315	\$ (435,282)
Net difference between projected and actual investment earnings on pension plan investments	-	(455,249)
Changes of assumptions	756,823	(294,358)
Changes in proportion and differences between contributions and proportionate share of contributions	3,685	(266,744)
Contributions subsequent to the measurement date	462,953	-
Total	\$ 1,752,776	\$ (1,451,633)

LEOFF 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (194,794)
Total	\$ -	\$ (194,794)

LEOFF 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,904,292	(78,638)
Net difference between projected and actual investment earnings on pension plan investments	-	(2,022,514)
Changes of assumptions	2,441,631	(785,138)
Changes in proportion and differences between contributions and proportionate share of contributions	922,775	(1,288,686)
Contributions subsequent to the measurement date	501,517	-
Total	\$ 7,770,215	(4,174,976)

TOTAL PLANS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,890,367	(868,079)
Net difference between projected and actual investment earnings on pension plan investments	-	(16,344,516)
Changes of assumptions	16,506,193	(3,980,059)
Changes in proportion and differences between contributions and proportionate share of contributions	1,470,242	(3,656,172)
Contributions subsequent to the measurement date	6,699,652	-
Total	\$ 35,566,454	(24,848,826)

Deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	PERS 1	PERS 2/3	PSERS 2	LEOFF 1	LEOFF 2
2024	\$ (1,174,568)	\$ (6,206,033)	\$ (304,510)	\$ (133,558)	\$ (804,169)
2025	(1,477,158)	(7,306,851)	(372,200)	(167,597)	(1,130,778)
2026	910,793	9,594,640	309,581	103,966	1,747,236
2027	14,536	3,464,586	23,744	2,394	619,596
2028	-	3,463,150	27,966	-	665,601
Thereafter	-	(2,238)	153,609	-	1,996,238

NOTE 14 – DEFERRED COMPENSATION PLAN

The County maintains an Internal Revenue Code (IRC) Section 457 plan for all permanent employees. Section 457 requires that the assets and income of the plans be held in trust for the exclusive benefit of participants and their beneficiaries. Monthly contributions to the plan are deducted from the wages of employees who choose to participate as prescribed by federal law and regulations. The contributions are deposited with a third party in the County's name and in trust on behalf of the County's employees.

The County adopted Governmental Accounting Standard Board Statement No.32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The County has little administrative involvement and does not perform investing functions for this plan, therefore, this plan is not shown in the County's financial statements.

As of December 31, 2023, the County had 886 active participants in 457 plans and a total of 1,324 accounts, having accumulated deposits with a fair value of \$123,009,412. The County contracts

with a sole provider in order to reduce the cost of participation to employees, provide better fund options, and improve service with more financial planning meetings.

The County Section 457 plan is a single-employer defined contribution plan. Plan benefit terms have been established by county code. The County does not make matching contributions on behalf of participating employees. No assets are accumulated in trusts or equivalent arrangements by the county which meet the criteria in GASB 73, paragraph 101. The plan assets are administered by a private party, Lincoln financial. Plan assets are held in each employee's name and are immediately vested.

The employee may voluntarily contribute to the plan at a rate of their election up to the limits imposed by Internal Revenue Code (IRC) section 457. There was no payable to the administrator at December 31, 2023.

NOTE 15 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLANS

The following table represents the aggregate other postemployment benefits other than pension amounts for the County's Single Employer plan subject to the requirements of the GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions for the year 2023:

Aggregate OPEB Amounts	
OPEB Liabilities	\$ 22,648,900
Deferred Outflows of Resources - OPEB	1,783,632
Deferred Inflows of Resources - OPEB	8,628
OPEB expense / expenditures	(375,624)

Plan Description

In addition to providing pension benefits, the County has elected to administer health care benefits under two single-employer defined benefit plans to the retirees of the County; one for *Law Enforcement Officers' & Fire Fighters' Retirement* (LEOFF 1) (see note 16.B.) and the second OPEB plan for all other retirees (PERS and LEOFF 2) (see note 16 A.). There are no stand-alone financial reports produced for the OPEB plans.

The County did not establish an irrevocable trust (or equivalent arrangement) to account for either plan. Instead, the activities of the plans are reported in the County's benefits service account. The following describes each plan separately.

A. Retired PERS and LEOFF 2 Employees

Plan Description

The County has elected to provide certain public employee groups with a single-employer defined benefit retiree healthcare plan. The healthcare plan provides post-retirement medical and vision coverage for eligible retirees, their spouses, domestic partners, and dependents on a self-pay basis. The County establishes the benefit provisions and the premium rates are set by the health insurance carrier, plus a 2% administration fee. Eligible participants may select from one of the County's two healthcare plans, a self-insured plan administered by Regence Blue Cross or the Kaiser HMO plan. The benefits provided to retirees under age 65 is generally less than the coverage provided to employees. Coverage under these plans is provided to retirees, spouses,

and domestic partners. Dependent children are covered until age 26. Each health insurance carrier offers a health plan for retirees who are eligible for Medicare.

The premium rates for eligible retirees and their dependents (other than Kaiser's Senior Advantage) are based on the experience of all plan members, including both active employees and retirees. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the County's implicit employer contribution.

The premium rates for the Kaiser Senior Advantage are based on a "community rated" Medicare supplemental healthcare program and are assumed to generate no implicit employer contribution.

At December 31, 2023, the following employees were covered by the benefit terms:

	Total
Active Employees	1,756
Inactive Employees or Beneficiaries currently receiving benefits	30
Inactive Employees entitled to but not yet receiving benefit payments	4
	<hr/> 1,790 <hr/>

Contributions

The County has authority to establish and amend contribution requirements. Contributions are based on the projected pay-as-you-go financing requirements with no assets accumulating in a qualified trust. For the fiscal year ending December 31, 2023, the County's implicit subsidy contributions were \$197,343.

Actuarial Assumptions

The total OPEB liability (TOL) of \$3,263,089 was measured as of December 31, 2023, and was determined using the most recent actuarial valuation as of December 31, 2022, which was based on the Entry Age Normal Level Percent of Pay method. The TOL was calculated as of the valuation date, using a discount rate of 3.26%, which is the 20-year General Bond Obligation Municipal Bond Index published by the Bond Buyer.

Additional assumptions for subsequent events and law changes are current as of the 2023 actuarial valuation report.

- Inflation: 2.75% total economic inflation
- Salary inflation: 3.5%
- Discount Rate: 3.26%
- Healthcare cost trend rate: 5.0%
- Dental cost trend rate 4%

Plan Liabilities were rolled forward from December 31, 2022, to December 31, 2023, reflecting each plan's normal cost (using the entry-age normal level percent of salary), assumed interest and implicit subsidy contributions.

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index. Mortality rates were based on the Pub.H-2010 tables published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using the MP-2107 mortality improvement scale. Mortality rates are

applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime. The actuarial assumptions used for the fiscal year ending December 31, 2023 valuation were based on the results of the 2013-2018 actuarial experience study and the 2019 economic experience study, performed by the Office of the State Actuary.

The Disability Rate was considered immaterial for this calculation.

Participation was assumed to be 30% of eligible enrolling in the medical plan. It was also assumed that 20% of female retirees and 30% of male retirees will elect coverage for a spouse. Males are assumed to be two years older than their female spouses if date of birth is not provided. 15% of non-Medicare eligible retirees were assumed to drop coverage each year.

Sensitivity of the Total OPEB Liability

The table below presents the County's total OPEB liability calculated using the discount rate of 3.26 percent, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.26 percent) or 1-percentage point higher (4.26 percent) than the current rate.

Similarly, the sensitivity of the total OPEB liability to changes in assumed healthcare trend rates is disclosed using trends that are 1-percentage point lower or 1-percentage point higher than the current rate.

	1% Decrease 2.26%	Current Discount Rate 3.26%	1% Increase 4.26%
Total OPEB Liability	\$ 3,494,071	\$ 3,263,089	\$ 3,044,780

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 2,945,925	\$ 3,263,089	\$ 3,636,403

Changes in the Total OPEB Liability

The table below presents the changes in the Total OPEB liability:

Total OPEB Liability at December 31, 2022	\$ 2,406,324
Changes for the Year	
Service Cost	209,321
Interest	47,921
Changes in Assumptions (Gain)/Loss	215,308
Experience (Gain)/Loss	544,295
Benefit Payments	(160,080)
Net Changes	856,765
Total OPEB Liability at December 31, 2023	<u>\$ 3,263,089</u>

The County reported \$393,606 as non-LEOFF 1 OPEB expense for the calendar year 2023.

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 810,782	\$ 8,628
Changes of assumptions or other inputs	488,554	-
Total	<u>\$ 1,299,336</u>	<u>\$ 8,628</u>

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Year Ending		
2024	\$	136,364
2025		136,364
2026		136,364
2027		136,364
2028		136,364
Thereafter	\$	608,888

B. Retired LEOFF I Employees

Plan Description

The County administers a single-employer Other Post Employment Benefit plan, which provides all health insurance benefits for retired public safety employees who are vested in LEOFF I. All City LEOFF I employees may become eligible for these benefits if they reach normal retirement age while working for the County. The County has used the alternative measurement method permitted by GASB Statement 75.

There are 37 participants eligible to receive these benefits. There is currently one member actively employed at the County who is not yet receiving LEOFF I medical benefits. The benefits are 100 percent provided by the County in order to meet State statutory requirements under the LEOFF I system and provided pursuant to RCW 41.20 and 41.26, whereby the County pays their medical and dental premiums and out-of-pocket medical costs for life. This plan is closed to new entrants.

At December 31, 2023, the following employees were covered by the benefit terms:

	Total
Active Employees	0
Inactive Employees or Beneficiaries currently receiving benefits	37
Inactive Employees entitled to but not yet receiving benefits payments	0
	<hr/>
	37

Contributions

The County has authority to establish and amend contribution requirements. The plan is funded on a pay-as-you-go basis and there are no assets accumulated in a qualifying trust.

For the year ending December 31, 2023, benefit payments made by the County were \$127,648.

Actuarial Assumptions

The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about retirement ages, mortality and the healthcare cost trend. The actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The County's total LEOFF 1 OPEB liability of \$19,385,811 was measured as of June 30, 2023, with a valuation date of June 30, 2023. The alternative method permitted under GASB 75 was used to calculate the liability instead of an actuarial valuation. The Entry Age actuarial cost method and the recognized immediately amortization method were used in this calculation. There are no assets in this plan, therefore, no asset valuation method was used.

The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement period, unless otherwise specified:

- Inflation: 2.75% total economic inflation
- Discount Rate: 3.54% beginning of measurement year, 3.65% end of measurement year
- Healthcare cost trend rate: for medical costs, 4.5%; for long-term care, 4.75%; Medicare Part B premiums vary, approximately 5.0%.

The source of the discount rate is the Bond Buyer General Obligation 20- Bond Municipal Index.

Mortality rates were based on the Pub S.H-2010 “-1 year Healthy Table” and “-0 years Disabled Table” published by the Society of Actuaries. The Washington State Actuary applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using MP-2017 long-term rates. The Age Setback was based on the Blended 50%/50% Healthy/Disabled table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime. Medicare participation is assumed at 100%.

Sensitivity of the Total OPEB Liability

The first table below presents the County's total OPEB liability calculated using the discount rate of 3.65 percent, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.65 percent) or 1-percentage point higher (4.65 percent) than the current rate. The table following presents the total OPEB liability of the County calculated using the health care cost trend rate of 4.5 percent and long term care rates of 4.75 percent, as well as what the OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage point lower (3.5%, 3.75% long term care trend rate) or 1-percentage point higher (5.5%, 5.75% long term care trend rate) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 21,518,333	\$ 19,385,811	\$ 17,563,983

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 17,641,018	\$ 19,385,811	\$ 21,381,764

Changes in the Total OPEB Liability

At the measurement date June 30, 2023, the changes in the total OPEB liability are as follows:

Total OPEB Liability at December 31, 2022	\$ 21,141,282
Changes for the Year:	
Interest	731,097
Changes in Experience Data and Assumptions	(1,500,327)
Estimated benefit payments	<u>(986,241)</u>
Net Changes	<u>(1,755,471)</u>
Total OPEB Liability at December 31, 2023	\$ <u>19,385,811</u>

The County reported (\$769,230) as LEOFF 1 OPEB expense for the calendar year 2023.

At December 31, 2023, the County reported deferred outflows of resources for deferred outflows subsequent to the measurement date in the amount of \$484,292. This will be recognized as reduction of liability in the period ending December 31, 2024.

NOTE 16 – IMPACT FEES

Clark County has adopted impact fee ordinances in past years to ensure that adequate facilities are available to serve new growth and development. An impact fee is levied as a condition of issuance of a building permit or development approval. Customers may be entitled to a non-refundable credit against the applicable traffic impact fee component for the fair value of appropriate dedications of land improvements or construction of system improvements provided by the development. In the event that the amount of the credit is calculated to be greater than the amount of the impact fee due, the customer may apply the excess credit toward traffic impact fees imposed on other developments within the same service area.

In 2023 there were \$6,116,840 in increases to TIF credits. The amount of credits applied toward traffic impact fees in 2023 was \$2,023,408. The amount of credits that may be applied against future traffic impact fees is \$15,340,269 at December 31, 2023.

In 2014 Clark County assumed park impact fee credits from the City of Vancouver that pertain to County park districts, with an ending balance of \$62,481 at December 31, 2023. Clark County does not issue park impact fee credits, so this amount will be reduced as credits are applied, until all existing credits are used.

The County does not report impact fee credits as liabilities in the fund financial statements because they are considered long-term liabilities (which are not reported in governmental funds) and viewed as reductions of future revenues, which are not yet earned. However, impact fee credits of \$15,402,750 are reported in the government-wide Statement of Net Position as unearned revenues.

NOTE 17 –RISK MANAGEMENT

Clark County is exposed to risks of loss related to theft, damage and destruction of assets, tort claims, injuries to employees, acts of terrorism, and natural disasters. The County is self-insured for general liability claims, property coverage, workers compensation, unemployment and certain employees' health care coverage. The County estimates liability for incurred losses for reported and unreported claims for general liability and property, workers compensation, and employee health care.

The County provides insurance coverage deemed as adequate and appropriate. In the case of County self-insurance activity, non-incremental claims adjustment expenses are not included as part of the accrued claims liabilities in the financial statements.

General Liability and Property

Beginning April 29, 2014, Clark County became fully self-insured, transitioning from a \$500,000 Washington Counties Risk Pool deductible to a \$1,000,000 Self Insured Retention, with excess coverage attaching at that point. Future claims will be handled based on the date of loss. As the three year statute of limitations runs, Pool claims will diminish as new claims will be covered by self-insurance. Currently, claims are administered internally by Clark County.

Under its self-insurance program, the County is responsible for the first \$1.0 million in indemnity and defense costs, before the Excess layer(s) apply. This is called "Self-Insured Retention" (SIR). The first layer above the SIR is a \$10.0 million Public Entity Liability policy. The next layer is \$15.0 million in following-form excess coverage. All policies are underwritten by highly rated carriers. The total \$25.0 million in coverage is also the aggregate annual limit.

The County has property coverages for all-risks, including earthquake and flood. There is also a

LEED endorsement covering the County's LEED buildings that will bring the damaged property back to certified status. There is a \$50,000 deductible for losses except Earthquake and Flood. As of December 31, 2023, Clark County has a total liability of \$6.2 million in the General Liability internal service fund. Liabilities include an amount for claims that have been incurred but not reported (IBNR) based on a study by Bickmore, pension liability, compensated absences and short term liabilities. The total claims liability for 2023 is \$6.1 million. The following schedule reconciles the current year and prior year claims liability.

	2023	2022
Beginning claims liability	\$ 6,202,484	\$ 4,915,823
Claims incurred during the year and changes in estimates for claims of prior periods (incl. IBNR)	5,645,612	5,555,956
Payments made on claims	(5,785,898)	(4,269,295)
Ending claims liability	\$ 6,062,198	\$ 6,202,484

The General Liability fund currently has a net position of \$9.1 million. If additional resources are required to satisfy current claims, the County may consider a reassessment of premiums.

Unemployment

The County is self-insured for unemployment insurance claims. As of December 31, 2023 there is \$0.8 million set aside for unemployment claims. There were no significant claims outstanding against the unemployment insurance fund assets at year-end, with an estimated liability of \$287,676. There were no settlements for unemployment that exceeded the insurance coverage in the last three fiscal years. The following schedule reconciles the current year and prior year claim liability.

	2023	2022
Beginning claims liability	\$ 287,676	\$ 287,676
Claims incurred during the year and changes in estimates for claims of prior periods (incl. IBNR)	-	202,352
Payments made on claims	-	(202,352)
Ending claims liability	\$ 287,676	\$ 287,676

Workers compensation

Clark County is Self-Insured for worker's compensation under the laws of the State of Washington. The County maintains a dedicated self-insurance internal service fund, as well an excess liability policy of \$1.0 million with a \$750,000 deductible with Midwest Employers Casualty Company. The fund currently has a net position of \$1.0 million.

The County currently has an accrued claims liability of \$3.8 million in the Workers Compensation internal service fund. In 2023 Clark County engaged Bickmore to study and provide an estimate of workers compensation liability. The following schedule reconciles the current year and prior year claim liability:

	2023	2022
Beginning claims liability	\$ 3,642,934	\$ 3,496,764
Claims incurred during the year and changes in estimates for claims of prior periods (incl. IBNR)	3,086,975	2,249,348
Payments made on claims	(2,954,613)	(2,103,178)
Ending claims liability	\$ 3,775,296	\$ 3,642,934

Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

Employee Health Care

Beginning April 2014, the County established an internal service fund for the purpose of self-insuring employee medical and dental costs. The County pays claims and related expenses for employees choosing this plan and contracts with a third party administrator to process claims. The plan carries reinsurance coverage with a \$200,000 individual stop loss, and an aggregate stop loss of 1.25% of claims. The following schedule reconciles the current year and prior year claim liability:

	2023	2022
Beginning claims liability	\$ 1,901,900	\$ 1,486,900
Claims incurred during the year and changes in estimates for claims of prior periods (incl. IBNR)	22,393,130	19,549,944
Payments made on claims	(22,133,530)	(19,134,944)
Ending claims liability	\$ 2,161,500	\$ 1,901,900

The County began accounting for an estimated liability in 2015. As of December 31, 2023 the IBNR was estimated to be \$2.2 million. The County has built reserves in this internal service fund based on an eight week funding policy, with the reserve amount estimated to be \$2.9 million. As of December 31, 2023, total fund balance for the self-insurance fund is \$5.8 million.

NOTE 18 – RESTRICTED NET POSITION

Clark County's government-wide statement of net position reports a restricted net position of \$298.9 million, of which \$141.5 million is restricted by enabling legislation and state laws, \$45.7 million by pensions, \$93 million by grantors, and \$17 million by bond covenants and debt service.

NOTE 19 - CONTINGENCIES AND LITIGATIONS

The County participates in several Federal, State, and local grant programs. The grants are subject to an annual audit examination that includes compliance with granting agency terms and provisions, and with Federal and State regulations. Failure to adequately comply with the provisions could result in a requirement to repay funds to the granting agency. Disallowed expenditures cannot be determined at this time, although it is expected that such amounts would be immaterial.

On February 25, 2021, the Washington State Supreme court struck down the State's main drug possession crime in a case called State v. Blake. Convictions of simple possession of controlled substances were deemed unconstitutional and voided, dating back to 1971. It was determined to use the State Treasury to cover the state and local costs related to this case. The Treasury is being initially used to cover these costs and the costs were determined at the state level, the county has made the determination that, once the state allocation funds have been depleted, these liabilities belong to the state and not the county. The county will not be reporting a liability related to this activity.

On October 3, 2022, the Attorney General of Washington state announced a settlement relating to the Ferguson's lawsuit with three companies that were found to have played key roles in fueling the Opioid epidemic in the United States. It was determined that Clark County would receive a portion of this settlement to be used exclusively for treatment options, youth-focused prevention strategies, support for first responders and other evidence-based programs and services that will help local communities heal from the epidemic. This settlement was the largest Opioid recovery to date, however, other litigation against other large Opioid manufacturers and

other parties continue. The county created a new special revenue fund in 2022 to record amount received for these settlements, as of the end of 2023 the county recorded a receivable of \$19.6 million, however, it is anticipated that there will be more settlements in the coming years with the known outstanding litigation pending.

The County has been named as a defendant in various other lawsuits. Although the outcome of these lawsuits is not presently determinable, the County is of the opinion that present reserves are available to adequately cover potential settlements without adversely affecting the financial condition of the County.

The County has been named as a defendant in pending litigation that is reasonably possible a liability has been incurred, but cannot be estimated and so are not reflected in the financial statements.

NOTE 20- JOINTLY GOVERNED AND RELATED PARTIES

Clark Regional Emergency Services Agency

Clark County, the City of Vancouver and other local governments participate in governance of Clark Regional Emergency Services Agency (CRESA), a jointly governed organization whose purpose is to equip and operate a consolidated public safety communications service. CRESA is a special purpose quasi-municipal corporation originally created under the Interlocal Cooperation Act (RCW 39.4) in 1975 and restructured as a Public Development Authority or PDA authorized under RCW 35.21.730 in October 2017 and is recognized as such by the County. This restructure is still being evaluated by the CRESA administrative board with the County and all but one party to the agreement approving this restructure. The administrative board is comprised of nine members appointed by the entities receiving the services.

Due to the change in legal formation, the transactions between the County and CRESA no longer create an ongoing financial interest or financial responsibility; however, Clark County still collects telephone access fees (911 taxes) that are transferred to CRESA. These access fees fund emergency operations and equipment. The amount paid in 2023 was \$5,073,750.

Detailed financial statements for this entity can be obtained from CRESA, 710 W. 13th Street, Vancouver, Washington 98660.

Vancouver Library Capital Facilities Area (VLCFA)

The Vancouver Library Capital Facilities Area (VLCFA) was established with a special election of the voters in November 2005 and is a legal entity. Under the Revised Code of Washington (RCW) Section 27.15.030, the governing body of the library capital facility area is required to be three members of the local county legislative body. RCW 27.15.040 states that the purpose of the facility area is to construct, acquire, maintain and remodel library capital facilities, and that the governing body of the library capital facilities area may contract with a county, city, town, or library district to design, administer the construction of, operate or maintain a library capital facility. Under an interlocal agreement between Fort Vancouver Regional Library District (Library District) and VLCFA, the Library District is the agent for the VLCFA for negotiating the acquisitions, arranging, financing, contracting for construction and equipping of projects, operating and maintaining the projects after they are built. Upon retirement of any bonds, ownership of the projects will transfer to the Library District.

VLCFA is a related organization to Clark County because County elected officials constitute the voting majority of the board, but the County is not financially accountable for this entity and there

is no potential financial benefit or burden to the county. Further, the County cannot impose its will on this entity, as the voter control the authority to raise capital for facility construction or improvement.

NOTE 21 - POLLUTION REMEDIATION

Leichner Landfill

In December, 2012, the County acquired landfill property formerly known as the Leichner Landfill (the Property). The Property was previously owned and operated by Leichner Brothers Landfill Reclamation Corporation (LBLRC) and was closed in December 1991. Between 1988 and 1996, LBLRC, Clark County (County), the City of Vancouver (City), Washington Utilities and Transportation Commission, and Washington State Department of Ecology (DOE) entered into a series of agreements regarding closure and post-closure maintenance and monitoring of the landfill. The Property is currently in the post remediation monitoring stage.

In 1988 the County entered into a Solid Waste Reduction and Disposal Agreement with LBLRC to direct the flow of solid waste and establish the Leichner Landfill Financial Assurance Reserve Fund (FARF). FARF, known as the Solid Waste Closure Fund, was established by the County for the sole purpose of accumulating disposal fees collected by LBLRC from 1988 until closure in 1991. In addition to fees collected, the County contributed other resources. These funds were designated to pay for environmental compliance, closure, and self-insurance of the solid waste landfill.

The Revised Environmental Compliance Budget submitted to DOE for 2019 indicates that the remediation project is fully funded through 2023, the end of the 30-year post-closure monitoring period. This budget is the basis for the estimates for the year ending December 31, 2024. The remaining estimated liability is approximately \$6.5 million. This is measured at current value. If FARF is depleted before the end of required maintenance and monitoring, the County is required through agreement to utilize rate capacity at the County contracted transfer stations under RCW 36.58 to continue to fund the project.

This estimated potential liability was prepared using the Expected Cash Flow Technique, which measures the liability as the sum of probability weighted amounts in a range of possible estimated amounts. This is an estimate only and potential for change exists resulting from price increases or reductions, technology, or changes in applicable laws or regulations. The estimates and assumptions will be re-evaluated on an annual basis.

Camp Bonneville

Camp Bonneville is a 3,840 acre piece of property owned by Clark County that was formerly used by the US Army as a military reservation and training camp. The property is undergoing remediation for munitions clean-up. An agreement with the Department of Ecology stipulates that the County is only responsible for remediation of the site to the extent that the US Army provides funding for such work. The US Army is financially responsible for the cleanup of this property is ongoing and evaluated frequently. The County has been monitoring groundwater during the munition cleanup process, and will continue to monitor groundwater at this site. The monitoring has been funded by the US Army.

Whatley Pit

Whatley Pit is property owned by Clark County and has been used as a processing facility for material swept from streets and removed from storm drains. There has been no obligating event that requires the County to record a liability.

NOTE 22 - PRIOR PERIOD ADJUSTMENTS

Clark County recognizes during the current year we may gain a greater understanding of transactions that occurred prior to our current year financial statements that must be corrected to ensure accuracy of the financial statements.

The County recorded the following prior period adjustments in 2023:

Government Wide

		Registered capital asset that was put into service in 2022 and not recorded in 2022. Prepaid grant revenue recorded incorrectly as revenue in 2022. Expenses began in 2023, revenue will be recorded as prepaid grant until spent. As well as adjustments to capital assets.
	\$ 13,250,763	
Governmental activities		
Business activities	\$ 822,298	Capital contributions received prior to 2023 and noted included in the statements and updated inventory balance for fund previously recorded as expense.
Total Government wide activities:	\$ 14,073,061	

Governmental Funds:

	(750,000)	Prepaid grant revenue recorded incorrectly as revenue in 2022. Expenses began in 2023, revenue will be recorded as prepaid grant is spent.
Road Fund:		Revised the allowance for doubtful accounts related to the notes receivable balance based on and updated understanding of the recommendations on how to report the allowance for doubtful accounts related to loans with forgivable clauses in the contracts.
Community Services Grants:	\$ 13,196,055	
Total Governmental Funds:	12,446,055	

Proprietary Funds:

Clean Water	696,377	Capital contributions received prior to 2023 and not included in the statements.
Non Major Enterprise Funds	125,921	Updated statements to include inventory held Tri-Mountain Golf Course previously recorded as expense.
Internal Service	166,559	Registered capital asset that was put into service in 2022 and not recorded in 2022.
Total Proprietary Funds:	988,857	

NOTE 23- OTHER DISCLOSURES

A. Tax Abatement

The County is subject to tax abatements granted by the City of Vancouver (City's) and the State of Washington. There are no receivables related to these tax abatements.

The City's tax abatement program, Multifamily Tax Exemption Program, has the stated purpose of increasing residential opportunities, including affordable housing, in designated urban centers. Under this program, authorized by RCW 84.14 and codified in Chapter 3.22 of the Vancouver Municipal Code, agreements entered into by the City abate City, County and other special purpose district property taxes. Under this program, the property taxes abated are shifted to other tax payers. At December 31, 2023, \$488,739 was abated through the City's program. The State

of Washington also administers a tax deferral program under RCW 84.14 that impacts the Clark County and other special purpose district property taxes.

The State of Washington has several tax abatements. There are two which affect Clark County sales and use tax received. The High Unemployment Deferral for Manufacturing Facilities exemption under RCW 82.60 is intended to promote economic stimulation and new employment opportunities in distress areas. At December 31, 2023, \$11,341 of sales and use tax was abated under this program.

The High Technology sales and use tax deferral program under RCW 82.63, which was available to entities that qualified to start new research and development or pilot scale manufacturing operations, or expand or diversify a current operation by expanding, renovating or equipping an existing facility anywhere in Washington. RCW 82.32.585 (4) prohibits disclosure of information by jurisdiction when there are less than three taxpayers within a county. The tax abated for this program cannot be disclosed.

B. Asset Retirement Obligation

The County Internal Service Fund activity has installed fuel tanks in various locations. When the tanks are removed or replaced, the Environmental Protection Agency (EPA) requires certain steps be taken to prevent or mitigate contamination from the tanks' contents. The EPA has provided estimated range of costs for the proper disposal of tanks, depending on the severity of contamination. The County has applied these estimates to all tanks in operation to arrive at a total estimated asset retirement obligation. The remaining useful lives of the tanks in service range from approximately 10 to 15 years. The liability at December 31, 2023 is \$880,000 and the deferred outflow is \$146,335.

The County operates 14 wells in various park locations having estimated useful lives remaining of 48 to 95 years. When these wells are retired, they are subject to specific decommissioning requirements within the Washington Administrative Code (WAC) 173-160-38. The County estimated the liability using an average cost based on the size and depth of the wells. The estimated liability at December 31, 2023 is \$251,584 and the deferred outflow is \$180,877.

The County also operates three mining quarries. Two of the quarries have completed mining and one is nearing completion; however, no efforts were performed in 2023. These quarries are subject to reclamation as required by the Department of Natural Resources under the Surface Mining Act (RCW 78.44). The County estimated the liability at December 31, 2023 to be \$3,888,828. No deferred outflow exists as the expense associated with the asset retirement obligation is incurred at the point the ground is disturbed.

The obligations will be paid from operating income; no assets have been set aside to fund these obligations.

C. Implementation of New Accounting GASB Pronouncements

The County had reviewed its contracts with other governments and private parties and has reported the Public-Private or Public-Public Partnerships (PPPs) as defined by GASB 94. The County's lessor lease for the Amphitheater, an operator constructed facility, is discussed in Note 9.

Clark County
Required Supplementary Information -
Other Post Employment Benefits - PERS/PSERS/LEOFF II
For the year ended December 31, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 209,321	\$ 164,571	\$ 159,006	\$ 111,645	\$ 107,870	\$ 70,437
Interest	47,921	46,686	35,141	45,244	33,324	43,396
Differences between expected and actual experience	544,295	-	414,803	-	(14,978)	-
Changes of assumptions or other inputs	215,308	-	73,358	-	409,324	-
Benefit payments	(160,080)	(142,498)	(101,219)	(103,320)	(97,698)	(79,699)
Net change in total OPEB liability	856,765	68,759	581,089	53,569	437,842	34,134
Total OPEB liability beginning	2,406,324	2,337,565	1,756,476	1,702,907	1,265,065	1,230,931
Total OPEB liability ending	\$ 3,263,089	\$ 2,406,324	\$ 2,337,565	\$ 1,756,476	\$ 1,702,907	\$ 1,265,065
Covered employee payroll	\$ 146,430,236	\$ 126,609,264	\$ 122,327,791	\$ 117,648,550	\$ 116,593,318	\$ 104,066,054
Total OPEB liability as a percentage of covered employee payroll	2.23%	1.90%	1.91%	1.49%	1.46%	1.22%

Note 1: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2018	3.44%
2019	2.74%
2020	2.74%
2021	2.06%
2022	2.06%
2023	3.26%

Note 2: The County implemented GASB 75 in 2018, therefore no data is presented before then. Eventually, ten years of data will be presented.

Note 3: There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

Clark County
Required Supplementary Information - Other Post Employment Benefits - LEOFF I
For the year ended December 31, 2023

Total OPEB liability	2023	2022	2021	2020	2019	2018
Interest	\$ 731,097	\$ 509,151	\$ 513,914	\$ 710,291	\$ 828,497	\$ 796,649
Changes of assumptions or other inputs	(1,500,327)	(2,441,107)	785,186	3,187,386	(1,026,269)	(749,769)
Benefit payments	(986,241)	(991,793)	(970,917)	(901,947)	(929,793)	(854,420)
Net change in total OPEB liability	(1,755,471)	(2,923,749)	328,183	2,995,730	(1,127,565)	(807,540)
Total OPEB liability beginning	21,141,282	24,065,031	23,736,848	20,741,118	21,868,683	22,676,223
Total OPEB liability ending	\$ 19,385,811	\$ 21,141,282	\$ 24,065,031	\$ 23,736,848	\$ 20,741,118	\$ 21,868,683
Covered employee payroll	\$ -	\$ -	\$ 143,500	\$ 137,876	\$ 122,436	\$ 121,230
Total OPEB liability as a percentage of covered employee payroll	N/A	N/A	16770%	17216%	16940%	18024%

Note 1: Changes of assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%

Note 2:

The County implemented GASB 75 in 2018, therefore no data is presented before then. Eventually, ten years of data will be presented.

Note 3: All participants in the plan are retired; therefore, there is no covered payroll or service cost.

Note 4: There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

Required Supplementary Information
State Sponsored Pension Plans

Schedule of Proportionate Share of the Net Pension Liability (Asset)
PERS 1
As of June 30
Last Ten Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.670440%	\$ 15,304,348	\$ 114,635,155	13.35%	80.16%
2022	0.626723%	17,450,268	106,376,879	16.40%	76.56%
2021	0.686801%	8,387,447	104,853,821	8.00%	88.74%
2020	0.686908%	24,251,562	103,390,383	23.46%	68.64%
2019	0.729476%	28,050,942	101,530,407	27.63%	67.12%
2018	0.752682%	33,615,034	99,341,929	33.84%	63.22%
2017	0.774670%	36,758,601	96,419,510	38.12%	61.24%
2016	0.802610%	43,103,991	94,890,353	45.43%	57.03%
2015	0.827550%	43,288,560	89,558,564	48.34%	59.10%
2014	0.797250%	40,162,045	86,726,540	46.31%	61.19%

Schedule of Proportionate Share of the Net Pension Liability (Asset)
PERS 2/3
As of June 30
Last Ten Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.773360%	\$ (31,697,575)	\$ 102,618,331	(30.89)%	107.02%
2022	0.740140%	(27,450,172)	96,747,005	(28.37)%	106.73%
2021	0.798483%	(79,541,754)	95,498,861	(83.29)%	120.29%
2020	0.808734%	10,343,247	94,278,695	10.97%	97.22%
2019	0.857330%	8,327,589	93,194,006	8.94%	97.77%
2018	0.883518%	15,085,284	91,678,226	16.45%	95.77%
2017	0.906170%	31,485,111	88,860,753	35.43%	90.97%
2016	0.930720%	46,861,067	84,578,312	55.41%	85.82%
2015	0.967920%	34,584,262	85,898,212	40.26%	89.20%
2014	0.923050%	18,658,254	79,743,453	23.40%	93.29%

Schedule of Proportionate Share of the Net Pension Liability (Asset)
PSERS
As of June 30
Last Ten Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	1.595261%	\$ (1,691,599)	\$ 11,793,002	(14.34)%	107.90%
2022	1.322997%	(945,943)	9,382,349	(10.08)%	105.96%
2021	1.318204%	(3,028,429)	8,937,150	(33.89)%	123.67%
2020	1.396279%	(192,190)	8,575,711	(2.24)%	101.68%
2019	1.685517%	(219,185)	7,756,831	(2.83)%	101.85%
2018	1.796980%	22,265	7,049,543	0.32%	99.79%
2017	1.856000%	363,647	6,571,325	5.53%	93.14%
2016	2.010850%	854,573	6,270,109	13.63%	90.41%
2015	1.961060%	357,932	5,741,723	6.23%	89.20%
2014	1.858450%	(269,121)	4,982,203	(5.40)%	93.29%

Schedule of Proportionate Share of the Net Pension Liability (Asset)
LEOFF 1
As of June 30
Last Ten Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	State's proportionate share of the net pension liability (asset) associated with the employer	TOTAL	Employer's covered payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.098977%	\$ (2,937,661)	\$ (19,870,267)	\$(22,807,928)	N/A	N/A	175.99%
2022	0.094674%	(2,715,831)	(18,369,811)	(21,085,642)	N/A	N/A	169.62%
2021	0.095545%	(3,272,953)	(22,138,174)	(25,411,127)	N/A	N/A	187.45%
2020	0.095395%	(1,801,543)	(12,185,593)	(13,987,136)	N/A	N/A	146.88%
2019	0.093816%	(1,854,377)	(12,542,963)	(14,397,340)	N/A	N/A	148.78%
2018	0.093163%	(1,691,376)	(11,440,426)	(13,131,802)	N/A	N/A	144.42%
2017	0.094220%	(1,429,525)	(9,669,269)	(11,098,794)	N/A	N/A	135.96%
2016	0.095960%	(988,704)	(6,687,567)	(7,676,271)	N/A	N/A	123.74%
2015	0.097090%	(1,170,161)	(7,914,940)	(9,085,101)	N/A	N/A	127.36%
2014	0.096490%	(1,170,198)	(7,915,190)	(9,085,388)	N/A	N/A	126.91%

Schedule of Proportionate Share of the Net Pension Liability (Asset)
LEOFF 2
As of June 30
Last Ten Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	State's proportionate share of the net pension liability (asset) associated with the employer	TOTAL	Employer's covered payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.398495%	\$ (9,558,293)	\$ (6,103,828)	\$ (15,662,121)	\$ 16,872,488	-56.65%	113.17%
2022	0.351196%	(9,544,447)	(6,182,685)	(15,727,132)	14,892,699	-64.09%	116.09%
2021	0.366222%	(21,271,690)	(13,045,219)	(34,316,909)	14,175,286	-150.06%	142.00%
2020	0.370046%	(7,548,398)	(4,826,629)	(12,375,027)	14,044,635	-53.75%	115.83%
2019	0.400817%	(9,285,699)	(6,080,889)	(15,366,588)	14,080,442	-65.95%	119.43%
2018	0.413048%	(8,385,775)	(5,429,631)	(13,815,406)	13,672,999	-61.33%	118.50%
2017	0.398990%	(5,536,702)	(3,591,555)	(9,128,257)	12,481,367	-44.36%	113.36%
2016	0.428820%	(2,494,146)	(1,625,998)	(4,120,144)	12,810,631	-19.47%	106.04%
2015	0.416170%	(4,277,406)	(3,256,881)	(7,534,287)	12,081,960	-35.40%	111.67%
2014	0.408680%	(5,423,320)	(3,558,240)	(8,981,560)	11,370,207	-47.70%	116.75%

Required Supplementary Information
State Sponsored Pension Plans

Schedule of Employer Contributions
PERS 1
As of December 31
Last Ten Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2023	\$ 4,208,567	\$ (4,208,567)	-	\$ 123,023,101	3.42%
2022	4,173,438	(4,173,438)	-	110,864,799	3.76%
2021	4,617,696	(4,617,696)	-	105,773,460	4.37%
2020	5,023,548	(5,023,548)	-	104,083,041	4.83%
2019	5,119,185	(5,119,185)	-	102,363,953	5.00%
2018	5,135,279	(5,135,279)	-	100,610,958	5.10%
2017	4,843,623	(4,843,623)	-	104,787,774	4.62%
2016	4,610,283	(4,610,283)	-	95,454,561	4.83%
2015	4,076,964	(4,076,964)	-	92,103,514	4.43%
2014	3,709,596	(3,709,596)	-	88,252,268	4.20%

Schedule of Employer Contributions
PERS 2/3
As of December 31
Last Ten Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2023	\$ 6,983,106	\$ (6,983,106)	-	\$ 109,795,615	6.36%
2022	6,372,048	(6,372,048)	-	100,187,448	6.36%
2021	6,948,245	(6,948,245)	-	96,380,276	7.21%
2020	7,494,582	(7,494,582)	-	94,642,276	7.92%
2019	7,218,422	(7,218,422)	-	93,698,528	7.70%
2018	6,945,344	(6,945,344)	-	92,631,820	7.50%
2017	6,152,535	(6,152,535)	-	90,363,953	6.81%
2016	5,482,778	(5,482,778)	-	88,140,959	6.22%
2015	4,718,692	(4,718,692)	-	84,578,312	5.58%
2014	4,141,055	(4,141,055)	-	81,284,145	5.09%

Schedule of Employer Contributions
PSERS
As of December 31
Last Ten Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2023	\$ 865,142	\$ (865,142)	-	\$ 13,028,920	6.64%
2022	682,183	(682,183)	-	10,444,458	6.53%
2021	621,008	(621,008)	-	9,037,389	6.87%
2020	646,614	(646,614)	-	8,983,444	7.20%
2019	578,708	(578,708)	-	8,115,617	7.13%
2018	503,857	(503,857)	-	7,366,681	6.84%
2017	453,363	(453,363)	-	6,809,484	6.66%
2016	413,433	(413,433)	-	6,271,798	6.59%
2015	405,483	(405,483)	-	6,270,109	6.47%
2014	347,326	(347,326)	-	5,385,537	6.45%

Schedule of Employer Contributions
LEOFF 2
As of December 31
Last Ten Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2023	\$ 951,648	\$ (951,648)	-	\$ 18,586,517	5.12%
2022	799,242	(799,242)	-	15,610,515	5.12%
2021	761,469	(761,469)	-	14,825,011	5.14%
2020	698,636	(698,636)	-	13,565,510	5.15%
2019	740,214	(740,214)	-	14,229,364	5.20%
2018	724,497	(724,497)	-	13,800,533	5.25%
2017	674,561	(674,561)	-	13,114,672	5.14%
2016	619,896	(619,896)	-	12,264,670	5.05%
2015	646,784	(646,784)	-	12,810,592	5.05%
2014	595,934	(595,934)	-	11,394,996	5.23%

Notes to Required Supplemental Information - Pension

As of December 31
Last Ten Fiscal Years

Note 1: Information Provided

GASB 68 was implemented for the year ended December 31, 2014, therefore there is no data available for years prior to 2014. Eventually, the schedules will show ten years of data.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans; fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2: Significant Factors

There were no changes of benefit terms, significant changes in the employees covered under the benefit terms or in the use of different assumptions.

Note 3: Covered payroll

Covered payroll has been presented in accordance with GASB 82, Pension Issues. Covered payroll includes all payroll on which a contribution is based.

Note 4: Contribution rates

Rates in effect during the periods covered by the Required Supplemental Information are below:

PERS1

From this date	Through this date	Rate
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	6/30/2019	12.83%
7/1/2019	8/31/2020	12.86%
9/1/2020	6/30/2021	12.97%
7/1/2021	8/31/2022	10.25%
9/1/2022	6/30/2023	10.39%
7/1/2023	8/31/2023	9.39%
9/1/2023	current	9.53%*

* Employer contribution rate includes an administrative expense rate of 0.20%

PERS 2/3

From this date	Through this date	Rate
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	6/30/2019	12.83%
7/1/2019	8/31/2020	12.86%
9/1/2020	6/30/2021	12.97%
7/1/2021	8/31/2022	10.25%
9/1/2022	6/30/2023	10.39%
7/1/2023	8/31/2023	9.39%
9/1/2023	current	9.53%*

* Employer contribution rate includes an administrative expense rate of 0.20%

LEOFF 1

From this Date	Through this Date	Employer Rate
7/1/2008	8/31/2013	0.16%
9/1/2013	8/31/2023	0.18%
9/1/2023	current	0.20%*

* Employer contribution rate includes an administrative expense rate of 0.20%

LEOFF 2

From this Date	Through this date	Employer rate
9/1/2013	6/30/2017	5.23%
7/1/2017	6/30/2019	5.43%
7/1/2019	6/30/2021	5.33%
7/1/2021	8/31/2023	5.30%
9/1/2023	Current	5.32%*

* Employer contribution rate includes an administrative expense rate of 0.20%

Effective July 1, 2019, LEOFF employers must pay an additional 3.41% to pick up the state contributions on basis salary paid for services rendered to non-LEOFF employers

PSERS 2

From this date	Through this date	Employer Rate
9/1/2013	6/30/2015	10.54%
7/1/2015	6/30/2017	11.54%
7/1/2017	8/31/2017	11.94%
9/1/2017	8/31/2018	11.95%
9/1/2018	6/30/2019	12.38%
7/1/2019	6/30/2021	12.14%
7/1/2021	8/31/2022	10.39%
9/1/2022	6/30/2023	10.63%
7/1/2023	8/31/2023	9.63%
9/1/2023	current	9.90%*

* Employer contribution rate includes an administrative expense rate of 0.18%

Required Supplementary Information

Modified Approach for Reporting Clark County's Infrastructure Capital Assets

Condition Rating of the County's Infrastructure

Subsystems Reported Using Modified Approach

Percentage of Infrastructure Assessed At or Above Established Assessment Levels *

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Roads - cycle 3 years	78.1%	78.2%	77.1%	76.5%	N/A	82.0%
Roads - cycle 2 years	75.1%	73.3%	74.0%	77.2%	N/A	77.3%

*Percentage of Infrastructure Assessed at Poor Condition **

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Roads - cycle 3 years	13.8%	13.8%	14.3%	14.9%	N/A	10.8%
Roads - cycle 2 years	14.0%	15.9%	14.4%	12.3%	N/A	10.1%

* Although the County has only recorded capital asset infrastructure constructed after 1980 , all county roads are assessed and included in these percentages, regardless of when they were constructed. "N/A" refers to years with no infrastructure assessment.

Comparison of Needed-to-Actual Maintenance/Preservation *

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Roads						
Budgeted (needed)	\$ 21,661,788	\$ 23,116,332	\$ 18,504,292	\$ 18,124,116	\$ 20,375,722	\$ 19,420,048
Actual	\$ 19,885,406	\$ 17,394,113	\$ 17,430,421	\$ 15,857,728	\$ 16,943,721	\$ 18,076,949
% Spent	91.80%	75.25%	94.20%	87.50%	83.16%	93.08%
Amount Unspent / (Overspent)	\$ 1,776,382	\$ 5,722,219	\$ 1,073,871	\$ 2,266,388	\$ 3,432,001	\$ 1,343,099

* Budget control is maintained within each fund. Operationally, the budget and the actual amount spent are monitored on an annual basis. One area within a fund (i.e., maintenance) can be over budget, as long as other areas within the fund (i.e., services, supplies, capital) are under budget to the same extent or more.

Notes to Required Supplementary Information – Modified Approach

In accordance with GASB Statement #34, the County is required to report infrastructure capital assets. The County has elected to use the “Modified Approach”, as defined by GASB Statement #34, for reporting its road system, thereby forgoing depreciation of these assets (see Management's Discussion and Analysis: Modified Approach for Reporting Infrastructure Assets, within this document, regarding the requirements for using this method of reporting).

A complete assessment of the roads is done every three years, at a minimum. Detailed documentation of disclosed assessment levels is kept on file. Following are tables showing the measurement scales and basis for condition of measurement used to assess and report conditions for each of these infrastructure systems being reported using the modified approach and the condition level at which the County intends to preserve the assets.

Roads Subsystem

Measurement Scale and Basis for Condition Measurement

Rating*

100	Good: New road surface - no maintenance needed
90	Good: Road surface is starting to show some environmental distress - may have some cracks that need filling
80	Fair: Road surface is showing pronounced environmental distress and may have some structural distress - may be ready for a seal
70	Fair: Road surface is showing some structural distress and numerous environmental distresses - needs a seal or a thin lift of overlay
60	Fair: Road surface shows consistent structural distresses and severe environmental distresses - needs a thin lift or structural overlay on access up to arterial routes
50	Poor: Road surface shows several structural and environmental distresses - needs a structural overlay (arterial/collector roads) or a cape seal (access roads)
40	Poor: Road surface is showing many structural distresses - needs a structural overlay or cape seal with substantial prep work
30	Poor: Road surface shows major structural distresses - close to a condition requiring reconstruction or base stabilization
20 or less	Poor: Road surface has little structural integrity left - needs reconstruction or base stabilization now

****The County has established an acceptable condition level of 70 for road subsystems, and intends to preserve the assets at or above this level.***

Required Supplementary Information

Modified Approach for Reporting Clark County's Infrastructure Capital Assets

Condition Rating of the County's Infrastructure Subsystems Reported Using Modified Approach

*Percentage of Infrastructure Assessed At or Above Established Assessment Levels **

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Bridges	96.3%	100.0%	98.7%	99.0%	97.4%
Stormwater Subsystem	99.2%	99.0%	99.0%	98.8%	98.6%

*Percentage of Infrastructure Assessed at Poor Condition **

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Bridges	0.0%	0.0%	1.3%	1.0%	2.6%
Stormwater Subsystem	0.8%	1.0%	1.0%	1.2%	1.4%

* Although the County has only recorded capital asset infrastructure constructed after 1980 , all county stormwater facilities and bridges are assessed and included in these percentages, regardless of when they were constructed.

Comparison of Needed-to-Actual Maintenance/Preservation

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Stormwater Subsystem					
Budgeted (needed)	\$ 2,580,000	\$ 2,299,000	\$ 2,218,600	\$ 2,140,000	\$ 1,902,504
Actual	\$ 2,515,978	\$ 1,974,177	\$ 1,667,031	\$ 1,802,562	\$ 1,795,586
% Spent	97.52%	85.87%	75.14%	84.23%	94.38%
Amount Unspent / (Overspent)	\$ 64,022	\$ 324,823	\$ 551,569	\$ 337,438	\$ 106,918
Bridges**					
Budgeted (needed)	\$ 79,784	\$ 246,463	\$ 344,404	\$ 151,211	\$ 211,937
Actual	\$ 19,489	\$ 65,981	\$ 160,119	\$ 161,503	\$ 87,972
% Spent	24.43%	26.77%	46.49%	106.81%	41.51%
Amount Unspent / (Overspent)	\$ 60,295	\$ 180,482	\$ 184,285	\$(10,292)	\$ 123,965

* Budget control is maintained within each fund. Operationally, the budget and the actual amount spent are monitored on a biennial basis. One area within a fund (i.e., maintenance) can be over budget, as long as other areas within the fund (i.e., services, supplies, capital) are under budget to the same extent or more.

** Beginning in 2011, bridge maintenance is done only on an as needed basis.

Notes to Required Supplementary Information – Modified Approach

In accordance with GASB Statement #34, the County is required to report infrastructure capital assets (such as roads, bridges, railways, pathways, and stormwater systems). The County has elected to use the “Modified Approach”, as defined by GASB Statement #34, for reporting its stormwater subsystems and bridges, thereby forgoing depreciation of these assets (see Management’s Discussion and Analysis: Modified Approach for Reporting Infrastructure Assets, within this document, regarding the requirements for using this method of reporting).

A complete assessment of bridges is done every two years, at a minimum, whereas stormwater subsystem assessments are done annually. Detailed documentation of disclosed assessment levels is kept on file. Following are tables showing the measurement scales and basis for condition of measurement used to assess and report conditions for each of these infrastructure systems being reported using the modified approach and the condition level at which the County intends to preserve the assets.

Stormwater Subsystems

Measurement Scale and Basis for Condition Measurement

Under Clark County’s NPDES Phase I Municipal Stormwater Permit, at least 95% of stormwater treatment and flow control facilities must be inspected annually for compliance with state standards. Inspection and maintenance records are stored in the county’s Maintenance Management System database.

When an inspection identifies an exceedance of the maintenance standard, the county is required to perform maintenance within prescribed timelines as follows:

- Within 1 year for typical maintenance issues
- Within 6 months for catch basins
- Within 2 years for maintenance requiring capital construction of less than \$25,000

When required maintenance on a facility will exceed \$25,000, the time limit is lifted, but the county is required to track these facilities and address them over time through the stormwater capital plan.

The vast majority of required maintenance falls within the first three categories. A small number of facilities have larger problems and fall into the “exceeds \$25,000” category.

Typically, placement on the “exceeds \$25,000” list means a facility has significant functional defects. All the other categories are routine maintenance and do not imply facility failure or de-valuation.

In 2023, 1,985 facilities were inspected, and there are 16 facilities on the “exceeds \$25,000” maintenance list.

Bridges

Measurement Scale and Basis for Condition Measurement

Rating*

100	Newly constructed bridge - no maintenance needed
81-99	Bridge is in good shape, unless structurally deficient or functionally obsolete
51-80	Bridge is in fair shape - may be eligible for replacement if structurally deficient or functionally obsolete
25-50	Bridge is in fair shape - may be eligible for federal replacement funding if structurally deficient or functionally obsolete
0-24	Poor condition: Bridge is in poor shape - needs to be replaced soon

***The County has established an acceptable condition level of 50 for bridges.**

Definitions: A structurally deficient bridge is one whose condition or design has impacted its ability to adequately carry its intended load.

A functionally obsolete bridge is one in which the deck geometry, load capacity, clearance, or approach roadway alignment have reduced (to below accepted design standards) its ability to adequately meet traffic needs.

GASB Statement #34 requires that condition assessments are performed at least every three years and that the table showing the condition rating include data for the three most recent complete assessments.

The table of needed to actual maintenance/preservation must include a five-year comparison.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Child Nutrition Cluster								
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via WA Office of Superintendent of Public Instruction)	Summer Food Service Program for Children	10.559	20230494	12,080	-	12,080	-	
Total Child Nutrition Cluster:				12,080	-	12,080	-	
Forest Service Schools and Roads Cluster								
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF	Schools and Roads - Grants to States	10.665		-	1,607	1,607	-	
Total Forest Service Schools and Roads Cluster:				-	1,607	1,607	-	
OFFICE OF LOCAL DEFENSE COMMUNITY COOPERATION, DEPT OF DEFENSE	Community Investment	12.600		-	766,581	766,581	-	
CDBG - Entitlement Grants Cluster								
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Community Development Block Grants/Entitlement Grants	14.218		-	1,642,565	1,642,565	1,128,850	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Community Development Block Grants/Entitlement Grants	14.218		-	117,347	117,347	37,846	3

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	COVID 19 - Community Development Block Grants/Entitlement Grants	14.218		-	9,623	9,623	-	
Total CDBG - Entitlement Grants Cluster:				-	1,769,535	1,769,535	1,166,696	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA State Dept of Commerce)	COVID 19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-6221C-174	64,475	-	64,475	-	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA State Dept of Commerce)	COVID 19 - Emergency Solutions Grant Program	14.231	20-4613C-105	677,293	-	677,293	45,000	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239		-	59,049	59,049	1,507	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239		-	45,693	45,693	44,983	3

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	COVID 19 - Home Investment Partnerships Program	14.239		-	589,405	589,405	541,068	
			Total ALN 14.239:	-	694,147	694,147	587,558	
U.S. FISH AND WILDLIFE SERVICE, INTERIOR, DEPARTMENT OF THE	Fish and Wildlife Management Assistance	15.608		-	76,050	76,050	-	
NATIONAL PARK SERVICE, INTERIOR, DEPARTMENT OF THE (via WA State Dept of Archaeology & Historic Preservation)	Historic Preservation Fund Grants-In-Aid	15.904	FY23-CLG- CLARK	9,899	-	9,899	-	
OJP BUREAU OF JUSTICE ASSISTANCE, JUSTICE, DEPARTMENT OF (via Children's Advocacy Centers)	COVID 19 - Coronavirus Emergency Supplemental Funding Program	16.034	20-44120-160	37,398	-	37,398	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via WA State Dept of Commerce)	Crime Victim Assistance	16.575	F20-31219-421	238,397	-	238,397	-	
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via WA State Dept of Commerce)	Violence Against Women Formula Grants	16.588	F22-31103-002	26,244	-	26,244	-	

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Edward Byrne Memorial Justice Assistance Grant Program	16.738		-	38,028	38,028	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Second Chance Act Reentry Initiative	16.812		-	135,488	135,488	-	
CRIMINAL DIVISION, JUSTICE, DEPARTMENT OF	Equitable Sharing Program	16.922		-	1,554	1,554	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-0099 (129)	83,363	-	83,363	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-4410 (004)	4,466,445	-	4,466,445	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-9906(053)	2,680	-	2,680	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	TAP-4231(006)	1,234,009	-	1,234,009	-	

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	HSIP-CRP- STBGR-000S (549)	133,444	-	133,444	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	BHS-Z906(003)	348,758	-	348,758	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	BHOS-2006 (077)	1,027,157	-	1,027,157	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-9906(057)	3,932	-	3,932	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-4205 (001)	107,067	-	107,067	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-4247 (002)	138,513	-	138,513	-	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPR-06H1 (001)	58,811	-	58,811	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-4233 (001)	155,746	-	155,746	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	NHPP-4392 (016)	45,899	-	45,899	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	TAP-9906(061)	82,345	-	82,345	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-9906(060)	788	-	788	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-4247 (003)	49,883	-	49,883	-	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	NHPP-4347 (006)	153,475	-	153,475	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	HSIP-000S (640)	29,307	-	29,307	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	BHS-F067(006)	11,533	-	11,533	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	BHS-Z906(004)	11,548	-	11,548	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	BHOS-2006 (079)	10,730	-	10,730	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CRRSAA-9906 (063)	5,598	-	5,598	-	

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-9906(064)	22,376	-	22,376	-	
			Total ALN 20.205:	8,183,407	-	8,183,407	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Federal Lands Access Program	20.224	FLAP-2006 (081)	21,242	-	21,242	-	
Highway Safety Cluster								
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic Safety Commission)	State and Community Highway Safety	20.600	2023-AG-4795	28,481	-	28,481	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic Safety Commission)	State and Community Highway Safety	20.600	2023-HVE-4688 Region 6	4,597	-	4,597	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic Safety Commission)	State and Community Highway Safety	20.600	N/A	10,560	-	10,560	-	
			Total ALN 20.600:	43,638	-	43,638	-	

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic Safety Commission)	National Priority Safety Programs	20.616	2023-AG-4672- EHM	259,835	-	259,835	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic Safety Commission)	National Priority Safety Programs	20.616	2024-FG-5044- EHM	95,024	-	95,024	-	
Total ALN 20.616:				354,859	-	354,859	-	
Total Highway Safety Cluster:				398,497	-	398,497	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic Safety Commission)	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	2024-FG-5045- EHM	7,993	-	7,993	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - Coronavirus Relief Fund	21.019		-	50,000	50,000	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA State Dept of Commerce)	COVID 19 - Emergency Rental Assistance Program	21.023	21-4618C-105	168,771	-	168,771	154,870	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - Emergency Rental Assistance Program	21.023		-	235,641	235,641	235,641	
Total ALN 21.023:				168,771	235,641	404,412	390,511	

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA State Dept of Commerce)	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	21-4619C-105	13,540,233	-	13,540,233	12,776,892	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via Washington State Department of Health and the Washington Association of Sheriffs & Police Chiefs)	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	Covid 19 Jails- 2022-01	394,348	-	394,348	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027		-	39,660,481	39,660,481	-	
Total ALN 21.027:				13,934,581	39,660,481	53,595,062	12,776,892	
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via WA State Dept of Ecology)	Nonpoint Source Implementation Grants	66.460	EG210130	116,873	-	116,873	-	
ENERGY, DEPARTMENT OF, ENERGY, DEPARTMENT OF (via WA State Dept of Commerce)	Weatherization Assistance for Low- Income Persons	81.042	F22-53103-406	73,062	-	73,062	-	
ENERGY, DEPARTMENT OF, ENERGY, DEPARTMENT OF (via WA State Dept of Commerce)	Weatherization Assistance for Low- Income Persons	81.042	F23-53103-406	3,718	-	3,718	-	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ENERGY, DEPARTMENT OF, ENERGY, DEPARTMENT OF (via WA State Dept of Commerce)	Weatherization Assistance for Low- Income Persons	81.042	F22-92401F- 406	40,326	-	40,326	-	
			Total ALN 81.042:	117,106	-	117,106	-	
Department of Energy/BPA (via WA State Dept of Commerce)	Bonneville Power Administration	81.U01	F21-53104-406	83,878	-	83,878	-	
Department of Energy/BPA (via WA State Dept of Commerce)	Bonneville Power Administration	81.U02	F23-53104-406	23,220	-	23,220	-	
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via ESD 112)	COVID 19 - Education Stabilization Fund	84.425	84.425U	63,097	-	63,097	-	
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via ESD 112)	COVID 19 - Education Stabilization Fund	84.425	84.425U	8,735	-	8,735	-	
			Total ALN 84.425:	71,832	-	71,832	-	
ELECTION ASSISTANCE COMMISSION, ELECTION ASSISTANCE COMMISSION (via WA State Office of Secretary of State)	HAVA Election Security Grants	90.404	IG-6925	27,110	-	27,110	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Public Health Emergency Preparedness	93.069	NU90TP922043	462,060	-	462,060	-	

The accompanying notes are an integral part of this schedule.

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures		
				From Pass- Through Awards	From Direct Awards	Passed through to Subrecipients
					Total	Note
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Children, Youth and Families)	Maternal and Child Health Federal Consolidated Programs	93.110	U2ZMC46634- 01-00	43,321	-	-
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	NU52PS910221	33,736	-	-
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Injury Prevention and Control Research and State and Community Based Programs	93.136	NU17CE92500 7	56,638	-	-
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Immunization Cooperative Agreements	93.268	NH23IP922619	139,826	-	-
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	COVID 19 - Immunization Cooperative Agreements	93.268	NH23IP922619	128,364	-	-

Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Immunization Cooperative Agreements	93.268	N/A	21,189	-	21,189	-	
		Total ALN 93.268:		289,379	-	289,379	-	
NATIONAL INSTITUTES OF HEALTH, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Drug Abuse and Addiction Research Programs	93.279	R44DA053078	4,912	-	4,912	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	NU90TP922181	710	-	710	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	NU38OT00030 7	10,000	-	10,000	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	State Physical Activity and Nutrition (SPAN)	93.439	NU58DP00650 4	75,755	-	75,755	-	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social and Health Services)	Temporary Assistance for Needy Families	93.558	2163-19704	9,125	-	9,125	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social and Health Services)	Child Support Services	93.563	2110-81160	1,836,003	-	1,836,003	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social and Health Services)	Child Support Services	93.563	2163-32119	60,128	-	60,128	-	
Total ALN 93.563:				1,896,131	-	1,896,131	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	Low-Income Home Energy Assistance	93.568	23-32601-058	135,383	-	135,383	125,632	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	COVID 19 - Low- Income Home Energy Assistance	93.568	23-326CR-058	1,225,075	-	1,225,075	1,187,076	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	COVID 19 - Low- Income Home Energy Assistance	93.568	22-32607-058	180,156	-	180,156	167,068	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	Low-Income Home Energy Assistance	93.568	24-32607-058	222	-	222	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	Low-Income Home Energy Assistance	93.568	22-32606-058	2,443,197	-	2,443,197	2,219,495	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	Low-Income Home Energy Assistance	93.568	23-32606-058	1,804,718	-	1,804,718	1,622,229	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	COVID 19 - Low- Income Home Energy Assistance	93.568	F21-5310C-406	159,504	-	159,504	-	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	Low-Income Home Energy Assistance	93.568	F21-53101-406	99,330	-	99,330	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	COVID 19 - Low- Income Home Energy Assistance	93.568	F23-53101-406	199,757	-	199,757	-	
Total ALN 93.568:				6,247,342	-	6,247,342	5,321,500	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	Community Services Block Grant	93.569	F22-32101-006	91,792	-	91,792	34,959	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Commerce)	Community Services Block Grant	93.569	F23-32101-006	417,602	-	417,602	294,734	
Total ALN 93.569:				509,394	-	509,394	329,694	
Medicaid Cluster								

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Health Care Authority)	Medical Assistance Program	93.778	K2740	32,160	-	32,160	-	
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Health Care Authority)	Medical Assistance Program	93.778	K4642	300,025	-	300,025	-	
Total Medicaid Cluster:				332,185	-	332,185	-	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Health Care Authority)	Opioid STR	93.788	HCA K4844/K4674	148,211	-	148,211	39,353	
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Dept of Health)	Maternal, Infant and Early Childhood Home Visiting Grant	93.870	19X10MC33616	15,903	-	15,903	-	
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Children, Youth and Families)	Maternal, Infant and Early Childhood Home Visiting Grant	93.870	6X10MC39722- 01-01	245,162	-	245,162	-	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Children, Youth and Families)	Maternal, Infant and Early Childhood Home Visiting Grant	93.870	22X10MC46899	231,153	-	231,153	-	
				Total ALN 93.870:	492,218	-	492,218	-
IMMED OFFICE OF THE SECRETARY OF HEALTH AND HUMAN SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	National Bioterrorism Hospital Preparedness Program	93.889	U3REP190574	182,924	-	182,924	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	HIV Prevention Activities Health Department Based	93.940	NU62PS924528	41,255	-	41,255	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	HIV Prevention Activities Health Department Based	93.940	NU62PS924635	81,094	-	81,094	-	
Total ALN 93.940:				122,349	-	122,349	-	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Health Care Authority)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	HCA K3212/K4757	1,418,020	-	1,418,020	1,418,020	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	NH25PS005146	415,447	-	415,447	-	
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Maternal and Child Health Services Block Grant to the States	93.994	B04MC45251	119,834	-	119,834	-	
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Maternal and Child Health Services Block Grant to the States	93.994	B04MC47453	249,324	-	249,324	-	
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Maternal and Child Health Services Block Grant to the States	93.994	N/A	118,014	-	118,014	-	
Total ALN 93.994:				487,172	-	487,172	-	
EXECUTIVE OFFICE OF THE PRESIDENT, EXECUTIVE OFFICE OF THE PRESIDENT	High Intensity Drug Trafficking Areas Program	95.001		-	35,302	35,302	-	
EXECUTIVE OFFICE OF THE PRESIDENT, EXECUTIVE OFFICE OF THE PRESIDENT	High Intensity Drug Trafficking Areas Program	95.001		-	148,258	148,258	-	
Total ALN 95.001:				-	183,560	183,560	-	

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Clark County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
U.S. COAST GUARD, HOMELAND SECURITY, DEPARTMENT OF (via WA State Park & Recreation)	Boating Safety Financial Assistance	97.012	MLE 123-397	18,133	-	18,133	-	
Total Federal Awards Expended:				37,475,458	43,612,672	81,088,130	22,075,224	

The accompanying notes are an integral part of this schedule.

Clark County, Washington
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

NOTE 1 – Basis of Accounting

The Schedule is prepared on the same basis of accounting as the county's financial statements. The county uses the accrual basis.

NOTE 2 – Federal Indirect Cost Rate

The county has not elected to use the 10% De Minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 – Revolving Loan – Program Income

The county has a revolving loan program for low-income housing renovation. Under this federal program, repayments to the county are considered program revenues (income) and loans of such funds to eligible recipients are considered expenditures. The amount of loan funds disbursed to program participants for the year was \$82,829 and is presented in this schedule. The amount of principal and interest received in loan repayments for the year was \$613,776.

NOTE 4 – Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the county's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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