2025 Fall Budget Supplemental

Clark County Council
Work Session Presentation

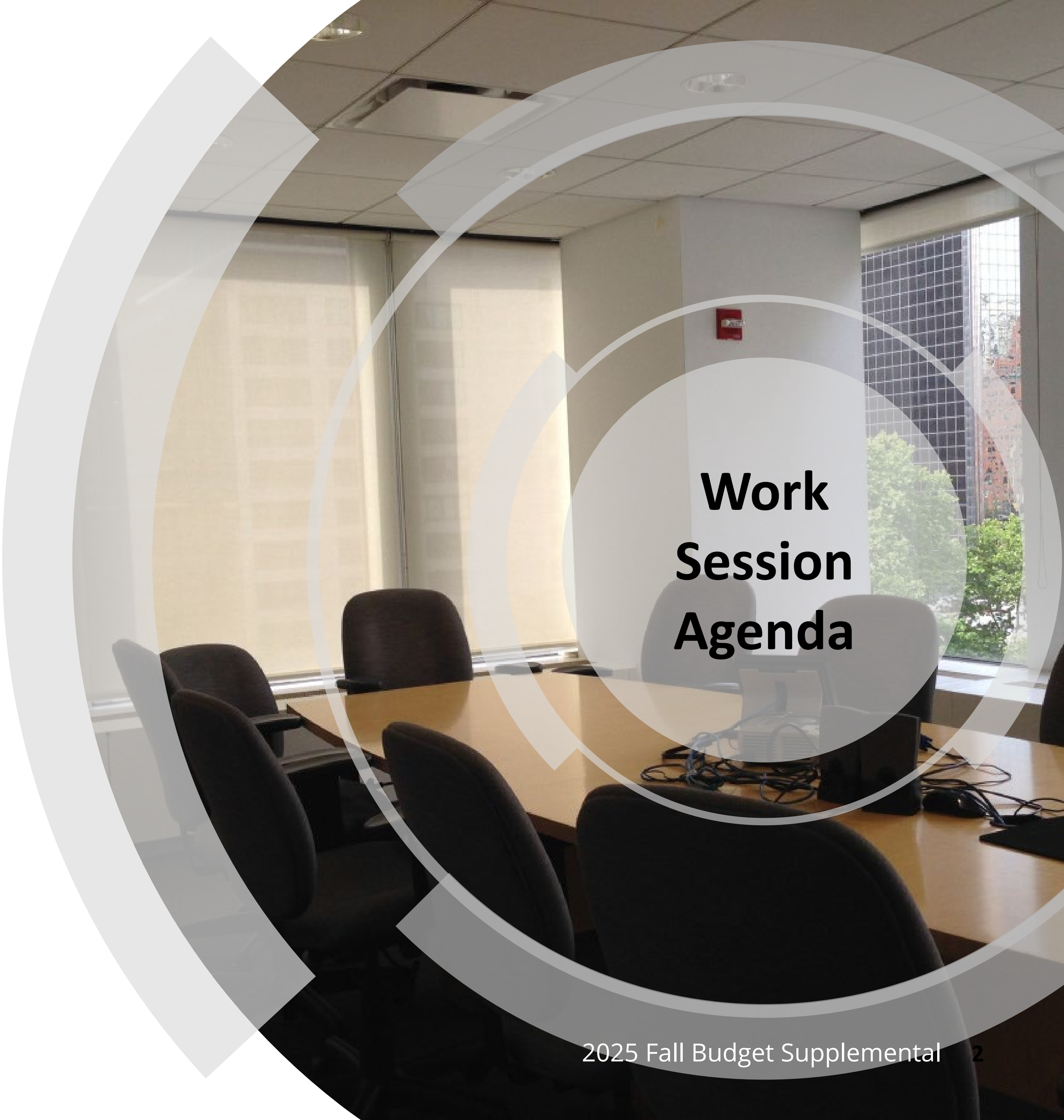
Wednesday, October 22, 2025 @ 8:30 am
**following the Board Of Health Meeting*

Contact Information:

Kathleen Otto, County Manager, (564) 397-2458, kathleen.otto@clark.wa.gov
Emily M. Zwetzig, Budget Director, (564) 397-6097, emily.zwetzig@clark.wa.gov

Agenda

- Timeline
- County’s Financial Position - Update
- County Manager Recommendations
- General Fund
- Budget Reports
- Next Steps



Timeline

RCW 36.40 allows for supplemental budget appropriations for unforeseen and emergency situations.

Submission Deadline	Recommendations	Work Session	Public Hearing
All Change Requests for Supplemental are due to Budget Office	County Manager finalizes recommendations	County Manager & Budget Office present recommendations to Council	County Manager & Budget Office present supplemental to Council for adoption
August 4, 2025	October 3, 2025	October 22, 2025	November 4, 2025

Ongoing Efforts to Strengthen the County's Financial Position

- $7.4M in new ongoing General Fund revenue starting in 2026
- Fiscal restraint and cost-saving measures
- One-time recommendations using one-time fund balance
- Limited recommendations for new ongoing positions and programs
- Positioned to balance the 2026 baseline budget while maintaining core service levels

Ongoing Fiscal Challenges

- Revenues not keeping pace with rising costs
- Inflation, higher costs of goods and services, and increased program demand
- Primary revenue sources (property tax, sales tax) remain stable but grow slower than expenses
- Continued structural imbalance requires proactive financial management
- Federal funding volatility
- Service demand growth
- Resource and service level gaps for departments and offices

Looking Ahead:
Strengthening Fiscal Sustainability

- Continue focus on long-term fiscal sustainability
- Advance efficiency improvements and operational streamlining
- Promote policy clarity to guide consistent fiscal decision-making
- Maintain prudent expenditure management
- Identify and develop new, reliable revenue sources
- Preserve appropriate reserve levels
- Minimize service disruptions while addressing critical needs and liabilities
- Strengthen collaboration with Council, departments, and community partners
- Uphold fiscal integrity and maintain high-quality services for residents

County Manager Recommendations

The Budget Office received a total of 158 Change Requests from Departments and Elected Officials.
156 of these requests are being recommended to the Council for consideration.

158

Not Recommended

2

Represents a handful of requests that were either withdrawn or moved to the 2026 Adopt process.

Budget Interventions

0

Represents efforts to find additional efficiencies, revenues, and cost savings.

New

53

Represents requests for funding, reductions, revenue forecast updates, new programs, new FTE, grants that require new local match dollars, etc.

Previously Approved

61

Represents adjustments resulting from Council-approved Staff Reports that have been authorized since the conclusion of the last annual budget or supplemental process.

Technical Adjustment

3

Represents corrections to budget coding that was originally submitted in error. Technical adjustments should not have a material impact on fund balance.

Carryforward

9

Represents budget appropriation approved for specific projects as part of the 2024 budget carried forward into the 2025 budget.

Budget Neutral

30

Represents revenues and associated expenses that were not previously approved by the Council and do not require county funding commitment, such as budget-neutral grants.

Additional Amendment to County Manager Recommendations

CLK-04-25FL County Clerk Court Ordered Restitution Reimbursement

Priority: 1

New Request

Strategic Action: Finance

Name (Elected Official / Department Director): Scott Weber Email (Elected Official Department Director): Scott.Weber@clark.wa.gov
Phone Number (Elected Official Department Director): (564) 397-2003

Contact: Charlene Huffman Contact email: Charlene.Huffman@clark.wa.gov Contact phone: (564) 397-4242

Requested Action:

Clerk is requesting additional funds to comply with court ordered refund of restitution in the amount of $3,737 per mandate from Court of Appeals, Division II.

Justification:

The Court of Appeals ordered restitution that was previously paid by the defendant and provided to the restitution victims be refunded to the defendant as the original sentence was vacated. The funds that were paid out were distributed to the victims over the past 20 years prior to the original sentence being vacated. As a result of the vacated sentence and court mandate the funds are to be returned to the defendant. The Clerk is requesting additional funds to comply with the court ordered return of restitution.

Cost Estimate/Comments:

The amount needed to comply with the court order is $3,737.

Impacts/Outcomes:

If not approved, the Clerk cannot comply with the court order due to a lack of budget appropriation in the 2025 budget.

Operating Budget:

Fund	Request Type	Current Yr Rev	Current Yr Exp	Current Yr FB Chg	Next Yr Rev	Next Yr Exp	Next Yr FB Chg
0001-General Fund	One-Time	$0	$3,737	$(3,737)	$0	$0	$0
Totals		$0	$3,737	$(3,737)	$0	$0	$0

Revision Amendment to County Manager Recommendations

AUD-CAP-03-25FL Elections CPAC Capital Project | Cameras at remote drop box locations

Priority: 3

New Request

Strategic Action: Community Relationships

Name (Elected Official / Department Director): Greg Kimsey Email (Elected Official Department Director): Greg.Kimsey@clark.wa.gov
Phone Number (Elected Official Department Director): (564) 397-2078

Contact: Tatyana Brainich Contact email: tatyana.brainich@clark.wa.gov Contact phone: (564) 397-4887

Requested Action:

This is a request for budget and revenue authority to install video cameras at each of our 22 "remote" ballot boxes.

Justification:

In response to the attacks on two of county ballot boxes in 2024, Elections' department are installing video cameras at each of 22 remote ballot boxes. The estimate total cost is $750,000. Elections Department has obtained approximately $160,000 of state and federal grant money for this project. Remaining amount of $590,000 will be covered by Capital Asset Replacement and Acquisition (CARA) account.

Security of the staff and voting equipment and ballots on an ongoing basis, and security of staff and citizens during election weeks. The Elections Department has applied for and received an award for the Information and Security funds from the Washington Office of the Security of State. These funds are intended to improve security for both facility and systems related to the performance of elections. Funds are available now and will be spent to purchase and installation Verkada cameras at some of 22 remote drop boxes.

***AUD-CAP-01-25FL has been consolidated into the AUD-CAP-03-25FL package. As part of this update, adjustments were made to the justification section, and cost estimate. Package now includes expenditure budget lines in 2025 and 2026 totaling $750K. As well as recognizing grant revenues of $160K.*

Cost Estimate/Comments:

$750,000 capital purchases
$180,000 - grant revenues
Remaining project costs will be funded by AUD-01-25FL

Impacts/Outcomes:

The voting equipment and ballots will not be as secure if this request is not approved.

Capital Budget:

Fund	Request Type	Year	Revenue	Expense	FB Change
5006-Elections	Capital	2025	$80,000	$204,545	$(124,545)
5006-Elections	Capital	2026	$80,000	$545,455	$(465,455)
5006-Elections	Capital	2027	$0	$0	$0
5006-Elections	Capital	2028	$0	$0	$0
5006-Elections	Capital	2029	$0	$0	$0
5006-Elections	Capital	2030	$0	$0	$0
Totals			$160,000	$750,000	$(590,000)

Operating Budget Impacts:

Fund	Request Type	Year	Revenue	Expense	FB Change
Totals					

General Fund 'Net New' Revenues Generated from Existing Revenue Sources

The 2026 annual budget anticipates an additional **$7.4 million** in new ongoing revenue from existing sources.

Ongoing Revenue Updates (Net New)	***$***	***7,380,208***
AUD-02-26AD-2026 Calculated Charges Baseline Budget Update | Indirect Cost Allocation	*$*	*493,838*
AUD-08-26AD-Updated Revenue Collected from Vehicle Licensing (R0133)	*$*	*1,000,000*
AUD-10-26AD-General Fund Baseline Revenue Adjustment | Jail Bed Revenues SB6211 (R0217)	*$*	*1,728,000*
AUD-11-26AD-General Fund Baseline Revenue Adjustment | District Court SB6211 (R0134)	*$*	*3,753,000*
TRS-01-26AD-Increase General Fund Property Tax Penalty Revenues (R0387)	*$*	*171,370*
TRS-02-26AD-Increase General Fund Property Tax Interest Revenue (R0398)	*$*	*150,000*
TRS-03-26AD-Increase Treasurer's Operations and Maintenance (O&M) Delinquent Property Tax (R0110)	*$*	*84,000*

Forecast *This data is subject to change as new information is received or if forecasted assumptions change.*

General Fund 6-Year Forecast *with Recommendations*

These recommendations present a balanced 2025 budget to the Council and address the needed resources submitted by departments/offices to close out the 2025 fiscal year. The forecast presents a one-time net decrease of $5.72M to fund balance.

	2025 *Forecast*	**2026** *Forecast*	2027 *Forecast*	2028 *Forecast*	2029 *Forecast*	2030 *Forecast*	2031 *Forecast*
Beginning Fund Balance	$ 110,656,772	$ 73,411,146	$ 51,704,574	$ 42,176,455	$ 31,142,424	$ 18,514,378	$ 4,243,577
Total Operating Revenue	$ 209,760,246	$ 206,405,445	$ 211,215,313	$ 216,193,336	$ 221,345,730	$ 226,678,950	$ 232,199,703
Total Operating Expense	$ (242,717,015)	$ (221,899,209)	$ (228,052,385)	$ (234,575,861)	$ (241,320,729)	$ (248,295,203)	$ (255,507,826)
Total Capital Budget	$ (1,870,828)	*$ (13,460,685)*	$ -	$ -	$ -	$ -	$ -
2025 Budget Forecast Modifiers							
Net Savings / Increased Revenues (Other) 1x impacts	$ 3,298,359	$ -	$ -	$ -	$ -	$ -	$ -
2025 Fall Budget Supplemental Impacts	$ (5,716,388)	*$ (132,331)*	*$ (71,255)*	*$ (31,715)*	*$ (33,254)*	*$ (34,757)*	*$ (34,757)*
Operating Budget Impacts	$ (5,544,638)	$ (132,331)	$ (71,255)	$ (31,715)	$ (33,254)	$ (34,757)	$ (34,757)
Revenue Impacts	$ 5,341,935	$ 650,177	$ 650,177	$ 601,193	$ 601,193	$ 601,193	$ 601,193
Expense Impacts	$ (10,886,573)	$ (782,508)	$ (721,432)	$ (632,908)	$ (634,447)	$ (635,950)	$ (635,950)
Capital Budget Impacts	$ (171,750)	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Impacts	$ 692,595	$ -	$ -	$ -	$ -	$ -	$ -
Expense Impacts	$ (864,345)	$ -	$ -	$ -	$ -	$ -	$ -
2026 Ongoing Revenue Updates (Net New)		*$ 7,380,208*	*$ 7,380,208*	*$ 7,380,208*	*$ 7,380,208*	*$ 7,380,208*	*$ 7,380,208*
Total Budget Forecast Modifiers	$ (2,418,029)	$ 7,247,877	$ 7,308,953	$ 7,348,493	$ 7,346,954	$ 7,345,451	$ 7,345,451
Projected Ending Fund Balance	$ 73,411,146	$ 51,704,574	$ 42,176,455	$ 31,142,424	$ 18,514,378	$ 4,243,577	$ (11,719,096)
Fund Assignments (Auditor's Office)	$ (41,492,134)	$ (39,000,000)	$ (39,000,000)	$ (39,000,000)	$ (39,000,000)	$ (39,000,000)	$ (39,000,000)
Assigned Fund Balance: Compensated Absences	$ (4,551,140)	$ (2,800,000)	$ (2,800,000)	$ (2,800,000)	$ (2,800,000)	$ (2,800,000)	$ (2,800,000)
Assigned Fund Balance: Non-Spendable Encumbered Invoices	$ (2,440,994)	$ (1,700,000)	$ (1,700,000)	$ (1,700,000)	$ (1,700,000)	$ (1,700,000)	$ (1,700,000)
Minimum Fund Balance Per Policy	$ (34,500,000)	$ (34,500,000)	$ (34,500,000)	$ (34,500,000)	$ (34,500,000)	$ (34,500,000)	$ (34,500,000)
Projected Unassigned Fund Balance Available for Budget Requests	$ 31,919,012	$ 12,704,574	$ 3,176,455	$ (7,857,576)	$ (20,485,622)	$ (34,756,423)	$ (50,719,096)

***Forecast** This data is subject to change as new information is received or if forecasted assumptions change.*

General Fund Structural Deficit Forecast – Update

The structural deficit has improved primarily due to the addition of new ongoing revenues forecasted to begin in 2026 and continue in future years.

- During the 2025 Annual Budget Adoption, the deficit ranged from $11.7M in 2025 to $17.6M by 2030.
- As of the 2025 Fall Supplemental Recommendations, the forecast now ranges from $11.96M in 2025 to $14.3M by 2030.
- While the overall outlook has improved, the trend of an increasing structural deficit continues to appear in the long-term model.
- Sustained structural balance can only be achieved through additional new revenues or strategic expense reductions.

	2025	2026	2027	2028	2029	2030
Total Operating Revenue	$ 201,757,746	$ 206,405,445	$ 211,215,313	$ 216,193,336	$ 221,345,730	$ 226,678,950
Total Operating Expense	$ (213,688,260)	$ (221,899,209)	$ (228,052,385)	$ (234,575,861)	$ (241,320,729)	$ (248,295,203)
25FL Projected Ongoing Impacts	$ (31,715)	$ (31,715)	$ (31,715)	$ (31,715)	$ (33,254)	$ (34,757)
26AD Projected Net New Revenues		$ 7,380,208	$ 7,380,208	$ 7,380,208	$ 7,380,208	$ 7,380,208
	$ (11,962,229)	$ (8,145,271)	$ (9,488,579)	$ (11,034,032)	$ (12,628,045)	$ (14,270,802)

*<u>**Forecast**</u> This data is subject to change as new information is received or if forecasted assumptions change.*

2025 Fall Supplemental Budget Reports

https://clark.wa.gov/budget/2025-annual-budget-0

Exhibit A

Line-Item Appropriations (Operating & Capital)

Attachment B

Staffing Changes (Operating)

Attachments A1 & A2

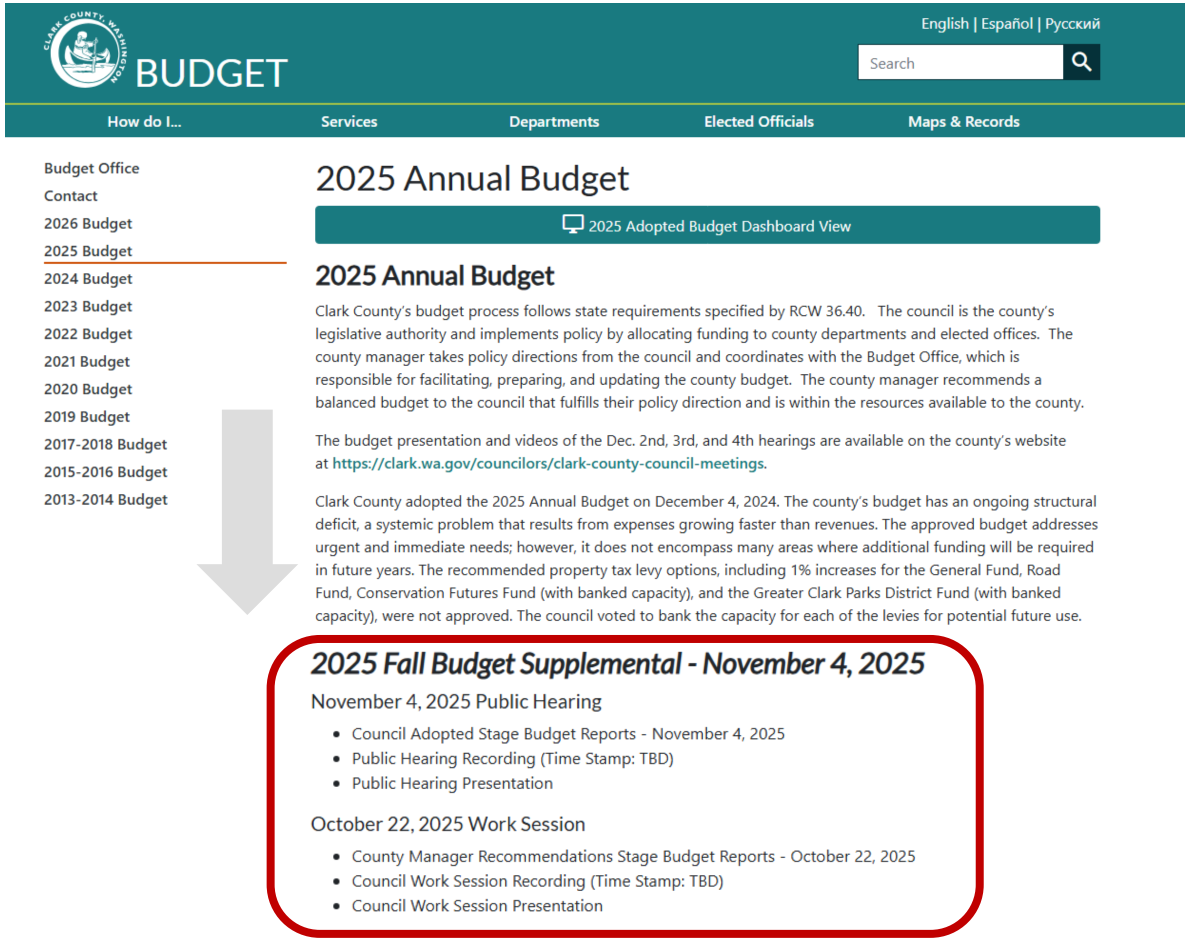
Summary by Fund and Summary by Request (Operating & Capital)

Exhibit B

Change Request Narratives with Summary by Fund (Operating & Capital)

Recommended Change Requests

Specific details for all recommended requests can be found in the ***Exhibit B: Change Request Narratives by Fund Report*** included with the 2025 Fall Supplemental Budget Reports posted on the County's website. https://clark.wa.gov/budget/2025-annual-budget-0.



CLARK COUNTY
WASHINGTON
BUDGET OFFICE

2025 Fall Supplemental

Stage: County Manager Recommended

Exhibit B: Change Request Narratives by Fund

November 4, 2025

Other Major Fund Financial Impacts

Specific impacts for all other major funds can be found in the ***Operating and Capital Attachment A1: Summary by Fund Reports*** included with the 2025 Fall Supplemental Budget Reports posted on the County's website. https://clark.wa.gov/budget/2025-annual-budget-0.

OPERATING ATTACHMENT A1: SUMMARY BY FUND
Stage: County Manager Recommended
2025 Fall Supplemental
November 4, 2025

Fund	Fund Name	Sum of 2025 Revenue Change	Sum of 2025 Expense Change	Sum of 2025 Fund Balance Change	Sum of 2026 Revenue Change	Sum of 2026 Expense Change	Sum of 2026 Fund Balance Change
0001	General Fund	$ 5,341,935	$ 10,886,573	($ 5,544,638)	$ 650,177	$ 782,508	($ 132,331)
1002	Auditor's O & M	-	$ 1,816	($ 1,816)	-	-	-
1003	Event Center	$ 318,290	$ 604,057	($ 285,767)	-	-	-
1004	Emergency Medical Services Dist.2	-	$ 168,800	($ 168,800)	-	-	-
1010	Emergency Services Communication System	$ 150,277	$ 150,277	-	-	-	-
1011	Planning And Code	$ 518,823	$ 496,513	$ 22,310	-	-	-
1012	County Roads	$ 73,209	$ 5,907,222	($ 5,834,013)	$ 203,430	$ 3,987,857	($ 3,784,427)
1013	Camp Bonneville	-	($ 34,370)	$ 34,370	-	$ 40,630	($ 40,630)
1014	Bonneville Timber	-	($ 30,000)	$ 30,000	-	-	-
1017	Narcotics Task Force	-	($ 40,000)	$ 40,000	-	-	-
1018	Arthur D. Curtis Children's Justice Center (CJC)	-	$ 8,448	($ 8,448)	-	-	-
1020	Treasurers O & M Fund	$ 20,000	-	$ 20,000	-	-	-

CAPITAL ATTACHMENT A1: SUMMARY BY FUND
Stage: County Manager Recommended
2025 Fall Supplemental
November 4, 2025

Fund	Fund Name	Sum of 2025 Revenue Change	Sum of 2025 Expense Change	Sum of 2025 Fund Balance Change	Sum of 2026 Revenue Change	Sum of 2026 Expense Change	Sum of 2026 Fund Balance Change
0001	General Fund	$ 692,595	$ 864,345	($ 171,750)	-	-	-
1003	Event Center	$ 236,520	$ 236,520	-	-	-	-
1012	County Roads	($ 9,035,000)	($ 5,761,993)	($ 3,273,007)	-	-	-
1013	Camp Bonneville	-	$ 75,000	($ 75,000)	-	-	-
1014	Bonneville Timber	-	$ 30,000	($ 30,000)	-	-	-
1017	Narcotics Task Force	-	$ 40,000	($ 40,000)	-	-	-
1025	Health Department	-	$ 165,000	($ 165,000)	-	-	-
1026	Exhibition Hall Dedicated Revenue	-	$ 1,520	($ 1,520)	-	-	-
1027	Campus Development	-	-	-	-	-	-
1032	MPD-Operations	$ 900,000	$ 955,000	($ 55,000)	-	-	-

Next Steps

- Questions from Council
- Council Feedback & Discussion
- Public Hearing on Nov. 4, 2025

Clark County Budget Office

"Our mission is to develop and maintain a fiscally sustainable budget that implements county council priorities."

CLARK COUNTY
WASHINGTON
BUDGET OFFICE

For additional information or questions about the budget process contact:

Clark County Budget Office
P.O. Box 5000, Vancouver, WA. 98666

564 397-6097

www.clark.wa.gov/budget

Emily.Zwetzig@clark.wa.gov