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# CLARK COUNTY WASHINGTON

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**CLARK COUNTY**  
WASHINGTON

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED DECEMBER 31, 2012**

# ***CLARK COUNTY WASHINGTON***

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FISCAL YEAR ENDED DECEMBER 31, 2012**

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**CLARK COUNTY, WASHINGTON  
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**CLARK COUNTY**  
WASHINGTON

**AUDITOR**  
**GREG KIMSEY**

June 28, 2013

To the Honorable Board of Commissioners and Citizens of Clark County:

In accordance with the provisions of Chapter 36.22 of the Revised Code of Washington, we are pleased to submit the Comprehensive Annual Financial Report (CAFR) of Clark County for the fiscal year ended December 31, 2012. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by independent auditors from the Office of the Washington State Auditor.

The CAFR consists of management's representations concerning the finances of the County. Consequently, responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of Clark County. Clark County has established a comprehensive internal control framework to provide a reasonable basis for making these representations. Management of the County has established internal controls that are designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's internal controls have been designed to provide reasonable assurance that the financial statements will be free from material misstatements. To the best of our knowledge and belief, the data presented is accurate in all material respects and disclosures.

The Comprehensive Annual Financial Report is developed to provide meaningful financial information to the public, legislative bodies, creditors, and investors, as well as students and teachers of public finance. It is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter and a presentation of the County's organizational structure and elected officials. The financial section includes the independent auditor's report, management discussion and analysis, government-wide statements, fund statements, notes to the financial statements, required supplementary information, and combining and individual fund financial statements and schedules. The statistical section presents financial and demographic information, which is generally presented on a multi-year basis.

The Office of the Washington State Auditor conducts an annual audit of the financial statements of Clark County as required by state law. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2012, are free from material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the overall financial statement presentation. The auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Clark County's financial statements for fiscal year ended

December 31, 2012, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Their examination is conducted in accordance with *generally accepted auditing standards, Government Auditing Standards* issued by the Comptroller General of the United States.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, will be issued in a separate Single Audit Report issued by the Office of the Washington State Auditor.

GAAP requires that management provide a narrative introduction, overview, and analysis of financial condition and results of operations to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Clark County's MD&A can be found immediately following the report of the independent auditors.

### **Profile of Clark County**

Clark County, incorporated in 1849, is located in the southwestern portion of the State of Washington, on the Columbia River, approximately 80 miles from the Pacific Ocean. The Columbia River forms the western and southern boundaries of the County and provides over 41 miles of river frontage. The North Fork of the Lewis River forms the northern boundary of the County and Skamania County and the Cascade Range form the eastern boundary. The land area of the County encompasses 405,760 acres, approximately two-thirds of which lie in the foothills of the Cascade Range. Located directly across the Columbia River from Portland, Oregon and 150 miles south of Seattle, Clark County's population has more than tripled since 1960, making it the fifth largest county in Washington and one of the fastest growing areas in the Pacific Northwest. The Columbia River and the proximity of the Pacific Ocean have a strong influence on the economy, climate and recreational activities of the area.

Clark County is a statute county, which means that the organization of the County is prescribed by state statute. The three member Board of County Commissioners acts as the County's legislative body. Other elected officials include County Assessor, Auditor, Clerk, Prosecuting Attorney, Sheriff, and Treasurer. There are also ten elected Superior Court Judges, and six elected District Court Judges. These elected officials govern the County and establish policies on the basis of the local community's needs and preferences. The Board of County Commissioners appoints a County Administrator who, with the Deputy County Administrator, manages departments other than those within the purview of the other elected officials.

In accordance with GASB #14 "The Financial Reporting Entity", the County has identified five entities as component units. By virtue of its authority to exercise influence over their operations, the County has included the financial statements of the Industrial Revenue Bond Corporation, the Fairgrounds Site Management Group, Emergency Medical Service District, and the Metropolitan Park District, as blended component units reported as special revenue funds. Because the County cannot impose its will on the Clark County Public Facilities District, it is reported as a discrete (separate) component unit of the County. The County also reports its interest in a governmental joint venture: Clark Regional Emergency Services Agency.

The County's biennial budget serves as the foundation for financial planning and control. State law (RCW 36.40) establishes the general requirements of Clark County's biennial budget process. The law requires the County to initiate the budget process on or before the second Monday in July, by requesting budget estimates for the ensuing year from each County department. The County is required to present a compilation of these estimates, including revenue projections, to the Board of

Commissioners upon or before the first Tuesday in September, or if the Board so chooses, the first Tuesday in November. A compilation of submissions is then prepared, and copies are made available to the public. The Commissioners must schedule a hearing on the budget for the first Monday in October, or if the Board so chooses, the first Monday in December. The budget hearing may be continued from day to day for no more than five days. At the conclusion of the hearing, the Board of Commissioners adopts the budget. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted. The biennial budget is adopted and systematically monitored on the fund level for special revenue and capital project funds and on a department level for the General Fund. Personal service costs in each fund are controlled by position. The major capital projects are approved in accordance with long-term capital acquisition plans.

### **Local Economy**

Clark County enjoys a diversified economy with a solid commercial sector, and valuable port activities with significant government and service sectors. The County has strong industry clusters in semiconductors, manufacturing, plastics, and financial services. Additionally, the County is well served by a variety of transportation facilities. Interstates 5 and 205 access the Portland area, and the Ports of Vancouver, and Camas/Washougal offer port facilities that capitalize on the Columbia River's status as a fresh water, deep draft harbor between Canada and California. Transcontinental railroads, trucking firms, bus lines, and the Portland International Airport also serve the County. The advantages that Clark County offers are its location near a major metropolitan city combined with affordable land, housing, business costs, and a cost of living among the lowest on the West Coast.

Between 2003 and 2012, Clark County's population increased by 15.3%, to 431,250, which includes estimated growth since the 2010 census. Most of that growth was migration from other areas, in particular, from the Portland, Oregon area and from California. The County attracted many of these new residents because of good schools, affordable land, and lower housing and business costs.

Clark County's unemployment rate was below the state and national averages throughout the 1990s, but above both since 2000. The 2008 financial meltdown and subsequent recession widened the gap to four percentage points with the rate peaking in March 2010 at 15.6%. Unemployment was exacerbated by higher than average job losses for Clark County residents working in Portland. The unemployment rate declined to 8.3% at the end of 2012, compared to the overall State unemployment rate at that time of 7.6%. The total Clark County resident work force numbered approximately 209,400 in December 2012 and of that workforce, 17,450 were looking for work at the end of 2012 compared to 19,500 at the end of 2011.

New construction in Clark County, as evidenced by building permits, dropped precipitously in 2008 (almost 50%) and continued to decline annually until a small 5% increase in 2010 over 2009. This decline has had a significant impact on County fee revenue from building permits and related sales tax receipts. In 2012 there was a 32% increase in the number of permits issued from 2011. The outlook for Clark County for 2013/14 shows signs of improvement. The housing market has reduced its high inventories and the median price for a residence is trending back up. The County forecast calls for modest improvements in 2013 and 2014.

### **Long-Term Financial Planning**

The County has capital investments planned over the next several years for the following areas:

- Future capital construction projects for Parks, Water, Stormwater and Wastewater are planned for the years beyond the 2013-14 biennium but only transportation projects, funded with a dedicated property tax and augmented by grants, have the financial capacity to be able to undertake significant projects in the near term.
- The County's six year Transportation Improvement Program calls for \$174 million to be spent on roads during the period 2013 through 2018. Of this amount, 62% is expected to come from the

County Road Fund, with the remainder to be financed through grants, partnerships, and other resources.

**Relevant Financial Policies**

The County adopted a fiscal policy plan in 1982 and amended it in 1994. There are 17 fiscal policies in the plan which provide guidance for prudent management of the County's resources. These fiscal policies help provide high level direction over the County's finances and have been consistently applied during 2012.

**Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Clark County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2011. Clark County has received this prestigious award for thirty consecutive years. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

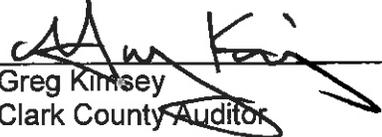
A Certificate of Achievement is valid for a period of one year only. We believe our current financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

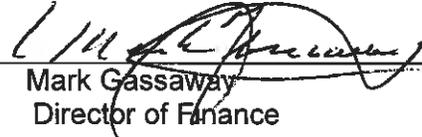
In addition, the County has received the GFOA Distinguished Budget Presentation Award for seventeen consecutive budget periods, most recently for its biennial budget document dated 2011/2012. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operating guide, and a communication device.

We express our appreciation to those who have devoted their time to the preparation of this report, especially the Financial Services staff in the Clark County Auditor's office and the Clark County Treasurer's office. We also recognize the professional efforts of the State Auditor's Office in their audit, and the direction and advice they provide us throughout the year.

Finally, we express our sincere appreciation to the Board of County Commissioners for their continued support, and their tireless efforts in working for the betterment of the community and in making Clark County a great place to live, work, and play.

Respectfully submitted,

  
\_\_\_\_\_  
Greg Kimsey  
Clark County Auditor

  
\_\_\_\_\_  
Mark Gassaway  
Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Clark County Washington

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Christopher P. Moir*

President

*Jeffrey R. Emer*

Executive Director

**CLARK COUNTY, WASHINGTON**

**2012 ELECTED OFFICIALS**

County Commissioners

District One	Tom Mielke
District Two	Marc Boldt
District Three	Steve Stuart

County Assessor	Peter Van Nortwick
County Auditor	Greg Kimsey
County Clerk	Scott Weber
Prosecuting Attorney	Tony Golik
County Sheriff	Garry Lucas
County Treasurer	Doug Lasher

Superior Court Judges

Court One	Daniel Stahnke
Court Two	David E. Gregerson
Court Three	John Nichols
Court Four	Gregory Gonzales
Court Five	Richard Melnick
Court Six	Barbara Johnson
Court Seven	James E. Rulli
Court Eight	Diane Woolard
Court Nine	Robert Lewis
Court Ten	Scott Collier

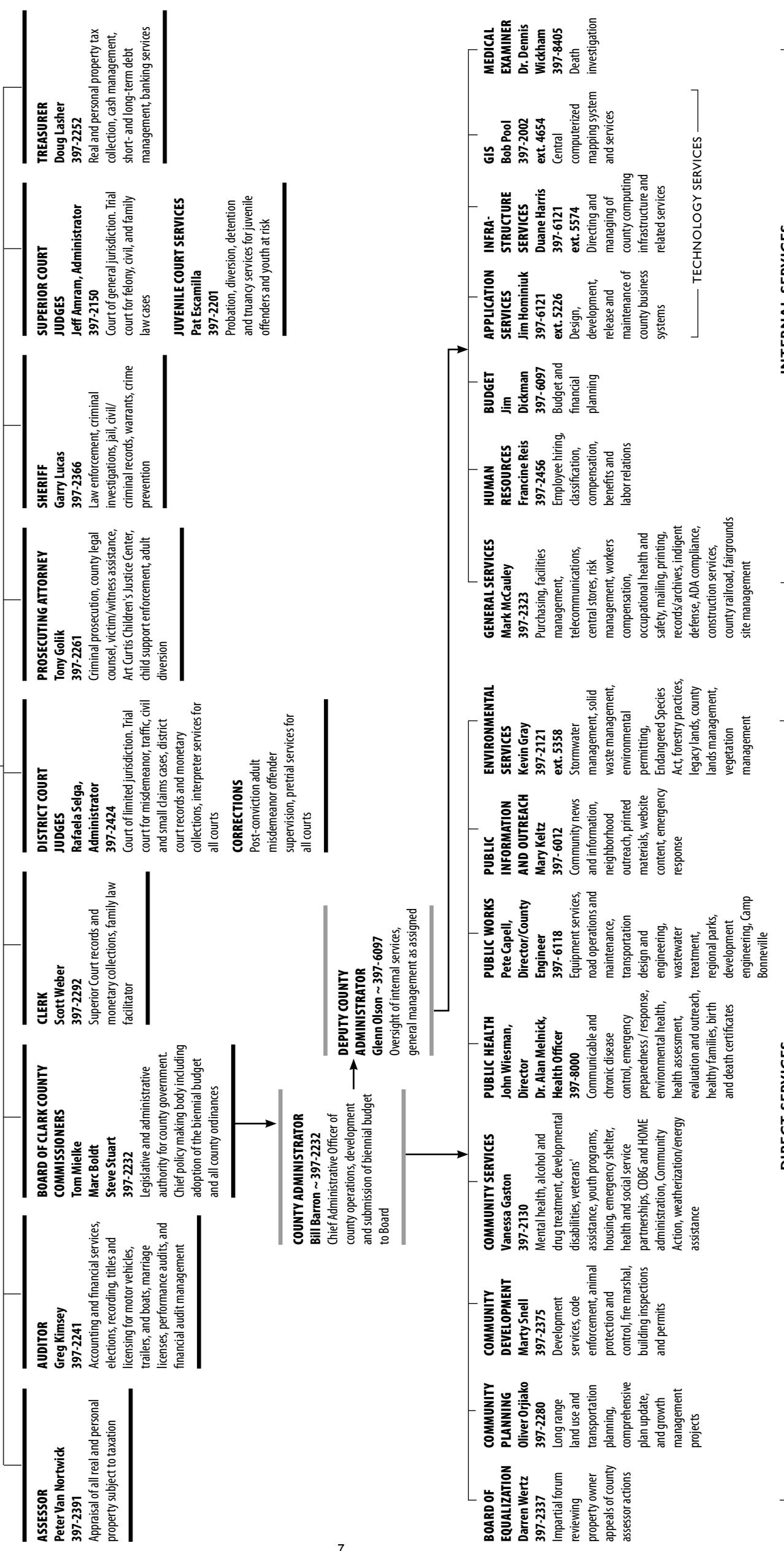
District Court Judges

Court One	Vernon Schreiber
Court Two	James Swanger
Court Three	Darvin Zimmerman
Court Four	Sonya Langsdorf
Court Five	Kelli Osler
Court Six	John Hagensen



# CLARK COUNTY ORGANIZATION CHART

## VOTERS OF CLARK COUNTY



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## Washington State Auditor Troy Kelley

### INDEPENDENT AUDITOR'S REPORT

June 25, 2013

Board of Commissioners  
Clark County  
Vancouver, Washington

### ***REPORT ON FINANCIAL STATEMENTS***

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, Washington, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility 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; this includes 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.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinion***

In our opinion, the 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, Washington, as of December 31, 2012, 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 and Mental Health Grants funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13 through 29, information on postemployment benefits other than pensions on page 103 and infrastructure modified approach information on pages 104 through 106 be presented to supplement the basic financial statements. Such information, 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 and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The accompanying information listed as combining fund statements on pages 107 through 196 is presented for purposes of additional analysis and 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 financial statements. This information has been subjected to 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 financial statements or to the 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 taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### ***OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we will also issue our report dated June 25, 2013, 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. That report will be issued under separate cover in the County's Single Audit Report. 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 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.

Sincerely,

A handwritten signature in cursive script that reads "Troy X. Kelley".

**TROY KELLEY**  
STATE AUDITOR

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## 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, 2012. 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

- In 2012, the County Implemented Governmental Accounting Standards Board Statement No. 63 (GASB 63) Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB 63 required renaming the "Statement of Net Assets" to the "Statement of Net Position." Likewise, the "Statement of Revenues, Expenses and Changes in Net Assets" was re-titled to the "Statement of Revenues, Expenses and changes in Net Position." All references to net assets were changed to net position.
- During 2012, the County's financial condition continued to stabilize (after experiencing a significant downturn in 2008), but recovery is still slow, as unemployment remains high and building industry activity is still weak.
- Clark County's total assets exceeded its total liabilities at December 31, 2012 by \$1.4 billion, compared to \$1.39 billion in 2011 (1% increase). Details of factors contributing to this increase are discussed later within this management's discussion and analysis.
- Total net position of the County are comprised of the following:
  - 1) Net investment of capital assets of \$1.2 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 \$106.6 million represents the portion restricted by constraints imposed from outside the County such as debt covenants, grants, and laws.
  - 3) Unrestricted net position of \$54.7 million represents the portion available to be used at the County's discretion, in order to maintain continuing obligations to citizens and creditors.
- At December 31, 2012, Clark County reported an increase in net position (before prior year adjustments) of \$18.3 million, compared to \$36.7 million increase in 2011 (a 50% decrease, largely due to two special items shown on the *Statement of Activities*, which total a negative \$17.9 million). Details of factors contributing to the net position increase for 2012 are discussed later within this discussion and analysis.
- The General Fund's total fund balance increased, from \$29.2 million in 2011 to \$32.2 million in 2012, following a \$4.6 million increase between 2010 and 2011.
- Clark County's total long term liabilities are \$162.3 million at December 31, 2012, down from \$175.4 million in 2011. Remaining capacity for non-voted debt was \$452.1 million.

### 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 required supplementary information and other 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 superior, juvenile, and district 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 solid waste, sanitary sewer, and storm water management.

The **statement of net position** presents information on all of the County's assets, liabilities, 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 2012. 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 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 intergovernmental revenues and taxes. Most basic services fall into this category, including general government; public safety; judicial; physical environment; transportation; economic environment; health and human services; culture and recreation; and debt service. Also included within the governmental activities are the operations of four blended component units: Industrial Revenue Bond Corporation, Fairgrounds Site Management Group (Event Center Fund), Emergency Medical Services District, 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 four entities are reflected in the non-major 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*. The County has also reported its investment in one governmental joint venture: Clark Regional Emergency Services Agency (CRESA). A description of this joint venture is found in note 22 of the *Notes to Financial Statements*.

**Business-type activities** – 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 (known as 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 presented 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 is 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 the end of the year. Such information is useful in evaluating a government's near-term financing requirements in comparison to near-term 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, Community Services Grants Fund and Mental Health Grants 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 on combining statements, outside of the basic financial statements (following the required supplementary information section of this report).

The County maintains budgetary controls with a biennial 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 sewer operations. The Sanitary Sewer and Clean Water funds are both considered

major funds for financial reporting purposes. The County reports one nonmajor enterprise fund, the Solid Waste Fund.

**Internal service funds** are used to 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 its vehicle fleet, election services, insurance reserves, radio and computer 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 (which report the portion of County investments that belong to other jurisdictions), 2) Private Purpose Trust Funds (which report trust arrangements where the principal and interest benefit those outside of the County), and 3) Agency Funds (which are clearing accounts for assets held by Clark County in its custodial role until funds are allocated to the private parties, organizations, or government agencies to which they belong). The basic fiduciary fund financial statements follow the proprietary fund financial statements in this report.

#### **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 \$1.4 billion at the end of 2012, a \$14.7 million increase (1% increase) over 2011. Net position invested in capital assets increased \$40.1 million, while restricted net position for health and human services decreased \$8.6 million and economic environment net position decreased \$3.0 million. Unrestricted net position decreased \$14.0 million.

Increases in the net investment in capital assets are a combination of a \$16.9 million increase in capital assets (discussed below) and a \$23.2 million decrease in debt related to capital assets. The **Capital Asset, Infrastructure, and Debt Administration** section of this discussion and analysis contains additional information on capital asset activity in 2012.

Non-capital assets decreased \$30.6 million during the year. Cash and investments decreased \$21.4 million, which included a \$3.1 million decrease for an investment restricted for sewer revenue bond coverage that was returned to the regional wastewater district. Notes and other receivables decreased \$11.0 million as the regional wastewater district paid off their \$11.0 million obligation to cover the expense of the sewer revenue bond debt payments and the public work trust fund loans for the County's sewer treatment plant. During this same period, investments in a joint venture increased \$1.4 million.

In 2012, net capital assets increased \$16.9 million, primarily in road and storm water construction (including right of way land purchases) and parks development.

Total liabilities decreased \$28.4 million, with long term liabilities accounting for a \$13.5 million decrease. Business type long term liabilities decreased \$14.1 million, as a result of debt service retirement. In governmental activities, bonds payable and advances to other governments decreased by \$8.4 million, as a result of debt payments and a refunding. Long term liabilities related to landfill remediation increased by \$6.0 million and claims and judgments increased by \$3.7 million (nearly all increases were for prior year adjustments).

In regards to the \$15.3 million decrease in current liabilities, the Sanitary Sewer Fund (business-type activities) accounted for \$14.0 million. The sewer revenue bond debt was paid off, which relieved the fund of the liability for unearned revenue and revenue bond deposit associated with the regional wastewater district's obligation to pay the debt service on the bonds.

Of the County's total net position, 88.5% is net investment in capital assets, 7.6% is subject to external restrictions by outside parties, and the remaining 3.9% represents the amount that may be used to meet the County's ongoing general purpose obligations.

The condensed financial information that follows is derived from the government-wide Statement of Net Position and reflects the County's net position in 2012 compared with 2011.

	<i>Clark County Net Position</i>							
	Governmental Activities		Business-type Activities		Total		% Change	
	2012	2011	2012	2011	2012	2011		
Current & other assets	\$ 221,549,108	\$ 233,086,253	\$ 7,463,672	\$ 26,528,994	\$ 229,012,780	\$ 259,615,247	(11.8%)	
Capital assets (net of depreciation)	1,158,491,666	1,141,195,132	217,239,739	217,680,669	1,375,731,405	1,358,875,801	1.2%	
Total assets	1,380,040,774	1,374,281,385	224,703,411	244,209,663	1,604,744,185	1,618,491,048	(0.8%)	
Long term liabilities	161,520,242	160,572,881	785,067	14,837,725	162,305,309	175,410,606	(7.5%)	
Other liabilities	36,754,449	35,433,757	2,433,645	19,074,387	39,188,094	54,508,144	(28.1%)	
Total liabilities	198,274,691	196,006,638	3,218,712	33,912,112	201,493,403	229,918,750	(12.4%)	
Net position:								
Net investment in capital assets	1,024,697,643	998,160,630	217,239,739	203,659,874	1,241,937,382	1,201,820,504	3.3%	
Restricted	106,642,612	118,086,237	0	0	106,642,612	118,086,237	(9.7%)	
Unrestricted	50,425,828	62,027,880	4,244,960	6,637,677	54,670,788	68,665,557	(20.4%)	
Total net position	\$ 1,181,766,083	\$ 1,178,274,747	\$ 221,484,699	\$ 210,297,551	\$ 1,403,250,782	\$ 1,388,572,298	1.1%	

**Governmental net position** - Although net position of the County's governmental activities increased slightly to \$1.18 billion in 2012, \$1.13 billion are either net investment in capital assets or are subject to external restrictions as to how funds may be used. Unrestricted net position for governmental activities of \$50.4 million (down from \$62.0 million in 2011) are available for future spending.

**Business-type position** - Business-type net position increased by 5% in 2012, mainly as a result of debt retirement. Of total net position, \$217.2 million is made up of net investment in capital assets, while \$4.2 million (down from \$6.6 million in 2011) is unrestricted and available for future spending.

**Analysis of Changes in Net Position**

The County's total change in net position (not including prior period adjustments) in 2012 was \$18.3 million, an \$18.4 million decrease from 2011. There were two special items totaling (\$17.9) million, which largely accounted for this change. They were expenses associated with 1) the transfer of mental health grant reserves to a joint regional network and 2) accrued expenditures relating to landfill remediation liability. There is more information on these items in note # 26 of the *Notes to the Financial*

*Statements.* The change in net position (including prior period adjustments) for governmental activities is \$3.5 million, and \$11.2 million for business-type activities. The condensed financial information that follows is derived from the Government-Wide Statement of Activities and reflects how the County's 2012 changes in net position compared with 2011.

	<b>Clark County Changes in Net Position</b>					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b>Program Revenues</b>						
Charges for services	\$ 67,650,000	\$ 67,318,460	\$ 26,687,906	\$ 14,701,731	\$ 94,337,906	\$ 82,020,191
Operating grants and contributions	69,379,097	77,713,881	1,332,402	1,131,395	70,711,499	78,845,276
Capital grants and contributions	21,114,627	34,020,473	278,736	646,607	21,393,363	34,667,080
<b>General Revenues</b>						
Taxes	140,183,107	136,794,519			140,183,107	136,794,519
Gain on sale of assets	4,108,470	-			4,108,470	-
Interest earnings	1,153,546	1,500,038	29,072	61,576	1,182,618	1,561,614
<b>Total revenues</b>	<b>303,588,847</b>	<b>317,347,371</b>	<b>28,328,116</b>	<b>16,541,309</b>	<b>331,916,963</b>	<b>333,888,680</b>
<b>Program Expenses:</b>						
General government	52,207,688	51,368,405	-	-	52,207,688	51,368,405
Public safety	74,885,144	71,093,135	-	-	74,885,144	71,093,135
Judicial	17,456,320	16,848,569	-	-	17,456,320	16,848,569
Physical environment	3,960,952	5,516,362	-	-	3,960,952	5,516,362
Transportation	39,000,013	34,413,402	-	-	39,000,013	34,413,402
Economic environment	17,999,780	19,241,522	-	-	17,999,780	19,241,522
Health & human services	49,926,490	60,300,960	-	-	49,926,490	60,300,960
Culture & recreation	18,175,709	16,682,890	-	-	18,175,709	16,682,890
Solid Waste	-	-	3,212,791	2,843,582	3,212,791	2,843,582
Water	-	-	5,716,578	6,080,514	5,716,578	6,080,514
Sewer	-	-	8,211,599	6,959,945	8,211,599	6,959,945
Interest on long term debt	4,985,366	5,835,374	-	-	4,985,366	5,835,374
<b>Total expenses</b>	<b>278,597,462</b>	<b>281,300,619</b>	<b>17,140,968</b>	<b>15,884,041</b>	<b>295,738,430</b>	<b>297,184,660</b>
Excess (deficiency) of revenues over (under) expenses	24,991,385	36,046,752	11,187,148	657,268	36,178,533	36,704,020
Special Items	(17,865,049)	-	-	-	(17,865,049)	-
Transfers	-	(1,073,588)	-	1,073,588	-	-
<b>Change in Net Position</b>	<b>7,126,336</b>	<b>34,973,164</b>	<b>11,187,148</b>	<b>1,730,856</b>	<b>18,313,484</b>	<b>36,704,020</b>
Net position as of January 1	1,178,274,747	1,142,191,534	210,297,551	210,678,739	1,388,572,298	1,352,870,273
Prior period adjustments	(3,635,000)	1,110,049	0	(2,112,044)	(3,635,000)	(1,001,995)
<b>Net position as of December 31</b>	<b>\$ 1,181,766,083</b>	<b>\$ 1,178,274,747</b>	<b>\$ 221,484,699</b>	<b>\$ 210,297,551</b>	<b>\$ 1,403,250,782</b>	<b>\$ 1,388,572,298</b>

Approximately 42% (41% in 2011) of total revenues came from property, sales and excise taxes. Grants and contributions amount to 28% (34% in 2011) and charges for services account for 28% (25% in 2011) of total revenues. In 2012, total revenues (\$331.9 million) decreased from 2011 by \$2.0 million, with governmental activities decreasing \$13.8 million and business activities increasing by \$11.8 million. Governmental activities provided \$303.6 million in revenues (91%), while business-type activities provided \$28.3 million.

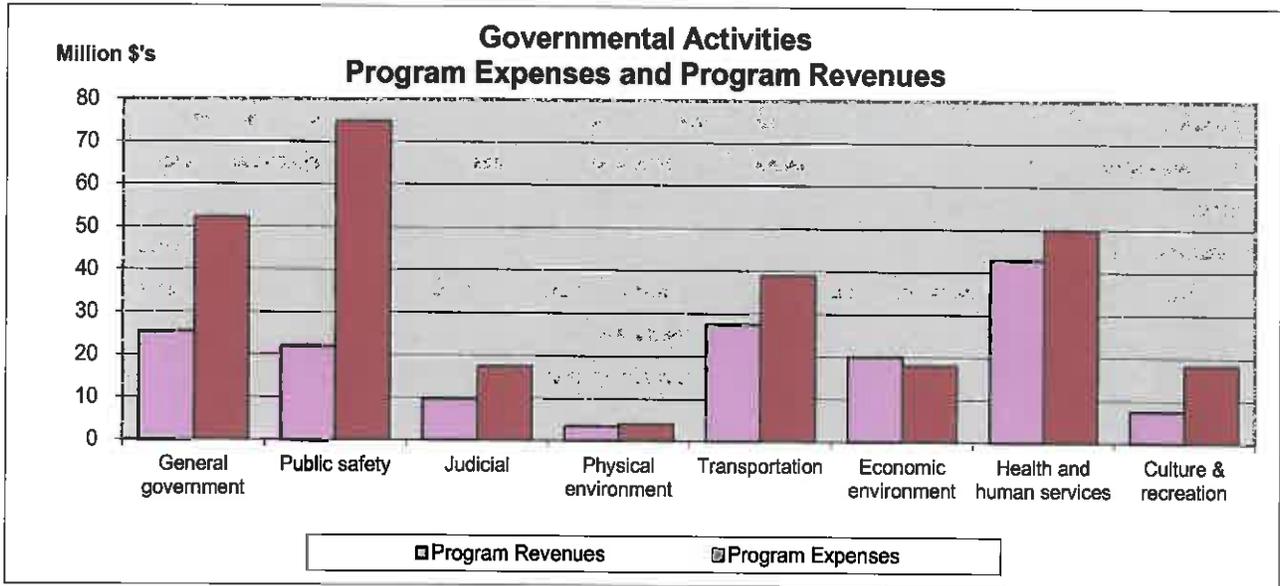
The County's expenses cover a range of services, the largest of which were for public safety, health and human services, and general government, accounting for 60%, combined, of total expenses. Transportation expenses account for 13%, while the expenses of all other functional programs and interest expense, combined, account for 27%. County total expenses for the year were \$295.7 million, down from \$297.2 million in 2011. Governmental activities accounted for \$278.6 million (94%) of total County expenses, while business-type activities accounted for \$17.1 million. Governmental activity had a \$2.7 million decrease in expenses, while business type activities had a \$1.2 million increase from 2011.

**Governmental activities** - Governmental activity revenue decreased \$13.8 million from 2011, while expenses decreased \$2.7 million. Grants and contributions revenue decreased \$21.2 million, tax revenue increased \$3.4 million, gain on the sale of assets increased \$4.1 million and charges for services revenue increased \$0.3 million.

In 2011, capital contributions included an unusually large land contribution valued at \$12 million, which accounts for most of the difference in capital grant revenue between 2011 and 2012. In 2012, health and human services grants decreased by nearly \$8 million, due mostly to the spin-off of the mental health services to a newly formed Regional Support Network (RSN) government entity. The RSN received state and federal grants that previously were received by the County's mental health programs (see additional information on the regional support network in the Notes to the Financial Statements; note 25.B.1). Tax revenue increases represent a slight improvement in the economy. Gains on the sale of assets are due to timber sales from both County and Department of Natural Resources lands and the sale of right of way land purchased in previous years.

Governmental expenses decreased \$2.7 million in 2012. Public Safety expenditures increased in 2012 by \$3.8 million. Of that amount, \$2.0 million is a result of an increase in the 9-1-1 tax rate. The County collects 9-1-1 tax from the state on behalf of the Clark Regional Emergency Management Agency (CRESA) and then pays the collected tax to CRESA. The additional increase in public safety for 2012 was for sheriff department activities. Transportation expense increased \$4.6 million in 2012. This is attributable to increased road preservation activity. The County is increasing their preservation program, as a means of spending less on their capital program. Health and human services expenditures decreased by \$10.4 million in 2012, from 2011, as a result of the RSN providing most of the mental health services in Clark County. Each of the other governmental programs had small increases or decreases in expenses in 2012, from 2011, ranging between \$0.6 million and \$1.6 million.

The following graph illustrates the governmental activities program revenues and expenses by function for 2012.



**Business-type activities** - For the year ending December 31, 2012, excess of revenues over expenses increased significantly to \$11.2 million, compared to \$0.7 million in 2011. Sewer charges for services revenue increased by \$12 million, as a result of Clark Regional Wastewater District making an early payment to relieve their obligation (through an inter-local agreement with the County) to pay the bond and loan debt for the sewer treatment plant that is owned by Clark County. During the same

period, sewer expenses increased by \$1.3 million in fiscal charges related to bond redemption costs. Refer to the *Proprietary Fund Analysis* section which appears later in this management's discussion and analysis for more information.

## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Clark County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a discussion of the financial highlights of the County's governmental and proprietary funds.

### Governmental Funds 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 and Mental Health Grants Fund are the only major governmental funds in 2012.

#### Fund Balances

As of December 31, 2012, the County's governmental funds reported combined ending fund balances of \$154.4 million (an increase from \$152.7 million in 2011). Total governmental assets decreased by \$11.3 million, after eliminating interfund balances. Total governmental liabilities decreased \$13.8 million, after eliminating interfund balances. The bulk of the decrease is a result of eliminating a \$14.6 million in deferred revenue (related to community housing loan revenue that will eventually be loaned out to eligible recipients) in the Community Services Grant major special revenue fund. The other side of this entry is a prior period adjustment on the *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*.

Cash and Pooled Investments decreased \$14.5 million. The major Mental Health Grants Fund had a \$13.4 million decrease in cash and investments, which occurred when the joint regional support network was created and federal and state mental health grant reserve funds were transferred to this entity (see note 26.B.1 in the Notes to the Financial Statements for more information). Amounts due from other governments increased \$2.2 million, notes/contracts receivable increased by \$1.7 million and receivables decreased by \$1.4 million in 2012.

The **General Fund's** total fund balance increased, from \$29.2 million in 2011 to \$32.2 million in 2012. General Fund assets increased by \$4.4 million, with cash and investments and deposits increasing \$3.0 million and receivables due from other funds and other governments increasing by \$1.4 million. General Fund liabilities increased by \$1.4 million, with vouchers and warrants payables increasing by \$1.0 million, deferred revenue decreasing by \$1.0 million, and the difference being spread among other liability categories.

The **County Roads** major fund's fund balance decreased from \$32.0 million to \$29.8 million during this same period. The biggest change is a \$2.9 million increase in warrants and vouchers payable.

The **Community Services Grant** major fund reported a \$1.4 million increase in assets (cash and investments increased \$0.9 million and notes/contracts receivable increased \$0.7 million, with smaller changes in other categories) and a \$13.8 million decrease in liabilities (see discussion on this item in the first paragraph of this section). The net result was a \$15.2 million increase in fund balance.

The **Mental Health Grants** major fund had a \$9.9 million decrease in its fund balance in 2012, from 2011, due to the transfer of assets to the newly created joint regional support network (see note 25.B.1 in the Notes to the Financial Statements for more information). As noted above, cash and investments decreased by \$13.4 million. In addition, amounts due from other governments (mainly the regional support network) increased by \$1.2 million and vouchers payable decreased by \$1.9 million.

The non-major capital funds decreased fund balance by \$3.4 million, as a result of transfers out to the debt service fund to cover bond payments. Non-major special revenue funds and non-major debt service funds decreased their combined fund balance by \$1.0 million during the year.

Approximately 70% of the governmental fund balance (\$108.4 million) is non-spendable or restricted by constraints outside County Government. An additional 15% (\$22.9 million) of fund balance is committed or assigned for specific purposes, such as technology improvements, housing, mental health, public safety programs, and compensated absences. The remaining 16% (\$23.0 million) is available for spending at the County's discretion.

### Revenues and Expenditures

Governmental fund revenues total \$296.4 million for 2012, slightly down from \$297.3 million in 2011. Tax revenues increased \$3.4 million, charges for services revenue increased \$3.8 million and license and permit revenue increased \$1.0 million. In addition, grant revenues decreased \$6.9 million and other revenues decreased \$2.2 million. Major fund revenues decreased \$4.1 million, while revenue in non-major funds increased by \$3.2 million, in total.

Governmental funds operating expenditures were \$291.8 million in 2012, down 2% (\$6.5 million) from 2011. Capital outlay was down \$10.5 million. With the national and local economy still sluggish, the County is concentrating on financing the maintenance of infrastructure, while delaying capital purchases and construction. Capital outlay for roads was \$2.2 million less than in 2011 and capital outlay for parks purchases and development was down \$7.1 million in 2012, from 2011. Further discussion on revenues, expenditures and changes in fund balance in 2012 is included in the following discussions of the major funds.

### Major Fund Discussions

The **General Fund** is the chief operating fund for the County. At the end of 2012, total fund balance for the General Fund equaled \$32.2 million, compared to \$29.2 million at the end of 2011. Unassigned fund balance, the amount considered available to spend, totaled \$24.2 million at the end of 2012. At the end of 2012, \$3.4 million is assigned for technology improvements in the Sheriff and County Building departments, \$1.0 million for transfer to the Event Center Fund to eliminate their fund balance deficit, and \$2.0 million for compensated absences in the General Fund. An additional \$1.6 million is either non-spendable or restricted for other purposes.

General Fund revenues increased \$0.6 million from 2011 to 2012, while expenditures increased \$3.2 million during the same period. Intergovernmental revenues remained essentially the same and tax revenues increased \$0.5 million. The General Fund had a surplus of revenues over expenditures in both 2012 (\$2.2 million) and 2011 (\$4.9 million).

General government expenditures increased \$1.9 million (a 6% increase) and public safety increased \$1.3 million (a 2% increase), while changes in the other functional areas varied from 2011 in lesser degrees. The largest increases in general government expenses occurred in the areas of information services (\$0.6 million) and general services administration (\$0.7 million). Transfers in from other funds increased by roughly \$1.6 million in 2012, while transfers out (General Fund support to other funds) increased by \$2.0 million. In addition, the General Fund reported \$2.0 million proceeds from the sale of timber in 2012.

**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 current fiscal year, total fund balance decreased from \$32.0 million to \$29.8 million. Operating expenditures exceeded operating revenue by \$3.9 million in 2012. The Road Fund also received \$2.0 million as proceeds from the sale of timber and previously purchased right of way land.

Total revenue increased \$3.0 million from 2011. Grant revenues (intergovernmental) increased \$2.5 million in 2012. Charges for services revenues increased \$1.2, while other revenues decreased \$0.7

million. Of the \$1.2 million increase in charges for services, \$0.8 million was for contracted utility work done as part of a major road project, which was subsequently billed out to utility companies by the County.

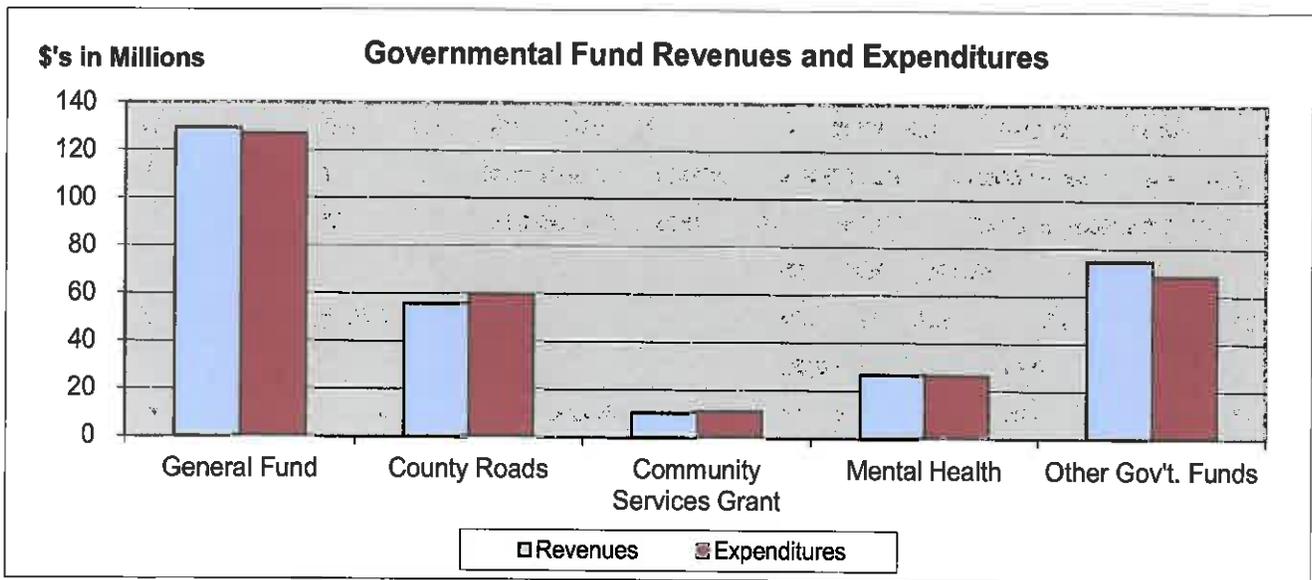
Road Fund operating expenditures increased by \$7.0 million from 2011, while capital outlay for road construction decreased by \$2.2 million. Road preservation costs increased by \$4.0 million, maintenance costs increased by \$2.0 million and project management related costs by \$1.0 million, over 2011 costs.

**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. Ending fund balance increased from \$6.7 million in 2011 to \$21.9 million in 2012. Revenues decreased \$1.5 million, expenditures decreased \$1.4 million, and transfers in increased \$0.6 million from 2011. In addition, there was a prior period adjustment of \$14.6 million due to a write off of deferred revenue. Refer to the “Governmental Funds Analysis- Fund Balances” section appearing previously in this management’s discussion and analysis, for further information on this transaction.

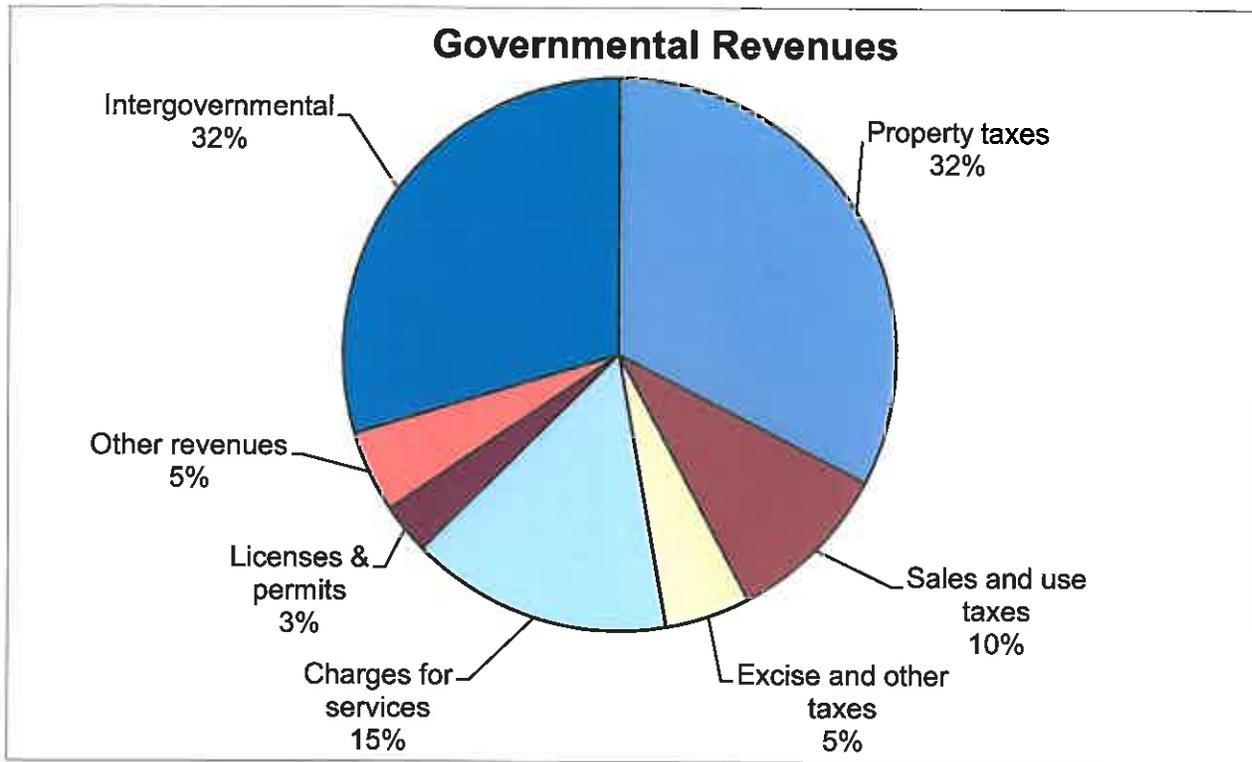
**Mental Health Grants Fund** is a major special revenue fund that receives the majority of its funding through state and federal grants for mental health services, including treatment, consultation, and education. In 2012, the fund balance decreased \$9.9 million, largely due to the transfer of assets to the newly created joint regional support network (RSN). Note 25.B.1 in the Notes to the Financial Statements discuss the formation of the RSN in more detail. As of October, 2012, all state and federal grant revenue for mental health services that previously came to the County were given directly to the RSN by state and federal agencies, resulting in \$6.7 million less in grant revenue for the County in 2012 (from 2011). Expenditures decreased \$9.1 million in 2012, compared to 2011, as the RSN picked up the responsibility for providing the major portion of mental health services within the County. The County paid the regional support network \$11.9 million in 2012, for state and federal grant reserve revenues previously received. This amount is shown as a special item on the *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*.

**Governmental Funds Revenue/Expenditure Analysis**

The following chart shows the revenue and expenditure amounts for the year ended December 31, 2012 for the four major governmental funds and for all other governmental funds, combined. Revenues do not include interfund transfers or proceeds from debt or the sale of assets.



The following chart shows total governmental revenues and the percentage total for each type of revenue for the year ended December 31, 2012.



### 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.

Clark County has three enterprise funds, two of which (Sanitary Sewer and Clean Water) are considered major funds. In 2012, the change in net position due to operations, contributions and interfund transfers for the enterprise funds was an increase of \$11.2 million, with nearly all of the increase in the Sanitary Sewer Fund. The following table reflects the "Enterprise Funds Statement of Net Position" for the year ending December 31, 2012, compared to the prior year.

**Clark County Washington**  
**Enterprise Funds - Statement of Net Position**

	Major		Major		Non-Major		Total	
	Sanitary Sewer		Clean Water		Solid Waste		2012	2011
	2012	2011	2012	2011	2012	2011		
Total current assets	\$ 2,497,637	\$ 5,280,514	\$ 2,569,947	\$ 4,859,273	\$ 2,582,812	\$ 2,160,165	\$ 7,650,396	\$ 12,299,952
Total noncurrent assets	126,098,838	143,291,578	90,500,075	87,987,895	640,826	654,675	217,239,739	231,934,148
Total assets	128,596,475	148,572,092	93,070,022	92,847,168	3,223,638	2,814,840	224,890,135	244,234,100
Total current liabilities	417,708	5,902,802	1,859,672	1,619,806	603,665	322,330	2,881,045	7,844,938
Total noncurrent liabilities	90,246	25,596,204	416,851	478,211	17,294	17,196	524,391	26,091,611
Total liabilities	507,954	31,499,006	2,276,523	2,098,017	620,959	339,526	3,405,436	33,936,549
Total net position	\$ 128,088,521	\$ 117,073,086	\$ 90,793,499	\$ 90,749,151	\$ 2,602,679	\$ 2,475,314	\$ 221,484,699	\$ 210,297,551

In 2012, the sewer program's net position increased \$11.0 million, while the water and solid waste programs had no material changes.

The **Sanitary Sewer** Fund accounts for operations, maintenance, and capital improvements of the County's waste water facilities and sewer lines. Total net position of the sewer fund increased from \$117.1 million at December 31, 2011 to \$128.1 million at December 31, 2012, as a result of the retirement of its revenue bonds (see further explanation in the enterprise funds revenue and expense analysis later in this section). Of the total net position, \$126.1 million is invested in capital assets and \$2.0 million is unrestricted and available for spending.

The **Clean Water** Fund accounts for the operations, maintenance, and capital improvements of the County's storm water pollution control facilities. Total net position in the Clean Water Fund is \$90.8 million at the end of 2012, no material change from 2011. Of the total, nearly all is net investment in capital assets, with only \$0.3 million unrestricted and available for spending.

The following table reflects the enterprise funds revenues and expenses for the year ending December 31, 2012, compared to the prior year.

<b>Clark County Washington</b>								
<b>Enterprise Funds - Revenues and Expenses</b>								
	<b>Major</b>				<b>Non-Major</b>		<b>Total</b>	
	<b>Sanitary Sewer</b>		<b>Clean Water</b>		<b>Solid Waste</b>			
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Total operating revenues	\$ 19,213,164	\$ 6,868,024	\$ 5,189,980	\$ 5,255,998	\$ 2,255,946	\$ 2,568,314	\$ 26,659,090	\$ 14,692,336
Total operating expenses	6,513,959	6,178,673	5,579,751	5,952,640	3,212,791	2,843,582	15,306,501	14,974,895
Operating income (loss)	12,699,205	689,351	(389,771)	(696,642)	(956,845)	(275,268)	11,352,589	(282,559)
Total non-operating revenues(expenses)	(1,683,770)	(747,832)	440,031	633,554	799,562	407,498	(444,177)	293,220
Income (loss) before contributions and transfers	11,015,435	(58,481)	50,260	(63,088)	(157,283)	132,230.00	10,908,412	10,661
Capital contribution	-	-	268,756	1,449,195	9,980	-	278,736	1,449,195
Transfers, net	-	-	(274,668)	(7,931)	274,668	278,931	-	271,000
Change in net position	11,015,435	(58,481)	44,348	1,378,176	127,365	411,161	11,187,148	1,730,856
Net position, January 1	117,073,086	117,131,567	90,749,151	91,483,019	2,475,314	2,064,153	210,297,551	210,678,739
Prior year adjustments	-	-	-	(2,112,044)	-	-	-	(2,112,044)
Net position, December 31	\$ 128,088,521	\$ 117,073,086	\$ 90,793,499	\$ 90,749,151	\$ 2,602,679	\$ 2,475,314	\$ 221,484,699	210,297,551

### **Enterprise Funds Revenue and Expense Analysis**

The **Sanitary Sewer** Fund total operating revenues for 2012 were \$19.2 million (compared to \$6.9 million in 2011), while operating expenses were \$6.5 million (compared to \$6.2 million in 2011). Through interlocal agreements, Clark Regional Wastewater District (CRWWD) pays full operating costs of the plant and system, as well as covering debt service payments associated with sewer fund assets. All payments from CRWWD are classified as charges for services. In 2012, CRWWD paid in full their obligation to the County for debt service payments, which totaled \$15.7 million (as compared to \$3.3 million for debt service obligations in 2011).

The **Clean Water** Fund total operating revenues for 2012 were \$5.2 million (\$5.3 million in 2011). Operating expenses were \$5.6 million, compared to \$6.0 million in 2011 (a decrease of \$0.4 million, or 7%). Expenses decreased in almost all categories of operating expenses, with exception of depreciation. Capital contributions of land and stormwater facilities from developers and governmental activities were \$0.3 million in 2012, compared to \$1.4 million in 2011.

Total enterprise funds operating revenues increased significantly (\$12.0 million), while operating expenses increased \$0.3 million in 2012.

## GENERAL FUND BUDGETARY HIGHLIGHTS

### Analysis of Original versus Final 2011/2012 Budget

The County adopts a biennial budget which is amended during the budget years by supplemental appropriation resolutions. General Fund final budgeted revenues and expenditures increased by 2% from the original budget. The following table shows the changes between the original and the final biennial General Fund budget, and the variances between the final budget and the actual revenues and expenditures.

#### *Clark County Washington* General Fund Budgeted Revenues and Expenditures For the Year Ended December 31, 2012

	Original 2011-2012 Budget	Final 2011-2012 Budget	Change Positive / (Negative)	Actual Biennium- To-Date	Variance Positive / (Negative)	Percentage of Actual to Final Budget
<b>Revenues:</b>						
Taxes	\$ 149,840,115	\$ 153,155,068	\$ 3,314,953	\$ 153,706,016	\$ 550,948	100%
Intergovernmental	44,716,202	47,392,085	2,675,883	46,907,576	(484,509)	99%
Charges for services	40,995,525	42,310,613	1,315,088	42,508,397	197,784	100%
Other revenues	18,238,865	15,634,330	(2,604,535)	14,559,337	(1,074,993)	93%
Total revenues	<u>253,790,707</u>	<u>258,492,096</u>	<u>4,701,389</u>	<u>257,681,326</u>	<u>(810,770)</u>	<u>100%</u>
<b>Expenditures</b>						
General government	74,120,992	72,599,350	1,521,642	68,771,390	3,827,960	95%
Public safety	125,562,961	129,492,754	(3,929,793)	127,576,327	1,916,427	99%
Judicial	32,751,641	33,920,131	(1,168,490)	32,941,582	978,549	97%
All other expenditures	22,044,452	24,143,351	(2,098,899)	21,285,294	2,858,057	88%
Total expenditures	<u>254,480,046</u>	<u>260,155,586</u>	<u>(5,675,540)</u>	<u>250,574,593</u>	<u>9,580,993</u>	<u>96%</u>
Excess (deficiency) of revenues over expenditures	(689,339)	(1,663,490)	(974,151)	7,106,733	8,770,223	-427%
Other financing sources	630,000	2,838,744	2,208,744	2,664,435	(174,309)	94%
Interfund transfers	118,908	(5,141,778)	(5,260,686)	(2,182,173)	2,959,605	42%
Net change in fund balance	59,569	(3,966,524)	(4,026,093)	7,588,995	11,555,519	-191%
Fund Balance as of January 1	12,560,459	10,006,338	(2,554,121)	18,004,288	7,997,950	180%
Fund balance as of December 31	<u>\$ 12,620,028</u>	<u>\$ 6,039,814</u>	<u>\$ (6,580,214)</u>	<u>\$ 25,593,283</u>	<u>\$ 19,553,469</u>	<u>424%</u>
Reserve fund budgeted as separate fund				6,641,754		
Fund balance as of December 31				<u>\$ 32,235,037</u>		

Budgeted revenues increased \$4.7 million, with taxes, intergovernmental and charges for services increasing and other revenues decreasing. Of the \$3.3 million increase in tax revenues budgeted, nearly \$2.0 million is for penalties and interest on delinquent taxes, while property tax revenue budget increased \$1.0 million. The budgeted intergovernmental revenue increase of \$2.7 million is for grants awarded after the adoption of the original budget. Of the \$1.3 million increase in charges for services revenue budget, \$0.8 million is for reimbursement charges between County funds. In 2012, the miscellaneous revenue budget (a portion of "other revenues" in the table above) was decreased by \$2.1 million, as expected miscellaneous revenues failed to materialize.

Final budgeted expenditures increased for most programs, with a total \$5.7 million increase from the original budget. Public safety had the largest increases (\$3.9 million). Within the Sheriff's Department, some functions were shifted from the administration program to the Civil/Support program. The budget within these two programs, combined, accounted for a \$3.3 increase (of the total \$3.9 increase) in the public safety expenditure budget. Of this \$3.3 million increase, \$2.2 million was for personnel costs and \$1.0 million was for other services and charges.

General government budgeted expenditures decreased \$1.5 million, while all other functions, combined, increased budgeted expenditures by \$3.2 million. General Government changes were spread among all programs, with none having material changes in their budgets. Judicial programs had a \$1.2 million increase in their budget, with indigent defense expenditure budget increasing by \$0.6 million and District Court services and charges increasing \$0.4 million. Of the \$3.2 million increase in other functions, \$1.4 million was a budget increase for the Lewis and Clark Railroad program, which was offset by additional grant revenue for railway rehabilitation. The remainder of the \$3.2 million was spread fairly evenly among other programs.

Transfers out to other funds increased \$6.2 million, while transfers in increased \$1.1 million, between the original budget and the final budget. Increases in budgeted transfers out included \$3.8 million for new technology (a jail management system and an upgrade of the County's financial software), \$0.5 million for upgrades to jail facilities, \$0.3 million in remodeling costs in order to move the prosecuting attorney offices out of a leased facility into the County's public service center, and \$0.5 million to support the community services program. Increases in transfers in were a result of increased tax revenues in other funds which support General Fund law and justice programs.

#### **General Fund Budget to Actual Comparison**

Total actual revenues are at 99.7% of the final biennial budget, while actual expenditures are at 96.3%. Transfers in are 99.3% of the final budget, while transfers out are at 89.8%. Transfers out for technology and building remodeling/upgrades referred to in the above paragraph are transferred as the money is spent, and some of the expenditures will carry over into 2013. The final net change in fund balance is \$11.6 million more than the original budget due mostly to expenditures being under budget by \$9.6 million, net transfers being \$3.0 million under budget, and revenues being \$0.8 million under budget. From a budgetary perspective, the County budgets activity within the Permanent Reserve Fund separately from the General Fund, however, from a GAAP perspective, the General Fund column of the fund statements contains Permanent Reserve Fund activity. Please see the Notes to the Financial Statements, note 1-D, for further discussion regarding this.

All revenue categories ended the biennium between 99% of budget and 100% of budget, with the exception of other revenues, which ended 93% of budget. All functional areas ended with expenditures between 92% and 99% of budget, with the exception of transportation (64% of budget, due to the Lewis and Clark Railway rehabilitation grant project extending into 2013) and economic environment (which ended at 84% of budget).

### **CAPITAL ASSET, INFRASTRUCTURE, AND DEBT ADMINISTRATION**

#### **Capital Assets**

Total capital asset value as of December 31, 2012 is \$1.4 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, and construction in progress. Of this amount, 54% is from infrastructure such as roads, bridges, sewer lines, and storm water facilities, and land makes up 23% of the County's capital assets. 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 \$21.9 million in 2012 on road and stormwater projects, of which \$20.5 million was added as capital assets. \$1.4 million was for capital repair or preservation, or was under the capitalization threshold.

- Vehicles, road equipment, and trailers were added to the fleet as either replacements or new equipment, at a cost of \$2.8 million. Fleet equipment with an original cost of \$0.4 million and a net depreciated value of \$40,328 was disposed of.
- Residential and commercial roads and right of way contributed by developers in 2012, at a value of \$1.2 million, were added to capital assets.

### **Infrastructure**

In 2003, Clark County elected to use the modified approach in reporting roads, bridges and storm water facilities. Under the modified approach, asset condition is reported rather than recording depreciation. The rating scales for roads, bridges, and storm water facilities are further explained in the required supplementary information which follows the notes to the basic financial statements.

The County performs condition assessments on its roads using the County's pavement management system, which generates a pavement condition index (PCI) for each segment of road. The PCI is a numerical index on a 100-point scale that represents the pavement's functional condition based on the quantity, severity, and type of visual distress. Condition assessments are undertaken on a three year completion cycle. In 2012 the County did not complete a three year assessment cycle for county roads, which is required under Government Accounting Standards Board Statement No. 34 (GASB #34) in order to continue using the modified approach of accounting for infrastructure. Since the County failed to meet the requirements of GASB #34 for roads, road infrastructure will be depreciated beginning January 2013.

Road maintenance and preservation activities have been budgeted at sufficient levels to maintain the road condition to a level at or above the established standard. The County spent \$41.6 million for road system preservation and maintenance in 2011 and 2012, combined, against the biennial budget of \$41.1 million. The County is increasing their preservation program, as a means of spending less on their capital program. The excess maintenance expenditure was covered by excess budget in capital construction within the Road Fund.

Most of the County's bridges were built prior to 1980, and are not included in the listing of capital asset infrastructure, in accordance with reporting requirements. However, all County bridges are monitored and assessed every twenty four months, at a minimum. The County has employed detailed State mandated evaluation methodologies for several years in managing the bridge network, and the ratings are sent to the State of Washington and are incorporated in a state-wide bridge inspection database. Maintenance activities are budgeted at sufficient levels to maintain the bridge condition to a level at or above the established standard. In the 2011/2012 biennium, the County spent 29% of its biennial budget (\$162,188 out of \$557,831) for bridge maintenance. In 2011, the bridge maintenance crew was disbanded and work was dispersed to other public works departments. At this point there is only periodic maintenance being done, as 97% of bridges are assessed at or above the established acceptance level and none are currently assessed at the "poor" condition level.

Stormwater facilities consist of both runoff treatment and control structures. Treatment structures range from simple vegetated swales to complex wetland cells, both installed to remove pollutants from runoff. Control structures designed to slow the release of runoff may store water in ponds or underground systems, such as interconnected pipes, or may infiltrate and retain water in infiltration basins and trenches. Maintenance of above-ground storm water facilities generally consists of vegetation control and removal of excess sediment, but may include less frequent activities such as leveling, grading, and re-vegetation. Underground systems require specialized processes for sediment removal and may include filter replacement. The County spent \$746,564 for facility maintenance in 2011 and 2012, combined, or 104% of the biennial budget of \$716,856. The budget is controlled within each fund, meaning that the amount spent over the budgeted amount came from budget savings in other areas within the funds that perform stormwater maintenance.

The following table shows the value of infrastructure assets reported under the modified approach and their three most recent condition assessments compared to the County's established condition level. As mentioned above, the roads assessment was not completed in 2012, so the last complete cycle shown in the table below is for the year ended 2009.

**Infrastructure Assets Using the Modified Approach  
Condition Assessment as of December 31, 2012**

	<i>Historical Cost</i>	<i>Accum. Depreciation as of 12/31/02</i>	<i>Net Cost</i>	<i>Average Assessment Value *</i>			<i>Established Condition Level</i>
				<i>2005</i>	<i>2006</i>	<i>2009</i>	
Road Subsystem	647,670,812	14,198,156	633,472,656	87	89	80	70
Storm water Subsystem	62,432,424	4,056,422	58,376,002	<i>2008</i> 86	<i>2011</i> 86	<i>2012</i> 86	70
Bridges Subsystem	14,609,326	288,802	14,320,524	<i>2010</i> 76	<i>2011</i> 75	<i>2012</i> 73	50
Total	724,712,562	18,543,380	706,169,182				

\*Although the County has only recorded infrastructure constructed after 1980 on the capital asset listing, all county roads, stormwater facilities, and bridges are assessed, regardless of when they were constructed.

Each of the three infrastructure categories in the table above had an average assessed value well above the established condition level for each of the completed assessment cycles. For road and storm water subsystem condition assessments, a full assessment is completed over a three year cycle, at a minimum. Bridges are assessed every two years, at a minimum.

Additional information on Clark County's capital assets can be found in note 6 of the Notes to Financial Statements.

**Debt Administration**

At December 31, 2012, Clark County had total bonded debt outstanding of \$108.9 million (compared to \$129.8 million at December 31, 2011). Governmental activities had general obligation bonds payable of \$108.9 million (down \$7.0 million from 2011) which is backed by the full faith and credit of the County. There was a refunding of general obligation bonds in 2012, at which time \$51.8 million in debt was retired and replaced with bonds in the amount of \$45.6 million. The County maintains a Moody's Aa2 rating for its limited tax general obligation debt.

Business-type activities currently have no bond debt, as a result of retiring \$13.7 million in revenue bonds in 2012. Additional information on the County's long-term debt can be found in notes 11 and 12 of the Notes to Financial Statements.

**ECONOMIC OUTLOOK**

Economic factors have a direct impact on County revenues and the demand for services. During 2009, the County's financial condition began to stabilize, after experiencing a significant downturn in 2008. This stabilization process has continued to slowly improve since 2009. Due to the lingering effects of the recession, primarily low construction and high unemployment, the subsequent recovery is expected to be slow.

Real estate excise tax (REET) is generated from the sale of real property. These funds primarily support park improvements and debt service. As the result of increased home sales in 2012, tax revenue in the REET funds increased by approximately \$0.7 million in 2012. This is the first increase in REET tax, from one year to the next, since 2007.

The County's main revenue sources include taxes, charges for service and intergovernmental (grant) revenues. Property taxes make-up 29% of total 2012 County revenues. 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. In 2012 the 1% increase was not taken by the Road Fund for their portion, and the General Fund's increase was assigned to subsidize the Health Department. Sales and use tax revenues are another significant revenue source for the County (9% of total revenues). Sales tax revenue, which is impacted by construction activity, increased by \$0.8 million from 2011, but at \$28.8 million is still well below the \$32.3 million collected in 2008. Government-wide grants and contributions decreased from \$113.5 million in 2011 to \$92.1 million in 2012, following a \$6.8 million decrease in 2011, from 2010. Considering the financial crisis that the State and Federal government are experiencing, grant funding may continue to decline substantially in the near future.

The County experienced unprecedented growth in building construction activities and population growth in 2001-2005. Since then indicators have declined, as have revenues associated with construction activity. The Department of Community Development (DCD) underwent a significant reorganization to improve efficiency and reduce costs in 2009. Building permits increased from 651 in 2011 to 858 in 2012. The annual average number of building permits for the 10 year period ending in 2004 (before the decline began) was 2,660.

Home sales are also an indicator of the economic activity in the County. Over the past year, existing home sales have increased 2%, while the median home price increased 10%.

Other factors impacting the economic condition are: The annual inflation rate decreased from 3% in 2011 to 1.7% in 2012. The Clark County unemployment rate improved from 9.2% in December 2011 to 8.3% in December 2012.

### **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.

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## BASIC FINANCIAL STATEMENTS

The basic financial statements and note disclosure comprise the minimum acceptable fair presentation in conformity with Generally Accepted Accounting Principles (GAAP). Basic financial statements are designed to be lifted from the Financial Section of the Comprehensive Annual Financial Report (CAFR) for widespread distribution to users requiring less detailed information than is contained in the full CAFR. Basic Financial Statements include:

### **Government-wide Financial Statements**

- (1) **Government-wide Statement of Net Position** – presents information on all County governmental and business-type assets and liabilities, with the difference reported as net assets.
- (2) **Government-wide Statement of Activities** – presents information on all County governmental and business-type revenues and expenses, with the difference reported as change in net position.

### **Fund Financial Statements**

- (3) **Balance Sheet - Governmental Funds** - presents the balance sheets for major funds and aggregated amounts for all other governmental funds.
- (4) **Reconciliation of the Balance Sheet of Governmental Funds to the Government-wide Statement of Net Position**
- (5) **Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds** – presents information for each major fund and aggregated information for all other governmental funds.
- (6) **Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities**
- (7) **Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual** – presents budget information, along with actual results, on separate statements for the General Fund and for each major fund which has a legally adopted budget.
- (8) **Statement of Net Position – Proprietary Funds** – presents information on all assets and liabilities, with the difference reported as change in net position, for each major enterprise fund and for the County’s one non-major enterprise fund, as well as a separate column of information for internal service funds.
- (9) **Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds** - presents information for each major enterprise fund and for the County’s one non-major enterprise fund, as well as a separate column of information for internal service funds.

- (10) **Statement of Cash Flows** - presents information on the sources and uses of cash for each major enterprise fund and for the County's one non-major enterprise fund, as well as a separate column of information for internal service funds.
- (11) **Statement of Fiduciary Net Position** – presents information on investment trust funds, the private-purpose trust fund, and agency fund assets and liabilities, with the difference reported as net assets.
- (12) **Statement of Changes in Fiduciary Net Position** - presents information on additions to and deductions from investment trust funds, the private-purpose trust fund, and agency funds, with the difference reported as change in net assets.
- (13) **Notes to Financial Statements-** presents disclosure and further detail information to assist the reader in a better understanding of the financial statements and the data presented within them.

**CLARK COUNTY, WASHINGTON**  
**Statement of Net Position**  
**December 31, 2012**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total Primary Government	Clark County Public Facilities District
<b>ASSETS</b>				
Cash, cash equivalents & pooled investments	\$ 153,366,256	\$ 5,991,320	\$ 159,357,576	\$ 111,683
Investments	1,403,394	-	1,403,394	-
Net Receivables	35,672,291	1,557,454	37,229,745	309,044
Internal balances	88,983	(88,983)	-	-
Inventories	2,287,632	-	2,287,632	-
Prepays	1,272,848	3,881	1,276,729	-
Notes receivable	16,157,040	-	16,157,040	5,076,734
Deferred charges	786,981	-	786,981	-
Net OPEB obligation (asset)	460,924	-	460,924	-
Restricted assets: in safekeeping	6,359,456	-	6,359,456	-
Equity interest in joint venture	3,693,303	-	3,693,303	-
Capital assets not being depreciated:				
Land, infrastructure and construction in progress	971,592,783	94,725,021	1,066,317,804	-
Capital assets net of accumulated depreciation	186,898,883	122,514,718	309,413,601	-
<b>Total assets</b>	<b>1,380,040,774</b>	<b>224,703,411</b>	<b>1,604,744,185</b>	<b>5,497,461</b>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	18,142,191	1,964,057	20,106,248	66,038
Accrued liabilities	6,345,844	209,727	6,555,571	-
Deposits payable	2,337,069	137,122	2,474,191	-
Claims and judgements payable	233,532	-	233,532	-
Due to other governments	330,301	279	330,580	-
Unearned revenue	8,319,625	122,460	8,442,085	-
Advance due to other governments	1,045,887	-	1,045,887	-
Long term liabilities:				
Other due within one year	20,493,021	260,676	20,753,697	-
Other due in more than one year	141,027,221	524,391	141,551,612	-
<b>Total liabilities</b>	<b>198,274,691</b>	<b>3,218,712</b>	<b>201,493,403</b>	<b>66,038</b>
<b>NET POSITION</b>				
Net investment in capital assets	1,024,697,643	217,239,739	1,241,937,382	-
Restricted for:				
Capital projects	11,125,122	-	11,125,122	-
Culture and recreation	13,414,410	-	13,414,410	5,431,423
Economic environment	26,168,725	-	26,168,725	-
Law and justice	4,308,250	-	4,308,250	-
Debt service- debt covenants	20,700	-	20,700	-
Transportation	33,854,699	-	33,854,699	-
Health and human services	14,504,613	-	14,504,613	-
General governmental	3,096,093	-	3,096,093	-
Workers Compensation Claims	150,000	-	150,000	-
Unrestricted	50,425,828	4,244,960	54,670,788	-
<b>Total net position</b>	<b>\$ 1,181,766,083</b>	<b>\$ 221,484,699</b>	<b>\$ 1,403,250,782</b>	<b>\$ 5,431,423</b>

See accompanying notes to the financial statements

**CLARK COUNTY, WASHINGTON**  
Statement of Activities  
For the Year Ended December 31, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				Component Unit	
	Primary Government				Primary Government					
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total		
<b>Primary Government:</b>										
<i>Governmental activities:</i>										
General government	\$ 57,405,755	\$ (5,198,067)	\$ 17,112,909	\$ 7,996,258	\$ 272,191	\$ (26,826,330)	\$ -	\$ (26,826,330)	\$ -	
Public safety	74,728,897	156,247	8,348,875	12,465,803	1,075,194	(52,995,272)	-	(52,995,272)	-	
Judicial	17,456,320	-	6,355,073	3,342,165	-	(7,759,082)	-	(7,759,082)	-	
Physical environment	3,960,952	-	2,797,075	578,946	-	(584,931)	-	(584,931)	-	
Transportation	37,029,560	1,970,453	7,809,610	-	19,667,251	(11,523,152)	-	(11,523,152)	-	
Economic environment	17,533,981	465,799	12,523,481	7,487,562	-	2,011,263	-	2,011,263	-	
Health and human services	47,915,082	2,011,408	6,565,469	36,304,964	-	(7,056,057)	-	(7,056,057)	-	
Culture and recreation	18,175,709	-	6,137,508	1,203,399	99,991	(10,734,811)	-	(10,734,811)	-	
Interest on long term debt	4,985,366	-	-	-	-	(4,985,366)	-	(4,985,366)	-	
Total governmental activities	279,191,622	(594,160)	67,650,000	69,379,097	21,114,627	(120,453,738)	-	(120,453,738)	-	
<i>Business-type activities:</i>										
Solid waste	3,035,024	177,767	2,269,431	780,235	9,980	-	(153,145)	(153,145)	-	
Water	5,486,987	229,591	5,205,311	552,167	268,756	-	309,656	309,656	-	
Sewer	8,024,797	186,802	19,213,164	-	-	-	11,001,565	11,001,565	-	
Total business-type activities	16,546,808	594,160	26,687,906	1,332,402	278,736	-	11,158,076	11,158,076	-	
Total primary government	\$ 295,738,430	\$ -	\$ 94,337,906	\$ 70,711,499	\$ 21,393,363	\$ (120,453,738)	\$ 11,158,076	\$ (109,295,662)	\$ -	
<b>Component Unit</b>										
Public Facilities District	935,432	-	-	722,479	-	-	-	-	(212,953)	
Total Component Unit	\$ 935,432	\$ -	\$ -	\$ 722,479	\$ -	\$ -	\$ -	\$ -	\$ (212,953)	
<b>General revenues:</b>										
Property taxes						96,670,976	-	96,670,976	-	
Sales taxes						28,762,455	-	28,762,455	744,824	
Excise and other taxes						14,749,676	-	14,749,676	-	
Interest and investment earnings						1,153,546	29,072	1,182,618	262,451	
Gain on sale of capital assets						4,108,470	-	4,108,470	-	
<b>Special Items:</b>										
Remediation expense of long-term liability for landfill property						(5,989,049)	-	(5,989,049)	-	
Grant reserves transferred to a newly formed regional support network						(11,876,000)	-	(11,876,000)	-	
Total general revenues and special items						127,580,074	29,072	127,609,146	1,007,275	
Change in net position						7,126,336	11,187,148	18,313,484	794,322	
Net position as of January 1						1,178,274,747	210,297,551	1,388,572,298	4,637,101	
Prior period adjustment						(3,635,000)	-	(3,635,000)	-	
Net position as of January 1 - restated						1,174,639,747	210,297,551	1,384,937,298	4,637,101	
Net position as of December 31						\$ 1,181,766,083	\$ 221,484,699	\$ 1,403,250,782	\$ 5,431,423	

See accompanying notes to the financial statements.

**Clark County Washington**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2012**

	Special Revenue Major Funds					Total
	General Fund	County Roads	Community Services Grants	Mental Health Grants	Other Governmental Funds	
<b>ASSETS</b>						
Cash, cash equivalents and pooled investments	\$ 32,444,927	\$ 33,189,962	\$ 7,327,569	\$ 6,964,034	\$ 58,434,778	\$ 138,361,270
Deposit in trust	1,616,472	-	-	-	-	1,616,472
Taxes receivable	2,303,489	1,354,027	-	18,980	243,471	3,919,967
Special assessments receivable	-	-	-	-	17,803	17,803
Interest and penalties receivable	5,706,396	-	-	-	-	5,706,396
Accounts receivable	10,312,550	2,695,570	44,982	540,967	894,295	14,488,364
Due from other funds	1,154,870	95,383	200,565	379,382	1,780,195	3,610,395
Due from other governments	1,951,758	3,521,709	758,153	1,346,247	2,966,368	10,544,235
Prepaid expenditure	82,013	2,092	6,827	40	368,754	459,726
Investments	50,000	-	-	-	1,353,394	1,403,394
Advance due from other funds	900,000	-	-	-	-	900,000
Notes/contract receivable	818,806	279,053	14,259,515	172,000	627,666	16,157,040
Assets in safekeeping	-	-	-	-	6,359,456	6,359,456
Total assets	<u>\$ 57,341,281</u>	<u>\$ 41,137,796</u>	<u>\$ 22,597,611</u>	<u>\$ 9,421,650</u>	<u>\$ 73,046,180</u>	<u>\$ 203,544,518</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<i>Liabilities</i>						
Warrants and anticipation notes payable	\$ -	\$ -	\$ -	\$ -	\$ 130,802	\$ 130,802
Vouchers payable	2,985,191	7,285,233	574,240	926,672	4,624,923	16,396,259
Due to other funds	1,565,549	324,493	-	22,028	1,956,455	3,868,525
Due to other governments	5,610	147,067	-	11	177,613	330,301
Claims and judgements payable	233,532	-	-	-	-	233,532
Accrued liabilities	4,292,593	668,264	117,413	56,497	591,014	5,725,781
Deposits payable	1,659,591	345,891	-	-	331,587	2,337,069
Deferred revenue	14,364,178	2,560,942	-	18,980	1,275,092	18,219,192
Advance due to other funds	-	-	-	-	900,000	900,000
Advance due to other governments	-	-	-	-	1,045,887	1,045,887
Total liabilities	<u>25,106,244</u>	<u>11,331,890</u>	<u>691,653</u>	<u>1,024,188</u>	<u>11,033,373</u>	<u>49,187,348</u>
<i>Fund Balance</i>						
Nonspendable	900,819	281,145	14,266,342	153,060	368,754	15,970,120
Restricted	650,056	29,115,591	7,519,446	6,564,804	48,593,061	92,442,958
Committed	-	-	-	-	2,441,245	2,441,245
Assigned	6,448,795	409,170	120,170	1,679,598	11,825,185	20,482,918
Unassigned	24,235,367	-	-	-	(1,215,438)	23,019,929
Total fund balance	<u>32,235,037</u>	<u>29,805,906</u>	<u>21,905,958</u>	<u>8,397,462</u>	<u>62,012,807</u>	<u>\$ 154,357,170</u>
Total liabilities and fund balance	<u>\$ 57,341,281</u>	<u>\$ 41,137,796</u>	<u>\$ 22,597,611</u>	<u>\$ 9,421,650</u>	<u>\$ 73,046,180</u>	

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, 2012**

Total fund balances as shown on the Governmental Funds Balance Sheet:	\$ 154,357,170
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.)	1,146,151,021
Investment in Joint Venture	3,693,303
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. These deferred charges and unearned revenue are reported in the statement of net position.	11,147,472
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.	19,811,738
Accrued interest liabilities that are not due and payable in the current period are not reported in the funds, however, they are recorded in the statement of net position.	(308,483)
Long-term liabilities that are not due and payable in the current period are not reported in the funds, however, they are recorded in the statement of net position. (This amount does not include internal service fund long-term liabilities.)	(153,086,138)
Total net position, as reflected on the Statement of Net Position:	\$ 1,181,766,083

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, 2012**

	<u>Special Revenue Major Funds</u>					<u>Other Governmental Funds</u>	<u>Total</u>
	<u>General Fund</u>	<u>County Roads</u>	<u>Community Services Grants</u>	<u>Mental Health Grants</u>			
<b>Revenues:</b>							
Property taxes	\$ 58,908,525	\$ 31,087,812	\$ -	\$ 469,243	\$ 6,205,396	\$ 96,670,976	
Sales and use taxes	12,508,214	-	-	-	16,254,241	28,762,455	
Excise and other taxes	5,681,332	251,800	-	2,905	8,813,639	14,749,676	
Licenses & permits	2,566,075	283,221	41,280	-	5,874,628	8,765,204	
Intergovernmental	23,443,261	17,556,535	7,023,776	24,323,950	15,597,079	87,944,601	
Charges for services	21,303,885	6,023,047	3,150,121	1,544,168	13,470,846	45,492,067	
Fines & forfeitures	3,519,284	-	-	-	181,869	3,701,153	
Interest earnings	604,705	157,010	93,461	52,594	207,120	1,114,890	
Donations	227,980	-	250	-	260,481	488,711	
Other revenues	365,026	265,443	29,072	245,138	7,762,266	8,666,945	
Total revenues	<u>129,128,287</u>	<u>55,624,868</u>	<u>10,337,960</u>	<u>26,637,998</u>	<u>74,627,565</u>	<u>296,356,678</u>	
<b>Expenditures:</b>							
Current:							
General government	35,357,726	80,963	-	-	2,849,831	38,288,520	
Public safety	64,436,183	1,275	-	-	9,500,598	73,938,056	
Judicial	16,727,150	-	-	-	-	16,727,150	
Physical environment	4,288,874	-	-	-	737,039	5,025,913	
Transportation	497,766	44,956,031	-	-	-	45,453,797	
Economic environment	1,530,824	1,089,058	10,866,361	-	4,653,244	18,139,487	
Health and human services	962,328	-	-	26,220,549	21,625,531	48,808,408	
Culture & recreation	2,237,690	-	-	-	9,303,283	11,540,973	
Capital outlay:							
General government	146,251	-	-	-	1,390,887	1,537,138	
Public safety	33,101	-	-	-	71,264	104,365	
Physical environment	9,403	-	-	-	-	9,403	
Transportation	651,365	13,365,969	-	-	10,778	14,028,112	
Culture & recreation	-	-	-	-	4,335,075	4,335,075	
Debt service:							
Principal	-	-	-	-	8,662,888	8,662,888	
Interest and other charges	11,814	-	564	-	5,148,196	5,160,574	
Total expenditures	<u>126,890,475</u>	<u>59,493,296</u>	<u>10,866,925</u>	<u>26,220,549</u>	<u>68,288,614</u>	<u>291,759,859</u>	
Excess (deficiency) of revenues over (under) expenditures	2,237,812	(3,868,428)	(528,965)	417,449	6,338,951	4,596,819	
<b>Other Financing Sources (Uses):</b>							
Issuance of long term debt	-	-	-	-	-	-	
Sale of capital assets	2,039,496	2,032,109	-	8,787	59,931	4,140,323	
Insurance recoveries	-	-	-	-	2,560	2,560	
Refunding long term debt issued	2,155,980	-	-	-	43,439,020	45,595,000	
Premiums on bonds	303,870	-	-	-	6,122,426	6,426,296	
Payment to refunded debt escrow agent	(2,448,036)	-	-	-	(49,323,415)	(51,771,451)	
Transfers in	13,666,369	1,235,989	1,420,636	1,659,529	21,331,769	39,314,292	
Transfers out	(14,959,262)	(1,514,669)	(245,994)	(96,000)	(32,383,303)	(49,199,228)	
Total other financing sources (uses)	<u>758,417</u>	<u>1,753,429</u>	<u>1,174,642</u>	<u>1,572,316</u>	<u>(10,751,012)</u>	<u>(5,492,208)</u>	
<b>Special Item</b>							
Grant reserves transferred to a newly formed regional support network	-	-	-	(11,876,000)	-	(11,876,000)	
Net change in fund balances	2,996,229	(2,114,999)	645,677	(9,886,235)	(4,412,061)	(12,771,389)	
Fund balance as of January 1	29,238,808	32,029,259	6,700,292	18,283,697	66,424,868	152,676,924	
Prior period adjustment	-	(108,354)	14,559,989	-	-	14,451,635	
Fund balance as of January 1 - restated	<u>29,238,808</u>	<u>31,920,905</u>	<u>21,260,281</u>	<u>18,283,697</u>	<u>66,424,868</u>	<u>167,128,559</u>	
Fund balance as of December 31	<u>\$ 32,235,037</u>	<u>\$ 29,805,906</u>	<u>\$ 21,905,958</u>	<u>\$ 8,397,462</u>	<u>\$ 62,012,807</u>	<u>\$ 154,357,170</u>	

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, 2012**

Net change in fund balances as shown on Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance: \$ (12,771,389)

Governmental funds report capital outlays as expenditures and proceeds from the sale of capital assets as revenues. In the Statement of Activities the cost of these assets is capitalized and depreciated over the period of the asset's useful life. When capital assets are disposed of the difference between original cost less depreciation and the proceeds is booked as a gain or (loss) on the sale. This entry takes into account the differences in how capital costs are treated between the Statement of Activities and the governmental fund statements. 14,217,361

The County receives contributions in the form of capital assets from developers and other donors. Because capital assets are not reported in governmental funds, neither are such contributions. Government-wide statements report capital assets in the Statement of Net Position and any contributions are reported in the Statement of Activities. This is the value of those capital contributions during the year. 2,060,412

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. 720,166

The issuance of (or increase in) long-term liabilities provides current financial resources to governmental funds, while the repayment of principal (or decrease ) of long-term liabilities 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 liability increases and decreases. 2,767,144

Governmental funds report revenue in the current period for revenues 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 revenues during the fiscal year. (1,854,849)

Governmental funds do not report interest in a joint venture where the government's participation is intended to assist in the provision of services, as is the case with the County's investment in the Clark Regional Emergency Services Agency. However, the equity interest is reported in the Statement of Net Position. 1,421,555

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. 565,936

Change in net position, as reflected on the Statement of Activities \$ 7,126,336

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, 2012**

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive/ (Negative)
<b>Revenues:</b>				
Taxes	\$ 149,840,115	\$ 153,155,068	\$ 153,706,016	\$ 550,948
Licenses & permits	4,928,941	5,075,074	5,048,749	(26,325)
Intergovernmental	44,716,202	47,392,085	46,907,576	(484,509)
Charges for services	40,995,525	42,310,613	42,508,397	197,784
Fines & forfeitures	6,931,616	7,212,010	7,088,600	(123,410)
Miscellaneous	6,378,308	3,347,246	2,421,988	(925,258)
Total revenues	<u>253,790,707</u>	<u>258,492,096</u>	<u>257,681,326</u>	<u>(810,770)</u>
<b>Expenditures</b>				
Current:				
General government	74,120,992	72,599,350	68,771,390	3,827,960
Public safety	125,562,961	129,492,754	127,576,327	1,916,427
Judicial	32,751,641	33,920,131	32,941,582	978,549
Physical environment	7,213,043	7,910,911	8,860,308	(949,397)
Transportation	1,874,346	1,832,146	941,838	890,308
Economic environment	3,569,354	3,686,190	3,104,752	581,438
Health and human services	1,782,473	1,937,873	1,915,441	22,432
Culture and recreation	5,318,778	4,801,723	4,425,799	375,924
Capital outlay:				
General government	-	55,665	171,067	(115,402)
Public safety	-	305,102	163,931	141,171
Physical environment	1,509,666	1,483,940	89,331	1,394,609
Transportation	750,000	2,087,590	1,558,090	529,500
Health and human services	-	42,211	42,923	(712)
Debt service-principal	26,792	-	-	-
Debt service-interest	-	-	11,814	(11,814)
Total expenditures	<u>254,480,046</u>	<u>260,155,586</u>	<u>250,574,593</u>	<u>9,580,993</u>
Excess (deficiency) of revenues over expenditures	(689,339)	(1,663,490)	7,106,734	8,770,224
Refunding long term debt issued	-	-	2,155,980	2,155,980
Premium on refunding debt	-	-	303,870	303,870
Repayment of refunding debt	-	-	(2,448,036)	(2,448,036)
Sale of capital assets	630,000	2,838,744	2,652,621	(186,123)
Transfers in	24,935,473	25,913,103	25,713,435	(199,668)
Transfers out	(24,816,565)	(31,054,881)	(27,895,609)	3,159,272
Total other financing sources(used)	<u>748,908</u>	<u>(2,303,034)</u>	<u>482,261</u>	<u>2,785,295</u>
Net change in fund balance	59,569	(3,966,524)	7,588,995	11,555,519
Fund Balance as of January 1	12,560,459	10,006,338	18,004,288	7,997,950
Fund balance as of December 31	<u>\$ 12,620,028</u>	<u>\$ 6,039,814</u>	<u>\$ 25,593,283</u>	<u>\$ 19,553,469</u>

Adjustment to generally accepted accounting  
principles (GAAP) basis:

Reserve fund budgeted as separate fund	6,641,754
Fund balance - GAAP basis	<u>\$ 32,235,037</u>

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 Biennium Ended December 31, 2012**

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium -To- Date	Variance with Final Budget Positive / (Negative)
<b>Revenues</b>				
General property taxes	\$ 61,174,597	\$ 60,934,053	\$ 61,876,457	\$ 942,404
Timber harvest	110,000	110,000	297,497	187,497
Excise and other taxes	40,000	40,000	27,951	(12,049)
Total taxes	<u>61,324,597</u>	<u>61,084,053</u>	<u>62,201,905</u>	<u>1,117,852</u>
Business licenses and permits	240,000	226,910	362,125	135,215
Non-business licenses and permits	169,090	169,090	283,852	114,762
Total licenses & permits	<u>409,090</u>	<u>396,000</u>	<u>645,977</u>	<u>249,977</u>
Federal entitlements	14,600	14,600	27,453	12,853
Federal grants -- indirect	10,945,000	10,945,000	11,145,452	200,452
State grants	10,824,000	10,824,000	8,830,527	(1,993,473)
State entitlements	12,000,000	12,000,000	12,491,610	491,610
Interlocal grants and entitlements	-	-	3,124	3,124
Intergovernmental	200,000	658,000	107,808	(550,192)
ARRA grants	-	1,065,000	53,485	(1,011,515)
Total intergovernmental	<u>33,983,600</u>	<u>35,506,600</u>	<u>32,659,459</u>	<u>(2,847,141)</u>
General government fees	14,130	14,130	25,967	11,837
Physical environment	600,000	-	1,221,961	1,221,961
Transportation	1,180,144	1,450,000	1,187,248	(262,752)
Economic environment	220,000	2,439,770	1,234,481	(1,205,289)
Interfund revenues	12,936,000	4,904,929	7,124,345	2,219,416
Total charges for services	<u>14,950,274</u>	<u>8,808,829</u>	<u>10,794,002</u>	<u>1,985,173</u>
Interest earnings	122,000	122,000	311,817	189,817
Rents and royalties	72,560	72,560	28,797	(43,763)
Donations	130,000	130,000	-	(130,000)
Other revenues	10,000	10,000	1,558,666	1,548,666
Total miscellaneous	<u>334,560</u>	<u>334,560</u>	<u>1,899,280</u>	<u>1,564,720</u>
Total revenues	<u>111,002,121</u>	<u>106,130,042</u>	<u>108,200,623</u>	<u>2,070,581</u>
<b>Expenditures</b>				
General government				
Supplies	-	-	365	-
Supplies	-	-	172	-
Other services and charges	30,774	30,774	81,112	(50,338)
Interfund payment for services	76,848	76,848	71,387	5,461
Total general government	<u>107,622</u>	<u>107,622</u>	<u>153,036</u>	<u>(44,877)</u>
Public Safety				
Other services and charges	3,530	2,922	541	2,381
Interfund payment for services	2,894	2,972	3,010	(38)
Total public safety	<u>6,424</u>	<u>5,894</u>	<u>3,551</u>	<u>2,343</u>

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 Biennium Ended December 31, 2012**

	Original 2011/2012 <u>Budget</u>	Final 2011/2012 <u>Budget</u>	Actual Biennium -To- <u>Date</u>	Variance with Final Budget Positive / (Negative)
<b>Transportation</b>				
Personal services	28,601,573	29,601,722	28,712,908	888,814
Supplies	5,487,226	6,345,035	5,385,803	959,232
Other services and charges	20,260,338	19,256,146	25,052,868	(5,796,722)
Intergovernmental	-	-	4,900	(4,900)
Interfund payment for services	21,764,803	23,421,818	21,906,668	1,515,150
Capital outlays	47,307,463	34,295,674	28,951,217	5,344,457
<b>Total transportation</b>	<b>123,421,403</b>	<b>112,920,395</b>	<b>110,014,364</b>	<b>2,906,031</b>
<b>Economic Environment</b>				
Personal services	1,952,316	1,914,188	1,245,536	668,652
Supplies	18,400	18,400	5,838	12,562
Other services and charges	279,600	129,600	22,227	107,373
Interfund payment for services	492,765	481,133	582,995	(101,862)
<b>Total economic environment</b>	<b>2,743,081</b>	<b>2,543,321</b>	<b>1,856,596</b>	<b>686,725</b>
<b>Total expenditures</b>	<b>126,278,530</b>	<b>115,577,232</b>	<b>112,027,547</b>	<b>3,550,222</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(15,276,409)</b>	<b>(9,447,190)</b>	<b>(3,826,924)</b>	<b>5,620,266</b>
Issuance of long-term debt	14,577,000	737,568	7,500,000	6,762,432
Sale of capital assets	622,400	1,112,400	2,688,190	1,575,790
Transfers in	8,271,000	3,296,556	2,363,368	(933,188)
Transfers out	(2,715,120)	(4,408,543)	(4,228,779)	179,764
<b>Total other financing sources (uses)</b>	<b>20,755,280</b>	<b>737,981</b>	<b>8,322,779</b>	<b>7,584,798</b>
<b>Net change in fund balance</b>	<b>5,478,871</b>	<b>(8,709,209)</b>	<b>4,495,855</b>	<b>13,205,064</b>
Fund balance as of January 1	7,868,406	29,113,421	24,747,885	(4,365,536)
Prior period adjustments	-	-	562,166	562,166
Fund balance as of January 1 -restated	7,868,406	29,113,421	25,310,051	(3,803,370)
Fund balance as of December 31	<b>\$ 13,347,277</b>	<b>\$ 20,404,212</b>	<b>\$ 29,805,906</b>	<b>\$ 9,401,694</b>

See accompanying notes to the financial statements

**CLARK COUNTY, WASHINGTON**  
**Community Services Grants**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium-To- Date	Variance with Final Budget Positive (Negative)
<b><u>Revenues</u></b>				
Non-business licenses and permits	\$ 90,000	\$ 90,000	\$ 79,305	\$ (10,695)
Total licenses & permits	90,000	90,000	79,305	(10,695)
Federal grants -- direct	13,380,000	13,380,000	3,973,846	(9,406,154)
Federal grants -- indirect	8,633,104	8,633,104	8,423,087	(210,017)
State grants	3,919,028	3,919,028	1,583,159	(2,335,869)
Intergovernmental revenues	1,552,008	1,552,008	153,708	(1,398,300)
ARRA	-	-	1,655,341	1,655,341
Total intergovernmental	27,484,140	27,484,140	15,789,141	(11,694,999)
General government fees	8,150,000	8,150,000	4,845,327	(3,304,673)
Economic environment	800,000	800,000	1,000,268	200,268
Interfund revenues	6,170,296	6,170,296	15,031	(6,155,265)
Total charges for services	15,120,296	15,120,296	5,860,626	(9,259,670)
Donations	-	-	250	250
Rent and royalties	-	-	43,201	43,201
Interest earnings	2,000	2,000	200,617	198,617
Other revenues	580,000	580,000	228,097	(351,903)
Total miscellaneous	582,000	582,000	472,165	(109,835)
Total revenues	43,276,436	43,276,436	22,201,237	(21,075,199)
<b><u>Expenditures</u></b>				
Economic environment				
Personal services	8,137,095	8,697,397	4,927,101	3,770,296
Supplies	228,990	228,990	132,700	96,290
Other services and charges	31,532,714	30,581,178	19,076,312	11,504,866
Interfund payment for services	3,260,736	4,033,439	(1,006,362)	5,039,801
Total economic environment	43,159,535	43,541,004	23,129,751	20,411,253
Debt service: interest	-	-	1,152	(1,152)
Total expenditures	43,159,535	43,541,004	23,130,903	20,410,101
Excess (deficiency) of revenues over expenditures	116,901	(264,568)	(929,666)	(665,098)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	1,561,568	2,313,420	2,313,420	-
Transfers out	(491,394)	(593,759)	(593,759)	-
Total other financing sources (uses)	1,070,174	1,719,661	1,719,661	-
Net change in fund balance	1,187,075	1,455,093	789,995	(665,098)
Fund balance as of January 1	7,975,109	6,923,347	6,555,974	(367,373)
Prior period adjustment	-	-	14,559,989	14,559,989
Fund balance as of January 1 - restated	7,975,109	6,923,347	21,115,963	14,192,616
Fund balance as of December 31	\$ 9,162,184	\$ 8,378,440	\$ 21,905,958	\$ (1,032,471)

See accompanying notes to the financial statements

**Clark County Washington**  
**Mental Health Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive/ (Negative)
<b>Revenues</b>				
General property taxes	\$ 756,268	\$ 756,268	\$ 949,025	\$ 192,757
Timber harvest taxes	1,300	1,300	1,909	609
Excise and other taxes	1,654	1,654	2,482	828
Total taxes	<u>759,222</u>	<u>759,222</u>	<u>953,416</u>	<u>194,194</u>
Non-business licenses and				
Federal grants -- direct	1,161,434	1,161,434	-	(1,161,434)
Federal entitlements	-	-	140	140
Federal grants -- indirect	1,573,168	1,573,168	806,870	(766,298)
State grants	10,404,418	10,404,418	13,860,353	3,455,935
Intergovernmental revenues	49,557,632	49,557,632	40,726,019	(8,831,613)
Total intergovernmental	<u>62,696,652</u>	<u>62,696,652</u>	<u>55,393,382</u>	<u>(7,303,270)</u>
Health & human services	2,950,156	2,950,156	2,444,356	(505,800)
Total charges for services	<u>2,950,156</u>	<u>2,950,156</u>	<u>2,444,356</u>	<u>(505,800)</u>
Interest earnings				
	266,000	266,000	161,223	(104,777)
Rents and royalties	-	-	201	201
Other revenues	85,000	85,000	576,950	491,950
Total miscellaneous	<u>351,000</u>	<u>351,000</u>	<u>738,374</u>	<u>387,374</u>
Total revenues	<u>66,757,030</u>	<u>66,757,030</u>	<u>59,529,528</u>	<u>(7,227,502)</u>
<b>Expenditures</b>				
Health and human services				
Personal services	7,303,640	7,928,100	6,961,755	966,345
Supplies	12,000	12,000	77,865	(65,865)
Other services and charges	74,480,764	74,076,304	51,893,271	22,183,033
Intergovernmental	-	8,000,000	-	8,000,000
Interfund payment for services	1,551,294	1,551,294	2,634,921	(1,083,627)
Total expenditures	<u>83,347,698</u>	<u>91,567,698</u>	<u>61,567,812</u>	<u>29,999,886</u>
Excess (deficiency) of revenues over expenditures	(16,590,668)	(24,810,668)	(2,038,284)	22,772,384
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	6,700	6,700	13,305	6,605
Transfers in	3,319,058	3,469,058	3,319,058	(150,000)
Transfers out	(96,000)	(796,000)	(564,000)	232,000
Total other financing sources (uses)	<u>3,229,758</u>	<u>2,679,758</u>	<u>2,768,363</u>	<u>88,605</u>
<b>Special Item</b>				
Grant reserves transferred to a newly formed regional support network	-	(11,876,000)	(11,876,000)	-
Net change in fund balance	(13,360,910)	(34,006,910)	(11,145,921)	22,860,989
Fund balance as of January 1	18,702,977	18,702,977	19,418,383	715,406
Prior Period Adjustment	-	-	125,000	125,000
Fund balance as of January 1-restated	<u>18,702,977</u>	<u>18,702,977</u>	<u>19,543,383</u>	<u>840,406</u>
Fund balance as of December 31	<u>\$ 5,342,067</u>	<u>\$ (15,303,933)</u>	<u>\$ 8,397,462</u>	<u>\$ 23,701,395</u>

**Clark County Washington  
Statement of Net Position  
Proprietary Funds  
December 31, 2012**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major		Non-Major		Internal Service Funds
	Sanitary Sewer	Clean Water	Solid Waste	Total	
<b>Assets</b>					
Current assets					
Cash, cash equivalents and pooled investments	\$ 2,489,116	\$ 1,673,572	\$ 1,828,632	\$ 5,991,320	\$ 13,238,514
Deposit in trust	-	-	-	-	150,000
Receivables, net	8,256	390,117	238,373	636,746	967,068
Due from other funds	205	2,378	95,158	97,741	602,202
Due from other governments	-	503,880	416,828	920,708	28,458
Inventory (at cost)	-	-	-	-	2,287,632
Prepaid expense	60	-	3821	3,881	813,122
Total current assets	<u>2,497,637</u>	<u>2,569,947</u>	<u>2,582,812</u>	<u>7,650,396</u>	<u>18,086,996</u>
Capital assets not being depreciated:					
Land	437,525	27,899,891	12,315	28,349,731	-
Construction in progress	-	3,942,866	-	3,942,866	870,621
Infrastructure	-	62,432,424	-	62,432,424	-
Capital assets being depreciated:					
Buildings	18,222,876	-	470,538	18,693,414	102,357
Improvements other than buildings	100,200,411	1,034,883	732,899	101,968,193	1,301,347
Machinery & equipment	411,120	85,898	97,941	594,959	29,245,633
Intangibles	-	-	-	-	541,370
Infrastructure	33,163,099	-	-	33,163,099	-
Less accumulated depreciation	(26,336,193)	(4,895,887)	(672,867)	(31,904,947)	(19,720,683)
Total noncurrent assets	<u>126,098,838</u>	<u>90,500,075</u>	<u>640,826</u>	<u>217,239,739</u>	<u>12,340,645</u>
Total assets	<u>\$ 128,596,475</u>	<u>\$ 93,070,022</u>	<u>\$ 3,223,638</u>	<u>\$ 224,890,135</u>	<u>\$ 30,427,641</u>
<b>Liabilities</b>					
Current liabilities					
Warrants payable	\$ -	\$ -	\$ -	\$ -	\$ 2,044
Accounts payable	255,898	1,263,121	445,038	1,964,057	1,613,086
Deposits payable	2,069	135,053	-	137,122	-
Due to other funds	5,978	154,664	26,082	186,724	255,089
Due to other governments	-	-	279	279	-
Accrued liabilities	80,185	76,205	53,337	209,727	311,580
Deferred revenue	-	122,460	-	122,460	-
Compensated absences	73,578	106,271	78,929	258,778	413,450
Accrued claims payable-current	-	-	-	-	1,731,647
Bonds, notes, claims and loans payable	-	1,898	-	1,898	-
Total current liabilities	<u>417,708</u>	<u>1,859,672</u>	<u>603,665</u>	<u>2,881,045</u>	<u>4,326,896</u>
Noncurrent liabilities					
Compensated absences	90,246	47,039	17,294	154,579	206,406
Accrued claims payable	-	-	-	-	6,082,601
Advance due to other governments	-	369,812	-	369,812	-
Total noncurrent liabilities	<u>90,246</u>	<u>416,851</u>	<u>17,294</u>	<u>524,391</u>	<u>6,289,007</u>
Total liabilities	<u>507,954</u>	<u>2,276,523</u>	<u>620,959</u>	<u>3,405,436</u>	<u>10,615,903</u>
<b>Net Position</b>					
Net investment in capital assets	126,098,838	90,500,075	640,826	217,239,739	12,340,645
Restricted for workers compensation claims	-	-	-	0	150,000
Unrestricted	1,989,683	293,424	1,961,853	4,244,960	7,321,093
Total net position	<u>\$ 128,088,521</u>	<u>90,793,499</u>	<u>\$ 2,602,679</u>	<u>\$ 221,484,699</u>	<u>\$ 19,811,738</u>

See accompanying notes to the financial statements

**Clark County Washington**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2012**

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities</u>
	<u>Major</u>		<u>Non Major</u>		<u>Internal Service Funds</u>
	<u>Sanitary Sewer</u>	<u>Clean Water</u>	<u>Solid Waste</u>	<u>Total</u>	
<b>OPERATING REVENUES</b>					
Charges for services:					
Sewer charges pledged as security for revenue bonds	\$ 15,672,383	\$ -	\$ -	\$ 15,672,383	\$ -
Other charges for services	3,540,781	5,161,158	2,255,946	10,957,885	9,755,264
Contributions from participants	-	-	-	-	13,181,235
Miscellaneous	-	28,822	-	28,822	-
Total operating revenues	<u>19,213,164</u>	<u>5,189,980</u>	<u>2,255,946</u>	<u>26,659,090</u>	<u>22,936,499</u>
<b>OPERATING EXPENSES</b>					
Personal services	1,302,399	1,427,269	1,206,561	3,936,229	7,437,313
Contractual services	1,371,567	531,119	810,849	2,713,535	9,821,500
Other supplies and expenses	797,532	3,601,460	823,498	5,222,490	13,759,074
Intergovernmental	104,494	-	337,139	441,633	-
Depreciation	2,937,967	19,903	34,744	2,992,614	1,842,828
Total operating expenses	<u>6,513,959</u>	<u>5,579,751</u>	<u>3,212,791</u>	<u>15,306,501</u>	<u>32,860,715</u>
Operating income (loss)	<u>12,699,205</u>	<u>(389,771)</u>	<u>(956,845)</u>	<u>11,352,589</u>	<u>(9,924,216)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest and investment revenue	13,870	9,360	5,842	29,072	38,656
Operating grant revenue	-	552,167	780,235	1,332,402	-
Miscellaneous revenue	-	15,331	13,485	28,816	353,907
Intergovernmental revenue	-	-	-	-	66,282
Bond Premium Amortization	163,100	-	-	163,100	-
Gain/(loss) on disposition of capital assets	(1,295)	(136,827)	-	(138,122)	(12,573)
Loss on debt defeasance	(1,330,776)	-	-	(1,330,776)	-
Interest expense & other fiscal charges	(528,669)	-	-	(528,669)	(73)
Total non-operating revenues	<u>(1,683,770)</u>	<u>440,031</u>	<u>799,562</u>	<u>(444,177)</u>	<u>446,199</u>
Income (loss) before contributions and transfers	11,015,435	50,260	(157,283)	10,908,412	(9,478,017)
Capital contributions	-	268,756	9,980	278,736	313,247
Transfers in	-	-	274,668	274,668	10,473,246
Transfers out	-	(274,668)	-	(274,668)	(588,310)
Change in net position	<u>11,015,435</u>	<u>44,348</u>	<u>127,365</u>	<u>11,187,148</u>	<u>720,166</u>
Net position as of January 1	117,073,086	90,749,151	2,475,314	210,297,551	22,618,218
Prior period adjustments	-	-	-	-	(3,526,646)
Net position as of January 1- restated	<u>117,073,086</u>	<u>90,749,151</u>	<u>2,475,314</u>	<u>210,297,551</u>	<u>19,091,572</u>
Net position as of December 31	<u>\$ 128,088,521</u>	<u>\$ 90,793,499</u>	<u>\$ 2,602,679</u>	<u>\$ 221,484,699</u>	<u>\$ 19,811,738</u>

See accompanying notes to the financial statements

**Clark County Washington**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended December 31, 2012**

	Business-type Activities -- Enterprise Funds				Governmental Activities
	Major		Non Major		Internal Service Funds
	Sanitary Sewer	Clean Water	Solid Waste	Totals	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers - inflows	\$ 19,221,279	\$ 4,717,002	\$ 2,232,124	\$ 26,170,405	\$ 1,605,804
Receipts from interfund services provided-inflows	-	23,106	-	23,106	22,080,010
Receipts from interfund services provided-outflows	-	-	(13,717)	(13,717)	-
Payments to suppliers - outflows	(1,902,470)	(224,707)	(1,721,063)	(3,848,240)	(20,161,897)
Payments to employees	(1,346,266)	(1,475,539)	(1,198,419)	(4,020,224)	(6,972,929)
Receipts from deferred revenue - outflows	-	(53,392)	-	(53,392)	-
Payments for interfund services used - outflows	(320,850)	(3,633,020)	-	(3,953,870)	(4,888,213)
Payments for interfund services used - inflows	-	-	21,567	21,567	38,166
Miscellaneous receipts - inflows	-	15,331	13,486	28,817	353,907
Net cash provided (used) by operating activities	<u>15,651,693</u>	<u>(631,219)</u>	<u>(666,022)</u>	<u>14,354,452</u>	<u>(7,945,152)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING</b>					
Operating grants received	-	552,167	438,207	990,374	55,460
Interest paid on operating activities	-	-	-	-	(74)
Advance from other governments	-	6,311	-	6,311	-
Transfers from other funds	-	-	274,668	274,668	10,473,246
Transfers to other funds	-	(274,668)	-	(274,668)	(588,310)
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>283,810</u>	<u>712,875</u>	<u>996,685</u>	<u>9,940,322</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from capital grant	-	-	-	-	10,822
Capital contributions	-	-	6,079	6,079	295,916
Purchases of capital assets	-	(2,400,154)	(16,995)	(2,417,149)	(2,915,731)
Proceeds from sales of capital assets	-	-	-	-	58,901
Principal paid on capital debt	(13,857,695)	-	-	(13,857,695)	-
Deposit for bond payments returned to other governments	(3,119,000)	-	-	(3,119,000)	-
Interest paid on capital debt	(1,859,445)	-	-	(1,859,445)	-
Net cash (used) by capital and related financing activities	<u>(18,836,140)</u>	<u>(2,400,154)</u>	<u>(10,916)</u>	<u>(21,247,210)</u>	<u>(2,550,092)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest earnings	13,870	9,360	5,842	29,072	38,656
Net cash provided by investing activities	<u>13,870</u>	<u>9,360</u>	<u>5,842</u>	<u>29,072</u>	<u>38,656</u>
Net increase/(decrease) in cash and cash equivalents	(3,170,577)	(2,738,203)	41,779	(5,867,001)	(516,266)
Cash and cash equivalents on January 1	<u>5,659,693</u>	<u>4,411,775</u>	<u>1,786,853</u>	<u>11,858,321</u>	<u>13,904,780</u>
Cash and cash equivalents on December 31	<u>\$ 2,489,116</u>	<u>\$ 1,673,572</u>	<u>\$ 1,828,632</u>	<u>\$ 5,991,320</u>	<u>\$ 13,388,514</u>

See accompanying notes to the financial statements

**Clark County Washington**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended December 31, 2012**

	Business-type Activities -- Enterprise Funds				Governmental
	Major		Non-Major		Activities
	Sanitary Sewer	Clean Water	Solid Waste	Totals	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>					
Operating income (loss)	\$ 12,699,205	\$ (389,771)	\$ (956,845)	\$ 11,352,589	\$ (9,924,216)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation expense	2,937,967	19,903	34,744	2,992,614	1,842,828
Increase/(decrease) in expense for change in Claims Liabili	-	-	-	-	97,248
Miscellaneous expenses	-	-	-	-	-
Miscellaneous receipts	-	15,331	13,486	28,817	462,261
(Increase) decrease in accounts receivable	8,115	18,737	57,619	84,471	325,726
(Increase) decrease in prepaid expense	(30)	995	(1,301)	(336)	(56,144)
(Increase) decrease in due from other funds	-	(2,378)	(95,158)	(97,536)	321,914
(Increase) decrease in due from other governments	-	(466,230)	-	(466,230)	(6,680)
(Increase) decrease in inventory	-	-	-	-	(64,011)
Increase (decrease) in accounts/warrants payables	49,598	131,773	251,644	433,015	(710,462)
Increase (decrease) in deposits payables	2,069	-	-	2,069	-
Increase (decrease) in due to other funds	(1,364)	142,083	21,567	162,286	(208,163)
Increase (decrease) in due to other governments	-	-	80	80	(2,167)
Increase (decrease) in accrued liabilities	(51,469)	5,552	96	(45,821)	(5,542)
Increase (decrease) in deferred revenue	-	(53,392)	-	(53,392)	-
Increase (decrease) in compensated absences	7,602	(53,822)	8,046	(38,174)	(17,744)
Net cash provided (used) by financing activities	<u>\$ 15,651,693</u>	<u>\$ (631,219)</u>	<u>\$ (666,022)</u>	<u>\$ 14,354,452</u>	<u>\$ (7,945,152)</u>
<b>Noncash investing, capital, and financing activities</b>					
Contribution of capital assets	\$ -	\$ 268,756	\$ 3,901	\$ 272,657	\$ 17,331

**Clark County Washington**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2012**

	<b>Investment Trust Funds</b>	<b>Private Purpose Trust Fund</b>	<b>Agency Funds</b>
<b>Assets</b>			
Cash, cash equivalents and pooled investments	\$339,576,066	\$ 66,533	\$ 25,033,069
Cash and deposits in trust	-	-	239,285
Accrued interest receivable	484,810	-	-
Receivables:			
Taxes	-	-	15,470,541
Accounts	-	-	1,185,135
From other governments	-	-	17,166,534
Total receivables	<u>-</u>	<u>-</u>	<u>33,822,210</u>
Investments at fair value			
US treasury state and local government	<u>2,811,000</u>	<u>-</u>	<u>-</u>
Total investments	<u>2,811,000</u>	<u>-</u>	<u>-</u>
Other assets	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>342,871,876</u>	<u>66,533</u>	<u>59,094,564</u>
<b>Liabilities</b>			
Warrants payable	-	-	15,162,905
Accounts payable and other liabilities	-	-	10,553,804
Due to other governments	-	-	31,084,213
Accrued liabilities	-	-	253,597
Deposits payable	<u>-</u>	<u>-</u>	<u>2,040,045</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>59,094,564</u>
<b>Net Position</b>			
Net Position held in trust for pool participants	342,871,876	-	-
Net Position held in trust for other purposes	<u>-</u>	<u>66,533</u>	<u>-</u>
Total net position	<u>\$342,871,876</u>	<u>\$ 66,533</u>	<u>\$ -</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, 2012**

	<u>Investment Trust Funds</u>	<u>Private Purpose Trust Fund</u>
<b>Additions</b>		
Contributions		
Additions by participants	\$ 605,935,845	\$ -
Total contributions	<u>605,935,845</u>	<u>-</u>
Investment income		
Net decrease in fair value of investments	(8,931)	-
Interest, dividends, and other	<u>-</u>	<u>217</u>
Net investment income	<u>(8,931)</u>	<u>217</u>
Total additions	<u>605,926,914</u>	<u>217</u>
<b>Deductions</b>		
Payments in accordance with trust agreements	-	324
Distributions to participants	<u>566,579,144</u>	<u>-</u>
Total deductions	<u>566,579,144</u>	<u>324</u>
Change in net position held for individuals, organizations and other governments	39,347,770	(107)
Net position as of January 1	<u>303,524,106</u>	<u>66,640</u>
Net position as of December 31	<u>\$ 342,871,876</u>	<u>\$ 66,533</u>

See accompanying notes to the financial statements

**CLARK COUNTY WASHINGTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2012**

**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 four 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. Clark County is a statute county, which means the organization of the County is prescribed by state statute. The County has a commissioner form of government with a governing body consisting of three County Commissioners.

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 sales tax revenue goes to support the construction and maintenance of the County Fairgrounds Expo Center.

Under the interlocal agreement, the City PFD agrees to pay CCPFD 37.5% of the "surplus" annual revenues from the convention center project up to \$450,000, provided that payment doesn't exceed the amount the CCPFD transferred to the City PFD for that year. In addition, following the final payment on the Vancouver conference center bonds, or the end of the sales and use tax collection, the CCPFD shall be paid annually 70% of the "surplus" revenue for the prior year up to a maximum 25% of the amount carried forward balance. At the end of 2012, the CCPFD has a note receivable in the amount of \$5,076,734 plus accrued interest receivable of \$309,044, from the City PFD. The CCPFD is composed of five directors appointed by the Clark County Commissioners. 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:

The **Industrial Revenue Bond Corporation of Clark County (IRBC)** was established in 1982 with the granting of its charter under RCW 39.84. IRBC is responsible for encouraging 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, 2012. IRBC is a component unit of the County because: 1) it is a separate legal entity; 2) the Board of County Commissioners 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 (EMSD)** was established in 1987 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 EMS regulatory oversight and to participate in purchasing ambulance services in the contract service area. The EMSD is a separate legal entity. The EMSD ordinance designates the Board of Clark County Commissioners as the governing body of the EMSD. The County has operational and financing responsibility for the EMSD. The operations of the EMSD are reported as a blended special revenue fund (Emergency Medical Services).

**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 Commissioners 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 (Events 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 Commissioners 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 given 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.

Revenues susceptible to accrual are certain taxes, court fines, certain charges for services, and intergovernmental revenues, such as grants, where program expenditures are the prime factor for determining reimbursement. Revenues such as sales based taxes, licenses, and fees are not considered susceptible for accrual since they are not generally measurable until received. 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 the government receives cash.

Clark County reports four 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 *Mental Health Special Revenue Fund* is a fund used to finance a variety of mental health services including treatment, consultation, and education to people experiencing psychological or social emotional distress. Restricted grants comprise the significant revenue streams.

The County reports two major proprietary funds:

- The *Sanitary Sewer Fund* accounts for all sewer activity, including maintenance and operation of the County's sewer treatment plant and sewer capital construction projects.
- 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 the payment of principal and interest on long-term debt.
- *Internal service funds* account for and report equipment rental, elections, central support, self insurance, building maintenance, retirement benefit reserve, and data processing services provided to other departments, government agencies and governments, on a cost reimbursement basis.
- The *Solid waste non-major enterprise fund* accounts for and reports the provision of solid waste operations associated with the oversight of solid waste in Clark County.
- The *private-purpose trust fund* accounts for and reports resources legally held in trust for a private organization, the Childrens 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 and external participants are generally government entities that do not have their own treasurer, such as fire and school districts.
- *Agency funds* 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. Agency funds include cities, towns, and fire, school, port, cemetery, air pollution, library, and drainage districts, along with miscellaneous clearing fund activities.

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 a) charges to customers or applicants for goods, services or privileges provided, b) operating grants and contributions, and c) 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, sale of capital assets, and transfers.

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 Sanitary Sewer, Solid Waste and Clean Water Funds and the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of personnel services, contractual services, other supplies and expenses, utilities, intergovernmental expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition 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 biennial 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, with one exception. The County budgets the Permanent Reserve activity as if it were a special revenue fund. However, GAAP requires this activity to be reported with the General Fund, as it does not have significant streams of restricted resources. From a budgetary perspective, the County budgets activity within the Permanent Reserve Fund separately from the General Fund. From a GAAP perspective, the General Fund column of the fund statements contains General Fund and Permanent Reserve Fund activity. The Board of County Commissioners adopts biennial 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 official 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 biennial 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. Personal service costs in each fund are controlled by position. Capital acquisitions are approved on a project basis, with the most significant capital items being reflected in the six year Transportation Improvement Plan, which is updated and approved each year by the Board.

Biennial budgets are amended during the budget years 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 (The Columbian) at least two weeks before the public hearing. Revisions approved by the Board during 2012 consisted of awards and modifications of grants, the release of contingency funds to specific programs, and enhanced revenues supporting expanded program requirements. Department heads may transfer budget amounts between certain categories of expenditures (supplies and services) without approval of the Board as long as they do not exceed their total department/fund budget.

E. Assets, Liabilities, 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. At December 31, 2012 the Treasurer was holding \$23,270,572 in short-term residual investments of surplus cash. This amount is classified on the balance sheet as cash and cash equivalents along with pooled investments of the various funds.

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. 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), which includes the receipt, deposit 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 state treasurer's 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. Investments are stated at fair value.

The Treasurer 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. The Treasurer's Office does not report any securities at amortized cost. All securities are reported using the security's fair market value.

## *3. Receivables (See Note 8)*

Taxes receivable consist of delinquent property taxes. Property taxes are levied annually before December 15<sup>th</sup> and become a lien as of January 1<sup>st</sup>. Property taxes are recorded on the balance sheet as taxes receivable and deferred revenues at the beginning of the year in the fund statements. Taxes are due in two equal installments on April 30<sup>th</sup> and October 31<sup>st</sup>. 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. Interest and penalties receivable is related to delinquent property taxes.

Special assessment receivables consist of current and delinquent assessments and related penalties and interest for county road improvement districts, which are recorded when levied. Customer accounts receivable consist of amounts due from individuals or organizations for goods and services. Notes receivable consist of amounts due on open account from individuals or organizations for goods and services or for sales of capital assets. The amount of accounts receivable estimated to be uncollectible at year end has been determined to be small, and not material. An amount for allowance to doubtful notes/contract receivable has been recorded for those notes or contracts receivable that are forgiven upon completion of the contract.

## *4. Amounts Due to and from Other Funds and Governments, Interfund Loans and Advances Receivable (See Note 9 for more details)*

Activity between funds representative of lending/borrowing arrangements at the end of the fiscal 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 include amounts due from grantors for grants issued for specific programs and capital projects.

## 5. *Inventories and Prepaid Items*

Inventories are generally held in internal service funds and consist of expendable supplies, rock, road oil, vehicle parts, fuel, and signs. 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. Reserves for inventory and prepaid items are equal to the ending amount of inventory and prepaid amounts, respectively, to indicate that a portion of the fund balance is not available for future expenditures

## 6. *Restricted Assets*

In December 1999, the County and the City of Vancouver (the City) consolidated their parks operations. The County transfers its park impact fee revenues to the City and the City expends them on various park projects in the coming years. These impact fees have been recorded as restricted - assets in safekeeping- until such time as the funds are expended on park land or parks development projects, which are then recorded as capital assets in the County's Statement of Net Position. For 2012, \$6,359,456 was recorded as assets in safekeeping in the Development Impact Fee capital project fund.

## 7. *Capital Assets (See Note 6 for more details)*

Capital assets include land, buildings, improvements, machinery, equipment, infrastructure, and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond two years. Infrastructure assets are assets that 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 and sewer systems. Capital assets are defined by the County as assets with an initial individual cost of more than \$5,000 (in the case of infrastructure assets, an initial cost of more than \$100,000) and for all categories of assets, an estimated useful life in excess of two years.

In 1999, the Governmental Accounting Standards Board (GASB) issued Statement # 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, which requires the inclusion of infrastructure capital assets in local government's basic financial statements. In accordance with GASB # 34, 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. Engineering estimates were used to value the estimated historical costs of the infrastructure. The County has not reported infrastructure acquired prior to January 1, 1980.

The County has chosen the modified approach for reporting the road, bridge, and stormwater infrastructure of the County. Under the modified approach, capital infrastructure assets are not required to report depreciation if an asset management system is used to document that infrastructure assets are being preserved at a condition level set by the government. Governmental infrastructure assets were first reported in 2001, with the implementation of GASB #34. All infrastructure assets were depreciated until 2003, when the County chose to report roads, stormwater and bridge systems using the modified approach.

When capital assets are purchased they are capitalized and depreciated (with the exception of construction in progress, land, easements, and infrastructure assets being reported using the modified approach) in the government-wide financial statements and the proprietary fund statements. Capital asset costs are recorded as expenditures of the current period in the governmental fund financial statements. Capital assets are valued at cost where historical records are available and at estimated historical cost where no records exist. Donated capital assets are valued at their estimated fair value on the date received.

Improvements to capital assets that materially add to the function or capacity of the asset are capitalized. In addition, 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. Buildings, equipment, improvements, software, and certain infrastructure are depreciated using the straight-line method. 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	40 - 50 years
Software	5 - 10 years

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.

#### 8. *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 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 fund financial statements. 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.

#### 9. *Other Accrued Liabilities*

These accounts consist mainly of accrued employee wages and benefits, including compensated absences and other post-employment benefits, where applicable. The general fund typically liquidates the liability for other post-employment benefits.

#### 10. *Long-term Obligations (See Note 11 and 12)*

Revenue bonds and other long-term liabilities directly related to and financed from proprietary funds are accounted for in the respective proprietary funds. All other County long-term debt is reported in the governmental column of the government-wide statement of net position. Bond

premiums, discounts, and issuance costs are deferred and 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 deferred charges and are amortized over the term of the related debt. 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.

#### 11. *Deferred Charges, Deferred Revenue, and Unearned Revenue*

Deferred charges in the government-wide financial statements defer expenditures for debt issuance, which are amortized over the life of the respective bond issues, and the ending negative net LEOFF 1 OPEB contribution amortizing the unfunded liability (or funding excess) over a period of seventeen years.

Deferred revenues in the fund financial statements include amounts collected before revenue recognition criteria are met and receivables for delinquent taxes that are not yet available under the modified accrual basis of accounting. Unearned revenues in the government-wide financial statements are resources received but are not yet earned. See Note 8 for more details.

#### 12. *Net Position and Fund Balances*

In the financial statements, assets in excess of liabilities 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 position invested in capital asset; restricted net position; and unrestricted net position.

- *Net position invested in capital assets*, represents total capital assets less accumulated depreciation and debt directly related to capital assets minus unspent bond proceeds.
- *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 surplus (deficit) net position* represents amounts not included in other categories.

On the Balance Sheet-Governmental Funds, assets in excess of liabilities 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. Resources in nonspendable form include inventories, certain long term contracts/ notes receivable, and prepaid items.

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 Commissioners (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 Commissioners.

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 Commissioners.

The County's current policy only addresses restricted and unrestricted resources (as stated above). At this time the County's order of use complies with GASB Statement No. 54, which directs that committed amounts will be used first, followed by assigned amounts and then unassigned amounts.

**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 *Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net position* explains differences between *fund balance – total governmental funds* and *net position – governmental activities*. One element of that reconciliation explains that “other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.” The details of the \$11,147,472 are as follows:

Unavailable deferred revenue (mainly property taxes and notes receivable)	15,984,593
Deferred charges (bond issue costs)	786,981
Net OPEB obligation	460,924
Deferred reveune - transportation impact fees	<u>(6,085,026)</u>
net adjustment to increase total governmental fund balance to arrive at government-wide net position	11,147,472

Another element of reconciliation explains that “long-term liabilities that are not due and payable in the current period are not reported in the funds”. The details of this \$153,086,138 are as follows:

Bonds payable	\$ 107,155,000
Plus deferred amount for issuance costs	8,483,885
Less deferred charge for refunding	(6,715,875)
Capital lease	7,202,773
Landfill Remediation Liability	5,989,049
Compensated absences	11,901,912
Advance due to other governments	18,108,918
Other post employment benefits	<u>960,476</u>
Net adjustment to reduce total governmental fund balance to arrive at net position - governmental activities	<u>\$ 153,086,138</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

One element of the reconciliation between *net change in fund balances – total governmental funds* and *change in net position of governmental activities* explains that “Governmental funds report capital outlay as expenditures. In the statement of activities the cost of these assets is capitalized and depreciated over the period of the asset’s useful life. When capital assets are disposed of the difference between original cost less depreciation and the proceeds is booked as a gain or (loss) on the sale.” The details of this \$14,217,361 difference are as follows:

Capital outlay	\$ 24,782,433
Depreciation expense	(9,237,721)
Disposition of capital assets (net book value)	(1,455,611)
Adjustment for capital outlay expenses	<u>128,260</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net position of governmental activities	<u>\$ 14,217,361</u>

Another element of this reconciliation states “The issuance of (or increase in) long-term liabilities provides current financial resources to governmental funds, while the repayment of principal (or decrease) of long-term liabilities consumes the current financial resources of governmental funds. Neither transaction has any effect on net position”. The details of this \$2,767,144 difference are as follows:

Issuance of long term debt	\$ (45,595,000)
Refunding of long term debt	45,680,000
Debt issue costs & amortization	51,915
landfill remediation liability	(5,989,049)
Change in post employment and compensated absences benefits due to employees	(43,609)
Principal repayments	<u>8,662,887</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net position of governmental activities	<u>\$ 2,767,144</u>

Another element explains that Governmental funds report revenue in the period they are available as financing sources. “Government-wide statements record revenues at the time they are earned.” The break-down of the \$(1,854,849) change in deferred revenues follows:

Property tax (and associated interest and penalty) receivable	\$ (1,372,309)
Court payments receivable	114,454
Notes and contracts receivable	1,060,539
Traffic Impact fee credits	(1,798,457)
Miscellaneous accrued credits	<u>140,924</u>
Net adjustment to reduce net change in fund balance – total governmental funds to arrive at change in net position of governmental activities	<u>\$ (1,854,849)</u>

**NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

A. Budgetary Information

In 2012 the Clark County Board of Commissioners passed a resolution to refund general obligation bonds. The transaction retired \$51.7 million in bonds which were replaced by \$45.6 million in new bonds issued. The transaction resulted in \$51.7 million in other financing sources (including bond

premiums of \$6.1 million) and \$51.7 million in other financing uses. Budget appropriations were not adopted for either the uses or sources which transpired from this transaction. This resulted in five non-major funds which reported portions of this transaction in their financial statements to exceed their expenditure appropriations. The following funds exceeded their expenditure/use of funds budget appropriations: Campus Development non-major special revenue fund exceeded budget by \$10.9 million; Exhibition Hall Dedicated Revenue non-major special revenue fund exceeded budget by \$17.7 million; Parks Conservation futures non-major capital fund exceeded budget by \$3.0 million; Economic Development Dedicated REET non-major capital fund exceeded budget by \$1.8 million; and Real Estate Excise Tax non-major capital fund exceeded budget by \$11.4 million.

This issue has been addressed in interdepartmental meetings, and the finance office, budget office, and treasurer's office are now all aware that a refunding transaction cannot be reported in net and that a budget supplemental is required.

#### B. Deficit Fund Equity

There are two non-major governmental funds with a deficit fund balance at December 31, 2012:

- The *Events Center Special Revenue Fund* reports a deficit of \$959,539, the result of a continuation of lower than expected exhibition hall events and other non-fair activities. The County has approved a General Fund Transfer to this fund in 2013, in order to eliminate this deficit.
- *Tri-Mountain Golf Operations and Maintenance Fund* reports a deficit of \$227,744. During the 2011-2012 budget period actual revenues fell 26% short of budgeted revenues, due to current economic conditions. If operations do not improve in 2013, the County will address a plan to bring the fund balance to a positive level.

There are three proprietary type internal service funds with deficit net position at December 31, 2012:

- *Central Support Services Internal Service Fund* reports a deficit of \$602,564. A deficit of \$218,713 at 12/31/11 was due to depreciation expense on Leasehold assets. These assets have since been moved to governmental funds, where they are more appropriate. In 2012, expenditures exceeded revenues by \$383,851. A plan to improve operations during the 2013-2014 budget cycle is being addressed by management.
- *General Liability Insurance Internal Service Fund* has deficit net position of \$164,481 after recognizing an actuarial determined liability for claims and judgments payable. This deficit value has improved since December 31, 2011 (from \$239,761), and we expect additional improvement in 2013.
- *Workers' Compensation Insurance Internal Service Fund* has deficit net position of \$3,498,072. In 2012, the County booked a \$4 million liability for claims and judgments, which created the deficit balance (see Notes 19 and 24). The County will address the funding of this deficit in 2013.

#### **NOTE 4 - DEPOSITS AND INVESTMENTS**

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), which includes the receipt, deposit and prudent investment of public funds as legally prescribed by the laws of the State.

**Deposits**

Cash on hand, demand deposits, and short-term investments with original maturity of three months or less (money market accounts) are classified as cash and cash equivalents. Deposits consist of cash and cash equivalents on deposit with the Treasurer. As of December 31, 2012, the book value of deposits was \$124,454,084 and the bank balance was \$124,626,825.

All receipts received by the Treasurer are deposited into qualified bank depositories as specified by the Washington Public Deposit Protection Commission. All of the deposits are either covered by federal depository insurance or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission. On February 18, 2009, the Washington Public Deposit Protection Commission adopted Resolution 2009-1 requiring public depositories to collateralize their uninsured public deposits at 100 percent. The Office of the Washington State Treasurer (OST) also adopted new rules to allow Reciprocal Deposit Programs (such as CDARS) to provide governments options to invest larger sums in CDs but in a way that is fully insured by the FDIC.

**Investments**

Investments may be made in the form of commercial paper, banker's acceptances, U.S. Treasury bills and notes, and certain other government agency obligations. 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.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Treasurer manages exposure to declines in fair values from interest rates by limiting the weighted average maturity of its investment portfolio to maturities that will fulfill the cash flow needs of Clark County and its junior taxing districts. The securities in the portfolio are managed in a manner that ensures sufficient cash is available to meet anticipated cash flow needs, based on historical information. Any cash in excess of that necessary to meet anticipated liquidity needs is invested with the following maturity limitations:

Type of Security	Maximum Maturity
Any single security (unless matched to a specific cash flow requirement)	5 years
Repurchase and Reverse Agreements	90 days
Commercial Paper	180 days
Banker's Acceptances	185 days
Forward Delivery Agreement	3 years

Further, the maximum weighted average maturity of the External Investment Pool cannot exceed one and one half years.

**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. The State law and County policy further limits such risk by placing the following credit standards on securities:

Type of Security	Credit Standards <sup>1</sup>
Banker's Acceptances	A1/P1
Commercial Paper	A1/P1 and "A" or equivalent

Repurchase Agreements and Reverse 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
Deposit Notes	A1/P1 and "AA" or equivalent
WA State Municipal Bonds	"A" or equivalent

The ratings of debt securities, U.S. Treasuries (AAA)\* and the following agencies as of December 31, 2012 are:

Debt Security	S&P Rating
Fannie Mae (Federal National Mortgage Association)	AA+
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+
Federal Home Loan Bank	AA+
Federal Farm Credit Bank	AA+
Money Market Like Fund - 2(a)7	S&P Rating
Washington State Investment Pool	Not Rated

\* Split rating Moody's "Aaa", S&P "AA+" for US Treasuries and Agencies.

### **Concentration Risk**

Concentration risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Treasurer's 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. The 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. US agency obligations are limited to 25% per issuer
  - c. Repurchase agreement counterparties are limited to 20% per overnight or 10% if greater than one day
  - d. Non-negotiable certificates of deposit are limited to 10% per issuer
- 2) Limited to no more than 25% in either Commercial Paper or Banker's Acceptances
- 3) Limited to no more than 10% in Federal Agency Variable Rate Notes
- 4) Limited to no more than 100% in a the Washington State Local Government Investment Pool or 65% in Municipal Investment Accounts
- 5) Limited to no more than 15% in Mutual Funds Qualified & Registered with Washington State
- 6) Limited to no more that 20% in Washington state municipal bonds
- 7) Limited to no more that 25% in deposit notes
- 8) Limited to no more than 25% in securities lending agreements
- 9) Limited to no more than 10% of the portfolio value in reverse repurchase agreements
- 10) Repurchase agreements are limited to no more than 100% overnight or 30% if maturity is greater than 30 days
- 11) The amount of exposure from non-negotiable certificates of deposits (in or outside of the CDARS program) and/or flexible certificates of deposits is limited to no more than 40% of the total portfolio

<sup>1</sup> All of these credit standards are as of the time of purchase.

The Treasurer has several investments in government sponsored and other private enterprises that are not explicitly backed by the federal government. However, the U.S. government has moved to more explicitly support the soundness of the obligations of Freddie Mac and Fannie Mae, starting in July, 2008, via the Housing and Economic Recovery Act 2008, and the September 7, 2008, Federal Housing Finance Agency (FHFA conservatorship of both government sponsored enterprises (GSEs).

Those securities that exceed 5% of the total investment portfolio market value are disclosed below:

Issuer	% of Investment Portfolio
Federal Home Loan Bank	21.45%
Federal Home Loan Mortgage Corp	23.39%
Federal Farm Credit Bank	7.76%
Federal National Mtg Associatin	21.03%
Wash State LGIP	19.59%

### **Equity in Pooled Investments**

County monies are invested by certain individual funds for the benefit of the respective fund in the Clark County Investment Pool. Remaining County monies are aggregated in a residual account, and invested in the pool for the benefit of the General fund.

Pooled investments during 2012 included Certificates of Deposit, Federal Agencies, US Treasury bonds, monies invested with the Washington State Local Government Investment Pool and money market accounts. The book value of the County Pool on December 31, 2012 was \$510,724,892 of which \$12,062,714 is classified as deposits.

As of December 31, 2012, the County had the following investments, shown at fair value:

US Treasuries	\$ 20,005,000	1.811
Federal Agencies - Semi Annual	371,853,000	1.319
Federal Agencies - Discount	7,125,768	1.528
Wash State LGIP	99,501,665	0.003
Umpqua Bank	12,062,714	0.003
	<u>\$ 510,548,147</u>	
Portfolio weighted average maturity		1.038

As required by state law, all investments made by the Treasurer's office are obligations of the U.S. Government, U.S. agency issues, obligations of the State of Washington, general obligations of Washington State municipalities, commercial paper or certificates of deposit with Washington State banks and savings and loan institutions. All investments are stated at fair value.

### **Outside Investments (Non-Pooled)**

Certain fund managers or entities direct the Treasurer to invest funds into specific investment maturities outside of the Investment Pool. On December 31, 2012, the following specific investments were held outside the pool:

Investment Type	Book Value	Fair Value
Wash State LGIP	\$ 1,353,394	1,353,394
US Treasury Securities	2,811,000	2,811,000
Registered Warrant	3,769	3,769
Umpqua Bank	50,000	50,000
	<u>\$ 4,218,163</u>	<u>4,218,163</u>

**Total Cash, Cash Equivalents and Pooled Investments**

Total cash, cash equivalent and investment carrying value on December 31, 2012 were \$528,598,607 for both pooled and non-pooled investments.

A reconciliation of cash, cash equivalents and pooled investments and investments as shown on the fund statements is as follows:

Checking Accounts	\$ 11,532,541
Petty Cash	293,998
Deposits Held in Trust	2,005,758
Fair Value of Pooled Investments	510,548,147
Fair Value of Investments Out of Pool	<u>4,218,163</u>
	\$ <u>528,598,607</u>
Cash, cash equivalents, pooled investments	\$ 159,357,576
Non-pooled Investments	1,403,394
Cash, cash equivalents, pooled investments - component unit	111,684
Cash, cash equivalents, pooled investments - fiduciary	364,914,953
Investments - fiduciary	<u>2,811,000</u>
Total cash, cash equivalents, pooled investments	\$ <u>528,598,607</u>

**Clark County Investment Pool**

The Treasurer administers and maintains an Investment Pool (the Pool) for County and other jurisdictional governments within the County. This Pool currently has an average maturity of approximately seven months.

The Treasurer’s Office uses “Bloomberg”, an on-line financial services system to determine the fair market value of securities purchased on behalf of the Clark County Investment Pool (Pool). If Bloomberg does not price a particular security, the Treasurer’s Office obtains three quotes from broker/dealers to determine the fair market value of the security on the specified date. Bloomberg has a pricing model called “Bloomberg Fair Value” (BFV), which establishes an investment’s theoretical value, based on where similar bonds, as defined by credit quality and market sector, have traded. This value is not based on market price. BFV incorporates an option adjusted spread methodology in deriving the theoretical value.

The Treasurer’s Office does not report any securities at amortized cost. All securities are reported using the security’s fair market value. The Pool is not SEC-registered. Authority to manage the Pool is derived from the Revised Code of Washington (RCW) in RCW 36.29.022.

Regulatory oversight is provided by the County Finance Committee, which by statute consists of the Treasurer, the Auditor, and the Chair of the Board of County Commissioners. The committee approves the investment policy 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 2012, the Treasurer contracted with Davidson Fixed Income Management, Inc. to review the investment portfolio and assist with the portfolio strategy on a quarterly basis. The Treasurer’s Office uses an Intergovernmental Investment Pool Committee that is made up of all of the pool participants from the junior taxing districts within Clark County. This committee meets on a quarterly basis and assists in sharing information with pool members regarding the Pool’s strategy. The Treasurer’s Investment Strategy Committee is made up of the Treasurer, Deputy Treasurer, Investment/ Debt Manager, and Investment Officer, within the Treasurer’s Office who meet 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.

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. The Treasurer provides monthly fair value investment reports on a fund level to all participants through footnote disclosures. This information is based on the Net Asset Value of each share in the Pool relative to each fund's month-end investment balance. For 2012, the Treasurer's Office reported an unrealized loss of \$176,744 (\$569,340 gain amortized) on December 31 on a cash basis of which participants would receive if the Pool was liquidated on that date in proportion to their weighted average shares in the pool.

An interlocal agreement is entered into with each pool participant that allows the Clark County Treasurer's Office 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 Clark County Investment Pool. Condensed financial statements for the Clark County Investment Pool are presented below:

<b>Clark County Investment Pool</b>
<b>Condensed Statement of Net Assets</b>
<b>Year Ended December 31, 2012</b>

<b>Assets</b>	
Cash, cash equivalents and pooled investments	510,548,147
Accrued Interest Receivable	484,810
Total Assets	511,032,957
 <b>Liabilities</b>	
Total liabilities	0
<b>Net position held in trust for pool participants</b>	<b>511,032,957</b>

Investment yields ranged from 0.31% to .64%, and averaged 0.40% for the year. The average monthly maturity ranges from 294 to 418 days.

<b>Clark County Investment Pool</b>
<b>Condensed Statement of Changes in Net Position</b>
<b>Year Ended December 31, 2012</b>

Changes in net position resulting from operations	\$ 1,881,351
Distributions to participants	(1,881,351)
Changes in net position resulting from depositor transactions	21,306,059
 <b>Net Position</b>	
Beginning of Year	\$ 489,726,898
End of Year	
Private Purpose Trust Fund	\$ 66,533
Internal Funds	186,756,152
External Funds	324,210,272
<b>Total net position</b>	<b>\$ 511,032,957</b>

The external funds pooled investments and the private purpose trust fund are reported on the Statement of Fiduciary Net Position (in the Basic Financial Statements section of the CAFR), while the internal pooled investments are reported in the various funds statements throughout the CAFR.

## **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, cities and towns within the county, and school, fire, cemetery, library and port districts. Property taxes are recorded as receivables and deferred revenue when levied. Property taxes are levied and become an enforceable lien against properties as of January 1. The assessed value of property is established in October for the ensuing year. 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. No allowance for uncollectible taxes is established since delinquent taxes are considered fully collectible.

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 highest of the three most recent years multiplied by a limit factor, plus adjustment to account for taxes on new construction 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 for general governmental services. The County's regular levy for 2012 was \$1.49 per \$1,000 on assessed valuation of \$37.4 billion for a total regular levy of \$55.5 million. In addition, the County has a levy for Conservation Futures that was \$0.06 per \$1,000 of assessed valuation of \$37.4 billion, for a total levy of \$2.3 million in 2012.

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 road levy for 2012 was \$2.0 per \$1,000 on an assessed valuation of \$17.7 billion for a total road levy of \$35.5 million.

Clark County has a special levy that was approved by the voters which is not subject to the limitations listed above. In 2012, the County had an additional \$0.27 per \$1,000 for metropolitan parks for a total additional levy of \$3.0 million.

## NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, not being depreciated/amortized				
Land	\$ 286,255,904	\$ 5,270,712	\$ 1,429,094	\$ 290,097,522
Infrastructure-restated	617,007,180	45,272,958	-	662,280,138
Intangible assets - easements	51,289	13,500	-	64,789
Construction in progress	67,800,006	20,114,050	66,531,880	21,382,176
Total capital assets, not being depreciated/amortized	971,114,379	70,671,220	67,960,974	973,824,625
Capital assets, being depreciated/amortized:				
Buildings	150,697,016	-	-	150,697,016
Improvements other than buildings	90,822,905	21,104,181	318,135	111,608,951
Machinery and equipment	46,294,620	2,957,157	554,181	48,697,596
Intangible assets - software	16,529,829	1,326,050	56,097	17,799,782
Infrastructure-restated	12,897,793	249,180	-	13,146,973
Total capital assets being depreciated/amortized	317,242,163	25,636,568	928,413	341,950,318
Less accumulated depreciation/amortization for:				
Buildings	60,862,904	2,348,014	-	63,210,918
Improvements other than buildings	30,673,323	3,935,259	285,922	34,322,660
Machinery and equipment	30,281,307	2,880,976	494,012	32,668,271
Intangible assets - software	7,957,150	1,593,677	50,488	9,500,339
Infrastructure *	17,386,726	322,623	128,260	17,581,089
Total accumulated depreciation/amortization	147,161,410	11,080,549	958,682	157,283,277
Total capital assets, being depreciated/amortized, net	170,080,753	14,556,019	(30,269)	184,667,041
Governmental activities capital assets, net	<u>\$ 1,141,195,132</u>	<u>\$ 85,227,239</u>	<u>\$ 67,930,705</u>	<u>\$ 1,158,491,666</u>
Depreciation/amortization expense was charged to functions as follows:				
General governmental services			\$ 3,940,830	
Judicial			620,266	
Public safety			800,734	
Physical environment			69,412	
Transportation			270,705	
Economic environment			6,452	
Health and human services			1,151,618	
Culture and recreation			2,377,704	
			<u>9,237,721</u>	
Depreciation/amortization on capital assets held by the County's internal service funds is charged to various functions based upon their usage.			<u>1,842,828</u>	
Total governmental activities depreciation/amortization expense			<u>\$ 11,080,549</u>	

\*Governmental Infrastructure assets were first added in 2001, with the implementation of GASB # 34. All infrastructure was depreciated until 2003, when the County chose to report road, stormwater, and bridge systems using the modified approach. The accumulated depreciation amount includes depreciation on some infrastructure that is now classified as capital assets not being depreciated. The decrease in infrastructure accumulated depreciation may also include depreciation on retired assets that currently fall into the non-depreciating infrastructure category.

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>				
Capital assets, not being depreciated/amortized				
Land	\$ 28,356,802	\$ 129,756	\$ 136,827	\$ 28,349,731
Infrastructure	57,703,428	4,728,996	-	62,432,424
Construction in progress	6,225,252	694,784	2,977,170	3,942,866
Total capital assets, not being depreciated/amortized	92,285,482	5,553,536	3,113,997	94,725,021
Capital assets, being depreciated/amortized:				
Buildings	18,595,291	98,123	-	\$ 18,693,414
Improvements other than buildings	101,968,193	-	-	101,968,193
Machinery and equipment	592,559	16,650	14,250	594,959
Intangible assets - software	-	-	-	-
Infrastructure	33,163,099	-	0	33,163,099
Total capital assets being depreciated/amortized	154,319,142	114,773	14,250	154,419,665
Less accumulated depreciation/amortization for:				
Buildings	1,148,912	424,344	-	1,573,256
Improvements other than buildings	20,122,329	1,826,348	-	21,948,677
Machinery and equipment	384,613	179,036	11,622	552,027
Infrastructure*	7,268,101	562,886	-	7,830,987
Total accumulated depreciation/amortization	28,923,955	2,992,614	11,622	31,904,947
Total capital assets, being depreciated/amortized, net	125,395,187	(2,877,841)	2,628	122,514,718
Business-type activities capital assets, net	<u>\$ 217,680,669</u>	<u>\$ 2,675,695</u>	<u>\$ 3,116,625</u>	<u>\$ 217,239,739</u>

Depreciation/amortization expense was charged to functions as follows:

Sanitary Sewer	\$ 2,937,967
Solid Waste	34,744
Clean Water	19,903
Total business-type activities depreciation/amortization expense	<u>\$ 2,992,614</u>

\* Stormwater infrastructure was first added in 2001. All infrastructure was depreciated until 2003, when the County chose to report road, stormwater, and bridge systems using the modified approach. The accumulated depreciation amount includes some depreciation on infrastructure that is now classified as capital assets not being depreciated.

## NOTE 7 - COMMITMENTS

At the end of 2012, the County does not have any large capital commitments.

## NOTE 8 – RECEIVABLE BALANCES

Receivables as of December 31, 2012 for the County's individual major funds, nonmajor funds and internal service funds are shown in the following table.

	Taxes	Accounts	Special Assessments	Due from other Governments	Interest and Penalties on Taxes Assessments	Total
<i>Governmental Activities</i>						
General Fund	2,303,489	10,312,550		1,951,758	5,706,396	20,274,193
County Road	1,354,027	2,695,570		3,521,709		7,571,306
Community Services Grants	-	44,982		758,153		803,135
Mental Health	18,980	540,967		1,346,247		1,906,194
Nonmajor Governmental	243,471	894,295	17,803	2,966,368		4,121,937
Internal Service		967,068		28,458		995,526
Total Governmental Activities	\$ 3,919,967	\$ 15,455,432	\$ 17,803	\$ 10,572,693	\$ 5,706,396	\$ 35,672,291
<i>Business-Type Activities</i>						
Sanitary Sewer		8,256				8,256
Clean Water		390,117		503,880		893,997
Nonmajor Enterprise		238,373		416,828		655,201
Total Business-Type Activities	\$ -	\$ 636,746	\$ -	\$ 920,708	\$ -	\$ 1,557,454
Total Gross Receivables	\$ 3,919,967	\$ 16,092,178	\$ 17,803	\$ 11,493,401	\$ 5,706,396	\$ 37,229,745

### Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes rec (General Fund)	\$ 2,303,489	
Interest/penalties receivable (General Fund)	5,706,397	
Court receivable (General Fund)	6,306,345	
Property taxes receivable (Road Fund)	1,354,027	
Property taxes receivable (Mental Health Fund)	18,980	
Property taxes receivable (other governmental funds)	243,471	
Miscellaneous revenues received but not yet earned		1,683,152
Telephone revenue & other miscellaneous (General Fund)	47,947	
Delinquent special assessments not yet due	3,937	
Grants received prior to meeting all eligibility requirements		551,447
Total deferred revenue and unearned revenue for governmental funds.	<u>\$ 15,984,593</u>	<u>\$ 2,234,599</u>

## NOTE 9 - INTERFUND RECEIVABLES, PAYABLES, ADVANCES 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, 2012 is shown in the following table.

Due From	Due to								Total
	General Fund	Road Fund	Mental Health	Nonmajor Governmental	Sewer	Clean Water	Nonmajor Enterprise	Internal Service	
General Fund	-	10,527	-	1,002,275	837	52,714	22,870	65,647	1,154,870
County Road	32,000	-	-	55,318	-	4,711	2,998	356	95,383
Community Services Grants	160,207	-	21,411	18,947	-	-	-	-	200,565
Mental Health	-	-	-	379,382	-	-	-	-	379,382
Nonmajor Governmental	1,197,120	-	-	452,271	-	-	-	130,804	1,780,195
Sanitary Sewer	-	205	-	-	-	-	-	-	205
Clean Water	-	-	-	2,378	-	-	-	-	2,378
Nonmajor Enterprise	6	-	-	-	-	95,152	-	-	95,158
Internal Service Funds	176,216	313,761	617	45,884	5,141	2,087	214	58,282	602,202
<b>Total</b>	<b>\$ 1,565,549</b>	<b>\$ 324,493</b>	<b>\$ 22,028</b>	<b>\$ 1,956,455</b>	<b>\$ 5,978</b>	<b>\$ 154,664</b>	<b>\$ 26,082</b>	<b>\$ 255,089</b>	<b>\$ 4,310,338</b>

In addition to the accounts receivable/payable in the table above, there was one short-term advance between funds. The County's General Fund shows an advance (funded by the permanent reserve) to the Event Center Fund for \$900,000. This advance was approved by resolution in December 2012. It carries an interest rate of 1.97% until the loan is repaid, which shall be no later than December 31, 2013.

Interfund transfers represent subsidies 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. Transfers from other funds are generally for debt service and sales tax transfer for law and justice programs. Interfund transfers between individual major funds, nonmajor governmental, nonmajor enterprise, and internal service funds during the year ended December 31, 2012 are as follows:

Transfers Out	Transfers In							Total
	General Fund	Road Fund	Comm Services	Mental Health	Nonmajor Governmental	Nonmajor Enterprise	Internal Service Funds	
General Fund		458,431	1,324,636	142,000	6,639,620		6,394,575	14,959,262
Road Fund					1,514,669			1,514,669
Comm. Service					245,994			245,994
Mental Health			96,000					96,000
Clean Water						274,668		274,668
Nonmajor Governmental	13,615,399	777,558		1,517,529	12,901,321		3,571,496	32,383,303
Internal Service Funds	50,970				30,165		507,175	588,310
<b>Total transfers</b>	<b>13,666,369</b>	<b>1,235,989</b>	<b>1,420,636</b>	<b>1,659,529</b>	<b>21,331,769</b>	<b>274,668</b>	<b>10,473,246</b>	<b>50,062,206</b>

There were approximately \$11.8 million in routine transfers out from the General Fund to subsidize operations of other funds. There was over \$651,000 transferred from the General Fund for debt service in 2012. There were also several one-time General Fund transfers in 2012, including, \$1.3 million for technology upgrades and projects, \$459,000 to the Road Fund and \$142,000 to the Health Fund for various programs.

The General Fund received \$11.5 million for law and justice programs from non-major special revenue sales tax funds, \$908,000 for therapeutic court services, and \$1.3 million from other funds for reimbursement of certain program costs.

The County Road Fund transfers in included \$0.4 million from the non-major capital project Development Impact Fee Fund for road improvements, \$0.3 million from non-major economic development REET capital project fund for railroad and road projects, and nearly \$0.5 million from the General Fund for engineering work. The Road Fund transferred out approximately \$1.5 million for debt service.

Non-major special revenue funds collecting sales tax revenues earmarked for mental health and chemical dependency transferred \$8.9 million to the General Fund (\$5.4 million), Mental Health Fund (\$1.5), and Substance Abuse non-major special revenue fund (\$2.0 million).

In addition, about \$12.5 million was transferred from various non-major funds for debt service payments. Non-major special revenue funds collecting sales tax revenues earmarked for law and justice programs transferred \$7.5 million to the General Fund. The non-major Campus Development Fund transferred \$1.4 million to the internal service Central Support Services Fund for reimbursement of maintenance and utilities costs.

**NOTE 10 – LEASES**

A. Operating Leases Payable

The County is committed under various leases for buildings, office space, and other equipment. Such leases are considered to be operating leases for accounting purposes. Lease expenditures for the year ended December 31, 2012 amount to approximately \$1,392,000. The future minimum lease payments for these leases are:

December 31	Amount
2013	\$1,356,000
2014	1,356,000
2015	1,356,000
2016	1,356,000
2017	1,356,000
<b>Total</b>	<b>\$6,780,000</b>

B. Operating Leases Receivable

The County currently leases some of its property to various tenants under long-term, renewable, and non-cancelable contracts. The following is an analysis of the County's investment in property under long-term, non-cancelable operating leases as of December 31, 2012:

	Governmental Activities
Land	\$1,322,100
Buildings	44,484,402
Less accumulated depreciation	(10,556,117)
	<b>\$35,250,385</b>

The following is a schedule of minimum future lease receipts on non-cancelable operating leases based on contract amounts and terms as of December 31, 2012.

December 31	Amount
2013	2,768,000
2014	2,719,000
2015	2,719,000
2016	2,719,000
2017	2,754,000
<b>Total</b>	<b>\$13,679,000</b>

**C. Capital Leases**

The County entered into a lease agreement in 2002 as lessee for financing energy, plumbing and lighting savings improvements in various county buildings, with an interest rate 4.34%. The leased assets and related obligations are accounted for in the statement of net position. The net capital lease amount shown below reflects the assets continuing to be financed through the capital lease. This lease agreement qualifies as a capital lease for accounting purposes, and has been recorded at the present value of the future minimum lease payments as of the inception date. The minimum capital lease payments reflect the remaining capital obligations on these assets.

	Capital Assets Governmental Activities	Capital Lease Payable Governmental Activities
Building Improvements	\$ 1,318,500	\$ 269,104
Less: Accumulated Depreciation	(637,931)	
	<u>\$ 680,569</u>	<u>\$ 269,104</u>
Minimum Capital Lease Payments:		
2013		141,928
2014		141,928
Total Minimum Lease Payments		283,856
Less: Interest		(14,752)
Present Value of Minimum Lease Payments		<u>\$ 269,104</u>

The County entered into a lease agreement in 2008 as lessee for financing energy, plumbing and lighting savings improvements in various county buildings, with an interest rate 4.19%. The leased assets and related obligations are accounted for in the Statement of Net Position. The net capital lease amount shown below reflects the assets to be financed through the capital lease. This lease agreement qualifies as a capital lease for accounting purposes, and has been recorded at the present value of the future minimum lease payments as of the inception date. The minimum capital lease payments reflect the remaining capital obligations on these assets.

	Capital Assets Governmental Activities	Capital Lease Payable Governmental Activities
Building Improvements	\$ 7,738,718	\$ 6,933,668
Less: Accumulated Depreciation	(1,392,970)	
	<u>\$ 6,345,748</u>	<u>\$ 6,933,668</u>

Minimum Capital Lease Payments:	
2013	430,529
2014	482,595
2015	507,542
2016	522,284
2017	544,676
2018-2022	3,094,517
2023-2027	3,842,646
2028	339,986
Total Minimum Lease Payments	9,764,774
Less: Interest	(2,831,106)
Present Value of Minimum Lease Payments	<u>\$ 6,933,668</u>

## NOTE 11 – LONG-TERM DEBT

### A. General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. The beginning balance of unmatured debt in 2012 was \$114,115,000. During the year, general obligation refunding bonds totaling \$45,595,000 were issued to refund portions of the 2003A and 2004A Limited Tax General Obligation Bonds.

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

<b>Description</b>	<b><u>Amount Outstanding</u></b>
\$2,780,000 2002 Limited General Obligation Refunding Bonds due in annual installments of \$70,000 to \$665,000 through 2013; interest from 3.0% to 4.3%. This issue is being serviced by the General Fund	\$85,000
\$11,835,000 2003 Limited Tax General Obligation and General Obligation Refunding Bonds due in annual installments of \$210,000 to \$2,040,000 through 2023, interest from 2.0% to 4.75%. This issue is being serviced by the General Fund, Tri-Mountain Golf O & M Special revenue fund, and CAD 800 MHz System Replacement Fund. This issue included refunding a portion of the 1994 LTGO debt issue.	\$210,000
\$5,395,000 2003 Limited Tax General Obligation Refunding Bonds due in annual installments of \$60,000 to \$615,000 through 2016; interest from 2.0% to 4.1%. This issue is being serviced by the Capital Project Real Estate Excise Tax Fund and the Emergency Services Communications System Special Revenue Fund. This issue refunded portions of 1996A and 1996B LTGO issues.	\$2,000,000
\$55,620,000 2004 Limited Tax General Obligation bonds due in installments of \$500,000 to \$3,845,000 through 2034; interest from 3.0% to 5.25%. This issue is being serviced by the General Fund, Real Estate Excise Tax Capital Fund, the Exhibition Hall Dedicated Special Revenue Fund, the Campus Development Special Revenue Fund and the Conservation Futures Capital Project Fund.	\$3,360,000

\$1,810,000 2004 Limited Tax General Obligation bonds due in installments of \$165,000 to \$235,000 through 2013; interest from 4.0% to 4.63%. This issue is being serviced by the Community Services Grants Special Revenue Fund.	\$235,000
\$24,985,000 2005 Limited Tax General Obligation Refunding bonds due in annual installments of \$80,000 to \$2,225,000 through 2027; interest from 3.0% to 5.0%. The Conservation Futures Capital Fund, Real Estate Excise Tax Capital Fund, General Fund, Economic Development REET Capital Projects Fund, and Campus Development Special Revenue Fund service this issue. This issue refunded portions of 1997, 1998, and 1999B LTGO issues.	\$16,905,000
\$5,715,000 2005B Limited Tax General Obligation bonds due in annual installments of \$80,000 to \$345,000 through 2035; interest from 3.7% to 6%. The Campus Development Special Revenue Fund services this issue.	\$5,070,000
\$36,285,000 2006 Limited Tax General Obligation Refunding bonds due in annual installments of \$290,000 to \$3,025,000 through 2026; interest from 4.0% to 5.0%. This issue is being serviced by the Real Estate Excise Tax Capital Fund, the Campus Development Special Revenue Fund, and the General Fund. This issue refunded portions of 1999A and the 2001 LTGO issues.	\$34,515,000
\$45,595,000 2012 Limited Tax General Obligation Refunding bonds due in annual installments of \$265,000 to \$3,815,000 through 2034, interest from 3% to 5.250%. This issue is being serviced by the Tri-Mountain Golf O & M Special revenue fund, Health District Campus Facility Capital Projects Fund, the Exhibition Hall Dedicated Special Revenue Fund and the Conservation Futures Capital Project Fund. This issue refunded portions of the 2003A and 2004A LTGO issues.	\$44,775,000
<b>Grand total</b>	<b>\$107,155,000</b>

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

Year Ending <u>December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2013	6,160,000	4,936,544
2014	6,205,000	4,664,335
2015	6,325,000	4,364,080
2016	7,000,000	4,053,790
2017	7,040,000	3,724,240
2018-2022	30,385,000	13,927,149
2023-2027	33,180,000	6,280,369
2028-2032	7,325,000	1,571,869
2032-2035	3,535,000	224,850
Totals	\$ <u>107,155,000</u>	\$ <u>43,747,226</u>

**B. Special Assessment Bonds**

The government also issues special assessment bonds for the construction of roads and like improvements in certain areas. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or

delinquent special assessments at the time a debt service payment is due, the County must provide the resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received. In 2012, the entire balance of \$18,954 due in 2019 was called and the County currently has no balance outstanding for Special Assessment debt.

C. Revenue Bonds

The County also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The beginning balance of unmatured debt in 2012 was \$13,675,000. In 2012, the County called the 2001A series bonds and defeased the 2001B series bonds. The County currently has no outstanding revenue bonds balance.

In Proprietary funds, unamortized debt issuance costs are recorded as deferred charges and bonds are displayed net of premium or discount; annual interest expense is decreased by amortization of debt issue costs and discounts.

D. Advance Due to Other Governments

The County has nine low-interest (.5% and 2%) loans from the State Department of Community Development Public Works Trust Fund that will be repaid within 15 years in annual installments on each loan ranging from \$47,368 to \$521,930. The funds from these loans were used for county road projects. These loans will be paid back by the County Road Fund.

The County also has a loan from the State Department of Ecology that will be repaid within 20 years, beginning in 2013 for \$12,746 and \$25,493 each year thereafter. The funds from this loan were used for a Habitat Protection and Runoff Control Project on Upper Whipple Creek. This operating loan will be paid back by the Clean Water enterprise Fund.

Advances Due to Other Governments for debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2013	1,417,039	90,545	1,898	10,848
2014	1,417,039	83,459	14,810	10,682
2015	1,417,039	76,374	15,245	10,247
2016	1,417,039	69,289	15,694	9,799
2017	1,417,039	62,204	16,155	9,338
2018-2022	7,085,195	204,741	88,180	39,282
2023-2027	3,416,598	58,052	101,922	25,540
2028-2032	521,930	2,610	117,806	9,657
Totals	\$ 18,108,918	\$ 647,274	\$ 371,710	\$ 125,393

E. Prior Year Defeasance of Debt

In prior years, the County defeased certain sewer revenue and general obligation bonds by placing the proceeds of the new bonds and/or cash in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the County's financial statements. At December 31, 2012, \$45,680,000 of bonds outstanding is considered to be defeased.

F. Advance and Current Refundings

The County issued \$45,595,000 of 2012 general obligation bonds to provide resources to purchase securities that were placed in an irrevocable trust. The 2012 issue was for the purpose of generating resources for refunding the callable portions of the County's Limited Tax General Obligation

Improvement and Refunding Bonds, Series 2003A and Series 2004A, and to pay costs of issuance and sale of the Bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. This advance refunding was undertaken to reduce total debt service payments over the next 22 years by a net present value savings of \$3,466,722 (\$4.6 million savings on a nominal basis).

**G. Arbitrage Rebate Liability**

The Tax Recovery Act of 1986 established regulations for rebate to the federal government of arbitrage earning on certain local government bonds. Issuing governments must calculate any rebate due on an annual basis and remit the amount due at least every five years. The County has a cumulative negative rebate amount for its bonds. No liability was recorded at December 31, 2012.

**NOTE 12 – CHANGES IN LONG-TERM LIABILITIES**

During the year ended December 31, 2012, the following changes occurred in long-term liabilities:

	Beginning Balance	New Issues	Retirements	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
<b>Governmental Funds-</b>					
Bonds payable					
General obligation bonds	\$ 114,115,000	\$ 45,595,000	\$ 52,555,000	\$ 107,155,000	\$ 6,160,000
Special Assessment Bonds	18,954	0	18,954	0	0
Less deferred amounts:					
For issuance discounts/premiums	3,866,978	6,426,297	1,809,390	8,483,885	553,332
On refunding	(2,047,055)	(5,141,092)	(472,272)	(6,715,875)	(550,167)
Total bonds payable	115,953,877	46,880,205	53,911,072	108,923,010	6,163,165
Capital lease	7,554,668	0	351,895	7,202,773	274,561
Advances due to other governments	19,525,957	0	1,417,039	18,108,918	1,417,039
Landfill remediation liability-restated*	6,623,457	0	634,408	5,989,049	0
Other post employee benefits	864,802	230,335	134,661	960,476	0
Compensated absences	11,953,977	10,739,303	10,791,368	11,901,912	10,493,159
<b>Total Governmental Funds</b>	<b>\$ 162,476,738</b>	<b>\$ 57,849,843</b>	<b>\$ 67,240,443</b>	<b>\$ 153,086,138</b>	<b>\$ 18,347,924</b>
<b>Internal Service Funds</b>					
Claims and judgments -restated**	7,717,000	2,559,459	2,462,211	7,814,248	1,731,647
Compensated absences	637,600	561,409	579,152	619,857	413,450
<b>Total Internal Service Funds</b>	<b>8,354,600</b>	<b>3,120,868</b>	<b>3,041,363</b>	<b>8,434,105</b>	<b>2,145,097</b>
<b>Total Governmental Activities</b>	<b>\$ 170,831,338</b>	<b>\$ 60,970,711</b>	<b>\$ 70,281,806</b>	<b>\$ 161,520,243</b>	<b>\$ 20,493,021</b>
<b>Business-type activities</b>					
Bonds payable					
Revenue bonds	\$ 13,675,000	\$ 0	\$ 13,675,000	\$ 0	\$ 0
Less deferred amounts					
For issuance discounts/premiums	163,100	0	163,100	0	0
Total bonds payable	13,838,100	0	13,838,100	0	0
Advance due to other governments	548,094	6,311	182,695	371,710	1,898
Compensated absences	451,531	341,430	379,604	413,357	258,778
<b>Total Business-type Activities</b>	<b>\$ 14,837,725</b>	<b>\$ 347,741</b>	<b>\$ 14,400,399</b>	<b>\$ 785,067</b>	<b>\$ 260,676</b>

\* prior period adjustment - remediation liability not included in 2011 CAFR

\*\* Includes a prior period adjustment of \$3,635,000 for Workers Compensation Claim liability

For governmental activities, claims and judgment, other post-employment benefits, and compensated absences are generally liquidated by the General Fund. Any landfill remediation liability will be liquidated by the Solid Waste Closure non-major special revenue fund. The County is limited to a non-voted debt capacity of 1½% and a voted debt capacity of 2½% of the assessed valuation. At December 31, 2012 the remaining non-voted capacity was \$452,057,440 and the

remaining voted and non-voted capacity was \$933,876,824.

**NOTE 13 – SHORT-TERM DEBT**

During the year, the County obtained a tax anticipation note authorized at \$5,000,000 for the purpose of paying expenditures of the County’s General Fund and other funds, pending the receipt of taxes and other revenues. This note is drawn down as needed, similar to a line of credit. The following funds shared in the borrowing: Events Center, Community Services, and Central Support Services.

Also, the County obtained a \$10 million tax anticipation note for the purpose of paying expenditures of the County’s Road Fund pending the receipt of taxes and grants.

Additionally, several funds issued registered warrants to provide resources in advance of property tax collections and grant receipts. Short-term debt activity for the year ended December 31, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Proceeds</u>	<u>Repayment</u>	<u>Ending Balance</u>
Tax Anticipation Note (line of credit)	\$ 711,365	\$ 4,538,147	\$ 5,118,710	130,802
<i>Registered Warrants</i>				
Community Services Fund	0	3,604	3,604	0
Jail Commissary Fund	0	1,839	1,839	0
Event Center Fund	0	2,485	760	1,725
Central Support Serv. Fund	0	2,044	0	2,044
Total Short-Term Debt	<u>\$ 711,365</u>	<u>\$ 4,548,119</u>	<u>\$ 5,124,913</u>	<u>134,571</u>

## NOTE 14 – FUND BALANCES, GOVERNMENTAL FUNDS

Note 1-E-12 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.

	General Fund	County Roads	Community Services Grants	Mental Health Grants	Other Governmental Funds	Total
Nonspendable:						
Long Term Notes Receivable	818,806	279,053	14,259,515	153,020	-	15,510,394
Prepays	82,013	2,092	6,827	40	368,754	459,726
Total nonspendable	900,819	281,145	14,266,342	153,060	368,754	15,970,120
Restricted For:						
Public safety	-	-	-	-	2,600,980	2,600,980
Judicial	-	-	-	-	113,476	113,476
Physical environment	-	-	-	-	14,181,092	14,181,092
Transportation	-	29,115,591	-	-	2,731,978	31,847,569
Economic environment	-	-	7,519,446	-	6,566,855	14,086,301
Health and human services	-	-	-	-	2,994,979	2,994,979
Mental health programs	-	-	-	6,564,804	-	6,564,804
Parks, recreation, and culture	650,056	-	-	-	17,526,544	18,176,600
Legislative/admin/support services	-	-	-	-	1,856,457	1,856,457
Debt service	-	-	-	-	20,700	20,700
Total restricted	650,056	29,115,591	7,519,446	6,564,804	48,593,061	92,442,959
Committed For:						
Public safety	-	-	-	-	35,361	35,361
Physical environment	-	-	-	-	2,012,752	2,012,752
Economic environment	-	-	-	-	23,680	23,680
Health and human services	-	-	-	-	110,000	110,000
Legislative/admin/support services	-	-	-	-	259,452	259,452
Total committed	-	-	-	-	2,441,245	2,441,245
Assigned to:						
Public safety	1,878,312	-	-	-	1,934,696	3,813,008
Physical environment	-	-	-	-	2,053,199	2,053,199
Economic environment	1,500,000	-	-	-	208,184	1,708,184
Health and human services	-	-	-	-	2,351,706	2,351,706
Mental health programs	-	-	-	1,668,316	874,405	2,542,721
Parks, recreation, and culture	1,000,000	-	-	-	2,420,803	3,420,803
Legislative/admin/support services	-	-	-	-	1,617,818	1,617,818
Compensated absences	2,070,483	409,170	120,170	11,282	364,374	2,975,479
Total assigned	6,448,795	409,170	120,170	1,679,598	11,825,185	20,482,918
Unassigned	24,235,367	-	-	-	(1,215,438)	23,019,929
Total	32,235,037	29,805,906	21,905,958	8,397,462	62,012,807	154,357,170

## NOTE 15 – 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 retirement plans. 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 (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from

the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov). The following disclosures are made pursuant to the GASB Statement 27, *Accounting for Pensions by State and Local Government Employers* and the GASB Statement 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

### **1. Public Employees' Retirement System (PERS) Plans 1, 2, and 3**

#### Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts; employees of legislative committees; community and technical colleges, college and university employees not participating in higher education retirement programs; employees of district and municipal courts; and employees of local governments. Approximately 50 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple employer retirement system comprised of three separate plans for membership purposes: Plan 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to Plan 3. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2012, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment. PERS Plan 1 members are vested after the completion of five years of eligible service.

PERS Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is 2 percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. If a survivor option is chosen, the benefit is reduced. Plan 1 members retiring from inactive status prior to the age of 65 may also receive actuarially reduced benefits. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service while actively serving in the military if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

The survivor of a PERS Plan 1 member who dies after having earned ten years of service credit has the option, upon the member's death, of either a monthly survivor benefit or the lump sum of contributions plus interest

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PERS Plan 2 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 reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 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 3% for each year before age 65.
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. The surviving spouse or eligible child(ren) of a PERS Plan 2 member who dies after having earned ten years of service credit has the option of either a monthly benefit or a lump sum payment of the member's contributions plus interest.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from

5 percent to 15 percent of salaries, based on member choice. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 investments are made in the same portfolio as that of the PERS 2/3 defined benefit plan.

For DRS' fiscal year 2012, PERS Plan 3 employee contributions were \$95.2 million, and plan refunds paid out were \$66.2 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS 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 twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by 3% for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

PERS Plan 3 benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS Plan 2 and Plan 3 members may have up to ten years of interruptive military service credit; five years at no cost and five years that may be purchased by paying the required contributions.

PERS Plan 2 and Plan 3 members who become totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible child(ren), may request interruptive military service credit.

PERS Plan 2 and Plan 3 members can purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of said member's covered employment, if found eligible by the Department of Labor and Industries.

Judicial Benefit Multiplier

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Members who chose to participate would: accrue service credit at the higher multiplier beginning with the date of their election; be subject to the benefit cap of 75 percent of AFC; stop contributing to the Judicial Retirement Account (JRA); pay higher contributions; and be given the option to increase the multiplier on past judicial service. Members who did not choose to participate would: continue to accrue service credit at the regular multiplier; not be subject to a benefit cap; continue to participate in JRA, if applicable; continue to pay contributions at the regular PERS rate; and never be a participant in the JBM Program.

Newly elected or appointed justices and judges who chose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program. Members required into the JBM program would: return to prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

There are 1,184 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

Retirees and Beneficiaries Receiving Benefits	79,363
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	29,925
Active Plan Members Vested	105,578
Active Plan Members Non-vested	46,839
<b>Total</b>	<b>261,705</b>

Funding Policy

Each biennium, the state Pension Funding Council adopts PERS Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and PERS Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected

officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent, based on member choice. Two of the options are graduated rates dependent on the employee's age.

As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program.

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2012, are as follows:

Members Not Participating in JBM:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	7.21%	7.21%	7.21%
Employee	6.00%****	4.64%	*****

- \* The employer rates include the employer administrative expense fee currently set at 0.16%.
- \*\* The employer rate for state elected officials is 10.80% for Plan 1 and 7.25% for Plan 2 and Plan 3.
- \*\*\* Plan 3 defined benefit portion only.
- \*\*\*\* The employee rate for state elected officials is 7.50% for Plan 1 and 3.90% for Plan 2.
- \*\*\*\*\* Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Members Participating in JBM:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer-State Agency*	9.71%	9.71%	9.71%**
Employer-Local Gov't Units*	7.21%	7.21%	7.21%**
++Employee-State Agency	9.76%	9.10%	7.50%***
Employee-Local Gov't Units	12.26%	11.60%	7.50%***

- \* The employer rates include the employer administrative expense fee currently set at 0.16%.
- \*\* Plan 3 defined benefit portion only.
- \*\*\* Minimum rate.

Both the County and the employees made the required contributions. The County's required contributions for the years ended December 31 were as follows:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
2012	\$ 151,515	\$ 5,019,001	\$ 836,125
2011	\$ 154,624	\$ 4,301,005	\$ 678,598
2010	\$ 167,939	\$ 3,665,732	\$ 562,850

## **2. Law Enforcement Officers' & Fire Fighters' Retirement System (LEOFF) Plans 1 and 2**

### Plan Description

LEOFF was established in 1970 by the Legislature. Membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters and, as of July 24, 2005, emergency medical technicians. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception. LEOFF retirement benefit provisions are established in Chapter 41.26 RCW and may be amended only by the State Legislature.

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature.

LEOFF retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through state legislative appropriations. Employee contributions to the LEOFF Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' fiscal year 2012, the rate was five and one-half percent compounded quarterly. Members in LEOFF Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest earnings upon separation from LEOFF-covered employment.

LEOFF Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

<b>Term of Service</b>	<b>Percent of Final Average Salary</b>
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

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 10 years of service. A cost-of-living allowance is granted (based on the Consumer Price Index).

LEOFF Plan 1 provides death and disability benefits. Death benefits for survivors of Plan 1 members on active duty consist of the following: (1) If eligible spouse, 50 percent of the FAS, plus 5 percent of FAS for each eligible surviving child, with a limitation on the combined benefit of 60 percent of the FAS; or (2) If no eligible spouse, eligible children receive 30 percent of FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of FAS, divided equally.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 1 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

The LEOFF Plan 1 disability allowance is 50 percent of the FAS plus 5 percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, the benefit continues as the greater of the member's disability benefit or service retirement benefit.

LEOFF Plan 1 members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's benefit.

LEOFF Plan 2 members are vested after the completion of five years of eligible service.

Plan 2 members are eligible for retirement at the age of 53 with five years of service, or at age 50 with 20 years of service. Plan 2 members receive a benefit of 2 percent of the FAS per year of service (the FAS is based on the highest consecutive 60 months), actuarially reduced to reflect the choice of a survivor option. 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 3 percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. A cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 benefit amount is 2 percent of the FAS for each year of service. Benefits are reduced to reflect the choice of survivor option and for each year that the member's age is less than 53, unless the disability is duty-related. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53.

A disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are catastrophically disabled in the line of duty and incapable of future substantial gainful employment in any capacity. Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax. Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive a retirement benefit of at least 10 percent of FAS and 2 percent per year of service beyond five years. The first 10 percent of the FAS is not subject to federal income tax.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, choose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

LEOFF Plan 2 members who apply for retirement may purchase up to five years of additional service credit. The cost of this credit is the actuarial equivalent of the resulting increase in the member's benefit.

LEOFF Plan 2 members can receive service credit for military service that interrupts employment. Additionally, LEOFF Plan 2 members who become totally incapacitated for continued employment while serving in the uniformed services, or a surviving spouse or eligible child(ren), may request interruptive military service credit.

LEOFF Plan 2 members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a LEOFF Plan 2 member who is killed in the course of employment receive retirement benefits without actuarial reduction, if found eligible by the Director of the Department of Labor and Industries. Benefits to eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of on-going health care insurance premiums paid to the Washington state Health Care Authority.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member’s covered employment, if found eligible by the Department of Labor and Industries.

Legislation passed in 2009 provides to the Washington-state-registered domestic partners of LEOFF Plan 2 members the same treatment as married spouses, to the extent that the treatment is not in conflict with federal laws.

There are 373 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

Retirees and Beneficiaries Receiving Benefits	9,947
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	656
Active Plan Members Vested	13,942
Active Plan Members Non-vested	3,113
<b>Total</b>	<b>27,658</b>

Funding Policy

Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plans. Starting on July 1, 2000, Plan 1 employers and employees contribute zero percent as long as the plan remains fully funded. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board.

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. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute. For DRS’ fiscal year 2012, the state contributed \$52.8 million to LEOFF Plan 2.

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.26 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2012, are as follows:

	LEOFF Plan 1	LEOFF Plan 2
Employer*	0.16%	5.24%**
Employee	0.00%	8.46%
State	N/A	3.38%

\* The employer rates include the employer administrative expense fee currently set at 0.16%.

\*\* The employer rate for ports and universities is 8.62%.

Both the County and the employees made the required contribution. The County's required contributions for the years ended December 31 were as follows:

	LEOFF Plan 1	LEOFF Plan 2
2012	\$ 330	\$ 635,779
2011	\$ 449	\$ 603,225
2010	\$ 444	\$ 598,181

### 3. *Public Safety Employees' Retirement System (PSERS) Plan 2*

#### Plan Description

PSERS was created by the 2004 Legislature and became effective July 1, 2006. PSERS retirement benefit provisions have been established by Chapter 41.37 RCW and may be amended only by the State Legislature.

PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2.

PSERS membership includes:

- Full-time 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
- Full-time employees, hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

A *covered employer* is one that participates in PSERS. Covered employers include the following:

- State of Washington agencies: Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol;
- Washington State counties;
- Washington State cities except for Seattle, Tacoma and Spokane; and
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

To be eligible for PSERS, 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 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the plan accrue interest at a rate specified by the Director of DRS. During DRS' fiscal year 2012, the rate was five and one-half percent compounded quarterly. Members in PSERS Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PSERS-covered employment.

PSERS Plan 2 members are vested after completing five years of eligible service.

PSERS members may retire with a monthly benefit of 2 percent of the average final compensation (AFC) at the age of 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service credit, or at age 53 with 20 years of service. The AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

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 3 percent per year reduction for each year between the age at retirement and age 60 applies.

PSERS Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The monthly benefit is 2 percent of the 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, and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PSERS Plan 2 members can receive service credit for military service that interrupts employment. Additionally, PSERS members who become totally incapacitated for continued employment while serving in the uniformed services, or a surviving spouse or eligible child(ren), may request interruptive military service credit.

PSERS members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a PSERS Plan 2 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction. This provision applies to any member killed in the course of employment, if found eligible by the Director of the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PSERS member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

There are 76 participating employers in PSERS. Membership in PSERS consisted of the following as of the latest actuarial valuation date for the plan of June 30, 2011:

Retirees and Beneficiaries Receiving Benefits	15
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	1
Active Plan Members Vested	167
Active Plan Members Non vested	4,020
<b>Total</b>	<b>4,203</b>

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.37 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2012, are as follows:

	<b>PSERS Plan 2</b>
Employer*	8.87%
Employee	6.36%

\*The employer rate includes an employer administrative expense fee of 0.16%.

Both the County and the employees made the required contributions. The County's required contributions for the year ending December 31 were as follows:

	<b>PSERS Plan 2</b>
2012	\$389,634
2011	\$ 341,527
2010	\$ 294,675

**NOTE 16 – DEFERRED COMPENSATION PLAN**

The County maintains two deferred compensation plans: an Internal Revenue Code (IRC) Section 457 plan for all permanent employees and a 401(a) plan for all Management level 1 employees. Section 457 and 401(a) require 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 has 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 the investing functions for this plan, therefore, this plan is not shown in the County's financial statements.

As of December 31, 2012, the County had 1289 employees participating in the 457 plan, having accumulated deposits with a fair value of \$55,834,020, and 36 participants in the 401(a) plan, having accumulated deposits with a fair value of \$2,204,886. 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.

**NOTE 17 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS**

The County has adopted implementation of GASB Statement No. 45 (GASB 45) Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. Under this statement, the County reports two health benefit retiree programs; one for *Law Enforcement Officers' & Fire Fighters' Retirement* (LEOFF 1) (see note 17.B.) and the second OPEB plan for all other retirees (PERS and LEOFF 2) (see note 17 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. Plan Description – Retired PERS AND LEOFF 2 Employees

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: the 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 19 or up to age 23 if a full-time student. 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.

Annual OPEB Cost and Net OPEB Obligation

The County's annual other post-employment benefit cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance within the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the fiscal year ending December 31, 2012, the amount actually contributed to the plans, and changes in the County's net OPEB obligation:

Annual OPEB Contribution	\$ 247,227
Interest on Net OPEB	25,944
Adjustments to the annual required contribution	<u>(42,836)</u>
Annual OPEB cost (expense)	230,335
Estimated Contributions	<u>(134,661)</u>
Increase in the net OPEB obligation	95,674
Net OPEB obligation, beginning of year	<u>864,802</u>
Net OPEB obligation, end of year	<u>\$ 960,476</u>

The County's annual OPEB cost, the contribution, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligation for 2012 and the two preceding years were as follows:

Fiscal year Ending December 31	Annual OPEB Cost	Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 347,988	\$ (194,912)	56.01%	\$ 748,071
2011	232,615	(115,884)	49.82%	864,802
2012	230,335	(134,661)	58.46%	960,476

### Funding Policy

The County has the authority to establish and amend contribution requirements. The required contribution is based on the projected pay-as-you-go financing requirements. Since the County's healthcare plan is experience rated, the annual required contributions can fluctuate. For the fiscal year ending December 31, 2012, the County's combined plan contributions were \$134,661.

### Funding Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the actuarial accrued liability and the unfunded actuarial accrued liability for benefits was \$2,598,936. The covered payroll (annual payroll of active employees covered by the plan) was \$92,849,468 and the ratio of the UAAL to the covered payroll was 2.8 percent. The actuarial value of assets was zero.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time, relative to the actuarial accrued liabilities for benefits.

### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The December 31, 2011 actuarial valuation for the retiree healthcare plan was based on the entry age normal method. The actuarial assumption for the valuation included an investment return of 3.0%. The healthcare plan actuarial valuation included healthcare cost inflation trend rates of 6.5% to 9.5% (depending on plan option), decreasing over time and stabilizing at a 5% annual increase. The healthcare cost inflation rates are the only assumed inflation rates considered. The unfunded actuarially accrued liability and the gains or losses for the plan are amortized as a level dollar amount over an open 30-year period.

## B. Retired LEOFF I Employees OPEB Plan

### Plan Description

The County provides all health insurance benefits for retired public safety employees who are vested in LEOFF I. All County 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 45.

There are 52 participants eligible to receive these benefits. There are currently two LEOFF I members employed at the County who have not yet retired and two other former LEOFF 1 members who have retired but returned to work at the County in a different capacity. None of these four participants receive 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, whereby the County pays their medical and dental premiums and out-of-pocket medical costs for life.

### Funding Policy

The County has the authority to establish and amend contribution requirements. The required contribution is based on the projected pay-as-you-go financing requirements. Since the County's healthcare plan is experience rated, the annual required contributions can fluctuate. For the fiscal year ending December 31, 2012, the County's combined plan contributions were \$431,126.

### Annual OPEB Cost and Net OPEB Obligation

The County's annual other post-employment benefit cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount determined in accordance within the parameters of GASB 45 using the alternative method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded liabilities (or funding excess) over a period of seventeen years. The interest on net OPEB obligation calculation for 2012 includes additional imputed interest for the years 2008 through 2010. The following table shows the components of the County's annual OPEB cost for the fiscal year ending December 31, 2012, the amount actually contributed to the plans, and changes in the County's net OPEB obligation:

Annual required contribution	\$ 263,438
Interest on net OPEB obligation	(1,417)
Adjustments to the annual required contribution	<u>17,761</u>
Annual OPEB cost (expense)	279,782
Contributions made	<u>(431,126)</u>
Decrease in the net OPEB obligation	(151,344)
Net OPEB obligation, beginning of year	<u>(309,580)</u>
Net OPEB obligation, end of year	\$ <u>(460,924)</u>

The County's annual OPEB cost, the contribution, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligation for 2012 and the two preceding years were as follows:

<u>Fiscal year Ending December 31</u>	<u>Annual OPEB Cost</u>	<u>Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2010	\$310,480	(\$352,595)	114%	(\$239,026)
2011	\$320,529	(\$391,083)	122%	(\$309,580)
2012	\$279,782	(\$431,126)	154%	(\$460,924)

### Funding Status and Funding Progress

As of December 31, 2012, the most recent valuation date, the actuarial accrued liability for benefits was \$4,478,444, all of which was unfunded. The actuarial value of assets was zero. The covered payroll (annual payroll of active employees covered by the plan) was \$293,048, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 1,528.2 percent.

Valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

### Methods and Assumptions

Due to the size of the plan (less than 100 participants) the County elected to use the alternative method for valuation. Projections of benefits for financial reporting purposes are based on the

substantive plan (the plan understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The methods and assumptions used are designed to reduce the effects of short-term volatility in accrued liabilities and the value of assets, consistent with the long-term perspective of the calculations.

The December 31, 2012 valuation for LEOFF I retiree healthcare plan was based on the entry age normal method. The assumption for the valuation included an investment return of 3.0%. The healthcare plan actuarial valuation included healthcare cost inflation trend rates of 6.0% in 2012 and 2013 and decreasing to 5.0% in 2014 and for the remainder of the plan. The healthcare cost inflation rates are the only assumed inflation rates considered. Unfunded accrued liability and the gains or losses for the plan are amortized as a level dollar amount over a period of 17 years on a closed basis.

#### **NOTE 18 – TRANSPORTATION IMPACT FEES**

In 1990, Clark County adopted an impact fee ordinance to ensure that adequate facilities are available to serve new growth and development. An impact fee is levied on developers as a condition of issuance of a building permit or development approval. In addition, the developer may be entitled to a non-refundable credit against the applicable impact fee component for the fair value of appropriate dedications of land, improvements, or construction of system improvements provided by the developer. In the event that the amount of the credit is calculated to be greater than the amount of the impact fee due, the developer may apply the excess credit toward impact fees imposed on other developments within the same service area. In 2012, there were \$2,346,183 in impact fee credits granted. The amount of credits applied toward impact fees in 2012 was \$531,371. In addition, there was an adjustment of \$16,355 which decreased impact fee credits due. The amount of credits that may be applied against future impact fees is \$6,085,026 at December 31, 2012. The County does not report impact fee credits as liabilities in the fund financial statements because they are viewed as reductions of future revenues, which are not yet earned. Impact fees are not due until a certificate of occupancy is issued.

#### **NOTE 19 – RISK MANAGEMENT**

Clark County is exposed to various risks of loss related to torts; thefts, damage, and/or destruction of assets; errors and omissions; and natural disaster, for which the County either carries commercial insurance, is self-insured or belongs to a risk pool.

##### **A. Risk Pool**

Clark County is one of twenty-seven members of the Washington Counties Risk Pool (“Pool”). The Pool was formed August 18, 1988 when several Washington counties approved an Interlocal (Cooperative) Agreement under Chapter 39.34 RCW to provide its member counties with “joint” programs and services including self-insurance, purchasing of insurance, and contracting for or hiring of personnel to provide administrative services, claims handling and risk management. Washington’s pools operate under Washington’s “pooling” laws, more specifically Chapters 48.62 RCW and 200.100 WAC. They are overseen by the State Risk Manager and subject to fiscal audits performed annually by the State Auditor.

The Pool’s mission is: To provide comprehensive and economical risk coverage; to reduce the frequency and severity of losses; and to decrease costs incurred in the managing and litigation of claims.

The enabling Interlocal Agreement was amended once (in 2000) to add a Membership Compact, a commitment to strengthen the Pool by helping its member counties implement and/or enhance local

risk management efforts to reduce losses and support the best management of the Pool and its resources. The intent of the Compact was to obligate member counties to support these goals through three major elements; membership involvement, risk control practices, and a targeted risk management program.

New members pay the Pool modest admittance fees to cover that members' share of organizational expenses and costs to analyze its loss data and risk profile. Members contract initially to remain in the Pool for at least five years. Counties may terminate their memberships at the conclusion of any Pool fiscal year following the initial term if the county timely files its required advance written notice. Otherwise, the Interlocal Agreement is renewed automatically for another year. Even after termination, a former member remains responsible for reassessments from the Pool for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

The Pool is governed by a board of directors consisting of one director (and at least one alternate director) appointed by each member county. The Pool's board of directors, made up of both elected and appointed county officials, meets three times each year, with the summer meeting being the Pool's Annual Meeting. The board of directors is responsible for determining the 3<sup>rd</sup>-party liability coverage to be offered (approving the insuring document or coverage form), the reinsurance program(s) to acquire and the excess insurance(s) to be jointly purchased or offered for optional purchase by the member counties, for approval of the Pool's annual operating budget(s) and work program(s), and for approval of the member deposit assessment formulas applicable to the ensuing policy year.

Regular oversight of the Pool's operations is furnished by an 11-person executive committee. The committee persons are elected by the Pool's board of directors from its membership to staggered 3-year terms during each annual meeting. The committee meets several times throughout the year to approve all Pool disbursements and examine the Pool's financial health; to approve case settlements exceeding the members' deductibles by at least \$50,000; to review all claims with incurred loss estimates exceeding \$100,000; to evaluate the Executive Director and the Pool's operations and program deliverables; and to participate in the board's standing committees (finance, personnel, risk management, and underwriting) for development or review/revision of the organization's policies and coverage documents.

The following constitute the most significant highlights from the Pool's most recently completed Policy (Fiscal) Year (October 2011 through September 2012):

- Net Operating Income realized was \$1.8 million, a 132% year-over-year increase and nearly triple the annual average from the past ten years, 2002-11.
- Total Assets grew \$1.0 million (2%) to \$42.1 million. Current assets increased \$1.2 million (3%) while non-current assets decreased \$0.2 million (16%).
- Total Claims Reserves for the Pool's direct reserving exposures decreased 2% to \$14.7 million. This total includes: \$4.3 million for losses in the coverage layer retained by the Pool, down 23%; \$9.4 million for the aggregated stop losses in the retained layers associated with the "corridor" program for automobile and general liabilities, up 10%; and \$1.0 million for unallocated loss adjustment expenses, up 17% from one year ago. *NOTE: The corridor program referenced is now six years old yet still not fully matured. Further, its occurrence coverage maximum was increased to \$1.0 million beginning with Py2010, up from the \$0.5 million level that existed during the program's first three years, while the program's occurrence minimum remains the greater of the applicable member's deductible or \$100,000.*
- Net Position (formerly referred to as *Net Assets* and also known as *Members' Equity*) increased \$1.8 million to nearly \$12.9 million as of September 30, 2012. Of that total, \$4.8 million is classified as *Restricted Net Position* — \$0.8 million to satisfy the State's solvency

provisions (WAC 200.100.03001) plus \$4.0 million for the Pool's Underwriting Policy requirements – and another \$1.0 million is held as *Capital Assets* (net of debt). The remaining \$7.1 million held as *Non-Restricted Net Position*, up from \$4.4 million one year before, is available for use as directed by the Pool's Board of Directors.

The Pool has provided its member counties occurrence-based, jointly self-insured and/or jointly purchased liability coverage for 3<sup>rd</sup>-party bodily injury, personal injury, property damage, errors and omissions, and advertising injury, including public officials' errors and omissions, since October 1, 1988. Total coverage limits have grown over time, from the \$1 million limit during the Pool's initial two months to \$5 million, then to \$10 million and onto \$15 million before reaching the \$20 million limit the past eight years. (Note: Additional limits of \$5 million were offered the past several years for acquisition as a member-by-member option.)

Except for the Pool's self insured retention (the greater of the member's deductible or \$100,000), the initial coverage of at least \$10 million has been fully reinsured since October 1994 by superior-rated commercial carriers. Members annually select a deductible amount of \$10,000, \$25,000, \$50,000, \$100,000, \$250,000 or \$500,000 for each occurrence. The remaining insurance (up to \$15 million) is acquired as "following form" excess insurance, also from superior-rated commercial carriers. There are no aggregate limits to the payments made for any one member county or all member counties combined.

The Pool's claims database increased during Py2012 with the addition of 634 new claims (and lawsuits) raising the 3<sup>rd</sup>-party liability claims to-date total submitted by member counties to 18,616. Estimates of total incurred losses (payments made plus reserved estimates for *open* claims) increased \$5.4 million during the year to \$242.8 million. The Py2012 amount represents just 34% of the corresponding \$16.0M increase in Py2011, 30% of the \$17.8M in Py2010, and only 26% of the \$20.8M annual average during Py2007 – Py2009.

Since the Pool began offering the jointly-purchased, fully-insured property insurance coverage to its membership in October 2005 as an individual county option, participation has grown by more than 50% and the total value of covered properties has nearly doubled. Twenty six member counties with covered properties totaling \$2.67 billion participated in this program during Py2012.

Coverage is for structures, vehicles, mobile equipment, EDP equipment, etc., and composite limits include \$500 million for normal (All Other Perils) exposures and \$200 million for catastrophe (Flood / Earthquake) exposures. Occurrence deductibles, which the participating counties annually select from and which they are solely responsible for, range between \$5,000 and \$50,000 for the AOP coverage.

Superior-rated commercial insurers are responsible for covered losses exceeding the participant deductibles to the maximum limits of the policy. There were 7 property claims submitted for processing during Py2012 with incurred losses-to-date totaling nearly \$0.35 million. During the WCPP's first seven years as a WCRP optional insuring program, there have been 85 property claims filed with incurred losses-to-date totaling nearly \$9.75 million. With to-date premiums for this coverage totaling \$16.5 million, the resulting to-date loss ratio is 0.667.

Additionally, several member counties also use the Pool's producer (broker) for other insurance placements. Public officials bonds, crime (& fidelity), special events/concessionaires, Underground Storage Tanks and other environmental hazards insurance coverage are examples.

The Pool is a cooperative program with joint liability amongst its participating members. Contingent liabilities occur when assets are not sufficient to cover liabilities. Deficits resulting from any of the Pool's fiscal years are financed by proportional reassessments (aka retroactive assessments)

amongst the deficient year's membership. The Pool's reassessments receivable balance at December 31, 2012 was ZERO (\$0) as no contingent liabilities were known to exist at that time.

General Liability Insurance

The claims and judgment liability of the fund is reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Non-incremental claims adjustment expenses have not been included in the calculation for claims and judgments. The following schedule reconciles the current year and the prior year claim liability:

	<u>2012</u>	<u>2011</u>
Beginning claims liability	\$ 4,082,000	\$ 5,118,811
Claims incurred during the year and changes in estimates for claims of prior periods (including IBNRs)	636,143	434,534
Payments made on claims	(968,895)	(1,471,345)
Ending claims liability	<u>\$ 3,749,248</u>	<u>\$ 4,082,000</u>

As of December 31, 2012, the County had current assets in the General Liability Insurance Fund of \$3.9 million.

C. Other Self-Insurance Funds

The County is self-insured for unemployment insurance claims and for workers' compensation claims which are administered by a 3<sup>rd</sup> party, except as noted below. Current assets set aside at December 31, 2012 for these claims are \$1.5 million and \$691,000 respectively. There were no significant claims outstanding against these assets at December 31, 2012 for unemployment. The County maintains a \$1 million commercial policy for excess worker's compensation claims, with a \$750,000 deductible. There were no settlements that exceeded the insurance coverage in 2010, 2011 or 2012.

The workers' compensation liability is summarized below. In 2012, the County started recording a liability for worker's compensation which resulted in a prior period adjustment. For details of the prior period adjustment, see Note 25. The claims and judgment liability of the fund is reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Non-incremental claims adjustment expenses have not been included in the calculation for claims and judgments. The following schedule reconciles the current year and the prior year claim liability:

	<u>2012</u>	<u>2011</u>
Beginning claims liability	\$ 3,635,000	\$ 3,374,000
Claims incurred during the year and changes in estimates for claims of prior periods (including IBNRs)	1,923,316	1,823,763
Payments made on claims	(1,493,316)	(1,562,763)
Ending claims liability	<u>\$ 4,065,000</u>	<u>\$ 3,635,000</u>

**NOTE 20 – RESTRICTED NET POSITION**

Clark County's government-wide statement of net position reports a restricted net position of \$106.6 million, of which \$30.8 million is restricted by enabling legislation; \$48.9 million by various federal and state laws; \$22.0 million by grantors; and \$4.9 million by bond covenants and debt service.

## **NOTE 21 - 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.

In June, 2013, a federal judge ruled that Clark County had violated the federal Clean Water Act by not complying with the terms of its municipal stormwater discharge permit. The County will be liable for damages, which have yet to be determined. The County does believe that the loss associated with this event can be reasonably estimated at this time and it has not been accrued.

The County has been named as a defendant in various 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.

## **NOTE 22- JOINT VENTURE**

The County has entered into one joint venture with the City of Vancouver and other local governments in the establishment and operation of the Clark Regional Emergency Services Agency (CRESA). CRESA was created by agreement under the Inter-local Cooperation Act (RCW 39.34). The purpose of CRESA is to equip and operate a consolidated public safety communications service. CRESA is a separate reporting entity and each participant's share of authority is defined by the terms of the enabling charter of the venture. Clark County has a 45% interest in the equity and operations of CRESA. Control of this joint venture is shared equitably by the controlling organizations. This entity is reported as a governmental fund joint venture. As such, the County's share of ownership is reported in the governmental activities column of the Statement of Net Position, as equity interest in a joint venture. This equity interest is accounted for using the equity method that reflects the County's investment in operations and net worth on the basis of contribution and participation. The equity interest primarily represents interest in capital assets and is reported in the Governmental Fund column of the Statement of Net Position. The County's share of the 2012 net income was \$1,421,555 and our equity interest was \$3,693,303 at the end of 2012. Separate financial statements for the joint venture can be obtained from CRESA, 710 W. 13<sup>th</sup> Street, Vancouver, Washington 98660.

Clark County is involved in a related party transaction with CRESA. Clark County collects telephone access fees (911 taxes) that were used to pay for a county bond issue that financed CRESA's building and radio equipment. On December 31, 2009, the building bond was paid off. The equipment bond will be retired in 2016. The 911 tax was used in 2010 for payment of the radio equipment bond, CAD operating costs and transfers to the County's CAD System Replacement capital project fund for future equipment replacement. Effective January 1, 2011, the 911 tax can only be used to offset qualifying 911 expenses, leaving the funding for the future radio replacement the responsibility of CRESA stakeholders. Until the debt is retired, the equipment will remain under the ownership of Clark County.

The CAD Replacement capital project fund of Clark County is administered by CRESA. This fund, under CRESA's direction, purchases equipment for CRESA. When purchased, this equipment will be donated to the CRESA.

## **NOTE 23 - POLLUTION REMEDIATION**

### Leichner Landfill

In December, 2012, the County acquired the 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 the 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 2012 indicates that the remediation project is fully funded through 2021, the end of the 30 year post-closure monitoring period. This budget is the basis for the estimates for the year ending December 31, 2012. The remaining estimated liability is approximately \$6M. 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 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 within Clark County that was formerly used by the US Army as a military reservation and training camp. From February 2003 to October 2006, the Army conducted investigations and cleanup actions at Camp Bonneville under an Enforcement Order issued by the Washington State Department of Ecology (Ecology). In 2006, the County entered into an Environmental Services Cooperative Agreement (ESCA) with the Army for the funding and cleanup of Camp Bonneville with the understanding that once the remediation was complete, the property would be owned and operated by the County. The ESCA provided that all funding would be provided by the Army and initially included approximately \$28 million for munitions cleanup and related insurance for the Camp Bonneville site. Under the 2006 agreement, ownership of Camp Bonneville was temporarily transferred to a nonprofit corporation to manage cleanup of the site.

In 2011 the contract with the nonprofit for the cleanup of Camp Bonneville was terminated and the ownership of Camp Bonneville was transferred to the County. The County is actively seeking contractors to complete site remediation. Ecology continues to be involved in the oversight of the cleanup work. An agreement with Ecology stipulates that the County is only responsible for remediation of the site to the extent that the Army provides the funds for such work. Therefore, the Army is financially responsible for the cleanup of this property and there is no known liability for the County.

## NOTE 24 - PRIOR PERIOD ADJUSTMENTS

### Government wide Statement of Activities – Prior Period Adjustments

There was a prior period adjustment for deferred revenues of \$14,559,989 reported in the governmental fund statement (see the Community Services Grant adjustment mentioned in the following sub-section) that was reversed in the government-wide statements. Government-wide statements report revenue received in the current year, and these amounts which were deferred in the fund statements over several years were reversed from the government wide statements in the original years of deferral. Since deferred amounts are reversed in Government-wide statements, the offsetting adjustments from the fund statements are also reversed.

### Major Fund Statement Prior Period Adjustments

The **County Road** major special revenue fund reports a prior year adjustment decrease of (\$108,354). This prior year decrease resulted from a 2011 overbilled amount to the Equipment Rental & Revolving internal service fund.

The **Community Services Grant** major special revenue fund reports a prior year adjustment increase of \$14,559,989 as a result of writing off deferred revenue related to community housing loan revenue that will eventually be loaned out to eligible recipients as future loans.

### Non-Major Internal Service Fund Statement Prior Period Adjustments

The **Equipment Rental & Revolving** internal service fund reports a prior year increase of \$108,354 due to an overbilling by the Road Fund in 2011.

The **Workers' Compensation Insurance** internal service fund reports a prior year decrease of (\$3,635,000) due to recognizing a continuing Claims and Judgment liability that is based on actuarial costs (See Note 19).

## NOTE 25- OTHER DISCLOSURES

### Accounting and Reporting Changes

The County implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This renamed the "Statement of Net Assets" to the "Statement of Net Position". Likewise, the "Statement of Revenues, Expenses and Changes in Net Assets" was re-titled to the "Statement of Revenues, Expenses and Changes in Net Position". All references to *net assets* were changed to *net position*.

#### A. Other Disclosures

##### 1. *Joint Regional Support Network*

In 2012, a Joint Regional Support Network was formed by Clark, Cowlitz and Skamania Counties, in accordance with Revised Code of Washington (RCW) title 71.24, which authorizes a group of counties to enter a joint operating agreement to form a regional support network for the establishment of regional systems of care. This joint entity is known as the Southwest Washington Behavioral Health Regional Support Network (SWBH). The specific purpose of SWBH is to supply mental health services to the citizens within the three counties. The governing board consists of three members, with the three counties governing boards appointing one member each.

Clark County transferred title to all personal property previously purchased with State Regional Support Network (RSN) funds to SWBH and agreed to transfer all of its State RSN contracts to SWBH. Clark County also agreed to transfer current balances of its RSN Risk and Inpatient Reserves to SWBH, along with all of their Federal operating reserves (monies received from State and Federal Grants). The amount of reserves transferred to SWBH in 2012 was \$11.9 million. An additional \$2 million will be transferred to SWBH for these reserves in 2013.

Many of the services previously provided to Clark County citizens by the Mental Health Grants major fund are now provided by SWBH. Clark County will retain local funding and will continue to provide some behavioral and mental health services. The exact impact at this time is unknown, but the 2013-2014 expenditure budget is \$15.6 million, compared to \$85.4 million (excludes \$18 million budgeted for the reserve transfer to SWBH) in the 2011-2012 expenditure budget.

## 2. *Discover Clean Water Alliance*

On October 3, 2012, the County entered into an interlocal agreement with Clark Regional Waste Water District (CRWWD), the City of Battle Ground and the City of Ridgefield to form the Discover Clean Water Alliance (Alliance) for the purpose of providing cooperative municipal utility services in Clark County. Alliance operations are expected to begin on January 1, 2015. CRWWD will initially be responsible for administering and managing the Alliance.

The County does not provide services to retail sewer or waste water customers and as such, does not anticipate any actual use of the regional services that will be provided by the Alliance. Because of this, the County will not be responsible for either operating costs or capital costs of the Alliance. However, the County will be transferring capital assets to the Alliance, including the Salmon Creek Treatment Plant, pump stations, transmission lines and associated land parcels. (Through previous interlocal agreements, CRWWD has paid charges for services which included covering 100% of debt service costs for debt that financed the last two upgrades of the treatment plant and major pump stations.)

The County will continue to be the operator of the Salmon Creek Treatment Plant and the Battle Ground force main system, for a minimum of five years. As operator, the County will receive payments from the Alliance related to operations and capital costs of the treatment plant sewer system.

## **NOTE 26 – SPECIAL ITEMS**

### A. Remediation Expense – Landfill

In December, 2012, the County acquired the property formerly known as the Leichner Landfill. The County accrued a liability of \$5,989,049 in the government wide *Statement of Net Position* for pollution remediation over the expected life of the monitoring period. The offset to the liability was reported as a special item in the *Statement of Activities*. There is additional information on the property acquisition in Note # 23 of these *Notes to the Financial Statements*.

B. Grant Reserves Transferred to the Joint Regional Support Network

In 2012, the Mental Health Grants major special revenue fund transferred \$11,876,000 to a newly formed Joint Regional Support Network. This expenditure is shown as a special item in the *Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds* and in the government wide *Statement of Net Position*. Information regarding the Joint Regional Support Network can be found in Note # 25.B.1 of these *Notes to the Financial Statements*.

**NOTE 27 – SUBSEQUENT EVENTS**

A. Capital Road Infrastructure Assets

In 2012 the County did not complete a three year assessment cycle for county roads, which is required under Government Accounting Standards Board Statement No. 34 (GASB #34) in order to continue using the modified approach of accounting for infrastructure. Since the County failed to meet the requirements of GASB #34 for roads, all road infrastructure will be depreciated, beginning January 2013. See Note 1-E-7 in these notes and the *CAPITAL ASSET, INFRASTRUCTURE, AND DEBT ADMINISTRATION: Infrastructure* section in the Management's Discussion and Analysis for more information on the County's use of modified approach for its infrastructure assets.

B. Governmental Accounting Standards Board (GASB) Statement No. 65

In 2013 the County will implement GASB # 65, "Items Previously Reported as Assets and Liabilities." This pronouncement changes the accounting treatment of debt issuance costs/deferred charges. It states that "Debt issuance costs, except any portion related to prepaid insurance costs, should be recognized as an expense in the period incurred". Previous to this, these costs were amortized over the life of the debt. The County has \$786,981 in deferred debt issuance charges recorded in its Government-wide Statement of Net Position under Governmental Activities. It is the intention of the County, during the implementation of GASB 65 in the 2013 financial statements, to record this amount as a change in accounting principal in order to be in compliance with the new pronouncement.

**Required Supplementary Information**  
**Other Post Employment Benefit Schedule of Funding Progress**  
**Year Ended December 31, 2012**

**Clark County Retired Employees (PERS and LEOFF II) Healthcare Plan**

Actuarial Valuation Date (Note 1)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded Actuarial Accrued Liabilities (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b- a)/c)
12/31/2007	\$ 0	\$ 2,291,726	\$ 2,291,726	0.00%	\$ 98,447,695	2.3%
12/31/2009	\$ 0	\$ 3,418,854	\$ 3,418,854	0.00%	\$ 98,748,078	3.5%
12/31/2011	\$ 0	\$ 2,598,936	\$ 2,598,936	0.00%	\$ 92,849,468	2.8%

**Clark County LEOFF 1 Retiree Healthcare Plan**

Actuarial Valuation Date (Note 2)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded Actuarial Accrued Liabilities (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b- a)/c)
12/31/2010	\$ 0	\$ 5,899,126	\$ 5,899,126	0.00%	\$ 284,728	2071.8%
12/31/2011	\$ 0	\$ 5,659,576	\$ 5,659,576	0.00%	\$ 288,474	1961.9%
12/31/2012	\$ 0	\$ 4,478,444	\$ 4,478,444	0.00%	\$ 293,048	1528.2%

Note 1 = Actuary valuation conducted every two years.

Note 2 = Alternative method used for valuation.

## 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

	<i>Percentage of Infrastructure Assessed At or Above Established Assessment Levels (1)</i>		
	<u>2010</u>	<u>2011</u>	<u>2012</u>
Bridges	97.4%	97.3%	97.4%
Roads Subsystem**	<u>2005</u> 84.4%	<u>2006</u> 88.6%	<u>2009</u> 76.9%
Stormwater Subsystem ***	<u>2008</u> 86.8%	<u>2011</u> 96.3%	<u>2012</u> 96.9%

	<i>Percentage of Infrastructure Assessed at Poor Condition (1)</i>		
	<u>2010</u>	<u>2011</u>	<u>2012</u>
Bridges	1.3%	1.3%	0.0%
Roads Subsystem (2)	<u>2005</u> 0.4%	<u>2006</u> 0.3%	<u>2009</u> 3.5%
Stormwater Subsystem (3)	<u>2008</u> 13.0%	<u>2011</u> 3.7%	<u>2012</u> 3.1%

- (1) Although the County has only recorded infrastructure constructed after 1980 as capital assets, all county roads, stormwater facilities, and bridges are assessed, regardless of when they were constructed.
- (2) In 2012 the County failed to complete a three year assessment cycle of assessing road infrastructure. In accordance with GASB #34, the County will discontinue reporting capital road assets under the modified approach, beginning 2013.
- (3) Stormwater ratings changes are partly attributable to a change in the way stormwater systems are now rated. In the past they were rated using a full number scale from 1 to 100. In 2011 the rating system changed to rating all facilities with either a 50 (Poor), 75 (Fair), or 100 (Good).

#### Comparison of Needed-to-Actual Maintenance/Preservation

	<u>2008</u>	<u>2009 (1)</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Roads Subsystem</b>					
Budgeted (needed)	\$17,767,056	\$15,797,839	\$15,797,839	\$25,061,895	\$16,019,129
Actual	\$16,626,384	\$14,332,733	\$13,857,775	\$17,818,726	\$23,753,005
% Spent (2)	93.6%	90.7%	87.7%	71.1%	148.3%
Amount Unspent	\$1,140,672	\$1,465,106	\$1,940,064	\$7,243,169	(\$931,599)
<b>Stormwater Subsystem (3)</b>					
Budgeted (needed)	\$330,000	\$358,428	\$627,720	\$358,428	\$358,428
Actual	\$325,033	\$245,214	\$574,774	\$307,604	\$438,960
% Spent (2)	98.5%	68.4%	91.6%	85.8%	122.5%
Amount Unspent	\$4,967	\$113,214	\$52,946	\$50,824	\$277,896
<b>Bridges</b>					
Budgeted (needed)	\$364,598	\$163,794	\$163,794	\$277,878	\$279,953
Actual (4)	\$253,812	\$247,536	\$150,840	\$127,503	\$34,685
% Spent (2)	69.6%	151.1%	92.1%	45.9%	12.4%
Amount Unspent / (Overspent)	\$110,786	(\$83,742)	\$12,954	\$150,375	\$395,642

- (1) In 2009 there was a change made to reclassify bridge guardrail and barrier maintenance work from roads maintenance to bridge maintenance. Money from the Roads budget was used in 2009 to cover this reclassified bridge work. Both programs are within the Roads Fund.
- (2) The budget control is maintained within each fund and the County budgets on a biennial basis beginning in the odd year and ending in the even year. Operationally, the budget and the actual amount spent are monitored on a biennial basis. Also, 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.
- (3) Stormwater data re-stated for 2011
- (4) Beginning in 2011, bridge maintenance is done only on an as needed basis.

## Notes to Required Supplementary Information

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 roads subsystem, stormwater subsystem, 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 complete road and stormwater subsystem assessments are 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 the three infrastructure systems being reported using the modified approach and the condition level at which the County intends to preserve those assets.

### Roads Subsystem

#### *Measurement Scale and Basis for Condition Measurement*

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

### Stormwater Subsystem

#### *Measurement Scale and Basis for Condition Measurement*

<u>Rating*</u>	
80-100	Good Condition - serves intended function and scores well in all areas
61-80	Fair Condition - serves intended function, but scores less well and has other issues
0-60	<b>Poor condition</b> - may or may not fulfill its design function, has other serious issues, and requires maintenance or rebuild

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

## **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	<b>Poor condition:</b> Bridge is in poor shape - needs to be replaced soon

***\*The County has established an acceptable condition level of 50 for bridges and intends to preserve the assets at or above this level.***

**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 (once an entity has elected to report using the modified approach), 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 includes a five year comparison.

**Clark County Washington  
General Fund  
Schedule of Revenues - Budget (GAAP Basis) and Actual  
For the Year Ended December 31, 2012**

	Original 2011/2012 Budget	Final 2011/2012 Budget	Biennium to Date	Variance with Final Budget Positive/ (Negative)
General property taxes	\$ 116,432,534	\$ 117,399,218	\$ 117,319,129	\$ (80,089)
Retail sales and use taxes	24,306,963	24,786,757	24,847,893	61,136
Excise and other taxes	1,500,618	1,410,600	1,557,233	146,633
Penalties and interest on delinquent taxes	7,600,000	9,558,493	9,981,761	423,268
Total taxes	<u>149,840,115</u>	<u>153,155,068</u>	<u>153,706,016</u>	<u>550,948</u>
Business licenses and permits	3,763,119	3,572,157	3,561,604	(10,553)
Non-business licenses and permits	1,165,822	1,502,917	1,487,145	(15,772)
Total licenses and permits	<u>4,928,941</u>	<u>5,075,074</u>	<u>5,048,749</u>	<u>(26,325)</u>
Federal grants -- direct	-	360,950	316,705	(44,245)
Federal entitlements	-	-	393	393
Federal grants -- indirect	3,574,115	4,985,418	4,794,038	(191,380)
State grants	5,420,884	7,277,861	6,817,320	(460,541)
State shared revenues	4,855,659	4,983,433	4,983,433	-
State entitlements	6,975,978	7,246,765	7,592,919	346,154
Interlocal grants	185,000	162,800	175,560	12,760
Intergovernmental revenues	23,294,122	21,862,239	21,631,530	(230,709)
ARRA grants	410,444	512,619	595,678	83,059
Total intergovernmental	<u>44,716,202</u>	<u>47,392,085</u>	<u>46,907,576</u>	<u>(484,509)</u>
General government fees	12,961,259	13,516,385	14,678,198	1,161,813
Public safety	5,561,791	5,627,799	5,424,668	(203,131)
Physical environment	-	33,877	37,477	3,600
Transportation	-	7,014	4,466	(2,548)
Economic environment	685,508	796,159	725,843	(70,316)
Health & human services	220,038	287,311	279,852	(7,459)
Culture and recreation	1,189,262	902,232	972,715	70,483
Interfund revenues	20,377,667	21,139,836	20,385,178	(754,658)
Total charges for services	<u>40,995,525</u>	<u>42,310,613</u>	<u>42,508,397</u>	<u>197,784</u>
Fines and forfeitures	6,931,616	7,212,010	7,088,600	(123,410)
Total fines & forfeitures	<u>6,931,616</u>	<u>7,212,010</u>	<u>7,088,600</u>	<u>(123,410)</u>
Interest earnings	1,419,720	1,377,802	1,252,078	(125,724)
Rents and royalties	503,000	491,400	507,036	15,636
Interfund	-	7,175	7,175	-
Donations	452,614	600,047	245,714	(354,333)
Other revenues	4,002,974	870,822	409,985	(460,837)
Total miscellaneous	<u>6,378,308</u>	<u>3,347,246</u>	<u>2,421,988</u>	<u>(925,258)</u>
Total revenues	<u>\$ 253,790,707</u>	<u>\$ 258,492,096</u>	<u>\$ 257,681,326</u>	<u>\$ (810,770)</u>

**Clark County Washington**  
**General Fund**  
**Schedule of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

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	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive(Negative)
<b><u>General government</u></b>				
<b><u>Assessor</u></b>				
Personal Services	\$ 7,681,763	\$ 7,566,763	\$ 7,027,868	\$ 538,895
Supplies	41,690	41,690	66,387	(24,697)
Other Services and Charges	251,100	251,100	212,671	38,429
Interfund Payment for Services	270,034	322,034	241,772	80,262
Total Assessor	<u>8,244,587</u>	<u>8,181,587</u>	<u>7,548,698</u>	<u>632,889</u>
<b><u>Auditor</u></b>				
Personal Services	6,591,764	6,591,764	6,171,474	420,290
Supplies	109,826	109,826	57,523	52,303
Other Services and Charges	252,274	252,274	226,834	25,440
Interfund Payment for Services	129,200	125,200	128,020	(2,820)
Capital outlay	-	-	23,748	(23,748)
Total Auditor	<u>7,083,064</u>	<u>7,079,064</u>	<u>6,607,599</u>	<u>471,465</u>
<b><u>Treasurer</u></b>				
Personal Services	4,051,835	4,249,385	4,198,570	50,815
Supplies	25,050	25,050	41,374	(16,324)
Other Services and Charges	274,366	274,366	245,295	29,071
Interfund Payment for Services	156,960	152,960	93,584	59,376
Total Treasurer	<u>4,508,211</u>	<u>4,701,761</u>	<u>4,578,823</u>	<u>122,938</u>
<b><u>Bank Fees</u></b>				
Other Services and Charges	754,378	754,378	582,164	172,214
Total Bank Fees	<u>754,378</u>	<u>754,378</u>	<u>582,164</u>	<u>172,214</u>
<b><u>Prosecuting Attorney</u></b>				
Personal Services	14,649,265	14,826,944	14,637,227	189,717
Supplies	258,662	258,662	238,441	20,221
Other Services and Charges	657,232	648,567	589,998	58,569
Interfund Payment for Services	228,825	233,825	229,674	4,151
Total Prosecuting Attorney	<u>15,793,984</u>	<u>15,967,998</u>	<u>15,695,340</u>	<u>272,658</u>
<b><u>Child Support Enforcement</u></b>				
Personal Services	3,133,059	3,275,059	3,225,193	49,866
Supplies	11,000	11,000	21,979	(10,979)
Other Services and Charges	329,402	329,402	252,306	77,096
Interfund Payment for Services	237,532	227,971	207,314	20,657
Total Child Support Enforcement	<u>3,710,993</u>	<u>3,843,432</u>	<u>3,706,792</u>	<u>136,640</u>
<b><u>Commissioners</u></b>				
Personal Services	2,183,195	2,218,195	2,213,225	4,970
Supplies	16,000	16,000	13,796	2,204
Other Services and Charges	205,744	205,744	190,461	15,283
Interfund Payment for Services	63,800	63,800	54,011	9,789
Total Commissioners	<u>2,468,739</u>	<u>2,503,739</u>	<u>2,471,493</u>	<u>32,246</u>

**Clark County Washington**  
**General Fund**  
**Schedule of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

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	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive(Negative)
<b><u>Information Services</u></b>				
Personal Services	8,701,337	9,103,546	8,688,201	415,345
Supplies	1,152,506	490,240	424,864	65,376
Other Services and Charges	2,491,716	3,040,123	2,826,619	213,504
Interfund Payment for Services	181,538	153,632	157,208	(3,576)
Capital outlay	-	12,000	120,054	(108,054)
Total Office of Budget	12,527,097	12,799,541	12,216,946	582,595
<b><u>Countywide Services</u></b>				
Supplies	2,000	2,000	2,496	(496)
Other Services and Charges	990,794	1,000,794	817,010	183,784
Interfund Payment for Services	2,000	2,000	2,208	(208)
Total Countywide Services	994,794	1,004,794	821,714	183,080
<b><u>Human Resources</u></b>				
Personal Services	3,154,926	3,159,926	3,134,111	25,815
Supplies	47,500	47,500	34,579	12,921
Other Services and Charges	459,928	459,928	422,597	37,331
Interfund Payment for Services	49,200	49,200	49,558	(358)
Total Human Resources	3,711,554	3,716,554	3,640,845	75,709
<b><u>Risk Management</u></b>				
Personal Services	(44)	-	-	-
Total Loss Control	(44)	-	-	-
<b><u>General Services</u></b>				
Personal Services	3,096,029	3,160,029	3,142,196	17,833
Supplies	190,214	190,214	138,073	52,141
Other Services and Charges	1,078,568	1,626,623	1,635,165	(8,542)
Interfund Payment for Services	64,379	72,379	77,779	(5,400)
Capital outlay	-	43,665	27,265	16,400
Total General Services	4,429,190	5,092,910	5,020,478	72,432
<b><u>Public Information &amp; Outreach</u></b>				
Personal Services	993,750	1,140,460	1,117,182	23,278
Supplies	7,030	15,130	15,367	(237)
Other Services and Charges	32,250	24,202	21,122	3,080
Interfund Payment for Services	22,700	23,900	22,583	1,317
Total Public Information & Outreach	1,055,730	1,203,692	1,176,254	27,438
<b><u>Board of Equalization</u></b>				
Personal Services	289,201	312,451	310,024	2,427
Supplies	2,240	2,240	2,167	73
Other Services and Charges	30,134	30,134	28,669	1,465
Interfund Payment for Services	17,188	17,188	13,800	3,388
Total Board of Equalization	338,763	362,013	354,660	7,353

**Clark County Washington**  
**General Fund**  
**Schedule of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

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	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive(Negative)
<b><u>Parks Operations</u></b>				
Personal Services	291,459	316,742	319,649	(2,907)
Supplies	57,900	57,900	48,521	9,379
Other Services and Charges	157,900	132,900	120,407	12,493
Interfund Payment for Services	62,346	237,446	200,684	36,762
Total Parks Operations	569,605	744,988	689,261	55,727
<b><u>Office of Budget</u></b>				
Personal Services	1,620,076	1,752,134	1,740,797	11,337
Supplies	4,600	8,100	8,418	(318)
Other Services and Charges	34,780	35,080	12,320	22,760
Interfund Payment for Services	21,200	17,400	16,600	800
Total Office of Budget	1,680,656	1,812,714	1,778,135	34,579
<b><u>Miscellaneous</u></b>				
Personal Services	4,830,159	832,595	-	832,595
Interfund Payment for Services	1,419,532	2,053,255	2,053,255	-
Total Miscellaneous	6,249,691	2,885,850	2,053,255	832,595
<b>Total general government</b>	<b>74,120,992</b>	<b>72,655,015</b>	<b>68,942,457</b>	<b>3,712,558</b>
<b><u>Judicial</u></b>				
<b><u>Clerk</u></b>				
Personal Services	5,637,328	5,677,828	5,655,386	22,442
Supplies	127,800	127,800	96,002	31,798
Other Services and Charges	270,482	270,482	238,756	31,726
Interfund Payment for Services	170,400	164,400	164,400	-
Total Clerk	6,206,010	6,240,510	6,154,544	85,966
<b><u>District Court</u></b>				
Personal Services	8,002,957	7,985,298	7,763,298	222,000
Supplies	151,730	170,312	185,360	(15,048)
Other Services and Charges	566,210	922,996	844,246	78,750
Intergovernmental	-	50,000	17,329	32,671
Interfund Payment for Services	149,200	163,288	162,165	1,123
Capital Outlay	-	6,000	-	6,000
Total District Court	8,870,097	9,297,894	8,972,398	325,496
<b><u>Superior Court</u></b>				
Personal Services	5,569,078	5,588,406	5,134,277	454,129
Supplies	209,606	203,746	182,934	20,812
Other Services and Charges	2,179,992	2,253,125	2,180,796	72,329
Interfund Payment for Services	140,400	143,000	123,304	19,696
Total Superior Court	8,099,076	8,188,277	7,621,311	566,966
<b><u>Indigent Defense</u></b>				
Supplies	-	-	7,149	(7,149)
Other Services and Charges	9,576,458	10,193,450	10,186,180	7,270
Total Indigent Defense	9,576,458	10,193,450	10,193,329	121
<b>Total judicial</b>	<b>32,751,641</b>	<b>33,920,131</b>	<b>32,941,582</b>	<b>978,549</b>

**General Fund**  
**Schedule of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

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	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive(Negative)
<b><u>Public safety</u></b>				
<b><u>Juvenile</u></b>				
Personal Services	14,629,202	14,681,794	14,600,656	81,138
Supplies	188,460	188,460	137,210	51,250
Other Services and Charges	1,275,854	1,440,384	1,496,956	(56,572)
Interfund Payment for Services	228,524	237,924	254,667	(16,743)
Total Juvenile	16,322,040	16,548,562	16,489,489	59,073
<b><u>Sheriff - Enforcement</u></b>				
Personal Services	30,538,181	30,498,942	29,909,731	589,211
Supplies	130,258	210,170	358,915	(148,745)
Other Services and Charges	2,066,082	1,111,039	1,098,217	12,822
Intergovernmental	3,145,090	3,169,783	3,333,954	(164,171)
Interfund Payment for Services	2,894,910	3,280,484	3,280,393	91
Capital outlay	-	275,102	130,804	144,298
Total Sheriff-Enforcement	38,774,521	38,545,520	38,112,014	433,506
<b><u>Sheriff - Civil/Support</u></b>				
Personal Services	8,157,658	11,097,550	10,756,710	340,840
Supplies	332,572	379,528	397,151	(17,623)
Other Services and Charges	353,416	1,770,186	1,739,326	30,860
Interfund Payment for Services	204,055	1,021,555	980,232	41,323
Capital outlay	-	30,000	4,328	25,672
Total Sheriff-Civil/Support	9,047,701	14,298,819	13,877,747	421,072
<b><u>Sheriff - Administration</u></b>				
Personal Services	4,491,867	3,801,821	3,747,182	54,639
Supplies	377,530	295,235	173,599	121,636
Other Services and Charges	915,274	540,506	610,107	(69,601)
Interfund Payment for Services	893,200	68,300	77,407	(9,107)
Capital outlay	-	-	5,892	(5,892)
Total Sheriff-Administration	6,677,871	4,705,862	4,614,187	91,675
<b><u>Jail</u></b>				
Personal Services	29,922,141	30,480,934	30,243,444	237,490
Supplies	2,421,982	2,421,982	2,676,247	(254,265)
Other Services and Charges	6,091,272	6,091,272	6,026,824	64,448
Interfund Payment for Services	184,794	184,794	34,526	150,268
Total Jail	38,620,189	39,178,982	38,981,041	197,941
<b><u>Emergency Medical Services</u></b>				
Intergovernmental	333,798	342,012	342,012	-
Total Emergency Medical Services	333,798	342,012	342,012	-
<b><u>Community Corrections</u></b>				
Personal Services	11,225,555	11,339,044	10,931,336	407,708
Supplies	217,720	231,137	235,309	(4,172)
Other Services and Charges	468,272	577,545	442,300	135,245
Intergovernmental	-	4,642	1,686	2,956
Interfund Payment for Services	529,456	547,483	515,292	32,191
Capital outlay	-	-	22,907	(22,907)
Total Community Corrections	12,441,003	12,699,851	12,148,830	551,021

**Clark County Washington**  
**General Fund**  
**Schedule of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

Page 5 of 7

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive(Negative)
<b><u>Code Enforcement</u></b>				
Personal Services	787,710	846,474	823,365	23,109
Supplies	3,050	3,050	7,146	(4,096)
Other Services and Charges	8,170	18,170	20,579	(2,409)
Interfund Payment for Services	256,674	272,792	265,048	7,744
<b>Total Code Enforcement</b>	<b>1,055,604</b>	<b>1,140,486</b>	<b>1,116,138</b>	<b>24,348</b>
<b><u>Fire Marshal</u></b>				
Personal Services	1,612,322	1,645,754	1,502,060	143,694
Supplies	24,660	24,660	37,608	(12,948)
Other Services and Charges	147,412	167,980	53,373	114,607
Interfund Payment for Services	505,840	499,368	465,759	33,609
<b>Total Fire Marshal</b>	<b>2,290,234</b>	<b>2,337,762</b>	<b>2,058,800</b>	<b>278,962</b>
<b>Total public safety</b>	<b>125,562,961</b>	<b>129,797,856</b>	<b>127,740,258</b>	<b>2,057,598</b>
<b><u>Physical Environment</u></b>				
<b><u>Environmental Service</u></b>				
Personal Services	3,914,902	3,759,944	3,808,802	(48,858)
Supplies	70,926	427,834	577,309	(149,475)
Other Services and Charges	758,102	1,078,912	1,572,146	(493,234)
Intergovernmental	57,000	57,000	27,727	29,273
Interfund Payment for Services	729,730	705,838	1,048,729	(342,891)
Capital outlay	1,509,666	1,483,940	89,331	1,394,609
<b>Total Environmental Service</b>	<b>7,040,326</b>	<b>7,513,468</b>	<b>7,124,044</b>	<b>389,424</b>
<b><u>Animal Control</u></b>				
Personal Services	887,184	906,184	900,220	5,964
Supplies	6,700	6,700	29,585	(22,885)
Other Services and Charges	487,480	647,480	585,563	61,917
Interfund Payment for Services	301,019	321,019	310,227	10,792
<b>Total Animal Control</b>	<b>1,682,383</b>	<b>1,881,383</b>	<b>1,825,595</b>	<b>55,788</b>
<b>Total physical environment</b>	<b>8,722,709</b>	<b>9,394,851</b>	<b>8,949,639</b>	<b>445,212</b>
<b><u>Transportation</u></b>				
<b><u>Long Range Planning</u></b>				
Personal Services	724,078	753,686	650,391	103,295
Supplies	19,130	19,130	13,220	5,910
Other Services and Charges	667,780	667,780	28,167	639,613
Interfund Payment for Services	303,936	171,336	49,642	121,694
<b>Total Long Range Planning</b>	<b>1,714,924</b>	<b>1,611,932</b>	<b>741,420</b>	<b>870,512</b>
<b><u>Lewis &amp; Clark Railroad</u></b>				
Supplies	-	-	10,866	(10,866)
Other Services and Charges	154,422	210,214	179,853	30,361
Interfund Payment for Services	5,000	10,000	9,699	301
Capital outlay	750,000	2,087,590	1,558,090	529,500
<b>Total Lewis &amp; Clark Railroad</b>	<b>909,422</b>	<b>2,307,804</b>	<b>1,758,508</b>	<b>549,296</b>
<b>Total transportation</b>	<b>2,624,346</b>	<b>3,919,736</b>	<b>2,499,928</b>	<b>1,419,808</b>

**Clark County Washington**  
**General Fund**  
**Schedule of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

Page 6 of 7

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive(Negative)
<b><u>Economic Environment</u></b>				
<b><u>Long Range Planning</u></b>				
Personal Services	1,411,286	1,381,678	1,419,210	(37,532)
Supplies	6,940	6,940	6,947	(7)
Other Services and Charges	573,150	582,994	166,425	416,569
Interfund Payment for Services	85,936	222,536	105,382	117,154
Total Long Range Planning	<u>2,077,312</u>	<u>2,194,148</u>	<u>1,697,964</u>	<u>496,184</u>
<b><u>Cable Television</u></b>				
Intergovernmental	911,410	911,410	911,410	-
Total Cable Television	<u>911,410</u>	<u>911,410</u>	<u>911,410</u>	<u>-</u>
<b><u>Community Support</u></b>				
Intergovernmental	580,632	580,632	489,378	91,254
Interfund Payment for Services	-	-	6,000	(6,000)
Total Community Development	<u>580,632</u>	<u>580,632</u>	<u>495,378</u>	<u>85,254</u>
<b>Total economic environment</b>	<b><u>3,569,354</u></b>	<b><u>3,686,190</u></b>	<b><u>3,104,752</u></b>	<b><u>581,438</u></b>
<b><u>Health and Human Services</u></b>				
<b><u>Medical Examiner</u></b>				
Personal Services	1,560,520	1,615,225	1,614,684	541
Supplies	42,900	48,195	48,975	(780)
Other Services and Charges	129,460	229,460	203,024	26,436
Interfund Payment for Services	49,593	44,993	48,758	(3,765)
Capital outlay	-	42,211	42,923	(712)
Total Medical Examiner	<u>1,782,473</u>	<u>1,980,084</u>	<u>1,958,364</u>	<u>21,720</u>
<b>Total health and human services</b>	<b><u>1,782,473</u></b>	<b><u>1,980,084</u></b>	<b><u>1,958,364</u></b>	<b><u>21,720</u></b>
<b><u>Culture and Recreation</u></b>				
<b><u>Cooperative Extension Service</u></b>				
Personal Services	195,466	195,466	190,385	5,081
Supplies	71,768	68,071	59,978	8,093
Other Services and Charges	740,158	696,953	595,338	101,615
Interfund Payment for Services	58,970	62,200	58,882	3,318
Total Cooperative Extension Service	<u>1,066,362</u>	<u>1,022,690</u>	<u>904,583</u>	<u>118,107</u>
<b><u>Parks</u></b>				
Intergovernmental	2,060,722	1,760,722	1,679,312	81,410
Total Parks	<u>2,060,722</u>	<u>1,760,722</u>	<u>1,679,312</u>	<u>81,410</u>
<b><u>Parks Operations</u></b>				
Personal Services	1,339,031	1,197,748	1,100,440	97,308
Supplies	273,501	39,400	39,493	(93)
Other Services and Charges	320,199	193,300	216,068	(22,768)
Interfund Payment for Services	258,963	578,763	484,446	94,317
Total Parks Operations	<u>2,191,694</u>	<u>2,009,211</u>	<u>1,840,447</u>	<u>168,764</u>

**Clark County Washington**  
**General Fund**  
**Schedule of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

Page 7 of 7

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive(Negative)
<b><u>Parks Volunteer</u></b>				
Personal Services	-	2,700	22	2,678
Supplies	-	5,500	-	5,500
Other Services and Charges	-	400	-	400
Interfund Payment for Services	-	500	1,435	(935)
Total Parks Operations	-	9,100	1,457	7,643
<b>Total culture and recreation</b>	<b>5,318,778</b>	<b>4,801,723</b>	<b>4,425,799</b>	<b>375,924</b>
Debt service -principal	26,792	-	-	-
Debt service - interest	-	-	11,814	(11,814)
<b>Total expenditures:</b>	<b>\$ 254,480,046</b>	<b>\$ 260,155,586</b>	<b>\$ 250,574,593</b>	<b>\$ 9,580,993</b>

**Clark County Washington  
Permanent Reserve Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium	Variance with Final Budget
<b><u>Revenues</u></b>				
Interest earnings	\$ -	\$ -	\$ 138	\$ 138
Interest On Interfund Loan	-	-	1,883	1,883
Total miscellaneous	-	-	2,021	2,021
Total revenues	-	-	2,021	2,021
Excess (deficiency) of revenues over expenditures	-	-	2,021	2,021
<b><u>Other Financing Sources (Uses)</u></b>				
Net change in fund balance	-	-	2,021	2,021
Fund balance as of January 1	6,641,919	6,641,919	6,639,733	(2,186)
Fund balance as of December 31	<u>\$ 6,641,919</u>	<u>\$ 6,641,919</u>	<u>\$ 6,641,754</u>	<u>\$ (165)</u>

The activities of this fund are reported with the General Fund in the basic financial statements.

**Clark County Washington**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2012**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Funds	Project Funds	Total
<b>ASSETS</b>					
Cash, cash equivalents and pooled investments	\$ 36,774,151	\$ 20,700	\$ 21,639,927		\$ 58,434,778
Taxes receivable	150,575	-	92,896		243,471
Special assessments receivable	13,866	3,937	-		17,803
Accounts receivable	894,295	-	-		894,295
Due from other funds	1,645,913	130,802	-	3,480	1,780,195
Due from other governments	2,934,910	-	-	31,458	2,966,368
Prepaid expenditure	368,754	-	-		368,754
Investments	1,353,394	-	-		1,353,394
Notes/contract receivable	627,666	-	-		627,666
Assets in safekeeping	-	-	6,359,456		6,359,456
<b>Total assets</b>	<b>\$ 44,763,524</b>	<b>\$ 155,439</b>	<b>\$ 28,127,217</b>		<b>\$ 73,046,180</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<i>Liabilities</i>					
Warrants and anticipation notes payable	\$ -	\$ 130,802	\$ -		\$ 130,802
Vouchers payable	2,799,791	-	1,825,132		4,624,923
Due to other funds	1,906,709	-	49,746		1,956,455
Due to other governments	177,613	-	-		177,613
Accrued liabilities	570,393	-	20,621		591,014
Deposits payable	274,722	-	56,865		331,587
Deferred revenue	1,178,259	3,937	92,896		1,275,092
Advance due to other funds	900,000	-	-		900,000
Advance due to other governments	1,045,887	-	-		1,045,887
<b>Total liabilities</b>	<b>8,853,374</b>	<b>134,739</b>	<b>2,045,260</b>		<b>11,033,373</b>
<i>Fund Balances</i>					
Nonspendable	368,754	-	-		368,754
Restricted	28,669,501	20,700	19,902,860		48,593,061
Committed	2,417,565	-	23,680		2,441,245
Assigned	5,669,768	-	6,155,417		11,825,185
Unassigned	(1,215,438)	-	-		(1,215,438)
<b>Total fund balances</b>	<b>35,910,150</b>	<b>20,700</b>	<b>26,081,957</b>		<b>62,012,807</b>
<b>Total liabilities and fund balance</b>	<b>\$ 44,763,524</b>	<b>\$ 155,439</b>	<b>\$ 28,127,217</b>		<b>\$ 73,046,180</b>

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2012**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Project Funds	Total
<b>Revenues:</b>				
Property taxes	\$ 3,863,862	\$ -	\$ 2,341,534	\$ 6,205,396
Sales and use taxes	16,254,241	-	-	16,254,241
Excise and other taxes	4,996,208	-	3,817,431	8,813,639
Licenses & permits	5,874,628	-	-	5,874,628
Intergovernmental	14,938,722	-	658,357	15,597,079
Charges for services	10,832,434	-	2,638,412	13,470,846
Fines & forfeitures	181,869	-	-	181,869
Interest earnings	139,728	3,253	64,139	207,120
Donations	260,481	-	-	260,481
Other revenues	7,600,351	157,546	4,369	7,762,266
Total revenues	<u>64,942,524</u>	<u>160,799</u>	<u>9,524,242</u>	<u>74,627,565</u>
<b>Expenditures:</b>				
Current:				
General government	2,849,831	-	-	2,849,831
Public safety	9,500,598	-	-	9,500,598
Physical environment	737,039	-	-	737,039
Economic environment	4,653,244	-	-	4,653,244
Health and human services	21,625,531	-	-	21,625,531
Culture & recreation	9,303,283	-	-	9,303,283
Capital outlay				
General government	72,801	-	1,318,086	1,390,887
Public safety	71,264	-	-	71,264
Transportation	-	-	10,778	10,778
Culture & recreation	1,179,363	-	3,155,712	4,335,075
Debt service:				
Principal	-	8,552,417	110,471	8,662,888
Interest and other charges	151,824	4,746,902	249,470	5,148,196
Total expenditures	<u>50,144,778</u>	<u>13,299,319</u>	<u>4,844,517</u>	<u>68,288,614</u>
Excess (deficiency) of revenues over expenditures	14,797,746	(13,138,520)	4,679,725	6,338,951
<b>Other Financing Sources (Uses):</b>				
Sale of capital assets	15,387	-	44,544	59,931
Insurance recoveries	2,560	-	-	2,560
Refunding long term debt issued	25,113,183	-	18,325,837	43,439,020
Premiums on long term debt	3,539,527	-	2,582,899	6,122,426
Payment to refunded debt escrow agent	(28,515,099)	-	(20,808,316)	(49,323,415)
Transfers in	6,952,722	13,142,771	1,236,276	21,331,769
Transfers out	(22,427,383)	(500,582)	(9,455,338)	(32,383,303)
Total other financing sources (uses)	<u>(15,319,103)</u>	<u>12,642,189</u>	<u>(8,074,098)</u>	<u>(10,751,012)</u>
Net change in fund balances	(521,357)	(496,331)	(3,394,373)	(4,412,061)
Fund balance as of January 1	36,431,507	517,031	29,476,330	66,424,868
Fund balance as of December 31	<u>\$ 35,910,150</u>	<u>\$ 20,700</u>	<u>\$ 26,081,957</u>	<u>\$ 62,012,807</u>

## NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are established pursuant to State statutes or local ordinances in order to segregate resources that are designated to be used for specified purposes.

**County Building** - A fund to accumulate building permit revenues and account for comprehensive planning and permitting services.

**Sheriff Special Investigation** - A fund to accumulate and account for fines designated by the Court to be expended on drug enforcement activities.

**Veterans Assistance** - A fund to finance emergency financial assistance to veterans of foreign wars and their surviving spouses.

**Criminal Victim Witness Assistance** - A fund to account for the retention and distribution of penalties assessed and recovered by the court system.

**Developmental Disability** - A fund to finance a variety of developmental training, recreational, and transportation programs for developmentally disabled individuals.

**Substance Abuse** - A fund to finance alcoholism and drug prevention and treatment services.

**Special Law Enforcement** - A fund to accumulate and account for sales tax revenues collected for law enforcement activities.

**Auditor's O & M** - A fund to accumulate a recording fee on documents to be used for developing systems and procedures for preserving recorded documents.

**CRESA Emergency Services Communication** - A fund to accumulate telephone access fees to be used for the acquisition and operation of an emergency services communication (911) system.

**Arthur D. Curtis Children's Justice Center (CJC)** - A fund to accumulate funds for an interlocal center which provides intervention, counseling, and support services for victims.

**Narcotics Task Force** - A fund to accumulate and account for fines designated by the courts that are to be used for an interlocal agency involved in drug enforcement activities.

**Anti Profiteering** - A fund to pay for the investigation and prosecution of cases relating to the Washington Criminal Profiteering Act.

**Event Center Fund** - (blended component unit) A fund to account for the lease of the County event center and fairgrounds, including the operations of the annual Clark County Fair.

**Emergency Medical Services** - (blended component unit) A fund to account for the activities of the administration of the emergency medical dispatch contract.

**Radio Communications** - A fund established to account for the operations of the 800 MHz communications system.

**Tri-Mountain Golf O & M** - A fund to account for the operations of the Tri-Mountain golf course.

**Industrial Revenue Bond Corporation** - (blended component unit) - A fund established to facilitate economic development and employment through financing the costs of industrial development facilities by issuing tax-exempt industrial revenue bonds.

**GIS** (Geographic Information System) – A fund established to track and budget GIS revenues and expenditures, and to provide the means to accumulate revenue for GIS equipment and software.

**CJA .1% Sales Tax** – A fund to account for sales tax collected for criminal justice purposes.

**BJA Block Grant** – A fund established to account for federal department of justice grant funds.

**Solid Waste Closure** - A fund established to pay for environmental compliance, closure, and self-insurance costs of the privately owned solid waste landfill located within the County.

**Jail Commissary** – A fund established to account for the jail inmate commissary activity and monies held in trust for inmates.

**Juvenile Fund** - A fund established to account for juvenile phone rebate monies.

**Health Department** - A fund established to account for public health services provided to the community.

**Trial Court Improvement Fund** – A fund established to account for revenue received from the State of Washington as partial reimbursement for District Court judicial salaries, which will be used to fund improvements to court staffing, programs, facilities, or services.

**Exhibition Hall Dedicated Revenue** – A fund established to account for revenues collected for the repayment of bonds which were issued for the construction of the County's exhibition hall.

**Tourism Promotion Area** – A fund established to collect all Tourism Promotion Area revenue and to disburse the funds to the Southwest Washington Convention and Visitors Bureau.

**Campus Development Fund** - A fund established to collect rental revenues from the tenants of the Center for Community Health and the Public Service Center, and to pay expenditures related to maintenance, operations, and debt service for these buildings.

**Metropolitan Parks District** - (blended component unit) A fund established to finance certain operation and capital costs resulting from the development of urban parks and trails in the unincorporated urban area of Vancouver.

**Camp Bonneville** – A fund established to track the revenues and expenditures associated with the environmental cleanup and eventual transfer of Camp Bonneville, in conjunction with an agreement with the US Army.

**Mental Health Sales Tax Fund** – A fund established to account for sales tax collected for the purpose of funding new substance abuse programs, expanded mental health treatment, and enhanced therapeutic court programs.

**Law & Justice Sales Tax Fund** – A fund established to account for sales tax collected for the purpose of funding previously unmet needs in law enforcement and the court system.

**LFR- Local Revitalization Financing** – A fund established to account for revenue and expenditures for the 179<sup>th</sup> Street Local Revitalization Financing area.

**Clark County Washington**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2012**

	County Building	Sheriff Investigation	Special	Veteran's Assistance	Criminal Victim Witness Assistance	Developmental Disability	Substance Abuse
<b>ASSETS</b>							
Cash, cash equivalents and pooled investments	\$ 2,022,083	\$ 89,760	\$ 505,200	\$ 374,594	\$ 1,322,388	\$ 132,644	
Taxes receivable	-	-	13,674	-	18,980	-	-
Special assessments receivable	-	-	-	-	-	-	-
Accounts receivable	187,436	-	-	-	-	59,424	
Due from other funds	1,196,695	-	-	425	-	447,994	
Due from other governments	94,108	-	-	9,520	613,530	1,071,515	
Prepaid expenditure	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Notes/contract receivable	-	-	-	-	-	-	150,000
<b>Total assets</b>	<b>\$ 3,500,322</b>	<b>\$ 89,760</b>	<b>\$ 518,874</b>	<b>\$ 384,539</b>	<b>\$ 1,954,898</b>	<b>\$ 1,861,577</b>	

**LIABILITIES AND FUND**

**BALANCES**

*Liabilities*

Vouchers payable	\$ 133,317	\$ 1,573	\$ 107,855	\$ 413	\$ 398,728	\$ 455,331	
Due to other funds	20,532	-	597	369	6,159	9,799	
Due to other governments	1,523	-	-	-	-	19	
Accrued liabilities	128,307	-	757	11,801	11,681	23,647	
Deposits payable	32,708	12,329	-	-	-	-	
Deferred revenue	-	-	13,674	-	18,980	-	
Advance due to other funds	-	-	-	-	-	-	
Advance due to other governments	-	-	-	-	547,511	498,376	
<b>Total liabilities</b>	<b>\$ 316,387</b>	<b>\$ 13,902</b>	<b>\$ 122,883</b>	<b>\$ 12,583</b>	<b>\$ 983,059</b>	<b>\$ 987,172</b>	

*Fund Balances*

Nonspendable	-	-	-	-	-	-	
Restricted	-	65,648	394,328	224,378	959,310	-	
Committed	2,012,752	-	-	-	-	-	
Assigned	1,171,183	10,210	1,663	147,578	12,529	874,405	
Unassigned	-	-	-	-	-	-	
<b>Total fund balances</b>	<b>\$ 3,183,935</b>	<b>\$ 75,858</b>	<b>\$ 395,991</b>	<b>\$ 371,956</b>	<b>\$ 971,839</b>	<b>\$ 874,405</b>	
<b>Total liabilities and fund balance</b>	<b>\$ 3,500,322</b>	<b>\$ 89,760</b>	<b>\$ 518,874</b>	<b>\$ 384,539</b>	<b>\$ 1,954,898</b>	<b>\$ 1,861,577</b>	





**Clark County Washington**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2012**

	Juvenile	Health Department	Trial Court Improvement Fund	Exhibition Hall Dedicated Revenue	Tourism Promotion Area	Campus Development Fund	Metropolitan Parks District Fund
\$	35,777	\$ 2,052,562	\$ 143,334	\$ 249,604	\$ 180,781	\$ 2,841,672	\$ 7,177,007
	-	-	-	-	-	-	117,921
	-	13,866	-	-	-	-	-
	-	114,906	-	-	-	73,063	74,004
	-	-	-	-	-	-	-
	-	894,929	-	-	-	-	-
	-	19,801	-	-	-	-	1,307
	-	-	-	-	-	-	-
	-	1,429	-	-	-	476,237	-
<b>\$</b>	<b>35,777</b>	<b>\$ 3,097,493</b>	<b>\$ 143,334</b>	<b>\$ 249,604</b>	<b>\$ 180,781</b>	<b>\$ 3,390,972</b>	<b>\$ 7,370,239</b>

**ASSETS**

Cash, cash equivalents and pooled investments  
Taxes receivable  
Special assessments receivable  
Accounts receivable  
Due from other funds  
Due from other governments  
Prepaid expenditure  
Investments  
Notes/contract receivable  
Total assets

**LIABILITIES AND FUND**

**BALANCES**

*Liabilities*

Vouchers payable  
Due to other funds  
Due to other governments  
Accrued liabilities  
Deposits payable  
Deferred revenue  
Advance due to other funds  
Advance due to other governments  
Total liabilities

*Fund Balances*

Nonspendable  
Restricted  
Committed  
Assigned  
Unassigned  
Total fund balances  
Total liabilities and fund balance

\$	136	\$ 203,656	\$ -	\$ -	\$ -	\$ 1,516	\$ 125,382
	-	12,334	143,176	-	-	-	40,941
	-	3,787	-	-	-	20,353	-
	-	261,382	-	-	-	-	37,897
	-	-	-	-	-	2,500	-
	-	16,274	-	-	-	476,237	117,921
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	136	497,433	143,176	-	-	500,606	322,141
	-	19,801	-	-	-	-	1,307
	-	-	158	249,604	180,781	2,865,593	7,033,947
	35,641	110,000	-	-	-	-	-
	-	2,470,259	-	-	-	24,773	12,844
	-	-	-	-	-	-	-
<b>\$</b>	<b>35,641</b>	<b>2,600,060</b>	<b>158</b>	<b>249,604</b>	<b>180,781</b>	<b>2,890,366</b>	<b>7,048,098</b>
<b>\$</b>	<b>35,777</b>	<b>\$ 3,097,493</b>	<b>\$ 143,334</b>	<b>\$ 249,604</b>	<b>\$ 180,781</b>	<b>\$ 3,390,972</b>	<b>\$ 7,370,239</b>

**Clark County Washington**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2012**

	Camp Bonneville	Mental Health Sales Tax Fund	Law & Justice Sales Tax Fund	LRF-Local Revitalization Financing	Total
<b>ASSETS</b>					
Cash, cash equivalents and pooled investments	\$ -	\$ 2,635,740	\$ 370,949	\$ 23,669	\$ 36,774,151
Taxes receivable	-	-	-	-	150,575
Special assessments receivable	-	-	-	-	13,866
Accounts receivable	-	-	-	-	894,295
Due from other funds	-	-	-	-	1,645,913
Due from other governments	184,964	-	-	-	2,934,910
Prepaid expenditure	-	-	-	-	368,754
Investments	1,353,394	-	-	-	1,353,394
Notes/contract receivable	-	-	-	-	627,666
Total assets	<u>\$ 1,538,358</u>	<u>\$ 2,635,740</u>	<u>\$ 370,949</u>	<u>\$ 23,669</u>	<u>\$ 44,763,524</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<i>Liabilities</i>					
Vouchers payable	\$ 336,170	\$ 147,183	\$ -	\$ -	2,799,791
Due to other funds	19,597	827,376	337,016	-	1,906,709
Due to other governments	-	-	-	-	177,613
Accrued liabilities	-	332	-	-	570,393
Deposits payable	16,581	-	-	-	274,722
Deferred revenue	438,806	-	-	-	1,178,259
Advance due to other funds	-	-	-	-	900,000
Advance due to other governments	-	-	-	-	1,045,887
Total liabilities	<u>811,154</u>	<u>974,891</u>	<u>337,016</u>	<u>-</u>	<u>8,853,374</u>
<i>Fund Balances</i>					
Nonspendable	-	-	-	-	368,754
Restricted	727,204	1,641,341	33,933	-	28,669,501
Committed	-	-	-	-	2,417,565
Assigned	-	19,508	-	23,669	5,669,768
Unassigned	-	-	-	-	(1,215,438)
Total fund balances	<u>727,204</u>	<u>1,660,849</u>	<u>33,933</u>	<u>23,669</u>	<u>35,910,150</u>
Total liabilities and fund balance	<u>\$ 1,538,358</u>	<u>\$ 2,635,740</u>	<u>\$ 370,949</u>	<u>\$ 23,669</u>	<u>\$ 44,763,524</u>

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Normal Special Revenue Funds**  
**For the Year Ended December 31, 2012**

	County Building	Sheriff Special Investigation	Veteran's Assistance	Criminal Victim Witness Assistance	Developmental Disability	Substance Abuse
<b>Revenues:</b>						
Property taxes	\$ -	\$ -	\$ 351,179	\$ -	\$ 469,244	\$ -
Sales and use taxes	-	-	-	-	-	-
Excise and other taxes	-	-	2,353	-	2,282	-
Licenses & permits	3,722,902	-	-	-	-	-
Intergovernmental	345,342	16,706	-	23,632	3,771,874	3,758,666
Charges for services	1,741,576	-	-	248,977	-	2,861
Fines & forfeitures	-	65,648	-	20,524	-	-
Interest earnings	6,193	1,010	1,592	1,173	3,592	2,446
Donations	-	6,112	-	-	-	-
Other revenues	2,974	1,937	71	-	95	800
Total revenues	5,818,987	91,413	355,195	294,306	4,247,087	3,764,773
<b>Expenditures:</b>						
Current:						
General government	-	-	-	347,674	-	-
Public safety	1,939,210	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Economic environment	3,272,904	-	569,634	-	-	-
Health and human services	-	-	-	-	4,285,325	5,614,554
Culture & recreation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Total expenditures	5,212,114	-	569,634	347,674	4,285,325	5,614,554
Excess (deficiency) of revenues over expenditures	606,873	91,413	(214,439)	(53,368)	(38,238)	(1,849,781)
<b>Other Financing Sources (Uses):</b>						
Premiums on long term debt	-	-	-	-	-	-
Sale of capital assets	-	-	6,545	-	8,842	-
Insurance recoveries	-	-	-	-	-	-
Refunding long term debt issued	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-
Transfers in	1,029,086	-	-	137,500	-	1,966,503
Transfers out	-	(444,750)	-	-	-	-
Total other financing sources (uses)	1,029,086	(444,750)	6,545	137,500	8,842	1,966,503
Net change in fund balances	1,635,959	(353,337)	(207,894)	84,132	(29,396)	116,722
Fund balance as of January 1 - restated for change in accounting principle (note xx)	1,547,976	429,195	603,885	287,824	1,001,235	757,683
Fund balance as of December 31	\$ 3,183,935	\$ 75,858	\$ 395,991	\$ 371,956	\$ 971,839	\$ 874,405

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2012**

	Special Law Enforcement	Auditor's O&M	CRESA Emergency Services Communication	Arthur D. Curtis Children's Justice Center (CJC)	Narcotics Task Force	Anti Profiteering	Event Center Fund	Emergency Medical Services
<b>Revenues:</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	4,163,697	-	-	-	-	-	-	-
Excise and other taxes	-	-	4,085,821	-	-	-	-	-
Licenses & permits	-	-	-	-	-	-	-	-
Intergovernmental	-	134,993	-	375,225	92,653	-	79,542	-
Charges for services	-	292,860	-	-	23,454	-	1,266,676	723,680
Fines & forfeitures	-	-	-	-	1,861	102	144	72,243
Interest earnings	453	5,600	2,319	236	-	-	-	2,457
Donations	-	-	-	29,723	-	-	-	-
Other revenues	-	-	-	2,606	557,995	-	2,289,571	-
Total revenues	4,164,150	433,453	4,088,140	407,790	675,963	102	3,635,933	798,380
<b>Expenditures:</b>								
Current:								
General government	-	397,242	-	-	-	24,357	-	-
Public safety	-	-	3,986,963	662,606	406,891	-	-	873,636
Physical environment	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	3,980,868	-
Capital outlay	-	-	-	-	-	-	-	-
General government	-	35,138	-	-	-	-	-	-
Public Safety	-	-	-	13,875	-	-	-	-
Culture & recreation	-	-	-	-	-	-	27,246	-
Debt service:	-	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	14,213	-
Total expenditures	-	432,380	3,986,963	676,481	406,891	24,357	4,022,327	873,636
Excess (deficiency) of revenues over expenditures	4,164,150	1,073	101,177	(268,691)	269,072	(24,255)	(386,394)	(75,256)
<b>Other Financing Sources (Uses):</b>								
Premiums on long term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Insurance recoveries	-	-	-	-	-	-	-	-
Refunding long term debt issued	-	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	-	-
Transfers in	-	-	-	265,703	-	-	-	-
Transfers out	(4,473,829)	-	-	-	(55,076)	-	(5,189)	-
Total other financing sources (uses)	(4,473,829)	-	-	265,703	(55,076)	-	(5,189)	-
Net change in fund balances	(309,679)	1,073	101,177	(2,988)	213,996	(24,255)	(391,583)	(75,256)
Fund balance as of January 1	345,040	1,707,104	588,773	96,533	94,847	58,813	(567,956)	388,454
Fund balance as of December 31	\$ 35,361	\$ 1,708,177	\$ 689,950	\$ 93,545	\$ 308,843	\$ 34,558	\$ (959,539)	\$ 313,198

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2012**

	Radio Comm- unications	Tri-Mountain Golf O & M	Industrial Revenue Bond Corp.	GIS	CJA-1% Sales Tax	BJA Block Grant	Solid Waste Closure	Jail Commissary
<b>Revenues:</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-	2,685,109	-	-	-
Excise and other taxes	-	-	-	-	-	-	-	-
Licenses & permits	-	-	-	-	-	-	-	-
Intergovernmental	16,797	-	-	-	-	82,142	-	-
Charges for services	1,022,940	1,432,714	-	1,163,183	-	-	-	391,924
Fines & forfeitures	-	-	-	-	-	-	-	-
Interest earnings	1,327	111	-	2,320	254	494	38,473	783
Donations	-	-	-	-	-	-	-	-
Other revenues	23,015	-	-	12	-	-	-	370,796
Total revenues	1,064,079	1,432,825	-	1,165,515	2,685,363	82,636	38,473	763,503
<b>Expenditures:</b>								
Current:								
General government	-	-	-	2,078,823	-	-	-	-
Public safety	854,289	-	-	-	-	27,509	-	742,887
Physical environment	-	-	-	-	-	-	737,039	-
Economic environment	-	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-	-
Culture & recreation	-	1,536,146	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
General government	-	-	-	37,663	-	-	-	-
Public Safety	-	-	-	-	-	57,389	-	-
Culture & recreation	-	-	-	-	-	-	1,152,117	-
Debt service:	-	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-	-
Total expenditures	854,289	1,536,146	-	2,116,486	-	84,898	1,889,156	742,887
Excess (deficiency) of revenues over expenditures	209,790	(103,321)	-	(950,971)	2,685,363	(2,262)	(1,850,683)	20,616
<b>Other Financing Sources (Uses):</b>								
Premiums on long term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Insurance recoveries	-	-	-	-	-	-	-	-
Refunding long term debt issued	-	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	-	-
Transfers in	(203,938)	-	-	1,064,316	-	-	-	-
Transfers out	(203,938)	-	-	(2,828,954)	-	-	-	-
Total other financing sources (uses)	(203,938)	-	-	1,064,316	(2,828,954)	-	-	-
Net change in fund balances	5,852	(103,321)	-	113,345	(143,591)	(2,262)	(1,850,683)	20,616
Fund balance as of January 1	203,935	(124,423)	20,469	774,670	222,976	70,586	12,950,346	203,195
Fund balance as of December 31	\$ 209,787	\$ (227,744)	\$ 20,469	\$ 888,015	\$ 79,385	\$ 68,324	\$ 11,099,663	\$ 223,811

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2012**

	Juvenile	Health Department	Trial Court Improvement Fund	Exhibition Hall Dedicated Revenue	Tourism Promotion Area	Campus Development Fund	Metropolitan Parks District Fund
<b>Revenues:</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,040,585
Sales and use taxes	-	-	-	194,297	-	-	-
Excise and other taxes	-	-	-	-	905,387	-	365
Licenses & permits	-	2,151,726	-	-	-	-	-
Intergovernmental	-	4,774,353	142,940	200,000	-	-	-
Charges for services	-	2,470,250	-	-	-	-	74,793
Fines & forfeitures	-	-	-	-	-	-	-
Interest earnings	116	6,443	367	2,108	-	24,773	25,689
Donations	4,408	224,646	-	-	-	-	-
Other revenues	4,524	151,894	-	351,305	-	3,842,866	6
Total revenues	4,524	9,779,312	143,307	747,710	905,387	3,867,639	3,141,438
<b>Expenditures:</b>							
Current:							
General government	-	-	-	-	-	1,735	-
Public safety	5,741	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-
Economic environment	-	-	-	-	810,706	-	-
Health and human services	-	11,655,652	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	2,680,893
Capital outlay	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-	-
Interest and other charges	-	-	-	84,913	-	52,698	-
Total expenditures	5,741	11,655,652	-	84,913	810,706	54,433	2,680,893
Excess (deficiency) of revenues over expenditures	(1,217)	(1,876,340)	143,307	662,797	94,681	3,813,206	460,545
<b>Other Financing Sources (Uses):</b>							
Premiums on long term debt	-	-	-	2,184,068	-	1,355,459	-
Sale of capital assets	-	-	-	-	-	-	-
Insurance recoveries	-	2,560	-	-	-	-	-
Refunding long term debt issued	-	-	-	15,496,110	-	9,617,073	-
Payment to refunded debt escrow agent	-	-	-	(17,595,265)	-	(10,919,834)	-
Transfers in	-	2,489,614	-	(1,088,185)	-	(4,316,568)	-
Transfers out	-	-	(143,176)	(1,003,272)	-	(4,263,870)	-
Total other financing sources (uses)	-	2,492,174	(143,176)	(1,003,272)	-	(4,263,870)	-
Net change in fund balances	(1,217)	615,834	131	(340,475)	94,681	(450,664)	460,545
Fund balance as of January 1	36,858	1,984,226	27	590,079	86,100	3,341,030	6,587,553
Fund balance as of December 31	\$ 35,641	\$ 2,600,060	\$ 158	\$ 249,604	\$ 180,781	\$ 2,890,366	\$ 7,048,098

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2012**

	Camp		Mental Health		Law & Justice		LRF-Local	
	Bonneville	Sales Tax Fund	Revitalization	Financing				
<b>Revenues:</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,854	\$ 3,863,862
Sales and use taxes	-	5,047,442	4,163,696	-	-	-	-	16,254,241
Excise and other taxes	-	-	-	-	-	-	-	4,996,208
Licenses & permits	-	-	-	-	-	-	-	5,874,628
Intergovernmental	1,123,857	-	-	-	-	-	-	14,938,722
Charges for services	-	-	-	-	-	-	-	10,832,434
Fines & forfeitures	-	-	-	-	-	-	-	181,869
Interest earnings	1,882	4,878	532	-	-	-	-	139,728
Donations	-	-	-	-	-	-	-	260,481
Other revenues	-	-	-	-	-	-	-	7,600,351
Total revenues	1,125,739	5,052,320	4,164,228	2,854	-	-	-	64,942,524

<b>Expenditures:</b>								
Current:								
General government	-	-	-	-	-	-	-	2,849,831
Public safety	-	866	-	-	-	-	-	9,500,598
Physical environment	-	-	-	-	-	-	-	737,039
Economic environment	-	-	-	-	-	-	-	4,653,244
Health and human services	-	70,000	-	-	-	-	-	21,625,531
Culture & recreation	1,105,376	-	-	-	-	-	-	9,303,283
Capital outlay:								
General government	-	-	-	-	-	-	-	72,801
Public Safety	-	-	-	-	-	-	-	71,264
Culture & recreation	-	-	-	-	-	-	-	1,179,363
Debt service:								
Interest and other charges	-	-	-	-	-	-	-	151,824
Total expenditures	1,105,376	70,866	-	-	-	-	-	50,144,778

Excess (deficiency) of revenues over expenditures	20,363	4,981,454	4,164,228	2,854	-	-	-	14,797,746
<b>Other Financing Sources (Uses):</b>								
Premiums on long term debt	-	-	-	-	-	-	-	3,539,527
Sale of capital assets	-	-	-	-	-	-	-	15,387
Insurance recoveries	-	-	-	-	-	-	-	2,560
Refunding long term debt issued	-	-	-	-	-	-	-	25,113,183
Payment to refunded debt escrow agent	-	-	-	-	-	-	-	(28,515,099)
Transfers in	-	-	-	-	-	-	-	6,952,722
Transfers out	-	(4,392,457)	(4,475,261)	-	-	-	-	(22,427,383)
Total other financing sources (uses)	-	(4,392,457)	(4,475,261)	-	-	-	-	(15,319,103)
Net change in fund balances	20,363	588,997	(311,033)	2,854	-	-	-	(521,357)

Fund balance as of January 1	706,841	1,071,852	344,966	20,815	-	-	-	36,431,507
Fund balance as of December 31	\$ 727,204	\$ 1,660,849	\$ 33,933	\$ 23,669	\$ -	\$ -	\$ -	\$ 35,910,150

**Clark County Washington  
County Building Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Non-business licenses and permits	\$ 6,520,198	\$ 6,645,700	\$ 6,951,623	\$ 305,923
Total licenses and permits	6,520,198	6,645,700	6,951,623	305,923
State grants	-	-	14,895	14,895
Intergovernmental revenues	552,000	552,000	645,741	93,741
Total intergovernmental	552,000	552,000	660,636	108,636
General government fees	6,000	6,000	4,774	(1,226)
Public safety	-	-	219,119	219,119
Physical environment	30,398	30,398	11,291	(19,107)
Transportation	66,030	66,030	92,343	26,313
Economic environment	1,076,378	1,076,378	1,215,987	139,609
Interfund revenues	1,015,736	890,234	1,346,610	456,376
Total charges for services	2,194,542	2,069,040	2,890,124	821,084
Interest earnings	-	-	14,483	14,483
Other revenues	-	-	3,710	3,710
Total miscellaneous	-	-	18,193	18,193
Total revenues	9,266,740	9,266,740	10,520,576	1,253,836
<b><u>Expenditures</u></b>				
Public safety				
Personal services	2,592,207	2,265,586	2,416,698	(151,112)
Supplies	69,600	69,600	125,342	(55,742)
Other services and charges	571,480	571,480	417,023	154,457
Interfund payment for services	589,729	604,261	660,150	(55,889)
Total public safety	3,823,016	3,510,927	3,619,213	(108,286)
Economic environment				
Personal services	4,209,666	4,425,701	4,097,187	328,514
Supplies	58,800	58,800	274,973	(216,173)
Other services and charges	986,012	1,145,012	211,369	933,643
Interfund payment for services	(907,284)	1,927,723	1,633,690	294,033
Total economic environment	4,347,194	7,557,236	6,217,219	1,340,017
Total expenditures	8,170,210	11,068,163	9,836,432	1,231,731
Excess (deficiency) of revenues over expenditures	1,096,530	(1,801,423)	684,144	2,485,567
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	2,298,136	1,901,002	1,510,688	(390,314)
Transfers out	-	(608,419)	(608,419)	-
Total other financing sources (uses)	2,298,136	1,292,583	902,269	(390,314)
Net change in fund balance	3,394,666	(508,840)	1,586,413	2,095,253
Fund balance as of January 1	2,482,696	3,715,469	1,597,522	(2,117,947)
Fund balance as of December 31	\$ 5,877,362	\$ 3,206,629	\$ 3,183,935	\$ (22,694)

**Clark County Washington**  
**Sheriff Special Investigation Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal entitlements	-	-	46,684	46,684
Total intergovernmental	-	-	46,684	46,684
Fines and forfeitures	\$ 160,000	\$ 160,000	\$ 139,136	\$ (20,864)
Total fines & forfeitures	160,000	160,000	139,136	(20,864)
Interest earnings	24,000	24,000	3,079	(20,921)
Donations	-	-	24,637	24,637
Other revenues	21,000	21,000	10,275	(10,725)
Total miscellaneous	45,000	45,000	37,991	(7,009)
Total revenues	205,000	205,000	223,811	18,811
<b><u>Expenditures</u></b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	205,000	205,000	223,811	18,811
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(109,500)	(514,500)	(484,750)	29,750
Total other financing sources (uses)	(109,500)	(514,500)	(484,750)	29,750
Net change in fund balance	95,500	(309,500)	(260,939)	48,561
Fund balance as of January 1	347,007	347,007	336,797	(10,210)
Fund balance as of December 31	\$ 442,507	\$ 37,507	\$ 75,858	\$ 38,351

**Clark County Washington  
Veteran's Assistance Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
General property taxes	\$ 571,876	\$ 571,876	\$ 700,246	\$ 128,370
Timber harvest taxes	1,316	1,316	1,596	280
Excise and other taxes	1,446	1,446	1,844	398
Total taxes	<u>574,638</u>	<u>574,638</u>	<u>703,686</u>	<u>129,048</u>
Federal entitlements	-	-	103	103
Total intergovernmental	<u>-</u>	<u>-</u>	<u>103</u>	<u>103</u>
Interest earnings	70,000	70,000	5,511	(64,489)
Rents and royalties	-	-	149	149
Total miscellaneous	<u>70,000</u>	<u>70,000</u>	<u>5,660</u>	<u>(64,340)</u>
Total revenues	<u>644,638</u>	<u>644,638</u>	<u>709,449</u>	<u>64,811</u>
<b><u>Expenditures</u></b>				
Economic environment				
Personal services	123,439	120,501	102,217	18,284
Supplies	2,000	2,000	856	1,144
Other services and charges	1,095,000	1,095,000	1,050,274	44,726
Interfund payment for services	49,062	52,000	52,742	(742)
Total economic environment	<u>1,269,501</u>	<u>1,269,501</u>	<u>1,206,089</u>	<u>63,412</u>
Total expenditures	<u>1,269,501</u>	<u>1,269,501</u>	<u>1,206,089</u>	<u>63,412</u>
Excess (deficiency) of revenues over expenditures	(624,863)	(624,863)	(496,640)	128,223
<b><u>Other Financing Sources (Uses)</u></b>				
Sale of capital assets	4,900	4,900	9,850	4,950
Total other financing sources (uses)	<u>4,900</u>	<u>4,900</u>	<u>9,850</u>	<u>4,950</u>
Net change in fund balance	(619,963)	(619,963)	(486,790)	133,173
Fund balance as of January 1	970,845	970,845	882,781	(88,064)
Fund balance as of December 31	<u>\$ 350,882</u>	<u>\$ 350,882</u>	<u>\$ 395,991</u>	<u>\$ 45,109</u>

**Clark County Washington**  
**Criminal Victim Witness Assistance Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- indirect	\$ -	\$ -	\$ 15,794	\$ 15,794
State grants	15,000	15,000	42,785	27,785
Total intergovernmental	15,000	15,000	58,579	43,579
General government fees	445,372	445,372	502,239	56,867
Total charges for services	445,372	445,372	502,239	56,867
Fines and forfeitures	-	-	39,416	39,416
Total fines & forfeitures	-	-	39,416	39,416
Interest earnings	18,000	18,000	2,477	(15,523)
Donations	-	-	500	500
Total miscellaneous	18,000	18,000	2,977	(15,023)
Total revenues	478,372	478,372	603,211	124,839
<b><u>Expenditures</u></b>				
General government				
Personal services	753,448	753,448	639,505	113,943
Supplies	4,000	4,000	4,475	(475)
Other services and charges	90,312	90,312	17,481	72,831
Interfund payment for services	64,242	63,600	53,600	10,000
Total general government	912,002	911,360	715,061	196,299
Total expenditures	912,002	911,360	715,061	196,299
Excess (deficiency) of revenues over expenditures	(433,630)	(432,988)	(111,850)	321,138
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	275,000	275,000	275,000	-
Total other financing sources (uses)	275,000	275,000	275,000	-
Net change in fund balance	(158,630)	(157,988)	163,150	321,138
Fund balance as of January 1	158,927	159,569	208,806	49,237
Fund balance as of December 31	\$ 297	\$ 1,581	\$ 371,956	\$ 370,375

**Clark County Washington**  
**Developmental Disability Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
General property taxes	\$ 756,268	\$ 756,268	\$ 949,026	\$ 192,758
Timber harvest taxes	1,300	1,300	1,285	(15)
Excise and other taxes	1,654	1,654	2,482	828
Total taxes	<u>759,222</u>	<u>759,222</u>	<u>952,793</u>	<u>193,571</u>
Federal entitlements	-	-	140	140
State grants	7,691,458	7,691,458	7,176,613	(514,845)
Total intergovernmental	<u>7,691,458</u>	<u>7,691,458</u>	<u>7,176,753</u>	<u>(514,705)</u>
Interest earnings	3,600	3,600	8,983	5,383
Rents and royalties	100	100	201	101
Donations	-	-	1,397	1,397
Other revenues	-	-	1,031	1,031
Total miscellaneous	<u>3,700</u>	<u>3,700</u>	<u>11,612</u>	<u>7,912</u>
Total revenues	<u>8,454,380</u>	<u>8,454,380</u>	<u>8,141,158</u>	<u>(313,222)</u>
<b><u>Expenditures</u></b>				
Health and human services				
Personal services	1,051,850	1,101,850	973,349	128,501
Supplies	1,000	1,000	13,867	(12,867)
Other services and charges	7,480,368	7,430,368	6,824,736	605,632
Interfund payment for services	201,730	201,730	353,845	(152,115)
Total health and human services	<u>8,734,948</u>	<u>8,734,948</u>	<u>8,165,797</u>	<u>569,151</u>
Debt service: interest	-	-	-	-
Total expenditures	<u>8,734,948</u>	<u>8,734,948</u>	<u>8,165,797</u>	<u>569,151</u>
Excess (deficiency) of revenues over expenditures	(280,568)	(280,568)	(24,639)	255,929
<b><u>Other Financing Sources (Uses)</u></b>				
Sale of capital assets	6,726	6,726	13,360	6,634
Total other financing sources (uses)	<u>6,726</u>	<u>6,726</u>	<u>13,360</u>	<u>6,634</u>
Net change in fund balance	(273,842)	(273,842)	(11,279)	262,563
Fund balance as of January 1	593,027	593,027	983,118	390,091
Fund balance as of December 31	<u>\$ 319,185</u>	<u>\$ 319,185</u>	<u>\$ 971,839</u>	<u>\$ 652,654</u>

**Clark County Washington**  
**Substance Abuse Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- direct	\$ -	\$ -	\$ 1,420,430	\$ 1,420,430
Federal grants -- indirect	6,239,228	6,239,228	1,912,622	(4,326,606)
State grants	5,883,832	5,883,832	4,431,659	(1,452,173)
State entitlements	240,000	240,000	154,921	(85,079)
Intergovernmental revenues	-	-	273,624	273,624
Total intergovernmental	12,363,060	12,363,060	8,193,256	(4,169,804)
Health & human services	-	-	9,464	9,464
Total charges for services	-	-	9,464	9,464
Interest earnings	-	-	3,870	3,870
Other revenues	-	-	53,627	53,627
Total miscellaneous	-	-	57,497	57,497
Total revenues	12,363,060	12,363,060	8,260,217	(4,102,843)
<b><u>Expenditures</u></b>				
Health and human services				
Personal services	1,954,464	1,954,464	1,553,454	401,010
Supplies	1,000	1,000	28,488	(27,488)
Other services and charges	14,746,653	15,546,595	10,307,154	5,239,441
Interfund payment for services	253,530	253,530	558,982	(305,452)
Total health and human services	16,955,647	17,755,589	12,448,078	5,307,511
Debt service: interest	-	-	241	(241)
Total expenditures	16,955,647	17,755,589	12,448,319	5,307,270
Excess (deficiency) of revenues over expenditures	(4,592,587)	(5,392,529)	(4,188,102)	1,204,427
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	3,931,866	4,661,808	4,429,808	(232,000)
Transfers out	-	(150,000)	-	150,000
Total other financing sources (uses)	3,931,866	4,511,808	4,429,808	(82,000)
Net change in fund balance	(660,721)	(880,721)	241,706	1,122,427
Fund balance as of January 1	923,132	1,143,132	632,699	(510,433)
Fund balance as of December 31	\$ 262,411	\$ 262,411	\$ 874,405	\$ 611,994

**Clark County Washington**  
**Special Law Enforcement Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Retail sales and use taxes	\$ 7,709,488	\$ 7,709,488	\$ 8,164,343	\$ 454,855
Total taxes	7,709,488	7,709,488	8,164,343	454,855
Interest earnings	-	-	1,108	1,108
Total miscellaneous	-	-	1,108	1,108
Total revenues	7,709,488	7,709,488	8,165,451	455,963
Excess (deficiency) of revenues over expenditures	7,709,488	7,709,488	8,165,451	455,963
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(8,003,561)	(8,144,872)	(8,144,872)	-
Total other financing sources (uses)	(8,003,561)	(8,144,872)	(8,144,872)	-
Net change in fund balance	(294,073)	(435,384)	20,579	455,963
Fund balance as of January 1	727,617	727,617	14,782	(712,835)
Fund balance as of December 31	\$ 433,544	\$ 292,233	\$ 35,361	\$ (256,872)

**Clark County Washington**  
**Auditor's O & M Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
State entitlements	\$ 140,000	\$ 140,000	\$ 279,818	\$ 139,818
Total intergovernmental	140,000	140,000	279,818	139,818
General government fees	743,000	743,000	501,315	(241,685)
Interfund revenues	-	-	35,600	35,600
Total charges for services	743,000	743,000	536,915	(206,085)
Interest earnings	28,000	28,000	14,112	(13,888)
Total miscellaneous	28,000	28,000	14,112	(13,888)
Total revenues	911,000	911,000	830,845	(80,155)
<b><u>Expenditures</u></b>				
General government				
Supplies	33,422	33,422	37,941	(4,519)
Other services and charges	278,320	378,320	216,939	161,381
Interfund payment for services	308,920	433,990	461,650	(27,660)
Capital outlay	400,000	400,000	35,138	364,862
Total general government	1,020,662	1,245,732	751,668	494,064
Total expenditures	1,020,662	1,245,732	751,668	494,064
Excess (deficiency) of revenues over expenditures	(109,662)	(334,732)	79,177	413,909
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(50,000)	(50,000)	(6,536)	43,464
Total other financing sources (uses)	(50,000)	(50,000)	(6,536)	43,464
Net change in fund balance	(159,662)	(384,732)	72,641	457,373
Fund balance as of January 1	1,683,309	1,586,767	1,635,536	48,769
Fund balance as of December 31	\$ 1,523,647	\$ 1,202,035	\$ 1,708,177	\$ 506,142

**Clark County Washington**  
**CRESA Emergency Services Communication Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
Excise and other taxes	\$ 5,861,930	\$ 6,484,504	\$ 6,957,290	\$ 472,786
Total taxes	5,861,930	6,484,504	6,957,290	472,786
Interest earnings	-	-	6,402	6,402
Total miscellaneous	-	-	6,402	6,402
Total revenues	5,861,930	6,484,504	6,963,692	479,188
<b><u>Expenditures</u></b>				
Public safety				
Intergovernmental	961,518	6,074,189	5,861,956	212,233
Total public safety	961,518	6,074,189	5,861,956	212,233
Total expenditures	961,518	6,074,189	5,861,956	212,233
Excess (deficiency) of revenues over expenditures	4,900,412	410,315	1,101,736	691,421
<b><u>Other Financing Sources (Uses)</u></b>				
Interfund loan proceeds	488,316	-	-	-
Transfers out	(2,531,784)	(1,461,338)	(1,461,338)	-
Total other financing sources (uses)	(2,043,468)	(1,461,338)	(1,461,338)	-
Net change in fund balance	2,856,944	(1,051,023)	(359,602)	691,421
Fund balance as of January 1	1,634,927	3,907,967	1,049,552	(2,858,415)
Fund balance as of December 31	\$ 4,491,871	\$ 2,856,944	\$ 689,950	\$ (2,166,994)

**Clark County Washington**  
**Arthur D. Curtis Children's Justice Center (CJC)**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- direct	\$ 20,000	\$ 20,000	\$ 10,000	\$ (10,000)
State grants	114,874	114,874	89,109	(25,765)
Intergovernmental revenues	670,250	565,438	580,884	15,446
Total intergovernmental	805,124	700,312	679,993	(20,319)
General government fees	-	-	480	480
Total charges for services	-	-	480	480
Interest earnings	8,000	8,000	820	(7,180)
Donations	2,222	62,222	70,727	8,505
Other revenues	-	-	3,691	3,691
Total miscellaneous	10,222	70,222	75,238	5,016
Total revenues	815,346	770,534	755,711	(14,823)
<b><u>Expenditures</u></b>				
Public safety				
Personal services	638,855	738,156	690,127	48,029
Supplies	30,400	30,400	22,557	7,843
Other services and charges	430,328	430,328	385,835	44,493
Capital outlay	-	-	13,875	(13,875)
Interfund payment for services	195,124	186,907	169,003	17,904
Total public safety	1,294,707	1,385,791	1,281,397	104,394
Total expenditures	1,294,707	1,385,791	1,281,397	104,394
Excess (deficiency) of revenues over expenditures	(479,361)	(615,257)	(525,686)	89,571
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	460,954	496,180	496,180	-
Total other financing sources (uses)	460,954	496,180	496,180	-
Net change in fund balance	(18,407)	(119,077)	(29,506)	89,571
Fund balance as of January 1	60,254	130,677	123,051	(7,626)
Fund balance as of December 31	\$ 41,847	\$ 11,600	\$ 93,545	\$ 81,945

**Clark County Washington  
Narcotics Task Force Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- direct	\$ 67,000	\$ 67,000	\$ 193,536	\$ 126,536
Federal entitlements	200,000	200,000	-	(200,000)
Federal grants -- indirect	200,000	200,488	5,207	(195,281)
Intergovernmental revenues	-	-	804	804
Total intergovernmental	467,000	467,488	199,547	(267,941)
Interfund revenues	24,000	24,000	-	(24,000)
Total charges for services	24,000	24,000	-	(24,000)
Fines and forfeitures	50,400	50,400	48,330	(2,070)
Total fines & forfeitures	50,400	50,400	48,330	(2,070)
Interest earnings	10,000	10,000	3,686	(6,314)
Other revenues	300,000	300,000	804,976	504,976
Total miscellaneous	310,000	310,000	808,662	498,662
Total revenues	851,400	851,888	1,056,539	204,651
<b><u>Expenditures</u></b>				
Public safety				
Personal services	-	-	2,969	(2,969)
Supplies	107,000	107,000	118,410	(11,410)
Other services and charges	448,400	448,888	485,380	(36,492)
Interfund payment for services	185,848	180,815	176,080	4,735
Total public safety	741,248	736,703	782,839	(46,136)
Total expenditures	741,248	736,703	782,839	(46,136)
Excess (deficiency) of revenues over expenditures	110,152	115,185	273,700	158,515
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(110,152)	(110,152)	(110,152)	-
Total other financing sources (uses)	(110,152)	(110,152)	(110,152)	-
Net change in fund balance	-	5,033	163,548	158,515
Fund balance as of January 1	88,264	93,297	145,295	51,998
Fund balance as of December 31	\$ 88,264	\$ 98,330	\$ 308,843	\$ 210,513

**Clark County Washington**  
**Anti Profiteering Revolving Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Interest earnings	\$ 2,000	\$ 2,000	\$ 443	\$ (1,557)
Total miscellaneous	2,000	2,000	443	(1,557)
Total revenues	2,000	2,000	443	(1,557)
<b><u>Expenditures</u></b>				
General government				
Personal services	-	-	35,107	(35,107)
Supplies	-	-	629	(629)
Total general government	-	-	35,736	(35,736)
Total expenditures	-	-	35,736	(35,736)
Excess (deficiency) of revenues over expenditures	2,000	2,000	(35,293)	(37,293)
Net change in fund balance	2,000	2,000	(35,293)	(37,293)
Fund balance as of January 1-restated	69,871	69,871	69,851	(20)
Fund balance as of December 31	\$ 71,871	\$ 71,871	\$ 34,558	\$ (37,313)

**Clark County Washington**  
**Event Center Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
State entitlements	\$ 170,000	\$ 170,000	\$ 169,746	\$ (254)
Total intergovernmental	170,000	170,000	169,746	(254)
Culture and recreation	2,300,250	2,817,146	2,845,451	28,305
Total charges for services	2,300,250	2,817,146	2,845,451	28,305
Interest earnings	-	-	442	442
Rents and royalties	4,498,315	4,643,315	4,287,916	(355,399)
Other revenues	1,736,050	1,773,550	434,374	(1,339,176)
Total miscellaneous	6,234,365	6,416,865	4,722,732	(1,694,133)
Total revenues	8,704,615	9,404,011	7,737,929	(1,666,082)
<b><u>Expenditures</u></b>				
Culture and recreation				
Personal services	410,174	410,174	421,238	(11,064)
Supplies	569,800	598,000	646,567	(48,567)
Other services and charges	7,338,631	8,215,543	7,362,908	852,635
Interfund payment for services	210,326	210,472	137,696	72,776
Capital outlay	-	41,900	27,330	14,570
Total culture and recreation	8,528,931	9,476,089	8,595,739	880,350
Debt service: interest	-	-	25,398	(25,398)
Total expenditures	8,528,931	9,476,089	8,621,137	854,952
Excess (deficiency) of revenues over expenditures	175,684	(72,078)	(883,208)	(811,130)
<b><u>Other Financing Sources (Uses)</u></b>				
Sale of capital assets	-	-	911	911
Transfers in	-	300,000	300,000	-
Transfers out	(10,378)	(10,378)	(10,378)	-
Total other financing sources (uses)	(10,378)	289,622	290,533	911
Net change in fund balance	165,306	217,544	(592,675)	(810,219)
Fund balance as of January 1	496,517	196,517	(366,864)	(563,381)
Fund balance as of December 31	\$ 661,823	\$ 414,061	\$ (959,539)	\$ (1,373,600)

**Clark County Washington**  
**Emergency Medical Services Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- indirect	-	-	4,794	4,794
Intergovernmental revenues	\$ 12,144	\$ 12,144	\$ 0	\$ (12,144)
Total intergovernmental	12,144	12,144	4,794	(7,350)
Public safety	1,459,894	1,459,894	1,416,120	(43,774)
Total charges for services	1,459,894	1,459,894	1,416,120	(43,774)
Fines and forfeitures	136,656	136,656	106,742	(29,914)
Total fines & forfeitures	136,656	136,656	106,742	(29,914)
Interest earnings	16,000	16,000	5,026	(10,974)
Other revenues	-	-	2,159	2,159
Total miscellaneous	16,000	16,000	7,185	(8,815)
Total revenues	1,624,694	1,624,694	1,534,841	(89,853)
<b><u>Expenditures</u></b>				
Public safety				
Intergovernmental	1,689,754	1,726,263	1,660,537	65,726
Total public safety	1,689,754	1,726,263	1,660,537	65,726
Total expenditures	1,689,754	1,726,263	1,660,537	65,726
Excess (deficiency) of revenues over expenditures	(65,060)	(101,569)	(125,696)	(24,127)
Net change in fund balance	(65,060)	(101,569)	(125,696)	(24,127)
Fund balance as of January 1	619,474	582,965	438,894	(144,071)
Fund balance as of December 31	\$ 554,414	\$ 481,396	\$ 313,198	\$ (168,198)

**Clark County Washington**  
**Radio Communications Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- indirect	\$ -	\$ -	\$ 35,609	\$ 35,609
Intergovernmental revenues	-	-	33,227	33,227
Total intergovernmental	-	-	68,836	68,836
Public safety	2,167,990	2,167,990	2,048,105	(119,885)
Total charges for services	2,167,990	2,167,990	2,048,105	(119,885)
Interest earnings	2,500	2,500	2,440	(60)
Other revenues	189,448	189,448	23,750	(165,698)
Total miscellaneous	191,948	191,948	26,190	(165,758)
Total revenues	2,359,938	2,359,938	2,143,131	(216,807)
<b><u>Expenditures</u></b>				
Public safety				
Intergovernmental	1,641,070	1,890,269	1,729,396	160,873
Total public safety	1,641,070	1,890,269	1,729,396	160,873
Debt service: interest	-	-	8	(8)
Total expenditures	1,641,070	1,890,269	1,729,404	160,865
Excess (deficiency) of revenues over expenditures	718,868	469,669	413,727	(55,942)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(761,244)	(575,000)	(488,472)	86,528
Total other financing sources (uses)	(761,244)	(575,000)	(488,472)	86,528
Net change in fund balance	(42,376)	(105,331)	(74,745)	30,586
Fund balance as of January 1	430,470	367,515	284,532	(82,983)
Fund balance as of December 31	\$ 388,094	\$ 262,184	\$ 209,787	\$ (52,397)

**Clark County Washington**  
**Tri-Mountain Golf O&M Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Culture and recreation	\$ 3,745,000	\$ 3,745,000	\$ 2,779,267	\$ (965,733)
Total charges for services	3,745,000	3,745,000	2,779,267	(965,733)
Interest earnings	5,000	5,000	284	(4,716)
Other revenues	-	-	(1,222)	(1,222)
Total miscellaneous	5,000	5,000	(938)	(5,938)
Total revenues	3,750,000	3,750,000	2,778,329	(971,671)
<b><u>Expenditures</u></b>				
Culture and recreation				
Other services and charges	3,353,140	3,353,140	3,016,024	337,116
Total culture and recreation	3,353,140	3,353,140	3,016,024	337,116
Total expenditures	3,353,140	3,353,140	3,016,024	337,116
Excess (deficiency) of revenues over expenditures	396,860	396,860	(237,695)	(634,555)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(150,000)	-	-	-
Total other financing sources (uses)	(150,000)	-	-	-
Net change in fund balance	246,860	396,860	(237,695)	(634,555)
Fund balance as of January 1	153,076	3,076	9,951	6,875
Fund balance as of December 31	\$ 399,936	\$ 399,936	\$ (227,744)	\$ (627,680)

**Clark County Washington**  
**Industrial Revenue Bond Corp. Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
Transfers out	-	-	(80,000)	(80,000)
Total other financing sources (uses)	-	-	(80,000)	(80,000)
Net change in fund balance	-	-	(80,000)	(80,000)
Fund balance as of January 1	-	-	100,469	100,469
Prior Period Adjustment	-	-	-	-
Fund balance as of January 1-restated	-	-	100,469	100,469
Fund balance as of December 31	\$ -	\$ -	\$ 20,469	\$ 20,469

**Clark County Washington**  
**GIS Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
General government fees	\$ 678,266	\$ 678,266	\$ 686,633	\$ 8,367
Interfund revenues	1,402,000	1,402,000	1,313,873	(88,127)
Total charges for services	<u>2,080,266</u>	<u>2,080,266</u>	<u>2,000,506</u>	<u>(79,760)</u>
Interest earnings	2,000	2,000	5,835	3,835
Other revenues	-	-	30	30
Total miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>5,865</u>	<u>3,865</u>
Total revenues	<u>2,082,266</u>	<u>2,082,266</u>	<u>2,006,371</u>	<u>(75,895)</u>
<b><u>Expenditures</u></b>				
General government				
Personal services	3,883,174	3,693,174	3,434,654	258,520
Supplies	100,500	100,500	148,123	(47,623)
Other services and charges	446,800	584,700	368,495	216,205
Capital outlay	-	52,100	37,663	14,437
Interfund payment for services	62,704	60,704	58,996	1,708
Total general government	<u>4,493,178</u>	<u>4,491,178</u>	<u>4,047,931</u>	<u>443,247</u>
Total expenditures	<u>4,493,178</u>	<u>4,491,178</u>	<u>4,047,931</u>	<u>443,247</u>
Excess (deficiency) of revenues over expenditures	(2,410,912)	(2,408,912)	(2,041,560)	367,352
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	2,128,632	2,128,632	2,128,632	-
Total other financing sources (uses)	<u>2,128,632</u>	<u>2,128,632</u>	<u>2,128,632</u>	<u>-</u>
Net change in fund balance	(282,280)	(280,280)	87,072	367,352
Fund balance as of January 1	465,539	465,539	800,943	335,404
Fund balance as of December 31	<u>\$ 183,259</u>	<u>\$ 185,259</u>	<u>\$ 888,015</u>	<u>\$ 702,756</u>

**Clark County Washington**  
**CJA 0.1% Sales Tax Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Retail sales and use taxes	\$ 5,190,876	\$ 5,190,876	\$ 5,296,813	\$ 105,937
Total taxes	5,190,876	5,190,876	5,296,813	105,937
Interest earnings	-	-	705	705
Total miscellaneous	-	-	705	705
Total revenues	5,190,876	5,190,876	5,297,518	106,642
Excess (deficiency) of revenues over expenditures	5,190,876	5,190,876	5,297,518	106,642
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(5,194,172)	(5,310,313)	(5,310,313)	-
Total other financing sources (uses)	(5,194,172)	(5,310,313)	(5,310,313)	-
Net change in fund balance	(3,296)	(119,437)	(12,795)	106,642
Fund balance as of January 1	117,797	117,797	92,180	(25,617)
Fund balance as of December 31	\$ 114,501	\$ (1,640)	\$ 79,385	\$ 81,025

**Clark County Washington**  
**BJA-Block Grant Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- direct	\$ 265,000	\$ 357,533	\$ 111,765	\$ (245,768)
Federal stimulus grants	-	-	103,427	103,427
Total intergovernmental	265,000	357,533	215,192	(142,341)
Interest earnings	-	-	1,855	1,855
Other revenues	-	-	9,215	9,215
Total miscellaneous	-	-	11,070	11,070
Total revenues	265,000	357,533	226,262	(131,271)
<b><u>Expenditures</u></b>				
Public safety				
Personal services	-	-	5,060	(5,060)
Supplies	32,000	124,533	97,467	27,066
Other services and charges	175,534	175,534	55,198	120,336
Capital outlay	-	-	61,556	(61,556)
Total public safety	207,534	300,067	219,281	80,786
Total expenditures	207,534	300,067	219,281	80,786
Excess (deficiency) of revenues over expenditures	57,466	57,466	6,981	(50,485)
Net change in fund balance	57,466	57,466	6,981	(50,485)
Fund balance as of January 1	240,603	240,603	61,343	(179,260)
Fund balance as of December 31	\$ 298,069	\$ 298,069	\$ 68,324	\$ (229,745)

**Clark County Washington**  
**Solid Waste Closure Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Interest earnings	\$ -	\$ -	\$ 104,606	\$ 104,606
Other revenues	-	-	163	163
Total miscellaneous	-	-	104,769	104,769
Total revenues	-	-	104,769	104,769
<b><u>Expenditures</u></b>				
Physical environment				
Other services and charges	1,832,476	1,922,476	1,510,298	412,178
Capital outlay	-	1,201,000	1,152,117	48,883
Total physical environment	1,832,476	3,123,476	2,662,415	461,061
Total expenditures	1,832,476	3,123,476	2,662,415	461,061
Excess (deficiency) of revenues over expenditures	(1,832,476)	(3,123,476)	(2,557,646)	565,830
Net change in fund balance	(1,832,476)	(3,123,476)	(2,557,646)	565,830
Fund balance as of January 1	13,767,213	15,058,213	13,657,309	(1,400,904)
Fund balance as of December 31	\$ 11,934,737	\$ 11,934,737	\$ 11,099,663	\$ (835,074)

**Clark County Washington**  
**Jail Commissary Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
General government fees	\$ 1,255,000	\$ 1,255,000	\$ 562,783	\$ (692,217)
Total charges for services	1,255,000	1,255,000	562,783	(692,217)
Interest earnings	16,000	16,000	2,976	(13,024)
Other revenues	600,000	600,000	653,643	53,643
Total miscellaneous	616,000	616,000	656,619	40,619
Total revenues	1,871,000	1,871,000	1,219,402	(651,598)
<b><u>Expenditures</u></b>				
Public safety				
Supplies	1,752,500	1,752,500	1,242,029	510,471
Other services and charges	118,500	118,500	10,925	107,575
Interfund payment for services	-	-	252,857	(252,857)
Total public safety	1,871,000	1,871,000	1,505,811	365,189
Total expenditures	1,871,000	1,871,000	1,505,811	365,189
Excess (deficiency) of revenues over expenditures	-	-	(286,409)	(286,409)
Net change in fund balance	-	-	(286,409)	(286,409)
Fund balance as of January 1	340,080	340,080	510,220	170,140
Fund balance as of December 31	\$ 340,080	\$ 340,080	\$ 223,811	\$ (116,269)

**Clark County Washington**  
**Juvenile Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Interest earnings	\$ -	\$ -	\$ 308	\$ 308
Other revenues	38,000	38,000	8,695	(29,305)
Total miscellaneous	38,000	38,000	9,003	(28,997)
Total revenues	38,000	38,000	9,003	(28,997)
<b><u>Expenditures</u></b>				
Public safety				
Supplies	34,000	34,000	14,234	19,766
Other services and charges	4,000	4,000	394	3,606
Total public safety	38,000	38,000	14,628	23,372
Total expenditures	38,000	38,000	14,628	23,372
Excess (deficiency) of revenues over expenditures	-	-	(5,625)	(5,625)
Net change in fund balance	-	-	(5,625)	(5,625)
Fund balance as of January 1	40,797	40,797	41,266	469
Prior Period Adjustment	-	-	-	-
Fund balance as of January 1-restated	40,797	40,797	41,266	469
Fund balance as of December 31	\$ 40,797	\$ 40,797	\$ 35,641	\$ (5,156)

**Clark County Washington**  
**Health Department**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Business licenses and permits	\$ 2,490,632	\$ 2,504,123	\$ 2,482,404	\$ (21,719)
Non-business licenses and permits	1,103,700	1,454,097	1,345,724	(108,373)
Total licenses and permits	3,594,332	3,958,220	3,828,128	(130,092)
Federal grants -- indirect	4,154,378	4,238,617	4,880,090	641,473
State grants	3,019,839	2,522,403	2,318,000	(204,403)
State entitlements	2,032,584	2,074,041	2,074,041	-
Intergovernmental revenues	672,766	619,918	484,902	(135,016)
Total intergovernmental	9,879,567	9,454,979	9,757,033	302,054
Health & human services	1,902,690	1,676,643	1,622,750	(53,893)
Interfund revenues	3,904,727	3,544,442	3,550,888	6,446
Total charges for services	5,807,417	5,221,085	5,173,638	(47,447)
Interest earnings	30,105	20,529	15,175	(5,354)
Rents and royalties	292,074	239,784	234,918	(4,866)
Interfund revenue	-	52,290	66,633	14,343
Donations	189,150	294,452	390,304	95,852
Other revenues	2,875	-	786	786
Total miscellaneous	514,204	607,055	707,816	100,761
Total revenues	19,795,520	19,241,339	19,466,615	225,276
<b><u>Expenditures</u></b>				
Health and human services				
Personal services	13,557,780	13,735,448	13,502,757	232,691
Supplies	235,120	358,301	367,232	(8,931)
Other services and charges	1,790,385	2,024,850	1,636,226	388,624
Intergovernmental	5,182,030	4,589,063	4,492,107	96,956
Interfund payment for services	4,178,868	3,886,739	3,720,390	166,349
Total health and human	24,944,183	24,594,401	23,718,712	875,689
Total expenditures	24,944,183	24,594,401	23,718,712	875,689
Excess (deficiency) of revenues expenditures	(5,148,663)	(5,353,062)	(4,252,097)	1,100,965
<b><u>Other Financing Sources (Uses)</u></b>				
Insurance recoveries	2,900	-	(7,889)	(7,889)
Transfers in	4,083,824	4,606,690	4,538,062	(68,628)
Total other financing sources	4,086,724	4,606,690	4,530,173	(76,517)
Net change in fund balance	(1,061,939)	(746,372)	278,076	1,024,448
Fund balance as of January 1	1,910,150	2,216,389	2,321,984	105,595
Fund balance as of December 31	\$ 848,211	\$ 1,470,017	\$ 2,600,060	\$ 1,130,043

**Clark County Washington**  
**Trial Court Improvement Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
State entitlements	\$ 220,000	\$ 300,000	\$ 284,836	\$ (15,164)
Total intergovernmental	220,000	300,000	284,836	(15,164)
Interest earnings	-	-	613	613
Total miscellaneous	-	-	613	613
Total revenues	220,000	300,000	285,449	(14,551)
<b><u>Expenditures</u></b>				
Excess (deficiency) of revenues over expenditures	220,000	300,000	285,449	(14,551)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(401,000)	(300,000)	(285,818)	14,182
Total other financing sources (uses)	(401,000)	(300,000)	(285,818)	14,182
Net change in fund balance	(181,000)	-	(369)	(369)
Fund balance as of January 1	193,202	12,202	527	(11,675)
Fund balance as of December 31	\$ 12,202	\$ 12,202	\$ 158	\$ (12,044)

**Clark County Washington**  
**Exhibition Hall Dedicated Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Retail sales and use taxes	\$ 384,750	\$ 384,750	\$ 387,250	\$ 2,500
Total taxes	384,750	384,750	387,250	2,500
Interlocal grants	162,400	162,400	321,810	159,410
Total intergovernmental	162,400	162,400	321,810	159,410
Interest earnings	-	-	6,297	6,297
Rents and royalties	1,200,000	1,200,000	700,000	(500,000)
Other revenues	-	-	1,305	1,305
Total miscellaneous	1,200,000	1,200,000	707,602	(492,398)
Total revenues	1,747,150	1,747,150	1,416,662	(330,488)
<b><u>Expenditures</u></b>				
Debt service: interest	-	-	84,913	(84,913)
Total expenditures	-	-	84,913	(84,913)
Excess (deficiency) of revenues over expenditures	1,747,150	1,747,150	1,331,749	(415,401)
<b><u>Other Financing Sources (Uses)</u></b>				
Proceeds from refunding debt	-	-	15,496,110	15,496,110
Premium on refunding bonds	-	-	2,184,068	2,184,068
Repayment of refunding bonds	-	-	(17,595,265)	(17,595,265)
Transfers out	(2,220,250)	(2,220,250)	(2,193,385)	26,865
Total other financing sources (uses)	(2,220,250)	(2,220,250)	(2,108,472)	111,778
Net change in fund balance	(473,100)	(473,100)	(776,723)	(303,623)
Fund balance as of January 1	1,052,022	1,052,022	1,026,327	(25,695)
Fund balance as of December 31	\$ 578,922	\$ 578,922	\$ 249,604	\$ (329,318)

**Clark County Washington**  
**Tourism Promotion Area (TPA)**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Excise and other taxes	\$ 1,785,000	\$ 1,785,000	\$ 1,801,495	\$ 16,495
Total taxes	1,785,000	1,785,000	1,801,495	16,495
Total revenues	1,785,000	1,785,000	1,801,495	16,495
<b><u>Expenditures</u></b>				
Economic environment				
Intergovernmental	1,785,000	1,785,000	1,753,275	31,725
Total economic environment	1,785,000	1,785,000	1,753,275	31,725
Total expenditures	1,785,000	1,785,000	1,753,275	31,725
Excess (deficiency) of revenues over expenditures	-	-	48,220	48,220
Net change in fund balance	-	-	48,220	48,220
Fund balance as of January 1	92,476	92,476	132,561	40,085
Fund balance as of December 31	\$ 92,476	\$ 92,476	\$ 180,781	\$ 88,305

**Clark County Washington**  
**Campus Development Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Interest earnings	\$ 140,000	\$ 140,000	\$ 59,842	\$ (80,158)
Rents and royalties	8,597,308	8,597,308	7,864,192	(733,116)
Other revenues	-	-	2,479	2,479
Total miscellaneous	<u>8,737,308</u>	<u>8,737,308</u>	<u>7,926,513</u>	<u>(810,795)</u>
Total revenues	<u>8,737,308</u>	<u>8,737,308</u>	<u>7,926,513</u>	<u>(810,795)</u>
<b><u>Expenditures</u></b>				
General government				
Intergovernmental	8,000	8,000	7,631	369
Total general government	<u>8,000</u>	<u>8,000</u>	<u>7,631</u>	<u>369</u>
Debt service: interest	-	-	52,698	(52,698)
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>60,329</u>	<u>(52,329)</u>
Excess (deficiency) of revenues over expenditures	8,729,308	8,729,308	7,866,184	(863,124)
<b><u>Other Financing Sources (Uses)</u></b>				
Proceeds from refunding debt	-	-	9,617,073	9,617,073
Premium on refunding bonds	-	-	1,355,459	1,355,459
Repayment of refunding bonds	-	-	(10,919,834)	(10,919,834)
Transfers out	(8,701,309)	(8,701,309)	(8,650,709)	50,600
Total other financing sources (uses)	<u>(8,701,309)</u>	<u>(8,701,309)</u>	<u>(8,598,011)</u>	<u>103,298</u>
Net change in fund balance	27,999	27,999	(731,827)	(759,826)
Fund balance as of January 1	2,773,953	4,223,298	3,622,193	(601,105)
Fund balance as of December 31	<u>\$ 2,801,952</u>	<u>\$ 4,251,297</u>	<u>\$ 2,890,366</u>	<u>\$ (1,360,931)</u>

**Clark County Washington**  
**County Metropolitan Parks District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b>Revenues</b>				
General property taxes	\$ -	\$ 6,285,954	\$ 6,107,597	\$ (178,357)
Excise and other taxes	-	-	789	789
Total taxes	-	6,285,954	6,108,386	(177,568)
Culture and recreation	7,838,296	115,000	74,005	(40,995)
Interfund revenues	-	-	3,362	3,362
Total charges for services	7,838,296	115,000	77,367	(37,633)
Interest earnings	-	-	45,246	45,246
Other revenues	-	-	6	6
Total miscellaneous	-	-	45,252	45,252
Total revenues	7,838,296	6,400,954	6,231,005	(169,949)
<b>Expenditures</b>				
Culture and recreation				
Personal services	2,832,250	2,660,254	2,428,403	231,851
Supplies	624,106	624,106	344,128	279,978
Other services and charges	1,516,496	1,516,496	512,749	1,003,747
Interfund payment for services	2,651,125	2,748,624	2,163,654	584,970
Intergovernmental	-	-	15,081	(15,081)
Capital outlay	454,000	454,000	11,299	442,701
Total culture and recreation	8,077,977	8,003,480	5,475,314	2,528,166
Debt service: interest	-	-	26	(26)
Total expenditures	8,077,977	8,003,480	5,475,340	2,528,140
Excess (deficiency) of revenues over expenditures	(239,681)	(1,602,526)	755,665	2,358,191
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	10,226,000	9,499,184	(726,816)
Transfers out	-	(15,613,000)	(12,499,184)	3,113,816
Total other financing sources (uses)	-	(5,387,000)	(3,000,000)	2,387,000
Net change in fund balance	(239,681)	(6,989,526)	(2,244,335)	4,745,191
Fund balance as of January 1	3,787,489	10,217,051	9,292,433	(924,618)
Fund balance as of December 31	\$ 3,547,808	\$ 3,227,525	\$ 7,048,098	\$ 3,820,573

**Clark County Washington  
Camp Bonneville Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- direct	\$ 4,453,600	\$ 10,453,600	\$ 1,927,419	\$ (8,526,181)
Total intergovernmental	4,453,600	10,453,600	1,927,419	(8,526,181)
Interest earnings	200,000	200,000	2,477	(197,523)
Other revenues	-	-	705,753	705,753
Total miscellaneous	200,000	200,000	708,230	508,230
Total revenues	4,653,600	10,653,600	2,635,649	(8,017,951)
<b><u>Expenditures</u></b>				
Culture and recreation				
Other services and charges	4,200,000	10,200,000	477,549	9,722,451
Interfund payment for services	453,600	453,600	1,431,292	(977,692)
Total culture and recreation	4,653,600	10,653,600	1,908,841	8,744,759
Total expenditures	4,653,600	10,653,600	1,908,841	8,744,759
Excess (deficiency) of revenues over expenditures	-	-	726,808	726,808
Net change in fund balance	-	-	726,808	726,808
Fund balance as of January 1	64,525	(3,000,000)	396	3,000,396
Fund balance as of December 31	\$ 64,525	\$ (3,000,000)	\$ 727,204	\$ 3,727,204

**Clark County Washington**  
**Mental Health Sales Tax Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Retail sales and use taxes	\$ 9,292,652	\$ 9,755,081	\$ 9,875,742	\$ 120,661
Total taxes	9,292,652	9,755,081	9,875,742	120,661
Interest earnings	-	-	8,951	8,951
Total miscellaneous	-	-	8,951	8,951
Total revenues	9,292,652	9,755,081	9,884,693	129,612
<b><u>Expenditures</u></b>				
Public safety				
Personal services	-	54,069	-	54,069
Supplies	-	667	-	667
Other services and charges	-	620	-	620
Interfund payment for services	-	867	866	1
Total public safety	-	56,223	866	55,357
Health and human services				
Intergovernmental	140,000	140,000	140,000	-
Total health and human services	140,000	140,000	140,000	-
Total expenditures	140,000	196,223	140,866	55,357
Excess (deficiency) of revenues over expenditures	9,152,652	9,558,858	9,743,827	184,969
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(9,121,905)	(9,177,146)	(8,819,084)	358,062
Total other financing sources (uses)	(9,121,905)	(9,177,146)	(8,819,084)	358,062
Net change in fund balance	30,747	381,712	924,743	543,031
Fund balance as of January 1	583,141	232,176	736,106	503,930
Fund balance as of December 31	\$ 613,888	\$ 613,888	\$ 1,660,849	\$ 1,046,961

**Clark County Washington**  
**Law & Justice Sales Tax Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
Retail sales and use taxes	\$ 7,709,488	\$ 7,709,488	\$ 8,164,343	\$ 454,855
Total taxes	7,709,488	7,709,488	8,164,343	454,855
Interest earnings	-	-	1,160	1,160
Total miscellaneous	-	-	1,160	1,160
Total revenues	7,709,488	7,709,488	8,165,503	456,015
Excess (deficiency) of revenues over expenditures	7,709,488	7,709,488	8,165,503	456,015
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	(8,003,561)	(8,144,872)	(8,144,872)	-
Total other financing sources (uses)	(8,003,561)	(8,144,872)	(8,144,872)	-
Net change in fund balance	(294,073)	(435,384)	20,631	456,015
Fund balance as of January 1	419,300	419,300	13,302	(405,998)
Fund balance as of December 31	\$ 125,227	\$ (16,084)	\$ 33,933	\$ 50,017

**Clark County Washington**  
**LRF-Local Revitalization Financing**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Biennium Ended December 31, 2012**

	Original	Final	Actual Biennium to Date	Variance with Final Budget
<b><u>Revenues</u></b>				
General property taxes	\$ -	\$ 40,000	\$ 2,854	\$ (37,146)
Total taxes	-	40,000	2,854	(37,146)
Total revenues	-	40,000	2,854	(37,146)
<b><u>Expenditures</u></b>				
Excess (deficiency) of revenues over expenditures	-	40,000	2,854	(37,146)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	30,000	20,815	(9,185)
Transfers out	-	(70,000)	-	70,000
Total other financing sources (uses)	-	(40,000)	20,815	60,815
Net change in fund balance	-	-	23,669	23,669
Fund balance as of January 1	-	-	-	-
Fund balance as of December 31	\$ -	\$ -	\$ 23,669	\$ 23,669

## NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds are established to account for the accumulation of resources and the payment of expenditures, principal, and interest for certain debt service arrangements.

**General Obligation Bonds** - A fund to accumulate monies for principal and interest on general obligation bonds issued by the County.

**Tax Anticipation Note** - A fund used to consolidate payments against an operating line of credit with a local bank.

**R.I.D. No. 11/12** - A consolidated fund to accumulate monies for principal and interest on the \$1,947,782 Road Improvement District No. 11 and 12 Bonds due in 2009, bearing interest at 7 to 7.75%.

**R.I.D. No. 15/16** - A consolidated fund to accumulate monies for principal and interest on the \$582,338 Road Improvement District No. 15 and No. 16 Bonds due in 2014, bearing interest at 5.5 to 7%.

**R.I.D. No. 17** - A fund to account for expenditures incurred by the Road Improvement District No. 17 at SE 5th Street.

**R.I.D. No. 18** - A fund to account for expenditures incurred by the Road Improvement District No. 18 at 99th Street.

**County Road Improvement Guaranty Fund** – A fund established to hold monies that guarantee the payment of county road improvement district bonds.

**Clark County Washington**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**December 31, 2012**

General Obligation Bonds	Tax Anticipation Note	R.I.D. No. 11/12	R.I.D. No. 15/16	R.I.D. No.17	R.I.D. No.18	County Road	
						Improvement	Guaranty Fund
\$ -	\$ -	\$ -	\$ 13,614	\$ -	\$ 7,086	\$ -	\$ 20,700
-	-	-	-	-	3,937	-	3,937
-	130,802	-	-	-	-	-	130,802
<b>\$ -</b>	<b>\$ 130,802</b>	<b>\$ -</b>	<b>\$ 13,614</b>	<b>\$ -</b>	<b>\$ 11,023</b>	<b>\$ -</b>	<b>\$ 155,439</b>

**ASSETS**

Cash, cash equivalents and  
pooled investments  
Special assessments receivable  
Due from other funds  
Total assets

**LIABILITIES AND FUND BALANCES**

*Liabilities*

Warrants and anticipation notes payable  
Deferred revenue

Total liabilities

*Fund Balances*

Restricted  
Unassigned

Total fund balances

Total liabilities and fund balance

\$ -	\$ 130,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,802
-	-	-	-	-	3,937	-	3,937
-	130,802	-	-	-	3,937	-	134,739
-	-	-	13,614	-	7,086	-	20,700
-	-	-	-	-	-	-	-
-	-	-	13,614	-	7,086	-	20,700
<b>\$ -</b>	<b>\$ 130,802</b>	<b>\$ -</b>	<b>\$ 13,614</b>	<b>\$ -</b>	<b>\$ 11,023</b>	<b>\$ -</b>	<b>\$ 155,439</b>

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**For the Year Ended December 31, 2012**

	General Obligation Bonds	Tax Anticipation Note	R.I.D. No. 1/12	R.I.D. No. 15/16	R.I.D. No. 17	R.I.D. No. 18	County Road Improvement Guaranty Fund	Total
<b>Revenues:</b>								
Interest earnings	\$ -	\$ -	\$ -	\$ 1,549	\$ -	\$ 896	\$ 808	\$ 3,253
Other revenues	121,657	14,749	-	12,050	-	2,653	6,437	157,546
Total revenues	121,657	14,749	-	13,599	-	3,549	7,245	160,799
<b>Expenditures:</b>								
Debt service:								
Principal	8,533,463	-	-	-	-	18,954	-	8,552,417
Interest and other charges	4,730,863	14,749	68	-	19	1,203	-	4,746,902
Total expenditures	13,264,326	14,749	68	-	19	20,157	-	13,299,319
Excess (deficiency) of revenues over expenditures	(13,142,669)	-	(68)	13,599	(19)	(16,608)	7,245	(13,138,520)
<b>Other Financing Sources (Uses):</b>								
Transfers in	13,142,669	-	68	15	19	-	-	13,142,771
Transfers out	-	-	-	-	-	-	(500,582)	(500,582)
Total other financing sources (uses)	13,142,669	-	68	15	19	-	(500,582)	12,642,189
Net change in fund balances	-	-	-	13,614	-	(16,608)	(493,337)	(496,331)
Fund balance as of January 1	-	-	-	-	-	23,694	493,337	517,031
Fund balance as of December 31	\$ -	\$ -	\$ -	\$ 13,614	\$ -	\$ 7,086	\$ -	\$ 20,700

**Clark County Washington**  
**General Obligation Bonds Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2012**

	Original 2011/2012 Budget	Final 2011/2012 Budget	Actual Biennium to Date	Variance with Final Budget Positive/ (Negative)
<b><u>Revenues</u></b>				
Rents and royalties	\$ 234,144	\$ 234,144	\$ 242,908	\$ 8,764
Total miscellaneous	234,144	234,144	242,908	8,764
Total revenues	234,144	234,144	242,908	8,764
<b><u>Expenditures</u></b>				
Debt Service:				
Principal	14,129,140	15,086,336	15,906,335	(819,999)
Interest and other charges	11,257,724	11,446,095	10,491,756	954,339
Total expenditures	25,386,864	26,532,431	26,398,091	134,340
Excess (deficiency) of revenues over expenditures	(25,152,720)	(26,298,287)	(26,155,183)	143,104
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	25,152,720	26,298,287	26,155,183	(143,104)
Total other financing sources (uses)	25,152,720	26,298,287	26,155,183	(143,104)
Net change in fund balance	-	-	-	-
Fund balance as of January 1	9,996	1,302,486	-	(1,302,486)
Fund balance as of December 31	\$ 9,996	\$ 1,302,486	\$ -	\$ (1,302,486)

## NONMAJOR CAPITAL PROJECT FUNDS

Capital Project Funds are established to account for financial resources used for the acquisition of systems and equipment, as well as the acquisition or construction of major capital facilities.

**Parks Conservation Futures** - A fund to accumulate and account for monies collected from the local property tax levy for the acquisition of park lands.

**Development Impact Fees** – A fund to account for the accumulation and disposition of impact fees assessed on new development under the Growth Management Act of 1990.

**Real Estate Excise Tax** - A fund to account for the .25% excise tax assessed on real estate transactions within the unincorporated area of the County and to track the costs of acquiring property or equipment in the Capital Plan.

**Parks Dedicated 1/4% REET** - A fund established to account for .125% (half of the additional .25%) excise tax on real estate transactions within the unincorporated area of the County to be expended on parks planning, construction, reconstruction, repair or improvements.

**Technology Reserve** – A fund to account for revenues used for information technology systems and upgrades.

**CAD System Replacement** – A fund established to account for funds to be accumulated for the replacement of CAD and 800 MHz equipment used in the “911” emergency services operations.

**Economic Development Dedicated REET** - A fund established to account for .125% (half of the additional .25%) excise tax on real estate transactions within the unincorporated area of the County to be expended on planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, and storm and sanitary sewer systems.

**REET Electronic Technology Fund** – A fund established to account for an additional five dollar transaction fee on all real estate transactions within the unincorporated area of the County to be expended exclusively for the development, implementation, and maintenance of an electronic processing and reporting system for real estate excise tax affidavits.

**Clark County Washington**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**December 31, 2012**

	Parks Conservation Futures	Development Impact Fees	Real Estate Excise Tax	Parks Dedicated 1/4% REET	Technology Reserve	Cad System Replacement	Economic Development Dedicated REET	REET Electronic Technology Fund	Total
Cash, cash equivalents and pooled investments	\$ 3,547,132	\$ 3,413,110	\$ 711,345	\$ 2,702,156	\$ 1,750,368	\$ 2,886,699	\$ 6,490,964	\$ 138,153	\$ 21,639,927
Taxes receivable	92,896	-	-	-	-	-	-	-	92,896
Due from other funds	-	3,480	-	-	-	-	-	-	3,480
Due from other governments	31,458	-	-	-	-	-	-	-	31,458
Assets in safekeeping	-	6,359,456	-	-	-	-	-	-	6,359,456
<b>Total assets</b>	<b>\$ 3,671,486</b>	<b>\$ 9,776,046</b>	<b>\$ 711,345</b>	<b>\$ 2,702,156</b>	<b>\$ 1,750,368</b>	<b>\$ 2,886,699</b>	<b>\$ 6,490,964</b>	<b>\$ 138,153</b>	<b>\$ 28,127,217</b>

**ASSETS**

**LIABILITIES AND FUND BALANCES**

<i>Liabilities</i>									
Vouchers payable	\$ 13,436	\$ 615,177	\$ -	\$ 450,692	\$ 53,578	\$ 500,708	\$ 191,541	\$ -	\$ 1,825,132
Due to other funds	15,430	-	-	34,316	-	-	-	-	49,746
Accrued liabilities	-	-	-	9,567	11,054	-	-	-	20,621
Deposits payable	-	-	-	-	56,865	-	-	-	56,865
Deferred revenue	92,896	-	-	-	-	-	-	-	92,896
<b>Total liabilities</b>	<b>121,762</b>	<b>615,177</b>	<b>-</b>	<b>494,575</b>	<b>121,497</b>	<b>500,708</b>	<b>191,541</b>	<b>-</b>	<b>2,045,260</b>
<i>Fund Balances</i>									
Restricted	3,336,502	9,160,869	538,573	-	14,656	602,635	6,116,001	133,624	19,902,860
Committed	-	-	-	-	-	-	23,680	-	23,680
Assigned	213,222	-	172,772	2,207,581	1,614,215	1,783,356	159,742	4,529	6,155,417
<b>Total fund balances</b>	<b>3,549,724</b>	<b>9,160,869</b>	<b>711,345</b>	<b>2,207,581</b>	<b>1,628,871</b>	<b>2,385,991</b>	<b>6,299,423</b>	<b>138,153</b>	<b>26,081,957</b>
<b>Total liabilities and fund balance</b>	<b>\$ 3,671,486</b>	<b>\$ 9,776,046</b>	<b>\$ 711,345</b>	<b>\$ 2,702,156</b>	<b>\$ 1,750,368</b>	<b>\$ 2,886,699</b>	<b>\$ 6,490,964</b>	<b>\$ 138,153</b>	<b>\$ 28,127,217</b>

**Clark County Washington**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Project Funds**  
**For the Year Ended December 31, 2012**

	Parks Conservation Futures	Development Impact Fees	Real Estate Excise Tax	Parks Dedicated 1/4% REET	Technology Reserve	Cad System Replacement	Economic Development Dedicated REET	REET Electronic Technology Fund	Total
<b>Revenues:</b>									
Property taxes	\$ 2,341,534	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,341,534
Excise and other taxes	14,631	-	1,901,467	48,757	-	-	1,852,576	-	3,817,431
Intergovernmental	48,770	-	-	6,952	-	602,635	-	-	658,357
Charges for services	-	2,622,641	-	189	15,582	-	-	-	2,638,412
Interest earnings	13,231	8,472	869	4,349	3,675	9,414	23,680	449	64,139
Other revenues	473	-	2,740	1,156	-	-	-	-	4,369
Total revenues	2,418,639	2,631,113	1,905,076	61,403	19,257	612,049	1,876,256	449	9,524,242
<b>Expenditures:</b>									
Capital outlay:									
General government	-	-	-	-	687,471	630,344	-	271	1,318,086
Transportation	-	10,778	-	-	-	-	-	-	10,778
Culture & recreation	356,928	416,405	-	2,190,838	-	-	191,541	-	3,155,712
Debt service:									
Principal	-	-	-	-	-	-	110,471	-	110,471
Interest and other charges	32,625	-	55,242	-	-	-	161,603	-	249,470
Total expenditures	389,553	427,183	55,242	2,190,838	687,471	630,344	463,615	271	4,844,517
Excess (deficiency) of revenues over expenditures	2,029,086	2,203,930	1,849,834	(2,129,435)	(668,214)	(18,295)	1,412,641	178	4,679,725
<b>Other Financing Sources (Uses):</b>									
Issuance of refunding bonds	5,953,900	-	10,081,207	-	-	-	2,290,730	-	18,325,837
Premiums on refunding bonds	839,161	-	1,420,876	-	-	-	322,862	-	2,582,899
Sale of capital assets	44,544	-	-	-	-	-	-	-	44,544
Payment to refunded debt escrow agent	(6,760,435)	-	(11,446,841)	-	-	-	(2,601,040)	-	(20,808,316)
Transfers in	-	-	-	-	1,022,008	203,938	10,330	-	1,236,276
Transfers out	(1,638,496)	(492,037)	(3,051,173)	-	(396,927)	(552,886)	(3,323,819)	-	(9,455,338)
Total other financing sources (uses)	(1,561,326)	(492,037)	(2,995,931)	-	625,081	(348,948)	(3,300,937)	-	(8,074,098)
Net change in fund balances	467,760	1,711,893	(1,146,097)	(2,129,435)	(43,133)	(367,243)	(1,888,296)	178	(3,394,373)
Fund balance as of January 1	3,081,964	7,448,976	1,857,442	4,337,016	1,672,004	2,753,234	8,187,719	137,975	29,476,330
Fund balance as of December 31	\$ 3,549,724	\$ 9,160,869	\$ 711,345	\$ 2,207,581	\$ 1,628,871	\$ 2,385,991	\$ 6,299,423	\$ 138,153	\$ 26,081,957

**Clark County Washington**  
**Parks Conservation Futures**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the year ended December 31, 2012**

	Original	Final	Actual Year to	Variance with Final Budget
<b><u>Revenues</u></b>				
General property taxes	\$ 3,787,066	\$ 3,787,066	\$ 4,729,681	\$ 942,615
Timber harvest taxes	5,300	5,300	9,648	4,348
Excise and other taxes	8,262	8,262	12,412	4,150
Total taxes	3,800,628	3,800,628	4,751,741	951,113
Federal entitlements	-	-	701	701
Federal grants -- indirect	-	-	101,458	101,458
State grants	-	1,234,835	397,374	(837,461)
Intergovernmental revenues	-	-	4,517	4,517
Total intergovernmental	-	1,234,835	504,050	(730,785)
Interest earnings	55,000	55,000	30,174	(24,826)
Rents and royalties	480	480	1,005	525
Other revenues	15,082	15,082	42	(15,040)
Total miscellaneous	70,562	70,562	31,221	(39,341)
Total revenues	3,871,190	5,106,025	5,287,012	180,987
<b><u>Expenditures</u></b>				
Culture and recreation				
Personal services	-	-	49	(49)
Other services and charges	-	-	3,069	(3,069)
Intergovernmental	-	790,000	601,594	188,406
Capital outlay	-	4,559,000	1,161,259	3,397,741
Interfund payment for services	500,684	500,684	490,953	9,731
Total culture and recreation	500,684	5,849,684	2,256,924	3,592,760
Debt service: interest	-	-	32,625	(32,625)
Total expenditures	500,684	5,849,684	2,289,549	3,560,135
Excess (deficiency) of revenues over expenditures	3,370,506	(743,659)	2,997,463	3,741,122
<b><u>Other Financing Sources (Uses)</u></b>				
Proceeds from refunding debt	-	-	5,953,900	5,953,900
Premium on refunding bonds	-	-	839,161	839,161
Repayment of refunding bonds	-	-	(6,760,435)	(6,760,435)
Sale of capital assets	33,200	33,200	67,135	33,935
Transfers out	(3,615,962)	(3,615,962)	(3,446,284)	169,678
Total other financing sources (uses)	(3,582,762)	(3,582,762)	(3,346,523)	236,239
Net change in fund balance	(212,256)	(4,326,421)	(349,060)	3,977,361
Fund balance as of January 1	3,006,163	7,120,328	3,898,784	(3,221,544)
Fund balance as of December 31	\$ 2,793,907	\$ 2,793,907	\$ 3,549,724	\$ 755,817

**Clark County Washington  
Development Impact Fees  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the year ended December 31, 2012**

	Original	Final	Actual Year to	Variance with Final Budget
<b><u>Revenues</u></b>				
Economic environment	\$ 30,665,564	\$ 7,580,892	\$ 4,612,395	\$ (2,968,497)
Total charges for services	30,665,564	7,580,892	4,612,395	(2,968,497)
Interest earnings	130,820	51,000	15,278	(35,722)
Other revenues	1,142	1,142	-	(1,142)
Total miscellaneous	131,962	52,142	15,278	(36,864)
Total revenues	30,797,526	7,633,034	4,627,673	(3,005,361)
<b><u>Expenditures</u></b>				
Transportation				
Intergovernmental	1,291,698	401,698	14,348	387,350
Total transportation	1,291,698	401,698	14,348	387,350
Culture and recreation				
Intergovernmental	7,019,942	4,294,732	526,836	3,767,896
Capital outlay	-	-	155,771	(155,771)
Total culture and recreation	7,019,942	4,294,732	682,607	3,612,125
Total expenditures	8,311,640	4,696,430	696,955	3,999,475
Excess (deficiency) of revenues over expenditures	22,485,886	2,936,604	3,930,718	994,114
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers out	-	(1,472,000)	(852,037)	619,963
Total other financing sources (uses)	-	(1,472,000)	(852,037)	619,963
Net change in fund balance	22,485,886	1,464,604	3,078,681	1,614,077
Fund balance as of January 1	8,762,428	30,358,710	6,082,188	(24,276,522)
Fund balance as of December 31	\$ 31,248,314	\$ 31,823,314	\$ 9,160,869	\$ (22,662,445)

**Clark County Washington**  
**Real Estate Excise Tax Fund - I**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the year ended December 31, 2012**

	Original	Final	Actual	Variance with Final Budget
<b><u>Revenues</u></b>				
Excise and other taxes	\$ 4,500,000	\$ 3,315,076	\$ 3,476,397	\$ 161,321
Total taxes	4,500,000	3,315,076	3,476,397	161,321
Interest earnings	100,000	100,000	17,243	(82,757)
Other revenues	-	-	2,740	2,740
Total miscellaneous	100,000	100,000	19,983	(80,017)
Total revenues	4,600,000	3,415,076	3,496,380	81,304
<b><u>Expenditures</u></b>				
Debt service: interest	-	-	55,242	(55,242)
Total expenditures	-	-	55,242	(55,242)
Excess (deficiency) of revenues over expenditures	4,600,000	3,415,076	3,441,138	26,062
<b><u>Other Financing Sources (Uses)</u></b>				
Proceeds from refunding debt	-	-	10,081,207	10,081,207
Premium on refunding bonds	-	-	1,420,876	1,420,876
Repayment of refunding bonds	-	-	(11,446,841)	(11,446,841)
Transfers out	(9,477,265)	(7,865,986)	(7,809,123)	56,863
Total other financing sources (uses)	(9,477,265)	(7,865,986)	(7,753,881)	112,105
Net change in fund balance	(4,877,265)	(4,450,910)	(4,312,743)	138,167
Fund balance as of January 1	5,183,051	5,183,051	5,024,088	(158,963)
Fund balance as of December 31	\$ 305,786	\$ 732,141	\$ 711,345	\$ (20,796)

**Clark County Washington**  
**Parks Dedicated REET Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the year ended December 31, 2012**

	Original	Final	Actual	Variance with Final Budget
<b><u>Revenues</u></b>				
Excise and other taxes	\$ 2,702,000	\$ 1,220,603	\$ 1,220,602	\$ (1)
Total taxes	2,702,000	1,220,603	1,220,602	(1)
Federal grants -- indirect	-	-	393,421	393,421
State grants	810,000	810,000	469,571	(340,429)
Total intergovernmental	810,000	810,000	862,992	52,992
Transportation	-	-	374	374
Total charges for services	-	-	374	374
Interest earnings	-	-	67,362	67,362
Other revenues	-	-	1,156	1,156
Total miscellaneous	-	-	68,518	68,518
Total revenues	3,512,000	2,030,603	2,152,486	121,883
<b><u>Expenditures</u></b>				
Culture and recreation				
Personal services	2,498,975	1,001,704	681,635	320,069
Supplies	5,075	5,075	10,841	(5,766)
Other services and charges	996,250	996,250	399,339	596,911
Intergovernmental	(1,175,000)	(1,175,000)	2,790,256	(3,965,256)
Capital outlay	11,146,967	11,146,967	6,578,270	4,568,697
Interfund payment for services	870,861	919,253	954,754	(35,501)
Total culture and recreation	14,343,128	12,894,249	11,415,095	1,479,154
Total expenditures	14,343,128	12,894,249	11,415,095	1,479,154
Excess (deficiency) of revenues over expenditures	(10,831,128)	(10,863,646)	(9,262,609)	1,601,037
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	5,600,000	5,600,000	-
Transfers out	-	(2,600,000)	(2,600,000)	-
Total other financing sources (uses)	-	3,000,000	3,000,000	-
Net change in fund balance	(10,831,128)	(7,863,646)	(6,262,609)	1,601,037
Fund balance as of January 1	13,161,299	10,161,299	8,470,190	(1,691,109)
Fund balance as of December 31	\$ 2,330,171	\$ 2,297,653	\$ 2,207,581	\$ (90,072)

**Clark County Washington**  
**Technology Reserve Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the year ended December 31, 2012**

	Original	Final	Actual	Variance with Final Budget
<b>Revenues</b>				
General government fees	\$ -	\$ -	\$ 42,560	\$ 42,560
Interfund revenues	390,000	390,000	67,273	(322,727)
Total charges for services	390,000	390,000	109,833	(280,167)
Interest earnings	100,000	100,000	13,080	(86,920)
Total miscellaneous	100,000	100,000	13,080	(86,920)
Total revenues	490,000	490,000	122,913	(367,087)
<b>Expenditures</b>				
General government				
Personal services	162,472	53,864	54,838	(974)
Supplies	-	-	43,332	(43,332)
Other services and charges	1,314,730	3,092,730	924,843	2,167,887
Capital outlay	-	2,000,000	310,521	1,689,479
Interfund payment for services	1,497	3,178	1,460	1,718
Total general government	1,478,699	5,149,772	1,334,994	3,814,778
Total expenditures	1,478,699	5,149,772	1,334,994	3,814,778
Excess (deficiency) of revenues over expenditures	(988,699)	(4,659,772)	(1,212,081)	3,447,691
<b>Other Financing Sources (Uses)</b>				
Transfers in	670,640	4,488,640	1,957,328	(2,531,312)
Transfers out	(783,352)	(930,279)	(776,552)	153,727
Total other financing sources (uses)	(112,712)	3,558,361	1,180,776	(2,377,585)
Net change in fund balance	(1,101,411)	(1,101,411)	(31,305)	1,070,106
Fund balance as of January 1	1,655,292	1,655,292	1,660,176	4,884
Fund balance as of December 31	\$ 553,881	\$ 553,881	\$ 1,628,871	\$ 1,074,990

**Clark County Washington**  
**CAD/800 MHz System Replacement Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the year ended December 31, 2012**

	Original	Final	Actual	Variance with Final Budget
<b><u>Revenues</u></b>				
Federal grants -- indirect	\$ -	\$ 315,000	\$ -	\$ (315,000)
Intergovernmental revenues	250,000	2,778,134	602,635	(2,175,499)
Total intergovernmental	250,000	3,093,134	602,635	(2,490,499)
Interest earnings	70,000	70,000	26,739	(43,261)
Other revenues	-	-	11,247	11,247
Total miscellaneous	70,000	70,000	37,986	(32,014)
Total revenues	320,000	3,163,134	640,621	(2,522,513)
<b><u>Expenditures</u></b>				
General government				
Capital outlay	2,140,142	5,353,108	2,296,174	3,056,934
Total general government	2,140,142	5,353,108	2,296,174	3,056,934
Total expenditures	2,140,142	5,353,108	2,296,174	3,056,934
Excess (deficiency) of revenues over expenditures	(1,820,142)	(2,189,974)	(1,655,553)	534,421
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	2,803,570	2,036,338	1,949,810	(86,528)
Transfers out	(654,606)	(1,144,064)	(1,144,062)	2
Total other financing sources (uses)	2,148,964	892,274	805,748	(86,526)
Net change in fund balance	328,822	(1,297,700)	(849,805)	447,895
Fund balance as of January 1	2,000,982	2,329,804	3,235,796	905,992
Fund balance as of December 31	\$ 2,329,804	\$ 1,032,104	\$ 2,385,991	\$ 1,353,887

**Clark County Washington**  
**Economic Development Dedicated REET**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the year ended December 31, 2012**

	Original	Final	Actual	Variance with Final Budget
<b><u>Revenues</u></b>				
Excise and other taxes	\$ 1,000,000	\$ 2,094,473	\$ 2,252,552	\$ 158,079
Total taxes	1,000,000	2,094,473	2,252,552	158,079
Interest earnings	100,000	100,000	67,060	(32,940)
Total miscellaneous	100,000	100,000	67,060	(32,940)
Total revenues	1,100,000	2,194,473	2,319,612	125,139
<b><u>Expenditures</u></b>				
Capital outlay	1,000,000	1,000,000	191,541	808,459
Total culture and recreation	1,000,000	1,000,000	191,541	808,459
Debt Service				
Principal	-	-	110,471	(110,471)
Interest	-	-	161,603	(161,603)
Total debt service	-	-	272,074	(272,074)
Total expenditures	1,000,000	1,000,000	463,615	536,385
Excess (deficiency) of revenues over expenditures	100,000	1,194,473	1,855,997	661,524
<b><u>Other Financing Sources (Uses)</u></b>				
Proceeds from refunding debt	-	-	2,290,730	2,290,730
Premium on refunding bonds	-	-	322,862	322,862
Repayment of refunding bonds	-	-	(2,601,040)	(2,601,040)
Transfers in	-	-	10,330	10,330
Transfers out	(5,302,242)	(4,887,491)	(4,629,528)	257,963
Total other financing sources (uses)	(5,302,242)	(4,887,491)	(4,606,646)	280,845
Net change in fund balance	(5,202,242)	(3,693,018)	(2,750,649)	942,369
Fund balance as of January 1	8,715,550	10,330,520	9,050,072	(1,280,448)
Fund balance as of December 31	\$ 3,513,308	\$ 6,637,502	\$ 6,299,423	\$ (338,079)

**Clark County Washington**  
**REET Electronic Technology Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the year ended December 31, 2012**

	Original	Final 2011/2012	Actual	Variance with Final Budget
<b><u>Revenues</u></b>				
State grants	\$ 100,000	\$ -	\$ -	\$ -
Total intergovernmental	100,000	-	-	-
Interest earnings	-	-	1,179	1,179
Total miscellaneous	-	-	1,179	1,179
Total revenues	100,000	-	1,179	1,179
<b><u>Expenditures</u></b>				
General government				
Other services and charges	100,000	80,500	1,493	79,007
Capital outlay	-	19,500	19,181	319
Total general government	100,000	100,000	20,674	79,326
Total expenditures	100,000	100,000	20,674	79,326
Excess (deficiency) of revenues over	-	(100,000)	(19,495)	80,505
<b><u>Other Financing Sources (Uses)</u></b>				
Net change in fund balance	-	(100,000)	(19,495)	80,505
Fund balance as of January 1	195,203	295,203	157,648	(137,555)
Fund balance as of December 31	\$ 195,203	\$ 195,203	\$ 138,153	\$ (57,050)

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## Internal Service Funds

Internal Service Funds are established to account for the financing of goods and services provided by one department, agency, or government unit to other departments or agencies of Clark County, or to other governments, on a cost reimbursement basis.

**Equipment Rental and Revolving** - A fund to finance the maintenance and operations of equipment used by other County funds and departments, and to finance and control material inventory used in the construction and maintenance of county roads.

**Clark County Elections** - A fund established to account for costs incurred in the County elections process.

**Central Support Services** - A fund to finance the operation of centralized facility and utility maintenance on all County buildings.

**General Liability Insurance** - A self insurance fund established to finance uninsured liability claims and the deductible portions of insured liability claims against the County.

**Unemployment Insurance** - A self insurance fund used to finance unemployment claim settlements and decisions against Clark County by former employees.

**Worker's Compensation Insurance** - A self insurance fund used to finance uninsured worker's compensation claims and the deductible portion of worker's compensation claims against the County.

**Data Processing Revolving** - A fund to collect the costs for the maintenance and replacement of data processing equipment.

**Retirement Benefit Reserve** - A fund to account for the costs of administering the medical reimbursement program under the LEOFF I retirement system.

**Radio ER&R** – A fund to collect and track revenues and expenses for equipment repair and replacement for mobile data communication computers and radios used in public safety vehicles.

**Major Maintenance** - A fund to account for the major repair and maintenance costs on various County buildings.

**Server Equipment Repair & Replacement** - A fund to account for the major repair and replacement costs of data servers.

**Clark County Washington**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**December 31, 2012**

	Equipment Rental and Revolving	Clark County Elections	Central Support Services	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance
<b>Assets</b>						
Current assets:						
Cash, cash equivalents and pooled investments	\$ 3,874,078	637,665	239	\$ 2,922,862	\$ 1,515,636	\$ 540,518
Deposit in trust	-	-	-	-	-	150,000
Receivables, net	172,740	498,191	211,364	1,150	22,957	59,883
Due from other funds	556,636	-	-	42,305	-	458
Due from other governments	1,501	-	26,957	-	-	-
Inventory (at cost)	2,266,130	21,502	-	-	-	-
Prepaid expense	-	-	22,192	787,730	-	3,200
Total current assets	6,871,085	1,157,358	260,752	3,754,047	1,538,593	754,059
Noncurrent assets:						
Construction in progress	870,621	-	-	-	-	-
Capital assets being depreciated						
Buildings	102,357	-	-	-	-	-
Improvements other than buildings	1,301,347	-	-	-	-	-
Machinery & equipment	25,538,948	433,393	110,393	-	-	-
Intangibles	-	505,248	-	-	-	-
Less accumulated depreciation	(17,014,209)	(669,891)	(98,519)	-	-	-
Total noncurrent assets	10,799,064	268,750	11,874	-	-	-
Total assets	\$ 17,670,149	\$ 1,426,108	\$ 272,626	\$ 3,754,047	\$ 1,538,593	\$ 754,059
<b>Liabilities</b>						
Current liabilities:						
Warrants payable	\$ -	\$ -	2,044	\$ -	\$ -	\$ -
Accounts payable	574,593	15,268	290,289	164,016	34,785	142,075
Due to other funds	61,950	312	149,310	1,101	-	42,305
Accrued liabilities	73,539	24,478	140,309	2,949	-	-
Compensated absences	77,245	38,992	211,398	1,214	-	2,751
Accrued claims payable-current	-	-	-	1,301,647	-	430,000
Total current liabilities	787,327	79,050	793,350	1,470,927	34,785	617,131
Noncurrent liabilities:						
Compensated absences	-	52,338	81,840	-	-	-
Accrued claims payable	-	-	-	2,447,601	-	3,635,000
Total noncurrent liabilities	-	52,338	81,840	2,447,601	-	3,635,000
Total liabilities	787,327	131,388	875,190	3,918,528	34,785	4,252,131
<b>Net Position</b>						
Net investment in capital assets	10,799,064	268,750	11,874	-	-	-
Restricted for workers compensation claims	6,083,758	1,025,970	(614,438)	(164,481)	1,503,808	150,000
Unrestricted	16,882,822	1,294,720	(602,564)	(164,481)	1,503,808	(3,648,072)
Total net position	\$ 16,882,822	\$ 1,294,720	\$ (602,564)	\$ (164,481)	\$ 1,503,808	\$ (3,498,072)

**Clark County Washington**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**December 31, 2012**

	Data Processing Revolving	Retirement Benefit Reserve	Radio ER&R	Major Maintenance	Server Equipment Repair & Replacement	Total
<b>Assets</b>						
Current assets:						
Cash, cash equivalents and pooled investments	\$ 1,627,082	\$ 418,256	\$ 628,117	\$ 842,444	\$ 231,617	\$ 13,238,514
Deposit in trust	-	-	-	-	-	150,000
Receivables, net	-	102	-	681	-	967,068
Due from other funds	-	-	-	2,803	-	602,202
Due from other governments	-	-	-	-	-	28,458
Inventory (at cost)	-	-	-	-	-	2,287,632
Prepaid expense	-	-	-	-	-	813,122
Total current assets	1,627,082	418,358	628,117	845,928	231,617	18,086,996
Noncurrent assets:						
Construction in progress	-	-	-	-	-	870,621
Capital assets being depreciated						
Buildings	-	-	-	-	-	102,357
Improvements other than buildings	-	-	-	-	-	1,301,347
Machinery & equipment	108,908	-	-	-	3,053,991	29,245,633
Intangibles	-	-	-	-	36,122	541,370
Less accumulated depreciation	(85,961)	-	-	-	(1,852,103)	(19,720,683)
Total noncurrent assets	22,947	-	-	-	1,238,010	12,340,645
Total assets	\$ 1,650,029	\$ 418,358	\$ 628,117	\$ 845,928	\$ 1,469,627	\$ 30,427,641
<b>Liabilities</b>						
Current liabilities:						
Warrants payable	-	-	-	-	-	2,044
Accounts payable	219,633	40,888	1,047	130,492	-	1,613,086
Due to other funds	111	-	-	-	-	255,089
Accrued liabilities	58,069	-	-	12,236	-	311,580
Compensated absences	81,850	-	-	-	-	413,450
Accrued claims payable-current	-	-	-	-	-	1,731,647
Total current liabilities	359,663	40,888	1,047	142,728	-	4,326,896
Noncurrent liabilities:						
Compensated absences	72,228	-	-	-	-	206,406
Accrued claims payable	-	-	-	-	-	6,082,601
Total noncurrent liabilities	72,228	-	-	-	-	6,289,007
Total liabilities	431,891	40,888	1,047	142,728	-	10,615,903
<b>Net Position</b>						
Net investment in capital assets	22,947	-	-	-	1,238,010	12,340,645
Restricted for workers compensation claims	1,195,191	377,470	627,070	703,200	231,617	150,000
Unrestricted	\$ 1,218,138	\$ 377,470	\$ 627,070	\$ 703,200	\$ 1,469,627	\$ 19,811,738

**Clark County Washington**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2012**

	Equipment Rental and Revolving	Clark County Elections	Central Support Services	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance
<b>OPERATING REVENUES</b>						
Charges for services	\$ 7,456,755	\$ 687,976	\$ 1,542,513	\$ -	\$ -	\$ -
Participant contributions	6,081,947	-	-	2,135,798	547,104	2,215,348
Total operating revenues	13,538,702	687,976	1,542,513	2,135,798	547,104	2,215,348
<b>OPERATING EXPENSES</b>						
Personal services	1,538,410	669,157	3,024,031	151,014	150,708	229,736
Contractual services	439,957	966,093	3,967,124	2,219,236	-	2,062,518
Other supplies and expenses	10,108,526	480,323	1,055,212	275,602	-	197,450
Depreciation	1,412,890	110,197	1,249	-	-	-
Total operating expenses	13,499,783	2,225,770	8,047,616	2,645,852	150,708	2,489,704
Operating income (loss)	38,919	(1,537,794)	(6,505,103)	(510,054)	396,396	(274,356)
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Interest and investment revenue	11,463	-	1,621	10,400	3,556	1,579
Miscellaneous revenue	50,233	-	31,047	268,358	-	3,050
Intergovernmental revenue	-	10,822	28,503	-	-	-
Interest expense	-	-	(13)	-	-	-
Gain/(loss) on sale of equipment	(12,573)	-	-	-	-	-
Total non-operating revenues	49,123	10,822	61,158	278,758	3,556	4,629
Income/(loss) before contributions and transfers	88,042	(1,526,972)	(6,443,945)	(231,296)	399,952	(269,727)
Capital contributions	313,247	-	-	-	-	-
Transfers in	404,750	1,114,097	6,070,424	306,576	403,386	34,937
Transfers out	(19,835)	-	(10,330)	-	(507,175)	-
Change in net position	786,204	(412,875)	(383,851)	75,280	296,163	(234,790)
Net position as of January 1	15,988,264	1,707,595	(218,713)	(239,761)	1,207,645	371,718
Prior period adjustment	108,354	-	-	-	-	(3,635,000)
Net position as of January 1--restated	16,096,618	1,707,595	(218,713)	(239,761)	1,207,645	(3,263,282)
Net position as of December 31	\$ 16,882,822	\$ 1,294,720	\$ (602,564)	\$ (164,481)	\$ 1,503,808	\$ (3,498,072)

**Clark County Washington**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2012**

	Data Processing Revolving	Retirement Benefit Reserve	Radio ER&R	Major Maintenance	Server Equipment Repair & Replacement	Total
<b>OPERATING REVENUES</b>						
Charges for services	\$ 33,408	\$ -	\$ -	\$ 32,868	\$ 1,744	\$ 9,755,264
Participant contributions	2,003,505	-	155,652	41,881	-	13,181,235
Total operating revenues	2,036,913	-	155,652	74,749	1,744	22,936,499
<b>OPERATING EXPENSES</b>						
Personal services	1,180,085	494,172	-	-	-	7,437,313
Contractual services	26,982	-	27,558	71,145	40,887	9,821,500
Other supplies and expenses	1,149,932	-	41,596	439,358	11,075	13,759,074
Depreciation	7,531	-	-	-	310,961	1,842,828
Total operating expenses	2,364,530	494,172	69,154	510,503	362,923	32,860,715
Operating income (loss)	(327,617)	(494,172)	86,498	(435,754)	(361,179)	(9,924,216)
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Interest and investment revenue	5,530	1,360	1,953	1,194	-	38,656
Miscellaneous revenue	1,219	-	-	-	-	353,907
Intergovernmental revenue	-	-	-	26,957	-	66,282
Interest expense	-	-	-	-	(60)	(73)
Gain/(loss) on sale of equipment	-	-	-	-	-	(12,573)
Total non-operating revenues	6,749	1,360	1,953	28,151	(60)	446,199
Income/(loss) before contributions and transfers	(320,868)	(492,812)	88,451	(407,603)	(361,239)	(9,478,017)
Capital contributions	-	-	-	-	-	313,247
Transfers in	-	715,631	40,000	900,000	483,445	10,473,246
Transfers out	(50,970)	-	-	-	-	(588,310)
Change in net position	(371,838)	222,819	128,451	492,397	122,206	720,166
Net position as of January 1	1,589,976	154,651	498,619	210,803	1,347,421	22,618,218
Prior period adjustment	-	-	-	-	-	(3,526,646)
Net position as of January 1 -restated	1,589,976	154,651	498,619	210,803	1,347,421	19,091,572
Net position as of December 31	\$ 1,218,138	\$ 377,470	\$ 627,070	\$ 703,200	\$ 1,469,627	\$ 19,811,738

**Clark County Washington**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended December 31, 2012**

	Equipment Rental and Revolving	Clark County Elections	Central Support Services	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance
<b>Cash flows from operating activity</b>						
Receipts from customers -inflows	\$ 388,084	\$ 1,137,819	\$ -	\$ 2,949	\$ -	\$ -
Receipts from interfund services provided-inflows	13,561,050	-	1,425,974	2,097,942	546,860	2,232,890
Payments to suppliers - outflows	(7,548,585)	(1,032,674)	(4,611,720)	(2,770,074)	(31,316)	(1,879,940)
Payments to employees-outflows	(1,568,445)	(643,382)	(3,051,503)	(174,342)	(150,708)	(230,870)
Payments for interfund services used-inflows	-	-	-	-	-	38,166
Payments for interfund services used-outflows	(3,384,961)	(446,244)	(371,694)	(221,794)	-	-
Miscellaneous receipts - inflows	50,233	-	31,047	268,358	-	3,050
Net cash provided (used) by operating activities	1,497,376	(984,481)	(6,577,896)	(796,961)	364,836	163,296
<b>Cash flows from non-capital financing activities</b>						
Operating grants received	-	-	28,503	-	-	-
Interest paid on operating activities	-	-	(13)	-	-	-
Transfers from other funds	404,750	1,114,097	6,070,424	306,576	403,386	34,937
Transfers to other funds	(19,835)	-	(10,330)	-	(507,175)	-
Net cash provided (used) by noncapital financing activities	384,915	1,114,097	6,088,584	306,576	(103,789)	34,937
<b>Cash flows from capital and related financing activities</b>						
Proceeds from capital grant	-	10,822	-	-	-	-
Capital contributions	295,916	-	-	-	-	-
Purchases of capital assets	(2,786,807)	-	-	-	-	-
Proceeds from sale of capital assets	58,901	-	-	-	-	-
Net cash provided (used) by capital and related financing activities	(2,431,990)	10,822	-	-	-	-
<b>Cash flows from investing activities</b>						
Interest earnings	11,463	-	1,621	10,400	3,556	1,579
Net cash provided by investing activities	11,463	-	1,621	10,400	3,556	1,579
Cash and cash equivalents on January 1	(538,236)	140,438	(487,691)	(479,985)	264,603	199,812
Cash and cash equivalents on December 31	4,412,314	497,227	487,930	3,402,847	1,251,033	490,706
	\$ 3,874,078	\$ 637,665	\$ 239	\$ 2,922,862	\$ 1,515,636	\$ 690,518
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>						
Operating income (loss)	\$ 38,919	\$ (1,537,794)	\$ (6,505,103)	\$ (510,054)	\$ 396,396	\$ (274,356)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation expense	1,412,890	110,197	1,249	-	-	-
Increase/(decrease) in expense for change in Claims Liability	-	-	-	(332,752)	-	430,000
Miscellaneous receipts	158,587	-	31,047	268,358	-	3,050
(Increase) decrease in accounts receivable	(59,704)	449,843	(108,387)	2,949	(244)	18,000
(Increase) decrease in prepaid expense	-	-	(22,192)	(53,390)	-	(3,200)
(Increase) decrease in due from other funds	360,309	-	-	(37,856)	-	(458)
(Increase) decrease in due from other governments	1,472	-	(8,152)	-	-	-
(Increase) decrease in inventory	(75,006)	10,995	-	-	-	-
Increase (decrease) in accounts/warrants/claims payables	68,473	(43,595)	(65,791)	(111,034)	(31,316)	(50,911)
Increase (decrease) in due to other funds	(377,318)	98	126,617	145	-	42,305
Increase (decrease) in due to other governments	(1,211)	-	(910)	1	-	-
Increase (decrease) in accrued liabilities	2,170	3,046	(3,731)	(12,125)	-	-
Increase (decrease) in compensated absences	(32,005)	22,729	(22,543)	(11,203)	-	(1,134)
Net cash provided by financing activities	1,497,376	(984,481)	(6,577,896)	(796,961)	364,836	163,296
<b>Noncash investing, capital, and financing activities:</b>						
Contribution of capital assets	\$ 17,331	\$ -	\$ -	\$ -	\$ -	\$ -

**Clark County Washington**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended December 31, 2012**

	Data Processing Revolving	Retirement Benefit Reserve	Radio ER&R	Major Maintenance	Server Equip. Repair & Replacement	Total
<b>Cash flows from operating activity</b>						
Receipts from customers - inflows	\$ 33,408	\$ -	\$ -	\$ 41,800	\$ 1,744	\$ 1,605,804
Receipts from interfund services provided - inflows	2,026,888	-	155,652	32,744	-	22,080,010
Payments to suppliers - outflows	(858,509)	(462,365)	(71,590)	(69,937)	(825,187)	(20,161,897)
Payments to employees - outflows	(1,153,679)	-	-	-	-	(6,972,929)
Payments for interfund services used - inflows	(120,801)	-	-	(342,719)	-	38,166
Payments for interfund services used - outflows	1,219	-	-	-	-	(4,888,213)
Miscellaneous receipts - inflows	(71,464)	(462,365)	84,062	(338,112)	(823,443)	353,907
Net cash provided (used) by operating activities						(7,945,152)
<b>Cash flows from non-capital financing activities</b>						
Operating grants received	-	-	-	26,957	-	55,460
Interest paid on operating activities	-	-	-	-	(61)	(74)
Transfers from other funds	-	715,631	40,000	900,000	483,445	10,473,246
Transfers to other funds	(50,970)	-	-	-	-	(588,310)
Net cash provided (used) by noncapital financing activities	(50,970)	715,631	40,000	926,957	483,384	9,940,322
<b>Cash flows from capital and related financing activities</b>						
Proceeds from capital grant	-	-	-	-	-	10,822
Capital contributions	-	-	-	-	-	295,916
Purchases of capital assets	-	-	-	-	(128,924)	(2,915,731)
Proceeds from sale of capital assets	-	-	-	-	-	58,901
Net cash provided (used) by capital and related financing	-	-	-	-	(128,924)	(2,550,092)
<b>Cash flows from investing activities</b>						
Interest earnings	5,530	1,360	1,953	1,194	-	38,656
Net cash provided by investing activities	5,530	1,360	1,953	1,194	-	38,656
Net increase (decrease) in cash and cash equivalents	(116,904)	254,626	126,015	590,039	(468,983)	(516,266)
Cash and cash equivalents on January 1	1,743,986	163,630	502,102	252,405	700,600	13,904,780
Cash and cash equivalents on December 31	1,627,082	418,256	628,117	842,444	231,617	13,388,514
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>						
Operating income (loss)	\$ (327,617)	\$ (494,172)	\$ 86,498	\$ (435,754)	\$ (361,179)	\$ (9,924,216)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation expense	7,531	-	-	-	310,961	1,842,828
Increase/(decrease) in expense for change in Claims Liability	-	-	-	-	-	97,248
Miscellaneous receipts	1,219	-	-	-	-	462,261
(Increase) decrease in accounts receivable	23,393	-	-	(124)	-	325,726
(Increase) decrease in prepaid expense	-	-	-	-	22,638	(56,144)
(Increase) decrease in due from other funds	-	-	-	(81)	-	321,914
(Increase) decrease in due from other governments	-	-	-	-	-	(6,680)
(Increase) decrease in inventory	-	-	-	-	-	(64,011)
Increase (decrease) in accounts/warrants/claims payables	197,661	31,807	(2,436)	92,543	(795,863)	(710,462)
Increase (decrease) in due to other funds	(10)	-	-	-	-	(208,163)
Increase (decrease) in due to other governments	(47)	-	-	-	-	(2,167)
Increase (decrease) in accrued liabilities	(206)	-	-	5,304	-	(5,542)
Increase (decrease) in compensated absences	26,612	-	-	-	-	(17,744)
Net cash provided by financing activities	(71,464)	(462,365)	84,062	(338,112)	(823,443)	(7,945,152)
<b>Noncash investing, capital, and financing activities:</b>						
Contribution of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,331

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## Fiduciary Funds

Fiduciary Funds are used to account for assets held by Clark County as an agent or trustee for other entities and cannot be used to support the County's own programs. Investment Trust Funds report the external portion of the County's investments. Agency Funds are clearing accounts employed to account for assets held by Clark County in its role as custodian and are often offset by an equal, related liability.

### Investment Trust Funds

**External Pooled Investments** - A trust fund established to account for the pooled investments held in behalf of external pool participants in the County's pooled investment program.

**External Individual Investments** - A trust fund established to account for the investments held in behalf of external participants in the County's investment program.

### Agency Funds:

**School Districts** - The County serves as custodian of funds representing the activity of 9 different school districts and the Educational Service District (ESD 112). Multiple funds are used for each district to account for general operations, capital projects, debt services, and transfers.

**Fire Districts** - The County serves as custodian of funds representing the activity of 10 different fire districts. Multiple funds are used for each district to account for general operations, capital projects, emergency medical facilities, and debt service.

**Cemetery Districts** - The County serves as custodian of funds representing the activity of 4 different public cemetery districts. The districts are located in Camas, La Center, Woodland, and Battle Ground.

**Air Pollution Control District-** The County serves as custodian of the activity of the Southwest Air Pollution Control Authority (SWAPCA). SWAPCA is a multi-county operation funded by assessments made against participating members.

**Port Districts** - The County serves as custodian of funds representing the activities of the Port of Vancouver, the Port of Ridgefield, and the Port of Camas-Washougal. Multiple funds are used for each port district to account for general operations, capital improvements, and debt service.

**Mosquito Control District-** The County serves as custodian of the funds of this tri-county health service delivery organization.

**Cities and Towns** - The County serves as custodian of funds representing the activities of 7 different municipalities. Multiple funds are used for each municipality to account for proceeds from different tax levies. The municipalities are: Vancouver, Battle Ground, Camas, La Center, Ridgefield, Washougal, and Yacolt.

**State Schools** - The County serves as custodian of the funds for two local schools owned and operated by the State: the State School for the Deaf and the State School for the Blind.

**Library Districts** - The County serves as custodian of funds for a regional library district serving Clark, Klickitat, and Skamania Counties with 11 branches and one fund for the Three Creeks Library District.

**Drainage Districts** - The County serves as custodian of funds for 6 drainage districts located in the County: Drainage District 1, Drainage District 2, Drainage District 4, Drainage District 5, Drainage District 7 and Drainage District 14.

**Jail Inmate Account** - The County serves as custodian of the funds belonging to jail inmates while they are incarcerated.

**Other Agencies** - Several other agency funds are maintained by the County in its fiduciary role. These are:

Advance Tax	Law Library	State Excise Tax Suspense
Boundary Review Board	Orchards Park District	State Marriage
Clark Regional Comm. Agency	Payroll/Claims Clearing	State Mobile Home
Environmental Info. Center	Polio Fund	State Plat Fees
Fire Bureau Donations	PUD Water	State Weapons Permits
Fire Patrol	Regional Transportation	Superior Court Clearing
Investment Clearing	Road Improvement	Tax Payment Suspense/Refund
Justice Court Clearing	School Site Development	Treasurer's O&M
Sheriff's Sale Deposit	State Document Fee	Treasurer's Trust Suspense

Several of these funds serve as clearing or suspense accounts in which funds are collected, warrants redeemed, deposits allocated, or investments traded.

**Clark County Washington  
Statement of Net Position  
Investment Trust Funds  
December 31, 2012**

	<b>External Pooled Investments</b>	<b>External Individual Investments</b>	<b>Total</b>
<b>Assets</b>			
Pooled investments	\$ 339,576,066	\$ -	\$ 339,576,066
Accrued interest receivable	484,810	-	484,810
Investments	-	2,811,000	2,811,000
Total assets	<u>340,060,876</u>	<u>2,811,000</u>	<u>342,871,876</u>
Net position held in trust for pool participants	<u>\$ 340,060,876</u>	<u>\$ 2,811,000</u>	<u>\$ 342,871,876</u>

**Clark County Washington**  
**Statement of Changes in Net Position**  
**Investment Trust Funds**  
**For the Year Ended December 31, 2012**

	External Pooled Investments	External Individual Investments	Total
<b>Additions:</b>			
Additions by participants	\$ 601,965,845	\$ 3,970,000	\$ 605,935,845
Unrealized gains (losses)	(8,931)	-	(8,931)
Total additions	601,956,914	3,970,000	605,926,914
<b>Deductions:</b>			
Deductions by participants	565,420,144	1,159,000	566,579,144
Total deductions	565,420,144	1,159,000	566,579,144
Net increase (decrease) in net position	36,536,770	2,811,000	39,347,770
Net position as of January 1	303,524,106	-	303,524,106
Net position as of December 31	<u>\$ 340,060,876</u>	<u>\$ 2,811,000</u>	<u>\$ 342,871,876</u>

**Clark County Washington**  
**Combining Balance Sheet**  
**Agency Funds**  
**December 31, 2012**

	School Districts	Fire Districts	Cemetery Districts	Air Pollution			Mosquito Control	Cities & Towns
				Control District	Port Districts	Control		
<b>Assets</b>								
Cash and cash equivalents	\$ 15,411,543	\$ 140,357	\$ 4,477	\$ 122	\$ 986,544	\$ 260	\$ 493,705	
Deposits in trust	-	-	-	-	-	-	-	
Taxes receivable	7,342,092	1,368,043	9,384	-	458,877	3,764	2,074,953	
Accounts receivable	-	724	-	-	-	-	-	
Due from other governments	1,523	-	13,102	25,542	-	-	-	
<b>Total Assets</b>	<b>\$ 22,755,158</b>	<b>\$ 1,509,124</b>	<b>\$ 26,963</b>	<b>\$ 25,664</b>	<b>\$ 1,445,421</b>	<b>\$ 4,024</b>	<b>\$ 2,568,658</b>	
<b>Liabilities and fund balance</b>								
Warrants payable	\$ 14,676,342	\$ 130,541	\$ -	\$ -	\$ 10,084	\$ -	\$ -	
Vouchers payable	42,492	345,780	11,805	11,832	-	59	2,568,658	
Due to other governments	8,034,801	776,420	10,599	-	1,435,337	3,910	-	
Accrued liabilities	-	235,151	4,559	13,832	-	55	-	
Deposits payable	1,523	21,232	-	-	-	-	-	
<b>Total Liabilities</b>	<b>22,755,158</b>	<b>1,509,124</b>	<b>26,963</b>	<b>25,664</b>	<b>1,445,421</b>	<b>4,024</b>	<b>2,568,658</b>	
<b>Total liabilities and fund balance</b>	<b>\$ 22,755,158</b>	<b>\$ 1,509,124</b>	<b>\$ 26,963</b>	<b>\$ 25,664</b>	<b>\$ 1,445,421</b>	<b>\$ 4,024</b>	<b>\$ 2,568,658</b>	

**Clark County Washington**  
**Combining Balance Sheet**  
**Agency Funds**  
**December 31, 2012**

<b>Assets</b>	<b>State Schools</b>	<b>Library Districts</b>	<b>Drainage Districts</b>	<b>Jail Inmate Account</b>	<b>Other Agencies</b>	<b>Total</b>
Cash and cash equivalents	\$ 435,033	\$ 368,007	\$ 6,226	\$ -	\$ 7,186,795	\$ 25,033,069
Deposits in trust	-	-	-	239,285	-	239,285
Taxes receivable	3,440,422	773,006	-	-	-	15,470,541
Accounts receivable	-	-	-	-	1,184,411	1,185,135
Due from other governments	-	-	-	-	17,126,367	17,166,534
<b>Total Assets</b>	<b>\$ 3,875,455</b>	<b>\$ 1,141,013</b>	<b>\$ 6,226</b>	<b>\$ 239,285</b>	<b>\$ 25,497,573</b>	<b>\$ 59,094,564</b>
<b>Liabilities and fund balance</b>						
Warrants payable	\$ -	\$ 345,382	\$ -	\$ -	\$ 556	\$ 15,162,905
Vouchers payable	-	-	1,800	-	7,571,378	10,553,804
Due to other governments	3,875,455	795,631	4,426	-	16,147,634	31,084,213
Accrued liabilities	-	-	-	-	-	253,597
Deposits payable	-	-	-	239,285	1,778,005	2,040,045
<b>Total Liabilities</b>	<b>3,875,455</b>	<b>1,141,013</b>	<b>6,226</b>	<b>239,285</b>	<b>25,497,573</b>	<b>59,094,564</b>
<b>Total liabilities and fund balance</b>	<b>\$ 3,875,455</b>	<b>\$ 1,141,013</b>	<b>\$ 6,226</b>	<b>\$ 239,285</b>	<b>\$ 25,497,573</b>	<b>\$ 59,094,564</b>

**Clark County Washington**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2012**

	Balance January 1	Additions	Deductions	Balance December 31
<b>School Districts</b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$15,845,582	\$1,856,386,973	\$1,856,821,012	\$15,411,543
Cash with fiscal agent	-	70,349,844	70,349,844	-
Taxes receivable	8,350,619	203,871,515	204,880,042	7,342,092
Due from other governments	-	1,523	-	1,523
Total assets	<u>24,196,201</u>	<u>2,130,609,855</u>	<u>2,132,050,898</u>	<u>22,755,158</u>
<u>Liabilities</u>				
Warrants payable	15,510,209	403,424,154	404,258,021	14,676,342
Vouchers payable	42,492	434,815,879	434,815,879	42,492
Due to other governments	8,643,500	2,034,226	2,642,925	8,034,801
Deposits payable	-	1,523	-	1,523
Total liabilities	<u>\$24,196,201</u>	<u>\$840,275,782</u>	<u>\$841,716,825</u>	<u>\$22,755,158</u>
<b>Fire Districts</b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$350,759	\$114,847,932	\$115,058,334	\$140,357
Cash with fiscal agent	-	763,176	763,176	-
Taxes receivable	1,613,110	31,729,662	31,974,729	1,368,043
Accounts receivable	724	-	-	724
Total assets	<u>1,964,593</u>	<u>147,340,770</u>	<u>147,796,239</u>	<u>1,509,124</u>
<u>Liabilities</u>				
Warrants payable	35,436	26,587,299	26,492,194	130,541
Vouchers payable	294,241	32,569,233	32,517,694	345,780
Due to other governments	1,409,698	12,186	645,464	776,420
Deposits payable	249	3,803,385	3,782,402	21,232
Accrued liabilities	224,969	4,462,298	4,452,116	235,151
Total liabilities	<u>\$1,964,593</u>	<u>\$67,434,401</u>	<u>\$67,889,870</u>	<u>\$1,509,124</u>
<b>Cemetary Districts</b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$946	\$4,905,158	\$4,901,627	\$4,477
Taxes receivable	10,920	182,876	184,412	9,384
Due from other governments	13,102	-	-	13,102
Total assets	<u>24,968</u>	<u>5,088,034</u>	<u>5,086,039</u>	<u>26,963</u>
<u>Liabilities</u>				
Warrants payable	-	2,150,750	2,150,750	-
Vouchers payable	9,856	2,371,514	2,369,565	11,805
Due to other governments	10,599	-	-	10,599
Accrued liabilities	4,513	120,241	120,195	4,559
Total liabilities	<u>\$24,968</u>	<u>\$4,642,505</u>	<u>\$4,640,510</u>	<u>\$26,963</u>

**Clark County Washington**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2012**

	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Air Pollution Control District</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$6,352	\$3,583,403	\$3,589,633	\$122
Due from other governments	40,343	35,103	49,904	25,542
<b>Total assets</b>	<b>46,695</b>	<b>3,618,506</b>	<b>3,639,537</b>	<b>25,664</b>
<u>Liabilities</u>				
Warrants payable	-	575,725	575,725	-
Vouchers payable	-	294,037	282,205	11,832.00
Accrued liabilities	46,695	1,368,363	1,401,226	13,832
<b>Total liabilities</b>	<b>\$46,695</b>	<b>\$2,238,125</b>	<b>\$2,259,156</b>	<b>\$25,664</b>
<b><u>Port Districts</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$27,946	\$47,931,943	\$46,973,345	\$986,544
Cash with fiscal agent	-	533,333	533,333	-
Taxes receivable	535,113	12,497,267	12,573,503	458,877
<b>Total assets</b>	<b>563,059</b>	<b>60,962,543</b>	<b>60,080,181</b>	<b>1,445,421</b>
<u>Liabilities</u>				
Warrants payable	14,459	7,092,579	7,096,954	10,084
Vouchers payable	-	17,088,517	17,088,517	-
Due to other governments	548,600	10,490,072	9,603,335	1,435,337
<b>Total liabilities</b>	<b>\$563,059</b>	<b>\$34,671,168</b>	<b>\$33,788,806</b>	<b>\$1,445,421</b>
<b><u>Mosquito Control District</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$829	\$843,698	\$844,267	\$260
Taxes receivable	9,117	566	5,919	3,764
<b>Total assets</b>	<b>9,946</b>	<b>844,264</b>	<b>850,186</b>	<b>4,024</b>
<u>Liabilities</u>				
Vouchers payable	199	133,307	133,447	59
Due to other governments	9,692	-	5,782	3,910
Accrued liabilities	55	-	-	55
<b>Total liabilities</b>	<b>\$9,946</b>	<b>\$133,307</b>	<b>\$139,229</b>	<b>\$4,024</b>
<b><u>Cities &amp; Towns</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$290,469	\$177,067,640	\$176,864,404	\$493,705
Taxes receivable	2,409,894	61,609,710	61,944,651	2,074,953
<b>Total assets</b>	<b>2,700,363</b>	<b>238,677,350</b>	<b>238,809,055</b>	<b>2,568,658</b>
<u>Liabilities</u>				
Vouchers payable	-	77,413,103	74,844,445	2,568,658
Due to other governments	2,700,363	72,060,714	74,761,077	-
<b>Total liabilities</b>	<b>\$2,700,363</b>	<b>\$149,473,817</b>	<b>\$149,605,522</b>	<b>\$2,568,658</b>

**Clark County Washington**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2012**

	Balance January 1	Additions	Deductions	Balance December 31
<b><u>State Schools</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$312,364	\$182,914,571	\$182,791,902	\$435,033
Taxes receivable	4,001,336	90,345,220	90,906,134	3,440,422
Total assets	4,313,700	273,259,791	273,698,036	3,875,455
<u>Liabilities</u>				
Due to other governments	4,313,700	90,927,932	91,366,177	3,875,455
Total liabilities	\$4,313,700	\$90,927,932	\$91,366,177	\$3,875,455
<b><u>Library Districts</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$159,114	\$61,040,885	\$60,831,992	\$368,007
Taxes receivable	856,190	21,112,677	21,195,861	773,006
Total assets	1,015,304	82,153,562	82,027,853	1,141,013
<u>Liabilities</u>				
Warrants payable	157,634	13,007,623	12,819,875	345,382
Vouchers payable	-	9,154,456	9,154,456	-
Due to other governments	857,670	392	62,431	795,631
Total liabilities	\$1,015,304	\$22,162,471	\$22,036,762	\$1,141,013
<b><u>Drainage Districts</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$10,515	\$145,396	\$149,685	\$6,226
Total assets	10,515	145,396	149,685	6,226
<u>Liabilities</u>				
Warrants payable	-	100,800	100,800	-
Vouchers payable	8,615	36,013	42,828	1,800
Due to other governments	1,900	2,526	-	4,426
Total liabilities	\$10,515	\$139,339	\$143,628	\$6,226
<b><u>Jail Inmate Account</u></b>				
<u>Assets</u>				
Deposits in trust	\$252,492	\$477,880	\$491,087	\$239,285
Total assets	252,492	477,880	491,087	239,285
<u>Liabilities</u>				
Deposits payable	252,492	477,880	491,087	239,285
Total liabilities	\$252,492	\$477,880	\$491,087	\$239,285

**Clark County Washington**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2012**

	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Other Agencies</u></b>				
<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$4,023,084	\$4,542,486,167	\$4,539,322,456	\$7,186,795
Accounts receivable	382,319	53,225,973	52,423,881	1,184,411
Due from other governments	17,150,120	213,171	236,924	17,126,367
Total assets	<u>21,555,523</u>	<u>4,595,925,311</u>	<u>4,591,983,261</u>	<u>25,497,573</u>
<u>Liabilities</u>				
Warrants payable	5,264,584	802,375,448	807,639,476	556
Vouchers payable	358,014	233,890,501	226,677,137	7,571,378
Due to other governments	14,198,579	44,898,717	42,949,662	16,147,634
Deposits payable	1,734,346	29,987,133	29,943,474	1,778,005
Total liabilities	<u>\$21,555,523</u>	<u>\$1,111,151,799</u>	<u>\$1,107,209,749</u>	<u>\$25,497,573</u>

**Total Agency Funds**

<u>Assets</u>				
Cash, cash equivalents and pooled investments	\$21,027,960	\$6,992,153,766	\$6,988,148,657	\$25,033,069
Deposits in trust	252,492	477,880.00	491,087.00	239,285
Cash with fiscal agent	-	71,646,353	71,646,353	-
Taxes receivable	17,786,299	421,349,493	423,665,251	15,470,541
Accounts receivable	383,043	53,225,973	52,423,881	1,185,135
Due from other governments	17,203,565	249,797	286,828	17,166,534
Total assets	<u>56,653,359</u>	<u>7,539,103,262</u>	<u>7,536,662,057</u>	<u>59,094,564</u>
<u>Liabilities</u>				
Warrants payable	20,982,322	1,255,314,378	1,261,133,795	15,162,905
Vouchers payable	713,417	807,766,560	797,926,173	10,553,804
Due to other governments	32,694,301	220,426,765	222,036,853	31,084,213
Accrued liabilities	276,232	5,950,902	5,973,537	253,597
Deposits payable	1,987,087	34,269,921	34,216,963	2,040,045
Total liabilities	<u>\$56,653,359</u>	<u>\$2,323,728,526</u>	<u>\$2,321,287,321</u>	<u>\$59,094,564</u>

## STATISTICAL SECTION

This part of Clark County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the government's overall financial health.

<b>Contents</b>	<b>Page</b>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how the County's financial performance and well-being changed over time.	198
<i>Revenue Capacity</i> These schedules contain information to help the reader access the County's most significant local revenue source, the property tax.	202
<i>Debt Capacity</i> These schedules present information to help the reader access the affordability of the County's current levels of outstanding debt and the ability to issue additional debt in the future.	207
<i>Demographic and Economic Information</i> These Schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	212
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	214

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CLARK COUNTY, WASHINGTON**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(in thousands)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental activities</b>										
Net investment in capital assets (1)	\$ 673,413	\$ 681,479	\$ 746,201	\$ 820,237	\$ 856,838	\$ 903,453	\$ 932,498	\$ 962,293	\$ 998,161	\$ 1,024,698
Restricted	65,053	108,815	104,299	112,924	131,250	130,565	114,887	122,950	118,086	106,642
Unrestricted (2)	104,470	32,074	32,745	43,776	50,851	44,583	58,045	56,948	62,028	50,426
Total governmental activities net position	\$ 842,936	\$ 822,368	\$ 883,245	\$ 976,937	\$ 1,038,939	\$ 1,078,601	\$ 1,105,430	\$ 1,142,191	\$ 1,178,275	\$ 1,181,766
<b>Business-type activities</b>										
Net investment in capital assets	88,409	115,687	125,897	140,933	175,353	199,841	203,227	203,055	203,660	217,240
Restricted	0	0	0	0	0	0	3,119	3,119	0	0
Unrestricted	17,422	17,200	16,673	18,310	14,628	12,019	6,166	4,505	6,637	4,245
Total business-type activities net position	\$ 105,831	\$ 132,887	\$ 142,570	\$ 159,243	\$ 189,981	\$ 211,860	\$ 212,512	\$ 210,679	\$ 210,297	\$ 221,485
<b>Primary government</b>										
Net investment in capital assets	761,822	797,166	872,098	961,170	1,032,191	1,103,294	1,135,725	1,165,348	1,201,821	1,241,938
Restricted	65,053	108,815	104,299	112,924	131,250	130,565	118,006	126,069	118,086	106,642
Unrestricted	121,892	49,274	49,418	62,086	65,479	56,602	64,211	61,453	68,665	54,671
Total primary government net position	\$ 948,767	\$ 955,255	\$ 1,025,815	\$ 1,136,180	\$ 1,228,920	\$ 1,290,461	\$ 1,317,942	\$ 1,352,870	\$ 1,388,572	\$ 1,403,251

1) The invested in capital assets amount increased significantly in 2003 due to the retroactive reporting of major infrastructure capital assets, as required by GASB Statement # 34.

2) Prior to 2004, property tax receivables were recorded for the current year and the following year's levy. In 2004, property tax receivable amounts were restated to include only the current year levy and delinquent amounts.

**CLARK COUNTY, WASHINGTON**  
**Changes in Net Position Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(in thousands)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 39,113	\$ 45,148	\$ 44,712	\$ 53,155	\$ 54,379	\$ 56,402	\$ 53,856	\$ 52,796	\$ 51,369	\$ 52,208
Public safety	54,458	56,823	59,224	63,225	68,802	71,584	69,711	67,598	71,093	74,885
Judicial	12,079	11,792	12,679	13,028	15,149	16,065	17,141	16,167	16,849	17,456
Physical environment	1,280	1,796	1,374	2,021	2,771	2,980	2,876	3,877	5,516	3,961
Transportation	30,215	25,823	30,082	24,832	42,264	47,041	30,378	32,463	34,413	39,000
Economic environment	16,203	19,529	18,373	22,923	23,746	22,227	20,937	22,325	19,242	18,000
Health and human services	44,121	46,237	48,835	50,513	57,096	62,962	63,333	61,063	60,301	49,926
Culture & recreation	10,701	8,348	11,024	17,660	22,277	28,123	30,604	19,903	16,683	18,176
Interest on long term debt	6,837	5,467	7,171	6,718	6,668	6,560	6,350	6,026	5,835	4,985
<b>Total governmental activities expenses</b>	<b>215,007</b>	<b>220,963</b>	<b>233,474</b>	<b>254,075</b>	<b>293,152</b>	<b>313,944</b>	<b>295,186</b>	<b>282,218</b>	<b>281,301</b>	<b>278,597</b>
<b>Business-type activities:</b>										
Solid waste	2,186	1,902	1,949	2,234	3,141	5,996	2,480	2,610	2,843	3,213
Water	2,884	3,915	3,886	7,168	4,567	5,446	6,113	4,604	6,081	5,717
Sewer	5,766	6,479	5,849	5,277	5,812	5,819	7,052	7,055	6,960	8,212
<b>Total business-type activities expenses</b>	<b>10,836</b>	<b>12,296</b>	<b>11,684</b>	<b>14,679</b>	<b>13,520</b>	<b>17,261</b>	<b>15,645</b>	<b>14,269</b>	<b>15,884</b>	<b>17,142</b>
<b>Total primary government expenses</b>	<b>225,843</b>	<b>233,259</b>	<b>245,158</b>	<b>268,754</b>	<b>306,672</b>	<b>331,205</b>	<b>310,831</b>	<b>296,487</b>	<b>297,185</b>	<b>295,739</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for service:										
General government	19,849	16,548	18,468	19,157	20,026	19,526	19,047	17,574	17,790	17,113
Public safety	4,424	4,272	3,143	6,468	7,579	10,054	8,710	8,090	6,891	8,349
Judicial	3,806	3,805	4,471	5,374	5,532	5,741	12,219	6,020	6,309	6,355
Physical environment	6,155	5,661	5,409	4,204	3,346	3,474	6,118	3,581	5,483	2,797
Transportation	5,007	9,191	5,461	5,872	7,458	17,099	4,412	5,832	8,164	7,810
Economic environment	10,339	12,299	14,313	15,418	13,859	12,516	13,353	4,557	9,692	12,523
Health and human services	7,502	5,474	3,091	2,800	6,130	3,558	2,427	5,740	5,824	6,565
Culture & recreation	5,452	5,936	6,583	7,759	11,915	10,363	7,005	5,681	7,166	6,138
Operating grants and contributions	55,019	59,719	63,917	80,052	84,871	84,641	87,784	87,569	77,714	69,379
Capital grants and contributions	49,424	29,833	32,364	37,582	29,698	40,965	24,272	30,472	34,020	21,115
<b>Total governmental activities program revenue</b>	<b>166,977</b>	<b>152,738</b>	<b>157,220</b>	<b>184,686</b>	<b>190,414</b>	<b>207,937</b>	<b>185,347</b>	<b>175,116</b>	<b>179,053</b>	<b>158,144</b>
<b>Business-type activities:</b>										
Charges for service:										
Solid waste	1,700	1,533	1,238	1,571	2,115	1,874	1,642	2,093	2,572	2,270
Water	4,600	4,856	4,797	4,875	4,889	4,922	4,824	5,273	5,256	5,205
Sewer	6,720	6,143	6,601	6,774	7,302	6,901	6,790	6,688	6,874	19,213
Operating grants and contributions	498	758	314	691	423	1,064	1,009	1,596	1,131	1,332
Capital grants and contributions	766	2,720	4,691	17,656	24,187	23,739	3,030	628	647	279
<b>Total business-type activities program revenues</b>	<b>14,284</b>	<b>16,010</b>	<b>17,641</b>	<b>31,567</b>	<b>38,916</b>	<b>38,500</b>	<b>17,295</b>	<b>16,278</b>	<b>16,480</b>	<b>28,299</b>
<b>Total primary government program revenue</b>	<b>181,261</b>	<b>168,748</b>	<b>174,861</b>	<b>216,253</b>	<b>229,330</b>	<b>246,437</b>	<b>202,642</b>	<b>191,394</b>	<b>195,533</b>	<b>186,443</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities	(48,030)	(68,225)	(76,254)	(69,389)	(102,738)	(106,007)	(109,839)	(107,102)	(102,248)	(120,453)
Business-type activities	3,448	3,714	5,957	16,888	25,396	21,239	1,650	2,009	596	11,157
<b>Total primary government net (expense)/revenue</b>	<b>(44,582)</b>	<b>(64,511)</b>	<b>(70,297)</b>	<b>(52,501)</b>	<b>(77,342)</b>	<b>(84,768)</b>	<b>(108,189)</b>	<b>(105,093)</b>	<b>(101,652)</b>	<b>(109,296)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Taxes										
Property taxes	73,428	71,845	78,389	84,896	93,258	92,171	93,350	94,764	95,963	96,671
Sales taxes	23,627	26,309	29,975	23,433	30,057	32,266	25,991	26,639	27,974	28,762
Excise and other taxes	13,932	15,528	19,595	19,214	16,591	13,014	13,002	13,859	12,858	14,750
Investment interest	2,332	2,996	5,522	9,818	11,329	9,340	2,011	1,463	1,500	1,154
Gain on sale of capital asset	1,914	1,831	1,522	2,189	4,240	1	0	545	0	4,108
Transfers	840	142	140	683	99	99	(67)	(238)	(1,074)	0
Special items										(17,865)
<b>Total governmental activities</b>	<b>116,073</b>	<b>118,651</b>	<b>135,143</b>	<b>140,233</b>	<b>155,574</b>	<b>146,891</b>	<b>134,287</b>	<b>137,032</b>	<b>137,221</b>	<b>127,580</b>
<b>Business-type activities:</b>										
Investment interest	282	271	469	896	912	738	129	68	61	29
Gain/(loss) on sale of capital asset	0	0	(16)	0	0	0	0	0	0	0
Special item	0	7,341	0	0	0	0	0	0	0	0
Transfers	(840)	(142)	(140)	(683)	(99)	(99)	67	238	1,074	0
<b>Total business-type activities</b>	<b>(558)</b>	<b>7,470</b>	<b>313</b>	<b>213</b>	<b>813</b>	<b>639</b>	<b>196</b>	<b>306</b>	<b>1,135</b>	<b>29</b>
<b>Total primary government</b>	<b>115,515</b>	<b>126,121</b>	<b>135,456</b>	<b>140,446</b>	<b>156,387</b>	<b>147,530</b>	<b>134,483</b>	<b>137,338</b>	<b>138,356</b>	<b>127,609</b>
<b>Changes in Net Position</b>										
Governmental activities	68,043	50,426	58,889	70,844	52,836	40,884	24,448	29,930	34,973	7,127
Business-type activities	2,890	11,184	6,270	17,101	26,209	21,878	1,846	2,315	1,731	11,186
<b>Total primary government</b>	<b>\$ 70,933</b>	<b>\$ 61,610</b>	<b>\$ 65,159</b>	<b>\$ 87,945</b>	<b>\$ 79,045</b>	<b>\$ 62,762</b>	<b>\$ 26,294</b>	<b>\$ 32,245</b>	<b>\$ 36,704</b>	<b>\$ 18,313</b>

Note: Changes in net assets on this schedule do not include prior period adjustments or changes in application of accounting principles. Therefore this schedule does not account for the total change in net assets from one year to the next.

**CLARK COUNTY, WASHINGTON**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified basis of accounting)**

	<u>2003</u>	<u>2004*</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011**</u>	<u>2012**</u>
General Fund										
Reserved	\$ 23,011	\$ 78,842	\$ 23,589	\$ 6,975	\$ 5,276	\$ 14,736	\$ 1,763	\$ 252,180		
Unreserved, designated	0	1,499,145	3,065,826	3,215,836	4,080,827	4,725,426	1,884,334	6,865,240		
Unreserved	10,876,055	10,438,265	12,424,245	15,031,627	13,804,279	6,070,332	7,384,078	10,886,868		
Nonspendable									\$ 357,995	\$ 900,819
Restricted										650,056
Assigned									7,732,159	6,448,795
Unassigned									21,148,654	24,235,367
Total general fund	10,899,066	12,016,252	15,513,660	18,254,438	17,890,382	10,810,494	9,270,175	18,004,288	29,238,808	32,235,037
All other Governmental Funds										
Reserved	5,361,213	1,789,300	1,738,884	1,571,885	1,142,682	1,244,597	1,055,526	8,950,307		
Unreserved, designated:										
Special revenue funds	3,783,061	6,719,125	6,131,883	5,704,731	4,241,734	5,182,622	3,870,061	4,869,576		
Capital projects funds						1,188	3,682	2,119		
Unreserved, undesignated:										
Special revenue funds	30,307,437	38,104,019	49,776,762	57,709,816	79,191,297	72,756,523	82,590,848	84,060,428		
Capital projects funds (1)	32,535,789	71,926,465	59,056,129	60,805,908	67,442,893	65,498,934	42,976,592	37,516,823		
Debt service funds	427,789	285,760	375,741	703,992	195,736	326,184	449,225	499,821		
Nonspendable										
Special revenue funds									835,192	15,069,301
Restricted										
Special revenue funds									78,638,566	71,869,342
Debt service funds									517,031	20,700
Capital projects funds									18,257,261	19,902,860
Committed										
Special revenue funds									1,447,720	2,417,565
Capital projects funds									2,014,978	23,680
Assigned										
Special revenue funds									13,226,566	7,878,706
Capital projects funds									9,204,091	6,155,417
Unassigned										
Special revenue funds									(703,289)	(1,215,438)
Total all other governmental funds	72,415,289	118,824,669	117,079,399	126,496,332	152,214,342	145,010,048	130,945,934	135,899,074	123,438,116	122,122,133
Total governmental fund balances	\$ 83,314,355	\$ 130,840,921	\$ 132,593,059	\$ 144,750,770	\$ 170,104,724	\$ 155,820,542	\$ 140,216,109	\$ 153,903,362	\$ 152,676,924	\$ 154,357,170

\* The increase in Capital Projects unreserved fund balances relates to bond proceeds received for construction of the new Campus Health District Facility.  
\*\* This schedule was modified with the implementation of GASB statement 54, effective in 2011, which affected the categories used to report fund balances.

**CLARK COUNTY, WASHINGTON**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified basis of accounting)

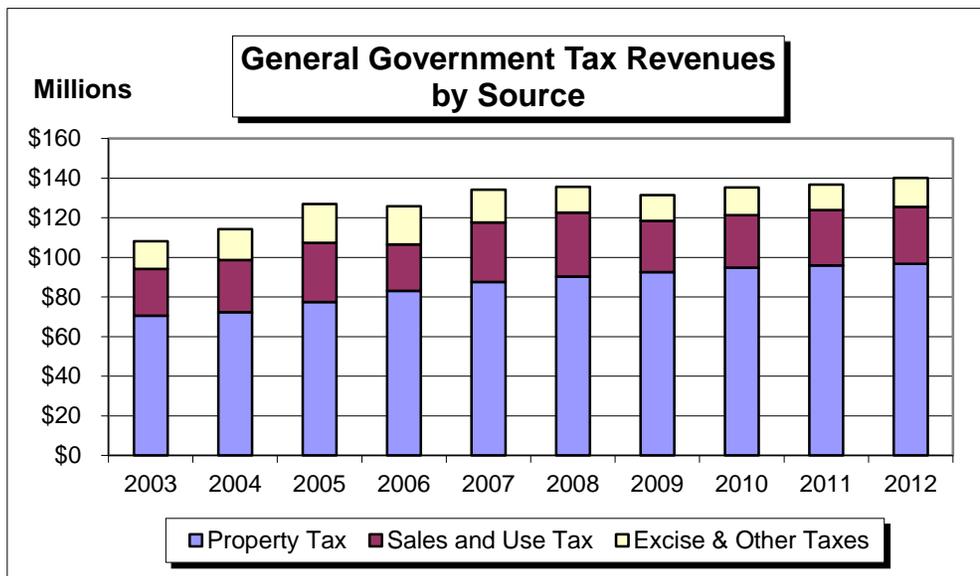
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Revenues</b>										
Taxes	\$ 108,171,048	\$ 114,219,866	\$ 127,008,259	\$ 125,804,791	\$ 134,249,476	\$ 135,628,702	\$ 131,504,246	\$ 135,261,790	\$ 136,794,519	\$ 140,183,107
Licenses	8,749,231	9,663,213	9,872,604	8,674,791	8,114,582	7,049,694	7,512,980	8,089,167	7,788,578	8,765,204
Intergovernmental	71,649,423	80,450,365	75,813,451	94,290,452	97,701,119	104,442,414	107,870,012	110,559,115	94,819,669	87,944,601
Charges for services	44,105,555	43,886,323	43,599,876	44,224,647	51,750,098	55,985,480	42,006,795	37,969,271	41,680,375	45,492,067
Fines	3,535,198	3,442,837	3,250,771	4,114,740	4,011,932	4,048,156	3,622,375	3,642,579	3,721,072	3,701,153
Investment earnings	2,303,294	2,815,409	5,183,170	9,272,930	10,741,444	8,792,887	1,917,973	1,394,379	1,386,187	1,114,890
Other revenues	5,510,002	5,687,282	7,622,648	10,270,118	10,783,728	9,955,195	9,641,255	9,906,255	11,130,192	9,155,656
Total revenues	244,023,751	260,165,295	272,350,779	296,652,469	317,352,379	325,902,528	304,075,636	306,822,556	297,320,592	296,356,678
<b>Expenditures</b>										
General government	31,549,725	31,578,386	33,100,926	35,209,298	38,591,120	41,497,843	38,720,034	36,052,868	36,114,100	38,288,520
Public safety	53,889,590	56,753,302	60,271,445	62,503,713	66,786,278	70,770,603	68,827,878	66,916,763	70,242,314	73,938,056
Judicial	10,996,065	11,484,412	12,596,430	12,663,651	14,670,435	15,906,883	16,443,048	15,597,091	16,214,433	16,727,150
Physical environment	1,340,812	1,797,304	1,935,880	2,025,739	2,680,421	2,724,880	2,755,870	3,729,895	5,344,693	5,025,913
Transportation	60,843,994	54,605,714	48,803,500	25,613,417	33,569,444	36,384,817	30,148,451	35,916,529	36,551,194	45,453,797
Economic environment	15,999,739	19,237,396	18,440,726	22,763,257	23,490,955	22,199,883	20,914,527	22,314,550	19,128,194	18,139,487
Health and human services	44,271,966	48,614,637	45,476,620	50,573,710	56,443,677	61,814,364	62,370,008	60,017,988	59,147,431	48,808,408
Culture and recreations	6,970,485	6,636,914	6,762,260	14,422,004	18,188,343	23,502,656	15,522,566	13,713,280	11,838,201	11,540,973
Capital outlay	22,275,616	32,983,358	36,502,146	40,928,084	28,290,952	48,309,918	44,296,829	21,974,779	30,526,027	20,014,093
Debt service:										
Principal	5,146,050	6,191,608	7,785,219	7,494,499	6,846,719	6,752,619	7,007,278	7,007,676	7,372,872	8,662,888
Interest	5,309,749	5,727,795	7,287,787	6,348,935	6,609,873	6,442,111	6,231,905	5,980,792	5,784,433	5,160,574
Total expenditures	258,593,791	275,610,826	278,962,939	280,546,307	296,168,217	336,306,577	313,238,394	289,222,211	298,263,892	291,759,859
Excess of revenues over (under) expenditures	(14,570,040)	(15,445,531)	(6,612,160)	16,106,162	21,184,162	(10,404,049)	(9,162,758)	17,600,345	(943,300)	4,596,819
<b>Other Financing Sources (Uses)</b>										
Issuance of long-term debt	10,490,000	59,702,500	9,002,500	650,000	200,000	4,200,000	1,030,000	60,000	7,500,000	0
Premium on long-term debt	0	1,919,897	776,781	2,780,724	0	0	0	0	0	6,426,296
Issuance of bond anticipation notes	0	11,379,500	0	0	0	0	0	0	0	0
Repayment from bond anticipation notes	0	(11,379,500)	0	0	0	0	0	0	0	0
Issuance of refunding debt	9,790,000	0	24,985,000	36,285,000	0	0	0	0	0	45,595,000
Repayment to refunded debt escrow	(9,962,981)	0	(25,349,701)	(38,717,472)	0	0	0	0	0	(51,771,451)
Sale of capital assets	1,964,930	1,982,664	3,837,435	2,423,608	7,560,984	452,467	761,444	3,355,387	1,305,049	4,140,323
Insurance recoveries	0	0	0	0	0	0	(5,220)	56,160	(10,448)	2,560
Grant reserves transferred										(11,876,000)
Transfers in	34,514,686	28,342,938	36,121,101	35,039,634	45,993,291	75,560,096	52,606,622	40,907,609	46,592,912	39,314,292
Transfers out	(35,141,170)	(37,435,126)	(42,406,136)	(42,754,981)	(54,743,289)	(83,055,404)	(60,706,166)	(49,026,819)	(56,466,171)	(49,199,228)
Total other financing sources (uses)	11,655,465	54,512,873	6,966,980	(4,293,487)	(989,014)	(2,842,841)	(6,313,320)	(4,647,663)	(1,078,658)	(17,368,208)
Net change in fund balances	\$ (2,914,575)	\$ 39,067,342	\$ 354,820	\$ 11,812,675	\$ 20,195,148	\$ (13,246,890)	\$ (15,476,078)	\$ 12,952,682	\$ (2,021,958)	\$ (12,771,389)
Debt services as a percentage of noncapital expenditures	5.13%	5.67%	6.63%	5.81%	4.97%	4.53%	4.78%	4.81%	4.95%	4.96%

Note: Changes in fund balance on this schedule do not include prior period adjustments or changes in application of accounting principles. Therefore this schedule does not account for the total change in fund balance from one year to the next.

**CLARK COUNTY, WASHINGTON**  
**Tax Revenues by Source, Governmental Funds \***  
**Last Ten Fiscal Years**  
**(modified basis of accounting)**

Year	Property Tax	Sales and Use Tax	Excise & Other Taxes	Total
2003	70,611,479	23,627,331	13,932,238	108,171,048
2004	72,382,692	26,309,287	15,527,887	114,219,866
2005	77,438,157	29,974,783	19,595,319	127,008,259
2006	83,157,251	23,432,988	19,214,552	125,804,791
2007	87,601,499	30,057,274	16,590,703	134,249,476
2008	90,349,257	32,265,754	13,013,691	135,628,702
2009	92,511,318	25,991,421	13,001,507	131,504,246
2010	94,763,830	26,639,191	13,858,769	135,261,790
2011	95,963,040	27,973,930	12,857,549	136,794,519
2012	96,670,976	28,762,455	14,749,676	140,183,107

\* Includes General, Special Revenue, Debt Service, and Capital Project Funds

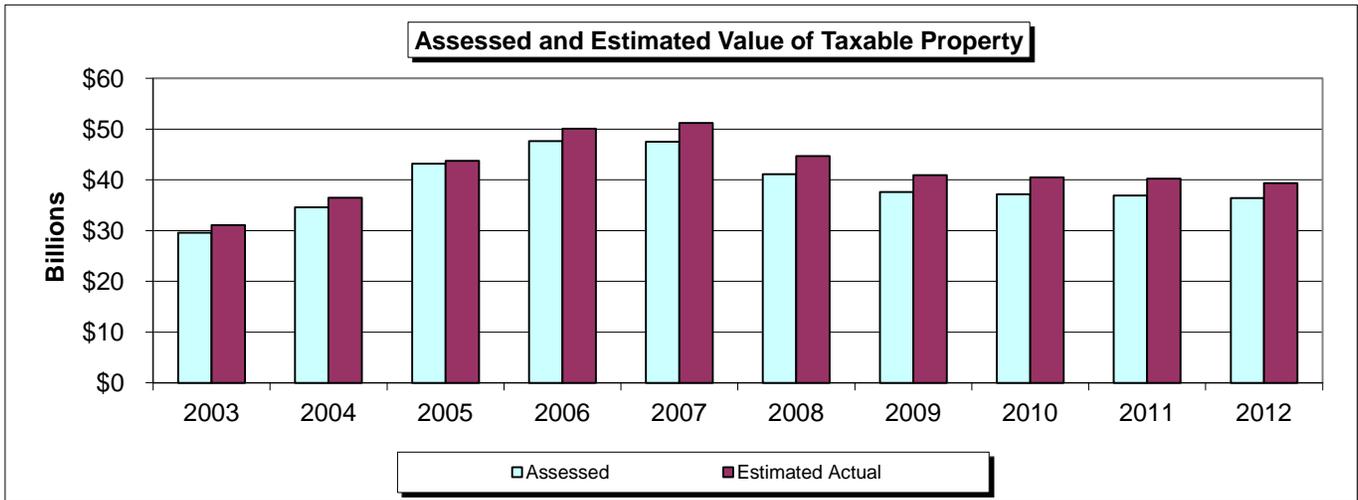


**CLARK COUNTY, WASHINGTON  
 ASSESSED AND ESTIMATED VALUE OF TAXABLE PROPERTY  
 Last Ten Fiscal Years**

	Real Property (1)		Personal Property (1)		Less Tax Exempt property (\$ Billions)	Total (2)		Percentage	
	Assessed Value (\$ Billions)	Estimates (3) Actual Value (\$ Billions)	Assessed Value (\$ Billions)	Estimates (3) Actual Value (\$ Billions)		Assessed Value (\$ Billions)	Estimates (3) Actual Value (\$ Billions)	of Assessed to Estimated Actual Value	Total Direct Tax Rate
2003	\$28.85	\$30.34	\$0.72	\$0.73	N/A	\$29.57	\$31.07	95.17%	3.56
2004	\$33.46	\$35.37	\$1.11	\$1.11	N/A	\$34.57	\$36.48	94.76%	3.61
2005	\$41.94	\$42.45	\$1.23	\$1.32	N/A	\$43.17	\$43.77	98.62%	3.32
2006	\$47.00	\$49.42	\$1.35	\$1.42	\$0.73	\$47.62	\$50.08	95.10%	3.09
2007	\$47.11	\$50.77	\$1.13	\$1.24	\$0.74	\$47.50	\$51.19	92.78%	2.69
2008	\$40.09	\$43.53	\$1.45	\$1.66	\$0.45	\$41.09	\$44.67	91.98%	2.68
2009	\$36.69	\$39.84	\$1.35	\$1.55	\$0.45	\$37.59	\$40.90	91.92%	3.40
2010	\$36.24	\$39.39	\$1.35	\$1.60	\$0.45	\$37.14	\$40.51	91.69%	3.72
2011	\$36.02	\$39.15	\$1.33	\$1.58	\$0.46	\$36.89	\$40.23	91.60%	4.23
2012	\$35.57	\$38.25	\$1.33	\$1.59	\$0.46	\$36.44	\$39.35	92.60%	4.32

- (1) Property assessed at 100% of fair value.
- (2) The total assessed value for this table excludes personal utilities valuations.
- (3) Estimated actual values are based on the State Department of Revenue ratio.

Source: Clark County Assessor's Department



**CLARK COUNTY, WASHINGTON**  
**Principal Property Taxpayers**  
**Current Period and Nine Years Prior**  
**(amounts expressed in millions)**

Taxpayer	Type of Business	2012			2003		
		Taxable Assessed	Rank	Percentage of Total Assessed	Taxable Assessed	Rank	Percentage of Total Assessed
		Value		Value	Value		Value
SEH America	Micro-electronics	\$ 201.30	1	0.53%	\$ 178.87	3	0.65%
Georgia Pacific*	Paper Products	183.61	2	0.48%	265.10	2	0.96%
Columbia Tech Center	Investment Co	162.62	3	0.43%	80.22	5	0.29%
Wafertech	Micro-electronics	122.27	4	0.32%	428.45	1	1.55%
NW Natural Gas	Gas Utility	114.84	5	0.30%	75.93	7	0.27%
Pacificorp	Electric Utility	82.93	6	0.22%	-		-
The Vancouver Clinic	Healthcare	78.67	7	0.21%	-		-
CenturyLink**	Telecommunications	74.44	8	0.20%	122.53	4	0.44%
Westfield Group	Property management	72.30	9	0.19%	-		-
Wal-Mart	Retail	56.86	10	0.15%	-		-
Hewlett Packard	Micro-electronics	-		-	77.72	6	0.28%
Schnitzer Investment Group	Land Development	-		-	54.30	8	0.20%
Frito Lay	Food mfg	-		-	53.71	9	0.19%
Angelo Property Co LP	Property investment	-		-	53.62	10	0.19%
Totals		<u>\$ 1,149.82</u>		<u>3.02%</u>	<u>\$ 1,390.45</u>		<u>5.03%</u>

\* formerly Fort James

\*\* formerly Qwest/US West Comm

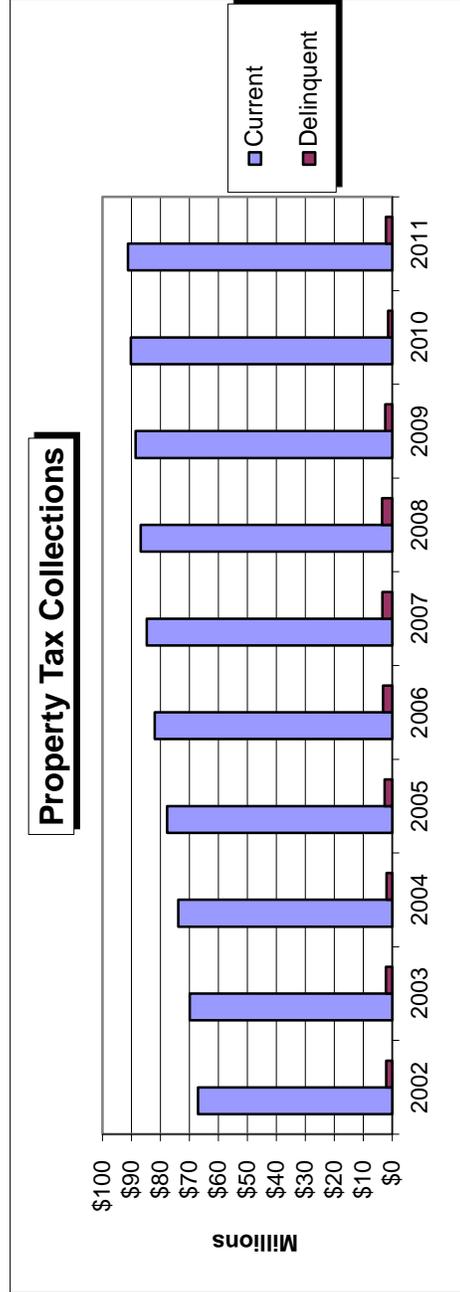
Source: Clark County Assessor's Department

**CLARK COUNTY, WASHINGTON  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31	Total Tax Levy	Collected in Fiscal Yr of Levy	Percent Collected	Collected in Subsequent Years	Total Tax Collection	Outstanding	
						Delinquent Taxes	Percent of Total Tax Collections
2003	\$ 69,111,795	\$ 67,008,768	96.96%	\$ 2,083,734	\$ 69,092,502	\$ 19,293	99.97%
2004	\$ 72,015,555	\$ 69,849,794	96.99%	\$ 2,154,034	\$ 72,003,828	\$ 11,727	99.98%
2005	\$ 75,694,765	\$ 73,788,302	97.48%	\$ 1,891,999	\$ 75,680,301	\$ 14,464	99.98%
2006	\$ 80,306,791	\$ 77,696,491	96.75%	\$ 2,594,047	\$ 80,290,538	\$ 16,253	99.98%
2007	\$ 85,117,733	\$ 81,905,754	96.23%	\$ 3,190,695	\$ 85,096,449	\$ 21,284	99.97%
2008	\$ 88,036,455	\$ 84,656,771	96.16%	\$ 3,344,426	\$ 88,001,197	\$ 35,258	99.96%
2009	\$ 90,327,048	\$ 86,771,518	96.06%	\$ 3,446,860	\$ 90,218,378	\$ 108,670	99.88%
2010	\$ 91,506,334	\$ 88,542,160	96.76%	\$ 2,351,335	\$ 90,893,495	\$ 612,839	99.33%
2011	\$ 92,568,805	\$ 90,163,641	97.40%	\$ 1,389,015	\$ 91,552,656	\$ 1,016,149	98.90%
2012	\$ 93,340,659	\$ 91,198,782	97.71%	\$ -	\$ 91,198,782	\$ 2,141,877	97.71%

Note: This includes tax levies for the County's General, Special Revenue, Debt Service, and Capital Projects Funds. This report does not crossfoot, as it does not take into account cancellations or supplements made during the year, nor adjustments made for city annexations.

Source: Clark County Treasurer's Office



**CLARK COUNTY, WASHINGTON**  
**Property Tax Rates**

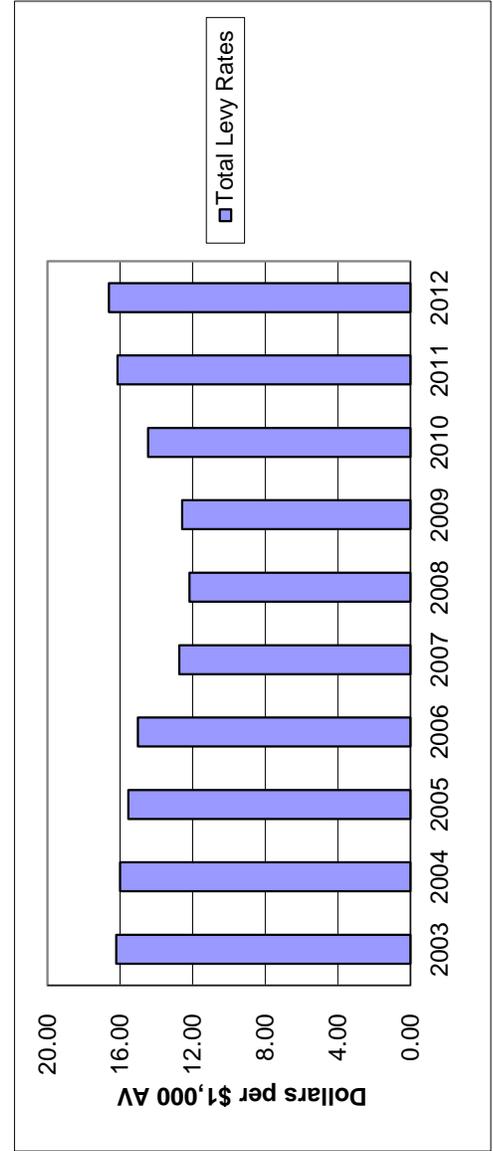
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**  
**(per \$1,000 of assessed value)**

Levy Year *	Clark County Direct Rates**					Overlapping Rates										Total Direct & Overlapping
	General Fund	County Funds	Total County	Other		School Districts	Fire Districts	Cemetery Districts	Ports	Cities & Towns	State of Washington	Public Library	Public Library			
				Fire Districts	Cemetery Districts											
2003	1.51	2.05	3.56	4.25	1.28	0.07	0.42	3.12	2.92	0.60	16.22					
2004	1.47	2.14	3.61	4.22	1.38	0.07	0.41	2.98	2.77	0.56	16.00					
2005	1.34	1.98	3.32	4.09	1.41	0.07	0.40	3.00	2.73	0.52	15.54					
2006	1.13	1.96	3.09	4.07	1.41	0.07	0.40	2.72	2.73	0.53	15.02					
2007	1.05	1.64	2.69	3.12	1.08	0.05	0.30	2.36	2.73	0.41	12.74					
2008	1.12	1.56	2.68	3.22	1.03	0.04	0.28	2.08	2.47	0.37	12.17					
2009	1.30	2.10	3.40	3.44	1.00	0.05	0.29	2.13	1.89	0.39	12.59					
2010	1.41	2.31	3.72	4.23	1.09	0.06	0.33	2.42	2.02	0.59	14.46					
2011	1.45	2.78	4.23	4.82	1.13	0.06	0.36	2.52	2.26	0.75	16.14					
2012	1.49	2.84	4.32	4.81	1.25	0.07	0.36	2.69	2.36	0.75	16.61					

\* Taxes collected in the following year.

\*\*State legislation and voter approved initiatives limit the annual property tax increase to 1% or the Implicit Price Deflator (IPD), whichever is less.

Source: Clark County Assessor's Office



**CLARK COUNTY, WASHINGTON**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Year	<u>Governmental Activities</u>			<u>Business Type Activities</u>		<b>Total Primary Government</b>	Percentage of Personal Income	Total Debt Per Capita*
	General Obligation Bonds	Special Assessment Bonds	Capital Lease	General Obligation Bonds	Revenue Bonds			
2003	98,012,520	408,954	1,231,077	287,480	37,600,000	137,540,031	1.24%	369.43
2004	150,053,149	263,954	1,141,605	146,851	28,975,000	180,580,559	1.55%	471.12
2005	149,640,000	228,954	1,024,445	0	27,020,000	177,913,399	1.42%	454.44
2006	142,675,000	228,954	950,717	0	24,950,000	168,804,671	1.25%	418.35
2007	136,970,000	18,954	848,948	0	22,900,000	160,737,902	0.96%	387.32
2008	131,365,000	18,954	8,730,128	0	20,750,000	160,864,082	1.06%	379.22
2009	125,575,000	18,954	8,163,496	0	18,500,000	152,257,450	1.01%	353.10
2010	119,950,000	18,954	7,863,416	0	16,140,000	143,972,370	0.92%	338.47
2011	114,115,000	18,954	7,554,668	0	13,675,000	135,363,622	0.83%	316.27
2012	107,155,000	0	7,202,773	0	0	114,357,773	NA	265.18

Source: Clark County Treasurer's Office

\* Population & Personal Income data can be found on the Schedule of Demographic and Economic Statistics in this section

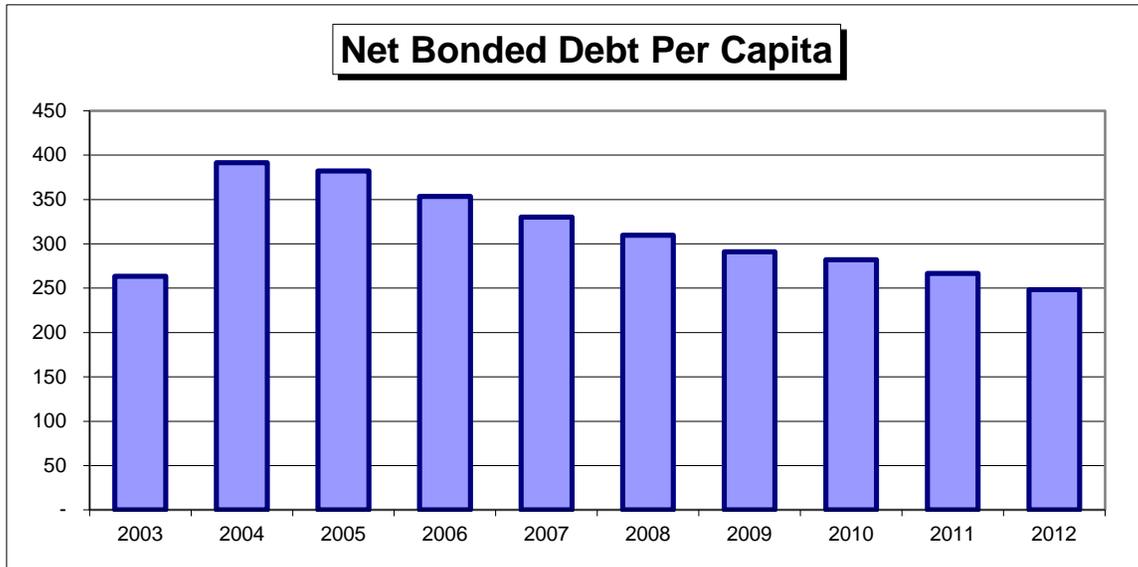
**CLARK COUNTY, WASHINGTON**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<u>Year</u>	<u>Population (1)</u>	<u>Taxable Property Assessed Value (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Less Debt Services Moneys Available</u>	<u>Less Debt Payable From Enterprise Fund Revenues</u>	<u>Net Bonded Debt</u>	<u>Percentage of Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
2003	372,300	29,591,994,441	98,300,000	0	287,480	98,012,520	0.33%	263
2004	383,300	34,239,969,989	150,200,000	0	146,851	150,053,149	0.44%	391
2005	391,500	42,831,709,397	149,640,000	0	0	149,640,000	0.35%	382
2006	403,500	48,017,610,071	142,675,000	0	0	142,675,000	0.30%	354
2007	415,000	47,496,112,073	136,970,000	0	0	136,970,000	0.29%	330
2008	424,200	41,545,366,908	131,365,000	0	0	131,365,000	0.32%	310
2009	431,200	38,035,671,931	125,575,000	0	0	125,575,000	0.33%	291
2010	425,363	37,584,834,501	119,950,000	0	0	119,950,000	0.32%	282
2011	428,000	37,355,072,941	114,115,000	0	0	114,115,000	0.31%	267
2012	431,250	35,672,712,967	107,155,000	0	0	107,155,000	0.30%	248

(1) Washington State Office of Financial Management (OFM)

(2) Clark County Assessor

(3) Amount does not include special assessment, capital leases or revenue bonds.

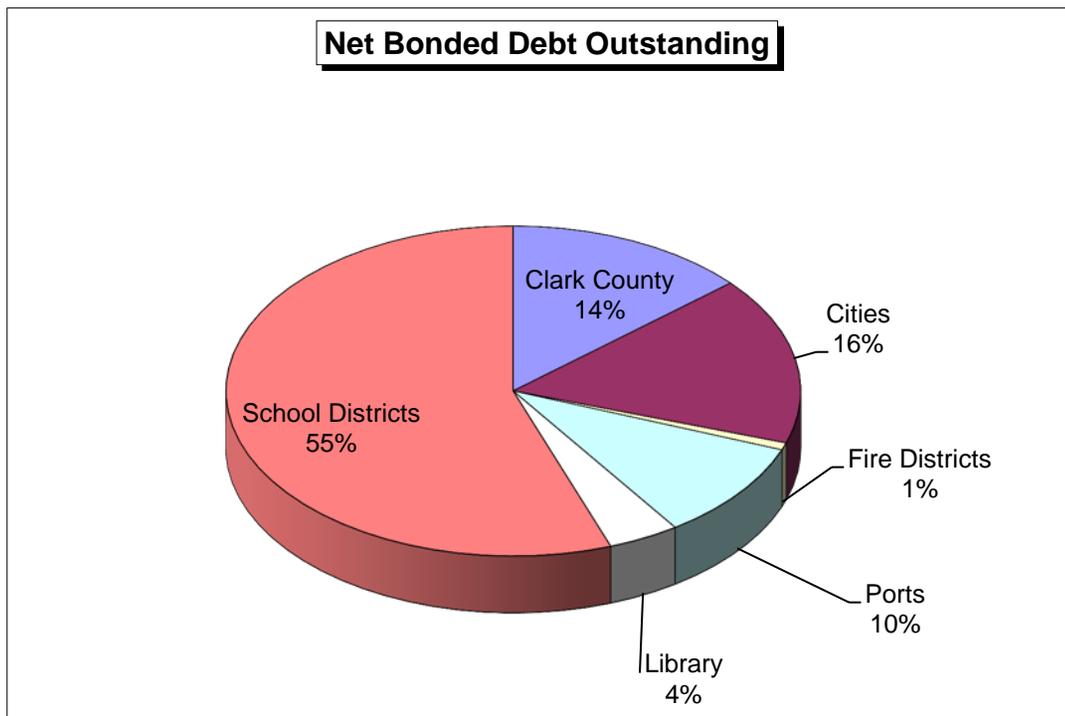


**CLARK COUNTY, WASHINGTON**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES BONDED DEBT**  
**GENERAL OBLIGATION BONDS**  
**As of December 31, 2012**

<u>Jurisdiction</u>	<u>Net Bonded Debt Outstanding</u>	<u>Percentage Applicable to Clark County</u>	<u>Amount Applicable to Clark County</u>
<u>Direct:</u>			
Clark County *	<u>\$132,969,203</u>	100%	<u>\$132,969,203</u>
<u>Overlapping:</u>			
Cities	160,404,320	100%	160,404,320
Fire Districts	6,814,078	100%	6,814,078
Ports	94,167,944	100%	94,167,944
Library	39,059,087	100%	39,059,087
School Districts	<u>540,769,378</u>	100%	<u>540,769,378</u>
Total Overlapping	\$841,214,807		\$841,214,807
Total Direct & Overlapping	<u><u>\$974,184,010</u></u>		<u><u>\$974,184,010</u></u>

\* Excludes amounts available for repayment in the debt service fund, if any.

Source: Clark County Treasurer's Office



**CLARK COUNTY, WASHINGTON**  
**Legal Debt Margin Information**  
**Legal Debt Margin Calculation for Year 2012**

Assessed Valuation *	\$ 37,355,072,941
Limited Tax General Obligation Debt Capacity (non-voted):	
Legal Limit @ 1 and 1/2 % on the assessed valuation	560,326,094
Less: Outstanding Debt	(132,969,203)
Add: available assets	59,924,887
Remaining Capacity (non-voted)	<u>487,281,778</u>
Total General Obligation Debt Capacity (voted and non-voted):	
Legal limit of 2 1/2% on the assessed valuation	933,876,824
Less: Outstanding Limited Tax General Obligation Bond Debt	
Remaining Capacity (voted and non-voted)	<u>\$ 933,876,824</u>

\* Does not include exempt assessed property values.

**CLARK COUNTY, WASHINGTON**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(in thousands)**

	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Debt limit (non-voted)	\$ 411,916	\$ 443,880	\$ 513,600	\$ 642,476	\$ 720,264	\$ 712,442	\$ 623,181	\$ 570,535	\$ 560,326	\$ 560,326
Total net debt applicable to limit	119,007	147,898	157,807	155,790	150,896	154,977	152,159	148,350	133,026	132,969
Legal debt margin (voted and non-voted)	686,527	737,800	855,999	1,070,793	1,200,440	1,187,403	1,038,634	950,892	933,877	933,877
Total net debt applicable to the limit as a percentage of debt limit	28.89%	33.32%	30.73%	24.25%	20.95%	21.75%	24.42%	26.00%	23.74%	23.73%

Source: Clark County Treasurer's Office

**CLARK COUNTY, WASHINGTON  
SANITARY SEWER FUND  
REVENUE BONDS COVERAGE TEST**

<u>Year</u>	<u>Pledged Revenues (1)</u>	<u>Operating Revenues</u>	<u>Non-Operating Revenues</u>	<u>Operating Expenses (2)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Coverage (3)</u>
2003	4,525,442	2,190,598	86,607	2,109,118	4,693,529	2,145,000	2,012,023	4,157,023	1.13
2004	3,952,879	2,190,598	72,824	2,263,519	3,952,782	1,860,000	1,724,021	3,584,021	1.10
2005	3,988,534	2,612,870	105,203	2,375,587	4,331,020	1,955,000	1,451,482	3,406,482	1.27
2006	4,160,381	2,612,870	219,489	2,563,504	4,429,236	2,070,000	1,339,750	3,409,750	1.30
2007	3,973,806	3,245,952	198,005	3,010,096	4,407,667	2,050,000	1,222,750	3,272,750	1.35
2008	3,653,509	3,245,952	191,591	3,018,299	4,072,753	2,150,000	1,124,000	3,274,000	1.24
2009	3,576,321	3,212,904	103,073	4,053,542	2,838,756	2,250,000	1,024,245	3,274,245	0.87
2010	3,239,750	3,448,151	60,696	3,190,687	3,557,910	2,360,000	911,488	3,271,488	1.09
2011	3,276,188	3,591,836	33,440	3,246,498	3,654,966	2,465,000	808,985	3,273,985	1.12
2012	15,672,383	3,540,781	176,970	3,575,992	15,814,142	11,105,000 <sup>(3)</sup>	1,291,763	12,396,763	

Note: The revenue bonds were first issued in 1995.

(1) The bond covenants require Clark Regional Wastewater District (CRWWD) to pay Clark County 100% of the debt service on the bonds. Pledged revenue includes revenue from CRWWD to cover the revenue bonds as well as an amount to cover Public Works Trust Fund loans which were issued for the Treatment Plant.

(2) Total operating expense of the Sewer Fund less depreciation.

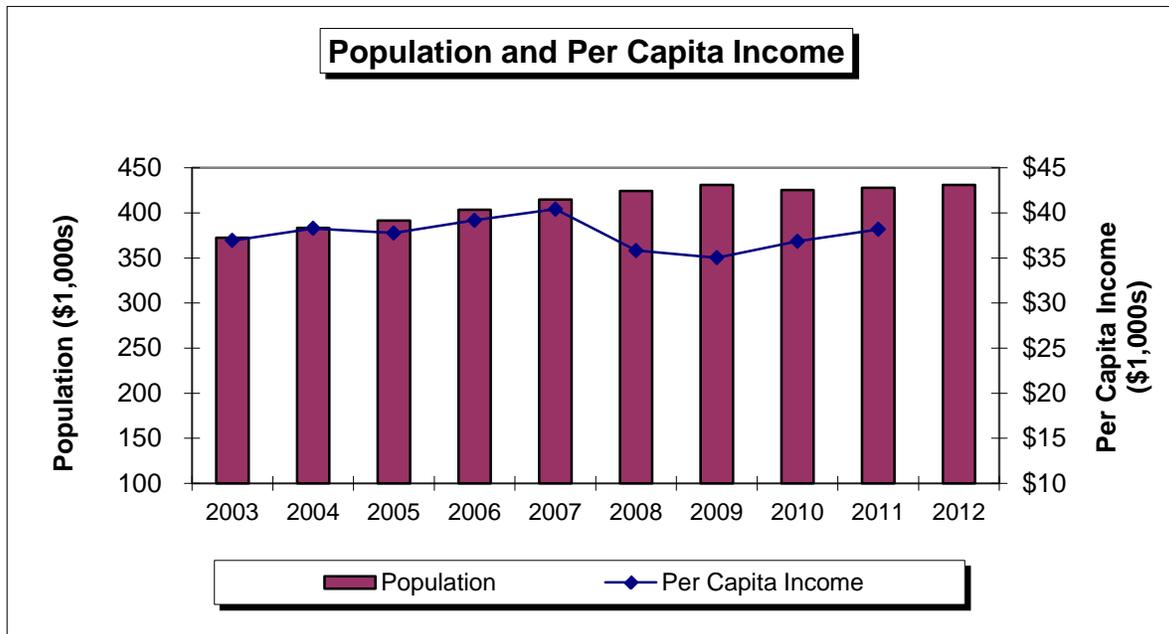
(3) The bonds were redeemed in 2012.

**CLARK COUNTY, WASHINGTON**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Fiscal Years**

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Income (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2003	372,300	13,750,155,900	\$36,933	68,912	8.9%
2004	383,300	14,674,257,200	\$38,284	71,408	6.4%
2005	391,500	14,785,389,000	\$37,766	73,707	5.1%
2006	403,500	15,810,744,000	\$39,184	77,391	4.6%
2007	415,000	16,771,810,000	\$40,414	79,610	5.4%
2008	424,200	15,198,413,000	\$35,828	76,782	10.5%
2009	431,200	15,131,577,000	\$35,027	77,846	13.7%
2010	425,363	15,677,813,000	\$36,857	76,623	12.7%
2011	428,000	16,337,847,000	\$38,173	81,035	9.2%
2012	431,250	NA	NA	82,545	8.3%

Sources:

- (1) Washington State Office of Fiscal Management
- (2) U S Bureau of Economic Analysis (Adjusted to 2007 dollars)
- (3) WA Office of the Superintendent of Public Instruction (<http://www.k12.wa.us/DataAdmin/default.aspx>) for year: prior to 2009. In 2009 the information came from the individual school district offices.
- (4) Washington State Employment Security



**Clark County, Washington**  
**Principal Employers**  
**Current Period and Nine Years Prior**

Employers	2012 <sup>1</sup>			2003 <sup>2</sup>		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Southwest WA Medical Center	2,841	1	1.48%	3,150	1	1.78%
Evergreen School District	2,455	2	1.28%	2,950	2	1.67%
Vancouver School District	2,203	3	1.15%	2,676	3	1.51%
Clark County	1,561	4	0.81%	1,643	5	0.93%
Fred Meyer Stores	1,500	5	0.78%	1,300	8	0.73%
Battle Ground School District	1,213	6	0.63%	1,259	10	0
Bonneville Power Administration	1,181	7	0.62%	1,278	9	
WaterTech	1,040	8	0.54%			
Clark College	985	9	0.51%	1,479	6	0.84%
City of Vancouver	932	10	0.49%			-
Hewlett Packard				1,900	4	1.07%
Personnel Source				1,400	7	0.79%
<b>Totals</b>	<b>15,911</b>		<b>8.29%</b>	<b>19,035</b>		<b>10.76%</b>
<b>Total employment <sup>3</sup></b>	<b>191,950</b>			<b>176,980</b>		

<sup>1</sup> Vancouver Business Journal Book of Lists

<sup>2</sup> Vancouver Business Journal Book of Lists

<sup>3</sup> Total employment from Washington State Employment Security Department

<sup>4</sup> Formerly Fort James

**CLARK COUNTY, WASHINGTON**  
**Full-time Equivalent Clark County Budgeted Employees by Function/Program**  
**Last Five Biennium's**

<u>Function/Program</u>	<u>2003/2004</u>	<u>2005/2006</u>	<u>2007/2008</u>	<u>2009/2010</u>	<u>2011/2012</u>
<u>General Government</u>	189.75	235.33	232.15	207.05	208.85
Assessor/GIS	72.75	77.13	74.75	66.35	66
Auditor/Elections	46.6	47.1	46.6	41.6	41.6
Treasurer	23	33.5	29	25.5	25
Commissioners	11	12	13	11	10
Countywide/ESA services (1)	4	4.2	2.9	0	0
Fair	1	1	0	0	0
Coop Extension	3	3	3	1.5	1.5
Board of Equalization	2	2	2	2	2
Environmental Services (1)				20	24
Long Range Planning	13	12	12.5	10.5	10.5
Animal Control		10.5	10	5.4	6
Code Enforcement		9.5	10	5.95	5
Fire Marshal		9	9	7.85	7.85
Weed Management (1)	4	5	10	0	0
Elections	9.4	9.4	9.4	9.4	9.4
<u>Public Safety</u>	766.3	779.83	864	801.62	800.80
County Clerk	38	40	49	45.54	47.8
District Court	46.5	48.17	54	47.48	50.75
Superior Court	25	27	33	34.00	32
Juvenile	94.5	94.5	95.5	92.50	92
Sheriff	216.3	219.5	253.5	229.50	225
Custody	165	165	182	167.00	167
Child Justice Center	5	5	5	4.00	5
Prosecuting Attorney/Child Support	101	104.66	112	100.25	101.75
Medical Examiner	6	6	7	6.75	7.75
Corrections	69	70	73	74.60	71.75
<u>Public Works</u>	257	260	290.9	277.40	280.40
<u>Community Development</u>	133	116.5	96.5	38.60	43.35
<u>Community Services</u>	70.75	71.25	104.00	110.00	113.00
<u>Public Health (2)</u>	126.2	143.55	147.40	92.85	78.15
<u>Internal Services</u>	140.6	141.4	165.8	152.05	148.70
Budget and Information Services	53	53	56	48.00	45
Human Resources	13	14.55	18	17.35	17.5
General Services/loss Control	23.1	23.3	26.3	25.00	25
Facilities	32.5	32.5	45.5	42.00	42.5
Public Information	7	6	6	6.70	6.7
Data Processing	12	12.05	14	13.00	12
<b>Grand Total</b>	<b>1,683.60</b>	<b>1,747.86</b>	<b>1,900.75</b>	<b>1,679.57</b>	<b>1,673.25</b>

(1) Countywide/ESA and Weed Management employees were moved to the new Environmental Services Department, along with some employees from other departments.

(2) Public Health became a Clark County department in 2003

Source: Clark County Budget Office

**Clark County, Washington**  
**Capital Asset Statistics By Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>Public Safety</u>										
Sheriff Patrol Units - Vehicles	161	n/a	123	126	136	163	161	155	161	176
Sheriff Patrol Units - Boats	2	2	2	2	4	6	6	6	6	7
<u>Transportation</u>										
Paved Roads (miles)	1,109	1,149	1,075	1,109	1,109	1,106	1,104	1,105	1,096	1,109
Streetlights			450	550	550	553	546	546	546	546
Traffic Signals	n/a	90	93	93	93	91	90	95	94	100
Railroad Tracks (miles)	33	33	33	33	33	33	33	33	33	33
<u>Culture and Recreation</u>										
Regional Parks	8	8	8	8	8	9	9	12	13	13
Parks Acreage (developed)	203	203	203	203	203	230	230	331	331	331
Exhibition Hall	0	1	1	1	1	1	1	1	1	1
Amphitheater	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
<u>Sewer</u>										
County Treatment Plant	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (miles)	6	6	6	6	7.3	13.9	13.9	13.9	13.9	13.9
Average Daily Treatment (millions of gallons per day)	6.51	6.49	6.69	7.30	7.02	6.86	6.80	7.46	8.21	7.55
Total Maximum Design Flow (millions of gallons per day)	10.3	10.3	10.3	10.3	10.3	10.3	15.0	15.0	15.0	15.0

Sources: Various County departments  
Note: No capital asset indicators are available for general government function

**CLARK COUNTY, WASHINGTON**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<u>Transportation</u>										
Road - Paved Center-Line Miles (A)	1,109	1,149	1,075	1,109	1,109	1,116	1,104	1,105	1,096	1,109
<u>Public Safety</u>										
Fire Inspections (B)	2,944	3,064	3,344	2,434	2,281	2,204	2,058	1,817	1,721	1,984
Number of Paid Firefighters (C)	168	172	148	144	141	141	136	128	129	128
Number of Law Enforcement Employees:										
Commissioned (D)	128	122	123	127	146	152	143	155	154	134
Non commissioned (D)	256	254	268	246	261	265	257	234	230	258
Average Daily Jail Population	724	694	772	790	769	740	714	685	706	708
<u>Building Department (E):</u>										
Permits Issued	2,749	2,744	2,142	1,942	1,703	887	711	747	651	858
Value of Buildings (000's)	\$ 367,408	\$ 470,384	\$ 515,095	\$ 468,996	\$ 405,102	\$ 209,959	\$ 158,146	\$ 231,892	\$ 186,064	\$ 254,744
<u>Judicial (F)</u>										
District Court Filings	52,265	47,790	50,731	61,562	60,607	51,783	47,818	47,069	46,810	44,140
Superior Court Filings	14,334	15,221	14,940	14,187	14,553	14,739	15,497	14,879	14,480	14,237
<u>General Government</u>										
General Election (G) *										
Number of Registered Voters	173,952	207,611	194,211	189,269	188,946	253,223	215,626	219,616	226,530	243,155
Number of Votes	54,680	172,277	101,149	116,505	81,866	184,704	93,915	149,045	108,877	193,502
Percentage of Reg. Voters Voting	31.4%	83.0%	52.1%	61.6%	43.3%	72.9%	43.6%	67.9%	48.1%	79.6%
<u>Public Schools (H)</u>										
Number of students	68,912	71,408	73,707	77,391	79,610	76,782	77,846	76,623	81,035	82,545

\* During the presidential elections (every four years) there is a larger voter turnout and often a surge in voter registration.

Sources:

- (A) Clark County Public Works Dept.
- (B) Clark County Fire Marshal
- (C) Clark County Fire Districts
- (D) Clark County Sheriff's Department
- (E) Clark County Dept of Community Development
- (F) Clark County Clerk's office
- (G) Clark County Elections Dept
- (H) WA Office of the Superintendent of Public Instruction & Individual School District Administrative Offices