



proud past, promising future

CLARK COUNTY
WASHINGTON

Quarterly Finance Report 2010 Third Quarter

October 27, 2010
BOCC Work Session

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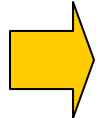
Leading Indicators



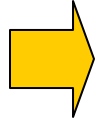
Building Permits



Retail Sales



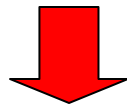
Home Sales



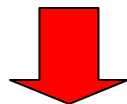
Construction % Retail Sales



Median Home Sale Prices



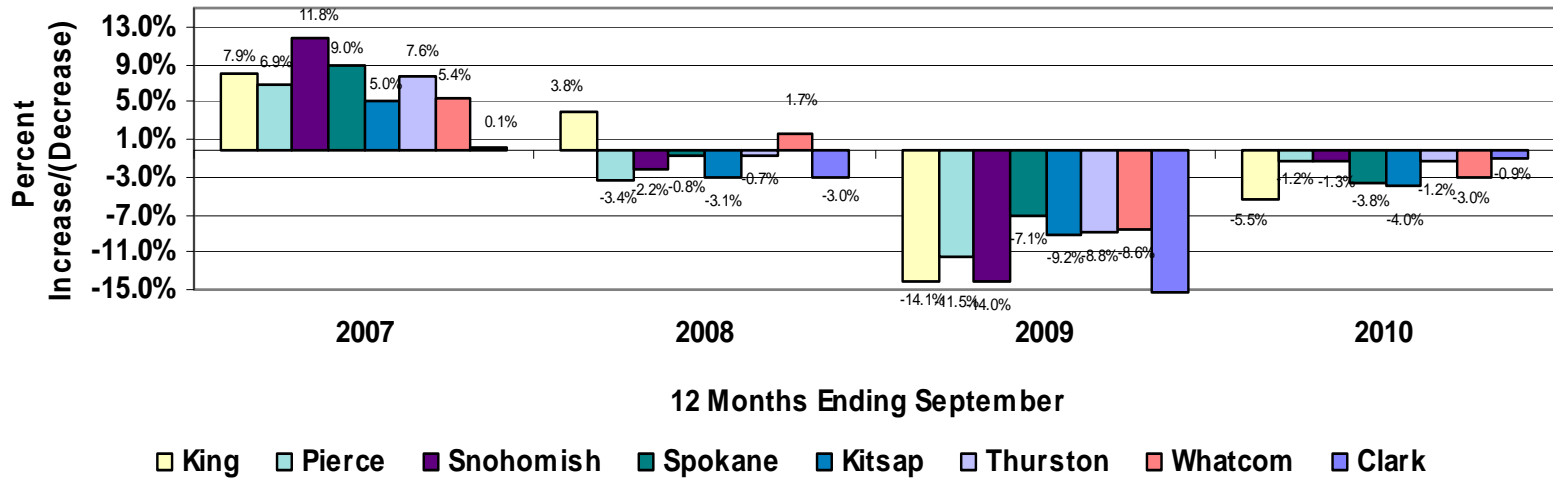
Unemployment



Developmental Services Permits

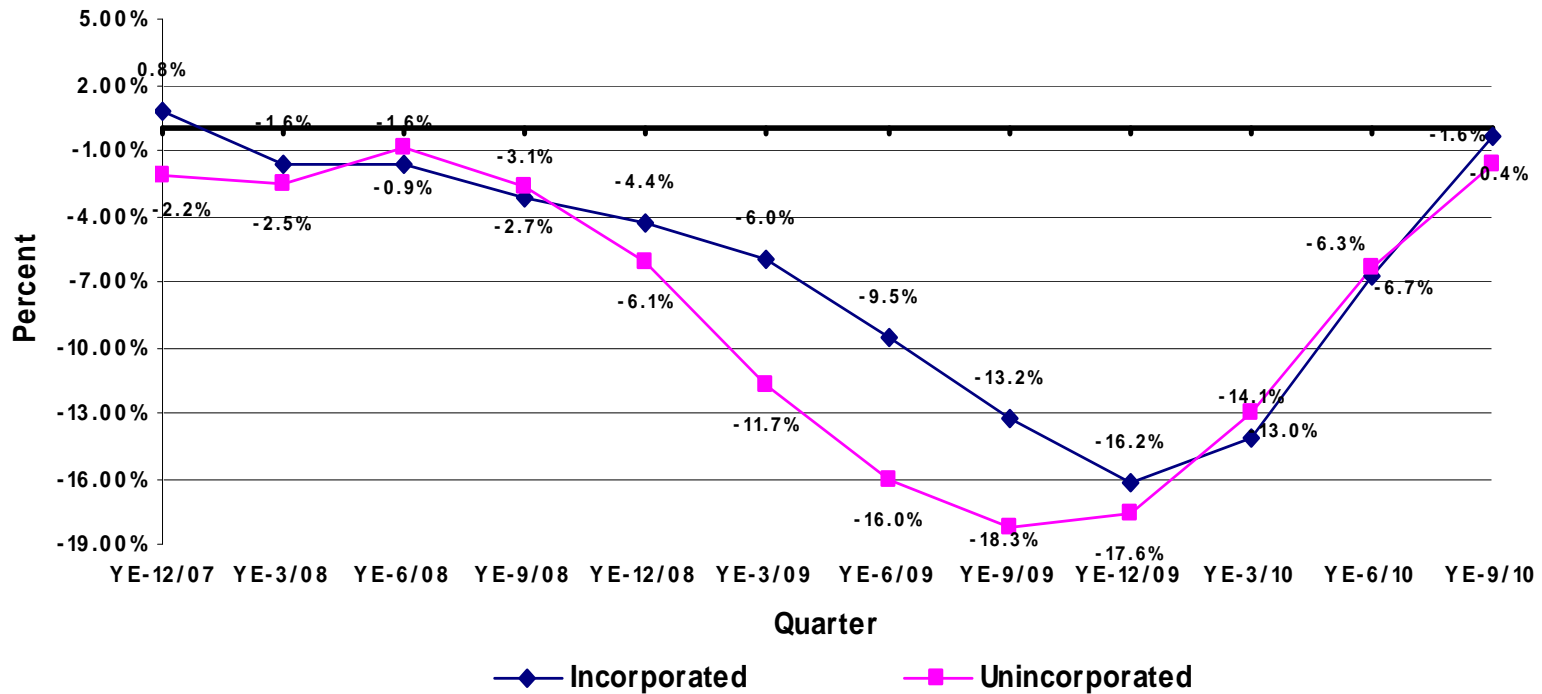
Third Quarter Major County Retail Sales Growth

Washington Counties Retail Sales Growth/Decline Rate (Year over Year)



Clark County 12 Months Ending Retail Sales Growth/Decline

Clark County 12 Months Ending Retail Sales Growth/Decline

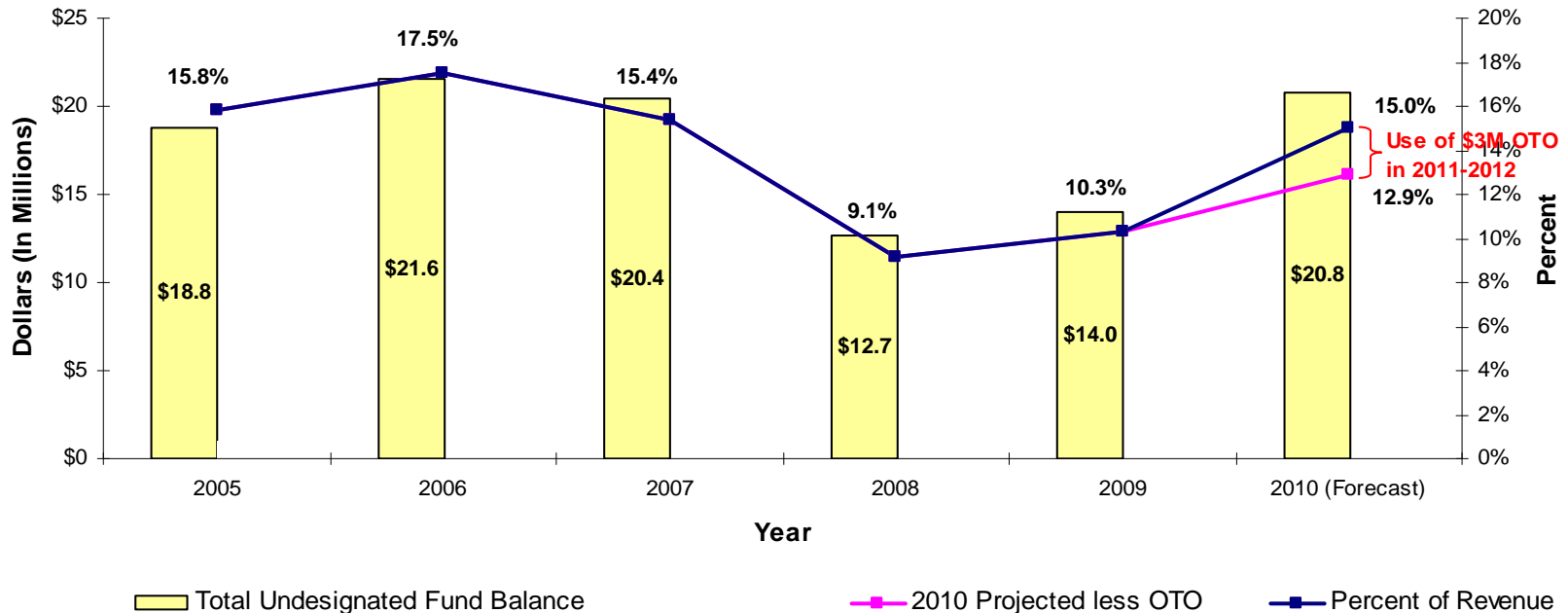


General Fund Expenses

Current trends suggest that General Fund expenses will be approximately \$4M-\$5M under budget.

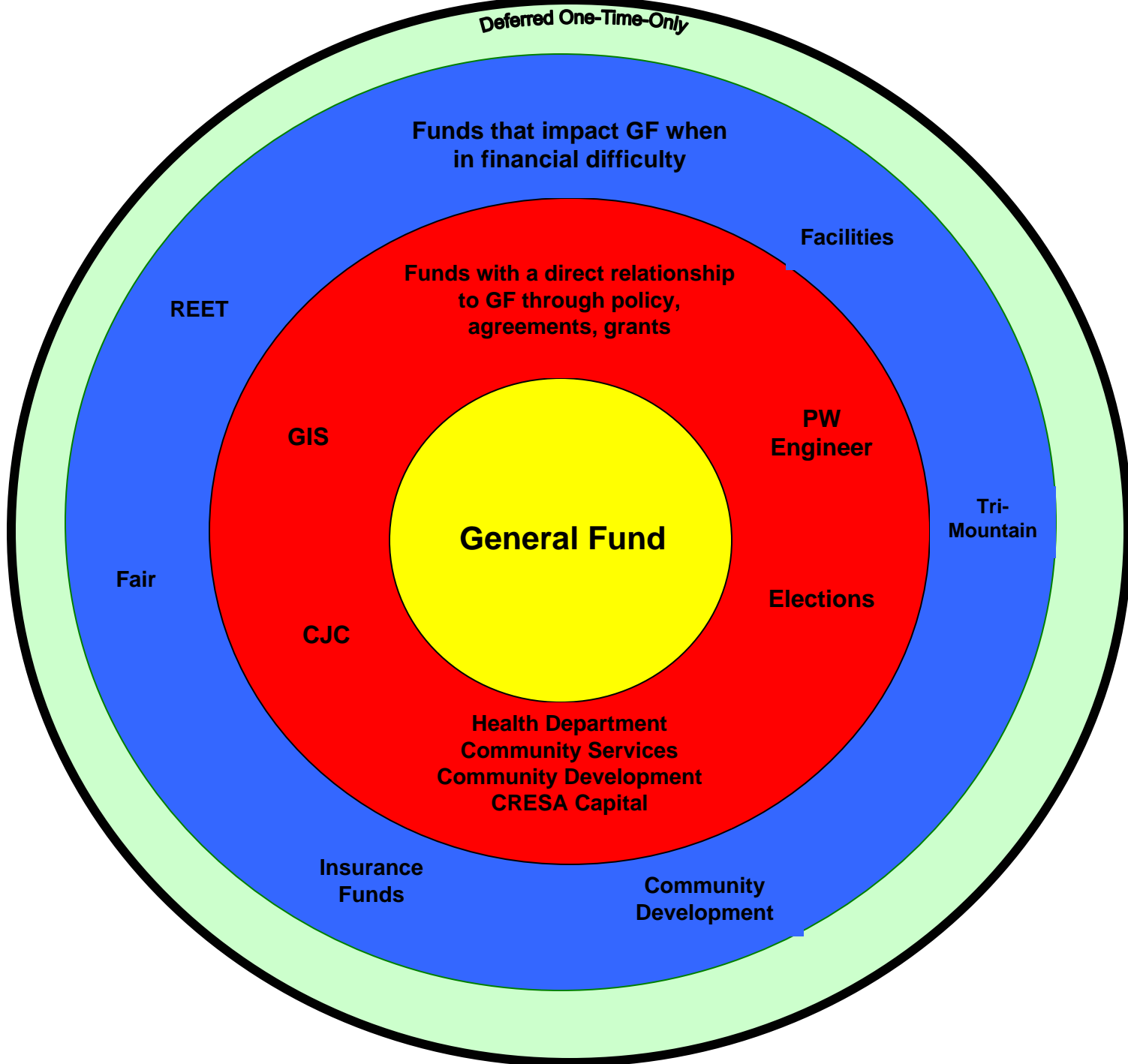
Fund 001 General Fund and Permanent Reserve Undesignated Fund Balance 2006-2010

GENERAL FUND UNDESIGNATED FUND BALANCE AS A PERCENT OF REVENUE



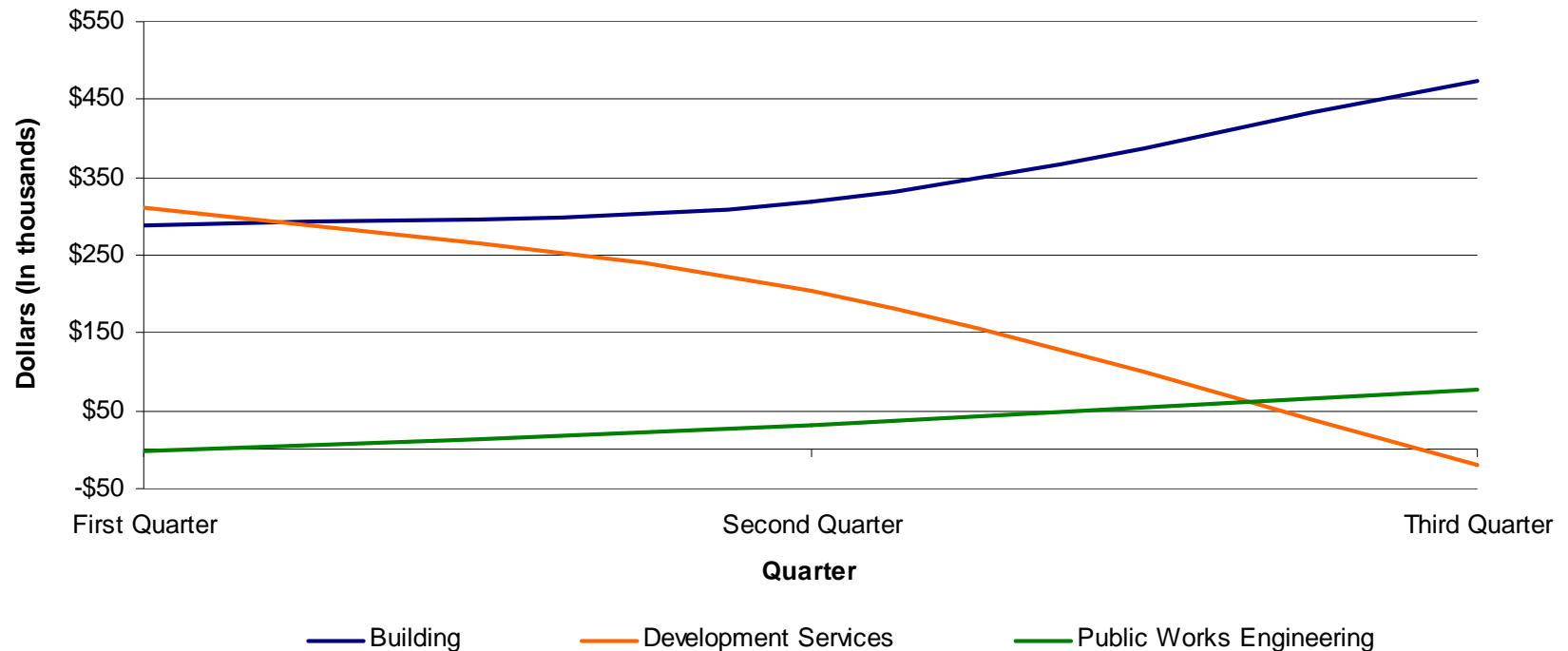
2010 includes the benefit of 2009 actions:

- One time Revenue
- Road Fund Diversion
- Debt transfer to REET



Fund 1011 Development Services and Public Works Engineering

2010 Operating Surplus/Deficit by Quarter



Other Major Funds

- **Department of Community Development**
 - Fund balance is currently positive for both activities
 - Assumes no General Fund support is directed to Building
 - Building: permits and activity are increasing
 - Development Services: permits have dropped to an all-time low and this area could impact the General Fund in the way of additional subsidies.
 - Uncertain impact of Fee Holiday will require some level of funding in 2011.
- **Road Fund**
 - Third Quarter Fund Balance is up \$7.9M from 2009
 - The Fund Balance is committed to a variety of projects
- **Health Department**
 - Expenses are extremely tight, especially salaries and benefits
 - The Fund Balance is holding

Funds That May Impact General Fund

- Department of Community Development
 - Development Service-Permits have dropped to an all-time low. This area could impact the General Fund in the way of additional subsidies.
 - General Fund will be required to fund the 2011 Fee Holiday.
- Fair Fund
 - Fair Fund operations through the 2010 third quarter improved \$514K over September 2009. The 2009 loss was \$500K.
 - The Fund should carry forward a small positive fund balance into 2011.
- Exhibit Hall
 - Hotel/Motel Tax Receipts coming in under budget
 - Debt payments currently exceed revenue sources
 - Fund balance projected to be low by the end of 2012
 - Funding plan included \$1M support from economic development REET if necessary
- REET Funds
 - Budgeted transfers exceed revenues and are not sustainable

Summary

- General Fund-Stay the Course-especially in anticipation of future expense.
- Some ending fund balance can be used for one-time-only projects in 2011-2012.
- Need to keep an eye on other funds that impact the General Fund when in financial difficulty.
 - DCD Development Services
 - REET-ability to pay debt long-term
 - Exhibit Hall

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

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



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