



# POPULAR ANNUAL FINANCIAL REPORT (PAFR)

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YEAR ENDING DECEMBER 31, 2020  
CLARK COUNTY, WASHINGTON



*January 1 - December 31, 2020*

# POPULAR ANNUAL FINANCIAL REPORT

We are happy to introduce the Clark County 2020 Popular Annual Financial Report (PAFR). This is the first year we are compiling the Popular Annual Financial Report and it is the result of County efforts to further connect with our community.

The Clark County 2020 PAFR is designed to display information on the County's fiscal health. It is a short-form report based largely on the Clark County Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. This PAFR provides summarized County financial information derived from the Annual Financial Report and is not designed to include all financial disclosures required by Generally Accepted Accounting Principles. To meet the goal of simplicity, the PAFR presentation omits the financial activity of the Clark County Public Facilities Board which is presented in the financial statement as a component unit. Similarly, not all County funds are presented here. The PAFR concentrates on reporting Governmental and Business-Type Activities and the County's General Fund, as well as a summary of the county response to the coronavirus pandemic. For the 2020 audited financial statements, independent auditor's opinion, detailed notes to the financial statements, statistical information, and other supplementary information, refer to the Clark County 2020 Annual Comprehensive Financial Report available on the Clark County website ([www.clark.wa.gov](http://www.clark.wa.gov)).

Our hope is that you as the user will find it easier to engage with the County through use of this PAFR. We welcome your feedback and encourage your continued involvement.

Kathleen Otto  
County Manager

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## Auditor's Office

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Vancouver, WA 98660  
564.397.2252

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Email: [ADA@clark.wa.gov](mailto:ADA@clark.wa.gov)

# ABOUT CLARK COUNTY

With its great natural beauty, the area known today as Clark County, has always attracted people and settlements. Framed by the scenic Cascade Range to the east and majestic Columbia River to the south and west, the area was both a gathering place for native tribes and the site of the first non-native settlement in the Pacific Northwest. It was the first county in Washington, named after William Clark of the Lewis and Clark Expedition. It is the fifth-most populous and the southernmost county in Washington state. Clark County is also one of the fastest growing regions in the state with its county seat and largest city, Vancouver, located just north of Portland, Oregon.



This confluence creates a unique opportunity for a high quality of life for residents and a thriving business climate. Clark County is also resilient. As we come out of the COVID-19 pandemic, the county is poised to build off our *proud past* and work to realize a *promising future* for our county and its residents.

## Top 5 Employers

PeaceHealth	4,482
Vancouver Public Schools	3,029
Evergreen Public Schools	2,716
Legacy Salmon Creek Medical Center	2,000*
Vancouver Clinic	1,659

\*Estimated

## Government by the Numbers



5

County Councilors



\$506M

2020 Total Budget



1743

2020 Budgeted FTE



# CURRENT ELECTED OFFICIALS



**Eileen Quiring O'Brien**  
Council Chair



**Temple Lentz**  
Councilor District 1



**Julie Olson**  
Councilor District 2



**Karen Dill Bowerman**  
Councilor District 3



**Gary Madvigy**  
Councilor District 4



**Peter Van Nortwick**  
Assessor



**Greg Kimsey**  
Auditor



**Scott Weber**  
Clerk



**Tony Golik**  
Prosecuting Attorney



**Chuck E. Atkins**  
Sheriff



**Alishia Topper**  
Treasurer

# STATEMENT OF NET POSITION

Statement of Net Position (In Millions of Dollars)	Governmental Activities			Business-types Activities			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
<b>Assets</b>									
Cash and Cash Equivalents	266.77	197.99	168.94	18.42	17.52	16.51	285.19	215.51	185.44
Capital assets	1,325.66	1,302.21	1,265.93	118.69	112.98	107.24	1,444.35	1,415.19	1,373.17
Other Assets	80.28	79.79	78.63	0.87	0.37	(0.21)	81.15	80.16	78.42
<b>Total Assets</b>	<b>1,672.71</b>	<b>1,580.00</b>	<b>1,513.50</b>	<b>137.98</b>	<b>130.87</b>	<b>123.53</b>	<b>1,810.69</b>	<b>1,710.87</b>	<b>1,637.03</b>
<b>Deferred Outflows of Resources</b>	<b>17.03</b>	<b>15.11</b>	<b>14.01</b>	<b>0.35</b>	<b>0.29</b>	<b>0.28</b>	<b>17.38</b>	<b>15.40</b>	<b>14.29</b>
Refunding, pensions, and OPEB	17.03	15.11	14.01	0.35	0.29	0.28	17.38	15.40	14.29
<b>Liabilities</b>									
Long Term Liabilities	172.89	187.67	208.29	2.64	3.13	3.61	175.52	190.80	211.91
Other Liabilities	40.73	38.36	36.98	1.19	0.73	0.65	41.92	39.10	37.63
<b>Total Liabilities</b>	<b>213.61</b>	<b>226.04</b>	<b>245.27</b>	<b>3.83</b>	<b>3.86</b>	<b>4.26</b>	<b>217.44</b>	<b>229.90</b>	<b>249.53</b>
<b>Deferred inflows of resources</b>	<b>13.39</b>	<b>24.77</b>	<b>22.58</b>	<b>0.40</b>	<b>0.68</b>	<b>0.66</b>	<b>13.78</b>	<b>25.45</b>	<b>23.24</b>
Pensions and OPEB	13.39	24.77	22.58	0.40	0.68	0.66	13.78	25.45	23.24
<b>Net position</b>									
Net investment in Capital Assets	1,241.78	1,210.43	1,165.90	118.69	112.98	107.24	1,360.47	1,323.41	1,273.14
Restricted	181.11	139.36	127.83	-	-	-	181.11	139.36	127.83
Unrestricted	39.84	(5.49)	(34.06)	15.41	13.64	11.65	55.26	8.15	(22.41)
<b>Total Net Position</b>	<b>1,462.74</b>	<b>1,344.30</b>	<b>1,259.67</b>	<b>134.11</b>	<b>126.62</b>	<b>118.89</b>	<b>1,596.84</b>	<b>1,470.92</b>	<b>1,378.55</b>

The Statement of Net Position shows the overall financial picture of Clark County. It represents an aggregate of the county's financial activities broken into two categories: governmental and business-type activities.

Governmental activities are mainly supported by taxes and intergovernmental revenue, such as grants, and include many of the basic services the county provides including general government, public safety and public health. Business-type activities are mainly supported by user fees and charges for services and include activities such as wastewater treatment and the Tri-Mountain Golf Course.

**8.6%**  
Net Position  
Increase from 2019

In 2020, the county's net position increased by over \$125 million. This represented an overall increase of 8.6%, with the greatest change coming from increased cash and equivalent

holdings. An increase or decrease in the county's net position can be a sign the financial health of the county is improving or worsening. Over the last three years, the county's financial position has continued to strengthen. One notable change has been the decrease in longterm liabilities, including debt. As you read through the rest of this report, you will see more about what has contributed to the county's financial position in recent years.



# CHANGES IN NET POSITION

The Changes in Net Position shows changes in Clark County's net position by revenue source and major activities. An increase in revenue means the county brought in more money while a decrease means the county brought in less. An increase in expenses means the county spent more on operations and services while a decrease means the county had fewer expenses and spent less. The county saw an overall increase in revenues and expenditures in 2020 but the revenues outpaced expenditures, leading to an overall increase in the county's net position of

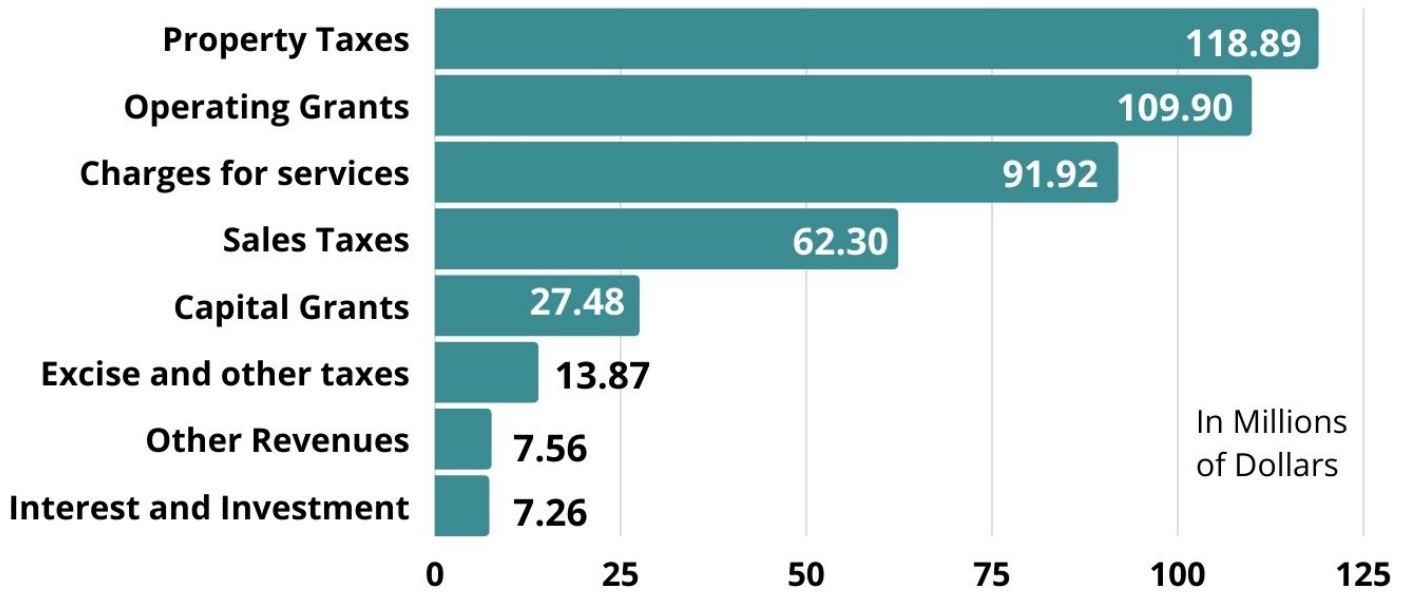
over \$125 million in 2020. Much of the increase in revenue in was due to federal funding to help the county combat the Covid-19 pandemic which led to higher than expected spending to combat the virus and its impacts. More information about how the county responded to the pandemic can be seen later in this report or by visiting [clark.wa.gov/covid19](http://clark.wa.gov/covid19). Despite the financial strains imposed by the pandemic, the county maintained its financial health and continued to support individuals, families and businesses to help our community weather the pandemic.

## Net Position Bolstered by Federal Funding to Fight the Covid-19 Pandemic

Change in Net Position (In Millions of Dollars)	Governmental Activities			Business-types Activities			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
<b>Revenues</b>									
Program Revenues	229.30	181.02	182.78	22.27	13.37	21.52	251.57	194.38	204.30
General Revenues	209.52	194.17	184.78	0.71	0.52	0.37	210.23	194.69	185.15
<b>Total Revenues</b>	<b>438.83</b>	<b>375.19</b>	<b>367.56</b>	<b>22.97</b>	<b>13.88</b>	<b>21.89</b>	<b>461.80</b>	<b>389.07</b>	<b>389.45</b>
<b>Expenses</b>									
General government	97.86	84.69	85.71	-	-	-	97.86	84.69	85.71
Public Safety	84.80	80.16	78.20	-	-	-	84.80	80.16	78.20
Transportation	38.70	38.37	39.57	-	-	-	38.70	38.37	39.57
Natural and Economic Environment	46.90	36.03	19.82	-	-	-	46.90	36.03	19.82
Social Services	31.17	23.07	44.13	-	-	-	31.17	23.07	44.13
Culture and Recreation	20.24	25.89	22.72	-	-	-	20.24	25.89	22.72
Interest on long term debt	2.71	2.87	3.37	-	-	0.01	2.71	2.87	3.38
Business Type Activities	-	-	-	14.08	13.37	14.77	14.08	13.37	14.77
<b>Total Expenses</b>	<b>322.39</b>	<b>291.07</b>	<b>293.52</b>	<b>14.08</b>	<b>13.37</b>	<b>14.78</b>	<b>336.46</b>	<b>304.44</b>	<b>308.30</b>
Transfers	0.37	0.16	0.03	(0.37)	(0.16)	(0.03)	-	-	-
Special item	-	-	-	-	-	(6.48)	-	-	(6.48)
Change in Accounting Principle	-	(0.61)	(24.06)	-	-	-	-	(0.61)	(24.06)
Prior Period Adjustment	0.84	0.36	0.26	0.07	(0.53)	-	0.91	(0.17)	0.26
increase in net position	117.60	84.89	75.00	7.41	-	(0.05)	125.01	84.89	74.95
Net position, Beginning of year	1,344.30	1,259.67	1,208.47	126.62	118.89	118.93	1,470.92	1,378.55	1,327.40
(Restated)	1,345.14	1,259.41	1,184.67	126.69	118.36	-	1,471.83	1,377.77	1,184.67
<b>Net position, End of year</b>	<b>1,462.74</b>	<b>1,344.30</b>	<b>1,259.67</b>	<b>134.11</b>	<b>126.62</b>	<b>118.89</b>	<b>1,596.84</b>	<b>1,470.92</b>	<b>1,378.55</b>

# GOVERNMENTAL ACTIVITIES: REVENUES BY SOURCE

The governmental revenues for the county in 2020 totaled over \$438 million. The largest source of revenue was property taxes, totaling over \$118 million. The second largest category of revenue was operating grants representing over \$109 million. While property taxes are consistently the county's largest source of revenue, operating grants were higher in 2020, largely due to increases in federal funding to address the COVID-19 pandemic.



# EXPENSES BY FUNCTION

The governmental activity expenses for the county in 2020 totaled over \$322 million. The largest category of expense was for General Government, which includes many of the county's foundational support functions. This is followed by Public Safety which includes the Sheriff's office. Combine these two categories represent over 57% of expenses of governmental activities.



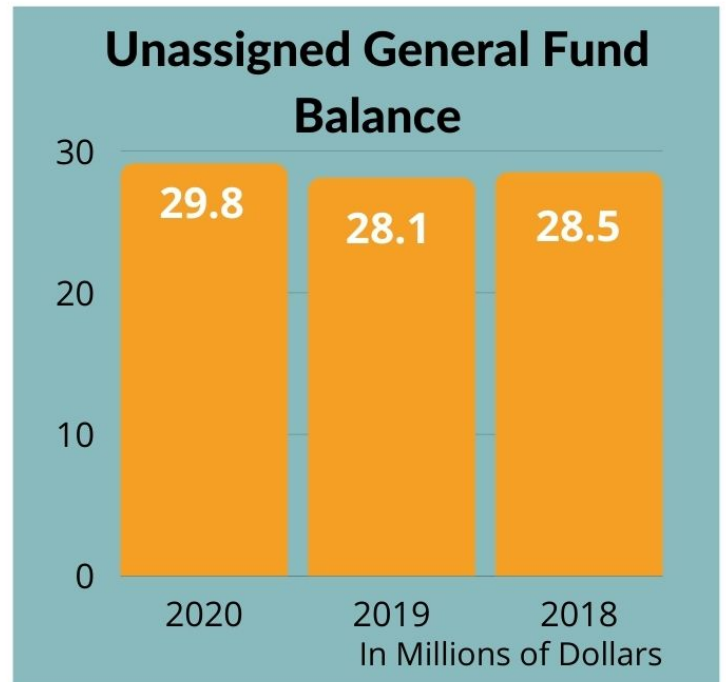
Note: Interest on long term debt is excluded from expense listing



# THE GENERAL FUND

Governments use funds to track different types of activities and provide transparency that the county is using public resources lawfully. The general fund is the main operating fund for Clark County. Since it is the main fund the county uses to track activities, it is where most of the county's tax revenue and operating expenditures are located.

The largest sources of revenue for the general fund are property taxes (\$71.12 million), sales and use taxes (\$46.48 million) and charges for goods and services (\$29.52 million). The largest categories of spending are public safety (\$77.35 million), which includes the Sheriff, Prosecuting Attorney and the courts, and general government (\$44.30 million) which includes core operational departments of the county. The general fund had a fund balance at the end of 2020 of \$29.8 million. This is 6% higher than the fund balance ending 2019. This balance provides a financial reserve for ongoing operations, unexpected revenue shortfalls or unexpected expenses beyond what is planned in the county's annual budget process.



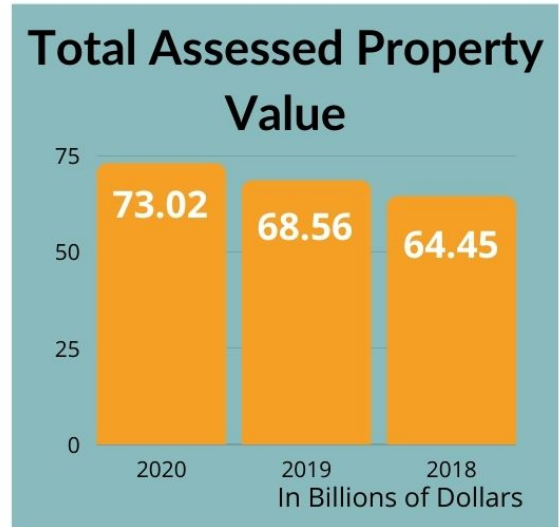
Paul Newman



# PROPERTY TAXES

The County Treasurer collects \$755 million dollars annually in property-related taxes. Only about 8% of the money collected by the Treasurer is used to fund services provided directly by Clark County. The rest is dispersed to fund other government services including road improvements, fire districts, school districts, port districts and cities.

The majority of revenue from property taxes comes from the property tax levied on real property, which includes land and buildings. A smaller portion comes from personal property which is able to be moved from one location to another and typically includes most machinery, equipment, furniture and fixtures associated with commercial, industrial, or agricultural enterprises. Household goods and personal effects are exempt from personal property tax in Washington state. The specific property tax rate varies depending on the location of the property in the county and the taxing jurisdictions but varies between \$8.6664 and \$13.2364 per 1,000 in assessed value.



## Where Property Tax Dollars Go



Local Schools

State Schools

Cities & Towns

County Roads

Fire & EMS

Clark County

Other

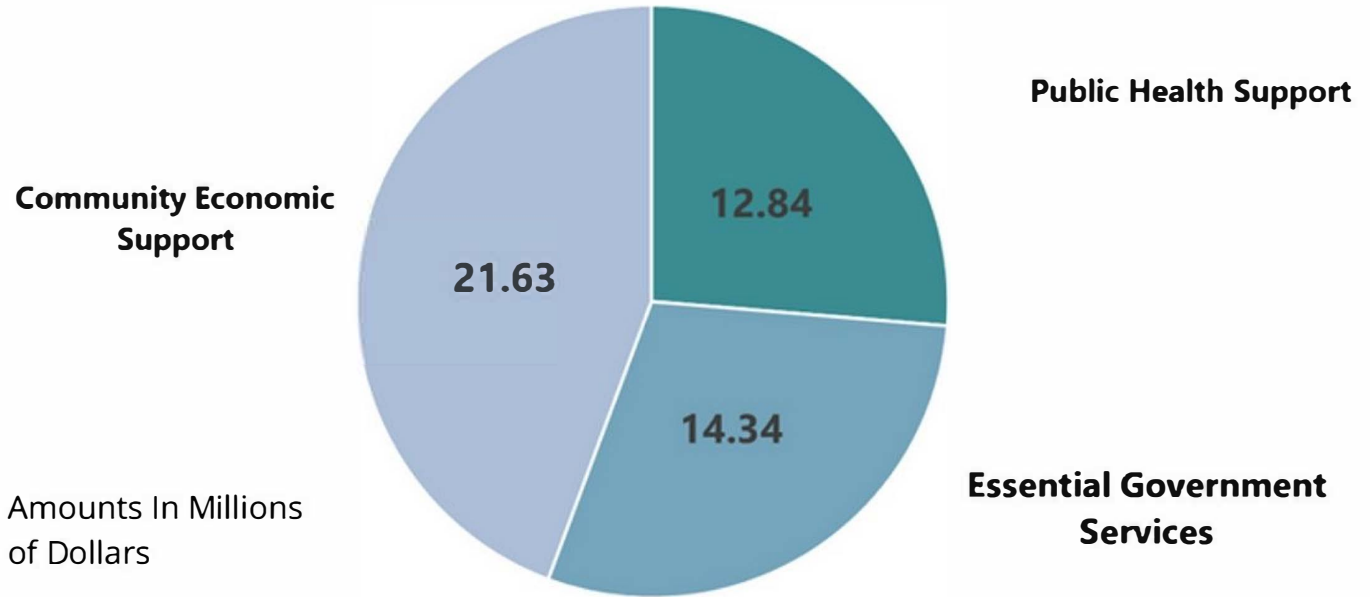
Library

Port

### County Rates Per \$1,000 in Assessed Value

General Fund	0.9632
Conservation Futures	0.0377
Mental Health	0.0113
Developmental Disabilities	0.0113
Veterans Assistance Fund	0.0101
<b>Total</b>	<b>1.0336</b>

# CORONAVIRUS RELIEF FUNDING



Amounts In Millions of Dollars



800+ Employees Transitioned to Telework



240+ At-Risk Residents Housed



11,000+ Customers Given Utility Assistance



1,000+ Small Business Grants

The county, received over \$48 million from the federal government from the Coronavirus Relief Fund as part of CARES Act at combating the impacts and spread of the coronavirus. This included providing economic support to those most in need in our community and continuing essential government operations. Public health measures included covid-19 testing, increased disinfecting of public areas and personal protective equipment (PPE).

Community support included over \$10 million in small business grants, \$3.2 million in utility assistance. Essential government services included transitioning over 800 county employees to teleworking and increased paid sick and family leave as mandated by federal CARES Act legislation passed in March 2020. The county's response is still on going and into 2021 has transitioned to include covid-19 vaccinations.

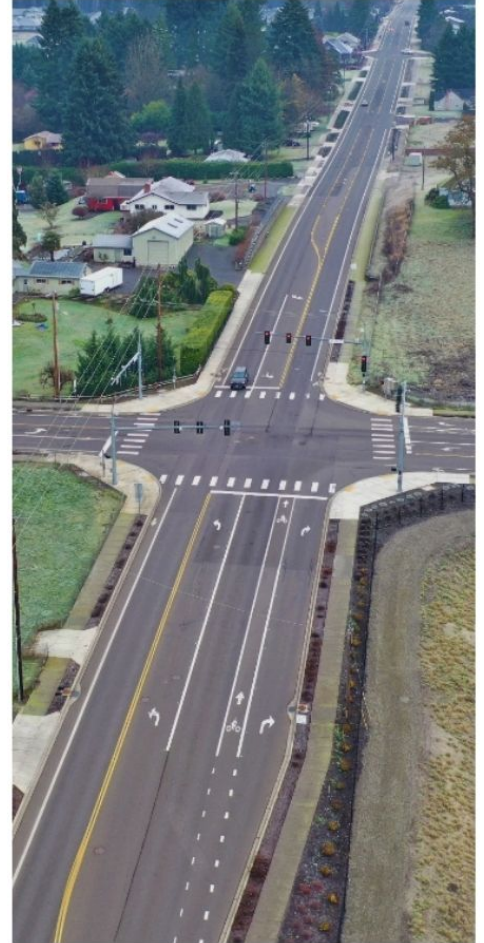


# CAPITAL PROJECTS AND LONG-TERM DEBT

The county has a variety of capital assets it maintains to provide for county residents. Capital assets include tangible goods, such as land and equipment, and intangible goods, such as software, that have initial useful life of more than two years. The county currently has over \$1.4 billion in capital assets including: land, roads, buildings, software and equipment. The county spent \$20.02 million on capital road projects in 2020 including paving 147 lane miles of road.

One of the most notable capital projects the county recently completed is the 119th St. corridor expansion from NE 50th Ave. to SR-503. To fund this and other road projects, the county partially relies on a dedicated county road fund which is primarily funded by property tax revenue.

For larger capital projects, the county raises money by issuing bonds and pays back these bonds over time with interest. The interest rate the county has to pay is determined in part by the county's bond rating. In 2016, Clark County had its non-voted bond rating upgraded by Moody's Investor Services to Aa1, the second highest rating available. The rating was assigned again in 2018. Moody's assigns the Aa1 rating to entities that demonstrate superior financial strength and the ability to meet their debt obligations in a timely manner. Non-voted bonds are issued for various capital improvements and land acquisitions for open space conservation that do not require voter approval.



## \$165.94

2020 Total Debt  
Per Capita

## Aa1

Moody's Non-  
voted Bond Rating



Clark County Auditor's Office – Financial Services

Clark County Treasurer's Office

[clark.wa.gov/auditor](http://clark.wa.gov/auditor)



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