



# AGENDA ITEM SUMMARY

(Must be submitted NLT 3PM Wednesday for next week agenda)

Department: Finance

WORK SESSION  Meeting Date:

REGULAR AGENDA  Meeting Date: 7/20/2021

Required originals approved and attached?   
Will be provided on:

**Item summary:**

- Call for Hearing
- Resolution
- Draft Ordinance
- Contract/Agreement/MOU - Contract #
- Proclamation
- Final Ordinance
- Budget Item
- Other Monthly Review

Documents exempt from public disclosure attached:

## JUNE 2021 MID-YEAR REVIEW OF FINANCIAL RESULTS AND REVISED PROJECTION FOR 2021—EXECUTIVE SUMMARY:

### June 2021 YTD General Fund Results

As required under Section 9.50 of our County’s Home Rule Charter, the June YTD General Fund Financial Review compared to the same period in 2020 is attached along with comparison to the original budget for 2021 and a revised annual projection for 2021.

YTD June 2021 revenue totaled \$22,503k as compared to \$20,785k in 2020, representing an increase of \$1,718k. Excluding YTD COVID related reimbursements from AOC CARES & FEMA of \$606k, YTD revenues totaled \$21,897k, an increase of \$1,112k from prior year. YTD expenditures in June were \$21,363k (which includes \$747k of COVID-related costs) as compared to \$22,817k in 2020 (which includes \$307k of COVID-related costs) for a decrease of \$1,454k. Excluding COVID-related revenues/expenditures, the General Fund generated an operating surplus of \$1,281k, as compared to a deficit of (\$1,725k) in June 2020, an improvement of \$3,006k. Including COVID-related activity, the General Fund generated an operating surplus for YTD June 2021 of \$1,140k. The General Fund finished June with an ending Fund Balance reserve of \$15,664k, or \$2,453k higher than prior year.

Please refer to the attached schedule that provides further detail of the major factors that make up these changes and performance to budget. Revenues overall (excluding COVID reimbursements) were at 53.9% of the 2021 budget for June YTD, ahead of last year’s 48.5%. All revenue categories with the exception of Charges for Goods & Services, Timber Revenues and Transfers In were up year-over-year in June and were pacing at or above 2020 relative to the annual budget. Goods & Services are down compared to last year due to timing, lower trending DOC jail inmate fees, and the higher amount of election services revenues received last year. Timber revenue is pacing behind last year

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due to timing of payments from DNR relating to weather-related delays in harvest areas earlier this year. Transfers In were down relative to last year due to timing of grant reimbursement-funded transfers from the Lower Dungeness project. Tax revenue continued to pace well ahead of budget (58.5% vs last year's 50.8%) driven primarily due to continued strong retail sales tax growth YTD of 30%, as compared to flat to prior year as assumed in the first half of the 2021 budget due to COVID-related economic concerns. Retail sales tax for the month of June was up 61% from a year ago, due to the 10% drop in retail sales tax experienced last June when the full impact of the COVID economic shutdown was still being felt. Property tax revenue YTD was also pacing ahead of budget relative to prior year (59.8% vs 57.4%). Miscellaneous revenues continued to pace significantly ahead in June vs prior year, mainly due to a significant increase in camping fee reservations, as offset by declining interest income. Licensing & Permits were up 29% to prior year, driven by stronger than expected building permit revenue which are up 40% to last year. Fines & Penalties are also pacing well ahead of last year (60.7% vs 46.0% last year). Through June 2021 YTD, the County's general fund had received \$134k of FEMA reimbursements of COVID-19 related expenditures incurred in 2020, and \$472k of AOC CARES reimbursements related to the JAVs courtroom technology project.

Turning to expenditures, YTD expenditures (excluding COVID-related) totaled \$20,616k, a decrease of \$1,894k over prior year and were pacing at 46.9% of budget, below last year's 49%. This decrease was driven mainly by the \$844k decrease in non-COVID Transfers Out related to lower transfers made to the facilities and IT capital project funds compared to last year. The remainder of the underspend was principally in Services (down \$1,248k) caused principally by a change in accounting for indirect charges earned by the General Fund that took place at the end of 2020 (\$912k of the decrease), as well as decreases in travel, postage, repairs and maintenance costs, and professional services, as offset by increases in other areas. All other expenditure categories were at or below last year as a % of the annual budget with the exception of COVID-related Capital and Transfers Out which were up mainly due to timing differences.

## **2021 PROJECTION—GENERAL FUND**

Based on continued higher than expected performance across several general fund revenue streams including sales tax, building-related licensing and permits and fines & penalties, projected results for 2021 for these revenue streams have been revised upward. Offsetting this was elimination of approximately \$203k of Goods & Services revenue and \$115k of Misc Revenue relating to the cancellation of the County Fair, as partially offset by some reductions in fair-related costs. Transfers In and Transfers Out were also adjusted upward by \$300k to reflect additional funding needed in 2021 for the next phase of the Dungeness Off Channel Reservoir, which is expected to be reimbursed from grants. Finally, the estimated net impact of the new collective bargaining agreements beyond what was already contemplated in the 2021 budget for the 2<sup>nd</sup> half of the year, as offset by reduced DRS pension contribution rates that take effect in July 2021 have been factored into our payroll and benefits cost projections.

**REVENUES**--Overall revenues are now projected to total \$43,985k, an increase of \$2,862k over the 2021 budget. This is reflective of several factors. First, Tax revenue is projected to outperform budget by \$1,944k (an increase of \$285k over our last forecast) due to the strong YTD June sales tax growth of 30%, and the resulting revision of growth estimates expected for the remainder of the year based on this better than expected performance discussed in our prior month's report. Sales tax growth in 2021 is now projected to grow 16% over prior year, as compared to a -3.1% decrease budgeted and 14.1% growth reflected in our last forecast. Year-over-year sales tax growth is

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expected to continue at low double digit rates for the 3rd quarter (10% average growth assumed), and then leveling off to 5% growth in the 4<sup>th</sup> quarter as year-over-year comparables become more challenging. In the event the level of growth seen thus far this year (+30%) in sales taxes continues into the 2<sup>nd</sup> half of the year, we could potentially still outperform our current Tax revenue forecast by an additional \$500-\$600k. With the exception of reducing my estimate for Timber Excise Tax by approximately \$100k given how much softer we finished 2020 relative to budget, I have left my other tax assumptions relating to property tax and excise taxes for the balance of 2021 unchanged from the budget at this time.

Licenses & Permits are projected to outperform budget by 12.5% due to continued strong building permit trends where YTD June saw growth of 40%. Misc Revenue is projected to exceed budget by 5.3% due to stronger campground revenues and increases in other areas. COVID-related Intergovernmental Revenues are projected to exceed budget by \$411k due to the unbudgeted spillover of FEMA reimbursements of eligible COVID-related costs from 2020 to 2021, coupled with additional FEMA funds to be received related to a recent Presidential order under which FEMA will be covering 100% of eligible COVID costs incurred, rather than the 75% originally covered. In addition, FEMA/American Rescue Plan reimbursement revenue has been added to reflect the current pacing of COVID-related expenses that are being incurred by the County's general fund that are projected to continue through the end of the 3<sup>rd</sup> quarter.

Goods & Services are now forecasted to miss budget by -4.2% based on concerns that our DOC inmate revenues and other services revenue impacted by COVID June will not be fully realizable, \$203k in lost fair-related revenues due to the fair's cancellation, as partly offset by projected budget outperformance in building plan review revenue. Fines & Penalties are projected to exceed budget by 5.5% based on trend, as adjusted for further restrictions being placed on indigent traffic fines based on recent case law rulings. Transfers In are projected to be \$300k higher than budget due to additional grant-reimbursements of costs related to next phase of the Dungeness Off Channel Reservoir (which is offset by a corresponding increase in Transfers Out). All other revenue categories are projected to meet or marginally outperform budget based on June YTD pacing.

**EXPENDITURES**-- I am projecting general fund expenditures (including CARES/FEMA-funded COVID costs) to total \$43,050k, or \$1,600k lower than budget. Of this variance, approximately \$1,851k is related to projected underspend in the area of payroll and benefits based on the multi-year trend where due to turnover, retirements, delays in filling open positions, and other dark-time, we have historically underspent our budgeted payroll costs by 3-4% annually, or between \$1.2 and \$1.4 million. Some additional payroll and benefits savings were captured from the partial hiring freeze that was in effect during much of the 1<sup>st</sup> quarter of 2021. Also reflected in the projections is approximate benefit savings of \$250k related to DRS reduced pension contribution rates for the 2nd half of 2021, as mostly offset by increased payroll/benefit costs resulting from the new collective bargaining agreements that take effect in July 2021.

Based on trends, non-COVID Supplies and Services are projected to come in \$114k and \$70k below budget, respectively, mainly as a result of trend-based savings and expected underspend in services costs related to the multi-homicide cases where many of these cases were pled-out in late 2020/early 2021 after the 2021 budget was finalized. Transfers Out-COVID was reduced by \$80k from budget due to the extension of the County's local health CARES grant into 2021 which will provide funding for HHS COVID-related costs, including the operation of the isolation shelter through June 2021, relieving the General Fund of that budgeted commitment of \$450k, as offset by the addition of \$370k relating

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to funding of the Serenity House bathroom expansion project which may or may not be reimbursed depending on whether Serenity House is able to secure grant funding. Non-COVID Transfers Out are projected to exceed budget by \$300k due to additional working capital funding needed for the next phase of the Dungeness Off Channel Reservoir. Finally, \$231k of COVID-related costs were added to our 2021 projections based on the level of COVID-related costs currently being incurred YTD that are assumed to continue at least through the end of the 3<sup>rd</sup> quarter of 2021.

Please note that similar to revenues, we have not adjusted our forecast for 2021 for any planned usage of funds to be provided to the County under ARPA in the General Fund with the assumption that most ARPA funded costs will be accounted for in the ARPA special revenue fund. In addition, the potential financial impact of the recent Superior Court Blake decision has not been factored into our projections pending further analysis and clarification from the State as to what share of the potential legal financial obligations paid to the County impacted by this decision will be borne by the County.

**NET DEFICIT OF REVENUES TO EXPENDITURES**--Based on these revenue and expenditure assumptions, I am projecting a General Fund operating surplus (excluding CARES/COVID related revenues/costs) of \$831k for 2021, which is \$4,202k better than our 2021 budgeted deficit of (\$3,371k). When including a COVID-related surplus of \$104k, our overall general fund surplus for 2021 is expected to total \$935k, as compared to a budgeted deficit of (\$3,527k).

**PROJECTED ENDING FUND BALANCE**--\$15,459k, or 36.6% of forecasted non-COVID expenditures, as compared to \$10,997k budgeted based on final 2020 results.

**Budgetary impact:** (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget action is required, has it been submitted and a copy attached?**

This is an informational presentation that by itself has no specific budgetary impact.

**Recommended action:** (Does the Board need to act? If so, what is the department's recommendation?)

**County Official signature & print name:**  Mark Lane \_\_\_\_\_

**Name of Employee/Stakeholder attending meeting:** \_\_\_\_\_ Mark Lane \_\_\_\_\_

**Relevant Departments:** \_\_\_\_\_ Finance \_\_\_\_\_

**Date submitted:**

July 13, 2021

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## Clallam County General Fund Results June 2021

June 2021 YTD Revenue totaled \$22,503k as compared to \$20,785k in 2020, representing an increase of \$1,718k. June 2021 YTD Revenues came in at 54.7% of our annual revenue budget, as compared to 48.5% in 2020. If one excludes CARES/FEMA reimbursements, revenue was at 53.9% of budget, and increased \$1,112k from prior year. All categories with the exception of Charges for Goods & Services, Timber Revenues and Transfers In were up year-over-year in June, and all were at or above their paces to the annual budget compared to last year, with the exception of Timber Revenues (down 38.8% to budget) mainly due to timing of DNR payments, Goods & Services (down 1.6% mainly due to timing of election services revenues rec'd last year) and Transfers In from the Lower Dungeness project (down 38.8% to budget due to timing of grant reimbursements). Taxes YTD continue to pace well ahead compared to last year, driven mainly by much stronger sales taxes which were up 30.7% compared to last year (as compared to being flat as assumed in the 2021 budget thru YTD June), with the month of June up 61.2% due to the severe impact of COVID on last year's June results. Misc Revenues in June continued to pace significantly ahead relative to budget vs last year (60.4% vs 38.8%) due mainly to a significant increase in camping fee reservations YTD relative last year, as offset by declining interest income. Licensing & Permits also were up for June YTD (at 56% of budget vs 39% in prior year), mainly as a result of stronger than expected building permit revenue which are up 40% to prior year. Fines & Penalties are also pacing ahead of budget compared to prior year by 14.7% due to COVID's impact last year. Thru YTD June, the General Fund had received FEMA reimbursement funds of certain of its 2020 COVID costs of \$134k, the payment of which was expected to be received in 2020 and therefore was not budgeted in 2021. In addition, \$472k of the budgeted \$529k AOC CARES grant reimbursement of costs incurred relating mainly to the JAVS courtroom technology project have been received.

Expenditures for YTD June 2021 totaled \$21,363k (including \$747k of COVID related costs) as compared to \$22,817k (including \$307k of COVID costs) in 2020 for a decrease of \$1,454k. Expenditures (excluding COVID) for June 2021 YTD came in at 46.9% of our annual budget, pacing below last year's of 49%. The year-over-year decrease in expenditures was partly due to a \$329k decrease in Transfers due to a \$867k drop in transfers to the County's capital projects funds vs last year as offset by higher transfers in 2021 relating to COVID-funding support to HHS for COVID staff and the support of the Serenity House shelter project, the Law Library, as well as Bullman Beach. Non-COVID Services category also decreased \$1,248k due to a change from prior year in how indirect charges by the General Fund are accounted for (\$912k of the decrease), timing differences relating to our replenishment of our postage costs, lower travel costs, lower repairs & maintenance, lower professional services, as partly offset by increases in other areas. All expenditure categories were pacing at or below their paces to budget in comparison with prior year, with the exception of COVID-related Capital and Transfers Out due to timing.

For June 2021 YTD, the General Fund generated an operating surplus between revenue and expenditures (excluding COVID/CAREs) of \$1,281k, a \$3,006k improvement from last year's operating deficit. After including COVID-related net revenue to expenditure deficit YTD of (\$141k), the General Fund generated an operating surplus of \$1,140k for June 2021 YTD. The General Fund finished June 2021 with an ending fund balance reserve of \$15,664k, or \$2,453k higher than prior year.

Turning to the forecast, General Fund total revenues are projected to total \$43,985k, an increase of \$2,862k over the 2021 budget. The main contributors include higher projected Tax revenue of \$1,944k due mainly to the much stronger than budgeted sales tax revenues incurred YTD and projected for the remainder of the year, and \$411k in higher CARES/FEMA reimbursement revenue projected to be received relating primarily to the unbudgeted carryover of FEMA reimbursements for COVID expenditures incurred by the General Fund and projected reimbursements of 2021 COVID-related FEMA reimbursable expenditures based on current spending levels that are assumed to continue through September 2021. Licenses & Permits are projected to outperform budget by 12.5% due to strong building permit trends, Intergovernmental is projected to beat budget by 4.1% due to higher COVID-related grant reimbursements and slightly higher PILT revenues, and Misc Revenue is projected to beat budget by 5.3% driven by stronger campground revenues and other misc revenues, as offset by loss of Fair-related revenues. Charges for Goods & Services are projected to miss budget by -4.2% based on our lower trending DOC inmate revenues impacted by COVID, and the loss of approx \$203k of Fair-related revenues due to its cancellation, as partly offset by stronger growth from building plan reviews. Fines & Penalties are expected to exceed budget by 5.5% based on trend. Transfers In are projected to be \$300k higher than budget due to additional grant-reimbursed costs related to the Dungeness Off Channel Reservoir. All other revenue categories are projected to be relatively inline with budget expectations. 2021 Expenditures are projected to total \$43,050k, underspending to budget by \$1,600k. Payroll and Benefits costs are expected to come in approx \$1,851k below budget, mainly due to historic underspend to our personnel budgets due to unbudgeted darktime, savings from the extension of a partial hiring freeze during part of the first quarter of 2021, and benefit savings related to lower DRS pension rates for the 2nd half of 2021, as partially offset by increased payroll/benefit costs resulting from the new collective bargaining agreements taking effect in July 2021. COVID-related costs for 2021 are now projected to be \$151k higher than budget due a \$450k reduction in Transfers Out due to the extension of the WA Department of Health CARES grant to 2021 which will be available to fund the operation of the HHS isolation shelter that originally was budgeted to be funded by a \$450k transfer from the General Fund, as offset by the addition of \$370k Transfer Out to HHS to fund the Serenity House bathroom addition project, and the addition of approximately \$231k of COVID related costs based on current YTD spending levels continuing to be incurred by the County during the pandemic that are projected to continue through the end of the 3rd quarter of 2021. Supplies are projected to come in \$114k below budget due to trending savings. Transfers Out are expected to exceed budget by \$300k due to additional working capital funding needed for the next phase of the Dungeness Reservoir project, which will be reimbursed through grants. For 2021, the General Fund is now projected to generate an operating surplus of \$935k, which is \$4,462k better than budgeted, leaving an estimated ending fund balance of \$15,459k or 36.6% of total non-COVID expenditures. It is important to note that our projections have not been adjusted for the potential impact of the Superior Court Blake Decision pending further analysis and clarification from the State as to what share of the financial impact of this decision will be borne by the County.

**Clallam County General Fund Results  
June 2021**

**June 2021 YTD--vs Annual Budget (rounded to thousands)**

	2021 YTD Actual	2021 Budget	Budget Remaining	2021 % of Annual Budget Achieved YTD	2020 % of Annual Budget Achieved YTD
REVENUES:					
Taxes	12,221	20,884	8,663	58.5%	50.8%
Licenses & Permits	583	1,050	467	55.5%	39.2%
Intergovernmental Revenues	3,312	5,329	2,017	62.1%	58.5%
Charges for Goods & Services	3,456	7,845	4,390	44.0%	45.6%
Fines & Penalties	552	908	357	60.7%	46.0%
Misc Revenue (Interest Inc, Camping Fees, etc)	1,233	2,040	807	60.4%	38.8%
Nonrevenues (Sale/Use Tax, Lodging Tax--Parks & Facil)	55	72	17	75.8%	20.4%
Other Financing Sources (Timber Sales, other)	216	625	409	34.5%	73.3%
Transfers In	270	1,840	1,570	14.7%	21.8%
<b>Total Revenue--Excluding CARES/FEMA</b>	<b>21,897</b>	<b>40,594</b>	<b>18,697</b>	<b>53.9%</b>	<b>48.5%</b>
<b>Total Revenue--CARES/FEMA</b>	<b>606</b>	<b>529</b>	<b>-77</b>	<b>114.6%</b>	<b>--</b>
<b>Total Revenue</b>	<b>22,503</b>	<b>41,123</b>	<b>18,620</b>	<b>54.7%</b>	<b>48.5%</b>

	2021 YTD Actual	2021 Budget	Budget Remaining	2021 % of Annual Budget Achieved YTD	2020 % of Annual Budget Achieved YTD
EXPENDITURES:					
Payroll	10,363	22,537	12,175	46.0%	46.5%
Payroll--COVID	9	0	-9	--	--
Benefits	4,323	9,544	5,221	45.3%	46.0%
Benefits--COVID	1	0	-1	--	--
Supplies	472	1,242	770	38.0%	37.5%
Supplies--COVID	31	0	-31	--	--
Services	3,027	6,523	3,496	46.4%	49.4%
Services--COVID	129	0	-129	--	--
Capital	32	95	63	34.0%	55.8%
Capital--COVID	63	90	27	69.8%	--
Transfer Out --COVID	515	595	80	86.6%	--
Transfers Out	1,162	2,783	1,621	41.8%	57.5%
Payment to Risk Pool	1,237	1,241	4	99.7%	100.0%
<b>Total Expenditures--excluding COVID</b>	<b>20,616</b>	<b>43,965</b>	<b>23,349</b>	<b>46.9%</b>	<b>49.0%</b>
<b>Total Expenditures--COVID</b>	<b>747</b>	<b>685</b>	<b>-63</b>	<b>109.2%</b>	<b>--</b>
<b>Total Expenditures</b>	<b>21,363</b>	<b>44,650</b>	<b>23,286</b>	<b>47.8%</b>	<b>49.7%</b>
<b>Net Operating Surplus (Deficit)--Excluding COVID</b>	<b>1,281</b>	<b>-3,371</b>			
<b>Net Operating Surplus (Deficit)--COVID</b>	<b>-141</b>	<b>-156</b>			
<b>Net Operating Surplus (Deficit)</b>	<b>1,140</b>	<b>-3,527</b>			
<b>Fund Balance</b>	<b>15,664</b>	<b>10,997</b>	<b>4,666</b>		

**Clallam County General Fund Results  
June 2021**

**June 2021 YTD--vs Prior Year YTD (rounded to thousands)**

	2021 YTD Actual	2020 YTD Actual	Variance--\$
<b>REVENUES:</b>			
Taxes	12,221	10,529	1,692
Licenses & Permits	583	451	132
Intergovernmental Revenues	3,312	3,093	219
Charges for Goods & Services	3,456	4,422	-966
Fines & Penalties	552	446	106
Misc Revenue (Interest Inc, Camping Fees, etc)	1,233	999	234
Nonrevenues (Sale/Use Tax, Lodging Tax--Parks & Facil)	55	14	40
Other Financing Sources (Timber Sales, other)	216	441	-225
Transfers In	270	390	-120
<b>Total Revenue--Excluding CARES/FEMA</b>	<b>21,897</b>	<b>20,785</b>	<b>1,112</b>
<b>Total Revenue--CARES/FEMA</b>	<b>606</b>	<b>0</b>	<b>606</b>
<b>Total Revenue</b>	<b>22,503</b>	<b>20,785</b>	<b>1,718</b>
<b>EXPENDITURES:</b>			
Payroll	10,363	10,146	216
Payroll--COVID	9	134	-125
Benefits	4,323	4,182	141
Benefits--COVID	1	12	-11
Supplies	472	514	-42
Supplies--COVID	31	103	-72
Services	3,027	4,276	-1,248
Services--COVID	129	58	71
Capital	32	156	-124
Capital--COVID	63	0	62
Transfer Out --COVID	515	0	515
Transfers Out	1,162	2,006	-844
Payment to Risk Pool	1,237	1,229	8
<b>Total Expenditures--excluding COVID</b>	<b>20,616</b>	<b>22,510</b>	<b>-1,894</b>
<b>Total Expenditures--COVID</b>	<b>747</b>	<b>307</b>	<b>440</b>
<b>Total Expenditures</b>	<b>21,363</b>	<b>22,817</b>	<b>-1,454</b>
<b>Net Operating Surplus (Deficit)--Excluding COVID</b>	<b>1,281</b>	<b>-1,725</b>	<b>3,006</b>
<b>Net Operating Surplus (Deficit)--COVID</b>	<b>-141</b>	<b>-307</b>	<b>166</b>
<b>Net Operating Surplus (Deficit)</b>	<b>1,140</b>	<b>-2,032</b>	<b>3,172</b>
<b>Fund Balance</b>	<b>15,664</b>	<b>13,211</b>	<b>2,453</b>

**Clallam County General Fund Results  
June 2021**

Major Revenue Differences between YTD 2021 and 2020 (rounded to thousands)

Juvenile Justice sales tax	176
Property tax	411
Sales taxes (other than Juvenile Justice)	1,048
Intergovernmental--PILT, Criminal Justice, Other Excise Taxes	89
Intergovernmental--Grants	130
Intergovernmental--CARES/FEMA	606
Investment & Delinquent tax interest	-131
Increase in Parks' Camping Revenues	363
Timber revenue	-203
Goods & Services--Interagency Services--Court Consolidation pymt timing, Roads & Other Policing Agreements timing/reduction, State Dpt Corrections (down \$123k due to lower inmate capacity during COVID)	-50
Goods & Services--Indirects (due to reclassification of indirects from revenue to negative services expenditure to reflect proper accounting)	-963
Goods & Services--Building Plan Check Revenues	148
Fines and Penalties	106
Goods & Services Election Services Revenue--2020 Presidential Year, spill over 2019 November election reimbursement into 2020	-348
Licensing & Permits--Building Permits	125
Everything else (rounded to thousands)	212 **
<b>Total Revenue Increase/(Decrease) over Prior Year</b>	<b>1,718</b>

\*\* The 'everything else' number of +\$224k relates mainly to \$128k in higher Auditor DOL and legal document filing fees, higher Treasurer excise admin fees (+\$34k), higher HHS Environmental Health On Site program fees (+\$73k), and increases in other areas, as offset by lower Transfers In relating the Lower Dungeness project (\$120k).

Major Expense Differences between YTD 2021 and YTD 2020 (rounded to thousands)

Payroll/Benefits--prior year estimated impact of retirements and newly elected officials that led to conversion of payouts of accrued leave balances or partial conversion of leave balances to VEBA payments.	33
Payroll--changes due to personnel, step/COLA increases, and other non-retirement factors	185
Benefits--due to changes in benefit costs following collective bargaining increases in July 2020/Jan 2021, as offset by personnel changes	139
Services (decrease mainly due to reclassification of indirect charges as a reduction of services expenditures rather than as revenue in 2020 (\$912k); lower postage due to timing of replenishment (\$30k), lower travel costs (\$22k), lower repairs & maintenance (\$257k), lower professional services (\$137k), as offset by overall increases in other areas.	-1,248
Risk Management Assessment for Insurance Pool	8
Transfers (mainly due to Bullman Beach transfer \$75k, \$20k transfer to Law Library, and \$98k higher transfer to Flood Control, as offset by \$131k lower transfer to Lower Dungeness Floodplain Project, \$30k lower Transfers to Dungeness Reservoir project, and \$867k lower PFF & IT capital transfers vs 2020)	-844

**Clallam County General Fund Results  
June 2021**

COVID Related Costs (mainly internal COVID-response costs (PPE, IT costs, COVID-dedicated staff additions, facilities cleaning personnel, and transfer to HHS to fund COVID related costs and \$370k HHS Serenity House Bathroom Project Transfer, )	747
Net Other Expenditure Changes (lower supplies (\$42k), and capital outlays (\$124k) and other decreases)	-473
<b>Total Expenditure Increase/(Decrease) over Prior Year</b>	<b>-1,454</b>

**June 2021 Full Year Projection vs Annual Budget (rounded to thousands)**

	<b>2021 Projected</b>	<b>2021 Budget</b>	<b>Over/(Under) Budget</b>
<b>REVENUES:</b>			
Taxes	22,828	20,884	1,944
Licenses & Permits	1,182	1,050	132
Intergovernmental Revenues	5,549	5,329	220
Charges for Goods & Services	7,517	7,845	-328
Fines & Penalties	958	908	50
Misc Revenue (Interest Inc, Camping Fees, etc)	2,148	2,040	108
Nonrevenues (Sale/Use Tax, Lodging Tax--Parks & Facil)	98	72	26
Other Financing Sources (Timber Sales, other)	625	625	0
Transfers In	2,140	1,840	300
Intergovernmental--CARES/FEMA Reimbursements	940	529	411
<b>Total Revenue--Excluding CARES/FEMA</b>	<b>43,045</b>	<b>40,594</b>	<b>2,451</b>
<b>Total Revenue--CARES/FEMA</b>	<b>940</b>	<b>529</b>	<b>411</b>
<b>Total Revenue</b>	<b>43,985</b>	<b>41,123</b>	<b>2,862</b>
<b>EXPENDITURES:</b>			
Payroll	21,394	22,537	-1,143
Payroll--COVID	11	0	11
Benefits	8,824	9,544	-720
Benefits--COVID	1	0	1
Supplies	1,128	1,242	-114
Supplies--COVID	44	0	44
Services	6,453	6,523	-70
Services--COVID	175	0	175
Capital	95	95	0
Capital--COVID	90	90	0
Transfer Out --CARES	515	595	-80
Transfers Out	3,083	2,783	300
Payment to Risk Pool	1,237	1,241	-4
<b>Total Expenditures--excluding COVID</b>	<b>42,214</b>	<b>43,965</b>	<b>-1,751</b>
<b>Total Expenditures--COVID</b>	<b>836</b>	<b>685</b>	<b>151</b>
<b>Total Expenditures</b>	<b>43,050</b>	<b>44,650</b>	<b>-1,600</b>

**Clallam County General Fund Results  
June 2021**

<b>Net Operating Surplus (Deficit)--Excluding COVID</b>	<b>831</b>	<b>-3,371</b>	<b>4,202</b>
<b>Net Operating Surplus (Deficit)--COVID</b>	<b>104</b>	<b>-156</b>	<b>260</b>
<b>Net Operating Surplus (Deficit)</b>	<b>935</b>	<b>-3,527</b>	<b>4,462</b>
<b>Fund Balance</b>	<b>15,459</b>	<b>10,997</b>	<b>4,462</b>