



# 2019 Fourth Quarter Financial Report

Satpal Sidhu, County Executive

Compiled and Presented by the  
Administrative Services Department  
Finance Division

Brad Bennett, Finance Manager

March 9, 2020

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Executive Summary

The following information presents Whatcom County's fourth quarter 2019 financial report. The General Fund collected 100.5% of its budgeted revenues and year-end adjustments are expected to result in revenues being about \$1.6 million over budget. The General Fund expended 92.3% of its 2019 budget. Continuing appropriations will carry over about \$1,070,000 of 2019 budget authority into 2020.

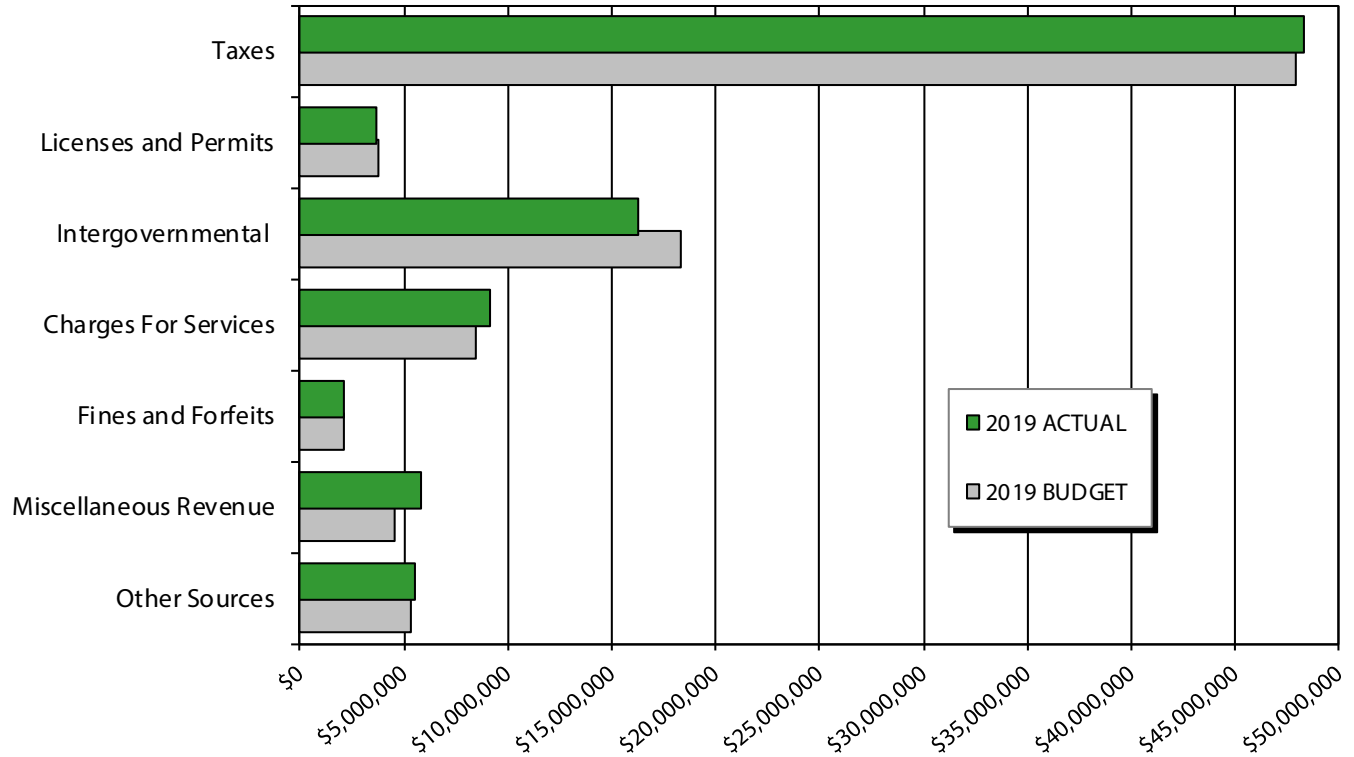
The estimated 2019 General Fund ending fund balance is projected to be approximately \$20 million.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Revenue - Budget vs. Actual



	2019 Budget Adopted	2019 Budget Supp'ls	2019 Budget Amended	Actual as of 12/31/2019	% Collected To Date
Taxes	47,864,051		47,864,051	48,301,028	100.91%
Licenses and Permits	3,802,909		3,802,909	3,700,356	97.30%
Intergovernmental	15,581,941	2,749,917	18,331,858	16,251,219	88.65%
Charges For Services	8,372,564	51,900	8,424,464	9,167,434	108.82%
Fines and Forfeits	2,059,100		2,059,100	2,108,135	102.38%
Miscellaneous Revenue	4,481,755	84,736	4,566,491	5,780,467	126.58%
Other Sources	5,373,885	(37,731)	5,336,154	5,522,217	103.49%
<b>Total Revenue</b>	<b>87,536,205</b>	<b>2,848,822</b>	<b>90,385,027</b>	<b>90,830,856</b>	<b>100.49%</b>

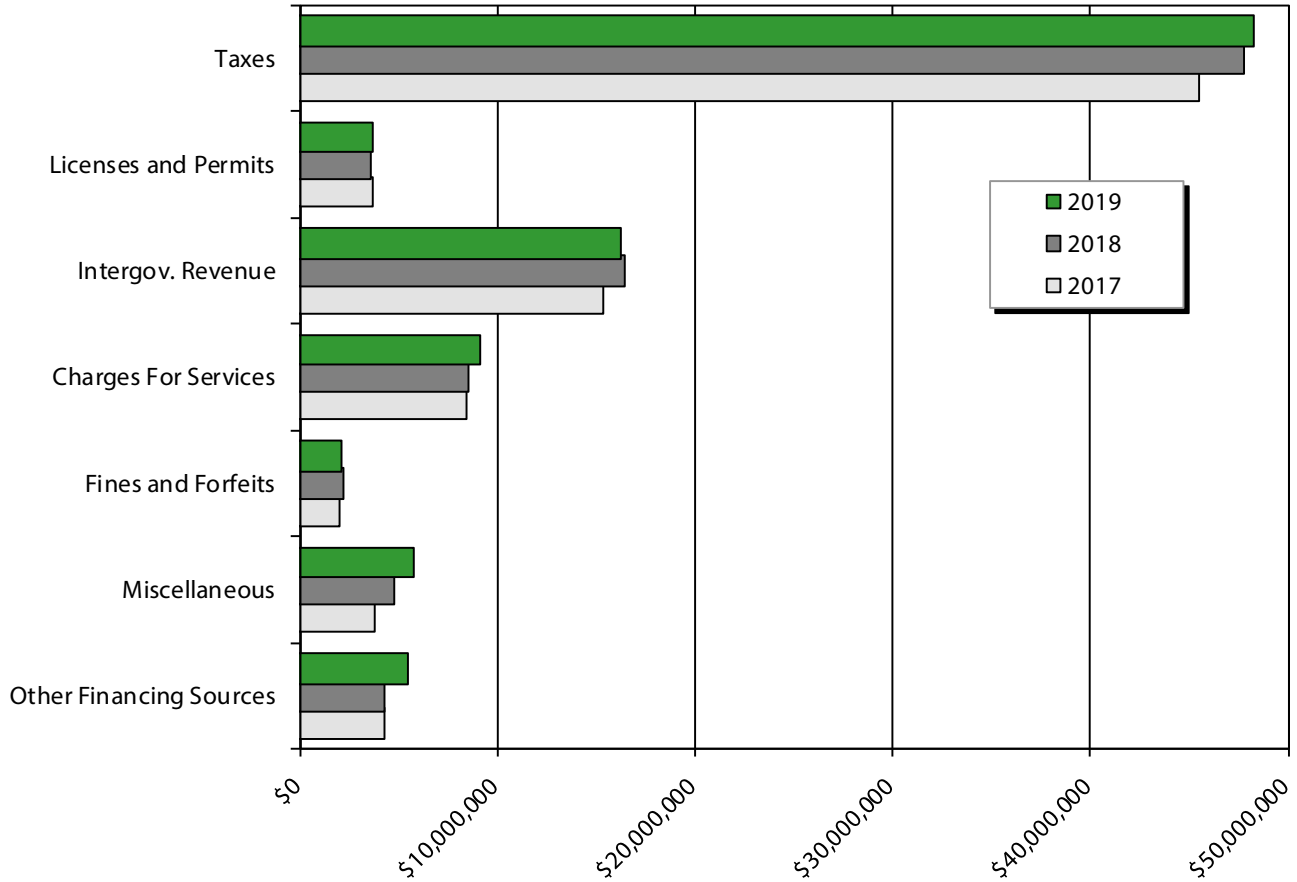
See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Revenue to Date - Compared to Prior Years



	2017	2018	2019
Taxes	45,510,508	47,761,191	48,301,028
Licenses and Permits	3,680,204	3,616,839	3,700,356
Intergov. Revenue	15,329,143	16,493,966	16,251,219
Charges For Services	8,494,703	8,548,044	9,167,434
Fines and Forfeits	2,057,707	2,201,676	2,108,135
Miscellaneous	3,759,349	4,743,242	5,780,467
Other Financing Sources	4,327,026	4,317,315	5,522,217
<b>Total Revenue</b>	<b>83,158,640</b>	<b>87,682,273</b>	<b>90,830,856</b>

See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Revenue Notes

### Taxes

*Property tax and retail sales tax make up 99% of Whatcom County's tax revenue budget.*

Tax revenues are \$540,000, or 1.1%, more than 2018 amounts and \$437,000 more than budget. There is an \$1,140,000 increase in sales tax attributable to recent internet sales tax law changes. Property taxes have decreased \$520,516 due to moving the mental health/developmental disability levies to a separate special revenue fund. Excise taxes are currently \$83,000 less than prior year; however, additional year-end adjustments are expected to eliminate the gap.

### Licenses & Permits

*Building permits account for 39% of "Licenses & Permits" budget. Health Department restaurant, food-handling, on-site septic and other miscellaneous health-related licenses and permits make up 38% of the budget. Cable franchise fee revenues are 20% and marriage licenses, firearms permits and fire control permits account for the remaining 3%.*

License and Permit Fees are \$83,500 more than 2018 amounts, but \$102,500 less than budget. Building permit revenues are \$73,000 more than 2018 amounts but \$98,000 less than budget.

### Intergovernmental Revenue

*"Intergovernmental Revenue" is mainly federal and state grants, entitlements and shared revenues.*

Revenues collected as of year-end are \$243,000 less than 2018 amounts and \$2,080,000 less than budget. The annual payment in lieu of taxes (PILT) payment from the federal government is \$255,000 less than budget. Additional year-end grant revenue adjustments will likely result in intergovernmental revenues comparable to 2018 amounts. Over a million dollars of 2019 grant revenue budget will be re-budgeted in 2020.

### Charges for Services

*"Charges for Services" include document recording fees (Auditor), motor vehicle license fees (Auditor), plan check fees (Planning & Development Services), adult probation fees (District Court Probation), Medicaid administration and on-site septic system administration fees (Health Department), fees charged court, probation and law enforcement-related services and several other miscellaneous service fees that help cover the costs of providing specific services used by individual customers.*

Charges for Services exceed 2018 amounts by \$619,000 and are \$743,000 greater than the 2019 budget due to a variety of factors. Auditor recording and licensing fees are \$230,000 greater than last year. Treasurer Real Estate Excise Tax processing fees and passport fees are similar to last year but \$130,000 over budgeted amounts. District Court Probation fees are \$31,000 greater than 2018 and \$165,000 more than budget. The County also received an unbudgeted prior year payment of \$47,000 for security services at the Nooksack Tribal Casino. Planning & Development permit review fees collected were close to budgeted amounts but \$133,000 greater than 2018. Health Department fees were \$188,000 more than 2018 and \$95,000 greater than budget due to Medicaid administration revenues.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Revenue Notes, continued

### Fines and Forfeits

*"Fines and Forfeits" consist principally of property tax penalties, traffic infraction revenue, and criminal traffic misdemeanor penalties. It also includes bail/bond forfeitures, code enforcement fines, public defense recoupment and other miscellaneous criminal costs and penalties.*

Fines and Forfeits revenues are \$93,544 less than 2018 and \$49,034 greater than 2019 budget. Traffic infraction revenues are moderately up; criminal costs and property tax penalties are moderately down.

### Miscellaneous

*"Miscellaneous" revenues are made up of delinquent property tax interest earnings, investment interest earnings, rents, contributions, refunds, and various small, otherwise unclassified, amounts.*

Miscellaneous revenues are \$1,037,000 more than 2018 amounts and \$1,214,000 over budget. Increases are due to higher than expected returns on investments.

### Other Financing Sources

*The "Other Financing Sources" revenue budget is composed of state timber revenues (7%) and transfers from other Whatcom County funds (93%).*

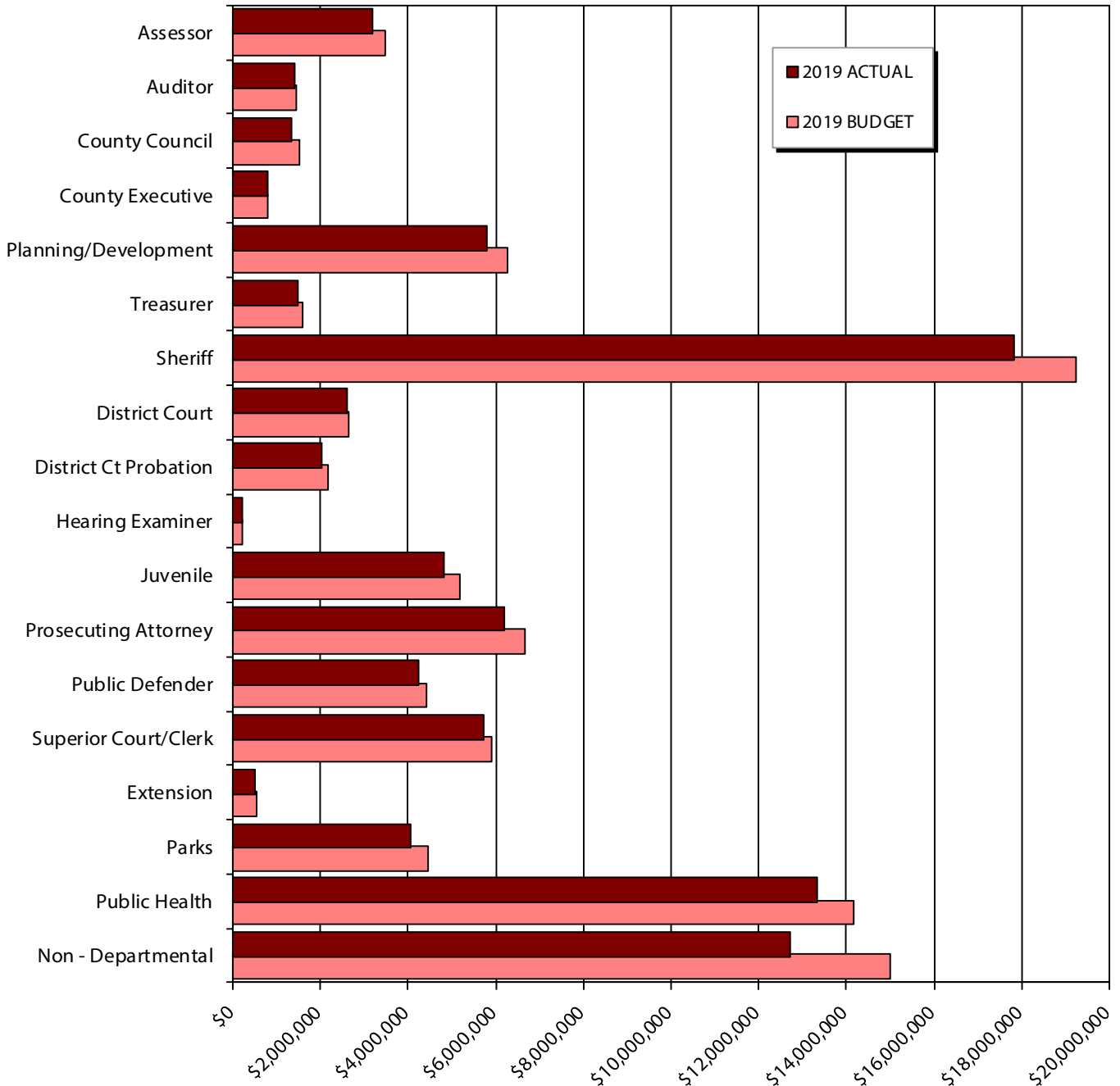
Other Financing Sources are \$1,205,000 more than 2018 amounts and \$186,000 more than budget. Timber sales revenue are \$390,000 which is similar to last year and to budget. Operating transfers fluctuate year to year. Transfers higher than budget occurred in the Health Department due to charges for administrative overhead to other Health Department funds being greater than forecast.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Expenditures - Budget vs. Actual



See page 7 for chart detail and page 9 for General Fund Expenditure Notes.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Expenditures - Budget vs. Actual

	Adopted 2019 Budget	Budget Supp'ls	Amended Budget	Actual as of 12/31/19	% Expended To Date
Assessor	3,394,993	77,332	3,472,325	3,203,574	92.26%
Auditor	1,424,557	17,216	1,441,773	1,400,180	97.12%
County Council	1,512,431	15,328	1,527,759	1,353,371	88.59%
County Executive	778,972	8,485	787,457	779,007	98.93%
Planning & Development	5,910,561	362,133	6,272,694	5,795,086	92.39%
Treasurer	1,563,968	19,587	1,583,555	1,499,973	94.72%
Sheriff	17,867,357	1,381,901	19,249,258	17,837,166	92.66%
District Court	2,546,145	86,183	2,632,328	2,616,019	99.38%
District Court Probation	2,029,333	153,520	2,182,853	2,020,830	92.58%
Hearing Examiner	201,617	1,843	203,460	202,502	99.53%
Juvenile	5,015,706	161,721	5,177,427	4,818,593	93.07%
Prosecuting Attorney	6,550,982	122,587	6,673,569	6,203,419	92.96%
Public Defender	4,318,112	87,447	4,405,559	4,226,819	95.94%
Superior Court/Clerk	5,756,004	141,945	5,897,949	5,725,177	97.07%
Extension	541,708	3,444	545,152	507,772	93.14%
Park	4,383,264	59,465	4,442,729	4,068,809	91.58%
Public Health	13,642,352	531,971	14,174,323	13,320,454	93.98%
Non - Departmental	14,614,557	386,965	15,001,522	12,704,446	84.69%
<b>Total General Fund Exp</b>	<b>92,052,619</b>	<b>3,619,073</b>	<b>95,671,692</b>	<b>88,283,197</b>	<b>92.28%</b>

See page 9 for General Fund Expenditure Notes.

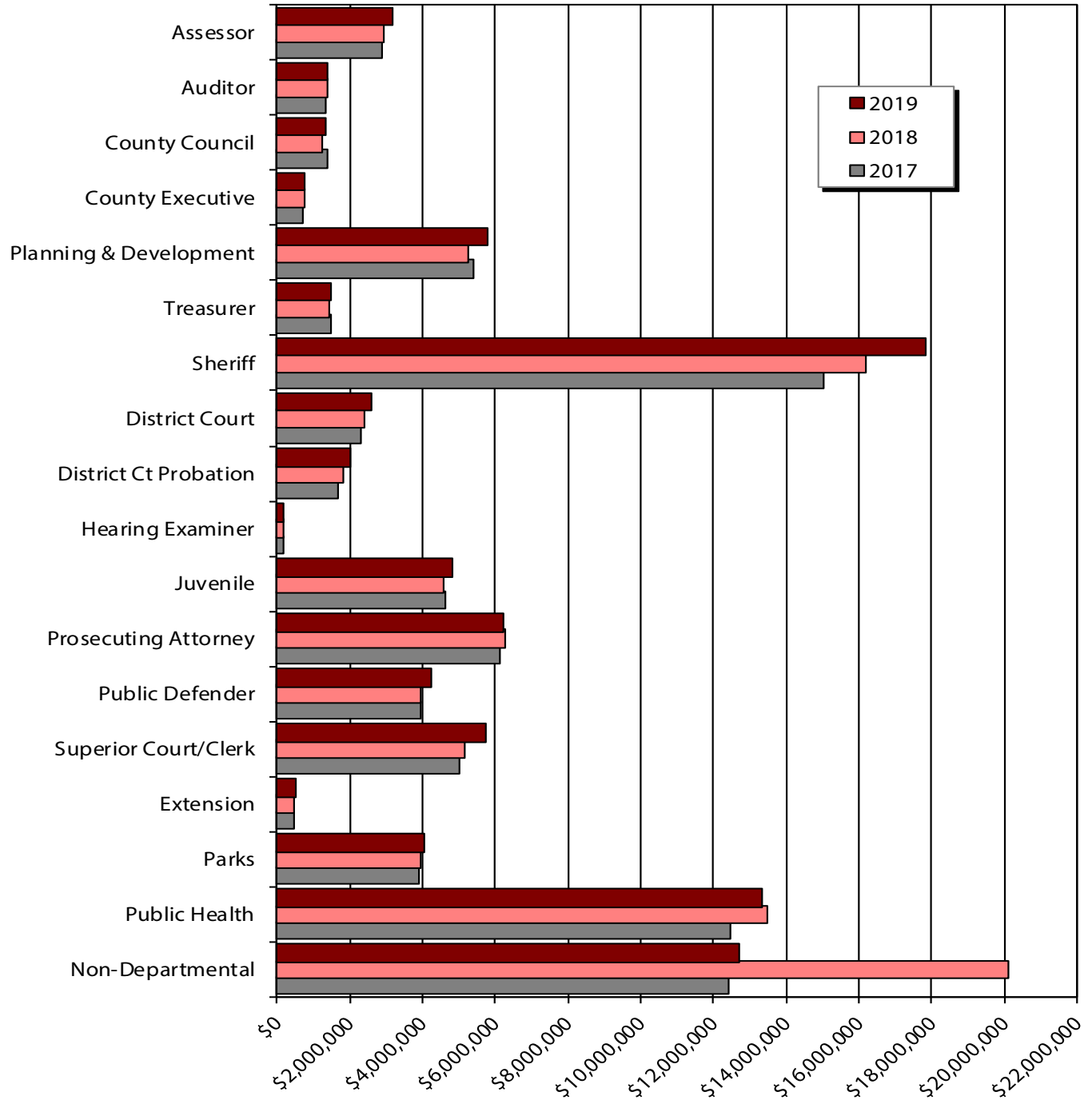


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Expenditures - Compared to Prior Years



See page 9 for chart detail and General Fund Expenditure Notes.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Expenditures - Compared to Prior Years

	2017	2018	2019
Assessor	2,911,148	2,925,467	3,203,574
Auditor	1,361,766	1,399,474	1,400,180
County Council	1,391,304	1,248,592	1,353,371
County Executive	706,964	750,823	779,007
Planning & Development	5,394,452	5,260,899	5,795,086
Treasurer	1,476,649	1,463,092	1,499,973
Sheriff	15,022,272	16,207,274	17,837,166
District Court	2,333,871	2,405,452	2,616,019
District Ct Probation	1,678,451	1,819,919	2,020,830
Hearing Examiner	196,109	200,126	202,502
Juvenile	4,607,726	4,596,950	4,818,593
Prosecuting Attorney	6,131,245	6,276,109	6,203,419
Public Defender	3,938,638	3,978,528	4,226,819
Superior Court /Clerk	5,030,729	5,178,353	5,725,177
Extension	468,670	492,723	507,772
Parks	3,906,675	3,948,719	4,068,809
Public Health	12,481,756	13,476,397	13,320,454
Non-Departmental	12,420,814	20,129,734	12,704,446
<b>TOTAL</b>	<b>81,459,239</b>	<b>91,758,631</b>	<b>88,283,197</b>

## General Fund Expenditure Notes

Currently, expenditures for 2019 for the General Fund are at 92.3% of the approved budget. Continuing appropriations will move \$1,072,979, or another 1.1% of the 2019 appropriation, over into 2020. The remaining amount of budget "lapse" is in line with prior year-end percentage amounts. Departmental spending is within budget limits for each department. Significant increases in departmental spending occurred between 2018 and 2019 in three departments. Planning & Development Services increased \$534,000 due the addition of a new fire inspector, wage and benefit settlements, and planning project consultant contracts. Sheriff's Office increased \$1.6 million due to three new personnel, wage and benefit settlements, vehicle acquisitions, a large software maintenance payment, insurance adjustment and grant-related equipment purchases. Superior Court/ Clerk increased \$547,000 as a result of wage and benefit settlements, two new positions for Pre-Trial Services, increased jury fees and outside attorney services. Non-Departmental decreased significantly as a result of large capital project transfers made in 2018 which were not repeated in 2019.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## General Fund Conclusion

	<b>Projected</b>
<b>Beginning Fund Balance 1/1/19</b>	17,080,638
<b>Revenues</b>	
Budgeted Revenues 2019	87,536,205
Increased Revenue Estimates	1,600,000
Supplemental Budgets 2019	2,848,822
	<hr/>
<b>Total Revenue</b>	91,985,027
	<hr/>
<b>Expenditures</b>	
Budgeted Expenditures 2019	92,052,619
Supplemental Budgets 2019	3,619,073
	<hr/>
<b>Total Expenditures</b>	95,671,692
	<hr/>
<b>Adjusted Surplus (Deficit)</b>	(3,686,665)
<b>Other Considerations</b>	
Estimated Budget Lapse <sup>1</sup>	6,601,347
	<hr/>
<b>Projected Ending Fund Balance 12/31/19</b>	19,995,320
	<hr/> <hr/>

Notes:

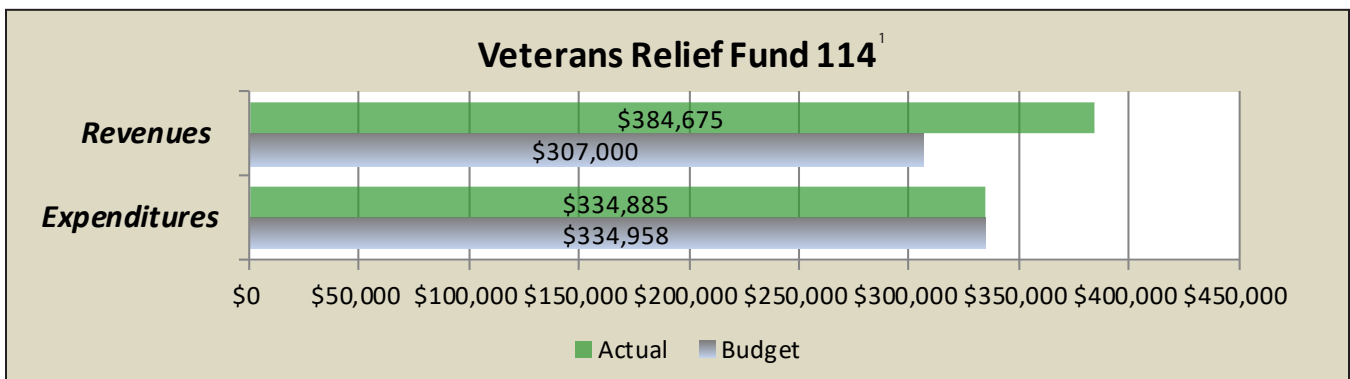
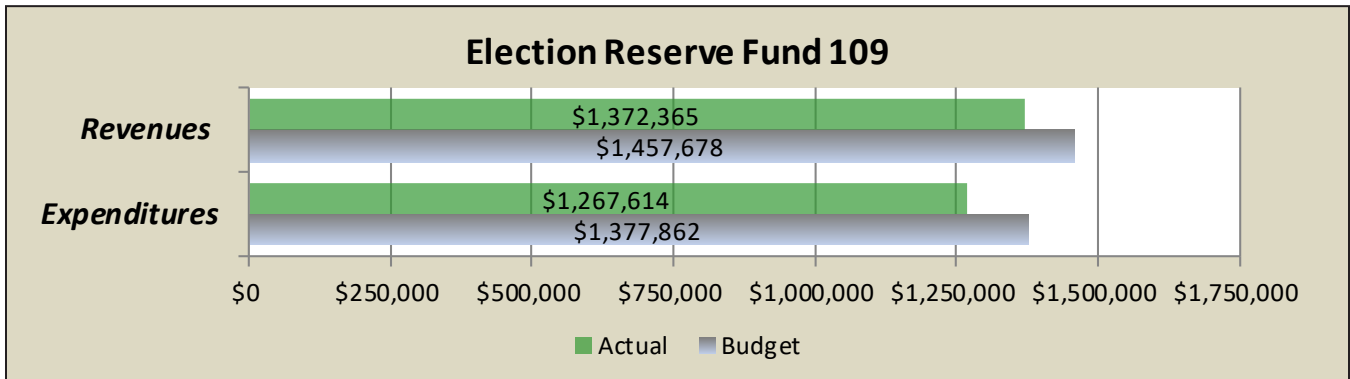
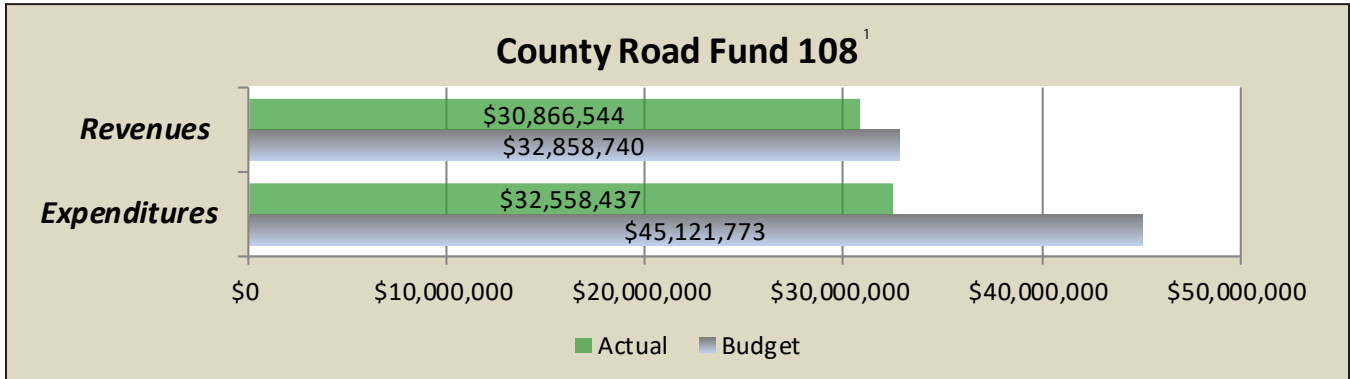
<sup>1</sup> The estimated budget lapse is 6.9% of expenditures.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds



Note:

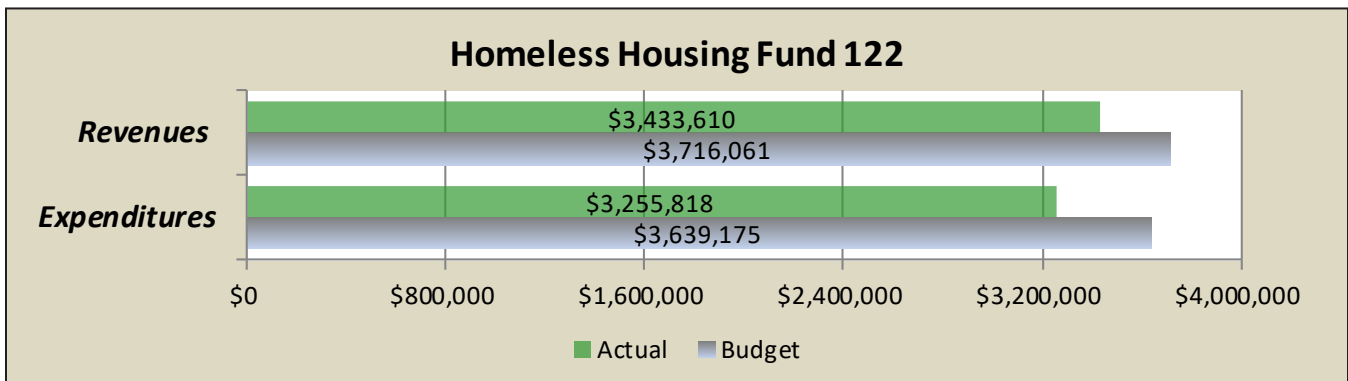
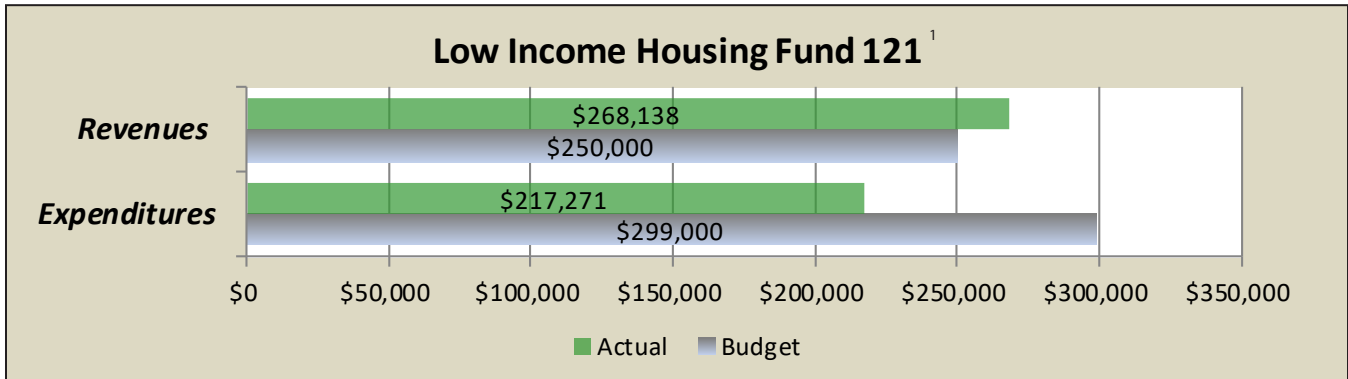
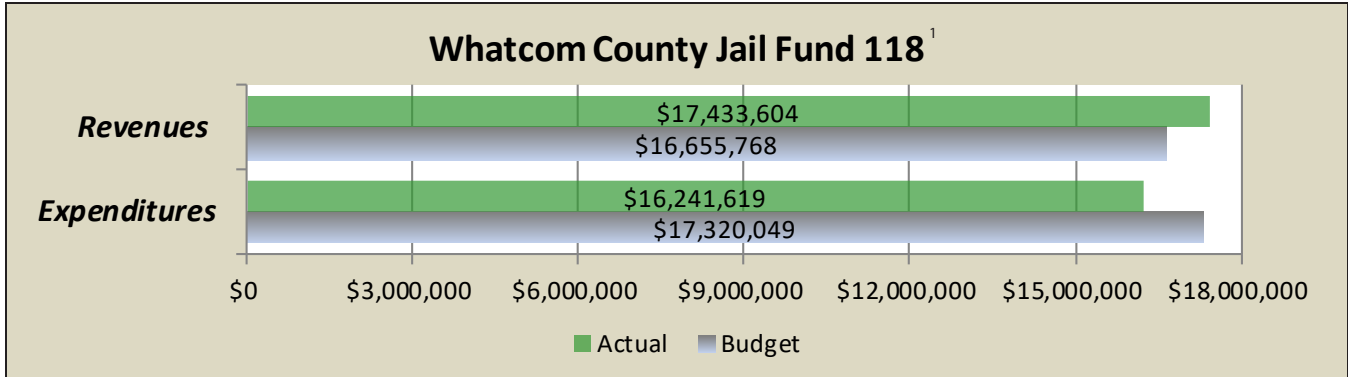
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds, continued



Note:

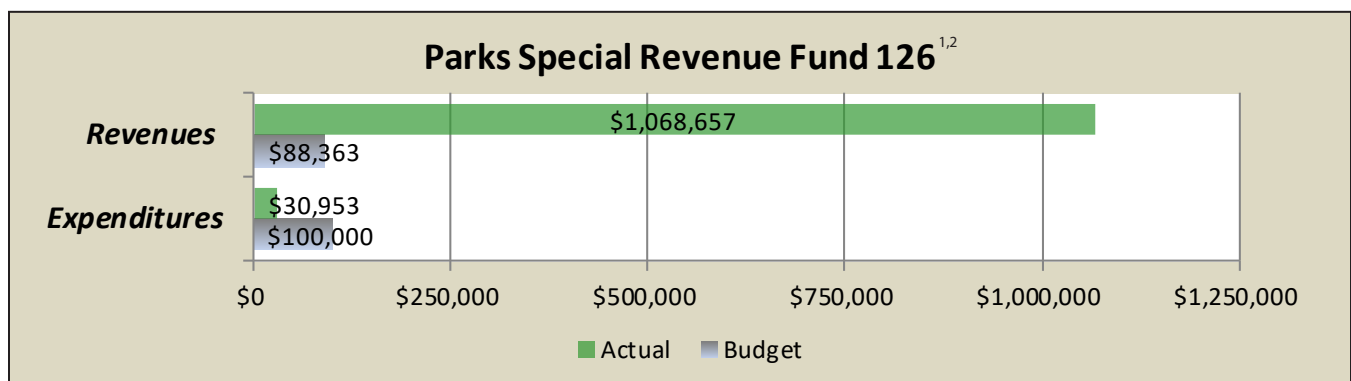
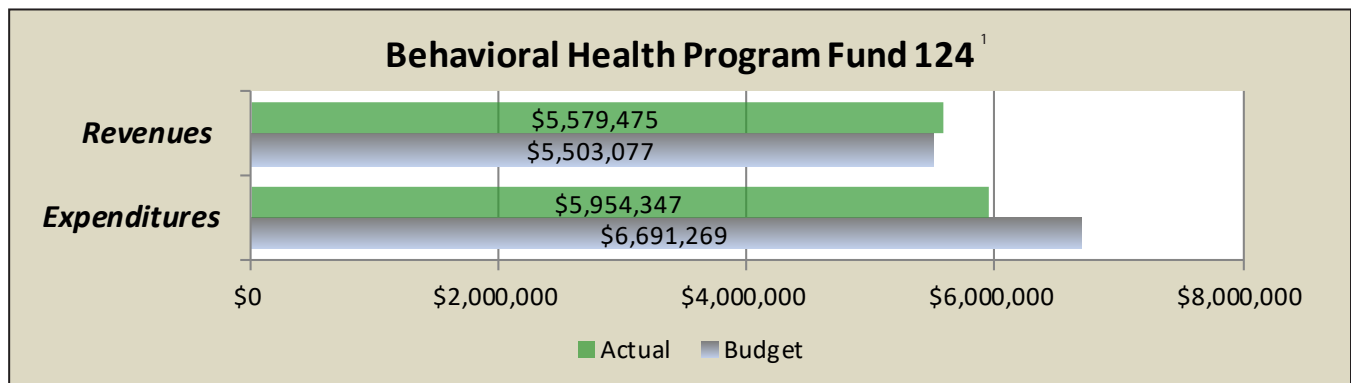
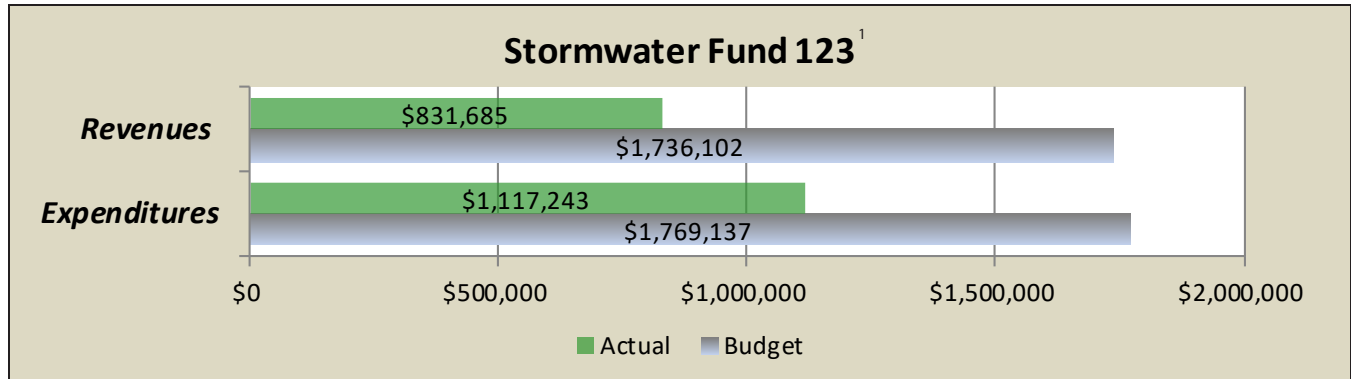
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds, continued



Note:

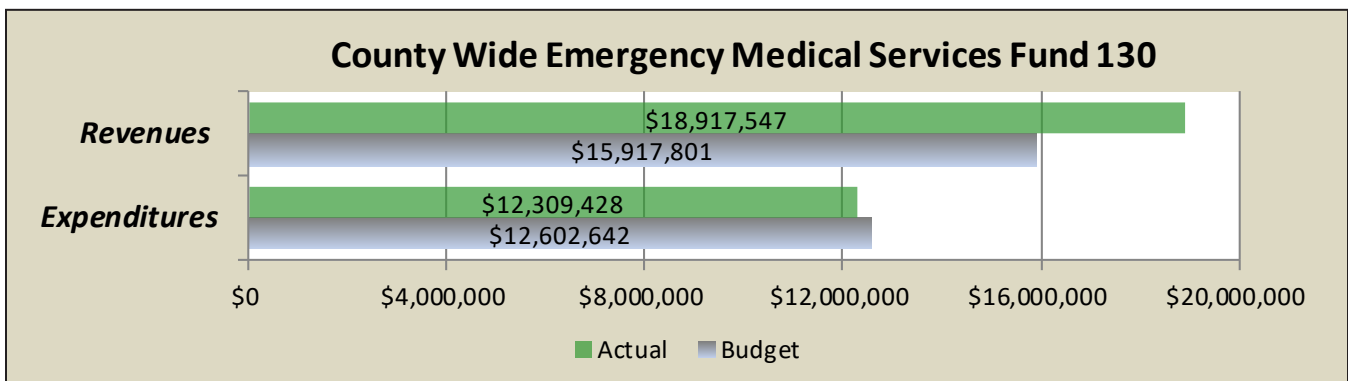
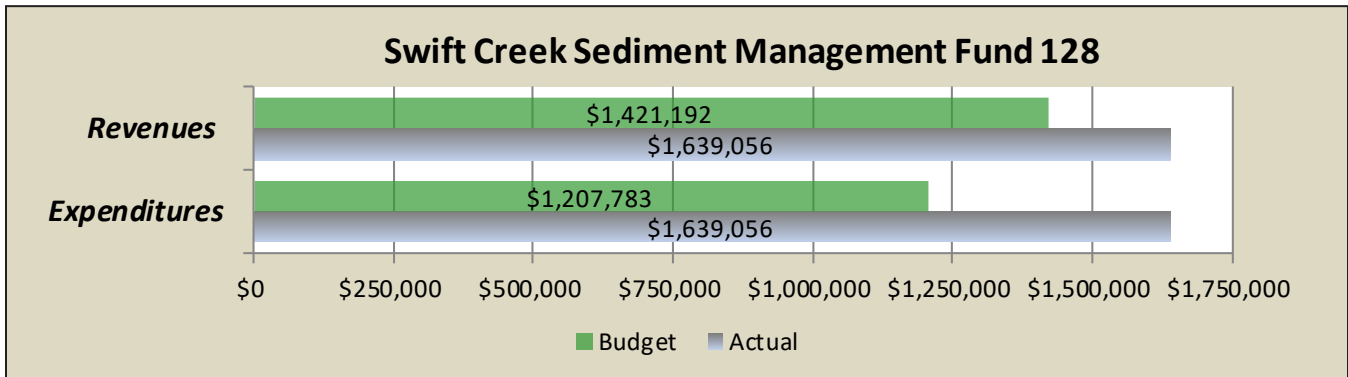
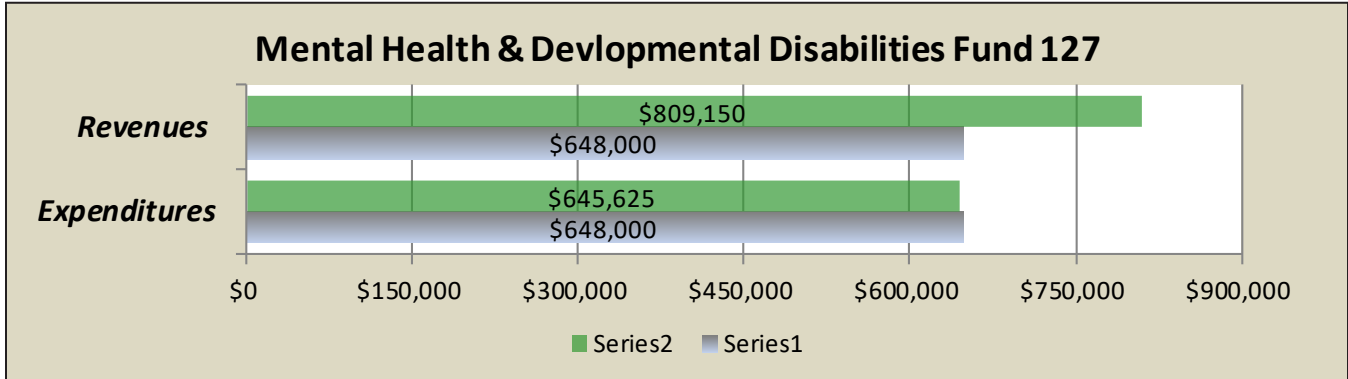
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>2</sup> Unbudgeted reimbursement grant for Birch Bay Park purchase deposited here (\$1 million). Funds will be used to develop the park.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds, continued

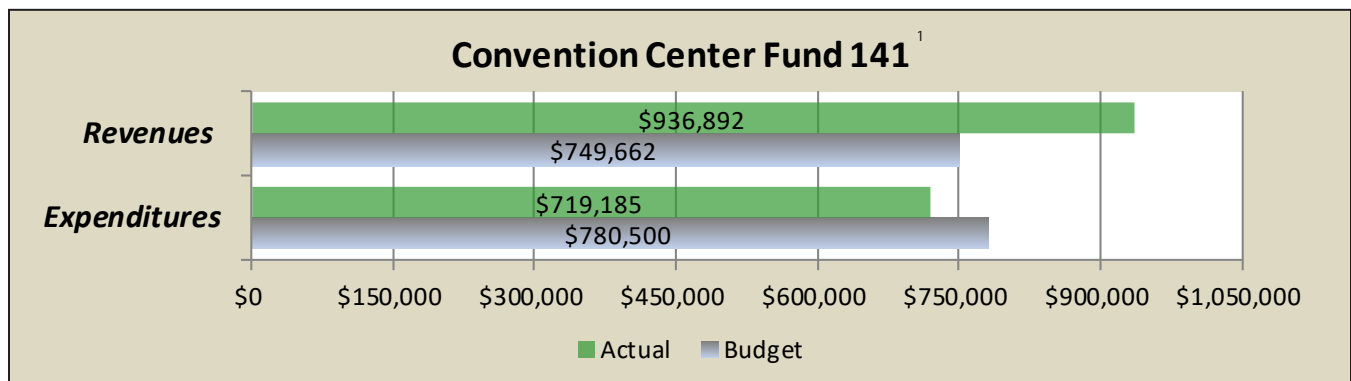
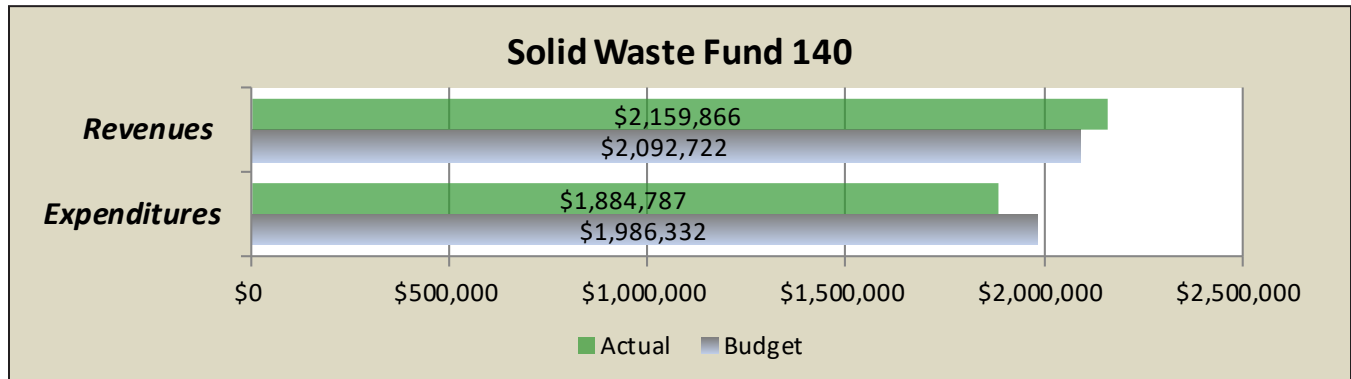
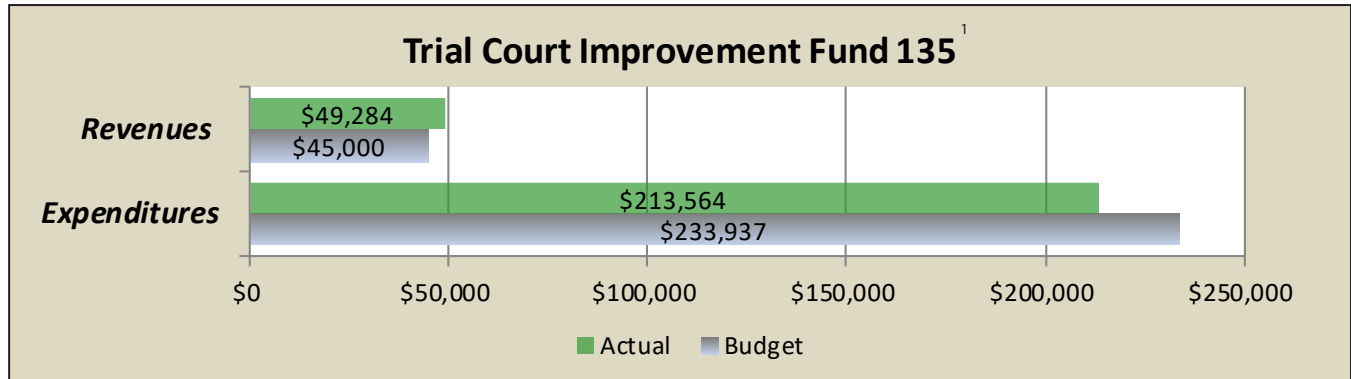


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds, continued



Notes:

<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

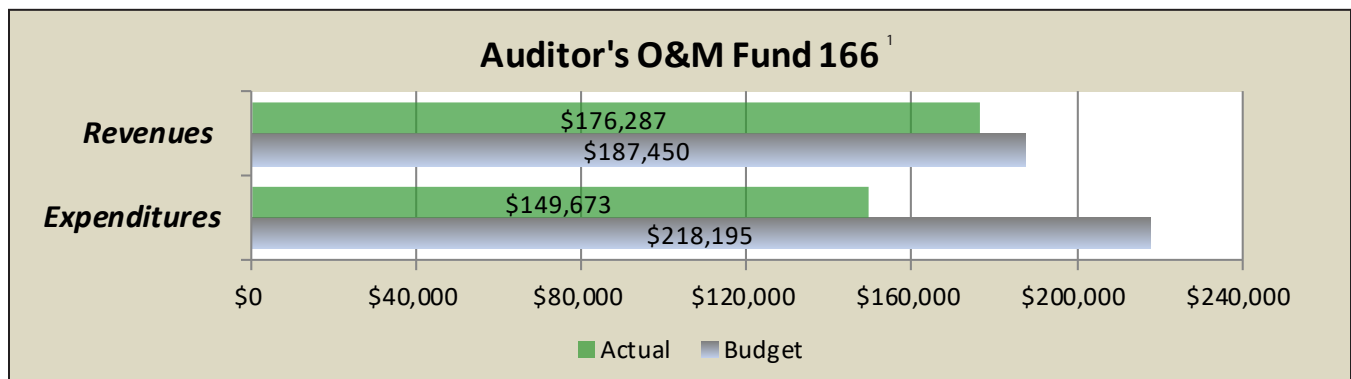
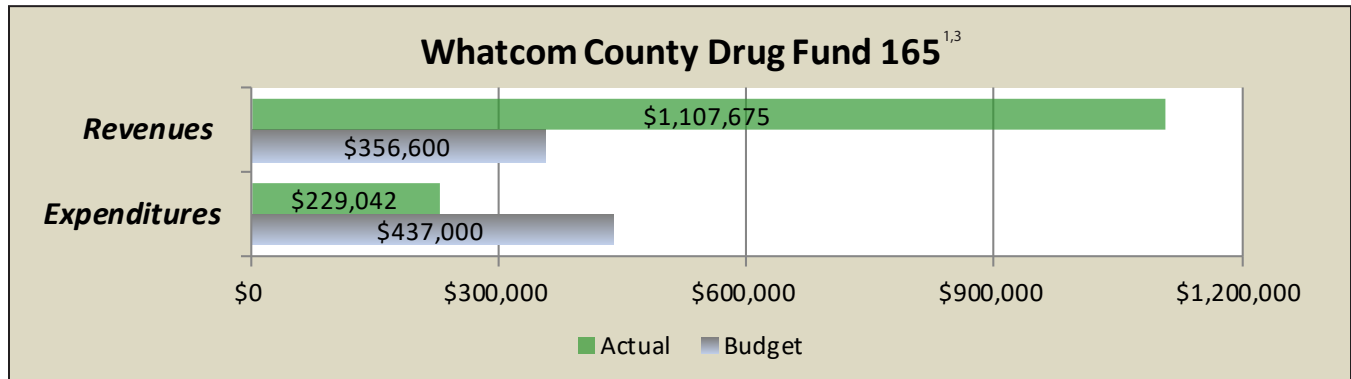
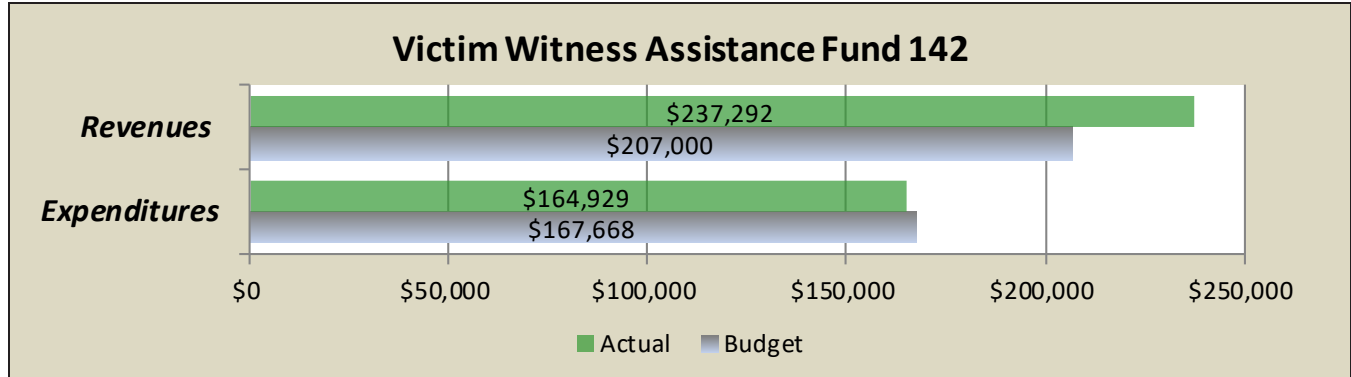


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds, continued



Notes:

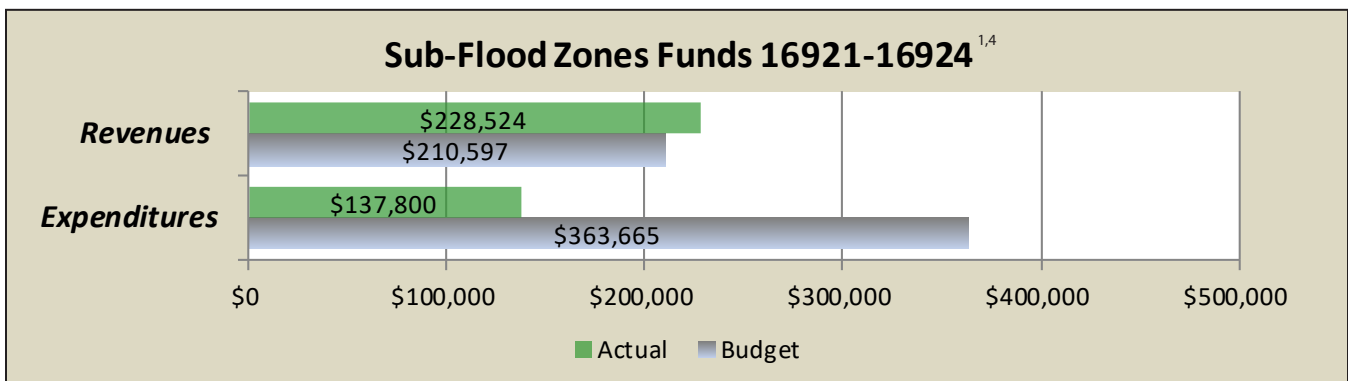
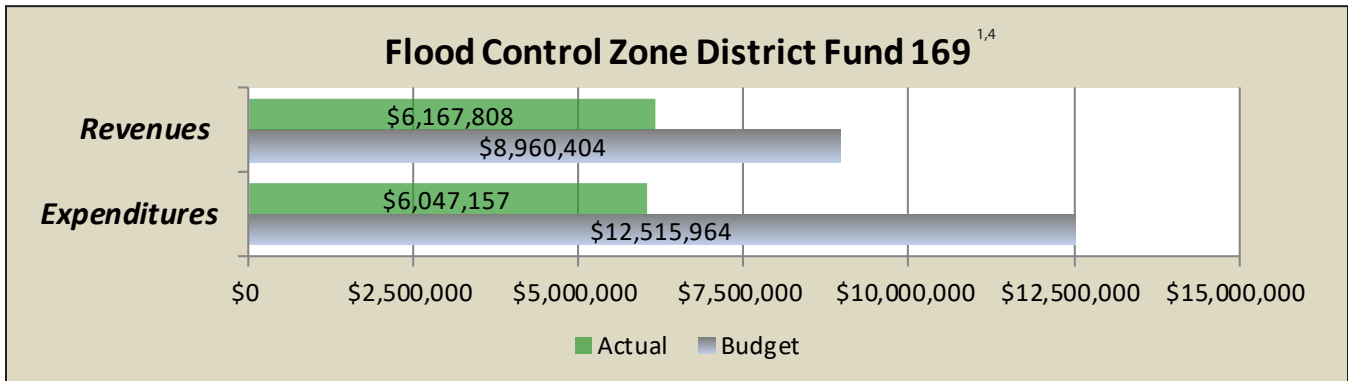
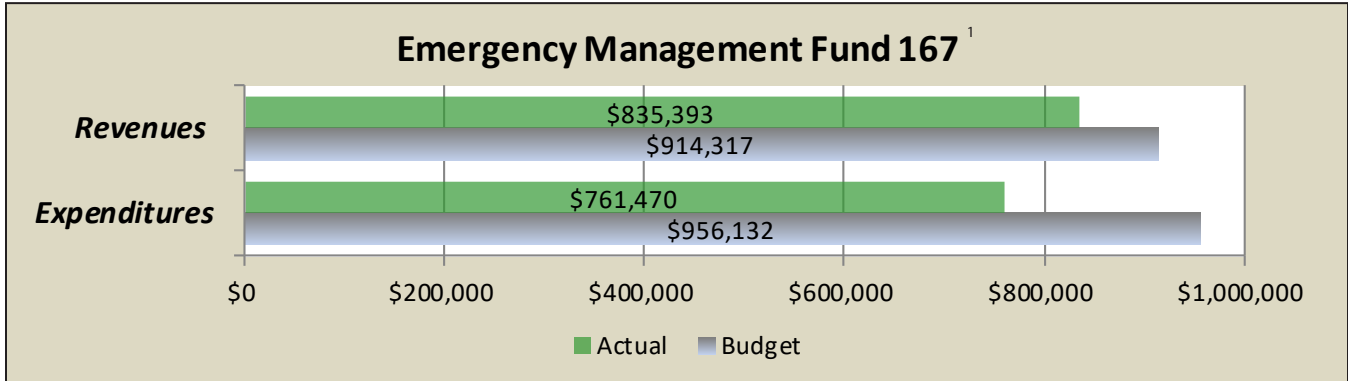
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>3</sup> Drug Fund revenue is dependent on seizure activity and proceed sharing with other agencies. Therefore, revenue is unpredictable. The Fund's ability to incur expenditures is also dependent on receipt of seizure revenues.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds, continued



**Notes:**

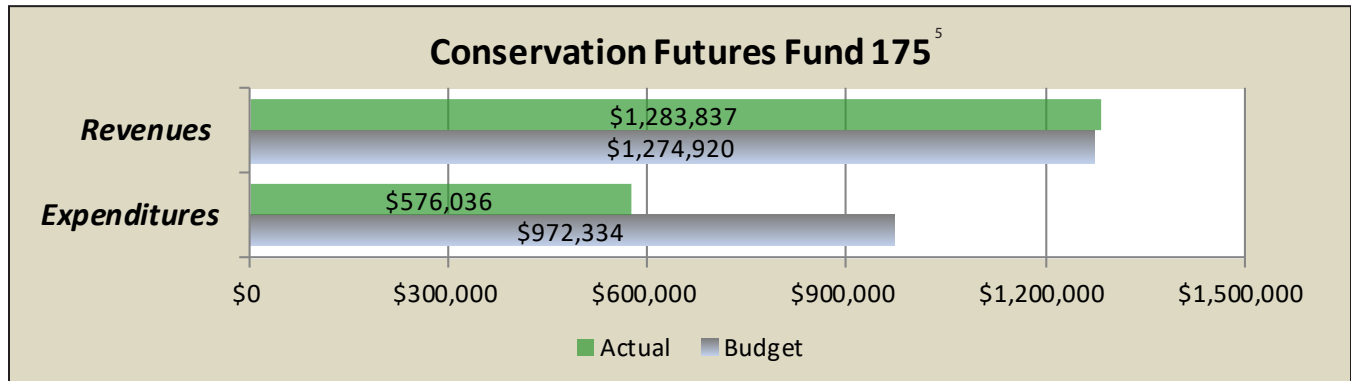
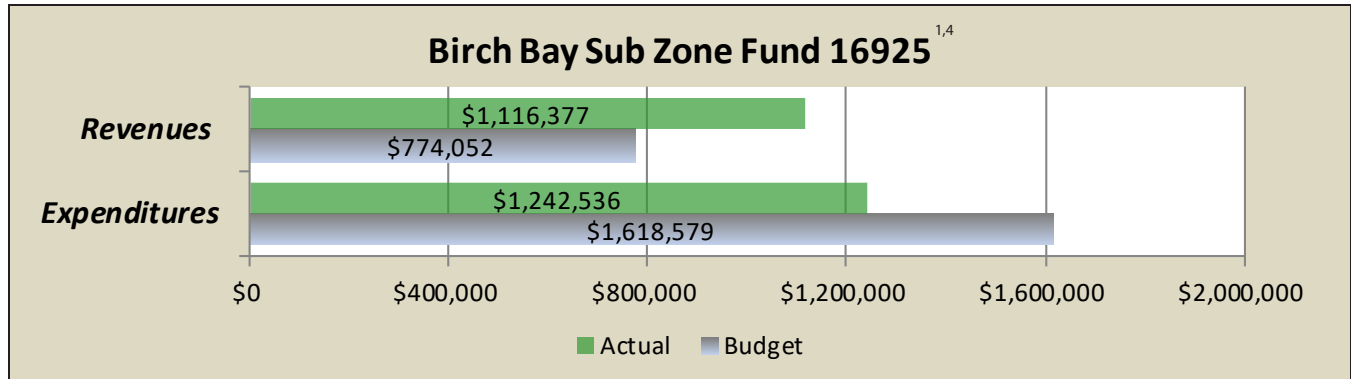
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>4</sup> Flood and Sub Zones expenditures are project driven which are dependent on factors such as permitting, fish windows, and state funding.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Special Revenue Funds and Other Funds, continued



**Notes:**

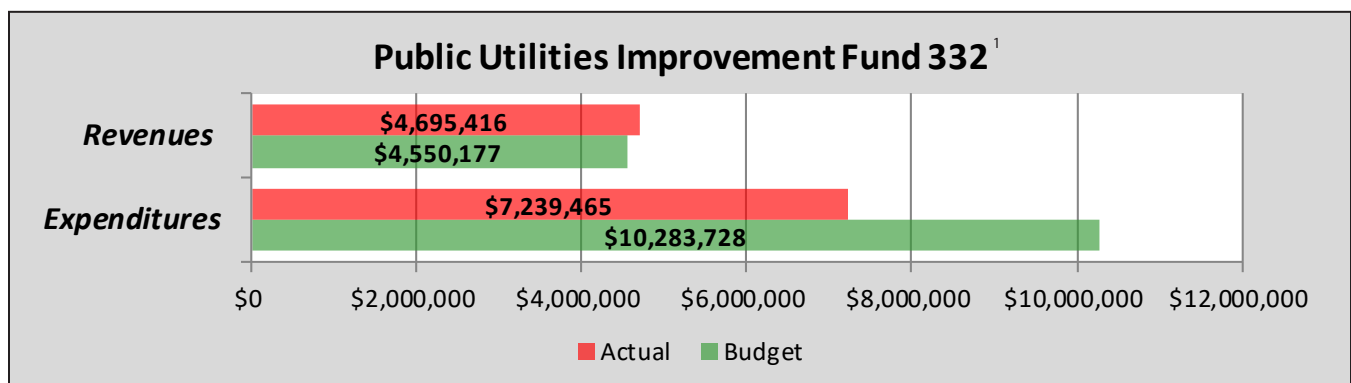
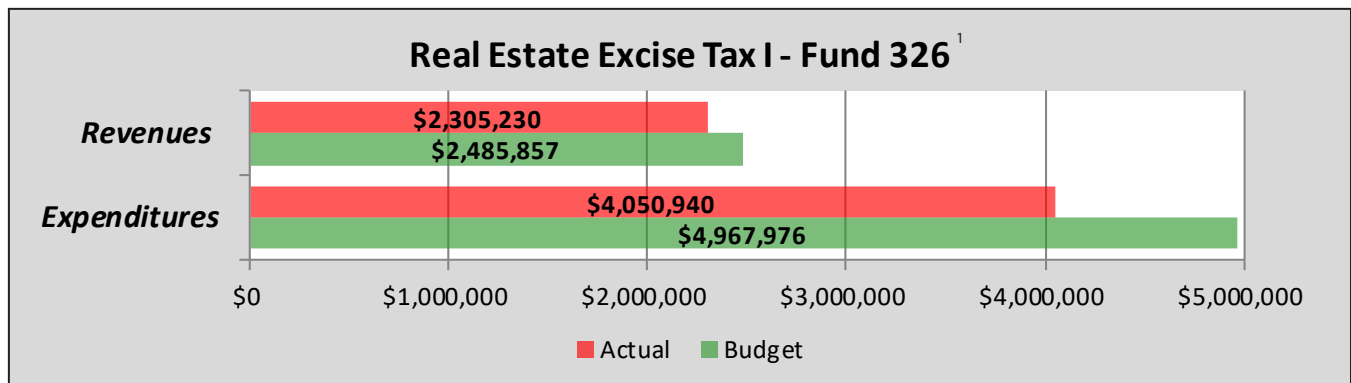
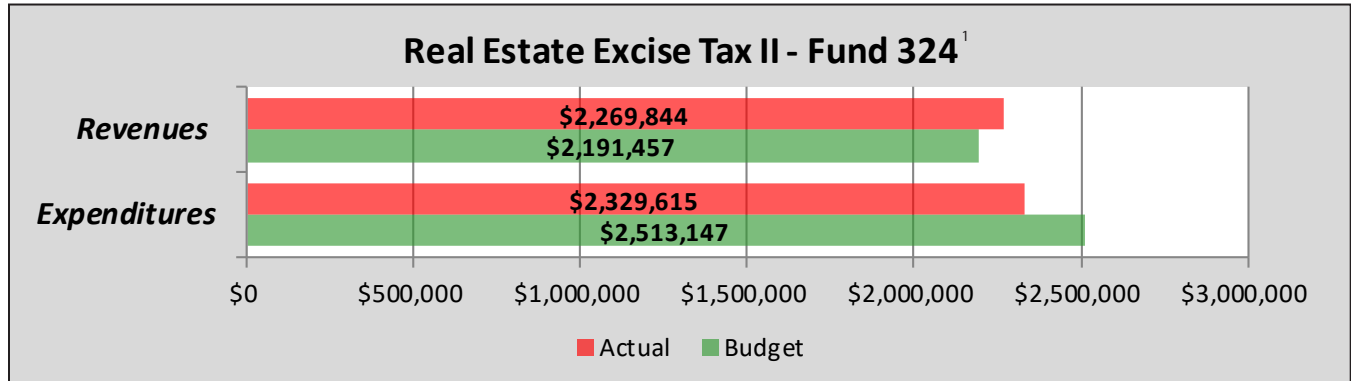
- <sup>4</sup> Flood and Sub Zones expenditures are project driven which are dependent on factors such as permitting, fish windows, and state funding.
- <sup>5</sup> Most Conservation Futures funding is used to purchase development rights or land. These purchases are budgeted on a transaction by transaction basis as they occur.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Capital Project Funds



Note:

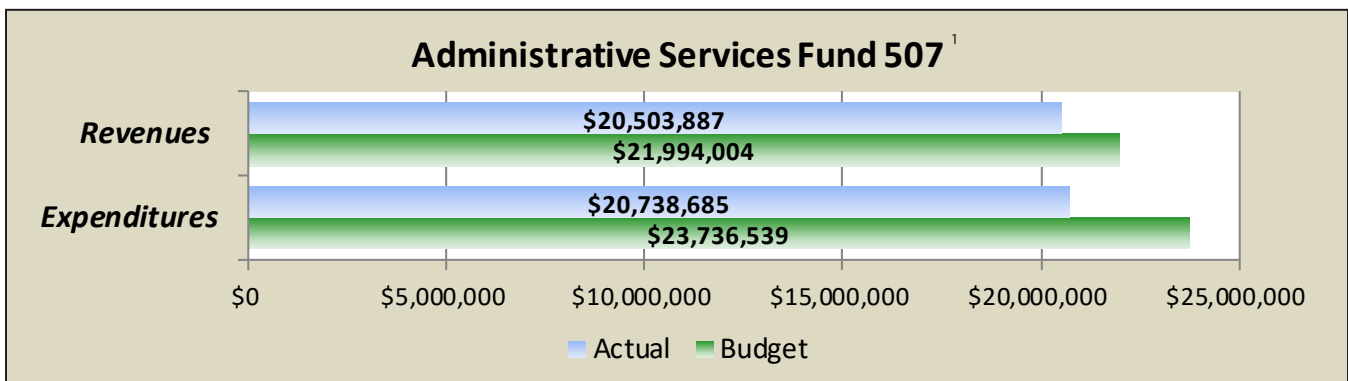
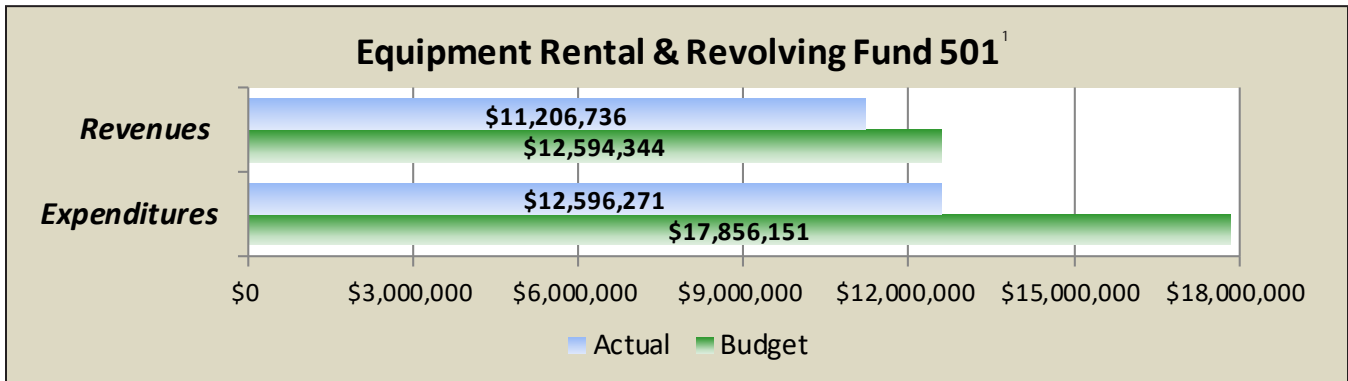
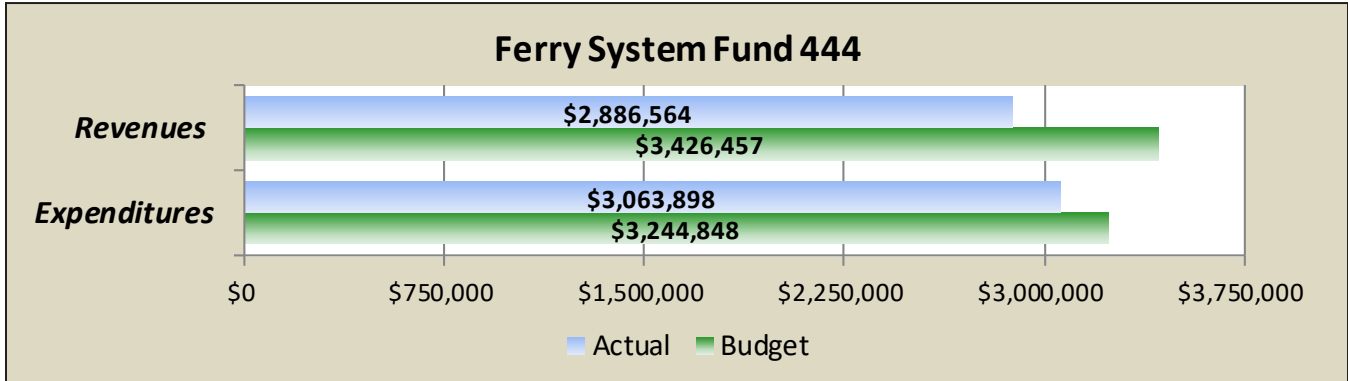
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Enterprise and Internal Service Funds



Note:

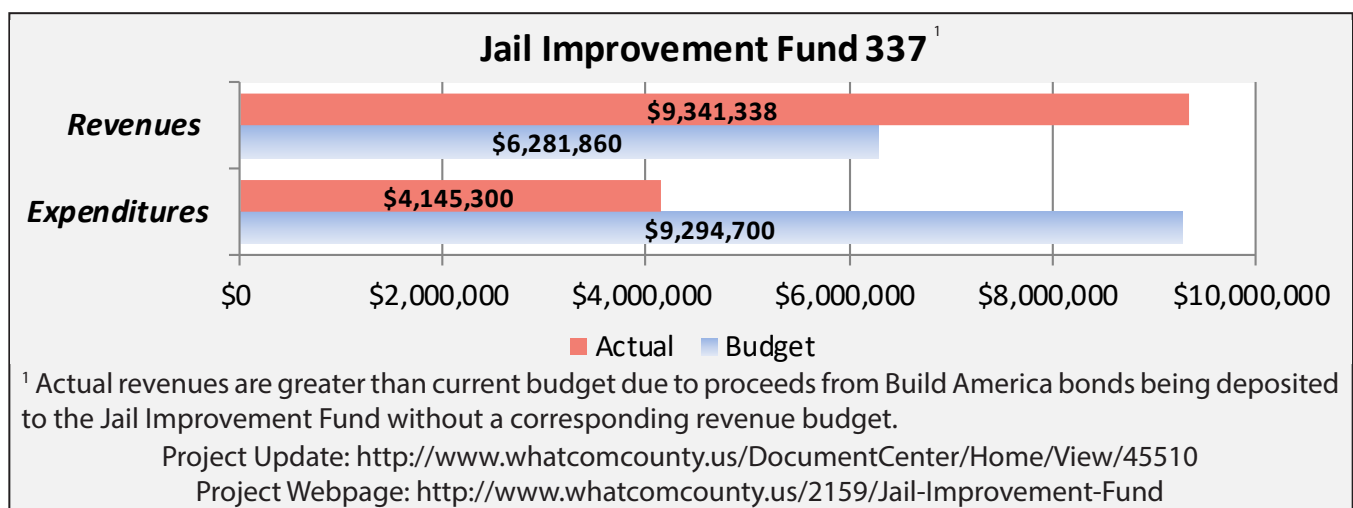
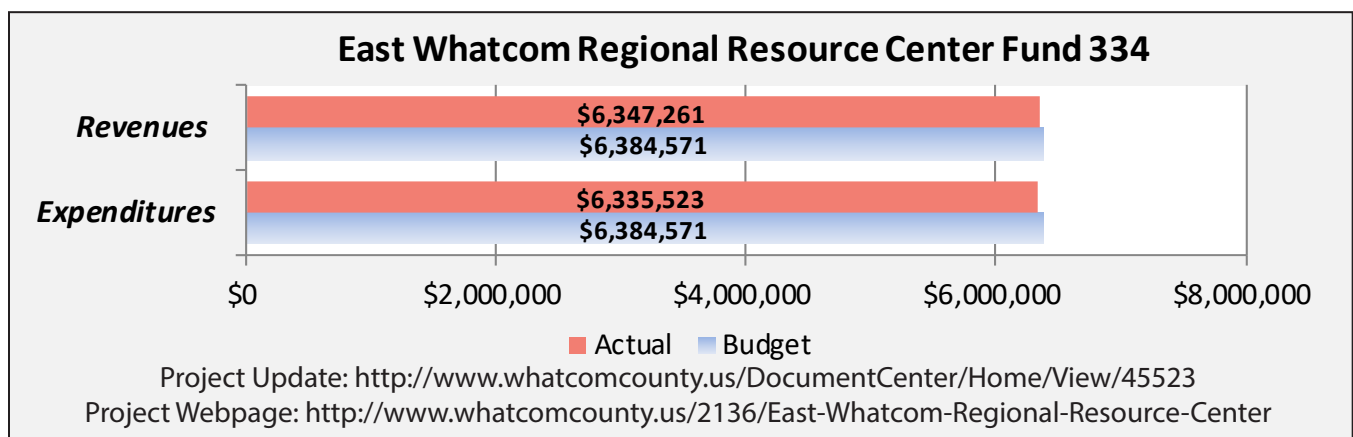
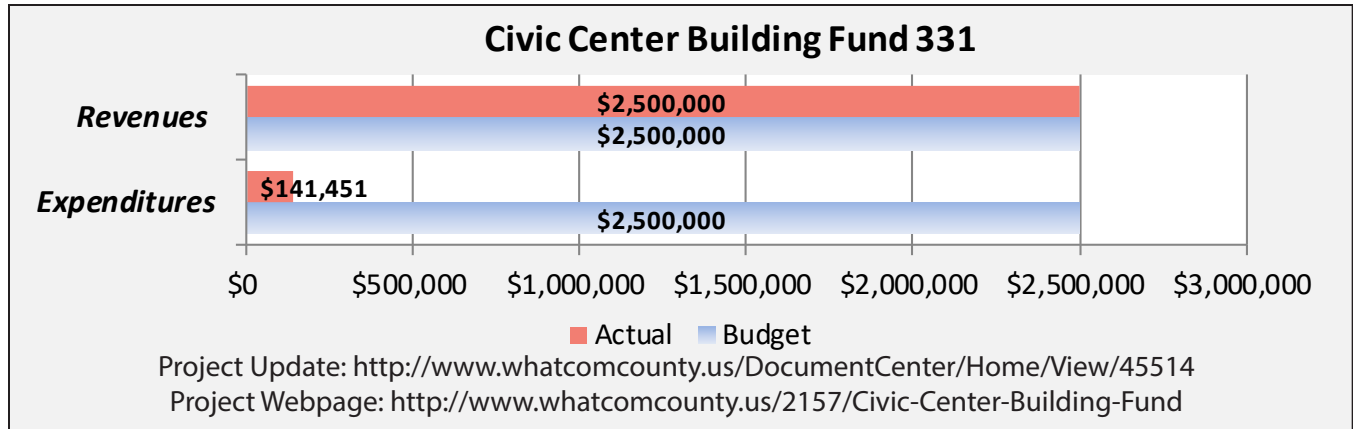
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds

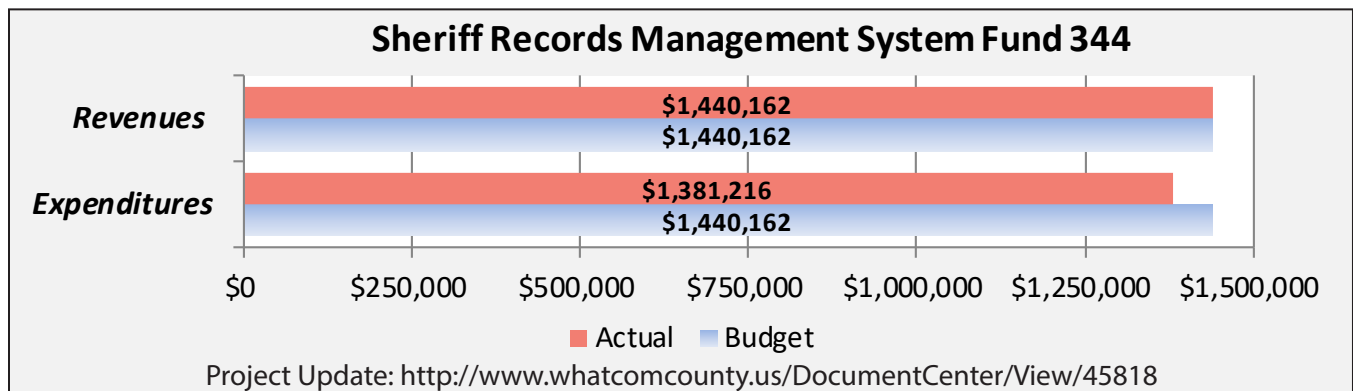
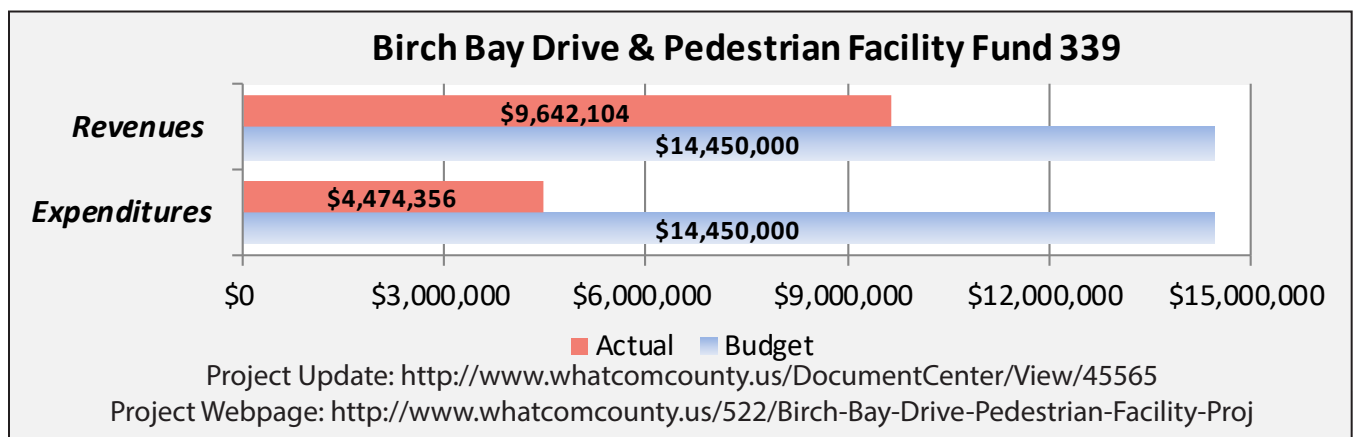
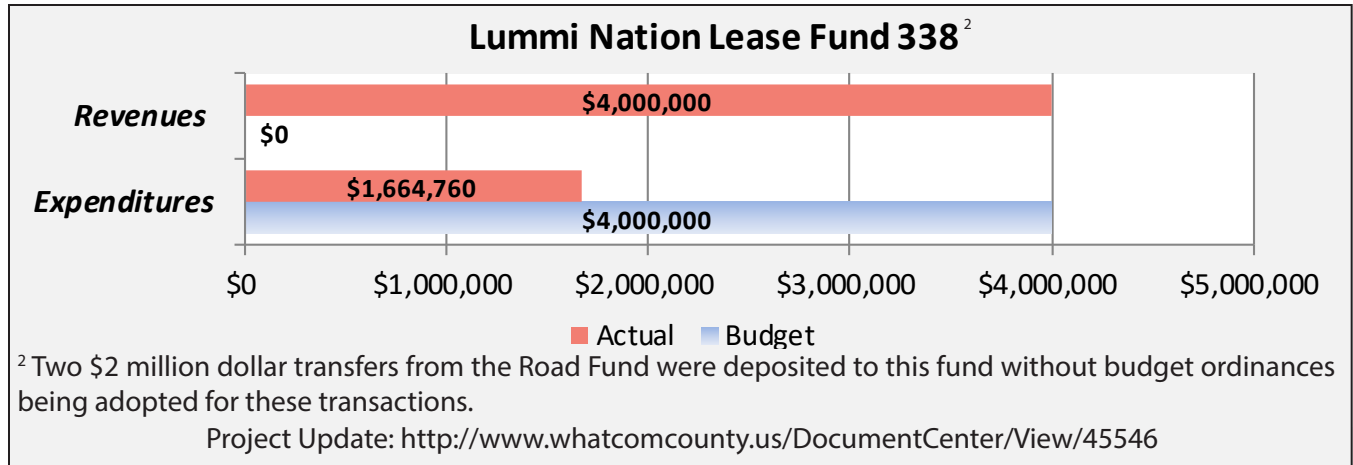


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

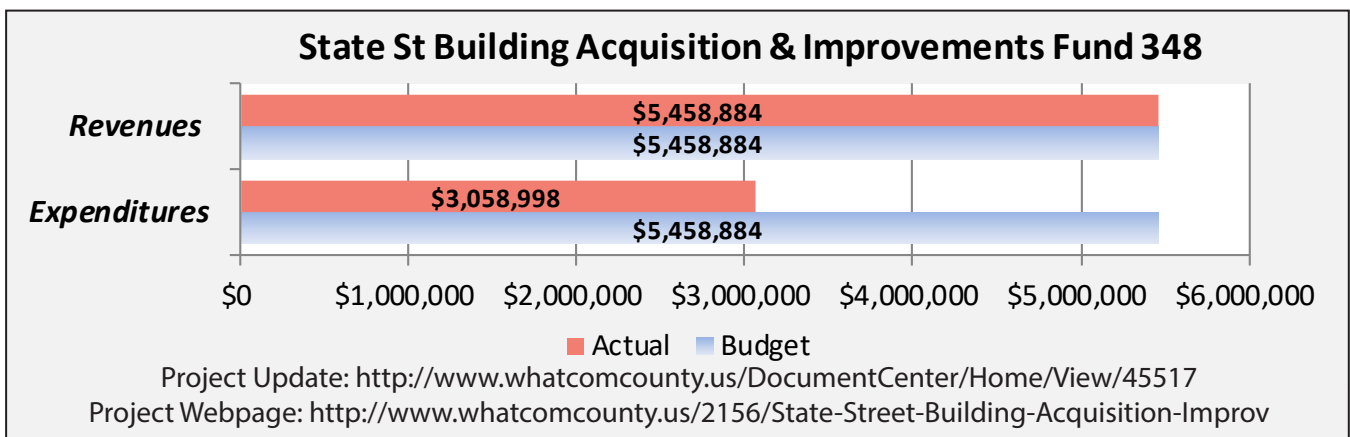
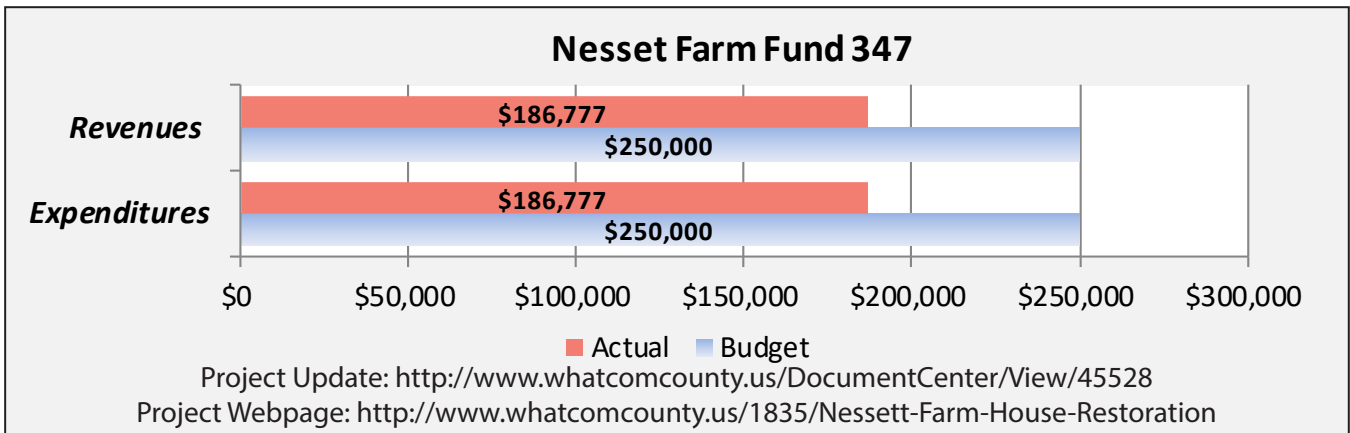
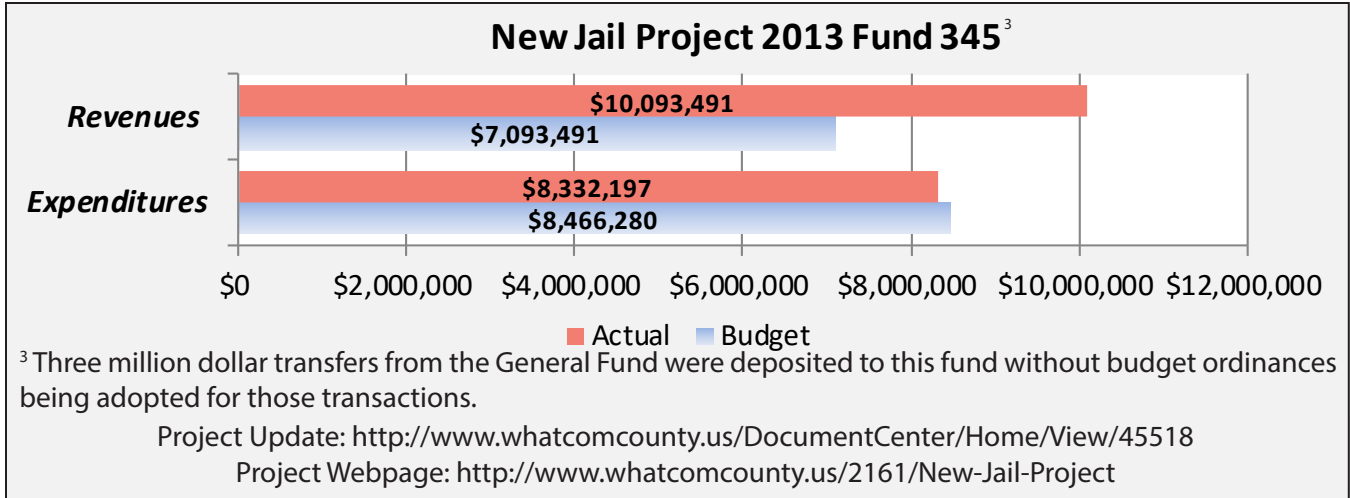


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued



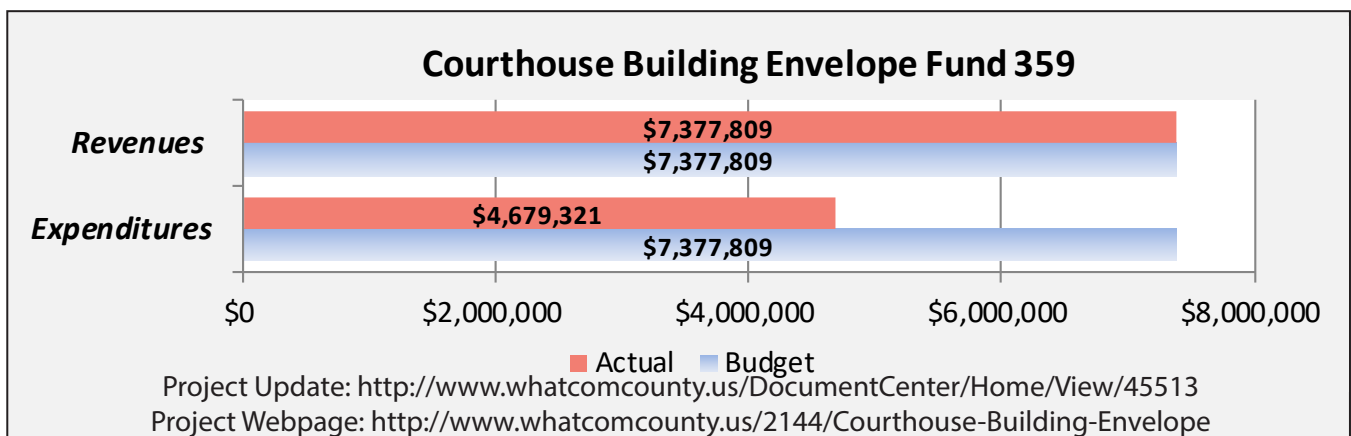
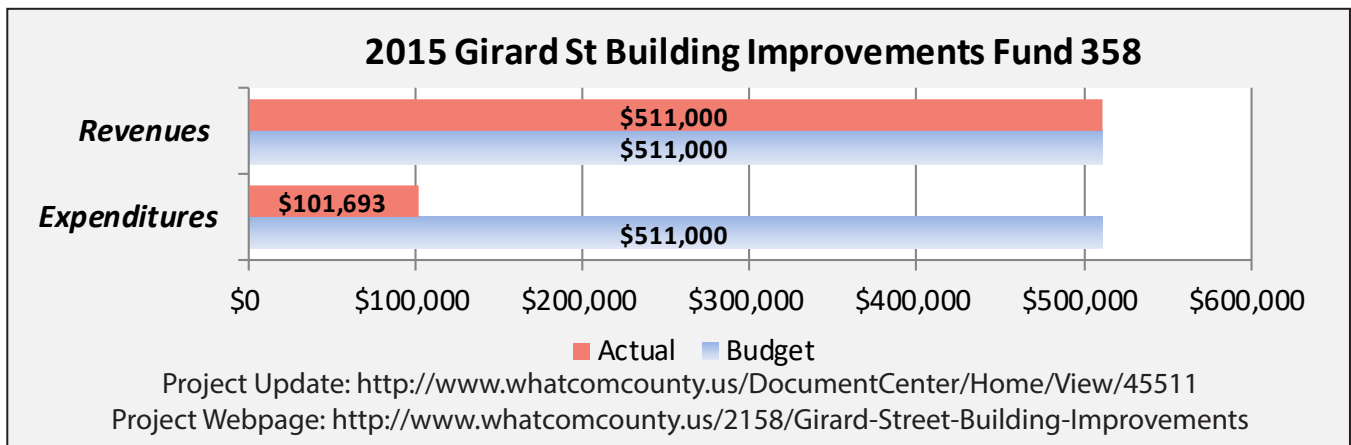
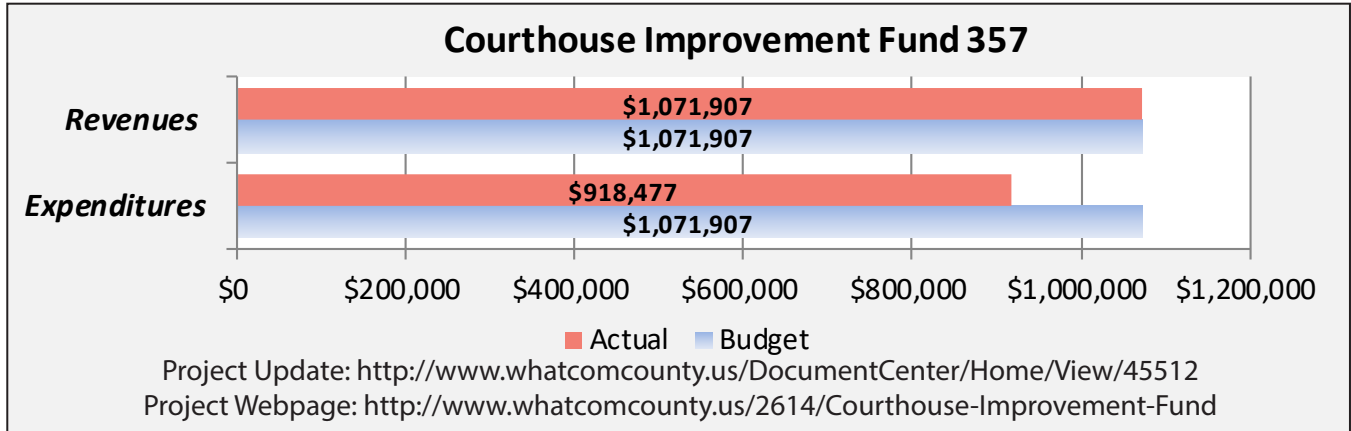


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

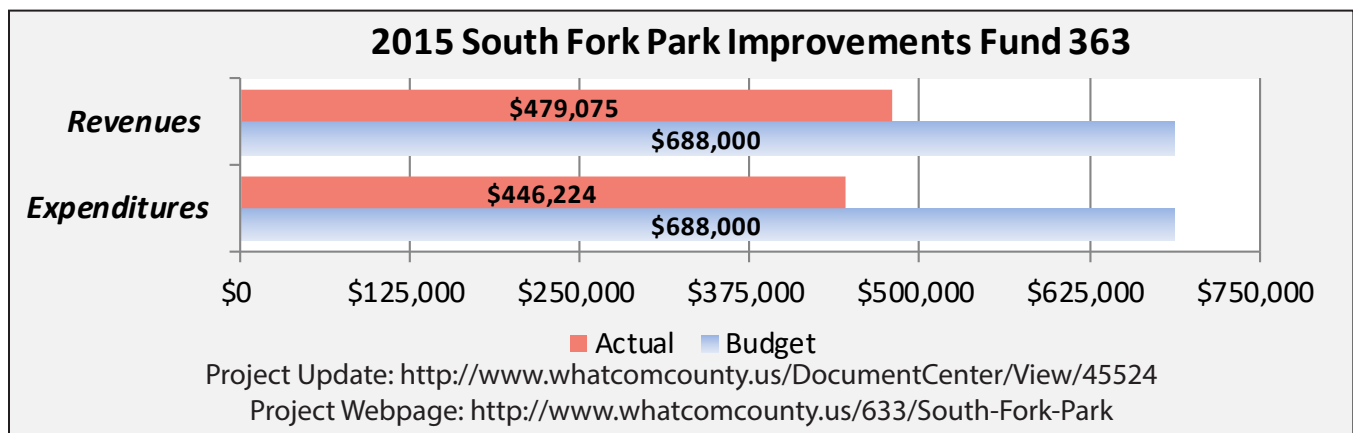
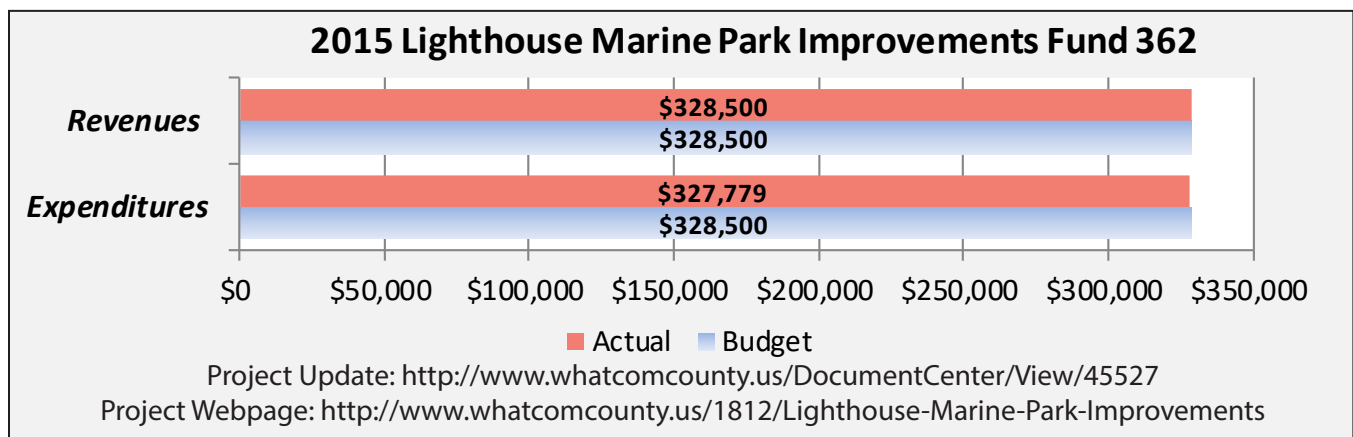
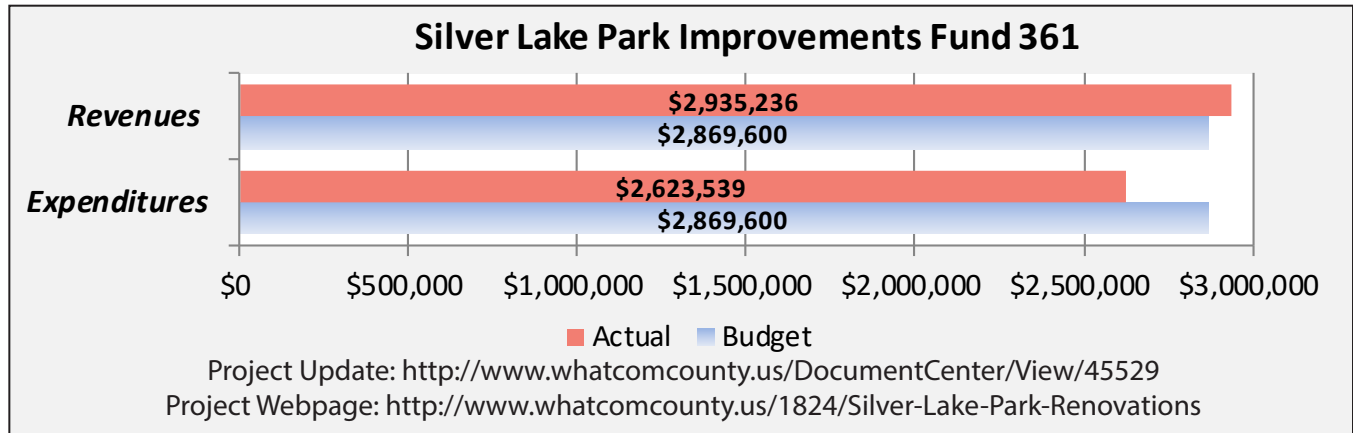


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

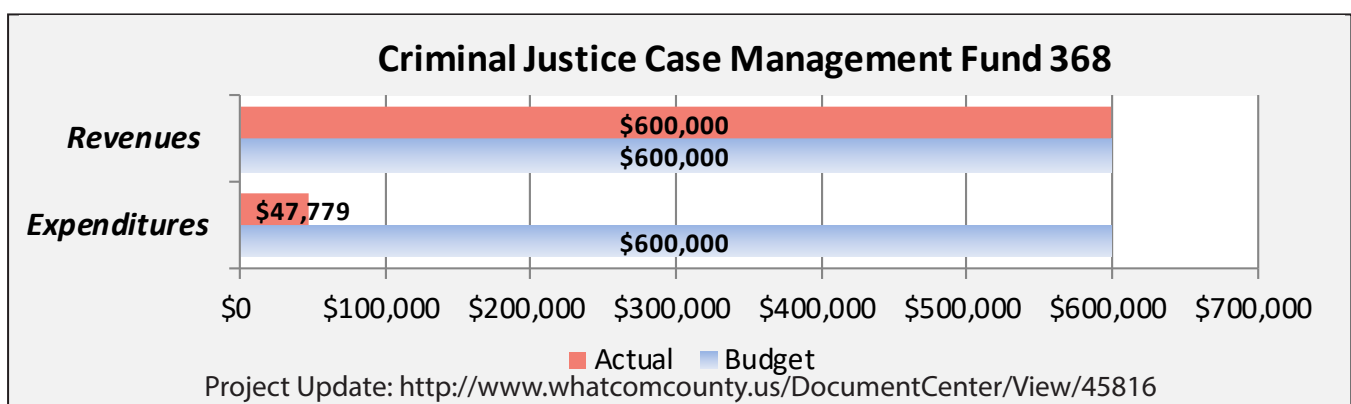
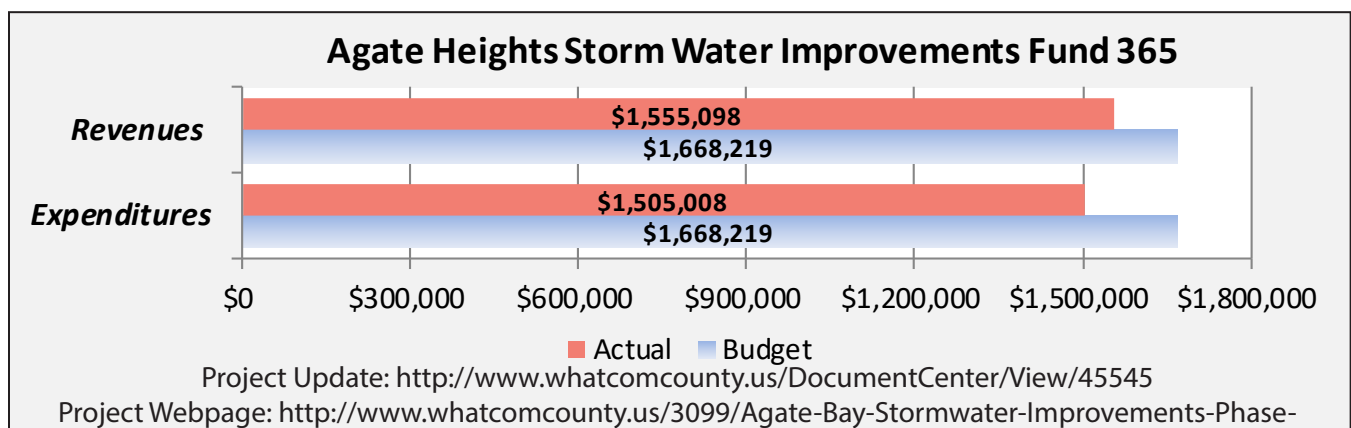
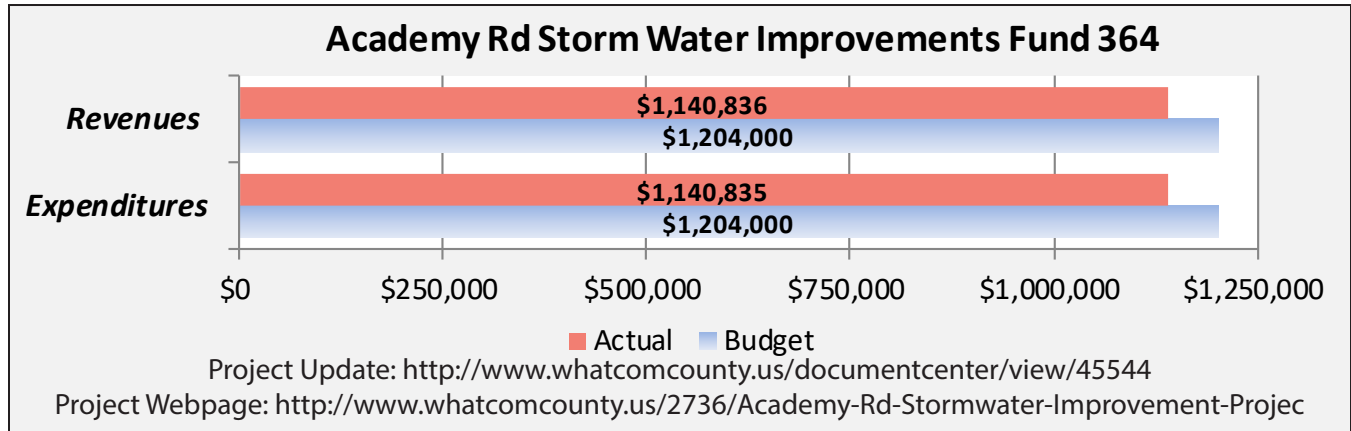


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

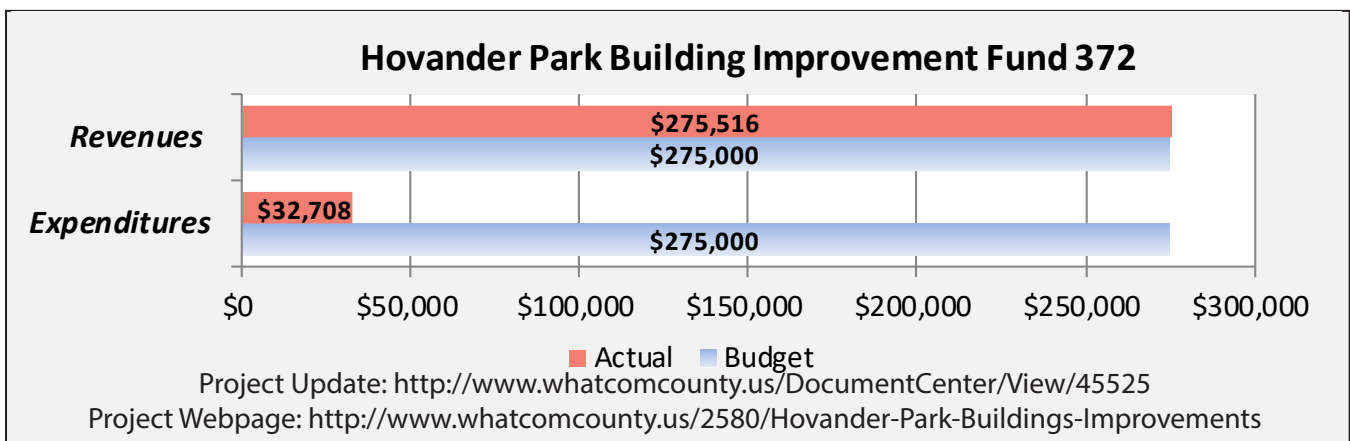
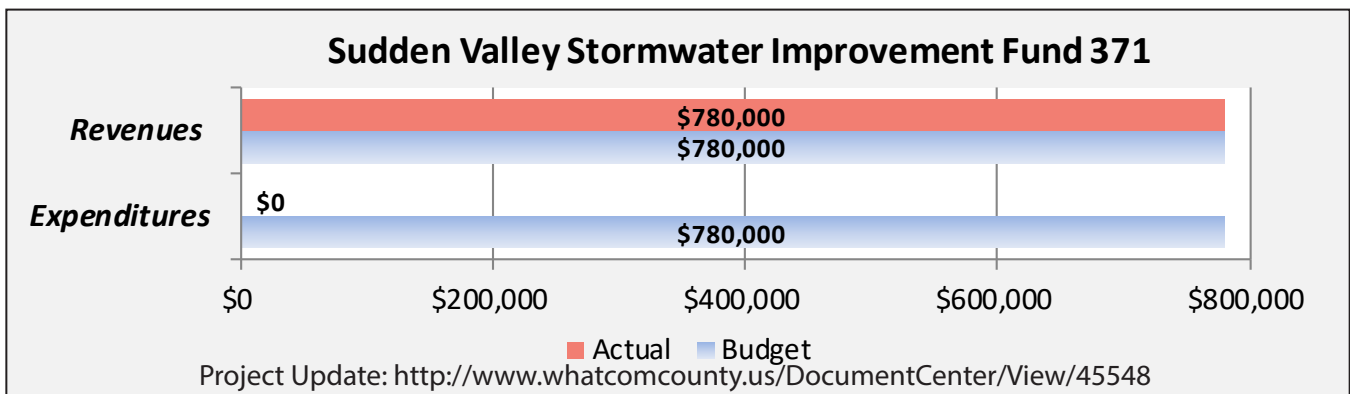
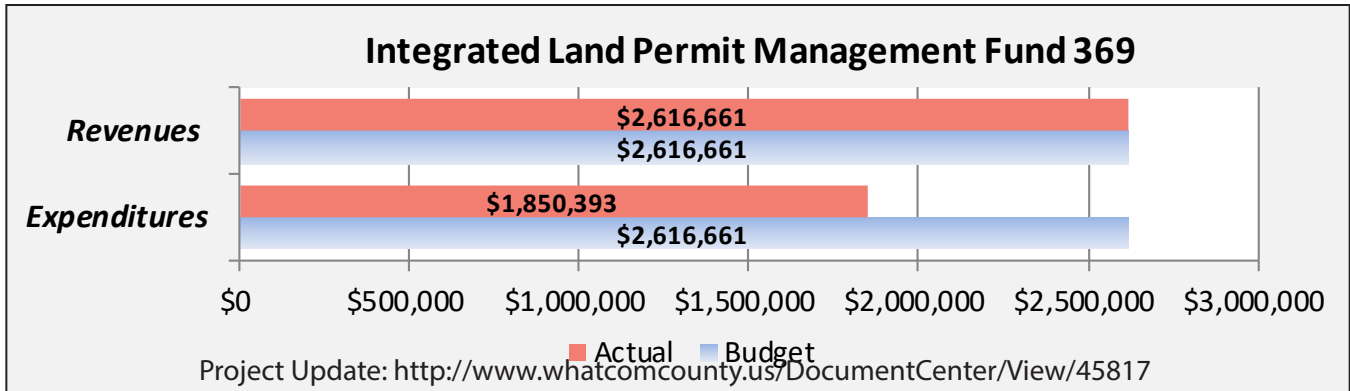


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

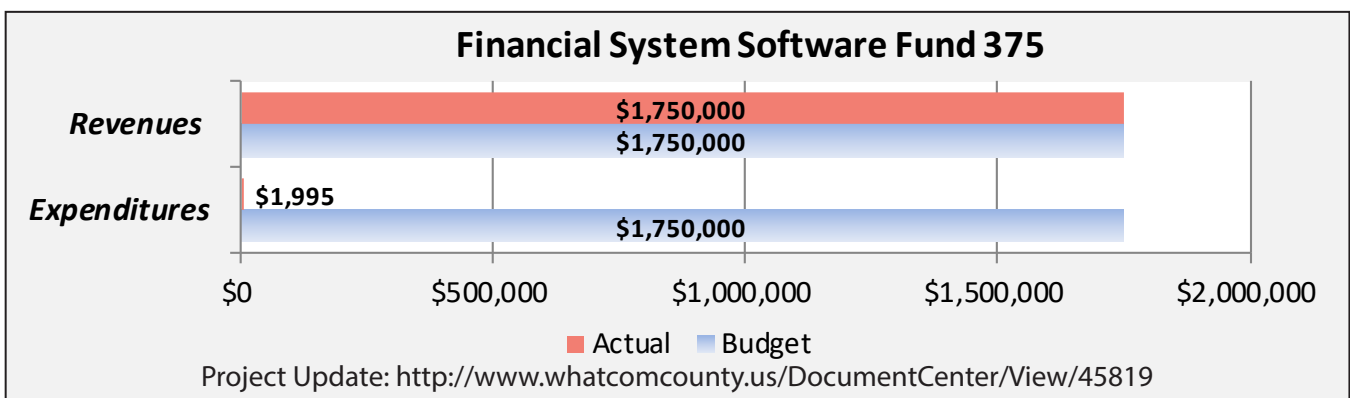
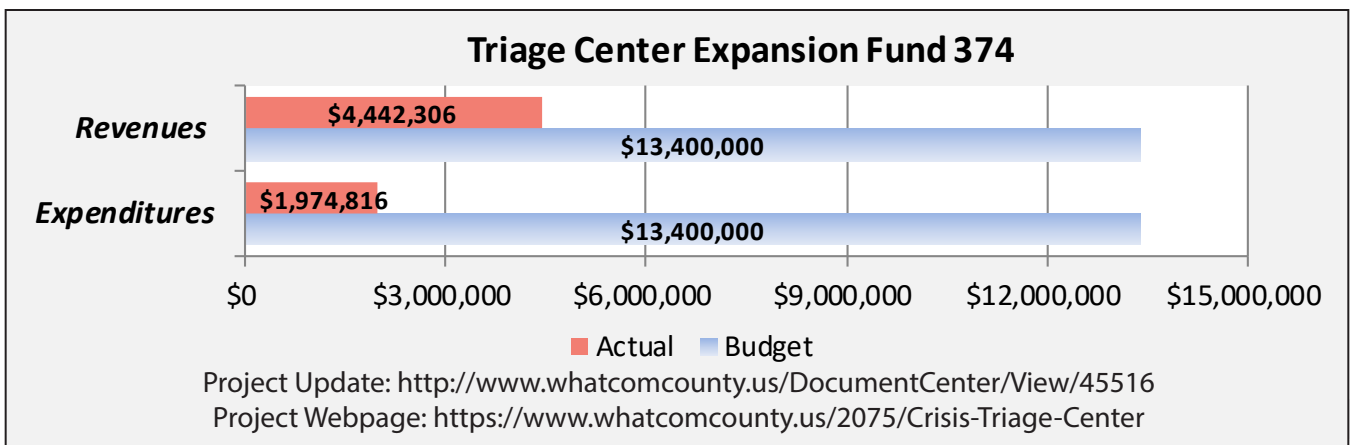
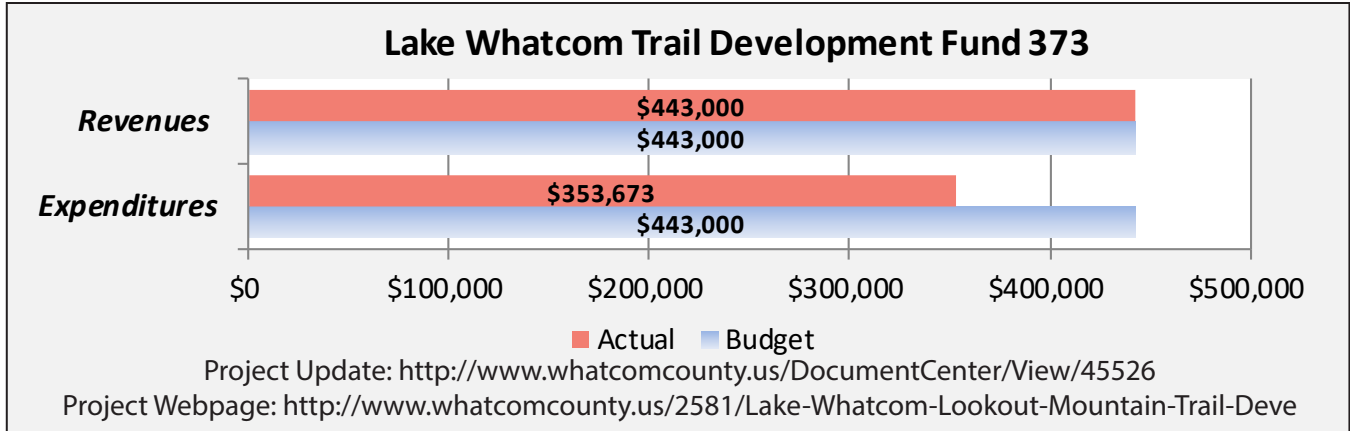


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

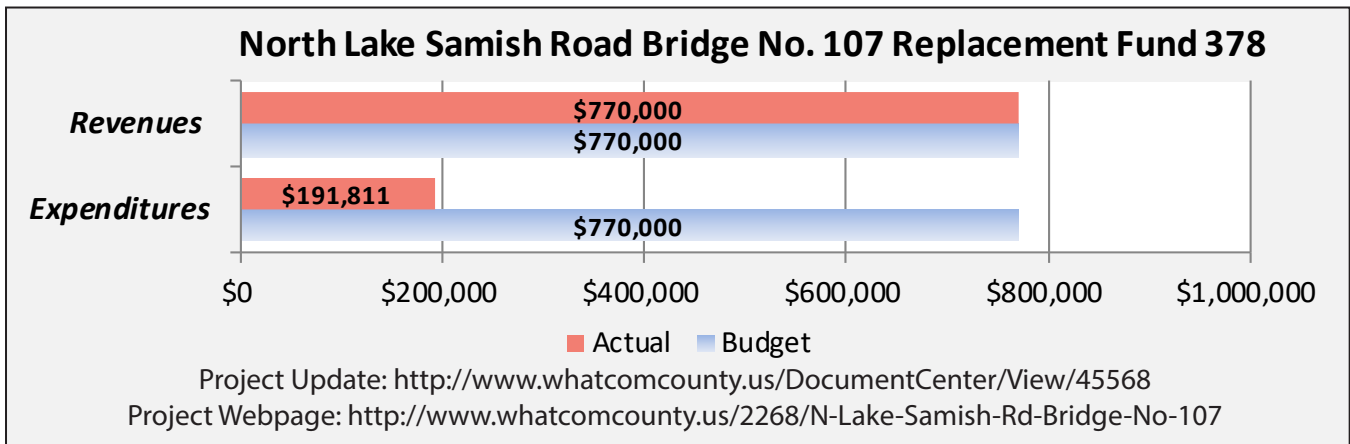
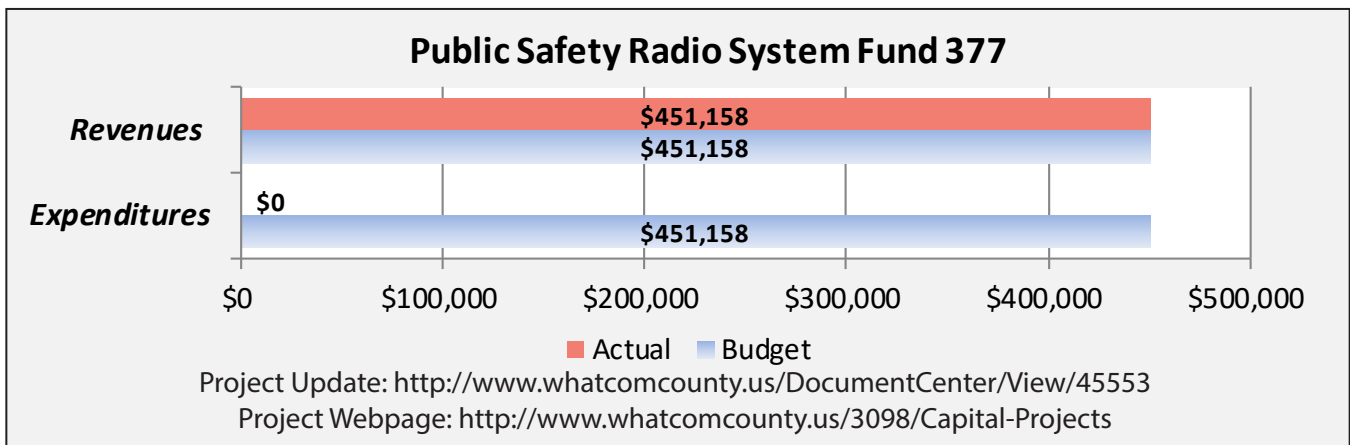
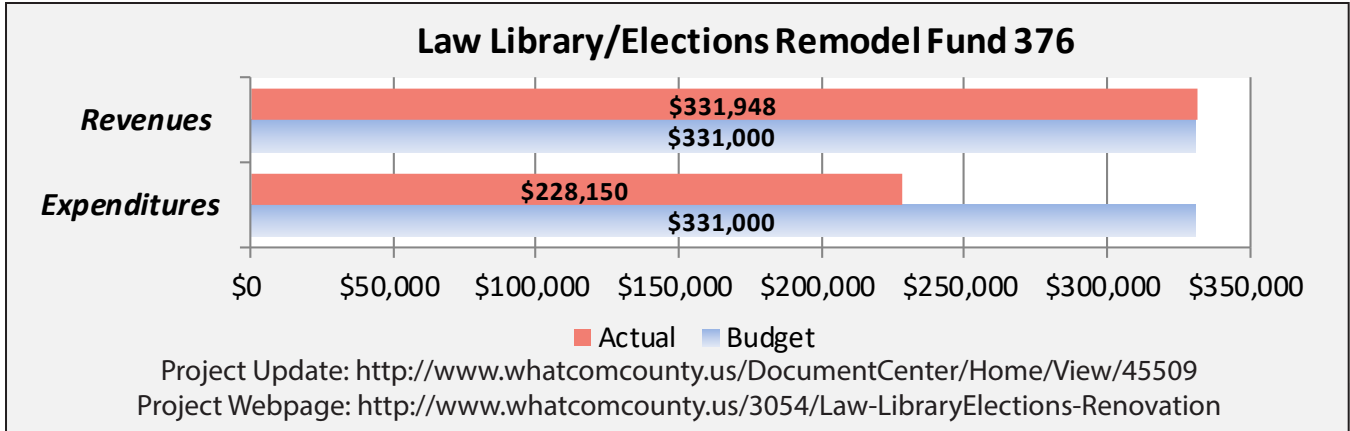


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

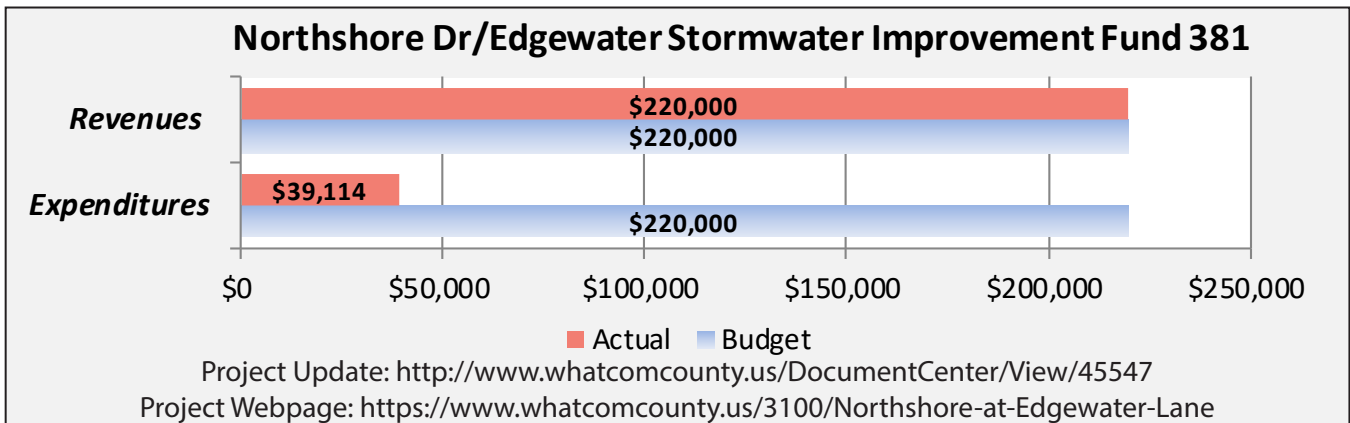
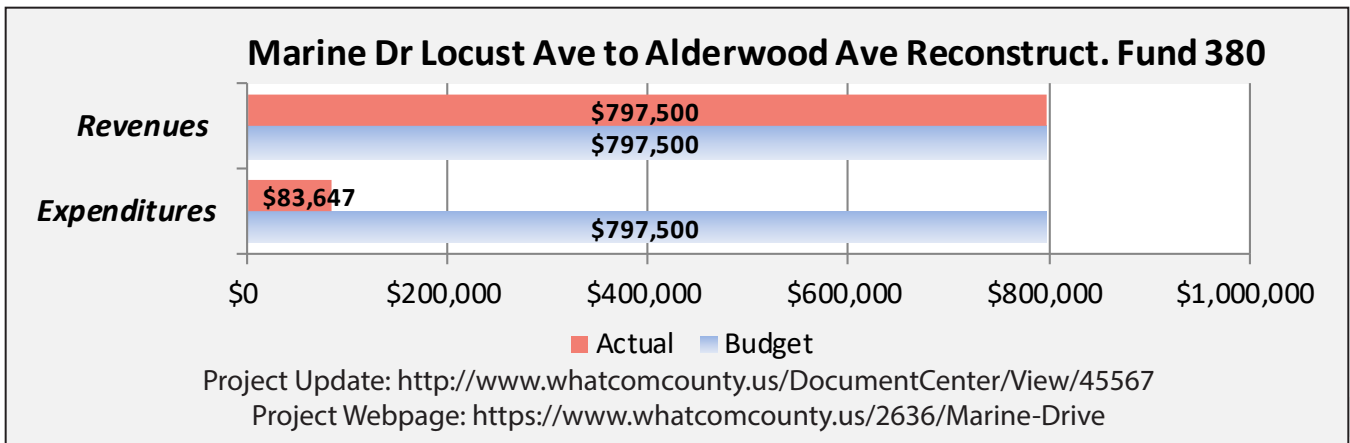
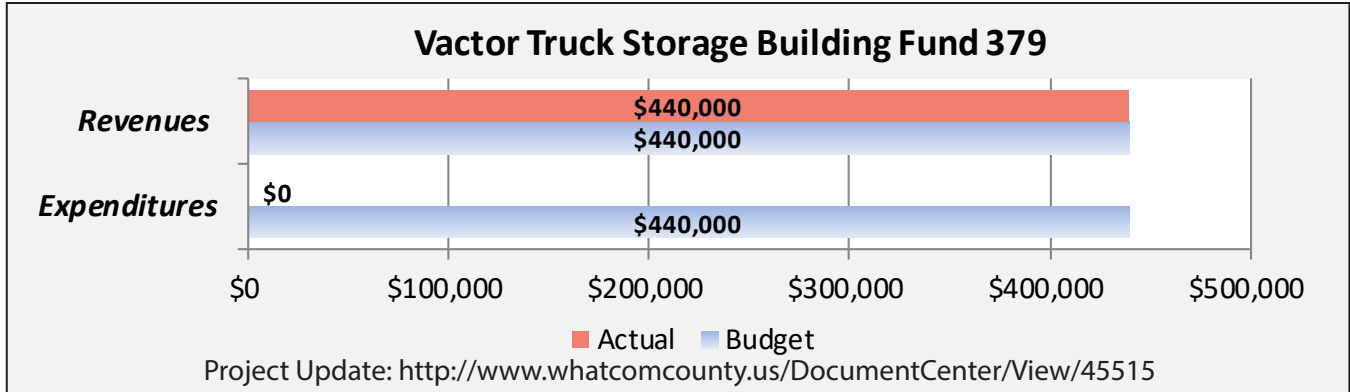


# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued



# Whatcom County Fourth Quarter 2019 Financial Report

For the Quarter Ended December 31, 2019



## Project Budget Funds, continued

