



Fourth Quarter 2021 Financial Report

Satpal Singh Sidhu, County Executive

Compiled and Presented by the
Administrative Services Department
Finance Division

Brad Bennett, Finance Manager

March 14, 2022

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Executive Summary

The following information presents Whatcom County's year-end 2021 financial report. At the end of the fourth quarter the General Fund had collected 95.7% of its budgeted revenues. Whatcom County's General Fund spent 88.4% of its budgeted expenditures.

Revenues are up \$11.8 million over 2020 due to the rebound of the economy in areas such as sales taxes, restaurant licensing, park rentals, and building industry related revenues. The County has also received large influxes of federal grant revenues to continue the fight against COVID and its impacts. Expenditures are up \$6.8 million also as a result of COVID-related spending in the Health Department.

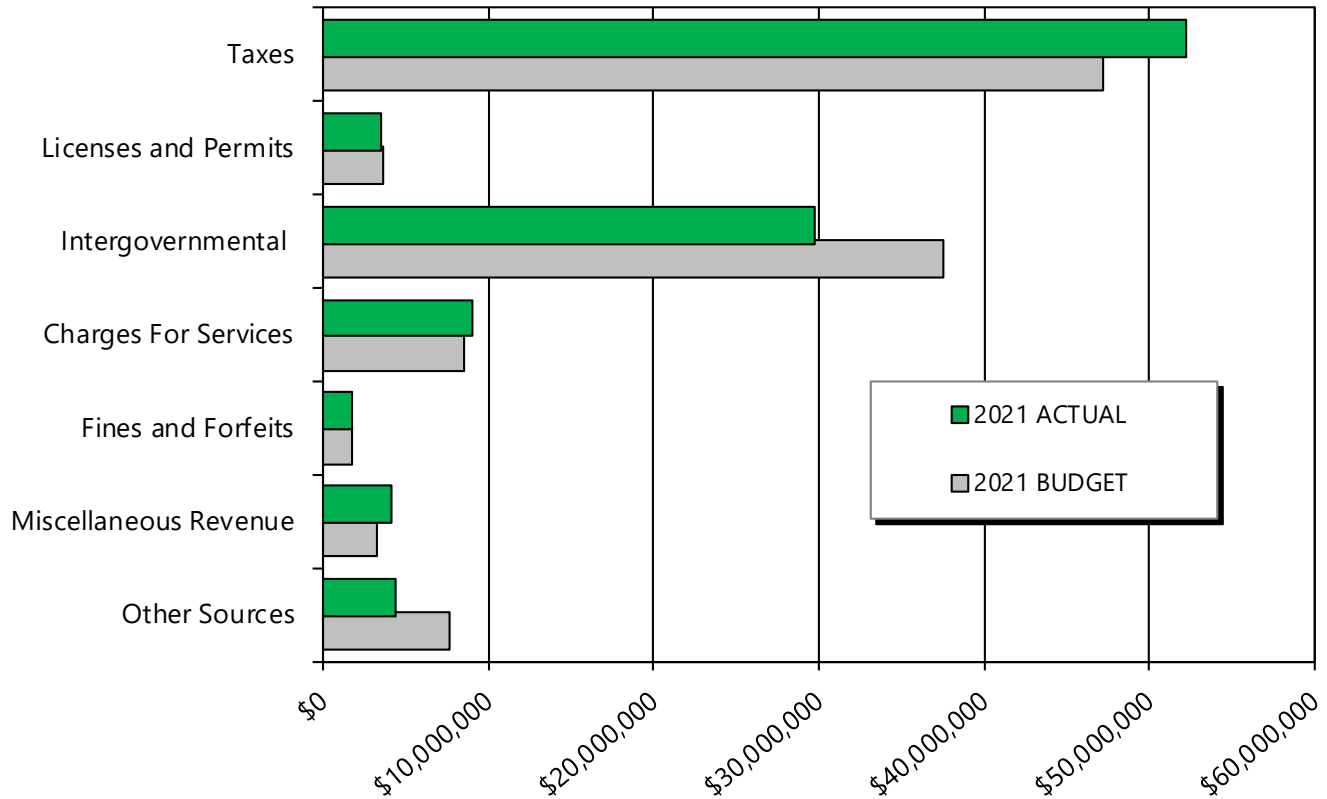
The current estimated 2021 General Fund ending fund balance is projected to be approximately \$24.4 million.

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Revenue - Budget vs. Actual



	2021 Budget Adopted	2021 Budget Supp'ls	2021 Budget Amended	Actual as of 12/31/2021	% Collected To Date
Taxes	47,185,004	0	47,185,004	52,261,152	110.76%
Licenses and Permits	3,674,117	0	3,674,117	3,558,605	96.86%
Intergovernmental	18,319,404	19,172,017	37,491,421	29,716,934	79.26%
Charges For Services	8,463,790	17,369	8,481,159	9,010,296	106.24%
Fines and Forfeits	1,788,300	0	1,788,300	1,808,226	101.11%
Miscellaneous Revenue	3,296,230	15,140	3,311,370	4,104,616	123.96%
Other Sources	5,585,629	2,077,291	7,662,920	4,446,420	58.03%
Total Revenue	88,312,474	21,281,817	109,594,291	104,906,249	95.72%

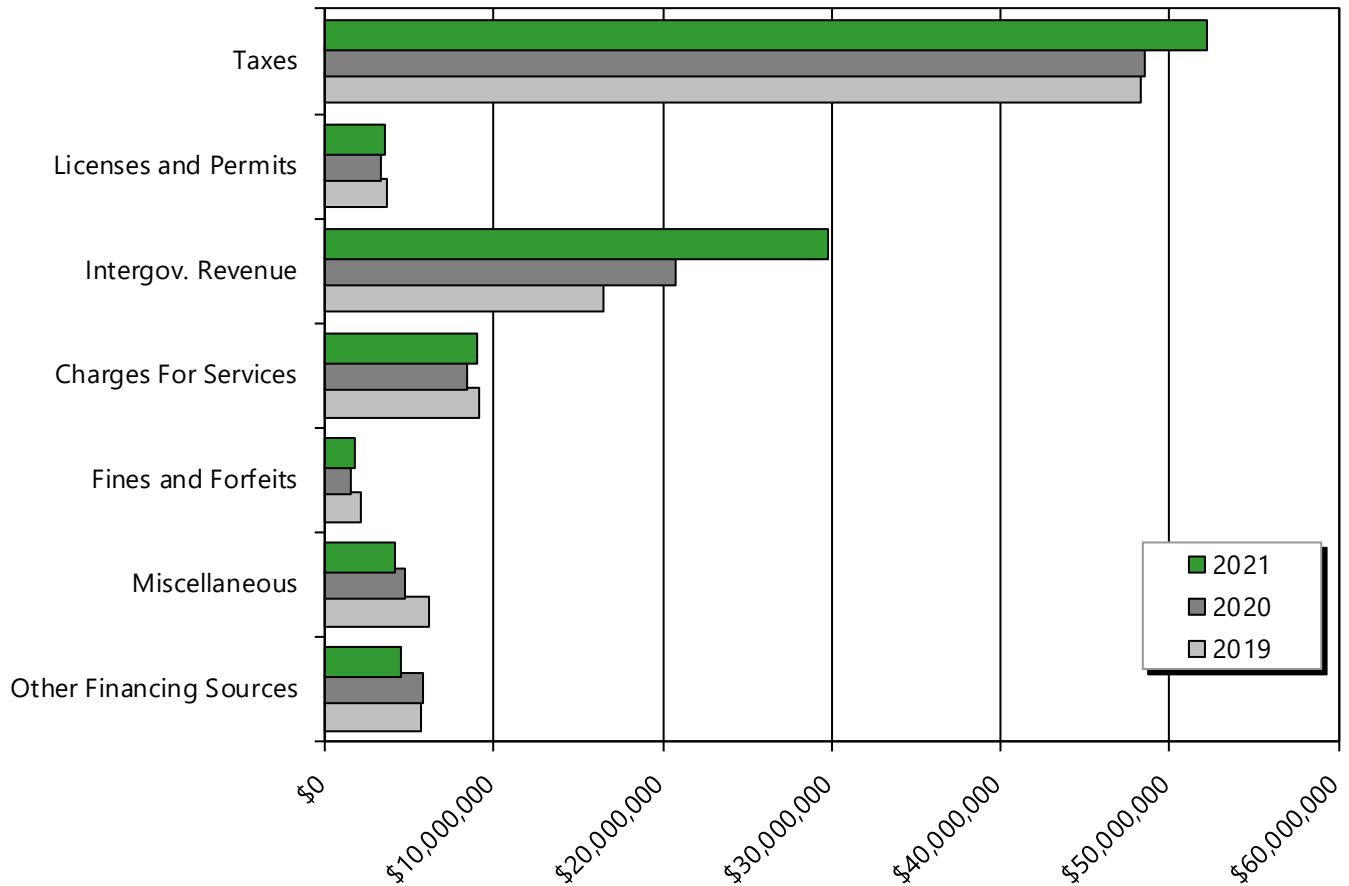
See pages 4 and 5 for General Fund Revenue Notes.

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Revenue to Date - Compared to Prior Years



	2019	2020	2021
Taxes	48,342,880	48,592,510	52,261,152
Licenses and Permits	3,700,358	3,248,717	3,558,605
Intergov. Revenue	16,530,578	20,733,148	29,716,934
Charges For Services	9,169,836	8,437,120	9,010,296
Fines and Forfeits	2,091,384	1,535,600	1,808,226
Miscellaneous	6,161,244	4,768,844	4,104,616
Other Financing Sources	5,623,652	5,791,763	4,446,420
Total Revenue	91,619,932	93,107,702	104,906,249

See pages 4 and 5 for General Fund Revenue Notes.

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Revenue Notes

Taxes

Property tax and retail sales tax make up 99.3% of Whatcom County's tax revenue budget.

Property tax revenues are \$404,757 more than 2020 amounts. Property tax collections vary from year to year based on new construction added to the tax rolls and how much is collected from prior year delinquent payments. There have been no property tax rate increases. Current year sales tax collections, before year-end accrual adjustments, are up 18.7%, or \$3,366,451, as compared to last year's collections. Prior year sales taxes were affected by the onset of COVID during March 2020. Since then, retail sales have rebounded and the County benefits from internet sales delivered directly to unincorporated residents.

Licenses & Permits

Building permits account for 39.2% of "Licenses & Permits" budget. Health Department restaurant, food-handling, on-site septic, and other miscellaneous health-related licenses and permits make up 38.0% of the budget. Cable franchise fee revenues are 19.5% and marriage licenses, firearm permits, well permits, and fire control permits account for the remaining 3.3%.

License and Permit Fees are \$309,888, or 9.5%, more than amounts collected through year-end 2020. Year-end franchise fee accruals will add another \$190,000. Restaurant permits are up \$337,114, or 85.2%. In addition, building permits up \$73,438, or 12.3%, and firearm permits up \$36,465, or 42.5%.

Intergovernmental Revenue

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

Revenues collected as of year-end are \$8,983,786 higher, or 43.3%, more than 2020. The majority of that increase, \$6.9 million, is due to the receipt of a COVID-related emergency rental assistance grant which is being passed through on a subaward contract to the Opportunity Council. In addition, the state has distributed \$883,361 to the County to offset costs resulting from law enforcement and criminal justice related legislation, North Sound Accountable Communities of Health has allocated \$600,000 in support of COVID Isolation & Quarantine Unit costs, and the State Department of Health increased our Foundational Public Health Services entitlement by \$552,127.

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), immunizations (Health Department), fees charged to other governments for 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.

Overall, Charges for Services increased \$573,176, or 6.8%, over 2020. Activities that increased significantly are County Clerk filing fees (\$87,381, 25%), planning and development fees (\$322,753, 16%), and Treasurer's real estate excise tax processing fees (\$300,905, 58.7%). Adult probation fees are currently down \$131,087 (10.2%) with some fourth quarter revenues still outstanding. Rifle range fees decreased \$42,077 as HVAC and roofing work continue on the facility.

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



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 have increased \$272,626, or 17.75%, over 2020 amounts. This is due to increased amounts of property tax penalties collected (\$300,149). Traffic infraction revenues decreased \$43,000.

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 overall are down \$664,228, 16.2%, under 2020 amounts. Investment earnings are down \$901,174, or 35.9%, due to very low interest rates; however, collections of interest on delinquent property taxes are up \$311,128 (30.1%). Rental income, which includes Parks' cabin, campsite, and recreational equipment, is also up \$357,465 (65.7%). Unrealized gains/losses, which last year were \$295,714, are yet to be recorded in the year-end adjustments.

Other Financing Sources

The "Other Financing Sources" revenue budget is composed of state timber revenues, transfers from other Whatcom County funds, proceeds from sales of fixed assets, and insurance recoveries.

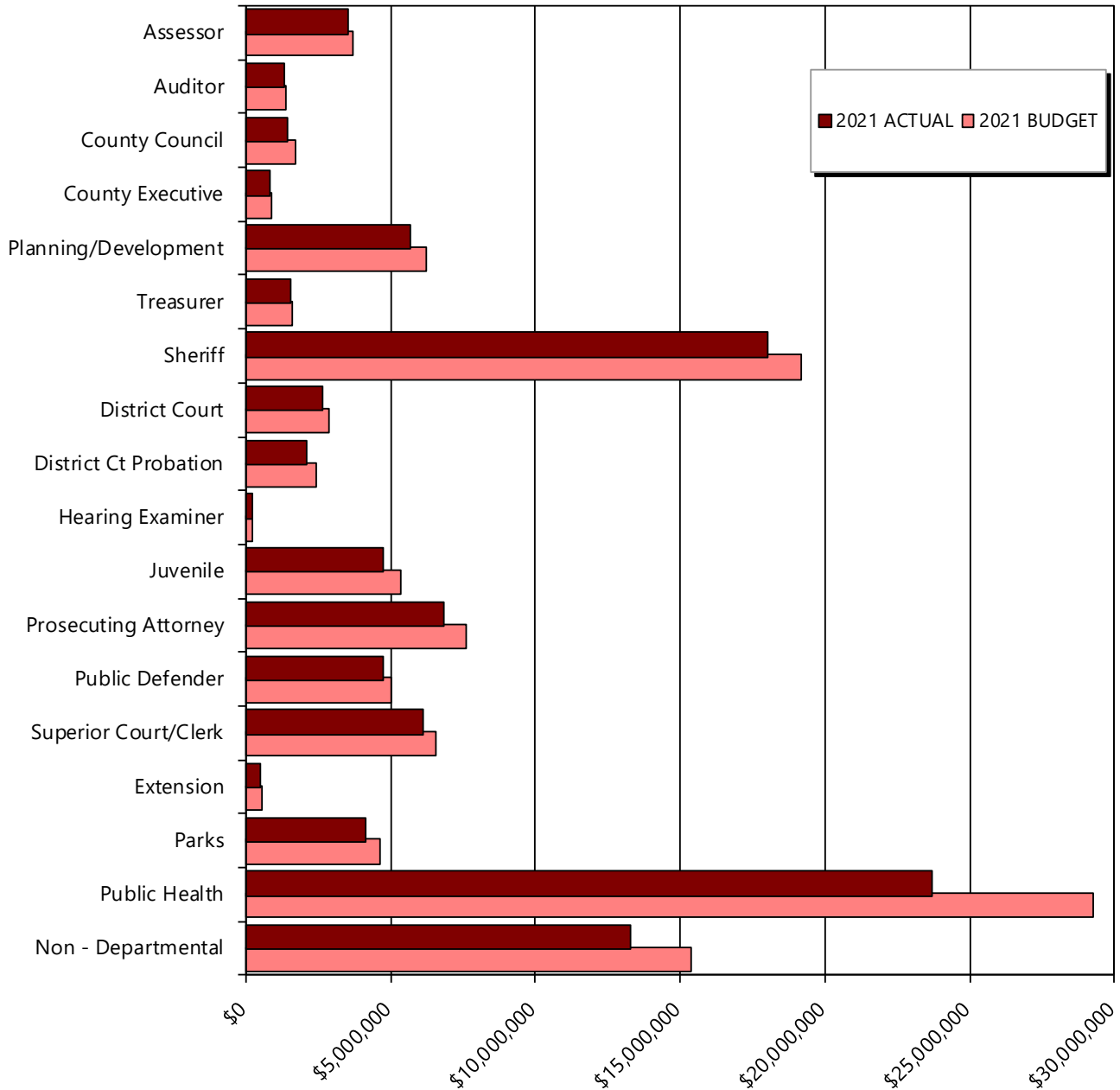
The Other Financing Sources category is down \$1,345,343. State timber sale receipts are down \$140,350. Timber revenues fluctuate significantly year to year. Operating transfers are down \$1,237,386; significant year-end adjustments are still to be recorded. A prior period adjustment of \$449,471 is included in 2020 amounts and the sale of a surplus county building for \$496,962 is included in current year amounts.

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Expenditures - Budget vs. Actual



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

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Expenditures - Budget vs. Actual

	Adopted 2021 Budget	Budget Supplementals	Amended Budget	Actual as of 12/31/21	% Expended To Date
Assessor	3,498,852	173,679	3,672,531	3,512,520	95.64%
Auditor	1,326,551	38,653	1,365,204	1,309,872	95.95%
County Council	1,553,420	148,181	1,701,601	1,458,705	85.73%
County Executive	865,581	3,635	869,216	831,310	95.64%
Planning & Development	5,756,829	488,974	6,245,803	5,655,564	90.55%
Treasurer	1,621,639	7,261	1,628,900	1,520,115	93.32%
Sheriff	18,231,845	931,315	19,163,160	17,995,213	93.91%
District Court	2,769,676	98,665	2,868,341	2,665,891	92.94%
District Court Probation	2,362,655	41,459	2,404,114	2,076,511	86.37%
Hearing Examiner	217,611	715	218,326	205,344	94.05%
Juvenile	5,298,266	30,262	5,328,528	4,752,256	89.19%
Prosecuting Attorney	7,466,953	143,614	7,610,567	6,856,271	90.09%
Public Defender	4,686,431	332,521	5,018,952	4,734,428	94.33%
Superior Court/Clerk	6,184,194	372,577	6,556,771	6,095,718	92.97%
Extension	559,874	14,310	574,184	496,059	86.39%
Park	4,523,557	117,985	4,641,542	4,128,130	88.94%
Public Health	15,563,026	13,720,342	29,283,368	23,683,218	80.88%
Non - Departmental	11,906,852	3,459,006	15,365,858	13,275,772	86.40%
Total General Fund Exp	94,393,812	20,123,154	114,516,966	101,252,897	88.42%

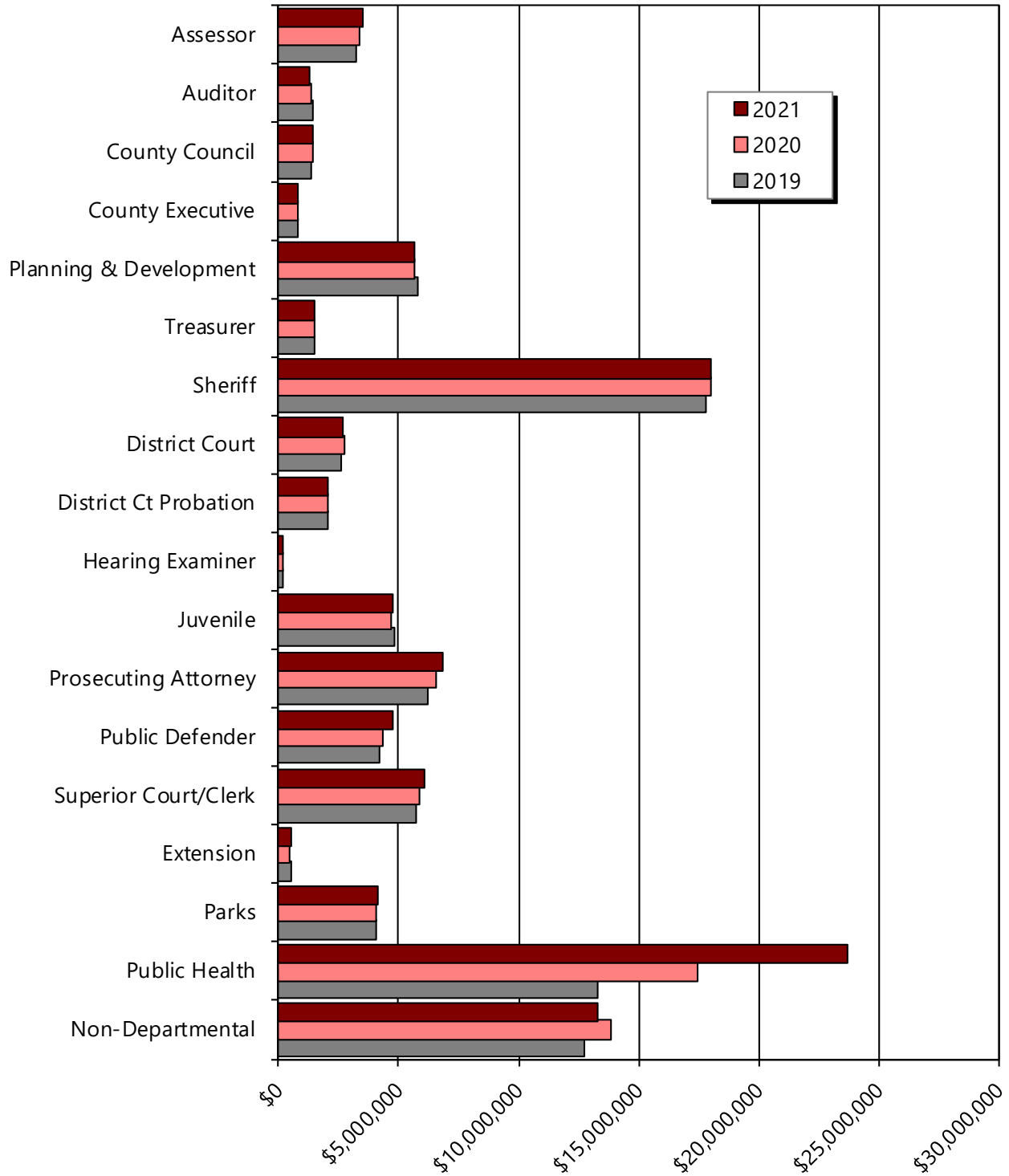
See page 9 for General Fund Expenditure Notes.

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Expenditures - Compared to Prior Years



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

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Expenditures - Compared to Prior Years

	2019	2020	2021
Assessor	3,203,574	3,388,513	3,512,520
Auditor	1,400,180	1,367,248	1,309,872
County Council	1,353,371	1,428,780	1,458,705
County Executive	779,007	807,495	831,310
Planning & Development	5,795,086	5,650,629	5,655,564
Treasurer	1,514,328	1,481,416	1,520,115
Sheriff	17,825,287	18,001,501	17,995,213
District Court	2,616,019	2,729,047	2,665,891
District Ct Probation	2,020,830	2,077,964	2,076,511
Hearing Examiner	202,502	213,474	205,344
Juvenile	4,822,061	4,720,166	4,752,256
Prosecuting Attorney	6,203,419	6,581,330	6,856,271
Public Defender	4,226,819	4,365,956	4,734,428
Superior Court /Clerk	5,731,654	5,855,045	6,095,718
Extension	507,772	480,294	496,059
Parks	4,068,073	4,036,083	4,128,130
Public Health	13,322,408	17,442,358	23,683,218
Non-Departmental	12,724,713	13,845,213	13,275,772
TOTAL	88,317,103	94,472,512	101,252,897

General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of the year were 88.4% of the approved budget. Departmental spending is lower than budget expectations. The General Fund is expected to lapse about \$12 million after year-end adjustments. \$1.6 million of that will be carried forward as continuing appropriations (amounts already under contract) into 2022. The Health Department is only 80.88% spent due to large budgets for COVID-related grants. Approximately \$4,150,000 of COVID-related emergency rental assistance, and epidemiology and lab capacity grants will be re-budgeted in 2022. Approximately \$1.7 million of mass vaccination clinic funding, which was budgeted, will not be needed. In addition, \$1 million of budget was added to reinstate positions "frozen" due to initial pandemic economic conditions and to hire new positions due to court backlogs caused by COVID-19; however, most departments were not able to complete the hiring process in time to use most of the budget provided.

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



General Fund Conclusion

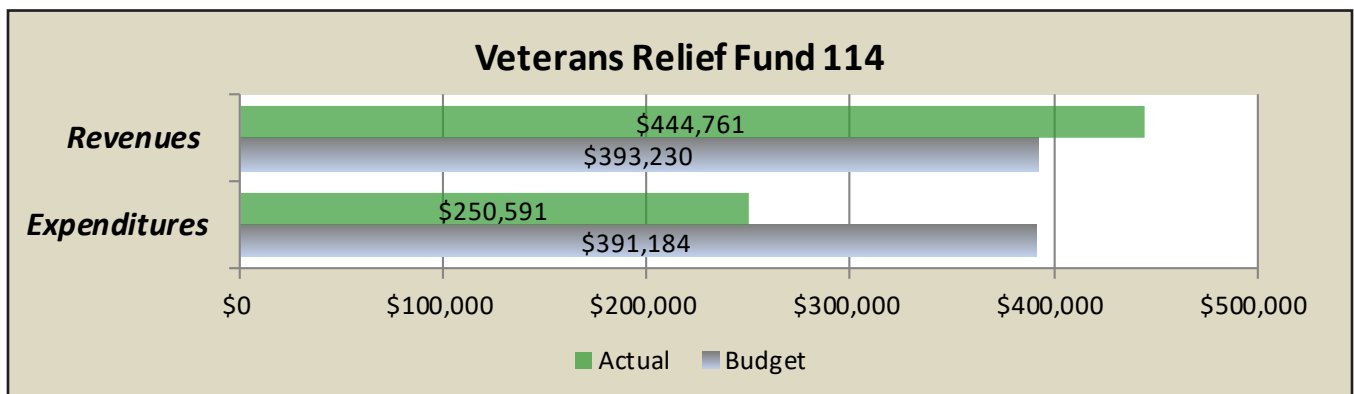
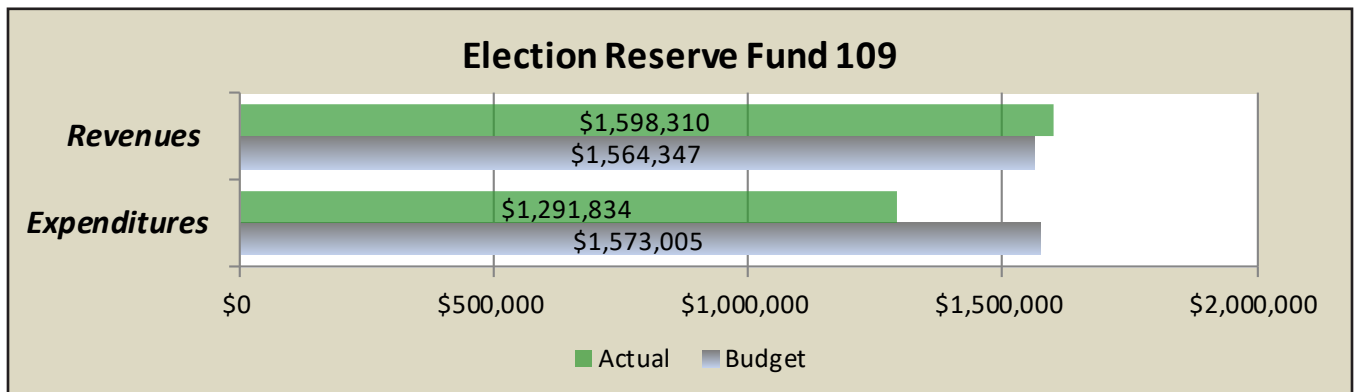
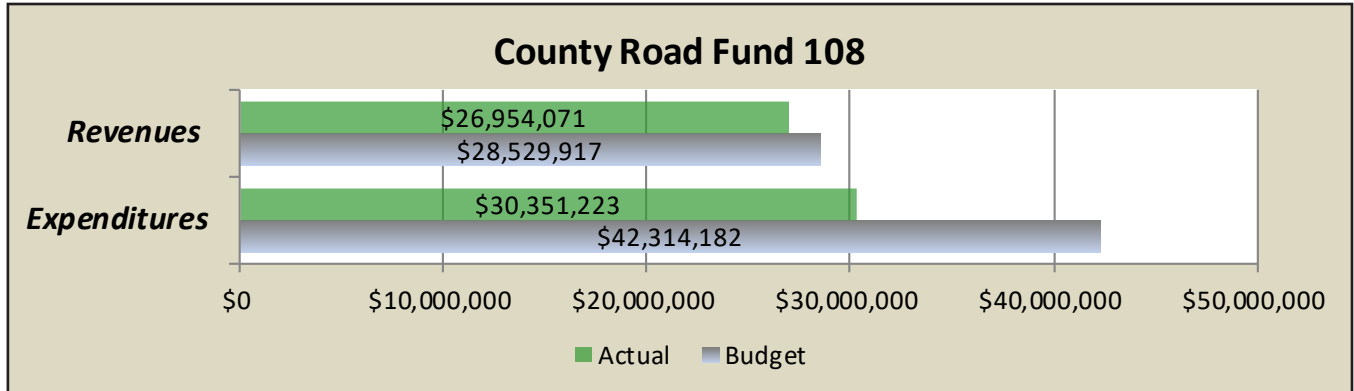
	Projected
Beginning Fund Balance 1/1/21	<u>19,056,796</u>
Revenues	
Budgeted Revenues 2021	88,312,474
Continuing Appropriations from 2020	803,107
Supplemental Budgets 2021	20,478,711
Preliminary Estimated Revenue Decrease	(1,750,000)
Total Revenue	<u>107,844,292</u>
Expenditures	
Budgeted Expenditures 2021	94,393,812
Continuing Appropriations from 2020	1,016,331
Supplemental Budgets 2021	19,106,823
Preliminary Expected Expenditure Lapse	(12,000,000)
Total Expenditures	<u>102,516,966</u>
Expected Surplus (Deficit)	5,327,326
Projected Ending Fund Balance 12/31/21	<u><u>24,384,122</u></u>

Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds

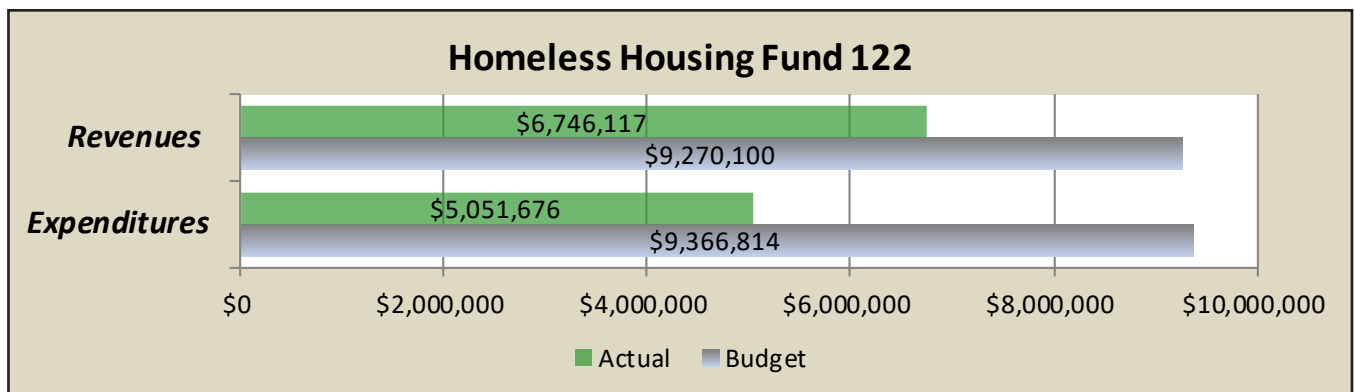
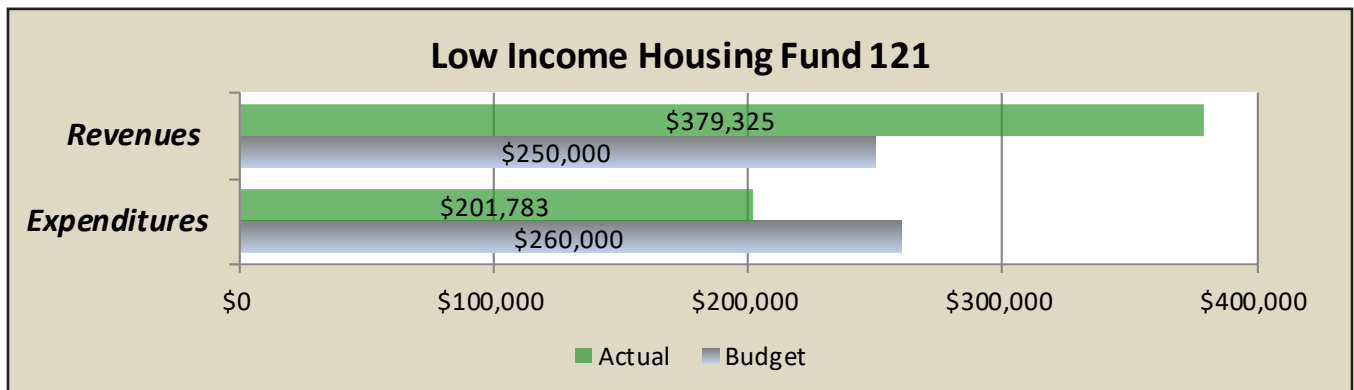
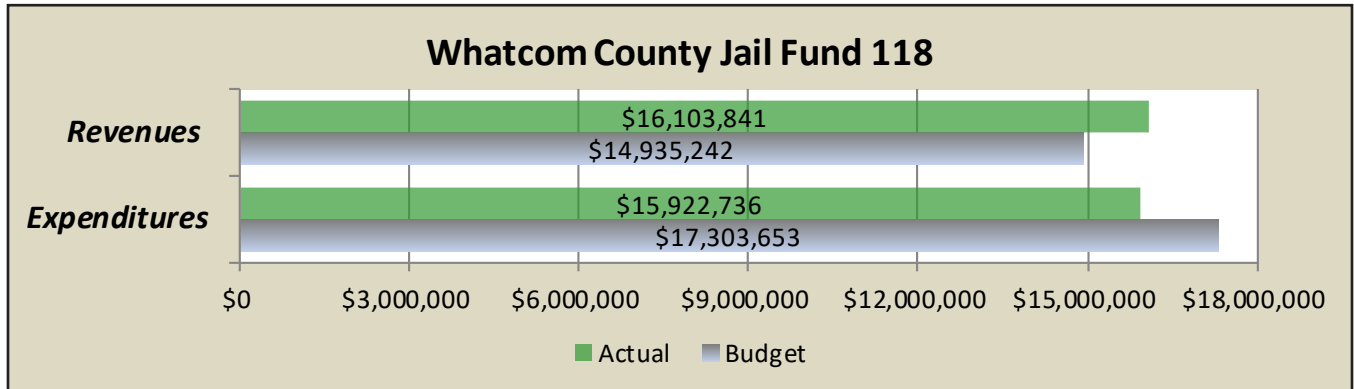


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

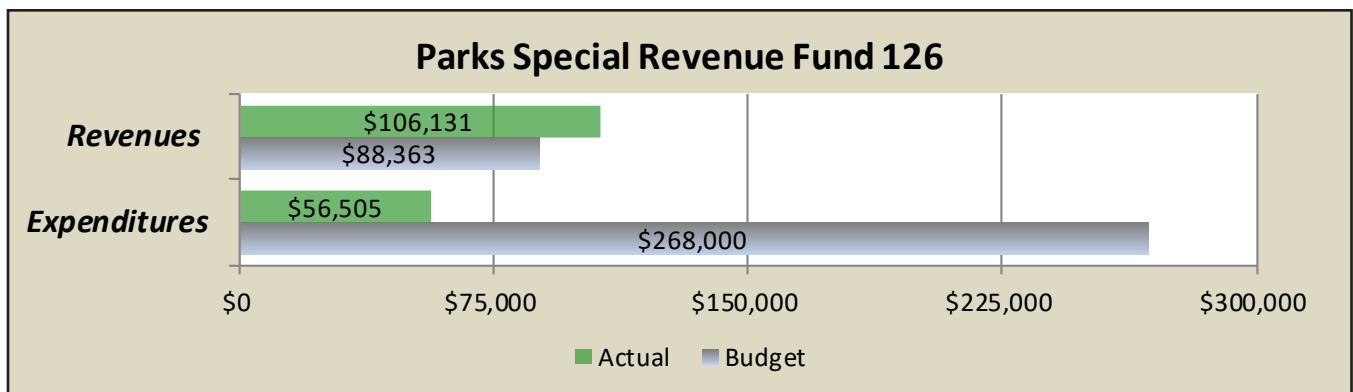
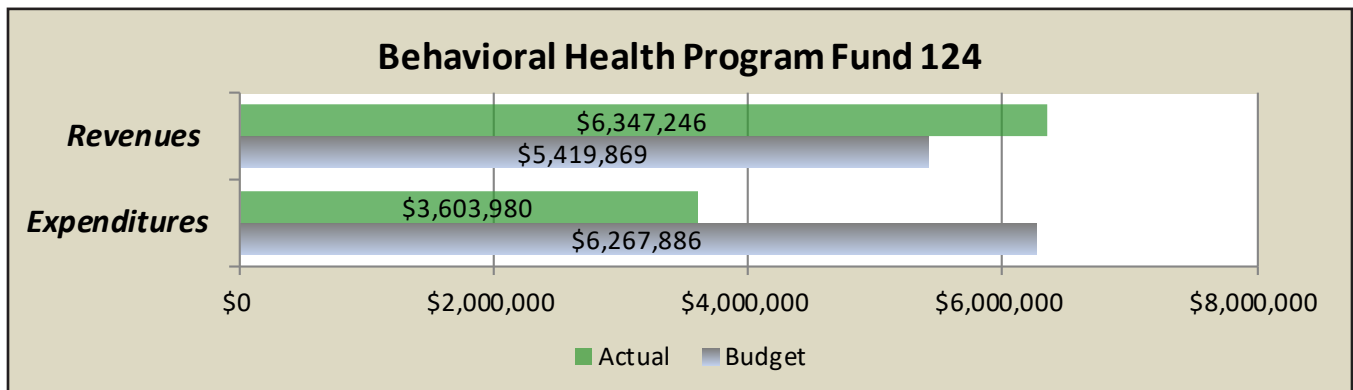
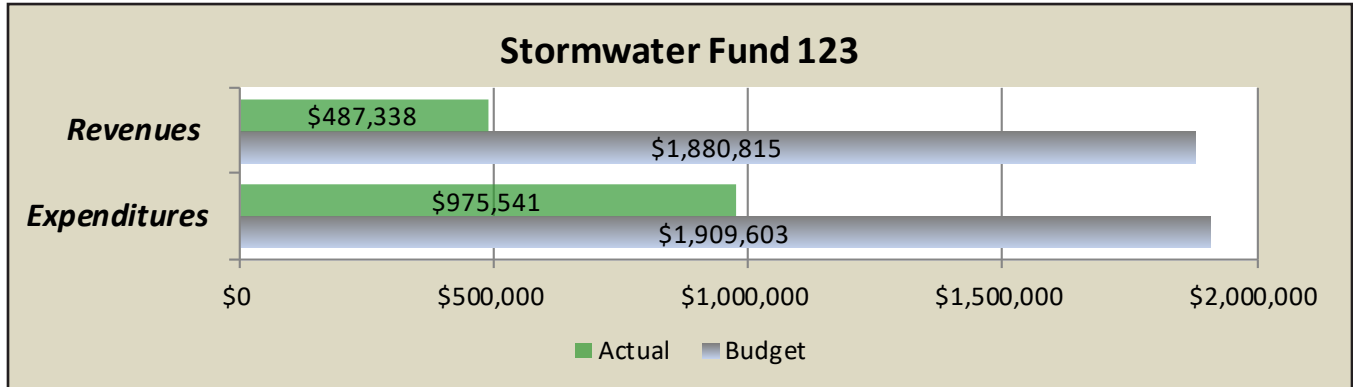


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

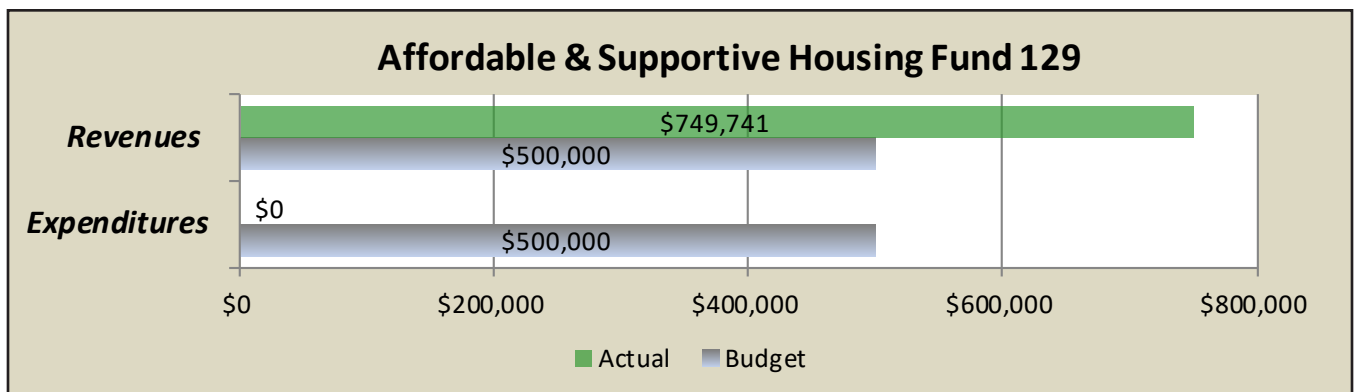
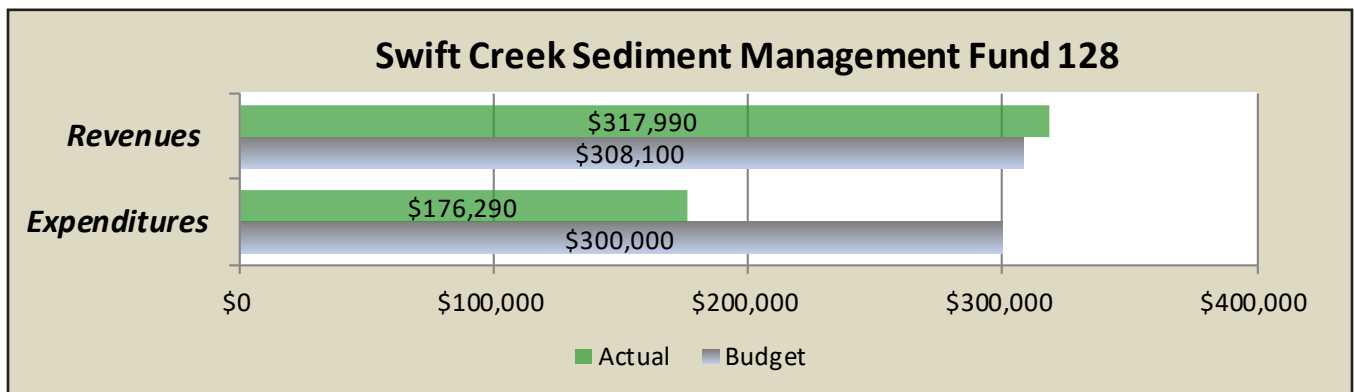
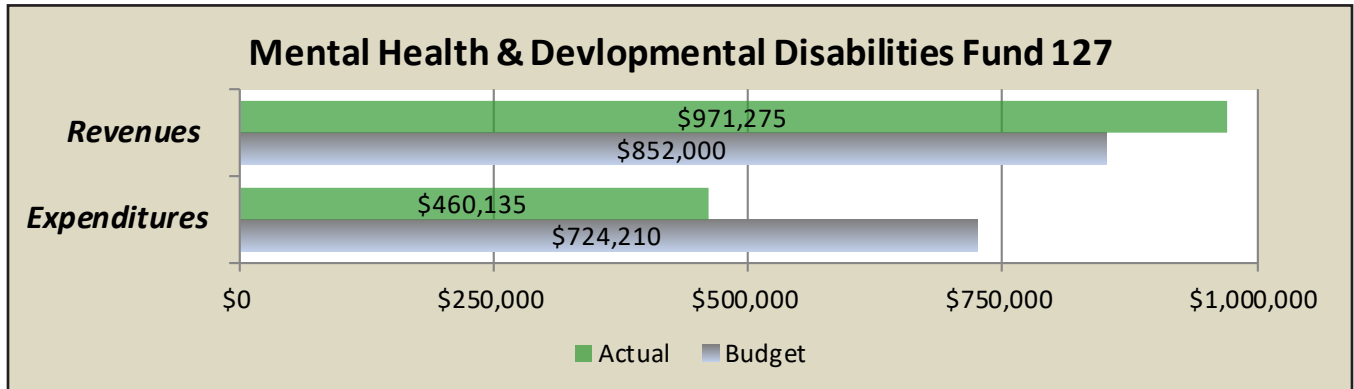


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

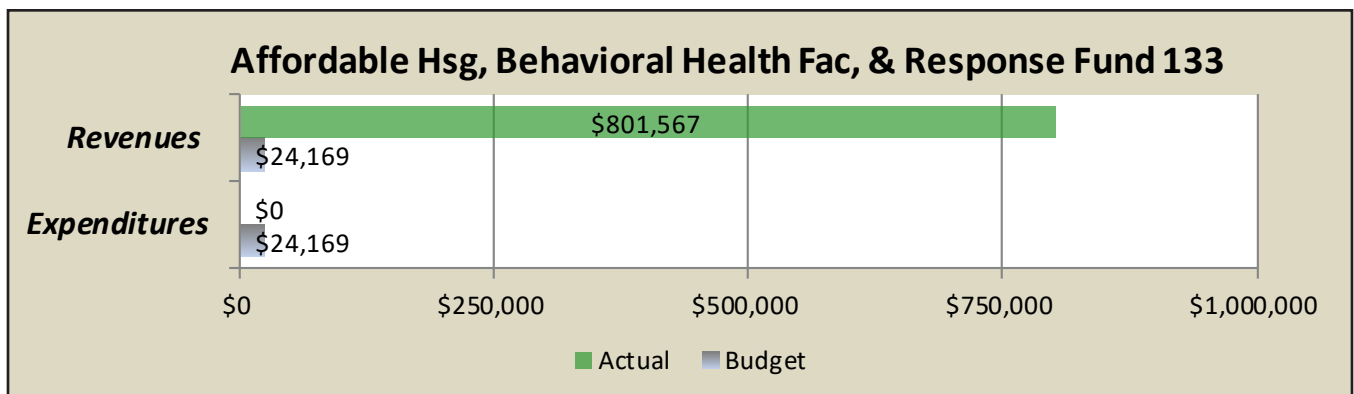
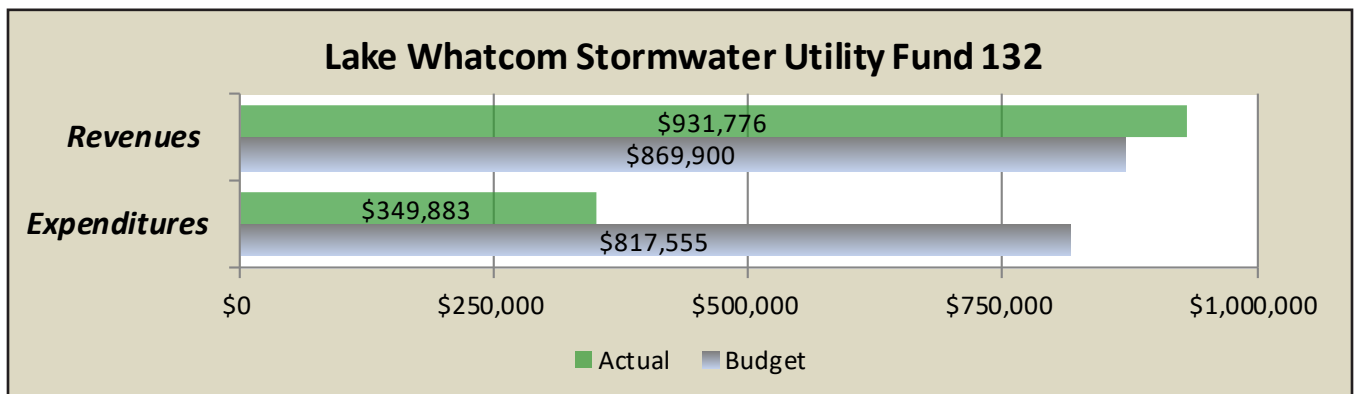
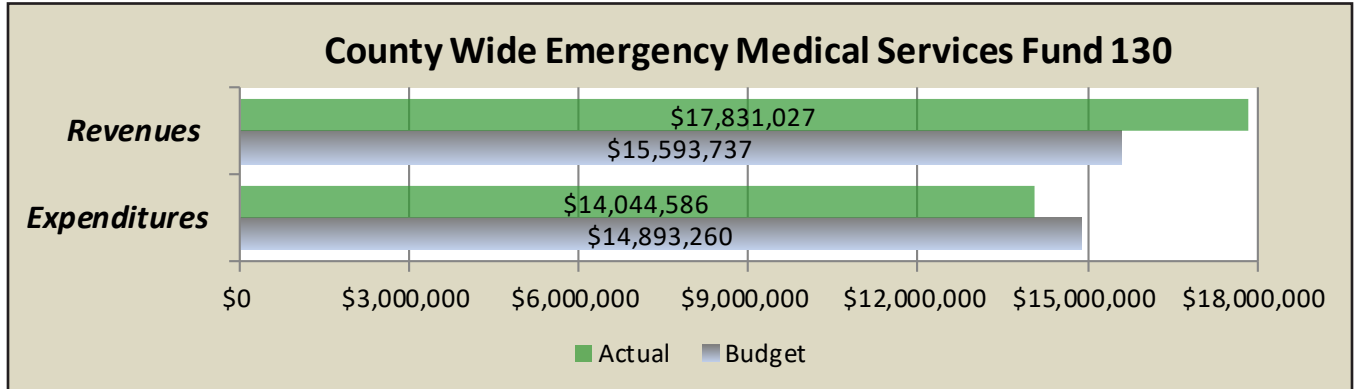


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

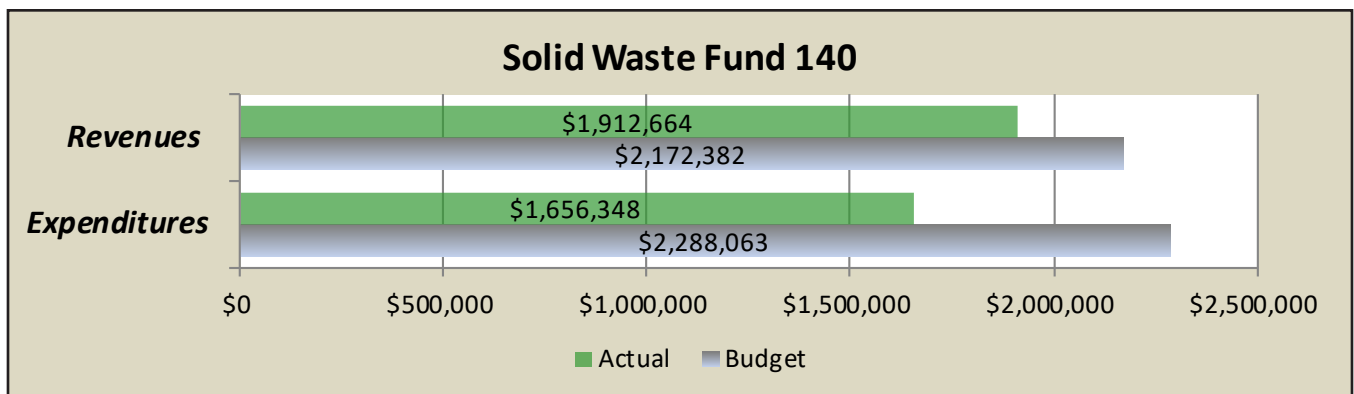
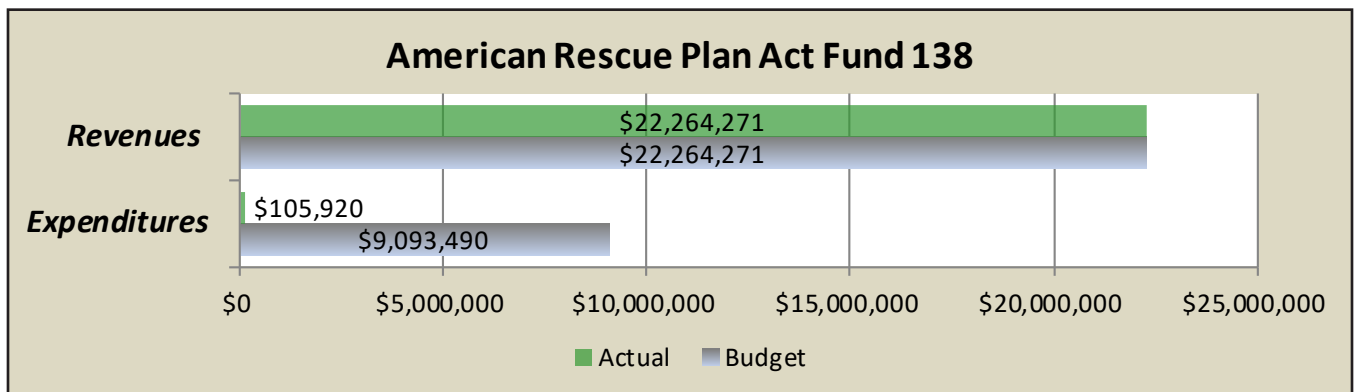
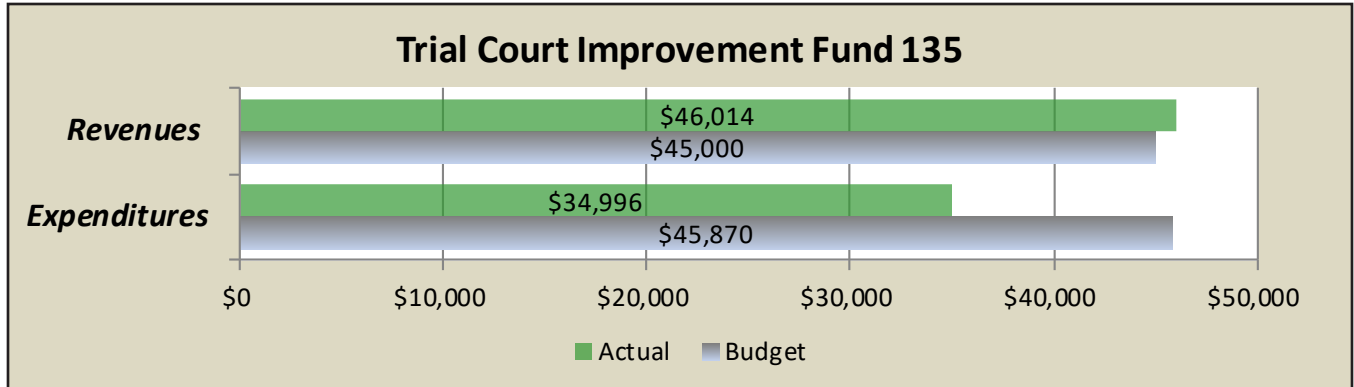


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

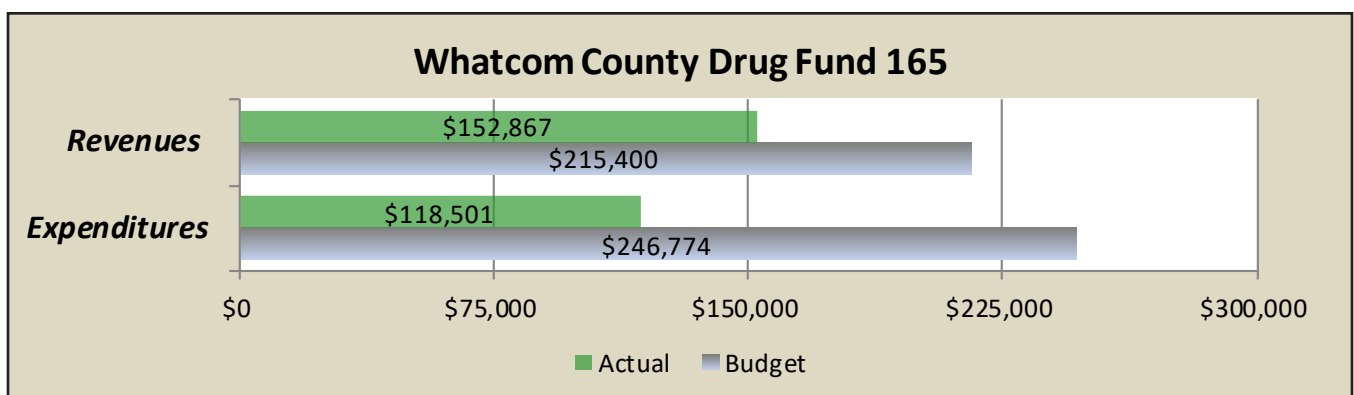
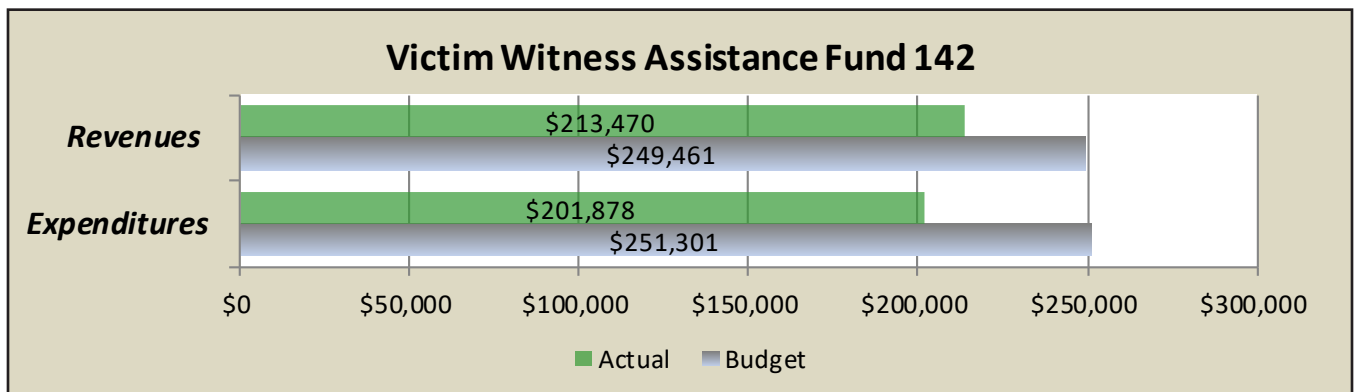
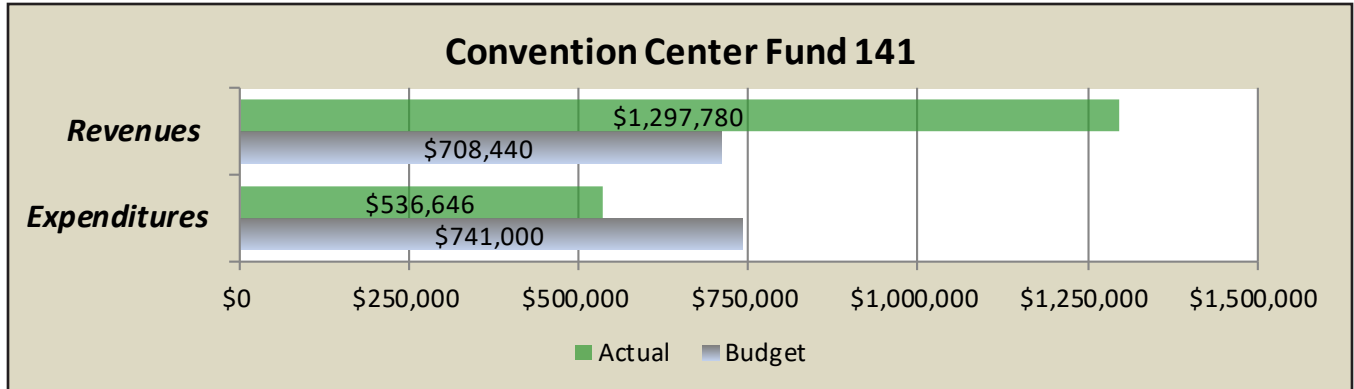


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

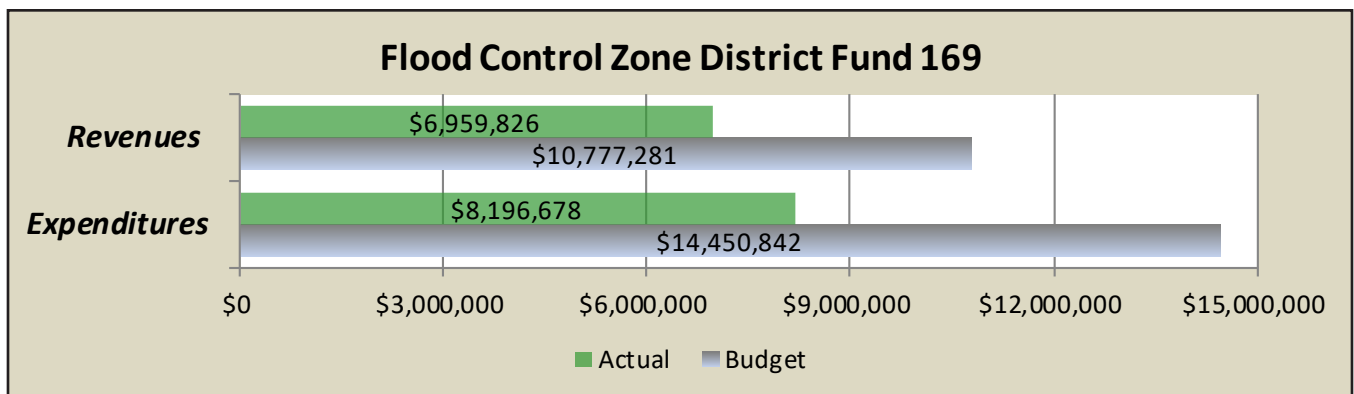
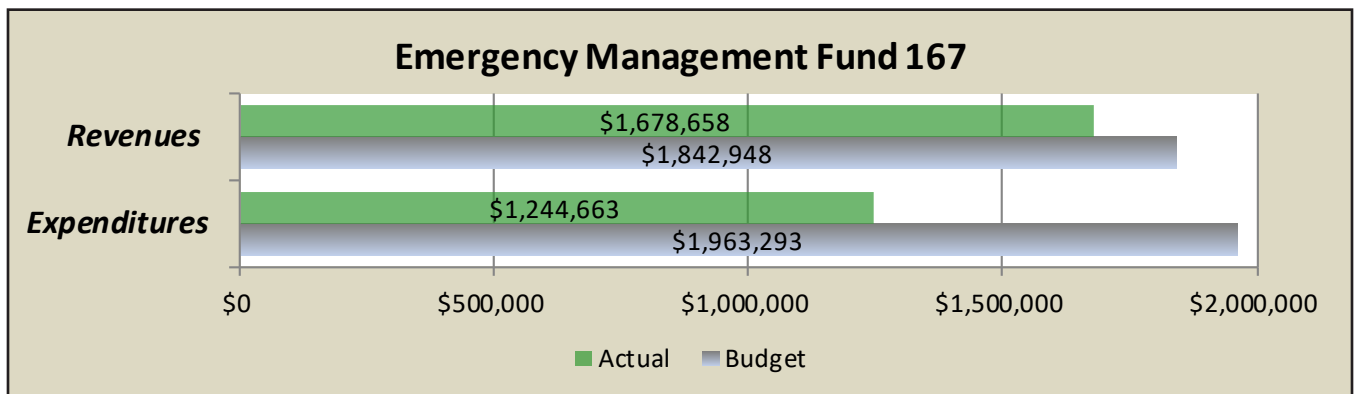
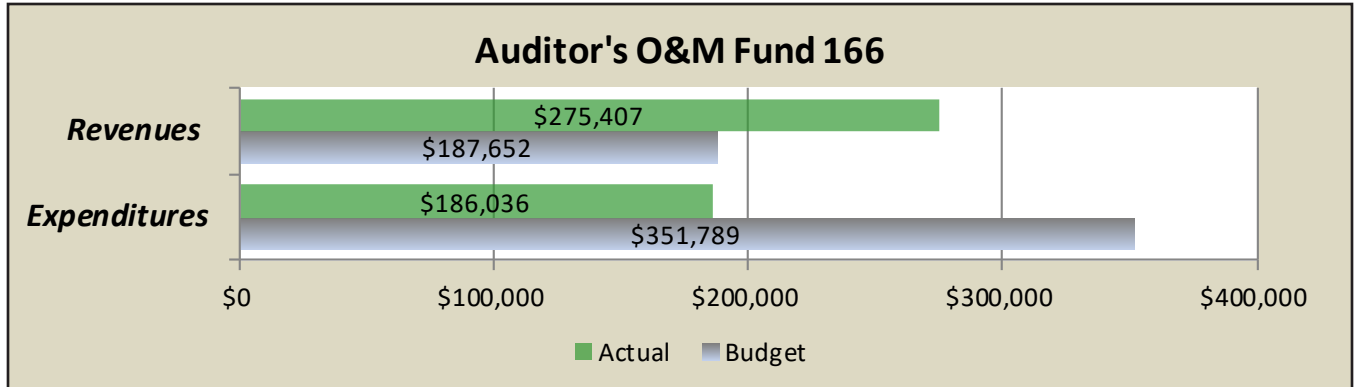


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

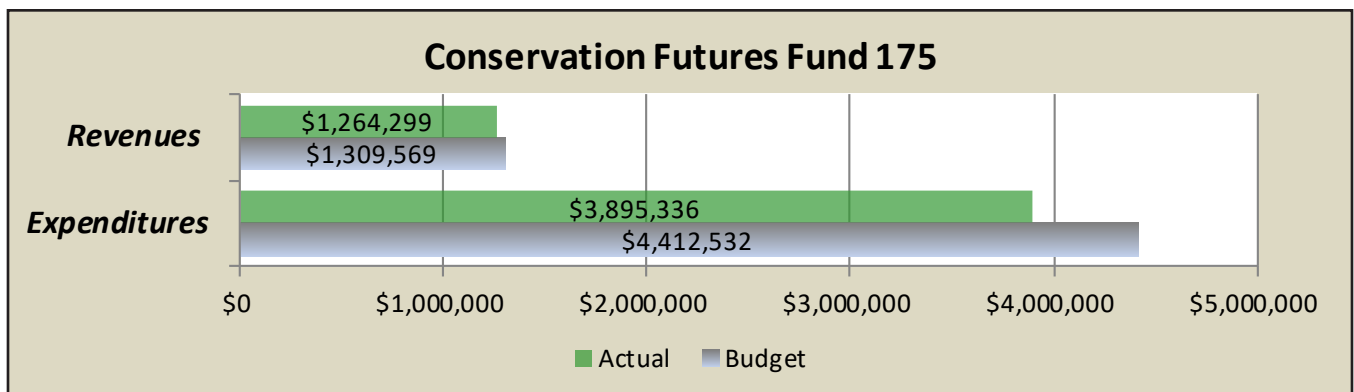
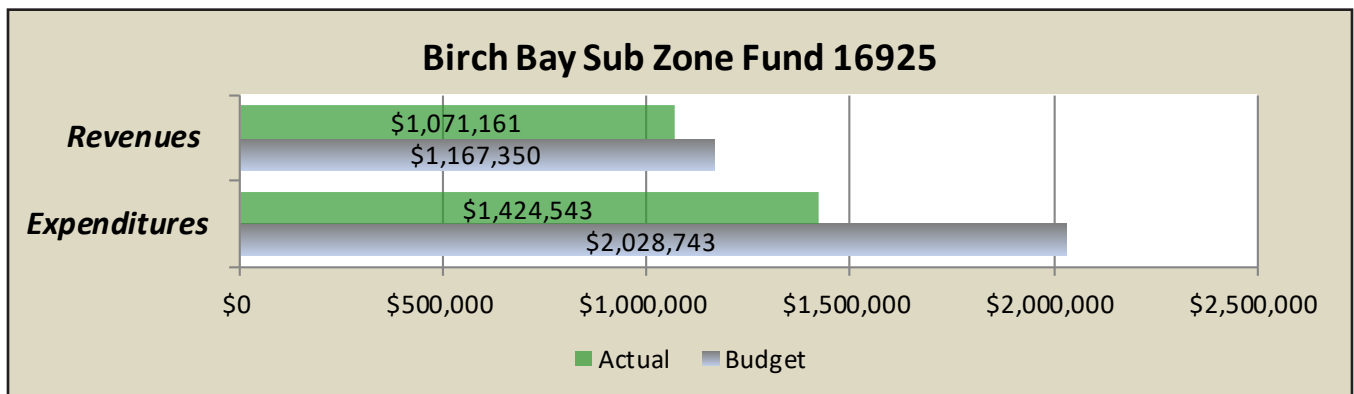
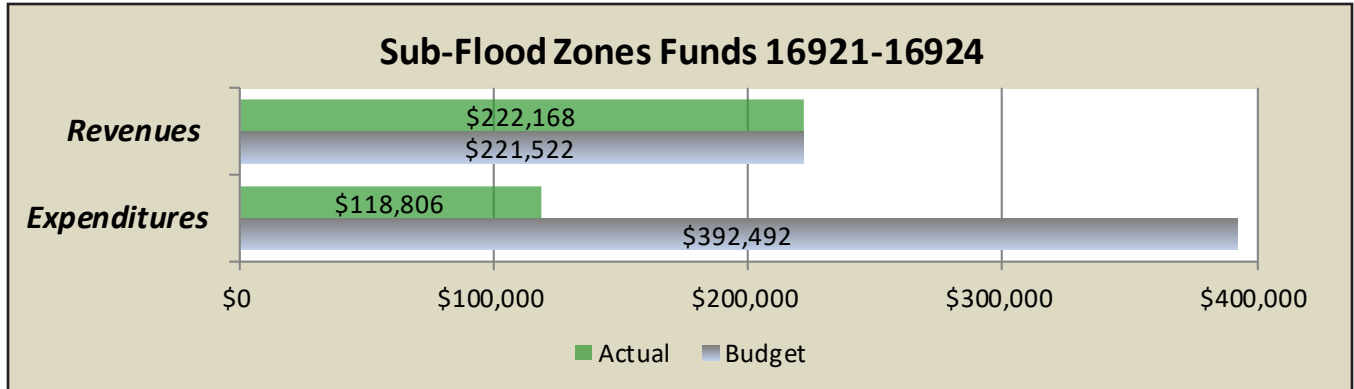


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Special Revenue Funds and Other Funds, continued

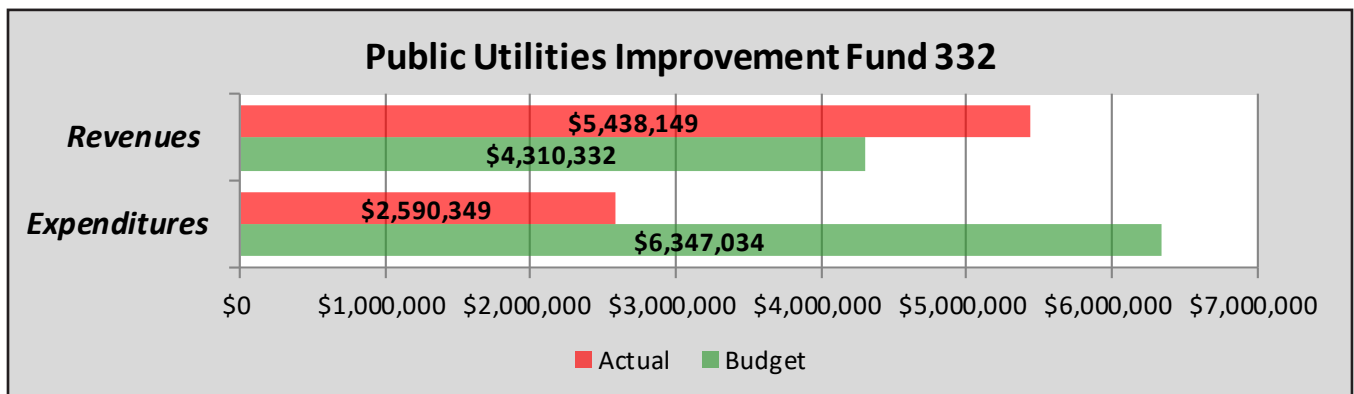
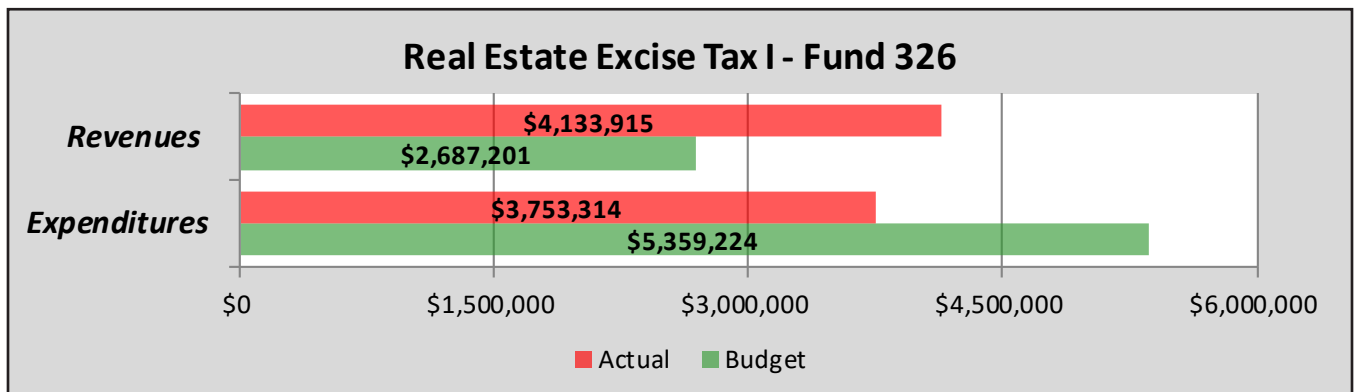
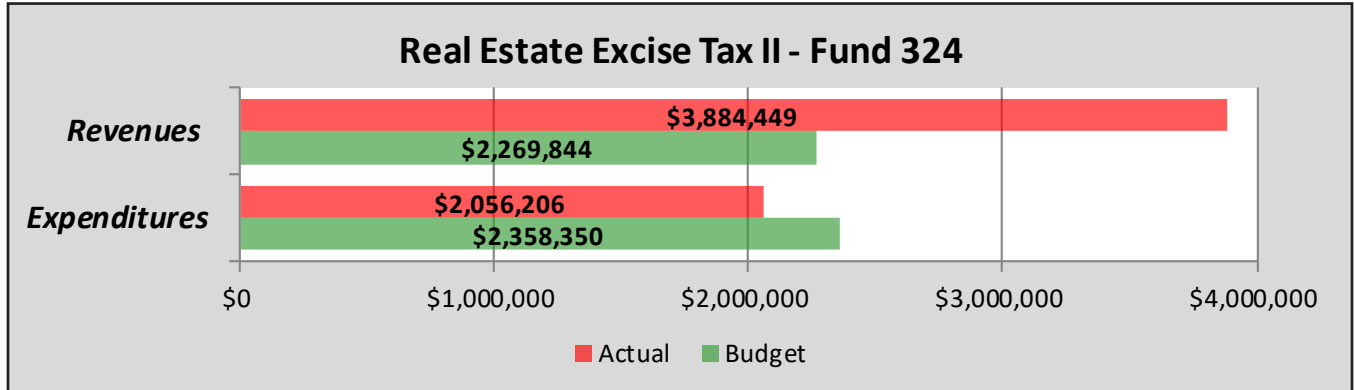


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Capital Project Funds

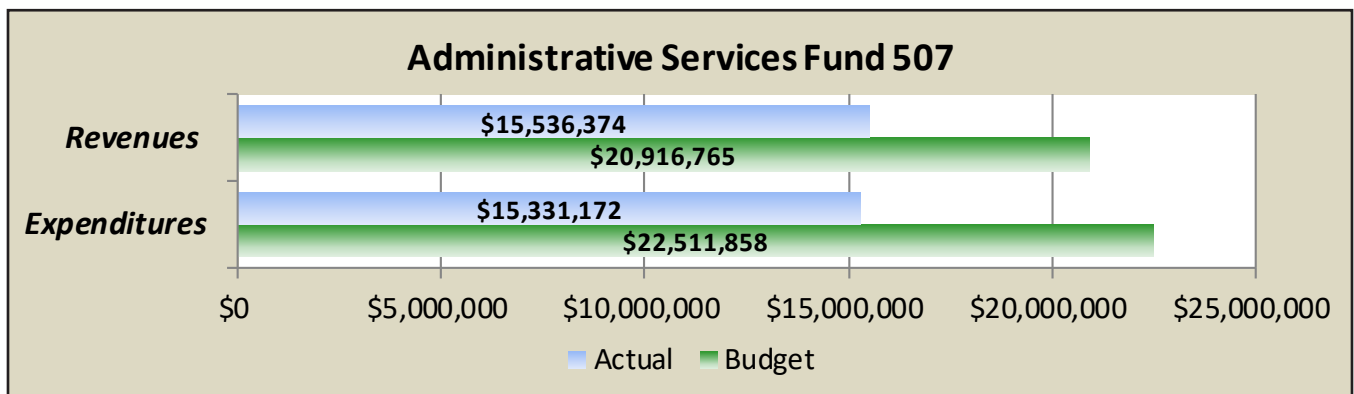
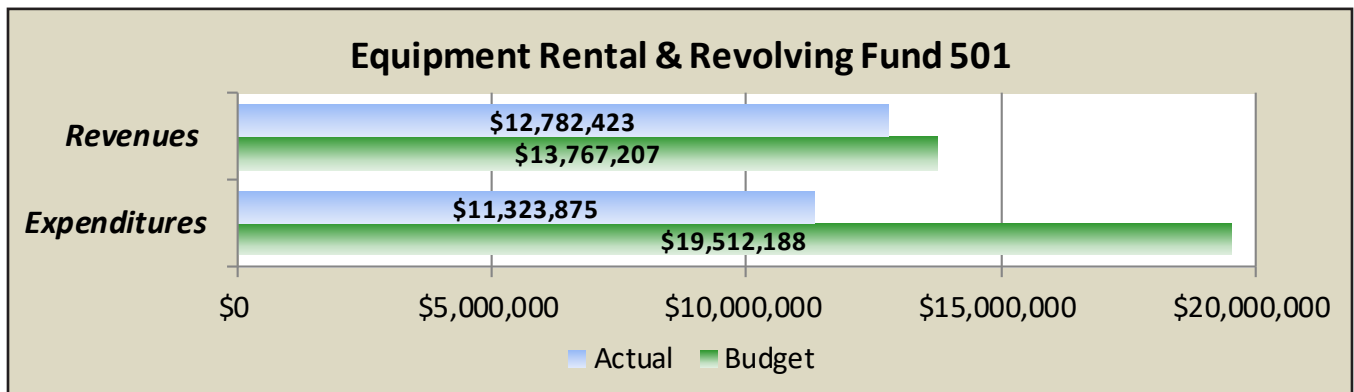
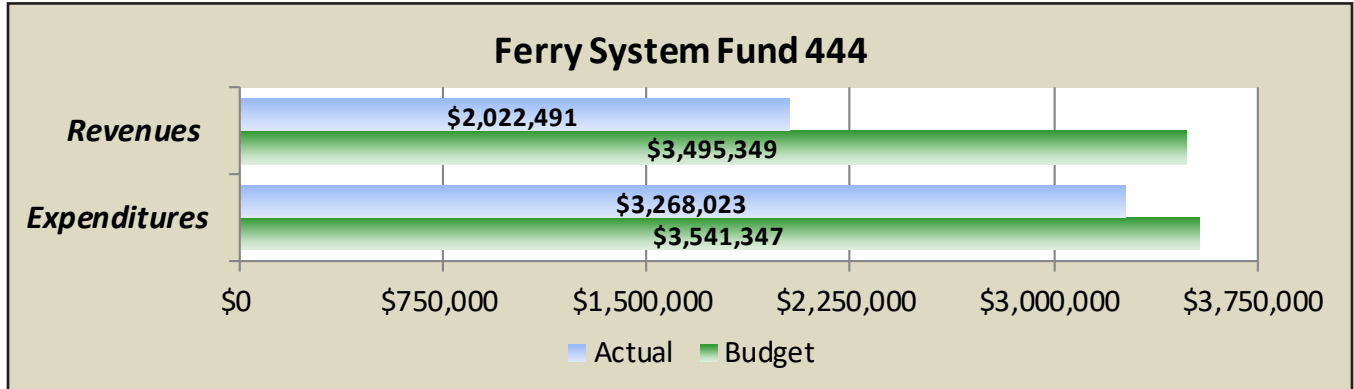


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Enterprise and Internal Service Funds

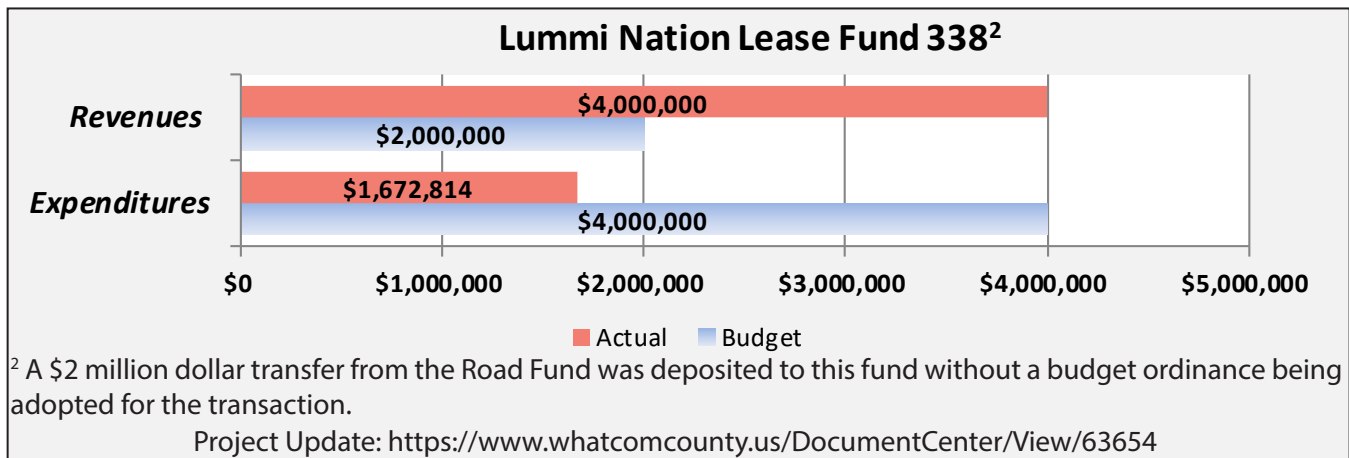
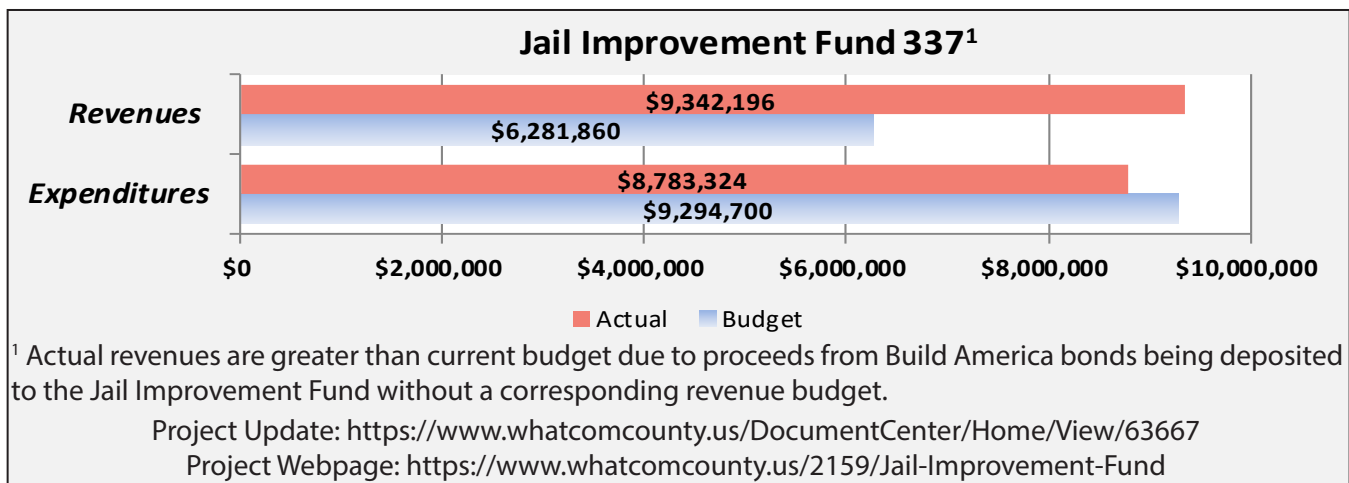
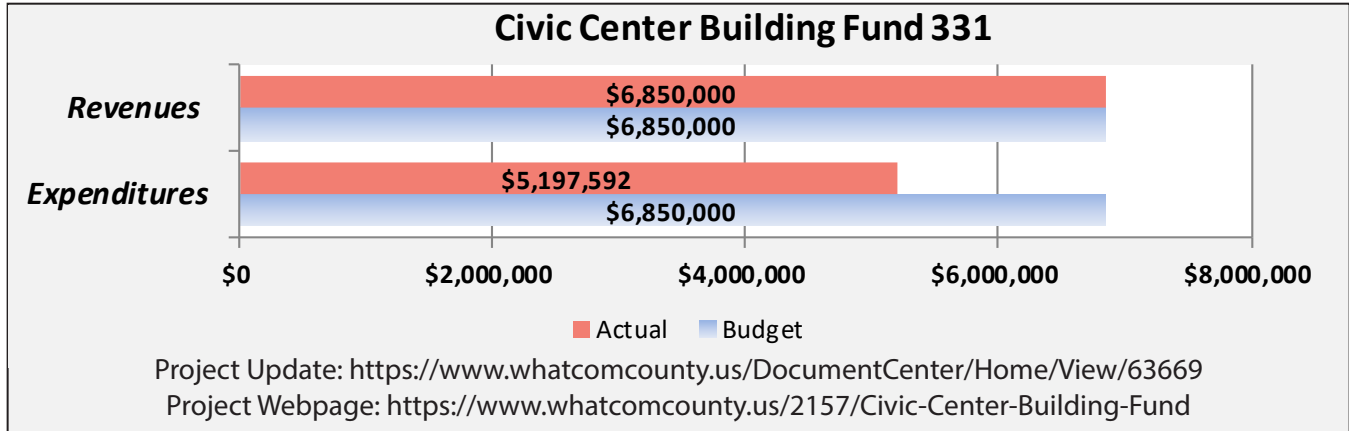


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds

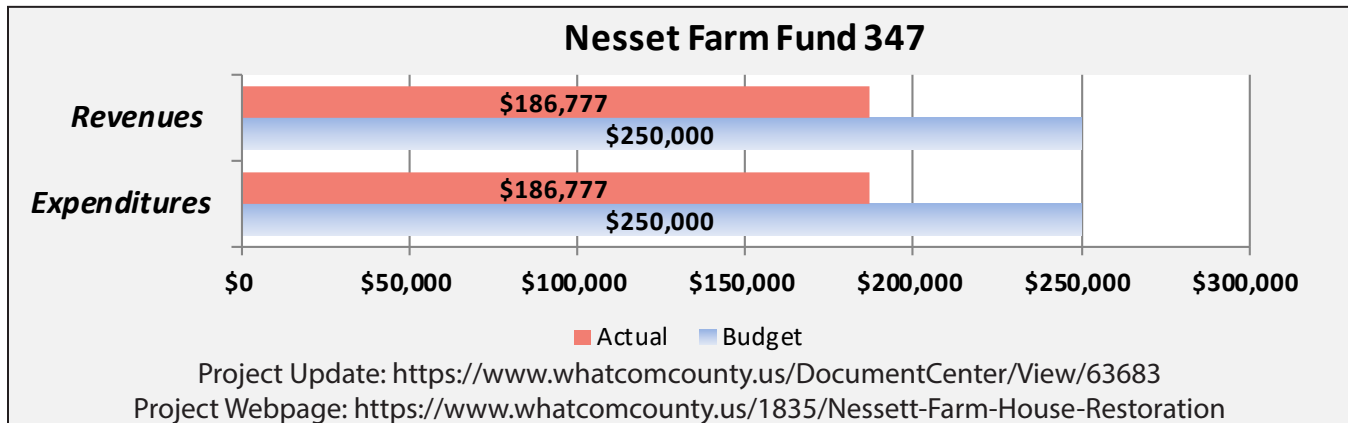
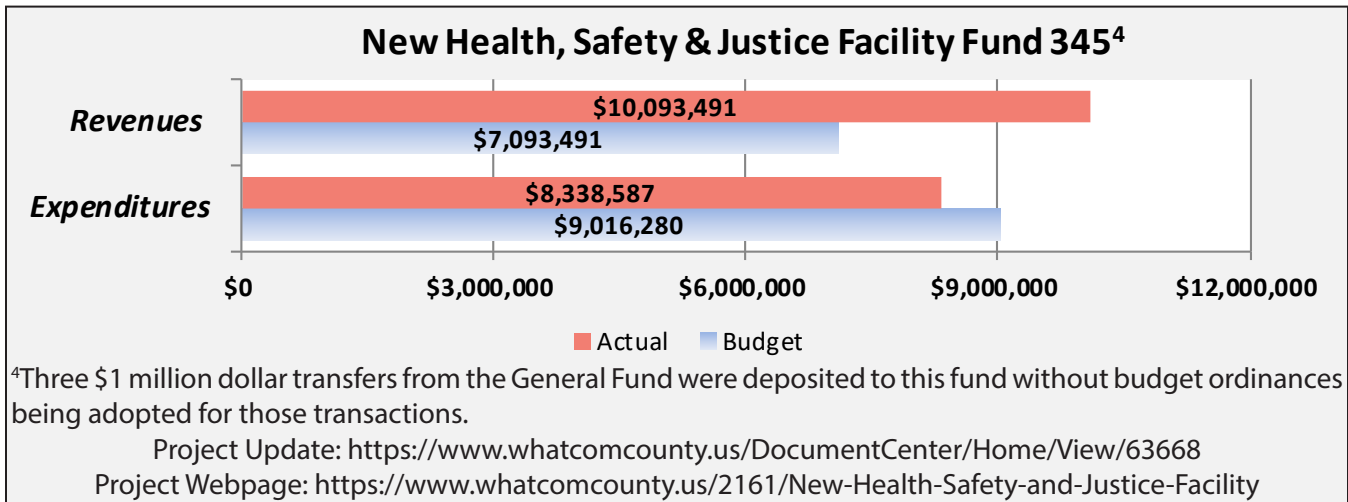
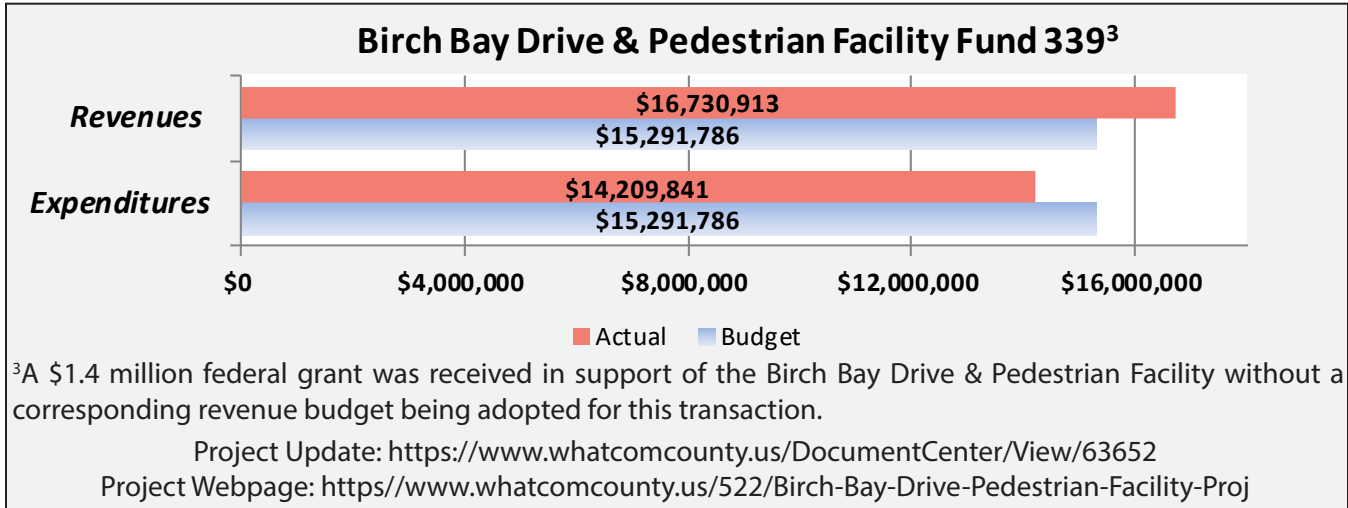


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

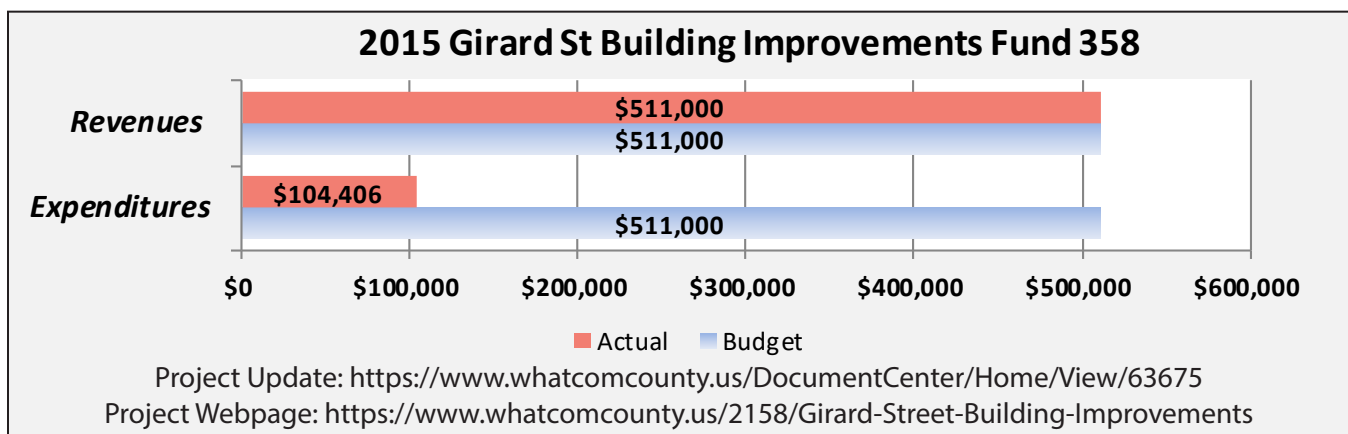
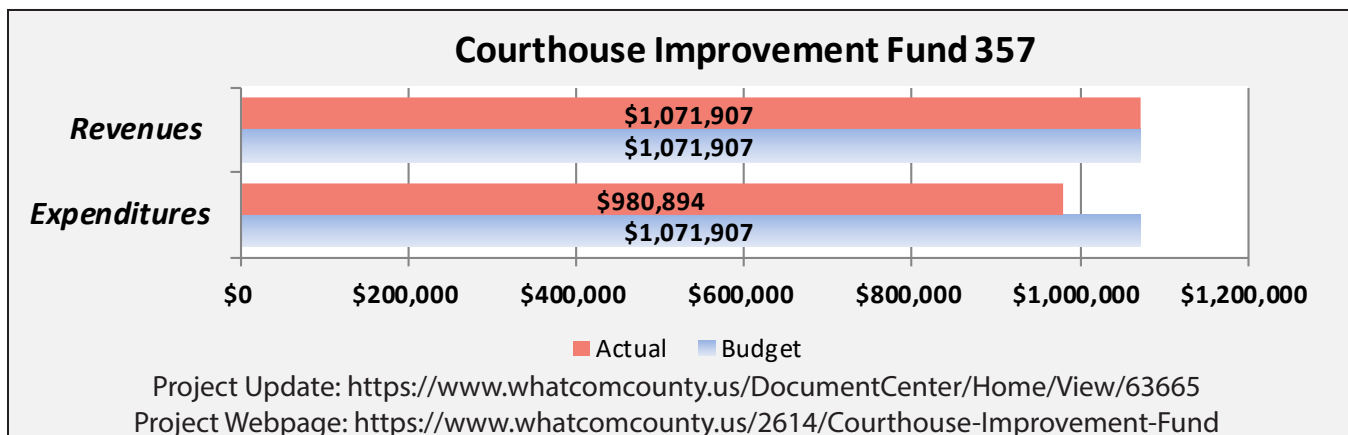
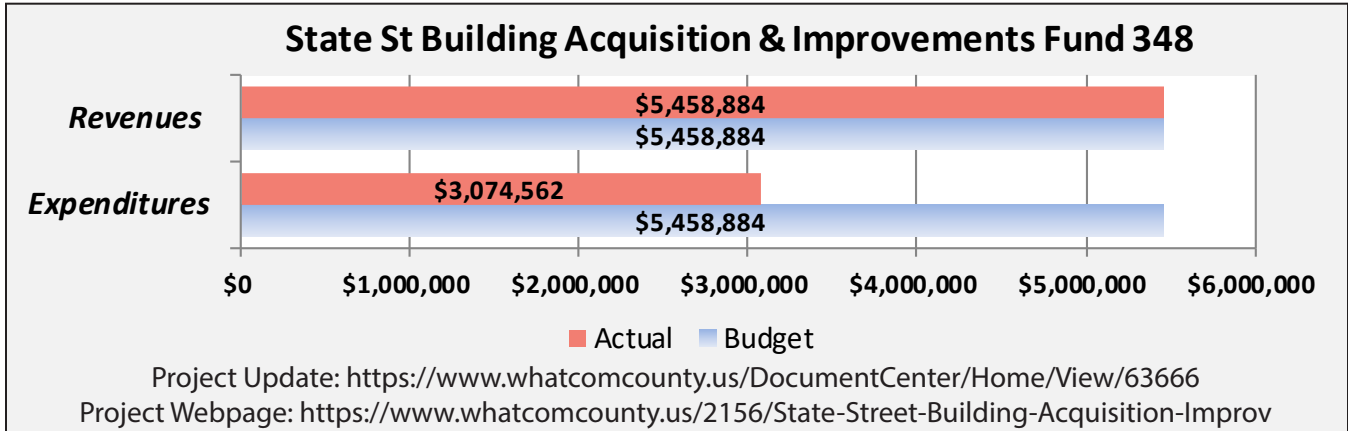


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

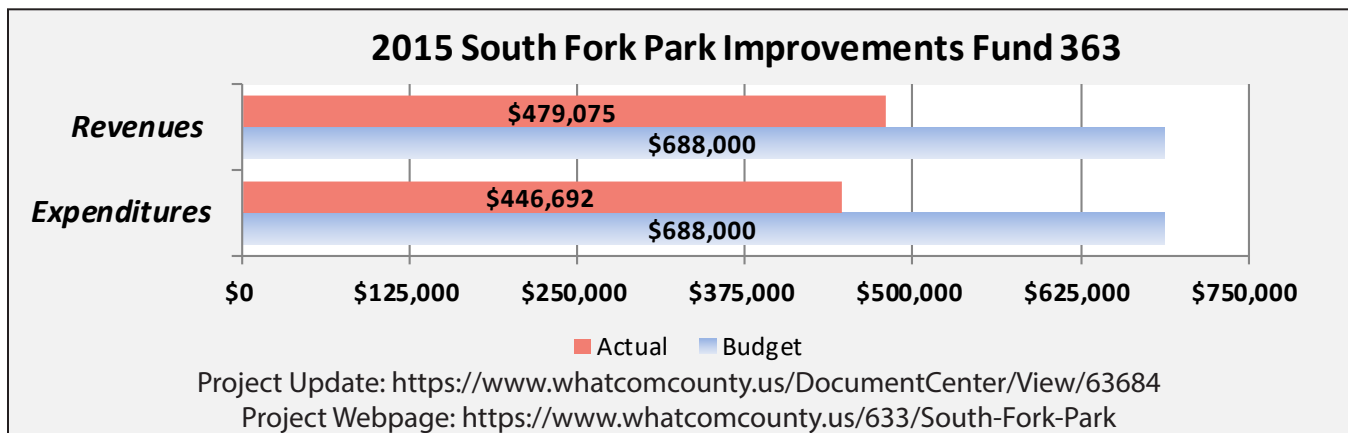
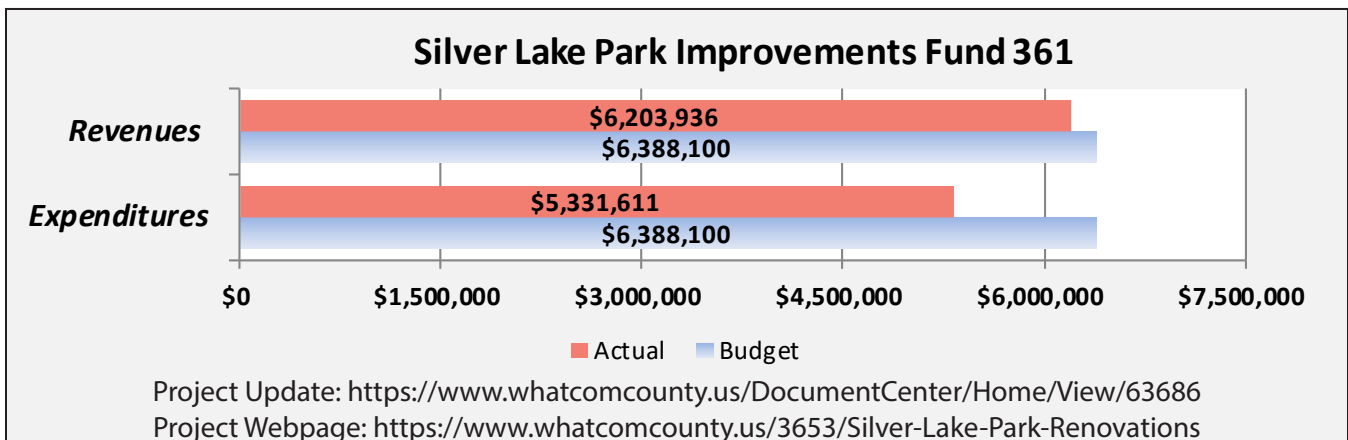
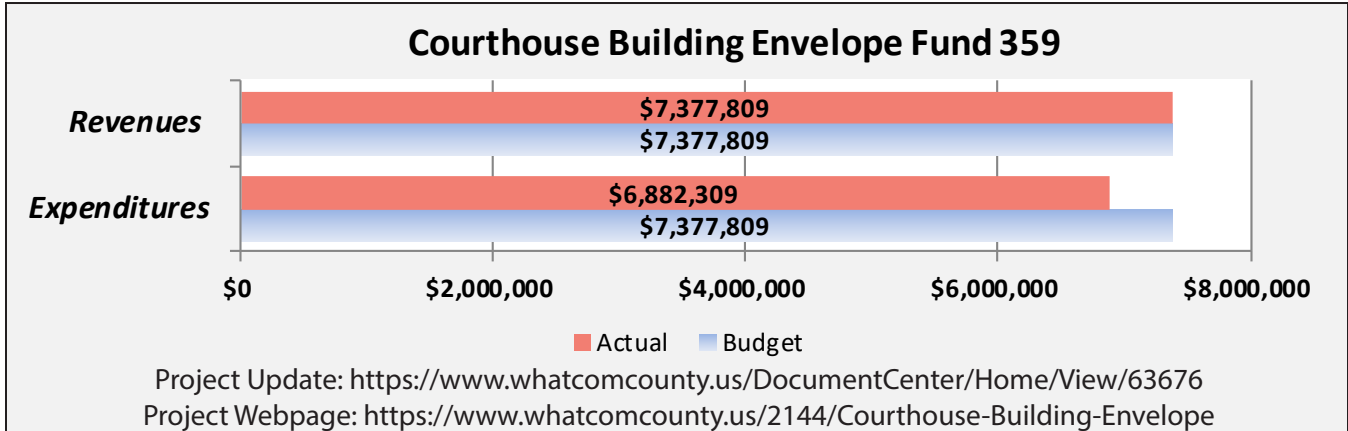


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

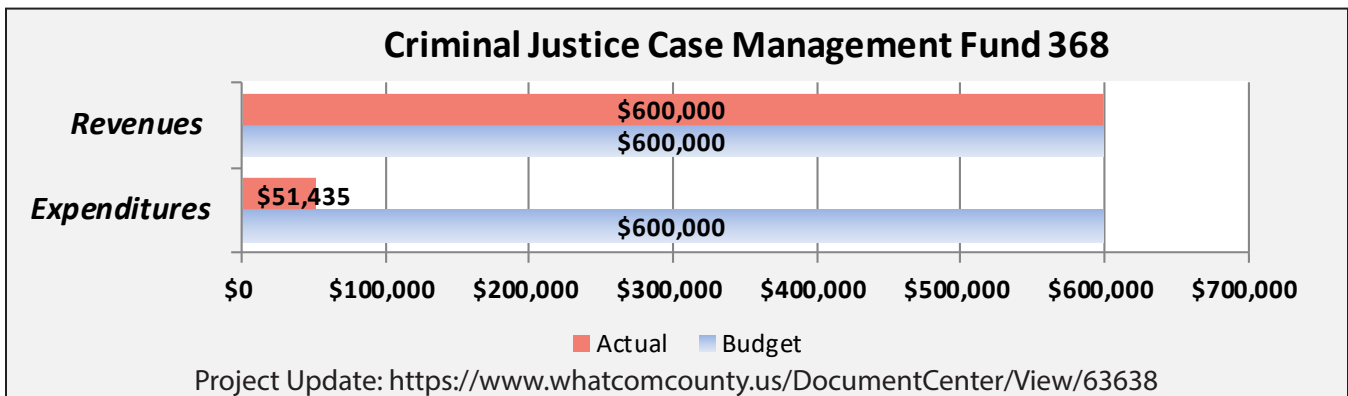
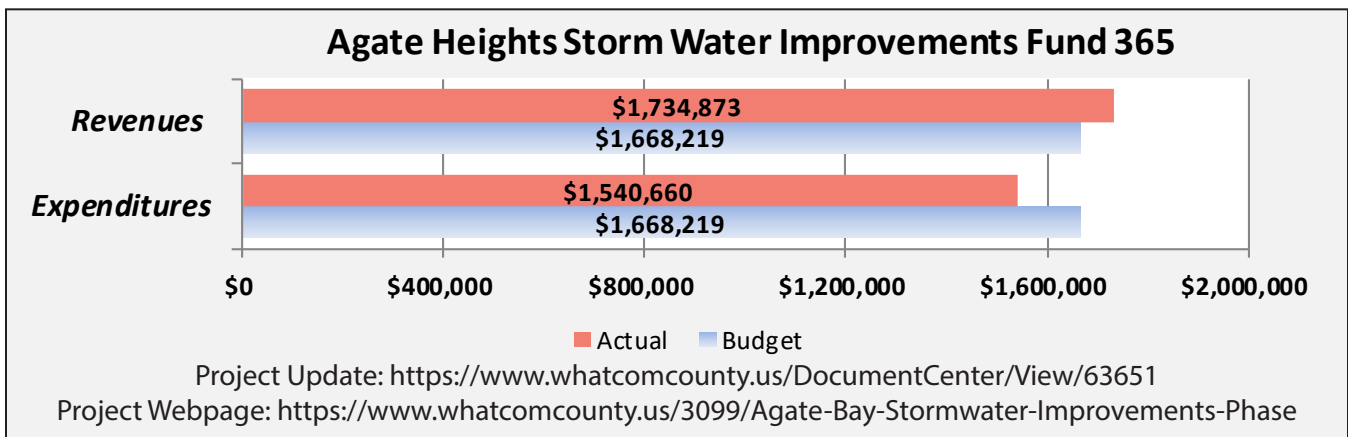
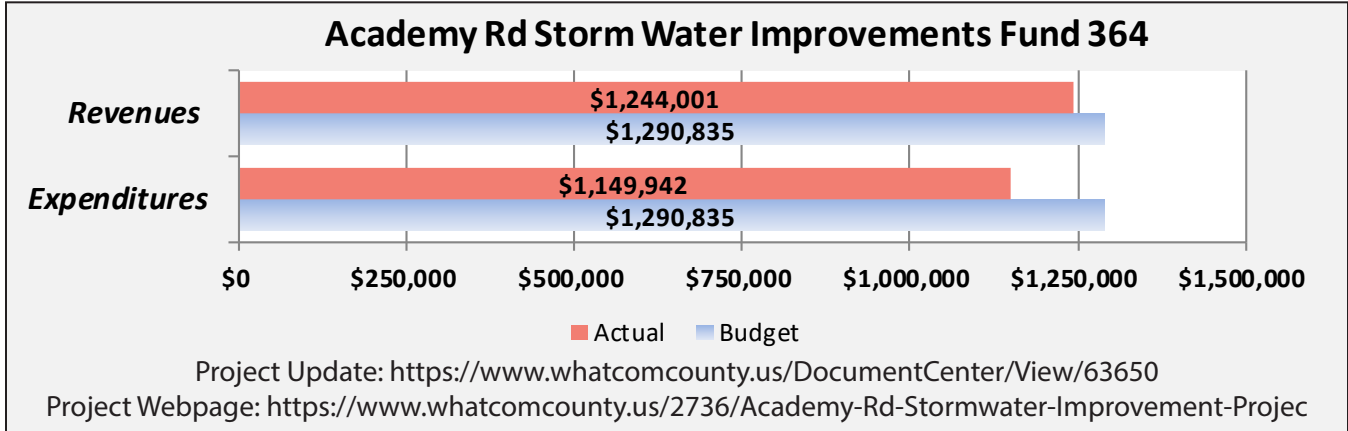


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

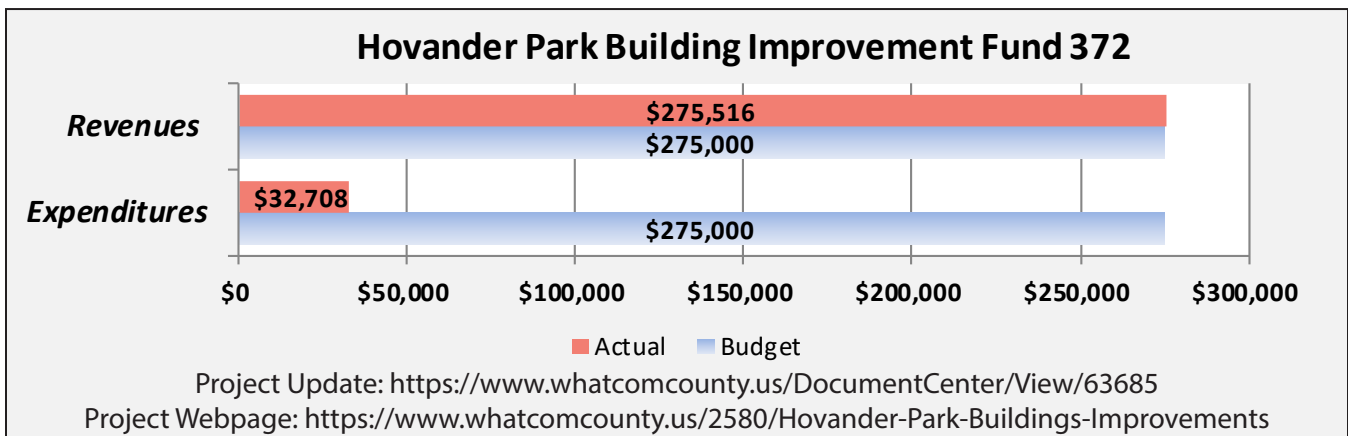
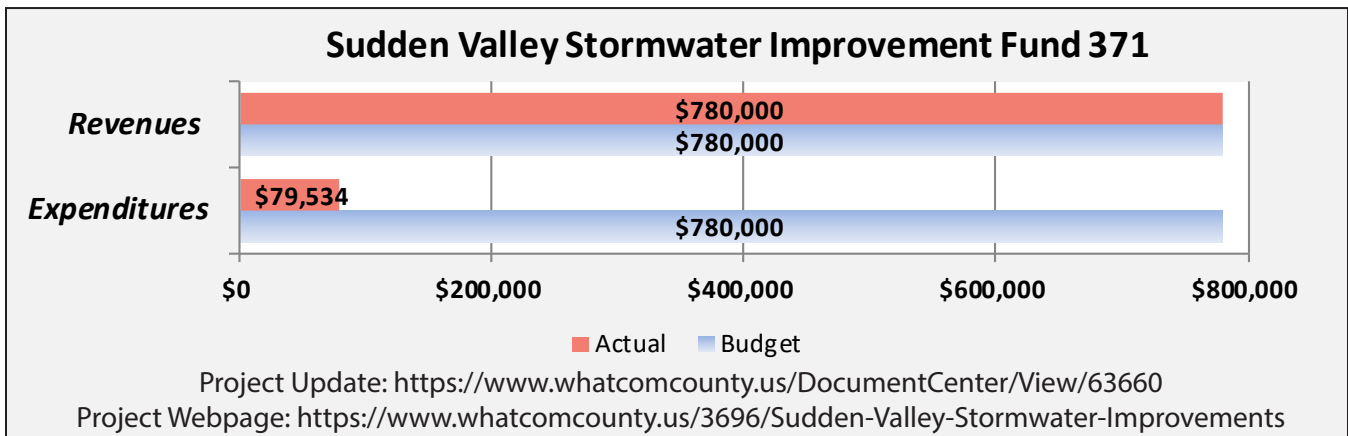
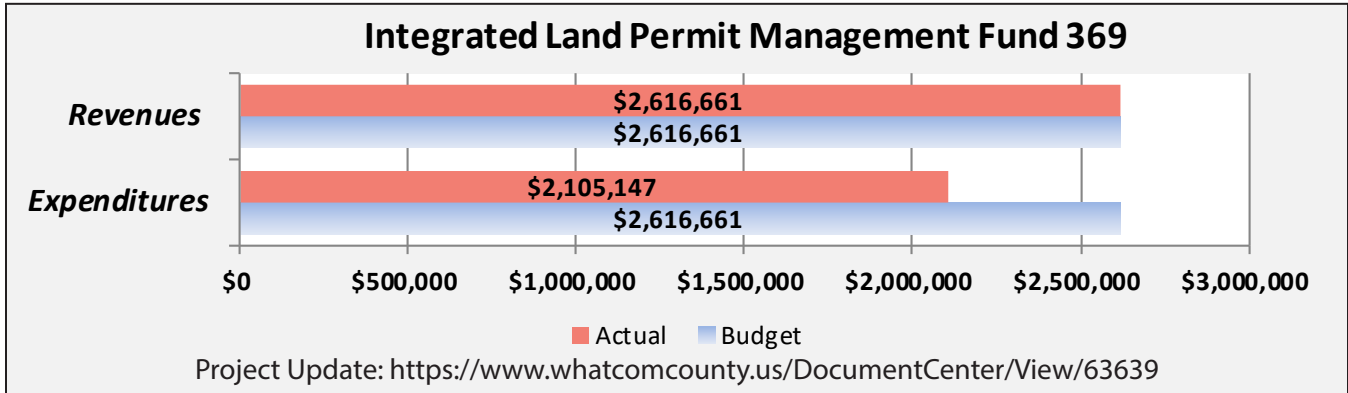


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

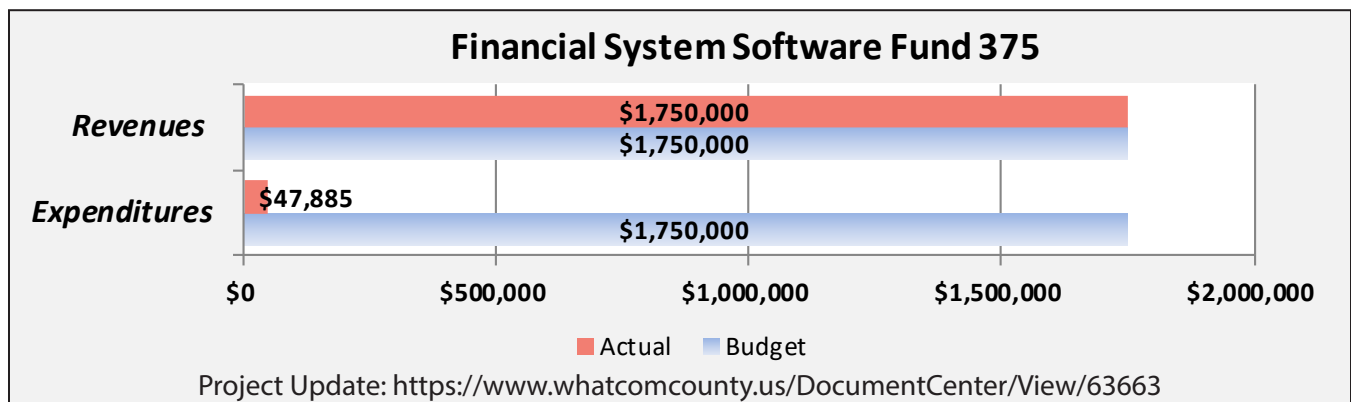
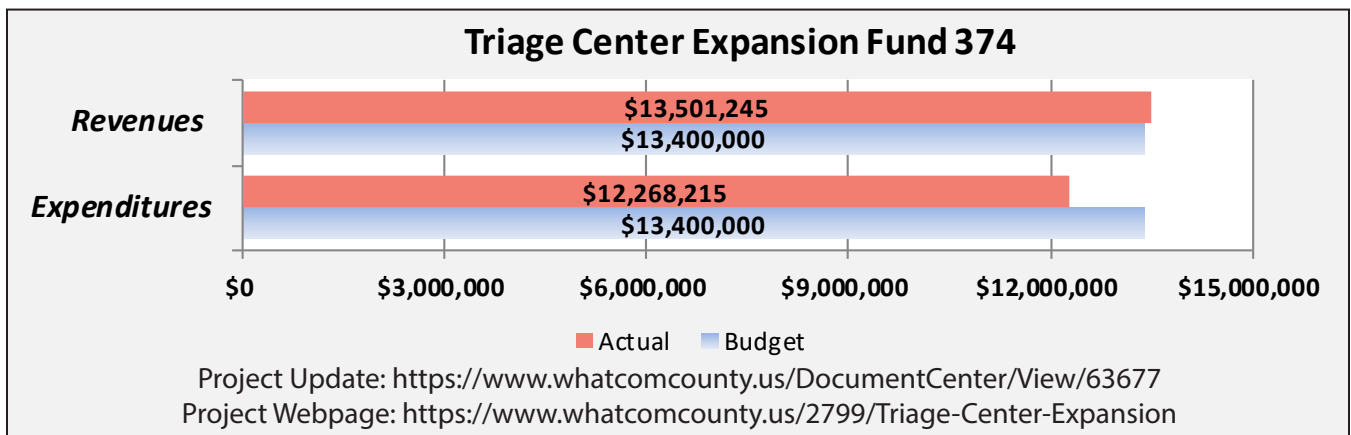
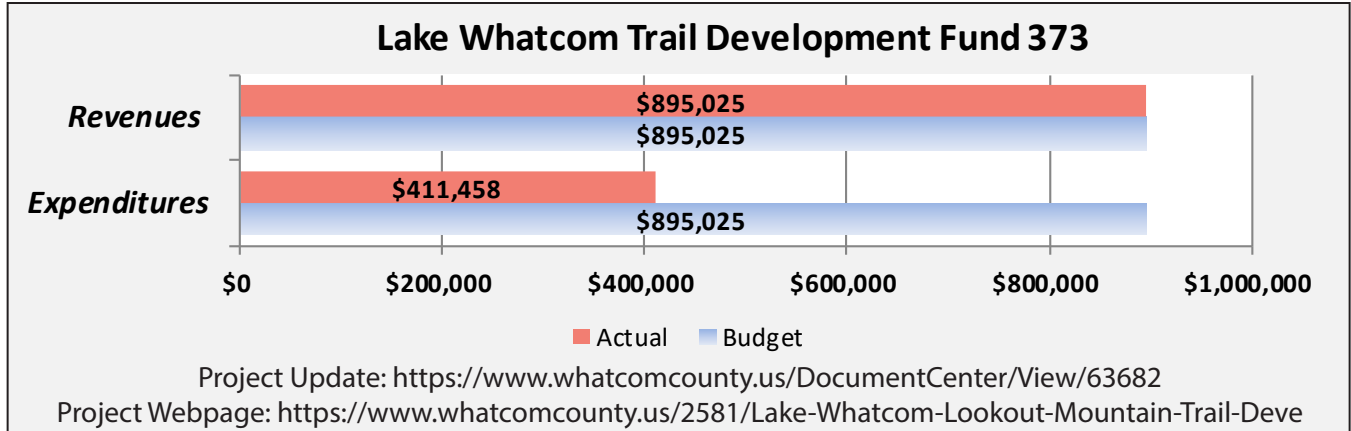


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

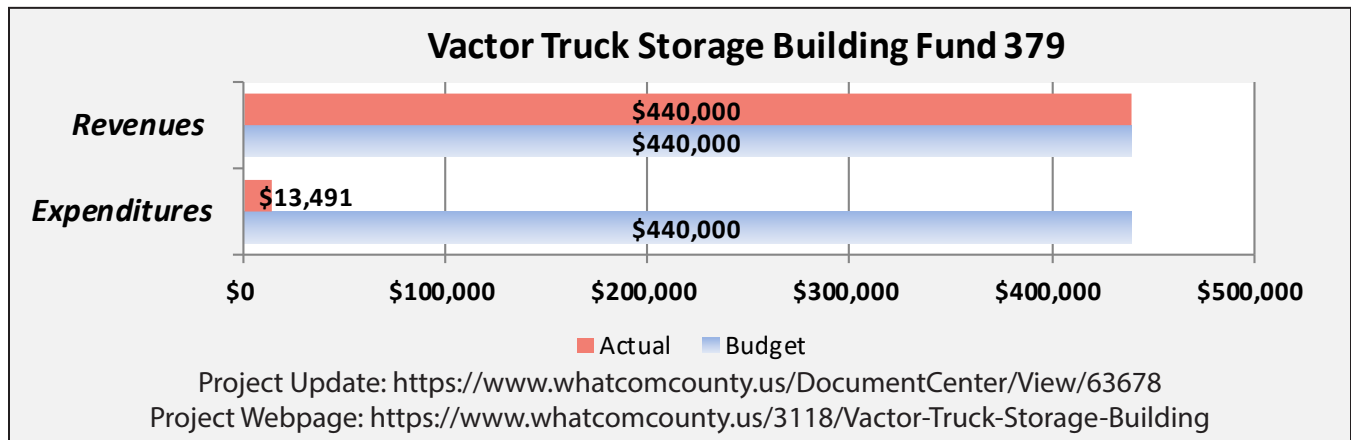
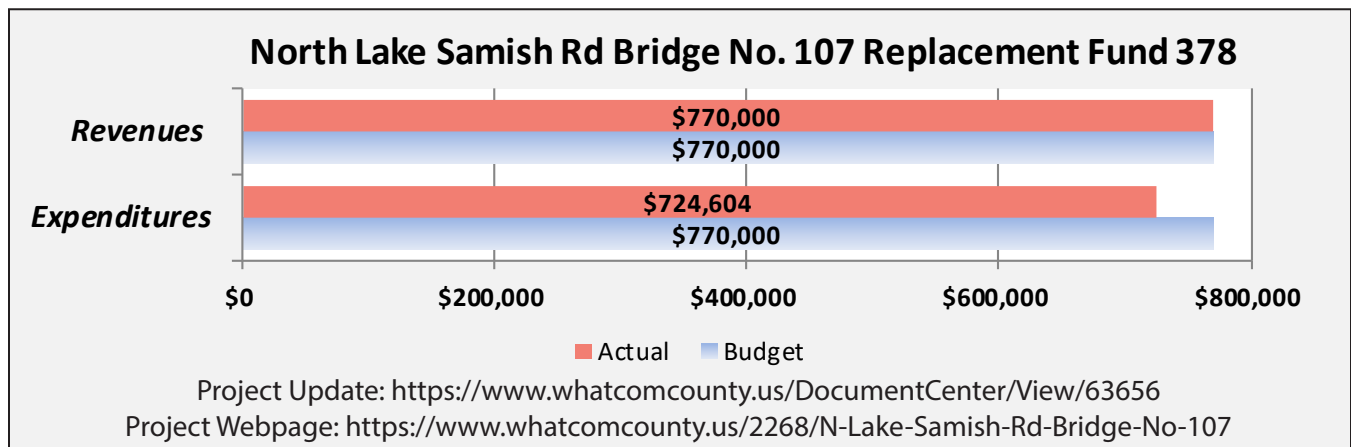
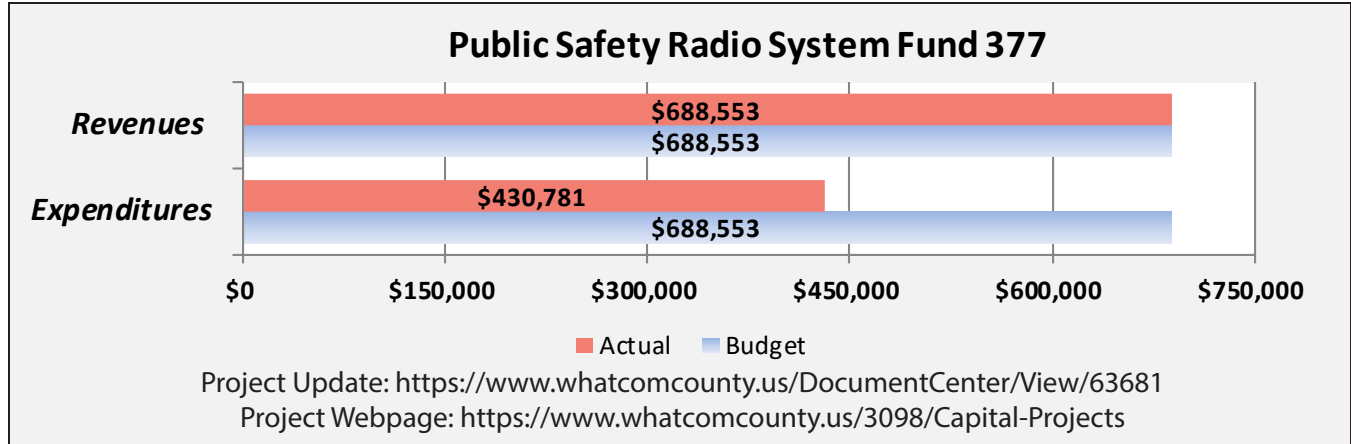


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

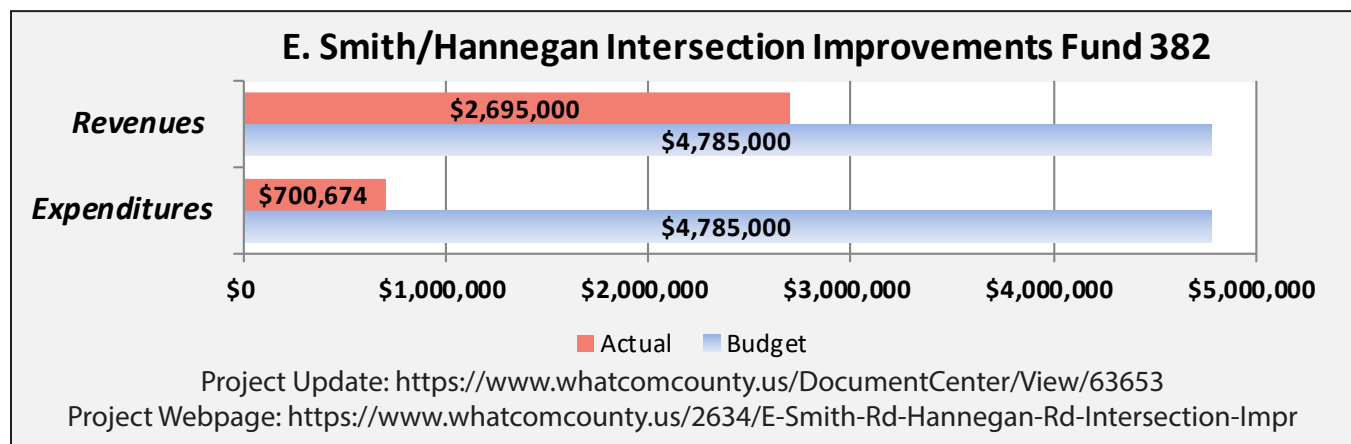
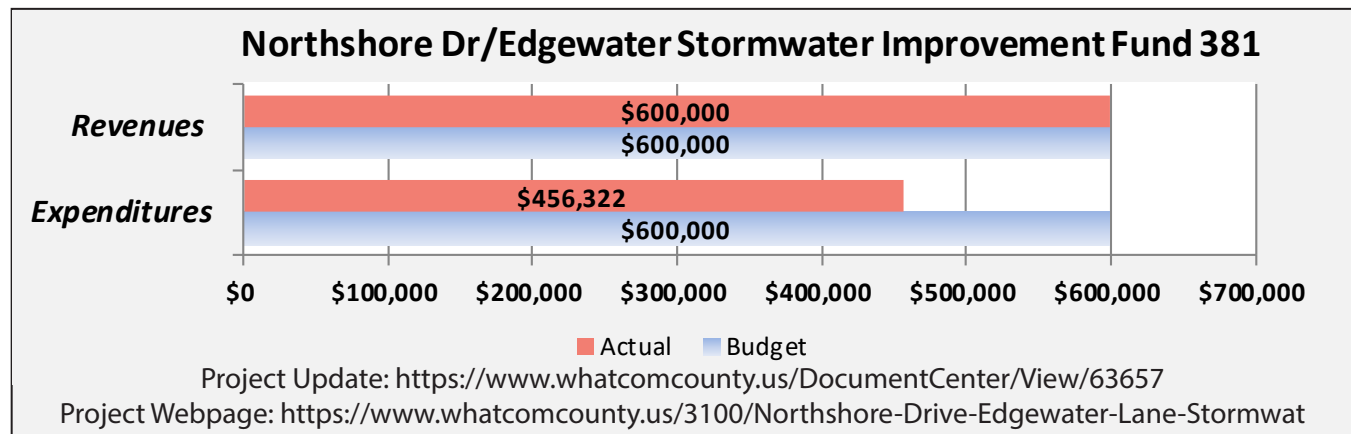
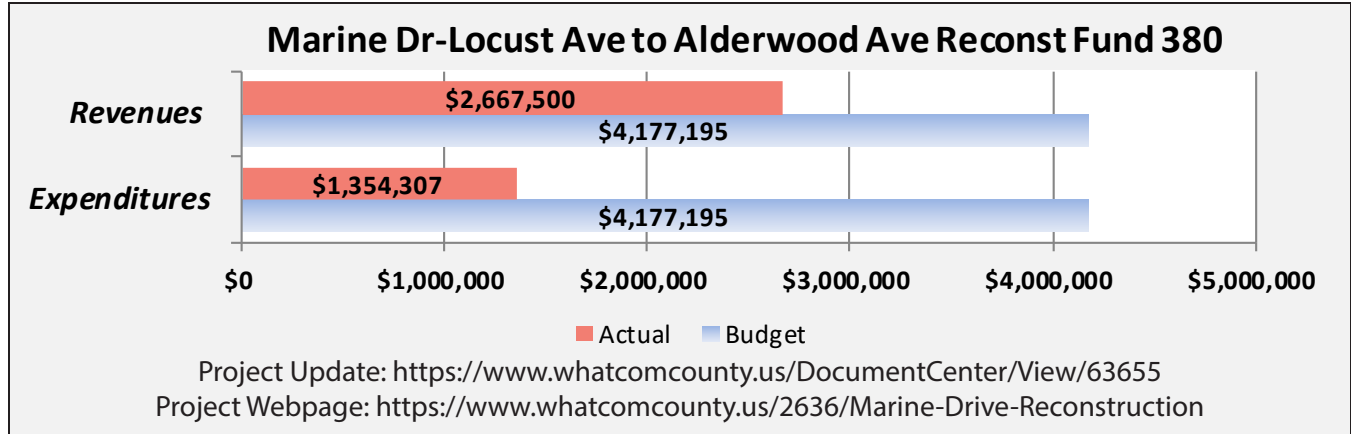


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

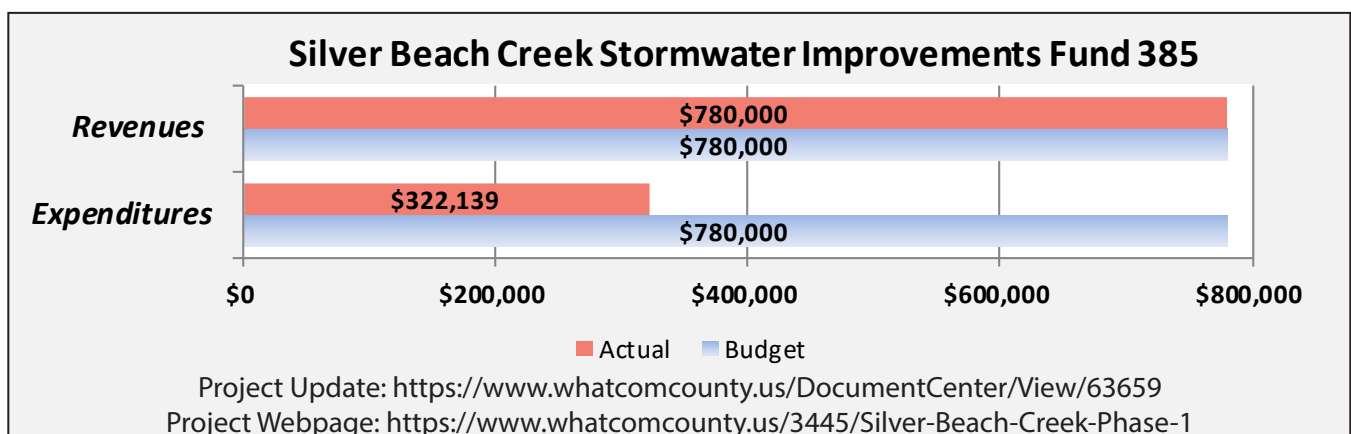
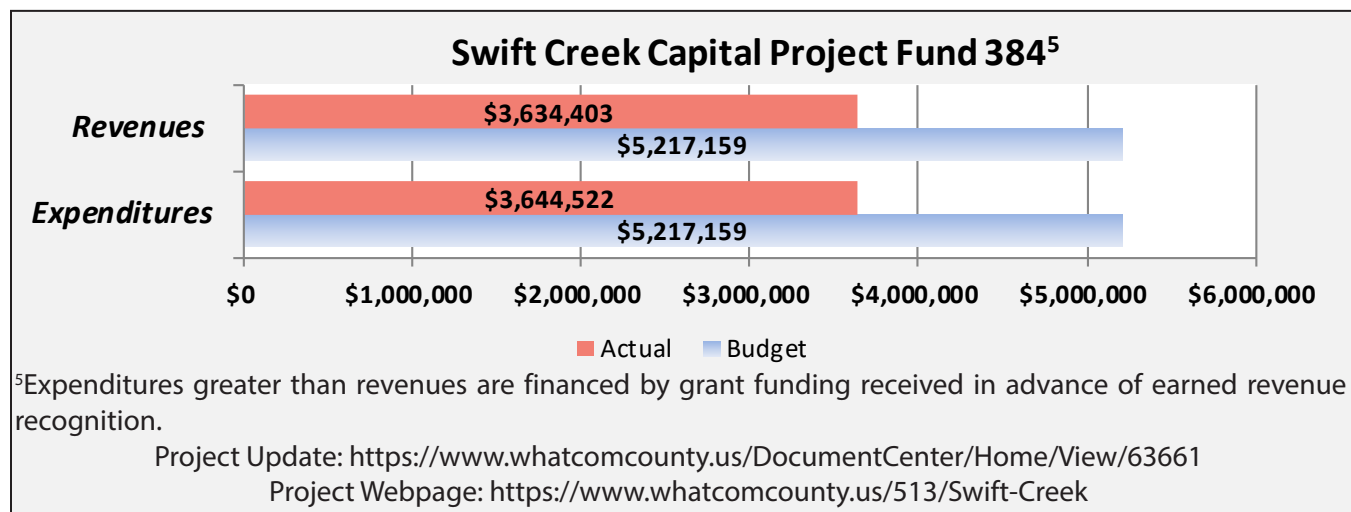
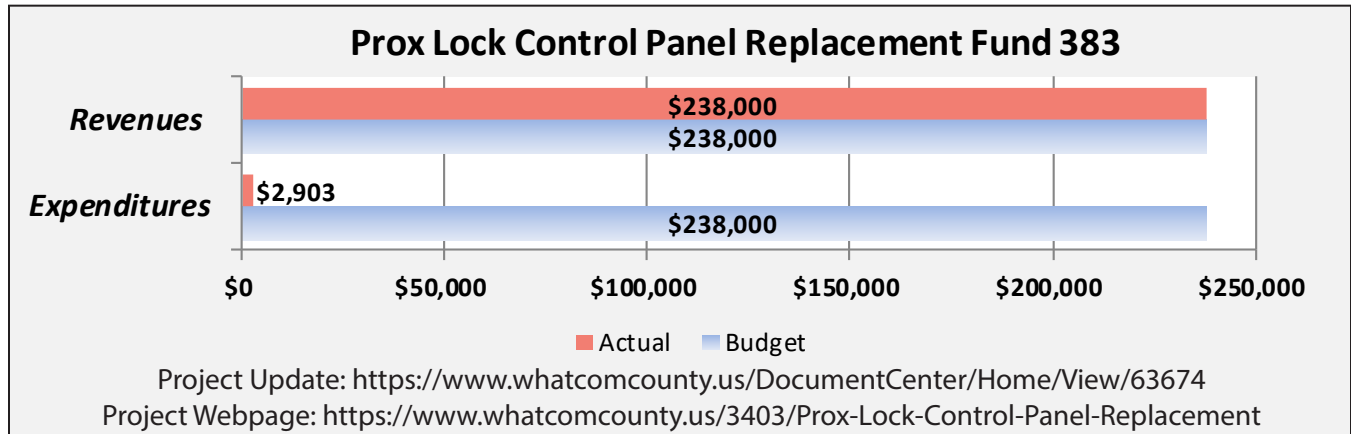


Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued



Whatcom County Fourth Quarter 2021 Financial Report

For the Quarter Ended December 31, 2021



Project Budget Funds, continued

