



## **State of the County Address**

### **Report to Whatcom County Council, May 21, 2013**

Good evening, members of Council, County Elected Officials, Department Heads and Whatcom County residents. I welcome this opportunity to talk to you about our recent history, our present status as a county and our plans for the near and longer term future. In the last 16 months since taking office, our County is slowly being restored to a more robust economy following the greatest recession of our lifetimes.

We all know Whatcom County is a great place to live. There are over 200,000 of us now. We are a regional center of commerce, education, industry, and culture; one of the most beautiful, diverse, and successful places in America. Jobs, a robust economy and a healthy environment are the priorities of a growing population. These priorities are made even more important by the shifts in the national and global economy that have an impact on our region and our civic life.

Here are some of our achievements in the last few months:

- Together, with the Sheriff and many others in the community, we have reset and focused our efforts to build a new jail that, when finished in the short years ahead, can reasonably assist the community in applying adequate criminal justice and keeping our families safe.
- With the support and work of the Superior Court Judges, the Prosecuting Attorney, the Sheriff and the County Council, we have State approval to add a fourth Superior Court Judge in Whatcom County.
- Through adopted inter-local agreements, the 7 cities and the county are working cooperatively on the 2016 Comp Plan updates.
- The County, City of Bellingham, and Port of Bellingham are collaborating more closely than ever before. We have several joint projects we are working together on:
  - We joined forces this year to make sure our legislative priorities are actively pursued by our delegation in Olympia. We hired a lobbyist that represents our common interests. We share heightened concerns with the State issuing more unfunded mandates. With our collective voice we carry a more powerful message to inform our elected representatives.
  - With COB and FD7 we are laying out the plans to extend our ability to provide high quality and unified Emergency Medical Service for years to come;
  - We continue to work with the City of Bellingham, Port of Bellingham and various county businesses to reopen the original Olympic Coordination Center by the airport for use as a combined Emergency Management Center and 911/ Emergency Dispatch Center for all local governments in our county. We intend to work to consolidate the many locations in which all of our local governments are currently housing their emergency operations into a single location.

- The approval of the addition of nearly 9000 acres of land in the Lake Whatcom watershed through re-conveyance to Whatcom County means that the work of collaborating on the final park plan will begin. This addition to our land inventory for Parks will potentially attract businesses that appreciate quality of life opportunities for their employees; it will provide for increased tourism revenue; and will preserve a beautiful wilderness area for future generations to enjoy.
- Some major capital projects in this biennial budget include:
  - Sheriff's office record management system
  - County telephone system
  - Potter Road Bridge Replacement
  - Design and Planning of the Birch Bay Drive and Pedestrian Facility and Berm Project
  - Portal Way I-5 intersection rebuild

We have many projects and initiatives to accomplish in the coming months and years as a result of our current work plan and long-term goals. They include;

- Determining the scope and cost of a new correctional facility and Sheriff's headquarters; purchasing an appropriate property, gaining voter support for financing, and construction of the project.
- Designing and building a new Superior Courtroom within the County Courthouse, incorporating present and future needs related to the criminal justice system, especially with the impacts of relocating the correctional facility off-site.
- Finalizing contracts for our EMS system, and then engaging in community discussion to help determine long-term funding options.
- Designing a re-build of the courthouse façade to repair extensive water damage in the walls.
- Conducting departmental master planning to determine an appropriate course of action related to the Northwest annex, the State Street facility, and the Civic Center.
- And as already mentioned, working diligently on the 2016 Comprehensive Plan update.

Always on the list and in our minds is the work of Lake Whatcom water quality improvements. In 2012, we completed the West Tributary Stormwater improvements. The West Tributary project is the second phase of stormwater treatment activities to improve water quality and fish habitat in a problematic reach of Silver Beach Creek.

In 2013 we will complete Coronado-Fremont Stormwater Improvements that will stabilize Silver Beach Creek from Lake Whatcom Boulevard to Fremont Street as well as the roadside drainage system on Fremont Street. The County will continue to move forward on the implementation of the work plans within the Lake Whatcom Management Program.

Technological enhancements and improvements that warrant consideration in future years in order that the County stays abreast of the technological curve and is able to maintain its computer-based systems in the most efficient manner include;

- Auditor's recording system
- Public Defenders Office security system
- ERR and TRR Maintenance software
- An improved county-wide HR performance management system

- Enhanced scanning and laser fiche software throughout all departments
- “Right Track” software for Superior Court
- Sheriff’s Office radio communication system upgrades
- Enhanced cyber threat software
- GIS capability throughout county government
- Core computer network upgrades

The list of tasks for Whatcom County to accomplish in the next few years is extensive, and it is going to require a commitment by the leaders to provide the resources necessary to realize them. We will need to triage the opportunities to ensure we are gaining value for each dollar invested.

Decisions are best made with a solid grounding of the present facts, so it is necessary to speak of our current financial condition.

Whatcom County’s financial results were stable in 2012. General fund revenues and expenditures were static between 2011 and 2012. General Fund revenues exceeded expenditures by \$1.16 million in 2012 resulting in an ending 2012 fund balance of approximately \$11 million. The total fund balance in specifically dedicated funds grew by \$11.2 million in 2012 ending the year with a combined fund balance of approximately \$134 million. We are anticipating a slow but steady economic recovery in 2013.

The state of county government can be found in this simple fact: Whatcom County is on sound financial footing. Having spent the past five years reducing our budgets by millions and using attrition and some layoffs to reduce the County workforce from close to a thousand to a little over 800, the County is positioned to execute the financial plans contained in the 2013 and 2014 budget.

The County has very little debt, and I believe we are doing things right. The audits of the County’s finances are positive, and we should be looked upon favorably for future credit to accomplish our large capital projects.

While I do believe we are on sound financial footing, the one overarching financial and operational concern that I have about Whatcom County government is that we lose sight of the big picture of maintaining a healthy tension between provision of present day services and that of investing for the future. Labor contract cost increases and funding shortages from Federal and State agencies are opportunities for us to lose sight of our long-term vision by using unrealized revenue to keep services status quo. I am committed to following the budget plan, making immediate decisions to mitigate the impacts of increased costs within this budget, so that we may have the opportunity to allocate new money strategically in the next budget biennium.

Whatcom County’s approach to service is business-like – we know our customers and work to meet their needs. Our employees and leaders have risen to meet many challenges and are finding new ways, even in tough times, to deliver county services to the people. Significant cuts in state support for public health and human services, for example, are largely outside of our control, but we aggressively manage those things we can. Whatcom County continues to celebrate the long-standing service of our employees. In 2013 we have nearly 80 individuals who have 15 or more years of employment with Whatcom County. In fact, we have one staff

person in our public works engineering department who has served 40 years. This is a dedicated and loyal workforce, and I thank each of them for their devotion to making our County the great place it is.

One of the big jobs of county government is creating the conditions and building the infrastructure that will allow our economy to flourish, to produce good jobs with good wages and benefits, so that we can all, again, believe in a future where the next generation can do better than the last. That means, in part, that our processes that touch the lives of county citizens need to be examined to ensure that we are efficient, productive and responsive. It means working with council to define all county codes so that they can be clearly understood both for our residents and for our staff that is administering them. It means having a staff willing and able to process permits, requests, and business in the most productive way possible.

Yes, we face challenges, but I believe our best days are ahead. I have faith in the creativity and innovation of the people of Whatcom County to build a sustainable and shared prosperity. It's not going to be easy. It takes partnership. It takes discipline. We've done good work together over the past years in County government. Let's build on what we've accomplished.

I am fully committed, as County Executive, to work with the Council, our elected officials, department managers, staff, partner agencies and citizens in collaboration to make and keep the state of Whatcom County strong.

A handwritten signature in black ink, appearing to read 'J. Louws', with a stylized flourish at the end.

Jack Louws  
County Executive