



**2019  
First  
Quarter  
Financial  
Report**

Jack Louws, County Executive

Compiled and Presented by the  
Administrative Services Department  
Finance Division

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June 4, 2019

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Executive Summary

The following information presents Whatcom County's first quarter 2019 financial report. At the end of the first quarter the General Fund collected 15.67% of its budgeted revenues. Whatcom County's General Fund spent 21.48% of its budgeted expenditures. Revenues overall are in line with prior year experience; however, individual revenue categories are presenting some fluctuations. The County is experiencing higher grant income and investment returns; however, some fee and permit revenues are down slightly, possibly due to weather in February. Large advance Medicaid administration fee payments from North Sound Behavioral Health Organization in Health have increased the Charges For Services category. Expenditures are in line with expectations.

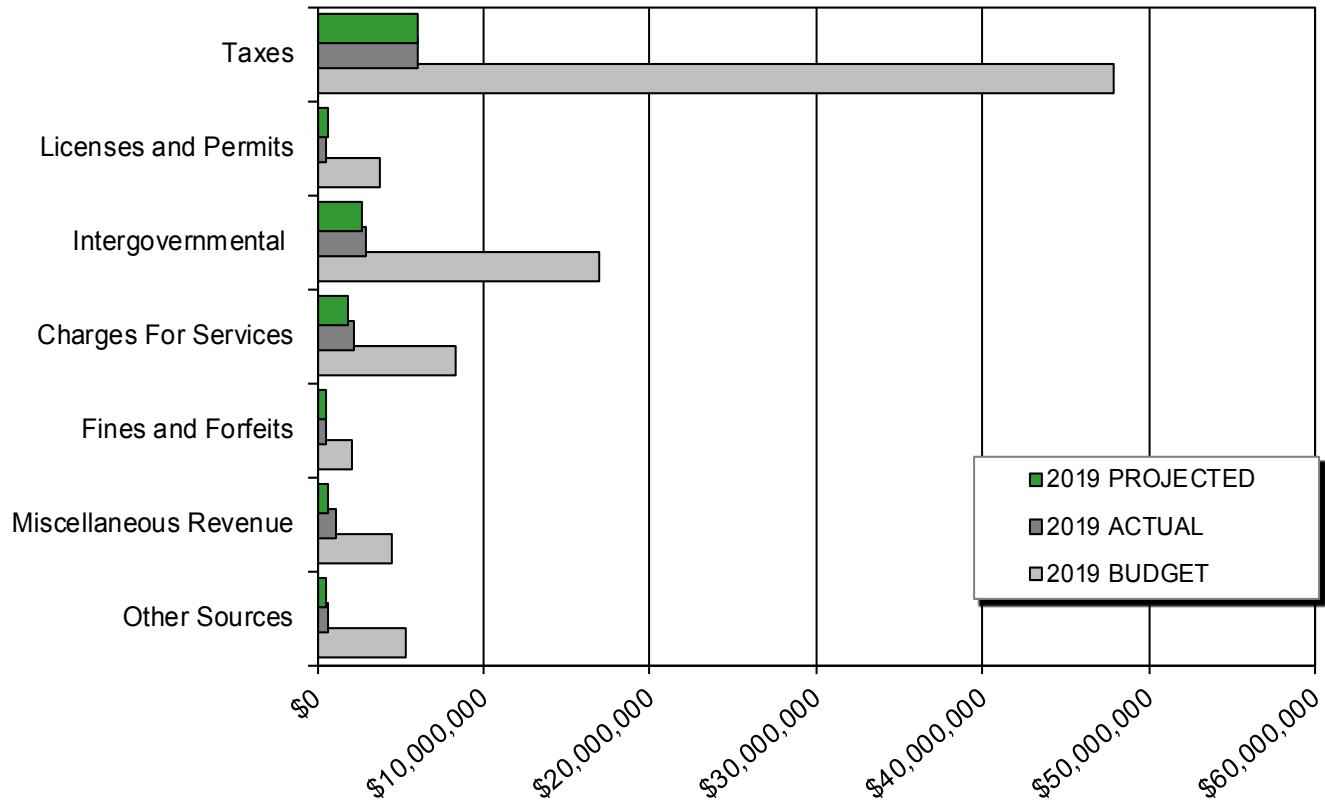
The estimated 2019 General Fund ending fund balance is projected to be approximately \$16.8 million.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## General Fund Revenue - Budget vs. Actual



	2019 Budget Adopted	2019 Budget Supp'ls	2019 Budget Amended	Actual as of 3/31/2019	% Collected To Date	Projected as of 3/31/2019
Taxes	47,864,051		47,864,051	6,004,257	12.54%	6,048,210
Licenses and Permits	3,802,909		3,802,909	536,084	14.10%	713,806
Intergovernmental	15,581,941	1,376,912	16,958,853	2,930,426	17.28%	2,684,748
Charges For Services	8,372,564	2,500	8,375,064	2,197,297	26.24%	1,893,826
Fines and Forfeits	2,059,100		2,059,100	526,378	25.56%	516,998
Miscellaneous Revenue	4,481,755	59,736	4,541,491	1,101,504	24.25%	695,935
Other Sources	5,373,885		5,373,885	650,186	12.10%	497,191
<b>Total Revenue</b>	<b>87,536,205</b>	<b>1,439,148</b>	<b>88,975,353</b>	<b>13,946,132</b>	<b>15.67%</b>	<b>13,050,714</b>

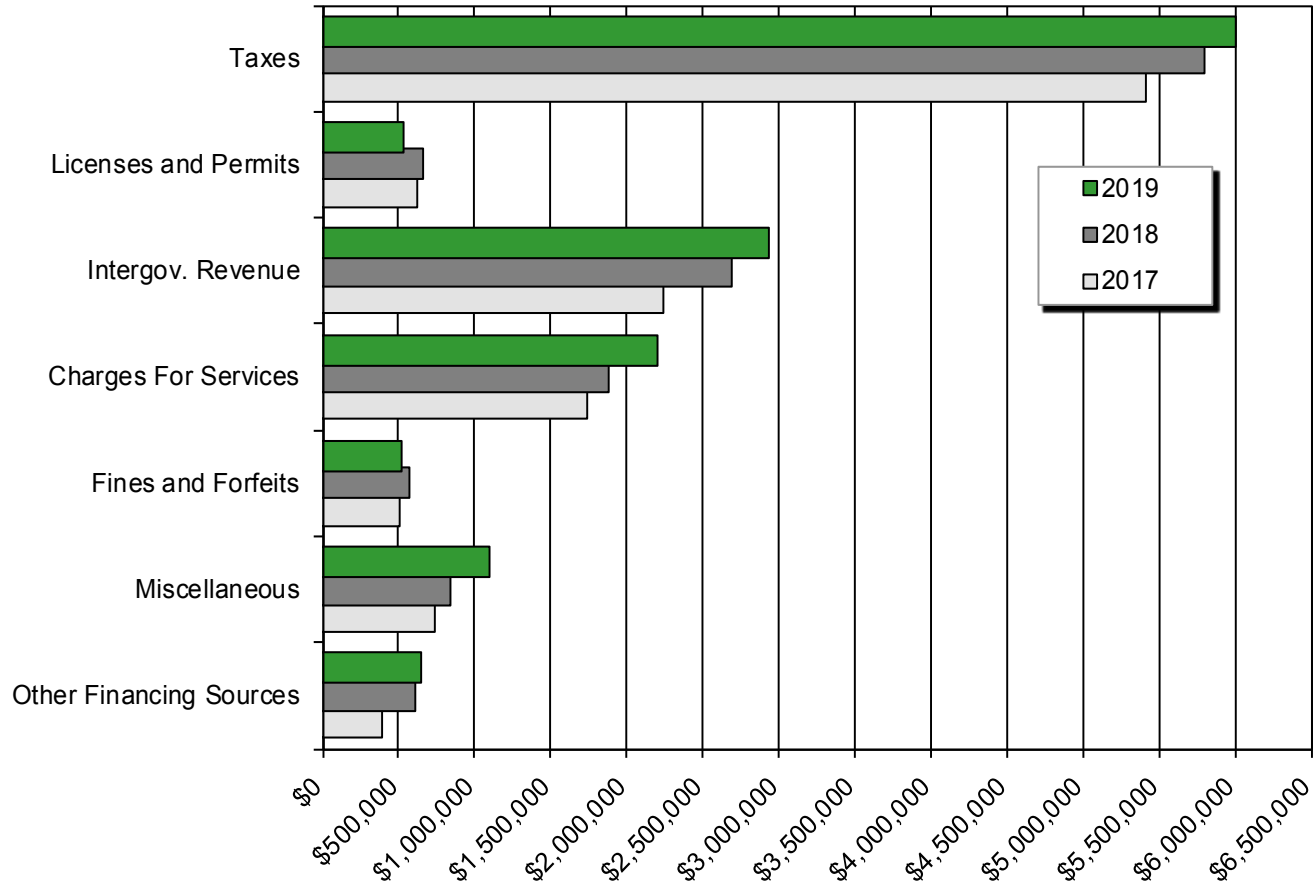
See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



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



	2017	2018	2019
Taxes	5,412,567	5,803,077	6,004,257
Licenses and Permits	619,680	656,550	536,084
Intergov. Revenue	2,240,586	2,693,990	2,930,426
Charges For Services	1,738,455	1,883,511	2,197,297
Fines and Forfeits	508,285	576,326	526,378
Miscellaneous	740,679	836,696	1,101,504
Other Financing Sources	390,809	615,013	650,186
<b>Total Revenue</b>	<b>11,651,061</b>	<b>13,065,163</b>	<b>13,946,132</b>

See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## General Fund Revenue Notes

### Taxes

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

Property tax revenues are \$33,171, more than first quarter 2018 amounts. Increased tax revenues result from new construction and the timing of when taxpayers make their first half property tax payments or pay delinquent tax payments. Current year sales tax collections are up 4.1%, or \$165,304, as compared to last year's first quarter collections.

### 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 \$120,466, or 18.3%, less than amounts collected during first quarter 2018. Building permits are down \$26,773 (7.8%), onsite sewage permit applications are down \$27,075 (28.8%), and restaurant and food handling permits are down \$71,443 (42.3%). Vacancies in Health Department administrative positions and software conversion backlogs in Environmental Health have delayed 1<sup>st</sup> quarter onsite sewage, restaurant and food handling revenue postings into April.

### Intergovernmental Revenue

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

Revenues collected as of quarter end are \$236,436, or 8.8%, higher than first quarter 2018. Grant revenues fluctuate based on timing of program billings and additions/deletions of grant programs. Increased state revenues this year are due to early receipt of annual vessel registration proceeds (Sheriff), a large Criminal Justice Treatment Account payment (Health), increased Development Disability grant payments (Health), and increased distributions from marijuana excise tax proceeds (Non Departmental). There is also a decrease in federal grant revenues from the Women, Infants, & Children (WIC) program being transferred to community partners.

### 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 \$313,784, or 16.66%, over first quarter 2018. This is entirely due to advance payments from North Sound Behavioral Health Organization for Medicaid administration activities in the Health Department being recognized in January for use throughout all of 2019. Other fee for service activities decreased by \$117,000. Activities that decreased included real estate excise tax processing fees, auditor filing and vehicle licensing fees, and municipal probation contract payments.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 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 have decreased \$49,948, or 8.67%, from first quarter 2018 amounts. Modest decreases occurred in the amount of felony, civil and property tax penalties collected.

### 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 up \$264,809, or 31.6%, from first quarter 2018 amounts. Increases are principally due to improving interest rates on investment income and donations recorded in the Health Department for programs supported by Boston Medical and Group Health.

### Other Financing Sources

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

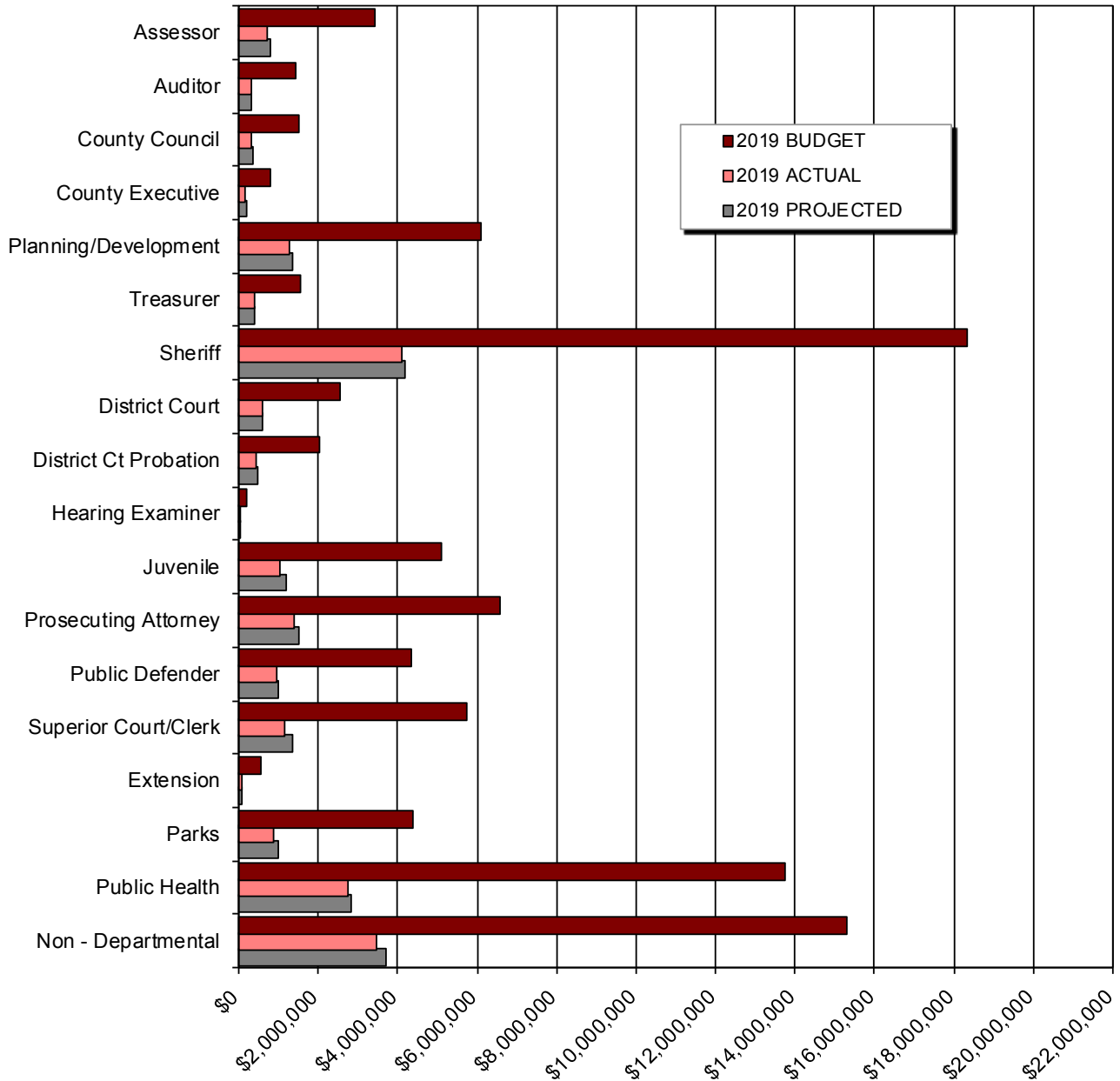
The Other Financing Sources category is \$35,174 (5.7%) more than first quarter 2018 amounts. Timber sales revenue decreased by \$29,000 and operating transfers increased \$64,000.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## General Fund Expenditures - Budget vs. Actual



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

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## General Fund Expenditures - Budget vs. Actual

	Adopted 2019 Budget	Budget Supp'ls	Amended Budget	Actual as of 3/31/19	% Expended To Date	Projected as of 3/31/19
Assessor	3,394,993	27,075	3,422,068	728,442	21.29%	815,434
Auditor	1,424,557		1,424,557	323,258	22.69%	328,556
County Council	1,512,431	2,245	1,514,676	316,878	20.92%	339,546
County Executive	778,972		778,972	178,315	22.89%	180,017
Planning & Development	5,910,561	182,339	6,092,900	1,284,374	21.08%	1,373,669
Treasurer	1,563,968		1,563,968	406,853	26.01%	417,081
Sheriff	17,867,357	484,937	18,352,294	4,089,756	22.28%	4,204,621
District Court	2,546,145		2,546,145	597,594	23.47%	583,597
District Court Probation	2,029,333		2,029,333	437,926	21.58%	462,652
Hearing Examiner	201,617		201,617	47,838	23.73%	48,048
Juvenile	5,015,706	95,521	5,111,227	1,043,401	20.41%	1,179,688
Prosecuting Attorney	6,550,982	11,905	6,562,887	1,389,403	21.17%	1,521,060
Public Defender	4,318,112	14,000	4,332,112	955,788	22.06%	1,002,201
Superior Court/Clerk	5,756,004		5,756,004	1,159,861	20.15%	1,345,672
Extension	541,708		541,708	72,049	13.30%	85,545
Park	4,383,264	9,000	4,392,264	874,175	19.90%	1,005,933
Public Health	13,642,352	114,985	13,757,337	2,756,623	20.04%	2,849,555
Non - Departmental	14,614,557	674,318	15,288,875	3,461,035	22.64%	3,713,165
<b>Total General Fund Exp</b>	<b>92,052,619</b>	<b>1,616,325</b>	<b>93,668,944</b>	<b>20,123,569</b>	<b>21.48%</b>	<b>21,456,040</b>

See page 9 for General Fund Expenditure Notes.

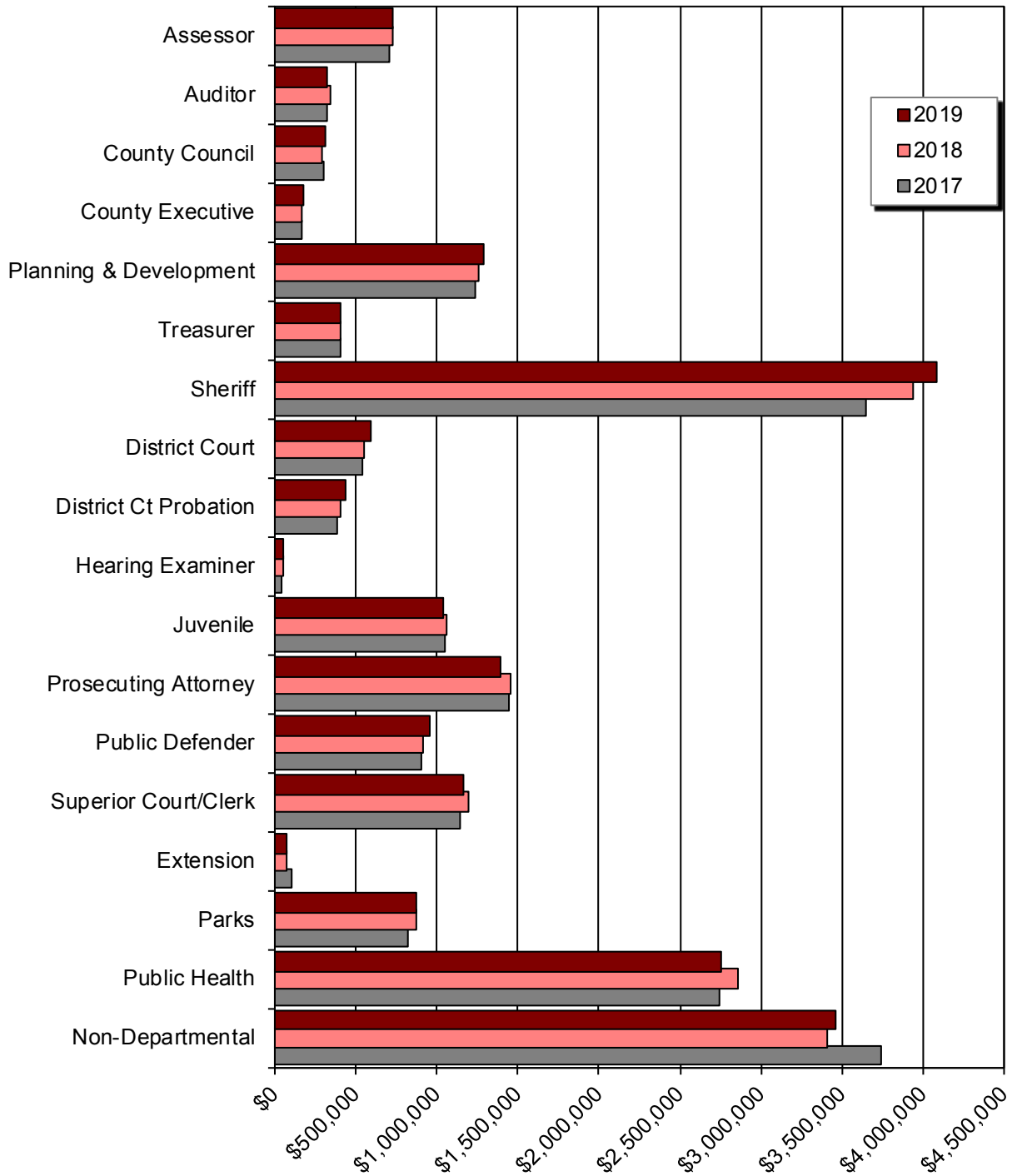


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## General Fund Expenditures - Compared to Prior Years



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

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## General Fund Expenditures - Compared to Prior Years

	2017	2018	2019
Assessor	709,029	729,877	728,442
Auditor	325,104	341,206	323,258
County Council	297,292	290,708	316,878
County Executive	163,953	172,049	178,315
Planning & Development	1,238,310	1,261,252	1,284,374
Treasurer	404,548	407,391	406,853
Sheriff	3,651,908	3,940,210	4,089,756
District Court	539,344	553,089	597,594
District Ct Probation	385,475	405,388	437,926
Hearing Examiner	46,923	48,646	47,838
Juvenile	1,052,927	1,056,510	1,043,401
Prosecuting Attorney	1,440,730	1,460,471	1,389,403
Public Defender	906,781	913,168	955,788
Superior Court /Clerk	1,141,830	1,194,661	1,159,861
Extension	102,884	68,628	72,049
Parks	823,385	877,927	874,175
Public Health	2,747,426	2,855,923	2,756,623
Non-Departmental	3,741,161	3,406,626	3,461,035
<b>TOTAL</b>	<b>19,719,010</b>	<b>19,983,730</b>	<b>20,123,569</b>

## General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of the first quarter were 21.48% of the approved budget. All departmental spending was within budget expectations and in line with previous year spending patterns.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## General Fund Conclusion

	<u>Projected</u>
<b>Beginning Fund Balance 1/1/19</b>	<u>16,826,423</u>
<b>Revenues</b>	
Budgeted Revenues 2019	87,536,205
Continuing Appropriations from 2018	1,005,640
Supplemental Budgets 2019	433,508
<b>Total Revenue</b>	<u>88,975,353</u>
<b>Expenditures</b>	
Budgeted Expenditures 2019	92,052,619
Continuing Appropriations from 2018	1,164,337
Supplemental Budgets 2019	451,988
<b>Total Expenditures</b>	<u>93,668,944</u>
<b>Adjusted Surplus (Deficit)</b>	(4,693,591)
<b>Other Considerations</b>	
Estimated Budget Lapse <sup>1</sup>	4,683,447
<b>Projected Ending Fund Balance 12/31/19</b>	<u><u>16,816,280</u></u>

Notes:

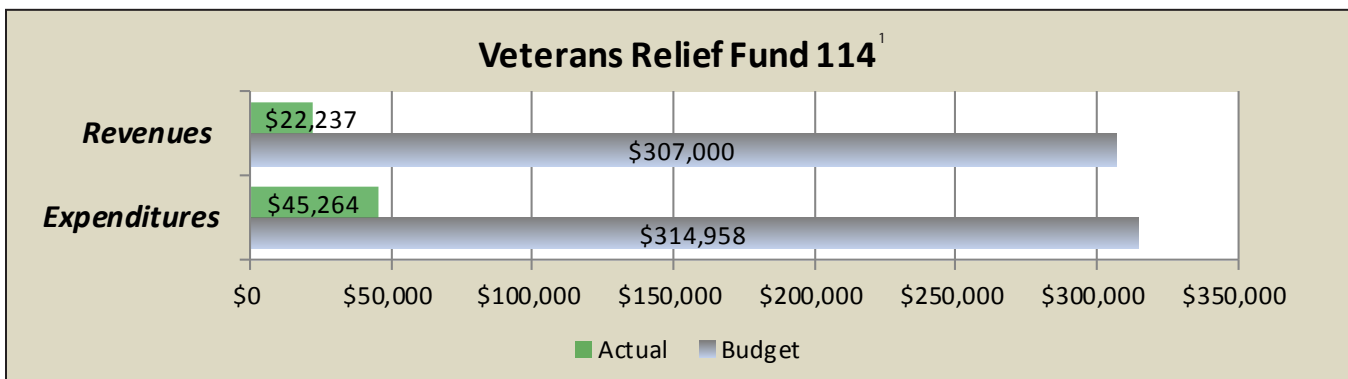
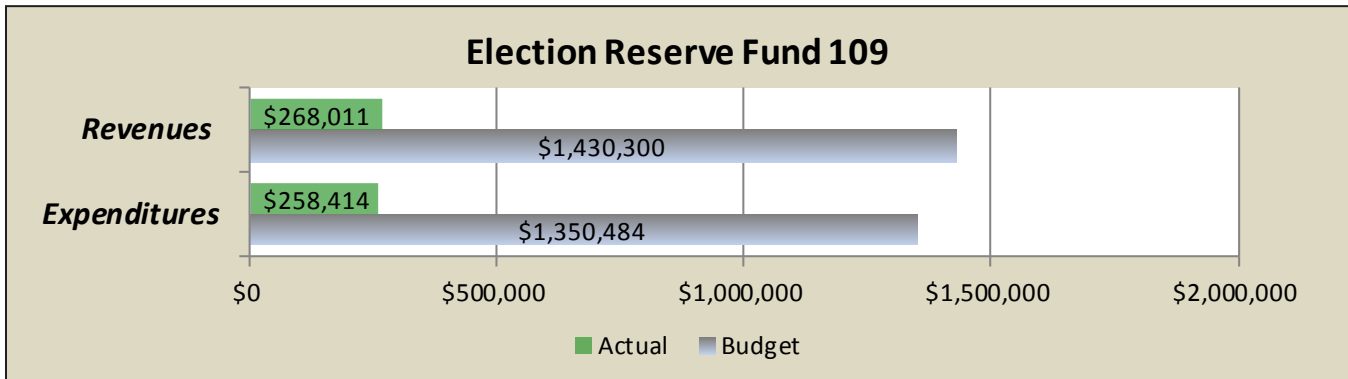
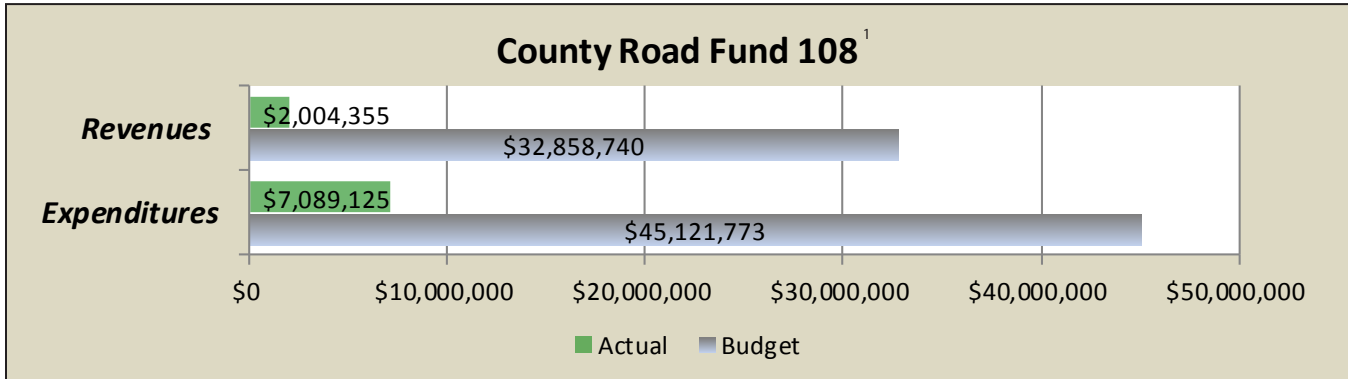
<sup>1</sup> The estimated budget lapse is 5.0% of expenditures.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Special Revenue Funds and Other Funds



Note:

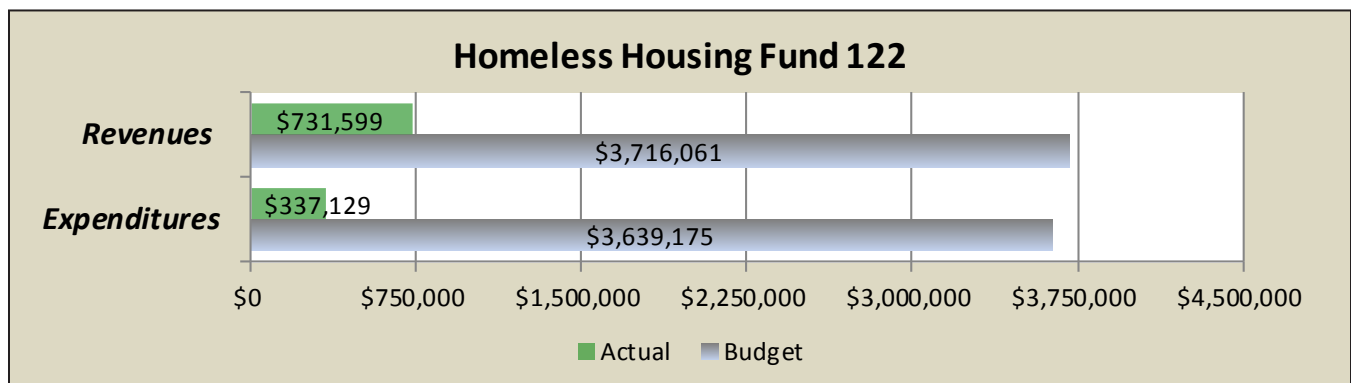
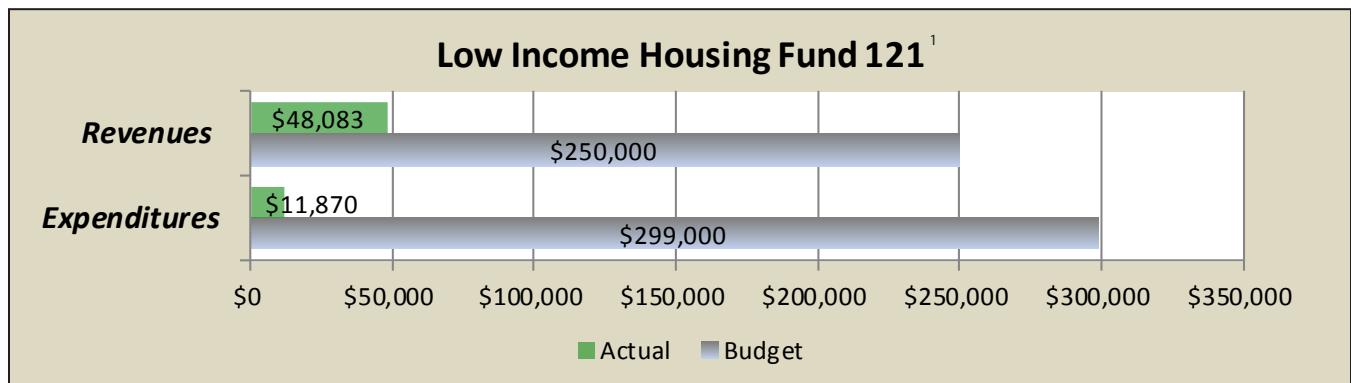
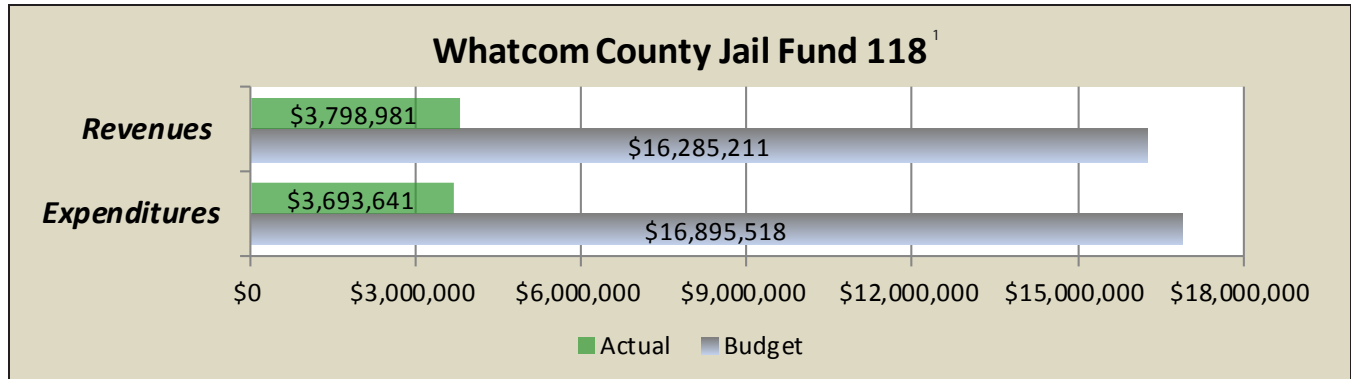
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Special Revenue Funds and Other Funds, continued



Note:

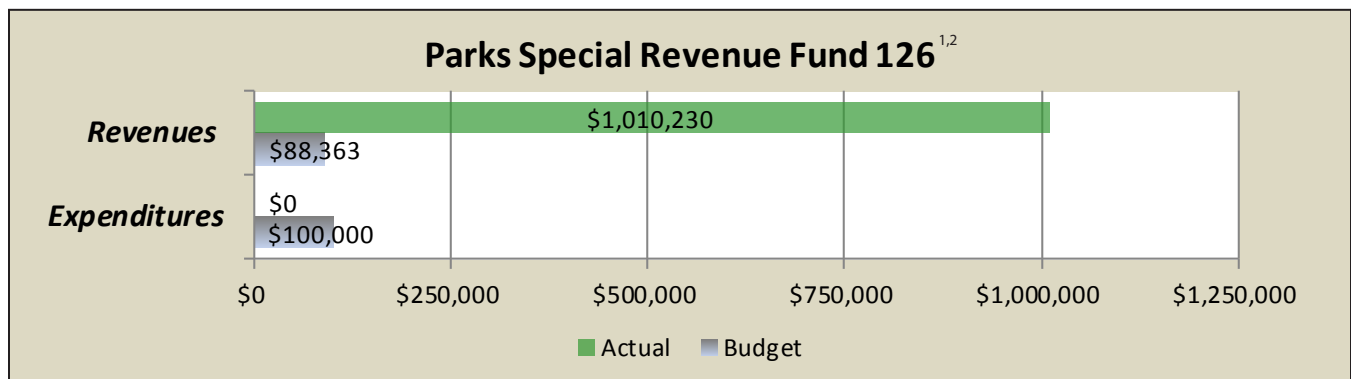
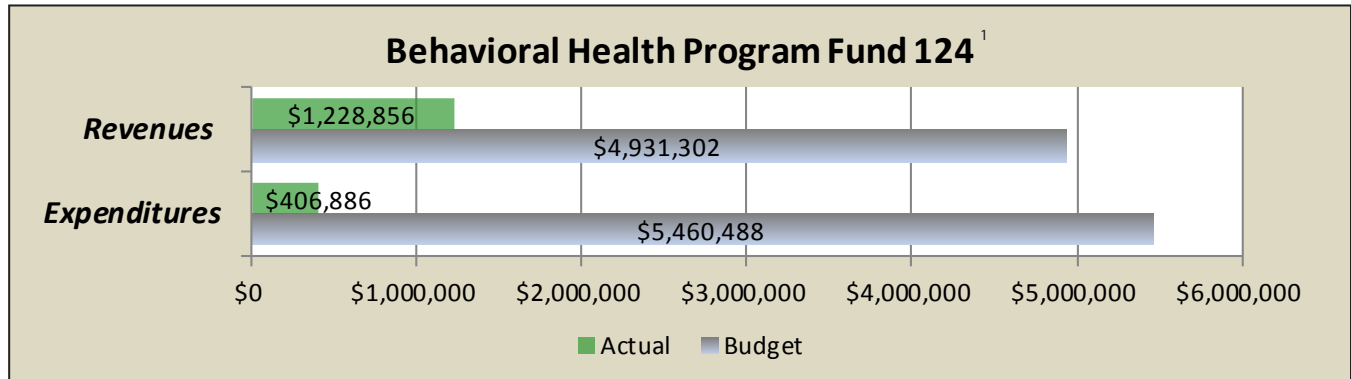
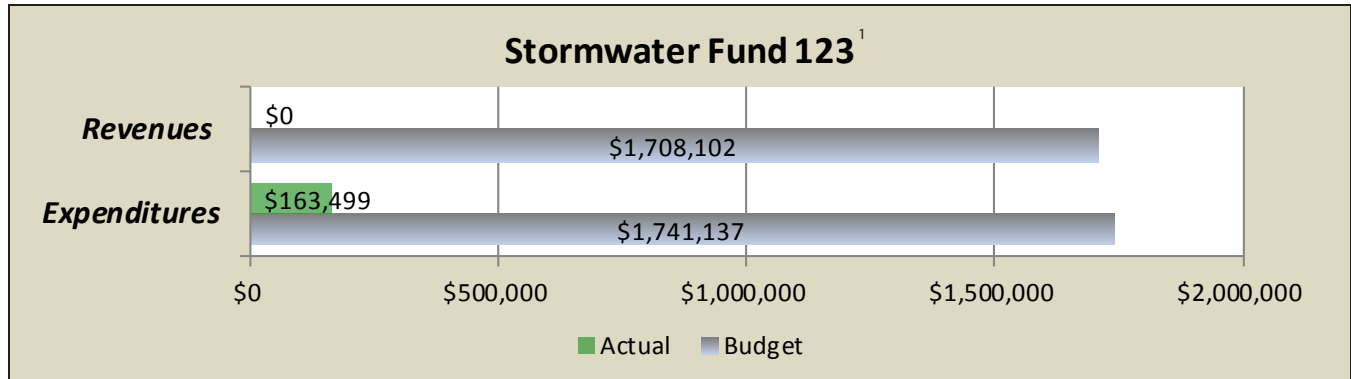
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# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Special Revenue Funds and Other Funds, continued



Note:

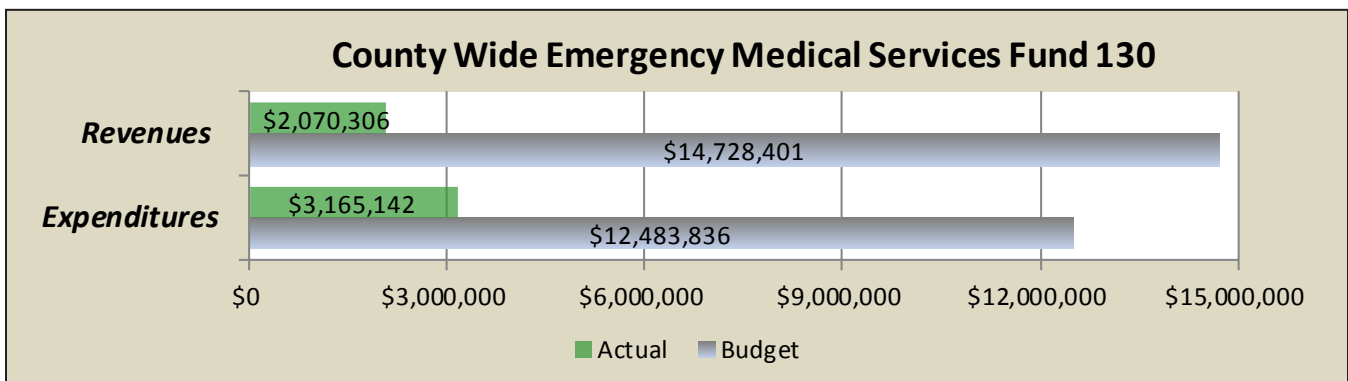
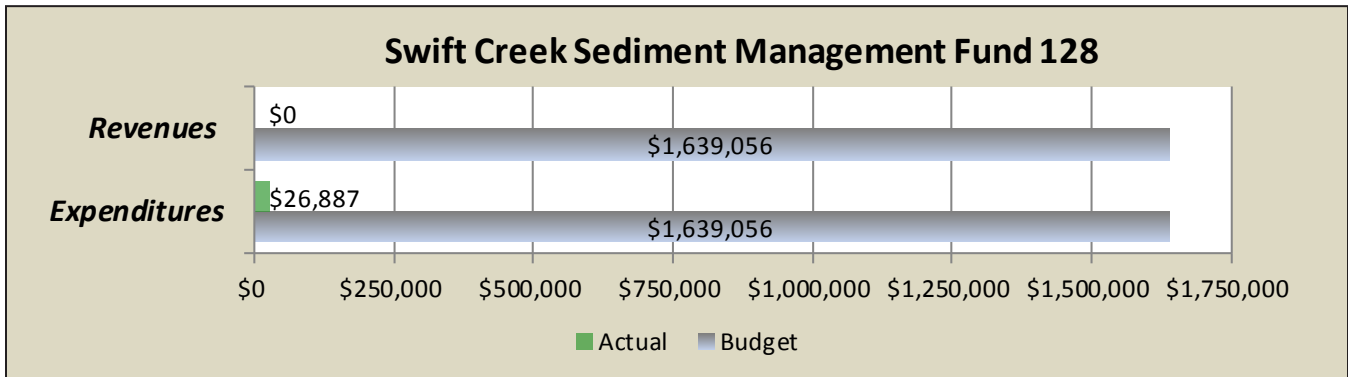
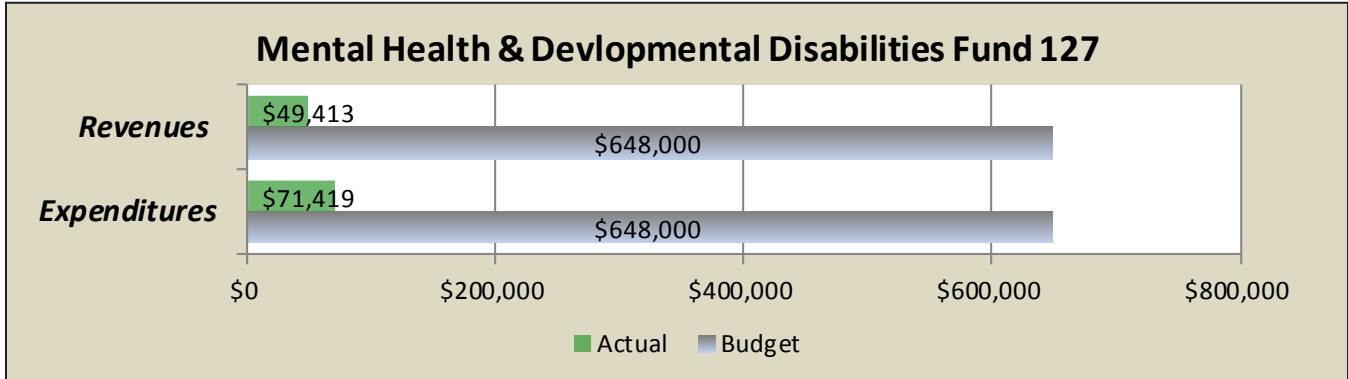
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>2</sup> Actual revenues are greater than current budget due to receipt of an unbudgeted state grant that reimbursed prior year expenditures.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Special Revenue Funds and Other Funds, continued

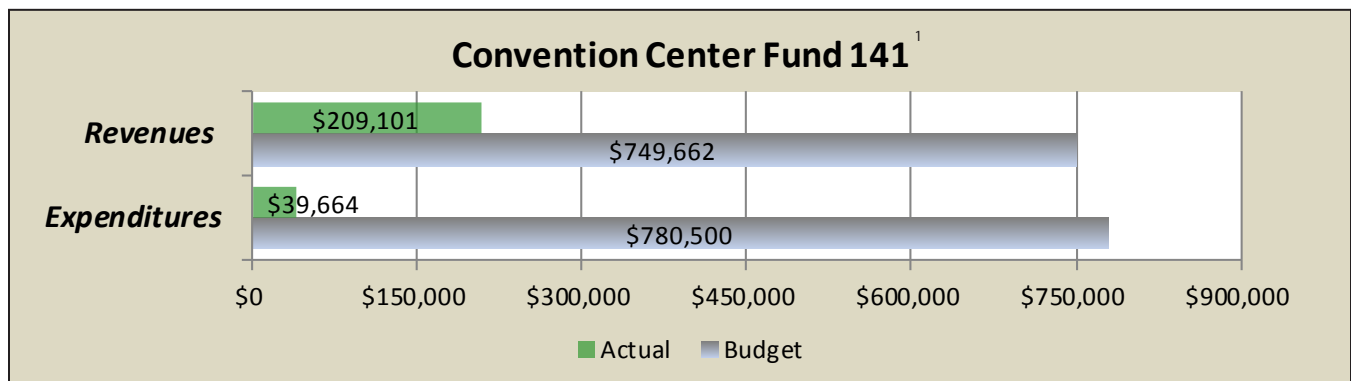
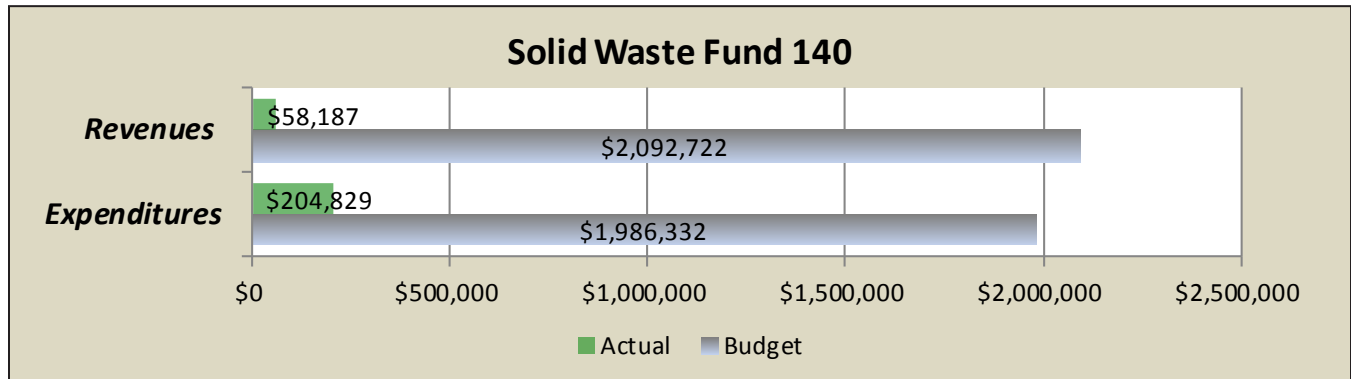
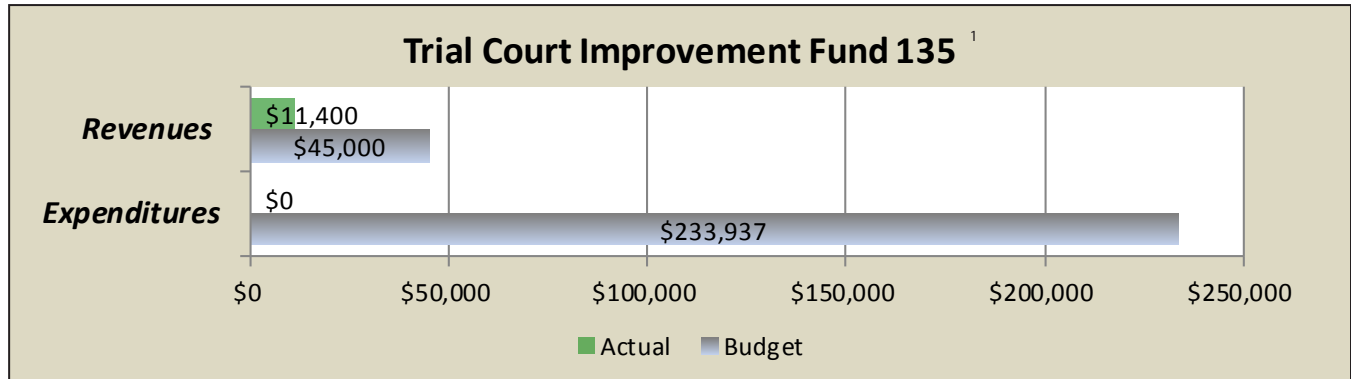


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 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.

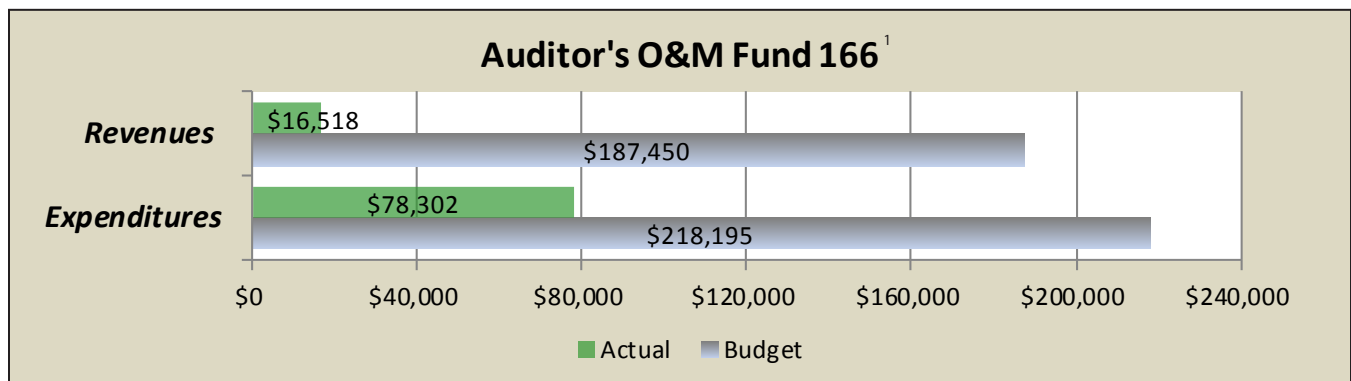
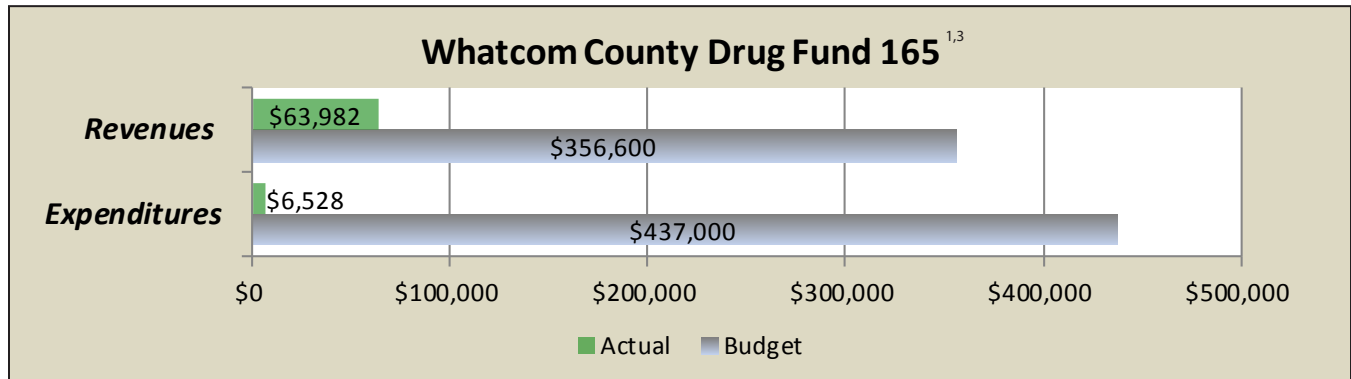
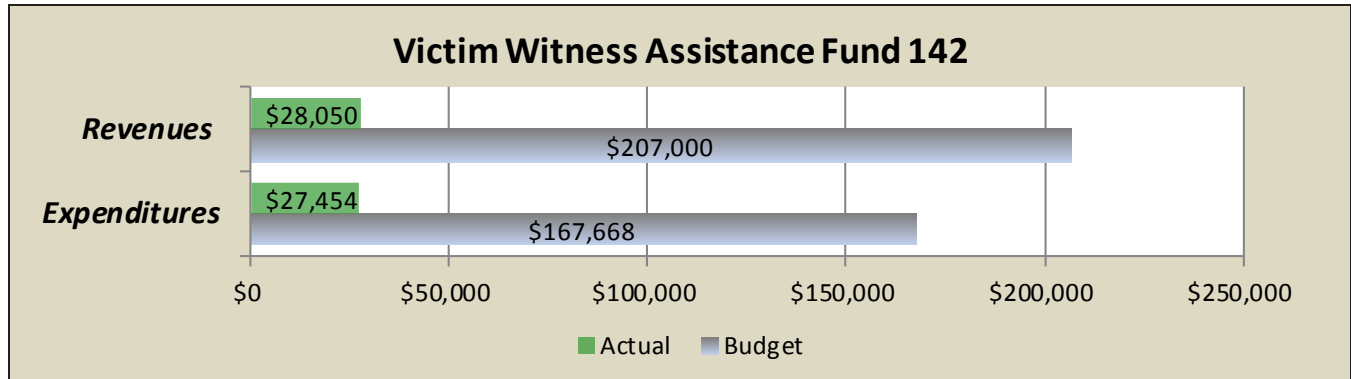


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Special Revenue Funds and Other Funds, continued



Notes:

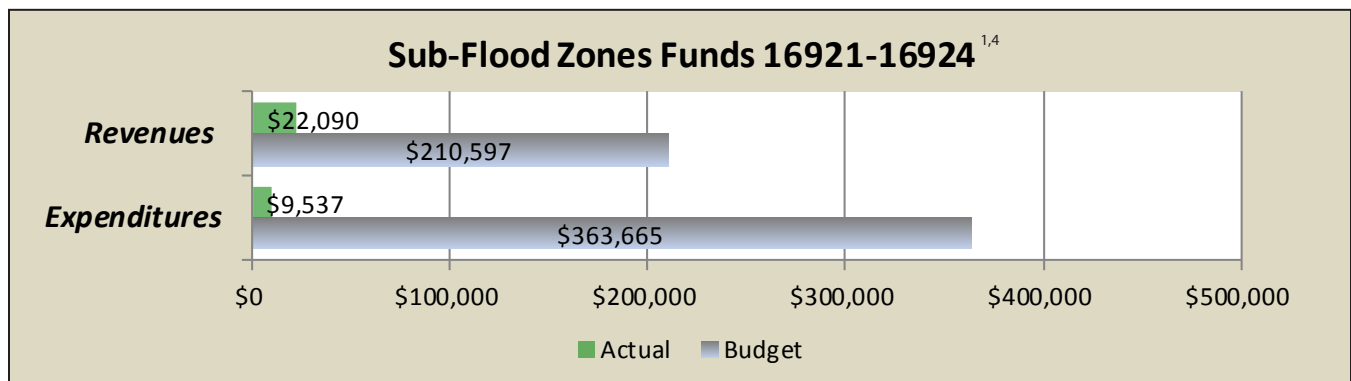
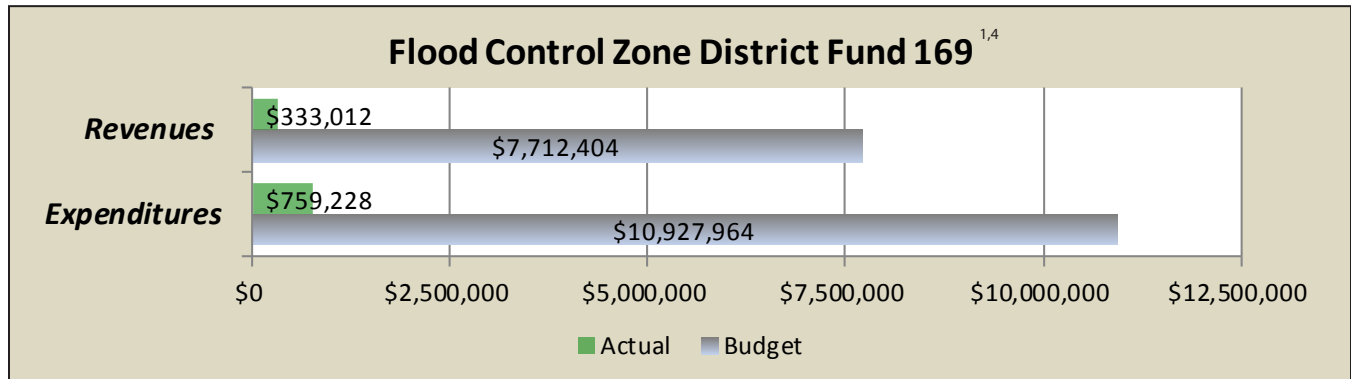
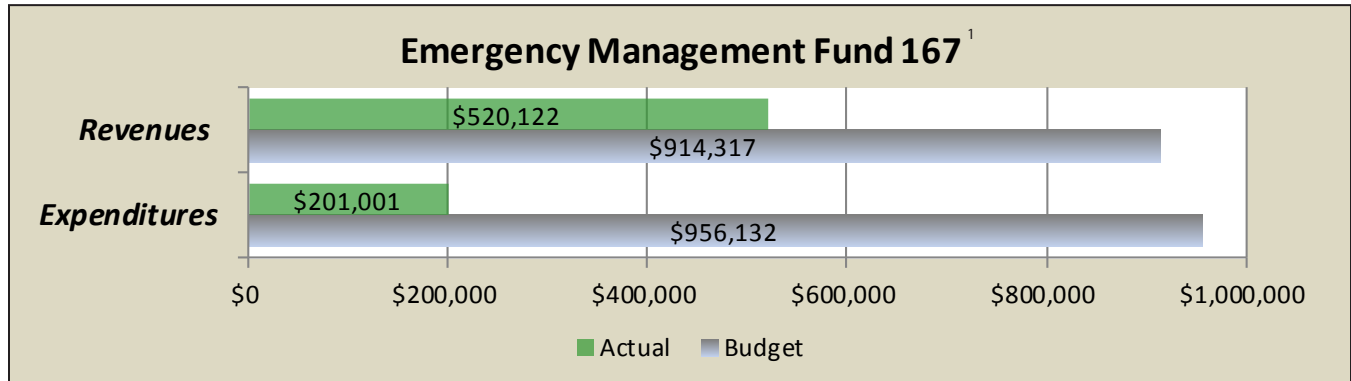
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>3</sup> Drug Fund revenue is dependent on seizure activity and proceed sharing with other agencies. Therefore, revenue is unpredictable. The Fund's ability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

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Special Revenue Funds and Other Funds, continued



Notes:

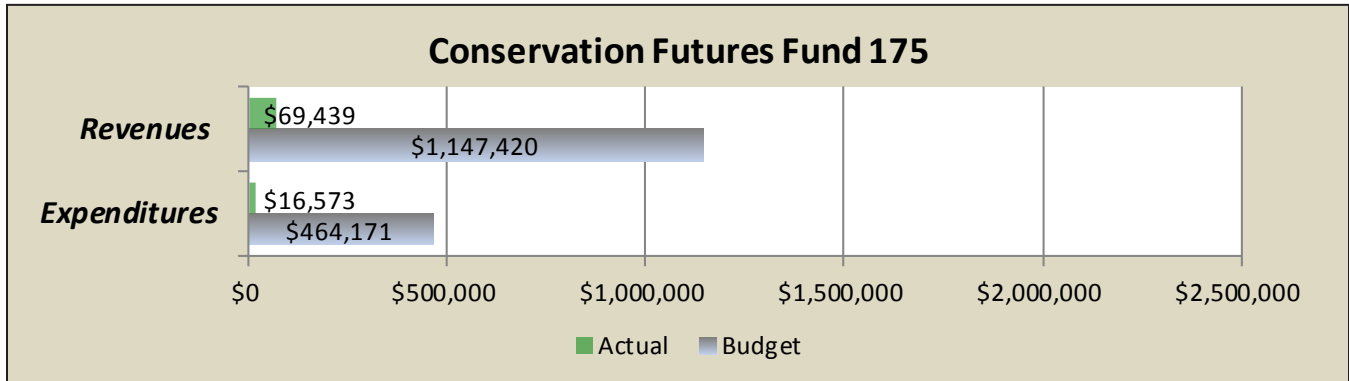
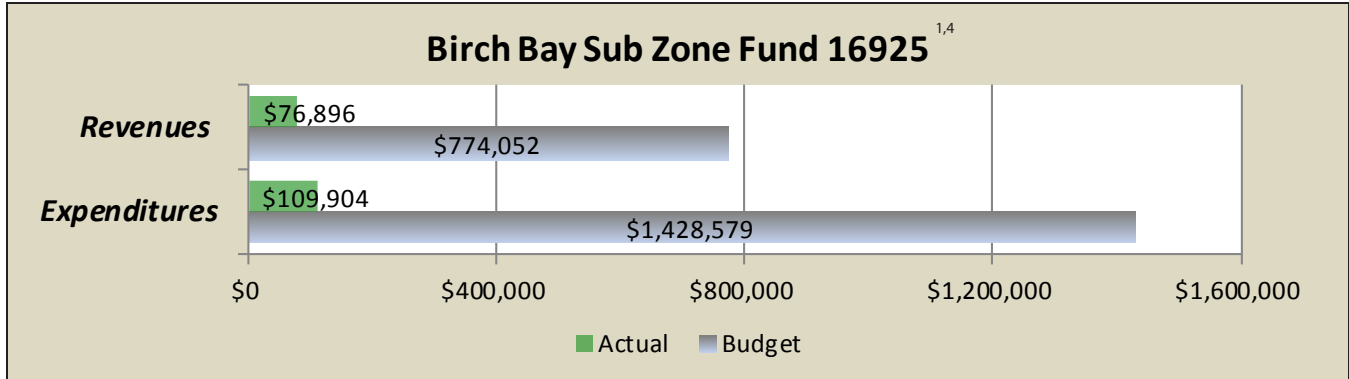
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>4</sup> Flood and Sub Zones expenditures are project driven which are dependent on factors such as permitting, fish windows, and state funding.

# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Special Revenue Funds and Other Funds, continued



**Notes:**

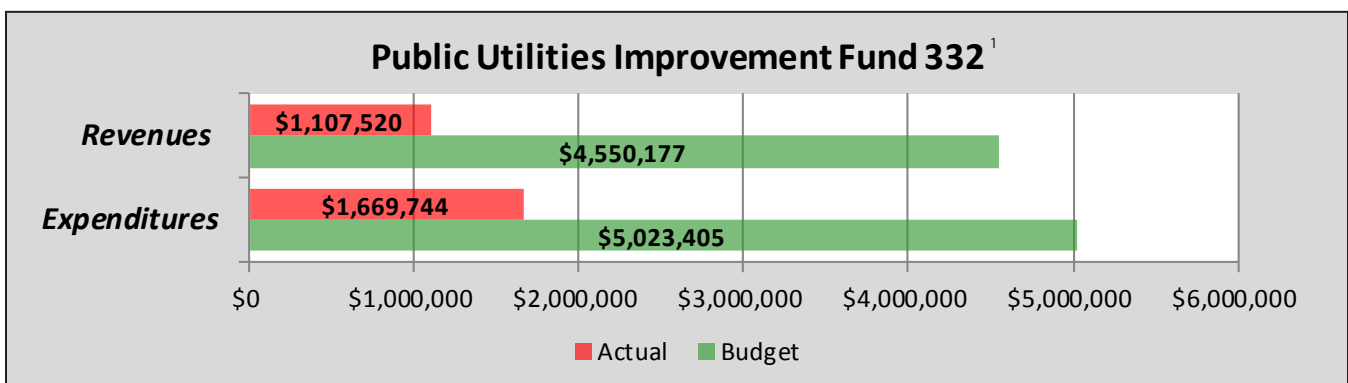
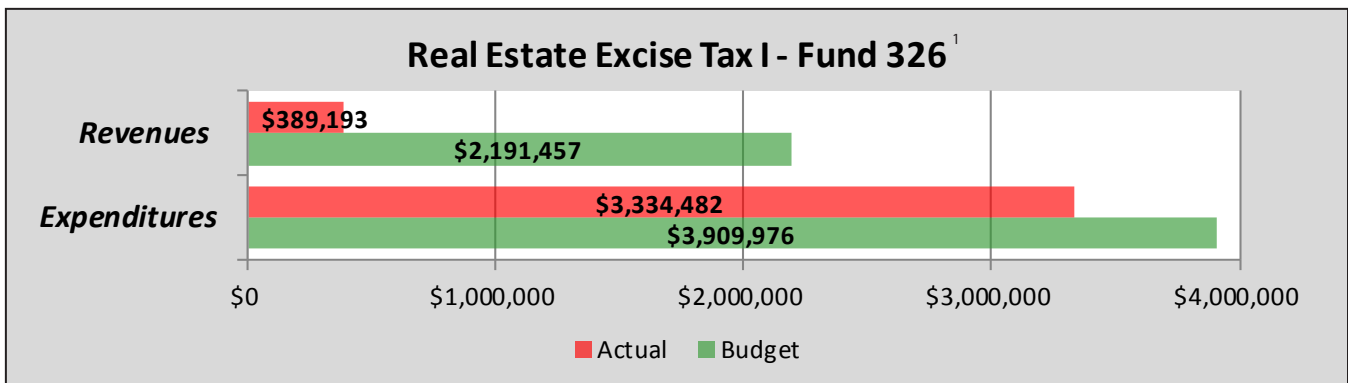
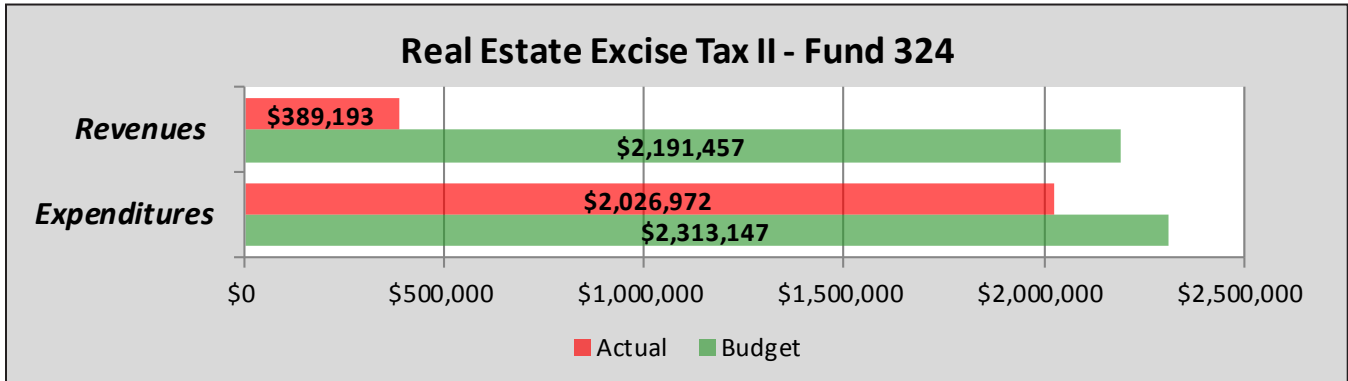
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>4</sup> Most Conservation Futures funding is used to purchase development rights or land. These purchases are budgeted on a transaction by transaction basis as they occur.

# Whatcom County First Quarter 2019 Financial Report

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## Capital Project Funds



Note:

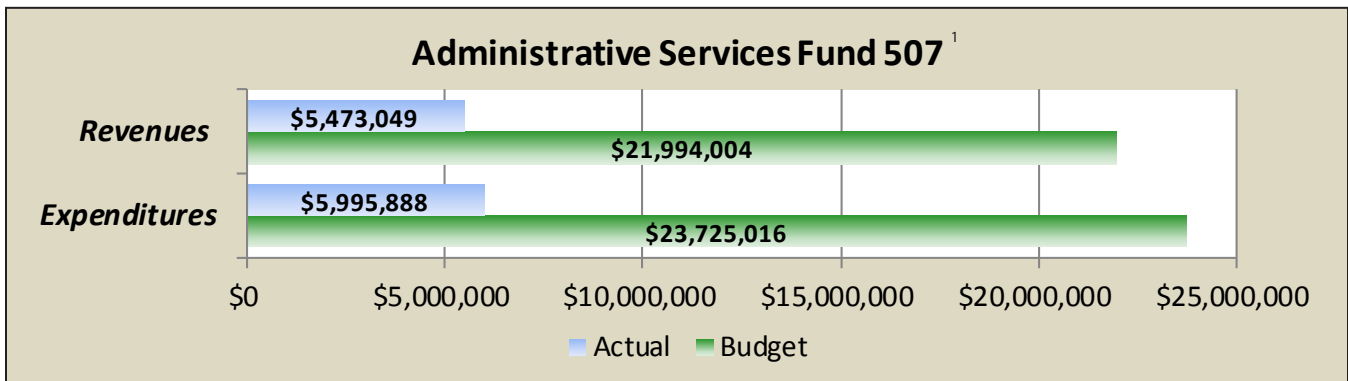
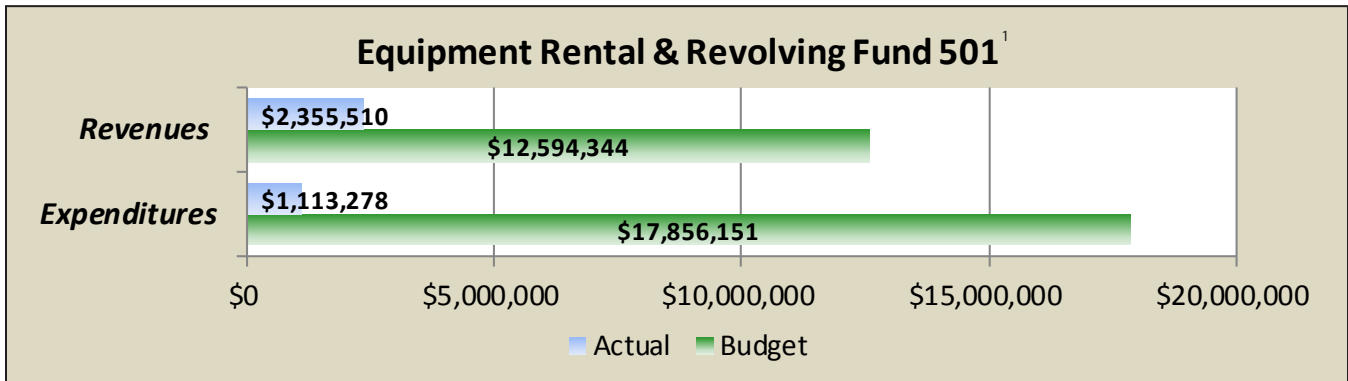
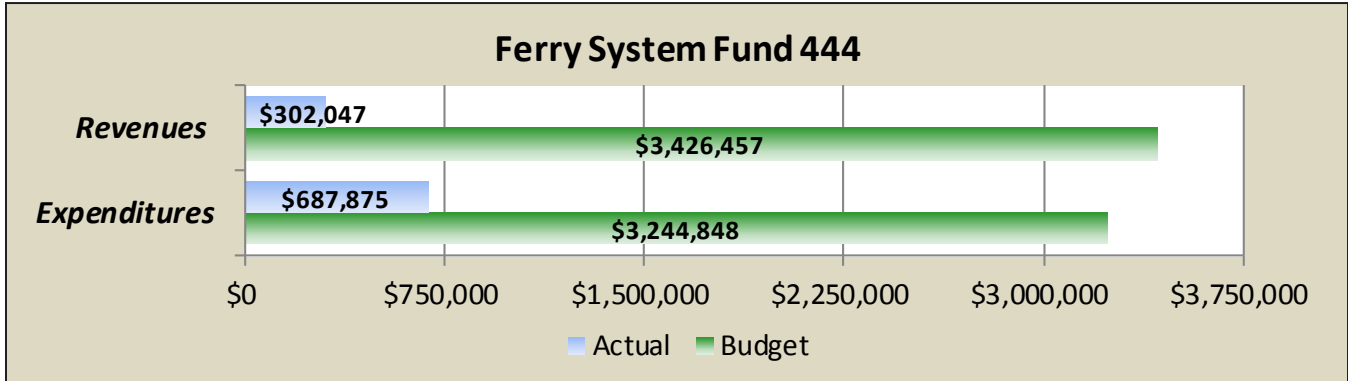
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# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Enterprise and Internal Service Funds



Note:

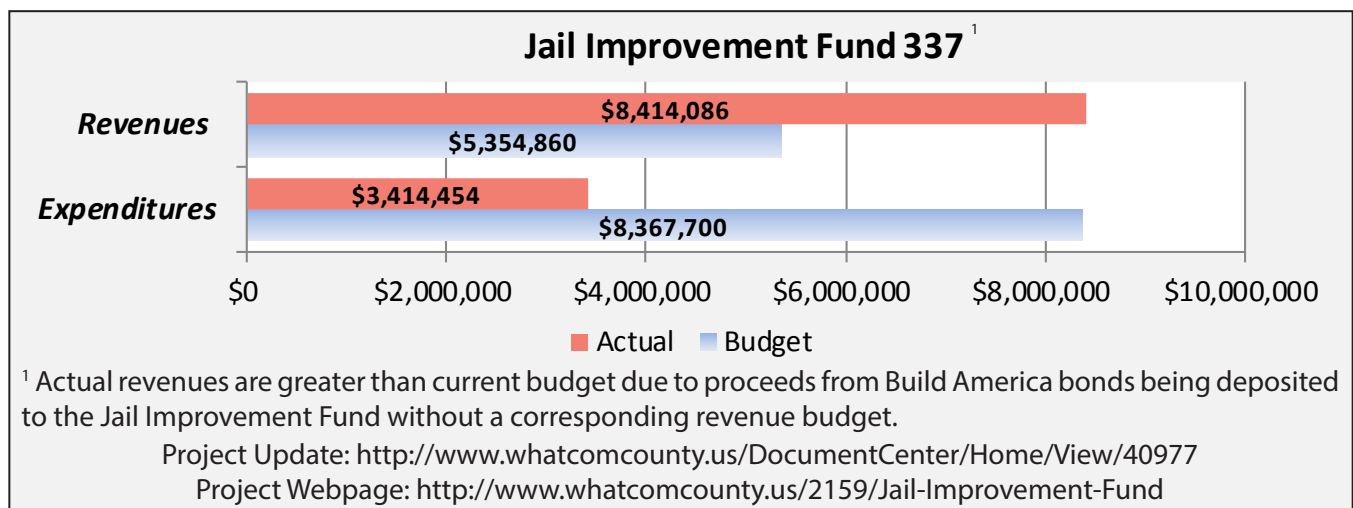
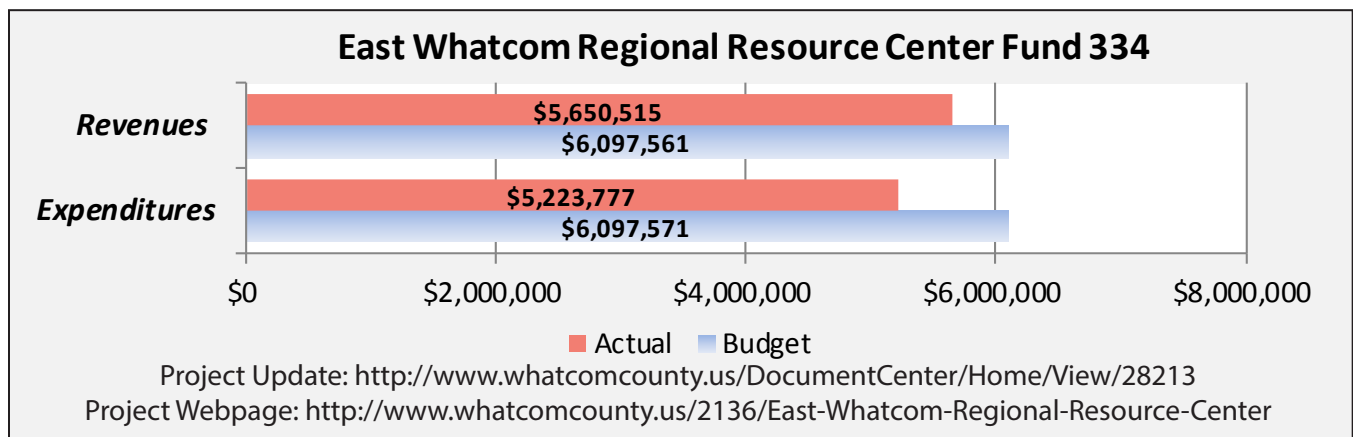
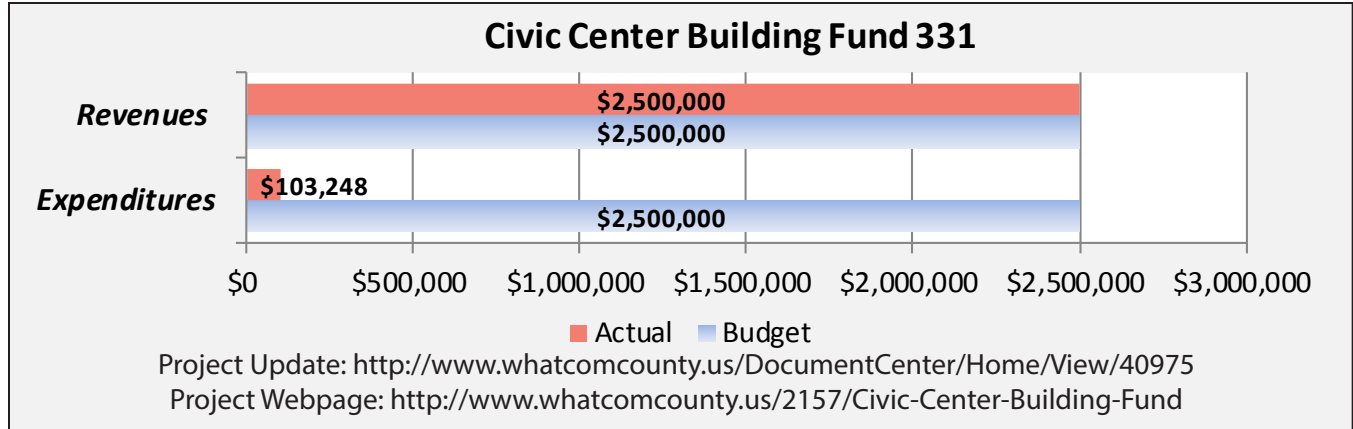
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# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds

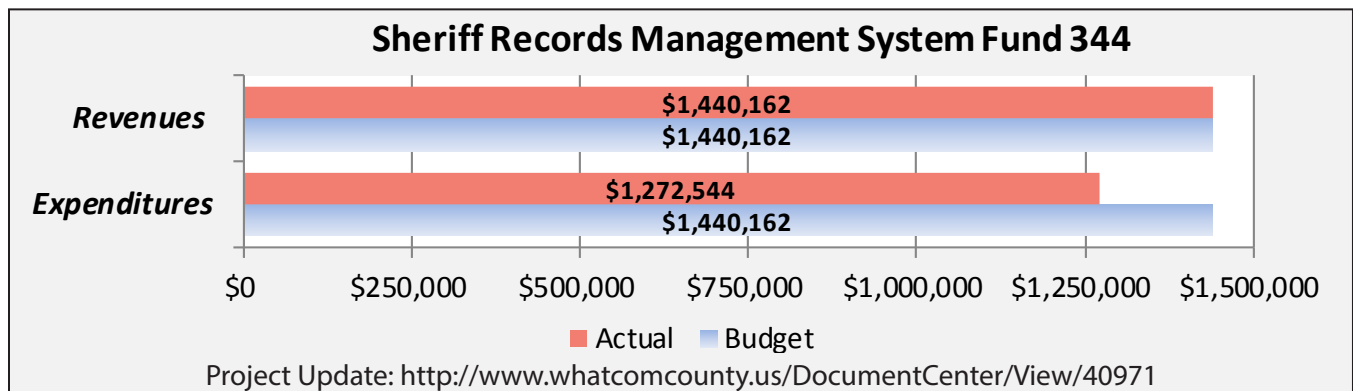
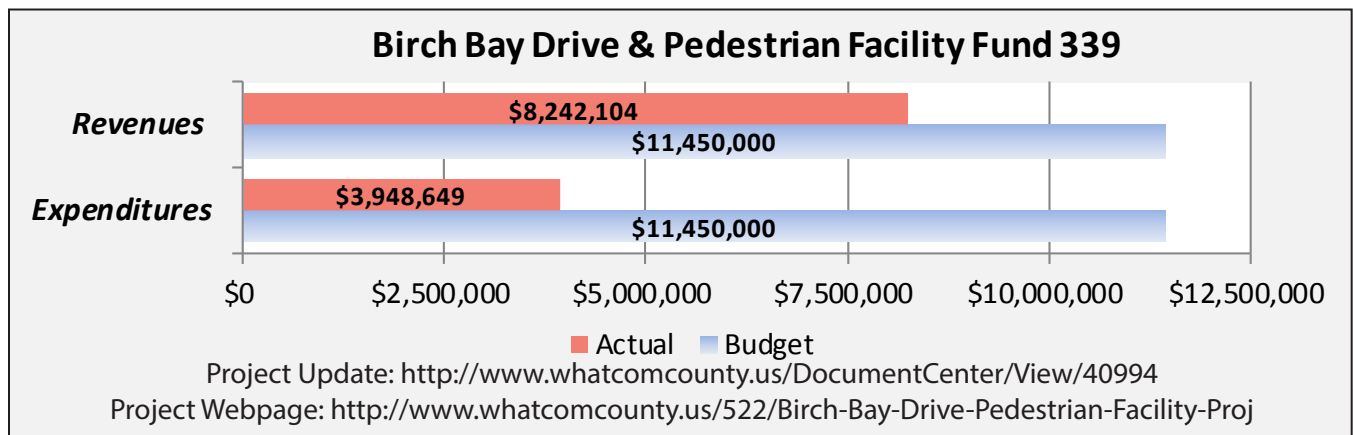
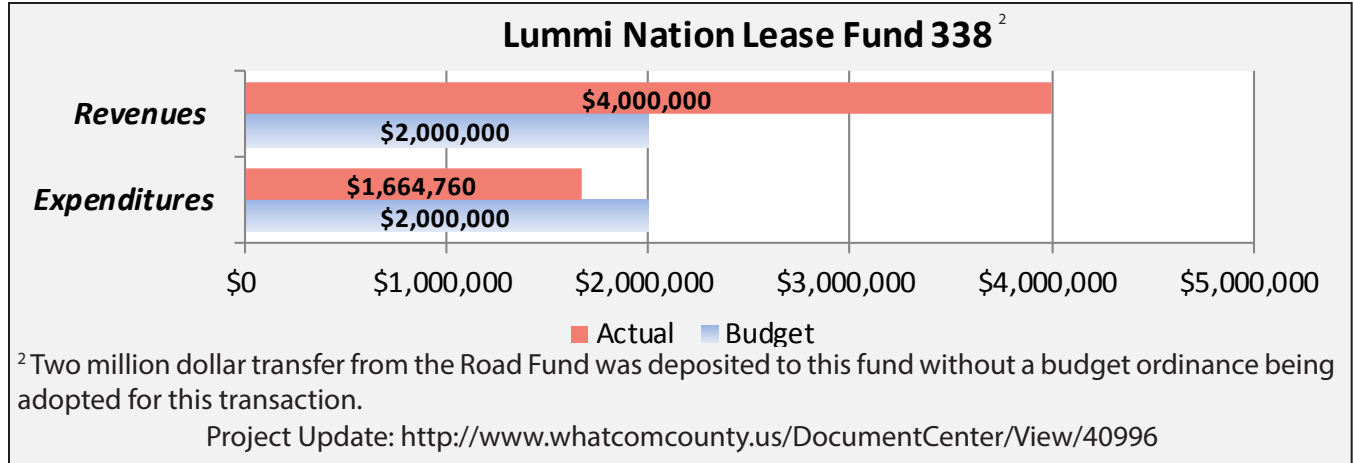


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

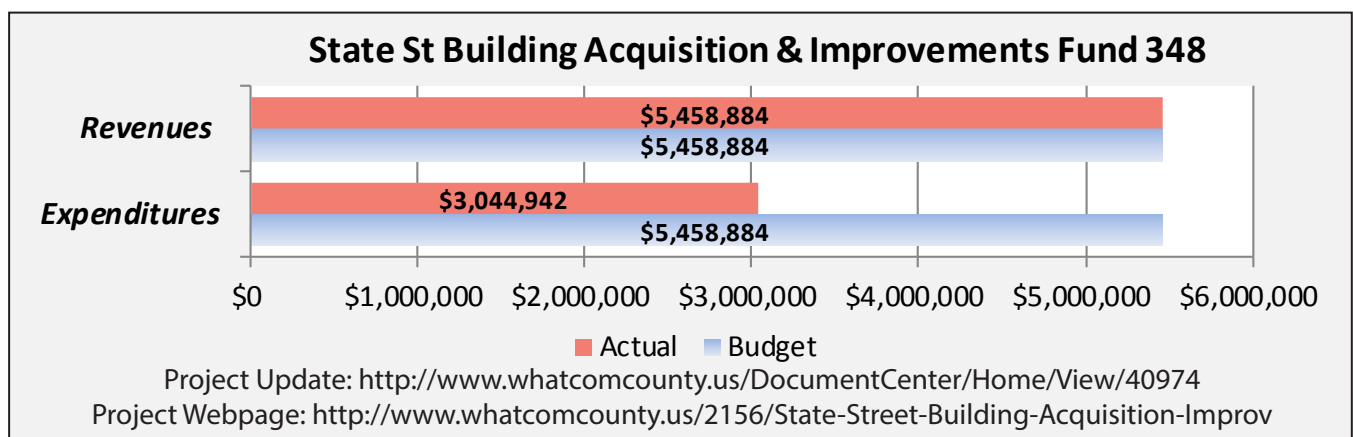
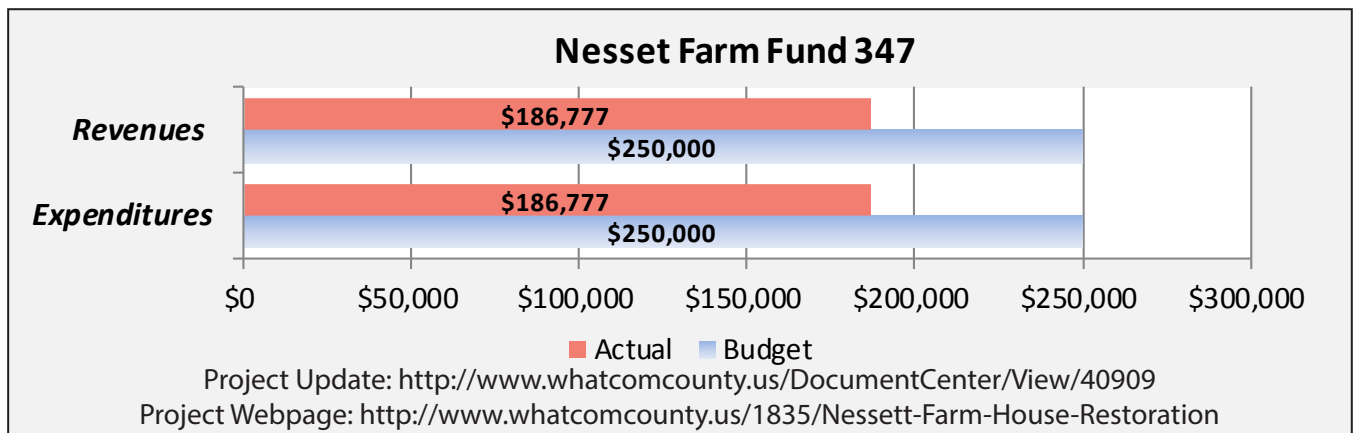
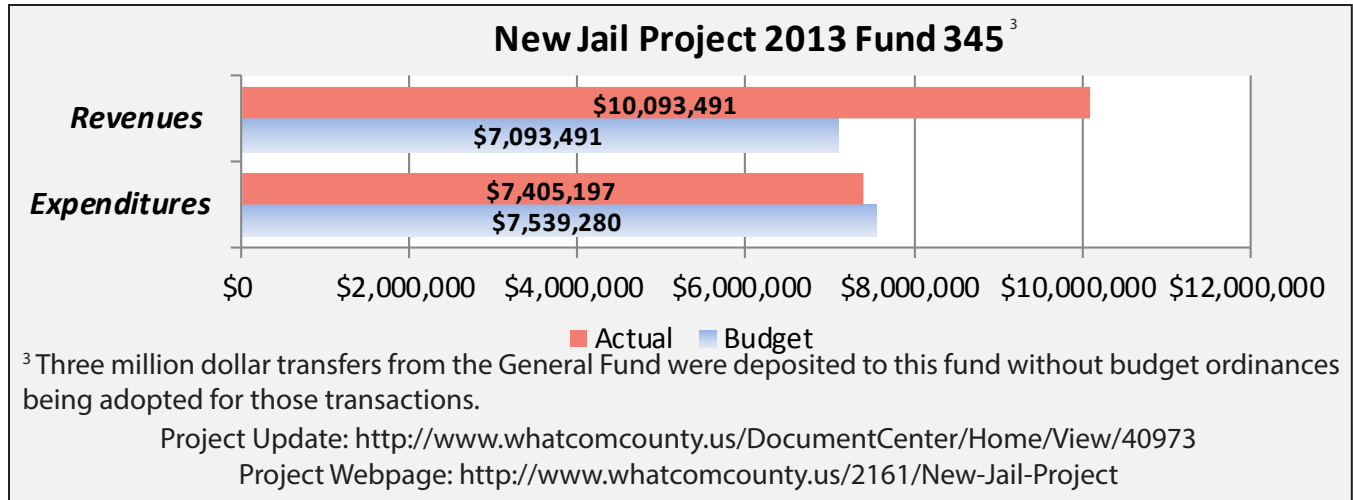


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued



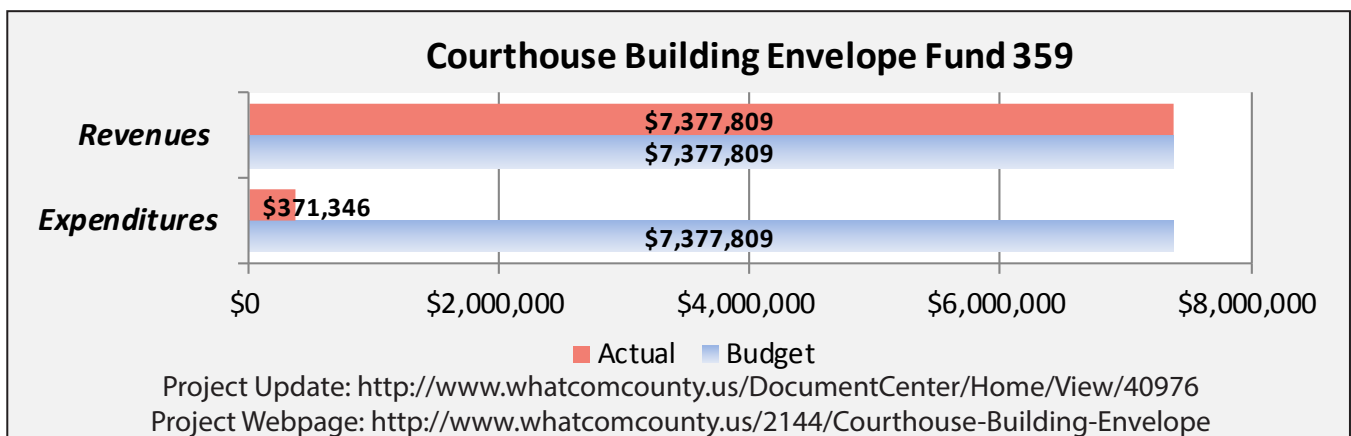
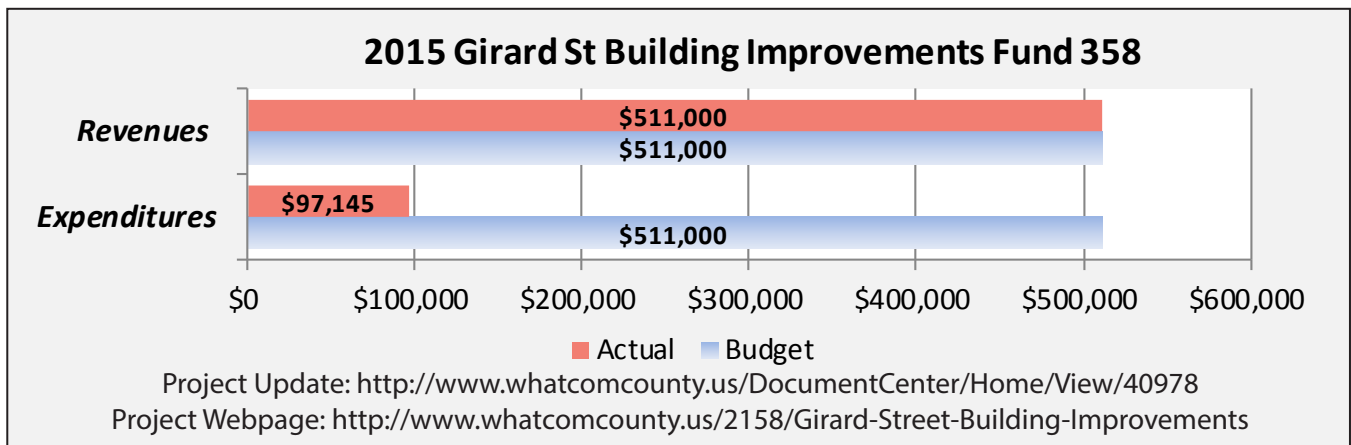
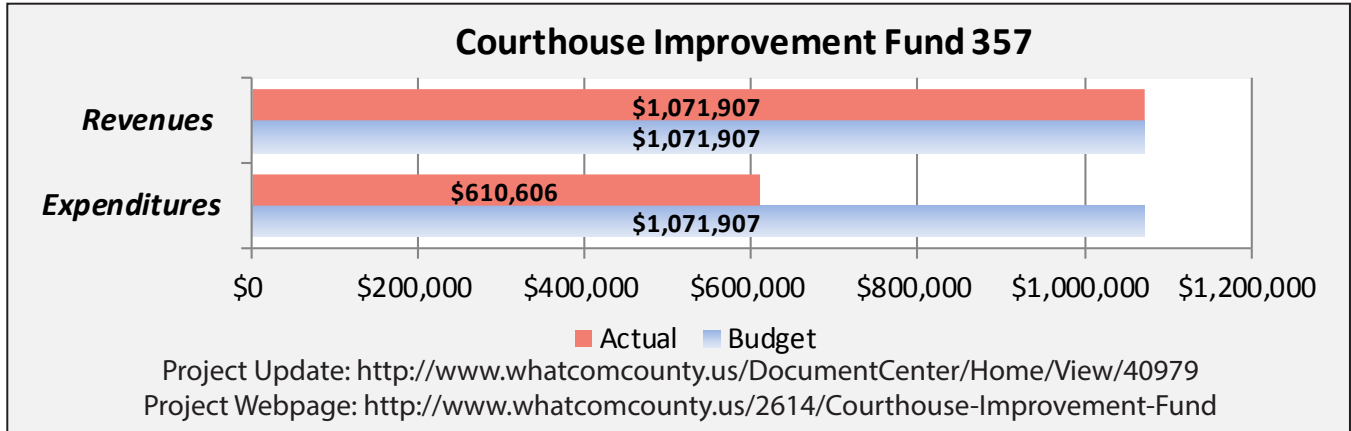


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

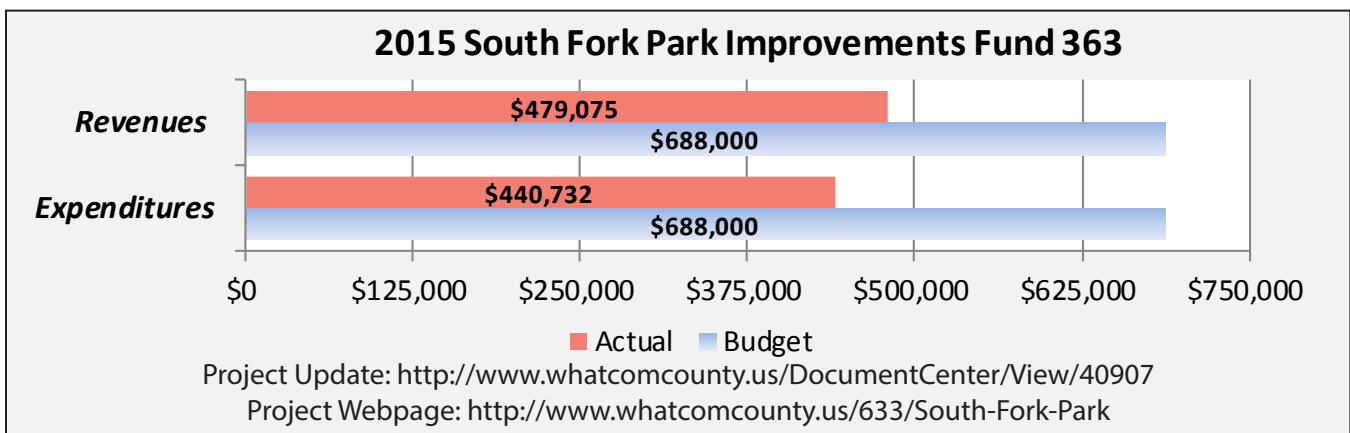
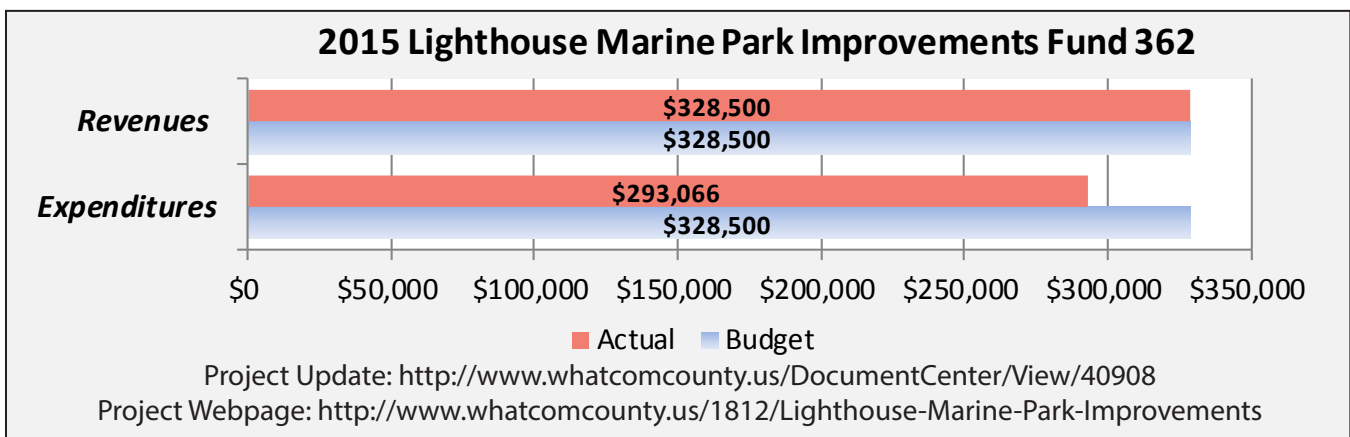
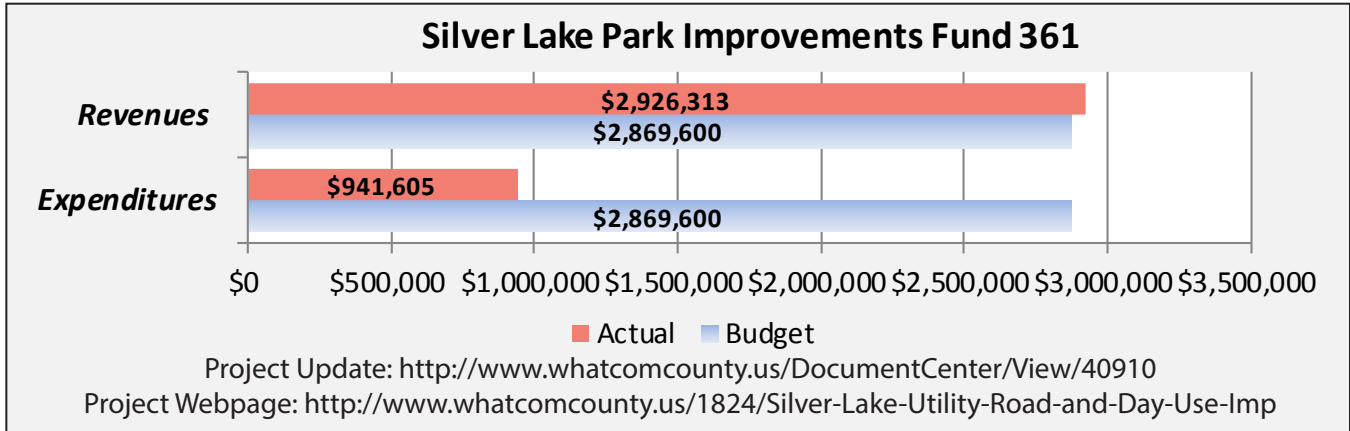


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

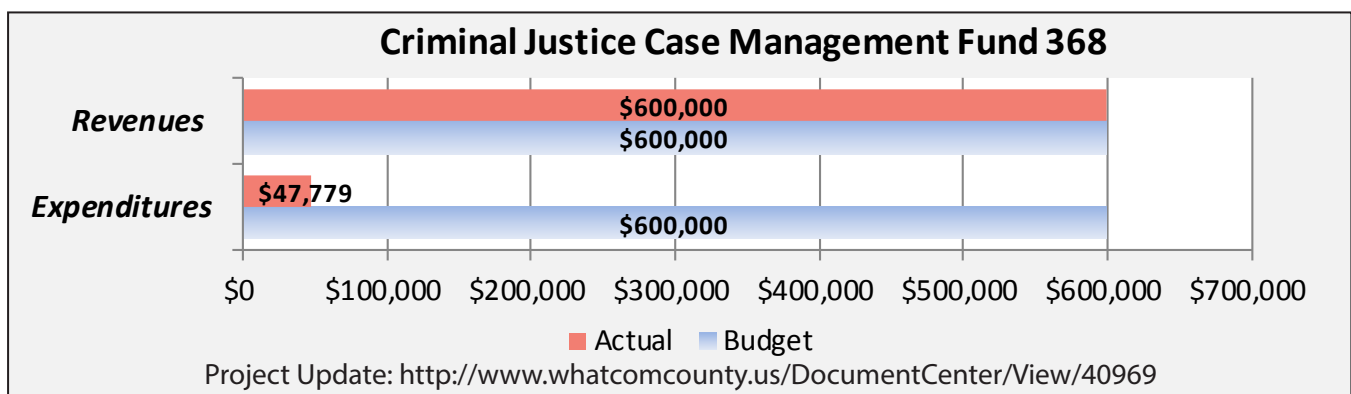
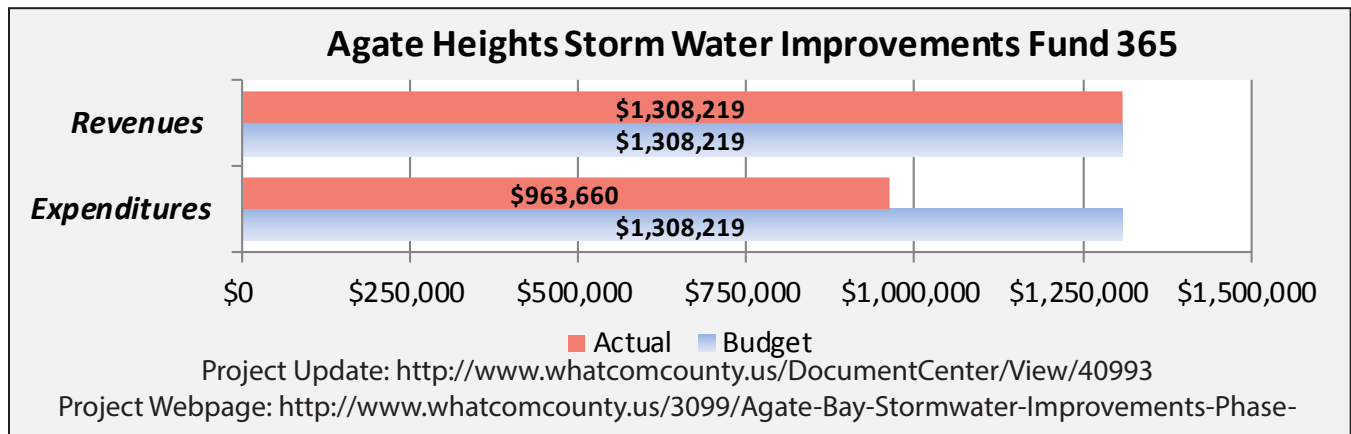
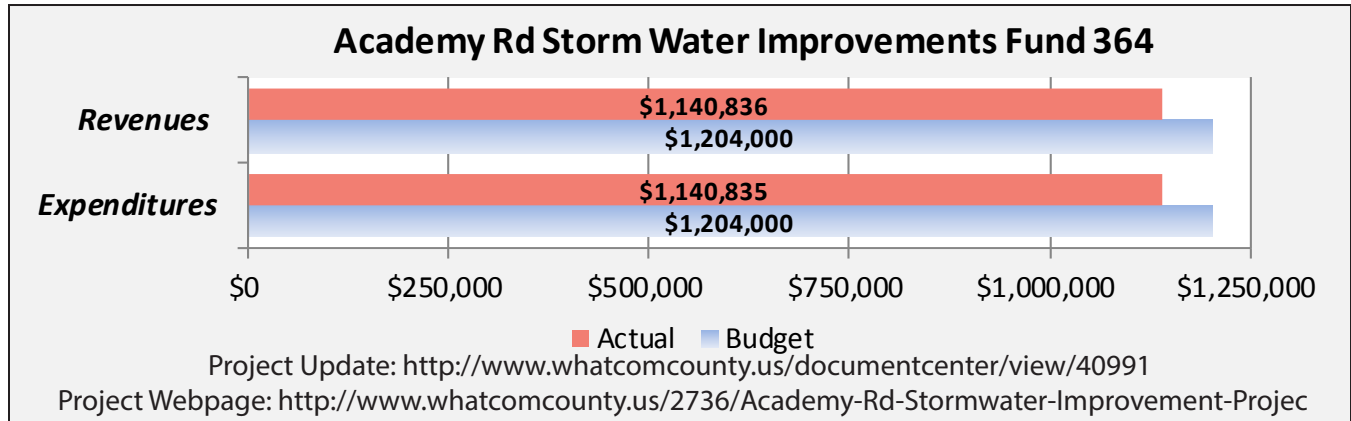


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

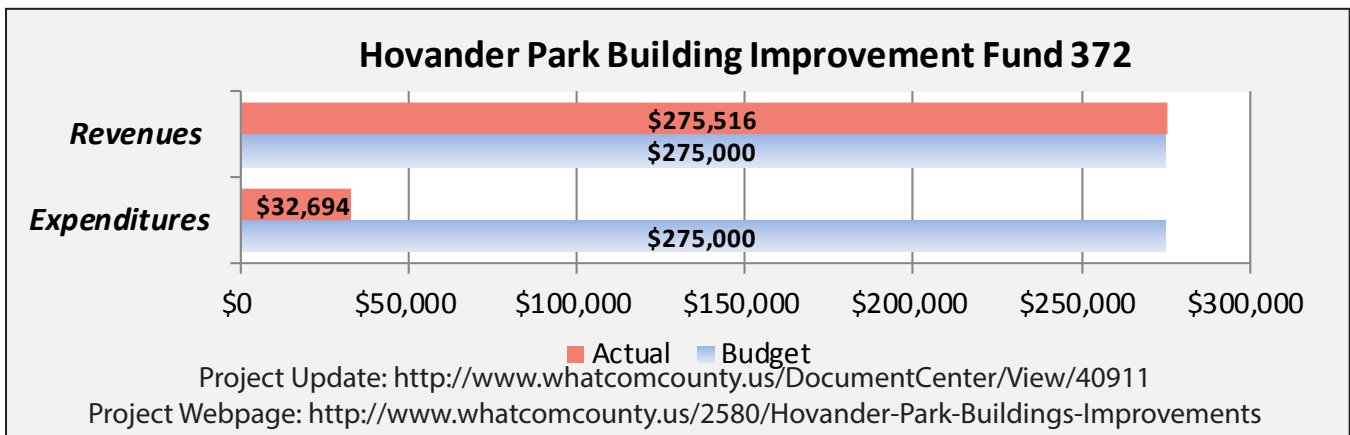
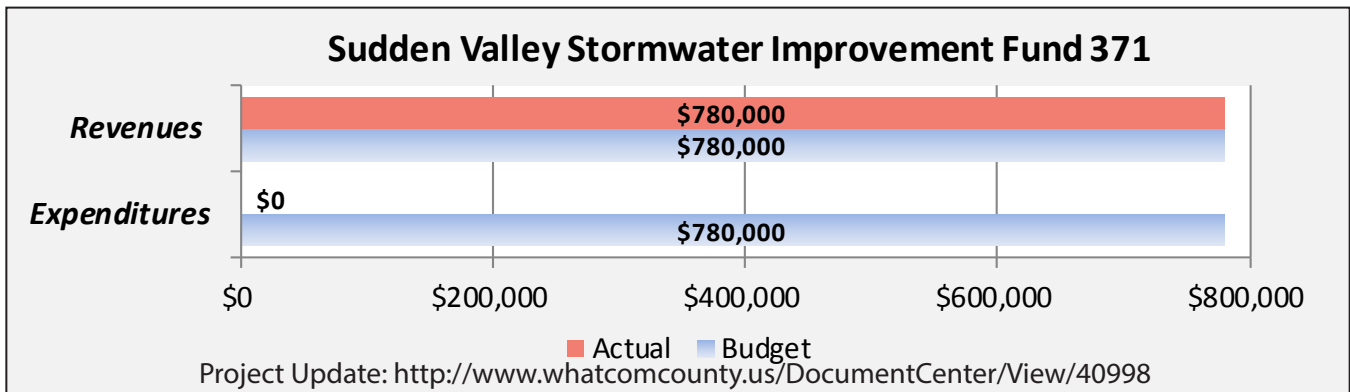
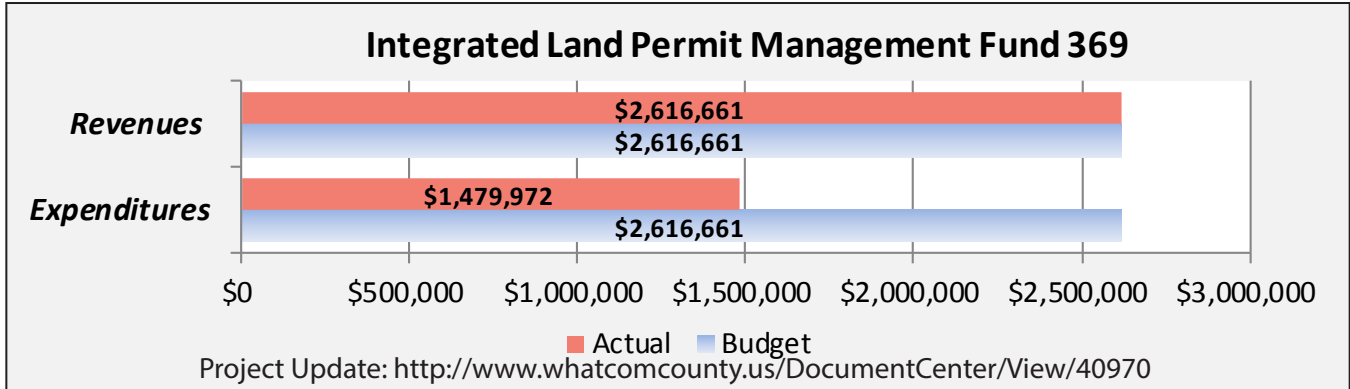


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

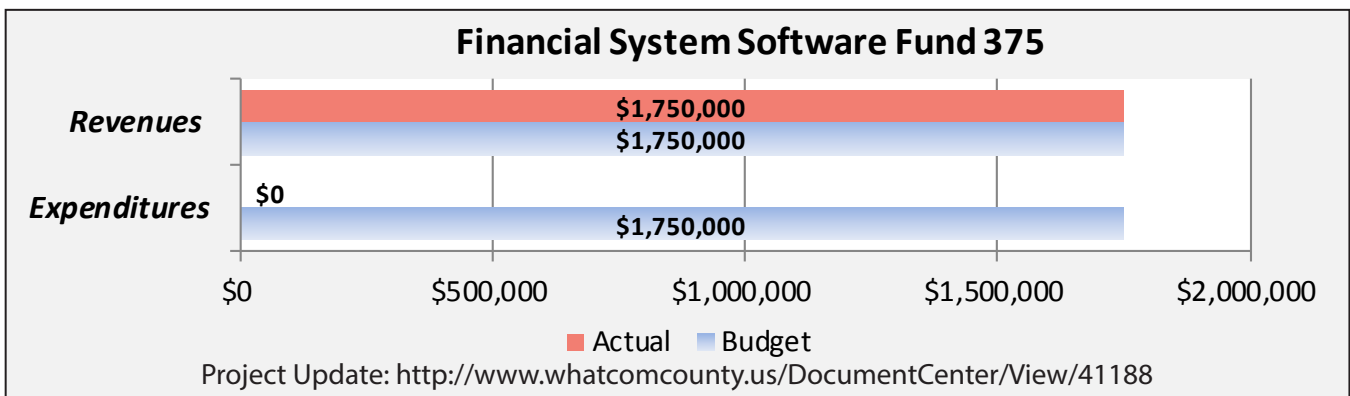
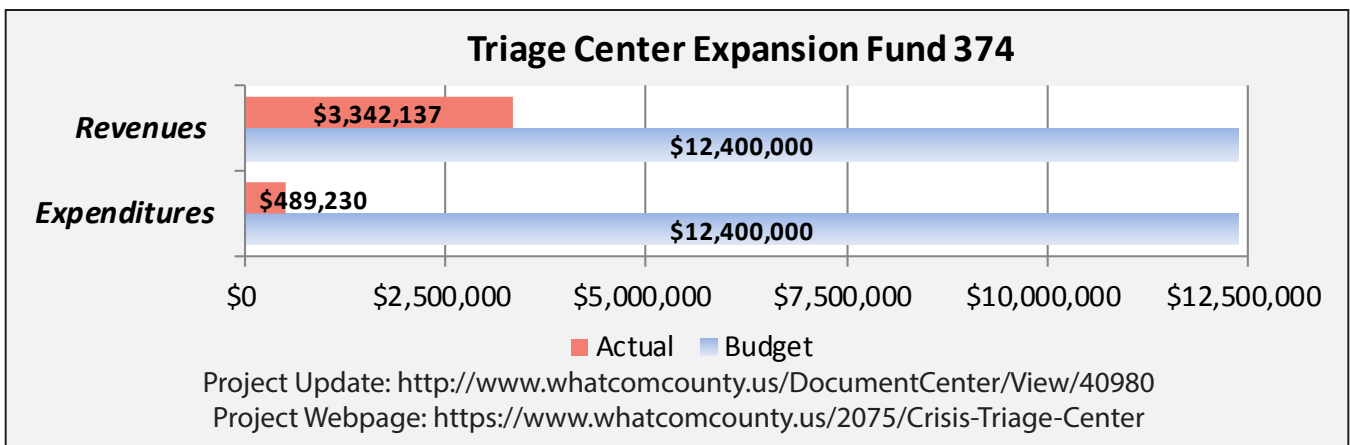
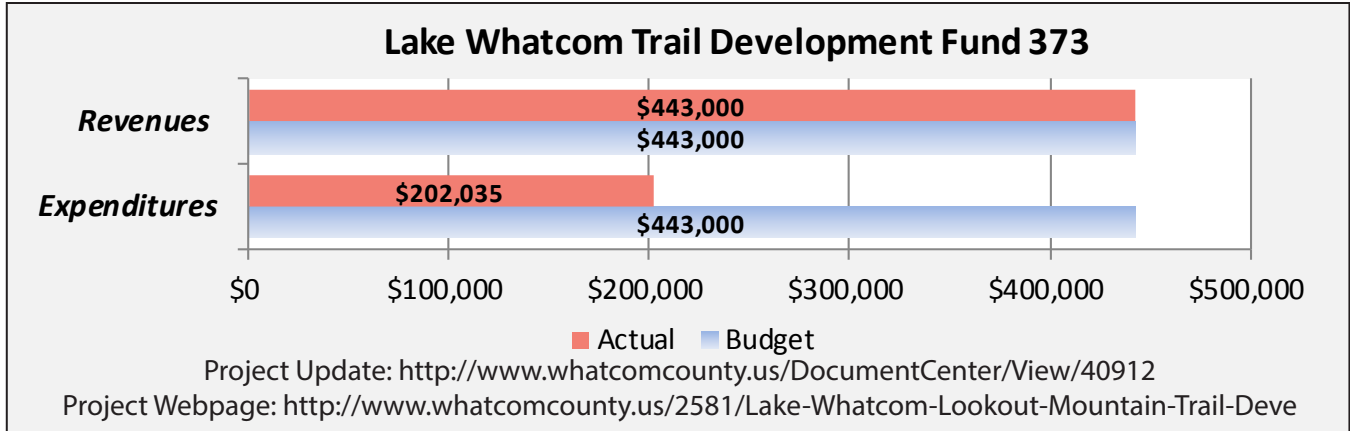


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

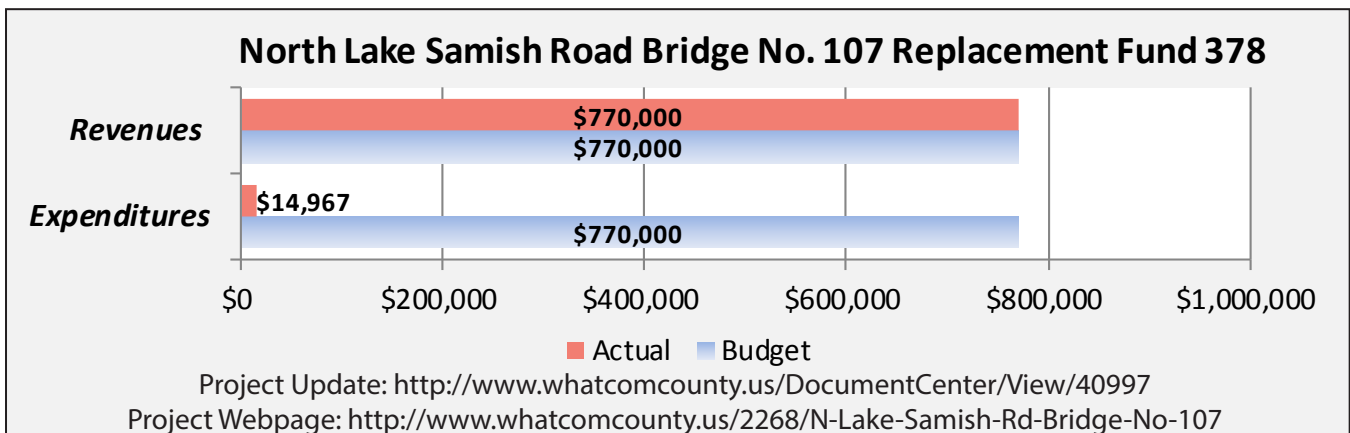
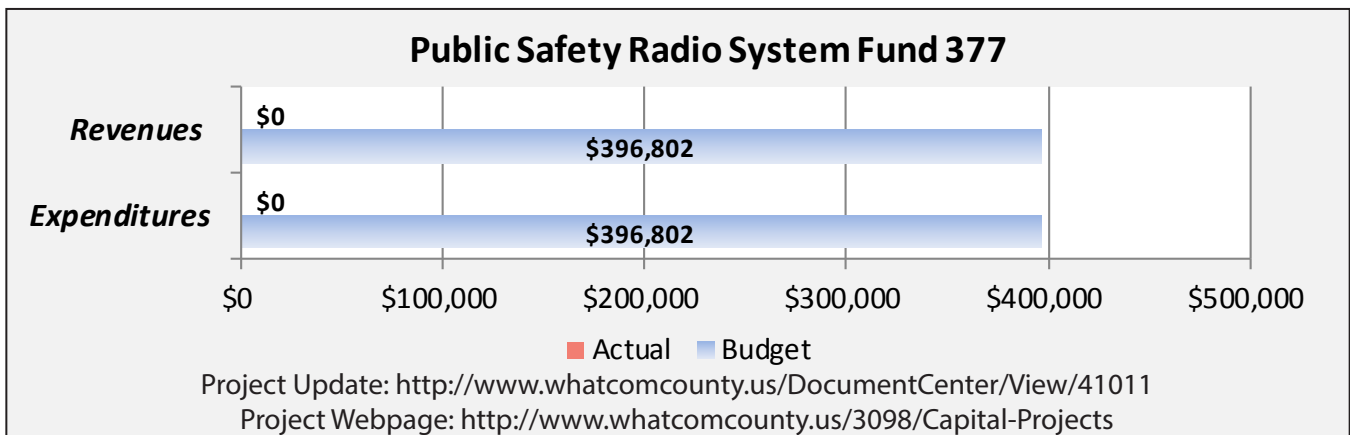
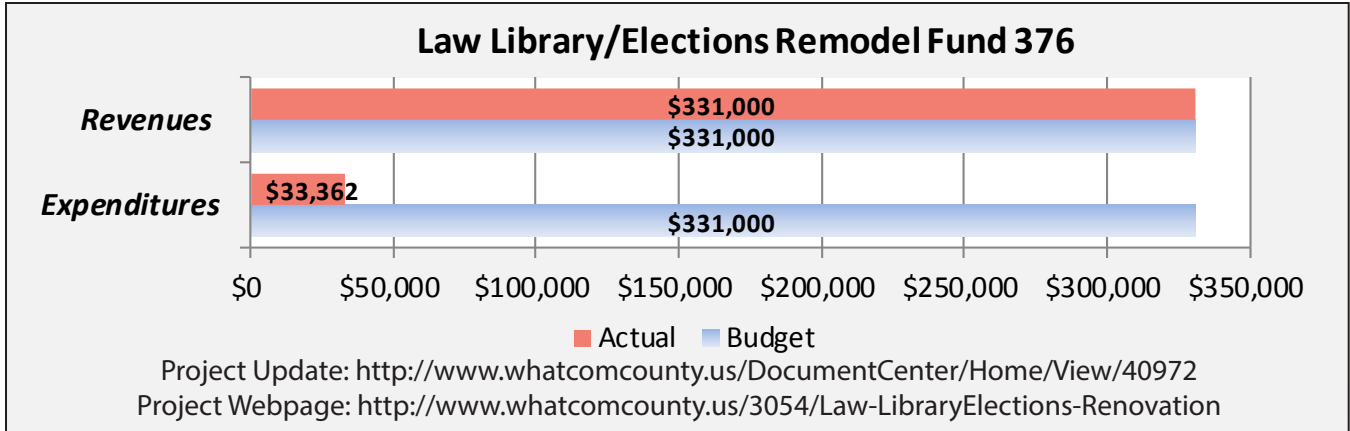


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

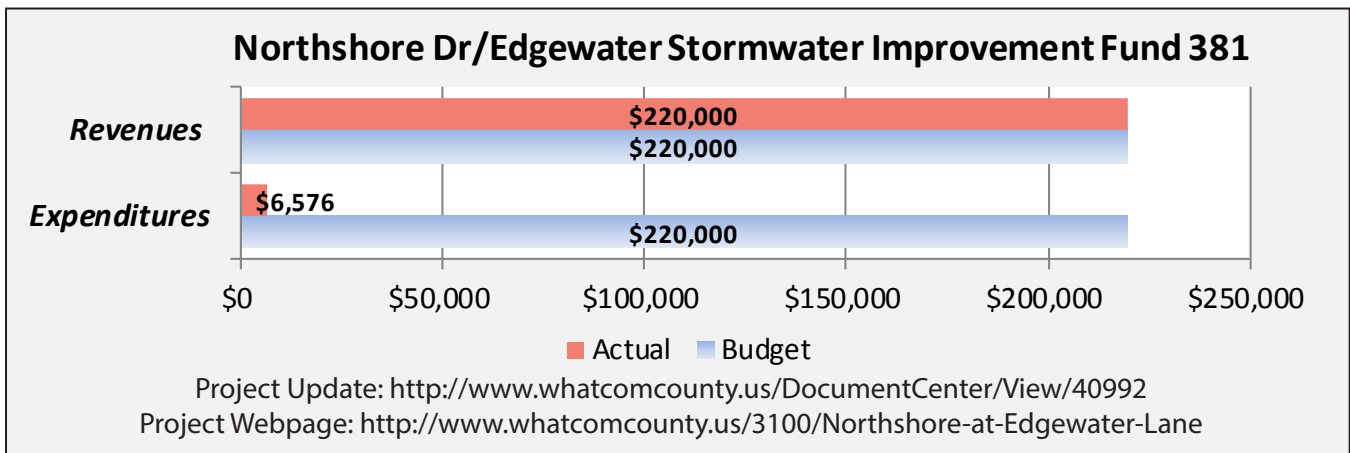
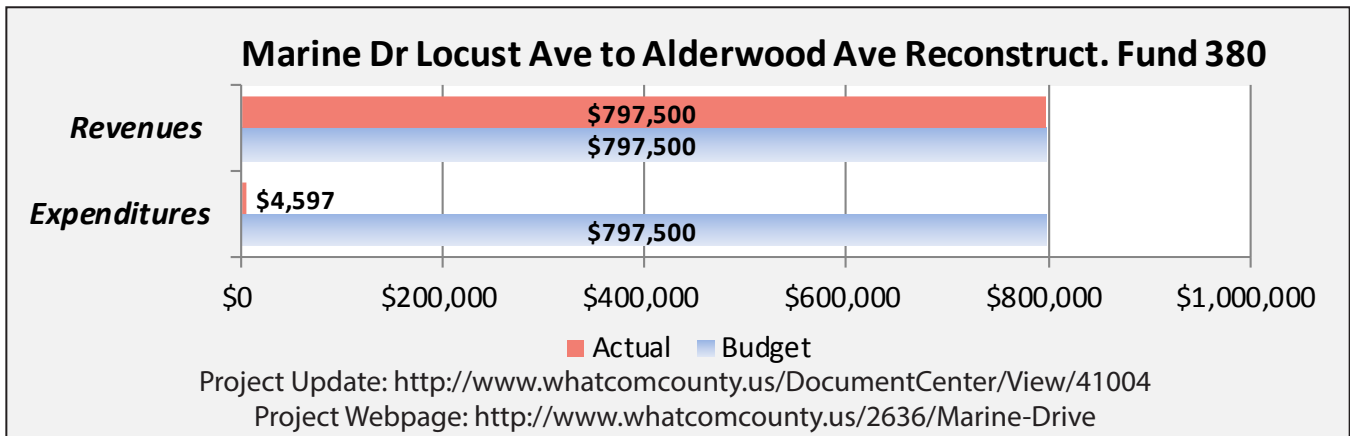
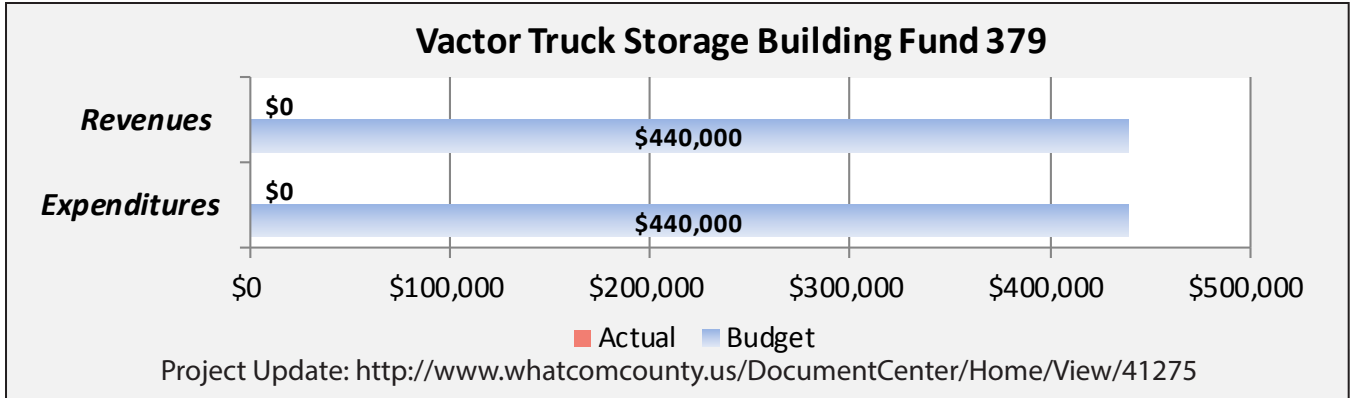


# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued



# Whatcom County First Quarter 2019 Financial Report

For the Quarter Ended March 31, 2019



## Project Budget Funds, continued

