



**First
Quarter
2022
Financial
Report**

Satpal Singh Sidhu, County Executive

Compiled and Presented by the
Administrative Services Department
Finance Division

Brad Bennett, Finance Manager

June 15, 2022

Whatcom County First Quarter 2022 Financial Report

For the Quarter Ended March 31, 2022



Executive Summary

The following information presents Whatcom County's first quarter 2022 financial report. At the end of the first quarter the General Fund collected 16.95% of its budgeted revenues. Whatcom County's General Fund spent 20.68% of its budgeted expenditures. Revenues are down \$3.2 million from first quarter 2021. This is due to a decrease in the amount of a COVID-related emergency rental assistance grant being recognized in 2022 versus 2021. Expenditures, as a percentage of budget, are moderately higher from 2021 first quarter amounts. Actual expenditures are similar to prior years.

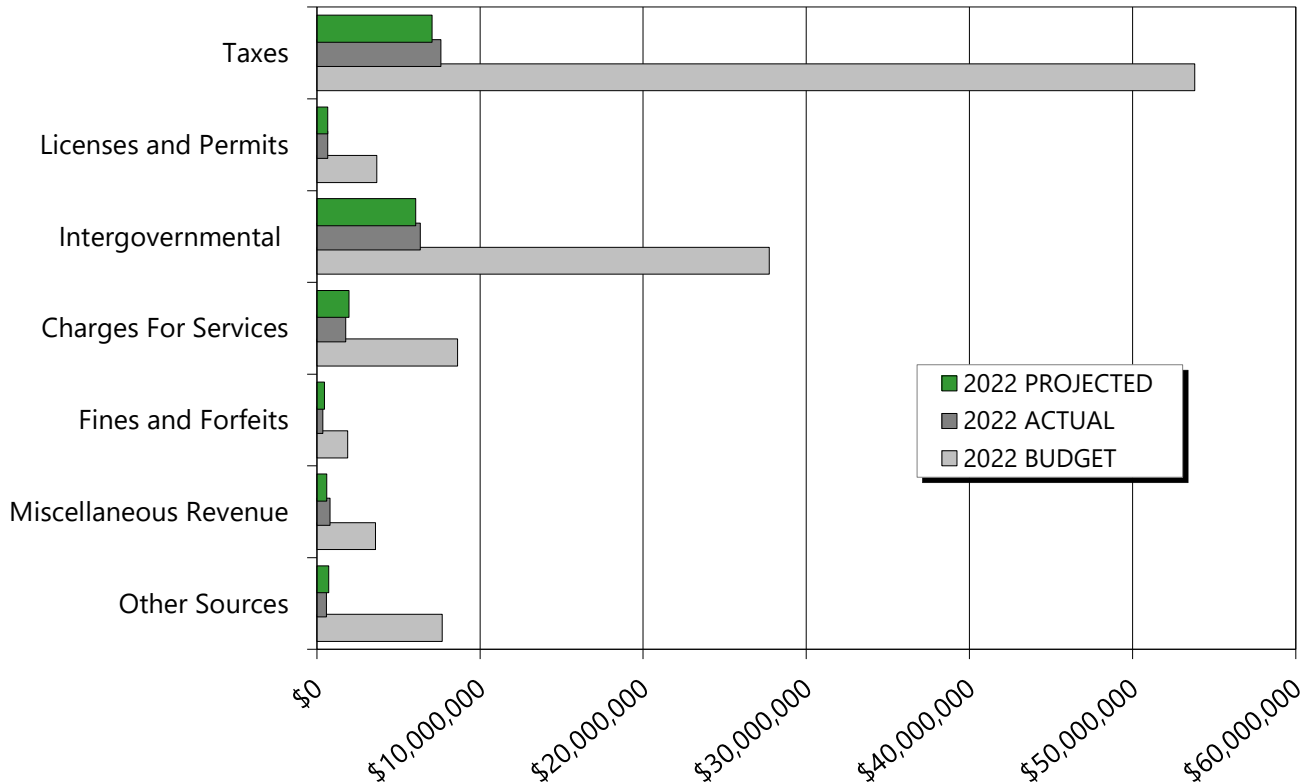
The current estimated 2022 General Fund ending fund balance is projected to be approximately \$22,754,038.

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General Fund Revenue - Budget vs. Actual



	2022 Budget Adopted	2022 Budget Supp'ls	2022 Budget Amended	Actual as of 3/31/2022	% Collected To Date	Projected as of 3/31/2022
Taxes	48,350,532	5,450,000	53,800,532	7,612,460	14.15%	7,071,064
Licenses and Permits	3,675,617	-	3,675,617	659,285	17.94%	665,517
Intergovernmental	16,608,418	11,123,343	27,731,761	6,346,434	22.89%	6,066,407
Charges For Services	8,516,746	112,310	8,629,056	1,766,875	20.48%	1,973,450
Fines and Forfeits	1,888,300	-	1,888,300	363,514	19.25%	476,849
Miscellaneous Revenue	3,127,054	477,847	3,604,901	814,614	22.60%	608,178
Other Sources	5,663,272	2,023,328	7,686,600	580,407	7.55%	733,186
Total Revenue	87,829,939	19,186,828	107,016,767	18,143,589	16.95%	17,594,651

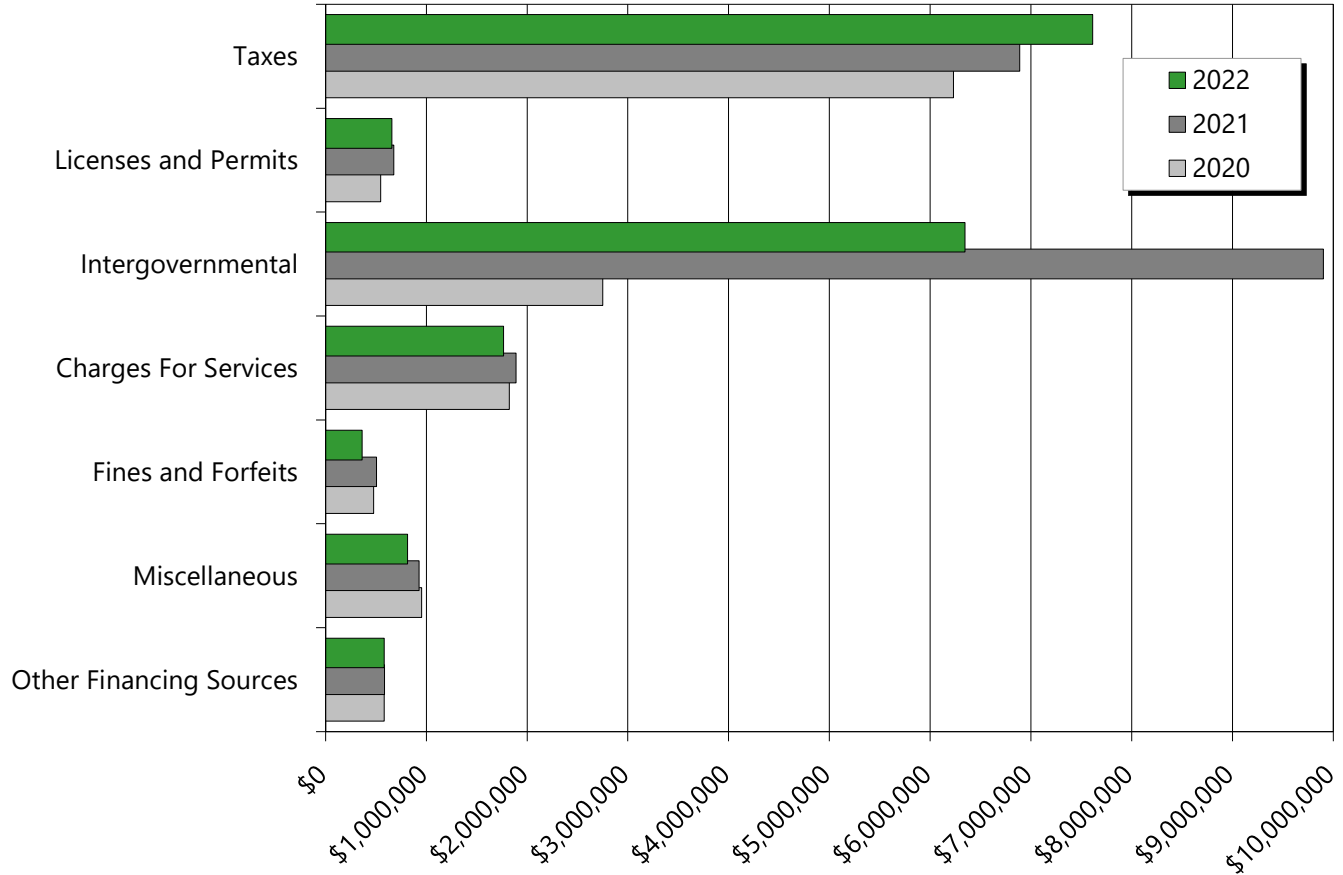
See pages 4 and 5 for General Fund Revenue Notes.

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General Fund Revenue to Date - Compared to Prior Years



	2020	2021	2022
Taxes	6,230,348	6,887,814	7,612,460
Licenses and Permits	546,223	676,830	659,285
Intergovernmental	2,749,178	9,902,771	6,346,434
Charges For Services	1,823,531	1,888,966	1,766,875
Fines and Forfeits	476,472	503,977	363,514
Miscellaneous	952,666	926,223	814,614
Other Financing Sources	583,009	584,796	580,407
Total Revenue	13,361,427	21,371,377	18,143,589

See pages 4 and 5 for General Fund Revenue Notes.

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General Fund Revenue Notes

Taxes

Property tax and retail sales tax make up 99.4% of Whatcom County's tax revenue budget.

Property tax revenues are \$211,340 more than first quarter 2021 amounts. Property tax collections vary from year to year based on new construction added to the tax rolls and timing of current and delinquent payments. There have been no property tax rate increases. Current year sales tax collections are up 9.3%, or \$456,191, as compared to last year's first quarter collections. The County benefits from a healthy economy and 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 37.9% 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 3.4%.

License and Permit Fees are \$17,545, or 2.6%, less than amounts collected during first quarter 2021. Moderate decreases are noted in restaurant, food handler, on-site septic and firearms permits while building permits increased moderately from first quarter 2021.

Intergovernmental Revenue

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

Revenues collected as of quarter end are \$3.5 million lower than first quarter 2021. The majority of that decrease is due to \$4 million less revenue from a COVID-related emergency rental assistance grant being recognized in 2022 than in 2021. The remaining increases are from state entitlements and other grant activities.

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 decreased \$122,085, or 6.5%, under first quarter 2021. Auditor filing fee transactions have slowed significantly due to rising interest rates. Municipal probation fee revenue is temporarily down due to a beginning-of-the-year billing lag.

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 27.9%, or \$140,460, from first quarter 2021 amounts. Traffic infraction filings have dropped from 3,295 filed first quarter 2021 versus 1,122 filed in first quarter 2022. The drop is due to State Legislative changes concerning use-of-force statutes and vacancies in the Sheriff's traffic unit.

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General Fund Revenue Notes, continued

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 down \$111,607 under first quarter 2021 amounts. Investment earnings are down \$110,553, or 16.6%%, due to low interest rates. Investment earnings will lag interest rate increases for a period of time due to investments cannot be rolled over until maturity.

Other Financing Sources

The "Other Financing Sources" revenue budget is composed of state timber revenues (4.8%) and transfers from other Whatcom County funds (95.2%).

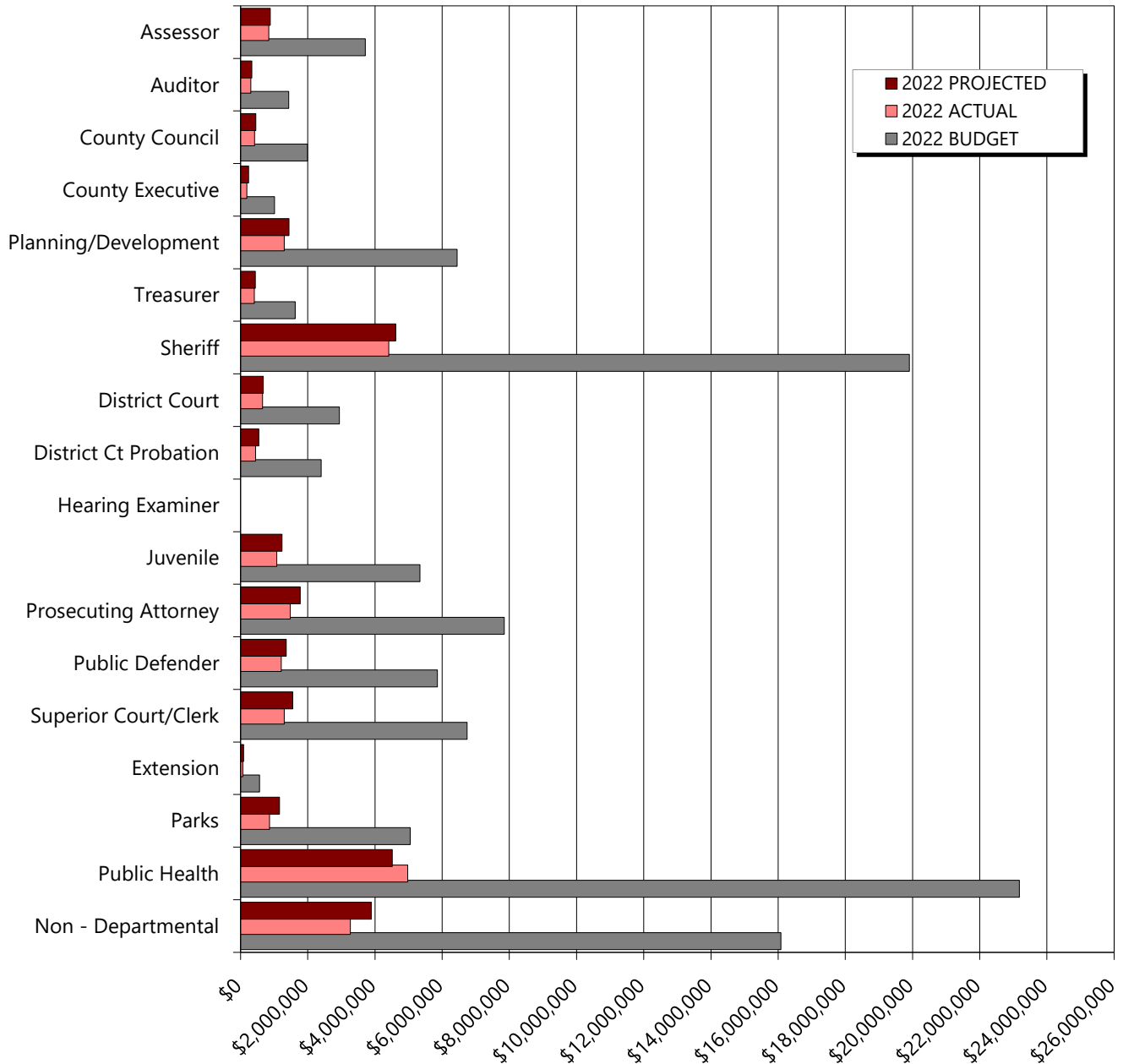
The Other Financing Sources category is within \$4,000 of first quarter 2021 amounts.

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General Fund Expenditures - Budget vs. Actual



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

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General Fund Expenditures - Budget vs. Actual

	2022 Adopted Budget	2022 Budget Suppl's	2022 Amended Budget	Actual as of 3/31/22	% Expended To Date	Projected as of 3/31/22
Assessor	3,516,691	191,378	3,708,069	838,336	22.61%	884,829
Auditor	1,348,960	83,895	1,432,855	302,132	21.09%	330,929
County Council	1,566,176	425,979	1,992,155	412,713	20.72%	455,398
County Executive	873,345	138,537	1,011,882	184,858	18.27%	233,399
Planning & Development	5,826,648	618,785	6,445,433	1,301,339	20.19%	1,437,406
Treasurer	1,641,611	(19,020)	1,622,591	408,747	25.19%	439,719
Sheriff	18,628,448	1,278,573	19,907,021	4,409,738	22.15%	4,619,805
District Court	2,801,166	137,299	2,938,465	653,949	22.25%	676,020
District Court Probation	2,382,341	13,700	2,396,041	443,350	18.50%	539,125
Hearing Examiner	217,981	(217,981)	-	-	0.00%	-
Juvenile	5,357,748	(18,795)	5,338,953	1,077,056	20.17%	1,230,275
Prosecuting Attorney	7,163,118	682,233	7,845,351	1,480,182	18.87%	1,769,958
Public Defender	4,763,945	1,096,614	5,860,559	1,205,644	20.57%	1,355,181
Superior Court/Clerk	6,233,761	505,288	6,739,049	1,301,542	19.31%	1,554,342
Extension	561,383	1,026	562,409	65,945	11.73%	84,689
Park	4,571,892	475,524	5,047,416	858,912	17.02%	1,155,190
Public Health	15,003,873	8,177,412	23,181,285	4,970,676	21.44%	4,512,344
Non-Departmental	13,520,480	2,559,364	16,079,844	3,264,754	20.30%	3,890,686
Total General Fund Exp	95,979,567	16,129,811	112,109,378	23,179,873	20.68%	25,169,295

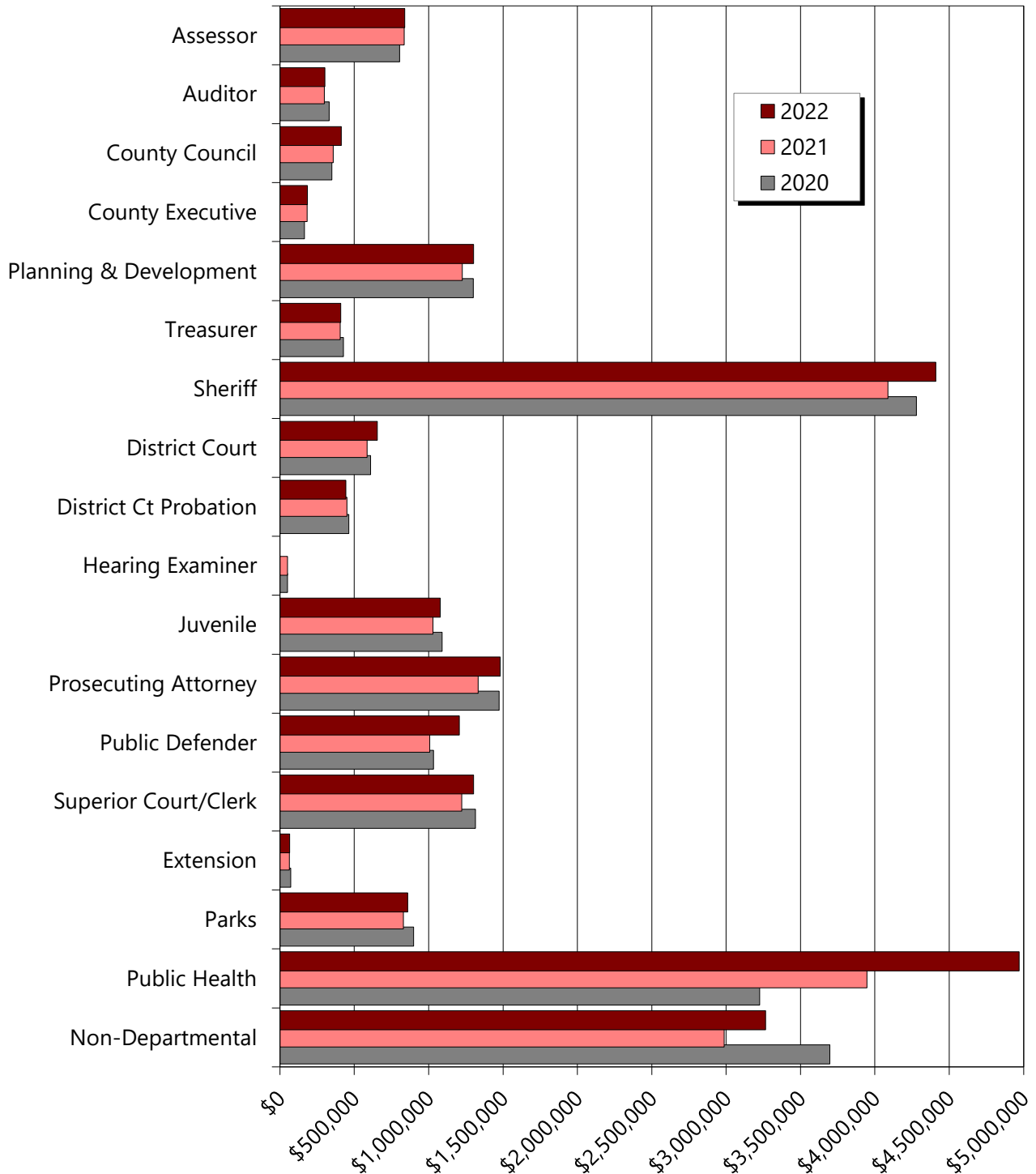
See page 9 for General Fund Expenditure Notes.

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General Fund Expenditures - Compared to Prior Years



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

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General Fund Expenditures - Compared to Prior Years

	2020	2021	2022
Assessor	805,017	835,552	838,336
Auditor	331,573	299,521	302,132
County Council	349,285	357,446	412,713
County Executive	163,994	183,593	184,858
Planning & Development	1,299,531	1,225,756	1,301,339
Treasurer	427,763	405,217	408,747
Sheriff	4,279,543	4,087,696	4,409,738
District Court	610,375	586,490	653,949
District Ct Probation	463,508	450,264	443,350
Hearing Examiner	51,446	50,128	-
Juvenile	1,091,097	1,028,289	1,077,056
Prosecuting Attorney	1,474,322	1,332,860	1,480,182
Public Defender	1,032,019	1,007,804	1,205,644
Superior Court /Clerk	1,314,917	1,222,321	1,301,542
Extension	72,481	63,215	65,945
Parks	898,294	829,464	858,912
Public Health	3,224,720	3,947,624	4,970,676
Non-Departmental	3,697,841	2,986,725	3,264,754
TOTAL	21,587,726	20,899,965	23,179,873

General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of the first quarter were 20.68% of the approved budget, which is consistent with prior years. Departmental spending was within budget expectations. Health Department spending is up \$1 million over last year due to spending down an emergency rental assistance grant which ends in September. The Hearing Examiner's budgeted expenditures of \$217,981 were transferred to the County Council budget.

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General Fund Conclusion

	Projected
Beginning Fund Balance 1/1/22	<u>24,141,180</u>
Revenues	
Budgeted Revenues 2022	87,829,939
Continuing Appropriations from 2021	1,213,465
Supplemental Budgets 2022	<u>17,973,363</u>
Total Revenue	<u>107,016,767</u>
Expenditures	
Budgeted Expenditures 2022	95,979,567
Continuing Appropriations from 2021	1,601,787
Supplemental Budgets 2022	14,528,024
Allowance for Wage Settlements	<u>2,000,000</u>
Total Expenditures	<u>114,109,378</u>
Expected Surplus (Deficit)	(7,092,611)
Other Considerations	
Estimated Budget Lapse ¹	<u>5,705,469</u>
Projected Ending Fund Balance 12/31/22	<u><u>22,754,038</u></u>

Notes:

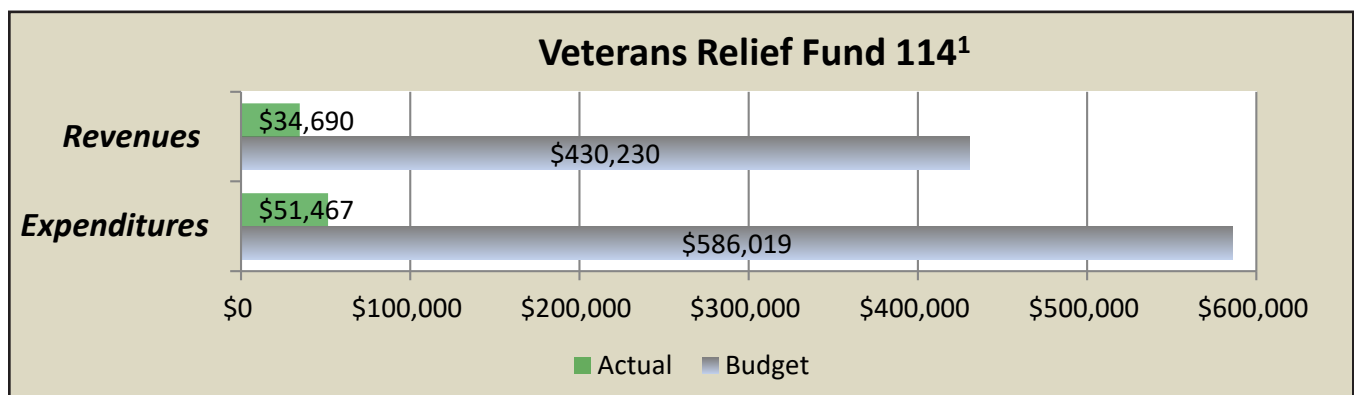
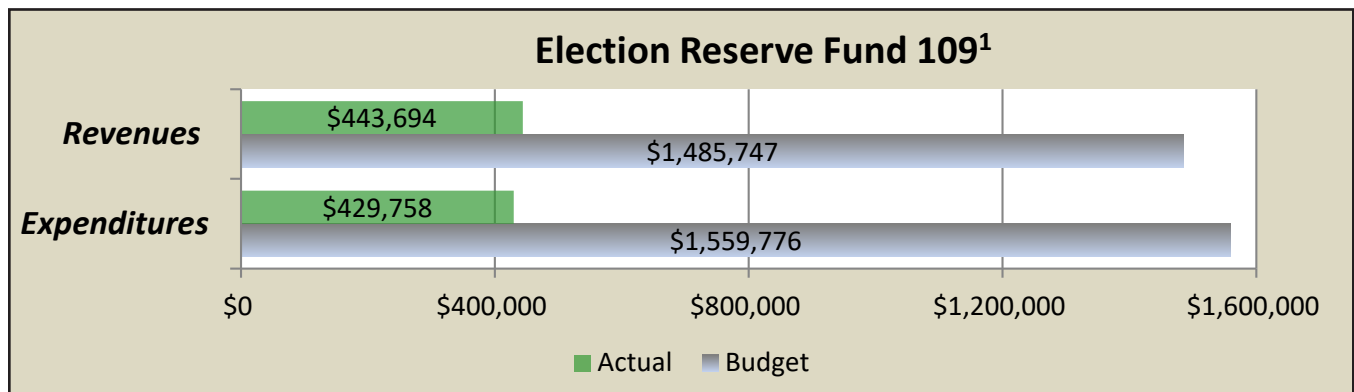
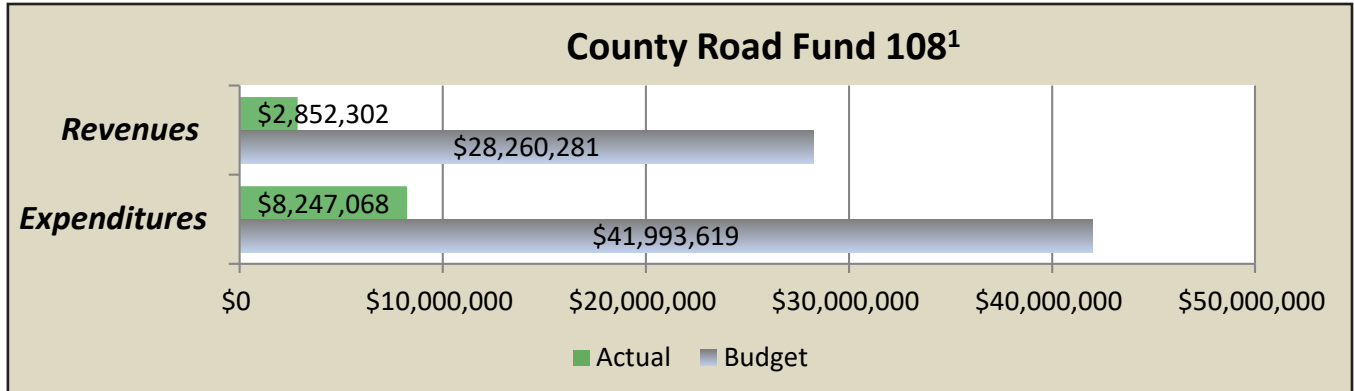
¹ The estimated budget lapse is 5% of the expenditure budget.

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Special Revenue Funds and Other Funds



Notes:

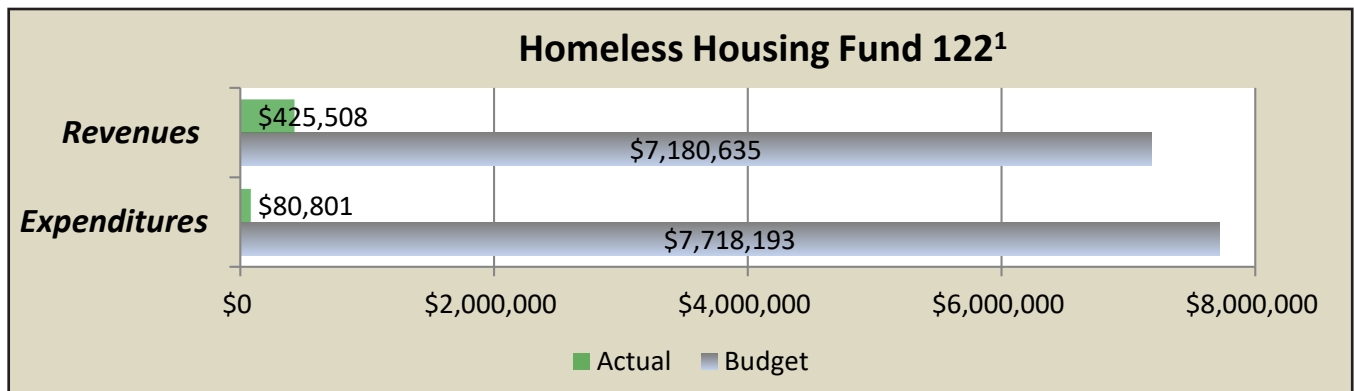
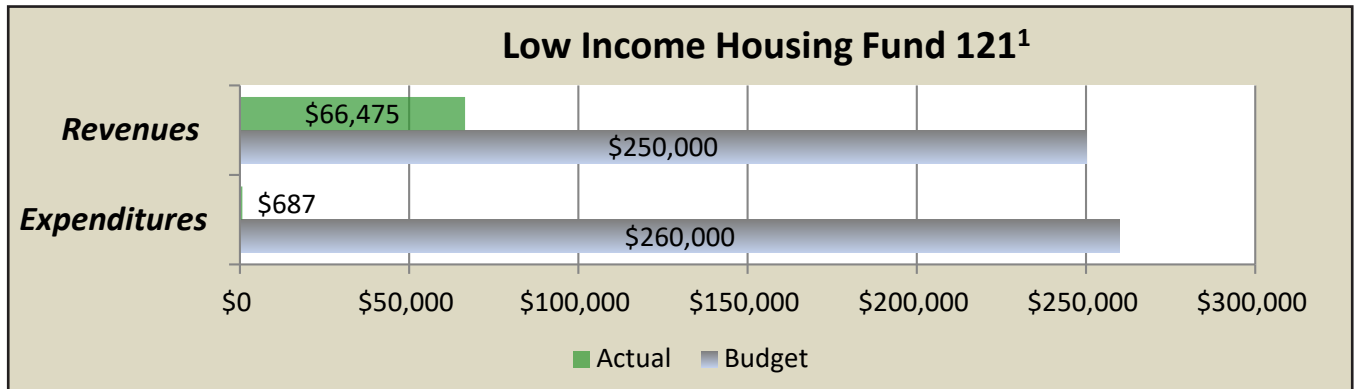
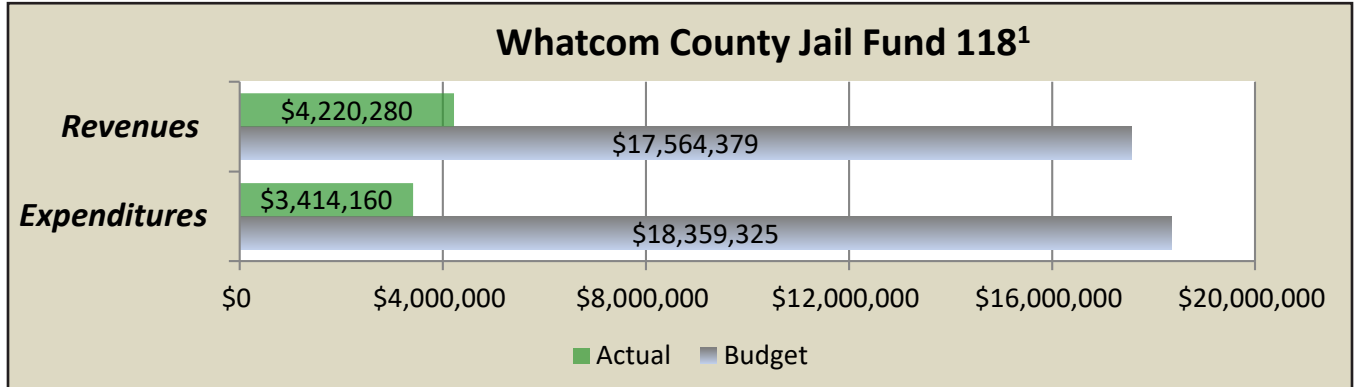
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Special Revenue Funds and Other Funds, continued



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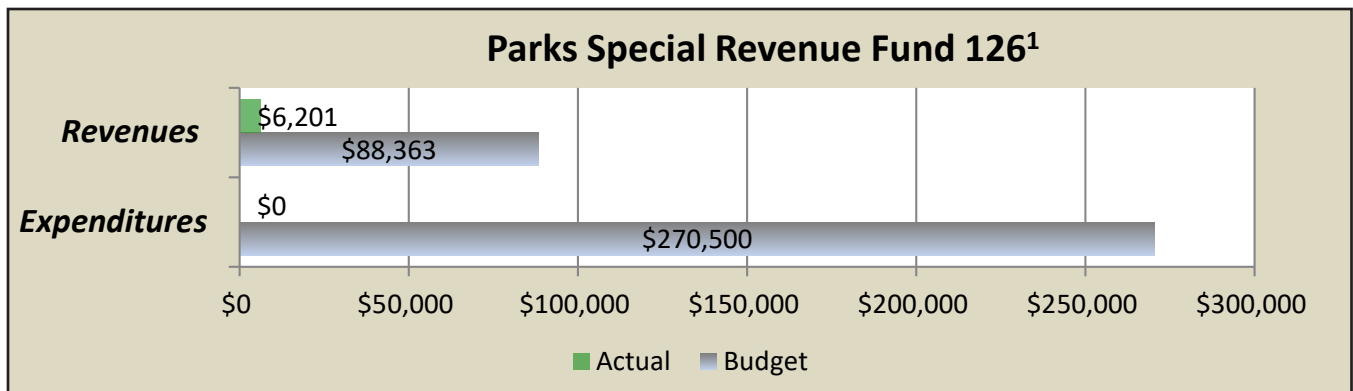
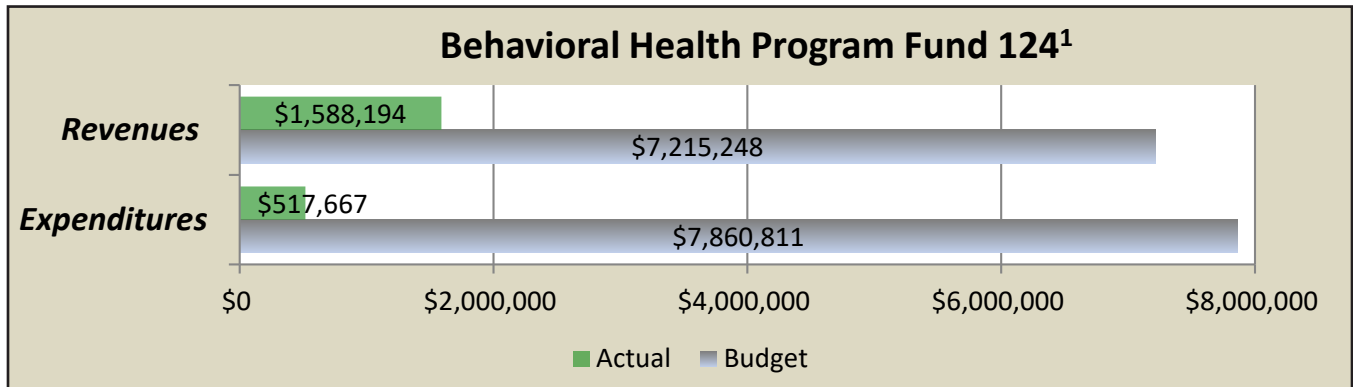
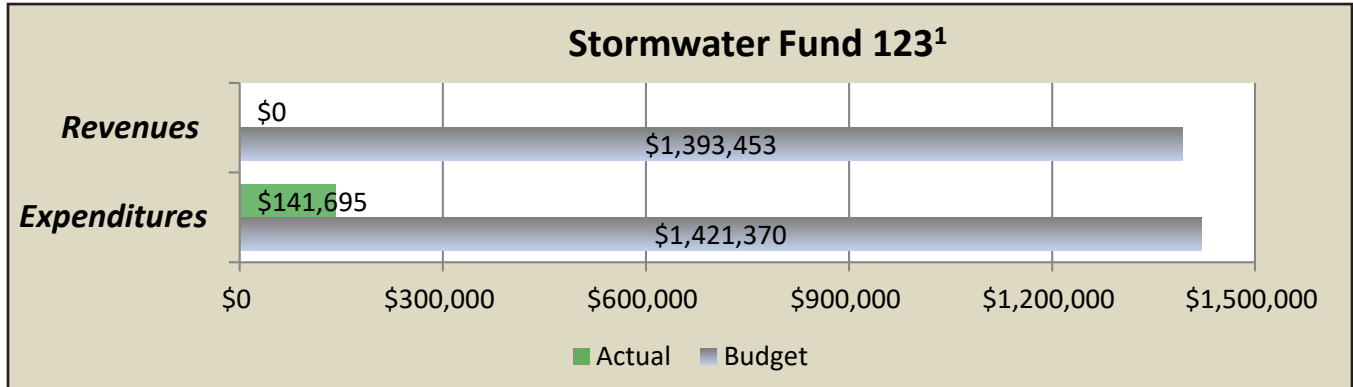
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Special Revenue Funds and Other Funds, continued



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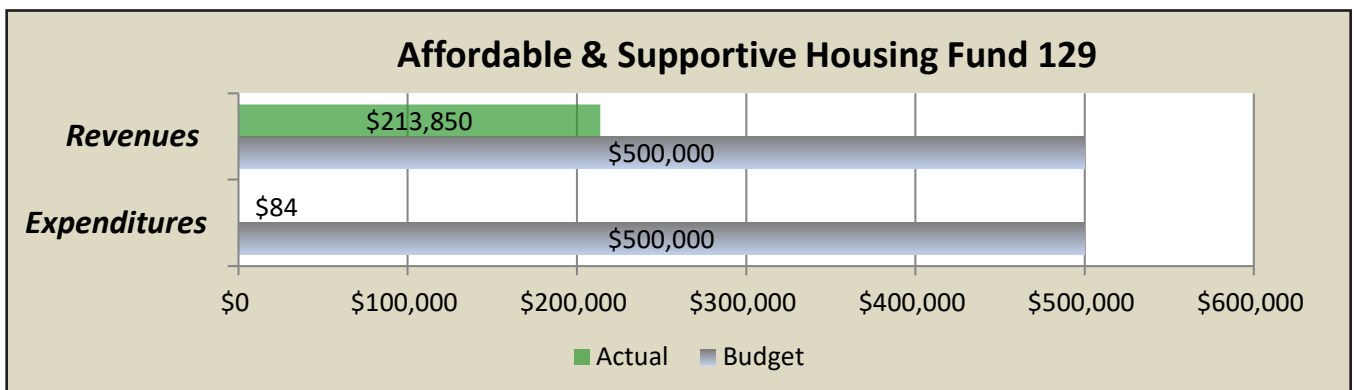
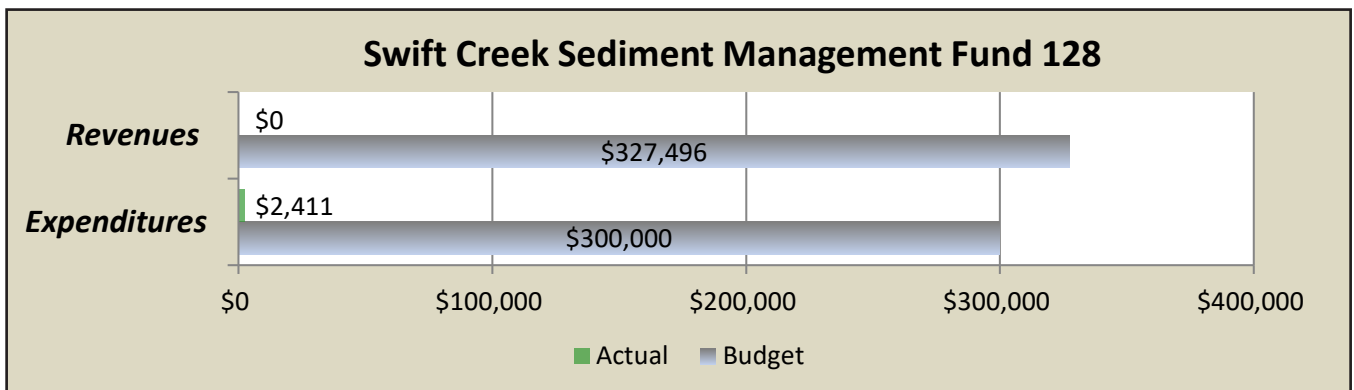
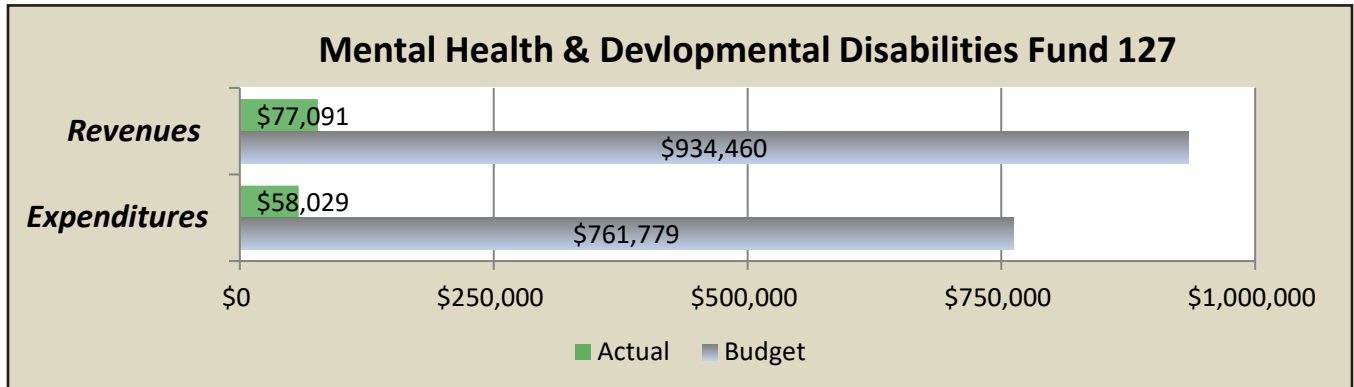
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Special Revenue Funds and Other Funds, continued

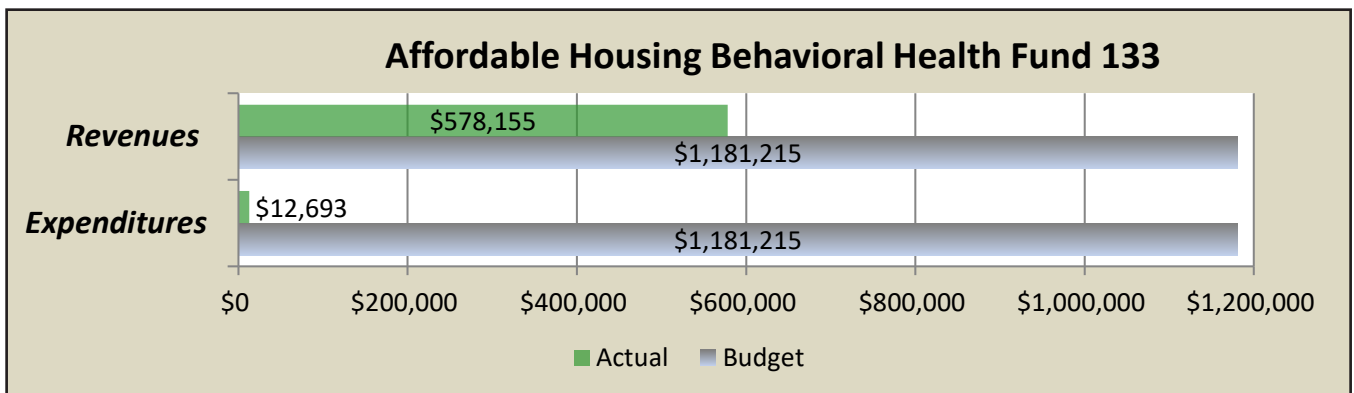
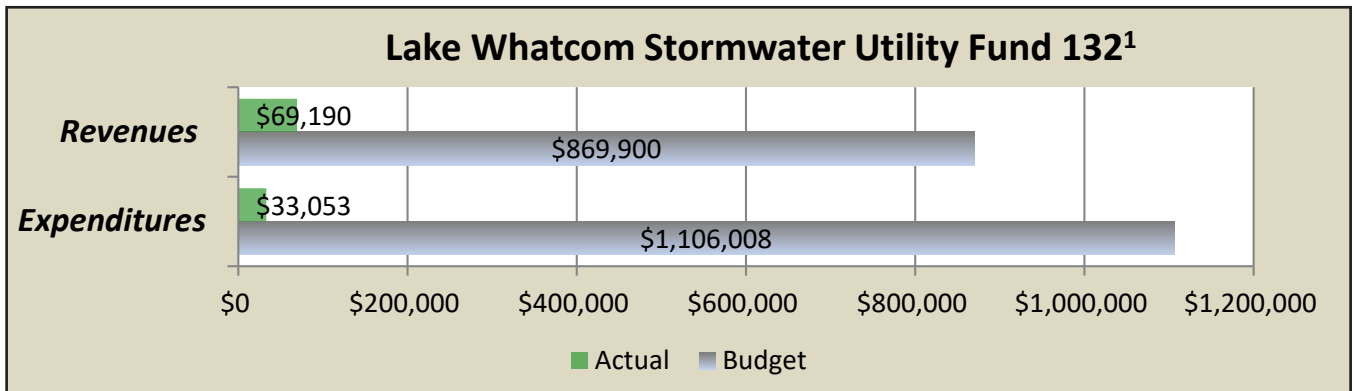
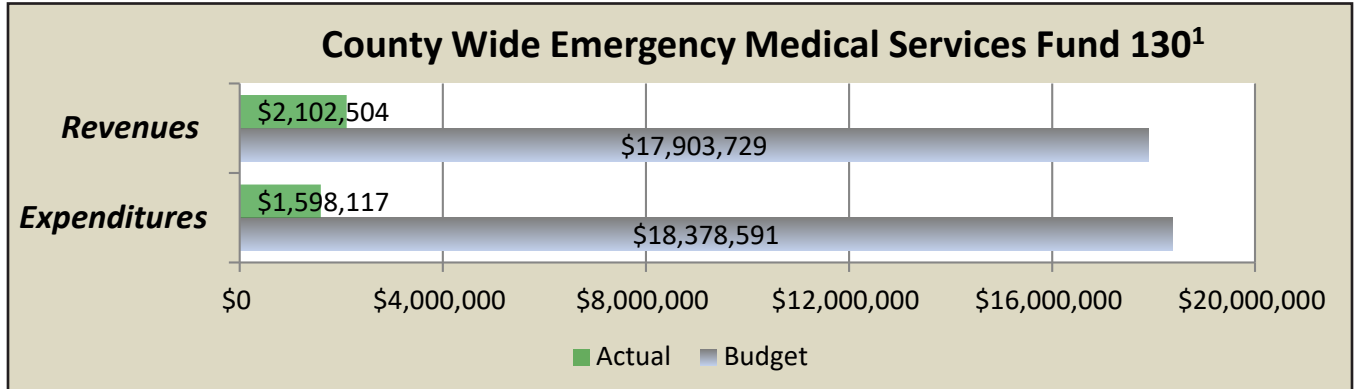


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Special Revenue Funds and Other Funds, continued



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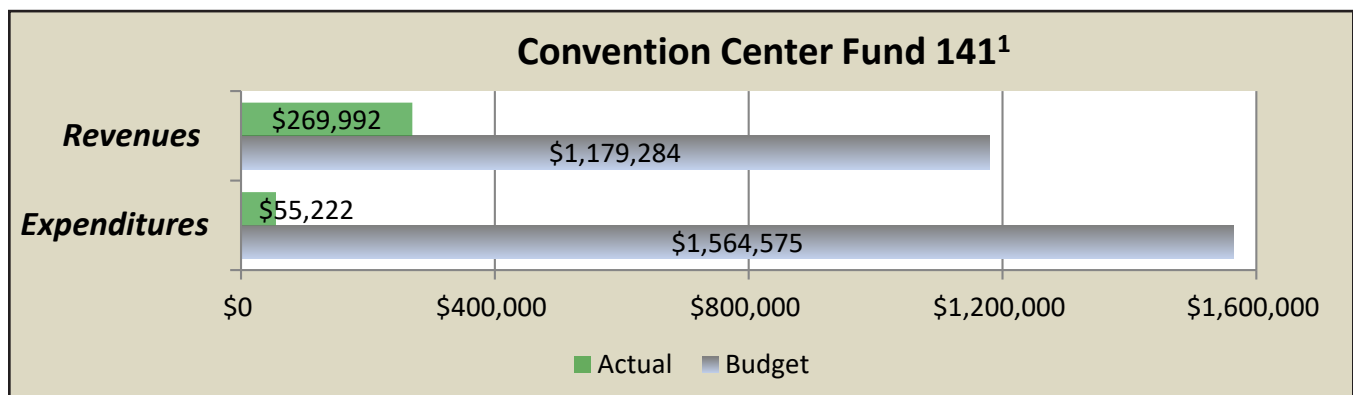
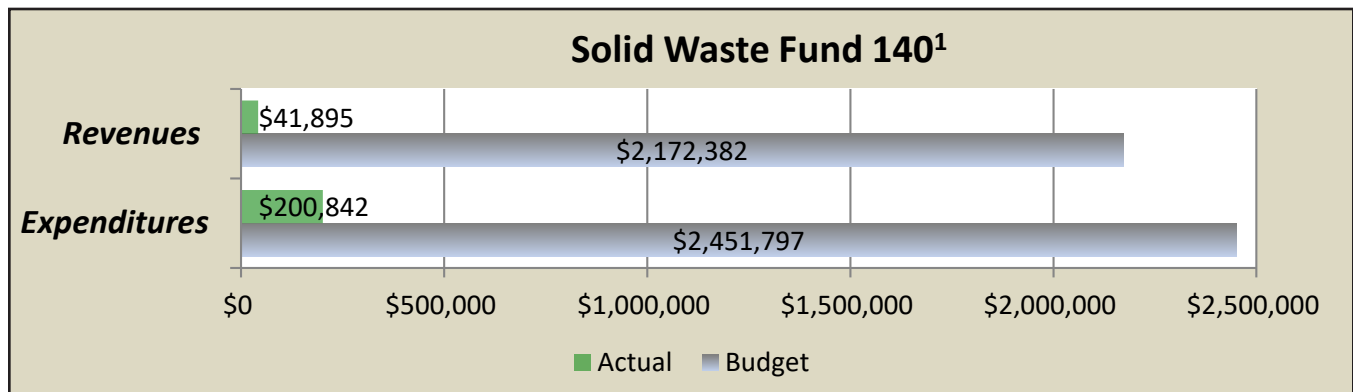
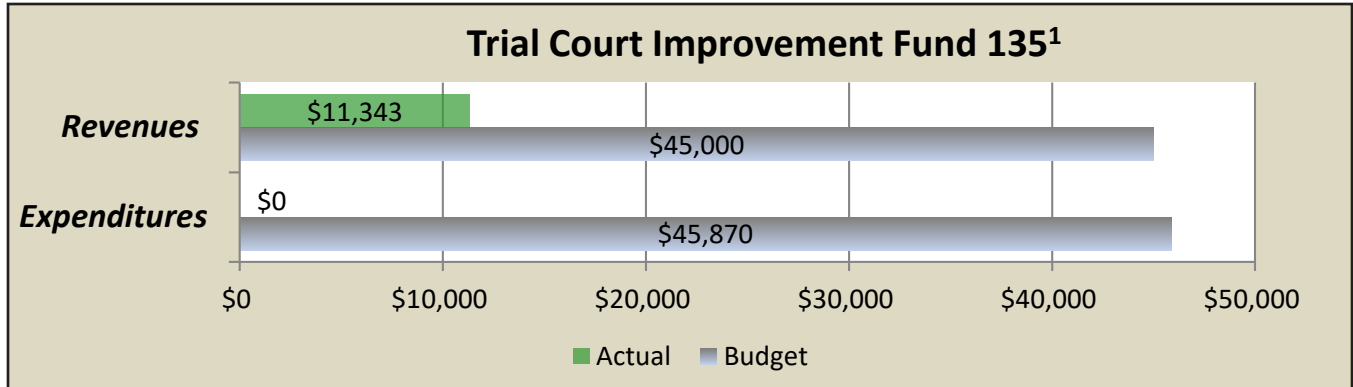
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Special Revenue Funds and Other Funds, continued



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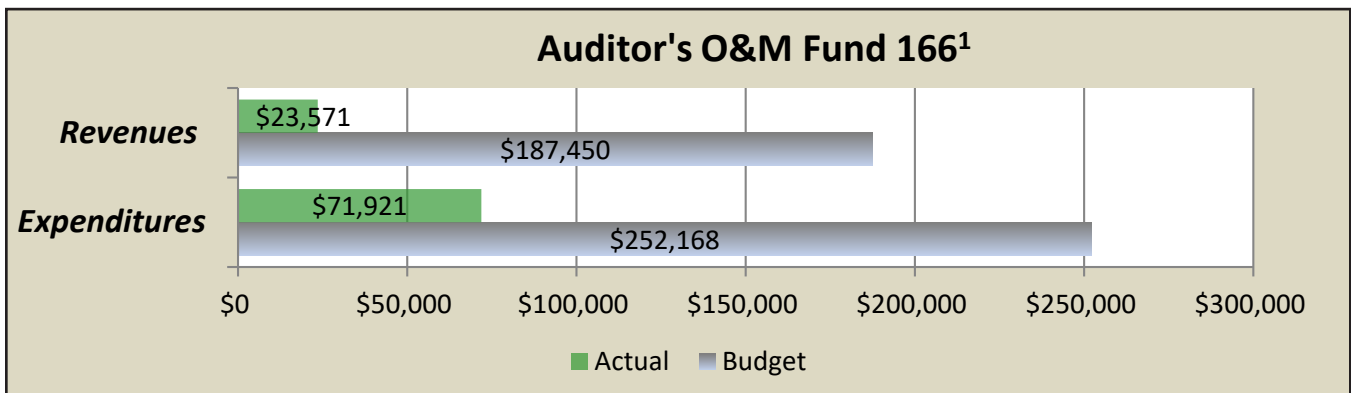
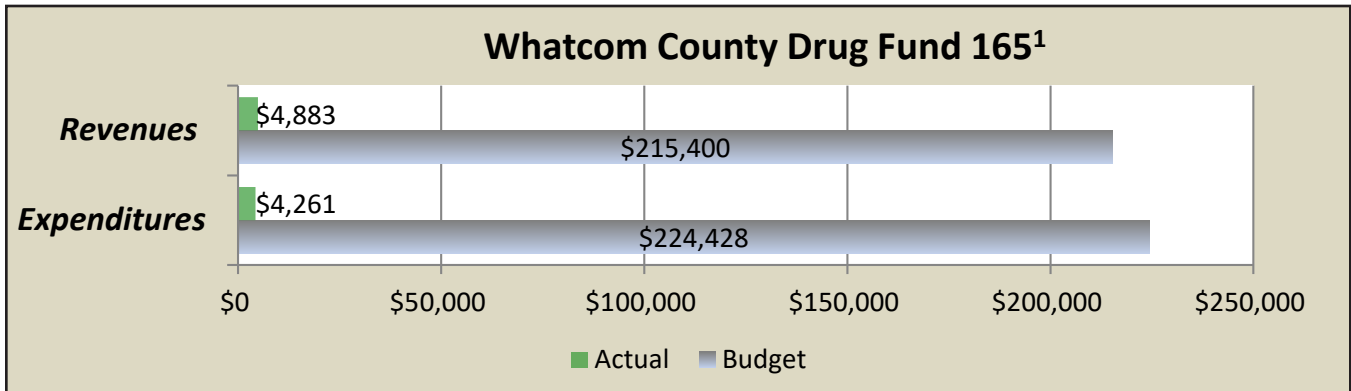
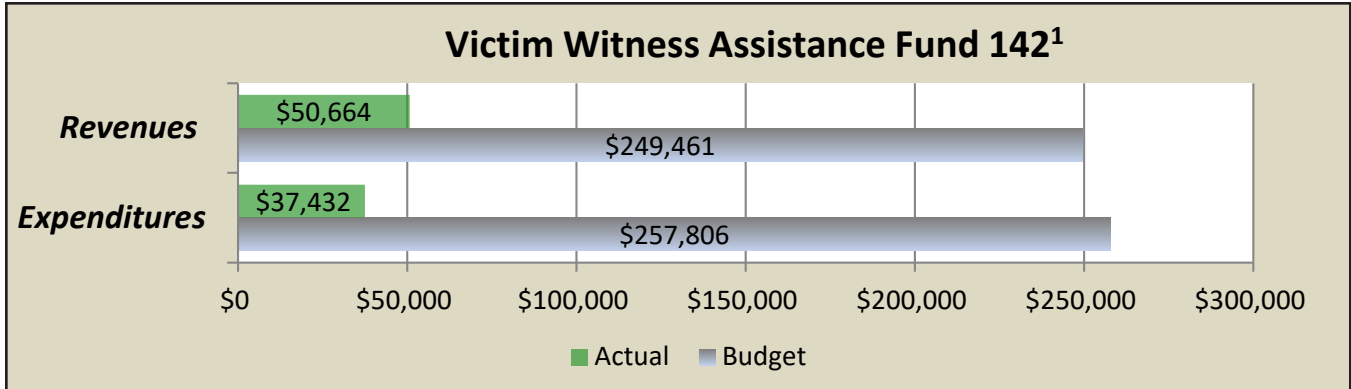
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Special Revenue Funds and Other Funds, continued



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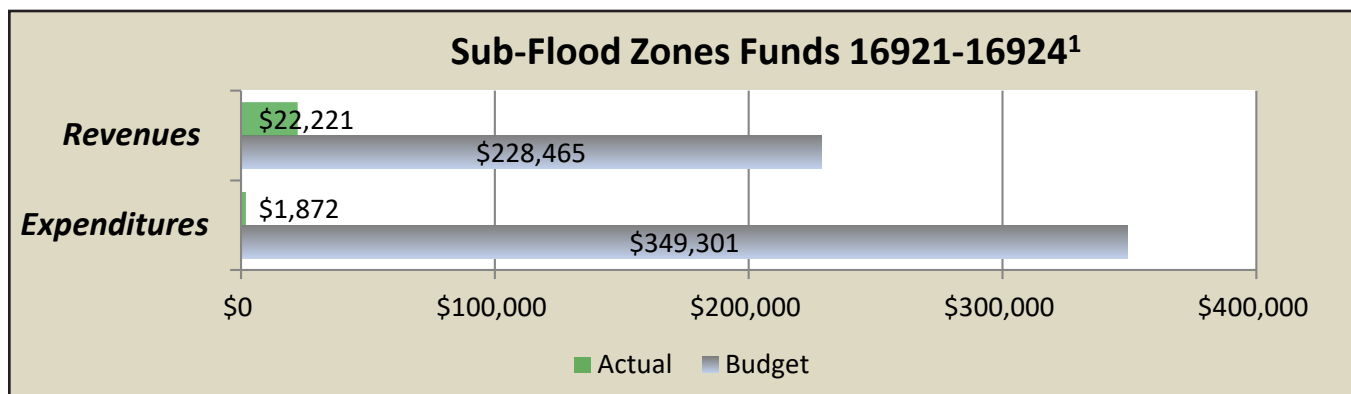
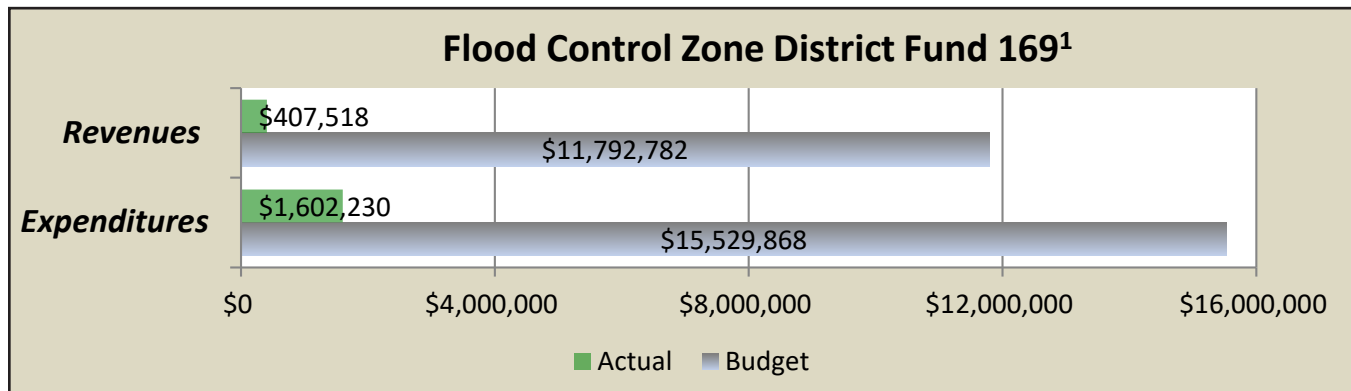
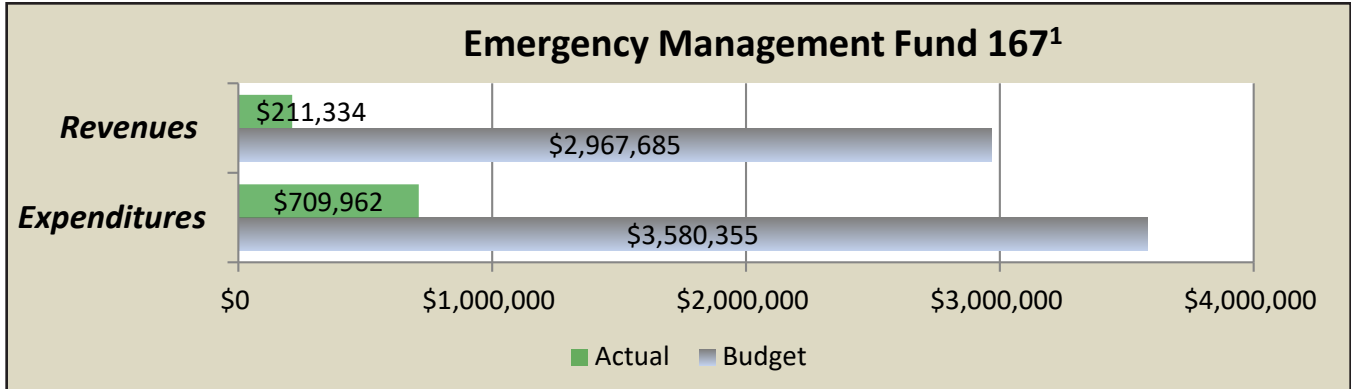
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Special Revenue Funds and Other Funds, continued



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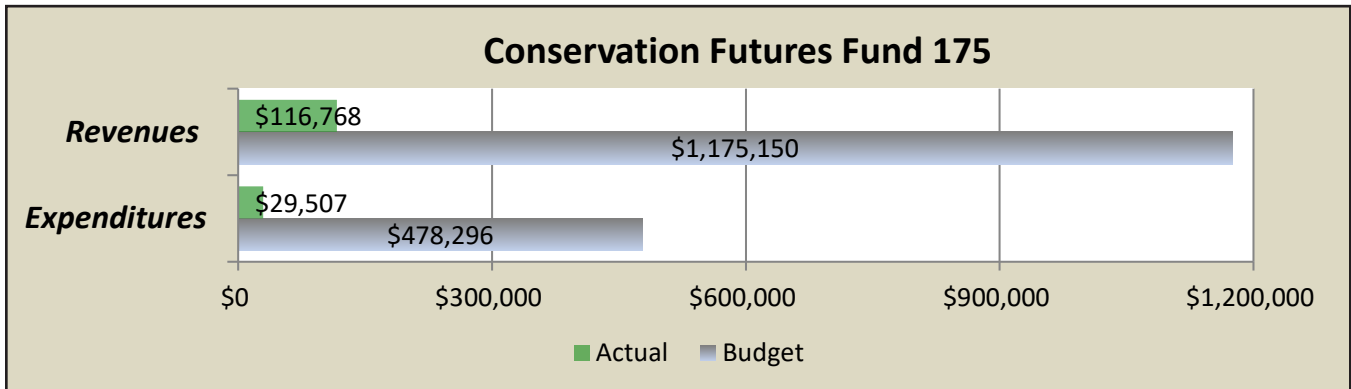
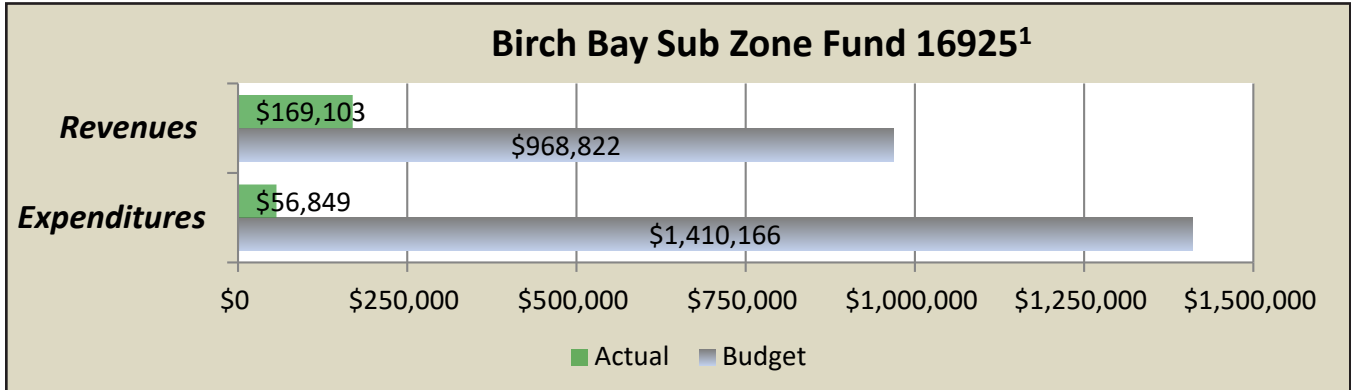
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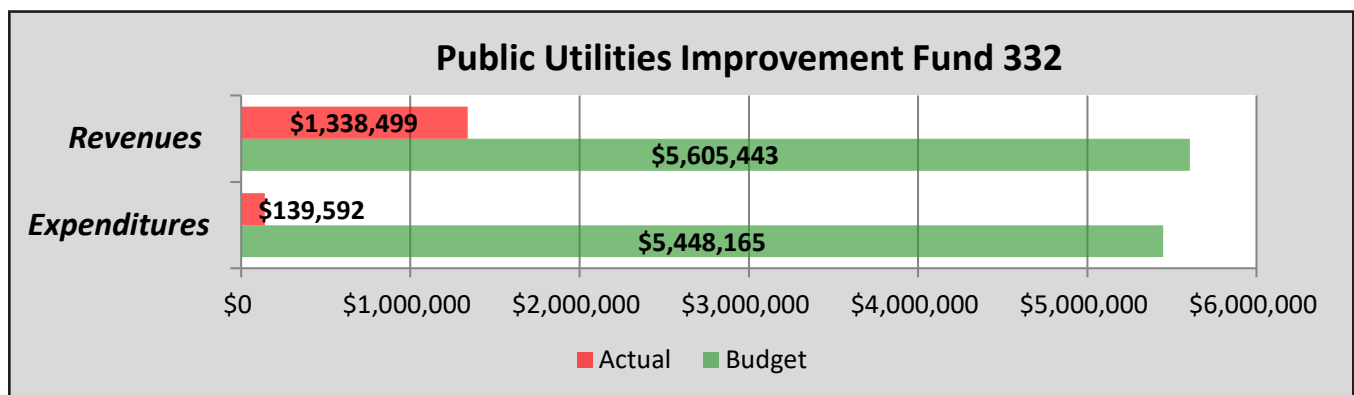
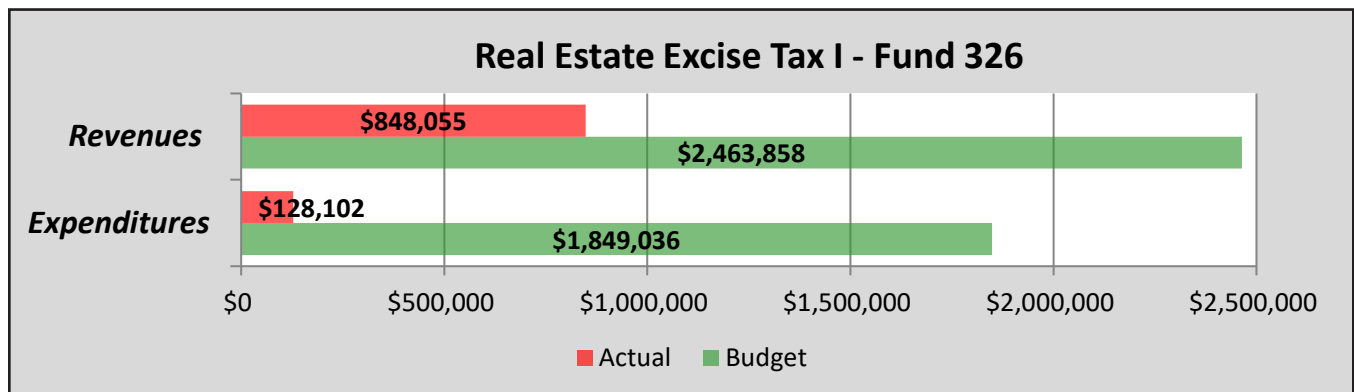
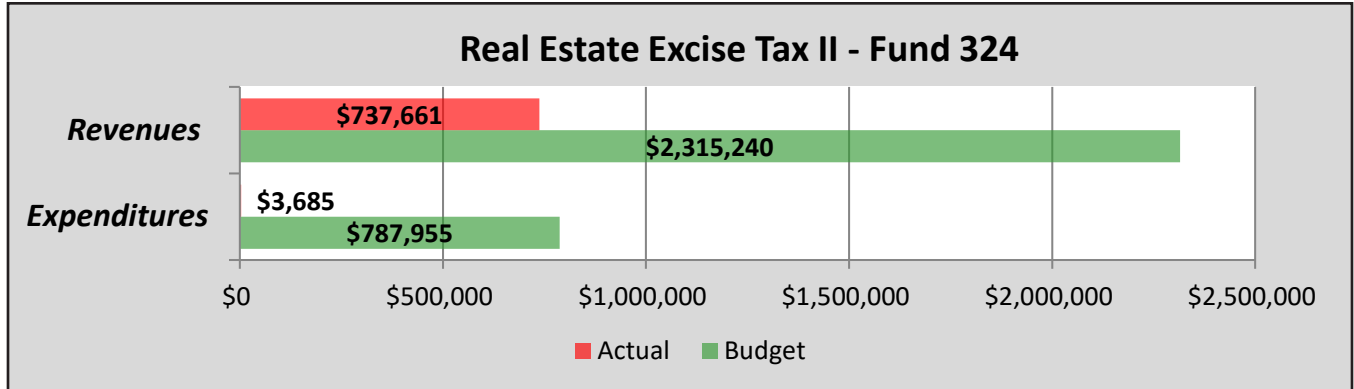
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Capital Project Funds

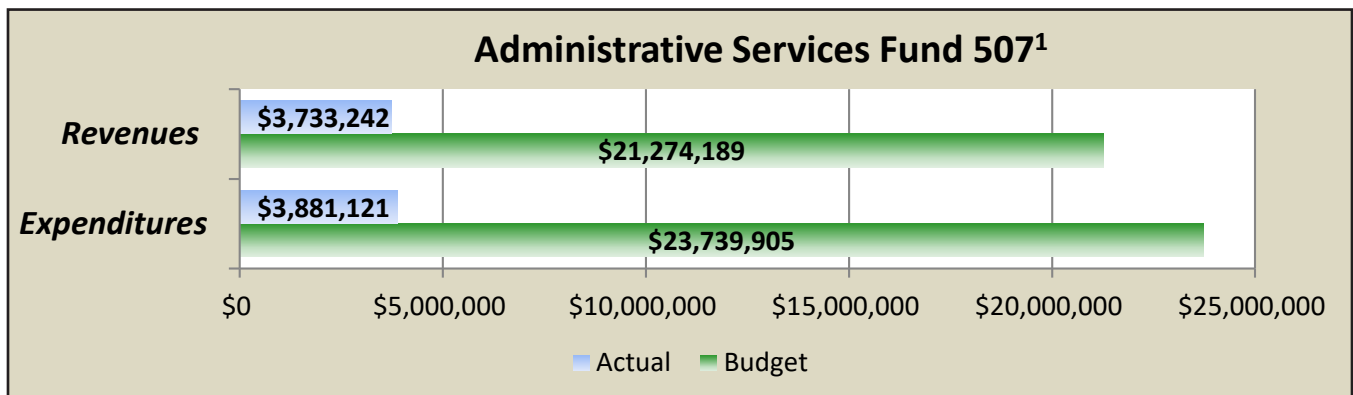
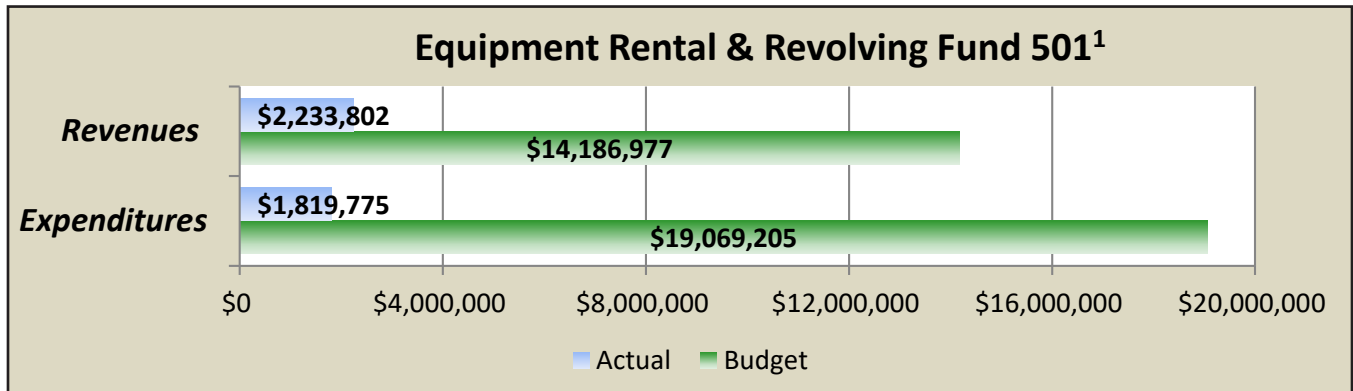
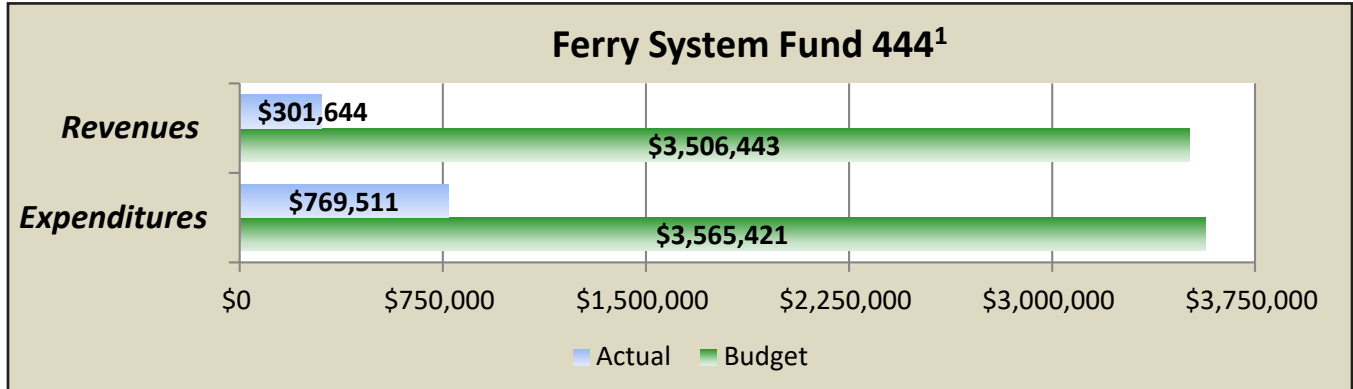


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Enterprise and Internal Service Funds



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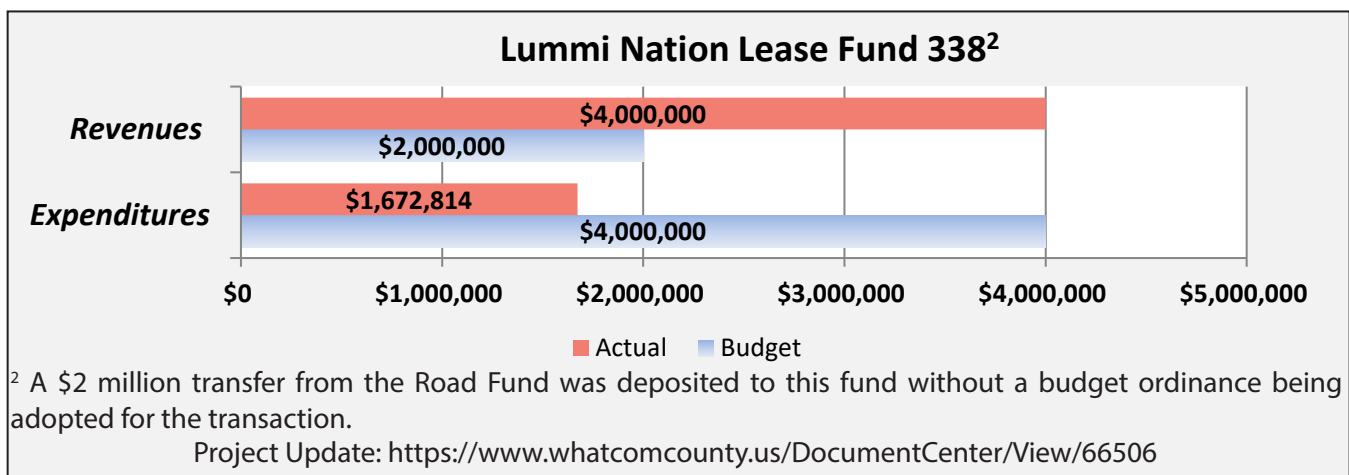
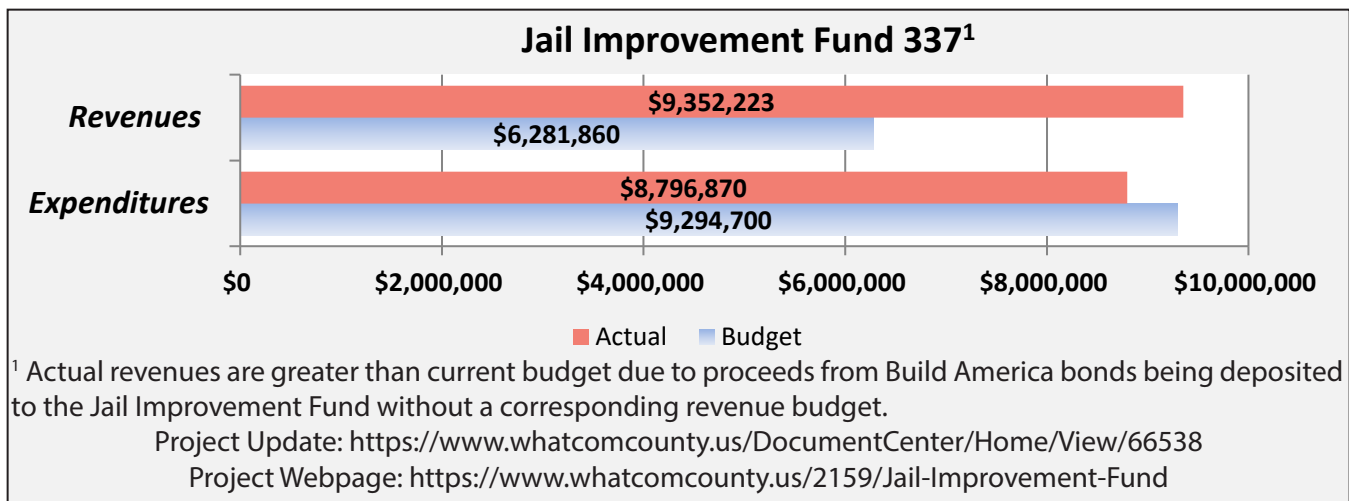
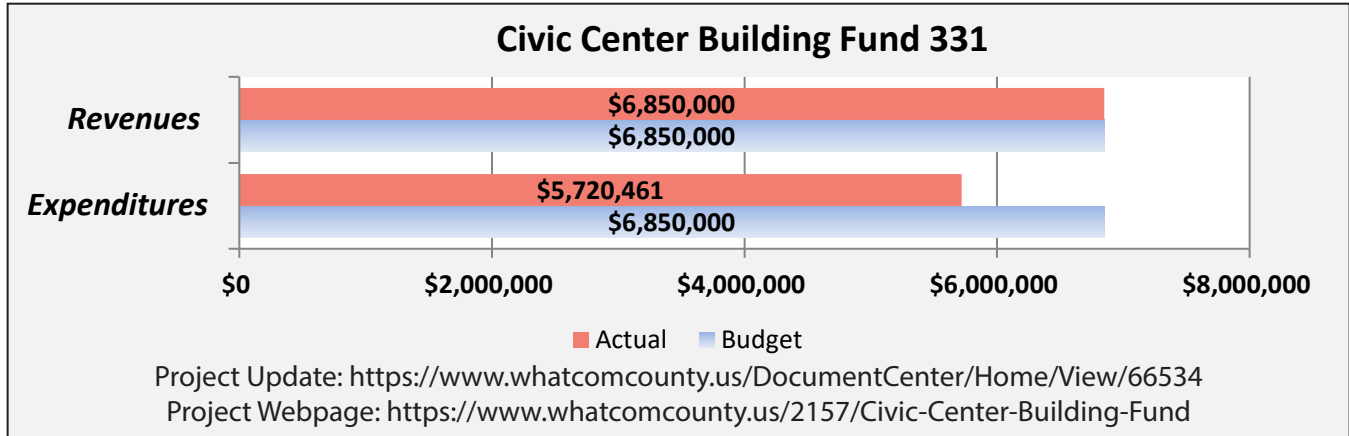
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Project Budget Funds

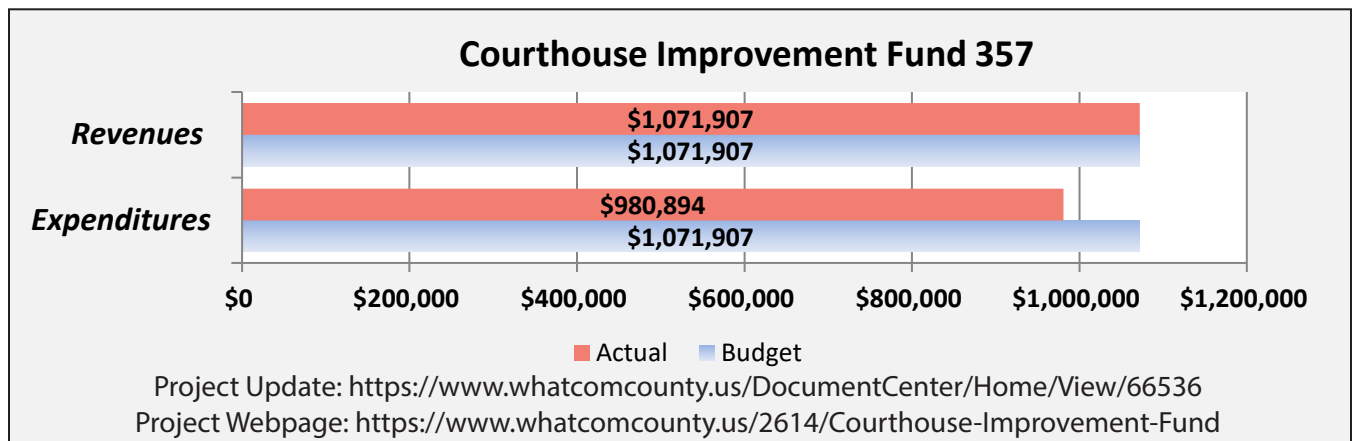
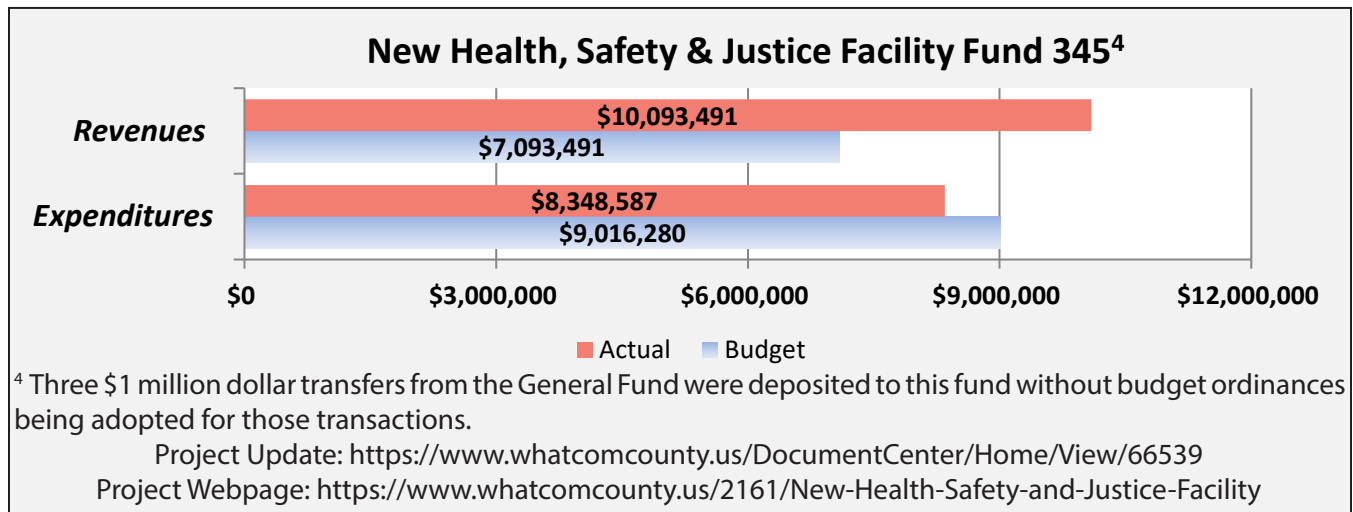
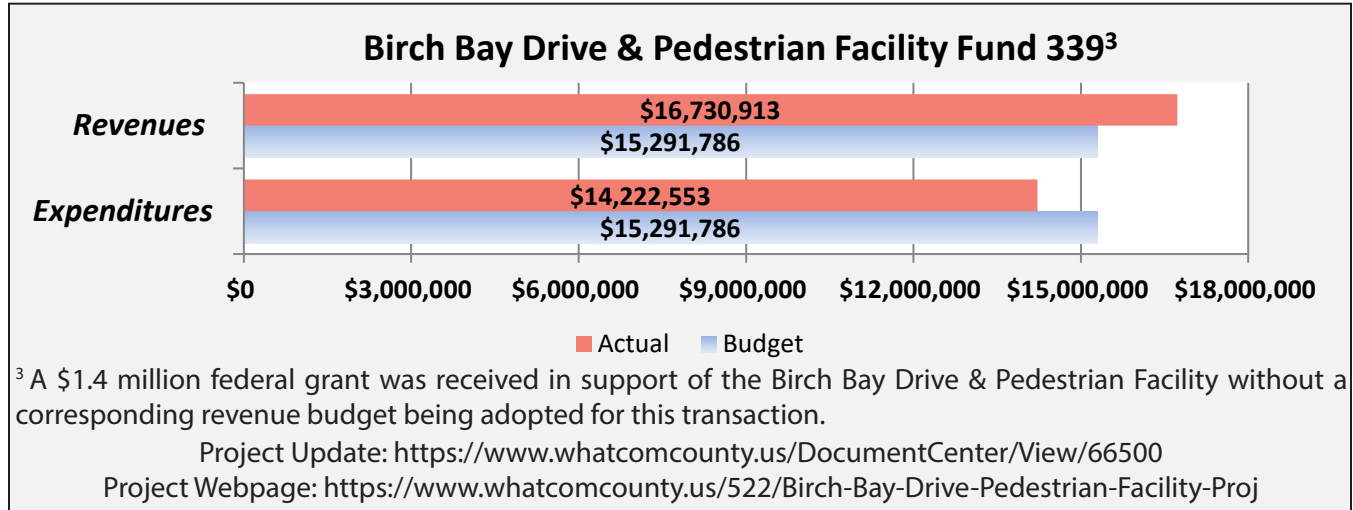


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Project Budget Funds, continued

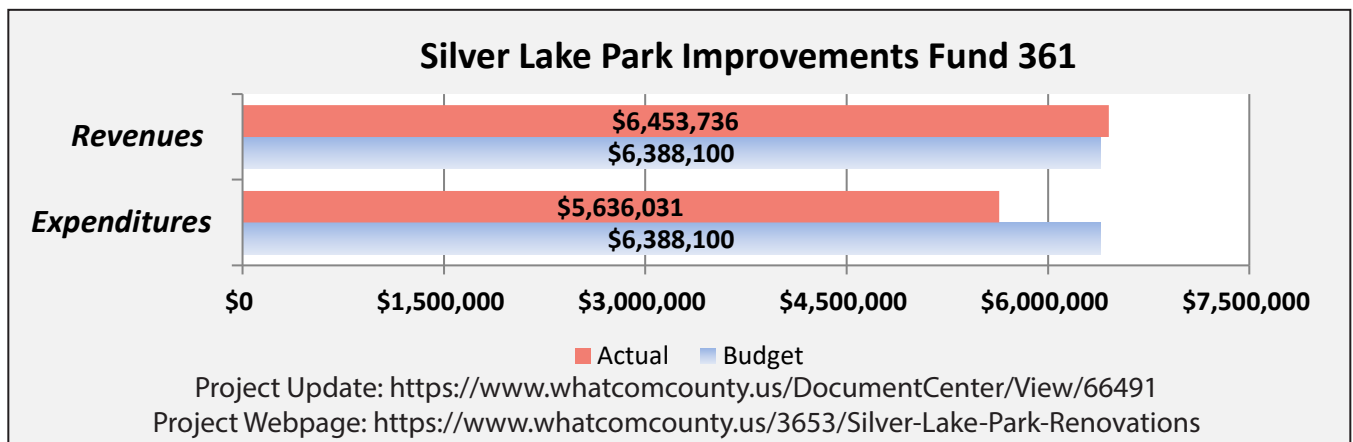
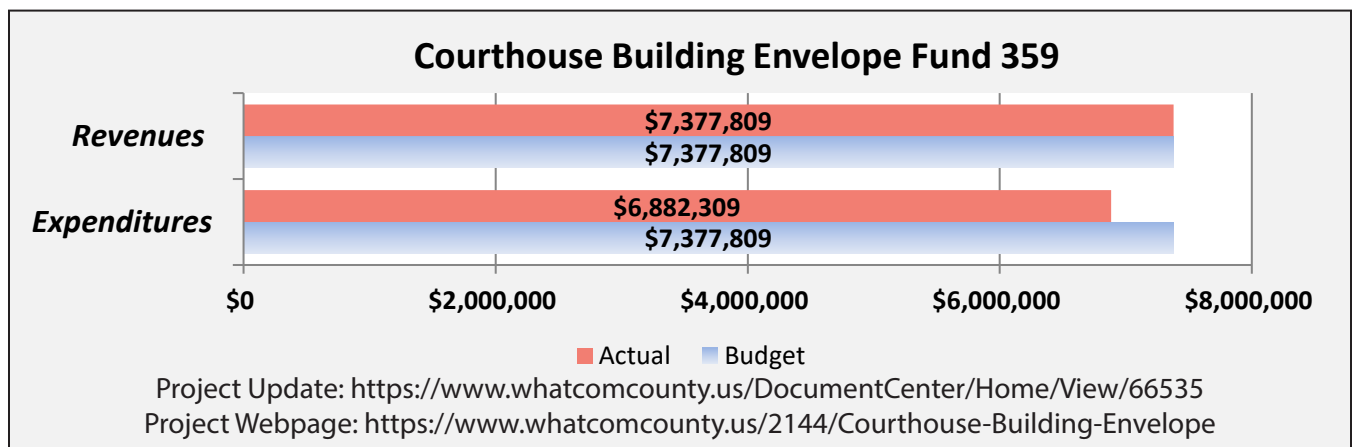
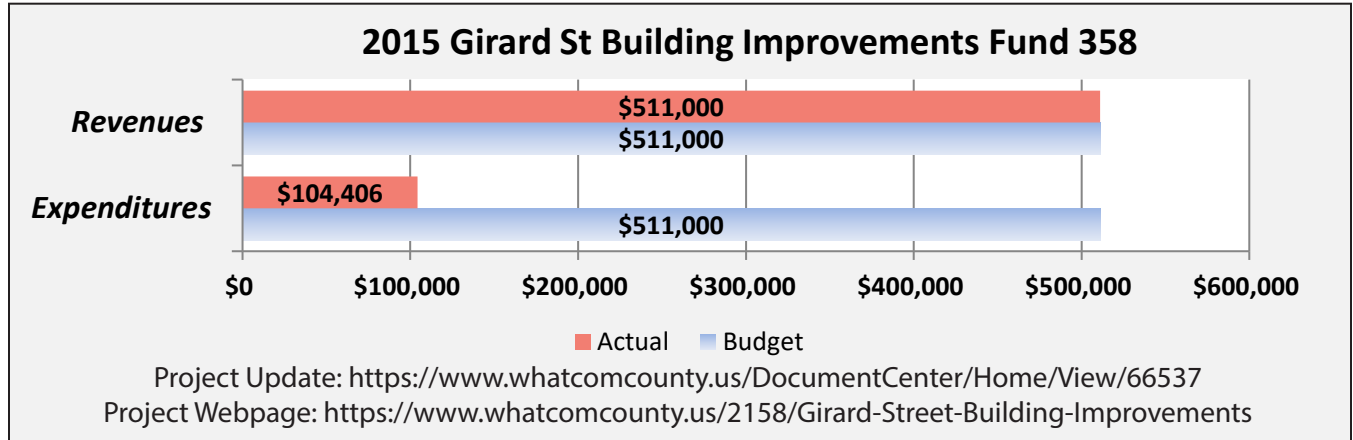


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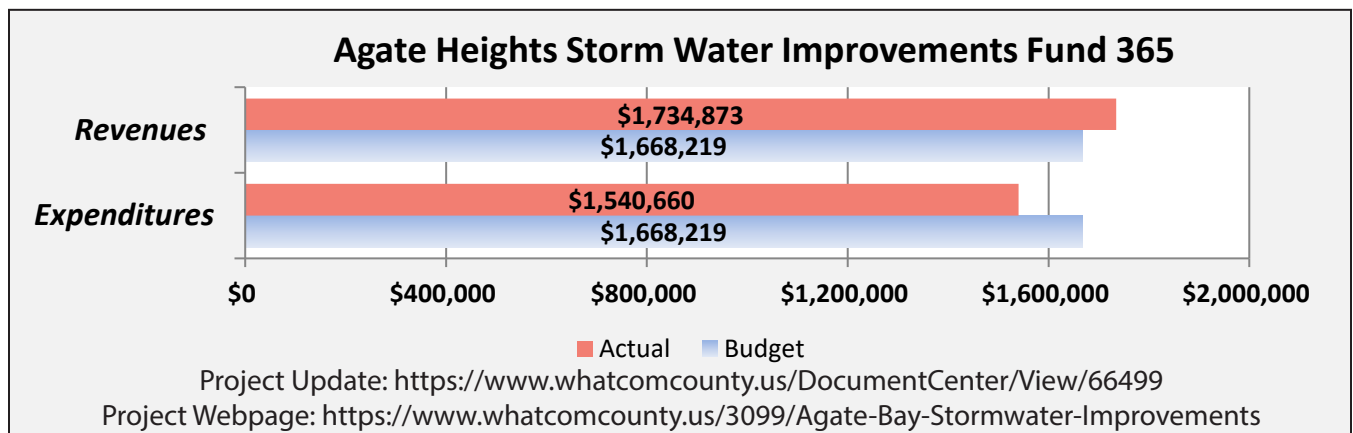
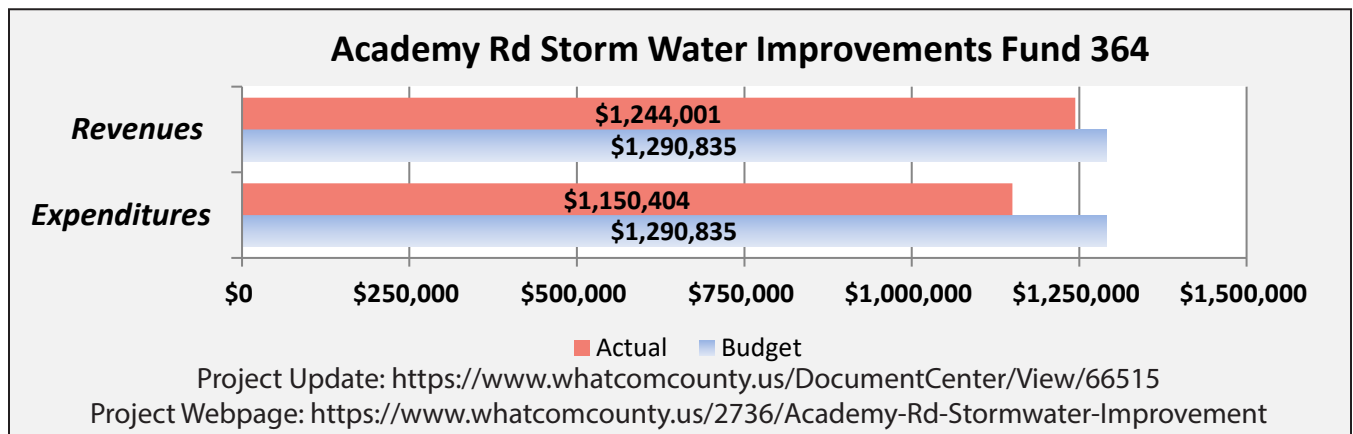
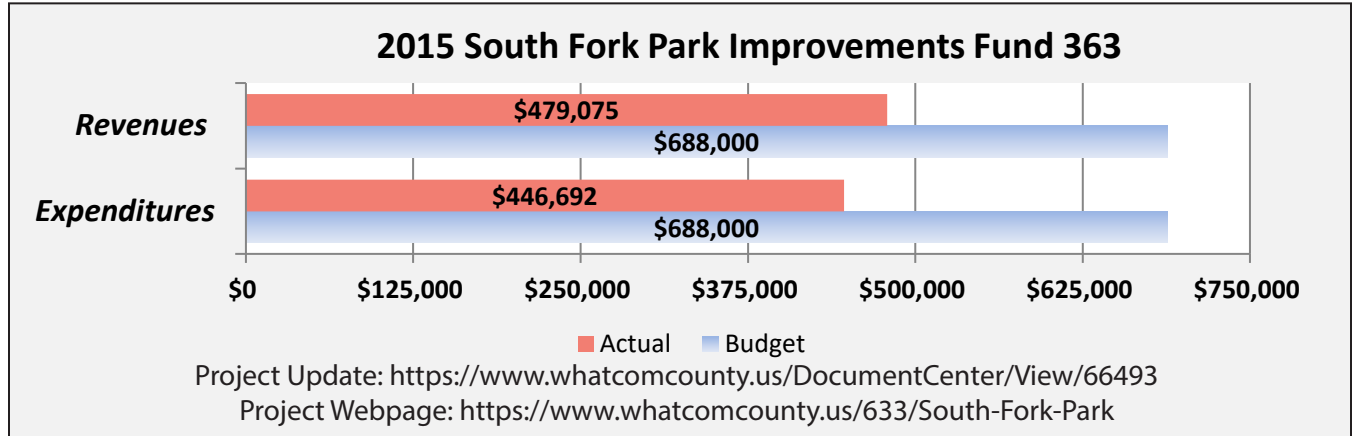


Whatcom County First Quarter 2022 Financial Report

For the Quarter Ended March 31, 2022



Project Budget Funds, continued

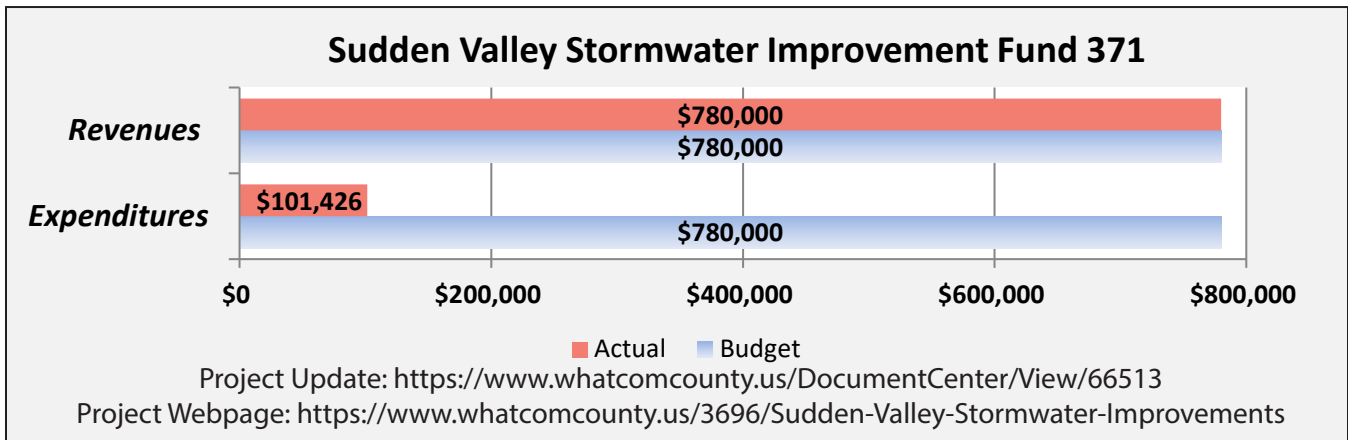
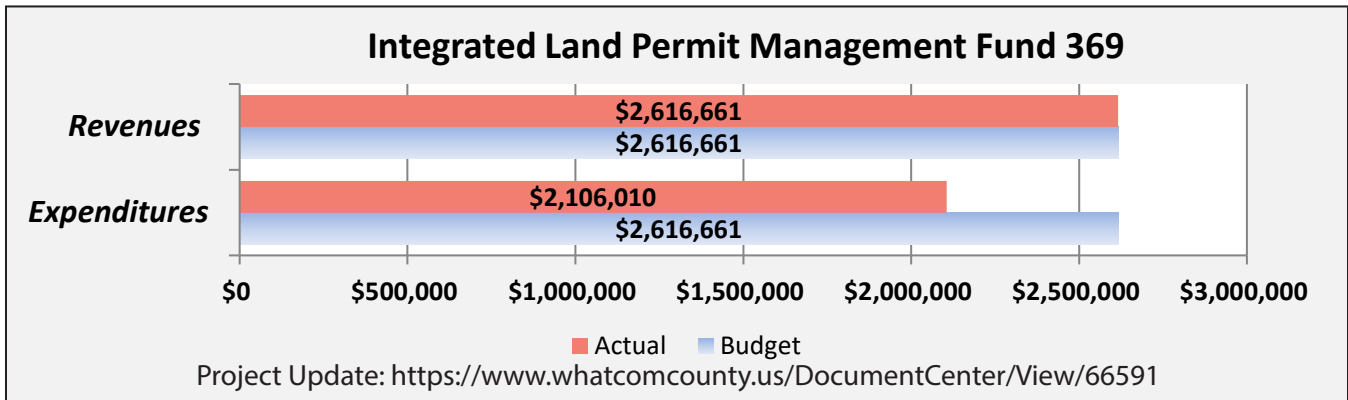
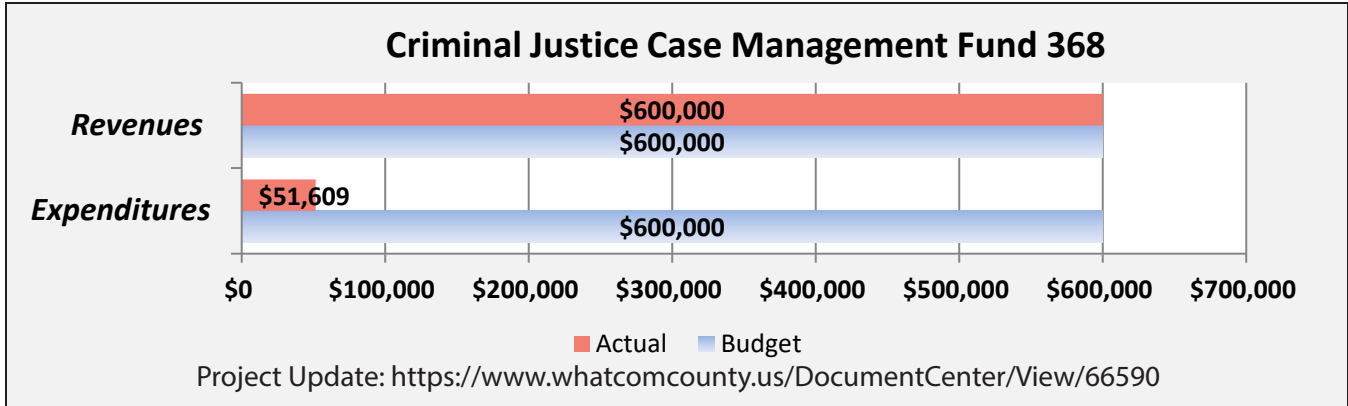


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For the Quarter Ended March 31, 2022



Project Budget Funds, continued

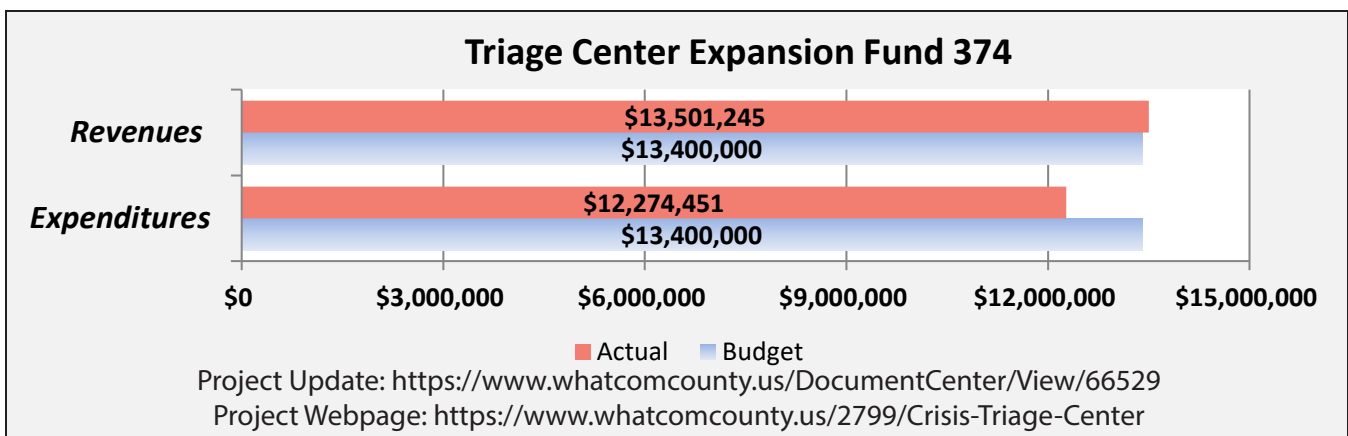
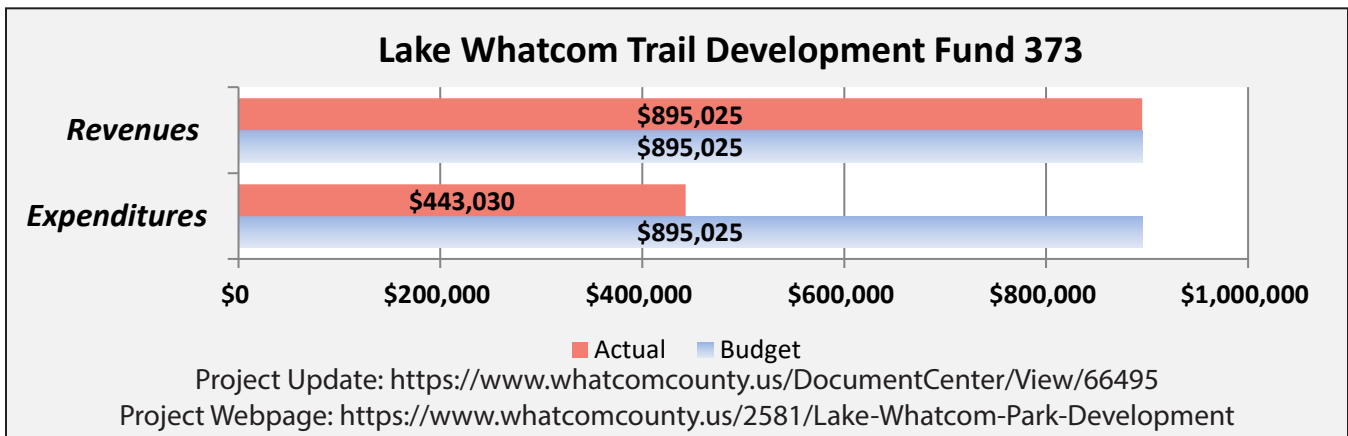
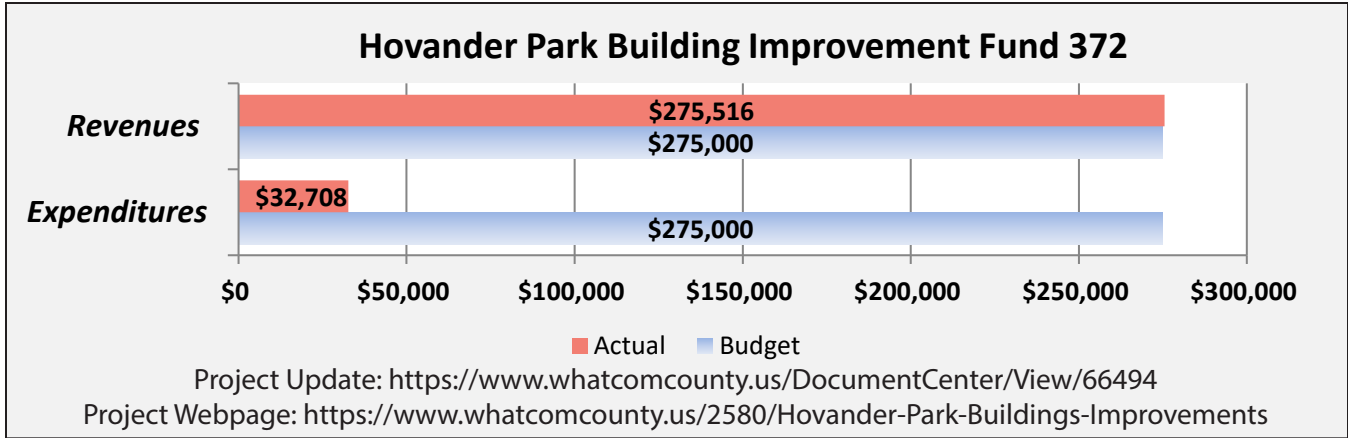


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For the Quarter Ended March 31, 2022



Project Budget Funds, continued

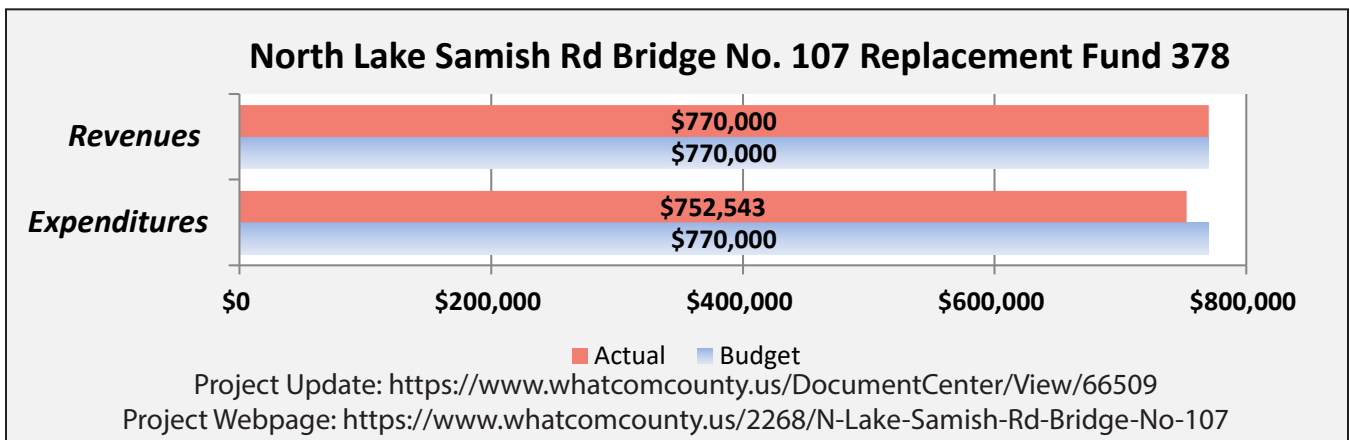
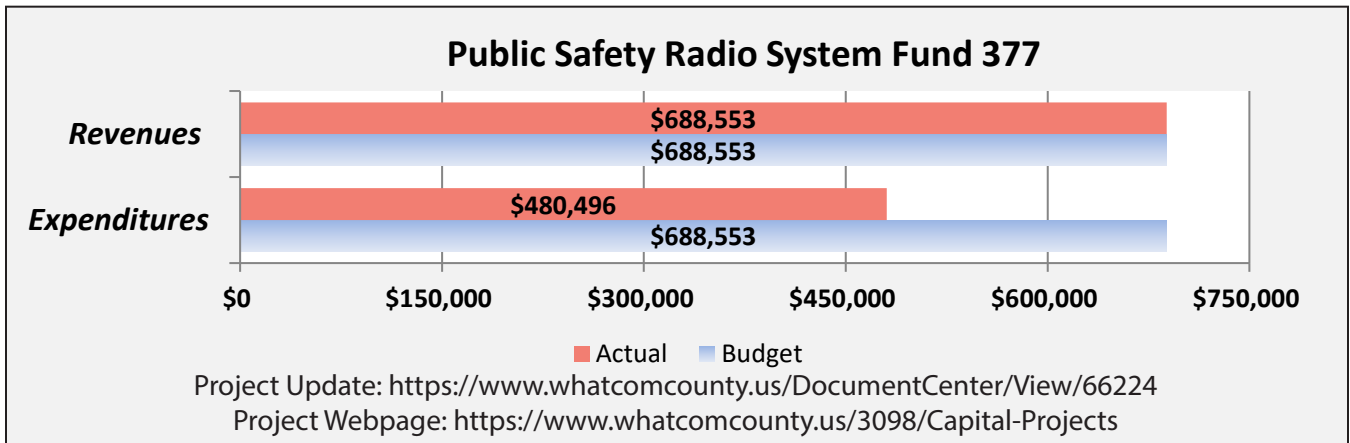
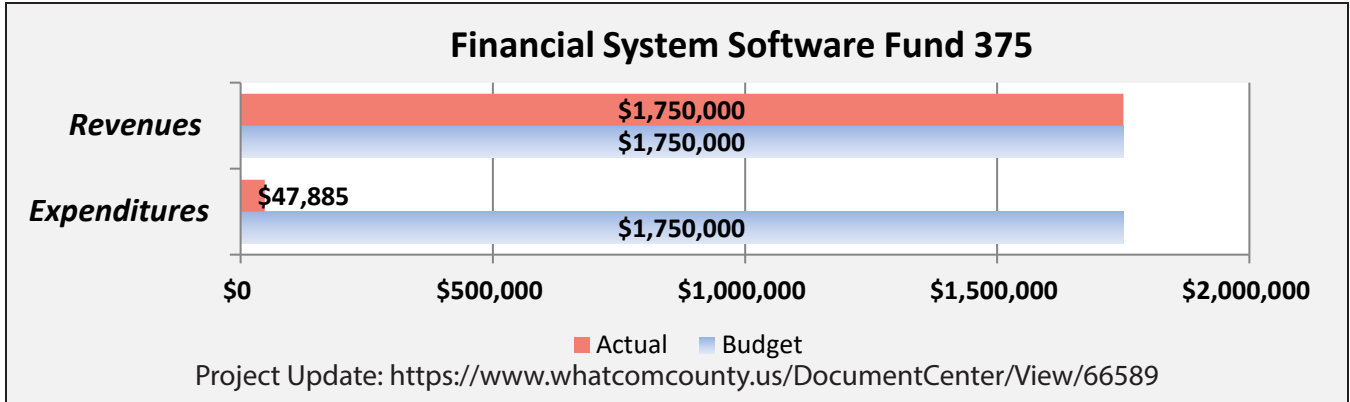


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For the Quarter Ended March 31, 2022



Project Budget Funds, continued

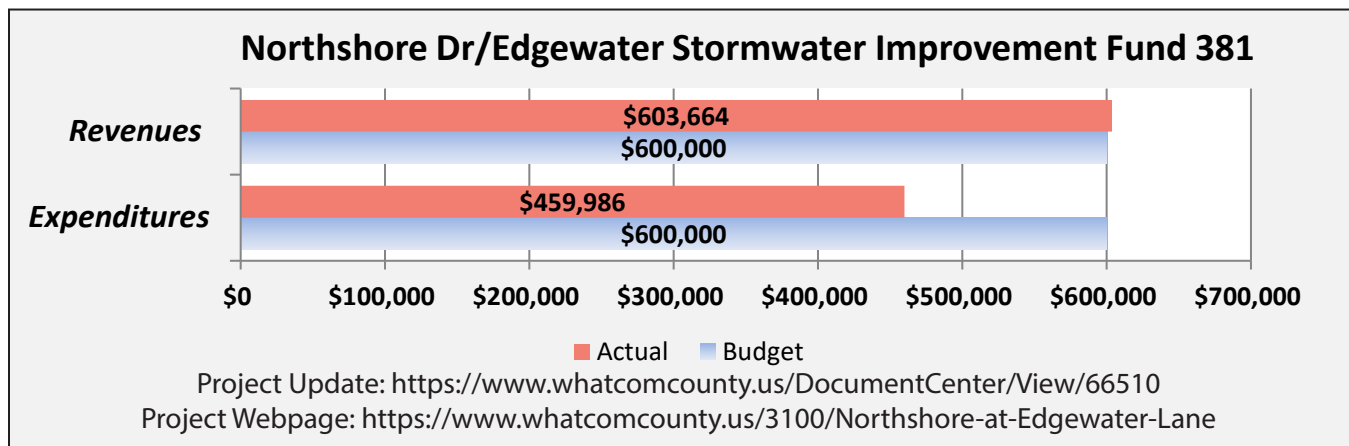
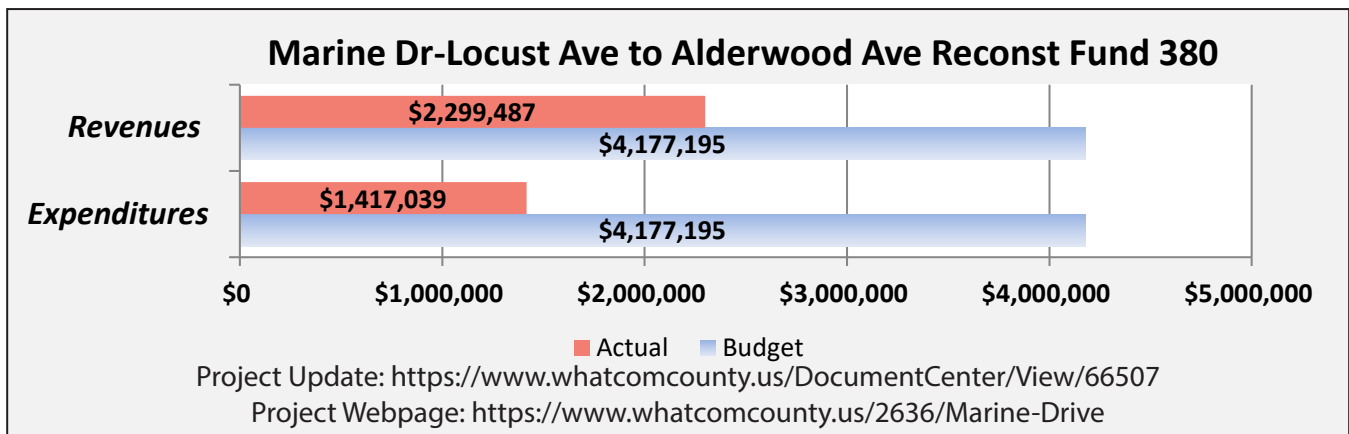
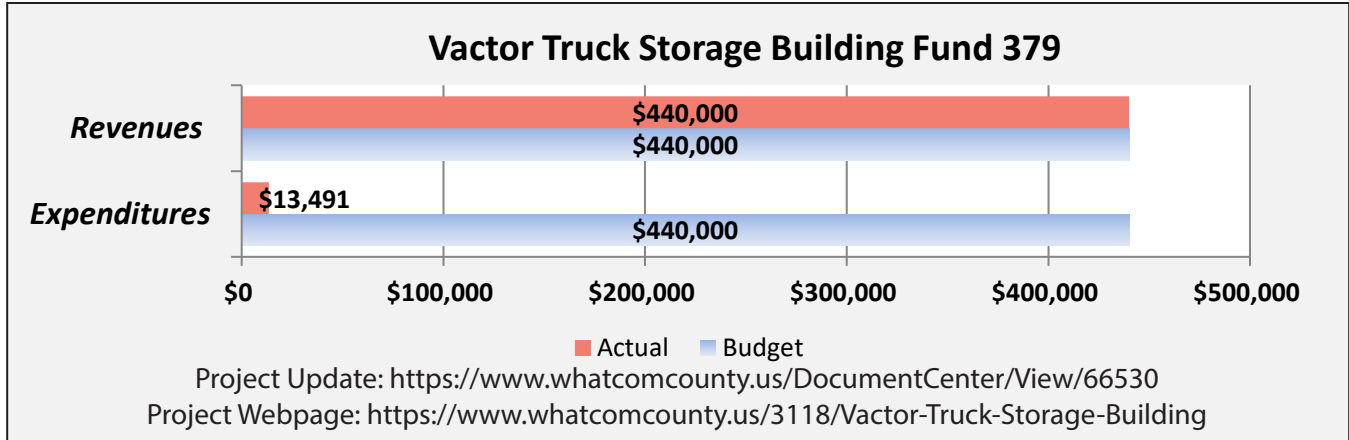


Whatcom County First Quarter 2022 Financial Report

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Project Budget Funds, continued

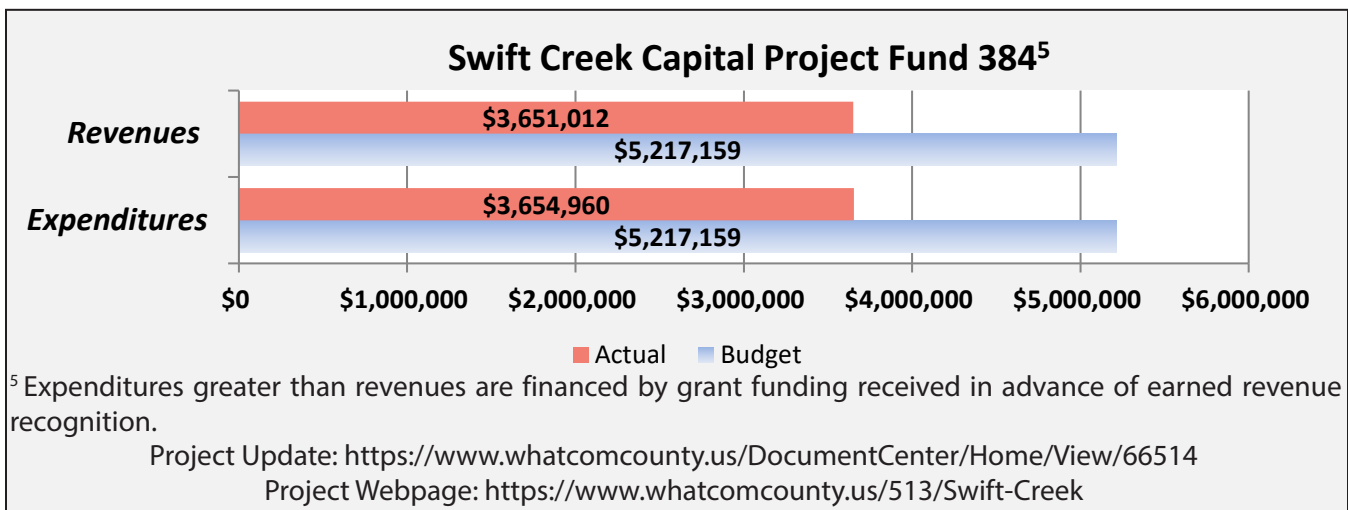
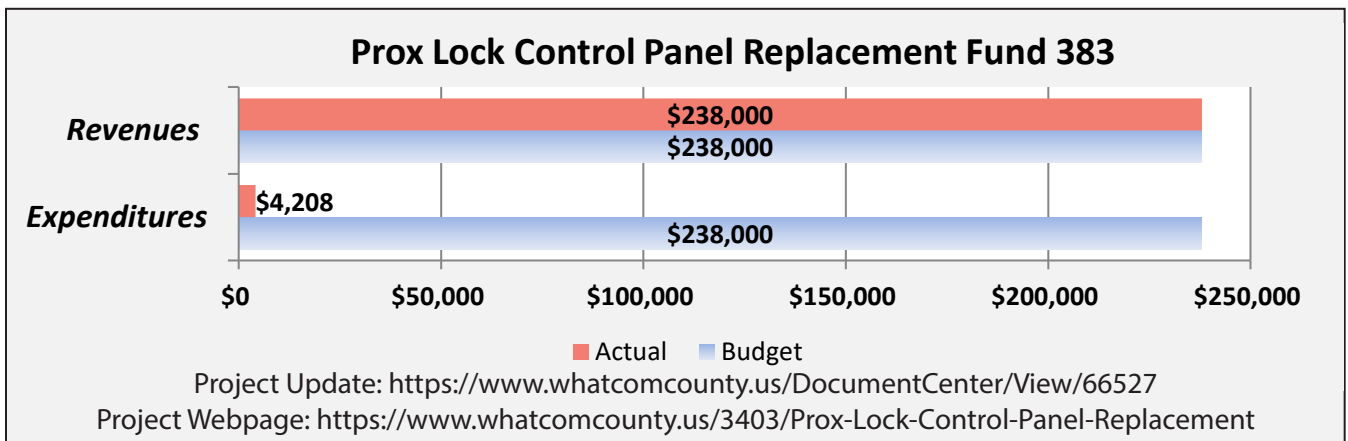
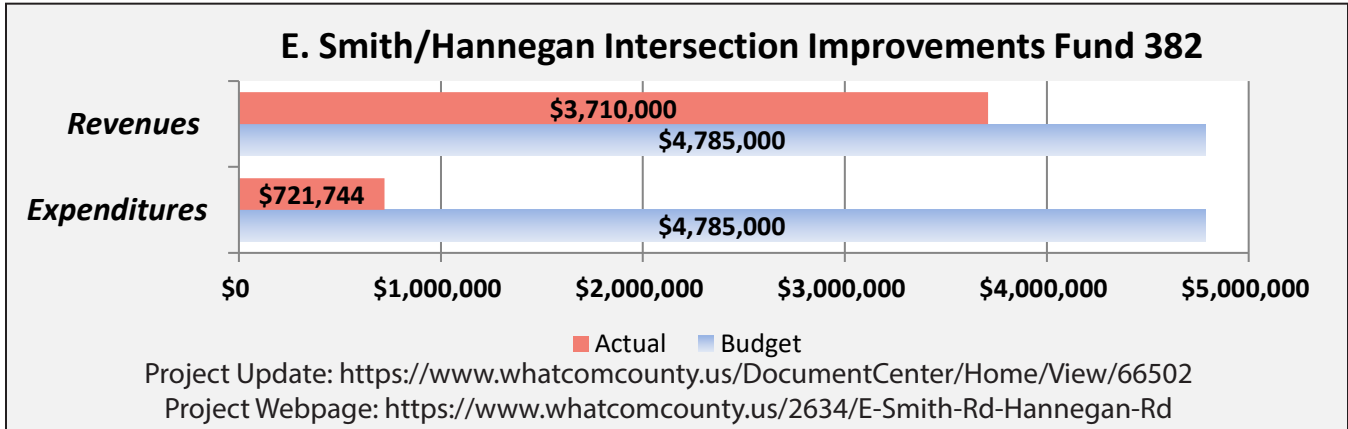


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For the Quarter Ended March 31, 2022



Project Budget Funds, continued

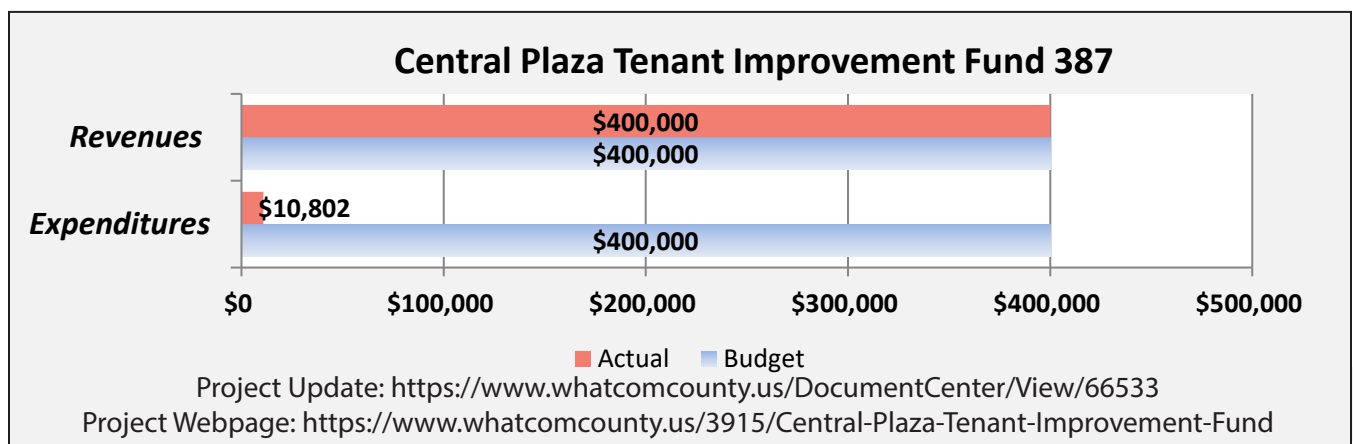
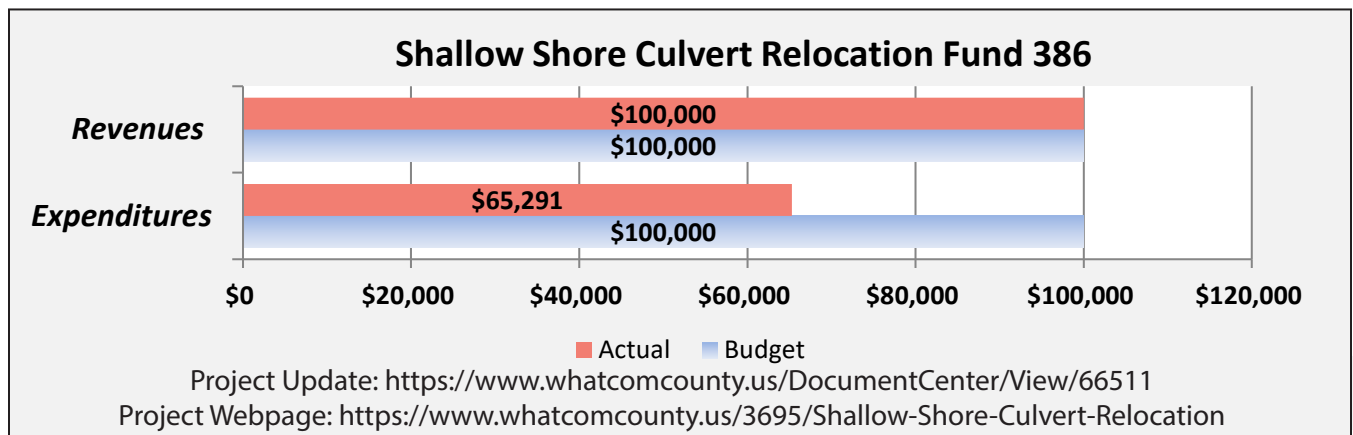
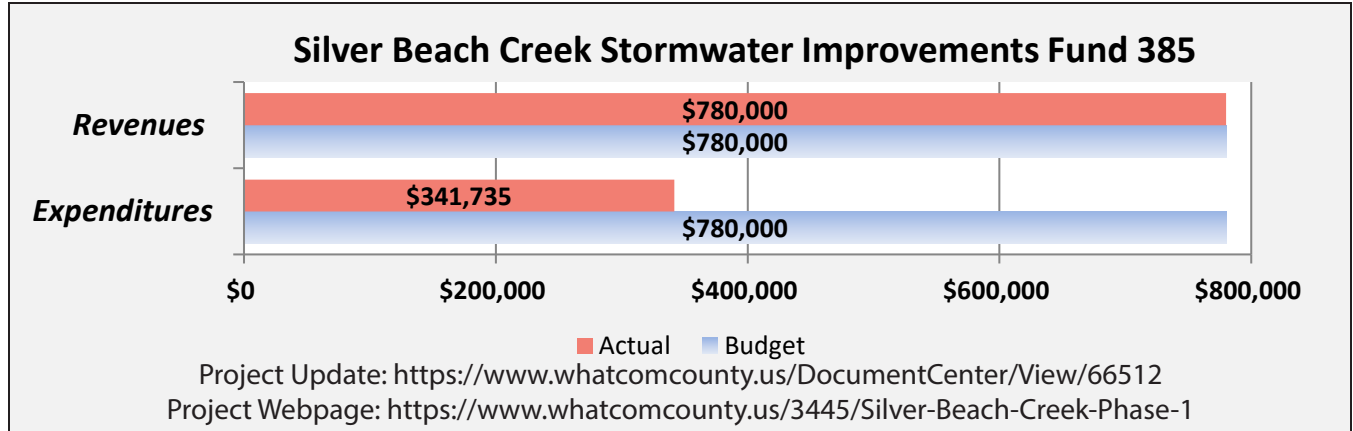


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Project Budget Funds, continued

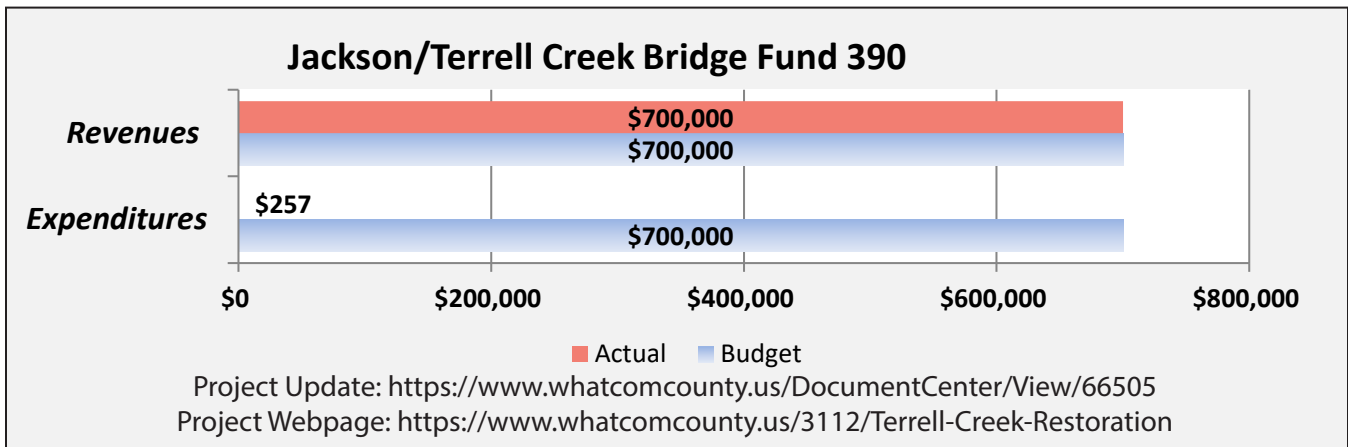
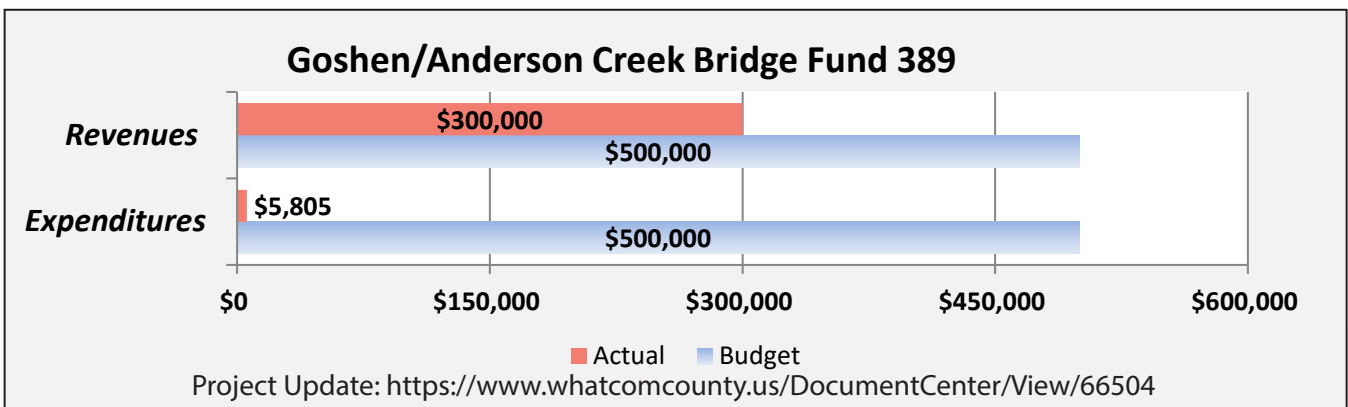
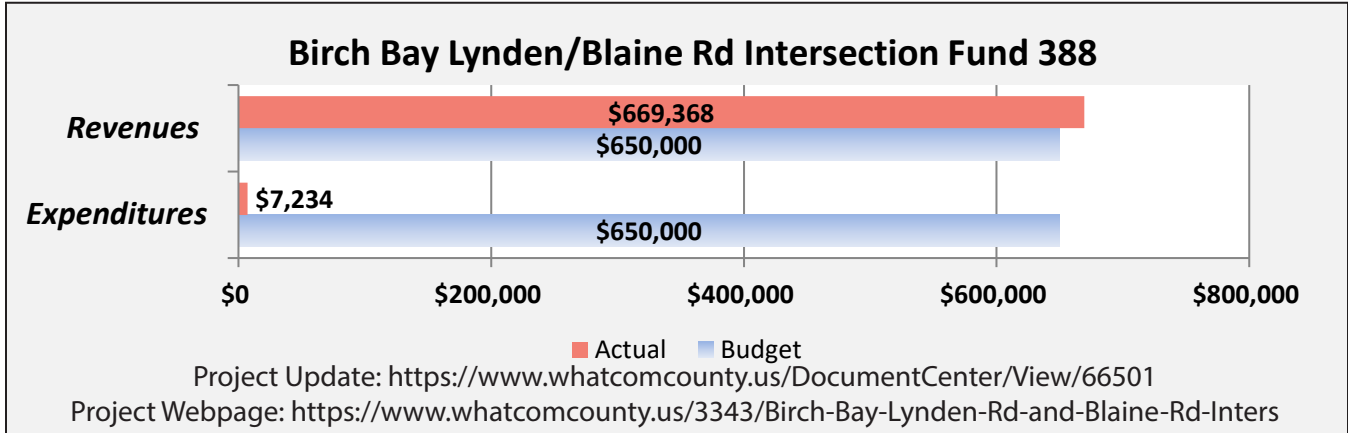


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For the Quarter Ended March 31, 2022



Project Budget Funds, continued

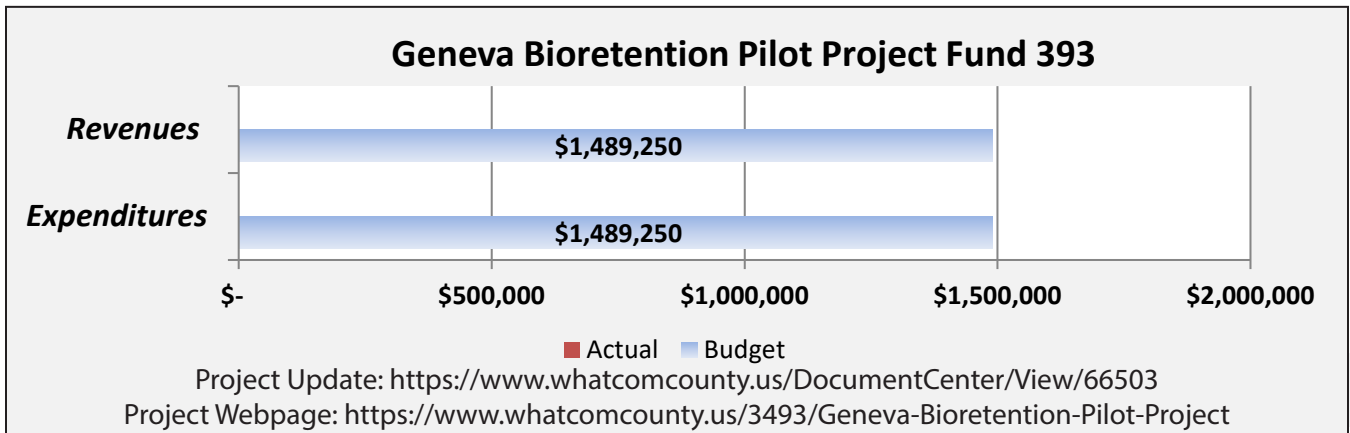
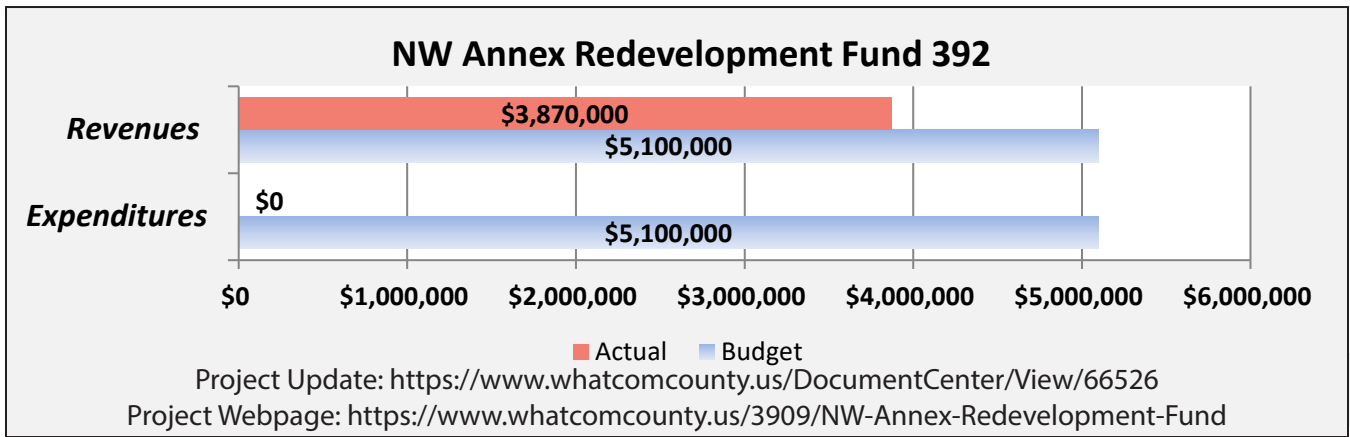
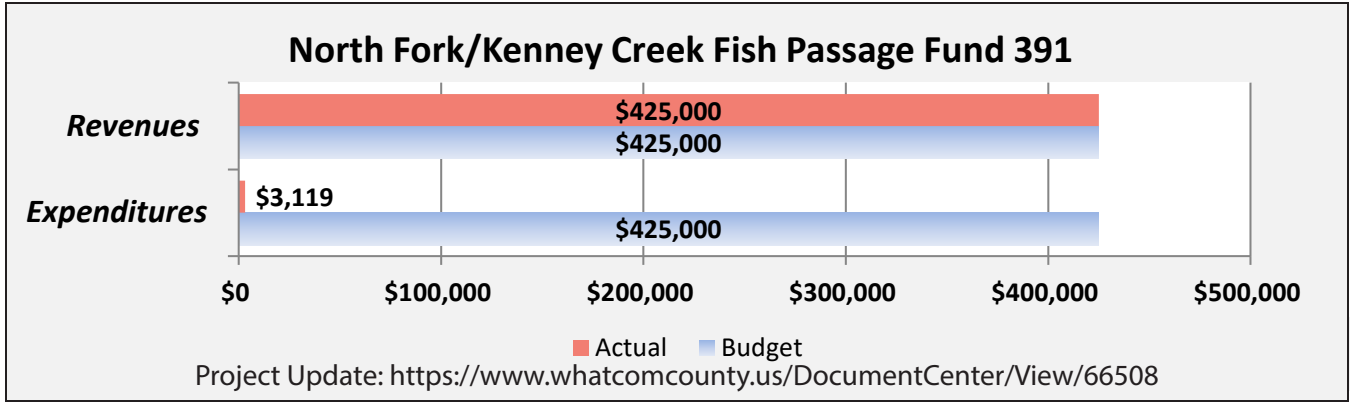


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For the Quarter Ended March 31, 2022



Project Budget Funds, continued



Whatcom County First Quarter 2022 Financial Report

For the Quarter Ended March 31, 2022



Project Budget Funds, continued

