



**2015  
First  
Quarter  
Financial  
Report**

Jack Louws, County Executive

Compiled and Presented by the  
Administrative Services Department  
Finance Division

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May 6, 2015

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## Executive Summary

The following information presents Whatcom County's first quarter 2015 financial report. At the end of the first quarter of 2015 General Fund revenues are higher than first quarter projections, mainly as a result of the receipt of a \$1 million transfer from Real Estate Excise Tax Fund II to Parks in support of operations and maintenance activities.

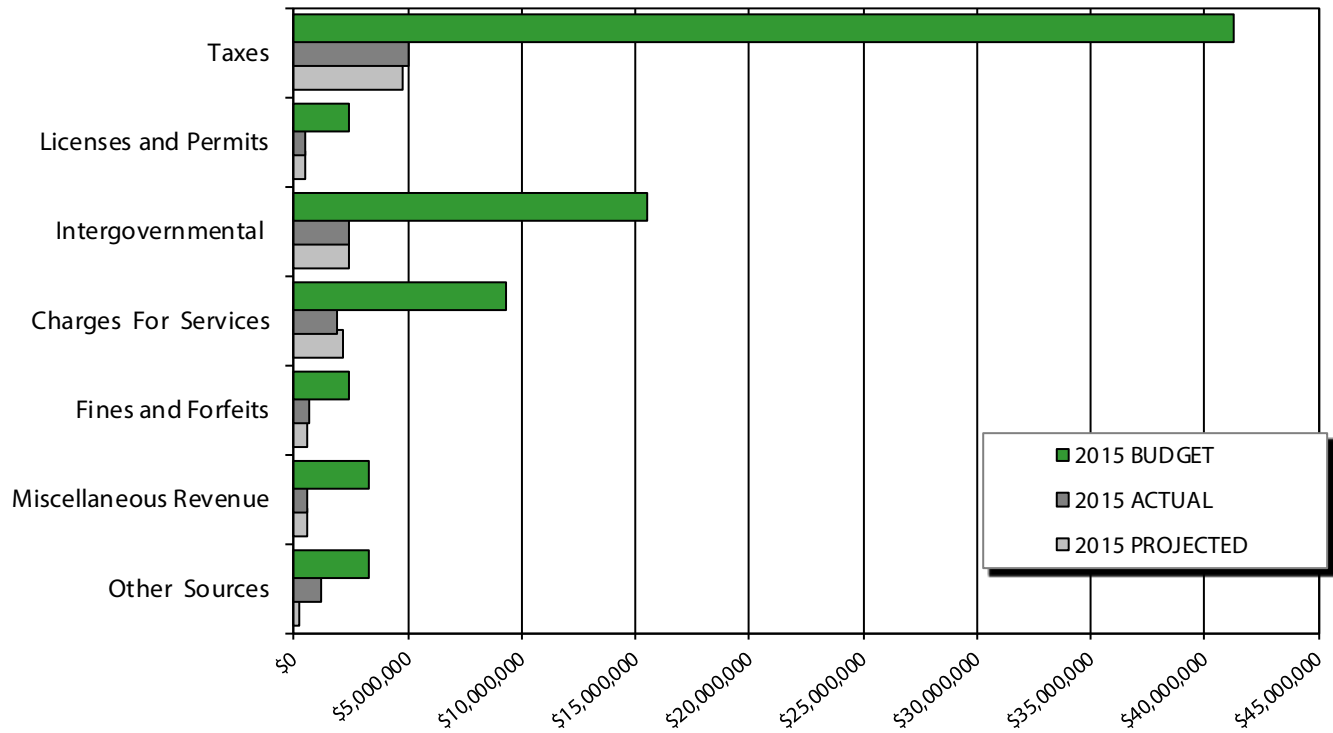
Expenditures are 25.32 percent of the annual budget, which is very close to projected amounts and a bit higher than prior years. Large transfers in support of capital project budgets have been recorded in the first quarter.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## General Fund Revenue - Budget vs. Actual



	2015 Budget Adopted	2015 Budget Supp'ls	2015 Budget Amended	Actual as of 3/31/2015	% Collected To Date	Projected as of 3/31/2015
Taxes	41,248,074	0	41,248,074	5,060,898	12.27%	4,789,814
Licenses and Permits	2,418,997	0	2,418,997	518,936	21.45%	468,125
Intergovernmental	14,334,565	1,212,884	15,547,449	2,439,392	15.69%	2,369,276
Charges For Services	9,277,822	14,016	9,291,838	1,920,069	20.66%	2,161,007
Fines and Forfeits	2,420,700	0	2,420,700	645,644	26.67%	597,903
Miscellaneous Revenue	3,302,612	4,650	3,307,262	602,754	18.23%	570,781
Other Sources	3,300,717	0	3,300,717	1,176,766	35.65%	240,858
<b>Total Revenue</b>	<b>76,303,487</b>	<b>1,231,550</b>	<b>77,535,037</b>	<b>12,364,459</b>	<b>15.95%</b>	<b>11,197,764</b>

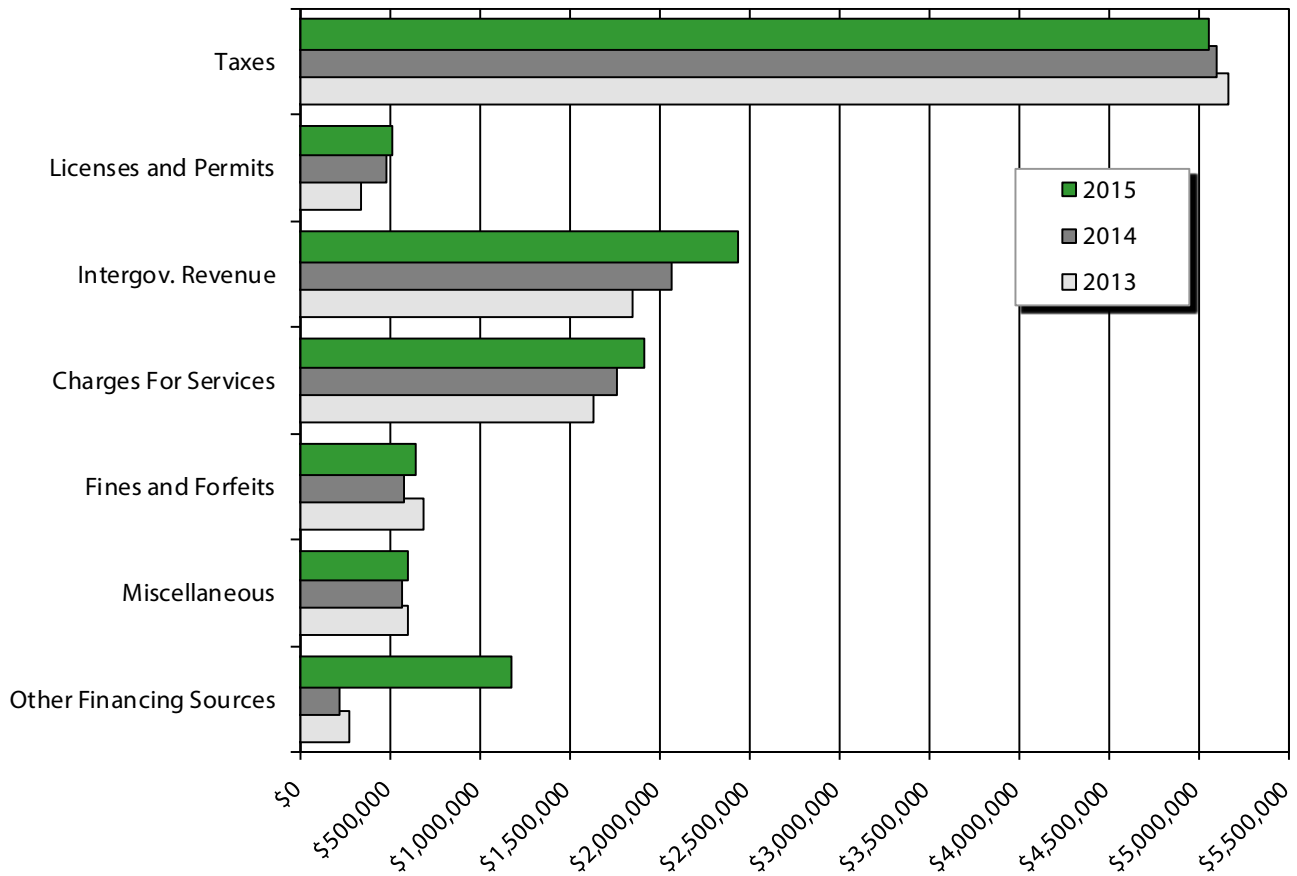
See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



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



	2013	2014	2015
Taxes	5,173,714	5,097,847	5,060,898
Licenses and Permits	346,975	479,554	518,936
Intergov. Revenue	1,855,219	2,072,314	2,439,392
Charges For Services	1,633,863	1,769,915	1,920,069
Fines and Forfeits	691,619	584,325	645,644
Miscellaneous	605,773	566,247	602,754
Other Financing Sources	279,459	221,051	1,176,766
<b>Total Revenue</b>	<b>10,586,622</b>	<b>10,791,253</b>	<b>12,364,459</b>

See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## General Fund Revenue Notes

### Taxes

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

Tax revenues are \$36,949 less than first quarter 2014 amounts. Current year sales tax collections are relatively flat as compared to first quarter collections from last year. They are up \$19,098, or .6% overall. Property tax collections decreased \$89,483 under first quarter 2014. Decreases are the result of timing differences in when taxpayers make their first half payments as compared to last year. Private harvest taxes are \$33,299 more than first quarter last year.

### Licenses & Permits

*Building permits account for 50% of "Licenses & Permits" budgets. Health Department restaurant, food-handling, on-site septic and other miscellaneous health-related licenses and permits make up 45.2% of the budgets. Marriage licenses, firearms permits and fire control permits account for the remaining 4.8%.*

License and Permit Fees are \$39,382, or 8.2%, more than amounts collected during first quarter 2014. Building permit fees increased \$28,181 over first quarter 2014 levels and restaurant permits are up \$16,295.

### Intergovernmental Revenue

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

The revenues collected as of quarter end were up 17.7%, or \$367,083, more than first quarter 2014. Most of the increase is due to grant reimbursements received in the Sheriff's Office, Health Department and autopsy cost reimbursements in Non-Departmental.

### 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 \$150,151, or 8.5%, over first quarter 2014. The increase is primarily due to the County now charging the cost of the Executive's Office and County Council to other funds in accordance with guidance provided by the State Auditor's Office.

### 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 \$61,316, or 10.5%, over first quarter 2014 amounts. Traffic infractions are up \$38,497, or 14.6%, and civil penalties for code enforcement violations are up \$33,250.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## 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 revenue is up \$36,508, or 6.4%, from the first quarter 2014. This is chiefly due to increases in investment earnings.

### Other Financing Sources

*The "Other Financing Sources" revenue budget is composed of state timber revenues (11%) and transfers from other Whatcom County funds (89%).*

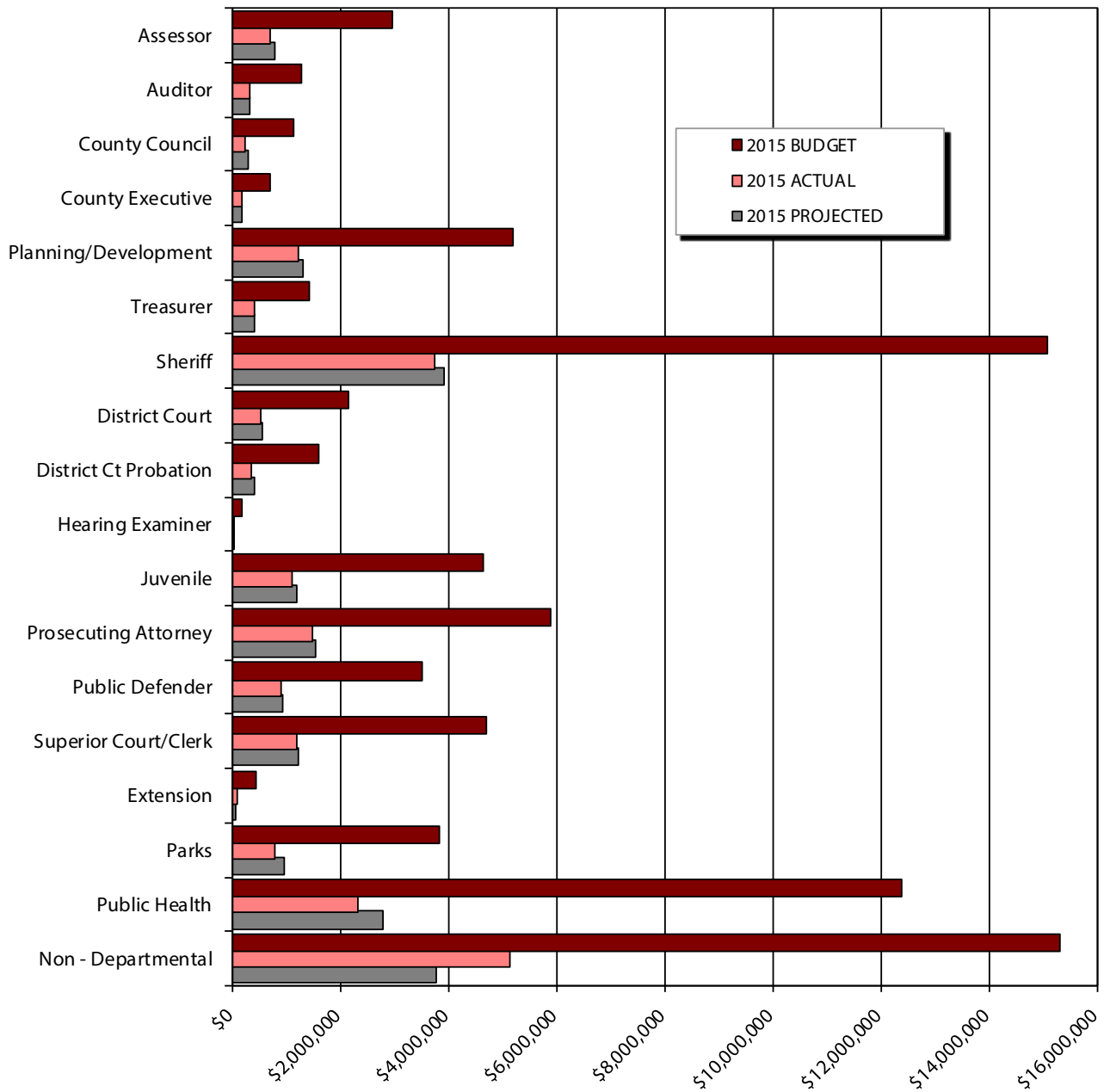
The Other Financing Sources category is \$955,715 more than first quarter 2014 amounts. The County elected to make a \$1 million transfer from Real Estate Excise Tax Fund II to the Parks Department in support of operations and maintenance of existing parks. This transfer is in accordance with provisions of Washington State House Bill 1953 Chapter 354. Timber sales revenue decreased \$38,380 under 2014 amounts. Timber revenues fluctuate based on harvest plans and market conditions.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## General Fund Expenditures - Budget vs. Actual



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

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## General Fund Expenditures - Budget vs. Actual

	Adopted 2015 Budget	Budget Supp'ls	Amended Budget	Actual as of 3/31/15	% Expended To Date	Projected as of 3/31/15
Assessor	2,983,708	0	2,983,708	719,924	24.13%	800,440
Auditor	1,289,804	0	1,289,804	323,940	25.12%	330,257
County Council	1,144,447	1,736	1,146,183	258,673	22.57%	294,180
County Executive	699,351	9,325	708,676	179,084	25.27%	186,833
Planning & Development	5,109,078	88,911	5,197,989	1,235,937	23.78%	1,320,821
Treasurer	1,425,369	0	1,425,369	416,445	29.22%	411,562
Sheriff	14,150,275	942,991	15,093,266	3,752,219	24.86%	3,928,675
District Court	2,160,200	0	2,160,200	527,527	24.42%	562,320
District Court Probation	1,620,229	0	1,620,229	365,846	22.58%	422,183
Hearing Examiner	188,344	0	188,344	47,913	25.44%	47,791
Juvenile	4,633,596	19,404	4,653,000	1,118,648	24.04%	1,206,933
Prosecuting Attorney	5,895,805	0	5,895,805	1,503,295	25.50%	1,562,202
Public Defender	3,535,872	0	3,535,872	911,967	25.79%	932,803
Superior Court/Clerk	4,710,681	0	4,710,681	1,190,371	25.27%	1,230,419
Extension	435,381	0	435,381	89,590	20.58%	78,017
Park	3,817,099	15,744	3,832,843	785,354	20.49%	977,292
Public Health	12,323,980	69,500	12,393,480	2,343,774	18.91%	2,799,741
Non - Departmental	14,707,583	619,308	15,326,891	5,147,102	33.58%	3,783,903
<b>Total General Fund Exp</b>	<b>80,830,802</b>	<b>1,766,919</b>	<b>82,597,721</b>	<b>20,917,609</b>	<b>25.32%</b>	<b>20,876,372</b>

See page 9 for General Fund Expenditure Notes.

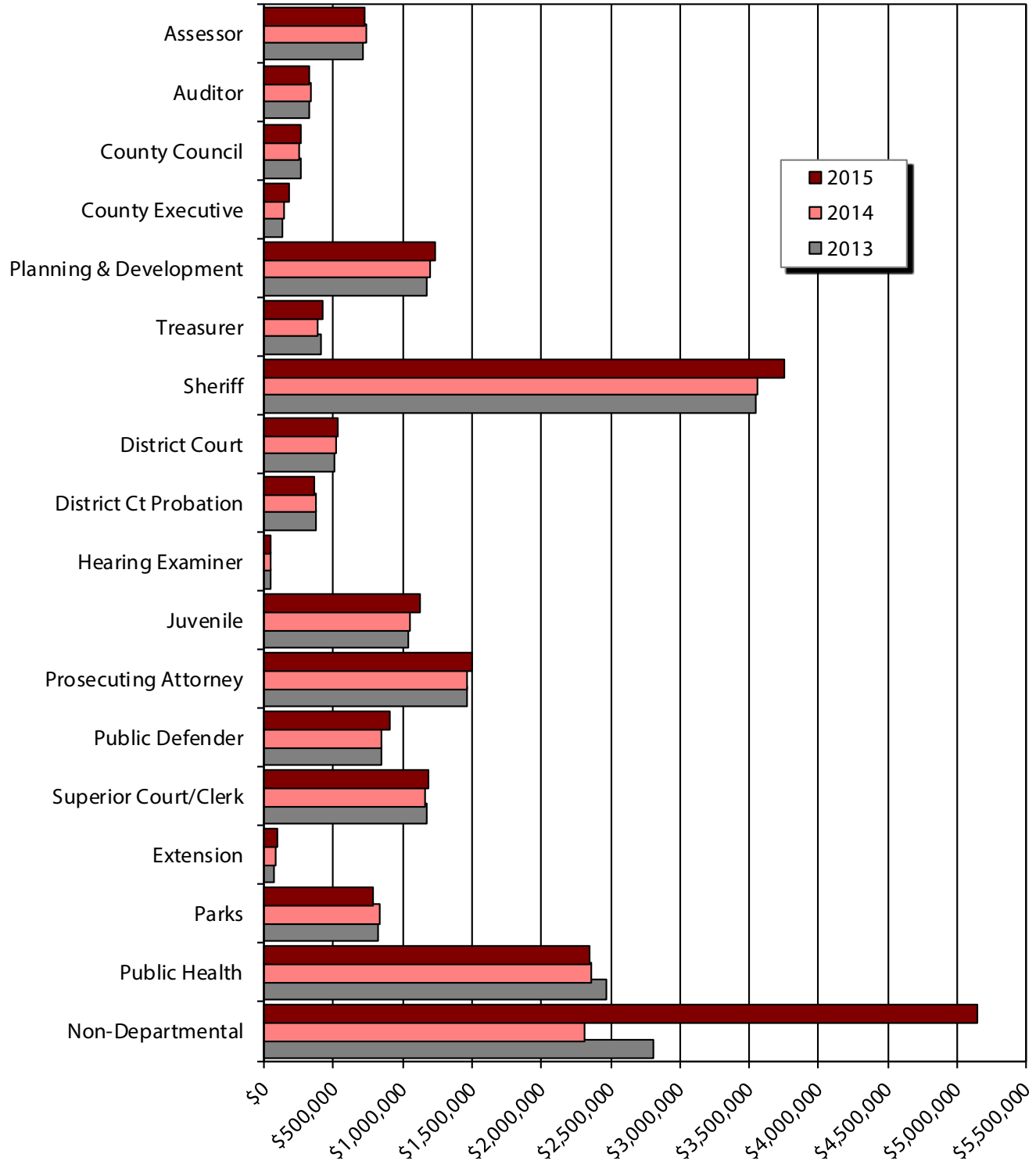


# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## General Fund Expenditures - Compared to Prior Years



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

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## General Fund Expenditures - Compared to Prior Years

	2013	2014	2015
Assessor	718,139	738,421	719,924
Auditor	321,759	337,630	323,940
County Council	264,495	257,730	258,673
County Executive	136,522	142,161	179,084
Planning & Development	1,167,497	1,191,991	1,235,937
Treasurer	410,887	384,937	416,445
Sheriff	3,546,585	3,564,947	3,752,219
District Court	508,711	520,111	527,527
District Ct Probation	368,688	371,639	365,846
Hearing Examiner	46,555	46,532	47,913
Juvenile	1,036,999	1,054,800	1,118,648
Prosecuting Attorney	1,460,304	1,462,443	1,503,295
Public Defender	844,517	850,859	911,967
Superior Court /Clerk	1,178,015	1,156,653	1,190,371
Extension	75,091	84,897	89,590
Parks	817,826	833,228	785,354
Public Health	2,466,949	2,360,306	2,343,774
Non-Departmental	2,810,463	2,306,788	5,147,102
<b>TOTAL</b>	<b>18,180,002</b>	<b>17,666,073</b>	<b>20,917,609</b>

## General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of the first quarter were at 25.32% of the approved budget. This amount is higher than prior years due to \$2.2 million of capital project transfers made in the first quarter of the year.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## General Fund Conclusion

	<b>Projected</b>
<b>Beginning Fund Balance 1/1/15 (Unaudited)</b>	12,849,470
<b>Interfund Loan Adjustment*</b>	1,437,077
<b>Adjusted Beginning Fund Balance</b>	<u>14,286,547</u>
<b>Revenues</b>	
Budgeted Revenues 2015	76,303,487
Continuing Appropriations from 2014	288,255
Supplemental Budgets 2015	943,295
<b>Total Revenue</b>	<u><u>77,535,037</u></u>
<b>Expenditures</b>	
Budgeted Expenditures 2015	80,830,802
Continuing Appropriations from 2014	391,417
Supplemental Budgets 2015	1,375,502
<b>Total Expenditures</b>	<u><u>82,597,721</u></u>
<b>Adjusted Surplus (Deficit)</b>	(5,062,684)
<b>Other Considerations</b>	
Estimated Budget Lapse (4.25%)	3,510,403
<b>Projected Ending Fund Balance 12/31/15</b>	<u><u>12,734,266</u></u>

### Notes:

\* Accounting for interfund loans used to finance the Central Plaza Building purchase and the Assessor-Treasurer System in accordance with generally accepted accounting principles has the effect of artificially reducing the fund balance. This happens because the capital purchases are shown as expenditures but the loan proceeds are not presented as revenues in the income statement but only as a liability on the balance sheet.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## Special Revenue Funds and Other Funds - Revenues

	2014 Actual As of 3/31/2014	2015 Actual As of 3/31/2015	2015 Budget	% Collected of 2015 Budget
County Road Fund	2,380,576	2,418,892	25,291,200	9.56%
Election Reserve Fund	127,962	126,070	1,214,379	10.38%
Veterans Relief	18,213	17,344	282,530	6.14%
Jail Fund*	2,554,661	3,404,505	13,890,462	24.51%
Low Income Housing Projects	36,229	41,029	162,180	25.30%
Homeless Housing	473,101	543,847	2,798,271	19.44%
Stormwater Fund	-	50,000	1,390,181	3.60%
Chemical Dependency/Mental Hlth	916,593	956,612	3,898,081	24.54%
Parks Special Revenue	-	5,516	127,086	4.34%
County Wide Emergency Medical**	986,989	1,467,740	7,136,502	20.57%
Trial Court Improvement Fund	11,894	11,146	48,380	23.04%
Solid Waste Fund	3,600	28,676	1,051,604	2.73%
WC Convention Center Fund	149,647	153,281	560,000	27.37%
Victim/Witness Assistance Fund	28,097	29,285	111,050	26.37%
Whatcom Co Drug Fund***	37,910	542,598	276,500	196.24%
Auditor's O&M Fund	16,577	20,296	150,050	13.53%
Emergency Management	294,656	311,348	501,950	62.03%
Flood Control Zone Dist Fund****	233,855	441,144	5,867,629	7.52%
Sub-Flood Zones	16,368	15,004	191,358	7.84%
Birch Bay Sub-Zone	66,738	52,892	730,000	7.25%
Conservation Futures Fund	69,489	65,672	1,048,494	6.26%
Real Estate Excise Tax Fund II	216,590	289,650	1,390,560	20.83%
Real Estate Excise Tax Fund I	216,590	289,650	1,592,000	18.19%
Public Utilities Imprv Fund	857,781	880,544	3,351,008	26.28%
Ferry System Fund	275,699	284,306	2,799,889	10.15%
Equipment Rental & Revolving	1,935,031	2,008,318	12,903,097	15.56%
Administrative Services Fund	3,886,070	4,083,757	19,518,182	20.92%

**Notes:**

Road Improvement Districts, Capital Project Funds and Debt Service Funds are not shown on this list.

\* First quarter per diem billing in 2014 was delayed due to a software conversion project.

\*\* Revenues in 2015 up due to timing of General Fund transfers and increased receipts of fee for service revenues.

\*\*\* Drug Fund Revenues are unpredictable year to year, and dependent upon timing of seized property sales and federal distributions.

\*\*\*\* First quarter 2015 includes the receipt of a return of equity transfer from the Equipment Rental & Revolving Fund.

# Whatcom County First Quarter 2015 Financial Report

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## Special Revenue Funds and Other Funds - Expenditures

	2014 Actual As of 3/31/2014	2015 Actual As of 3/31/2015	2015 Budget	% Expended of 2014 Budget
County Road Fund*	5,358,236	3,705,149	29,924,596	12.38%
Election Reserve Fund	279,862	282,925	1,140,649	24.80%
Veterans Relief	62,232	66,054	353,524	18.68%
Jail Fund	3,345,630	3,283,031	13,986,073	23.47%
Low Income Housing	54,472	19,935	172,000	11.59%
Homeless Housing	444,506	456,130	2,744,062	16.62%
Stormwater Fund	148,375	218,537	1,441,017	15.17%
Chemical Depend/Mental Hlth	459,081	517,954	4,433,678	11.68%
Parks Special Revenue	-	-	114,000	0.00%
County Wide Emergency Medical	1,746,616	1,941,233	7,892,256	24.60%
Trial Court Improvement Fund	-	4,000	60,971	6.56%
Solid Waste Fund	103,475	125,678	956,510	13.14%
WC Convention Center Fund	26,623	46,178	558,980	8.26%
Victim/Witness Assistance Fund	21,951	22,538	112,407	20.05%
Whatcom Co Drug Fund	2,046	11,273	368,984	3.06%
Auditor's O&M Fund	25,162	14,570	354,949	4.10%
Emergency Management	155,934	122,388	551,950	22.17%
Flood Control Zone Dist Fund	415,560	643,715	11,627,958	5.54%
Sub-Flood Zones	1,935	394	412,170	0.10%
Birch Bay Sub Zone	81,179	46,180	873,207	5.29%
Conservation Futures Fund	8,879	29,958	311,925	9.60%
Real Estate Excise Tax Fund II**	26,050	2,561,931	4,934,198	51.92%
Real Estate Excise Tax Fund I	33,785	652,382	1,696,380	38.46%
County Parks Improvement	-	-	85,900	0.00%
Public Utilities Improvement***	9,713	5,151,634	12,138,673	42.44%
Ferry System Fund	551,620	669,132	2,626,894	25.47%
Equipment Rental & Revolving	1,706,042	1,993,440	17,170,492	11.61%
Administrative Services Fund	4,232,804	4,411,596	20,744,718	21.27%

**Notes:**

Expenditures in most of the funds presented are project-driven and do not follow regular spending patterns. Road Improvement Districts and Debt Service Funds are not shown on this list.

\* First quarter 2014 includes a \$1.6 million transfer to fund a road project budget.

\*\* Includes \$2.5 million in transfers for parks capital projects, operations and maintenance.

\*\*\* Includes \$4.5 million in loans and grants for the Lynden Water Treatment Upgrade project. In addition, \$602,000 in transfers for County capital projects.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## Project Budget - Revenues

	Original Budget	Amendments	Current Budget	Revenues to Date	% Received	Remaining Balance
Lighthouse Park - Dock Replace	-	240,000	240,000	180,566	75.24%	59,434
Civic Center Bldg Fund	2,500,000	-	2,500,000	2,500,000	100.00%	-
East Cnty Regional Resource Ctr	150,000	4,834,561	4,984,561	4,984,561	100.00%	-
Jail Improvement Fund*	104,860	-	104,860	3,117,700	2973.20%	-
Lummi Nation Lease Fund	2,000,000	-	2,000,000	2,000,000	100.00%	-
Birch Bay Drive & Pedestrian	1,072,324	1,127,676	2,200,000	1,276,711	58.03%	923,289
Birch Bay Portal Way Signal Imprv	4,300,000	-	4,300,000	3,491,692	81.20%	808,308
Potter S. Fork Bridge	9,600,000	-	9,600,000	4,780,298	49.79%	4,819,702
Rural Road Safety Program	1,299,000	455,389	1,754,389	1,461,613	83.31%	292,776
Sheriff Records Management Sys.	1,200,000	240,162	1,440,162	1,440,162	100.00%	-
New Jail Project 2013**	1,000,000	6,093,491	7,093,491	9,093,491	128.19%	-
SC Fourth Judge Courtroom	200,000	1,422,464	1,622,464	1,622,464	100.00%	-
Nesset Farm	250,000	-	250,000	-	0.00%	250,000
State St Bldg Acquire & Imprv	5,058,884	400,000	5,458,884	5,058,884	92.67%	400,000
Slater Road Intersection	2,740,000	-	2,740,000	1,726,123	63.00%	1,013,877
Dakota Creek Bridge	2,718,268	880,336	3,598,604	732,528	20.36%	2,866,076
Telecommunication System	100,000	2,123,809	2,223,809	2,223,809	100.00%	-
Lk Whatcom Blvrd Resurface	1,500,000	-	1,500,000	-	0.00%	1,500,000
Hannegan Rd Nooksack Bridge	240,000	-	240,000	-	0.00%	240,000
Slater Road Rd Nooksack Bridge	1,700,000	-	1,700,000	-	0.00%	1,700,000
2015 County Rd Safety Program	750,000	-	750,000	-	0.00%	750,000
Hannegan Rd Structural Overlay	2,000,000	-	2,000,000	-	0.00%	2,000,000
2015 CH Fire Alarm/Juvi Roof	260,000	-	260,000	260,000	100.00%	-
2015 Girard St Building Imprv	511,000	-	511,000	511,000	100.00%	-
Courthouse Building Envelope	250,000	-	250,000	250,000	100.00%	-
2015 Central Plaza Imprv	160,000	-	160,000	160,000	100.00%	-
Silver Lake Park Imprv	880,000	-	880,000	880,000	100.00%	-
2015 Lighthouse Marine Park Imprv	250,000	-	250,000	250,000	100.00%	-
2015 South Fork Park Imprv	688,000	-	688,000	393,100	57.14%	294,900
Academy Rd Storm Water	1,109,000	-	1,109,000	30,000	2.71%	1,079,000
Agate Heights Storm Water	610,000	-	610,000	10,000	1.64%	600,000
Cedar Hills Storm Water	630,000	-	630,000	10,000	1.59%	620,000
Criminal Justice Integrated Case	600,000	-	600,000	600,000	100.00%	-
Integrated Land Permit Mgmt	1,168,334	-	1,168,334	611,000	52.30%	557,334

### Notes:

\* Actual revenues are greater than current budget due to proceeds from Build America bonds deposited to the Jail Improvement Fund.

\*\* Two (2) \$1 million dollar transfers from the General Fund were deposited to the New Jail Project 2013 Fund. These transfers were not budgeted in the New Jail Project 2013 Fund.

# Whatcom County First Quarter 2015 Financial Report

For the Quarter Ended March 31, 2015



## Project Budget - Expenditures

	Original Budget	Amendments	Current Budget	Expenditures to Date	% Spent	Remaining Balance
Lighthouse Park - Dock Replace	80,000	240,000	320,000	257,484	80.46%	62,516
Civic Center Bldg Fund	2,500,000	-	2,500,000	8,918	0.36%	2,491,082
East Cnty Regional Resource Ctr	150,000	4,834,571	4,984,571	4,890,424	98.11%	94,147
Jail Improvement Fund	3,117,700	-	3,117,700	2,410,468	77.32%	707,232
Birch Bay Drive & Pedestrian	1,072,324	1,127,676	2,200,000	595,758	27.08%	1,604,242
Birch Bay Portal Way Signal Imprv	3,620,000	-	3,620,000	3,384,560	93.50%	235,440
Potter S. Fork Bridge	8,450,000	-	8,450,000	4,325,528	51.19%	4,124,472
Rural Road Safety Program	1,030,000	739,389	1,769,389	1,438,668	81.31%	330,721
Sheriff Records Management Sys.	1,200,000	240,162	1,440,162	1,160,877	80.61%	279,285
New Jail Project 2013	444,902	7,094,378	7,539,280	7,080,036	93.91%	459,244
SC Fourth Judge Courtroom	200,000	1,422,464	1,622,464	1,193,374	73.55%	429,090
Nesset Farm	250,000	-	250,000	50	0.02%	249,950
State St Bldg Acquire & Imprv	5,058,884	400,000	5,458,884	2,706,045	49.57%	2,752,839
Slater Road Intersection	2,740,000	-	2,740,000	256,053	9.35%	2,483,947
Dakota Creek Bridge	2,718,268	880,336	3,598,604	112,187	3.12%	3,486,417
Telecommunication System	100,000	2,123,809	2,223,809	585,800	26.34%	1,638,009
Lk Whatcom Blvrd Resurface	1,500,000	-	1,500,000	12,670	0.84%	1,487,330
Hannegan Rd Nooksack Bridge	240,000	-	240,000	11,940	4.98%	228,060
Slater Road Rd Nooksack Bridge	1,700,000	-	1,700,000	13,242	0.78%	1,686,758
2015 County Rd Safety Program	750,000	-	750,000	545	0.07%	749,455
Hannegan Rd Structural Overlay	2,000,000	-	2,000,000	30,873	1.54%	1,969,127
2015 Courthouse Firealarm	260,000	-	260,000	-	0.00%	260,000
2015 Girard St Building Imprv	511,000	-	511,000	543	0.11%	510,457
Courthouse Building Envelope	250,000	-	250,000	-	0.00%	250,000
2015 Central Plaza Imprv	160,000	-	160,000	-	0.00%	160,000
Silver Lake Park Imprv	880,000	-	880,000	-	0.00%	880,000
2015 Lighthouse Marine Park Imprv	250,000	-	250,000	-	0.00%	250,000
2015 South Fork Park Imprv	688,000	-	688,000	-	0.00%	688,000
Academy Rd Storm Water	1,109,000	-	1,109,000	363	0.03%	1,108,637
Agate Heights Storm Water	610,000	-	610,000	-	0.00%	610,000
Cedar Hills Storm Water	630,000	-	630,000	434	0.07%	629,566
Criminal Justice Integrated Case	600,000	-	600,000	-	0.00%	600,000
Integrated Land Permit Mgmt	1,168,334	-	1,168,334	-	0.00%	1,168,334