



**2020  
Fourth  
Quarter  
Financial  
Report**

Satpal Singh Sidhu, County Executive

Compiled and Presented by the  
Administrative Services Department  
Finance Division

Brad Bennett, Finance Manager

March 8, 2021

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Executive Summary

The following information presents Whatcom County's fourth quarter 2020 financial report. The General Fund collected 86.98% of its budgeted revenues. Year-end adjustments are expected to add another \$6 million of revenues. Total 2020 revenues are projected to be \$6.6 million under budget. Approximately \$2.1 million of budgeted 2020 revenue will be carried over to 2021 for COVID-related and Homeland Security grants. The General Fund expended 89.25% of its 2020 budget. Year-end adjustments are expected to result in another \$655,000 of expenditures in 2020. Total expenditures are projected to be \$10.5 million under budget. Continuing appropriations will carry over \$1,016,000 of 2020 budget authority into 2021. In addition, a significant amount of grant-related appropriations will be carried over to 2021.

The COVID crisis resulted in lost revenues in sales taxes, permitting revenue, fee for service revenues, traffic infraction revenues and interest income. The County responded promptly to anticipated revenue shortfalls by instituting hiring freezes, furloughs and discretionary spending curtailments.

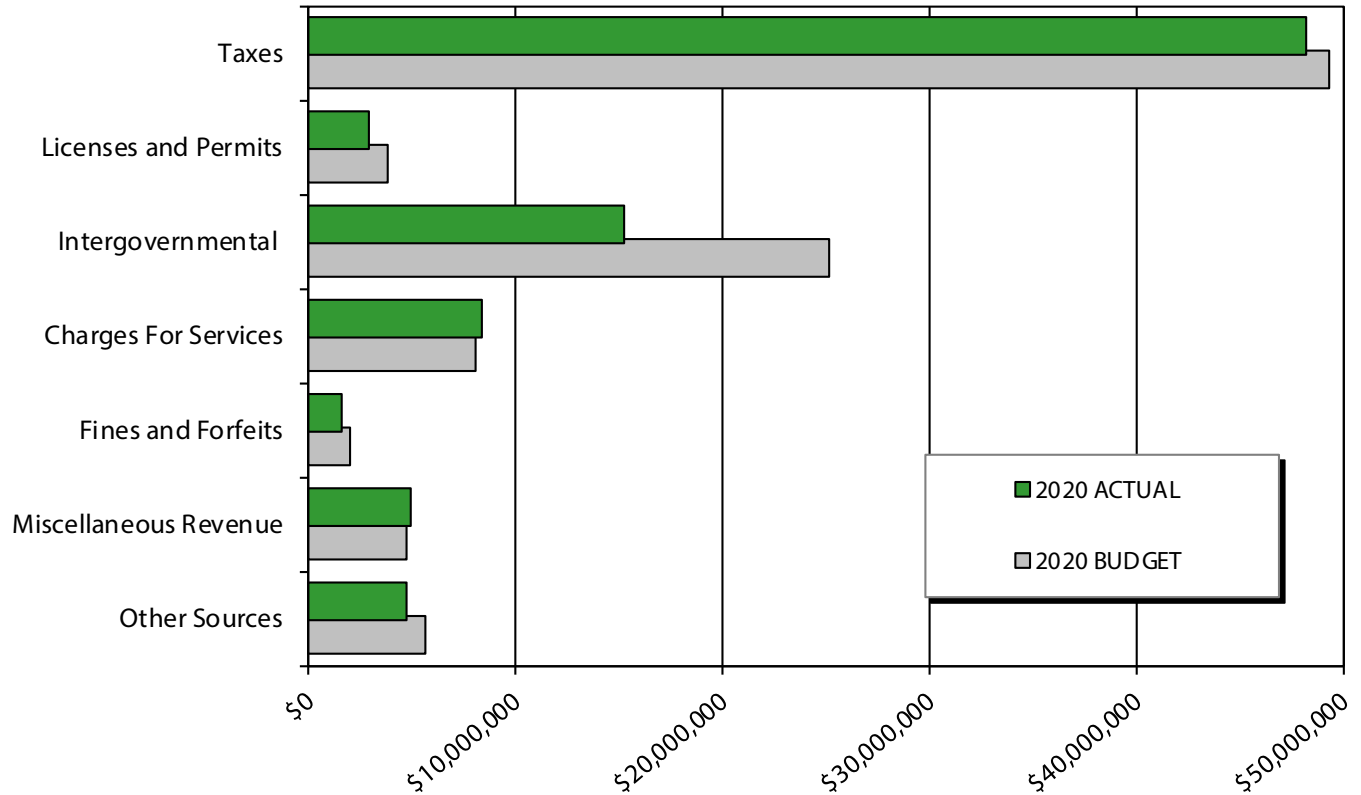
The estimated 2020 General Fund ending fund balance is projected to be \$19 million.

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## General Fund Revenue - Budget vs. Actual



	2020 Budget Adopted	2020 Budget Supp'ls	2020 Budget Amended	Actual as of 12/31/2020	% Collected To Date
Taxes	49,250,539		49,250,539	48,184,578	97.84%
Licenses and Permits	3,802,909		3,802,909	2,885,254	75.87%
Intergovernmental	15,544,583	9,605,404	25,149,987	15,257,677	60.67%
Charges For Services	7,900,910	153,800	8,054,710	8,315,713	103.24%
Fines and Forfeits	2,010,400		2,010,400	1,563,349	77.76%
Miscellaneous Revenue	4,642,482	59,574	4,702,056	4,888,020	103.95%
Other Sources	5,510,808	105,000	5,615,808	4,652,734	82.85%
<b>Total Revenue</b>	<b>88,662,631</b>	<b>9,923,778</b>	<b>98,586,409</b>	<b>85,747,325</b>	<b>86.98%</b>

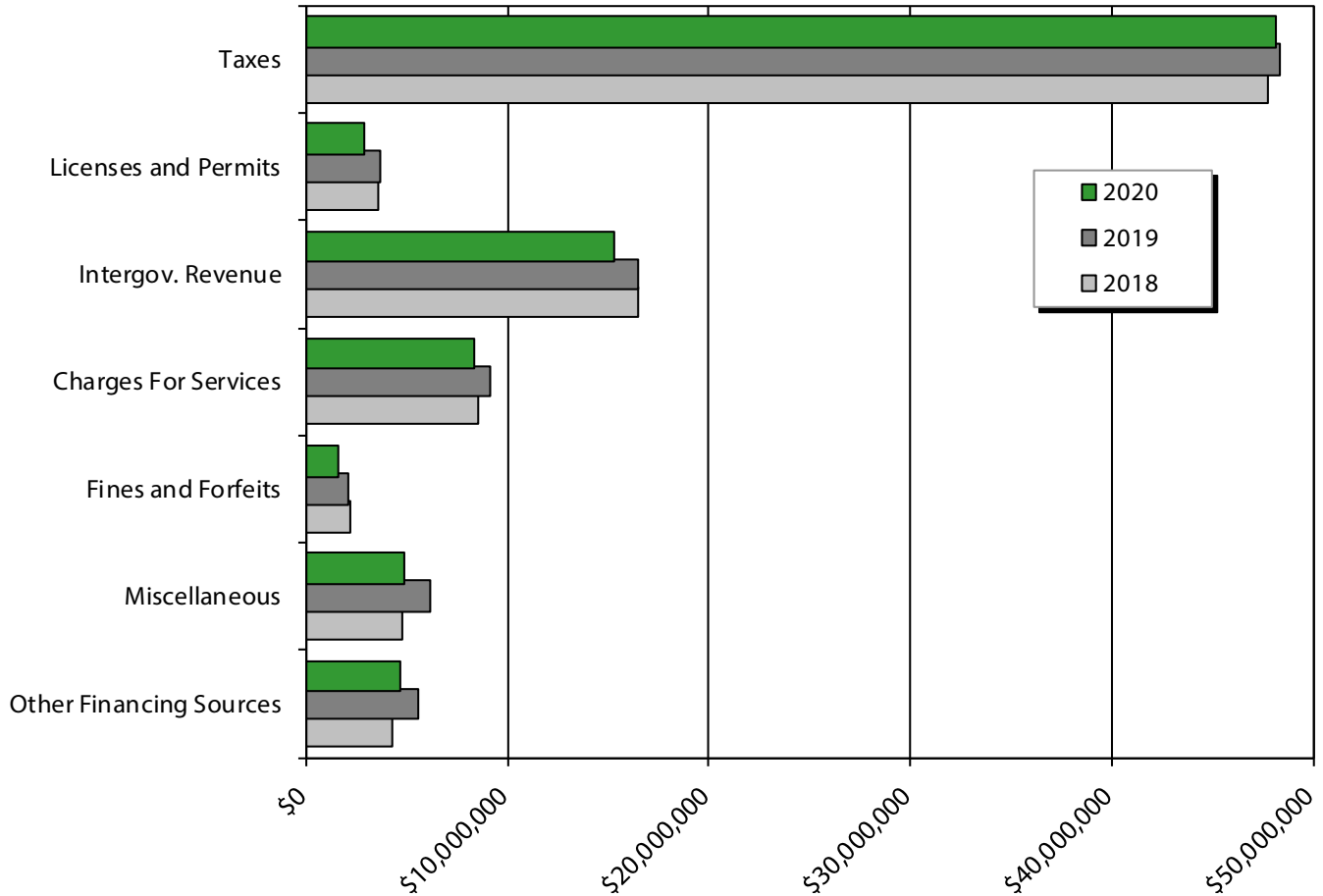
See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



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



	2018	2019	2020
Taxes	47,761,191	48,375,874	48,184,578
Licenses and Permits	3,616,839	3,700,356	2,885,254
Intergov. Revenue	16,493,966	16,530,577	15,257,677
Charges For Services	8,548,044	9,169,834	8,315,713
Fines and Forfeits	2,201,676	2,091,385	1,563,349
Miscellaneous	4,743,242	6,161,244	4,888,020
Other Financing Sources	4,317,315	5,623,653	4,652,734
<b>Total Revenue</b>	<b>87,682,273</b>	<b>91,652,923</b>	<b>85,747,325</b>

See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Fourth Quarter 2020 Financial Report

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## General Fund Revenue Notes

### Taxes

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

Tax collections are \$191,296 less than 2019 results. Usually there is a modest increase in taxes due to new construction property taxes and normal growth in sales taxes. Current year property taxes are up \$409,075, or 1.4% due to new construction, however collections of delinquent taxes are down \$61,000 from last year. Sales taxes are \$245,906, or 1.4%, less than 2019. Other excise taxes are also down.

### Licenses & Permits

*Building permits account for 39.5% of "Licenses & Permits" budget. Health Department restaurant, food-handling, on-site septic and other miscellaneous health-related licenses and permits make up 37.7% of the budget. Cable franchise fee revenues are 19.7% and marriage licenses, firearm permits, and fire control permits account for the remaining 3.1%.*

License and Permit Fees were significantly impacted by COVID-19, they are down \$815,105, or 22%, as compared to 2019. Year-end adjustments for fourth quarter cable franchise fees will result in approximately \$170,000 in additional income. Restaurant and food handling permits were down significantly as well as permits for RV parks, motels and water recreation facilities. Building permits and onsite sewage permits were very close to 2019 levels.

### Intergovernmental Revenue

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

Revenues collected at the end of the fourth quarter are \$1,272,899, or 7.7%, less than 2019 revenues; however, year end adjustments will result in significantly more revenues being recorded. The Health Department has received multi-million dollar grants to fight COVID-19 for which payment has not currently been accrued. In addition, a considerable amount of budget authority will be carried over and re-budgeted in 2021.

### 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.*

Charges for Services decreased \$854,121, from last year. Most of this decrease, \$545,722, is an anomaly created by a one-time payment from North Sound Behavioral Health Organization for Medicaid administration activities in 2019. The real decrease is \$308,399, or 3.6%. With the exception of vehicle licensing and document recording fees, all fee categories are generally down. Auditor vehicle licensing and document recording fees are up \$548,923, or 28.6%, due to refinancing activities as a result of low interest rates, vehicle licensing fee increases, and fee distributions from the State for a new licensing subagent monitoring and auditing program. Planning and development, parks, sheriff, health department, court activity, and passport processing fees for services are all down due to COVID-19 limitations.

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## 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 \$528,034, or 25%, below 2019 amounts. Traffic infraction revenues have decreased \$378,213, or 33.7%, and property tax penalties decreased \$114,532, or 18.1%. This may be the result of not having a foreclosure sale in 2020 and extending the deadline for payment of property taxes. Civil penalties and criminal costs are also declining.

### 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 decreased \$1,273,223, or 20.7%, below 2019 amounts. Interest income is down \$1,044,869, mainly due to falling interest rates. Parking rentals and Parks campsite and cabin reservations are down \$240,000, or 30.6%.

### Other Financing Sources

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

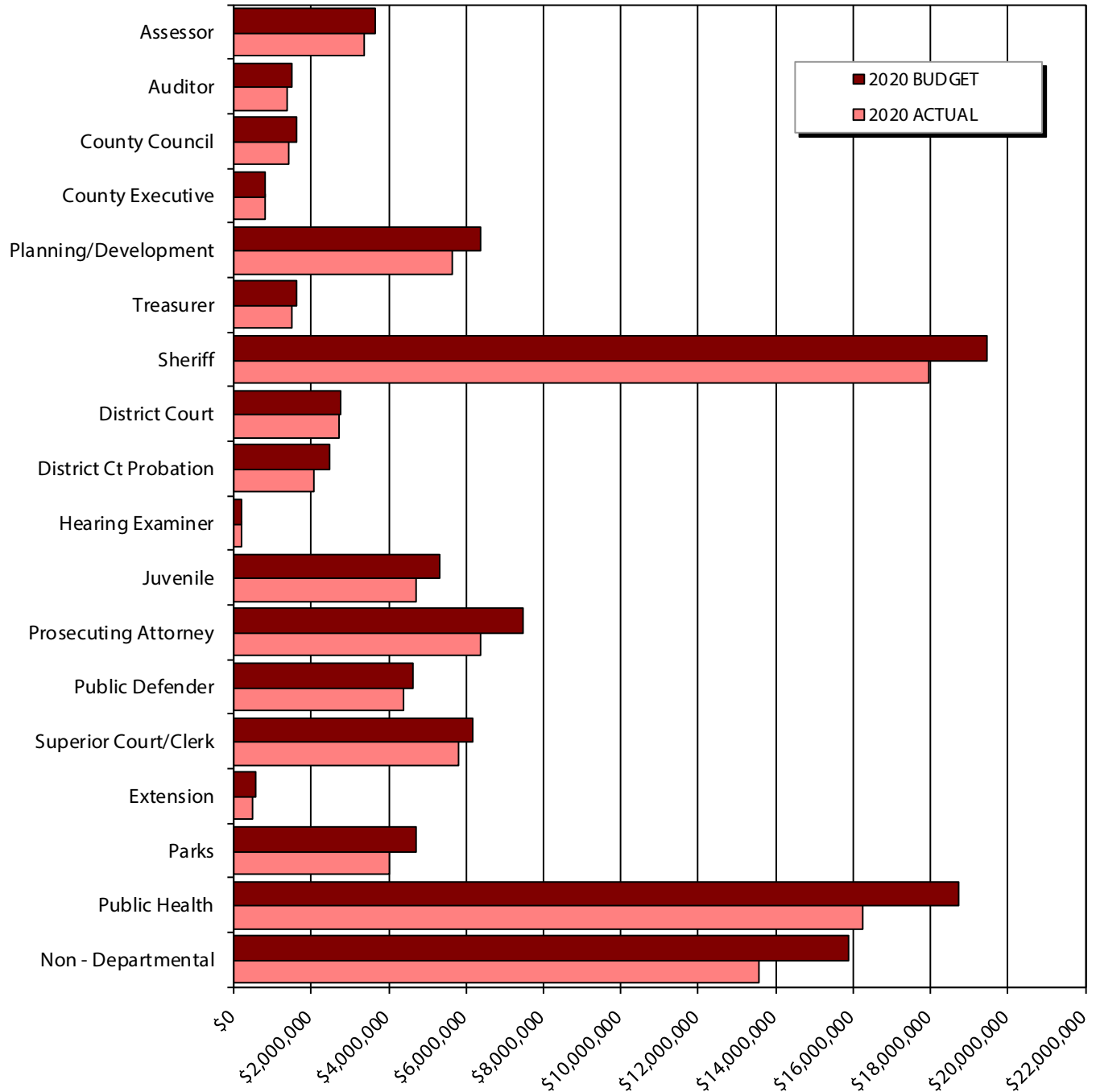
The Other Financing Sources category is currently \$970,920, or 17.3%, less than last year; however, year-end adjustments will result in significantly more revenues being recorded. Timber sales revenues have fallen \$168,244, or 37%, since last year.

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## General Fund Expenditures - Budget vs. Actual



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

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## General Fund Expenditures - Budget vs. Actual

	Adopted 2020 Budget	Budget Supp'ls	Amended Budget	Actual as of 12/31/20	% Expended To Date
Assessor	3,355,255	290,419	3,645,674	3,387,632	92.92%
Auditor	1,447,023	32,075	1,479,098	1,367,248	92.44%
County Council	1,474,619	126,323	1,600,942	1,429,882	89.32%
County Executive	790,699	32,736	823,435	807,495	98.06%
Planning & Development	5,853,927	538,017	6,391,944	5,645,782	88.33%
Treasurer	1,585,115	26,125	1,611,240	1,481,416	91.94%
Sheriff	17,750,242	1,720,894	19,471,136	17,952,108	92.20%
District Court	2,557,440	185,883	2,743,323	2,728,391	99.46%
District Court Probation	2,042,445	412,278	2,454,723	2,077,964	84.65%
Hearing Examiner	202,263	14,479	216,742	213,474	98.49%
Juvenile	5,071,284	243,468	5,314,752	4,720,152	88.81%
Prosecuting Attorney	6,664,322	819,987	7,484,309	6,387,293	85.34%
Public Defender	4,435,217	193,197	4,628,414	4,365,885	94.33%
Superior Court/Clerk	5,918,989	243,615	6,162,604	5,824,657	94.52%
Extension	544,329	26,325	570,654	480,294	84.17%
Park	4,507,230	209,323	4,716,553	4,035,701	85.56%
Public Health	13,316,805	5,407,239	18,724,044	16,255,475	86.82%
Non - Departmental	15,912,346	(48,165)	15,864,181	13,573,963	85.56%
<b>Total General Fund Exp</b>	<b>93,429,550</b>	<b>10,474,218</b>	<b>103,903,768</b>	<b>92,734,812</b>	<b>89.25%</b>

See page 9 for General Fund Expenditure Notes.

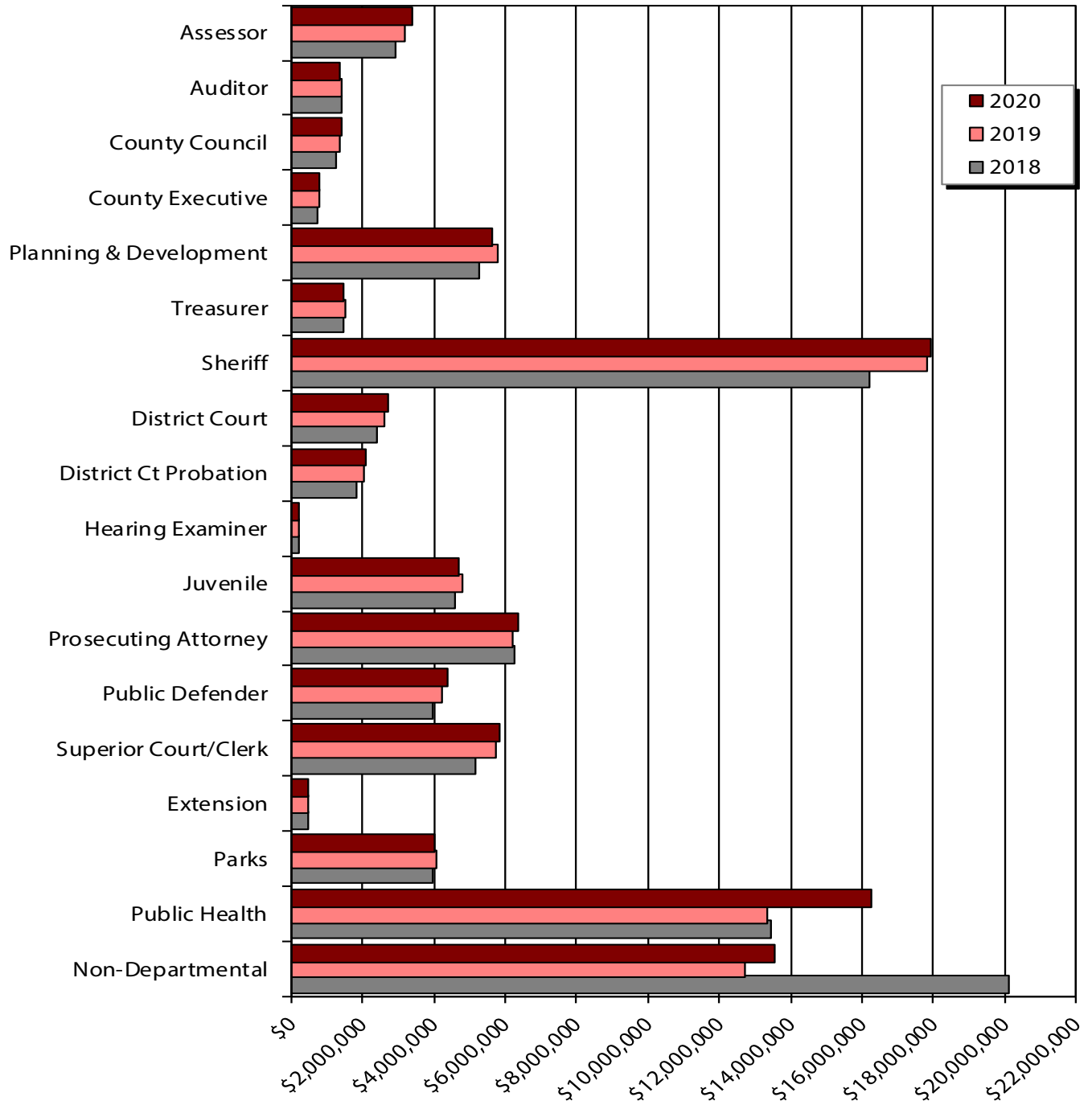


# Whatcom County Fourth Quarter 2020 Financial Report

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## General Fund Expenditures - Compared to Prior Years



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

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## General Fund Expenditures - Compared to Prior Years

	2018	2019	2020
Assessor	2,925,467	3,203,574	3,387,632
Auditor	1,399,474	1,400,180	1,367,248
County Council	1,248,592	1,353,371	1,429,882
County Executive	750,823	779,007	807,495
Planning & Development	5,260,899	5,795,086	5,645,782
Treasurer	1,463,092	1,514,328	1,481,416
Sheriff	16,207,274	17,825,287	17,952,108
District Court	2,405,452	2,616,019	2,728,391
District Ct Probation	1,819,919	2,020,830	2,077,964
Hearing Examiner	200,126	202,502	213,474
Juvenile	4,596,950	4,822,061	4,720,152
Prosecuting Attorney	6,276,109	6,203,419	6,387,293
Public Defender	3,978,528	4,226,819	4,365,885
Superior Court /Clerk	5,178,353	5,731,654	5,824,657
Extension	492,723	507,772	480,294
Parks	3,948,715	4,068,073	4,035,701
Public Health	13,476,397	13,322,408	16,255,475
Non-Departmental	20,129,735	12,724,713	13,573,963
<b>TOTAL</b>	<b>91,758,628</b>	<b>88,317,103</b>	<b>92,734,812</b>

## General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of 2020 were 89.25% of the approved budget. Departmental spending was well within budget expectations as measures were taken to curtail spending due to the unknown impact of the COVID-19 pandemic on county revenues. Fifteen positions in the General Fund remained un-filled during 2020, four days of furloughs were taken, and departments were requested to curtail all but essential spending in supplies and services. Spending was up in Health and Non-Departmental as COVID-response related expenditures were incurred. Continuing appropriations of \$1,016,331 from uncompleted projects will be carried over into 2021 and additional amounts unspent but not under contract at year-end will be re-budgeted.

# Whatcom County Fourth Quarter 2020 Financial Report

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## General Fund Conclusion

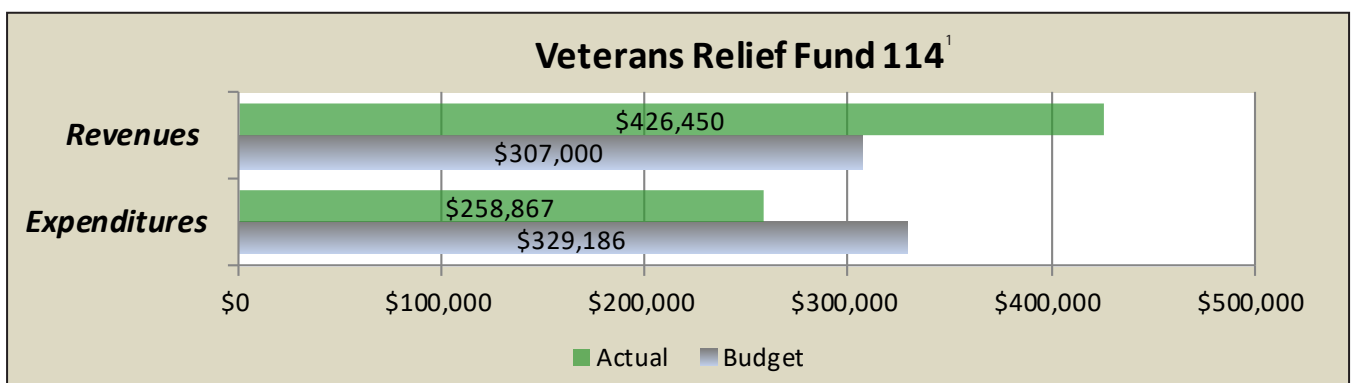
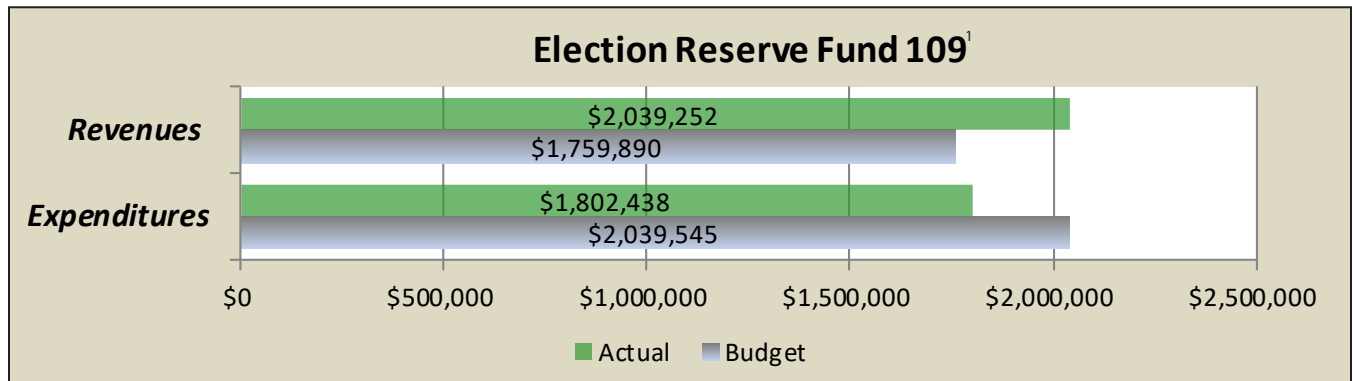
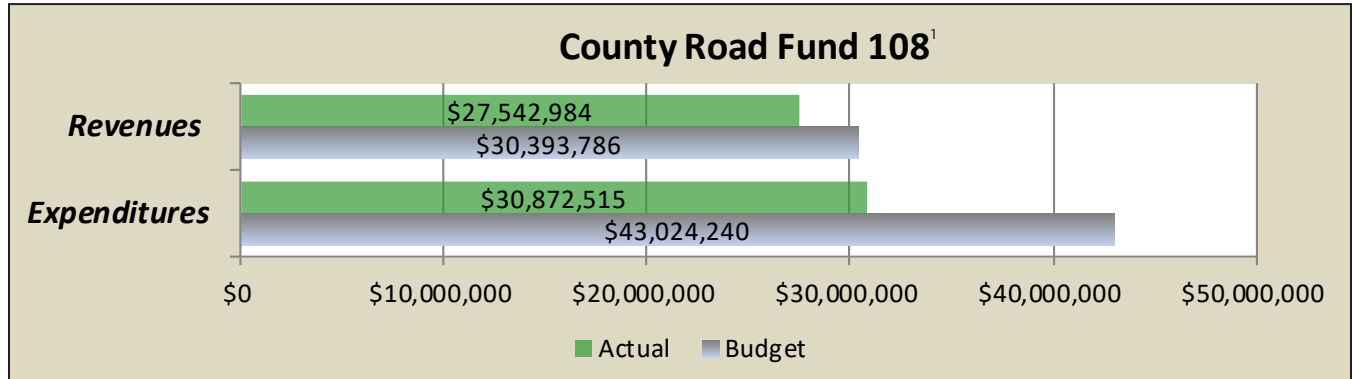
	<u>Projected</u>
<b>Beginning Fund Balance 1/1/20</b>	<u>20,511,677</u>
<b>Revenues</b>	
Budgeted Revenues 2020	88,662,631
Continuing Appropriations from 2019	724,351
Supplemental Budgets 2020	9,199,427
Preliminary Expected Revenue Decrease, principally COVID-19-related	<u>(6,600,000)</u>
<b>Total Revenue</b>	<u>91,986,409</u>
<b>Expenditures</b>	
Budgeted Expenditures 2020	93,429,550
Continuing Appropriations from 2019	1,072,979
Supplemental Budgets 2020	9,401,239
Preliminary Expected Expenditure Decrease, normal budget lapse & COVID-19	<u>(10,500,000)</u>
<b>Total Expenditures</b>	<u>93,403,768</u>
<b>Expected Surplus (Deficit)</b>	(1,417,359)
<b>Projected Ending Fund Balance 12/31/20</b>	<u><u>19,094,318</u></u>

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds



Note:

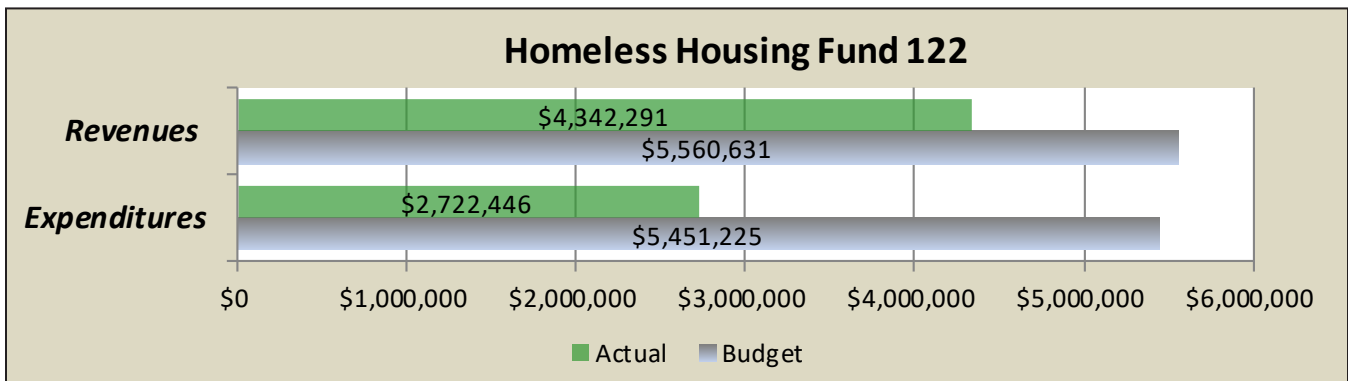
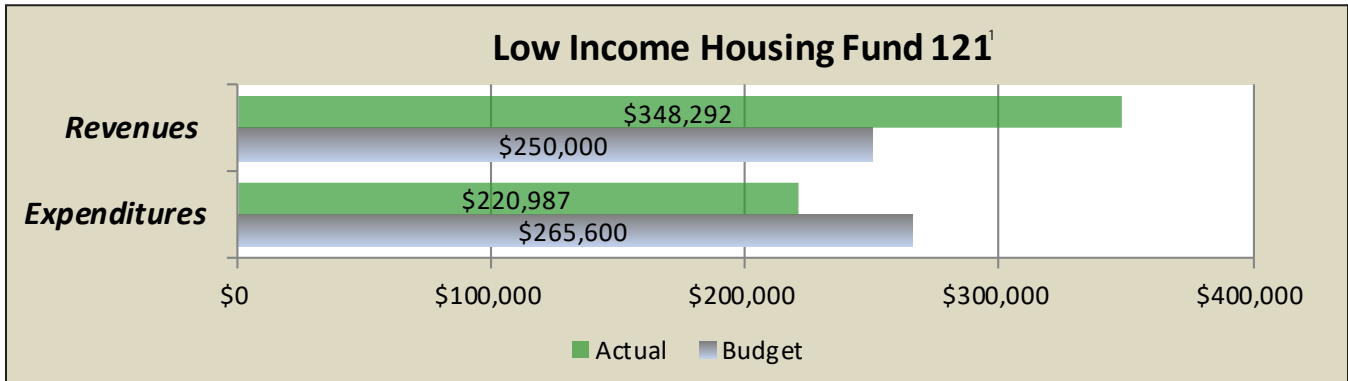
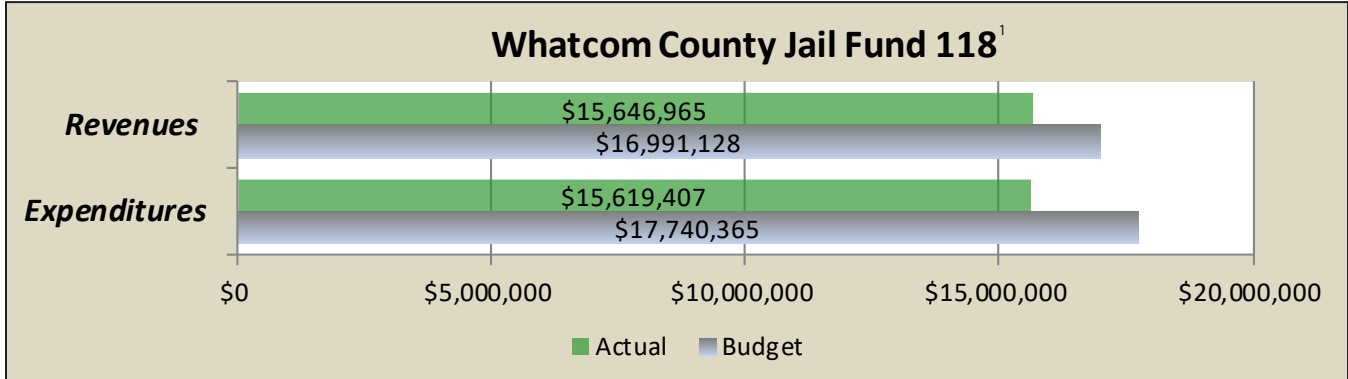
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds, continued



Note:

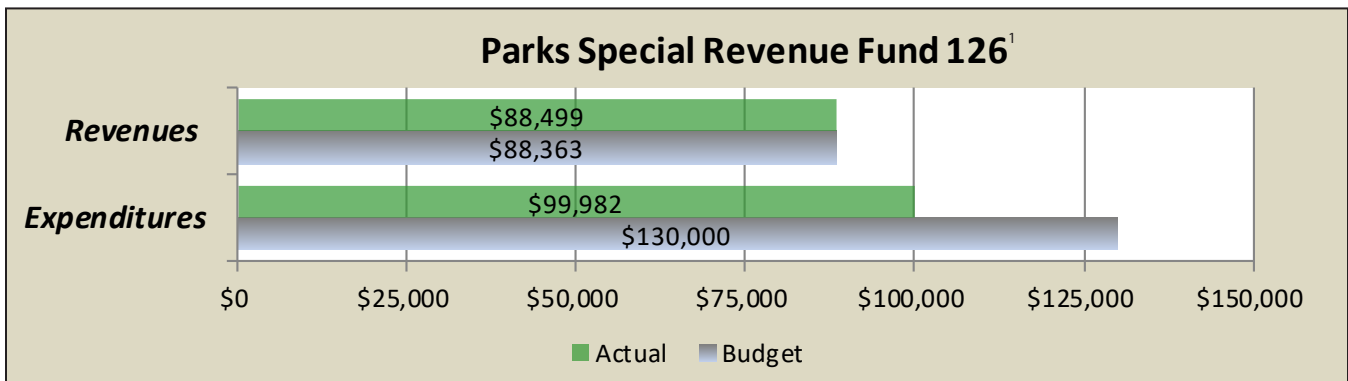
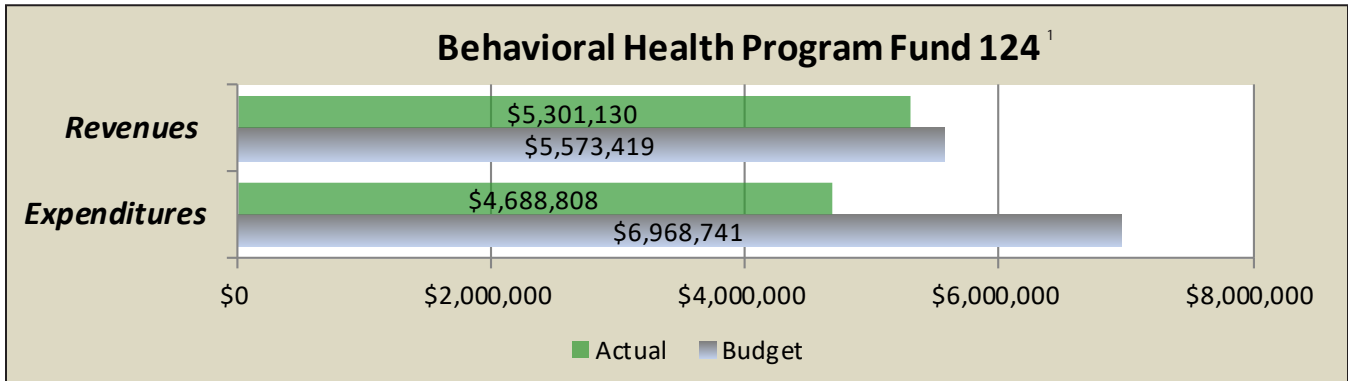
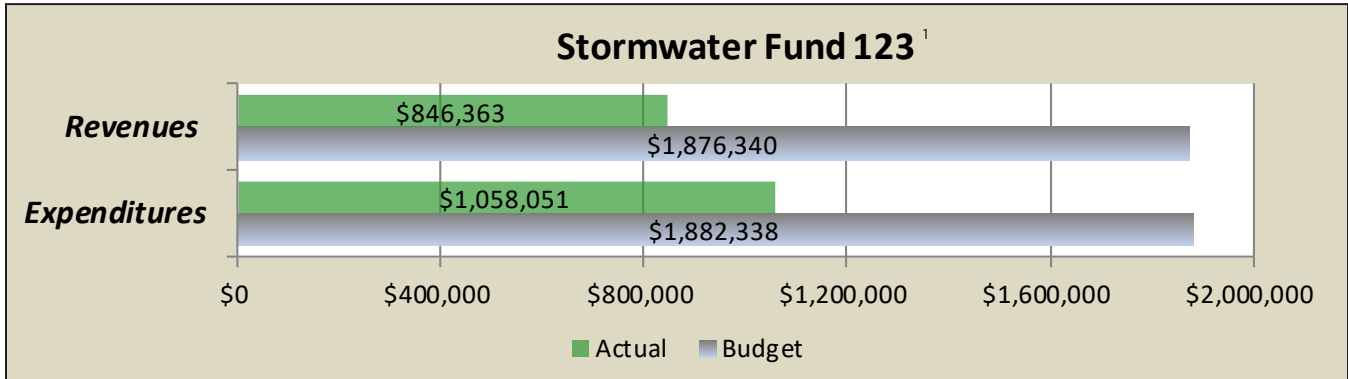
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# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds, continued



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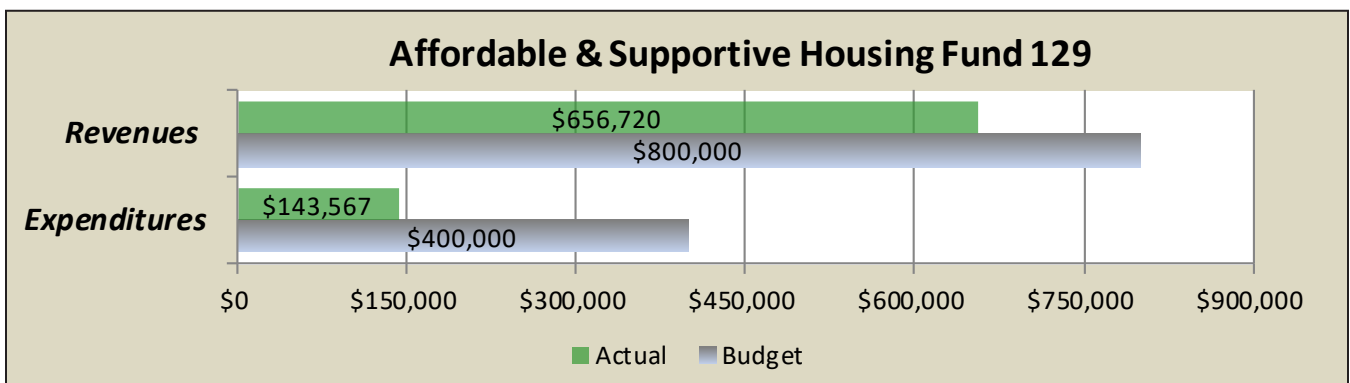
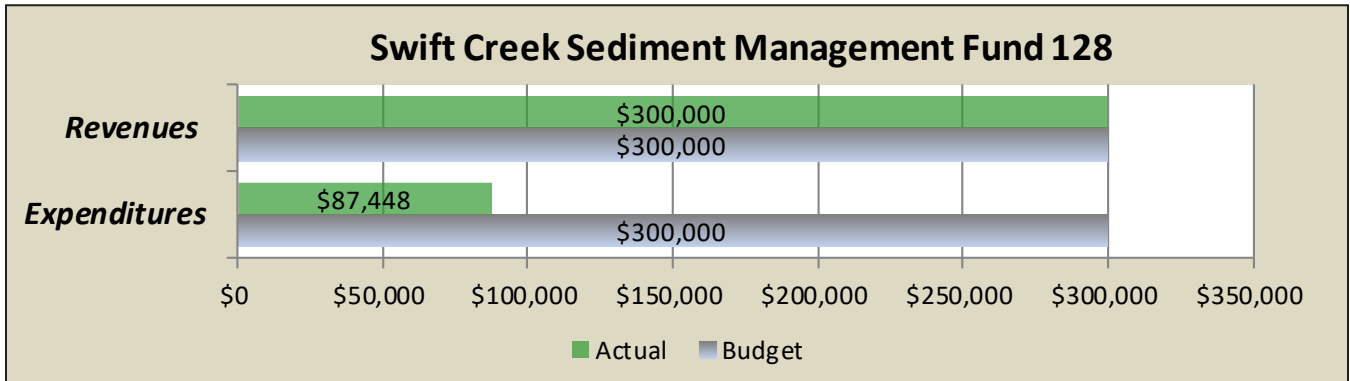
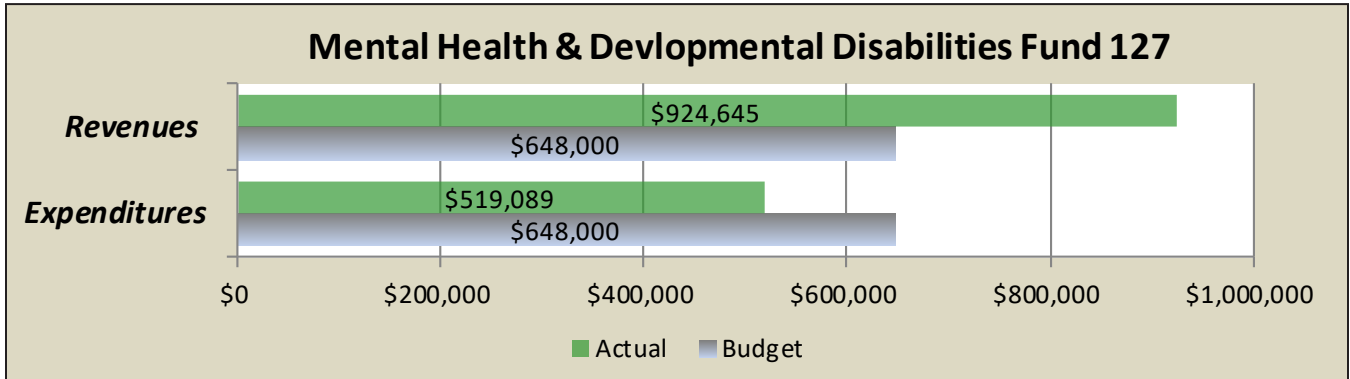
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# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds, continued

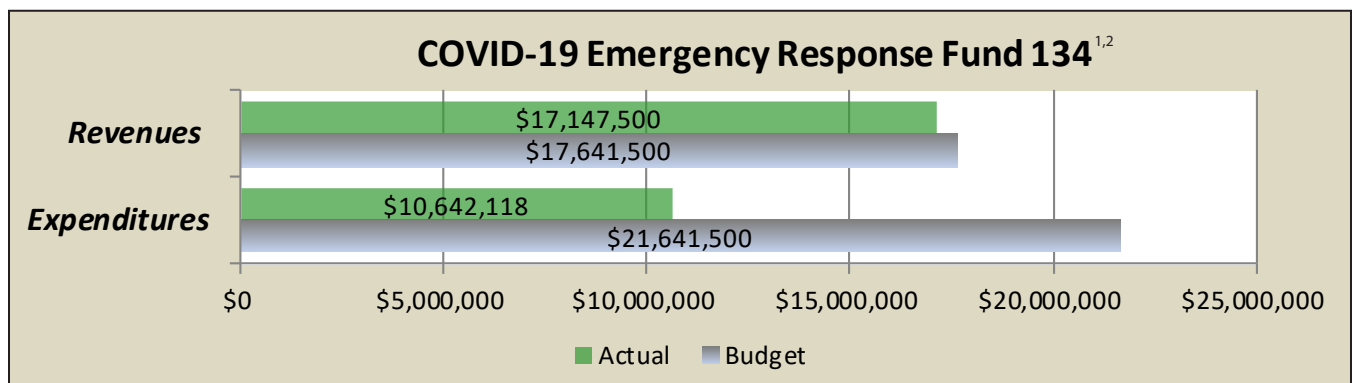
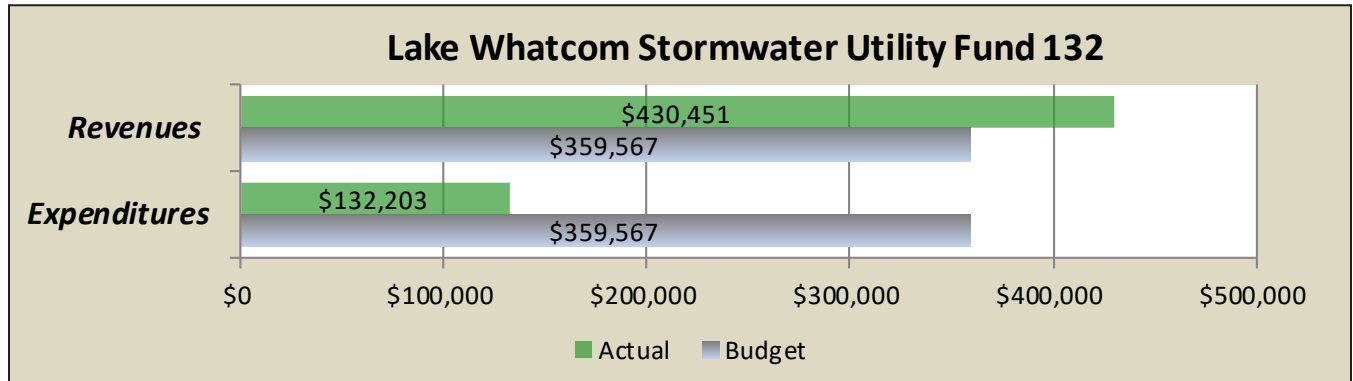
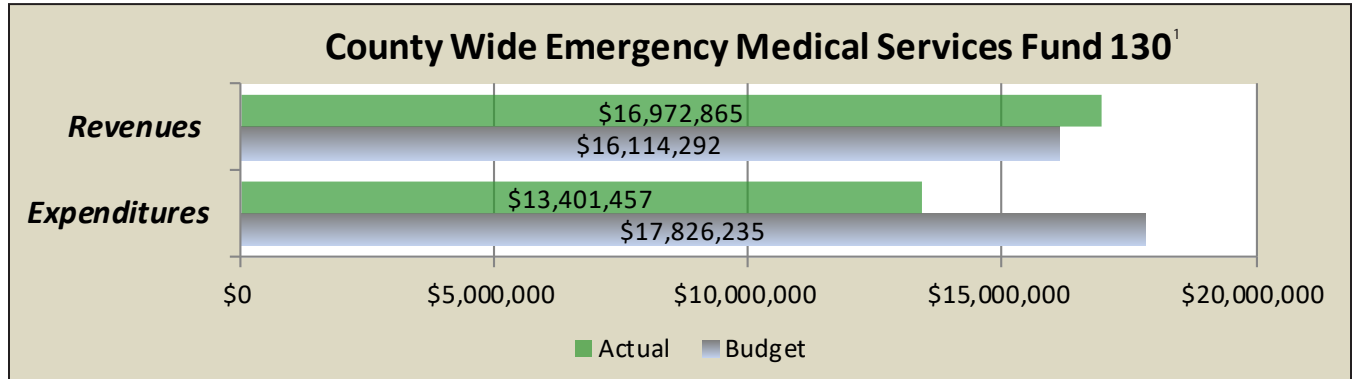


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## 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>2</sup> The COVID-19 Emergency Response Fund was established with a \$4 million loan from the EDI Fund. Although budgeted expenditures currently exceed budgeted revenues, we anticipate all expenditures from the fund will be reimbursed through the CARES Act.

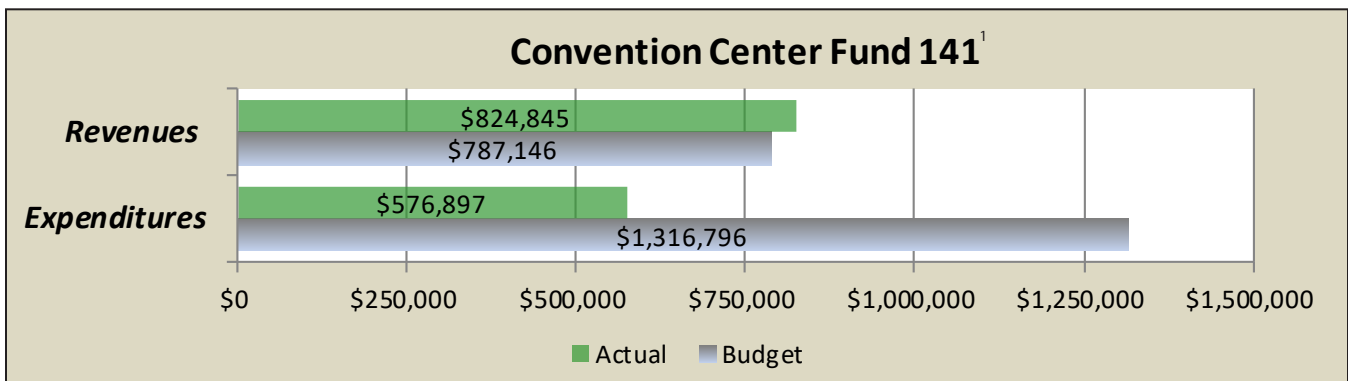
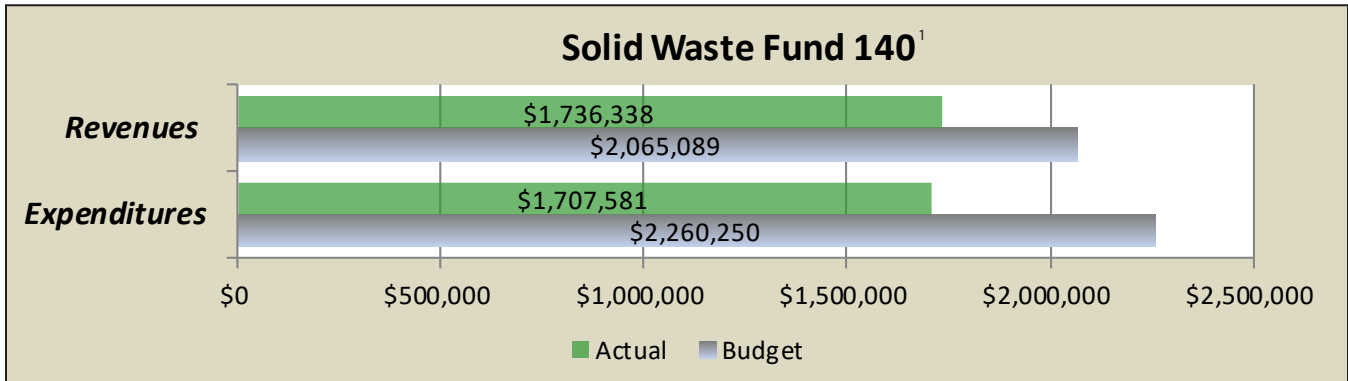
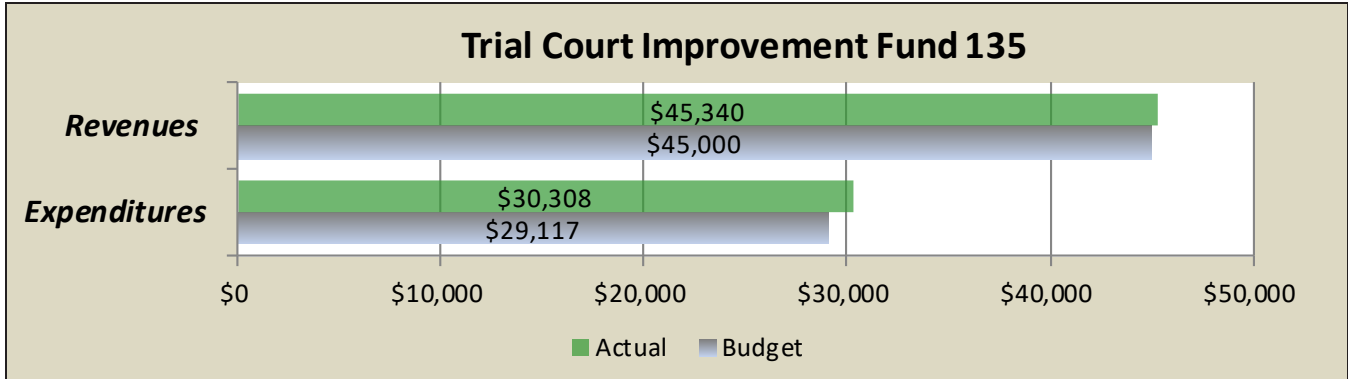


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds, continued



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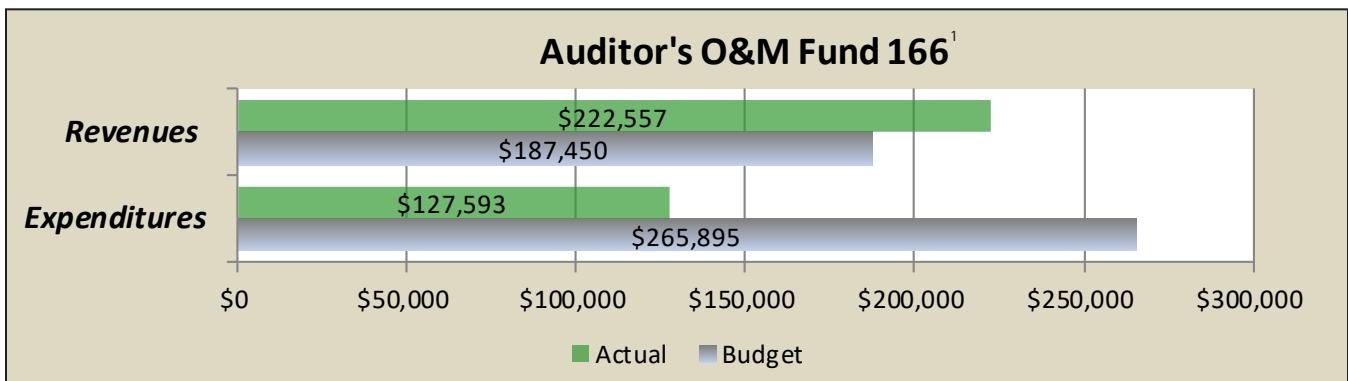
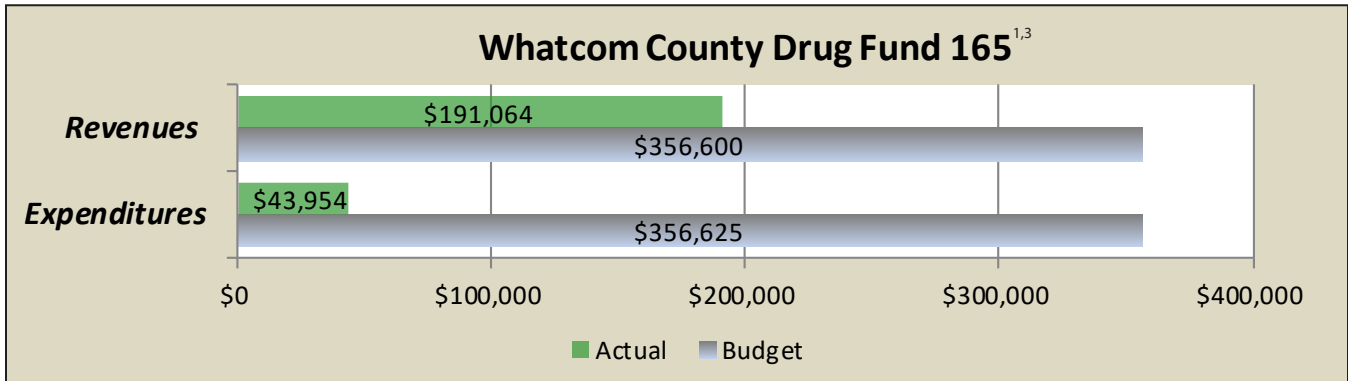
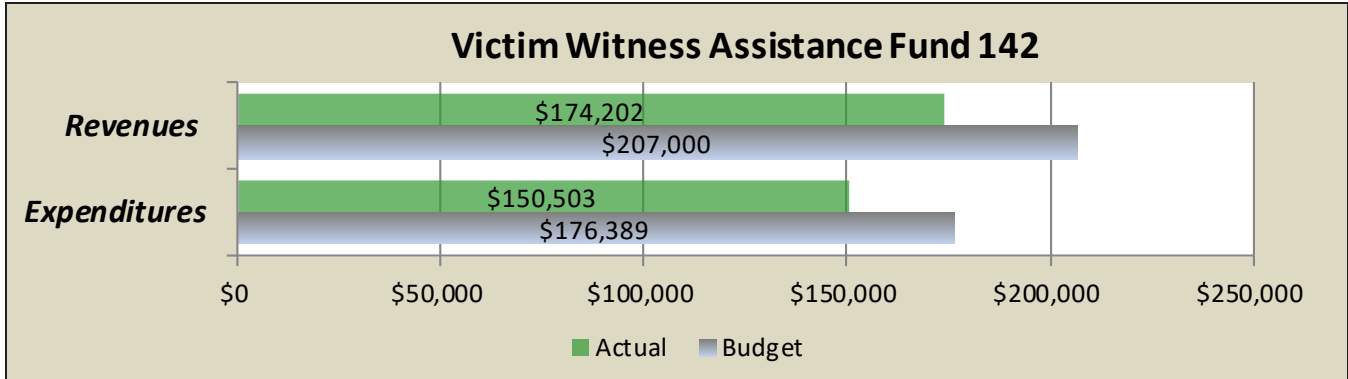
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# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds, continued



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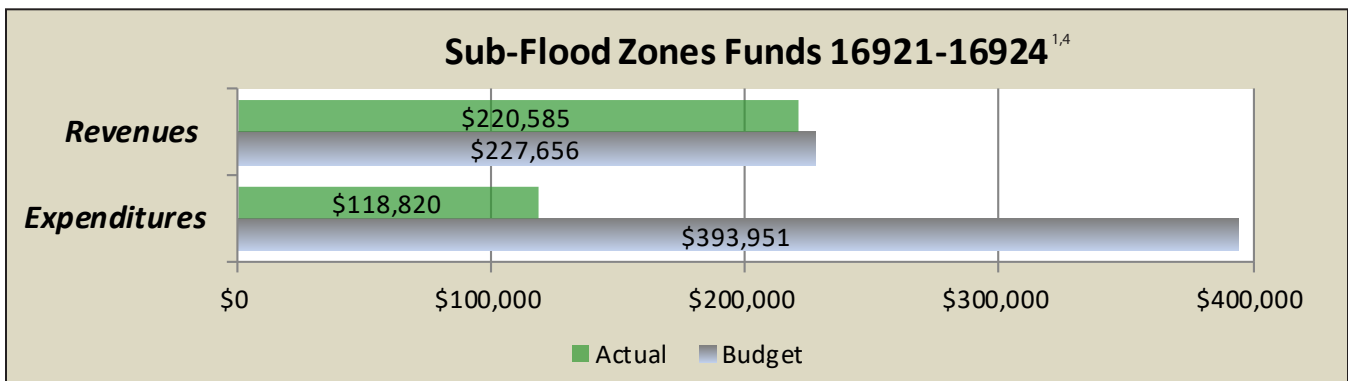
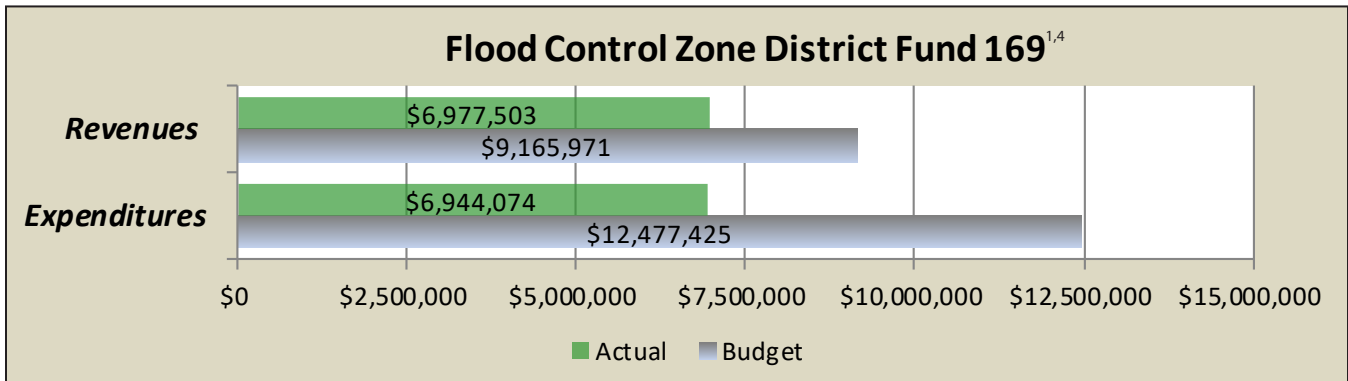
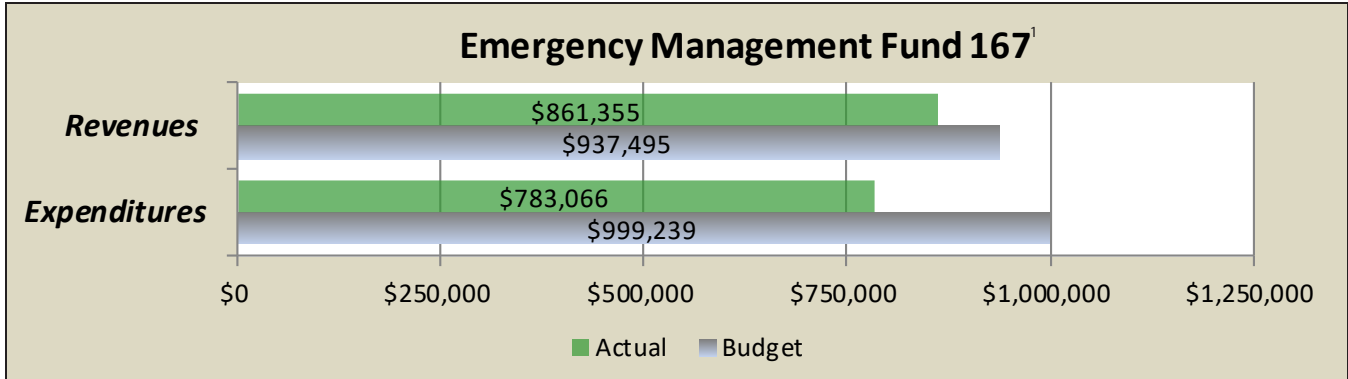
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>3</sup> Drug Fund revenue is dependent on seizure activity and proceed sharing with other agencies. Therefore, revenue is unpredictable. The Fund's ability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

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds, continued



**Notes:**

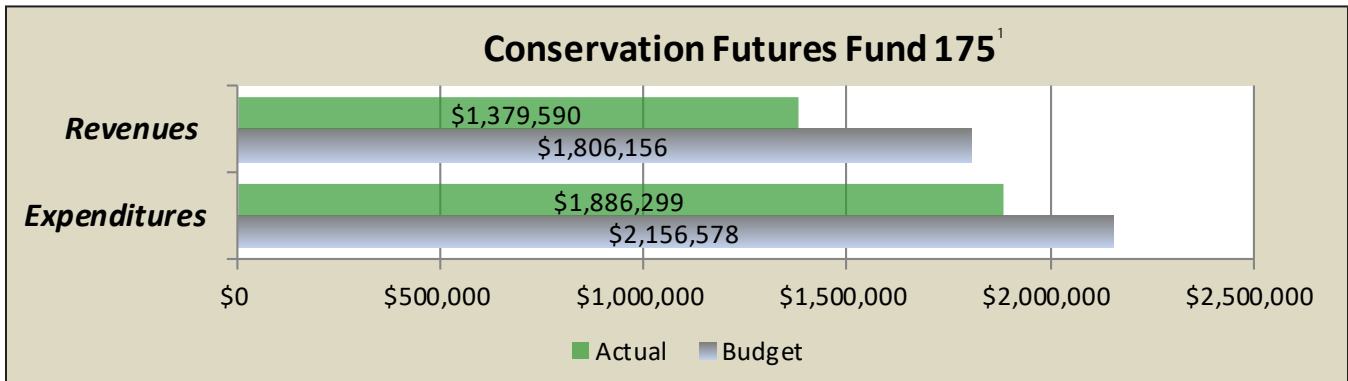
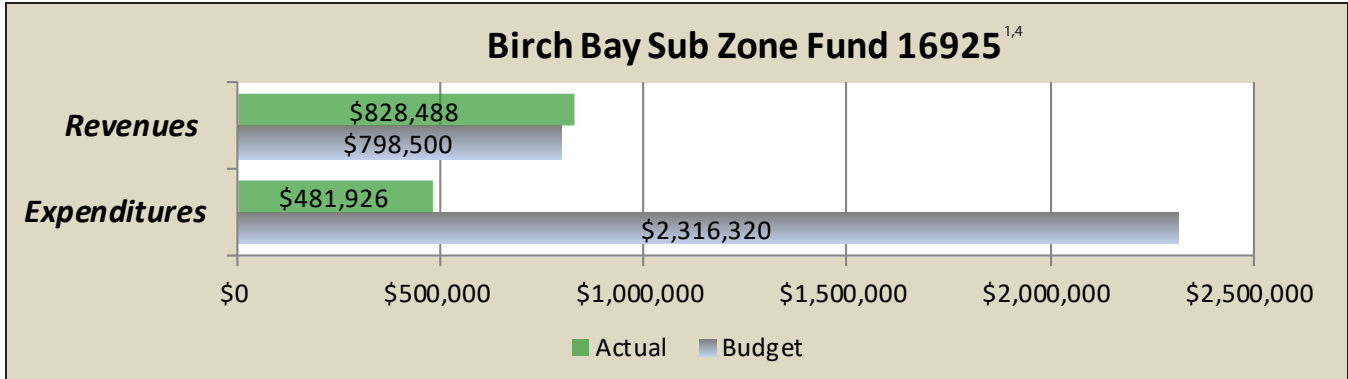
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>4</sup> Flood and Sub Zones expenditures are project driven which are dependent on factors such as permitting, fish windows, and state funding.

# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Special Revenue Funds and Other Funds, continued



**Notes:**

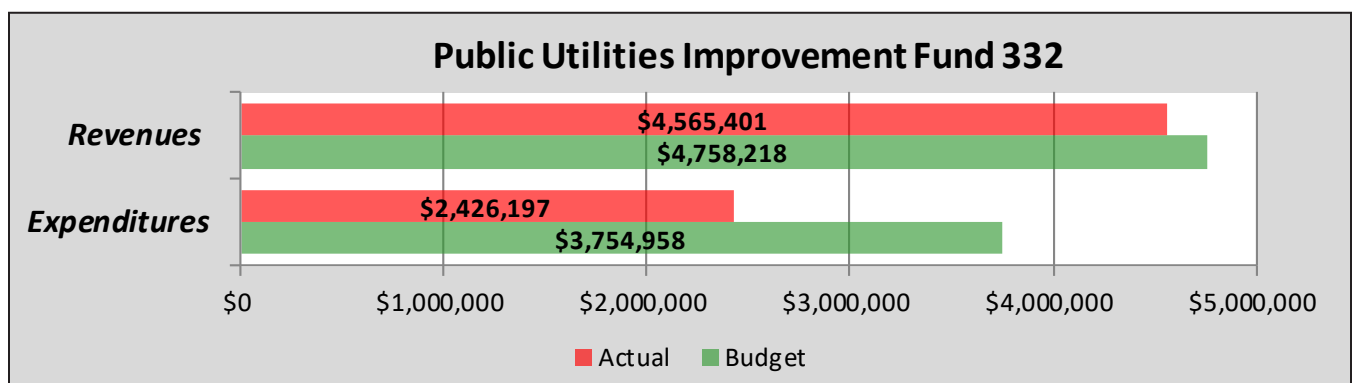
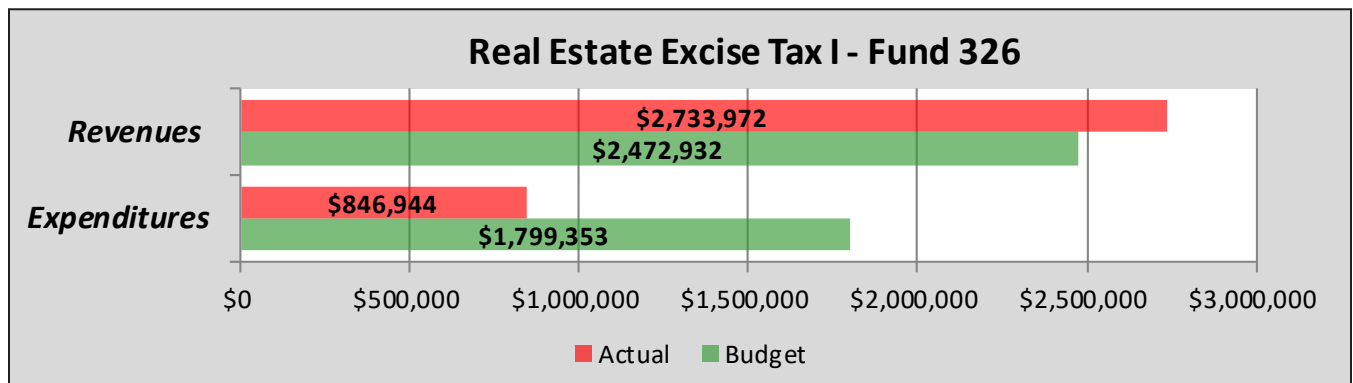
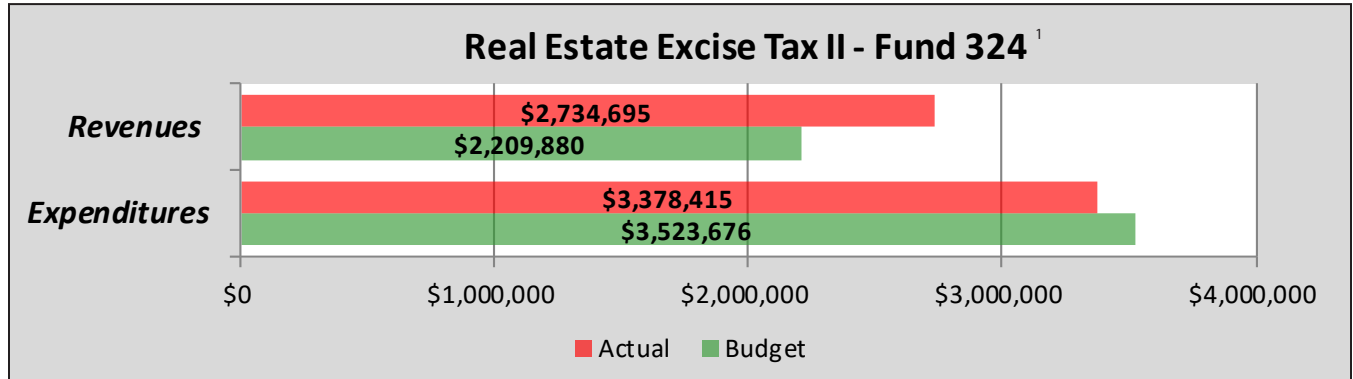
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- <sup>4</sup> Flood and Sub Zones expenditures are project driven which are dependent on factors such as permitting, fish windows, and state funding.

# Whatcom County Fourth Quarter 2020 Financial Report

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## Capital Project Funds



Note:

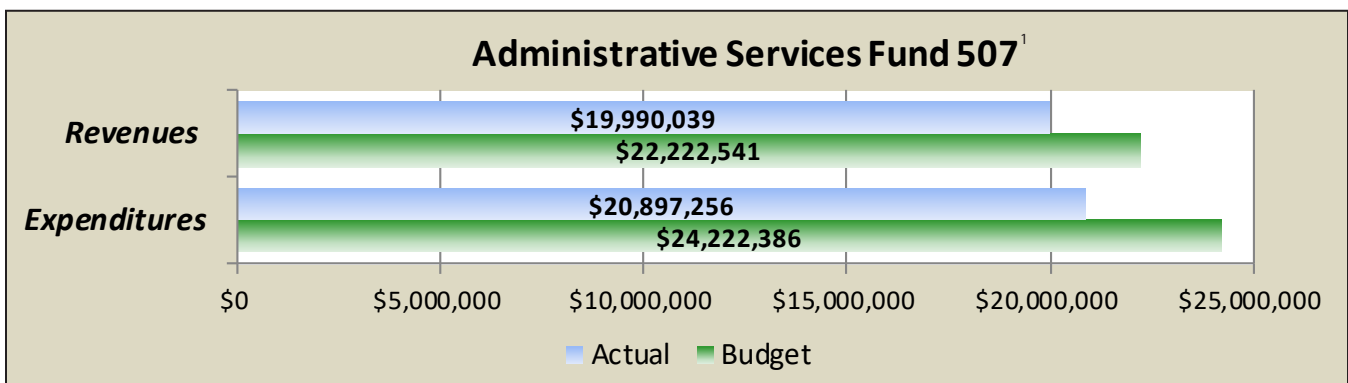
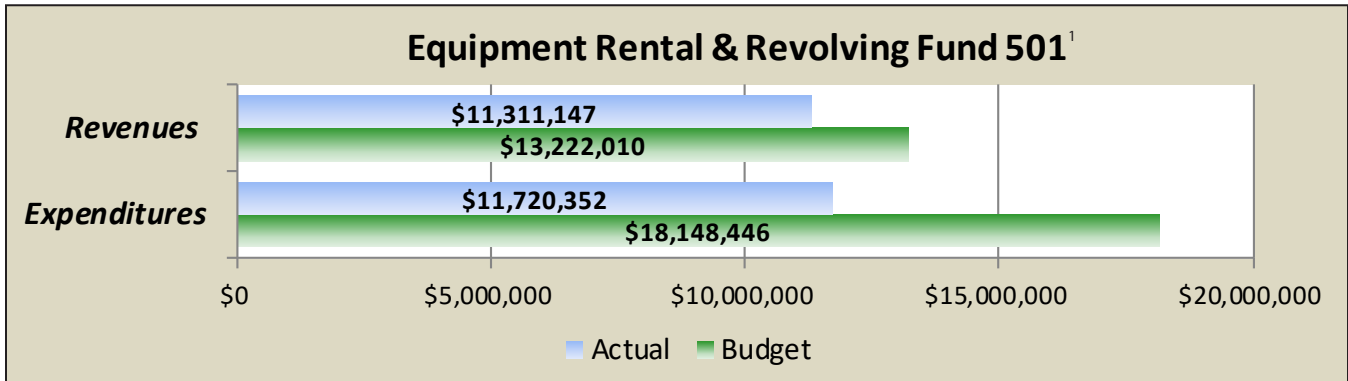
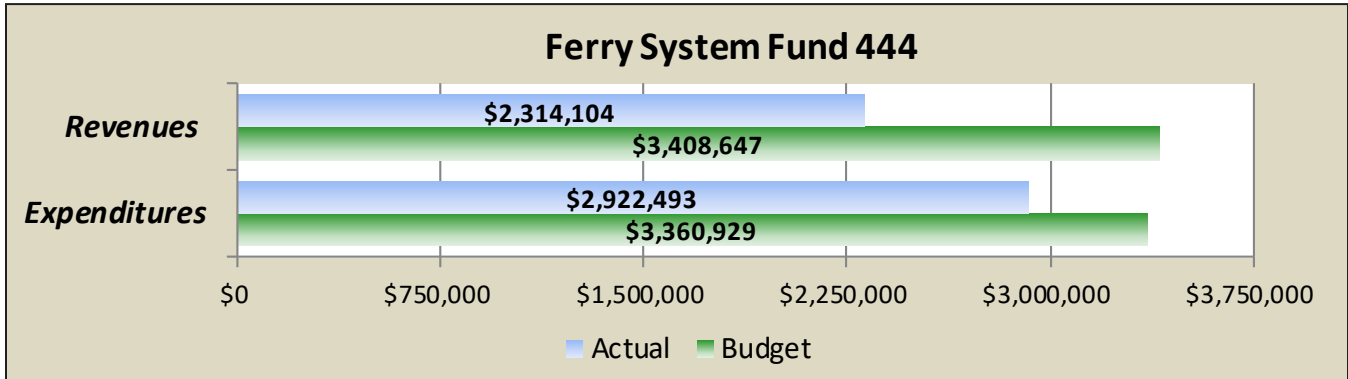
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# Whatcom County Fourth Quarter 2020 Financial Report

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## Enterprise and Internal Service Funds



Note:

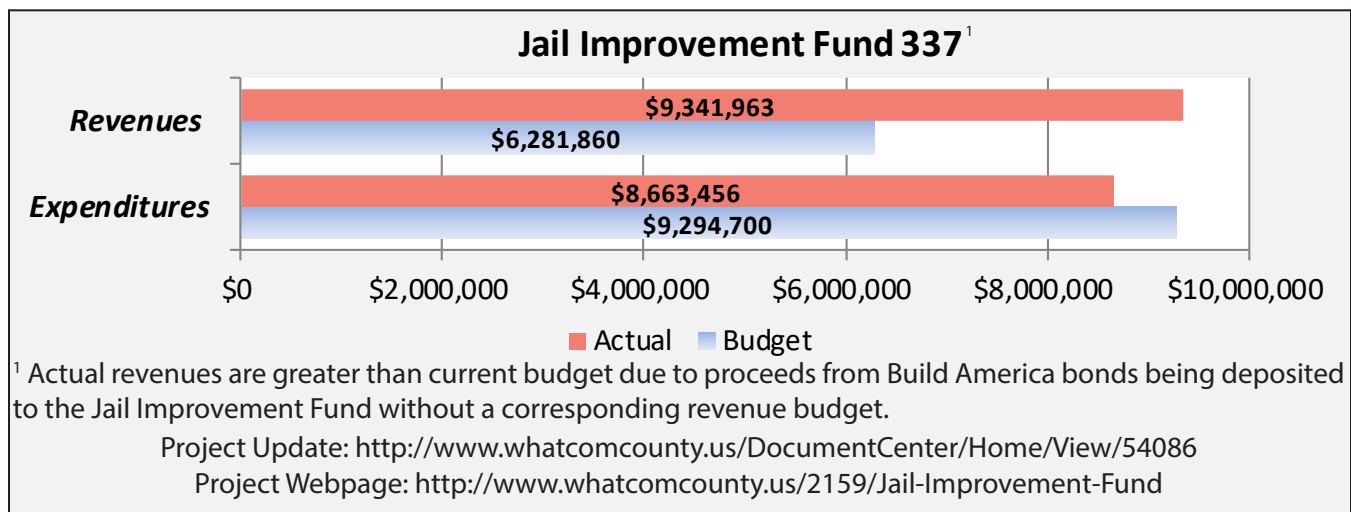
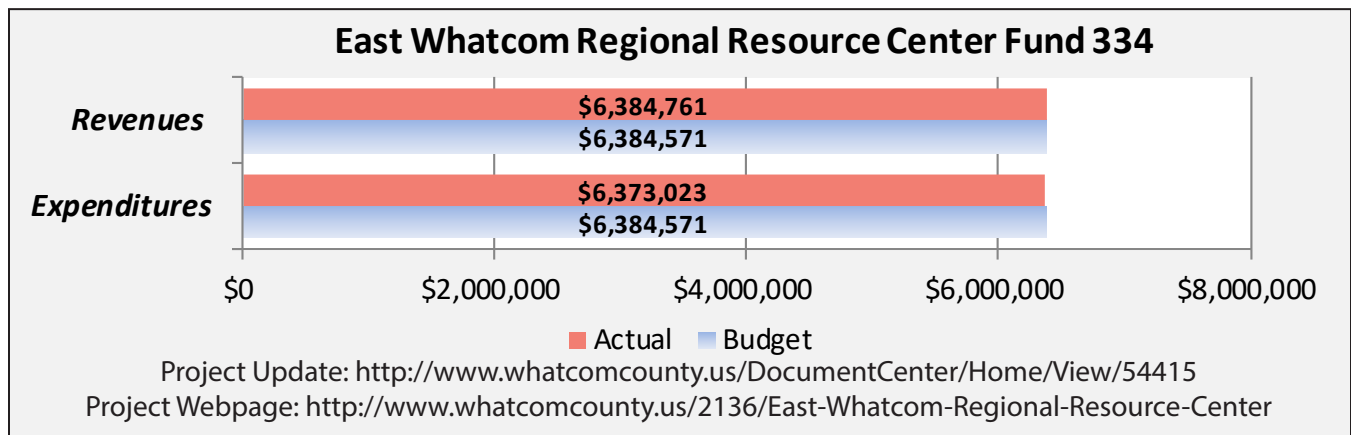
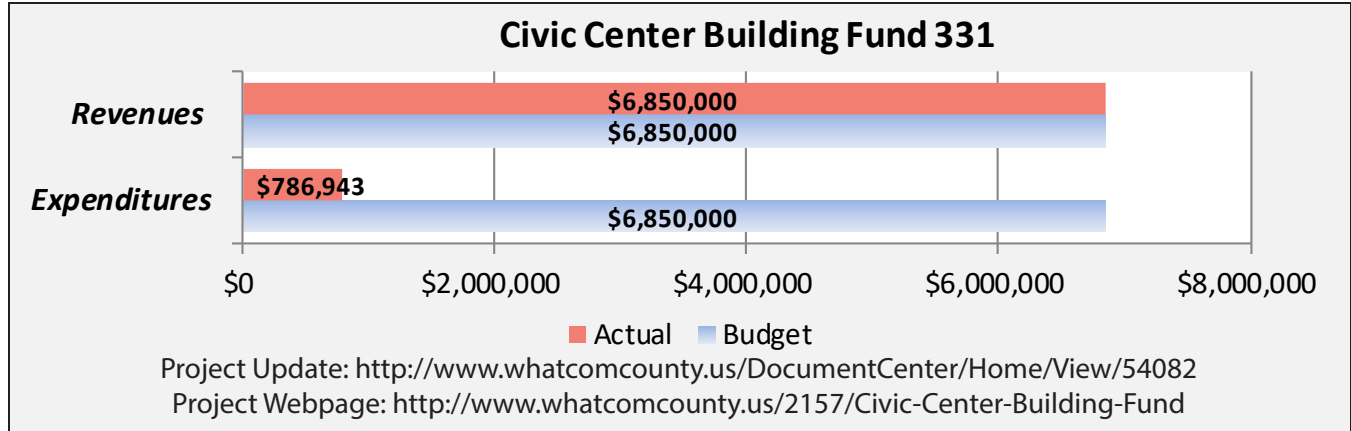
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# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds

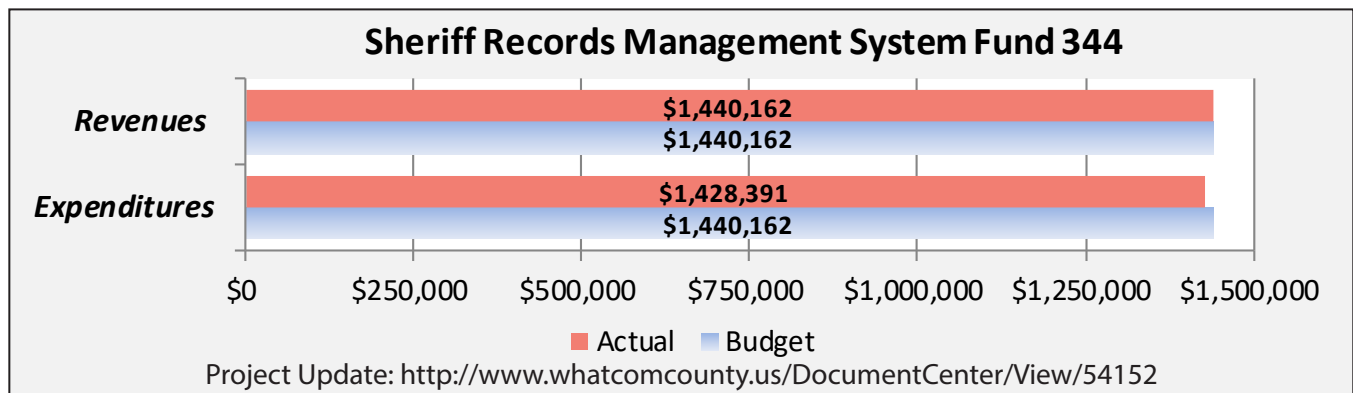
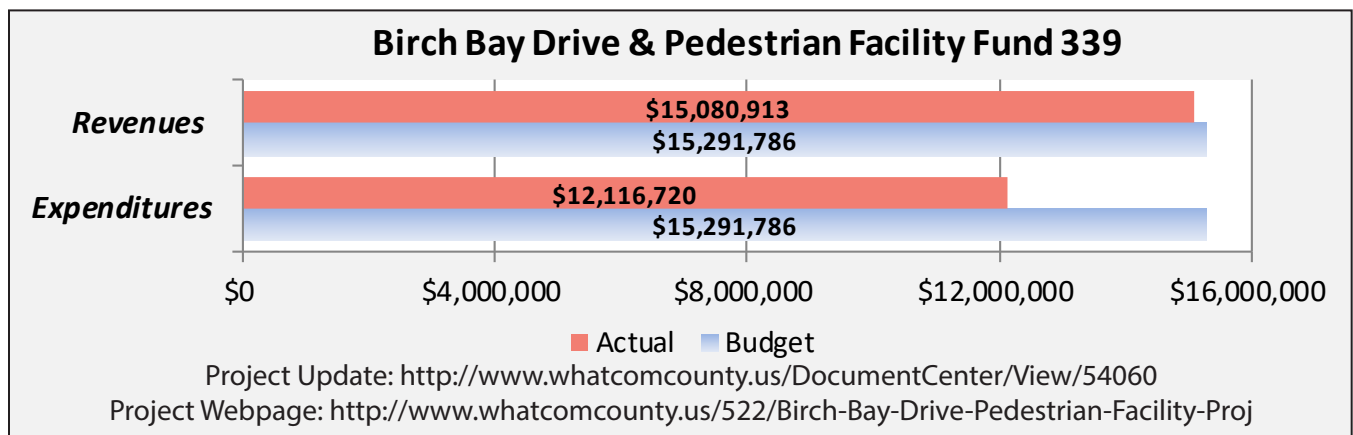
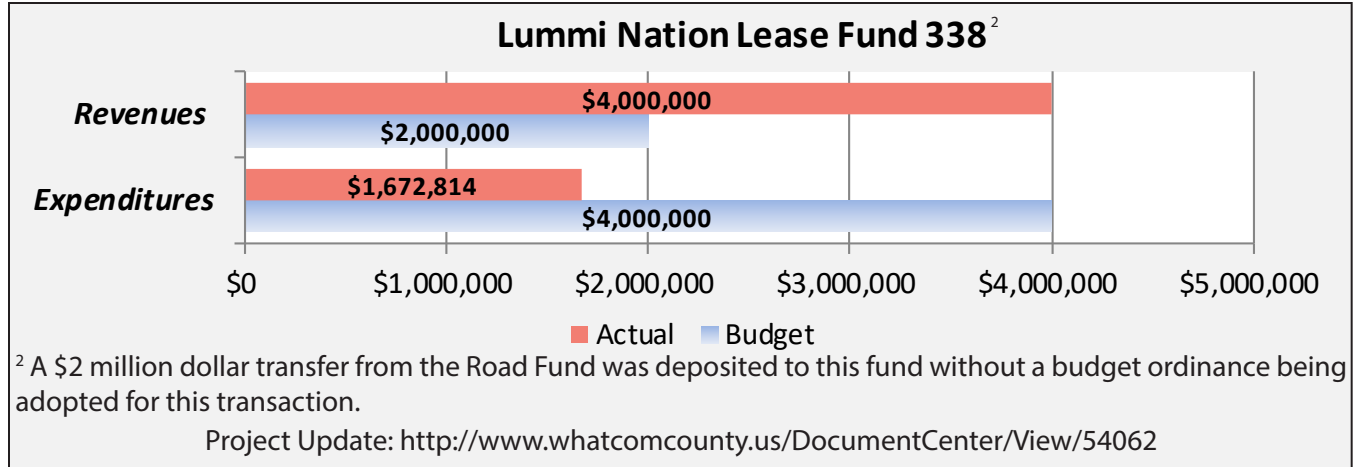


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued



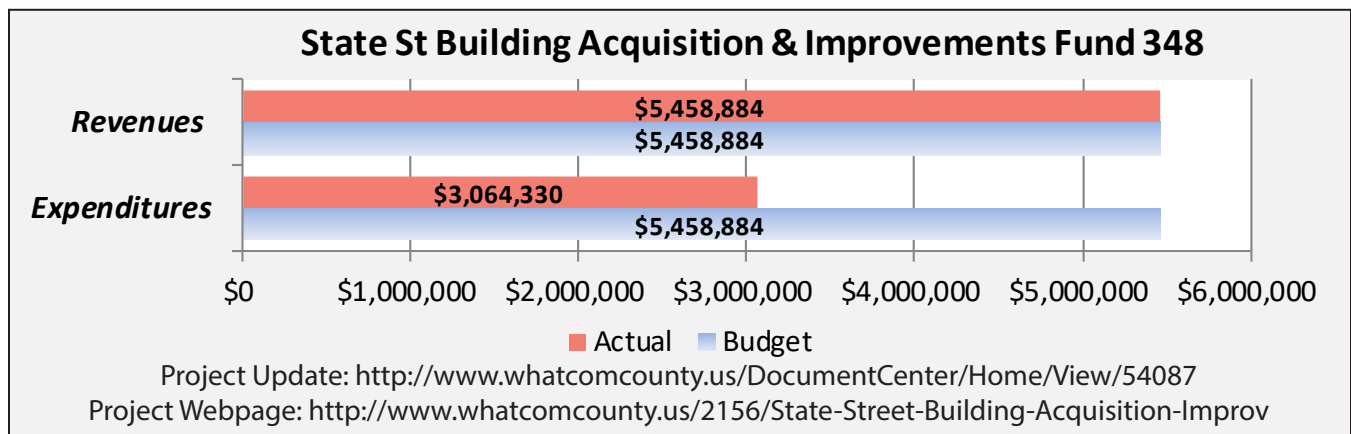
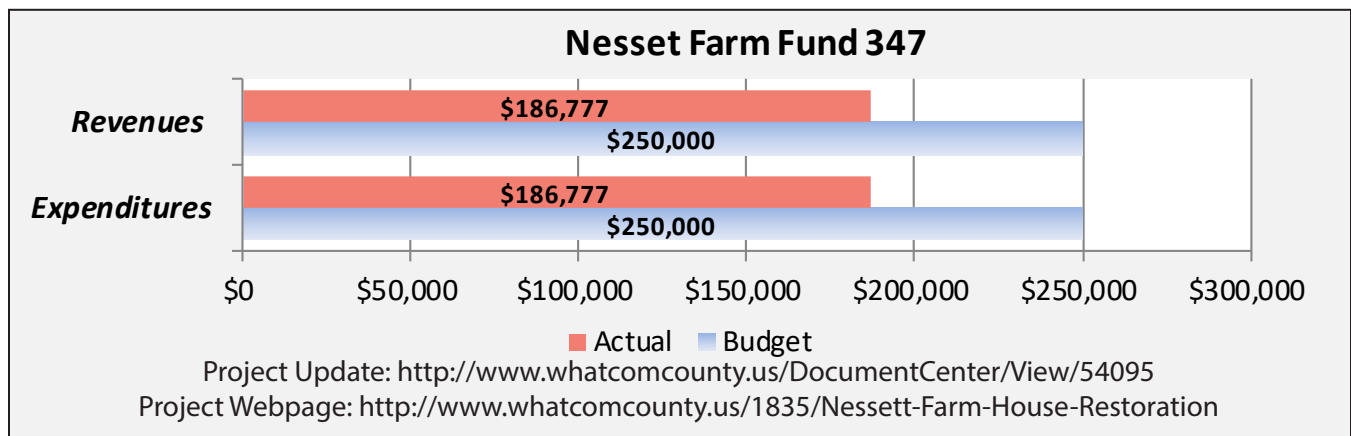
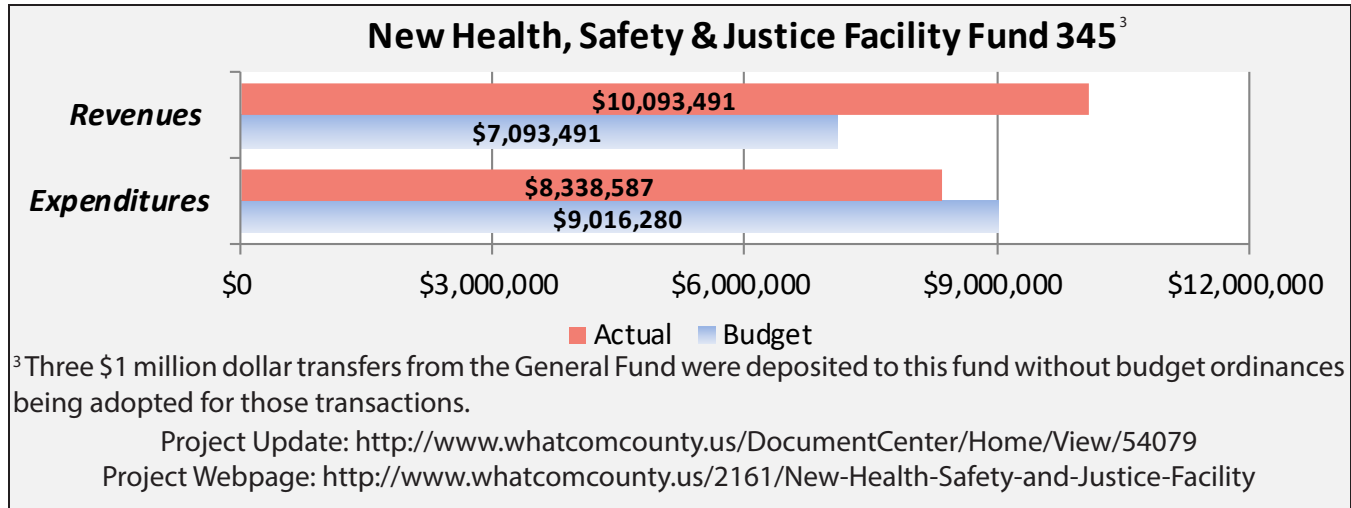


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

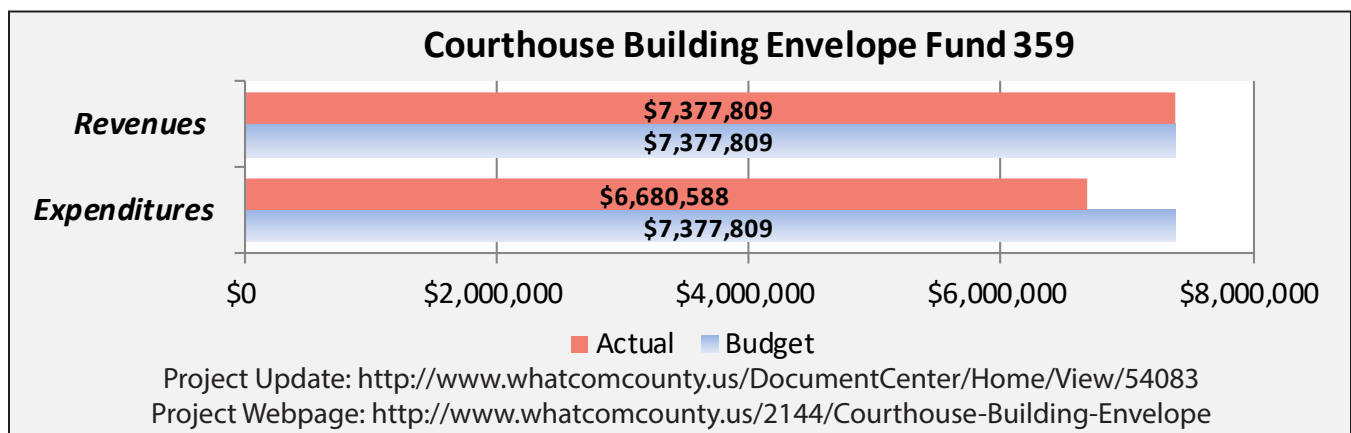
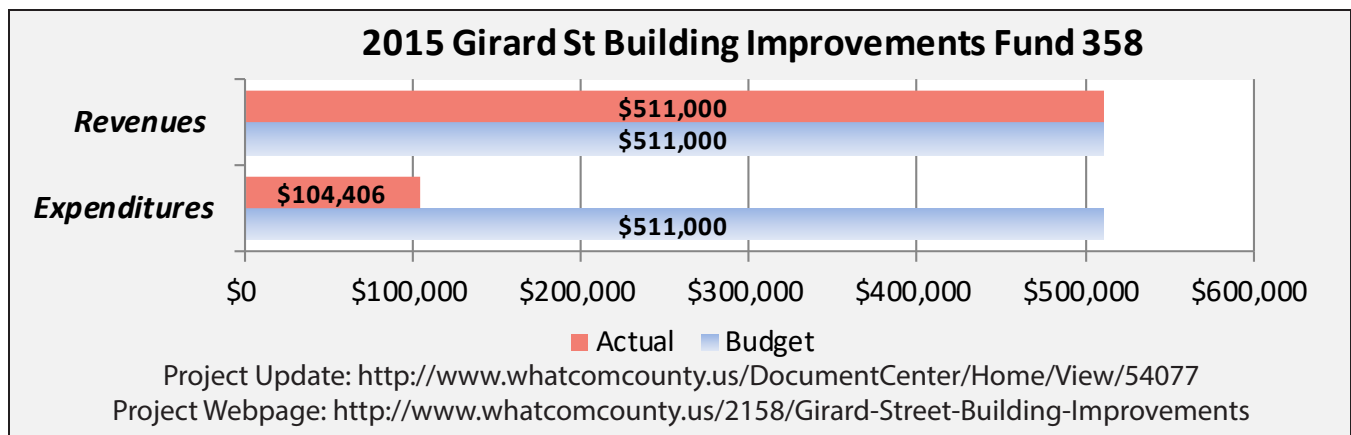
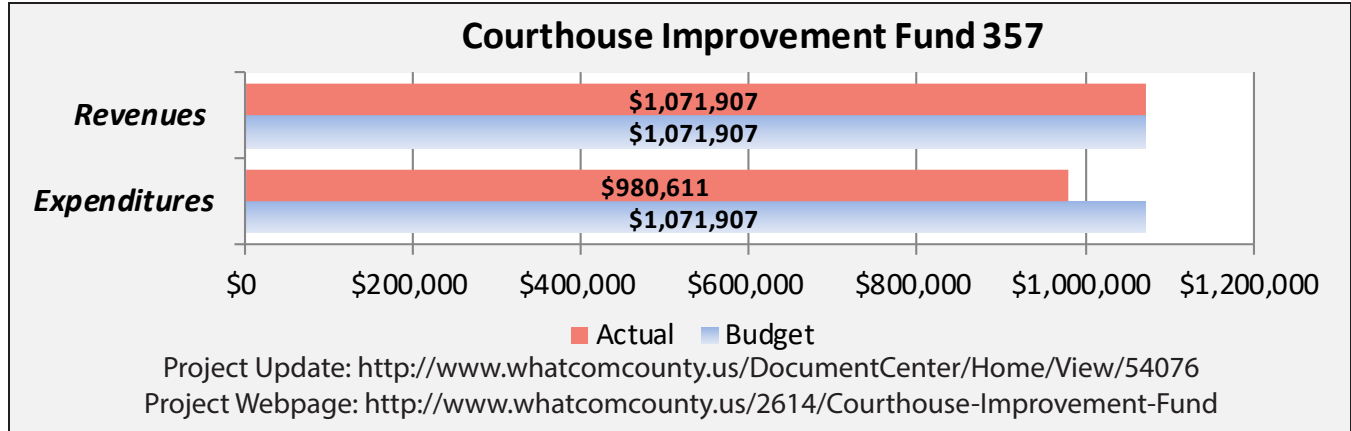


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

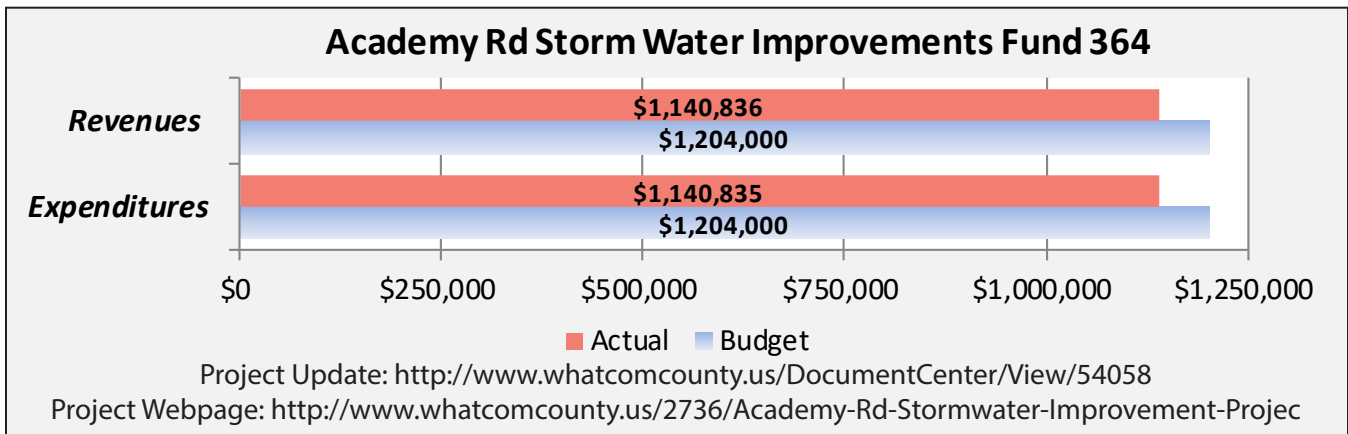
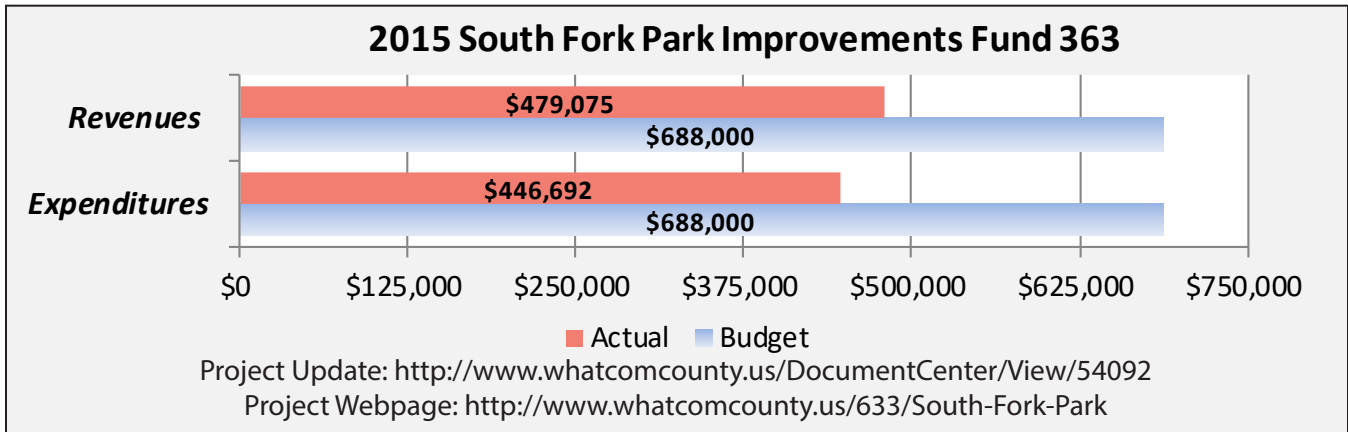
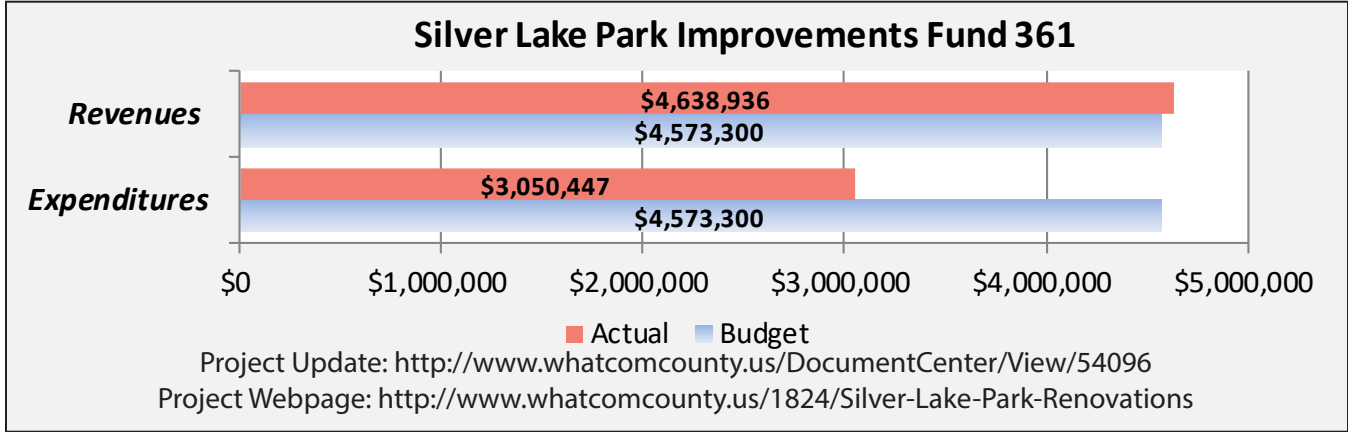


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

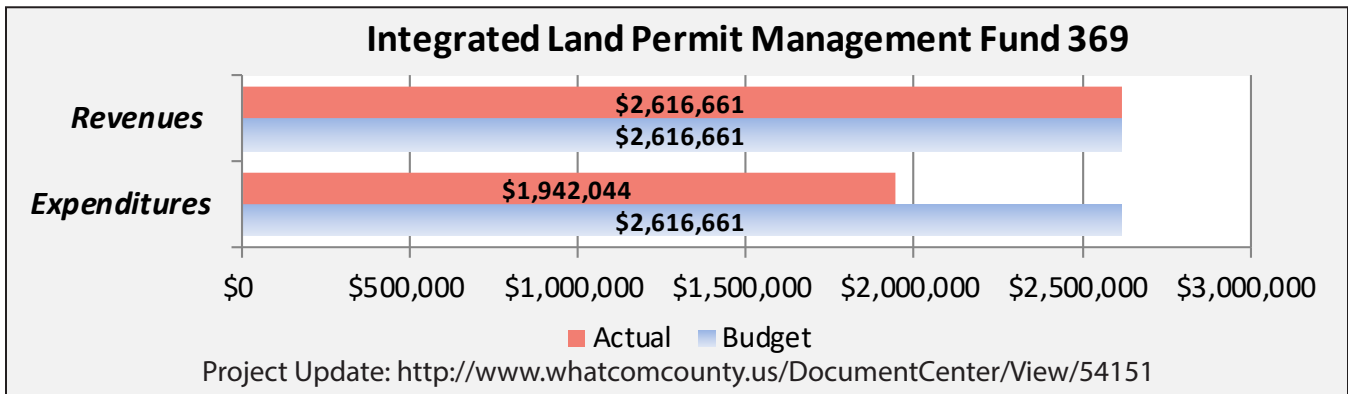
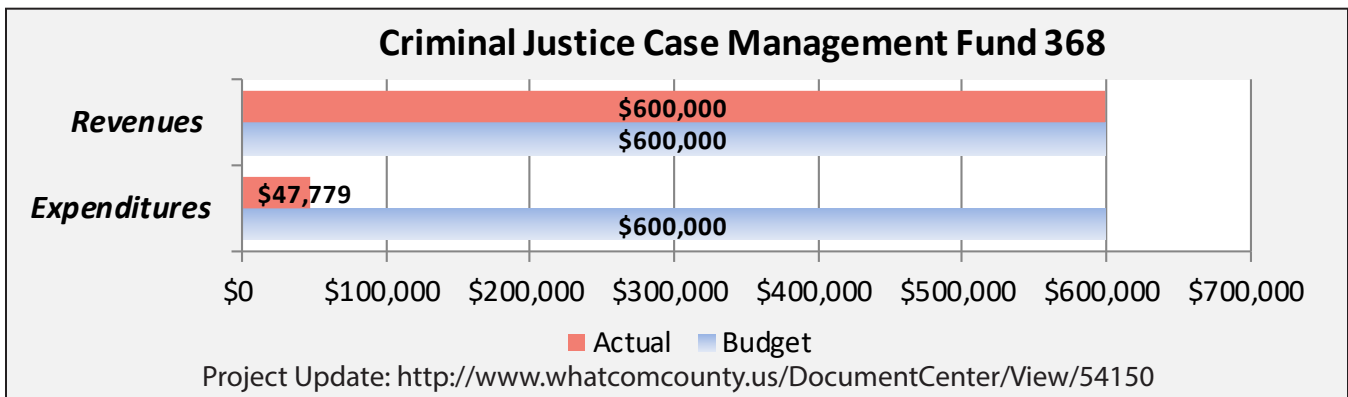
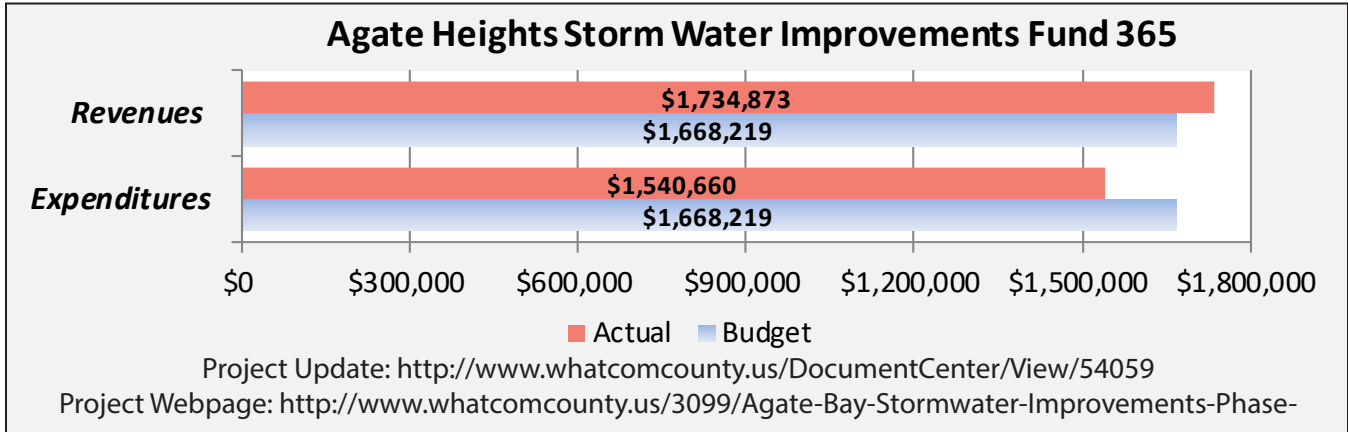


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

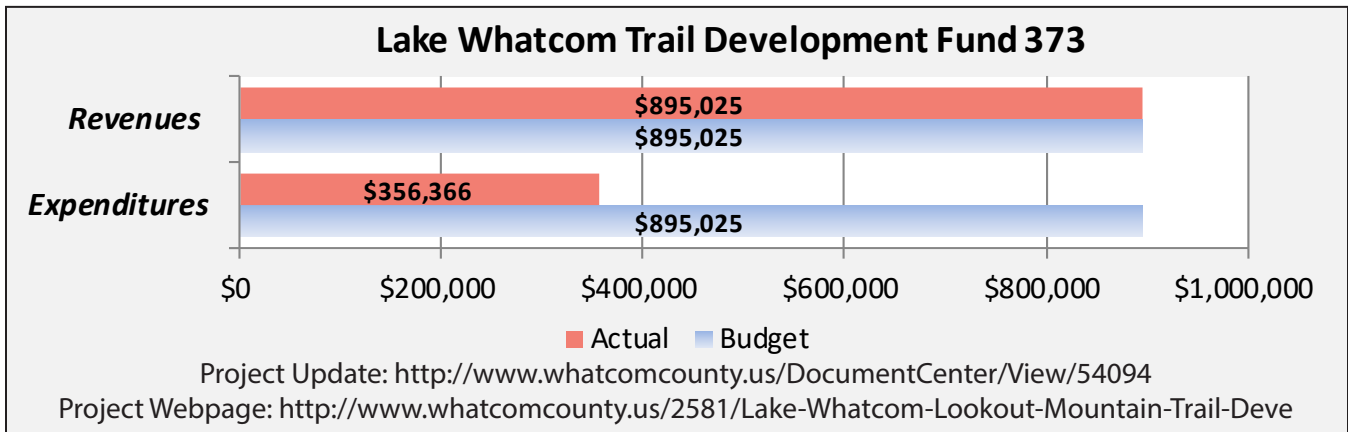
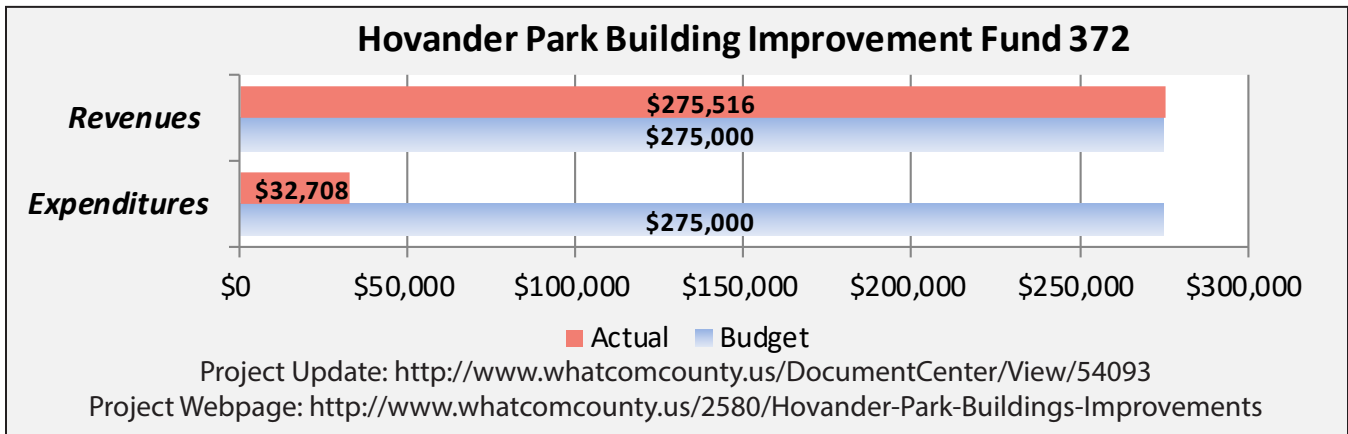
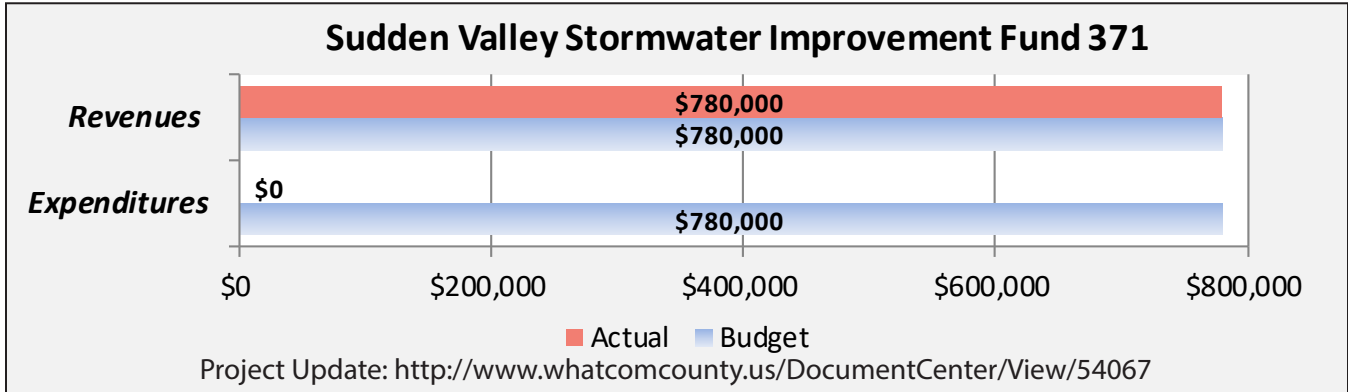


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

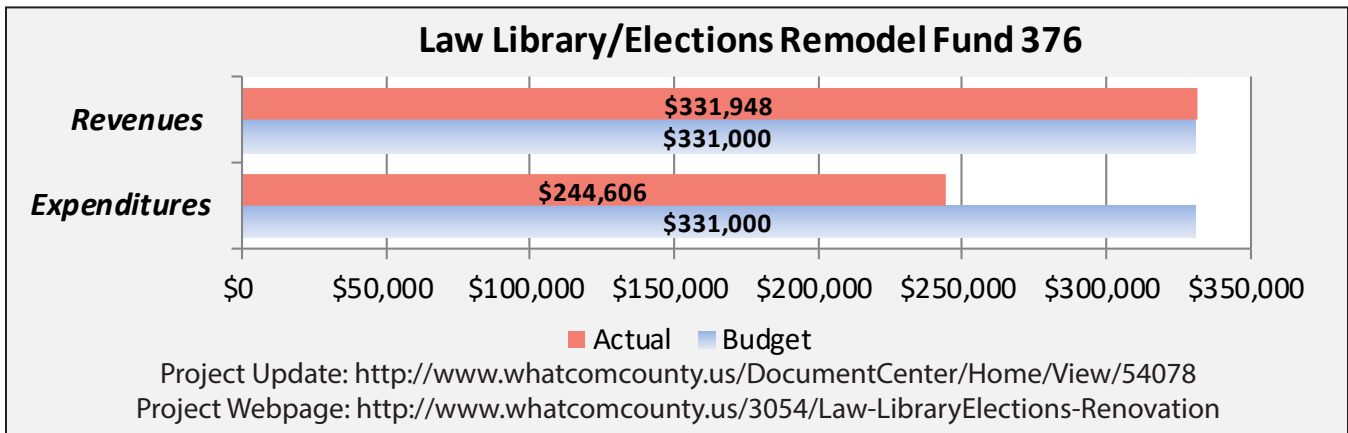
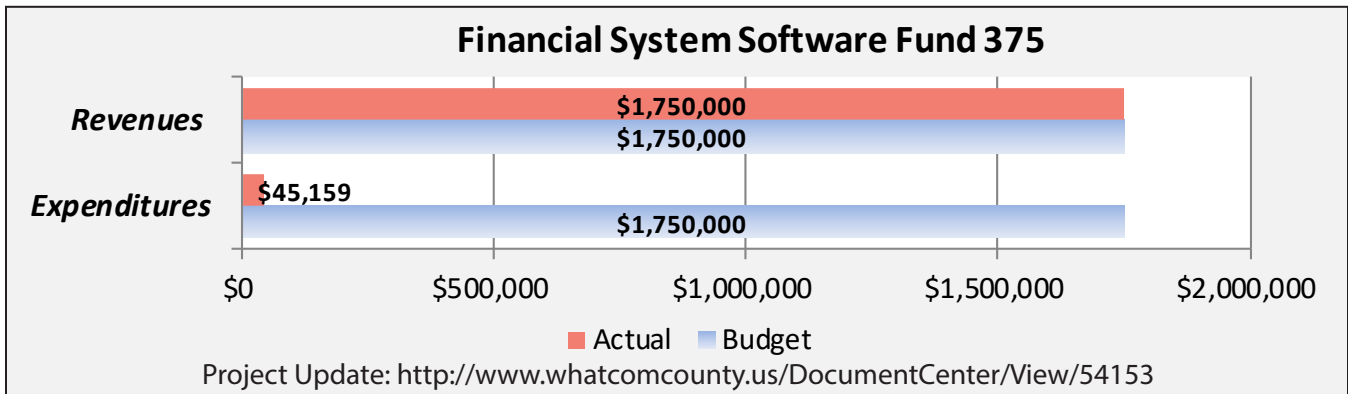
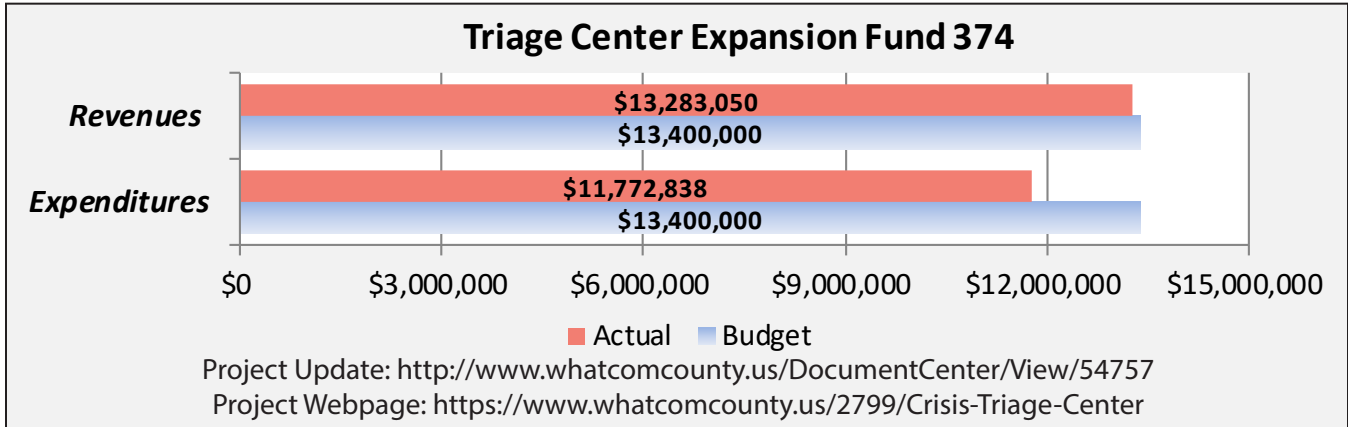


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

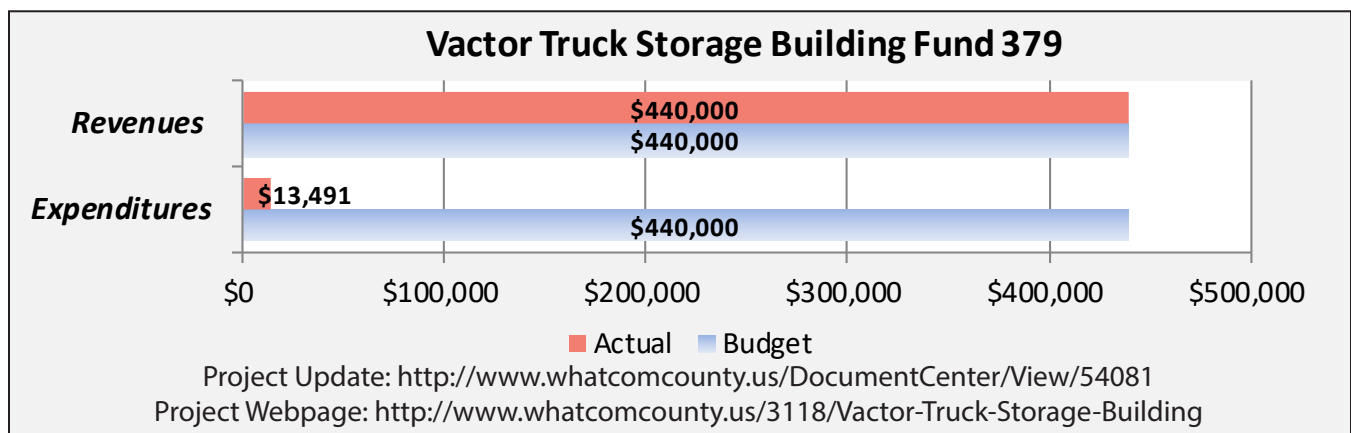
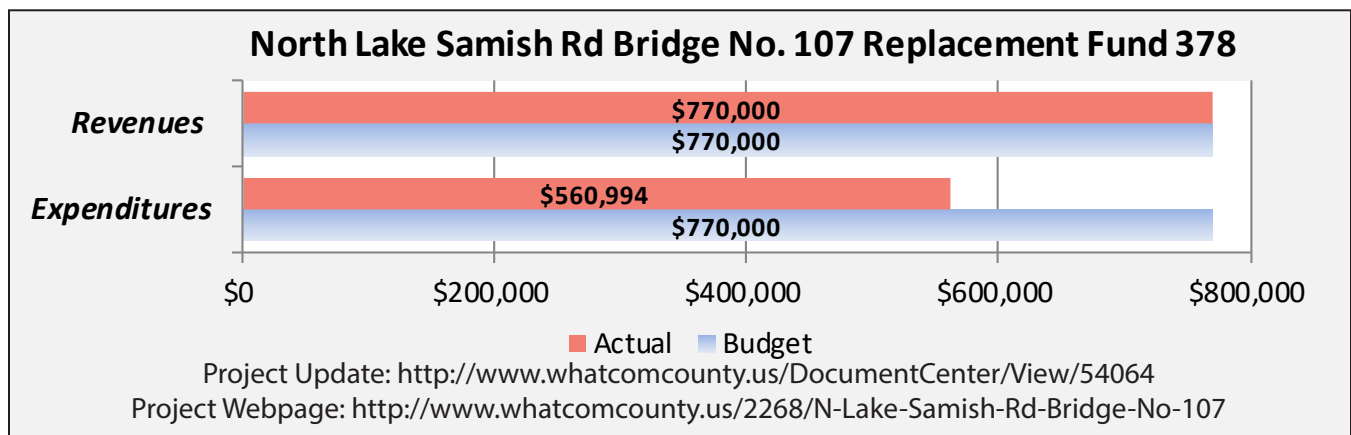
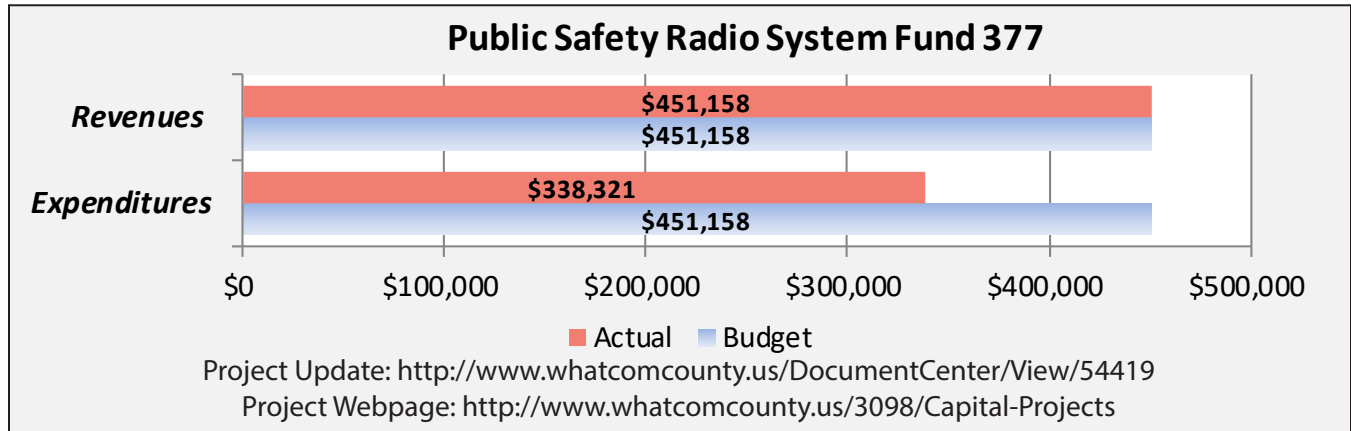


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

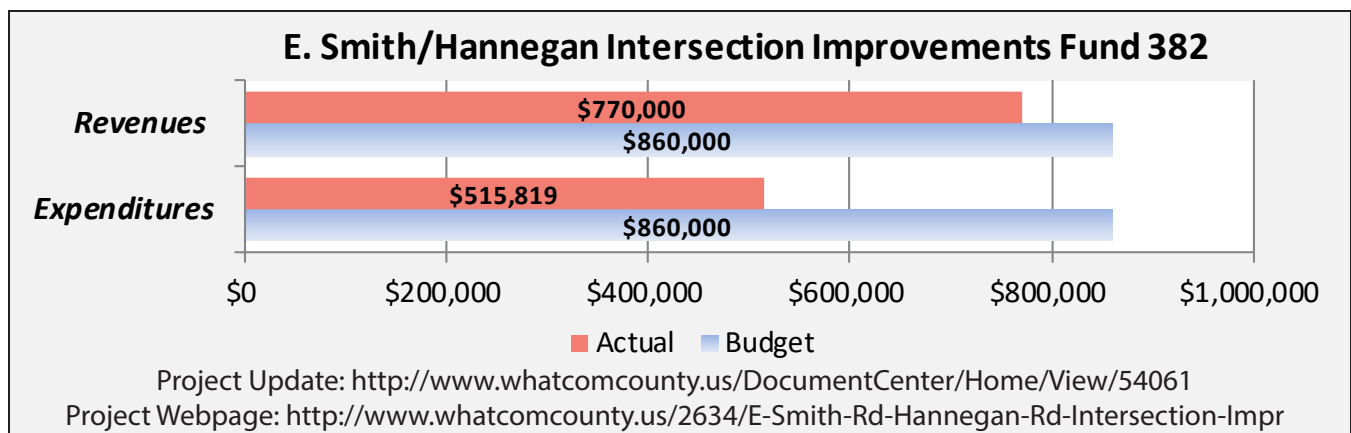
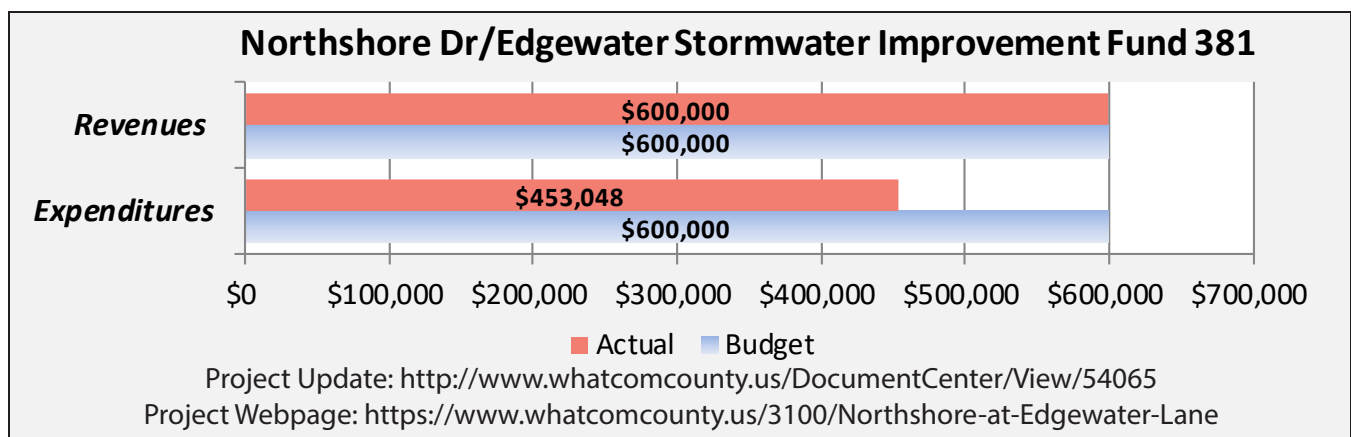
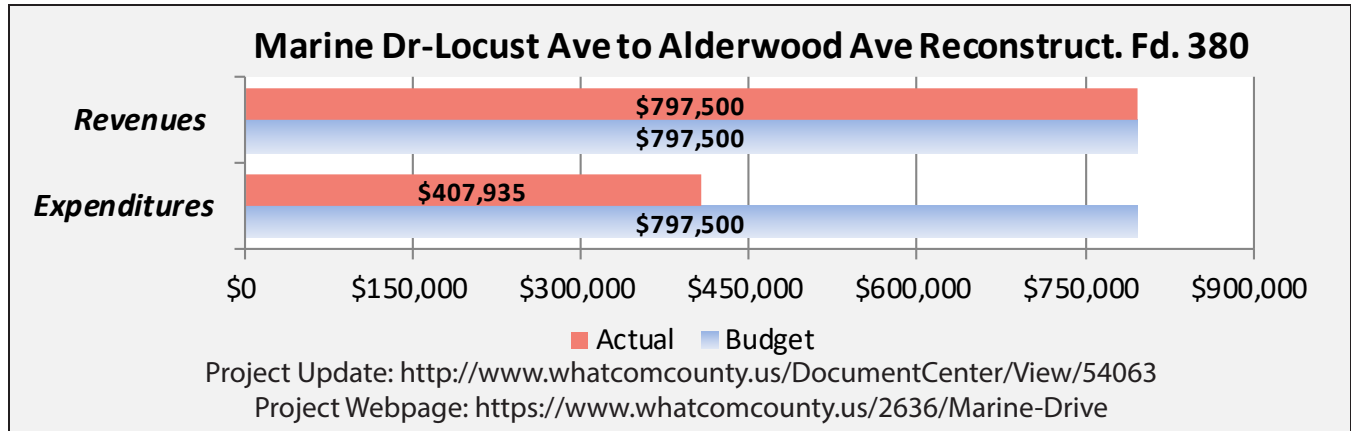


# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued





# Whatcom County Fourth Quarter 2020 Financial Report

For the Quarter Ended December 31, 2020



## Project Budget Funds, continued

