



# Second Quarter 2021 Financial Report

Satpal Singh Sidhu, County Executive

Compiled and Presented by the  
Administrative Services Department  
Finance Division

Brad Bennett, Finance Manager

August 18, 2021

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Executive Summary

The following information presents Whatcom County's second quarter 2021 financial report. At the end of the second quarter the General Fund collected 50.6% of its budgeted revenues. Whatcom County's General Fund spent 42.2% of its budgeted expenditures. Revenues are up \$12.5 million over first half 2020 due to receipt of \$8.3 million in COVID-related grants as well as a rebound from last year's economic downturn caused by COVID. Over \$7 million of grant payments have been received as advance payments before expenditures incurred. Expenditures are up \$2.5 million also as a result of COVID-related spending in the Health Department.

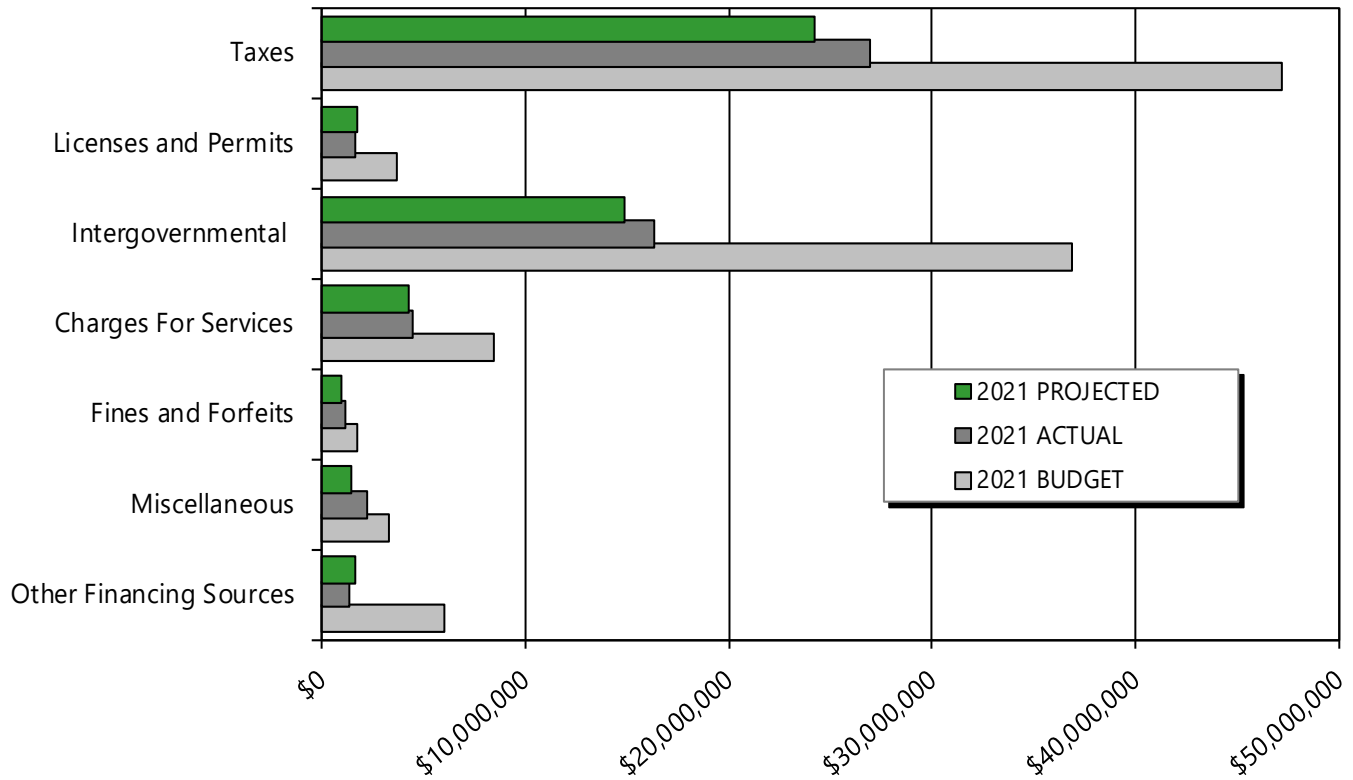
The current estimated 2021 General Fund ending fund balance is projected to be approximately \$25.5 million.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## General Fund Revenue - Budget vs. Actual



	2021 Budget Adopted	2021 Budget Supp'ls	2021 Budget Amended	Actual as of 06/30/21	% Collected To Date	Projected as of 06/30/21
Taxes	47,185,004	0	47,185,004	26,999,077	57.22%	24,221,181
Licenses and Permits	3,674,117	0	3,674,117	1,657,750	45.12%	1,710,753
Intergovernmental	18,319,404	18,519,753	36,839,157	16,362,023	44.41%	14,858,363
Charges For Services	8,463,790	17,369	8,481,159	4,520,576	53.30%	4,249,661
Fines and Forfeits	1,788,300	0	1,788,300	1,138,426	63.66%	995,057
Miscellaneous	3,296,230	9,140	3,305,370	2,250,708	68.09%	1,457,327
Other Financing Sources	5,585,629	410,047	5,995,676	1,337,437	22.31%	1,634,774
<b>Total Revenue</b>	<b>88,312,474</b>	<b>18,956,309</b>	<b>107,268,783</b>	<b>54,265,997</b>	<b>50.59%</b>	<b>49,127,116</b>

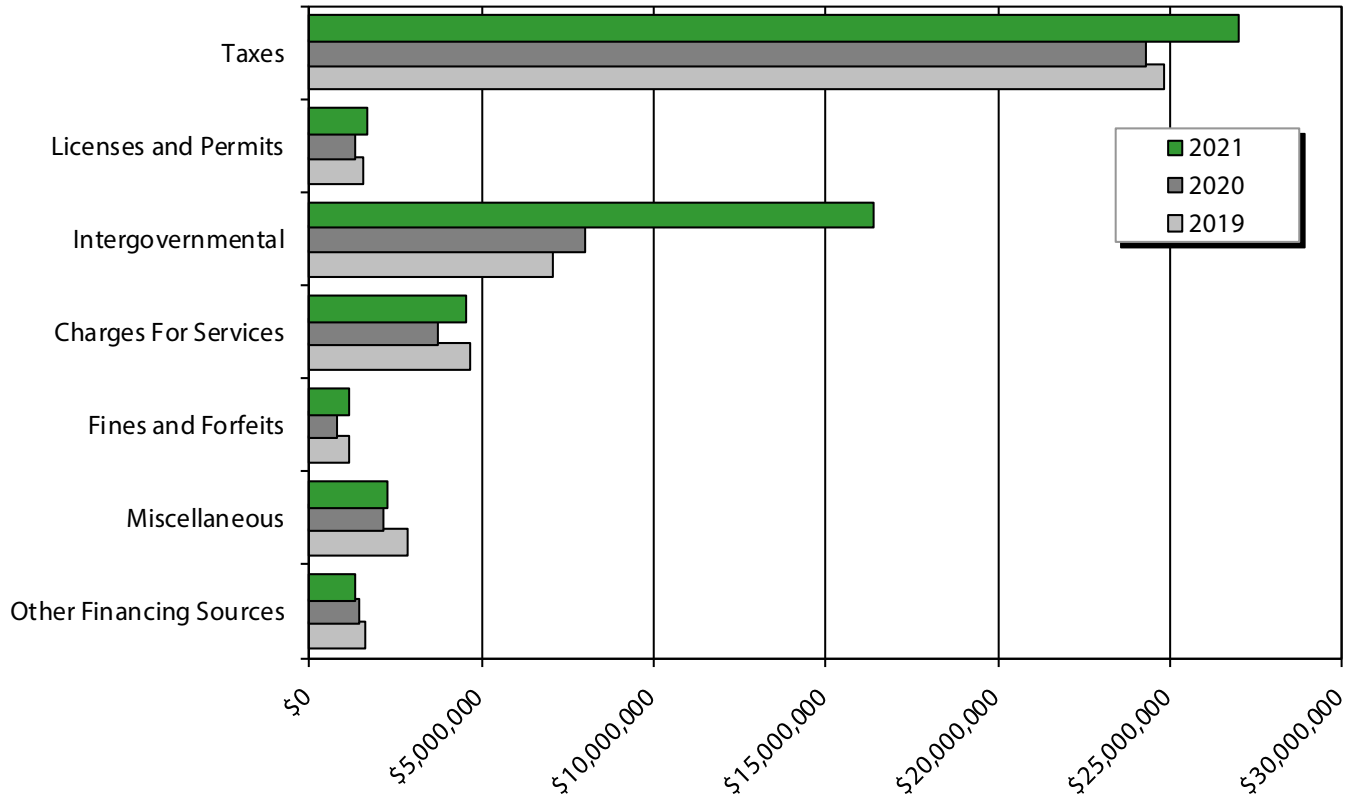
See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



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



	2019	2020	2021
Taxes	5,956,640	6,230,348	6,887,814
Licenses and Permits	536,084	546,223	676,830
Intergovernmental	2,930,428	2,749,179	9,902,772
Charges For Services	2,197,302	1,823,531	1,888,964
Fines and Forfeits	526,380	476,471	503,975
Miscellaneous	1,101,506	952,667	926,222
Other Financing Sources	650,187	583,009	584,797
<b>Total Revenue</b>	<b>13,898,527</b>	<b>13,361,428</b>	<b>21,371,374</b>

See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## General Fund Revenue Notes

### Taxes

*Property tax and retail sales tax make up 99.3% of Whatcom County's tax revenue budget.*

Property tax revenues are \$799,454 more than first half 2020 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 23.9%, or \$1,937,314, as compared to last year's first half collections. Prior year sales taxes were affected by the onset of COVID during March 2020. Since then, retail sales have rebounded and the County benefits from 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 38.0% 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 3.3%.*

License and Permit Fees are \$321,884, or 24.1%, more than amounts collected during first half 2020. On-site septic applications and building permits are presenting significant increases over first half 2020. Restaurant and firearm permits have more than doubled as compared to last year.

### Intergovernmental Revenue

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

Revenues collected as of June 30th are \$8,375,113 higher, or more than double, the first half 2020. The majority of that increase, \$6.9 million, is due to the receipt of a COVID-related emergency rental assistance grant which is being passed through on a subaward contract to the Opportunity Council. The County also received an additional \$1,433,976 in COVID-related response grant assistance during the first half of 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.*

Overall, Charges for Services increased \$762,828, or 20.3%, over first half 2020. Activities that increased significantly are auditor document filing and vehicle licensing fees (\$149,882), planning and development fees (\$320,557), and Treasurer's fees (\$166,781) due to increased real estate excise tax (REET) processing activity. Other departments experienced modest increases in fees due to increased activity this year as compared to first half 2020.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## 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 increased \$311,688, or 37.7%, over first half 2020 amounts. This is mainly due to increased amounts of property tax penalties collected (\$205,290), as well as traffic infraction revenues (\$92,336).

### 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 \$127,380, or 6.0%, over first half 2020 amounts. Investment earnings are down \$584,015, or 40.9%, due to falling interest rates; however, property tax interest collections have more than doubled (up \$417,877). Parks' cabin and campsite rental reservations have also more than doubled and are up \$225,632.

### Other Financing Sources

*The "Other Financing Sources" revenue budget is composed of state timber revenues (6.6%) and transfers from other Whatcom County funds (93.4%).*

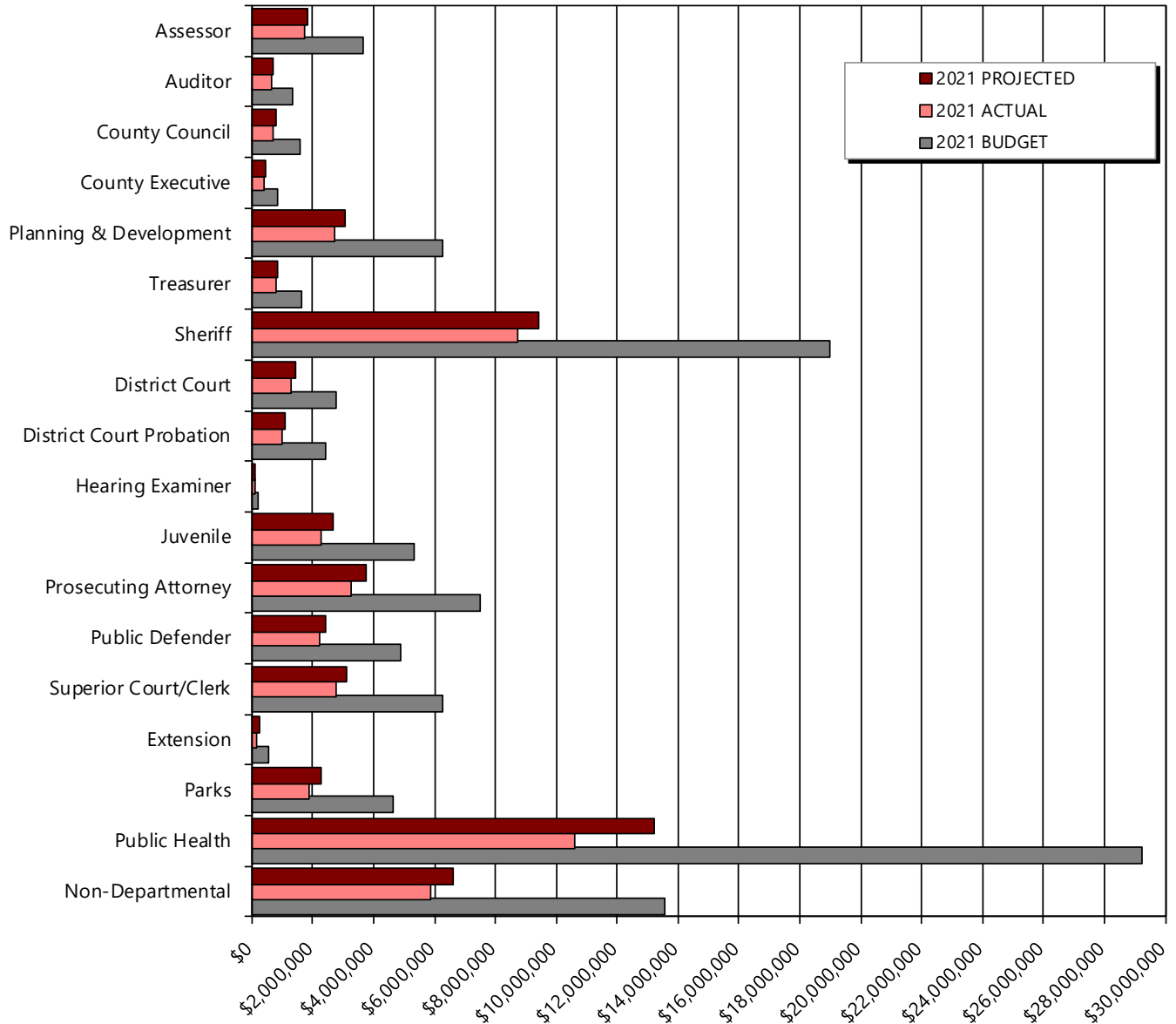
The Other Financing Sources category is down \$111,372, or 7.7%. State timber sale receipts are down \$35,000 and operating transfers are down \$76,000. Timber revenues fluctuate significantly year to year. Operating transfers fluctuate based on timing of departmental billings

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## General Fund Expenditures - Budget vs. Actual



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

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## General Fund Expenditures - Budget vs. Actual

	2021 Budget Adopted	2021 Budget Supp'ls	2021 Amended Budget	Actual as of 06/30/21	% Expended To Date	Projected as of 06/30/21
Assessor	3,498,852	173,679	3,672,531	1,741,404	47.42%	1,831,081
Auditor	1,326,551	38,653	1,365,204	645,537	47.29%	679,016
County Council	1,553,420	48,181	1,601,601	718,245	44.85%	788,330
County Executive	865,581	3,635	869,216	403,627	46.44%	434,003
Planning & Development	5,756,829	488,974	6,245,803	2,720,919	43.56%	3,067,090
Treasurer	1,621,639	7,261	1,628,900	777,298	47.72%	852,427
Sheriff	18,231,845	728,389	18,960,234	8,722,596	46.00%	9,407,375
District Court	2,769,676	10,487	2,780,163	1,290,710	46.43%	1,460,521
District Court Probation	2,362,655	41,459	2,404,114	1,011,563	42.08%	1,108,527
Hearing Examiner	217,611	715	218,326	115,668	52.98%	108,856
Juvenile	5,298,266	30,262	5,328,528	2,263,004	42.47%	2,651,086
Prosecuting Attorney	7,466,953	44,195	7,511,148	3,282,454	43.70%	3,761,631
Public Defender	4,686,431	203,528	4,889,959	2,218,486	45.37%	2,439,307
Superior Court/Clerk	6,184,194	76,361	6,260,555	2,775,694	44.34%	3,114,224
Extension	559,874	14,310	574,184	136,045	23.69%	238,876
Park	4,523,557	111,985	4,635,542	1,880,366	40.56%	2,257,756
Public Health <sup>1</sup>	15,563,026	13,667,726	29,230,752	10,610,975	36.30%	13,226,795
Non-Departmental	11,906,852	1,638,863	13,545,715	5,864,316	43.29%	6,620,699
<b>Total General Fund Exp</b>	<b>94,393,812</b>	<b>17,328,663</b>	<b>111,722,475</b>	<b>47,178,907</b>	<b>42.23%</b>	<b>54,047,600</b>

Note:

<sup>1</sup> *Public Health Department 2021 Supplemental Budget Details:*

Continuing Appropriation	\$24,670
Washington State Dept of Health - CARES, COVID Response (Grant)	\$1,515,028
North Sound Behavioral Health Administration, Behavioral Health Services (Grant)	\$127,998
Work Study (Grant)	\$24,000
NW Workforce Council, COVID Response (Grant)	\$126,000
Emergency Rental Assistance (Grant)	\$6,809,443
Washington State Dept of Health COVID Coordinated Response (Grant)	\$400,000
Washington State Dept of Health Vaccination (Grant)	\$25,000
North Sound Accountable Community of Health Isolation and Quarantine (Grant)	\$255,950
Mass Vaccination Site FEMA (Grant)	\$2,171,429
Washington State Dept of Health Epidemiology & Laboratory Capacity (Grant)	\$1,621,652
Washington State Dept of Health Vaccination, Immunization (Grant)	\$489,577
Health Employee Cost of Living Increase	\$76,979
	<u>\$13,667,726</u>

See page 9 for General Fund Expenditure Notes.

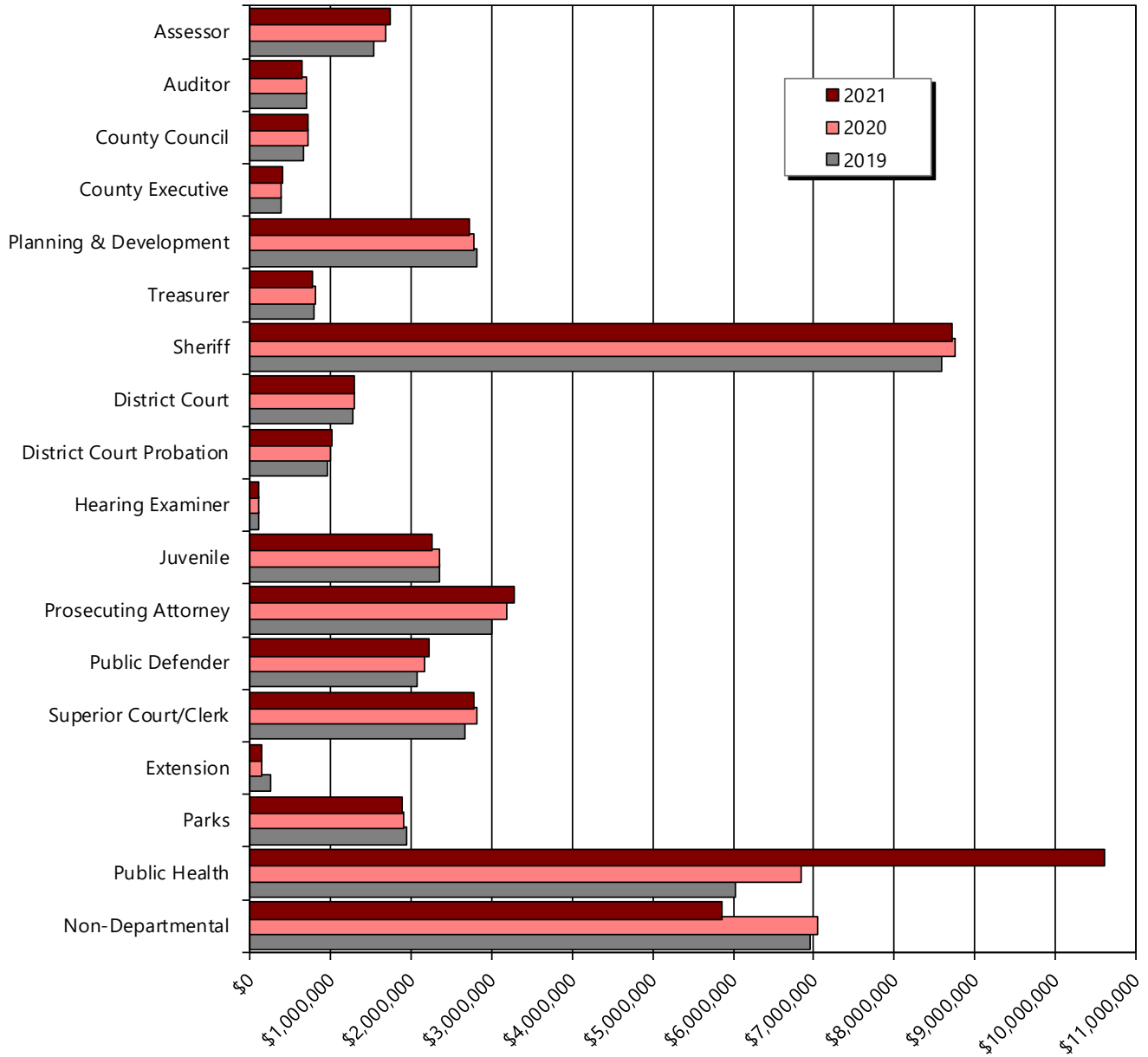


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## General Fund Expenditures - Compared to Prior Years



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

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## General Fund Expenditures - Compared to Prior Years

	2019	2020	2021
Assessor	1,542,060	1,679,776	1,741,404
Auditor	698,141	695,912	645,537
County Council	655,347	726,520	718,245
County Executive	383,638	393,259	403,627
Planning & Development	2,814,604	2,777,208	2,720,919
Treasurer	786,100	805,403	777,298
Sheriff	8,596,509	8,756,623	8,722,596
District Court	1,276,259	1,286,440	1,290,710
District Court Probation	968,957	996,869	1,011,563
Hearing Examiner	100,275	106,254	115,668
Juvenile	2,348,142	2,345,236	2,263,004
Prosecuting Attorney	3,005,550	3,192,089	3,282,454
Public Defender	2,079,798	2,164,937	2,218,486
Superior Court/Clerk	2,672,605	2,811,376	2,775,694
Extension	246,644	144,644	136,045
Parks	1,943,681	1,911,861	1,880,366
Public Health	6,024,057	6,835,917	10,610,975
Non-Departmental	6,959,733	7,051,802	5,864,316
<b>TOTAL</b>	<b>43,102,100</b>	<b>44,682,126</b>	<b>47,178,907</b>

## General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of the first half were 42.2% of the approved budget. Departmental spending was within budget expectations with the exception of the Hearing Examiner. An employee retirement cash out in April increased their budget expenditure percentage to 53.0%. WSU Extension is only 23.7% spent as WSU did not bill the County for Extension services until July. Health Department is only 36.3% spent due to large budgets for COVID-related grants which will not be spent out until later in the year, or in the case of rental assistance, may be carried over into next year.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## General Fund Conclusion

**Projected**

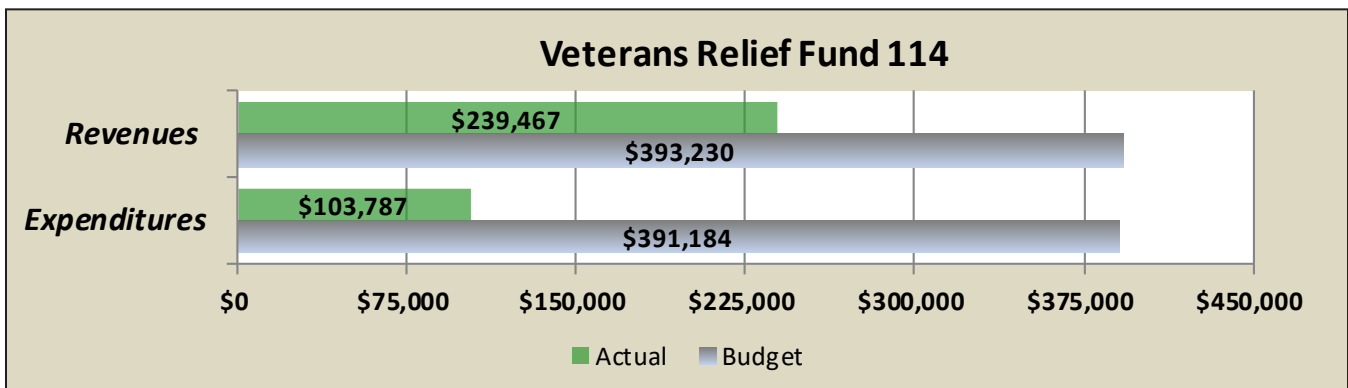
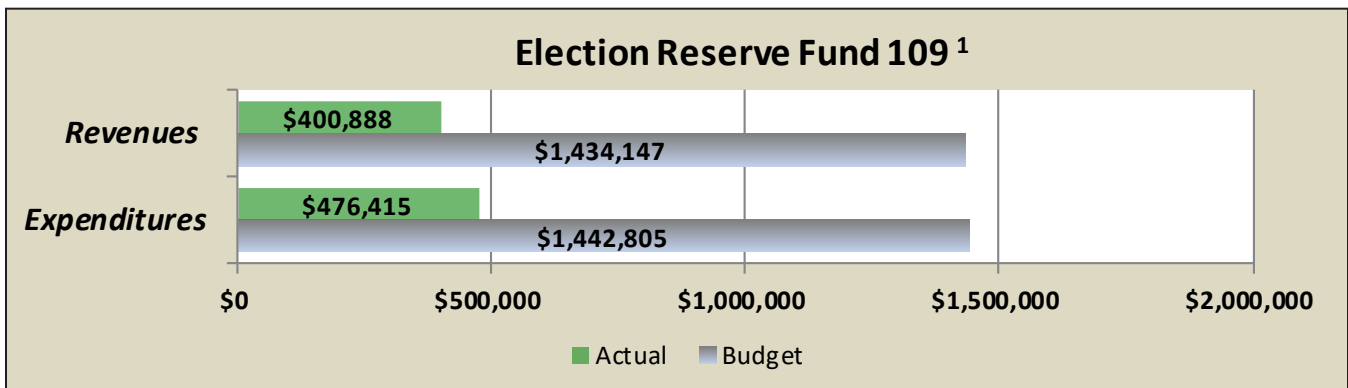
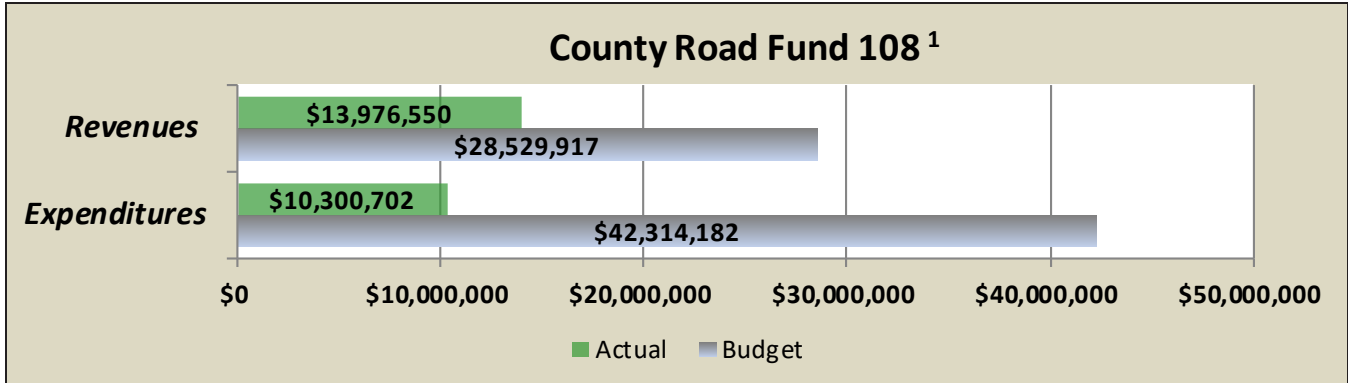
<b>Beginning Fund Balance 1/1/21</b>	<u>19,056,796</u>
<b>Revenues</b>	
Budgeted Revenues 2021	88,312,474
Continuing Appropriations from 2020	803,107
Supplemental Budgets 2021	18,153,202
Preliminary Increased Revenue Estimates	661,000
<b>Total Revenue</b>	<u>107,929,783</u>
<b>Expenditures</b>	
Budgeted Expenditures 2021	94,393,812
Continuing Appropriations from 2020	1,016,331
Supplemental Budgets 2021	16,312,332
Estimated Grant Program Lapses or Carryover to Next Year	(4,845,000)
<b>Total Expenditures</b>	<u>106,877,475</u>
<b>Expected Surplus (Deficit)</b>	1,052,308
<b>Other Considerations</b>	
Estimated Budget Lapse - 5%	5,343,874
<b>Projected Ending Fund Balance 12/31/21</b>	<u><u>25,452,978</u></u>

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds



Note:

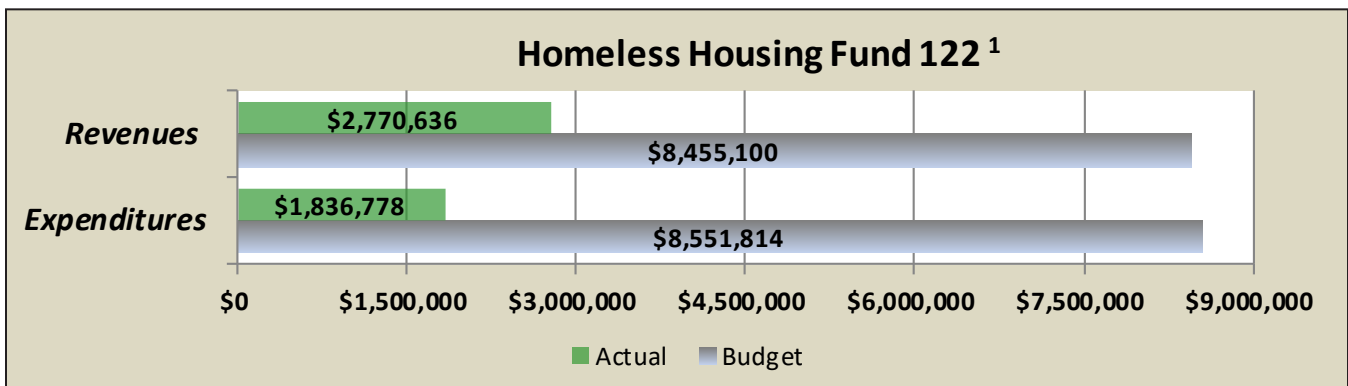
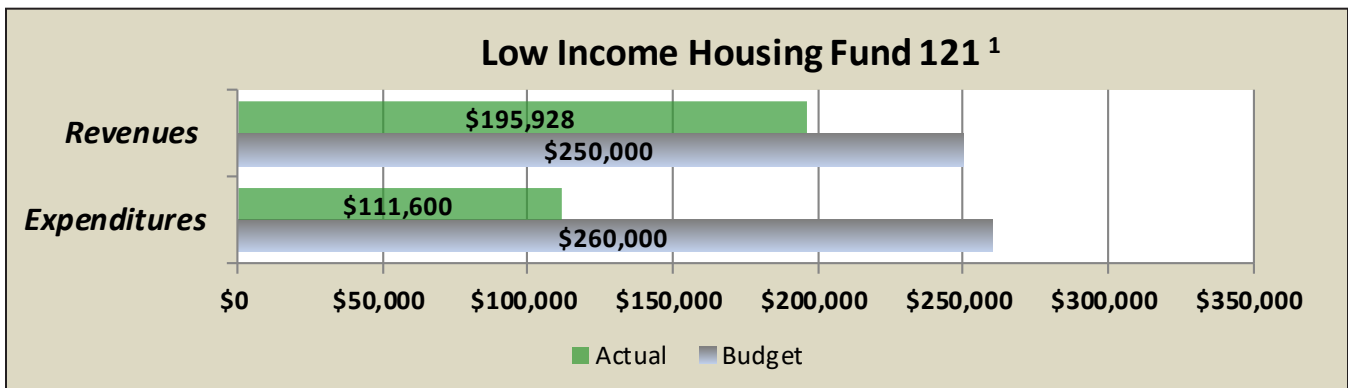
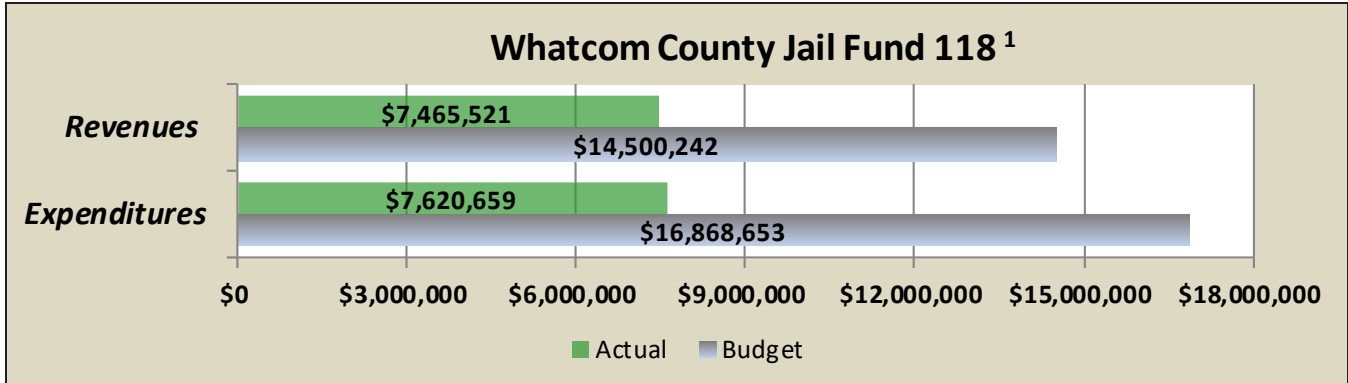
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds, continued



Note:

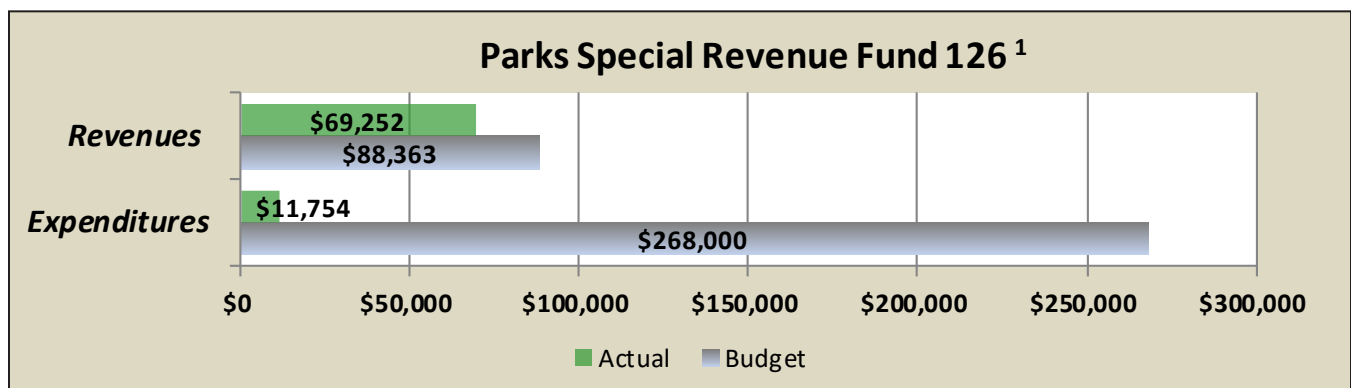
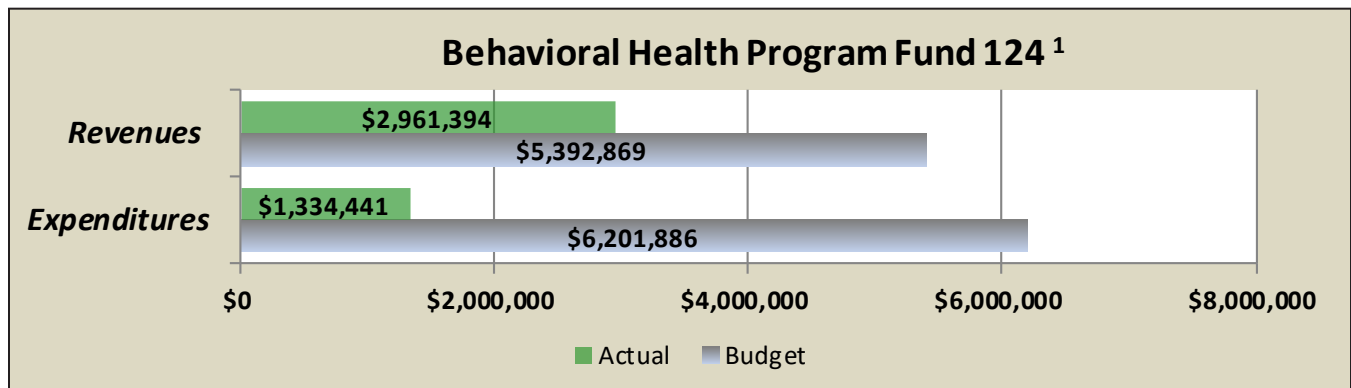
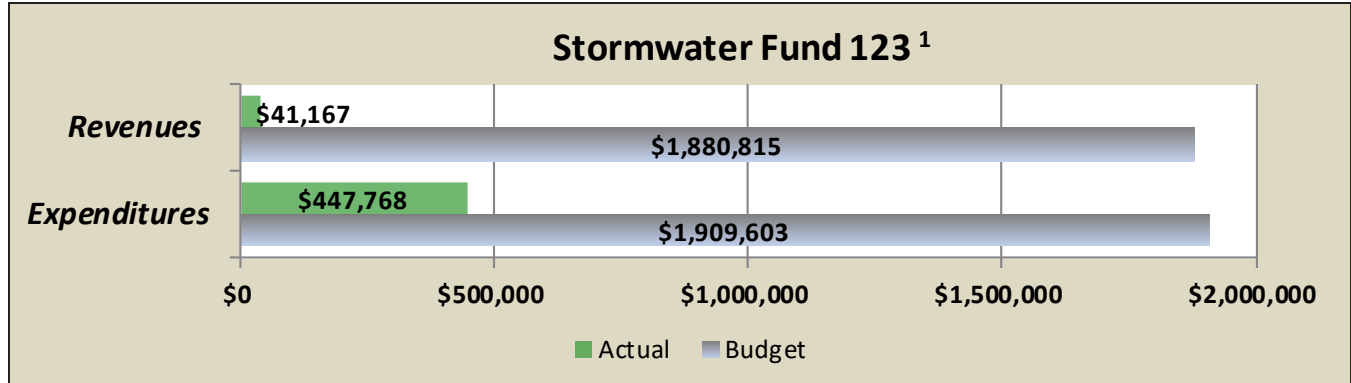
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds, continued



Note:

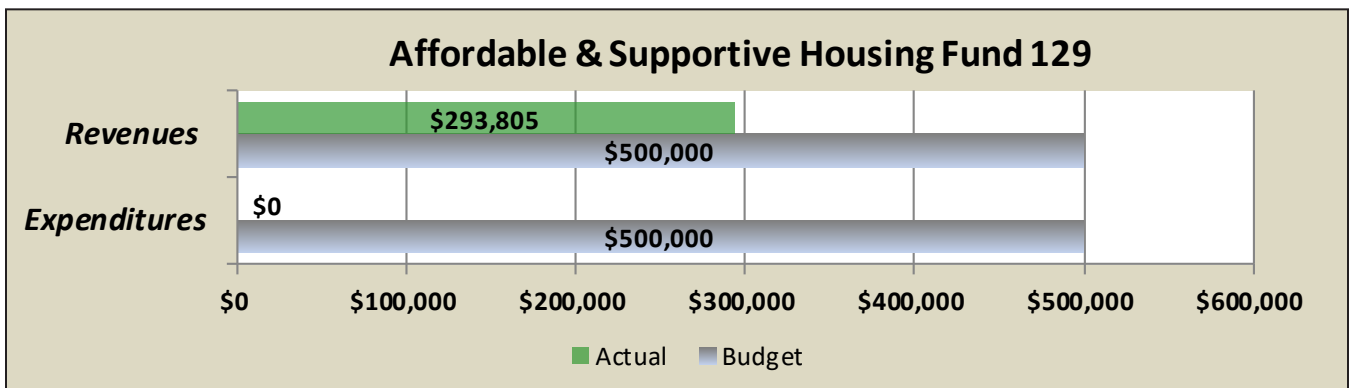
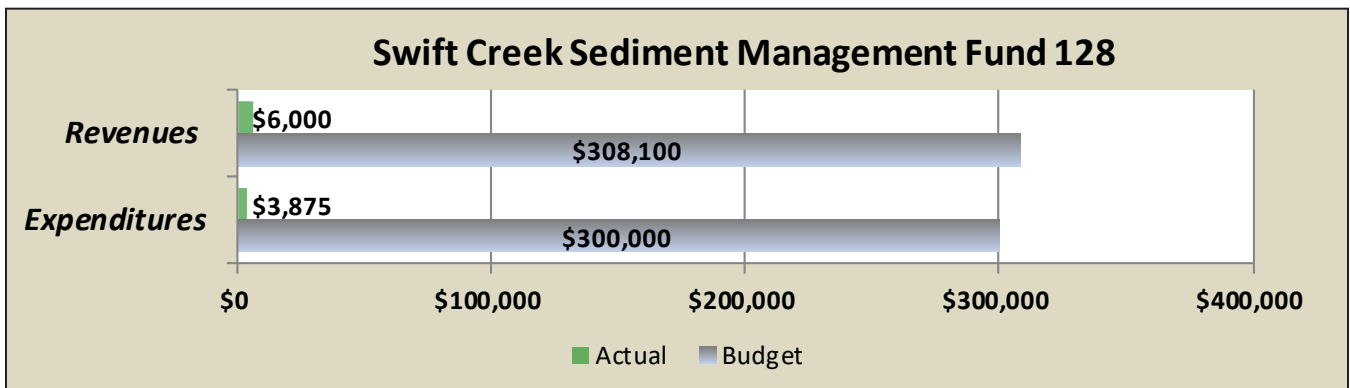
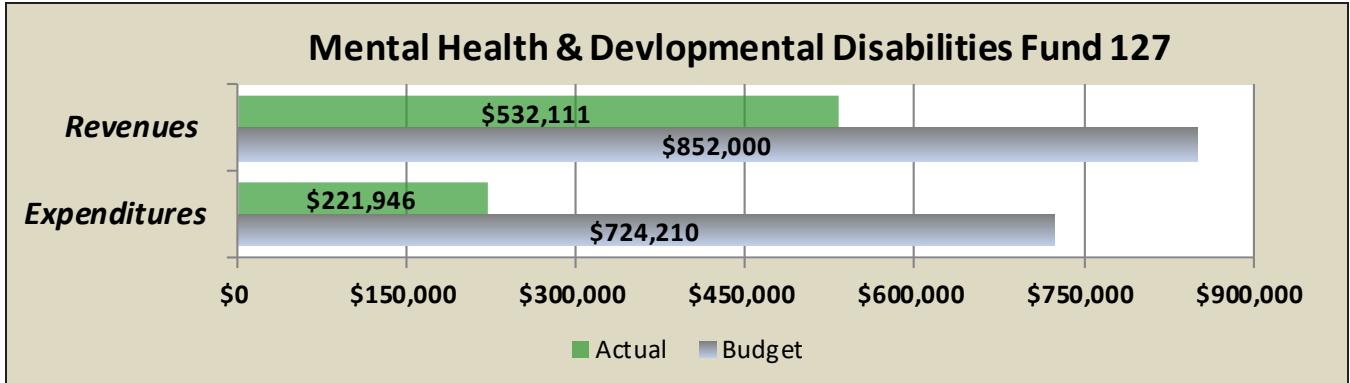
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds, continued

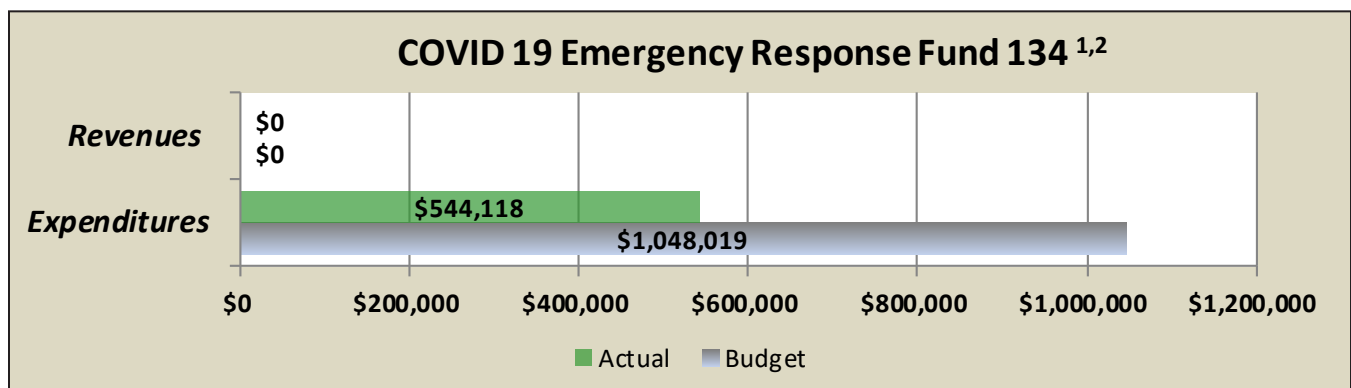
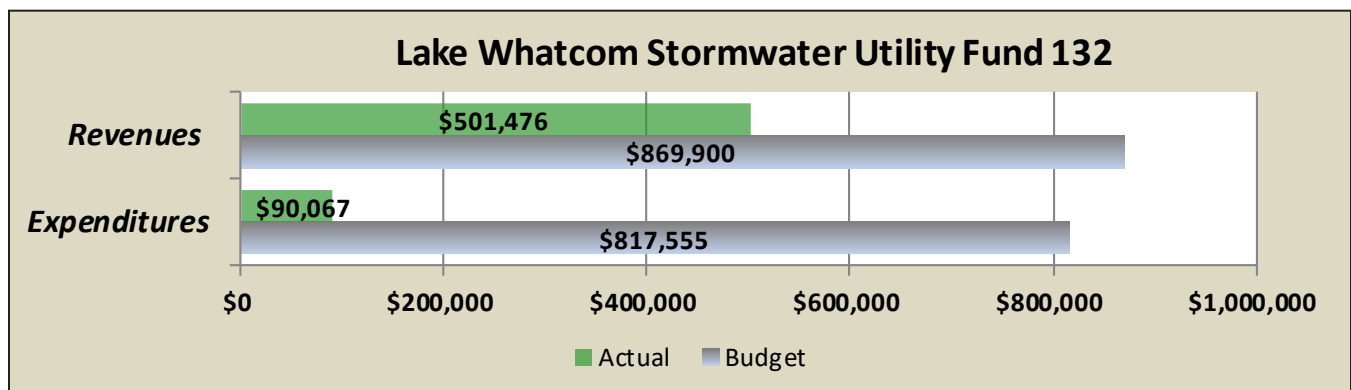
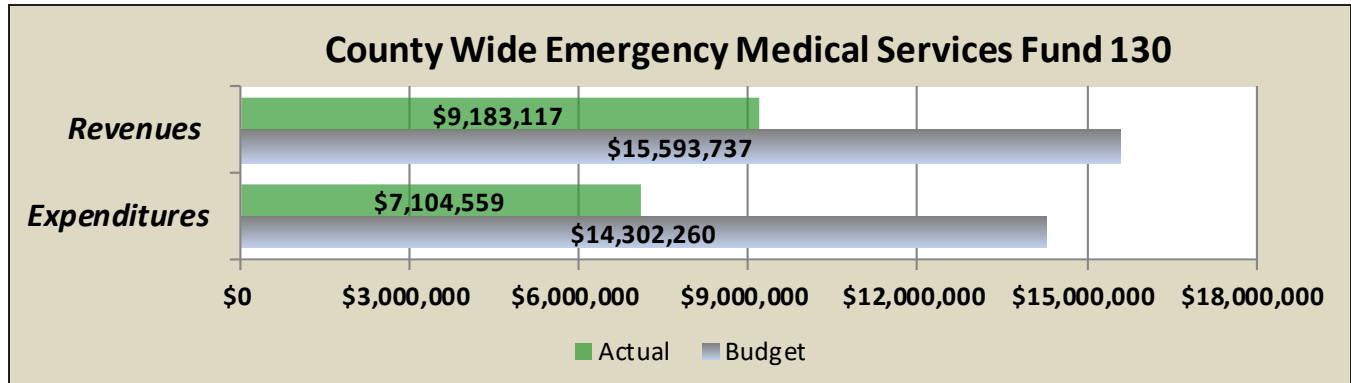


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## 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.

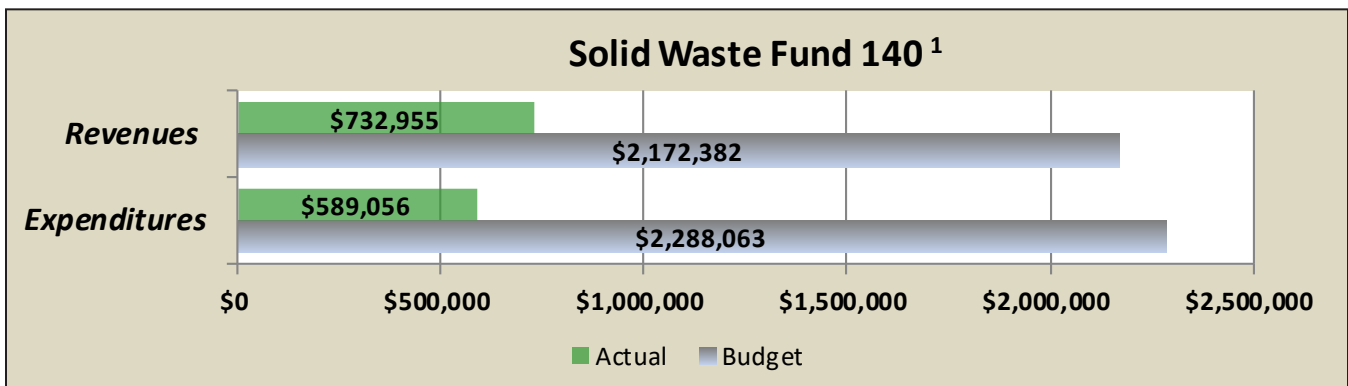
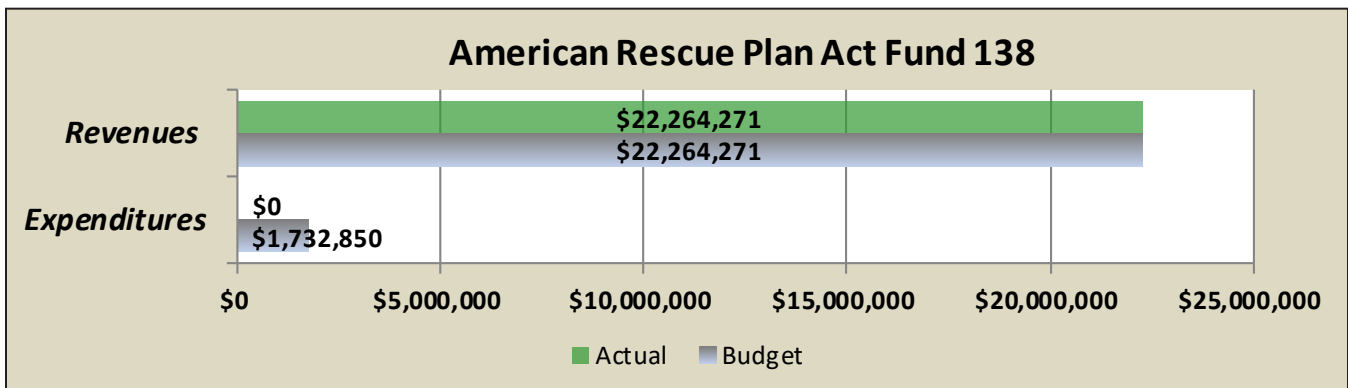
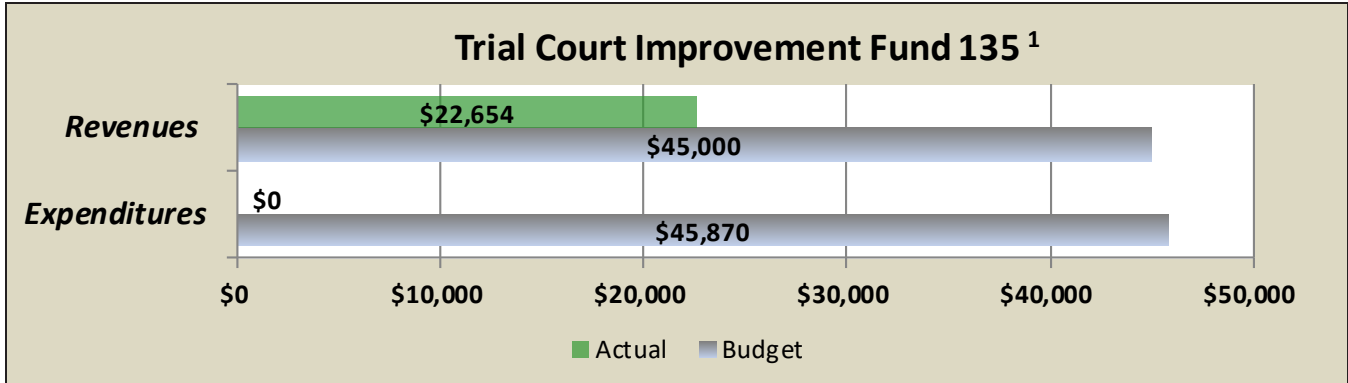


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds, continued



Notes:

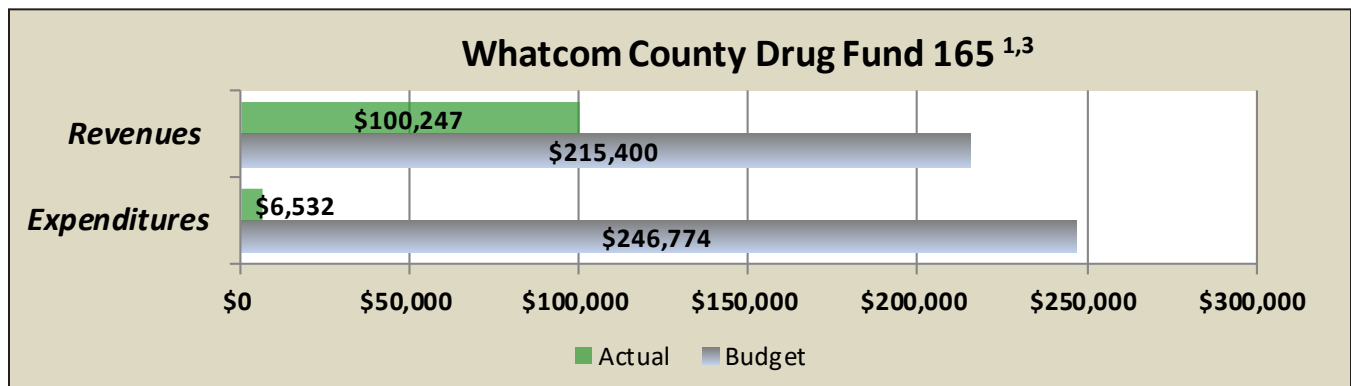
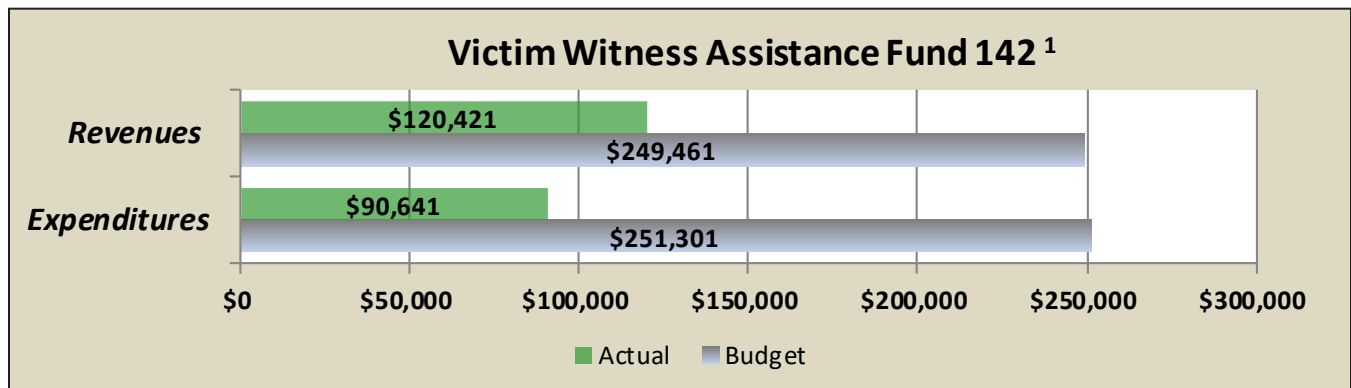
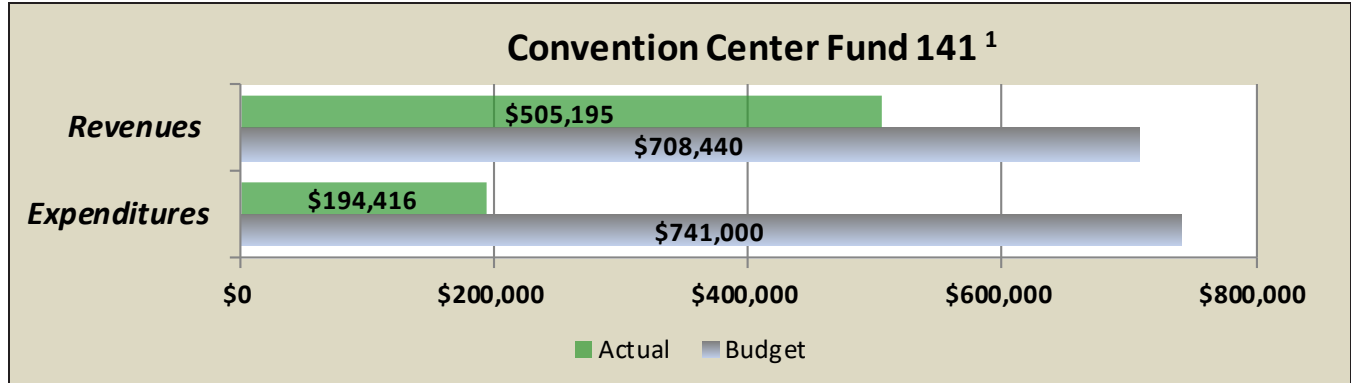
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds, continued



Notes:

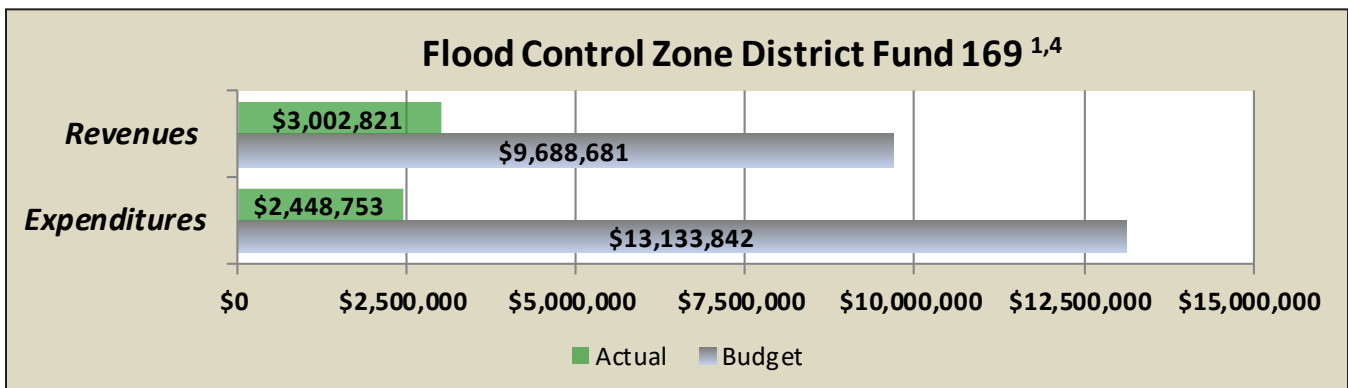
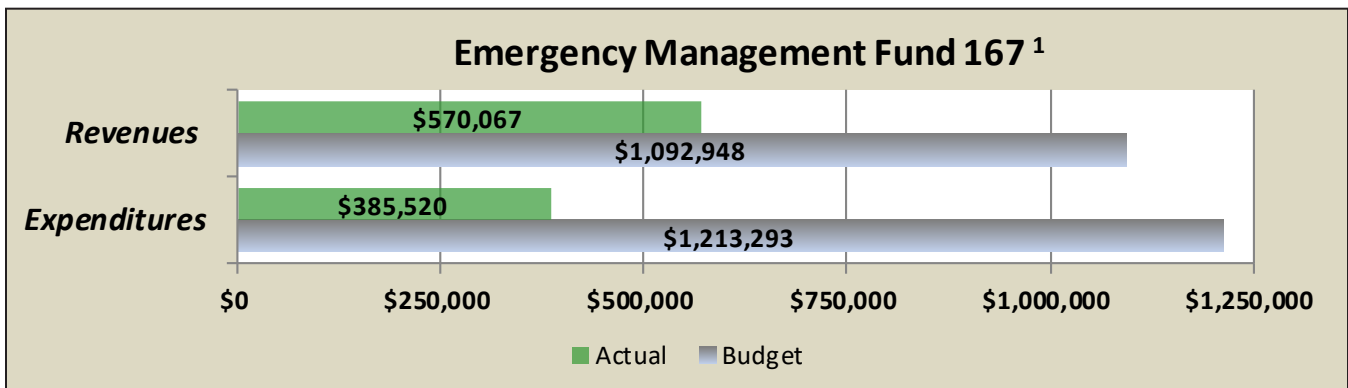
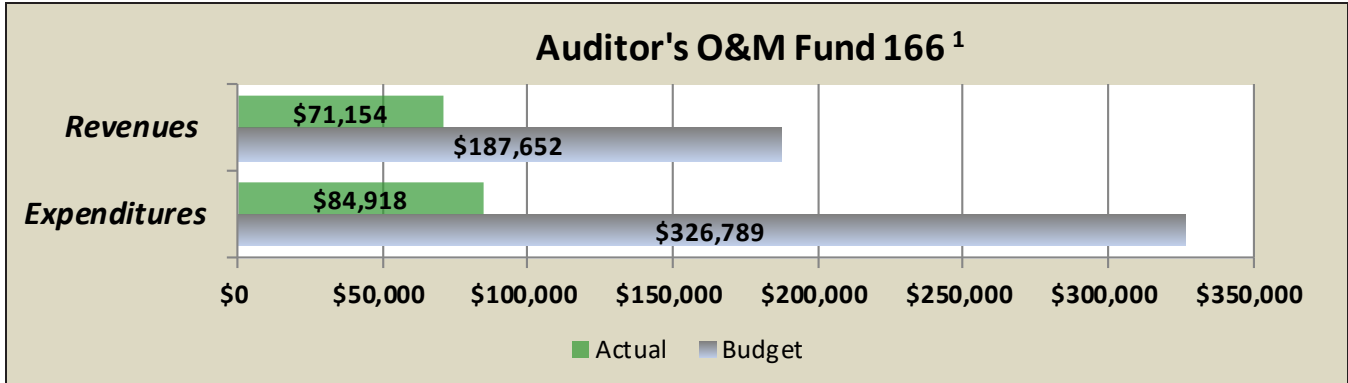
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>3</sup> Drug Fund revenue is dependent on seizure activity and proceed sharing with other agencies. Therefore, revenue is unpredictable. The Fund's ability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

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds, continued



Notes:

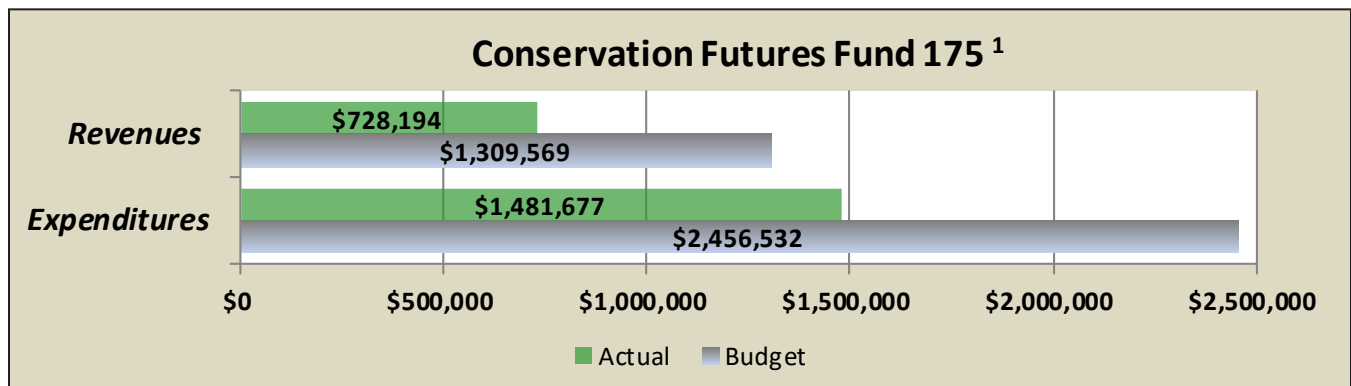
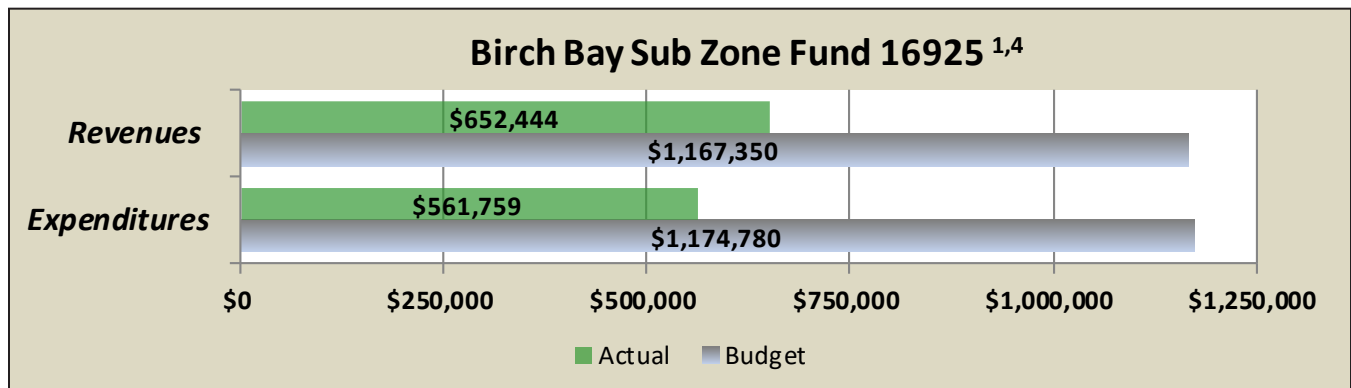
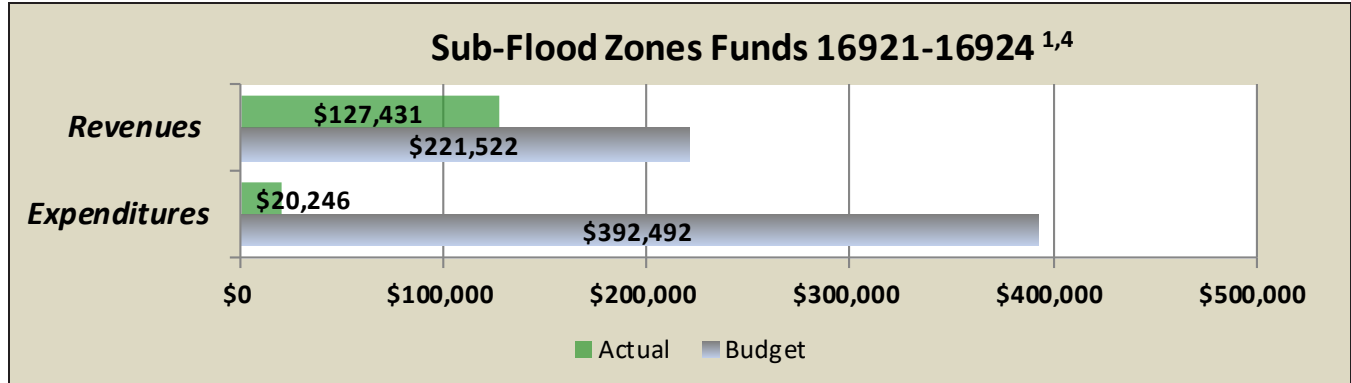
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>4</sup> Flood and Sub Zones expenditures are project driven which are dependent on factors such as permitting, fish windows, and state funding.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Special Revenue Funds and Other Funds, continued



Notes:

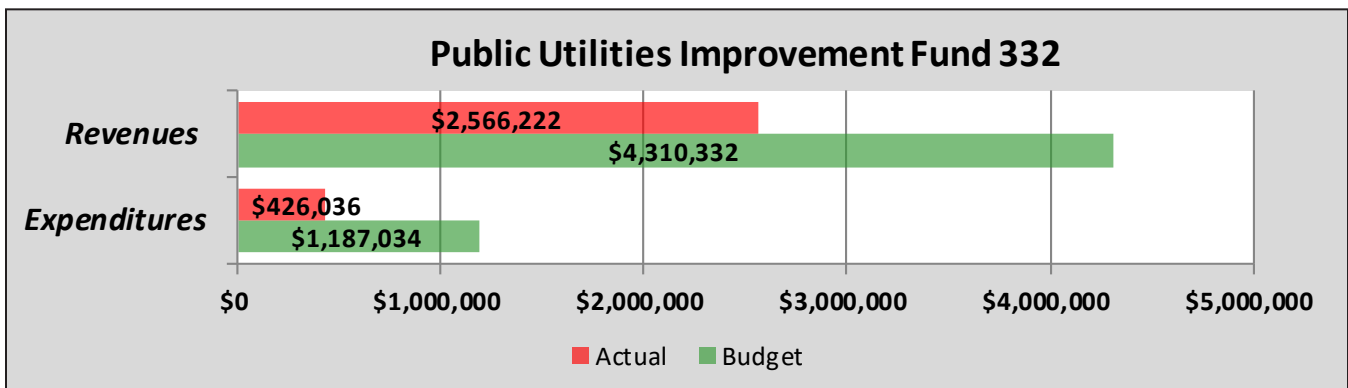
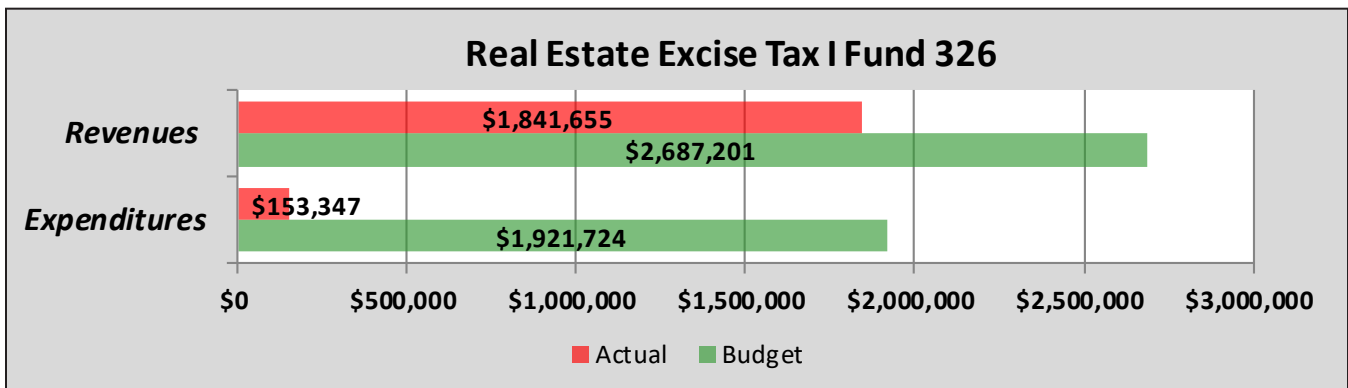
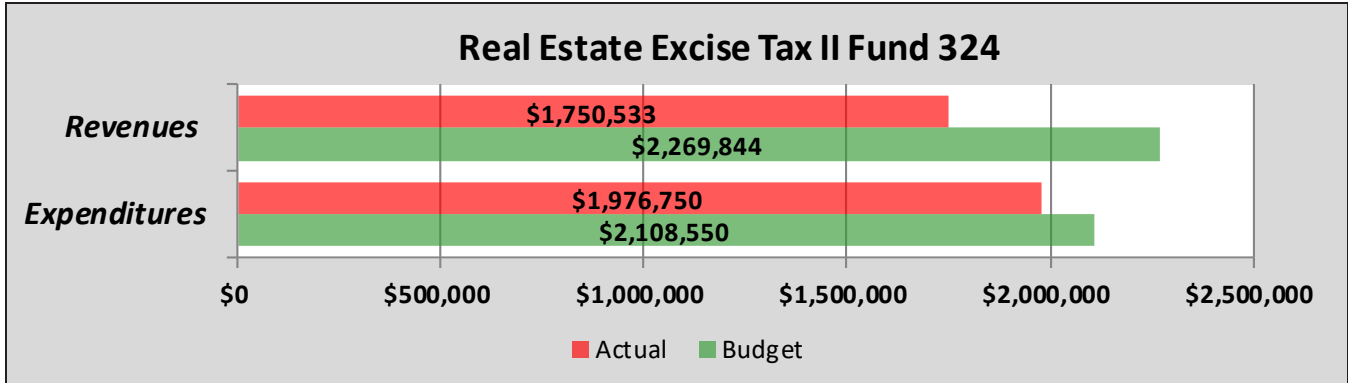
- <sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.
- <sup>4</sup> Flood and Sub Zones expenditures are project driven which are dependent on factors such as permitting, fish windows, and state funding.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Capital Project Funds

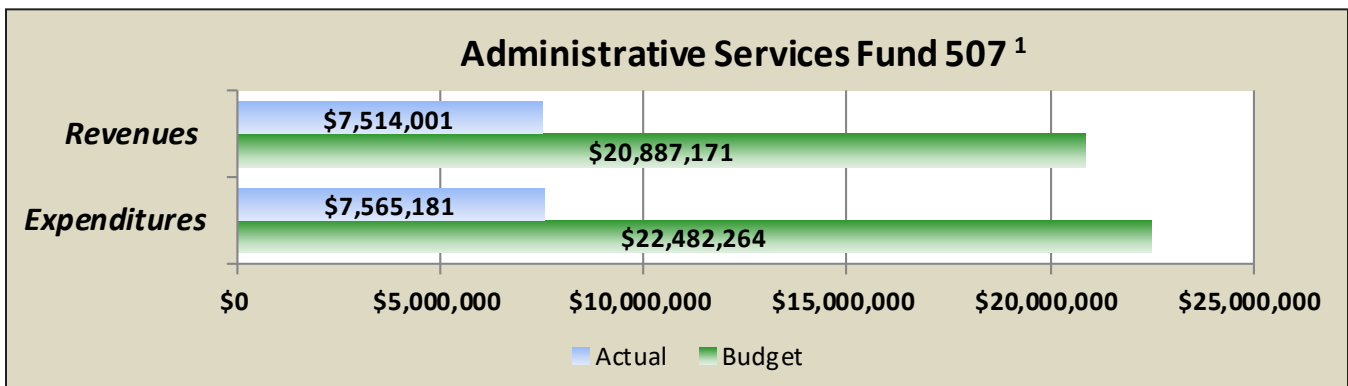
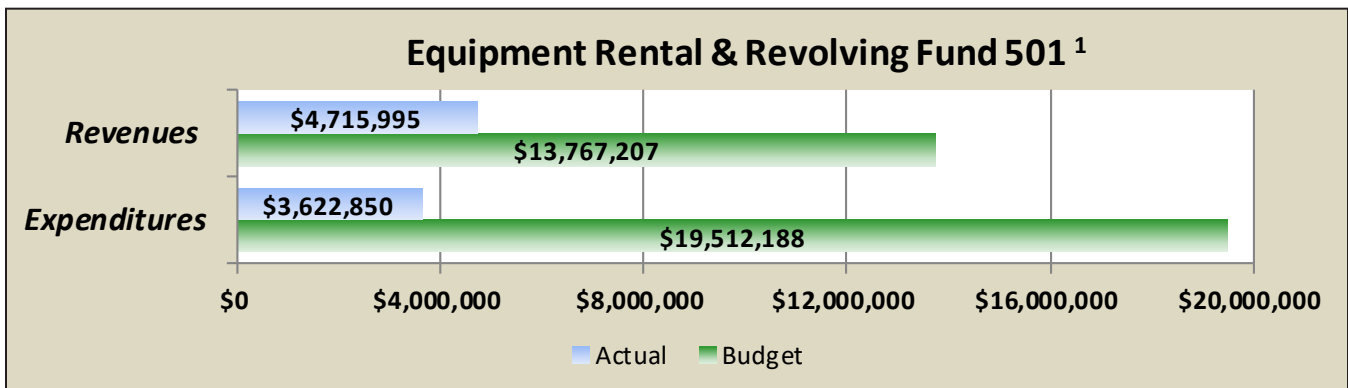
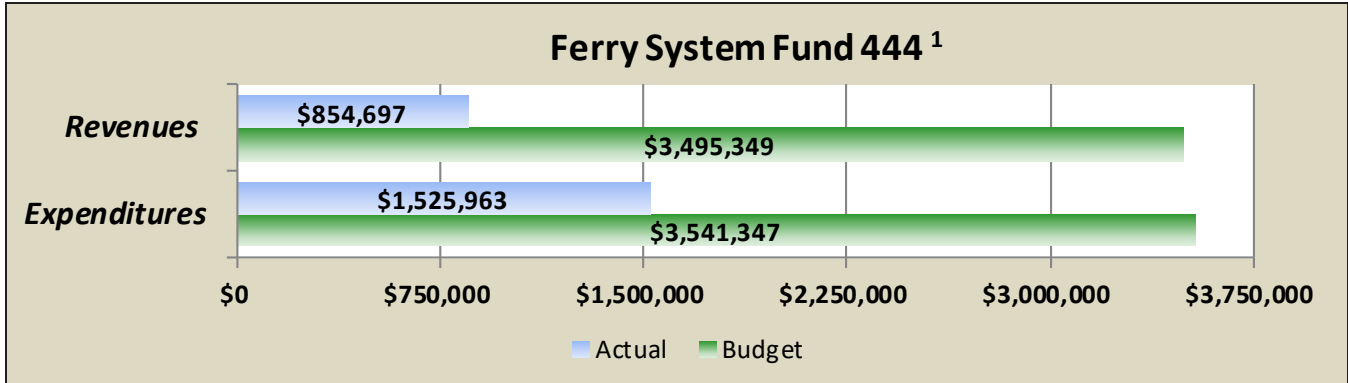


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Enterprise and Internal Service Funds



Note:

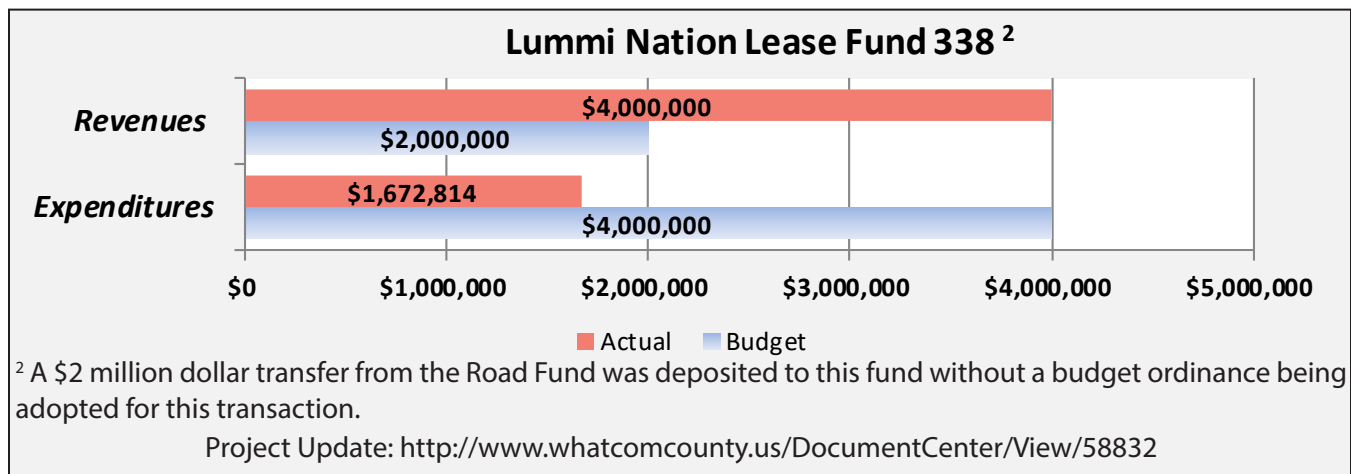
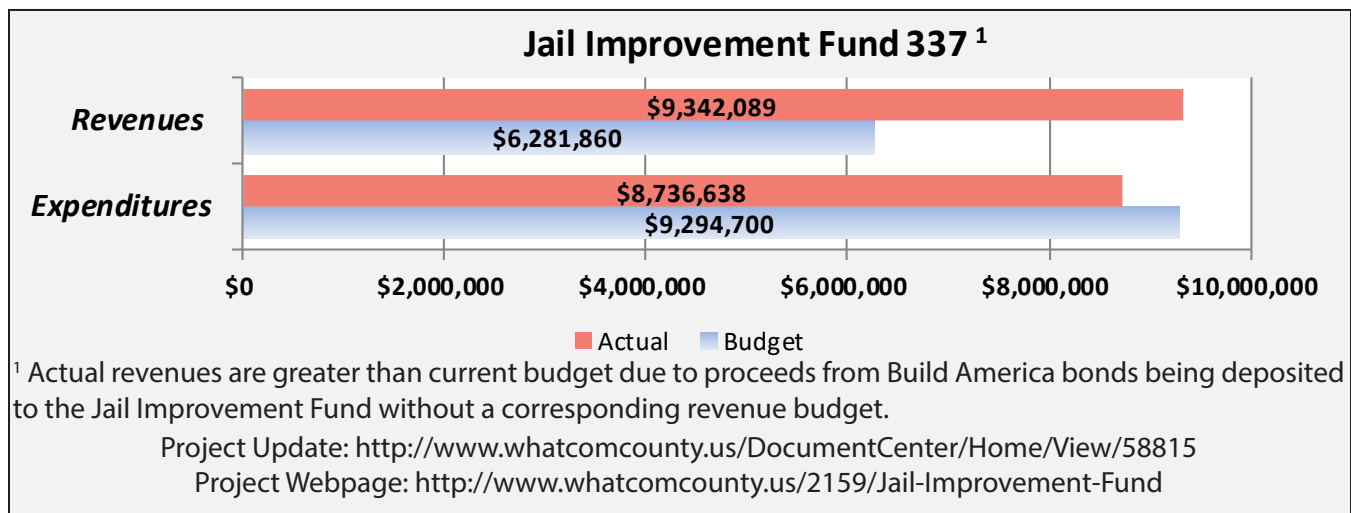
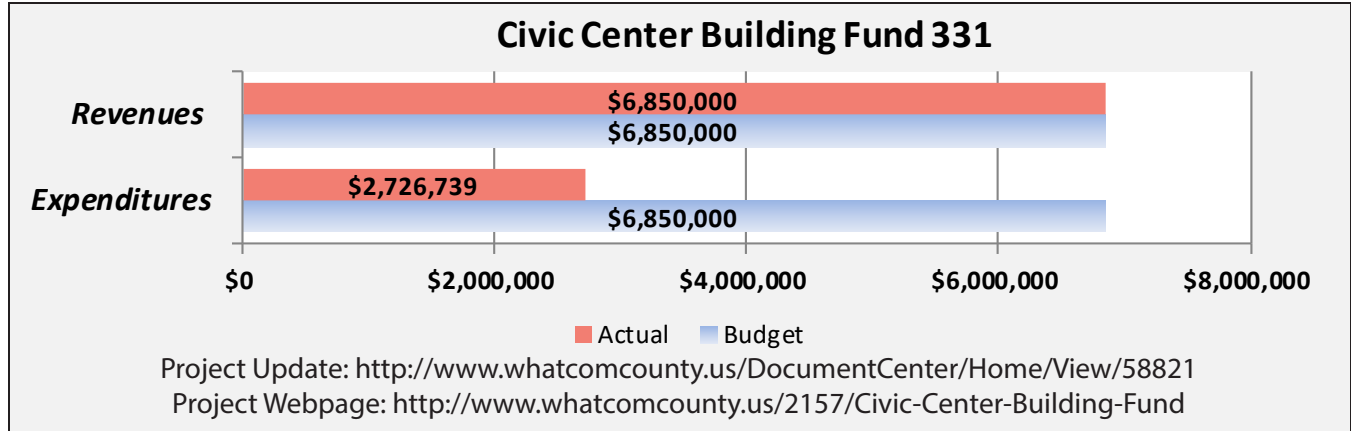
<sup>1</sup> Funds with larger expenditure budgets than revenue budgets anticipate adequate budget lapse or use of fund equity reserves.

# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds

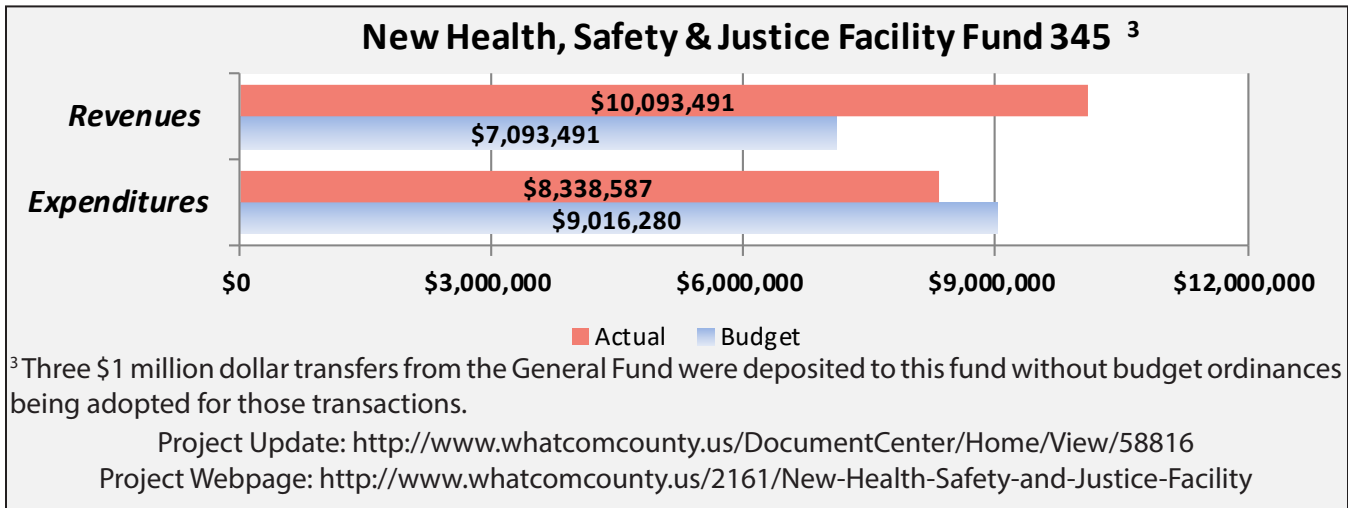
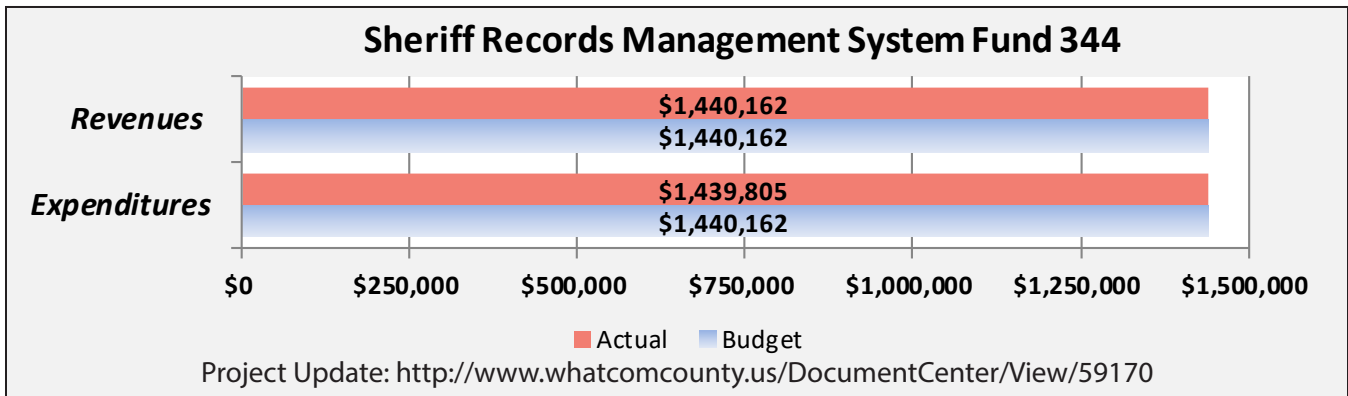
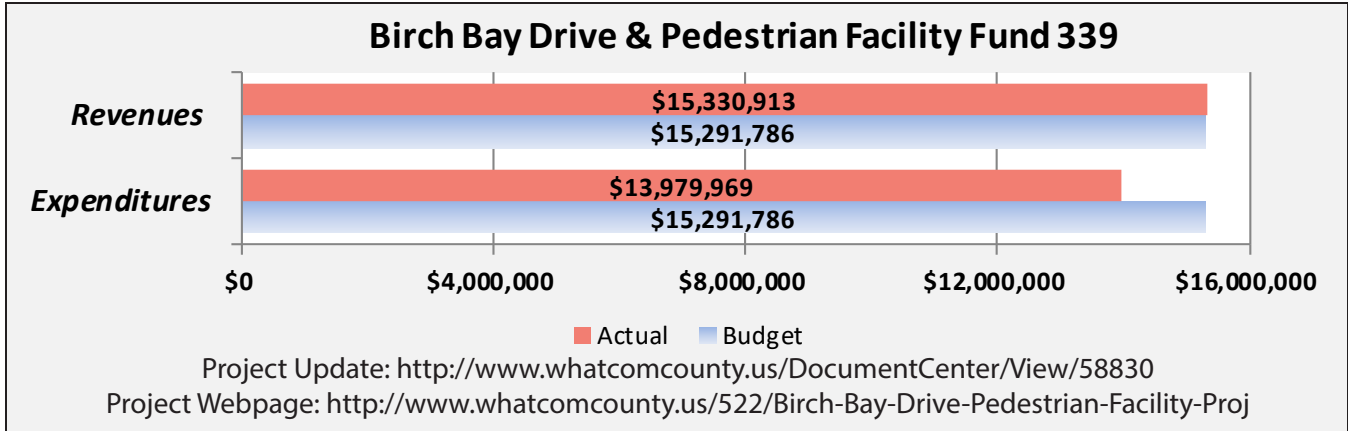


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued



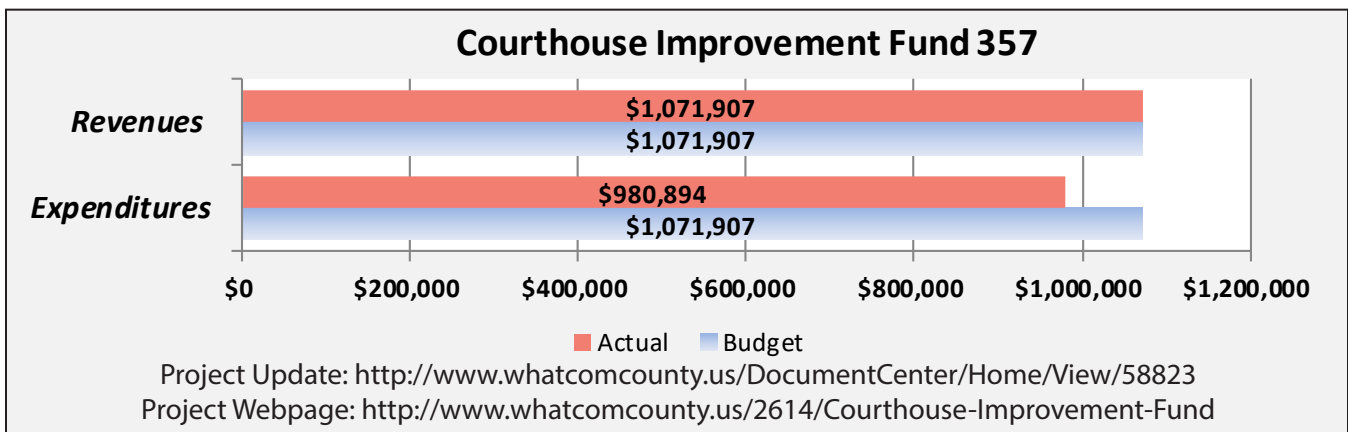
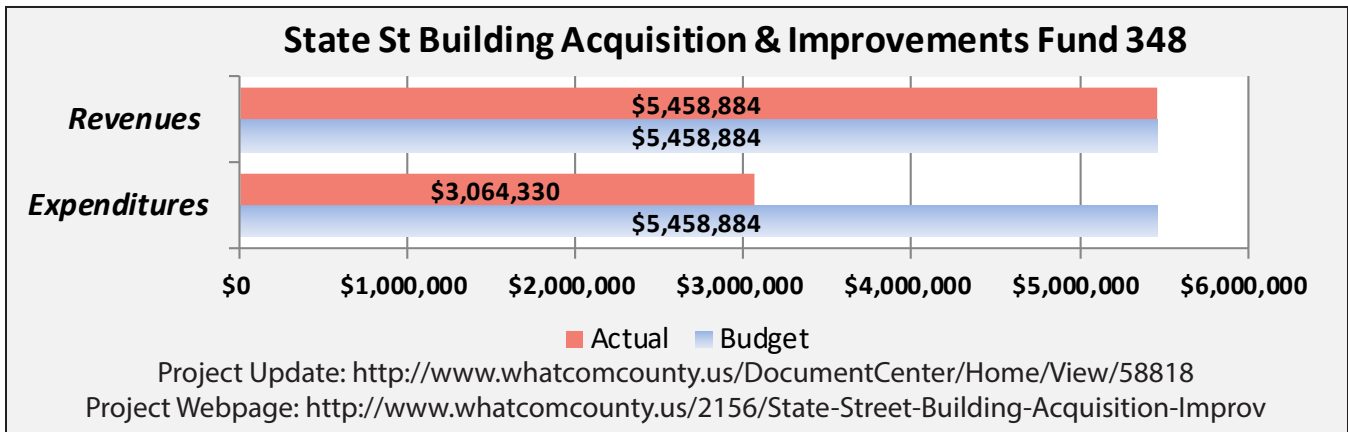
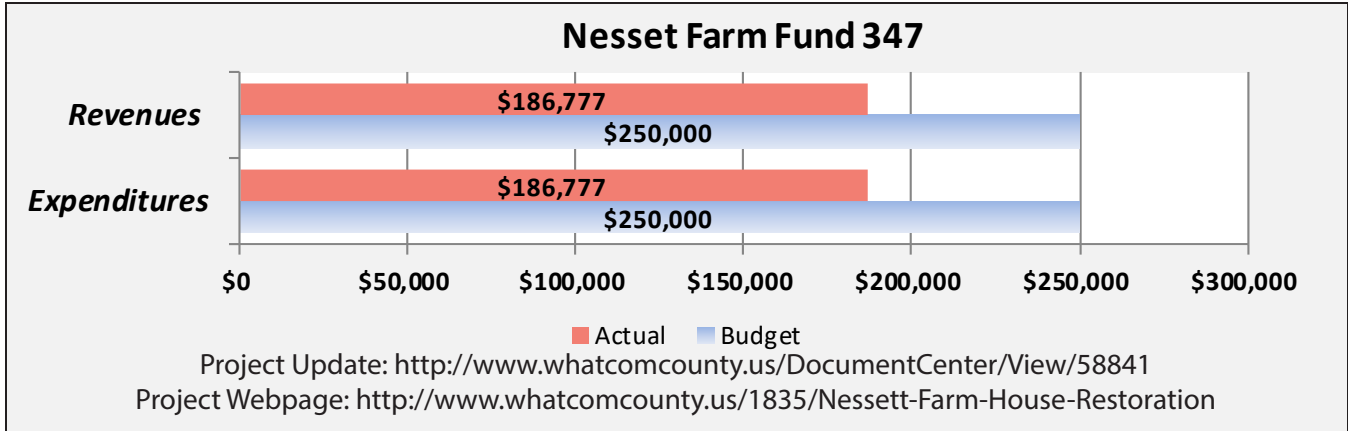


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

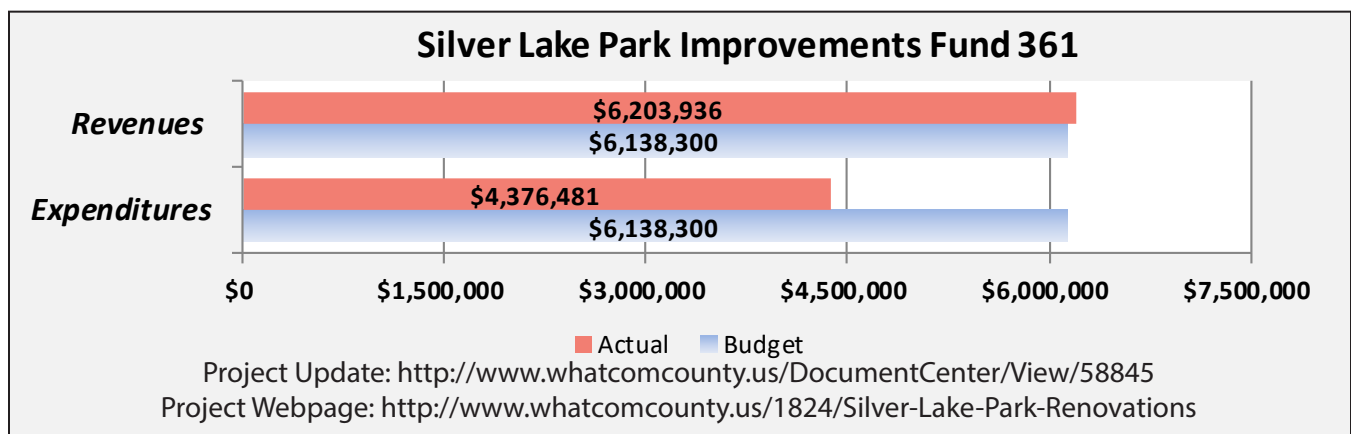
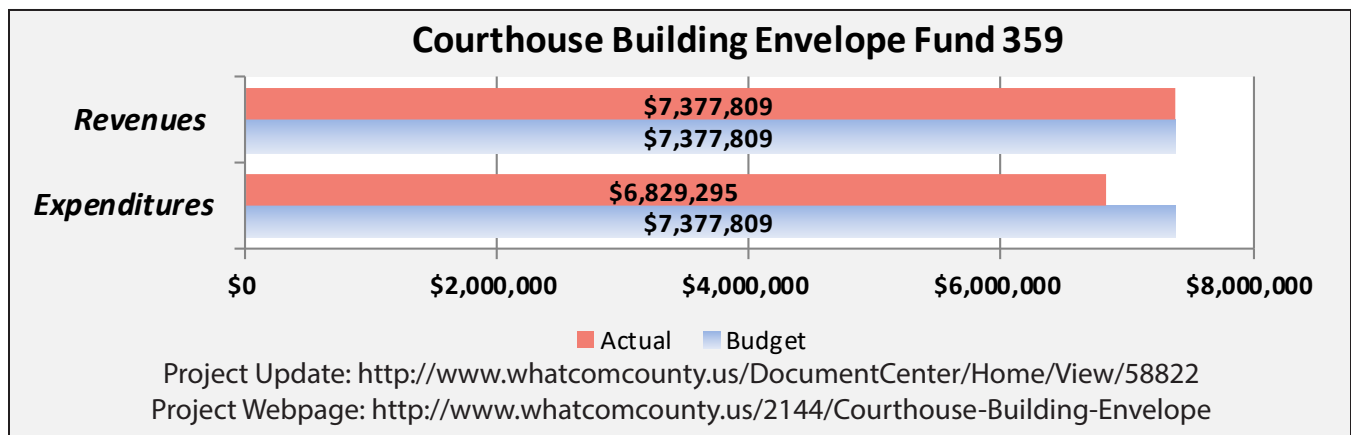
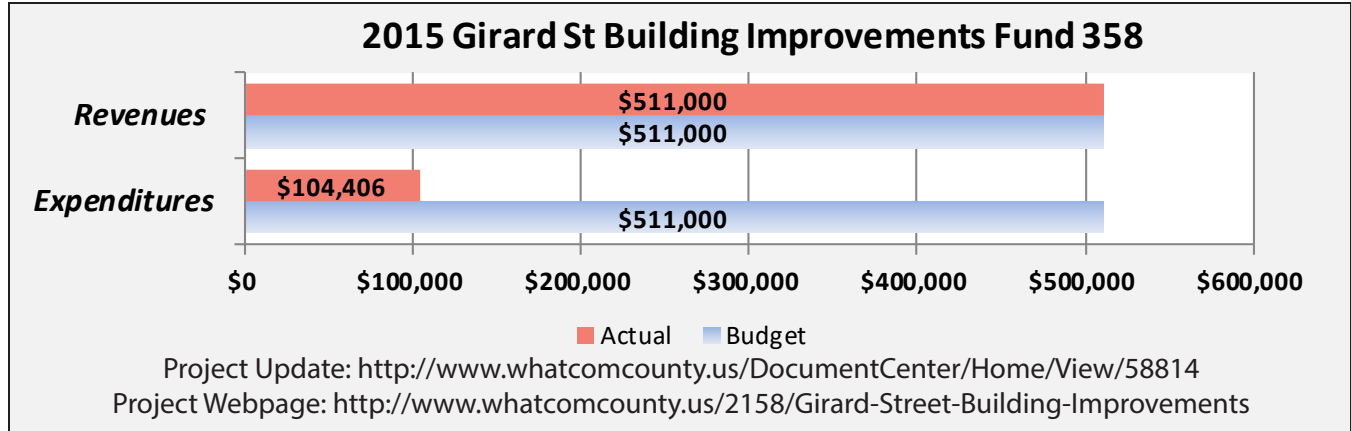


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

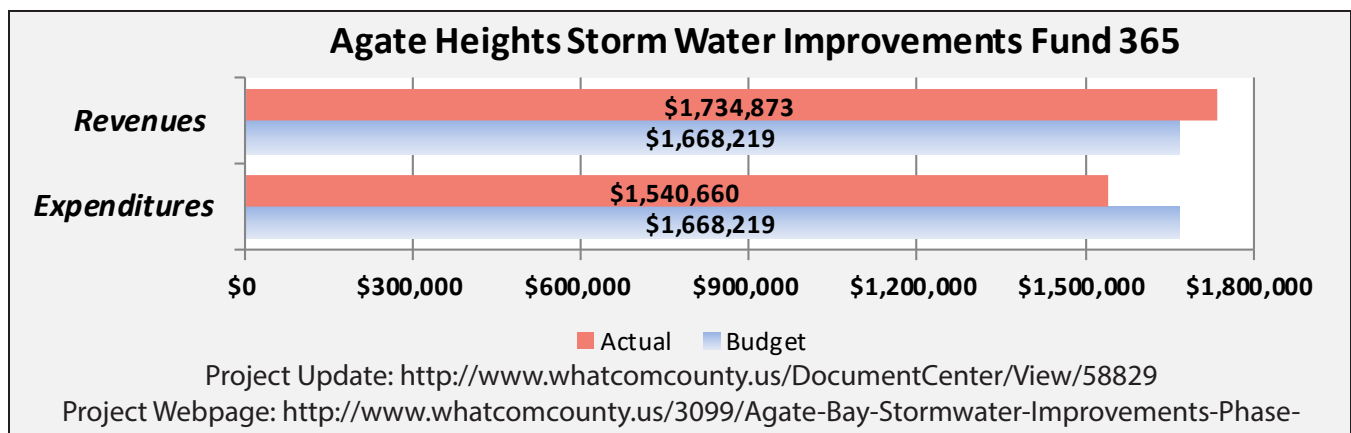
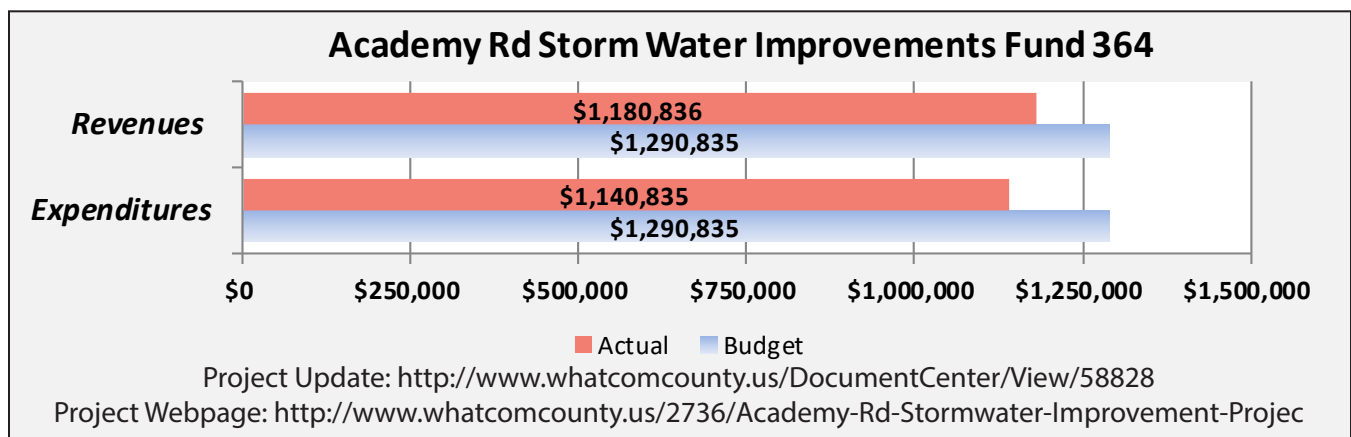
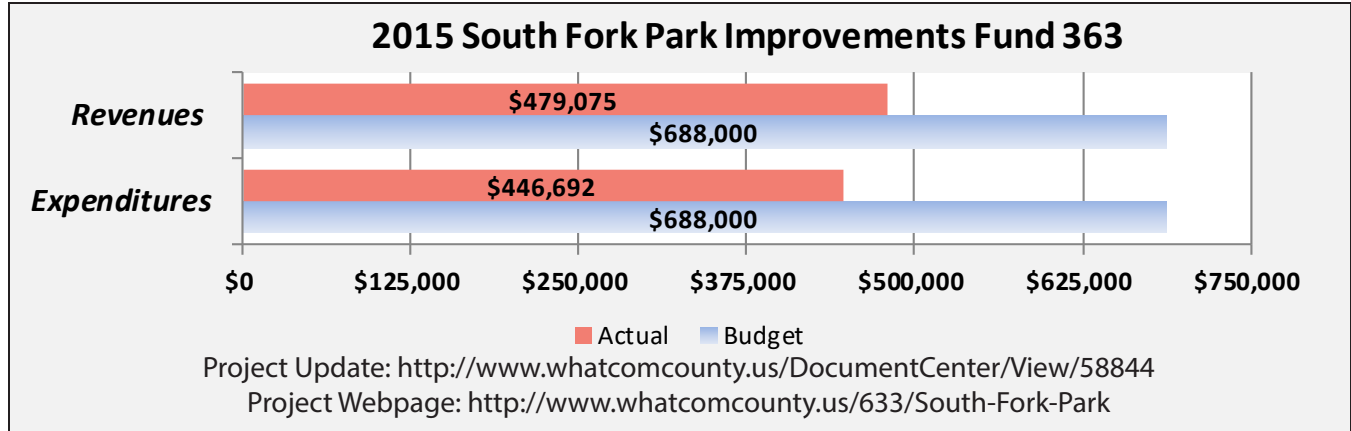


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

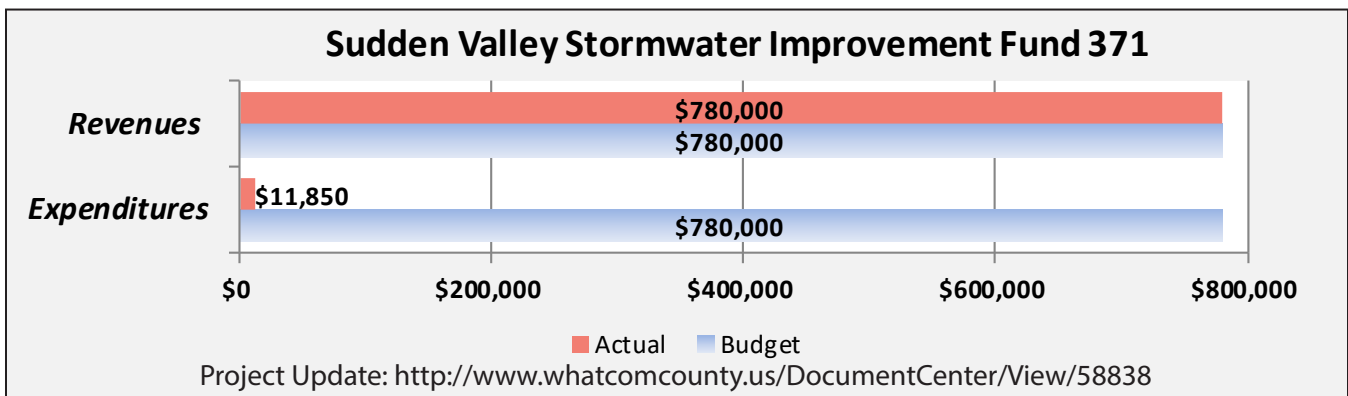
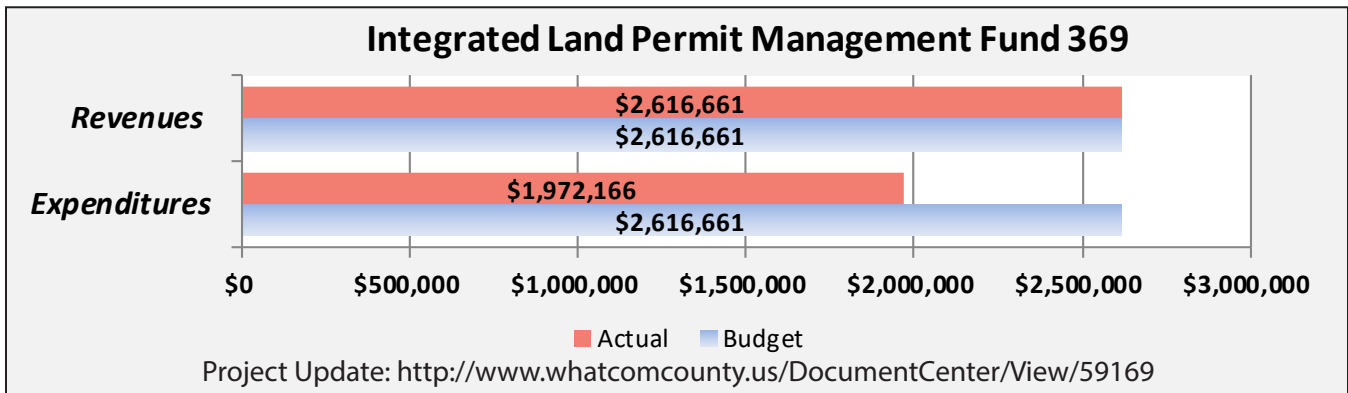
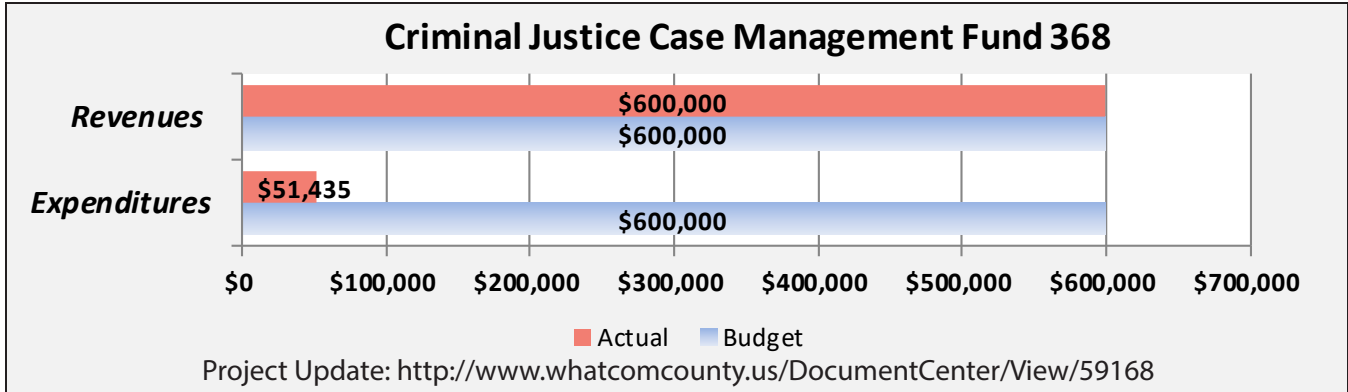


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

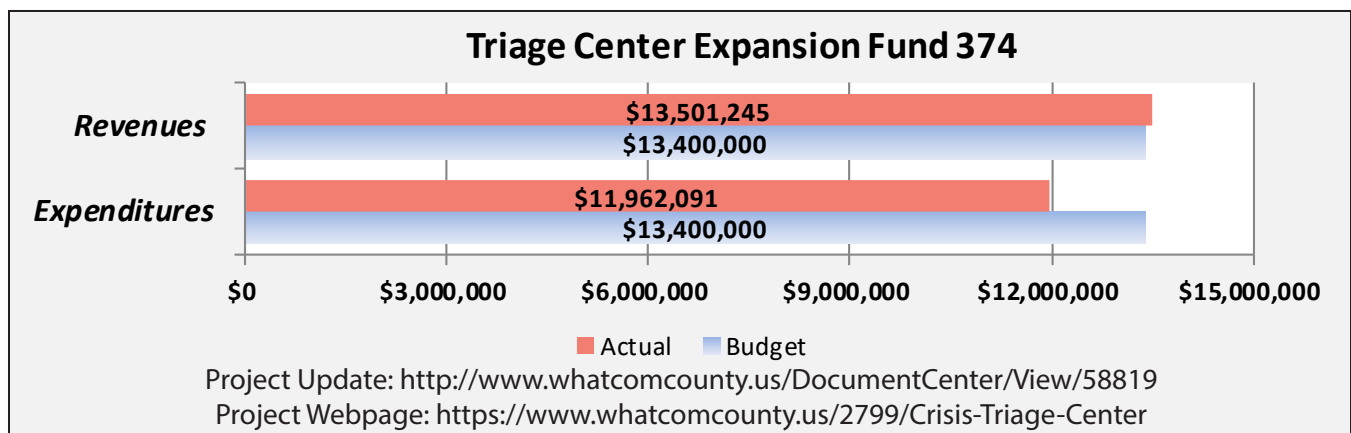
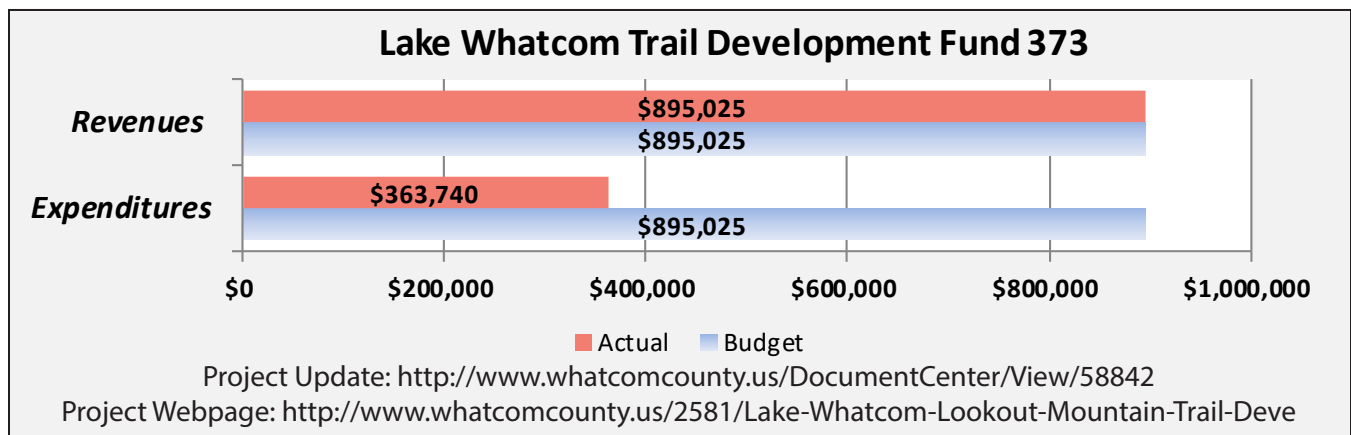
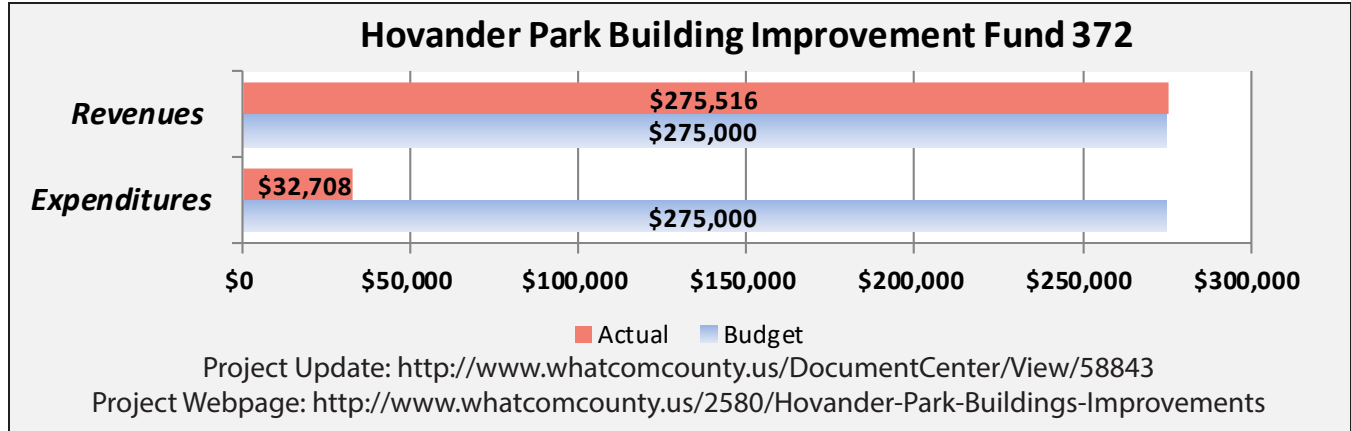


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

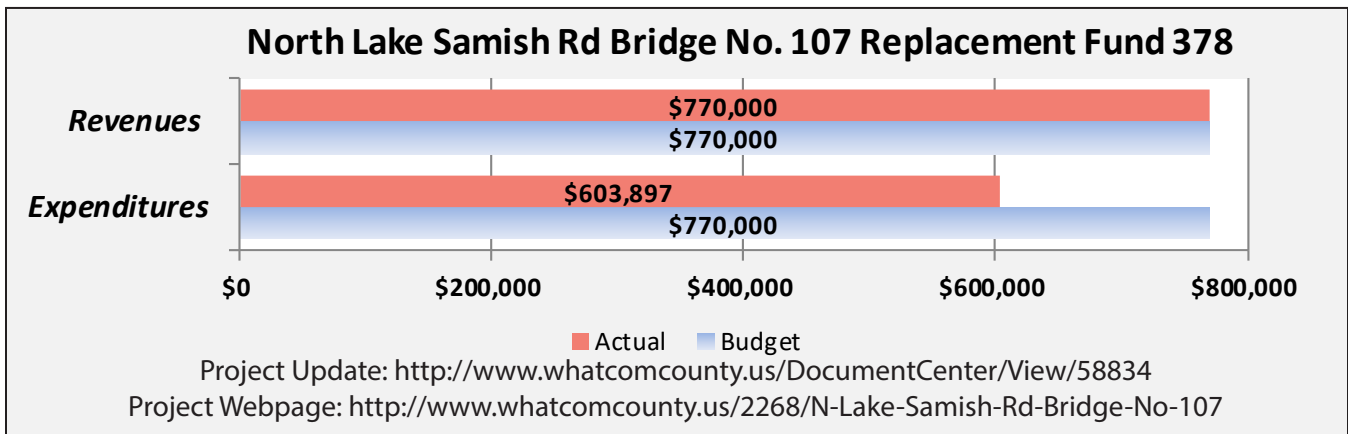
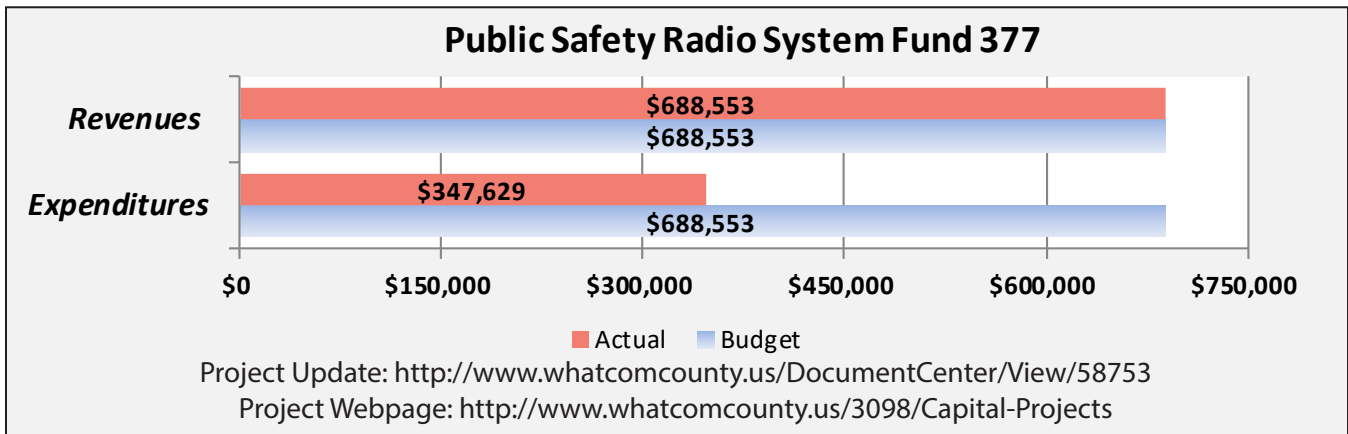
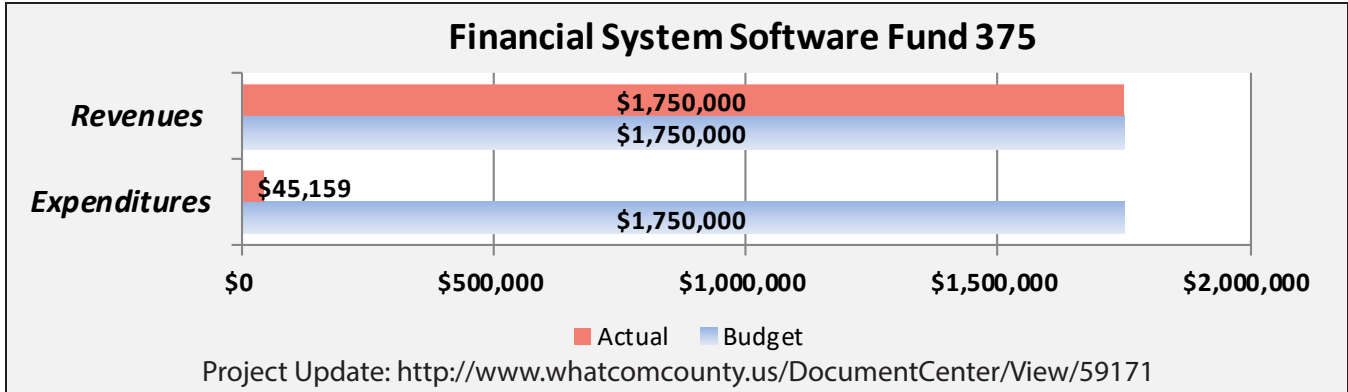


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

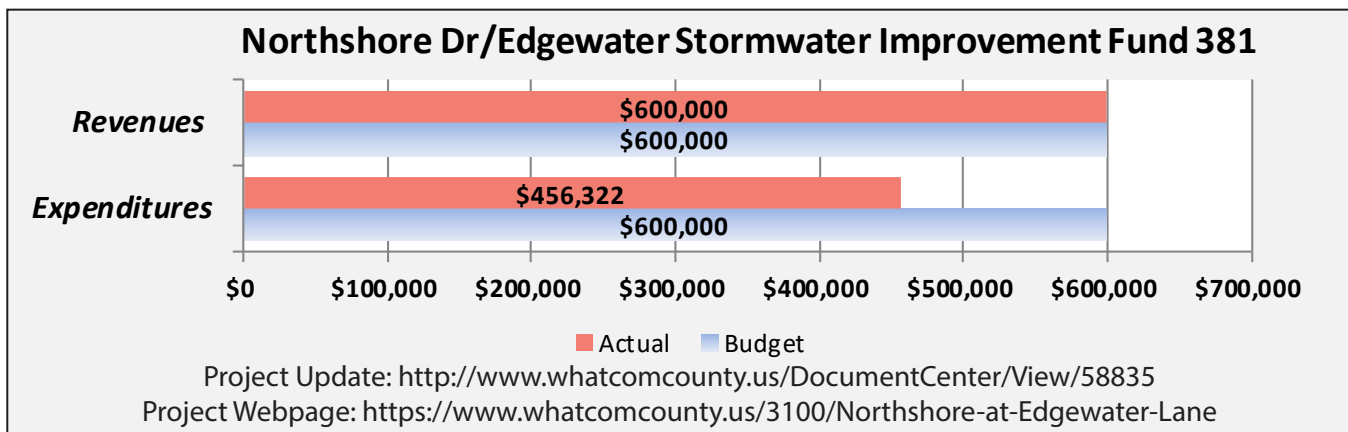
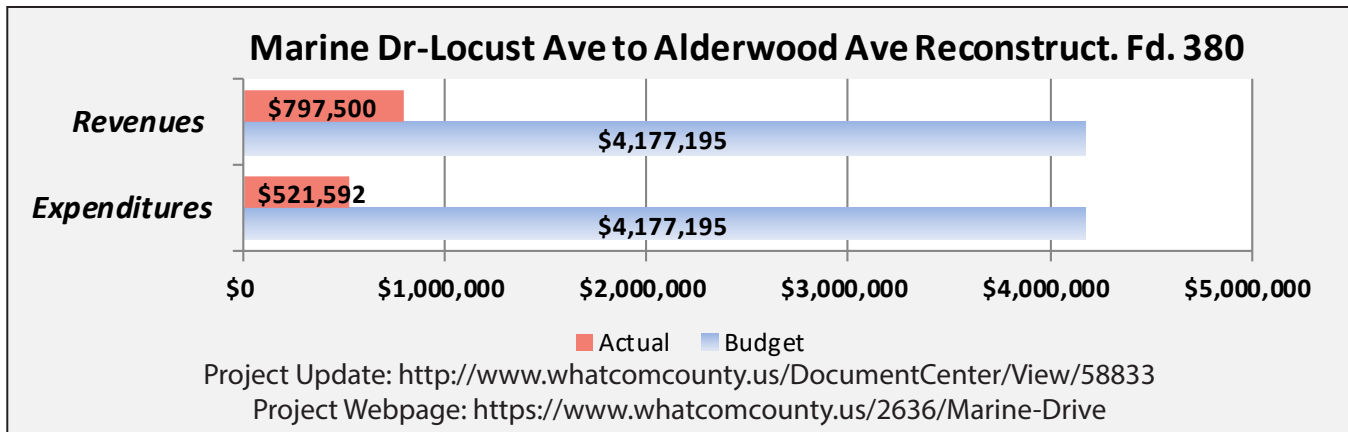
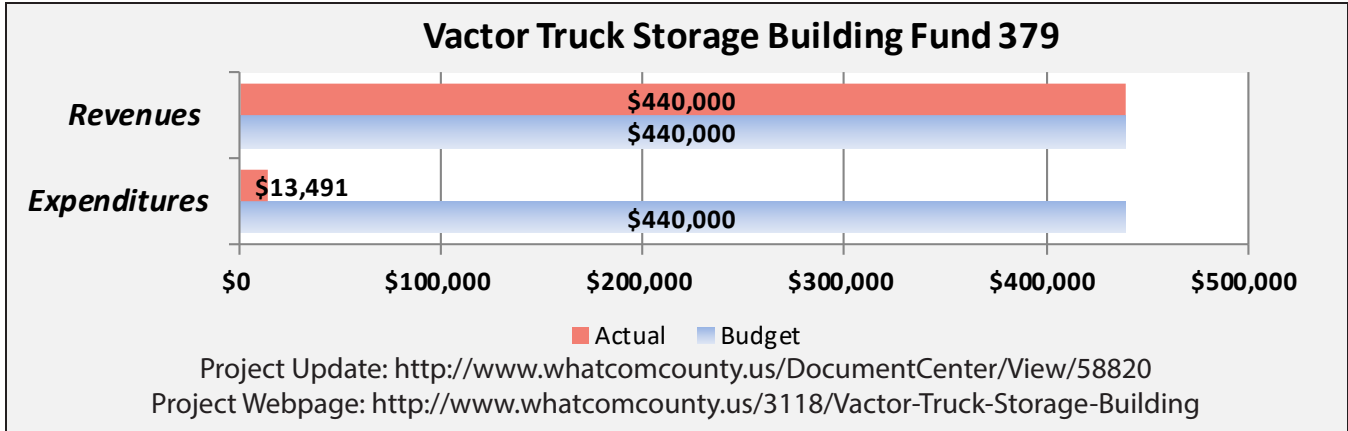


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

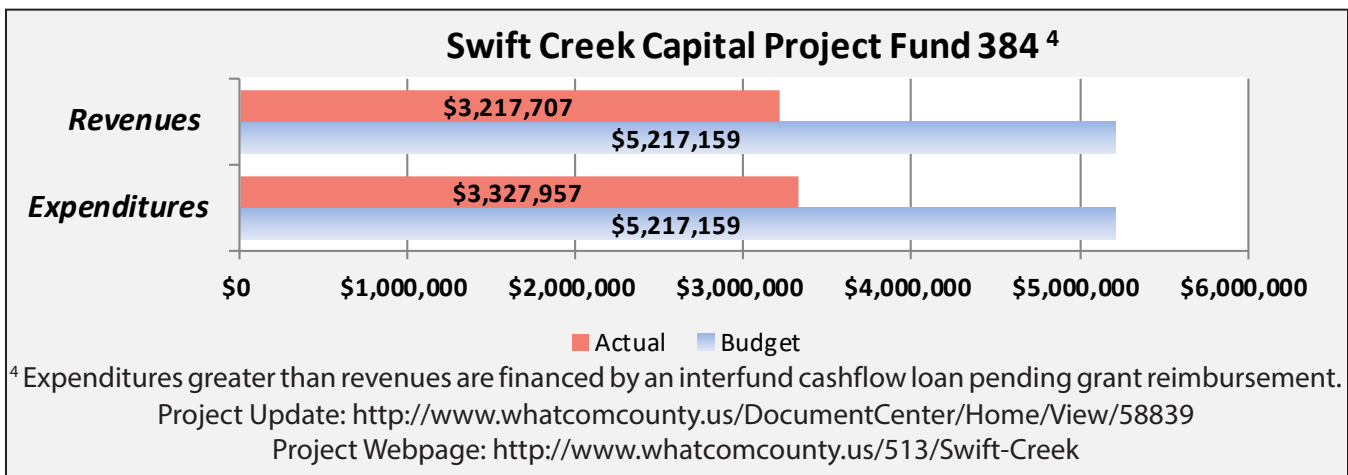
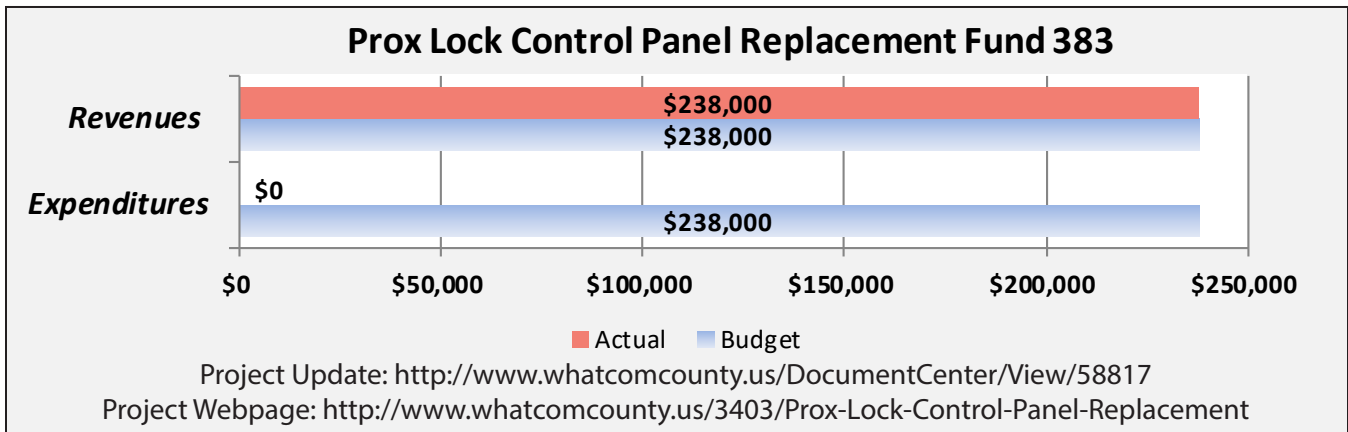
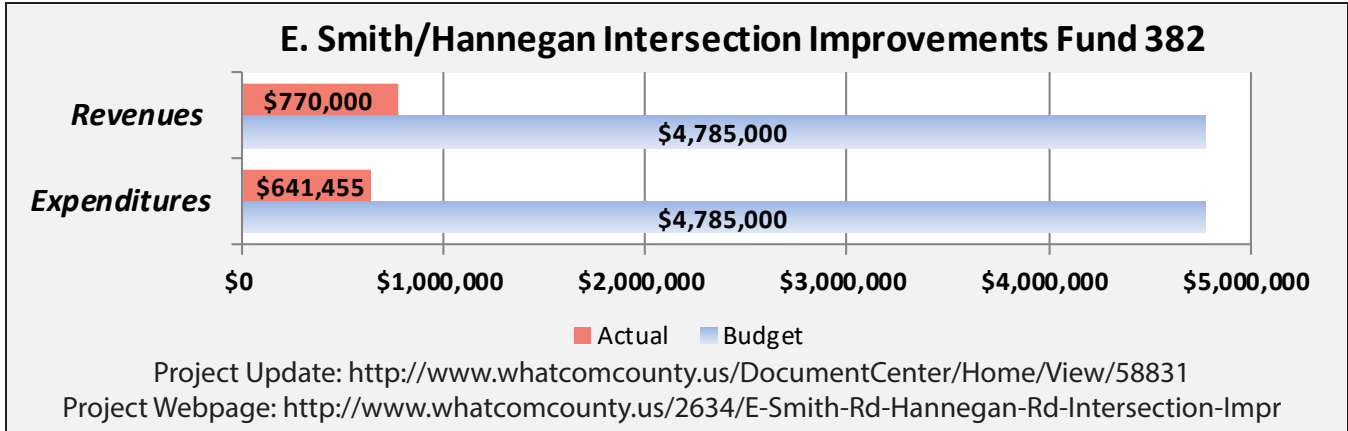


# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued





# Whatcom County Second Quarter 2021 Financial Report

For the Quarter Ended June 30, 2021



## Project Budget Funds, continued

