

Lake Whatcom Stormwater Utility

2020 Financial Report

Fund Overview

In December 2017, the Whatcom County Council established the Lake Whatcom Stormwater Utility (LWSU) Service Area (Ordinance 2017-076) under the authority of RCW 36.89. The Service Area includes the entire unincorporated (outside city limits) Lake Whatcom watershed. The purpose of this new stormwater utility is to provide additional funding for Whatcom County's efforts to clean up and protect Lake Whatcom water quality. The county's existing funding sources are not sufficient to meet current and future Lake Whatcom program needs to comply with state-mandated reductions in phosphorus and meet federal Clean Water Act requirements. In July 2019, County Council approved Ordinance No. 2019-053, establishing the utility rates.

Service Charge Rates

The LWSU rates are based on the amount of impervious surface on a parcel, such as pavement, gravel driveways and roofs that restrict water from soaking into the ground (Table 1). Fees for single-family residential properties are based on an average impervious area footprint calculated from a sample of residential properties in the service area. There are three rates for small, medium, and large impervious footprint tiers. Property owners may apply for a lower rate with documentation showing the actual impervious area on their property.

Fees for all other types of properties in the service area will be based on the measured amount of impervious area on the parcel divided by 4,200 square feet, the average amount of impervious area on a typical residential lot or equivalent service unit (ESU). Rates charged will be equal to the single-family residential medium impervious footprint at \$147.52/ESU starting in 2021 (50% of the annual fee was charged in 2020). Annual rates will vary greatly based on the amount of impervious surface on a parcel.

Table 1. LWSU Rate Structure

Impervious Footprint Tier	Annual Charge
Small Footprint less than or equal to 2,500 impervious square feet	\$110.64
Medium Footprint >2,500 – 8,400 impervious square feet	\$147.52
Large Footprint >8,400 impervious square feet	\$295.04

Fee Roll Process

The fee roll is developed every fall using multiple custom-designed Geographic Information Systems (GIS) and Access databases with the most recent aerial photography and assessor data available.

Reference Documents

For more information, read the *Lake Whatcom Stormwater Utility Fee Implementation Report* at www.whatcomcounty.us/2830/Lake-Whatcom-Stormwater-Utility.

Fund Balance

All money collected through the Lake Whatcom Stormwater Utility goes into a dedicated fund within Whatcom County government. That fund will only be used to cover expenses for the Lake Whatcom Stormwater Program and cannot be used for any other purpose.

Starting in 2021, the amount of money collected through the LWSU will be approximately \$820,000 per year. This is the amount of supplementary funds currently needed for Whatcom County to comply with permit requirements in the following Lake Whatcom Stormwater Program areas: capital project construction, capital project maintenance, outreach and education, homeowner incentives/residential retrofits, water quality monitoring, and administrative costs associated with managing the stormwater utility. Since the 2020 annual charge was 50% of the full rate, the amount collected in 2020 was approximately half the full amount (see Table 2). Once fully implemented, the utility will provide approximately 25% of the county's funding for Lake Whatcom management programs. The remainder will continue to come from other county-wide generated sources and grants. Total fund revenue, expenditures, and balance beginning in 2020 are summarized in Table 2 below.

Table 2. LWSU Fund Revenue, Expenditures, and Fund Balance since Inception

	2020
LWSU Revenue	
LWSU Fees	\$430,275
Interest	\$176
Total LWSU Revenue	\$430,451
LWSU Expenditures	
Total LWSU Expenditures	\$129,440
Net Income/(Loss)	\$301,011
End of Year Fund Balance	\$301,011

2020 Expenditures

LWSU expenditures for 2020 totaled **\$129,439.97**. Annual expenses are summarized by program area in Table 3 and Figure 1. Detailed expenses are listed in Table 4. The LWSU program is supported by Whatcom County Public Works Stormwater Division staff. In 2020, LWSU funds paid for approximately 50% of a natural resource specialist III position and 40% of a program specialist position. Salary and benefits for staff support are divided by program area. LWSU receives additional stormwater staff support from Whatcom County Public Works through other county funding sources.

Year-end financial data in this report were compiled February 1, 2021, and while not expected to change, the data are not final until the completion of the annual financial audit. Official financial records are maintained by Whatcom County separately from this report, which is provided for informational purposes only.

Table 3. Summary of 2020 LWSU Expenses by Program Area

2020 LWSU Program Areas	Total	Percent
Administration & Program Management/Development	\$29,631.29	23%
Capital Improvement Projects	\$85,000.00	66%
Maintenance & Small Works	\$0.00	0%
Tributary Monitoring	\$0.00	0%
Enhanced Education & Outreach	\$14,808.68	11%
Homeowner Incentive Program	\$0.00	0%
Total	\$129,439.97	100%

Figure 1. 2020 LWSU Expenditures

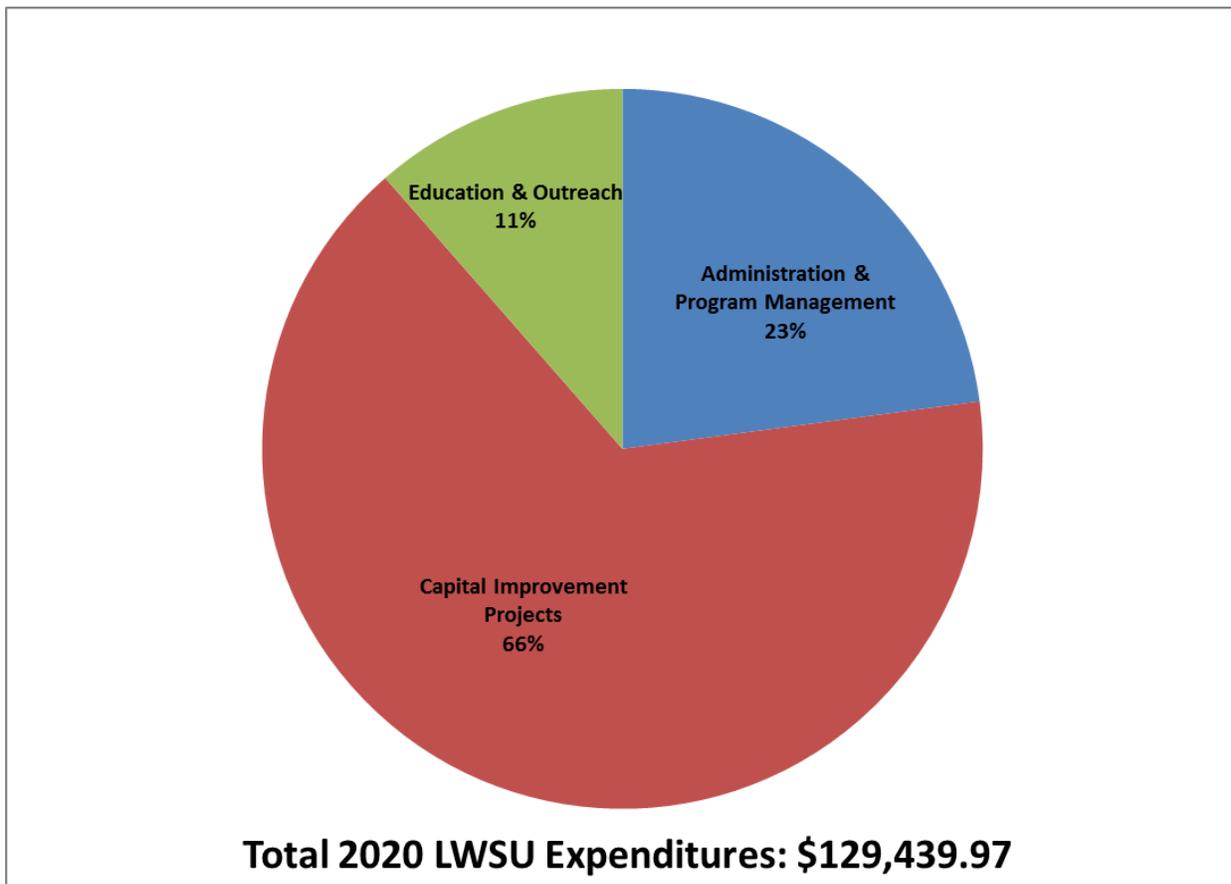


Table 4. Detailed 2020 LWSU Expenses by Program Area

2020 LWSU Program Area	Subtotal	Total
Administration & Program Management/Development		
Salary & Benefits	\$14,346.29	
Professional Services - Fee Roll	\$15,285.00	
<i>Subtotal</i>		\$29,631.29
Capital Improvement Projects		
Silver Beach Creek Phase 2 Design		\$85,000.00
Enhanced Education & Outreach		
Salary & Benefits	\$8,017.11	
Printing	\$3,575.64	
Postage	\$1,943.76	
Pet Waste Program Incentives/Supplies	\$1,072.17	
Septic System Maintenance Rebate	\$200.00	
<i>Subtotal</i>		\$14,808.68
Total 2020 LWSU Expenditures		\$129,439.97