



**Fourth  
Quarter  
2022  
Financial  
Report**

Satpal Singh Sidhu, County Executive

Compiled and Presented by the  
Administrative Services Department  
Finance Division

Brad Bennett, Finance Manager

April 10<sup>th</sup>, 2023

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Executive Summary

The following information presents Whatcom County's fourth quarter 2022 financial report. At the end of the fourth quarter the General Fund collected 99.1% of its budgeted revenues. Whatcom County's General Fund spent 89.7% of its budgeted expenditures. Revenues are \$930,000 more than 2021 amounts. Actual expenditures are \$2.5 million higher than 2021.

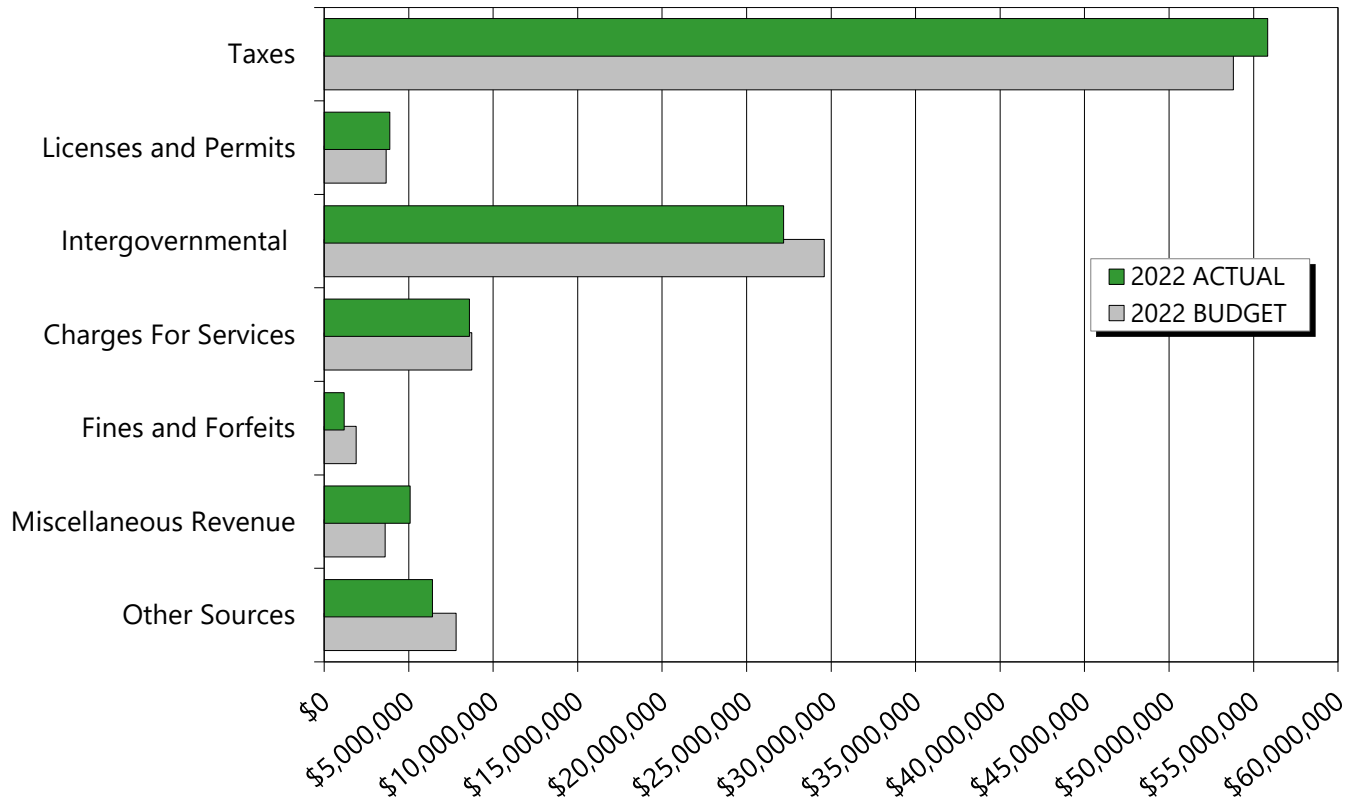
The current estimated 2022 General Fund ending fund balance is projected to be approximately \$26.4 million.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Revenue - Budget vs. Actual



	2022 Budget Adopted	2022 Budget Supp'ls	2022 Budget Amended	Actual as of 12/31/2022	% Collected to Date
Taxes	48,350,532	5,450,000	53,800,532	55,826,516	103.77%
Licenses and Permits	3,675,617	-	3,675,617	3,887,974	105.78%
Intergovernmental	16,608,418	12,992,865	29,601,283	27,195,419	91.87%
Charges For Services	8,516,746	227,322	8,744,068	8,593,234	98.28%
Fines and Forfeits	1,888,300	-	1,888,300	1,187,753	62.90%
Miscellaneous Revenue	3,127,054	485,560	3,612,614	5,082,525	140.69%
Other Sources	5,663,272	2,154,835	7,818,107	6,406,977	81.95%
<b>Total Revenue</b>	<b>87,829,939</b>	<b>21,310,582</b>	<b>109,140,521</b>	<b>108,180,398</b>	<b>99.12%</b>

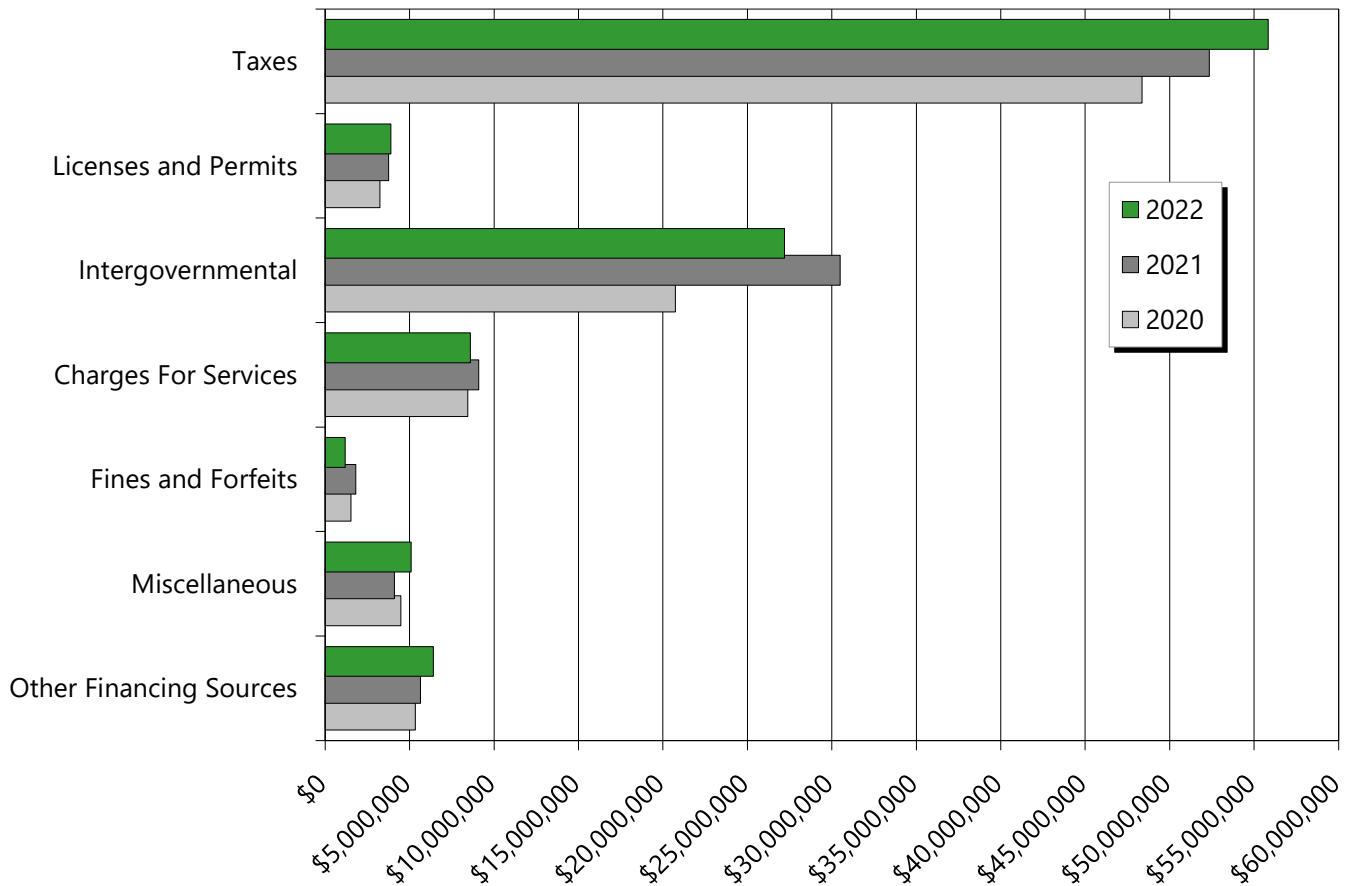
See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



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



	2020	2021	2022
Taxes	48,364,227	52,355,659	55,826,516
Licenses and Permits	3,248,717	3,755,048	3,887,974
Intergovernmental	20,733,149	30,490,721	27,195,419
Charges For Services	8,437,118	9,087,487	8,593,234
Fines and Forfeits	1,535,599	1,804,229	1,187,753
Miscellaneous	4,473,129	4,107,080	5,082,525
Other Financing Sources	5,342,291	5,647,852	6,406,977
<b>Total Revenue</b>	<b>92,134,230</b>	<b>107,248,076</b>	<b>108,180,398</b>

See pages 4 and 5 for General Fund Revenue Notes.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Revenue Notes

### Taxes

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

Taxes are up \$3,470,858, or 6.6% over 2021. Property tax revenues are \$354,514 more than 2021 amounts. Property tax collections vary from year to year based on new construction added to the tax rolls and collection of delinquent payments. There were no property tax rate increases in 2022. Current year sales tax collections are up 13.86%, or \$2,957,830, as compared to last year's collections. As prices go up due to inflation, the sales taxes collected also proportionately increase. The County has also been benefiting from building and trade activities, as well as 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 \$132,927, or 3.5%, more than amounts collected in 2021. Modest increases are noted in restaurant & food handling, living environment, building, and franchise fee revenues. Modest decreases are noted in on-site septic and firearms permits.

### Intergovernmental Revenue

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

Revenues collected as of year-end are about \$3.3 million or 10.8% lower than 2021. The majority of that decrease is due to \$3.9 million less revenue received from COVID-related grants than in 2021. Other significant variances include a 2021 law enforcement legislative subsidy was not repeated in 2022 (\$883,000), increases in Law Enforcement Assisted Diversion (LEAD) Program federal funding (\$696,000), and an increase from the state in Foundation of Public Health Services funding (\$835,000).

### 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 had a decrease of \$494,253, or 5.4%, less than 2021. Auditor recording and licensing fee revenues have decreased \$446,403, or 17.5%, below 2021 due to rising interest rates. Other fee revenue categories show modest fluctuations including real estate excise tax processing fees down \$87,000, municipal probation contracts up \$96,000 and probation payments from individual participants down \$94,000.

### 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.*

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Revenue Notes, continued

Fines and Forfeits revenues have decreased \$616,473, or 34.2%, below 2021 amounts. District Court fines and penalties have decreased \$334,063, or 35.7% below 2021. Traffic infraction filings have dropped from 9,205 filed in 2021 versus 5,561 filed in 2022. The drop is due to state legislative changes concerning use-of-force statutes and vacancies in the Sheriff's Office. In addition, Treasurer penalties on delinquent taxes have fallen \$282,155, or 34.5% below 2021 amounts.

### 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 \$975,446, or 23.75%, over 2021 amounts. Investment earnings are up \$1,035,911, due to increasing interest rates on current investments. Property tax interest on delinquent taxes is down \$114,404. Rents and royalties, mainly from Parks' cabin and campsite rentals, are up \$113,484. Other miscellaneous revenues and donation accounts are down a total of \$110,627.

### 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%).*

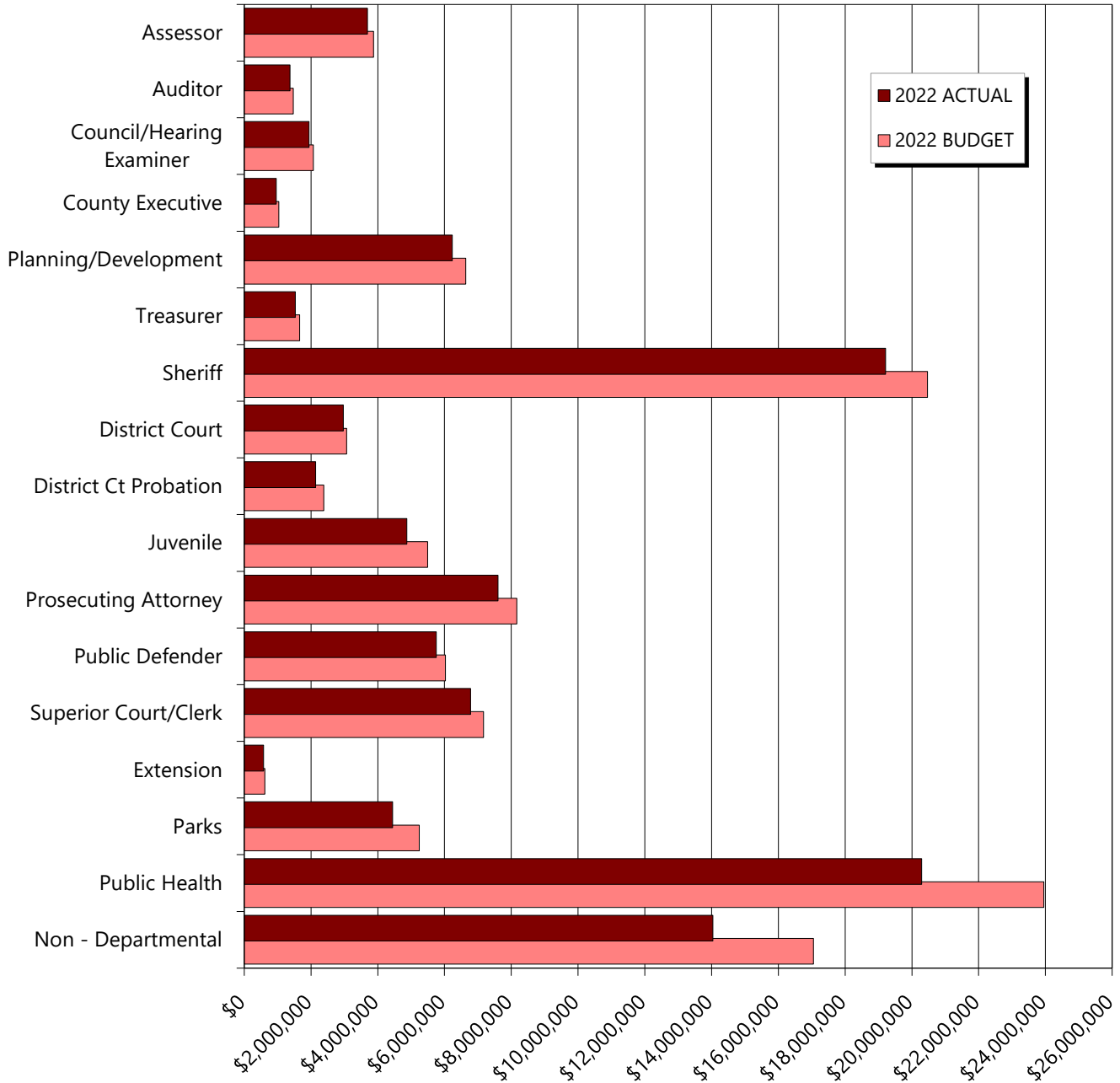
The Other Financing Sources category is up \$759,126, or 13.4%, over 2021. The increase is mainly due to transfers from the American Rescue Plan Act Fund to pay for criminal justice positions added to handle COVID-related court backlogs.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Expenditures - Budget vs. Actual



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

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Expenditures - Budget vs. Actual

	2022 Adopted Budget	2022 Budget Supp'ls	2022 Amended Budget	Actual as of 12/31/22	% Expended to Date
Assessor	3,516,691	355,173	3,871,864	3,691,065	95.33%
Auditor	1,348,960	118,035	1,466,995	1,370,723	93.44%
Council/Hearing Exam.	1,784,157	287,187	2,071,344	1,942,543	93.78%
County Executive	873,345	159,859	1,033,204	960,089	92.92%
Planning & Development	5,826,648	806,935	6,633,583	6,235,497	94.00%
Treasurer	1,641,611	17,127	1,658,738	1,530,626	92.28%
Sheriff	18,628,448	1,841,420	20,469,868	19,211,310	93.85%
District Court	2,801,166	268,199	3,069,365	2,971,256	96.80%
District Court Probation	2,382,341	3,994	2,386,335	2,138,411	89.61%
Juvenile	5,357,748	133,664	5,491,412	4,873,348	88.74%
Prosecuting Attorney	7,163,118	1,005,270	8,168,388	7,600,892	93.05%
Public Defender	4,763,945	1,266,261	6,030,206	5,754,585	95.43%
Superior Court/Clerk	6,233,761	933,711	7,167,472	6,783,505	94.64%
Extension	561,383	57,423	618,806	576,233	93.12%
Park	4,571,892	673,328	5,245,220	4,447,079	84.78%
Public Health	15,003,873	8,950,436	23,954,309	20,290,837	84.71%
Non - Departmental	13,520,480	3,533,779	17,054,259	14,039,742	82.32%
<b>Total General Fund Exp</b>	<b>95,979,567</b>	<b>20,411,801</b>	<b>116,391,368</b>	<b>104,417,741</b>	<b>89.71%</b>

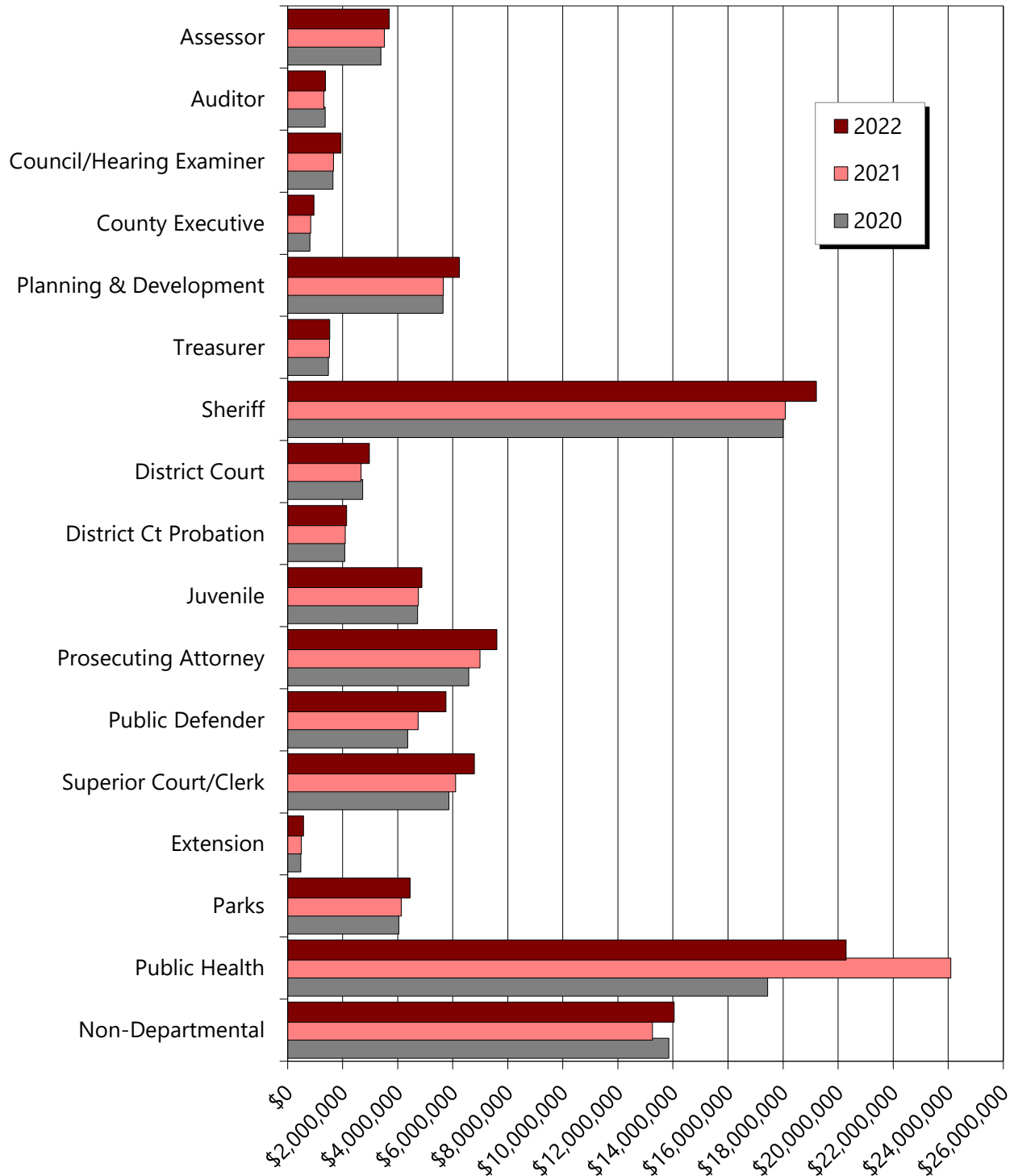
See page 9 for General Fund Expenditure Notes.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Expenditures - Compared to Prior Years



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

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Expenditures - Compared to Prior Years

	2020	2021	2022
Assessor	3,388,513	3,512,650	3,691,065
Auditor	1,367,248	1,311,461	1,370,723
Council/Hearing Examiner	1,642,254	1,664,433	1,942,543
County Executive	807,495	834,565	960,089
Planning & Development	5,650,629	5,656,444	6,235,497
Treasurer	1,481,416	1,520,634	1,530,626
Sheriff	18,001,501	18,085,182	19,211,310
District Court	2,729,047	2,667,686	2,971,256
District Ct Probation	2,077,964	2,090,954	2,138,411
Juvenile	4,720,166	4,752,605	4,873,348
Prosecuting Attorney	6,581,330	6,989,197	7,600,892
Public Defender	4,365,956	4,737,102	5,754,585
Superior Court /Clerk	5,855,045	6,106,436	6,783,505
Extension	480,294	496,061	576,233
Parks	4,036,083	4,131,188	4,447,079
Public Health	17,442,358	24,091,571	20,290,837
Non-Departmental	13,845,213	13,259,525	14,039,742
<b>TOTAL</b>	<b>94,472,512</b>	<b>101,907,694</b>	<b>104,417,741</b>

### General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of the fourth quarter were 89.7% of the approved budget. All departmental spending was within budget expectations. Five departments spent less than 90% of their budgets.

District Court Probation, at 89.6% spent, lapsed significant amounts of contract services budget related to the Domestic Violence Perpetrators Opportunity for Treatment Services Program, as well as 25% of the budget designated for the Electronic Home Detention Program.

Juvenile, at 88.7% spent, lapsed funding due to unused contractual services budget and staff turnover.

Parks spent 84.8% of its budget with lapse due to staff turnover and corresponding unfinished projects.

Health Department spent 84.7% of its budget with \$1.5 million of lapse in Community Services Division due to staff vacancies and lapse in contracted services from expiring programs and program expansions which were not completed. Another \$1.8 million in Communicable Disease Division was due to less funding needed for TB treatment in 2022, as well as suspension of COVID-19 activities.

Non-Departmental, expenditures not assigned to any specific department, spent only 82.3% of its budget. This was due to large lapses in pass-through grant program contracts to other agencies, a delay in the implementation of the Assessor – Treasurer System upgrade, and a climate action position funded by the General Fund still vacant as of year-end.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## General Fund Conclusion

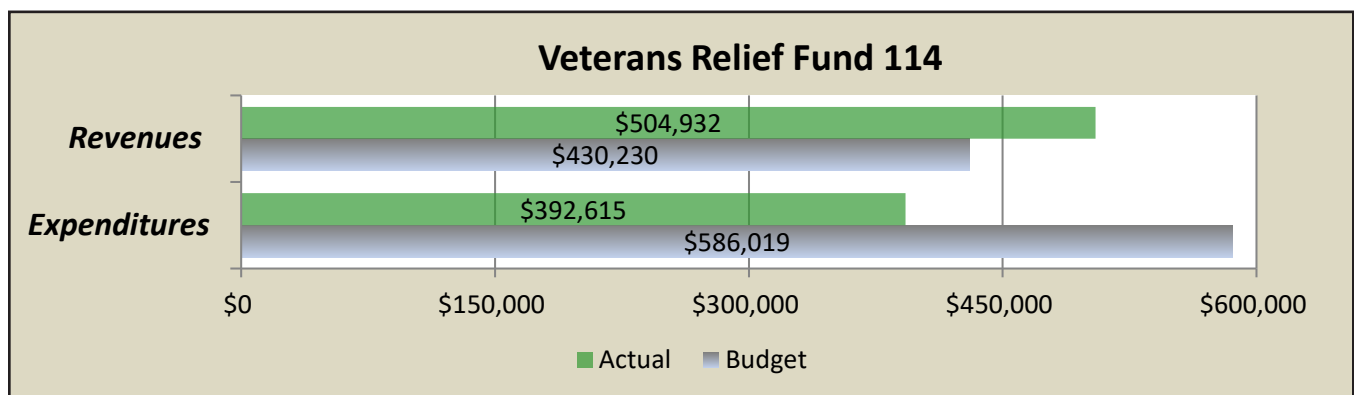
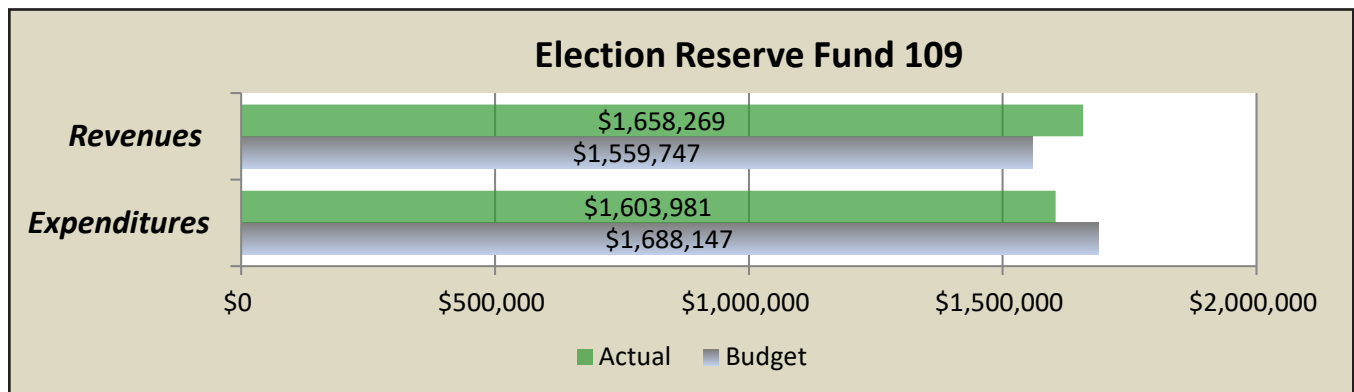
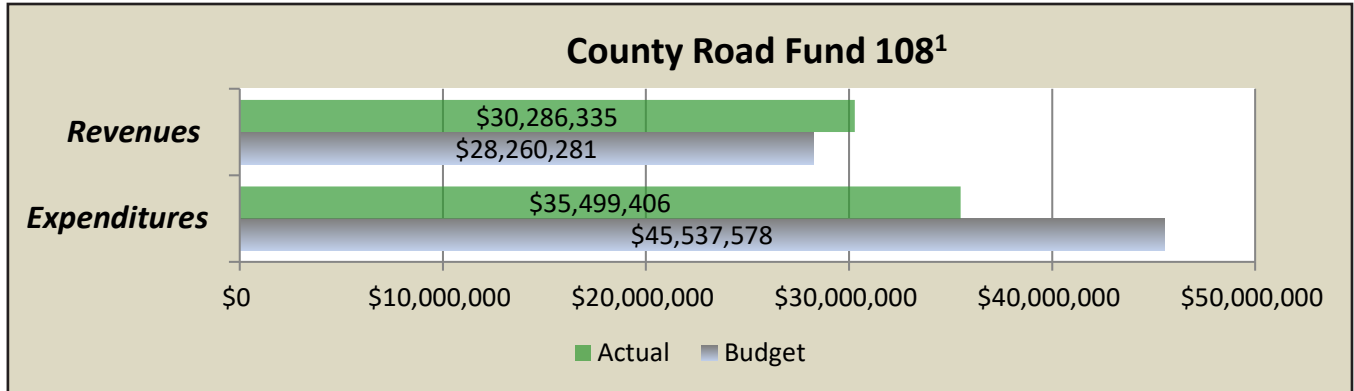
	<b>Projected</b>
<b>Beginning Fund Balance 1/1/22</b>	<u>24,141,180</u>
<b>Revenues</b>	
Budgeted Revenues 2022	87,829,939
Continuing Appropriations from 2021	1,213,465
Supplemental Budgets 2022	20,097,117
Adjustment to Actual Revenues Collected	(960,000)
Accounting Adjustments for Financial Reporting Purposes	740,160
<b>Total Revenue</b>	<u><b>108,920,681</b></u>
<b>Expenditures</b>	
Budgeted Expenditures 2022	95,979,567
Continuing Appropriations from 2021	1,601,878
Supplemental Budgets 2022	18,809,923
Adjustment to Actual Spending	(12,000,000)
Accounting Adjustments for Financial Reporting Purposes	2,224,264
<b>Total Expenditures</b>	<u><b>106,615,632</b></u>
<b>Expected Surplus (Deficit)</b>	<u><b>2,305,049</b></u>
<b>Projected Ending Fund Balance 12/31/22</b>	<u><u><b>26,446,229</b></u></u>

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds



Notes:

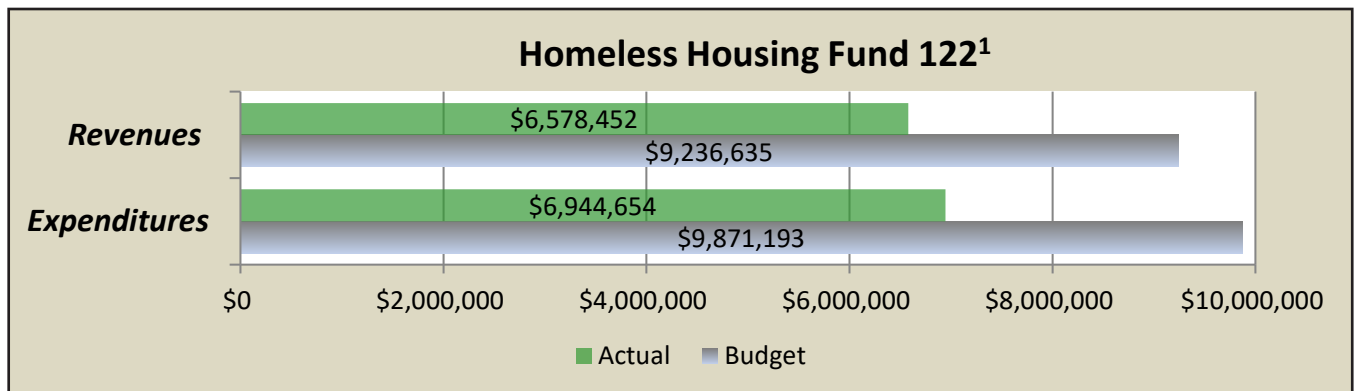
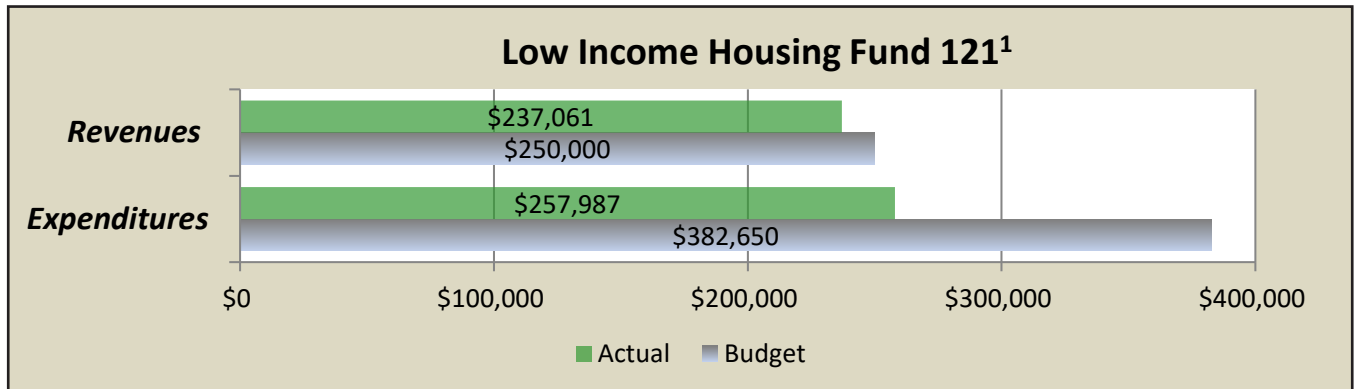
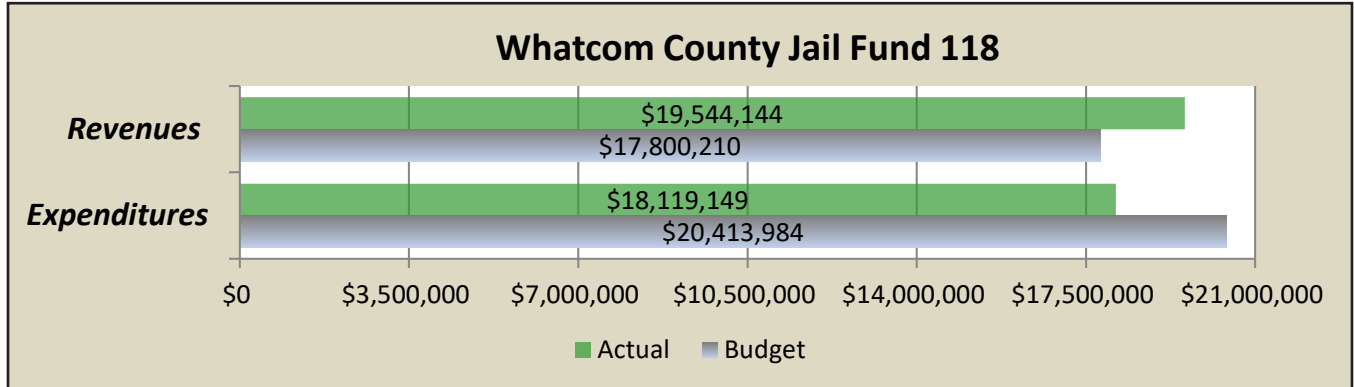
<sup>1</sup> Funds with larger actual expenditures than revenues have made use of fund equity reserves.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued



Notes:

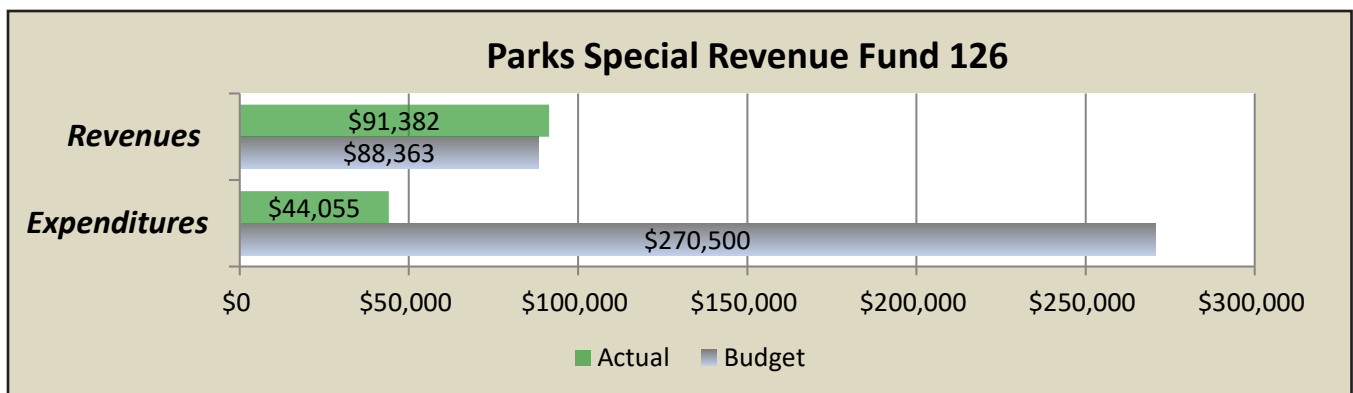
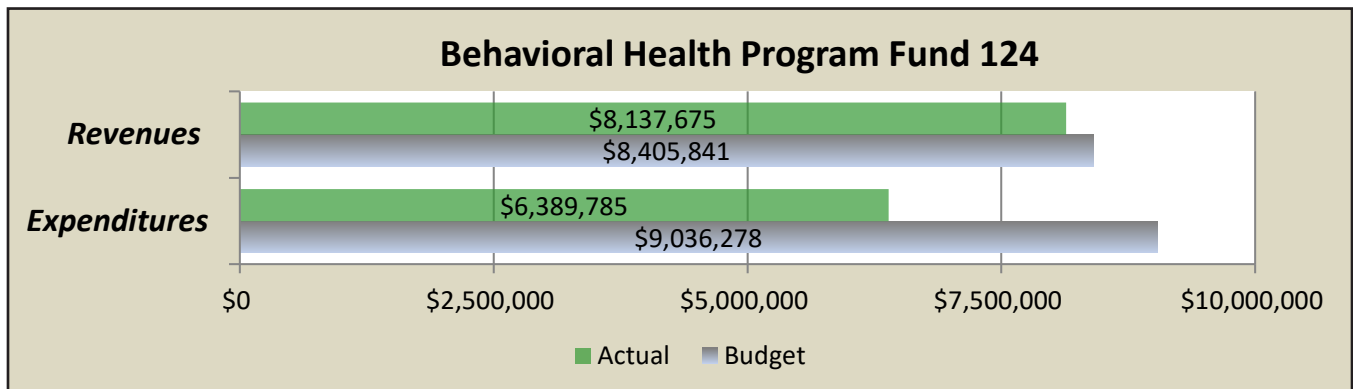
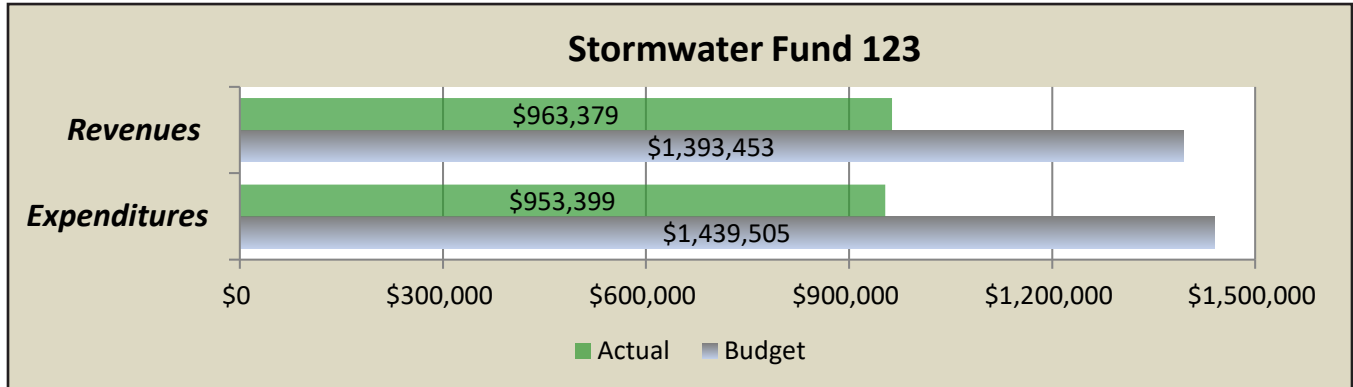
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# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued

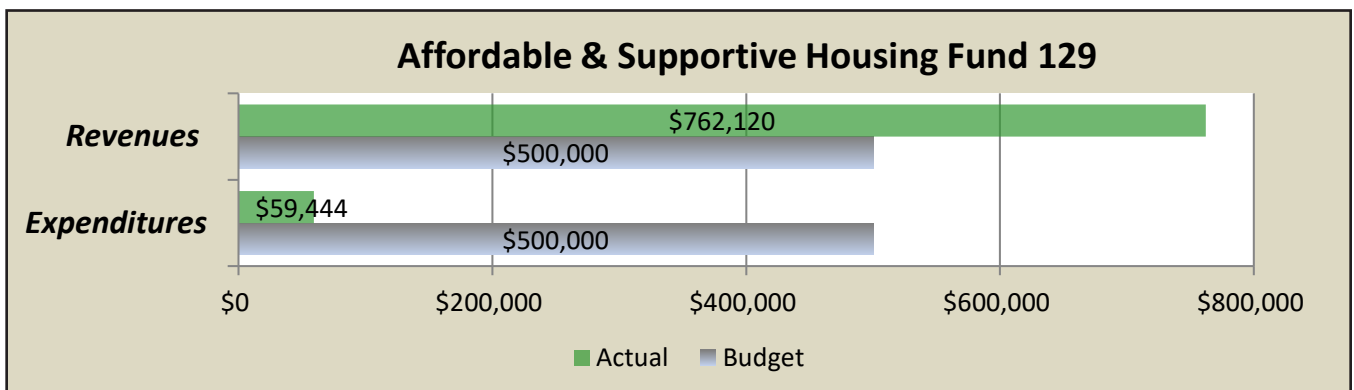
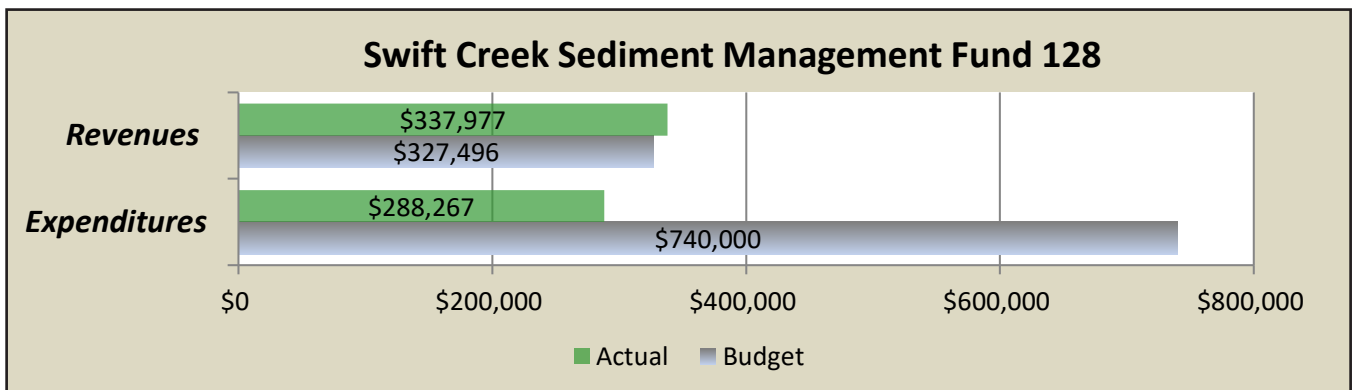
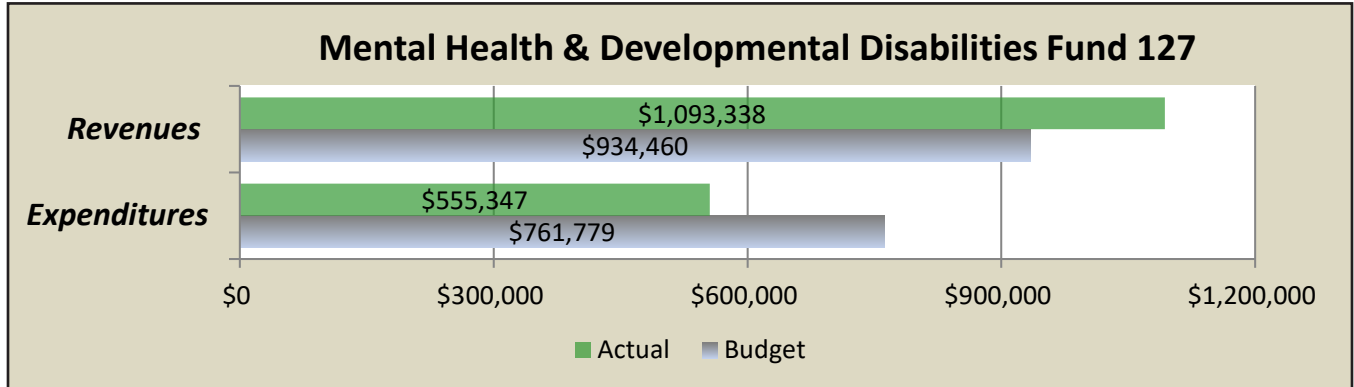


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued

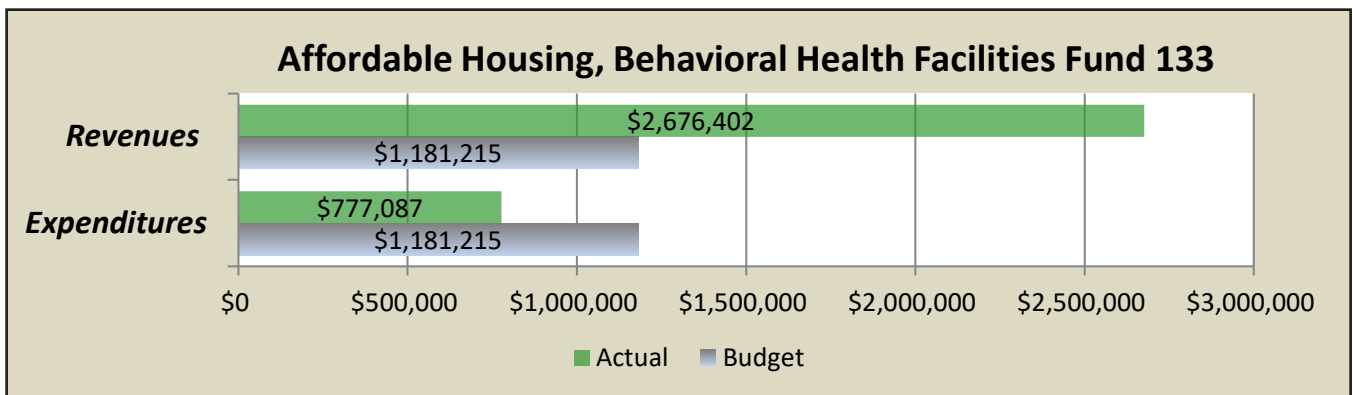
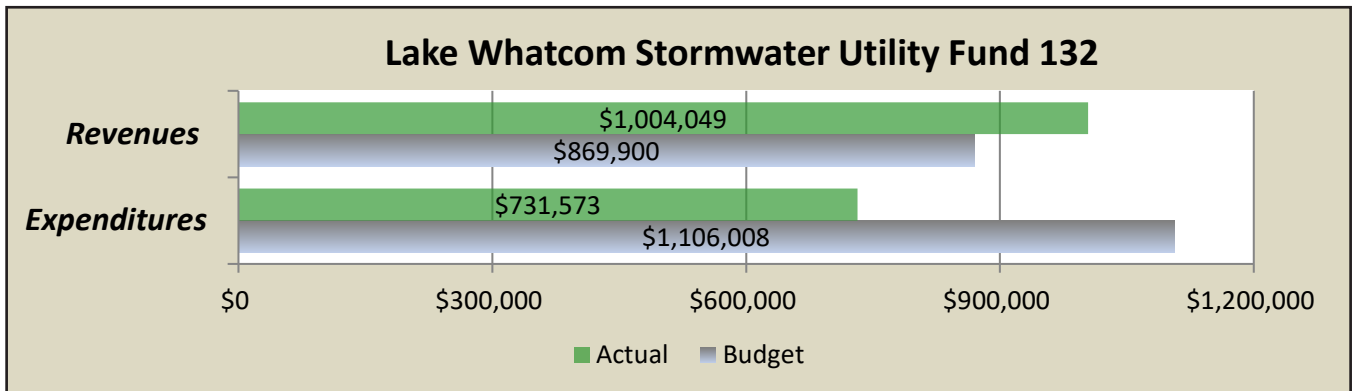
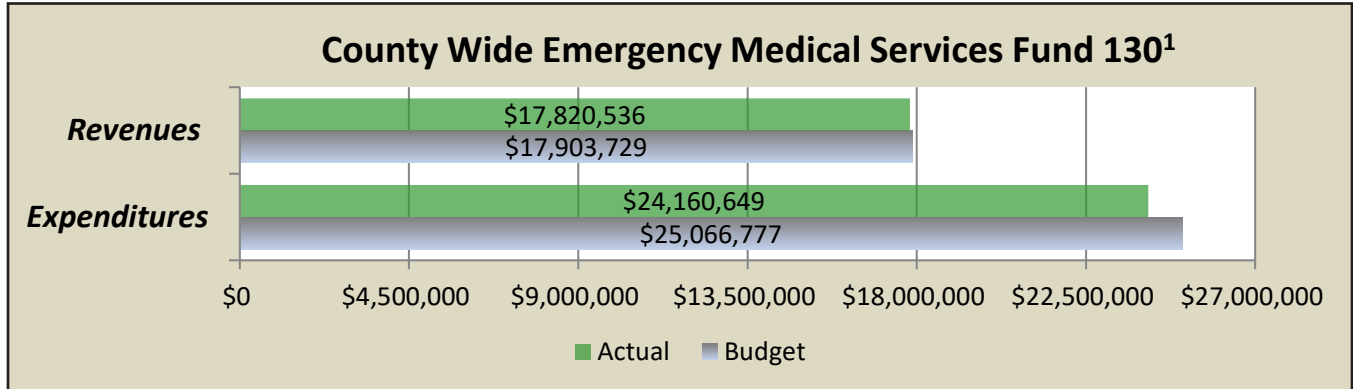


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued



Notes:

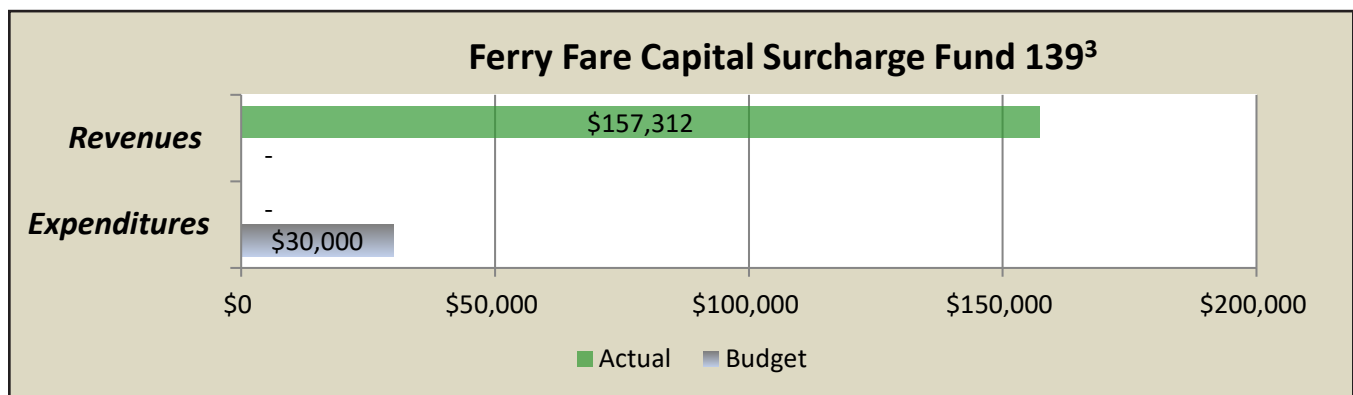
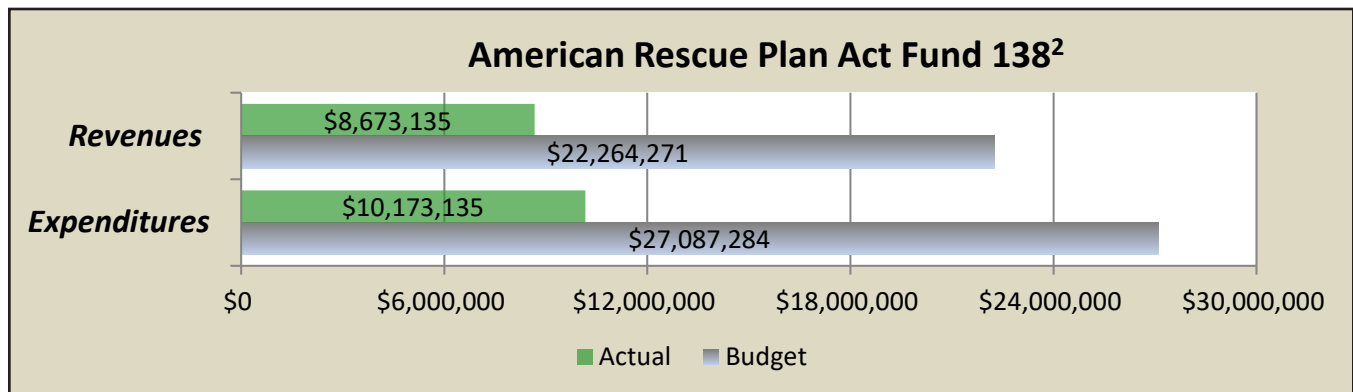
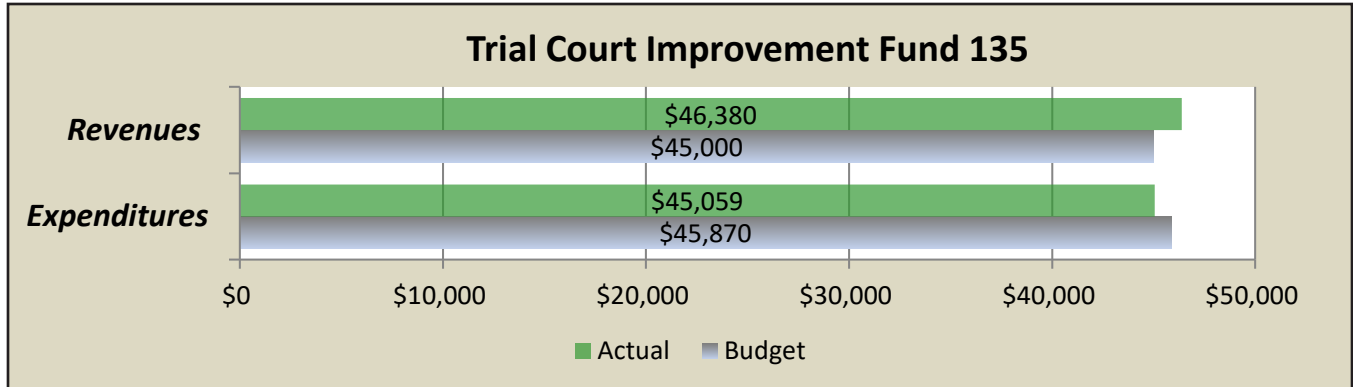
<sup>1</sup> Funds with larger actual expenditures than revenues have made use of fund equity reserves.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued



**Notes:**

<sup>2</sup> The County received advance payments of federal American Rescue Plan Act (ARPA) funding which are not recognized as revenue until the funds are actually spent. In 2022, a \$1.5 million dollar transfer was made to the Way Station Project Fund, which has not yet been spent by that fund, which is why there is \$1.5 million less revenue presented in the ARPA Fund than expenditures.

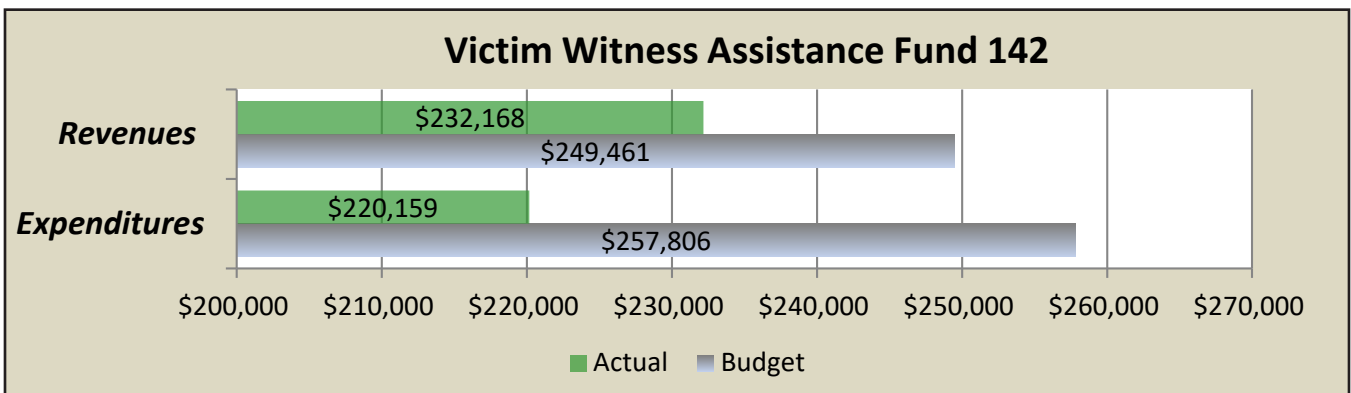
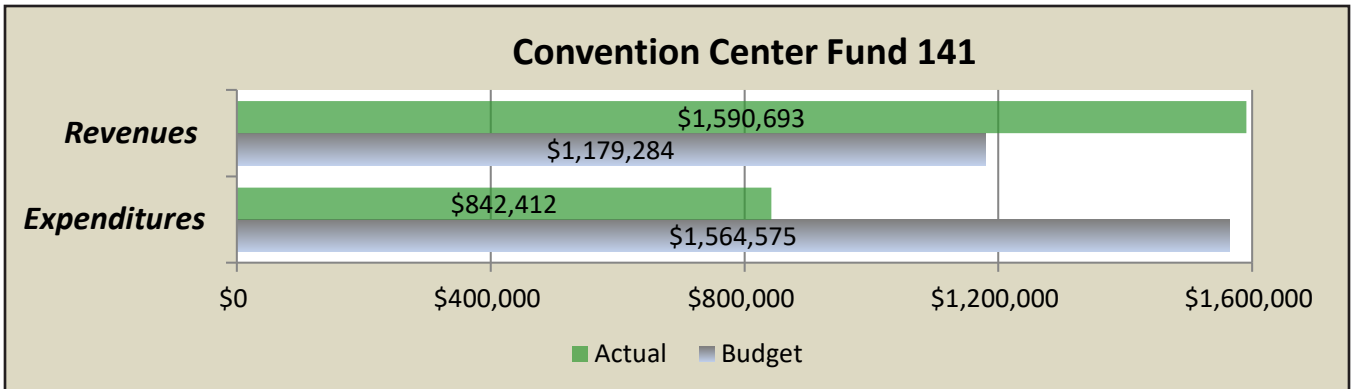
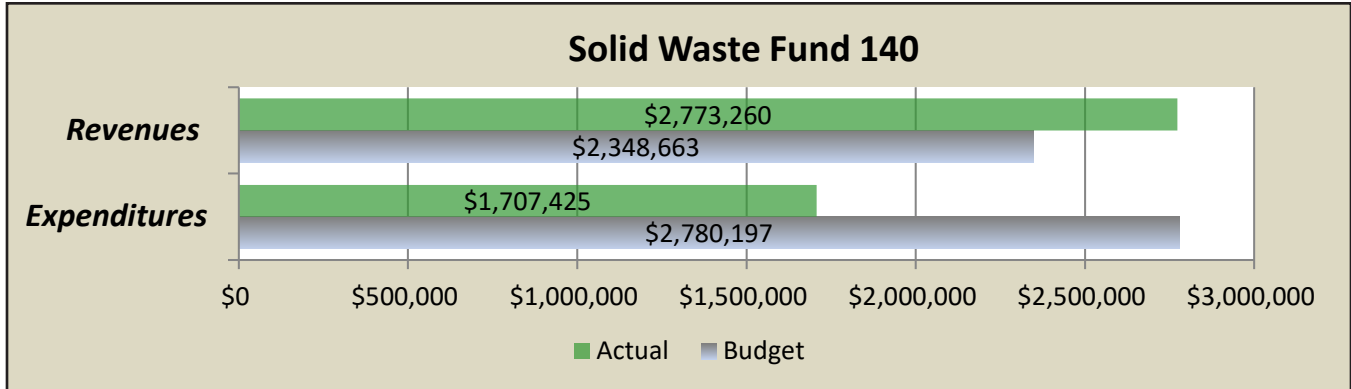
<sup>3</sup> The Ferry Fare Capital Surcharge Fund is newly established to account for collection of surcharges for the purpose of replacing the Whatcom Chief ferry with a new boat. In 2022, it was opened with a budget for a small amount of expenditures only.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued

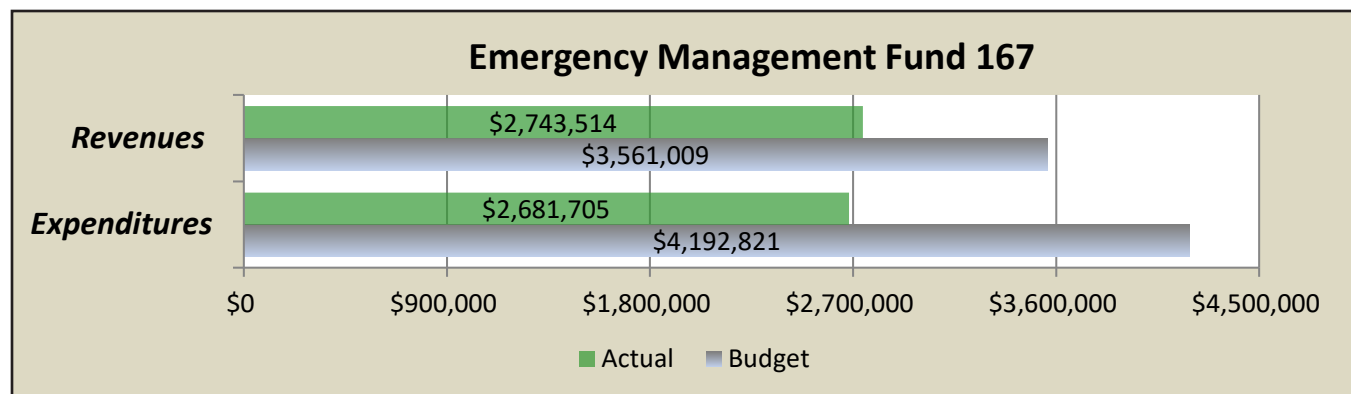
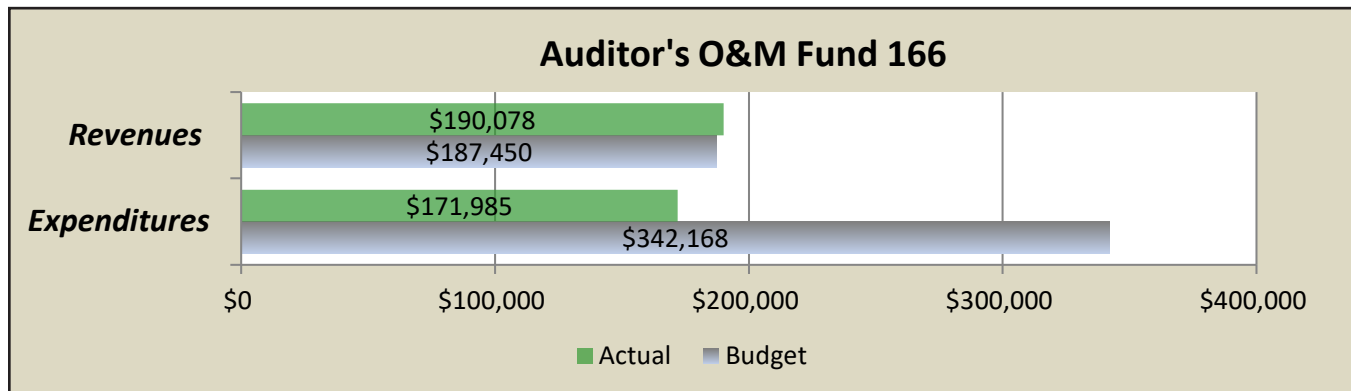
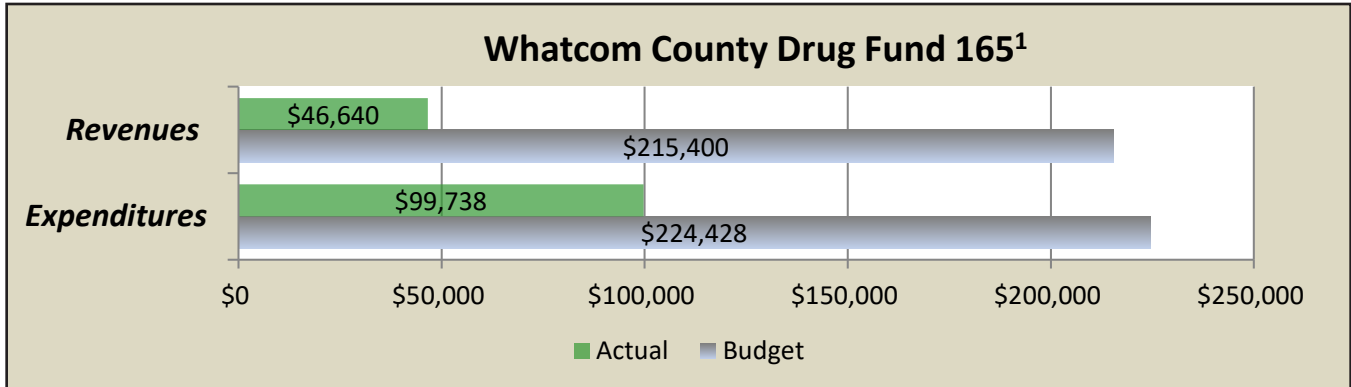


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued



Notes:

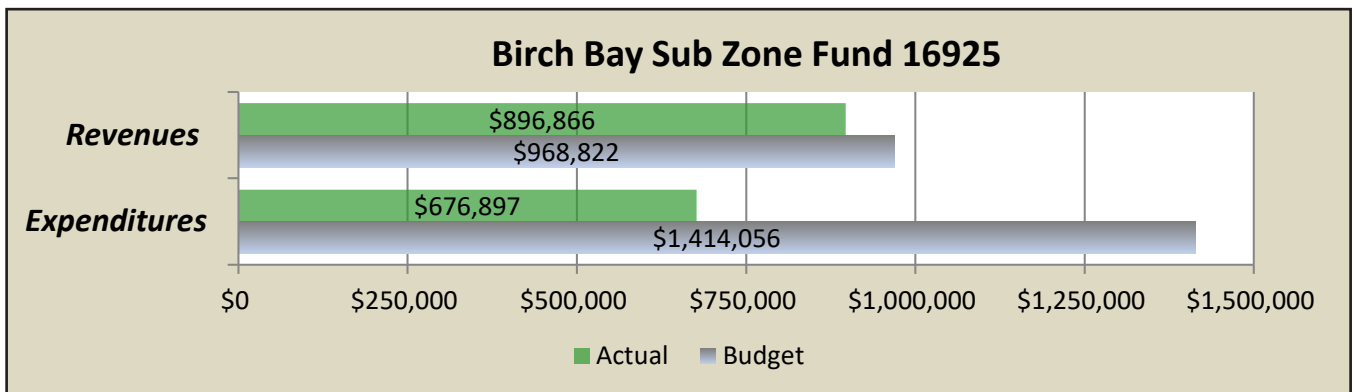
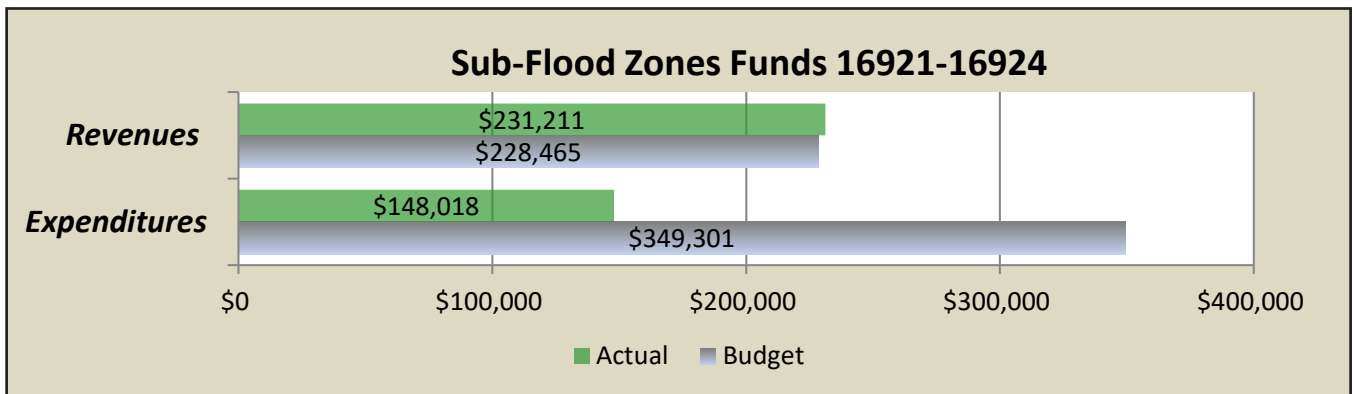
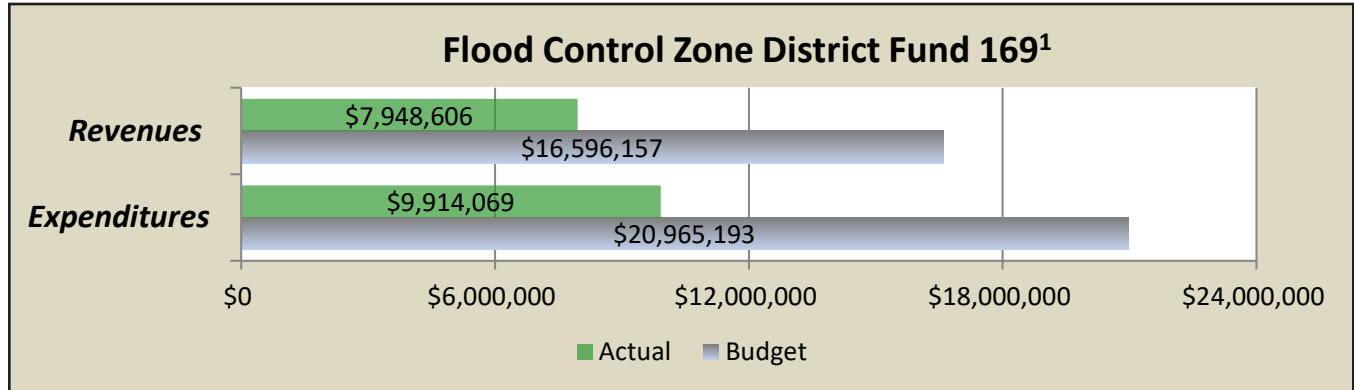
<sup>1</sup> Funds with larger actual expenditures than revenues have made use of fund equity reserves.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued



Notes:

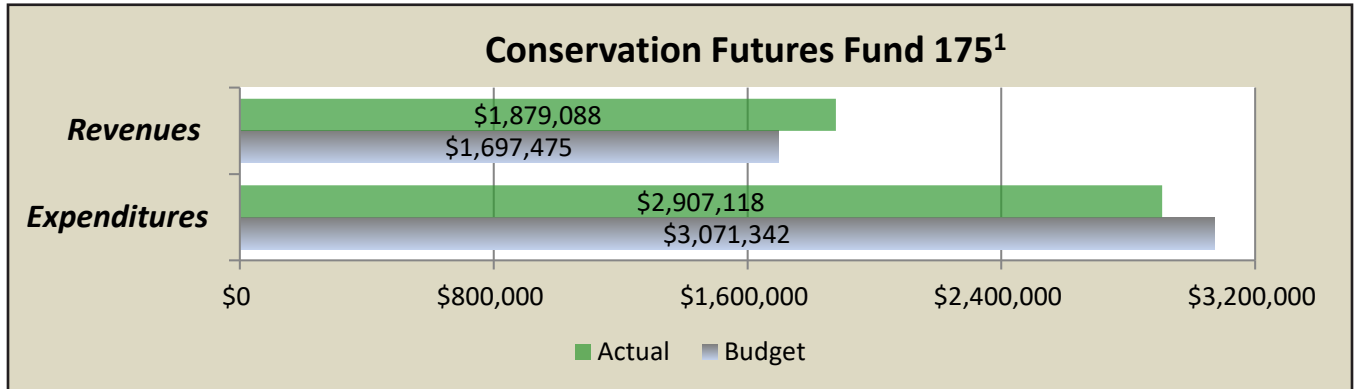
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# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Special Revenue Funds and Other Funds, continued



Notes:

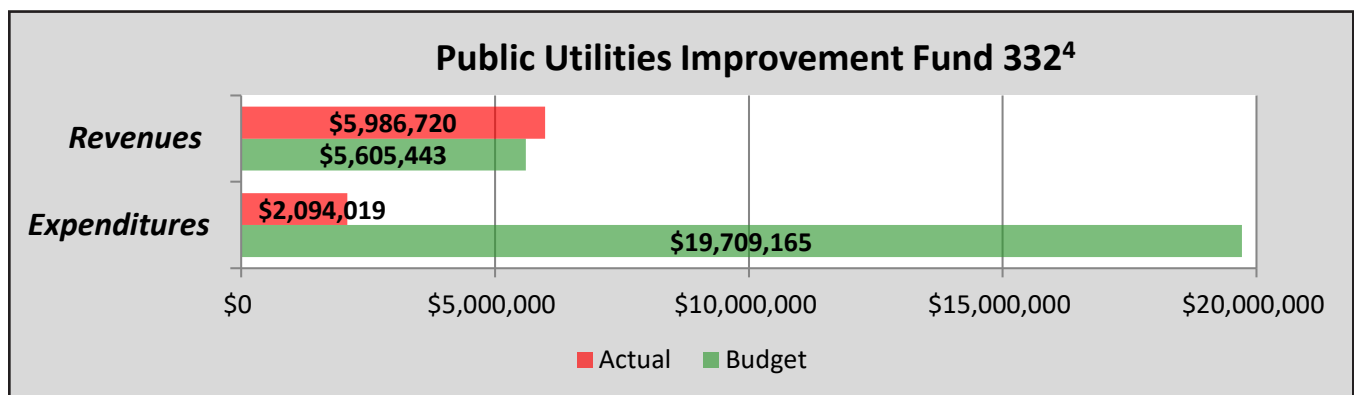
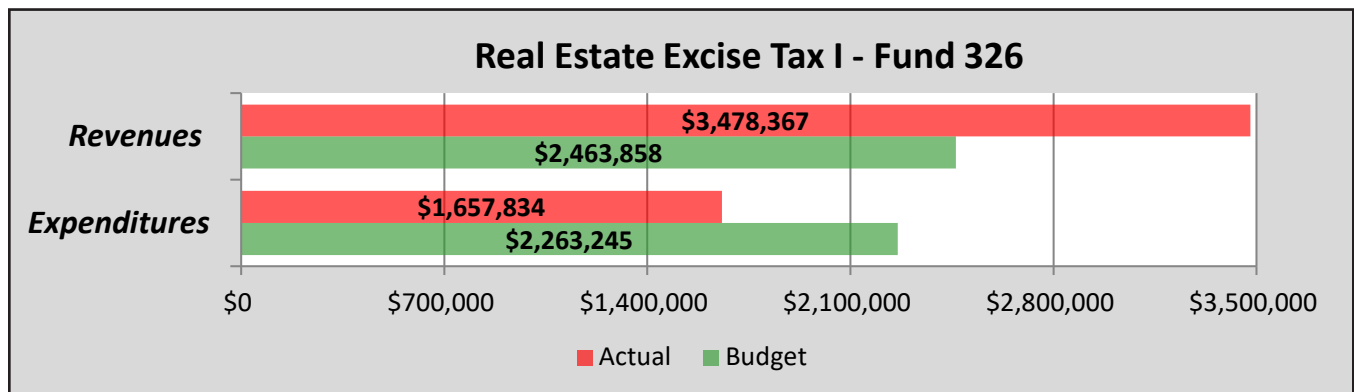
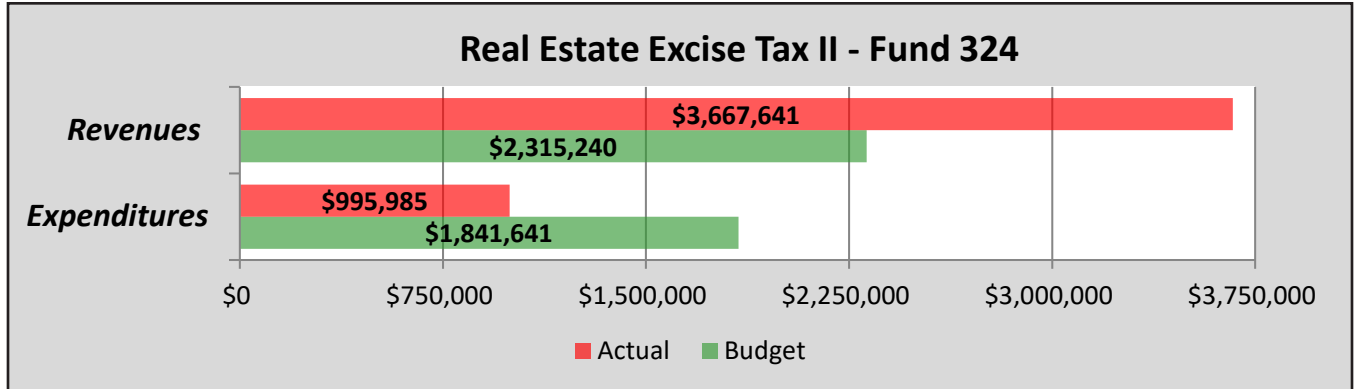
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# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Capital Project Funds



Notes:

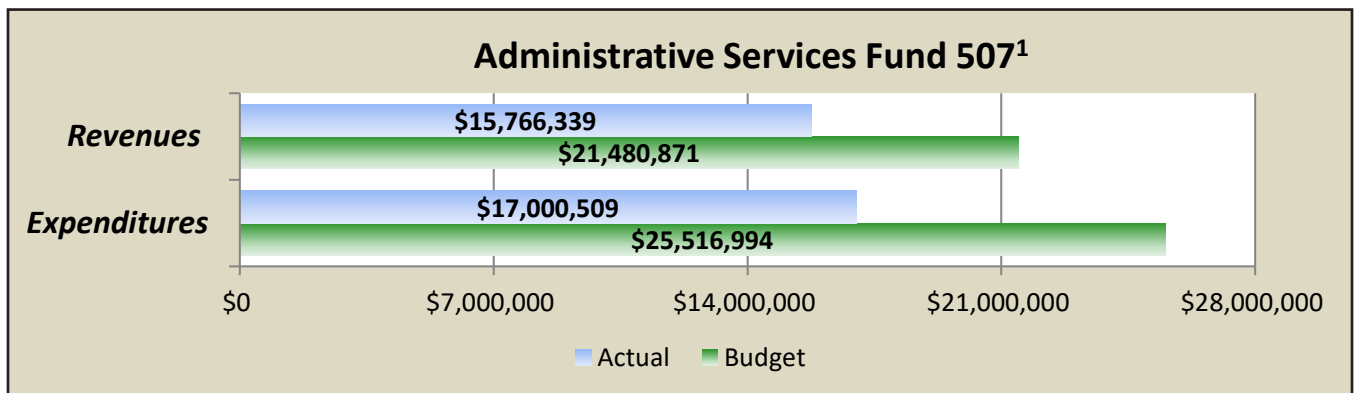
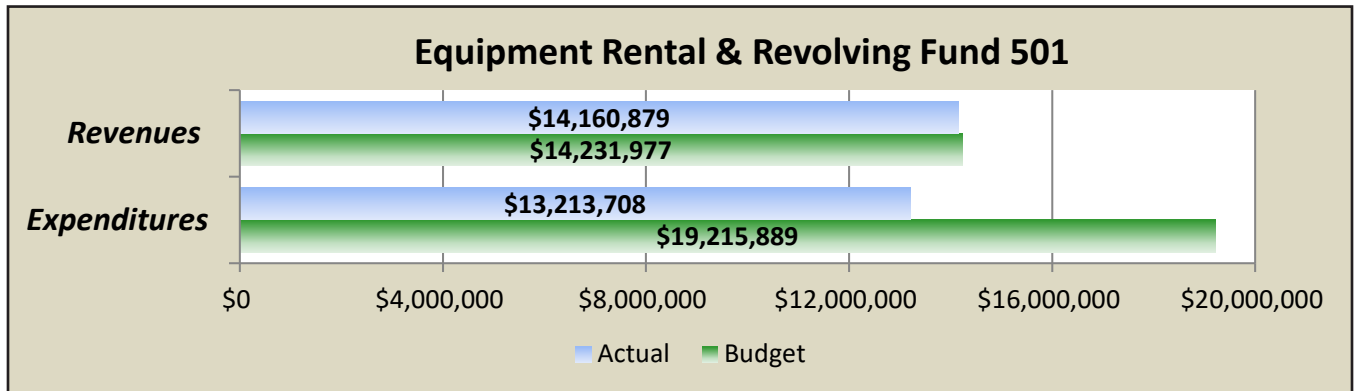
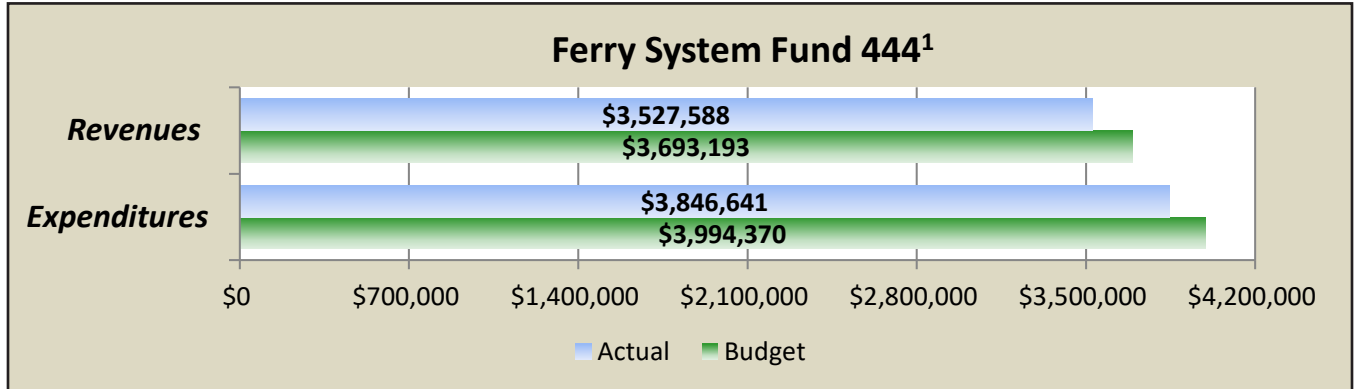
<sup>4</sup> The Public Utilities Improvement Fund was budgeted to fund several infrastructure projects for various municipalities throughout Whatcom County. Most of the projects have been carried forward to 2023.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Enterprise and Internal Service Funds



Notes:

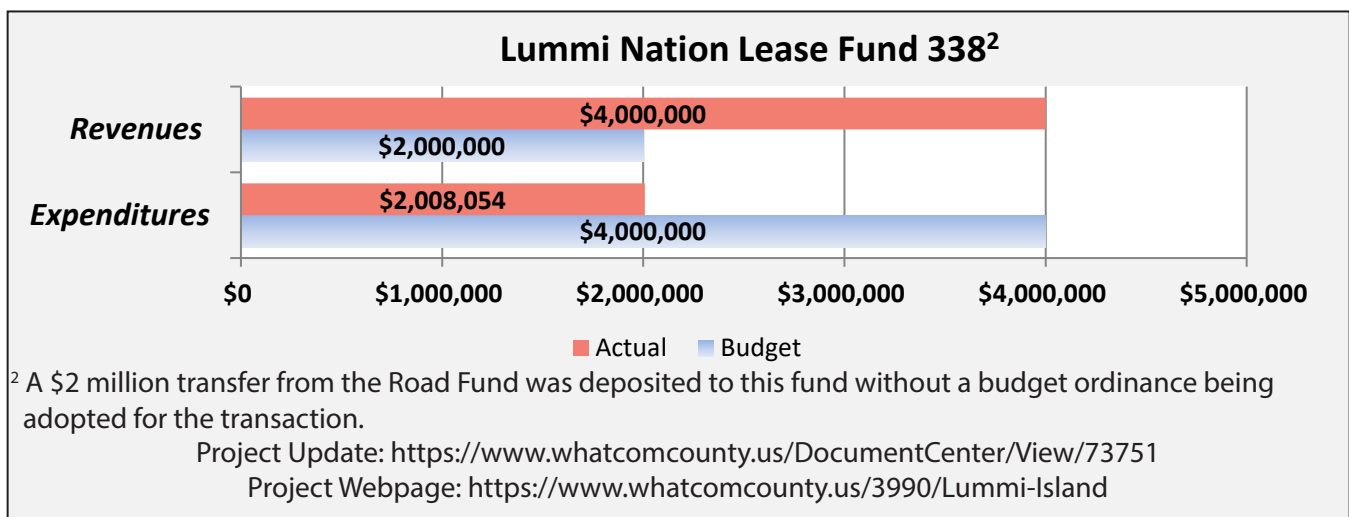
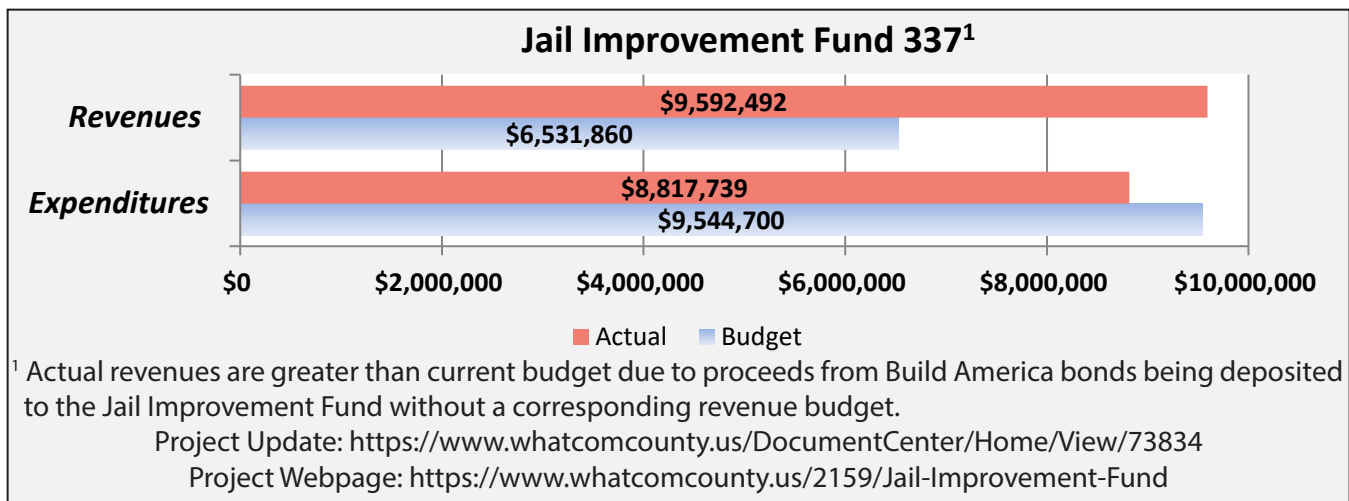
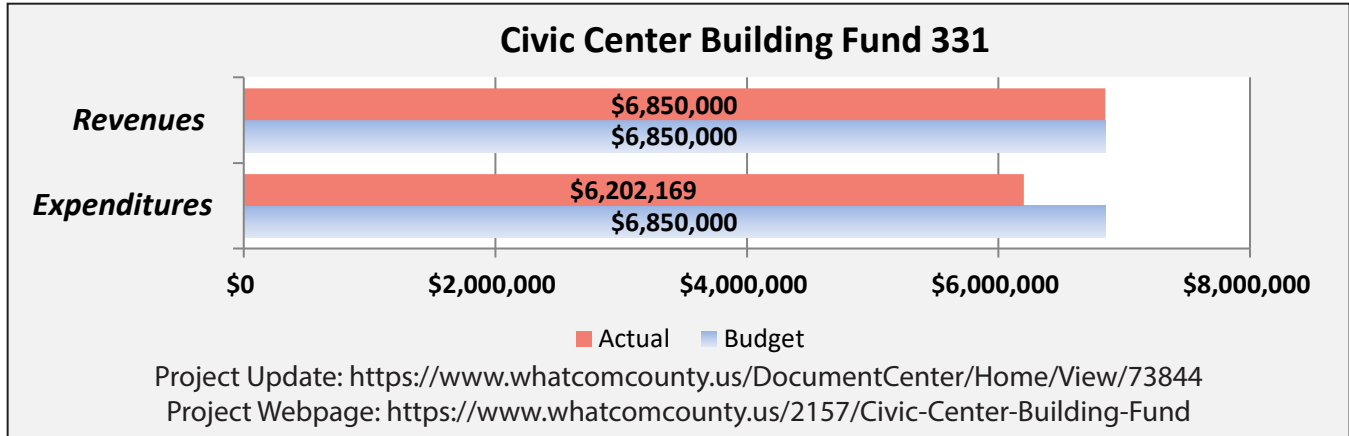
<sup>1</sup> Funds with larger actual expenditures than revenues have made use of fund equity reserves.

# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds

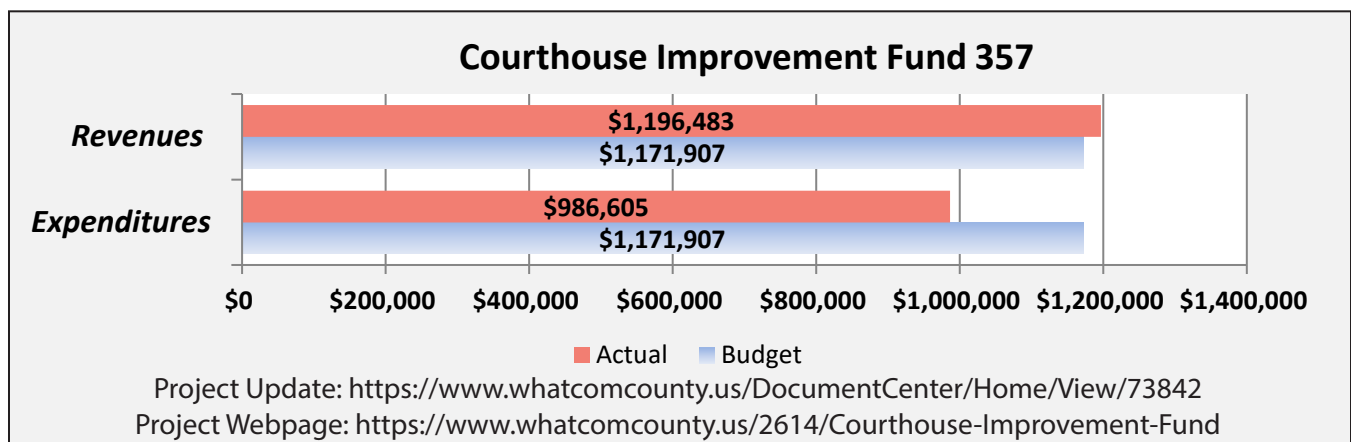
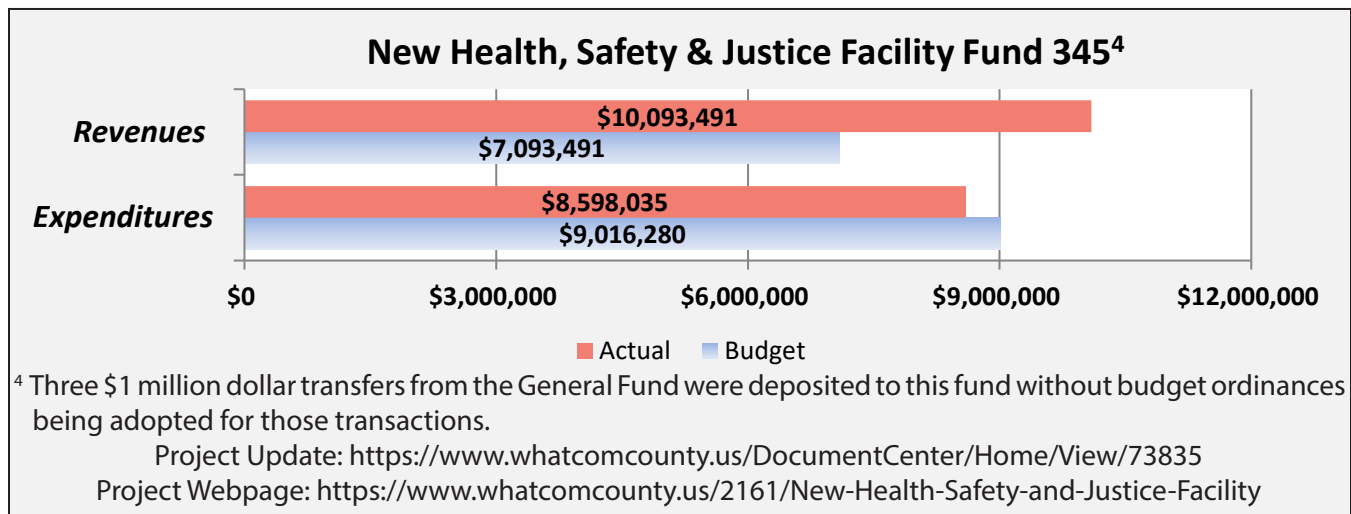
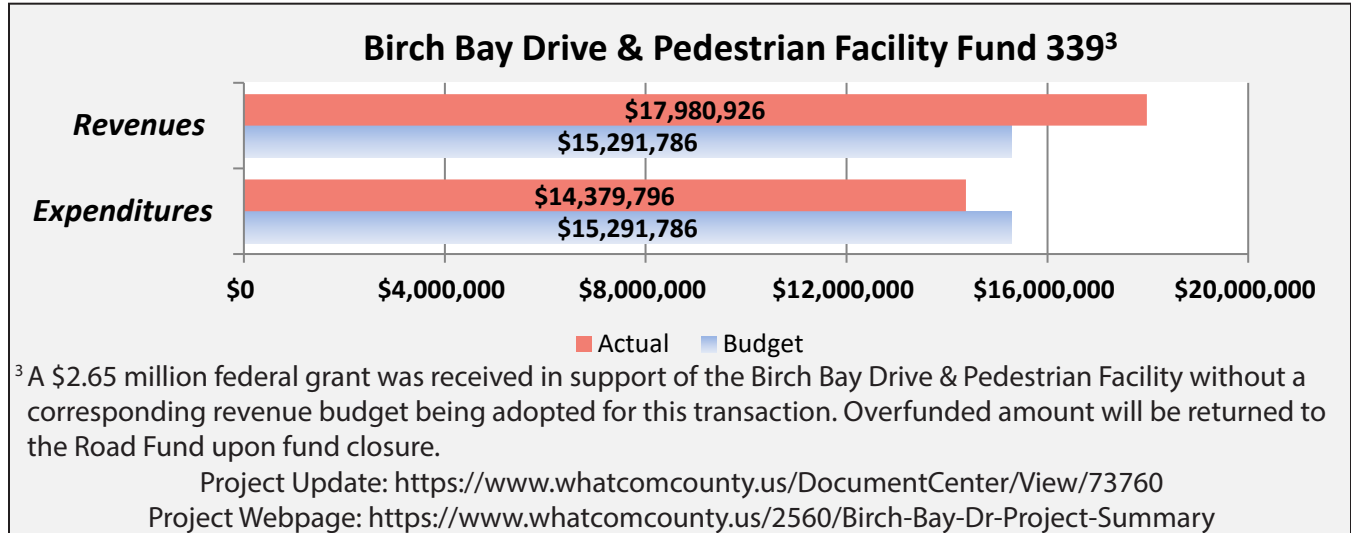


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

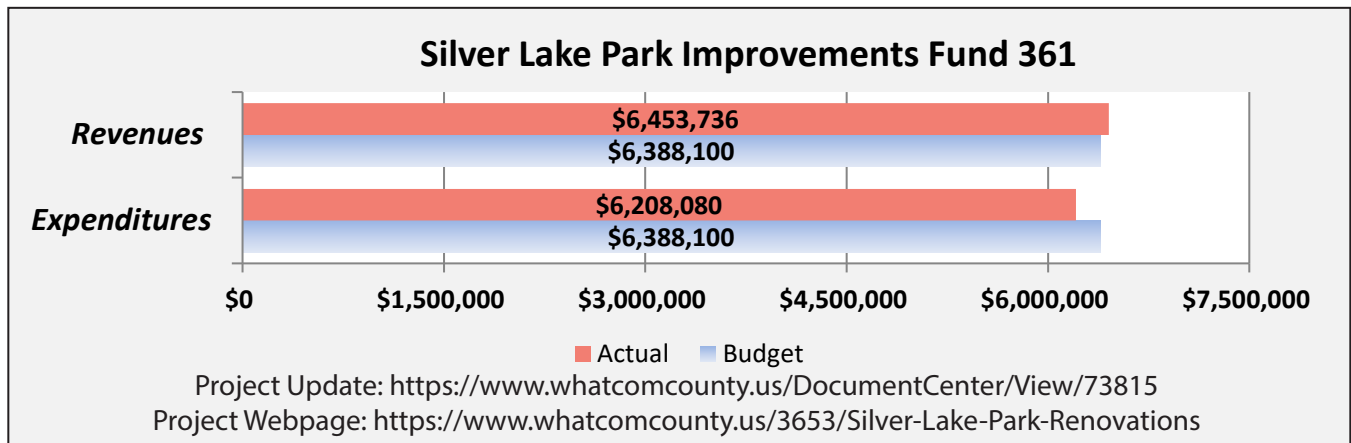
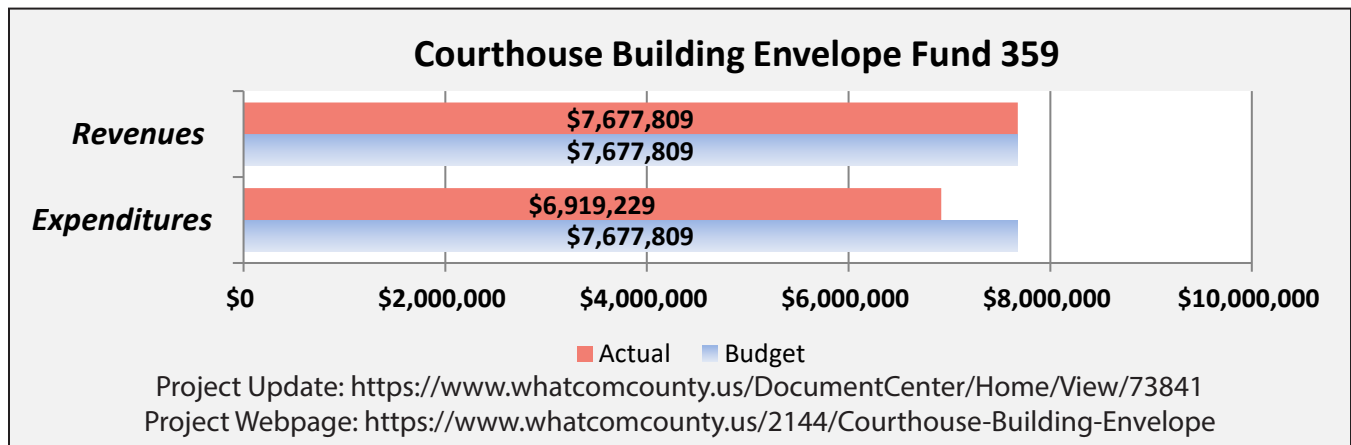
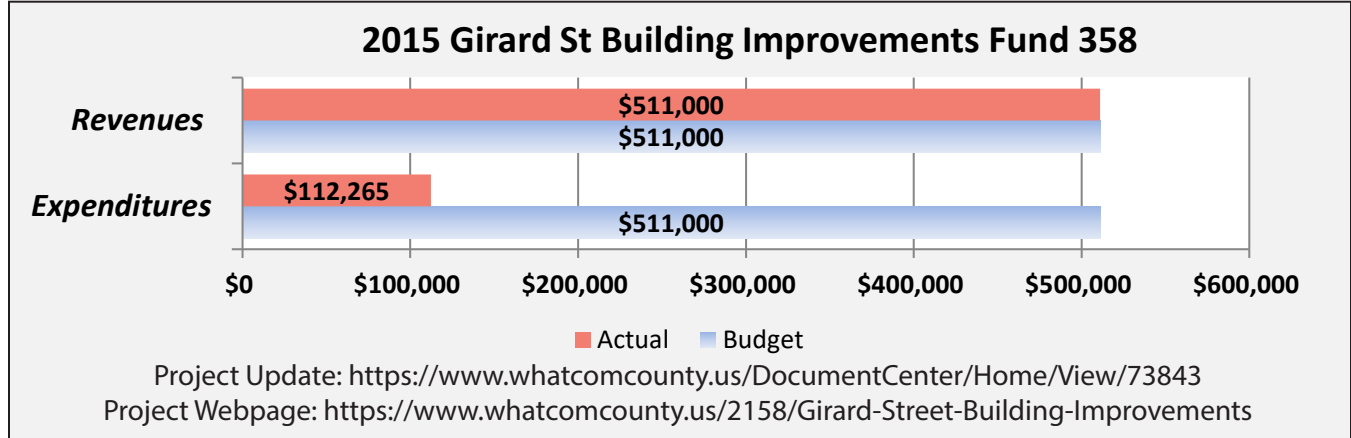


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

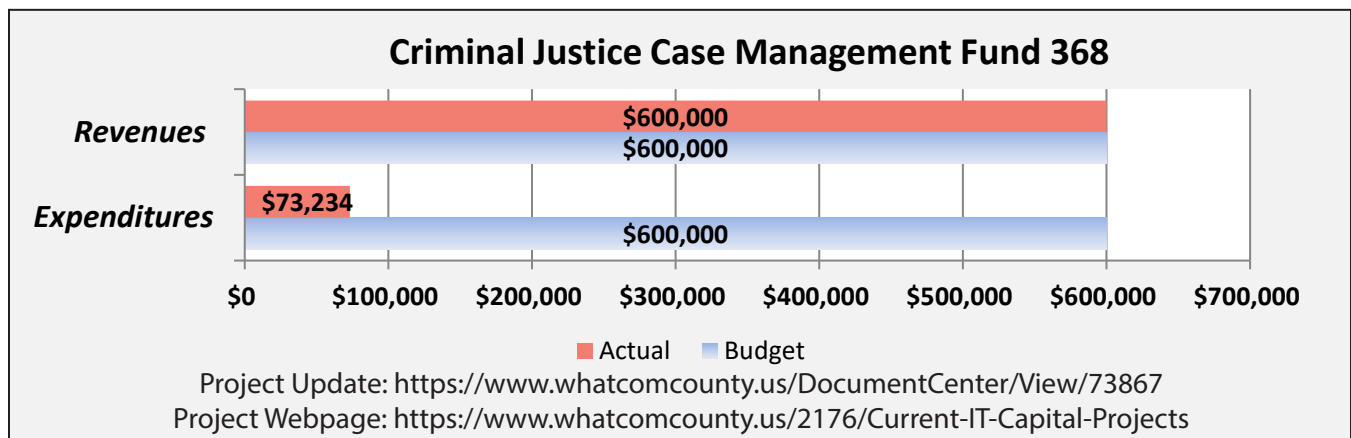
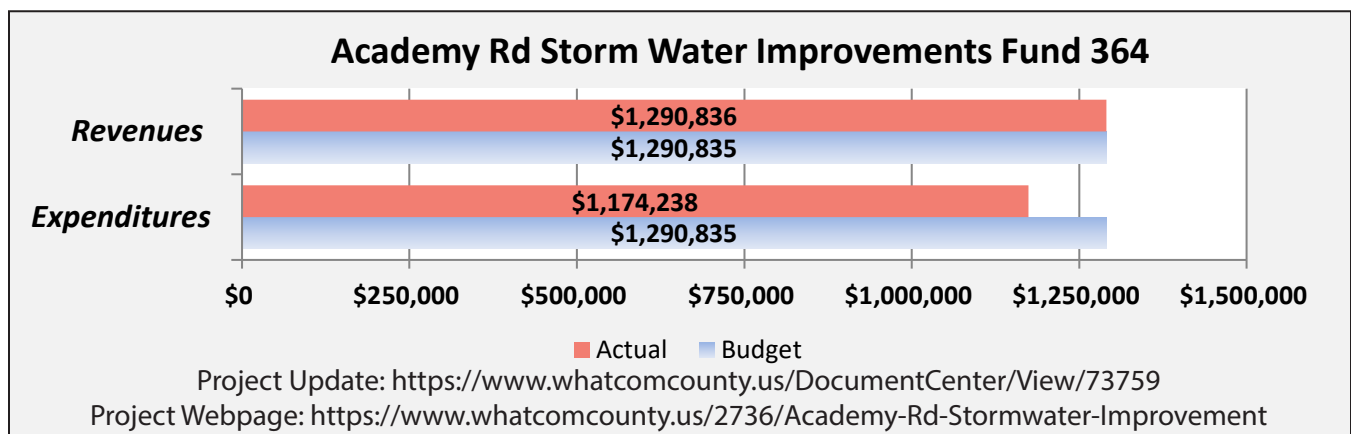
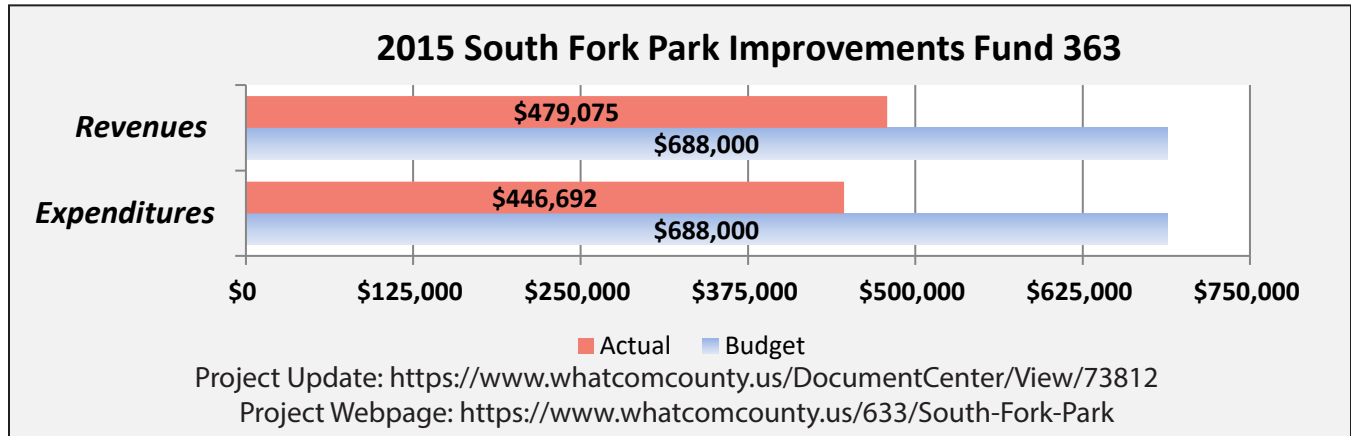


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

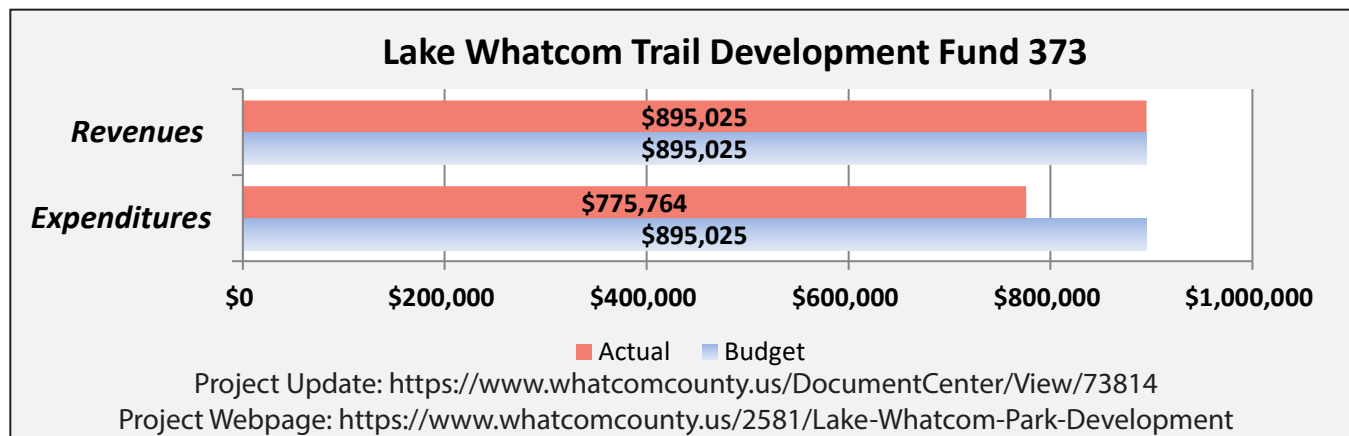
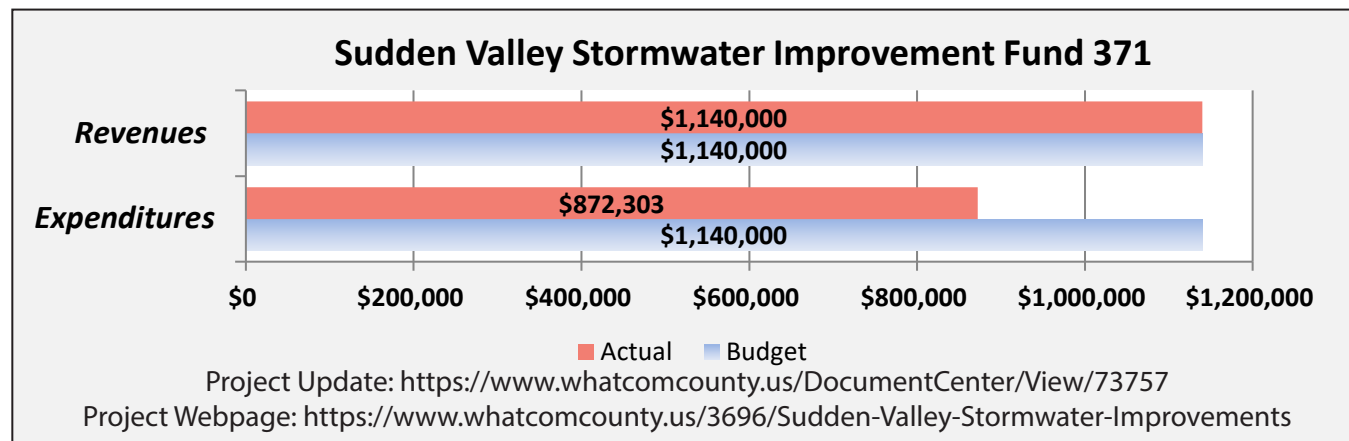
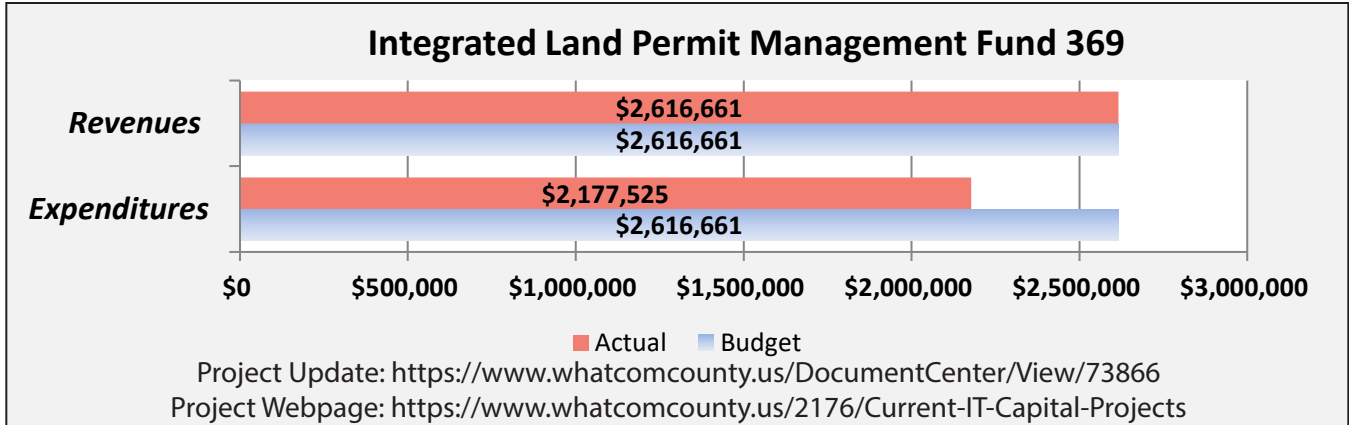


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

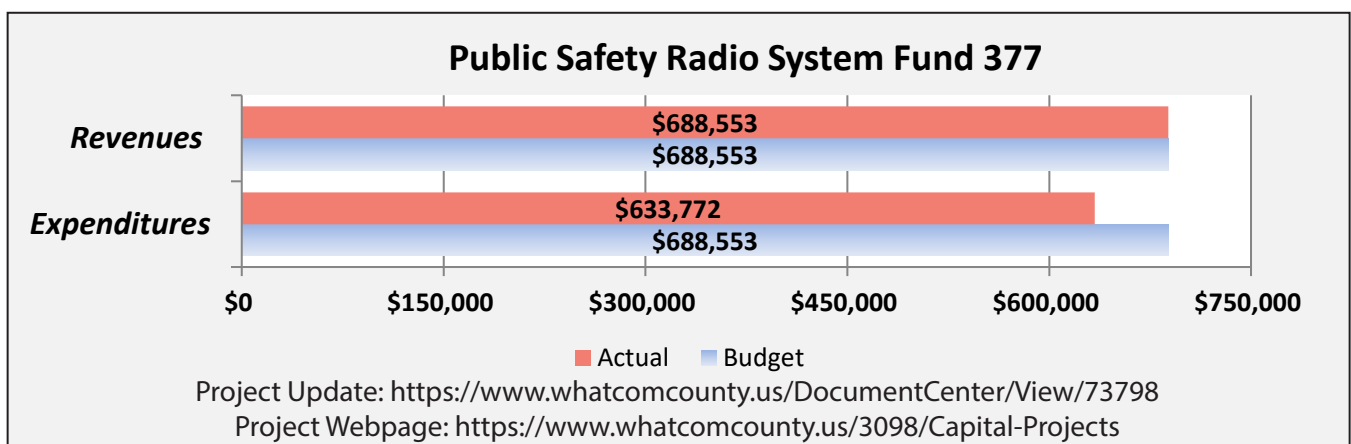
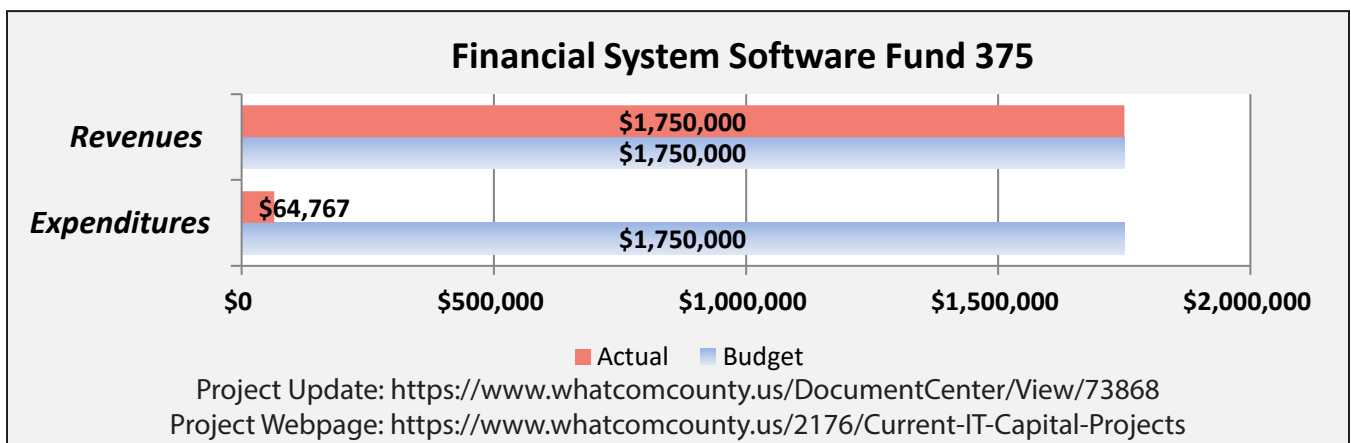
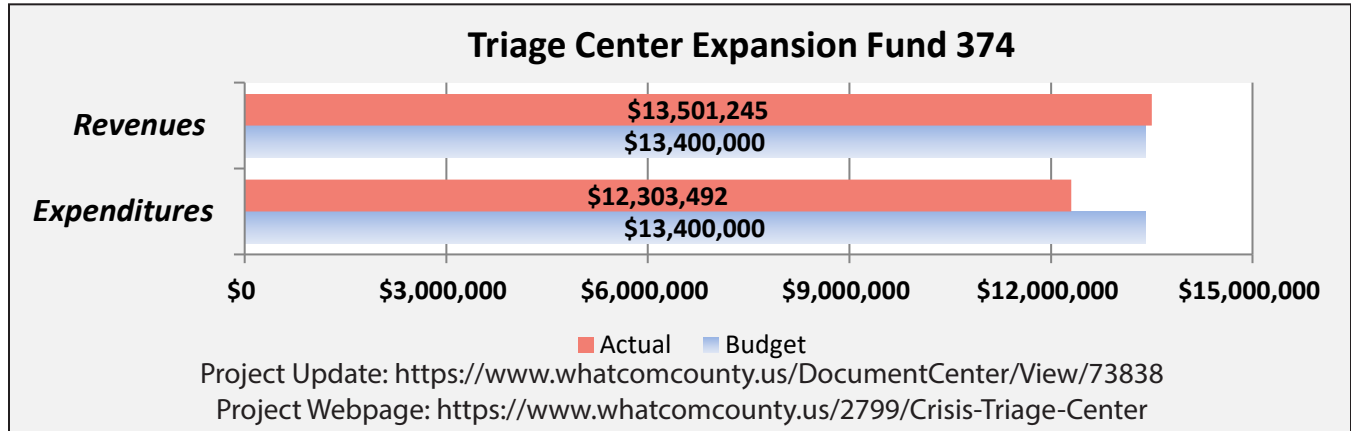


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

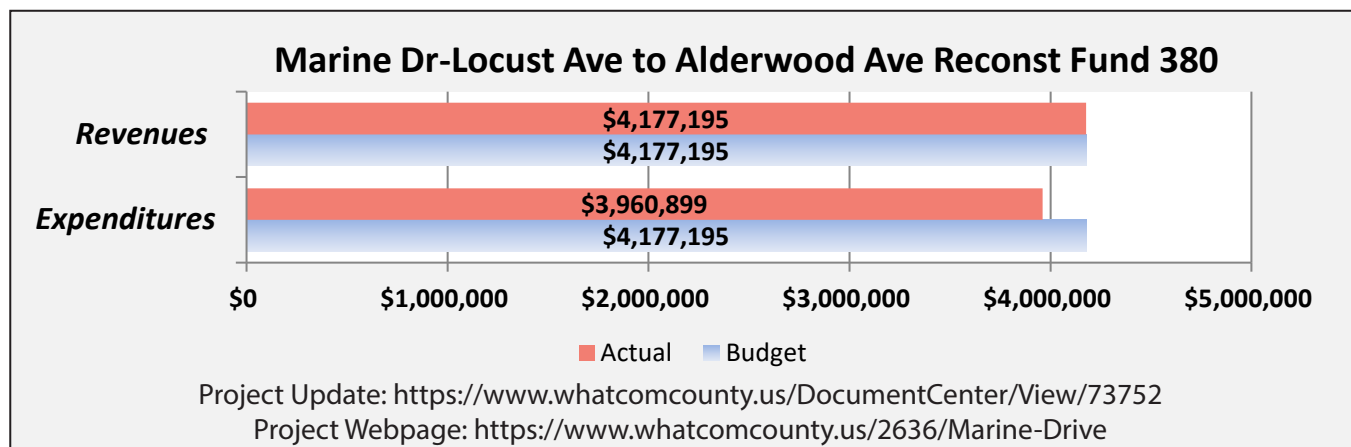
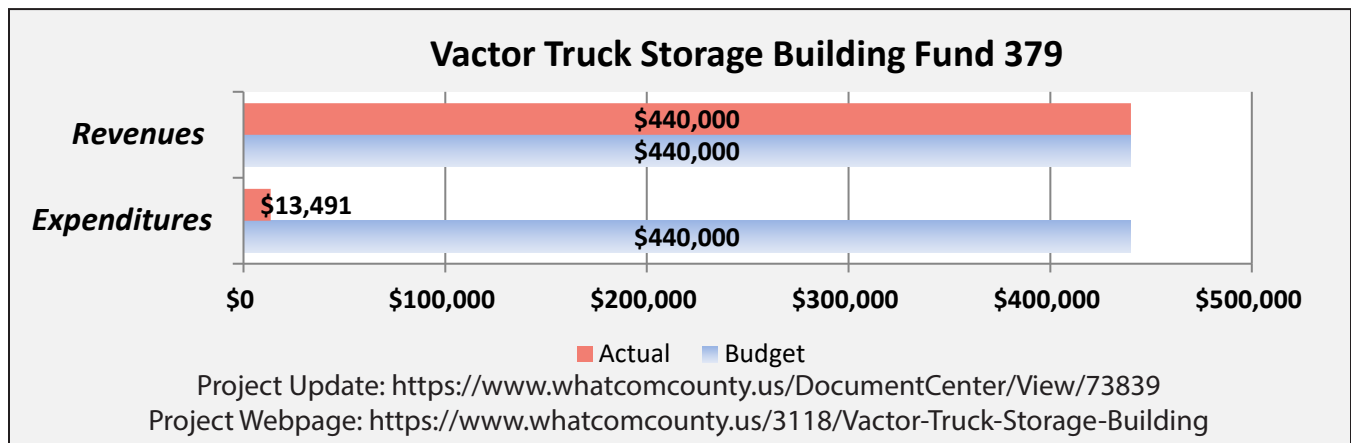
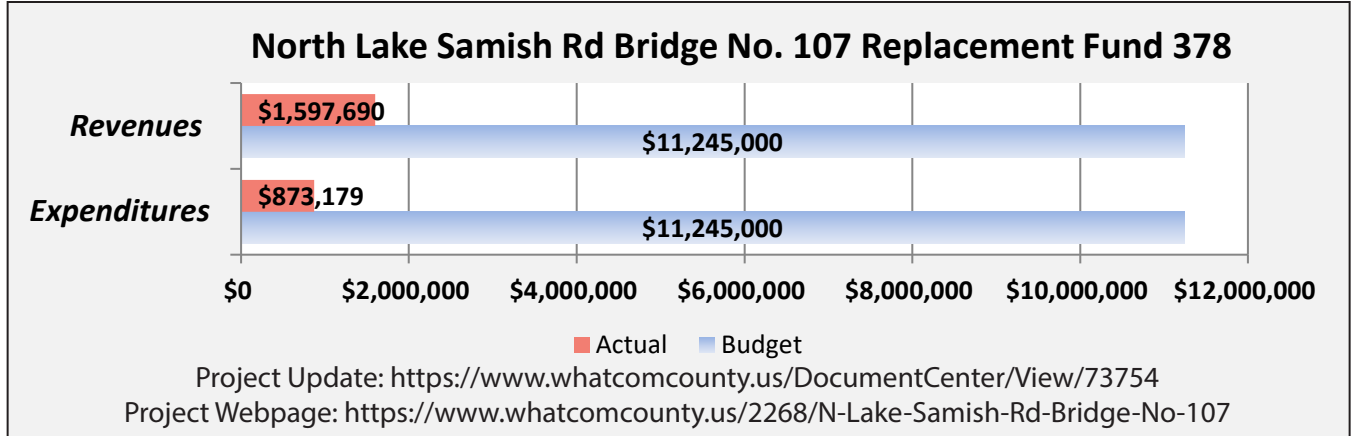


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

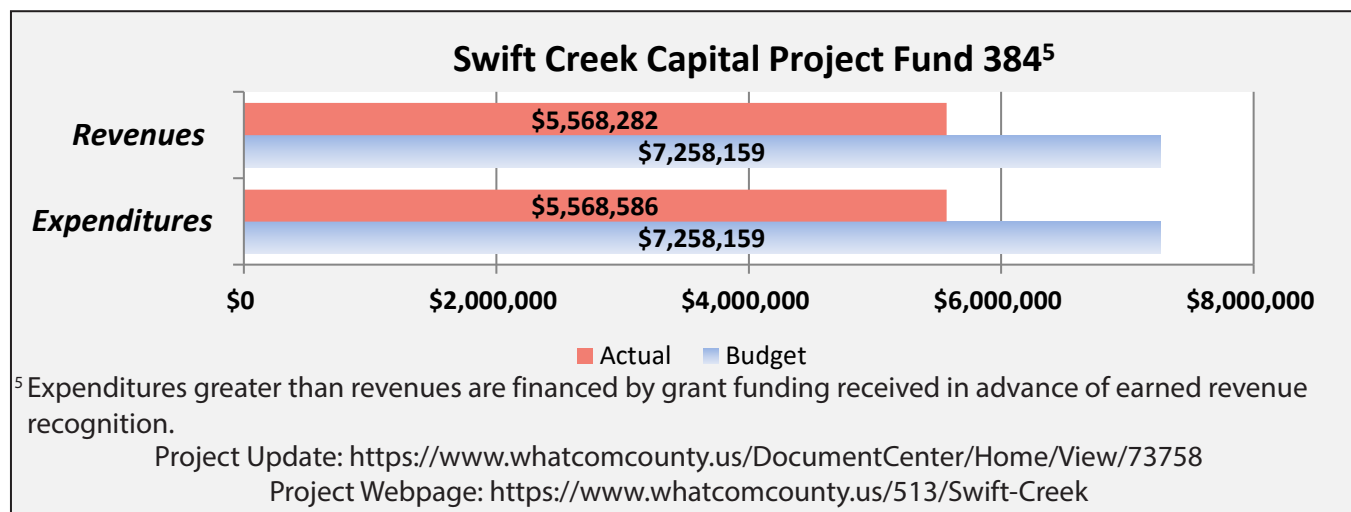
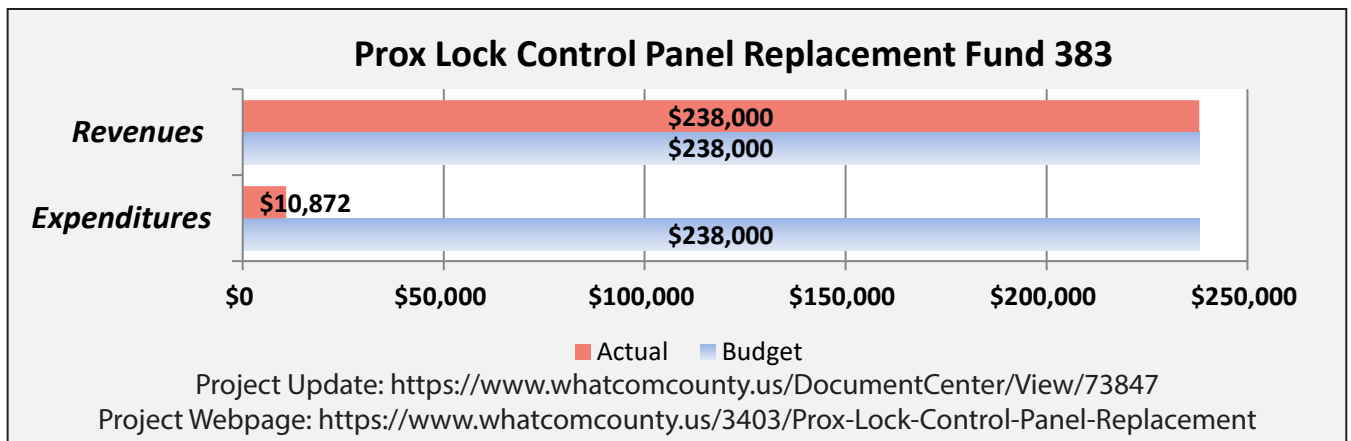
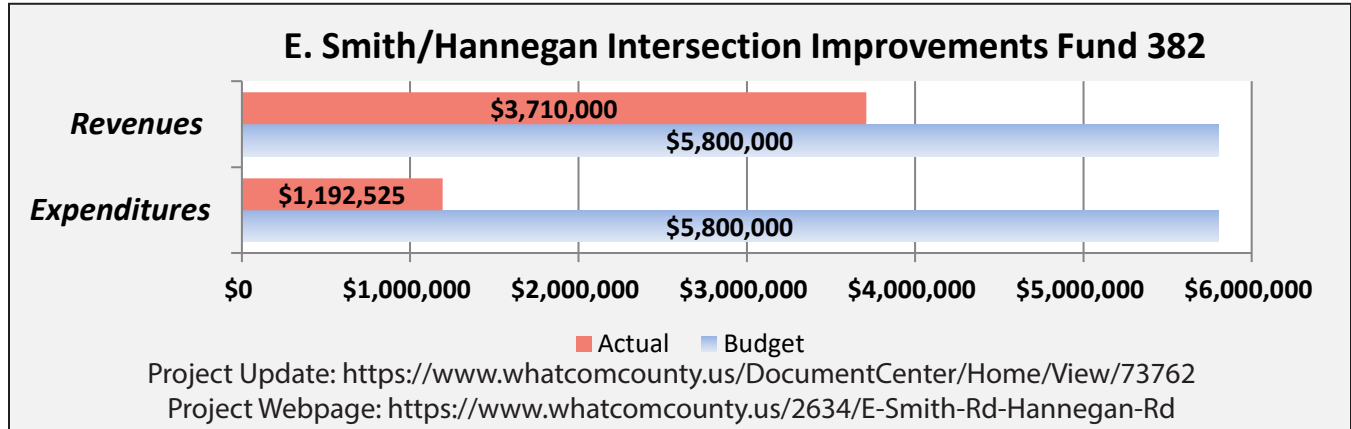


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

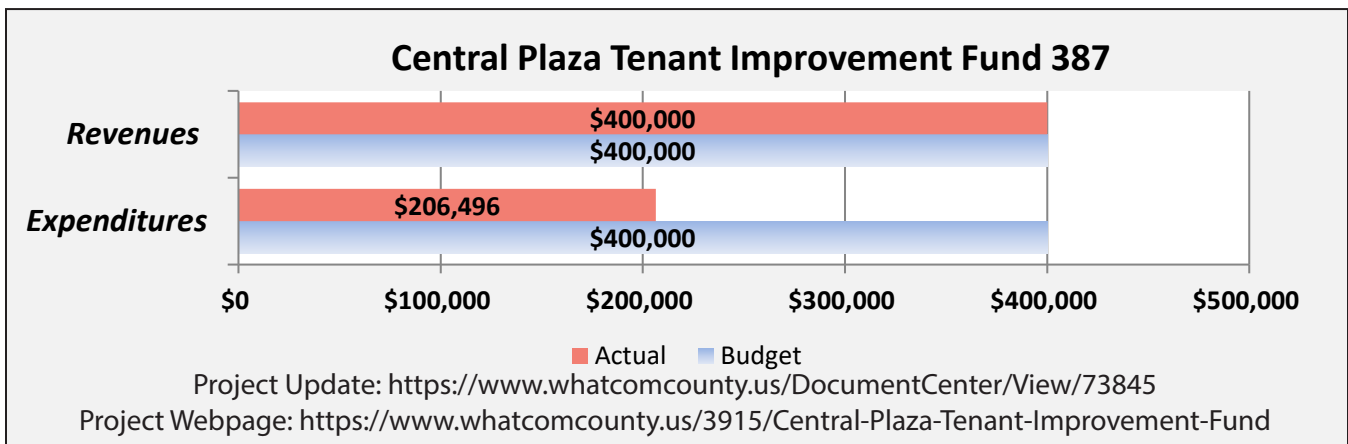
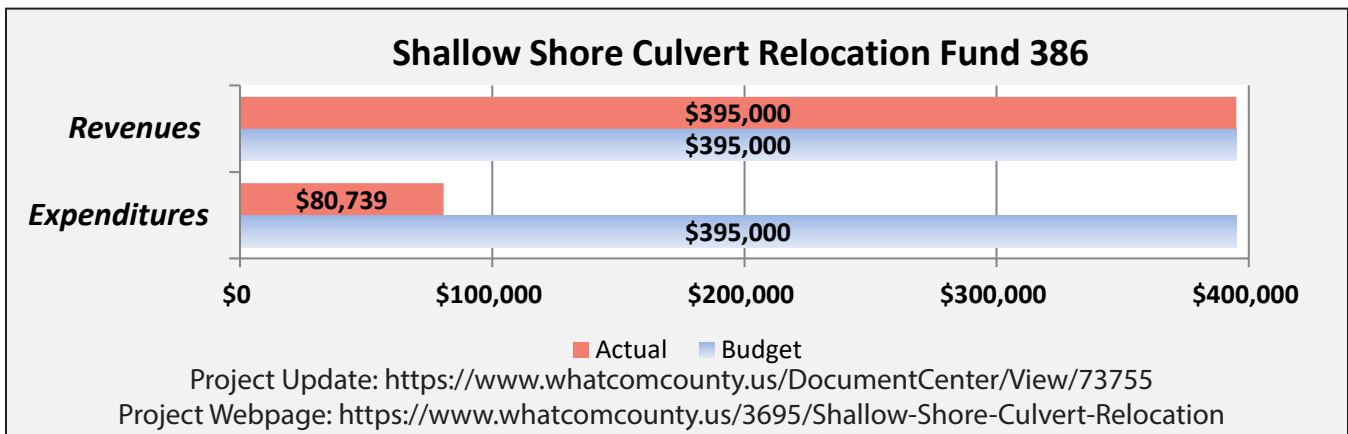
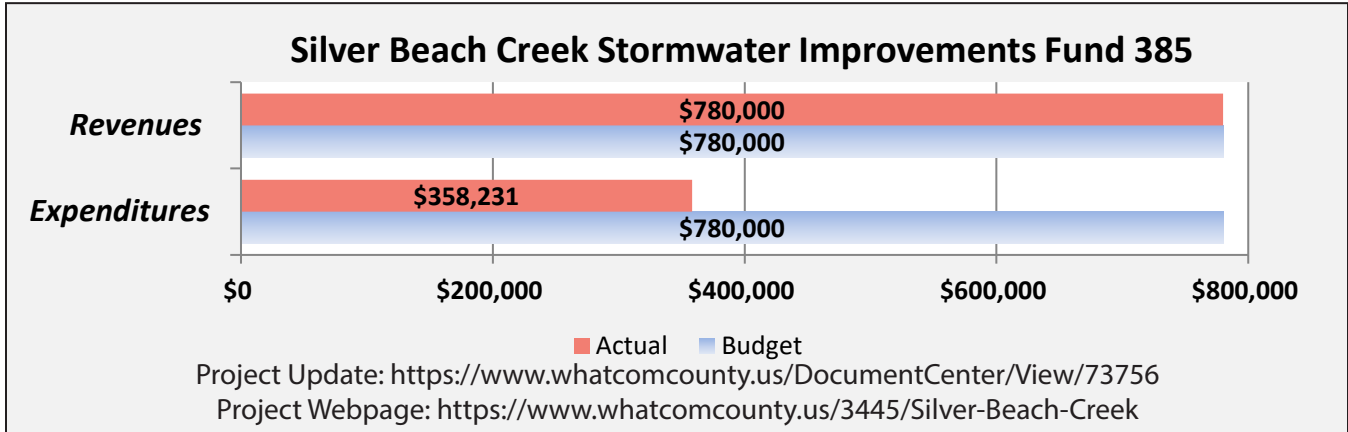


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

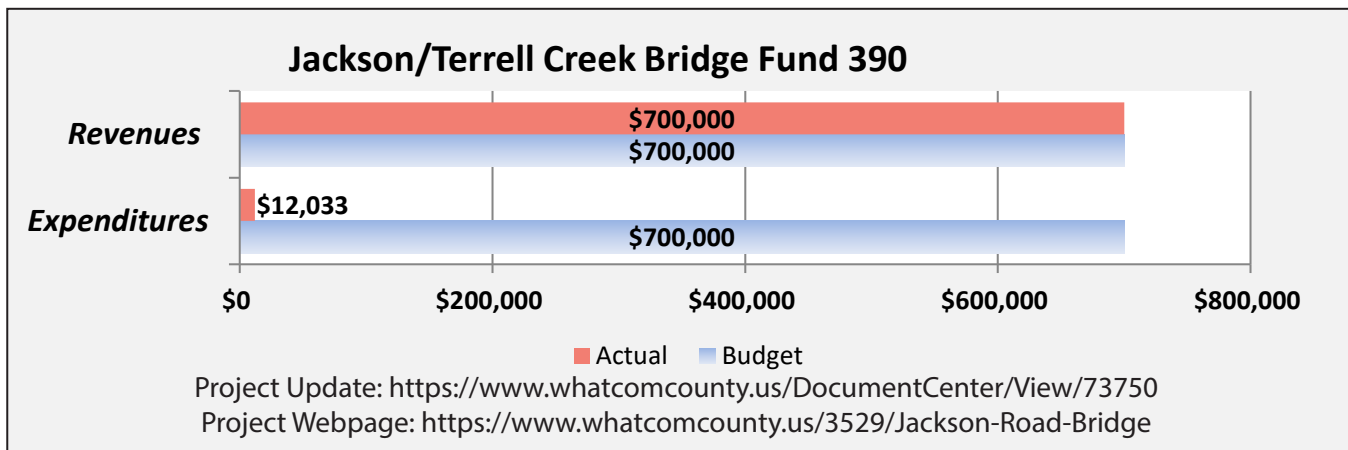
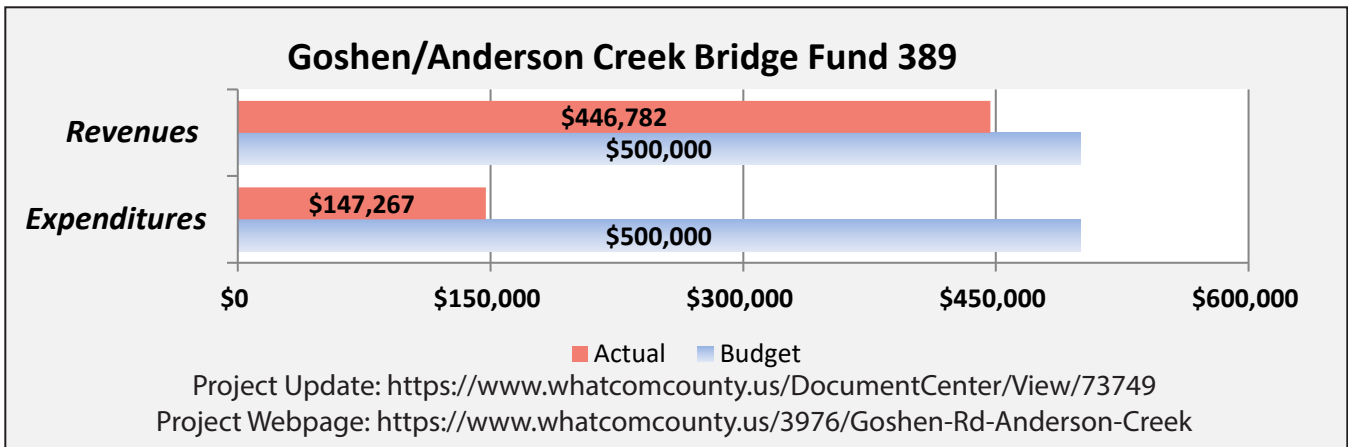
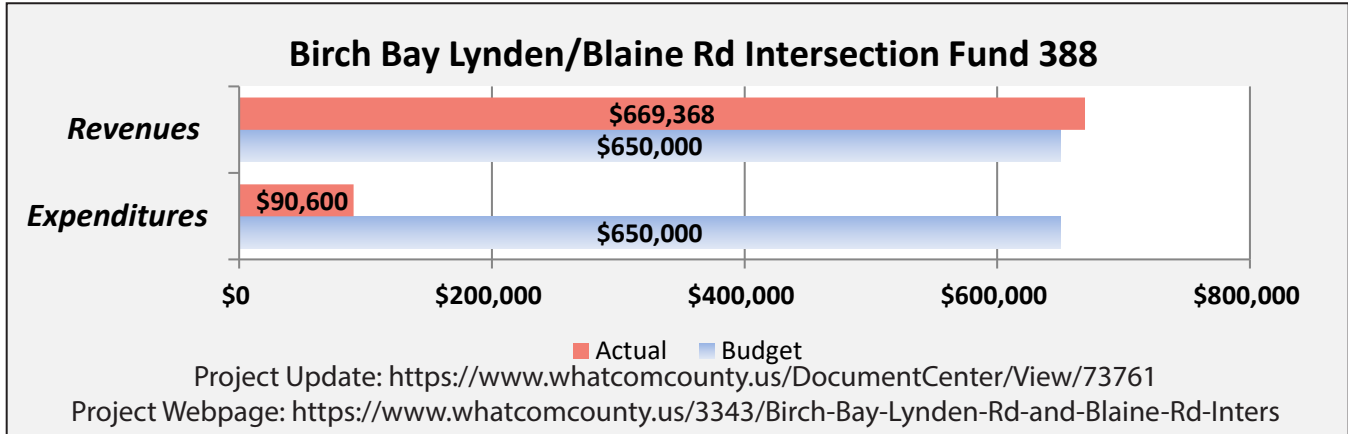


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

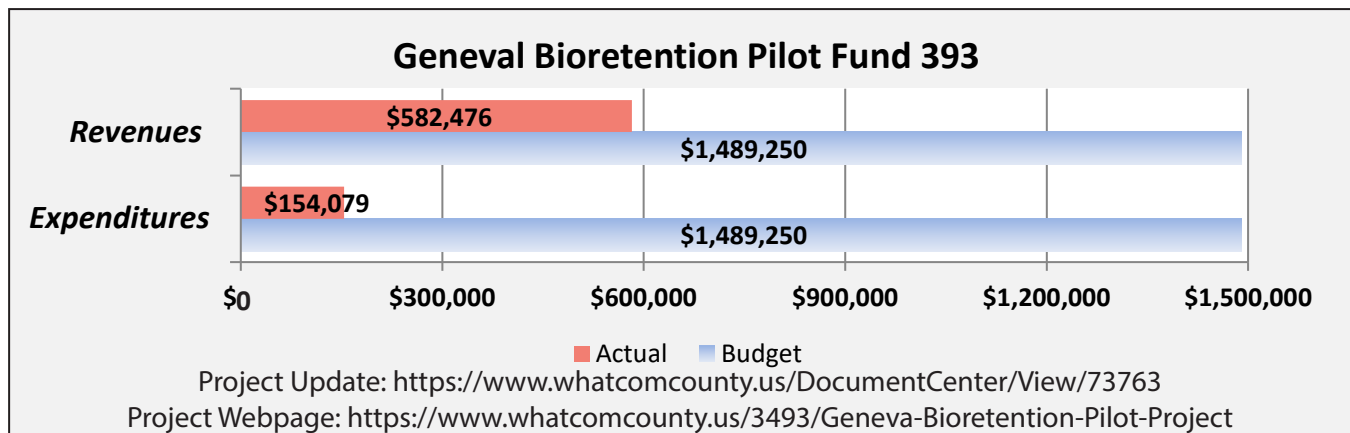
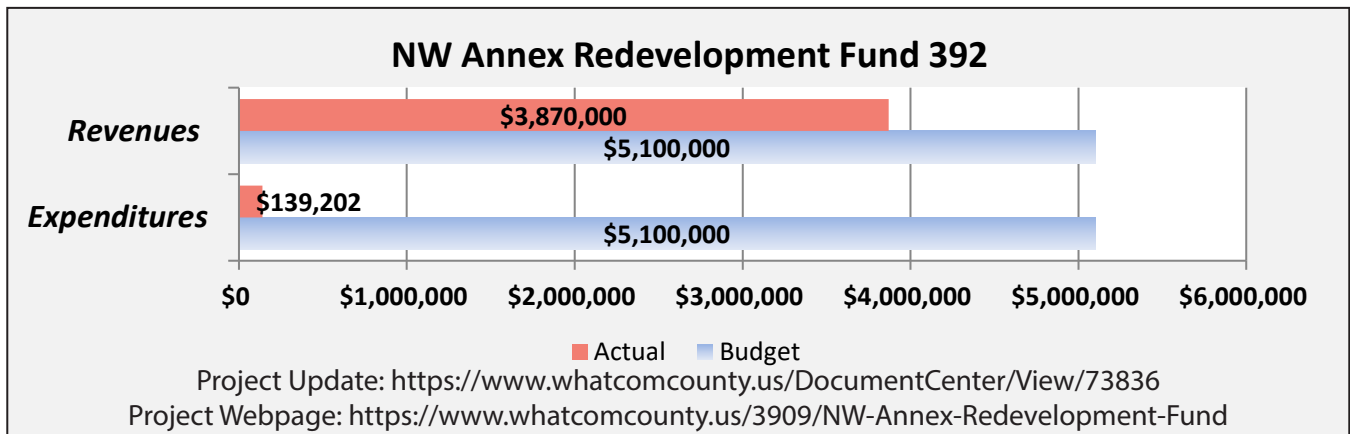
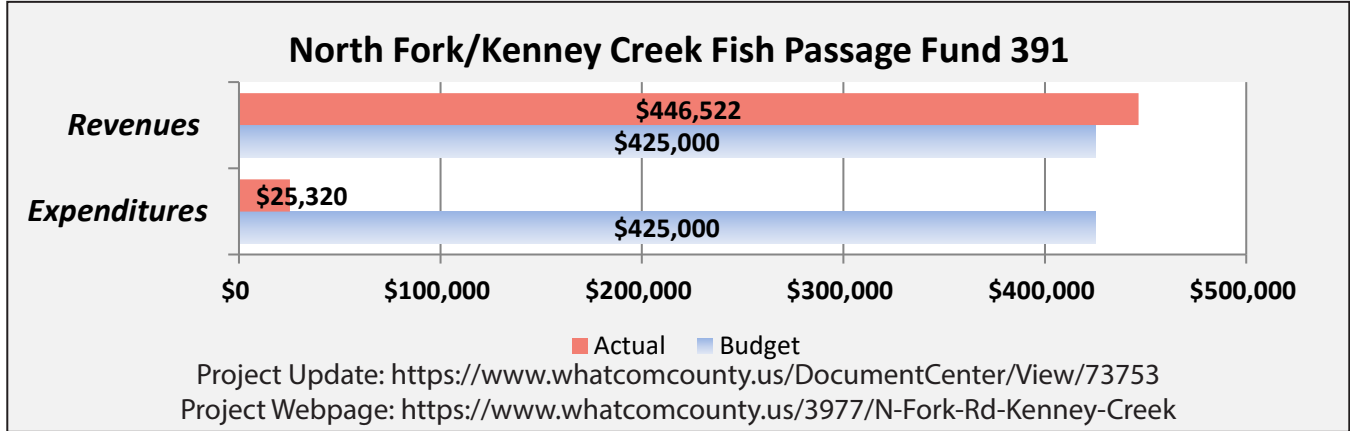


# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued



# Whatcom County Fourth Quarter 2022 Financial Report

For the Quarter Ended December 31, 2022



## Project Budget Funds, continued

