



DISCUSSION of the WHATCOM COUNTY BUDGET

Whatcom County process for assembling the
Biennial Budget and charter and code requirements

PRESENTED BY AS-FINANCE

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WHATCOM COUNTY BUDGET 101

Budget

“At the most basic level it is a legal document that gives local government officials the authority to incur obligations and pay expenses. It allocates resources among departments, reflecting the legislative body’s priorities and policies, and controls how much each department may spend...”

MRSC

A budget serves as a communication device, a policy document, a financial plan and an operations guide.

GENERAL FUND

Net Use of General Fund Revenues \$63 Million (2019 data)



Funding Proportional to Font Size:

Jail = \$7.3 million Emergency Dispatch = \$1.1 million

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Fund Balance

Fund balance is the accumulation of revenues minus expenditures from the fund inception.

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Balanced Budget

Budgeted expenditures do not exceed estimated revenues plus fund balance.

The appropriation ordinances shall not exceed the estimated revenues for to the next budget cycle for each fund including surpluses and reserves.
(Whatcom County Charter Section 6.60)

WHATCOM COUNTY BUDGET 101

Budget Cycle

The process of preparing, drafting and discussing the budget and accounting for its implementation.

The county is on a biennial budget cycle. We manage our biennial budget cycle as two one-year budgets.

The Whatcom County Charter Section 6.05 provides that funds can be on a biennial cycle, annual budget or a mixture of annual and biennial by fund.

WHATCOM COUNTY BUDGET 101

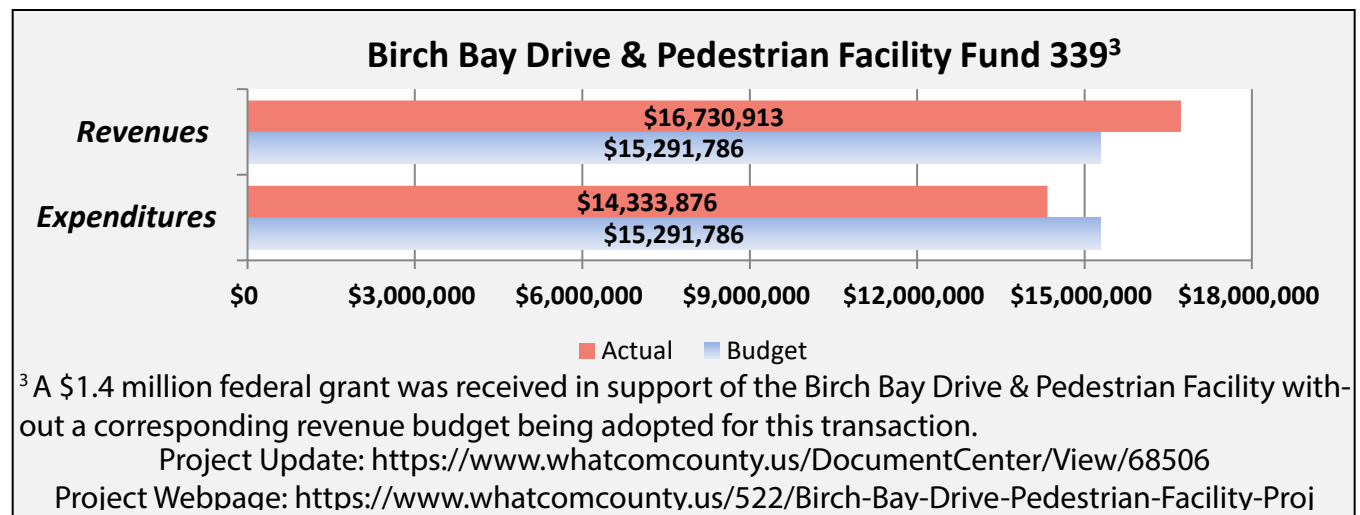
Capital Budgets

A capital budget is usually a large project that benefits future years and budget cycles, examples are a building or computer system.

Capital project budgets are adopted by capital budget appropriation ordinances. They span calendar years and biennial budget cycles.

Capital project budgets lapse when the project is complete, when the project is abandoned or an encumbrance has not been made in three years.

(Whatcom County Charter 6.8)



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Budget Lapse

Amounts in the current budget that remain unspent at year end and cannot be carried over to the next year.

Operating budgets expire at year end which is December 31 (Whatcom County Charter 6.8).

Capital project budgets lapse when the project is complete, when the project is abandoned or an encumbrance has not been made in three years.

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Continuing Appropriation

Budget authority added to the current budget for contracts and legal commitments that were made in the previous year/budget.

...any outstanding obligations for ongoing contracts and/or capital outlay projects of the county that have been encumbered and were planned to be completed before the end of the fiscal year, may be completed and warrants may be drawn on continuing appropriations in the following fiscal year if approved by the county executive.
(Whatcom County Code 3.02.050)

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Restricted Funds

Restricted funds are funds to account for revenues that are legally require to be expended for specific purposes. Examples are Road Funds, Homeless Housing Funds, REET I and REET II Funds.

Grant and restricted revenue shall be used first to pay for all eligible expenditures before any unrestricted General Fund general revenue is used as local funding for eligible expenditures.
(Budget Ordinance)

WHATCOM COUNTY BUDGET 101

Budget Administration

The county budget is adopted at the department level for the General Fund and at the fund level for other funds.

- Money allocated to salaries and wages, personnel benefits and capital outlay can be transferred only with prior approval of the county executive (Budget Ordinance).
- Expenditure authority granted in the budget is based on revenue projections contained in the budget. If it is evident that a department's revenues will fall short of the department's budgeted revenues in any calendar year, the department head will submit a plan to the County Executive to reduce departmental expenditures sufficient to offset the revenue shortfall within the same calendar year (Budget Ordinance).

WHATCOM COUNTY BUDGET ORDINANCE

Whatcom County Budget for the biennium 2023-2024:

GENERAL FUND	2023 Appropriation	2024 Appropriation
Assessor	4,026,482	4,129,800
Auditor	1,491,588	1,510,777
Council	1,968,027	2,011,737
Executive		
Executive	1,052,506	1,071,821
Non-Departmental	21,871,126	24,547,894
Planning & Development	6,709,817	6,834,349
Treasurer	1,726,988	1,759,325
Sheriff	21,571,510	21,867,314
District Court		
District Court	3,126,608	3,173,979
District Court Probation	2,351,782	2,389,828
Prosecuting Attorney	7,461,615	7,673,206
Public Defender	6,339,771	6,575,900
Superior Court		
Superior Court Administration	4,134,491	4,178,633
County Clerk	2,958,705	3,026,399
Juvenile Administration	5,537,680	5,657,912
Extension	697,880	702,954
Parks and Recreation	5,307,454	5,150,284
Public Health	18,866,974	18,867,678
TOTAL GENERAL FUND	117,201,004	121,129,790

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WHATCOM COUNTY BUDGET ORDINANCE

FUND No.	OTHER FUNDS	2023 Appropriation	2024 Appropriation
108	County Road	31,733,537	31,815,169
109	Election Reserves	1,825,443	1,781,667
114	Veterans Relief	528,243	527,601
118	Whatcom County Jail	19,986,894	20,383,363
121	Low-Income Housing Projects	260,000	260,000
122	Homeless Housing	7,257,347	5,229,071
123	Stormwater	1,780,194	1,543,637
124	Behavioral Health Programs	10,266,071	10,397,988
126	Parks Special Revenue	205,000	105,000
127	Mental Health & Developmental Disability	735,815	764,556
128	Swift Creek Sediment Management	225,300	335,300
129	Affordable & Supportive Housing	650,000	650,000
130	Countywide Emergency Medical Srvcs	23,091,531	23,965,184
132	Lake Whatcom Stormwater Utility	941,915	793,761
133	Affordable Hsg, Beh Hlth Fac, Rltd Srvc	1,289,585	1,304,260
135	WC Trial Court Improvement	105,870	45,870
138	American Rescue Plan Act	17,729,114	3,901,828
139	Ferry Fare Capital Surcharge	41,266	41,266
140	Solid Waste	2,288,314	2,275,169
141	WC Convention Center	1,456,925	891,150
142	Victim Witness	251,000	263,644
154	Road Improve #1	38,292	39,292
155	Road Improve #2	2,488	2,588
159	Road Improve #7	3,508	3,608
165	WC Drug Fund	562,000	187,000
166	Auditor's O&M	252,426	167,426
167	Emergency Management	1,732,488	1,672,430
175	Conservation Futures	531,984	649,165
245	2010 Ltd Tax GO & Refund Bond	233,025	230,025
324	REET II	2,644,142	129,658
326	REET I	4,613,073	2,279,940
332	Public Utilities Improvement	2,888,937	1,932,307
444	Ferry System	3,911,803	3,946,609
501	ER&R	20,369,132	17,002,112
507	Administrative Services	22,953,060	21,623,142
	Total Other Funds	183,385,722	157,140,786

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Position Control

The budget ordinance controls the authorized positions the administration is authorized to fill.

Part time positions can be increased temporarily subject to available budget. Council must authorize an increase the number of authorized positions by ordinance. Temporary employees may be hire subject to available department budget authority.

(Budget Ordinance)

WHATCOM COUNTY BUDGET 101

Position Control

	Mid-Biennium 2022 Totals	Additional 2022 Changes	Amended 2022	2023 Changes	2023 Totals	2024 Changes	2024 Totals
PLANNING & DEVELOPMENT							
Director	1.00		1.00		1.00		1.00
Assistant Director	1.00		1.00		1.00		1.00
Administrative Manager	0.00		0.00	1.00	1.00		1.00
Operations Supervisor	1.00		1.00	(1.00)	0.00		0.00
Clerk/Receptionist	1.00		1.00	(1.00)	0.00		0.00
Division Manager	2.00		2.00		2.00		2.00
GIS Specialist	1.00		1.00		1.00		1.00
Planner	25.00		25.00	2.00	27.00	1.00	28.00
Coordinator	2.00		2.00	1.00	3.00		3.00
Clerk	1.00		1.00		1.00		1.00
Public Service Inspector	4.00		4.00		4.00		4.00
Fire Inspector	3.00		3.00		3.00		3.00
Plans Examiner	3.00		3.00		3.00		3.00
Permit Center Specialist	1.00		1.00		1.00		1.00
Planning Technician	1.00		1.00		1.00		1.00
TOTAL PLANNING & DEVELOPMENT	47.00	0.00	47.00	2.00	49.00	1.00	50.00

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

2025-2026 Budget Schedule

Wednesday, June 26, 2024 Release Budget Instructions

Friday, August 02, 2024 Departmental Budgets Due (except PW, Health, Sheriff)

Friday, August 09, 2024 Public Works, Health, and Sheriff/Jail Budgets Due

August 12 - October 17 Meet with departments and finalize Executive
Recommended Budget

Friday, October 18, 2024 Executive Recommended Budget to Council

October 23 – November 18 Council Budget Review and Hearings

Tuesday, November 19, 2024 .. Council Adoption of the 2025-2026 Budget

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Base Budget

The base budget equals your 2024 budget adopted by council less one-time ASRs (Additional Service Requests) and adjustments for changes in personnel costs.

Personnel costs include step adjustments for the next biennium.

The base budget DOES NOT include:

2023-2024 budget supplementals or mid-biennium adjustments other than ongoing positions added during the period. Items added by supplemental marked as ongoing will have to be re-requested by ASR.

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Adjusting Your Base Budget for Changes in Revenue

If there will be a decrease in grant funding, you must decrease the expenditures in your base budget accordingly.

In the event your department discontinues or has decreased funding in fee for service activities, you must reduce your base budget for both the service revenue and any cost of providing the service.

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Fees and Negotiated Grants

County revenue policy states that departments should “Structure fees and negotiate grants to recover the total cost, including administrative overhead, of the associated service.”

See “Setting Fees for County Services” policy.

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Grants

Only include in your budget submission grants for which you have signed contracts.

The exceptions to this rule are:

- Consolidated Health,
- Consolidated Juvenile, and
- Support Enforcement grants.

To obtain an additional exception to this rule, contact AS-Finance.

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Additional Service Requests (ASR)

Additional Service requests are required to request budget increases above base budget.

ASRs are indented to be decision units and should address all the revenues and expenses for a specific request. Unrelated requests should be separate ASRs.

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Additional Service Requests (ASR)

Only submit ASRs for services and activities that are thoroughly planned and will be ready for implementation: costs are known. All county departments that will be impacted by the ASR know their respective role in the ASR, and they support the ASR.

The ASR includes all related costs, including temporary help, overtime and labor costs to be reimbursed to other departments.

For requests that do not meet these criteria (as in those not yet thoroughly planned or not yet ready for implementation), you will need to use the supplemental budget process.

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Additional Service Requests (ASR)

Negative ASRs

In past budget cycles we have requested departments prepare negative ASRs to identify possible means of reducing the budget in order to bring all funds budgets into balance.

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Additional Service Requests

2023-2024 Budget Preparation - Regular Additional Service Request

Administrative Services

Facilities Management

ASR # 2023- 6604

Fund 359

Cost Cente 359100

Originator: Rob Ney

Expenditure Type: One-Time

Add'l FTE

Add'l Space

Priority 10

Name of Request: Courthouse Exterior Project

Costs:	Object	Object Description	2023 Requested	2023 Approved	2024 Requested	2024 Approved
	6630	Professional Services	\$4,077,100	\$4,077,100	\$3,238,000	\$3,238,000
	8301.332	Operating Transfer In	\$0	(\$1,508,527)	\$0	(\$1,198,060)
	8301.326	Operating Transfer In	\$0	(\$2,568,573)	\$0	(\$2,039,940)
	Totals		\$4,077,100	\$0	\$3,238,000	\$0

1. Description of Request:

a) Describe the proposed activity or service, and indicate whether it is a higher or lower priority than existing services in your department budget.

Continuation of HKP Courthouse Exterior Project as Defined in HKP Report Dated November 2015. Continued efforts include replacing remaining roofs, and roof top mechanical equipment. The scope of work also includes replacing glazing on the 1993 (East) addition, where glazing has failed. Efforts are shown for cost/year. Each year has a design phase, typically for the following year construction (with the exception of 2022). Also shown is the contract administration effort by the design team for each project while under construction.

b) Who are the primary customers for this service?

All Departments and patrons of the Courthouse

2. Describe the problem this request addresses and why Whatcom County needs to address it.

The Courthouse exterior project was a multiyear maintenance project. The County has only undertaken the first of this long series of repairs.

3. Options

a) What other options have you considered? Why is this the best option?

Deferred maintenance.

The longer these improvements/repairs are put out into the future, the more the work will cost County tax payers.

b) What are the specific cost savings? (Quantify)

This project will be competitively bid and overall maintenance will be reduced.

4. Outcomes / Objectives

a) What outcomes will be delivered and when?

The phases slated for years 2023 and 2024 will be implemented and completed.

b) How will you know whether the outcomes happened?

The projects will be successfully completed.

Completing the projects on time and within budget.

5. Other Departments/Agencies

a) Will this ASR impact other departments or agencies? If so, please identify the departments and/or agencies impacted and explain what the impact(s) will be.

The impacts will be minimal as the improvements are on the exterior of the courthouse.

b) If another department or agency is responsible for part of the implementation, name the person in charge of implementation and what they are responsible for.

Rob Ney

6. What is the funding source for this request?

REET 63%/EDI 37%

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Allocations

Allocations are prepared in order to distribute common costs. This is necessary to use restricted revenue to fund these costs.

- CE Allocations
- AS Allocations
- Custodial Maintenance Allocation
- Tort Allocation

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Executive

The Executive Office balances the budget and provides the budget to the County Council 75 days before year end.

The Executive also provides:

- Tax ordinances
- Budget ordinances
- Six year capital facilities plan
- Unified Fee Schedule

BUDGET INSTRUCTIONS FOR COUNTY EXECUTIVES RECOMMENDED BUDGET

Council

The Council deliberates on the budget and may:

- Add or Delete Items
- Reduce or Increase Items
- Re-estimate Revenues
- Add provisions restricting the expenditure of certain appropriations

Section 6.60 Consideration and Adoption of the Budget.

Prior to the adoption of any appropriation ordinances for the next budget cycle, the County Council shall hold a public hearing to consider the budget presented by the County Executive and shall hold any other public hearings on the budget or any part thereof that it deems advisable. The Council in considering the appropriation ordinances by the Executive, may delete or add items, may reduce or increase the proposed appropriations and may add provisions restricting the expenditure of certain appropriations; but it shall not change the form of the proposed appropriation ordinances submitted by the Executive. The appropriation ordinances adopted by the County Council shall not exceed the estimated revenues of the County for the next budget cycle for each fund including surpluses and reserves, but the Council may increase the amount of the estimated revenues contained in the budget presented by the Executive by reestimating the amount by motion passed by a minimum of five (5) affirmative votes or by creating additional sources of revenue which were not included in the proposed tax and revenue ordinances presented by the Executive.

(Amended by ballot measure 1997 [refer to Ord. 97-042]; Amended by Ord. 2005-075 Exh. A)



QUESTIONS?



THANK YOU

Administrative Services - Finance

"North Cascade Sundown" by Karin Beringer, WACO Parks & Recreation Park Ranger