

Whatcom County Council Special Committee of the Whole

**COUNTY COURTHOUSE
311 Grand Avenue, Ste #105
Bellingham, WA 98225-4038
(360) 778-5010**



Committee Minutes - Final

Tuesday, September 10, 2024

9:30 AM

Hybrid Meeting - Council Conference Room

**HYBRID MEETING - MAY BEGIN EARLY (PARTICIPATE IN-PERSON, SEE
REMOTE JOIN INSTRUCTIONS AT www.whatcomcounty.us/joinvirtualcouncil, OR
CALL 360.778.5010)**

COUNCILMEMBERS

Barry Buchanan
Tyler Byrd
Todd Donovan
Ben Elenbaas
Kaylee Galloway
Jon Scanlon
Mark Stremmler

CLERK OF THE COUNCIL

Cathy Halka, AICP, CMC

Call To Order

Council Chair Barry Buchanan called the meeting to order at 9:29 a.m. in a hybrid meeting.

Roll Call

Present: 7 - Barry Buchanan, Tyler Byrd, Todd Donovan, Ben Elenbaas, Kaylee Galloway, Jon Scanlon, and Mark Stremmer

Announcements**Committee Discussion**

1. AB2024-379 Discussion of Whatcom County Budget Process

The following people discussed the item with Councilmembers:

- Aly Pennucci, Executive's Office
- Brad Bennett, Administrative Services Department Finance
- Satpal Sidhu, County Executive
- Kayla Schott-Bresler, Executive's Office
- Steve Oliver, County Treasurer
- Erika Lautenbach, Health and Community Services Director

Pennucci read from a presentation (on file). She and the other speakers discussed with Councilmembers the projected gap between revenues and expenses in the General Fund, that American Rescue Plan Act (ARPA) funds and sales tax accounted for the some of the jump in revenue between 2022 and 2023 and why expenses followed that same trend, what is and is not included in the projections, how using banked capacity affects bonding for capital projects, whether they could from the consultant that was going to do a high level long-term plan for multiple capital projects, looking at factors such as the increase in overall staffing County-wide which is partly due to bringing a number of programs in-house that used to be contracted and to expanding County services using one-time Federal funds, options for strategies to balance ("reform") the budget this biennium without making things worse in the long-run, how Whatcom County's levy rate and overall property tax collection amounts compare to surrounding counties, how utilizing some of the suggested reform strategies would affect the projected surplus and deficit for 2025 and 2026, how the strategy of a department underspend target would work and that it would allow for flexibility for departments to decide where cuts can be taken without reducing overall level of service, using the presented reform strategies to buy the County time to have a larger prioritization discussion about where

they might need to reduce level of service, whether utilizing banked capacity or the ordinance that would impose the annual rate would require a supermajority vote, the guidance that the County should maintain a minimum fund balance of 15 percent of the prior year's expenditures, the strategies to "transform" the budget going forward and how the County is doing with those, the benefit of presenting fiscal notes to the Council (as done by Public Works for AB2024-241) and whether other departments could also learn to do that, and when the Administration would like input on whether Council should use banked capacity for the General- and other funds.

Councilmembers gave feedback and discussed with the speakers their opinions on taking the one percent and using banked capacity, keeping funds, for which unincorporated areas are the only ones being taxed, in those unincorporated areas and not doing things that a city or taxing district could do, getting more understanding about base budgets and whether they get the level of scrutiny that Additional Service Requests (ASRs) get on a biennial or annual basis, thinking of ways to reduce administrative burden as a cost-saving measure, how redeploying some or all of the funding in the Community Priorities Fund, previously planned for the 23 Hour Crisis Relief Center (as referenced in section 3(d) on page seven of the "Staff Memo 9.10.2024") would impact the 23 Hour Crisis Relief Center, having a discussion about what core County services are, and looking into other things besides property taxes that other counties are doing that we are not doing but could.

They discussed having another work session and Pennucci requested they give her a few days to come up with a plan. She will work with Council and Council staff to identify some time in the next few weeks.

Elizabeth Kosa, Public Works Department Director, spoke about the upcoming discussion on the ferry fund scheduled as part of the September 17 Water Work Session Meeting.

This agenda item was DISCUSSED.

Items Added by Revision

There were no agenda items added by revision.

Other Business

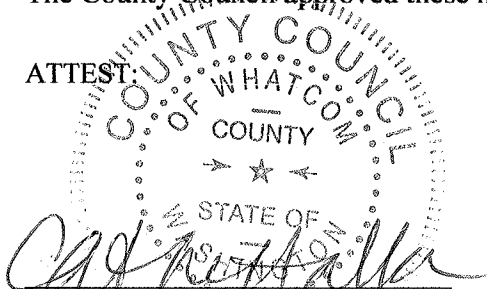
There was no other business.

Adjournment

The meeting adjourned at 10:43 a.m.

The County Council approved these minutes on September 24, 2024.

ATTEST:



Cathy Halka
Cathy Halka, Council Clerk

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WA

Barry Buchanan
Barry Buchanan, Council Chair

Kristi Felbinger
Kristi Felbinger, Minutes Transcription