



MEMORANDUM

To: Whatcom County Council
From: Jack Louws, County Executive
Date: May 29, 2018
RE: 2019-2020 Budget Priorities and Guidelines

As County Executive, I have the responsibility to present a balanced budget to the County Council that includes prioritization of our most critical capital projects as well as reasonable expansions of programs when additional revenues allow for them. It is in the best interest of the County that we develop the budget in collaboration with the Council.

We are financially healthy. We have an adequate fund balance and our revenues are stable. We anticipate modest revenue growth over the next biennium. Most of our labor agreements will be open beginning in 2019. The increase in ongoing costs will likely consume our General Fund revenue growth. We will continue to struggle to find the resources needed for our capital projects and maintenance of existing facilities.

As I noted in my annual remarks to Council, our primary outstanding challenge is the major capital replacement program. We will need to rely heavily on REET I and the county portion of EDI to fund these efforts.

Operationally, my primary goals are to streamline our services to our citizens by utilizing technology and provide increased customer service throughout the organization.

With your assistance, I am confident we can develop a biennial budget that serves our community well in the next biennium.

The budget priorities and guidelines outlined below are submitted to you as a framework for developing a balanced and sustainable biennial budget for 2019-2020.

BUDGET GUIDELINES:

The Council's review and feedback is requested on the following guidelines proposed for use by the Executive in building the 2019-2020 Biennial Budget:

1. Develop a budget that maintains a sustainable fund balance in the General Fund.

2. Invest in technology to increase productivity and improve effectiveness while evaluating the ongoing costs of software maintenance and efficiencies gained.
3. Evaluate and adjust programs and service levels in light of current community needs.
4. Maintain staffing at sustainable levels and negotiate contracts with fair cost of living adjustments.
5. Preserve the investments in capital facilities that will meet the county's long term needs.
6. Determine a cost effective solution for relocating county operations from facilities that do not meet the county's long term needs.

EXECUTIVE'S BUDGET PRIORITIES:

1. Continued prioritization of the critical infrastructure issues and increased funding for general repair and maintenance of existing facilities.
2. Support the expansion of Whatcom County's Housing Program, using the increased recording document surcharges, by providing services and support for individuals and families who are experiencing homelessness or are on the verge of becoming homeless.
3. Support the work of the Incarceration Prevention and Reduction Task Force, by supporting Superior Court and District Court coordinated efforts in Pre-Trial Services and constructing and operating the expanded Crisis Triage facility.
4. Focus on Facilities and IT staffing to increase capacity to accomplish long-range goals for both existing and planned capital facilities and technology projects.
5. Continued focus on the Customer Service Initiative in Health, Parks, Planning and Development Services and Public Works.

ACTION:

With your participation and input of the priorities and guidelines, together we will address our critical infrastructure needs and build a sustainable biennial budget for 2019-2020. I ask the Council to provide input and concur with the priorities and guidelines outlined in this memo at the May 29th Executive/Council Budget Priorities and Guidelines Planning Meeting.