

The 2011-2012 Budget in Summary

This section provides a summary of the 2011-2012 budget by program and by fund.

Included is information about revenue and expenditure budgets, together with comparative historical statistics and narrative explanations. This section shows the relationship between program expenditures and revenues available to fund programs. Because of its size and diverse nature, the General Fund is the primary focus of this summary.

Funds

General Fund

The General Fund is the largest of Whatcom County funds. It finances most general governmental services including the legislative, executive and judicial branches of county government. It also finances law enforcement, health, land use planning,

building inspection, property assessment, tax collection, recording and vehicle licensing.

Road Fund

The Whatcom County Road Fund is the second largest county fund. It finances designing, constructing, altering, repairing, improving and maintaining county roads and bridges. Projects expected to be completed within one calendar year are budgeted for that year. Projects expected to span more than one calendar year are budgeted for on a project-by-project basis and will require budget amendments.

Other Funds

Other Whatcom County funds have a much narrower focus and are therefore presented in a more condensed manner.

Summary of Budgeted Revenues and Expenditures by Fund

	Budgeted Revenue			Budgeted Expenditures		
	2010 (Amended)	2011	2012	2010 (Amended)	2011	2012
001 General Fund	76,104,670	71,523,204	72,577,426	83,813,899	74,937,554	76,114,569
108 County Road	27,410,137	24,398,916	22,982,818	30,247,258	25,836,692	22,820,246
118 Jail Fund	12,267,403	11,983,978	12,087,981	12,823,817	12,710,730	13,064,251
169 Flood Control Zone	6,907,389	4,961,539	5,448,657	8,846,400	5,169,916	6,652,390
501 ER&R	11,974,277	9,297,219	9,296,847	14,340,305	9,825,613	10,274,893
507 Admin. Services	20,487,969	19,735,880	20,311,663	22,209,605	20,025,323	20,593,265
All Other Funds	40,277,506	25,979,788	23,927,397	49,478,326	25,518,911	22,125,674
Total	\$195,429,351	\$167,880,524	\$166,632,789	\$221,759,610	\$174,024,739	\$171,645,288

General Fund Summary

	Projected 2010	Budget 2011	Budget 2012
Estimated Beginning Cash Balance	\$9,736,205	\$10,385,079	\$9,004,694
Ongoing Revenues			
Budgeted Revenues (Note 1)	* 74,741,380	71,491,551	72,460,176
Ongoing Expenditures			
Budgeted Expenditures (Note 2)	(77,860,088)	(74,425,464)	(77,051,489)
Preliminary Operating Deficit	(3,118,708)	(2,933,913)	(4,591,313)
Closure Days / Unrep. Wage Freeze		915,515	1,134,670
Net One-time Additional Service Requests (Note 3)	* -	(1,395,952)	(80,500)
Projected Budget Lapse	** 3,298,232	2,212,988	2,242,414
Operating Surplus (Deficit)	179,524	(1,201,362)	(1,294,729)
Adjustments			
Inter Fund Debt Adjustment	469,350	(179,023)	(184,395)
Estimated Ending Cash Balance	\$10,385,079	\$9,004,694	\$7,525,570

*NOTE: Ongoing revenues above do not include one-time revenues of \$31,653 and \$117,250 for 2011 and 2012, respectively. These one-time revenues are deducted from one-time expenditures to arrive at "Net One-Time Additional Service Requests" above.

** NOTE: Budget lapse projection used in the 2010 budget is 3% plus \$992,195 for capital projects carried over to 2011. The projected budget lapse for 2011-2012 is 2.5% plus \$348,256 for lower health insurance costs than original projected.

General Fund Summary Notes

Note 1 - Changes in Ongoing Revenue

2010 Budgeted Revenues	\$ 74,741,380
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2011 Revenue Changes:

• Property Tax (New Construction)	\$ 427,223
• Property Tax (Neutral Shift Flood Fund)	\$ 1,000,000
• Property Tax (Remove CFF Levy Shift)	\$ (543,000)
• Interest & Penalty on Tax	\$ 125,000
• Business Licenses & Permits	\$ 71,155
• Building Permits	\$ (34,609)
• Intergovernmental Probation Fees	\$ (70,000)
• Border Prosecution Grant	\$ (210,000)
• CDBG Grants	\$ (1,000,000)
• Women, Infants and Children Grant	\$ 278,347
• CTED - Drug Task Force Grant	\$ (124,255)
• JAG - Drug Task Force Grant	\$ (88,969)
• Other State & Federal Grants	\$ (378,234)
• On-Site Sewage Loan Program Grant	\$ 750,000
• REET Technology - ATS	\$ (280,000)
• DSHS Grants Juvenile Court	\$ (116,000)
• WRIA Grant - PDS	\$ (113,440)
• State Entitlements	\$ 121,128
• ARRA Energy Efficiency Grant	\$ (220,981)
• Recording Fees	\$ (127,500)
• Plan Check Fees	\$ (75,596)
• On-Site Sewage Filing Fee	\$ (145,000)
• Franchise Fees	\$ 64,390
• Development Related Fees	\$ (140,419)
• Traffic Infractions	\$ 155,041
• Bail Bond Forfeitures	\$ 54,500
• Parking Fees	\$ 181,000
• EMS Sales Tax Criminal Justice	\$ (88,740)
• Interest Income	\$ (301,758)
• Stone Garden Grants	\$ (338,079)
• Transfer In MH/CD Fund for Probation	\$ 82,381
• Other Net Changes	\$ (96,361)
• Transfer In Budget Stabilization Plan	\$ (2,067,053)
2011 Budgeted Revenues	\$ 71,491,551

2011 Budgeted Revenues	\$ 71,491,551
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2012 Revenue Changes:

• Property Tax (New Construction)	\$ 302,508
• Sales Tax	\$ 355,766
• Interest Income	\$ 385,517
• Transfer In Parks Improv Reconveyance	\$ 141,939
• Border Prosecution Grant	\$ (290,000)
• Women, Infants and Children Grant	\$ 39,477
• CTED - Drug Task Force Grant	\$ (76,793)
• JAG - Drug Task Force Grant	\$ (67,530)
• Other Net Changes	\$ 177,741
2012 Budgeted Revenues	\$ 72,460,176

General Fund Summary Notes continued

Note 2 - Changes in Ongoing Expenditures

2010 Projected Expenditures	\$ 77,860,088
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2011 Expenditure Changes:

• Increase in Salary and Wages	\$ 1,545,923
• Decrease Administrative Cost Allocation	\$ (337,837)
• Increase Employee Retirement	\$ 607,997
• Increase in Employee Health Costs	\$ 738,235
• Increase Other Payroll Taxes & Benefits	\$ 340,719
• Sheriff Housing Authority Contract Costs	\$ 51,106
• Sheriff Firearms Permit Issuance Costs	\$ 40,000
• Sheriff Sex Offender Verification Costs	\$ 71,193
• Hearing Examiner Contract Increase	\$ 9,816
• Software Maintenance ATS	\$ 223,369
• District Court Clerk Position	\$ 53,975
• Restoring 1 Prosecuting Attorney	\$ 83,372
• Health Contract Coordinator Increase	\$ 19,178
• Pub Defender Career Path Promotions	\$ 26,690
• Superior Court Jury Costs	\$ 30,000

Budget Reductions

• Auditor	\$ (122,473)
• County Clerk	\$ (186,562)
• County Council	\$ (15,903)
• District Court Probation	\$ (4,245)
• Executive	\$ (31,302)
• Extension	\$ (5,881)
• Juvenile	\$ (82,169)
• Health	\$ (345,889)
• Hearing Examiner	\$ (1,915)
• Parks & Recreation	\$ (371,373)
• Planning & Development	\$ (640,659)
• Prosecuting Attorney	\$ (72,018)
• Public Defender	\$ (139,057)
• Sheriff	\$ (184,634)
• Treasurer	\$ (40,838)

Non-Departmental Changes

• Animal Control	\$ (75,525)
• Assessor Treasurer System	\$ (2,040,651)
• Food Bank Services	\$ (58,066)
• Medical Examiner	\$ 25,981
• Green Power	\$ (32,000)
• Domestic Violence	\$ (10,000)
• NW Economic Council Grant	\$ (35,000)

2011 Expenditure Changes (cont):

Non-Departmental Changes (cont)

• What-Comm	\$ 58,282
• Energy Efficiency DOE Grant Funded	\$ (233,616)
• CDBG Grants	\$ (1,000,000)
• DNR Reconveyance	\$ (291,000)
• Transfer to Water Resources	\$ (24,500)
• Allowance For Settlements	\$ (215,074)
• Transfers Election Reserve	\$ (240,000)
• Transfers Jail Operations	\$ (208,902)
• Transfers Admin Services	\$ (636,314)
• Other Net Changes	\$ 322,943
2011 Budgeted Expenditures	\$ 74,425,464

2012 Expenditure Changes:

• Increase in Salary and Wages	\$ 1,045,302
• Increase in Employee Health Costs	\$ 633,470
• Increase Employee Retirement	\$ 645,098
• Increase Social Security	\$ 83,627
• Increase Transfer to Election Reserve	\$ 160,000
• Increase Transfer to Jail	\$ 94,000
• Decrease Rapid Border	\$ (48,257)
• East Whatcom Resource Center	\$ 41,300
• Lake Whatcom Reconveyance	\$ 68,755
• Increase Epidemiology Capacity	\$ 88,700
• Increase Administrative Services Alloc	\$ 103,224
• Road Repairs Plantation Range	\$ 38,000
• Other Net Changes	\$ 104,423

Budget Reductions

• Assessor	\$ (70,000)
• Health	\$ (151,561)
• Planning & Development	\$ (48,391)
• Public Defender	\$ (120,827)
• Treasurer	\$ (40,838)
2012 Budgeted Expenditures	\$ 77,051,489

General Fund Summary Notes continued

Note 3 - One-Time Additional Service Requests

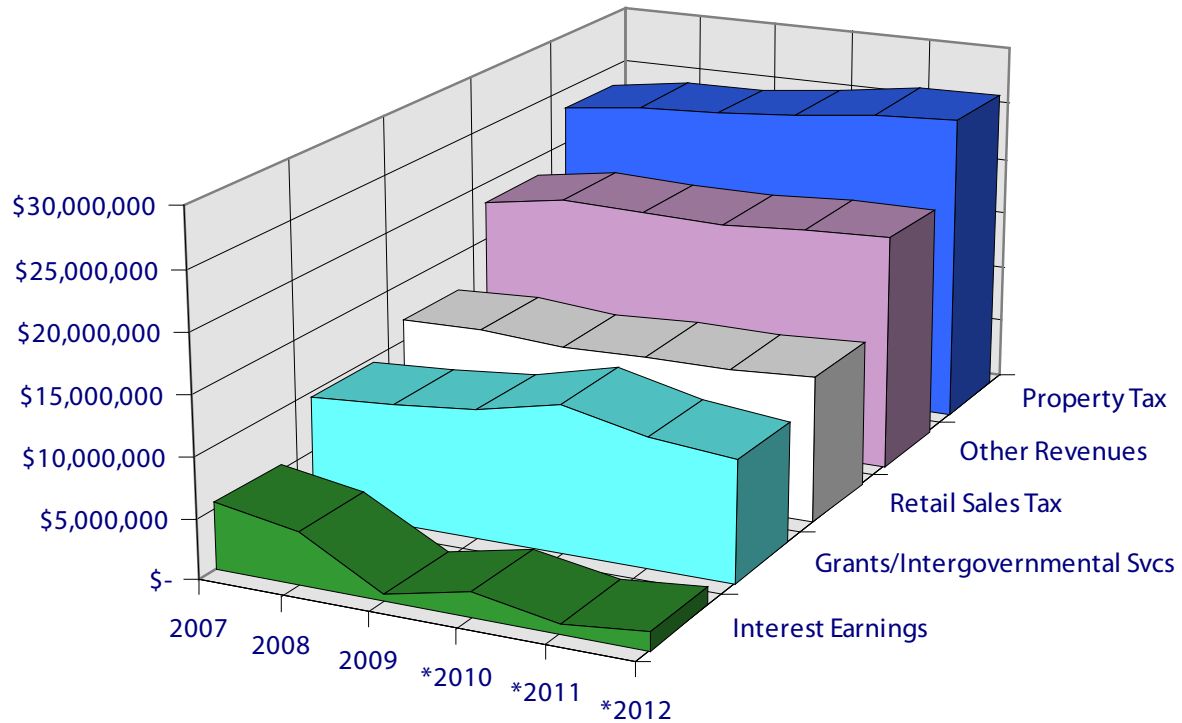
2011

Description	Expenditures
• District Court Receptionist	\$ 52,757
• Birch Bay Watershed Action Plan	\$ (8,000)
• Farmland Preservation Grant	\$ (15,000)
• Investment Income Decrease	\$ 300,000
• Carryover Assessor/Treasurer Project	\$ 914,495
• Electronic Timekeeping Software	\$ 54,000
• E-mail Archiving Appliance	\$ 23,700
• Remove Green Building Budget	\$ (20,000)
• Food Bank Funding	\$ 58,000
• Increase Senior Center Contracts	\$ 65,000
• WRIA Coordination	\$ (4,500)
• Subscription Increase Law Library	\$ 15,500
• Annual Revaluation Grant - Assessor	\$ (40,000)
Total	\$ 1,395,952

2012

Description	Expenditures
• Subscription Increase Law Library	\$ 17,500
• Remove Green Building Budget	\$ (20,000)
• Food Bank Funding	\$ 58,000
• Increase Senior Center Contracts	\$ 65,000
• Annual Revaluation Grant - Assessor	\$ (40,000)
Total	\$ 80,500

General Fund Revenues



*Budget

General Fund Revenue Notes

Property Tax

In 2011, property tax revenues are projected to increase \$884,000. This is the result of: an increase in the General Fund levy of \$457,000, a \$302,000 increase in property tax based on projected new construction of \$300 million, and \$125,000 increase based on actual collections in 2010. The \$457,000 increase in the General Fund levy is offset by a \$457,000 net decrease in other countywide property tax levies. Property tax revenues are

estimated to increase by another \$302,500 in 2012 as a result of \$300 million in new construction.

Other Revenue

“Other Revenue” is expected to increase by \$460,000, or 2.4% in 2011. The largest increase is in interfund service charges from the Health Department to the Mental Health/Chemical Dependency fund for administrative services (+\$348,000). The rents & royalties category has also increased due to county parking lot fees being

General Fund Revenue Notes continued

increased and moved to the General Fund from Administrative Services (+\$181,000) and cable franchise fees increasing due to cable company rate increases (+\$64,000). Other fluctuations include revenues from interest & penalties on taxes increasing (+\$125,000), traffic infraction revenues up \$150,000, auditor recording and motor vehicle licensing fees down (-\$160,000), building related fees in Planning & Development Services continuing to decrease (-\$200,000) and health department fees related to on-site sewage and discontinuation of programs down (-\$220,000). Several other accounts are budgeted to have moderate increases. In 2012, Other Revenue is expected to increase by \$161,500, also due to modest increases in several accounts.

Retail Sales Tax

Whatcom County receives one percentage point of the retail sales tax collected in the unincorporated areas and .15 percentage points of retail sales tax collected in the incorporated areas. The 2011 budget is expected to remain flat as compared to the 2010 budget and increase by 3% in 2012 based on a slow economic recovery. 2011 budgeted amounts are actually 1.5% over 2010 projected amounts which are expected to come in under budget. The estimates do not include provision for a negative outcome if a pending lawsuit against the State goes against the County. The State Department of Revenue ruled that sales to Canadians are exempt from state and local sales taxes. The City of Bellingham and Whatcom County are contesting that ruling.

Grants and Intergovernmental Services

Grants are monies received from the state and federal government to support various programs. Intergovernmental service revenues are generated by governments performing services for each other. Ongoing General Fund grants and intergovernmental services include the Consolidated Juvenile Grant received by Juvenile Administration; Support Enforcement Grant

received by the Prosecuting Attorney's Office and Superior Court; Washington State Department of Health Consolidated Contract, North Sound Regional Support Network Grant and Department of Social and Health Services Developmental Disabilities Contract received by the Health Department. These revenues are projected to decrease \$1,648,000 between 2010 and 2011 and another \$603,000 between 2011 and 2012. Most of the grant decreases are due to federal Recovery Act, earmark funding, and other federal contracts expiring. Expiring grants in Non-departmental include \$1,000,000 of Community Development Block Grants for low income housing related projects, the Rapid Border Prosecution initiative (\$210,000 in 2011 and \$500,000 in 2012), an energy efficiency project grant (\$221,000 in 2011 and \$216,000 in 2012). Significant grant contracts in the Sheriff's Office (\$537,000 in 2011 and \$606,000 in 2012) and Planning and Development (\$156,000 in 2011 and \$349,000 in 2012) also expire. Grants in the Health Dept include one-time increases for the Women-Infant-Children's program funding and an increase of \$750,000 per year for the on-site sewage loan program in the Health Dept to help finance low income homeowner septic system repairs. Several other departments have varying amounts of grant and intergovernmental service revenue decreases throughout the 2011-2012 biennium as a result of budgetary decreases.

Interest Earnings

Interest earnings are the result of the investment of excess cash from the General Fund and other county and non-county funds. Interest earnings vary with interest rates and the amount of money available for investment. Interest earnings are falling at a rapid rate due to decreasing fund balances, decreasing investment interest rates, and inability of the General Fund to be able to access the investment earnings of an increasing number of restricted funds such as the Flood Control Zone District. Currently,

General Fund Revenue Notes continued

2011 General Fund interest earnings are expected to be \$1.2 million below 2010 budgeted amounts. Earnings are projected to increase approximately \$700,000 in 2012 as the economy recovers and investment rates increase.

Transfers

Transfers, money paid to the General Fund from independent funds, are not shown in the graph on page 40. The most significant operating transfers in support of Criminal Justice are: approximately \$500,000 annually from the Drug Fund to reimburse Prosecuting Attorney's and Sheriff's costs; and \$180,000 per year from the Administrative Services Fund to support the Prosecuting Attorney for self insurance activities, and \$570,000 from the Countywide Emergency Medical Services (EMS) Fund. A portion of the .1% EMS sales tax must be used to support the criminal justice system. In addition the Auditor's O&M Fund supports two recording clerk positions in the Auditor's Office

(\$115,000) and Solid Waste supports solid waste monitoring activities in the Health Department (\$119,000). The REET II Fund and the Conservation Futures Fund also support positions in Parks (\$139,000). The Mental Health/Chemical Dependency Fund supports two probation officers and related costs for a Behavioral Health Unit in District Court Probation (\$240,000). In 2012, a \$142,000 transfer is added from the Parks Improvement Fund to cover costs of maintaining Lake Whatcom Watershed park lands reconveyed from State Department of Natural Resources. Other transfers include funding from REET I to pay for debt service payments on the Public Defender's office building purchased by the General Fund during the last biennium (\$127,000). Overall transfers have decreased \$3 million between 2010 and 2011 due to the completion of three capital projects and removal of budget stabilization equity transfers from other funds.

General Fund Revenue Summary

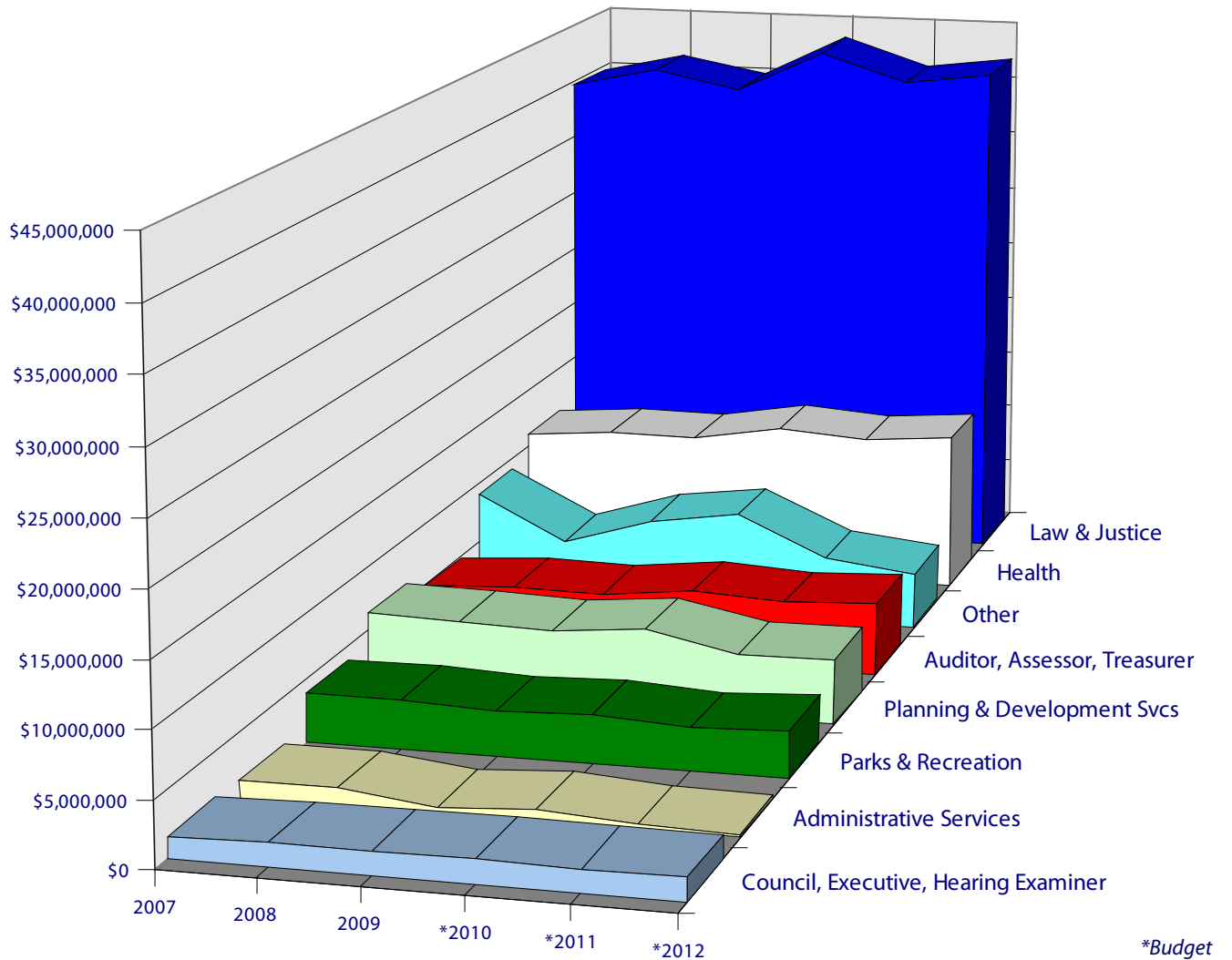
	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Grants/Intergovernmental Svcs						
Federal Grants-Direct	617,752	670,675	713,353	1,026,113	660,547	237,865
Federal Grants-Indirect	3,071,533	3,337,692	3,323,977	4,047,394	2,590,077	2,478,780
State Grants	5,120,851	5,245,721	4,883,469	3,947,948	4,548,567	4,494,975
State Shared Revenues	121,028	88,996	101,777	93,560	93,635	93,635
Intergovernmental Svcs	735,317	800,618	1,556,736	2,888,820	2,721,563	2,721,563
Federal Grants	-	-	203,387	371,714	113,133	97,752
<i>Total Grants/Intergovernmental</i>	<i>9,666,481</i>	<i>10,143,702</i>	<i>10,782,699</i>	<i>12,375,549</i>	<i>10,727,522</i>	<i>10,124,570</i>
Interest Earnings						
<i>Interest Earnings</i>	<i>5,566,148</i>	<i>4,302,626</i>	<i>473,136</i>	<i>2,057,368</i>	<i>854,807</i>	<i>1,540,324</i>
Retail Sales & Use Tax						
<i>Retail Sales & Use Tax</i>	<i>11,812,849</i>	<i>12,146,552</i>	<i>11,613,848</i>	<i>11,865,841</i>	<i>11,858,889</i>	<i>12,214,655</i>
Other Revenue						
Timber Harvest Taxes	116,153	137,340	75,460	69,200	89,200	89,200
Excise Taxes	666,511	539,214	454,480	440,400	449,900	474,900
Interest & Penalty on Tax	1,657,203	1,581,211	1,517,820	1,462,500	1,587,000	1,587,000
Business Licenses & Permits	493,737	523,141	607,472	603,211	663,386	685,386
Non-Bus Licenses & Permits	1,628,766	1,465,949	1,585,549	1,581,420	1,557,791	1,591,041
Federal Entitlements	667,256	1,066,653	1,123,836	1,168,445	1,200,000	1,200,000
State Entitlements	2,343,313	2,550,966	2,596,362	2,650,652	2,771,780	2,779,447
Interlocal Grant-Entitlement	852,432	880,516	895,689	928,716	937,679	959,407
General Government	2,544,536	2,453,344	2,485,540	2,507,040	2,345,774	2,345,774
Security-Persons & Property	1,195,594	1,061,717	1,044,998	1,086,843	1,006,757	1,006,757
Physical Environment	33,020	-	-	-	-	-
Economic Environment	1,967,752	2,069,965	1,933,937	1,876,757	1,675,735	1,675,735
Mental and Physical Health	414,102	464,276	647,667	781,844	558,390	568,037
Culture and Recreation	358,686	430,267	373,553	277,908	287,369	287,369
Other Interfund Svc Charges	265,484	267,157	340,654	341,862	663,729	675,719
Felony Penalties	104,503	109,859	155,876	124,322	171,800	171,800
Civil Penalties	42,211	49,922	78,180	59,700	60,700	60,700
Non-parking Infractions	1,159,625	1,236,997	1,061,451	1,118,000	1,271,041	1,271,041
Parking Infractions	1,652	247	4,430	3,500	3,500	3,500
Criminal Traffic Misdemeanor	325,757	309,361	299,985	300,000	310,000	310,000
Non-traffic Misdemeanor	126,764	98,733	102,037	107,700	100,700	100,700
Criminal Costs	107,979	102,309	108,522	96,908	111,000	111,000
Rents & Royalties	923,419	1,000,340	1,074,306	1,057,707	1,308,238	1,338,507
Other Interfund Miscellaneous	37,418	37,418	39,469	37,418	37,418	37,418
Contribution-Private Source	60,457	132,441	103,312	22,021	7,000	7,000
Other Miscellaneous Revenue	86,606	75,758	155,021	99,022	107,417	107,417
Disposition of Fixed Assets	-	-	2,375	-	-	-
State Timber Sales	168,805	851,148	367,859	399,000	379,000	379,000
<i>Total Other Revenue</i>	<i>18,349,741</i>	<i>19,496,249</i>	<i>19,235,840</i>	<i>19,202,096</i>	<i>19,662,304</i>	<i>19,823,855</i>

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General Fund Revenue Summary continued

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Property Taxes						
<i>Property Taxes</i>	23,309,366	24,251,350	24,452,461	25,214,113	26,098,336	26,400,844
Transfers						
Operating Transfer In	1,516,280	1,859,263	4,191,540	3,733,306	2,195,696	2,344,224
Interfund Operating Transfer In	-	-	155,000	-	125,650	128,954
Residual Equity Transfer In	31,057	11,889	1,669,824	1,656,396	-	-
<i>Total Transfers</i>	1,547,337	1,871,152	6,016,364	5,389,702	2,321,346	2,473,178
Total General Fund	70,251,922	72,211,631	72,574,348	76,104,669	71,523,204	72,577,426
Percent Change from Previous Year	3.3%	2.8%	0.5%	4.9%	-6.0%	1.5%

General Fund Expenditures



NOTE: General Fund Expenditures are shown in operational categories. Non-Departmental transfers are distributed to the appropriate categories in this chart.

General Fund Expenditures Notes

General Fund Expenditure History

Total expenditures for the General Fund for 2011 and 2012 are \$74.9 million and \$76.1 million respectively. The 2011 and 2012 budgets are \$8.9 million and \$7.7 million less respectively than current 2010 budget. All capital projects, with the exception of the completion of software projects carried over from 2010, have been removed from the General Fund and are now funded by capital project funding sources such as REET I and II and the Public Utilities Improvement Fund. Due to the economic downturn and budget constraints, all departments were subject to at least a 2.5% reduction in all non-wage and benefit accounts, inability to fill vacancies, unrepresented employee wage freezes and twelve closure days per year for all but 24/7 operations. Departments with non-mandated services were subject to greater reductions in staff and services.

Between 2004 and 2009 the General Fund grew at approximately 4.6% with the bulk of this increase in Law and Justice Expenditures. The 2010-2012 period budgets provide for expenditure increase at approximately .12% over actual 2009 expenditures.

Law & Justice

The largest category of expenditures is for Law & Justice. This category includes District, Superior, and Juvenile Courts, Public Defender, Prosecuting Attorney, Sheriff, and a transfer that funds a portion of the cost of operating the jail. Law & Justice expenditures grew at 3.6% between 2004 and 2009, they account for 55% of the General Fund's 2011-2012 budgets. The 2010-2012 period budgets represent 1.7% growth in expenditures over 2009 actual expenditures.

Health Department

With 16.7% of the General Fund budgeted expenditures in 2011-2012, the Health Department is the second largest expenditure category. This

department's expenditures have increased at an average rate of 5.6% per year between 2004 and 2009. The 2010-2012 period budgets represent 3.3% growth in expenditures over 2009 actual expenditures. The Health Department receives state and federal grant revenues and charges user fees for many of its programs. General county revenues of approximately 1.7 million dollars in 2011 and \$2.1 million in 2012 will be used to support the Health Department's operating costs. General fund support for the health department's base budget was reduced \$1,080,000 in 2011 and \$686,000 in 2012 as compared to the 2010 budget.

Other

"Other" is made up of miscellaneous expenditures that are not attributable to specific departments. Programs in this category include ambulance service, animal control, 911 dispatch for fire district fire calls, Medical Examiner, general obligation bond payments, support for other organizations that provide public services, and other miscellaneous items. Support for other organizations from the general fund has been reduced significantly from 2010 levels due to the demands on the limited general fund resources. Miscellaneous amounts include interfund loan payments, leave cash-out accounts for terminating employees, morgue, indigent burials, support for the computer replacement fund, and other small amounts. This category has been reduced by \$3.2 million in 2011 and \$4 million in 2012 from 2010 levels. The decreases are mostly due to reductions in capital projects and grant funded projects.

Assessor, Treasurer & Auditor

The Assessor, Treasurer, and Auditor make up 7.5% of the total 2011-2012 General Fund budget. Expenditures have increased at an annual rate of 4.6% from 2004 through 2009 excluding transfers to the elections reserve fund. The 2010-2012 period budgets represents 3.3% growth in expenditures over 2009 actual expenditures (excluding the

General Fund Expenditures Notes continued

elections reserve transfer). Transfers to the election reserve fund fluctuate every other year because the state only provides funding for its ballot measures on odd years. The Assessor, Treasurer, and Auditor budgets are growing at a higher rate than most other departments due to large maintenance payments necessary for the new Assessor – Treasurer software system.

Planning & Development Services

Planning and Development Services 2011 and 2012 budgets total \$5,087,269 and 5,195,898 respectively; this is approximately \$1.4 million in 2011 and \$1.3 million in 2012 less than the 2010 budget. Planning and Development Services expenditures had an average growth rate of 6.8% per year from 2004 to 2009 but are now declining at the rate of 4% for the 2010-2012 period. Building activity levels have fallen dramatically since construction activity peaked in 2005. Revenues from building permits and plan check fees have fallen \$1.7 million from 2005 levels. Staff has been reduced 37%, or 27.6 FTEs, since 2007. In 2011-2012, approximately \$2 million per year of the departments' annual operating costs will be paid from discretionary General Fund revenues.

Parks & Recreation

Parks & Recreation accounts for 4.67% of the General Fund budget. It had an average growth rate of 2.1% per year from 2004 to 2009. Ongoing budget cuts to Parks total about \$300,000 per year. Several positions have been eliminated and senior services will be contracted instead of provided in-house. General county revenues of approximately \$2.5 million per year will be used to support Parks & Recreation's operating costs in 2011 and 2012.

Administrative Services

These are transfers to Administrative Services primarily to fund the administrative cost allocation for Non-Departmental activities and junior taxing districts. It also includes support for the county's geographical information system, civil service administration and funding for the computer replacement revolving account. Past years included transfers to fund capital asset purchases.

Council, Executive & Hearing Examiner

County Council, Executive and Hearing Examiner make up 2.3% of the total General Fund budget. Budgeted 2011 and 2012 expenditures for the three activities are \$1,699,371 and \$1,753,334, respectively.

General Fund Expenditures Summary

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Law & Justice						
District Court	1,813,460	2,033,137	1,839,738	2,111,389	1,960,280	1,999,966
District Court Probation	1,435,720	1,552,839	1,527,340	1,735,632	1,623,160	1,709,803
Juvenile Administration	3,901,611	4,210,933	4,078,099	4,766,588	4,157,043	4,364,502
Prosecuting Attorney	4,869,008	5,257,546	5,437,849	5,923,325	5,618,377	5,816,665
Public Defender	3,439,970	3,646,091	3,354,449	3,610,122	3,409,730	3,409,407
Sheriff	12,124,119	12,473,095	12,788,162	14,012,829	13,450,232	13,600,754
Superior Court	3,630,630	3,715,388	3,532,469	3,585,567	3,509,439	3,547,512
County Clerk	1,562,270	1,670,183	1,517,250	1,594,045	1,408,922	1,495,777
Non-Dept'l - Jail Transfers	6,166,574	6,030,421	5,033,975	5,232,131	5,023,229	5,117,229
Non-Dept'l - Law & Justice Activities	580,861	540,026	524,883	618,039	627,252	627,461
Non-Dept'l - Emergency Management	113,274	160,355	177,024	177,024	220,174	229,383
<i>Total Law & Justice</i>	39,637,497	41,290,014	39,811,238	43,366,691	41,007,838	41,918,459
Auditor, Assessor, Treasurer						
Assessor	2,292,773	2,393,003	2,439,927	2,644,095	2,748,664	2,811,792
Auditor	1,123,913	1,173,828	1,205,370	1,350,497	1,226,126	1,280,960
Operating Transfer - Elections	219,405	528,087	120,000	492,000	252,000	412,000
Treasurer	1,173,059	1,176,436	1,295,185	1,428,992	1,299,323	1,358,505
<i>Total Auditor, Assessor, Treasurer</i>	4,809,150	5,271,354	5,060,482	5,915,584	5,526,113	5,863,257
Planning & Development Services						
<i>Plan & Dev Svcs Administration</i>	6,277,831	6,149,790	5,874,976	6,508,200	5,087,269	5,195,898
Parks & Recreation						
<i>Parks Department</i>	3,803,163	3,880,388	3,530,845	3,775,534	3,400,349	3,672,521
Administrative Services						
Non-Dept'l - Administrative Services	1,301,639	1,317,922	487,988	874,914	364,557	240,290
<i>Total Administrative Services</i>	1,301,639	1,317,922	487,988	874,914	364,557	240,290
Health						
<i>Public Health</i>	11,014,750	11,658,772	11,644,845	12,808,746	12,349,647	12,842,544
Council, Executive, Hearing Examiner						
County Council	874,282	1,009,619	981,986	1,031,770	933,765	969,228
County Executive	521,278	565,456	581,908	631,361	589,255	603,465
Hearing Examiner	162,488	167,343	169,919	179,067	176,351	180,641
<i>Total Council, Exec., Hearing Exam.</i>	1,558,048	1,742,418	1,733,813	1,842,198	1,699,371	1,753,334

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General Fund Expenditures Summary continued

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
OTHER						
Extension						
<i>Extension</i>	329,674	376,983	311,429	334,711	325,644	327,018
Other General Fund						
Medical Examiner	309,047	355,230	371,971	366,010	391,991	403,301
LEOFF I	3,756,146	335,887	162,757	-	-	-
911 Dispatch - Fire Related	186,999	186,877	157,077	138,408	187,477	187,539
Ambulance Services	1,349,562	1,363,057	1,376,688	1,390,454	1,404,360	1,418,402
Animal Control	550,237	587,466	540,150	525,372	449,847	449,847
General Obligation Bonds	427,000	430,058	434,993	435,405	438,261	440,141
Capital Acquisitions	4,420	-	1,905,850	291,000	-	-
Assessor/Treasurer System	-	-	734,792	2,068,651	942,495	30,121
Support to Other Organizations	713,314	737,803	531,101	600,123	463,726	455,068
Misc Non-Departmental	1,009,031	787,462	1,072,991	2,477,399	828,609	846,829
<i>Total Other General Fund</i>	8,305,756	4,783,840	7,288,370	8,292,822	5,106,766	4,231,248
Transfers to Miscellaneous Funds						
Non-Dept'l - Water Resources	384,000	250,000	19,440	24,500	-	-
Non-Dept'l - Noxious Weed	70,000	70,000	70,000	70,000	70,000	70,000
<i>Total Transfers to Misc Funds</i>	454,000	320,000	89,440	94,500	70,000	70,000
TOTAL GENERAL FUND	77,491,508	76,791,481	75,833,426	83,813,900	74,937,554	76,114,569
<i>Percent Change from Previous Year</i>	12.6%	-0.9%	-1.2%	10.5%	-10.6%	1.6%

2011 Beginning and Ending Fund Balances

Fund	Description	Estimated Beginning 2011 Balance	Expenditures 2011	Revenues 2011	*Estimated Ending 2011 Balance
001	General Fund	7,865,729	(74,937,554)	71,523,204	4,451,379
108	County Road	14,994,229	(25,836,692)	24,398,916	13,556,453
109	Election Reserves	538,763	(1,311,910)	1,265,573	492,426
114	Veterans Relief	881,939	(401,588)	309,396	789,747
118	Whatcom County Jail	3,720,392	(12,710,730)	11,983,978	2,993,640
119	REET Electronic Technology	5,000	-	25,000	30,000
121	Low-Income Housing Projects	33,581	(165,000)	170,000	38,581
122	Homeless Housing	1,101,327	(1,473,456)	1,207,099	834,970
123	Stormwater	595,344	(2,369,268)	2,235,511	461,587
124	Chemical Dependency/ Mental Health	2,048,104	(3,380,569)	3,360,755	2,028,290
130	Countywide Emergency Medical Services	4,111,277	(2,528,966)	2,583,211	4,165,522
135	WC Trial Court Improvement	63,870	(43,235)	48,000	68,635
137	LEOFF I Healthcare	1,000,000	(550,000)	-	450,000
140	Solid Waste	1,432,569	(1,159,494)	990,750	1,263,825
141	WC Convention Center	946,304	(425,280)	460,000	981,024
142	Victim Witness	58,492	(142,874)	135,550	51,168
151	Community Development	11,237	(5,000)	-	6,237
154	Road Improve #1	40,686	(28,811)	22,486	34,361
155	Road Improve #2	488	(2,088)	3,168	1,568
159	Road Improve #7	2,477	(3,182)	2,548	1,843
165	WC Drug Fund	255,907	(608,967)	610,000	256,940
166	Auditor's O&M	443,563	(223,412)	166,900	387,051
167	Emergency Management	110,328	(750,901)	750,901	110,328
169	Flood Control Zone	8,079,985	(5,169,916)	4,961,539	7,871,608
170	Pt. Roberts' Transportation	397,660	-	50,000	447,660
175	Conservation Futures	1,464,405	(299,474)	988,758	2,153,689
242	1997 Ltd Tax GO & Refund Bond	451	(1,200,591)	1,200,591	451
243	1998 Ltd Tax GO Bond	797	(256,583)	256,583	797
244	2003 Ltd Tax GO & Refund Bond	815	(438,261)	438,261	815
324	REET II	6,028,347	(2,568,800)	1,180,898	4,640,445
326	REET I	1,519,493	(1,396,578)	1,037,401	1,160,316
330	Parks Improvement	145,384	-	1,000	146,384
332	Public Utilities Improvement	13,500,934	(255,673)	2,917,871	16,163,132
444	Ferry System	646,733	(2,666,188)	2,506,616	487,161
501	ER&R	19,897,384	(9,825,613)	9,297,219	19,368,990
507	Administrative Services	6,830,844	(20,025,323)	19,735,880	6,541,401
16921	Lynden/Everson Sub-Zone	193,833	(80,000)	38,874	152,707
16922	Sumas/Nooksack/Everson Sub-Zone	665,713	(135,000)	118,291	649,004
16923	Acme/Van Zandt Sub-Zone	145,917	(31,000)	27,111	142,028
16924	Samish Watershed Sub-Zone	55,722	(8,800)	18,299	65,221
16925	Birch Bay Sub-Zone	979,153	(607,962)	852,386	1,223,577
	Total	100,815,176	(174,024,739)	167,880,524	94,670,961

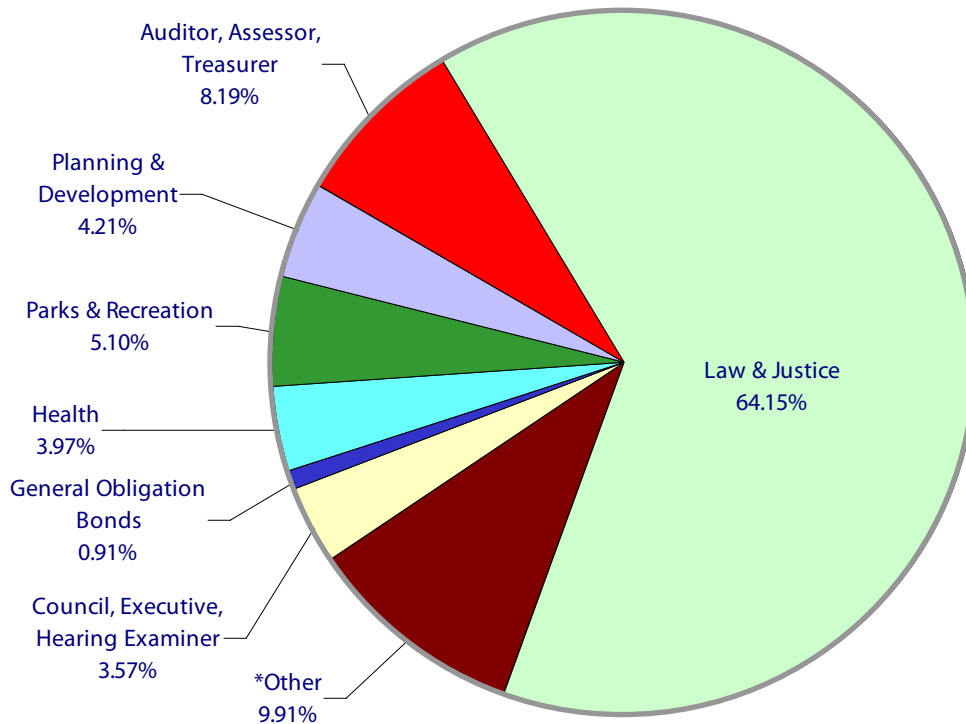
* NOTE: Ending Fund Balances are generally expected to be larger. Fund balances presented do not include a provision for budget lapse.

2012 Beginning and Ending Fund Balances

Fund	Description	Estimated Beginning 2012 Balance	Expenditures 2012	Revenues 2012	*Estimated Ending 2012 Balance
001	General Fund	4,451,379	(76,114,569)	72,577,426	914,236
108	County Road	13,556,453	(22,820,246)	22,982,818	13,719,025
109	Election Reserves	492,426	(1,406,688)	1,327,900	413,638
114	Veterans Relief	789,747	(403,273)	320,828	707,302
118	Whatcom County Jail	2,993,640	(13,064,251)	12,087,981	2,017,370
119	REET Electronic Technology	30,000	-	25,000	55,000
121	Low-Income Housing Projects	38,581	(165,000)	179,000	52,581
122	Homeless Housing	834,970	(1,313,647)	1,052,443	573,766
123	Stormwater	461,587	(2,139,801)	2,061,154	382,940
124	Chemical Dependency/ Mental Health	2,028,290	(3,323,682)	3,455,340	2,159,948
130	Countywide Emergency Medical Services	4,165,522	(2,538,106)	2,665,659	4,293,075
135	WC Trial Court Improvement	68,635	(29,735)	47,500	86,400
137	LEOFF I Healthcare	450,000	(450,000)	-	-
140	Solid Waste	1,263,825	(922,657)	750,200	1,091,368
141	WC Convention Center	981,024	(322,580)	460,000	1,118,444
142	Victim Witness	51,168	(147,309)	135,550	39,409
151	Community Development	6,237	(5,000)	-	1,237
154	Road Improve #1	34,361	(30,811)	22,486	26,036
155	Road Improve #2	1,568	(2,188)	3,168	2,548
159	Road Improve #7	1,843	(3,182)	2,548	1,209
165	WC Drug Fund	256,940	(571,967)	337,000	21,973
166	Auditor's O&M	387,051	(227,976)	166,500	325,575
167	Emergency Management	110,328	(315,414)	315,414	110,328
169	Flood Control Zone	7,871,608	(6,652,390)	5,448,657	6,667,875
170	Pt. Roberts' Transportation	447,660	(350,000)	50,000	147,660
175	Conservation Futures	2,153,689	(139,474)	992,362	3,006,577
242	1997 Ltd Tax GO & Refund Bond	451	(190,667)	190,667	451
243	1998 Ltd Tax GO Bond	797	(253,933)	253,933	797
244	2003 Ltd Tax GO & Refund Bond	815	(440,141)	440,141	815
324	REET II	4,640,445	(1,277,000)	1,051,525	4,414,970
326	REET I	1,160,316	(362,159)	1,068,523	1,866,680
330	Parks Improvement	146,384	(141,939)	1,000	5,445
332	Public Utilities Improvement Fund	16,163,132	(852,133)	3,000,338	18,311,337
444	Ferry System	487,161	(2,716,104)	2,527,223	298,280
501	ER&R	19,368,990	(10,274,893)	9,296,847	18,390,944
507	Administrative Services	6,541,401	(20,593,265)	20,311,663	6,259,799
16921	Lynden/Everson Sub-Zone	152,707	(80,000)	38,874	111,581
16922	Sumas/Nooksack/Everson Sub-Zone	649,004	(135,000)	118,291	632,295
16923	Acme/Van Zandt Sub-Zone	142,028	(33,500)	27,111	135,639
16924	Samish Watershed Sub-Zone	65,221	(9,000)	18,299	74,520
16925	Birch Bay Sub-Zone	1,223,577	(825,608)	821,420	1,219,389
	Total	94,670,961	(171,645,288)	166,632,789	89,658,462

* NOTE: Ending Fund Balances are generally expected to be larger. Fund balances presented do not include a provision for budget lapse.

Undedicated General Fund Resources



General Fund Budgeted Revenues

The General Fund's 2011-2012 budgeted revenues total \$144,100,630. Of this, \$54,553,182 is dedicated in some manner to program areas such as charges for services and grants. The remaining \$89,547,448 is not dedicated to any program area. The General Fund's use of undedicated resources total \$96,498,941. This amount includes \$89,547,448 of undedicated revenue, together with \$6,951,493 of fund balance that would be used in 2011-2012 if the budget was fully expended. This graph shows where these undedicated resources are budgeted.

Based on past experience it is unlikely that budgets will be fully expended. We anticipate that approximately \$4.5 million of budget authority will not be used and will lapse at the end of the

biennium. The anticipated actual use of fund balance in 2011-2012 should be approximately \$2.5 million.

Capital Expenditures

All capital expenditures are reported in "Other" for purposes of the 2011-2012 Undedicated General Fund Resources graph. Capital expenditures were removed from the department expenditures because they vary from year to year and tend to distort ongoing department expenditures.

*Other

Includes Extension, Leave Pay Out, Medical Examiner, 911 Dispatch for fire district fire calls, Ambulance Services, Animal Control, Capital Acquisitions, Misc. Non-Departmental, and Transfers to Administrative Services and Miscellaneous Funds.

Undedicated General Fund Resources Summary

	Budget 2011-2012 Expense	Budget 2011-2012 Revenue	Budget 2011-2012 Capital	Budget 2011-2012 Undedicated
Law & Justice				
District Court	3,960,246	(439,870)	(32,000)	3,488,376
District Court Probation	3,332,963	(2,808,078)	-	524,885
Juvenile Probation/Detention	8,521,545	(1,393,488)	(1,698)	7,126,359
Prosecuting Attorney	11,435,042	(3,606,494)	-	7,828,548
Public Defender	6,819,137	(415,910)	-	6,403,227
Sheriff	27,050,986	(3,467,932)	-	23,583,054
Superior Court	7,056,951	(476,540)	(15,000)	6,565,411
County Clerk	2,904,699	(1,574,338)	-	1,330,361
Non-Departmental - Criminal Justice Revenues	-	(6,793,993)	-	(6,793,993)
Non-Departmental - Sheriff 911 Dispatch	1,254,713	-	-	1,254,713
Non-Departmental - Jail	10,140,458	-	-	10,140,458
Non-Departmental - Emergency Mgmt	449,557	-	-	449,557
<i>Total Law & Justice</i>	82,926,297	(20,976,643)	(48,698)	61,900,956
Auditor, Assessor, Treasurer				
Assessor	5,560,456	(109,000)	-	5,451,456
Auditor	2,507,086	(3,007,065)	-	(499,979)
Non-Departmental - Elections	664,000	-	-	664,000
Treasurer	2,657,828	(371,000)	-	2,286,828
<i>Total Auditor, Assessor, Treasurer</i>	11,389,370	(3,487,065)	-	7,902,305
Planning & Development Services				
<i>Plan & Dev Svcs</i>	10,283,167	(6,219,666)	-	4,063,501
Health				
<i>Health Department</i>	25,192,191	(21,365,291)	-	3,826,900
Parks & Recreation				
<i>Parks Department</i>	7,072,870	(2,096,521)	(59,600)	4,916,749
General Obligation Bonds				
<i>Non-Departmental - GO Bonds</i>	878,402	-	-	878,402
Council, Executive, Hearing Examiner				
County Council	1,902,993	(8,048)	-	1,894,945
County Executive	1,192,720	-	-	1,192,720
Hearing Examiner	356,992	-	-	356,992
<i>Total Council, Executive, Hearing Examiner</i>	3,452,705	(8,048)	-	3,444,657

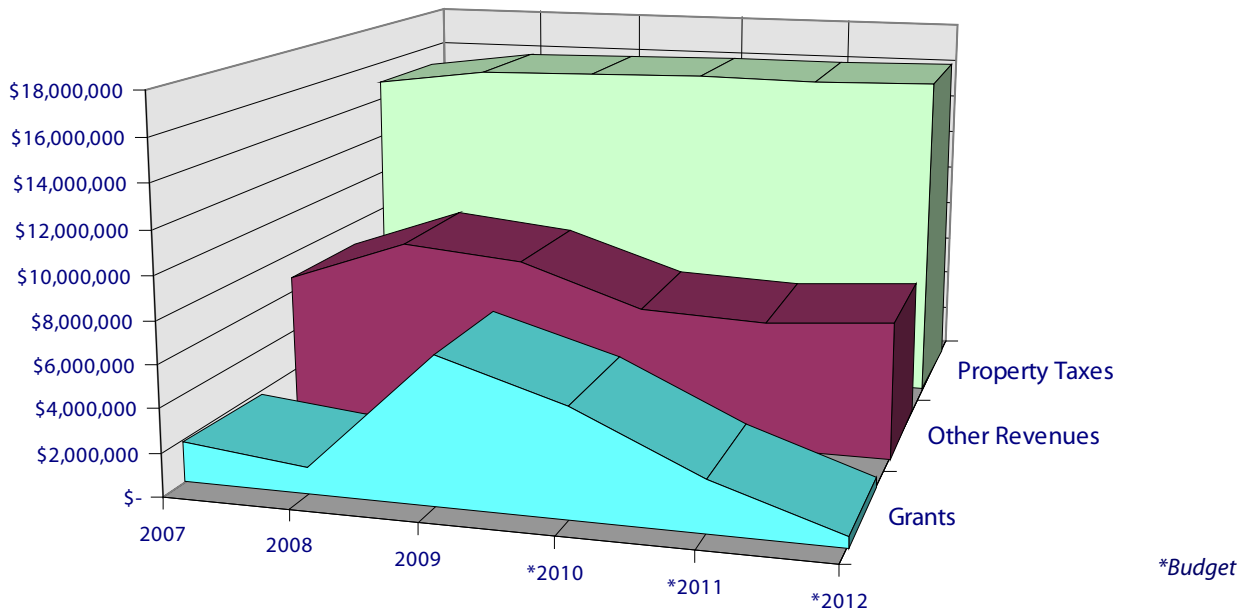
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Undedicated General Fund Resources Summary continued

	Budget 2011-2012 Expense	Budget 2011-2012 Revenue	Budget 2011-2012 Capital	Budget 2011-2012 Undedicated
OTHER				
Extension				
<i>Extension</i>	652,662	(56,463)	-	596,199
Other General Fund				
Non-Departmental - Administrative Services	604,847	-	-	604,847
Non-Departmental - Medical Examiner	795,292	(60,000)	-	735,292
Non-Departmental - Leave Pay Out	700,000	-	-	700,000
Non-Departmental - 911 Fire Related	375,016	-	-	375,016
Non-Departmental - Ambulance Services	2,822,762	-	-	2,822,762
Non-Departmental - Animal Control	899,694	-	-	899,694
Misc Non-Departmental	2,866,848	(283,485)	-	2,583,363
<i>Total Other General Fund</i>	9,064,459	(343,485)	-	8,720,974
Transfers to Miscellaneous Funds				
Non-Departmental - Noxious Weed	140,000	-	-	140,000
<i>Total Transfers to Misc Funds</i>	140,000	-	-	140,000
<i>Capital Acquisitions</i>			108,298	108,298
TOTAL GENERAL FUND	151,052,123	(54,553,182)	-	96,498,941



Road Fund Revenues



Road Fund Revenue Notes

Property Tax

Road Fund property tax revenues are projected to remain at similar levels as 2009 and 2010.

Other Revenue

“Other Revenue” is projected to remain at similar levels as 2010. The state timber sales budget has been decreased to reflect reduced revenues in recent years. Transfers from other funds are expected to increase by \$350,000 in 2012 due to budgeted revenues from the Pt Roberts’ Transportation Fund for specific Pt Roberts’ related projects. Federal entitlements are projected to increase by \$100,000 each year and state entitlements for motor vehicle fuel taxes to decrease by \$300,000 each year. The state entitlement for motor vehicle fuel taxes is the largest revenue source in this category at \$3.6 million. Payments from the state have decreased somewhat in recent years due to drivers curtailing gas consumption as a

result of higher prices. The Road Fund also receives over \$1.1 million from other Public Works funds for providing their administrative, accounting and support functions.

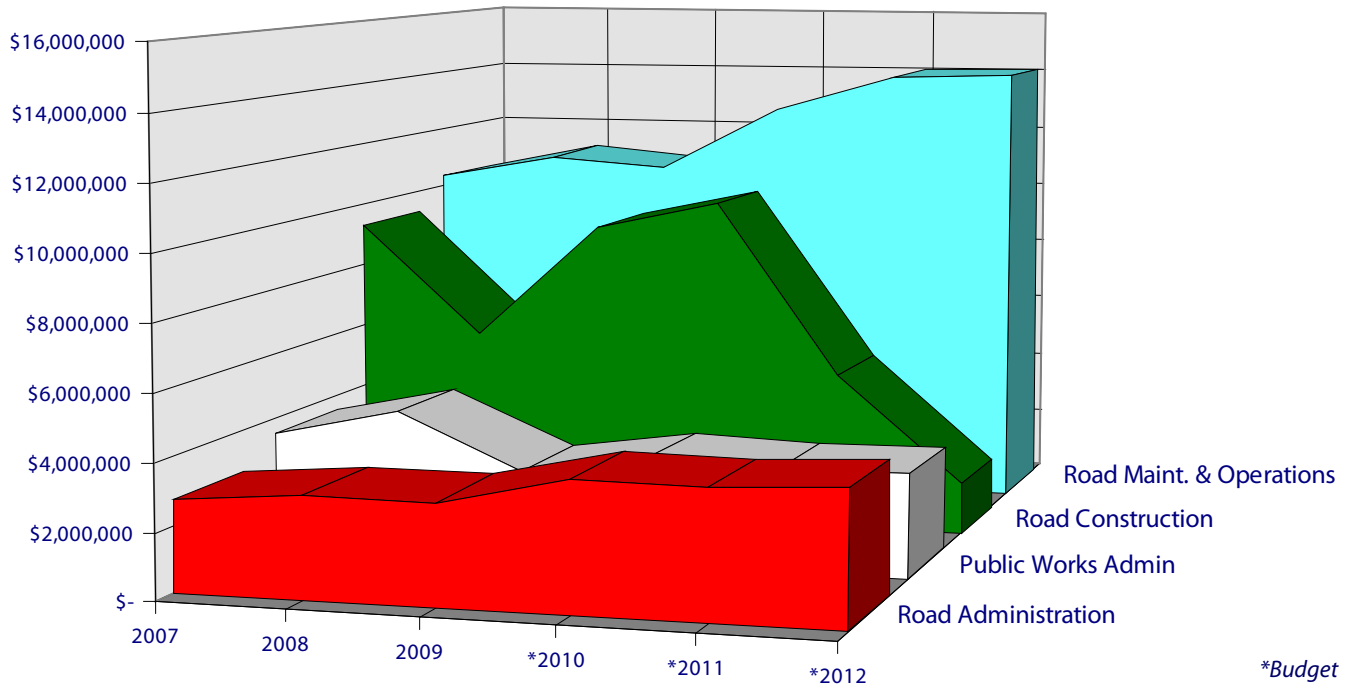
Grants

Grants are monies received from the state and federal government to support various programs. Grant funds vary from year to year based on project funding. Road Fund receives federal grants including Federal Forest Grants, Bridge Replacement Grants and Surface Transportation Program (STP). “State Grants” include County Road Administration Board (CRAB) Arterial Projects and a County Arterial Preservation Accounts (CAPA) grant. The 2011 budget contains \$1.9 million in grant funding for already established projects such as bridge, culvert, FEMA and slope repairs. In 2012, most grant revenue will be budgeted as individual projects are approved.

Road Fund Revenue Summary

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Grants						
Federal Grants-Indirect	1,294,349	672,888	5,563,797	4,443,620	1,615,572	30,000
State Grants	530,705	584,412	640,486	601,080	740,428	425,000
State Shared Revenues	26,286	1,393	1,832	1,000	1,000	1,000
Federal Grants - ARRA	-	-	600,000	-	-	-
Total Grants	1,851,340	1,258,693	6,806,115	5,045,700	2,357,000	456,000
Other Revenue						
Timber Harvest Taxes	141,493	166,622	92,510	100,000	100,000	100,000
Excise Taxes	34,661	35,101	32,063	25,000	25,000	25,000
Interest & Penalty on Tax	(348)	(827)	(1,291)	-	-	-
Non-Bus Licenses & Permits	152,034	140,633	125,013	75,100	75,100	75,100
Federal Entitlements	873,559	789,883	708,810	400,000	500,000	500,000
State Entitlements	3,828,210	3,774,839	3,631,154	3,913,825	3,631,154	3,631,154
Intergovernmental Svc	227,185	122,312	156,186	34,500	72,000	72,000
General Government	9,334	25,446	41,519	10,728	4,728	4,728
Security-Persons & Property	15,119	15,300	7,413	3,000	3,000	3,000
Physical Environment	7,400	8,704	14,965	4,000	4,000	4,000
Transportation	229,296	14,276	3,717	11,000	4,000	4,000
Economic Environment	68,003	114,300	74,349	40,000	75,000	75,000
Other Interfund Svc Charges	828,749	818,946	1,148,219	1,090,231	1,161,853	1,196,755
Interest Earnings	11,406	10,641	8,293	4,000	4,000	4,000
Rents & Royalties	7,093	7,901	3,162	5,000	5,000	5,000
Insurance Premium & Recovery	-	9,533	-	-	-	-
Contribution-Private Source	33,132	164,365	51,825	-	-	-
Other Miscellaneous Revenue	9,119	3,253	10,429	4,000	4,000	4,000
State Timber Sales	206,615	1,034,424	451,492	600,000	400,000	400,000
Operating Transfer In	71,031	1,579,289	1,571,048	71,053	71,081	421,081
Residual Equity Transfer In	-	-	130,365	-	-	-
Total Other Revenue	6,753,091	8,834,941	8,261,241	6,391,437	6,139,916	6,524,818
Property Taxes						
<i>Property Taxes</i>	14,984,715	15,743,918	15,802,065	15,973,000	15,902,000	16,002,000
Total Road Fund	23,589,146	25,837,552	30,869,421	27,410,137	24,398,916	22,982,818
<i>Percent Change from Previous Year</i>	-6.3%	9.5%	19.5%	-11.2%	-11.0%	-5.8%

Road Fund Expenditures



Road Fund Expenditure Notes

Road Construction

The cost to design, construct and improve county roads and bridges. Projects expected to be completed within one calendar year are budgeted in the 2011-2012 budget. Large projects expected to span more than one calendar year are budgeted on a project basis in a separate fund. Projects are budgeted when they are approved for design and construction.

Road Maintenance & Operations

The cost of preserving and maintaining the right-of-way and each type of roadway, roadway structure and facility. Due to budget constraints, four positions will be eliminated in the 2011-2012 budget. Costs relating to the annual chip seal and

pre-leveling (leveling uneven surfaces) programs have been increased as emphasis has been shifted from capital projects to maintenance activities.

Public Works Administration

The cost of providing overall management direction, accounting and support services to the rest of the Public Works Department.

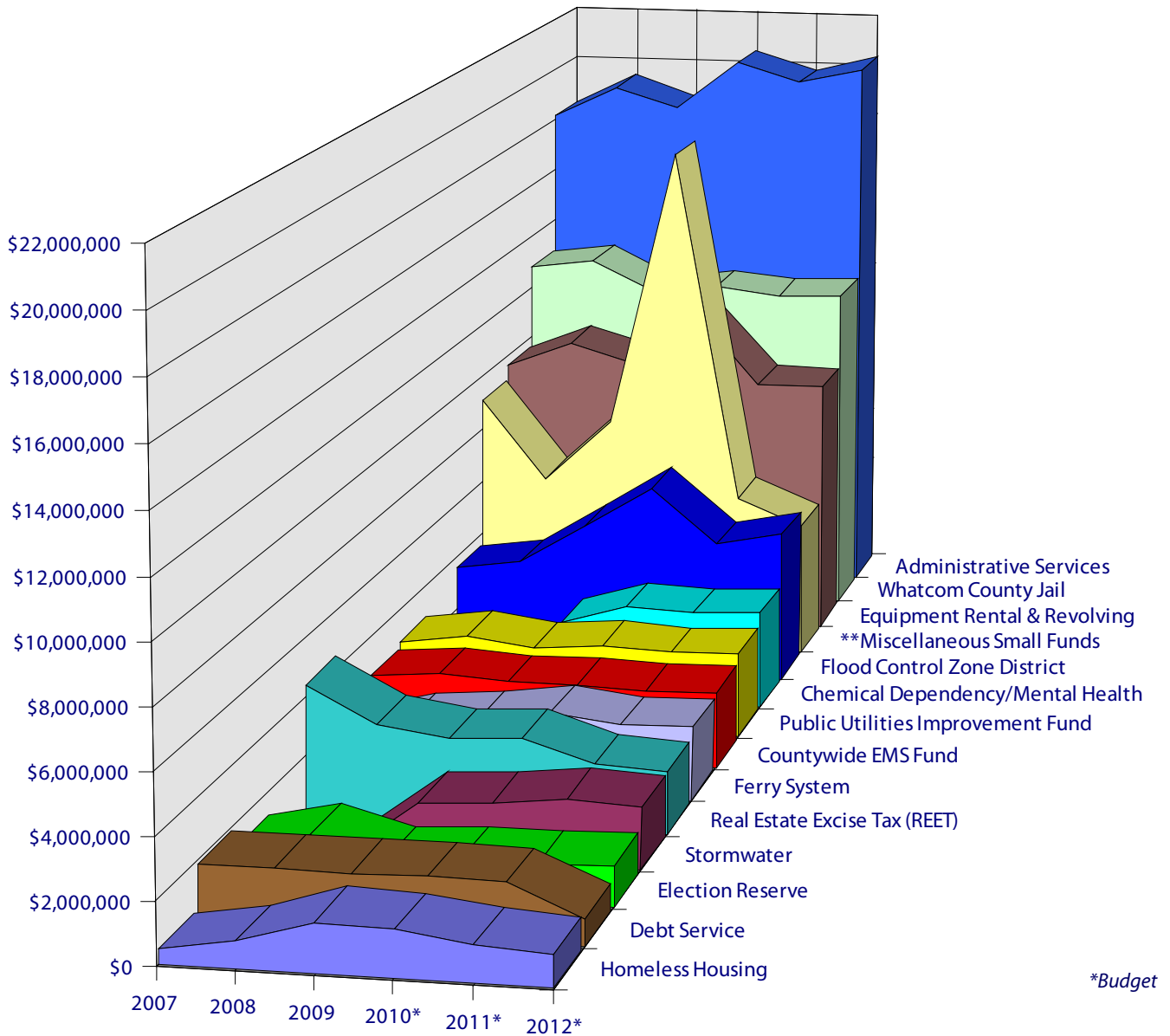
Road Administration

The cost of providing accurate information related to roads, such as surveys, traffic, development and drainage. The cost of improving safety of roads through accident investigation and operation studies, and the cost of maintaining the pavement management system.

Road Fund Expenditures Summary

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Public Works Administration	3,528,161	4,357,179	2,704,858	3,276,635	3,094,162	3,166,241
Road Administration	2,730,905	3,054,038	3,022,404	3,862,825	3,812,291	3,975,441
Road Maintenance & Operations	10,338,875	11,098,264	10,770,652	12,824,891	14,003,761	14,098,692
Road Construction	9,302,733	5,875,464	9,460,259	10,282,907	4,926,478	1,579,872
TOTAL ROAD FUND	25,900,674	24,384,945	25,958,173	30,247,258	25,836,692	22,820,246
<i>Percent Change from Previous Year</i>	1.9%	-5.9%	6.5%	16.5%	-14.6%	-11.7%

Other Funds Revenues



** NOTE: Miscellaneous Small Funds - see page 62 for list

Other Funds Revenue Summary

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Administrative Services Fund						
<i>Administrative Services Fund</i>	18,176,821	19,369,352	18,580,893	20,487,969	19,735,880	20,311,663
Whatcom County Jail Fund						
<i>Whatcom County Jail Fund</i>	12,759,042	13,077,425	11,932,212	12,267,403	11,983,978	12,087,981
Equipment Rental & Revolving Fund						
<i>Equipment Rental & Revolving Fund</i>	9,651,474	10,600,546	9,909,695	11,974,277	9,297,219	9,296,847
Flood Control District Fund						
<i>Flood Control District Fund</i>	3,595,381	3,961,259	5,393,869	6,907,389	4,961,539	5,448,657
Chemical Dependency/Mental Health Fund						
<i>Chemical Dependency/ Mental Health</i>	-	-	2,769,068	3,491,510	3,360,755	3,455,340
Stormwater Fund						
<i>Stormwater Fund</i>	-	-	1,813,454	1,943,240	2,235,511	2,061,154
Ferry System Fund						
<i>Ferry System Fund</i>	1,625,006	2,255,134	2,412,853	2,771,726	2,506,616	2,527,223
Debt Service Funds						
LRID #10 Gen Debt Fund	10,000	7,480	-	-	-	-
1997 Ltd Tax GO Bond	1,180,700	1,206,300	1,204,040	1,219,688	1,200,591	190,667
1998 Ltd Tax GO Bond	257,700	257,145	254,585	253,820	256,583	253,933
2003 Ltd Tax GO Bond	427,000	430,058	434,993	435,405	438,261	440,141
2010 Ltd Tax GO Bond	-	-	-	26,300	-	-
<i>Total Debt Service</i>	1,875,400	1,900,983	1,893,618	1,935,213	1,895,435	884,741
Election Reserve Fund						
<i>Election Reserve Fund</i>	1,231,248	1,765,834	1,103,712	1,282,668	1,265,573	1,327,900
Real Estate Excise Tax						
Real Estate Excise Tax I	2,240,853	1,709,275	1,316,175	1,169,305	1,037,401	1,068,523
Real Estate Excise Tax II	2,198,439	1,487,931	1,562,701	1,814,778	1,180,898	1,051,525
<i>Total Real Estate Excise Tax</i>	4,439,292	3,197,206	2,878,876	2,984,083	2,218,299	2,120,048
Homeless Housing Fund						
<i>Homeless Housing Fund</i>	443,053	841,654	1,590,738	1,506,897	1,207,099	1,052,443
Public Utilities Improvement Fund						
<i>Public Utilities Improvement Fund</i>	2,836,790	3,151,238	2,839,990	3,025,313	2,917,871	3,000,338
Countywide Emergency Medical Srvcs Fund						
<i>Countywide EMS Fund</i>	2,647,267	2,847,554	2,679,682	2,682,878	2,583,211	2,665,659

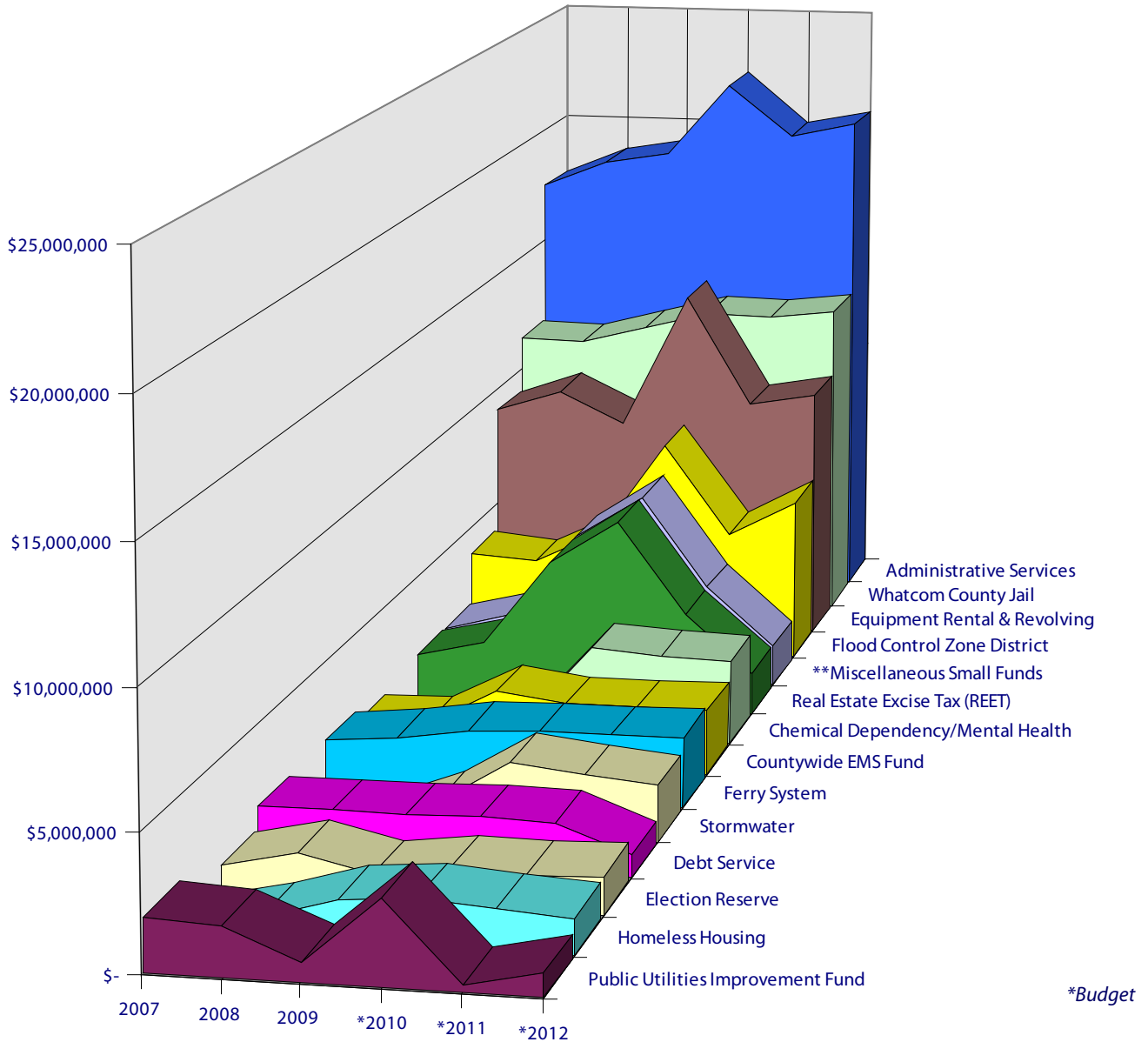
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Other Funds Revenue Summary continued

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Miscellaneous Small Funds						
County Parks Improvement Fund	7,409	5,024	2,991	1,000	1,000	1,000
Victim/Witness Assistance Fund	133,596	132,121	124,528	137,728	135,550	135,550
WC Convention Center Fund	213,824	603,457	528,462	461,320	460,000	460,000
Road Improvement District #1	22,996	23,414	22,817	21,989	22,486	22,486
Road Improvement District #2	1,684	1,628	1,573	1,628	3,168	3,168
Road Improvement District #7	2,484	2,551	2,688	2,587	2,548	2,548
Road Improvement Guarantee	-	-	7,736	-	-	-
Pt Roberts' Transportation	42,208	51,246	35,874	50,000	50,000	50,000
Auditor's O&M Fund	250,730	199,246	238,064	237,400	166,900	166,500
Community Development Fund	13,160	-	-	-	-	-
Low-Income Housing Project Fund	283,695	230,588	253,701	240,000	170,000	179,000
Conservation Futures Fund	1,323,218	1,440,558	1,317,530	2,406,950	988,758	992,362
Solid Waste Fund	1,169,081	1,081,365	1,027,554	1,101,850	990,750	750,200
Water Resources Fund	619,000	517,661	-	-	-	-
Emergency Management Fund	584,079	648,392	1,356,702	2,068,728	750,901	315,414
Whatcom County Drug Fund	381,164	577,897	177,408	293,200	610,000	337,000
Flood & Watershed Sub-Zones	156,345	181,784	894,562	890,424	1,054,961	1,023,995
Jail Construction Project	97,854	3,053	-	-	-	-
East County Regional Resource Ctr	-	150,000	450,000	4,258,093	-	-
Yew St Rd Construction Fund	-	-	1,679,000	2,228,000	-	-
Lincoln Rd Construction Fund	-	-	-	3,900,000	-	-
LEOFF I Healthcare	3,500,000	-	-	-	-	-
REET Electronic Technology Fund	38,847	29,008	26,410	30,000	25,000	25,000
WC Trial Court Improvement Fund	52,327	52,788	50,904	52,000	48,000	47,500
Veteran's Relief Fund	251,044	282,860	292,236	271,081	309,396	320,828
<i>Total Miscellaneous Small Funds</i>	<i>9,144,750</i>	<i>6,214,640</i>	<i>8,490,741</i>	<i>18,653,978</i>	<i>5,789,418</i>	<i>4,832,551</i>
TOTAL OTHER FUNDS	68,425,524	69,182,825	74,289,401	91,914,544	71,958,404	71,072,545
<i>Percent Change from Previous Year</i>	<i>-2.7%</i>	<i>1.1%</i>	<i>7.4%</i>	<i>23.7%</i>	<i>-21.7%</i>	<i>-1.2%</i>



Other Funds Expenditures



**Miscellaneous Small Funds - see page 66 for list

Other Funds Expenditures Summary

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Administrative Services Fund						
<i>Administrative Services Fund</i>	17,478,653	18,608,725	19,036,127	22,209,605	20,025,323	20,593,265
Whatcom County Jail Fund						
<i>Whatcom County Jail Fund</i>	11,368,076	11,374,427	12,085,062	12,823,817	12,710,730	13,064,251
Equipment Rental & Revolving Fund						
<i>Equipment Rental & Revolving Fund</i>	9,108,075	10,029,422	8,780,770	14,340,305	9,825,613	10,274,893
Flood Control District Fund						
<i>Flood Control District Fund</i>	3,854,534	3,622,218	4,949,479	8,846,400	5,169,916	6,652,390
Chemical Dependency/Mental Health Fund						
<i>Chemical Dependency/ Mental Health</i>	-	-	578,600	3,574,873	3,380,569	3,323,682
Stormwater Fund						
<i>Stormwater Fund</i>	-	-	1,041,233	2,723,091	2,369,268	2,139,801
Ferry System Fund						
<i>Ferry System Fund</i>	1,876,316	2,124,508	2,545,688	2,671,149	2,666,188	2,716,104
Debt Service Funds						
1977 Fair GO Bond	-	-	-	30,891	-	-
1978 Ltd Tax GO Bond	-	-	-	22,312	-	-
LRID #9 Gen Debt	-	-	7,736	-	-	-
1997 Ltd Tax GO Bond	1,180,794	1,205,606	1,204,344	1,219,688	1,200,591	190,667
1998 Ltd Tax GO Bond	257,649	256,449	254,889	253,820	256,583	253,933
2003 Ltd Tax GO Bond	426,921	429,361	435,296	435,405	438,261	440,141
2010 Ltd Tax GO Bond	-	-	-	26,300	-	-
<i>Total Debt Service</i>	1,865,364	1,891,416	1,902,265	1,988,416	1,895,435	884,741
Election Reserve Fund						
<i>Election Reserve Fund</i>	1,005,847	1,627,958	1,052,027	1,399,401	1,311,910	1,406,688
Real Estate Excise Tax						
Real Estate Excise Tax I	1,497,683	2,015,083	1,997,986	3,978,675	1,396,578	362,159
Real Estate Excise Tax II	224,682	376,022	3,857,274	3,653,002	2,568,800	1,277,000
<i>Total Real Estate Excise Tax</i>	1,722,365	2,391,105	5,855,260	7,631,677	3,965,378	1,639,159
Homeless Housing Fund						
<i>Homeless Housing Fund</i>	57,102	668,309	1,486,048	1,692,218	1,473,456	1,313,647
Public Utilities Improvement Fund						
Public Utilities Improvement Fund	1,958,983	1,783,814	708,917	3,124,311	255,673	852,133
Countywide Emergency Med Srvcs Fund						
<i>Countywide EMS Fund</i>	1,378,899	1,406,833	2,856,907	2,518,082	2,528,966	2,538,106

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Other Funds Expenditures Summary continued

	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Budget 2012
Miscellaneous Small Funds						
County Parks Improvement Fund	12,425	7,182	-	-	-	141,939
Victim/Witness Assistance Fund	119,138	132,657	142,887	146,211	142,874	147,309
WC Convention Center Fund	200,003	213,558	319,659	336,980	425,280	322,580
Road Improvement District #1	23,529	24,214	25,758	29,783	28,811	30,811
Road Improvement District #2	1,701	1,747	1,854	2,088	2,088	2,188
Road Improvement District #5	-	-	10,692	-	-	-
Road Improvement District #6	-	-	872	-	-	-
Road Improvement District #7	2,317	2,390	2,543	3,182	3,182	3,182
Road Improvement Guarantee	-	-	113,735	-	-	-
Sewer Improvement District	-	-	5,066	-	-	-
Lake Management District #1	3,788	-	1,878	-	-	-
Auditor's O&M	211,477	187,340	197,068	238,570	223,412	227,976
Community Development	5,000	5,000	5,000	5,000	5,000	5,000
WC Supplemental Retirement	-	-	-	203,193	-	-
Low-Income Housing Projects	882,362	271,298	227,785	515,000	165,000	165,000
Water Resources	443,148	585,669	424,040	-	-	-
REET Electronic Technology	-	-	-	180,000	-	-
Conservation Futures Fund	1,630,896	1,610,220	462,803	2,619,972	299,474	139,474
Solid Waste Fund	1,108,036	1,140,482	1,121,946	1,138,757	1,159,494	922,657
Emergency Management	571,199	711,298	1,329,203	2,067,560	750,901	315,414
Whatcom County Drug	687,562	724,660	614,250	660,967	608,967	571,967
Pt Roberts' Transportation	-	-	-	-	-	350,000
Jail Construction Project	122,201	-	169,824	-	-	-
East Whatcom Regional Resource Ctr	-	67,771	282,816	4,508,444	-	-
WC Trial Court Improvement	35,234	25,959	44,111	42,235	43,235	29,735
Yew St Rd Construction Fund	-	-	372,070	3,548,534	-	-
Lincoln Rd Construction Fund	-	-	-	3,900,000	-	-
LEOFF I Healthcare	-	-	1,400,000	1,100,000	550,000	450,000
Flood Sub-Zones	19,586	56,617	117,472	616,298	862,762	1,083,108
Veteran's Relief	120,868	121,358	167,720	292,334	401,588	403,273
Total Miscellaneous Small Funds	6,200,470	5,889,420	7,561,052	22,155,108	5,672,068	5,311,613
TOTAL OTHER FUNDS	57,874,684	61,418,155	70,439,435	107,698,453	73,250,493	72,710,473
Percent Change from Previous Year	-12.3%	6.1%	14.7%	52.9%	-32.0%	-0.7%

Other Funds Revenues and Expenditures Notes

Administrative Services

The Administrative Services (AS) Department is an internal service fund, organized to centralize finance and accounting, information technology services, facilities maintenance, courthouse security, human resources, and self-insurance. The Administrative Services Fund revenues are derived from charges to user departments. Building maintenance fee charges recover the cost of operating facilities. Self-insurance charges (tort, health, unemployment, workers compensation) are based on risk analysis associated with departmental activities. The costs of AS Administration, Finance and Accounting, Information Technology Services (IT), Courthouse Security and Human Resources management are distributed based on an administrative cost allocation.

The 2011-2012 Administrative Service cost allocations for Facilities, Tort, AS Administration, Finance, Information Technology, Courthouse Security and Human Resources are over \$500,000 less than the 2010 allocations. Health insurance rates are increasing at approximately 10% per year. Unemployment rates were increased from .3% of gross wages to .5%. Worker's compensation rates have remained the same as the prior biennium.

As compared to 2007 peak staffing levels, AS will have lost 25% of its positions by the end of the biennium. Positions lost include grant funded staff, custodial services that will be outsourced, microfilming staff that is no longer needed due to new technological implementations, and attrition positions.

Whatcom County Jail Fund

Used to account for the additional .1% sales tax passed by the voters of Whatcom County to be used for costs associated with detention facilities (RCW 82.14.350). The General Fund will transfer \$5,023,229 in 2011 and \$5,117,229 in 2012 to the Jail Fund to

support jail operating costs. Jail operating costs increased substantially with the opening of a new minimum security facility in late 2006. Operating costs now exceed revenues in the Jail Fund and draws are being made on reserve balances. A bond-funded major jail controls replacement project will be completed during the 2011-2012 biennium. Efforts are being made to reduce cost increases in the Jail Fund by only refilling mission critical positions as vacancies occur.

Equipment Rental & Revolving Fund (ER&R)

The purpose of this fund is to provide timely maintenance and replacement of the county's vehicles and equipment, and to operate a central stores for materials used in the road maintenance and flood control programs. The fund charges rental rates to recover the costs of operating, maintaining and replacing county vehicles and equipment. Materials distributed from central stores are marked up to recover the cost of stores operations. Expenditures in 2010 are budgeted to be substantially more than revenues due to an interfund loan from the ER&R fund balance to the General Fund. An interfund loan for \$1,220,000 is scheduled in 2010 for the replacement of the Assessor/Treasurer software systems. In addition, a large biennial gravel crushing contract is scheduled for 2010. The new biennial budget includes \$2.4 million in 2011 and \$2.8 million in 2012 for fleet replacements which will be paid out of fund equity.

Flood Control Zone District

This fund was created to implement and oversee the river improvement program and flood hazard management program. The Flood District property tax revenue in 2011 and 2012 is anticipated to be \$3,040,000 each year. This is \$1 million dollars less than 2010 levels. A levy shift to the General Fund decreases property taxes in the Flood Fund. The General Fund will use banked capacity and increase its levy by \$1 million for a net zero tax increase on taxpayers. In 2012, the District will receive

Other Funds Revenues and Expenditures Notes continued

\$1,025,000 from NOAA for a salmon recovery project on Canyon Creek. \$1.8 million is expected to be spent for flood hazard reduction on Swift Creek and the Deming levee. In 2011 and 2012, the Flood Fund will transfer funding for Stormwater Fund costs of \$1,178,000 each year. Most of this cost will be offset by a transfer-in from Real Estate Excise Tax Fund II (REET II) of \$1 million to offset the Flood Fund tax revenue reduction mentioned above. Allowable uses of REET II funding include various water and stormwater related projects.

Chemical Dependency/Mental Health Fund

Used to account for the .1% sales tax adopted by the County Council in 2008. This fund houses Adult Drug Court, Family Treatment Court, pays for the Behavioral Health Unit in District Court Probation, provides for community mental health and substance abuse treatment contracts, and significant psychiatric services in the Whatcom County Jail.

Stormwater Fund

The Stormwater Fund does not have an ongoing funding mechanism in place at this time but is funded by transfers from the Flood Fund and from REET II. Its major focus at this time is implementing programs required by NPDES Phase II and stormwater projects in and around the Lake Whatcom Watershed.

Ferry System Fund

This fund accounts for Lummi Island ferry operations. Funding is 55% fare revenue and 45% Road Fund transfers. This operation has not been able to meet the 55% requirement due to major increases in boat repairs, Gooseberry Point land lease payments and insurance costs. This operation will receive intense scrutiny in the 2011-2012 biennium as the Administration, Council and citizens seek to develop stable funding and cost strategies.

Debt Service Funds

These funds are used to account for the accumulation of resources for, and payment of, general long-term debt principal, assessment debt, interest and related costs. The general obligation funds are funded mainly through operating transfers from other funds (such as the General Fund and REET Fund). The 1997 GO Bond will be paid off in 2012.

Election Reserves

This fund receives \$360,000 of property tax revenue each year to finance elections. Revenue from reimbursement of election costs varies from year to year. Election costs are partially paid by jurisdictions that have issues on the ballot (schools, fire districts, etc.). The state also pays a portion of election costs, but only for elections held in odd numbered years. Operating costs have risen substantially over the last biennium with the advent of vote by mail elections and a new statewide voter registration database. General Fund transfers of \$252,000 in 2011 and \$412,000 in 2012 will be needed to subsidize election activities.

Real Estate Excise Tax I and Real Estate Excise Tax II (REET) Fund

The REET Funds are used to account for excise taxes of .25% imposed on each sale of real property in unincorporated areas of the county. The proceeds in REET I are generally used for debt service payments on local infrastructure improvements, as well as other capital project expenditures. In 2011, REET I will transfer \$1.2 million for debt service payments on the 1997 GO bonds; however, in 2012 those bonds will be paid off with a \$190,667 transfer. The proceeds in REET II fund parks, road, water and stormwater projects. \$1.5 million in 2011 and \$1.2 million in 2012 are scheduled for qualifying water and stormwater related projects. Parks projects account for another \$1 million in projects in 2011. The slow down in county real estate activity has

Other Funds Revenues and Expenditures Notes continued

resulted in revenue budgets dropping \$1 million below amounts received in prior years such as 2007.

Homeless Housing Fund

Receives funding from state grants and from surcharges added to document recording fees in the Auditor's Office. Surcharges of \$30 are collected with 2% retained by the auditor, 40% of the remainder to the state, and 60% of the remainder to the county for housing and assisting the homeless. The County contracts with various not-for-profits to provide a Homeless Housing Service Center, jail re-entry program and various case management services to place homeless individuals and families.

Public Utilities Improvement Fund

This is a fund to account for the 0.09 percent sales tax set aside to finance public facilities dedicated to economic development purposes and finance personnel in economic development offices (RCW 82.14.370). Expenditures are usually budgeted on a project by project basis as they occur.

Countywide Emergency Medical Services Fund

Used to account for the additional .1% City/County

Sales Tax passed by voters in 2006 (RCW 82.14.450). Two-thirds of the tax is used to pay for countywide emergency medical services. One-third of the tax is split 60% to the county and 40% to the cities of Whatcom County to be used for criminal justice purposes. The County transfers \$570,000 per year from the criminal justice portion of the fund to the General Fund to support positions in the Sheriff's Office and Prosecuting Attorney's Office added during the last biennium. Expenditures in the countywide emergency medical services portion of the fund have risen as the amount of support needed for the Whatcom County Medic One system has increased. Revenues in this fund have remained flat at about \$2.6 million through the economic downturn.

Miscellaneous Small Funds

Funds with annual revenue and/or expenditures that are approximately \$1,000,000 or less. The exceptions to this are the inclusion of construction project funds and the LEOFF I Healthcare Fund in this category due to the short term nature of accounting for construction revenue and costs and LEOFF I transfers.

Whatcom County Work Force History - 2007 to 2012

The table below shows the number of Whatcom County “full-time equivalent” positions (FTEs) for the period of 2007-2012. Grants and offsetting revenues fund many of these positions. The policy of Whatcom County prohibits grant funded positions from being extended beyond the end of the grant. Council approval is

needed to continue such positions. Due to budget constraints, Whatcom County has lost 129.7 FTEs since 2008 and is expected to lose an additional 13.65 FTEs during the 2011-2012 biennium. Most positions were reduced through attrition; however, approximately one-third of the reductions are layoffs.

“Full Time Equivalent” Positions

Department	Actual 2007	Actual 2008	Actual 2009	Amended Budget 2010	Budget 2011	Budget 2012	Change from 2007 to 2012
Administrative Services	81.75	81.05	76.45	75.55	66.85	61.15	(20.60)
Assessor	30.00	30.00	30.00	30.00	29.00	28.00	(2.00)
Auditor	22.00	22.00	21.00	21.00	19.00	19.00	(3.00)
Cooperative Extension	2.52	2.52	2.42	2.42	2.52	2.52	-
County Clerk	24.00	24.00	23.00	23.00	19.00	19.00	(5.00)
County Council	10.50	10.50	10.50	10.50	9.50	9.50	(1.00)
County Executive	4.50	4.50	4.40	4.40	4.00	4.00	(0.50)
District Court Probation	19.50	19.50	18.50	18.50	15.70	15.70	(3.80)
District Court	21.00	21.00	20.00	20.00	18.50	17.50	(3.50)
Health Department	84.70	90.70	85.70	86.70	75.20	74.25	(10.45)
Hearing Examiner	1.00	1.00	1.00	1.00	1.00	1.00	-
Jail	91.50	91.50	92.50	91.50	88.50	86.50	(5.00)
Juvenile Court Administration	45.80	46.80	46.80	46.80	38.40	38.40	(7.40)
Parks & Recreation	34.75	34.75	30.75	30.75	25.75	23.75	(11.00)
Planning & Development Services	74.60	73.60	67.60	66.60	47.00	47.00	(27.60)
Prosecuting Attorney	54.60	54.60	54.60	54.60	50.90	50.90	(3.70)
Public Defender	36.80	37.80	34.80	34.80	32.80	29.80	(7.00)
Public Works	173.70	176.20	170.70	170.70	153.70	155.70	(18.00)
Sheriff	106.20	109.20	108.50	109.50	106.50	106.50	0.30
Superior Court Admin	20.50	20.50	20.50	22.20	21.20	21.20	0.70
Treasurer	16.00	16.00	15.00	15.00	13.00	13.00	(3.00)
Total Whatcom County FTEs	955.92	967.72	934.72	935.52	838.02	824.37	(131.55)
Percent Change from Previous Year	4.16%	1.23%	-3.41%	0.09%	-10.42%	-1.63%	

NOTE: One “Full-time Equivalent” position = 40 hours per week.