



**2004
First
Quarter
Financial
Report**

Compiled and Presented by the
Administrative Services Department,
Finance Division
Brad Bennett,
Finance Manager

May 26, 2004

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



Executive Summary

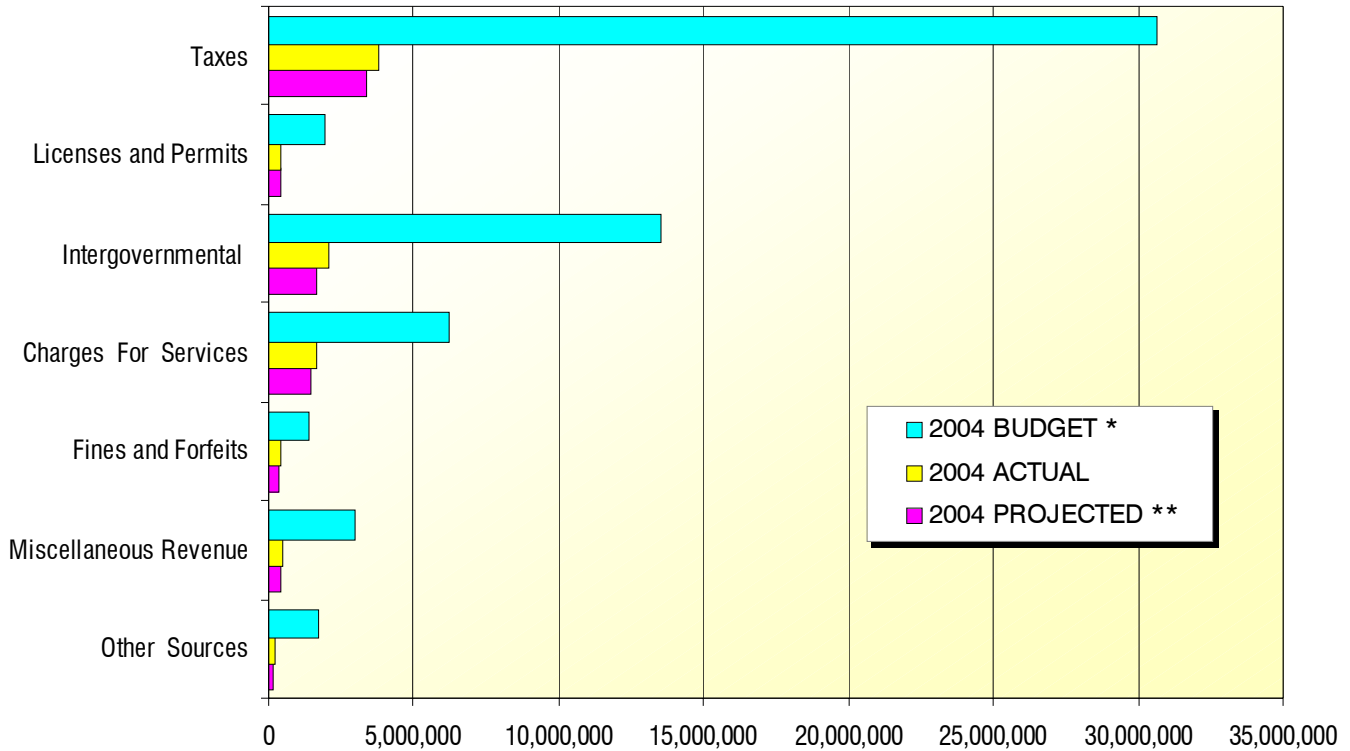
The following is Whatcom County's first quarter 2004 financial report. At the end of the first quarter, the General Fund collected 15.5% of its budgeted revenue and spent 23.6% of its budgeted expenditures. These percentages are consistent with prior years. Currently, the projected 2004 General Fund ending fund balance is \$19.3 million.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Revenue - Budget vs. Actual



* "2004 Budget" figures represent 2004 amended budget annual amounts.

** Based on past revenue history, the "2004 Projected" figures represent portions of 2004 amended budget amounts, as projected at the end of this quarter. Projections are adjusted throughout the year as new information becomes available.

	2004 Budget Adopted	2004 Budget Supp'ls	2004 Budget Amended	Actual as of 03/31/04	% Collected To Date	Projectect as of 03/31/04
Taxes	30,657,131	0	30,657,131	3,814,027	12.44%	3,368,027
Licenses and Permits	1,925,835	0	1,925,835	438,210	22.75%	383,662
Intergovernmental	12,922,834	605,080	13,527,914	2,054,487	15.19%	1,663,692
Charges For Services	6,054,426	126,137	6,180,563	1,623,802	26.27%	1,420,183
Fines and Forfeits	1,396,100	0	1,396,100	446,866	32.01%	328,929
Miscellaneous Revenue	2,957,532	8,400	2,965,932	460,753	15.53%	426,698
Other Sources	1,712,234	0	1,712,234	234,592	13.70%	162,389
Total Revenue	57,626,092	739,617	58,365,709	9,072,737	15.54%	7,753,580

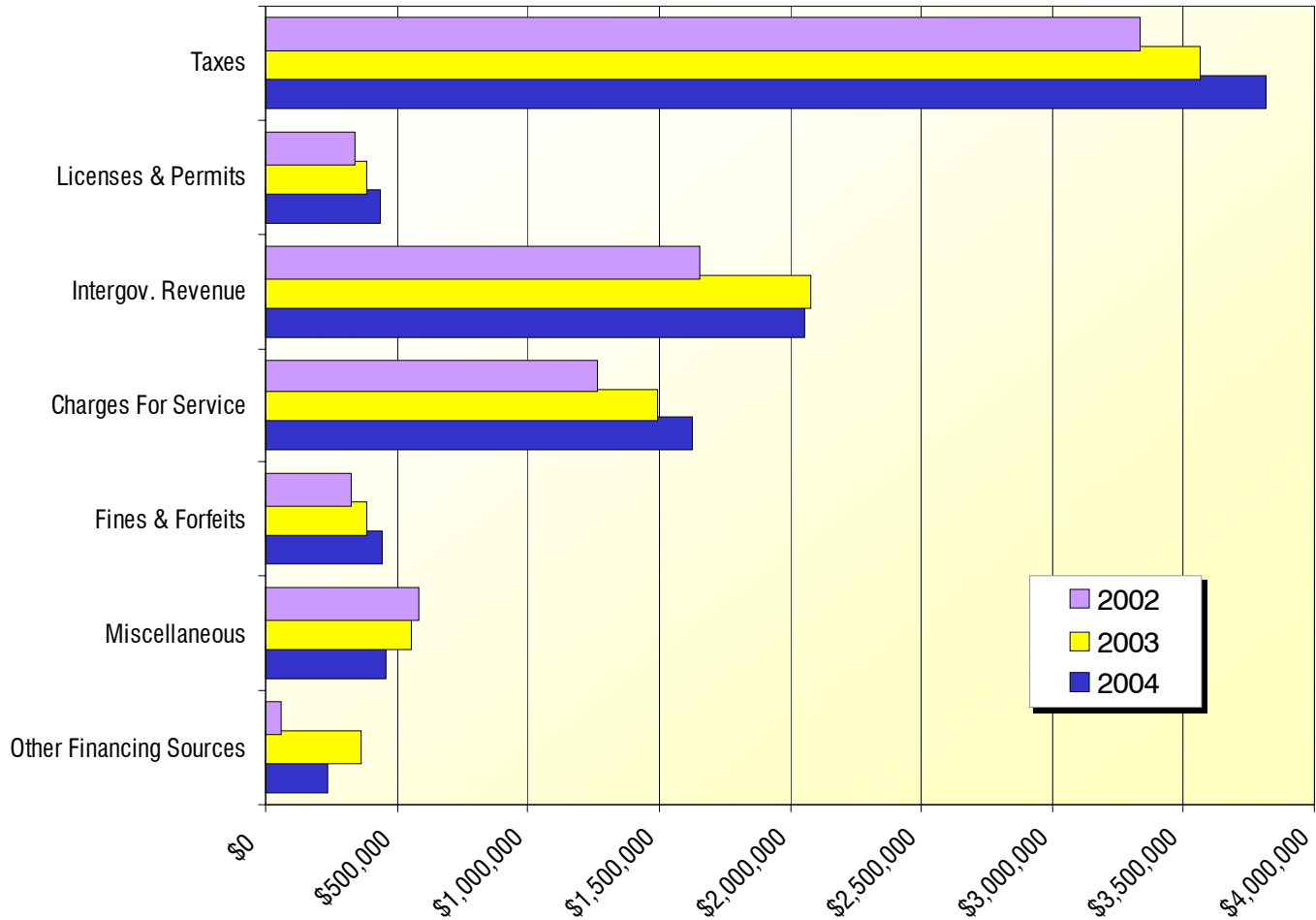
See pages 4 and 5 for General Fund Revenue Notes.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Revenue to Date - Compared to Prior Years



	2002	2003	2004
Taxes	3,338,157	3,566,024	3,814,027
Licenses & Permits	336,983	386,683	438,210
Intergov. Revenue	1,655,445	2,077,764	2,054,487
Charges For Service	1,260,898	1,493,155	1,623,802
Fines & Forfeits	322,545	387,312	446,866
Miscellaneous	586,142	556,336	460,753
Other Financing Sources	55,686	365,598	234,592
Total Revenue	7,555,856	8,832,872	9,072,737

See pages 4 and 5 for General Fund Revenue Notes.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Revenue Notes

Taxes

Property tax and retail sales tax make up 93% of Whatcom County's tax revenue budget.

Tax revenues are \$248,000 greater than first quarter 2003 amounts. \$241,000 of this category's increase is from property taxes. Property tax revenue in 2004 has grown as a result of new construction valuations and a shift from a flood fee to a property tax. This report's date is prior to the first-half property tax payment deadline of April 30. Other tax amounts were similar to prior years.

Licenses & Permits

Building permits account for 67.5% of "Licenses & Permits" budgets. Health Department, marriage and fire control licenses and permits account for the remaining 32.5%.

Building permit revenues were \$42,000, or 13%, higher than first quarter 2003, with total revenue of \$322,594.

Intergovernmental Revenue

"Intergovernmental Revenue" comes from a variety of sources including grant revenue, state entitlements and payment for intergovernmental services rendered.

Revenues collected as of quarter end were 15% of budget and comparable to first quarter 2003 amounts.

Charges for Services

"Charges for Services" include document recording fees (Auditor), motor vehicle license fees (Auditor), plan check fees (Planning & Development Services), adult probation fees (District Court Probation), immunizations (Health Department) and several other miscellaneous service fees that help cover the costs of providing specific services used by individual customers.

"Charges for Services" revenues are 26% collected as of the end of the first quarter. This category was \$130,600, or 9% greater than collected in the first quarter 2003. Probation and jail alternative program fees were 9%, or \$29,500 greater than the first quarter 2003. Plan check and review fees were 7%, or \$28,000 greater than first quarter 2003. Interfund service charges to other departments were \$62,000 more than first quarter 2003.

Fines and Forfeits

"Fines and Forfeits" consist principally of traffic infraction revenue and criminal traffic misdemeanor penalties, which include driving while intoxicated penalties.

"Fines and Forfeits" revenues are 32% percent collected as of the end of the first quarter. This category is \$59,500, or 15% greater than first quarter 2003. Most of the increase is due to traffic infraction income being \$52,000 or 24%, greater than first quarter in 2003.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Revenue Notes, continued

Miscellaneous

"Miscellaneous" revenues are made up of interest earnings, rents, contributions, refunds, and various small, otherwise unclassified, amounts.

"Miscellaneous" revenues were \$95,600, or 17% less than first quarter 2003 collections. The majority of the difference between 2003 and 2004 miscellaneous revenue collections is due to a drop in interest earnings caused by low interest rates.

Other Financing Sources

The "Other Financing Sources" revenue budget is 32% state timber revenues and 68% operating transfers from other Whatcom County funds.

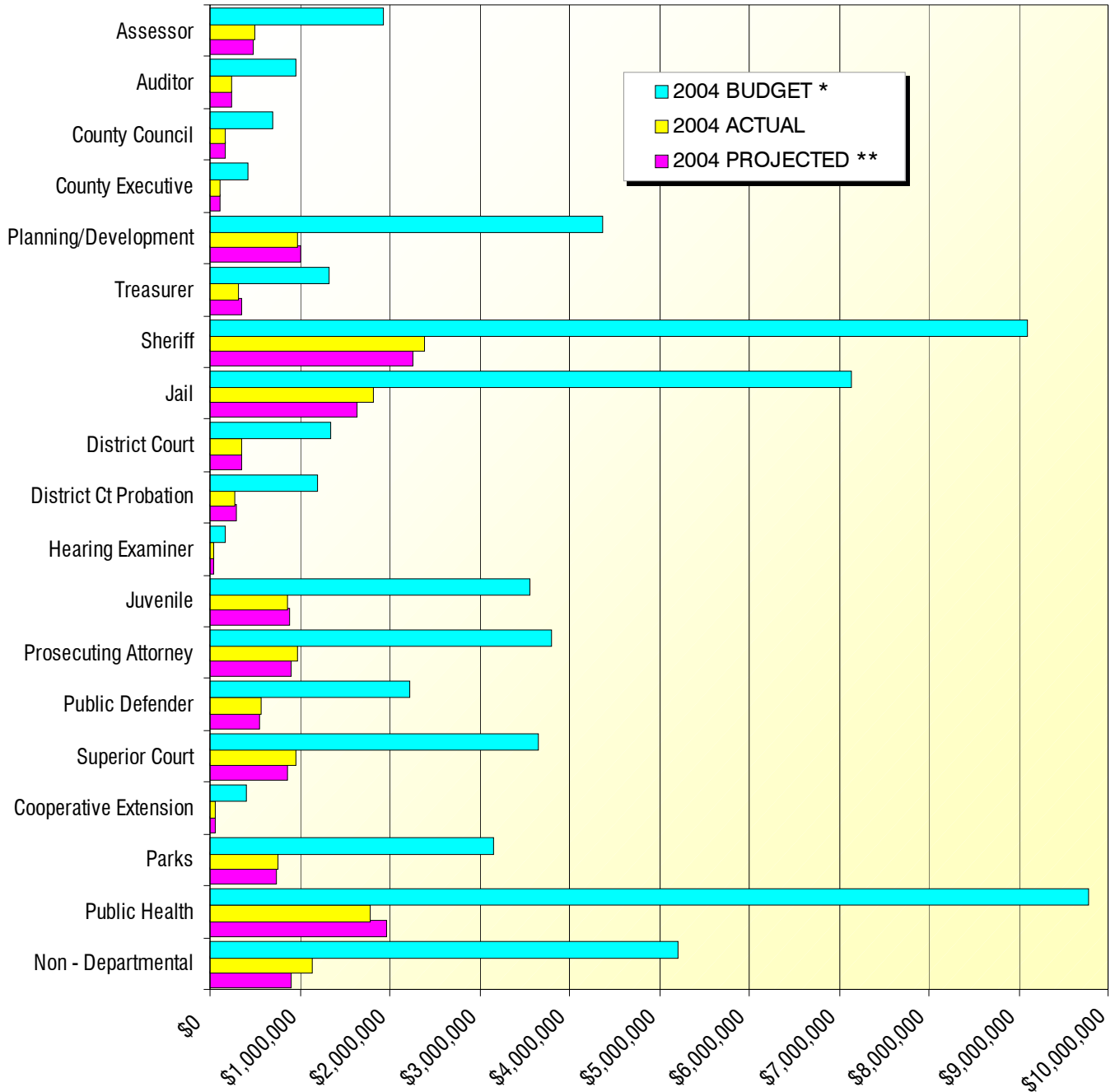
These two revenue sources were \$131,000, or 36% less than first quarter 2003 revenue amounts. State timber sale revenue was \$120,000 less than first quarter 2003. There is a cyclical nature to this revenue stream and these decreases were anticipated.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Expenditures - Budget vs. Actual



* "2004 Budget" figures represent 2004 amended budget annual amounts.

** Based on past expenditure history, the "2004 Projected" figures represent portions of 2004 amended budget amounts, as projected at the end of this quarter. Projections are adjusted throughout the year as new information becomes available.

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

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Expenditures - Budget vs. Actual

	Adopted 2004 Budget	Budget Supplementals	Amended Budget	Actual as of 03/31/04	% Expended To Date	Projected as of 03/31/04
Assessor	1,919,078		1,919,078	492,091	25.64%	475,875
Auditor	957,238		957,238	237,041	24.76%	229,944
County Council	702,416		702,416	169,614	24.15%	162,010
County Executive	422,453		422,453	107,557	25.46%	108,686
Planning & Development	3,710,698	657,105	4,367,803	976,076	22.35%	1,016,458
Treasurer	1,247,283	65,625	1,312,908	305,678	23.28%	343,483
Sheriff	9,022,298	76,132	9,098,430	2,388,813	26.26%	2,263,056
Jail	7,045,986	87,446	7,133,432	1,824,945	25.58%	1,637,822
District Court	1,331,884		1,331,884	343,008	25.75%	341,882
District Court Probation	1,197,443		1,197,443	281,777	23.53%	295,645
Hearing Examiner	156,518		156,518	36,320	23.20%	36,045
Juvenile	3,565,668		3,565,668	862,087	24.18%	876,250
Prosecuting Attorney	3,790,016		3,790,016	973,099	25.68%	903,570
Public Defender	2,218,950		2,218,950	568,643	25.63%	547,707
Superior Court	3,646,709		3,646,709	951,953	26.10%	865,196
Cooperative Extension	409,140		409,140	46,120	11.27%	60,739
Park	3,132,026	27,955	3,159,981	749,772	23.73%	732,484
Public Health	9,740,340	39,919	9,780,259	1,779,197	18.19%	1,962,760
Non - Departmental	5,193,275	14,271	5,207,546	1,132,253	21.74%	891,832
Total General Fund Exp	59,409,419	968,453	60,377,872	14,226,044	23.56%	13,751,444

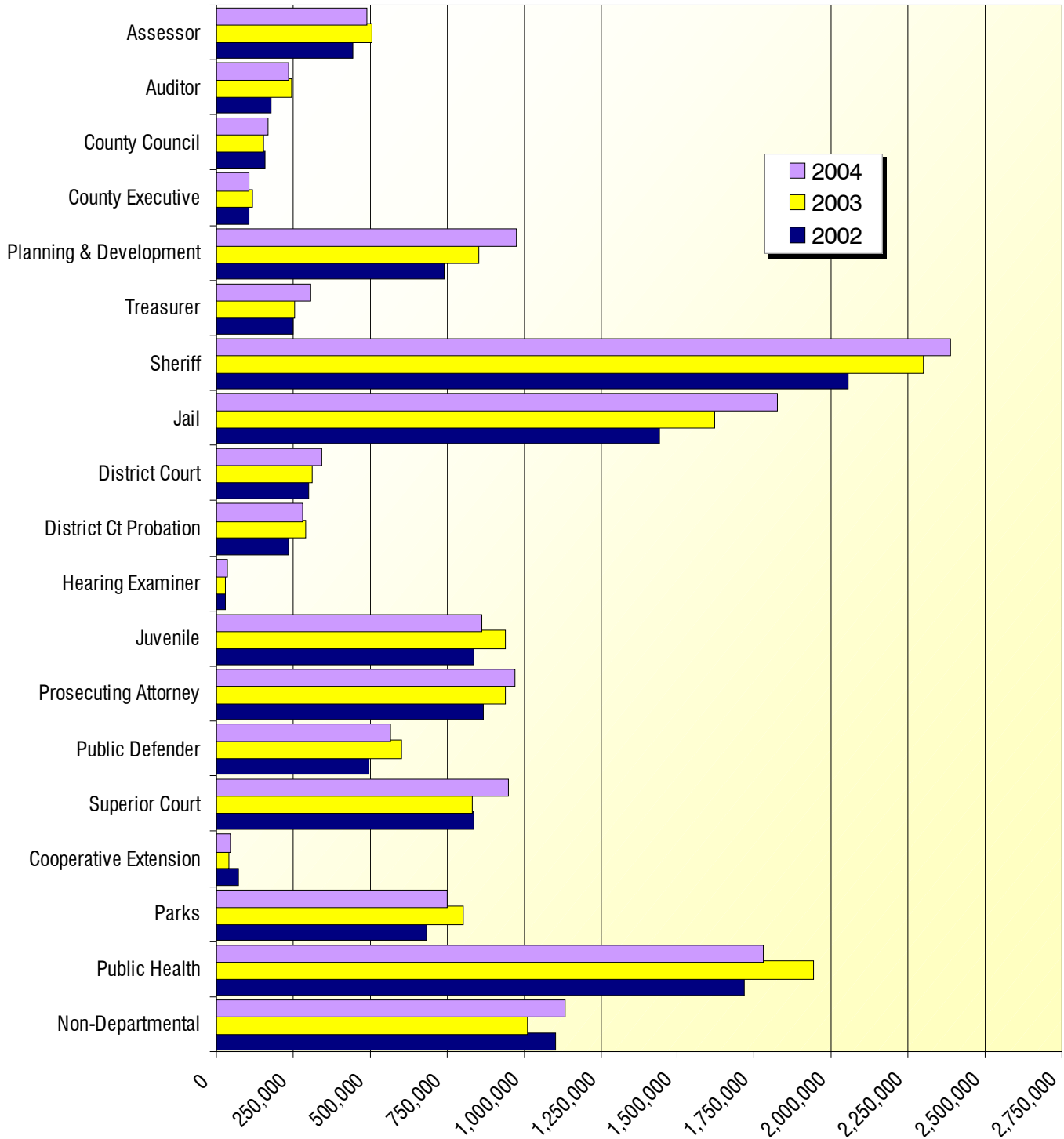
See page 9 for General Fund Expenditure Notes.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Expenditures to Date - Compared to Prior Years



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

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Expenditures to Date - Compared to Prior Years

	2002	2003	2004
Assessor	445,175	506,814	492,091
Auditor	180,391	242,882	237,041
County Council	157,058	154,504	169,614
County Executive	108,810	119,144	107,557
Planning & Development	740,221	852,171	976,076
Treasurer	249,090	256,656	305,678
Sheriff	2,054,209	2,300,043	2,388,813
Jail	1,440,222	1,619,660	1,824,945
District Court	299,252	313,547	343,008
District Ct Probation	233,263	293,651	281,777
Hearing Examiner	29,837	29,083	36,320
Juvenile	839,891	941,761	862,087
Prosecuting Attorney	867,022	938,047	973,099
Public Defender	496,510	602,312	568,643
Superior Court	838,998	833,081	951,953
Cooperative Extension	73,290	42,353	46,120
Parks	686,010	804,146	749,772
Public Health	1,718,102	1,941,329	1,779,197
Non-Departmental	1,102,366	1,010,558	1,132,253
TOTAL	12,559,717	13,801,742	14,226,044

General Fund Expenditure Notes

Overall expenditures for the General Fund were at 23.6% of the approved budget. This is the same percentage spent as of first quarter 2003. All departmental spending was within expectations.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



General Fund Conclusion

	Approved Budget	Projected
Beginning Fund Balance	15,023,627	19,490,405
Revenues		
Budgeted Revenues 2003	57,626,092	57,626,092
Supplemental Budgets 2003	-	739,617
Total Revenue	57,626,092	58,365,709
Expenditures		
Budgeted Expenditures 2003	59,409,419	59,409,419
Continuing Appropriations 2003	-	229,891
Supplemental Budgets 2003	-	738,562
Total Expenditures	59,409,419	60,377,872
Adjusted Surplus (Deficit)	(1,783,327)	(2,012,163)
Other Considerations		
Estimated Budget Lapse - 4%		1,811,336
Ending Fund Balance	13,240,300	19,289,578
Recap of Ending Fund Balance		
Dedicated Reserve		323,300
Emergency Reserve		1,000,000
Unreserved Fund Balance		17,966,278
Total Fund Balance		19,289,578

General Fund Conclusion Notes

For the first quarter of 2004, Whatcom County's revenues were \$1.3 million greater than projected, and expenditures were \$475,000 greater than projected.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



Special Revenue Funds and Other Funds - Revenues

	2003 Actual As of 3/31/2003	2004 Actual As of 3/31/2004	2004 Budget	% Collected of 2004 Budget
County Road Fund	2,114,450	2,483,046	21,792,588	11.39%
Election Reserve Fund	24,675	25,304	1,393,500	1.82%
Veterans Relief	9,592	9,931	149,659	6.64%
Water Resources Fund	149,784	5,866	100,000	5.87%
Low-Income Housing Projects	89,667	77,070	300,000	25.69%
Solid Waste Fund	(596)	-	1,031,200	0.00%
WC Convention Center Fund	33,744	25,141	150,000	16.76%
Victim/Witness Assistance Fund	31,016	23,314	116,850	19.95%
CERB fund	-	-	109,135	0.00%
Whatcom Co Drug Fund	82,373	124,953	351,425	35.56%
Auditor's O&M Fund	27,997	16,805	105,200	15.97%
Emergency Management	238,270	256,522	407,259	62.99%
Flood Control Zone Dist Fund	314,734	265,987	3,225,463	8.25%
PT Roberts Fuel Tax	4,833	5,610	20,000	28.05%
Conservation Futures Fund	51,356	53,280	808,529	6.59%
Sub-Flood Zones	11,447	10,447	117,437	8.90%
Real Estate Excise Tax Fund	257,324	327,015	1,000,000	32.70%
Rural Sales Tax Fund	500,634	526,416	2,025,000	26.00%
Whatcom Co Investment Pool	40,980	50,495	177,031	28.52%
Equipment Rental & Revolving	1,408,276	1,608,606	8,570,603	18.77%
Administrative Services Fund	2,463,447	2,929,474	12,956,924	22.61%

Notes:

Road Improvement Districts, Capital Project Funds and Debt Service Funds are not shown on this list.

Election Reserve, Road Fund, Veterans Relief: property tax payments for the first half of year to be posted during the second quarter.

Water Resources Fund: with completion of Water Resources Inventory Area planning this fund has been significantly reduced to receiving transfers from the General Fund for contracted educational services.

Solid Waste Fund: excise tax amounts received in 2003 were accrued as fourth quarter 2002 income. First quarter 2003 income will not be posted until the second quarter.

Emergency Management: annual general fund transfer of \$103,301 recorded in the first quarter, annual billings to area municipalities also recorded in the first quarter.

Administrative Services: Increases in self-insurance rates are causing higher amounts of interfund transfers being recorded in this fund in the current year.

Whatcom County First Quarter 2004 Financial Report

For the Quarter Ended March 31, 2004



Special Revenue Funds and Other Funds - Expenditures

	2003 Actual As of 3/31/2003	2004 Actual As of 3/31/2004	2004 Budget	% Expended of 2004 Budget
County Road Fund	3,149,339	3,295,604	31,092,922	10.60%
Election Reserve Fund	106,387	196,230	1,517,218	12.93%
Veterans Relief	10,348	44,893	169,659	26.46%
Water Resources Fund	265,667	13,146	277,120	4.74%
Solid Waste Fund	126,875	197,707	1,319,702	14.98%
WC Convention Center Fund	48,750	38,776	114,000	34.01%
Victim/Witness Assistance Fund	14,003	14,257	117,164	12.17%
CERB fund	-	-	109,135	0.00%
Whatcom Co Drug Fund	112,297	116,397	709,400	16.41%
Auditor's O&M Fund	1,756	5,099	385,823	1.32%
Emergency Management	108,626	97,093	440,533	22.04%
Flood Control Zone Dist Fund	405,968	459,965	6,072,331	7.57%
Conservation Futures Fund	4,617	18,207	75,000	24.28%
Sub-Flood Zones	-	-	200,250	0.00%
Real Estate Excise Tax Fund	-	-	1,192,565	0.00%
Rural Sales Tax Fund	87,718	117,492	1,503,449	7.81%
Whatcom Co Investment Pool	54,438	41,240	179,239	23.01%
Equipment Rental & Revolving	1,498,789	945,461	9,424,379	10.03%
Administrative Services Fund	2,910,761	3,243,847	14,739,479	22.01%

Note:

Road Improvement Districts, Capital Project Funds and Debt Service Funds are not shown on this list.

Election Reserves: costs up compared to last year due to elections held in the first quarter.

Veterans Relief: costs up due to reorganization of how claims are handled. More claims are processed due to staffing in a new office is now in place.

Water Resources Fund: with completion of Water Resources Inventory Area planning this fund has been significantly reduced to paying for contracted educational services.

Equipment Rental & Revolving: Timing differences in the purchase and capitalization of assets and recognition of cost of goods sold account for variances from 2003 and budget.