

Whatcom County First Quarter 2007 Financial Report

For the Quarter Ended March 31, 2007



Executive Summary

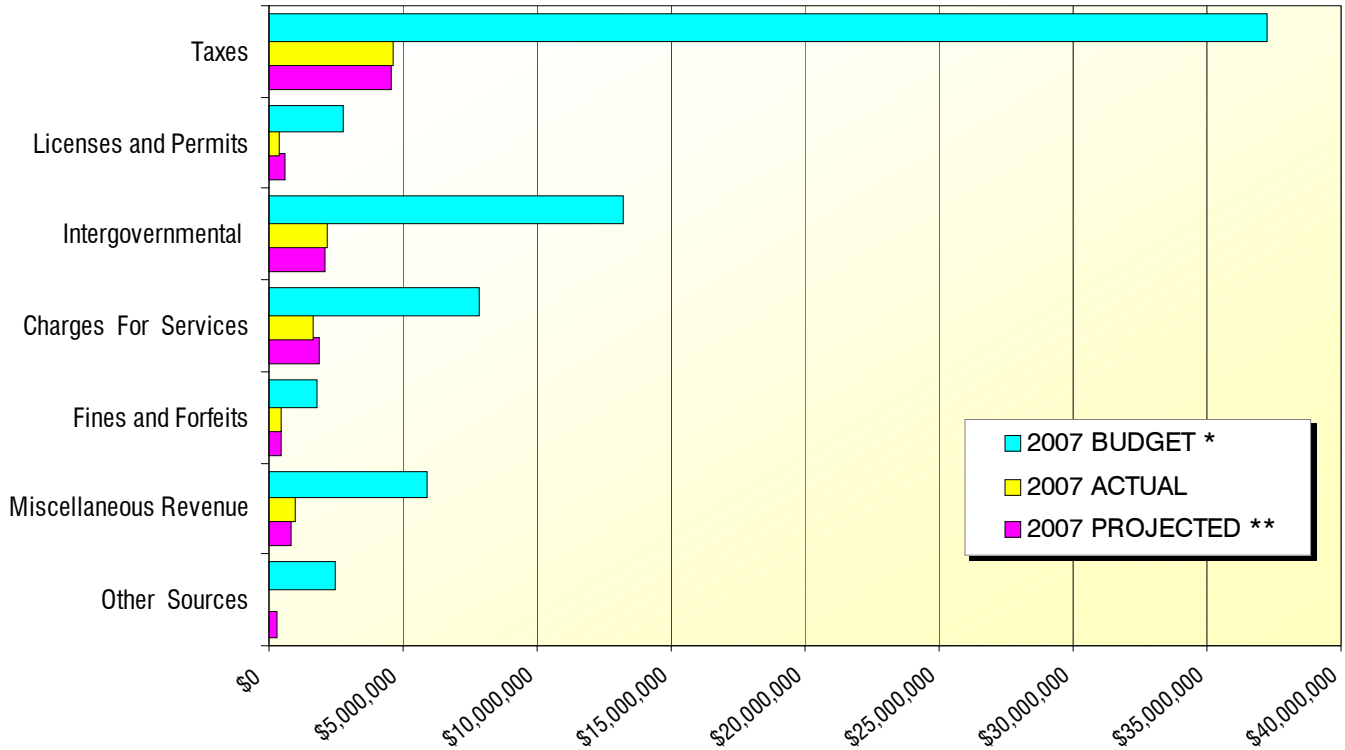
The following information presents Whatcom County's first quarter 2007 financial report. At the end of the first quarter of 2007 revenues are slightly behind projections. Based on First Quarter results, all revenues will be carefully watched for further variations from projections. Expenditures are on track with the 2007 budget allocations.

Whatcom County First Quarter 2007 Financial Report

For the Quarter Ended March 31, 2007



General Revenue - Budget vs. Actual



	2007 Budget Adopted	2007 Budget Supp'ls	2007 Budget Amended	Actual as of 3/31/07	% Collected To Date	Projected as of 3/31/07
Taxes	37,239,961	0	37,239,961	4,617,818	12.40%	4,563,802
Licenses and Permits	2,769,629	0	2,769,629	399,207	14.41%	571,939
Intergovernmental	13,075,086	98,000	13,173,086	2,197,031	16.68%	2,098,640
Charges For Services	7,863,289	0	7,863,289	1,620,768	20.61%	1,891,884
Fines and Forfeits	1,765,722	0	1,765,722	441,780	25.02%	428,787
Miscellaneous Revenue	5,887,721	0	5,887,721	934,270	15.87%	841,027
Other Sources	2,200,403	225,482	2,425,885	95,782	3.95%	264,444
Total Revenue	70,801,811	323,482	71,125,293	10,306,656	14.49%	10,660,523

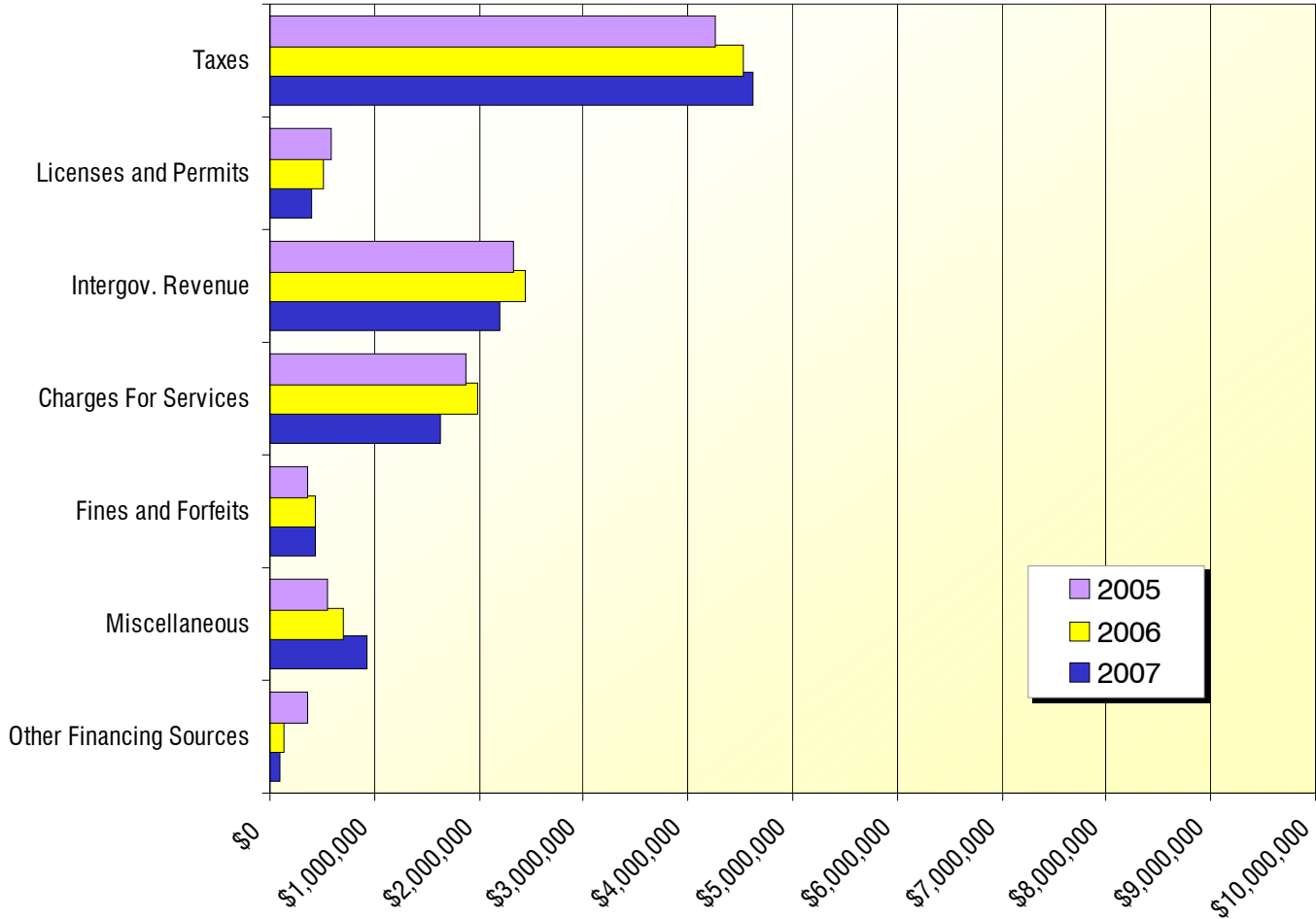
See pages 4 and 5 for General Fund Revenue Notes.

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General Fund Revenue to Date - Compared to Prior Years



	2005	2006	2007
Taxes	4,260,312	4,527,119	4,617,818
Licenses and Permits	591,433	516,505	399,207
Intergov. Revenue	2,329,959	2,443,702	2,197,031
Charges For Services	1,879,769	1,988,803	1,620,768
Fines and Forfeits	358,303	436,687	441,780
Miscellaneous	555,111	701,926	934,270
Other Financing Sources	355,242	140,881	95,752
Total Revenue	10,330,129	10,755,623	10,306,626

See pages 4 and 5 for General Fund Revenue Notes.



General Fund Revenue Notes

Taxes

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

Tax revenues are \$90,700 greater than first quarter 2006 amounts. Property tax collections are consistent with collections at this time last year. Interest and penalties assessed on late payment of property taxes are up \$23,265, and sales tax revenue increased \$55,600 or 2% over the same period last year.

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 down \$104,000 or 33%, from the first quarter 2006. Total revenue decreased from \$315,050 to \$211,060. The decrease in building permit revenues is attributable to a general slowdown in construction.

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 17% of budget; this is comparable to first quarter 2006 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 decreased \$368,000 or 19% from the first quarter 2006. Fees for subdivision reviews decreased \$285,550 or 83% from first quarter 2006. During the first quarter of 2006, a public reaction to a potential moratorium on new subdivision applications in the Lake Whatcom Watershed caused an abnormally large number of applications to be submitted. During the first quarter of 2007, revenue from subdivision applications returned to a normal level, although lower than projected. Plan check fees during the first quarter of 2007 decreased \$104,000, or 46% as a result of a general slowdown in construction.



General Fund Revenue Notes, continued

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 were consistent with first quarter 2006. Revenue totalled \$441,780 dollars, or 25% of the 2007 budget at the end of the first quarter.

Miscellaneous

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

Miscellaneous revenues increase \$232,300 or 33% more than first quarter 2006. Investment interest is up \$222,300 over 2006. Other miscellaneous revenue was consistent with 2006.

Other Financing Sources

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

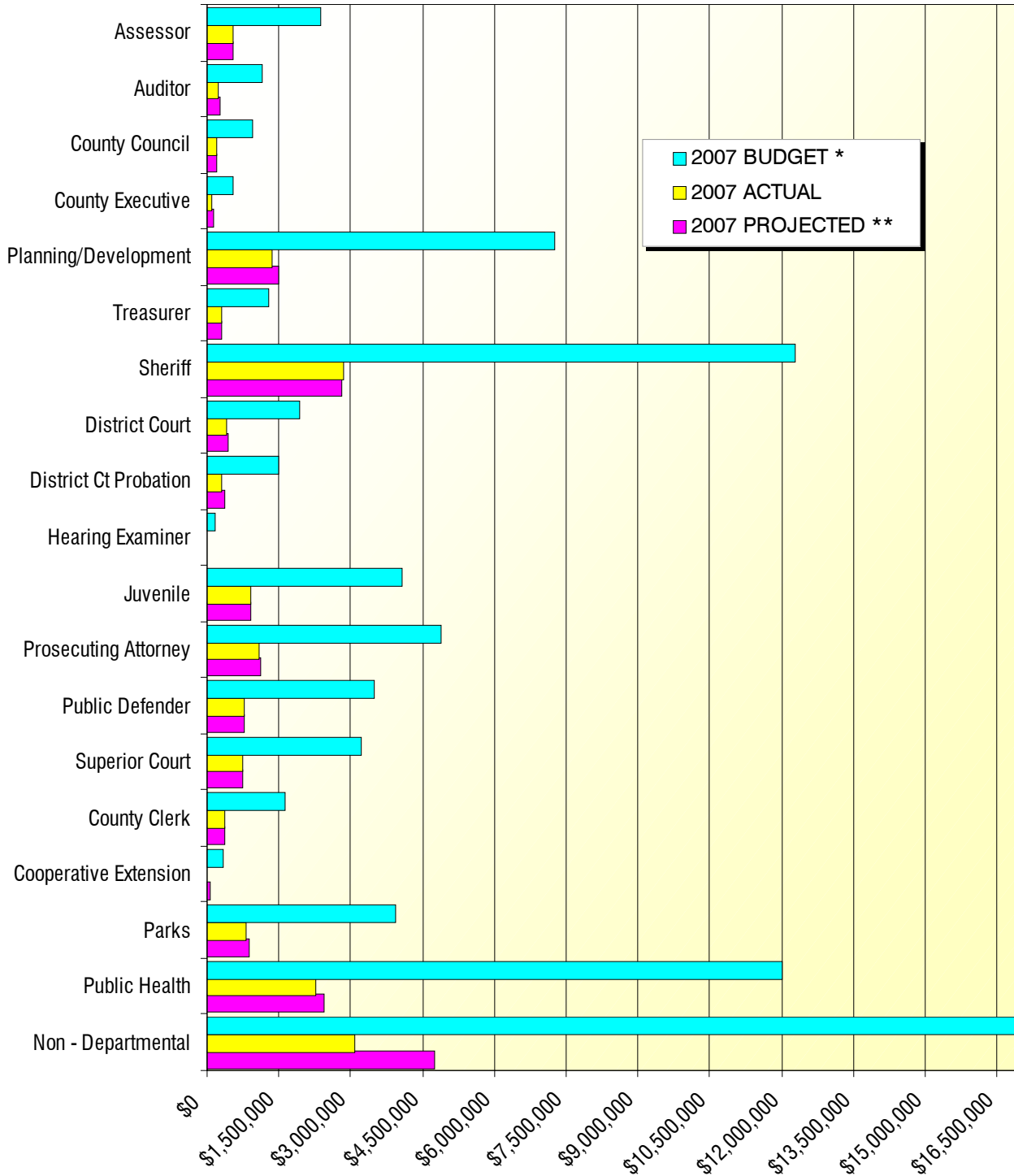
These two revenue sources were \$45,100 less than first quarter 2006. State timber sales revenue decreased \$166,180 from first quarter 2006, and Operating Transfers increased \$121,050. State Timber revenues fluctuate based on harvest plans and market conditions.

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General Fund Expenditures - Budget vs. Actual



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

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General Fund Expenditures - Budget vs. Actual

	Adopted 2007 Budget	Budget Supplementals	Amended Budget	Actual as of 3/31/07	% Expended To Date
Assessor	2,388,917	0	2,388,917	533,671	22.34%
Auditor	1,154,747	7,353	1,162,100	253,231	21.79%
County Council	923,313	20,000	943,313	196,442	20.82%
County Executive	530,773	0	530,773	118,031	22.24%
Planning & Development	6,693,472	574,511	7,267,983	1,346,171	18.52%
Treasurer	1,291,718	0	1,291,718	298,352	23.10%
Sheriff	12,109,150	177,286	12,286,436	2,866,479	23.33%
District Court	1,905,681	43,000	1,948,681	396,946	20.37%
District Court Probation	1,499,975	0	1,499,975	302,914	20.19%
Hearing Examiner	159,833	10,640	170,473	38,683	22.69%
Juvenile	4,086,155	0	4,086,155	907,837	22.22%
Prosecuting Attorney	4,899,720	0	4,899,720	1,089,818	22.24%
Public Defender	3,500,032	4,037	3,504,069	787,356	22.47%
Superior Court Admin	3,132,883	84,687	3,217,570	733,950	22.81%
County Clerk	1,729,263	(84,687)	1,644,576	363,149	22.08%
Cooperative Extension	350,308	0	350,308	42,955	12.26%
Park	3,904,414	43,711	3,948,125	812,356	20.58%
Public Health	11,938,049	72,400	12,010,449	2,282,099	19.00%
Non - Departmental	18,547,830	1,267,177	19,815,007	3,096,240	15.63%
Total General Fund Exp	80,746,233	2,220,115	82,966,348	16,466,680	19.85%

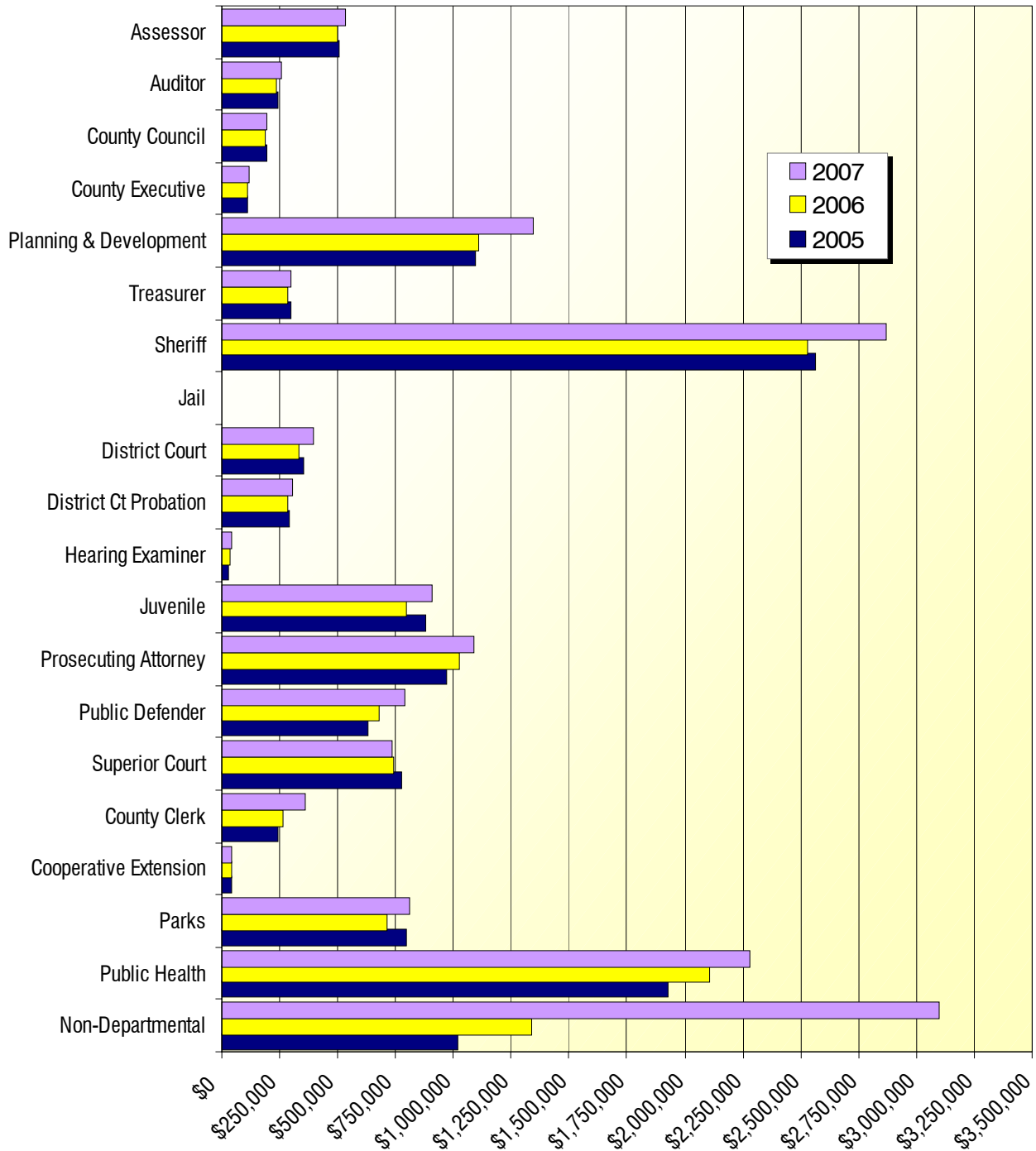
See page 9 for General Fund Expenditure Notes.

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General Fund Expenditures to Date - Compared to Prior Years



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

Whatcom County First Quarter 2007 Financial Report

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General Fund Expenditures to Date - Compared to Prior Years

	2005	2006	2007
Assessor	505,135	497,883	533,671
Auditor	239,192	237,759	253,231
County Council	191,590	186,489	196,442
County Executive	109,948	110,994	118,031
Planning & Development	1,091,679	1,110,223	1,346,171
Treasurer	299,476	286,150	298,352
Sheriff	2,563,541	2,527,399	2,866,479
District Court	355,555	332,016	396,946
District Ct Probation	292,802	284,059	302,914
Hearing Examiner	29,295	34,664	38,683
Jail	0	0	0
Juvenile	878,629	799,160	907,837
Prosecuting Attorney	970,785	1,023,108	1,089,818
Public Defender	631,981	680,059	787,356
Superior Court Administration	779,416	744,617	733,950
County Clerk	244,121	261,271	363,149
Cooperative Extension	44,861	41,704	42,955
Parks	797,429	714,461	812,356
Public Health	1,928,400	2,107,145	2,282,099
Non-Departmental	1,018,289	1,340,297	3,096,240
TOTAL	12,972,124	13,319,458	16,466,680

General Fund Expenditure Notes

Overall expenditures for the General Fund at the end of the first quarter were at 19.85% of the approved budget. All departmental spending were within budget expectations.

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General Fund Conclusion

	Approved Budget	Projected
Beginning Fund Balance 1/1/07	22,095,442	22,764,715
Revenues		
Budgeted Revenues 2007	70,801,811	70,801,811
Increased Revenue Estimates		-
Continuing Appropriations 2007		169,209
Supplemental Budgets 2007	-	154,273
Total Revenue	70,801,811	71,125,293
Expenditures		
Budgeted Expenditures 2007	80,746,233	80,746,233
Continuing Appropriations 2007		1,298,704
Supplemental Budgets 2007	-	556,854
Total Expenditures	80,746,233	82,601,791
Adjusted Surplus (Deficit)	(9,944,422)	(11,476,498)
Other Considerations		
Estimated Budget Lapse - 4%	3,229,209	3,304,072
Ending Fund Balance 12/31/07	15,380,229	14,592,289

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Special Revenue Funds and Other Funds - Revenues

	2006 Actual As of 3/31/2006	2007 Actual As of 3/31/2007	2007 Budget	% Collected of 2007 Budget	
County Road Fund	4,462,203	2,153,910	22,179,499	9.71%	1,2
Election Reserve Fund	82,517	294,449	1,241,283	23.72%	
Veterans Relief	11,802	12,437	191,441	6.50%	1
Water Resources	-	375,000	619,000	60.58%	3
Jail Fund	2,869,886	3,083,258	13,033,094	23.66%	
Low-Income Housing Projects	76,500	68,030	320,000	21.26%	
Homeless Housing	78,863	70,143	330,000	21.26%	
County Wide Emergency Medical	-	602,083	2,283,711	26.36%	
Solid Waste Fund	7,884	717	1,086,881	0.07%	4
WC Convention Center Fund	37,680	33,023	170,000	19.43%	
Victim/Witness Assistance Fund	29,332	31,566	117,000	26.98%	
Whatcom Co Drug Fund	100,258	52,359	380,000	13.78%	
Auditor's O&M Fund	35,578	30,190	230,900	13.07%	
Emergency Management	391,585	176,173	601,101	29.31%	
Flood Control Zone Dist Fund	155,936	(19,176)	4,047,584	-0.47%	5
Conservation Futures Fund	55,453	50,430	1,016,904	4.96%	1
Sub-Flood Zones	13,319	8,144	123,132	6.61%	
Real Estate Excise Tax Fund II	634,598	422,554	2,300,000	18.37%	
Real Estate Excise Tax Fund I	638,217	454,728	2,309,700	19.69%	
Public Utilities Improvement	651,087	657,813	2,500,000	26.31%	
Jail Construction Project	-	50,571	50,571	100.00%	6
Whatcom Co Investment Pool	51,747	49,202	194,741	25.27%	
Ferry System Fund	2,498,807	368,232	1,824,000	20.19%	
Equipment Rental & Revolving	1,583,787	1,728,315	11,099,841	15.57%	
Administrative Services Fund	3,183,295	3,672,400	19,706,386	18.64%	

Notes:

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

- ¹ *Road Fund, Election Reserve, Veterans Relief and Conservation Futures:* property tax payments for the first half of year to be posted during the second quarter.
- ² *Road Fund:* In 2006 1.8 million dollars was received in federal grant bridge replacement revenue.
- ³ *Water Resources:* An annual operating transfer from the Flood Control Fund was received during the first quarter.
- ⁴ *Solid Waste:* excise tax is received quarterly. The first quarter excise taxes for 2007 will be received in the second quarter.
- ⁵ *Flood Control:* 2006 accrued revenue was backed out during 2007 causing negative revenue dollars. When the revenue is received, the negative balances will be cleared out.
- ⁶ *Jail Construction Project:* One time payment received during the first quarter.

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Special Revenue Funds and Other Funds - Expenditures

	2006 Actual As of 3/31/2006	2007 Actual As of 3/31/2007	2007 Budget	% Expended of 2007 Budget
County Road Fund	5,759,428	3,763,416	35,797,733	10.51%
Election Reserve Fund	187,013	178,606	1,240,983	14.39%
Veterans Relief	34,137	41,370	191,441	21.61%
Water Resources	(1,233)	18,624	905,569	2.06%
Jail Fund	1,975,504	2,399,356	11,761,670	20.40%
Low Income Housing	22,359	7,523	410,000	1.83%
Homeless Housing	660	10,116	320,000	3.16%
County Wide Emergency Medical	-	260,553	1,378,899	18.90%
Solid Waste Fund	188,753	161,064	1,264,067	12.74%
WC Convention Center Fund	33,345	52,161	227,660	22.91%
Victim/Witness Assistance Fund	14,991	16,396	119,138	13.76%
Whatcom Co Drug Fund	35,761	3,902	798,228	0.49%
Auditor's O&M Fund	15,465	981	279,102	0.35%
Emergency Management	39,524	90,694	731,715	12.39%
Flood Control Zone Dist Fund	455,990	731,492	5,433,641	13.46%
Conservation Futures Fund	31,846	0	256,550	0.00%
Sub-Flood Zones	(45,645)	(213,003)	179,000	-119.00% ¹
Real Estate Excise Tax Fund II	7,500	20,681	589,552	3.51%
Real Estate Excise Tax Fund I	-	183,413	1,607,074	11.41%
Public Utilities Improvement	1,340,280	261,871	680,173	38.50%
Jail Construction Fund	1,046,500	32,091	302,530	10.61%
Whatcom Co Investment Pool	35,952	34,335	194,741	17.63%
Ferry System Fund	422,178	386,095	1,886,438	20.47%
Equipment Rental & Revolving	1,555,742	1,491,418	10,867,574	13.72%
Administrative Services Fund	3,152,209	3,298,667	20,533,905	16.06%

Note:

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

¹ *Sub-Flood Control Zones:* 2006 accrued expenditures were reversed in 2007 causing a negative balance. These transactions were posted in April, resulting in a zero balance.



**2007
First
Quarter
Financial
Report**

Compiled and Presented by the
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Finance Division
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March 31, 2007