



Financial Section

Financial Section - Introduction

Budget As A Financial Document

Budgets serve a wide variety of purposes. They can serve as policy making tools, management tools, and communication devices. Ultimately, budgets are financial documents. They should provide a snapshot of the overall financial condition of the entity and of its financial plan for the coming year. The Financial Section of Yakima County's Annual Budget document is intended to provide this information. Other sections of the document present the budget in terms of services, programs and organizational structures.

The Financial Section is organized into two sections which are described below.

Basis of Accounting. This sub-section explains in brief the County's fund structure and accounting basis.

Budget by Fund. The sub-section is an overview in total of each fund revenue and expenditure budgets in total.

Fund Accounting

The accounts of Yakima County are organized on the basis of fund and account groups, each of which is considered a separate accounting entity. Each fund has its own balance sheet and, in effect, is treated as a separate "business" for accounting purposes. The County's resources are allocated to and accounted for in individual funds depending on how they are to be spent and controlled. The individual funds are summarized in Program Categories in this budget document.

Fund Type

Funds can be classified according to the accounting conventions which apply to them. "Governmental" type funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Reported fund balance (net current assets) is considered a measure of "available expendable resources". "Proprietary" funds, on the other hand, are governed by the same accounting standards that apply to private business. "Fiduciary" funds account for assets held by the county on behalf of other governments and other funds. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Basis of Accounting

The "basis of accounting" determines when revenues and expenditures are recognized for the purpose of budget control and financial reporting. Accounting on a "cash basis" means that revenue and expenditures are recorded when cash is actually received or paid out. This method is used by many small business, but it has limitations which make it unsuitable for larger, more complex organizations. Most larger business employ "full accrual accounting", in which revenues are recorded when earned (rather than when received), and expenditures are recognized when an obligation to pay is incurred (rather than when the payment is made). Capital expenses (the cost of acquiring tangible assets) are recognized over the life of the asset, not when the asset is purchased.

Governments typically employ a hybrid basis of accounting termed "modified accrual". Under this system, revenues are recognized when they become measurable and available; expenditures are recognized when the obligation to pay is incurred. However, capital expenditures are recognized at the time of purchase. This means that governments may experience significant increases and decreases in total expenditures from year to year because capital expenses tend to be large and unevenly timed. To help explain year to year expenditure trends, governments frequently report capital expenditures separately from operating costs in their budget documents.

Yakima County employs modified accrual accounting for its governmental fund types, including the General Fund, Special Revenue Funds, Debt Service Funds and Capital project Funds. For Proprietary Fund types, including Enterprise Funds and Internal Service Funds, the County employs full accrual accounting.

Washington State Budgeting Accounting & Reporting System (BARS)

State law empowers the State Auditors to prescribe a uniform chart of accounts and budgeting, accounting, and reporting system for all local governments in Washington. This system devised by the Division of Municipal Corporations in the State Auditor's Office and codified in a five hundred page manual, is known as BARS. Part Two of Volume One of the BARS Manual pertains to budgeting. It sets forth both general principles of budgeting and detailed procedural guidelines. These principles and guidelines are incorporated into the County budget process.

2023 Expenditure Budget by Fund with 2022 Comparison

Fund	2022	2023
General Fund	73,601,288	77,596,679
District Court Probation	1,359,516	1,454,531
Municipal Courts	629,244	736,482
Pretrial	284,869	361,934
Narcotics Investigation	0	0
Special Operations	413,705	209,010
Dist Crt Dispute Resol Cntr	60,720	48,083
Family Court	290,228	289,470
Department of Corrections	26,621,804	28,297,059
Noxious Weed	549,547	566,747
Horticulture	239,246	199,918
Law Library	105,066	110,310
Criminal Justice Sales Tax	9,980,745	10,816,041
Parks & Recreation	132,814	154,223
County Road	37,245,969	47,548,044
Topp/Simcoe West Railroad	22,514	28,516
Naches Rail Line	27,036	27,814
Flood Control	11,122,036	10,052,255
Storm Water Utility	1,681,667	1,642,382
Code Enforcement	717,291	862,191
Affordable & Supportive Housing Tax	0	0
Records Services	380,322	330,237
Motel/Hotel	745,650	758,550
WSU Extention	12,698	13,198
Emergency Medical Serv	601,373	569,250
911	3,152,287	2,734,668
ARPA Fund	30,108,533	27,590,029
Veterans Relief	277,521	303,022
Community Services	685,439	854,634
Mental Health Sales Tax	2,557,072	267,073
Treasurer's Revolving	291,610	307,988
Treasurer's Investment Pool	220,930	258,585
REET Electronic Technology	100,000	125,000
Supp Invest In Econ Diversif	13,335,397	12,362,591
Community Development	156,000	150,000
Affordable Housing	1,914,096	1,325,396
Title III PILT	4,873	6,066
Homeless Services	15,468,425	11,370,822
Total Special Revenue	161,496,243	162,732,119
2008 GO Bond Redemption (214)	0	41,885
2008B GO Bond Redemption (215)	97,353	0
2010B Bond Redemption (218)	121,500	121,500
2014 LTGO Bond Redemption (201)	437,713	436,313
2020 GO Bond Redemption(225)	745,250	758,250
2020 GO Bond Redemption(226)	3,058,605	555,125
Total Debt	4,460,421	1,913,073

2023 Expenditure Budget by Fund with 2022 Comparison (cont.)

Fund	2022	2023
General Capital Projects (TS)	1,564,907	51,370
Fairgrounds Capital Projects	191,500	193,421
Public Works Capital Projects	1,680,220	450,000
2020 GO Bond Capital Projects	4,267,505	2,804,898
Ascend Royalties	50,000	50,000
RE Excise Cap Proj	841,105	980,100
Total Capital	8,595,237	4,529,789
Solid Waste	20,615,462	18,296,516
Public Works Utilities	5,452,335	4,820,105
Yakima County Water Resource	583,697	141,600
Building & Fire Safety	3,259,735	4,059,632
Total Enterprise	29,911,229	27,317,853
GIS	545,683	557,526
Technology Services	7,330,672	9,271,259
Purchasing	256,700	445,664
Unemployment Comp	308,604	309,994
Employee Flexible Spending	53,075	52,049
Vol Employee Benefit	254,663	246,890
Worker's Comp	1,198,139	2,287,291
LEOFF Benefit	424,725	426,430
Liability Insurance	3,634,310	4,239,736
Department of Security	740,190	758,058
Financial Services	707,792	709,469
Facilities Services	5,715,453	5,916,899
ER & R	18,886,201	16,383,853
Total Internal Support	40,056,207	41,605,118
Total	318,120,625	315,694,631

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