



---

## 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.

## 2024 Expenditure Budget by Fund with 2023 Comparison

Fund	2023	2024
<b>General Fund</b>	<b>77,596,679</b>	<b>79,615,977</b>
District Court Probation	1,454,531	1,445,386
Municipal Courts	736,482	898,932
Pretrial	361,934	388,723
Narcotics Investigation	0	0
Special Operations	209,010	275,452
Dist Crt Dispute Resol Cntr	48,083	72,540
Family Court	289,470	228,192
Department of Corrections	28,297,059	30,989,741
Noxious Weed	566,747	568,911
Horticulture	199,918	209,424
Law Library	110,310	80,000
Criminal Justice Sales Tax	10,816,041	11,502,131
Parks & Recreation	154,223	166,375
County Road	47,548,044	58,701,190
Topp/Simcoe West Railroad	28,516	279,065
Naches Rail Line	27,814	27,856
Flood Control	10,052,255	12,286,967
Storm Water Utility	1,642,382	1,622,047
Code Enforcement	862,191	810,592
Affordable & Supportive Housing Tax	0	250,000
Records Services	330,237	220,639
Motel/Hotel	758,550	770,100
WSU Extention	13,198	13,150
Emergency Medical Serv	569,250	631,024
911	2,734,668	2,793,403
ARPA Fund	27,590,029	20,776,460
Veterans Relief	303,022	299,317
Community Services	854,634	865,337
Mental Health Sales Tax	267,073	4,619,204
Treasurer's Revolving	307,988	319,369
Treasurer's Investment Pool	258,585	256,654
REET Electronic Technology	125,000	125,000
Supp Invest In Econ Diversif	12,362,591	14,497,339
Community Development	150,000	425,000
Affordable Housing	1,325,396	1,152,987
Title III PILT	6,066	6,671
Homeless Services	11,370,822	7,157,344
<b>Total Special Revenue</b>	<b>162,732,119</b>	<b>175,732,532</b>
2008 GO Bond Redemption (214)	41,885	0
2008B GO Bond Redemption (215)	0	0
2010B Bond Redemption (218)	121,500	121,500
2014 LTGO Bond Redemption (201)	436,313	439,513
2020 GO Bond Redemption(225)	758,250	769,750
2020 GO Bond Redemption(226)	555,125	553,690
<b>Total Debt</b>	<b>1,913,073</b>	<b>1,884,453</b>

## 2024 Expenditure Budget by Fund with 2023 Comparison (cont.)

Fund	2023	2024
General Capital Projects (TS)	51,370	169,504
Fairgrounds Capital Projects	193,421	182,123
Public Works Capital Projects	450,000	3,484,175
2020 GO Bond Capital Projects	2,804,898	2,784,277
Ascend Royalties	50,000	50,000
RE Excise Cap Proj	980,100	1,660,667
<b>Total Capital</b>	<b>4,529,789</b>	<b>8,330,746</b>
 Solid Waste	 18,296,516	 21,285,002
Public Works Utilities	4,820,105	7,530,410
Yakima County Water Resource	141,600	131,144
Building & Fire Safety	4,059,632	3,712,103
<b>Total Enterprise</b>	<b>27,317,853</b>	<b>32,658,659</b>
 GIS	 557,526	 548,267
Technology Services	9,271,259	8,687,356
Purchasing	445,664	437,854
Unemployment Comp	309,994	433,213
Employee Flexible Spending	52,049	37,149
Vol Employee Benefit	246,890	147,704
Worker's Comp	2,287,291	2,432,211
LEOFF Benefit	426,430	547,672
Liability Insurance	4,239,736	5,302,141
Department of Security	758,058	834,931
Financial Services	709,469	720,443
Facilities Services	5,916,899	5,356,671
ER & R	16,383,853	18,048,645
<b>Total Internal Support</b>	<b>41,605,118</b>	<b>43,534,257</b>
 <b>Total</b>	 <b>315,694,631</b>	 <b>341,756,624</b>

---

This page left blank intentionally.

---