

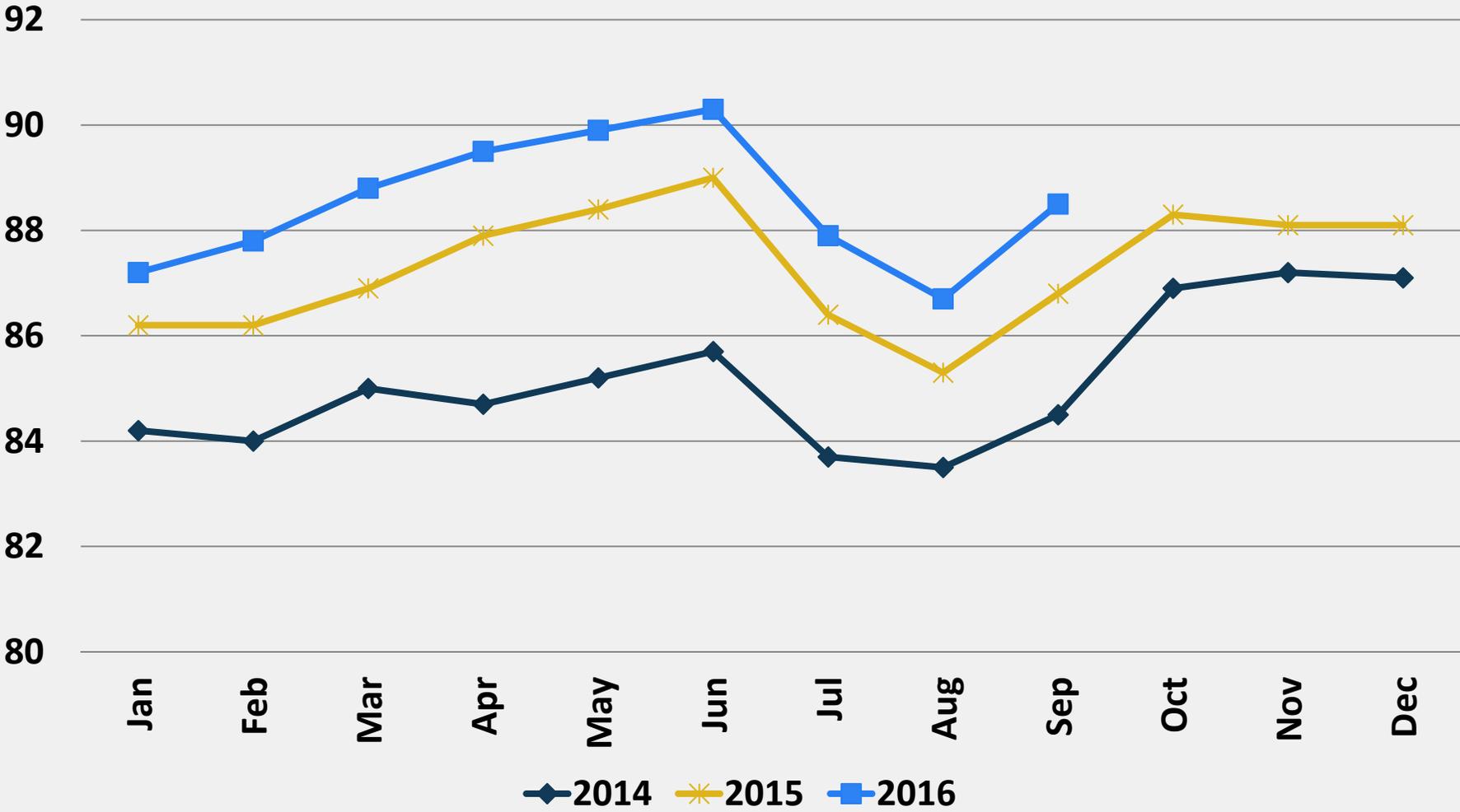


2016 Third Quarter Financial Review



City of
Bellingham

Whatcom County Non-Farm Jobs – 89,000



Citywide Revenues - \$175 M

Revenues		Prior YTD	Current YTD	% Change
Property Tax		12,961,268	13,270,508	2
Sales & Public Safety Tax		20,455,709	21,250,231	4
B & O Tax		10,770,628	11,492,285	7
Utility Taxes		12,418,697	13,285,835	7
Other Taxes		6,116,563	6,221,787	2
Grants, Entitlements, Revenue Sharing		9,009,392	9,966,326	11
Utility Charges for Services		40,866,920	43,033,403	5
Other Charges, Fines, Permits, Licenses		16,873,848	17,361,967	3
Interest, Rentals, Bonds, Other Revenues		15,573,749	16,107,116	3
Interfund Sales & Service	(1)	18,390,544	18,193,873	-1
Interfund Loans & Transfers		4,486,558	4,675,749	4
Total Revenues		167,923,875	174,859,080	4

(1) Change in Interfund accounting

Citywide Expenditures - \$159 M

Expenditures		Prior YTD	Current YTD	% Change
General Governmental Services		21,716,331	22,761,866	5
Fire, Police, Municipal Court		37,420,695	40,793,631	9
Public Works Operations		48,286,411	51,172,597	6
Planning, Hearing Examiner	(2)	7,299,967	8,474,065	16
Libraries, Museums, Parks		10,519,757	11,010,232	5
Total Operating Expenditures		125,243,162	134,212,391	7
Capital Expenditures		30,369,621	14,385,767	-53
Debt Service, Loans, Transfers		9,876,499	10,170,399	3
Total Capital and Debt Expenditure:		40,246,120	24,556,166	-39
Total Expenditures		165,489,282	158,768,557	-4

(2) Housing Levy Revolving Loan increase

General Fund Revenues - \$53.4 M

Revenues		Prior YTD	Current YTD	% Change
Property Tax		7,668,933	7,859,397	2
Sales & Public Safety Tax		9,520,957	9,905,658	4
B & O Tax		10,770,628	11,492,285	7
Utility Taxes		11,505,792	12,235,036	6
Other Taxes		2,263,743	2,276,500	1
Grants, Entitlements, Revenue Sharing	(1)	881,587	1,586,073	80
Charges, Fines, Permits, Licenses		4,022,849	4,091,656	2
Interest, Rentals, Bonds, Other Revenues	(2)	636,575	556,256	-13
Interfund Sales & Service		3,372,133	3,306,494	-2
Interfund Loans & Transfers		112,500	112,500	0
Total Revenues		50,755,696	53,421,855	5

(1) Fire District 8 Contract for services

(2) Lower investment earnings

GF Expenditures \$53.5 M

Expenditures		Prior YTD	Current YTD	% Change
Executive		647,063	635,367	-2
City Council		365,686	388,088	6
Hearings Examiner		55,049	63,972	16
Museum		1,062,519	1,111,665	5
Library		3,061,855	3,315,925	8
Finance		1,567,221	1,559,185	-1
Human Resources		856,916	815,879	-5
Information Technology		1,992,189	2,158,252	8
Legal		1,147,557	1,189,754	4
Judicial		1,449,619	1,501,253	4
Parks & Recreation		5,459,736	5,641,085	3
Planning & Community Development		1,956,641	2,023,988	3
Fire		11,147,592	12,296,020	10
Police		16,570,791	17,660,867	7
Total Operating Expenditures		47,340,435	50,361,301	6
Capital Expenditures	(2)	1,447,089	69,740	-95
Debt Service, Loans, Transfers		3,006,912	3,110,960	3
Total Capital and Debt Expenditures		4,454,002	3,180,700	-29
Total Expenditures		51,794,437	53,542,001	3

GF Expenditures \$53.5 M

Expenditures		Prior YTD	Current YTD	% Change
TRANSFERS OUT		2,152,044	2,173,695	1
SALARIES AND WAGES		26,027,406	28,055,490	8
PERSONNEL BENEFITS		9,892,095	10,558,535	7
SUPPLIES		1,346,093	1,441,270	7
OTHER SERVICES AND CHARGES		9,320,740	9,789,970	5
INTERGOVERNMENTAL SERVICES	(1)	1,602,750	1,448,547	-10
CAPITAL OUTLAYS	(2)	1,447,089	69,740	-95
Total Operating Expenditures		51,794,437	53,542,002	3

(1) One-time expenses end of year

(2) 2015 purchased fire boat

Street Fund - \$9 M

Revenues		Prior YTD	Current YTD	% Change
Sales Tax		5,721,010	5,953,072	4
Federal/State Grants		863,307	1,366,192	58
Entitlements, Revenue Sharing		1,279,151	1,397,442	9
Interfund Fees		6,886	9,209	34
Investment Interest	(1)	53,553	11,759	-78
Other Revenues	(2)	604,925	311,658	-48
Other Financing Sources		-	14,732	0
Total Revenues		8,528,832	9,064,065	6

(1) Lower investment earnings

(2) State Loan for LED street light project

Street Fund - \$9 M

Expenditures	Prior YTD	Current YTD	% Change
Salaries, Wages & Benefits	1,380,357	1,663,447	21
Supplies	369,603	333,851	-10
Services-Professional, Repairs, Utilities	3,837,550	4,550,698	19
Intergovernmental Services, Taxes, & Fees	53,551	74,081	38
Total Operating Expenditures	5,641,060	6,622,077	17
Capital Outlay	6,630,702	1,926,881	-71
Debt Service, Loans, Transfers	235,746	341,917	45
Total Capital and Debt Expenditures	6,866,448	2,268,798	-67
Total Expenditures	12,507,508	8,890,875	-29

Water Fund - \$16.1 million

Revenues		Prior YTD	Current YTD	% Change
Unmetered Water	(1)	2,653,912	2,094,417	-21
Metered Water	(1)	10,151,630	11,295,143	11
Demand Charges		804,266	900,154	12
Other Water System Charges	(2)	853,548	1,068,836	25
Investment Interest		62,016	29,360	-53
Other Revenues		433,041	315,478	-27
Other Financing Sources		431,250	431,250	0
Total Revenues		\$ 15,389,661	\$ 16,134,637	5%

(1) State mandated conversion of all unmetered accounts to metered

(2) Service meter installation revenue is up

Water Fund - \$15.6 M

Expenses	Prior YTD	Current YTD	% Change
Salaries, Wages & Benefits	2,871,011	3,359,240	17
Supplies & Services	8,138,214	9,271,447	14
Total Operating Expenses	\$ 11,009,225	\$ 12,630,688	15%
Capital and Debt Expenses			
Capital Outlay	1,225,193	2,013,801	64
Debt-(Principal & Interest), Interfund Loans	938,026	946,894	1
Total Capital and Debt Expenses	\$ 2,163,219	\$ 2,960,695	37%
Total Expenses	\$ 13,172,444	\$ 15,591,383	18%

Wastewater Fund – \$19.9 M

Revenues		Prior YTD	Current YTD	% Change
Unmetered Sewer		6,847,915	7,178,109	5
Metered Sewer		7,470,153	7,990,239	7
Investment Interest		95,845	56,032	-42
Other Revenues	(1)	2,280,523	4,646,574	104
Other Financing Sources		-	-	0
Total Revenues		\$ 16,694,435	\$ 19,870,954	19%

(1) LWSD – Contribution for WWTP \$2.4 M

Wastewater Fund – \$14.6 M

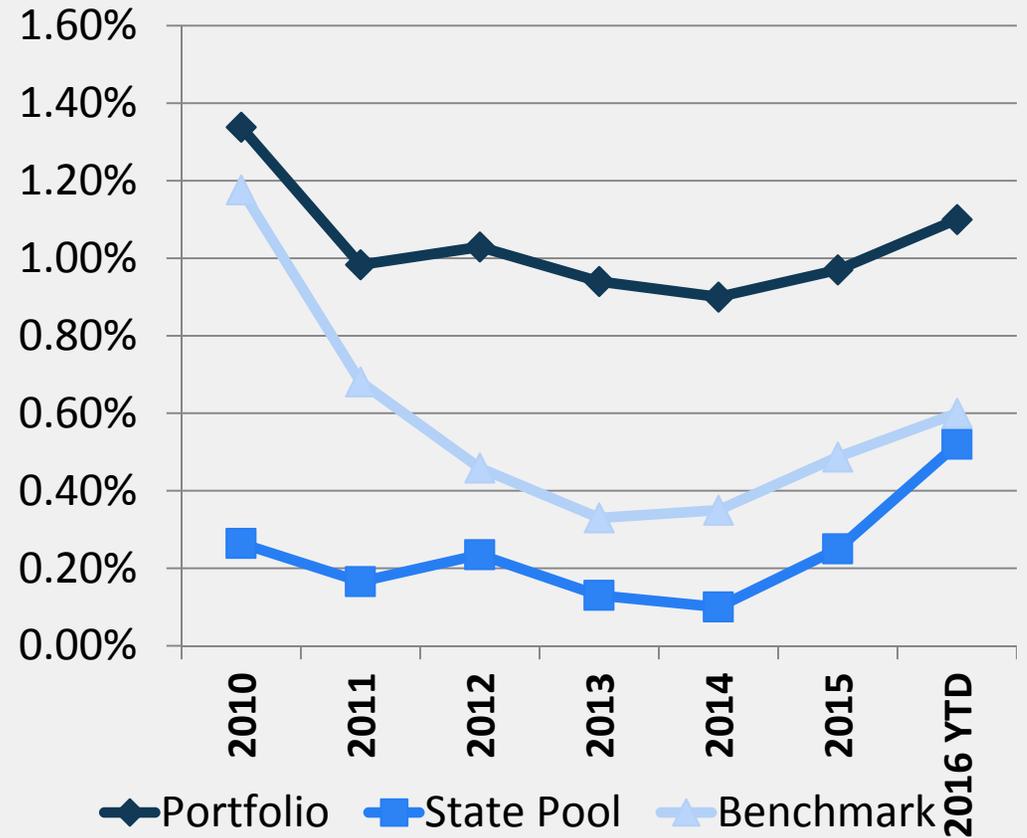
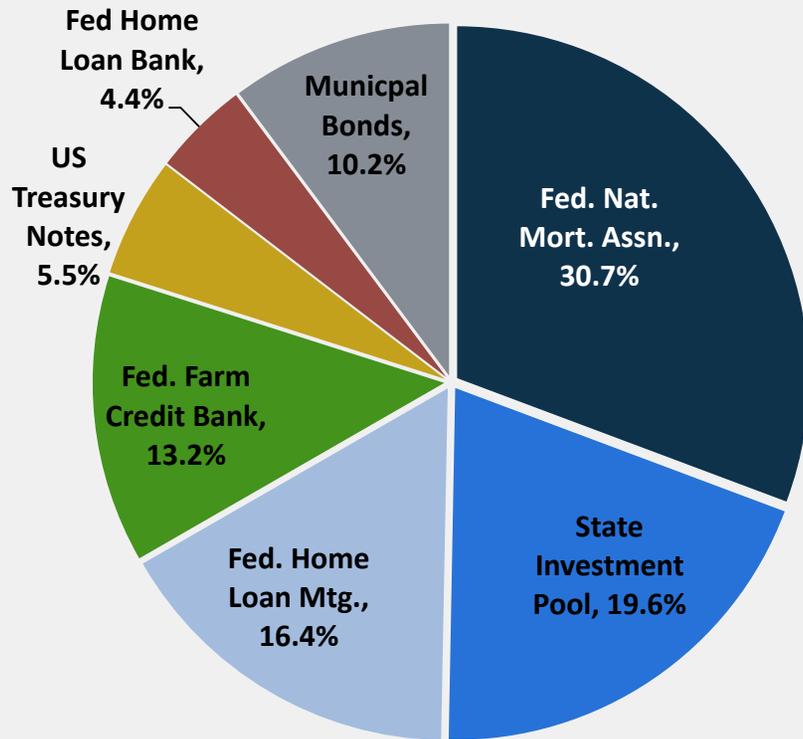
Expenses	Prior YTD	Current YTD	% Change
Salaries, Wages & Benefits	2,739,833	3,008,521	10
Supplies	839,145	871,859	4
Services-Professional, Repairs, Utilities	6,036,930	6,744,895	12
Intergovernmental Services, Taxes, & Fees	17,501	14,747	-16
Total Operating Expenses	9,633,409	10,640,022	10
Capital Outlay	2,916,780	1,615,648	-45
Debt Service, Loans, Transfers	2,414,902	2,372,352	-2
Total Capital and Debt Expenses	5,331,683	3,988,000	-25
Total Expenses	14,965,092	14,628,022	-2

Other Major Enterprise Funds

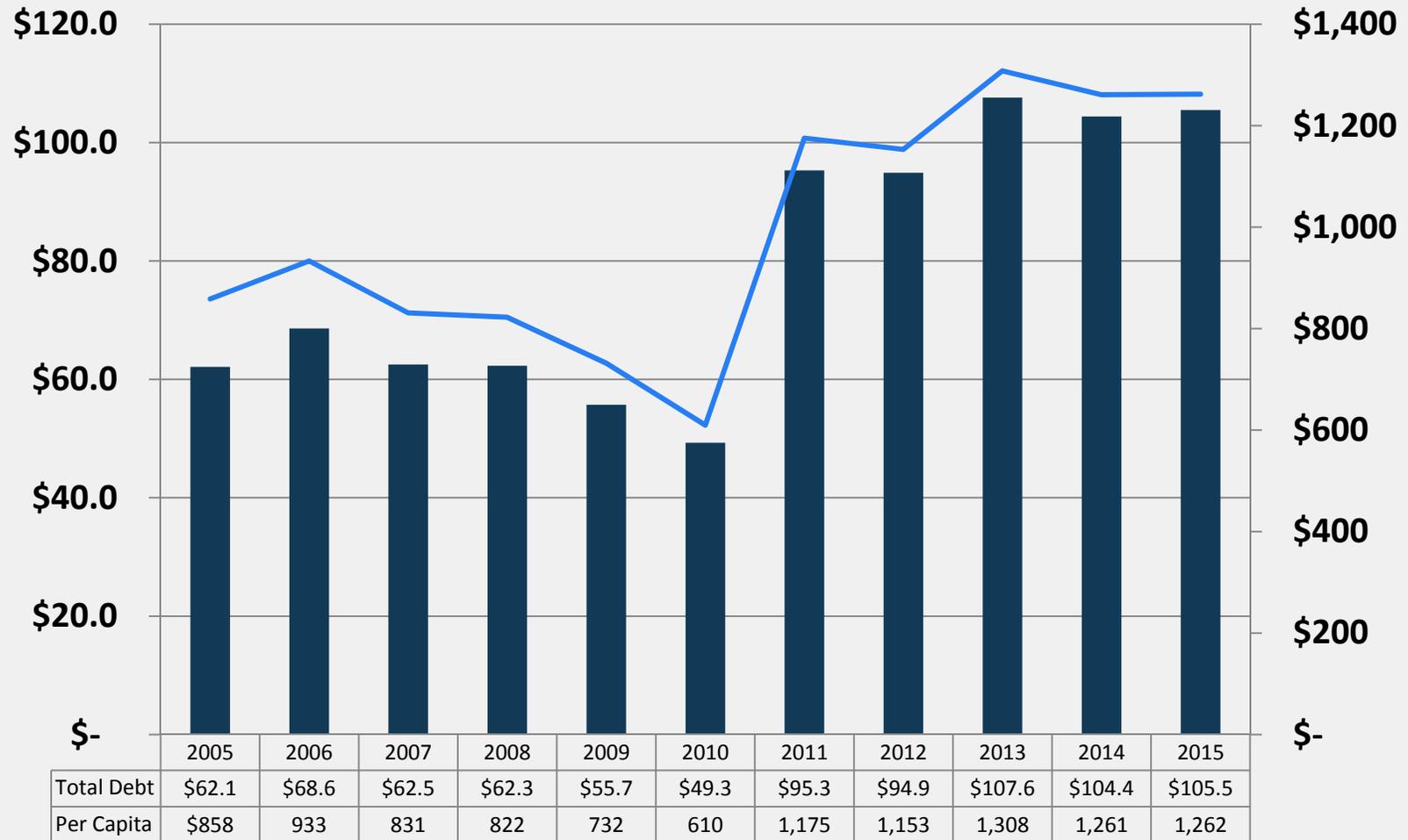
Storm & Surface Water Fund #430		Prior YTD	Current YTD	% Change
Beginning Estimated Reserves		\$ 4,734,352	\$ 3,866,023	-18%
Revenues		7,903,165	6,880,709	-13
Expenses		8,849,339	7,420,044	-16
Ending Estimated Reserves		\$ 3,788,178	\$ 3,326,688	-12%
Solid Waste Fund #440		Prior YTD	Current YTD	% Change
Beginning Estimated Reserves		\$ 7,334,194	\$ 5,930,521	-19%
Revenues	(1)	1,119,264	2,080,126	86
Expenses		934,138	795,525	-15
Ending Estimated Reserves		\$ 7,519,320	\$ 7,215,121	-4%
Development Services Fund #475		Prior YTD	Current YTD	% Change
Beginning Estimated Reserves		\$ 3,644,103	\$ 4,339,237	19%
Revenues		2,589,240	2,589,569	0
Expenses		1,872,124	1,945,415	4
Ending Estimated Reserves		\$ 4,361,219	\$ 4,983,391	14%

(1) Interfund Loan for \$1.35 million repaid

Investments - \$183 M

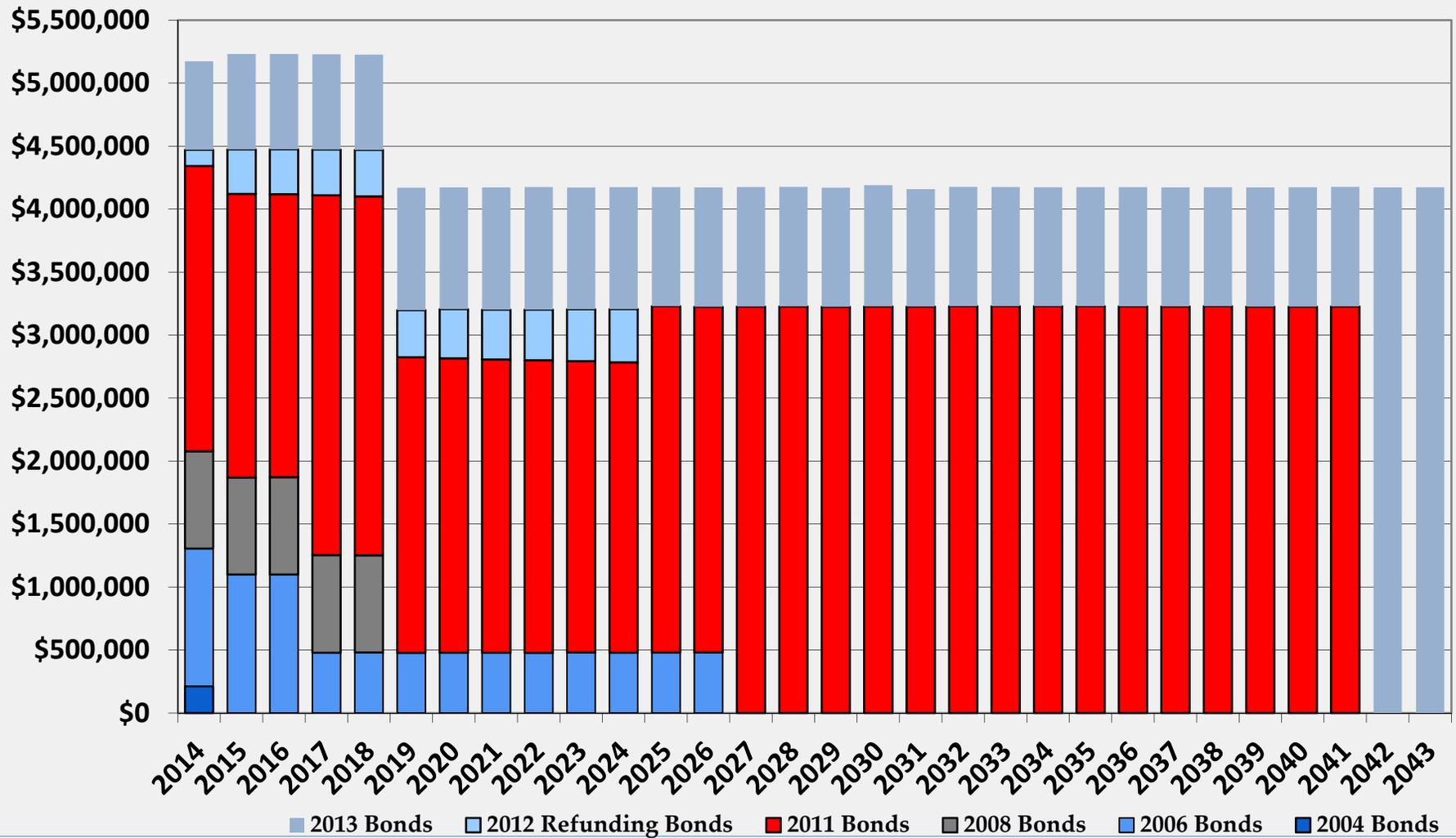


Debt Per Capita

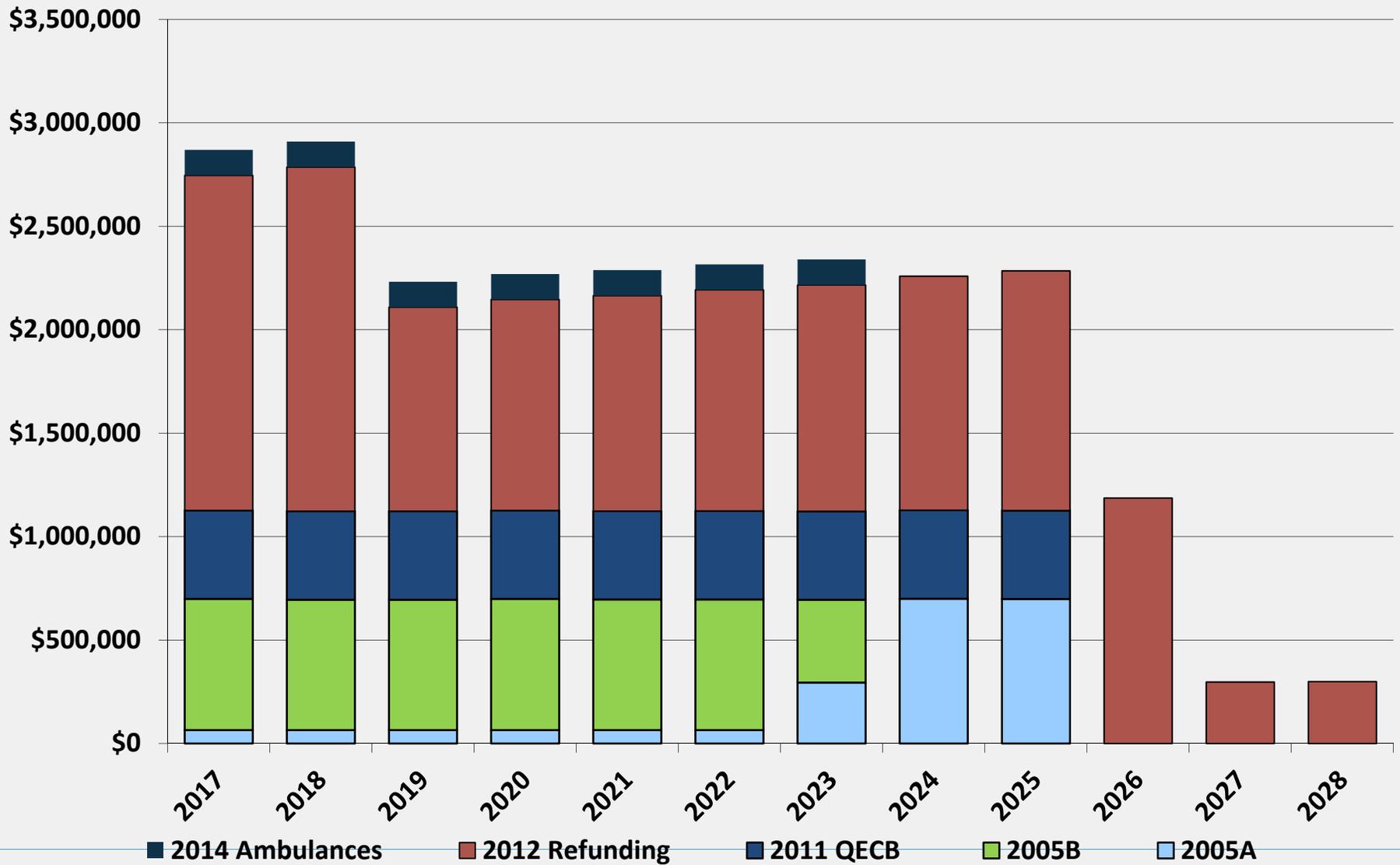


■ Total Debt — Per Capita

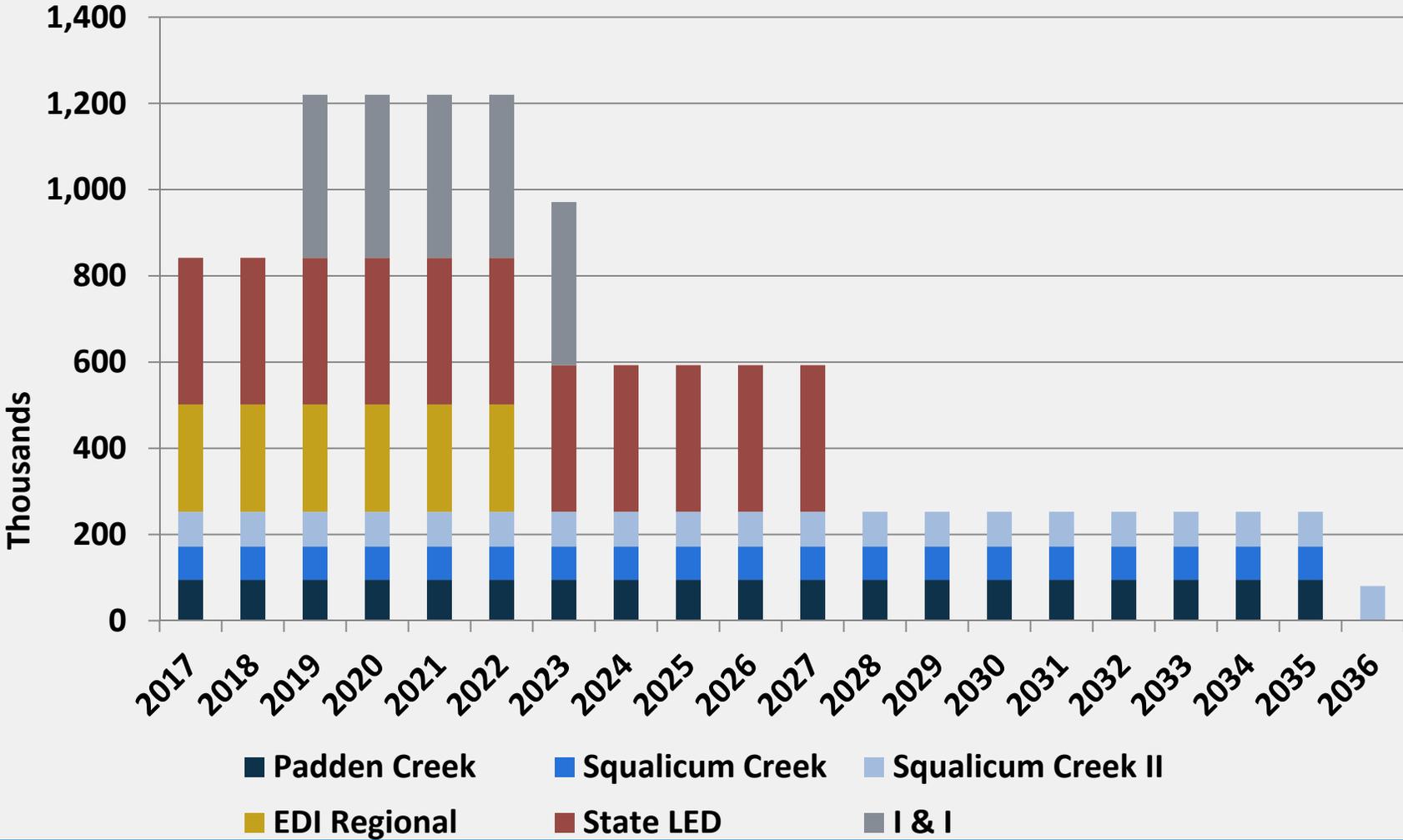
Water & Sewer Revenue Bonds

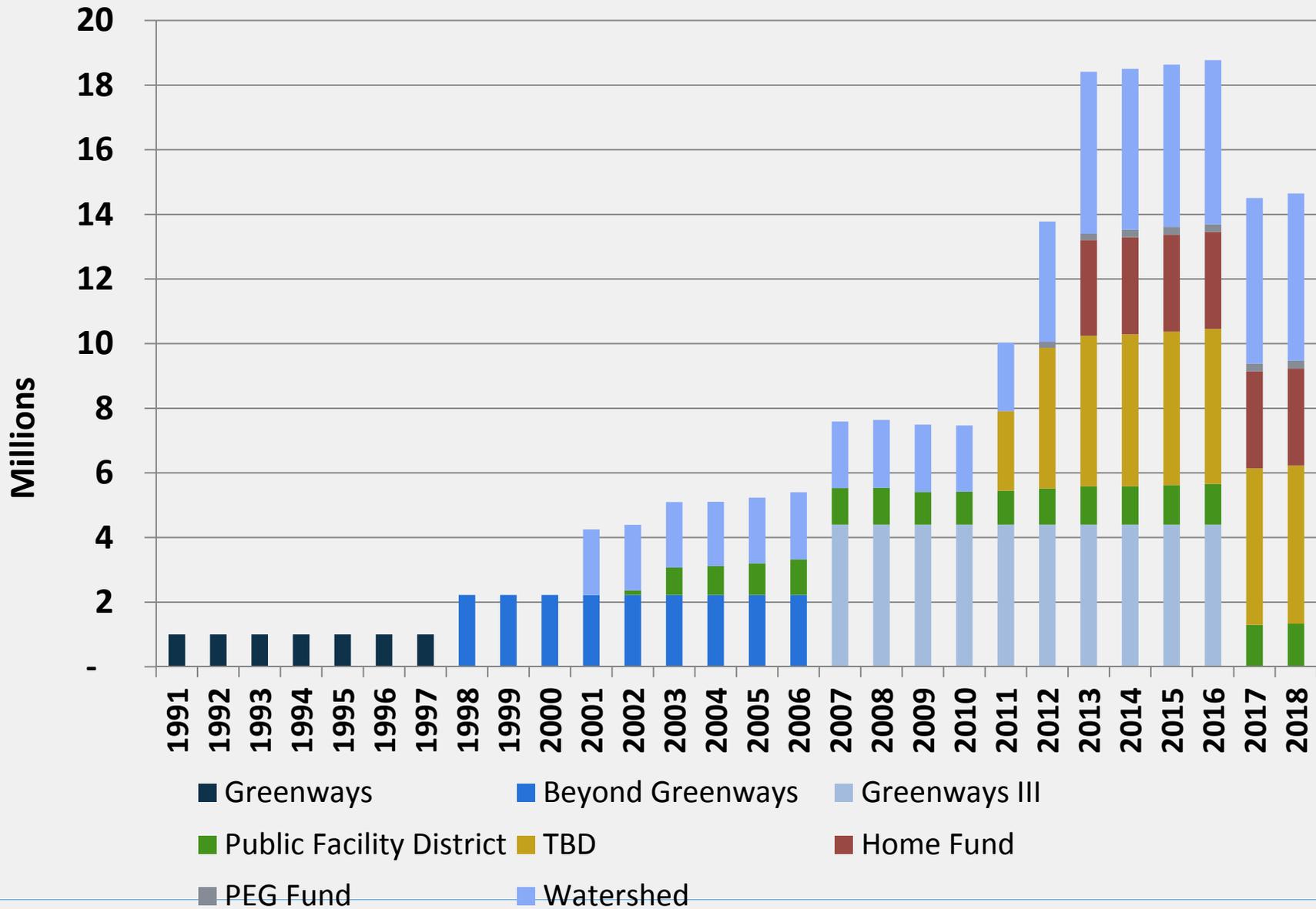


Limited Tax General Obligation Bond Debt Service



Public Works Loans





Capital Facilities Plan

	2017	2018	Total
Capital Needs	48,496,134	40,525,918	89,022,052
Capital Facilities Plan	39,691,151	29,637,861	69,329,012
Unfunded	(8,804,983)	(10,888,057)	(19,693,040)

PFD Bond Debt Service

Public Facility District	2017 - 2027
Debt Service	21,562,348
Forecasted Revenue	17,322,480
	(4,239,868)

Fire & Police LEOFF Pension

Expenses	Fire	Police	Total
Retirement, Disability & Survivor	5,731,353	1,366,822	7,098,175
Long Term Care	8,823,263	5,803,815	14,627,078
Medical & Other	12,572,250	8,880,319	21,452,569
	27,126,866	16,050,956	43,177,822
Assets	8,897,766	6,159,878	15,057,644
Unfunded	(18,229,100)	(9,891,078)	(28,120,178)

Remediation Estimate

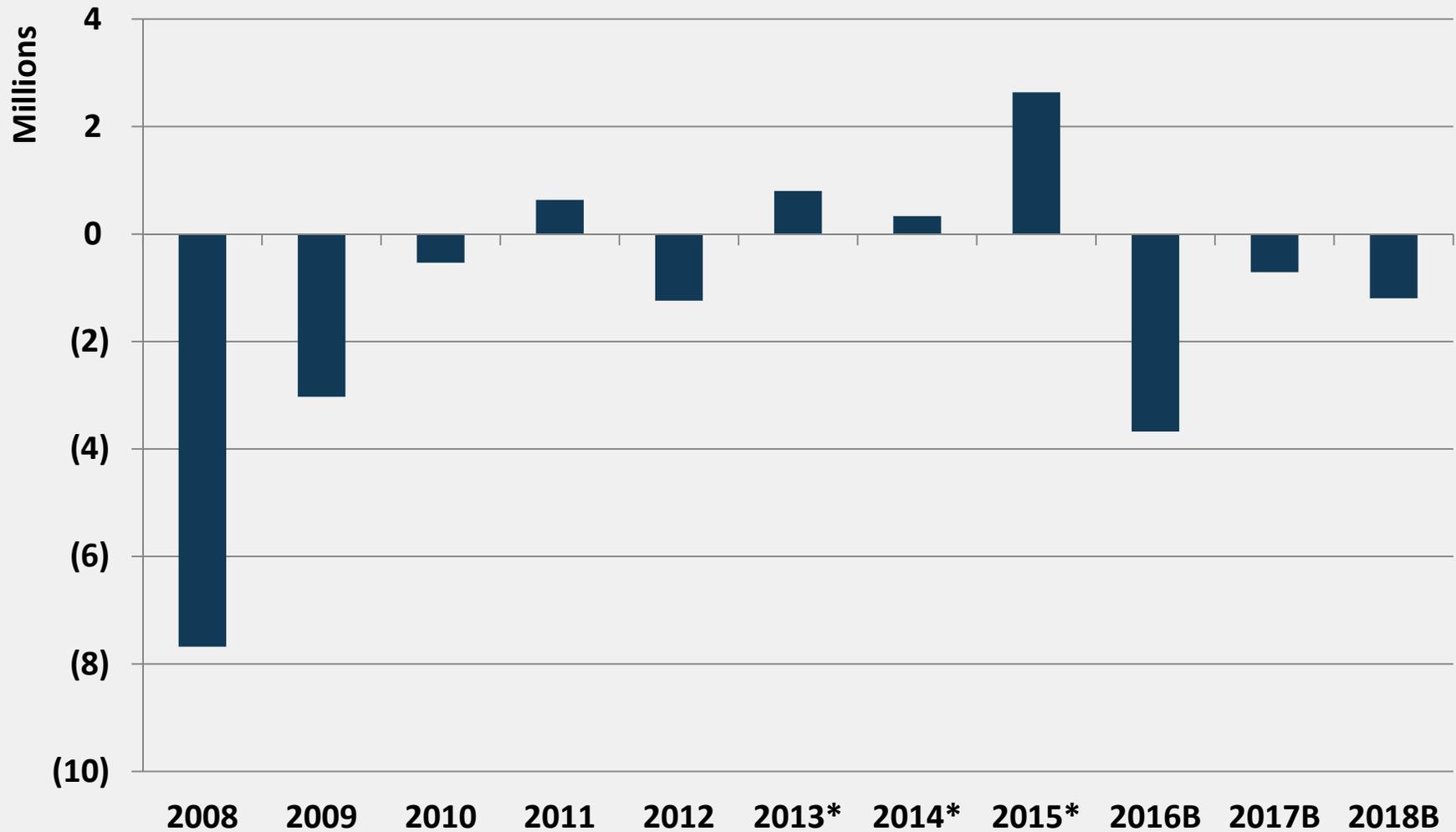
Site	Cost
South State	3,000,000
Cornwall	7,000,000
RG Haley	16,000,000
Central	6,000,000
	<hr/>
	32,000,000
MTCA	(16,000,000)
Balance	16,000,000

2017-18 Work Plan Additions

Department	2017	2018	Description
Community Development	60,000		Retail Strategy
Parking	25,000	25,000	Downtown partnership
Municipal Court	15,000	15,000	Attorney in Yakima
Finance & ITSD	1,500,000	1,000,000	New financial software
Dispatch	8,000	8,000	Pulse point maintenance cost
ITSD	110,000	115,000	Technical & training supervisor
Planning	20,000		Annexation study professional services
Fire	30,000	30,000	Equipment
Police	192,000	400,000	2 officers each year
Finance	115,000	120,000	Business Systems Analyst / Auditor
Solid Waste	600,000	600,000	Increase transfer to remediation fund
	2,675,000	2,313,000	

	2017	2018
GENERAL FUND BUDGETED	Budget	Budget
BEGINNING RESERVES	17,000,000	14,806,116
SPECIFIC REVENUE		
TOTAL BUDGETED REVENUE	76,818,598	78,649,913
EXPENDITURES		
TOTAL BUDGETED EXPENDITURES	77,612,482	79,825,248
BUDGETED SURPLUS / (DEFICIT)	(793,884)	(1,175,335)
ENDING RESERVES	16,206,116	13,630,781
Restricted Reserves 12%	(9,313,498)	(9,579,030)
Legal Environmental	(1,100,000)	
B&O Refund	(300,000)	
Unrestricted Balance	5,492,618	4,051,751

General Fund Surplus / Deficit



*Before reappropriations & retro pay



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City of
Bellingham