City of Bellingham
2020 Year End Review &
Updated 2021 Revenue Forecast

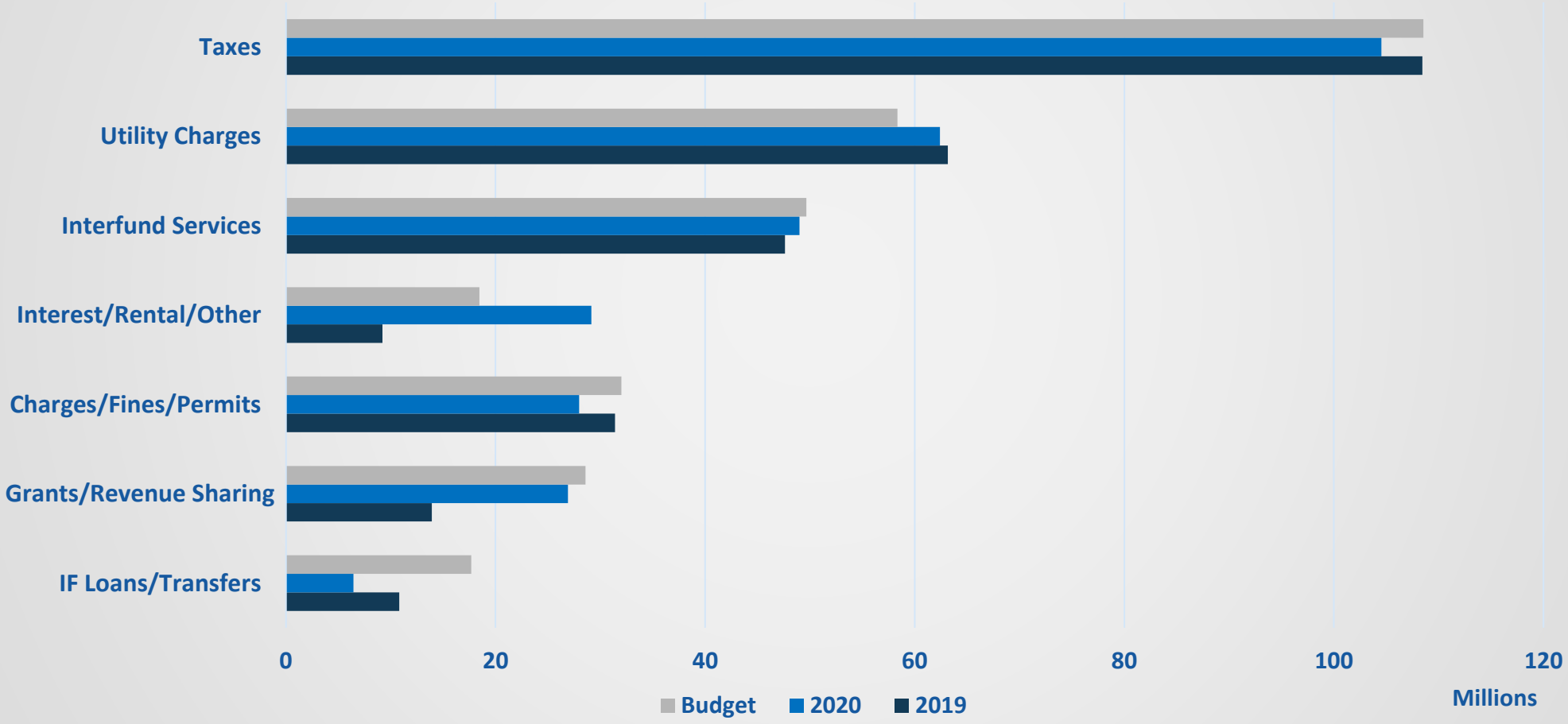
Financial overview for 2020

- Citywide Revenues & Expenses
- Special Revenue Funds
- Enterprise Funds
- General Fund
  - Beginning Reserves for 2021

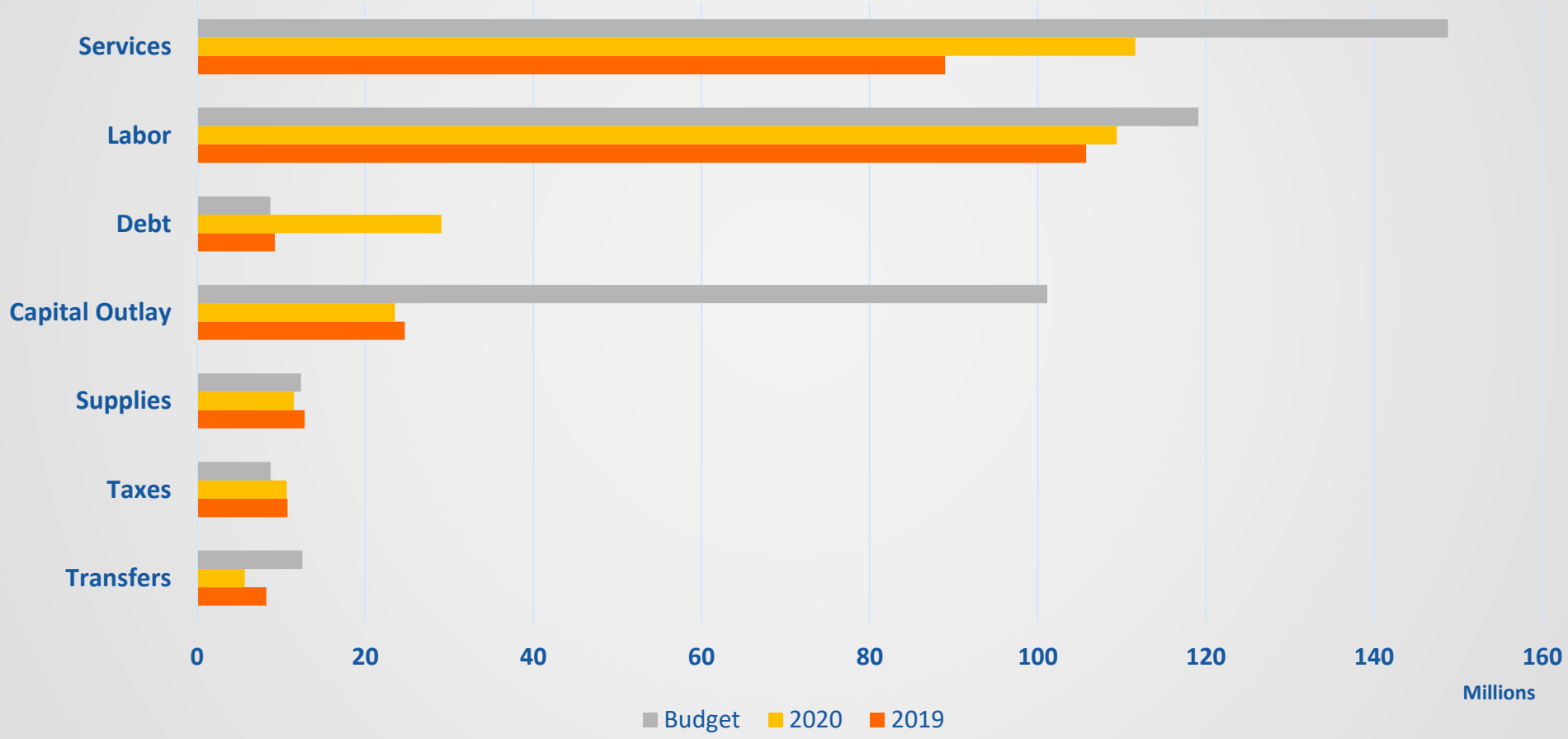
Economic overview

- Economic outlook
- Sales tax activity
- Revenue forecast

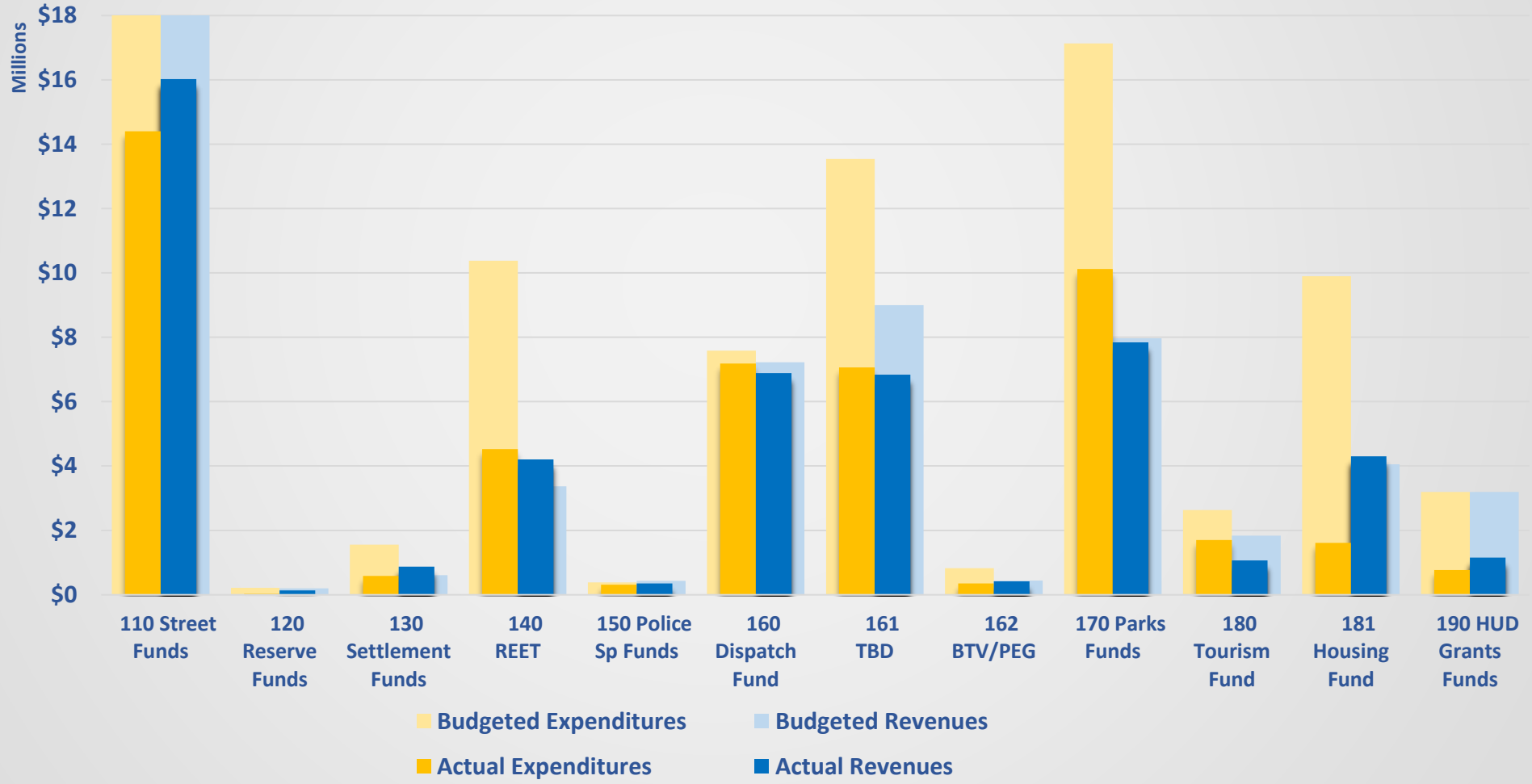
Citywide Revenues - $306 M



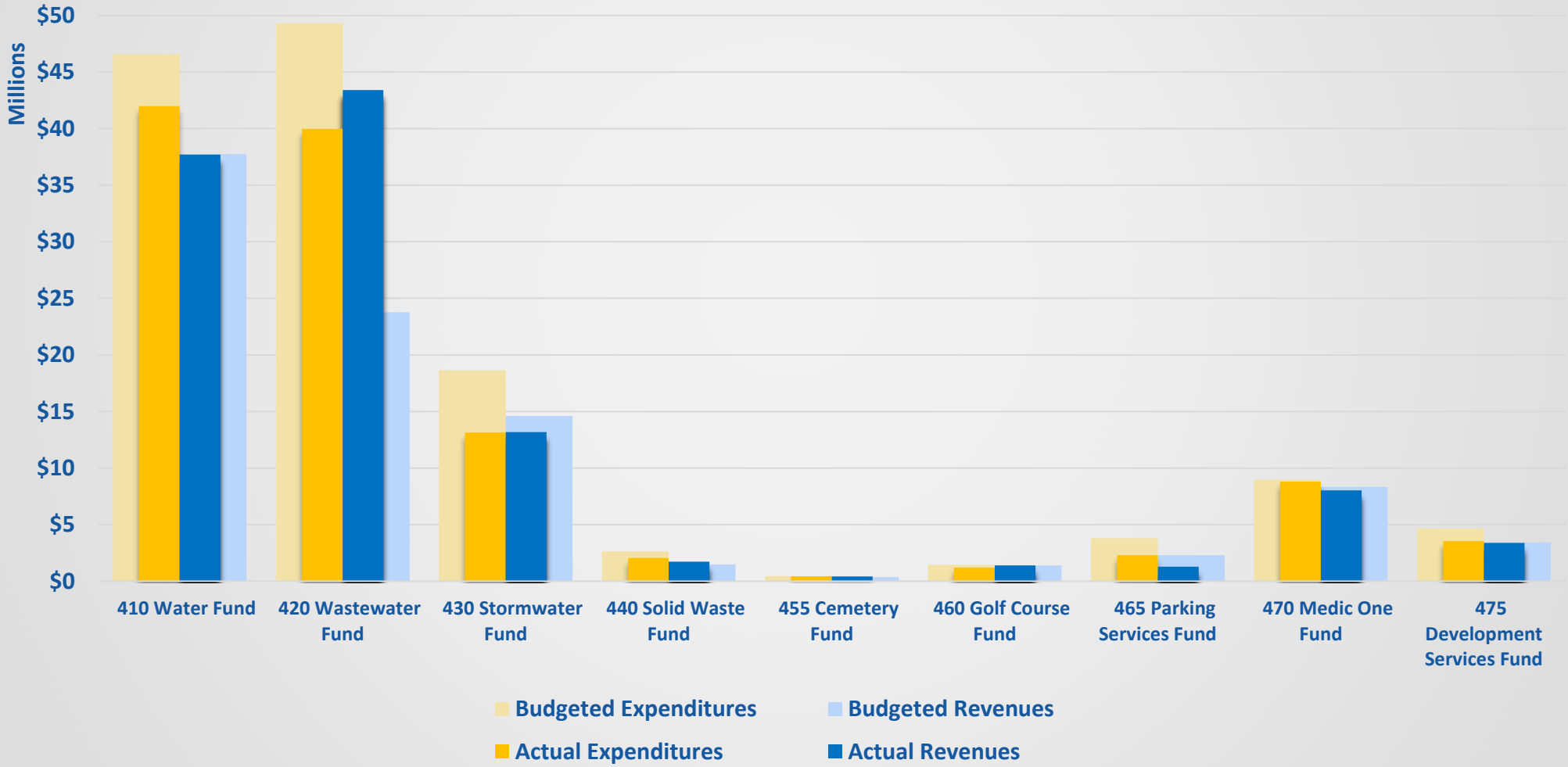
Citywide Expenses - $301 M



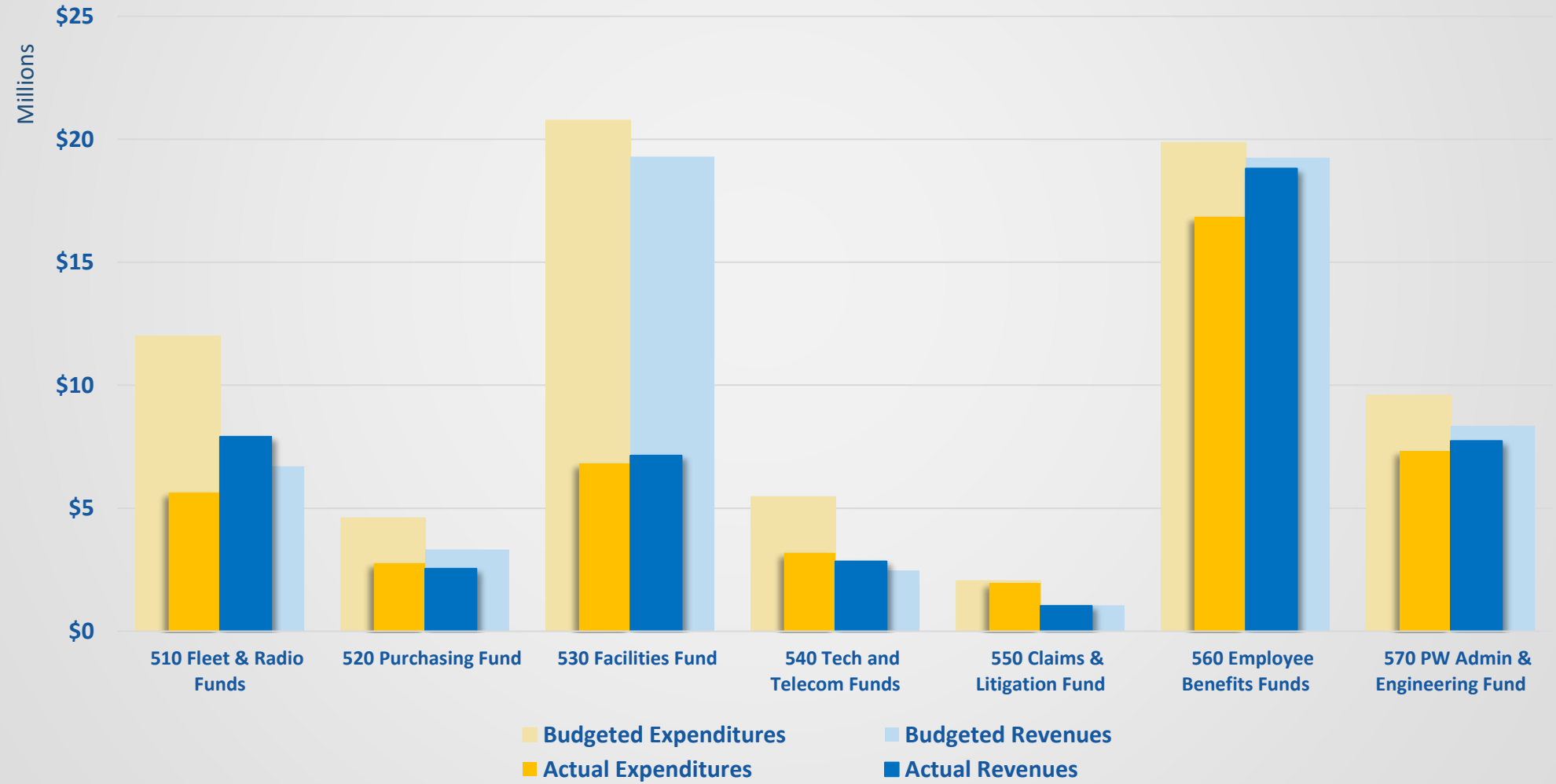
Special Revenue Funds



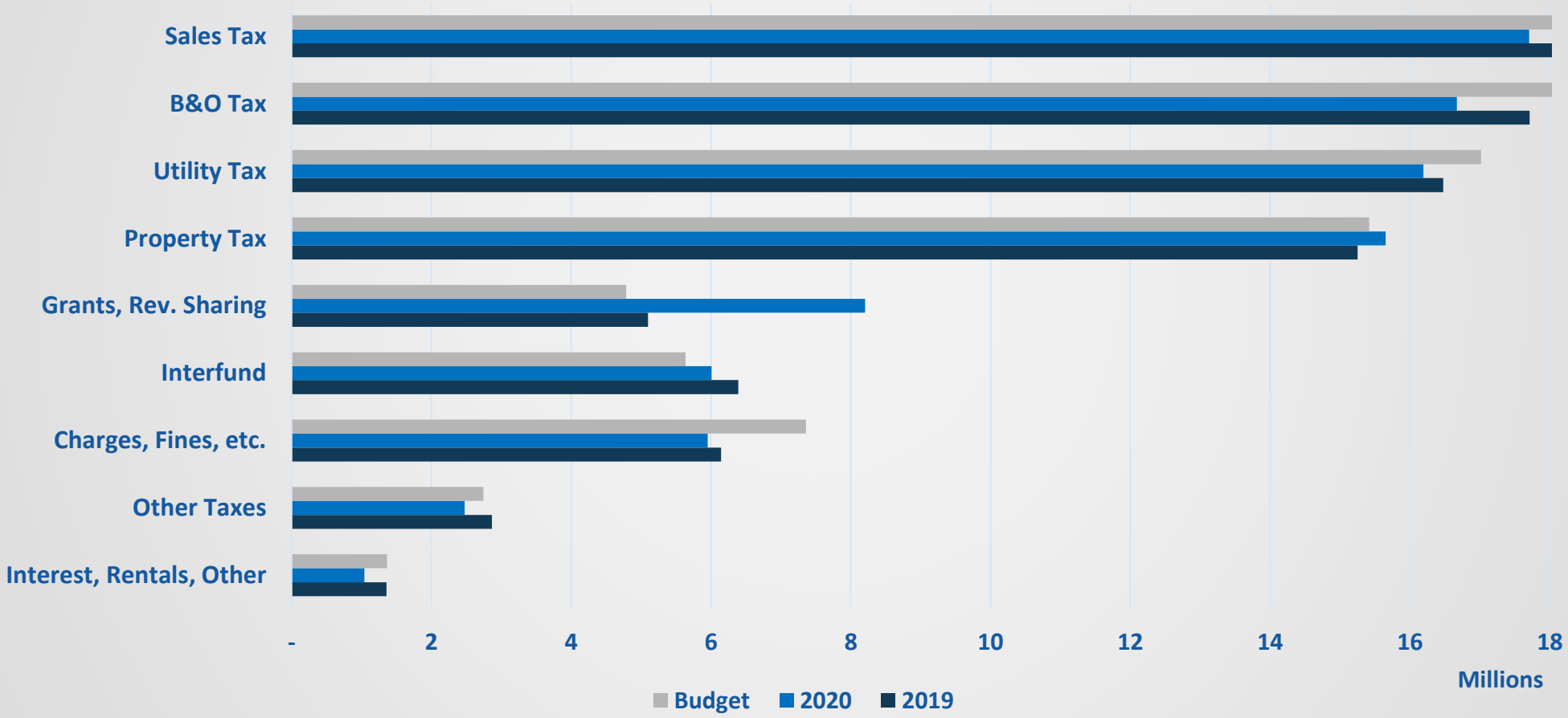
Enterprise Funds



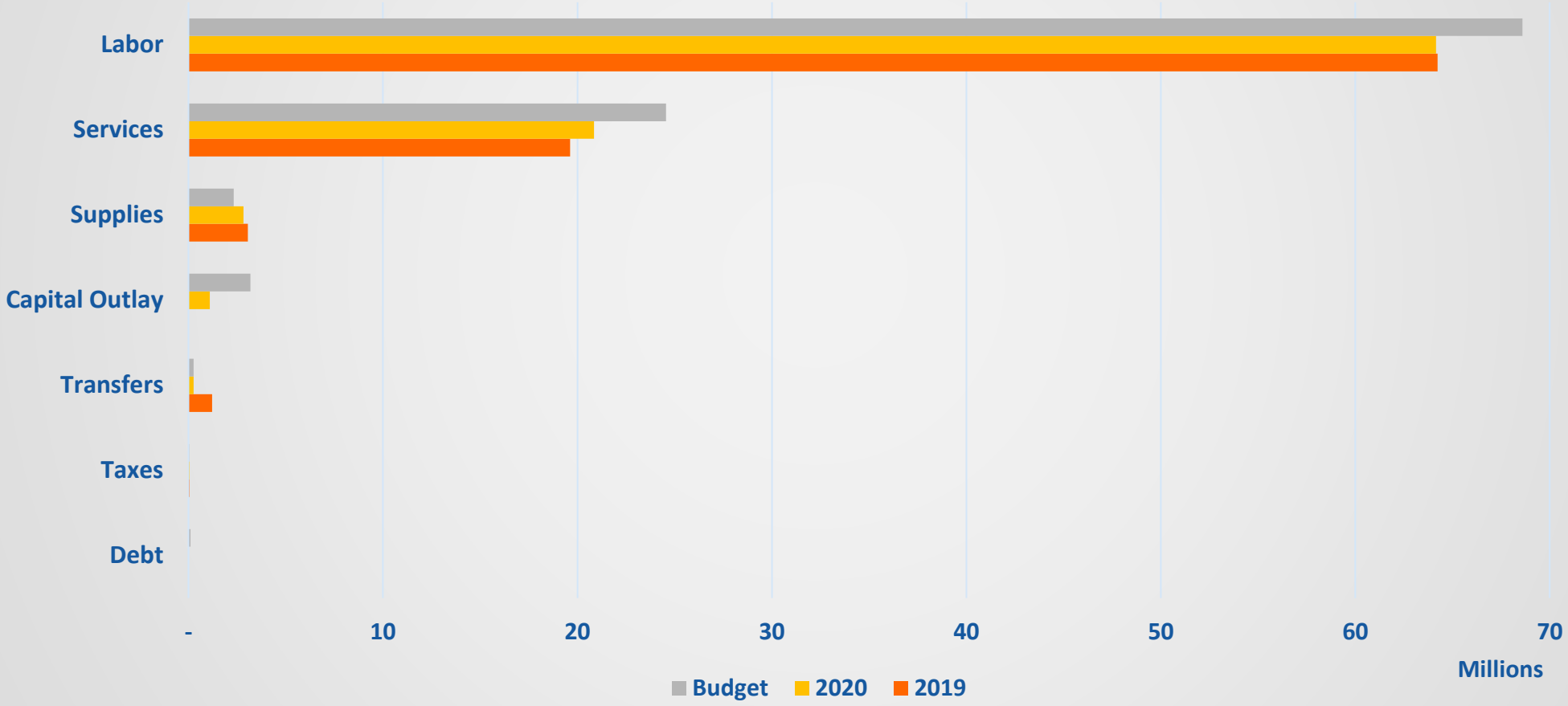
Internal Service Funds



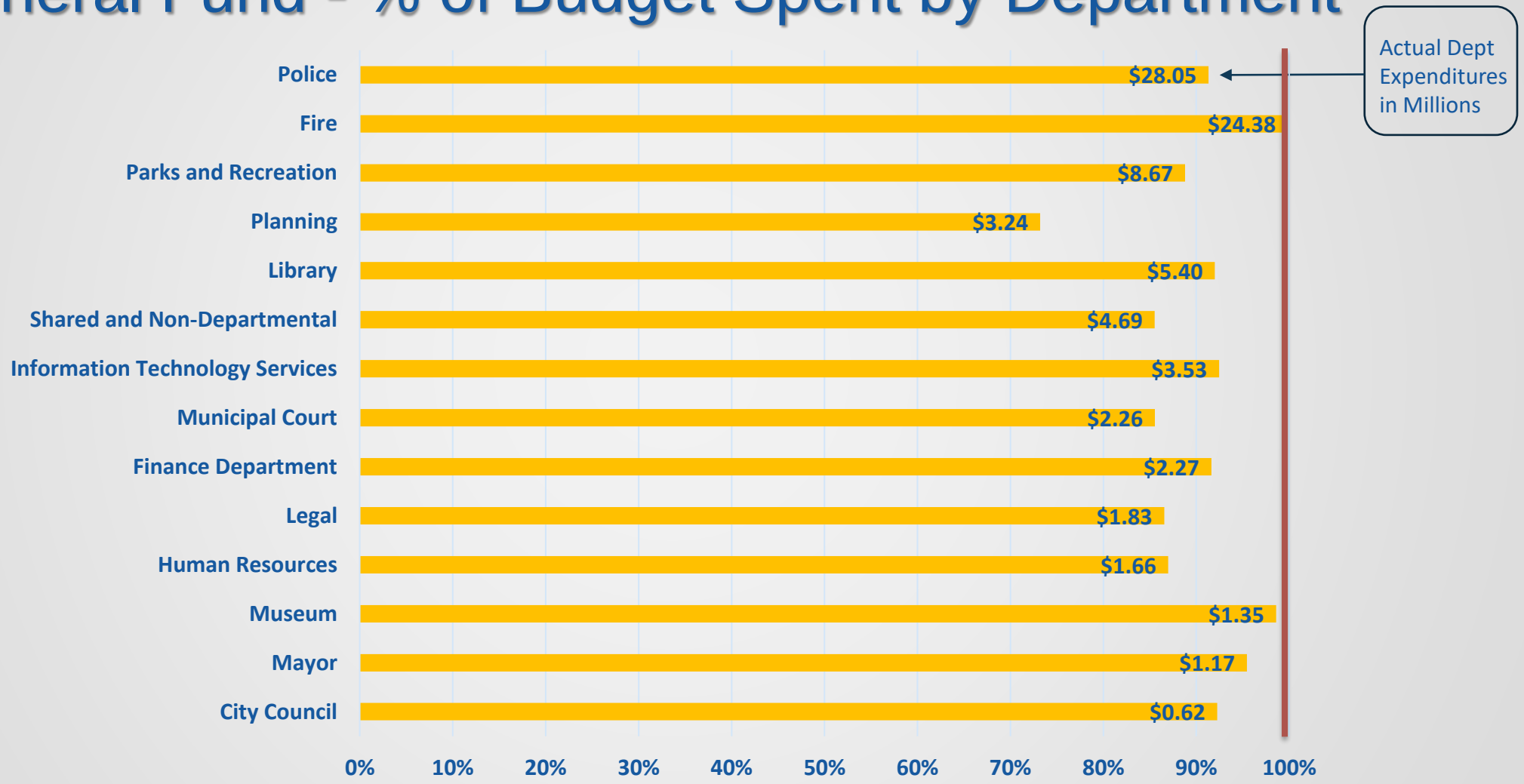
General Fund Revenues - $89.9 M



General Fund Expenditures - $89.2 M



General Fund - % of Budget Spent by Department

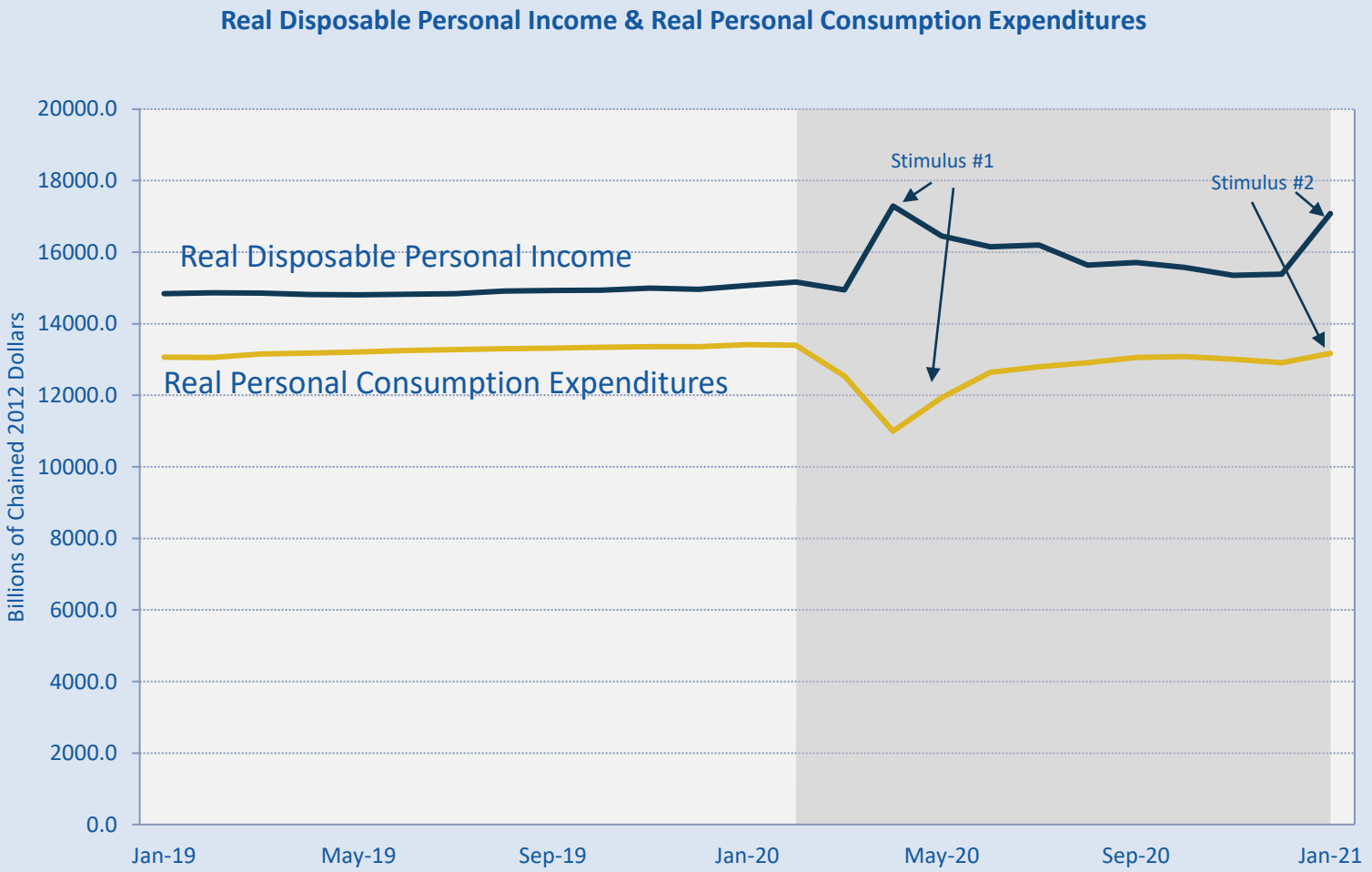


General Fund Reserve

	2020 Beginning Reserve:	**$ 30,486,228.00**
Object	Description	**Updated 3/5/2021**
11110	Cash	21,211,647.33
11114	Cash	4,342.35
11121	Cash	12,800,000.00
11170	Petty Cash	35,850.00
13100	DUE FROM OTHER FUNDS	47,602.71
13400	DUE FROM OTHER GOVTS - SVCS	285,216.83
14370	OTHER PREPAID EXPENSES	34,220.00
14375	PREPAID EXPENSE - YE ACCRUALS	3,025.34
21340	VOUCHERS PAYABLE	(935,464.86)
21342	AP - YE ACCRUALS	(8,111.85)
22340	RETAINAGE PAYABLE	(6,614.92)
22911	DUE OTHR GVT-BACKGROUND CHECKS	(1,426.50)
23131	ACCRUED WAGES	(2,542,650.50)
23300	REVENUES COLLECTED IN ADVANCE	
23310	REV COLL IN ADV - PROGRAMS	(23,666.15)
23311	REV COLL IN ADV - GIFT CERT	(3,808.25)
23312	REV COLL IN ADV - PARKS CREDIT	(1,241.00)
	2021 Beginning Reserve:	**$ 30,898,920.53**

Significant Government Intervention Countering COVID-19

- $3.8 trillion in stimulus spending related to COVID-19
- $433 billion in direct payments to individuals
- PPP, unemployment support, historically low borrowing rates, tax breaks
- $1.9 trillion package currently under debate and expected to pass



Source: U.S. Bureau of Economic Analysis/FRED

Reasons for Optimism

Biden Vows Enough Vaccine 'for Every Adult American' by End of May

The pharmaceutical giant Merck & Co. agreed to help manufacture Johnson & Johnson's coronavirus vaccine partly brokered by the White House.

New York Times

Divided Senate Passes Biden's Pandemic Aid Plan

New York Times

CORONAVIRUS

All regions in Washington now in Phase 2 of reopening plan

King 5

Whatcom County Vaccination Progress

Whatcom County Residents Who Have Received First Pfizer/Moderna Dose or J&J Dose		Whatcom County Residents Who Are Fully Vaccinated (Received both Pfizer/Moderna doses or J&J dose)	
30,969	13.75%	16,083	7.14%

As of 2/27/21

For the Week of February 22, 2021

CDC Allocation to WaDOH	2,540
Federal Retail Pharmacy Partnership	3,670
Federally Qualified Health Centers	0
Long-Term Care Pharmacy Partnership *(data not available)*	
Indian Health Service *(data not available)*	

For the Week of March 1, 2021

CDC Allocation to WaDOH	11,030
Federal Retail Pharmacy Partnership	not yet available
Federally Qualified Health Centers	0
Long-Term Care Pharmacy Partnership *(data not available)*	
Indian Health Service *(data not available)*	

First Doses/J&J Doses Allocated to Whatcom County Providers

For the Week of Feb 22	Total 6,210
For the Week of Mar 1	Total (not final) 11,030

Whatcom County HEALTH Department

Washington COVID-19 Cases

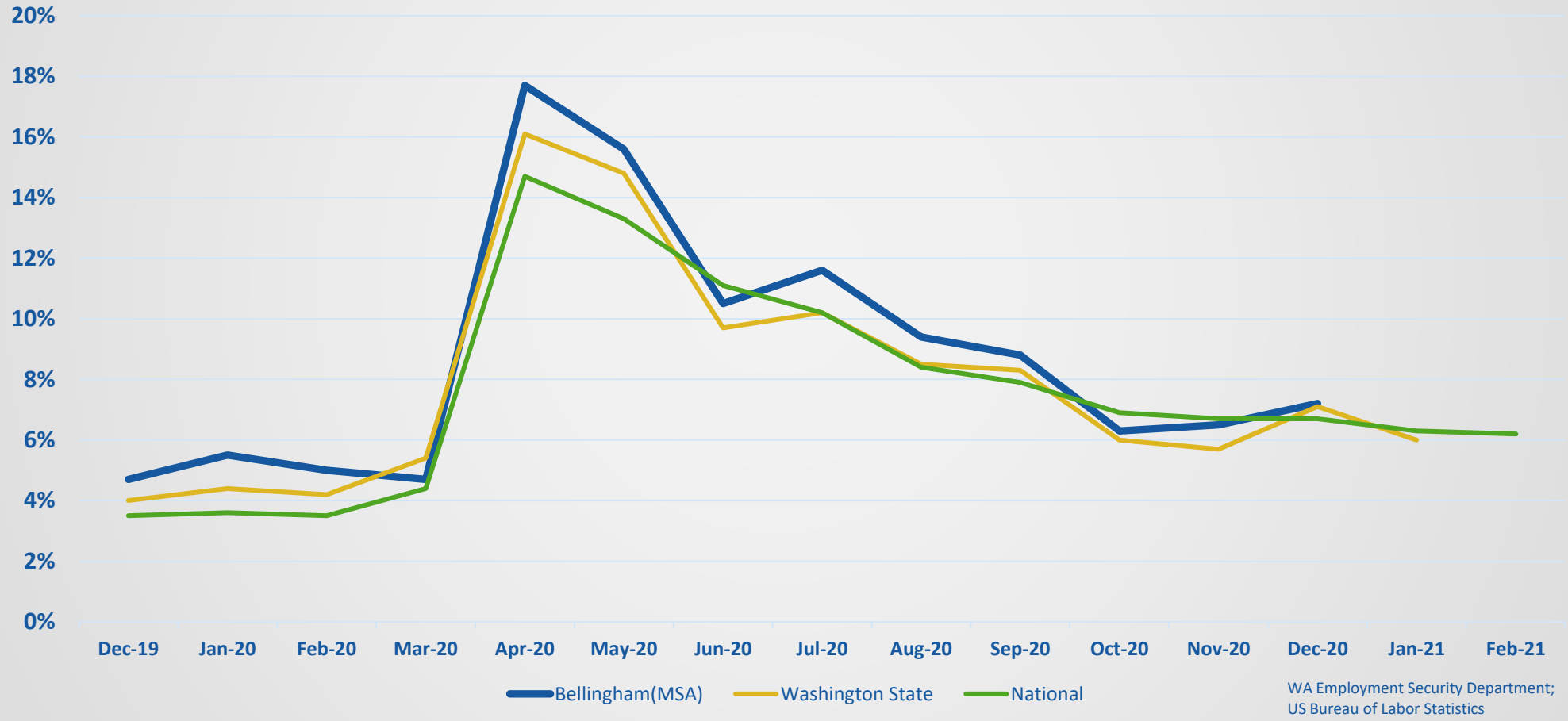
	TOTAL REPORTED	ON MARCH 7	14-DAY CHANGE
Cases	347,391	90	-18%
Deaths	5,108	1	-43%
Hospitalized		431	-31%

Day with reporting anomaly. Hospitalization data from the Covid Tracking Project; 14-day change trends use 7-day averages.

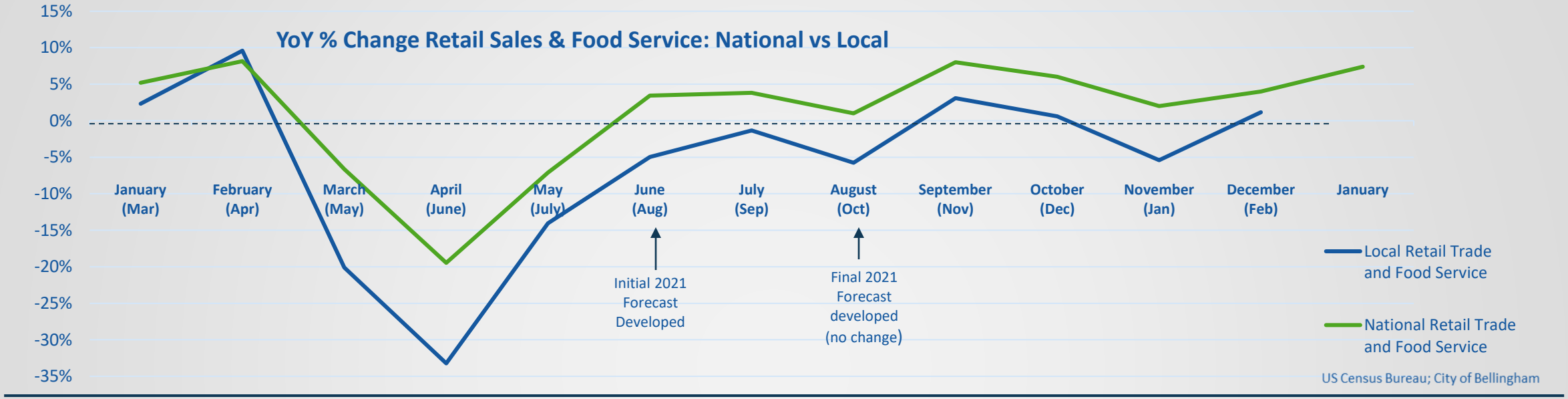
Updated March 8, 2021, 7:52 A.M. E.T.

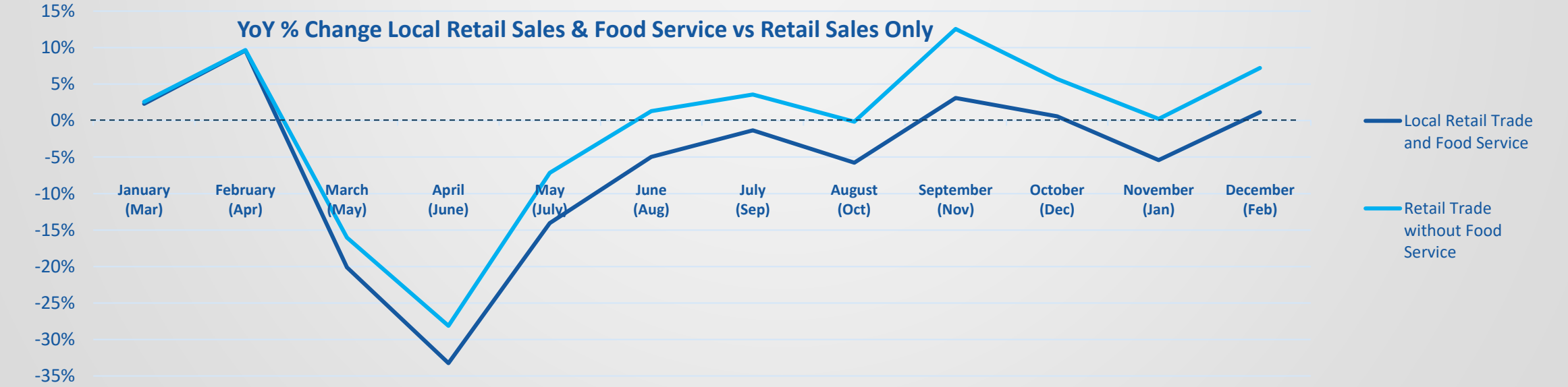
New York Times

Unemployment: Local vs National



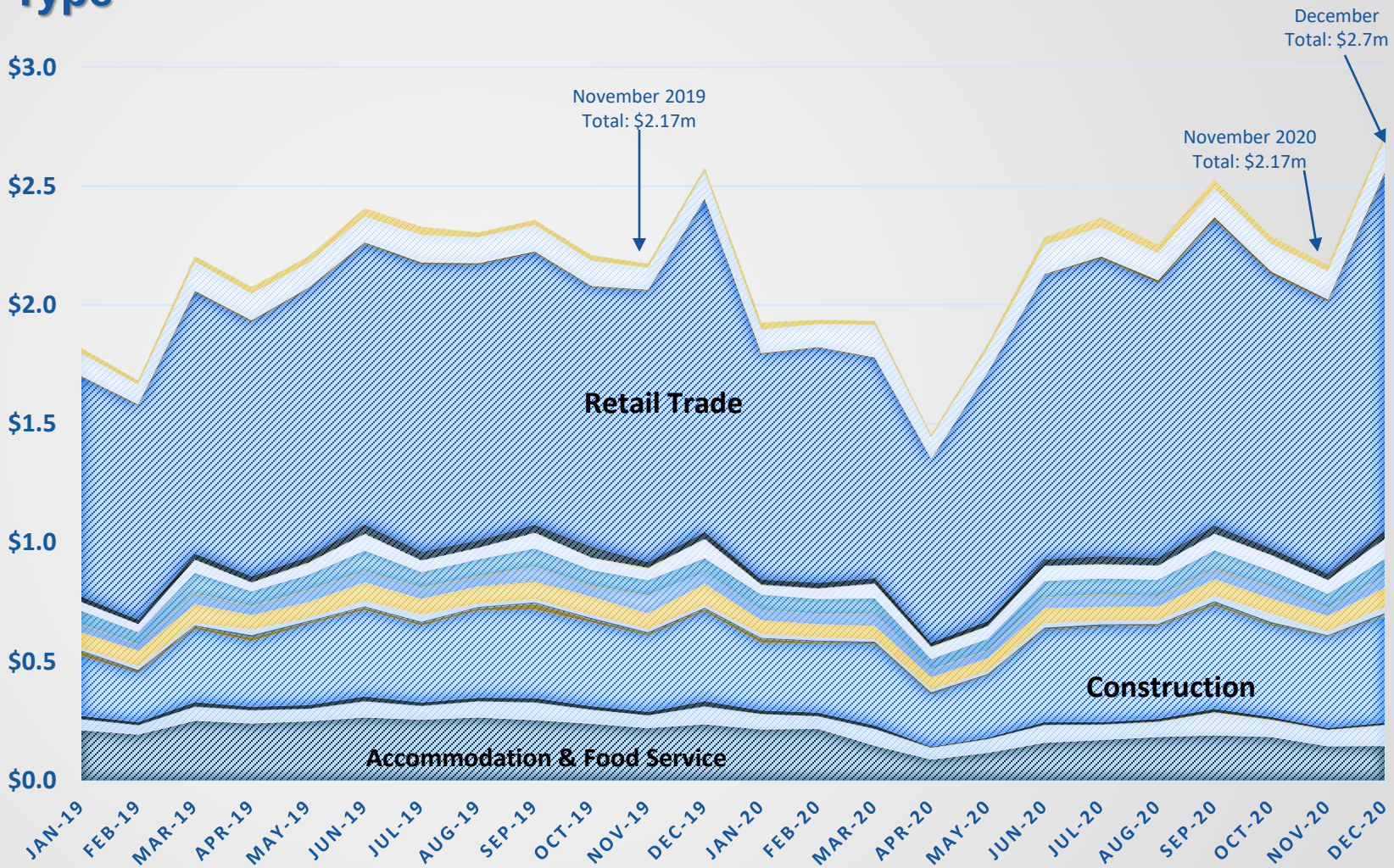
WA Employment Security Department;
US Bureau of Labor Statistics


YoY % Change Retail Sales & Food Service: National vs Local
15%
10%
5%
0%
-5%
-10%
-15%
-20%
-25%
-30%
-35%
January (Mar)
February (Apr)
March (May)
April (June)
May (July)
June (Aug)
July (Sep)
August (Oct)
September (Nov)
October (Dec)
November (Jan)
December (Feb)
January
Initial 2021 Forecast Developed
Final 2021 Forecast developed (no change)
Local Retail Trade and Food Service
National Retail Trade and Food Service
US Census Bureau; City of Bellingham

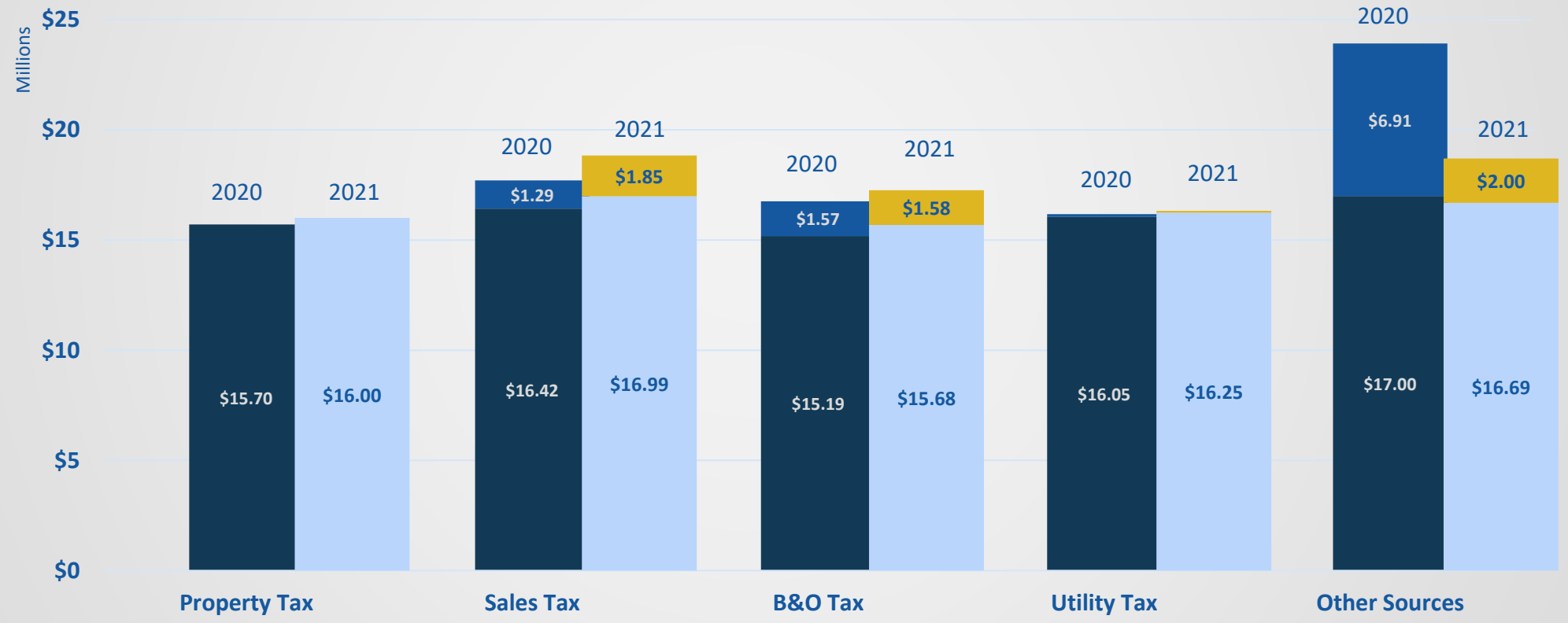

YoY % Change Local Retail Sales & Food Service vs Retail Sales Only
15%
10%
5%
0%
-5%
-10%
-15%
-20%
-25%
-30%
-35%
January (Mar)
February (Apr)
March (May)
April (June)
May (July)
June (Aug)
July (Sep)
August (Oct)
September (Nov)
October (Dec)
November (Jan)
December (Feb)
Local Retail Trade and Food Service
Retail Trade without Food Service

Sales Tax Revenues by Type 2019-2020

- Shown in month of retail activity (not collection)
- About 10% of retail trade is also tied to construction
- Motor vehicle sales represents the largest portion of retail trade at 23-25%



Expectations vs Reality

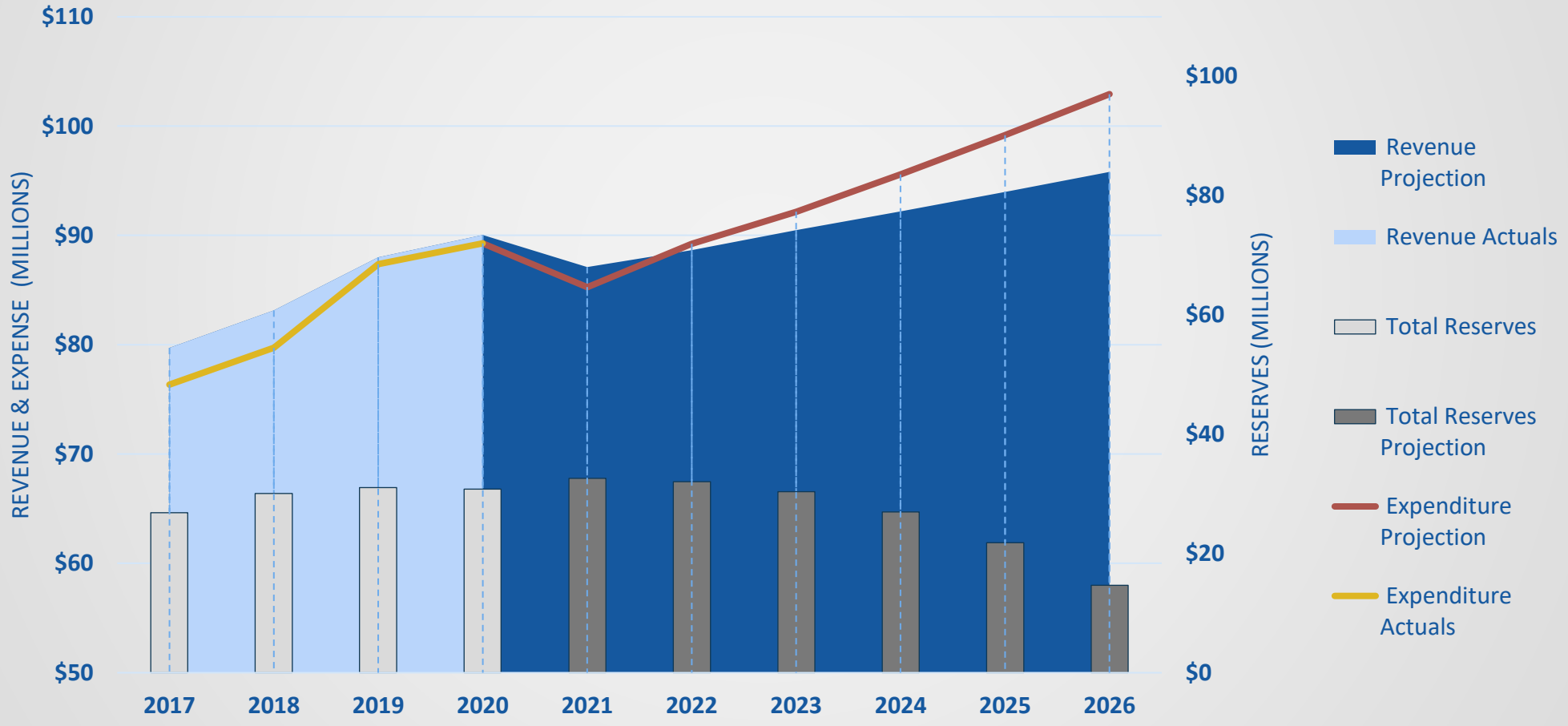


General Fund 2021-2022 Outlook

- Projecting $2 million surplus this year
- Frozen positions represent $1.4 million of that surplus
- Outstanding budget items to come forward in the coming months:
  - Reappropriation of 2020 unspent budget – potentially $500,000?
  - Clean-up costs related to City Hall encampment and other unforeseen homelessness-related costs: $50,000-100,000?
  - Unfreezing of positions as requested.
- Stimulus includes $130 Billion for local governments – likely with restrictions

	2021 Forecast	2022 Forecast
Beginning Reserve Balance	**30,898,920**	**32,926,065**
TAXES	69,505,605	71,555,575
LICENSES AND PERMITS	896,722	878,788
INTERGOVERNMENTAL REVENUE	4,071,106	3,071,106
CHARGES FOR GOODS AND SERVICES	11,144,547	11,701,775
FINES AND PENALTIES	488,419	473,767
MISCELLANEOUS REVENUE	987,662	967,908
OTHER FINANCING SOURCES		
TOTAL REVENUE	**87,094,061**	**88,648,919**
NON-EXPENDITURES	172,185	172,185
SALARIES AND WAGES	45,671,618	48,165,813
PERSONNEL BENEFITS	15,943,771	17,183,830
SUPPLIES	2,394,072	2,424,051
OTHER SERVICES AND CHARGES	20,885,270	21,284,671
CAPITAL OUTLAYS		
TOTAL BUDGETED EXPENSE	**85,066,916**	**89,230,550**
Net Change	2,027,145	(581,631)
Ending Reserve Balance	32,926,065	32,344,434

Long-Term General Fund Outlook



Questions?

Presentation and additional reports available at:
https://www.cob.org/gov/dept/finance/pages/reports.aspx