PUBLIC FACILITIES
BELLINGHAM WHATCOM DISTRICT

AGENDA
THURSDAY, August 20, 2026 – 12:00pm – 1:30pm
City Hall – City Council Boardroom (2nd Floor), 210 Lottie Street

Teams Meeting ID: 265 938 833 906 39 / Passcode: Dg9Xr3Zw
Join Meeting

CALL TO ORDER

ROLL CALL

OPEN PUBLIC COMMENT PERIOD

Citizens may speak informally to the Board on subjects not scheduled for public hearing. Each speaker is allowed a maximum of three minutes.

APPROVAL OF MINUTES

Action: Approve the June 18, 2026 board meeting minutes.

AGENDA REVIEW

AGENDA:

1. BWPFD Administration and Financial Reports *(Andy Asbjornsen)*
    a. Financial Review of first quarter of 2026.
    b. **ACTION: Authorization of checks issued for second quarter of 2026.**

2. Information Series Part 2: Tourism-related activities in the Arts District *(Tara Sundin, Taylor Littrel with guest presenters from Downtown Bellingham Partnership and Visit Bellingham)*
    a. **DISCUSSION ONLY – NO ACTION**

3. BWPFD 2027 Budget Review *(Tara Sundin and Andy Asbjornsen)*
    a. See memorandum *(attached)*
    b. **DISCUSSION ONLY – NO ACTION**

4. Next meeting – October 15, 2026, Budget Approval

ADJOURNMENT

PUBLIC FACILITIES DISTRICT

2026	1st Quarter			2nd Quarter						
	January	February	March	April	May	June	YTD	Budget	Variance	%
BEGINNING CASH (ACTUAL)	**2,218,670**	**2,298,660**	**2,415,541**	**2,489,145**	**2,558,523**	**2,655,628**	**2,218,670**			
REVENUES										
Sales Tax	179,345	218,997	171,272	169,235	196,701	187,377	1,122,926	2,312,000	1,189,074	49%
Interest	5,682	5,265	8,180	7,639	6,999	5,435	39,200	60,000	20,800	65%
Parking Rents	1,313	915	971	832	704	732	5,467	11,400	5,933	48%
Bond Proceeds								1,000,000		
TOTAL REVENUES	**186,339**	**225,177**	**180,423**	**177,706**	**204,403**	**193,545**	**1,167,593**	**3,383,400**	**1,215,807**	35%
EXPENSES										
Salaries & Wages		1,416	354	1,465	708	1,723	5,666		(5,666)	
Personnel Benefits		481	115	514	240	658	2,008		(2,008)	
Advertising & Promotions		50					50		(50)	
Other Professional Services							-	50,000	50,000	0%
Misc Services Not Class (ICAP)	3,404	3,404	3,404	3,404	3,404	3,404	20,422	40,844	20,422	50%
Training & Tuition							-	5,000	5,000	0%
Insurance							-	15,000	15,000	0%
Dues & Memberships							-	1,000	1,000	0%
Other Intergovernmental Svcs							-	41,100	41,100	0%
Total Admininstrative Costs	**3,404**	**5,350**	**3,873**	**5,382**	**4,352**	**5,785**	**28,145**	**152,944**	**124,798**	18%
Debt Service 2012 Bond	74,633	74,633	74,633	74,633	74,633	74,633	447,798	895,595	447,798	50%
COB Loan Repayment	13,350	13,350	13,350	13,350	13,350	13,350	80,102	160,203	80,102	50%
Debt Service 2026 Bond	14,963	14,963	14,963	14,963	14,963	14,963	89,777	1,354,800	1,265,023	7%
Total Debt Payments	**102,946**	**102,946**	**102,946**	**102,946**	**102,946**	**102,946**	**617,676**	**2,410,598**	**1,792,922**	26%
Repairs & Maintenance								**1,000,000**		
TOTAL EXPENSES	**106,350**	**108,296**	**106,819**	**108,328**	**107,298**	**108,731**	**645,822**	**3,563,542**	**1,917,721**	18%
	79,990	**116,881**	**73,604**	**69,378**	**97,106**	**84,813**	**521,772**	**(180,142)**	**(701,914)**	
ENDING CASH (BUDGETED)	**2,298,660**	**2,415,541**	**2,489,145**	**2,558,523**	**2,655,628**	**2,740,442**	**2,740,442**			
ENDING CASH (ACTUAL)			**2,494,792**			**2,878,707**				

1st Quarter	**Total**	**2nd Quarter**	**Total**
Revenue	591,939	Revenue	575,654
Expenses	321,465	Expenses	324,357
	270,475		251,297

City of Bellingham - Component Unit
Bellingham-Whatcom Public Facilities District
June 2026

		Prior YTD		Current YTD	Percent Change		Revised Budget	Budget to Actual %
Beginning Estimated Reserves	$	2,230,262	$	2,199,354	(1%)	$	2,199,354	100%
Revenues								
Retail Sales & Use Tax		1,069,115		1,122,926	5		2,312,000	49
Interest Earnings		35,829		39,200	9		60,000	65
Parking Rental Income		5,323		5,467	3		11,400	48
Bonds, Loans and Other Debt		-		-	-		1,000,000	
Total Revenues		1,110,267		1,167,593	5		3,383,400	35
Expenses								
Labor		-		7,674	-		-	-
Services		25,493		20,472	(20)		1,152,944	2
Debt		1,154,712		617,676	(47)		2,410,598	26
Total Expenses		1,180,205		645,822	(45)		3,563,542	18
Change in Net Position		(69,938)		521,772			(180,142)	
Ending Estimated Reserves	$	2,160,324	$	2,721,126	26%	$	2,019,212	135%

Planning and Community Development
City of Bellingham

MEMORANDUM

TO:	**Public Facilities District Board**
FROM:	**Tara Sundin, Community & Economic Development Manager**
CC:	**Andy Asbjornsen, Finance Director; Joel Pfundt, Public Works Director and Carol Rofkar, Assistant Public Works Director**
DATE:	**August 18, 2026**
RE:	**2027 Budget – Capital Maintenance**

At your upcoming October meeting, staff will provide a 2027 budget for PFD Board consideration. This memo is to provide background information on capital maintenance so that the PFD Board can act on th budget in October or November. Please reach out to the Board Chair or me in advance of the October meeting if you have questions or need additional information.

Background

In 2025, the City of Bellingham asked the Bellingham-Whatcom Public Facilities District (BWPFD) to consider financial participation in the replacement of the remaining roof areas at the Mount Baker Theatre (MBT). The Board agreed that the roof replacement was necessary and, as part of the 2026 budget, authorized $1 million for the project.

At the time the 2026 budget was approved, the BWPFD fund did not have sufficient cash flow to fund the entire roof project. Since then, the City has refinanced its existing debt, significantly improving its cash-flow position. As a result, the prior cash-flow constraint is no longer an issue.

At its April 12, 2026 meeting, staff presented the Board with an update on capital maintenance needs for the MBT and Lightcatcher. Staff provided a 15-year cash-flow analysis and presented three options for addressing capital maintenance and potential enhancements, ranging from conservative to more expansive approaches. The Board supported (approved by a motion) the option that would reserve 65% of annual PFD revenue for capital maintenance of the MBT and Lightcatcher, while also taking the necessary steps to make Old City Hall and Old Fire Station #1 eligible to benefit from PFD funds. The Board also directed staff to identify, as a future step, potential enhancements that could be considered for these facilities or other eligible regional center projects.

Planning
210 Lottie Street
Bellingham, WA 98225
Phone: (360) 778-8300
Fax: (360) 778-8302
TTY: (360) 778-8382
Email: planning@cob.org
www.cob.org/planning

Community Development
210 Lottie Street
Bellingham, WA 98225
Phone: (360) 778-8300
Fax: (360) 778-8302
TTY: (360) 778-8382
Email: cd@cob.org
www.cob.org/planning

Building Services / Permit Center
210 Lottie Street
Bellingham, WA 98225
Phone: (360) 778-8300
Fax: (360) 778-8301
TTY: (360) 778-8382
Email: permits@cob.org
www.cob.org/permits

In September 2025, Senior Assistant City Attorney Matt Stamps presented a memorandum to the Board addressing the respective roles and responsibilities of the City and BWPFD. The memorandum clarified that, under the 2003 Interlocal Operating Agreement, the City, in consultation with the BWPFD, is responsible for and makes decisions regarding the design, construction, operation, management, maintenance, repair, improvement, and future expansion of the Regional Center.

Capital Maintenance Related to the 2027 Budget

Based on the capital maintenance cash-flow analysis presented in April, approximately $1.5 million annually, representing approximately 65% of projected PFD revenue, could be available for capital maintenance in both 2026 and 2027. The Finance Director has informed me that the PFD authorizes an annual budget – funds are not reappropriated from one year to another. Staff will update its recommendations for the October board meeting. At this time, staff estimates the following needs:

- In 2026, staff expect to spend approximately $200,000 of the $1M budgeted on design and project management fees related to the MBT roof repair.
- In 2027, staff expect to spend approximately $1,800,000 to manage and complete the MBT roof repairs.
- In 2027, the boilers are at end of life and need to be replaced at the MBT – an estimated $600,000. Failures have occurred in 2026 – this expense is needed one year earlier than estimated.
- In 2027, the domestic water system is at end of life and needs to be replaced at the Lightcatcher - an estimated cost of $130,000.

Staff will recommend up to $2,800,000 capital maintenance in the PFD’s 2027 budget as follows (subject to refinement in coming months):

$1,800,000	MBT Roof Repair
$600,000	MBT Boiler Replacement
$130,000	Lightcatcher Water System Repairs
$270,000	Contingency
$2,800,000	2027 Capital Maintenance Budget

This approach establishes budget capacity while maintaining the Board's support of reserving approximately 65% of PFD revenue for capital maintenance.

Financial Tracking and Oversight

To provide greater transparency and ensure that capital maintenance reserves and expenditures remain aligned with the City and Board's agreement, staff will develop a capital maintenance tracking spreadsheet beginning in 2027 – looking back at 2026 as the base year. The spreadsheet will:

- Track actual PFD revenue;
- Set aside 65% of actual revenue for capital maintenance;
- Track actual capital maintenance expenditures by facility; and
- Show available and committed capital maintenance resources over time.

Staff will provide the Board with an annual review of actual revenues, the 65% capital maintenance set-aside, and expenditures by facility as part of the budget process. This provides the Board with visibility into the use of PFD funds and the opportunity to discuss future capital maintenance needs. Consistent with the City Attorney's September 2025 guidance, the City is responsible for determining the specific capital maintenance projects, timing, and scope, in consultation with the PFD Board. The City will rely on its in-house expertise to prioritize and manage the work within the capital maintenance budget authorized by the Board; individual projects will not require separate Board approval.