

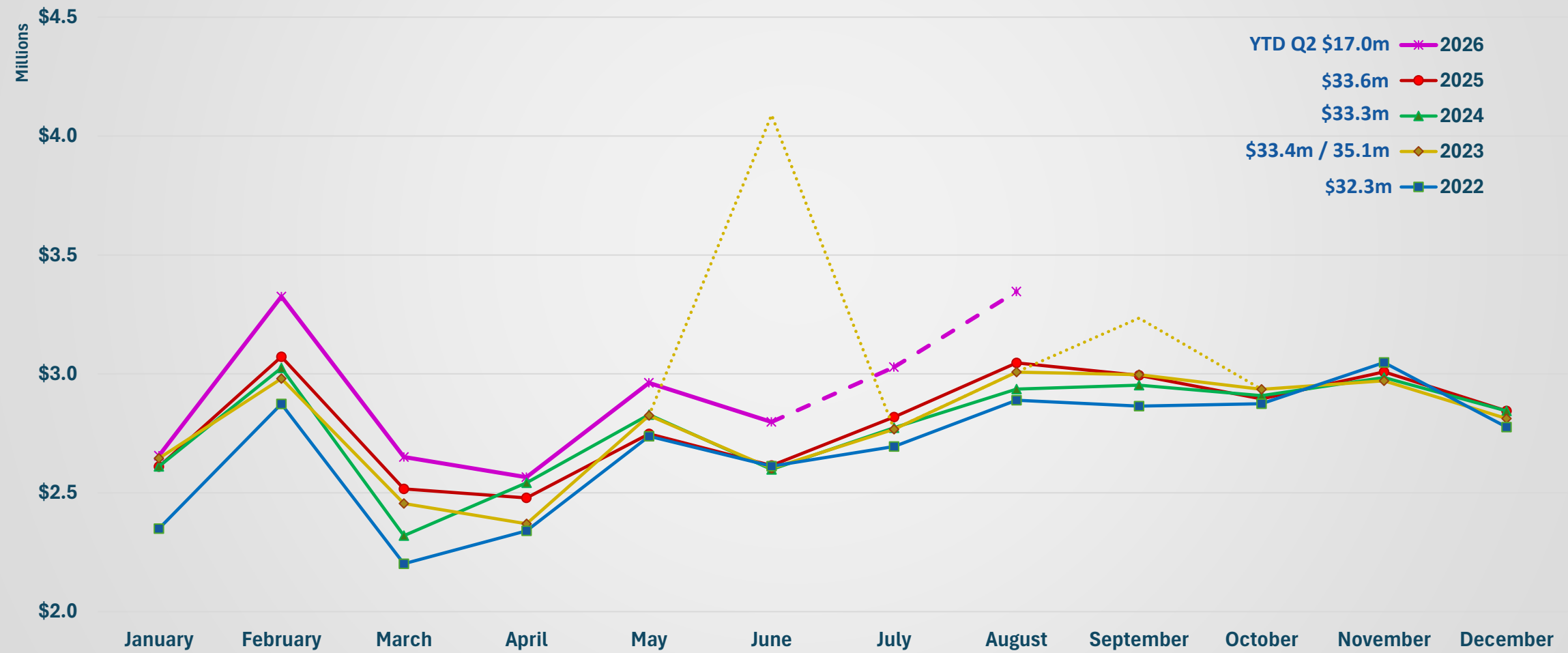
Finance Update

2026 2nd Quarter Review



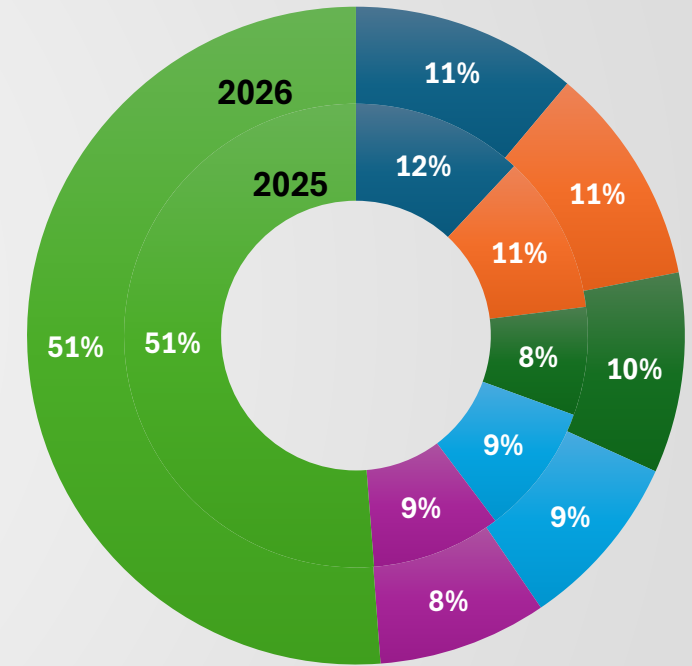
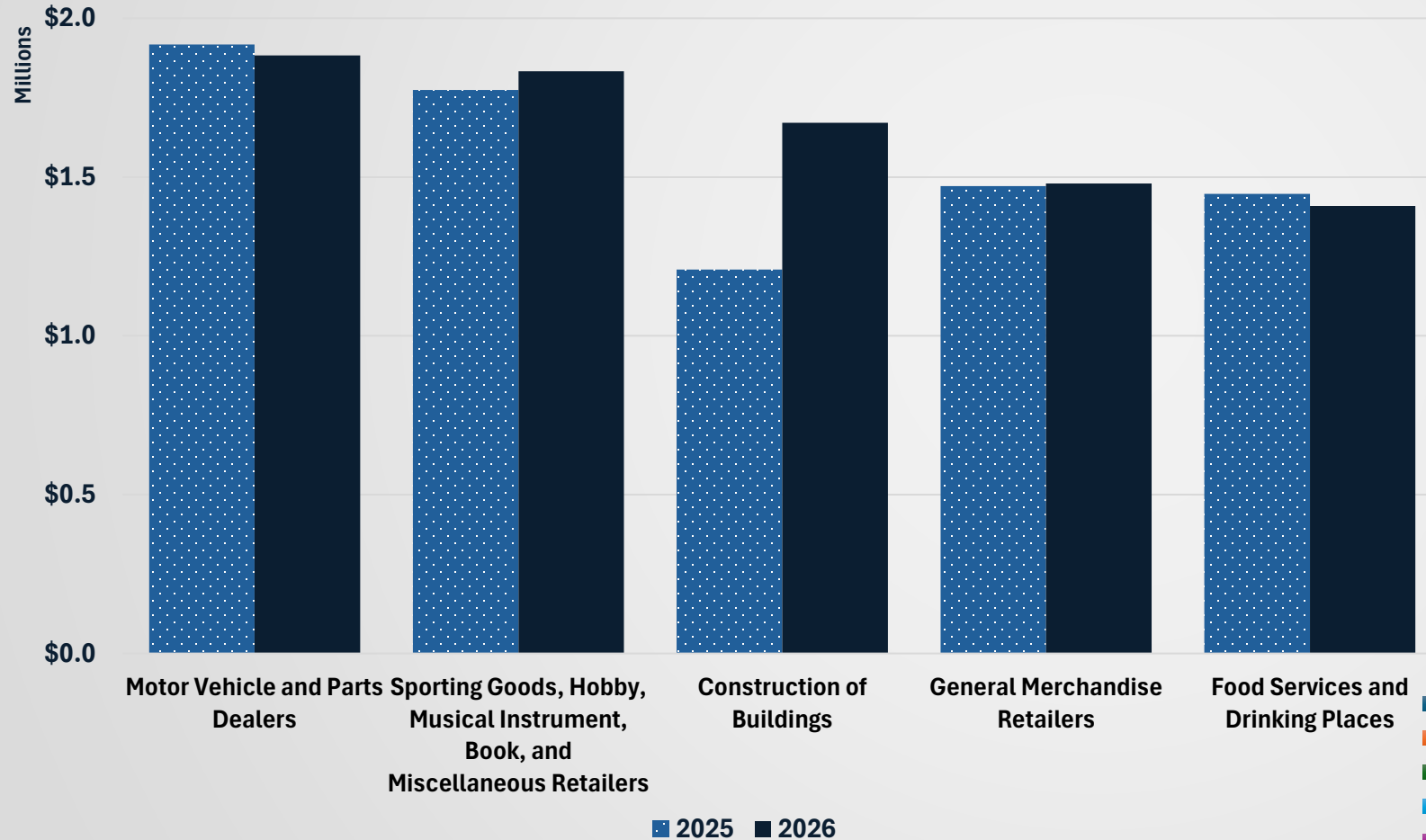
Retail Sales and Use Tax

- Graph shows collection of “Regular” .5% and “Optional” .5% sales tax (effective rate for City .85%)



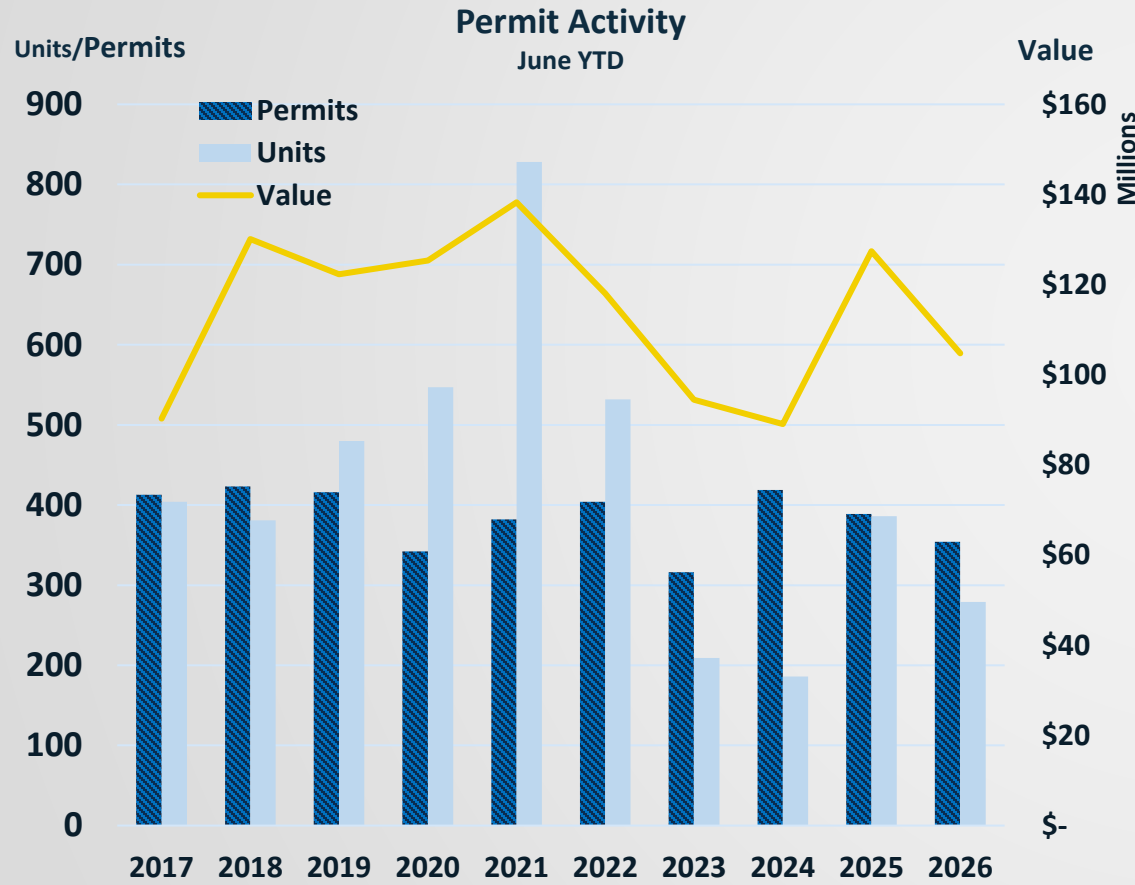
Sales Tax by NAICS Subsector – Top 5

- YTD through June

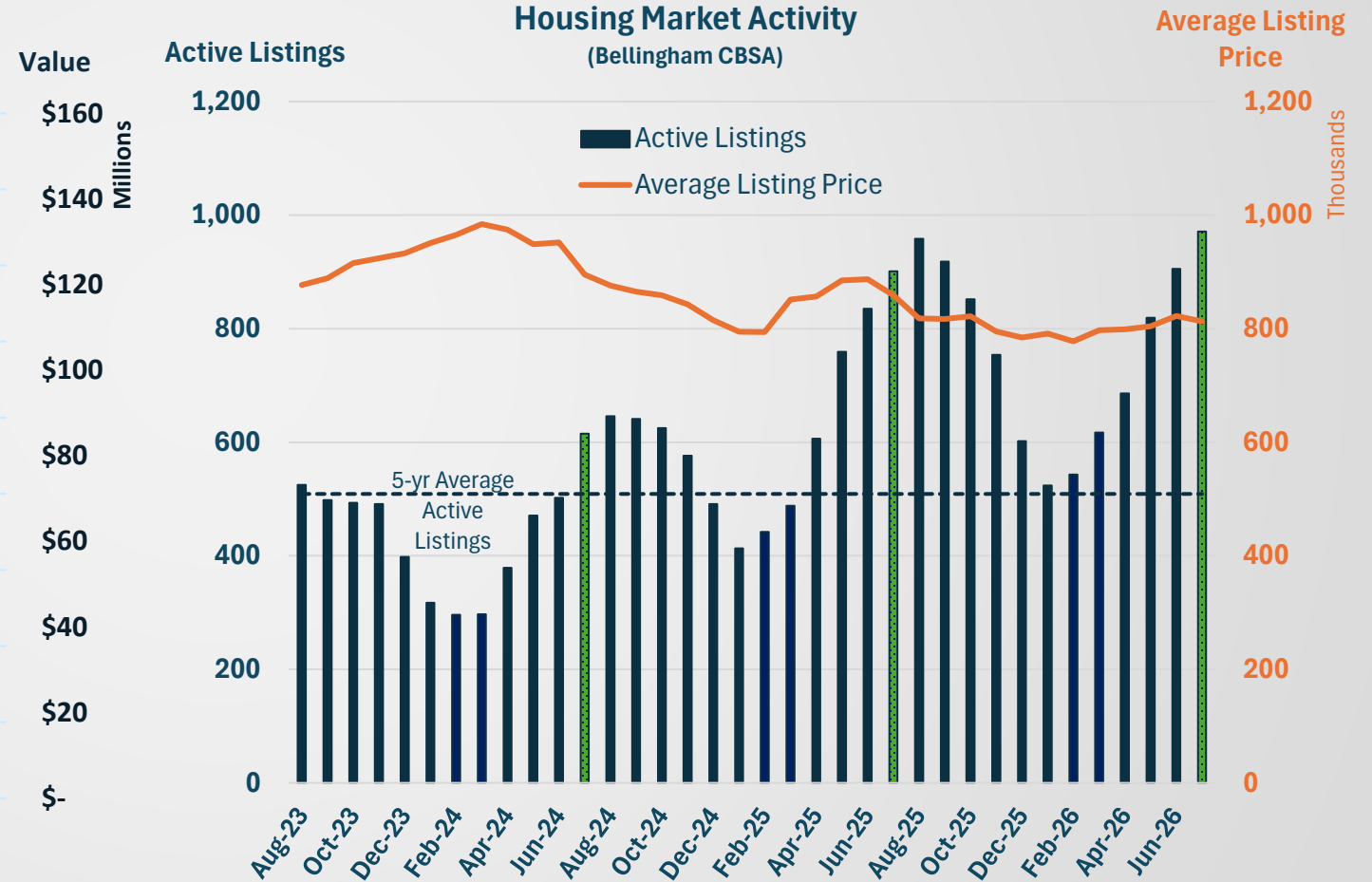


- Motor Vehicle and Parts Dealers
- Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers
- Construction of Buildings
- General Merchandise Retailers
- Food Services and Drinking Places
- All Others

Permit and Housing Market Activity



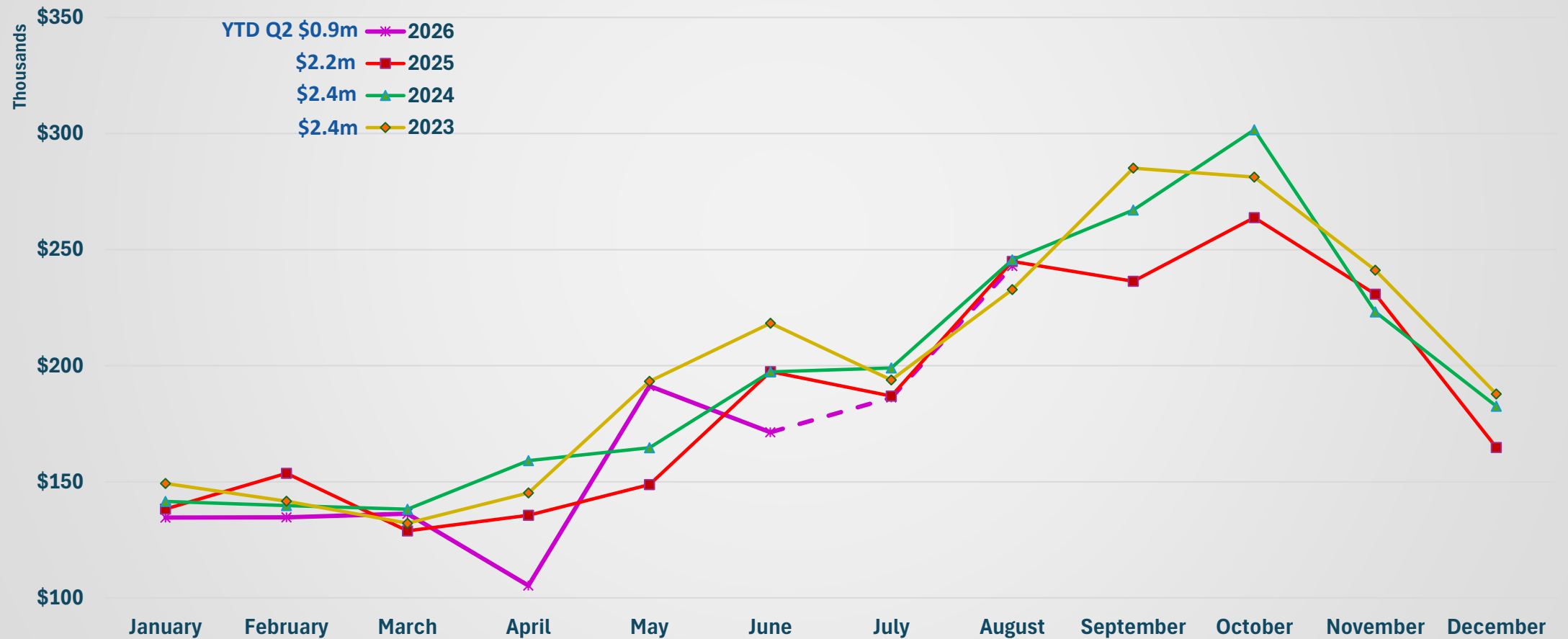
Source: COB Planning & Community Development



Source: Realtor.com/FRED

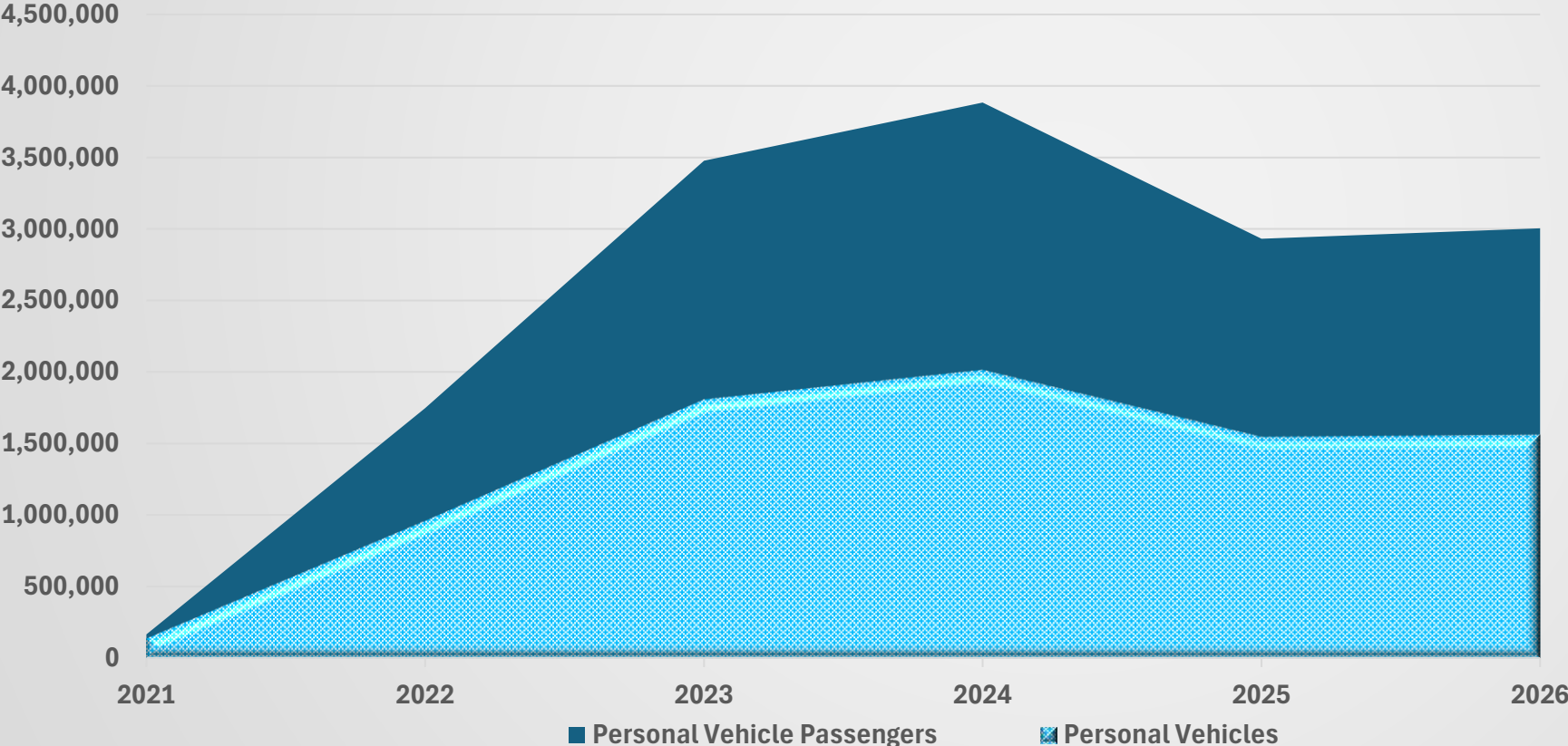
Lodging Tax (Hotel/Motel Tax)

- Restricted revenue for tourism activities

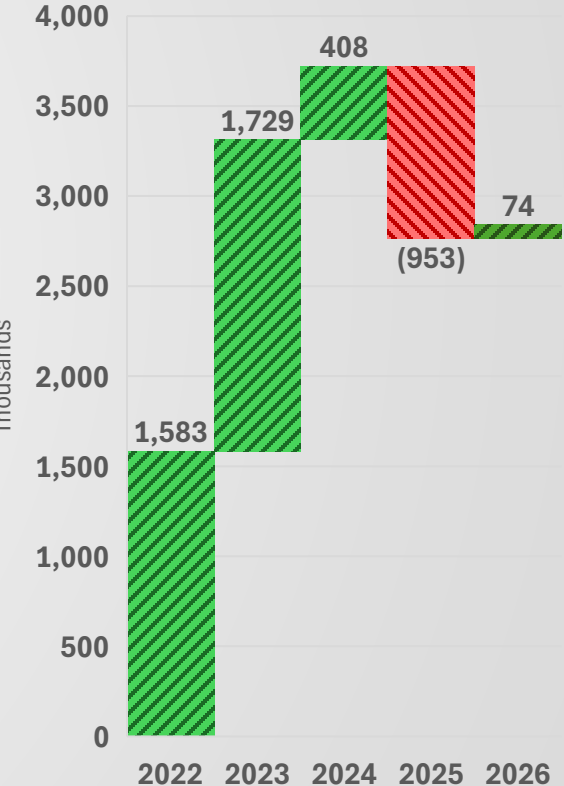


Economic Indicator – Q2 Border Crossings

Annual - Blaine, Lynden, and Sumas Q2 Border Crossing Entries



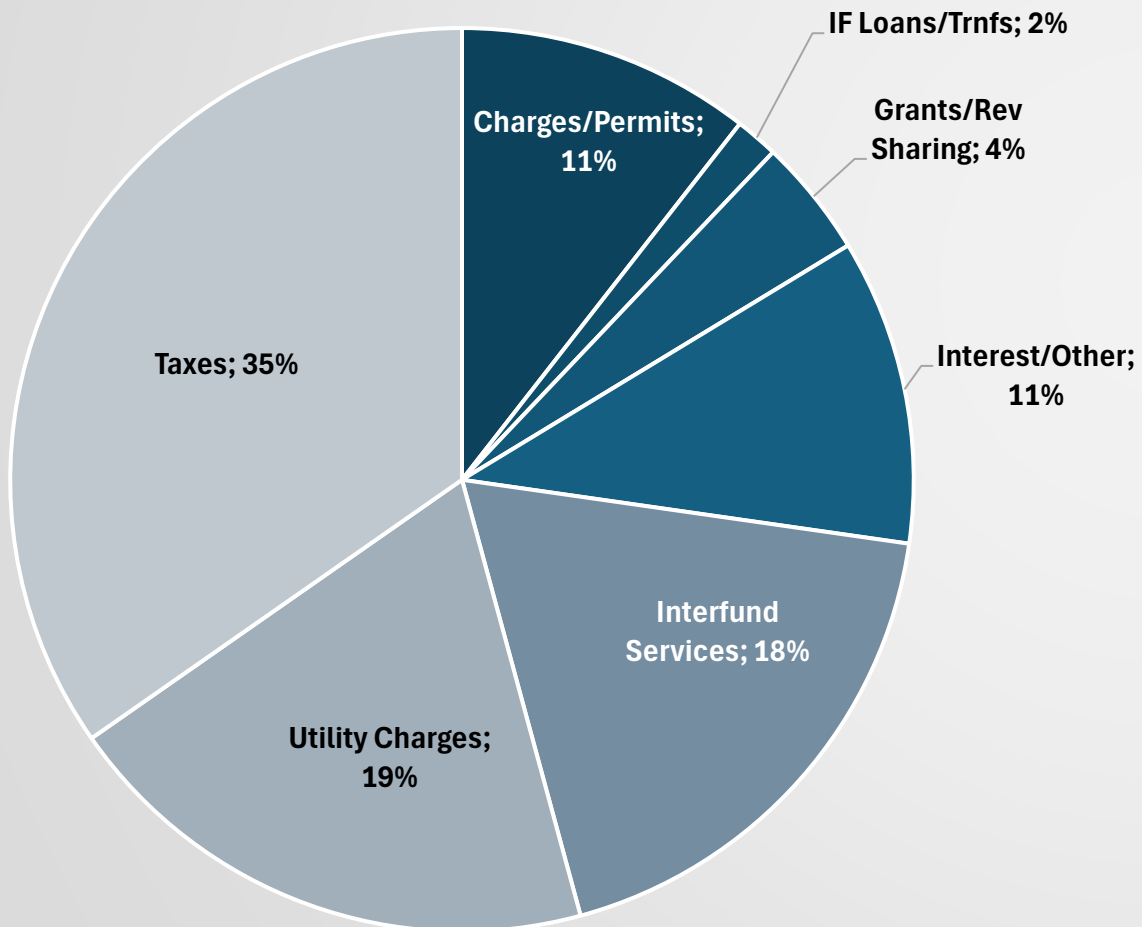
Passenger Crossing Annual Change



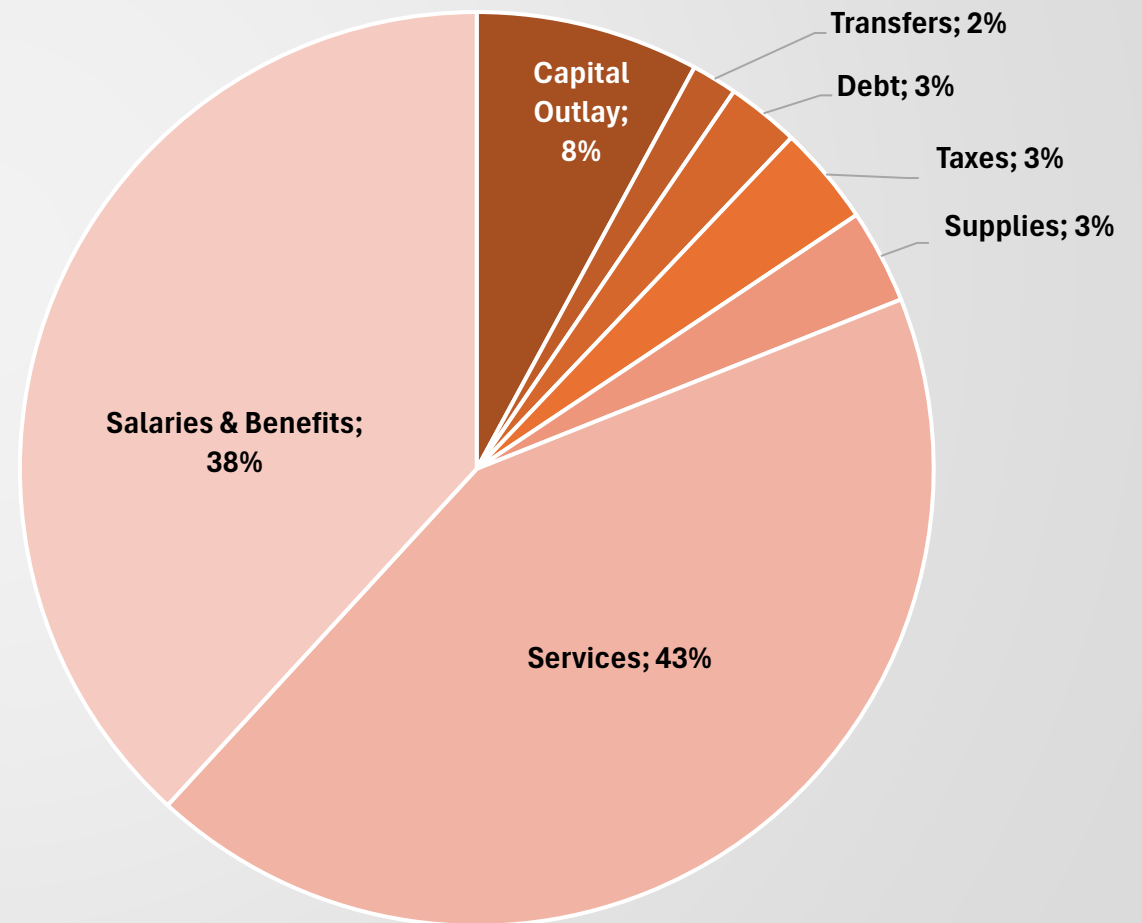
Source: U.S. DOT, Bureau of Transportation Statistics

Citywide Revenues and Expenses

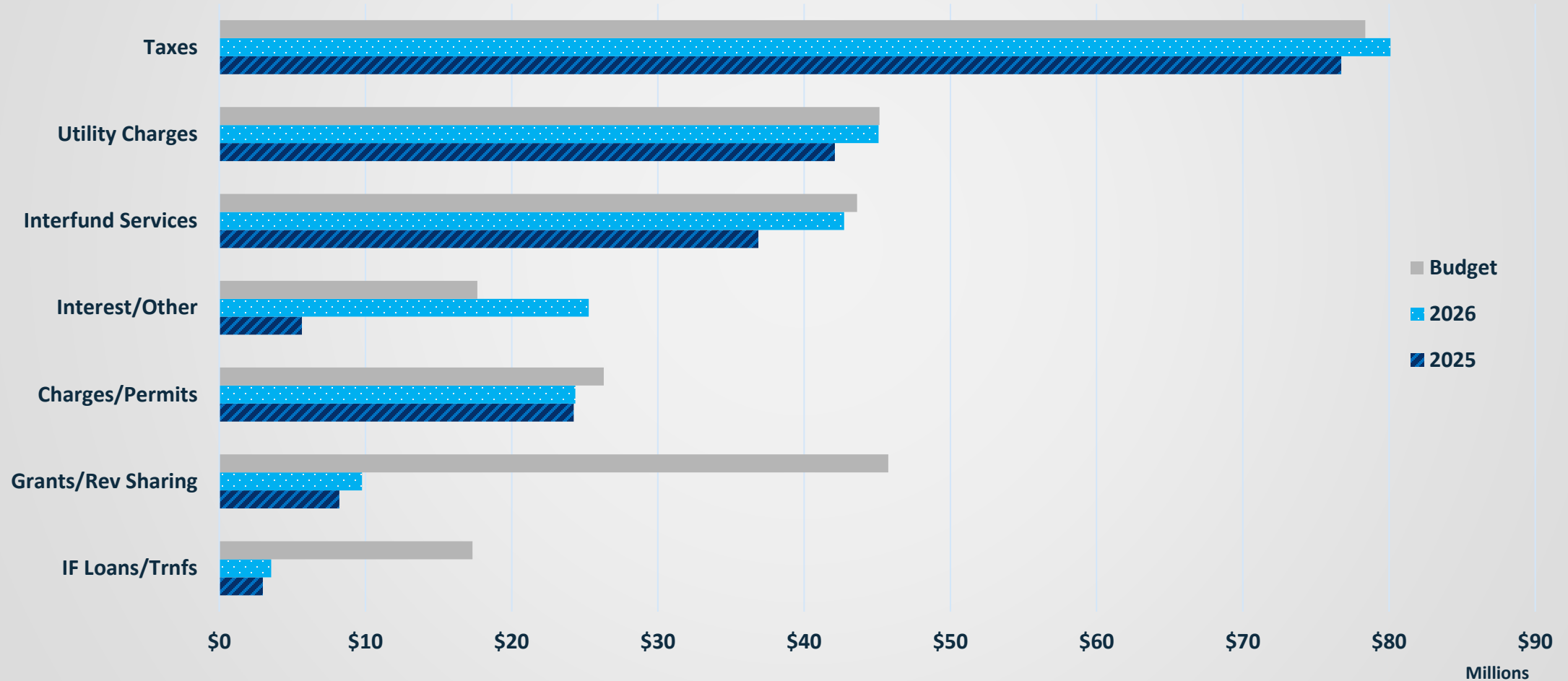
2026 Citywide Revenue, \$230.9m



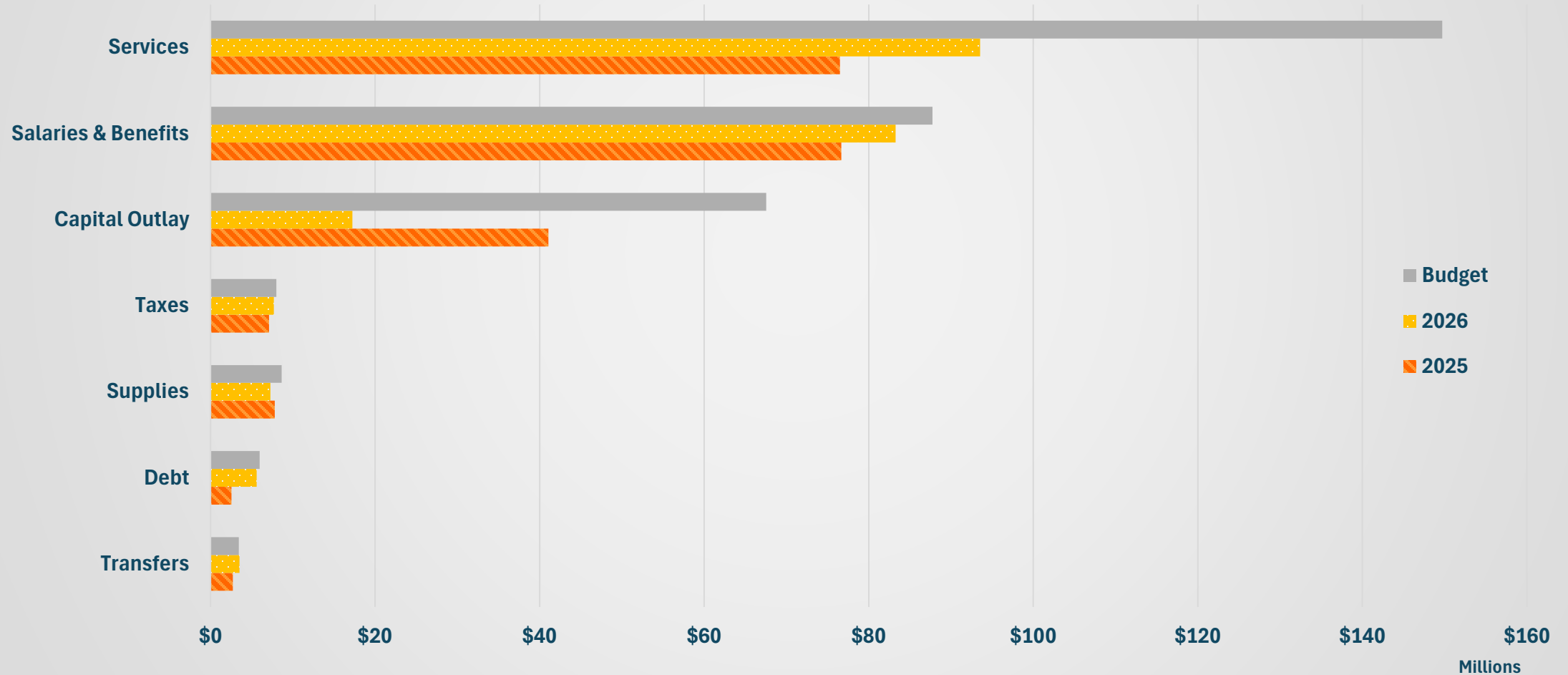
2026 Citywide Expenditures, \$218.1m



Citywide Revenue - \$230.9m

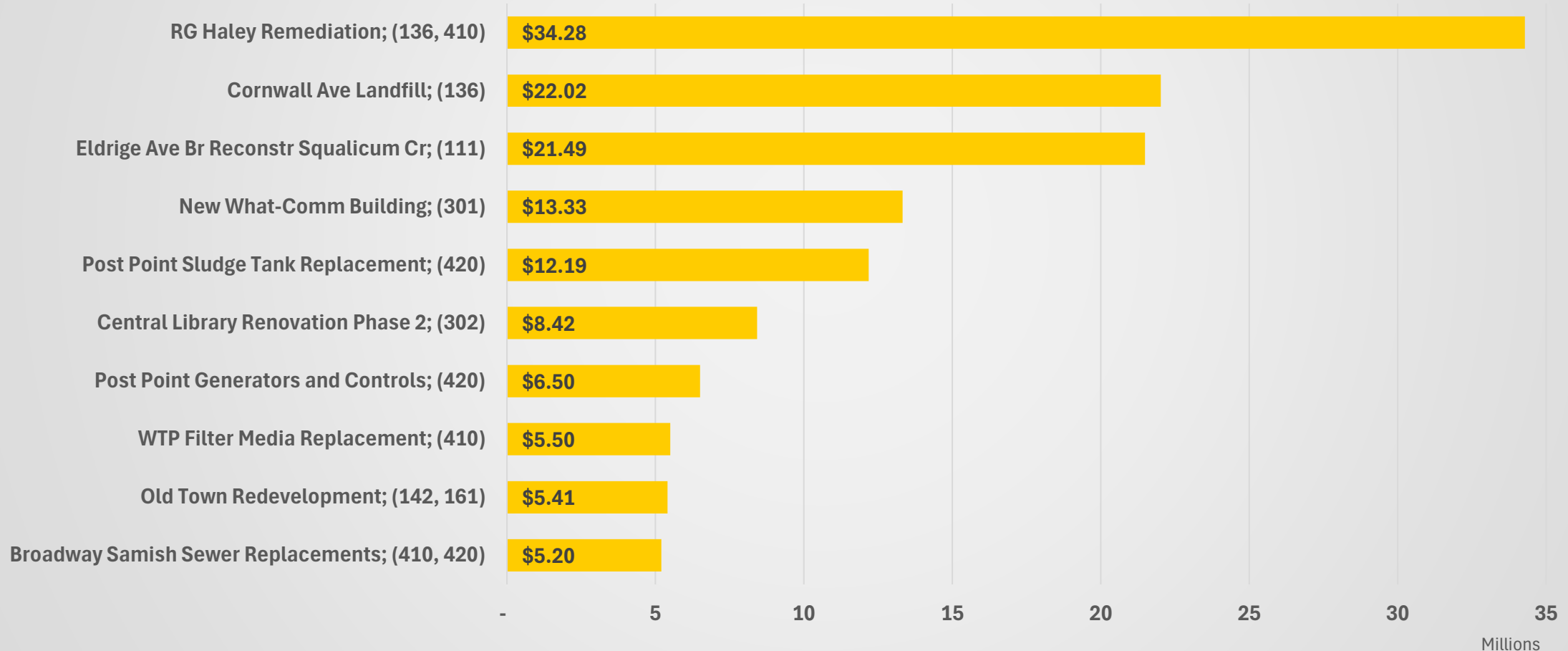


Citywide Expenses - \$218.1m



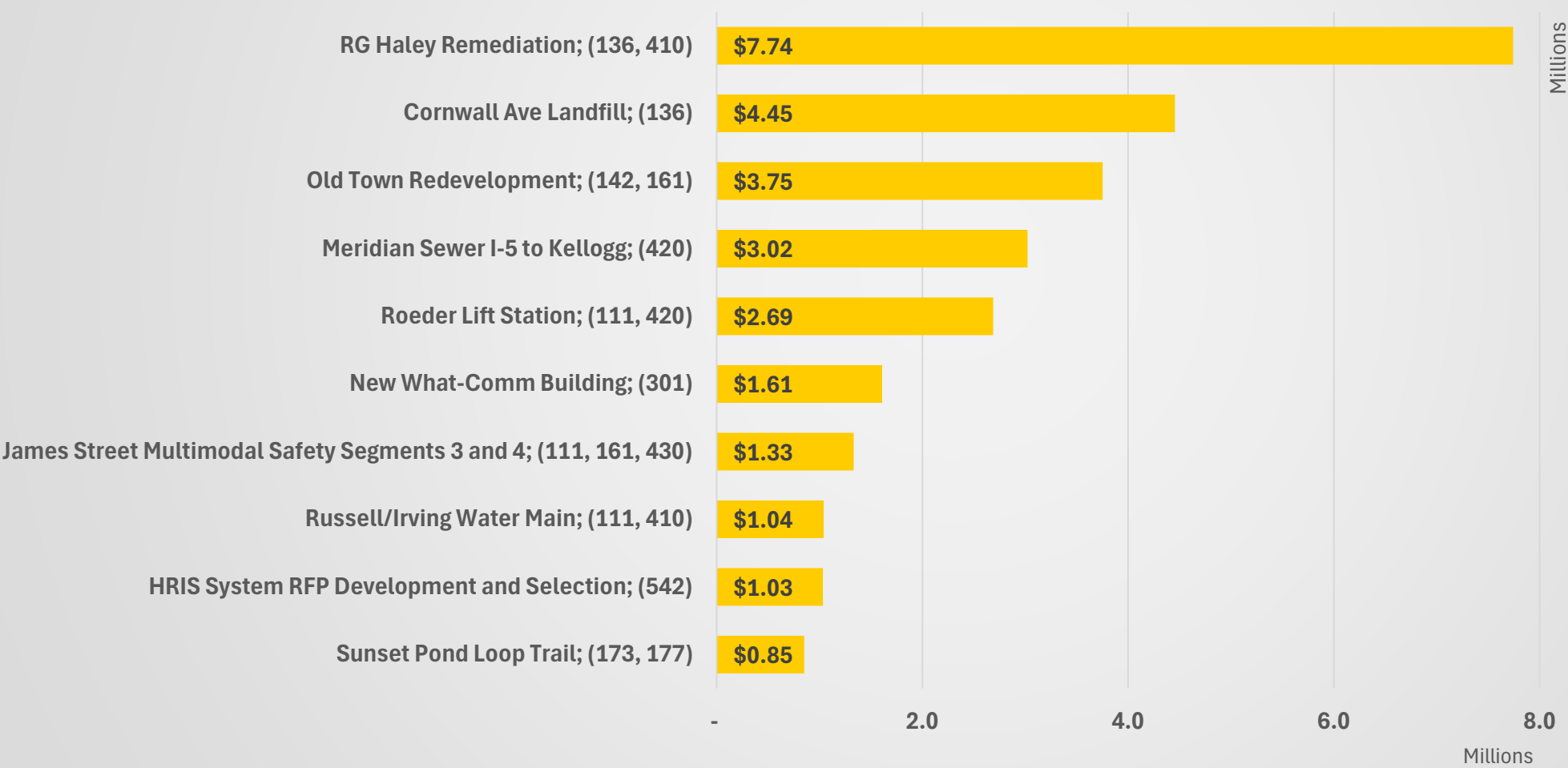
Capital Projects – 2026 Budgeted Expenditures

Top 10 Project Budgets

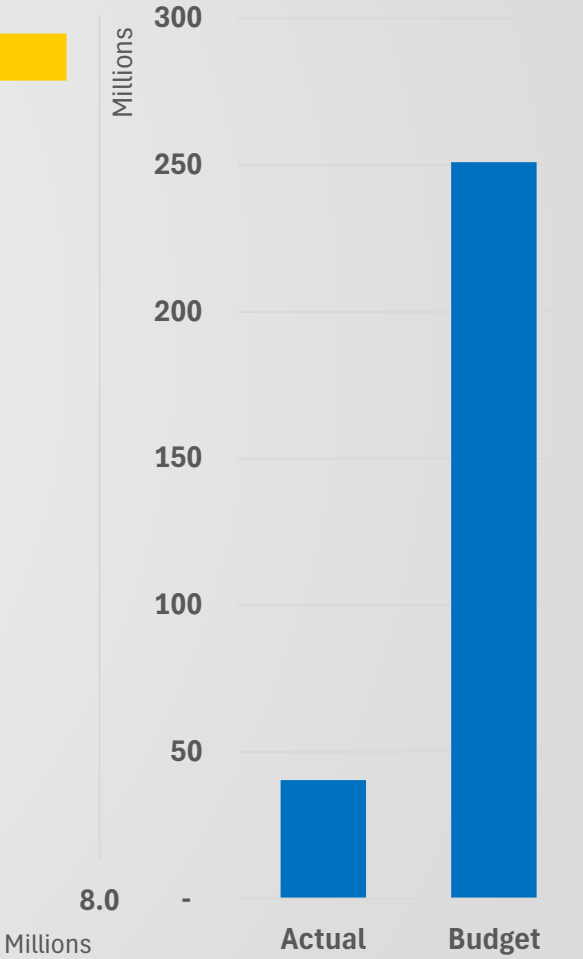


Capital Projects – 2026 Q2 Actual Expenditures

Top 10 Project Actuals



All Projects

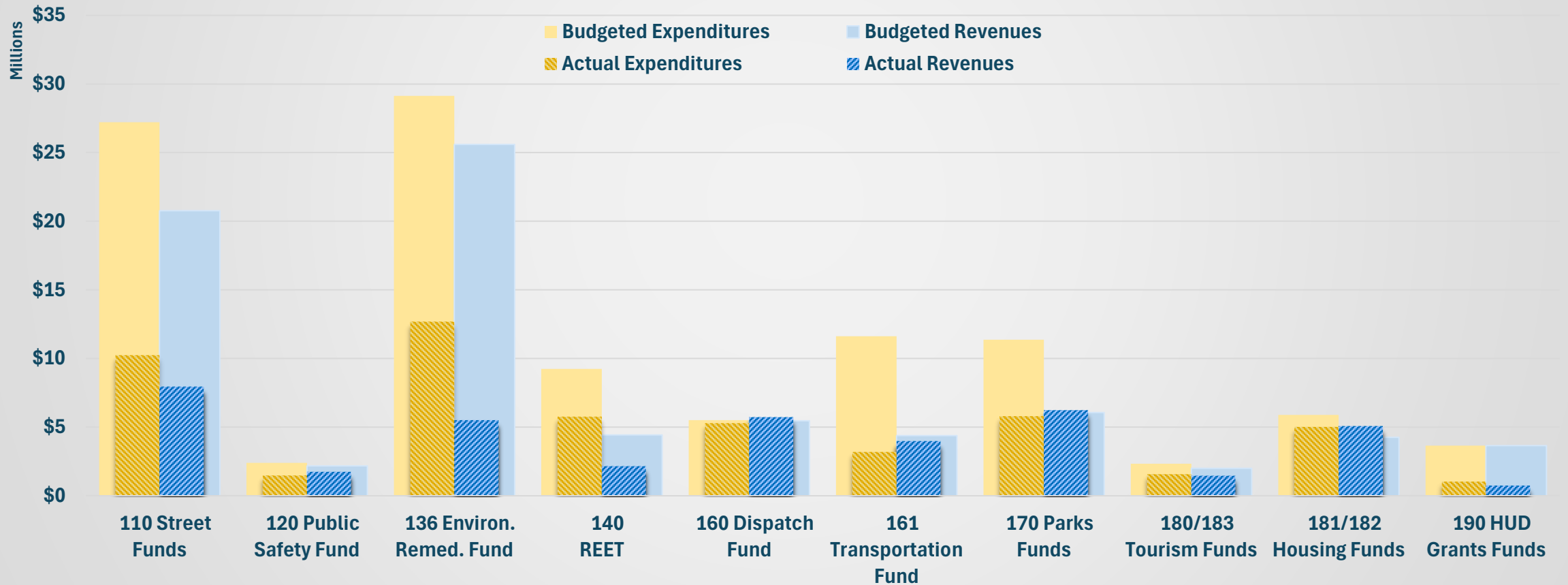


Special Revenue Funds

- Revenues restricted or committed for specific purposes

Revenue = \$43.6m

Expenses = \$55.0m

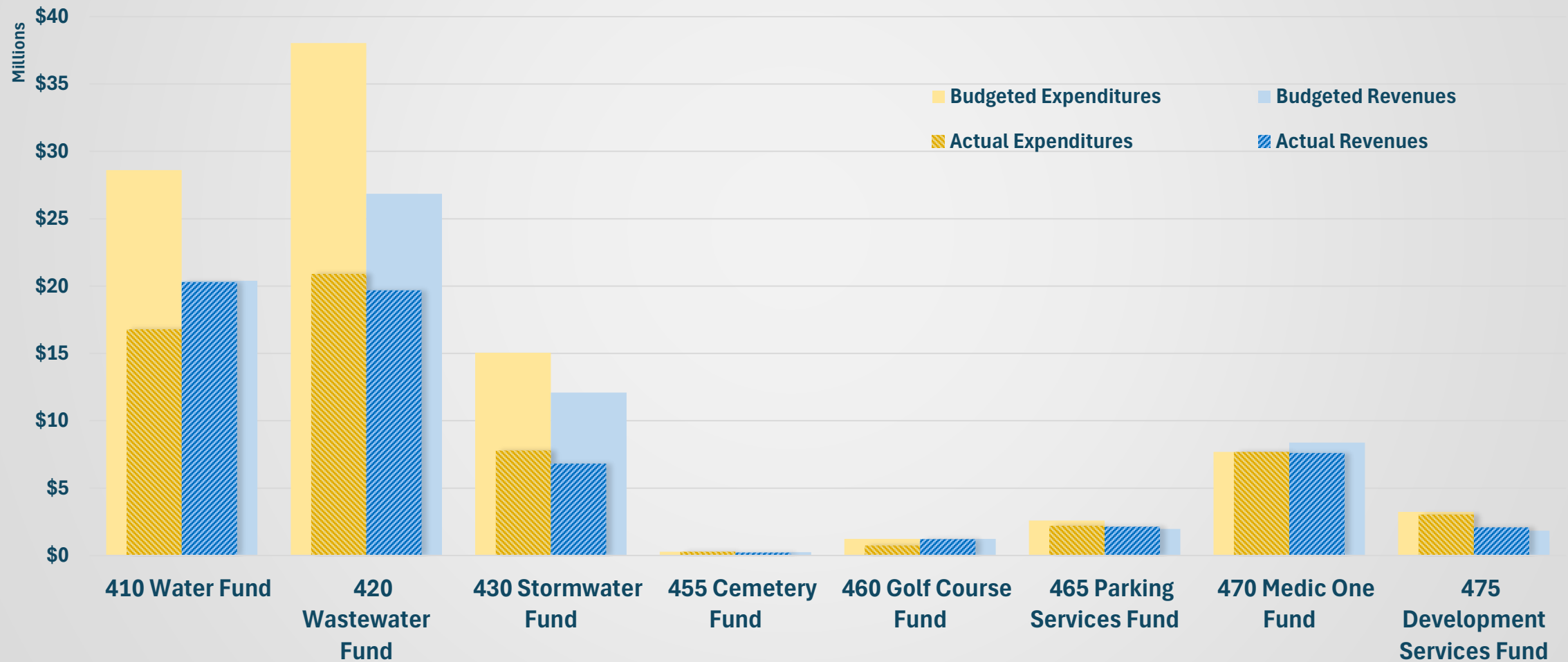


Enterprise Funds

- Business-type activities that are self sustainable with user fees

Revenue = \$60.1m

Expenses = \$59.4m

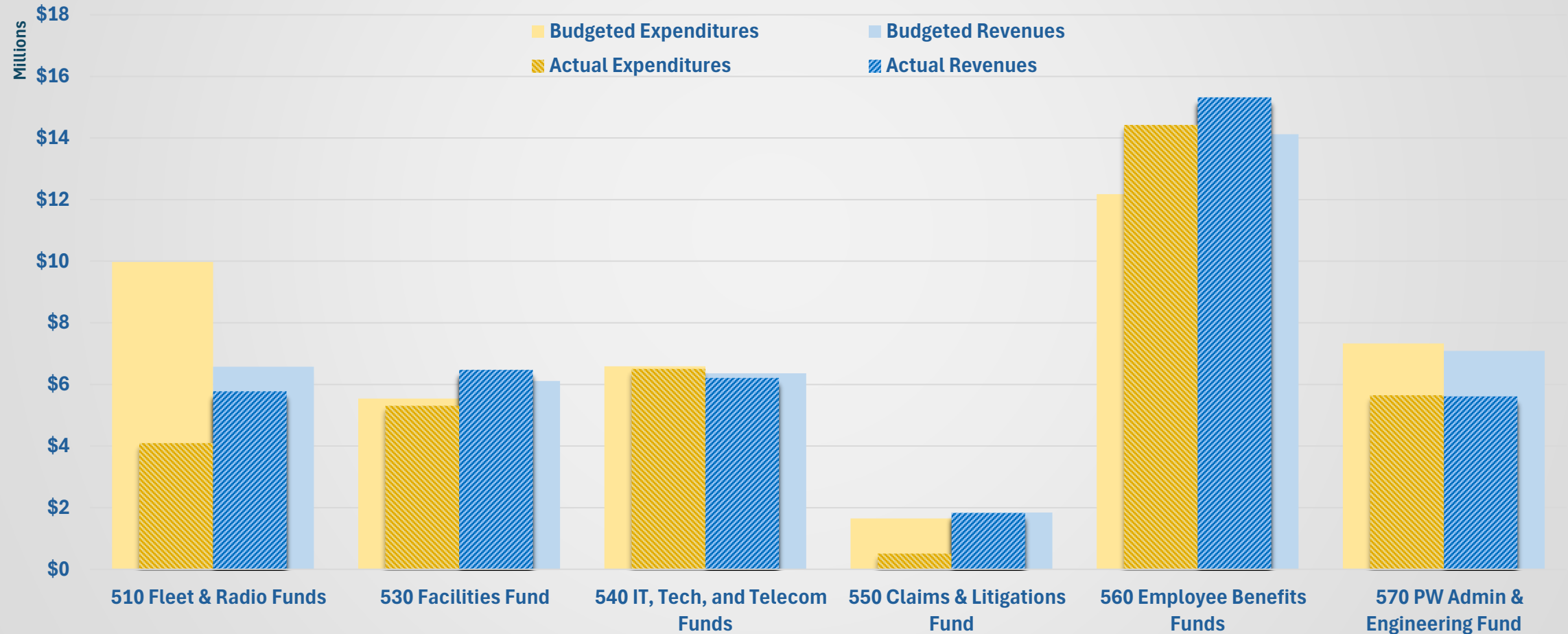


Internal Service Funds

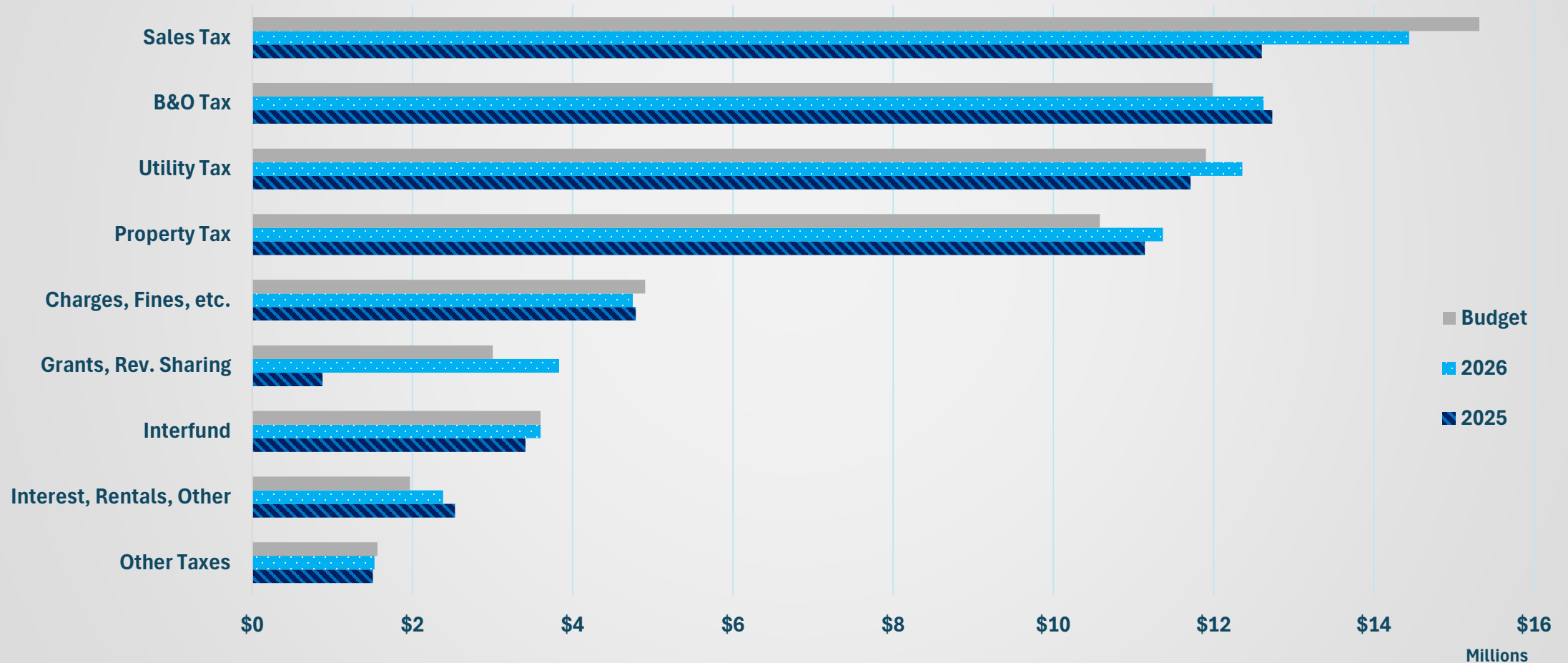
- Business-type activities that provide goods and services to City departments

Revenue = \$41.2m

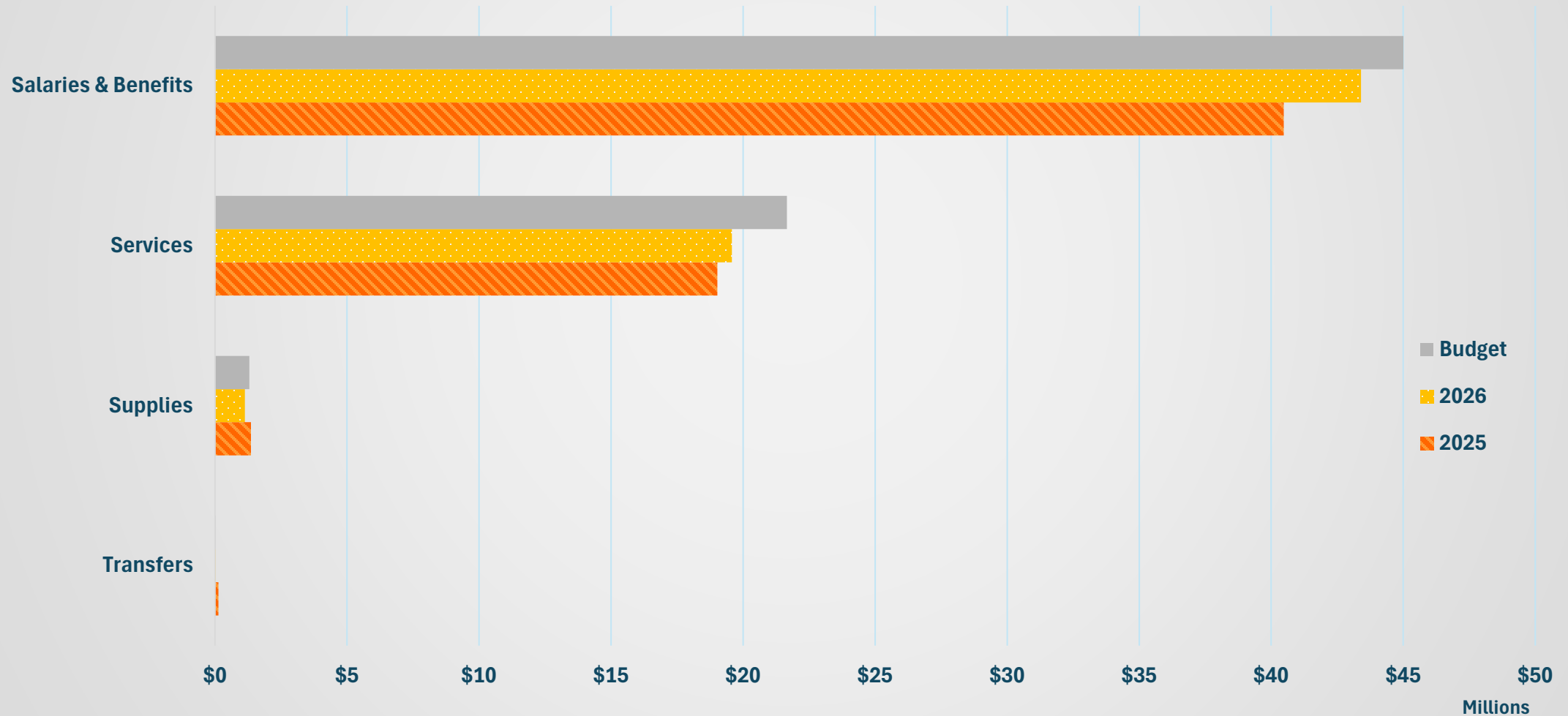
Expenses = \$36.5m



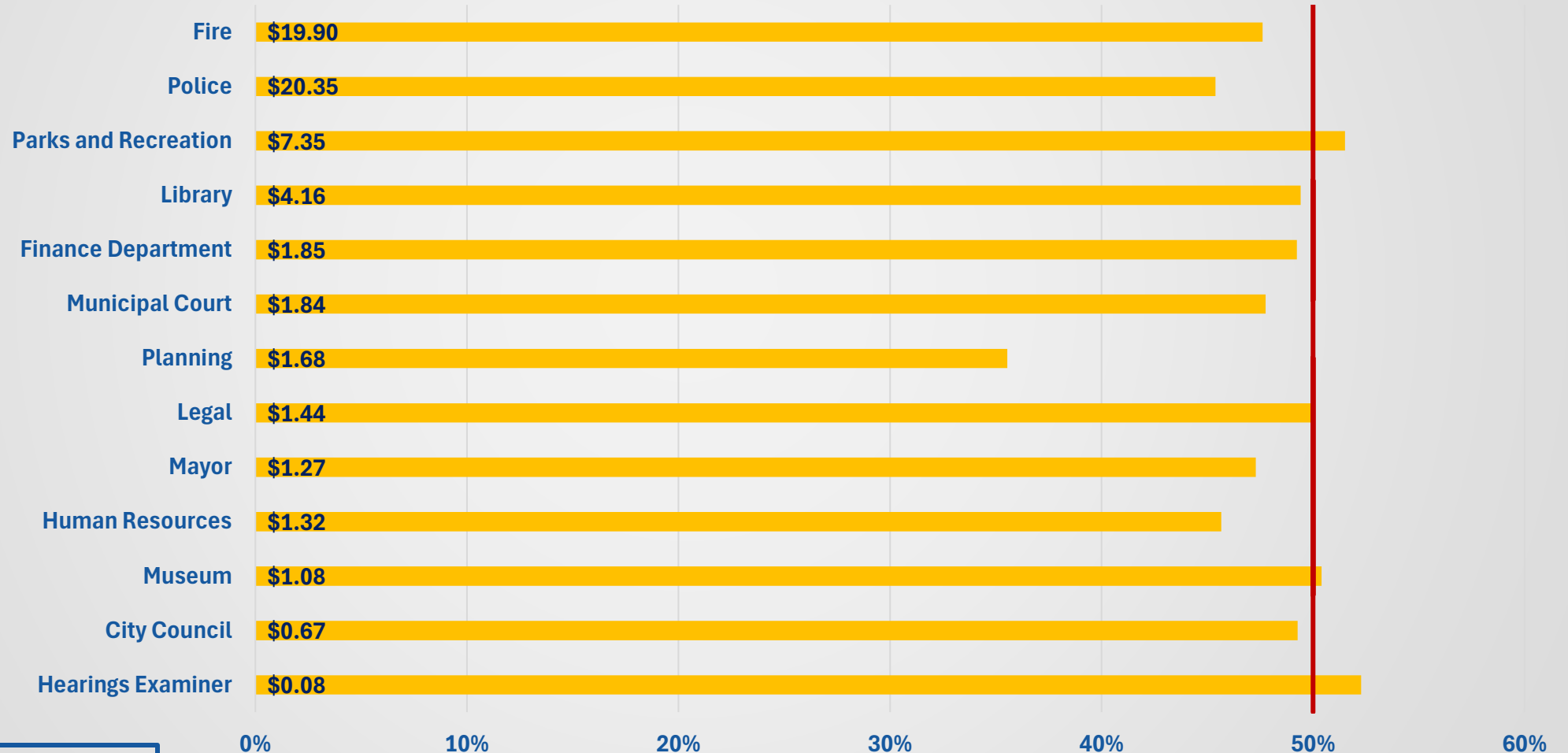
General Fund Revenues - \$66.9m



General Fund Expenditures - \$64.1m



General Fund - % of Budget Spent by Department



Bar Labels Show Actual Spending in Millions

Next Steps

- **Budget:**
 - **September 28th** – 2026 Budget presented to Council
 - **October 5th** – First Budget Public Hearing
 - **October 19th** – Revenue Forecast & Property Tax Public Hearing
 - **November 2nd** – Second Budget Public Hearing
 - **November 16th** – Budget Ordinance presented to Council

Questions?

Presentation and additional reports available at:
www.cob.org/reports

