

City of Bellingham

Economic review and 2009 Q3 Financial Summary

presented by John Carter, Finance Director
October 19, 2009

- Overview of the economy
- City economic indicators
- Q3 Financial Overview
- Summary

State of the economy

Nationally

Retail Sales	-1.5%	
Unemployment Rate	9.8%	↑
Value of US \$		↓
Office Vacancy	16.5%	↑
Foreclosure Rate	.74%	↑
Inflation	.2%	↓

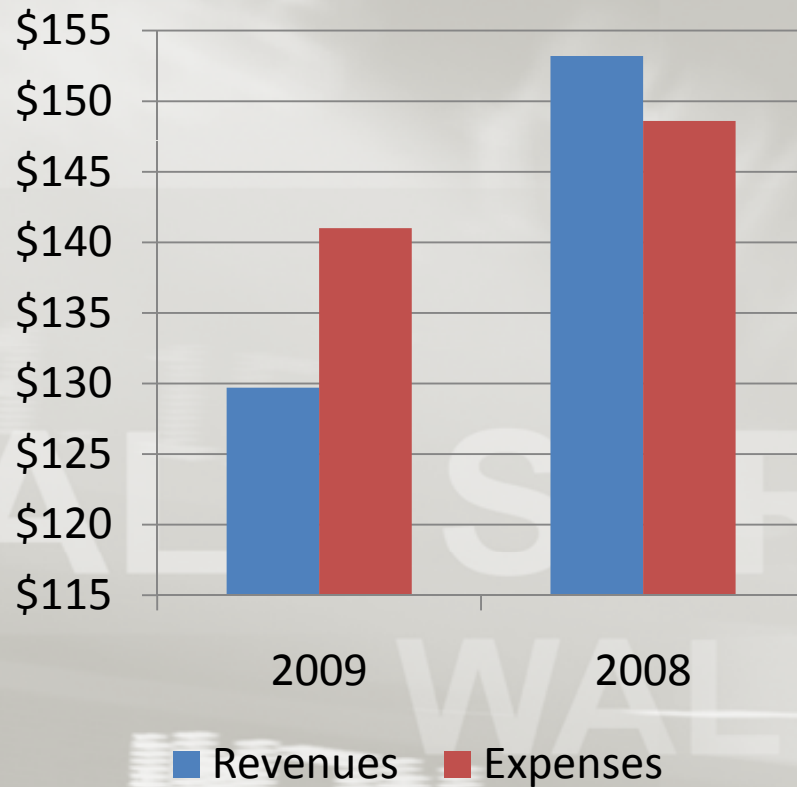
Locally

Bellingham	-7.0%	
Whatcom Cty	7.9%	↓
Value of Can \$.9755	↑
Foreclosure Rate		
Washington	38%	↓
Bellingham	.13%	

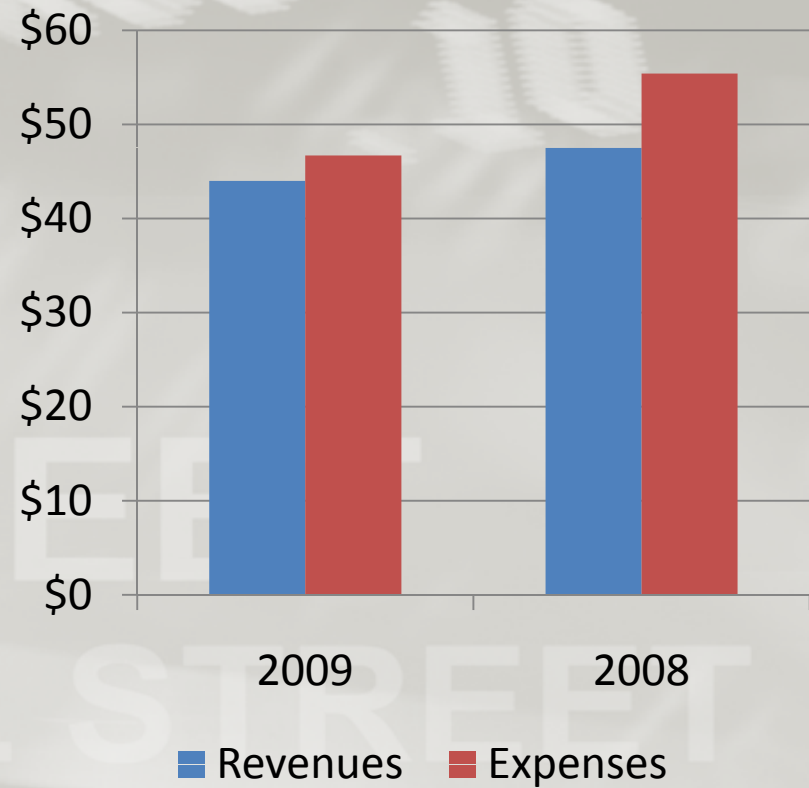
Q3, 2009 Summary results

In millions

City wide

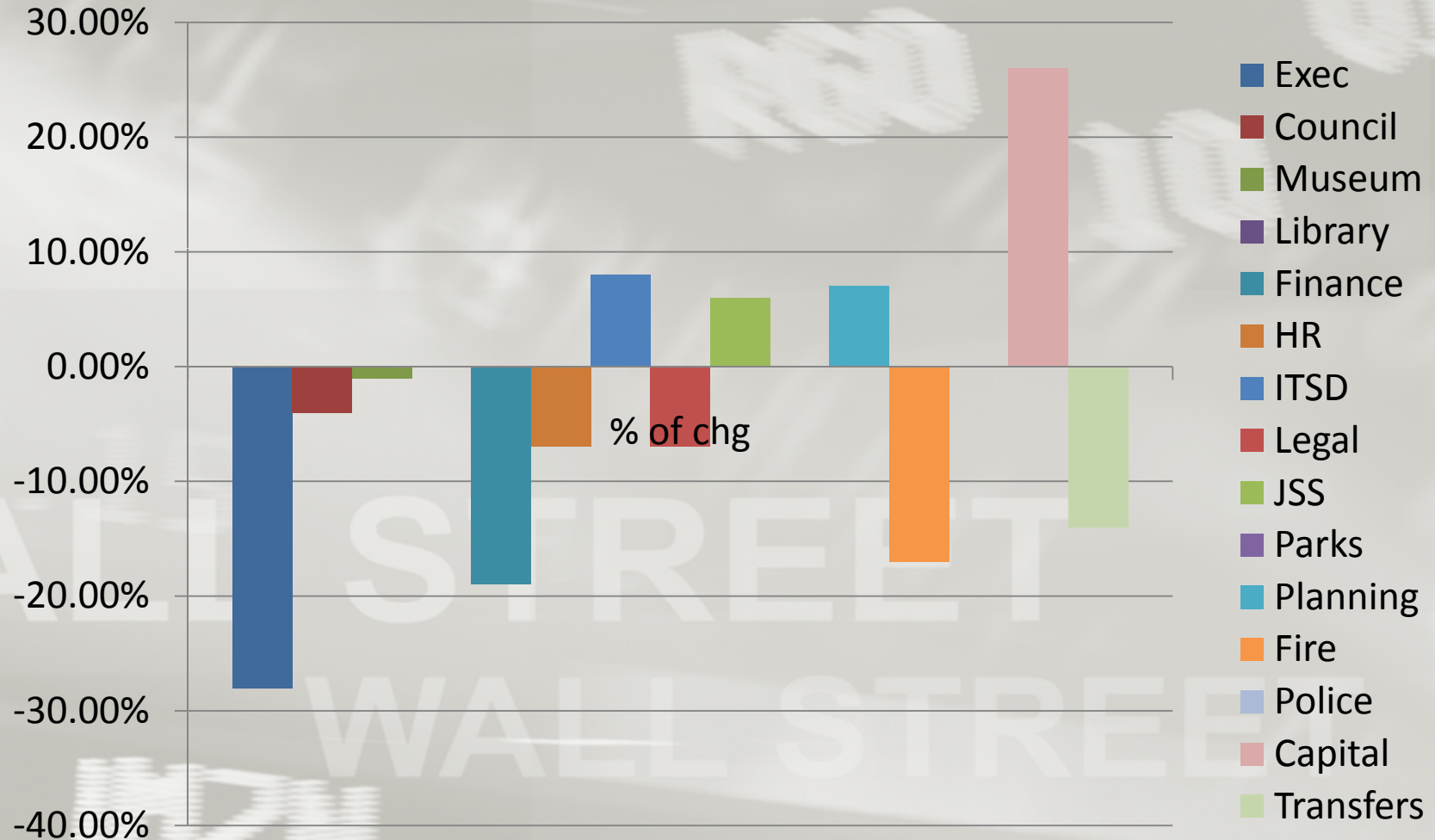


General fund



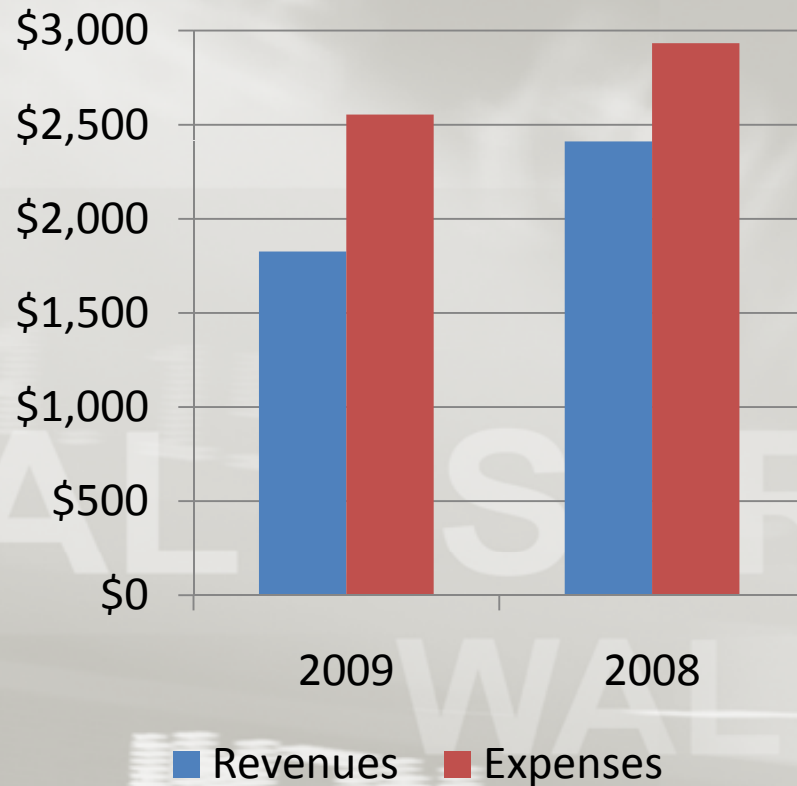
Q3, 2009 Summary results

% of change- General Fund Departments

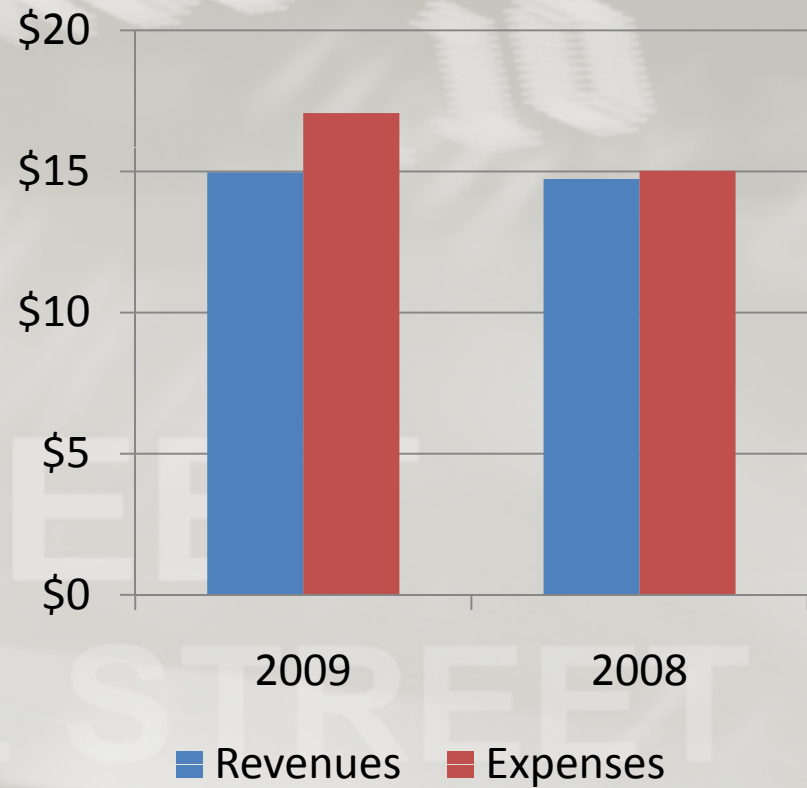


Q3, 2009 Summary results

Real Estate Excise Taxes (thousands)

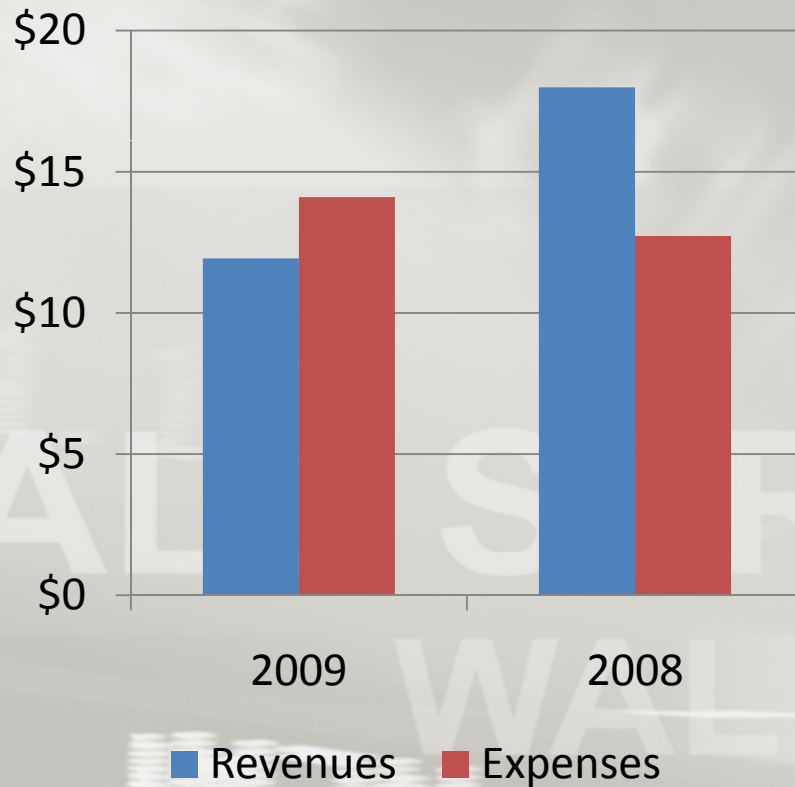


Street fund (millions)

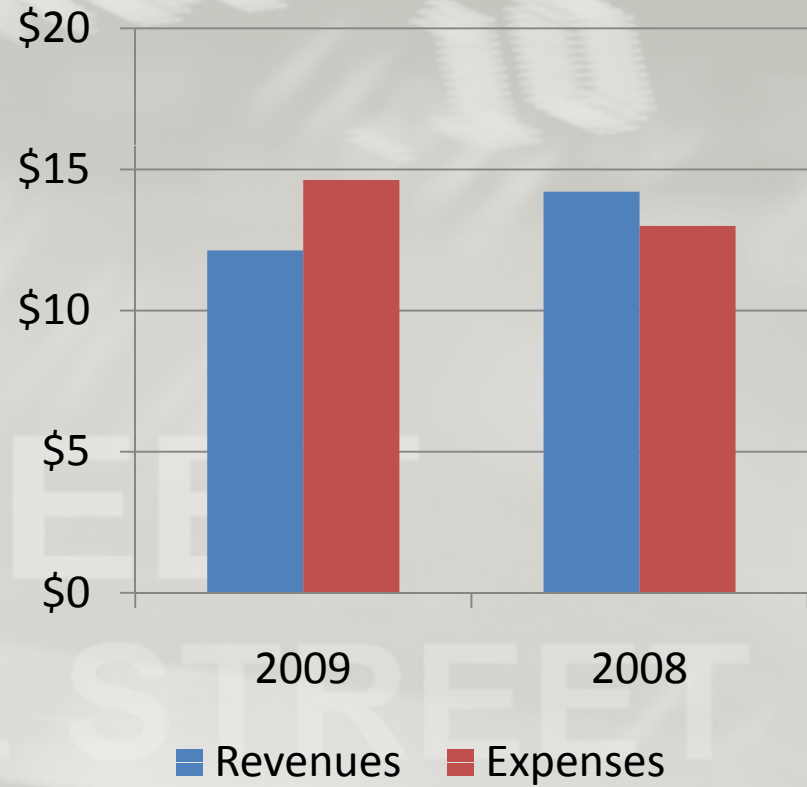


Q3, 2009 Summary results

Water Fund(millions)

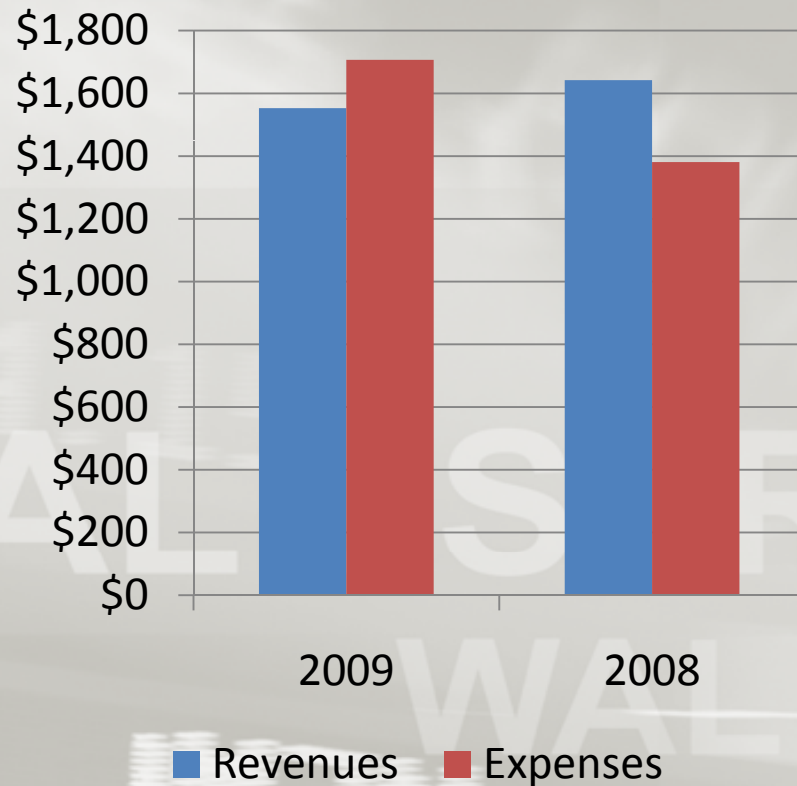


Waste Water Fund (millions)

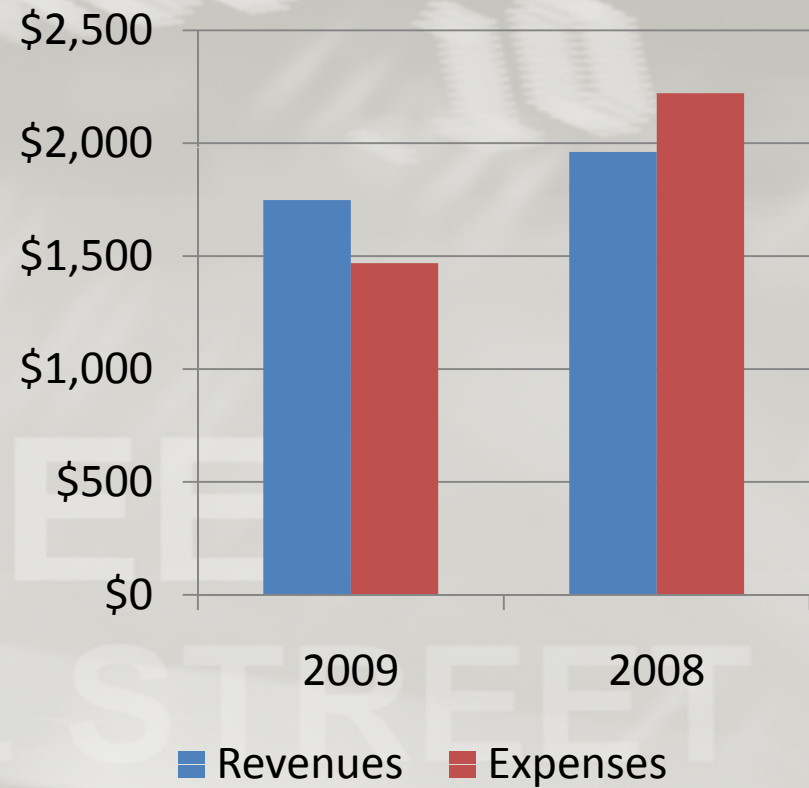


Q3, 2009 Summary results

Parking Fund(thousands)

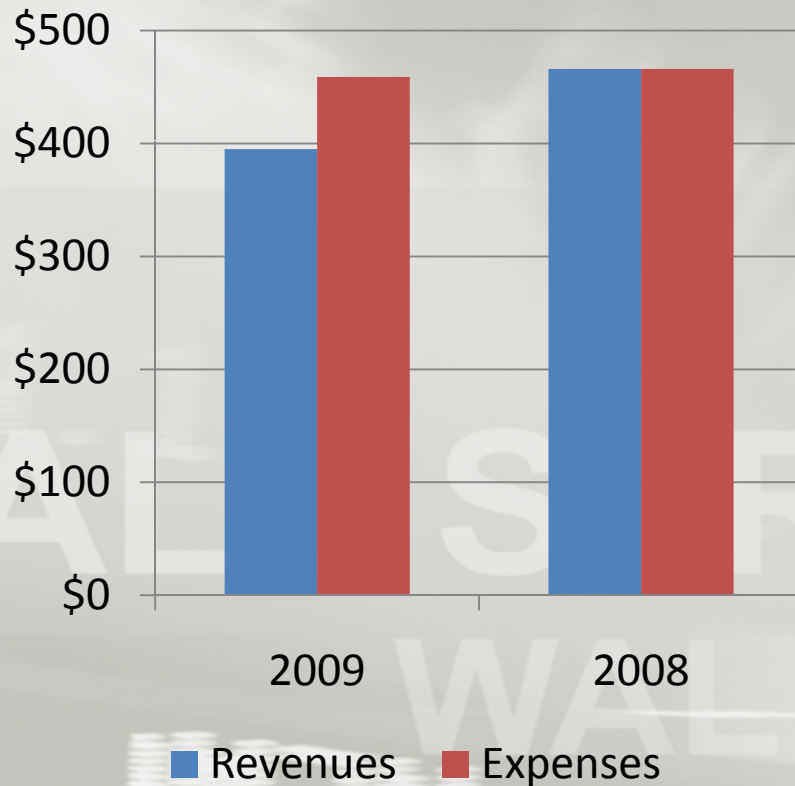


Development Services (thousands)

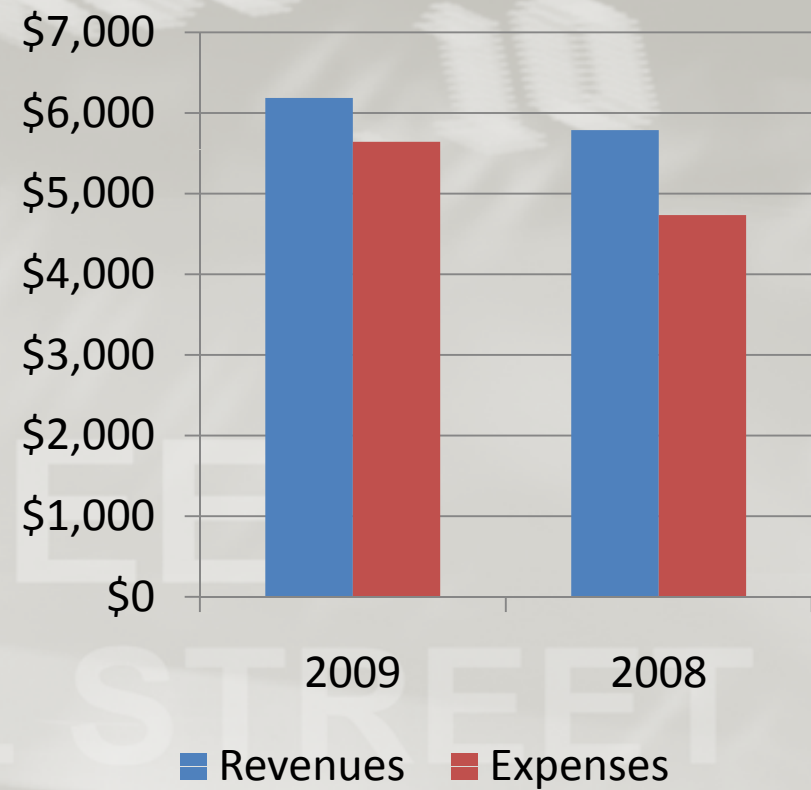


Q3, 2009 Summary results

Cemetery Fund(thousands)



Medic One (millions)

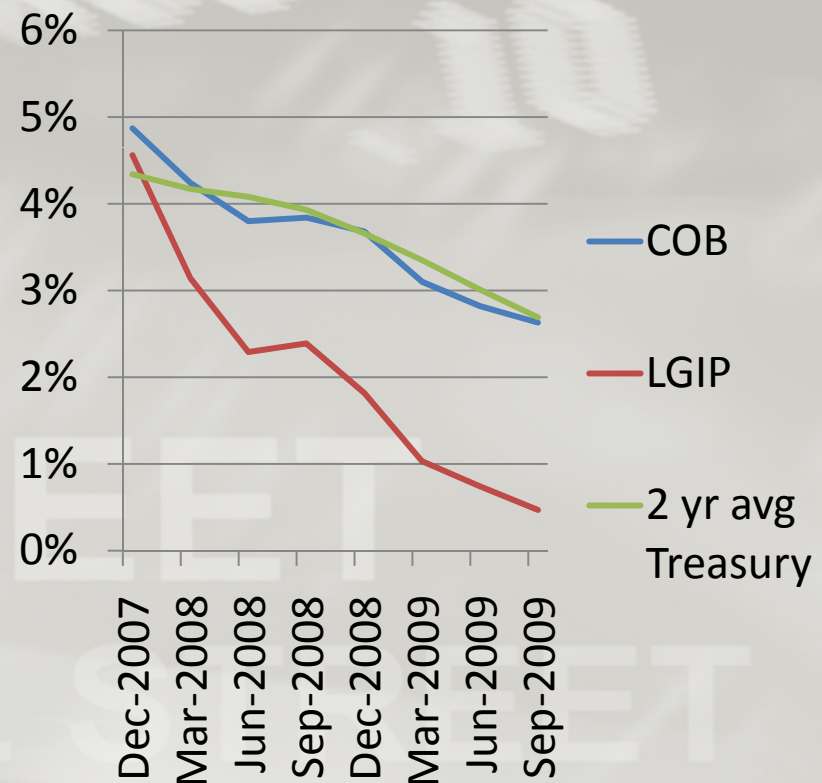


Investments at Sept. 30, 2009

Summary

- Total Portfolio \$127.3 million
 - Down from Dec- \$15.4 million
- Yield To Maturity- 2.63%
- Avg. Term 2.3 yrs
- Portfolio investments
 - State investment pool 12%
 - Other ST investments 11%
 - Federal Agencies 36%
 - Fed. Agencies callable 33%
 - Municipal bonds 8%

Portfolio monthly Yield to benchmarks



Summary

- Expect City revenues to begin to recover early 2010
- 2009 budget reductions have helped to significantly mitigate the impact of recession.
- Recovery will be very modest, with risk of “double dip” recession
- 2010 budget will continue to be a challenge
- Our Need
 - to stay focused on cost controls
 - to maintain strong financial discipline
 - to operationally learn to do with less
 - to set priorities