



# 2012 REVENUE FORECAST

Presented by Brian Henshaw  
September 26, 2011

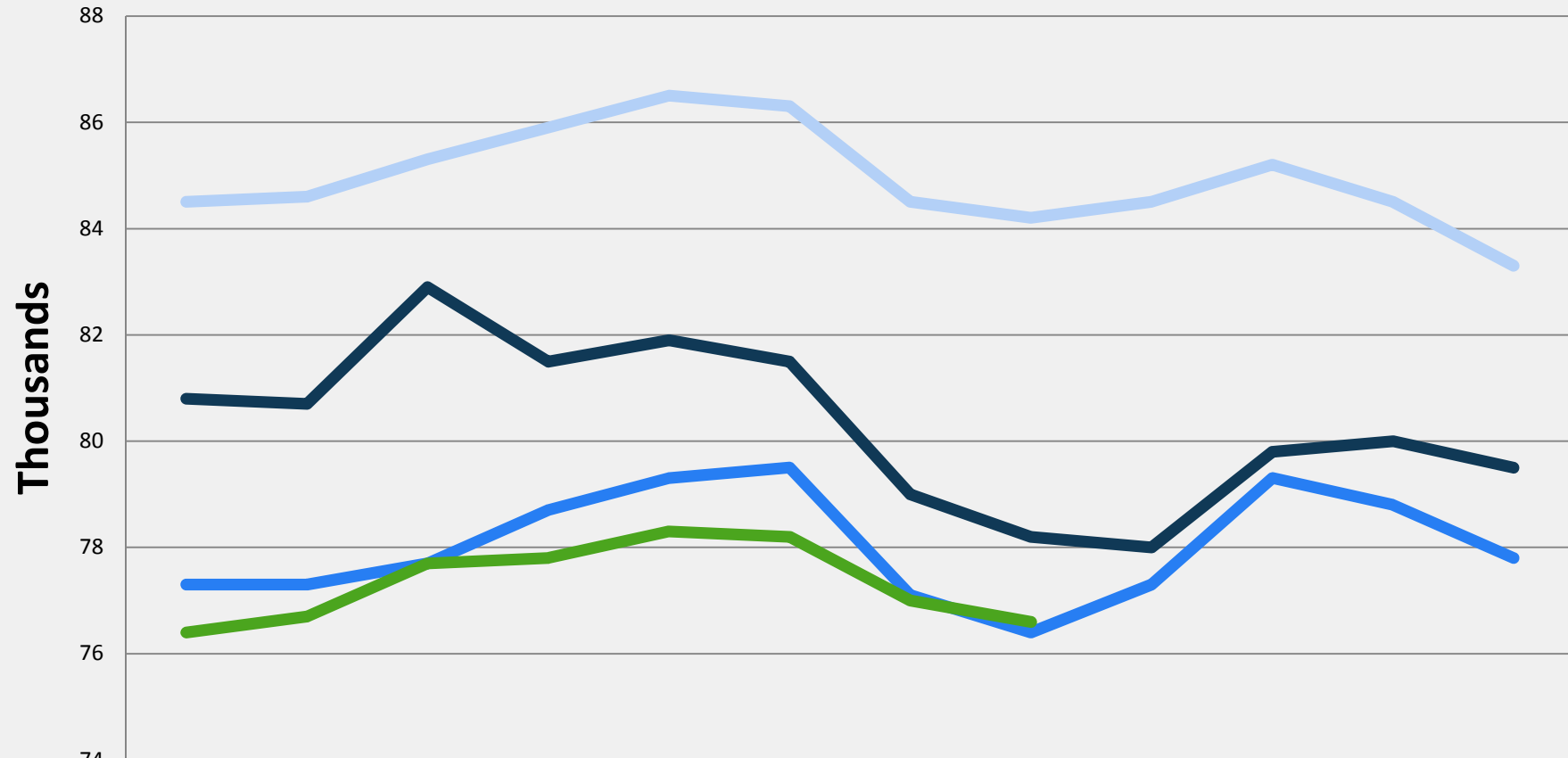


City of  
**Bellingham**

# Economic Conditions

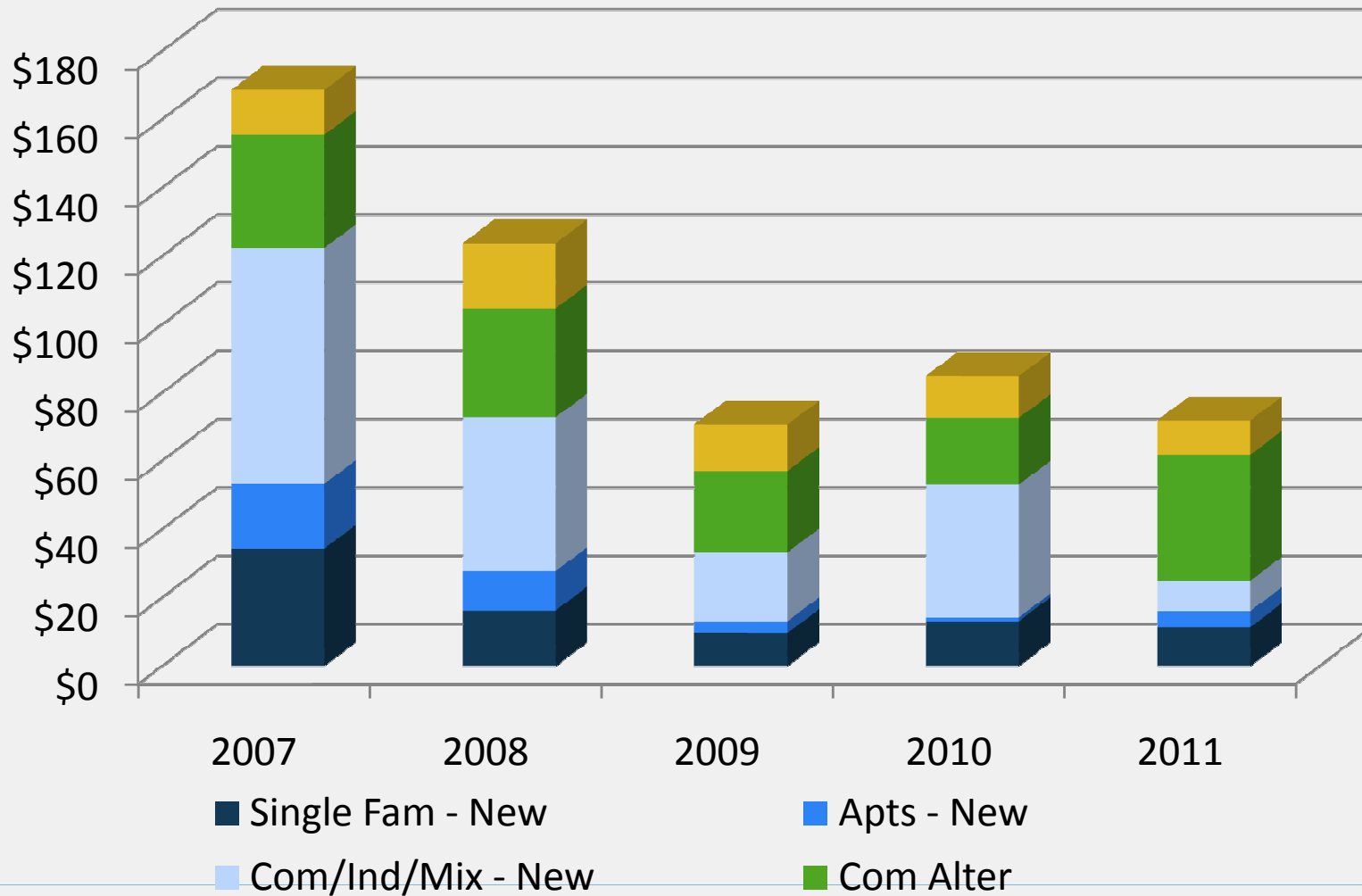
- Housing starts
- Federal & State deficits
- Sovereign-debt crisis
- Bankruptcies
- Unemployment
- Stock Market volatility
- Geographic location
- Regional Shopping destination
- Canadian shoppers
- Not as over built
- Reserves

# Whatcom County non-farm jobs

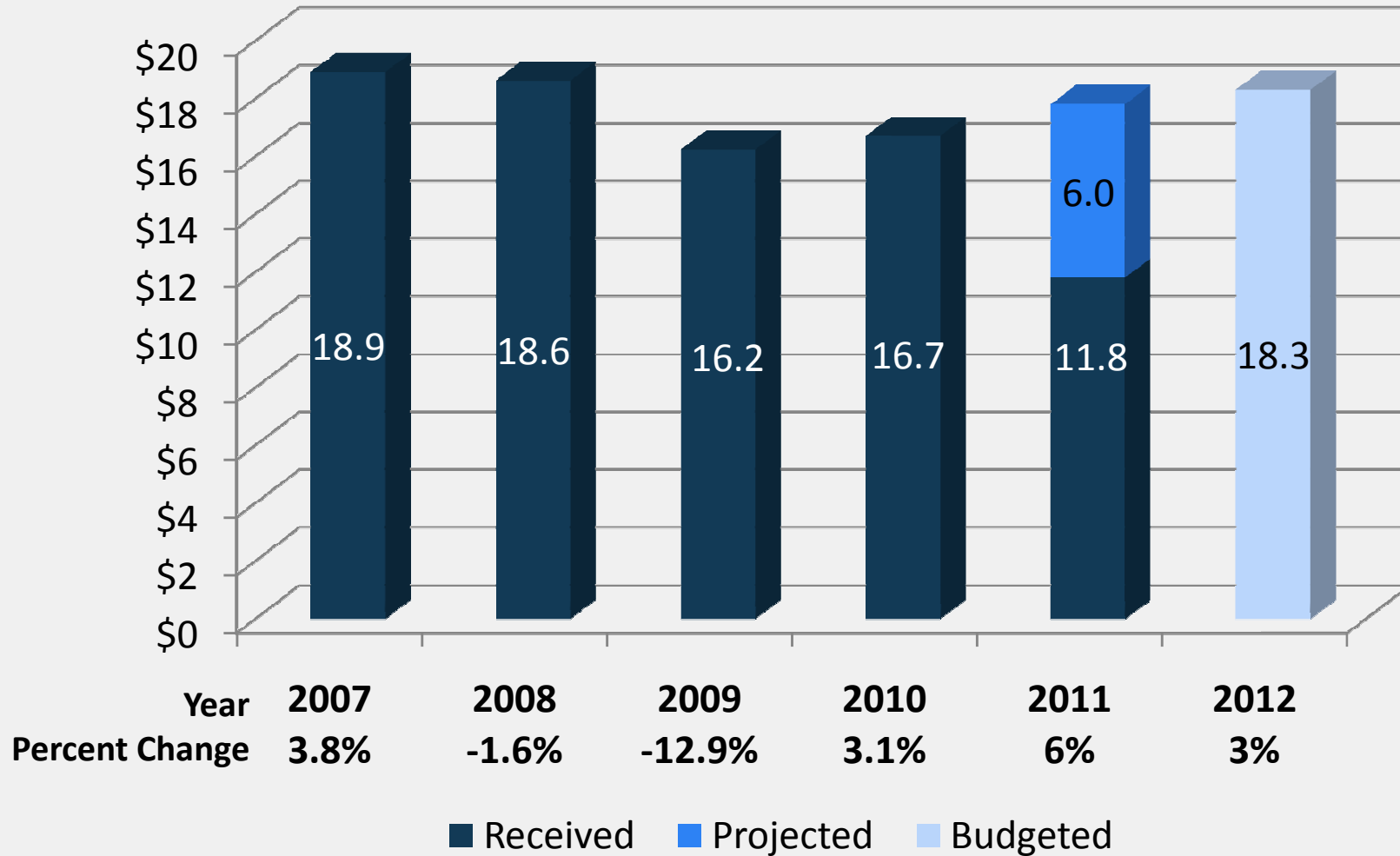


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2008	84.5	84.6	85.3	85.9	86.5	86.3	84.5	84.2	84.5	85.2	84.5	83.3
2009	80.8	80.7	82.9	81.5	81.9	81.5	79	78.2	78	79.8	80	79.5
2010	77.3	77.3	77.7	78.7	79.3	79.5	77.1	76.4	77.3	79.3	78.8	77.8
2011	76.4	76.7	77.7	77.8	78.3	78.2	77	76.6				

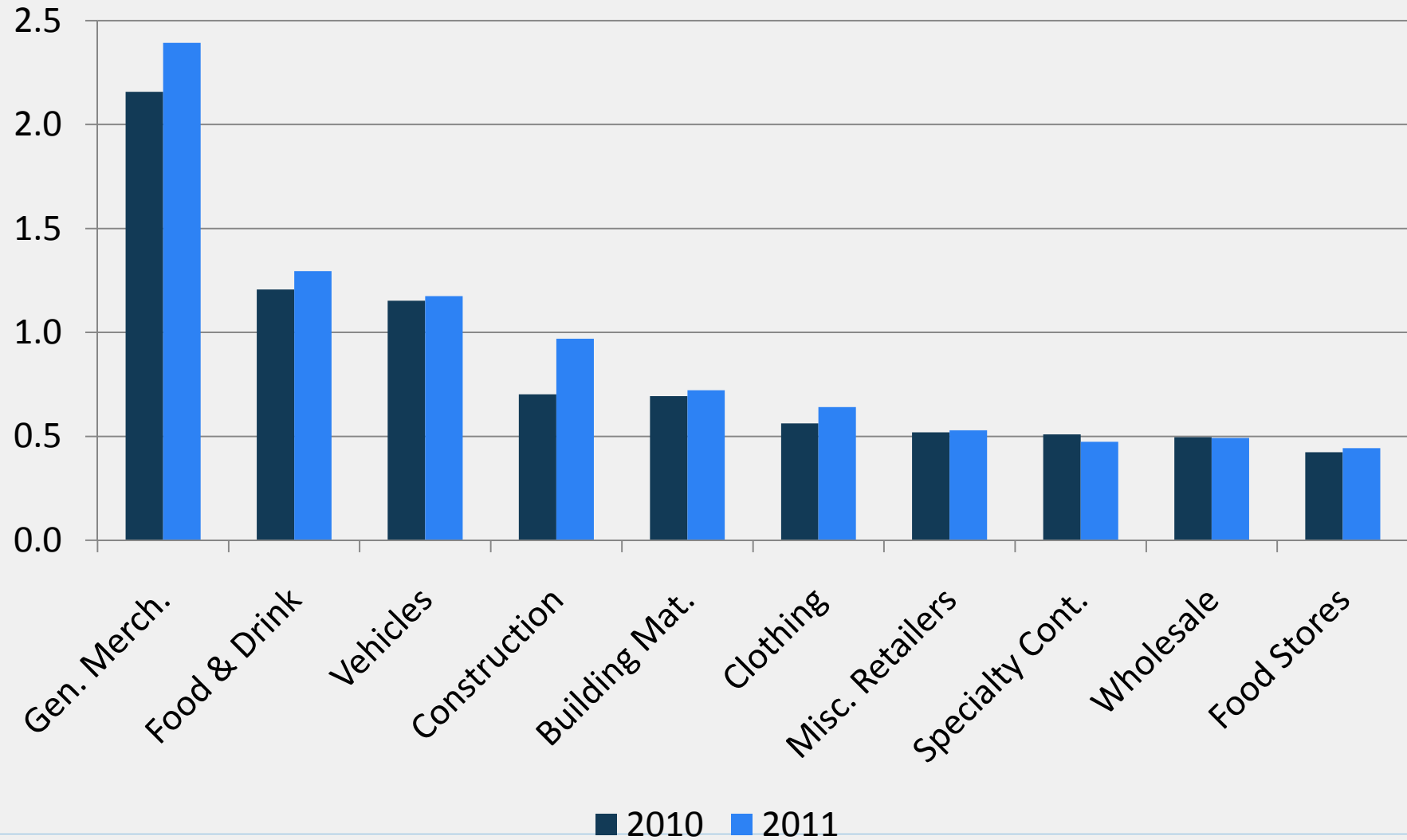
# YTD Building Activity - \$72 Million



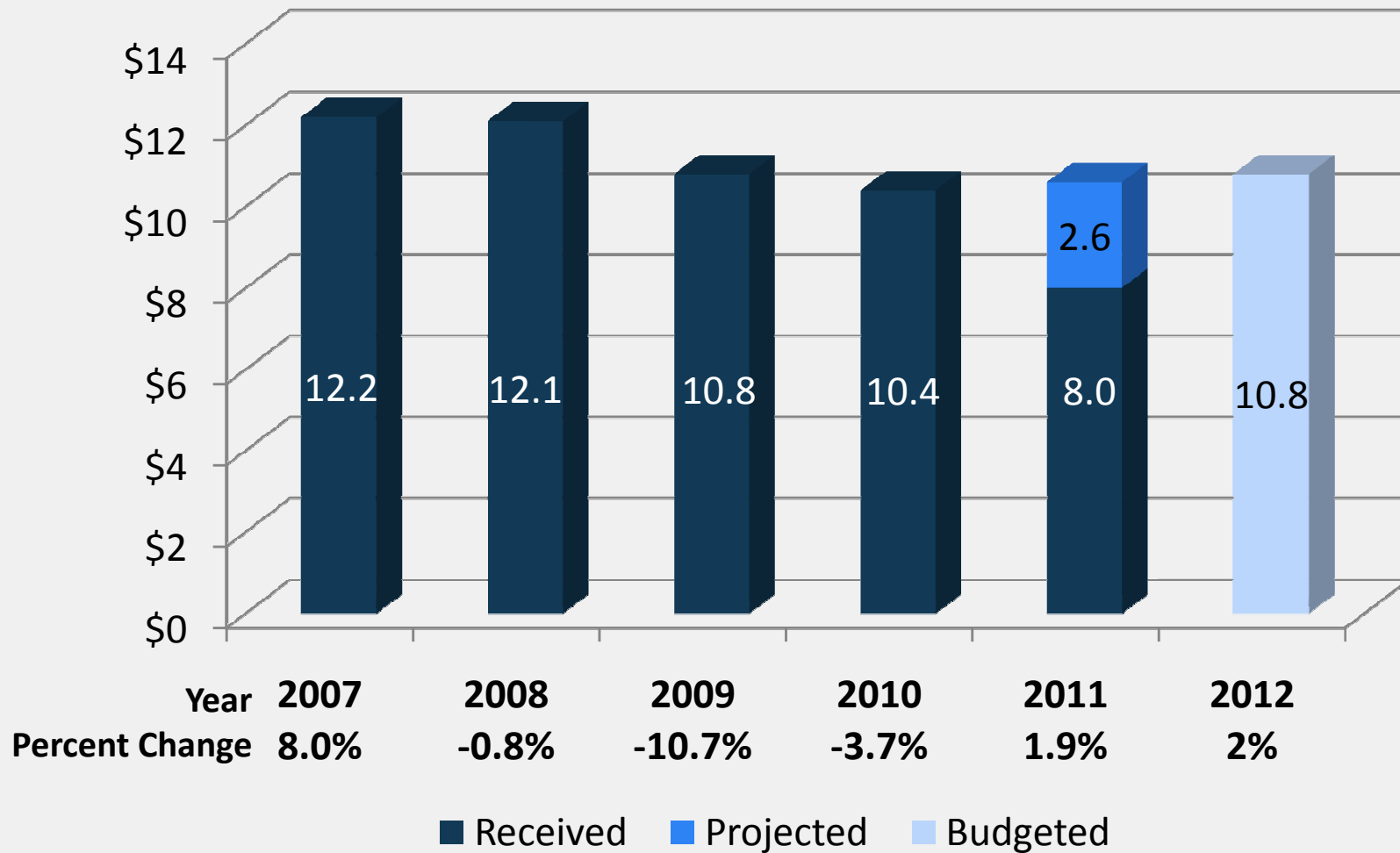
# Sales Tax Citywide - \$18.3 Million



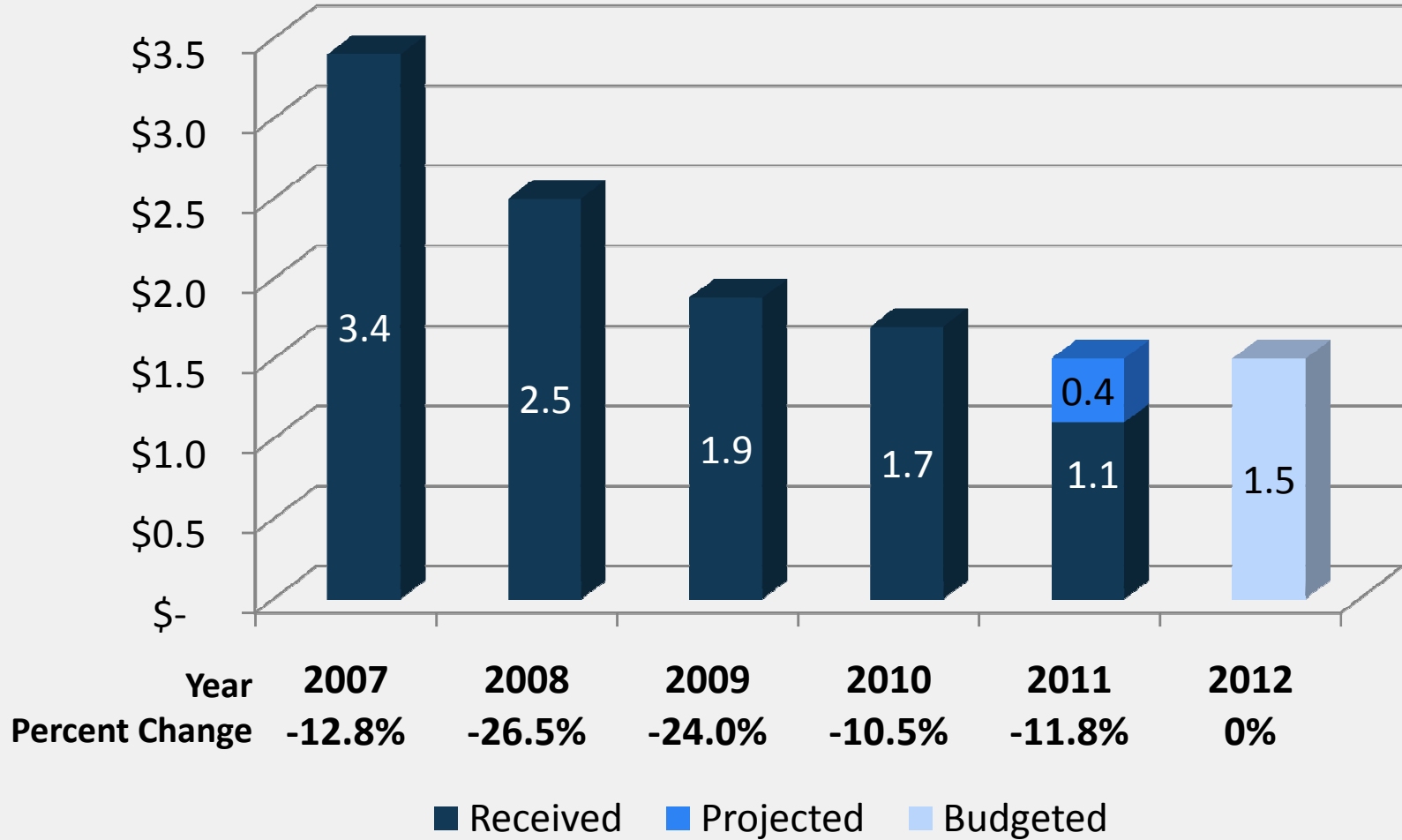
# YTD Sales Tax – Top Ten Industries (millions)



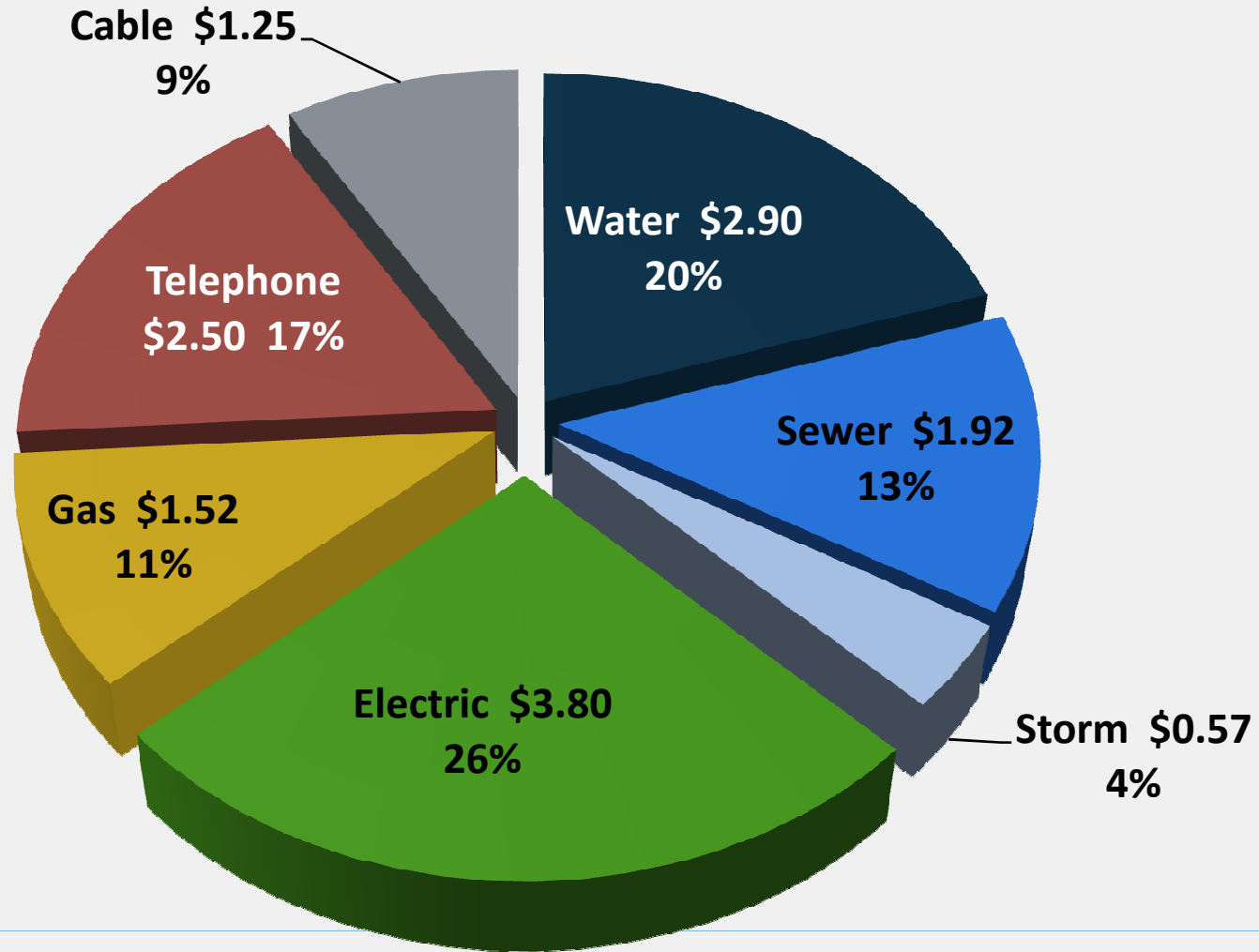
# Business & Occupation Tax - \$10.8 Million



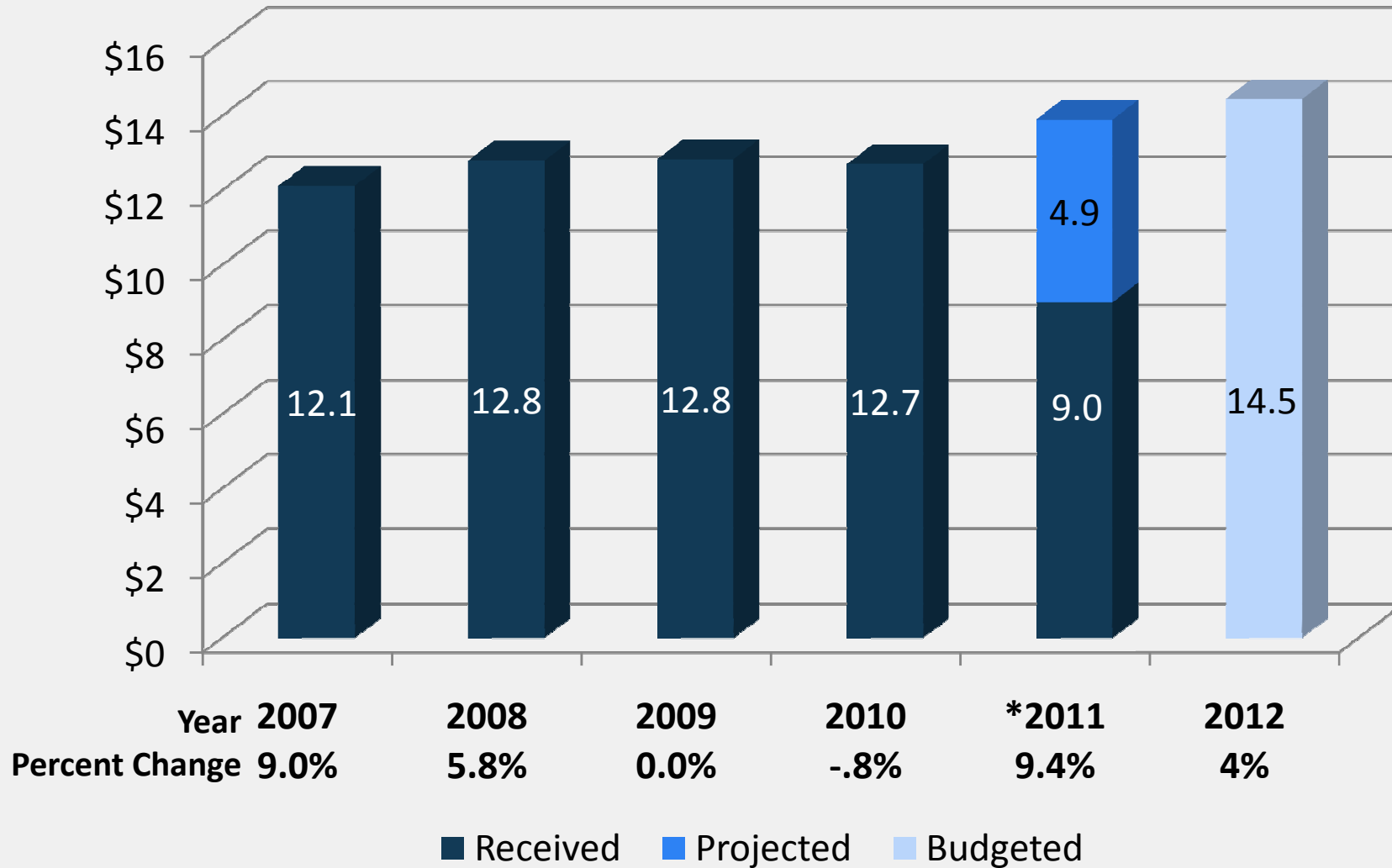
# Real Estate Excise Tax - \$1.5 Million



# Utility Taxes - \$14.45 million

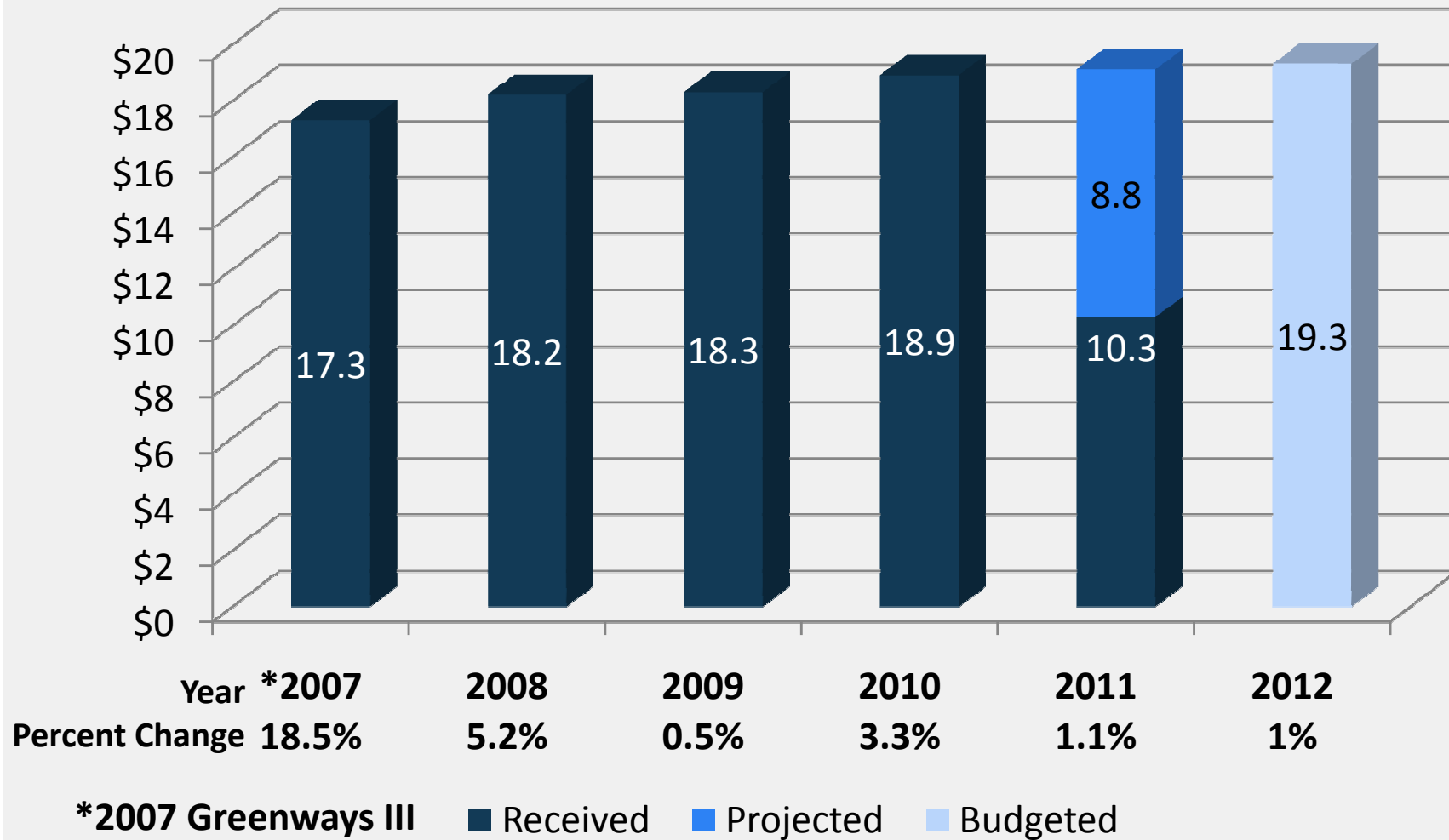


# Utility Taxes - combined \$14.5 Million

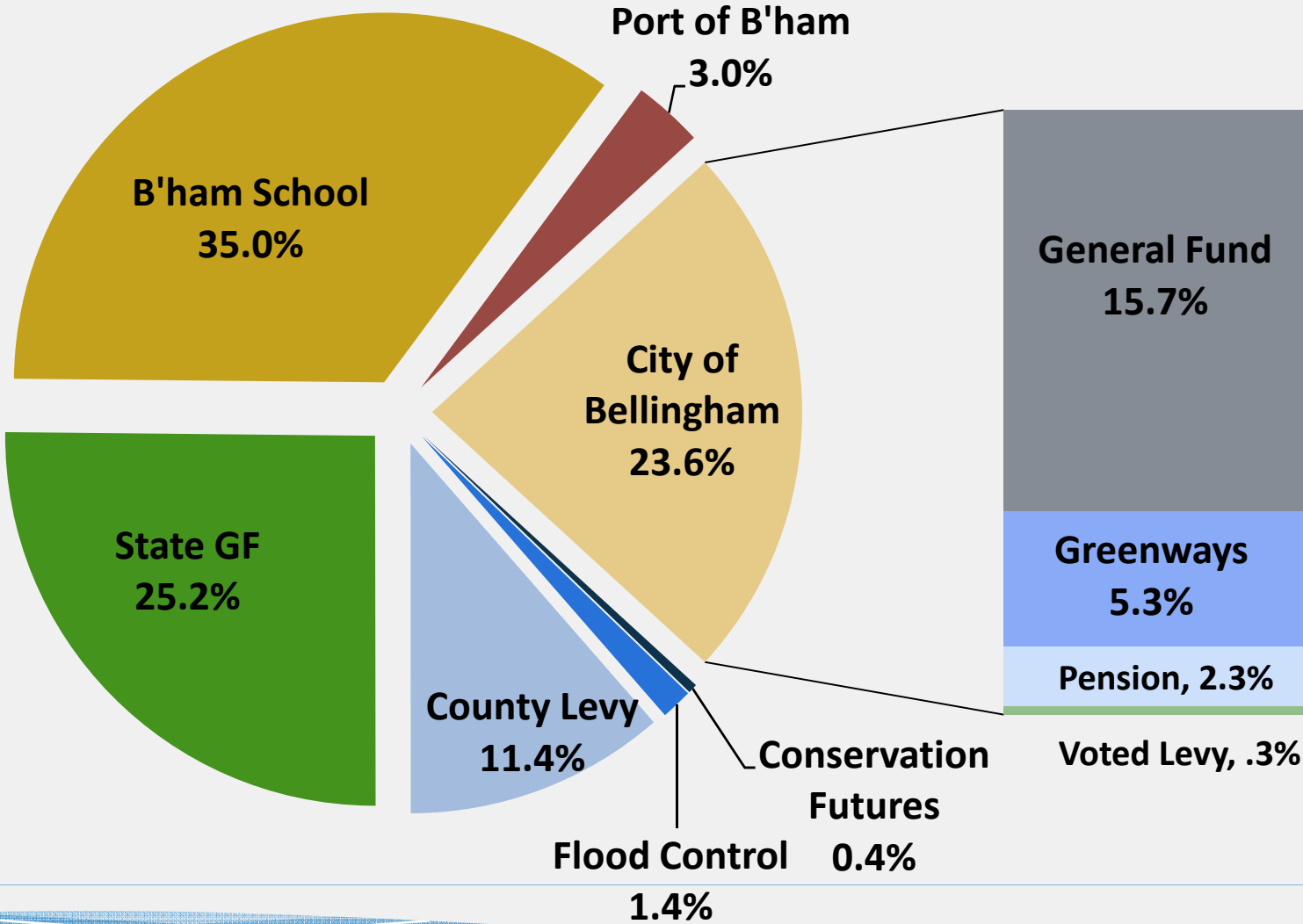


\*2011 Change to pay for fire hydrants

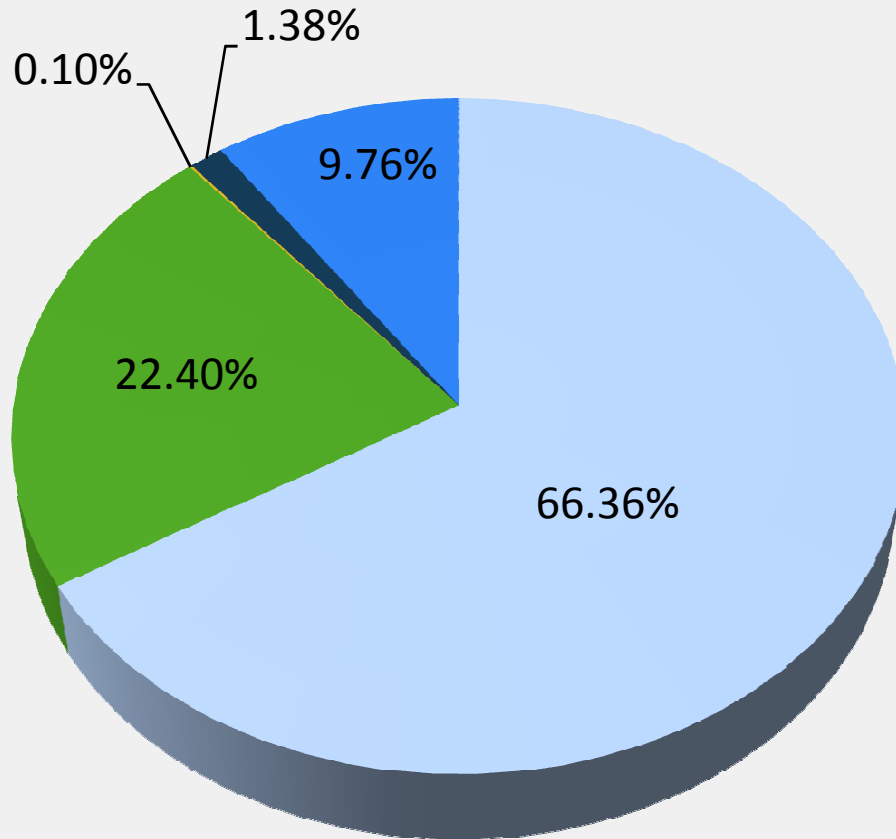
# Property Tax - \$19.3 Million



# 2011 Property Tax Distribution



# Property Tax - 2011



'01 Bond
  Fire Pension  
 General Fund
  Greenways  
 RDA

## Levy Rate per \$1,000 of Assessed Valuation

General Fund	\$1.52788
Greenways III	.51645
Fire Pension	.22500
'01 Bond	.03187
RDA	.00226
<b>CITY TOTAL</b>	<b>\$2.30346</b>

# Estimated Impact of 1% Increase

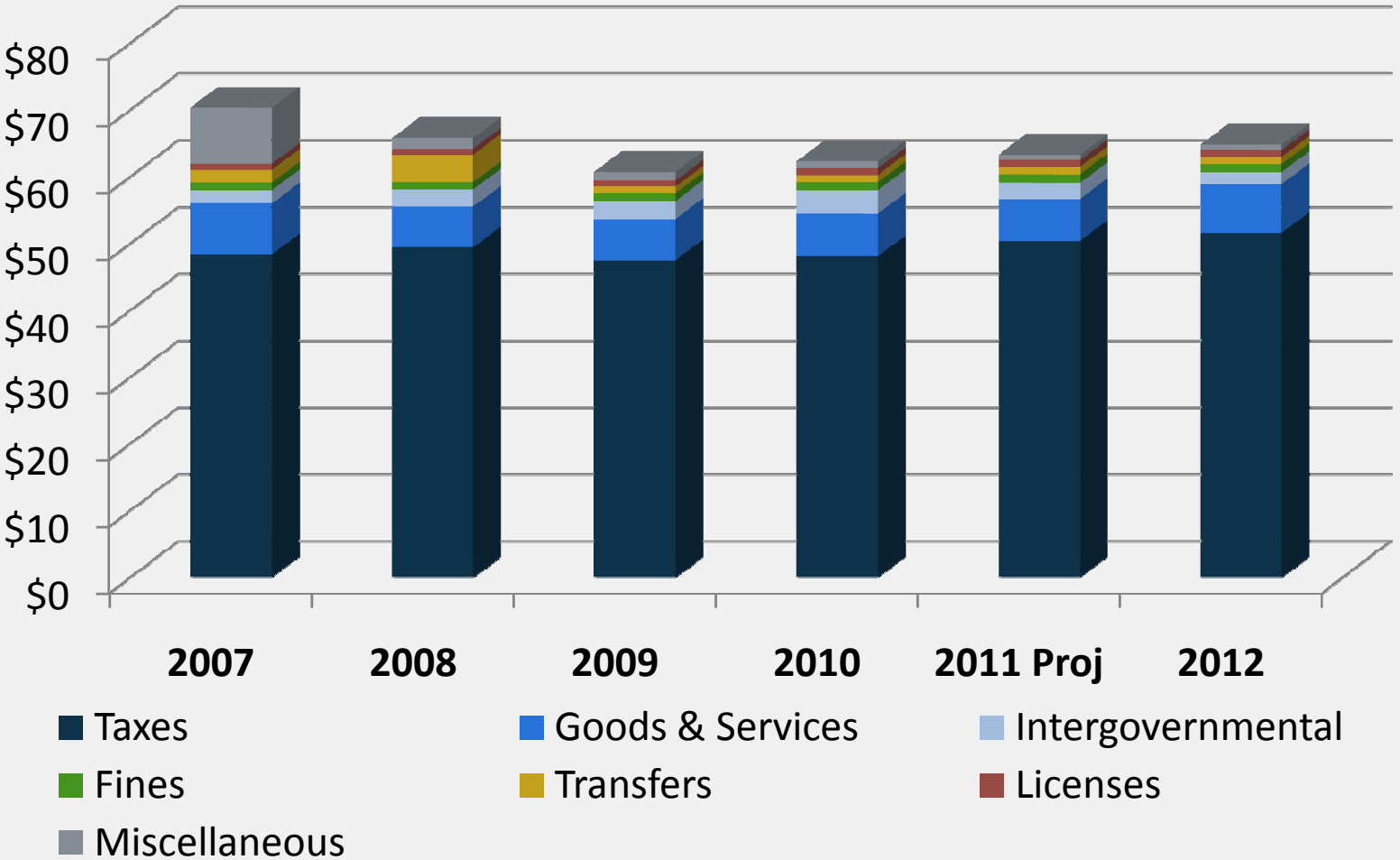
<b>Item</b>	<b>Amount</b>
<b>2011 Total Levy</b>	<b>\$19,080,000</b>
<b>1% Levy Increase</b>	<b>\$190,000</b>
<b>Estimated New Construction (\$40 Million)</b>	<b>\$80,000</b>
<b>2012 Levy</b>	<b>\$19,350,000</b>

**\*Does not include adjustments: annexations, refunds, utility valuations, etc.**

# Estimated Impact of 1% Increase

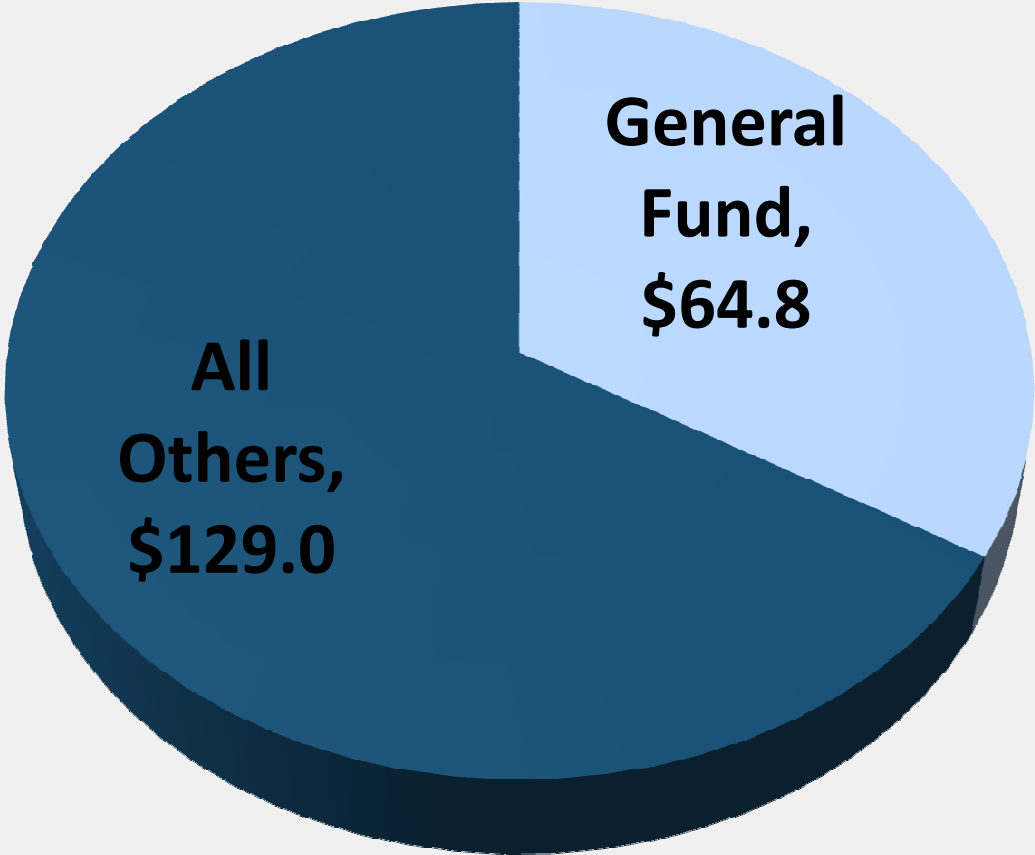
<b>Item</b>	<b>Amount</b>
<b>2012 Total Levy</b>	<b>\$19,350,000</b>
<b>Divided by Est. 2012 Assessed Value</b>	<b>\$8,228,000,000</b>
<b>Assumed Assessed Value</b>	<b>\$250,000</b>
<b>Total City Portion of Property Tax</b>	<b>\$586</b>
<b>Banked capacity approximately \$120,000</b>	

# General Fund Revenue - \$64.8 Million



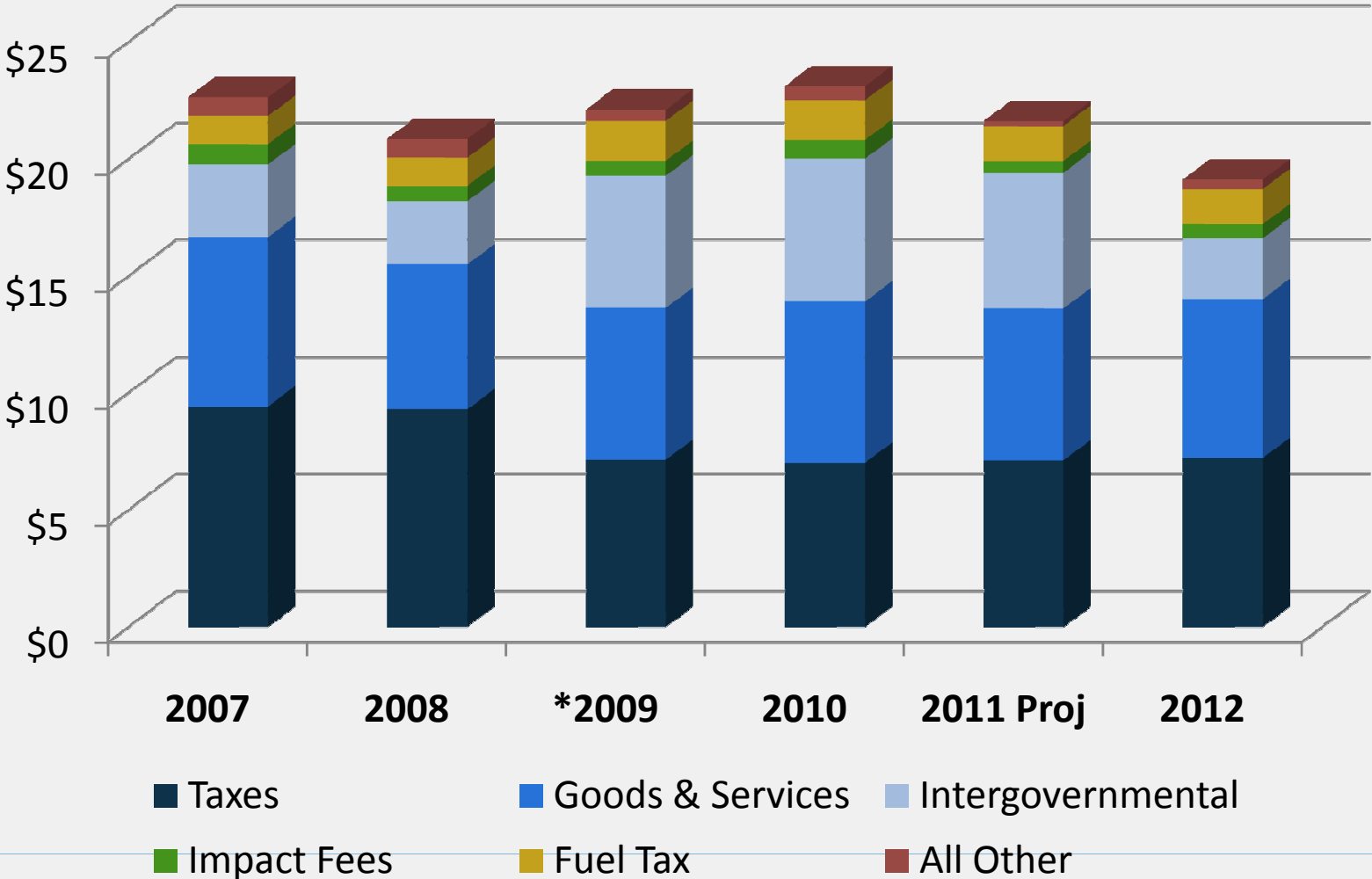
<b>GF Preliminary Budget</b>	<b><u>2011</u></b>	<b><u>2012</u></b>
<b>Revenues</b>	<b>\$62,592,837</b>	<b>\$64,750,585</b>
Salaries and Benefits	(43,965,776)	(44,854,110)
Supplies & Services	(7,531,845)	(6,943,251)
Intergovernmental Expenditures	(5,790,681)	(5,474,596)
Capital		(164,000)
Principal and Interest	(238,524)	(227,582)
Interfund	(6,071,291)	(7,088,046)
<b>Subtotal of Expenditures</b>	<b>(\$63,598,117)</b>	<b>(\$64,750,585)</b>
Shortfall	(\$1,005,280)	
<b>Reserves</b>		

# Citywide Budgeted Revenue - \$193.8 Million

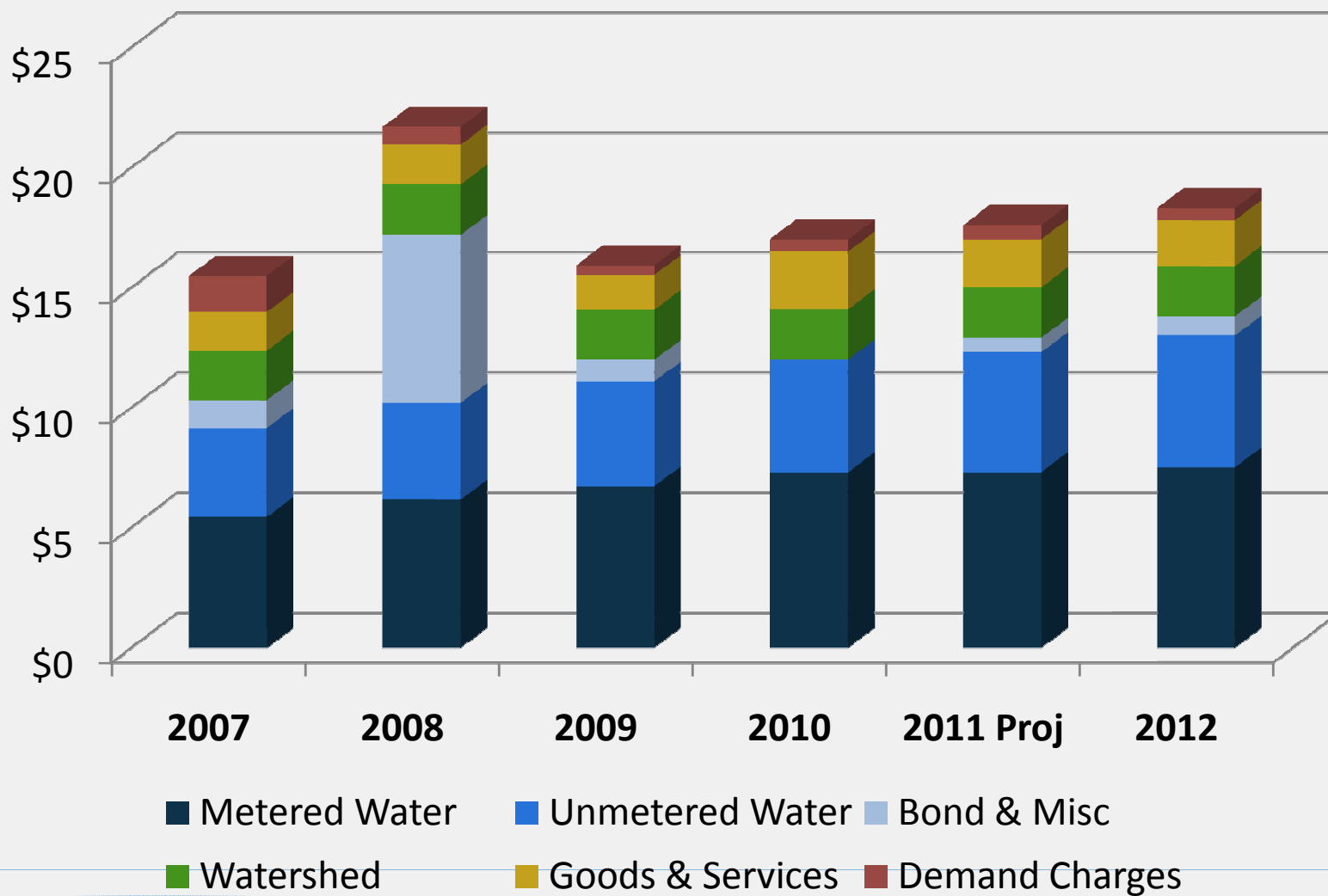


# Street Fund Revenues - \$19.1 Million

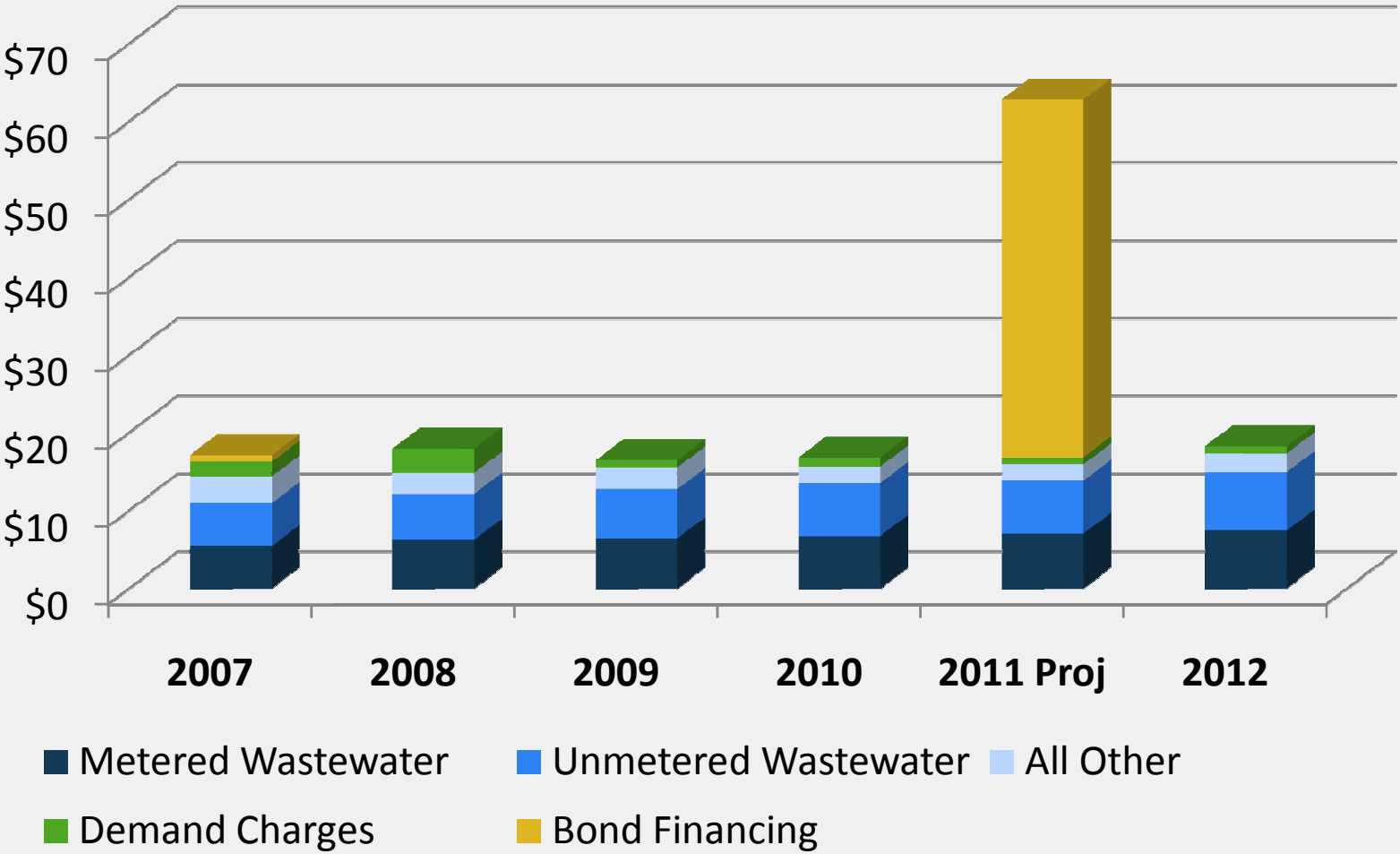
General / Street Fund Split \*2009 = 57.5% / 42.5%



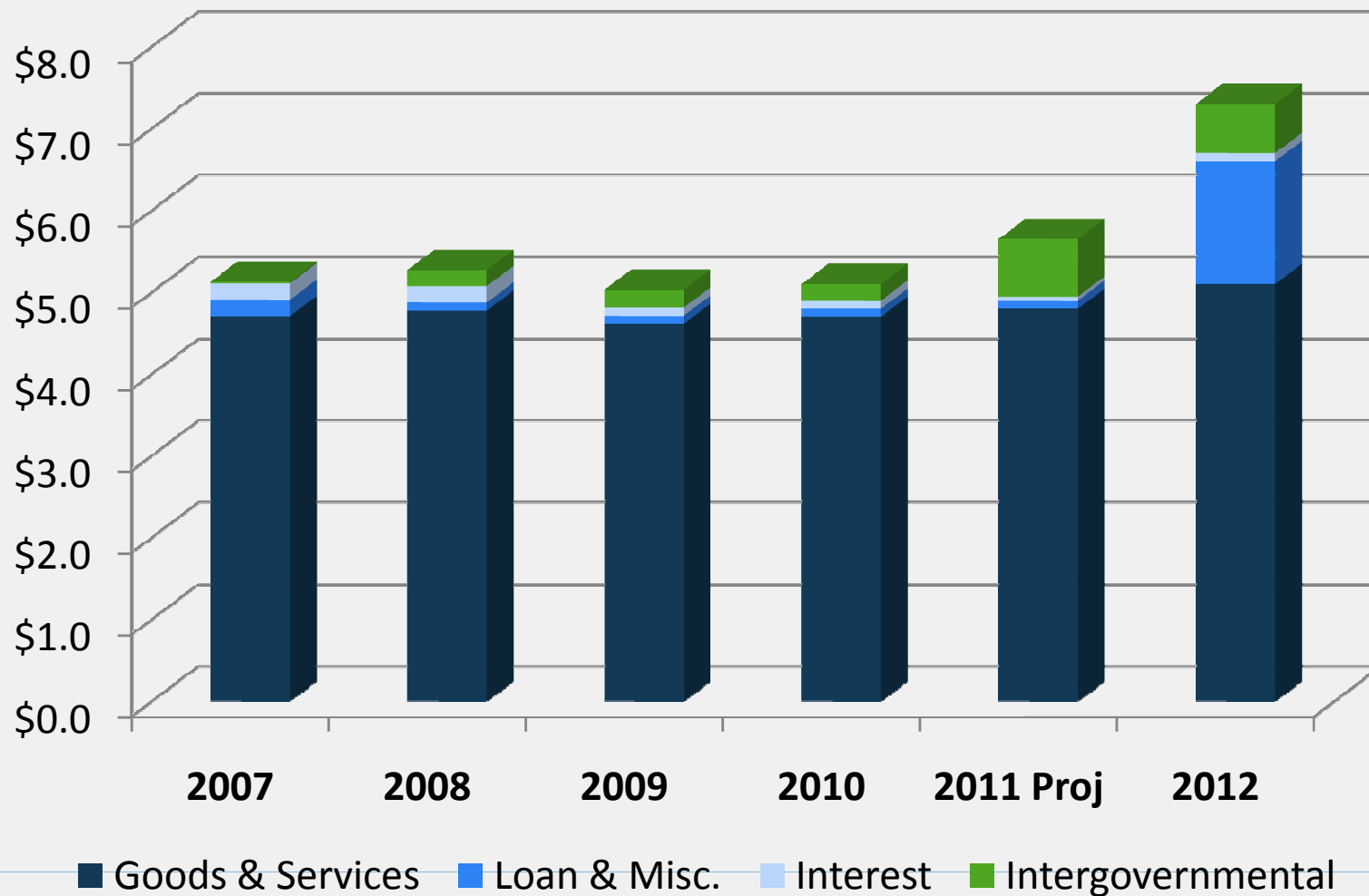
# Water Fund Revenues - \$18.3 Million



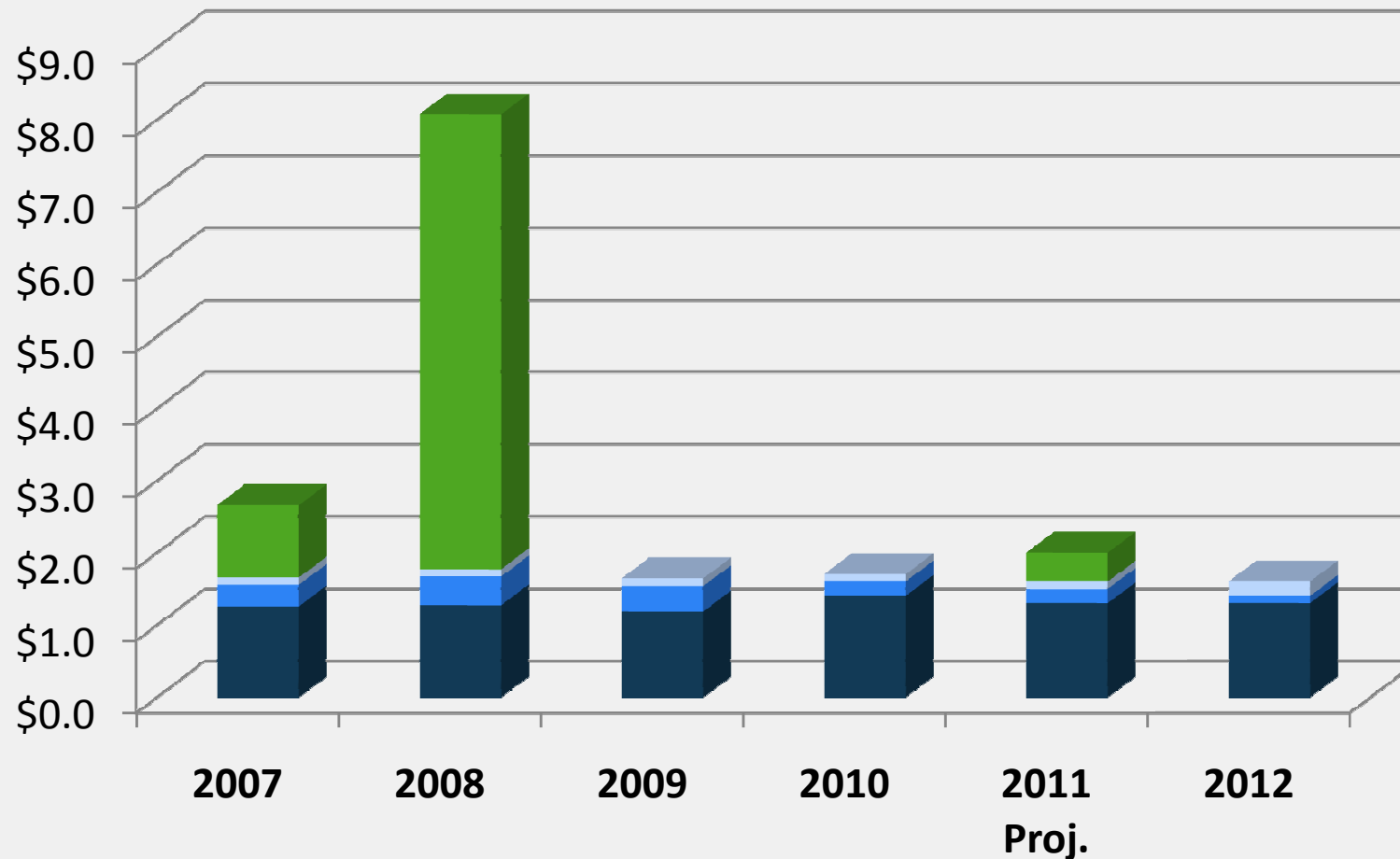
# Wastewater Fund Revenues - \$18.2 Million



# Stormwater Fund Revenues - \$7.3 Million



# Solid Waste Fund Revenues - \$1.6 Million



■ Taxes ■ Miscellaneous ■ Goods & Services ■ Other

<b>Citywide Preliminary Budget</b>	<b><u>2011</u></b>	<b><u>2012</u></b>
<b>Revenues</b>	<b>\$182,159,858</b>	<b>\$193,720,729</b>
Salaries and Benefits	(77,471,733)	(79,805,745)
Supplies & Services	(44,118,832)	(43,131,769)
Intergovernmental Expenditures	(15,399,006)	(16,982,518)
Capital	(26,139,830)	(40,288,803)
Principal and Interest	(10,214,899)	(9,389,617)
Interfund	<u>(24,262,787)</u>	<u>(25,709,749)</u>
<b>Subtotal of Expenditures</b>	<b>(\$197,607,087)</b>	<b>(\$215,308,201)</b>
<b>Shortfall</b>	<b>(\$15,447,229)</b>	<b>(\$21,587,472)</b>
<b>Bond</b>	<b>\$43,000,000</b>	

# Budget Calendar Key Dates

*October 3 <sup>rd</sup>	2:30 p.m.	2011 Finance, Executive & Legal Department Objectives
October 10 <sup>th</sup>	Afternoon	Police Department & Museum work sessions – Capital & Budget Overview
*October 17 <sup>th</sup>	Afternoon	Municipal Court, ITSD, & Park department work sessions
October 24 <sup>th</sup>	Afternoon	Third Quarter Financial Review Fire, Library, and PW department work sessions
November 7 <sup>th</sup>	Afternoon	Introduce Property Tax Ordinance Executive, HR, and Planning department work sessions

\* Not a regular council meeting

# Budget Calendar Key Dates

November 21 <sup>st</sup> Afternoon	Adopt Property Tax Ordinance Public Hearing on Budget Finance & Legal department work sessions
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December 5 <sup>th</sup> Evening	Introduce Budget Ordinance
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December 12 <sup>th</sup> Evening	Adopt Budget Ordinance
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# 2012 REVENUE FORECAST

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City of  
**Bellingham**

# Property Tax Levy

- City of Bellingham is less than 1/4<sup>th</sup> of the total property tax levy
- City G.O. Bond is expiring (\$265,000 in 2011)
- A 1% increase (\$190,000) is less than the amount rolling off
- All estimates are subject to the Assessor valuation and adjustments
- Net forecasted City Property Tax Levy is less than last year's adjusted levy

<b>Property tax levy = Historical recap</b>			
	<b>2010</b>	<b>2011</b>	<b>2012 Projected</b>
<b>General Fund Levy</b>	12,533,391	12,878,856	13,106,381
<b>Fire Pension Levy</b>	1,934,324	1,893,780	1,864,904
<b>Voted Greenways Rate</b>	4,268,495	4,346,856	4,411,037
<b>Voted G.O. Bond Levy</b>	355,310	265,000	-
<b>Total Regular Levy Rate</b>	18,736,210	19,119,492	19,382,322
<b>Total Property Tax levy</b>	19,091,520	19,384,491	19,382,322
<b>Assessed values total (thousands)</b>	8,596,998	8,416,799	8,288,463
<b>Levy rate total</b>	2.221	2.303	2.338

