

CITY OF BELLINGHAM

MAY 2008 FINANCIAL REPORT

Highlights

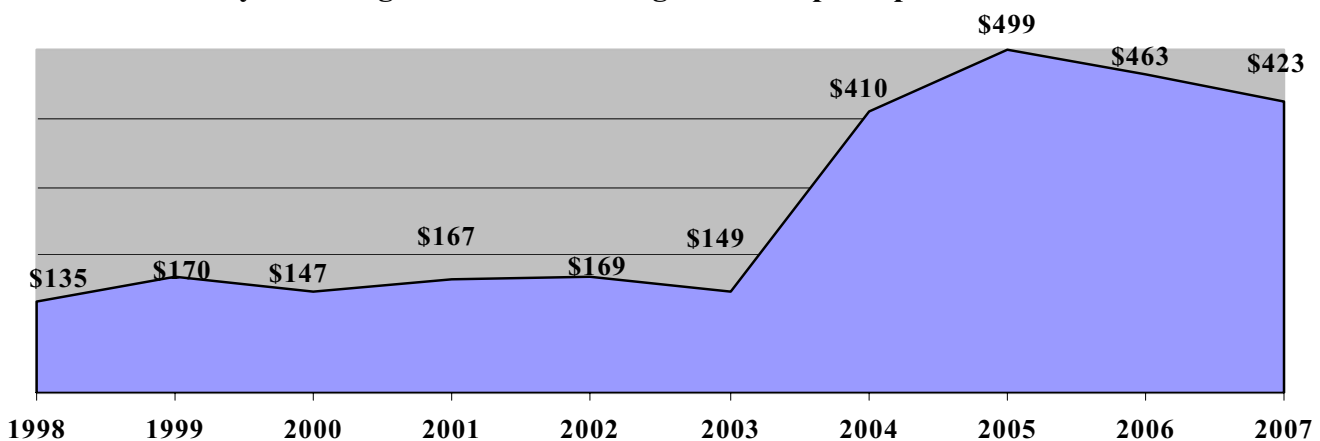
- Citywide revenues of \$87.3 million are 39% of the annual budget. Expenditures of \$77.4 million are 26% of the annual budget. Capital expenditures of \$16.0 million are 15% of the capital budget.
- General Fund revenues of \$28.3 million are 43% of the annual budget. General Fund expenditures of \$32.1 million are 40% of the annual budget.
- The City had \$155.8 million invested, earning an average of 3.86%, compared to earnings of 4.97% at this time last year.
- Printed copies of this report are available to the public in the Finance Office. Copies of this and prior months reports are posted on the Finance website at:
<http://www.cob.org/finance/reports.htm>

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Citywide – Cash & Investments			Citywide – Investment Interest Received			General Fund Expenditures 05/31/08		
5/31/2008	\$	156,493,329	5/31/2008	\$	2,567,946	Budget (Annualized)	\$	33,530,234
5/31/2007		142,107,120	5/31/2007		2,595,931	Actual to Date		32,076,440
Increase	10.1%	\$ 14,386,209	Decrease	-1.1%	\$ (27,985)	Variance	4.3%	\$ 1,453,794
General Fund – Sales Tax Collected			General Fund - Utility Taxes Collected			General Fund - B & O Tax Collected		
5/31/2008	\$	3,963,556	5/31/2008	\$	5,978,893	5/31/2008	\$	5,931,011
5/31/2007		3,790,064	5/31/2007		5,597,307	5/31/2007		5,659,091
Increase	4.6%	\$ 173,492	Increase	6.8%	\$ 381,586	Increase	4.8%	\$ 271,920

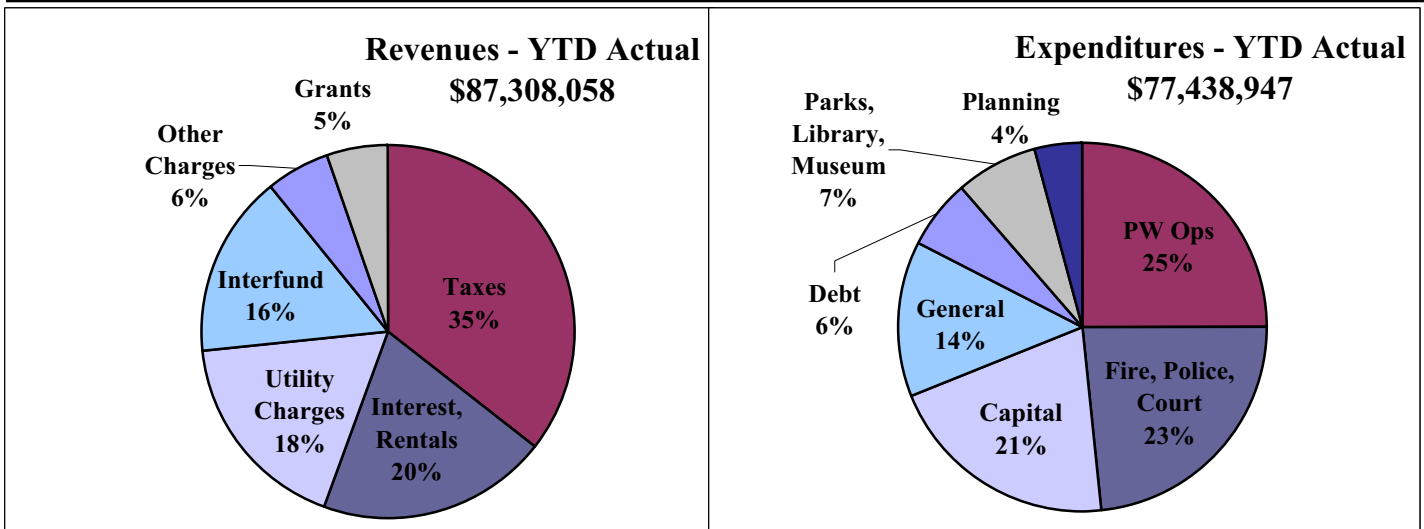
City of Bellingham - General Obligation Debt per capita - 1996- 2007



Please refer questions or comments on Financial Reports to: John Carter, Finance Director or Kipp Drummond, Accounting Manager

May 2008
City of Bellingham
Citywide, All Funds, Combined Operating Statement

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance	\$122,619,638	\$139,932,007	14%	\$139,937,693	100%
Revenues					
Property Taxes	7,707,027	8,034,122	4	17,797,545	45
Sales Tax	7,523,523	7,901,627	5	19,864,000	40
B & O Tax	5,659,091	5,931,011	5	12,469,000	48
Utility Taxes	6,127,715	6,517,122	6	14,388,881	45
Other Taxes	3,152,345	2,690,156	-15	7,589,225	35
Grants, Entitlements, Revenue Sharing	3,851,991	4,619,755	20	38,733,997	12
Utility Charges for Services	13,636,087	15,499,959	14	34,634,343	45
Other Charges, Fines, Permits, Licenses (1)	6,761,568	4,872,886	-28	13,923,721	35
Interest, Rentals, Bonds, Other Revenues (2)	9,464,875	17,423,487	84	30,742,747	57
Interfund Sales & Service	9,423,440	9,768,139	4	22,450,393	44
Interfund Loans & Transfers	1,692,812	4,049,794	139	12,898,770	31
Total Revenues	75,000,474	87,308,058	16	225,492,622	39
Expenditures					
General Governmental Services	8,858,285	10,484,072	18	28,311,804	37
Fire, Police, Municipal Court	17,451,723	18,097,393	4	50,854,010	36
Public Works Operations	18,039,649	19,312,724	7	60,465,722	32
Planning, Hearing Examiner (3)	3,194,304	3,199,855	0	12,801,127	25
Libraries, Museums, Parks	5,317,182	5,613,202	6	16,306,510	34
Debt Service, Loans, Transfers	2,411,329	4,723,125	96	20,795,810	23
Capital Expenditures (2)	6,991,001	16,008,576	129	109,445,557	15
Total Expenditures	62,263,473	77,438,947	24	298,980,540	26
Projected/Budgeted Ending Balance	\$135,356,639	\$149,801,118	11%	\$66,449,775	225%



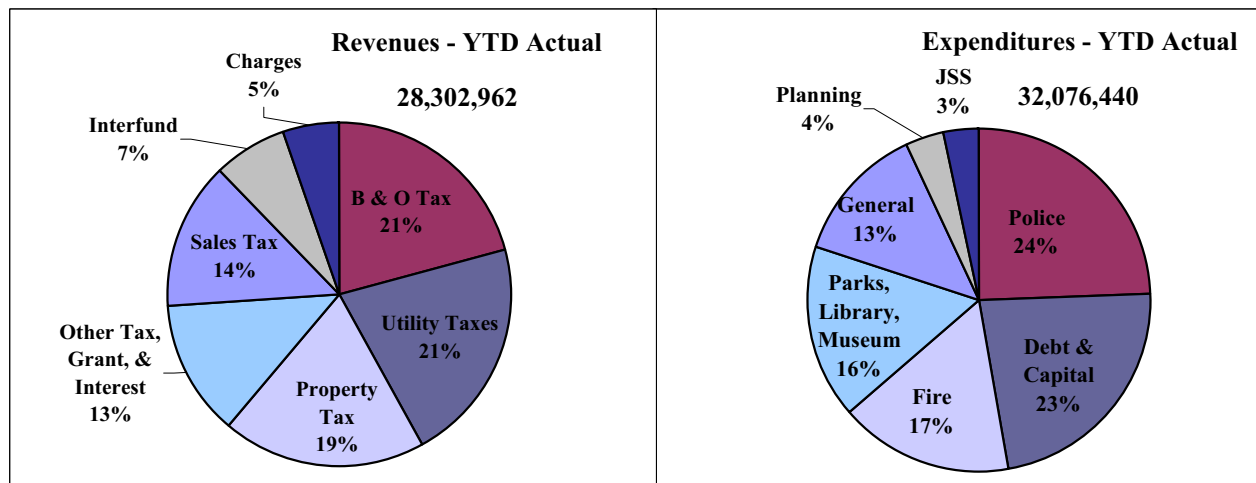
(1) 2007: Park Impact Fees \$1,363,952; Trillium Cordata Fee \$961,975.

(2) 2008: Includes January sale of Cornwall property (\$2.7 million) and March sale Colony Wharf property (\$3.6 million).

(3) Beginning in 2008, the Bellingham-Whatcom Public Facilities District (PFD) is no longer reported in Citywide Funds. Adjustments to prior year numbers have been made to maintain comparability.

May 2008
City of Bellingham
General Fund Operating Statement

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance	\$ 16,482,153	\$ 25,481,318	55%	\$ 25,481,318	100%
Revenues					
Property Tax	5,148,360	5,370,679	4	11,896,000	45
Sales Tax	3,790,064	3,963,556	5	9,934,000	40
B & O Tax	5,659,091	5,931,011	5	12,469,000	48
Utility Taxes	5,597,307	5,978,893	7	13,108,881	46
Other Taxes	1,283,755	1,285,255	0	2,842,955	45
Grants, Entitlements, Revenue Sharing	576,981	553,254	-4	2,656,752	21
Charges, Fines, Permits, Licenses	1,976,343	1,514,246	-23	4,138,613	37
Interest, Rentals, Bonds, Other Revenues	(1) 544,725	1,782,758	227	1,414,532	126
Interfund Sales & Service	2,192,333	1,653,272	-25	4,184,134	40
Interfund Loans & Transfers	125,000	270,038	116	3,254,181	8
Total Revenues	26,893,959	28,302,962	5	65,899,048	43
Expenditures					
Executive	(2) 530,542	610,438	15	3,299,337	19
Legislative	137,422	190,635	39	468,872	41
Hearings Examiner	66,095	73,778	12	188,245	39
Museum	601,151	644,581	7	1,660,765	39
Library	1,343,663	1,593,731	19	3,922,518	41
Finance	(3) 632,144	1,349,587	113	2,712,606	50
Human Resources	548,550	528,599	-4	1,672,723	32
Information Technology	911,395	972,316	7	2,621,486	37
Legal	516,830	536,937	4	1,473,976	36
Judicial & Support Services	1,517,205	1,075,733	-29	3,029,178	36
Parks & Recreation	2,699,420	2,980,500	10	8,028,250	37
Planning & Community Development	1,387,164	1,077,059	-22	4,261,879	25
Fire	5,288,548	5,326,953	1	16,502,294	32
Police	6,554,905	7,825,706	19	20,108,454	39
Debt Service, Loans, Transfers	1,498,837	1,368,684	-9	3,669,291	37
Capital Expenditures	(4) 393,525	5,921,203	1405	6,852,687	86
Total Expenditures	24,627,396	32,076,440	30	80,472,561	40
Projected/Budgeted Ending Balance	\$ 18,748,716	\$ 21,707,840	16%	\$ 10,907,805	199%



(1) 2007: \$3 million insurance settlement.

(2) 2007: Waterfront Development management expenses - \$858 thousand

(3) 2008: Finance expenditures include one time costs related to purchase of Cornwall property (\$251,239 - 1/23/08) and one time costs related to the purchase of Colony Wharf property (\$338,588 - 3/08)

(4) 2008: Cornwall property purchase \$2,450,649 and Colony Wharf property purchase \$3,303,301.

May 2008
City of Bellingham
Available General Fund Reserve Report

2008 Adopted Budget with Amendments	Beginning Budget	Undesignated Balance	Designated Balance (1)	Combined Balance
Beginning Available Resources	\$ 16,622,876	-	-	-
Budgeted Revenues	65,324,915	-	-	-
Budgeted Expenditures	\$ 71,534,020	-	-	-
Projected Available Ending Unrestricted Balance 01/01/2008		\$ 819,298	\$ 9,594,473	\$ 10,413,771
Adjustments affecting Available Ending Balance				
General Fund Budget Ordinances:				
2008-01-001 Purchase Cornwall property from Solid Waste		(2,701,841)	-	(2,701,841)
2008-02-008 Support for DOJ grant on domestic violence		(1,625)	-	(1,625)
2008-02-009 Support for WA State Office of Pub Def grant for Def Counsel		(137,500)	-	(137,500)
2008-02-011 Insurance funds to pay legal fees for environmental clean-up		-	(177,713)	(177,713)
2008-02-011 Insurance funds for toxic clean-up & to purchase Colony Wharf		(3,641,890)	-	(3,641,890)
2008-04-030 Adjustments to 2008 Beginning Balances		7,316,899	1,541,543	8,858,441
2008-04-031 Re-appropriation of encumbered balances from 2007 Budget		(754,098)	(19,760)	(773,858)
2008-04-035 Re-appropriation of un-encumbered balances from 2007 Budget		(899,242)	-	(899,242)
2008-04-032 To pay retirement excess compensation in Legislative Dept.		(30,737)	-	(30,737)
Available Ending Balance 5/31/08		\$ (30,736)	\$ 10,938,543	\$ 10,907,806

Notes

(1) Designated Balance amounts are reserved by Council in the 2008 Adopted Budget as follows: General Fund Reserve \$7,260,000, Jail Capital Reserve \$1,451,757 and Other Departmental Reserves \$75,799.

May 2008
City of Bellingham
Special Revenue Funds, Revenue/Expenditure Summary

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Reserve Funds #120					
Budgeted Beginning Balance	\$ 6,623,944	\$ 6,285,612	-5%	\$ 6,285,612	100%
Revenues	997,219	888,942	-11	1,243,138	72
Expenditures*	200,335	367,405	83	5,545,853	7
Projected/Budgeted Ending Balance	\$ 7,420,828	\$ 6,807,149	-8%	\$ 1,982,897	343%

* Budget includes \$2.1 million reappropriated from prior year from grant for Federal Building.

Environmental Resource Funds #130					
Budgeted Beginning Balance	\$ 2,324,140	\$ 1,356,803	-42%	\$ 1,356,803	100%
Revenues	44,234	1,089,892	2364	100,010	1090
Expenditures*	245,270	35,419	-86	1,141,503	3
Projected/Budgeted Ending Balance	\$ 2,123,104	\$ 2,411,276	14%	\$ 315,310	765%

* Budget includes \$1.9 million reappropriated from prior year for the capital restoration projects caused by the pipeline explosion.

Real Estate Excise Tax Funds #140					
Budgeted Beginning Balance	\$ 8,459,820	\$ 9,051,120	7%	\$ 9,051,120	100%
Revenues	1,479,787	1,211,699	-18	6,345,359	19
Expenditures	479,626	1,086,649	127	13,732,801	8
Projected/Budgeted Ending Balance	\$ 9,459,981	\$ 9,176,170	-3%	\$ 1,663,678	552%

Police Special Rev Funds #150					
Budgeted Beginning Balance	\$ 710,107	\$ 685,361	-3%	\$ 685,361	100%
Revenues	160,052	317,490	98	342,418	93
Expenditures	258,528	71,409	-72	353,620	20
Projected/Budgeted Ending Balance	\$ 611,631	\$ 931,442	52%	\$ 674,159	138%

Public Safety Dispatch Fund #160					
Budgeted Beginning Balance	\$ 1,802,630	\$ 2,033,803	13%	\$ 2,033,803	100%
Revenues	1,274,898	1,231,591	-3	3,926,491	31
Expenditures	1,560,247	1,627,587	4	4,195,513	39
Projected/Budgeted Ending Balance	\$ 1,517,281	\$ 1,637,807	8%	\$ 1,764,781	93%

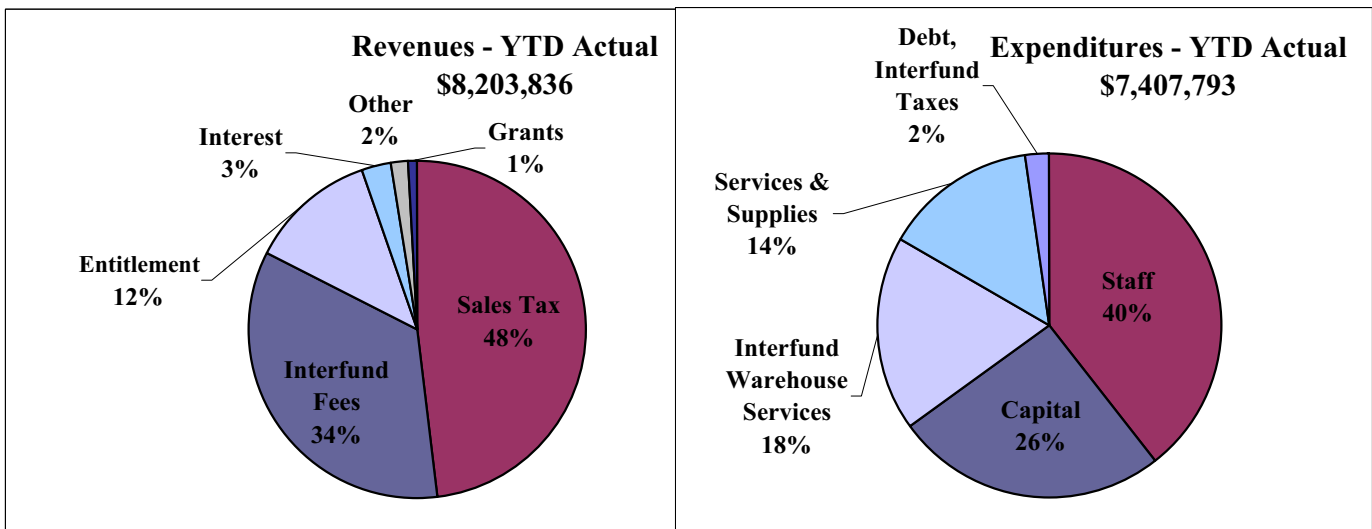
Parks Funds #170					
Budgeted Beginning Balance	\$ 4,593,445	\$ 8,890,121	94%	\$ 8,890,121	100%
Revenues	2,251,285	2,053,323	-9	5,728,860	36
Expenditures	387,247	1,832,528	373	13,401,826	14
Projected/Budgeted Ending Balance	\$ 6,457,483	\$ 9,110,916	41%	\$ 1,217,155	749%

Tourism Fund #180					
Budgeted Beginning Balance	\$ 326,872	\$ 383,171	17%	\$ 383,171	100%
Revenues	338,932	374,200	10	1,007,491	37
Expenditures	290,724	318,512	10	1,148,580	28
Projected/Budgeted Ending Balance	\$ 375,080	\$ 438,859	17%	\$ 242,082	181%

Community Development Grants Fund #190 & 191					
Budgeted Beginning Balance	\$ 807,469	\$ 451,483	-44%	\$ 451,483	100%
Revenues	179,049	441,759	147	4,149,227	11
Expenditures	562,010	611,216	9	4,298,497	14
Projected/Budgeted Ending Balance	\$ 424,508	\$ 282,026	-34%	\$ 302,213	93%

May 2008
City of Bellingham
Street Funds Operating Statement

Street Funds #110, Special Revenue	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance	\$ 10,297,040	\$ 11,071,601	8%	\$ 11,071,601	100%
Revenues					
Sales Tax	3,733,459	3,938,072	5	9,930,000	40
Federal/State Grants	(1) 125,666	77,644	-38	18,038,662	0
Entitlements	893,333	1,017,549	14	3,049,079	33
Interfund Fees	2,580,974	2,826,590	10	6,189,054	46
Investment Interest	237,408	209,358	-12	660,863	32
Other Revenues	(2) 1,174,469	134,623	-89	1,087,390	12
Other Financing Sources	40,000	-	-100	51,194	0
Total Revenues	8,785,309	8,203,836	-7	39,006,242	21
Expenditures					
Salaries, Wages & Benefits	2,789,540	2,925,975	5	7,554,471	39
Supplies	253,816	273,383	8	842,991	32
Services-Professional, Repairs, Utilities	733,667	780,881	6	3,415,948	23
Intergovernmental Services, Taxes, & Fees	190,599	172,161	-10	353,580	49
Capital Outlay	(1) 2,037,054	1,892,455	-7	32,947,641	6
Debt-(Principal & Interest), Interfund Loans, & Transfers	40,768	-	-100	354,820	0
Interfund-Warehouse & Services	1,097,954	1,362,938	24	3,072,032	44
Total Expenditures	7,143,398	7,407,793	4	48,541,483	15
Projected/Budgeted Ending Balance	\$ 11,938,951	\$ 11,867,644	-1%	\$ 1,536,360	772%



(1) 2007: Sunset Drive and Waterfront Bridge projects in design and right-of-way phase. Grant revenues will be received upon completion.

(2) 2007: Trillium Cordata Fee \$961,975

May 2008
City of Bellingham
Enterprise Funds, Revenue/Expenditure Summary

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Storm & Surface Water Fund #430					
Budgeted Beginning Balance	\$ 2,515,808	\$ 3,598,554	43%	\$ 3,598,554	100%
Revenues	2,006,223	2,049,682	2	5,387,343	38
Expenses	1,435,513	1,640,355	14	7,757,083	21
Projected/Budgeted Ending Balance	\$ 3,086,518	\$ 4,007,881	30%	\$ 1,228,814	326%

Solid Waste Fund #440					
Budgeted Beginning Balance	\$ 1,937,143	\$ 2,534,269	31%	\$ 2,534,269	100%
Revenues *	1,584,422	7,045,134	345	8,332,981	85
Expenses	756,515	2,813,051	272	4,724,756	60
Projected/Budgeted Ending Balance	\$ 2,765,050	\$ 6,766,352	145%	\$ 6,142,494	110%

* 2007: Insurance recovery remediation \$897 thousand. 2008: Includes January sale of Cornwall property and March sale Colony Wharf property (\$3.6 million).

Cemetery Fund #455					
Budgeted Beginning Balance	\$ 444,397	\$ 404,284	-9%	\$ 404,284	100%
Revenues	281,004	244,697	-13	604,320	40
Expenses	270,546	254,429	-6	619,300	41
Projected/Budgeted Ending Balance	\$ 454,855	\$ 394,552	-13%	\$ 389,304	101%

Golf Course Fund #460					
Budgeted Beginning Balance	\$ 91,244	\$ 58,450	-36%	\$ 58,450	100%
Revenues	252,867	81,606	-68	181,800	45
Expenses	266,574	44,123	-83	176,467	25
Projected/Budgeted Ending Balance	\$ 77,537	\$ 95,933	24%	\$ 63,783	150%

Development Services Fund #475					
Budgeted Beginning Balance	\$ 836,211	\$ 1,215,916	45%	\$ 1,215,916	100%
Revenues	1,364,252	1,039,809	-24	2,832,556	37
Expenses	989,892	1,318,614	33	3,258,551	40
Projected/Budgeted Ending Balance	\$ 1,210,571	\$ 937,111	-23%	\$ 789,921	119%

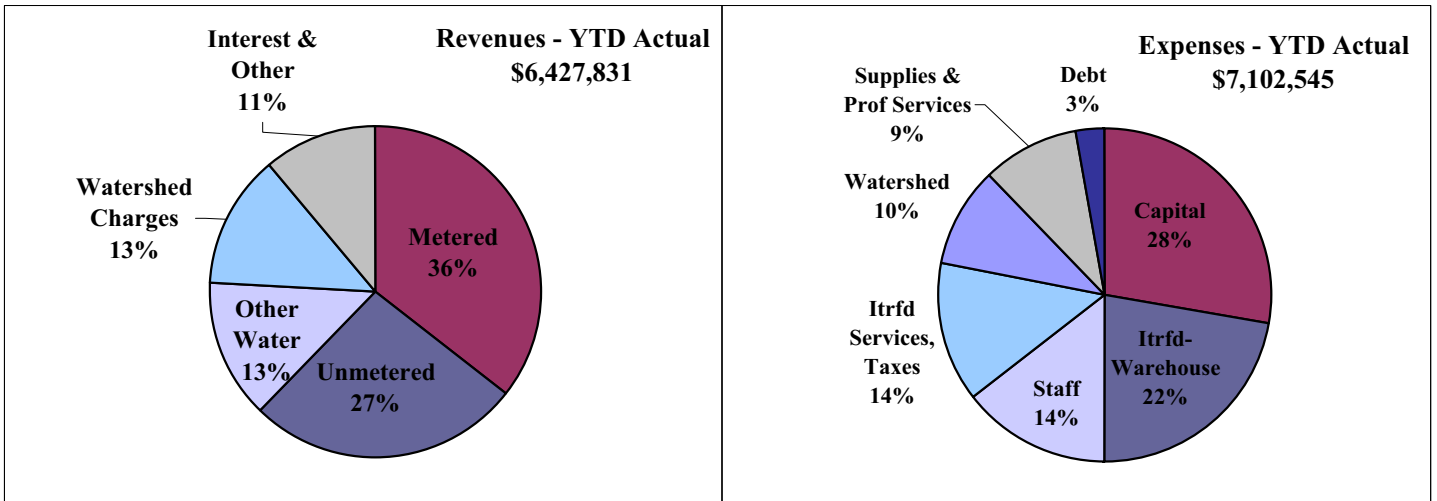
<i>Development Services Activity YTD</i>	<u>2007</u>	<u>2008</u>
<i>Permits*</i>	449	332
<i>Units</i>	298	113
<i>Valuation (\$millions)**</i>	\$108.9	\$60.9

*January 2007: 73 residential permits were issue to D R Horton when the permit moratorium was lifted.

**March 2007: Western Washington University \$30.1 million valuation for Academic Instructional Center

May 2008
City of Bellingham
Water Fund Operating Statement

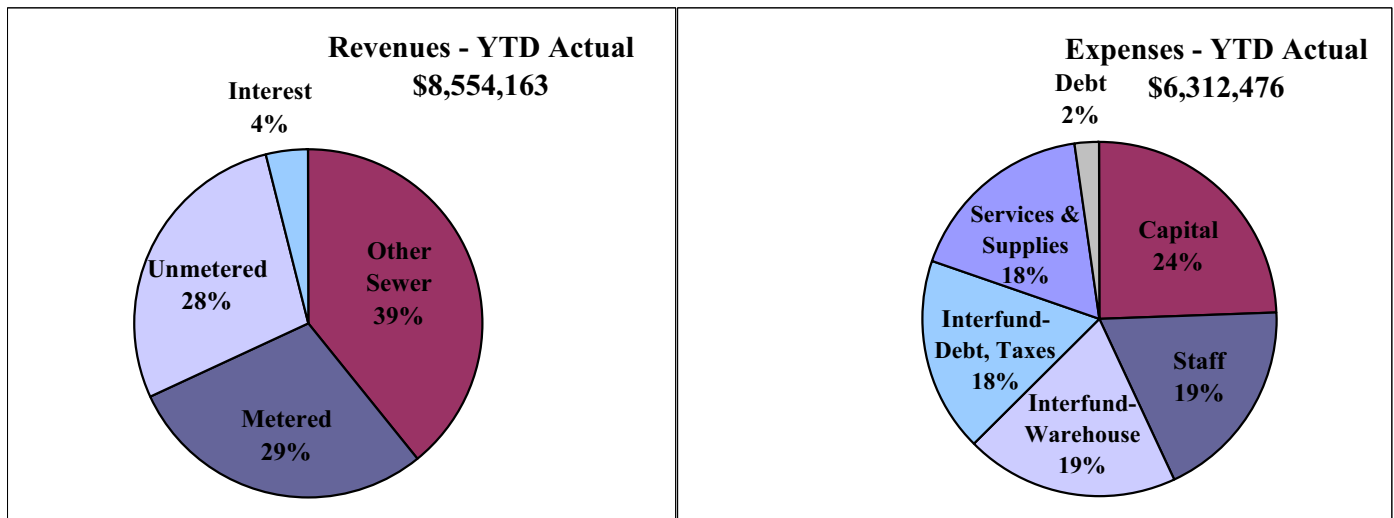
Water Fund #410, Enterprise	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance - Water Operations	\$ 14,603,567	\$ 14,775,877	1%	\$ 14,775,877	100%
Revenues					
Unmetered Water	1,569,254	1,720,112	10	4,150,000	41
Metered Water	2,076,972	2,287,499	10	5,720,220	40
Other Water System Charges	(1) 1,272,835	860,889	-32	3,005,843	29
Investment Interest	304,798	273,954	-10	842,684	33
Other Revenues	306,476	437,984	43	2,163,000	20
Other Financing Sources	-	-	0	2,720,000	0
Total Revenues	5,530,335	5,580,438	1	18,601,747	30
Expenses					
Salaries, Wages & Benefits	910,208	1,021,224	12	2,543,515	40
Supplies & Services-Professional, Repairs, Utilities	529,496	672,587	27	3,403,554	20
Intergovernmental Services, Taxes, & Fees	883,214	959,601	9	2,498,736	38
Capital Outlay	949,145	1,979,431	109	15,965,185	12
Debt-(Principal & Interest), Interfund Loans, & Transfers	213,702	193,099	-10	1,244,416	16
Interfund-Warehouse & Services	1,435,136	1,579,027	10	3,904,215	40
Total Expenses	4,920,901	6,404,970	30	29,559,621	22
Projected/Budgeted Ending Balance - Water Operations	15,213,001	13,951,346	-8	3,818,003	365
Budgeted Beginning Balance - Watershed Activity	1,273,132	216,138	-83	216,138	100
Revenues					
Watershed Charges	829,604	832,620	0	2,080,000	40
Demand Charges	-	5,761	100	-	100
Investment Interest & Other Revenue	25,209	9,012	-64	92,140	10
Total Revenues	854,813	847,393	-1	2,172,140	39
Expenses					
Supplies & Services	1,471	5,544	277	165,660	3
Intergovernmental Services, Taxes, & Fees	166,105	156,368	-6	422,790	37
Capital Outlay	(2) 812,236	458,164	-44	1,096,568	42
Debt-(Principal & Interest), Interfund Loans, & Transfers	88,381	77,500	-12	618,667	13
Total Expenses	1,068,193	697,575	-35	2,303,685	30
Projected/Budgeted Ending Balance - Watershed	1,059,753	365,955	-65	84,593	433
Projected/Budgeted Ending Balance - Combined	\$ 16,272,753	\$ 14,317,301	-12%	\$ 3,902,596	367%



(1) 2008: Demand fees from new construction decreased \$130,000 from 2007 due to a decrease in new construction.
(2) 2007: Watershed land acquisition - \$810 thousand.

May 2008
City of Bellingham
Wastewater Fund Operating Statement

Wastewater Fund #420, Enterprise	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance	\$ 17,142,252	\$ 17,761,257	4%	\$ 17,761,257	100%
Revenues					
Unmetered Sewer	2,249,480	2,384,465	6	5,716,250	42
Metered Sewer	2,248,575	2,470,251	10	6,020,176	41
Investment Interest	393,286	338,442	-14	1,131,043	30
Other Revenues	(1) 2,235,498	3,361,005	50	3,905,471	86
Total Revenues	7,126,839	8,554,163	20	16,772,940	51
Expenses					
Salaries, Wages & Benefits	1,118,844	1,179,518	5	3,010,565	39
Supplies	225,541	256,384	14	644,819	40
Services-Professional, Repairs, Utilities	878,287	849,095	-3	3,701,131	23
Intergovernmental Services, Taxes, & Fees	846,333	1,128,216	33	2,165,168	52
Capital Outlay	857,452	1,534,840	79	12,976,500	12
Debt-(Principal & Interest), Interfund Loans, & Transfers	188,675	136,941	-27	2,220,840	6
Interfund-Warehouse & Services	1,067,253	1,227,482	15	2,978,384	41
Total Expenses	5,182,385	6,312,476	22	27,697,407	23
Projected/Budgeted Ending Balance	\$ 19,086,706	\$ 20,002,944	5%	\$ 6,836,790	293%



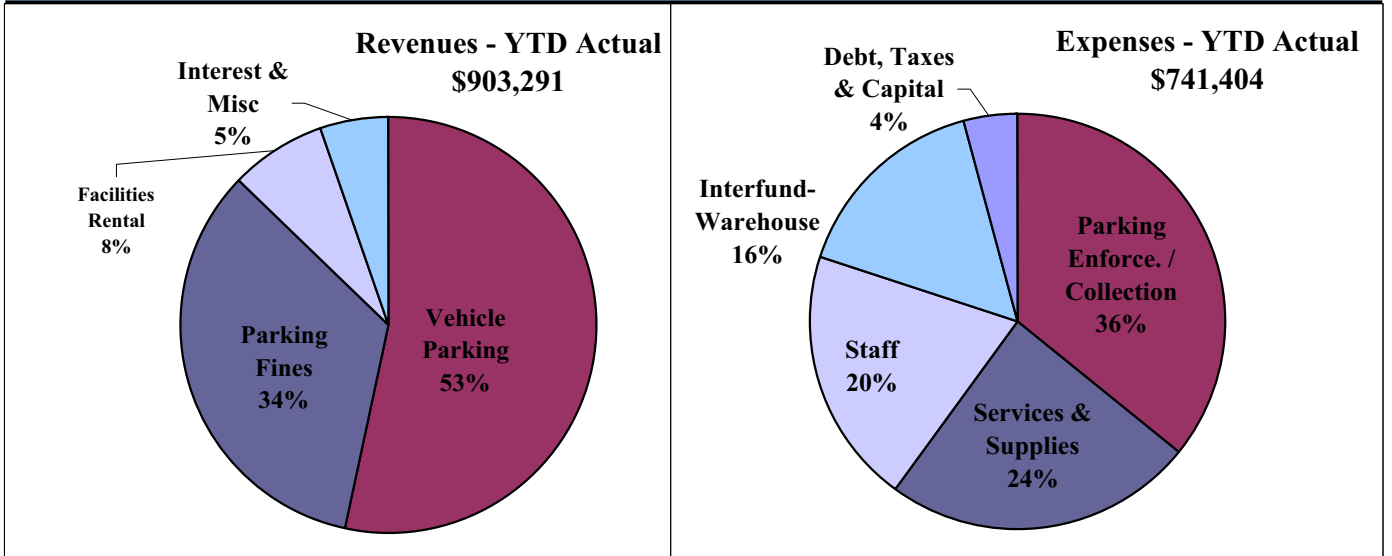
(1) 2007: Increase in System Development Charges due to issuance of D R Horton permits - \$630 thousand; PSE award to upgrade WWTP- \$334 thousand.

Water/Sewer Revenue Bonds have a "Coverage Requirement" that Net Revenues of the combined funds be at least 1.25 times the Maximum Annual Debt Service of \$2,157,270. Net Revenue is defined as Revenue (utility related income and investment earnings), less Expenses (maintenance and operations, less depreciation and capital items). At 12/31/07, the ratio was 6.68. At 05/31/08, the ratio is estimated at 8.37.

May 2008
City of Bellingham
Parking Services Fund Operating Statement

Parking Fund #465, Enterprise		Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance		\$ 1,207,384	\$ 1,902,902	58%	\$ 1,902,902	100%
Revenues						
Vehicle Parking	(1)	565,486	481,458	-15	1,493,306	32
Parking Infraction Fines	(2)	-	305,563	100	927,998	33
Facilities Rental		58,420	67,791	16	130,111	52
Investment Interest		29,320	39,946	36	52,676	76
Miscellaneous Revenues		8,135	8,533	5	19,500	44
Total Revenues		661,361	903,291	37	2,623,591	34
Expenses						
Salaries, Wages & Benefits		117,665	148,935	27	406,907	37
Supplies		25,146	49,771	98	101,574	49
Services-Professional, Repairs, Utilities		85,980	129,706	51	817,405	16
Intergovernmental Services, Taxes, & Fees		4,388	1,642	-63	8,375	20
Parking Infraction Enforcement/Collection	(2)	-	265,455	100	-	100
Capital Outlay		3,790	20,763	448	1,952,365	1
Debt-(Principal & Interest), Interfund Loans, & Transfers		10,830	9,272	-14	769,344	1
Interfund-Warehouse & Services		136,611	115,860	-15	209,840	55
Total Expenses		384,410	741,404	93	4,265,810	17

Projected/Budgeted Ending Balance	\$ 1,484,335	\$ 2,064,789	39%	\$ 260,683	792%
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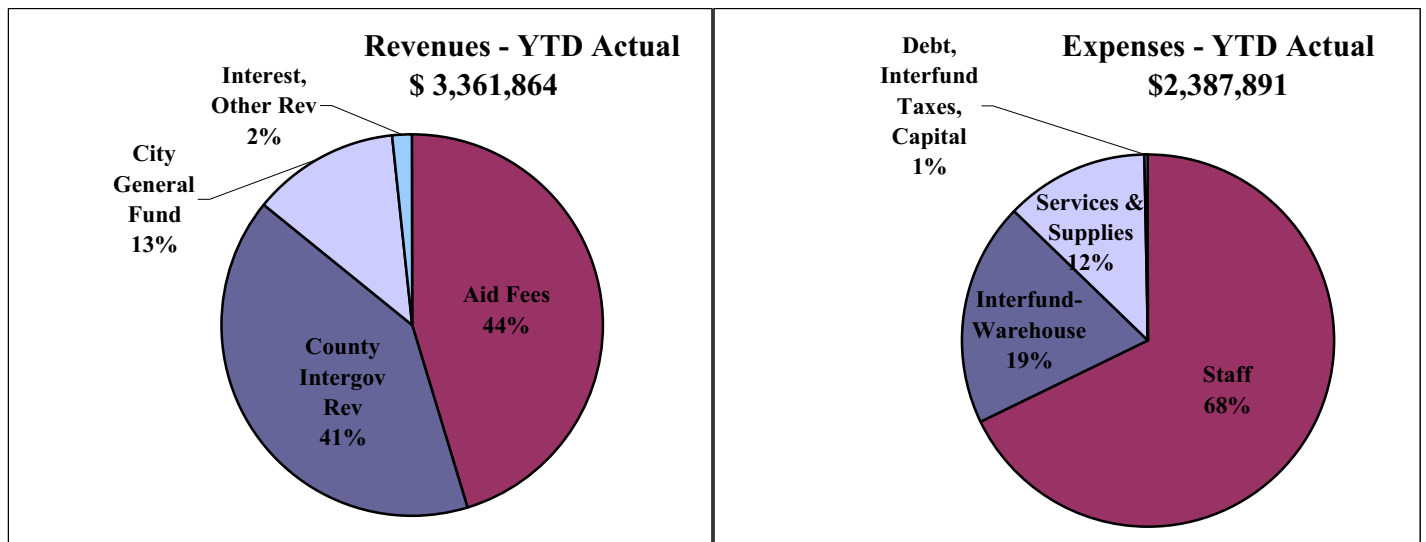


(1) 2007: \$105,000 in annual parking fees that are usually collected in December were collected in January.

(2) 2007: Parking Infraction revenues (beginning June 2007) and related enforcement and collection expenses (beginning July 2007) previously accounted for in the General Fund.

May 2008
City of Bellingham
Medic One Fund Operating Statement

Medic One Fund #470, Enterprise	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance	\$ 553,749	\$ 579,521	5%	\$ 579,521	100%
Revenues					
Special Purpose Tax	(1) 233,904	248,826	6	528,150	47
Less Transfers of Special Purpose Tax to Whatcom Cty	(1)(a) (233,904)	(248,826)	6	(528,150)	47
Ambulance & Emergency Aid Fees	1,301,661	1,518,994	17	3,353,542	45
City of Bellingham - General Fund	419,122	423,313	1	1,015,951	42
Intergovernmental Revenue - Whatcom County & others	(2) 1,051,648	1,362,680	30	3,093,766	44
Investment Interest	24,253	26,873	11	77,628	35
Other Revenues & Financing Sources	83,701	30,004	-64	1,000	3000
Total Revenues	2,880,385	3,361,864	17	7,541,887	45
Expenses					
Salaries, Wages & Benefits	1,683,844	1,619,362	-4	4,915,917	33
Supplies	148,024	164,850	11	568,800	29
Services-Professional, Repairs, Utilities	162,830	129,048	-21	448,905	29
Intergovernmental Services, Taxes, & Fees	193,879	8,778	-95	33,894	26
Capital Outlay	37,449	-	-100	282,363	0
Interfund-Warehouse & Services	377,542	465,853	23	1,316,603	35
Total Expenses	2,603,568	2,387,891	-8	7,566,482	32
Projected/Budgeted Ending Balance	\$ 830,566	\$ 1,553,494	87%	\$ 554,926	280%



(1) City share of the 0.1% sales tax increase effective April 1, 2006 for EMS.

(1)(a) City share of tax is remitted to the Whatcom County EMS Fund as an Intergovernmental Transfer.

(2) 2008: Per Interlocal Agreement, Whatcom County will contribute \$1,363,505 from its General Fund plus a projected \$1,730,709 contribution from the Whatcom County EMS Fund.

May 2008
City of Bellingham
Internal Service Funds, Revenue/Expenditure Summary

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Purchasing & Materials Mgt Fund #520					
Budgeted Beginning Balance	\$ 571,078	\$ 428,628	-25%	\$ 428,628	100%
Revenues	834,750	882,904	6	1,919,239	46
Expenses	926,418	797,820	-14	2,147,213	37
Projected/Budgeted Ending Balance	\$ 479,410	\$ 513,712	7%	\$ 200,654	256%

Facilities Administration Fund #530					
Budgeted Beginning Balance	\$ 1,016,920	\$ 1,198,122	18%	\$ 1,198,122	100%
Revenues	933,054	917,057	-2	2,145,160	43
Expenses	832,403	837,338	1	2,564,235	33
Projected/Budgeted Ending Balance	\$ 1,117,571	\$ 1,277,841	14%	\$ 779,047	164%

Telecommunication Fund #540					
Budgeted Beginning Balance	\$ 490,180	\$ 955,032	95%	\$ 955,032	100%
Revenues *	190,911	205,124	7	427,276	48
Expenses**	232,994	581,530	150	1,299,978	45
Projected/Budgeted Ending Balance	\$ 448,097	\$ 578,626	29%	\$ 82,330	703%

* 2007: New phone system - \$1.1 million interfund transfers

** 2007: New phone system - \$495 thousand in expenses YTD

Claims & Litigation Fund #550					
Budgeted Beginning Balance	\$ 4,871,114	\$ 4,944,015	1%	\$ 4,944,015	100%
Revenues	380,032	416,416	10	1,125,617	37
Expenses	440,820	438,226	-1	1,032,659	42
Projected/Budgeted Ending Balance	\$ 4,810,326	\$ 4,922,205	2%	\$ 5,036,973	98%

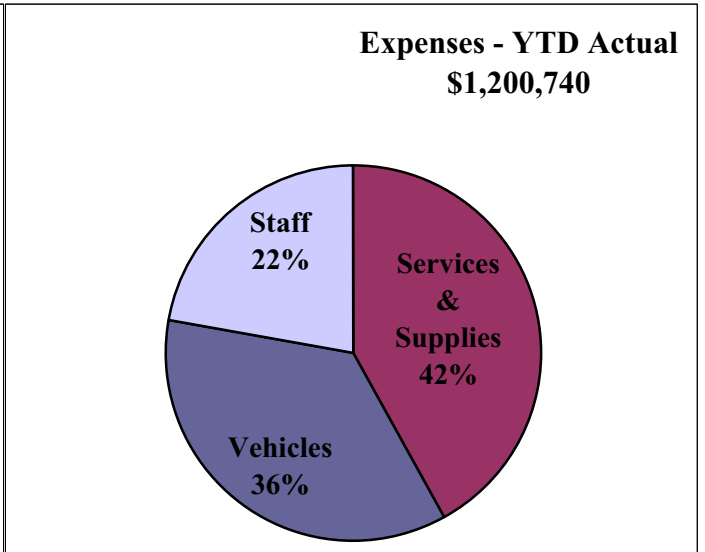
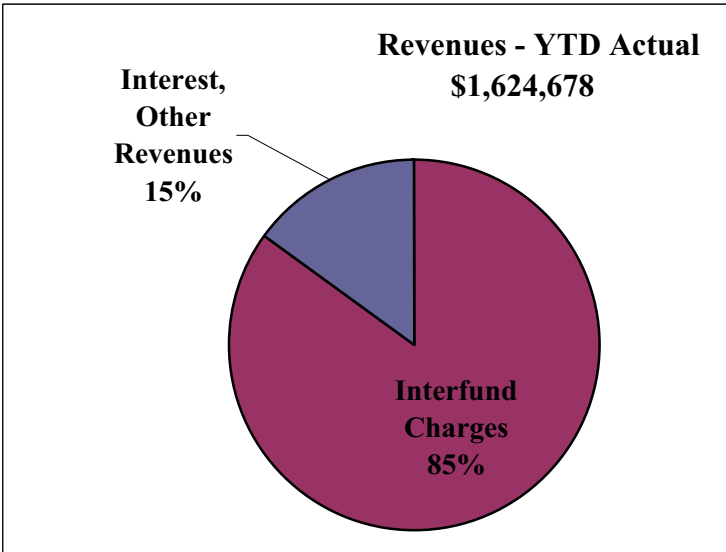
Unemployment Compensation Fund #561					
Budgeted Beginning Balance	\$ 330,295	\$ 275,296	-17%	\$ 275,296	100%
Revenues	6,666	4,988	-25	18,509	27
Expenses	31,542	32,295	2	122,005	26
Projected/Budgeted Ending Balance	\$ 305,419	\$ 247,989	-19%	\$ 171,800	144%

Worker's Comp Self-Insurance Fund #562					
Budgeted Beginning Balance	\$ 750,020	\$ 913,892	22%	\$ 913,892	100%
Revenues	309,768	254,441	-18	604,129	42
Expenses	288,902	317,124	10	737,783	43
Projected/Budgeted Ending Balance	\$ 770,886	\$ 851,209	10%	\$ 780,238	109%

Health Benefits Fund #565					
Budgeted Beginning Balance	\$ 1,133,532	\$ 1,272,460	12%	\$ 1,272,460	100%
Revenues	3,677,324	4,181,010	14	10,071,102	42
Expenses	3,615,273	4,120,341	14	10,315,546	40
Projected/Budgeted Ending Balance	\$ 1,195,583	\$ 1,333,129	12%	\$ 1,028,016	130%

May 2008
City of Bellingham
Fleet Fund Operating Statement

Fleet Fund #510, Internal Service	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance	\$ 5,614,972	\$ 5,675,532	1%	\$ 5,675,532	100%
Revenues					
Operating Revenues - Interfund	1,048,058	1,382,599	32	5,476,297	25
Investment Interest	111,468	101,723	-9	291,462	35
Other Miscellaneous Revenues	2,284	4,983	118	-	100
Other Financing Sources	38,600	135,373	251	350,000	39
Total Revenues	1,200,410	1,624,678	35	6,117,759	27
Expenses					
Salaries, Wages & Benefits	254,400	266,542	5	653,739	41
Supplies	113,569	134,454	18	305,160	44
Services-Professional, Repairs, Utilities	78,149	93,616	20	203,458	46
Vehicle & Equipment Purchases	380,484	429,584	13	5,128,517	8
Interfund-Parts, Services & Supplies	280,184	276,544	-1	639,582	43
Total Expenses	1,106,786	1,200,740	8	6,930,456	17
Projected/Budgeted Ending Balance	\$ 5,708,596	\$ 6,099,470	7%	\$ 4,862,835	125%



May 2008
City of Bellingham
Cash and Investments Report

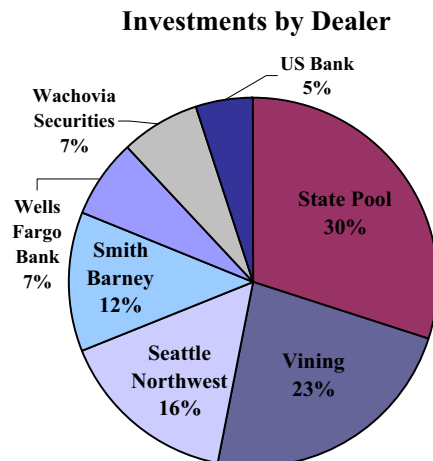
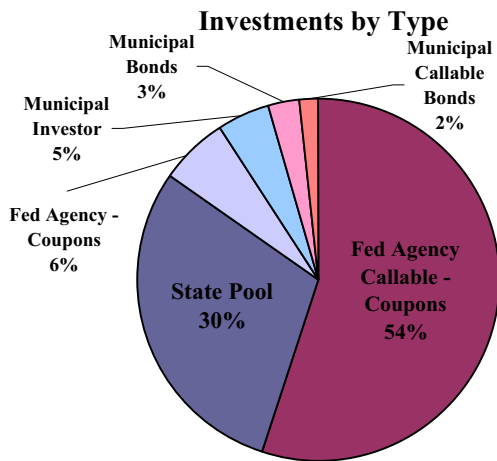
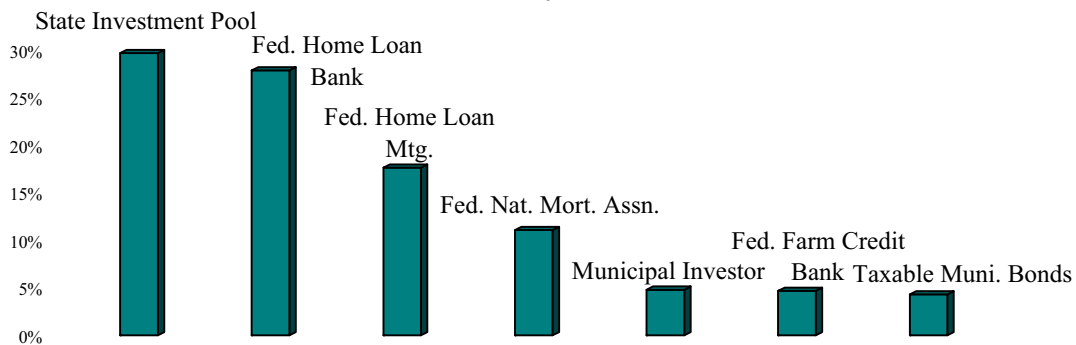
Unrestricted-Cash & Investments	Prior Month Ending Bal.	Cash Increase	Cash Decrease	Current Ending Bal.
General Fund*	\$ 10,924,269	\$ 8,661,349	\$ 5,372,267	\$ 14,213,351
General Fund Reserve*	6,864,304	22,861	-	6,887,165
Street*	11,607,953	1,423,424	1,250,753	11,780,624
Arterial, Paths - Street Funds	678,951	47,218	1,983	724,186
Technology Replacement and Reserve*	2,252,414	7,457	23,209	2,236,662
Park Acquisition & Capital Maintenance	4,609,441	28,450	83,739	4,554,152
Library Gift	33,946	60	7,500	26,506
Settlement Funds	2,379,508	8,446	7,284	2,380,670
Real Estate Excise Tax Funds	9,290,993	248,191	311,609	9,227,575
Police Special Revenue Funds	965,546	5,474	37,792	933,228
Public Safety Dispatch	1,859,146	130,331	348,319	1,641,158
Park Funds	7,808,626	1,471,189	74,317	9,205,498
Tourism	428,908	96,297	86,346	438,859
Community Development Block Grant	286,943	188,978	96,732	379,189
Home Investment Partnership Grant	(160,514)	210,591	138,894	(88,817)
Debt & LID Funds	637,709	216,399	15,247	838,861
Construction- Civic Field	314,562	43,523	47,950	310,135
Water	6,281,558	1,534,817	3,178,210	4,638,165
Wastewater	14,484,709	1,227,732	1,920,475	13,791,966
Storm/Surface Water Utility	3,924,834	430,343	392,989	3,962,188
Solid Waste	6,528,262	159,493	123,887	6,563,868
Cemetery	109,804	35,129	62,340	82,593
Golf Course	89,137	27,946	21,037	96,046
Parking Services	2,257,368	179,460	178,338	2,258,490
Medic One	1,371,400	677,095	440,759	1,607,736
Development Services*	1,007,791	182,709	236,240	954,260
Fleet Administration*	6,022,871	503,903	408,315	6,118,459
Purchasing/Material Management	594,621	123,536	164,994	553,163
Facilities Administration	1,289,790	177,363	174,208	1,292,945
Telecommunications	714,223	40,283	174,722	579,784
Claims and Litigation*	4,967,453	72,919	118,115	4,922,257
Unemployment Compensation*	278,826	897	31,733	247,990
Workers Comp Self-Insurance*	823,083	53,513	29,620	846,976
Health Benefits*	1,281,123	864,219	822,373	1,322,969
Fire and Police Pension Funds	9,817,776	891,263	186,649	10,522,390
Trust & Deposit Funds	3,080,820	6,753,101	7,623,866	2,210,055
Payroll & Accounts Payable Funds	3,517,470	15,962,778	15,883,757	3,596,491
Greenways Endowment	2,595,775	148,284	-	2,744,059
Natural Resources Protect & Restore	4,616,724	15,376	4,159	4,627,941
Total Cash & Investments	136,438,123	42,872,397	40,080,727	139,229,793
<i>* Funds with City Council approved budget reserve goals.</i>				
Restricted Cash & Investments -Debt, Construction				
Civic Field (Restricted for Debt & Construction)	488,538	-	40,866	447,672
Water (Restricted for Debt & Construction)	10,058,935	333,280	547,477	9,844,738
Wastewater (Restricted for Debt & Constr)	5,808,175	241,980	4,208	6,045,947
Solid Waste (Restricted for Debt & Constr)	304,249	58,066	-	362,315
Cemetery - Preneed Trust & Endowed Care	472,325	2,370	-	474,695
Parking - Restricted for Debt Svc P&I	77,148	11,021	-	88,169
Total Restricted	17,209,370	646,717	592,551	17,263,536
Total Funds Available	\$ 153,647,493	\$ 43,519,114	\$ 40,673,278	\$ 156,493,329
Discrete Component Unit (Restricted)				
Public Facilities District	\$ 2,505,976	\$ 1,104,465	\$ 1,064,478	\$ 2,545,963
Public Facilities District Construction	8,518,701	87,255	985,002	7,620,954
Total Public Facilities District Funds	\$ 11,024,677	\$ 1,191,720	\$ 2,049,480	\$ 10,166,917

May 2008
City of Bellingham
Investment Summary

Portfolio Summary	Book Value	Term in Years	YTM/C 365Equiv.
Investments By Type			
State Investment Pool	\$ 49,236,579	0.0	2.43%
U.S. Bank Municipal Investor	7,970,865	0.0	2.00%
Federal Agency Issues - Coupon	10,297,393	2.8	4.56%
Federal Agency Callable Issues - Coupon	91,252,424	4.5	4.61%
Federal Agency Issues - Discount	-	-	-
Treasury Securities - Coupon	-	-	-
Municipal Bonds	4,510,827	2.6	5.25%
Municipal Callable Bonds	2,656,822	3.1	5.02%
Investments - Total & Average	\$ 165,924,910	2.7	3.86%
Year to Date Interest Received	2,734,778		
Year to Date Interest Earned	\$ 2,802,468		
Effective Rate of Return on Interest Earned	4.51%		

Note: This report details all investments managed by the City of Bellingham including funds held by the PFD which is legally separate from the City.

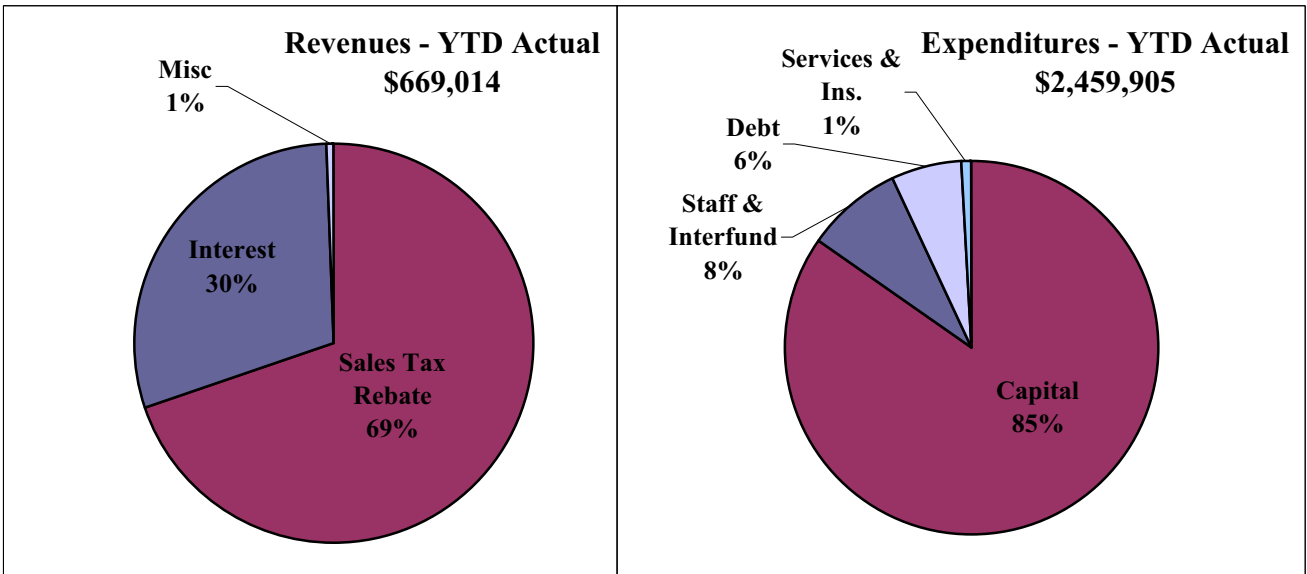
Investments By Issuer



Investment Activity Summary	Total Securities	Total Investment Book Value	YTM 365 Equivalent	State Pool Rate	6 Month T-Bill	Fed Funds Rate
December 2003	64	\$ 104,748,821	2.46%	1.07%	0.99%	0.98%
December 2004	53	118,805,167	2.64%	2.07%	2.43%	2.16%
December 2005	59	130,861,089	3.48%	4.16%	4.18%	4.16%
December 2006	49	131,701,705	4.71%	5.21%	4.88%	5.24%
December 2007	52	157,866,765	4.87%	4.56%	3.23%	4.24%
January 2008	53	160,153,129	4.68%	4.36%	2.75%	3.94%
February 2008	56	161,138,653	4.44%	3.79%	2.04%	2.98%
March 2008	59	159,410,510	4.24%	3.14%	1.48%	2.61%
April 2008	58	162,976,868	4.07%	2.70%	1.55%	2.28%
May 2008	55	\$ 165,924,911	3.86%	2.43%	1.82%	1.98%

May 2008
Public Facilities District
Operating Statement

Public Facilities District	Prior YTD	Current YTD	Percent Change	Annual Budget	Percent Act/Bud
Budgeted Beginning Balance	\$ 4,778,049	\$ 11,781,025	147%	\$ 11,775,339	100%
Revenues					
Sales Tax Rebate	(1) 443,645	465,827	5	1,203,442	39
Interest Income	98,233	199,557	103	288,846	69
Other Income	8,373	2,545	-70	-	100
Interfund Revenue	-	-	0	2,885,000	0
Grant Revenues	-	-	0	471,833	0
Transfers In	-	1,084	100	-	100
Misc Revenue	7	-	-100	-	0
Total Revenues	550,258	669,014	22	4,849,121	14
Expenditures					
Salaries & Benefits	(2) 39,152	28,809	-26	80,505	36
Supplies & Miscellaneous	700	180	-74	5,029	4
Insurance	8,023	5,459	-32	9,400	58
Services-Professional, Repairs, Utilities	7,246	13,508	86	57,277	24
Interfund Services	5,655	177,323	3036	18,839	941
Capital Costs	238,619	2,082,133	773	13,283,548	16
Debt-Principal & Interest	-	152,493	100	1,067,273	14
Total Expenditures	299,395	2,459,905	722	14,521,871	17
Projected/Budgeted Ending Balance	\$ 5,028,912	\$ 9,990,134	99%	\$ 2,102,589	475%



(1) Sales Tax Rebate of .033% of Countywide retail sales.
(2) PFD staffing levels were reduced from 1.0 FTE in 2007 to 0.5 FTE in 2008. Management oversight was transferred to Planning.

The Bellingham-Whatcom Public Facilities District is a separate Washington municipal corporation and an independent taxing authority. Administrative services and financial management are provided through an interlocal agreement with the City of Bellingham.