

CITY OF BELLINGHAM

JUNE 2008 FINANCIAL REPORT

Highlights

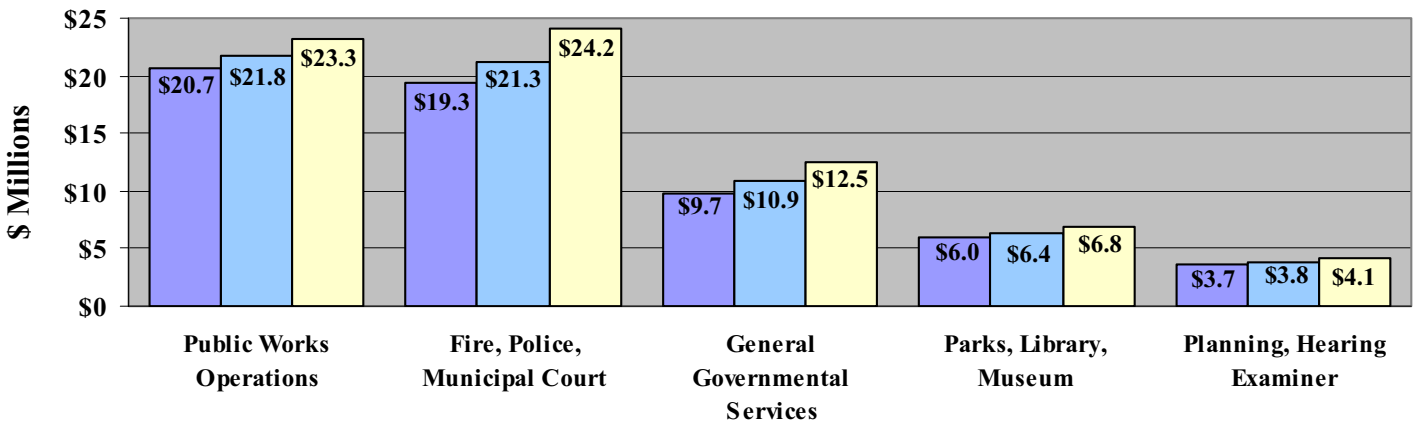
- Citywide revenues of \$106.7 million are 47% of the annual budget. Expenditures of \$96.6 million are 32% of the annual budget. Capital expenditures of \$17.4 million are 16% of the capital budget.
- General Fund revenues of \$35.4 million are 54% of the annual budget. General Fund expenditures of \$39.6 million are 49% of the annual budget.
- The City had \$154.5 million invested, earning an average of 4.53%, 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>

Contents

▪ City-Wide Operating Statement	Page 1
▪ General Fund Operating Statement	Page 2
▪ General Fund Balance Report	Page 3
▪ Special Revenue Funds Summary	Page 4
▪ Street Fund Statement	Page 5
▪ Enterprise Funds Summary	Page 6
▪ Water Fund Statement	Page 7
▪ Wastewater Fund Statement	Page 8
▪ Parking Services Statement	Page 9
▪ Medic One Statement	Page 10
▪ Internal Service Funds Summary	Page 11
▪ Fleet Statement	Page 12
▪ Cash and Investments Report	Page 13
▪ Investment Summary	Page 14
▪ Public Facilities District	Page 15

Citywide – Cash & Investments			Citywide – Investment Interest Received			General Fund Expenditures 06/30/08		
6/30/2008	\$ 155,293,347		6/30/2008	\$ 3,325,881		Budget (Annualized)	\$ 40,270,446	
6/30/2007	144,406,667		6/30/2007	3,109,019		Actual to Date	39,594,685	
Increase	7.5%	\$ 10,886,680	Increase	7.0%	\$ 216,862	Variance	1.7%	\$ 675,761
General Fund – Sales Tax Collected			General Fund - Utility Taxes Collected			General Fund - B & O Tax Collected		
6/30/2008	\$ 4,657,812		6/30/2008	\$ 6,956,806		6/30/2008	\$ 6,450,555	
6/30/2007	4,530,363		6/30/2007	6,557,658		6/30/2007	6,205,900	
Increase	2.8%	\$ 127,449	Increase	6.1%	\$ 399,148	Increase	3.9%	\$ 244,655

Citywide Operating Expenditures through June 30, 2006/2007/2008 ■ 2006 ■ 2007 ■ 2008



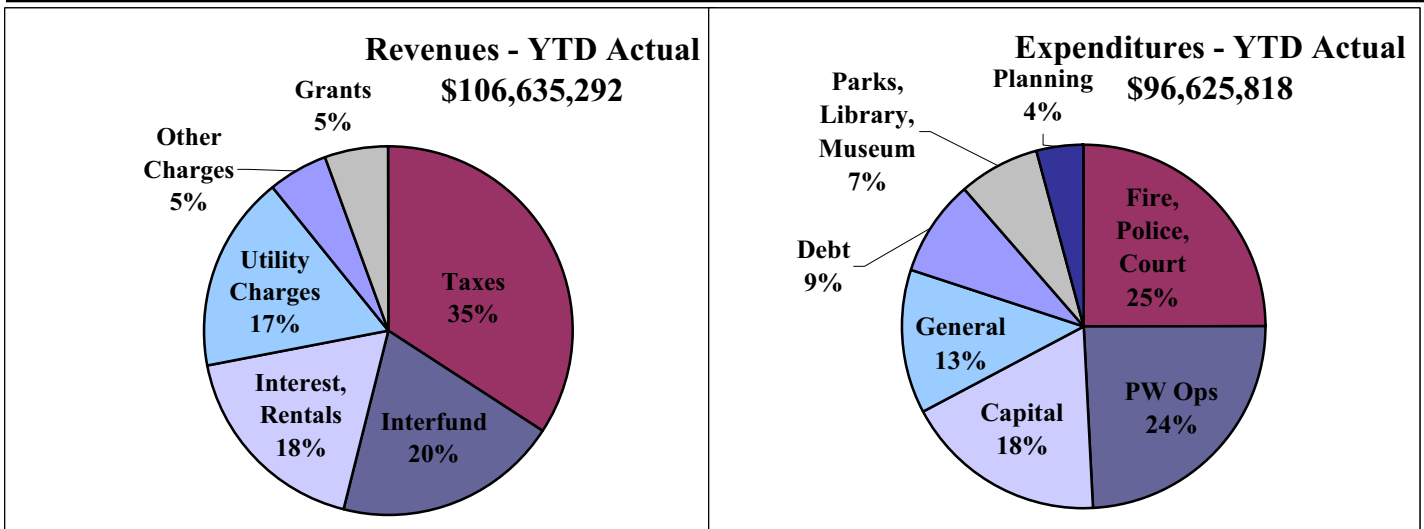
Please refer questions or comments on Financial Reports to: John Carter, Finance Director or Kipp Drummond, Accounting Manager

City Website: <http://www.cob.org>

Financial Reports Website: <http://www.cob.org/finance/reports.htm>

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

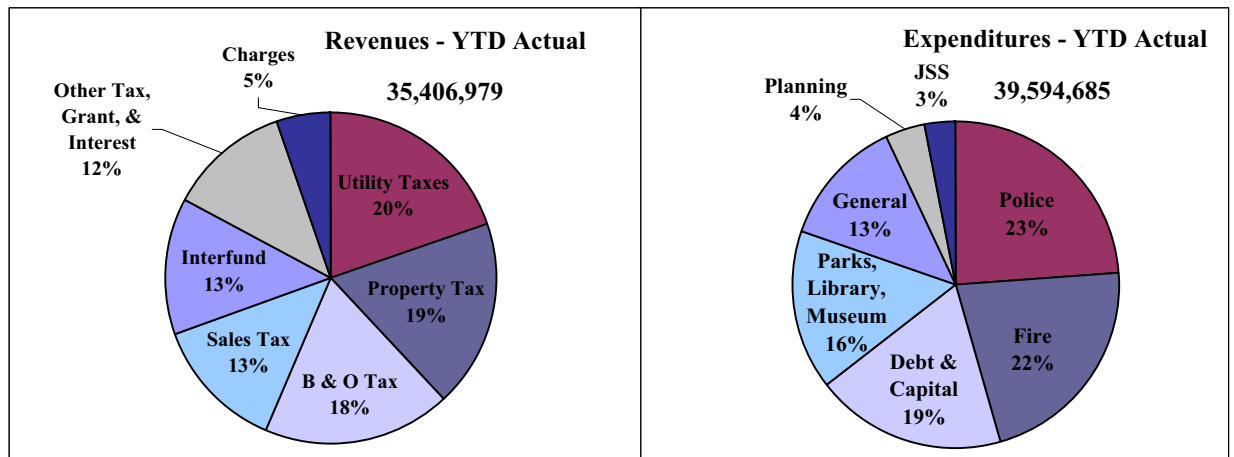
	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
Budgeted Beginning Balance	\$122,619,638	\$139,937,693	14%	\$139,937,693	100%
Revenues					
Property Taxes	9,288,590	9,801,451	6	17,797,545	55
Sales Tax	8,987,645	9,289,189	3	19,864,000	47
B & O Tax	6,205,900	6,450,555	4	12,469,000	52
Utility Taxes	7,169,993	7,584,753	6	14,388,881	53
Other Taxes	3,826,511	3,190,859	-17	7,589,225	42
Grants, Entitlements, Revenue Sharing	4,896,170	5,812,294	19	38,815,631	15
Utility Charges for Services	16,352,012	18,182,083	11	34,634,343	52
Other Charges, Fines, Permits, Licenses (1)	8,061,029	5,818,182	-28	13,923,721	42
Interest, Rentals, Bonds, Other Revenues (2)	14,051,113	19,358,429	38	31,805,747	61
Interfund Sales & Service	11,815,414	14,305,660	21	22,450,393	64
Interfund Loans & Transfers (3)	3,069,061	6,841,837	123	12,898,770	53
Total Revenues	93,723,438	106,635,292	14	226,637,256	47
Expenditures					
General Governmental Services	10,850,393	12,535,488	16	28,409,874	44
Fire, Police, Municipal Court (3)	21,252,930	24,165,151	14	50,860,644	48
Public Works Operations	21,772,544	23,259,100	7	61,531,454	38
Planning, Hearing Examiner (4)	3,780,466	4,120,784	9	12,832,711	32
Libraries, Museums, Parks	6,430,241	6,795,333	6	16,262,882	42
Debt Service, Loans, Transfers	4,654,780	8,327,989	79	20,795,810	40
Capital Expenditures (2)	8,048,885	17,421,973	116	109,442,917	16
Total Expenditures	76,790,239	96,625,818	26	300,136,292	32
Projected/Budgeted Ending Balance	\$139,552,837	\$149,947,167	7%	\$66,438,657	226%



(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) 2008: Interfund charges, as well as corresponding interfund loan revenue, of \$2,250,000 for fire truck replacements.
(4) 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.

June 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	6,204,564	6,551,519	6	11,896,000	55
Sales Tax	4,530,363	4,657,812	3	9,934,000	47
B & O Tax	6,205,900	6,450,555	4	12,469,000	52
Utility Taxes	6,557,658	6,956,806	6	13,108,881	53
Other Taxes	1,495,626	1,508,057	1	2,842,955	53
Grants, Entitlements, Revenue Sharing	833,869	776,672	-7	2,663,386	29
Charges, Fines, Permits, Licenses	1,960,565	1,886,641	-4	4,138,613	46
Interest, Rentals, Bonds, Other Revenues	(1) 3,712,883	1,970,091	-47	1,414,533	139
Interfund Sales & Service	2,776,999	2,074,780	-25	4,184,134	50
Interfund Loans & Transfers	(5) 789,399	2,574,046	226	3,254,181	79
Total Revenues	35,067,826	35,406,979	1	65,905,683	54
Expenditures					
Executive	(2) 910,371	838,531	-8	3,322,407	25
Legislative	162,197	223,171	38	468,872	48
Hearings Examiner	80,561	88,073	9	188,245	47
Museum	724,172	761,756	5	1,662,398	46
Library	1,616,319	1,925,707	19	3,959,511	49
Finance	(3) 813,693	1,514,634	86	2,712,606	56
Human Resources	654,636	636,086	-3	1,672,723	38
Information Technology	1,076,022	1,178,172	9	2,621,486	45
Legal	620,871	646,796	4	1,473,976	44
Judicial & Support Services	(4) 1,816,512	1,256,565	-31	3,029,178	41
Parks & Recreation	3,272,073	3,618,136	11	8,028,250	45
Planning & Community Development	1,525,855	1,424,574	-7	4,261,879	33
Fire	(5) 6,466,337	8,627,189	33	16,562,204	52
Police	(4) 7,972,597	9,418,468	18	20,055,178	47
Debt Service, Loans, Transfers	1,655,806	1,515,624	-8	3,669,291	41
Capital Expenditures	(6) 430,104	5,921,203	1277	6,852,687	86
Total Expenditures	29,798,126	39,594,685	33	80,540,891	49
Projected/Budgeted Ending Balance	\$ 21,751,853	\$ 21,293,612	-2%	\$ 10,846,110	196%



- (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: City payments to Whatcom County for jail services were moved from the Municipal Court to the Police Department resulting in an increased charge to Police, and a corresponding decreased charge to Muni Court, of \$582,649 through 6/30/2008.
(5) 2008: Interfund charges, as well as corresponding interfund loan revenue, of \$2,250,000 for fire truck replacements.
(6) 2008: Cornwall property purchase of \$2,450,649 and Colony Wharf property purchase of \$3,303,301.

June 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)
2008-06-054 To fund three part-time library security information attendants		(36,993)	-	(36,993)
2008-06-055 To fund the reclassification of three part-time museum positions		(1,633)	-	(1,633)
2008-06-062 To fund the hiring of an exec. policy and special projects coord.		-	(23,070)	(23,070)
Available Ending Balance 6/30/08		\$ (69,362)	\$ 10,915,473	\$ 10,846,110

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.

June 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	1,007,755	920,855	-9	1,243,138	74
Expenditures*	205,222	456,260	122	5,545,853	8
Projected/Budgeted Ending Balance	\$ 7,426,477	\$ 6,750,207	-9%	\$ 1,982,897	340%

* 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	51,916	1,101,103	2021	1,163,010	95
Expenditures*	254,698	43,356	-83	2,204,503	2
Projected/Budgeted Ending Balance	\$ 2,121,358	\$ 2,414,550	14%	\$ 315,310	766%

* 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	1,859,012	1,451,974	-22	6,345,359	23
Expenditures	683,896	1,629,324	138	13,732,801	12
Projected/Budgeted Ending Balance	\$ 9,634,936	\$ 8,873,770	-8%	\$ 1,663,678	533%

Police Special Rev Funds #150					
Budgeted Beginning Balance	\$ 710,107	\$ 685,361	-3%	\$ 685,361	100%
Revenues	164,021	324,848	98	342,418	95
Expenditures	280,296	80,277	-71	398,620	20
Projected/Budgeted Ending Balance	\$ 593,832	\$ 929,932	57%	\$ 629,159	148%

Public Safety Dispatch Fund #160					
Budgeted Beginning Balance	\$ 1,802,630	\$ 2,033,803	13%	\$ 2,033,803	100%
Revenues	1,981,059	1,964,036	-1	3,926,491	50
Expenditures	1,863,150	1,981,840	6	4,195,513	47
Projected/Budgeted Ending Balance	\$ 1,920,539	\$ 2,015,999	5%	\$ 1,764,781	114%

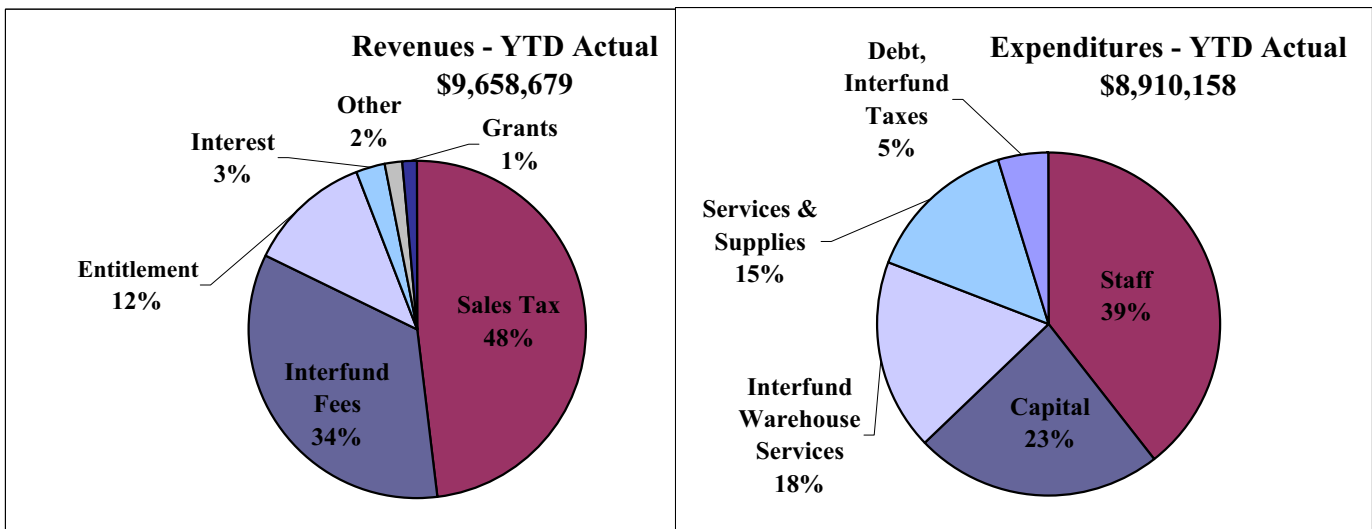
Parks Funds #170					
Budgeted Beginning Balance	\$ 4,593,445	\$ 8,890,121	94%	\$ 8,890,121	100%
Revenues	2,847,488	2,520,672	-11	5,728,860	44
Expenditures	543,793	1,899,097	249	13,401,826	14
Projected/Budgeted Ending Balance	\$ 6,897,140	\$ 9,511,696	38%	\$ 1,217,155	781%

Tourism Fund #180					
Budgeted Beginning Balance	\$ 326,872	\$ 383,171	17%	\$ 383,171	100%
Revenues	415,142	456,152	10	1,007,491	45
Expenditures	357,671	390,539	9	1,148,580	34
Projected/Budgeted Ending Balance	\$ 384,343	\$ 448,784	17%	\$ 242,082	185%

Community Development Grants Fund #190 & 191					
Budgeted Beginning Balance	\$ 807,469	\$ 451,483	-44%	\$ 451,483	100%
Revenues	192,697	599,889	211	4,149,227	14
Expenditures	614,209	678,636	10	4,298,497	16
Projected/Budgeted Ending Balance	\$ 385,957	\$ 372,736	-3%	\$ 302,213	123%

June 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	4,457,282	4,631,377	4	9,930,000	47
Federal/State Grants	(1) 149,019	124,927	-16	18,038,662	1
Entitlements	1,039,810	1,174,749	13	3,049,079	39
Interfund Fees	3,068,228	3,300,540	8	6,189,054	53
Investment Interest	281,461	266,608	-5	660,863	40
Other Revenues	(2) 1,185,555	160,478	-86	1,087,390	15
Other Financing Sources	40,000		-100	51,194	0
Total Revenues	10,221,355	9,658,679	-6	39,006,242	25
Expenditures					
Salaries, Wages & Benefits	3,352,083	3,515,429	5	7,555,311	47
Supplies	296,564	315,071	6	842,991	37
Services-Professional, Repairs, Utilities	945,981	979,144	4	3,415,948	29
Intergovernmental Services, Taxes, & Fees	207,621	187,911	-9	353,580	53
Capital Outlay	(1) 2,315,666	2,068,315	-11	32,947,641	6
Debt-(Principal & Interest), Interfund Loans, & Transfers	466,881	226,406	-52	354,820	64
Interfund-Warehouse & Services	1,318,255	1,617,882	23	3,071,192	53
Total Expenditures	8,903,051	8,910,158	0	48,541,483	18
Projected/Budgeted Ending Balance	\$ 11,615,344	\$ 11,820,122	2%	\$ 1,536,360	769%



(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

June 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	2,445,697	2,395,684	-2	5,462,343	44
Expenses	1,738,231	1,955,458	12	7,832,083	25
Projected/Budgeted Ending Balance	\$ 3,223,274	\$ 4,038,780	25%	\$ 1,228,814	329%

Solid Waste Fund #440					
Budgeted Beginning Balance	\$ 1,937,143	\$ 2,534,269	31%	\$ 2,534,269	100%
Revenues *	1,715,710	7,191,373	319	8,332,981	86
Expenses	954,393	2,901,477	204	4,724,756	61
Projected/Budgeted Ending Balance	\$ 2,698,460	\$ 6,824,165	153%	\$ 6,142,494	111%

* 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	317,584	300,554	-5	604,320	50
Expenses	321,996	302,812	-6	619,300	49
Projected/Budgeted Ending Balance	\$ 439,985	\$ 402,026	-9%	\$ 389,304	103%

Golf Course Fund #460					
Budgeted Beginning Balance	\$ 91,244	\$ 58,450	-36%	\$ 58,450	100%
Revenues	348,650	96,997	-72	181,800	53
Expenses	322,419	51,546	-84	176,467	29
Projected/Budgeted Ending Balance	\$ 117,475	\$ 103,901	-12%	\$ 63,783	163%

Development Services Fund #475					
Budgeted Beginning Balance	\$ 836,211	\$ 1,215,916	45%	\$ 1,215,916	100%
Revenues	1,627,579	1,238,736	-24	2,832,556	44
Expenses	1,318,500	1,540,451	17	3,295,135	47
Projected/Budgeted Ending Balance	\$ 1,145,290	\$ 914,201	-20%	\$ 753,337	121%

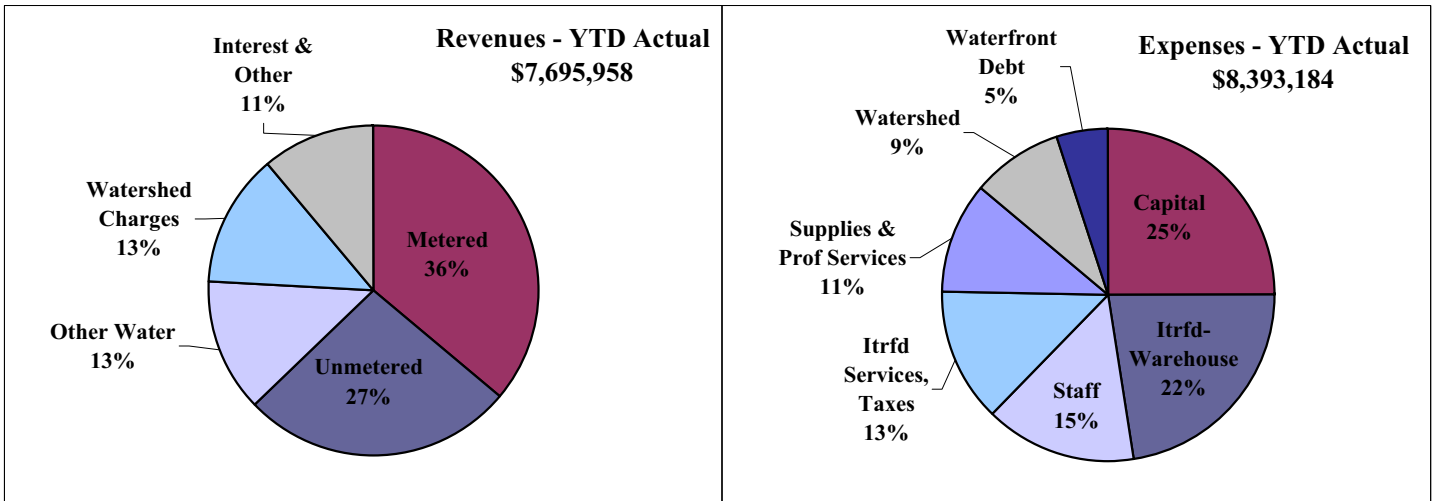
<i>Development Services Activity YTD</i>	<u>2007</u>	<u>2008</u>
<i>Permits*</i>	527	411
<i>Units</i>	341	125
<i>Valuation (\$millions)**</i>	\$126.7	\$84.7

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

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

June 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	1,876,906	2,056,730	10	4,150,000	50
Metered Water	2,478,844	2,781,478	12	5,720,220	49
Other Water System Charges	(1) 1,547,409	997,669	-36	3,005,843	33
Investment Interest	362,283	341,440	-6	842,684	41
Other Revenues	344,179	496,063	44	2,163,000	23
Other Financing Sources	-	-	0	2,720,000	0
Total Revenues	6,609,621	6,673,380	1	18,601,747	36
Expenses					
Salaries, Wages & Benefits	1,086,609	1,226,462	13	2,543,515	48
Supplies & Services-Professional, Repairs, Utilities	779,748	903,176	16	3,403,554	27
Intergovernmental Services, Taxes, & Fees	1,044,992	1,111,608	6	2,498,736	44
Capital Outlay	1,224,703	2,096,339	71	15,965,185	13
Debt-(Principal & Interest), Interfund Loans, & Transfers	446,475	412,741	-8	1,244,416	33
Interfund-Warehouse & Services	1,767,844	1,888,059	7	3,904,215	48
Total Expenses	6,350,371	7,638,386	20	29,559,621	26
Projected/Budgeted Ending Balance - Water Operations	\$ 14,862,817	\$ 13,810,871	-7%	\$ 3,818,003	362%
Budgeted Beginning Balance - Watershed Activity					
Budgeted Beginning Balance - Watershed Activity	\$ 1,273,132	\$ 216,138	-83%	\$ 216,138	100%
Revenues					
Watershed Charges	992,821	1,003,527	1	2,080,000	48
Demand Charges	-	7,009	100	-	100
Investment Interest & Other Revenue	29,036	12,042	-59	92,140	13
Total Revenues	1,021,857	1,022,578	0	2,172,140	47
Expenses					
Supplies & Services	1,491	13,532	808	165,660	8
Intergovernmental Services, Taxes, & Fees	198,353	190,477	-4	422,790	45
Capital Outlay	(2) 813,149	457,789	-44	1,096,568	42
Debt-(Principal & Interest), Interfund Loans, & Transfers	105,198	93,000	-12	618,667	15
Total Expenses	1,118,191	754,798	-32	2,303,685	33
Projected/Budgeted Ending Balance - Watershed	\$ 1,176,798	\$ 483,918	-59%	\$ 84,593	572%
Projected/Budgeted Ending Balance - Combined	\$ 16,039,615	\$ 14,294,789	-11%	\$ 3,902,596	366%

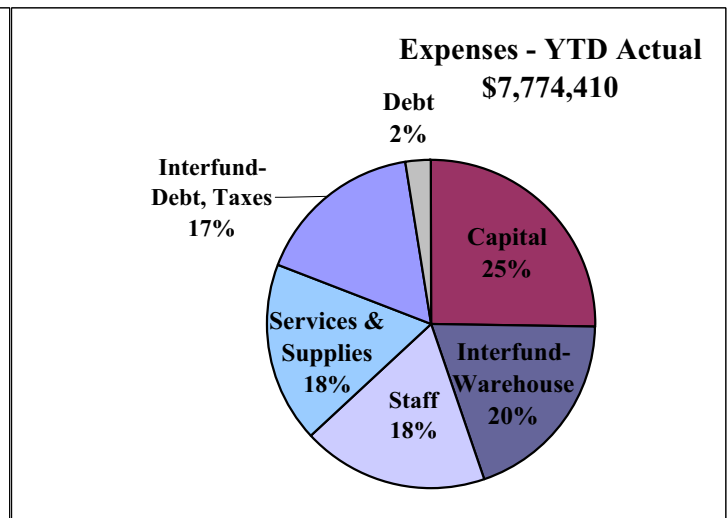
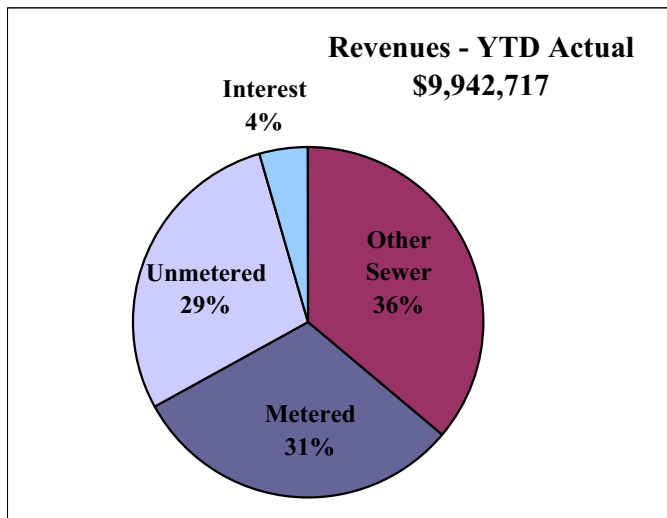


(1) 2008: Demand fees from new construction decreased \$130,000 from 2007 due to a decrease in new construction.

(2) 2007: Watershed land acquisition - \$810 thousand.

June 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	2,736,024	2,853,690	4	5,716,250	50
Metered Sewer	2,643,858	3,071,540	16	6,020,176	51
Investment Interest	464,650	433,632	-7	1,131,043	38
Other Revenues	(1) 2,566,304	3,583,855	40	3,905,471	92
Total Revenues	8,410,836	9,942,717	18	16,772,940	59
Expenses					
Salaries, Wages & Benefits	1,339,355	1,420,524	6	3,010,565	47
Supplies	274,684	306,011	11	644,819	47
Services-Professional, Repairs, Utilities	1,001,541	1,085,492	8	3,701,131	29
Intergovernmental Services, Taxes, & Fees	997,566	1,289,958	29	2,165,168	60
Capital Outlay	877,780	1,964,605	124	12,976,500	15
Debt-(Principal & Interest), Interfund Loans, & Transfers	296,702	189,652	-36	2,220,840	9
Interfund-Warehouse & Services	1,318,955	1,518,168	15	2,978,384	51
Total Expenses	6,106,583	7,774,410	27	27,697,407	28
Projected/Budgeted Ending Balance	\$ 19,446,505	\$ 19,929,564	2%	\$ 6,836,790	292%

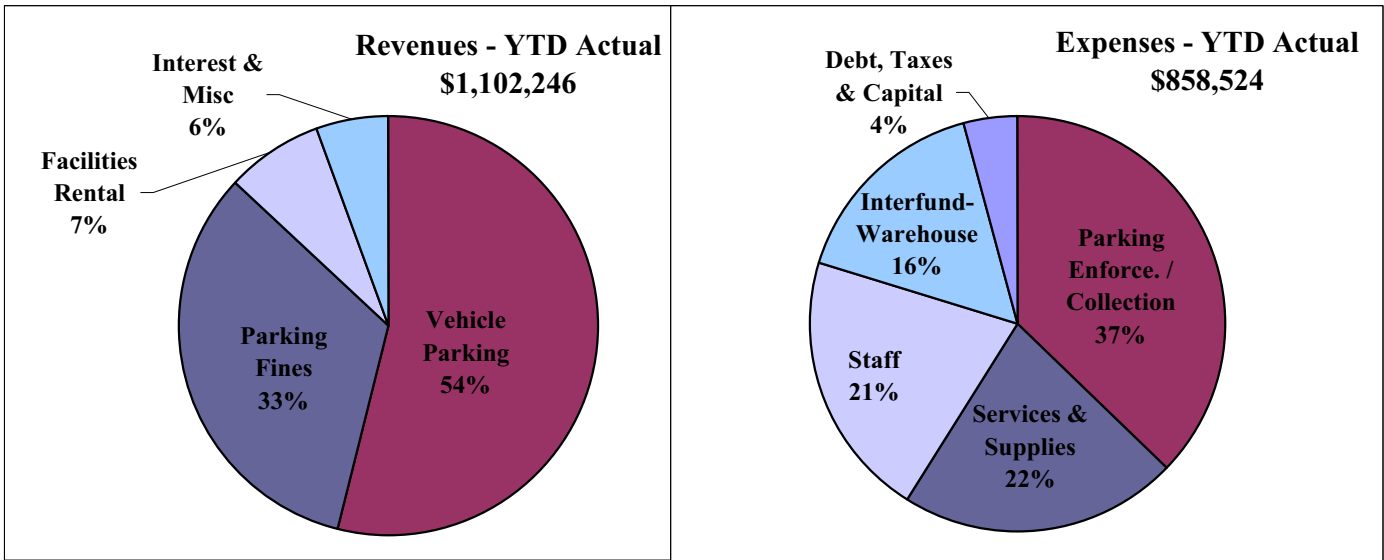


(1) 2007: Increase in System Development Charges due to issuance of D R Horton permits - \$630 thousand; PSE award to upgrade WWTP- \$334 thousand.

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 06/30/08, the ratio is estimated at 7.91.

June 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) 656,180	594,541	-9	1,493,306	40
Parking Infraction Fines	(2) 463,999	363,437	-22	927,998	39
Facilities Rental	70,399	82,545	17	130,111	63
Investment Interest	35,117	51,131	46	52,676	97
Miscellaneous Revenues	10,858	10,592	-2	19,500	54
Total Revenues	1,236,553	1,102,246	-11	2,623,591	42
Expenses					
Salaries, Wages & Benefits	146,135	179,461	23	409,639	44
Supplies	19,908	52,563	164	101,574	52
Services-Professional, Repairs, Utilities	96,405	134,610	40	817,405	16
Intergovernmental Services, Taxes, & Fees	4,468	1,736	-61	8,375	21
Parking Infraction Enforcement/Collection	(2) -	318,546	100	-	100
Capital Outlay	72	23,565	32629	1,952,365	1
Debt-(Principal & Interest), Interfund Loans, & Transfers	309,915	11,126	-96	769,344	1
Interfund-Warehouse & Services	160,588	136,917	-15	209,840	65
Total Expenses	737,491	858,524	16	4,268,542	20
Projected/Budgeted Ending Balance	\$ 1,706,446	\$ 2,146,624	26%	\$ 257,951	832%

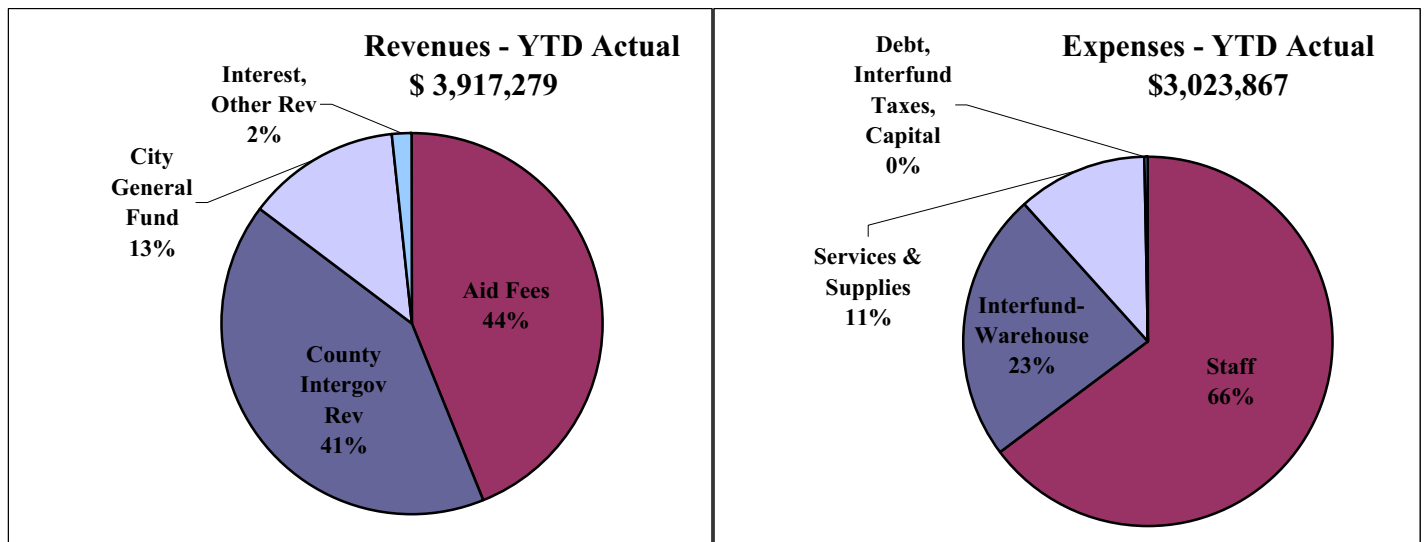


(1) 2007: \$105,000 in annual parking fees that are usually collected in December were collected in January.

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

June 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) 277,694	293,274	6	528,150	56
Less Transfers of Special Purpose Tax to Whatcom Cty	(1)(a) (277,694)	(293,274)	6	(528,150)	56
Ambulance & Emergency Aid Fees	1,607,404	1,722,435	7	3,353,542	51
City of Bellingham - General Fund	502,946	507,976	1	1,015,951	50
Intergovernmental Revenue - Whatcom County & others	(2) 1,250,963	1,620,523	30	3,093,766	52
Investment Interest	29,545	36,077	22	77,628	46
Other Revenues & Financing Sources	108,148	30,268	-72	1,000	3027
Total Revenues	3,499,006	3,917,279	12	7,541,887	52
Expenses					
Salaries, Wages & Benefits	1,995,153	1,958,847	-2	4,915,917	40
Supplies	173,338	197,025	14	568,800	35
Services-Professional, Repairs, Utilities	175,993	146,738	-17	448,905	33
Intergovernmental Services, Taxes, & Fees	245,291	10,675	-96	33,894	31
Capital Outlay	37,449	-	-100	282,363	0
Interfund-Warehouse & Services	601,597	710,582	18	1,316,603	54
Total Expenses	3,228,821	3,023,867	-6	7,566,482	40
Projected/Budgeted Ending Balance	\$ 823,934	\$ 1,472,933	79%	\$ 554,926	265%



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

(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.

June 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	1,028,712	1,079,119	5	1,919,239	56
Expenses	1,076,039	995,047	-8	2,147,213	46
Projected/Budgeted Ending Balance	\$ 523,751	\$ 512,700	-2%	\$ 200,654	256%

Facilities Administration Fund #530					
Budgeted Beginning Balance	\$ 1,016,920	\$ 1,198,122	18%	\$ 1,198,122	100%
Revenues	1,148,058	1,102,820	-4	2,145,160	51
Expenses	988,001	997,972	1	2,864,235	35
Projected/Budgeted Ending Balance	\$ 1,176,977	\$ 1,302,970	11%	\$ 479,047	272%

Telecommunication Fund #540					
Budgeted Beginning Balance	\$ 490,180	\$ 955,032	95%	\$ 955,032	100%
Revenues *	229,069	240,706	5	427,276	56
Expenses**	274,614	627,323	128	1,299,978	48
Projected/Budgeted Ending Balance	\$ 444,635	\$ 568,415	28%	\$ 82,330	690%

* 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	454,976	505,604	11	1,125,617	45
Expenses	465,968	503,080	8	1,107,659	45
Projected/Budgeted Ending Balance	\$ 4,860,122	\$ 4,946,539	2%	\$ 4,961,973	100%

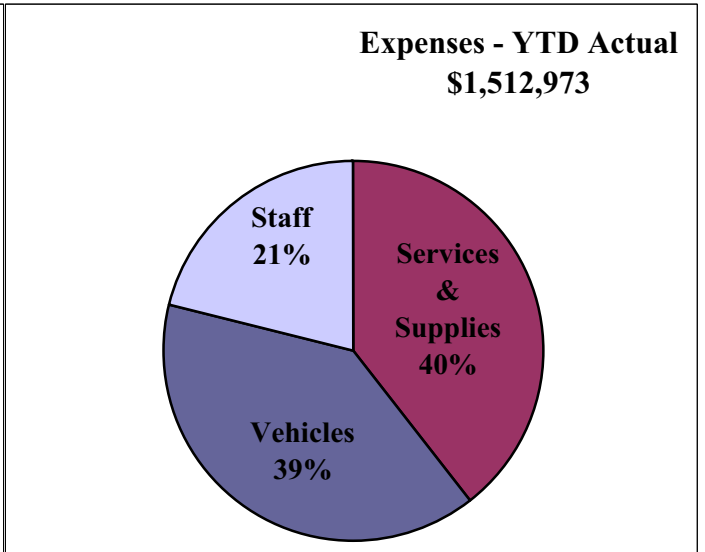
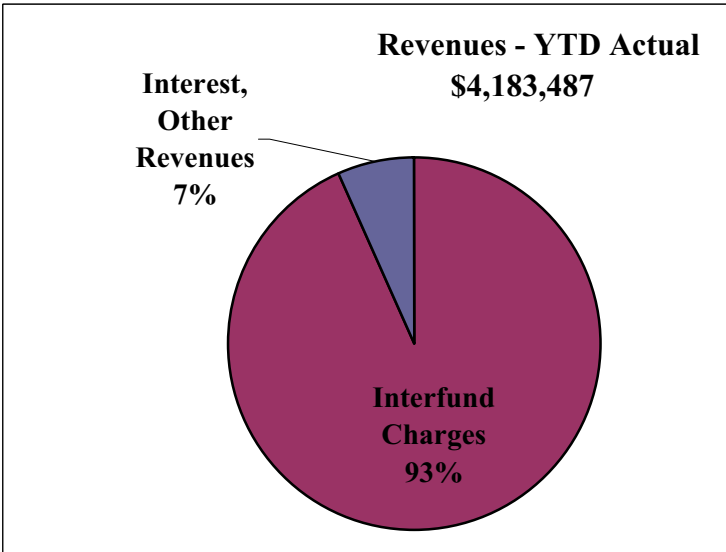
Unemployment Compensation Fund #561					
Budgeted Beginning Balance	\$ 330,295	\$ 275,296	-17%	\$ 275,296	100%
Revenues	7,773	6,157	-21	18,509	33
Expenses	31,656	32,435	2	122,005	27
Projected/Budgeted Ending Balance	\$ 306,412	\$ 249,018	-19%	\$ 171,800	145%

Worker's Comp Self-Insurance Fund #562					
Budgeted Beginning Balance	\$ 750,020	\$ 913,892	22%	\$ 913,892	100%
Revenues	378,914	307,321	-19	604,129	51
Expenses	319,777	346,179	8	737,783	47
Projected/Budgeted Ending Balance	\$ 809,157	\$ 875,034	8%	\$ 780,238	112%

Health Benefits Fund #565					
Budgeted Beginning Balance	\$ 1,133,532	\$ 1,272,460	12%	\$ 1,272,460	100%
Revenues	4,424,089	5,035,099	14	10,071,102	50
Expenses	4,342,137	4,952,005	14	10,315,546	48
Projected/Budgeted Ending Balance	\$ 1,215,484	\$ 1,355,554	12%	\$ 1,028,016	132%

June 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	1,268,057	3,906,854	208	5,476,297	71
Investment Interest	131,957	136,206	3	291,462	47
Other Miscellaneous Revenues	2,284	5,054	121	-	100
Other Financing Sources	55,742	135,373	143	350,000	39
Total Revenues	1,458,040	4,183,487	187	6,117,759	68
Expenses					
Salaries, Wages & Benefits	303,324	318,382	5	653,739	49
Supplies	131,233	164,896	26	305,160	54
Services-Professional, Repairs, Utilities	96,817	107,192	11	203,458	53
Vehicle & Equipment Purchases	495,874	596,184	20	5,128,517	12
Interfund-Parts, Services & Supplies	331,047	326,319	-1	639,582	51
Total Expenses	1,358,295	1,512,973	11	6,930,456	22
Projected/Budgeted Ending Balance	\$ 5,714,717	\$ 8,346,046	46%	\$ 4,862,835	172%



June 2008
City of Bellingham
Cash and Investments Report

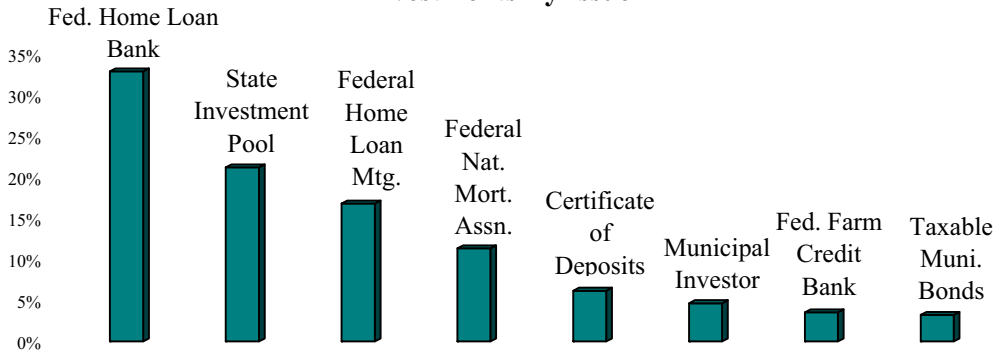
Unrestricted-Cash & Investments	Prior Month Ending Bal.	Cash Increase	Cash Decrease	Current Ending Bal.
General Fund*	\$ 14,213,351	\$ 4,979,773	\$ 5,277,596	\$ 13,915,528
General Fund Reserve*	6,887,165	32,461	-	6,919,626
Street*	11,780,624	1,177,570	1,239,438	11,718,756
Arterial, Paths - Street Funds	724,186	47,367	56,626	714,927
Technology Replacement and Reserve*	2,236,662	10,461	58,170	2,188,953
Park Acquisition & Capital Maintenance	4,554,152	22,199	31,490	4,544,861
Library Gift	26,506	66	58	26,514
Settlement Funds	2,380,670	11,212	7,688	2,384,194
Real Estate Excise Tax Funds	9,227,575	744,791	1,073,931	8,898,435
Police Special Revenue Funds	933,228	7,687	4,644	936,271
Public Safety Dispatch	1,641,158	728,211	342,387	2,026,982
Park Funds	9,205,498	506,199	87,736	9,623,961
Tourism	438,859	81,952	72,027	448,784
Community Development Block Grant	379,189	79,139	57,523	400,805
Home Investment Partnership Grant	(88,817)	88,817	20,412	(20,412)
Debt & LID Funds	838,861	330,559	548,686	620,734
Construction- Civic Field	310,135	9,926	4,284	315,777
Water	4,638,165	1,196,036	1,453,380	4,380,821
Wastewater	13,791,966	1,343,995	1,590,640	13,545,321
Storm/Surface Water Utility	3,962,188	454,741	353,236	4,063,693
Solid Waste	6,563,868	145,275	110,936	6,598,207
Cemetery	82,593	58,316	56,240	84,669
Golf Course	96,046	24,184	16,287	103,943
Parking Services	2,258,490	203,937	141,670	2,320,757
Medic One	1,607,736	601,879	672,269	1,537,346
Development Services*	954,260	198,995	218,667	934,588
Fleet Administration*	6,118,459	2,686,903	411,045	8,394,317
Purchasing/Material Management	553,163	169,554	155,414	567,303
Facilities Administration	1,292,945	174,204	145,153	1,321,996
Telecommunications	579,784	26,866	25,642	581,008
Claims and Litigation*	4,922,257	79,777	55,279	4,946,755
Unemployment Compensation*	247,990	1,169	140	249,019
Workers Comp Self-Insurance*	846,976	52,960	28,138	871,798
Health Benefits*	1,322,969	861,594	832,535	1,352,028
Fire and Police Pension Funds	10,522,390	3,214,204	5,300,900	8,435,694
Trust & Deposit Funds	2,210,055	1,531,892	3,141,966	599,981
Payroll & Accounts Payable Funds	3,596,491	14,753,861	14,737,440	3,612,912
Greenways Endowment	2,744,059	84,192	35,629	2,792,622
Natural Resources Protect & Restore	4,627,941	21,816	1,286	4,648,471
Total Cash & Investments	139,229,793	36,744,740	38,366,588	137,607,945
<i>* Funds with City Council approved budget reserve goals.</i>				
Restricted Cash & Investments -Debt, Construction				
Civic Field (Restricted for Debt & Consttuction)	447,672	-	6,357	441,315
Water (Restricted for Debt & Construction)	9,844,738	383,647	105,751	10,122,634
Wastewater (Restricted for Debt & Constr)	6,045,947	290,574	10,298	6,326,223
Solid Waste (Restricted for Debt & Constr)	362,315	58,102	205,395	215,022
Cemetery - Preened Trust & Endowed Care	474,695	6,323	-	481,018
Parking - Restricted for Debt Svc P&I	88,169	11,021	-	99,190
Total Restricted	17,263,536	749,667	327,801	17,685,402
Total Funds Available	\$ 156,493,329	\$ 37,494,407	\$ 38,694,389	\$ 155,293,347
Discrete Component Unit (Restricted)				
Public Facilities District	2,545,963	2,992,177	3,156,669	2,381,471
Public Facilities District Construction	7,620,954	69,606	2,700,271	4,990,289
Total Public Facilities District Funds	\$ 10,166,917	\$ 3,061,783	\$ 5,856,940	\$ 7,371,760

June 2008
City of Bellingham
Investment Summary

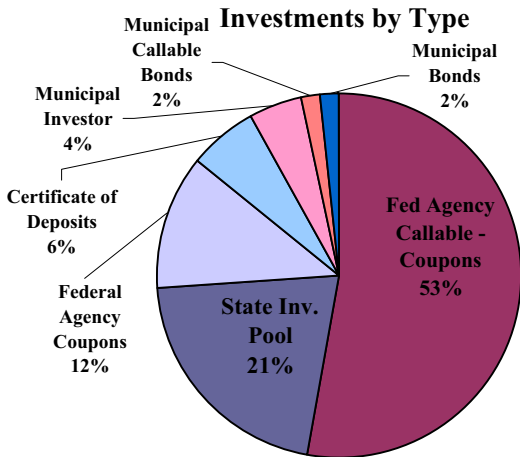
Portfolio Summary	Book Value	Term in Years	YTM/C 365Equiv.
Investments By Type			
State Investment Pool	\$ 34,335,076	0.0	2.29%
Municipal Investor	7,561,421	0.0	2.00%
Certificates of Deposit	10,000,000	0.4	2.75%
Federal Agency Issues - Coupor	19,413,630	2.4	4.03%
Federal Agency Callable Issues - Coupor	85,255,181	4.4	4.55%
Municipal Bonds	2,602,987	3.2	5.25%
Municipal Callable Bonds	2,656,822	3.0	5.02%
Investments - Total & Average	\$ 161,825,117	2.7	3.80%
Year to Date Interest Received	3,483,760		
Year to Date Interest Earned	\$ 3,565,839		
Effective Rate of Return on Interest Earned	4.53%		

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.

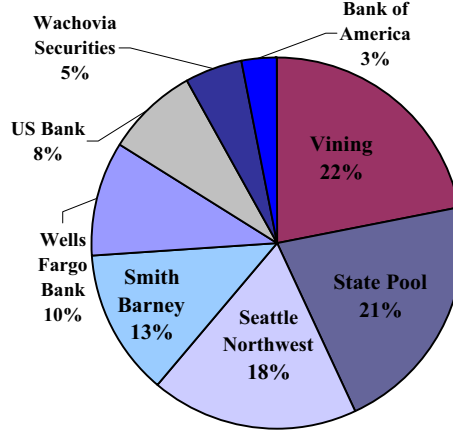
Investments By Issuer



Investments by Type



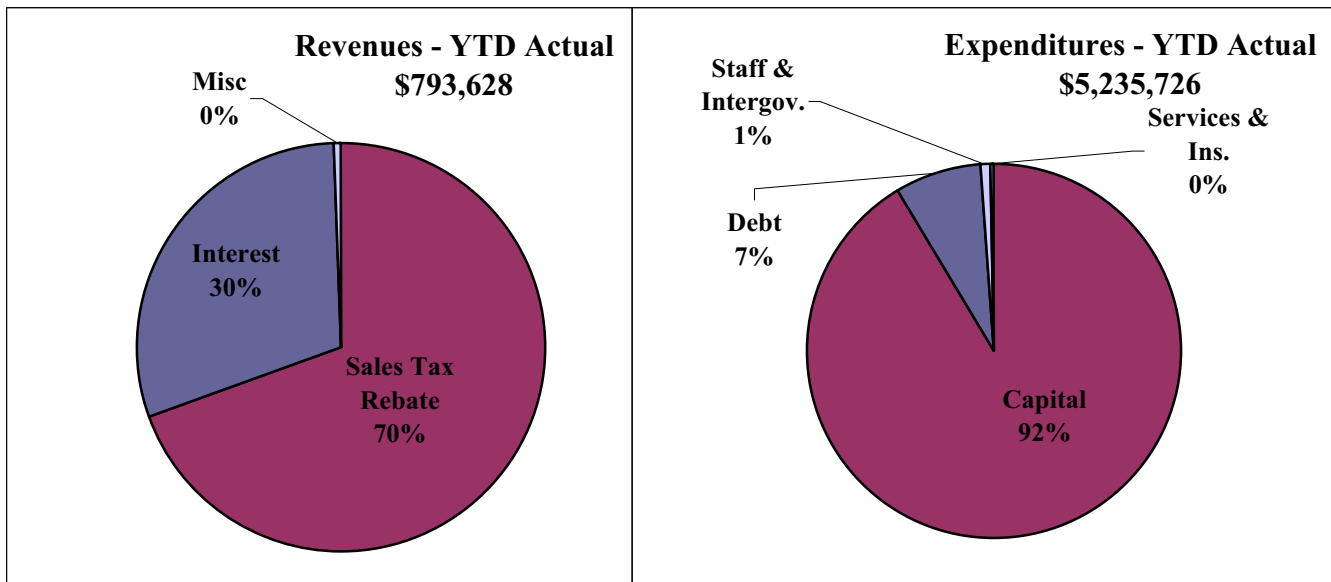
Investments by Dealer



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%
June 2008	56	\$ 161,825,117	3.80%	2.29%	2.13%	2.00%

June 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	\$ 11,775,339	146%	\$ 11,775,339	100%
Revenues						
Sales Tax Rebate	(1)	527,965	550,285	4	1,203,442	46
Interest Income		115,860	239,713	107	288,846	83
Other Income		10,375	3,630	-65	-	100
Intergovernmental Revenue		-	-	0	2,885,000	0
Grant Revenues		-	-	0	471,833	0
Misc Revenue		7	-	-100	-	0
Total Revenues		654,207	793,628	21	4,849,121	16
Expenditures						
Salaries & Benefits	(2)	45,994	34,407	-25	80,505	43
Supplies & Miscellaneous		718	365	-49	5,029	7
Insurance		8,023	5,459	-32	9,400	58
Services-Professional, Repairs, Utilities		8,829	13,853	57	62,277	22
Intergovernmental Services		8,089	10,142	25	18,839	54
Capital Costs		408,161	4,782,403	1072	13,488,442	35
Debt-Principal & Interest		203,823	389,097	91	1,067,273	36
Total Expenditures		683,637	5,235,726	666	14,731,765	36
Projected/Budgeted Ending Balance		\$ 4,748,619	\$ 7,333,241	54%	\$ 1,892,695	387%



(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.