

# CITY OF BELLINGHAM

## DECEMBER 2008 FINANCIAL REPORT

### Highlights

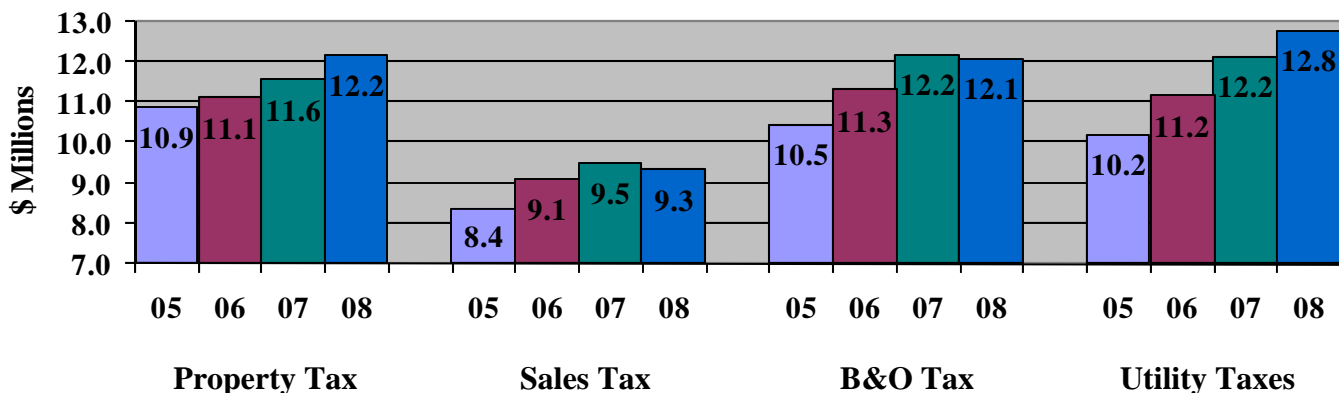
- Citywide revenues of \$203.1 million are 87% of the annual budget. Operating expenditures of \$147.9 million are 87% of the annual budget. Capital expenditures of \$40.5 million are 35% of the capital budget.
- General Fund revenues of \$64.8 million are 97% of the annual budget. General Fund operating expenditures of \$64.1 million are 90% of the annual budget.
- The City had \$137.9 million invested earning an average of 4.23%, compared to earnings of 4.98% 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/government/departments/finance/reports.aspx>

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Citywide – Cash & Investments			Citywide – Investment Interest Received			General Fund Total Expenditures 12/31/08		
12/31/2008	\$	139,438,824	12/31/2008	\$	6,479,330	Annual Budget	\$	81,187,118
12/31/2007		145,421,705	12/31/2007		6,399,579	Actual to Date		73,420,463
Decrease	-4.1%	\$ (5,982,881)	Increase	1.2%	\$ 79,751	Surplus	9.6%	\$ 7,766,655
General Fund – Sales Tax Collected			General Fund - Utility Taxes Collected			General Fund - B & O Tax Collected		
12/31/2008	\$	9,336,840	12/31/2008	\$	12,795,235	12/31/2008	\$	12,098,978
12/31/2007		9,508,838	12/31/2007		12,151,196	12/31/2007		12,197,797
Decrease	-1.8%	\$ (171,998)	Increase	5.3%	\$ 644,039	Decrease	-0.8%	\$ (98,819)

### General Fund Major Tax Revenues 2005 - 2008



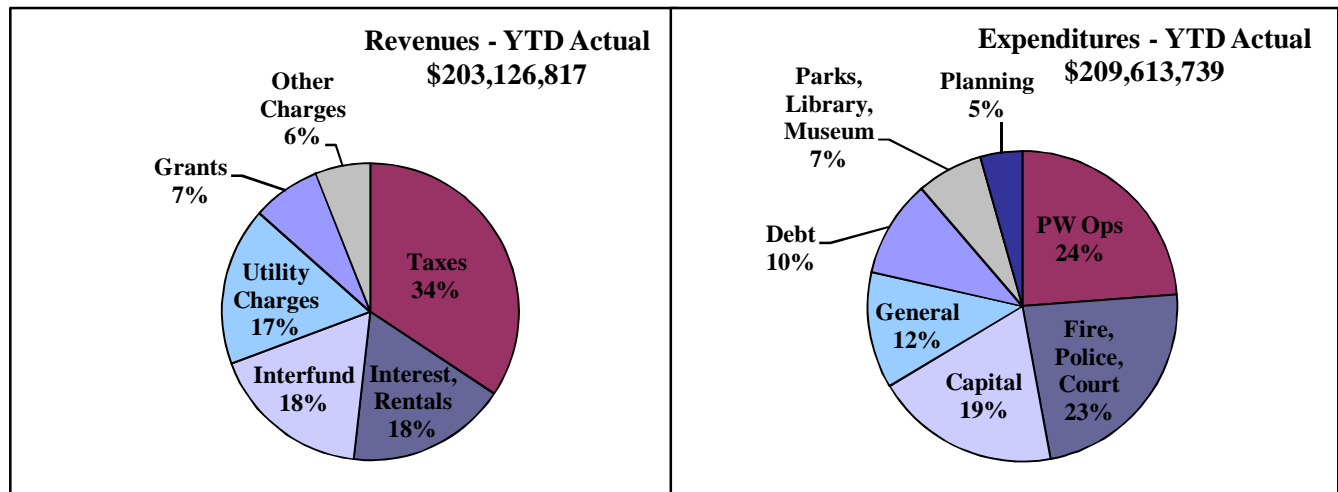
Please refer questions or comments on financial reports to John Carter, Finance Director, or Kipp Drummond, Accounting Manager.

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

Financial Reports Website: <http://www.cob.org/government/departments/finance/reports.aspx>

**December 2008**  
**City of Bellingham**  
**Citywide, All Funds, Combined Operating Statement**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	\$ 122,619,638	\$ 139,937,693	14%	\$ 139,937,693	100%
<b>Revenues</b>					
Property Taxes	17,342,512	18,226,331	5	17,797,545	102
Sales Tax	18,921,209	18,615,853	-2	19,864,000	94
B & O Tax	12,197,797	12,098,978	-1	12,469,000	97
Utility Taxes	13,407,313	14,066,820	5	14,388,881	98
Other Taxes	(1) 8,001,716	6,652,673	-17	7,589,225	88
Grants, Entitlements, Revenue Sharing	(2) 14,510,418	15,090,940	4	39,519,273	38
Utility Charges for Services	32,618,531	35,059,056	7	34,634,343	101
Other Charges, Fines, Permits, Licenses	(3) 15,357,809	12,214,321	-20	14,028,496	87
Interest, Rentals, Bonds, Other Revenues	(4) 29,031,436	35,600,208	23	37,974,855	94
Interfund Sales & Service	24,142,449	25,925,823	7	25,335,393	102
Interfund Loans & Transfers	(5) 8,728,464	9,575,814	10	10,028,770	95
<b>Total Revenues</b>	<b>194,259,654</b>	<b>203,126,817</b>	<b>5</b>	<b>233,629,781</b>	<b>87</b>
<b>Operating Expenditures</b>					
General Governmental Services	22,367,099	25,475,154	14	29,219,874	87
Fire, Police, Municipal Court	(5) 43,634,512	48,834,710	12	51,842,794	94
Public Works Operations	45,376,922	49,910,535	10	61,299,179	81
Planning, Hearing Examiner	8,612,315	9,223,562	7	12,272,192	75
Libraries, Museums, Parks	13,710,065	14,494,772	6	16,324,237	89
<b>Total Operating Expenditures</b>	<b>133,700,913</b>	<b>147,938,733</b>	<b>11</b>	<b>170,958,276</b>	<b>87</b>
<b>Capital and Debt Expenditures</b>					
Capital Expenditures	(4) 26,526,386	40,455,369	53	115,309,940	35
Debt Service, Loans, Transfers	16,822,347	21,219,637	26	21,530,239	99
<b>Total Capital and Debt Expenditures</b>	<b>43,348,733</b>	<b>61,675,006</b>	<b>42</b>	<b>136,840,179</b>	<b>45</b>
<b>Total Expenditures</b>	<b>177,049,646</b>	<b>209,613,739</b>	<b>18</b>	<b>307,798,455</b>	<b>68</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 139,829,646</b>	<b>\$ 133,450,771</b>	<b>-5%</b>	<b>\$ 65,769,019</b>	<b>203%</b>



(1) 2008: Decrease in real estate excise taxes of \$890K through 12/31/2008.

(2) 2007: More grant funded activity in 2007 than 2008 including Sunset Drive project.

(3) 2007: Park Impact Fees \$1.36 million; Trillium Cordata Fee \$962K.

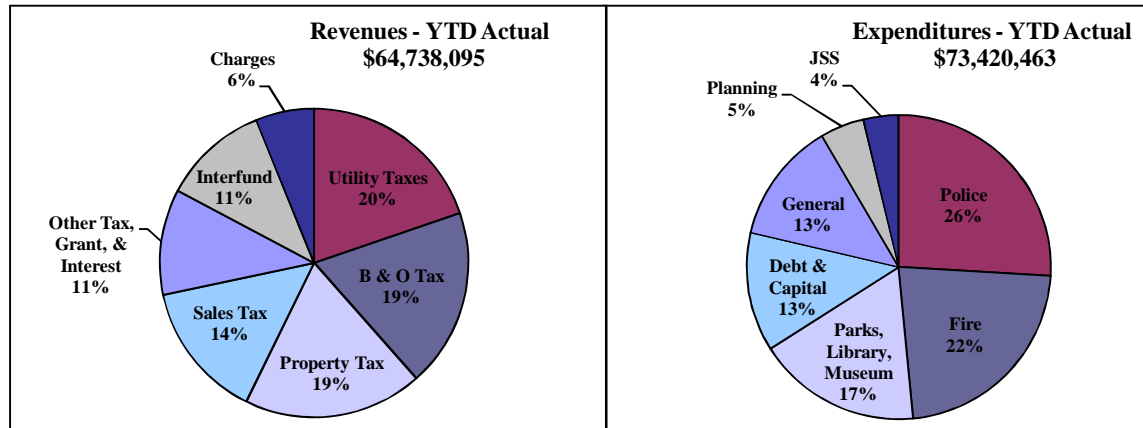
(4) 2008: Includes interfund purchase and sale of the Cornwall property (\$2.45 million in January) and Colony Wharf property (\$3.3 million in March) and an August bond issuance of \$6.04 million to purchase watershed property.

(5) 2008: Interfund loan between fire and pension funds resulting in a revenue and expense of \$2.25 million for fire truck replacements.

Note: 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.

**December 2008**  
**City of Bellingham**  
**General Fund Operating Statement**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	\$ 16,482,153	\$ 25,481,318	55%	\$ 25,481,318	100%
<b>Revenues</b>					
Property Tax	11,563,812	12,174,093	5	11,896,000	102
Sales Tax	9,508,838	9,336,840	-2	9,934,000	94
B & O Tax	12,197,797	12,098,978	-1	12,469,000	97
Utility Taxes	12,151,196	12,795,235	5	13,108,881	98
Other Taxes	2,964,011	3,033,076	2	2,842,955	107
Grants, Entitlements, Revenue Sharing	1,971,201	2,555,358	30	3,353,552	76
Charges, Fines, Permits, Licenses	3,887,020	3,966,142	2	4,138,613	96
Interest, Rentals, Bonds, Other Revenues	(1) 8,387,123	1,578,595	-81	1,534,158	103
Interfund Sales & Service	5,756,127	4,192,736	-27	4,184,134	100
Interfund Loans & Transfers	(2) 1,867,759	3,007,042	61	3,269,181	92
<b>Total Revenues</b>	<b>70,254,884</b>	<b>64,738,095</b>	<b>-8</b>	<b>66,730,474</b>	<b>97</b>
<b>Operating Expenditures</b>					
Executive	(3) 2,143,730	1,767,091	-18	3,307,407	53
Legislative	319,125	432,522	36	468,872	92
Hearings Examiner	143,742	179,256	25	188,245	95
Museum	1,510,998	1,482,056	-2	1,667,398	89
Library	3,448,940	3,932,410	14	3,962,011	99
Finance	(3), (4) 1,578,299	2,458,445	56	2,712,606	91
Human Resources	1,348,215	1,283,002	-5	1,672,723	77
Information Technology	2,125,618	2,206,210	4	2,621,486	84
Legal	1,270,254	1,314,787	4	1,473,976	89
Judicial & Support Services	(5) 3,906,498	2,756,637	-29	3,029,178	91
Parks & Recreation	6,979,548	7,429,839	6	8,072,623	92
Planning & Community Development	(6) 3,337,242	3,263,899	-2	4,261,879	77
Fire	(2) 13,175,209	16,574,727	26	17,317,822	96
Police	(5) 16,212,259	19,037,333	17	20,254,756	94
Non-Departmental	-	15,000	100	15,000	100
<b>Total Operating Expenditures</b>	<b>57,499,677</b>	<b>64,133,214</b>	<b>12</b>	<b>71,025,982</b>	<b>90</b>
<b>Capital and Debt Expenditures</b>					
Capital Expenditures	(7) 597,526	6,005,707	905	6,491,845	93
Debt Service, Loans, Transfers	3,438,699	3,281,542	-5	3,669,291	89
<b>Total Capital and Debt Expenditures</b>	<b>4,036,225</b>	<b>9,287,249</b>	<b>130</b>	<b>10,161,136</b>	<b>91</b>
<b>Total Expenditures</b>	<b>61,535,902</b>	<b>73,420,463</b>	<b>19</b>	<b>81,187,118</b>	<b>90</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 25,201,135</b>	<b>\$ 16,798,950</b>	<b>-33%</b>	<b>\$ 11,024,674</b>	<b>152%</b>



- (1) 2007: \$3 million insurance settlement.
- (2) 2008: Interfund loan between fire and pension funds resulting in a revenue and expense of \$2.25 million for fire truck replacements.
- (3) In 2007, the Budget Group was a component of Executive. In 2008, it was moved to Finance, resulting in a reduction in Executive of \$245K through 12/31/08 as compared to 2007. Additionally, in 2008, the Executive budget includes \$1.4 million for Waterfront projects with expenditures of \$692K through 12/31/08 and \$500K for Lake Whatcom management with no expenditures through 12/31/08.
- (4) 2008: Finance expenditures include one time costs related to purchase of Cornwall property (\$251K - 1/23/08) and one time costs related to the purchase of Colony Wharf property (\$339K - 3/08).
- (5) 2008: City payments to Whatcom County were previously accounted for in Municipal Court and are currently accounted for in Police- \$1.6 million through 12/31/08.
- (6) Planning and Community Development includes a number of large grant funded programs that run over multiple years. The entire multi-year grant/project budget is included in the departmental budget.
- (7) 2008: Cornwall property purchase of \$2.45 million and Colony Wharf property purchase of \$3.3 million.

**December 2008  
City of Bellingham  
Available General Fund Reserve Report**

<b>2008 Adopted Budget with Amendments</b>	<b>Beginning Budget</b>	<b>Undesignated Balance</b>	<b>Designated Balance (1)</b>	<b>Combined Balance</b>
Beginning Available Resource:	\$ 16,622,876	-	-	-
Budgeted Revenues	65,324,915	-	-	-
Budgeted Expenditures:	\$ 71,534,020	-	-	-
<b>Projected Available Ending Unrestricted Balance 01/01/2008:</b>		<b>\$ 819,298</b>	<b>\$ 9,594,473</b>	<b>\$ 10,413,771</b>
<b>Adjustments affecting Available Ending Balance</b>				
<b>General Fund Budget Ordinances/Transfers:</b>				
2008-01-001 Purchase Cornwall property from Solid Waste		(2,701,841)	-	(2,701,841)
2008-02-008 Support for DOJ grant on domestic violenc		(1,625)	-	(1,625)
2008-02-009 Support for WA State Office of Pub Def grant for Def Counse		(137,500)	-	(137,500)
2008-02-011 Insurance funds to pay legal fees for environmental clean-u		-	(177,713)	(177,713)
2008-02-011 Insurance funds for toxic clean-up & to purchase Colony Whar		(3,641,890)	-	(3,641,890)
2008-04-030 Adjustments to 2008 Beginning Balance:		7,316,899	1,541,543	8,858,441
2008-04-031 Re-appropriation of encumbered balances from 2007 Budge		(754,098)	(19,760)	(773,858)
2008-04-035 Re-appropriation of un-encumbered balances from 2007 Budge		(899,242)	-	(899,242)
2008-04-032 To pay retirement excess compensation in Legislative Dep		(30,737)	-	(30,737)
2008-06-054 To fund three part-time library security information attendant		(36,993)	-	(36,993)
2008-06-055 To fund the reclassification of three part-time museum positio		(1,633)	-	(1,633)
2008-06-062 To fund the hiring of an exec. policy and special projects coor		-	(23,070)	(23,070)
2008-07-069 Adjustment to ending undesignated reserve from DOJ gran		114,768	-	114,768
2008-07-075 Appropriation for reimbursement of Solid Waste salary exj		-	(6,457)	(6,457)
2008-1610 Budget transfer from undesignated to designated fund balanc		(42,830)	42,830	-
2008-12-110 Unanticipated gift/pledge money from Campaign for the Art		99,626	-	99,626
2008-0034 To reimburse Lake Padden Golf Course for pre-paid golf passe		-	(29,373)	(29,373)
<b>Available Ending Balance 12/31/2008</b>		<b>\$ 102,202</b>	<b>\$ 10,922,472</b>	<b>\$ 11,024,674</b>

**Notes**

(1) Designated Balance amounts are reserved by Council in the 2008 Adopted Budget as follows: General Fund Reserve \$9,439,825 and Other Departmental Reserves \$1,512,021.

**December 2008**  
**City of Bellingham**  
**Special Revenue Funds, Revenue/Expenditure Summary**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Park Site Acquisition/Technology Replacement and Reserve/Capital Maintenance/Library Gift Funds</b>					
Budgeted Beginning Balance	\$ 6,623,944	\$ 6,285,612	-5%	\$ 6,285,612	100%
Revenues	1,199,461	1,081,339	-10	1,252,620	86
Expenditures*	1,537,793	1,116,645	-27	5,555,335	20
Projected/Budgeted Ending Balance	\$ 6,285,612	\$ 6,250,306	-1%	\$ 1,982,897	315%

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

<b>Olympic/Oeser Settlement Funds</b>					
Budgeted Beginning Balance	\$ 2,324,140	\$ 1,356,803	-42%	\$ 1,356,803	100%
Revenues	426,809	1,141,173	167	1,163,010	98
Expenditures*	1,394,145	1,006,556	-28	2,204,503	46
Projected/Budgeted Ending Balance	\$ 1,356,804	\$ 1,491,420	10%	\$ 315,310	473%

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

<b>Real Estate Excise Tax Funds #140</b>					
Budgeted Beginning Balance	\$ 8,459,820	\$ 9,051,120	7%	\$ 9,051,120	100%
Revenues	4,055,925	3,166,382	-22	6,345,359	50
Expenditures	3,464,346	5,428,841	57	13,732,801	40
Projected/Budgeted Ending Balance	\$ 9,051,399	\$ 6,788,661	-25%	\$ 1,663,678	408%

<b>Police Special Rev Funds #150</b>					
Budgeted Beginning Balance	\$ 710,107	\$ 685,361	-3%	\$ 685,361	100%
Revenues	433,101	510,719	18	355,895	144
Expenditures*	457,197	361,271	-21	425,573	85
Projected/Budgeted Ending Balance	\$ 686,011	\$ 834,809	22%	\$ 615,683	136%

\*2008 Expenditures reflect decrease in federal equitable distribution related seizures. Additionally, while 2007 includes settlements paid of \$100,000, no settlements have been paid in 2008.

<b>Public Safety Dispatch Fund #160</b>					
Budgeted Beginning Balance	\$ 1,802,630	\$ 2,033,803	13%	\$ 2,033,803	100%
Revenues	4,122,060	3,905,648	-5	3,926,491	99
Expenditures	3,928,444	4,117,892	5	4,195,513	98
Projected/Budgeted Ending Balance	\$ 1,996,246	\$ 1,821,559	-9%	\$ 1,764,781	103%

<b>Parks Funds #170 (includes Beyond Greenways III &amp; Park Impact Fees)</b>					
Budgeted Beginning Balance	\$ 4,593,445	\$ 8,890,121	94%	\$ 8,890,121	100%
Revenues*	6,051,477	4,573,747	-24	5,728,860	80
Expenditures	1,746,218	4,484,195	157	13,401,826	33
Projected/Budgeted Ending Balance	\$ 8,898,704	\$ 8,979,673	1%	\$ 1,217,155	738%

\* 2008 revenues reflect \$432K of park impact fee refunds.

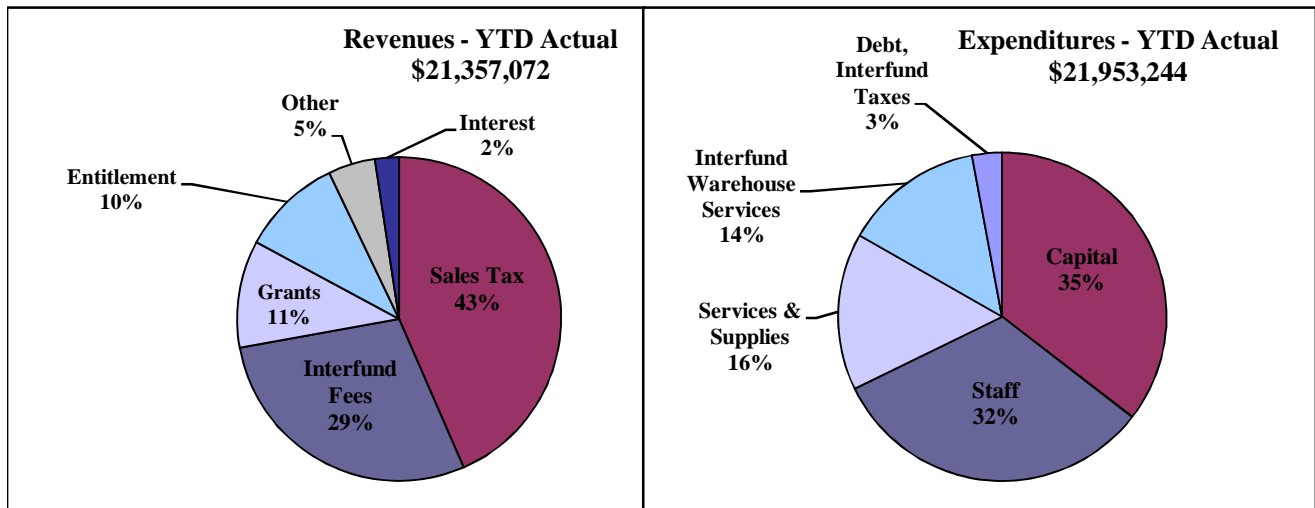
<b>Tourism Fund #180</b>					
Budgeted Beginning Balance	\$ 326,872	\$ 383,171	17%	\$ 383,171	100%
Revenues	1,041,222	1,097,920	5	1,007,491	109
Expenditures	984,922	1,047,845	6	1,148,580	91
Projected/Budgeted Ending Balance	\$ 383,172	\$ 433,246	13%	\$ 242,082	179%

<b>Community Development Grants Fund #190 &amp; 191</b>					
Budgeted Beginning Balance	\$ 807,469	\$ 451,483	-44%	\$ 451,483	100%
Revenues	1,496,958	2,117,549	41	4,149,227	51
Expenditures*	1,822,985	2,509,475	38	4,298,497	58
Projected/Budgeted Ending Balance	\$ 481,442	\$ 59,557	-88%	\$ 302,213	20%

\*2008 Expenditures include increases in revolving loan distributions and home fund grants, as well as the Birchwood Park land purchase.

**December 2008**  
**City of Bellingham**  
**Street Funds Operating Statement**

Street Funds #110, Special Revenue	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	\$ 10,297,040	\$ 11,071,601	8%	\$ 11,071,601	100%
<b>Revenues</b>					
Sales Tax	9,412,372	9,279,013	-1	9,930,000	93
Federal/State Grants	(1) 2,055,103	2,280,030	11	18,038,662	13
Entitlements	2,773,299	2,145,329	-23	3,049,079	70
Interfund Fees	6,170,206	6,137,347	-1	6,189,054	99
Investment Interest	560,471	507,845	-9	660,863	77
Other Revenues	(2) 2,181,827	955,740	-56	1,087,390	88
Other Financing Sources	46,064	51,768	12	51,194	101
<b>Total Revenues</b>	<b>23,199,342</b>	<b>21,357,072</b>	<b>-8</b>	<b>39,006,242</b>	<b>55</b>
<b>Operating Expenditures</b>					
Salaries, Wages & Benefits	6,851,569	7,094,417	4	7,555,311	94
Supplies	705,907	786,408	11	842,991	93
Services-Professional, Repairs, Utilities	2,327,430	2,613,183	12	3,415,948	76
Intergovernmental Services, Taxes, & Fees	363,626	299,388	-18	353,580	85
Interfund-Warehouse & Services	2,662,623	3,024,234	14	3,071,192	98
<b>Total Operating Expenditures</b>	<b>12,911,155</b>	<b>13,817,630</b>	<b>7</b>	<b>15,239,022</b>	<b>91</b>
<b>Capital and Debt Expenditures</b>					
Capital Outlay	8,562,823	7,780,426	-9	32,947,641	24
Debt-(Principal & Interest), Interfund Loans, & Transfers	947,792	355,188	-63	354,820	100
<b>Total Capital and Debt Expenditures</b>	<b>9,510,615</b>	<b>8,135,614</b>	<b>-14</b>	<b>33,302,461</b>	<b>24</b>
<b>Total Expenditures</b>	<b>22,421,770</b>	<b>21,953,244</b>	<b>-2</b>	<b>48,541,483</b>	<b>45</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 11,074,612</b>	<b>\$ 10,475,429</b>	<b>-5%</b>	<b>\$ 1,536,360</b>	<b>682%</b>



(1) 2007: Sunset drive and other grant projects completed in 2007. There were no similar grants completed during 2008.  
(2) 2007: Trillium Cordata Fee \$962K.

**December 2008**  
**City of Bellingham**  
**Enterprise Funds, Revenue/Expenditure Summary**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Storm &amp; Surface Water Fund #430</b>					
Budgeted Beginning Balance	\$ 2,515,808	\$ 3,598,554	43%	\$ 3,598,554	100%
Revenues	5,078,634	5,257,798	4	5,462,343	96
Expenses	4,101,406	5,157,357	26	7,832,083	66
Projected/Budgeted Ending Balance	\$ 3,493,036	\$ 3,698,995	6%	\$ 1,228,814	301%

<b>Solid Waste Fund #440</b>					
Budgeted Beginning Balance	\$ 1,937,143	\$ 2,534,269	31%	\$ 2,534,269	100%
Revenues*	2,707,358	8,457,417	212	8,332,981	101
Expenses	2,109,498	3,688,900	75	4,719,481	78
Projected/Budgeted Ending Balance	\$ 2,535,003	\$ 7,302,786	188%	\$ 6,147,769	119%

\*2008: Includes January sale of Cornwall property (\$2.5 million) and March sale Colony Wharf property (\$3.3 million).

<b>Cemetery Fund #456</b>					
Budgeted Beginning Balance	\$ 444,397	\$ 404,284	-9%	\$ 404,284	100%
Revenues	623,901	596,640	-4	604,320	99
Expenses	659,951	610,025	-8	619,300	99
Projected/Budgeted Ending Balance	\$ 408,347	\$ 390,899	-4%	\$ 389,304	100%

<b>Golf Course Fund #460</b>					
Budgeted Beginning Balance	\$ 91,244	\$ 58,450	-36%	\$ 58,450	100%
Revenues*	737,397	189,162	-74	181,800	104
Expenses	770,191	190,057	-75	205,840	92
Projected/Budgeted Ending Balance	\$ 58,450	\$ 57,555	-2%	\$ 34,410	167%

\*Beginning 1/1/2008, the Golf Course is now leased and operated by a private contractor. Consequently, related revenues and expenses are expected to substantially decrease over the prior year.

<b>Development Services Fund #475</b>					
Budgeted Beginning Balance	\$ 836,211	\$ 1,215,916	45%	\$ 1,215,916	100%
Revenues*	2,917,144	2,404,368	-18	2,832,556	85
Expenses	2,598,625	2,973,355	14	3,295,135	90
Projected/Budgeted Ending Balance	\$ 1,154,730	\$ 646,929	-44%	\$ 753,337	86%

\*As of 12/31/2008, building permit revenues and zoning & subdivision fee revenues are 67.2% and 72.1% of budget, respectively.

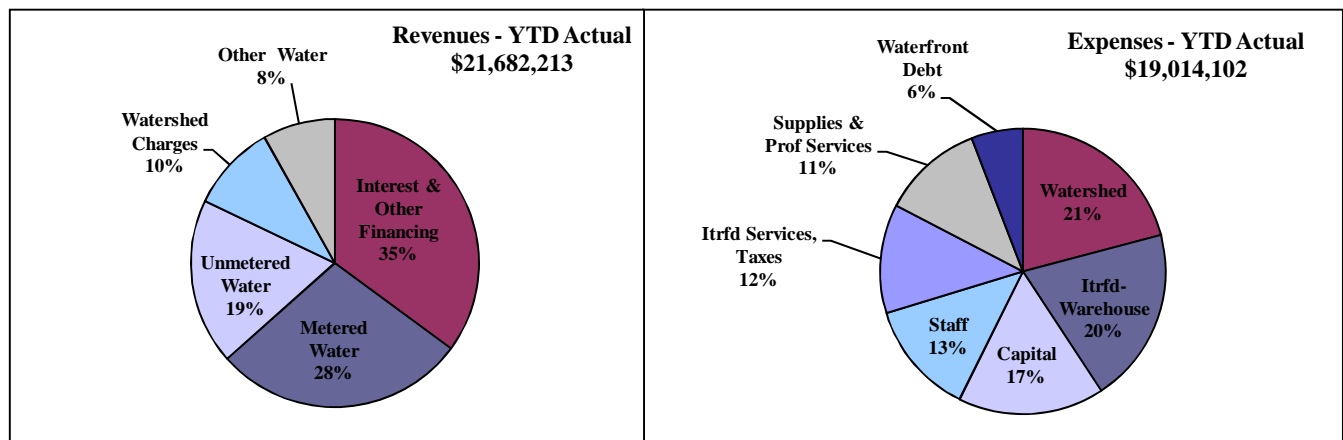
<i>Development Services Activity YTD</i>	<u>2007</u>	<u>2008</u>
Permits*	946	776
Units	533	212
Valuation (\$millions)**	\$200.2	\$139.3

\*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.

**December 2008**  
**City of Bellingham**  
**Water Fund Operating Statement**

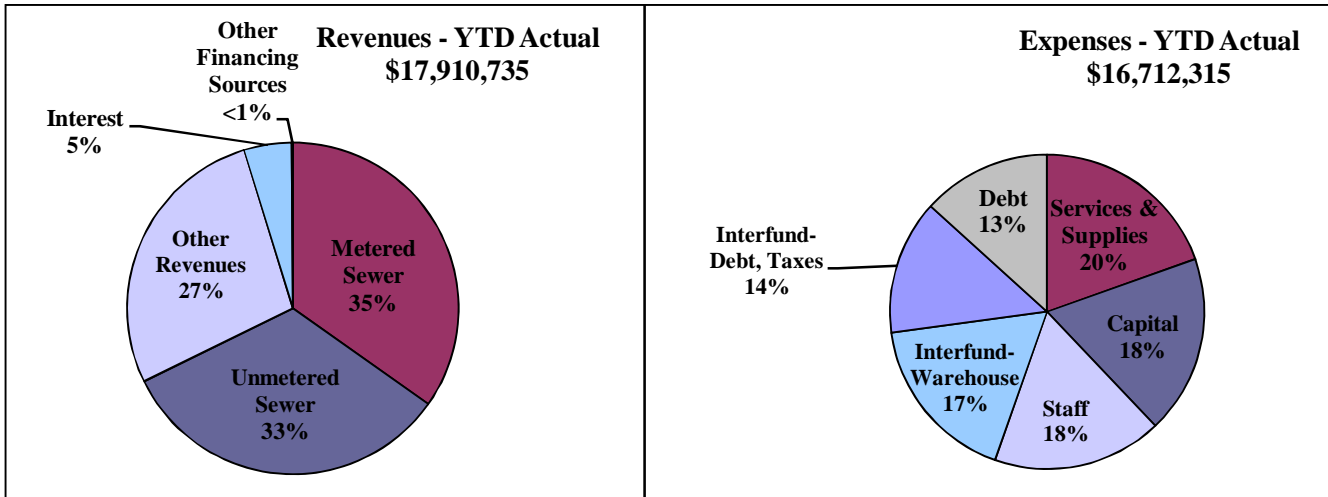
Water Fund #410, Enterprise	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance - Water Operations</b>	\$ 14,333,412	\$ 14,515,044	1%	\$ 14,515,044	100%
<b>Revenues</b>					
Unmetered Water	3,701,336	4,041,174	9	4,150,000	97
Metered Water	5,428,179	6,148,915	13	5,720,220	107
Other Water System Charges (1)	2,631,106	1,761,166	-33	3,005,843	59
Investment Interest	737,643	618,075	-16	842,684	73
Other Revenues	856,703	832,121	-3	2,163,000	38
Other Financing Sources	-	-	0	2,720,000	0
<b>Total Revenues</b>	<b>13,354,967</b>	<b>13,401,451</b>	<b>0</b>	<b>18,601,747</b>	<b>72</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	2,218,780	2,460,385	11	2,543,515	97
Supplies & Services-Professional, Repairs, Utilities	1,844,611	2,196,645	19	3,412,553	64
Intergovernmental Services, Taxes, & Fees	2,158,053	2,345,329	9	2,498,736	94
Interfund-Warehouse & Services	3,680,488	3,776,715	3	3,855,215	98
<b>Total Operating Expenses</b>	<b>9,901,932</b>	<b>10,779,074</b>	<b>9</b>	<b>12,310,019</b>	<b>88</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay	2,249,645	3,153,554	40	16,005,185	20
Debt-(Principal & Interest), Interfund Loans, & Transfers	1,023,857	1,108,593	8	1,273,797	87
<b>Total Capital and Debt Expenses</b>	<b>3,273,502</b>	<b>4,262,147</b>	<b>30</b>	<b>17,278,982</b>	<b>25</b>
<b>Total Expenses</b>	<b>13,175,434</b>	<b>15,041,221</b>	<b>14</b>	<b>29,589,001</b>	<b>51</b>
<b>Projected/Budgeted Ending Balance - Water Operations</b>	<b>\$ 14,512,945</b>	<b>\$ 12,875,274</b>	<b>-11%</b>	<b>\$ 3,527,790</b>	<b>365%</b>
<b>Budgeted Beginning Balance - Watershed Activity</b>					
<b>Budgeted Beginning Balance - Watershed Activity</b>	\$ 1,543,287	\$ 476,971	-69%	\$ 476,971	100%
<b>Revenues</b>					
Watershed Charges	2,061,109	2,102,491	2	2,080,000	101
Demand Charges	-	21,705	100	-	100
Investment Interest & Other Revenue	63,552	116,566	83	92,140	127
Other Financing Sources (2)	-	6,040,000	100	6,040,000	100
<b>Total Revenues</b>	<b>2,124,661</b>	<b>8,280,762</b>	<b>290</b>	<b>8,212,140</b>	<b>101</b>
<b>Operating Expenses</b>					
Supplies & Services	9,702	55,385	471	165,660	33
Intergovernmental Services, Taxes, & Fees	392,117	391,175	0	422,790	93
<b>Total Operating Expenses</b>	<b>401,819</b>	<b>446,560</b>	<b>11</b>	<b>588,450</b>	<b>76</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay (3)	1,314,605	2,907,654	121	7,107,187	41
Debt-(Principal & Interest), Interfund Loans, & Transfers	1,474,550	618,667	-58	618,667	100
<b>Total Capital and Debt Expenses</b>	<b>2,789,155</b>	<b>3,526,321</b>	<b>26</b>	<b>7,725,854</b>	<b>46</b>
<b>Total Expenses</b>	<b>3,190,974</b>	<b>3,972,881</b>	<b>25</b>	<b>8,314,304</b>	<b>48</b>
<b>Projected/Budgeted Ending Balance - Watershed</b>	<b>\$ 476,974</b>	<b>\$ 4,784,852</b>	<b>903%</b>	<b>\$ 374,807</b>	<b>1277%</b>
<b>Projected/Budgeted Ending Balance - Water/Watershed Combined</b>	<b>\$ 14,989,919</b>	<b>\$ 17,660,126</b>	<b>18%</b>	<b>\$ 3,902,597</b>	<b>453%</b>



(1) 2008: Demand fees from new construction decreased \$762K from 2007 due to a decrease in new construction.  
(2) 2008: \$6.04 million bond issue to purchase watershed land  
(3) 2007: Watershed land acquisition - \$810K.

**December 2008**  
**City of Bellingham**  
**Wastewater Fund Operating Statement**

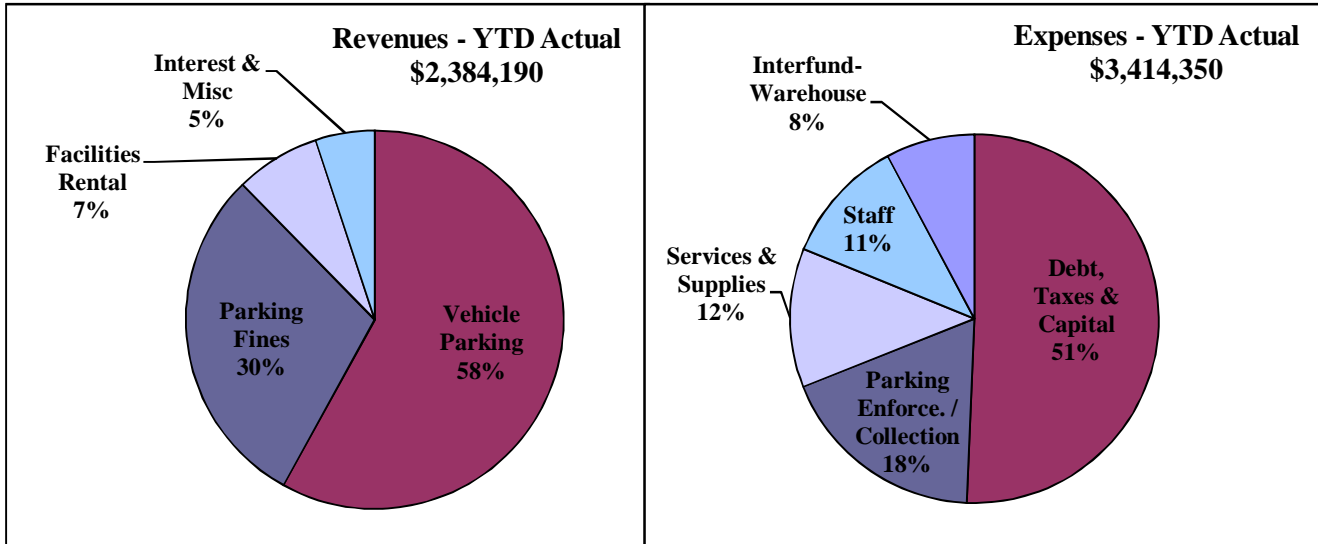
	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Wastewater Fund #420, Enterprise</b>					
<b>Budgeted Beginning Balance</b>	\$ 17,142,252	\$ 17,761,257	4%	\$ 17,761,257	100%
<b>Revenues</b>					
Unmetered Sewer	5,494,821	5,897,623	7	5,716,250	103
Metered Sewer	5,443,079	6,232,861	15	6,020,176	104
Investment Interest	901,419	829,740	-8	1,131,043	73
Other Revenues	4,367,712	4,925,216	13	3,905,471	126
Other Financing Sources	846,840	25,295	-97	-	100
<b>Total Revenues</b>	<b>17,053,871</b>	<b>17,910,735</b>	<b>5</b>	<b>16,772,940</b>	<b>107</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	2,746,738	2,925,617	7	3,010,565	97
Supplies	721,882	817,760	13	662,819	123
Services-Professional, Repairs, Utilities	2,037,824	2,453,100	20	3,496,131	70
Intergovernmental Services, Taxes, & Fees	1,975,175	2,313,751	17	2,165,168	107
Interfund-Warehouse & Services	2,713,147	2,917,468	8	2,978,384	98
<b>Total Operating Expenses</b>	<b>10,194,766</b>	<b>11,427,696</b>	<b>12</b>	<b>12,313,067</b>	<b>93</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay	3,977,211	3,063,799	-23	13,163,500	23
Debt-(Principal & Interest), Interfund Loans, & Transfers	2,374,368	2,220,820	-6	2,220,840	100
<b>Total Capital and Debt Expenses</b>	<b>6,351,579</b>	<b>5,284,619</b>	<b>-17</b>	<b>15,384,340</b>	<b>34</b>
<b>Total Expenses</b>	<b>16,546,345</b>	<b>16,712,315</b>	<b>1</b>	<b>27,697,407</b>	<b>60</b>
<b>Projected/Budgeted Ending Balance</b>	\$ 17,649,778	\$ 18,959,677	7%	\$ 6,836,790	277%



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 \$2,351,923. 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 12/31/08, the ratio is estimated at 6.13.

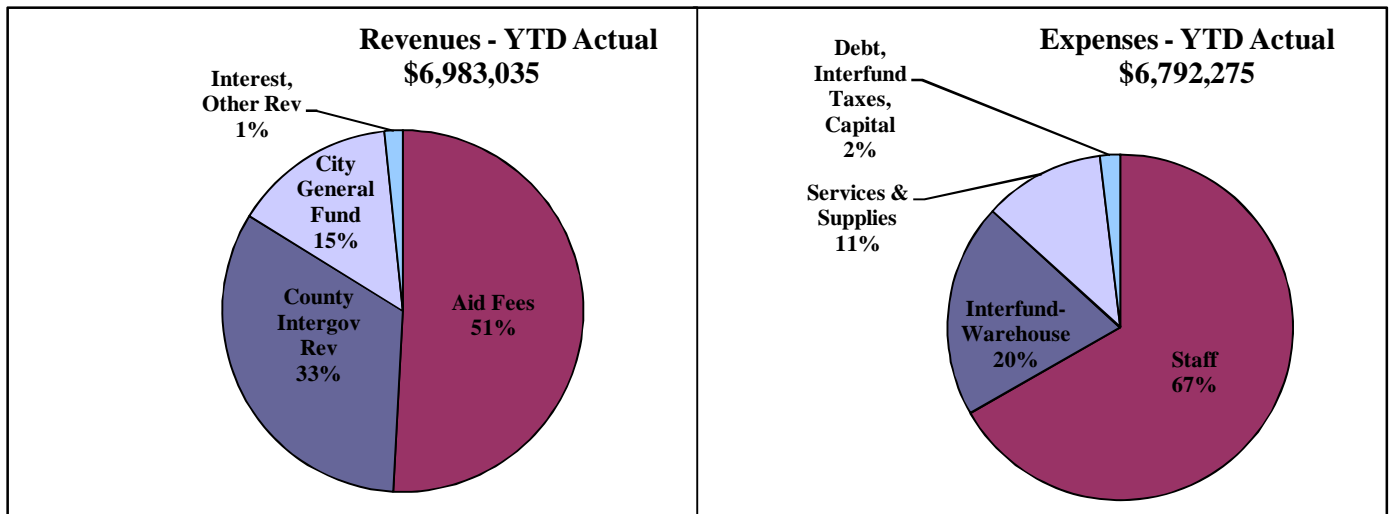
**December 2008  
City of Bellingham  
Parking Services Fund Operating Statement**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Parking Fund #465, Enterprise</b>					
<b>Budgeted Beginning Balance</b>	\$ 1,207,384	\$ 1,902,902	58%	\$ 1,902,902	100%
<b>Revenues</b>					
Vehicle Parking	1,404,257	1,383,233	-1	1,493,306	93
Parking Infraction Fines	790,881	706,654	-11	927,998	76
Facilities Rental	150,584	173,492	15	130,111	133
Investment Interest	80,495	98,834	23	52,676	188
Miscellaneous Revenues	43,633	21,977	-50	19,700	112
<b>Total Revenues</b>	<b>2,469,850</b>	<b>2,384,190</b>	<b>-3</b>	<b>2,623,791</b>	<b>91</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	308,064	376,711	22	409,639	92
Supplies	56,688	91,690	62	101,574	90
Services-Professional, Repairs, Utilities	174,961	324,560	86	817,405	40
Intergovernmental Services, Taxes, & Fees	8,199	9,669	18	8,375	115
Parking Infraction Enforcement/Collection	587,696	624,952	6	637,091	98
Interfund-Warehouse & Services	300,080	266,437	-11	209,840	127
<b>Total Operating Expenses</b>	<b>1,435,688</b>	<b>1,694,019</b>	<b>18</b>	<b>2,183,924</b>	<b>78</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay	1,022	1,589,107	155390	1,952,365	81
Debt-(Principal & Interest), Interfund Loans, & Transfers	125,058	131,224	5	132,253	99
<b>Total Capital and Debt Expenses</b>	<b>126,080</b>	<b>1,720,331</b>	<b>1264</b>	<b>2,084,618</b>	<b>83</b>
<b>Total Expenses</b>	<b>1,561,768</b>	<b>3,414,350</b>	<b>119</b>	<b>4,268,542</b>	<b>80</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 2,115,466</b>	<b>\$ 872,742</b>	<b>-59%</b>	<b>\$ 258,151</b>	<b>338%</b>



**December 2008  
City of Bellingham  
Medic One Fund Operating Statement**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Medic One Fund #470, Enterprise</b>					
<b>Budgeted Beginning Balance</b>	\$ 553,749	\$ 579,521	5%	\$ 579,521	100%
<b>Revenues</b>					
Special Purpose Tax (1)	595,633	605,321	2	528,150	115
Less Transfers of Special Purpose Tax to Whatcom Cty (1)(a)	(595,633)	(605,321)	2	(528,150)	115
Ambulance & Emergency Aid Fees	3,007,436	3,550,562	18	3,353,542	106
City of Bellingham - General Fund	1,005,892	1,015,951	1	1,015,951	100
Intergovernmental Revenue - Whatcom County & others (2)	2,446,850	2,303,076	-6	3,093,766	74
Investment Interest	62,915	79,532	26	77,628	102
Other Revenues & Financing Sources	132,460	33,914	-74	1,000	3391
Interfund - Sales & Services	2,736	-	-100	-	0
<b>Total Revenues</b>	<b>6,658,289</b>	<b>6,983,035</b>	<b>5</b>	<b>7,541,887</b>	<b>93</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	4,067,058	4,531,728	11	4,915,917	92
Supplies	458,044	498,024	9	568,800	88
Services-Professional, Repairs, Utilities	341,266	272,376	-20	448,905	61
Intergovernmental Services, Taxes, & Fees	21,977	20,863	-5	33,894	62
Interfund-Warehouse & Services	1,215,449	1,361,620	12	1,316,603	103
<b>Total Operating Expenses</b>	<b>6,103,794</b>	<b>6,684,611</b>	<b>10</b>	<b>7,284,119</b>	<b>92</b>
<b>Capital Expense</b>					
Capital Outlay	294,076	107,664	-63	282,363	38
Debt-(Principal & Interest), Interfund Loans, & Transfers	30,435	-	-100	-	0
<b>Total Capital Expense</b>	<b>324,511</b>	<b>107,664</b>	<b>-67</b>	<b>282,363</b>	<b>38</b>
<b>Total Expenses</b>	<b>6,428,305</b>	<b>6,792,275</b>	<b>6</b>	<b>7,566,482</b>	<b>90</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 783,733</b>	<b>\$ 770,281</b>	<b>-2%</b>	<b>\$ 554,926</b>	<b>139%</b>



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

(1)(a) City share of tax is directly remitted to the Whatcom County EMS Fund as an intergovernmental transfer.

(2) 2008: Per Interlocal Agreement, Whatcom County has contributed \$1.36 million from its General Fund and \$866K from its Whatcom County EMS Fund through 12/31/08.

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

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Purchasing &amp; Materials Mgt Fund #520</b>					
Budgeted Beginning Balance	\$ 571,078	\$ 428,628	-25%	\$ 428,628	100%
Revenues	2,262,631	2,138,793	-5	1,919,239	111
Expenses	2,406,513	2,097,658	-13	2,147,213	98
Projected/Budgeted Ending Balance	\$ 427,196	\$ 469,763	10%	\$ 200,654	234%

<b>Facilities Administration Fund #530</b>					
Budgeted Beginning Balance	\$ 1,016,920	\$ 1,198,122	18%	\$ 1,198,122	100%
Revenues	2,229,489	2,228,160	0	2,145,160	104
Expenses	2,063,468	2,118,386	3	2,864,235	74
Projected/Budgeted Ending Balance	\$ 1,182,941	\$ 1,307,896	11%	\$ 479,047	273%

<b>Telecommunication Fund #540</b>					
Budgeted Beginning Balance	\$ 490,180	\$ 955,032	95%	\$ 955,032	100%
Revenues	1,592,246	420,927	-74	427,276	99
Expenses	1,127,394	864,927	-23	1,299,978	67
Projected/Budgeted Ending Balance	\$ 955,032	\$ 511,032	-46%	\$ 82,330	621%

<b>Claims &amp; Litigation Fund #550</b>					
Budgeted Beginning Balance	\$ 4,871,114	\$ 4,944,015	1%	\$ 4,944,015	100%
Revenues	943,081	1,011,305	7	1,125,617	90
Expenses *	870,180	1,396,703	61	1,917,659	73
Projected/Budgeted Ending Balance	\$ 4,944,015	\$ 4,558,617	-8%	\$ 4,151,973	110%

\* 2008: Change in property insurance carrier and renewal date resulted in premiums being paid through 6/09-\$127K.

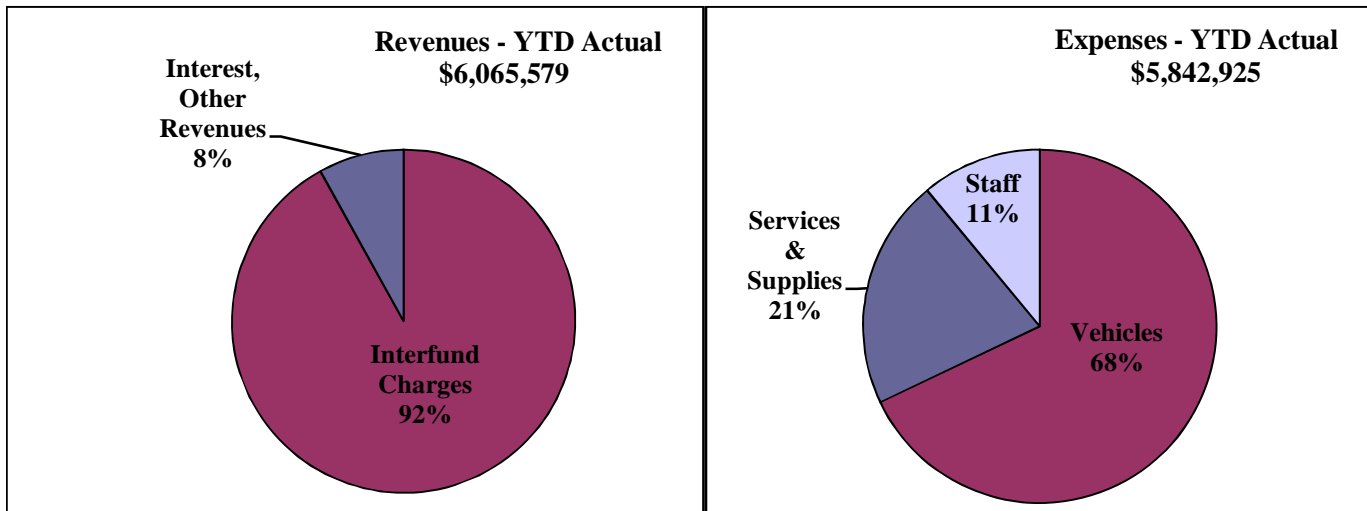
<b>Unemployment Compensation Fund #561</b>					
Budgeted Beginning Balance	\$ 330,295	\$ 275,296	-17%	\$ 275,296	100%
Revenues	15,124	11,167	-26	18,509	60
Expenses	70,123	62,623	-11	122,005	51
Projected/Budgeted Ending Balance	\$ 275,296	\$ 223,840	-19%	\$ 171,800	130%

<b>Worker's Comp Self-Insurance Fund #562</b>					
Budgeted Beginning Balance	\$ 750,020	\$ 913,892	22%	\$ 913,892	100%
Revenues	787,526	626,880	-20	604,129	104
Expenses	583,681	709,633	22	737,783	96
Projected/Budgeted Ending Balance	\$ 953,865	\$ 831,139	-13%	\$ 780,238	107%

<b>Health Benefits Fund #565</b>					
Budgeted Beginning Balance	\$ 1,133,532	\$ 1,272,460	12%	\$ 1,272,460	100%
Revenues	8,928,771	10,168,736	14	10,071,102	101
Expenses	8,782,007	9,953,334	13	10,315,546	96
Projected/Budgeted Ending Balance	\$ 1,280,296	\$ 1,487,862	16%	\$ 1,028,016	145%

**December 2008  
City of Bellingham  
Fleet Fund Operating Statement**

Fleet Fund #510, Internal Service	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	\$ 5,614,972	\$ 5,675,532	1%	\$ 5,675,532	100%
<b>Revenues</b>					
Operating Revenues - Interfund	(1) 2,455,414	5,577,724	127	5,476,297	102
Investment Interest	268,480	266,388	-1	291,462	91
Other Miscellaneous Revenues	2,484	2,685	8	-	100
Other Financing Sources	99,742	218,782	119	350,000	63
<b>Total Revenues</b>	<b>2,826,120</b>	<b>6,065,579</b>	<b>115</b>	<b>6,117,759</b>	<b>99</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	599,825	643,171	7	653,739	98
Supplies	275,502	322,372	17	305,160	106
Services-Professional, Repairs, Utilities	190,398	243,231	28	203,458	120
Interfund-Parts, Services & Supplies	643,989	664,884	3	639,582	104
<b>Total Operating Expenses</b>	<b>1,709,714</b>	<b>1,873,658</b>	<b>10</b>	<b>1,801,939</b>	<b>104</b>
<b>Capital Expense</b>					
Capital Outlay - Vehicles & Equipment	(1) 1,035,877	3,969,267	283	5,128,517	77
Debt-(Principal & Interest), Interfund Loans, & Transfers	21,304	-	-100	-	0
<b>Total Capital Expense</b>	<b>1,057,181</b>	<b>3,969,267</b>	<b>275</b>	<b>5,128,517</b>	<b>77</b>
<b>Total Expenses</b>	<b>2,766,895</b>	<b>5,842,925</b>	<b>111</b>	<b>6,930,456</b>	<b>84</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 5,674,197</b>	<b>\$ 5,898,186</b>	<b>4%</b>	<b>\$ 4,862,835</b>	<b>121%</b>



(1) 2008: Purchase and sale to general fund for fire truck replacements- \$2.25 million.

**December 2008**  
**City of Bellingham**  
**Cash and Investments Report**

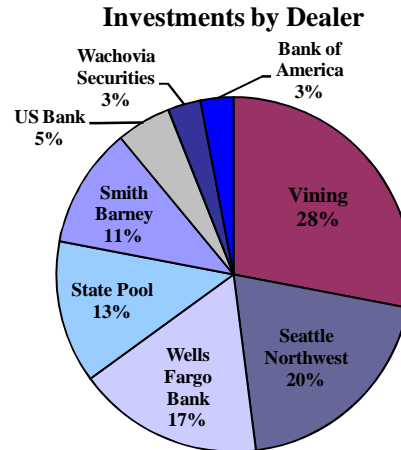
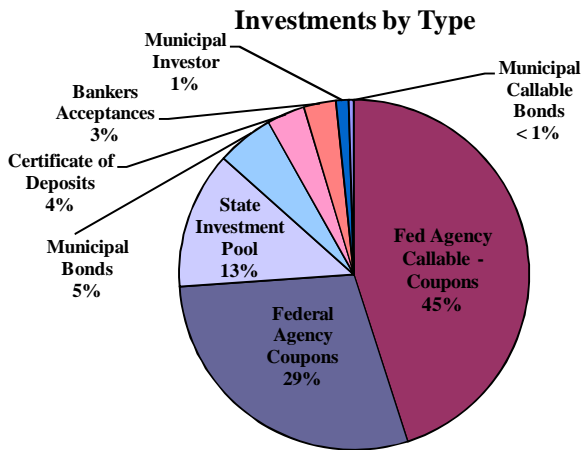
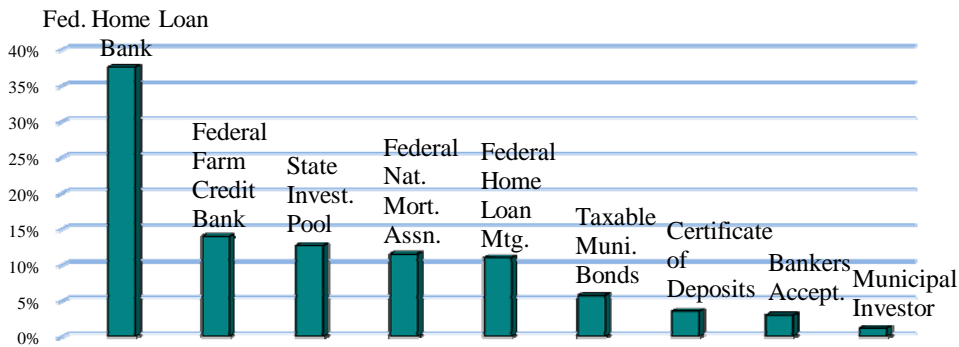
<b>Unrestricted-Cash &amp; Investments</b>	Prior Month Ending Bal.	Cash Increase	Cash Decrease	Current Ending Bal.
General Fund*	\$ 10,633,489	\$ 7,456,460	\$ 6,857,122	\$ 11,232,827
General Fund Reserve*	7,021,151	42,410	-	7,063,561
Street*	10,197,307	2,496,641	2,430,993	10,262,955
Arterial, Paths - Street Funds	404,830	60,131	122,914	342,047
Technology Replacement and Reserve*	2,089,327	12,102	98,653	2,002,776
Park Acquisition & Capital Maintenance	4,514,475	2,603,792	2,672,784	4,445,483
Library Gift	27,587	2,247	1,930	27,904
Settlement Funds	1,499,389	9,007	13,559	1,494,837
Real Estate Excise Tax Funds	7,970,377	227,837	1,057,714	7,140,500
Police Special Revenue Funds	860,965	5,935	12,669	854,231
Public Safety Dispatch	1,488,249	851,096	353,776	1,985,569
Park Funds	8,964,510	275,778	331,676	8,908,612
Tourism	622,833	84,758	177,614	529,977
Community Development Block Grant	(19,541)	377,671	358,130	-
Home Investment Partnership Grant	(55,316)	77,408	22,092	-
<b>Debt &amp; LID Funds</b>	<b>1,565,202</b>	<b>405,328</b>	<b>1,605,310</b>	<b>365,220</b>
Construction- Civic Field	145,679	846	8,715	137,810
Water	3,703,958	5,280,114	5,017,701	3,966,371
Wastewater	13,171,334	1,536,536	994,753	13,713,117
Storm/Surface Water Utility	3,551,962	560,931	423,597	3,689,296
Solid Waste	6,833,631	520,879	117,298	7,237,212
Cemetery	64,175	67,546	66,097	65,624
Golf Course	144,980	131,033	196,511	79,502
Parking Services	2,475,114	354,700	1,702,219	1,127,595
Medic One	1,873,996	704,862	837,570	1,741,288
Development Services*	717,728	284,404	249,144	752,988
Fleet Administration*	5,816,895	326,983	174,152	5,969,726
Purchasing/Material Management	544,171	199,074	128,408	614,837
Facilities Administration	1,458,908	228,369	216,588	1,470,689
Telecommunications	522,551	24,043	19,115	527,479
Claims and Litigation*	4,534,731	98,072	62,291	4,570,512
Unemployment Compensation*	239,149	1,444	140	240,453
Workers Comp Self-Insurance*	830,984	60,336	38,371	852,949
Health Benefits*	1,478,188	871,555	840,796	1,508,947
Fire and Police Pension Funds	8,719,569	496,783	261,876	8,954,476
Trust & Deposit Funds	1,732,094	996,947	2,635,408	93,633
Payroll & Accounts Payable Funds	3,791,298	19,359,174	23,150,472	-
Greenways Endowment	2,970,188	36,147	22,587	2,983,748
Natural Resources Protect & Restore	4,464,081	2,858,636	5,642,060	1,680,657
<b>Total Cash &amp; Investments</b>	<b>127,570,198</b>	<b>49,988,015</b>	<b>58,922,805</b>	<b>118,635,408</b>
<i>* Funds with City Council approved budget reserve goals.</i>				
<b>Restricted Cash &amp; Investments -Debt, Construction</b>				
Civic Field (Restricted for Debt & Construction)				
Water (Restricted for Debt & Construction)	16,477,376	4,016,413	6,018,828	14,474,961
Wastewater (Restricted for Debt & Constr)	5,542,411	216,707	955	5,758,163
Solid Waste (Restricted for Debt & Constr)	504,815	58,076	504,815	58,076
Cemetery - Preeed Trust & Endowed Care	480,412	490,385	490,616	480,181
Parking - Restricted for Debt Svc P&I	21,357	10,678	-	32,035
<b>Total Restricted</b>	<b>23,026,371</b>	<b>4,792,259</b>	<b>7,015,214</b>	<b>20,803,416</b>
<b>Total Funds Available</b>	<b>\$ 150,596,569</b>	<b>\$ 54,780,274</b>	<b>\$ 65,938,019</b>	<b>\$ 139,438,824</b>
<b>Discrete Component Unit (Restricted)</b>				
Public Facilities District	\$ 2,239,177	\$ 3,725,195	\$ 1,738,216	\$ 4,226,156
Public Facilities District Construction	907,366	609,372	910,506	606,232
Public Development Authority	13,698	61	1,514	12,245
<b>Total Public Facilities District Funds</b>	<b>\$ 3,160,241</b>	<b>\$ 4,334,628</b>	<b>\$ 2,650,236</b>	<b>\$ 4,844,633</b>

**December 2008  
City of Bellingham  
Investment Summary**

<b>Portfolio Summary</b>	<b>Book Value</b>	<b>Term in Years</b>	<b>YTM/C 365Equiv.</b>
<b>Investments By Type</b>			
State Investment Pool	\$ 18,074,611	0.0	1.82%
Municipal Investor	1,674,954	0.0	0.25%
Certificates of Deposit	5,000,000	0.5	2.97%
Bankers Acceptances	4,275,991	0.3	4.27%
Federal Agency Issues - Coupon	41,261,098	2.1	3.38%
Federal Agency Callable Issues - Coupon	64,252,849	4.4	4.40%
Municipal Bonds	7,482,306	2.6	4.48%
Municipal Callable Bonds	674,502	3.5	5.00%
<b>Investments - Total &amp; Average</b>	<b>\$142,696,311</b>	<b>2.8</b>	<b>3.68%</b>
Year to Date Interest Received	\$ 6,704,446		
Year to Date Interest Earned	6,610,153		
Effective Rate of Return on Interest Earned	4.23%		

Note: This report details all investments managed by the City of Bellingham including funds held by the Bellingham Whatcom Public Facilities District, which is legally separate from the City.

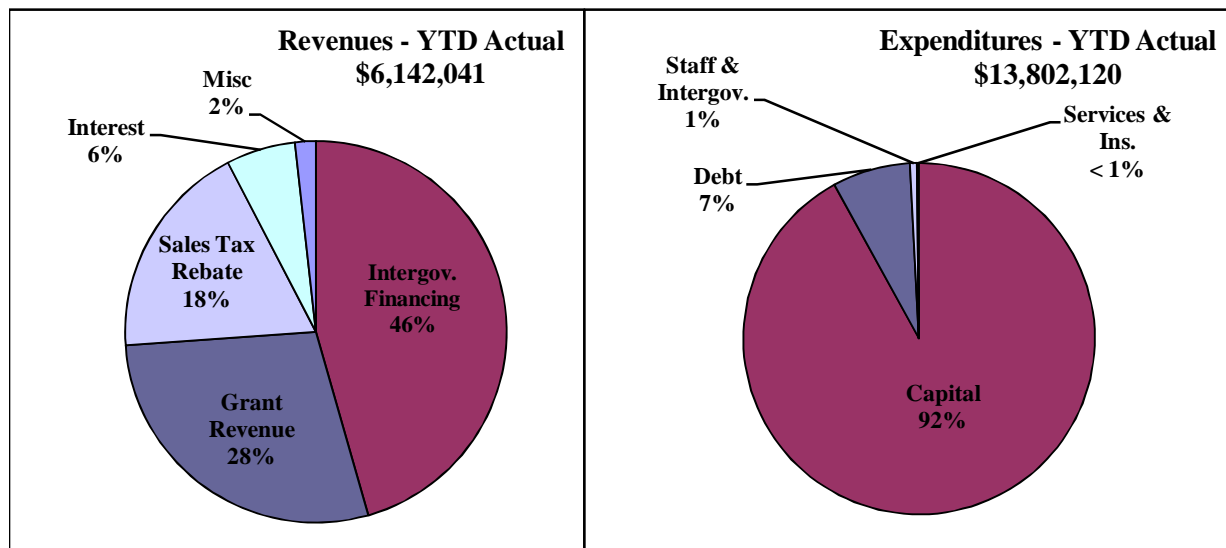
**Investments By Issuer**



<b>Investment Activity Summary</b>					
<b>Month / Year</b>	<b>Total Securities</b>	<b>Total Investment Book Value</b>	<b>YTM 365 Equivalent</b>	<b>State Pool Rate</b>	<b>3-Yr. Rolling 2-Year Treasury</b>
December 2003	64	\$104,748,821	2.46%	1.07%	2.68%
December 2004	53	118,805,167	2.64%	2.07%	2.20%
December 2005	59	130,861,088	3.48%	4.16%	2.61%
December 2006	49	131,701,705	4.71%	5.21%	3.67%
December 2007	52	157,866,765	4.87%	4.56%	4.34%
March 2008	59	159,410,510	4.24%	3.14%	4.17%
June 2008	56	161,825,117	3.80%	2.29%	4.08%
September 2008	57	154,384,750	3.84%	2.39%	3.93%
December 2008	51	\$142,696,311	3.68%	1.82%	3.66%

**December 2008  
Public Facilities District  
Operating Statement**

	Prior YTD	Current YTD	Percent Change	Annual Budget	Percent Act/Bud
<b>Public Facilities District</b>					
<b>Budgeted Beginning Balance</b>	\$ 4,778,049	\$ 11,775,339	146%	\$ 11,775,339	100%
<b>Revenues</b>					
Sales Tax Rebate	(1) 1,128,194	1,136,083	1	1,203,442	94
Interest Income	(2) 228,688	360,651	58	288,846	125
Other Income	18,797	107,680	473	-	100
Intergovernmental Revenue	4,439	2,800,000	62977	2,885,000	97
G.O. Bond Proceeds	9,995,000	-	-100	-	0
Grant Revenue	(3) 189,646	1,737,502	816	2,159,271	80
Misc Revenue	7	125	1686	-	100
<b>Total Revenues</b>	<b>11,564,771</b>	<b>6,142,041</b>	<b>-47</b>	<b>6,536,559</b>	<b>94</b>
<b>Operating Expenditures</b>					
Salaries & Benefits	(4) 92,785	67,842	-27	80,505	84
Supplies & Miscellaneous	-	3,175	100	5,029	63
Insurance	9,120	5,459	-40	9,400	58
Services-Professional, Repairs, Utilities	35,949	20,918	-42	62,277	34
Intergovernmental Services	30,590	16,239	-47	82,725	20
<b>Total Operating Expenditures</b>	<b>168,444</b>	<b>113,633</b>	<b>-33</b>	<b>239,936</b>	<b>47</b>
<b>Capital and Debt Expenditures</b>					
Capital Costs	(5) 3,544,726	12,693,437	258	15,175,880	84
Debt-Principal & Interest	289,722	995,050	243	1,003,387	99
<b>Total Capital and Debt Expenditures</b>	<b>3,834,448</b>	<b>13,688,487</b>	<b>257</b>	<b>16,179,267</b>	<b>85</b>
<b>Total Expenditures</b>	<b>4,002,892</b>	<b>13,802,120</b>	<b>245</b>	<b>16,419,203</b>	<b>84</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 12,339,928</b>	<b>\$ 4,115,260</b>	<b>-67%</b>	<b>\$ 1,892,695</b>	<b>217%</b>



- (1) Sales Tax Rebate of .033% of Countywide retail sales.  
(2) 2008: Interest income increase attributable to a \$9.95 million December 2007 bond proceed issuance.  
(3) 2008: The PFD received a Building for the Arts Grant (\$987,500), Whatcom Community Foundation / Campaign for the Arts Grant (\$593,061), and a donation from the Whatcom Museum Society (\$54,612).  
(4) PFD staffing levels were reduced from 1.0 FTE in 2007 to 0.5 FTE in 2008. Management oversight was transferred to Planning.  
(5) 2008: includes major construction costs for Art & Children's Museum & re-model of Mt. Baker Theatre.

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.