

# CITY OF BELLINGHAM

## MAY 2009 FINANCIAL REPORT

### Highlights

- Citywide revenues of \$72.6 million are 34% of the annual budget. Operating expenditures of \$58.4 million are 35% of the annual budget. Capital expenditures of \$11.3 million are 12% of the annual budget.
- General Fund revenues of \$27.4 million are 41% of the annual budget. General Fund operating expenditures of \$24.8 million are 38% of the annual budget.
- The City had \$140.4 million invested earning an average of 3.36%, compared to earnings of 4.51% 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 5/31/09	
5/31/2009	\$ 141,942,493	5/31/2009	\$ 2,027,179	Budget Year-to-Date	\$ 30,474,735
5/31/2008	156,493,329	5/31/2008	2,602,911	Actual to Date	25,743,427
Decrease	-9.3% \$ (14,550,836)	Decrease	-22.1% \$ (575,732)	Surplus	15.5% \$ 4,731,308
General Fund – Sales Tax Collected*		General Fund - Utility Taxes Collected		General Fund - B & O Tax Collected	
5/31/2009	\$ 3,848,728	5/31/2009	\$ 6,599,767	5/31/2009	\$ 5,310,632
5/31/2008	3,963,556	5/31/2008	5,978,893	5/31/2008	5,931,011
Decrease	-2.9% \$ (114,828)	Increase	10.4% \$ 620,874	Decrease	-10.5% \$ (620,379)

\*Beginning in FY 2009, the General Fund's allocation of sales tax revenue was increased from 50% to 57.5%.

### Bellingham - Direct and Overlapping Property Tax Rates (per \$1,000 of assessed value)

City of Bellingham	2004	2005	2006	2007	2008
General fund	2.12921	2.04020	1.68297	1.68677	1.70899
What RDA LIFT	-	-	-	-	0.00018
Fire pension	0.22500	0.22500	0.22500	0.22500	0.22500
Sub-total nonvoted levy	2.35421	2.26520	1.90797	1.91177	1.93417
Voted greenways	0.57000	0.29748	0.24761	0.57000	0.57493
Total regular levy	2.92421	2.56268	2.15558	2.48177	2.50910
Voted excess levies	0.04344	0.06488	0.04884	0.05486	0.05197
<b>Total City of Bellingham levy</b>	<b>2.96765</b>	<b>2.62756</b>	<b>2.20442</b>	<b>2.53663</b>	<b>2.56107</b>
<b>Overlapping Districts</b>					
State schools	3.15695	3.21948	2.97937	2.69846	2.42701
County levy	1.55023	1.46589	1.32537	1.14785	1.08884
Conservation futures	0.06022	0.05694	0.05148	0.04453	0.04229
Flood control	0.19370	0.18345	0.16582	0.14354	0.13625
Port of Bellingham	0.38320	0.38258	0.38320	0.34220	0.32465
Bellingham School District	3.79208	3.45964	2.97790	3.27693	3.26299
<b>Total City &amp; overlapping levy</b>	<b>12.10403</b>	<b>11.39554</b>	<b>10.08756</b>	<b>10.19014</b>	<b>9.84310</b>

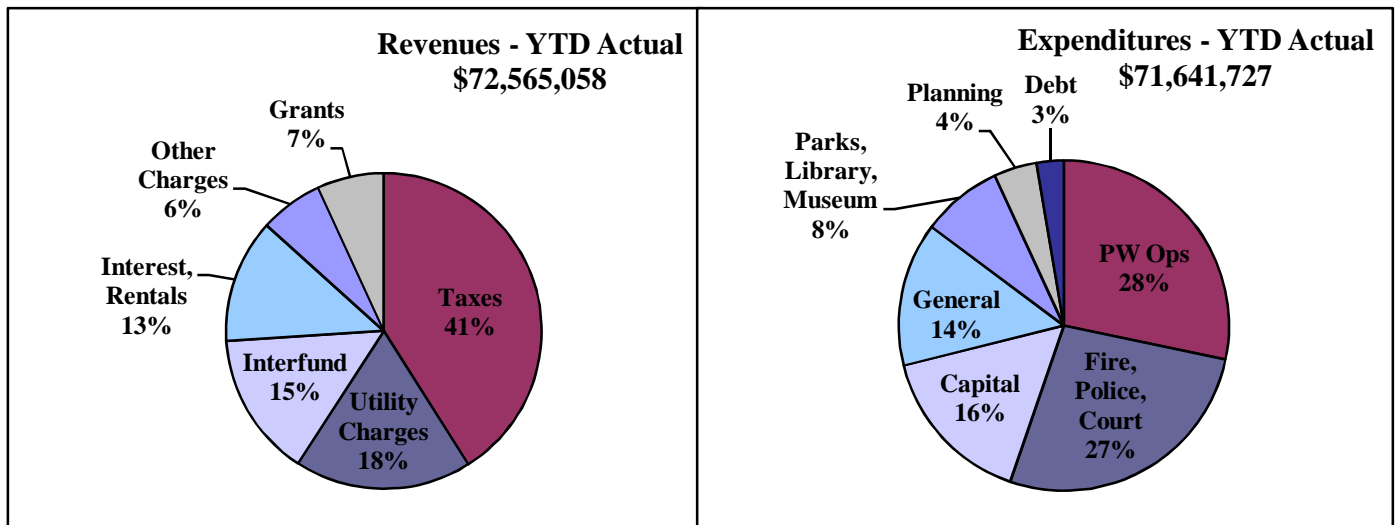
Please refer questions or comments on financial reports to John Carter, Finance Director, or Kipp Drummond, Accounting Manager.

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

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

**May 2009**  
**City of Bellingham**  
**Citywide, All Funds, Combined Operating Statement**

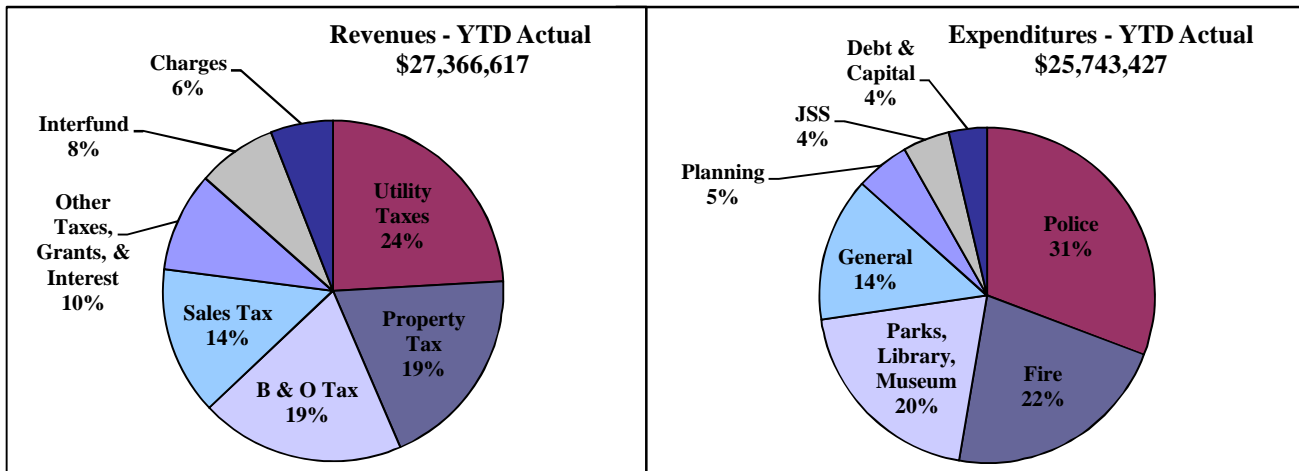
	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	\$ 139,937,693	\$ 133,923,629	-4%	\$ 133,923,629	100%
<b>Revenues</b>					
Property Taxes	8,034,122	8,188,713	2	18,268,060	45
Sales Tax	7,901,628	6,680,400	-15	17,428,883	38
B & O Tax	5,931,011	5,310,632	-10	12,032,381	44
Utility Taxes (1)	6,517,122	7,143,664	10	14,621,500	49
Other Taxes	2,690,156	2,434,034	-10	6,680,750	36
Grants, Entitlements, Revenue Sharing	4,618,671	4,973,783	8	43,728,671	11
Utility Charges for Services	15,499,959	13,160,488	-15	35,747,698	37
Other Charges, Fines, Permits, Licenses	4,872,886	4,666,898	-4	12,385,453	38
Interest, Rentals, Bonds, Other Revenues (2)	17,423,487	9,223,755	-47	26,271,715	35
Interfund Sales & Service	9,768,139	9,594,066	-2	23,594,693	41
Interfund Loans & Transfers (3)	4,050,878	1,188,625	-71	5,404,444	22
<b>Total Revenues</b>	<b>87,308,059</b>	<b>72,565,058</b>	<b>-17</b>	<b>216,164,248</b>	<b>34</b>
<b>Operating Expenditures</b>					
General Governmental Services	10,521,916	10,101,746	-4	28,080,193	36
Fire, Police, Municipal Court	18,097,393	19,342,230	7	49,135,407	39
Public Works Operations	19,312,605	20,260,931	5	64,494,651	31
Planning, Hearing Examiner	3,199,855	3,018,713	-6	10,927,203	28
Libraries, Museums, Parks	5,613,307	5,682,018	1	16,230,971	35
<b>Total Operating Expenditures</b>	<b>56,745,076</b>	<b>58,405,638</b>	<b>3</b>	<b>168,868,425</b>	<b>35</b>
<b>Capital and Debt Expenditures</b>					
Capital Expenditures (2)	16,008,576	11,340,744	-29	97,218,503	12
Debt Service, Loans, Transfers (3)	4,685,281	1,895,345	-60	14,051,621	13
<b>Total Capital and Debt Expenditures</b>	<b>20,693,857</b>	<b>13,236,089</b>	<b>-36</b>	<b>111,270,124</b>	<b>12</b>
<b>Total Expenditures</b>	<b>77,438,933</b>	<b>71,641,727</b>	<b>-7</b>	<b>280,138,549</b>	<b>26</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 149,806,819</b>	<b>\$ 134,846,960</b>	<b>-10%</b>	<b>\$ 69,949,328</b>	<b>193%</b>



(1) 2009: Utility rates increased in FY 2009, resulting in increased utility tax revenue as compared to the prior year.  
(2) 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.  
(3) 2008: Interfund loan between fire and pension funds resulting in a revenue and expense of \$2.25 million for fire truck replacements.

**May 2009**  
**City of Bellingham**  
**General Fund Operating Statement**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	\$ 25,481,318	\$ 17,326,870	-32%	\$ 17,326,870	100%
<b>Revenues</b>					
Property Tax	5,370,679	5,316,123	-1	12,296,000	43
Sales Tax (1)	3,963,556	3,848,728	-3	9,716,121	40
B & O Tax	5,931,011	5,310,632	-10	12,032,381	44
Utility Taxes (2)	5,978,893	6,599,767	10	13,341,500	49
Other Taxes (3)	1,285,255	1,487,284	16	2,880,750	52
Grants, Entitlements, Revenue Sharing	553,254	637,106	15	2,691,764	24
Charges, Fines, Permits, Licenses	1,514,246	1,628,977	8	4,208,116	39
Interest, Rentals, Bonds, Other Revenues (4)	1,782,758	473,915	-73	4,340,632	11
Interfund Sales & Service	1,653,272	1,676,426	1	4,253,707	39
Interfund Loans & Transfers	270,038	387,659	44	1,196,290	32
<b>Total Revenues</b>	<b>28,302,962</b>	<b>27,366,617</b>	<b>-3</b>	<b>66,957,261</b>	<b>41</b>
<b>Operating Expenditures</b>					
Executive	610,438	503,899	-17	2,136,752	24
Legislative	190,635	179,055	-6	459,742	39
Hearings Examiner	73,778	74,500	1	197,433	38
Museum	644,581	609,234	-5	1,754,266	35
Library	1,593,785	1,608,144	1	3,924,790	41
Finance (5)	1,349,587	760,694	-44	1,996,908	38
Human Resources	528,599	513,383	-3	1,503,258	34
Information Technology	972,316	1,095,113	13	2,588,920	42
Legal	536,937	520,974	-3	1,544,346	34
Judicial & Support Services	1,075,733	1,158,255	8	3,160,832	37
Parks & Recreation	2,980,552	2,939,651	-1	7,777,135	38
Planning & Community Development	1,077,059	1,272,750	18	4,216,716	30
Fire	5,326,953	5,645,743	6	14,114,431	40
Police	7,825,706	7,912,858	1	20,291,215	39
<b>Total Operating Expenditures</b>	<b>24,786,659</b>	<b>24,794,253</b>	<b>0</b>	<b>65,666,744</b>	<b>38</b>
<b>Capital and Debt Expenditures</b>					
Capital Expenditures (6)	5,921,203	124,893	-98	3,375,569	4
Debt Service, Loans, Transfers	1,368,684	824,281	-40	4,097,052	20
<b>Total Capital and Debt Expenditures</b>	<b>7,289,887</b>	<b>949,174</b>	<b>-87</b>	<b>7,472,621</b>	<b>13</b>
<b>Total Expenditures</b>	<b>32,076,546</b>	<b>25,743,427</b>	<b>-20</b>	<b>73,139,365</b>	<b>35</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 21,707,734</b>	<b>\$ 18,950,060</b>	<b>-13%</b>	<b>\$ 11,144,766</b>	<b>170%</b>



- (1) 2009: Beginning in FY 2009, the General Fund's allocation of sales tax revenue was increased from 50% to 57.5%.
- (2) 2009: Utility rates increased in FY 2009, resulting in increased utility tax revenue as compared to the prior year.
- (3) 2009: Increase in other taxes revenue largely attributable to an increase in delinquent B & O tax recoveries from FY 2008 as opposed to B & O tax recoveries collected in the prior year.
- (4) 2008: The City received \$1 million from an insurance settlement for toxic land remediation.
- (5) 2008: Finance expenditures include one time costs of \$251K relating to the purchase of the Cornwall property in January 2008 and one time costs of \$339K relating to the purchase of the Colony Wharf property in March 2008.
- (6) 2008: Cornwall property purchase of \$2.45 million and Colony Wharf property purchase of \$3.3 million.

**May 2009  
City of Bellingham  
Available General Fund Reserve Report**

<b>2009 Adopted Budget with Amendments</b>	<b>Beginning Budget</b>	<b>Undesignated Balance</b>	<b>Designated Balance (1)</b>	<b>Combined Balance</b>
Adopted Beginning Available Resources	\$ 12,689,183	-	-	-
Adopted Budgeted Revenues	67,242,222	-	-	-
Adopted Budgeted Expenditures	\$ 72,193,313	-	-	-
Adopted Available Ending Unrestricted Balance		\$ -	\$ 7,738,092	\$ 7,738,092
<b>Adjustments affecting Available Ending Balance</b>				
<b>General Fund Budget Ordinances/Transfers:</b>				
2009-04-011 Adjustments to 2009 Beginning Balance		1,413,523	-	1,413,523
2009-04-011 Adjustments to 2009 Beginning Balance		-	3,224,164	3,224,164
2009-04-012 Re-appropriation of encumbered balances from 2008 Budget		(972,000)	-	(972,000)
2009-04-013 Re-appropriation of unencumbered balances from 2008 Budget		(49,013)	-	(49,013)
2009-04-014 Budget amendment reducing revenue and expenditures		(210,000)	-	(210,000)
<b>Available Ending Balance</b>	<b>5/31/2009</b>	<b>\$ 182,510</b>	<b>\$ 10,962,256</b>	<b>\$ 11,144,766</b>

**Notes**

*(1) Designated Balance amounts are reserved by Council in the 2009 Revised Budget as follows: General Fund Reserve of \$9,461,147 and Other Departmental Reserves of \$1,501,109.*

**May 2009**  
**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 #120</b>					
Budgeted Beginning Balance	\$ 6,285,612	\$ 6,250,305	-1%	\$ 6,250,305	100%
Revenues*	888,942	434,973	-51	716,144	61
Expenditures	367,405	680,327	85	5,767,600	12
Projected/Budgeted Ending Balance	\$ 6,807,149	\$ 6,004,951	-12%	\$ 1,198,849	501%

\*2008: The City transferred \$400K to computer reserve and \$350K to capital maintenance.

<b>Olympic/Oeser Settlement Funds Funds #130</b>					
Budgeted Beginning Balance	\$ 1,356,803	\$ 1,491,421	10%	\$ 1,491,421	100%
Revenues	1,089,892	54,400	-95	123,894	44
Expenditures	35,419	61,480	74	1,197,986	5
Projected/Budgeted Ending Balance	\$ 2,411,276	\$ 1,484,341	-38%	\$ 417,329	356%

<b>Real Estate Excise Tax Funds #140</b>					
Budgeted Beginning Balance	\$ 9,051,120	\$ 6,788,661	-25%	\$ 6,788,661	100%
Revenues	1,211,699	977,631	-19	6,904,555	14
Expenditures	1,086,649	1,480,628	36	11,211,076	13
Projected/Budgeted Ending Balance	\$ 9,176,170	\$ 6,285,664	-32%	\$ 2,482,140	253%

<b>Police Special Rev Funds #150</b>					
Budgeted Beginning Balance	\$ 685,361	\$ 834,808	22%	\$ 834,809	100%
Revenues	317,490	161,506	-49	357,864	45
Expenditures	71,409	166,681	133	559,126	30
Projected/Budgeted Ending Balance	\$ 931,442	\$ 829,633	-11%	\$ 633,547	131%

<b>Public Safety Dispatch Fund #160</b>					
Budgeted Beginning Balance	\$ 2,033,803	\$ 1,813,305	-11%	\$ 1,813,305	100%
Revenues	1,231,591	1,284,341	4	4,059,670	32
Expenditures	1,627,587	1,765,254	8	4,234,259	42
Projected/Budgeted Ending Balance	\$ 1,637,807	\$ 1,332,392	-19%	\$ 1,638,716	81%

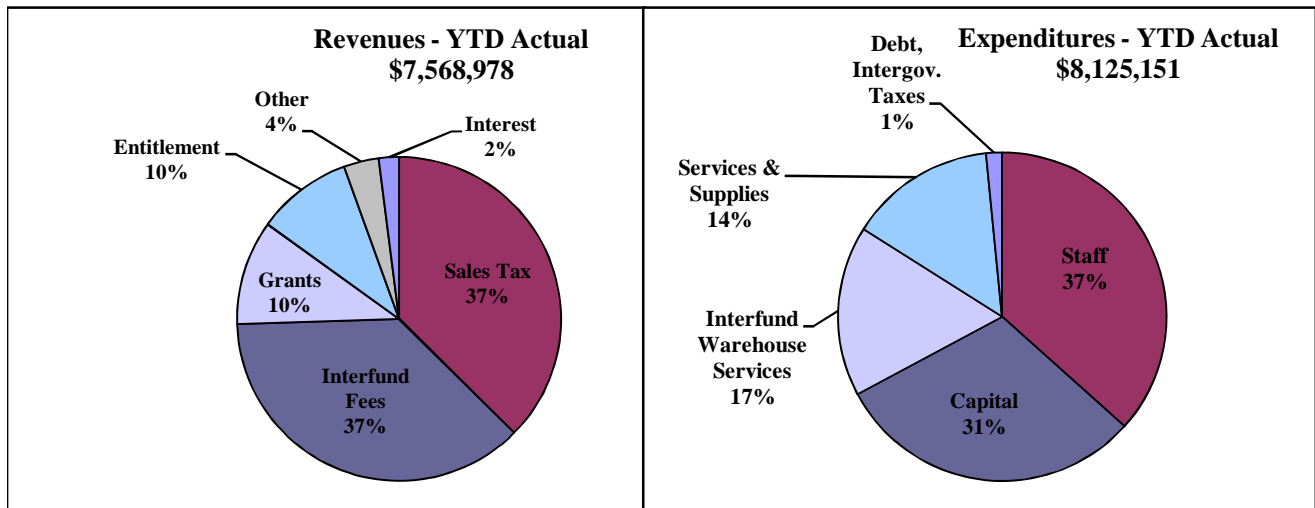
<b>Parks Funds #170 (includes Beyond Greenways III &amp; Park Impact Fees)</b>					
Budgeted Beginning Balance	\$ 8,890,121	\$ 8,979,673	1%	\$ 8,979,673	100%
Revenues	2,053,323	1,984,419	-3	7,099,268	28
Expenditures	1,832,528	714,391	-61	14,219,549	5
Projected/Budgeted Ending Balance	\$ 9,110,916	\$ 10,249,701	12%	\$ 1,859,392	551%

<b>Tourism Fund #180</b>					
Budgeted Beginning Balance	\$ 383,171	\$ 433,247	13%	\$ 433,247	100%
Revenues	374,200	287,228	-23	1,013,432	28
Expenditures	318,512	339,104	6	1,212,340	28
Projected/Budgeted Ending Balance	\$ 438,859	\$ 381,371	-13%	\$ 234,339	163%

<b>Community Development Grants Fund #190 &amp; 191</b>					
Budgeted Beginning Balance	\$ 451,483	\$ 59,558	-87%	\$ 59,558	100%
Revenues	441,759	172,564	-61	3,589,363	5
Expenditures	611,217	575,527	-6	3,594,531	16
Projected/Budgeted Ending Balance	\$ 282,025	\$ (343,405)	-222%	\$ 54,390	-631%

**May 2009**  
**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>	\$ 11,071,601	\$ 10,493,480	-5%	\$ 10,493,480	100%
<b>Revenues</b>					
Sales Tax	(1) 3,938,072	2,831,673	-28	7,712,762	37
Federal/State Grants	77,644	791,134	919	21,628,433	4
Entitlements	1,017,549	718,989	-29	2,674,826	27
Interfund Fees	2,826,590	2,807,211	-1	6,307,854	45
Investment Interest	209,358	153,225	-27	492,206	31
Other Revenues	134,623	266,746	98	1,084,890	25
Other Financing Sources	-	-	0	6,500	0
<b>Total Revenues</b>	<b>8,203,836</b>	<b>7,568,978</b>	<b>-8</b>	<b>39,907,471</b>	<b>19</b>
<b>Operating Expenditures</b>					
Salaries, Wages & Benefits	2,925,975	2,976,218	2	7,709,226	39
Supplies	273,383	244,488	-11	913,593	27
Services-Professional, Repairs, Utilities	780,881	926,002	19	4,529,429	20
Intergovernmental Services, Taxes, & Fees	172,161	90,691	-47	366,000	25
Interfund-Warehouse & Services	1,362,938	1,365,557	0	3,206,711	43
<b>Total Operating Expenditures</b>	<b>5,515,338</b>	<b>5,602,956</b>	<b>2</b>	<b>16,724,959</b>	<b>34</b>
<b>Capital and Debt Expenditures</b>					
Capital Outlay	1,892,455	2,482,195	31	31,933,442	8
Debt-(Principal & Interest), Interfund Loans, & Transfers	-	40,000	100	265,490	15
<b>Total Capital and Debt Expenditures</b>	<b>1,892,455</b>	<b>2,522,195</b>	<b>33</b>	<b>32,198,932</b>	<b>8</b>
<b>Total Expenditures</b>	<b>7,407,793</b>	<b>8,125,151</b>	<b>10</b>	<b>48,923,891</b>	<b>17</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 11,867,644</b>	<b>\$ 9,937,307</b>	<b>-16%</b>	<b>\$ 1,477,060</b>	<b>673%</b>



(1) 2009: Beginning in FY 2009, the Street Fund receives 42.5% of City sales tax revenue, as opposed to 50% in prior years.

**May 2009**  
**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	\$ 3,598,554	\$ 3,643,086	1%	\$ 3,643,086	100%
Revenues	2,049,682	1,911,368	-7	5,130,363	37
Expenses	1,640,355	1,748,671	7	7,992,265	22
Projected/Budgeted Ending Balance	\$ 4,007,881	\$ 3,805,783	-5%	\$ 781,184	487%

<b>Solid Waste Fund #440</b>					
Budgeted Beginning Balance	\$ 2,534,269	\$ 7,302,549	188%	\$ 7,302,549	100%
Revenues*	7,045,134	713,850	-90	1,782,896	40
Expenses*	2,813,051	321,896	-89	2,376,071	14
Projected/Budgeted Ending Balance	\$ 6,766,352	\$ 7,694,503	14%	\$ 6,709,374	115%

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

<b>Cemetery Fund #456</b>					
Budgeted Beginning Balance	\$ 404,284	\$ 372,134	-8%	\$ 372,134	100%
Revenues	244,697	215,549	-12	617,813	35
Expenses	254,429	260,401	2	600,576	43
Projected/Budgeted Ending Balance	\$ 394,552	\$ 327,282	-17%	\$ 389,371	84%

<b>Golf Course Fund #460*</b>					
Budgeted Beginning Balance	\$ 58,450	\$ 52,877	-10%	\$ 52,877	100%
Revenues	81,606	79,032	-3	182,137	43
Expenses	44,123	27,807	-37	178,010	16
Projected/Budgeted Ending Balance	\$ 95,933	\$ 104,102	9%	\$ 57,004	183%

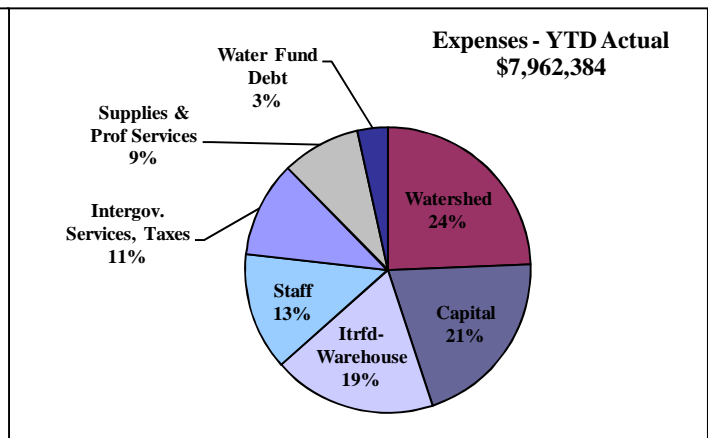
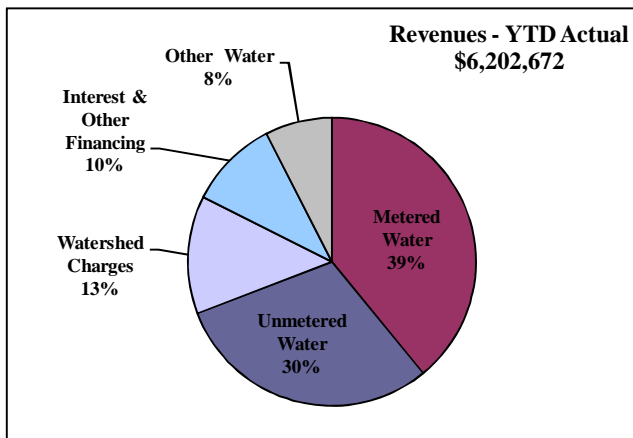
*\*2008: As of January 2008, the Golf Course is operated by a private company under lease from the City.*

<b>Development Services Fund #475</b>					
Budgeted Beginning Balance	\$ 1,215,916	\$ 639,391	-47%	\$ 639,391	100%
Revenues	1,039,809	793,063	-24	1,811,340	44
Expenses	1,318,614	885,403	-33	2,030,411	44
Projected/Budgeted Ending Balance	\$ 937,111	\$ 547,051	-42%	\$ 420,320	130%

<i>Development Services Activity YTD</i>	<u>2008</u>	<u>2009</u>
<i>Permits</i>	332	218
<i>Units</i>	113	36
<i>Valuation (\$millions)</i>	\$60.9	\$35

May 2009  
City of Bellingham  
Water Fund Operating Statement

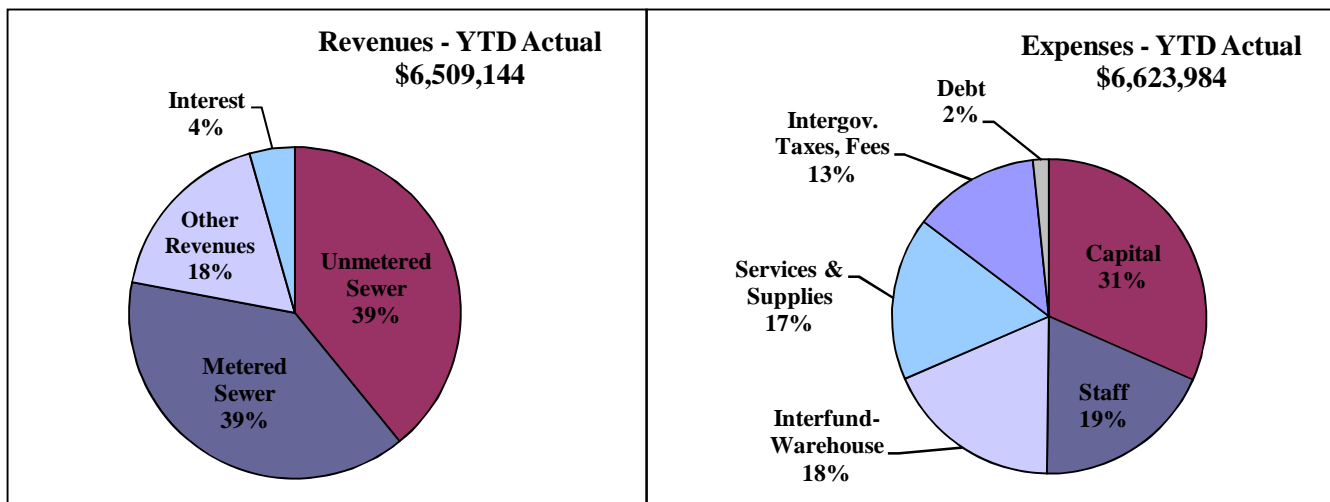
Water Fund #410, Enterprise	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Budgeted Beginning Balance - Water Operations</b>	\$ 14,515,044	\$ 12,824,766	-12%	\$ 12,824,766	100%
<b>Revenues</b>					
Unmetered Water	1,720,112	1,867,130	9	4,482,000	42
Metered Water	2,287,499	2,423,265	6	6,135,400	39
Other Water System Charges	(1) 860,889	466,425	-46	2,587,846	18
Investment Interest	273,954	156,089	-43	556,494	28
Other Revenues	437,872	367,528	-16	733,750	50
Other Financing Sources	-	-	0	2,930,000	0
<b>Total Revenues</b>	<b>5,580,326</b>	<b>5,280,437</b>	<b>-5</b>	<b>17,425,490</b>	<b>30</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	1,021,224	1,058,211	4	2,676,995	40
Supplies & Services-Professional, Repairs, Utilities	672,587	709,949	6	3,636,656	20
Intergovernmental Services, Taxes, & Fees	959,601	867,916	-10	2,553,750	34
Interfund-Warehouse & Services	1,579,027	1,476,787	-6	4,004,450	37
<b>Total Operating Expenses</b>	<b>4,232,439</b>	<b>4,112,863</b>	<b>-3</b>	<b>12,871,851</b>	<b>32</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay	1,979,431	1,639,082	-17	14,191,656	12
Debt-(Principal & Interest), Interfund Loans, & Transfers	193,099	273,116	41	1,367,819	20
<b>Total Capital and Debt Expenses</b>	<b>2,172,530</b>	<b>1,912,198</b>	<b>-12</b>	<b>15,559,475</b>	<b>12</b>
<b>Total Expenses</b>	<b>6,404,969</b>	<b>6,025,061</b>	<b>-6</b>	<b>28,431,326</b>	<b>21</b>
<b>Projected/Budgeted Ending Balance - Water Operations</b>	<b>\$ 13,690,401</b>	<b>\$ 12,080,142</b>	<b>-12%</b>	<b>\$ 1,818,930</b>	<b>664%</b>
<b>Budgeted Beginning Balance - Watershed Activity</b>	\$ 476,971	\$ 4,784,519	903%	\$ 4,784,519	100%
<b>Revenues</b>					
Watershed Charges	832,620	815,347	-2	2,080,000	39
Demand Charges	5,761	7,107	23	-	100
Investment Interest & Other Revenue	9,124	99,781	994	23,647	422
<b>Total Revenues</b>	<b>847,505</b>	<b>922,235</b>	<b>9</b>	<b>2,103,647</b>	<b>44</b>
<b>Operating Expenses</b>					
Supplies & Services	5,544	7,299	32	195,166	4
Intergovernmental Services, Taxes, & Fees	156,368	152,034	-3	421,052	36
<b>Total Operating Expenses</b>	<b>161,912</b>	<b>159,333</b>	<b>-2</b>	<b>616,218</b>	<b>26</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay	458,164	1,707,823	273	3,805,000	45
Debt-(Principal & Interest), Interfund Loans, & Transfers	77,500	70,167	-9	615,817	11
<b>Total Capital and Debt Expenses</b>	<b>535,664</b>	<b>1,777,990</b>	<b>232</b>	<b>4,420,817</b>	<b>40</b>
<b>Total Expenses</b>	<b>697,576</b>	<b>1,937,323</b>	<b>178</b>	<b>5,037,035</b>	<b>38</b>
<b>Projected/Budgeted Ending Balance - Watershed</b>	<b>\$ 626,900</b>	<b>\$ 3,769,431</b>	<b>501%</b>	<b>\$ 1,851,131</b>	<b>204%</b>
<b>Projected/Budgeted Ending Balance - Water/Watershed Combined</b>	<b>\$ 14,317,301</b>	<b>\$ 15,849,573</b>	<b>11%</b>	<b>\$ 3,670,061</b>	<b>432%</b>



(1) 2009: Decrease from prior year attributable to the decline in water hookup fees as a result of a decrease in new construction.

**May 2009**  
**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>	\$ 17,761,257	\$ 18,806,260	6%	\$ 18,806,260	100%
<b>Revenues</b>					
Unmetered Sewer	2,384,465	2,546,051	7	6,087,806	42
Metered Sewer	2,470,251	2,530,022	2	6,411,487	39
Investment Interest	338,442	287,795	-15	747,573	38
Other Revenues	(1) 3,361,005	1,145,276	-66	4,126,005	28
<b>Total Revenues</b>	<b>8,554,163</b>	<b>6,509,144</b>	<b>-24</b>	<b>17,372,871</b>	<b>37</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	1,179,338	1,232,962	5	3,125,399	39
Supplies	256,384	240,202	-6	660,142	36
Services-Professional, Repairs, Utilities	849,095	873,854	3	5,252,934	17
Intergovernmental Services, Taxes, & Fees	1,128,216	864,827	-23	2,320,187	37
Interfund-Warehouse & Services	1,227,482	1,210,278	-1	3,235,640	37
<b>Total Operating Expenses</b>	<b>4,640,515</b>	<b>4,422,123</b>	<b>-5</b>	<b>14,594,302</b>	<b>30</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay	1,534,840	2,093,557	36	11,340,556	18
Debt-(Principal & Interest), Interfund Loans, & Transfers	136,941	108,304	-21	2,212,802	5
<b>Total Capital and Debt Expenses</b>	<b>1,671,781</b>	<b>2,201,861</b>	<b>32</b>	<b>13,553,358</b>	<b>16</b>
<b>Total Expenses</b>	<b>6,312,296</b>	<b>6,623,984</b>	<b>5</b>	<b>28,147,660</b>	<b>24</b>
<b>Projected/Budgeted Ending Balance</b>	\$ 20,003,124	\$ 18,691,420	-7%	\$ 8,031,471	233%

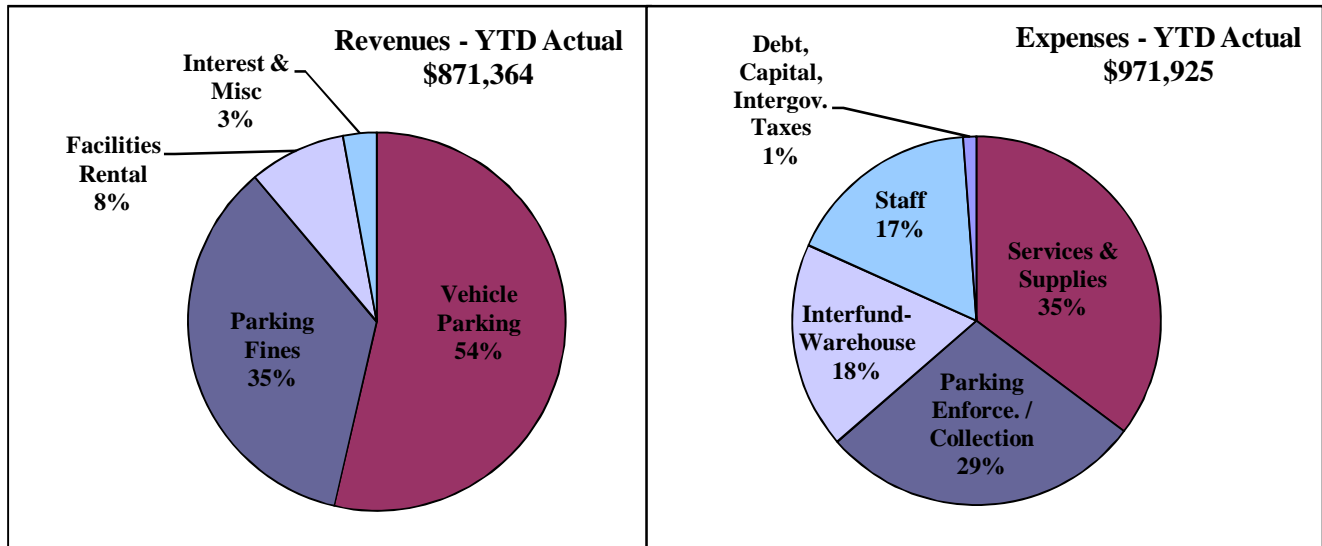


(1) 2008: Includes one time sewer hook up fee of \$2 million for Encogen Northwest Plant.

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 12/31/08, the ratio was 6.13. At 5/31/09, the ratio is estimated at 5.45.

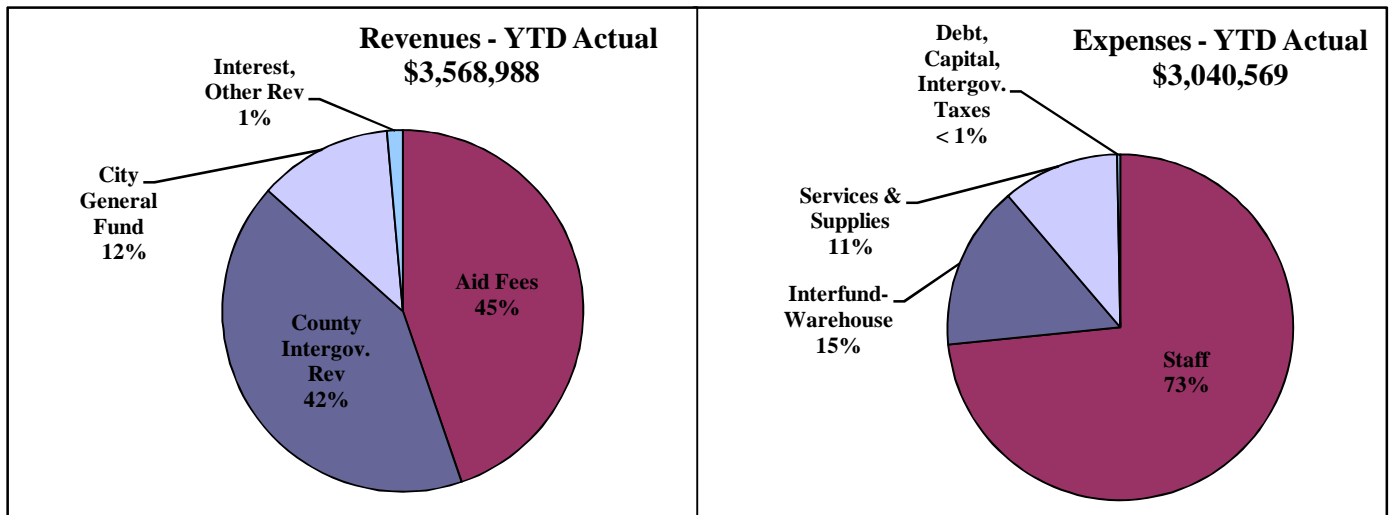
**May 2009  
City of Bellingham  
Parking Services Fund Operating Statement**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Parking Fund #465, Enterprise</b>					
<b>Budgeted Beginning Balance</b>	\$ 1,902,902	\$ 999,969	-47%	\$ 999,969	100%
<b>Revenues</b>					
Vehicle Parking	481,458	467,170	-3	1,476,082	32
Parking Infraction Fines	305,563	306,996	0	850,000	36
Facilities Rental	67,791	72,344	7	134,111	54
Investment Interest	39,946	16,901	-58	91,945	18
Miscellaneous Revenues	9,482	7,953	-16	19,700	40
<b>Total Revenues</b>	<b>904,240</b>	<b>871,364</b>	<b>-4</b>	<b>2,571,838</b>	<b>34</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	148,935	166,301	12	436,461	38
Supplies	49,771	16,724	-66	153,275	11
Services-Professional, Repairs, Utilities	129,706	325,556	151	770,855	42
Intergovernmental Services, Taxes, & Fees	1,703	3,619	113	9,770	37
Parking Infraction Enforcement/Collection	265,455	275,871	4	662,091	42
Interfund-Warehouse & Services	115,860	176,296	52	354,902	50
<b>Total Operating Expenses</b>	<b>711,430</b>	<b>964,367</b>	<b>36</b>	<b>2,387,354</b>	<b>40</b>
<b>Capital and Debt Expenses</b>					
Capital Outlay	20,763	-	-100	-	0
Debt-(Principal & Interest), Interfund Loans, & Transfers	9,272	7,558	-18	128,140	6
<b>Total Capital and Debt Expenses</b>	<b>30,035</b>	<b>7,558</b>	<b>-75</b>	<b>128,140</b>	<b>6</b>
<b>Total Expenses</b>	<b>741,465</b>	<b>971,925</b>	<b>31</b>	<b>2,515,494</b>	<b>39</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 2,065,677</b>	<b>\$ 899,408</b>	<b>-56%</b>	<b>\$ 1,056,313</b>	<b>85%</b>



**May 2009  
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>	\$ 579,521	\$ 770,281	33%	\$ 770,281	100%
<b>Revenues</b>					
Special Purpose Tax (1)	248,826	218,202	-12	552,275	40
Less Transfers of Special Purpose Tax to Whatcom Cty (1)(a)	(248,826)	(218,202)	-12	(552,275)	40
Ambulance & Emergency Aid Fees	1,518,994	1,595,864	5	3,420,812	47
City of Bellingham - General Fund	423,313	427,546	1	1,026,110	42
Intergovernmental Revenue - Whatcom County & others (2)	1,362,680	1,495,216	10	3,365,174	44
Investment Interest	26,873	26,886	0	62,581	43
Other Revenues & Financing Sources	29,980	23,476	-22	1,000	2348
<b>Total Revenues</b>	<b>3,361,840</b>	<b>3,568,988</b>	<b>6</b>	<b>7,875,677</b>	<b>45</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	1,619,362	2,231,557	38	5,178,123	43
Supplies	164,850	160,178	-3	589,640	27
Services-Professional, Repairs, Utilities	129,048	173,952	35	448,157	39
Intergovernmental Services, Taxes, & Fees	8,778	8,593	-2	41,894	21
Interfund-Warehouse & Services	465,853	466,289	0	1,457,731	32
<b>Total Operating Expenses</b>	<b>2,387,891</b>	<b>3,040,569</b>	<b>27</b>	<b>7,715,545</b>	<b>39</b>
<b>Capital &amp; Debt Expenses</b>					
Capital Outlay	-	-	0	369,286	0
Debt-(Principal & Interest), Interfund Loans, & Transfers	-	-	0	-	0
<b>Total Capital &amp; Debt Expenses</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>369,286</b>	<b>0</b>
<b>Total Expenses</b>	<b>2,387,891</b>	<b>3,040,569</b>	<b>27</b>	<b>8,084,831</b>	<b>38</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 1,553,470</b>	<b>\$ 1,298,700</b>	<b>-16%</b>	<b>\$ 561,127</b>	<b>231%</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) 2009: Per Interlocal Agreement, Whatcom County has contributed \$574K from its General Fund and \$829K from the Whatcom County EMS Fund through 5/31/09.

**May 2009**  
**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	\$ 428,628	\$ 480,654	12%	\$ 480,654	100%
Revenues	882,904	901,432	2	2,267,830	40
Expenses	797,820	817,229	2	2,131,150	38
Projected/Budgeted Ending Balance	\$ 513,712	\$ 564,857	10%	\$ 617,334	91%

<b>Facilities Administration Fund #530</b>					
Budgeted Beginning Balance	\$ 1,198,122	\$ 1,310,659	9%	\$ 1,310,659	100%
Revenues	917,057	945,136	3	2,127,261	44
Expenses	837,338	1,150,957	37	2,998,846	38
Projected/Budgeted Ending Balance	\$ 1,277,841	\$ 1,104,838	-14%	\$ 439,074	252%

<b>Telecommunication Fund #540</b>					
Budgeted Beginning Balance	\$ 955,032	\$ 511,032	-46%	\$ 511,032	100%
Revenues	205,124	144,820	-29	404,805	36
Expenses*	581,530	138,300	-76	398,216	35
Projected/Budgeted Ending Balance	\$ 578,626	\$ 517,552	-11%	\$ 517,621	100%

\*2009: Decrease in expenses from the prior year largely attributable to one time project expenses in FY 2008 relating to the installation of the new Citywide telephone system.

<b>Claims &amp; Litigation Fund #550</b>					
Budgeted Beginning Balance	\$ 4,944,015	\$ 4,558,617	-8%	\$ 4,558,617	100%
Revenues	416,416	440,655	6	1,235,982	36
Expenses	438,226	174,849	-60	1,086,600	16
Projected/Budgeted Ending Balance	\$ 4,922,205	\$ 4,824,423	-2%	\$ 4,707,999	102%

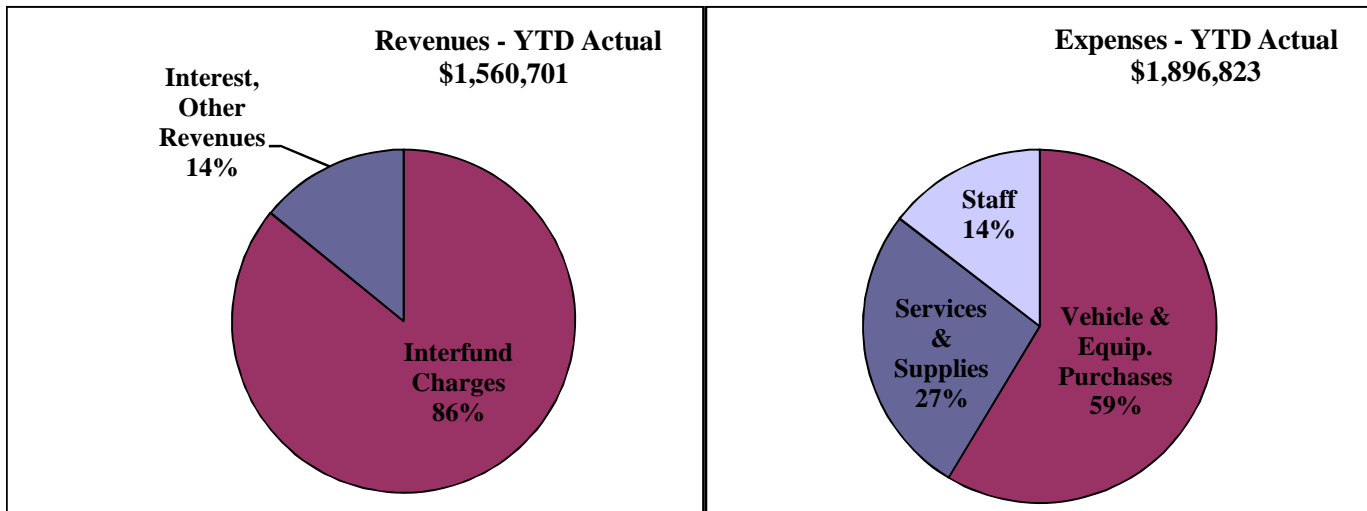
<b>Unemployment Compensation Fund #561</b>					
Budgeted Beginning Balance	\$ 275,296	\$ 223,840	-19%	\$ 223,840	100%
Revenues	4,988	40,192	706	68,584	59
Expenses	32,295	46,688	45	158,385	29
Projected/Budgeted Ending Balance	\$ 247,989	\$ 217,344	-12%	\$ 134,039	162%

<b>Worker's Comp Self-Insurance Fund #562</b>					
Budgeted Beginning Balance	\$ 913,892	\$ 865,003	-5%	\$ 865,003	100%
Revenues	254,441	261,205	3	582,536	45
Expenses	317,124	318,877	1	766,407	42
Projected/Budgeted Ending Balance	\$ 851,209	\$ 807,331	-5%	\$ 681,132	119%

<b>Health Benefits Fund #565</b>					
Budgeted Beginning Balance	\$ 1,272,460	\$ 1,502,465	18%	\$ 1,502,465	100%
Revenues	4,181,010	5,094,517	22	10,910,559	47
Expenses	4,120,341	4,404,662	7	11,128,298	40
Projected/Budgeted Ending Balance	\$ 1,333,129	\$ 2,192,320	64%	\$ 1,284,726	171%

**May 2009  
City of Bellingham  
Fleet Fund Operating Statement**

	Prior YTD	Current YTD	Percent Change	Revised Budget	Percent Act/Bud
<b>Fleet Fund #510, Internal Service</b>					
<b>Budgeted Beginning Balance</b>	\$ 5,675,532	\$ 5,897,881	4%	\$ 5,897,881	100%
<b>Revenues</b>					
Operating Revenues - Interfund	1,382,599	1,340,206	-3	3,092,865	43
Investment Interest	101,723	85,421	-16	204,011	42
Other Miscellaneous Revenues	4,983	-	-100	-	0
Other Financing Sources	135,373	135,074	0	200,000	68
<b>Total Revenues</b>	<b>1,624,678</b>	<b>1,560,701</b>	<b>-4</b>	<b>3,496,876</b>	<b>45</b>
<b>Operating Expenses</b>					
Salaries, Wages & Benefits	266,542	276,495	4	685,637	40
Supplies	134,454	130,308	-3	332,863	39
Services-Professional, Repairs, Utilities	93,616	78,741	-16	236,589	33
Interfund-Parts, Services & Supplies	276,544	298,991	8	777,773	38
<b>Total Operating Expenses</b>	<b>771,156</b>	<b>784,535</b>	<b>2</b>	<b>2,032,862</b>	<b>39</b>
<b>Capital &amp; Debt Expenses</b>					
Capital Outlay - Vehicles & Equipment	429,584	1,112,288	159	2,902,267	38
Debt-(Principal & Interest), Interfund Loans, & Transfers	-	-	0	-	0
<b>Total Capital &amp; Debt Expenses</b>	<b>429,584</b>	<b>1,112,288</b>	<b>159</b>	<b>2,902,267</b>	<b>38</b>
<b>Total Expenses</b>	<b>1,200,740</b>	<b>1,896,823</b>	<b>58</b>	<b>4,935,129</b>	<b>38</b>
<b>Projected/Budgeted Ending Balance</b>	<b>\$ 6,099,470</b>	<b>\$ 5,561,759</b>	<b>-9%</b>	<b>\$ 4,459,628</b>	<b>125%</b>



**May 2009**  
**City of Bellingham**  
**Cash and Investments Report**

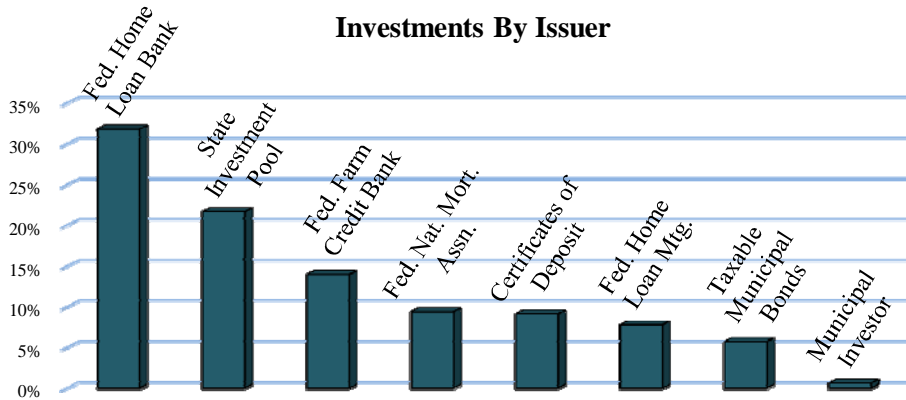
<b>Unrestricted-Cash &amp; Investments</b>	Prior Month Ending Bal.	Cash Increase	Cash Decrease	Current Ending Bal.
General Fund	\$ 6,937,719	\$ 8,678,178	\$ 5,265,701	\$ 10,350,196
General Fund Reserve	8,499,089	25,970	-	8,525,059
Street	10,256,378	1,882,912	1,990,226	10,149,064
Arterial, Paths - Street Funds	342,579	139	-	342,718
Technology Replacement and Reserve	1,995,311	46,219	-	2,041,530
Park Acquisition	243,239	743	-	243,982
Capital Maintenance	3,811,069	11,513	114,616	3,707,966
Library Gift	52,605	10,149	5,588	57,166
Settlement Funds	1,497,461	4,563	17,384	1,484,640
Real Estate Excise Tax Funds	6,524,450	228,697	433,071	6,320,076
Police Special Revenue Funds	863,256	4,922	37,557	830,621
Public Safety Dispatch	1,582,736	124,615	346,123	1,361,228
Park Funds	8,977,828	1,483,332	59,550	10,401,610
Tourism	389,275	92,761	100,665	381,371
Community Development Block Grant	(111,454)	123,187	203,433	(191,700)
Home Investment Partnership Grant	(146,965)	11,547	5,338	(140,756)
Debt & LID Funds	490,832	163,006	1,497	652,341
Construction- Civic Field	139,049	425	-	139,474
Water	4,108,785	2,564,314	1,363,786	5,309,313
Wastewater	15,951,460	1,174,015	2,513,287	14,612,188
Storm/Surface Water Utility	3,800,576	404,421	335,045	3,869,952
Solid Waste	7,154,625	255,475	108,671	7,301,429
Cemetery	43,946	41,815	70,184	15,577
Golf Course	105,745	32,396	20,077	118,064
Parking Services	1,021,063	219,876	265,851	975,088
Medic One	1,192,622	790,830	619,349	1,364,103
Development Services	560,166	152,079	137,601	574,644
Fleet Administration	5,643,013	450,261	515,859	5,577,415
Purchasing/Material Management	562,767	143,747	110,911	595,603
Facilities Administration	1,214,083	171,745	238,209	1,147,619
Telecommunications	525,453	25,590	29,156	521,887
Claims and Litigation	4,763,442	80,807	19,796	4,824,453
Unemployment Compensation	240,819	22,622	46,097	217,344
Workers Comp Self-Insurance	789,871	73,967	93,210	770,628
Health Benefits	1,626,509	1,446,172	899,384	2,173,297
Fire and Police Pension Funds	8,602,153	868,378	275,443	9,195,088
Trust & Deposit Funds	3,340,668	6,500,372	7,708,007	2,133,033
Payroll & Accounts Payable Funds	3,733,923	14,787,890	14,747,566	3,774,247
Greenways Endowment	3,040,008	293,316	141,985	3,191,339
Natural Resources Protect & Restore	1,584,557	4,839	2,324	1,587,072
<b>Total Cash &amp; Investments</b>	<b>121,950,711</b>	<b>43,397,805</b>	<b>38,842,547</b>	<b>126,505,969</b>
<b>Restricted Cash &amp; Investments -Debt, Construction</b>				
Water (Restricted for Debt & Construction)	11,758,170	188,050	1,347,360	10,598,860
Wastewater (Restricted for Debt & Constr)	3,697,316	227,928	4,517	3,920,727
Solid Waste - Restricted for Debt Svc P&I	290,379	58,076	-	348,455
Cemetery - Preeed Trust & Endowed Care	490,223	1,903	-	492,126
Parking - Restricted for Debt Svc P&I	74,748	10,678	9,070	76,356
<b>Total Restricted Cash &amp; Investments</b>	<b>16,310,836</b>	<b>486,635</b>	<b>1,360,947</b>	<b>15,436,524</b>
<b>Total City Funds Available</b>	<b>\$ 138,261,547</b>	<b>\$ 43,884,440</b>	<b>\$ 40,203,494</b>	<b>\$ 141,942,493</b>
<b>Discrete Component Units (Restricted)</b>				
Public Facilities District	\$ 2,646,115	\$ 186,173	\$ 437,647	\$ 2,394,641
Public Development Authority	(1,056)	30,025	9,877	19,092
<b>Total Discrete Component Unit Funds</b>	<b>\$ 2,645,059</b>	<b>\$ 216,198</b>	<b>\$ 447,524</b>	<b>\$ 2,413,733</b>

**May 2009**  
**City of Bellingham**  
**Investment Summary**

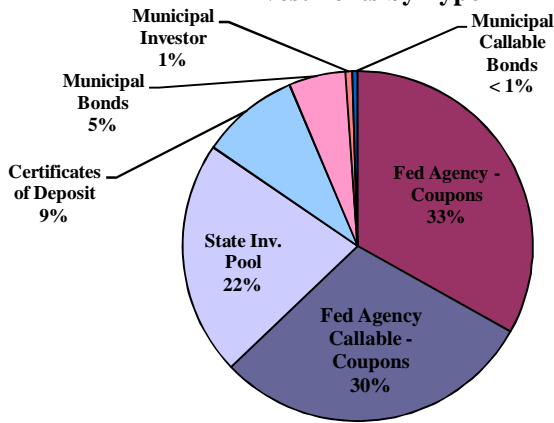
<b>Portfolio Summary</b>	<b>Book Value</b>	<b>Term in Years</b>	<b>YTM/C 365Equiv.</b>
<b>Investments By Type</b>			
State Investment Pool	\$ 30,948,034	0.0	0.67%
Municipal Investor	904,406	0.0	0.25%
Certificates of Deposit	13,000,000	0.9	1.52%
Federal Agency Issues - Coupon	47,294,484	2.0	2.95%
Federal Agency Callable Issues - Coupon	42,525,074	4.2	4.15%
Municipal Bonds	7,482,306	2.6	4.40%
Municipal Callable Bonds	674,502	3.5	5.00%
<b>Investments - Total &amp; Average</b>	<b>\$142,828,806</b>	<b>2.2</b>	<b>2.75%</b>
Year to Date Interest Received	\$ 2,080,506		
Year to Date Interest Earned	\$ 2,173,790		
Effective Rate of Return on Interest Earned	3.36%		

Note: This report details all investments managed by the City of Bellingham, which includes funds held by the Bellingham Whatcom Public Facilities District and the Public Development Authority, which are legally separate from the City.

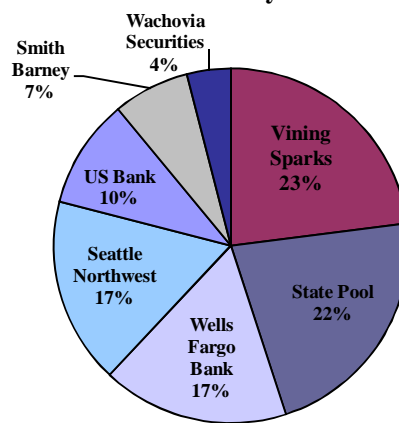
**Investments By Issuer**



**Investments by Type**



**Investments by Dealer**



**Investment Activity Summary**

<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%
December 2008	51	142,696,311	3.68%	1.82%	3.66%
January 2009	50	141,709,831	3.34%	1.27%	3.56%
February 2009	48	141,637,749	3.15%	1.07%	3.46%
March 2009	44	136,003,941	3.10%	1.03%	3.35%
April 2009	44	139,014,965	2.94%	0.89%	3.24%
May 2009	42	\$142,828,806	2.75%	0.67%	3.12%

## City of Bellingham Discrete Component Units

### May 2009 The Bellingham Whatcom Public Facilities District Operating Statement

Public Facilities District	Prior YTD	Current YTD	Percent Change	Annual Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	\$ 11,775,339	\$ 4,152,327	-65%	\$ 4,152,327	100%
<b>Revenues</b>					
Sales Tax Rebate	465,827	410,028	-12	1,185,769	35
Interest Income	199,557	54,742	-73	46,905	117
Other Income	3,630	2,734	-25	2,544	107
Grant Revenue	-	287,512	100	758,809	38
Misc Revenue	-	37,545	100	-	100
<b>Total Revenues</b>	669,014	792,561	18	1,994,027	40
<b>Operating Expenditures</b>					
Salaries & Benefits	28,809	24,383	-15	73,404	33
Supplies & Miscellaneous	180	179	-1	840	21
Insurance	5,459	3,379	-38	5,623	60
Services-Professional, Repairs, Utilities	13,508	13,078	-3	23,271	56
Intergovernmental Services	177,323	3,424	-98	735,874	0
<b>Total Operating Expenditures</b>	225,279	44,443	-80	839,012	5
<b>Capital and Debt Expenditures</b>					
Capital Costs	2,082,133	2,500,503	20	4,311,135	58
Debt-Principal & Interest	152,493	472,116	210	537,597	88
<b>Total Capital and Debt Expenditures</b>	2,234,626	2,972,619	33	4,848,732	61
<b>Total Expenditures</b>	2,459,905	3,017,062	23	5,687,744	53
<b>Projected/Budgeted Ending Balance</b>	\$ 9,984,448	\$ 1,927,826	-81%	\$ 458,610	420%

### May 2009 Bellingham Public Development Authority\* Operating Statement

Public Development Authority	Prior YTD	Current YTD	Percent Change	Annual Budget	Percent Act/Bud
<b>Budgeted Beginning Balance</b>	N/A	\$ 7,610	N/A	\$ 7,610	100%
<b>Revenues</b>					
Interest Income	N/A	87	N/A	-	100
Other Income	N/A	50,000	N/A	350,000	14
<b>Total Revenues</b>	N/A	50,087	N/A	350,000	14
<b>Operating Expenditures</b>					
Salaries & Benefits	N/A	5,163	N/A	134,430	4
Supplies & Miscellaneous	N/A	2,392	N/A	16,110	15
Insurance	N/A	3,664	N/A	-	100
Services-Professional, Repairs, Utilities	N/A	27,074	N/A	189,460	14
Intergovernmental Services	N/A	372	N/A	10,000	4
<b>Total Operating Expenditures</b>	N/A	38,665	N/A	350,000	11
<b>Capital and Debt Expenditures</b>					
Capital Costs	N/A	-	N/A	-	0
Debt-Principal & Interest	N/A	-	N/A	-	0
<b>Total Capital and Debt Expenditures</b>	N/A	-	N/A	-	0
<b>Total Expenditures</b>	N/A	38,665	N/A	350,000	11
<b>Projected/Budgeted Ending Balance</b>	N/A	\$ 19,032	N/A	\$ 7,610	250%

\*The PDA began operations in the Fall of 2008.