AGENDA
EXECUTIVE FINANCE COMMITTEE
August 28, 2008 at 1:30 P.M.
Location: Treasury Conference Room, KC Admin. Bldg., Room 610 (6th Floor)

Committee Members: Councilmember Larry Phillips, Chair; Bob Cowan, Director OMB; Ken Guy, Director FBOD; Jim Buck, County Administrative Officer

Staff: Scott Matheson, Interim Treasury Operations Manager; Mike Smith, Investment Officer; Dave Turley, Financial Accounting Supervisor

AGENDA ITEMS

1. Action: Approval of Minutes of the July 24, 2008 Executive Finance Committee meeting. (page 2)

2. Action: Motion to update Impaired Investment Policy language (page 3)
   Ken Guy, Finance Director

3. Briefing: Update on impaired investments.
   Ken Guy, Finance Director

4. Briefing: Update on action plan related to Motion No. 12796 – "Investment Pool Advisory Panel Report" (pages 4-5)
   Ken Guy, Finance Director

5. Briefing: July 2008 Investment Summary
   - Investment Purchase Summary (page 6)
   - Reverse Repo Analysis and Policy Compliance (page 7)
   - Residual Investment Fund Summary (page 8)
   - Issuer Diversification and Credit Exposure Report (page 9)
   - Investment performance review (pages 10-15)
   - Interest Rate Summary (page 16)

   Mike Smith, Investment Officer

6. Action: Committee's direction for investment of idle cash balances of specific County funds not needed for immediate expenditure.

   Staff Recommendation: Direct the Treasury to maintain the maximum average duration of the core portfolio at the 1.25 to 1.8 year range (no change from last meeting) and the maximum average maturity for the liquidity portfolio at 30 to 100 days (no change from last meeting).
   Mike Smith, Investment Officer

7. Briefing: Snoqualmie Valley Hospital's Financial Status.
   Scott Matheson, Interim Treasury Operations Manager

8. Briefing: Interfund Borrowing for July 2008
   - Automated Lending & Borrowing. County Tier 2 Funds – Interest on Interfund Loans (page 17)
   - Pooled Tier 1 County Funds with Negative Cash Balances (pages 18-19)
   - Excluded County Funds with Negative Balances - Tier 2 Funds Not Paying Interest (page 20)

   Dave Turley, Financial Accounting Supervisor

   - Interfund Loans Among Non-County Funds (pages 21-22)
   - Interfund Borrowings – EFC Approved Loans (page 23)

   Mike Smith, Investment Officer

9. Executive Session: Discussion of potential litigation with legal counsel (RCW 42.30.110, (1)(i).)

OTHER BUSINESS

ADJOURNMENT

MINUTES
EXECUTIVE FINANCE COMMITTEE
July 24, 2008

The Executive Finance Committee (EFC) Meeting was held July 24, 2008 at 1:30 p.m.

Members Present	Others Present	Others Present (Continued)	Others Present (Continued)	Members Absent
Bob Cowan	Kevin Fuhrer, Covington WD	Pat Hamacher	Hall Walker	Larry Phillips
	Debbie Prior, Highline WD	Peggy Pahl	Scott Matheson	Ken Guy
	Douglas Phonsavanh, PSCAA	Pete Anthony	Phil Sanders	Jim Buck
	William Nogle	Dave Turley	Mike Smith	
		Jim Burt		

ACTION ITEMS

1. ***Minutes*** – The Committee approved the Minutes of the June 26, 2008 EFC meeting.

2. ***Minutes*** – The Committee approved the Minutes of the July 15, 2008 special EFC meeting.

3. ***Interfund Loan*** – The Committee approved the Building Repair and Replacement Fund's (ARMS fund 3951) interfund borrowing request for $27,000,000 to purchase a new facility for the Elections Division. The bridge loan was authorized until bonds can be issued or until December 31, 2008, whichever comes first.

4. ***Amendment to Impaired Investment Policy*** – The Committee discussed the motion, but when legal questions arose, the meeting was recessed into an unscheduled Executive Session at 2:46 p.m to discuss with legal counsel litigation or potential litigation to which the County is or is likely to become a party when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the County. The meeting reconvened at 3:00p.m. After further discussion, the Committee decided to table the motion and reconsider it at the August EFC meeting.

5. ***Investment Direction*** – The Committee approved the Treasury recommendation to maintain the maximum average duration of the core portfolio at the 1.25 to 1.8 year range and maintain the maximum average maturity for the liquidity portfolio at 30 to 100 days.

BRIEFINGS

1. ***Update on Impaired Investments*** – The Committee was briefed on the status of the three impaired commercial paper programs that have not yet had their restructuring auctions. The Committee was informed that the Rhinebridge auction was scheduled for July 31, 2008. However, since the Rhinebridge auction allows any creditor to void the first auction if their reserve price is not met, there is a possibility that a second auction may be necessary. The Committee asked when the second auction, if necessary, might take place. Staff will follow up and provide an answer to the Committee members by e-mail. The Committee was also informed that the Mainsail auction could occur as early as September, but that there was no firm indication on when Victoria's auctions would occur. However, it is expected that the auction for Victoria will occur sometime before year-end. Staff will update the Committee on Victoria as information is received.

2. ***Update on Action Plan, Motion No. 12796*** –The Committee was informed that the Interbranch Workgroup is in the process of retaining a consultant to assist it. Responses from potential consultants are due July 25, 2008.

3. ***Interfund Borrowing*** – The Committee was provided a review of interfund borrowings during June 2008.

4. ***Investment Review for June 2008*** – The Committee was provided a review of investment performance, activity, and the distribution of investment holdings by maturity, security type, credit rating, and issuer. Analysis of actual versus budgeted amounts for Pool earnings and fees were reviewed. Reverse repurchase activity for the month was also reviewed, and the Committee was briefed on the current interest rate and economic environment.

EXECUTIVE SESSIONS

The meeting was recessed into Executive Session at 2:50 p.m to discuss with legal counsel litigation or potential litigation to which the County is or is likely to become a party when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the County. The meeting reconvened at 2:56 p.m.

OTHER BUSINESS

None

Mike Smith For

Scott Matheson, Interim Treasury Manager

Action Item Number 2: Draft Amendment to the Impaired Investment Policy

Section 5.4 of the Impaired Investment Policy now reads:

> *"Pool members will continue to receive interest earnings, as set forth in their investment agreements, on the amount of their retainage for loss coverage."*

The proposed motion would add the following sentences to the sentence above:

> *"....provided that, if the impaired assets are separated from the performing assets into a separate impaired investment pool, then no interest earnings will be distributed from the impaired pool until the full principal due on the impaired investment has been recovered. Full or partial recovery of these impaired funds is dependent on the implementation of restructuring agreements involving each impaired investment."*
>
> *"Provided further that no administrative fees will be charged to those assets in the impaired investment pool and any cash recovery from the impaired investments in excess of the retainage for loss coverage will be returned to each participant's fund in the performing pool effective on the day these funds were settled, thereby lowering the total amount impaired."*

Proposal for Advisory Membership on the EFC

DRAFT August 25, 2008

Introduction

In June 2008 the County Council adopted Motion No. 12796 which focused on specific actions to improve the governance, infrastructure, goals/metrics, and external relations of the County's investment pool. Within the governance area, the Motion called for the Executive Finance Committee (EFC) to "immediately develop a plan for including advisory representation on the EFC from non-county participants." This paper includes the staff recommended proposal for such advisory representation on the EFC.

Recommendation

A total of six non-county advisory representatives will be appointed, with four appointments made by Boards of their respective associations and two at-large appointments made by the EFC. The advisory positions will be representative of the types of districts within the pool and members will serve on an annual basis. Refer to discussion below.

Purpose of Investment Pool Advisory Committee (IPAC)

The County encourages open participation and communication regarding the pool's investment objectives, policies and strategies. An Investment Pool Advisory Committee (IPAC) would be established for the primary purpose of providing designated non-county pool participants the opportunity to provide advice on the operation of the pool. The IPAC would also be used by the EFC to obtain participant feedback on proposed changes in policies and practices prior to implementation.

Composition of IPAC

There are currently 101 non-county or "outside" participants in the pool. The following table lists the number of participants in each major category and the average percentage of funds held by each category.

District Category	Number	Percent of Pool $ (Using 2007 Average Cash Balances)
School	20	42.8%
Fire	23	2.5%
Sewer&Water	33	8.3%
Other	25	10.5%
Total Districts	101	64.1%
King County Funds		35.9%
Grand Total Pool		100%

The IPAC would be a relatively small group with representation from each of the outside district categories. Given that school district's collectively comprise over 40 percent of

the pool's funds, they would have increased representation over other outside district categories. The staff recommends the IPAC consist of 6 members appointed to one-year terms as follows:

- Schools: (2) members appointed by King County School District Finance Managers Association and/or the Puget Sound Educational Service District
- Fire: (1) member appointed by the King County Fire Commissioners Association
- Sewer & Water: (1) member appointed by the Sewer and Water Districts via a King County Association such as MWPAC
- At-large: (2) at-large members appointed by the EFC, with at least one at-large member representing the "other" district category. King County's selections would attempt to achieve balanced representation in terms of size and type of other districts on the IPAC.

Additional Comments

The IPAC members, in their advisory capacity, would be expected to attend monthly EFC meetings and any special meetings called during the year. IPAC members would also be expected to help disseminate critical EFC information to their fellow districts and provide occasional briefings to their respective officials.

It is important to emphasize that EFC meetings will continue to be open to any participant in the pool but regular attendance would not be expected or required. Regular attendance would only be expected of the IPAC members.

INVESTMENT PURCHASES SUMMARY
JULY 2008

OVERNIGHT REPOS

DEALER	BUYS	TOTAL AMOUNT OF REPOS	AVG DAYS	AVG YIELD
FIRST BOSTON	22	$2,246,000,000	1.38	2.14%

DISCOUNT NOTES

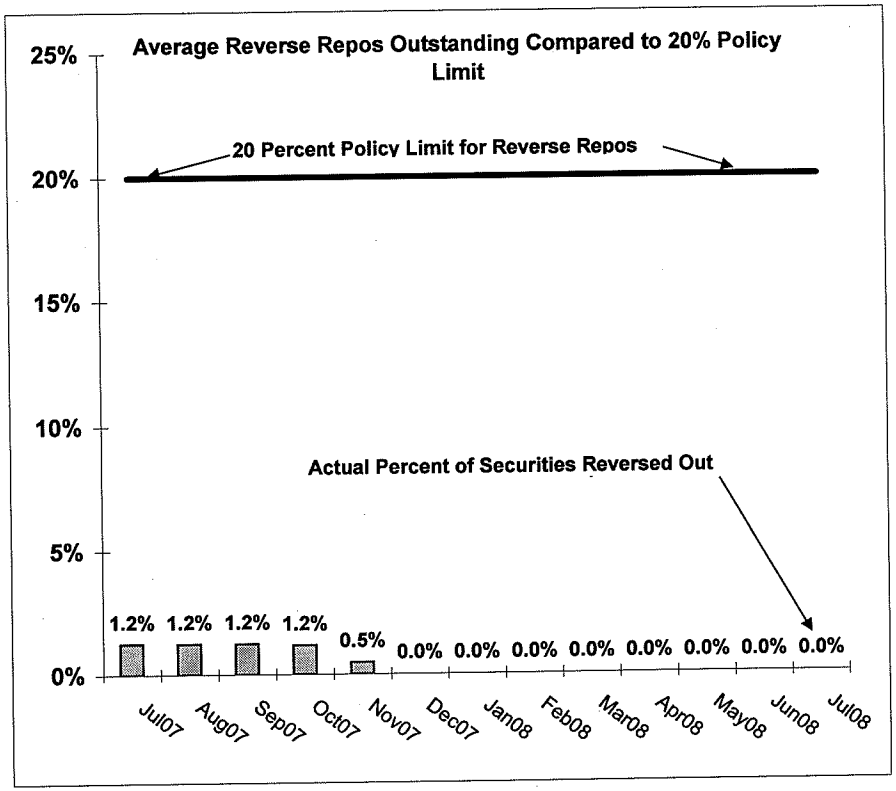
DEALER	BUYS	TOTAL FACE AMOUNT	TOTAL COST	AVG DAYS	AVG YIELD
BANK OF AMERICA	2	$ 49,100,000	$ 49,060,929	14.00	2.08%
FIRST BOSTON	1	36,333,000	35,911,537	160.00	2.68
GOLDMAN SACHS	1	25,000,000	24,671,833	179.00	2.71
LEHMAN BROTHERS	2	100,000,000	99,217,250	107.96	2.65
MERRILL LYNCH	2	51,486,000	51,135,045	93.48	2.68
SMITH BARNEY	3	175,000,000	173,035,611	157.39	2.63
UBS FINANCIAL	2	110,000,000	109,101,417	117.18	2.57
TOTAL	13	$ 546,919,000	$ 542,133,623	122.40	2.63%

CERTIFICATES OF DEPOSIT

DEALER	BUYS	TOTAL FACE AMOUNT	AVG DAYS	AVG YIELD
KEY BANK	1	$ 188,491	90.00	1.84%

REVERSE REPO ANALYSIS
Jul-2008

Reverse	Settlement Date	End Date	Par	Security Detail	Credit Rating	Proceeds	Interest Rate	Proceeds at Maturity
NO NEW ACTIVITY								



RESIDUAL INVESTMENT POOL SUMMARY

DATE: 08/22/2008

Maturity Range	Amount Invested	Percent of Portfolio	Cumulative Percentage	Average Yield
1 - 29 Days	1,424,968,652	34.4%		2.13%
30 - 59 Days	395,515,911	9.6%	44.0%	2.60%
60 - 89 Days	400,947,699	9.7%	53.6%	2.42%
90 - 119 Days	386,460,404	9.3%	63.0%	2.56%
120 - 149 Days	309,468,211	7.5%	70.4%	2.50%
150 - 179 Days	49,336,903	1.2%	71.6%	2.72%
180 - 364 Days	137,015,425	3.3%	74.9%	2.52%
1 - 2 Years	394,313,193	9.5%	84.5%	3.31%
2 - 3 Years	164,757,603	4.0%	88.4%	5.21%
3 - 4 Years	253,556,098	6.1%	94.6%	5.44%
4 - 5 Years	150,000,000	3.6%	98.2%	5.16%
5+ Years	75,073,758	1.8%	100.0%	4.51%
TOTAL	4,141,413,856	100.0%		

Security Type	Amount Invested	Percent Of Portfolio	Limits
Repurchase Agreements	126,000,000	3.0%	40%
Certificates of Deposit	337,140,840	8.1%	20%
State Investment Pool	360,879,769	8.7%	100%
Commercial Paper	126,376,910	3.1%	25%
Bankers' Acceptances	0	0.0%	40%
Treasuries	249,623,872	6.0%	100%
Agencies	2,848,983,708	68.8%	75%
Mortgage Backed Securities	75,073,758	1.8%	25%
Municipals	17,335,000	0.4%	20%
TOTAL	4,141,413,856	100.0%	

Average Yield = 2.88%
Average Days to Maturity = 369.48

RESIDUAL INVESTMENT POOL
ISSUER DIVERSIFICATION AND CREDIT EXPOSURE
7/31/08

			Credit Agency Ratings (1)			Bank Ratings (2)	
CDs --7.5% PER ISSUER. IDC RATING: 3 OR BETTER	Book Value	% of Portfolio	S&P	Moody's	Fitch	IDC	CAEL℠
Bank of America	101,825,000.00	2.5%	A-1+	P-1	F1+	2	3
U.S. Bank	100,000,000.00	2.5%	A-1+	P-1	F1+	1	2
Key Bank	89,640,839.73	2.2%	A-1	P-1	F1	1	2
Washington Federal S&L	50,000,000.00	1.2%			F1	1	2
Sterling Savings Bank	25,000,000.00	0.6%			F3	2	4
Homestreet Bank	10,000,000.00	0.2%				1	3
COMMERCIAL PAPER -- 5% PER ISSUER. RATED BY 2 AGENCIES; RATING OF AT LEAST A-1, P-1, OR F1.							
Mainsail II LLC	52,950,977.63	1.3%	NR	NP			
Victoria Finance LLC	51,937,148.61	1.3%	D	NP			
Rhinebridge LLC	40,927,972.22	1.0%	D	NP	D		
Cheyne Finance LLC	5,846,856.00	0.1%	D	NP			
REPURCHASE AGREEMENTS -- 10% PER ISSUER							
Credit Suisse LLC	139,000,000.00	3.4%	A-1+	P-1	F1+		
INVESTMENT POOLS -- 100% PER ISSUER							
Washington State Treasurer's LGIP	360,100,658.44	8.9%					
U.S. GOVERNMENT (Full Faith & Credit) -- 100% PER ISSUER							
U.S. Treasury Obligations	248,918,542.58	6.2%	AAA	Aaa	AAA		
MUNICIPAL OBLIGATIONS (Taxable) -- 5% PER ISSUER. CREDIT RATING OF AT LEAST "A"							
Sacramento County, CA	20,445,423.47	0.5%	A+	A2			
City of Phoenix, AZ	15,000,000.00	0.4%	AAA	Aa1			
Westchester County, NY	2,335,000.00	0.1%	AAA	Aaa	AA+		
FEDERAL AGENCY OBLIGATIONS (GSEs) -- 50% PER ISSUER							
Federal National Mortgage Association (FNMA)	953,793,695.85	23.7%	AAA	Aaa	AAA		
Federal Home Loan Mortgage Corporation (FHLMC)	913,576,537.45	22.7%	AAA	Aaa	AAA		
Federal Home Loan Bank (FHLB)	849,360,826.55	21.1%	AAA	Aaa	AAA		
	4,030,659,478.53	100.0%					

(1) The table in the lower-right corner gives the range of investment grade credit ratings.

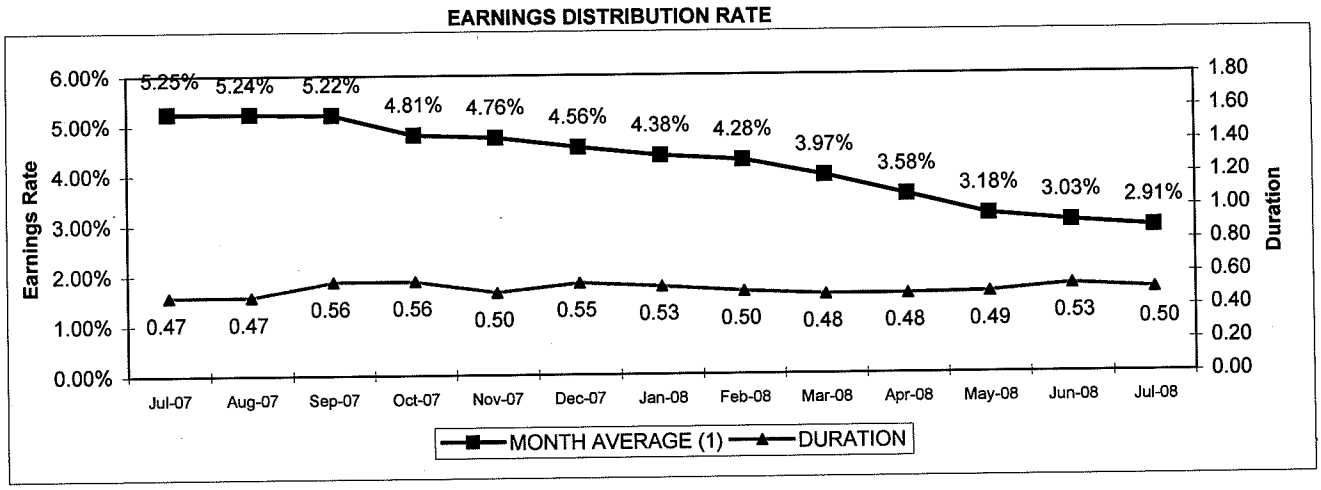
(2) IDC Bank ratings are provided by IDC Financial Publishing: 1=Superior, 2=Excellent, 3=Average, 4=Below Average, 5=Lowest. Safe & Sound CAEL is a bank rating service provided by Bankrate.com: 1=Superior, 2=Sound, 3=Performing, 4=Below Average, 5=Weak.

Note:(NW) equals negative credit watch & (NO) equals negative outlook.

Overview of Rating Agency Credit Scores

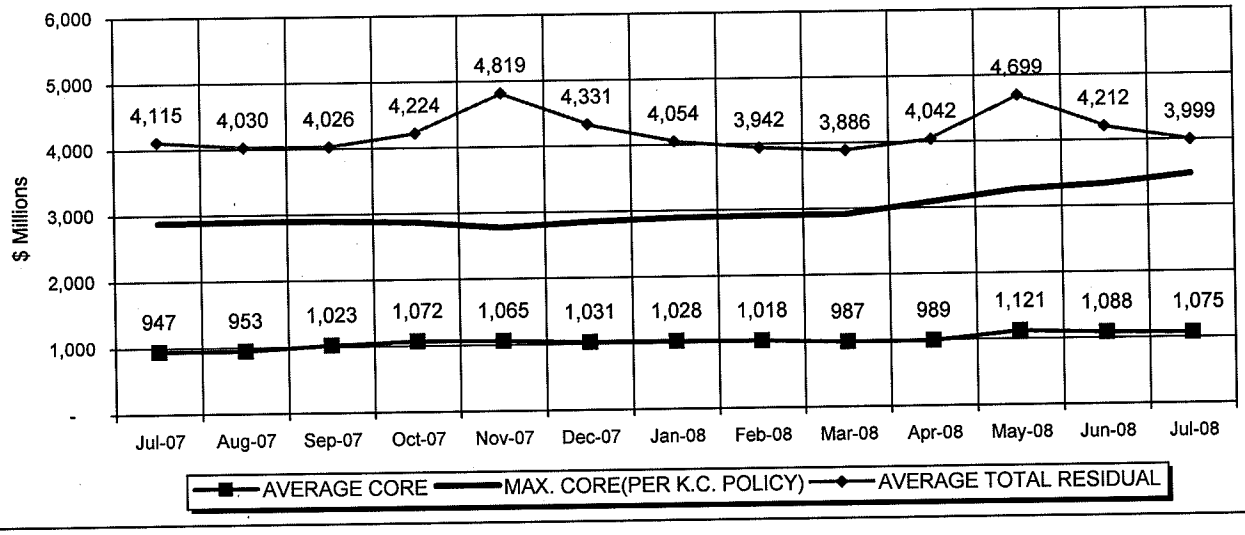
	Short-term Investment Grade		Long-term Investment Grade	
	Highest	Lowest	Highest	Lowest
S&P	A-1+	A-3	AAA	BBB-
Moody's	P-1	P-3	Aaa	Baa3
Fitch	F1+	F3	AAA	BBB-

TOTAL RESIDUAL FUND



(1) Not adjusted yet for realized losses on commercial paper investments.

AVERAGE BALANCE



CX FUND YTD INTEREST EARNINGS
July 31, 2008

	BUDGET (1)	ACTUAL	DIFFERENCE
YTD AVG BALANCE (millions)	$249	$238	($11.5)
YTD YIELD	3.69%	3.50%	-0.19%
INTEREST DISTRIBUTION ($)	$5,348,520	$4,840,431	($508,089)
AUTOMATIC INTEREST ($)	$0	$61,007	$61,007
TOTAL INTEREST ($)	**$5,348,520**	**$4,901,438**	($447,082)

YTD POOL FEE REVENUE

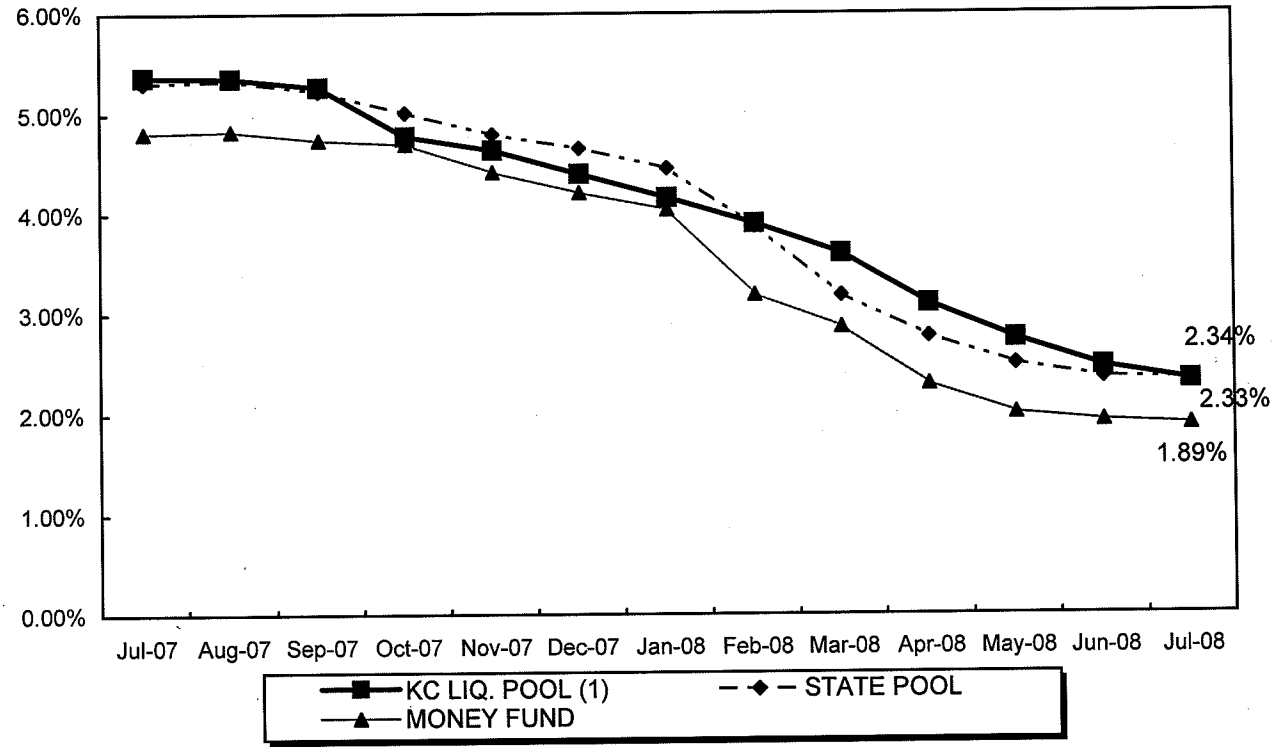
	BUDGET	ACTUAL	DIFFERENCE
POOL FEE DUE TO CX	$3,304,583	$3,711,854	$407,271
POOL FEE DUE TO FBOD	$87,500	$79,917	($7,583)
TOTAL YTD POOL FEES	**3,392,083**	**3,791,771**	**$399,687**

YTD TOTAL POOL DISTRIBUTION	$86,554,276

(1) Average budgeted yield for the entire year is 3.48% (simple average).

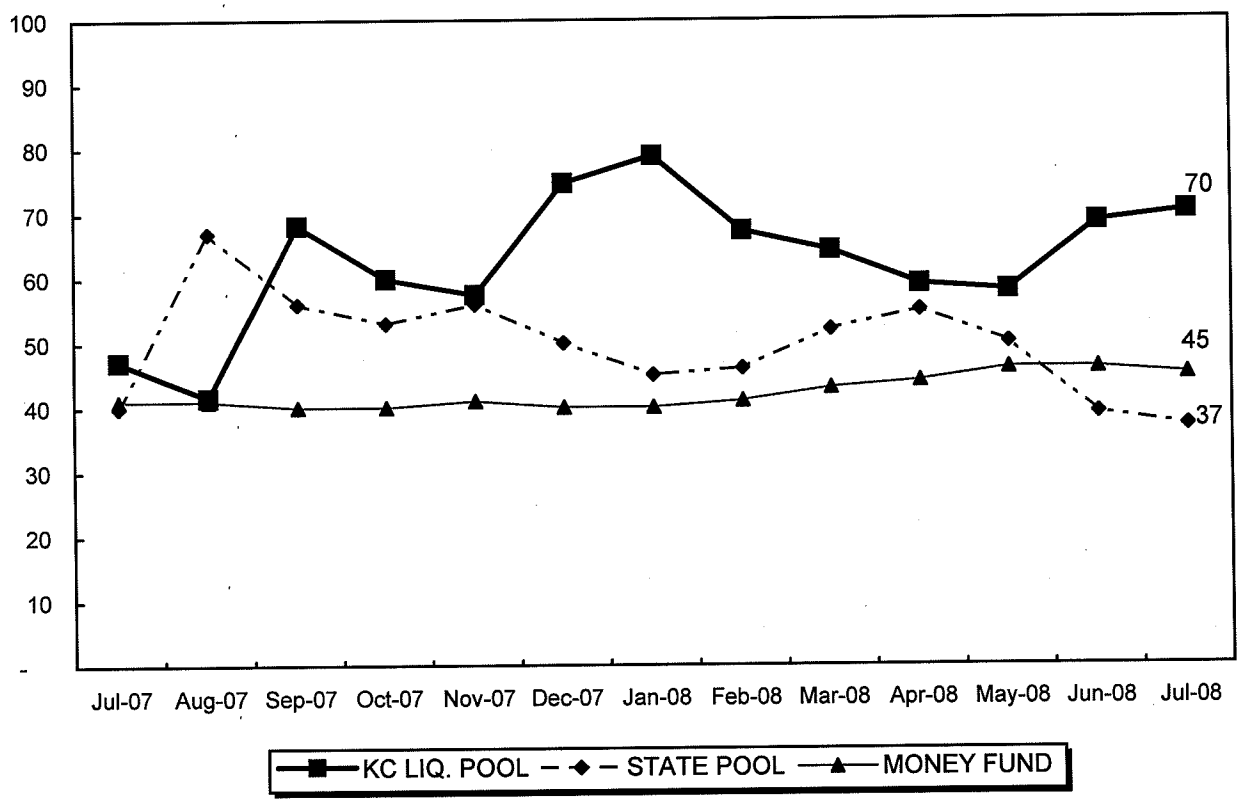
LIQUIDITY POOL

COMPARATIVE EARNINGS RATES



(1) Not adjusted yet for realized losses on commercial paper investments.

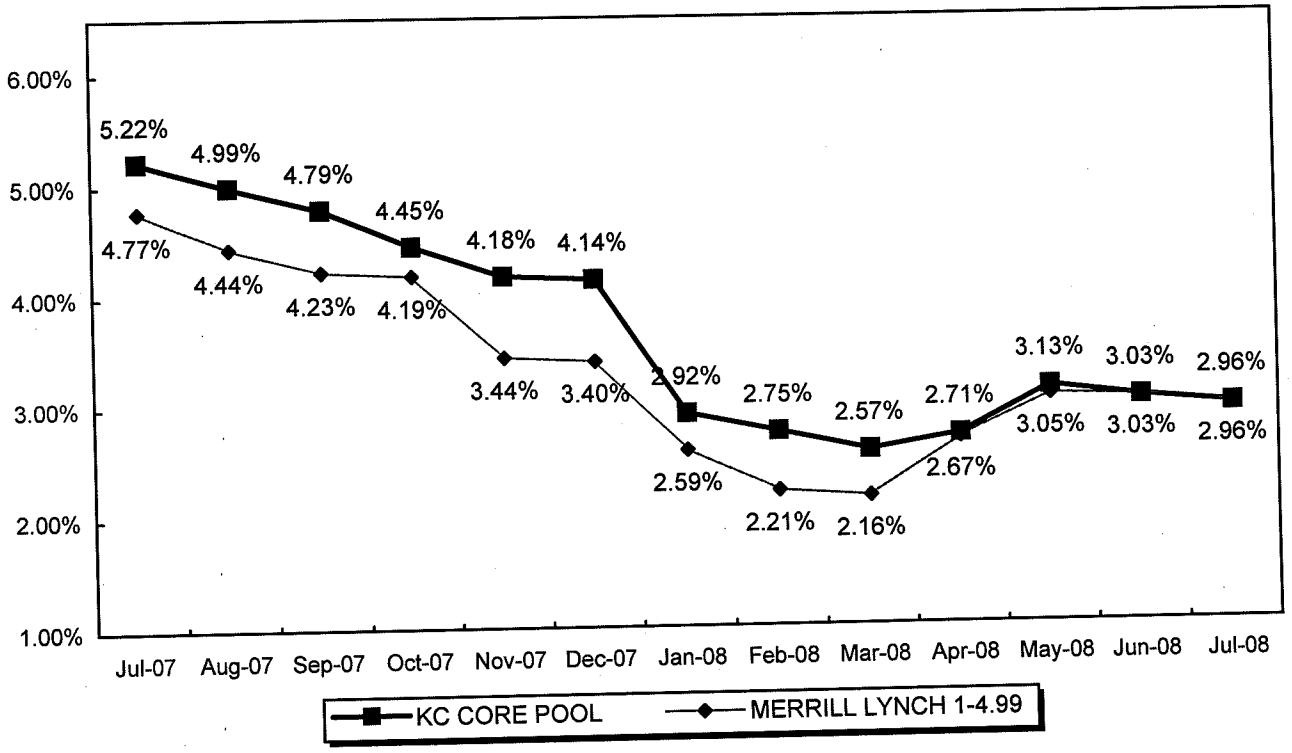
COMPARISON OF AVERAGE DAYS TO MATURITY



Sources: Money fund data: IBC/Donoghue Money Fund Report Averages seven day money market fund indexes. "Public Investor".
State Pool data: Monthly State of Washington Local Government Investment Pool report.

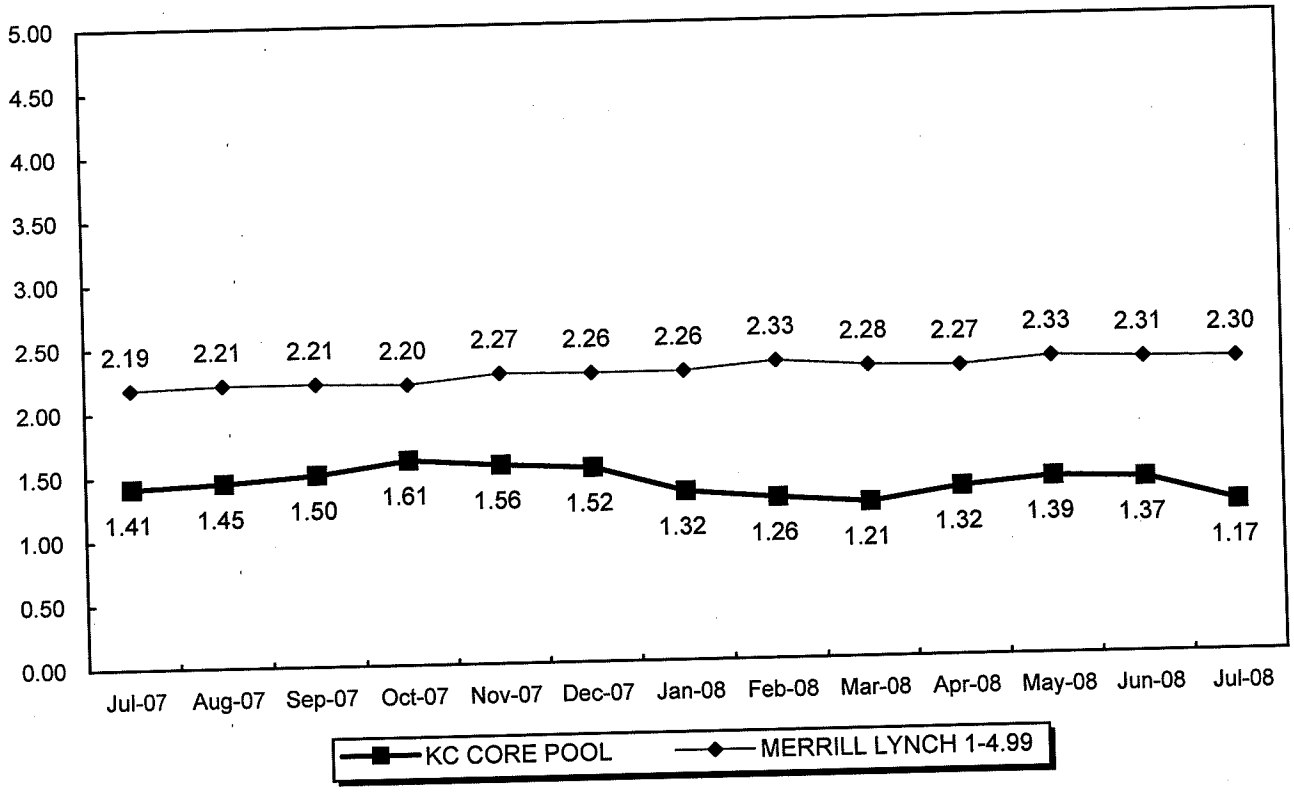
CORE POOL

COMPARATIVE MONTHLY MARKET YIELD RETURNS



Core portfolio rate is reported as market yield, not accrual basis, and therefore the liquidity rate and core rate may not equal pool distribution rate.

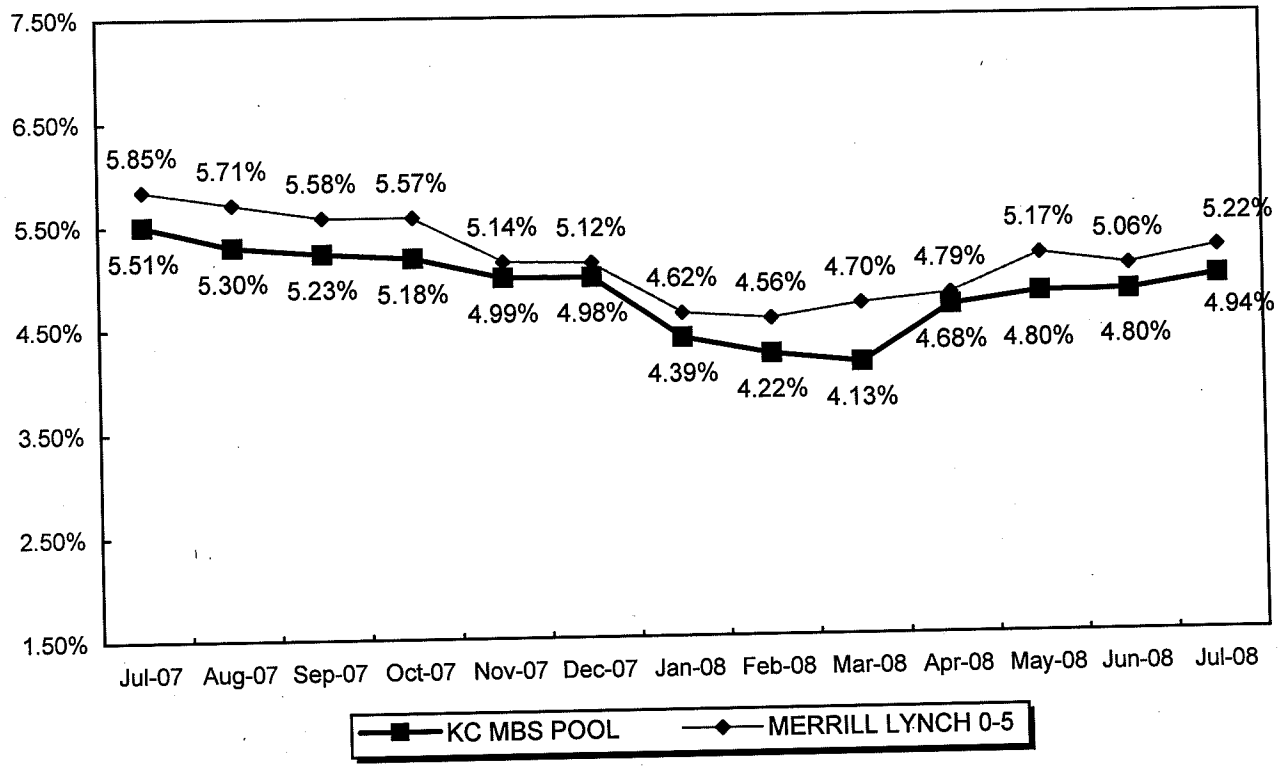
COMPARISON OF AVERAGE DURATION



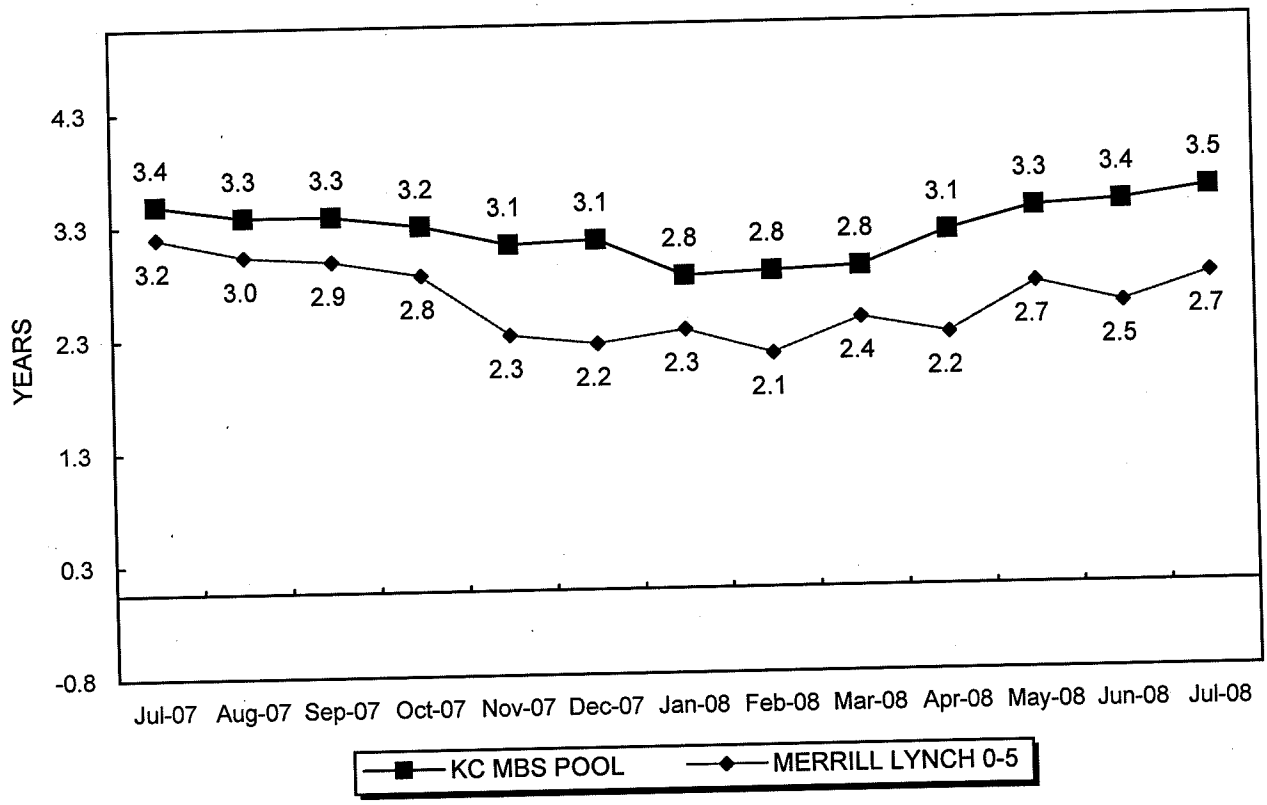
Source: Merrill Lynch index: Bloomberg Financial Markets

MORTGAGE-BACKED POOL

COMPARATIVE MONTHLY MARKET YIELD RETURNS



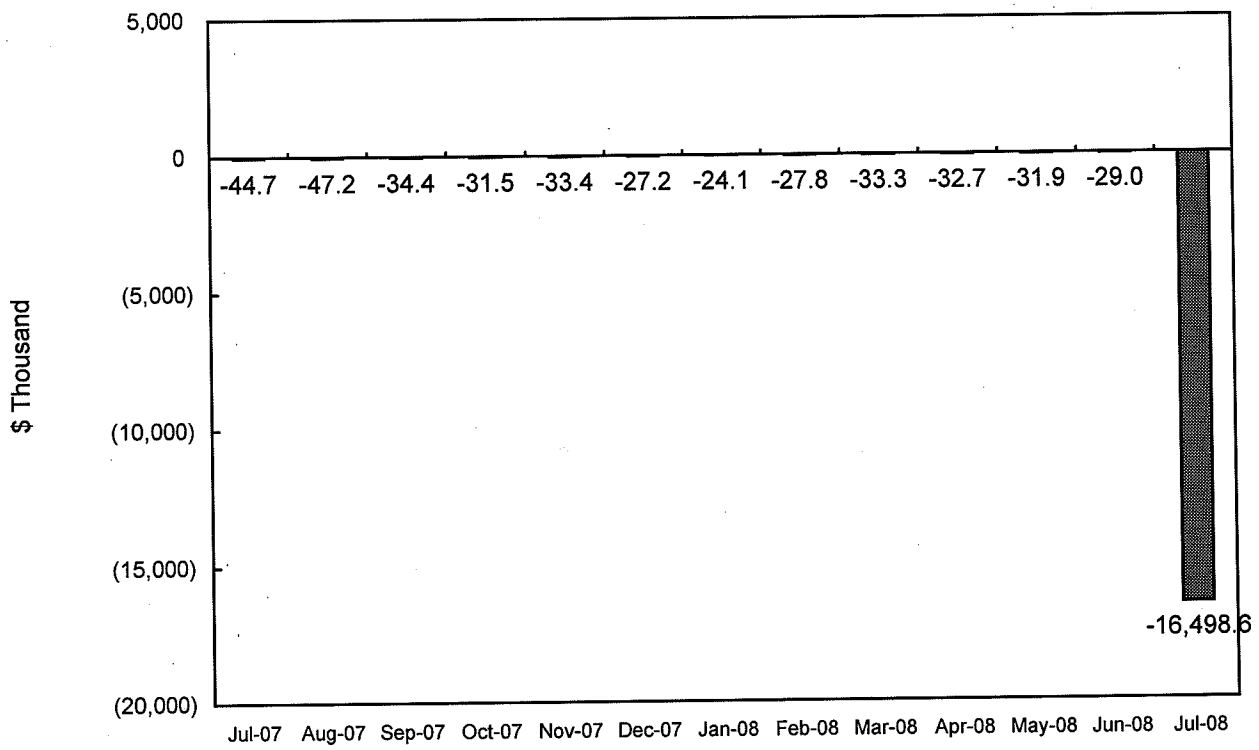
COMPARISON OF AVERAGE DURATION



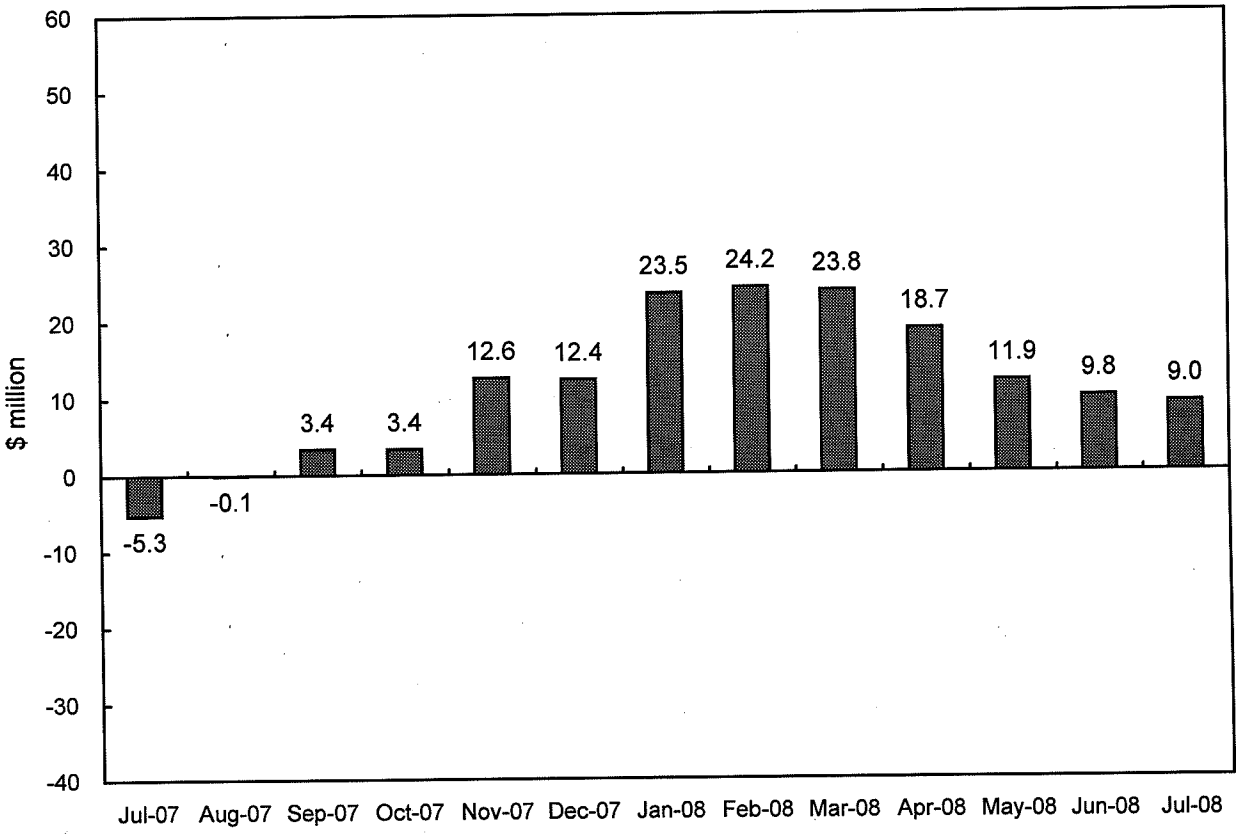
Source: Merrill Lynch index: Bloomberg Financial Markets

GAIN / LOSS SUMMARY

RESIDUAL FUND: TOTAL REALIZED GAIN OR LOSS



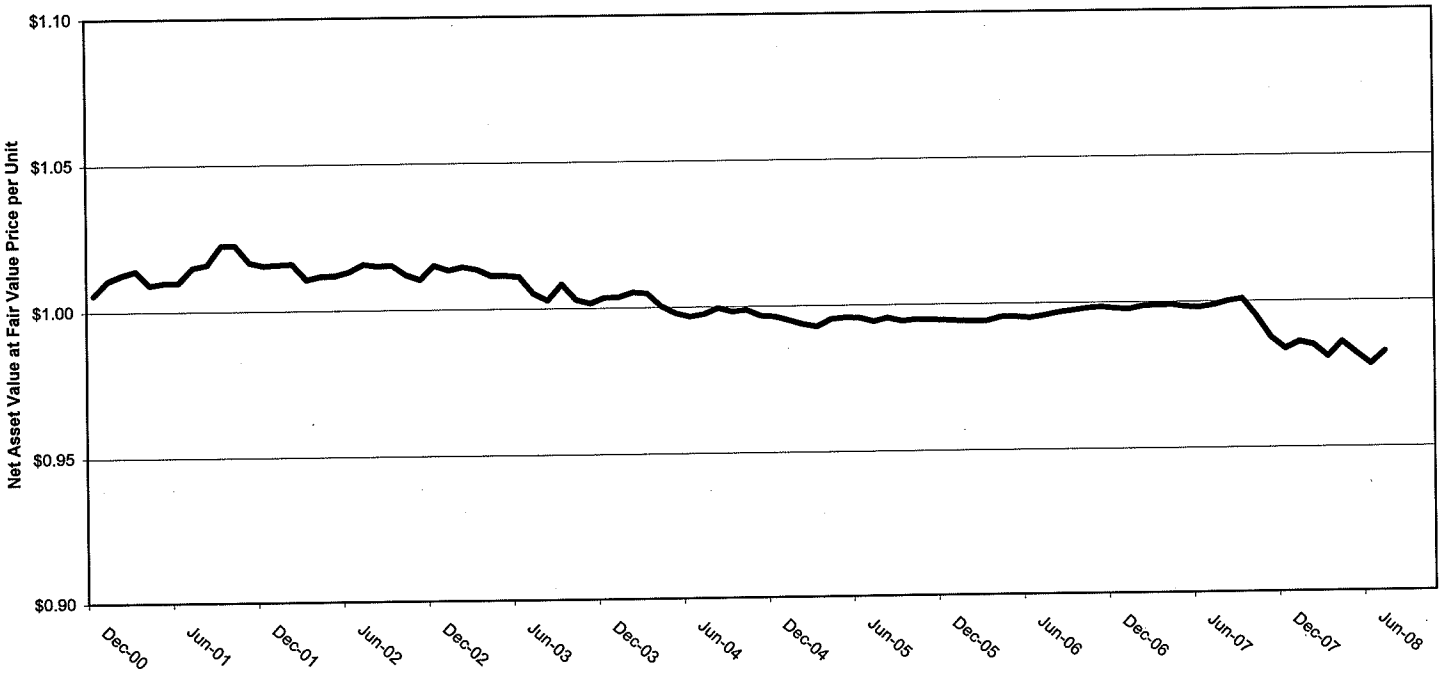
NET UNREALIZED GAIN OR LOSS (CORE PORTFOLIO ONLY)



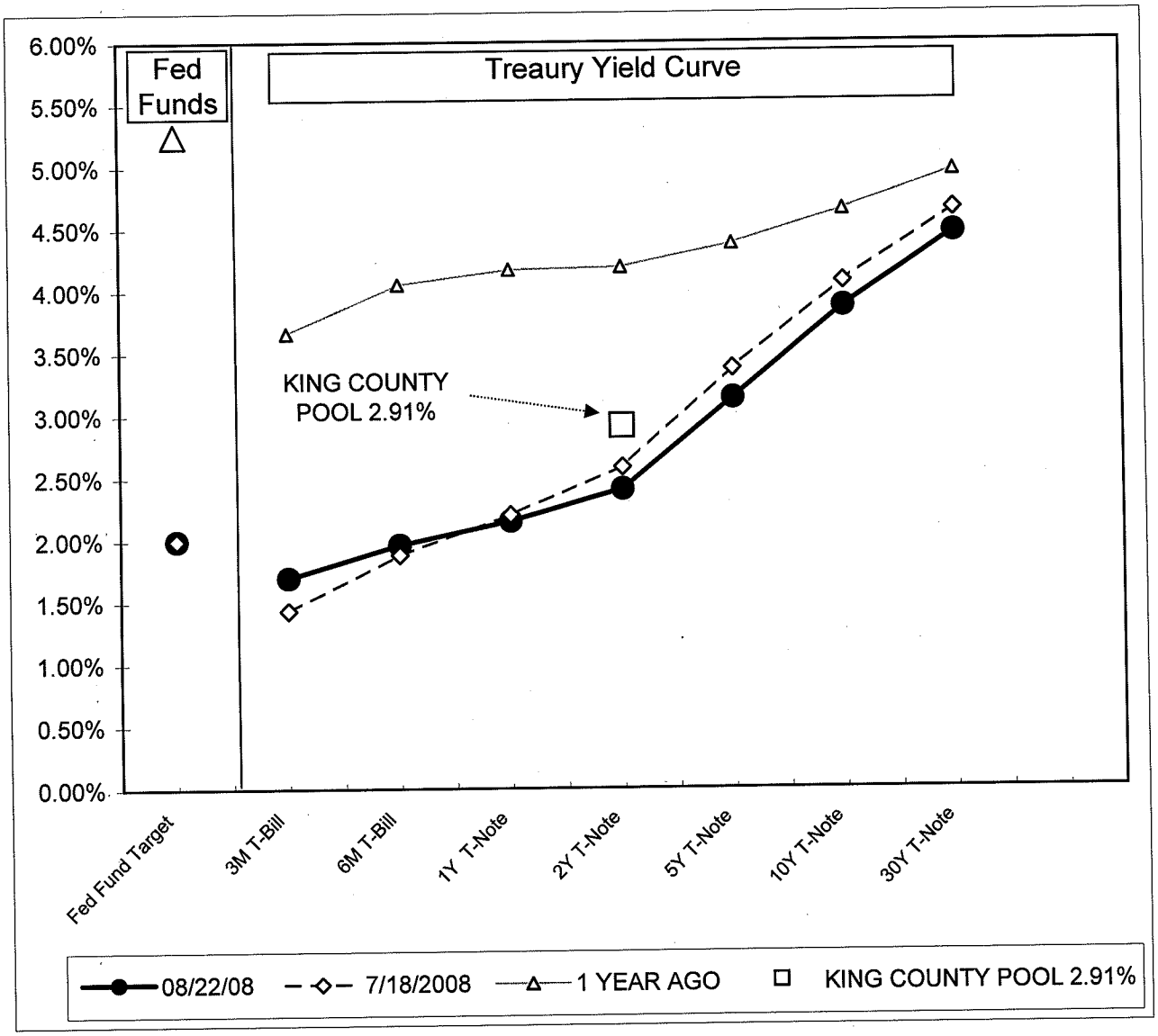
King County Investment Pool
Fair Value Report

	05/31/08	06/30/08	07/31/08
Net Assets			
Net Assets held in trust for pool participants	$ 4,434,331,708.32	$ 4,126,947,186.73	$ 3,973,113,833.20
Net assets consist of:			
Participant units outstanding ($1.00 par)	$ 4,515,663,325.56	$ 4,219,209,137.49	$ 4,044,187,628.44
Undistributed and unrealized gains(losses)	$ (81,331,617.24)	$ (92,261,950.76)	$ (71,073,795.24)
Net Assets	$ 4,434,331,708.32	$ 4,126,947,186.73	$ 3,973,113,833.20
Total Pool -- Net asset value at fair value price per unit	**$0.9820**	**$0.9781**	**$0.9824**
Pricing Breakdown on Sub Portfolio Basis			
Non-impaired net asset value at fair value price per unit	$1.0029	$1.0022	$1.0021
Impaired net asset value at fair value price per unit	$0.5037	$0.4645	$0.4872

King County Investment Pool
History of Fair Value per Dollar Invested



INTEREST RATE SUMMARY



	08/22/08	7/18/2008	1 YEAR AGO
Fed Fund Target	2.00%	2.00%	5.25%
3M T-Bill	1.70%	1.43%	3.66%
6M T-Bill	1.97%	1.88%	4.06%
1Y T-Note	2.15%	2.20%	4.17%
2Y T-Note	2.41%	2.58%	4.19%
5Y T-Note	3.14%	3.38%	4.38%
10Y T-Note	3.87%	4.07%	4.65%
30Y T-Note	4.47%	4.65%	4.96%

PACKET PAGE: 8
REPORT ARM650-4

INTEREST ON INTERFUND LOANS RECAP BY FUND

FUND	AVG BORROWED	AVG LOANED	BORROWED	LOANED	INTEREST-PAID	INT-RECEIVED	
00-000-001-0		1,986,741.67		61,588,991.77		4,910.20	CURRENT EXPENSE SUB-FUND
00-000-120-0	268.02		8,308.53		.66		TREASURERS O & M
00-000-180-0	1,624,654.53		50,364,290.47		4,015.33		PUBLIC HEALTH
00-000-554-1	99,473.26		3,083,671.04		245.82		IBIS PAYROLL REVOLVING
18-001-553-0	262,345.86		8,132,721.73		648.39		IBIS PAYROLL CLEARING
REPORT TOTAL	1,986,741.67	1,986,741.67	61,588,991.77	61,588,991.77	4,910.20	4,910.20	

POOLED FUNDS WITH NEGATIVE CASH BALANCES

FUND	DATE	FUND DESCRIPTION	LOWEST CASH	AVERAGE CASH
00-000-001-5	07-21-08	CFSA TRNFRS-COMM SRV DIV	682,505.14-	2,337,294.56
00-000-117-0	07-23-08	ARTS & CULTURAL DEV FUND	1,056.25-	356,408.01
00-000-121-1	07-31-08	SURFACE WATER MGT FUND	1,044,204.46-	807,120.45-
00-000-137-1	07-23-08	CLARK CONTRACT ADMIN	14.24-	7.38
00-000-156-1	07-31-08	KC FLD CNTRL ZNE OPER	709,741.76-	605,158.49-
00-000-159-1	07-10-08	KC MARINE OPER	111,723.46-	35,410.88-
00-000-216-1	07-07-08	BYRNE JUSTICE ASS FFY 07	106,237.77-	103,808.89
00-000-313-0	07-23-08	CLINIC CONSTRUCTION FD-88	1.07-	.31-
00-000-316-9	07-23-08	OPEN SPACE ACQ 97 EXCESS	13.38-	4.43
00-000-319-0	07-23-08	YOUTH SERV DET FAC CONST	.30-	.09-
00-000-327-9	07-01-08	EQPT/BLDG ACQ 91 XCS EARN	36.24-	36.24-
00-000-331-1	07-23-08	ARBITRAGE LBLTY FND 3240	.01-	
00-000-331-2	07-23-08	ARBITRAGE LBLTY FND 3250	.16-	.17
00-000-334-3	07-23-08	LAFAYETTE BDG ACQ 1993	.06-	.02-
00-000-334-5	07-23-08	CHLDN THTR/PNW BALLET1993	.14-	.12
00-000-341-6	07-23-08	CULTURAL INIT 97 EXCESS E	5.21-	9.99
00-000-344-9	07-23-08	Y2K S/W ENHANCE 97 EXCESS	4.21-	2.44-
00-000-352-3	07-23-08	LTGO BAN REDMPTN 2004B	103.17-	29.95-
00-000-357-1	07-03-08	KC FLD CNTRL ZNE CONST	6,605,670.77-	4,174,506.43-
00-000-361-1	07-30-08	WATER QUALITY CONST-UNRES	209,023,849.10-	190,378,835.49-
00-000-361-4	07-23-08	SEWER REV & REFUNDING BND	26.11-	7.58-
00-000-361-5	07-23-08	2007 REV BOND CONSTRUCTN	382,769.67-	108,892.66-
00-000-379-1	07-31-08	HMC/MEI 2000 PROJECTS	421,227.30-	307,096.70
00-000-379-4	07-23-08	HMC/MEI 2004 BND PROCEEDS	12,230.70-	3,548.62-
00-000-380-2	07-01-08	BC & I 2001 BAN PROCEEDS	1,275,083.98-	1,274,779.36-
00-000-395-1	07-31-08	BLDG REPAIR/REPL SUBFUND	2,232,425.83-	1,815,733.05-
00-000-395-7	07-23-08	GENL GOV CIP 97 EXC EARN	60.32-	11.61
00-000-461-4	07-31-08	WQ PRODUCTIVITY INCENT	1,510.48-	342,724.43

POOLED FUNDS WITH NEGATIVE CASH BALANCES CONTROL MONTH: 07

FUND	DATE	FUND DESCRIPTION	LOWEST CASH	AVERAGE CASH
00-000-560-0	07-11-08	PRINTING/GRAPHIC ARTS SRV	1,325,209.72-	1,323,343.02-
00-000-624-5	07-23-08	HIGHLINE SD401 IMPACT FEE	8.73-	6.29
00-000-892-1	07-01-08	2006AB SWR JR LIEN MULTI-	484,503.67-	114,132.79-
00-000-893-8	07-24-08	1996 PAPER SERIES A RDMTN	85,290.99-	57,880.49-

EXCLUDED FUNDS WITH NEGATIVE CASH BALANCES CONTROL MONTH: 07

FUND	DATE	FUND DESCRIPTION	LOWEST CASH	AVERAGE CASH
00-000-214-0	07-31-08	GRANTS FUND	1,256,911.20-	594,255.14-
00-000-224-0	07-21-08	WORK TRAINING PROGRAM	480,342.53-	304,051.46-
00-000-224-1	07-31-08	DISPLACED WKR PROG ADMIN	674,615.84-	614,364.43-
00-000-554-0	07-03-08	PAYROLL REVOLVING	10,917,536.96-	4,135,123.80
00-000-621-0	07-01-08	RESIDUAL INVESTMENTS	4,126,104,530.70-	4,003,883,880.29-
00-000-668-0	07-08-08	AD VALOREM TAX REFUND	50,452.59-	42,651.91
00-000-699-0	07-25-08	ASSMT DISTRIBTN / REFUND	18,096.29-	2,375.05-

INTERFUND LOANS AMONG NON-COUNTY FUNDS

FUND	AVG BORROWED	AVG CASH BAL	BORROWED	FUND DESCRIPTION
05-001-001-0	2,090.13	30,185.48	64,794.19	PORT-GENERAL FUND
06-401-001-0	39,987.19	131,210,749.03	1,239,603.00	HIGHLINE SCH GEN REG FUND
06-403-001-0	7,636.22	40,569,014.74	236,723.04	RENTON SCH GENERAL REG FD
06-410-001-0	15,354.07	19,026,164.18	475,976.47	SNOQUAL VLY GEN REG FUND
06-411-001-0	14,713.36	204,741,614.30	456,114.33	ISSAQUAH SCH GEN REG FUND
06-415-001-0	2,241.56	75,600,700.55	69,488.58	KENT SCH GENERAL REG FUND
07-012-001-0	20.64	1,987.54	640.10	ALGONA GEN TAX REG FUND
07-021-001-0	4,168.02	369,199.02	129,208.91	AUBURN GEN TAX REG FUND
07-036-001-0	1,025.49	307,947.94	31,790.44	BELLEVUE GEN TAX REG FUND
07-042-001-0	146.36	10,758.43	4,537.17	BLACK DIAMOND GEN TX RG C
07-045-001-0	2,880.42	9,111.56	89,293.16	BOTHELL GENERAL TAX REG C
07-053-001-0	4,780.83	19,589.64	148,205.75	BURIEN GENERAL
07-072-001-0	49.33	17,196.69	1,529.28	CLYDE HILL GEN TAX REG T
07-080-001-0	3,432.86	11,768.32	106,418.94	COVINGTON GENERAL TAX
07-095-001-0	6,372.04	11,016.05	197,533.25	DES MOINES GEN TAX REG C
07-111-001-0	72.41	8,238.97	2,244.77	DUVALL GEN TAX REGULAR T
07-135-001-0	528.93	8,951.32	16,397.05	ENUMCLAW GEN TAX REG C
07-164-001-0	11,972.57	2,167.43-	371,149.87	FEDERAL WAY GEN TAX REG
07-260-001-0	29,706.24	86,310.02	920,893.46	ISSAQUAH GEN TAX REG C
07-280-001-0	2,279.12	36,105.11	70,652.98	CITY OF KENMORE
07-305-001-0	1,760.83	60,619.12	54,585.81	KENT GEN TAX REG C
07-309-001-0	14,302.10	70,223.10	443,365.37	KIRKLAND GEN TAX REG C
07-331-001-0	1,502.20	6,894.51	46,568.38	LAKE FOREST PK GN TX RG C
07-350-001-0	1,978.94	26,045.04	61,347.21	MAPLE VALLEY GENERAL TAX
07-366-001-0	27.46	112,993.28	851.53	MERCER ISLAND GN TX REG C
07-369-001-0	408.55	408.55-	12,665.27	MILTON GENERAL TAX REG T
07-385-001-0	1,456.85	7,067.05	45,162.60	NEWCASTLE GENERAL TAX REG
07-405-001-0	945.34	1,177.78	29,305.54	NORMANDY PARK GN TX RG C

INTERFUND LOANS AMONG NON-COUNTY FUNDS

FUND	AVG BORROWED	AVG CASH BAL	BORROWED	FUND DESCRIPTION	
07-406-001-0	103.25	4,908.28	3,200.92	NORTH BEND GEN TAX REG	T
07-451-001-0	13.19	3,718.84	408.91	PACIFIC GEN TAX REG	C
07-515-001-0	35.09	252,898.55	1,087.99	REDMOND GEN TAX REG	C
07-520-001-0	130.52	1,574,313.11	4,046.16	RENTON GEN TAX REG	C
07-530-001-0	6,474.35	93,841.53	200,705.12	SAMMAMISH GEN TAX REG	
07-542-001-0	4,184.10	9,345.84	129,707.35	SEATAC GEN TAX REG	
07-545-001-0	157,252.68	831,344.23	4,874,833.12	SEATTLE GEN TAX REG	C
07-548-001-0	9,242.39	57,903.88	286,514.22	SHORELINE GENERAL TAX	
07-551-001-0	142.53	44.33-	4,418.62	SKYKOMISH GEN TAX REG	T
07-591-001-0	777.64	27,129.26	24,106.94	TUKWILA GEN TAX REG	C
07-651-001-0	2,327.58	14,855.72	72,155.10	WOODINVILLE GENERAL	
07-721-001-0	35.81	6,036.86	1,110.36	YARROW POINT GN TX REG	T
09-108-001-0	149.94	5,013,391.19	4,648.41	CEDAR RVR W & S MAINT	
09-127-001-0	81.18	583,449.68	2,516.58	WATER 127 MAINTENANCE	
10-016-001-0	2,024.20	9,068,078.62	62,750.29	FIRE 16 EXPENSE	
10-061-001-0	204.90	8,246.54	6,351.94	VALLEY REGIONAL FIRE AUTH	
14-004-001-0	227,549.66	1,254,373.25	7,054,039.72	HOSPITAL 4 GENERAL	
16-002-001-0	66.32	66.32-	2,056.01		
16-128-001-0	43.47	43.47-	1,347.64	RID 128 ENHANCED	
16-131-001-0	10,075.24	10,075.24-	312,332.45	RID 131 ENHANCED	
21-000-001-0	213.08	198,934,383.04	6,605.64	HMC GENERAL OPERATING FND	
26-101-001-0	9,677.06	2,300.56	299,989.15	KC SOIL CONSERV DISTRICT	
35-001-001-0	47.39	42.49-	1,469.38	PCLS GEN TAX REGULAR	
78-600-001-0	32.51	32.51-	1,008.00		
79-600-001-0	1.16	1.16-	36.00		
REPORT TOTAL	602,725.56	2,683,402,187.03	18,684,492.47		

Interfund Borrowings (Investment System)
07/31/08

Borrowing Entity	Borrowing Fund Number	Fund Name	Reason For Loan & Repayment Method	Loan Amount Authorized	Fund Balance at Month-end	Average Amount Borrowed	Interest Paid in Current Month	Term of Loan	Loan Rate	Lending Entity	Date of EFC Approval
King County	00-000-3611	Waste Water Construction	To prevent interuption of captial improvement program. Repayment from future revenue bond issue.	Original Loan $150,000,000 Revised Amts: $300,000,000	($209,016,332)	$190,378,835	$471,286	5/31/2008, 8/31/08	Pool Rate	CX/Residual	1/31/2008, 4/24/08
King County	00-000-3691	Transfer of Dev Credit Program	Acquire density rights in rural areas. Repayment from future LTGO bond issue or unencumbered Conservation Futures Fund revenues (LTGO bonds never issued),	$1,500,000	$829,406	$0	$0	2/28/2009	Pool Rate	CX/Residual	2/19/1999
King County	00-000-3951	Building Repair & Replacement Fund	Interim funding to allow the fund to purchase a facility to house the King County Elections Division. Repayment from future bond procedds.	$27,000,000	($2,232,426)	$1,815,733	$4,495	12/31/2008	Pool Rate	CX/Residual	7/24/2008
King County	00-000-5600	Printing/Graphics Arts Fund	Interim funding to allow the fund to recover from slow business cycle. Repayment from future revenues generated from new customers.	Original Loan $450,000. Revised Amts: $862,000 $1,075,000 $1,730,214, $2,000,000, $2,200,000	($1,318,833)	$1,323,343	$3,276	6/30/2005, 9/30/05, 12/31/05, 1/31/06, 3/31/06, 7/31/06, 10/31/06, 1/31/07, 3/31/07, 5/31/07, 6/30/07, 8/31/07, 10/31/07, 12/31/07, 12/31/08, 12/31/08	Pool Rate	CX/Residual	1/27/2005, 6/23/05, 9/22/05, 12/15/05, 1/26/06, 3/24/06, 7/28/06, 10/27/06, 1/29/07, 3/22/07, 5/24/07, 6/28/07, 8/23/07, 10/25/07, 12/6/07, 2/28/08
Road Improvement District	16-127-3010	RID 127	Road improvements. Repayment from taxpayer assessments	$500,000	$425	$0	$0	Open	Pool Rate	CX/Residual	6/21/2001
Road Improvement District	16-128-3010	RID 128	Road improvements. Repayment from taxpayer assessments	$500,000	($43)	$43	$0	Open	Pool Rate	CX/Residual	6/21/2001
Road Improvement District	16-129-3010	RID 129	Road improvements. Repayment from taxpayer assessments	$500,000	$6,931	$0	$0	Open	Pool Rate	CX/Residual	6/21/2001
Road Improvement District	16-130-3010	RID 130	Road improvements. Repayment from taxpayer assessments	$500,000	$1,420	$0	$0	Open	Pool Rate	CX/Residual	6/21/2001
Road Improvement District	16-131-3010	RID 131	Road improvements. Repayment from taxpayer assessments	$500,000	($10,047)	$10,075	$25	Open	Pool Rate	CX/Residual	6/21/2001
Road Improvement District	16-132-3010	RID 132	Road improvements. Repayment from taxpayer assessments	$500,000	$20,130	$0	$0	Open	Pool Rate	CX/Residual	6/21/2001

Interfund Borrowings (Direct Loans)
07/31/08

Borrowing Entity	Borrowing Fund Number	Fund Name	Reason For Loan & Repayment Method	Loan Amount Authorized	Loan Outstanding at Month-end	Fund Balance At Month-end	Interest Paid	Term of Loan	Loan Rate	Lending Entity	Date of EFC Approval
King County	00-000-2140	Miscellaneous Grants Fund	Cash flow. No repayment scheduled	$700,000	$300,000	($1,256,911)	$0	Open	0%	CX/Residual	11/26/1975
King County	00-000-3641	Public Transportation Capital Fd	Compensation for delay of property sale. Repayment from property sale.	$3,500,000	$3,500,000	$94,785,776	$0	4/30/2006, 4/30/2007, 4/30/08, 4/30/09	0%	CX/Residual	4/28/2005, 4/28/2006, 4/26/07, 4/24/08