AGENDA
EXECUTIVE FINANCE COMMITTEE
July 24, 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: Phil Sanders, Treasury Manager; Mike Smith, Investment Officer; Dave Turley, Financial Accounting Supervisor

AGENDA ITEMS

1. Action: Approval of Minutes of the June 26, 2008 Executive Finance Committee meeting. (page 2)
2. Action: Approval of Minutes of the special July 15, 2008 Executive Finance Committee meeting. (page 3)
3. Action: Approval of an interfund borrowing request from the Building Repair and Replacement Fund (ARMS fund 3951). The fund is requesting to borrow $27,000,000 as a bridge loan until permanent bond financing can be arranged. It is expected that new bonds will be issued in late 2008. (Handout)
   Bob Cowan, Director OMB
   Wayne Richardson, Section Manger, FMD
4. Action: Motion to update Impaired Investment Policy language (Page 4)
   Ken Guy, Finance Director
5. Briefing: Update on impaired investments.
   Ken Guy, Finance Director
6. Briefing: Update on action plan related to Motion No. 12796 – "Investment Pool Advisory Panel Report".
   PFM
7. Briefing: June 2008 Investment Summary
   - Investment Purchase Summary (page 5)
   - Reverse Repo Analysis and Policy Compliance (page 6)
   - Residual Investment Fund Summary (page 7)
   - Issuer Diversification and Credit Exposure Report (page 8)
   - Investment performance review (pages 9-14)
   - Interest Rate Summary (page 15)

   Mike Smith, Investment Officer
8. 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
9. Briefing: Interfund Borrowing for June 2008
   - Automated Lending & Borrowing. County Tier 2 Funds – Interest on Interfund Loans (page 16)
   - Pooled Tier 1 County Funds with Negative Cash Balances (page 17)
   - Excluded County Funds with Negative Balances - Tier 2 Funds Not Paying Interest (page 18)

   Dave Turley, Financial Accounting Supervisor

   - Interfund Loans Among Non-County Funds (pages 19-20)
   - Interfund Borrowings – EFC Approved Loans (page 21)
     Mike Smith, Investment Officer
10. Executive Session: Discussion of potential litigation with legal counsel (RCW 42.30.110, (1)(i).)

OTHER BUSINESS

ADJOURNMENT

MINUTES
EXECUTIVE FINANCE COMMITTEE
June 26, 2008

The Executive Finance Committee (EFC) Meeting was held June 26, 2008 at 1:30 p.m.

Members Present	Others Present	Others Present (Continued)	Others Present (Continued)	Members Absent
Bob Cowan	Jodie Fickett, K&L Gates	Tzeghe Makonnen, Harborview	Dave Turley	Larry Phillips
Ken Guy	Toni Lally, Auburn SD	Jim Block, Sound Transit	Caroline McShane	Jim Buck
	Jacob Kuper, Issaquah SD	Tracy Butler, Sound Transit	Hall Walker	
	Martin Turney, Issaquah SD	Rick Stroup, KC Law Library	William Nogle	
	Don Kennedy, Seattle SD	Peggy Pahl	Pat Hamacher	
	Mary Ellen Mullen, Advisory Panel	Mike Smith	Tom Brown	
	Linda Glenicki, KC Library System	Scott Matheson		
	Douglas Phonsavanh, PSCAA	Pete Anthony		

ACTION ITEMS

1. ***Minutes*** – The Committee approved the Minutes of the May 29, 2008 EFC meeting.
2. ***Pool Fee*** – The Committee considered a range of alternative fee options and approved lowering the current annual pool fees from 15 to 12 basis points, effective July 1, 2008. This decision included two conditions. First, the implementation of the lower fee is predicated on each district signing a simple, straight-forward amendment to their current pool agreement. Second, this good-faith effort to lower fees is considered an interim step as the county continues to review the full range of recommendations in the report submitted by the Council's Investment Pool Advisory Panel, including a potential new fee structure.
3. ***Pool Bifurcation*** – The Committee approved the motion to separate the four impaired investments from all other performing assets into a new "impaired pool" that will become effective September 1, 2008. The September 1st date was approved over earlier dates based on the feedback of pool members who attended the meeting. The decision to bifurcate the pool was made due to extended delays in the restructuring processes of the impaired investments, and it also had the following benefits: (1) ensures that the yield on the performing assets are not dragged down by the lack of yield on the impaired investments; (2) enhances the transparency about the value of the performing pool and the impaired pool; (3) eases the implementation of restructuring processes for the impaired investments, especially for longer term recovery options; and (4) expedites the reinstitution of the pool's rating from Standard & Poor's.
4. ***Amendment to Impaired Investment Policy*** – The Committee postponed the decision on this motion until the next 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 informed that the County is still working with its legal counsel to insure that all restructuring options will be available. It appears that even if the County is not deemed to be a Qualified Institutional Buyer that it may still be able to have all restructuring options available.
4. ***Interfund Borrowing*** – The Committee was provided a review of interfund borrowings during May 2008.
5. ***Investment Review for May 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 SESSION

The meeting was recessed into Executive Session 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 at 3:30 p.m. The meeting reconvened at 3:42 p.m.

OTHER BUSINESS

None

Phil Sanders, Treasury Manager

MINUTES
SPECIAL EXECUTIVE FINANCE COMMITTEE
July 15, 2008

The special Executive Finance Committee (EFC) Meeting was held July 15, 2008 at 11:00 a.m.

Members Present
Bob Cowan
Ken Guy
Jim Buck

Others Present
Linda Glenicki, KC Library System
Bang Parkinson, Highline SD
Peggy Pahl
Mike Smith
Scott Matheson
Pete Anthony

Others Present (Continued)
Dave Turley
Hall Walker
William Nogle
Pat Hamacher
Phil Sanders

Members Absent
Larry Phillips

BRIEFING

Cheyne Restructuring Options – The Committee reviewed the three restructuring options using the indicative auction price of 46% (implying a 62.5% total recovery rate to senior creditors): (1) taking a cash-out based on the price received at the auction; (2) taking a long term zero coupon note (ZCN) with the maturity date determined by the auction price; and (3) taking a pass-though note (PTN) from a new company which would distribute monthly cash flows according to the performance of the underlying securities formerly held in the original Cheyne portfolio.

The Committee used a financial model prepared by Public Financial Management to help them compare the cash-out and ZCN options. The ZCN offering had a maturity date of approximately 16 years based on the auction pricing. The analysis showed that investing the proceeds from the cash-out option would also result in approximately a 16 year recovery period. The ZCN option would also lock the funds up for the entire 16 year period and would remain subject to the credit risk of the issuing investment bank, Goldman Sachs. Given the certainty of cash and the desire to reduce credit exposures in the future, the consensus of the Committee was that the cash-out option was preferable over the ZCN.

The Committee evaluated the cash-out option in comparison to the PTN offering. The Committee utilized the detailed analysis of its asset-backed securities expert, Cairn Capital, to evaluate the pros and cons of the PTN. Cairn Capital examined the credit quality of each underlying security in the Cheyne portfolio and provided a reasonable worst case and best case recovery scenario that indicated a potential recovery range of 64 to 89 percent. This recovery range, however, needed to be adjusted to account for monthly cash flows occurring over years, with some maturities extending well beyond 10 years. The recovery range was adjusted to take into account the time value of these funds and the risk that the quality of the underlying securities could still be affected by many uncertain market conditions. Given these considerations, the risk-adjusted recovery estimate for the PTN was not materially different than taking the cash-out proceeds of $30 million and reinvesting this amount at the pool rate over the next five years--both scenarios resulted in an estimated recovery of about 72 percent. Given the certainty and lower risks associated with the cash as compared to the risk-adjusted value of the PTN, the consensus of the Committee was that the cash-out option was the preferred choice. The Committee's guidance was to accept the cash-out option as long as the actual auction price was not significantly lower than the indicative price of 46%.

OTHER BUSINESS
None

Phil Sanders, Treasury Manager

Action Item Number 4: 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 will be returned to each fund in the performing pool effective on the day these funds were settled, thereby lowering the total amount impaired.*"

INVESTMENT PURCHASES SUMMARY
JUNE 2008

OVERNIGHT REPOS

DEALER	BUYS	TOTAL AMOUNT OF REPOS	AVG DAYS	AVG YIELD
FIRST BOSTON	20	$2,213,000,000	1.37	2.15%

DISCOUNT NOTES

DEALER	BUYS	TOTAL FACE AMOUNT	TOTAL COST	AVG DAYS	AVG YIELD
DEUTCHEBANK	1	$ 10,190,000	$ 10,064,408	174.00	2.62%
FIRST BOSTON	2	125,000,000	123,651,924	155.60	2.56
LEHMAN BROTHERS	1	30,000,000	29,652,683	112.00	2.47
MERRILL LYNCH	1	23,200,000	22,896,222	182.00	2.66
SMITH BARNEY	1	40,000,000	38,994,800	359.00	2.62
UBS FINANCIAL	2	100,000,000	98,316,583	225.83	2.75
TOTAL	9	$ 378,390,000	$ 373,200,176	193.77	2.61%

TREASURY NOTES

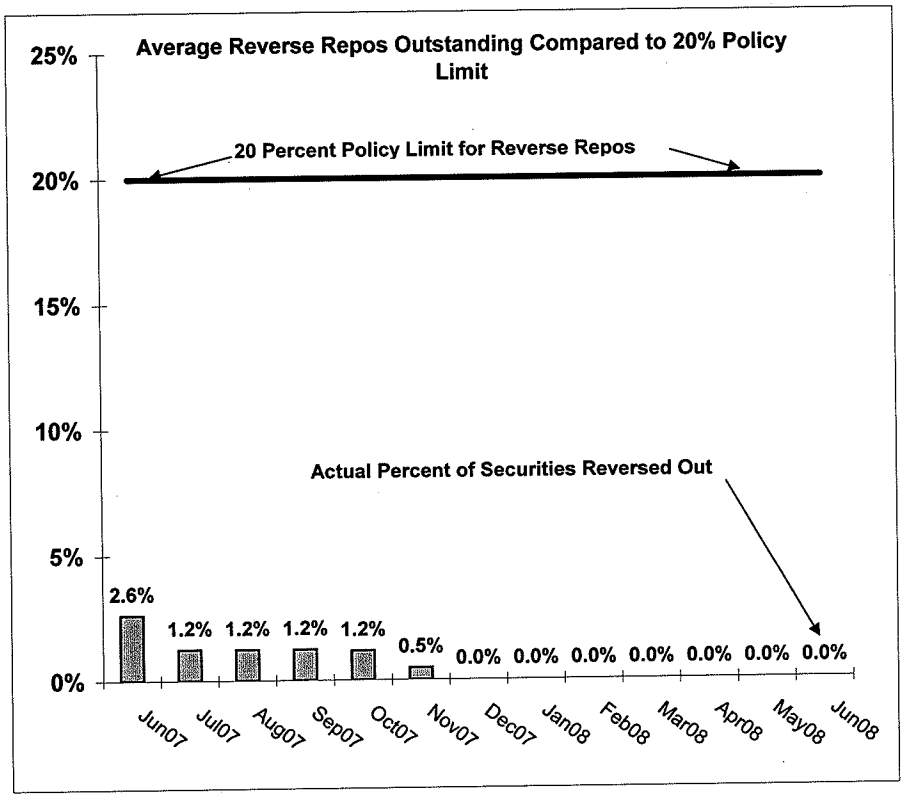
DEALER	BUYS	TOTAL FACE AMOUNT	TOTAL COST	AVG DAYS	AVG YIELD
FIRST BOSTON	1	$ 367,000	$ 379,971	762.00	2.91%

CERTIFICATES OF DEPOSIT

DEALER	BUYS	TOTAL AMOUNT OF REPOS	AVG DAYS	AVG YIELD
BANK OF AMERICA	2	$ 50,000,000	93.50	2.59%
KEY BANK	1	550,606	123.00	2.70
U.S. BANK	3	100,000,000	92.25	2.57
TOTAL	6	$ 150,550,606	92.78	2.57%

REVERSE REPO ANALYSIS
Jun-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: 07/18/2008

Maturity Range	Amount Invested	Percent of Portfolio	Cumulative Percentag	Average Yield
1 - 29 Days	1,164,342,435	29.3%		2.12%
30 - 59 Days	613,727,165	15.5%	44.8%	2.41%
60 - 89 Days	321,178,702	8.1%	52.9%	2.83%
90 - 119 Days	193,774,026	4.9%	57.8%	2.38%
120 - 149 Days	313,853,730	7.9%	65.7%	2.37%
150 - 179 Days	237,008,785	6.0%	71.6%	2.46%
180 - 364 Days	137,015,425	3.5%	75.1%	2.52%
1 - 2 Years	343,831,222	8.7%	83.8%	3.45%
2 - 3 Years	164,735,039	4.1%	87.9%	5.21%
3 - 4 Years	203,523,368	5.1%	93.0%	5.45%
4 - 5 Years	200,000,000	5.0%	98.1%	5.21%
5+ Years	76,687,163	1.9%	100.0%	4.51%
TOTAL	3,969,677,060	100.0%		

Security Type	Amount Invested	Percent Of Portfolio	Limits
Repurchase Agreements	87,000,000	2.2%	40%
Certificates of Deposit	376,401,649	9.5%	20%
State Investment Pool	360,100,658	9.1%	100%
Commercial Paper	185,133,931	4.7%	25%
Bankers' Acceptances	0	0.0%	40%
Treasuries	248,918,543	6.3%	100%
Agencies	2,597,654,693	65.4%	75%
Mortgage Backed Securities	76,687,163	1.9%	25%
Municipals	37,780,423	1.0%	20%
TOTAL	3,969,677,060	100.0%	

Average Yield = 2.91%
Average Days to Maturity = 389.72

RESIDUAL INVESTMENT POOL
ISSUER DIVERSIFICATION AND CREDIT EXPOSURE
6/30/08

			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℠**
Key Bank	169,576,649.16	4.0%	A-1	P-1	F1	1	2
Bank of America	101,825,000.00	2.4%	A-1+	P-1	F1+	1	3
U.S. Bank	100,000,000.00	2.4%	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	1.2%	D	NP			
Rhinebridge LLC	40,927,972.22	1.0%	D	NP	D		
Cheyne Finance LLC	39,317,832.15	0.9%	D	NP			
REPURCHASE AGREEMENTS -- 10% PER ISSUER							
Credit Suisse LLC	108,000,000.00	2.6%	A-1+	P-1	F1+		
INVESTMENT POOLS -- 100% PER ISSUER							
Washington State Treasurer's LGIP	359,413,800.90	8.6%					
U.S. GOVERNMENT (Full Faith & Credit) -- 100% PER ISSUER							
U.S. Treasury Obligations	248,918,542.58	5.9%	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)	983,044,919.74	23.4%	AAA	Aaa	AAA		
Federal Home Loan Mortgage Corporation (FHLMC)	954,054,787.17	22.7%	AAA	Aaa	AAA		
Federal Home Loan Bank (FHLB)	870,232,139.55	20.7%	AAA	Aaa	AAA		
	4,202,980,193.18	100.0%					

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

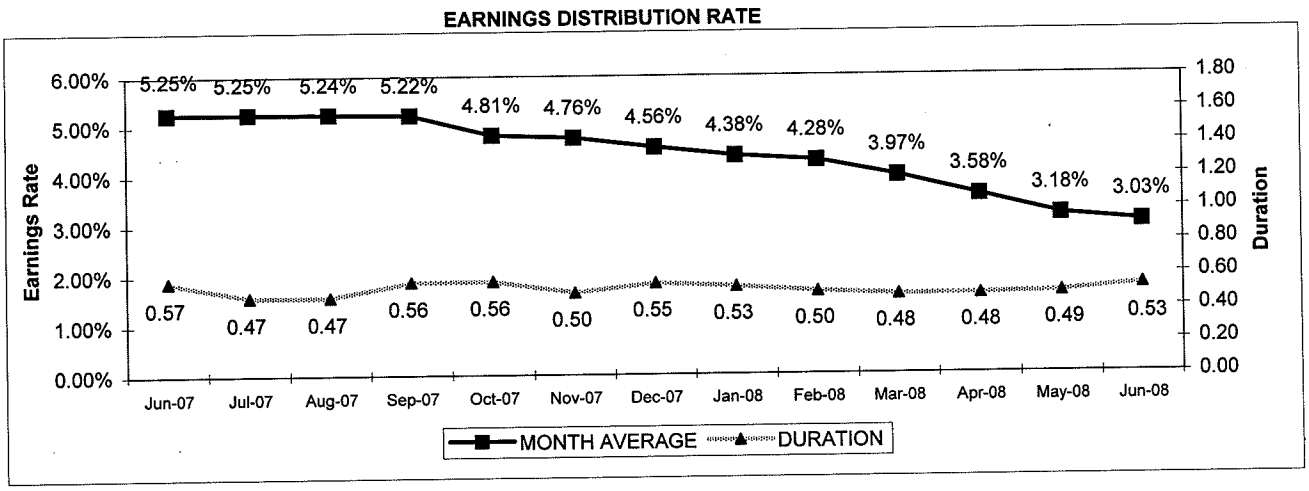
(2) IDC Bank ratings are provided by IDC Financial Publishing: 1=Superior, 2=Excellent, 3=Average, 4=Below Average, 5=Lowest. Safe & Sound CAEL is a bank rating service provided by Bankrate.com: 1=Superior, 2=Sound, 3=Performing, 4=Below Average, 5=Weak.

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

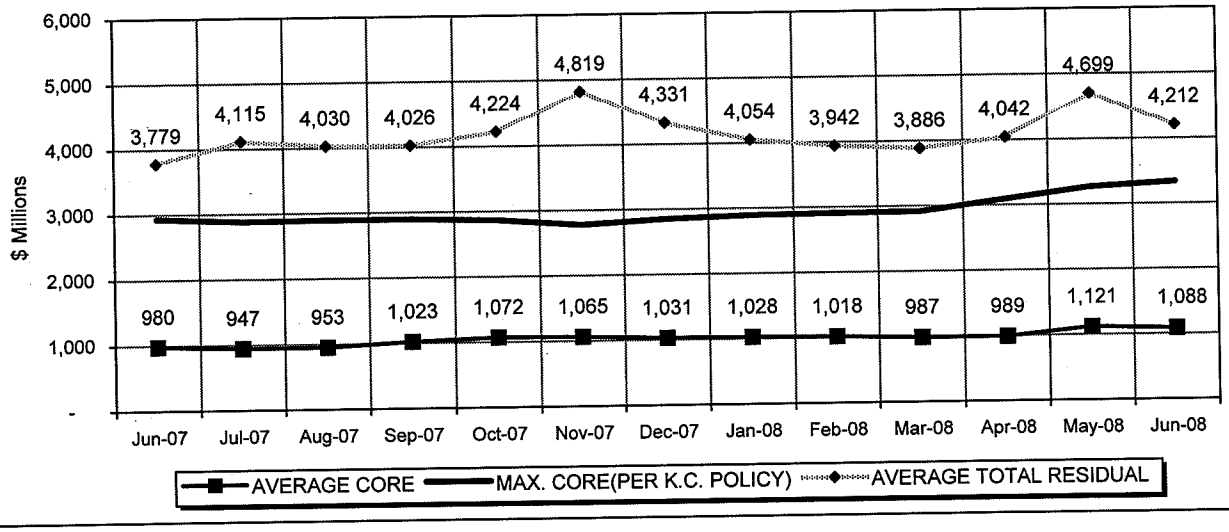
Overview of Rating Agency Credit Scores

	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



AVERAGE BALANCE



CX FUND YTD INTEREST EARNINGS
June 30, 2008

	BUDGET (1)	ACTUAL	DIFFERENCE
YTD AVG BALANCE (millions)	$257	$249	($7.7)
YTD YIELD	3.74%	3.57%	-0.17%
INTEREST DISTRIBUTION ($)	$4,768,941	$4,415,797	($353,144)
AUTOMATIC INTEREST ($)	$0	$56,097	$56,097
TOTAL INTEREST ($)	**$4,768,941**	**$4,471,894**	($297,047)

YTD POOL FEE REVENUE

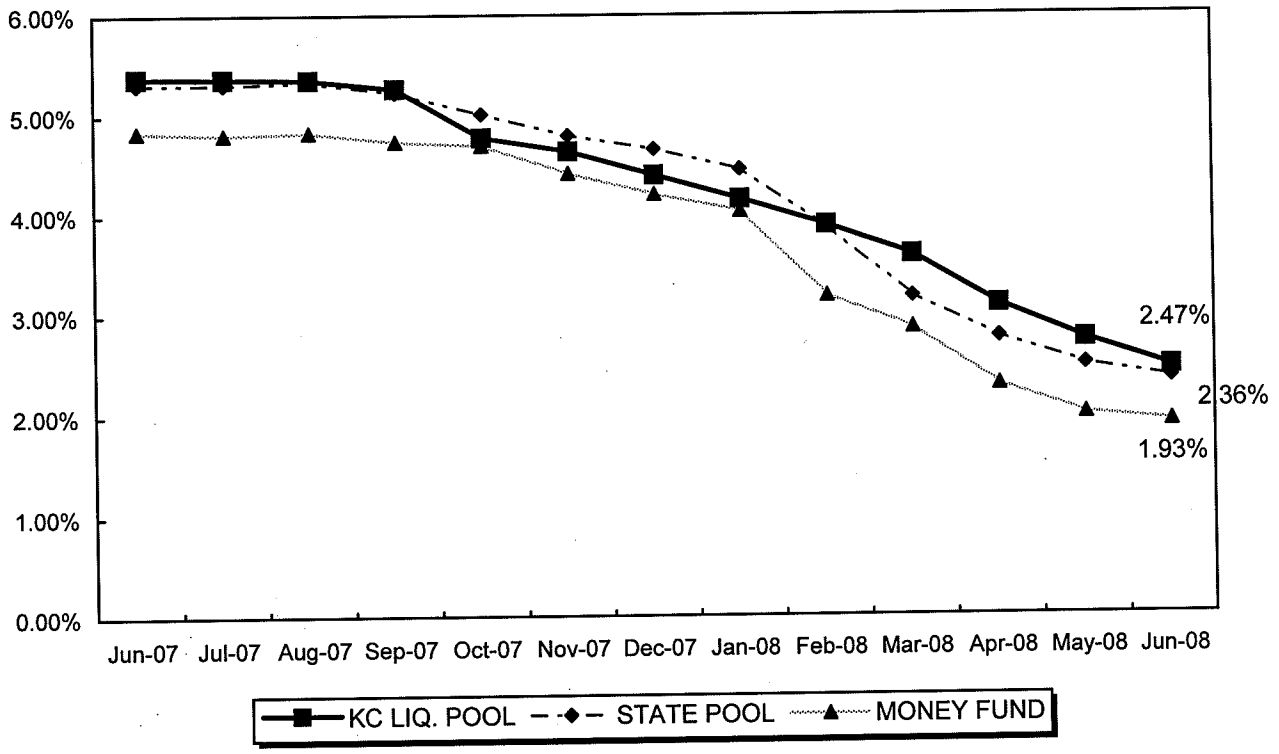
	BUDGET	ACTUAL	DIFFERENCE
POOL FEE DUE TO CX	$2,832,500	$3,155,247	$322,747
POOL FEE DUE TO FBOD	$75,000	$72,326	($2,674)
TOTAL YTD POOL FEES	**2,907,500**	**3,227,572**	**$320,072**

YTD TOTAL POOL DISTRIBUTION	$76,655,534

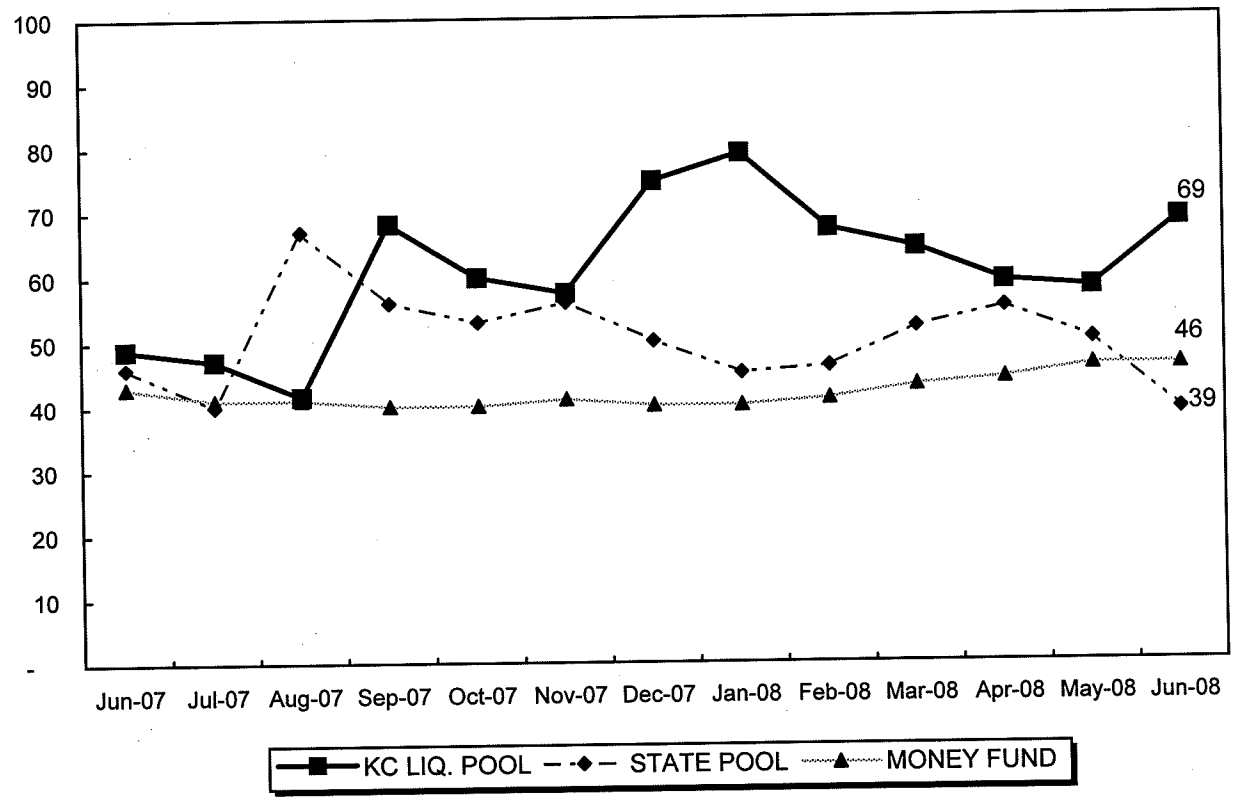
(1) Average budgeted yield for the entire year is 3.48% (simple average).

LIQUIDITY POOL

COMPARATIVE EARNINGS RATES



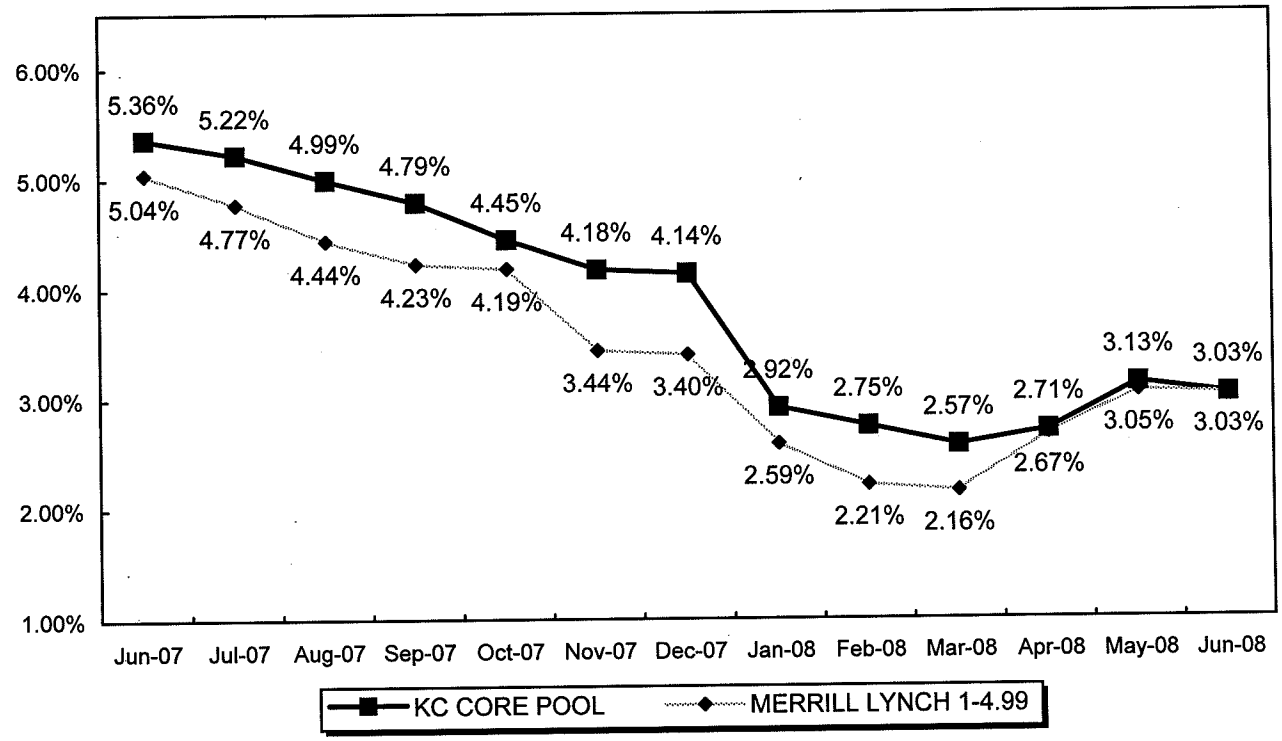
COMPARISON OF AVERAGE DAYS TO MATURITY



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.

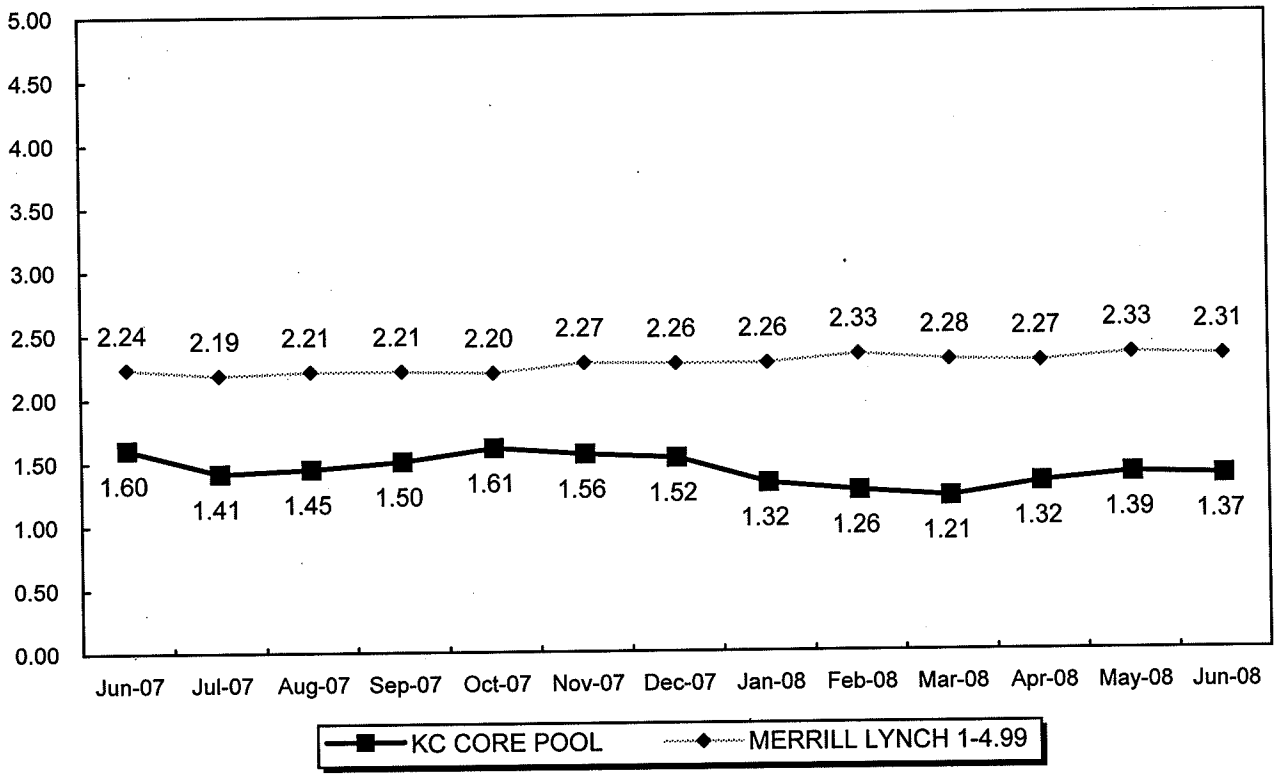
CORE POOL

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.

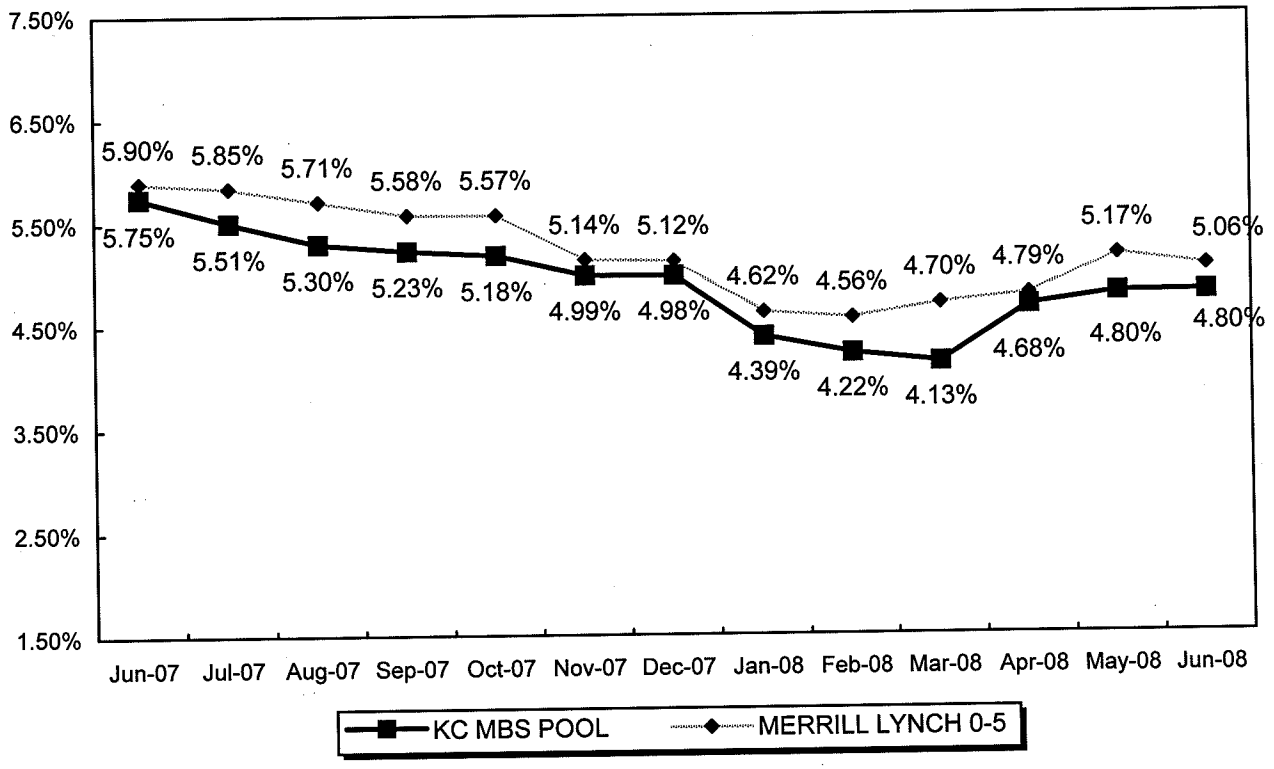
COMPARISON OF AVERAGE DURATION



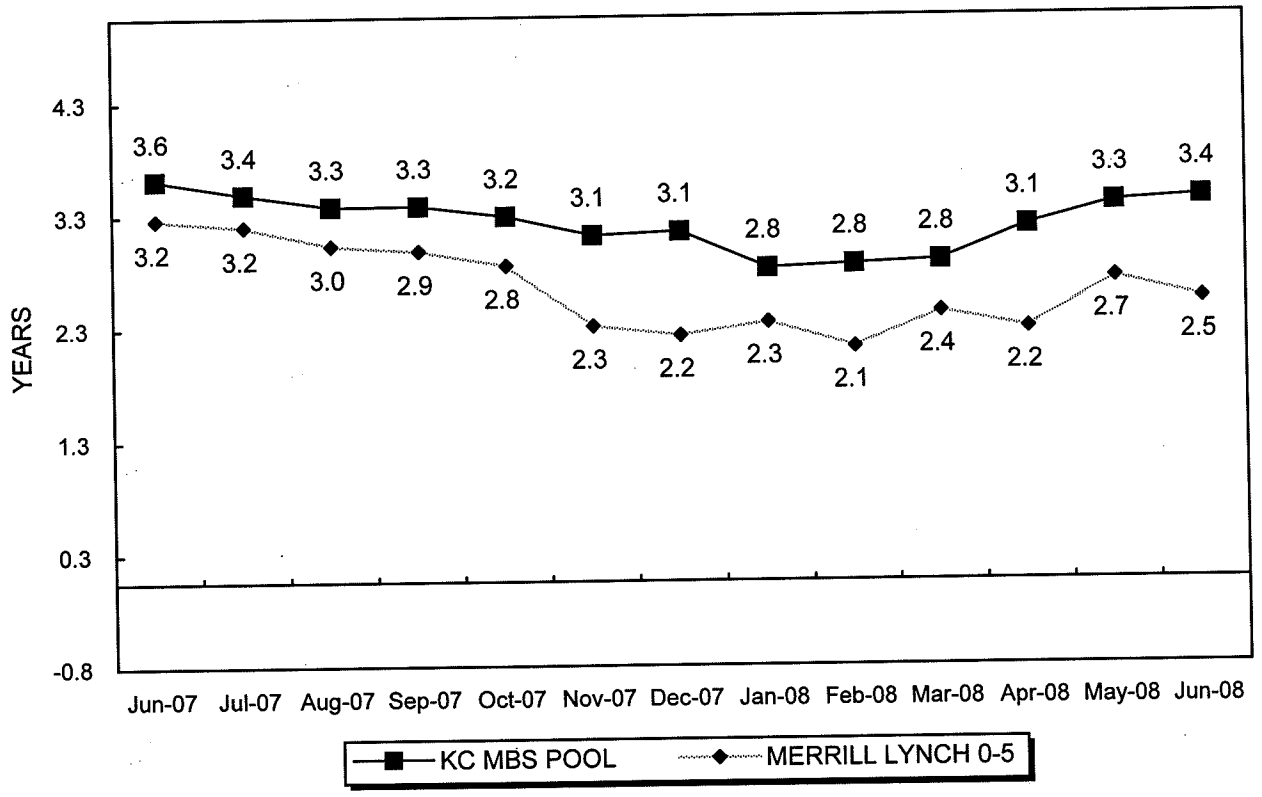
Source: Merrill Lynch index: Bloomberg Financial Markets

MORTGAGE-BACKED POOL

COMPARATIVE MONTHLY MARKET YIELD RETURNS



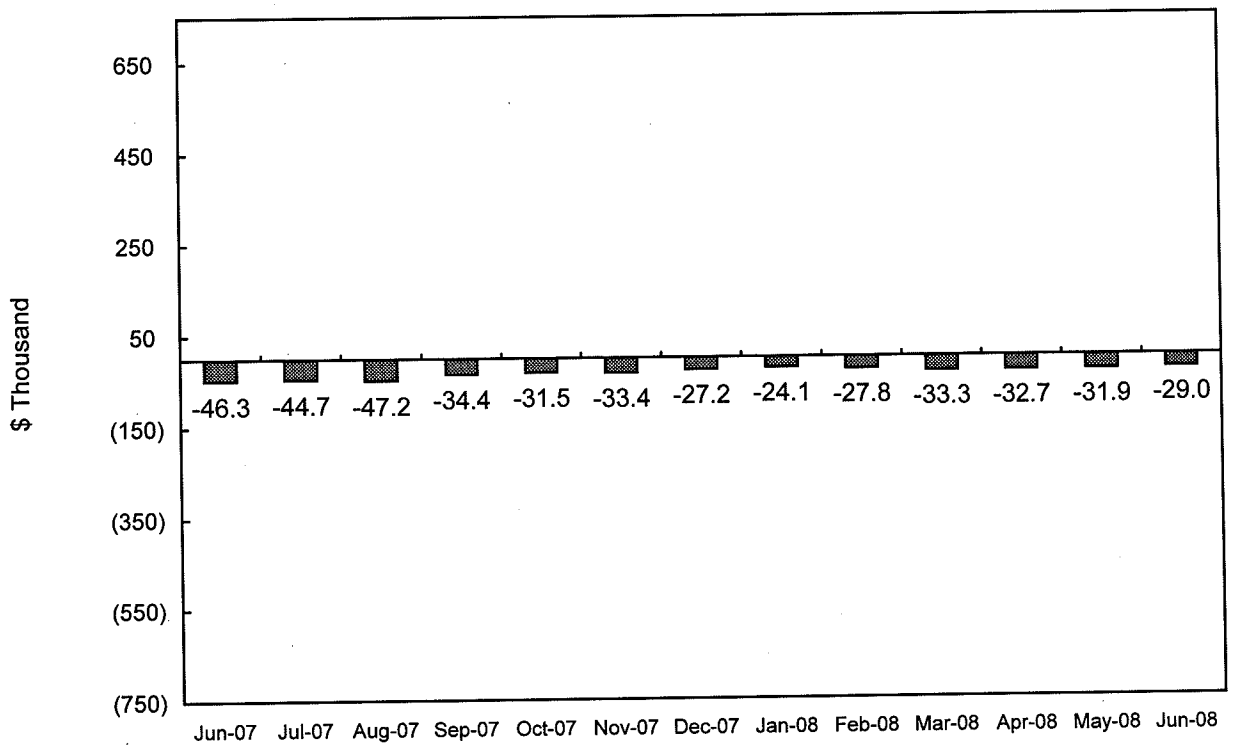
COMPARISON OF AVERAGE DURATION



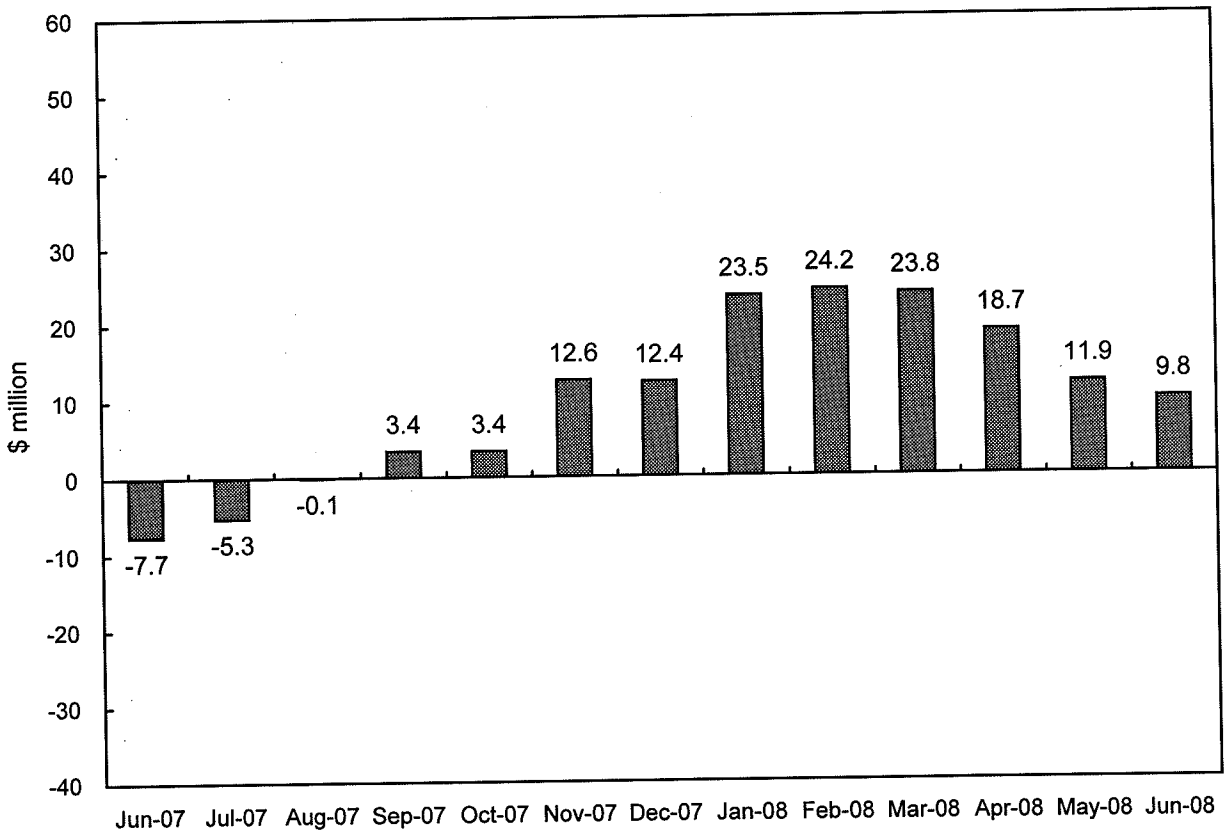
Source: Merrill Lynch index: Bloomberg Financial Markets

GAIN / LOSS SUMMARY

RESIDUAL FUND: TOTAL REALIZED GAIN OR LOSS

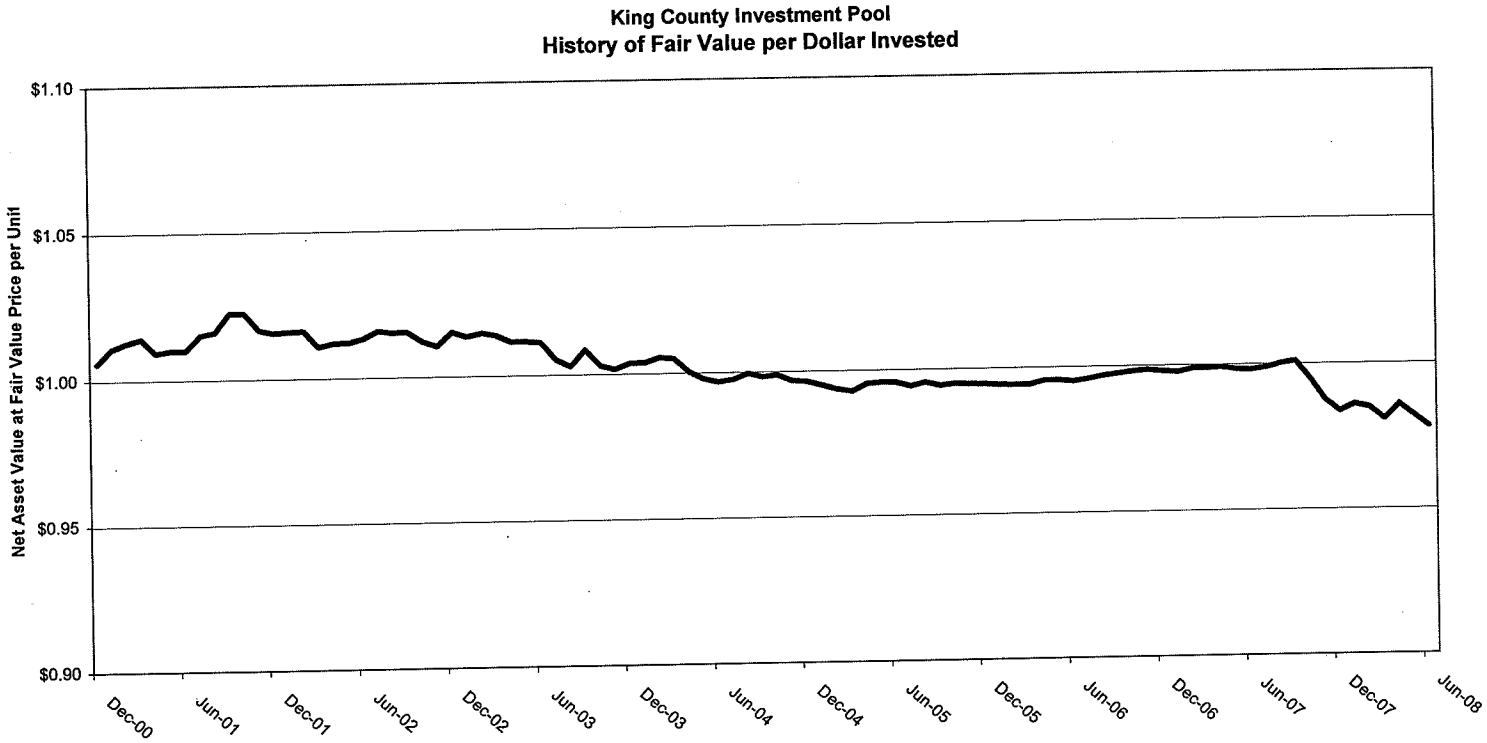


NET UNREALIZED GAIN OR LOSS (CORE PORTFOLIO ONLY)

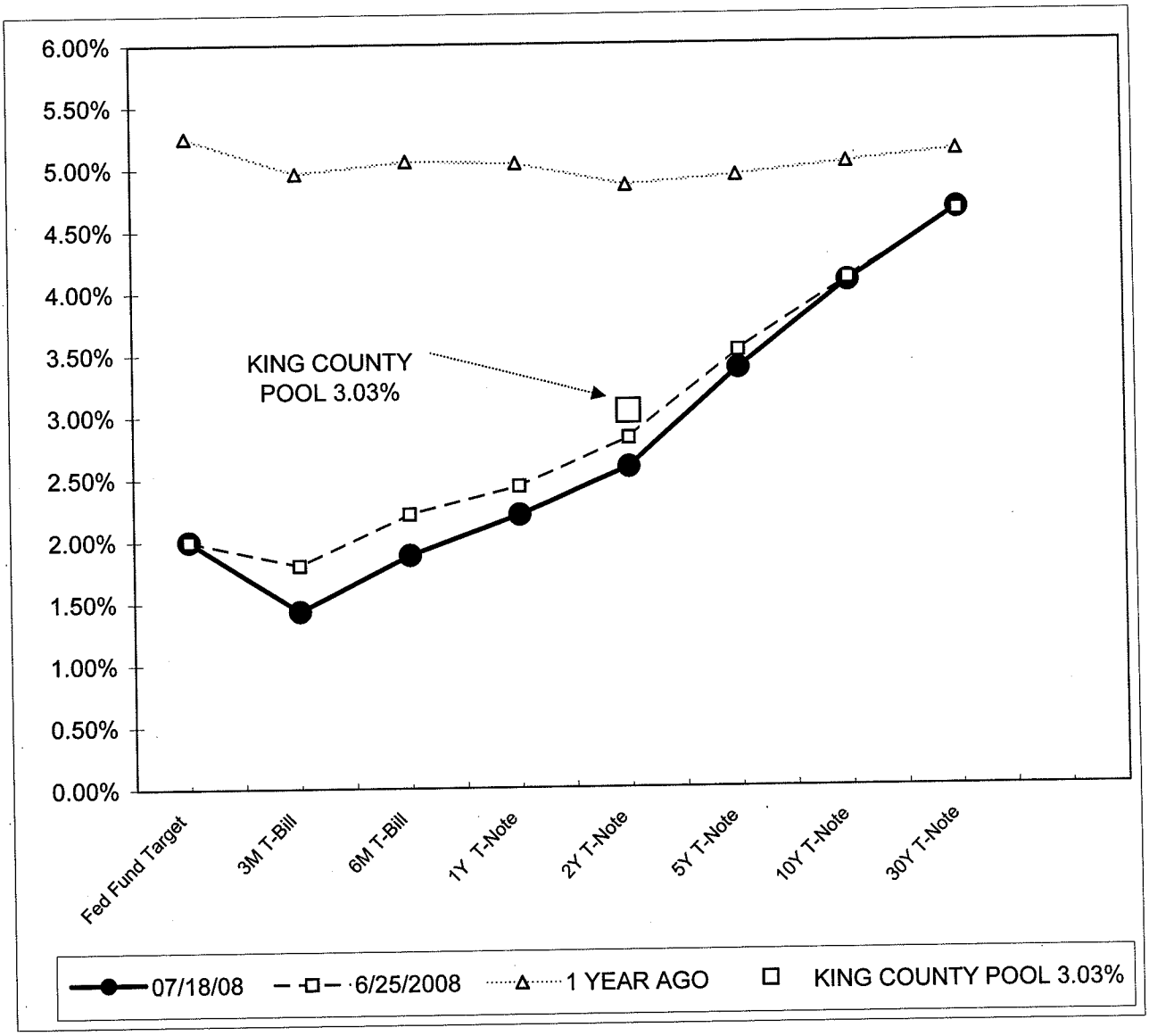


King County Investment Pool
Fair Value Report

	04/30/08	05/31/08	06/30/08
Net Assets			
Net Assets held in trust for pool participants	$ 4,722,491,945.03	$ 4,434,331,708.32	$ 4,126,947,186.73
Net assets consist of:			
Participant units outstanding ($1.00 par)	$ 4,790,455,821.36	$ 4,515,663,325.56	$ 4,219,209,137.49
Undistributed and unrealized gains(losses)	$ (67,963,876.33)	$ (81,331,617.24)	$ (92,261,950.76)
Net Assets	$ 4,722,491,945.03	$ 4,434,331,708.32	$ 4,126,947,186.73
Total Pool -- Net asset value at fair value price per unit	**$0.9858**	**$0.9820**	**$0.9781**
Pricing Breakdown on Sub Portfolio Basis			
Non-impaired net asset value at fair value price per unit	$1.0046	$1.0029	$1.0022
Impaired net asset value at fair value price per unit	$0.5277	$0.5037	$0.4645



INTEREST RATE SUMMARY



	07/18/08	6/25/2008	1 YEAR AGO
Fed Fund Target	2.00%	2.00%	5.25%
3M T-Bill	1.43%	1.80%	4.96%
6M T-Bill	1.88%	2.21%	5.06%
1Y T-Note	2.20%	2.43%	5.04%
2Y T-Note	2.58%	2.82%	4.86%
5Y T-Note	3.38%	3.52%	4.93%
10Y T-Note	4.07%	4.10%	5.03%
30Y T-Note	4.65%	4.64%	5.13%

PACKET PAGE: 7
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		668,038.67		20,041,160.19		1,663.68	CURRENT EXPENSE SUB-FUND
00-000-159-1	30,251.07		907,531.97		75.34		KC MARINE OPER
00-000-554-1	36,318.15		1,089,544.50		90.44		IBIS PAYROLL REVOLVING
18-001-553-0	601,469.46		18,044,083.72		1,497.90		IBIS PAYROLL CLEARING
REPORT TOTAL	668,038.67	668,038.67	20,041,160.19	20,041,160.19	1,663.68	1,663.68	

POOLED FUNDS WITH NEGATIVE CASH BALANCES

CONTROL MONTH: 06

FUND	DATE	FUND DESCRIPTION	LOWEST CASH	AVERAGE CASH
00-000-113-5	06-01-08	MIDD	984.11-	121,703.84
00-000-156-1	06-30-08	KC FLD CNTRL ZNE OPER	1,545,431.35-	1,454,689.53-
00-000-216-1	06-30-08	BYRNE JUSTICE ASS FFY 07	100,135.19-	91,139.92-
00-000-344-9	06-01-08	Y2K S/W ENHANCE 97 EXCESS	2.20-	2.20-
00-000-352-2	06-13-08	OS KC NON BND FND SUBFUND	3,068,096.31-	54,984.49-
00-000-352-3	06-01-08	LTGO BAN REDMPTN 2004B	187.11-	187.11-
00-000-357-1	06-30-08	KC FLD CNTRL ZNE CONST	7,161,154.81-	4,444,329.16-
00-000-361-1	06-30-08	WATER QUALITY CONST-UNRES	172,179,969.01-	143,735,294.93-
00-000-379-1	06-30-08	HMC/MEI 2000 PROJECTS	9,415,428.72-	5,169,382.39-
00-000-395-1	06-30-08	BLDG REPAIR/REPL SUBFUND	2,350,003.28-	2,026,089.45-
00-000-560-0	06-13-08	PRINTING/GRAPHIC ARTS SRV	1,595,545.73-	1,585,567.28-
00-000-892-1	06-02-08	2006AB SWR JR LIEN MULTI-	232,943.41-	54,382.87-
00-000-893-8	06-03-08	1996 PAPER SERIES A RDMTN	48,413.11-	1,613.77-

EXCLUDED FUNDS WITH NEGATIVE CASH BALANCES CONTROL MONTH: 06

FUND	DATE	FUND DESCRIPTION	LOWEST CASH	AVERAGE CASH
00-000-224-0	06-01-08	WORK TRAINING PROGRAM	598,708.83-	349,212.01-
00-000-224-1	06-01-08	DISPLACED WKR PROG ADMIN	819,988.76-	581,140.31-
00-000-621-0	06-01-08	RESIDUAL INVESTMENTS	4,474,638,134.86-	4,212,015,301.20-
00-000-667-0	06-01-08	DEBT SERVICE CLEARING FND	491,358.75-	16,378.59-
00-000-668-0	06-05-08	AD VALOREM TAX REFUND	3,631.63-	134,681.37
00-000-699-0	06-01-08	ASSMT DISTRIBTN / REFUND	48.76-	48.76-

INTERFUND LOANS AMONG NON-COUNTY FUNDS

FUND	AVG BORROWED	AVG CASH BAL	BORROWED	FUND DESCRIPTION
05-001-001-0	16,233.90	1,249.74	487,017.13	PORT-GENERAL FUND
06-121-001-0	.09	109,346,129.00	2.72	PUGET SD ESD GENERAL FUND
06-410-001-0	16,418.19	22,440,763.40	492,545.70	SNOQUAL VLY GEN REG FUND
06-415-001-0	.03	86,936,457.65	.92	KENT SCH GENERAL REG FUND
07-012-001-0	3.26	1,492.27	97.91	ALGONA GEN TAX REG FUND
07-021-001-0	735.39	119,316.79	22,061.74	AUBURN GEN TAX REG FUND
07-036-001-0	266.73	296,324.57	8,002.02	BELLEVUE GEN TAX REG FUND
07-045-001-0	335.53	19,684.45	10,066.13	BOTHELL GENERAL TAX REG C
07-072-001-0	19.61	19,356.52	588.36	CLYDE HILL GEN TAX REG T
07-080-001-0	347.86	15,067.08	10,435.85	COVINGTON GENERAL TAX
07-095-001-0	744.57	68,863.59	22,337.20	DES MOINES GEN TAX REG C
07-135-001-0	518.08	8,474.68	15,542.47	ENUMCLAW GEN TAX REG C
07-164-001-0	34.39	46,757.58	1,031.86	FEDERAL WAY GEN TAX REG
07-260-001-0	26,291.86	63,433.56	788,755.94	ISSAQUAH GEN TAX REG C
07-280-001-0	8.29	25,630.83	248.85	CITY OF KENMORE
07-305-001-0	7,974.91	65,940.35	239,247.43	KENT GEN TAX REG C
07-309-001-0	935.42	138,283.63	28,062.78	KIRKLAND GEN TAX REG C
07-331-001-0	17.18	12,951.62	515.52	LAKE FOREST PK GN TX RG C
07-350-001-0	138.88	23,263.66	4,166.45	MAPLE VALLEY GENERAL TAX
07-365-001-0	167.60	14,143.83	5,028.02	MEDINA GEN TAX REGULR C
07-366-001-0	34.76	145,811.82	1,042.81	MERCER ISLAND GN TX REG C
07-369-001-0	82.59	22.03-	2,477.71	MILTON GENERAL TAX REG T
07-385-001-0	45,250.86	43,091.80-	1,357,525.81	NEWCASTLE GENERAL TAX REG
07-405-001-0	175.01	5,220.21	5,250.35	NORMANDY PARK GN TX RG C
07-406-001-0	253.30	3,943.27	7,599.15	NORTH BEND GEN TAX REG T
07-451-001-0	22.04	3,226.57	661.27	PACIFIC GEN TAX REG C
07-515-001-0	46.97	214,304.41	1,409.25	REDMOND GEN TAX REG C
07-520-001-0	28.14	125,961.39	844.26	RENTON GEN TAX REG C

INTERFUND LOANS AMONG NON-COUNTY FUNDS

FUND	AVG BORROWED	AVG CASH BAL	BORROWED	FUND DESCRIPTION	
07-530-001-0	5,156.38	76,706.18	154,691.68	SAMMAMISH GEN TAX REG	
07-542-001-0	477.57	12,312.49	14,327.13	SEATAC GEN TAX REG	
07-545-001-0	34,249.24	962,310.74	1,027,477.35	SEATTLE GEN TAX REG	C
07-548-001-0	465.14	60,254.39	13,954.22	SHORELINE GENERAL TAX	
07-551-001-0	169.06	169.06-	5,071.82	SKYKOMISH GEN TAX REG	T
07-554-001-0	1.45	30,603.29	43.56	SNOQUALMIE GEN TAX REG	T
07-591-001-0	505.24	12,686.26	15,157.24	TUKWILA GEN TAX REG	C
07-651-001-0	8.00	12,377.45	240.20	WOODINVILLE GENERAL	
10-004-001-0	638.08	8,483,352.74	19,142.52	SHORELINE FIRE EXP FUND	
10-039-001-0	2.67	15,662,647.40	80.34	FIRE 39 EXPENSE	
11-333-001-0	92,541.84	25,296,853.41	2,776,255.40	LAKEHAVEN MAINTENANCE	
14-004-001-0	66,119.33	1,466,376.66	1,983,580.14	HOSPITAL 4 GENERAL	
16-128-001-0	43.40	43.40-	1,302.00	RID 128 ENHANCED	
16-131-001-0	10,061.76	10,061.76-	301,852.80	RID 131 ENHANCED	
78-600-001-0	1.20	1.20-	36.00		
REPORT TOTAL	327,525.93	2,764,816,262.77	9,825,778.01		

Interfund Borrowings (Investment System)
06/30/08

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	($172,179,969)	-$143,735,295	$358,122	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	$833,743	$0	$0	2/28/2009	Pool Rate	CX/Residual	2/19/1999
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	($1,595,546)	$1,585,567	$3,950	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	$424	$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	$6,906	$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	$1,423	$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	($10,062)	$10,062	$27	Open	Pool Rate	CX/Residual	6/21/2001
Road Improvement District	16-132-3010	RID 132	Road improvements. Repayment from taxpayer assessments	$500,000	$18,062	$0	$0	Open	Pool Rate	CX/Residual	6/21/2001

Interfund Borrowings (Direct Loans)
06/30/08

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	$19,855	$0	Open	0%	CX/Residual	11/26/1975
King County	00-000-3160	Parks, Recreation & Open Space	Purchase of East Lake Sammamish Trail Property. Repayment over 10 years.	$1,173,449	$44,544	$2,613,684	$111	7/31/2008	Pool Rate	Public Trans Fund (3641)	7/28/1998
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	$107,187,736	$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