AGENDA
EXECUTIVE FINANCE COMMITTEE
June 26, 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 May 29, 2008 Executive Finance Committee meeting. (page 2)
2. Action: Motion to modify the King Investment Pool fee structure (pages 3–5)
   Ken Guy, Finance Director
3. Briefiing & Action: Motion to bifurcate the King County Investment Pool (page 6)
   Ken Guy, Finance Director
4. Action: Motion to amend the Impaired Investment Policy (page 6)
   Ken Guy, Finance Director
5. Briefing: Update on impaired investments.
   Ken Guy, Finance Director
6. Briefing: May 2008 Investment Summary
   - Investment Purchase Summary (page 7)
   - Reverse Repo Analysis and Policy Compliance (page 8)
   - Residual Investment Fund Summary (page 9)
   - Issuer Diversification and Credit Exposure Report (page 10)
   - Investment performance review (pages 11-16)
   - Interest Rate Summary (page 17)

   Mike Smith, Investment Officer
7. 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
8. Briefing: Interfund Borrowing for May 2008
   - Automated Lending & Borrowing. County Tier 2 Funds – Interest on Interfund Loans (page 18)
   - Pooled Tier 1 County Funds with Negative Cash Balances (page 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 (page 21)
   - Interfund Borrowings – EFC Approved Loans (page 22)
     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
May 29, 2008

The Executive Finance Committee (EFC) Meeting was held May 29, 2008 at 1:30 p.m.

Members Present
Jim Buck
Bob Cowan
Ken Guy

Others Present
Jodie Fickett, K&L Gates
Marlyn Keating, Bellevue SD
Martin Turney, Issaquah SD
Ronic Lirio, Seattle SD
Bill Adamo, Snoqualmie Valley SD
Linda Glenicki, KC Library System
Mamie Marcus
Pat Hamacher

Others Present (Continued)
Peggy Pahl
Mike Smith
Scott Matheson
Pete Anthony
Dave Turley
Anthony Cacallori
Phil Sanders

Members Absent
Larry Phillips

ACTION ITEMS

1. ***Minutes*** – The Committee approved the Minutes of the April 24, 2008 EFC meeting.

2. ***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. ***Investment Pool Fee*** – The Committee reviewed a staff handout concerning the investment pool fee structure. The Committee discussed the proposed fee structure and was given input from district representatives. Staff will present an updated pool fee proposal at the June 2008 EFC meeting that will also include a graduated fee structure. District representatives were encouraged to present their own proposals for the June meeting, and the goal is still to try and make a decision at the June EFC meeting.

2. ***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. The Committee was also informed that it appeared that Rhinebridge would be the first investment to be restructured. Cairn Capital has been retained by the County to assist in evaluating the three restructuring options: cash, zero-coupon note, and a pass through note. There will be special meetings of the EFC to evaluate the restructuring options. The Committee pledged to notify all pool participants in advance of this meeting so that they would have an opportunity to attend. The Committee was also informed that a staff recommendation on bifurcating the investment pool would be presented at the June meeting.

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

5. ***Investment Review for April 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 3:09 p.m. The meeting reconvened at 3:23 p.m.

OTHER BUSINESS

None

Ken Guy, Finance Director

Investment Pool Fee Options
For Consideration at June 26, 2008 EFC Meeting

Investment Pool Fee Tenets:

- *Actual Cost Recovery:* Fee should be set to recover all actual costs, including internal staff, financial consulting, legal, banking services and overhead charges.

- *Sponsorship:* The county allowed outside districts to voluntarily join the pool in 1995 under the premise that the fee would be set at a level that made an expanded pool "revenue neutral" to the county. There should be a reasonable fee paid to county for agreeing to sponsor the pool. *The key issue is defining "what is reasonable?"*

- *Sustainability:* The fee should be predictable from year to year for financial planning purposes. The fee should be periodically reviewed and adjusted to reflect inflationary increases, significant changes in costs or new issues.

- *Transparency and Fairness:* The fee should be easy to understand and applied in an equitable manner to all funds.

- *Reasonableness:* The fee should not be exorbitant when compared to the cost of other investment options a district may have available to them. The executive summary information from I-MoneyNet can be used to assess reasonableness.

- *Legality:* New or amended pool agreements must be signed to implement any changes in the fee methodology.

Option A: Annually Adjusted Sponsorship Fee Plus Actual Cost

- Fee would be set using two components:
  - Sponsorship fee is equal to 1995 opportunity cost amount, annually adjusted for inflation
  - Actual costs
- Current calculation is about 12 basis points.
- Fee would be adjusted each year.
- New fee would take effect the month immediately after signing new pool agreement.
- Impact: Overall decrease in revenues of about $1.1 million per year.

Option B: Graduated Fee Schedule

- Each fund pays an amount from 10 to 15 basis points based on average pool balances. The total amount of revenue is estimated at $4.2 million.
- Districts with large bond funds and general funds would benefit the most.
- Fee would be reviewed every 3 years to ensure amount adequately recovers all costs and generates reasonable sponsorship revenues.

Investment Pool Fee Options

For Consideration at June 26, 2008 EFC Meeting

- New fee would take effect the month immediately after signing new pool agreement.
- Impact: Overall decrease in revenues of about $1.3 million per year.

Option C: Interim Fee Approach, Pending Decisions Regarding Investment Pool Advisory Panel Recommendations

- County makes good faith effort to lower current fee by 20 percent (15 to 12 basis points).
- County issues simple amendment to existing pool agreement indicating new interim fee level until such time that a new agreement is in place (new agreement would be required to remain in the pool).
- EFC creates process for advisory representation with outside districts and this "expanded EFC" reviews and provides feedback on various recommendations, including future options for fee structure, in second half of 2008.
- Impact: Overall decrease in revenues by $1.1 million per year.

Option D: School District Proposal for Interim Fee

- County lowers fee to 8 basis points based on Investment Pool Advisory Panel report
- County issues simple amendment to exiting pool agreement indicating new interim fee level until such time that a new agreement is in place (new agreement would be required to remain in the pool).
- EFC creates process for advisory representation with outside districts and the newly expanded EFC reviews future options for fee structure in second half of 2008
- Impact: Overall decrease in revenues by $2.5 million per year

	Number of Funds	Average Balance	Status Quo (Per Pool Agreement) Rate	Status Quo (Per Pool Agreement) Fee Amount	Option A or C (12 BP Fee)* Rate	Option A or C (12 BP Fee)* Fee Amount	Option B Graduated Fee Rate	Option B Graduated Fee Fee Amount	Option D (8 BP Fee) Rate	Option D (8 BP Fee) Fee Amount
Under $1 million	467	105,043,726.62	15 BP	157,565.59	12 BP	126,052.47	15 BP	157,565.59	8 BP	84,034.98
From $1 to $5 million	162	393,904,503.30	15 BP	590,856.75	12 BP	472,685.40	14 BP	551,466.30	8 BP	315,123.60
From $5 to $10 million	51	379,592,226.67	15 BP	569,388.34	12 BP	455,510.67	13 BP	493,469.89	8 BP	303,673.78
From $10 to $25 million	47	729,392,933.31	15 BP	1,094,089.40	12 BP	875,271.52	12 BP	875,271.52	8 BP	583,514.35
From $25 to $50 million	26	894,139,355.00	15 BP	1,341,209.03	12 BP	1,072,967.23	11 BP	983,553.29	8 BP	715,311.48
Over $50 million	14	1,128,856,278.34	15 BP	1,693,284.42	12 BP	1,354,627.53	10 BP	1,128,856.28	8 BP	903,085.02
	767	3,630,929,023.24		5,446,393.53		4,357,114.83		4,190,182.88		2,904,743.22
Change from Status Quo						(1,089,278.71)		(1,256,210.66)		(2,541,650.32)

* Option A uses inflated 1995 opportunity costs and actual costs to arrive at 12.1 basis points whereas Option C uses a flat 12 basis points as interim fee approach

Action Item Number 3: Bifurcation of King County Investment Pool

Proposed motion:

> *"Move that that the four impaired investments be separated from all other performing assets into their own "impaired pool", for the following reasons: (a) to ensure that the yield on the performing assets are not negatively impacted by the impaired investments; (b) to enhance transparency about the value of the performing pool and the impaired pool; (c) to ease the implementation of restructuring processes for the impaired investments; and (d) to expedite the reinstitution of the rating of the performing pool."*

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 sentence to the sentence above:

> *"....provided that, if the impaired assets are separated from the performing assets into their own 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."*

INVESTMENT PURCHASES SUMMARY
MAY 2008

OVERNIGHT REPOS

DEALER	BUYS	TOTAL AMOUNT OF REPOS	AVG DAYS	AVG YIELD
FIRST BOSTON	21	$2,922,000,000	1.51	2.09%

TERM REPOS

DEALER	BUYS	TOTAL AMOUNT OF REPOS	AVG DAYS	AVG YIELD
FIRST BOSTON	4	$ 150,000,000	14.50	2.09%

DISCOUNT NOTES

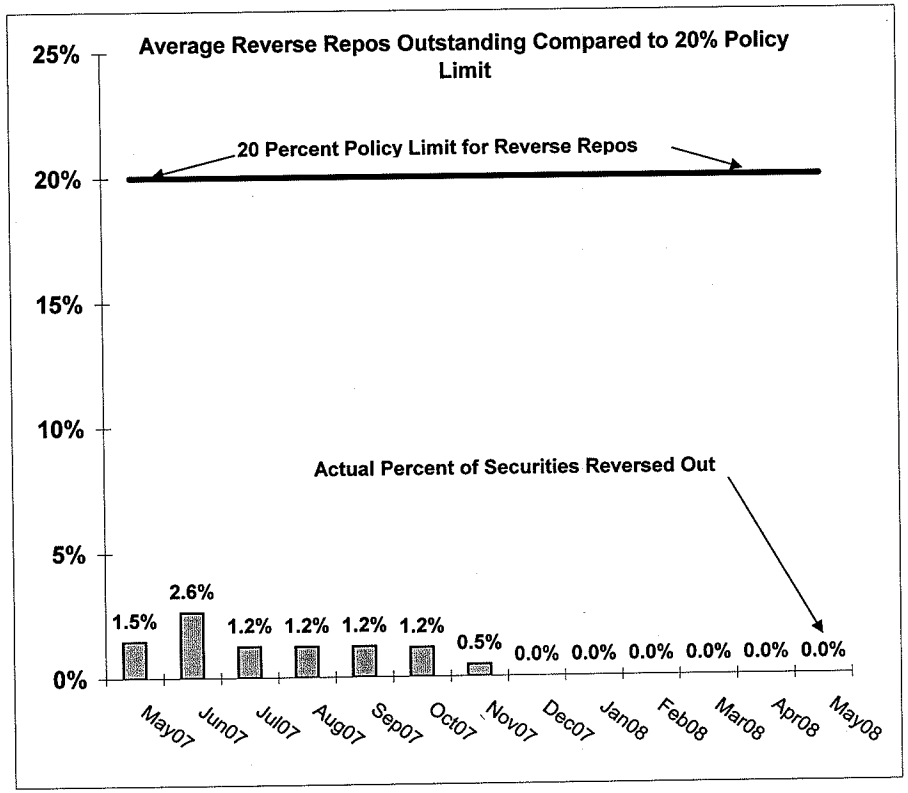
DEALER	BUYS	TOTAL FACE AMOUNT	TOTAL COST	AVG DAYS	AVG YIELD
FIRST BOSTON	3	$ 104,838,000	$ 104,251,113	98.73	2.08%
MERRILL LYNCH	2	86,274,000	85,605,310	130.05	2.19
SMITH BARNEY	4	161,000,000	159,444,563	160.68	2.35
UBS FINANCIAL	2	86,000,000	84,976,181	175.82	2.24
TOTAL	11	$ 401,682,000	$ 398,343,025	139.75	2.25%

CERTIFICATES OF DEPOSIT

DEALER	BUYS	TOTAL AMOUNT OF REPOS	AVG DAYS	AVG YIELD
BANK OF AMERICA	2	$ 51,825,000	91.00	2.57%
KEY BANK	2	50,080,008	92.44	2.57
TOTAL	4	$ 101,905,008	91.71	2.57%

REVERSE REPO ANALYSIS
May-2008

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



RESIDUAL INVESTMENT SUMMARY

DATE: 06/20/2008

Maturity Ran	Amount Invested	Percent of Portfolio	Cumulative Percentage	Average Yield
1 - 29 Days	1,293,561,374	31.0%		2.37%
30 - 59 Days	443,197,796	10.6%	41.6%	2.98%
60 - 89 Days	612,216,424	14.7%	56.3%	2.47%
90 - 119 Day	196,970,216	4.7%	61.0%	2.80%
120 - 149 Da	144,150,470	3.5%	64.5%	2.35%
150 - 179 Da	262,445,862	6.3%	70.8%	2.36%
180 - 364 Da	227,735,654	5.5%	76.3%	2.39%
1 - 2 Years	343,765,505	8.2%	84.5%	3.45%
2 - 3 Years	149,713,204	3.6%	88.1%	5.22%
3 - 4 Years	218,491,693	5.2%	93.3%	5.43%
4 - 5 Years	200,000,000	4.8%	98.1%	5.21%
5+ Years	78,290,419	1.9%	100.0%	4.51%
TOTAL	4,170,538,618	100.0%		

Security Type	Amount Invested	Percent Of Portfolio	Limits
Repurchase Agreements	102,000,000	2.4%	40%
Certificates of Deposit	481,168,063	11.5%	20%
State Investment Pool	359,413,801	8.6%	100%
Commercial Paper	185,133,931	4.4%	25%
Bankers' Acceptances	0	0.0%	40%
Treasuries	248,878,849	6.0%	100%
Agencies	2,677,926,183	64.2%	75%
Mortgage Backed Securities	78,290,419	1.9%	25%
Municipals	37,727,372	0.9%	20%
TOTAL	4,170,538,618	100.0%	

Average Yield = 3.00%
Average Days to Maturity = 385.16

RESIDUAL INVESTMENT POOL
ISSUER DIVERSIFICATION AND CREDIT EXPOSURE
5/31/08

			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℠**
Key Bank	225,343,062.73	5.0%	A-1	P-1	F1	1	3
Bank of America	101,825,000.00	2.3%	A-1+	P-1	F1+	1	3
U.S. Bank	100,000,000.00	2.2%	A-1+	P-1	F1+	1	2
Washington Federal S&L	50,000,000.00	1.1%			F1	1	2
Sterling Savings Bank	25,000,000.00	0.6%			F3	2	3
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	1.2%	NR	NP			
Victoria Finance LLC	51,937,148.61	1.2%	D	NP			
Cheyne Finance LLC	39,317,832.15	0.9%	D	NP			
Rhinebridge LLC	40,927,972.22	0.9%	D	NP	D		
REPURCHASE AGREEMENTS -- 10% PER ISSUER							
Credit Suisse LLC	345,000,000.00	7.7%	A-1+	P-1	F1+		
INVESTMENT POOLS -- 100% PER ISSUER							
Washington State Treasurer's LGIP	358,663,872.57	8.0%	NR	NR	NR		
U.S. GOVERNMENT (Full Faith & Credit) -- 100% PER ISSUER							
U.S. Treasury Obligations	248,878,849.00	5.5%	AAA	Aaa	AAA		
MUNICIPAL OBLIGATIONS (Taxable) -- 5% PER ISSUER. CREDIT RATING OF AT LEAST "A"							
Seattle School District No. 1	22,800,000.00	0.5%	AA+	Aa1			
Sacramento County, CA	20,392,372.44	0.5%	A+	A2			
City of Phoenix, AZ	15,000,000.00	0.3%	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)	950,737,933.84	21.1%	AAA	Aaa	AAA		
Federal Home Loan Mortgage Corporation (FHLMC)	946,263,821.08	21.0%	AAA	Aaa	AAA		
Federal Home Loan Bank (FHLB)	888,876,884.28	19.8%	AAA	Aaa	AAA		
	4,496,250,726.55	100.0%					

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

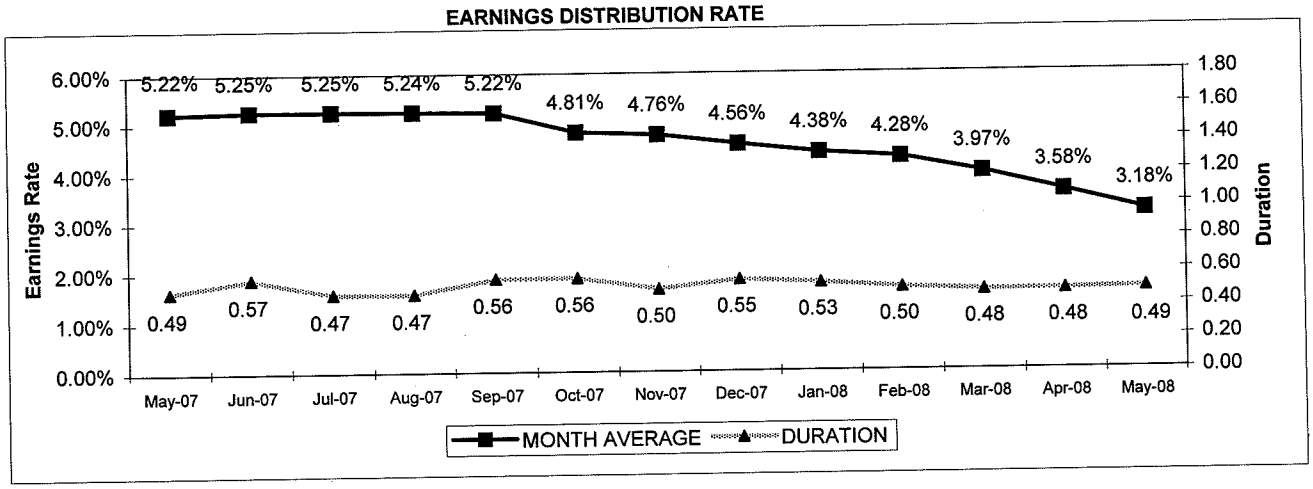
(2) IDC Bank ratings are provided by IDC Financial Publishing: 1=Superior, 2=Excellent, 3=Average, 4=Below Average, 5=Lowest. Safe & Sound CAEL is a bank rating service provided by Bankrate.com: 1=Superior, 2=Sound, 3=Performing, 4=Below Average, 5=Weak.

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

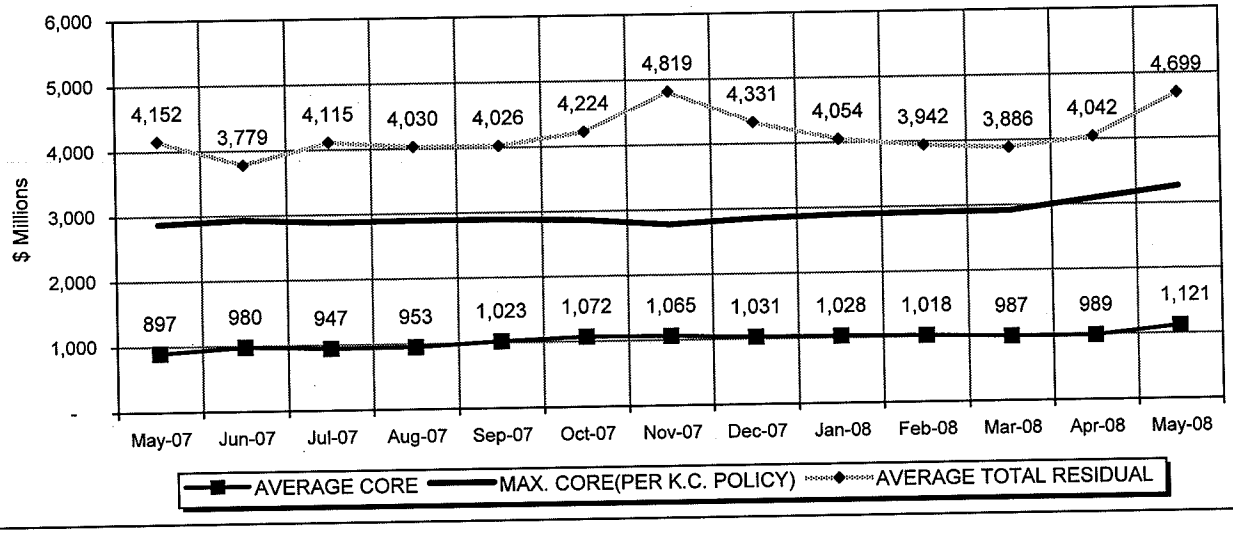
Overview of Rating Agency Credit Scores

	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
May 31, 2008

	BUDGET (1)	ACTUAL	DIFFERENCE
YTD AVG BALANCE (millions)	$263	$245	($18.4)
YTD YIELD	3.75%	3.68%	-0.07%
INTEREST DISTRIBUTION ($)	$4,098,226	$3,742,592	($355,634)
AUTOMATIC INTEREST ($)	$0	$54,433	$54,433
TOTAL INTEREST ($)	**$4,098,226**	**$3,797,025**	($301,201)

YTD POOL FEE REVENUE

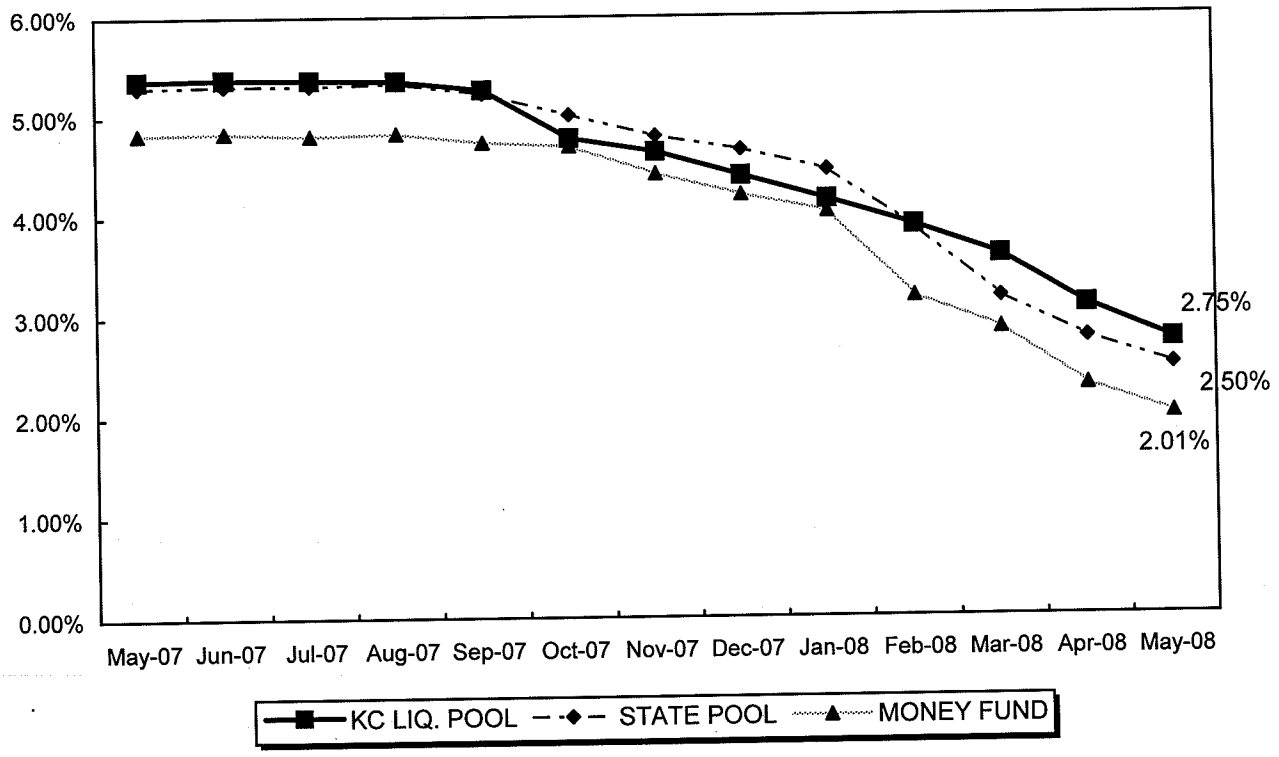
	BUDGET	ACTUAL	DIFFERENCE
POOL FEE DUE TO CX	$2,360,417	$2,623,651	$263,234
POOL FEE DUE TO FBOD	$62,500	$63,331	$831
TOTAL YTD POOL FEES	**2,422,917**	**2,686,981**	**$264,065**

YTD TOTAL POOL DISTRIBUTION	$66,162,237

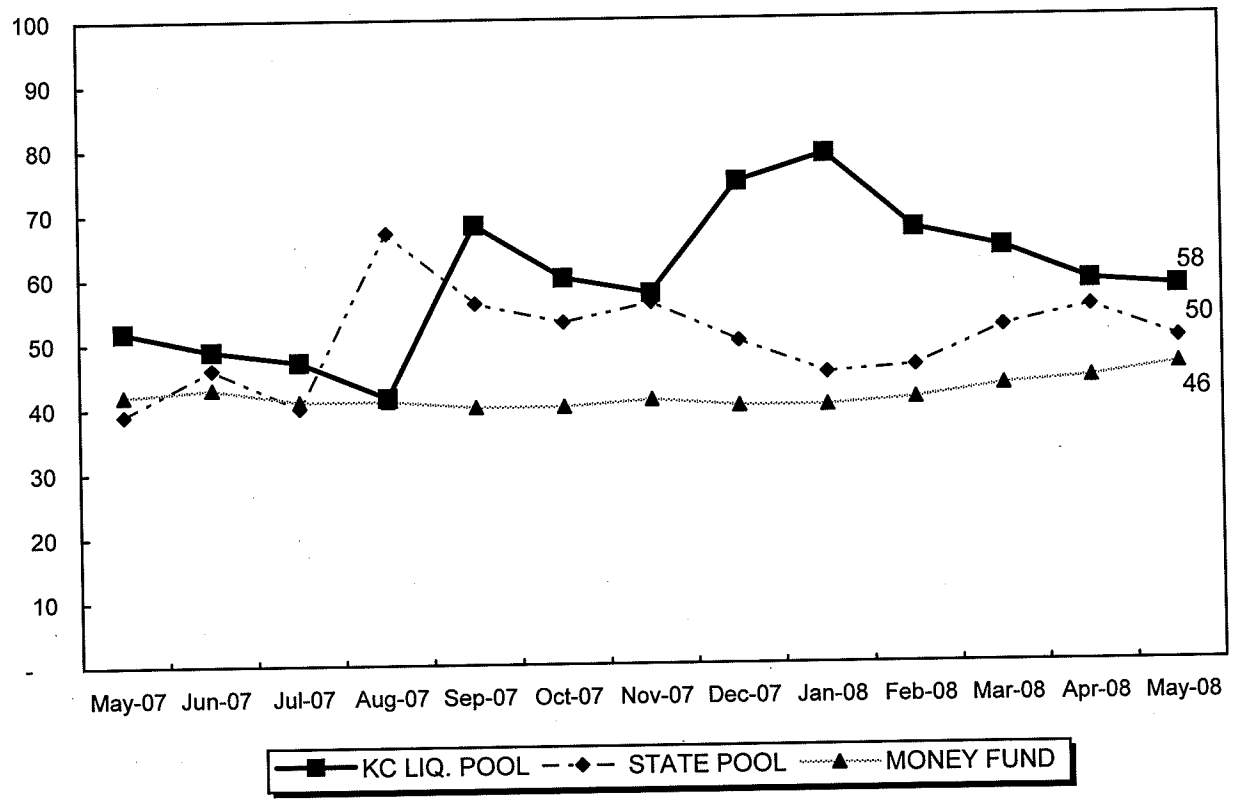
(1) Average budgeted yield for the entire year is 3.48% (simple average).

LIQUIDITY POOL

COMPARATIVE EARNINGS RATES



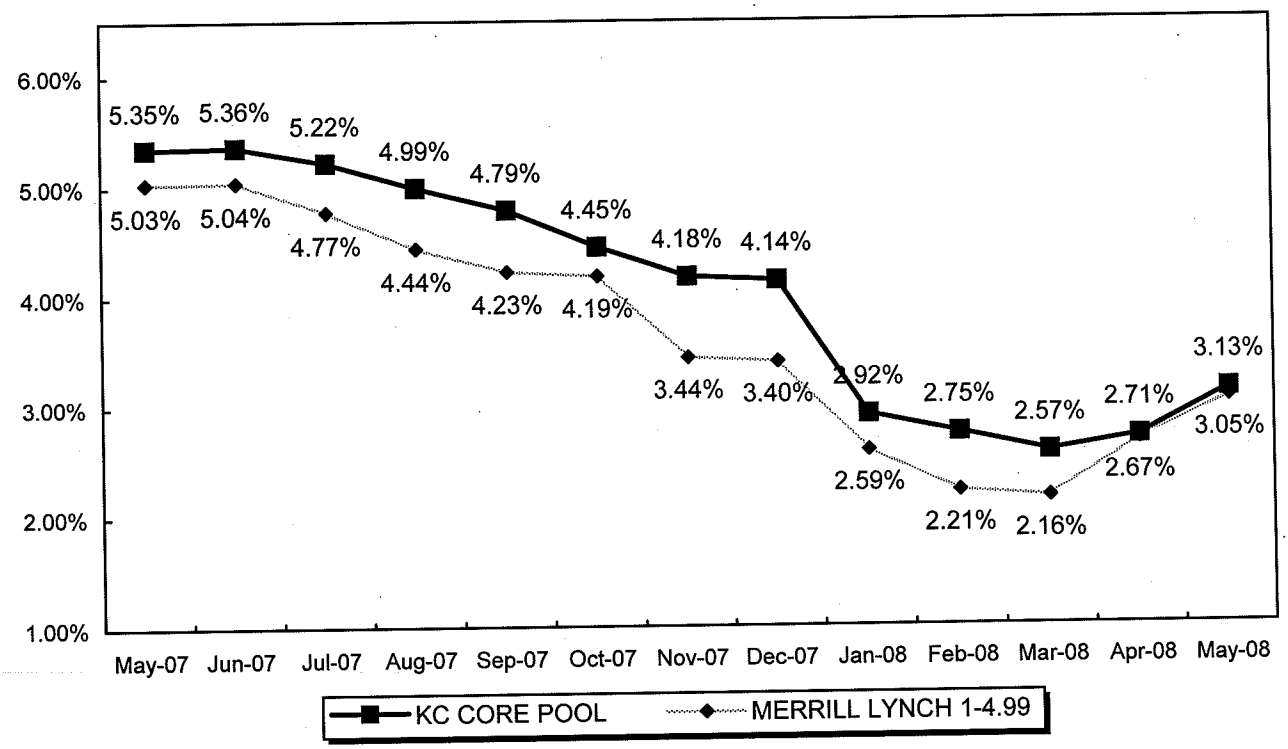
COMPARISON OF AVERAGE DAYS TO MATURITY



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.

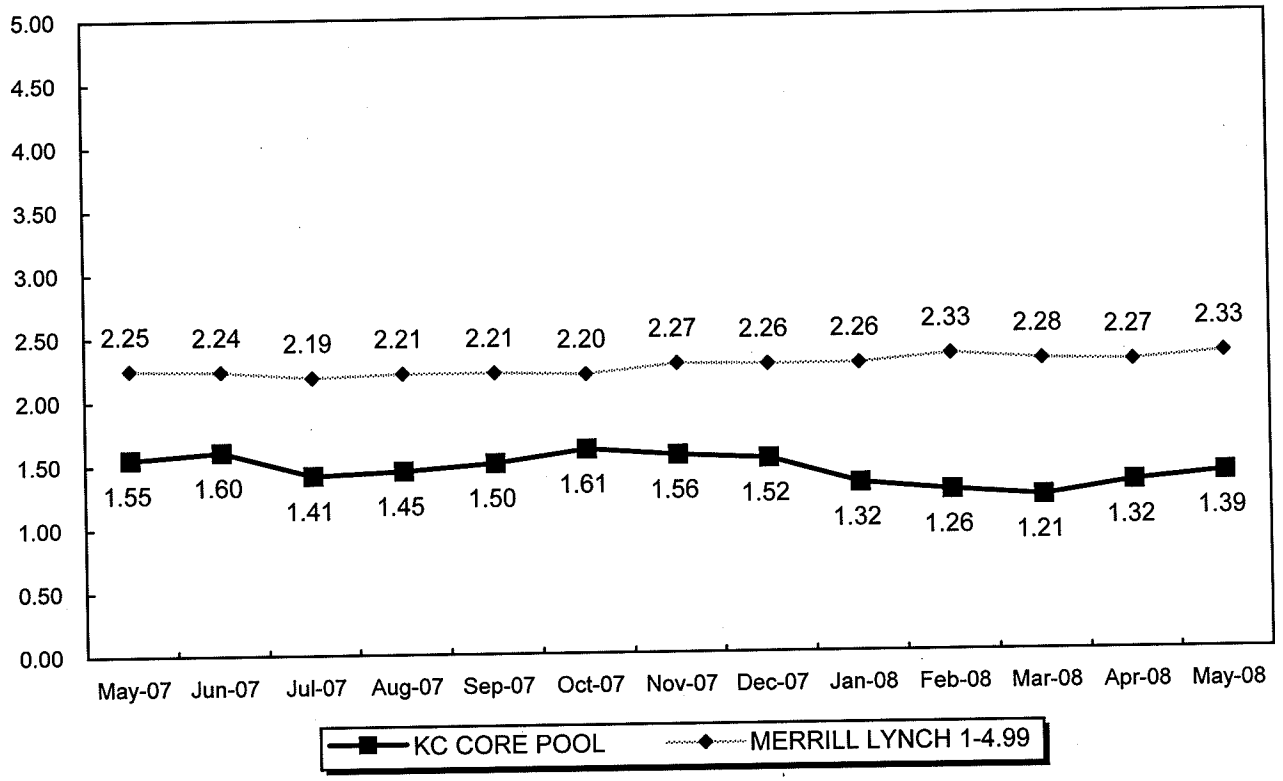
CORE POOL

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.

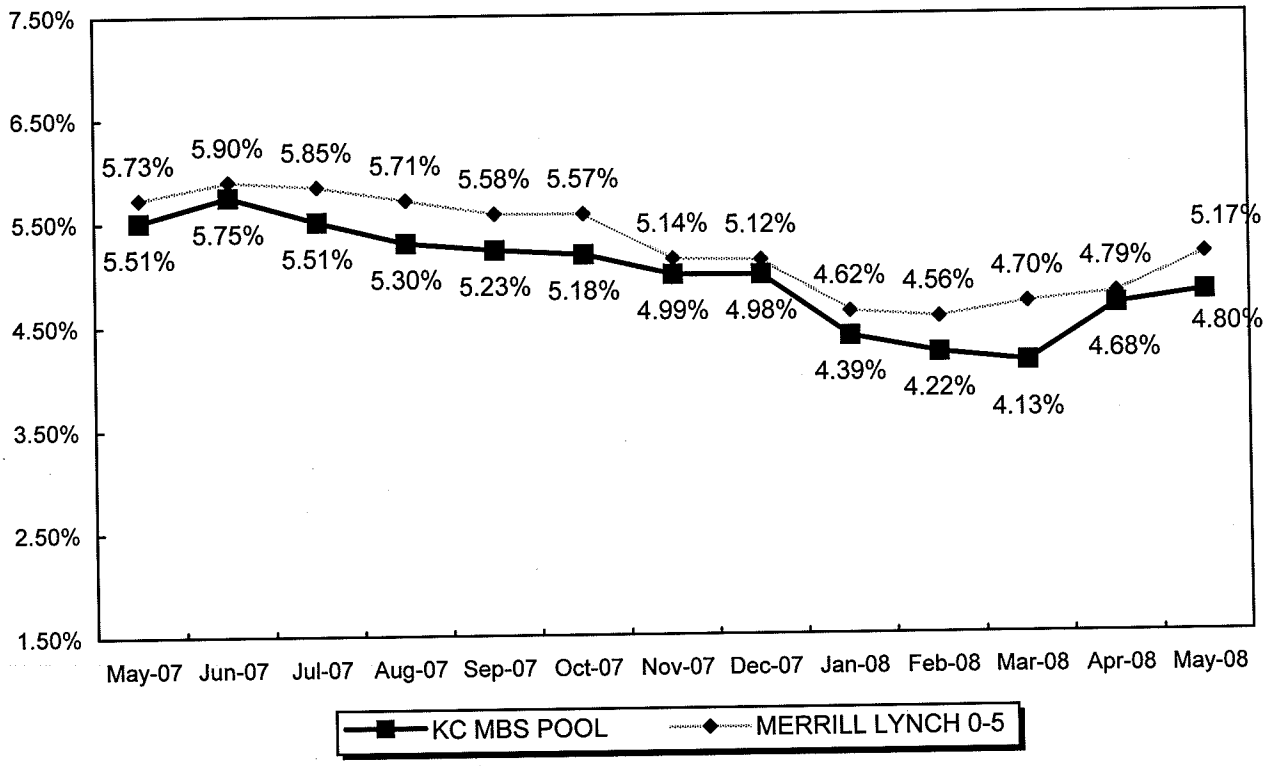
COMPARISON OF AVERAGE DURATION



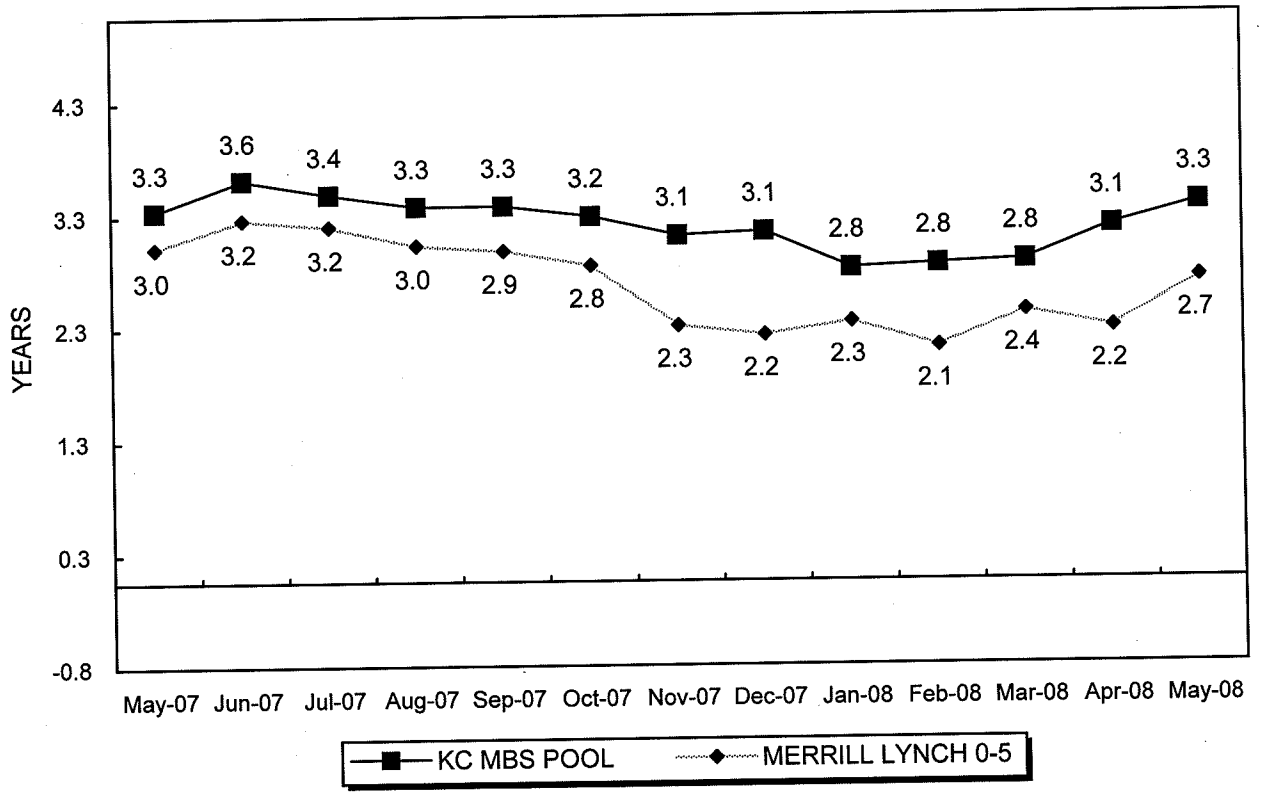
Source: Merrill Lynch index: Bloomberg Financial Markets

MORTGAGE-BACKED POOL

COMPARATIVE MONTHLY MARKET YIELD RETURNS



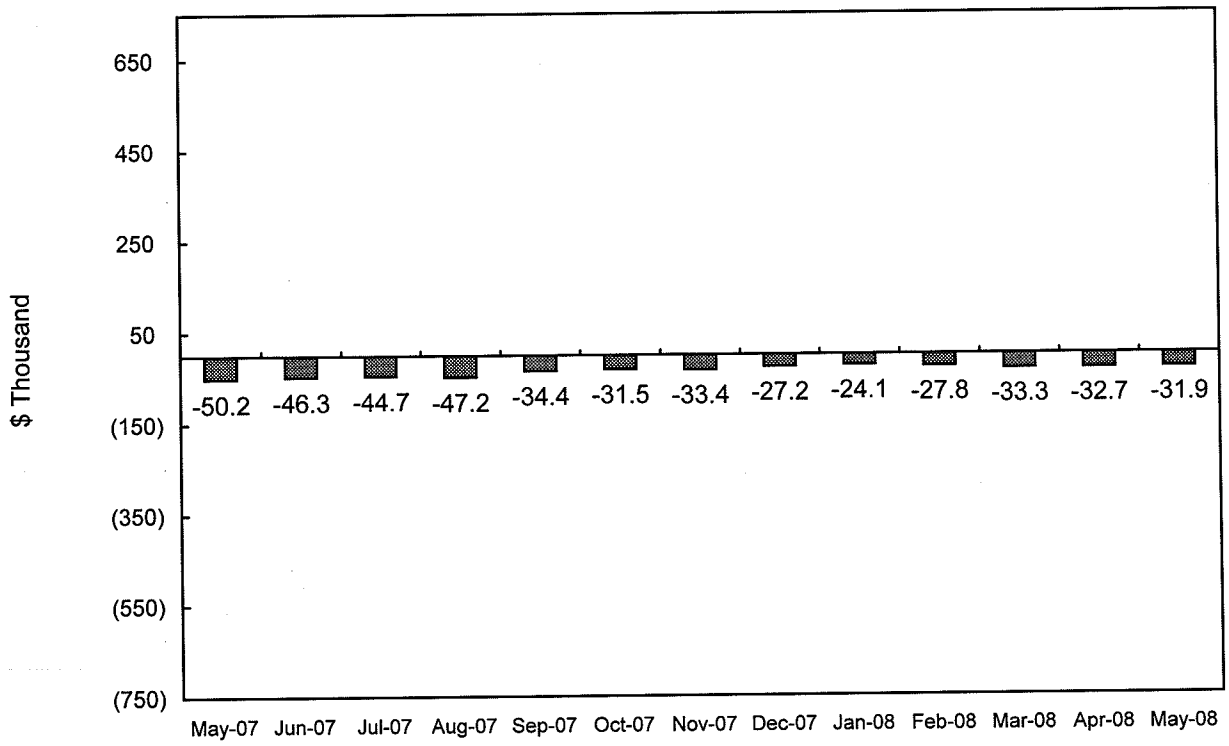
COMPARISON OF AVERAGE DURATION



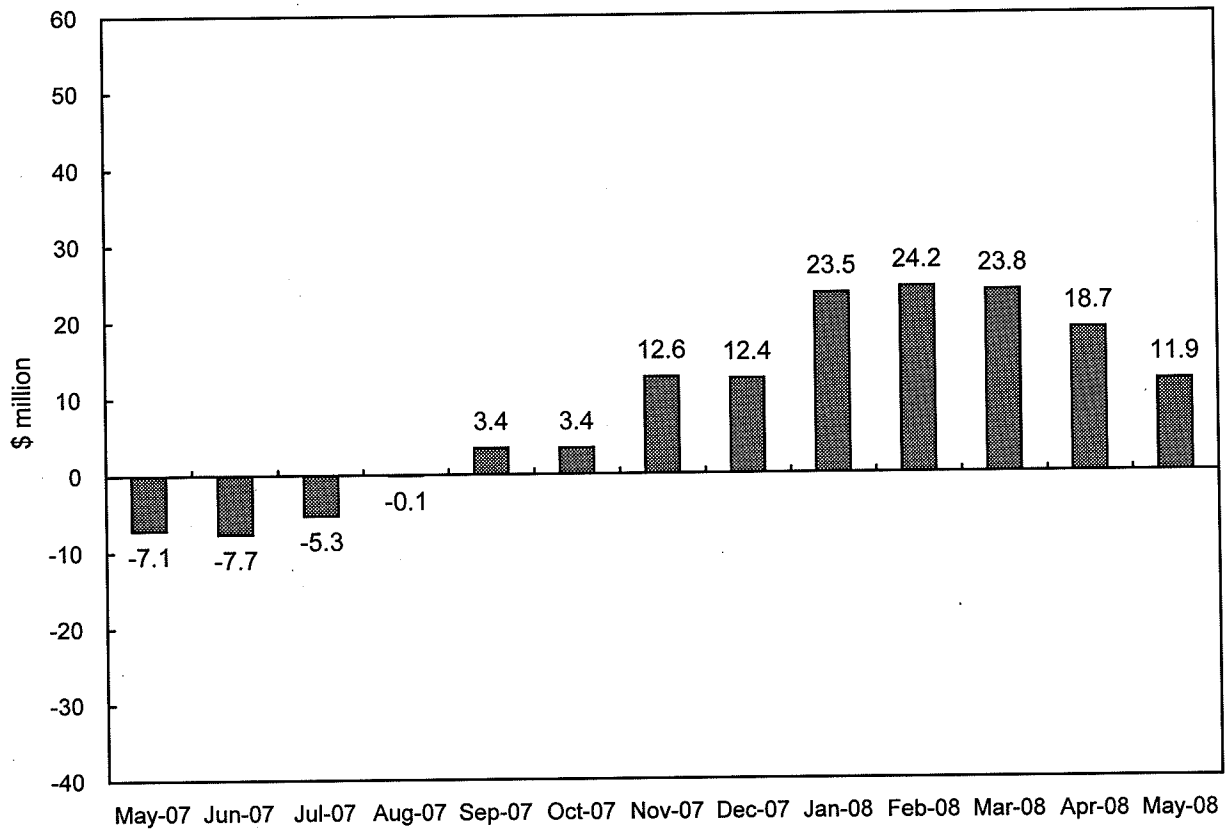
Source: Merrill Lynch index: Bloomberg Financial Markets

GAIN / LOSS SUMMARY

RESIDUAL FUND: TOTAL REALIZED GAIN OR LOSS

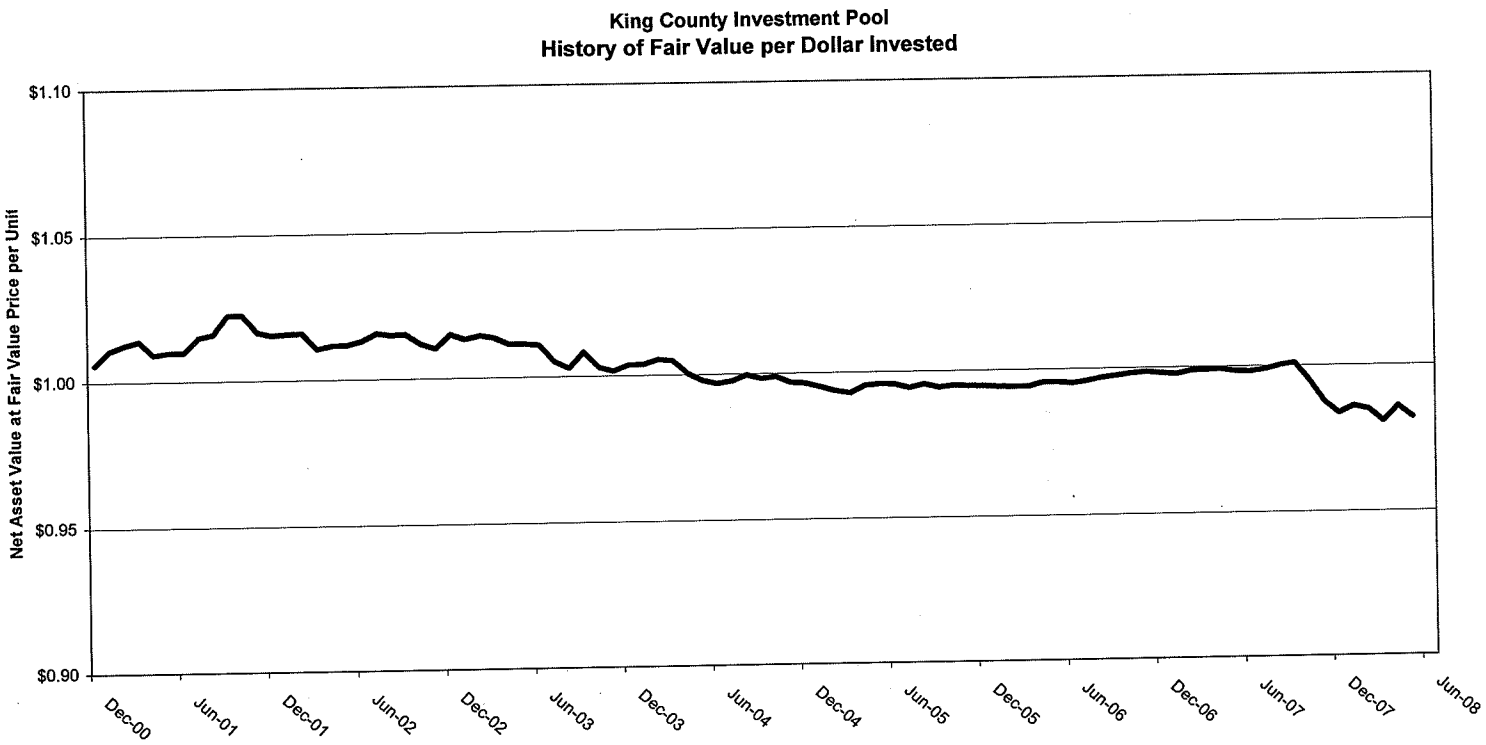


NET UNREALIZED GAIN OR LOSS (CORE PORTFOLIO ONLY)

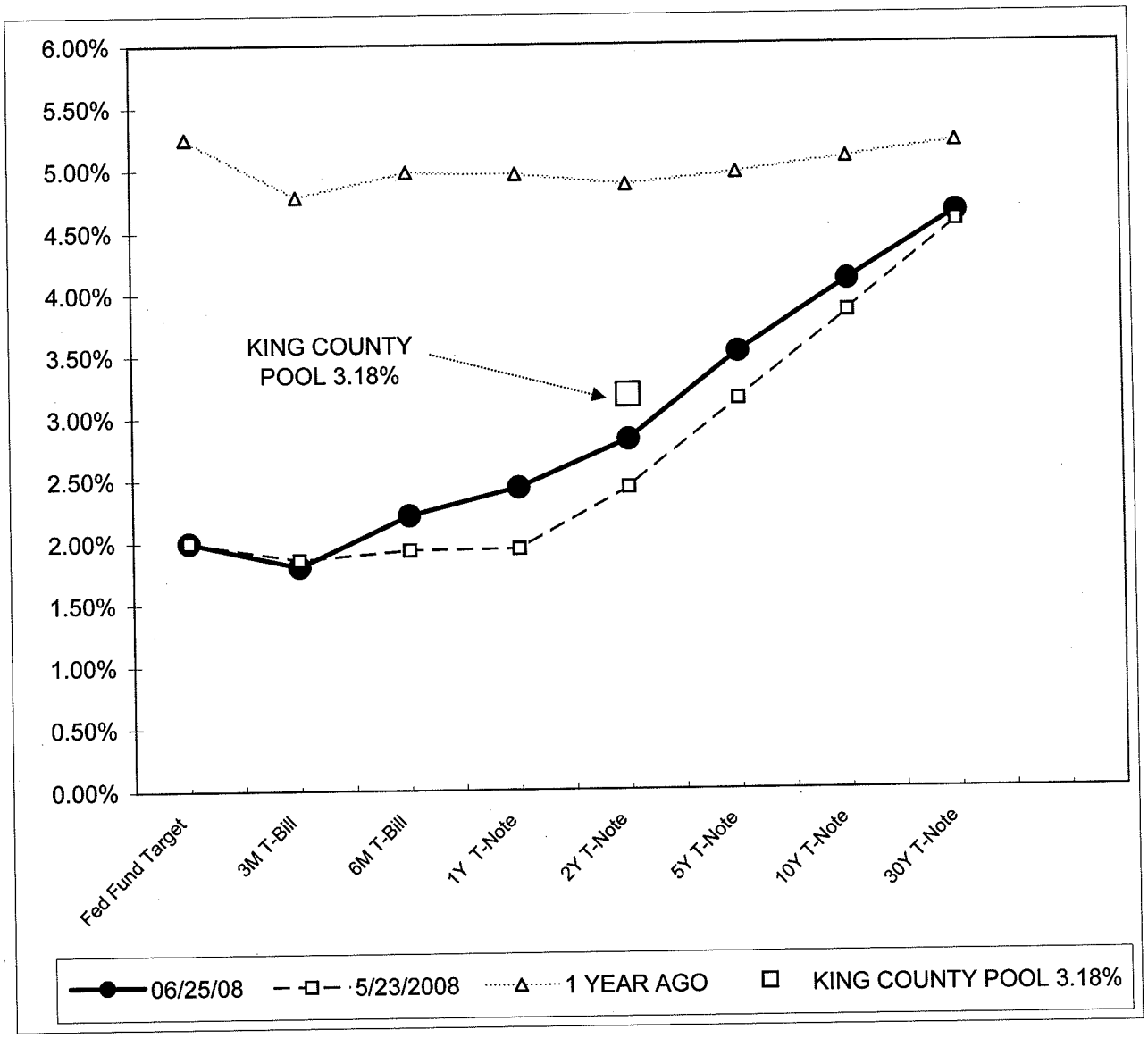


King County Investment Pool
Fair Value Report

	03/31/08	04/30/08	05/31/08
Net Assets			
Net Assets held in trust for pool participants	$ 3,851,138,026.98	$ 4,722,491,945.03	$ 4,434,331,708.32
Net assets consist of:			
Participant units outstanding ($1.00 par)	$ 3,926,467,609.70	$ 4,790,455,821.36	$ 4,515,663,325.56
Undistributed and unrealized gains(losses)	$ (75,329,582.72)	$ (67,963,876.33)	$ (81,331,617.24)
Net Assets	$ 3,851,138,026.98	$ 4,722,491,945.03	$ 4,434,331,708.32
Total Pool -- Net asset value at fair value price per unit	**$0.9808**	**$0.9858**	**$0.9820**
Pricing Breakdown on Sub Portfolio Basis			
Non-impaired net asset value at fair value price per unit	$1.0075	$1.0046	$1.0029
Impaired net asset value at fair value price per unit	$0.4814	$0.5277	$0.5037



INTEREST RATE SUMMARY



	06/25/08	5/23/2008	1 YEAR AGO
Fed Fund Target	2.00%	2.00%	5.25%
3M T-Bill	1.80%	1.86%	4.78%
6M T-Bill	2.21%	1.93%	4.98%
1Y T-Note	2.43%	1.94%	4.96%
2Y T-Note	2.82%	2.43%	4.87%
5Y T-Note	3.52%	3.14%	4.97%
10Y T-Note	4.10%	3.85%	5.08%
30Y T-Note	4.64%	4.57%	5.21%

PACKET PAGE: 7
REPORT ARM650-4

INTEREST ON INTERFUND LOANS

FUND	AVG BORROWED	AVG LOANED	BORROWED	LOANED
00-000-001-0		659,404.45		20,441,537.82
00-000-159-1	6,797.21		210,713.36	
00-000-180-0	244,443.39		7,577,744.97	
18-001-553-0	408,163.85		12,653,079.49	
REPORT TOTAL	659,404.45	659,404.45	20,441,537.82	20,441,537.82

RECAP BY FUND PAGE 1 RUN 06/16/08

INTEREST-PAID	INT-RECEIVED	
	1,780.96	CURRENT EXPENSE SUB-FUND
18.39		KC MARINE OPER
660.19		PUBLIC HEALTH
1,102.38		IBIS PAYROLL CLEARING
1,780.96	1,780.96	

POOLED FUNDS WITH NEGATIVE CASH BALANCES

FUND	DATE	FUND DESCRIPTION	LOWEST CASH	AVERAGE CASH
00-000-113-5	05-31-08	MIDD	856.29-	301.85-
00-000-156-1	05-31-08	KC FLD CNTRL ZNE OPER	1,287,343.30-	1,195,791.65-
00-000-215-8	05-01-08	BYRNE JUSTICE ASIST FFY06	15,075.81-	30,241.90
00-000-216-1	05-20-08	BYRNE JUSTICE ASS FFY 07	81,048.31-	63,659.65-
00-000-331-0	05-30-08	LONG-TERM LEASES	2,468,594.32-	2,394,113.23
00-000-344-9	05-01-08	Y2K S/W ENHANCE 97 EXCESS	1.09-	1.09-
00-000-352-3	05-01-08	LTGO BAN REDMPTN 2004B	69,341.93-	69,341.93-
00-000-357-1	05-31-08	KC FLD CNTRL ZNE CONST	3,604,600.39-	1,875,588.46-
00-000-361-1	05-31-08	WATER QUALITY CONST-UNRES	124,117,434.66-	105,482,156.67-
00-000-379-1	05-30-08	HMC/MEI 2000 PROJECTS	1,797,394.46-	103,775.87-
00-000-395-1	05-15-08	BLDG REPAIR/REPL SUBFUND	2,650,012.98-	2,209,828.28-
00-000-560-0	05-30-08	PRINTING/GRAPHIC ARTS SRV	1,198,205.52-	1,185,485.16-
00-000-694-1	05-14-08	ECCC FUND	18,069.66-	115,165.56
00-000-892-1	05-02-08	JR LEIN MULTI-M S REV2006	247,629.38-	32,693.76-
00-000-893-8	05-27-08	1996 PAPER SERIES A RDMTN	33,278.69-	4,170.63-

EXCLUDED FUNDS WITH NEGATIVE CASH BALANCES

FUND	DATE	FUND DESCRIPTION	LOWEST CASH	AVERAGE CASH
00-000-224-0	05-02-08	WORK TRAINING PROGRAM	908,971.08-	588,666.41-
00-000-224-1	05-31-08	DISPLACED WKR PROG ADMIN	757,443.23-	675,144.35-
00-000-621-0	05-06-08	RESIDUAL INVESTMENTS	4,611,671,489.03-	4,420,439,354.62-
00-000-699-0	05-01-08	ASSMT DISTRIBTN / REFUND	1,286.56-	1,286.56-

INTERFUND LOANS AMONG NON-COUNTY FUNDS

FUND	AVG BORROWED	AVG CASH BAL	BORROWED	FUND DESCRIPTION	
06-121-001-0	.16	109,248,551.97	4.96	PUGET SD ESD GENERAL FUND	
06-409-001-0	.01	20,028,661.08	.31	TAHOMA SCH GENERAL REG FD	
06-410-001-0	15,785.04	26,519,704.63	489,336.53	SNOQUAL VLY GEN REG FUND	
06-415-001-0	11.29	103,263,061.89	349.99	KENT SCH GENERAL REG FUND	
07-036-001-0	46.90	605,243.87	1,453.98	BELLEVUE GEN TAX REG FUND	
07-095-001-0	52.66	73,540.49	1,632.51	DES MOINES GEN TAX REG	C
07-135-001-0	517.78	26,711.72	16,051.18	ENUMCLAW GEN TAX REG	C
07-232-001-0	108.27	2,316.72	3,356.61	HUNTS POINT GEN TAX REG	T
07-260-001-0	25,731.69	124,180.68	797,682.50	ISSAQUAH GEN TAX REG	C
07-305-001-0	9.36	355,600.25	290.43	KENT GEN TAX REG	C
07-309-001-0	2,469.37	254,104.01	76,550.62	KIRKLAND GEN TAX REG	C
07-366-001-0	48.58	141,332.38	1,506.16	MERCER ISLAND GN TX REG	C
07-385-001-0	69,425.22	30,712.06-	2,152,181.97	NEWCASTLE GENERAL TAX REG	
07-406-001-0	35.28	12,108.10	1,093.79	NORTH BEND GEN TAX REG	T
07-451-001-0	65.10	5,560.91	2,018.11	PACIFIC GEN TAX REG	C
07-515-001-0	20.35	573,841.42	630.89	REDMOND GEN TAX REG	C
07-520-001-0	29.82	296,740.61	924.43	RENTON GEN TAX REG	C
07-530-001-0	9,399.12	250,092.96	291,372.87	SAMMAMISH GEN TAX REG	
07-542-001-0	49.66	149,233.61	1,539.67	SEATAC GEN TAX REG	
07-545-001-0	107,202.11	5,200,370.45	3,323,265.46	SEATTLE GEN TAX REG	C
07-548-001-0	104.56	177,455.86	3,241.54	SHORELINE GENERAL TAX	
07-551-001-0	108.07	519.18	3,350.32	SKYKOMISH GEN TAX REG	T
09-108-001-0	.02	5,449,843.80	.84	CEDAR RVR W & S MAINT	
10-004-001-0	55,202.08	9,347,980.89	1,711,264.50	SHORELINE FIRE EXP FUND	
11-561-001-0	91.95	91.95-	2,850.45	SUMMIT MAINTENANCE	
14-004-001-0	428.00	2,240,500.89	13,268.02	HOSPITAL 4 GENERAL	
16-128-001-0	43.29	43.29-	1,341.99	RID 128 ENHANCED	
16-131-001-0	10,034.68	10,034.68-	311,075.08	RID 131 ENHANCED	

Interfund Borrowings (Investment System)

05/31/08

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	($124,117,435)	$105,482,157	$284,630	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	$837,504	$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	($1,198,206)	$1,185,485	$3,199	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	$422	$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	$6,893	$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	$1,419	$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	($10,035)	$1,035	$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	$18,016	$0	$0	Open	Pool Rate	CX/Residual	6/21/2001
King County Ferry District	38-001-0010	Ferry District	Pay for district start-up costs. Repayment from property tax levy	$200,000	$9,368,134	$0	$0	5/31/2008	Pool Rate	CX/Residual	1/31/2008

Interfund Borrowings (Direct Loans)

05/31/08

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	$240,666	$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	$3,224,178	$120	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	$89,267,428	$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