



2008 Financial Forecast

City Council Budget Workshop
October 15, 2008

City of Bainbridge Island

2008 Year End Financial review

October 15, 2008

SUMMARY OF FINANCIAL POSITION – PROJECTED YEAR-END

(in Millions of \$)



	Tax Supported	Utilities	Total
Beginning Available Fund Balance 01/01/08	\$4.20	\$5.14	\$9.35
Revenue Budget - Revised	\$24.19	\$8.31	\$32.50
Councilmanic Debt/PWTF Loan	\$1.76	\$0.00	\$1.76
PWTF Loans/Revenue Bonds	\$0.36	\$9.09	\$9.09
Total All Sources - Revised	\$30.51	\$22.54	\$53.05
Expenditure Budget - Revised	\$27.42	\$18.45	\$47.83
Ending Available Fund Balance 12/31/08	\$3.11	\$4.09	\$7.20

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SUMMARY OF CONDITIONS in millions



- The City's financial condition has stabilized as a result of effective spending controls
- Cash position of 9/30/08 \$7.1ml
 - \$1.38 Tax Supported, \$5.59 Utilities, \$.14 Trust and Agency
 - \$.42 due from BIPD related to Meigs transaction
 - \$.5 due PWTF loan for Road Repairs
 - \$2.7 left to draw on WWTP PWTF loan
 - October and November large property tax receipts due \$3
- Working capital meets legislative requirements but below management recommendations
- Tax supported revenues remain stable but below historic trends
- Other Major, more volatile revenues
 - REET is projected at \$1.2 down from \$1.4
 - B&DS is projected at \$1.2 down from \$1.5

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SUMMARY OF CONDITIONS



- Expenditure Controls
 - Tax supported operating expenditures are being held to minimums
 - Effective FTE is 142
 - Utilities are generally performing as budgeted, except for participation fees which are driven by development
 - Rate studies & updates are underway for all 3 utilities but delayed
- Anticipated Audit Adjustments
 - SSWM Loan from General Fund reversed \$536,000 will be made up in 2008 with delayed projects
 - \$420,000 due from Parks in 2007 reversed due from other governments but will be additional revenue in 2008
 - \$220,000 adjusted in 2007 as SSWM for Streets paid by General Fund

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CONCLUSIONS



- The City's revenues from real estate and development are continuing down and turn-around will be slow – lasting at least through 2009 and into 2010
- The City's financial condition remains stabilized as a result of effective spending controls
- Utilities are performing as expected
- Working capital remains a concern through 2010
- Financial markets worldwide remain a concern as to access to capital financing
- Efficiencies in processes and providing services continue to be a primary focus

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