

City of Bainbridge Island
**DEPARTMENT OF FINANCE AND
ADMINISTRATIVE SERVICES**



MEMORANDUM

TO: City Manager Mark Dombroski
Director Finance & Administration Elray Konkel
City Council Members

FROM: Cost Accountant, Emily Boberg Courts

DATE: June 25, 2009

RE: June Cash Flow

The attached charts and supporting schedules provide an overview of the anticipated unrestricted tax-supported cash position¹ of the City as of June 2009. The Cash Flow schedule is not a formal financial statement; rather, it is a management tool used to track and forecast cash inflows and outflows. For ease of reading, the Cash Flow format is generally comparable to that of the monthly budget and financial statement reporting. Some differences as compared to the financial statement presentation are:

- Beginning in June, the tax-supported Cash Flows present restricted, trust and agency fund details. The activity in these funds is adjusted out below the line, because those funds are not available for general use. Accordingly, we continue to report a net \$0 for these funds.
- The tax-supported Cash Flows incorporate the building and development services (B&DS) fund; although the B&DS fund is reported as an enterprise fund in the financial statements, it is subsidized by the general fund.
- Because of the timing difference, Cash Flow outflows will not match financial statement expenses; financial statements are presented on a modified accrual basis whereby expenses are reported as incurred, but Cash Flow outflows are based on expenditures as paid.
- Because Cash Flow reports all inflows and outflows of cash, financial statement revenues will not match cash flow inflows in cases of non-“revenue” inflows, such as receipt of loan proceeds.

Unless otherwise noted, all further references to cash and Cash Flow within this document refer to unrestricted tax-supported cash items as described above.

MONTHLY DESCRIPTION

The June Cash Flow began with the May Cash Flow and incorporated known May activity as well as corrected activity and adjusted forecasts where appropriate. Values reported for January through May are based on actual activity, and June through December values are forecast.

¹ As indicated by the description, unrestricted tax-supported cash flow does not include Utility-related cash flow.

YEAR-END CASH:

Projected year-end Cash (May Cash Flow):	\$1,881,322
Projected year-end Cash (June Cash Flow):	<u>\$1,293,211</u>
Net Increase (Decrease):	(\$588,111)

As of the May cash flow, year-end cash flow was anticipated to be \$1,881,322. In June, this amount was reduced by²:

- (\$500,000) lawsuit settlement, approved by Council June 24, 2009;
- (\$70,000) net increase in non-settlement related costs;
- (\$60,000) net decrease in revenue projections; and
- May actuals (including year-end close entries) \$40,000 favorable compared to projection.

CRITICAL ASSUMPTIONS

The June Cash Flow assumes:

- An inflow of \$850,000 in 2009 for sales of excess land. Should any of these sales not occur, ending cash balance will not meet Cash Flow expectations.
 - Projected year-end cash if land sales do not occur: **\$443,211**
- Reliability of revenue assumptions:
 - Property Tax receipts through May represent approximately half of all Property Tax to be received in 2009.
 - Favorable activity in the REET and B&DS Funds will continue through 2009.
 - Slow activity in Sales Tax and Utility Tax on Private Utilities will continue through 2009.

PLANNED NEXT STEPS

- Create a Utility Cash Flow model, following the format of the tax-supported Cash Flow model. Estimated completion: August 2009.
- Integrate annual cash flow information in the 6-year Financial Capacity Analysis.

Attachments

Attached are the following supporting charts and schedules:

- City of Bainbridge Island 2009 June Cash Flow Plan – Tax Supported
- City of Bainbridge Island 2009 May Cash Flow Plan – Tax Supported
- City of Bainbridge Island 2009 Cash Flow Difference Report – Tax Supported: June Cash Flow Less May Cash Flow
- Attachment A: Discussion of Month Over Month Variances
- Chart 1: COBI 2009 Cash Flow Monitoring – Tax Supported
- Chart 2: COBI 2009 Cash Balance Monitoring – Tax Supported

If you have any questions, please give me a call.

² All figures rounded to the nearest ten thousand.

City of Bainbridge Island 2009 Cash Flow Plan - Tax Supported

	Actual Jan	Actual Feb	Actual Mar	Actual Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Beginning Cash Balance	1,246,281	412,858	791,015	1,292,867	2,662,127	3,013,127	2,353,239	1,965,664	2,502,915	1,948,686	2,361,255	3,173,036	
Inflows - May Cash Flow													
General Fund - Taxes	741,547	991,703	757,170	2,761,334	1,262,810	445,450	564,325	824,464	568,336	1,981,839	1,900,569	563,918	13,363,465
General Fund - Fees & Service Charges	175,321	118,080	117,473	168,455	99,199	102,878	161,434	94,559	97,503	141,814	109,846	96,957	1,483,520
General Fund - Intergovernmental Revenue	34,392	7,925	56,822	39,241	1,211	38,540	29,668	17,058	35,207	29,293	15,196	44,296	348,849
General Fund - Fines & Forfeits	15,095	16,510	15,877	15,639	13,099	25,857	15,167	16,301	19,016	21,960	20,466	18,437	213,424
General Fund - Miscellaneous	2,952	5,090	3,744	2,348	5,232	4,779	5,038	4,804	6,013	3,890	5,472	7,559	56,922
General Fund - Investment Revenue	1,163	1,424	890	763	3,631	3,631	3,631	3,631	3,631	3,631	3,631	3,631	33,290
General Fund - Other External Sources	0	20,795	1,000	0	0	0	0	0	0	0	0	850,000	871,795
Streets Fund	177,457	63,693	530,521	174,706	81,364	66,992	178,706	95,675	79,669	175,265	98,308	85,546	1,807,902
Real Estate Excise Tax Fund	54,374	45,043	109,381	70,414	55,647	70,682	63,715	101,327	88,614	48,632	84,457	55,713	847,999
Civic Improvement Fund (Restricted)	6,460	8,409	4,191	2,996	0	0	0	0	0	0	0	0	22,056
Affordable Housing Fund (Restricted)	1,320	0	1,306	705	0	0	0	0	0	0	0	0	3,331
GO Bond Funds	4,047	10,076	0	189,581	103,013	3,752	1,278	2,116	9,378	148,600	69,204	2,236	543,281
LID Bond Funds	0	0	1,340	5,344	0	0	0	0	0	0	0	0	6,684
Capital Construction Fund	295	146,251	100,531	66,428	85,993	261,301	113,795	1,092,497	138,386	426,777	228,986	75,248	2,736,488
LID Capital Construction Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
Building & Development Services Fund	46,726	69,139	82,296	83,815	159,466	47,513	49,006	43,753	33,264	43,917	39,312	18,084	716,291
Subtotal Inflows - May Cash Flow	2,507,430	1,916,998	2,573,557	4,874,637	4,532,792	4,084,502	3,539,002	4,261,849	3,581,933	4,974,304	4,936,703	4,994,662	23,055,297
Exclusion of Restricted Funds	-7,780	-8,409	-5,497	-3,701	0	0	0	0	0	0	0	0	-25,387
Interfund Loan	0	600,000	0	0	0	0	0	0	0	0	0	0	600,000
Adjustments to Inflow	0	0	-14,425	165,605	0	0	0	0	0	0	0	41,842	193,021
Total Inflows - May Cash Flow	2,499,650	2,508,589	2,553,635	5,036,540	4,532,792	4,084,502	3,539,002	4,261,849	3,581,933	4,974,304	4,936,703	5,036,504	23,822,932
Outflows - May Cash Flow													
Salary	734,414	681,316	619,097	602,828	572,925	530,326	528,666	544,819	533,807	536,307	539,819	530,478	6,954,803
Benefits	247,777	236,194	210,019	223,821	194,834	181,351	218,470	183,041	182,395	226,851	183,041	183,041	2,470,833
Supplies	9,778	15,241	4,449	8,246	33,884	35,684	51,604	46,336	46,766	48,266	46,216	46,746	393,213
Professional Services	4,950	38,425	96,400	267,457	152,536	141,684	230,499	289,503	174,562	191,122	187,253	158,509	1,932,900
Communications	5,227	160,489	9,029	57,530	8,777	10,010	10,384	10,284	10,284	10,870	10,770	10,770	314,424
Travel	246	666	-550	635	894	924	1,474	1,374	1,474	1,524	1,378	1,424	11,464
Training	733	1,830	3,301	2,238	2,578	1,725	7,058	8,835	8,027	8,335	6,627	6,892	58,178
Advertising	0	1,555	1,140	1,218	2,826	2,401	2,534	2,534	3,059	2,634	2,834	2,734	25,466
Operating Leases	10,049	26,905	188,332	85,360	85,905	88,355	84,945	84,977	87,105	86,195	84,855	85,105	998,088
Utilities	18,215	2,777	75,884	111,330	48,025	48,025	48,025	48,025	48,025	48,025	48,025	48,025	592,406
Repair & Maintenance	19,251	25,584	12,997	49,001	49,216	54,018	64,762	94,457	45,298	44,771	64,775	53,348	577,478
All Other Miscellaneous	4,609	3,035	19,714	2,070	11,441	11,211	11,142	10,094	12,181	10,714	10,841	12,516	119,569
Contingency	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Services & Charges	500,993	0	0	330	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	510,027
Intergovernmental	18,258	109,707	24,015	24,266	103,357	75,447	32,378	90,278	111,347	38,278	35,498	101,907	764,735
Capital Equipment	0	47	0	0	0	0	0	0	0	0	0	0	47
Capital Projects	0	0	0	64,161	237,856	195,145	217,990	349,488	339,979	576,192	549,379	621,107	3,151,297
Debt Service	99,422	9,852	47,103	145,454	0	351,547	57,578	0	36,672	790,006	0	1,207,779	2,745,413
Other non-operating	1,233	1,369	8,510	2,772	13,523	2,323	9,947	4,656	1,635	2,397	1,890	119,395	169,650
Subtotal Outflows - May Cash Flow	1,675,155	1,314,992	1,319,441	1,648,717	1,519,665	1,731,263	1,578,543	1,769,788	1,643,703	2,623,573	1,774,289	3,190,864	21,789,992
Exclusion of Restricted Funds				-5,769									-5,769
Outflows - 2008 Expenses paid in 2009	411,636	402,582	-58,673	0	0	0	0	0	0	0	0	0	755,546
Interfund Loan Repayment	0	0	0	603,346	0	0	0	0	0	0	0	0	603,346
Adjustments to Outflow	0	0	0	128,119	0	0	0	0	0	0	0	0	102,801
Estimate for PERS Rate change (effective 7/1/09)			0	0	0	0	-5,205	-10,854	-10,456	-10,524	-10,621	-10,364	-58,025
Total Outflows - May Cash Flow	2,086,792	1,717,574	1,260,768	2,374,413	1,519,665	1,731,263	1,573,338	1,758,933	1,633,247	2,613,049	1,763,668	3,155,182	23,187,890
Ending Cash Balance - May Cash Flow	412,858	791,015	1,292,867	2,662,127	3,013,127	2,353,239	1,965,664	2,502,915	1,948,686	2,361,255	3,173,036	1,881,322	

City of Bainbridge Island 2009 Cash Flow Reduction Plan - Tax Supported

	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Beginning Cash Balance	\$1,246,281	\$410,809	\$789,225	\$1,294,210	\$2,666,320	\$3,055,699	\$2,352,647	\$1,790,580	\$1,878,157	\$1,361,598	\$1,744,845	\$2,586,170	
Inflows - Jun Cash Flow	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
General Fund - Taxes	741,547	991,703	741,290	2,761,334	1,278,129	419,929	528,030	790,958	540,252	1,946,617	1,861,920	530,578	13,132,287
General Fund - Fees & Service Charges	175,321	118,160	117,448	168,455	104,652	102,878	161,434	94,559	97,503	141,814	109,846	96,957	1,489,028
General Fund - Intergovernmental Revenue	34,392	7,925	56,822	39,241	19,068	38,540	25,163	17,058	35,207	29,293	15,196	44,296	362,201
General Fund - Fines & Forfeits	15,095	16,510	15,877	15,729	16,274	25,857	15,167	16,301	19,016	21,960	20,466	18,437	216,689
General Fund - Miscellaneous	2,952	5,090	3,744	2,348	7,707	4,779	-184	4,804	6,013	3,890	5,472	7,559	54,175
General Fund - Investment Revenue	1,163	1,424	-311	3,199	881	3,631	2,951	3,631	3,631	3,631	3,631	3,631	31,095
General Fund - Other External Sources	0	20,795	1,000	0	8,000	0	0	0	0	0	0	850,000	879,795
Streets Fund	175,408	63,873	528,329	172,337	73,730	67,458	176,782	96,958	80,271	175,046	101,522	86,797	1,798,592
Real Estate Excise Tax Fund	54,374	45,043	109,880	70,738	66,546	83,449	75,224	119,630	104,620	57,417	99,713	65,599	952,231
Civic Improvement Fund	6,460	8,409	5,497	3,234	5,735	0	0	0	0	0	0	0	29,335
Affordable Housing Fund	1,320	1,470	725	705	548	0	0	0	0	0	0	0	4,768
GO Bond Funds	4,047	10,076	15,880	189,581	66,857	3,752	1,278	2,116	9,378	148,600	69,204	2,236	523,005
LID Bond Funds	0	0	1,340	5,344	670	0	0	0	0	0	0	0	7,354
Capital Construction Fund	295	146,251	100,531	66,428	0	261,301	102,001	1,059,620	98,822	431,139	233,348	79,610	2,579,346
LID Capital Construction Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
Building & Development Services Fund	46,726	69,139	82,296	83,815	66,720	73,295	75,145	67,709	52,801	69,794	61,100	26,192	774,731
Subtotal Inflows - Jun Cash Flow	2,505,381	1,916,678	2,569,573	4,876,698	4,381,837	4,140,568	3,515,637	4,063,925	2,925,672	4,390,798	4,326,264	4,398,142	22,834,633
Exclusion of Restricted Funds	-7,780	-9,879	-6,222	-3,939	-6,283	0	0	0	0	0	0	0	-34,103
Interfund Loan	0	600,000	0	0	0	0	0	0	0	0	0	0	600,000
Adjustments to Inflow	0	0	(\$14,425)	165,605	0	0	0	0	0	0	0	41,842	193,021
Total Inflows - Jun Cash Flow	2,497,601	2,506,799	2,548,926	5,038,364	4,375,554	4,140,568	3,515,637	4,063,925	2,925,672	4,390,798	4,326,264	4,439,983	23,593,551
Outflows - Jun Cash Flow													
Salary	734,414	681,316	619,097	602,828	600,077	528,313	526,084	541,786	530,204	532,704	536,786	527,445	6,961,055
Benefits	247,777	236,194	210,019	223,821	209,692	179,634	213,018	174,903	174,317	218,774	174,903	175,462	2,438,514
Supplies	9,778	15,241	4,449	8,246	23,802	33,551	51,811	46,043	46,473	46,973	44,923	45,453	376,741
Professional Services	4,950	38,425	96,400	267,457	111,737	127,473	235,956	291,568	180,126	193,186	184,171	155,427	1,886,875
Communications	5,227	160,489	9,029	57,530	6,943	7,534	60,787	10,279	10,279	61,273	10,765	10,765	410,900
Travel	246	666	-550	635	1,031	409	1,453	1,353	1,353	1,503	1,357	1,303	10,759
Training	733	1,830	3,301	2,238	2,668	1,570	7,058	8,835	7,027	8,335	6,627	6,892	57,114
Advertising	0	1,555	1,140	1,218	1,655	2,454	1,840	1,840	2,365	1,940	2,140	2,040	20,185
Operating Leases	10,049	26,905	188,332	85,360	83,280	84,482	82,870	82,902	85,030	84,120	82,780	83,030	979,140
Utilities	18,215	2,777	75,884	111,330	39,395	48,025	48,025	48,025	48,025	48,025	48,025	48,025	583,776
Repair & Maintenance	19,251	25,584	12,997	49,001	14,062	57,238	64,123	93,818	44,659	44,132	64,136	52,709	541,710
All Other Miscellaneous	4,609	3,035	19,714	2,070	1,292	10,995	11,142	505,094	12,181	10,714	10,841	12,516	604,204
Contingency	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Services & Charges	500,993	0	0	330	0	1,088	1,088	1,088	1,088	1,088	1,088	1,088	508,939
Intergovernmental	18,258	109,707	17,963	21,897	72,686	107,166	30,378	88,278	109,347	36,278	33,498	99,907	745,363
Capital Equipment	0	47	0	0	432	0	0	0	0	0	0	0	479
Capital Projects	0	0	0	64,161	87,223	244,118	321,901	285,302	273,293	564,506	536,165	607,893	2,984,562
Debt Service	99,422	9,852	47,103	145,454	10,413	351,547	57,578	0	36,672	790,006	0	1,207,779	2,755,826
Other non-operating	1,233	1,369	8,510	2,772	3,939	2,323	9,947	4,656	1,635	2,397	1,890	119,395	160,066
Subtotal Outflows - Jun Cash Flow	1,675,155	1,314,992	1,313,389	1,646,348	1,270,327	1,787,921	1,725,057	2,185,768	1,564,075	2,645,953	1,740,094	3,157,128	22,026,208
Exclusion of Restricted Funds				-5,769	-10,728								-16,497
Outflows - 2008 Expenses paid in 2009	411,636	402,582	-58,673	0	0	0	0	0	0	0	0	0	755,546
Interfund Loan Repayment	0	0	0	603,346	0	0	0	0	0	0	0	0	603,346
Adjustments to Outflow	0	0	0	128,119	60,255	0	0	0	0	0	0	(10,356)	178,019
Estimate for PERS Rate change - effect now built in to "Benefits" line item above													0
Total Outflows - Jun Cash Flow	2,086,792	1,717,574	1,254,716	2,372,044	1,319,855	1,787,921	1,725,057	2,185,768	1,564,075	2,645,953	1,740,094	3,146,773	23,546,622
Ending Cash Balance - Jun Cash Flow	410,809	789,225	1,294,210	2,666,320	3,055,699	2,352,647	1,790,580	1,878,157	1,361,598	1,744,845	2,586,170	1,293,211	

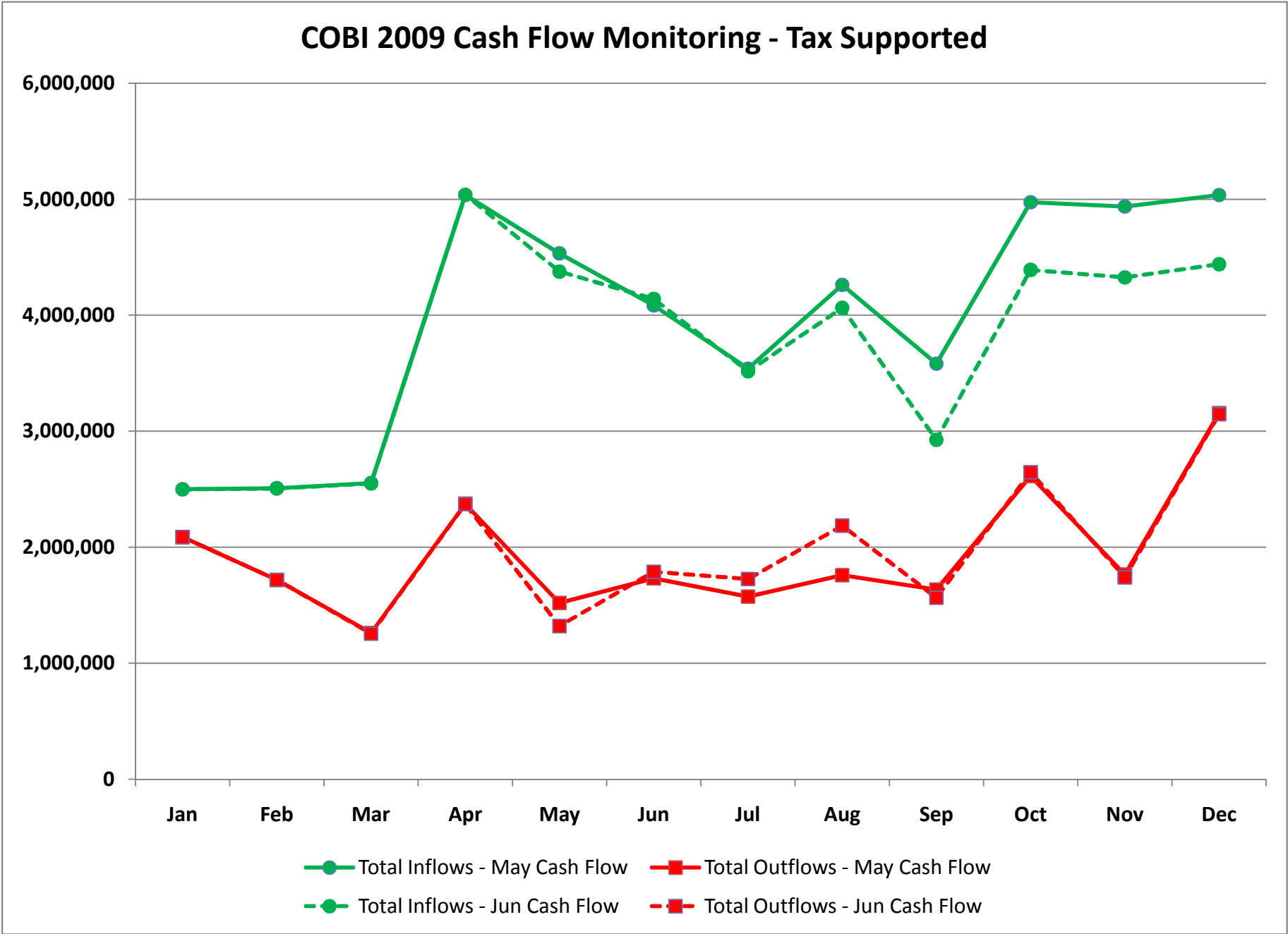
City of Bainbridge Island 2009 Cash Flow Difference Report - Tax Supported

Jun Cash Flow Less May Cash Flow

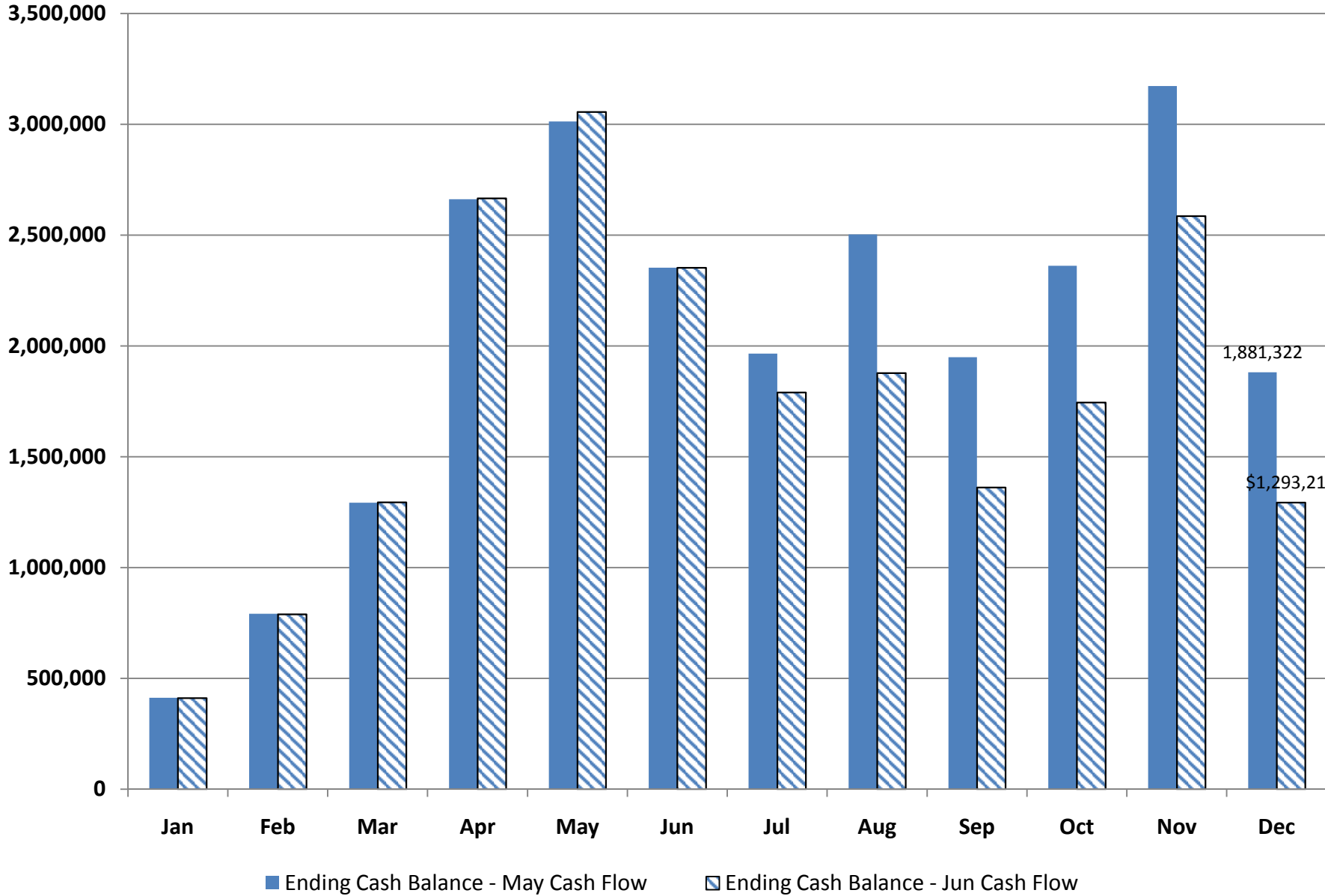
	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Beginning Cash Balance	0	(2,049)	(1,789)	1,343	4,193	42,572	(592)	(175,084)	(624,759)	(587,088)	(616,410)	(586,866)	
Inflows													
General Fund - Taxes	0	0	(15,880)	0	15,319	(25,521)	(36,295)	(33,506)	(28,084)	(35,222)	(38,649)	(33,340)	(231,178)
General Fund - Fees & Service Charges	0	80	(25)	0	5,453	0	0	0	0	0	0	0	5,508
General Fund - Intergovernmental Revenue	0	0	0	0	17,857	0	(4,505)	0	0	0	0	0	13,352
General Fund - Fines & Forfeits	0	0	0	90	3,175	0	0	0	0	0	0	0	3,265
General Fund - Miscellaneous	0	0	0	0	2,475	0	(5,222)	0	0	0	0	0	(2,746)
General Fund - Investment Revenue	0	0	(1,201)	2,436	(2,750)	0	(680)	0	0	0	0	0	(2,195)
General Fund - Other External Sources	0	0	0	0	8,000	0	0	0	0	0	0	0	8,000
Streets Fund	(2,049)	180	(2,192)	(2,369)	(7,634)	466	(1,925)	1,284	602	(219)	3,214	1,333	(9,310)
Real Estate Excise Tax Fund	0	0	499	324	10,899	12,768	11,509	18,303	16,007	8,785	15,256	9,883	104,232
Civic Improvement Fund	0	0	1,306	238	5,735	0	0	0	0	0	0	0	7,279
Affordable Housing Fund	0	1,470	(581)	0	548	0	0	0	0	0	0	0	1,437
GO Bond Funds	0	0	15,880	0	(36,156)	0	0	0	0	0	0	0	(20,276)
LID Bond Funds	0	0	0	0	670	0	0	0	0	0	0	0	670
Capital Construction Fund	0	0	0	0	(85,993)	0	(11,794)	(32,877)	(39,564)	4,362	4,362	4,362	(157,142)
LID Capital Construction Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
Building & Development Services Fund	0	0	0	0	(92,746)	25,782	26,139	23,956	19,537	25,877	21,788	8,107	58,440
Subtotal Inflows	(2,049)	(319)	(3,984)	2,062	(150,955)	56,066	(23,365)	(197,924)	(656,261)	(583,506)	(610,440)	(596,521)	(220,664)
Exclusion of Restricted Funds	0	(1,470)	(725)	(238)	(6,283)	0	0	0	0	0	0	0	(8,716)
Interfund Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to Inflows	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Inflows	(2,049)	(1,789)	(4,709)	1,824	(157,238)	56,066	(23,365)	(197,924)	(656,261)	(583,506)	(610,440)	(596,521)	(229,380)
Outflows													
Salary	0	0	0	0	27,152	(2,013)	(2,582)	(3,033)	(3,603)	(3,603)	(3,033)	(3,033)	6,252
Benefits	0	0	0	0	14,858	(1,716)	(5,452)	(8,138)	(8,077)	(8,077)	(8,138)	(7,579)	(32,319)
Supplies	0	0	0	0	(10,082)	(2,132)	207	(293)	(293)	(1,293)	(1,293)	(1,293)	(16,472)
Professional Services	0	0	0	(0)	(40,799)	(14,211)	5,457	2,065	5,565	2,065	(3,083)	(3,083)	(46,025)
Communications	0	0	0	0	(1,834)	(2,476)	50,403	(5)	(5)	50,403	(5)	(5)	96,476
Travel	0	0	0	0	137	(515)	(21)	(21)	(121)	(21)	(21)	(121)	(704)
Training	0	0	0	0	91	(155)	0	0	(1,000)	0	0	0	(1,065)
Advertising	0	0	0	0	(1,171)	53	(694)	(694)	(694)	(694)	(694)	(694)	(5,282)
Operating Leases	0	0	0	0	(2,624)	(3,873)	(2,075)	(2,075)	(2,075)	(2,075)	(2,075)	(2,075)	(18,948)
Utilities	0	0	0	0	(8,630)	0	0	0	0	0	0	0	(8,630)
Repair & Maintenance	0	0	0	0	(35,154)	3,221	(639)	(639)	(639)	(639)	(639)	(639)	(35,768)
All Other Miscellaneous	0	0	0	0	(10,149)	(216)	0	495,000	0	0	0	0	484,635
Contingency	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Services & Charges	0	0	0	0	(1,088)	0	0	0	0	0	0	0	(1,088)
Intergovernmental	0	0	(6,052)	(2,369)	(30,671)	31,719	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(19,372)
Capital Equipment	0	0	0	0	432	0	0	0	0	0	0	0	432
Capital Projects	0	0	0	0	(150,633)	48,973	103,911	(64,186)	(66,686)	(11,686)	(13,214)	(13,214)	(166,735)
Debt Service	0	0	0	0	10,413	0	0	0	0	0	0	0	10,413
Other non-operating	0	0	0	0	(9,584)	0	0	0	0	0	0	0	(9,584)
Subtotal Outflows	0	0	(6,052)	(2,369)	(249,337)	56,658	146,514	415,980	(79,628)	22,380	(34,195)	(33,735)	236,217
Exclusion of Restricted Funds	0	0	0	0	(10,728)	0	0	0	0	0	0	0	(10,728)
Outflows - 2008 Expenses paid in 2009	0	0	0	0	0	0	0	0	0	0	0	0	0
Interfund Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to Outflow	0	0	0	0	60,255	0	0	0	0	0	0	14,963	75,218
Estimate for PERS Rate change - effect now built in to "Benefits" line item above	0	0	0	0	0	0	5,205	10,854	10,456	10,524	10,621	10,364	58,025
Total Outflows	0	0	(6,052)	(2,369)	(199,810)	56,658	151,719	426,835	(69,172)	32,904	(23,574)	(8,409)	358,731
Ending Cash Balance	(2,049)	(1,789)	1,343	4,193	42,572	(592)	(175,084)	(624,759)	(587,088)	(616,410)	(586,866)	(588,112)	

See Note 1

Note 1: Minor corrections for prior months' activity not previously picked up in cash flow due to timing of entries. Process updated to reduce these sort of reporting variances in future period:



COBI 2009 Cash Balance Monitoring - Tax Supported



ATTACHMENT A
DISCUSSION OF MONTH OVER MONTH VARIANCES

To be read with **June 2009** Cash Flow Memo

(Note: All dollar values are rounded to the nearest ten thousand.)

Actual Inflows:

- May saw overall slightly favorable General Fund inflows, coming in over plan \$50,000.
- This favorability is offset by GO Bonds (\$30,000), capital projects (\$90,000) and building and development services (B&DS, \$90,000) inflows coming in below estimates \$210,000.
 - The \$90,000 variance in capital projects is related to the timing of reimbursements in Public Works projects.
 - The \$90,000 variance in B&DS is related to project fees, which are anticipated to be permitted and therefore produce inflows in late summer. The original related revenue estimate remains valid; this difference is timing only.

The share of change in year-end cash flow projection related to May inflows is \$160,000 unfavorable.

Actual Outflows:

May Outflows were \$260,000 less than projected, with \$180,000 related to timing, as shown by revised June and July estimates on the Capital Projects (\$150,000) and Intergovernmental (\$30,000) line items.

The share of change in year-end cash flow projection related to May outflows is \$260,000 favorable.

Projected Inflows:

Projected inflows decreased (\$60,000), comprised of:

- (\$70,000) reductions to capital project revenues in Planning, the result of decreases in planned project spending and corresponding decreases in planned reimbursement;
- (\$10,000) required refund of the unused portion of a state archivist's grant; and,
- \$20,000 increase related to enhanced revenue analysis, considered reasonable based on five months of current year actuals.

The share of change in year-end cash flow projection related to projected inflows revised in May is \$60,000 unfavorable.

Projected outflows:

Projected outflows increased by \$570,000, comprised primarily of:

- \$500,000 HBA lawsuit settlement;
- \$100,000 franchise fee payments to BITV (previously budgeted but inadvertently omitted in previous cash flow reports); and,
- (\$210,000) reduction in planned spending offset by \$180,000 increase for timing items (see Actual Outflows section) for a net (\$30,000) reduction in planned spending, primarily in the IT and Planning departments.

The share of change in year-end cash flow projection related to projected outflows revised in May is \$570,000 unfavorable.

Attachment A, Cont.

Below the Line Adjustments:

Entries related to year-end close processes resulted in additional tax-supported outflows of \$60,000. The share of change in year-end cash flow projection related to below the line adjustments is \$60,000.

Year-End Cash Change:

ITEM	Increase/(Decrease) to year-end cash
Actual Inflows	(\$160,000)
Actual Outflows	\$260,000
Projected Inflows	(\$570,000)
Projected Outflows	(\$60,000)
Below the Line Inflows/(Outflows)	(\$60,000)
Net Increase/(Decrease) to year-end cash	(\$590,000)

Additional Notes:

Immaterial adjustments were made to prior months to reflect activity not previously reported due to timing of journal entries. In most instances, these adjustments are equal and offsetting. Additionally, the internal processes have been updated to reduce these sort of reporting variances in future periods.