

Monthly City Cash Report

A short discussion to provide helpful information on how to read the report.

a. **Timing.** We present this report to the Council on the third Thursday of the month, reporting the cash situation as of the end of prior month. Thus, during the October meeting we report the cash situation as of the end of September and so on.

b. **What is included.** The cash report displays all the money that the city has. A household analogy might be list of what you hold in all of your checking and savings accounts. There are things other than cash that are important, like debt and non-financial assets. We report those in our annual audited financial report. Still, cash is very important and the Council monitors it monthly.

c. **Structure of the report.**

1) **Statement of Cash and Cash Equivalents for City Funds.** By “city funds,” we mean the money available to support operations, as opposed to money restricted to support activity in three trust funds. We report that separately, per 3) below. In this one-page section, citizens should note how much money we have, how it went up or down versus the prior month, and how the money is invested. It is normal for the city to “lose” cash in most months, as expenses exceed revenue. The exception is in January and July, when revenue spikes with semi-annual property tax receipts.

2) **Change in Cash and Cash Equivalents for City Funds.** This one page report details how the cash changed during the month, with emphasis on revenue received. The major expense is “all checks issued.” We don’t detail the expenses here but we do provide a separate report that does (Payroll and Claims Report). Citizens should note the various revenue sources and we often provide comparisons to prior years on important items such as sales tax revenue and so on.

3) **Statement of Cash and Investment Balances for Trust Funds.** This is where we discuss the status of the three trust funds, with Police Retirement being the largest. This one page shows the investment status, discusses changes during the month and summarizes the fund balances all on one page. Citizens should note how this money is invested and how fund balances changed. Since the retirement fund has long-term liabilities, it is typically invested in long-term bonds.

4) **Fund balances for All Funds.** This report displays the cash by city fund, with a comparison to the previous month. The total on this report equals the total of the city funds (report #1) and the trust funds (report #3). The second page provides discussion and analysis for the month. Citizens should note funds that are negative, as these are borrowers from the General Fund. Some funds are always negative because they are financed with federal grants. We spend the money and then wait to get reimbursed. While typical, it is still important to monitor.

CITY OF POCATELLO
STATEMENT OF CASH, CASH EQUIVALENTS AND INVESTMENTS BALANCES FOR CITY FUNDS
AS OF JULY 31, 2009

	Value at Market
Cash on Hand	\$ 23,979.19
Cash in Banks	3,062,419.29
Cash held by third parties	584,405.09
Cash held in Broker Accounts	1,930.51
Cash held at the State of Idaho Investment Pool	16,595,197.72
Total cash	\$ 20,267,931.80

Investments at Fairmarket Value

Current Investments

City Government

Certificate of Deposit	\$ 1,168,676.55
Federal Agency Notes	5,000,087.73

Total cash and cash equivalents

"The Number": Up \$6,695,100.21 from last month. Represents 83.19% in cash or short term investments

\$ 26,436,696.08

Long-Term Investments

General Government

State Investment Pool Bond Fund	\$ 5,343,233.23
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Total long-term investments	\$ 5,343,233.23
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Represents 16.81% total in longer term investments

Total Cash, Cash Equivalents and Long-Term investments

"All the city money we have": Up \$6,741,580.98 from last month,

\$ 31,779,929.31

**Change in Cash and Equivalents City Funds
July 31, 2009**

Cash Receipts

Police Fees and Fines	41,588.38	0.34%
I S U - municipal services fee	43,455.00	0.35%
Zoo Receipts	45,330.93	0.37%
Police Grants	50,088.62	0.40%
IHFA Grants	50,213.24	0.41%
Entitlement Grants	52,040.58	0.42%
Franchise Fee - Idaho Power (vs. \$69,585.10 last yr, up 11.4%)	77,547.26	0.63%
Transit Service Charges	80,844.45	0.65%
Franchise Fee - Intermountain Gas (vs \$112,097.46 last yr, down -7.5%)	103,719.61	0.84%
Rehab Residential Resell	106,143.37	0.86%
Bannock County Road and Bridge	121,315.72	0.98%
Ambulance	173,794.98	1.40%
Ross Park Pool (vs. \$182,520.44 last yr, up 1.7%)	185,634.95	1.50%
Water Pollution Controll Service Charges	235,041.65	1.90%
Other Miscellaneous Receipts	302,036.76	2.44%
Transit Grant-State ID	309,448.00	2.50%
Idaho State Sales Tax Revenue Sharing (vs \$434,750.06 last year, down 15%)	366,822.04	2.97%
Idaho State Highway User Fees (vs 464,405.31 last year, down 5%)	438,650.66	3.55%
Building Fees and Permits (Hospital Building Permits)	501,781.31	4.06%
Utility Billing Service Charges	1,906,293.43	15.41%
Bannock County tax	7,179,390.08	58.03%
from outside sources	<u>12,371,181.02</u>	<u>100.00%</u>

Cash Disbursements

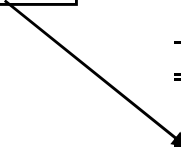
Total payroll and material claims per August 6 report	-5,718,620.98
Less Trust Funds Claims	65,225.84
City Fund payroll and material claims	-5,653,395.14
Merchant fees (credit card acceptance fees)	-5,186.04
Bank service charges	-3,403.26
Returned Checks	-6,047.05
Other checks cut (Library trustee, Youth forum, Police narc's)	-8,093.74
Administration support fee	44.42
Total cash dispersed to outside sources	<u>-5,676,080.81</u>
Net cash received by operations	<u><u>6,695,100.21</u></u>

Internal activity

Long-term investments sold	
City Portfolio	
Other disbursements	
Capital Gain/Loss	
Other Receipts	
Principal Accrued	16,828.29
Long-term investment purchased	

**Operating result for July 09: Up
\$6,741,580.98**

Net change in cash and long term investment	<u><u>6,711,928.50</u></u>
Fair Market Value Adjustments	
City Long Term portfolio	29,652.48
Net change in cash value and long term investment value	<u><u>\$ 6,741,580.98</u></u>



CITY OF POCATELLO
STATEMENT OF CASH, CASH EQUIVALENTS AND INVESTMENTS BALANCES FOR TRUST FUNDS
AS OF JULY 31, 2009

Cash in Bank	\$487,723.32
Cash held in Broker Accounts	46,800.42
Total cash and cash equivalents	\$534,523.74

LONG TERM INVESTMENTS

Commercial Notes	\$480,551.34
FHLB Bonds	414,561.00
FNMA Mortgage Notes	4,741,803.69
FHLMC Mortgage Notes	2,459,663.68
GNMA Mortgage Pools	168,382.70

"All the Trust money we have": Down \$118,167.25 for the month

Total Cash, Cash Equivalents and Long-Term Investments	\$8,799,486.15
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Change in Cash and Equivalents For Trust Funds
For July 2009

Cash Receipts

Bannock and Power County Tax	\$49.80
Return of Investment Capital	341,200.86
Interest	39,105.96

from outside sources

380,356.62

Cash Disbursements

All checks issued	-65,225.84
L/T Investment Purchased	-100,000.00
Bank charges	-78.70
Admin Support Fee	-44.42
Total cash dispersed	-165,348.96

to outside sources

Net cash received by operations	\$215,007.66
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Internal activity

Long-term investments sold	
Police Retirement Portfolio	\$100,000.00
Other disbursements	
Capital Gain/Loss	7,836.14
Other Receipts	
Principal Accrued	
Long-term investment purchased	-341,200.86

Net change in cash and long term investment	-\$18,357.06
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Trust operating result for July 2009:
Down \$118,167.25

Fair Market Value Adjustments (Unrealized)

Police Long Term portfolio	-99,810.19
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Net change in cash value and long term investment value	-\$118,167.25
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TRUST FUND BALANCES - CHANGE
July 31, 2009

FUNDS	CASH ENDING BALANCE 06/30/09	CASH ENDING BALANCE 07/31/09	NET CHANGE IN CASH BY FUND
951 POLICE RETIREMENT TRUST	8,881,349.48	8,763,177.39	-\$118,172.09
953 AIRPORT BOND TRUST	16,478.50	16,480.70	2.20
961 SO. BAN. HWY. DEV. TRUST	19,825.42	19,828.06	2.64
TOTALS	\$8,917,653.40	\$8,799,486.15	-\$118,167.25

FUNDS	CASH ENDING BALANCE 06/30/09	CASH ENDING BALANCE 07/31/09	NET CHANGE IN CASH BY FUND
001 GENERAL FUND	1,488,651.06	6,387,702.03	4,899,050.97
002 LIABILITY INSURANCE FUND	650,721.91	718,903.17	68,181.26
003 STREET FUND	(76,560.25)	882,604.68	959,164.93
004 RECREATION FUND	277,979.65	497,327.95	219,348.30
005 CEMETERY FUND	148,301.12	193,326.82	45,025.70
006 AIRPORT FUND	102,714.14	252,313.87	149,599.73
007 LIBRARY FUND	135,156.59	537,021.86	401,865.27
009 POC. REG. TRANSIT FUND	(490,946.38)	(237,173.77)	253,772.61
012 VIDEO SERVICES FUND	105,909.34	89,465.53	-16,443.81
013 BUSINESS IMPROV. FUND	82,327.00	82,327.00	0.00
014 CHIEF THEATRE FUND	150,878.81	150,824.48	-54.33
016 EMERGENCY REPAIR FUND	8,041.88	12,936.06	4,894.18
017 STORMWATER ENVIRONMENTAL SCIENCE FUND	27,657.71	77,137.56	49,479.85
SUBTOTAL SPECIAL REVENUE FUNDS	1,122,181.52	3,257,015.21	2,134,833.69
030 SANITATION FUND	2,865,004.26	2,994,381.24	129,376.98
031 WATER FUND	2,223,294.78	2,155,076.86	-68,217.92
032 WATER POLLUTION CONTROL	2,802,534.51	2,560,947.71	-241,586.80
035 AMBULANCE FUND	223,165.51	264,416.18	41,250.67
SUBTOTAL ENTERPRISE FUNDS	8,113,999.06	7,974,821.99	-139,177.07
050 INFORMATION SYSTEMS FUND	245,588.41	268,812.81	23,224.40
052 UTILITY BILLING FUND	660,737.36	680,861.94	20,124.58
053 MEDICAL INSURANCE FUND	1,450,333.27	1,457,628.10	7,294.83
054 PUBLIC WORKS DIRECTOR	115,655.53	112,775.58	-2,879.95
055 FUEL INTERNAL SERVICE FUND	48,440.09	49,765.46	1,325.37
SUBTOTAL INTERNAL SERVICE FUNDS	2,520,754.66	2,569,843.89	49,089.23
059 DEBT SERVICE FUND GOV	(36,738.97)	259.46	36,998.43
060 DEBT SERVICE FUND WPC	1,233,412.22	1,233,323.54	-88.68
061 DEBT SERVICE FUND WATER	960,688.98	961,010.05	321.07
SUBTOTAL DEBT SERVICE FUNDS	2,157,362.23	2,194,593.05	37,230.82
070 FEDERAL AID PROJECTS	(75,857.56)	(239,014.44)	-163,156.88
071 STATE PROJECTS	(72,127.68)	(71,294.35)	833.33
072 AIRPORT CONSTRUCTION	69,748.54	27,554.59	-42,193.95
073 WATER CONSTRUCTION	8,683,981.45	8,636,859.19	-47,122.26
078 CAPITAL ACQUISITION FUND	27,363.00	27,363.00	0.00
SUBTOTAL CAPITAL PROJECT FUNDS	8,633,107.75	8,381,467.99	-251,639.76
080 FORECLOSURE STABILIZATION	(55,799.34)	(114,644.55)	-58,845.21
081 CDR-CDBG ENTITLEMENT FUND	(90,142.54)	(60,803.34)	29,339.20
082 ENERGY BLOCK GRANT	0.00	0.00	
088 POLICE GRANT FUNDS	67,787.58	86,389.40	18,601.82
SUBTOTAL GRANT REVENUE FUNDS	-78,154.30	-89,058.49	-10,904.19
951 POLICE RETIREMENT TRUST	8,881,349.48	8,763,177.39	-118,172.09
952 RETIREMENT PAYOUT TRUST	339,130.82	340,340.40	1,209.58
953 AIRPORT BOND TRUST	16,478.50	16,480.70	2.20
954 EIDC REVOLV. LOAN TRUST	116,378.53	121,714.30	5,335.77
955 CDR LOAN TRUST	142,335.74	140,028.61	-2,307.13
956 POLICE TRAINING TRUST	0.00	0.00	0.00
957 ZOO ANIMAL TRUST	32,214.18	48,306.96	16,092.78
958 WATER ACQUISITION TRUST	46,377.83	46,377.83	0.00
959 SIDEWALK REVOL. LOAN TRUST	54,925.99	52,631.30	-2,294.69
960 STANDROD TRUST	189,843.24	190,163.35	320.11
961 SO. BAN. HWY. DEV. TRUST	19,825.42	19,828.06	2.64
962 FACADE LOAN TRUST	58,264.32	58,690.83	426.51
963 PARKS AND RECREATION DEVELOPMENT TRUST	2,996.26	2,996.26	0.00
964 PROPERTY ABATEMENT FUND	62,041.32	71,182.77	9,141.45
SUBTOTAL TRUST AND RESTRICTED FUNDS	9,962,161.63	9,871,918.76	-90,242.87
970 SEIZED FUNDS AGENCY	23,629.48	21,635.48	-1,994.00
971 UNCLAIMED PROPERTY AGENCY	0.00	0.00	0.00
973 STATE SALES TAX AGENCY	1,187.48	(0.00)	-1,187.48
974 COBRA INS. AGENCY	11,121.16	9,475.55	-1,645.61
SUBTOTAL AGENCY FUNDS	35,938.12	31,111.03	-4,827.09
TOTAL ALL FUND TYPES	33,956,001.73	40,579,415.46	6,623,413.73

Discussion & Analysis ("City Funds"):

City Operating result for July 2009 was a gain of \$6,741,580.98.

City Revenues: July was an above average month for revenues (\$12.37m vs \$10.96m last year). Building permit revenues accounted for much of the difference with \$501k in permit fees, mostly due to the PMC project. We received 7,179,390.08 in property taxes from Bannock County. Idaho State revenues were \$366,822.04 in sales taxes, down from last years 434,750.06 and \$438,650.66 in Highway User Fees, down from last years 464,405.31. The weakness in sales tax revenue prompted additional reductions to our FY10 budget. The weakness in highway money was very regrettable and causes us to shift more property tax revenue into the street fund; however, the \$438K was within our reduced expectations and did not cause us to change the FY10 plan. We received the following grant revenue: FTA - transit grant, \$308,488 and Federal IHFA grant \$50,213.24, Police grants of 50,088.62

City Expenses: Expenses were about average for July. We had \$5.7 million in expense, (vs. \$5.4 million in 2008) and \$12.4 million in revenue such that at month's end, the city is up \$6,741,580.98 (city funds).

City Investment Posture: At month end, City funds were 83% in cash or short-term investments and 17% in long term investments. \$21,938,430.95 of all assets (54%) were in one of the two State of Idaho investment pools. State Investment Pool Short Term rate is .41% (an decrease of .12), State Investment Pool Long Term current yield rate is 3.55% (a decrease of .40) and Wells Fargo Sweep account rate is .1% (unchanged).

Discussion and Analysis ("Trust Funds"):

Trust Operating Result for July is a loss of \$120,194.45. We issued \$65,225.84 in benefits. Interest earnings, property tax remittance, and return of capital were not enough to offset costs and unrealized capital gain losses.

Trust Investment Posture for July had the following changes. We received principal returns of \$220,135.67, interest earnings of \$32,670.54, and property tax remittance of \$79.10. Unrealized capital losses were \$87,458.82. Overall, the trusts funds have 3.58% of their investments in cash or cash equivalents and 96.42% are in longer term investments.

Combined City and Trust Internal Borrowing Analysis:

All the money we have:	\$40,579,415.46
Less the stuff we really shouldn't touch:	
Sanitation Enterprise	2,994,381.24
Water Enterprise	11,752,946.10
WPC Enterprise	3,794,271.25
Medical Reserve	1,457,628.10
Trust Funds	<u>8,799,486.15</u>
Result:	\$11,780,702.62

This positive number, hence no internal borrowing this month. It is \$2,766,306.18 more than one year ago. The total amount of cash, cash equivalents, and long term investments is \$1,934,888.75 more than one year ago.

Outlook: August will be an average month for revenue. We expect expenses to be average.

Overall: July's financial performance was satisfactory with the exception of state sales tax and highway user fee receipts. We think the adjustments to the FY10 budget will be enough to account for the continued sales tax weakness. We will monitor closely. If the next quarter is even weaker, then it could prompt additional capital spending holdbacks in the General Fund.

Respectfully,

David Swindell, Chief Financial Officer