

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 POCA TELLO
STATEMENT OF CASH, CASH EQUIVALENTS AND INVESTMENTS BALANCES FOR CITY FUNDS
AS OF OCTOBER 31, 2009

	Value at Market
Cash on Hand	\$ 24,253.42
Cash in Banks	955,376.42
Cash held by third parties	543,845.26
Cash held in Broker Accounts	254,917.85
Cash held at the State of Idaho Investment Pool	2,906,614.97
Total cash	\$ 4,685,007.92

Investments at Fairmarket Value

Current Investments

City Government

Certificate of Deposit

\$ 819,478.30

Money Market Fund

14,116,079.64

Total cash and cash equivalents

"The Number": Down \$2,787,513.45 from last month. Represents 78.36% in cash or short term investments

\$ 19,620,565.86

Long-Term Investments

General Government

State Investment Pool Bond Fund

\$ 5,419,072.04

Total long-term investments

Represents 21.64% total in longer term investments

\$ 5,419,072.04

Total Cash, Cash Equivalents and Long-Term investments

"All the city money we have": Down \$2,730,633.09 from last month,

\$ 25,039,637.90

Change in Cash and Equivalents City Funds
October 31, 2009

Cash Receipts

ICRMP - reimbursements	11,216.54	0.22%
Animal Control Fees and Fines	14,806.74	0.29%
Cemetery Receipts	32,190.00	0.63%
Franchise Fee - Intermountain Gas	35,358.64	0.69%
Community Recreation Center Service Charges	37,634.59	0.74%
Airport Rent & Landing Fees	38,741.46	0.76%
Building Fees and Permits	47,215.18	0.92%
Grant - CDBG entitlement - Federal	53,339.96	1.04%
Bannock County tax	79,828.64	1.56%
Police Fees and Fines	86,537.90	1.69%
Other miscellaneous receipts	89,423.52	1.75%
Franchise Fee - Idaho Power (vs 86,869.44 last year, up \$7,546 (8.69%))	94,416.07	1.85%
Idaho State Liquor Tax (vs 109,798 last year, down \$6,492 (5.9%))	103,306.00	2.02%
Transit Service Charges	110,013.11	2.15%
Water Federal Grant (South Valley Water Tank)	124,074.46	2.42%
Water Pollution Control Service Charges	231,860.35	4.53%
Ambulance	362,038.50	7.08%
State Sales Tax Revenue (vs 475,039.64, last year, down \$60,340.68 (12.7%))	414,698.96	8.10%
State Highway User Fees (vs 474,289.90, last year, down \$18,326.72 (3.86%))	455,963.18	8.91%
Airport Grant, terminal remodel project	498,966.00	9.75%
Utility Billing Service Charges	2,194,993.56	42.90%
from outside sources	5,116,623.36	100.00%

Cash Disbursements

Total payroll and material claims per June 4th report	-7,856,708.68	
Less Trust Funds Claims	65,236.40	
City Fund payroll and material claims		-7,791,472.28
Merchant fees (credit card acceptance fees)		-4,292.96
Bank service charges		-2,974.39
Returned Checks		-2,077.68
ACH payments on bonded debt		-37,003.64
Other checks cut (Library trustee, Youth forum, Police narc's)		-9,479.50
Administration support fee		44.00
Total cash dispersed to outside sources		-7,847,256.45
Net cash received by operations		-2,730,633.09

Operating result for October 09:
Down \$2,730,633.09

Internal activity

Long-term investments sold		
City Portfolio		
Other disbursements		
Capital Gain/Loss		
Other Receipts		
Principal Accrued		
Long-term investment purchased		
Net change in cash and long term investment		-2,730,633.09
Fair Market Value Adjustments		
City Long Term portfolio		
Net change in cash value and long term investment value		\$ (2,730,633.09)

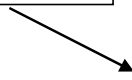
CITY OF POCATELLO
STATEMENT OF CASH, CASH EQUIVALENTS AND INVESTMENTS BALANCES FOR TRUST FUNDS
AS OF OCTOBER 31, 2009

Cash in Bank	\$471,093.54
Cash held in Broker Accounts	61,031.97
Total cash and cash equivalents	\$532,125.51
 LONG TERM INVESTMENTS	
Commercial Notes	\$487,635.34
FHLB Bonds	311,827.75
FNMA Mortgage Notes	5,159,410.19
FHLMC Mortgage Notes	2,188,933.39
GNMA Mortgage Pools	165,210.02
Total Cash, Cash Equivalents and Long-Term Investments	\$8,845,142.20

Change in Cash and Equivalents For Trust Funds
For October 2009

Cash Receipts	
Bannock and Power County Tax	\$0.00
Return of Investment Capital	205,886.10
Interest	42,979.60
<i>from outside sources</i>	248,865.70
Cash Disbursements	
All checks issued	-65,225.84
L/T Investment Purchased	-269,994.75
Postage	-10.56
Bank charges	-209.75
Admin Support Fee	-44.00
Total cash dispersed to outside sources	-335,484.90
Net cash received by operations	-\$86,619.20
Internal activity	
Long-term investments sold	
Police Retirement Portfolio	-\$205,886.10
Other disbursements	
Capital Gain/Loss	-2,891.98
Other Receipts	
Principal Accrued	
Long-term investment purchased	269,994.75
Net change in cash and long term investment	-\$25,402.53
Fair Market Value Adjustments (Unrealized)	
Police Long Term portfolio	-62,399.00
Net change in cash value and long term investment value	-\$87,801.53

Trust operating result for October 2009:
Down \$87,801.53



TRUST FUND BALANCES - CHANGE
October 31, 2009

FUNDS	CASH ENDING BALANCE 09/30/09	CASH ENDING BALANCE 10/31/09	NET CHANGE IN CASH BY FUND
951 POLICE RETIREMENT TRUST	8,896,610.36	8,808,799.01	-\$87,811.35
953 AIRPORT BOND TRUST	16,491.87	16,496.33	4.46
961 SO. BAN. HWY. DEV. TRUST	19,841.50	19,846.86	5.36
TOTALS	\$8,930,745.67	\$8,845,142.20	-\$87,801.53

FUNDS	CASH ENDING BALANCE 09/30/09	CASH ENDING BALANCE 10/31/09	NET CHANGE IN CASH BY FUND
001 GENERAL FUND	3,356,850.02	1,797,585.23	-1,559,264.79
002 LIABILITY INSURANCE FUND	843,905.30	596,733.64	-247,171.66
003 STREET FUND	287,732.13	364,098.81	76,366.68
004 RECREATION FUND	372,609.06	264,522.69	-108,086.37
005 CEMETERY FUND	154,504.04	137,588.97	-16,915.07
006 AIRPORT FUND	215,655.20	157,727.96	-57,927.24
007 LIBRARY FUND	333,047.64	166,960.69	-166,086.95
009 POC. REG. TRANSIT FUND	(418,855.86)	(567,916.58)	-149,060.72
012 VIDEO SERVICES FUND	112,052.56	76,557.76	-35,494.80
013 BUSINESS IMPROV. FUND	82,327.00	(45.00)	-82,372.00
014 CHIEF THEATRE FUND	145,629.78	144,577.78	-1,052.00
016 EMERGENCY REPAIR FUND	8,653.75	14,018.67	5,364.92
017 STORMWATER ENVIRONMENTAL SCIENCE FUND	87,044.46	82,587.17	-4,457.29
SUBTOTAL SPECIAL REVENUE FUNDS	2,224,305.06	1,437,412.56	-786,892.50
030 SANITATION FUND	2,997,754.46	2,979,584.26	-18,170.20
031 WATER FUND	2,798,144.82	3,075,338.26	277,193.44
032 WATER POLLUTION CONTROL	2,309,430.83	2,172,880.06	-136,550.77
035 AMBULANCE FUND	137,175.15	98,023.47	-39,151.68
SUBTOTAL ENTERPRISE FUNDS	8,242,505.26	8,325,826.05	83,320.79
050 INFORMATION SYSTEMS FUND	287,503.12	284,516.18	-2,986.94
052 UTILITY BILLING FUND	645,353.81	621,114.31	-24,239.50
053 MEDICAL INSURANCE FUND	1,441,873.57	1,410,496.53	-31,377.04
054 PUBLIC WORKS DIRECTOR	123,302.63	121,149.38	-2,153.25
055 FUEL INTERNAL SERVICE FUND	57,553.84	62,023.42	4,469.58
SUBTOTAL INTERNAL SERVICE FUNDS	2,555,586.97	2,499,299.82	-56,287.15
059 DEBT SERVICE FUND GOV	1,350.76	1,647.29	296.53
060 DEBT SERVICE FUND WPC	1,233,146.34	1,233,058.34	-88.00
061 DEBT SERVICE FUND WATER	961,502.89	961,655.20	152.31
SUBTOTAL DEBT SERVICE FUNDS	2,195,999.99	2,196,360.83	360.84
070 FEDERAL AID PROJECTS	17,811.50	(130,779.97)	-148,591.47
071 STATE PROJECTS	179,917.00	192,550.00	12,633.00
072 AIRPORT CONSTRUCTION	(297,136.44)	23,042.96	320,179.40
073 WATER CONSTRUCTION	8,055,312.15	7,742,412.40	-312,899.75
078 CAPITAL ACQUISITION FUND	27,363.00	28,613.00	1,250.00
SUBTOTAL CAPITAL PROJECT FUNDS	7,983,267.21	7,855,838.39	-127,428.82
080 FORECLOSURE STABILIZATION	(42,150.21)	(130,119.41)	-87,969.20
081 CDR-CDBG ENTITLEMENT FUND	120,386.80	74,706.15	-45,680.65
082 ENERGY BLOCK GRANT	0.00	(43,719.08)	-43,719.08
088 POLICE GRANT FUNDS	44,197.40	(15,869.62)	-60,067.02
SUBTOTAL GRANT REVENUE FUNDS	122,433.99	(115,001.96)	-237,435.95
951 POLICE RETIREMENT TRUST	8,896,610.36	8,808,799.01	-87,811.35
952 RETIREMENT PAYOUT TRUST	342,757.60	343,045.60	288.00
953 AIRPORT BOND TRUST	16,491.87	16,496.33	4.46
954 EIDC REVOLV. LOAN TRUST	137,502.18	137,480.18	-22.00
955 CDR LOAN TRUST	140,118.25	140,313.81	195.56
956 POLICE TRAINING TRUST	0.00	0.00	0.00
957 ZOO ANIMAL TRUST	33,327.97	(4,044.07)	-37,372.04
958 WATER ACQUISITION TRUST	46,377.83	46,377.83	0.00
959 SIDEWALK REVOL. LOAN TRUST	26,124.42	26,205.87	81.45
960 STANDROD TRUST	191,819.56	192,705.02	885.46
961 SO. BAN. HWY. DEV. TRUST	19,841.50	19,846.86	5.36
962 FACADE LOAN TRUST	59,543.89	59,970.82	426.93
963 PARKS AND RECREATION DEVELOPMENT TRUST	3,043.43	3,043.43	0.00
964 PROPERTY ABATEMENT FUND	71,715.44	71,958.27	242.83
SUBTOTAL TRUST AND RESTRICTED FUNDS	9,985,274.30	9,862,198.96	-123,075.34
970 SEIZED FUNDS AGENCY	19,970.28	16,866.32	-3,103.96
971 UNCLAIMED PROPERTY AGENCY	0.00	0.00	0.00
973 STATE SALES TAX AGENCY	0.00	0.00	0.00
974 COBRA INS. AGENCY	17,021.64	8,393.90	-8,627.74
SUBTOTAL AGENCY FUNDS	36,991.92	25,260.22	-11,731.70
TOTAL ALL FUND TYPES	36,703,214.72	33,884,780.10	-2,818,434.62

Discussion & Analysis ("City Funds"):

City Operating result for October 2009 was a loss of \$2,730,633.09.

City Revenues: October was an above average month for revenues (\$5.1m vs \$5.4m last year). The City received the following quarterly payments: Idaho Power Franchise Fee \$94,416.07 (last year \$86,869.44, an increase of 8.69%), State Highway User Revenue \$455,963.18 (last year \$474,289.90 a decrease of 4%), State Revenue Sharing \$414,698.96 (last year \$475,039.64 a decrease of 12.7%) and our Liquor distribution \$103,306.00 compared to last years \$109,798.00. We received \$498,966.00 in FAA Airport Grants, Entitlement Grants of \$53,339.96, Water Federal Construction Grant of \$124,074.46 and Intermountain Gas Franchise Fees of \$35,358.64.

City Expenses: Expenses were high for October, reflecting construction, grant activity and a three payroll month. We had \$7.8 million in expense, (vs. \$7.5 million in 2008) and \$5.1 million in revenue such that at month's end, the city is down \$2,730,663.09 (city funds).

City Investment Posture: At month end, City funds were 78% in cash or short-term investments and 22% in long term investments. \$8,325,687.01 of all assets (33%) were in one of the two State of Idaho investment pools and 14,116,079.64 of all assets (56%) are invested in two moneymarket funds. State Investment Pool Short Term rate is .22% (a decrease of .03), State Investment Pool Long Term current yield rate is 3.60% (an increase of 1.12) , Wells Fargo Sweep account rate is .1% (unchanged), Wells Fargo Money Market rate is .55% (a decrease of .07% and Key Bank Money Market rate is .39% (a decrease of .06%).

Discussion and Analysis ("Trust Funds"):

Trust Operating Result for October is a loss of \$87,801.53. We issued \$65,225.84 in benefits. Interest earnings, return of capital were not enough to offset costs and unrealized losses.

Trust Investment Posture for October had the following changes. We received principal returns of \$205,886.10, interest earnings of \$42,979.60, capital losses of \$2,891.98 and unrealized capital losses were \$62,399.00. Overall, the trusts funds have 6% of their investments in cash or cash equivalents and 94% are in longer term investments.

Combined City and Trust Internal Borrowing Analysis:

All the money we have:	\$33,884,780.10
Less the stuff we really shouldn't touch:	
Sanitation Enterprise	2,979,584.26
Water Enterprise	11,779,405.86
WPC Enterprise	3,405,938.40
Medical Reserve	1,410,496.53
Trust Funds	<u>8,845,142.20</u>
Result:	\$ 5,464,212.85

This positive number, hence no internal borrowing this month. It is \$2,077,724.21 more than one year ago. The total amount of cash, cash equivalents, and long term investments is \$188,150.07 less than one year ago.

Outlook: November will be an average month for revenues. We expect expenses to be above average due to vehicle purchases (buses on the federal stimulus grant and three sanitaiton trucks, purchased early to beat price increases). Other operating expenses should moderate.

Overall: Octobers performance was unsatisfactory due to the continued softness in the quarterly Idaho revenues (highway user, sales tax and liquor tax). The highway user number is bad, but within our pesimistic expecations, so that is good. The sales tax number is also very bad and still within our planning, but just barely. We believe the trend will be further down and we may have to have a budget adjustment of \$100,000 to \$200,000 in the general fund and related tax funds come mid-year (March). We will see how the January distribution looks. Right now the FY10 plan says we will receive \$3,276,301in sales taxes. That compares to \$3,345,903 actual in FY09. So we're still planning on a little less, but the trend continues down. We probably need to anticipate adjusting the \$3,276,301 downwards, which means expense reductions. And it all compares to the nearly \$4M (\$3,977,283) that we received in FY07. The increase in the Transit (Fund 009) deficit is also a concern; we need to get our reimbursements from the transit federal grants paid more quickly.

Respectfully,

David Swindell, Chief Financial Officer