

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 FEBRUARY 28, 2010

| | Value at Market |
|-------------------------------------------------|-----------------|
| Cash on Hand | \$ 26,793.42 |
| Cash in Banks | 2,954,137.58 |
| Cash held by third parties | 508,858.65 |
| Cash held in Broker Accounts | 5,038.67 |
| Cash held at the State of Idaho Investment Pool | 4,135,643.86 |
| Total cash | \$ 7,630,472.18 |

Investments at Fairmarket Value

Current Investments

City Government

| | |
|-----------------------------------------------------|-----------------|
| Certificate of Deposit | \$ 1,070,655.28 |
| Key Bank Money Market Fund (General Funds) | 9,115,290.50 |
| Wells Fargo Money Market Fund (Water Bond Proceeds) | 5,984,724.73 |

Total cash and cash equivalents

"The Number": Down \$2,583,980.04 from last month. Represents 81.1% in cash or short term investments

\$ 23,801,142.69

Long-Term Investments

General Government

| | |
|---------------------------------|-----------------|
| State Investment Pool Bond Fund | \$ 5,529,538.43 |
|---------------------------------|-----------------|

Total long-term investments

Represents 18.9% total in longer term investments

\$ 5,529,538.43

Total Cash, Cash Equivalents and Long-Term investments

"All the city money we have": Down \$2,565,716.33 from last month,

\$ 29,330,681.12

**Change in Cash and Equivalents City Funds
February 28, 2010**

Cash Receipts

| | | |
|-------------------------------------------------------------------|--------------|---------|
| Water Receipts | 9,229.88 | 0.29% |
| Animal Control Fees and Fines | 9,300.89 | 0.30% |
| Cemetery Receipts | 18,770.00 | 0.60% |
| Airport Security Grant | 29,316.60 | 0.94% |
| Grant - Entitlement - Federal | 30,799.64 | 0.98% |
| Water Construction Grant | 33,421.35 | 1.07% |
| Community Recreation Center Service Charges | 37,269.47 | 1.19% |
| Environmental Engineering | 38,425.00 | 1.23% |
| Police Fees and Fines | 41,405.61 | 1.32% |
| Building Fees and Permits | 42,428.06 | 1.35% |
| Airport Rent & Landing Fees | 44,001.43 | 1.40% |
| PDA property tax refund | 71,366.83 | 2.28% |
| Other Miscellaneous Receipts | 82,621.92 | 2.64% |
| Cable Franchise Fees | 87,517.58 | 2.79% |
| IHFA Grant | 95,970.10 | 3.06% |
| Transit Service Charges | 103,431.54 | 3.30% |
| Water Pollution Control Service Charges | 131,452.52 | 4.20% |
| Ambulance | 181,019.25 | 5.78% |
| Bannock County tax | 188,021.37 | 6.00% |
| Idaho State Sales Tax Revenue Sharing (vs \$458,163.68 last year) | 430,075.07 | 13.73% |
| Utility Billing Service Charges | 1,426,130.95 | 45.53% |
| from outside sources | 3,131,975.06 | 100.00% |

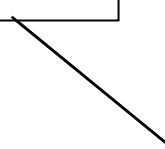
Cash Disbursements

| | | |
|----------------------------------------------------------------|---------------|---------------|
| Total payroll and material claims per February 4th report | -5,768,032.42 | |
| Less Trust Funds Claims | 65,236.40 | |
| City Fund payroll and material claims | | -5,702,796.02 |
| Merchant fees (credit card acceptance fees) | | -3,338.81 |
| Bank service charges | | -3,881.66 |
| Returned Checks | | -2,092.24 |
| Other checks cut (Library trustee, Youth forum, Police narc's) | | -3,890.37 |
| Administration support fee | | 44.00 |
| Total cash dispersed to outside sources | | -5,715,955.10 |
| Net cash received by operations | | -2,583,980.04 |

Internal activity

| | | |
|----------------------------------------------------------------|--|-------------------|
| Long-term investments sold | | |
| City Portfolio | | |
| Other disbursements | | |
| Capital Gain/Loss | | |
| Other Receipts | | |
| Principal Accrued | | 16,200.91 |
| Long-term investment purchased | | |
| Net change in cash and long term investment | | -2,567,779.13 |
| Fair Market Value Adjustments | | |
| City Long Term portfolio | | 2,062.80 |
| Net change in cash value and long term investment value | | \$ (2,565,716.33) |

Operating result for February 2010:
Down \$2,565,716.33



CITY OF POCA TELLO
STATEMENT OF CASH, CASH EQUIVALENTS AND INVESTMENTS BALANCES FOR TRUST FUNDS
AS OF FEBRUARY 28, 2010

| | | |
|---------------------------------------------------------------|--|-----------------------|
| Cash in Bank | | \$344,504.95 |
| Cash held in Broker Accounts | | 61,012.86 |
| Total cash and cash equivalents | | \$405,517.81 |
| LONG TERM INVESTMENTS | | |
| Commercial Notes | | \$389,047.26 |
| FHLB Bonds | | 310,637.65 |
| FNMA Mortgage Notes | | 5,258,304.45 |
| FHLMC Mortgage Notes | | 2,265,199.83 |
| GNMA Mortgage Pools | | 61,285.83 |
| Total Cash, Cash Equivalents and Long-Term Investments | | \$8,689,992.83 |

"All the Trust money we have": Down \$19,981.86 for the month

Change in Cash and Equivalents For Trust Funds
For February 2010

| | | |
|----------------------------------------------------------------|--|----------------------------|
| Cash Receipts | | |
| Bannock and Power County Tax | | \$0.00 |
| Return of Investment Capital | | 8,808.77 |
| Interest | | 20,494.93 |
| <i>from outside sources</i> | | <u>29,303.70</u> |
| Cash Disbursements | | |
| All checks issued | | -65,225.84 |
| L/T Investment Purchased | | 0.00 |
| Postage | | -10.56 |
| Bank charges | | -55.20 |
| Admin Support Fee | | -44.00 |
| Total cash dispersed to outside sources | | <u>-65,335.60</u> |
| Net cash received by operations | | <u><u>-\$36,031.90</u></u> |
| Internal activity | | |
| Long-term investments sold | | |
| Police Retirement Portfolio | | -\$8,808.77 |
| Other disbursements | | |
| Capital Gain/Loss | | 6.32 |
| Other Receipts | | |
| Principal Accrued | | 0.00 |
| Long-term investment purchased | | 0.00 |
| Net change in cash and long term investment | | <u>-\$44,834.35</u> |
| Fair Market Value Adjustments (Unrealized) | | |
| Police Long Term portfolio | | 24,852.49 |
| Net change in cash value and long term investment value | | <u><u>-\$19,981.86</u></u> |

Trust operating result for February 2010: Down \$19,981.86

TRUST FUND BALANCES - CHANGE
February 28, 2010

| FUNDS | CASH ENDING BALANCE 01/31/10 | CASH ENDING BALANCE 02/28/10 | NET CHANGE IN CASH BY FUND |
|------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|
| 951 POLICE RETIREMENT TRUST | 8,673,621.06 | 8,653,635.63 | -\$19,985.43 |
| 953 AIRPORT BOND TRUST | 16,501.07 | 16,502.69 | 1.62 |
| 961 SO. BAN. HWY. DEV. TRUST | 19,852.56 | 19,854.51 | 1.95 |
| TOTALS | <u><u>\$8,709,974.69</u></u> | <u><u>\$8,689,992.83</u></u> | <u><u>-\$19,981.86</u></u> |

| FUNDS | | CASH ENDING BALANCE 01/31/10 | CASH ENDING BALANCE 02/28/10 | NET CHANGE IN CASH BY FUND |
|-------|--------------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|
| 001 | GENERAL FUND | 7,122,438.89 | 6,200,772.88 | -921,666.01 |
| 002 | LIABILITY INSURANCE FUND | 789,981.09 | 857,778.63 | 67,797.54 |
| 003 | STREET FUND | 1,498,146.89 | 1,264,464.26 | -233,682.63 |
| 004 | RECREATION FUND | 425,257.20 | 374,917.12 | -50,340.08 |
| 005 | CEMETERY FUND | 191,206.47 | 188,622.47 | -2,584.00 |
| 006 | AIRPORT FUND | 293,900.03 | 250,876.18 | -43,023.85 |
| 007 | LIBRARY FUND | 659,812.45 | 564,416.19 | -95,396.26 |
| 009 | POC. REG. TRANSIT FUND | (238,095.72) | (308,336.26) | -70,240.54 |
| 012 | VIDEO SERVICES FUND | 65,045.67 | 134,296.36 | 69,250.69 |
| 013 | BUSINESS IMPROV. FUND | 18.50 | 18.50 | 0.00 |
| 014 | CHIEF THEATRE FUND | 141,427.59 | 141,374.59 | -53.00 |
| 016 | EMERGENCY REPAIR FUND | 27,062.29 | 29,122.02 | 2,059.73 |
| 017 | STORMWATER ENVIRONMENTAL SCIENCE FUND | 104,959.90 | 151,069.63 | 46,109.73 |
| | SUBTOTAL SPECIAL REVENUE FUNDS | 3,958,722.36 | 3,648,619.69 | -310,102.67 |
| 030 | SANITATION FUND | 2,827,093.98 | 2,936,599.91 | 109,505.93 |
| 031 | WATER FUND | 2,612,766.07 | 2,443,008.04 | -169,758.03 |
| 032 | WATER POLLUTION CONTROL | 2,562,161.31 | 2,075,921.55 | -486,239.76 |
| 035 | AMBULANCE FUND | 104,087.22 | 131,160.90 | 27,073.68 |
| | SUBTOTAL ENTERPRISE FUNDS | 8,106,108.58 | 7,586,690.40 | -519,418.18 |
| 050 | INFORMATION SYSTEMS FUND | 320,483.21 | 342,178.38 | 21,695.17 |
| 052 | UTILITY BILLING FUND | 669,656.32 | 712,335.62 | 42,679.30 |
| 053 | MEDICAL INSURANCE FUND | 1,120,465.90 | 777,955.46 | -342,510.44 |
| 054 | PUBLIC WORKS DIRECTOR | 123,458.70 | 130,621.88 | 7,163.18 |
| 055 | FUEL INTERNAL SERVICE FUND | 60,706.31 | 41,457.40 | -19,248.91 |
| | SUBTOTAL INTERNAL SERVICE FUNDS | 2,294,770.44 | 2,004,548.74 | -290,221.70 |
| 059 | DEBT SERVICE FUND GOV | 58,187.13 | 59,023.63 | 836.50 |
| 060 | DEBT SERVICE FUND WPC | 1,206,728.33 | 1,206,640.33 | -88.00 |
| 061 | DEBT SERVICE FUND WATER | 962,066.03 | 962,206.77 | 140.74 |
| | SUBTOTAL DEBT SERVICE FUNDS | 2,226,981.49 | 2,227,870.73 | 889.24 |
| 070 | FEDERAL AID PROJECTS | (48,967.85) | (59,221.10) | -10,253.25 |
| 071 | STATE PROJECTS | 208,663.88 | 221,296.88 | 12,633.00 |
| 072 | AIRPORT CONSTRUCTION | (214,134.06) | (442,375.06) | -228,241.00 |
| 073 | WATER CONSTRUCTION | 7,251,840.06 | 7,115,531.95 | -136,308.11 |
| 078 | CAPITAL ACQUISITION FUND | 32,363.00 | 33,613.00 | 1,250.00 |
| | SUBTOTAL CAPITAL PROJECT FUNDS | 7,229,765.03 | 6,868,845.67 | -360,919.36 |
| 080 | FORECLOSURE STABILIZATION | (109,802.67) | (92,994.06) | 16,808.61 |
| 081 | CDR-CDBG ENTITLEMENT FUND | 87,132.81 | 20,886.94 | -66,245.87 |
| 082 | ENERGY BLOCK GRANT | (1,143.92) | (1,188.43) | -44.51 |
| 088 | POLICE GRANT FUNDS | (23,601.46) | (122,324.14) | -98,722.68 |
| | SUBTOTAL GRANT REVENUE FUNDS | -47,415.24 | -195,619.69 | -148,204.45 |
| 951 | POLICE RETIREMENT TRUST | 8,673,621.06 | 8,653,635.63 | -19,985.43 |
| 952 | RETIREMENT PAYOUT TRUST | 343,909.60 | 344,197.60 | 288.00 |
| 953 | AIRPORT BOND TRUST | 16,501.07 | 16,502.69 | 1.62 |
| 954 | EIDC REVOLV. LOAN TRUST | 102,427.53 | 102,405.53 | -22.00 |
| 955 | CDR LOAN TRUST | 76,386.02 | 60,991.86 | -15,394.16 |
| 956 | POLICE TRAINING TRUST | 0.00 | 0.00 | 0.00 |
| 957 | ZOO ANIMAL TRUST | 53,703.97 | 48,287.35 | -5,416.62 |
| 958 | WATER ACQUISITION TRUST | 46,377.83 | 46,377.83 | 0.00 |
| 959 | SIDEWALK REVOL. LOAN TRUST | 26,387.22 | 26,426.67 | 39.45 |
| 960 | STANDROD TRUST | 195,203.01 | 195,532.15 | 329.14 |
| 961 | SO. BAN. HWY. DEV. TRUST | 19,852.56 | 19,854.51 | 1.95 |
| 962 | FACADE LOAN TRUST | 65,450.58 | 65,877.51 | 426.93 |
| 963 | PARKS AND RECREATION DEVELOPMENT TRUST | 3,043.43 | 3,693.43 | 650.00 |
| 964 | PROPERTY ABATEMENT FUND | 73,591.83 | 73,670.21 | 78.38 |
| | SUBTOTAL TRUST AND RESTRICTED FUNDS | 9,696,455.71 | 9,657,452.97 | -39,002.74 |
| 970 | SEIZED FUNDS AGENCY | 13,229.54 | 16,286.22 | 3,056.68 |
| 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 | 5,315.34 | 5,206.34 | -109.00 |
| | SUBTOTAL AGENCY FUNDS | 18,544.88 | 21,492.56 | 2,947.68 |
| | TOTAL ALL FUND TYPES | 40,606,372.14 | 38,020,673.95 | -2,585,698.19 |

Discussion & Analysis ("City Funds"):

City Operating result for February 2010 was a loss of \$2,565,716.33.

City Revenues: February is normally an average month for revenues. The City received quarterly payments from Bannock County for State Revenue Sharing of \$430,075.07, down 6% from last years \$458,163.68. We received a \$71,366.83 refund of property taxes collected from Pocatello Development Authority. We also received the following grant revenues: Airport Security Grant \$29,316.60, Entitlement Grant \$30,799.64, Water Construction \$33,421.35 and IHFA Grant of \$95,970.10

City Expenses: Expenses were above average for February, We had \$5.7 million in expense, (vs. \$4.3 million in 2009) and \$3.1 million in revenue such that at month's end, the city is down \$2,565,716.33 (city funds).

City Investment Posture: At month end, City funds were 81% in cash or short-term investments and 19% in long term investments. \$9,665,182.29 of all assets (33%) were in one of the two State of Idaho investment pools and 15,100,015.23 of all assets (51%) are invested in two moneymarket funds. Key investment rates:

| Investments | Rate | Change vs. last month |
|-----------------------------------|-------|-----------------------|
| State Investment Pool Short Term: | 0.20% | decrease of .02 |
| State Investment Pool Long Term: | 3.66% | increase of .05 |
| Wells Fargo Sweep account: | 0.01% | unchanged |
| Wells Fargo Money Market: | 0.49% | decrease of .01% |
| Key Bank Money Market: | 0.25% | unchanged |

Discussion an

Trust Operating Result for February is a loss of \$19,981.86. We issued \$65,225.84 in benefits. Interest earnings, return of capital, realized and unrealized gains were not enough to cover expenses.

Trust Investment Posture for February had the following changes. We received principal returns of \$8,808.77, interest earnings of \$20,494.93, capital gains of \$6.32 and unrealized capital gains were \$24,852.49. Overall, the trusts funds have 4.7% of their investments in cash or cash equivalents and 95.3% are in longer term investments.

Combined City and Trust Internal Borrowing Analysis:

| | |
|-------------------------------------------|-----------------|
| All the money we have: | \$38,020,673.95 |
| Less the stuff we really shouldn't touch: | |
| Sanitation Enterprise | 2,936,599.91 |
| Water Enterprise | 10,502,746.76 |
| WPC Enterprise | 3,282,561.88 |
| Medical Reserve | 777,955.46 |
| Trust Funds | 8,689,992.83 |
| Result: | \$13,353,275.77 |

This positive number, hence no internal borrowing this month. It is \$1,408,338.73 more than one year ago. The total amount of cash, cash equivalents, and long term investments is \$2,831,962.67 less than one year ago.

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

Overall: February's performance was not satisfactory. The under performance of State shared revenues continue to be a concern.

Respectfully,

David Swindell, Chief Financial Officer