

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 AUGUST 31, 2009

	Value at Market
Cash on Hand	\$ 23,979.19
Cash in Banks	1,149,039.09
Cash held by third parties	584,405.09
Cash held in Broker Accounts	1,930.55
Cash held at the State of Idaho Investment Pool	16,698,746.31
Total cash	\$ 18,458,100.23

Investments at Fairmarket Value

Current Investments

City Government

Certificate of Deposit	\$ 1,169,569.02
Federal Agency Notes	5,002,780.27

Total cash and cash equivalents

"The Number": Down \$1,806,246.56 from last month. Represents 82.07% in cash or short term investments

\$ **24,630,449.52**

Long-Term Investments

General Government

State Investment Pool Bond Fund	\$ 5,380,493.65
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Total long-term investments

Represents 17.93% total in longer term investments

\$ 5,380,493.65

Total Cash, Cash Equivalents and Long-Term investments

"All the city money we have": Down \$1,768,986.14 from last month,

\$ **30,010,943.17**

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

Cash Receipts

Zoo Receipts	\$ 23,324.43	0.59%
Water tank grant	25,686.00	0.65%
Blue Cross-Premium Refund	26,753.02	0.68%
Golf Lease	28,117.83	0.72%
Airport Security Grant	29,316.60	0.75%
Water & LID119	32,973.61	0.84%
Community Recreation Center Service Charges	40,112.82	1.02%
Airport Rent & Landing Fees	41,718.03	1.06%
Police Fees and Fines	42,662.47	1.09%
School District 25-School Resource Officers	61,888.66	1.58%
Building Fees and Permits	62,499.65	1.59%
Transit Service Charges	64,666.95	1.65%
Ross Park Pool	97,589.96	2.49%
Idaho State Liquor Tax (up \$13,555.70 (+15.8%) from last year)	98,000.00	2.50%
Foreclosure Stabilization Grant reimbursement (Fund 080)	104,647.50	2.67%
Other Miscellaneous receipts	139,442.53	3.55%
Idaho State - Transportation Department - South Connector	146,420.55	3.73%
Bannock County tax	204,480.42	5.21%
Water Pollution Control Service Charges	219,250.63	5.58%
State Sales Tax Revenue Sharing (down \$48,894.85 (-10.2%) from last year)	431,782.71	11.00%
Utility Billing Service Charges	2,005,323.11	51.07%
from outside sources	3,926,657.48	100.00%

Cash Disbursements

Total payroll and material claims per June 4th report	-5,774,923.87	
Less Trust Funds Claims	65,225.84	
City Fund payroll and material claims	-5,709,698.03	
Merchant fees (credit card acceptance fees)	-5,736.97	
Bank service charges	-3,458.89	
Returned Checks	-3,802.25	
Other checks cut (Library trustee, Youth forum, Police narc's)	-10,252.32	
Administration support fee	44.42	
Total cash dispersed to outside sources	-5,732,904.04	
Net cash received by operations	-1,806,246.56	

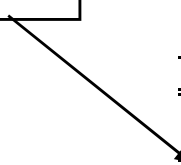
Internal activity

Long-term investments sold		
City Portfolio		
Other disbursements		
Capital Gain/Loss		
Other Receipts		
Principal Accrued		15,689.96
Long-term investment purchased		-1,790,556.60
Net change in cash and long term investment		-1,790,556.60

Fair Market Value Adjustments

City Long Term portfolio	21,570.46
Net change in cash value and long term investment value	\$ (1,768,986.14)

Operating result for August 09:
Down \$1,768,986.14



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

Cash in Bank	\$654,046.65
Cash held in Broker Accounts	53,051.83
Total cash and cash equivalents	\$707,098.48
 LONG TERM INVESTMENTS	
Commercial Notes	\$487,307.74
FHLB Bonds	411,471.80
FNMA Mortgage Notes	4,718,948.49
FHLMC Mortgage Notes	2,437,583.35
GNMA Mortgage Pools	168,335.81
Total Cash, Cash Equivalents and Long-Term Investments	\$8,930,745.67

"All the Trust money we have": Up \$131,259.52 for the month

Change in Cash and Equivalents For Trust Funds
For August 2009

Cash Receipts	
Bannock and Power County Tax	\$0.00
Return of Investment Capital	203,770.42
Interest	34,133.88
<i>from outside sources</i>	237,904.30
Cash Disbursements	
All checks issued	-65,225.84
L/T Investment Purchased	0.00
Bank charges	-59.30
Admin Support Fee	-44.42
Total cash dispersed to outside sources	-65,329.56
Net cash received by operations	\$172,574.74
Internal activity	
Long-term investments sold	
Police Retirement Portfolio	\$0.00
Other disbursements	
Capital Gain/Loss	4,397.01
Other Receipts	
Principal Accrued	
Long-term investment purchased	-203,770.42
Net change in cash and long term investment	-\$26,798.67
Fair Market Value Adjustments (Unrealized)	
Police Long Term portfolio	158,058.19
Net change in cash value and long term investment value	\$131,259.52

Trust operating result for August 2009: Up \$131,259.52

TRUST FUND BALANCES - CHANGE
August 31, 2009

FUNDS	CASH ENDING BALANCE 07/31/09	CASH ENDING BALANCE 08/31/09	NET CHANGE IN CASH BY FUND
951 POLICE RETIREMENT TRUST	8,763,177.39	8,894,429.64	\$131,252.25
953 AIRPORT BOND TRUST	16,480.70	16,484.00	3.30
961 SO. BAN. HWY. DEV. TRUST	19,828.06	19,832.03	3.97
TOTALS	\$8,799,486.15	\$8,930,745.67	\$131,259.52

FUNDS	CASH ENDING BALANCE 07/31/09	CASH ENDING BALANCE 08/31/09	NET CHANGE IN CASH BY FUND
001 GENERAL FUND	6,387,702.03	5,403,043.92	-984,658.11
002 LIABILITY INSURANCE FUND	718,903.17	774,765.56	55,862.39
003 STREET FUND	882,604.68	362,750.07	-519,854.61
004 RECREATION FUND	497,327.95	478,623.97	-18,703.98
005 CEMETERY FUND	193,326.82	178,544.86	-14,781.96
006 AIRPORT FUND	252,313.87	134,149.36	-118,164.51
007 LIBRARY FUND	537,021.86	435,337.94	-101,683.92
009 POC. REG. TRANSIT FUND	(237,173.77)	(324,034.21)	-86,860.44
012 VIDEO SERVICES FUND	89,465.53	62,870.03	-26,595.50
013 BUSINESS IMPROV. FUND	82,327.00	82,327.00	0.00
014 CHIEF THEATRE FUND	150,824.48	150,770.15	-54.33
016 EMERGENCY REPAIR FUND	12,936.06	13,830.57	894.51
017 SCIENCE & ENVIRONMENT FUND	77,137.56	82,614.01	5,476.45
SUBTOTAL SPECIAL REVENUE FUNDS	3,257,015.21	2,432,549.31	-824,465.90
030 SANITATION FUND	2,994,381.24	3,064,886.88	70,505.64
031 WATER FUND	2,155,076.86	2,347,771.99	192,695.13
032 WATER POLLUTION CONTROL	2,560,947.71	2,660,006.23	99,058.52
035 AMBULANCE FUND	264,416.18	292,281.30	27,865.12
SUBTOTAL ENTERPRISE FUNDS	7,974,821.99	8,364,946.40	390,124.41
050 INFORMATION SYSTEMS FUND	268,812.81	283,373.47	14,560.66
052 UTILITY BILLING FUND	680,861.94	691,208.97	10,347.03
053 MEDICAL INSURANCE FUND	1,457,628.10	1,492,917.03	35,288.93
054 PUBLIC WORKS DIRECTOR	112,775.58	115,399.09	2,623.51
055 FUEL INTERNAL SERVICE FUND	49,765.46	72,180.53	22,415.07
SUBTOTAL INTERNAL SERVICE FUNDS	2,569,843.89	2,655,079.09	85,235.20
059 DEBT SERVICE FUND GOV	259.46	1,176.87	917.41
060 DEBT SERVICE FUND WPC	1,233,323.54	1,233,234.86	-88.68
061 DEBT SERVICE FUND WATER	961,010.05	961,268.11	258.06
SUBTOTAL DEBT SERVICE FUNDS	2,194,593.05	2,195,679.84	1,086.79
070 FEDERAL AID PROJECTS	(239,014.44)	(168,936.52)	70,077.92
071 STATE PROJECTS	(71,294.35)	(70,461.02)	833.33
072 AIRPORT CONSTRUCTION	27,554.59	(161,681.32)	-189,235.91
073 WATER CONSTRUCTION	8,636,859.19	8,330,827.95	-306,031.24
078 CAPITAL ACQUISITION FUND	27,363.00	27,363.00	0.00
SUBTOTAL CAPITAL PROJECT FUNDS	8,381,467.99	7,957,112.09	-424,355.90
080 FORECLOSURE STABILIZATION	(114,644.55)	(16,341.81)	98,302.74
081 CDR-CDBG ENTITLEMENT FUND	(60,803.34)	(122,082.07)	-61,278.73
082 ENERGY BLOCK GRANT	0.00	0.00	0.00
088 POLICE GRANT FUNDS	86,389.40	67,442.22	-18,947.18
SUBTOTAL GRANT REVENUE FUNDS	-89,058.49	-70,981.66	18,076.83
951 POLICE RETIREMENT TRUST	8,763,177.39	8,894,429.64	131,252.25
952 RETIREMENT PAYOUT TRUST	340,340.40	341,549.98	1,209.58
953 AIRPORT BOND TRUST	16,480.70	16,484.00	3.30
954 EIDC REVOLV. LOAN TRUST	121,714.30	121,692.13	-22.17
955 CDR LOAN TRUST	140,028.61	140,153.06	124.45
956 POLICE TRAINING TRUST	0.00	0.00	0.00
957 ZOO ANIMAL TRUST	48,306.96	34,944.29	-13,362.67
958 WATER ACQUISITION TRUST	46,377.83	46,377.83	0.00
959 SIDEWALK REVOL. LOAN TRUST	52,631.30	26,064.10	-26,567.20
960 STANDROD TRUST	190,163.35	191,496.66	1,333.31
961 SO. BAN. HWY. DEV. TRUST	19,828.06	19,832.03	3.97
962 FACADE LOAN TRUST	58,690.83	59,117.34	426.51
963 PARKS & RECREATION DEVELOPMENT TRUST	2,996.26	3,043.43	47.17
964 PROPERTY ABATEMENT FUND	71,182.77	71,527.96	345.19
SUBTOTAL TRUST AND RESTRICTED FUNDS	9,871,918.76	9,966,712.45	94,793.69
970 SEIZED FUNDS AGENCY	21,635.48	21,996.48	361.00
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	9,475.55	15,550.92	6,075.37
SUBTOTAL AGENCY FUNDS	31,111.03	37,547.40	6,436.37
TOTAL ALL FUND TYPES	40,579,415.46	38,941,688.84	-1,637,726.62

Discussion & Analysis ("City Funds"):

City Operating result for August 2009 was a loss of \$1,768,986.14.

City Revenues: August was an average month for revenues (\$3.9m vs \$4.3m last year). State sales tax receipts were \$431,782.71, down \$48,894.85 (-10.2%) from last years 480,677.56. Liquor tax receipts were \$98,000.00, up \$13,555.70 (=15.8%) from last years 84,444.30. We received the following grant revenue: ITD- South Valley Connector grant, \$146,420.55, Federal IHFA grant \$104,647.50, Airport Security grants of \$29,316.60 and Water Construction Grant \$25,686.00 (South Valley Water Tank).

City Expenses: Expenses were high for August, reflecting construction and grant activity. We had \$5.7 million in expense, (vs. \$4.7 million in 2008) and \$3.9 million in revenue such that at month's end, the city is Down \$1,768,986.14 (city funds).

City Investment Posture: At month end, City funds were 82% in cash or short-term investments and 18% in long term investments. \$22,079,239.96 of all assets (57%) were in one of the two State of Idaho investment pools. State Investment Pool Short Term rate is .37% (an decrease of .04), State Investment Pool Long Term current yield rate is 2.48% (a decrease of 1.07) and Wells Fargo Sweep account rate is .1% (unchanged).

Discussion and Analysis ("Trust Funds"):

Trust Operating Result for August is a gain of \$131,259.52. We issued \$65,225.84 in benefits. Interest earnings, property tax remittance, return of capital and unrealized gains were enough to offset costs.

Trust Investment Posture for August had the following changes. We received principal returns of \$203,770.42, interest earnings of \$34,133.88, capital gains of \$4,397.01 and unrealized capital gains were \$158,058.19. Overall, the trusts funds have 8% of their investments in cash or cash equivalents and 92% are in longer term investments.

Combined City and Trust Internal Borrowing Analysis:

All the money we have:	\$38,941,688.84
Less the stuff we really shouldn't touch:	
Sanitation Enterprise	3,064,886.88
Water Enterprise	11,639,868.05
WPC Enterprise	3,893,241.09
Medical Reserve	1,492,917.03
Trust Funds	<u>8,930,745.67</u>
Result:	\$ 9,922,030.12

This positive number, hence no internal borrowing this month. It is \$2,254,997.68 more than one year ago. The total amount of cash, cash equivalents, and long term investments is \$813,724.39 more than one year ago.

Outlook: September is typically a below average month for revenue. We expect expenses to be average.

Overall: August's financial performance was satisfactory, except for the continued weakness in state sales tax revenue. We made further adjustments to the upcoming FY10 budget and hope we have adequately anticipated further weakness. However, risks remain that receipts could decline even further or that the legislature will enact policy changes to divert local money to resolve state budget issues. Either event would preceptitate another mid-year budget reduction in the city.

Respectfully,

David Swindell, Chief Financial Officer