

CITY OF ST. JOSEPH



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# First Quarter Financial Report – FY2010

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For the Quarter Ending September 30,  
2009

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# TRANSMITTAL

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**TO:** Mayor Ken Shearin and City Council Members

**THROUGH:** Vincent J. Capell, City Manager

**FROM:** Carolyn Harrison, Director of Financial Services

**DATE:** December 2, 2009

**SUBJECT:** FY2010 First Quarter Financial Report

Attached is the FY2010 First Quarter Financial Report.

Along with a narrative summarizing the City's budget position as of September 30, 2009, the following reports are included on activity in the first quarter:

1. Investment Report/Cash Balances
2. Accounts & Loan Receivables Status
3. Contracts Executed - \$5,000 to \$25,000
4. Routine Budget Transfers
5. Vendor Contract Expiration Dates
6. Economic Development Project Status

Attachment

cc: Department Directors  
Financial Services Managers

# FIRST QUARTER FY2010 FINANCIAL REPORT

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# FIRST QUARTER FY2010 FINANCIAL REPORT

To date there have been six (6) payroll periods, which indicates that total expenditures for salaries and benefits should be at twenty-three percent (23%). Being three months into the fiscal year, revenue and other expenditure items should be approximately twenty-five percent (25%) of the FY2010 budget.

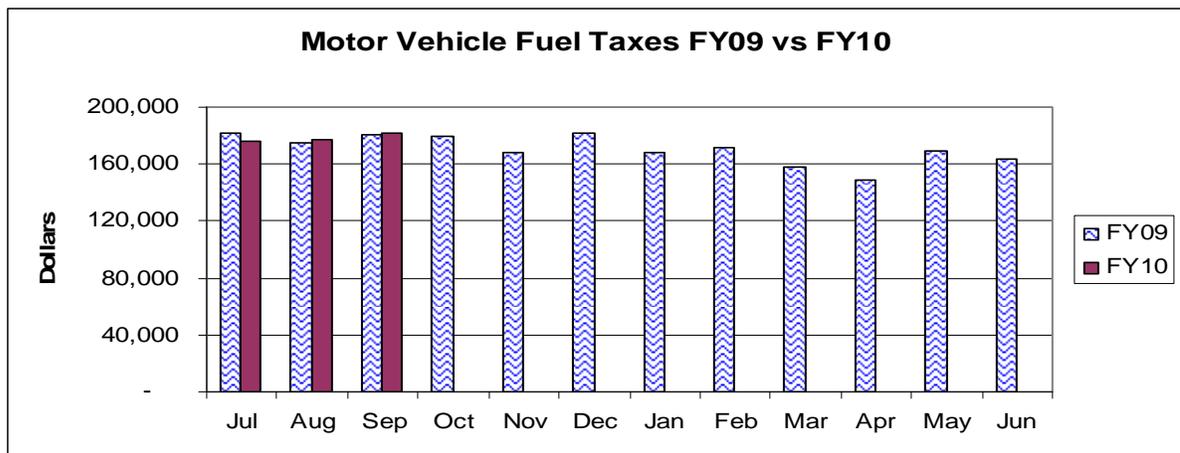
## I. Multi-Fund Revenues and Revenues of Special Interest

### A. Sales Tax Revenues

Revenues for the **General Fund** are struggling slightly this opening quarter at 24%. This represents a deficit of \$130K. The fund is 6.9% lower than the first quarter of the previous fiscal year. The annual sales tax collected also sits at 24% (\$56K below trend). The annual sales tax includes a combination of normal sales tax received and City retained taxes, which include 50% of the new taxes generated over the base and the base taxes from approved TIFs. The City also participated in a tax-free weekend on back to school items the first weekend of August. A big boost from holiday sales will be needed in order to stay relatively close to target. It should also be pointed out that budget projections (set in January of 2009) are 3.9% more than prior year actual. Given the trend over the last 18 months, revenue projections for the general fund sales taxes have been lowered by 1%. Although cigarette tax is 1% below budget, they have collected \$35K more than this time in FY09.

The **SIM&R** fund is also under target for the quarter at 22%. Annual sales tax is \$72K short of trend. This is a 15% decrease compared to this time in FY09. This fund is down for similar reasons as the General Fund. Initial budget for this fund were for an FY2010 increase of only ½ of a percent above FY2009 projections. Unfortunately, FY2009 projections ended up being too optimistic and turned out to be 7.6% higher than fiscal year 2009's prior year actual. Projections for the Streets Fund have also been lowered.

Despite the economy, fuel prices have been fairly consistent which has motor vehicle fuel tax at trend. It should be noted that these are down about \$3K compared to the first quarter in 2009 when fuel prices were close to \$4 per gallon. Motor vehicle sales tax is about \$10K below budget, but expected to improve soon with the popular Cash for Clunkers program which took place earlier this year. However, this may only be a temporary boost.



**CIP Sales Tax** is showing an overall 8% decrease compared to this time last fiscal year. As in the other funds, FY2010 budget projects are now sitting at 5% percent higher than the FY09 actual, revenues are \$80K below budget. FY2010 projections have been lowered.

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**Mass Transit Sales Tax** is above trend at 28%. For the first three months, there is an overall increase of \$363K when compared to this time last year. It is still misleading to compare revenues to prior year since revenues from the voter approved tax rate increase effective July 1, 2009 did not appear in the City's distribution until the September. The second quarter of this year will provide a true basis for comparison. It is noted that lower fuel prices have brought ridership rates down compared to FY09.

### **B. Real and Personal Tax Revenues**

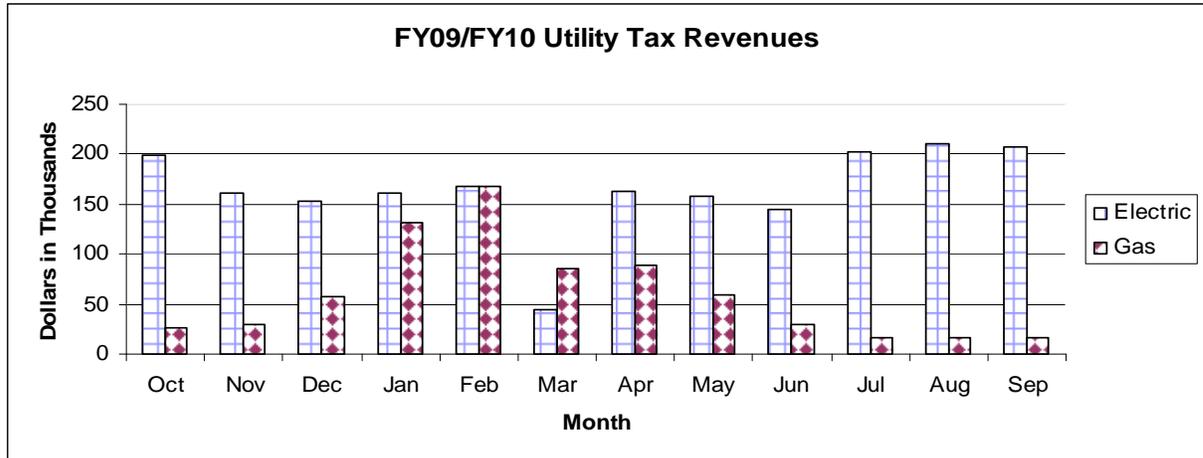
The General fund shows a 2.8% increase in FY09 prior year real estate receivables compared to FY08. Prior year personal property receivables are 36.6% higher than FY08. Prior real estate (including public safety) is \$26K less than the first quarter of last year. Prior personal property including public safety) is \$8K higher this time in FY09. Fiscal year 2010 may prove to be challenging due to SB711, passed in August, 2008 mandating that the General fund levy be rolled back to the 1984 rate of 67 cents per \$100 valuation from the 2008 general levy of \$.7046 per \$100 valuation. If the County Assessor leaves valuations at the 2008 level, this translates into a 4.9% decrease in anticipated general fund taxes for FY2010. This decrease, along with the absence of the School District \$.63 will greatly impact FY2010 TIF PILOT taxes. Projected payback to the developments is dependent upon the tax levies and many anticipated a 2% increase annually. Fortunately, SB711 does not impact the other funds. In fact, they will receive a slight increase of .1% over the 2008 levy (via the Hancock Allowance). Staff will watch the receipts closely in the upcoming months.

### **C. Utility Taxes**

Excluding program 0011 (telecom additional revenues), Utility Tax revenues for the General fund are at 23% of the projected budget. The FY10 Telecom budget (for program 0011) was based upon the average monthly revenues from settlement data (\$1.3M) recorded by companies. Staff is tracking these revenues separately, as their future remains uncertain past December, 2012 (FY2013). Negotiations for settlement are on-going with one final company (Voice Stream/T-Mobile). To date, 34% (\$438K) of the expected revenue has been collected, mostly due to the AT&T portion which has been greater than anticipated. The recent settlement from SBC for landline usage anticipated in December, 2009 will also be placed into the 0011 program when received.

Most other utility taxes are meeting budget or exceeding it. Gas revenues are usually low this time of year. They are \$22K less than FY09 due not only to warm weather, but to lowered MGE rates dictated by reduced fuel prices. Electric is above trend at 31%, but expected to dip soon as the temperature does the same. As shown in the graph below, the relationship between gas and electric are cyclical. In the warmer months, electric is high and gas is low. In colder months, electric decreases and gas increases. Although the electric revenues are above trend they are \$6K lower this year than compared to the first quarter of fiscal year 2009 given the mild July and August weather. We also experienced an unusually wet summer which led to less water usage which caused a 10% decrease compared to the prior year. Cable is received on a quarterly basis and is at trend.

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The Mass Transit fund utility tax revenues ended the quarter under the mark at 22%, displaying similar trends as the General fund.

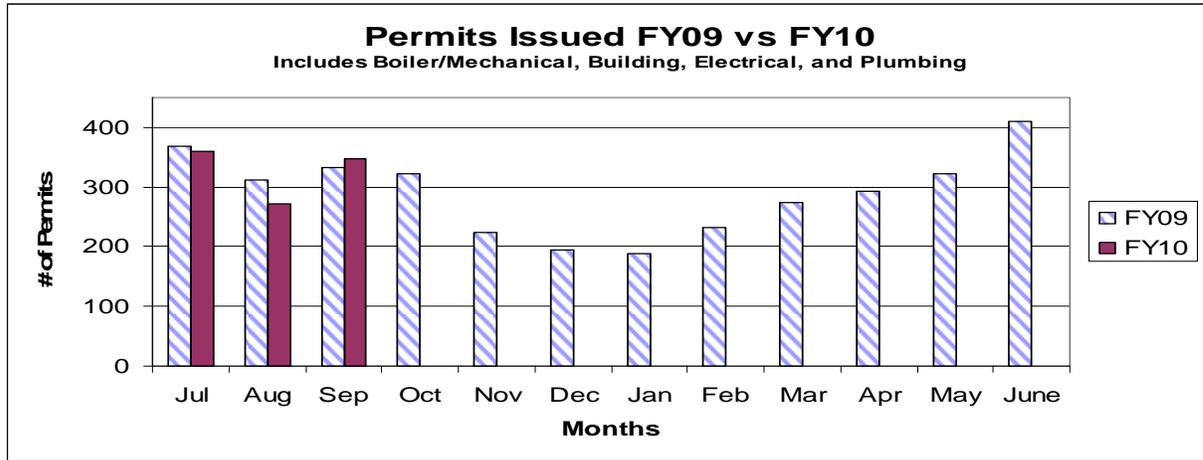
### D. Other Major Revenue Sources

The **Riverboat Gaming** fund is experiencing difficulties following Terrible's Casino's claims of expiration of the lease which provided for local revenues. They are refusing to pay the local gaming and admissions taxes, causing a first quarter shortfall of \$70K in local revenues. Both local gaming and admissions are showing a decline by 67% compared to the opening quarter of FY09. Formulas for state revenues, thankfully, have been re-worked and the City is receiving some increase from that source, but not enough to fill the local void. State gaming and admissions are collectively over trend by \$25K. The expiration of the lease will continue to be a significant factor as the year goes on. The fund currently stands at 22% overall.

**Municipal Court** fine revenues have had a slow start to this year at 21%. Fines are \$23K less than this time in fiscal year 2009. Over one thousand less cases have been filed this quarter compared to FY09's opening quarter. This count includes 789 less citations from police officers, 75 less from animal control officers (revenues shown in the Health Fund), 67 less from code enforcement, and 153 less from parking summons. Parking will soon increase as summons will issued in late October. Code Enforcement is putting a greater emphasis this year on contacting the offender personally rather than by mail. This is resulting in greater compliance. DWI enforcement revenue has nearly doubled its original revenue projections and is \$4K above trend. State DWI enforcement is also well above budget at 44%. Increased enforcement this fiscal year has been made possible through Bureau of Justice grants.

There is some evidence of a bounce back for **permits**, but other areas are still feeling the effects of the economy. Building permits are close to \$10K under budget at 21%. This is \$32K less than the first quarter of fiscal year 2009. Boiler/Mechanical permits are also struggling at 19%. Electrical and Plumbing permits are doing better year to date. Electrical is slightly above trend at 26% while plumbing permits are just below the mark at 24%. Combined they are almost exactly where they were at this time last year. The graph below illustrates a comparison of fiscal years 2009 to 2010. The four primary sources of permit revenue are a combined \$15K under the original budget and \$33K less than prior year actual. With the economy and mild summer, garage sale permits are doing well at 42% and will continue to roll in a while longer as long as the weather cooperates.

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Business **License fees** are due by June 30<sup>th</sup> annually, but carryover from FY09 is reflected in FY10 collections to date of \$174K. This total included Triumph Foods for \$35K. More than \$6K in liquor license fees trickled in after the new fiscal year as well. For FY09, business licenses came up 4% short and liquor licenses were 5% under budget.

### E. Special Revenue & Enterprise Funds

**Parks, Recreation & Civic Facilities** revenues are meeting budget year to date. A majority of the programs are doing well, but the cool summer weather hurt some other areas.

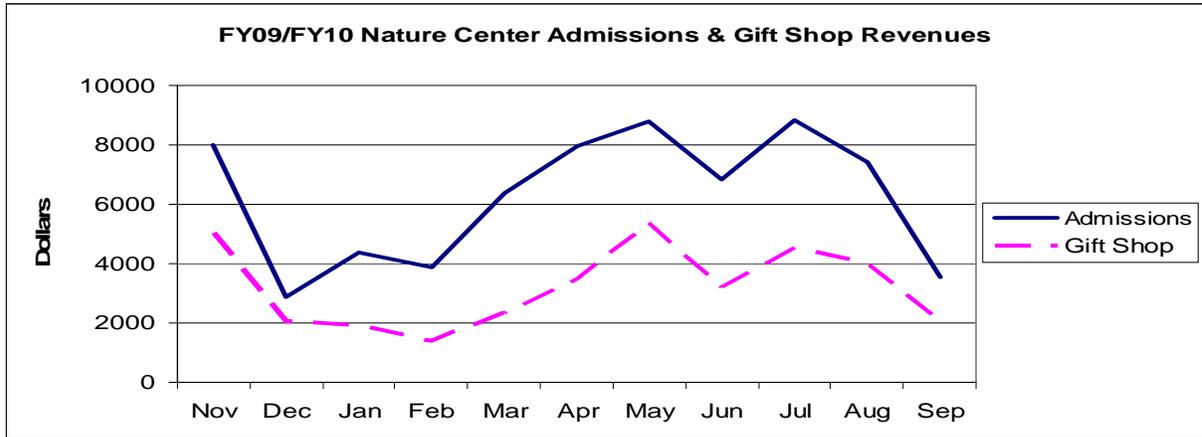
Fall softball was very popular this year and topped its budget by nearly \$16K. This is a 17% increase compared to the session in FY09. This is due in part to a \$10 per team increase in fees from FY09. Park rental is just below budget at 23% as Heritage has been rented out several times during the summer. There has been \$2K more collected on the rentals this year than this time in FY09. Concessions for the ball fields have collected \$8K more this year, an increase of 12%.

Swimming pool fees are \$5K less than this time last year. With the unseasonably cool weather and an earlier start to the school year, it was decided to shut down the two neighborhood pools in mid-August. This was about two weeks earlier than for the FY09 season. The Aquatic Park, which also closed two weeks earlier, is at 43% of the budget (\$19K less than the prior year's first quarter). Pool rentals are more than half of the original budget, but with two months concluded out of a 3-3 ½ month season, budget should be at 60-67%. This could be a result of the cooler than average summer. The early closing impacted pool concessions as well which are behind last year's pace by nearly \$6K (an 11% drop-off).

Bode Complex revenue is above target at 28%. The ice rink has just begun its season and admissions are at 10%. These are \$10K less than this time last year. Ice rental for figure skating is staying steady at 58% (an increase of 24%). To date, total Bode revenue is sitting at 21%. This is a 10% improvement compared to FY09.

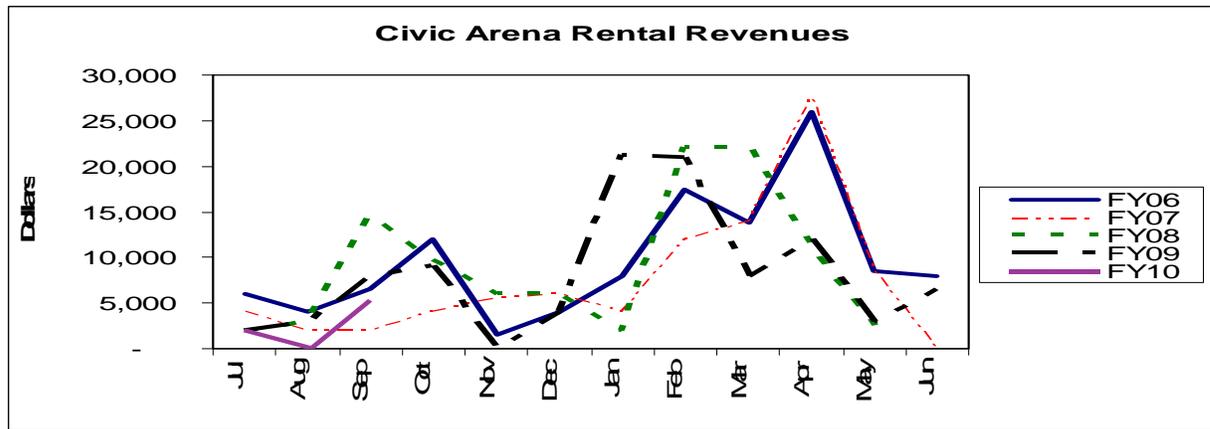
This will be the first full fiscal year for the Nature Center. Fiscal year 2009 only consisted of eight months of operation for the facility. July brought positive numbers, but revenues have trailed off since then. Admissions are well ahead of budget at 41% (\$8K above trend). Gift shop revenues are also seeing success with 32% of the projected budget collect thus far. Revenues should pick up a little now with school back in session (field trips). The graph below depicts admissions and the gift shop trends since its opening in November of FY09. Meeting room rent at the center has nearly hit its projected budget in the first quarter (89%).

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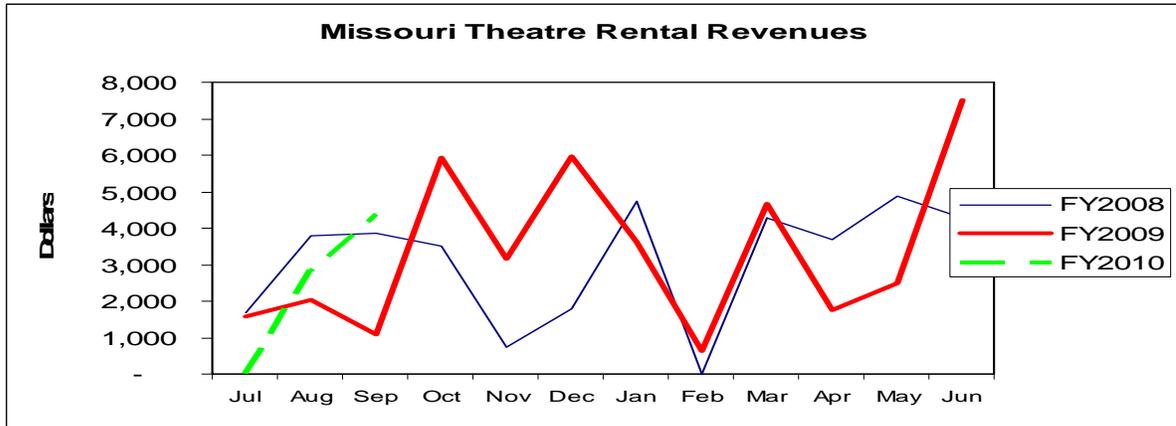
Senior Center recreation fees are off to a slow start at 13%. This is not far from where they were a year ago and the program was able to hit its yearly target. Cafeteria fees for the Senior Center are slightly above trend at 28%. Muchenberger has had a good showing for their fall volleyball leagues, collecting close to \$6K. These revenues, previously recorded as Muchenberger fees with other revenues, have been moved to youth sports-volleyball. Horace Mann rent is following budget projections.

As noted by the graph below, the third quarter of the fiscal year is typically the strongest for the Civic Arena with the beginning and mid-year the weakest. Fiscal year 2010, to date, is following that pattern. Arena Rental had a slow quarter at only 6%. There are many events scheduled for October which will greatly help in recovering from the early deficit. With the low rental, all other aspects of the arena are struggling as well.



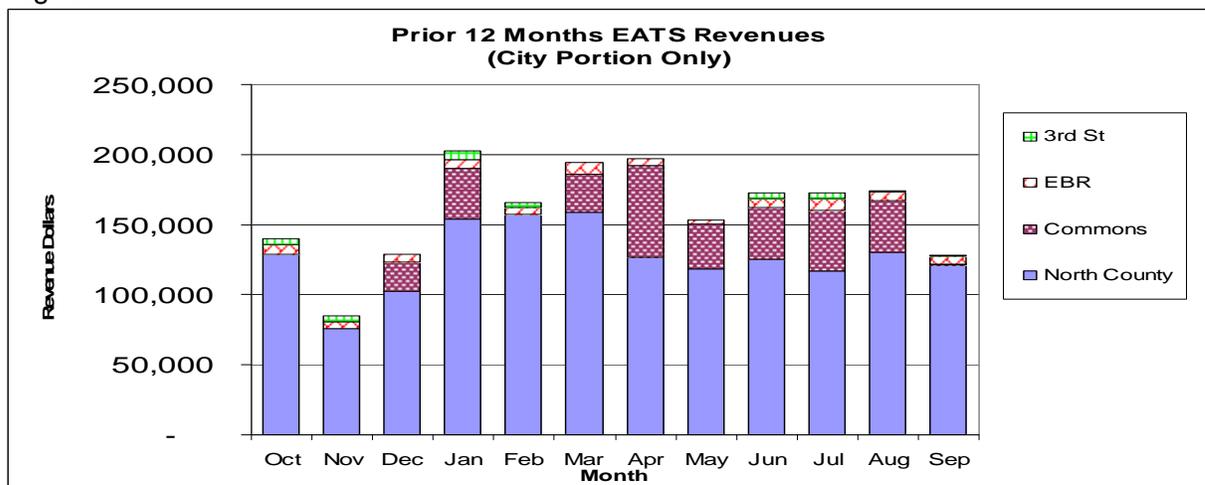
The Missouri Theatre also began the year well under budget, but finished the quarter on a high point. As a result, revenues are \$2K higher than this time in FY09. Events and programs should begin to increase as the holidays approach. The graph on the next page shows a comparison between the three most recent fiscal years. Office rentals for the Theatre met quarterly goals.

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**Public Health** revenues are only \$2K short of budget. Birth/Death certificates are ahead of trend of well at 27%. Municipal Court fines for Animal Control violations are just under target at 24%. Various reasons can be attributed such as: staff on medical leave, reduction in overall complaints, and people discovering that being in compliance is much cheaper than going through the court system. Animal neglect cases are down fifty percent (50%) - tickets are down from 125 cases in *calendar* 2008 to 65 for 2009 year to date. Pound fees are exceeding budget at 35% (\$4K above trend). Cremation services are still a popular option as they are maintaining budget.

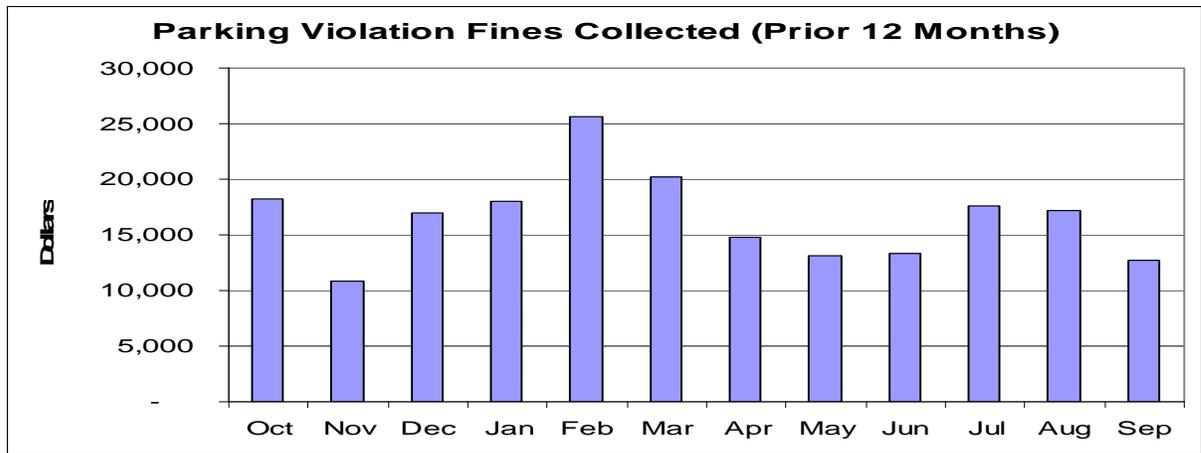
In the **Special Allocations** fund, revenues are steady for most of the TIF plans. City EATS for North County are slightly above budget at 26% and are \$38K higher than the opening quarter of FY09. EBR/HHS City EATS are exceeding trend as well at 32%. There doesn't appear to be any type of decline in the restaurants (Cheddars, Olive Garden, and KFC). The Third Street Hotel is under trend at 22%. There is little doubt that the economy is having an impact on the tourism industry. The Commons is under projections at 22%. Slight increases were factored into the FY2010 budget with the anticipated opening of Mr. Goodcents and King Kong restaurants. But, the openings appear to have been delayed. The development pulled in \$80K the first quarter. Base sales tax of \$250K must be met before distribution of EATS begins.



**Aviation** revenues are in line with budget. Hangar rent is on track and is \$1K above trend with the recent 3% rate increase that took effect the beginning of July. Sale of gas and oil is under the quarterly goal at 19%, showing a steady decline since winter, 2008.

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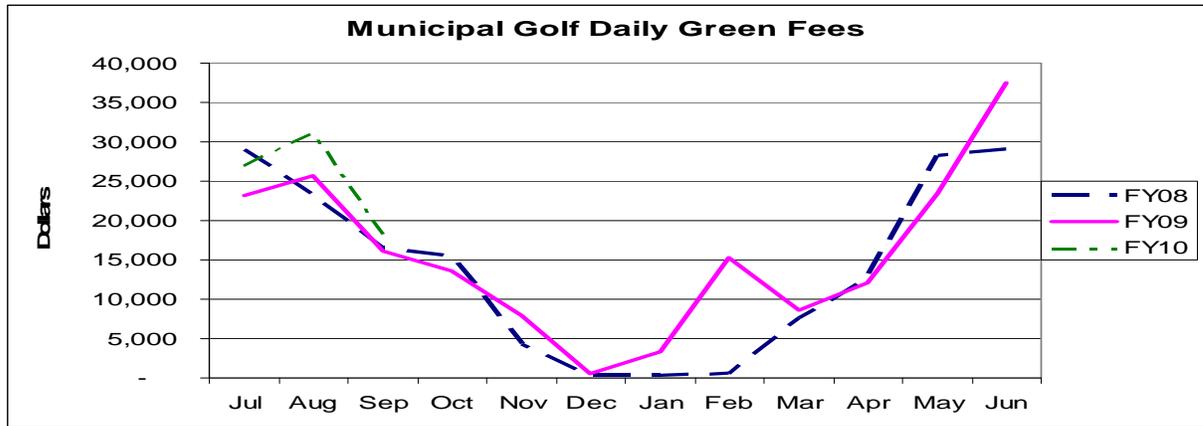
The **Public Parking** fund, excluding city sticker fees, is under budget at 21%. Most of the parking facilities are not meeting budget. The garage at 5<sup>th</sup> and Felix only collected 11% of the original projected revenue (\$9K under budget). The garage has really struggled since most the Family Guidance staff moved to a new location. Universal Guardian and Rehabilitation Institute parking permits are keeping the garage at 6<sup>th</sup> and Jules close to budget (23%). A majority of Universal Guardian staff use the 8<sup>th</sup> & Felix lot, which also sits at 23% of their budget. Annual permit fees of \$100 per person also help the garage at 8<sup>th</sup> & Felix, which has gone through an increase of 136% when compared to prior year. Other Parking Permits/Fees are down (8%) in correlation to the low number of Ticketmaster events held at the Arena to date. Parking violation fines are keeping pace with budget. More than \$17K each was collected during the months of July and August, but tailed off in September. Revenues should increase significantly once summons to Municipal Court are issued in October and a new set of legal letters are sent out. A total of 2,662 citations have been issued to date (400 less than the first quarter of fiscal year 2009).



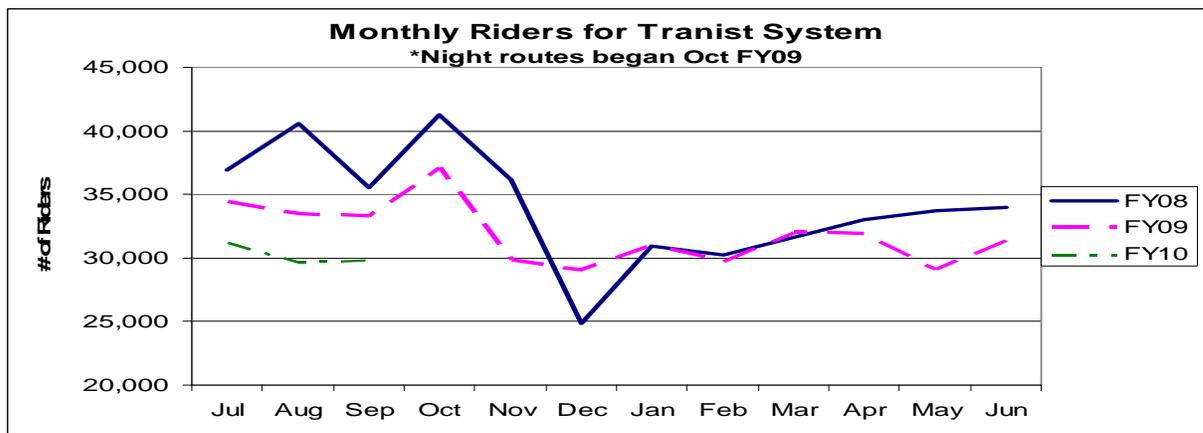
The **Sewer fund** is below target at 23%. The 17% rate increase in July will be reflected more in the second quarter report since there is a 45-60 day delay between billing and collections. Sewer service charges are below budget by \$226K, but showing an increase of \$258K higher for the same period in FY09. South SJ Sewer District also underwent a rate increase (13.6%) but is significantly under trend at 18% (\$97K below budget). This is a 47% decrease when compared to first quarter of fiscal year 2009. The lower revenues can be attributed to the many improvements that have been made by the district, leading to lower surcharges than projected - a greater savings for the industrial customers within the district. Sewer service penalties are meeting budget at 26%. The fund, in total, has generated \$51K more than this time in the prior year.

The **Municipal Golf** has capitalized on the mild weather and sits at 28% of the projected budget. Daily fees are at 44% which is a 17% increase from this time last year (as shown below). This fiscal year will be an interesting one for this fund as the construction of the new clubhouse begins in October, 2009 with projected completion by April, 2010.

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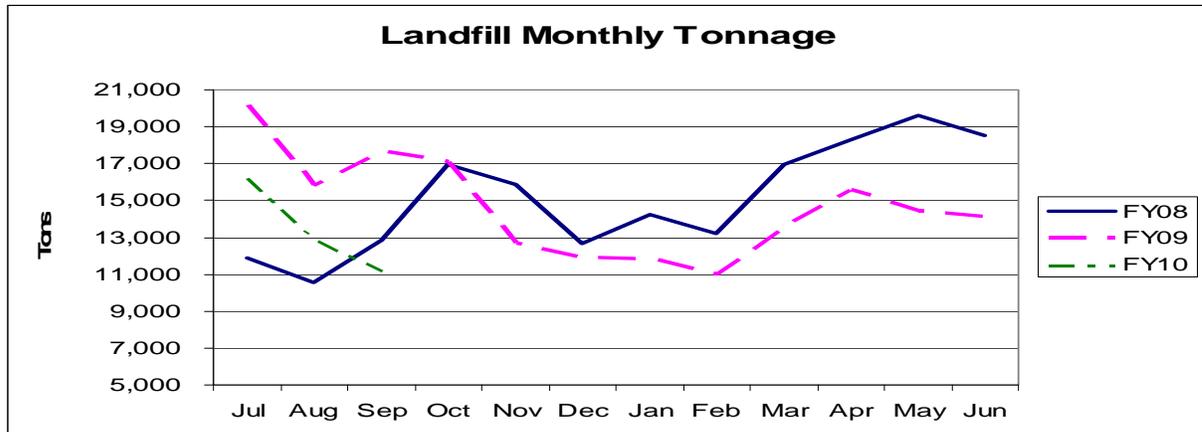


Lower fuel prices are leading to lower volume of riders, and have the **Transit** fund at 23% of budget. The chart below shows the number of riders is down 11% compared to the first quarter of FY09. Daily fare box revenues are under the mark at 21%. Adult ticket sales are still going strong at 30%, which is \$5K more than this time last year. A large portion of the adult sales come from the State of Missouri purchasing passes for their probation and parole division. Youth and Senior tickets, however, are down and under trend by a total of almost \$2K. Transit launched its night program in October of FY09. With a full year of operation, the program will soon be analyzed to measure the overall effectiveness. Advertising revenue is steady with approximately \$2K being received from Houck Advertising.



The **Landfill** fund is just \$8K less than trend. Daily fees are close to trend (\$13K below), but the revenues are in decline by 21% compared to the first quarter of FY09. The decrease is attributed to various factors, the largest being the decrease in usage by Deffenbaugh. It is now more affordable for the company to use their own facilities in Kansas. Other factors include a lag in construction and the economy overall is driving citizens to produce less trash. Both recycling sites are above their original quarterly projections.

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## II. Expenditures

### General Fund

Only a couple of areas within the fund are experiencing significant **overtime** overages. These can be negated by savings in other areas within the departments. The Detective Division is over budget by more than \$4K, but there are substantial savings in salaries & wages to cancel out the deficit. Fire Suppression is not off to a good start with a negative variance of \$20K between regular overtime and FLSA. This is an improvement of \$8K compared to the first quarter of last fiscal year. There is more than enough savings in salaries & wages to wash out both expenses. Military leave, medical leave, and light duty are main contributors to the Fire Suppression overtime.

Building Maintenance (City Hall) and Police Communications are the only two programs dealing with higher expenses in **utilities**. Building Maintenance is on the high end with electric services at 31% of the budget. This should level out once the weather cools down and the A/C use is eliminated. In the meantime, there are savings to cover overage. Communications was also over budget on electric for the quarter (\$2K over). This account covers the electric use at the communications towers. Positive variances that exist with materials and supplies can cover the deficit. This too should even out once the summer months are complete.

When one-time expenses occur at the beginning of the fiscal year there can be the appearance of looming deficits in certain line items. However, these one-time expenses are anticipated in the budget and include such items as the following:

- Municipal Court has used 74% of its total budget for professional services on software fees for its systems expensed in July. These fees are an annual occurrence and were factored into the budget. There should only be minimal activity in the account for the remainder of the year.
- Accounting has used 67% of its total budget for M&R of Office Equipment with annual licensing fee for the IFAS software. There should not be much activity for this budget the remainder of the year.
- Computer Network Operations has spent 83% of its budget for M&R Office Equipment for fiscal year 2010 with software and maintenance fees from Accela Inc. These fees are also paid at the beginning of each year and are included in the budget.

There are other miscellaneous items throughout the fund which are over the projected budget. Police Maintenance is \$10K over on M&R of Motor Vehicle. This time last year they were \$3K

## FIRST QUARTER FY2010 FINANCIAL REPORT

under budget. Savings in motor fuel can offset the expense. Detective Division may have a misclassification issue. There are several expenses booked to minor equipment which consists of conferences, travel, and meals. This has caused an overage of \$1K while the conference/training/travel account has not expenses booked. These expenses can probably be moved to correct the situation. Community Planning is over its total year budget for other services due to \$18K for Missouri Dream Initiative expenses. There are extra funds in contributions to cover the deficit

*Amount of GF operating budget expended year-to-date: 22.5%*

### **SIM&R Fund**

High usage of temporary help from both IMKO and Kelly Services caused over half of the Employment Services budget of Street Maintenance to be expensed in the first quarter (\$31K over the projected budget). Temporary services were especially needed for data entry, the slurry seal program, and the concrete crew. Traffic is also heavily utilizing temporary help through IMKO. They have used 82% of their total budget during this quarter. Traffic has also used nearly half of its budgeted traffic & lighting supplies. They are \$11K over budget due mostly to repainting streets. There are funds in maintenance & repair that can cover for these expenses.

*Amount of SIM&R operating budget expended year-to-date: 17.6%*

### **Parks, Recreation & Civic Facilities Fund**

Many "summery specific" programs may appear to be over their salary budgets, but in reality are more close to trend since they are only active for a certain segment of the year. One of these programs is softball. With summer softball, fall softball, and national/state tournaments; part-time wages and overtime are over budget \$16k and \$1K respectively. Swimming is at 67% of its part-time budget, but this is ideal given that there is only four to five weeks left of swimming season the remainder of the fiscal year. Although they are at trend, it should be taken into account that the pools closed two weeks earlier this year. Park Concessions is another division that has used a significant portion of their part-time budget (60%). Over half of the temporary wage budget (53%) for Parks Maintenance has been expended with their summer help to keep the grass cut. A large majority of the temporary help for the parks fund consists of students working only for the summer. Once school is back in session these budgets will work their selves back to trend

The Nature Center is well over their budget on water **utilities** at 77%. There are savings and equipment rental to cancel out the overage. Park Maintenance is on the high side on electric (\$3K over budget). This will most likely go down as the weather becomes cooler. Gas and water were under-utilized for the quarter and can cover the deficit. The Missouri Theater is \$1K over on its electric budget, extra funds in gas can handle the negative variance.

Softball has used most of its recreation supplies budget (89%), with expenses for league champion t-shirts and plaques. There have also been some charges for field paint. Softball is also over their projected original budget on professional services with services for the St. Joseph Umpires. Recreation supplies for Swimming are \$5K over budget with expenses for pool chemicals. The Bode Complex has exceeded its total budget for M&R Building/Facilities with maintenance work on the heating/cooling unit. They are \$10K over the margin and 16% above the total projected fiscal year budget. Parks Maintenance is \$10K above their M&R Building/Facility budget. There are various items charged to this account, but the major item

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is \$7K worth of concrete-related charges. As mentioned previously, most of these costs will level-off as the year goes forward.

*Amount of Parks & Recreation operating budget expended year-to-date: 25.6%*

### **Health Fund**

The total budget of professional services for Health Administration has been expended during the first quarter. The annual \$7K contract for the Health Officer services is encumbered at the first of the year. On top of that, credit card fees continue to filter in and carry the account higher over budget more and more each month. The program is also \$4K over on M&R Building/Facility due to service on the cooling unit in July. A one-time expense in Clinic Services has contributions and the fund itself skewed. The expense of \$432K for the Social Welfare Board is budgeted and is not intended to be used again for the remainder of the year.

*Amount of Health operating budget expended year-to-date: 31.8%*

### **CDBG Fund**

No significant issues existed during the quarter.

*Amount of CDBG operating budget expended year-to-date: 8.9%*

### **Aviation Fund**

Only "Other Services" account is significantly over budget at 46%. Services from Muse Excavation for removing silt in existing FBO drainage ditch has the account over target by \$3K.

*Amount of Aviation operating budget expended year-to-date: 19.4%*

### **Parking Fund**

The fund is on track with budget and has no current issues.

*Amount of Public-Parking operating budget expended year-to-date: 20.6%*

### **Sewer Fund**

Only Water Protection is having an issue with **overtime** within the fund. The program is above budget by almost \$7K as training and overflow testing continues. This is a decrease of \$4K compared to this time in FY09. Savings in salaries can cover the expense.

Water Protection also has issues in **utilities** as well. Half of its total fiscal water budget has been expended in the first three months. The \$2K over trend is canceled out by the other utilities as gas and electric are grossly under budget.

Looking at "trends" in line items other than salaries & benefits, utilities and fuel is not really productive since expenditures in other accounts are made "as needed" and not on a regular basis. The overall trend of the fund as a whole is most important and, year-to-date, the sewer fund is well below expenditure of its budget.

*Amount of Sewer operating budget expended year-to-date: 13.5%*

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### **Golf Fund**

**Temporary & part-time** wages are at 56% of the budget. They are \$1K more than this time last year. Some of this cost can be attributed to the minimum wage increase, but based on seasonal activity they are fairly close to trend.

**Water services** are currently \$10K over the budget. This is equal to a 10% increase when compared to the first quarter of FY09. The fund is over trend in total budget, but this line item should level out during the off-season.

Recreation Supplies is \$10K over trend with maintenance supplies for the fairways and greens (fertilizer, grass seed, etc.). The Parks & Recreation Director indicates all grounds supplies have been purchased for the year. Minor Equipment is at 80% of budget for the year. This is due to the purchase of two used golf carts for \$3,600 in July. Adjustments have been made to cover the expense. M&R for Building/Facilities & Machinery/Equipment are over trend by a combined \$3K for various items and repairs (sand for aeration, sod, hoses, repairs to the mowers and rollers).

The fund, in total, is \$24K over budget trend for the quarter. The deficit is \$2K more than this time last year. Expenses should begin to decrease as the weather turns colder and return closer to budget.

*Amount of Golf operating budget expended year-to-date: 31.2%*

### **Transit Fund**

Professional services are exceeding budget by \$75K with expenses for First Transit for contractual management fees and workers compensation totaling \$114K. M&R of Motor Vehicle ended the first quarter \$18K above target for numerous repairs to the buses. This is a 10% increase in expenses compared to September year to date in fiscal year 2009.

The fund is \$90K over trend primarily for benefit expenses for First Transit. This time last year the fund was under trend by \$103K.

*Amount of Transit operating budget expended yea-to-date: 26.9%*

### **Landfill Fund**

Minor Equipment for Operations is over budget at 47% with the purchase of a pressure washer for the amount of \$4K in August. The line item is over trend by \$3K. M&R of Machinery & Equipment is above its original budget by \$17K. Expenses for the repairs are \$19K higher than the opening quarter of fiscal year 2009. Overall, however, the fund is well under trend.

*Amount of Landfill operating budget expended year-to-date: 13.5%*

**FIRST QUARTER FY2010 FINANCIAL REPORT**

**INVESTMENT REPORT**

**FIRST QUARTER ENDED SEPTEMBER 30, 2009**

**COMMENTARY**

The Investment Report is for the twelve month period ended September 30, 2009. The purpose of the report is to keep the reader informed of the diversification and status of the City's investment portfolio. The City's Investment Policy, adopted by the City Council on July 18, 1994, guides investment activities and ensures that City funds are invested in a manner which provides the highest investment return with maximum security while meeting the daily cash flow demands in accordance with all state and local laws.

**CASH INVESTMENTS**

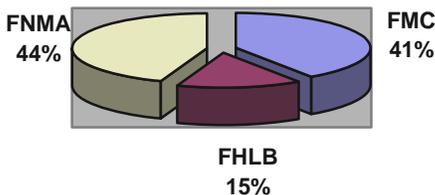
As of September 30, 2009, \$26,978,853 of the City's idle cash is invested in U.S. Treasury Bills, Agency Securities, and cash. The majority of the investments purchased are Agency Discount Notes with maturities of 180 days or less. Individual yields on the securities range from 0.12% to 0.28% with a maturity expected weekly. Most City investments are made in instruments of 180 days or less because: 1) the return on longer instruments is not significantly greater to offset the loss in liquidity; and 2) current low fund balances in most funds require that investments be very liquid.

According to City policy, the City may only invest in U.S. Treasury Bills, Agency Discount Notes and interest from the City's checking account. U.S. Treasury Bills (T-Bills) are short-term obligations considered risk free and very liquid. They are backed by the full faith and credit of the U.S. Government. While considered the safest of all types of securities, Treasury Bills provide the lowest yield. Due to the low yield, the City prefers to invest in other, high-yielding, relatively risk-free U.S. Government Securities.

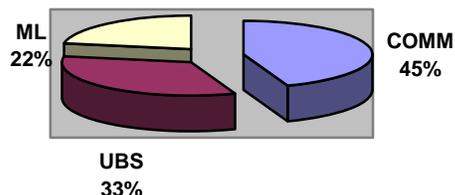
Some Agency Discount Notes are guaranteed by the full faith and credit of the U.S. Government, but most carry only a "moral obligation" of Congress to protect investors. These notes usually have higher yields than Treasury Bills, and include federal agencies such as the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Bank (FHLB) and Federal Farm Credit Bank (FMC).

Safety of principal is the foremost objective of the City's investment program. To achieve this objective, diversification is a necessity for securities and vendors. Investments are competitively bid and purchased from Merrill Lynch, UBS, and Commerce Bank of Kansas City, maturing weekly for cash flow purposes.

Investment Types



Investment Firms



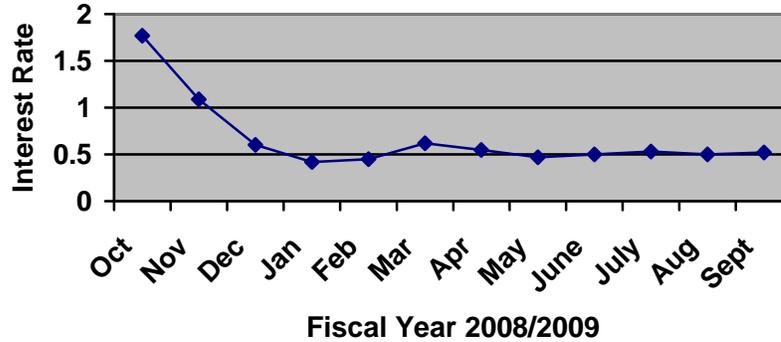
## FIRST QUARTER FY2010 FINANCIAL REPORT

### INTEREST INCOME

The City also receives interest income on cash balances in its checking account. Interest is distributed to each fund at the end of each month. The interest rate is equal to the average 91 day Treasury Bills plus .31 points on the City's average collected balance. The rate the City received for the month of September, 2009 was 0.52%. Interest rates were on the downhill slide until January, 2009, when they stabilized around 0.50. Because of collateral agreements with the banking institution insuring cash balances, this is as safe as investments in U.S. Treasury Bills.

#### October 1, 2008 - September 30, 2009

#### Interest Rates



Interest earned that has been distributed to the individual funds based upon the cash balance monthly average:

July, 2009	\$ 16,430.02
August, 2009	\$ 19,606.22
September, 2009	<u>\$ 12,583.05</u>
<b>YTD 2010 Total</b>	<b>\$ 48,619.29</b>

**Unrestricted cash deposits and investments** of the City are pooled and include cash held in commercial bank checking accounts and investments held in United States Government Treasury and Agency securities. All funds with a cash balance carry an "Equity in Pooled Cash" balance on the financial statements equal to their respective cash deposit and investment portion of the pool. The individual funds "Equity in Pooled Cash" equals the \$34,916,157 the City records as unrestricted.

**Restricted cash deposits and investments** are restricted for legal purposes or purposes designated by City Administration. In accordance with bond transcripts, the Trustees of the bonds are legally required to hold reserves at their financial institution. Currently, the City has \$28,413,541 held at various locations as instructed by the bond transcripts.

The charts beginning on the next page show the September 30, 2009 status of city cash by type of investment, type of restriction and unrestricted cash balances.

## FIRST QUARTER FY2010 FINANCIAL REPORT

### CASH By Type of Investment September 30, 2009

Checking Account Balance:		\$7,995,877.39
U.S. Government and Agency Securities:		
Federal Natl Mortgage Association	\$11,989,197.24	
Federal Farm Credit Bank	10,992,105.27	
Federal Home Loan Bank	3,997,550.83	
		26,978,853.34
Cash and Investments		34,974,730.73
Bond Reserves (held at various institutions)		28,413,540.51
		\$63,388,271.24

### CASH By Type of Restriction September 30, 2009

Unrestricted Cash Balance:		
Cash	\$7,995,877.39	
Investments	26,978,853.34	
		\$34,974,730.73
Restricted Cash Balances:		
Bond Reserves (various institutions)	28,413,540.51	
		28,413,540.51
		\$63,388,271.24

The label “unrestricted cash” is deceiving. The cash is unrestricted only in the accounting sense of not being legally restricted to a certain use, like bond reserves. The cash is restricted in the sense of what fund it belongs to and what that fund can use it for.

The chart on the following page breaks down the \$34.9 million “unrestricted” cash figure above by fund and designated uses (if any).

# FIRST QUARTER FY2010 FINANCIAL REPORT

## CASH UNRESTRICTED CASH BY FUND

September 30, 2009

General - Cash	(\$172,011.12)	
Emergency	\$1,125,000.00	
Escrows	192,018.78	
Cell Phone	1,617,599.96	
Computer Reserve	117,477.00	\$2,880,084.62
SIMR - Cash	1,850,568.21	
Escrows	14,439.80	1,865,008.01
Parks, Recreation & Civic Facilities - Cash	406,933.15	
Escrows	38,281.34	
Senior Center Foundation/W/Morgan Trust	3,945.65	449,160.14
Health - Cash	1,307,995.13	
Escrows	4,863.50	
Public Nursing/Richardson Trust	85,659.00	1,398,517.63
CDBG - Cash		(902,439.20)
Special Allocation - Cash		2,246,440.55
Riverboat - Cash		48,015.64
Museum		261,713.16
Downtown Business District - Cash		88,986.88
CIP Sales Tax - Cash		7,289,472.44
Aviation - Cash	141,356.40	
Escrows	7,243.00	148,599.40
Parking - Cash	166,782.82	
Escrows	4,760.00	171,542.82
Sewer - Cash	(9,496.52)	
In House Bond Reserve	4,180,604.39	4,171,107.87
Golf - Cash		28,265.19
Mass Transit - Cash		2,056,395.25
Landfill - Cash	6,517,691.82	
Post Closure	3,635,236.96	10,152,928.78
Worker Compensation - Cash		886,871.20
Payroll - Cash		290,577.49
Library - Cash		0.00
St. Joseph Gateway TDD - Cash		67,677.79
East Hills CID - Cash		(2,140.65)
CDBG Loan Funds - Cash		1,319,372.80
		\$34,916,157.81

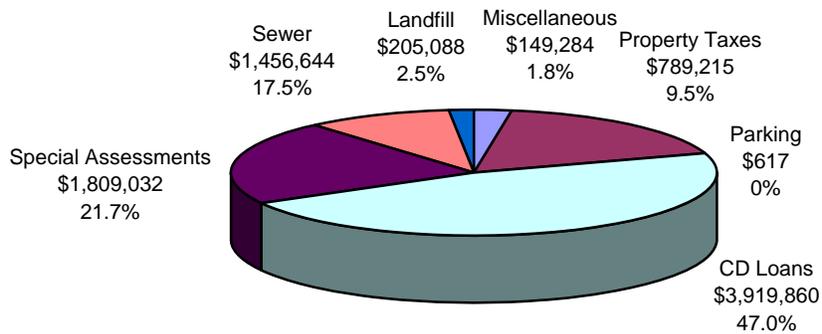
# FIRST QUARTER FY2010 FINANCIAL REPORT

## Accounts and Loans Receivable Report

### COMMENTARY

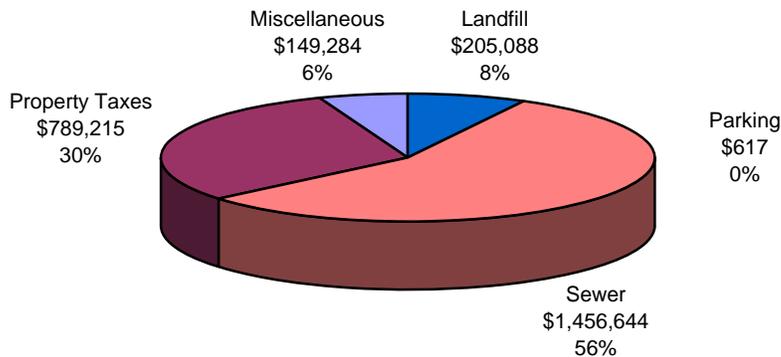
This Accounts and Loan Receivable Report covers the first quarter ended September 30, 2009. The purpose of this report is to identify the various types and amounts of receivables, discuss the City's various collection efforts and provide an estimate of receivable collectability. Total Accounts and Loans Receivable at September 30, 2009 are \$8,329,740, broken out as follows:

#### Accounts Receivable and Loan Receivable Report For Quarter Ended September 30, 2009



Accounts Receivables are generated from routine services provided to City residents and from taxes, licenses and fees. Loans and Lien Receivables are special payment arrangements created for specific individuals within the community. Details of each type will now be discussed in detail by type.

#### Accounts Receivable For Quarter Ended September 30, 2009 (Excludes Loans and Special Assessments)

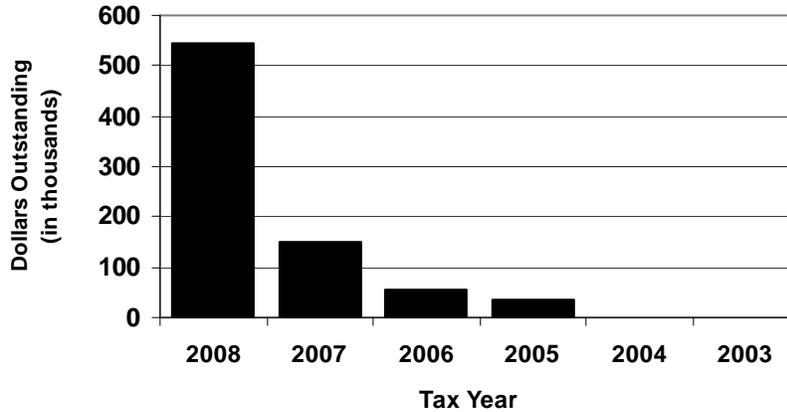


The Accounts Receivable graph above excludes CDBG loans and Special Assessments receivables due to the varying factors. CDBG loans are spread out over 30-40 years, leaving most of the receivable due into the future and not past due. Special Assessments are liens upon property which are assumed uncollectible at the point of issuance due to the nature of the lien.

## FIRST QUARTER FY2010 FINANCIAL REPORT

**Property Tax receivables** (30%), (shown below) include the receivables for tax years 2008 & prior. As of September 30, 2009, property tax receipts total \$215,274, compared to \$275,916 for all funds in fiscal year 2009. This is a twenty-one and nine-tenths (21.9%) percent decrease over the same period in fiscal year 2009.

**Property Taxes Receivable  
as of Sept 30, 2009**

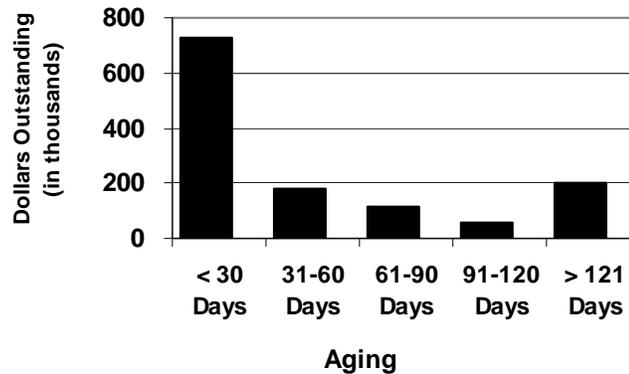


The City 2009 tax levies were set on August 24, 2009 at \$1.1240 per \$100 valuation. The reduction in the levy is due to a mandatory decrease to the general tax levy of \$.0346 per \$100 valuation through passage of SB711 in August, 2008. The Buchanan County Collector will be mailing out the 2009 tax bills around November 15, 2009. With the current economic conditions, we will be closely monitoring fiscal year 2010 tax receipts.

**City Sewer Fund receivables** (56%) include City billings to South St. Joseph Industrial District, septic load processing charges, and MAWC sewer use charges. It also includes all sewer user charges billed and collected by Missouri American Water Company per Billing and Collection Agreement. The Missouri American Aging is shown below. Accounts over 90 days are turned over to their third party collection agency. Any collections are remitted to the City, less collection fees of 18-25%. These receivables are reported monthly to the Financial Services Department for recording of revenues, allowance for uncollectible accounts, and collection fees.

# FIRST QUARTER FY2010 FINANCIAL REPORT

## MAWC Sewer Account Aging As of Sept 30, 2009



As of September 30, 2009, total sewer receivables total \$1,456,644. MAWC receivables make up a majority of the receivable with \$1,284,416 remaining due, eleven and seven-tenths (11.7%). The Circuit Court case filed against Oak Mill is still in negotiations. To date, settlement offers from Oak Mill and their attorney contain too little as a down payment and spread over a lengthy period of time.

The remaining City billings total \$172,228 (11.8%), most of which is from the South St. Joseph Sewer District. Per contract, SSJSD has 45 days in which to remit payment of amounts due to the City, remaining on the receivable listing longer than most accounts. Their balance is current.

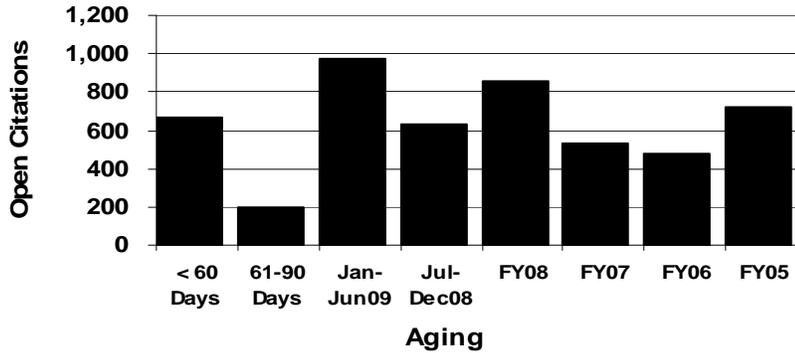
**Landfill Fund receivables** (8%) include hauler accounts set up for monthly billing and land leases approved by contract. These are billed by the Financial Services Department based upon reports provided by Landfill staff. Total billings to date are \$722,598, a decrease of \$360,166 or thirty three (33%) percent over the same period in fiscal year 2009. Total tipping fee revenues of \$311,271 represent an decrease of twenty-one (21%) percent for fiscal year 2009. Outstanding receivables, as of September 30, 2009, total \$205,088. Deffenbaugh Disposal Service monthly billings have fallen thirty-four (34%) since July, 2009.

**Public Parking receivables** (<1%) include parking permits billed for City garages. Other receivables include parking citations outstanding recorded in the Parking Access database, but amounts due remain uncertain due to requests for dismissal, those protested in Municipal Court, etc. A total of 2,662 parking citations have been written this fiscal year – 1,905 by public parking staff, 755 written by police officers and two by fire inspectors.

Most revenues collected in the Parking Fund are not included as a receivable due to the possibility of parking tickets being protested, requesting a trial in court, etc. Revenue is recognized when received. To date, total parking fine revenues are \$47,482, of which \$40,610 (85.5%) are fines remitted directly to the City and from collection letters generated by Financial Services. Municipal Court summons have resulted in the remaining \$6,872 (14.5%). A total of 2,119 collection letters have been mailed this quarter and 12,124 citations remain open at the end of the period. The aging of these citations is shown in the table above.

# FIRST QUARTER FY2010 FINANCIAL REPORT

**Aging Open Parking Citations  
as of Sept. 30, 2009**



The Parking Fund has now lost its major contributor, Family Guidance to the monthly permit revenue for FY09 and prior. To date, a replacement of this revenue source has not been found. The Parking Fund continues to receive one half of the motor vehicle fees collected by the Buchanan County Collector and the \$1 fee added to Ticketmaster events at the Civic Arena to assist in parking lot maintenance fees in fiscal year 2009.

**Miscellaneous Receivables (6%)** of the Receivables above are billed by Financial Services. Miscellaneous billings include:

General Fund - LEC charges, fire district contracts, and Administrative fees for Chapter 100 bonds, Heartland Health and Buchanan County shared expenses for maintenance of the communication system; franchise taxes and PILOT taxes due per Chapter 100 agreements;

SIM & R Fund – Street/utility cuts, culvert pipe purchased for installation;

PRCF – Horace Mann monthly leases, Hockey Club and Figure Skating Club ice rentals;

Public Health Department – Birth/Death certificate monthly billings, monthly pound fees for area cities, and Buchanan County Health Contract;

Special Allocation Fund – Invoices sent to Buchanan County for County portion of EATS sales tax;

Aviation Fund – Monthly hangar leases, land leases, monthly Airport Café lease;

Mass Transit Fund – Bus station lease, State of Missouri bus passes purchased; franchise taxes;

Payroll Fund – Retiree and Cobra insurance billings.

Municipal Court and Business Licenses/Permits are also miscellaneous receivables, but not included in the total. Most of these billings are unknown at the time of billing – business licenses because many are based upon gross receipts and Court citations because defendants must have their due process in Court.

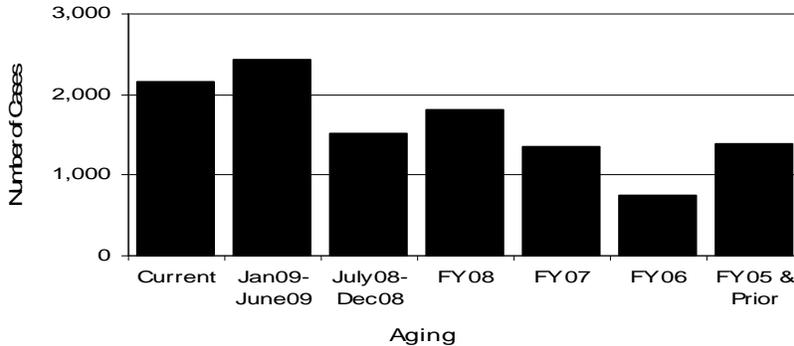
Municipal Court receivables are recorded in the INCODE Court software. Open citations as of September 30, 2009 total 11,421 a decrease of 884 from the previous quarter. Court staff regularly review these citations in regard to collectibles and cases are closed in the proper, timely manner. Court staff remit monthly filling and collection reports to the State of Missouri, keeping the remittance rate at 100%. Our Municipal Court is held in high regard at the State for this accomplishment.

The table on the next page shows the aging of open cases. As of September 30, 2009, court fines and fees collected total \$323,990, compared to \$356,453 for the same period in fiscal year 2009, a nine (9%) percent decrease. City retained Court revenues are \$275,676

## FIRST QUARTER FY2010 FINANCIAL REPORT

compared to \$304,187 in fiscal year 2009, a nine and four-tenths (9.4%) percent decrease. The citations filed for FY2010 total 4,560, compared to 5,638 for FY2009.

**Municipal Court Open Cases  
As of Sept 30, 2009**



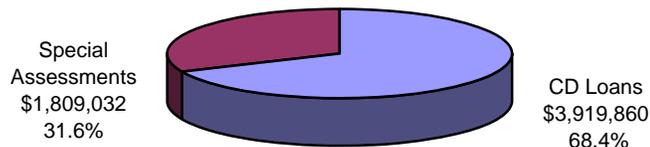
Annual licenses, permits and inspections for business activity are billed and collected by the Customer Assistance Department and recorded in Permits Plus Software when received. A total of 937 new and temporary business licenses and permits have been issued since May 1, 2009, the new billing cycle. The distribution of all new business permits and licenses issued are broken down by type below:

### Business Licenses and Permits By Type Fiscal Year 2010

FY10 Type			YTD	YTD
	New	Temporary	FY10 Revenue	FY09 Revenue
Liquor licenses	23	38	\$6,583	\$3,530
Health permits	54	92	\$9,910	\$10,191
Alarm permits	102	23	\$7,276	\$4,290
Fire Inspection permits	39	10	\$34,505	\$32,960
Trade Licenses	117	9	\$71,634	\$64,148
Business licenses	411	19	\$174,483	\$101,567
<b>Totals</b>	<b>746</b>	<b>191</b>	<b>\$304,391</b>	<b>\$216,686</b>

Collection efforts continue for the expired business licenses due on June 30, 2009. To date, these efforts include the original renewal application and a delinquent letter. Courtesy phone calls and a summons to Municipal Court will be forthcoming for those failing to renew. To date, 401 of those business licenses remain expired.

**Loan & Special Assessment Accounts Receivable  
As of Sept 30, 2009**



**Lien & Special Assessment receivables** (31.6%) total \$1,809,032 include demolition liens (\$1,056,861), general code violations for weed and trash liens (\$716,070), and street

## FIRST QUARTER FY2010 FINANCIAL REPORT

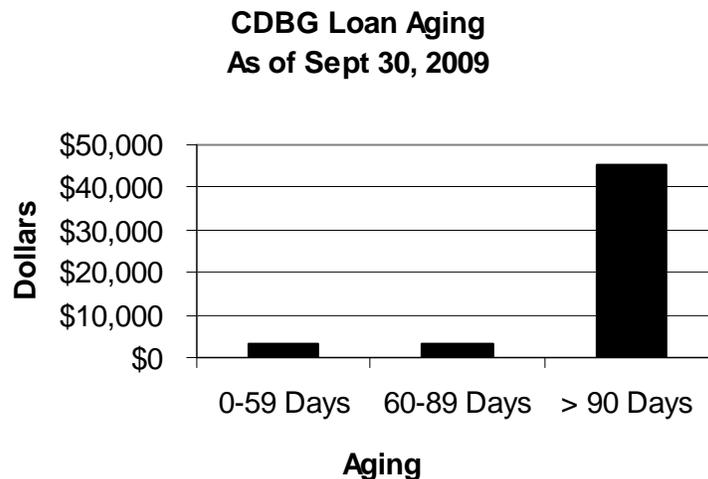
and sewer improvement/use liens (\$36,101). Demolition and weed and trash liens are billed and collected by the Customer Assistance Department, with payment arrangements available on demolition liens up to a ten (10) year period in which to pay back the City. Sewer Improvements and Street Special Assessments are billed and collected by the Financial Services Department.

Accounts deemed to be collectable may be pursued through additional collection letters and, if necessary, lawsuits filed in Buchanan County Circuit Court as a personal debt of property owners. Inspectors continue to be issue summons to Municipal Court for violations. The City requests restitution for any costs incurred in cleanup of the property. Amounts paid by the defendant include fines for non-compliance and any City restitution for that particular violation.

Fiscal Year 2009 year-to-date collections for all liens total \$29,823, compared to \$34,528 or a decrease of \$4,705 (13.6%) for the same period in fiscal year 2009. There have been fewer cases filed in Circuit Court cases compared to fiscal year 2009.

**Community Development (C.D.) Loan receivables** (68.4%) are low-interest loans made to low and moderate income residents under regulations promulgated by the Federal Department of Housing and Urban Development (HUD). These loans vary in length from 15 to 40 years. Although total loans outstanding are \$3,919,860, slightly over one percent (1.3%) or \$51,889 are principal and interest past due.

The Accounting Division, in the Financial Services Department, bills and monitors these accounts. The C.D. Loan Committee, comprised of Financial Services, Community Development and Legal staff, meet monthly to discuss accounts with balance portions greater than 30 days delinquent and decide upon the collection measures to be used, from general collection letters to foreclosure if necessary. The number outstanding accounts and loan amounts due vary by type and are listed below.



## FIRST QUARTER FY2010 FINANCIAL REPORT

### PURCHASE ORDERS (CONTRACTS) BETWEEN \$5,000 AND \$25,000

#### COMMENTARY

The City's purchasing policy allows the City Manager to approve contracts between the amounts of \$5,000 and \$25,000. The following lists those contracts issued in the first quarter of Fiscal Year 2008 between those limits.

7/2/2009	Aerial FX Inc	\$ 10,000.00	4th of July Fireworks Display Strike Ultra (4) 1 Liter	Parks
7/6/2009	Adapco	\$ 10,825.00	Containers	WPC
7/7/2009	HeavyQuip	\$ 17,610.70	Track Bolts, Nuts & Rollers	Landfill
7/17/2009	Paving Maintenance Supply	\$ 8,464.50	Yellow & White Fast Drye Paint	Streets
7/21/2009	World Wide Technology	\$ 5,415.25	Catalyst 3750 & SmartNet	IT
7/24/2009	Greg Buick	\$ 5,883.27	Vehicle Repair	Police
7/29/2009	Laser Technology Inc	\$ 5,685.42	3 LT1 20/20 TruSpeed	Police
7/29/2009	RoadBuilders Machinery	\$ 5,939.97	Idler Assembly & Idle Arm Demolition & Cleanup 524-	Landfill
7/29/2009	Dick Bowman	\$ 7,200.00	524 1/2 S 9th Type 1 Barricades	PM
8/4/2009	Safety Products, Inc.	\$ 7,523.76	Steel/Wood	Streets
8/6/2009	St Joe Boot Company	\$ 11,309.13	Work Boots	Streets
8/10/2009	Rolling Hills Auto Plaza Midway Ford Truck	\$ 22,646.00	2009 Nissan Quest	Transit
8/10/2009	Center Inc Sportworks Northwest	\$ 23,379.00	2009 Ford F350 Pickup (21) SS NP Bicycle Rack Kits	Transit
8/12/2009	Inc.	\$ 9,541.88	& Parts	Transit
8/12/2009	Crail Tire Service Inc. Computerized Fleet	\$ 11,900.00	2008 Pontiac Grand Prix Upgrade CFAWin96 to	Police
8/18/2009	Analysis Mid Valley Chrysler	\$ 11,175.00	Version 8	Transit
8/18/2009	Dodge Jeep	\$ 21,947.00	17' Jon Boat, Motor & Trailer Demolition & Cleanup 1127	WPC
8/20/2009	Miller Construction	\$ 6,235.00	Powell	PM
8/20/2009	Glen Davenport	\$ 16,200.00	1810 Highly Remove Tree/Repair Walk	PM
8/20/2009	H L Sinkhorn & Sons Inc	\$ 8,035.00	2516 Felix Remove Tree/Repair Walk	PM
8/20/2009	Carrier Corporation	\$ 5,244.48	Motors, Controller & Filters	Parks
8/21/2009	Bob Dorton	\$ 20,959.00	417 N 19 Remove Tree/Repair Walk	PM
8/24/2009	Hach Company	\$ 17,619.84	(3) Automatic DO Probes for Clarifier	WPC
9/3/2009	Daves Diesel Service Logan Contractors	\$ 13,563.78 \$ 10,392.00	Engine Replacement Detectable Warning System	Transit
9/4/2009	Supply Inc	\$ 5,800.00	ADA Panels	WPC
9/4/2009	Bontrager Shop Computer Networks		(2) 17 HP DR Field & Brush Mower	PM
9/8/2009	Solutions	\$ 19,174.00	Video Surveillance System	Transit
9/9/2009	Glen Davenport	\$ 18,293.00	Repairs to 1821 Jules	CD
9/16/2009	Lee Mathews Equipment Co	\$ 14,857.00	Piping for 12" Pump	WPC
9/18/2009	Aquaterra Environmental	\$ 6,000.00	Tier 1 Environmental Review for NSP	CD
9/21/2009	KCR International	\$ 9,999.99	Remove/Replace Rear	Streets

## FIRST QUARTER FY2010 FINANCIAL REPORT

	Trucks		Housing/Differential	
9/28/2009	Altec Industries Inc	\$ 6,475.22	Repair Boom Truck w/Aerial Lift Bucket	Street
9/30/2009	Ed Roehr Safety Products	\$ 12,218.10	Yellow/Silver Grip Plates w/Blade Tech	Police

\*\* Does not include purchase orders issued for the following:  
Community Development Rehab Loan Projects  
Gasoline Purchases  
Price Agreements  
Work Orders for Professional Services approved by a Master Agreement

# FIRST QUARTER FY2010 FINANCIAL REPORT

## ROUTINE BUDGET TRANSFERS

### COMMENTARY

Routine Budget Transfers are allowed under "Administrative Code Sec. 2-1052. Budget Transfers. (abridged & supplemented)" The following statement appears on the Routine Budget Transfer Form.

1. There will be no budget transfers without council authorization from/to salary & wage line items from/to other budget line items....Transfers shall be allowed within these line items.

[If the request is transferring from/to salary line items from/to non salary line items....a budget amendment ordinance is required.]

2. There will be no budget transfers without council authorization from/to employee benefits line items from/to other budget line items ...with the exception of uniform allowance, car/mileage allowance and conference/training/travel.

[If this request is transferring from/to benefit line items from/to non benefit line items...a budget amendment ordinance is required.]

3. There will be no transfers without council authorization from capital outlay line items with the exception that once budget approved capital items are purchased and there are funds remaining, these funds can be transferred. Capital items which have not been approved by the council in the budget and which exceed \$5,000, must receive council approval before they are purchased.

[If this request is transferring from a capital line item to any other line item and all budgeted capital items have not been purchased....a budget amendment ordinance is required. (Please indicate if all items have been purchased.)

[If this request is for the purchase of an unbudgeted capital item exceeding \$1,000, even though there are sufficient budgeted funds....you'll need to prepare a budget amendment ordinance.]

The following report reflects routine budget transfers for the first quarter FY2010, sorted by Fund and Department. Most transfer forms contain several transactions. This is why there can be several lines of adjustments for each Transfer Number. The transfer number is an ID entered by staff when transfers are processed.

The major reason for the transfer is labeled with a short description. When there are multiple transfers per form, any amount over \$1,000 has a notation of the item being increased.

<u>Transfer Number</u>	<u>Object</u>	<u>Expenditures Decrease</u>	<u>Object</u>	<u>Expenditures Increase</u>	<u>Comments</u>
<b>001- GENERAL FUND</b>					
<b><u>14 - Legal</u></b>					
BT011	1305	(140.00)	1365	140.00	LEGAL DEPT FAX MACHINE
<b><u>26 - Customer Assistance</u></b>					
BT024	1410	(13,000.00)	1305	3,000.00	GIS DEVELOPMENT
			1365	10,000.00	
<b><u>97 - Non Departmental</u></b>					
BT018	1375	(75,600.00)	1495	75,600.00	TROLLEY BUILDING

## FIRST QUARTER FY2010 FINANCIAL REPORT

### 101- SIMR FUND

BT027	1630	(282.00)	1620	282.00	TWO TRAFFIC VEHICLES
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### 398 - CIP Sales Tax FUND

BT025	1720	(2,480.00)	1410	2,480.00	QUIET ZONE SURVEY
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BT021	1720	(105,759.00)	1740	105,759.00	18TH STREET BRIDGE
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### 420- Sewer FUND

BT010	1484	(38,004.00)	1470	38,004.00	EMERGENCY PUMP
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### 430 - Municipal Golf FUND

BT001	1468	(3,600.00)	1365	3,600.00	4 CYCLE GOLF CART
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### 460 - Mass Transit FUND

BT019	1498	(190,000.00)	1410	190,000.00	WORK COMP PREMIUM
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### 470 - Landfill FUND

BT028	1640	<u>(8,664.00)</u>	1730	<u>8,664.00</u>	SAND FOR NEW LINER CONSTRUCTUION
		\$(437,529.00)		\$ 437,529.00	

# FIRST QUARTER FY2010 FINANCIAL REPORT

## VENDOR SERVICE CONTRACTS BY DEPARTMENT COMMENTARY

The report below lists all of the existing vendor contracts with the City. They are listed in order of current year expiration date.

Service	Service Provider	Orig Cntrct Prds	Orig Ext Periods	# of Ext. Left	CY Contract Ext Expires	Final Ext Exp	Advertise Date Approx.	Date RFP Due Approx.	Dept
Farmland Lease	Bryan Paden Wathena, KS	5	0	0	Oct-2009	Oct-2009	Jul-2009	Aug-2009	AV
Professional Design Services -Landfill	SCS Engineers Overland Park, KS	1	4	0	Oct-2009	Oct-2009	Aug-2009	Sep-2009	PW
Removal of Roots in Sewer Lines	Duke's Root Control, Inc. Syracuse, NY	1	2	2	Nov-2009	Nov-2011	Aug-2011	Sep-2011	PW
Golf Professional	Mike Habermehl St. Joseph	1	5	0	Dec-2009	Dec-2009	Sep-2009	Oct-2009	PR
Professional Engineering Services - WPC	Black & Veatch Corporation Kansas City	1	4	4	Dec-2009	Dec-2013	Aug-2013	Aug-2013	PW
Realty Services	Reece & Nichols Ide Capital Realty St. Joseph	1	3	3	Dec-2009	Dec-2012	Aug-2012	Sep-2012	CW
Liability Insurance	MOPERM CBIZ BCKW St. Joseph	1	Annual Renew	Annual Renew	Dec-2009	0	None	None	HR
Primary Care for Workers Comp Injuries	OHS - COMPCARE St. Joseph	3	0	0	Dec-2009	Dec-2009	Oct-2009	Nov-2009	MT
Construction Administration Services	Bartlett & West, Inc. St. Joseph	1	5	4	Jan-2010	Jan-2014	Sep-2013	Oct-2013	PW
Consultant	CBIZ/BCK&W St. Joseph	1	3	1	Jan-2010	Jan-2011	Oct-2010	Nov-2010	HR
Copier Rental	Brown Mannschreck Imaging St. Joseph	1	3	1	Apr-2010	Apr-2011	Nov-2010	Dec-2010	FS
Elevator Maintenance	ThyssenKrupp Lenexa, KS	1	2	0	Apr-2010	Apr-2010	Jan-2010	Jan-2010	PH
On Call-Architectural	Goldberg Architects St. Joseph	1	3	0	Apr-2010	Apr-2010	Dec-2009	Jan-2010	PW
Professional Asbestos Verification & Analysis	Asbestos Consulting & Testing Lenexa, KS	1	3	3	May-2010	May-2010	Mar-2010	Apr-2010	PM
Procurement Cards	Commerce Bank Kansas City	1	4	3	Jun-2010	Jun-2013	Feb-2013	Mar-2013	FS

## FIRST QUARTER FY2010 FINANCIAL REPORT

Long Term Disability	CIGNA Overland Park, KS	2	1	0	Jun-2010	Jun-2010	Mar-2010	Mar-2010	HR
Police Pension Administrative Svcs	Citizens Bank and Trust Maryville, MO	1	4	2	Jun-2010	Jun-2012	Mar-2012	Apr-2012	FS
Workers' Comp Excess Insurance Greater than \$350,000 per claim	Safety National Casualty Co. Brokered by Thomas McGee, L.C.	1	0	0	Jun-2010	Jun-2010	Mar-2010	May-2010	HR
Property Insurance	Great American Insurance CBIZ BCK&W St. Joseph	1	0	0	Jun-2010	Jun-2010	Mar-2010	May-2010	HR
Airport Liability Insurance	ACE Property & Casualty CBIZ BCK&W St. Joseph	1	Annual Renewal	Annual Renewal	Jun-2010	0	None	None	HR
Construction and Design Related Issued	Seigfreid, Bingham, Levy, Selzer & Gee, P.C. Kansas City	6	0	0	Jun-2010	Jun-2010	Feb-2010	Mar-2010	L
Employee Dental	Ameritas Group Lincoln, NE	1	2	1	Jun-2010	Jun-2010	Jan-2010	Feb-2010	HR
Land Lease Agreement Rosecrans Airport	Life Net Air Medical Service St. Joseph	1	4	4	Jun-2010	Jun-2014	Feb-2014	Mar-2014	AV
Surveying Services	Midland Surveying St. Joseph	1	4	2	Jul-2010	Jul-2012	Mar-2012	Apr-2012	PW
Employee Health	Blue Cross Blue Shield of KC St. Joseph	1	1	0	Jul-2010	Jul-2010	Feb-2009	Mar-2009	HR
Transit Long Term Disability	CBIZ/BCK&W Agent, for Hartford Ins St. Joseph	2	0	0	Aug-2011	Aug-2011	Jul-2011	Jul-2011	MT
Temporary Labor	The Staffing Center St. Joseph	1	2	0	Aug-2010	Aug-2010	May-2010	Jun-2010	PR
Temporary Labor	ADECCO Employment Svcs St. Joseph	1	2	0	Aug-2010	Aug-2010	May-2010	Jun-2010	PR
Temporary Labor	IMKO Staffing St. Joseph	1	2	0	Aug-2010	Aug-2010	May-2010	Jun-2010	PR
Airport Café	Don Leupold St. Joseph	3	2	1	Sep-2010	Sep-2011	May-2011	May-2011	AV
Transit Advertising Signs	Houck Transit Advertising St. Paul, MN	5	0	0	Sep-2010	Sep-2010	Jun-2011	Jul-2011	MT

## FIRST QUARTER FY2010 FINANCIAL REPORT

Transit vehicle and General Liability Ins. Uniforms	CBIZ/BCK&W St. Joseph	1	0	0	Sep-2010	Sep-2010	Jul-2010	Aug-2010	MT
	Walker Towel & Uniform Kansas City	1	3	0	Oct-2010	Oct-2010	Jul-2010	Aug-2010	FS
Transit Dental Insurance	CBIZ/BCK&W Agent Delta Dental Ins, St. Joe	2	0	0	Dec-2010	Dec-2010	Oct-2010	Nov-2010	MT
Transit Pension Actuarial Services	CBIZ Benefits & Insurance Cumberland, MD	3	0	0	Dec-2010	Dec-2010	Oct-2010	Nov-2010	MT
Police Pension Actuarial	Defined Benefits Savannah Mo	5	0	0	Dec-2010	Dec-2010	Oct-2010	Nov-2010	FS
Transportation Planning Services	URS Corp Minneapolis, MN	3	0	0	Apr-2011	Apr-2011	Dec-2010	Jan-2011	PW
Transit Pension Trustee Service	US Bank Institutional Trust Roeland Park, KS	3	0	0	May-2011	May-2011	Mar-2011	Apr-2011	MT
Transit Life & AD&D Insurance	CBIZ/BCK&W Agent for EMC Ins St. Joseph	2	0	0	Sep-2011	Sep-2011	Jul-2011	Aug-2011	MT
Transit Transfer Center Lease	Jefferson Partners Minneapolis, MN	5	0	0	Sep-2011	Sep-2011	Jul-2011	Aug-2011	MT
MO. ANG	Mtce/Ops Lease (Joint Use Agmt) Land Lease St. Joseph	5	0	0	Sep-2011	Sep-2011	None	None	AV
Legal Services Environmental Issues	The Sessions Law Firm Kansas City	4	0	0	Dec-2011	Dec-2011	Sep-2011	Oct-2011	L
Legal Services Labor and Employment Law	The Lowenbaum Partnership, LLC St. Louis, MO	5	0	0	Jun-2012	Jun-2012	Feb-2012	Mar-2012	L
Mapping -GIS	Midland GIS Maryville, MO	4	0	0	Jul-2012	Jul-2012	May-2012	May-2012	PW
Soft Drink Concessions - Civic Arena	Cadbury Schweppes Bottling St. Joseph	5	0	0	Jan-2013	Jan-2013	Sep-2012	Oct-2012	PR
FAA	ATC & Airway Facilities Sector Office FAA Logistics Branch KCMO	5	0	0	Jan-2013	Sep-2013	Jun-2013	Jul-2013	AV

## FIRST QUARTER FY2010 FINANCIAL REPORT

TIF Advisory & Bond Counsel (Economic Development)	Williams & Campo, P.C. Lee's Summit, & King Hershey, P.C. Kansas City	5	0	0	Jun-2013	Jun-2013	Feb-13	Mar-13	L
Transit Management Services	First Transit Cincinnati, OH	5	0	0	Jun-2013	Jun-2013	Jan-2013	Mar-2013	MT
Legal Services Planning and Zoning Issues	Williams & Campo, P.C. Lee's Summit	6	0	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	L
Legal Services Planning and Zoning Issues	Cunningham, Vogel I& Rost, P.C. St. Louis, MO	6	0	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	L
Express Flight, Inc	FBO Gary Patterson St. Joseph	10	0	0	Jan-2014	Jan-2014	None	None	AV
MO. ANG	Drop Zone Land Lease St. Joseph	5	1 (5 Years)	0	Jan-2014	Jan-2014	None	None	AV
Legal Services Regulatory Issues	William D. Steinmeier, P.C. Jefferson City	7	0	0	Jun-2014	Jun-2014	Feb-2014	Mar-2014	L
Utility Related Issued	Cunningham, Vogel & Rost St. Louis, MO	5	0	0	Jun-2014	Jun-2014	Feb-2014	Mar-2014	L
FAA	Master Site Lease St. Joseph	20	0	0	Sep-2023	Sep-2023	None	None	AV
Herzog Contracting Company Land Lease	Flight Department St. Joseph	50	0	0	Jul-2043	Jul-2043	None	None	AV
BMS Land Lease	Dan Bayer 100 N. Airport Road	99	0	0	Oct-2067	Oct-2067	None	None	AV
C-1 Aircraft Hangar	Bill Brown St. Joseph	Month to Month Lease	0	0	Month to Month Lease	Mnth to Mnth	None	None	AV
MiHo Property Lease	Reddick Farms, Inc. DeKalb, MO	1	On-going 30 days written notice to cancel by either party	0	None	None	None	None	PL

## FIRST QUARTER FY2010 FINANCIAL REPORT

Recycling Services	RSP, Inc. St. Joseph, MO	1	Same as above	0	None	None	Will bid when Cntr re-opens	None	PW
Drug & Alcohol Testing	Heartland Occupational Medicine St. Joseph	1	Annual Renew	Annual Renew	Ongoing Contract Requires 30 Day Written Notice of Cancellati on Last Bid in 1997	0	None	None	HR
Work Comp Initial Treatment Services	Heartland Occupational Medicine St. Joseph	1	Annual Renew	Annual Renew	Same as above	0	None	None	HR
Workers' Compensation Actuary	Towers Perrin - Tillinghast Minneapolis MN	1	Annual Renew	Annual Renew	Same as above, Last Bid in 2000	0	None	None	HR
City Health Officer	Sharon Waggoner, MD St. Joseph	1	Annual Renew	Annual Renew	Renewal automatic unless 60 days written notice prior to annvrsry date. Approved by Council in 1977	0	None	None	PH

**TIF PROJECT UPDATES**  
for Quarter Ended Sept. 30, 2009

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PROJECTIONS - 1st Qtr PILOTS		SALES TAX PROJECTIONS - 1st Qtr EATS		MORE THAN/ (LESS THAN) TREND
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		ORIGINAL	ACTUAL	ORIGINAL	ACTUAL	
<b>North Shoppes - Phases 1 &amp; 2 of North County TIF district. Approved August 2003. Developers-Bob Johnson, RED Development, Buchanan County</b>	IDA Issued Bonds - Paid off in 2028	646,000 square foot shopping center. Except for one pad site, center is complete and fully operational. Buchanan County still has several projects to complete - sidewalks, Green Acres cul-de-sac, etc.  Reimbursable costs included Northridge Sewer extension, four lane parkway through the development, sidewalks and landscaping throughout the project, façade enhancements, extraordinary grading to prepare the site, stormwater lagoon, Green Acres repaving and cul-de-sac, pedestrian sidewalks on and off-site.	\$24,285,415	\$25,522,391	\$35,884,772	\$38,217,335	\$34,086,629	\$1,104,480	\$0	\$2,131,640	\$485,219	(\$2,750,901)  Sales Tax revenues - 9.4% over fiscal year 2009 actual.
<b>Stockyards Redevelopment (Triumph Foods,LLC). Approved October 2003.</b>	MDFB Issued Bonds - Paid off in 2025	550,000 square foot pork processing facility. Total investment approximately \$130 million. Fully operational. Current employment - 2,722.	\$7,000,000				\$6,766,097	\$657,020	\$0	\$40,000	\$0	(\$697,020)  Triumph donates \$100,000 to SJSD for five years; \$25,000 to SJPD for three years; \$50,000 annually to United Way. Keep their headquarters in SJ or pay City \$1 million.
<b>3rd Street Hotel Development (Holiday Inn) Approved January 2004. Developer: HISJ Holdings LLC</b>	Pay-as-you-go 10-12 years to pay out  Developer created TDD to help generate revenues.	Renovation of 170-room hotel to regain Holiday Inn franchise; restaurant conversion for nationally franchised restaurant; landscaping improvements; parking & exterior lighting improvements. Completed except for exterior façade improvements.	\$2,700,000  \$2,500,000 certified. \$200,000 withheld for façade.				\$1,014,098	\$116,980	\$0	\$132,600	\$14,045	(\$235,535)  Revenue decline due to delinquent reporting by HISJ Holdings and economic conditions. City amounts due current. Under payment arrangements with Mo Dept of Revenue.

**TIF PROJECT UPDATES**  
for Quarter Ended Sept. 30, 2009

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PROJECTIONS - 1st Qtr PILOTS		SALES TAX PROJECTIONS - 1st Qtr EATS		MORE THAN/ (LESS THAN) TREND	
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		ORIGINAL	ACTUAL	ORIGINAL	ACTUAL		
<b>Tuscany Towers - Phase 1 TIF Plan only Approved September, 2005. Project yet to be approved. Developer: JSC Development</b>	Pay-as-you-go 23 years after revenue generation begins	Phase 1 - development of 175,000 sq feet of restaurant, hotel, bank/office, and lifestyle retail use. Reimbursement for new lift station and extension of force mains along east side of I-29 to Cook, extended to Corinth subdivision; extending water service and other utilities; stormwater system; and US169 road/intersection improvements. Much of the infrastructure work complete. No buildings constructed or tenants announced as yet.	\$5,549,042				\$0	\$0	\$0	\$0	\$0	\$0	N/A
<b>EBR/HHS Development Approved October 2005 Developers: EBR Enterprises &amp; HHS Properties</b>	Pay-as-you-go	13.2 acres at intersection of Blackwell Rd & Belt Highway. A mixture of retail and office space. Reimbursable expenses for retaining walls, storm water detention, street lighting, sidewalks, Cronkite Road improvements, landscaping, etc. Three restaurants and office/medical bldg now open. HHS Properties now leasing.	\$3,297,232	\$5,529,620			\$307,288	\$117,387	\$0	\$110,500	\$27,342		(\$200,545)
				Add'l phases plus overages on site work. Approved SO 7045-3/26/07			Costs certified to date - \$2,415,311.15 EBR - \$1,387,061.13 HHS - \$ 1,727,002		Taxes billed around November 15th annually. Unless protested, the taxes should be received by February 15,		Total projected EATS \$167,700 - EBR (70%) - \$117,387. City infrastructure (30% of EATS) - \$47,360		
<b>Uptown Redevelopment District - Project A Approved March 2005 Developer: St. Joseph Redevelopment Corp.</b>	Pay-as-you-go 23 years	Demolition of old Heartland Hospital west in order to provide a developable area.  Discussions with developer - demolition costs as well as costs related to developing the plan would be reimbursed, however no formal written agreement exists as yet to this effect. Amount would be approx. \$3,072,071 minus any federal grants received for this phase.	See cell under project status description				\$0	\$0	\$0	\$0	\$0	\$0	No construction on project as yet

**TIF PROJECT UPDATES**  
for Quarter Ended Sept. 30, 2009

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PROJECTIONS - 1st Qtr PILOTS		SALES TAX PROJECTIONS - 1st Qtr EATS		MORE THAN/ (LESS THAN) TREND
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		ORIGINAL	ACTUAL	ORIGINAL	ACTUAL	
<b>Mitchell Avenue Corridor</b> Approved June 2006 Developer: American Family Insurance Company	Pay-as-you-go 23 years	In order to serve an expanded AFI building and to improve access to the entire TIF district, a new gravity flow sewer was installed and improvements to Mitchell Avenue are being completed. Improvements benefit AFI, Mo Western University, and any future development along the Mitchell Avenue Corridor.	\$3,974,270	\$5,272,673			Bonds \$4,103,755.39 Pay as you go \$162,673	\$380,070	\$0	\$1,800	\$0	(\$381,870)
				Approved by SO 7224 on 12/3/07/bond issuance per SO7361 on 5/19/08.					Taxes billed around November 15th annually. Unless protested, the taxes should be received by February 15, 2010.		Franchise Tax EATS only to be allocated in March, 2010.	
<b>Uptown Redevelopment - Ryan Block Project</b> Approved December 2006 Developer: Olin Cox	Pay-as-you-go 23 years	The first project within the Frederick Avenue TIF District established under the Uptown Redevelopment umbrella. The developer intends to rehab two buildings, 1137-1141 Frederick into 3300 sq ft of commercial space below and 6,600 sq ft of apartments on top two floors. The bldg at 1125 Frederick will be demolished to provide a parking lot. Reimbursable costs include lot paving, upgrades to renovations, & facade improv.	\$317,767				\$0	\$0	\$54	\$0	\$0	\$54
							No reimbursement request has been submitted.		Assessor adjustment caused small amount of revenue for tax year 2008.	No activity.		No reimbursement request has been submitted.
<b>East Hills Redevelopment Project</b> - TIF Approved Dec, 2007 - Redevelopment Agreement Approved 1/3/08	Currently Pay As You Go Proposed Bond Issuance.	Project to include remodel exterior of JC Penney's, Sears and Dillards. Also includes remodel of three mall entrances, lifestyle center, a new big box store, renovation of existing tenant spaces. Public infrastructure improvements includes traffic signals at Belt & Frederick, Frederick & Sherman. crosswalk signals, upgrade existing right-of-way, public bus stop. The project also will address underground storm water concerns.	Total Reimbursable Costs - \$45,113,678  Per SO7242 passed 1/3/08.	Total Reimbursable Costs - \$46,539,416 with \$30,897,042 TIF & \$15,642,374 from proposed CID  Per SO7279 passed 2/11/08.			East Hills TIF - \$250,070 East Hills CID - \$280,076  TIF Costs Certified to Date: \$18,107,917 CID Costs Certified to Date: \$13,493,986	\$541,036	\$0	\$204,580	\$72,378	(\$673,238)
									Taxes billed around November 15th annually. Unless protested, the taxes should be received by February 15, 2010.	CID sales tax (1%) approved effective 10/1/08 - to generate \$15,642,374 for project costs. Franchise tax EATS - \$3,000. Projected CID sales tax share \$165,000.	To date, only CID revenues included as East Hills has not generated EATS above the \$1.4M base.	

**TIF PROJECT UPDATES**  
for Quarter Ended Sept. 30, 2009

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PROJECTIONS - 1st Qtr PILOTS		SALES TAX PROJECTIONS - 1st Qtr EATS		MORE THAN/ (LESS THAN) TREND
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		ORIGINAL	ACTUAL	ORIGINAL	ACTUAL	
<b>Cook Road Corridor Redevelopment Project</b> Approved March 24, 2008 Developer: Greystone Partners Land Development, LLC	Sewer Revenue Bonds/ Sewer Connection Fees	Project to include: (1) residential subdivision on approximately 185 acres of land into over 350 single family and townhouse housing units; (2) construction improvements to Cood Road resulting in three-lane section, concrete curb and gutter, stormwater drainage and raised grass medians; (3) construction of sanitary sewer system improvements including sewer lines, a new pump station and gravity sewer main and (4) construction of 12 inch water line from Cook Road to Woodbine Road.	\$4,781,786				\$2,187,774  \$2,273,659 - Certified to Date	\$0	\$0	\$0	\$0	\$0  Other revenue source - \$500 sewer connection fee assessed per property. To date, \$4,500 disbursed to developer.
<b>Developer Agreement - The Commons</b> Approved July, 2007 Developer: Earthworks Excavation Company	CID Bonds	Project to include development of 612,780 square feet of retail and office space upon 73 acres of land at intersection of Interstate 29 and South 169 Highway. Under construction.  Commons Community Improvement District (CID) Cooperation Agreement approved per SO7256 (1/14/08). Yet to establish CID tax rate. Approval of bond issuance approved per SO 7257 (1/14/08).	\$6,503,977  City reimburseable \$5,754,977.36 CID tax to pay for \$749,000.00 per SO7255 (1/14/08).				\$525,352  All approved reimbursable costs have been submitted and approved. As of this date, CID Bonds have not been issued. CID remains inactive.	\$7,515	\$0	\$379,240	\$80,726	(\$306,029)  Sonic opened Aug, 2008. Waffle House opened Nov, 2007. King Kong and Mr. Goodcents are reportedly going into development soon.
<b>Developer Agreement - Fountain Creek</b> Approved Developer: SDG Developments, LLC & Partners	Pay As You Go	Mixed Use Project including approximately 68 acres of both commercial and residential development with a projected market value of \$45,000,000 upon development at the intersection of Mason Road and South 22nd Street.	City reimburseable \$1,815,454 per Special Ordinance No. 7420, passed 7/28/08.				\$0	\$0	\$0	\$0	\$0	