

**POCATELLO DEVELOPMENT AUTHORITY
Board of Commissioners Meeting
17 February 2010 – 11:00am**

City Hall
911 North 7th Avenue

11:00am Council Chambers

Call to order - Chairman Brown

Acknowledge guests of the Board

Disclosure of conflicts of interest

Agenda – add or delete action or discussion items

Action and Discussion Items

PRESS CONFERENCE – CLOSURE OF EAST CENTER TIF DISTRICT

Minutes of January 20, 2010 – Motion to approve and/or amend

Financial Report: January Income and Expenses

General Discussion:

Deaton & Company- Audit
Accelerois Update – Steve Yano

Executive Session:

IsoRay Response

Items from staff

Items from commission members

Adjourn

Executive Session

Matters exist for discussion in an executive session as per I.C. 67-2345 (1) (e)

Motion: "I move that we enter into an executive session as per Idaho Code 67-2345 (1) (e) to consider preliminary negotiations involving matters of trade or commerce in which the PDA may be in competition with other jurisdictions."

POCATELLO DEVELOPMENT AUTHORITY
STATEMENT OF CASH AS OF JANUARY 31, 2010

Cash in Checking	\$1,147,871.54
Cash in Savings (Wells Fargo Money Market Account)	132,890.33
Cash in held by third parties (Wells Fargo Corporate Trust)	4,789,674.06
Total cash	6,070,435.93
Cash restricted by bond covenants	-2,964,075.00
Total cash available	\$3,106,360.93

STATEMENT OF CHANGES IN CASH AND CASH EQUIVILENTS
FOR THE MONTH ENDED JANUARY 31, 2010

Receipts for the Month

CC	Property taxes received - Central Corridor	\$431,993.34
NO	Property taxes received - Naval Ordinance	\$10,587.17
NY	Property taxes received - North Yellowstone	\$528,865.76
NP	Property taxes received - North Portneuf	\$1,269.46
GF	Interest earnings on savings - Wells Fargo Managed Cash	1.13
	Interest earning on Trust Accounts - Wells Fargo Trusts	35.11
	Total receipts	972,751.97

Expenditures for the Month

# 3075	1/20/2010 CC	City of Pocatello Engineering	4,954.66
# 3076	1/20/2010 NY	Wells Fargo Corp Trust Trustee fees	2,500.00
# 3077	1/20/2010 GF	Great Harvest Bread January lucheon costs	132.05
		Total expenditures	7,586.71
		Net change in cash	\$965,165.26

Cash balances as of January 31, 2010	\$6,070,435.93
Cash balances as of December 31, 2009	\$5,105,270.67
Net change in cash	\$965,165.26

CC = Central Corridor, NY = North Yellowstone, GF = General Fund, NO=Naval Ordinance
NP = North Portneuf

POCATELLO DEVELOPMENT AUTHORITY
CASH ANALYSIS FOR THE MONTH ENDING JANUARY 31, 2010

	Balance 31-Dec-09	Balance 31-Jan-10	Change in Balance
Total Cash:			
General Fund			
Cash in checking	-\$3,778.44	-\$3,910.49	-\$132.05
Money Market Account	132,889.20	132,890.33	\$1.13
Total General Fund Cash	<u>129,110.76</u>	<u>128,979.84</u>	<u>-\$130.92</u>
Central Corridor District			
Cash in checking	7,777.91	434,816.59	\$427,038.68
Bond Trust Fund (Wells Fargo)	0.08	0.08	\$0.00
Revenue Allocation Trust Fund (Wells)	2,561,761.90	2,561,779.22	\$17.32
Total Central Corridor District Cash	<u>2,569,539.89</u>	<u>2,996,595.89</u>	<u>\$427,056.00</u>
North Yellowstone District			
Cash in checking	-31,083.10	495,282.66	\$526,365.76
Bond Trust Fund (Wells Fargo)	0.67	351,662.86	\$351,662.19
Revenue Allocation Trust Fund (Wells)	895,938.41	544,283.83	-\$351,654.58
Total Yellowstone District Cash	<u>864,855.98</u>	<u>1,391,229.35</u>	<u>\$526,373.37</u>
Central Corridor District Debt Service	650,015.09	650,019.48	\$4.39
North Yellowstone District Debt Service	681,922.80	681,928.59	\$5.79
East Center District	162,799.76	162,799.76	\$0.00
North Portneuf	41,127.85	42,397.31	\$1,269.46
Naval Ordinance Plant - Cash in checking	5,898.54	16,485.71	10,587.17
Total cash	<u>\$5,105,270.67</u>	<u>\$6,070,435.93</u>	<u>\$965,165.26</u>
Cash Restricted By Bond Covenants:			
Central Corridor Cash			
Next bond payment	950,725.00	950,725.00	0.00
North Yellowstone Cash			
Next bond payment	681,450.00	681,450.00	0.00
Central Corridor District Debt Service	650,000.00	650,000.00	0.00
North Yellowstone District Debt Service	681,900.00	681,900.00	0.00
Total restricted cash	<u>2,964,075.00</u>	<u>2,964,075.00</u>	<u>0.00</u>
Total unrestricted cash	<u>2,141,195.67</u>	<u>3,106,360.93</u>	<u>965,165.26</u>
Cash Available			
General Fund	129,110.76	128,979.84	-\$130.92
Central Corridor District	1,618,814.89	2,045,870.89	427,056.00
North Yellowstone District	183,405.98	709,779.35	526,373.37
Central Corridor District Debt Service	15.09	19.48	4.39
North Yellowstone District Debt Service	22.80	28.59	5.79
East Center District	162,799.76	162,799.76	0.00
North Portneuf District	41,127.85	42,397.31	1,269.46
Naval Ordinance Plant District	5,898.54	16,485.71	10,587.17
Total available cash	<u>2,141,195.67</u>	<u>3,106,360.93</u>	<u>965,165.26</u>

Cash movement analysis:

During January, 2010 Pocatello Development Authority received cash of \$972,751.97 and paid out cash payments of \$7,586.71 so that there was an increase in cash of \$965,165.26.

General Fund revenue received \$1.13 in interest earnings on the Money Market Account. Expenses were luncheon costs of \$132.50, The General Fund cash decreased \$130.92 in January.

The Central Corridor District received interest revenues on trust funds of \$21.71 and property taxes of \$431,993.34. The Corridor District paid \$4,954.66 to the City of Pocatello for Cheyenne Crossing engineering. The Corridor's cash increased by \$427,060.39.

The North Yellowstone District received interest revenues on trust funds of \$13.40 and property taxes of \$528,865.76. It spent \$2,500.00 to Wells Fargo for Trustee fees. The district's cash increased by \$526,379.16.

The Naval Ordinance Plant Distict received property taxes of \$10,587.17 and had no expenses.

The North Portneuf District received property taxes of 1,269.46 and had no expenses.

The East Center District had no activity.

Internal Debt:

The North Yellowstone District has borrowed \$615,514.38 from the General Fund in order to pay its commitments with the Rail Crossing. In March \$298,828.31 and in August 31,171.69 was paid back leaving a balance of \$285,514.38.

External Debt:

Consolidated Corridor District: Two payments left 2010 and 2011. Principal due \$1,770,000.00, interest due \$92,227.50, for a total of \$1,862,227.50.

North Yellowstone Distrist: Final payment due 2027. Principal due \$7,630,000.00, interest due \$5,284,875.00, for a total of \$12,914,875.00.

**POCATELLO DEVELOPMENT AUTHORITY
GENERAL FUND CASH FLOW PROJECTIONS
2010 THROUGH 2015**

YEARS ENDED	Budget 2010	YTD 2010 As of January	Remaining 2010	Budget 2011	Budget 2012	Budget 2013	Budget 2014
Previous Year Balance:	\$202,634.79	\$202,634.79	\$128,979.84	\$512,294.17	\$486,439.17	\$1,313,954.30	\$613,614.33
INCOME:							
Central Corridor Admin fee					853,370.13		
North Yellowstone Loan (finished 2010)	285,514.38		285,514.38				
Tetridyn Loan (finished 2010)	50,000.00		50,000.00				75,000.00
Shaver loan		26,719.00	-26,719.00				
Refunds and reimbursements		53.10	-53.10				
Interest Income	800.00	4.44	795.56	800.00	800.00	1,315.03	614.69
Total Projected Income:	336,314.38	26,776.54	309,537.84	800.00	854,170.13	1,315.03	75,614.69
EXPENSE:							
RDA loan payoff Naval Ordinance District						675,000.00	
Varsity Square LLC Grant		100,000.00					
Management salaries	16,625.00		16,625.00	16,625.00	16,625.00	16,625.00	16,625.00
Luncheon costs	1,320.00	401.71	918.29	1,320.00	1,320.00	1,320.00	1,320.00
Office expenses	200.00		200.00	200.00	200.00	200.00	200.00
Legal advertising	50.00		50.00	50.00	50.00	50.00	50.00
Banking and Professional services	8,460.00	29.78	8,430.22	8,460.00	8,460.00	8,460.00	8,460.00
Total Projected Expense:	26,655.00	100,431.49	26,223.51	26,655.00	26,655.00	701,655.00	26,855.00
CALCULATED ANNUAL BALANCE	\$512,294.17	\$128,979.84	\$412,294.17	\$486,439.17	\$1,313,954.30	\$613,614.33	\$662,574.02
	\$705,943.52						
	\$679,288.52						

**POCATELLO DEVELOPMENT AUTHORITY
CENTRAL CORRIDOR CASH FLOW PROJECT
2010 THROUGH 2012****

YEARS ENDED	Budget 2010	Actual 2010 As of January	Remaining 2010	Budget 2011	Budget 2012
Previous Year Balance*:	\$3,223,411.63	\$3,223,411.63	\$3,676,369.37	\$1,210,288.26	-\$63,524.60
INCOME:					
Projected Estimated Tax Revenues: ^{8,9}	1,500,000.00	457,817.27	1,042,182.73	1,500,000.00	
Taxes Received from Previous Years & yearly interest: ⁷			0.00		
South Cliffs Repayment: ¹²	196,867.85		196,867.85		
AMI Repayment (Building Owners): ¹²			0.00		1,200,000.00
Positron Repayment: ^{12 (\$400,000.00)}			0.00		
Interest eaming on trust accounts	9,000.00	95.13	8,904.87	9,000.00	9,000.00
Total Projected Income:	1,705,867.85	457,912.40	1,247,955.45	1,509,000.00	1,209,000.00
EXPENSE:					
Current Year Debt Service:	928,795.00		928,795.00	933,432.50	
Cheyenne Crossing: Committed \$3 million total ^{16 & 18}	2,117,700.22	4,954.66	2,112,745.56	1,347,130.36	
Whitman/Yellowstone Hotel: Committed \$613,000 ^{10 org 396 500}			0.00		
Clark Street Overpass: Committed \$258,880.93					258,800.93
Admin Transfer to Unrestricted Account: ¹¹			0.00		853,370.13
General Fund - loan for Triangle development					
City of Pocatello, triangle land reimbursement					206,000.00
Arbitrage			0.00		
Trustee fees	2,250.00		2,250.00	2,250.00	
<u>Unapproved Projects</u>					
Farmer's Project #1 org. 500,000.00	200,000.00	29,754.00	170,246.00		
Unnamed Project #3 (\$500,000.00 new Jan 2009): ¹⁹	500,000.00		500,000.00	500,000.00	
Total Projected Expense:	3,748,745.22	4,954.66	3,714,036.56	2,782,812.86	1,318,171.06
CALCULATED ANNUAL BALANCE	\$1,180,534.26	\$3,676,369.37	\$1,210,288.26	-\$63,524.60	-\$172,695.66
Debt service restriction (reserve \$650,000.00)		\$650,003.68	\$650,003.68		0.00
Current debt payment allocation fund reserve		\$950,725.00	\$950,725.00		
Available cash		\$2,075,640.69	-\$390,440.42	-\$63,524.60	-\$172,695.66

** TIF District slated to close in 2012

**POCATELLO DEVELOPMENT AUTHORITY
NORTH YELLOWSTONE FUND CASH FLOW PROJECTIONS
2010 THROUGH 2028**

YEARS ENDED	Budget 2010	YTD 2010 As of January	Remaining 2010	Budget 2011	Budget 2012	Budget 2013	Budget 2014 - 2028	
Previous Year Balance:	\$1,546,739.44	\$1,546,739.44	\$2,073,157.94	\$1,567,171.46	\$1,880,898.86	\$2,193,101.26	\$2,504,603.66	
INCOME:								
Property taxes (org \$761,120.03)	1,114,527.36	528,865.76	0.00	1,114,527.36	1,114,527.36	1,114,527.36	16,717,910.40	
Interest on trust accounts	144.00	52.74	91.26	5,000.00	5,000.00	5,000.00	300,000.00	
Loan from General Fund								
Total Projected Income:	1,114,671.36	528,918.50	91.26	1,119,527.36	1,119,527.36	1,119,527.36	17,017,910.40	
EXPENSE:								
Current Year Debt Service:	681,450.00		681,450.00	678,525.00	680,050.00	680,750.00	10,194,100.00	
Rail Crossing			0.00					
Peg Development Land Acquisition			0.00					
Legal Advertising			0.00					
Arbitrage fees	5,260.00			5,260.00	5,260.00	5,260.00	78,900.00	
Trustee fees		2,500.00	0.00					330,000.00
Loan payment to PDA General Fund (orig 100,000)	285,514.38		285,514.38					285,514.38
Costco employment payment (\$854,105.00) 1	122,014.96		0.00	122,014.96	122,014.96	122,014.96	366,044.88	732,089.76
Total Projected Expense:	1,094,239.34	2,500.00	966,964.38	805,799.96	807,324.96	808,024.96	10,639,044.88	
CALCULATED ANNUAL BALANCE	\$1,567,171.46	\$2,073,157.94	\$1,106,284.82	\$1,880,898.86	\$2,193,101.26	\$2,504,603.66	\$8,883,469.18	
Bond reserve trust fund		681,900.00	681,900.00	681,900.00	681,900.00	681,900.00	0.00	
Current debt payment allocation fund reserve		681,450.00	582,545.00	676,600.00	677,440.00	677,440.00	0.00	
Amount available		709,807.94	-158,160.18	522,398.86	833,761.26	1,145,263.66	8,883,469.18	

Note: \$691,458.36 in bonded debt reserves are included in cash balance

1 = Per letter from David Messner, Costco Agent, the \$1 mil employment grant was reduced by a construction advance to PEG development of \$145,895.00, Dated 12/31/2007

February 17, 2010

accelorisTM
ISOTOPES

**A public-private partnership for
the production of medical
isotopes**

Acceloris Proprietary Information

Acceloris Update: Feb 17, 2010

Acceloris Investment

- Class A Preferred Stock Offering
 - Nearing closure on \$475k verbal commitments to-date → 1/3 of total goal
 - \$375k: Boise-based physician's investment group
 - Finalize term sheet, remove contingencies
 - One member to assume seat on Board of Directors
 - \$100k: Advanced Isotopes of Idaho Owner
 - Acceloris sales, marketing, distribution partner
 - Currently operates radiopharmacy in Pocatello with customers in eastern Idaho, Utah, Wyoming
 - Additional targeted strategic investment partners
 - Imaging centers and physicians: Eastern Idaho, Magic Valley and Treasure Valley
 - Target date to subscribe offering → March 31, 2010

Acceloris Update: Feb 17, 2010

Acceloris Formation

- LLC Certificate of Organization filed with State
- PDA Documents Submitted January 12
 - Loan Settlement Agreement
 - Acceloris Operating Agreement
- Positron Spin-Off Communication to Current Shareholders drafted for BOD approval
- Target date for closure: pending PDA legal review

Acceloris Update: Feb 17, 2010

Operations

- *Building:* facility layout established with construction modifications estimated
- *Equipment:* quotations received validating business plan assumptions
- *Best Practices:* PET facility experts across U.S. solicited for implementation consulting → one will be retained during facility build out
- *Product Key Date 3/1/09:* Centers for Medicare/Medicaid Services issues decision on reimbursement for use of F18-NaF for PET imaging of bone cancer detection → will provide for demand of 2nd product offering at Acceloris launch

Acceloris Update: Feb 17, 2010

Acceloris Partners

- Sales & Marketing Update
 - Troy Curnutt, Owner Advanced Isotopes of Idaho
- Isotope Research and Development Update (tentative)
 - Dr. Doug Wells, Director Idaho Accelerator Center