

City of Prairie Village

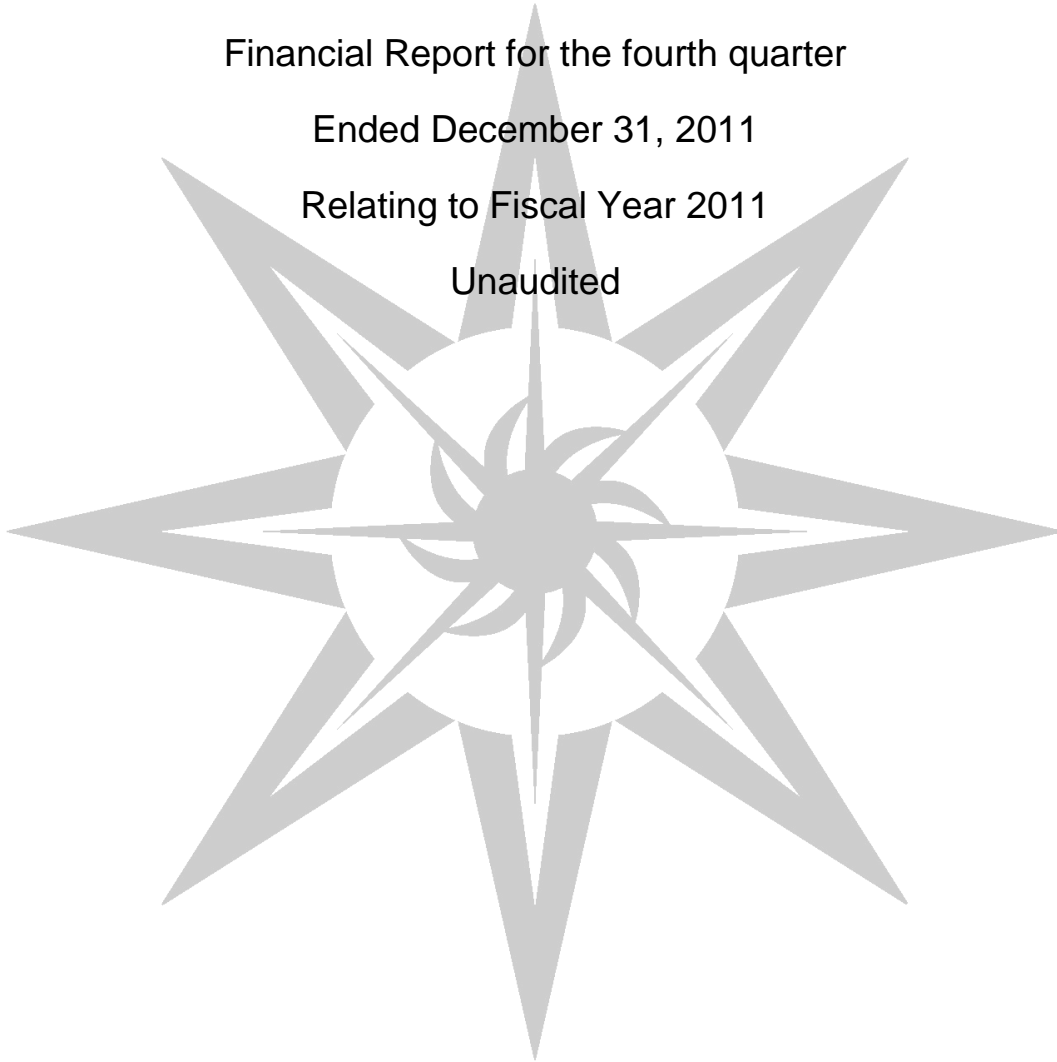
Fourth Quarter

Financial Report for the fourth quarter

Ended December 31, 2011

Relating to Fiscal Year 2011

Unaudited



GENERAL FUND

General Fund Balance. The chart, below, represents the fourth quarter and uses preliminary and unaudited results of operations for the financial year ending December 31, 2011. While the final steps for closing the fiscal year are not complete, this report provides a reasonably accurate estimate for FY 2011 results. Revenues are at 103.8 percent of projections, while expenditures are at 92.3 percent of appropriations. The chart also reports the audited fund balance at the start of 2011, which is \$4,134,437. The preliminary ending fund balance is at 37.6 percent of revenues (excluding transfers). The target ending fund balance is 25 percent of revenues (excluding transfers).




General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 4,134,437	\$ 4,134,437	
Revenues	15,500,495	16,087,774	103.8%
Expenditures	15,550,690	14,349,764	92.3%
Balance	4,084,242	5,872,447	

Confidence among U.S. consumers rose more than forecasted in December to six-month high. And, a burst in hiring in December pushed the U.S. unemployment rate to its lowest level in nearly three years, giving the economy a boost at the end of 2011. Interest rates continue to be low. When compared to one year ago, there has been a significant decrease. For 2012 we are likely to see rates stay at the current low levels. The Feds are committed to keeping rates low until at least mid 2013 or longer. Economists tell us we will probably have slow steady growth around 1.5% - 2.0% GDP.

The focus of this report is on 2011 revenues and expenditures. The city’s goal is to achieve a “positive outlook” in all key financial areas.

Discussed on page 2 are differences between individual revenues and expenses between 2011 and 2010.

Rating Scale for Key Variances:

- Positive Outlook 
- Reason for Concern or Comment 
- Negative Outlook 

Key variances include:

- **Property Tax.** Property tax revenues show a decline of \$1,000,442 compared to the last fiscal year, but are within 0.4% of the budget estimate. In 2010 \$1,208,257 was moved from the General Fund to the Debt Service Fund for the 2009 bond issue. This was accounted for in the 2011 budget, but not the 2010 budget which was adopted prior to the bond issue. Overall, there is less than a 1% difference between 2010 and 2011 Property Tax receipts.
- **Use Tax.** Use tax revenues are \$138,862 greater compared to the last fiscal year, and are at 128.4% of the budget estimate. Use tax is a tax on goods purchased outside our taxing jurisdiction but would have been taxable had they taken place within it.
- **Motor Vehicle Tax.** Revenues have declined \$107,949 compared to the last fiscal year, but are at 116.9% of the budget estimate. Motor Vehicle tax is allocated by the County Treasurer between the General Fund and the Bond & Interest Fund.
- **Liquor Tax.** Liquor tax revenues have increased \$14,875 compared to the last fiscal year, and are 108.8% of the budget estimate. Liquor tax is allocated 1/3 General Fund, 1/3 Parks & Recreation and 1/3 Special Alcohol.
- **Interest on Investments.** Interest receipts have declined \$15,576 compared to December 2010. Interest revenue fluctuates based on the prevailing interest rates.
- **Capital Outlay.** Capital Outlay expenses are typically expenditures that add a fixed asset or increase the value of an existing fixed asset. These expenditures happen throughout the year.
- **Transfer to Capital Projects.** The transfer to Capital Projects was decreased as part of the 2011 budget process.
- **Transfer to Bond & Interest.** 2009 Bond Issue.
- **Transfer to Equipment Reserve.** The transfer to Equipment Reserve was decreased as part of the 2011 budget process.

The chart, on page 3, provides summary comparison information on revenues, expenditures, transfers and debt service for the fourth quarter ending December 2011 versus December 2010.

The chart, on page 4, provides information on revenue variances for the General Fund for the fourth quarter ending December 2011.

Year to Date Comparison to Prior Year				
General Fund	2011	2010	Over (Under)	
Revenues:				
Property Taxes	3,968,397	4,968,839	(1,000,442)	-20.13%
Sales Taxes	4,496,523	4,134,519	362,005	8.76%
Use Tax	847,522	708,660	138,862	19.60%
Motor Vehicle Tax	403,498	511,448	(107,949)	-21.11%
Liquor Tax	93,541	78,666	14,875	18.91%
Franchise Fees	1,805,148	1,835,750	(30,602)	-1.67%
Licenses & Permits	463,187	436,285	26,903	6.17%
Intergovernmental			-	
Charges for Services	1,779,785	1,717,491	62,293	3.63%
Fines & Fees	1,154,857	992,645	162,212	16.34%
Recreational Fees	457,726	473,123	(15,397)	-3.25%
Interest on Investments	14,023	29,599	(15,576)	-52.62%
Miscellaneous	153,565	44,834	108,731	242.52%
Total Revenue	\$15,637,774	\$15,931,858	-\$294,085	-1.85%
Transfers from Other funds:				
Transfer from General Fund	-	-		
Transfer from Special Highway Fund	-	-		
Transfer from Stormwater Utility Fund	450,000	443,551	6,449	
Transfer from Special Parks & Rec Fur	-	-		
Transfer from Special Alcohol Fund	-	-		
Total	450,000	443,551	6,449	
Total Sources	\$16,087,774	\$16,375,409	(\$287,636)	
Expenditures:				
Personal Services	8,254,936	8,094,086	160,850	1.99%
Contract Services	3,634,575	3,630,192	4,383	0.12%
Commodities	864,405	907,801	(43,397)	-4.78%
Capital Outlay	405,970	261,633	144,337	55.17%
Debt Service				
Infrastructure				
Contingency	31,230	-	31,230	
Total Expenditures	13,191,115	12,893,712	297,403	
Transfers to Other Funds:				
Transfer to Capital Projects Fund	901,649	1,891,743	(990,094)	-52.34%
Transfer to Bond & Interest Fund	-	1,208,257	(1,208,257)	-100.00%
Transfer to Risk Management Fund	35,000	35,000	-	0.00%
Transfer to Economic Development	-	-	-	
Transfer to Equipment Reserve Fund	222,000	405,902	(183,902)	-45.31%
Total	1,158,649	3,540,902	(2,382,253)	
Total Uses	14,349,764	16,434,614	(2,084,850)	

Revenue Variances. The chart, below, shows General Fund revenues.

General Fund	Budget	Received YTD Actual	Percent Received	
Revenues:				
Property Taxes	3,986,159	3,968,397	99.6%	
Sales Taxes	4,209,525	4,496,523	106.8%	
Use Tax	660,164	847,522	128.4%	
Motor Vehicle Tax	345,297	403,498	116.9%	
Liquor Tax	86,000	93,541	108.8%	
Franchise Fees	1,785,800	1,805,148	101.1%	
Licenses & Permits	454,900	463,187	101.8%	
Intergovernmental				
Charges for Services	1,743,000	1,779,785	102.1%	
Fines & Fees	1,092,000	1,154,857	105.8%	
Recreational Fees	448,950	457,726	102.0%	
Interest on Investments	100,000	14,023	14.0%	
Miscellaneous	138,700	153,565	110.7%	
Total Revenue	\$15,050,495	\$15,637,774	103.9%	

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended December 31, 2011 are shown on page 5. The Bond & Interest, Risk Management, Economic Development and Equipment Reserve Funds show expenditures exceeding revenues, but overall have a positive fund balance at 12/31/2011.

Quarterly Financial report – Fourth Quarter Ending December 31, 2011

	02-	03-	04-	09-	10-	11-	19-	20-	21-	22-
	Solid Waste Management	Special Highway	Stormwater Utility	Special Parks & Rec	Special Alcohol	Bond & Interest	Capital Projects	Risk Mgmt	Economic Development	Equipment Reserve
Revenues:										
Property Taxes						1,330,819				
Bond Proceeds							4,555,000			
Motor Vehicle Tax						152,081				
Liquor Tax										
Licenses & Permits	2,310	554,664	3,150	93,541	93,541					
Intergovernmental							804,394			
Charges for Services	1,663,312		1,533,675							
Interest on Investments	2,967	60	4,023	7	34	2,449	26,569	287	8,958	2,411
Miscellaneous	19,646				100					
Total Revenue	1,688,235	554,724	1,540,848	93,549	93,676	1,485,348	5,385,963	287	8,958	2,411
Transfers from Other funds:										
Transfer from General Fund								35,000		222,000
Transfer from Special Highway										
Transfer from Storm Water Utility Fund						450,081	493,419			90,000
Transfer from Special Parks & Rec Fund							86,000			
Total	-	-	-	-	-	450,081	2,021,068	35,000	-	312,000
Total Sources	1,688,235	554,724	1,540,848	93,549	93,676	1,935,429	7,407,031	35,287	8,958	314,411
Expenditures:										
Personal Services	24,326				62,133					
Contract Services	1,579,838				18,105			42,317	39,485	
Commodities					2,991					
Capital Outlay										479,418
Debt Service						1,966,275	376,970			
Infrastructure							6,869,188			
Bond Costs							62,213			
Total Expenditures	1,604,163	-	-	-	83,229	1,966,275	7,308,372	42,317	39,485	479,418
Transfers to Other Funds:										
Transfer to General Fund			450,000							
Transfer to Bond & Interest Fund			450,081							
Transfer to Capital Projects Fund		540,000	493,419	86,000						
Transfer to Equipment Reserve Fund			90,000							
Total	-	540,000	1,483,500	86,000	-	-	-	-	-	-
Total Uses	1,604,163	540,000	1,483,500	86,000	83,229	1,966,275	7,308,372	42,317	39,485	479,418
Sources Over(Under) Uses	84,072	14,724	57,348	7,549	10,446	(30,846)	98,659	(7,030)	(30,526)	(165,007)