

City of Prairie Village

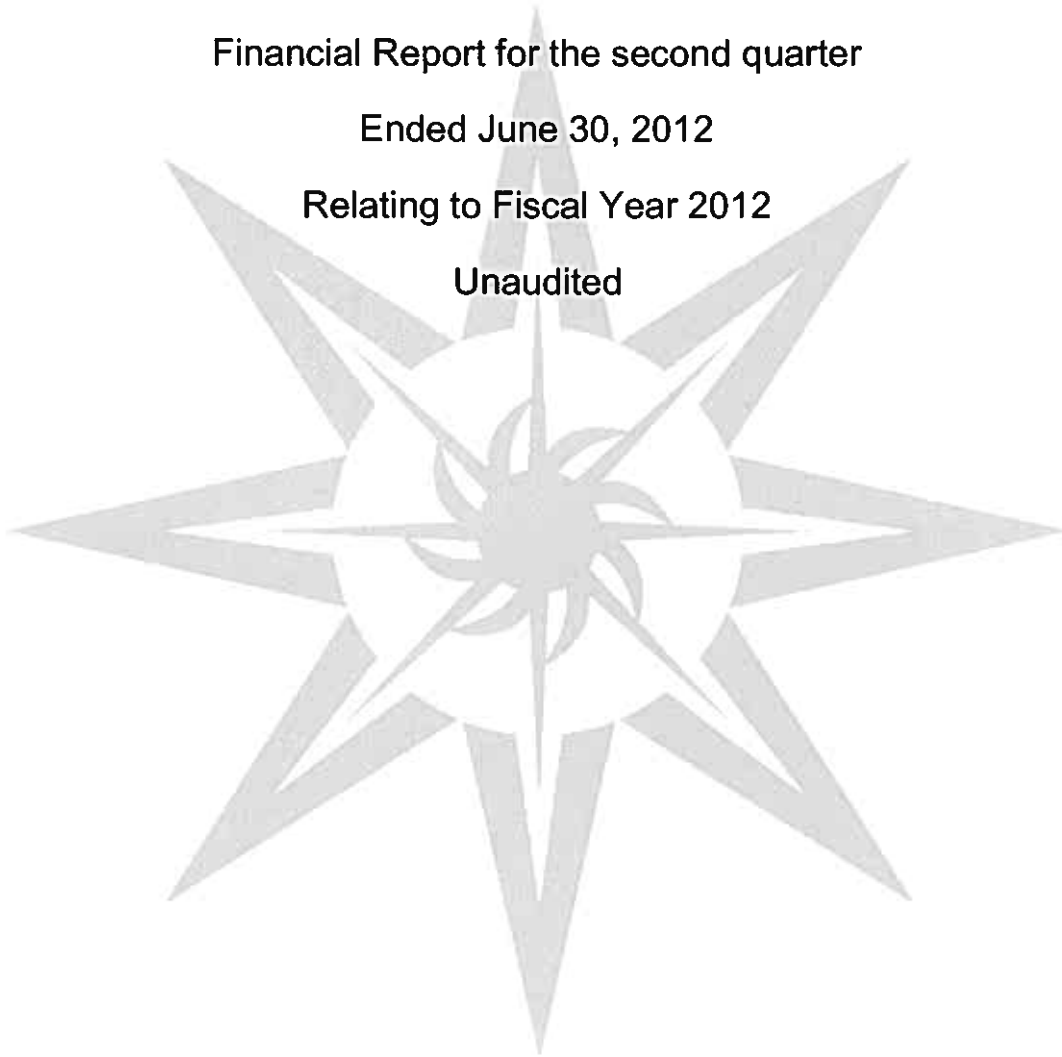
Second Quarter

Financial Report for the second quarter

Ended June 30, 2012

Relating to Fiscal Year 2012

Unaudited



GENERAL FUND

General Fund Balance. The chart, below, shows with 50 percent of the year complete revenues are at 55.8 percent of projections while expenditures are at 36.8 percent of appropriations. The chart also shows the budgeted fund balance at the start of 2012, which is \$5,535,465.

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 5,535,465	\$ 5,535,465	
Revenues	15,614,499	8,706,087	55.8%
Expenditures	16,940,449	6,233,376	36.8%
Balance	4,209,515	8,008,176	

The economy continues to be weak with first quarter growth at 1.9%. The unemployment rate rose to 8.2%. A year ago the unemployment rate was at 9.2%.

Long-term interest rates have dropped as reflected in the ten year Treasury. This decline reflects problems in Europe and investors are selling the Euro, purchasing US Dollars, and investing in US Treasury securities. It seems likely that interest rates will stay very low for a long time. The only pressure on raising rates will come from inflation or from credit risk as is the case with Greece, Spain, Portugal, etc.

Mortgage rates are also at historic lows with the 30 year at 3.75% and the 15 year below 3.0%.

The focus of this report is on 2012 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 2012 and 2011.

Rating Scale for Key Variances:

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



Key variances include:

- **Sales Tax.** Sales tax revenues are \$33,887 greater compared to the last fiscal year, but are only at 34.8% of the budget estimate.
- **Use Tax.** Use tax revenues are \$25,647 greater compared to the last fiscal year, and are at 38.5% 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.** Motor Vehicle tax revenues have declined \$51,077 compared to June 2011, and are at 61% of the budget estimate. The basis of this tax is the valuation of registered motor vehicles within the City.
- **Liquor Tax.** Liquor tax revenues have increased \$22,053 compared to the last fiscal year, and are at 72.2% of the budget estimate. Liquor tax is allocated 1/3 General Fund, 1/3 Parks & Recreation and 1/3 Special Alcohol.
- **Fines & Fees.** Fines and Fees have decreased \$69,067 compared to the last fiscal year, and are 54.26% of the budget estimate.
- **Interest on Investments.** Interest receipts have declined \$5,797 compared to June 2011, and are at 10.1% of the budget estimate. 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.

The chart, on page 3, provides summary comparison information on revenues, expenditures, transfers and debt service for the second quarter ending June 2012 versus June 2011.

The chart, on page 4, provides information on revenue variances for the General Fund for the second quarter ending June 2012.

Quarterly Financial report – Second Quarter Ending June 30, 2012

Year to Date Comparison to Prior Year				
General Fund	2012	2011	Over (Under)	
Revenues:				
Property Taxes	4,065,121	3,896,686	168,435	4.32%
Sales Taxes	1,452,109	1,418,222	33,887	2.39%
Use Tax	279,333	253,687	25,647	10.11%
Motor Vehicle Tax	215,447	266,525	(51,077)	-19.16%
Liquor Tax	59,928	37,874	22,053	58.23%
Franchise Fees	721,677	772,941	(51,264)	-6.63%
Licenses & Permits	178,099	162,304	15,795	9.73%
Intergovernmental			-	
Charges for Services	839,966	823,680	16,286	1.98%
Fines & Fees	537,589	606,655	(69,067)	-11.38%
Recreational Fees	296,098	278,153	17,944	6.45%
Interest on Investments	4,032	9,829	(5,797)	-58.98%
Miscellaneous	56,689	18,466	38,223	206.99%
Total Revenue	\$8,706,087	\$8,545,023	\$161,064	1.88%
Transfers from Other funds:				
Transfer from General Fund	-	-	-	
Transfer from Special Highway Fund	-	-	-	
Transfer from Stormwater Utility Fund	450,000	450,000	-	
Transfer from Special Parks & Rec Fur	-	-	-	
Transfer from Special Alcohol Fund	-	-	-	
Total	450,000	450,000	-	
Total Sources	\$9,156,087	\$8,995,023	\$161,064	
Expenditures:				
Personal Services	4,329,343	3,834,820	494,524	12.90%
Contract Services	1,529,034	1,469,500	59,533	4.05%
Commodities	343,000	333,825	9,175	2.75%
Capital Outlay	31,999	80,973	(48,974)	-60.48%
Debt Service				
Infrastructure				
Contingency				
Total Expenditures	6,233,376	5,719,118	514,258	
Transfers to Other Funds:				
Transfer to Capital Projects Fund	1,616,649	901,649	715,000	79.30%
Transfer to Bond & Interest Fund	-	-	-	
Transfer to Risk Management Fund	35,000	35,000	-	0.00%
Transfer to Economic Development	-	-	-	
Transfer to Equipment Reserve Fund	252,500	222,000	30,500	13.74%
Total	1,904,149	1,158,649	745,500	
Total Uses	8,137,525	6,877,767	1,259,758	

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

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	4,192,109	4,065,121	97.0%
Sales Taxes	4,172,000	1,452,109	34.8%
Use Tax	726,000	279,333	38.5%
Motor Vehicle Tax	353,040	215,447	61.0%
Liquor Tax	83,000	59,928	72.2%
Franchise Fees	1,899,800	721,677	38.0%
Licenses & Permits	454,900	178,099	39.2%
Intergovernmental			
Charges for Services	1,744,000	839,966	48.2%
Fines & Fees	992,000	537,589	54.2%
Recreational Fees	448,950	296,098	66.0%
Interest on Investments	40,000	4,032	10.1%
Miscellaneous	58,700	56,689	96.6%
Total Revenue	\$15,164,499	\$8,706,087	57.4%

The chart, below, shows Property Tax revenues

Property Tax	2012 Budget	YTD Comparision		Percent Budget Received
		2012	2011	
Revenues:				
General Fund	4,192,109	4,065,121	3,896,686	97.0%
Bond & Interest Fund	1,300,466	1,296,506	1,306,604	99.7%
Total Revenue	\$5,492,575	\$5,361,627	\$5,203,290	97.6%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended June 30, 2012 are shown on page 5.

	Solid Waste Management	Special Highway	Stormwater Utility	Special Parks & Rec	Special Alcohol	Bond & Interest	Capital Projects	Risk Mgmt	Economic Development	Equipment Reserve	CID Corinth	CID PV Shops
Revenues:												
Property Taxes						1,296,506						
Sales Taxes											137,797	142,104
Bond Proceeds												
Motor Vehicle Tax						41,868						
Liquor Tax				59,928	59,928							
Licenses & Permits			1,540									
Intergovernmental		133,840					101,710					
Charges for Services	1,647,024		1,543,910									
Interest on Investments	182	103	165		3	78	3,833	46	1,468	317	104	102
Miscellaneous	8,096				100		2,046	239				
Total Revenue	1,655,302	133,943	1,545,615	59,928	60,031	1,338,452	107,589	285	1,468	317	137,901	142,206
Transfers from Other funds:												
Transfer from General Fund							1,616,649	35,000		252,500		
Transfer from Special Highway							580,000					
Transfer from Storm Water Utility Fund						450,830	584,170					
Transfer from Special Parks & Rec Fund							83,000					
Total	-	-	-	-	-	450,830	2,863,819	35,000	-	252,500	-	-
Total Sources	1,655,302	133,943	1,545,615	59,928	60,031	1,789,282	2,971,408	35,285	1,468	252,817	137,901	142,206
Expenditures:												
Personal Services	12,211						37,044					
Contract Services	712,090						15,997		34,947		97,489	10,421
Commodities							1,145					
Capital Outlay										92,910		
Debt Service						90,873						
Infrastructure							1,157,779					
Bond Costs												
Total Expenditures	724,301	-	-	-	54,186	90,873	1,157,779	-	34,947	92,910	97,489	10,421
Transfers to Other Funds:												
Transfer to General Fund			450,000									
Transfer to Bond & Interest Fund			450,830									
Transfer to Capital Projects Fund		580,000	584,170	83,000								
Transfer to Equipment Reserve Fund												
Total	-	580,000	1,485,000	83,000	-	-	-	-	-	-	-	-
Total Uses	724,301	580,000	1,485,000	83,000	54,186	90,873	1,157,779	-	34,947	92,910	97,489	10,421
Sources Over(Under) Uses	931,001	(446,057)	60,615	(23,072)	5,844	1,698,410	1,813,630	35,285	(33,478)	159,906	40,411	131,785