

City of Prairie Village

Second Quarter

Financial Report for the second quarter

Ended June 30, 2011

Relating to Fiscal Year 2011

Unaudited






GENERAL FUND

General Fund Balance. The chart, below, shows with 50 percent of the year complete revenues are at 55.1 percent of projections while expenditures are at 36.7 percent of appropriations. The chart also reports the audited fund balance at the start of 2011, which is \$4,134,437.

General Fund	Budget	2nd Qtr	Percent
Fund Balance 1/1	\$ 4,134,437	\$ 4,134,437	
Revenues	15,500,495	8,545,023	55.1%
Expenditures	15,550,690	5,713,747	36.7%
Balance	4,084,242	6,965,713	

The sluggish economy has had an effect on the City’s revenues. Revenues have remained stagnant, at low levels, since the recession. Though there are numerous differences between individual revenues and expenses during this year and prior years, a true picture of what is driving this imbalance is discussed below.

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 \$997,798 compared to the last fiscal year, but are within 2.2% 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 \$69,540 greater compared to the last fiscal year, but are at 38.4% 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.
- **Franchise Fees.** Revenues have declined \$89,367 compared to the last fiscal year, but are within 6.7% of the budget estimate.
- **Fines & Fees.** Receipts are approximately \$97,439 greater compared to the second quarter of 2010.
- **Interest on Investments.** Interest receipts have declined \$5,556 compared to June 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, below, provides summary comparison information on revenues, expenditures, transfers and debt service for the second quarter ending June 2011 versus June 2010.

Year to Date Comparison to Prior Year			
General Fund	2011	2010	Over (Under)
Revenues:			
Property Taxes	3,896,686	4,894,484	(997,798)
Sales Taxes	1,418,222	1,340,589	77,634
Use Tax	253,687	184,147	69,540
Motor Vehicle Tax	266,525	255,306	11,219
Liquor Tax	37,874	34,843	3,031
Franchise Fees	772,941	862,308	(89,367)
Licenses & Permits	162,304	119,353	42,951
Intergovernmental			-
Charges for Services	823,680	861,876	(38,197)
Fines & Fees	606,655	509,217	97,439
Recreational Fees	278,153	297,780	(19,626)
Interest on Investments	9,829	15,385	(5,556)
Miscellaneous	18,466	20,441	(1,975)
Total Revenue	\$8,545,023	\$9,395,727	-\$850,705
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 Fund	-	-	
Transfer from Special Alcohol Fund	-	-	
Total	450,000	443,551	6,449
Total Sources	\$8,995,023	\$9,839,278	(\$844,256)
Expenditures:			
Personal Services	3,834,820	3,846,075	(11,255)
Contract Services	1,465,118	1,472,571	(7,453)
Commodities	332,854	356,742	(23,888)
Capital Outlay	80,955	111,890	(30,935)
Debt Service			
Infrastructure			
Contingency		-	
Total Expenditures	\$5,713,747	\$5,787,278	(\$73,531)
Transfers to Other Funds:			
Transfer to Capital Projects Fund	816,649	1,891,743	(1,075,094)
Transfer to Bond & Interest Fund	-	1,208,257	(1,208,257)
Transfer to Risk Management Fund	35,000	35,000	-
Transfer to Economic Development	-	-	-
Transfer to Equipment Reserve Fund	222,000	405,902	(183,902)
Total	1,073,649	3,540,902	(2,467,253)
Total Uses	6,787,396	9,328,180	(2,540,784)

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

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	3,986,159	3,896,686	97.8%
Sales Taxes	4,209,525	1,418,222	33.7%
Use Tax	660,164	253,687	38.4%
Motor Vehicle Tax	345,297	266,525	77.2%
Liquor Tax	86,000	37,874	44.0%
Franchise Fees	1,785,800	772,941	43.3%
Licenses & Permits	454,900	162,304	35.7%
Intergovernmental			
Charges for Services	1,743,000	823,680	47.3%
Fines & Fees	1,092,000	606,655	55.6%
Recreational Fees	448,950	278,153	62.0%
Interest on Investments	100,000	9,829	9.8%
Miscellaneous	138,700	18,466	13.3%
Total Revenue	\$15,050,495	\$8,545,023	56.8%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended June 30, 2011 are shown on the chart below.

	02- Solid Waste Management	03- Special Highway	04- Stormwater Utility	09- Special Parks & Rec	10- Special Alcohol	11- Bond & Interest	19- Capital Projects	20- Risk Mgmt	21- Economic Development	22- Equipment Reserve
Revenues:										
Property Taxes						1,306,604				
Motor Vehicle Tax						16,560				
Liquor Tax				37,874	37,874					
Licenses & Permits		793	1,540							
Intergovernmental		148,905					323,488			
Charges for Services	1,630,703		1,506,127							
Interest on Investments	2,402		3,174	7	30	2,182	19,068	195	6,196	1,723
Miscellaneous	8,407				100			4,529		
Total Revenue	1,642,305	148,905	1,510,841	37,882	38,004	1,325,346	342,556	4,724	6,196	1,723
Transfers from Other funds:										
Transfer from General Fund										148,671
Transfer from Special Parks & Rec Fund							216,181			
Total	-	-	-	-	-	-	216,181	-	-	148,671
Total Sources	1,642,305	148,905	1,510,841	37,882	38,004	1,325,346	558,737	4,724	6,196	150,394
Expenditures:										
Personal Services	11,109				33,118					
Contract Services	675,349				16,605			6,934	15,012	
Commodities					169					
Capital Outlay										85,524
Debt Service						88,138				
Infrastructure							1,008,359			
Total Expenditures	686,458	-	-	-	49,891	88,138	1,008,359	6,934	15,012	85,524
Transfers to Other Funds:										
Transfer to Capital Projects Fund				82,451						
Total	-	-	-	82,451	-	-	-	-	-	-
Total Uses	686,458	-	-	82,451	49,891	88,138	1,008,359	6,934	15,012	85,524
Sources Over(Under) Uses	955,847	148,905	1,510,841	(44,569)	(11,887)	1,237,208	(449,622)	(2,210)	(8,817)	64,870