

# City of Leawood, Kansas *Quarterly Report*



**First Quarter – March, 2012**

*City of Leawood*  
**Finance Department**

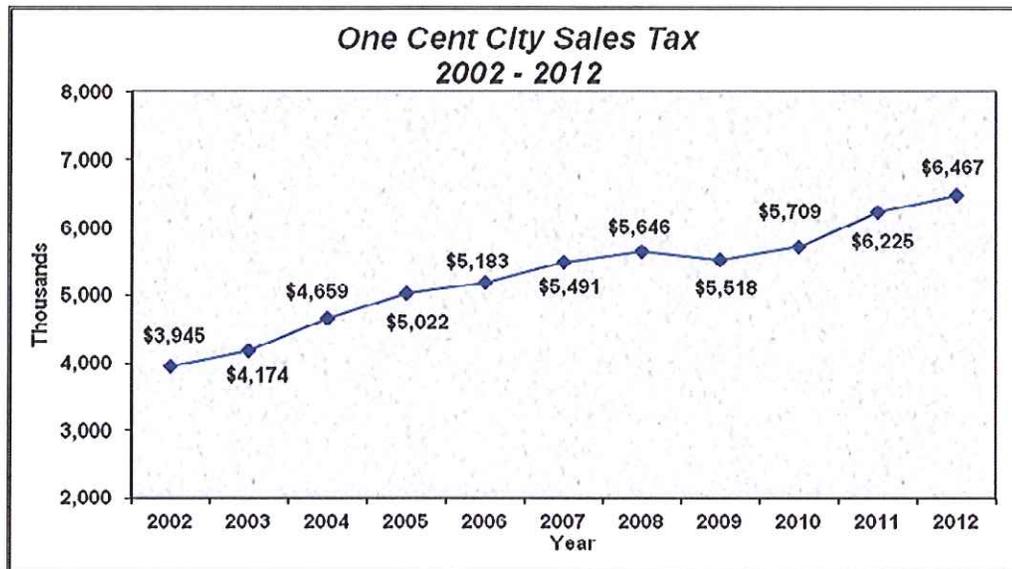
# Quarterly Report For the period ending March 31, 2012

Below, please find the highlights of revenues and expenditures for the first quarter of 2012.

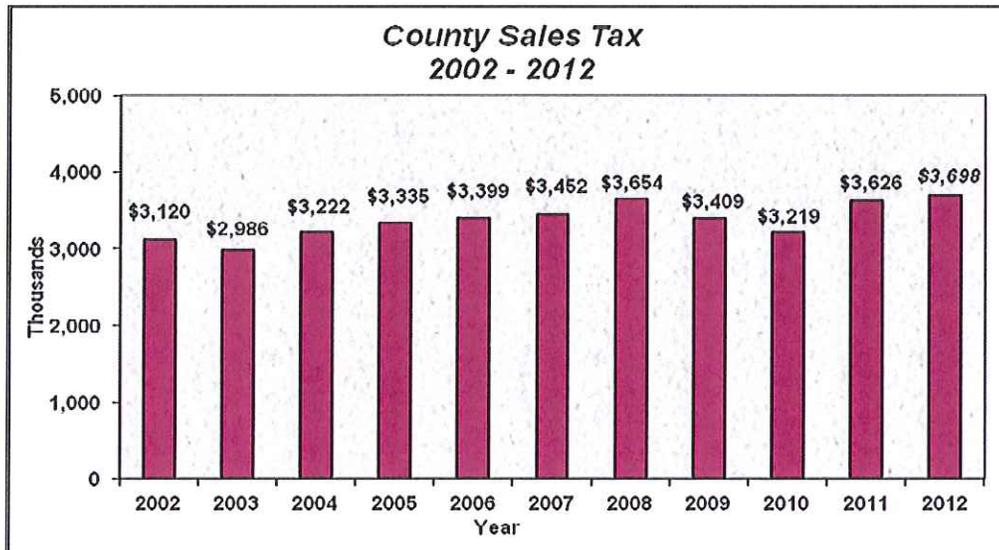
## REVENUES

**Property Taxes:** The 2012 Budget projects all property tax related collections to be \$18,265,093. Collections, through the first quarter are \$10,343,025 or 56.6% of the total budget. Collections for the first quarter of 2010 were \$10,632,971 or 57.2% of budget. At year-end, this revenue is expected to be approximately 98% of budget. This revenue source is included in both the General and the Bond and Interest funds.

**General City Sales Tax:** Sales Tax represents the second largest source of general fund revenue. The 2012 original budget projected collections to be \$5,968,647 however the financial model projects a 3.9% increase from the previous year actuals to a total of \$6,467,387. Collections for 2011 were \$6,224,627 or 6.9% higher than budget and 9.0% higher than the 2010 collections. There is a two-month lag between the time of remittance and the month the tax was actually collected by the retailer, so by the end of March there is only one month of collection which truly can be captured for 2012. For that one month, collections were 8.5% higher than collections for the same month last year. Staff will continue to closely watch this revenue source to see if this trend continues.



**County Retail Sales Tax:** County retail tax collections are estimated to be \$3,698,328, an increase of \$348,995, or 10.4% higher, from the original projection of \$3,349,333. Collections for 2011 were \$3,625,812, which were 12.6% higher than the 2010 collections of \$3,219,274.

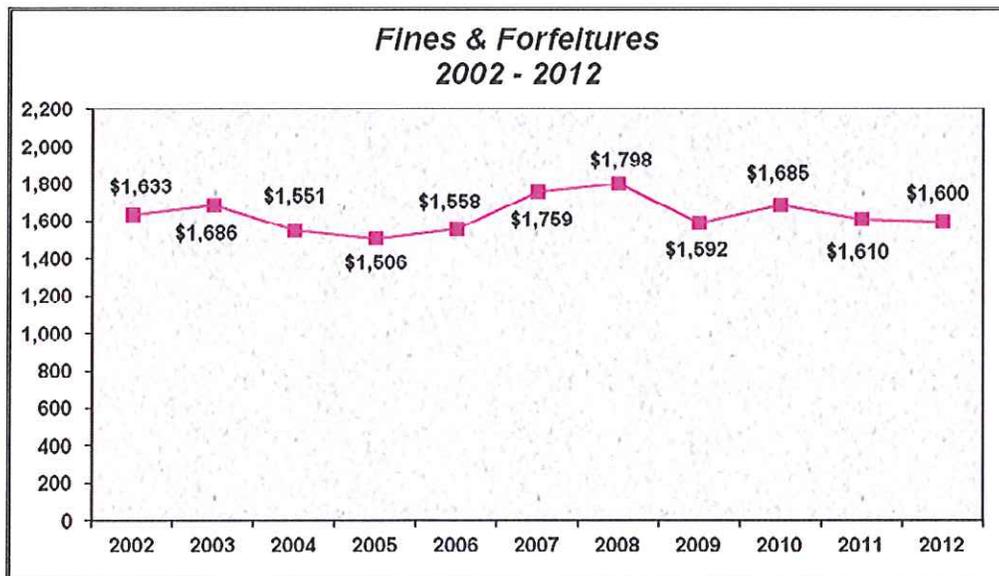


**Total Sales & Local Use Tax:** Included in this category are the city one-cent sales tax, county sales tax, city and county compensating use taxes, the 1/8-cent sales tax, and the .25% special county sales tax. However, only the city & county sales and use taxes and the 1/8-cent sales tax are included in budgeted funds. The 2012 total budget for these areas is projected to be \$12,005,787 plus a transfer of \$771,743 for the .25% special county sales tax. Total sales and use tax cash collections for 2011 were \$12,800,242 for budgeted funds; \$859,621 for the special county sales tax; and \$676,124, which represented the final three months of the .40% Justice Center sales tax. The 2012 budget for city and county local use tax revenue is projected at \$1,941,831. The 2011 collections were \$2,172,750. Prediction of future revenue in this area is difficult due to the refunds, at the State level, which occurred between 2008 and 2010. According to the Department of Revenue these should now be complete.

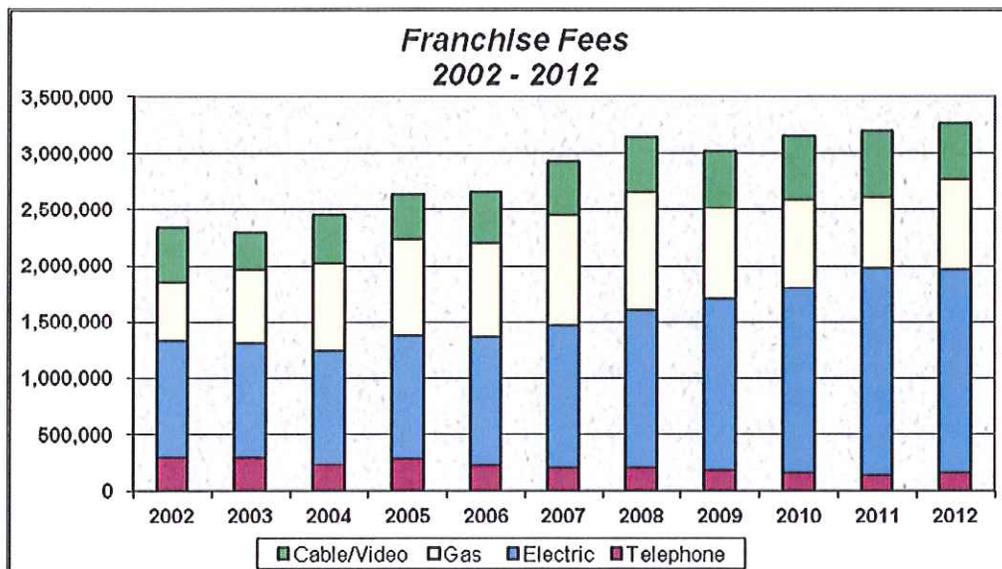
In April, 2007 the city began collecting the .40% public safety capital sales and use tax. This tax was to end on March 31, 2012 or when a total of ten million had been received. The latter occurred about a year earlier than anticipated. As a result, this tax ended on March 31, 2011. Collections totaled \$11,017,156 and will be used for the construction of the Justice Center.

	2009 Actual	2010 Actual	2011 Actual	2012 Original	2012 Estimated
City Sales	5,517,618	5,708,892	6,224,627	5,968,647	6,467,387
County Sales	3,408,723	3,219,274	3,625,812	3,349,333	3,698,328
City Use	1,320,507	1,356,267	1,500,526	1,408,294	1,530,536
County Use	418,568	513,827	672,224	533,537	685,668
City 1/8-Cent Sales	689,691	713,512	777,053	745,976	807,358
<b>TOTAL</b>	<b>\$11,355,107</b>	<b>\$11,511,772</b>	<b>\$12,800,242</b>	<b>12,005,787</b>	<b>\$13,189,279</b>
.25% Special County Sales	681,746	638,459	725,176	664,253	739,679
.25% Special County Use	84,898	103,316	134,445	107,490	137,134
Justice Center City Sales	2,206,955	2,282,510	558,679	0	0
Justice Center City Use	469,731	482,185	117,445	0	0

**Fines and Forfeitures:** The 2012 budget for fines and forfeitures is \$1,600,000. Receipts through the first quarter total \$312,608, compared to \$381,698 for the same period in 2011.

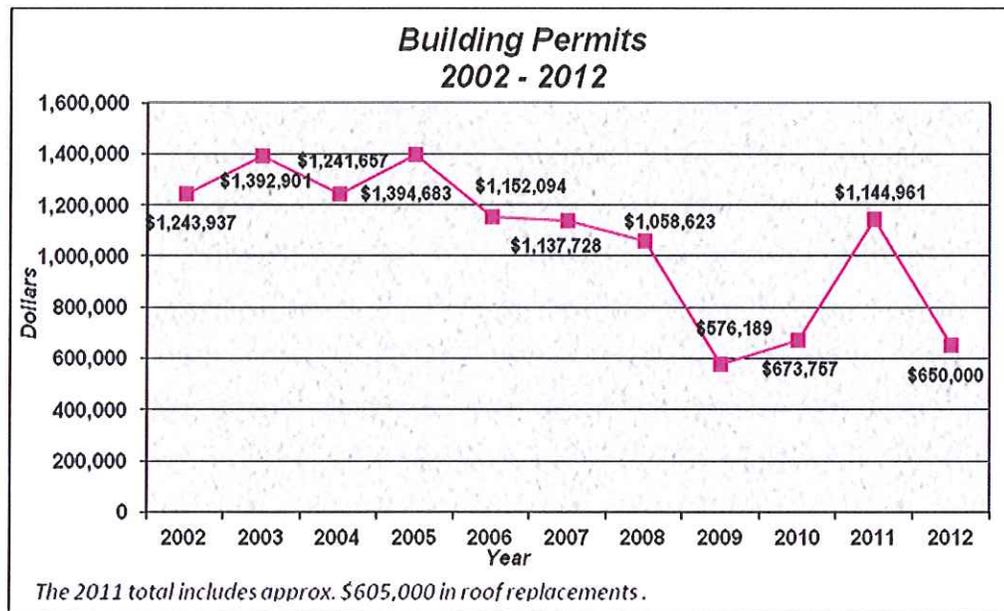


**Franchise Fees:** Franchise fees are currently budgeted at \$3,280,500 for 2012. First quarter cash collections are \$937,254 or 28.6% of budget, compared to \$766,994 for the same period in 2011. This revenue area will be reviewed to determine if the 2012 original budget should be adjusted to reflect changes in usage, rate increases and the state of energy prices.



**Licenses and Permits:** Licenses and Permits include a variety of building, occupation, and animal license fees. The largest portion is from building permits, an area largely affected by economic conditions. Collections for this entire revenue source, through the first quarter, were \$279,558 as compared to \$161,564 in 2011, or an increase of 73.0%. Many of the components in this category are related to building growth.

Building permit collections are \$179,268 through March, 2011 as compared to \$89,969 through March, 2011, an increase of 99.3%. Staff has reviewed projections for the year and have estimated collections to be \$650,000.



**Charges for Services:** The budget for this category, which mainly reflects fees for park and recreation programs, is estimated to be \$2,845,109, down slightly from the original projections of \$2,983,881. Collections through March were \$528,118, or 17.7% of the original budget and 21.0% higher than collections for the same period last year, of \$436,635. Golf course, soccer, aquatic center fees, day camps and alarm fees are some of the revenues within this category. Many of these are seasonal in nature and therefore collections will fluctuate from quarter to quarter, with lower collections in the first quarter.

**Interest Income:** Interest income for 2012 was originally budgeted at \$128,070, for all funds. Due to the continuation of low interest rates, with a very modest increase anticipated throughout the year, this estimate will most likely remain constant in the estimated budget. To date and not including accruals, a total of \$50,531 has been received, which is a decrease of 23.3% from the 2011 collections of \$65,923 for the same period. A minor decrease is expected in this area due to the change in the payment of bank fees. These will be paid with account compensating balances instead of an expenditure payment, thus slightly reducing the revenue interest income. Staff will continue to monitor the rates and investment opportunities to determine if it is a trend that can be expected for the remainder of year or due to the timing of investment maturities.

Investing complies with the mix set out in the City's Investment Policy which was approved by the Governing Body in November of 2004, and subsequently amended.

## EXPENDITURES

The General Fund 2012 budgeted expenditures are \$47,742,900, which includes contingencies and reserves of \$4,809,961. As part of the 2012 budget process, current year expenditures will be reviewed and revised, if necessary.

Expenditures through March 2012 are \$7,397,683, or 15.5% of the original budget.

<i>DEPARTMENTS</i>	<i>General Fund Original Budget 2012</i>	<i>General Fund ACTUALS Through 3/31/12</i>	<i>% of Budget</i>
City Wide	\$9,111,739	\$579,560	6.4%
Administration	\$478,500	\$98,550	20.6%
Finance	\$817,900	\$85,268	10.4%
Human Resources	\$629,700	\$130,285	20.7%
Municipal Court	\$591,900	\$115,910	19.6%
Legal Services	\$536,900	\$83,641	15.6%
Information Services	\$829,300	\$308,904	37.2%
Community Development	\$1,345,900	\$274,736	20.4%
Police	\$9,072,000	\$1,911,307	21.1%
Fire	\$6,176,300	\$1,686,202	27.3%
Public Works	\$6,831,000	\$1,128,709	16.5%
Parks & Recreation	\$6,511,800	\$994,612	15.3%
<b>TOTAL (without Contingency/Reserves)</b>	<b>\$42,932,939</b>	<b>\$7,397,683</b>	
Contingency & Reserves	\$4,809,961	\$0	
<b>TOTAL</b>	<b>\$47,742,900</b>	<b>\$7,397,683</b>	<b>15.5%</b>

Typically expenses should be approximately 25% of budget for the first quarter. Two departments exceed this target: Information Services is higher as the payment of the software & equipment maintenance agreements occurs in the first quarter; and in the Fire Department it is due to the principal and interest lease payments made on the fire vehicles in the first quarter. These types of expense occurrences somewhat inflate the totals for the first quarter, but are smoothed out during the second quarter. As shown above, the total to-date expenses are well below the 25% benchmark. The majority of this variance is due to the delayed transfer of funds from the General Fund to the capital funds, all occurring within the City-wide program. It is anticipated that these will occur within the second quarter.

With the city's financial system, "EDEN", department heads and other managers have access to the financial software and can review their budget daily, weekly or monthly. In addition, as an oversight function all departmental expenses are reviewed monthly in the finance department. Variances are reviewed and the appropriate action is recommended to the department if necessary.

## SUMMARY OF OTHER FUNDS

The following table includes the budgeted Special Revenue and Capital funds for the City. Shown is the beginning balance, revenues and expenditures through March 31<sup>st</sup> and the current balance. *The table is a reflection of the activity only through the first quarter and does not include anticipated revenue and expenses for April 1 through December 31, 2012.*

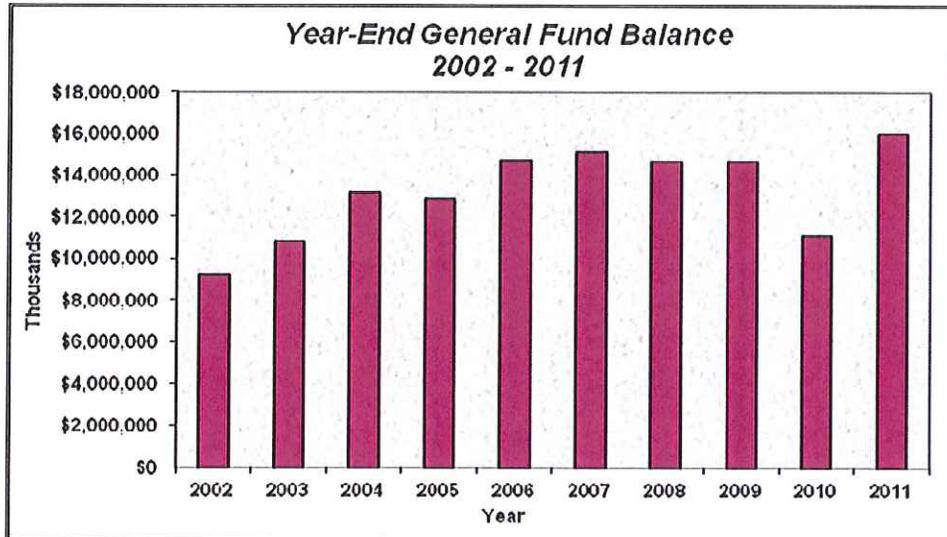
Funds	1/1/2012 Beginning Balance	Actual through March 31, 2012		
		Revenue	Expense	Current Balance
<b>Special Revenue Funds</b>				
Special Alcohol	\$634,789	\$6,418	\$32,991	\$608,216
Special Parks & Recreation	878,223	6,683	14,854	870,052
Special Law Enforcement	2,956	1	0	2,957
Special City, Street, Highway	478,350	209,563	280	687,634
Special Transient Guest Tax	99,942	106	0	100,048
<b>Capital Funds</b>				
Street Improvements	1,351,844	1,416	0	1,353,260
Capital Improvements	1,335,684	385,011	281,011	1,439,684
City Equipment	10,368,885	19,077	55,152	10,332,809
City Capital Art	450,695	449	75,699	375,445
Park Impact Fee	18,518	21	0	18,539
1/8-Cent Sales Tax	592,782	67,251	12,459	647,573
Public Art Impact Fee	232,495	247	0	232,742
K-150 Impact Fee	24,286	27	0	24,313
	<b>\$16,469,449</b>	<b>\$696,270</b>	<b>\$472,447</b>	<b>\$16,693,272</b>

The following table includes the budgeted Special Revenue and Capital funds for the City. Shown is the beginning balance, along with budgeted revenues and expenditures for the entire year, leaving the projected ending fund balance at December 31, 2012.

Funds	1/1/2012 Beginning Balance	Forecast through December 31, 2012		
		Revenue	Expense	Projected Balance
<b>Special Revenue Funds</b>				
Special Alcohol	\$634,789	\$418,700	\$436,000	\$617,489
Special Parks & Recreation	878,223	420,477	1,278,874	19,826
Special Law Enforcement	2,956	44	0	3,000
Special City, Street, Highway	478,350	1,246,750	1,472,100	253,000
Special Transient Guest Tax	99,942	250,158	350,100	0
<b>Capital Funds</b>				
Street Improvements	1,351,844	1,726,500	2,469,685	608,659
Capital Improvements	1,335,684	5,720,616	6,392,600	663,700
City Equipment	10,368,885	871,415	2,172,500	9,067,800
City Capital Art	450,695	52,705	218,600	284,800
Park Impact Fee	18,518	82	0	18,600
1/8-Cent Sales Tax	592,782	1,406,318	1,561,600	437,500
Public Art Impact Fee	232,495	205	55,000	177,700
K-150 Impact Fee	24,286	114	0	24,400
	<b>\$16,469,449</b>	<b>\$12,114,084</b>	<b>\$16,407,059</b>	<b>\$12,176,474</b>

**FUND BALANCE (CARRY-OVER)**

The beginning fund balance in the General Fund for 2012 is \$15,984,676 compared to the budgeted projection of \$11,061,400, thus beginning the year with a substantially higher balance than initially projected.

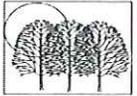


**CONCLUSION**

City staff is in the process of formulating their operating 2012 Estimated and 2013 Budgets. The C.I.P. was approved by the Governing Body in March and the revenue assumptions were discussed in a work session in early April. The 2013 Budget is on schedule to be distributed on June 8<sup>th</sup>.

Several reports on City finances have been prepared and distributed to the Governing Body with statistics and analysis of 2011. Additionally, the City’s annual audit will be presented in May. Should any further information be desired, please contact the City Administrator or Finance staff.

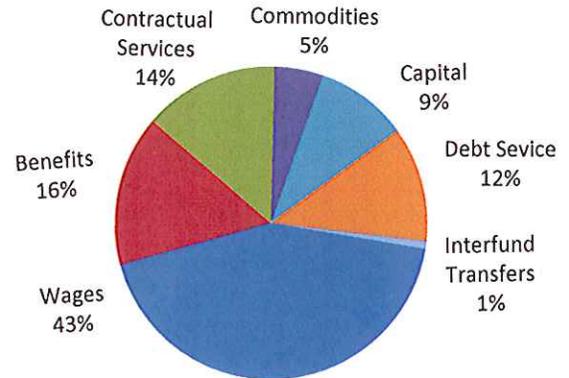
**City of Leawood, Kansas**  
**SNAPSHOT OF FINANCES and CITY ACTIVITY**  
*as of March 31, 2012 (25% of the year complete)*



**General Fund Revenues**

Revenues	Original Budget	YTD	%
Taxes	24,213,799	8,761,715	36.2%
Licenses & Permits	1,195,000	279,558	23.4%
Other Intergovernmental	6,269,991	737,224	11.8%
Charges for Services	2,983,881	528,118	17.7%
Fines & Forfeitures	1,600,000	312,608	19.5%
Interest Income	60,329	22,121	36.7%
Contributions & Other	92,500	19,633	21.2%
Other Financing Sources	266,000	0	0.0%
<b>Sub-Total, Revenues</b>	<b>36,681,500</b>	<b>10,660,978</b>	<b>29.1%</b>
Fund Balance	11,061,400	0	0.0%
<b>Total Revenues</b>	<b>\$47,742,900</b>	<b>\$10,660,978</b>	<b>22.3%</b>

**YTD - Citywide Expense Allocation**



**General Fund Expenditures - by Program**

Expenditures	Orig Budget	YTD	%
General Operations	13,921,700	579,560	4.2%
Administration	478,500	98,550	20.6%
Finance	817,900	85,268	10.4%
Human Resources	629,700	130,285	20.7%
Municipal Court	591,900	115,910	19.6%
Legal Services	536,900	83,641	15.6%
Information Services	829,300	308,904	37.2%
Community Development	1,345,900	274,736	20.4%
Police	9,072,000	1,911,307	21.1%
Fire	6,176,300	1,686,202	27.3%
Public Works	6,831,000	1,128,709	16.5%
Parks & Recreation	6,511,800	994,612	15.3%
<b>Total Expenditures</b>	<b>\$47,742,900</b>	<b>\$7,397,683</b>	<b>15.5%</b>

**YTD - Total Citywide Budget**

Expenditures	Orig Budget	YTD	%
Total Citywide Budget	\$87,368,900	8,940,255	10.2%

**All Other Budgeted Funds - by Fund Type**

Special Revenue Funds	Orig Budget	YTD	%
Revenues	1,911,540	222,770	11.7%
Fund Balance	2,094,260	0	0.0%
<b>Total Revenues</b>	<b>4,005,800</b>	<b>222,770</b>	<b>5.6%</b>
<b>Total Expenses</b>	<b>4,005,800</b>	<b>48,125</b>	<b>1.2%</b>

**Capital Funds**

Orig Budget	YTD	%	
Revenues	6,437,012	473,499	7.4%
Fund Balance	14,375,188	0	0.0%
<b>Total Revenues</b>	<b>20,812,200</b>	<b>473,499</b>	<b>2.3%</b>
<b>Total Expenses</b>	<b>20,812,200</b>	<b>424,321</b>	<b>2.0%</b>

**Debt Service Fund**

Orig Budget	YTD	%	
Revenues	7,808,344	4,301,568	55.1%
Fund Balance	6,999,656	0	0.0%
<b>Total Revenues</b>	<b>14,808,000</b>	<b>4,301,568</b>	<b>29.0%</b>
<b>Total Expenses</b>	<b>14,808,000</b>	<b>1,070,126</b>	<b>7.2%</b>

**General Fund Expenditures - by Category**

Expenditures	Orig Budget	YTD	%
Personnel	24,728,000	5,247,995	21.2%
Contractual Services	6,891,800	1,213,607	17.6%
Commodities	3,346,200	448,879	13.4%
Capital	613,400	415,439	67.7%
Other Financing Uses	12,163,500	71,763	0.6%
<b>Total Expenditures</b>	<b>\$47,742,900</b>	<b>\$7,397,683</b>	<b>15.5%</b>

**Key Activity Updates (Cash Basis, Year-To-Date)**

	Mar-12	Mar-11	%		Mar-12	Mar-11	%
City Sales Tax Collections <i>(receipts through Jan, 2012)</i>	534,056	492,382	8.5% ↑	Interest Earnings/Rates * <i>(all budgeted funds)</i>	50,531	65,923	-23.3% ↓
Building-related Fees <i>(per Building Official)</i>	217,929	107,247	103.2% ↑	Fines/Forfeitures	312,608	381,698	-18.1% ↓
Property Tax Collections <i>(Collections thru March/Assessed)</i>	56.6%	57.2%	-1.0% ↓	Special Assessment Collections <i>(Collections thru March/Assessed)</i>	58.3%	48.9%	19.2% ↑

\* Excludes January Accrual Entries, both years

**CITY OF LEAWOOD, KANSAS**  
**Pay-As-You-Go (PAYG) Project Status Report**  
**As of 3/31/2012**

No.	Project Name	Previous Yrs		2012		2013-2017		2012		Status/ to Date Information	Project Balance
		Expense	Budget	Orig 2012 Budget	Current 2012 Budget	Budgets	Expenditures	Encumbrances			
<b>Art</b>											
79005	Temporary Art	13,441	5,000	5,000	5,000	25,000	-	-	-		5,000
79004	Justice Center Art	-	40,600	-	-	86,300	-	-	-		-
79010	I-Lan Park Art	52,275	-	-	2,000	-	699	-	-		1,301
79014	Sculpture Garden "A"	-	-	-	50,000	65,000	-	-	-		50,000
79019	Inspection Art	-	-	-	97,800	-	75,000	10,000	-	Larry Young Sculpture (4440.0000077)	12,800
NA	Annual Art Maintenance	30,911	84,100	97,800	97,800	Varies	-	-	-		97,800
<b>Art Total</b>		<b>96,627</b>	<b>129,700</b>	<b>252,600</b>	<b>176,300</b>	<b>10,000</b>	<b>75,699</b>	<b>10,000</b>	<b>10,000</b>		<b>166,901</b>
<b>Buildings and Grounds</b>											
49112	Course - Cart Storage Garage Doors	-	-	5,076	-	-	5,076	-	-		-
49124	Course - Perimeter Fencing, Ph III	-	-	53,000	-	-	47,983	-	-		5,017
49130	Course - Irrigation Control Sys Upgrade	48,594	-	30,641	-	-	28,506	2,135	-	Prof Turf Products (4600.0000834)	0
71006	Pond and Trail Improvements	6,500	225,000	-	-	390,000	-	-	-		-
71010	Tomahawk Park Ball Field	24,432	-	2,000	-	-	-	-	-		-
71011	North Lake Improvements	24,326	-	625,374	-	-	14,854	-	-	Continental Consult Eng (4111.0000220)	2,000
71012	123rd St Trail/Stabil (Spec Parks/Rec Fund)	-	-	500,000	-	-	-	-	19		610,500
74001	Bldg - City Hall Int Wall Renovations	-	-	900,000	-	-	-	-	-		500,000
74003	Aquatic Center-Repaint Pool	59,920	85,000	85,000	-	75,000	-	-	-		900,000
74015	FS #1 - Roof Section Replacement	24,350	-	36,091	-	85,000	-	-	-		25,000
74030	Police Bldg - HVAC Replacement	6,800	5,000	-	-	-	-	36,091	-	Godard & Sons Rfg Co (3111.0000404)	85,000
74032	Old City Hall - Roof Replacement	-	-	39,420	-	-	32,409	-	-	Premier Contract Co (3111.0000400)	5,000
74041	Rpr/Updgrade VAV Controllers, City Hall	-	88,000	-	-	-	-	7,011	-		-
76025	Fire Station #1 - Roof Replacement	-	105,000	51,268	-	-	42,085	-	-	Premier Contract Co (3111.0000400)	88,000
76027	Gezer Park Amenities (Capital Imprv Fund)	313,542	-	38,000	-	-	-	9,183	-		0
76028	Justice Center Land Purchase	-	3,400,000	3,400,000	-	3,400,000	-	-	-		38,000
76029	Justice Center Fiber, Radios & Equipment	-	900,000	1,240,780	-	1,200,000	153,245	479,736	-	Motorola (1110.0000222), Olisson Assoc (2111.0000243), Motorola (2111.0000247)	607,799
76008	Justice Center Building	900,725	-	19,000,000	-	-	56,614	366,570	-	Hoeter Wysocki (2111.0000206) McRealty Grp (2111.0000202) Serv Industries(2111.0000205)	18,576,816
<b>Buildings and Grounds Total</b>		<b>1,408,989</b>	<b>4,808,000</b>	<b>26,124,650</b>	<b>5,150,000</b>	<b>380,771</b>	<b>900,746</b>	<b>900,746</b>	<b>900,746</b>		<b>24,843,133</b>
<b>Streets</b>											
70010	2011 Mill & Overlay	871,027	-	78,449	-	-	280	78,169	-	O'Donnell & Sons (3111.0000383)	1
70012	2012 Mill & Overlay	-	836,360	836,080	-	-	-	-	-		836,080
70011	2012 Slurry Seal	-	507,500	507,500	-	-	-	329,300	-	Vance Bros Inc (3111.0000417)	178,200
72019	Arterial - Town Center Drive	-	300,000	300,000	-	-	-	-	-		300,000
72020	Arterial - 127th, Mission-Nall	-	485,870	485,870	-	-	-	-	-		485,870
72043	Arterial - Widen 117th/Town Center Dr	-	648,815	648,815	-	-	-	398,236	-	Bryant & Bryant (3111.0000415)	648,815
72027	Arterial - ReSaw/Fill Joints, 135th St	-	400,000	400,000	-	-	-	-	-		41,764
74049	2012 Curb Replacement	-	400,000	400,000	-	-	-	-	-		400,000
72042	Arterial - Traffic Signals, 128-135 State Line	-	-	120,000	-	-	-	-	-		120,000
<b>Streets Total</b>		<b>871,027</b>	<b>3,178,545</b>	<b>3,816,714</b>	<b>280</b>	<b>805,705</b>	<b>280</b>	<b>805,705</b>	<b>805,705</b>		<b>3,010,730</b>
<b>Stormwater</b>											
72020	1/8 Cent - 127th St, Mission - Nall	-	55,000	55,000	-	-	-	-	-		55,000
73003	SMAC - 81st Ter to 82nd, E of Wenonga	-	443,000	443,000	-	-	-	-	-		443,000
76022	2009 Accelerated Stormwater Program	589,804	-	10,195	-	-	200	9,995	-	Contintal Consult Eng (3111.0000379), Wired/Godfrey (3111.0000355)	0
77006	1/8 Cent - 12601 Norwood	22,606	-	8,394	-	-	-	8,394	-	O'Donnell & Sons (3111.0000383)	-
77011	1/8 Cent - Box Culvert, 87th & Mission	8,957	541,000	532,244	-	-	-	50,504	-	Phelps Engineering (3111.0000402)	481,741
77111	2011 Accelerated Stormwater Program	561,036	-	72,963	-	-	12,459	58,898	-	Miles Excavating (3111.0000386)	1,606
<b>Stormwater Total</b>		<b>1,182,403</b>	<b>1,039,000</b>	<b>1,121,796</b>	<b>-</b>	<b>12,659</b>	<b>469,408</b>	<b>127,790</b>	<b>1,844,241</b>		<b>987,347</b>
<b>Grand Total</b>		<b>3,559,046</b>	<b>9,155,245</b>	<b>31,315,760</b>	<b>5,326,300</b>	<b>469,408</b>	<b>1,844,241</b>	<b>1,844,241</b>	<b>1,844,241</b>		<b>29,002,111</b>

**CITY OF LEA WOOD, KANSAS**  
**BOND-FINANCED Project Status Report**  
*As of 3/31/2012*

No.	Project Name	Budget (As Authorized by Resolution)	Resolution Numbers	Previous Yrs Expense	2012 Expenditures	2012 Encumbrances	Status/ Project to Date Information	Balance	Bond Life	Bond Year
<b>Buildings and Grounds</b>										
80165	City Facility Improvements	780,000	3516	719,003	-	-		60,997	20	2012
<b>Buildings and Grounds Total</b>		<b>780,000</b>		<b>719,003</b>				<b>60,997</b>		
<b>Streets</b>										
80118	Amphitheater, Phase I	500,000	Bonded	165,168	-	-		334,832	NA	NA
80162	143rd St. Mall to Mission (2010)	13,500,000	1684, 2991	910,185	18,032	204,975	Burns & McDonnell (31717.0000234)	12,366,807	15	2017/18
80212	2012 Residential Streets, Ph II-Yr 4	1,275,000	3586	11,034	821	-		1,263,145	15	2012
<b>Streets Total</b>		<b>15,275,000</b>		<b>1,086,387</b>	<b>18,854</b>	<b>204,975</b>		<b>13,964,784</b>		
<b>Economic Development</b>										
There are currently no Economic Development projects										
<b>Economic Development Total</b>		<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>		
<b>Total</b>		<b>16,055,000</b>		<b>1,805,390</b>	<b>18,854</b>	<b>204,975</b>		<b>14,025,781</b>		

**Capital Markets  
Group**

# City of Leawood

## INVESTMENT PORTFOLIO EXECUTIVE SUMMARY

*As of March 31, 2012*



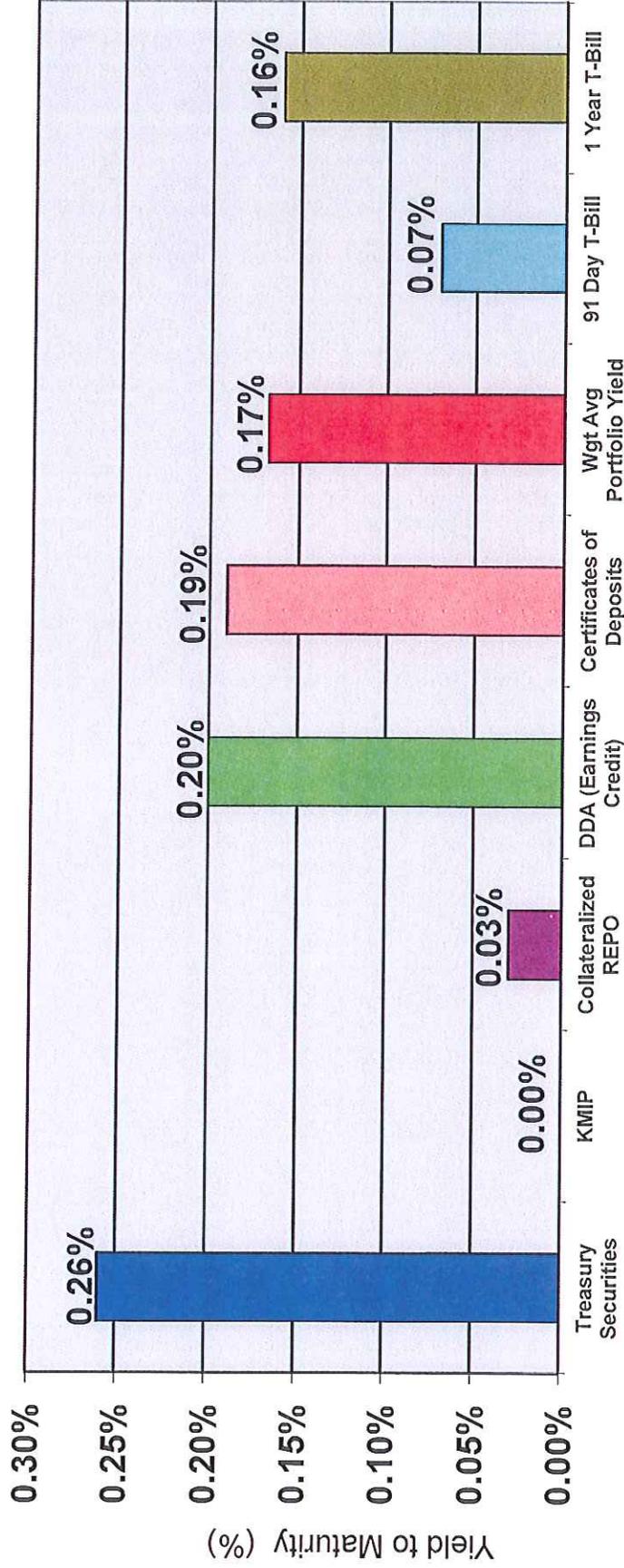
Commerce Bank

# City of Leawood

## YIELD TO MATURITY



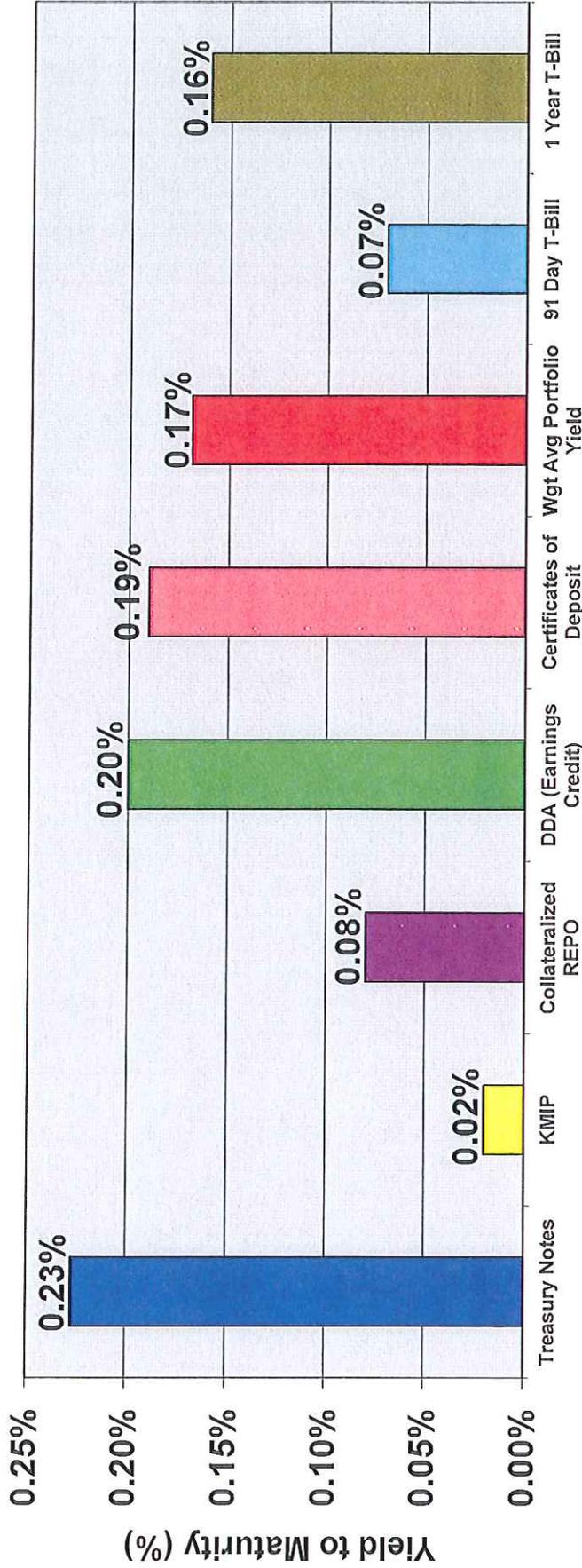
**Commerce Bank**  
Member FDIC



*As of March 31, 2012*

This graph demonstrates the yield to maturity for each asset class. The Weighted Average Portfolio yield is the average yield from each asset class weighted by the amount of par invested in each class. As of March 31, 2012 this chart shows the yield to maturity for these investments.

Note: The Collateralized REPO represents the Federal Reserve 91 day T-bill rate adjusted monthly in arrears. The first quarter average 91-day T-Bill rate was 0.07%. The long-term portfolio uses the one-year T-Bill as the benchmark. The first quarter average of the one-year T-Bill rate was 0.16%.

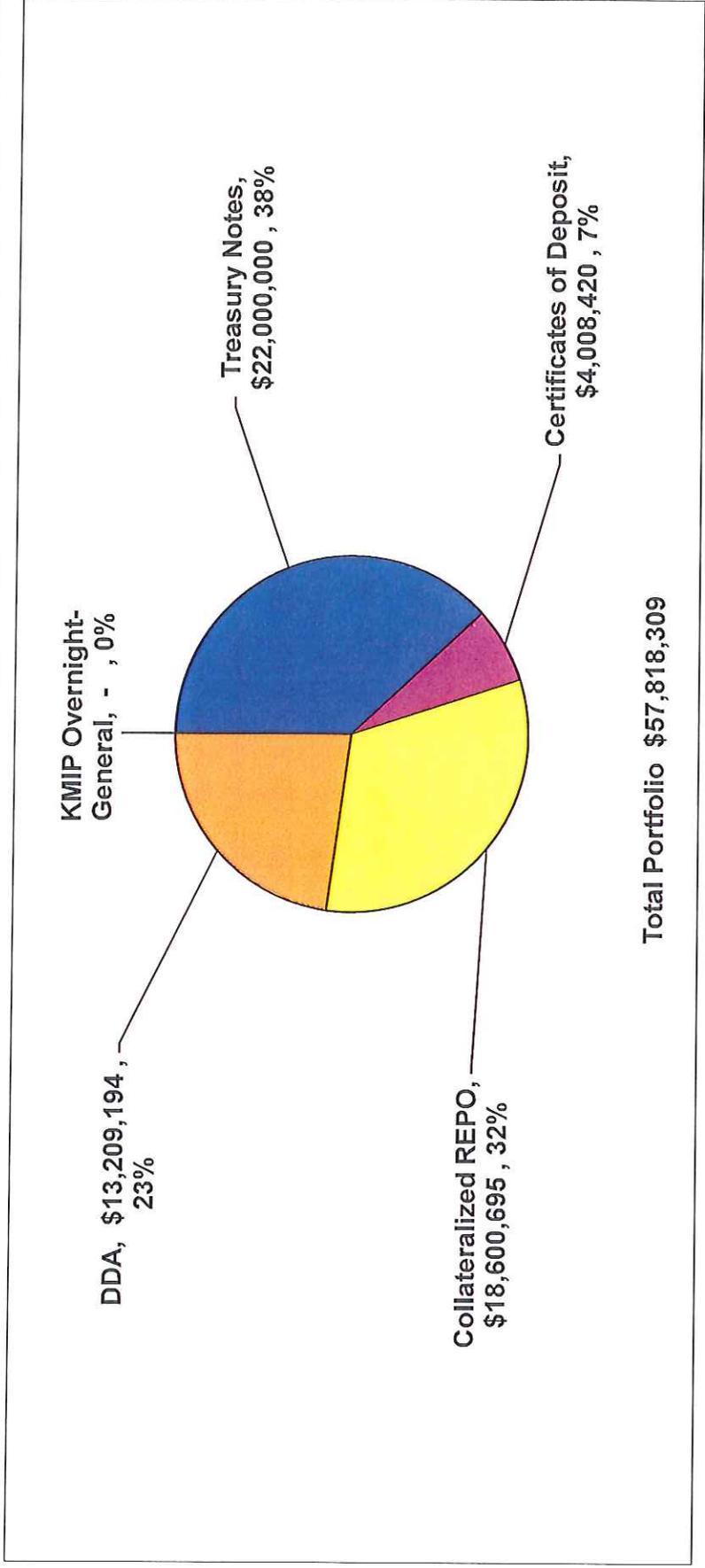


*As of March 31, 2012*

This graph demonstrates the year to date weighted average yield for each asset class. The weighted average portfolio yield is the average yield from each asset class weighted by the monthly par amount invested in each class. As of March 31, 2012 this chart shows the year to date yield to maturity for these investments.

Note: The Collateralized REPO represents the Federal Reserve 91-day T-bill rate adjusted monthly in arrears. For 2012 the average 91-day T-Bill rate was 0.07%. The long-term portfolio uses the one-year T-Bill as the benchmark. For 2011 the average one-year T-Bill rate was 0.16%.

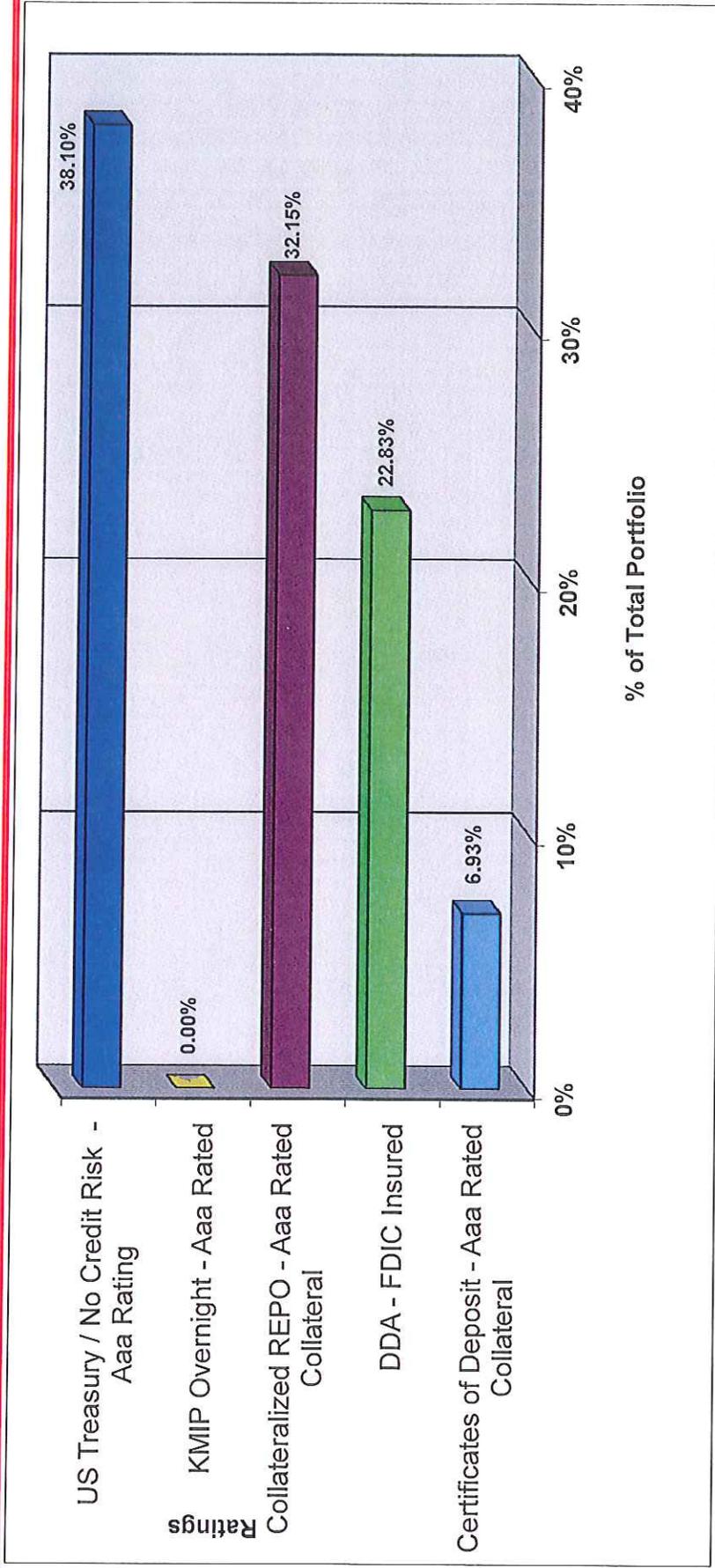
**City of Leawood**  
**SECTOR DISTRIBUTION**



*As of March 31, 2012*

This graph demonstrates the distribution of the total par amount of assets in the portfolio among various asset types. The percentage represents the percent of total par held in each asset class.

# City of Leawood RATINGS DISTRIBUTION

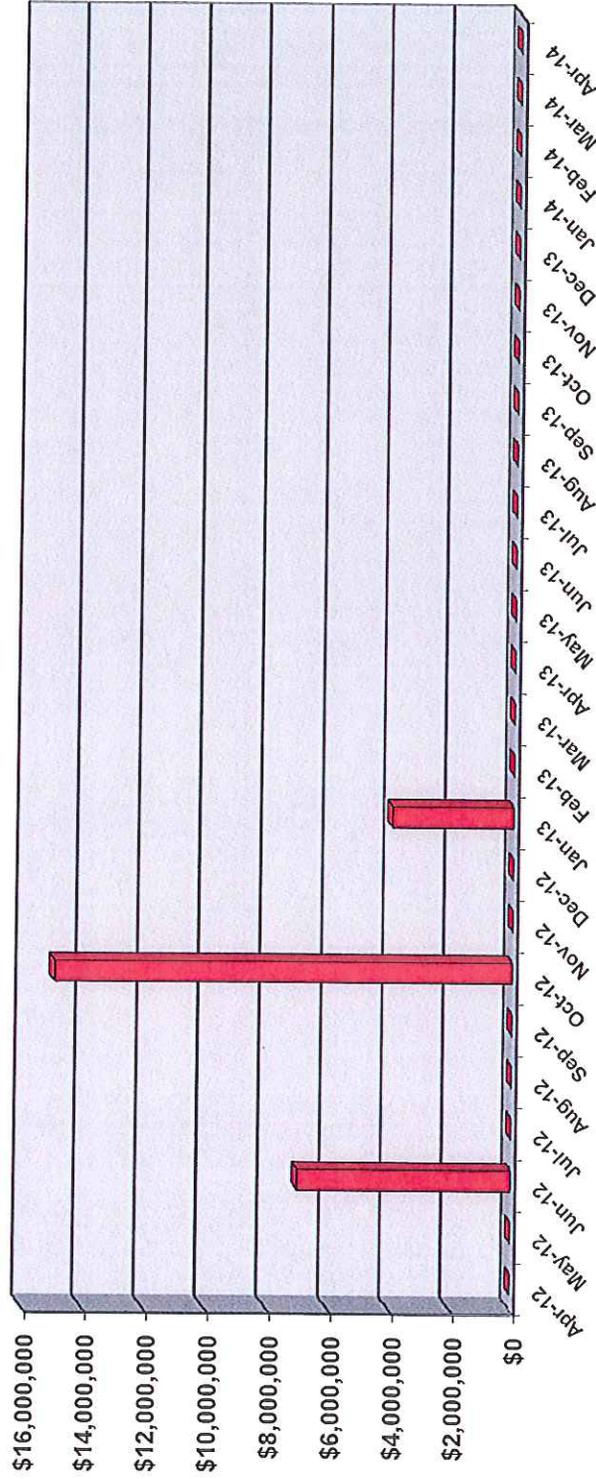


As of March 31, 2012

This graph demonstrates the distribution of assets by credit rating. The graph shows that 100% of the portfolio is invested in assets that have no material credit risk, since assets or the underlying collateral is rated Aaa by Moody's Investors Service. These percentages are well within policy guidelines. Basically, the City of Leawood owns nothing but the best credit risks in the world.



**Term Investment Principal Payments**  
**Total = \$26.008 Million**



*As of March 31, 2012*

This graph demonstrates the amount of principal being paid from the portfolio each month for the next two years. As of March 2012, all term investment portfolio cash flow will be returned with-in the next nine-months.

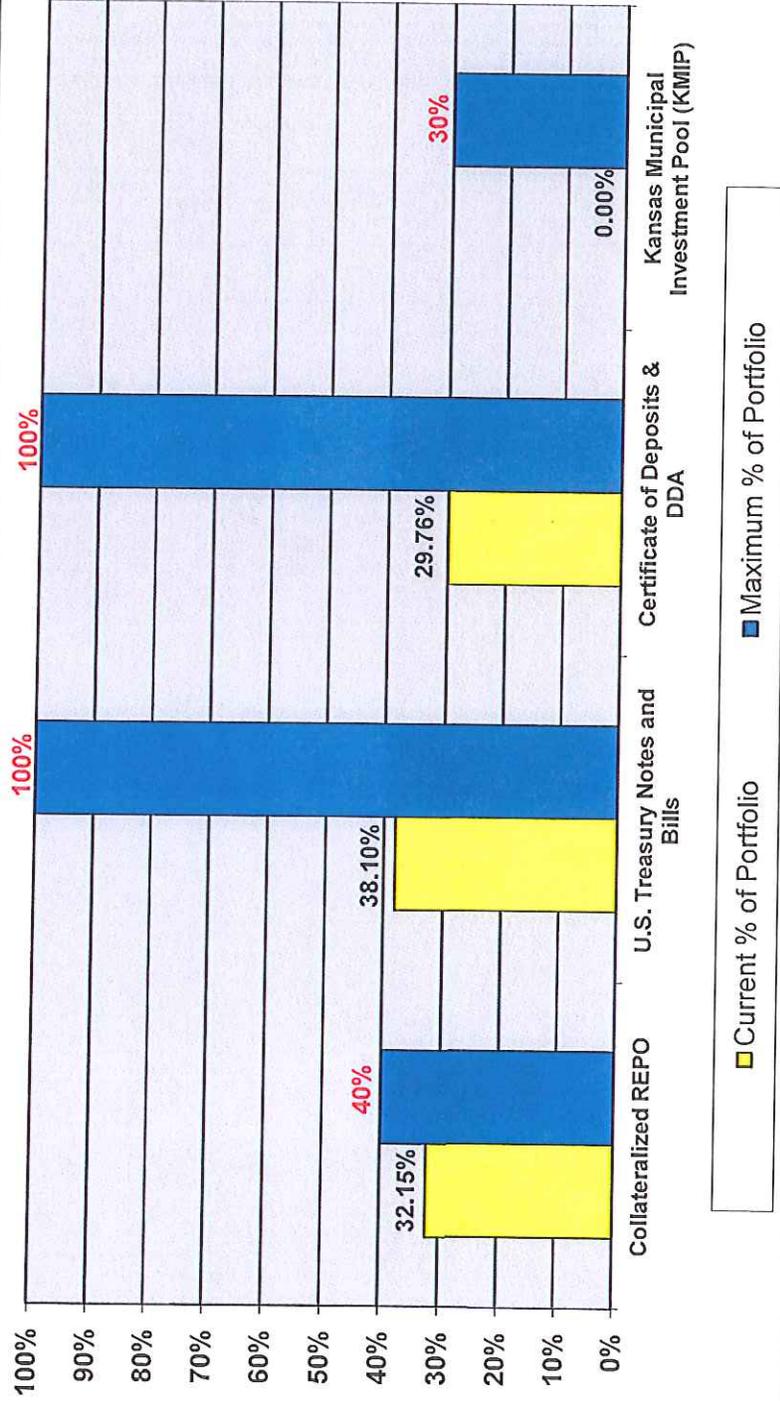
By Kansas Statute we cannot go out any further than two years. We are also strategically keeping our investments short-term because we need cash flow for operations, capital and debt service. Attached to this report on yellow paper, you can see the short term and the long term yields.

# City of Leawood

## POLICY COMPLIANCE



**Commerce Bank**  
Member FDIC



As of March 31, 2012

This graph compares the percentage of the total portfolio currently held in each asset class to the maximum percentage allowed in that asset class by policy. The City's investment policy allows some flexibility in the maximum percentage of investment by asset class when the market is considered volatile or unstable. The Kansas Municipal Investment Pool includes monies held in the city's capital improvement fund, which are exempt from investment policy compliance.

**City of Leawood**  
**MARKET VALUE**



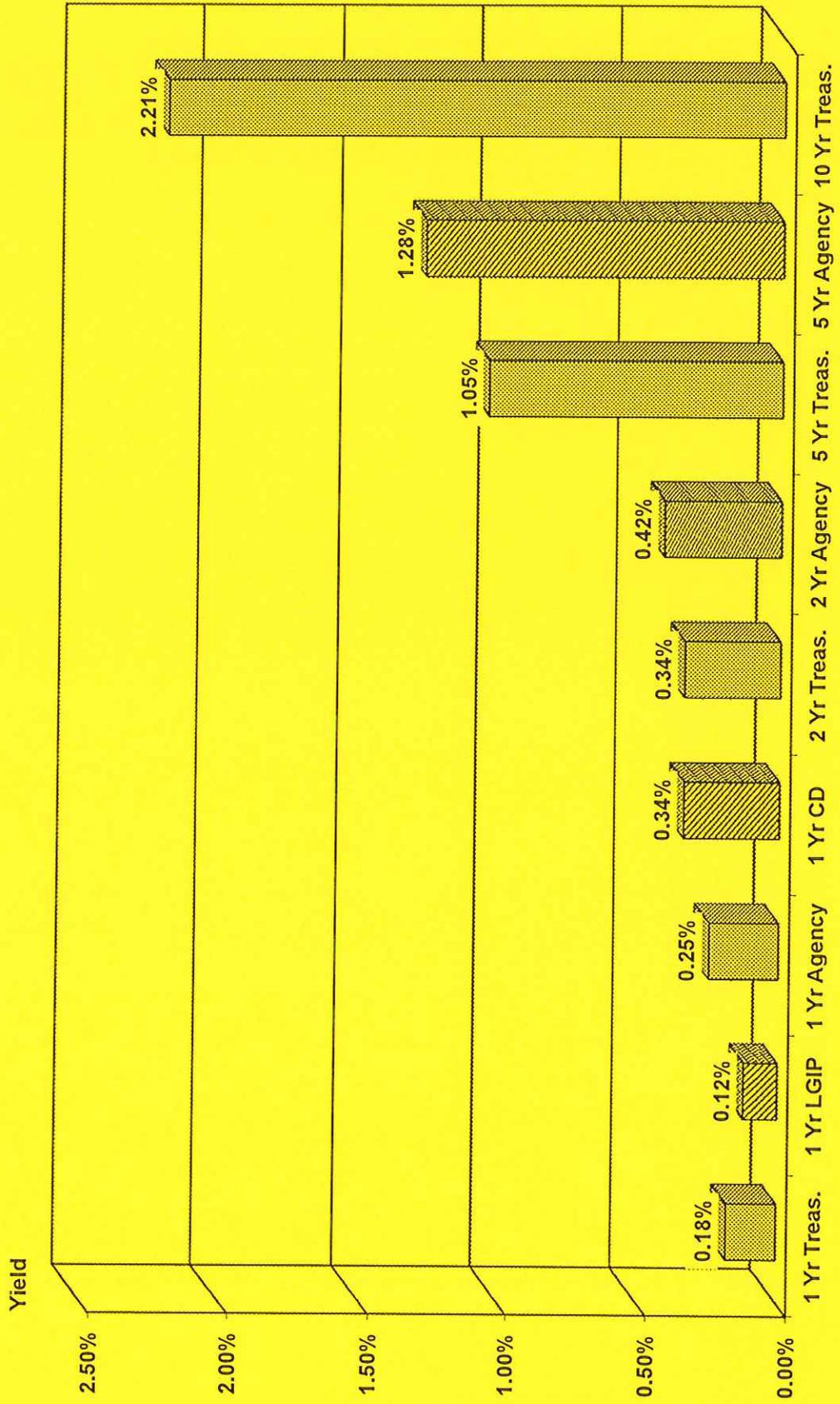
**Commerce Bank**  
 Member FDIC

SECTOR	Book Value	Market Value	Unrealized Gain (Loss)	Unrealized % Gain (Loss)
Treasury Notes	\$22,043,597	\$22,059,649	\$16,052	0.07%
Collateralized REPO	\$18,600,695	\$18,600,695	\$0	0.00%
Certificates of Deposit	\$4,008,420	\$4,008,420	\$0	0.00%
<b>Total Marketable Securities</b>	<b>\$44,652,712</b>	<b>\$44,668,764</b>	<b>\$16,052</b>	<b>0.04%</b>

*As of March 31, 2012*

This table compares the portfolio market value as of report date to book value, showing the corresponding unrealized gain or loss. The percentage gain or loss column reflects the amount of gain or loss divided by book value.

CURRENT YIELDS  
Long Term as of March 31, 2012



**CURRENT YIELDS**  
Short Term as of March 31, 2012

