

City of Wichita, Kansas
Incorporated 1870
City of 1st Class 1886
Council-Manager Form of
Government Adopted 1917

Quarterly Financial Report

For the Quarter Ended March 31, 2007



Prepared by Controller's Office
Department of Finance

**City of Wichita Kansas
Quarterly Financial Report
March 31, 2007**

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— INTRODUCTORY SECTION —



Department of Finance
Controller's Office
City Hall – Twelfth Floor
455 North Main
Wichita, Kansas 67202
www.wichita.gov

April 30, 2007

The Honorable Mayor, City Council and City Manager
City of Wichita, Kansas

Dear Mayor, Council Members and City Manager:

The Quarterly Financial Report of the City of Wichita for the period ending March 31, 2007 is presented to you as a review of financial and operational information. The information provided in the document does not include all entries that are included in the audited financial statements, which are presented in the Comprehensive Annual Financial Report. The quarterly financial report is intended to inform you and the citizens regarding the financial condition of the various funds and to provide information that will assist you in making informed decisions.

Highlights and key information follow in the presentation titled, *Highlights and Briefs*. Employees of both the Department of Finance and various operating departments contributed to the information presented herein. Our appreciation is extended to all members of the City staff that contributed.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Kelly Carpenter'.

Kelly Carpenter
Director of Finance

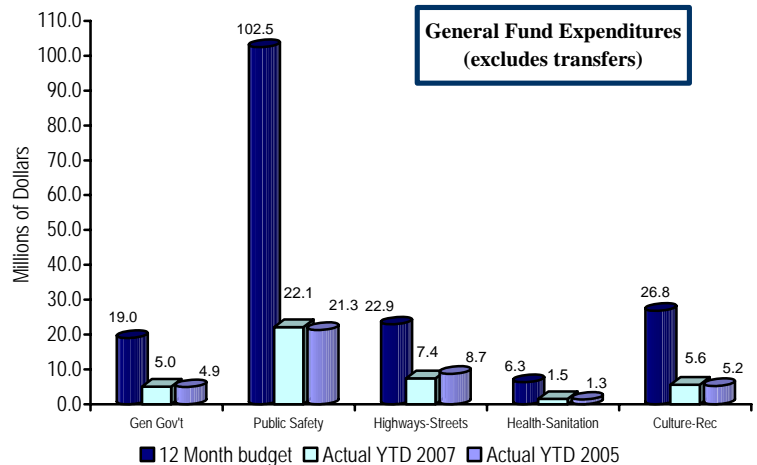
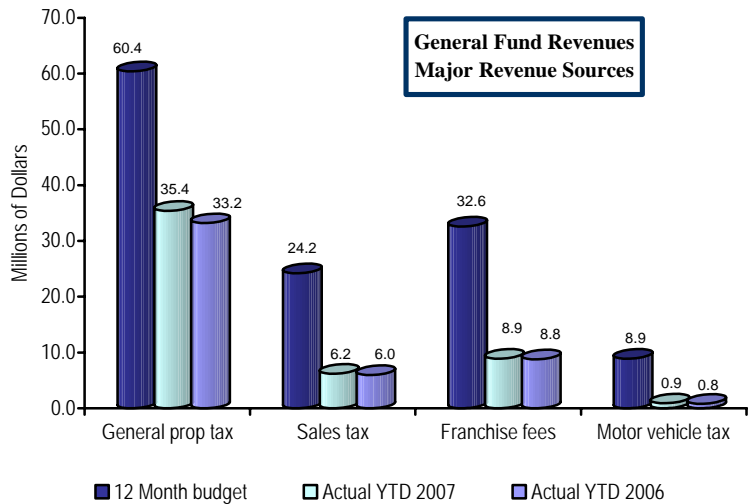




Highlights and Briefs

March 31, 2006 Quarterly Financial Report

- The **General Fund** unencumbered fund balance on March 31, 2007 was \$45.2 million compared to \$42.6 million on March 31, 2006. (pages 1-5)
- Overall, **General Fund** revenue and transfers from other funds are 4.3% (\$2.7 million) higher than in 2006.
- **Revenue** in all major categories was greater than in 2006.
 - Property tax up 6.6%
 - Sales tax up 4.3%
 - Franchise fees up 2.1%
 - Motor vehicle tax up 7.9%
- **General Fund** expenditures overall increased only \$157,947 above the first quarter expenditures of 2006. Expenditures and transfers to other funds were \$344,298 above expenditures at this time last year.
 - General Government increased 1.0%.
 - Public Safety increased 3.7%
 - Highways and Streets decreased 15.0%
 - Sanitation, Health & Welfare increased 12.8%
 - Culture and Recreation increased 8.9%
- Cash reserves of the **Debt Service Fund** were \$30.9 million compared to \$40.1 million at the end of the first quarter in 2006. In 2005 and in 2006, Debt Service cash was used to retire temporary notes on projects, in lieu of issuing long-term debt. As cash is available, the City uses a mix of long-term financing and cash funding of projects to manage the City's debt capacity and minimize the cost of long-term financing. (pages 31-32)



➤ Transient guest tax revenue in the **Tourism and Convention Promotion Fund** was up the first quarter of 2007 by 21.4% or \$240,252, and 3.6% above the 2006 first quarter performance. Transient guest tax revenue for the full twelve months of 2006 was \$27,375 below that collected in 2005 (page 7)

**Transient Guest Tax Collections
For Fiscal Years Ending
December 31, 2001 through 2006**

| Year | Revenue |
|------|--------------|
| 2001 | \$ 4,474,335 |
| 2002 | 4,360,960 |
| 2003 | 4,487,555 |
| 2004 | 4,926,127 |
| 2005 | 5,063,526 |
| 2006 | 5,035,150 |

➤ **Trolley Fund** activity resulted in an operating deficit of \$4,476 with not all costs fully reported. The unencumbered fund balance of \$2,424 will be fully absorbed by outstanding operating costs. A schedule of budgetary comparison is provided on page 8.

➤ The **Ice Rink Fund** ended the first quarter of 2007 with cash of \$91,896, offsetting the \$100,000 operating advance. The advance will remain in place at this time to allow the management firm flexibility for seasonal downturns in revenue generating activities. A schedule of budgetary comparison is provided on page 11.

➤ The **Central Inspection Fund** is required to maintain a reserve equivalent of 3 to 4 months or 25% to 33% of the current budget, excluding budgeted contingencies. Currently the reserve is at 3.6 months or 30.0%, slightly above the target threshold.

Revenue in the Central Inspection is 17.3% above the first quarter of 2006. Permitting revenue is above the revenue of the first quarter of 2006, due primarily to permits for roofing repairs resulting from the hailstorms in the spring of 2005. Commercial plan review revenue is also up significantly in 2007, with significant growth above 2006. (page 14)

➤ The 2007 expenditures of the North Industrial TIF reflect the encumbrance of funds for engineering services in the TIF district. The remedial investigation has been completed. The encumbered funds will pay for the development of a feasibility study, which will address containment of the contamination and the remediation plan.(page20)

➤ Property taxes in the **East Bank TIF** increased \$150,666 above the first quarter of 2006, a reflection of increasing property value in the district, due to WaterWalk development. In addition, reimbursement for maintenance of WaterWalk common areas contributed to the fund revenues. (page 21)

➤ The **Old Town TIF** recorded increased property tax revenue of \$96,364 or 33.4% above the first quarter of 2006. The TIF's current deficit in meeting debt service obligations is the result of estimating tax revenues and the timing of the budget development. The TIF will be able to meet all its debt service obligations in 2007. (page 22)

➤ Property tax revenue in the **21st Street and Grove TIF** increased \$54,964 above the first quarter of 2006. The increased revenue should enable the TIF to meet its debt service obligations for 2007.

➤ All debt services payments of the tax increment financing districts are disbursed by the Debt Service Fund, reimbursed by the applicable TIF fund. A summary of the various TIF reimbursements to the Debt Service Fund is presented on page 72.

➤ The **Water Utility** expenditures are above those of 2006 with the most significant increase in debt service and contractual services. Revenue of the Utility is below that of 2006, but anticipated to meet that of 2006 once all water sales are recorded. The budgetary comparison is presented on page 44. Statements for enterprise funds that are prepared on an accrual basis are presented in the preceding pages of the same section.

➤ The **Sewer Utility** implemented a 7% rate on January 1, 2007. Charges for services and sales are above first quarter of 2006, due to a significant refund to a large commercial customer in 2006,

leaving 2006 sales artificially understated. Expenditures of the Sewer Utility are 8% above 2006, with debt service being the most significant increase. (page 45)

- The **Storm Water Utility** implemented a rate increase on January 1, 2007 resulting in a rate of \$2.00 per ERU. Operating revenue for the quarter is projected to be above that of the 2006 when the billing cycle is completed. Expenditures are higher than in 2006 due to the purchase of capital equipment. (page 47)
- **Golf Fund** revenue decreased 10.7% (\$56,072), a result of a 31% decrease in rounds played in the first quarter of 2007. The fund balance has improved modestly over 2006, but overall performance will continue to be impacted greatly by weather conditions. The fund is expected to meet its debt service requirements in 2007 with potential to begin repaying the interfund loan that has been extended to assist with the operational restructuring. (page 48)
- The **Transit Fund**, which represents the locally funded portion of the public transportation system, recorded a decrease in fare revenue of 3.1% (\$11,282) and a decrease in advertising revenue of 33.3% or \$5,266 in the first quarter of 2007. Ridership is down in the first quarter of 2007. Expenditures are 6.4% above 2006, with 65% of the increase in fuel costs.
- The **Fleet Fund** leases vehicles to City departments and provides fuel and maintenance services for the vehicles. Revenue for leased vehicles increased as a result of increased rates implemented to cover increased operating costs and equipment replacement costs. Expenditures in the first quarter remained relatively flat compared to the first quarter of 2005, however are projected to increase over the year. Fluctuating fuel prices will continue to have a significant impact on the overall expenditure levels of the fund. The rate increase will position the fund to replace equipment as vehicles and equipment reaches the end of economic productivity. (page 56)
- The **Stationery Stores Fund** provides office supplies and postage services to City departments. Expenditures are above the first quarter of 2006, the result of an additional \$100,000 in postage purchased in the first quarter of 2007. As postage is used and billed monthly to consuming departments monthly, the fund will be reimbursed fully.

➤ At the close of 1st^h quarter, worker's compensation in the **Self Insurance Fund** paid \$657,368 to vendors for medical, legal and other related expenses compared to \$657,959 in 2006. Employees filed 85 worker's compensation claims in 2007 compared to 77 in the 1st quarter of 2006.

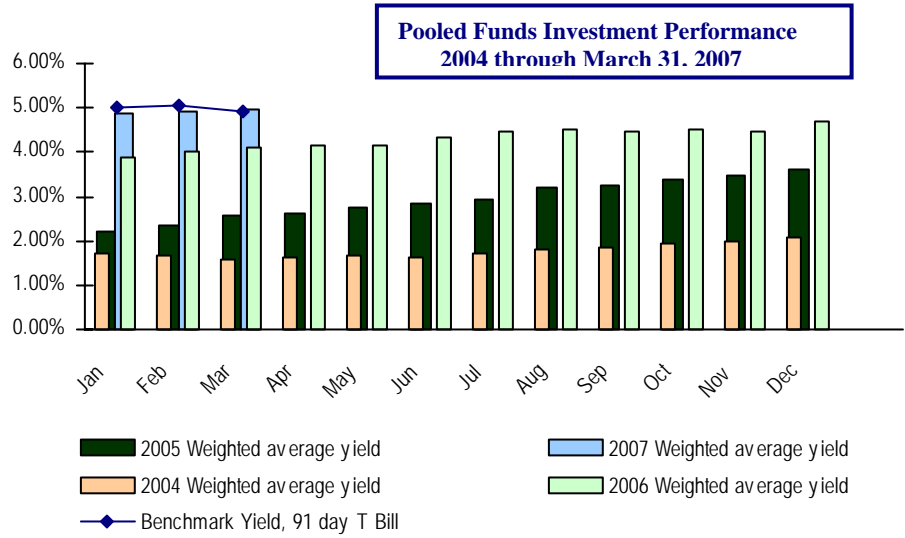
| | Self Insurance Fund | | | |
|--|---|-------------------|-------------------|-------------------|
| | Worker's Compensation Claims History | | | |
| | 12/31/2004 | 12/31/2005 | 12/31/2006 | 03/31/2007 |
| Total expenditures for worker's compensation | \$3,034,738 | \$3,175,760 | \$3,334,490 | \$890,286 |
| Number of claims reported | 414 | 389 | 401 | 85 |

➤ Net assets held in trust in the **Pension Funds** recorded a 5.8% increase in the first two months of 2007. Current year data reflects information that is available at the time of publication and does not the results of operations for the full quarter. (page 59)

| Fund Balances Reserved For Pension Benefits (Millions of Dollars) | | |
|---|-----------------|-------------------|
| As of | As of | As of |
| 12/31/05 | 12/31/06 | 02/28/2007 |
| \$879.2 | \$985.9 | \$991.7 |

➤ The **pooled investments** of the City had an amortized investment cost of \$280,499,641 on March 31. The weighted average maturity of the portfolio was 195 days and the modified duration of the portfolio was 0.50. Expressed in years, modified duration is a measure of a debt investment's exposure to fair value changes arising from changing interest rates. The weighted average yield to maturity is 4.967%, which compares favorably with the benchmark 91-Treasury Bill yield of 4.925%

Between June 2004 and June 2006, the Federal Reserve raised short-term interest rates 17 times, increasing the overnight rate from 1% to 5.25%. The increase in overnight rates raised the short-term yield curve causing investments to decline in market value. The increased interest rates will provide opportunity for higher yields as the portfolio's investments mature and are reinvested. (pages 61 through 63)



— GENERAL FUND —

The primary purpose of the General Fund is to account for the City's operating revenues and other financial resources and their uses in conducting the general operations of the City, except for those resources required to be accounted for in another fund.

CITY OF WICHITA, KANSAS

UNAUDITED

GENERAL FUND SCHEDULE OF BUDGETARY ACCOUNTS AND PROJECTIONS

For the quarter ended March 31, 2007
(with comparative for the fourth quarter ended December 31, 2006)

| | Original Budget | Revised Budget* | 2007 Actual YTD Amount | 2007 Year End Projected |
|--|----------------------|----------------------|---------------------------|----------------------------|
| Revenues and other sources: | | | | |
| General property tax | \$ 60,399,020 | \$ 60,399,020 | \$ 35,391,859 | \$ 60,399,020 |
| Special assessments | 29,350 | 29,350 | 112 | 29,350 |
| Franchise fees | 32,630,930 | 32,630,930 | 8,964,504 | 32,630,930 |
| Motor vehicle tax | 8,923,050 | 8,923,050 | 851,172 | 8,923,050 |
| Local sales tax | 24,207,000 | 24,207,000 | 6,210,760 | 24,207,000 |
| Intergovernmental - gas tax | 16,328,480 | 16,328,480 | 5,339,557 | 16,328,480 |
| Intergovernmental - other | 1,857,920 | 1,857,920 | 395,529 | 1,857,920 |
| Licenses and permits | 2,121,910 | 2,121,910 | 430,953 | 2,121,910 |
| Fines and penalties - court | 8,541,870 | 8,541,870 | 2,363,102 | 8,541,870 |
| Fines and penalties - other | 485,310 | 485,310 | 96,055 | 485,310 |
| Rental income | 2,651,310 | 2,651,310 | 540,354 | 2,651,310 |
| Interest earnings | 4,750,000 | 4,750,000 | 1,171,886 | 4,750,000 |
| Charges for services and sales | 8,537,140 | 8,537,140 | 1,718,986 | 8,537,140 |
| Administrative charges | 4,145,790 | 4,145,790 | 811,229 | 4,145,790 |
| Transfers from other funds | 8,185,520 | 8,185,520 | 1,574,416 | 8,185,520 |
| Reimbursed expenditures | 1,832,160 | 1,832,160 | 241,025 | 1,832,160 |
| Total revenues and other sources | 185,626,760 | 185,626,760 | 66,101,500 | 185,626,760 |
| Expenditures and other uses: | | | | |
| General government | 18,998,560 | 18,998,560 | 5,015,871 | 18,998,560 |
| Public safety | 102,542,950 | 102,542,950 | 22,132,300 | 102,542,950 |
| Highways and streets | 22,928,830 | 22,928,830 | 7,362,549 | 22,928,830 |
| Sanitation | 2,231,310 | 2,231,310 | 480,329 | 2,996,310 |
| Health and welfare | 4,053,410 | 4,053,410 | 992,530 | 4,053,410 |
| Culture and recreation | 26,792,710 | 26,792,710 | 5,634,527 | 26,827,710 |
| Operating transfers out | 8,078,990 | 8,078,990 | 1,891,412 | 8,078,990 |
| Total expenditures and other uses | 185,626,760 | 185,626,760 | 43,509,518 | 186,426,760 |
| Revenues and other sources over (under) expenditures and other uses | - | - | 22,591,982 | (800,000) |
| Unencumbered fund balance, beginning | 22,867,521 | 23,025,888 | 23,025,888 | 21,999,671 |
| Unencumbered fund balance, ending | <u>\$ 22,867,521</u> | <u>\$ 23,025,888</u> | <u>\$ 45,617,870</u> | <u>\$ 21,199,671</u> |

*The 2006 certified expenditure budget is \$198,565,982 including an appropriated reserve of \$12,939,222.

CITY OF WICHITA, KANSAS

UNAUDITED

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For the first quarter ended March 31, 2007
(with comparative totals for the first quarter ended March 31, 2006)

| | Budgeted Amounts | | Actual Amounts | Variance with | 2006 |
|-------------------------------------|--------------------|--------------------|-------------------|--|-------------------|
| | Original | Revised * | | Final Budget - Positive (Negative) | |
| REVENUES | | | | | |
| Local government taxes | | | | | |
| Property taxes | \$ 58,449,020 | \$ 58,449,020 | \$ 34,767,884 | \$ (23,681,136) | \$ 32,609,194 |
| Delinquent property taxes | 1,900,000 | 1,900,000 | 638,354 | (1,261,646) | 573,302 |
| IRBs, In-lieu-of-taxes | 20,000 | 20,000 | 1,598 | (18,402) | - |
| WHA, in-lieu-of-taxes | 30,000 | 30,000 | - | (30,000) | - |
| Other property taxes | - | - | (15,977) | (15,977) | - |
| Special assessments | 29,350 | 29,350 | 112 | (29,238) | 2,361 |
| Motor vehicle tax | 8,923,050 | 8,923,050 | 851,172 | (8,071,878) | 788,406 |
| Local sales tax | 24,207,000 | 24,207,000 | 6,210,760 | (17,996,240) | 5,955,241 |
| Franchise Fees | 32,630,930 | 32,630,930 | 8,964,504 | (23,666,426) | 8,784,210 |
| Total local government taxes | 126,189,350 | 126,189,350 | 51,418,407 | (74,770,943) | 48,712,714 |
| Licenses and permits | 2,121,910 | 2,121,910 | 430,953 | (1,690,957) | 380,323 |
| Fines and penalties | 9,027,180 | 9,027,180 | 2,459,157 | (6,568,023) | 2,292,416 |
| Intergovernmental | 18,186,400 | 18,186,400 | 5,735,086 | (12,451,314) | 5,566,158 |
| Charges for services and sales | 8,537,140 | 8,537,140 | 1,718,986 | (6,818,154) | 1,727,627 |
| Rental/lease income | 2,651,310 | 2,651,310 | 540,354 | (2,110,956) | 580,746 |
| Interest earnings | 4,750,000 | 4,750,000 | 1,171,886 | (3,578,114) | 1,162,935 |
| Reimbursed expenditures | 1,832,160 | 1,832,160 | 241,026 | (1,591,134) | 313,373 |
| Administrative fees | 4,145,790 | 4,145,790 | 811,229 | (3,334,561) | 759,288 |
| Total Revenues | 177,441,240 | 177,441,240 | 64,527,084 | (112,914,156) | 61,495,580 |
| EXPENDITURES | | | | | |
| City Council: | | | | | |
| Personal services | 490,080 | 490,080 | 102,042 | 388,038 | 112,410 |
| Contractual services | 113,370 | 113,370 | 20,431 | 92,939 | 27,992 |
| Materials and supplies | 20,950 | 20,950 | 1,236 | 19,714 | 1,588 |
| Contingency | 7,750 | 7,750 | - | 7,750 | - |
| Total City Council | 632,150 | 632,150 | 123,709 | 508,441 | 141,990 |
| City Manager: | | | | | |
| Personal services | 2,595,600 | 2,595,600 | 522,262 | 2,073,338 | 403,833 |
| Contractual services | 1,978,810 | 2,036,810 | 482,988 | 1,553,822 | 473,657 |
| Materials and supplies | 67,200 | 67,200 | 8,755 | 58,445 | 11,177 |
| Other | 12,000 | 12,000 | 2,792 | 9,208 | 5,022 |
| Contingency | 275,120 | 275,120 | - | 275,120 | - |
| Total City Manager | 4,928,730 | 4,986,730 | 1,016,797 | 3,969,933 | 893,689 |
| Department of Finance: | | | | | |
| Personal services | 3,415,400 | 3,415,400 | 718,157 | 2,697,243 | 685,327 |
| Contractual services | 623,490 | 623,490 | 122,232 | 501,258 | 139,424 |
| Materials and supplies | 29,910 | 29,910 | 3,569 | 26,341 | 3,932 |
| Total Department of Finance | 4,068,800 | 4,068,800 | 843,958 | 3,224,842 | 828,683 |

* Note: Revised column reflects the adopted budget and any subsequent reallocations and revisions approved by City Council.

CITY OF WICHITA, KANSAS

UNAUDITED

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For the first quarter ended March 31, 2007
(with comparative totals for the first quarter ended March 31, 2006)

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) | 2006 Actual Amounts |
|---|-------------------|-------------------|-------------------|---|------------------------|
| | Original | Revised * | | | |
| Law Department: | | | | | |
| Personal services | 1,871,920 | 1,871,920 | 454,714 | 1,417,206 | 432,316 |
| Contractual services | 242,380 | 242,380 | 115,060 | 127,320 | 106,051 |
| Materials and supplies | 8,580 | 8,580 | 618 | 7,962 | 1,116 |
| Total Law Department | 2,122,880 | 2,122,880 | 570,392 | 1,552,488 | 539,483 |
| Municipal Court: | | | | | |
| Personal services | 4,259,580 | 4,259,580 | 927,474 | 3,332,106 | 897,650 |
| Contractual services | 1,614,560 | 1,614,560 | 254,467 | 1,360,093 | 347,101 |
| Materials and supplies | 94,830 | 94,830 | 17,867 | 76,963 | 9,255 |
| Total Municipal Court | 5,968,970 | 5,968,970 | 1,199,808 | 4,769,162 | 1,254,006 |
| Fire Department: | | | | | |
| Personal services | 30,293,720 | 30,293,720 | 6,693,923 | 23,599,797 | 6,545,942 |
| Contractual services | 1,681,760 | 1,681,760 | 391,653 | 1,290,107 | 388,625 |
| Materials and supplies | 755,860 | 731,860 | 102,713 | 629,147 | 177,322 |
| Capital outlay | - | 24,000 | 23,992 | 8 | - |
| Contingency | 404,390 | 404,390 | - | 404,390 | - |
| Total Fire Department | 33,135,730 | 33,135,730 | 7,212,281 | 25,923,449 | 7,111,889 |
| Police Department: | | | | | |
| Personal services | 57,136,220 | 57,136,220 | 12,438,085 | 44,698,135 | 11,951,978 |
| Contractual services | 6,846,620 | 6,846,620 | 1,509,253 | 5,337,367 | 1,328,118 |
| Materials and supplies | 864,860 | 864,860 | 229,654 | 635,206 | 220,991 |
| Total Police Department | 64,847,700 | 64,847,700 | 14,176,992 | 50,670,708 | 13,501,087 |
| Housing & Community Services: | | | | | |
| Personal services | 25,410 | 22,410 | 15,906 | 6,504 | - |
| Contractual services | - | 3,000 | 1,353 | 1,647 | - |
| Total Housing & Community Services | 25,410 | 25,410 | 17,259 | 8,151 | - |
| Library: | | | | | |
| Personal services | 5,136,900 | 5,136,900 | 1,132,633 | 4,004,267 | 1,061,641 |
| Contractual services | 1,276,950 | 1,276,950 | 320,424 | 956,526 | 274,927 |
| Materials and supplies | 823,140 | 823,140 | 124,628 | 698,512 | 59,125 |
| Total Library | 7,236,990 | 7,236,990 | 1,577,685 | 5,659,305 | 1,395,693 |
| Public Works: | | | | | |
| Personal services | 4,658,010 | 4,658,010 | 1,005,133 | 3,652,877 | 970,541 |
| Contractual services | 4,914,470 | 4,914,470 | 1,090,116 | 3,824,354 | 1,179,582 |
| Materials and supplies | 578,570 | 578,570 | 94,325 | 484,245 | 128,715 |
| Capital outlay | 172,540 | 172,540 | 45,226 | 127,314 | 6,830 |
| Total Public Works | 10,323,590 | 10,323,590 | 2,234,800 | 8,088,790 | 2,285,668 |

* Note: Revised column reflects the adopted budget and any subsequent reallocations and revisions approved by City Council.

CITY OF WICHITA, KANSAS

UNAUDITED

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For the first quarter ended March 31, 2007
(with comparative totals for the first quarter ended March 31, 2006)

| | Budgeted Amounts | | Actual Amounts | Variance with | 2006 |
|-------------------------------------|--------------------|--------------------|------------------|--|------------------|
| | Original | Revised * | | Final Budget - Positive (Negative) | |
| Environmental Services: | | | | | |
| Personal services | 3,278,180 | 3,278,180 | 703,132 | 2,575,048 | 623,657 |
| Contractual services | 1,065,910 | 1,065,910 | 268,769 | 797,141 | 250,891 |
| Materials and supplies | 90,830 | 90,830 | 22,011 | 68,819 | 17,017 |
| Capital outlay | 40,000 | 40,000 | 35,607 | 4,393 | - |
| Other | - | - | 162 | (162) | - |
| Total Environmental Services | 4,474,920 | 4,474,920 | 1,029,681 | 3,445,239 | 891,565 |
| Park: | | | | | |
| Personal services | 10,398,530 | 10,398,530 | 2,207,076 | 8,191,454 | 2,182,125 |
| Contractual services | 6,141,630 | 6,141,630 | 1,130,156 | 5,011,474 | 913,692 |
| Materials and supplies | 709,720 | 709,720 | 134,862 | 574,858 | 132,888 |
| Capital outlay | 65,900 | 65,900 | 15,784 | 50,116 | 34,520 |
| Other | 42,200 | 42,200 | 3,331 | 38,869 | 5,169 |
| Contingency | (200,000) | (200,000) | - | (200,000) | - |
| Total Park | 17,157,980 | 17,157,980 | 3,491,209 | 13,666,771 | 3,268,394 |
| Non Departmental: | | | | | |
| Personal services | 778,400 | 38,400 | 13,940 | 24,460 | - |
| Contractual services | 656,700 | 606,700 | 124,589 | 482,111 | 127,220 |
| Materials and supplies | 41,000 | 91,000 | 36,907 | 54,093 | 1,806 |
| Contingency | (4,095,510) | (4,203,510) | 8,592 | (4,212,102) | 10,987 |
| Total Non Departmental | (2,619,410) | (3,467,410) | 184,028 | (3,651,438) | 140,013 |
| Human Resources: | | | | | |
| Personal services | 1,257,600 | 1,257,600 | 278,312 | 979,288 | 267,664 |
| Contractual services | 250,850 | 250,850 | 39,729 | 211,121 | 56,775 |
| Materials and supplies | 37,520 | 37,520 | 7,544 | 29,976 | 4,533 |
| Other | - | - | 9 | (9) | - |
| Total Human Resources | 1,545,970 | 1,545,970 | 325,594 | 1,220,376 | 328,972 |

* Note: Revised column reflects the adopted budget and any subsequent reallocations and revisions approved by City Council.

CITY OF WICHITA, KANSAS

UNAUDITED

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For the first quarter ended March 31, 2007
(with comparative totals for the first quarter ended March 31, 2006)

| | Budgeted Amounts | | Actual Amounts | Variance with | 2006 Actual Amounts |
|--|----------------------|----------------------|----------------------|--|------------------------|
| | Original | Revised * | | Final Budget - Positive (Negative) | |
| Public Works-Gas Tax: | | | | | |
| Personal services | 9,535,810 | 9,917,810 | 2,327,228 | 7,590,582 | 1,964,859 |
| Contractual services | 11,640,510 | 11,640,510 | 4,613,239 | 7,027,271 | 5,626,951 |
| Materials and supplies | 1,963,200 | 2,371,200 | 585,341 | 1,785,859 | 425,476 |
| Capital outlay | 380,000 | 380,000 | 58,900 | 321,100 | 821,883 |
| Engineering overhead | 177,840 | 177,840 | 29,205 | 148,635 | 39,858 |
| Total Public Works-Gas Tax | <u>23,697,360</u> | <u>24,487,360</u> | <u>7,613,913</u> | <u>16,873,447</u> | <u>8,879,027</u> |
| Total Expenditures | <u>177,547,770</u> | <u>177,547,770</u> | <u>41,618,106</u> | <u>135,929,664</u> | <u>41,460,159</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(106,530)</u> | <u>(106,530)</u> | <u>22,908,978</u> | <u>23,015,508</u> | <u>20,035,421</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers from other funds | 8,185,520 | 8,185,520 | 1,574,416 | (6,611,104) | 1,419,324 |
| Transfers to other funds | <u>(8,078,990)</u> | <u>(8,078,990)</u> | <u>(1,891,412)</u> | <u>6,187,578</u> | <u>(1,705,062)</u> |
| Total other financing sources (uses) | <u>106,530</u> | <u>106,530</u> | <u>(316,996)</u> | <u>(423,526)</u> | <u>(285,738)</u> |
| Net change in fund balances | - | - | 22,591,982 | 22,591,982 | 19,749,683 |
| Unencumbered fund balances - beginning | <u>22,867,521</u> | <u>23,025,888</u> | <u>23,025,888</u> | <u>-</u> | <u>22,867,515</u> |
| Unencumbered fund balances - ending | <u>\$ 22,867,521</u> | <u>\$ 23,025,888</u> | <u>\$ 45,617,870</u> | <u>\$ 22,591,982</u> | <u>\$ 42,617,198</u> |

* Note: Revised column reflects the adopted budget and any subsequent reallocations and revisions approved by City Council.

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— SPECIAL REVENUE FUNDS —

The primary purpose of the Special Revenue Funds is to account for the proceeds of designated revenue sources which are used to finance specified activities as required by law or administrative regulation.

— DEBT SERVICE FUND —

The primary purpose of the Debt Service Fund is to provide for the payment of interest and principal on long-term general obligation debt. Funding sources include property taxes, special assessments, interest earnings, transfers from other funds and other miscellaneous sources.

— CAPITAL PROJECTS FUNDS —

The purpose of the Capital Projects Funds is to account for capital improvements (except for those financed by proprietary funds) that are financed from the City's general obligation bond issues, special assessments, local sales tax, certain Federal grants and other City funds.

— PROPRIETARY FUNDS —

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The fund measurement focus is upon determination of net income, financial position and change in financial position. Proprietary funds include Enterprise Funds and Internal Service Funds.

———— FIDUCIARY FUNDS ————

Fiduciary funds are used to account for resources received and held by the City as trustee. Resources can only be expended in accordance with the conditions of the respective trust or agreement and can not be expended to support primary government's programs.

— GENERAL PURPOSE FINANCIAL STATEMENTS —

The General Purpose Financial Statements provide a summary overview of the financial position of all funds and account groups and the operating results of all funds. They also serve as a condensed introduction to the more detailed individual fund statements.

— OTHER FINANCIAL AND —
OPERATIONAL INFORMATION

— REFERENCE GUIDE —

UNDERSTANDING THE
FINANCIAL STATEMENTS