

City of Prairie Village

First Quarter

Financial Report for the first quarter

Ended March 31, 2019

Relating to Fiscal Year 2019

Unaudited



GENERAL FUND

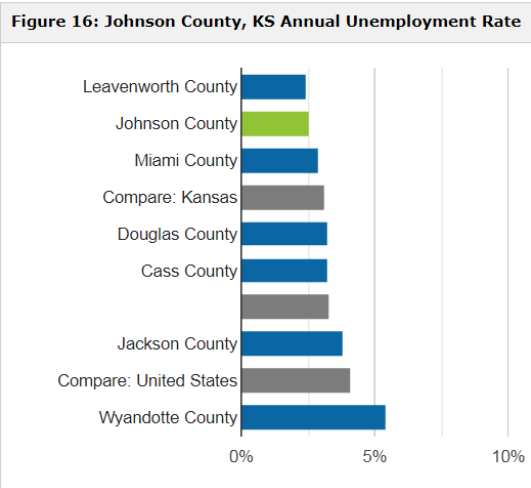
General Fund Balance. The chart, below, shows with 25 percent of the year complete revenues are at 30 percent of projections, while expenditures are at 24 percent of appropriations. The chart also reports the budgeted fund balance at the start of 2019, which is \$6,825,053 and the audited actual fund balance, which is \$7,148,008. The 2019 target ending fund balance is 25 percent of revenues (excluding transfers).

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 6,825,053	\$ 7,148,008	
Revenues	21,533,035	6,461,979	30.0%
Expenditures	23,384,547	5,584,318	23.9%
Balance	4,973,541	8,025,669	

SUMMARY OF KANSAS ECONOMIC CONDITIONS

According to the Federal Reserve the U.S. economic activity is strong, but slowing to a more sustainable pace even though economic indicators have been mixed. The weak performance will probably delay any interest rate increases. The first three months of this year included harsh weather, declining exports and cut backs in oil and gas drilling. Consumer spending slowed, in part because severe weather kept shoppers at home and away from retail shops and restaurants. Bad weather also raises fuel and food costs.




2019 brings the opening of Meadowbrook Park. This will add 80 acres of park space to northeast Johnson County and attract new visitors and potential residents to Prairie Village. The impact of Meadowbrook project on the Prairie Village economy is just starting to be seen with new construction on luxury apartments, townhomes, single-family homes, a hotel and a senior living facility.



The focus of this report is on 2019 revenues and expenditures. The city’s goal is to achieve a “positive outlook” in all key financial areas.

Discussed, below, are differences between individual revenues and expenses between 2019 and 2018.

Rating Scale for Key Variances:

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

Key variances include:

- **Use Tax.** Use tax revenues are \$13,970 greater compared to the last fiscal year, and are at 9 percent 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. In 2018 we were at 9.3 percent of the budget estimate.
- **Franchise Fees.** Franchise fee revenues are \$92,660 less compared to the last fiscal year, and are at 13.3 percent of the budget estimate. KCPL issued a “credit” to consumers in January that reduced City franchise fee revenues by around \$100,000. KCPL has also informed the City that we can expect an additional 3% loss going forward as a result of their merge with Westar. The 2020 budget has included the 3% decline in revenues.
- **Licenses & Permits.** License and permit revenues are \$21,983 greater compared to last fiscal year, and are at 24.9 percent of the budget estimate. In 2018 we were at 22 percent of the budget estimate.
- **Fines & Fees.** Fines and fee revenues are \$1,545 less compared to last fiscal year, and are at 24.4 percent of the budget estimate. In 2018 we were at 30.2 percent of the budget estimate.
- **Recreational Fees.** Recreational fees revenues are \$58,024 greater compared to 2018, and are 2.2 percent of the budget estimate. In 2018 we were at 2.7 percent of budget estimate. Recreational fees are seasonal and typically don’t come in until the second quarter.

The chart, below, provides summary comparison information on revenues, expenditures and transfers for the first quarter ending March 2019 versus March 2018.

Year to Date Comparison to Prior Year				
General Fund	2019	2018	Over (Under)	
Revenues:				
Property Taxes	4,377,520	4,128,150	249,370	6.04%
Sales Taxes	398,304	441,702	(43,398)	-9.83%
Use Tax	112,729	98,759	13,970	14.15%
Motor Vehicle Tax	202,532	190,618	11,914	
Liquor Tax	32,249	35,862	(3,613)	-10.07%
Franchise Fees	261,500	354,160	(92,660)	-26.16%
Licenses & Permits	181,083	159,100	21,983	13.82%
Charges for Services	409,831	411,480	(1,649)	-0.40%
Fines & Fees	220,982	274,253	(53,271)	-19.42%
Recreational Fees	9,605	11,150	(1,545)	-13.86%
Interest on Investments	64,400	6,376	58,024	910.04%
Miscellaneous	49,994	42,829	7,165	16.73%
Total Revenue	\$6,320,729	\$6,154,439	\$166,290	2.70%
Transfers from Other funds:				
Transfer from General Fund	-	-		
Transfer from Special Highway Fund	-	-		
Transfer from Stormwater Utility Fund	141,250	112,500	28,750	
Transfer from Special Parks & Rec Fund	-	-		
Transfer from Special Alcohol Fund	-	-		
Total	141,250	112,500	28,750	
Total Sources	\$6,461,979	\$6,266,939	\$195,040	
Expenditures:				
Personal Services	3,097,803	2,651,404	446,399	16.84%
Contract Services	614,495	664,953	(50,458)	-7.59%
Commodities	91,563	63,226	28,337	44.82%
Capital Outlay	114,184	10,663	103,521	970.84%
Debt Service				
Infrastructure				
Contingency	-	-	-	
Total Expenditures	3,918,045	3,390,246	527,799	15.57%
Transfers to Other Funds:				
Transfer to Capital Projects Fund	1,288,779	1,325,890	(37,111)	-2.80%
Transfer to Bond & Interest Fund	268,744	258,260	10,484	4.06%
Transfer to Risk Management Fund	8,750	8,750	-	
Transfer to Economic Development	-	-	-	
Transfer to Equipment Reserve Fund	100,000	112,500	(12,500)	-11.11%
Total	1,666,273	1,705,400	(39,127)	
Total Uses	5,584,318	5,095,646	488,672	

The charts, below, provide information on expenditure and revenue budget to actual variances for the General Fund for the first quarter ending March 2019.

Expenditure Variances

General Fund	Budget	Expended YTD Actual	Percent Expended
Expenditures:			
Personnel Services	10,663,987	3,097,803	29.0%
Contract Services	4,556,419	614,495	13.5%
Commodities	760,300	91,563	12.0%
Capital Outlay	238,750	114,184	47.8%
Contingency	500,000	-	0.0%
Transfers to Other Funds	6,665,091	1,666,273	25.0%
Total Expenditures	<u>\$23,384,547</u>	<u>\$5,584,318</u>	<u>23.9%</u>

Revenue Variances

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	7,614,743	4,377,520	57.5%
Sales Taxes	5,325,000	398,304	7.5%
Use Tax	1,250,000	112,729	9.0%
Motor Vehicle Tax	759,833	202,532	26.7%
Liquor Tax	136,233	32,249	23.7%
Franchise Fees	1,972,200	261,500	13.3%
Licenses & Permits	728,150	181,083	24.9%
Charges for Services	1,647,151	409,831	24.9%
Fines & Fees	904,775	220,982	24.4%
Recreational Fees	431,350	9,605	2.2%
Interest on Investments	56,000	64,400	115.0%
Miscellaneous	142,600	49,994	35.1%
Transfer from Stormwater Utility Fund	565,000	141,250	25.0%
Total Revenue	<u>\$21,533,035</u>	<u>\$6,461,979</u>	<u>30.0%</u>

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended March 31, 2019 are shown on page 5.

	Solid Waste Management	Special Highway	Stormwater Utility	Meadowbrook TIF	Special Parks & Rec	Special Alcohol	Bond & Interest	Capital Projects	Risk Mgmt	Economic Development	Equipment Reserve	CID Corinth	CID PV Shops
Revenues:													
Property Taxes							524						
Meadowbrook TIF			365,148									43,323	36,468
Sales Taxes													
Bond Proceeds													
Motor Vehicle Tax				32,249									
Licenses & Permits	120		3,290										
Intergovernmental								1,018,749					
Charges for Services	993,031		950,387										
Interest on Investments	18,267	15,609	23,113		5	84	3	17,607	184			3,112	2,824
Miscellaneous													
Total Revenue	1,011,418	15,609	976,790	365,148	32,254	32,333	527	1,036,356	184			46,435	39,292
Transfers from Other funds:													
Transfer from General Fund							268,744	1,288,779	8,750		100,000		
Transfer from Special Highway								160,750					
Transfer from Storm Water Utility Fund							61,346	212,500					
Transfer from Special Parks & Rec Fund								34,358					
Total							330,090	1,696,387	8,750		100,000		
Total Sources	1,011,418	15,609	976,790	365,148	32,254	32,333	330,617	2,732,743	8,934		100,000	46,435	39,292
Expenditures:													
Personal Services	8,475												
Contract Services	435,335												
Commodities								22,669		4,395			
Capital Outlay			331,816					34,668					
Debt Service								284					
Infrastructure											20,073		
Bond Costs													
Total Expenditures	443,810		331,816			57,621	55,179	435,689		4,395	20,073		
Transfers to Other Funds:													
Transfer to General Fund			141,250										
Transfer to Bond & Interest Fund			61,346										
Transfer to Capital Projects Fund		160,750	212,500		34,358								
Transfer to Equipment Reserve Fund													
Total		160,750	415,096		34,358								
Total Uses	443,810	160,750	415,096	331,816	34,358	57,621	55,179	435,689		4,395	20,073		
Sources Over(Under) Uses	567,608	(145,141)	561,694	33,332	(2,104)	(25,288)	275,438	2,297,054	8,934	(4,395)	79,927	46,435	39,292