

City of Prairie Village

Third Quarter

Financial Report for the third quarter

Ended September 30, 2019

Relating to Fiscal Year 2019

Unaudited



GENERAL FUND

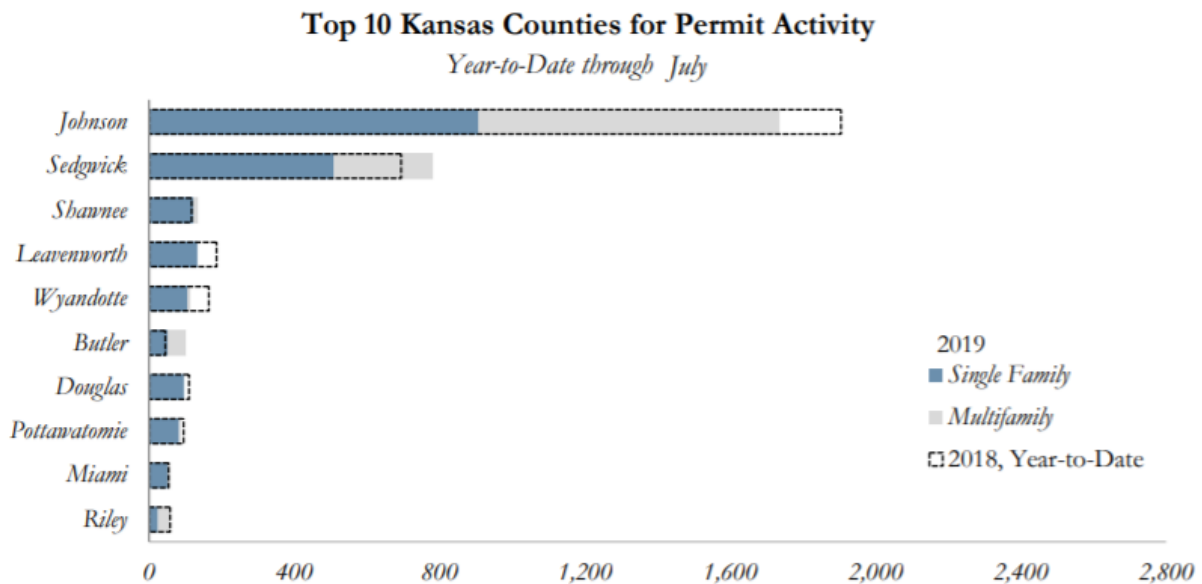
General Fund Balance. The chart, below, shows with 75 percent of the year complete revenues are at 79.3 percent of projections, while expenditures are at 69.8 percent of appropriations. The chart also reports the budgeted fund balance at the start of 2019, which is \$6,825,053 and the actual audited 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	17,081,018	79.3%
Expenditures	23,384,547	16,328,345	69.8%
Balance	4,973,541	7,900,681	

SUMMARY OF KANSAS ECONOMIC CONDITIONS

In Kansas, the unemployment rate declined to 3.2 percent in August and employment growth is expected to continue throughout the year. The Johnson County unemployment rate was 3 percent in August.

Johnson County continues to have strong building permit activity, but lags 2018 at the same time last year.






Source: Federal Housing Finance Agency (FHFA) & Census Bureau/Haver Analytics

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:

- **Sales Tax.** Sales tax revenues are \$56,480 less compared to the last fiscal year, and are at 58.7 percent of the budget estimate. In 2018 we were at 60.1 percent of the budget estimate.
- **Use Tax.** Use tax revenues are \$60,933 greater compared to last fiscal year, and are at 63.4 percent of the budget estimate. In 2018 we were at 69.1 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. The Kansas Department of Revenue (KDOR) issued a tax refund in August that had a negative impact of \$20,000 on our distribution. KDOR anticipates another refund before year end with a negative impact of around \$44,000 on our distribution.
- **Franchise Fees.** Franchise fee revenues are \$182,691 less compared to last fiscal year, and are at 63.8 percent of the budget estimate. KCPL issued a “credit” to consumers in January that reduced City Franchise fee revenues by approximately \$100,000. KCPL also informed the City that we can expect an additional 3% decline in revenues going forward. In 2018 we were at 68.6 percent of the budget estimate.
- **Fines & Fees.** Fines and Fees revenues are \$116,011 less compared to last fiscal year, but are at 74.6 percent of the budget estimate. In 2018 we were at 87.2 percent of the budget estimate. Traffic violations account for 96 percent of the decrease from 2018. Traffic violation revenue is dependent on the number of tickets issued, the fines associated with the ticket and when the ticket is paid.
- **Interest on Investments.** Interest receipts for the General Fund only are \$21,034 greater compared to 2018, and are at 171.6 percent of the budget estimate. Interest receipts for all funds are \$316,965 and are at 209 percent of the budget estimate.

Quarterly Financial report – Third Quarter Ending September 30, 2019

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

Year to Date Comparison to Prior Year				
General Fund	2019	2018	Over (Under)	
Revenues:				
Property Taxes	7,535,548	6,836,419	699,129	10.23%
Sales Taxes	3,126,849	3,183,329	(56,480)	-1.77%
Use Tax	792,992	732,059	60,933	8.32%
Motor Vehicle Tax	662,423	631,952	30,472	4.82%
Liquor Tax	99,196	105,574	(6,378)	-6.04%
Franchise Fees	1,258,147	1,440,838	(182,691)	-12.68%
Licenses & Permits	653,023	629,250	23,773	3.78%
Charges for Services	1,235,079	1,201,811	33,267	2.77%
Fines & Fees	675,011	791,022	(116,011)	-14.67%
Recreational Fees	413,593	417,829	(4,236)	-1.01%
Interest on Investments	96,099	75,065	21,034	28.02%
Miscellaneous	109,307	60,904	48,403	79.47%
Total Revenue	<u>\$16,657,268</u>	<u>\$16,106,052</u>	<u>\$551,216</u>	3.42%
Transfers from Other funds:				
Transfer from General Fund	-	-		
Transfer from Special Highway Fund	-	-		
Transfer from Stormwater Utility Fund	423,750	337,500	86,250	
Transfer from Special Parks & Rec Fund	-	-		
Transfer from Special Alcohol Fund	-	-		
Total	<u>423,750</u>	<u>337,500</u>	<u>86,250</u>	
Total Sources	\$17,081,018	\$16,443,552	\$637,466	
Expenditures:				
Personal Services	8,134,553	7,600,943	533,610	7.02%
Contract Services	2,587,035	2,547,849	39,186	1.54%
Commodities	441,021	434,781	6,239	1.43%
Capital Outlay	166,919	153,966	12,953	8.41%
Debt Service				
Infrastructure				
Contingency	-	-	-	
Total Expenditures	<u>11,329,527</u>	<u>10,737,539</u>	<u>591,988</u>	5.51%
Transfers to Other Funds:				
Transfer to Capital Projects Fund	3,866,337	3,977,670	(111,333)	-2.80%
Transfer to Bond & Interest Fund	806,231	774,779	31,453	4.06%
Transfer to Risk Management Fund	26,250	26,250	-	
Transfer to Economic Development	-	-	-	
Transfer to Equipment Reserve Fund	300,000	337,500	(37,500)	-11.11%
Total	<u>4,998,818</u>	<u>5,116,199</u>	<u>(117,380)</u>	
Total Uses	16,328,345	15,853,737	474,608	

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

Expenditure Variances

General Fund	Budget	Expended YTD Actual	Percent Expended
Expenditures:			
Personnel Services	10,663,987	8,134,553	76.3%
Contract Services	4,556,419	2,587,035	56.8%
Commodities	760,300	441,021	58.0%
Capital Outlay	238,750	166,919	69.9%
Contingency	500,000	-	0.0%
Transfers to Other Funds	6,665,091	4,998,818	75.0%
Total Expenditures	<u>\$23,384,547</u>	<u>\$16,328,345</u>	69.8%

Revenue Variances

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	7,614,743	7,535,548	99.0%
Sales Taxes	5,325,000	3,126,849	58.7%
Use Tax	1,250,000	792,992	63.4%
Motor Vehicle Tax	759,833	662,423	87.2%
Liquor Tax	136,233	99,196	72.8%
Franchise Fees	1,972,200	1,258,147	63.8%
Licenses & Permits	728,150	653,023	89.7%
Charges for Services	1,647,151	1,235,079	75.0%
Fines & Fees	904,775	675,011	74.6%
Recreational Fees	431,350	413,593	95.9%
Interest on Investments	56,000	96,099	171.6%
Miscellaneous	142,600	109,307	76.7%
Transfer from Stormwater Utility Fund	565,000	423,750	75.0%
Total Revenue	<u>\$21,533,035</u>	<u>\$17,081,018</u>	79.3%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended September 30, 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							960					315,132	293,321
Meadowbrook TIF				648,699									
Sales Taxes													
Bond Proceeds					99,196	99,196							
Motor Vehicle Tax													
Liquor Tax													
Licenses & Permits	120		9,380										
Intergovernmental	299,808							1,033,403					
Charges for Services	1,739,523		1,582,038										
Interest on Investments	39,137	33,440	78,096	3,557	59	2,055	554	46,741	1,168	-	1,707	7,833	6,520
Miscellaneous								6,349	40,736				
Total Revenue	1,778,780	333,249	1,669,513	652,256	99,255	101,251	1,514	1,086,493	41,904	-	1,707	322,966	299,840
Transfers from Other funds:													
Transfer from General Fund							806,231	3,866,337	26,250		300,000		
Transfer from Special Highway								482,250					
Transfer from Storm Water Utility Fund							184,037	637,500					
Transfer from Special Parks & Rec Fund								103,075					
Total	-	-	-	-	-	-	990,269	5,089,162	26,250	-	300,000	-	-
Total Sources	1,778,780	333,249	1,669,513	652,256	99,255	101,251	991,783	6,175,655	68,154	-	301,707	322,966	299,840
Expenditures:													
Personal Services	25,425												
Contract Services	1,357,275			589,351									
Commodities													
Capital Outlay													
Debt Service							1,320,358	7,462,333			197,564		
Infrastructure													
Bond Costs													
Total Expenditures	1,382,700	-	-	589,351	-	121,335	1,320,358	7,462,333	53,402	59,407	197,564	315,000	315,000
Transfers to Other Funds:													
Transfer to General Fund			423,750										
Transfer to Bond & Interest Fund			184,037										
Transfer to Capital Projects Fund		482,250	637,500		103,075								
Transfer to Equipment Reserve Fund													
Total	-	482,250	1,245,287	-	103,075	-	-	-	-	-	-	-	-
Total Uses	1,382,700	482,250	1,245,287	589,351	103,075	121,335	1,320,358	7,462,333	53,402	59,407	197,564	315,000	315,000
Sources Over/(Under) Uses	396,080	(149,001)	424,226	62,905	(3,819)	(20,084)	(328,575)	(1,286,678)	14,752	(59,407)	104,143	7,966	(15,160)