

City of Prairie Village

First Quarter

Financial Report for the first quarter

Ended March 31, 2014

Relating to Fiscal Year 2014

Unaudited



GENERAL FUND

General Fund Balance. The chart, below, shows with 25 percent of the year complete revenues are at 25.4 percent of projections, while expenditures are at 14.7 percent of appropriations. The chart also reports the budgeted fund balance at the start of 2014, which is \$5,819,529 and the preliminary actual fund balance, which is \$7,611,592. The 2014 target ending fund balance is 25 percent of revenues (excluding transfers).

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 5,819,529	\$ 7,611,592	
Revenues	16,028,305	4,078,773	25.4%
Expenditures	18,259,428	2,686,562	14.7%
Balance	3,588,406	9,003,803	




The first quarter ended with the Consumer Confidence index increasing from 77.5 in December 2013 to 82.3 in March. The Consumer Confidence index measures the degree of optimism on the state of the economy that consumers are expressing through their activities of savings and spending. The Consumer Sentiment index, on the other hand, dropped to 80 in March from 82.5 in December. The Consumer Sentiment index is an economic indicator of the overall health of the economy as determined by consumer opinion. Consumer sentiment takes into account an individual's feelings toward his or her own current financial health, the health of the economy in the short term and the prospects for longer term economic growth.

The housing market was disappointing throughout the first quarter. New home sales declined roughly 15,000 in February following a jump in January. Pending home sales also dropped 0.8% in February and may be attributed to bad weather.

The focus of this report is on 2014 revenues and expenditures. The city's goal is to achieve a "positive outlook" in all key financial areas.

Discussed, on page 2, are differences between individual revenues and expenses between 2014 and 2013.

Rating Scale for Key Variances:

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

Key variances include:

- **Property Tax.** Property tax is allocated between the General Fund and the Bond & Interest Fund. Overall, we are at 57.8 percent of the budget estimate. In 2013 we were at 58 percent of the budget estimate.
- **Motor Vehicle Tax.** Motor Vehicle tax revenues are \$18,908 greater compared to 2013, and are at 33.3 percent of the budget estimate. The basis of this tax is the valuation of registered motor vehicles within the City. The Treasury and Financial Management Department at Johnson County provide the estimates that are used during the budget process. In 2013 we were at 25 percent of the budget estimate.
- **Liquor Tax .** Liquor tax revenues are \$8,245 greater compared to the last fiscal year, and are at 30 percent of the budget estimate. In 2013 we were at 29.1 percent of the budget estimate.
- **Franchise Fees.** Franchise fee revenues have declined \$109,269 compared to the last fiscal year, and are at 6.5 percent of the budget estimate. The decline is due to a change in when Kansas City Power and Light is distributing franchise fees and does not reflect a true picture of this revenue source.
- **Licenses & Permits.** Licenses and Permits revenues are \$14,729 greater compared to the last fiscal year, and are at 22.6 percent of the budget estimate. In 2013 we were at 19.4 percent of the budget estimate.
- **Charges for Services.** Charges for Services revenues are down \$30,462 compared to the last fiscal year, and are at 22.1percent of the budget estimate. In 2013 we were at 23.8 percent of the budget estimate. Significant services provided include the Shawnee Mission East Police, Off-Duty Contractual and the Mission Hills contract. This revenue source will fluctuate depending on services provided.

- **Fines & Fees.** Fines and Fees revenues are \$46,523 greater compared to last fiscal year, and was at 30.7 percent of the budget estimate. In 2013 we were at 25.3 percent of the budget estimate.
- **Interest on Investments.** Interests receipts for the General Fund only are \$12,370 greater compared to 2013, and are at 16.4 percent of the budget estimate. Interest receipts for all funds were \$50,173, and are at 52.5 percent of the budget estimate.
- **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. The 2014 General Fund budget included:

Capital Outlay - 2014 Budget		
Item to be Replaced/Major Repair	Department	2014 Budget
Office Equipment	Administration	4,000
Office Equipment	Codes	250
Field Equipment	Codes	450
Miscellaneous Equipment	Codes	550
Video Arraignment Equipment	Court	500
Communications Equipment	IT	450
Miscellaneous Equipment	IT	4,500
Laptop's	IT	5,000
PC's - city-wide	IT	10,500
Diving Blocks (2) / Miscellaneous Equipment	Parks	7,000
Miscellaneous Equipment	Parks	13,250
Community Center Chairs	Parks	16,000
Office Equipment	Police	4,500
Police Motorcycles (2)	Police	10,000
Miscellaneous Equipment	Police	11,000
Vehicles (3)	Police	79,500
Snow Plow Replacement	Public Works	2,500
Drinking Fountain (McCrum Park)	Public Works	7,200
Riding Mower	Public Works	12,500
Building upgrades	Public Works	32,000
		\$ 221,650

Quarterly Financial report – First Quarter Ending March 31, 2014

The chart, below, provides summary comparison information on revenues, expenditures and transfers for the fourth quarter ending March 2014 versus March 2013.

Year to Date Comparison to Prior Year				
General Fund	2014	2013	Over (Under)	
Revenues:				
Property Taxes	2,439,139	2,279,403	159,736	7.01%
Sales Taxes	366,861	371,994	(5,133)	-1.38%
Use Tax	73,628	76,698	(3,070)	-4.00%
Motor Vehicle Tax	133,287	114,379	18,908	16.53%
Liquor Tax	35,989	27,744	8,245	29.72%
Franchise Fees	115,032	224,301	(109,269)	-48.72%
Licenses & Permits	106,592	91,863	14,729	16.03%
Charges for Services	383,699	414,161	(30,462)	-7.36%
Fines & Fees	341,444	294,921	46,523	15.77%
Recreational Fees	8,947	9,167	(220)	-2.40%
Interest on Investments	13,082	713	12,370	1735.29%
Miscellaneous	61,072	49,643	11,429	23.02%
Total Revenue	\$4,078,773	\$3,954,987	\$123,785	3.13%
Transfers from Other funds:				
Transfer from General Fund	-	-	-	
Transfer from Special Highway Fund	-	-	-	
Transfer from Stormwater Utility Fund	423,467	423,467	-	
Transfer from Special Parks & Rec Fur	-	-	-	
Transfer from Special Alcohol Fund	-	-	-	
Total	423,467	423,467	-	
Total Sources	\$4,502,240	\$4,378,454	\$123,785	
Expenditures:				
Personal Services	2,064,894	2,125,485	(60,592)	-2.85%
Contract Services	480,685	1,047,978	(567,293)	-54.13%
Commodities	104,772	148,799	(44,027)	-29.59%
Capital Outlay	352	5,225	(4,873)	-93.27%
Debt Service	-	-	-	
Infrastructure	-	-	-	
Contingency	-	-	-	
Total Expenditures	2,650,702	3,327,487	(676,785)	
Transfers to Other Funds:				
Transfer to Capital Projects Fund	2,518,855	2,518,855	-	0.00%
Transfer to Bond & Interest Fund	-	-	-	
Transfer to Risk Management Fund	35,000	35,000	-	0.00%
Transfer to Economic Development	-	-	-	
Transfer to Equipment Reserve Fund	600,000	275,000	325,000	118.18%
Total	3,153,855	2,828,855	325,000	
Total Uses	5,804,557	6,156,342	(351,785)	

The charts, on page 5, provide information on revenue variances for the General Fund and Property Tax for the first quarter ending March 2014.

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

General Fund	Budget	Received	
		YTD Actual	Percent Received
Revenues:			
Property Taxes	4,217,185	2,439,139	57.8%
Sales Taxes	4,678,642	366,861	7.8%
Use Tax	886,214	73,628	8.3%
Motor Vehicle Tax	400,000	133,287	33.3%
Liquor Tax	120,000	35,989	30.0%
Franchise Fees	1,769,229	115,032	6.5%
Licenses & Permits	472,497	106,592	22.6%
Charges for Services	1,733,534	383,699	22.1%
Fines & Fees	1,112,689	341,444	30.7%
Recreational Fees	483,315	8,947	1.9%
Interest on Investments	80,000	13,082	16.4%
Miscellaneous	75,000	61,072	81.4%
Total Revenue	\$16,028,305	\$4,078,773	25.4%

The chart, below, shows Property Tax revenues.

Property Tax	2014	YTD Comparison		Percent Budget Received
	Budget	2014	2013	
Revenues:				
General Fund	4,217,185	2,439,139	2,279,403	57.8%
Bond & Interest Fund	1,339,107	774,109	907,930	57.8%
Total Revenue	\$5,556,292	\$3,213,248	\$3,187,333	57.8%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended March 31, 2014 are shown on page 6.

	02-	03-	04-	09-	10-	11-	19-	20-	21-	22-	23-	24-
	Solid Waste Management	Special Highway	Stormwater Utility	Special Parks & Rec	Special Alcohol	Bond & Interest	Capital Projects	Risk Mgmt	Economic Development	Equipment Reserve	Corinth	PV Shops
Revenues:												
Property Taxes						774,109						
Sales Taxes											38,317	
Bond Proceeds												35,745
Motor Vehicle Tax												
Liquor Tax				35,989	35,989							
Licenses & Permits	180		420									
Intergovernmental							117,542					
Charges for Services	836,678		931,973									
Interest on Investments	1,337		2,212	119	145	1,245	28,013	15	3,016	706	139	142
Miscellaneous	4,222											
Total Revenue	842,418	-	934,605	36,108	36,134	821,044	145,555	15	3,016	706	38,455	35,887
Transfers from Other funds:												
Transfer from General Fund								35,000		600,000		
Transfer from Special Highway							2,518,855					
Transfer from Storm Water Utility Fund							500,000					
Transfer from Special Parks & Rec Fund							563,368			87,600		
Total	-	-	-	-	-	563,368	3,728,855	35,000	-	687,600	-	-
Total Sources	842,418	-	934,605	36,108	36,134	1,384,412	3,874,410	35,015	3,016	688,306	38,455	35,887
Expenditures:												
Personal Services	4,638				20,535			61,053	23,064		140,000	546,032
Contract Services	223,477				13,857							
Commodities					5,483					18,940		
Capital Outlay						64,501						
Debt Service												
Infrastructure							155,090					
Bond Costs												
Total Expenditures	228,115	-	-	-	39,875	64,501	155,090	61,053	23,064	18,940	140,000	546,032
Transfers to Other Funds:												
Transfer to General Fund			423,467									
Transfer to Bond & Interest Fund			563,368									
Transfer to Capital Projects Fund		500,000	590,000	120,000								
Transfer to Equipment Reserve Fund			87,600									
Total	-	500,000	1,664,435	120,000	-	-	-	-	-	-	-	-
Total Uses	228,115	500,000	1,664,435	120,000	39,875	64,501	155,090	61,053	23,064	18,940	140,000	546,032
Sources Over(Under) Uses	614,302	(500,000)	(729,830)	(83,892)	(3,740)	1,319,911	3,719,321	(26,038)	(20,048)	669,366	(101,545)	(510,145)