

City of Prairie Village

Third Quarter

Financial Report for the third quarter

Ended September 30, 2018

Relating to Fiscal Year 2018

Unaudited



GENERAL FUND

General Fund Balance. The chart, below, shows with 75 percent of the year complete revenues are at 79.7 percent of projections, while expenditures are at 69.3 percent of appropriations. The chart also reports the budgeted fund balance at the start of 2018, which is \$7,028,981 and the audited actual fund balance, which is \$7,515,510. The 2018 target ending fund balance is 25 percent of revenues (excluding transfers).

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 7,028,981	\$ 7,515,510	
Revenues	20,644,530	16,443,552	79.7%
Expenditures	22,890,562	15,853,737	69.3%
Balance	4,782,949	8,105,324	

SUMMARY OF KANSAS ECONOMIC CONDITIONS

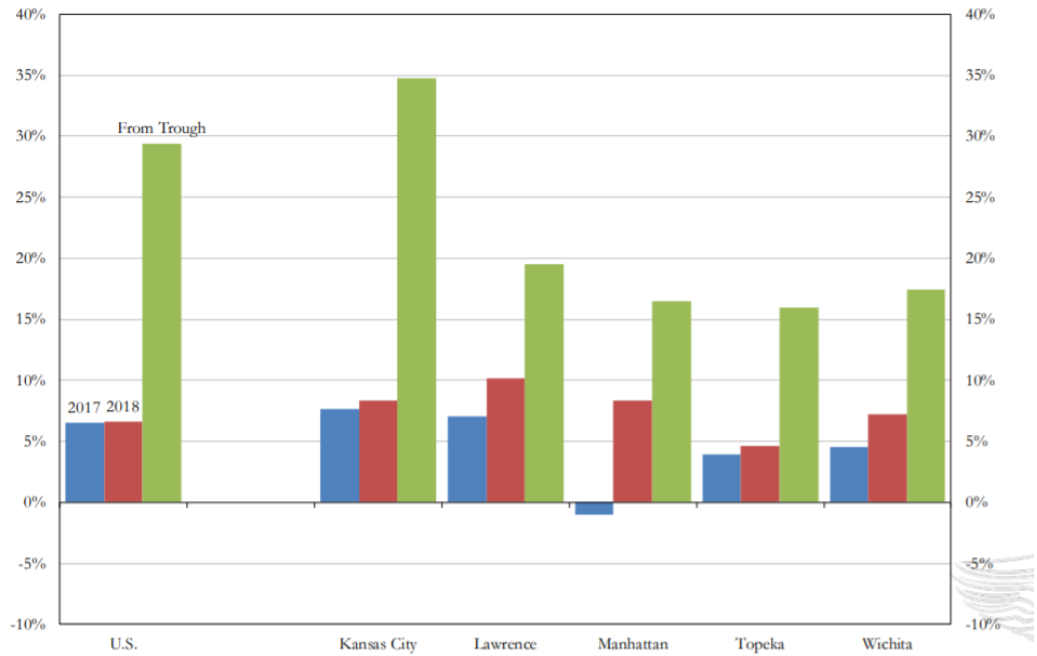
This past July, the U.S. economy officially entered into its 10th year of economic expansion. The current period of economic growth is now the second longest period of uninterrupted growth in the post-World War II era. Its longevity has far surpassed that of the expansion post-1970 of just under six years, according to the Economic Cycle Research Institute.

But, the question is: How long can the expansion last?

With the current state of the U.S. economy it seems very unlikely that a recession will occur over the next 12 to 18 months. Housing growth in Kansas continues to grow as the monthly supply of homes on the market declines.

Growth in House Prices

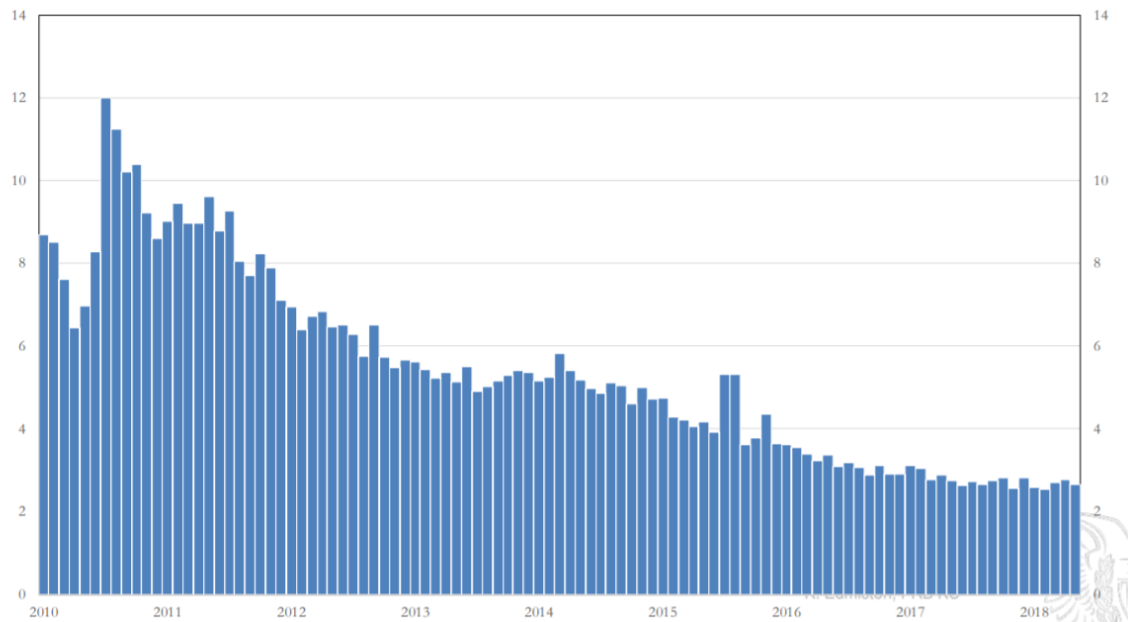
Source: Federal Housing Finance Agency /HAAVER Analytics



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Months Supply of Homes on the Market, Kansas City

Source: Kansas City Realtors Associations






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The focus of this report is on 2018 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 2018 and 2017.

Rating Scale for Key Variances:

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

Key variances include:

- **Sales Tax.** Sales tax revenues are \$265,515 greater compared to the last fiscal year, and are at 60 percent of the budget estimate. In 2017 we were also at 60 percent of the budget estimate.
- **Use Tax.** Use tax revenues are \$65,062 greater compared to the last fiscal year, and are at 69 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 2017 we were at 68 percent of the budget estimate.
- **Franchise Fees.** Franchise fee revenues are \$147,222 greater compared to the last fiscal year, and are at 69 percent of the budget estimate. Kansas Gas, which is weather dependent, accounts for 42 percent of the increase over 2017. In 2017 we were at 66 percent of the budget estimate.
- **Licenses & Permits.** License and permit revenues are \$97,572 greater compared to last fiscal year, and are at 87 percent of the budget estimate. In 2017 we were at 89 percent of the budget estimate. Building permit revenue accounts for the difference.
- **Fines & Fees.** Fines and fee revenues are \$105,833 greater compared to last fiscal year, and are at 87 percent of the budget estimate. Traffic violations, which is dependent on the number of officers on the street, accounts for 99 percent of the increase over 2017. In 2017 we were at 68 percent of the budget estimate.

The chart, below, provides summary comparison information on revenues, expenditures and transfers for the third quarter ending September 2018 versus September 2017.

Year to Date Comparison to Prior Year				
General Fund	2018	2017	Over (Under)	
Revenues:				
Property Taxes	6,836,419	6,312,030	524,389	8.31%
Sales Taxes	3,183,329	2,917,814	265,515	9.10%
Use Tax	732,059	666,997	65,062	9.75%
Motor Vehicle Tax	631,952	571,710	60,242	
Liquor Tax	105,574	104,038	1,536	1.48%
Franchise Fees	1,440,838	1,293,616	147,222	11.38%
Licenses & Permits	629,250	531,677	97,572	18.35%
Charges for Services	1,201,811	1,111,511	90,301	8.12%
Fines & Fees	791,022	685,189	105,833	15.45%
Recreational Fees	417,829	423,962	(6,133)	-1.45%
Interest on Investments	75,065	44,676	30,389	68.02%
Miscellaneous	60,904	128,367	(67,462)	-52.55%
Total Revenue	\$16,106,052	\$14,791,587	\$1,314,465	8.89%
Transfers from Other funds:				
Transfer from General Fund	-	-		
Transfer from Special Highway Fund	-	-		
Transfer from Stormwater Utility Fund	337,500	300,000	37,500	
Transfer from Special Parks & Rec Fund	-	-		
Transfer from Special Alcohol Fund	-	-		
Total	337,500	300,000	37,500	
Total Sources	\$16,443,552	\$15,091,587	\$1,351,965	
Expenditures:				
Personal Services	7,600,943	7,060,185	540,758	7.66%
Contract Services	2,547,849	2,449,764	98,085	4.00%
Commodities	434,781	348,467	86,315	24.77%
Capital Outlay	153,966	139,825	14,141	10.11%
Debt Service				
Infrastructure				
Contingency	-	-	-	
Total Expenditures	10,737,539	9,998,240	739,299	7.39%
Transfers to Other Funds:				
Transfer to Capital Projects Fund	3,977,670	3,075,000	902,670	29.36%
Transfer to Bond & Interest Fund	774,779	360,522	414,257	114.90%
Transfer to Risk Management Fund	26,250	26,250	-	
Transfer to Economic Development	-	-	-	
Transfer to Equipment Reserve Fund	337,500	150,000	187,500	125.00%
Total	5,116,199	3,611,772	1,504,427	
Total Uses	15,853,737	13,610,012	2,243,725	

The charts, below, provide information on expenditure and revenue budget to actual variances for the General Fund for the third quarter ending September 2018.

Expenditure Variances

General Fund	Budget	Expended YTD Actual	Percent Expended
Expenditures:			
Personnel Services	10,068,038	7,600,943	75.5%
Contract Services	4,519,301	2,547,849	56.4%
Commodities	769,925	434,781	56.5%
Capital Outlay	211,700	153,966	72.7%
Contingency	500,000	-	0.0%
Transfers to Other Funds	6,821,598	5,116,199	75.0%
Total Expenditures	\$22,890,562	\$15,853,737	69.3%

Revenue Variances

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	7,055,343	6,836,419	96.9%
Sales Taxes	5,300,000	3,183,329	60.1%
Use Tax	1,060,000	732,059	69.1%
Motor Vehicle Tax	727,688	631,952	86.8%
Liquor Tax	138,647	105,574	76.1%
Franchise Fees	2,101,700	1,440,838	68.6%
Licenses & Permits	723,250	629,250	87.0%
Charges for Services	1,554,302	1,201,811	77.3%
Fines & Fees	907,400	791,022	87.2%
Recreational Fees	408,700	417,829	102.2%
Interest on Investments	55,000	75,065	136.5%
Miscellaneous	162,500	60,904	37.5%
Transfer from Stormwater Utility Fund	450,000	337,500	75.0%
Total Revenue	\$20,644,530	\$16,443,552	79.7%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended September 30, 2018 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							298						
Meadowbrook TIF				303,195								342,284	318,488
Sales Taxes													
Bond Proceeds							12,118						
Motor Vehicle Tax					105,574	105,573							
Liquor Tax								1,276,103					
Licenses & Permits	570		9,450										
Intergovernmental		293,036											
Charges for Services	1,665,621		1,566,902		53	993	198	51,537	284	198	1,485	1,751	2,253
Interest on Investments	19,775	10,079	22,158			100		1,000					
Miscellaneous	69												
Total Revenue	1,686,034	303,115	1,598,509	303,195	105,627	106,666	12,614	1,328,641	284	198	1,485	344,035	320,741
Transfers from Other funds:													
Transfer from General Fund													
Transfer from Special Highway							774,779	3,977,670	26,250		337,500		
Transfer from Storm Water Utility Fund							181,375	482,250					
Transfer from Special Parks & Rec Fund								104,304					
Total	-	-	-	-	-	-	956,153	5,314,224	26,250	-	337,500	-	-
Total Sources	1,686,034	303,115	1,598,509	303,195	105,627	106,666	968,767	6,642,865	26,534	198	338,985	344,035	320,741
Expenditures:													
Personal Services	20,353												
Contract Services	1,129,991												
Commodities									624	31,491		457,920	350,000
Capital Outlay											158,286		
Debt Service													
Infrastructure													
Bond Costs								3,535,237					
Total Expenditures	1,150,343	-	-	361,246	-	173,488	1,308,038	3,535,237	624	31,491	158,286	457,920	350,000
Transfers to Other Funds:													
Transfer to General Fund			337,500										
Transfer to Bond & Interest Fund			181,375										
Transfer to Capital Projects Fund		482,250	750,000		104,304								
Transfer to Equipment Reserve Fund													
Total	-	482,250	1,268,875	-	104,304	-	-	-	-	-	-	-	-
Total Uses	1,150,343	482,250	1,268,875	361,246	104,304	173,488	1,308,038	3,535,237	624	31,491	158,286	457,920	350,000
Sources Over(Under) Uses	535,690	(179,135)	329,635	(58,051)	1,323	(66,822)	(339,270)	3,107,628	25,909	(31,293)	180,699	(113,885)	(29,259)