

City of Prairie Village

Fourth Quarter

Financial Report for the fourth quarter

Ended December 31, 2019

Relating to Fiscal Year 2019

Unaudited



GENERAL FUND

General Fund Balance. The chart, below, represents the fourth quarter and uses preliminary and unaudited results for the operations for the fiscal year ending December 31, 2019. While the final steps for closing the fiscal year are not complete, the report provides a reasonably accurate estimate for the FY 2019 results. Revenues are at 102.9 percent of projections, while expenditures are at 95 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). The preliminary 2019 ending fund balance is 33.5 percent.

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 6,825,053	\$ 7,148,008	
Revenues	21,533,035	22,150,014	102.9%
Expenditures	23,384,547	22,214,097	95.0%
Balance	4,973,541	7,083,925	

SUMMARY OF KANSAS ECONOMIC CONDITIONS




Prairie Village’s total appraised value is projected to increase 7.73%. As a whole, residential properties increased 8.06% and commercial property increased 7.44%. Last year residential property increased 11.25%.

The housing market continues to be strong in Prairie Village and the average home sales price increased 7.13% from 2018 to 2019, while the mean appraised values rose 8.04% (from \$333,200 to \$359,987).

Economic indicators such as employment, unemployment, personal income, and home prices help us to track changes and monitor trends. Home prices are a key indicator in Prairie Village and estimates of regional growth in home values is based on repeat sales data for detached single family residential properties.

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.

Rating Scale for Key Variances:

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

Key variances include:

- **Use Tax.** Use tax revenues are \$169,645 greater compared to the last fiscal year, and are at 120.8 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 126.4 percent of the budget estimate.
- **Liquor Tax.** Liquor tax revenues are \$9,921 less compared to the last fiscal year, and are at 95.6 percent of the budget estimate. The State levies a 10% surtax on the sale of alcoholic beverages. 70% of the taxes paid within City limits are returned and must be allocated 1/3 to each of the following: General Fund, Special Parks & Rec Fund and Special Alcohol Fund. In 2018 we were at 101.1 percent of the budget estimate.
- **Franchise Fees.** Franchise fee revenues are 219,347 less compared to the last fiscal year, and are at 96.4 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 an additional 3% decline could be expected going forwards. In 2018 we were at 100.9 percent of the budget estimate.
- **Licenses & Permits.** License and permit revenues are \$176,380 greater compared to last fiscal year, and are at 137.7 percent of the budget estimate. In 2018 we were at 114.2 percent of the budget estimate. Building permit revenue accounts for the majority of difference. The boost in building permit revenue is expected to start to decline based on the number of large projects being completed.
- **Fines & Fees.** Fines and fee revenues are \$179,369 less compared to last fiscal year, and are at 95.5 percent of the budget estimate. Traffic violations accounts for the majority of the decrease over 2018. In 2018 we were at 115 percent of the budget estimate.
- **Interest on Investments.** Interests receipts for the General Fund only are \$57,165 greater compared to 2018, and are at 286.9 percent of the budget estimate. Interest receipts for all funds are \$447,186 and are at 295 percent of the budget estimate.

Quarterly Financial report – Fourth Quarter Ending December 31, 2019

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

Year to Date Comparison to Prior Year				
General Fund	2019	2018	Over (Under)	
Revenues:				
Property Taxes	7,530,237	6,851,332	678,905	9.91%
Sales Taxes	5,449,864	5,515,563	(65,699)	-1.19%
Use Tax	1,509,888	1,340,244	169,645	12.66%
Motor Vehicle Tax	751,900	720,805	31,096	4.31%
Liquor Tax	130,232	140,154	(9,921)	-7.08%
Franchise Fees	1,900,281	2,119,628	(219,347)	-10.35%
Licenses & Permits	1,002,391	826,011	176,380	21.35%
Charges for Services	1,742,963	1,691,852	51,112	3.02%
Fines & Fees	863,819	1,043,189	(179,369)	-17.19%
Recreational Fees	416,620	420,201	(3,580)	-0.85%
Interest on Investments	160,658	103,493	57,165	55.24%
Miscellaneous	126,158	88,869	37,290	41.96%
Total Revenue	\$21,585,014	\$20,861,339	\$723,674	3.47%
Transfers from Other funds:				
Transfer from General Fund	-	-		
Transfer from Special Highway Fund	-	-		
Transfer from Stormwater Utility Fund	565,000	450,000	115,000	
Transfer from Special Parks & Rec Fund	-	-		
Transfer from Special Alcohol Fund	-	-		
Total	565,000	450,000	115,000	
Total Sources	\$22,150,014	\$21,311,339	\$838,674	
Expenditures:				
Personal Services	10,777,499	9,825,700	951,799	9.69%
Contract Services	3,903,395	3,947,414	(44,019)	-1.12%
Commodities	652,347	653,421	(1,074)	-0.16%
Capital Outlay	215,764	169,215	46,549	27.51%
Debt Service				
Infrastructure				
Contingency	-	-	-	
Total Expenditures	15,549,006	14,595,751	953,255	6.53%
Transfers to Other Funds:				
Transfer to Capital Projects Fund	5,155,116	5,303,560	(148,444)	-2.80%
Transfer to Bond & Interest Fund	1,074,975	1,033,038	41,937	4.06%
Transfer to Risk Management Fund	35,000	35,000	-	
Transfer to Economic Development	-	-	-	
Transfer to Equipment Reserve Fund	400,000	450,000	(50,000)	-11.11%
Total	6,665,091	6,821,598	(156,507)	
Total Uses	22,214,097	21,417,349	796,748	

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

Expenditure Variances

General Fund	Budget	Expended YTD Actual	Percent Expended
Expenditures:			
Personnel Services	10,663,987	10,777,499	101.1%
Contract Services	4,556,419	3,903,395	85.7%
Commodities	760,300	652,347	85.8%
Capital Outlay	238,750	215,764	90.4%
Contingency	500,000	-	0.0%
Transfers to Other Funds	6,665,091	6,665,091	100.0%
Total Expenditures	\$23,384,547	\$22,214,097	95.0%

Revenue Variances

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	7,614,743	7,530,237	98.9%
Sales Taxes	5,325,000	5,449,864	102.3%
Use Tax	1,250,000	1,509,888	120.8%
Motor Vehicle Tax	759,833	751,900	99.0%
Liquor Tax	136,233	130,232	95.6%
Franchise Fees	1,972,200	1,900,281	96.4%
Licenses & Permits	728,150	1,002,391	137.7%
Charges for Services	1,647,151	1,742,963	105.8%
Fines & Fees	904,775	863,819	95.5%
Recreational Fees	431,350	416,620	96.6%
Interest on Investments	56,000	160,658	286.9%
Miscellaneous	142,600	126,158	88.5%
Transfer from Stormwater Utility Fund	565,000	565,000	100.0%
Total Revenue	\$21,533,035	\$22,150,014	102.9%

OTHER FUNDS

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

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	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				648,699			960					525,041	538,118
Meadowbrook TIF								10,712,595					
Sales Taxes													
Bond Proceeds													
Motor Vehicle Tax													
Liquor Tax					130,232								
Licenses & Permits	1,295		12,600										
Intergovernmental	617,656							1,036,190					
Charges for Services	1,745,067		1,583,676										
Interest on Investments	39,973	34,558	78,586	4,197	67	2,664	2,969	88,957	17,456	-	1,707	8,434	6,960
Miscellaneous						100		9,049	40,736				
Total Revenue	1,786,335	652,214	1,674,862	652,896	130,299	132,997	3,930	11,846,791	58,192	-	1,707	533,476	545,078
Transfers from Other funds:													
Transfer from General Fund							1,074,975	5,155,116	35,000		400,000		
Transfer from Special Highway								643,000					
Transfer from Storm Water Utility Fund							245,383	850,000					
Transfer from Economic Development Fund								305,254					
Transfer from Special Parks & Rec Fund								131,435					
Total	-	-	-	-	-	-	1,320,358	7,084,804	35,000	-	400,000	-	-
Total Sources	1,786,335	652,214	1,674,862	652,896	130,299	132,997	1,324,288	18,931,596	93,192	-	401,707	533,476	545,078
Expenditures:													
Personal Services	33,900												
Contract Services	1,924,442			595,011						95,774		606,845	517,423
Commodities													
Capital Outlay											221,171		
Debt Service							1,320,358						
Infrastructure													
Bond Costs													
Total Expenditures	1,958,342	-	-	595,011	-	158,064	1,320,358	13,712,632	-	95,774	221,171	606,845	517,423
Transfers to Other Funds:													
Transfer to General Fund			565,000										
Transfer to Bond & Interest Fund			245,383										
Transfer to Capital Projects Fund		643,000	850,000		131,435					305,254			
Transfer to Equipment Reserve Fund													
Total	-	643,000	1,660,383	-	131,435	-	-	-	-	305,254	-	-	-
Total Uses	1,958,342	643,000	1,660,383	595,011	131,435	158,064	1,320,358	13,712,632	-	401,027	221,171	606,845	517,423
Sources Over(Under) Uses	(172,007)	9,214	14,479	57,885	(1,135)	(25,067)	3,930	5,218,964	93,192	(401,027)	180,536	(73,369)	27,655