

City of Prairie Village

First Quarter

Financial Report for the first quarter

Ended March 31, 2020

Relating to Fiscal Year 2020

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 2020, which is \$6,615,787 and the audited actual fund balance, which is \$7,480,638. The 2020 target ending fund balance is 25 percent of revenues (excluding transfers). The ending 2019 fund balance was 34 percent.

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 6,615,787	\$ 7,480,638	
Revenues	22,778,855	6,859,797	30.1%
Expenditures	23,868,123	5,738,228	24.0%
Balance	5,526,519	8,602,207	

SUMMARY OF KANSAS ECONOMIC CONDITIONS




It is impossible to know what impact the COVID-19 crisis will have on the state’s economy, budget and school funding. But in the short term, it won’t be good. The real impact will be the lost revenue from reduced wages, lower income and fewer sales.

It is possible that the U.S. and state economy could “snap back” if social distancing ends quickly and jobs are available to which people may return. There could be pent up consumer demand that would quickly stimulate business activity. But, state revenues depend mostly on income and sales taxes. The layoffs and reductions in working hours required by closure of “non-essential” business activities mean wage income will be reduced. Those with lost income will have less money to spend and those maintaining their incomes will have less opportunity to shop, reducing sales and therefore sales tax revenues.

Prairie Village is in a good financial position to weather the effects of the Coronavirus right now, but a prolonged shut down will put a strain on our resources just as it will the State and County budgets.

The focus of this report is on 2020 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:

- **Sales Tax.** Sales tax revenues are \$38,355 greater compared to the last fiscal year, and are at 7.8 percent of the budget estimate. Sales tax distributions lag by two months, so the first distribution for 2020 was in March for January. In 2019 we were at 7.5 percent of the budget estimate.
- **Use Tax.** Use tax revenues are \$12,276 greater compared to the last fiscal year, and are at 9.1 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. Use tax distributions also lag by two months, so the first distribution for 2020 was in March for January. In 2019 we were at 9 percent of the budget estimate.
- **Franchise Fees.** Franchise fee revenues are \$17,662 greater compared to the last fiscal year, and are at 13.6 percent of the budget estimate. In 2019 we were at 13.3 percent of the budget estimate.
- **Interest on Investments.** Interest receipts for the General Fund only are \$20,219 less compared to 2019, but are at 58.9 percent of the budget estimate. Interest receipts for all funds are \$128,659 and are at 68 percent of the budget estimate. Interest receipts depend on the maturity date of investments, type of investment and rate of interest.

Quarterly Financial report – First Quarter Ending March 31, 2020

The chart, below, provides summary comparison information on revenues, expenditures and transfers for the first quarter ending March 2020 versus March 2019.

Year to Date Comparison to Prior Year				
General Fund	2020	2019	Over (Under)	
Revenues:				
Property Taxes	4,714,761	4,377,520	337,241	7.70%
Sales Taxes	436,659	398,304	38,355	9.63%
Use Tax	125,005	112,729	12,276	10.89%
Motor Vehicle Tax	208,182	202,532	5,651	2.79%
Liquor Tax	36,136	32,249	3,887	12.05%
Franchise Fees	279,162	261,500	17,662	6.75%
Licenses & Permits	161,190	181,083	(19,893)	-10.99%
Charges for Services	429,550	409,831	19,719	4.81%
Fines & Fees	213,171	220,982	(7,811)	-3.53%
Recreational Fees	9,051	9,605	(554)	-5.76%
Interest on Investments	44,182	64,400	(20,219)	-31.40%
Miscellaneous	61,499	49,994	11,505	23.01%
Total Revenue	\$6,718,547	\$6,320,728	\$397,819	6.29%
Transfers from Other funds:				
Transfer from General Fund	-	-	-	
Transfer from Special Highway Fund	-	-	-	
Transfer from Stormwater Utility Fund	141,250	141,250	-	
Transfer from Special Parks & Rec Fund	-	-	-	
Transfer from Special Alcohol Fund	-	-	-	
Total	141,250	141,250	-	
Total Sources	\$6,859,797	\$6,461,978	\$397,819	
Expenditures:				
Personal Services	3,136,376	3,097,803	38,574	1.25%
Contract Services	807,355	614,494	192,860	31.39%
Commodities	110,417	91,563	18,854	20.59%
Capital Outlay	56,649	114,183	(57,534)	-50.39%
Contingency	-	-	-	
Total Expenditures	4,110,797	3,918,043	192,754	4.92%
Transfers to Other Funds:				
Transfer to Capital Projects Fund	1,163,277	1,288,779	(125,502)	-9.74%
Transfer to Bond & Interest Fund	325,307	268,744	56,564	21.05%
Transfer to Risk Management Fund	8,750	8,750	-	
Transfer to Economic Development	16,250	-	16,250	
Transfer to Equipment Reserve Fund	113,846	100,000	13,846	13.85%
Total	1,627,431	1,666,273	(38,842)	
Total Uses	5,738,228	5,584,316	153,912	

The charts, below, provide information on expenditure and revenue budget to actual variances for the General Fund for the first quarter ending March 2020.

Expenditure Variances

General Fund	Budget	Expended YTD Actual	Percent Expended
Expenditures:			
Personnel Services	11,205,956	3,136,376	28.0%
Contract Services	4,605,594	807,355	17.5%
Commodities	775,200	110,417	14.2%
Capital Outlay	271,650	56,649	20.9%
Contingency	500,000	-	0.0%
Transfers to Other Funds	6,509,723	1,627,431	25.0%
Total Expenditures	\$23,868,123	\$5,738,228	24.0%

Revenue Variances

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	8,208,703	4,714,761	57.4%
Sales Taxes	5,575,000	436,659	7.8%
Use Tax	1,375,000	125,005	9.1%
Motor Vehicle Tax	789,025	208,182	26.4%
Liquor Tax	139,792	36,136	25.8%
Franchise Fees	2,048,154	279,162	13.6%
Licenses & Permits	763,850	161,190	21.1%
Charges for Services	1,673,906	429,550	25.7%
Fines & Fees	1,037,775	213,171	20.5%
Recreational Fees	411,050	9,051	2.2%
Interest on Investments	75,000	44,182	58.9%
Miscellaneous	116,600	61,499	52.7%
Transfer from Stormwater Utility Fund	565,000	141,250	25.0%
Total Revenue	\$22,778,855	\$6,859,797	30.1%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended March 31, 2020 are shown on page 5.

Quarterly Financial report – First Quarter Ending March 31, 2020

	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				704,330								42,167	53,547
Meadowbrook TIF													
Sales Taxes					36,136								
Bond Proceeds													
Motor Vehicle Tax													
Liquor Tax			2,380										
Licenses & Permits	1,330												
Intergovernmental	1,098,550		953,723				1,579,746						
Charges for Services	23,752	4,227	25,567	3,142		499	17,350		1,864	213	956	1,754	4,060
Interest on Investments	441												
Miscellaneous													
Total Revenue	1,124,073	4,227	981,669	707,472	36,136	36,635	1,093	1,597,096	1,864	213	956	43,921	57,607
Transfers from Other funds:													
Transfer from General Fund													
Transfer from Special Highway							325,307		8,750	16,250	113,846		
Transfer from Storm Water Utility Fund													
Transfer from Economic Development Fund													
Transfer from Special Parks & Rec Fund													
Total	-	-	-	-	-	-	325,307	1,601,923	8,750	16,250	113,846	-	-
Total Sources	1,124,073	4,227	981,669	707,472	36,136	36,635	326,401	3,199,019	10,614	16,463	114,802	43,921	57,607
Expenditures:													
Personal Services	8,705												
Contract Services	298,411												
Commodities													
Capital Outlay													
Debt Service											142,047		
Infrastructure							115,430						
Bond Costs													
Total Expenditures	307,116	-	-	676,343	-	58,706	115,430	334,169	-	2,486	142,047	-	-
Transfers to Other Funds:													
Transfer to General Fund			141,250										
Transfer to Bond & Interest Fund													
Transfer to Capital Projects Fund		152,510	250,000		36,136								
Transfer to Equipment Reserve Fund													
Total	-	152,510	391,250	-	36,136	-	-	-	-	-	-	-	-
Total Uses	307,116	152,510	391,250	676,343	36,136	58,706	115,430	334,169	-	2,486	142,047	-	-
Sources Over(Under) Uses	816,957	(148,283)	590,419	31,129	-	(22,071)	210,971	2,864,851	10,614	13,977	(27,245)	43,921	57,607