

City of Prairie Village

Fourth Quarter

Financial Report for the fourth quarter

Ended December 31, 2020

Relating to Fiscal Year 2020

Unaudited



GENERAL FUND

General Fund Balance. The chart below shows with 100 percent of the year complete revenues are at 97.8 percent of projections, while expenditures are at 92.2 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 was \$7,480,651. The 2020 target ending fund balance is 25 percent of revenues (excluding transfers). The preliminary 2020 ending fund balance is 35.7 percent.

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 6,615,787	\$ 7,480,651	
Revenues	22,778,855	22,281,171	97.8%
Expenditures	23,868,123	21,996,899	92.2%
Balance	5,526,519	7,764,923	

The City's efforts to contain spending during these uncertain times has resulted in the General Fund expenditures being \$217,198 less than they were at the same time last year.

Year to Date Comparison to Prior Year			
General Fund	2020	2019	Over (Under)
Expenditures:			
Personal Services	10,740,208	10,777,499	(37,291)
Contract Services	3,972,364	3,903,395	68,970
Commodities	581,970	652,347	(70,377)
Capital Outlay	192,633	215,764	(23,131)
Contingency	-	-	-
Total Expenditures	15,487,176	15,549,006	(61,830)
Transfers to Other Funds:			
Transfer to Capital Projects Fund	4,653,109	5,155,116	(502,007)
Transfer to Bond & Interest Fund	1,301,229	1,074,975	226,254
Transfer to Risk Management Fund	35,000	35,000	-
Transfer to Economic Development	65,000	-	65,000
Transfer to Equipment Reserve Fund	455,385	400,000	55,385
Total	6,509,723	6,665,091	(155,368)
Total Uses	21,996,899	22,214,097	(217,198)

SUMMARY OF KANSAS ECONOMIC CONDITIONS

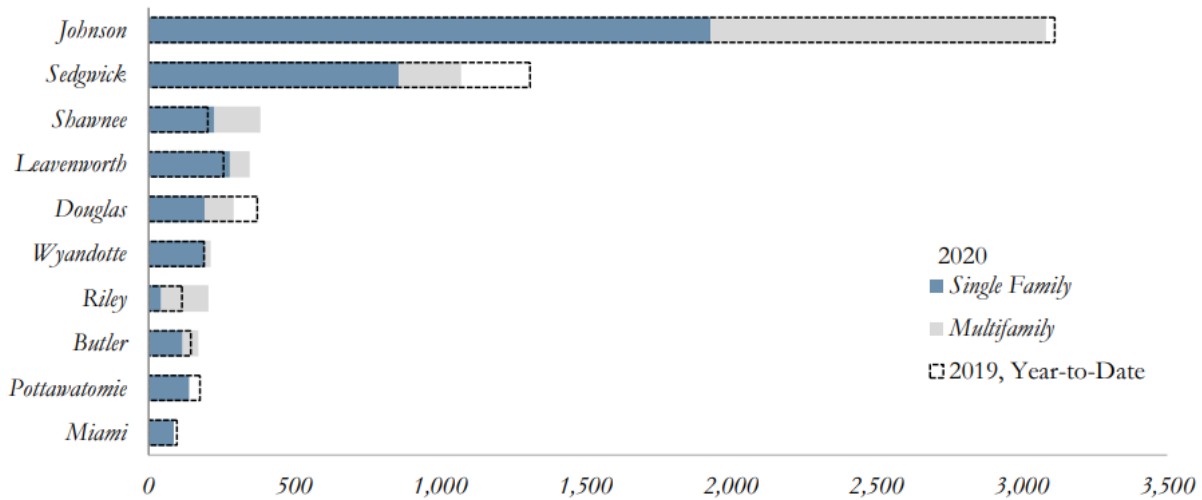
The outlook for both the regional and U.S. economies remains highly uncertain and tied to the path of the pandemic. Declines in consumption and job losses are most notable in service sectors of the economy, highlighting the unique nature of this public-health related downturn. The unemployment rate remains well above its longer run natural level but the labor market showed some signs of stabilization through the summer months. Persistent high unemployment can lead to lasting damage to the economy if workers lose key workplace skills or reduce their willingness to participate in the labor force. The Johnson County December unemployment rate was 3.3 percent, compared to the stated Kansas unemployment rate of 3.8 percent.

Prairie Village sales tax collections through the fourth quarter were down 0.05 percent compared to the same time last year. In comparison, use tax collections over the same time period were very strong and were 20 percent higher compared to last year. Online purchases, such as Amazon, are an example of use tax.

Residential real estate remains strong in Johnson County and Prairie Village. This is important since Prairie Village is considered a bedroom community.

Top 10 Kansas Counties for Permit Activity




Year-to-Date through December



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

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.

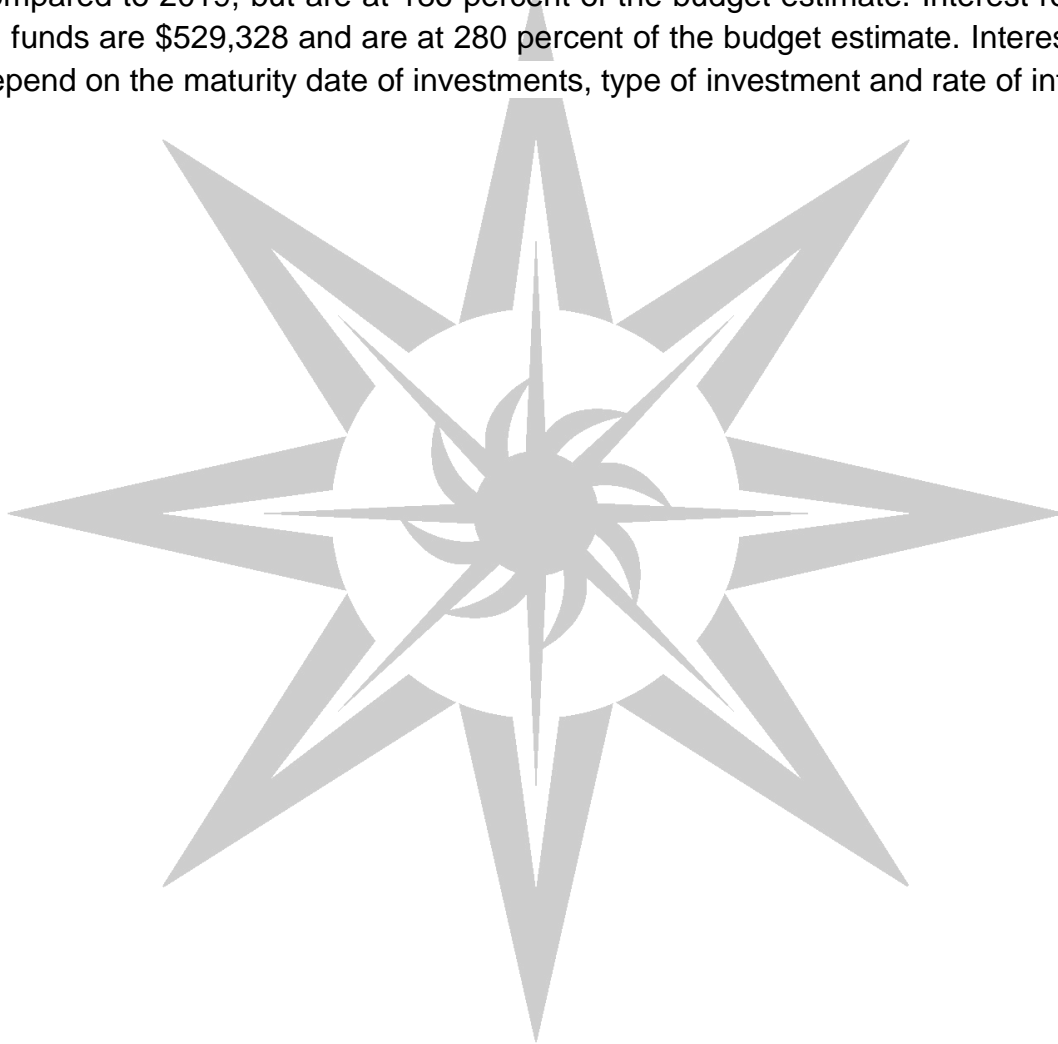
Rating Scale for Key Variances:

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

Key variances include:

- **Sales Tax.** Sales tax revenues are \$2,881 less compared to the last fiscal year, and are at 98 percent of the budget estimate. In 2019 we were at 102.3 percent of the budget estimate.
- **Use Tax.** Use tax revenues are \$301,991 greater compared to the last fiscal year, and are at 132 percent of the budget estimate. In 2019 we were at 120.8 percent of the budget estimate.
- **Liquor Tax.** Liquor tax revenues are \$20,485 less compared to the last fiscal year, and are at 78.5 percent of the budget estimate. In 2019 we were at 95.6 percent of the budget estimate. Alcohol tax distributions are quarterly, and the fourth quarter distribution was 96 percent of the 2019 distribution, so we anticipate this revenue source rebounding.
- **Franchise Fees.** Franchise fee revenues are \$219,347 less compared to the last fiscal year, and are at 90 percent of the budget estimate. In 2019 we were at 96 percent of the budget estimate.
- **Licenses and Permits.** Licenses and permit revenues are \$274,093 less compared to the last fiscal year, but are at 95 percent of the budget estimate. In 2019 we were at 138 percent of the budget estimate. Building permit revenue makes up the majority of the change. The decline in building permit revenue was anticipated and budgeted for as large projects such as Meadowbrook are being completed.
- **Fines and Fees.** Fines and fee revenues are \$169,036 less compared to the last fiscal year, and are at 67 percent of the budget estimate. In 2019 we were at 96 percent of the budget estimate. Traffic violations make up the majority of the decline.

- **Recreation Fees.** Recreation fee revenues are \$386,876 less compared to the last fiscal year, and are at 7 percent of the budget estimate. Recreation fees include the City pools (closed due to COVID-19), community center (closed to public due to Public Works Facility), park pavilions and other city activities and rentals. The loss in revenues was offset by approximately \$362,148 in expenditures that were not incurred.
- **Interest on Investments.** Interest receipts for the General Fund only are \$20,984 less compared to 2019, but are at 186 percent of the budget estimate. Interest receipts for all funds are \$529,328 and are at 280 percent of the budget estimate. Interest receipts depend on the maturity date of investments, type of investment and rate of interest.



Quarterly Financial report – Fourth Quarter Ending December 31, 2020

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

Year to Date Comparison to Prior Year				
General Fund	2020	2019	Over (Under)	
Revenues:				
Property Taxes	8,179,161	7,530,237	648,924	8.62%
Sales Taxes	5,446,984	5,449,864	(2,881)	-0.05%
Use Tax	1,811,879	1,509,888	301,991	20.00%
Motor Vehicle Tax	746,852	751,900	(5,049)	-0.67%
Liquor Tax	109,748	130,232	(20,485)	-15.73%
Franchise Fees	1,842,970	1,900,281	(57,311)	-3.02%
Licenses & Permits	728,297	1,002,391	(274,093)	-27.34%
Charges for Services	1,722,975	1,742,963	(19,989)	-1.15%
Fines & Fees	694,784	863,819	(169,036)	-19.57%
Recreational Fees	29,745	416,620	(386,876)	-92.86%
Interest on Investments	139,674	160,658	(20,984)	-13.06%
Miscellaneous	263,103	126,158	136,944	108.55%
Total Revenue	\$21,716,171	\$21,585,014	\$131,157	0.61%
Transfers from Other funds:				
Transfer from General Fund	-	-	-	
Transfer from Special Highway Fund	-	-	-	
Transfer from Stormwater Utility Fund	565,000	565,000	-	
Transfer from Special Parks & Rec Fund	-	-	-	
Transfer from Special Alcohol Fund	-	-	-	
Total	565,000	565,000	-	
Total Sources	\$22,281,171	\$22,150,014	\$131,157	
Expenditures:				
Personal Services	10,740,208	10,777,499	(37,291)	-0.35%
Contract Services	3,972,364	3,903,395	68,970	1.77%
Commodities	581,970	652,347	(70,377)	-10.79%
Capital Outlay	192,633	215,764	(23,131)	-10.72%
Contingency	-	-	-	
Total Expenditures	15,487,176	15,549,006	(61,830)	-0.40%
Transfers to Other Funds:				
Transfer to Capital Projects Fund	4,653,109	5,155,116	(502,007)	-9.74%
Transfer to Bond & Interest Fund	1,301,229	1,074,975	226,254	21.05%
Transfer to Risk Management Fund	35,000	35,000	-	
Transfer to Economic Development	65,000	-	65,000	
Transfer to Equipment Reserve Fund	455,385	400,000	55,385	13.85%
Total	6,509,723	6,665,091	(155,368)	
Total Uses	21,996,899	22,214,097	(217,198)	

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

Expenditure Variances

General Fund	Budget	Expended YTD Actual	Percent Expended
Expenditures:			
Personnel Services	11,205,956	10,740,208	95.8%
Contract Services	4,605,594	3,972,364	86.3%
Commodities	775,200	581,970	75.1%
Capital Outlay	271,650	192,633	70.9%
Contingency	500,000	-	0.0%
Transfers to Other Funds	6,509,723	6,509,723	100.0%
Total Expenditures	\$23,868,123	\$21,996,899	92.2%

Revenue Variances

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	8,208,703	8,179,161	99.6%
Sales Taxes	5,575,000	5,446,984	97.7%
Use Tax	1,375,000	1,811,879	131.8%
Motor Vehicle Tax	789,025	746,852	94.7%
Liquor Tax	139,792	109,748	78.5%
Franchise Fees	2,048,154	1,842,970	90.0%
Licenses & Permits	763,850	728,297	95.3%
Charges for Services	1,673,906	1,722,975	102.9%
Fines & Fees	1,037,775	694,784	66.9%
Recreational Fees	411,050	29,745	7.2%
Interest on Investments	75,000	139,674	186.2%
Miscellaneous	116,600	263,103	225.6%
Transfer from Stormwater Utility Fund	565,000	565,000	100.0%
Total Revenue	\$22,778,855	\$22,281,171	97.8%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ending December 31, 2020 are shown on page 7.

Quarterly Financial report – Fourth Quarter Ending December 31, 2020

	Solid Waste Management	Special Highway	Stormwater Utility	Meadowbrook TIF	Special Parks & Rec	Special Alcohol	Bond & Interest	Transient Guest Tax	Capital Projects	Risk Mgmt	Economic Development	Equipment Reserve	CID Corinth	CID PV Shops
Revenues:														
Property Taxes							-							
Meadowbrook TIF				1,219,711										
Transient Guest Tax								54,769						
Sales Taxes													558,590	532,322
Bond Proceeds														
Motor Vehicle Tax														
Liquor Tax					109,748	109,748								
Licenses & Permits	3,850		14,000											
Intergovernmental		570,612							5,422,283					
Charges for Services	1,911,832		1,602,404											
Interest on Investments	45,941	14,570	53,733	6,490	-	1,439	1,353	232	242,839	5,194	1,502	6,168	4,192	5,999
Miscellaneous	1,209								44,133	8,418				
Total Revenue	1,962,831	585,182	1,670,138	1,226,202	109,748	111,187	1,353	55,001	5,709,255	13,612	1,502	6,168	562,783	538,321
Transfers from Other funds:														
Transfer from General Fund							1,301,229		4,653,109	35,000	65,000	455,385		
Transfer from Special Highway									600,397					
Transfer from Storm Water Utility Fund									1,000,000					
Transfer from Economic Development Fund														
Transfer from Special Parks & Rec Fund									109,748					
Total	-	-	-	-	-	-	1,301,229	-	6,363,254	35,000	65,000	455,385	-	-
Total Sources	1,962,831	585,182	1,670,138	1,226,202	109,748	111,187	1,302,582	55,001	12,072,509	48,612	66,502	461,553	562,783	538,321
Expenditures:														
Personal Services	34,821					96,721								
Contract Services	1,817,246			1,184,824		71,187				29,956	75,915		540,834	611,488
Commodities						13,880								
Capital Outlay												687,397		
Debt Service							1,320,850		253,768					
Infrastructure									12,612,272					
Bond Costs														
Total Expenditures	1,852,067	-	-	1,184,824	-	181,788	1,320,850	-	12,866,039	29,956	75,915	687,397	540,834	611,488
Transfers to Other Funds:														
Transfer to General Fund			565,000											
Transfer to Bond & Interest Fund														
Transfer to Capital Projects Fund		600,397	1,000,000		109,748									
Transfer to Equipment Reserve Fund														
Total	-	600,397	1,565,000	-	109,748	-	-	-	-	-	-	-	-	-
Total Uses	1,852,067	600,397	1,565,000	1,184,824	109,748	181,788	1,320,850	-	12,866,039	29,956	75,915	687,397	540,834	611,488
Sources Over(Under) Uses	110,765	(15,215)	105,138	41,377	-	(70,602)	(18,268)	55,001	(793,530)	18,657	(9,413)	(225,843)	21,949	(73,167)