

City of Prairie Village

First Quarter

Financial Report for the first quarter

Ended March 31, 2015

Relating to Fiscal Year 2015

Unaudited



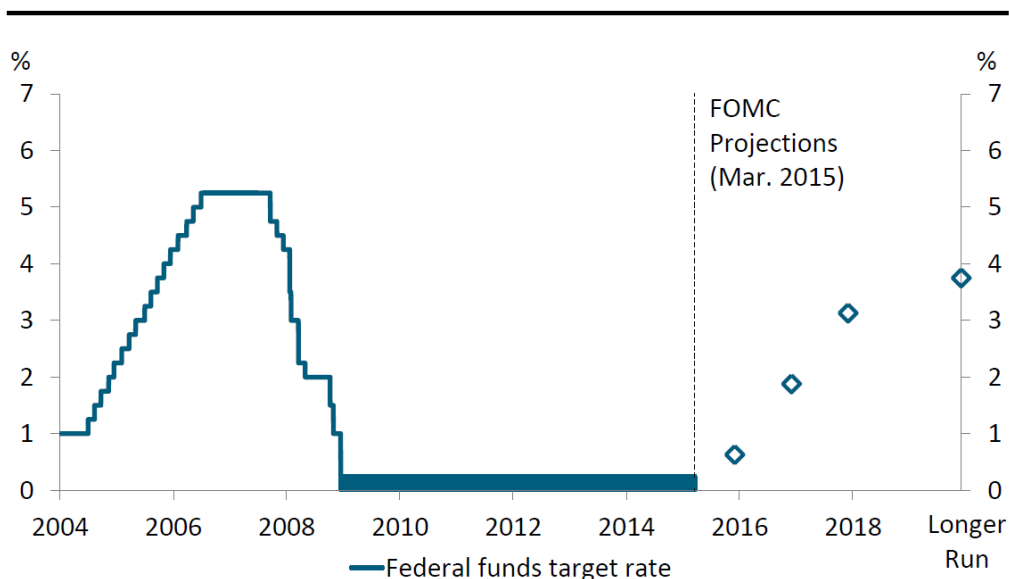
GENERAL FUND

General Fund Balance. The chart, below, shows with 25 percent of the year complete revenues are at 29.5 percent of projections, while expenditures are at 34.3 percent of appropriations. The chart also reports the budgeted fund balance at the start of 2015, which is \$5,674,729 and the preliminary actual fund balance, which is \$7,059,237. The 2015 target ending fund balance is 25 percent of revenues (excluding transfers).

General Fund	Budget	YTD	Percent
Fund Balance 1/1	\$ 5,674,729	\$ 7,059,237	
Revenues	17,911,132	5,292,341	29.5%
Expenditures	19,208,082	6,591,725	34.3%
Balance	4,377,779	5,759,853	

The U.S. economic growth decelerated in the fourth quarter of 2014 and continued to slow further in the first quarter of 2015, despite strong consumer spending. For the whole year of 2014, the U.S. economy expanded 2.4 percent, slightly higher than that in 2013. Factors that contributed to slowing growth included the appreciation of the dollar, falling energy prices and an unusually severe winter. With that said, growth and inflation are expected to pick up over the remainder of the year. Federal Reserve Chair Janet Yellen said she expects an increase in the target range for the federal fund rate later this year.

The federal funds rate target is expected to rise beginning this year.






Source: Federal Reserve Board, Haver Analytics

The focus of this report is on 2015 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 2015 and 2014.

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 57.4 percent of the budget estimate. In 2014 we were at 57.8 percent of the budget estimate.
- **Franchise Fees.** Franchise fee revenues are \$215,412 greater compared to the last fiscal year, and are at 21.4 percent of the budget estimate. In 2014 we were at 6.5 percent of the budget estimate due to Kansas City Power and Light changing their billing process.
- **Licenses & Permits.** License & Permit fee revenues are \$37,269 greater compared to the last fiscal year, and are at 29.5 percent of the budget estimate. In 2014 we were at 22.6 percent of the budget estimate.
- **Fines & Fees.** Fines and Fees revenues are down \$97,810 compared to the last fiscal year, and are at 19.8 percent of the budget estimate. In 2014 we were at 30.7 percent of the budget estimate. Included in this revenue source are Traffic Violations and Court and Jail fees. A decline in Traffic Violations makes up the difference.
- **Recreation Fees** Recreation fee revenues are \$6,084 greater compared to 2014, but are only at 3.4 percent of the budget estimate. In 2014 we were at 1.9 percent of the budget estimate. Recreation fees are seasonal and are not expected to be strong in the first quarter.
- **Interest on Investments** Interests receipts for the General Fund only are \$25,477 greater compared to 2014, and are at 96.4 percent of the budget estimate. Interest receipts for all funds are \$71,020 and are at 113 percent of the budget estimate.

- Contract Services.** Contract Services expenses are \$511,070 greater compared to the last fiscal year and are at 21 percent of the budget estimate. Kansas City Power and Light billing for street lights and traffic signals accounts for the difference and is a result of a change in their billing process.
- 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 2015 General Fund budget included:

Capital Outlay - 2015 Budget		
Item to be Replaced/Major Repair	Department	2015 Budget
Council iPad Replacement	IT	10,000
Off-Premise Camera	IT	40,000
Park & Recreation Software	IT	50,000
Server Replacement	IT	15,000
Storage Area Network	IT	\$60,000
Police Department Generator	Police	175,000
Public Works Dump Truck	Public Works	170,000
Public Works Loader for 2015	Public Works	100,000
Public Works Pick-up Trucks (2)	Public Works	70,000
Office Equipment & Furniture	Administration	6,000
Field Equipment	Codes	450
Office Equipment & Furniture	Codes	3,000
Communications Equipment	IT	1,350
Miscellaneous Equipment	IT	1,500
PC's - city-wide	IT	4,900
Community Center Furniture	Parks	16,000
Miscellaneous Equipment	Parks	7,000
Office Equipmewnt	Parks	800
Computer Equipment	Police	3,500
Dispatch Console Replacement	Police	30,000
Field Equipment	Police	27,000
Miscellaneous Equipment	Police	300
Office Equipment	Police	1,500
Vehicles (3)	Police	79,500
Community Center Upgrade	Public Works	30,000
Office Equipment & Furniture	Public Works	3,000
Replace tables, benches & trash cans	Public Works	10,000
Riding Mower	Public Works	12,500
Trailer for Bobcat	Public Works	15,000
		\$ 943,300

Quarterly Financial report – First Quarter Ending March 31, 2015

The chart, below, provides summary comparison information on revenues, expenditures and transfers for the first quarter ending March 2015 versus March 2014.

Year to Date Comparison to Prior Year				
General Fund	2015	2014	Over (Under)	
Revenues:				
Property Taxes	3,060,902	2,439,139	621,763	25.49%
Sales Taxes	373,495	366,861	6,633	1.81%
Use Tax	77,736	73,628	4,108	5.58%
Motor Vehicle Tax	137,202	133,287	3,915	2.94%
Liquor Tax	33,378	35,989	(2,611)	-7.26%
Franchise Fees	330,444	115,032	215,412	187.26%
Licenses & Permits	143,861	106,592	37,269	34.96%
Charges for Services	370,714	383,699	(12,985)	-3.38%
Fines & Fees	243,634	341,444	(97,810)	-28.65%
Recreational Fees	15,031	8,947	6,084	68.00%
Interest on Investments	38,559	13,082	25,477	194.74%
Miscellaneous	67,385	61,072	6,313	10.34%
Total Revenue	\$4,892,341	\$4,078,773	\$813,568	19.95%
Transfers from Other funds:				
Transfer from General Fund	-	-	-	
Transfer from Special Highway Fund	-	-	-	
Transfer from Stormwater Utility Fund	400,000	423,467	(23,467)	
Transfer from Special Parks & Rec Fur	-	-	-	
Transfer from Special Alcohol Fund	-	-	-	
Total	400,000	423,467	(23,467)	
Total Sources	\$5,292,341	\$4,502,240	\$790,101	
Expenditures:				
Personal Services	1,676,163	2,064,894	(388,731)	-18.83%
Contract Services	991,755	480,685	511,070	106.32%
Commodities	115,843	104,772	11,071	10.57%
Capital Outlay	28,539	352	28,188	8017.19%
Debt Service	-	-	-	
Infrastructure	-	-	-	
Contingency	-	-	-	
Total Expenditures	2,812,300	2,650,702	161,598	
Transfers to Other Funds:				
Transfer to Capital Projects Fund	3,144,425	2,495,751	648,674	25.99%
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	600,000	-	0.00%
Total	3,779,425	3,130,751	648,674	
Total Uses	6,591,725	5,781,453	810,272	

The charts, on page 5, provide information on revenue variances for the General Fund and Property Tax for the first quarter ending March 2015.

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

General Fund	Budget	Received YTD Actual	Percent Received
Revenues:			
Property Taxes	5,342,519	3,060,902	57.3%
Sales Taxes	4,878,021	373,495	7.7%
Use Tax	956,975	77,736	8.1%
Motor Vehicle Tax	514,079	137,202	26.7%
Liquor Tax	124,000	33,378	26.9%
Franchise Fees	1,541,819	330,444	21.4%
Licenses & Permits	488,487	143,861	29.5%
Charges for Services	1,775,575	370,714	20.9%
Fines & Fees	1,231,835	243,634	19.8%
Recreational Fees	448,603	15,031	3.4%
Interest on Investments	40,000	38,559	96.4%
Miscellaneous	169,219	67,385	39.8%
Transfer from Stormwater Utility Fund	400,000	400,000	100.0%
Total Revenue	\$17,911,132	\$5,292,341	29.5%

The chart, below, shows Property Tax revenues.

Property Tax	2015	YTD Comparison		Percent Budget Received
	Budget	2015	2014	
Revenues:				
General Fund	5,342,519	3,060,902	2,439,139	57.3%
Bond & Interest Fund	348,330	207,563	774,109	59.6%
Total Revenue	\$5,690,849	\$3,268,465	\$3,213,248	57.4%

OTHER FUNDS

The Statement of Revenues and Expenses for the quarter ended March 31, 2015 are shown on page 6.

