

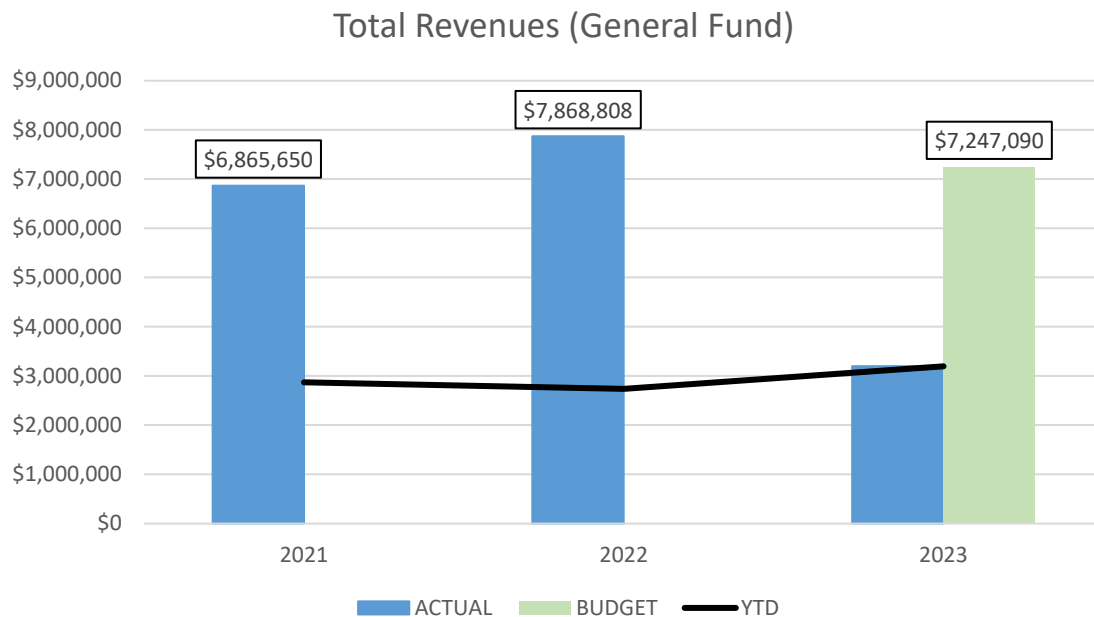


DATE: April 12, 2023
TO: Ty Lasher, City Manger
FROM: Ted Henry, Assistant City Manager/ Director of Finance
RE: March 2023 Financial Report

Attached please find a copy of the Cash Report and Revenue and Expenditure reports for each of the City's budgeted funds for the month ending March 31, 2023.

General Fund

- The General Fund has a cash balance of \$4.4 million.
- Total General Fund revenues in 2023 year-to-date were \$3,196,027 compared to \$2,737,917 in the same period in 2022, an increase of \$458,110 or 14%.

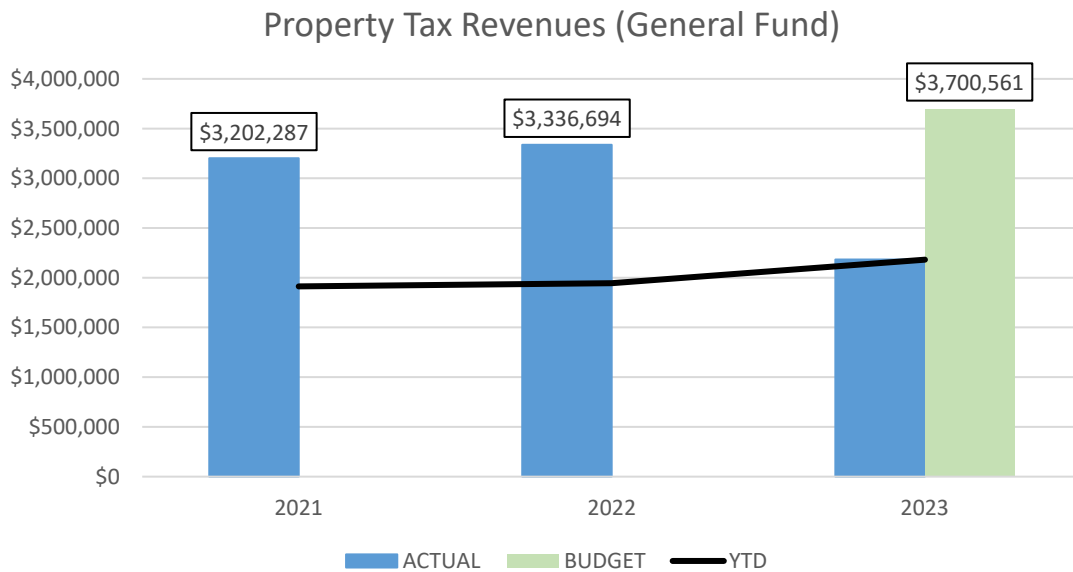


(01-00-XXXX)

Key General Fund Revenue Indicators:

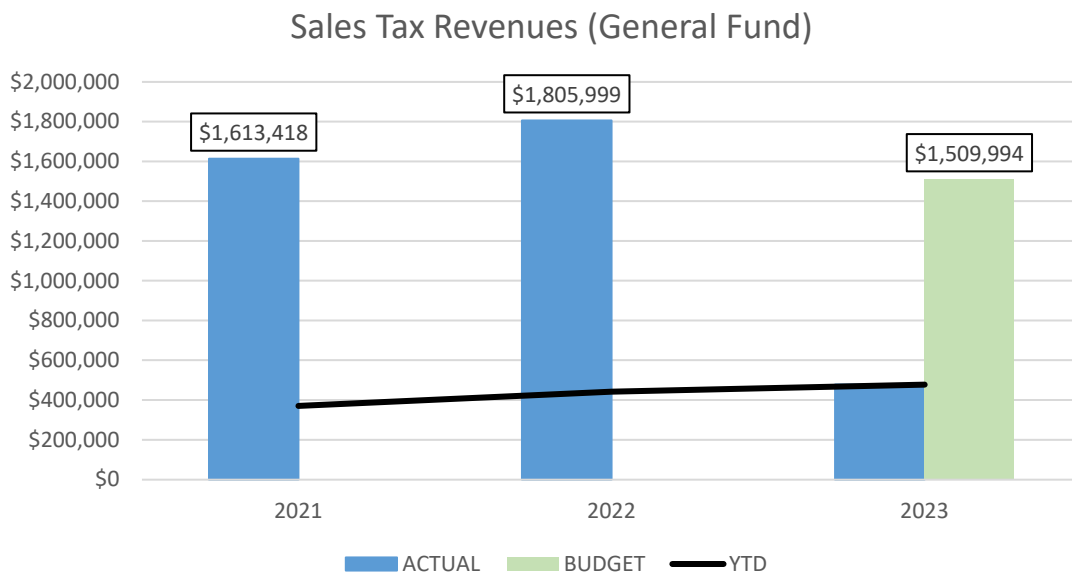
The primary revenue source for the City's General Fund is property tax (51% of Total Revenues). Property taxes are billed by the county the November before our calendar year. Taxpayers are required to pay at least one-half in December and the remaining amount in May.

→ Property taxes collected in 2023 year-to-date were \$2,182,678 compared to \$1,944,289 in the same period in 2022, a decrease of \$238,389 or 12%. (01-00-4000)



The city receives a portion of the Sedgwick County sales tax (22% of Total Revenues). Sales taxes are collected by the retailer and remitted to the State of Kansas Department of Revenue. The State then remits the sales taxes to the city. The process typically takes two months from the retail sale to the collecting of the sales tax.

→ Sales taxes collected in 2023 year-to-date were \$477,711 compared to \$442,099 in the same period in 2022, an increase of \$35,612 or 8%. (01-00-4030)



Personnel Expenses:

The 2023 Budget includes \$3,251,740 (41% of Budget) for personnel expenses (Salaries, Benefits, KPERS, FICA, Workman's Compensation, and Unemployment Insurance) (01-500)

	YTD Spent	Budget	% Spent	% of Year
Personnel	\$849,024	\$3,251,740	26%	25%

Contractual Expenses:

The 2023 Budget includes \$667,048 for contractual expenses. Contractual expenses include: liability insurance, utilities for public buildings, , phones, internet, mobile devices, copier, legal services (judge and prosecutor), inmate housing fees, mowing services, janitorial services, engineering services, recreation instructors, auditing services, financial software, digital ticketing software, body camera storage, and IT support. (01-510)

	YTD Spent	Budget	% Spent	% of Year
Contractual	\$128,350	\$667,048	42%*	25%
*% spent is as expected. several contractual agreements are annual payments made in Q1.				

Commodity Expenses:

The 2023 Budget includes \$493,350 for commodity expenses. Commodity expenses include: fuel and maintenance for vehicles, postage, publications, training, safety equipment, construction material, materials for public grounds upkeep, police and office supplies and marketing. (01-610)

	YTD Spent	Budget	% Spent	% of Year
Commodities	\$108,026	\$493,350	25%	25%

Capital Outlay Expenses:

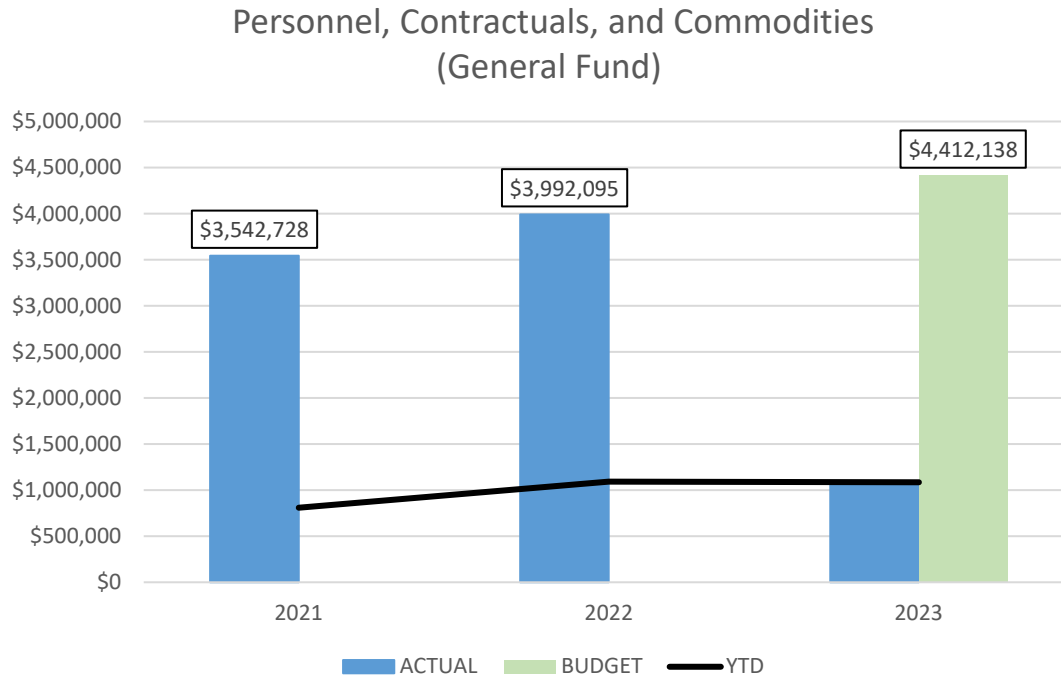
The 2023 Budget includes \$80,000 for smaller capital outlay expenses. (01-710)

	YTD Spent	Budget	% Spent	% of Year
Capital Outlay	\$1,780	\$80,000	0%	17%

Transfers Out Expenses:

Transfers for 2023 are budgeted at \$3,510,065. Most of this amount (\$2,252,194 or 64%) will be used to pay off debt the City has accrued over the years. Other 2023 budgeted transfers include \$1,157,871 to the Capital Improvement Reserve Fund for planned projects and \$100,000 for Equipment Reserve Fund for planned equipment replacement purchases. (01-800 or 8070)

	YTD Spent	Budget	% Spent	% of Year
Transfers	\$1,529,789	\$3,510,065	44%*	N/A
*% spent is as expected. several transfers are made in Q1.				



Water Fund

The Water Fund ended the month with a balance of \$2.5 million. Water Fund Revenue is driven by water sales to Bel Aire utility customers. (02-00-4360)

	YTD	Budget	% Collected	% of Year
Total Water Revenue	\$687,861	\$3,186,000	22%	25%

Water sales account for almost 90 percent of the total annual revenue in the Water Fund. Water sales collected in 2023 year-to-date were \$584,663 compared to \$524,619 in the same period in 2022, an increase of 11%.

Water fund expenditures are largely concentrated in contractual obligations. Bel Aire purchases water from two sources: the Chisholm Creek Utility Authority (CCUA) and the City of Wichita. The Water Department budget includes salary for 5 full time employees. Staff is responsible for maintaining the City's water infrastructure, including water towers; and work with CCUA and The City of Wichita to ensure no interruptions in water service. Staff completes hundreds of service calls, manages billing, water system maintenance, and repairs of sections of failing water main lines as needed. Capital Outlays are earmarked for contracting water line replacement projects.

	YTD	Budget	% Spent	% of Year
Total Water Expenses	\$616,087	\$3,544,187	17%	25%

Sewer Fund

The Sewer Fund ended the month with a balance of \$3.4 million. Revenue is driven by sewer charges Bel Aire utility customers. Sewer charges account for over 90 percent of the total annual revenue in the Sewer Fund. Sewer charges collected in 2023 year-to-date were \$699,558 compared to \$640,378 in the same period in 2022, an increase of 9%. (03-00-4400)

	YTD	Budget	% Collected	% of Year
Total Sewer Revenue	\$783,002	\$2,797,289	28%	25%

Sewer fund expenditures are largely concentrated in contractual obligations. All of Bel Aire's waste water is treated by the Chisholm Creek Utility Authority (CCUA). One of the greatest expenses for the Sewer Fund is \$739,604 in CCUA debt payments and \$562,072 for operations and maintenance at CCUA. This amount totals \$1,286,477, accounts for 53% of revenues, and only treats our waste water. The Sewer Department budget includes salary for 5 full time employees. Staff is responsible for maintaining the City's waste water infrastructure, including lift stations; and work with CCUA to ensure no interruptions in waste water service. Capital Outlays funds amounting to \$300,000 are earmarked for contracting sewer line replacement projects.

	YTD	Budget	% Spent	% of Year
Total Sewer Expenses	\$655,894	\$3,094,459	21%	25%

Stormwater Fund

A Stormwater Fund was established in 2016. Creating a fund for Stormwater eliminates annual competition for funds for stormwater improvements. The only revenue source for this fund is a \$2 stormwater management fee, which was assessed to all utility customers in the City. The Stormwater Utility Fund ended the month with a balance of \$409,452. 2023 completed stormwater projects include \$8,500 in tree removal along the ditches near Woodlawn and Quail Ridge. I will update stormwater projects as they occur.

Solid Waste Fund

The Solid Waste Utility Fund ended the month with a balance of \$348,374. All charges for trash and recycling services are being placed into and paid out of the Solid Waste Utility Fund. The 2023 Budget includes a \$100,000 transfer to the Street Fund for road repairs and \$35,000 to the Water Fund for administrative expenses.

Street Maintenance Fund

The Street Fund balance at the ended the month with a balance of \$287,571. Revenues are generated by the City's share of the state and county fuel tax. Expenses are spent on roadway maintenance, street cleaning, snow and ice removal and street lighting.

Bond and Interest Fund

The Bond and Interest Fund ended the month with a balance of \$1.5 million. The City will make over \$3.4 million in debt service payments out of the Bond and Interest Fund in 2023.

FY23 Equipment Replacement Reserve Fund (Non-Budgeted)

Fund Balance - starting	274,720		
Budgeted FY23 Transfer from General Fund	100,000		
Budgeted FY23 Transfer from Water Fund	150,000		
Budgeted FY23 Transfer from Sewer Fund	150,000		
Total Funds Available	624,720		
Ford F-150 Crew Cab (P&Z)	44,865	Bid Approved	< waiting on delivery
Replacement Watchguard Server (PD)	14,307	Bid Approved	< waiting on delivery
Sewer Main Cleaning Truck (PW)	280,000		< scheduled for replacement
FY2022 Police Vehicle Purchase (PD)	55,000		< scheduled for replacement
FY2023 Police Vehicle Purchase (PD)	55,000		< scheduled for replacement
Exmark Mower (PW)	20,000		< scheduled for replacement
F-350 Truck (PW)	50,000		< scheduled for replacement
Admin Vehicle Purchase (ADMIN)	45,000		< scheduled for replacement
Utility Task Vehicle (REC)	20,000		< scheduled for replacement
Estimated Expenditures	584,172		
Estimated Fund Balance - ending	90,548		

FY23 Capital Improvement Reserve Fund (Non-Budgeted)

Fund Balance - starting	566,384		
Budgeted FY23 Transfer from General Fund	1,157,871		
"Save and Spend" Transfer from General Fund	800,000	Pending	< needs budget amendment
Total Funds Available	2,524,255		
Micro-Surfacing (Preservation Program)	908,220	Bid Approved	
Engineering Services for 45 th Street	739,702	Bid Approved	
Public Works Facility (Feasibility Study)	10,000	Bid Approved	
City Hall Energy Efficient HVAC	150,000		
City Hall Keyless Entry System	50,000		
Pool Liner or Pool Plaster Repair	150,000		
Skyview Park (new)	160,000		
Estimated Expenditures	2,219,922		
Estimated Fund Balance - ending	304,333		
ARPA Fund Balance	1,267,227		< still available for allocation

Small facts you might find Interesting...

- March had the most Move in and Move Outs over the past 5 years with 232 Move Ins and/or Move Outs entered by staff; previous record was 183 in 2020.
- Billed 3624 meters in March, a 19% increase since March 2019.
 - 30% paid via ACH and 39% received ebills.
- Utility Staff fielded 1,762 calls in the first quarter of 2023. (about 30 calls per day)