



Financial Management & Administration

**Interim Financial Report
September 30, 2022**

Johnson County, Kansas
Report of Financial Condition (Unaudited)
For the Nine Months Ended September 30, 2022

INTRODUCTION:

This report presents un-audited information about the financial condition of Johnson County for the six months ended September 30, 2022. The report is comprised of four financial schedules with budget comparisons and accompanying comparative data from the previous year and a narrative section below to explain highlights for each schedule. This report does not include information for the Park and Recreation District.

Schedule 1: Major Revenue Sources

This schedule compares actual receipts to budgeted expectations for the County's major revenue sources. It reflects actual cash receipts collected during the time period indicated. Below is a discussion of significant items related to revenue.

Property and Miscellaneous Taxes

- 1) *Ad Valorem Tax* – Ad Valorem Tax distribution is five times a year, but 99% of distribution is within the first two quarters. This revenue source is in line with budget.
- 2) *Delinquent Real Property Tax* – This revenue is difficult to budget due to its nature, and being affected by appeals, adjustments and refunds. Current year results are \$1.4M ahead of prior year.
- 3) *Sales Tax* – Combined Sales and Use Tax is about 21% above budgeted expectations, and up 18% from prior year, about \$15M.

Interest Earnings

- 1) *Investment Interest* – This revenue source is at 170% of budget due to the Fed rate hikes amounting to 300 basis points instead of the anticipated 100 basis points.

Charges for Services

- 1) *Recording Fees* – This revenue source is slightly below budget at 58% and behind prior year by \$3.1M. Review of 2020 and 2021 revenues indicates activity spiked due to both lower interest rates and trust-related deed recordings brought on by the pandemic environment. Revenues are returning to pre-pandemic levels, as expected.

Grants

- 1) *CDBG* – Program activity and drawdowns have resumed post Covid-19 and a backlog of projects are being reimbursed in 2022.

Other Nonbudgeted Major Revenues:

- 1) *COVID-19 grant funding* – Updates about this revenue source are provided by CMO staff to the BOCC regularly. When comparing 2022 to 2021, Johnson County has

received both tranches of SLFRF, whereas in 2021 we had only received the first tranche.

Schedule 2: Cumulative Expenditures for General Fund by Department

This schedule lists total actual expenditures for each of the departments within the County's General Fund compared to budgeted amounts and prior year YTD actual. The schedule does not include budgeted reserves and intrafund transfers.

- 1) All General Fund departments are tracking within or below their budgets for the first three quarters of 2022.

Schedule 3: Cumulative Expenditures for Budgeted Funds, except for the General Fund

This schedule lists total actual expenditures for each of the County's budgeted funds except for the General Fund compared to budgeted amounts and prior year YTD actual. The schedule does not include budgeted reserves and intrafund transfers.

- 2) All other budgeted funds are tracking as expected for the first three quarters of 2022.

Schedule 4: Cash Balances for Capital Improvement and Non-Budgeted Funds (Unaudited)

This schedule lists ending fund balances for the County's Capital Project and Non-Budgeted Funds. This schedule is prepared on a cash basis and only includes cash-related transactions. Capital Project Funds are budgeted on a multi-year basis. By their unique nature, the remaining funds do not lend themselves well to an annual budget process and are not required to be budgeted by statute. As such, the cash balance is a picture of what is available to be spent. Agency Funds are used to report resources held by Johnson County in a purely custodial capacity. These funds only show the receipt, temporary investment, and remittance of the fiduciary resources to individuals, private organizations, or other governments.

JOHNSON COUNTY, KANSAS
MAJOR REVENUE SOURCES (Unaudited)
For the Nine Months Ended September 30, 2022

Schedule 1

	Budget to Actual Comparison				
	2022 Budget	YTD 2022 Actual	Percent of Budget	YTD 2021 Actual	Actuals Variance over (under)
BUDGETED MAJOR REVENUE SOURCES:					
Property and Miscellaneous Taxes					
Ad Valorem Tax	\$ 261,175,295	\$ 259,560,035	99%	\$ 250,344,028	\$ 9,216,007
Delinquent Real Property Tax	2,612,664	1,635,289	63%	230,447	1,404,841
Motor Vehicle Tax	23,923,885	20,591,254	86%	20,830,157	(238,903)
Special Highway Tax	12,732,467	9,417,870	74%	9,904,771	(486,901)
Sales and Use Taxes					
Local Sales Tax (1/2 percent)	16,296,444	13,607,640	84%	12,035,802	1,571,838
Local Use Tax	4,077,981	4,713,197	116%	3,635,299	1,077,899
Public Safety Sales Tax (1/4 percent)	20,133,947	17,121,301	85%	14,999,790	2,121,511
Public Safety Use Tax	5,038,186	5,903,394	117%	4,511,294	1,392,100
Public Safety Sales Tax #2 (1/4 percent)	20,133,948	17,121,301	85%	14,999,799	2,121,502
Public Safety Use Tax #2	5,038,186	5,903,394	117%	4,511,296	1,392,098
Public Safety Sales Tax #3 (1/4 percent)	20,133,948	17,121,200	85%	14,999,721	2,121,480
Public Safety Use Tax #3	5,038,186	5,903,359	117%	4,511,272	1,392,087
Stormwater Sales Tax (1/10 percent)	12,914,159	10,963,189	85%	9,582,500	1,380,689
Stormwater Use Tax	3,137,797	3,780,084	120%	2,881,984	898,100
Interest Earnings					
Investment Interest	2,300,754	3,914,244	170%	1,472,514	2,441,730
Interest on Delinquent Taxes	2,500,000	2,703,773	108%	1,929,587	774,186
Charges for Services					
911 Fund	5,557,139	4,016,320	72%	3,930,560	85,760
Contractor Licensing Fees	1,288,000	499,735	39%	538,770	(39,035)
Heritage Trust Fund Fees	579,962	320,810	55%	587,674	(266,864)
Med-Act User Fees	11,775,587	10,092,314	86%	9,661,393	430,921
Motor Vehicle Registration Fees	4,513,595	3,573,772	79%	3,581,716	(7,944)
Mortgage Registration Fees	-	-	0%	-	-
Recording Fees	8,000,000	4,668,326	58%	7,809,787	(3,141,461)
Police Protection Charges	1,300,000	620,482	48%	713,300	(92,818)
Sheriff and Corrections Prisoner Boarding Charges	1,050,300	431,168	41%	401,189	29,979
Wastewater-Capital Finance Charges (formerly EDU)	68,777,900	48,168,795	70%	37,109,130	11,059,665
Wastewater-System Availability Charges (new for 2014)	4,124,200	3,892,559	94%	4,016,221	(123,662)
Wastewater-Connection Fees	6,200,000	5,060,590	82%	6,260,356	(1,199,766)
Wastewater-User Charges	59,332,429	46,531,716	78%	49,420,371	(2,888,655)
Grants					
Community Development Block Grant	2,153,000	1,403,084	65%	750,363	652,721
Section 8 Rental Assistance	13,025,283	9,831,426	75%	9,263,155	568,271
TOTAL BUDGETED REVENUE FROM MAJOR SOURCES	\$ 604,865,242	\$ 539,071,621	89%	\$ 505,424,246	\$ 33,647,375
NONBUDGETED MAJOR REVENUE SOURCES:					
R.O.D. Technology Fees		\$ 701,620		\$ 1,175,348	\$ (473,728)
OTHER NONBUDGETED MAJOR REVENUE SOURCES:					
State and Local Fiscal Recovery Funds		117,453,670		67,337,033	50,116,637
TOTAL REVENUE FROM MAJOR SOURCES		\$ 657,226,911		\$ 573,936,627	\$ 83,290,284

*These revenues and associated expenses are reported separately under the COVID-19 weekly reporting to the Board.

Key:

revenue item worth mentioning

revenue increase/decrease investigated

JOHNSON COUNTY, KANSAS
 CUMULATIVE EXPENDITURES FOR BUDGETED FUNDS (Unaudited)
 GENERAL FUND
 For the Nine Months Ended September 30, 2022

Schedule 2

	Budget Comparison				
	2022 Budget for Operating Accounts	YTD 2022 Actual Expenditures for Operating Accounts	Percent of Budget	YTD 2021 Actual Expenditures for Operating Accounts	Year over Year Actuals Variance over (under)
General Fund					
Board of County Commissioners	\$ 1,709,799	\$ 1,076,438	63%	\$ 1,108,166	\$ (31,728)
County Manager's Office	4,411,587	3,073,636	70%	2,827,883	245,753
District Attorney	11,982,445	7,639,427	64%	7,274,636	364,791
Sheriff	95,361,321	71,878,414	75%	67,864,418	4,013,996
Elections	5,610,278	3,845,593	69%	3,229,668	615,925
Appraiser	7,720,834	5,025,862	65%	5,149,532	(123,670)
Financial Management & Administration	5,677,014	3,801,172	67%	3,522,622	278,550
Treasury, Taxation, and Vehicles	10,048,666	7,373,612	73%	7,239,859	133,753
Budget & Financial Planning	1,533,468	1,049,958	68%	955,481	94,477
Countywide - see note 1 below	279,807,718	148,218,712	53%	53,737,582	94,481,130
Human Resources	3,475,136	2,443,352	70%	2,337,037	106,315
Legal	2,324,399	1,526,983	66%	1,456,211	70,772
Facilities	38,890,980	25,539,005	66%	19,977,871	5,561,134
Department of Technology & Innovation	24,623,915	14,664,522	60%	13,337,526	1,326,996
Planning	21,965,796	15,890,373	72%	16,680,614	(790,241)
Aging & Human Services - see note 2 below	9,566,080	6,143,854	64%	23,856,295	(17,712,441)
Med-Act	34,392,426	26,527,651	77%	18,975,498	7,552,153
Emergency Management & Communications	7,078,401	5,037,331	71%	4,365,089	672,242
Corrections	31,130,075	18,572,492	60%	19,838,088	(1,265,596)
District Courts	5,906,792	3,291,619	56%	3,198,909	92,710
District Court Trustee	1,693,493	922,198	54%	889,994	32,204
JIMS	7,300,016	5,211,122	71%	4,442,301	768,821
Courts Law Library	355,750	207,177	58%	199,351	7,826
Museum	1,598,853	666,770	42%	642,688	24,082
Total General Fund	\$ 614,165,242	\$ 379,627,273	62%	\$ 283,107,319	\$ 96,519,954

Key:

expenditures over budget

Note 1 - includes the following:

- Countywide Support
- Public Safety Sales Tax 1 & 2 & 3
- Extension Council
- Fair
- Heritage Trust
- Economic Development Programs

Note 2 - includes the Kansas Emergency Rental Assistance (KERA) Grant of \$18,609,765 in 2021

JOHNSON COUNTY, KANSAS
 CUMULATIVE EXPENDITURES FOR BUDGETED FUNDS (Unaudited)
 ALL OTHER BUDGETED FUNDS
 For the Nine Months Ended September 30, 2022

Schedule 3

	Budget Comparison				
	2022 Budget for Operating Accounts	YTD 2022 Actual Expenditures for Operating Accounts	Percent of Budget	YTD 2021 Actual Expenditures for Operating Accounts	Actuals Variance over (under)
Special Revenue Funds					
911 Fund	\$ 6,281,043	\$ 4,974,144	79%	\$ 4,877,284	\$ 96,860
Alcohol Tax	140,559	105,419	75%	105,500	(81)
Controlled Substance	26,530	-	0%	81,155	(81,155)
Developer Fees	9,800	-	0%	-	-
District Attorney Forfeited Property	25,301	8,602	34%	20,974	(12,372)
Johnson County Developmental Supports	29,744,489	20,528,638	69%	19,216,307	1,312,331
Library	40,561,904	30,427,319	75%	26,316,736	4,110,583
Mental Health	43,031,422	28,698,780	67%	27,871,355	827,425
Prosecutor Training and Assistance	29,000	7,881	27%	7,438	443
Public Health	23,269,946	15,832,359	68%	16,968,782	(1,136,423)
Sheriff Forfeited Property	1,204,480	418,940	35%	282,500	136,440
Stream Maintenance	5,000	-	0%	-	-
Weapons Licensure	88,705	-	0%	-	-
Debt Service Funds					
Debt Service	1,968,250	1,958,250	99%	1,946,925	11,325
Library Special Use	3,922,125	3,216,288	82%	3,107,383	108,905
Enterprise Funds					
Airport	8,086,380	4,411,585	55%	4,978,442	(566,857)
Transportation	17,164,400	12,333,423	72%	6,794,978	5,538,445
Wastewater O & M	63,923,300	46,737,807	73%	54,754,628	(8,016,821)
Wastewater SRCFP	59,903,035	47,162,067	79%	44,454,922	2,707,145
Capital Project Funds					
County Building	1,851,134	1,841,134	99%	1,840,534	600
Public Works	33,306,554	21,701,477	65%	19,854,321	1,847,156
Stormwater	16,172,182	8,196,779	51%	3,867,443	4,329,336
Internal Service Funds					
Risk Management	8,233,887	3,286,469	40%	2,871,408	415,061
Fleet Operating Fund	3,577,472	2,685,352	75%	1,818,139	867,213
Total Expenditures (excluding General Fund)	\$ 362,526,898	\$ 254,532,713	70%	\$ 242,037,153	\$ 12,495,560

Key:

expenditures over budget



JOHNSON COUNTY, KANSAS
CASH BALANCE
CAPITAL IMPROVEMENT & NON-BUDGETED FUNDS (Unaudited)
September 30, 2022

Schedule 4

	<u>Cash Balance</u>
<u>Special Revenue Funds</u>	
Library Gift	\$ 204,458
County Clerk Technology Fund	1,689,446
County Treasurer Technology Fund	376,432
<u>Capital Projects Funds</u>	
Capital Projects	111,168,800
Equipment Reserve	8,437,014
Register of Deeds Technology	7,520,600
<u>Enterprise Funds</u>	
Airport Capital Projects	507,228
Public Building Commission	26,553,645
Transportation Capital Projects	1,091,804
Wastewater SRCFP - Capital Projects	3,469,420
<u>Internal Service Funds</u>	
Risk Management - Workers' Compensation	8,030,476
Self Insured Health Care	27,182,170
<u>Agency Funds</u>	
Inmate Welfare	57,272
Medical Reimbursement	286,976
Research Triangle Sales Tax	-
Tax Collection	7,665,613
Sheriff Foreclosure	-