

# PRAIRIE VILLAGE, KS

2023 Popular Annual Financial Report

For the year ended  
December 31, 2023







## Introduction

We are pleased to present to you the City of Prairie Village's twelfth Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2023. The PAFR, or citizen's report, is a condensed version of the 2023 Annual Comprehensive Financial Report, or "Annual Report". The Annual Report is comprised of 133 pages of detailed financial statements, notes, schedules and statistical information. The report was prepared in conformance with Generally Accepted Accounting Principles (GAAP) and audited by the CPA firm, Gordon CPA, receiving an unmodified opinion. An unmodified opinion is given when an auditor can state that the financial statements are accurately and fairly presented.

This report provides an analysis of the financial position of the City, where the revenues derive to operate the City, where those same dollars are spent, and how the local economy impacts Prairie Village's overall financial status. Our goal is to better communicate the results of the financial operations of the City in a reader friendly financial publication.

As you review the report, we invite you to share any questions, statements, or comments you may have. You may contact the Finance Department at (913) 385-4661. Historical financial information may be found at [www.pvkansas.com/departments/finance](http://www.pvkansas.com/departments/finance) and the fully disclosed Annual Comprehensive Financial Report may be found online at [www.pvkansas.com/2023ACFR](http://www.pvkansas.com/2023ACFR).



Government Finance Officers Association

Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting

Presented to

City of Prairie Village  
Kansas

For its Annual Financial Report  
For the Fiscal Year Ended  
December 31, 2022

*Christopher P. Merrill*  
Executive Director/CEO

*The City of Prairie Village was the recipient of the Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) by the Government Finance Officers Association of the United States and Canada for its PAFR for the fiscal year ended December 31, 2022.*

*The award is a prestigious honor recognizing conformance with the highest standards for preparation of state and local government popular annual financial reports.*



## The City of Prairie Village

The City of Prairie Village was originally the vision of the late J.C. Nichols. The State of Kansas officially recognized Prairie Village as a City in 1951 with a population of 1,360 and land area of one-half mile.

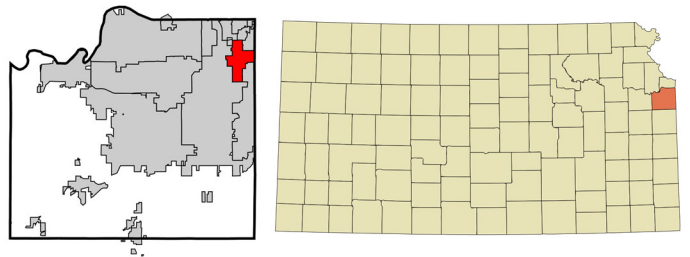
Today, Prairie Village is one of twenty cities in Johnson County and is the sixth largest in population with a residential population of approximately 22,900 within its 6.7 square mile city limits. Prairie Village is completely surrounded by other cities, sharing its eastern border, State Line Road, with Kansas City, Missouri.

## Quick Facts about Prairie Village

Population	22,900
Unemployment rate	2.6%
City Operating Budget	\$42 million
Square Miles	6.7
GO Bond Rating	Aaa (Moody's)
Per Capita Income	\$64,781
Median Home Appraised Value	\$387,050

## Top 10 Employers

<i>Employer</i>	<i>No. of Employees</i>
USD #512	631
Hy-Vee	196
Hen House	178
Claridge Court	150
City of Prairie Village	137
Mission Chateau	127
Brighton Gardens	110
Better Homes & Garden Real Estate	100
Bijin Salon & Day Spa	98
WireCo WorldGroup Inc	91



## City Leadership

The City operates under the Mayor-Council form of government with an appointed professional City Administrator. The City is divided into six wards with two councilpersons elected from each ward to serve staggered four-year terms. The Mayor is elected by the City at large for a four-year term. The City Administrator has responsibility for administration of all City programs and departments in accordance with policies and the annual budget adopted by the Council.

City government provides a wide range of services including: police protection and safety programs; construction and maintenance of streets, storm drainage and infrastructure; summer recreational activities and year-round cultural events; residential waste collection, recycling and composting services; and other general services for residents.



Chad Andrew Herring



Cole Robinson

Ward I



Mayor Eric Mikkelson



Ron Nelson



Inga Selders

Ward II



Bonnie Limbird

Ward III



Lauren Wolf

Ward III

# 2022-2023 Prairie Village City Council



Piper Reimer

Ward IV



Dave Robinson



Courtney McFadden



Greg Shelton

Ward V



Ian Graves



Terrence Gallagher

Ward VI



Wes Jordan

**City Administrator**



## Balance Sheet

The Balance Sheet, known as the Statement of Net Position in governmental financial statements, presents information on what the city owns (assets and deferred outflows) and owes (liabilities and deferred inflows), including governmental and business-type activities. The difference, known as net position, is an indicator of the financial condition of the city.

The below chart summarizes the city's financial condition as of December 31, 2023. For the year ended December 31, 2023, total assets and deferred outflows (what we own) exceeded total liabilities and deferred inflows (what we owe), resulting in an overall increase in total net position over 2022. The City's combined net position increased by **\$9,425,503** from 2022 to 2023. The change in net position as a percentage of assets is a good indicator of the government's financial position. The positive ratio of 10.9% is mainly a result of an increase in construction in progress and net investment in capital assets.

Net investment in capital assets increased by \$10,915,513 due to major capital projects investments, particularly in the Mission Road Storm Drainage project. Unrestricted net position decreased by \$1,745,883 over the prior year mainly due to the decrease in the Capital Projects Fund balance.

The full disclosed Statement of Net Position can be located in our 2023 Annual Comprehensive Financial Report at [www.pvkansas.com/2023ACFR](http://www.pvkansas.com/2023ACFR).

	<u>2022</u>	<u>2023</u>
Current and other assets	\$43,686,727	\$40,081,669
Capital assets	99,804,947	110,720,460
Total assets	<u>143,491,674</u>	<u>150,802,129</u>
Total deferred outflows of resources	<u>4,924,805</u>	<u>5,593,992</u>
Long-term liabilities	40,712,854	38,231,545
Current liabilities	1,519,737	832,945
Other liabilities	5,519,377	4,069,190
Total liabilities	<u>47,751,968</u>	<u>43,133,680</u>
Total deferred inflows of resources	<u>14,101,902</u>	<u>17,274,329</u>
Net position:		
Net investment in capital assets	87,606,636	98,959,170
Restricted	3,169,669	2,988,521
Unrestricted	<u>(4,213,696)</u>	<u>(5,959,579)</u>
Total net position	<u>\$86,562,609</u>	<u>\$95,988,112</u>

## Definitions

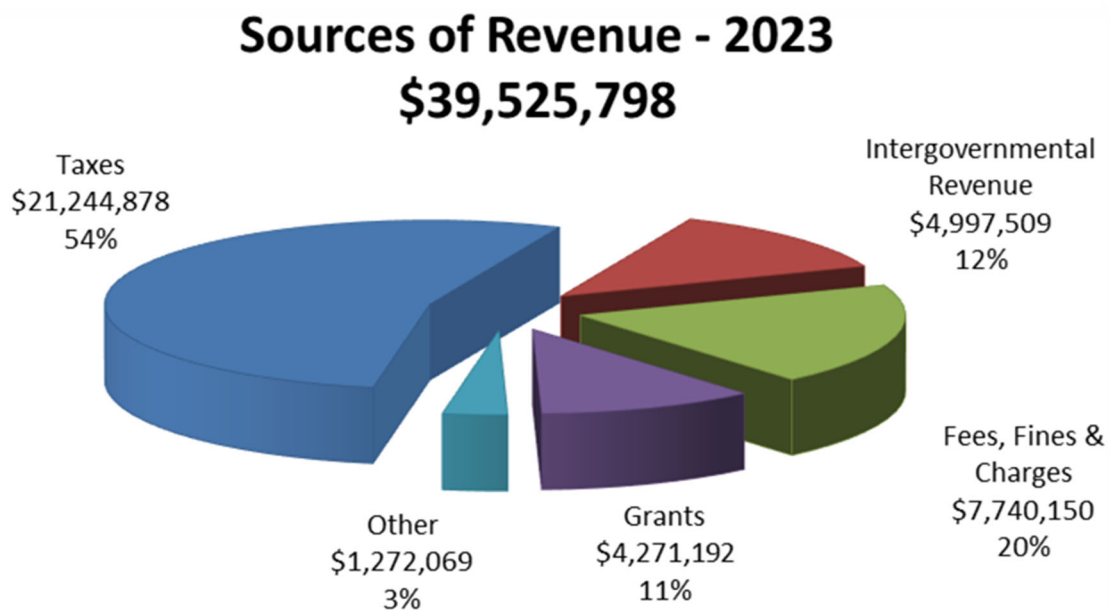
**Capital Assets.** Land, improvements to land, easements, buildings, improvements to buildings, vehicles, machinery, and any other assets that are used in operations with an initial useful life extending beyond one reporting period.

**Net investment in capital assets.** A measure of the level of investment in capital, found by subtracting non-cash depreciation from capital expenditures. This measure helps to give a sense of how much money is being spent on capital items (such as property, buildings and equipment), which are used for operations.

## Revenues: Where the Money Comes From

City government provides a wide range of services including police protection and safety programs; storm drainage and infrastructure; construction and maintenance of streets, summer recreational activities and year-round cultural events; residential waste collection, recycling and composting services; and other general services for residents. The revenue sources to cover these services come from a variety of sources.

The chart below is derived from the Statement of Activities on page 17 of the Annual Report. Additional historical information may be found on page 10 of this report or at [www.pvkansas.com/departments/finance](http://www.pvkansas.com/departments/finance).



## Definitions

**Taxes.** Tax revenue includes property, motor vehicle, local sales and use, and franchise fees. There is an additional 1.00% sales tax applied to purchases made within one of the two Community Improvement Districts (CID).

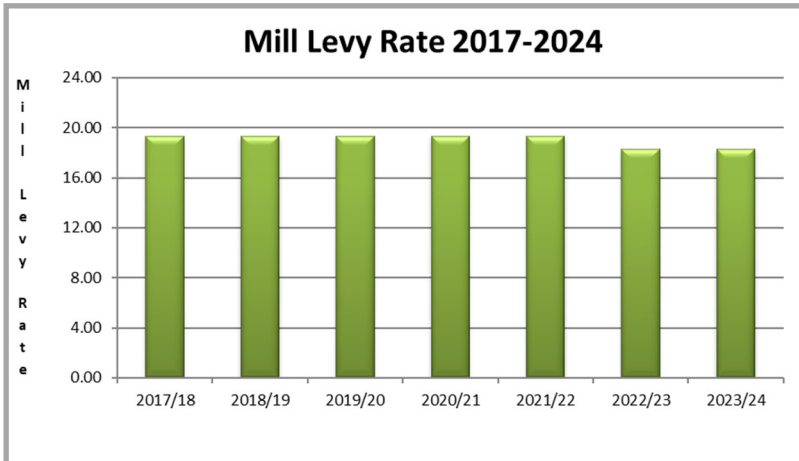
**Fees, Fines and Charges for Services.** This source includes revenue which is a charge for contract services and special assessments to recipients of certain services. The three largest sources of this revenue type are the police services contract with Mission Hills, special assessments for solid waste collection and the Stormwater Utility fee.

**Intergovernmental.** Included in this revenue source are liquor tax, County sales and use, Public Safety sales and use and Special Highway funds

**Grants.** Grants revenue includes a combination of Federal, state, or local awards that may reimburse the City for operating expenditures or for a portion of capital improvement expenditures.

## Revenues - Where the Money Comes From

Below are further details on the City's primary revenue sources.



Prairie Village's **Sales Tax rate** is **8.975%**. The City levies an additional 1 percent sales tax on taxable sales made at Prairie Village Shops and Corinth Shops for the Community Improvement Districts (CIDs).

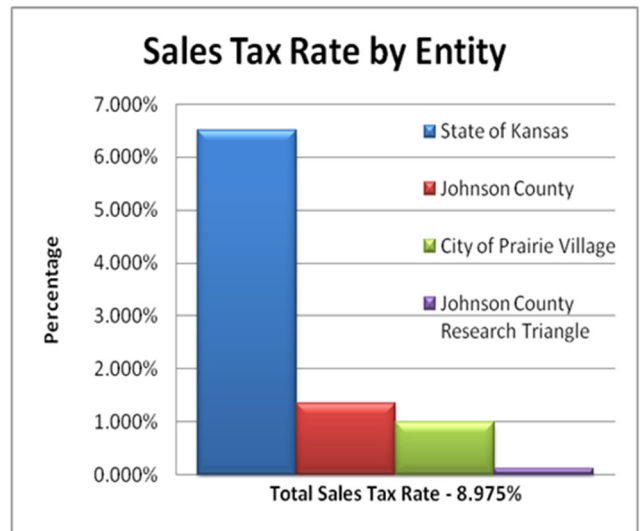
The City's **mill levy rate** in 2023 was **18.309**. This was reduced from **19.322** for 2022.

Residents pay City taxes as part of their annual property tax bill.

Prairie Village residents' property taxes also include special assessments, or fees, for trash and recycling services and stormwater system maintenance.

The **2023 Trash Fee: \$245** per year or \$20 per month

**Stormwater Fee: \$0.04/sq ft** of impervious area



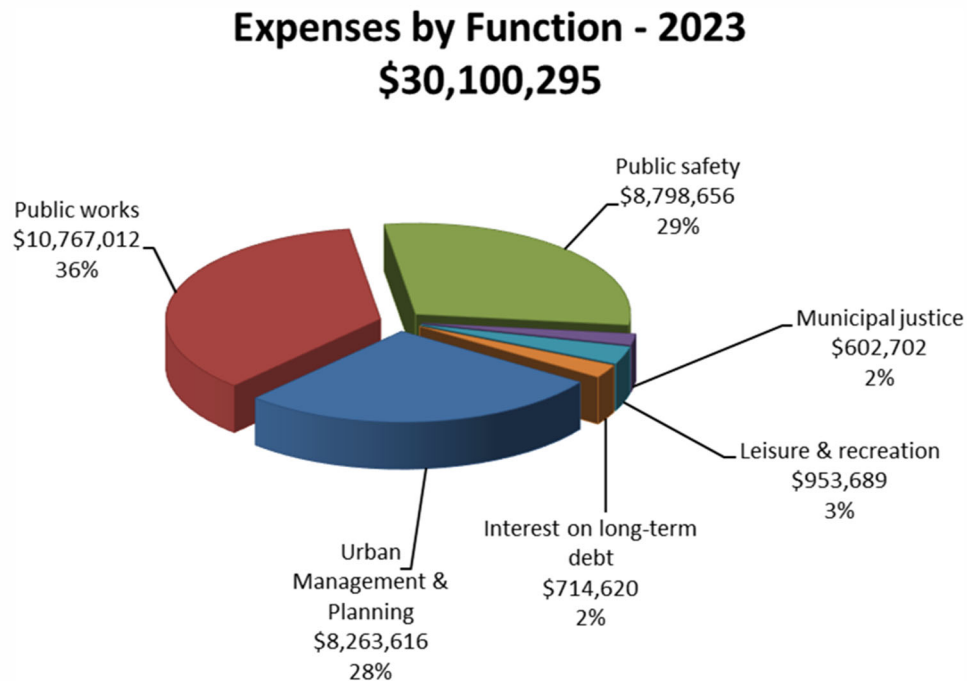
In 2023, the median appraised value of a Prairie Village Home was \$387,050. In 2023, the median homeowner will pay **\$68 each month** for City services. The breakout below illustrates how this amount is divided by various City programs.

Program	Monthly Cost
Public Safety (Police)	\$26.87
Public Works	\$22.24
Administration	\$11.12
Community Development	\$2.86
Parks & Recreation	\$2.86
Municipal Court	\$2.05

## Expenditures - Where the Money Goes

The City of Prairie Village provides a wide range of services including police protection and safety programs; construction and maintenance of streets, storm drainage and infrastructure; summer recreational activities and year-round cultural events; residential waste collection, recycling and composting services; and other general services for residents. Expenses are summarized by category based on the definitions below.

The chart below is derived from the Statement of Activities on page 17 of the Annual Report. Additional historical information may be found on page 10 of this report or at [www.pvkansas.com/departments/finance](http://www.pvkansas.com/departments/finance).



## Definitions

**Management & Planning.** Provides overall management of City operations, coordination of City planning and implementation of Council direction and policy.

**Public Works.** Includes costs associated with maintaining our roads and infrastructure.

**Public Safety (Police).** Provides public safety services which include:

- Crime Prevention
- Patrol
- Investigations
- D.A.R.E
- Traffic

**Leisure & Recreation.** Includes costs associated with park development, recreational opportunities and community programs to accomplish the long term goal to maintain the highest quality of life in the City.

**Municipal Justice.** Prepares and maintains records, collects fines, schedules court dockets, and prepares required reports of court activities.



## Long Term Obligations - What We Owe

The City continues to maintain a favorable Aaa bond rating (the highest rating available) from Moody's while having one of the lowest tax bases of first-class cities in Johnson County. Maintaining a strong credit rating is important because higher grades typically translate into lower interest costs in the repayment of bonds. The City had \$9,490,000 in general obligation bonded debt as of December 31, 2023.

General Obligation Bonds:	Outstanding Bonds General Obligation Bonds	
	Governmental Activities	
	2022	2023
Series 2016-C	\$475,000	\$0
Series 2019	\$9,695,000	\$9,490,000
<b>Total</b>	<b>\$10,170,000</b>	<b>\$9,490,000</b>

## Definitions

**Bonds.** A debt obligation, or written promise to pay back an amount plus interest by way of periodic payments within a specified period of time.

### *Why rely on debt at all?*

Bond debt can be compared to a home mortgage that is repaid over time, while operations and maintenance expenses are like daily household expenditures that are paid immediately, such as groceries. General Obligation, or GO bonds, give cities a tool to raise funds for capital improvement projects that are otherwise not funded by City revenue, such as roads, bridges, bikeways and urban trails and parks. GO bonds are typically used to fund capital improvement projects that will serve the community.

The City also chooses to use bonds when projects are so large, it would never be feasible to save up enough money to pay in cash. The smaller annual debt payments are manageable.

It's also about fairness. If the useful life of a \$1 million building improvement is 20 years, why should today's residents pay 100% of the cost for 1/20<sup>th</sup> of its use?

## Long Term Financial Planning

The City of Prairie Village prepares a financial forecast prior to the development of the budget. The five year model takes into account projected increases and decreases in revenues and expenditures.

This information is shared during the budget deliberations. Financial forecasts are key to strategizing, studying different financial outcomes, modeling demographic trends, and anticipating changes in revenue streams.

## Economic Outlook

Prairie Village's financial outlook for 2024 and beyond anticipates moderate growth while maintaining one of the lowest tax bases of first-class cities in Johnson County.

The Prairie Village community and economy remained strong throughout the COVID-19 pandemic, and has in most areas recovered to even greater heights. Local city sales collections increased 1.3% and use tax collections increased 3%, moderating rapid growth in the prior two years. Franchise fees were up 6.5% in 2023. Overall, residential properties increased in valuation 17% and commercial property increased 8% in 2023.

Prairie Village is a highly desirable location to live, work and play in the Kansas City metropolitan area. The area has experienced steady economic growth during the past two decades. In 2016, the City approved the redevelopment of the Meadowbrook Golf and Country Club into a mix of public park, single-family lots, luxury apartments, twin-home units, senior living facility and a boutique hotel. This development is now nearly fully built out and continues to surpass expectations both in demand and property values. The economic outlook for the City of Prairie Village is very strong for both the long and short term future.

## 2023 Department Heads

City Administrator	Wes Jordan	wjordan@pvkansas.com	913-385-4621
Deputy City Administrator	Nicole Lee	nlee@pvkansas.com	913-385-4601
Assistant City Administrator	Tim Schwartzkopf	tschwartzkopf@pvkansas.com	913-385-4609
Assistant City Administrator	Meghan Buum	mbuum@pvkansas.com	913-385-4635
City Clerk	Adam Geffert	ageffert@pvkansas.com	913-385-4616
Finance Director	Jason Hannaman	jhannaman@pvkansas.com	913-385-4661
Police Chief	Byron Roberson	broberson@pvkansas.com	913-385-4617
Public Works Director	Keith Bredehoeft	kbredehoeft@pvkansas.com	913-385-4642

## 2023 Appointed Officials

City Attorney	David Waters, Spencer Fane
City Treasurer	Scott McDonald
Municipal Judge	Karen Torline
Municipal Judge	Michelle Decicco
City Prosecutor	Nora Cooper

The information in the City of Prairie Village Popular Annual Financial Report is taken from the  
City of Prairie Village Annual Comprehensive Financial Report.

A copy of the full report is available online at [www.pvkansas.com/2023ACFR](http://www.pvkansas.com/2023ACFR)

City of Prairie Village  
7700 Mission Road  
(913) 381 - 6464



Jason Hannaman, Finance Director  
jhannaman@pvkansas.com  
(913) 385-4661

## Historical Data

The statistical section of the Annual Comprehensive Financial Report includes 10 years of data for multiple data points. Below are a few key tables highlighting the history of significant revenue and expenditures.

### Tax Revenue History (in thousands)

Fiscal Year	Property Tax	Local Sales Tax	County Sales Tax	Specialty Sales Tax	Local Use Tax	County Use Tax	Specialty Use Tax	Franchise Tax	Motor Vehicle Tax	Transient Guest Tax	Total
2014	\$ 5,535	\$ 2,335	\$ 1,595	\$ 1,826	\$ 496	\$ 302	\$ 151	\$ 2,395	\$ 664	\$ -	\$ 15,300
2015	\$ 5,669	\$ 2,419	\$ 1,590	\$ 1,874	\$ 535	\$ 307	\$ 153	\$ 1,980	\$ 682	\$ -	\$ 15,208
2016	\$ 6,019	\$ 2,447	\$ 1,593	\$ 1,891	\$ 623	\$ 326	\$ 163	\$ 1,992	\$ 686	\$ -	\$ 15,739
2017	\$ 6,417	\$ 2,472	\$ 1,598	\$ 2,184	\$ 674	\$ 338	\$ 232	\$ 1,962	\$ 708	\$ -	\$ 16,583
2018	\$ 7,157	\$ 2,579	\$ 1,671	\$ 2,409	\$ 718	\$ 356	\$ 267	\$ 2,120	\$ 733	\$ -	\$ 18,010
2019	\$ 8,179	\$ 2,488	\$ 1,692	\$ 2,332	\$ 846	\$ 380	\$ 285	\$ 1,900	\$ 752	\$ -	\$ 18,854
2020	\$ 9,738	\$ 2,565	\$ 1,647	\$ 2,326	\$ 1,022	\$ 451	\$ 339	\$ 1,843	\$ 747	\$ 55	\$ 20,733
2021	\$ 12,211	\$ 2,782	\$ 1,895	\$ 2,603	\$ 1,399	\$ 605	\$ 454	\$ 1,871	\$ 798	\$ 203	\$ 24,822
2022	\$ 11,191	\$ 3,114	\$ 2,076	\$ 2,813	\$ 1,574	\$ 698	\$ 524	\$ 2,035	\$ 790	\$ 288	\$ 25,103
2023	\$ 12,065	\$ 3,165	\$ 2,118	\$ 2,881	\$ 1,565	\$ 737	\$ 553	\$ 1,993	\$ 828	\$ 337	\$ 26,242

The change in Property Tax between 2020 and 2021 is due to both an increase in valuation to existing property, substantial growth in the value of the Meadowbrook Tax Increment Financing district, as well as the method of accounting for this incremental property tax.

### Demographic Trends

Fiscal Year	Population	School Enrollment	Unemployment Rate	Per Capita Personal Income	Personal Income
2014	21,892	5,573	3.80%	\$ 46,150	\$ 1,010,315,800
2015	21,877	5,644	3.40%	\$ 47,274	\$ 1,034,213,298
2016	21,877	5,657	3.30%	\$ 47,619	\$ 1,041,760,863
2017	21,805	5,806	3.10%	\$ 49,204	\$ 1,072,893,220
2018	22,368	5,718	2.90%	\$ 49,897	\$ 1,116,096,096
2019	22,389	5,854	2.80%	\$ 52,477	\$ 1,174,907,553
2020	22,295	5,771	4.30%	\$ 54,266	\$ 1,209,860,470
2021	22,957	5,595	2.70%	\$ 54,192	\$ 1,244,085,744
2022	22,947	5,595	2.30%	\$ 56,881	\$ 1,305,248,307
2023	22,900	5,645	2.60%	\$ 64,781	\$ 1,483,484,900

### Expenditure Trends (in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Urban Management & Planning	\$ 5,610	\$ 4,882	\$ 8,624	\$ 12,353	\$ 7,426	\$ 6,510	\$ 7,366	\$ 8,088	\$ 6,754	\$ 8,263
Public Works	\$ 10,350	\$ 8,923	\$ 8,506	\$ 8,121	\$ 7,761	\$ 7,766	\$ 7,690	\$ 7,838	\$ 9,474	\$ 10,767
Public Safety	\$ 5,705	\$ 5,876	\$ 6,390	\$ 6,162	\$ 7,413	\$ 7,776	\$ 7,777	\$ 7,054	\$ 8,438	\$ 8,799
Municipal Justice	\$ 403	\$ 404	\$ 429	\$ 439	\$ 469	\$ 494	\$ 460	\$ 501	\$ 537	\$ 603
Leisure and Recreation	\$ 1,120	\$ 556	\$ 497	\$ 538	\$ 623	\$ 632	\$ 353	\$ 668	\$ 868	\$ 954
Interest on long-term debt	\$ 102	\$ 76	\$ 599	\$ 371	\$ 393	\$ 419	\$ 630	\$ 949	\$ 621	\$ 714
<b>Total</b>	\$ 23,291	\$ 20,717	\$ 25,045	\$ 27,983	\$ 24,085	\$ 23,597	\$ 24,277	\$ 25,098	\$ 26,692	\$ 30,100

The decrease in Urban Management and Planning from 2021 to 2022 is largely due to the manner of reporting Meadowbrook TIF bond repayments in 2021. The increase from 2022 to 2023 is driven largely by the Information Technology department moving from Public Safety to Urban Management and Planning. Leisure and Recreation costs increased in 2022 as staffing and supplies for the city pool became more costly in the wake of COVID-19.



# PRAIRIE VILLAGE

## FAST FACTS

Established in 1951, the City of Prairie Village is located in the Kansas City metropolitan region and is considered a highly desirable community.

### PUBLIC WORKS

- 112 miles of streets
- 2,165 streetlights
- 1,315 acres of lawn mowed
- 2,800 traffic signs
- 393 potholes filled
- 119 trees planted
- 97 playground inspections

### PARKS & RECREATION

- 14 parks
- 6 fountains
- 53,671 visits to the pool
- 61 park acres
- Community programs include swimming, skateboarding lessons, ball field rentals, and tennis lessons.

### COMMUNITY DEVELOPMENT

- \$89,818,609 total investment
- 1,624 permits issued
- 32 exterior grants awarded
- 1,983 code enforcement cases opened

### POLICE

- 1 police station
- 47 sworn officers
- 1,952 emergency responses



PRAIRIE VILLAGE, KANSAS

### COMMUNITY INDICATORS

- 22,900 population
- \$64,781 per capita income
- \$387,050 median home value
- \$1,076 debt per capita
- 5,645 school enrollment
- 2.6% unemployment rate

*(Johnson County, 2023)*

### ADDITIONAL INFORMATION

These are key facts for the City of Prairie Village. Additional statistics can be found in the 2023 Annual Report found at [www.pvkansas.com](http://www.pvkansas.com).