



CITY OF PRAIRIE VILLAGE, KANSAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2000

*Prepared by: Jamie T. Shell
Finance Director*

CITY OF PRAIRIE VILLAGE, KANSAS

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THE CITY OF PRAIRIE VILLAGE *Star of Kansas*

**prairie
village
kansas**

Saluting our heritage...
Celebrating the present...
Launching our future.

1951-2001

June 12, 2001

To the Residents of the City of Prairie Village:

We are pleased to submit the comprehensive annual financial report (CAFR) of the City of Prairie Village, Kansas (City) for the year ended December 31, 2000. We believe this report presents comprehensive financial information about the City's activities during 2000. The report complies, in all material respects, with standards promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and completeness and fairness of presentation rests with the City. We believe the data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the City, as measured by the financial activity of its various funds and account groups. In addition, we believe all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

The report is divided into three sections: Introductory, Financial, and Statistical. The Introductory Section contains this letter of transmittal, the GFOA Certificate of Achievement Award, an organizational chart, and a list of principal City officials. The Financial Section contains the report of KPMG LLP, independent auditors, and the general purpose financial statements (GPFS) which are designed to provide an overview of the City's financial position and operating results. The GPFS may be issued separately from the CAFR, possibly for inclusion in official statements, bond offerings, or for distribution to users requiring less detailed information. The notes to financial statements presented with the GPFS are an integral part of the GPFS and should be read for a fuller understanding of the statements and information presented therein. In addition, the combining, individual fund, and account group statements and schedules are presented as other financial information in this section to provide more detailed information to the users of this report. The Statistical Section contains a number of statistical tables that present various financial, economic, social, and demographic data about the City for the last ten years.

The financial reporting entity includes all the funds and account groups of the City as legally defined. Component units are legally separate entities for which the primary government is financially accountable. The City has no component units. 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.

In addition to general City activities, the governing body exercises or has the ability to exercise oversight of the revised Prairie Village Police Pension Plan Fund and the Supplemental Retirement Plan Fund; therefore, these activities are included in the report.

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PUBLIC WORKS (913) 381-6464 642-0117 (Fax)
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Background

The City of Prairie Village was originally the vision of the late J.C. Nichols. After successfully developing the Country Club Plaza area in Kansas City, Missouri, Mr. Nichols turned his company direction and development toward his native Johnson County just a few miles from the Plaza. He had visions of transforming the rolling hills into a well-planned community of beautiful homes and neighborhood shopping centers. Construction in Prairie Village started in 1941, and Mr. Nichols' dream became reality in 1949 when the City was named the best-planned community in America by the National Association of Home Builders.

The State of Kansas officially recognized Prairie Village as a city in 1951 with a total population of 1,360 and land area of one-half mile. By 1957, it had become a city of the first class. Now, it is one of 22 cities in Johnson County and has the fifth largest population. It is completely surrounded by other cities, sharing its eastern border, State Line Road, with Kansas City, Missouri. The City has a residential population of approximately 22,000 within its 6.7 square mile city limits.

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.

Economic Condition and Outlook

The City is located in the Kansas City metropolitan area and is considered one of the most desirable suburban communities in the region. The City is conveniently located between the Kansas City, Missouri business/industrial center and the southern Johnson County business districts. The area has experienced steady economic growth during the past two decades, resisting the effects of the cyclical declines in the national economy over the last ten years.

Value of tangible property in Prairie Village increased significantly in 1989 as a result of statewide reappraisal. Values decreased somewhat in 1990 as adjustments were made to original appraisals, but have increased by over 50% since 1990.

During the last decade, Johnson County has experienced substantial growth in the commercial sector of the economy, with retail and office complexes providing the strongest growth. The area has generally maintained a long period of low unemployment, which is reflected by, and results in, a continuation of the stable economic condition of the entire region.

Based on current projections, the City will continue to be a desired location for those who work in the metropolitan area. As property values continue to increase and the City's housing stock ages, changes in the neighborhood are inevitable. The City is committed to a program for maintenance of the community and future redevelopment, which will contribute to the quality of life for all of the City's residents.

Major Initiatives

For the Year

As a part of the preparation for the 2000 annual budget, the following goals and objectives were established and achieved by the City Council:

- Continue current service levels identified in the long range policy statements;
- Increase and maintain property values;

- Maintain City infrastructure focusing on evaluation and scheduling of residential street maintenance more than was done in the past few years;
- Emphasize employee training at every level;
- Reward able staff at all levels;
- Improve communications;
- Preserve City revenue sources; and
- Gradually reduce excessive fund balance.

For the Future

Prairie Village is a desirable community in which to live because of its location, the quality of infrastructure and housing maintenance, the school system, and its sense of community, which pervades the services provided to residents. This milieu has created a gradual change, which significantly increased property values and is transforming the landlocked, fully developed, and aging City into a community which continues to experience improvement and redevelopment of residential and commercial property.

In order to continue current service levels, the following new expenditures were initiated:

- An Administrative Intern position was upgraded to a regular position;
- Two Civil Defense sirens were upgraded and modernized;
- A part-time employee and equipment were added to the Municipal Court; and
- Operating expenditures at the pool were increased to meet the demand caused by the renovated pool.

Some of the steps the City has taken to encourage the future growth of property values, including the following:

- Providing financial support to local economic development organizations;
- Increasing tree trimming expenditures;
- Providing home improvement and maintenance grant assistance; and
- Initiating a review of the City's policies and procedures related to the enforcement of the housing maintenance code.

More than \$1.7 million was spent on improvements to residential street maintenance in 2000.

Employee training at every level was emphasized, with the Human Resources Director planning supervisory training programs for upper and mid-level management personnel, and with each department planning a training program appropriate for employees. Overall, more than 1% of total expenditures in 2000 were related to training.

Employees were also rewarded through merit awards ranging from 0%-8%, and an additional \$110,000 was appropriated to make Police Officer salaries competitive with others in Johnson County.

Communications were improved by the addition of presentation equipment in the Council Chambers for Public Hearings brought before the Council and Planning Commission. The following initiatives were also implemented increase to communications between the City and its residents:

- Planning Commission procedures were revised to promote resident communication on redevelopment;
- Began announcing volunteer service opportunities in the monthly newsletter and at schools and homes association meetings; and
- Staff met with the Citizens Advisory Committee six times throughout the year.

Although a large amount of the City's revenue sources are regulated by other jurisdictions, revenues were preserved as infrastructure improvement grants continued at more than \$1 million. The City also received outside funding for park improvements, police programs in schools, and art programs.

In order to gradually decrease a fund balance which had accumulated to over \$8 million, a portion was used to finance the swimming pool improvements. The City Council's goal is to maintain fund balance between 15%-20% of annual revenues.

Financial Information

Officials of the City are responsible for establishing and maintaining an internal control structure designed to earn the public's confidence and trust. The procedures established in the City ensure that the assets of the City are protected from loss, theft, or misuse, and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As demonstrated by the statement and schedules included in the Financial Section of this report, the City continues meeting its responsibility for sound management.

Budgeting Controls

Members of the City's governing body are involved not only in the development of programs and program costs during preparation of the annual budget, they continue through the year to monitor financial condition and program costs by regular review and discussion of quarterly reports. The governing body routinely reviews budgetary controls established to ensure compliance with legal provisions embodied in the annual appropriated budget. Activities of the General Fund, Special Revenue Funds, and Debt Service Fund are included in the annual appropriated budget. The City Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. This constitutes the City's level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount). The City also maintains an encumbrance accounting system as a method for accomplishing budgetary control.

General Government Functions

The City provides major services of planning, public works, public safety, parks, recreation, and event programming. Fire and health services are provided by the County; utilities are a service provided by the private sector.

Revenue to support City services are primarily derived from taxes and grants or fees from other governmental units.

The following schedule presents a summary of General, Special Revenue, Debt Service, and Capital Projects Fund revenues for the year ended December 31, 2000, and the amount and percentage of increases and decreases in relation to prior year revenues:

<u>Revenues</u>	<u>2000</u>	<u>1999</u>	<u>Increase (Decrease) From 1999</u>	<u>Percentage Increase (Decrease)</u>
Taxes	\$ 9,013,654	8,763,221	250,433	2.86 %
Licenses and permits	319,122	313,003	6,119	1.95
Intergovernmental	3,956,504	2,712,642	1,243,862	45.85
Charge for services	1,100,990	912,188	188,802	20.70
Fines and forfeits	385,493	263,803	121,690	46.13
Recreational fees	381,363	248,347	133,016	53.56
Interest	538,676	607,584	(68,908)	(11.34)
Miscellaneous	99,466	72,866	26,600	36.51
Total	<u>\$ 15,795,268</u>	<u>13,893,654</u>	<u>1,901,614</u>	<u>196.22</u>

Primarily due to grant revenue from the County for major storm drainage and street improvement projects, the City's revenue increased by \$1.9 million in 2000.

Tax revenue includes funds received from ad valorem property taxes, sales and use taxes, and franchise fees. In total, revenue from tax sources increased by 2.86%. The most significant increase was from franchise fees which, due to the unseasonably cold winter, grew 15.6% from 1999 to 2000.

Although the City's police services contract with the city of Mission Hills and revenue from solid waste collections comprise the majority of the City's charges for services, a change in how the City accounts for the use of the Vehicle & Equipment Maintenance program primarily accounts for the 20.7% increase from 1999. Prior to 2000, the City did not recognize revenue from the services provided by the Vehicle & Equipment Maintenance program. Maintenance expenditures charged to user programs were credited directly to the program utilizing the program rather than the Vehicle & Equipment Maintenance program. This was charged by crediting the amount to a revenue account.

Revenues from fines and forfeits returned to 1998 levels, increasing by 46.13% from 1999, when the lack of commissioned police officers resulted in a decline in revenue from traffic citations.

Due to the re-opening of the renovated swimming pool, recreational fees, comprised of pool memberships, gate fees for the pool, and tennis lesson revenues, increased by 53.5% from 1999, when the pool closed early to begin over \$4 million in renovations.

Interest earnings decreased from 1999, as the City's cash and investment balances decreased from \$9.4 million at the end of 1999 to \$7.1 million at the end of 2000.

The following schedule represents a summary of General, Special Revenue, Debt Service, and Capital Projects Fund expenditures for the year ended December 31, 2000, and the percentage of increases and decreases in relation to prior year amounts:

<u>Expenditures</u>	<u>2000</u>	<u>1999</u>	<u>Increase (Decrease) From 1999</u>	<u>Percentage Increase (Decrease)</u>
Current:				
Urban management and planning	\$ 1,986,967	1,929,823	57,144	2.96 %
Public works and environmental improvements	2,809,254	2,649,379	159,875	6.03
Public safety	3,459,711	3,437,676	22,035	0.64
Municipal justice	179,729	187,706	(7,977)	(4.25)
Leisure, recreation, and education	932,956	741,997	190,959	25.74
Capital	9,171,783	5,174,062	3,997,721	77.26
Debt service:				
Principal	310,000	205,000	105,000	51.22
Interest and fiscal charges	264,315	234,332	29,983	12.80
Bond issue costs	18,723	36,781	(18,058)	(49.10)
Total	<u>\$ 19,133,438</u>	<u>14,596,756</u>	<u>4,536,682</u>	<u>31.08</u>

The governing body has a policy of limiting operating cost increases to the same rate as the annual Consumer Price Index for the area. Operating costs in 2000 increased by 4.7%, outpacing inflation for the area. The increase was primarily due to the return of swimming pool operating expenditures from the shortened 1999 season.

Urban management and planning expenditures include the cost of general administrative service in addition to solid waste collection, recycling, and composting for approximately 8,300 households in the City. Total expenditures for this function were 2.96% higher than in 1999.

Public works and environmental improvement costs increased by 6% from 1999 due to salary increases and increased service levels.

Public safety costs grew by 0.64% only from the prior year, because 2000 expenditures did not include the cost of upgrading the City's non-Y2K compliant radio system completed in 1999.

Due to position vacancies, municipal justice costs were 4.25% lower than 1999.

The re-opening of the renovated swimming pool facility, coupled with the fact that the facility closed early in the prior fiscal year, contributed to the 25.74% increase in leisure, recreation, and education expenditures from 1999 to 2000.

Capital outlay expenditures are major maintenance of infrastructure: street, sidewalks, storm drainage systems, and intersection improvements. Included in that category for 2000 were pool renovations, which provided the most significant increase in capital outlay expenditures from 1999.

Debt service expenditures increased from 1999 because of the addition of the annual interest payments on the \$1.6 million swimming pool renovation and \$1.66 million police facility refunding bonds.

General Fund Balance

The fund balance of the General Fund increased 18%, or \$838,420, from 1999 when a planned reduction and bond issuance for the swimming pool renovations occurred. Revenues and other financing sources for the year totaled \$12.8 million, while expenditures and other financing uses were \$12 million. Fund balance was also increased by a residual equity transfer that closed the Employee Benefits Fund (a Special Revenue Fund).

Special Revenue Fund Balance

A planned transfer of highway maintenance gasoline tax funds to the Capital Projects Fund caused the Special Revenue Fund balance to drop by \$247,101. Revenues finished the year at \$1.7 million, while expenditures and other financing uses totaled \$1.95 million. The transfer, coupled with the closure of the Employee Benefits Fund, caused fund balance to end the year at \$103,252, down from \$426,576.

Capital Projects Fund Balance

Funding for the City's capital projects is comprised of transfers from other funds and intergovernmental grant agreements from Johnson County. Revenues and other financing sources for the year totaled \$7 million, while expenditures and other financing uses were \$9.2 million. The net effect of the activity was a reduction in fund balance of \$2.2 million, primarily caused by prior year projects completed in 2000.

Debt Administration

The City's policy is to use debt sparingly and only for major construction projects. Debt is only structured over the useful life of the project being financed. City affairs are managed to ensure continued bond rating of Aa1 or better. As of December 31, 2000, the City had four debt issues outstanding.

Police Facility Bonds issued in 1994 were the subject of a crossover refunding in January of 1999. The outstanding balance of the bonds was \$1.76 million, which will be refunded on September 1, 2001 by \$1.62 million in bonds currently held in escrow.

In 2000, the City issued \$1.6 million in General Obligation Park Improvement Bonds to fund pool improvements. The interest rates on the bonds range from 4.75% to 6.5% and have a maturity date of September 1, 2014.

Under current State Statutes, the City's general obligation bonded debt issuances are subject to a legal limitation based on 29.45% of the total assessed valuation. As of December 31, 2000, the City's net general obligation bonded debt level of \$4.4 million was well below the legal limit of approximately \$72 million. The issuance of the Pool Improvement Bonds increased total net bonded debt per capita at year-end to \$200.57 from \$133.54.

Fiduciary Funds

Operations of the Revised Prairie Village Police Pension Plan and the Supplementary Retirement Plan remained relatively stable in 2000. The annual actuarial valuation continues to reflect a positive trend in the City's funding of the plans.

Cash Management

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, and obligations of the U. S. Treasury and the State of Kansas Municipal Investment Pool (as authorized by State law effective July 1, 1992). The City earned interest revenue of \$538,676 on investment of temporarily idle funds in 2000.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on invested funds. Accordingly, deposits are either insured by federal depository insurance or fully collateralized.

The Pension Trust Funds' investment portfolios are recommended by the Board of Trustees for the plans in conformance with an investment policy adopted by the City Council.

Risk Management

The City's Risk Management Plan is recommended and monitored by a committee of professionals in the insurance industry. The plan is implemented by City staff. Members of the committee evaluate potential liabilities which the City could incur. These risks are covered by a plan which includes the purchase of insurance with relatively high deductible levels supported by a City insurance reserve account sufficient to finance a loss.

City staff regularly conduct safety programs developed to be both job specific and general in content. Police personnel have trained in "high liability" procedures on an annual basis to learn new techniques and as a "refresher." Recreation personnel, specifically lifeguards, are tested on their skills every year before they begin work for the season. They also have in-service training throughout the season.

Early in 1999, the City was awarded accreditation for its Police Department by the Commission on Accreditation for Law Enforcement Agencies. A major component of this program is evaluation of procedures and training in high risk and liability areas.

Other Information

Independent Audit

Provisions of Kansas State Statutes require the City's financial records to be audited by an independent certified public accountant each year. The firm of KPMG LLP, selected by the City Council, was approved to perform this audit. The audit was conducted in such a manner as to enable the auditors to form an opinion on the GFPS taken as a whole. The report of the auditors has been included as part of this report.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 1999. This was the fourteenth consecutive year the government received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

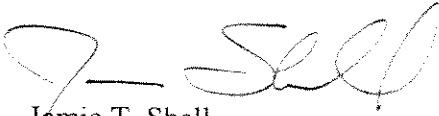
In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget for the fiscal year beginning January 1, 2000. This is the twelfth year the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organizational guidance.

Acknowledgments

The preparation of the CAFR on a timely basis was made possible by the dedicated service of the staff of the Finance Department and the City's auditing firm, KPMG LLP. Those individuals who contributed to the preparation of this report have our sincere appreciation for their efforts.

Although City staff accomplished the preparation and documentation of this report, it is the leadership and support of the governing body that provides the policy direction and financial integrity on which the report is based.

Respectfully submitted,



Jamie T. Shell
Finance Director

CITY OF PRAIRIE VILLAGE, KANSAS

GFOA Certificate of Achievement

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Prairie Village,
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

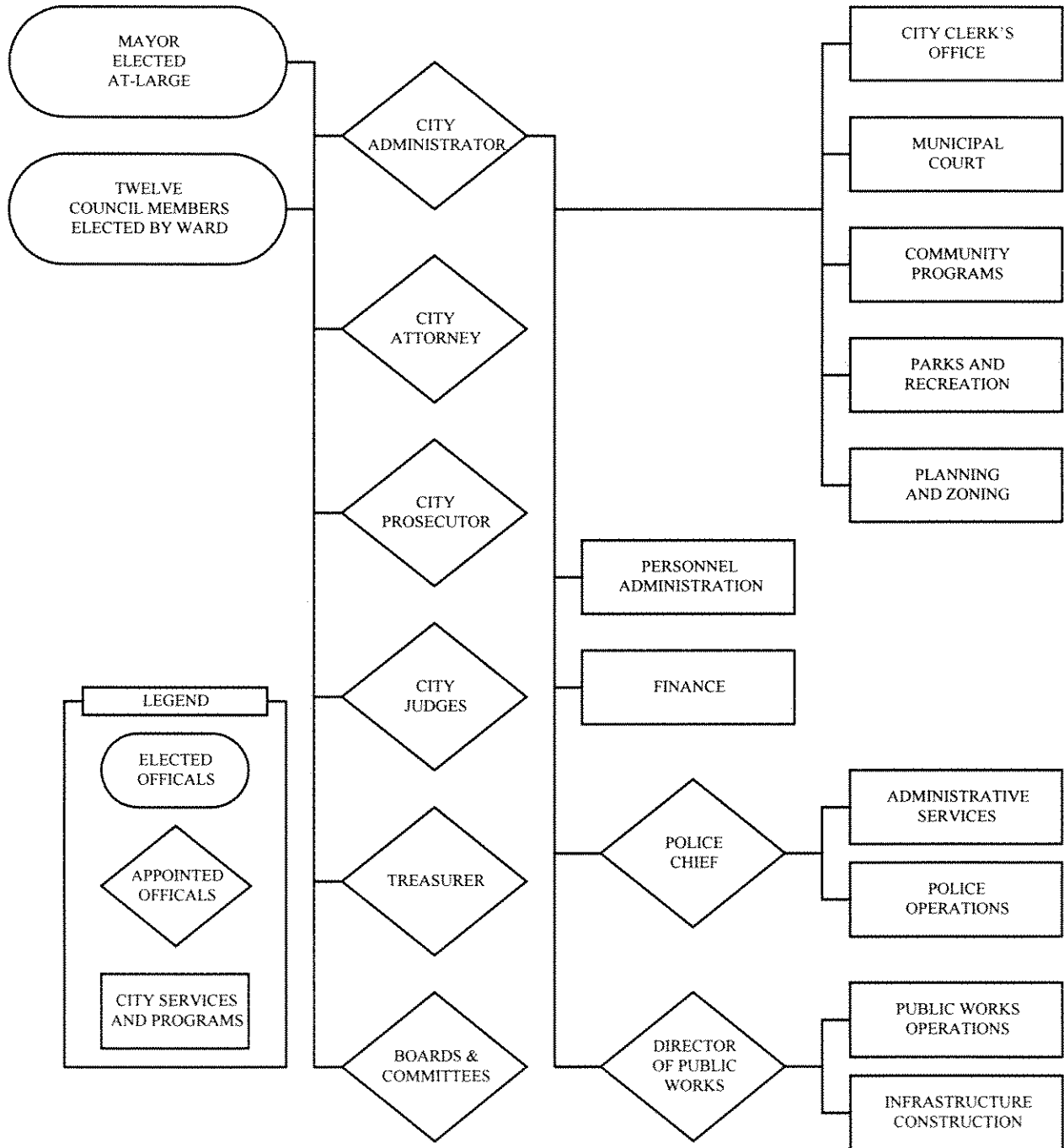


Anne Spray Kinsey
President

Jeffrey L. Esser
Executive Director

CITY OF PRAIRIE VILLAGE, KANSAS

Organizational Chart



CITY OF PRAIRIE VILLAGE, KANSAS

Municipal Officials

December 31, 2000

MAYOR

Ronald L. Shaffer

CITY COUNCIL

*Nancy Vennard – Council President
Diana Ewy-Lamberson
Bill Griffith
Al Herrera
Patty Markley
Kay Wolf*

*Laura Wassmer
Steve Noll
Ruth Hopkins
Jerry Kelso
Bob Pierson
Roy True*

MAYOR'S APPOINTMENTS

*City Attorney
Assistant City Attorney
City Treasurer
Municipal Judge
Municipal Judge
City Administrator
City Clerk
Chief of Police
Director of Public Works
Assistant City Administrator*

*Charles E. Wetzler
Fred Logan
Fielding Norton, Jr.
Thomas Hamill
Mary Virginia Clarke
Barbara Vernon
Joyce Hagen Mundy
Charles Grover
Robert S. Pryzby
Douglas Luther*



1000 Walnut, Suite 1600
P.O. Box 13127
Kansas City, MO 64199

Independent Auditors' Report

The Honorable Mayor and Members
of the City Council
City of Prairie Village, Kansas:

We have audited the general purpose financial statements of the City of Prairie Village, Kansas (the City) as of and for the year ended December 31, 2000, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Prairie Village, Kansas at December 31, 2000, and the results of its operations and changes in plan net assets for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements, schedules, and other supplementary information, listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The schedule of funding progress on page 35 is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. We have applied to the schedule of funding progress certain limited procedures prescribed by professional standards, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the schedule.

KPMG LLP

April 27, 2001



GENERAL PURPOSE FINANCIAL STATEMENTS

The following portion of the Financial Section contains the General Purpose Financial Statements, which are intended to provide report users with an overview and broad perspective of financial position and results of operations for the City of Prairie Village, Kansas as a whole. The General Purpose Financial Statements report aggregated data for each generic fund type (General, Special Revenue, Debt Service, Capital Projects, and Fiduciary) and for the account groups (General Fixed Assets and General Long-term Debt) in separate adjacent columns, captioned with generic fund type and account group titles.

CITY OF PRAIRIE VILLAGE, KANSAS

Combined Balance Sheet - All Fund Types and Account Groups

December 31, 2000
(With Comparative Totals for 1999)

Assets and Other Debits	Governmental Fund Types				Fiduciary Fund Type Pension Trust Funds	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects		General Fixed Assets	General Long-Term Debt	2000	1999
Pooled cash and investments (note 3)	\$ 5,673,844	368,237	31,372	1,079,238	---	---	7,152,691	9,424,083	
Receivables:									
Taxes (note 4)	2,919,894	---	524,662	---	---	---	3,444,556	3,353,661	
Interest	51,371	5,764	822	---	---	---	57,957	89,815	
Other	260,373	---	---	---	---	---	260,373	101,548	
Due from other governments (note 5)	75,346	195,199	---	633,892	---	---	904,437	1,903,161	
Due from other funds	180,615	---	---	---	---	---	180,615	16,991	
Restricted assets (note 3):									
Cash	15,864	---	---	---	---	---	15,864	9,387	
Investments	---	---	1,620,930	---	9,410,418	---	11,031,348	10,519,213	
General fixed assets (note 6)	---	---	---	---	---	16,893,169	16,893,169	16,386,489	
Amount available in Debt Service Fund	---	---	---	---	---	---	1,653,124	1,669,821	
Amount to be provided for retirement of general long-term debt	---	---	---	---	---	---	4,439,306	3,134,493	
Total assets and other debits	\$ 9,177,307	569,200	2,177,786	1,713,130	9,410,418	16,893,169	6,092,430	46,033,440	46,608,662
Liabilities, Equity, and Other Credits									
Liabilities:									
Accounts payable and other liabilities	\$ 293,619	285,333	---	725,616	---	---	1,304,568	1,547,028	
Compensated absences (note 7)	354,595	---	---	---	---	---	367,025	323,523	
Due to other funds	---	180,615	---	---	---	---	180,615	16,991	
Liabilities payable from restricted assets - Municipal									
Court bonds	15,864	---	---	---	---	---	15,864	9,387	
General obligation bonds payable (note 7)	---	---	---	---	---	---	6,080,000	6,080,000	
Deferred revenue	3,003,874	---	524,662	174,499	---	---	3,703,035	4,820,974	
Total liabilities	3,667,952	465,948	524,662	900,115	---	---	6,092,430	11,651,107	11,507,903
Equity and other credits:									
Investments in general fixed assets	---	---	---	---	---	16,893,169	16,893,169	16,386,489	
Fund balances:									
Reserved for encumbrances	280,435	---	---	616,004	---	---	896,439	5,016,677	
Reserved for pension benefits (note 10)	---	---	---	---	9,410,418	---	9,410,418	8,897,354	
Reserved for debt service	---	---	1,653,124	---	---	---	1,653,124	1,669,821	
Unreserved:									
Designated for contingencies (note 10(b))	782,855	---	---	---	---	---	782,855	686,665	
Undesignated	4,446,065	103,252	---	197,011	---	---	4,746,328	2,443,753	
Total equity and other credits	5,509,355	103,252	1,653,124	813,015	9,410,418	16,893,169	34,382,333	35,100,759	
Total liabilities, equity, and other credits	\$ 9,177,307	569,200	2,177,786	1,713,130	9,410,418	16,893,169	6,092,430	46,033,440	46,608,662

See accompanying notes to general purpose financial statements.

CITY OF PRAIRIE VILLAGE, KANSAS

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances -- All Governmental Fund TypesYear Ended December 31, 2000
(With Comparative Totals for 1999)

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	2000	1999
Revenues:						
Taxes (note 4)	\$ 8,521,288	94,865	397,501	—	9,013,654	8,763,221
Licenses and permits	319,122	—	—	—	319,122	313,003
Intergovernmental (note 5)	2,300,552	800,823	61,736	793,393	3,956,504	2,712,642
Charges for services	314,149	786,841	—	—	1,100,990	912,188
Fines and forfeits	385,493	—	—	—	385,493	263,803
Recreational fees	381,363	—	—	—	381,363	248,347
Investment income	404,793	18,935	114,948	—	538,676	607,584
Miscellaneous	97,310	—	2,156	—	99,466	72,866
Total revenues	<u>12,724,070</u>	<u>1,701,464</u>	<u>576,341</u>	<u>793,393</u>	<u>15,795,268</u>	<u>13,893,654</u>
Expenditures:						
Current operating:						
Urban management and planning	1,028,902	958,065	—	—	1,986,967	1,929,823
Public works and environmental improvements	2,809,254	—	—	—	2,809,254	2,649,379
Public safety	3,445,711	14,000	—	—	3,459,711	3,437,676
Municipal justice	179,729	—	—	—	179,729	187,706
Leisure, recreation, and education	921,456	11,500	—	—	932,956	741,997
Capital outlay	—	—	—	9,171,783	9,171,783	5,174,062
Debt service:						
Principal retirement (note 7)	—	—	310,000	—	310,000	205,000
Interest	—	—	264,315	—	264,315	234,332
Bond issue costs (note 7)	—	—	18,723	—	18,723	36,781
Total expenditures	<u>8,385,052</u>	<u>983,565</u>	<u>593,038</u>	<u>9,171,783</u>	<u>19,133,438</u>	<u>14,596,756</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,339,018</u>	<u>717,899</u>	<u>(16,697)</u>	<u>(8,378,390)</u>	<u>(3,338,170)</u>	<u>(703,102)</u>
Other financing sources (uses):						
Operating transfers in (note 8)	81,904	—	—	6,223,725	6,305,629	7,652,770
Operating transfers out (note 8)	(3,658,725)	(965,000)	(1,600,000)	(81,904)	(6,305,629)	(7,652,770)
Proceeds of bonds (note 7)	—	—	1,600,000	—	1,600,000	1,664,786
Total other financing sources (uses)	<u>(3,576,821)</u>	<u>(965,000)</u>	<u>—</u>	<u>6,141,821</u>	<u>1,600,000</u>	<u>1,664,786</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	762,197	(247,101)	(16,697)	(2,236,569)	(1,738,170)	961,684
Fund balances beginning of year	4,670,935	426,576	1,669,821	3,049,584	9,816,916	8,855,232
Residual equity transfer	76,223	(76,223)	—	—	—	—
Fund balances end of year	<u>\$ 5,509,355</u>	<u>103,252</u>	<u>1,653,124</u>	<u>813,015</u>	<u>8,078,746</u>	<u>9,816,916</u>

See accompanying notes to general purpose financial statements.

CITY OF PRAIRIE VILLAGE, KANSAS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – General, Budgeted Special Revenue, and Debt Service Fund Types

Year Ended December 31, 2000

	General Fund		Budgeted Special Revenue Funds		Debt Service Fund	
	Revised Budget	Actual	Revised Budget	Actual	Revised Budget	Actual
Revenues:						
Taxes	\$ 8,537,972	8,521,288	—	—	413,228	397,501
Licenses and permits	340,500	319,122	—	—	—	—
Intergovernmental	2,449,710	2,300,552	826,900	800,823	54,790	61,736
Charges for services	330,700	314,149	802,000	786,841	—	—
Fines and forfeits	300,000	385,493	—	—	—	—
Recreational fees	301,000	381,363	—	—	—	—
Investment income	330,000	404,793	40,000	18,935	50,000	114,948
Miscellaneous	30,000	97,310	—	—	—	2,156
Total revenues	<u>12,619,882</u>	<u>12,724,070</u>	<u>1,668,900</u>	<u>1,606,599</u>	<u>518,018</u>	<u>576,341</u>
Expenditures:						
Current operating:						
Urban management and planning	988,700	1,016,809	987,200	879,328	—	—
Public works and environmental improvements	2,911,800	2,815,632	—	—	—	—
Public safety	3,720,044	3,529,821	14,000	14,000	—	—
Municipal justice	194,400	186,316	35,500	—	—	—
Leisure, recreation, and education	873,262	868,604	27,838	11,500	—	—
Debt service:						
Principal retirement	—	—	—	—	290,000	310,000
Interest	—	—	—	—	223,900	264,315
Bond issue costs	—	—	—	—	20,000	18,723
Total expenditures	<u>8,688,206</u>	<u>8,417,182</u>	<u>1,064,538</u>	<u>904,828</u>	<u>533,900</u>	<u>593,038</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,931,676</u>	<u>4,306,888</u>	<u>604,362</u>	<u>701,771</u>	<u>(15,882)</u>	<u>(16,697)</u>
Other financing sources (uses):						
Operating transfers in	—	81,904	—	—	—	—
Operating transfers out	(3,882,000)	(3,658,725)	(965,000)	(965,000)	—	(1,600,000)
Proceeds of refunding bonds	—	—	—	—	—	1,600,000
Total other financing uses	<u>(3,882,000)</u>	<u>(3,576,821)</u>	<u>(965,000)</u>	<u>(965,000)</u>	<u>—</u>	<u>—</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses – budgetary basis	<u>\$ 49,676</u>	<u>730,067</u>	<u>(360,638)</u>	<u>(263,229)</u>	<u>(15,882)</u>	<u>(16,697)</u>
Effect of current year encumbrances		280,435		—		—
Effect of prior year encumbrances		(248,305)		—		—
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses		762,197		(263,229)		(16,697)
Fund balances beginning of year (budget basis)		4,670,935		442,704		1,669,821
Residual equity transfer		76,223		(76,223)		—
Fund balances end of year (GAAP basis)	<u>\$ 5,509,355</u>		<u>103,252</u>		<u>1,653,124</u>	

See accompanying notes to general purpose financial statements.

CITY OF PRAIRIE VILLAGE, KANSAS

Statement of Changes in Plan Net Assets –
Fiduciary Fund Type – Pension Trust FundsYear Ended December 31, 2000
(With Comparative Totals for 1999)

	Supple- mentary Retirement Fund	Revised Prairie Village Police Pension Fund	Totals (Memorandum Only)	
			<u>2000</u>	<u>1999</u>
Additions:				
Contributions	\$ 85,089	2,846	87,935	94,621
Interest and dividends	61,130	289,287	350,417	296,020
Net appreciation in fair value of investments	<u>85,967</u>	<u>382,264</u>	<u>468,231</u>	<u>878,318</u>
Total additions	<u>232,186</u>	<u>674,397</u>	<u>906,583</u>	<u>1,268,959</u>
Deductions:				
Benefit payments	147,899	238,449	386,348	284,773
Administrative expenses	<u>1,157</u>	<u>6,014</u>	<u>7,171</u>	<u>368</u>
Total deductions	<u>149,056</u>	<u>244,463</u>	<u>393,519</u>	<u>285,141</u>
Excess of additions over deductions	83,130	429,934	513,064	983,818
Plan net assets held in trust for pension benefits:				
Beginning of year	<u>1,435,981</u>	<u>7,461,373</u>	<u>8,897,354</u>	<u>7,913,536</u>
End of year	<u>\$ 1,519,111</u>	<u>7,891,307</u>	<u>9,410,418</u>	<u>8,897,354</u>

See accompanying notes to general purpose financial statements.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

(1) Summary of Significant Accounting Policies

The City of Prairie Village, Kansas (City) is located in Johnson County and was incorporated in 1951. The City is a city of the first class and operates under a Mayor-Council form of government, providing services to its approximately 22,000 residents in many areas including urban management and planning; public works and environmental improvement; public safety; municipal justice; and leisure, recreation, and education.

The general purpose financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The more significant of the City's accounting policies are described below.

A. Reporting Entity

In evaluating the City's financial reporting entity, management has considered all potential component units over which the City may be financially accountable. Financial accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). Based on these criteria, there are no entities for which the City is considered to be financially accountable and, as such, no component units are reported in the general purpose financial statements.

B. Fund Accounting

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The City's funds are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate "fund types."

- *Governmental Funds* are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Fund), the acquisition or construction of general fixed assets (Capital Projects Fund), and the servicing of general long-term debt (Debt Service Fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.
- *Fiduciary Funds* are used to account for assets held on behalf of outside parties or on behalf of other funds within the government. Two Pension Trust Funds have been used for those assets held under the terms of a formal trust agreement.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

C. *Basis of Accounting*

The accounting and financial treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the combined balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Pension Trust Funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the combined balance sheet. Their operating statements present additions and deductions in net total assets.

The modified accrual basis of accounting is used by all Governmental Fund Types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. However, property taxes levied during any year are, under Kansas State Statutes, revenues to be used to finance the budget of the ensuing year. Therefore, property taxes are recognized as taxes receivable and deferred revenue at the levy date. A one-year availability period is used for revenue recognition for all other Governmental Fund Type revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, interest revenue, intergovernmental revenue, and sales tax. Fines and forfeits, recreational fees, licenses and permits, and charges for services are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by the Pension Trust Fund. Under this method, additions are recorded when earned and deductions are recorded at the time liabilities are incurred. Benefits are recorded when due and payable under terms of the Plan.

D. *General Fixed Assets*

General fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the Governmental Funds and capitalized at cost in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost when historical records are available and at estimated historical costs when records do not exist. Contributed fixed assets are recorded in general fixed assets at estimated fair market value at the time received.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

Public domain (infrastructure) fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

Major outlays for capital assets and improvements are capitalized in the General Fixed Assets Account Group as construction-in-progress as projects are constructed.

No depreciation has been provided on general fixed assets, and interest has not been capitalized because it has not been material.

E. Compensated Absences

Full-time City employees earn vacation based upon length of service, and unused vacation days can be carried forward to future years with certain limitations. The City accrues the cost of vacation pay as it is earned as a liability in the General Fund.

Sick leave is earned by regular City employees at a rate of one day per month of employment, with total accumulation limited to 140 days. A liability has been recorded in the General Fund for those employees who will be retiring within a year. However, a portion of certain employees' accumulated leave will be paid upon their retirement, and such amount is reported as compensated absences amounting to \$12,430 in the General Long-term Debt Account Group.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is utilized in the Governmental Funds. Encumbrances are reported as reservations of fund balances because they do not constitute expenditures.

G. Reserves and Designations

Reserves are reported in the various funds to indicate that a portion of the fund balance is restricted by law or contract for a specific purpose. Designations of fund balances in Governmental Funds indicate City management's plans for use of financial resources in a future period.

H. Use of Estimates

The preparation of general purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the general purpose financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

I. Accounting for Investments

All investments are stated at fair value. The fair value of marketable securities is based on quotations which are generally obtained from national securities exchanges. Where marketable securities are not listed on an exchange, quotations are obtained from brokerage firms or national pricing services.

J. Residual Equity Transfer

A residual equity transfer is a nonrecurring movement of fund equity from one fund to another. During the current year, the City closed the Employee Benefits Fund with the equity being transferred to the General Fund.

K. Memorandum Only – Total Columns

Total columns on the general purpose financial statements are captioned “memorandum only” to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position and results of operations in conformity with GAAP. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

L. Comparative Data

Comparative total data for the prior year have been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in the government’s financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

M. Governmental Accounting Standards Board (GASB) Statements Nos. 33 and 34

This report does not incorporate GASB Statements Nos. 33 and 34, *Accounting and Financial Reporting for Nonexchange Transactions* and *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, respectively. The City will adopt and implement these GASB statements at the required time. The City has not completed the process of evaluating the impact of adopting these statements, and, therefore, is unable to disclose the impact that adopting these statements will have on its financial position and results of operations when such statements are implemented.

(2) Budget Basis

Kansas State Statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), and Debt Service Fund. Annual operating budgets are not adopted for the TIF Project Fund (Special Revenue Fund) and the Capital Projects Fund; instead, budgetary control is maintained through the use of cumulative project authorizations.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

The Statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
4. Adoption of the financial budget on or before August 25.

The annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized on the modified accrual basis. Expenditures include disbursements, accounts payable, and encumbrances. All unencumbered appropriations lapse at year-end.

The Statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The reported budgetary data represents the final approved budget after amendments as adopted by the City Council.

The Statutes permit transferring budgeted amounts between line items or departments within an individual fund by the governing body, and the City Council has given the City Administrator that authority. The Statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. The City's legal level of budgetary control is at the fund level.

Kansas Statutes prohibit cities from creating indebtedness unless there is money on hand in the proper fund and unencumbered by previous commitments with which to pay the indebtedness. The execution of a contract, or the issuing of a purchase order, automatically encumbers the money in the fund for the payment of the amount represented by the commitment. It makes no difference that the amount may not have to be paid until more monies are in the fund or until the following year. An exception to this cash basis law is the issuance of debt, in the form of bonds, notes, or warrants, pursuant to statutory authority, referendum, or by the State Board of Tax Appeals. In the event debt is issued, funds need not be on hand for future payments.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

(3) Cash and Investments

Kansas State Statutes authorize the City, with certain restrictions, to deposit or invest in open accounts, time deposits, certificates of deposit, repurchase agreements, and United States treasury bills and notes. Statutes also require that collateral pledged must have a fair value equal to 100% of the deposits (less insured amounts) and investments, and must be assigned for the benefit of the City. The Statutes provide for an exception for peak deposit periods during tax-paying time where, for a period of sixty days, the amount of required collateral can be reduced by one-half. The City maintains a cash and investment pool that is available for use by all funds, except for the Pension Trust Funds. Each fund type's portion of this pool is presented on the combined balance sheet as pooled cash and investments. Investment income is allocated to each fund based on specific identification, except for the Capital Projects Fund which received no allocation. The General Fund finances the capital projects through operating transfers and, as such, the investment income earned remains with the General Fund.

Deposits – At December 31, 2000, the carrying amount of the City's deposits, including certificates of deposit, was \$4,722,872. The bank balance was \$4,801,304. Of the bank balance, \$300,000 was covered by federal depository insurance and \$4,501,304 was covered by collateral held by the City's agent in the City's name.

Investments – At year-end, the City had investments with a fair value of \$13,476,081 summarized as follows:

U. S. treasury bills and notes	\$ 3,620,228
Kansas State Municipal Investment Pool	445,435
Pension Trust Funds:	
Pooled investments	5,348,819
U. S. government agencies	2,177,330
Small Business Administration obligations	376,480
U. S. treasury notes	497,731
Nongovernment obligations	<u>1,010,058</u>
	<u>9,410,418</u>
	<u>\$ 13,476,081</u>

The U. S treasury bills and treasury notes are registered in the name of a bank's trust department, and held at the Federal Reserve Bank in book entry in the City's name (\$3,620,228) or held with the Kansas State Municipal Investment Pool (\$445,435). The Kansas State Municipal Investment Pool (the Pool) is governed by the State of Kansas Pooled Money Investment Board. The Pool invests in commercial paper, overnight repurchase agreements, certificates of deposit, and government agencies. The Pool maintains a separate account for each participant and the participant may then direct its investment in various investment options offered by the Pool. The Pool is accounted for at fair value, which is the same as the pool shares. The remaining Pension Trust Fund investments are held by the bank's trust department in the City's name.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

The investments of the Pension Trust Funds are held separately from those of other City funds with outside entities in investment pools.

A summary of deposits, investments, and petty cash and the financial statement classifications are as follows:

Total deposits	\$ 4,722,872
Total investments	13,476,081
Petty cash	<u>950</u>
	<u>\$ 18,199,903</u>
General purpose financial statement classifications:	
Pooled cash and investments	\$ 7,152,691
Restricted assets:	
Cash	15,864
Investments	<u>11,031,348</u>
	<u>\$ 18,199,903</u>

(4) Tax Revenue and Receivables

Tax revenue by fund type for the year was as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
Property tax	\$ 2,583,998	94,865	397,501
City sales tax	4,101,962	—	—
Local consumers' use tax	345,266	—	—
Franchise tax	<u>1,490,062</u>	<u>—</u>	<u>—</u>
	<u>\$ 8,521,288</u>	<u>94,865</u>	<u>397,501</u>

The City's property tax is levied and a lien attached each November 1 on the assessed value as of the prior January 1 for all property located in the City. Assessed values are established by the County Assessor. The assessed value for property located in the City as of January 1, 2000 on which the 2000 levy was based was \$223,915,500.

The City's property tax levy per \$1,000 assessed valuation for the year ended December 31, 2000 was \$13.324 (General Fund, \$11.303 and Debt Service Fund, \$2.021).

Property taxes are due in total by December 31 following the levy date, or may be paid in equal installments if paid by December 20 (first installment) and the following June 20 (second installment). They are remitted by the County Treasurer to the City subsequent to collection.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

Taxes receivable represent property taxes levied on November 1, 2000 for 2001 which have been recorded as deferred revenue and franchise taxes which have been recorded as revenues.

During 1999, the City passed an ordinance to establish a Tax Increment Financing District (TIF). The establishment of this district allows the City to provide public improvements to encourage developers to construct and make new investments within blighted conservation or economic areas. Through the use of a TIF district, the City can utilize the taxes generated by the incremental increase in property value from the date the TIF was established and the combined levies of all taxing jurisdictions for infrastructure improvements. 1999 was established as the base year for the TIF. Included in the City's 2000 assessed valuation is \$926,785 representing the incremental increase in property value since 1998. Tax revenue available to the TIF for the year ended December 31, 2000 was \$94,865 and are included as property tax revenue in the TIF Project Fund (a Special Revenue Fund).

(5) Intergovernmental Revenues and Receivables

Intergovernmental revenue by fund type during the year consisted of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Federal – COPS Fast Grant	\$ 422	—	—	—
State:				
Revenue sharing	188,557	—	—	—
Highway maintenance gasoline tax	—	732,811	—	—
Special liquor tax	34,006	68,012	—	—
Kansas wildlife – park project	—	—	—	4,000
Bingo tax	1,178	—	—	—
	<u>223,741</u>	<u>800,823</u>	<u>—</u>	<u>4,000</u>
County:				
Stormwater Management Advisory Council	968,522	—	—	416,441
County Assisted Road System	21,280	—	—	372,952
Motor vehicle tax	517,467	—	61,504	—
Recreational vehicle tax	1,790	—	232	—
	<u>1,509,059</u>	<u>—</u>	<u>61,736</u>	<u>789,393</u>
Local:				
Mission Hills	567,330	—	—	—
Total	<u>\$ 2,300,552</u>	<u>800,823</u>	<u>61,736</u>	<u>793,393</u>

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

Intergovernmental receivables at year-end consisted of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
State:			
Highway maintenance gasoline tax	\$ —	195,199	—
County:			
Stormwater Management Advisory Council	20,667	—	—
County Assisted Road System	—	—	633,892
Local:			
Mission Hills	54,283	—	—
Consolidated Fire District No. 2	396	—	—
	\$ 75,346	195,199	633,892

(6) General Fixed Assets

Following is a summary of changes in general fixed assets for the year:

	<u>Balance Beginning of Year</u>	<u>Additions/ Transfers</u>	<u>Retirements/ Transfers</u>	<u>Balance End of Year</u>
Land	\$ 1,716,555	—	—	1,716,555
Building	6,307,383	243,420	—	6,550,803
Improvements other than building	3,701,395	1,509,877	—	5,211,272
Furniture and equipment	3,233,686	408,829	227,976	3,414,539
Construction in process	1,427,470	—	1,427,470	—
	\$ 16,386,489	2,162,126	1,655,446	16,893,169

(7) General Long-Term Debt and Leases

Following is a summary of general long-term debt transactions during the year:

	<u>General Obligation Bonds</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance beginning of year	\$ 4,790,000	14,314	4,804,314
Additions	1,600,000	—	1,600,000
Reductions	(310,000)	(1,884)	(311,884)
	\$ 6,080,000	12,430	6,092,430

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

General obligation bonds outstanding at the end of the year are as follows:

<u>Description</u>	<u>Interest Rates</u>	<u>Date</u>	<u>Original Amount</u>	<u>Final Maturity</u>	<u>Unmatured Principal</u>
Police facility bonds	4.60% – 6.60%	07/01/94	\$ 2,600,000	09/01/01	\$ 1,760,000
Park refunding bonds	3.90% – 5.00%	01/01/94	1,240,000	09/01/09	1,130,000
Police facility refunding	3.70% – 4.00%	01/04/99	1,660,000	09/01/10	1,660,000
Swimming pool improvement bonds	4.75% – 6.50%	02/15/00	1,600,000	09/01/14	1,530,000
					<u>\$ 6,080,000</u>

The annual requirements to amortize bonded debt at the end of the year are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 1,950,000	224,994	2,174,994
2002	365,000	186,843	551,843
2003	380,000	170,783	550,783
2004	400,000	154,143	554,143
2005	415,000	136,338	551,338
Thereafter	<u>2,570,000</u>	<u>473,895</u>	<u>3,043,895</u>
	<u>\$ 6,080,000</u>	<u>1,346,996</u>	<u>7,426,996</u>

Park Improvement Bonds, Series 2000A

On February 15, 2000, the City issued \$1,600,000 of General Obligation Park Improvement Bonds, Series 2000A to fund pool improvements. The interest rates on these bonds range from 4.75% to 6.5% and have a maturity date of September 1, 2014. The bonds maturing on or after September 1, 2009 are subject to redemption at the option of the City on September 1, 2008.

Crossover Refunding

In January 1999, the City issued \$1,660,000 of General Obligation Refunding Bonds Series 1999-A with interest rates ranging from 3.6% to 4.0% to advance refund \$1,620,000 of outstanding General Obligation Police Facility Bonds, Series 1994-B (Refunded Bonds). The transaction is accounted for as a crossover refunding. The net proceeds of \$1,628,005 (after payment of bond issue costs of \$36,781 and receipt of accrued interest of \$4,786) were used to purchase U. S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for the payment of interest on the Refunded Bonds from September 1, 1999 through September 1, 2001, and to call and redeem all outstanding Refunded Bonds on September 1, 2001. The escrow will not provide funds to pay any interest on the Refunding Bonds. The crossover refunding will refund the Series 1994-B Bonds to reduce the City's total debt service payment over the next fifteen years by \$212,915 and to obtain an economic gain of \$90,840.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

Conduit Debt

The City has issued debt for economic development from time to time. This debt is issued for the benefit of third parties and the City has no obligation beyond the initial lease or loan which has been assigned to various financial or banking entities. Debt still outstanding of this nature includes Taxable Industrial Revenue Bonds for Lockton Insurance Agency 85 for \$3,290,000, J. C. Nichols 85 for \$4,500,000, and Claridge Court 93 for \$9,420,000.

The City has entered into an operating lease agreement for a public works storage facility which will expire in 2003. Rental expense for this facility in 2000 was \$13,728. Future minimum rental payments for each of the next three years are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2001	\$ 15,576
2002	16,200
2003	<u>16,848</u>
Total	<u><u>48,624</u></u>

(8) Operating Transfers

Operating transfers by fund for the year were as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ <u>3,658,725</u>	<u>81,904</u>
Special Revenue Fund:		
Special City Street and Highway	940,000	—
Special Parks and Recreation	<u>25,000</u>	<u>—</u>
	<u>965,000</u>	<u>—</u>
Debt Service Fund	<u>1,600,000</u>	<u>—</u>
Capital Projects Fund	<u>81,904</u>	<u>6,223,725</u>
Total	<u><u>\$ 6,305,629</u></u>	<u><u>6,305,629</u></u>

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

(9) Capital Projects Fund

As indicated in note 2, annual operating budgets are not adopted for the Capital Projects Fund. Instead, control is maintained through use of cumulative project authorization. Following is a summary of 2000 activity:

	Project Authori- zation	Total Expendi- tures to Date
Park improvements	\$ 90,096	41,962
Pool improvements	172,745	204,598
Drainage projects – storm drainage	1,225,662	1,335,879
Street projects – street resurfacing and maintenance	3,740,452	3,589,430
Other projects – sidewalk, ramps, bridges, and miscellaneous	612,348	469,114
Total	\$ 5,841,303	5,640,983

(10) Commitments and Contingencies

(a) Defined Pension Plans

All employees of the City, after meeting eligibility requirements, are covered under the Kansas Public Employees Retirement System (KPERs) and the Supplementary Retirement Plan, except commissioned police officers who are covered by the Revised Prairie Village Police Pension Plan. Kansas State Statutes require that current liabilities be funded currently. The City sponsors and administers the Supplementary Retirement Plan and the Revised Prairie Village Police Pension Plan. These two plans are accounted for as separate Pension Trust Funds. KPERs is administered by the State of Kansas. Each plan is described below.

Kansas Public Employees Retirement System

Plan description. The City participates in KPERs, a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to KPERs (400 S.W. 8th Avenue, Suite 200; Topeka, Kansas 66603-3925) or by calling 1-800-228-0366.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

Funding policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The City rate established by Statute for calendar year 2000 is 2.62%. The City contributions to KPERS for the years ending December 31, 2000, 1999, and 1998 were \$34,976, \$55,148, and \$41,260, respectively, equal to the statutory required contributions for each year.

Supplementary Retirement Plan

As a supplement to KPERS, the City provides a defined contribution supplementary retirement plan to all eligible employees, except commissioned police officers. This is a defined contribution plan in which the benefits depend solely on amounts contributed to the plan plus investment earnings. The City contributes 5% of the employee's base salary as of January 1 to a maximum of \$2,500 per employee per year. There are no employee contributions. The City's contributions (and investment earnings) are allocated to employee accounts and are vested 40% after four years of service, 45% after five years' service, 50% after six years' service, with such percentage increasing 10% per year thereafter, resulting in full vesting after eleven years. There were two retirees and no vested terminees who received lump-sum payments in 2000. There was also one lump-sum distribution due to a death. Participants include fifty-two active employees (twenty-seven fully vested, seventeen partially vested, and eight nonvested). City contributions for, and interest forfeited by, employees who leave employment before becoming fully vested are allocated to other participant accounts based upon length of service and annual salary.

The City's total payroll in 2000 was approximately \$4,044,000. The City's contributions to this defined contribution plan were based on covered payroll of approximately \$1,497,000. The City made the required 5% contribution, up to a maximum contribution of \$2,500 per employee, which amounted to \$85,089.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

Revised Prairie Village Police Pension Plan

The Revised Prairie Village Police Pension Plan, a defined benefit plan (single employer pension plan), was established in 1966 and was amended to its current form in 1993. The plan covers eligible full-time commissioned police officers who have been continuously employed by the City for at least one year and who have not attained the age of retirement established by the plan. The plan provides for lifetime benefits upon retirement, along with death and disability benefits. The plan allows retirement upon attainment of twenty years of credited service, regardless of age, or attainment of age fifty-five and five years of service. A three-year average of earnings is used to determine benefits. The plan requires each participating officer to contribute 1.09% of earnings which earns interest each year. At December 31, 2000, there were thirty-three active participants (five fully vested, twenty-one partially vested, and seven nonvested), thirteen vested terminees (not currently receiving benefits), and nineteen retirees (currently receiving benefits). The City's total payroll for the years ended December 31, 2000 and 1999 was approximately \$4,044,000 and \$3,410,000, respectively, of which approximately \$1,517,000 and \$1,432,000, respectively, was payroll of plan participants.

The plan's funding policy provides for periodic employer contributions at actuarially determined rates that are expressed as percentages of annual covered payroll and are sufficient to accumulate sufficient assets to pay benefits when due. There were no required employer contributions for 2000.

City contributions are as authorized by local ordinance and all actuarially required contributions are made. The City may terminate the plan or its contributions at any time.

Schedule of Employer Contributions

Fiscal Year Ending December 31	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
1995	\$ 40,794	100 %	\$ —
1996	24,500	100	—
1997	820	100	—
1998	—	100	—
1999	—	100	—
2000	—	100	—

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 2000

The information presented was determined as part of the actuarial valuations as of the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2000
Actuarial cost method	Entry age normal
Asset valuation method	Five-year average of adjusted market value of the trust fund assets
Authorization method	Level percentage open
Remaining amortization period	Approximately twenty years
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	6.5%

The actuarial methods and assumptions are the same as those used in the previous year valuation.

(b) Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has provided commercial insurance coverage for up to the maximum of the statutory limit for each workers' compensation claim, \$1 million each for general liability, auto liability, and auto physical damage (\$1,000 deductible) with a \$10 million umbrella coverage (\$10,000 deductible), \$500,000 crime coverage (\$500 deductible), \$500,000 for surety bond coverage of the City Treasurer and City Clerk, \$1 million public officials coverage (\$5,000 deductible), \$500,000 in fiduciary coverage (\$5,000 deductible), and \$1 million in law enforcement coverage (\$10,000 deductible).

The City has a designated unreserved fund balance contingency amount in the General Fund for the purpose of funding any unforeseen and unanticipated expenditures. This account is set up at the beginning of the year and represents 5% of the City's annual budget. At December 31, 2000, the City had \$782,855 in this account. The designated unreserved contingency account supplements the City's commercial insurance coverage if any claims exceed the insured amounts. Settled claims have never exceeded the commercial coverage.

(11) Compliance With Kansas Statutes and Other Finance-Related Legal Matters

The City was in compliance with Kansas Statutes and finance-related legal matters.

(12) Expenditures Over Appropriations

The Debt Service Fund had expenditures in excess of appropriations due to costs incurred related to the payments on the bonds which will be refunded in the crossover refunding.

CITY OF PRAIRIE VILLAGE, KANSAS

Required Supplementary Information (Unaudited)

Schedule of Funding Progress – Revised Prairie Village Police Pension Plan

Year Ended December 31, 2000

<u>Actuarial Valuation Date</u>	<u>(a) Actuarial Value of Assets</u>	<u>(b) Actuarial Accrued Liability (AAL)</u>	<u>(a/b) Funded Ratio</u>		<u>(a-b) Funded AAL</u>	<u>(c) Covered Payroll</u>	<u>((a-b)/(c)) AAL as a Percentage of Covered Payroll</u>
1995	\$ 4,680,641	3,762,175	124	%	\$ 918,466	1,146,532	80 %
1996	4,935,090	3,801,360	130		1,133,730	1,329,516	85
1997	5,325,400	3,911,490	136		1,413,910	1,273,872	111
1998	5,757,357	4,111,811	140		1,645,546	1,330,356	124
1999	6,279,460	4,408,884	142		1,870,576	1,431,900	131
2000	<u>6,818,770</u>	<u>4,786,591</u>	<u>142</u>		<u>2,032,179</u>	<u>1,517,220</u>	<u>134</u>

**COMBINING, INDIVIDUAL FUND, ACCOUNT GROUPS,
AND OTHER SUPPLEMENTARY INFORMATION**

CITY OF PRAIRIE VILLAGE, KANSAS

Detail Schedule of Expenditures --
Budget and Actual -- General FundYear Ended December 31, 2000
(With Comparative Actual Amounts for 1999)

	2000		1999
	Budget	Actual	Actual
Urban management and planning:			
Salaries	\$ 392,300	441,311	378,534
Services	482,000	448,390	419,563
Supplies	77,500	68,164	71,489
Capital outlay	36,900	58,944	58,632
	<u>988,700</u>	<u>1,016,809</u>	<u>928,218</u>
Public works and environmental improvements:			
Salaries	1,094,000	1,033,295	824,270
Services	1,311,500	1,268,878	1,070,663
Supplies	304,400	301,006	107,820
Capital outlay	201,900	212,453	280,025
	<u>2,911,800</u>	<u>2,815,632</u>	<u>2,282,778</u>
Public safety:			
Salaries	2,776,700	2,635,173	2,206,404
Services	631,444	523,478	416,726
Supplies	162,500	157,815	146,219
Capital outlay	149,400	213,355	163,239
	<u>3,720,044</u>	<u>3,529,821</u>	<u>2,932,588</u>
Municipal justice:			
Salaries	140,100	153,839	126,293
Service	26,100	10,931	28,884
Supplies	4,800	4,759	2,516
Capital outlay	23,400	16,787	—
	<u>194,400</u>	<u>186,316</u>	<u>157,693</u>
Leisure, recreation, and education:			
Salaries	502,162	479,604	304,644
Services	245,549	270,904	204,806
Supplies	101,951	98,342	74,055
Capital outlay	23,600	19,754	132,441
	<u>873,262</u>	<u>868,604</u>	<u>715,946</u>
Total expenditures before other financing uses	8,688,206	8,417,182	7,017,223
Other financing uses -- operating transfers out -- Capital Projects Fund	<u>3,882,000</u>	<u>3,658,725</u>	<u>5,228,000</u>
Total expenditures and other financing uses	<u>\$ 12,570,206</u>	<u>12,075,907</u>	<u>12,245,223</u>

See accompanying independent auditors' report.

SPECIAL REVENUE FUNDS

Solid Waste Management Fund accounts for the operation of the City's solid waste management system which provides for collection, storage, and transportation of solid waste in a manner which ensures protection of the health, safety, and welfare of City residents.

Employee Benefits Fund accounts for property and motor vehicle taxes designated for payment of a portion of the City's contributions to the Police Department Revised Retirement Plan. This fund was closed in the beginning of the current fiscal year.

Special City Street and Highway Fund accounts for gasoline taxes designated for construction and maintenance of the City streets and curbing and related expenditures.

Special Alcohol Program Fund accounts for the operation of services and programs pertaining to alcohol misuse. Financing is provided by the state liquor tax.

Special Park and Recreation Fund accounts for various City-sponsored park and recreation activities funded by the state liquor tax.

TIF Project Fund accounts for TIF redevelopment projects of certain blighted areas within the City.

CITY OF PRAIRIE VILLAGE, KANSAS

Combining Balance Sheet – Special Revenue Funds

December 31, 2000
(With Comparative Totals for 1999)

Assets	Solid Waste Manage- ment	Special City Street and Highway	Special Alcohol Program	Special Park and Recreation	TIF Project Fund	Totals	
						2000	1999
Pooled cash and investments	\$ 345,145	—	11,444	11,648	—	368,237	319,635
Receivables:							
Property taxes	—	—	—	—	—	—	42,619
Interest	5,764	—	—	—	—	5,764	12,509
Due from other governments	—	195,199	—	—	—	195,199	209,226
Total assets	\$ 350,909	195,199	11,444	11,648	—	569,200	583,989
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ 285,333	—	—	—	—	285,333	97,803
Due to other funds	—	180,615	—	—	—	180,615	16,991
Deferred revenue	—	—	—	—	—	—	42,619
Total liabilities	285,333	180,615	—	—	—	465,948	157,413
Fund balance – unreserved	65,576	14,584	11,444	11,648	—	103,252	426,576
Total liabilities and fund balance	\$ 350,909	195,199	11,444	11,648	—	569,200	583,989

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances – Special Revenue Funds

Year Ended December 31, 2000
(With Comparative Totals for 1999)

	Solid Waste Manage- ment	Employee Benefits	Special City Street and Highway	Special Alcohol Program	Special Park and Recreation	TIF Project	Totals	
							2000	1999
Revenues:								
Property taxes	\$ —	—	—	—	—	94,865	94,865	764,018
Intergovernmental	—	—	732,811	34,006	34,006	—	800,823	844,305
Charges for services	786,841	—	—	—	—	—	786,841	794,917
Investment income	18,935	—	—	—	—	—	18,935	74,443
Total revenues	<u>805,776</u>	<u>—</u>	<u>732,811</u>	<u>34,006</u>	<u>34,006</u>	<u>94,865</u>	<u>1,701,464</u>	<u>2,477,683</u>
Expenditures:								
Urban management and planning	879,328	—	—	—	—	78,737	958,065	986,250
Public works and environmental improvements	—	—	—	—	—	—	—	242,572
Public safety	—	—	—	14,000	—	—	14,000	462,868
Municipal justice	—	—	—	—	—	—	—	27,557
Leisure, recreation, and education	—	—	—	11,500	—	—	11,500	80,469
Total expenditures	<u>879,328</u>	<u>—</u>	<u>—</u>	<u>25,500</u>	<u>—</u>	<u>78,737</u>	<u>983,565</u>	<u>1,799,716</u>
Excess (deficiency) of revenues over (under) expenditures	(73,552)	—	732,811	8,506	34,006	16,128	717,899	677,967
Other financing uses – operating transfers out	—	—	(940,000)	—	(25,000)	—	(965,000)	(903,000)
Excess (deficiency) of revenues over (under) expenditures and other financing uses	(73,552)	—	(207,189)	8,506	9,006	16,128	(247,101)	(225,033)
Fund balances beginning of year	139,128	76,223	221,773	2,938	2,642	(16,128)	426,576	651,609
Residual equity transfer	—	(76,223)	—	—	—	—	(76,223)	—
Fund balances end of year	<u>\$ 65,576</u>	<u>—</u>	<u>14,584</u>	<u>11,444</u>	<u>11,648</u>	<u>—</u>	<u>103,252</u>	<u>426,576</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Special Revenue – Solid Waste Management Fund

Schedule of Revenues and Expenditures – Budget and Actual

Year Ended December 31, 2000
 (With Comparative Actual Amounts for 1999)

	<u>2000</u>		<u>1999</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Charges for services	\$ 802,000	786,841	794,917
Investment income	<u>40,000</u>	<u>18,935</u>	<u>74,443</u>
Total revenues	842,000	805,776	869,360
Expenditures – urban management and planning	<u>884,000</u>	<u>879,328</u>	<u>872,633</u>
Deficiency of revenues under expenditures – budgetary basis	<u>\$ (42,000)</u>	(73,552)	(3,273)
Fund balance beginning of year (GAAP basis)		<u>139,128</u>	<u>142,401</u>
Fund balance end of year (GAAP basis)		<u>\$ 65,576</u>	<u>139,128</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Special Revenue – Employee Benefits Fund

Schedule of Revenues and Expenditures – Budget and Actual

Year Ended December 31, 2000
 (With Comparative Actual Amounts for 1999)

	<u>2000</u>		<u>1999</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Property taxes	\$ —	—	763,155
Intergovernmental	—	—	<u>83,767</u>
Total revenues	<u>—</u>	<u>—</u>	<u>846,922</u>
Expenditures:			
Urban management and planning	1,043,200	—	96,626
Public works and environmental impairments	—	—	242,572
Public safety	—	—	462,868
Municipal justice	35,500	—	27,557
Leisure, recreation, and education	16,338	—	<u>54,560</u>
Total expenditures	<u>1,095,038</u>	<u>—</u>	<u>884,183</u>
Deficiency of revenues under expenditures	<u>\$ (1,095,038)</u>	—	(37,261)
Fund balance beginning of year (GAAP basis)		76,223	—
Residual equity transfer to General Fund		<u>(76,223)</u>	<u>113,484</u>
Fund balance end of year (GAAP basis)		<u>\$ —</u>	<u>76,223</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Special Revenue – Special City Street and Highway Fund

Schedule of Revenues and Expenditures – Budget and Actual

Year Ended December 31, 2000
 (With Comparative Actual Amounts for 1999)

	<u>2000</u>		<u>1999</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues – intergovernmental	\$ 776,500	732,811	712,140
Other financing uses – operating transfer out	<u>(940,000)</u>	<u>(940,000)</u>	<u>(850,000)</u>
Deficiency of revenues under other financing uses	<u>\$ (163,500)</u>	(207,189)	(137,860)
Fund balance beginning of year (GAAP basis)		<u>221,773</u>	<u>359,633</u>
Fund balance end of year (GAAP basis)		<u>\$ 14,584</u>	<u>221,773</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Special Revenue – Special Alcohol Program Fund

Schedule of Revenues and Expenditures – Budget and Actual

Year Ended December 31, 2000
 (With Comparative Actual Amounts for 1999)

	<u>2000</u>		<u>1999</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues – intergovernmental	\$ 25,200	34,006	24,199
Expenditures – leisure, recreation, and education	<u>(25,500)</u>	<u>(25,500)</u>	<u>(25,909)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (300)</u>	8,506	(1,710)
Fund balance beginning of year (GAAP basis)		<u>2,938</u>	<u>4,648</u>
Fund balance end of year (GAAP basis)		<u>\$ 11,444</u>	<u>2,938</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Special Revenue – Special Park and Recreation Fund

Schedule of Revenues and Expenditures – Budget and Actual

Year Ended December 31, 2000
 (With Comparative Actual Amounts for 1999)

	<u>2000</u>		<u>1999</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues – intergovernmental	\$ 25,200	34,006	24,199
Other financing uses – operating transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(53,000)</u>
Excess (deficiency) of revenues over (under) other financing uses	<u>\$ 200</u>	9,006	(28,801)
Fund balance beginning of year (GAAP basis)		<u>2,642</u>	<u>31,443</u>
Fund balance end of year (GAAP basis)		<u>\$ 11,648</u>	<u>2,642</u>

See accompanying independent auditors' report.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets used in operations.

CITY OF PRAIRIE VILLAGE, KANSAS

Schedule of General Fixed Assets -- By Source

December 31, 2000
 (With Comparative Amounts for 1999)

	<u>2000</u>	<u>1999</u>
General fixed assets:		
Land	\$ 1,716,555	1,716,555
Building	6,550,803	6,307,383
Improvements other than building	5,211,272	3,701,395
Furniture and equipment	3,414,539	3,233,686
Construction in process	—	1,427,470
Total general fixed assets	<u>\$ 16,893,169</u>	<u>16,386,489</u>
Investment in general fixed assets from:		
General Fund	\$ 6,097,128	5,855,606
Solid waste management	8,787	8,787
Special Revenue Funds:		
Federal and state grants	631,713	627,713
Other	136,030	136,030
Special machinery and bridges	66,517	66,517
Park acquisition	633,747	633,747
Capital Projects Fund	9,257,848	8,996,690
Community Development Block Grant	61,399	61,399
Total investment in general fixed assets	<u>\$ 16,893,169</u>	<u>16,386,489</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Schedule of General Fixed Assets – By Function

December 31, 2000

	<u>Total</u>	<u>Land</u>	<u>Building</u>	<u>Improvements Other Than Building</u>	<u>Furniture and Equipment</u>	<u>Construction in Progress</u>
Function:						
Urban management and planning	\$ 1,992,654	13,500	1,220,665	421,322	337,167	—
Public works and environ- mental improvement	4,641,899	1,004,472	1,077,959	883,305	1,676,163	—
Public safety	3,980,746	—	2,623,832	30,204	1,326,710	—
Municipal justice	23,052	—	—	—	23,052	—
Leisure, recreation, and education	<u>6,254,818</u>	<u>698,583</u>	<u>1,628,347</u>	<u>3,876,441</u>	<u>51,447</u>	<u>—</u>
Total general fixed assets	<u>\$ 16,893,169</u>	<u>1,716,555</u>	<u>6,550,803</u>	<u>5,211,272</u>	<u>3,414,539</u>	<u>—</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Schedule of Changes in General Fixed Assets -- By Function

Year Ended December 31, 2000

	<u>Beginning of Year</u>	<u>Additions/ Transfers In *</u>	<u>Retirements/ Transfers Out *</u>	<u>End of Year</u>
Function:				
Urban management and planning	\$ 1,974,698	47,614	(29,658)	1,992,654
Public works and environmental improvement	4,276,795	456,835	(91,731)	4,641,899
Public safety	3,925,155	156,533	(100,942)	3,980,746
Municipal justice	22,545	6,500	(5,993)	23,052
Leisure, recreation, and education	6,187,296	69,319	(1,797)	6,254,818
Total general fixed assets	<u>\$ 16,386,489</u>	<u>736,801</u>	<u>(230,121)</u>	<u>16,893,169</u>

* Do not include transfers in/out of construction in process.

See accompanying independent auditors' report.

Table 1

CITY OF PRAIRIE VILLAGE, KANSAS
 General Governmental Expenditures by Function (1)
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Urban Management and Planning</u>	<u>Public Works and Environmental Improvement</u>	<u>Public Safety</u>	<u>Municipal Justice</u>	<u>Leisure, Recreation, and Education</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
1991	\$ 1,376,971	2,192,313	2,493,196	126,189	535,217	2,427,077	412,003	9,562,966
1992	1,761,097	2,128,528	2,568,628	117,014	381,870	1,600,831	407,323	8,965,291
1993	1,591,812	2,162,246	2,612,115	136,585	674,053	2,379,144	340,837	9,896,792
1994	1,611,095	2,007,576	2,742,506	127,611	697,188	4,395,382	278,322	11,859,680
1995	1,455,505	2,038,830	2,789,130	140,464	701,747	5,259,539	761,729	13,146,944
1996	1,599,628	2,959,690	2,918,653	136,489	606,109	5,414,025	565,717	14,200,311
1997	1,743,545	2,426,518	2,983,763	133,940	654,264	5,617,573	559,764	14,119,367
1998	1,770,380	2,143,721	3,075,701	155,018	691,017	5,719,089	559,098	14,114,024
1999	1,929,823	2,649,379	3,437,676	187,706	741,997	5,174,062	476,113	14,596,756
2000	1,986,967	2,809,254	3,445,711	179,729	946,956	9,171,783	593,038	19,133,438

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Table 2

CITY OF PRAIRIE VILLAGE, KANSAS

General Governmental Revenues by Source (1)

Last Ten Fiscal Years

<u>Fiscal Year Ended</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Inter- govern- mental</u>	<u>Charges for Services</u>	<u>Fines and Forfeits</u>	<u>Recrea- tional Fees</u>	<u>Interest</u>	<u>Miscel- laneous</u>	<u>Total</u>
1991	\$ 6,951,444	253,466	484,578	963,326	207,440	215,833	299,391	87,449	9,462,927
%	73.46	2.68	5.12	10.18	2.19	2.28	3.16	0.92	
1992	7,166,544	277,564	614,798	1,155,027	201,858	181,368	207,631	125,413	9,930,203
%	72.17	2.80	6.19	11.63	2.03	1.83	2.09	1.26	
1993	7,766,564	269,244	414,492	1,233,331	211,584	201,697	181,676	158,814	10,437,402
%	74.41	2.58	3.97	11.82	2.03	1.93	1.74	1.52	
1994	7,150,107	265,323	3,208,752	1,372,990	216,872	235,886	399,378	42,900	12,892,208
%	55.46	2.06	24.89	10.65	1.68	1.83	3.10	0.33	
1995	7,439,077	286,592	2,448,858	1,295,329	233,740	242,259	614,451	28,183	12,588,489
%	59.09	2.28	19.45	10.29	1.86	1.92	4.88	0.22	
1996	7,781,869	272,331	3,642,539	809,456	253,711	239,480	644,086	121,495	13,764,967
%	56.53	1.98	26.46	5.88	1.84	1.74	4.68	0.88	
1997	7,969,985	319,496	3,865,837	890,460	283,165	234,347	543,903	17,146	14,124,339
%	56.43	2.26	27.37	6.30	2.01	1.66	3.85	0.12	
1998	8,631,974	319,890	3,984,037	946,877	331,931	253,775	538,683	148,118	15,155,285
%	56.96	2.11	26.29	6.25	2.19	1.67	3.55	0.98	
1999	8,763,221	313,003	2,712,642	912,188	263,803	248,347	607,584	72,866	13,893,654
%	63.07	2.25	19.53	6.57	1.90	1.79	4.37	0.52	
2000	9,013,654	319,122	3,956,504	1,100,990	385,493	381,363	538,676	99,466	15,795,268
%	57.07	2.02	25.05	6.97	2.44	2.41	3.41	0.63	

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Table 2A

CITY OF PRAIRIE VILLAGE, KANSAS
 General Governmental Tax Revenues by Source (1)
 Last Ten Fiscal Years

<u>Fiscal Year Ended</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Gasoline Tax</u>	<u>Motor Vehicle Tax</u>	<u>Other</u>	<u>Total</u>
1991	\$ 2,254,778	2,406,198	1,113,388	530,754	606,121	40,207	6,951,446
1992	2,476,491	2,514,957	1,027,316	563,176	542,014	42,589	7,166,543
1993	2,489,530	2,847,546	1,149,829	610,989	607,401	61,269	7,766,564
1994	2,679,239	3,263,767	1,139,865	(2)	(2)	—	7,082,871
1995	2,738,868	3,481,116	1,131,035	(2)	(2)	—	7,351,019
1996	2,703,331	3,814,905	1,263,633	(2)	(2)	—	7,781,869
1997	2,714,480	3,952,780	1,302,725	(2)	(2)	—	7,969,985
1998	2,987,707	4,374,357	1,269,910	(2)	(2)	—	8,631,974
1999	3,060,193	4,414,019	1,289,009	(2)	(2)	—	8,763,221
2000	<u>3,076,364</u>	<u>4,447,228</u>	<u>1,490,062</u>	<u>(2)</u>	<u>(2)</u>	<u>—</u>	<u>9,013,654</u>

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

(2) For 1994 through 1998, motor vehicle tax and gasoline tax are included in intergovernmental revenue.

Table 3

CITY OF PRAIRIE VILLAGE, KANSAS

Property Tax Levies and Collections

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collection</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collection</u>	<u>Total Tax Collection</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Total Levy</u>
1991	\$ 2,180,297	2,144,570	98.36 %	\$ 13,344	2,157,914	98.97 %	\$ 89,321	4.10 %
1992	2,385,968	2,353,225	98.63	21,906	2,375,131	99.55	103,579	4.34
1993	2,406,815	2,373,963	98.64	12,861	2,386,824	99.17	91,800	3.81
1994	2,588,416	2,556,343	98.76	16,885	2,573,228	99.41	107,768	4.16
1995	2,635,675	2,604,424	98.81	20,353	2,624,777	99.59	150,878	5.72
1996	2,639,540	2,570,295	97.38	14,610	2,584,905	97.93	205,752	7.79
1997	2,656,669	2,579,573	97.10	16,639	2,596,212	97.72	189,590	7.14
1998	2,937,936	2,857,923	97.28	12,506	2,870,429	97.70	334,193	11.38 (1)
1999	2,932,216	2,872,644	97.97	26,529	2,899,173	98.87	386,166	13.17 (1)
2000	<u>2,928,185</u>	<u>2,821,069</u>	<u>96.34</u>	<u>12,776</u>	<u>2,833,845</u>	<u>96.78</u>	<u>390,376</u>	<u>13.33 (1)</u>

(1) The higher percentage of delinquent taxes are largely caused by the Claridge Court protest to pay the property taxes.

Table 4

CITY OF PRAIRIE VILLAGE, KANSAS

Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year	Real Property (1)		Personal Property (2)		Total		Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1991	\$ 135,851,646	1,017,000,000 *	6,841,258	22,800,000	142,692,904	1,039,800,000	13.72 %
1992	135,608,879	1,009,455,181	7,296,711	24,322,369	142,905,590	1,033,777,550	13.82
1993	128,865,259	1,011,648,320	8,434,296	26,846,855	137,299,555	1,038,495,175	13.22
1994	129,944,765	1,024,372,559	9,720,021	31,010,518	139,664,786	1,055,383,077	13.23
1995	151,740,491	1,198,354,400	9,837,598	31,458,190	161,578,089	1,229,812,590	13.14
1996	152,606,792	1,205,195,550	9,692,058	31,101,793	162,298,850	1,236,297,343	13.13
1997	169,247,103	1,336,610,601	10,124,998	32,521,001	179,372,101	1,369,131,602	13.10
1998	172,775,588	1,364,476,426	10,362,079	33,337,140	183,137,667	1,397,813,566	13.10
1999	200,122,603	1,444,363,130	11,650,365	37,617,358	211,772,968	1,481,980,488	14.29
2000	212,804,428	1,680,599,839	11,111,072	35,917,337	223,915,500	1,716,517,176	13.04

(1) The County Assessor values real property as required by State Statute and rulings of the State Board of Tax Appeals. Prior to reassessment in 1989, real property was valued at 24% of estimated value. Real property is now valued at different percentages which reflect the property's use. Residential land, improvement, and vacant lots (\$176,627,675, estimated at 83%) are assessed at 11.5% of actual value. Commercial land and improvements (\$36,176,753, estimated at 17%) are assessed at 25% of actual value.

(2) Assessed personal property (\$7,416,492) is assessed at 30% of actual value. State assessed utilities (\$3,694,580) are assessed at 33%.

* Estimated.

Table 5

CITY OF PRAIRIE VILLAGE, KANSAS

Property Tax Rates – Direct and Overlapping Governments (Per \$1,000 of Assessed Value)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>State</u>	<u>County</u>	<u>City</u>	<u>County Library</u>	<u>County Park</u>	<u>County Community College</u>	<u>School District</u>	<u>Consolidated Fire District</u>	<u>Unified Waste Water</u>	<u>Total</u>
1991	\$ 1.500	16.328	16.721	2.420	1.400	8.923	45.581	6.988	6.012	105.873
1992	1.500	16.112	16.842	2.787	1.534	10.658	56.873	6.783	6.497	119.586
1993	1.500	17.779	18.846	3.443	1.678	10.146	54.101	7.518	6.736	121.747
1994	1.500	17.389	18.846	3.608	1.676	10.138	62.107	7.513	6.814	129.591
1995	1.500	16.563	16.336	3.419	1.620	9.314	61.779	7.410	6.140	124.081
1996	1.500	16.590	16.369	3.478	1.620	8.946	56.233	8.107	6.041	118.884
1997	1.500	15.305	16.379	3.254	1.512	8.540	51.808	7.529	5.938	111.765
1998	1.500	14.345	16.011	3.174	1.437	7.746	42.968	7.522	5.704	100.407
1999	1.500	16.112	13.827	3.137	1.451	7.184	41.246	6.868	5.166	96.491
2000	1.500	15.676	13.324	2.981	1.322	7.646	40.327	7.197	4.647	94.620

Table 6

CITY OF PRAIRIE VILLAGE, KANSAS

Principal Taxpayers

December 31, 2000

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>State Assessed Utilities</u>	<u>2000 Total Assessed Valuation</u>	<u>Percentage of Total Assessed Value</u>
Highwoods Realty Limited	Real Estate	\$ 14,525,310	—	—	14,525,310	6.49 %
Wilmington Trust Company	Real Estate	2,670,025	—	—	2,670,025	1.19
Kansas City Power & Light	Utility	—	—	2,238,725	2,238,725	1.00
J. C. Nichols	Real Estate	2,054,842	—	—	2,054,842	0.92
May Department Stores	Retail	1,598,250	—	—	1,598,250	0.71
Victor L. Regnier Trust	Real Estate	1,375,835	—	—	1,375,835	0.61
Marriott Senior Living	Adult Living Facility	1,089,853	—	—	1,089,853	0.49
Southwestern Bell Telephone	Utility	—	—	986,915	986,915	0.44
Melody W. Sutherland	Commercial Property	955,876	—	—	955,876	0.43
Lockton Insurance Agency, Inc.	Insurance Agent	—	686,686	—	686,686	0.31
Homestead Country Club	Country Club	614,725	—	—	614,725	0.27
Windsor continental Investors	Real Estate	612,777	—	—	612,777	0.27
2014, LLC	Real Estate	557,125	—	—	557,125	0.25
Meadowbrook Golf & Country Club	Country Club	547,567	—	—	547,567	0.24
Total		<u>\$ 26,602,185</u>	<u>686,686</u>	<u>3,225,640</u>	<u>30,514,511</u>	<u>13.62</u>
Total assessed valuation		<u>\$ 212,804,428</u>	<u>7,416,492</u>	<u>3,694,580</u>	<u>223,915,500</u>	

Table 7

CITY OF PRAIRIE VILLAGE, KANSAS

Ratio of Net General Bonded Debt to Assessed Value
and Net Bonded Debt Per Capita

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Debt Service Monies Available</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1991	23,186 (1)	\$ 142,692,000	2,805,000	73,591	2,731,409	1.914 %	\$ 117.80
1992	23,108 (1)	142,906,000	2,575,000	14,050	2,560,950	1.792	110.83
1993	23,075 (2)	142,900,000	2,320,000	24,907	2,295,093	1.607	99.50
1994	23,824 (3)	139,664,786	4,775,000	256,842	4,518,158	3.235	189.65
1995	23,244 (3)	161,578,089	4,330,000	157,652	4,172,348	2.582	179.50
1996	23,056 (1)	162,298,850	4,015,000	124,776	3,890,224	2.397	168.73
1997	23,545 (4)	179,372,101	3,685,000	51,612	3,633,388	2.026	154.32
1998	23,545 (4)	183,137,667	3,335,000	52,437	3,282,563	1.792	139.42
1999	23,365 (4)	211,772,968	4,790,000	1,669,821	3,120,179	1.473	133.54
2000	22,072 (4)	223,915,500	6,080,000	1,653,124	4,426,876	1.977	200.57

- (1) Source: Kansas Census Bureau.
- (2) Estimated based on building information.
- (3) Source: Kansas League of Municipalities.
- (4) Source: U. S. Bureau of the Census (July 1996).

CITY OF PRAIRIE VILLAGE, KANSAS

Computation of Direct and Overlapping Debt

December 31, 2000

<u>Jurisdiction</u>	<u>Bonded Debt Outstanding</u>	<u>Percentage Applicable to City</u>	<u>Amount Applicable to City</u>
City of Prairie Village, Kansas (2)	\$ 4,426,876	100.00 %	\$ 4,426,876
Subtotal – Direct Debt	<u>4,426,876</u>		<u>4,426,876</u>
Johnson County (1)	166,420,000	4.20	6,989,640
Johnson County Park and Recreation (1)	7,700,000	4.20	323,400
U. S. D. #512 (1)	146,705,000	9.09	13,335,485
Johnson County Consolidated Fire #2 (1)	<u>2,380,000</u>	<u>38.92</u>	<u>926,296</u>
Subtotal – Overlapping Debt	<u>323,205,000</u>		<u>21,574,821</u>
Total	<u>\$ 327,631,876</u>		<u>26,001,697</u>

- (1) Information provided by office of the County Clerk, Johnson County, Kansas.
(2) Excludes amount available for repayment in the Debt Service Fund.

Table 9

CITY OF PRAIRIE VILLAGE, KANSAS

Ratio of Annual Debt Service Expenditures for
General Bonded Debt to Total Governmental Expenditures

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Expenditures (1)</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1991	\$ 220,000	192,003	412,003	9,562,966	4.31 %
1992	230,000	177,323	407,323	9,611,316	4.24
1993	255,000	161,835	416,835	9,896,792	4.21
1994	195,000	144,600	339,600	11,859,680	2.86
1995	445,000	301,837	746,837	12,657,080	5.90
1996	315,000	249,476	564,476	14,200,311	3.98
1997	330,000	229,764	559,764	14,119,367	3.96
1998	350,000	209,098	559,098	14,114,024	3.96
1999	205,000	271,113	476,113	14,596,756	3.26
2000	310,000	264,315	574,315	19,133,438	3.00

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

CITY OF PRAIRIE VILLAGE, KANSAS

Demographic Statistics

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
1991	23,186 (3)	5,604	3.2% (5)
1992	23,108 (3)	5,658	2.9% (5)
1993	23,075 (1)	5,794	1.9% (5)
1994	23,824 (4)	5,895	2.0% (6)
1995	23,244 (4)	5,735	1.6% (6)
1996	23,056 (3)	5,811	1.8% (6)
1997	23,545 (2)	6,027	1.4% (6)
1998	23,545 (2)	7,002	1.6% (6)
1999	23,365 (4)	7,219	1.1% (6)
2000	<u>22,072</u> (2)	<u>6,682</u>	<u>1.5%</u> (6)

- (1) Estimated based on building information.
(2) Source: United States Bureau of the Census (July 1996).
(3) Source: Kansas Census Bureau.
(4) Source: Kansas League of Municipalities.
(5) Source: Johnson County Census.
(6) Source: Kansas Department of Human Resources.

Table 11

CITY OF PRAIRIE VILLAGE, KANSAS

Computation of Legal Debt Limitation

December 31, 2000

Assessed value, real and personnel property, 1988	\$ 74,505,667
Plus assessed value, motor vehicles, 1988	<u>29,846,220</u>
Total assessed value, 1988	104,351,887
Debt limitation for 1989	<u>30%</u>
1989 debt limitation	<u>\$ 31,305,566</u>
Assessed value, real and personnel property, 1989	\$ 75,374,185
Plus assessed value, motor vehicles, 1989	<u>30,916,420</u>
Total assessed value, 1989	<u>\$ 106,290,605</u>
1989 debt limitation	\$ 31,305,566
Divided by 1989 total assessed value	<u>106,290,605</u>
Debt limitation percentage	<u>29.45%</u>
Assessed value, real and personnel property, 1999	\$ 211,772,968
Plus assessed value, motor vehicles, 1999	<u>34,035,147</u>
Total assessed value, 1999	245,808,115
Debt limitation percentage	<u>29.45%</u>
2000 debt limitation	<u>\$ 72,390,490</u>

NOTE: Effective January 1, 1990, K.S.A. 79-5037 suspended the existing statutory debt limitations computed on the basis of a percentage of assessed valuation of a taxing district. Prior to January 1, 1990, the applicable percentage was 30% (K.S.A. 10-307 and 10-308).

K.S.A. 79-5037 provided that for the years 1990 and thereafter, the debt limitation of a taxing district is limited to a percentage which is calculated by dividing the amount of indebtedness authorized for the taxing district in 1988, the year before implementation (as calculated under the relevant statute before modification), by the total year-end assessed valuation for 1989, the year of implementation.

Table 12

CITY OF PRAIRIE VILLAGE, KANSAS

Property Value, Construction, and Bank Deposits

Last Ten Fiscal Years

Fiscal Year	Commercial Construction		Residential Construction		Total Real Property Value (in Thousands) (2)	Bank Deposits (in Thousands) (3)
	Number of Units (1)	Value (1)	Number of Units (1)	Value (1)		
1991	—	\$ —	8	\$ 2,735,000	1,071,000	676,332
1992	4	5,634,000	6	2,940,900	1,009,455	674,868
1993	2	2,468,000	4	739,880	1,011,648	912,816
1994	1	2,378,000	4	16,524,000	1,024,372	955,644
1995	1	3,690,428	2	527,000	1,198,354	13,867,379 (4)
1996	1	437,079	2	263,268	1,205,196	16,717,565
1997	1	9,148,000	1	135,000	1,336,611	24,316,844
1998	2	2,079,801	3	1,170,865	1,364,476	24,548,824
1999	—	—	11	4,707,117	1,444,363	53,916,875 (5)
2000	—	—	10	5,207,400	1,680,600	115,595,653 (6)

(1) Determined from building permit information.

(2) Source: Table 4.

(3) Information provided by financial institutions located in the City.

(4) Country Club Bank's first year of business in Prairie Village. In 1994, Intrust Bank reported City's deposits on hand, not the Bank's deposits; the difference was \$1,281,532,000. Mercantile Bank reported deposits on hand in the amount of \$11,974,448,000 in 1995 compared to \$510,151,716 in 1994 due to the merger of several other banks.

(5) Mercantile Bank merger with Firststar doubled deposits.

(6) Firststar merger with US Bancorp more than doubled deposits.

Table 13

CITY OF PRAIRIE VILLAGE, KANSAS

Miscellaneous Statistics

December 31, 2000

Date of incorporation	1951
Form of government	Mayor-Council-Administrator
Area	6.7 square miles
Miles of streets	112.5 miles
Number of street lights	1,990
Police protection:	
Number of stations	1
Number of police officers	41
Education:	
Private schools	4
Number of elementary schools	5
Number of junior high schools	2
Number of senior high schools	1
Recreation:	
Number of parks	9
Total park acres	64 acres
Number of golf courses	1 private
Number of swimming pools	5 public
Full-time City employees	93