



CITY OF PRAIRIE VILLAGE, KANSAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 1999

*Prepared by: Barbara Vernon
City Administrator*

CITY OF PRAIRIE VILLAGE, KANSAS

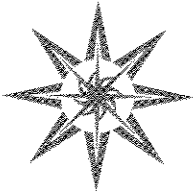
Table of Contents

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	1
GFOA Certificate of Achievement	9
Organizational Chart	10
Municipal Officials	11
FINANCIAL SECTION	
Independent Auditors' Report	12
General Purpose Financial Statements:	Exhibit
Combined Balance Sheet – All Fund Types and Account Groups	A 14
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Fund Types	B 15
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General, Special Revenue, and Debt Service Fund Types	C 16
Statement of Changes in Plan Net Assets – Fiduciary Fund Type – Pension Trust Funds	D 17
Notes to General Purpose Financial Statements	19
Required Supplementary Information (Unaudited)	35
Combining, Individual Fund, Account Groups, and Other Supplementary Information:	Schedule
General Fund:	
Detail Schedule of Expenditures – Budget and Actual	1 37
Special Revenue Funds:	
Combining Balance Sheet	2 39
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	3 40
Schedule of Revenues and Expenditures – Budget and Actual:	
Solid Waste Management Fund	4 41
Employee Benefits Fund	5 42
Special City Street and Highway Fund	6 43
Special Alcohol Program Fund	7 44
Special Park and Recreation Fund	8 45
General Fixed Assets Account Group:	
Schedule of General Fixed Assets – By Source	9 47
Schedule of General Fixed Assets – By Function	10 48
Schedule of Changes in General Fixed Assets – By Function	11 49

CITY OF PRAIRIE VILLAGE, KANSAS

Table of Contents, Continued

STATISTICAL SECTION	Table	Page
General Governmental Expenditures by Function	1	51
General Governmental Revenues by Source	2	52
General Governmental Tax Revenues by Source	2A	53
Property Tax Levies and Collections	3	54
Assessed and Estimated Actual Value of Taxable Property	4	55
Property Tax Rates – Direct and Overlapping Governments	5	56
Principal Taxpayers	6	57
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	7	58
Computation of Direct and Overlapping Debt	8	59
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Governmental Expenditures	9	60
Demographic Statistics	10	61
Computation of Legal Debt Limitation	11	62
Property Value, Construction, and Bank Deposits	12	63
Miscellaneous Statistics	13	64



THE CITY OF PRAIRIE VILLAGE *Star of Kansas*

April 24, 2000

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, 1999. We believe this report presents comprehensive financial information about the City's activities during 1999. The report complies in all material respects with standards promulgated by the Governmental Accounting Standards Board. 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 the 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 a list of principal City officials, an organizational chart for the City, and a table of contents. 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.

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. 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. It is one of 22 cities in Johnson County and is the fifth largest in 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 23,500 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 from 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. Subsequent reappraisals resulted in additional increases totaling more than 46%.

During the last decade, Johnson County has experienced a 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 neighborhoods 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

In preparing the 1999 budget, the City Council identified several major programs needed to meet residents' needs for services and to safeguard the quality of life in the community. These programs included major maintenance and improvements to the City's streets, improvements to the City's storm drainage system, and continued redevelopment of the park system.

Several years ago, the City prepared a comprehensive major street maintenance and reconstruction plan. Through careful planning and approval of residents to increase taxes for this purpose, the condition of the City's streets is excellent. In 1999, the street maintenance program was based on the infrastructure inventory and condition rating developed through a computer software program designed for Public Works operations. This software program has several modules; in addition to streets, there are modules for sidewalk, curbs, storm drains, trees, traffic marking, and traffic signals. Deficiencies identified through the program are identified as maintenance projects on an annual basis through a cost/benefit analysis.

As a part of the preparation for the annual budget, department managers of the City prepare departmental goals and performance indicators for the service programs they manage. In 1999, the following major goals were planned and achieved:

- Prepare a strategic plan to accomplish long-term goals.
- Develop and implement annual budget based on short-term goals established by the governing body.
- Encourage reinvestment and redevelopment.
- Maintain open dialogue with all elements of the community.
- Maintain property tax at an acceptable level.
- Facilitate a fair and discrimination-free work environment with appropriate training and a competitive salary and benefit policy.
- Meet with neighborhood groups regarding planning and zoning issues and the Revised Comprehensive Plan.
- Develop comprehensive database about neighborhoods throughout the City.
- Extend street life through proper and scheduled maintenance.
- Ensure a safe and efficient storm water management system.
- Design and develop improvement projects, which are cost-effective in the short- and long-term.
- Provide citizens the maximum degree of safety in their property and persons.
- Protect residents from the dangers of illegal drugs and persons who distribute these substances.
- Avoid deterioration of property and neighborhoods.
- Provide outdoor recreation equipment and facilities that are safe, durable, and accessible to all ages and abilities.
- Encourage sense of community.

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.

The City has taken steps to encourage redevelopment while reducing the negative impacts this would have on neighborhoods. Plans are being developed to increase community development and involvement in redevelopment projects.

For the most part, older housing stock in the City has been well maintained. The City's Code Enforcement program, which strives to ensure continuation of a high level of maintenance, is coordinated with the building construction function in the Codes Department. The two disciplines, which are complimentary in nature, now work together to provide greater coverage. This has resulted in more vigorous enforcement and compliance with all City building and minimum standard codes.

The City Council budgeted funds to begin a strategic planning process in 1999. The process involved residents, local business owners, and others to plan the future of this City through a plan which will take the City into the next century. The plan will be completed in 2000.

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 generally accepted accounting principles. 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 statements 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 throughout 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 is derived primarily 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, 1999, and the amount and percentage of increases and decreases in relation to prior year revenues:

<u>Revenues</u>	<u>1999</u>	<u>1998</u>	<u>Increase (Decrease) From 1998</u>	<u>Percentage Increase (Decrease)</u>
Taxes	\$ 8,763,221	8,631,974	131,247	1.5 %
Licenses and permits	313,003	319,890	(6,887)	(2.2)
Intergovernmental	2,712,642	3,984,037	(1,271,395)	(31.9)
Charge for services	912,188	946,877	(34,689)	(3.7)
Fines and forfeits	263,803	331,931	(68,128)	(20.5)
Recreational fees	248,347	253,775	(5,428)	(2.1)
Interest	607,584	538,683	68,901	12.8
Miscellaneous	72,866	148,118	(75,252)	(50.8)
Total	<u>\$ 13,893,654</u>	<u>15,155,285</u>	<u>(1,261,631)</u>	<u>(8.3)</u>

The City's revenue declined by \$ 1,261,631 in 1999. This was the result of a significant reduction in grant revenue. Most of the City's major storm drainage and street improvement projects are complete so grants from the County will continue to decline.

Tax revenue includes funds received from ad valorem property taxes, sales taxes, and franchise fees. In total, revenue from tax sources increased by 1.5%. The large portion of the increase was attributable to sales tax and property taxes. These increases reflect a strong economy, which increased retail sales and property values in the City and County.

Charge for services includes revenue from a contract with a neighboring city to provide police services. Another source of this revenue is solid waste collection, composting, and recycling provided to most residents on a contract basis. Revenue decreased in 1999 by \$34,689. Increased interest earnings in the solid waste collection account in prior years made it possible to reduce fees in 1999.

Revenue from fines and forfeits decreased by 20.5%. The entire metropolitan area has a shortage of commissioned police officers. This City has a shortage of police personnel, which resulted in a decline in revenue from traffic citations.

Recreational fees include membership, lesson, and gate fees for the swimming pool and tennis complex. The City experienced a 2% decrease from this source because the pool closed earlier than normal. The City began construction of a \$4 million water park in August after the pool closed.

Interest earnings increased \$68,901 due to the higher interest rates.

During recent years, the City increased dependence on the property tax. Ninety percent of the City's expenditures are inflation responsive, while in the recent past less than one-third of the City's revenues were inflation responsive. This created an imbalance which could only lead to further dependence on property owners in the future. This situation was one of the major forces which motivated the governing body to engage in strategic planning. One result of the original Strategic Plan in 1991 was improved communication and encouragement of the business community. Another effort resulting from the 1991 Strategic Plan was increased attention and investment in streets, parks, and other amenities in the City. These changes created reinvestment by the business community which increased sales and property tax revenue. The County's strong economy is the third factor which has increased the City's inflation responsive revenue sources to more than one-third of the total. The Council anticipates further improvements as a result of the 1999 strategic planning process.

The following schedule represents a summary of General, Special Revenue, Debt Service, and Capital Projects Fund expenditures for the year ended December 31, 1999, and the percentage of increases and decreases in relation to prior year amounts:

<u>Expenditures</u>	<u>1999</u>	<u>1998</u>	<u>Increase (Decrease) From 1998</u>	<u>Percentage Increase (Decrease)</u>
Current:				
Urban management and planning	\$ 1,929,823	1,770,380	159,443	9.0 %
Public works and environmental improvements	2,649,379	2,143,721	505,658	23.6
Public safety	3,437,676	3,075,701	361,975	11.8
Municipal justice	187,706	155,018	32,688	21.1
Leisure, recreation, and education	741,997	691,017	50,980	7.4
Capital	5,174,062	5,719,089	(545,027)	(9.5)
Debt service:				
Principal	205,000	350,000	(145,000)	(41.4)
Interest and fiscal charges	234,332	209,098	25,234	12.1
Bond issue costs	36,781	—	36,781	
Total	<u>\$ 14,596,756</u>	<u>14,114,024</u>	<u>482,732</u>	<u>3.4</u>

The governing body has a policy of limiting operating cost increases to the same as the annual Consumer Price Index for the area. This was not possible in 1999 because of costs related to changes necessary to meet Y2K requirements. Additionally, salary adjustments were made for police officers and other employees to maintain salary levels comparable to other cities in the region.

Urban management and planning include the cost of general administrative service in addition to solid waste collection, recycling, and composting for 8,300 households in the City. Total expenditures for this program were 9.0% more than 1998 expenditures. The remaining increase was mainly for salary adjustments, consulting for the strategic planning process, and costs related to Y2K upgrades.

Public works and environmental improvement costs showed a 23.6% increase. The increase in Public works was caused by salary adjustments, cost related to prevent Y2K problems, and increased service levels. Elected officials approved significant increases in tree trimming and replacement for 1999.

Public safety costs increased approximately 11.8%. A majority of the cost for this service is personnel salary. Increases to ensure a competitive compensation package caused the increase. Another significant increase was upgrading the radio system to bring it into compliance for Y2K.

Municipal justice costs increases 21% for salary increases and computer upgrades.

Leisure, recreation, and education costs increased 7.4%. A major park improvement project created the increase.

Capital outlay relates to major maintenance of the infrastructure: streets, sidewalks, storm drainage systems, and intersection improvements. In the years 1991 and 1992, there were significant decreases of expenditures in this line item. As a result of a 1993 Strategic Plan, an increased commitment by the governing body to capital improvements was instituted as evidenced by the increased expenditures since that time. The investment in capital projects in 1999 was 10% less than the previous year, because of a decline in grant revenue of more than \$1 million. A bond issue paid off in 1998 reduced debt service costs.

General Fund Balance

The fund balance of the General Fund decreased by approximately \$1.3 million dollars in 1999. The governing body planned this reduction because the balance in previous years has been in excess of the amount required by Council Policy. The money was used to partially finance a major swimming pool renovation project.

Capital Projects Fund Balance

Revenue is transferred from other funds to the Capital Projects Fund to finance specific infrastructure improvement projects. The City's aggressive construction plans resulted in capital outlay of more than \$5 million in 1999. The major swimming pool improvement project started this year will be completed in 2000.

Fiduciary Funds

Operations of the Revised Prairie Village Police Pension Plan and the Supplementary Retirement Plan remained relatively stable in 1999. The annual actuarial valuation continues to reflect a positive trend in the City's funding of the plans.

Debt Administration

The City's policy is to use debt sparingly and only for major construction projects. Elected officials structure debt only for the useful life of the project. City affairs are managed to ensure continued bond rating of Aa1 or better.

On December 31, 1999, the City had three debt issues outstanding. The General Obligation Park Improvement Bonds, Series 1989 in the original amount of \$1,800,000 were the subject of a crossover refunding in early January 1994. Original bonds were called in 1999. In January 1999, Police Facility Bonds were the subject of a crossover refunding. Under current State Statutes, the City's general obligation bonded debt issuances are subject to a legal limitation based on 30% of total assessed valuation. As of December 31, 1999, the City's net general obligation bonded debt level was well below the legal limit of approximately \$64 million. Total net bonded debt per capita at year-end was \$133.54.

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 \$607,584 on investment of temporarily idle funds in 1999.

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 portfolio allocations 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 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 general purpose financial statements 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, 1998. This was the thirteenth 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 generally accepted accounting principles 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.

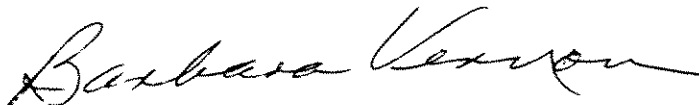
In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget for the fiscal year beginning January 1, 1999. This is the eleventh year the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation 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 Accounting 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,



Barbara Vernon
City Administrator

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, 1998

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.

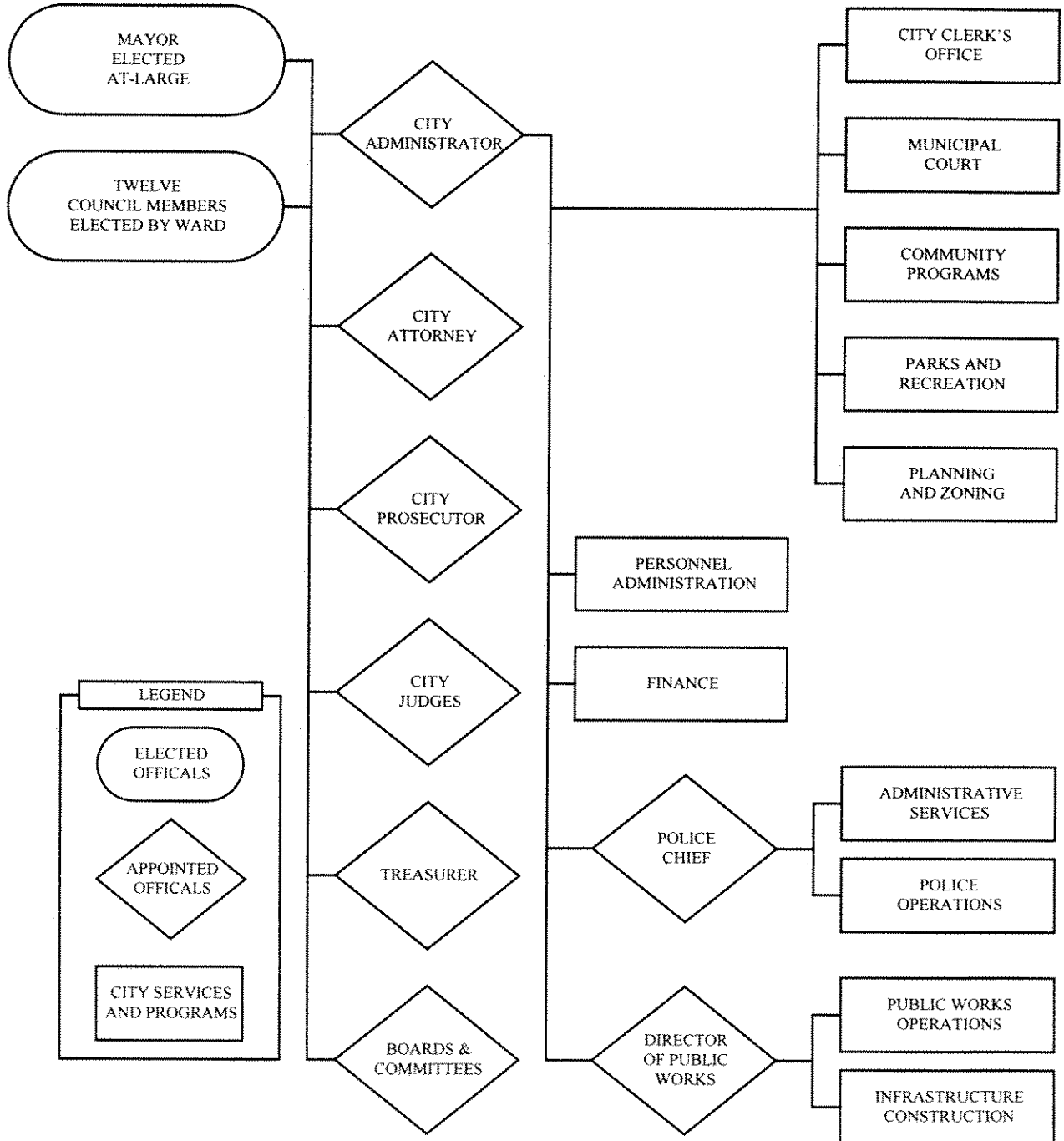


Cary Brueck
President

Jeffrey L. Esler
Executive Director

CITY OF PRAIRIE VILLAGE, KANSAS

Organizational Chart



CITY OF PRAIRIE VILLAGE, KANSAS

Municipal Officials

December 31, 1999

MAYOR

Ronald L. Shaffer

CITY COUNCIL

Ruth Hopkins – Council President
Ronald L. Shaffer
Terry Frederick
Bill Griffith
Edward Stevens
Diana Ewy-Lamberson

Laura Wassmer
John Kemp
Nancy Vennard
Steve Carman
Steve Noll
Nancy Wallerstein

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
Kansas City, MO 64106

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, 1999, 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 generally accepted auditing standards 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, 1999 and the results of its operations and changes in plan net assets for the year then ended, in conformity with generally accepted accounting principles.

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 24, 2000



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, 1999
(With Comparative Totals for 1998)

Assets and Other Debits	Governmental Fund Types				Fiduciary	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Projects	Pension Trust Funds	General Fixed Assets	General Long-term Debt	(Memorandum Only)	
								1999	1998
Pooled cash and investments (note 3)	\$ 5,004,973	319,635	43,622	4,055,853	—	—	—	9,424,083	9,324,172
Receivables:									
Taxes (note 4)	2,841,412	42,619	469,630	—	—	—	—	3,353,661	3,343,026
Interest	72,966	12,509	4,340	—	—	—	—	89,815	88,848
Other	101,548	—	—	—	—	—	—	101,548	123,791
Due from other governments (note 5)	1,693,935	209,226	—	—	—	—	—	1,903,161	1,522,656
Due from other funds	16,991	—	—	—	—	—	—	16,991	—
Restricted assets (note 3):									
Cash	9,387	—	—	—	—	—	—	9,387	7,987
Investments	—	—	1,621,859	—	8,897,354	—	—	10,519,213	7,913,536
General fixed assets (note 6)	—	—	—	—	—	16,386,489	—	16,386,489	14,494,808
Amount available in Debt Service Fund	—	—	—	—	—	—	1,669,821	1,669,821	52,523
Amount to be provided for retirement of general long-term debt	—	—	—	—	—	—	3,134,493	3,134,493	3,296,835
Total assets and other debits	\$ 9,741,212	583,989	2,139,451	4,055,853	8,897,354	16,386,489	4,804,314	46,608,662	40,168,182
Liabilities, Equity, and Other Credits									
Liabilities:									
Accounts payable and other liabilities	\$ 442,956	97,803	—	1,006,269	—	—	—	1,547,028	1,119,417
Compensated absences (note 7)	309,209	—	—	—	—	—	14,314	323,523	113,845
Due to other funds	—	16,991	—	—	—	—	—	16,991	—
Liabilities payable from restricted assets:									
Municipal Court bonds	9,387	—	—	—	—	—	—	9,387	7,987
General obligation bonds payable (note 7)	—	—	—	—	—	—	4,790,000	4,790,000	3,335,000
Deferred revenue	4,308,725	42,619	469,630	—	—	—	—	4,820,974	4,328,357
Total liabilities	5,070,277	157,413	469,630	1,006,269	—	—	4,804,314	11,507,903	8,904,606
Equity and other credits:									
Investments in general fixed assets	—	—	—	—	—	16,386,489	—	16,386,489	14,494,808
Fund balances:									
Reserved for encumbrances	248,305	—	—	4,768,372	—	—	—	5,016,677	713,776
Reserved for pension benefits (note 10)	—	—	—	—	8,897,354	—	—	8,897,354	7,913,536
Reserved for debt service	—	—	1,669,821	—	—	—	—	1,669,821	52,523
Unreserved:									
Designated for contingencies (note 10(b))	686,665	—	—	—	—	—	—	686,665	768,455
Undesignated	3,735,965	426,576	—	(1,718,788)	—	—	—	2,443,753	7,320,478
Total equity and other credits	4,670,935	426,576	1,669,821	3,049,584	8,897,354	16,386,489	—	35,100,759	31,263,576
Commitments and contingencies (notes 9 and 10)	—	—	—	—	—	—	—	—	—
Total liabilities, equity, and other credits	\$ 9,741,212	583,989	2,139,451	4,055,853	8,897,354	16,386,489	4,804,314	46,608,662	40,168,182

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, 1999
(With Comparative Totals for 1998)

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	1999	1998
Revenues:						
Taxes (note 4)	\$ 7,732,283	764,018	266,920	—	8,763,221	8,631,974
Licenses and permits	313,003	—	—	—	313,003	319,890
Intergovernmental (note 5)	1,776,864	844,305	91,473	—	2,712,642	3,984,037
Charges for services	117,271	794,917	—	—	912,188	946,877
Fines and forfeits	263,803	—	—	—	263,803	331,931
Recreational fees	248,347	—	—	—	248,347	253,775
Investment income	465,440	74,443	67,701	—	607,584	538,683
Miscellaneous	70,335	—	2,531	—	72,866	148,118
Total revenues	10,987,346	2,477,683	428,625	—	13,893,654	15,155,285
Expenditures:						
Current operating:						
Urban management and planning	943,573	986,250	—	—	1,929,823	1,770,380
Public works and environ- mental improvements	2,406,807	242,572	—	—	2,649,379	2,143,721
Public safety	2,974,808	462,868	—	—	3,437,676	3,075,701
Municipal justice	160,149	27,557	—	—	187,706	155,018
Leisure, recreation, and education	661,528	80,469	—	—	741,997	691,017
Capital outlay	—	—	—	5,174,062	5,174,062	5,719,089
Debt service:						
Principal retirement (note 7)	—	—	205,000	—	205,000	350,000
Interest	—	—	234,332	—	234,332	209,098
Bond issue costs (note 7)	—	—	36,781	—	36,781	—
Total expenditures	7,146,865	1,799,716	476,113	5,174,062	14,596,756	14,114,024
Excess (deficiency) of revenues over (under) expenditures	3,840,481	677,967	(47,488)	(5,174,062)	(703,102)	1,041,261
Other financing sources (uses):						
Operating transfers in (note 8)	31,770	—	—	7,621,000	7,652,770	5,990,044
Operating transfers out (note 8)	(5,228,000)	(903,000)	—	(1,521,770)	(7,652,770)	(5,990,044)
Proceeds of refunding bonds (note 7)	—	—	1,664,786	—	1,664,786	—
Total other financing sources (uses)	(5,196,230)	(903,000)	1,664,786	6,099,230	1,664,786	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,355,749)	(225,033)	1,617,298	925,168	961,684	1,041,261
Fund balances beginning of year	6,026,684	651,609	52,523	2,124,416	8,855,232	7,813,971
Fund balances end of year	\$ 4,670,935	426,576	1,669,821	3,049,584	9,816,916	8,855,232

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, Special Revenue, and Debt Service Fund Types

Year Ended December 31, 1999

	General Fund		Special Revenue Funds		Debt Service Fund	
	Revised Budget	Actual	Revised Budget	Actual	Revised Budget	Actual
Revenues:						
Taxes	\$ 7,448,800	7,732,283	749,200	763,155	268,600	266,920
Licenses and permits	498,500	313,003	---	---	---	---
Intergovernmental	1,314,460	1,776,864	788,600	844,305	90,040	91,473
Charges for services	92,500	117,271	800,500	794,917	---	---
Fines and forfeits	106,000	263,803	---	---	---	---
Recreational fees	235,000	248,347	---	---	---	---
Investment income	404,000	465,440	35,000	74,443	11,000	67,701
Miscellaneous	44,500	70,335	---	---	---	2,531
Total revenues	<u>10,143,760</u>	<u>10,987,346</u>	<u>2,373,300</u>	<u>2,476,820</u>	<u>369,640</u>	<u>428,625</u>
Expenditures:						
Current operating:						
Urban management and planning	998,024	928,218	1,010,300	969,259	---	---
Public works and environmental improvements	2,438,975	2,282,778	234,000	242,572	---	---
Public safety	3,064,300	2,932,588	497,300	462,868	---	---
Municipal justice	171,800	157,693	28,100	27,557	---	---
Leisure, recreation, and education	840,088	715,946	85,800	80,469	---	---
Debt service:						
Principal retirement	---	---	---	---	205,000	205,000
Interest	---	---	---	---	192,100	234,332
Bond issue costs	---	---	---	---	---	36,781
Total expenditures	<u>7,513,187</u>	<u>7,017,223</u>	<u>1,855,500</u>	<u>1,782,725</u>	<u>397,100</u>	<u>476,113</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,630,573</u>	<u>3,970,123</u>	<u>517,800</u>	<u>694,095</u>	<u>(27,460)</u>	<u>(47,488)</u>
Other financing sources (uses):						
Operating transfers in	31,770	31,770	---	---	---	---
Operating transfers out	(5,522,764)	(5,228,000)	(953,000)	(903,000)	---	---
Proceeds of refunding bonds	---	---	---	---	---	1,664,786
Total other financing sources (uses)	<u>(5,490,994)</u>	<u>(5,196,230)</u>	<u>(953,000)</u>	<u>(903,000)</u>	<u>---</u>	<u>1,664,786</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses -- budgetary basis	<u>\$ (2,860,421)</u>	<u>(1,226,107)</u>	<u>(435,200)</u>	<u>(208,905)</u>	<u>(27,460)</u>	<u>1,617,298</u>
Effect of current year encumbrances		248,305		---		---
Effect of prior year encumbrances		<u>(377,947)</u>		---		---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses		<u>(1,355,749)</u>		<u>(208,905)</u>		<u>1,617,298</u>
Fund balances beginning of year (GAAP basis)		6,026,684		651,609		52,523
Fund balances of unbudgeted fund		---		<u>(16,128)</u>		---
Fund balances end of year (GAAP basis)		<u>\$ 4,670,935</u>		<u>426,576</u>		<u>1,669,821</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 Funds

Year Ended December 31, 1999
(With Comparative Totals for 1998)

	Supple- mentary Retirement Fund	Revised Prairie Village Police Pension Fund	Totals (Memorandum Only)	
			1999	1998
Additions:				
Contributions	\$ 79,651	14,970	94,621	90,955
Interest and dividends	45,042	250,978	296,020	331,828
Net appreciation in fair value of investments	123,199	755,119	878,318	809,717
Total additions	247,892	1,021,067	1,268,959	1,232,500
Deductions:				
Benefit payments	51,974	232,799	284,773	393,884
Other	—	368	368	360
Total deductions	51,974	233,167	285,141	394,244
Excess of additions over deductions	195,918	787,900	983,818	838,256
Plan net assets held in trust for pension benefits:				
Beginning of year	1,240,063	6,673,473	7,913,536	7,075,280
End of year	\$ 1,435,981	7,461,373	8,897,354	7,913,536

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, 1999

(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 23,500 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 generally accepted accounting principles (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 Funds), the acquisition or construction of general fixed assets (Capital Projects Funds), and the servicing of general long-term debt (Debt Service Funds). 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, 1999

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 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 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, and intergovernmental revenue. 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, 1999

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 \$14,314 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 expenses 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, 1999

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. 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.

K. 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.

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

This report does not incorporate GASB Statements Nos. 33 and 34, *Recipient Reporting for Certain Shared Nonexchange Revenues* 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, 1999

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, 1999

(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 Funds 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, 1999, the carrying amount of the City's deposits, including certificates of deposit, was \$6,429,858. The bank balance was \$6,998,436. Of the bank balance, \$200,000 was covered by federal depository insurance and \$6,798,436 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 \$13,521,925 summarized as follows:

U. S. treasury bills and notes	\$ 3,621,157
Kansas State Municipal Investment Pool	1,003,414
Pension Trust Funds:	
Pooled investments	4,735,039
U. S. government agencies	2,075,458
Small Business Administration obligations	558,183
U. S. treasury notes	524,553
Nongovernment obligations	502,468
Money Market Fund	501,653
	<u>8,897,354</u>
	<u>\$ 13,521,925</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 (\$3,621,157) or held with the Kansas State Municipal Investment Pool (\$1,003,414). 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. 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, 1999

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	\$ 6,429,858
Total investments	13,521,925
Petty cash	<u>900</u>
	<u>\$ 19,952,683</u>
General purpose financial statement classifications:	
Pooled cash and investments	\$ 9,424,083
Restricted assets:	
Cash	9,387
Investments	<u>10,519,213</u>
	<u>\$ 19,952,683</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	\$ 2,029,255	764,018	266,920
City sales tax	4,078,586	—	—
Local consumers' use tax	335,433	—	—
Franchise tax	<u>1,289,009</u>	<u>—</u>	<u>—</u>
	<u>\$ 7,732,283</u>	<u>764,018</u>	<u>266,920</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, 1999 on which the 1999 levy was based was \$211,772,968.

The City's property tax levy per \$1,000 assessed valuation for the year ended December 31, 1999 was \$13.827 (General Fund, \$11.889 and Debt Service Fund, \$1.938).

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, 1999

Taxes receivable represent property taxes levied on November 1, 1999 for 2000 which have been recorded as deferred revenue and franchise taxes which have been recorded as revenues.

The City has 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. 1998 was established as the base year for the TIF. Included in the City's 1999 assessed valuation is \$1,076,693 representing the incremental increase in property value since 1998. Tax revenue available to the TIF for the year ended December 31, 1999 was \$863 and were 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>
Federal – COPS Fast Grant	\$ 15,000	—	—
State:			
Revenue sharing	202,519	—	—
Highway maintenance gasoline tax	—	712,140	—
Special liquor tax	24,198	48,398	—
Bingo tax	693	—	—
	<u>227,410</u>	<u>760,538</u>	<u>—</u>
County:			
Stormwater Management Advisory Council	418,265	—	—
County Assisted Road System	143,742	—	—
Motor vehicle tax	432,427	83,553	91,240
Recreational vehicle tax	1,098	214	233
	<u>995,532</u>	<u>83,767</u>	<u>91,473</u>
Local:			
Mission Hills	538,922	—	—
	<u>538,922</u>	<u>—</u>	<u>—</u>
Total	\$ <u>1,776,864</u>	<u>844,305</u>	<u>91,473</u>

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 1999

Intergovernmental receivables at year-end consisted of the following:

	<u>General</u>	<u>Special Revenue</u>
State:		
Highway maintenance gasoline tax	\$ —	209,226
County:		
Stormwater Management Advisory Council	1,643,546	—
Local:		
Mission Hills	<u>50,389</u>	<u>—</u>
	<u>\$ 1,693,935</u>	<u>209,226</u>

(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	6,293,735	13,648	—	6,307,383
Improvements other than building	3,504,766	196,629	—	3,701,395
Furniture and equipment	2,979,752	627,184	373,250	3,233,686
Construction in process	<u>—</u>	<u>1,427,470</u>	<u>—</u>	<u>1,427,470</u>
	<u>\$ 14,494,808</u>	<u>2,264,931</u>	<u>373,250</u>	<u>16,386,489</u>

(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	\$ 3,335,000	14,358	3,349,358
Additions	1,660,000	—	1,660,000
Reductions	<u>(205,000)</u>	<u>(44)</u>	<u>(205,044)</u>
Balance end of year	<u>\$ 4,790,000</u>	<u>14,314</u>	<u>4,804,314</u>

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 1999

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	4.6% – 6.6%	7/1/94	\$ 2,600,000	9/1/01	\$ 1,890,000
Park refunding bonds	3.9% – 5.0%	1/1/94	1,240,000	9/1/09	1,240,000
Police facility refunding	3.7% – 4.0%	1/4/99	1,660,000	9/1/10	1,660,000
					<u>\$ 4,790,000</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>
2000	\$ 240,000	153,531	393,531
2001	1,875,000	143,283	2,018,283
2002	285,000	110,008	395,008
2003	295,000	99,148	394,148
2004	310,000	87,608	397,608
Thereafter	<u>1,785,000</u>	<u>241,330</u>	<u>2,026,330</u>
	<u>\$ 4,790,000</u>	<u>834,908</u>	<u>5,624,908</u>

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 its total debt service payment over the next fifteen years by \$212,915 and to obtain an economic gain of \$90,840.

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 \$3,436,000, J. C. Nichols 85 for \$4,500,000, and Claridge Court 93 for \$9,545,000.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 1999

The City has entered into an operating lease agreement for a public works storage facility. Rental expense for this facility in 1999 was \$13,200. Future minimum rental payments for each of the next four years are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2000	\$ 14,976
2001	15,576
2002	16,200
2003	<u>16,848</u>
Total	<u><u>63,600</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>5,228,000</u>	<u>31,770</u>
Special Revenue:		
Special City Street and Highway	850,000	—
Special Parks and Recreation	<u>53,000</u>	—
	<u>903,000</u>	—
Capital Projects	<u>1,521,770</u>	<u>7,621,000</u>
Total	\$ <u><u>7,652,770</u></u>	<u><u>7,652,770</u></u>

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 1999

(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 1999 activity:

	Project Authori- zation	Total Expendi- tures to Date
Park improvements	\$ 121,100	116,444
Pool improvements	1,884,000	1,807,382
Drainage projects – storm drainage	2,401,000	938,408
Street projects – street resurfacing and maintenance	3,195,100	2,290,382
Other projects – sidewalk, ramps, bridges, and miscellaneous	104,080	21,513
Total	\$ 7,705,280	5,174,129

(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 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. The Kansas Public Employees Retirement System is administered by the State of Kansas. Each plan is described below.

Kansas Public Employees Retirement System

Plan description. The City participates in the Kansas Public Employees Retirement System (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, 1999

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 1999 is 2.93%. The City contributions to KPERS for the years ending December 31, 1999, 1998, and 1997 were \$55,148, \$41,260, and \$33,887, 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 1999. 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 1999 was approximately \$3,410,000. The City's contributions to this defined contribution plan were based on covered payroll of approximately \$1,653,000. The City made the required 5% contribution, up to a maximum contribution of \$2,500 per employee, which amounted to \$79,651.

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 1999

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. On January 1, 1998, the City adopted the provisions of the *Government Accounting Standards*. 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, 1999, there were thirty-four active participants (six fully vested, eighteen partially vested, and ten nonvested), fourteen vested terminees (not currently receiving benefits), and eighteen retirees (currently receiving benefits). The City's total payroll for the years ended December 31, 1999 and 1998 was approximately \$3,410,000 and \$3,621,000, respectively, of which approximately \$1,432,000 and \$1,330,000, 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 1999.

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)
1994	\$ 40,750	100 %	\$ —
1995	40,794	100	—
1996	24,500	100	—
1997	3,820	100	—
1998	—	—	—
1999	—	—	—

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 1999

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, 1999, the City had \$686,665 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.

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Claims and Estimated Changes</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-end</u>
1999	\$ —	—	—	—
1998	—	—	—	—

CITY OF PRAIRIE VILLAGE, KANSAS

Notes to General Purpose Financial Statements

Year Ended December 31, 1999

(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) Fund Deficits and Expenditures Over Appropriations

(a) Fund Deficits

The TIF Project Fund (Special Revenue Fund) has a deficit fund balance of \$16,128 due to expenditures exceeding tax revenue. This deficit will be covered by future tax receipts from the TIF district.

(b) Expenditures Over Appropriations

The Debt Service Fund had expenditures in excess of appropriations due to costs incurred related to the crossover refunding.

(13) Subsequent Event

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 range from 4.75% to 6.5% and the maturity date is September 1, 2014.

CITY OF PRAIRIE VILLAGE, KANSAS

Required Supplementary Information (Unaudited)

Schedule of Funding Progress – Revised Prairie Village Police Pension Plan

Year Ended December 31, 1999

<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>
1994	\$ 4,425,123	3,653,809	121 %	\$ 771,314	1,119,577	69 %
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	<u>6,279,460</u>	<u>4,408,884</u>	<u>142</u>	<u>1,870,576</u>	<u>1,431,900</u>	<u>131</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, 1999
(With Comparative Actual Amounts for 1998)

	1999		1998
	Budget	Actual	Actual
Urban management and planning:			
Salaries	\$ 378,700	378,534	335,493
Services	463,910	419,563	387,900
Supplies	77,266	71,489	60,966
Capital outlay	78,148	58,632	45,007
	<u>998,024</u>	<u>928,218</u>	<u>829,366</u>
Public works and environmental improvements:			
Salaries	810,500	824,270	755,571
Services	1,152,475	1,070,663	1,061,030
Supplies	136,000	107,820	86,222
Capital outlay	340,000	280,025	200,117
	<u>2,438,975</u>	<u>2,282,778</u>	<u>2,102,940</u>
Public safety:			
Salaries	2,155,200	2,206,404	2,071,716
Services	552,100	416,726	505,062
Supplies	164,000	146,219	120,664
Capital outlay	193,000	163,239	200,117
	<u>3,064,300</u>	<u>2,932,588</u>	<u>2,897,559</u>
Municipal justice:			
Salaries	126,400	126,293	108,491
Service	41,300	28,884	20,006
Supplies	2,900	2,516	2,476
Capital outlay	1,200	—	—
	<u>171,800</u>	<u>157,693</u>	<u>130,973</u>
Leisure, recreation, and education:			
Salaries	368,100	304,644	299,655
Services	225,738	204,806	208,575
Supplies	92,980	74,055	73,279
Capital outlay	153,270	132,441	62,221
	<u>840,088</u>	<u>715,946</u>	<u>643,730</u>
Total expenditures before other financing uses	7,513,187	7,017,223	6,604,568
Other financing uses – operating transfers out – Capital Projects Funds	<u>5,522,764</u>	<u>5,228,000</u>	<u>4,817,744</u>
Total expenditures and other financing uses	<u>\$ 13,035,951</u>	<u>12,245,223</u>	<u>11,422,312</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.

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, 1999
(With Comparative Totals for 1998)

Assets	Solid Waste Management	Employee Benefits	Special City Street and Highway	Special Alcohol Program	Special Park and Recreation	TIF Project	Totals	
							1999	1998
Pooled cash and investments	\$ 197,958	102,687	12,547	2,938	2,642	863	319,635	802,155
Receivables:								
Property taxes	—	42,619	—	—	—	—	42,619	644,686
Interest	12,509	—	—	—	—	—	12,509	10,656
Due from other governments	—	—	209,226	—	—	—	209,226	189,921
Total assets	\$ <u>210,467</u>	<u>145,306</u>	<u>221,773</u>	<u>2,938</u>	<u>2,642</u>	<u>863</u>	<u>583,989</u>	<u>1,647,418</u>
Liabilities and Fund Balance								
Liabilities:								
Accounts payable	\$ 71,339	26,464	—	—	—	—	97,803	351,123
Due to other funds	—	—	—	—	—	16,991	16,991	—
Deferred revenue	—	42,619	—	—	—	—	42,619	644,686
Total liabilities	71,339	69,083	—	—	—	16,991	157,413	995,809
Fund balance -- unreserved	<u>139,128</u>	<u>76,223</u>	<u>221,773</u>	<u>2,938</u>	<u>2,642</u>	<u>(16,128)</u>	<u>426,576</u>	<u>651,609</u>
Total liabilities and fund balance	\$ <u>210,467</u>	<u>145,306</u>	<u>221,773</u>	<u>2,938</u>	<u>2,642</u>	<u>863</u>	<u>583,989</u>	<u>1,647,418</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances – Special Revenue FundsYear Ended December 31, 1999
(With Comparative Totals for 1998)

	Solid Waste Management	Employee Benefits	Special City Street and Highway	Special Alcohol Program	Special Park and Recreation	TIF Project	Totals	
							1999	1998
Revenues:								
Property taxes	\$ —	763,155	—	—	—	863	764,018	547,623
Licenses and permits	—	—	—	—	—	—	—	2,748
Intergovernmental	—	83,767	712,140	24,199	24,199	—	844,305	787,637
Charges for services	794,917	—	—	—	—	—	794,917	839,773
Investment income	74,443	—	—	—	—	—	74,443	65,488
Total revenues	<u>869,360</u>	<u>846,922</u>	<u>712,140</u>	<u>24,199</u>	<u>24,199</u>	<u>863</u>	<u>2,477,683</u>	<u>2,243,269</u>
Expenditures:								
Urban management and planning	872,633	96,626	—	—	—	16,991	986,250	943,841
Public works and environmental improvements	—	242,572	—	—	—	—	242,572	186,046
Public safety	—	462,868	—	—	—	—	462,868	286,095
Municipal justice	—	27,557	—	—	—	—	27,557	24,720
Leisure, recreation, and education	—	54,560	—	25,909	—	—	80,469	55,519
Total expenditures	<u>872,633</u>	<u>884,183</u>	<u>—</u>	<u>25,909</u>	<u>—</u>	<u>16,991</u>	<u>1,799,716</u>	<u>1,496,221</u>
Excess (deficiency) of revenues over (under) expenditures	(3,273)	(37,261)	712,140	(1,710)	24,199	(16,128)	677,967	747,048
Other financing uses – operating transfers out	—	—	850,000	—	53,000	—	903,000	718,000
Excess (deficiency) of revenues over (under) expenditures and other financing uses	(3,273)	(37,261)	(137,860)	(1,710)	(28,801)	(16,128)	(225,033)	29,048
Fund balances beginning of year	<u>142,401</u>	<u>113,484</u>	<u>359,633</u>	<u>4,648</u>	<u>31,443</u>	<u>—</u>	<u>651,609</u>	<u>622,561</u>
Fund balances end of year	<u>\$ 139,128</u>	<u>76,223</u>	<u>221,773</u>	<u>2,938</u>	<u>2,642</u>	<u>(16,128)</u>	<u>426,576</u>	<u>651,609</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, 1999
(With Comparative Actual Amounts for 1998)

	<u>1999</u>		<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Licenses and permits	\$ —	—	2,748
Charges for services	800,500	794,917	839,773
Investment income	<u>35,000</u>	<u>74,443</u>	<u>65,488</u>
Total revenues	835,500	869,360	908,009
Expenditures – urban management and planning	<u>911,500</u>	<u>872,633</u>	<u>860,673</u>
Excess (deficiency) of revenues over (under) expenditures – budgetary basis	\$ <u>(76,000)</u>	(3,273)	47,336
Effect of prior year encumbrances		<u>—</u>	<u>(1,320)</u>
Excess (deficiency) of revenues over (under) expenditures		(3,273)	46,016
Fund balance beginning of year (GAAP basis)		<u>142,401</u>	<u>96,385</u>
Fund balance end of year (GAAP basis)		<u>\$ 139,128</u>	<u>142,401</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, 1999
 (With Comparative Actual Amounts for 1998)

	1999		1998
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Property taxes	\$ 749,200	763,155	547,623
Intergovernmental	<u>87,200</u>	<u>83,767</u>	<u>57,801</u>
Total revenues	<u>836,400</u>	<u>846,922</u>	<u>605,424</u>
Expenditures:			
Urban management and planning	98,800	96,626	81,848
Public works and environmental impairments	234,000	242,572	186,046
Public safety	497,300	462,868	286,095
Municipal justice	28,100	27,557	24,720
Leisure, recreation, and education	<u>59,800</u>	<u>54,560</u>	<u>30,519</u>
Total expenditures	<u>918,000</u>	<u>884,183</u>	<u>609,228</u>
Deficiency of revenues under expenditures	\$ <u>(81,600)</u>	(37,261)	(3,804)
Fund balance beginning of year (GAAP basis)		<u>113,484</u>	<u>117,288</u>
Fund balance end of year (GAAP basis)		\$ <u>76,223</u>	<u>113,484</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, 1999
 (With Comparative Actual Amounts for 1998)

	1999		1998
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues – intergovernmental	\$ 650,000	712,140	677,794
Other financing uses – operating transfer out	<u>900,000</u>	<u>850,000</u>	<u>693,000</u>
Deficiency of revenues under other financing uses	\$ <u>(250,000)</u>	(137,860)	(15,206)
Fund balance beginning of year (GAAP basis)		<u>359,633</u>	<u>374,839</u>
Fund balance end of year (GAAP basis)		\$ <u>221,773</u>	<u>359,633</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, 1999
 (With Comparative Actual Amounts for 1998)

	<u>1999</u>		<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues – intergovernmental	\$ 25,700	24,199	26,021
Expenditures – leisure, recreation, and education	<u>26,000</u>	<u>25,909</u>	<u>25,000</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>(300)</u>	(1,710)	1,021
Fund balance beginning of year (GAAP basis)		<u>4,648</u>	<u>3,627</u>
Fund balance end of year (GAAP basis)		\$ <u>2,938</u>	<u>4,648</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, 1999
(With Comparative Actual Amounts for 1998)

	<u>1999</u>		<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues – intergovernmental	\$ 25,700	24,199	26,021
Other financing uses – operating transfers out	<u>53,000</u>	<u>53,000</u>	<u>25,000</u>
Excess (deficiency) of revenues over (under) other financing uses	\$ <u>(27,300)</u>	(28,801)	1,021
Fund balance beginning of year (GAAP basis)		<u>31,443</u>	<u>30,422</u>
Fund balance end of year (GAAP basis)		\$ <u>2,642</u>	<u>31,443</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, 1999
 (With Comparative Amounts for 1998)

	<u>1999</u>	<u>1998</u>
General fixed assets:		
Land	\$ 1,716,555	1,716,555
Building	6,307,383	6,293,735
Improvements other than building	3,701,395	3,504,766
Furniture and equipment	3,233,686	2,979,752
Construction in process	1,427,470	—
Total general fixed assets	<u>\$ 16,386,489</u>	<u>14,494,808</u>
Investment in general fixed assets from:		
General Fund	\$ 5,855,606	5,528,774
Solid waste management	8,787	8,787
Special Revenue Funds:		
Federal and state grants	627,713	627,713
Other	136,030	136,030
Special machinery and bridges	66,517	66,517
Park acquisition	633,747	633,747
Capital Projects Funds	8,996,690	7,431,841
Community Development Block Grant	61,399	61,399
Total investment in general fixed assets	<u>\$ 16,386,489</u>	<u>14,494,808</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Schedule of General Fixed Assets – By Function

December 31, 1999

	<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	\$ 1,974,698	13,500	1,203,680	415,751	341,767	—
Public works and environ- mental improvement	4,276,795	1,004,472	851,524	868,510	1,552,289	—
Public safety	3,925,155	—	2,623,832	18,336	1,282,987	—
Municipal justice	22,545	—	—	—	22,545	—
Leisure, recreation, and education	<u>6,187,296</u>	<u>698,583</u>	<u>1,628,347</u>	<u>2,398,798</u>	<u>34,098</u>	<u>1,427,470</u>
Total general fixed assets	<u>\$ 16,386,489</u>	<u>1,716,555</u>	<u>6,307,383</u>	<u>3,701,395</u>	<u>3,233,686</u>	<u>1,427,470</u>

See accompanying independent auditors' report.

CITY OF PRAIRIE VILLAGE, KANSAS

Schedule of Changes in General Fixed Assets – By Function

Year Ended December 31, 1999

	<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	\$ 1,987,543	65,133	(77,978)	1,974,698
Public works and environmental improvement	4,066,603	382,327	(172,135)	4,276,795
Public safety	3,824,017	203,758	(102,620)	3,925,155
Municipal justice	31,253	3,157	(11,865)	22,545
Leisure, recreation, and education	<u>4,585,392</u>	<u>1,610,556</u>	<u>(8,652)</u>	<u>6,187,296</u>
Total general fixed assets	<u>\$ 14,494,808</u>	<u>2,264,931</u>	<u>(373,250)</u>	<u>16,386,489</u>

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>
1990	\$ 1,319,831	1,931,821	2,421,410	104,783	433,150	3,149,379	431,225	9,791,599
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	<u>2,501,609</u>	<u>2,649,379</u>	<u>3,437,676</u>	<u>187,706</u>	<u>741,997</u>	<u>5,174,062</u>	<u>476,113</u>	<u>14,596,756</u>

(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

Fiscal Year Ended	Taxes	Licenses and Permits	Inter-governmental	Charges for Services	Fines and Forfeits	Recreational Fees	Interest	Miscellaneous	Total
1990	\$ 6,995,367	193,426	630,054	977,535	279,221	208,877	363,100	58,557	9,706,137
%	72.07	1.99	6.49	10.07	2.88	2.15	3.74	0.60	
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	

(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>
1990	\$ 2,137,618	2,452,085	1,024,158	527,920	819,493	34,093	6,995,367
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	<u>3,060,193</u>	<u>4,414,019</u>	<u>1,289,009</u>	<u>(2)</u>	<u>(2)</u>	<u>—</u>	<u>8,763,221</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>
1990	\$ 2,052,332	2,028,007	98.81 %	\$ 15,504	2,043,511	99.57 %	\$ 56,260	2.74 %
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	<u>2,932,216</u>	<u>2,872,644</u>	<u>97.97</u>	<u>26,529</u>	<u>2,899,173</u>	<u>98.87</u>	<u>386,166</u>	<u>13.17 (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	
1990	\$ 132,309,101	991,710,281	6,555,619	21,852,063	138,864,720	1,013,562,344	13.70 %
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	<u>200,122,603</u>	<u>1,444,363,130</u>	<u>11,650,365</u>	<u>37,617,358</u>	<u>211,772,968</u>	<u>1,481,980,488</u>	<u>14.29</u>

(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 (\$140,475,095, estimated at 83%) are assessed at 11.5% of actual value. Commercial land and improvements (\$28,772,008, estimated at 17%) are assessed at 25% of actual value.

(2) Assessed personal property (\$6,069,325) is assessed at 30% of actual value. State assessed utilities (\$4,055,673) 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>
1990	\$ 1.500	15.470	15.700	2.172	1.425	8.914	43.647	6.985	6.005	101.818
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	<u>1.500</u>	<u>16.112</u>	<u>13.827</u>	<u>3.137</u>	<u>1.451</u>	<u>7.184</u>	<u>41.246</u>	<u>6.868</u>	<u>5.166</u>	<u>96.491</u>

Table 6

CITY OF PRAIRIE VILLAGE, KANSAS

Principal Taxpayers

December 31, 1999

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>State Assessed Utilities</u>	<u>1999 Total Assessed Valuation</u>	<u>Percentage of Total Assessed Value</u>
Highwoods Realty Limited	Real Estate	\$ 15,949,065	—	—	15,949,065	7.53 %
J. C. Nichols Co.	Real Estate	3,575,958	—	—	3,575,958	1.69
Kansas City Power & Light	Utility	—	—	2,503,906	2,503,906	1.18
Wilmington Trust Company	Real Estate	2,454,700	—	—	2,454,700	1.16
Victor L. Regnier Trust	Real Estate	1,404,658	—	—	1,404,658	0.66
Marriott Senior Living	Adult Living Facility	1,076,693	—	—	1,076,693	—
Melody W. Sutherland	Commercial Property	1,000,951	—	—	1,000,951	0.47
Southwestern Bell Telephone	Utility	—	—	957,960	957,960	0.45
Homestead Country Club	Country Club	738,319	—	—	738,319	0.35
Meadowbrook Golf & Country	Country Club	547,567	—	—	547,567	0.26
Lockton Insurance Agency, Inc.	Insurance Agent	—	544,677	—	544,677	0.26
Mid-America Development	Retail	537,450	—	—	537,450	0.25
Total		<u>\$ 27,285,361</u>	<u>544,677</u>	<u>3,461,866</u>	<u>31,291,904</u>	<u>14.26 %</u>
Total assessed valuation		<u>\$ 200,122,603</u>	<u>7,633,631</u>	<u>4,016,734</u>	<u>211,772,968</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>
1990	23,137 (1)	\$ 138,864,000	3,025,000	117,087	2,907,913	2.094 %	\$ 125.68
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	<u>23,365 (4)</u>	<u>211,772,968</u>	<u>4,790,000</u>	<u>1,669,821</u>	<u>3,120,179</u>	<u>1.473</u>	<u>133.54</u>

- (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).

Table 8

CITY OF PRAIRIE VILLAGE, KANSAS

Computation of Direct and Overlapping Debt

December 31, 1999

<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)	\$ 3,120,179	<u>100.00 %</u>	\$ 3,120,179
Subtotal – Direct Debt	<u>3,120,179</u>		<u>3,120,179</u>
Johnson County (1)	178,310,000	4.48	7,988,288
Johnson County Park and Recreation (1)	8,025,000	4.48	359,520
U. S. D. #512 (1)	152,685,000	9.41	14,367,659
Johnson County Consolidated Fire #2 (1)	<u>2,455,000</u>	<u>39.89</u>	<u>979,300</u>
Subtotal – Overlapping Debt	<u>341,475,000</u>		<u>23,694,767</u>
Total	<u>\$ 344,595,179</u>		<u>26,814,946</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>
1990	\$ 245,000	186,225	431,225	9,791,599	4.40 %
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	<u>205,000</u>	<u>271,113</u>	<u>476,113</u>	<u>14,596,756</u>	<u>3.26</u>

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

Table 10

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>
1990	23,137 (3)	5,514	2.6% (5)
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	<u>23,365</u> (4)	<u>7,219</u>	<u>1.1%</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, 1999

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, 1998	\$ 183,137,667
Plus assessed value, motor vehicles, 1998	<u>34,366,384</u>
Total assessed value, 1998	217,504,051
Debt limitation percentage	<u>29.45%</u>
1999 debt limitation	\$ <u>64,054,943</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)		
1990	1	\$ 1,190,000	16	\$ 3,832,400	991,710	726,307
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)

(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.

Table 13

CITY OF PRAIRIE VILLAGE, KANSAS

Miscellaneous Statistics

December 31, 1999

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	92