

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF MISSION, KANSAS

**Year Ended
December 31, 2011**

Prepared by the Finance and Administration Department

This page intentionally left blank.

CITY OF MISSION, KANSAS
Comprehensive Annual Financial Report
Year ended December 31, 2011

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i - iv
Organizational Chart	v - vi
Principal Officials	vii
2010 Certificate of Achievement for Excellence in Financial Reporting - Government Finance Officers Association	viii
FINANCIAL SECTION	
Independent Auditor's Report on the Basic Financial Statements	1 - 2
Management's Discussion and Analysis	3 - 8
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Assets	9
Statement of Activities	10
Fund Financial Statements	
Balance Sheet - Governmental Funds	11
Reconciliation of the Total Governmental Fund Balances to Net Assets of Governmental Activities	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures And Changes in Fund Balances with the Government Wide Statement of Activities	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Actual and Budget	
General Fund	15
Special Highway Fund	16
Storm Drain Fund	17
Statement of Assets and Liabilities	18
Notes to the Financial Statements	19 - 35

CITY OF MISSION, KANSAS
 Comprehensive Annual Financial Report
 Year ended December 31, 2011

TABLE OF CONTENTS - CONTINUED

	<u>Page</u>
Required Supplementary Information	
Net Other Post Employment Benefits	36
Combining Statements and Individual Fund Schedules	
Combining Statements - Nonmajor Funds	
Fund Descriptions	37
Combining Balance Sheet - Nonmajor Special Revenue Funds	38
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	39
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget:	
Special Alcohol Fund	40
Special Parks and Recreation Fund	41
General Obligation Fund	42
Sales Tax Bond Fund	43
Fiduciary Fund Descriptions - Agency Funds	44
Combining Balance Sheet - Agency Funds	45
Combining Statement of Changes in Assets and Liabilities - Agency Funds	46

STATISTICAL SECTION

	<u>Table</u>		Page
Net Assets by Component - Last Ten Years	1		47
Change in Net Assets - Last Ten Years	2		48
Fund Balances, Governmental Funds - Last Ten Years	3		49
Changes in Fund Balances of Governmental Funds - Last Ten Years	4		50
General Government Tax Revenues by Source - Last Ten Years	5		51
Local Sales Tax Collections - Last Ten Years	6		52
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years	7		53

CITY OF MISSION, KANSAS
Comprehensive Annual Financial Report
Year ended December 31, 2011

TABLE OF CONTENTS - CONTINUED

	<u>Table</u>	<u>Page</u>
Property Tax Rates per \$1,000 of Assessed Valuation Direct and Overlapping Governments - Last Ten Years	8	54
Principal Taxpayers	9	55
Property Tax Levies and Collections - Last Ten Years	10	56
Outstanding Debt by Type - Last Ten Years	11	57
Ratio of Net General Obligation Bonded Debt to Assessed Value And Net General Obligation Debt per Capita - Last Ten Years	12	58
Direct and Overlapping Governmental Activities Debt	13	59
Computation of Legal Debt Margin - Last Ten Years	14	60
Demographic Statistics - Last Ten Years	15	61
Principal Employers	16	62
Operating Indicators by Function/Program	17	63
Full Time City Employees by Function/Program - Last Ten Years	18	64
Capital Asset Statistics by Function/Program - Last Ten Years	19	65

This page intentionally left blank.

INTRODUCTORY SECTION

This page intentionally left blank.



City of MISSION

City Hall - 6090 Woodson Road - Mission, Kansas 66202

Administrative Offices (913) 676-8350

www.missionks.org

May 31, 2012

To the Citizens of the City of Mission, Kansas

The City of Mission is pleased to submit the comprehensive annual financial report for the fiscal year ending December 31, 2011. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This report includes all funds of the City. The City provides a range of services including police protection, trash services, the construction and maintenance of streets and infrastructure, and recreational and cultural activities. There are no other entities over which the City exercises financial accountability. Educational, fire protection, sanitary sewer and water services are provided by separate entities.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

ECONOMIC CONDITION AND OUTLOOK

The City is located in the northeast corner of Johnson County, which is ranked among the top five most affluent areas in the country. Mission lies along a major transportation corridor, making it accessible to the entire metropolitan area.

The City, incorporated in 1951, operates as a second-class city with a mayor-council form of government. The governing body is made up of eight council members, four of whom are elected in even numbered years to serve four-year terms. The Mayor is elected to a four-year term and serves as the chief executive officer of the City.

The City's population is 9,323 with a current annual budget of \$22,919,646. The City covers 2.87 square miles and is 95% developed. The daytime population of the City increases to nearly 30,000, as a result of people who come into the City to work, conduct business, and shop. The Johnson Drive corridor is the cornerstone of Mission's commercial area, supported by retail hubs located at the City's east and west entrances. Other businesses within the City include health care facilities, laboratories, Shawnee Mission Main Post Office, Johnson County offices, State of Kansas Drivers License Bureau, a number of restaurants and fast food establishments, grocery chains and a variety of small retail operations.

The City has traditionally been viewed as a bedroom community, offering convenient services, a small town atmosphere, comfortable living conditions, a family environment, and a variety of outstanding residential neighborhoods. Residents enjoy an excellent standard of living as a result of the active community spirit, an award-winning school system, low crime rates and a low mill rate when compared to other cities throughout the state. The governing body proactively addresses quality of life issues to ensure that the current standard of living is not only maintained, but ultimately enhanced. The City, in cooperation with the Northeast Johnson Community Chamber of Commerce and Mission Convention and Visitors Bureau, pursues economic development and retention plans focused on both commercial and residential integrity and stability.

The City Council works to ensure that the needs of existing businesses are met, while simultaneously dedicating resources to attract new businesses. The sales tax revenues generated by the business community are vital to the City's financial stability. The mill levy remains one of the lowest in Johnson County and in the State of Kansas. Future financial planning efforts continue to explore revenue diversification and policies to protect cash reserves during a slow economy.

MAJOR CITY INITIATIVES

The City continued to facilitate and encourage redevelopment and investment throughout the community in 2011. The goal continues to be using our comprehensive master plans to attract and secure development that is consistent with the community's design guidelines and standards. In the spring of 2011 residents began moving into a new 52-unit independent senior housing project constructed adjacent to the City's Community Center. It was the culmination of a project started in 2009, when the City sold a portion of our parking lot to a private developer in an effort to promote density and provide a housing option not otherwise available to Mission residents.

During the 2011 budget process the City implemented a Transportation Utility Fee to be used for the on-going repair and maintenance of transportation facilities city-wide. Similar to the Stormwater Utility fee implemented in 2005, this revenue source will provide a transparent, dedicated revenue stream to be used for much needed street and transportation network infrastructure repairs. Street repair and rehabilitation took center stage in 2011 with the completion of the Nall Avenue Project and implementation of a residential street maintenance program.

In December 2011, Mission voters approved a ¼-cent sales tax for ten years that will be dedicated to street repair and maintenance. These revenues will be used primarily for the reconstruction of Martway, from Woodson to Metcalf, and Johnson Drive, from Lamar to Nall.

In the City's west end, the Mission Crossing development is underway on a 6.2 acre property formerly used as the headquarters and manufacturing plant for Herff Jones, Inc.'s national operations. Herff Jones, which had occupied the property since 1954, vacated in November of 2005. With desirable Metcalf frontage, the development will contain several new restaurants, including a Chik-fil-A and a Culver's, a Sport Clips and other small retail. The project is comprised of four stand-alone buildings with approximately 20,000 square feet of commercial development, as well as a 140,000 square foot building housing a multistory independent senior living component.

Finally, transit improvements to the Metcalf/Shawnee Mission Parkway corridor got underway in 2011. With \$10.7 million of a \$50 million regional TIGER grant dedicated to this important urban corridor network identified in the Smart Moves transit vision, our community will benefit from:

- Pedestrian and street rehabilitation along Martway
- Two enhanced transit station pairs at Martway & Broadmoor and Martway & Lamar
- Transit Center connecting Johnson Drive and Martway

The City continues to promote organizational efficiency and effectiveness through technology upgrades, management of a classification and compensation system, and on-going evaluation of employee benefits. A continued emphasis on workforce training and development provides employees with the necessary skills to deliver quality services to the citizens of Mission.

FUTURE INITIATIVES

On Mission's eastern boundary, at the former Mission Mall site, the Gateway Project started moving again in late 2011. Dormant since 2008, the 900,000+ sq. ft. mixed-use development has new life and a revised plan was presented to the City Council for consideration. With an estimated value of more than \$200, million the project could serve as an important economic engine for Northeast Johnson County.

In between the developments on the east and west ends, Mission continues to see investment and expansion by existing businesses such as Script Pro, Target and Capitol Federal. The City will continue to aggressively seek out new and diverse funding sources to support redevelopment efforts in the Rock Creek, West Gateway and East Gateway corridors. Work will continue to ensure redevelopment results in high quality, sustainable projects benefiting not only Mission but the entire region. Mission continues to focus efforts on long-range, comprehensive capital infrastructure planning and budgeting. Refining strategies for the on-going maintenance, repair and replacement of these important assets will allow the City to ensure adequate and proper funding sources are available to finance the needs.

The City continues to evaluate Parks & Recreation services to develop sustainable operating plans for the Community Center, the municipal swimming pool, and the 30+ acres of parks and recreational facilities maintained for the benefit of Mission residents. Planning and development of trails which link Mission to the rest of the metropolitan area will remain a priority.

The police department remains committed to improving the level of service to the community. Continued emphasis on traffic safety and enforcement contributes to the overall safety of both residents and visitors alike. The Mission Police Department will also maintain its focus on training, keeping personnel abreast of a variety of professional trends and development opportunities.

The Mission Convention and Visitors Bureau (MCVB) continued to assist and enhance existing businesses through an improvement grant program and through a number of community festivals and events. The MCVB's specialty publication, with a distribution of approximately 12,500, continues to be popular featuring and promoting local businesses and the Mission community.

FINANCIAL INFORMATION

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure 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 the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

The City maintains various budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund, Special Revenue Funds, and Debt Service Funds are included in the annual appropriated budget. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end. However, unencumbered appropriations do lapse. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit

Kansas statutes require an annual audit of the City's financial statements. The audit for 2011 was conducted by Mize Houser & Company P.A., Certified Public Accountants and their report on the financial statements is included in the financial section of this report.

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ending December 31, 2010. This was the eighteenth consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

ACKNOWLEDGEMENTS

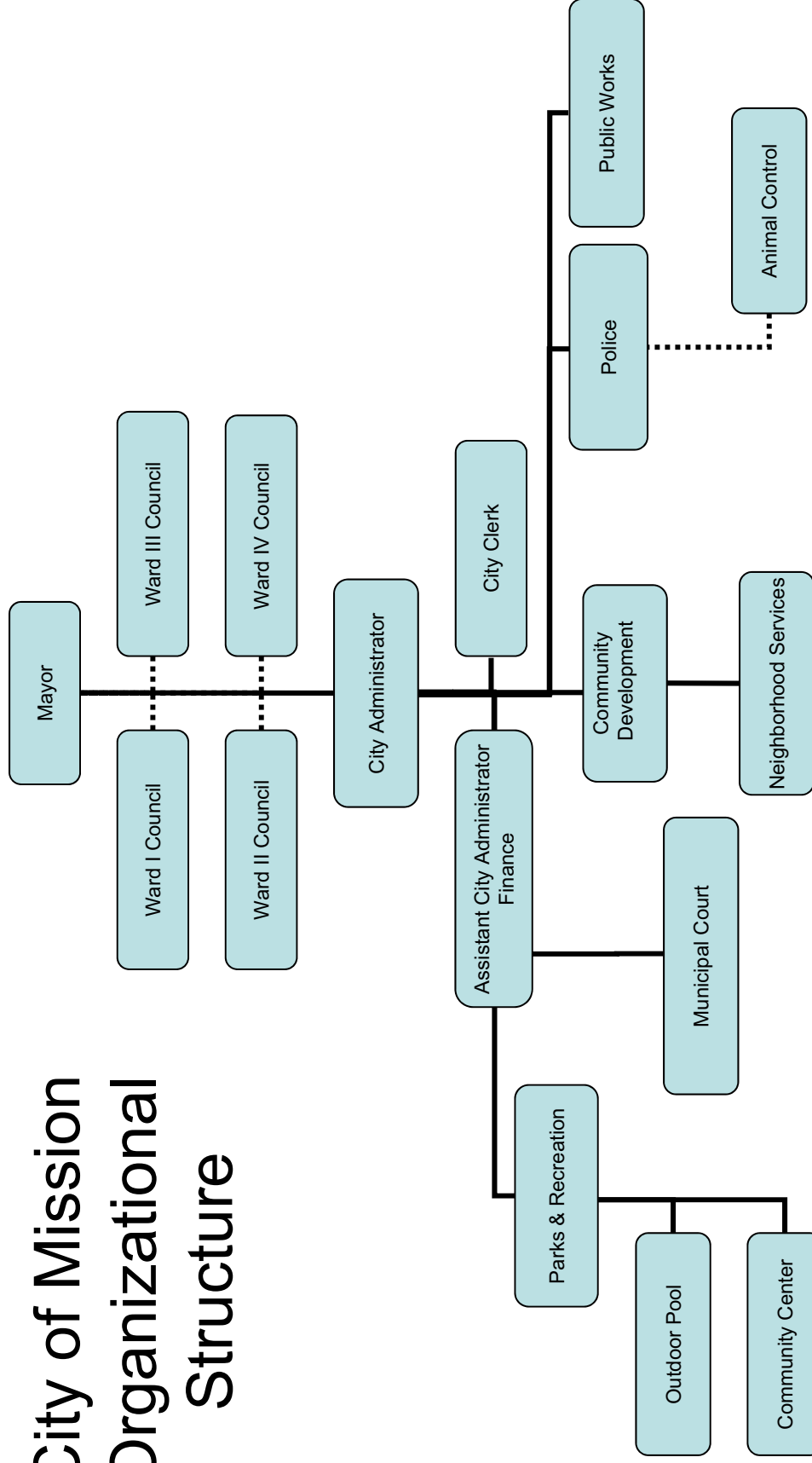
The preparation of this comprehensive annual financial report was made possible by the dedicated services of the staff of the Finance Department. Our sincere appreciation is extended to all members of the staff, whose efforts made this report possible.

Respectfully submitted,



Mike Scanlon
City Administrator

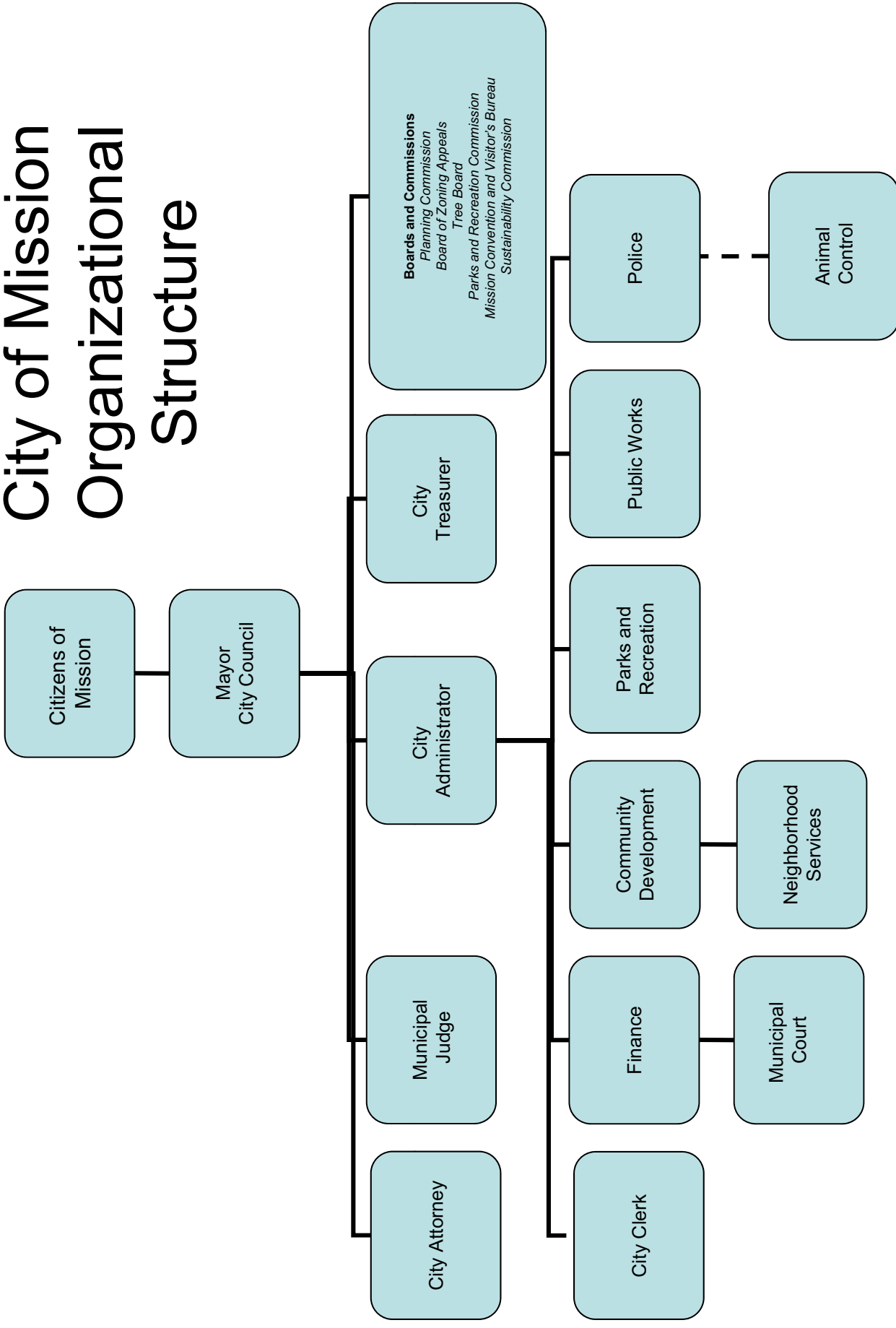
City of Mission Organizational Structure



_____ Indicates Direct Line of Authority/Supervision

----- Indicates Administrative or Advisory Role

City of Mission Organizational Structure



_____ Indicates Direct Line of Authority/Supervision
 - - - - - Indicates Administrative or Advisory Role

CITY OF MISSION, KANSAS
PRINCIPAL OFFICIALS - 2011

Mayor and City Council

Honorable Laura L. McConwell, Mayor
Honorable Sue A. Grosdidier - Ward 1
Honorable Lawrence Andre - Ward 1
Honorable John Weber - Ward 2
Honorable Will Vandenberg - Ward 2
Honorable Connie Footlick - Ward 3
Honorable Debbie Kring - Ward 3
Honorable David Shepard - Ward 4
Honorable Suzanne Gibbs - Ward 4

Administration

City Administrator: Michael Scanlon
City Clerk: Martha Sumrall
Assistant City Administrator/Finance Director: Laura Smith
Treasurer: Donald C. Chamblin
Municipal Judge: Keith E. Drill
Police Chief: John Simmons
Community Development Director: Martin Rivarola
Parks and Recreation Director: Christy Humerickhouse
Interim Public Works Director: Martin Rivarola

Attorney

David K. Martin

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mission
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

This page intentionally left blank.



MIZE & HOUSER
COMPANY P.A.

INDEPENDENT AUDITOR'S REPORT ON THE BASIC FINANCIAL STATEMENTS

Mayor and City Council
City of Mission, Kansas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mission, Kansas, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the "Kansas Municipal Audit Guide." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mission, Kansas, at December 31, 2011, and the respective changes in financial position, thereof and the respective budgetary comparison for the General Fund, Storm Drain Fund and the Special Highway Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 and the schedule of funding progress on page 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

www.mizehouser.com ■ mhco@mizehouser.com

534 S Kansas Ave, Suite 700 ■ Topeka, KS 66603-3465 ■ 785.233.0536 p ■ 785.233.1078 f
534 S Kansas Ave, Suite 400 ■ Topeka, KS 66603-3454 ■ 785.234.5573 p ■ 785.234.1037 f
7101 College Blvd, Suite 900 ■ Overland Park, KS 66210-1984 ■ 913.451.1882 p ■ 913.451.2211 f
120 E Ninth ■ Lawrence, KS 66044-2682 ■ 785.842.8844 p ■ 785.842.9049 f
900 Massachusetts, Suite 301 ■ Lawrence, KS 66044-2868 ■ 785.749.5050 p ■ 785.749.5061 f

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Mike Houser: Company PA

May 31, 2012

CITY OF MISSION, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011
Unaudited

Our discussion and analysis of the City of Mission, Kansas financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2011. This narrative should be read in conjunction with the City's letter of transmittal, which begins on page i.

Financial Highlights

- The Government-wide net assets totaled \$27.9 million at the end of the current fiscal year.
- Total capital assets, net of accumulated depreciation at December 31, 2011 totaled \$57.9 million.
- During the year ended December 31, 2011, the City's total revenues (which include charges for services, local taxes and state and federal aid) exceeded total expenses by \$2 million.
- The City's total indebtedness increased by \$2.4 million, primarily due to the issuance of general obligation bonds.
- The City's net capital assets increased \$2.9 million in the current fiscal year.

Using This Financial Report

This annual report consists of two distinct series of financial statements: government-wide and funds. In addition, the annual report includes budgetary-basis financial statement comparisons, in accordance with the State of Kansas cash basis and budget laws.

The government-wide statements are designed to provide information about the City's activities as a whole and provide a longer-term view of the City's finances. The fund financial statements tell how the City's services for the governmental activities were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in greater detail than the government-wide statements by providing information about the City's most significant funds. In addition, combining statements included in the supplemental information show detail of all other governmental funds. The City also holds fiduciary funds on behalf of various parties. These funds are reported in a separate statement.

Reporting on the City as a Whole (Government Wide)

Statement of Net Assets and the Statement of Activities

The view of the City as a whole looks at all financial transactions and asks the question, "Are we in a better financial position as a result of the current year's financial activities?" The Statement of Net Assets and the Statement of Activities provide the basis for answering this question. The statements include all assets and all liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received or paid.

These two statements report the City's net assets and current year change in those net assets. The change in net assets is important because it tells the reader whether the City, as a whole, has improved or diminished its financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. Causes of these changes may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, state mandates, and the financial condition of the State of Kansas general fund.

CITY OF MISSION, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011
Unaudited

In the Statement of Net Assets and the Statement of Activities, the City has one kind of activity:

Governmental Activities - Most of the City's programs and services are reported here including general government, public safety, public works and culture and recreation.

Reporting the City's Most Significant Funds (Fund Financial Statements)

Fund financial statements provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. The main fund financial statements focus on the City's most significant funds. Combining fund balance sheets and statements of revenues, expenditures and changes in fund balances provide detailed information about all of the City's non-major governmental funds.

Governmental Funds - Most of the City's activities are reported in the governmental funds, which focus on how money flows into and out of the funds and how balances left over at fiscal year end are available to be spent in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps the reader to decide whether there are more or fewer financial resources that can be spent in the near term to finance the City's programs. Major differences between the City's governmental activities as reported in the Statement of Net Assets and the Statement of Activities and its governmental funds are reconciled in the Governmental Funds financial statements.

The City as a Whole

Government-Wide Assets

The Statement of Net Assets provides the financial position of the City as a whole. The overall financial position of the City was slightly better in 2011. The following is a summary of the City's Statement of Net Assets as of December 31, 2011 and 2010:

City of Mission
Condensed Statement of Net Assets

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Current assets	\$ 6,661,187	\$ 5,288,053
Net capital assets	<u>57,965,903</u>	<u>54,990,751</u>
Total assets	<u>\$ 64,627,090</u>	<u>\$ 60,278,804</u>
Current liabilities	\$ 5,075,719	\$ 4,740,361
Noncurrent liabilities	<u>31,634,622</u>	<u>29,584,147</u>
Total liabilities	<u>\$ 36,710,341</u>	<u>\$ 34,324,508</u>
Net Assets:		
Invested in capital assets, net of related debt	\$ 25,521,486	\$ 23,644,245
Restricted for:		
Debt Service	550,988	791,098
Unrestricted	<u>1,844,275</u>	<u>1,518,953</u>
Total net assets	<u>\$ 27,916,749</u>	<u>\$ 25,954,296</u>

CITY OF MISSION, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011
Unaudited

The assets of the City are classified as current assets and capital assets. Cash and investments and accounts receivable are the largest current assets. These are assets that are available to provide resources for the near-term operations of the City. Capital assets are used in the operations of the City. These assets include land, buildings, equipment and vehicles, and infrastructure.

Current and non-current liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued liabilities, interest payable and current portion of long-term obligations.

The City has \$33.8 million in long-term debt, consisting of general obligation bonds, capital improvement bonds, and special assessment bonds payable, of which \$2.6 million is due within the next fiscal year.

The City had total assets at December 31, 2011, totaling \$64.6 million. The total assets of the City exceeded the total liabilities by \$27.9 million. Net assets invested in capital assets; net of related debt, totaled \$25.5 million, restricted net assets totaled \$.6 million and unrestricted net assets totaled \$1.8 million.

Government-Wide Activities

The following is a condensed statement of the City's change in net assets for the year ended December 31, 2011. Major items of program revenues, grants and general revenues are detailed. Government-wide activities increased the net assets of the City by approximately \$2 million for the year ended December 31, 2011. The increase can be attributed to the increase in charges for service and fines, fees and taxes in the form of payments received from the City's patrons and operating grants and contributions. A reconciliation of the total change in fund balances for the governmental funds to the Statement of Activities is located at page 14 of the basic financial statements. Major differences in the Statement of Activities and changes in the fund balances of governmental funds as expenditures in the funds statements include the repayment of long-term debt of \$3 million which is treated as expenditures in the funds statements, but is treated as a reduction of long term debt in the Government wide financial statements. Also, the bond and note proceeds of \$5.4 million are treated as a revenue source in the fund statements, but an increase of long term debt in the Government wide financial statements.

CITY OF MISSION, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011
Unaudited

In addition, the capital outlays of \$4.6 million are treated as expenditures in the fund statements, but are treated as an increase in capital assets in the Government wide financial statements.

City of Mission
Condensed Statement of Changes in Net Assets
For the Year Ended December 31, 2011 and 2010

	Governmental Activities	
	<u>2011</u>	<u>2010</u>
Revenues:		
Program revenues:		
Charges for services	\$ 6,414,636	\$ 4,777,595
Operating grants	2,354,879	1,147,837
General revenues:		
Property taxes	1,469,907	1,800,788
Sales tax	4,057,445	3,973,428
Motor fuel tax	159,717	158,653
Franchise tax	1,014,732	1,011,213
Investment earnings	2,348	4,282
Miscellaneous	<u>159,835</u>	<u>388,741</u>
Total revenues	<u>15,633,499</u>	<u>13,262,537</u>
Program expenses:		
General government	2,964,860	1,893,579
Public safety	3,791,275	3,613,022
Public works	3,332,773	4,388,119
Culture and recreation	2,607,459	2,695,954
Interest on long term debt	<u>974,679</u>	<u>1,007,059</u>
Total expenses	<u>13,671,046</u>	<u>13,597,733</u>
Increase [decrease] in net assets	<u>\$ 1,962,453</u>	<u>\$ [335,196]</u>

Financial Analysis of the City's Funds

The City uses fund accounting to ensure and demonstrate compliance with state and federal finance related legal requirements. These funds are accounted for on the modified accrual basis of accounting.

The governmental funds of the City provide information on near-term inflows, outflows and balances of spendable resources. Unreserved fund balances, in particular, measures the City's net resources available for spending at the end of the City's fiscal year.

Total fund balances at December 31, 2011 for the governmental funds totaled \$3.4 million. Total unassigned fund balances at December 31, 2011 totaled \$1.3 million, of which \$1.3 million was attributable to General Fund.

CITY OF MISSION, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011
Unaudited

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1.3 million. The increase in the General Fund's fund balance was \$11,435.

The Special Highway Fund is used to account for monies sent quarterly from the State Treasurer's office which are the Special City and County Highway Fund distributed and computed in compliance with K.S.A. 79-3425C. The ending fund balance of the Special Highway Fund was \$60,766 at December 31, 2011. The decrease in the Special Highway Fund's fund balance was \$115,722. The decrease was due to the implementation of a comprehensive residential street maintenance program which included curb and gutter replacement, seal applications and mill and overlay projects throughout the City.

The Storm Drain Fund is used to account for storm water charges received based on an equivalent residential unit (ERU) to be used for storm water improvements city wide. The ending fund balance was \$305,202 at December 31, 2011. The increase in the Storm Drain Fund's fund balance was \$.3 million. The increase was due in part to funds reimbursed for stormwater grant projects and funds obligated for debt service on storm water projects and ongoing design and construction of storm water infrastructure projects.

The Sales Tax Fund is used to account for revenues received from a one-quarter of one percent sales tax pledged to retire the Series 2002A General Obligation Bonds issued to expand the City's community center. The ending fund balance was \$.5 million at December 31, 2011. The decrease in the fund balance was \$.2 million. The fund decreased slightly as the sales tax was rescinded October 1, 2011 because collections were sufficient to retire the remaining debt. The sales tax was retired fifteen months ahead of the originally anticipate/approved timeframe.

The General Obligation Fund is used to account for resources to be used for the payment of principal, interest and related costs of the general obligation bonds other than the sales tax bonds, as well as certain other long-term obligations of the City. The ending fund balance was \$6,397 at December 31, 2011. The decrease in the General Obligation Fund's fund balance was \$11,364. The decrease in the fund balance can be attributed to an overall decline in property valuations resulting in the collection is less annual property tax revenues than previous years.

The Transportation Utility Fund is used to account for transportation utility charges received based on an established land-use formula per parcel to fund street and other transportation related improvements. The ending fund balance was \$.1 million at December 31, 2011. The increase in the Transportation Utility Fund was \$.1 million. The increase in the fund can be attributed to the implementation of the utility fees which will be expended on an approved annual street maintenance program which anticipates the carry-over of some funds each year.

The Capital Improvement Fund is used to account for resources used to construct and maintain infrastructure city-wide. The ending fund balance was approximately \$.8 million at December 31, 2011. The increase in the Capital Improvement Fund's fund balance was \$1.2 million. The increase in the fund balance can be attributed to reimbursements received for various street projects and bond proceeds for the Nall Avenue, Martway and Johnson Drive projects

General Fund Budgeting Highlights

The City's budgets are prepared in accordance with Kansas law and are based primarily on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

The City's final General Fund budget was \$10,721,195, the same as the original published budget. The revenues were more than budgetary estimates by \$.2 million and the expenditures were less than budgetary estimates by \$.4 million.

Sales tax revenues were more than budgeted figures primarily as a result of conservative estimates. Revenues in the police fines and charges for services (court fees) categories were less than budgeted figures due to

CITY OF MISSION, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011
Unaudited

staffing vacancies in the police department and a decrease in traffic citations processed.

Overall expenditures in the General Fund were below budgeted figures as a result of specific budget control and voluntary line item reductions by each Department. Expenditures in the general overhead contractual category exceeded budgeted figures as a result of additional charges computer hosting and system maintenance. Police department personnel expenditures exceeded budgeted figures because of accrued leave payouts associated with the retirement of senior staff.

Capital Assets and Debt Administration

The City's investment in capital assets for its governmental activities totaled \$57.9 million (net of accumulated depreciation) as of December 31, 2011.

The major capital asset events during the current fiscal year included the following:

- Nall Avenue Construction totaling \$3,867,948
- Martway and Johnson Drive Design totaling \$275,262
- Residential Street Maintenance Program totaling \$378,556

Additional information on the City's capital assets can be found in Notes I and III of the financial statements.

At December 31, 2011, the City had total debt outstanding of \$33.8 million, backed by the full faith and credit of the City. Total long-term debt increased for the fiscal year ended December 31, 2011, in the amount of \$2.4 million. This was a result of the issuance of general obligation bonds.

Additional information on the City's general long term debt can be found in Note III to the financial statements.

Contacting the City

This financial report is designed to provide a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the City's Finance and Administration Department at 6090 Woodson, Mission, Kansas 66202.

CITY OF MISSION, KANSAS
STATEMENT OF NET ASSETS
December 31, 2011

	Total Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 3,405,697
Restricted cash and investments	40,294
Receivables	2,718,004
Deferred charges	<u>497,192</u>
Total current assets	<u>6,661,187</u>
Capital assets:	
Capital assets not being depreciated:	
Land	10,862,274
Construction in progress	774,459
Capital assets being depreciated	56,795,821
Less: accumulated depreciation	<u>10,466,651</u>
Total net capital assets	<u>57,965,903</u>
Total assets	<u>\$ 64,627,090</u>
Liabilities:	
Current liabilities:	
Accounts payable	\$ 153,779
Accrued liabilities	209,639
Interest payable	280,482
Municipal court bonds payable	40,294
Unearned revenue	1,612,712
Current portion of compensated absences	194,143
Current portion of capital leases payable	125,385
Current portion of loans payable	3,977
Current portion of special assessment bonds payable	10,000
Current portion of general obligation bonds payable	<u>2,445,308</u>
Total current liabilities (payable from current assets)	<u>5,075,719</u>
Noncurrent liabilities:	
Compensated absences	284,704
Net other post employment benefits	183,769
Temporary note payable	475,605
Capital lease payable	281,959
Loans payable	95,887
General obligation bonds payable	<u>30,312,698</u>
Total noncurrent liabilities	<u>31,634,622</u>
Total liabilities	<u>\$ 36,710,341</u>
Net Assets	
Invested in capital assets, net of related debt	\$ 25,521,486
Restricted for:	
Debt service	550,988
Unrestricted	<u>1,844,275</u>
Total net assets	<u>\$ 27,916,749</u>

The notes to the financial statements are an integral part of this statement.

This page intentionally left blank.

CITY OF MISSION, KANSAS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

	Program Revenues			Net [Expenses] Revenue and Changes in in Net Assets
Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities	
Governmental activities:				
General government	\$ 2,964,860	\$ 781,913	\$ -	\$ [2,182,947]
Public safety	3,791,275	1,640,415	46,848	[2,104,012]
Public works	3,332,773	2,432,511	2,308,031	1,407,769
Culture and recreation	2,607,459	1,559,797	-	[1,047,662]
Interest on long-term debt	974,679	-	-	[974,679]
	<u>\$ 13,671,046</u>	<u>\$ 6,414,636</u>	<u>\$ 2,354,879</u>	<u>[4,901,531]</u>
General Revenues:				
Property taxes levied for:				
General purposes			1,322,549	
Debt service			147,358	
Sales tax			4,057,445	
Motor fuel tax			159,717	
Franchise tax			1,014,732	
Investments earnings			2,348	
Miscellaneous			159,835	
			<u>6,863,984</u>	
Total general revenues			<u>6,863,984</u>	
Change in net assets			1,962,453	
Net assets - beginning			<u>25,954,296</u>	
Net assets - ending			<u>\$ 27,916,749</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2011

	<u>General</u>	<u>Special Highway</u>	<u>Storm Drain</u>	<u>Sales Tax</u>
ASSETS				
Cash and investments	\$ 1,206,268	\$ 60,766	\$ 311,837	\$ 544,591
Restricted cash and investments	40,294	-	-	-
Receivables				
Taxes	1,651,018	-	-	-
Intergovernmental	513	-	-	-
Other	139,215	-	-	-
Special assessments	-	-	-	-
Total assets	<u>\$ 3,037,308</u>	<u>\$ 60,766</u>	<u>\$ 311,837</u>	<u>\$ 544,591</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 65,608	\$ -	\$ -	\$ -
Accrued liabilities	196,369	-	6,635	-
Payable from restricted assets				
Municipal court bonds	40,294	-	-	-
Deferred revenue	1,399,110	-	-	-
Total liabilities	<u>1,701,381</u>	<u>-</u>	<u>6,635</u>	<u>-</u>
 Fund balance:				
Restricted	-	60,766	305,202	544,591
Committed	-	-	-	-
Unassigned	1,335,927	-	-	-
Total fund balance	<u>1,335,927</u>	<u>60,766</u>	<u>305,202</u>	<u>544,591</u>
Total liabilities and fund balances	<u>\$ 3,037,308</u>	<u>\$ 60,766</u>	<u>\$ 311,837</u>	<u>\$ 544,591</u>

<u>General Obligation</u>	<u>Transportation Utility</u>	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,397	117,513	\$ 830,797	\$ 327,528	\$ 3,405,697
-	-	-	-	40,294
123,221	-	-	78,695	1,852,934
-	-	-	-	513
-	-	-	-	139,215
10,425	-	-	-	10,425
<u>\$ 140,043</u>	<u>\$ 117,513</u>	<u>\$ 830,797</u>	<u>\$ 406,223</u>	<u>\$ 5,449,078</u>

\$ -	\$ -	\$ 39,618	\$ 48,553	\$ 153,779
-	-	6,635	-	209,639
-	-	-	-	40,294
133,646	-	-	79,956	1,612,712
<u>133,646</u>	<u>-</u>	<u>46,253</u>	<u>128,509</u>	<u>2,016,424</u>

6,397	117,513	784,544	273,993	2,093,006
-	-	-	3,721	3,721
-	-	-	-	1,335,927
<u>6,397</u>	<u>117,513</u>	<u>784,544</u>	<u>277,714</u>	<u>3,432,654</u>
<u>\$ 140,043</u>	<u>\$ 117,513</u>	<u>\$ 830,797</u>	<u>\$ 406,223</u>	<u>\$ 5,449,078</u>

The notes to the financial statements are an integral part of this statement.

This page intentionally left blank.

CITY OF MISSION, KANSAS
RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
December 31, 2011

Total Governmental Fund Balances		\$ 3,432,654
Amounts reported for governmental activities in the statement of net assets are different because		
Bond issuance costs are shown as current year expenditures in the funds.		
Bond issuance costs		497,192
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
The cost of capital assets is	68,432,554	
Accumulated depreciation is	10,466,651	57,965,903
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
		714,917
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Long term liabilities at year end consist of:		
General obligation bonds payable	32,758,006	
Temporary note payable	475,605	
Special assessment bonds payable	10,000	
Capital leases payable	407,344	
Loans payable	99,864	
Interest payable	280,482	
Net other post employment benefits	183,769	
Compensated absences payable	478,847	[34,693,917]
Net Assets of Governmental Activities		\$ 27,916,749

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS
STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2011

	<u>General</u>	<u>Special Highway</u>	<u>Storm Drain</u>	<u>Sales Tax</u>
REVENUES:				
Taxes	\$ 6,172,398	\$ -	\$ 14,206	\$ 265,189
Special assessments	-	-	-	-
Intergovernmental	46,848	250,352	342,170	-
Licenses and permits	158,156	-	-	-
Charges for services	1,825,397	-	1,649,944	-
Fines and fees	1,640,415	-	-	-
Use of money and property	1,618	-	46	165
Miscellaneous	<u>101,104</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>9,945,936</u>	<u>250,352</u>	<u>2,006,366</u>	<u>265,354</u>
EXPENDITURES:				
Current				
General government	1,925,928	-	-	-
Public safety	3,710,722	-	-	-
Public works	1,691,635	366,074	55,784	-
Culture and recreation	2,434,362	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	591,408	455,000
Interest and other charges	<u>-</u>	<u>-</u>	<u>507,464</u>	<u>39,100</u>
Total expenditures	<u>9,762,647</u>	<u>366,074</u>	<u>1,154,656</u>	<u>494,100</u>
Excess [deficiency] of revenues over [under] expenditures	<u>183,289</u>	<u>[115,722]</u>	<u>851,710</u>	<u>[228,746]</u>
OTHER FINANCING SOURCES [USES]				
Transfers in	-	-	-	-
Transfers out	[560,000]	-	[650,000]	-
Loan proceeds	388,146	-	132,765	-
Sale of bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources [uses]	<u>[171,854]</u>	<u>-</u>	<u>[517,235]</u>	<u>-</u>
Net change in fund balances	11,435	[115,722]	334,475	[228,746]
Fund balance - Beginning of year	<u>1,324,492</u>	<u>176,488</u>	<u>[29,273]</u>	<u>773,337</u>
Fund balance - End of year	<u>\$ 1,335,927</u>	<u>\$ 60,766</u>	<u>\$ 305,202</u>	<u>\$ 544,591</u>

General Obligation	Transportation Utility	Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 136,158	\$ -	\$ -	\$ 102,650	\$ 6,690,601
11,200	-	-	-	11,200
-	-	1,591,452	124,057	2,354,879
-	-	-	-	158,156
-	782,567	-	358,157	4,616,065
-	-	-	-	1,640,415
18	88	413	-	2,348
-	1,618	76,827	8,130	187,679
<u>147,376</u>	<u>784,273</u>	<u>1,668,692</u>	<u>592,994</u>	<u>15,661,343</u>
-	-	-	-	1,925,928
-	-	-	-	3,710,722
-	-	-	-	2,113,493
-	-	-	-	2,434,362
-	197,822	4,583,069	764,543	5,545,434
140,000	440,000	1,350,000	-	2,976,408
18,740	28,938	412,173	41,126	1,047,541
<u>158,740</u>	<u>666,760</u>	<u>6,345,242</u>	<u>805,669</u>	<u>19,753,888</u>
<u>[11,364]</u>	<u>117,513</u>	<u>[4,676,550]</u>	<u>[212,675]</u>	<u>[4,092,545]</u>
-	-	990,000	260,000	1,250,000
-	-	-	[40,000]	[1,250,000]
-	-	-	-	520,911
-	-	4,925,000	-	4,925,000
-	-	5,915,000	220,000	5,445,911
[11,364]	117,513	1,238,450	7,325	1,353,366
17,761	-	[453,906]	270,389	2,079,288
<u>\$ 6,397</u>	<u>\$ 117,513</u>	<u>\$ 784,544</u>	<u>\$ 277,714</u>	<u>\$ 3,432,654</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

Total Net Change In Fund Balances - Governmental Funds \$ 1,353,366

Amounts reported for governmental activities in the statement of activities are different because

Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.

Loss on sale of assets	[65,085]	
Capital outlays	4,565,136	
Depreciation expense	<u>[1,524,900]</u>	2,975,151

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which interest decreased.

11,815

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

32,818

Proceeds of bonds is a revenue in the governmental funds, but it increases long-term liabilities in the statement of net assets and does not affect the statement of activities.

[5,445,911]

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

[27,844]

Bond issuance costs are recorded as expenditures in the fund financial statements. However, for the statement of net assets, these costs are shown as assets and amortized over the life of the bonds.

38,511

Repayment of capital leases is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.

48,139

Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.

2,976,408

Changes In Net Assets of Governmental Activities

\$ 1,962,453

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
GENERAL FUND
For the Year Ended December 31, 2011

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 6,172,398	\$ -	\$ 6,172,398	\$ 5,722,234	\$ 5,722,234	\$ 450,164
Intergovernmental	46,848	-	46,848	40,000	40,000	6,848
Licenses and permits	158,156	-	158,156	175,000	175,000	[16,844]
Charges for services	1,825,397	-	1,825,397	1,956,000	1,956,000	[130,603]
Fines and forfeitures	1,640,415	-	1,640,415	1,733,000	1,733,000	[92,585]
Interest	1,618	-	1,618	7,500	7,500	[5,882]
Other	101,104	-	101,104	150,000	150,000	[48,896]
Total revenues	<u>9,945,936</u>	<u>-</u>	<u>9,945,936</u>	<u>9,783,734</u>	<u>9,783,734</u>	<u>162,202</u>
General government						
Personal service	922,007	-	922,007	923,775	923,775	1,768
Contractual	876,382	-	876,382	748,844	748,844	[127,538]
Commodities	63,724	-	63,724	59,950	59,950	[3,774]
Capital outlay	63,318	-	63,318	75,000	75,000	11,682
Miscellaneous	497	-	497	-	-	[497]
	<u>1,925,928</u>	<u>-</u>	<u>1,925,928</u>	<u>1,807,569</u>	<u>1,807,569</u>	<u>[118,359]</u>
Public works and improvements						
Personal service	696,250	-	696,250	667,850	667,850	[28,400]
Contractual	828,353	-	828,353	849,850	849,850	21,497
Commodities	164,953	-	164,953	186,100	186,100	21,147
Capital outlay	500	-	500	-	-	[500]
Miscellaneous	1,579	-	1,579	-	-	[1,579]
	<u>1,691,635</u>	<u>-</u>	<u>1,691,635</u>	<u>1,703,800</u>	<u>1,703,800</u>	<u>12,165</u>
Public safety						
Personal service	2,988,594	-	2,988,594	2,791,100	2,791,100	[197,494]
Contractual	330,561	-	330,561	321,050	321,050	[9,511]
Commodities	138,056	-	138,056	126,300	126,300	[11,756]
Capital outlay	253,511	[34,915]	218,596	-	-	[218,596]
	<u>3,710,722</u>	<u>[34,915]</u>	<u>3,675,807</u>	<u>3,238,450</u>	<u>3,238,450</u>	<u>[437,357]</u>
Culture and recreation						
Personal service	1,400,272	-	1,400,272	1,427,400	1,427,400	27,128
Contractual	817,552	-	817,552	799,235	799,235	[18,317]
Commodities	153,339	-	153,339	162,100	162,100	8,761
Capital outlay	63,199	-	63,199	-	-	[63,199]
	<u>2,434,362</u>	<u>-</u>	<u>2,434,362</u>	<u>2,388,735</u>	<u>2,388,735</u>	<u>[45,627]</u>
Total expenditures	<u>9,762,647</u>	<u>[34,915]</u>	<u>9,727,732</u>	<u>9,138,554</u>	<u>9,138,554</u>	<u>[589,178]</u>
Excess [deficiency] of revenues over [under] expenditures	<u>183,289</u>	<u>34,915</u>	<u>218,204</u>	<u>645,180</u>	<u>645,180</u>	<u>[426,976]</u>
Other financing sources [uses]						
Proceeds from lease	388,146	-	388,146	-	-	388,146
Transfers out	[560,000]	-	[560,000]	[1,582,641]	[1,582,641]	1,022,641
Total other financing sources [uses]	<u>[171,854]</u>	<u>-</u>	<u>[171,854]</u>	<u>[1,582,641]</u>	<u>[1,582,641]</u>	<u>1,410,787</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>11,435</u>	<u>34,915</u>	<u>46,350</u>	<u>\$ [937,461]</u>	<u>\$ [937,461]</u>	<u>\$ 983,811</u>
Fund balance, January 1	<u>1,324,492</u>	<u>[34,915]</u>	<u>1,289,577</u>			
Fund balance, December 31	<u>\$ 1,335,927</u>	<u>\$ -</u>	<u>\$ 1,335,927</u>			

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SPECIAL HIGHWAY FUND
For the Year Ended December 31, 2011

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 250,352	\$ -	\$ 250,352	\$ 267,870	\$ 267,870	\$ [17,518]
Total revenues	<u>250,352</u>	<u>-</u>	<u>250,352</u>	<u>267,870</u>	<u>267,870</u>	<u>[17,518]</u>
Expenditures						
Public works and improvements	366,074	-	366,074	433,314	433,314	67,240
Total expenditures	<u>366,074</u>	<u>-</u>	<u>366,074</u>	<u>433,314</u>	<u>433,314</u>	<u>67,240</u>
Excess [deficiency] of revenues over [under] expenditures	[115,722]	-	[115,722]	<u>\$ [165,444]</u>	<u>\$ [165,444]</u>	<u>\$ 49,722</u>
Fund balance, January 1	<u>176,488</u>	<u>-</u>	<u>176,488</u>			
Fund balance, December 31	<u>\$ 60,766</u>	<u>\$ -</u>	<u>\$ 60,766</u>			

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
STORM DRAIN FUND
For the Year Ended December 31, 2011

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 14,206	\$ -	\$ 14,206	\$ 12,688	\$ 12,688	\$ 1,518
Charges for services	1,649,944	-	1,649,944	1,300,000	1,300,000	349,944
Intergovernmental	342,170	-	342,170	-	-	342,170
Use of money and property	<u>46</u>	<u>-</u>	<u>46</u>	<u>7,500</u>	<u>7,500</u>	<u>[7,454]</u>
Total revenues	<u>2,006,366</u>	<u>-</u>	<u>2,006,366</u>	<u>1,320,188</u>	<u>1,320,188</u>	<u>686,178</u>
Expenditures						
Public works and improvements	55,784	-	55,784	851,355	851,355	795,571
Principal	591,408	-	591,408	-	-	[591,408]
Interest and other charges	<u>507,464</u>	<u>-</u>	<u>507,464</u>	<u>-</u>	<u>-</u>	<u>[507,464]</u>
Total expenditures	<u>1,154,656</u>	<u>-</u>	<u>1,154,656</u>	<u>851,355</u>	<u>851,355</u>	<u>[303,301]</u>
Excess [deficiency] of revenues over [under] expenditures	<u>851,710</u>	<u>-</u>	<u>851,710</u>	<u>468,833</u>	<u>468,833</u>	<u>382,877</u>
Other financing sources [uses]						
Loan proceeds	132,765	-	132,765	-	-	132,765
Transfers out	<u>[650,000]</u>	<u>-</u>	<u>[650,000]</u>	<u>[650,000]</u>	<u>[650,000]</u>	<u>-</u>
Total other financing sources [uses]	<u>[517,235]</u>	<u>-</u>	<u>[517,235]</u>	<u>[650,000]</u>	<u>[650,000]</u>	<u>132,765</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	334,475	-	334,475	\$ [181,167]	\$ [181,167]	\$ 515,642
Fund balance, January 1	<u>[29,273]</u>	<u>-</u>	<u>[29,273]</u>			
Fund balance, December 31	<u>\$ 305,202</u>	<u>\$ -</u>	<u>\$ 305,202</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
December 31, 2011

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ <u>46,710</u>
Total Assets	\$ <u>46,710</u>
Liabilities	
Due to others	\$ <u>46,710</u>
Total Liabilities	\$ <u>46,710</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Mission (the City) is a city of the second class with a mayor-council form of government with the addition of a City Administrator. The City was incorporated in 1951 and covers an area of approximately 2.87 square miles in Johnson County, Kansas. The City has approximately 9,323 residents. The City's organization consists of the general government departments of the City Clerk, Finance/Administration, Municipal Court, Legislative, Community Development, and the Public Works, Police, Parks and Recreation and Neighborhood Services Departments.

Under governmental accounting standards for defining the financial reporting entity and identifying entities to be included in basic financial statements, these financial statements include only the City. There are no other entities for which the City is financially accountable.

B. Government-wide and fund financial statements

The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. All activities of the City are governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Taxes and other items, which are not classified as program revenues, are presented as general revenues of the city.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City reports the following major governmental funds:

The General Fund is used to account for resources traditionally associated with government, which are not required legally, or by sound financial management to be accounted for in another fund.

The Special Highway Fund is used to account for monies sent quarterly from the State Treasurer's office which are the Special City and County Highway Fund distributed and computed in compliance with K.S.A. 79-3425C.

The Storm Drain Fund is used to account for storm water utility charges received based on an equivalent residential unit (ERU) to be used for storm water improvements citywide.

The Sales Tax Fund is used to account for revenues received from a one-quarter of one percent sales tax pledged to retire the Series 2002A General Obligation Bonds issued to expand the City's community center.

The General Obligation Fund is used to account for resources to be used for the payment of principal, interest and related costs of the general obligation bonds other than the sales tax bonds, as well as certain other long-term obligations of the City.

The Transportation Utility Fund is used to account for the transportation utility charges received based on an estimated land use formula per parcel to fund street and other transportation related improvements.

The Capital Improvement Fund is used to account for resources used to construct and maintain infrastructure citywide.

Agency funds are custodial in nature and do not measure results of operations or have a measurement focus. Agency funds do, however, use the accrual basis of accounting. The following activities are accounted for in the agency funds:

License Reinstatement Fees Fund is used to account for amounts collected through the court for driver's license reinstatement fees due to the State of Kansas.

Alcohol and Drug Safety Fund is used to account for monies collected and paid for Driving Under the Influence evaluations.

Cafeteria Plan is used to account for monies collected for employee cafeteria plan contributions.

D. Assets, Liabilities and Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments (including certificates of deposit) with original maturities of three months or less from the date of acquisition.

The City reflects investments with a maturity of one year or longer at the time of purchase at fair value, and those maturing in less than one year at the time of purchase at amortized cost.

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity (Continued)

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City and therefore are not susceptible to accrual. Accruals of uncollected current year property taxes are offset by deferred revenue and are identical to the adopted budget for 2012.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the accounting period, and further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. Property taxes are levied as of November 1 and become a lien on the property as of that date. Payments are due November 1, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20 of the ensuing year. Additional amounts are distributed on four (4) subsequent dates throughout the calendar year.

3. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

CITY OF MISSION, KANSAS
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity (Continued)

3. Capital Assets (Continued)

Property, plant and equipment of the government, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-75
Building improvements	20-75
Machinery and equipment	5-10
Office equipment	5-10
Infrastructure	20-75

4. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

5. Fund Equity

In the fund financial statements, governmental funds report fund balance in the following classifications: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Restricted fund balance indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city council. Assigned fund balances include amounts that are constrained by the City management's intent to be used for specific purposes, but are neither restricted nor committed. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available restricted amounts is considered to be spent first.

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity (Continued)

5. Fund Equity (Continued)

When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned and unassigned.

The following is the detail for fund balance classifications in the financial statements:

	Major Governmental Funds							Other Governmental Funds	Total Governmental Funds
	<u>General</u>	<u>Special Highway</u>	<u>Storm Drain</u>	<u>Sales Tax</u>	<u>General Obligation</u>	<u>Transportation Utility</u>	<u>Capital Improvement</u>		
Fund Balances:									
Restricted for:									
Public safety	\$ -	\$ 60,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,766
Public works	-	-	305,202	-	-	117,513	-	270,823	693,538
Debt payments	-	-	-	544,591	6,397	-	-	3,170	554,158
Capital improvements	-	-	-	-	-	784,544	-	-	784,544
Committed for:									
Public works	-	-	-	-	-	-	-	3,721	3,721
Unassigned:	<u>1,335,927</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,335,927</u>
Total Fund Balances	<u>\$ 1,335,927</u>	<u>\$ 60,766</u>	<u>\$ 305,202</u>	<u>\$ 544,591</u>	<u>\$ 6,397</u>	<u>\$ 117,513</u>	<u>\$ 784,544</u>	<u>\$ 277,714</u>	<u>\$ 3,432,654</u>

6. Compensated Absences

Under terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. At the end of each calendar year, employees are allowed to carry over any unused vacation. In the event of termination, an employee is paid for any unused carryover plus all unused earned vacation through the date of separation not to exceed a total of 240 hours.

The City's sick leave policy is to pay employees 50% of unused sick leave upon retirement or termination without cause. A liability for compensated absences is reported in governmental funds only if it has matured, for example, as a result of employee resignations and retirements. All compensated absences are accrued when incurred in the government-wide financial statements.

The General Fund has been used to liquidate the governmental funds compensated absences in prior years. The amount of the liability due within one year is \$194,143.

7. Special Assessments

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds, which are secured, by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as a project revenue and those received after the issuance of general obligation bonds are recorded as revenue in the General Obligation Fund. Further, state statutes require levying additional general ad valorem property taxes in the General Obligation Fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable is accounted for within the General Obligation Fund. Special assessments are levied over the repayment period of the bonds and the annual installments are due and payable with annual ad valorem property taxes. Special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the General Obligation Fund with a corresponding amount recorded as deferred revenue. Special assessments receivable at December 31, 2011, in the fund financial statements totaled \$10,425.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity (Continued)

8. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

9. Deferred Revenue

The City reports deferred revenue on its governmental funds balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized on the statement of revenues, expenditures and changes in fund balances.

10. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Kansas 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 funds. 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 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

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 2011 budget was not amended.

The statutes permit management to transfer budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year end. Encumbered appropriations are carried forward.

A legal operating budget is not required for the Transportation Utility Fund, Capital Improvement Fund, Special Law Enforcement Fund, School District Sales Tax Fund, Mission Convention and Visitor's Bureau Fund, Donations and Gifts Fund, Rock Creek Drainage District #1 Fund, Rock Creek Drainage District #2 Fund, Solid Waste Fund and the agency funds.

Spending in funds, which are not subject to the legal annual operating budget requirements, is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

	Major Governmental Funds							Other Governmental Funds	Total Governmental Funds
	General	Special Highway	Storm Drain	Sales Tax	General Obligation	Transportation Utility	Capital Improvement		
GAAP FUND BALANCE									
December 31, 2011	\$ 1,335,927	\$ 60,766	\$ 305,202	\$ 544,591	\$ 6,397	\$ 117,513	\$ 784,544	\$ 277,714	\$ 3,432,654
Adjustments:									
Unreserved fund balances not subject to the Kansas Budget Law:									
Transportation Utility	-	-	-	-	-	[117,513]	-	-	[117,513]
Capital Improvement	-	-	-	-	-	-	[784,544]	-	[784,544]
Nonmajor governmental funds	-	-	-	-	-	-	-	[104,845]	[104,845]
Total deductions	-	-	-	-	-	[117,513]	[784,544]	[104,845]	[1,006,902]
BUDGETARY FUND BALANCE									
December 31, 2011	\$ 1,335,927	\$ 60,766	\$ 305,202	\$ 544,591	\$ 6,397	\$ -	\$ -	\$ 172,869	\$ 2,425,752

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Restatement of Equity

The implementation of GASB 54 required the reclassification of the governmental fund balances. The following is the reclassification of fund balance as of December 31, 2010.

	Fund Balance Classification As of December 31, 2010			Fund Balance Classification As of December 31, 2010, Reclassified			
	Unreserved	Reserved	Total	Restricted	Committed	Unassigned	Total
Governmental Fund:							
General Fund	\$ 1,289,577	\$ 34,915	\$ 1,324,492	\$ -	\$ 34,915	\$ 1,289,577	\$ 1,324,492
Special Highway Fund	176,488	-	176,488	176,488	-	-	176,488
Storm Drain Fund	[29,273]	-	[29,273]	[29,273]	-	-	[29,273]
Sales Tax Fund	773,337	-	773,337	773,337	-	-	773,337
General Obligation Fund	17,761	-	17,761	17,761	-	-	17,761
Capital Improvement Fund	[453,906]	-	[453,906]	[453,906]	-	-	[453,906]
Other Governmental Fund	270,389	-	270,389	263,329	7,060	-	270,389
Total Governmental Funds	<u>\$ 2,044,373</u>	<u>\$ 34,915</u>	<u>\$ 2,079,288</u>	<u>\$ 747,736</u>	<u>\$ 41,975</u>	<u>\$ 1,289,577</u>	<u>\$ 2,079,288</u>

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City's cash is considered to be active funds by management and is invested according to K.S.A. 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county or an adjacent county in which the City is located and the banks provide an acceptable rate for active funds.

Various City investments are considered to be idle funds by management and are invested according to K.S.A. 12-1675. The statute requires that at the City invest its idle funds in only temporary notes of the City, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds: U.S. Treasury bills or notes, the Municipal Investment Pool (KMIP). Maturities of the above investments may not exceed two years by statute.

Some of the City's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the US government or any agency thereof, investment agreements with a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's investors service or Standard and Poor's corporation, and various other investments as specified in K.S.A. 10-131.

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

At December 31, 2011, the City has the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Maturity</u>		
			<u>Less Than 5 Years</u>	<u>5 - 10 Years</u>	<u>10 - 15 Years</u>
Kansas Municipal Investment Pool	<u>\$ 1,787,484</u>	S&P AAf/S1+	\$ 1,787,484	\$ -	\$ -

The Kansas Municipal Investment Pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The fair value of the City's position in the municipal investment pool is substantially the same as the value of the pool shares.

The City does not have any formal investment policies that would further limit concentration of credit risk, interest rate, or custodial credit risks beyond state statutes.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk require that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral according to K.S.A. 9-1402.

B. Accounts Receivable

Accounts receivable of the City, as of the year end, are as follows:

	<u>General</u>	<u>General Obligation</u>	<u>Other</u>	<u>Total</u>
			<u>Governmental Funds</u>	
Taxes	\$ 1,651,018	\$ 123,221	\$ 78,695	\$ 1,852,934
Special assessments	-	10,425	-	10,425
Intergovernmental	513	-	-	513
Other	<u>139,215</u>	<u>-</u>	<u>-</u>	<u>139,215</u>
Total	<u>\$ 1,790,746</u>	<u>\$ 133,646</u>	<u>\$ 78,695</u>	<u>\$ 2,003,087</u>

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2011, was as follows:

	Balance at <u>12/31/10</u>	<u>Restatement</u>	Restated Balance at <u>12/31/10</u>	<u>Additions</u>	<u>Retirements</u>	Balance at <u>12/31/11</u>
City governmental activities:						
Capital assets, not being depreciated						
Construction in progress	\$ 1,883,814	\$ -	\$ 1,883,814	\$ 4,288,771	\$ 5,398,126	\$ 774,459
Land	10,862,274	-	10,862,274	-	-	10,862,274
Capital assets, being depreciated						
Building	8,441,030	-	8,441,030	-	-	8,441,030
Equipment and vehicles	4,517,947	-	4,517,947	295,662	320,944	4,492,665
Infrastructure	<u>38,483,296</u>	<u>-</u>	<u>38,483,296</u>	<u>5,378,830</u>	<u>-</u>	<u>43,862,126</u>
Total capital assets	<u>64,188,361</u>	<u>-</u>	<u>64,188,361</u>	<u>9,963,263</u>	<u>5,719,070</u>	<u>68,432,554</u>
Less accumulated depreciation for:						
Building	2,593,187	-	2,593,187	144,534	-	2,737,721
Equipment and vehicles	3,344,747	-	3,344,747	339,546	255,859	3,428,434
Infrastructure	<u>3,259,676</u>	<u>-</u>	<u>3,259,676</u>	<u>1,040,820</u>	<u>-</u>	<u>4,300,496</u>
Total accumulated depreciation	<u>9,197,610</u>	<u>-</u>	<u>9,197,610</u>	<u>1,524,900</u>	<u>255,859</u>	<u>10,466,651</u>
Governmental activities capital assets, net	<u>\$ 54,990,751</u>	<u>\$ -</u>	<u>\$ 54,990,751</u>	<u>\$ 8,438,363</u>	<u>\$ 5,463,211</u>	<u>\$ 57,965,903</u>

The City's depreciation expense was charged to governmental functions as follows:

Governmental Activities:

General government	\$ 41,635
Public safety	116,955
Public works	1,154,195
Culture and recreation	<u>212,115</u>
Total depreciation	<u>\$ 1,524,900</u>

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt

During the year ended December 31, 2011, the following changes occurred in long term liabilities:

	Balance January 1, <u>2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2011</u>	Due Within <u>A Year</u>
General obligation debt	\$ 30,800,663	\$ 4,428,256	\$ 2,480,308	\$ 32,748,611	\$ 2,445,308
Capital lease payable	67,336	388,146	48,138	407,344	125,385
KDHE loan payable	273,507	132,765	306,408	99,864	3,977
Special assessment bonds	20,000	-	10,000	10,000	10,000
Capital improvement bonds	185,000	-	185,000	-	-
Temporary notes	-	485,000	-	485,000	-
Compensated absences	<u>577,657</u>	<u>111,627</u>	<u>210,437</u>	<u>478,847</u>	<u>194,143</u>
	<u>\$ 31,924,163</u>	<u>\$ 5,545,794</u>	<u>\$ 3,240,291</u>	<u>\$ 34,229,666</u>	<u>\$ 2,778,813</u>

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Series</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Maturity Date</u>	<u>Outstanding Amount As Of December 31, 2011</u>
Series 2002A - Community Center Sales Tax	6/15/2002	\$ 3,800,000	1.9%-5.0%	9/1/2012	\$ 475,000
Series 2004A - Capital Improvement	10/1/2004	1,235,000	1.4%-3.5%	9/1/2014	410,000
Series 2007A - Capital Improvement	5/15/2007	751,114	5.0%-5.3%	9/1/2018	565,000
Series 2009A - Refunding	6/10/2009	22,910,000	1.0%-4.35%	9/1/2029	17,350,000
Series 2010A - Capital Improvement	8/18/2010	3,276,571	2.0%-2.75%	9/1/2020	2,983,913
Series 2010B - Refunding	12/15/2010	6,974,092	4.0%-4.25%	9/1/2029	6,974,092
Series 2011A - Capital Improvement	3/15/2011	4,440,000	1.25%-1.75%	9/1/2015	3,990,605
					<u>\$ 32,748,611</u>

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest
2012	\$ 2,445,308	\$ 1,023,986
2013	2,005,308	967,792
2014	3,960,308	927,742
2015	2,545,308	856,441
2016	1,717,657	799,494
2017-2021	9,381,447	3,174,809
2022-2026	7,674,546	1,491,326
2027-2029	<u>3,018,728</u>	<u>243,128</u>
Total	<u>\$ 32,748,611</u>	<u>\$ 9,484,717</u>

The City issued \$132,000 of General Obligation Bonds Series 2002C to finance storm sewer improvements in a newly created special benefit district. These bonds are to be fully repaid from the levying of special assessments on the property owners yet are also subject to an additional ad valorem tax levy to finance any delinquent special assessments receivable.

Special assessment bonds with governmental commitment outstanding at December 31, 2011 are as follows:

<u>Series</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Maturity Date</u>	<u>Outstanding</u>
Series 2002C - storm sewer	9/15/2002	\$ 132,000	2.25%-4.25%	9/1/2012	<u>\$ 10,000</u>

Debt services requirements to maturity to special assessment bonds with governmental commitment outstanding at December 31, 2011 are as follows:

Year Ending December 31,	Principal	Interest
2012	<u>\$ 10,000</u>	<u>\$ 425</u>
Total	<u>\$ 10,000</u>	<u>\$ 425</u>

Temporary notes currently outstanding are as follows:

<u>Series</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Outstanding</u>
Series 2011-1	12/30/2011	\$ 485,000	1.15%	9/1/2014	<u>\$ 485,000</u>

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Annual debt service requirements to maturity for temporary notes outstanding at December 31, 2011 are as follows:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ -	\$ 3,734
2013	-	5,578
2014	<u>485,000</u>	<u>5,578</u>
Total	<u>\$ 485,000</u>	<u>\$ 14,889</u>

The Kansas Department of Health and Environment and the City has entered into an agreement for a loan. As of December 31, 2011, the City had made \$406,272 in loan draws and had 304,704 in principal forgiveness. The loan calls for an interest rate of 2.60%. The City will retire this loan with semi-annual payments through March 2031.

The following displays annual debt service requirements to maturity for this KDHE loan for the full proceeds amount:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 3,977	\$ 249
2013	4,096	237
2014	4,203	227
2015	4,313	216
2016	4,426	205
2017-2021	23,927	854
2022-2026	27,226	537
2027-2031	<u>27,698</u>	<u>176</u>
Total	<u>\$ 99,864</u>	<u>\$ 2,702</u>

At December 31, 2011, the remaining principal balance of outstanding debt issues previously defeased is \$5,250,000. The principal and interest payments for these bonds will be paid by the trustee for the related escrow securities on the scheduled payment dates. This amount is not recorded in these financial statements.

Conduit Debt Obligations. From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State of Kansas, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2011 there were five series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$39,010,000.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

IV. OTHER INFORMATION

A. 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; and natural disasters for which the City carries commercial insurance. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the last three years.

The City is a member of the Kansas Eastern Region Insurance Trust (KERIT), a group self-insured program consisting of local governments and other political subdivisions. KERIT was formed in 1986 as a public entity risk retention pool to provide workers' compensation benefits to employees of Trust members. The City pays annual premiums to KERIT for workers' compensation coverage. The agreement with KERIT provides that the Trust will be self-sustaining through member premiums. KERIT has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, KERIT has the authority to return dividends to members for the excess of revenues over expenses relating to any single plan year according to the Trust's by-laws.

B. Defined Benefit Pension Plan

Plan description - The City participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Fireman's Retirement System (KP&F). Both are cost-sharing multiple-employer defined benefit pension plans as provided by Kansas statutes (K.S.A. 74-4901 et seq). KPERS and KP&F provide retirement benefits, life insurance, disability income benefits and death benefits. Kansas law established and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to 611 South Kansas Ave., Suite 100, Topeka, Kansas 66603 or by calling 1-888-275-5737.

Funding Policy - K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at either 4% or 6% of covered salary based on the employee's tier. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provision of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates. The KPERS employer rate was 7.74% for the year ended December 31, 2011. The City employer contributions to KPERS for the year ended December 31, 2011, 2010 and 2009 were \$160,129, \$150,337 and \$113,856, respectively, equal to the required contributions for each year. The KP&F employer rate established for fiscal years beginning in 2011 is 14.57%. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which are determined separately for each participating employer. The City's contributions to KP&F for the years ended December 31, 2011, 2010 and 2009 were \$253,144, \$217,663 and \$229,676, respectively, equal to the retired contributions for each year.

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

IV. OTHER INFORMATION (Continued)

C. Interfund Transfers

A reconciliation of all transfers by fund type for 2011 follows:

<u>Fund</u>	<u>To</u>	<u>From</u>
General	\$ -	\$ 560,000
Storm Drain	-	650,000
Capital Improvement	990,000	-
Other Governmental Funds	<u>260,000</u>	<u>40,000</u>
	<u>\$ 1,250,000</u>	<u>\$ 1,250,000</u>

The City uses interfund transfers to share administrative costs between funds.

D. Defined Contribution Plan

The City has established the City of Mission Money Purchase Plan, administered by the Principal Financial Group, available to employees other than those participating in KP&F. The City Council established and amends benefit provisions. Employees are eligible to participate after completing 1,000 or more hours of service. The City's contributions for each employee are 60% vested after five years of service and vest an additional 20% each year thereafter. The City makes annual contributions to the plan equal to 4% of covered employees' wages. Employees under the plan are allowed to make contributions to the plan of up to 10% of their wages. In addition to this employee contribution, the City will contribute 50% of the employee contributions up to a maximum of 2%. The City's contributions for 2010 and 2011 were \$97,206, and \$105,901, respectively.

E. Capital Leases

The City has entered into lease agreements as lessee for financing the acquisition of equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

	Governmental Activities <u>Assets</u>
Other equipment	\$ <u>521,146</u>

Minimum future lease payments under capital leases as of December 31, 2011 are:

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Payment</u>
2012	\$ 125,385	\$ 12,562	\$ 137,947
2013	117,180	6,338	123,517
2014	120,145	3,372	123,517
2015	36,205	992	37,197
2016	<u>8,430</u>	<u>118</u>	<u>8,547</u>
Total	<u>\$ 407,344</u>	<u>\$ 23,381</u>	<u>\$ 430,726</u>

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

IV. OTHER INFORMATION (Continued)

F. Postemployment Healthcare Plan

Plan Description. The City operates a single employer defined benefit healthcare plan administered by the City. The Employee Benefit Plan (the Plan) provides medical benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. The General Fund has been used to liquidate net other postemployment benefit obligations in prior years. No separate financial report is issued for the Plan.

Funding Policy. The contribution requirements of plan participants and the City are established and amended by the City. The required contribution is based on projected pay-as-you-go financing requirements. Plan participant contribution percentages and monthly premiums are as follows:

Monthly Contributions			
Coverage	Health	Dental	Vision
Single	\$ 419.21	\$ 28.10	\$ 10.35
Single & Spouse	901.29	82.85	22.24
Single & Children	691.70	82.85	22.24
Family	1,152.83	82.85	22.24

Retiree Contribution Percentage			
Years of Service	Health	Dental	Vision
10 - 14	75%	100%	100%
15 - 19	70%	100%	100%
20 - 24	60%	100%	100%
25 or more	50%	100%	100%

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the Plan for the year, the amount actually contributed to the plan, and the changes in the City's net OPEB obligation to the Plan:

Annual required contribution	\$ 92,116
Interest on net OPEB obligation	5,889
Adjustment to annual required contribution	[8,469]
Annual OPEB cost (expense)	89,536
Benefit payments	23,545
Change in net OPEB obligation	65,991
Net OPEB obligation - beginning of year	117,778
Net OPEB obligation - end of year	\$ 183,769

CITY OF MISSION, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011

IV. OTHER INFORMATION (Continued)

F. Postemployment Healthcare Plan (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the year ended December 31, 2011 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation	Percentage of Annual OPEB Cost Contributed
December 31, 2009	\$ 80,172	\$ 23,545	\$ 56,627	29.37%
December 31, 2010	84,696	23,545	117,778	27.80%
December 31, 2011	89,536	23,545	183,769	26.30%

Funding Status and Funding Progress. As of January 1, 2009, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits was \$519,688 and the actuarial value of asset was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$519,688. The covered payroll (annual payroll of active employees covered by the plan) was \$3,629,440, and the ratio of the UAAL to the covered payroll was 14.3%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statement, presents multiyear trend information about whether the actuarial value of plan assets (if any) are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan participants) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan participants to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of January 1, 2009, the most recent actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 5% investment rate of return, which is the rate of the employer's own investments as there are no plan assets and an annual healthcare cost trend of 10% initially, reduced by decrements to an ultimate rate of 5% after five years. The UAAL is being amortized as a level dollar over an open thirty-year period.

CITY OF MISSION, KANSAS
 OTHER POST-EMPLOYMENT BENEFITS
 REQUIRED SUPPLEMENTARY INFORMATION
 December 31, 2011

Schedule of Employer Contributions:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation	Percentage of Annual OPEB Cost Contributed
December 31, 2009	\$ 80,172	\$ 23,545	\$ 56,627	29.37%
December 31, 2010	84,696	23,545	117,778	27.80%
December 31, 2011	89,536	23,545	183,769	26.30%

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percent of Payroll (b-a)/(c)
1/1/2009	\$ -	\$ 519,688	\$ 519,688	0.0%	\$ 3,629,440	14.32%

CITY OF MISSION, KANSAS

COMBINING STATEMENTS - NONMAJOR FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

1. **Special Alcohol Fund** - established to account for one-third of the Alcohol Tax Funds sent to the City quarterly from the State Treasurer's office, and to disperse monies that are allocated yearly for distribution to agencies that are approved by the City Council in specified amounts on a yearly basis.
2. **Special Parks and Recreation Fund** - established to account for one-third of the Alcohol Tax Funds that are sent to the City quarterly by the State Treasurer's office which are computed in compliance with K.S.A. Supp. 79-41A04 et seq., representing tax receipts and adjustments processed by the Department of Revenue.
3. **Special Law Enforcement Fund** - established to provide a depository for monies forfeited to the police department pursuant to provisions of K.S.A. 65-4135 and 65-4156 relating to controlled substance investigation forfeitures. Expenditures from this fund are made only for authorized law enforcement purposes of the police department. Monies in the fund are not to be used for normal operating expenses of the City of its police department.
4. **School District Sales Tax Fund** - established to account for the City's portion of sales tax monies received as a result of a 1/8th cent sales tax granted to schools by Johnson County voters in 2002.
5. **Mission Convention and Visitor's Bureau Fund** - established to account for transient guest tax receipts and is used to track the activities and expenditures of the Mission Convention and Visitor's Bureau.
6. **Donations and Gifts Fund** - established to account for donations and gifts from businesses, groups and individuals.
7. **Solid Waste Fund** – established to account for solid waste charges for services.
8. **Rock Creek Drainage District #1** – established to account for the Rock Creek Drainage District #1.
9. **Rock Creek Drainage District #2** – established to account for the Rock Creek Drainage District #2.

CITY OF MISSION, KANSAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2011

ASSETS	Special <u>Alcohol</u>	Special <u>Parks and Recreation</u>	Special <u>Law Enforcement</u>
Cash and cash equivalents	\$ 4,566	\$ 168,303	\$ 3,721
Receivables			
Taxes	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 4,566</u>	<u>\$ 168,303</u>	<u>\$ 3,721</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances			
Restricted	4,566	168,303	-
Committed	<u>-</u>	<u>-</u>	<u>3,721</u>
Total fund balances	<u>4,566</u>	<u>168,303</u>	<u>3,721</u>
Total liabilities and fund balances	<u>\$ 4,566</u>	<u>\$ 168,303</u>	<u>\$ 3,721</u>

<u>School District Sales Tax</u>	<u>Mission Convention and Visitor's Bureau</u>	<u>Donations and Gifts</u>	<u>Solid Waste</u>	<u>Rock Creek Drainage District #1</u>	<u>Rock Creek Drainage District #2</u>	<u>Total</u>
\$ 28,064	\$ 59,416	\$ 5,746	\$ 52,697	\$ 1,845	\$ 3,170	\$ 327,528
-	-	-	-	5,224	73,471	78,695
<u>\$ 28,064</u>	<u>\$ 59,416</u>	<u>\$ 5,746</u>	<u>\$ 52,697</u>	<u>\$ 7,069</u>	<u>\$ 76,641</u>	<u>\$ 406,223</u>
\$ -	\$ -	\$ -	\$ 48,553	\$ -	\$ -	\$ 48,553
-	-	1,261	-	5,224	73,471	79,956
-	-	1,261	48,553	5,224	73,471	128,509
28,064	59,416	4,485	4,144	1,845	3,170	273,993
-	-	-	-	-	-	3,721
<u>28,064</u>	<u>59,416</u>	<u>4,485</u>	<u>4,144</u>	<u>1,845</u>	<u>3,170</u>	<u>277,714</u>
<u>\$ 28,064</u>	<u>\$ 59,416</u>	<u>\$ 5,746</u>	<u>\$ 52,697</u>	<u>\$ 7,069</u>	<u>\$ 76,641</u>	<u>\$ 406,223</u>

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Year Ended December 31, 2011

	<u>Special Alcohol</u>	<u>Special Parks and Recreation</u>	<u>Special Law Enforcement</u>
Revenues			
Taxes	\$ -	\$ -	\$ -
Charges for services	-	-	-
Intergovernmental	33,920	33,919	-
Miscellaneous	-	-	1,680
	<u>33,920</u>	<u>33,919</u>	<u>1,680</u>
Total revenues	<u>33,920</u>	<u>33,919</u>	<u>1,680</u>
Expenditures			
Debt service			
Interest and other charges	-	-	-
Public works and improvements	34,512	19,524	5,019
	<u>34,512</u>	<u>19,524</u>	<u>5,019</u>
Total expenditures	<u>34,512</u>	<u>19,524</u>	<u>5,019</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[592]</u>	<u>14,395</u>	<u>[3,339]</u>
Other financing sources [uses]			
Transfer in	-	-	-
Transfer out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources [uses]	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	[592]	14,395	[3,339]
Fund balances, January 1	<u>5,158</u>	<u>153,908</u>	<u>7,060</u>
Fund balances, December 31	<u>\$ 4,566</u>	<u>\$ 168,303</u>	<u>\$ 3,721</u>

<u>School District Sales Tax</u>	<u>Mission Convention and Visitor's Bureau</u>	<u>Donations and Gifts</u>	<u>Solid Waste</u>	<u>Rock Creek Drainage District #1</u>	<u>Rock Creek Drainage District #2</u>	<u>Total</u>
\$ -	\$ 20,642	\$ -	\$ -	\$ 1,845	\$ 80,163	\$ 102,650
-	-	-	358,157	-	-	358,157
-	56,218	-	-	-	-	124,057
-	-	-	6,445	-	5	8,130
-	76,860	-	364,602	1,845	80,168	592,994
-	-	-	-	-	41,126	41,126
1,000	95,005	26,408	583,075	-	-	764,543
1,000	95,005	26,408	583,075	-	41,126	805,669
[1,000]	[18,145]	[26,408]	[218,473]	1,845	39,042	[212,675]
-	-	-	260,000	-	-	260,000
-	-	-	-	-	[40,000]	[40,000]
-	-	-	260,000	-	[40,000]	220,000
[1,000]	[18,145]	[26,408]	41,527	1,845	[958]	7,325
29,064	77,561	30,893	[37,383]	-	4,128	270,389
<u>\$ 28,064</u>	<u>\$ 59,416</u>	<u>\$ 4,485</u>	<u>\$ 4,144</u>	<u>\$ 1,845</u>	<u>\$ 3,170</u>	<u>\$ 277,714</u>

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SPECIAL ALCOHOL FUND
For the Year Ended December 31, 2011

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$33,920	\$ -	\$ 33,920	\$ 40,000	\$ 40,000	\$ [6,080]
Total revenues	<u>33,920</u>	<u>-</u>	<u>33,920</u>	<u>40,000</u>	<u>40,000</u>	<u>[6,080]</u>
Expenditures						
Social services	<u>34,512</u>	<u>-</u>	<u>34,512</u>	<u>49,239</u>	<u>49,239</u>	<u>14,727</u>
Total expenditures	<u>34,512</u>	<u>-</u>	<u>34,512</u>	<u>49,239</u>	<u>49,239</u>	<u>14,727</u>
Excess [deficiency] of revenues over [under] expenditures	[592]	-	[592]	\$ [9,239]	\$ [9,239]	\$ 8,647
Fund balance, January 1	<u>5,158</u>	<u>-</u>	<u>5,158</u>			
Fund balance, December 31	<u>\$ 4,566</u>	<u>\$ -</u>	<u>\$ 4,566</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SPECIAL PARKS AND RECREATION FUND
For the Year Ended December 31, 2011

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 33,919	\$ -	\$ 33,919	\$ 40,000	\$ 40,000	\$ [6,081]
Total revenues	<u>33,919</u>	<u>-</u>	<u>33,919</u>	<u>40,000</u>	<u>40,000</u>	<u>[6,081]</u>
Expenditures						
Public works and improvements	<u>19,524</u>	<u>-</u>	<u>19,524</u>	<u>189,889</u>	<u>189,889</u>	<u>170,365</u>
Total expenditures	<u>19,524</u>	<u>-</u>	<u>19,524</u>	<u>189,889</u>	<u>189,889</u>	<u>170,365</u>
Excess [deficiency] of revenues over [under] expenditures	14,395	-	14,395	<u>\$ [149,889]</u>	<u>\$ [149,889]</u>	<u>\$ 164,284</u>
Fund balance, January 1	<u>153,908</u>	<u>-</u>	<u>153,908</u>			
Fund balance, December 31	<u>\$ 168,303</u>	<u>\$ -</u>	<u>\$ 168,303</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
GENERAL OBLIGATION FUND
For the Year Ended December 31, 2011

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues:						
Taxes	\$ 136,158	\$ -	\$ 136,158	\$ 139,534	\$ 139,534	\$ [3,376]
Special assessments	11,200	-	11,200	90,000	90,000	[78,800]
Interest	18	-	18	1,500	1,500	[1,482]
Total revenues	<u>147,376</u>	<u>-</u>	<u>147,376</u>	<u>231,034</u>	<u>231,034</u>	<u>[83,658]</u>
Expenditures:						
Principal	140,000	-	140,000	235,000	235,000	95,000
Interest, issue cost and fiscal charges	18,740	-	18,740	235,997	235,997	217,257
Total expenditures	<u>158,740</u>	<u>-</u>	<u>158,740</u>	<u>470,997</u>	<u>470,997</u>	<u>312,257</u>
Excess [deficiency] of revenues over [under] expenditures	[11,364]	-	[11,364]	<u>\$ [239,963]</u>	<u>\$ [239,963]</u>	<u>\$ 228,599</u>
Fund balance, January 1	<u>17,761</u>	<u>-</u>	<u>17,761</u>			
Fund balance, December 31	<u>\$ 6,397</u>	<u>\$ -</u>	<u>\$ 6,397</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SALES TAX BOND FUND
For the Year Ended December 31, 2011

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues:						
Taxes	\$ 265,189	\$ -	\$ 265,189	\$ 435,000	\$ 435,000	\$ [169,811]
Interest	<u>165</u>	<u>-</u>	<u>165</u>	<u>5,000</u>	<u>5,000</u>	<u>[4,835]</u>
Total revenues	<u>265,354</u>	<u>-</u>	<u>265,354</u>	<u>440,000</u>	<u>440,000</u>	<u>[174,646]</u>
Expenditures:						
Principal	455,000	-	455,000	500,000	500,000	45,000
Interest, issue cost and fiscal charges	<u>39,100</u>	<u>-</u>	<u>39,100</u>	<u>-</u>	<u>-</u>	<u>[39,100]</u>
Total expenditures	<u>494,100</u>	<u>-</u>	<u>494,100</u>	<u>500,000</u>	<u>500,000</u>	<u>5,900</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[228,746]</u>	<u>-</u>	<u>[228,746]</u>	<u>[60,000]</u>	<u>[60,000]</u>	<u>[168,746]</u>
Other financing sources [uses]						
Transfer out	<u>-</u>	<u>-</u>	<u>-</u>	<u>[100,000]</u>	<u>[100,000]</u>	<u>100,000</u>
Total other financing sources [uses]	<u>-</u>	<u>-</u>	<u>-</u>	<u>[100,000]</u>	<u>[100,000]</u>	<u>100,000</u>
Excess [deficiency] of revenues and other sources over [under] over [under] expenditures	<u>[228,746]</u>	<u>-</u>	<u>[228,746]</u>	<u>[\$160,000]</u>	<u>[\$160,000]</u>	<u>\$ [68,746]</u>
Fund balance, January 1	<u>773,337</u>	<u>-</u>	<u>773,337</u>			
Fund balance, December 31	<u>\$ 544,591</u>	<u>\$ -</u>	<u>\$ 544,591</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

AGENCY FUNDS

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

1. **License Reinstatement Fees** - established to account for amounts collected through the court for driver's license restatement fees due to the State of Kansas.
2. **Alcohol and Drug Safety** - established to account for monies collected and paid for Driving Under the Influence evaluations.
3. **Cafeteria Plan** - established to account for monies collected for employee cafeteria plan contributions.

CITY OF MISSION, KANSAS
 COMBINING BALANCE SHEET
 AGENCY FUNDS
 December 31, 2011

ASSETS	<u>License Reinstatement Fees</u>	<u>Alcohol & Drug Safety</u>	<u>Cafeteria Plan</u>	<u>Totals</u>
Cash and cash equivalents	\$ 1,377	\$ 35,368	\$ 9,965	\$ 46,710
Total assets	<u>\$ 1,377</u>	<u>\$ 35,368</u>	<u>\$ 9,965</u>	<u>\$ 46,710</u>
 LIABILITIES				
Due to others	\$ 1,377	\$ 35,368	\$ 9,965	\$ 46,710
Total liabilities	<u>\$ 1,377</u>	<u>\$ 35,368</u>	<u>\$ 9,965</u>	<u>\$ 46,710</u>

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 For the Year Ended December 31, 2011

<u>License Reinstatement Fees</u>	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
ASSETS				
Cash and cash equivalents	\$ 2,569	\$ 31,160	\$ 32,352	\$ 1,377
Total assets	<u>\$ 2,569</u>	<u>\$ 31,160</u>	<u>\$ 32,352</u>	<u>\$ 1,377</u>

LIABILITIES

Due to others	\$ 2,569	\$ 31,160	\$ 32,352	\$ 1,377
Total liabilities	<u>\$ 2,569</u>	<u>\$ 31,160</u>	<u>\$ 32,352</u>	<u>\$ 1,377</u>

<u>Alcohol and Drug Safety</u>	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
ASSETS				
Cash and cash equivalents	\$ 33,077	\$ 26,100	\$ 23,809	\$ 35,368
Total assets	<u>\$ 33,077</u>	<u>\$ 26,100</u>	<u>\$ 23,809</u>	<u>\$ 35,368</u>

LIABILITIES

Due to others	\$ 33,077	\$ 26,100	\$ 23,809	\$ 35,368
Total liabilities	<u>\$ 33,077</u>	<u>\$ 26,100</u>	<u>\$ 23,809</u>	<u>\$ 35,368</u>

<u>Cafeteria Plan</u>	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
ASSETS				
Cash and cash equivalents	\$ 7,233	\$ 76,221	\$ 73,489	\$ 9,965
Total assets	<u>\$ 7,233</u>	<u>\$ 76,221</u>	<u>\$ 73,489</u>	<u>\$ 9,965</u>

LIABILITIES

Due to others	\$ 7,233	\$ 76,221	\$ 73,489	\$ 9,965
Total liabilities	<u>\$ 7,233</u>	<u>\$ 76,221</u>	<u>\$ 73,489</u>	<u>\$ 9,965</u>

<u>Total Agency Funds</u>	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
ASSETS				
Cash and cash equivalents	\$ 42,879	\$ 133,481	\$ 129,650	\$ 46,710
Total assets	<u>\$ 42,879</u>	<u>\$ 133,481</u>	<u>\$ 129,650</u>	<u>\$ 46,710</u>

LIABILITIES

Due to others	\$ 42,879	\$ 133,481	\$ 129,650	\$ 46,710
Total liabilities	<u>\$ 42,879</u>	<u>\$ 133,481</u>	<u>\$ 129,650</u>	<u>\$ 46,710</u>

See independent auditor's report on the financial statements.

STATISTICAL SECTION

This page intentionally left blank.

Statistical Section
(Unaudited)

This part of the City of Mission's *Comprehensive Annual Financial Report (CAFR)*, presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economical Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Financial Report for the relevant year. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

TABLE 1
(UNAUDITED)

CITY OF MISSION, KANSAS
NET ASSETS BY COMPONENT
LAST TEN YEARS (1)
(Accrual Basis of Accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental Activities								
Invested in capital assets, net of related debt	\$ 6,511,170	\$ 4,560,491	\$ 8,129,556	\$ 15,120,064	\$ 18,606,539	\$ 21,507,063	\$ 23,644,245	\$ 25,521,486
Restricted	572,955	623,320	678,017	722,400	857,622	941,397	791,098	550,988
Unrestricted	<u>5,812,516</u>	<u>8,094,125</u>	<u>4,359,428</u>	<u>2,360,686</u>	<u>3,571,184</u>	<u>3,841,032</u>	<u>1,518,953</u>	<u>1,844,275</u>
Total Net Assets	<u>\$ 12,896,641</u>	<u>\$ 13,277,936</u>	<u>\$ 13,167,001</u>	<u>\$ 18,203,150</u>	<u>\$ 23,035,345</u>	<u>\$ 26,289,492</u>	<u>\$ 25,954,296</u>	<u>\$ 27,916,749</u>

(1) Data became available with the inception of GASB 34 during fiscal year 2004, therefore 10 years of data is unavailable.

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 2
(UNAUDITED)

CITY OF MISSION, KANSAS
CHANGE IN NET ASSETS
LAST TEN YEARS (1)
(Accrual Basis of Accounting)

	2004	2005	2006	2007	2008	2009	2010	2011
Expenses								
Governmental Activities:								
General government	\$1,425,130	\$1,445,969	\$3,547,477	\$1,892,510	\$3,534,363	\$2,311,207	\$1,893,579	\$2,964,860
Public safety	2,508,144	2,862,597	2,903,379	3,239,519	3,384,135	3,624,111	3,613,022	3,791,275
Public works	2,929,595	3,188,033	2,657,277	2,953,028	2,699,875	3,990,772	4,388,119	3,332,773
Culture and recreation	2,813,867	2,866,291	2,813,443	2,648,777	2,657,303	2,733,024	2,695,954	2,607,459
Interest on Long-Term Debt	241,768	304,078	617,069	1,039,158	1,390,170	1,276,197	1,007,059	974,679
Total Primary Government Expenses	<u>9,918,504</u>	<u>10,666,968</u>	<u>12,538,645</u>	<u>11,772,992</u>	<u>13,665,846</u>	<u>13,935,311</u>	<u>13,597,733</u>	<u>13,671,046</u>
Program Revenues								
Governmental Activities:								
Charges for services								
General government	252,111	128,692	115,658	154,005	164,213	161,865	132,871	781,913
Public safety	976,526	1,204,794	1,568,089	1,897,595	1,850,795	2,071,362	1,648,771	1,640,415
Public works	14,069	514,303	372,141	574,455	777,603	1,059,463	1,190,916	2,432,511
Culture and recreation	1,499,413	1,704,874	1,758,012	1,818,171	1,872,041	1,841,918	1,805,037	1,559,797
Operating grants and contributions								
General government	5,675	815	1,300	-	-	-	-	-
Public safety	-	-	14,573	44,286	68,313	54,871	34,335	46,848
Public works	619,889	429,843	756,870	4,058,055	5,945,713	3,619,852	1,113,502	2,308,031
Total Primary Government Program Revenues	<u>3,367,683</u>	<u>3,983,321</u>	<u>4,586,643</u>	<u>8,546,567</u>	<u>10,678,678</u>	<u>8,809,331</u>	<u>5,925,432</u>	<u>8,769,515</u>
Total Primary Government Net [Expense]	<u>[6,550,821]</u>	<u>[6,683,647]</u>	<u>[7,952,002]</u>	<u>[3,226,425]</u>	<u>[2,987,168]</u>	<u>[5,125,980]</u>	<u>[7,672,301]</u>	<u>[4,901,531]</u>
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes:								
Property taxes	646,256	1,212,425	1,263,709	1,742,544	1,930,893	2,040,368	1,800,788	1,469,907
Sales and use tax	4,641,595	4,428,871	4,296,256	4,542,950	4,323,982	3,972,155	3,973,428	4,057,445
Motor vehicle tax	87,718	82,277	107,865	123,358	160,252	166,532	158,653	159,717
Franchise tax	749,315	853,066	929,185	986,991	1,022,445	976,392	1,011,213	1,014,732
Investment earnings	93,159	208,687	710,936	612,662	214,405	37,475	4,282	2,348
Miscellaneous	117,421	282,229	392,427	281,947	253,637	1,187,205	388,741	159,835
Total primary government	<u>6,335,464</u>	<u>7,067,555</u>	<u>7,700,378</u>	<u>8,290,452</u>	<u>7,905,614</u>	<u>8,380,127</u>	<u>7,337,105</u>	<u>6,863,984</u>
Change in Net Assets								
Governmental activities	<u>\$ [215,357]</u>	<u>\$ 383,908</u>	<u>\$ [251,624]</u>	<u>\$ 5,064,027</u>	<u>\$ 4,918,446</u>	<u>\$ 3,254,147</u>	<u>\$ [335,196]</u>	<u>\$ 1,962,453</u>

(1) Data became available with the inception of GASB 34 during fiscal year 2004, therefore 10 years of data is unavailable.

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 3
(UNAUDITED)

CITY OF MISSION, KANSAS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(Modified Accrual Basis of Accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General Fund				
Unassigned	\$ -	\$ -	\$ -	\$ -
Reserved	72,720	238,398	128,343	3,000
Unreserved	<u>1,280,176</u>	<u>2,188,070</u>	<u>2,598,676</u>	<u>2,694,436</u>
Total General Fund	<u>\$ 1,352,896</u>	<u>\$ 2,426,468</u>	<u>\$ 2,727,019</u>	<u>\$ 2,697,436</u>
All Other Governmental Funds				
Restricted	\$ -	\$ -	\$ -	\$ -
Committed	-	-	-	-
Reserved	4,378,979	2,039,455	1,931,462	1,203,988
Unreserved, reported in:				
Special revenue funds	1,603,014	2,484,200	1,865,105	1,632,667
Debt service fund	179,028	509,195	572,955	623,320
Capital project funds	<u>2,490,730</u>	<u>422,093</u>	<u>910,339</u>	<u>7,435,624</u>
Total All Other Governmental Funds	<u>\$ 8,651,751</u>	<u>\$ 5,454,943</u>	<u>\$ 5,279,861</u>	<u>\$ 10,895,599</u>

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 3
(UNAUDITED)

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,335,927
3,000	3,000	3,000	34,269	34,915	-
<u>1,923,372</u>	<u>2,120,554</u>	<u>2,459,968</u>	<u>2,473,479</u>	<u>1,289,577</u>	<u>-</u>
<u>\$ 1,926,372</u>	<u>\$ 2,123,554</u>	<u>\$ 2,462,968</u>	<u>\$ 2,507,748</u>	<u>\$ 1,324,492</u>	<u>\$ 1,335,927</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,093,006
-	-	-	-	-	3,721
1,153,883	1,153,883	8,828	-	-	-
1,654,844	1,635,880	1,642,606	1,527,992	417,604	-
678,017	722,400	857,622	941,397	791,098	-
<u>9,970,696</u>	<u>[1,813,596]</u>	<u>5,952,272</u>	<u>815,477</u>	<u>[453,906]</u>	<u>-</u>
<u>\$ 13,457,440</u>	<u>\$ 1,698,567</u>	<u>\$ 8,461,328</u>	<u>\$ 3,284,866</u>	<u>\$ 754,796</u>	<u>\$ 2,096,727</u>

TABLE 4
(UNAUDITED)

CITY OF MISSION, KANSAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(Modified Accrual Basis of Accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>
Revenues			
Taxes	\$ 3,556,131	\$ 5,349,559	\$ 6,124,884
Special assessments	128,442	119,500	120,888
Intergovernmental	2,274,727	582,114	625,563
Licenses and permits	139,953	151,410	150,055
Charges for services	1,492,293	1,458,250	1,593,983
Fines and fees	433,829	645,765	877,194
Use of money and property	174,672	73,331	93,159
Miscellaneous	34,583	53,523	117,421
Total revenues	<u>8,234,630</u>	<u>8,433,452</u>	<u>9,703,147</u>
Expenditures			
General government	743,380	768,751	1,070,642
Public safety	1,904,761	1,954,971	2,444,061
Public works	4,822,156	2,532,653	2,805,876
Culture and recreation	1,953,947	1,908,104	2,519,021
Capital outlay	786,015	3,941,062	2,235,832
Debt service			
Principal	1,100,000	502,000	1,960,000
Bond issuance costs	-	-	-
Interest and other charges	236,368	239,521	232,246
Total expenditures	<u>11,546,627</u>	<u>11,847,062</u>	<u>13,267,678</u>
Excess of revenues over [under] expenditures	<u>[3,311,997]</u>	<u>[3,413,610]</u>	<u>[3,564,531]</u>
Other financing sources [uses]			
Transfers in	463,080	368,572	2,279,072
Transfers out	[463,080]	[368,572]	[2,279,072]
Bond premium	-	-	-
Bond discount	-	-	-
Sale of refunding bonds	1,954,168	-	-
Payment to refunding bond escrow agent	[1,925,000]	-	-
Loan proceeds	-	-	-
Sale of bonds	3,965,856	1,200,000	3,690,000
Total other financing sources [uses]	<u>3,995,024</u>	<u>1,200,000</u>	<u>3,690,000</u>
Net change in fund balances	<u>\$ 683,027</u>	<u>\$ [2,213,610]</u>	<u>\$ 125,469</u>
Debt service as a percentage of noncapital expenditures	12.42%	9.38%	19.87%

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 4
(UNAUDITED)

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 6,576,639	\$ 6,597,014	\$ 7,395,843	\$ 7,336,009	\$ 7,064,955	\$ 6,927,357	\$ 6,690,601
112,011	106,173	95,035	101,563	90,492	16,725	11,200
430,658	666,570	4,007,306	6,014,026	3,674,723	1,147,837	2,354,879
189,776	147,398	199,545	322,449	161,865	132,871	158,156
2,050,547	2,102,420	2,341,354	2,480,423	2,801,599	2,793,683	4,616,065
1,200,329	1,564,082	1,903,327	1,861,780	2,171,144	1,851,040	1,640,415
208,687	710,936	612,662	175,208	37,475	4,282	2,348
282,229	392,427	281,947	275,087	1,212,405	415,230	187,679
<u>11,050,876</u>	<u>12,287,020</u>	<u>16,837,019</u>	<u>18,566,545</u>	<u>17,214,658</u>	<u>13,289,025</u>	<u>15,661,343</u>
1,418,455	1,916,208	1,975,256	2,199,511	1,912,691	1,907,311	1,925,928
2,740,399	2,722,207	3,079,884	3,326,584	3,473,046	3,438,881	3,710,722
2,980,125	2,403,996	2,574,231	2,247,005	3,489,138	3,335,084	2,113,493
2,549,985	2,521,622	2,381,770	2,387,785	2,475,261	2,477,811	2,434,362
3,820,968	8,542,329	22,198,096	9,219,468	3,899,569	2,673,142	5,545,434
1,045,000	4,685,000	5,985,000	8,345,000	28,400,000	12,365,000	2,976,408
72,332	48,919	90,494	59,190	-	-	-
233,084	326,898	1,097,214	1,275,507	1,606,635	1,329,292	1,047,541
<u>14,860,348</u>	<u>23,167,179</u>	<u>39,381,945</u>	<u>29,060,050</u>	<u>45,256,340</u>	<u>27,526,521</u>	<u>19,753,888</u>
<u>[3,809,472]</u>	<u>[10,880,159]</u>	<u>[22,544,926]</u>	<u>[10,493,505]</u>	<u>[28,041,682]</u>	<u>[14,237,496]</u>	<u>[4,092,545]</u>
1,285,232	1,752,338	2,080,802	1,512,547	1,634,590	2,609,467	1,250,000
[1,285,232]	[1,752,338]	[2,080,802]	[1,512,547]	[1,634,590]	[2,609,467]	[1,250,000]
294,598	61,976	1,113	-	-	105,663	-
[3,971]	-	-	[54,320]	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	273,507	520,911
<u>9,105,000</u>	<u>12,590,000</u>	<u>11,010,000</u>	<u>17,650,000</u>	<u>22,910,000</u>	<u>10,145,000</u>	<u>4,925,000</u>
<u>9,395,627</u>	<u>12,651,976</u>	<u>11,011,113</u>	<u>17,595,680</u>	<u>22,910,000</u>	<u>10,524,170</u>	<u>5,445,911</u>
<u>\$ 5,586,155</u>	<u>\$ 1,771,817</u>	<u>\$ [11,533,813]</u>	<u>\$ 7,102,175</u>	<u>\$ [5,131,682]</u>	<u>\$ [3,713,326]</u>	<u>\$ 1,353,366</u>
12.23%	34.60%	41.87%	45.90%	72.76%	54.93%	26.49%

TABLE 5
(UNAUDITED)

CITY OF MISSION, KANSAS
GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN YEARS

<u>Fiscal Year</u> <u>December 31,</u>	<u>Property</u> <u>Tax</u>	<u>City Sales</u> <u>Tax</u>	<u>City Use</u> <u>Tax</u>	<u>County Sales</u> <u>Tax</u>	<u>County Use</u> <u>Tax</u>	<u>Franchise</u> <u>Tax</u>	<u>Total</u>
2002	\$ 596,860	\$1,550,829	\$81,071	\$ 786,980	\$ 46,509	\$ 493,882	\$3,556,131
2003	675,451	2,671,526	180,720	1,246,079	82,306	493,477	5,349,559
2004	733,974	3,060,411	418,364	930,994	231,826	749,315	6,124,884
2005	1,294,702	2,540,060	734,473	909,570	244,768	853,066	6,576,639
2006	1,371,573	2,571,130	465,239	1,003,059	256,828	929,185	6,597,014
2007	1,865,902	2,647,561	614,798	1,035,776	244,815	986,991	7,395,843
2008	1,989,582	2,625,275	461,553	1,097,660	139,494	1,022,445	7,336,009
2009	2,116,408	2,484,314	439,764	918,713	129,364	976,392	7,064,955
2010	1,942,716	2,475,013	471,969	897,296	129,150	1,011,213	6,927,357
2011	1,618,424	2,549,792	379,031	953,789	174,833	1,014,732	6,690,601

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 6
(UNAUDITED)

CITY OF MISSION, KANSAS
LOCAL SALES TAX COLLECTIONS
LAST TEN YEARS (1)

Category	Local Sales Tax Collected		
	<u>2009</u>	<u>2010</u>	<u>2011</u>
Auto sales, repairs, gasoline	\$ 264,802	\$ 297,058	\$ 336,701
Clothing, department and shoe stores	432,385	415,520	438,675
Construction, home repairs, maintenance	84,602	67,472	53,265
Grocery/drug store	386,318	437,049	449,708
Medical	15,962	18,900	19,979
Restaurant/entertainment	424,966	389,738	431,435
Specialty	173,076	173,346	181,528
Utilities/communications	373,797	379,538	358,793
All other outlets	<u>328,406</u>	<u>296,392</u>	<u>294,709</u>
Total	<u>\$ 2,484,314</u>	<u>\$ 2,475,013</u>	<u>\$ 2,564,793</u>
City Sales Tax Rate	1.25%	1.25%	1.25% and 1.0%

Note (1) - Data became available in 2009, therefore 10 years of data is unavailable.

Source: Kansas Department of Revenue.

This page intentionally left blank.

TABLE 7
(UNAUDITED)

CITY OF MISSION
ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY (1)
LAST TEN YEARS

<u>Year Ended</u> <u>December 31,</u>		<u>Real Property</u>		<u>Personal Property</u>		<u>Total</u>	<u>Estimated</u>	<u>Ratio of</u>	<u>Total</u>
<u>Assessment</u>	<u>Budget</u>	<u>Assessed</u>	<u>Estimated</u>	<u>Assessed</u>	<u>Estimated</u>	<u>Assessed</u>	<u>Actual</u>	<u>to Estimated</u>	<u>Direct</u>
<u>Year</u>	<u>Year</u>	<u>Value</u>	<u>Actual Value</u>	<u>Value</u>	<u>Actual Value</u>	<u>Value</u>	<u>Value</u>	<u>Actual Value</u>	<u>Rate</u>
2001	2002	\$ 97,587,479	\$ 636,773,160	\$ 16,526,153	\$ 65,002,868	\$ 114,113,632	\$ 701,776,028	0.16	5.124
2002	2003	117,414,721	795,044,473	14,220,866	55,935,406	131,635,587	850,979,879	0.15	5.041
2003	2004	116,464,078	821,908,020	9,316,714	36,645,742	125,780,792	858,553,762	0.14	9.935
2004	2005	119,809,159	849,677,095	9,023,996	35,494,384	128,833,155	885,171,479	0.14	9.962
2005	2006	122,948,049	880,351,925	8,749,943	29,166,477	131,697,992	909,518,402	0.14	13.176
2006	2007	128,267,489	923,590,639	9,862,567	32,875,223	138,130,056	956,465,862	0.14	13.198
2007	2008	130,722,893	936,033,240	6,713,836	22,379,453	137,436,729	958,412,693	0.14	13.215
2008	2009	124,812,666	900,169,960	3,389,601	11,298,670	128,202,267	911,468,630	0.14	13.217
2009	2010	117,416,873	858,323,410	3,104,763	10,349,210	120,521,636	868,672,620	0.14	11.213
2010	2011	111,687,842	816,443,897	2,594,652	8,648,840	114,282,494	825,092,737	0.14	11.371

(1) - Information provided by the Johnson County Office of the County Appraiser.

TABLE 8
(UNAUDITED)

CITY OF MISSION, KANSAS
PROPERTY TAX RATES PER \$1,000 OF ASSESSED VALUATION
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS

Year Ended December 31,	City			Johnson County	Shawnee Mission School District	Johnson County Community College
	General Fund	Storm Drain Fund	General Obligation Fund			
2002	5.124	0.000	0.000	16.2210	42.2380	9.428
2003	5.041	0.000	0.000	16.3810	37.7740	9.432
2004	9.935	1.000	1.025	16.0410	42.6550	9.438
2005	9.962	1.003	1.028	17.9220	49.7480	8.960
2006	13.176	1.002	1.027	17.9490	51.9800	8.872
2007	13.198	1.004	1.029	17.9850	52.0080	8.749
2008	13.215	1.005	1.030	17.7670	52.0940	8.768
2009	11.182	1.005	1.030	17.7160	55.3180	8.784
2010	10.183	0.000	1.030	17.7480	57.1920	8.799
2011	10.326	0.000	1.045	17.7000	56.1350	8.776

Information provided by the Johnson County, Kansas County Clerk's Annual Abstract of Taxes.

TABLE 8
(UNAUDITED)

Consolidated Fire District #2	Unified Johnson County Sewer District	Johnson County Library	Johnson County Parks and Recreation
8.008	0.000	2.948	1.602
9.240	0.000	2.954	2.365
9.241	0.000	2.956	2.367
9.405	0.000	2.955	2.286
9.335	0.000	2.960	2.290
9.356	0.000	2.962	2.295
8.992	0.000	3.057	2.341
8.991	0.000	3.151	2.346
10.074	0.000	3.158	2.350
10.098	0.000	3.145	2.343

This page intentionally left blank.

TABLE 9
(UNAUDITED)

CITY OF MISSION, KANSAS
PRINCIPAL TAXPAYERS
December 31, 2011 and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2010 Assessed Valuation</u>	<u>Rank</u>	<u>% of Total Assessed Valuation</u>	<u>2001 Assessed Valuation</u>	<u>Rank</u>	<u>% of Total Assessed Valuation</u>
Scriptpro	Medical equipment manufacturer	\$ 4,672,362	1	3.88%	Not Available		
Bannister Realty Company, Inc.	Property developer	2,507,751	2	2.08%			
Southwestern Bell Telephone	Telecommunications provider	2,213,314	3	1.84%			
Broadmoor Place Associates	Office building development	2,005,250	4	1.66%			
Tower Properties Company	Property developer	1,999,851	5	1.66%			
Sixty Three West Investors	Property developer	1,838,001	6	1.53%			
Mission Mart Shopping Center	Shopping center	1,724,137	7	1.43%			
Bridges at Foxridge NF L.L.C.	Property developer	1,708,555	8	1.42%			
Block Properties Company	Property developer	1,655,251	9	1.37%			
Target Corporation	Shopping center	<u>1,595,100</u>	10	1.32%			
Total		<u>\$ 21,919,572</u>		<u>18.19%</u>			

Source: Johnson County Clerks Office.

TABLE 10
(UNAUDITED)

CITY OF MISSION, KANSAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

<u>Year Ended</u> <u>December 31,</u>	<u>Total</u> <u>Tax</u> <u>Levy</u>	<u>Current</u> <u>Taxes</u> <u>Collected</u>	<u>Percent of</u> <u>Current Taxes</u> <u>Collected</u>	<u>Delinquent</u> <u>Tax</u> <u>Collections</u>	<u>Total Tax</u> <u>Collections</u>	<u>Ratio of</u> <u>Total Tax</u> <u>Collections</u> <u>to Tax Levy</u>
2002	\$ 614,100	\$ 611,283	99.5%	\$ 1,577	\$ 612,860	99.8%
2003	614,437	607,533	98.9%	6,478	614,011	99.9%
2004	613,444	606,265	98.8%	4,766	611,031	99.6%
2005	1,245,425	1,201,481	96.5%	5,735	1,207,216	96.9%
2006	1,280,090	1,255,976	98.1%	5,265	1,261,241	98.5%
2007	1,733,032	1,697,828	98.0%	30,411	1,728,239	99.7%
2008	1,821,495	1,685,188	92.5%	104,970	1,790,158	98.3%
2009	1,814,496	1,776,342	97.9%	36,912	1,813,254	99.9%
2010	1,694,787	1,657,376	97.8%	12,236	1,669,612	98.5%
2011	1,351,409	1,320,407	97.7%	29,563	1,349,970	99.9%

TABLE 11
(UNAUDITED)

CITY OF MISSION, KANSAS
OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Temporary Notes	Capital Improvement Bonds	Special Assessment Bonds	Loans Bonds	Capital Leases Payable	Total	City Population	Personal Income	Debt Per Capita	Debt As A Percentage of Personal Income
2002	\$ 5,755,000	\$ -	\$ -	\$ 132,000	\$ -	\$ -	\$ 5,887,000	9,727	\$ 271,091,490	605	2.17%
2003	5,265,000	1,200,000	-	120,000	-	-	6,585,000	10,020	279,257,400	657	2.36%
2004	5,755,000	1,295,000	1,160,000	105,000	-	-	8,315,000	10,020	279,257,400	830	2.98%
2005	11,219,598	4,346,029	1,010,000	90,000	-	188,136	16,853,763	10,020	279,257,400	1,682	6.04%
2006	9,725,138	13,946,976	860,000	75,000	-	144,530	24,751,644	10,020	279,257,400	2,470	8.86%
2007	9,050,680	19,771,525	700,000	60,000	-	66,200	29,648,405	10,020	279,257,400	2,959	10.62%
2008	7,951,220	30,265,805	535,000	45,000	-	136,823	38,933,848	10,020	279,257,400	3,886	13.94%
2009	29,666,760	3,231,666	365,000	30,000	-	122,359	33,415,785	10,020	279,257,400	3,335	11.97%
2010	30,800,663	-	185,000	20,000	273,507	67,336	31,346,506	9,323	328,701,011	3,362	9.54%
2011	32,748,611	485,000	-	10,000	99,864	407,344	33,750,819	9,323	328,701,011	3,620	10.27%

Source: Johnson County Clerk and City of Mission Records.

TABLE 12
(UNAUDITED)

CITY OF MISSION, KANSAS
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED
VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA
LAST TEN YEARS

<u>Year Ended</u> <u>December 31.</u>	<u>Population(1)</u>	<u>Assessed</u> <u>Value</u>	<u>Gross</u> <u>Bonded</u> <u>Debt</u>	<u>Less</u> <u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Net</u> <u>Bonded</u> <u>Debt</u>	<u>Ratio of</u> <u>Net</u> <u>Bonded</u> <u>Debt to</u> <u>Assessed</u> <u>Value</u>	<u>Net</u> <u>Bonded</u> <u>Debt per</u> <u>Capita</u>
2002	9,727	\$ 114,113,632	\$ 5,887,000	\$ 179,028	\$ 5,707,972	5.00%	\$ 586.82
2003	10,020	131,635,587	6,585,000	509,195	6,075,805	4.62%	606.37
2004	10,020	125,780,792	5,860,000	572,955	5,287,045	4.20%	527.65
2005	10,020	128,833,155	11,309,598	623,320	10,686,278	8.29%	1,066.49
2006	10,020	131,697,992	9,800,138	678,017	9,122,121	6.93%	910.39
2007	10,020	138,130,056	9,110,680	722,400	8,388,280	6.07%	837.15
2008	10,020	137,436,729	7,996,220	857,622	7,138,598	5.19%	712.43
2009	10,020	128,202,267	29,696,760	941,397	28,755,363	22.43%	2,869.80
2010	9,323	120,521,636	30,820,663	791,098	30,029,565	24.92%	3,221.02
2011	9,323	114,282,494	32,758,611	550,988	32,207,623	28.18%	3,454.64

(1) Information provided by the Johnson County Economic Research Institute.

CITY OF MISSION, KANSAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2011

<u>Name of Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Mission</u>	<u>Amount Applicable to City of Mission</u>
Direct debt:			
City of Mission, Kansas	\$ 33,750,819	100.00%	\$ 33,750,819
Overlapping debt: (1)			
Johnson County	240,750,000	1.55%	3,731,625
Shawnee Mission School (U.S.D. 512)	222,340,000	4.03%	8,960,302
Fire District #2	1,375,000	16.18%	222,475
Johnson County Parks and Recreation	<u>3,625,000</u>	1.55%	<u>56,188</u>
Total overlapping debt	<u>468,090,000</u>		<u>12,970,590</u>
Total direct and overlapping debt	<u>\$ 501,840,819</u>		<u>\$ 46,721,409</u>

(1) Information provided by Johnson County Clerk's Office.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the overlapping debt of those overlapping governments that is borne by the resident and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also applied to the other debt of the overlapping governmental units.

TABLE 14
(UNAUDITED)

CITY OF MISSION, KANSAS
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Total Assessed Valuation of Taxable Property	\$ 114,113,632	\$ 131,635,587	\$ 125,780,792	\$ 128,833,155
Debt Limit Percent of Assessed Value	<u>30.00%</u>	<u>30.00%</u>	<u>30.00%</u>	<u>30.00%</u>
Debt Limit	34,234,090	39,490,676	37,734,238	38,649,947
Total net debt applicable to limit	<u>5,887,000</u>	<u>6,585,000</u>	<u>5,860,000</u>	<u>11,309,598</u>
Legal Debt Margin	<u>\$ 28,347,090</u>	<u>\$ 32,905,676</u>	<u>\$ 31,874,238</u>	<u>\$ 27,340,349</u>
Total Net Debt Applicable To The Limit As A Percentage of Debt Limit	17.20%	16.67%	15.53%	29.26%

Note: Under State finance law, the City's outstanding general obligation debt should not exceed 30 percent of the total assessed property value.

Source: Assessed valuation from Johnson County Clerk.

TABLE 14
(UNAUDITED)

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 131,697,992	\$ 138,130,056	\$ 137,436,729	\$ 128,202,267	\$ 120,521,636	\$ 114,282,494
<u>30.00%</u>	<u>30.00%</u>	<u>30.00%</u>	<u>30.00%</u>	<u>30.00%</u>	<u>30.00%</u>
39,509,398	41,439,017	41,231,019	38,460,680	36,156,491	34,284,748
<u>9,800,138</u>	<u>9,110,680</u>	<u>7,996,220</u>	<u>2,915,000</u>	<u>2,740,000</u>	<u>6,535,000</u>
<u>\$ 29,709,260</u>	<u>\$ 32,328,337</u>	<u>\$ 33,234,799</u>	<u>\$ 35,545,680</u>	<u>\$ 33,416,491</u>	<u>\$ 27,749,748</u>
24.80%	21.99%	19.39%	7.58%	7.58%	19.06%

TABLE 15
(UNAUDITED)

CITY OF MISSION, KANSAS
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
December 31, 2011

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Personal Income</u>
2002	9,727	4.3%	\$ 27,870	\$ 271,091,490
2003	10,020	3.9%	27,870	279,257,400
2004	10,020	4.3%	27,870	279,257,400
2005	10,020	4.5%	27,870	279,257,400
2006	10,020	4.1%	27,870	279,257,400
2007	10,020	3.9%	27,870	279,257,400
2008	10,020	4.4%	27,870	279,257,400
2009	10,020	6.3%	27,870	279,257,400
2010	9,323	6.8%	35,257	328,701,011
2011	9,323	6.0%	35,257	328,701,011

(1) Obtained from Johnson County Economic Research Institute and Bureau of Census.
Unemployment rates are for Johnson County.

(2) Information compiled every ten years.

TABLE 16
(UNAUDITED)

CITY OF MISSION, KANSAS
PRINCIPAL EMPLOYERS
December 31, 2011 and Nine Years Ago

<u>Employer</u>	December 31, 2011			December 31, 2002		
	Employees	Rank	Percentage of Total Employment	Employees (1)	Rank	Percentage of Total Employment
ScriptPro	500	1	4.99%	Not Available		0.00%
AT&T Telecommunications	400	2	3.99%	Not Available		0.00%
Skillpath, Inc.	250	3	2.50%	Not Available		0.00%
HyVee Food Stores	275	4	2.74%	Not Available		0.00%
U.S. Post Office	250	5	2.50%	Not Available		0.00%
Entercom	250	6	2.50%	Not Available		0.00%
City of Mission (2)	221	7	2.21%	Not Available		0.00%
Ace Personnel	200	8	2.00%	Not Available		0.00%
Geneva Roth Ventures	175	9	1.75%	Not Available		0.00%
Target	150	10	1.50%	Not Available		0.00%
Packaging Products Corp	120	10	1.20%	Not Available		0.00%
Cumulus Broadcasting (3)	100	10	1.00%	Not Available		0.00%
Total	2,891		28.85%	-		0.00%

(1) Information not available.

(2) Includes full and part time.

(3) Formerly Susquehanna, Inc.

Source: Northeast Johnson County Economic Development Council.

TABLE 17
(UNAUDITED)

CITY OF MISSION, KANSAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST SIX YEARS (1)
December 31, 2011

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Public Safety/Municipal Justice						
911 Calls Received	9,003	10,756	9,128	8,432	10,583	9,150
DUI Arrests	213	363	335	441	317	328
Traffic/Parking Complaints	16,858	17,964	17,350	20,745	16,947	14,471
Accidents	316	351	287	252	234	294
Investigations Cases	714	744	702	668	732	543
Total Court Cases Processed	17,690	19,027	17,574	18,849	17,158	14,760
Public Works						
Curb Miles Swept (lane miles)	296	222	797	1,263	925	1,416
Streets Milled and Overlaid (Linear Feet)	1,200	2,850	9,386	2,540	4,953	13,330
Sidewalk Replaced (Square Yards)	550	550	1,330	341	1,619	6,015
Curb and Gutter Replaced (Linear Feet)	2,900	6,499	4,920	222	3,642	11,266
Acres of Lawn Mowed	4,224	1,056	1,056	1,240	1,240	1,240
Urban Management and Planning						
Building Permits Processed	36	60	130	161	251	281
Plan Reviews Performed	20	18	20	20	26	17
Leisure and Recreation						
Annual Memberships Sold	937	2,294	2,314	2,520	2,871	2,115
Annual Membership Revenue	1,054,374	1,028,942	1,022,691	952,658	941,704	932,068
Facility Reservations Processed	1,960	1,111	735	1,012	846	906
Facility Reservation Revenue	168,119	172,469	189,378	247,984	214,995	209,024
Pool Memberships Sold	261	230	232	315	349	323
Pool Revenue	53,504	54,425	57,265	63,998	67,880	55,932

(1) Data not maintained by specific function prior to 2006.

Source: City of Mission, Kansas.

TABLE 18
(UNAUDITED)

CITY OF MISSION, KANSAS
FULL TIME CITY EMPLOYEES BY FUNCTION/PROGRAM
LAST SEVEN YEARS

<u>Function/Program</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Government							
Administration/Finance*	5.0	7.0	7.0	7.0	6.0	6.0	6.0
Community Development*	5.0	3.0	3.0	3.0	2.0	2.0	2.0
Municipal Court*	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Public Works*	11.0	11.0	11.0	12.0	14.0	14.0	14.0
Police	31.0	31.0	31.0	30.0	30.0	30.0	29.0
Parks & Recreation*	<u>12.0</u>	<u>12.0</u>	<u>13.0</u>	<u>13.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>
Total	68.0	68.0	69.0	69.0	69.0	69.0	68.0

*Data not maintained by specific function prior to 2005.

Source: City of Mission, Kansas.

TABLE 19
(UNAUDITED)

CITY OF MISSION, KANSAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

<u>Function/Program</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Police										
Stations	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Works										
Miles of streets	44.7	44.7	44.7	44.7	44.7	44.7	44.7	44.7	44.7	44.7
Streetlights	805.0	850.0	850.0	850.0	850.0	850.0	850.0	850.0	850.0	819.0
Parks & Recreation										
Parks	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	6.0
Park acreage	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Pools	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tennis Courts	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community Center	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

Source: City of Mission, Kansas.