

City of Leawood, Kansas *Quarterly Report*



Fourth Quarter – December, 2011

City of Leawood
Finance Department

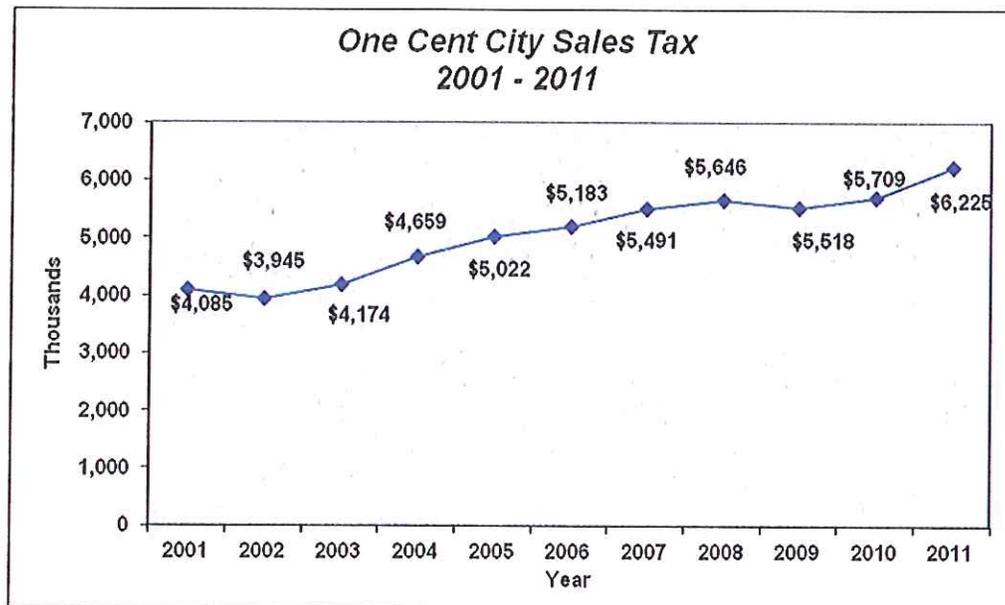
Update of City Finances For the period ending December 31, 2011

Below, please find the highlights of revenues and expenditures for 2011. *This is a preliminary report, as the final audited numbers will be presented to the Governing Body in May.*

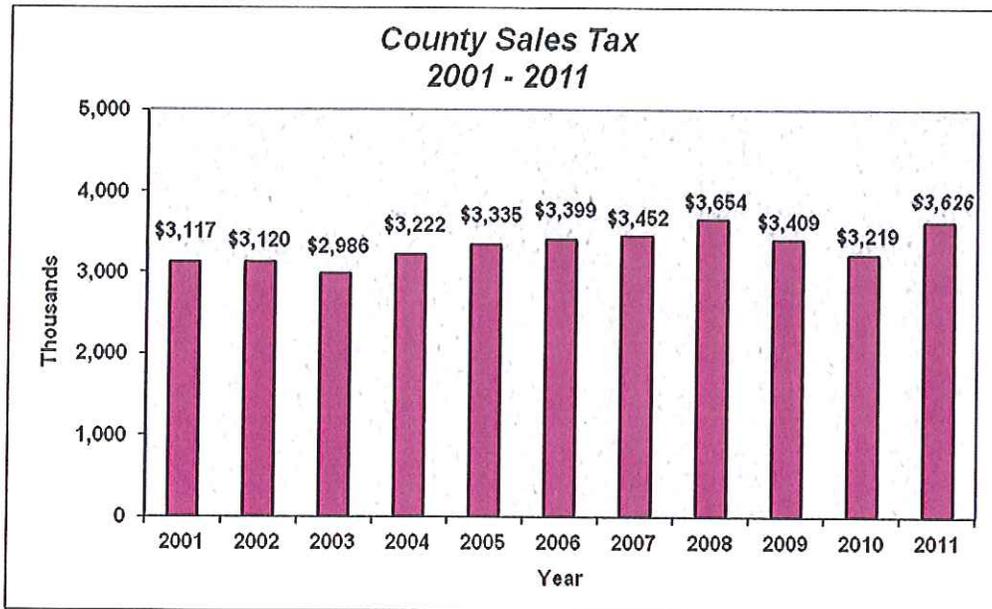
REVENUES

Property Tax: For 2011, property taxes (both current and delinquent payments) were estimated at \$18,578,863. Collections for the year totaled \$18,202,640, and 98.7% of the current year assessment. In comparison, the 2010 collections, of \$18,559,858, were 97.9% of the assessment. From 2004 to 2011 the City averaged collections of 98.4%.

General City Sales Tax: Sales Tax represents the second largest source of general fund revenue. Collections were originally projected to be \$5,664,553 but were revised upward to \$5,823,070 when reviewed in April. Collections for the year totaled \$6,224,627, 6.9% higher than revised projections and 9.0% higher than previous year collections. The 2010 collections were \$5,708,892. The chart below shows annual collections since 2001.



County Retail Sales Tax: The April estimate for County retail tax collections was revised downward to \$3,283,660 from the original projection of \$3,407,633. Collections of \$3,625,812 were 10.4% higher than the estimate. Collections for the same period last year were \$3,219,274, showing an increase of 12.6% from 2010 to 2011.

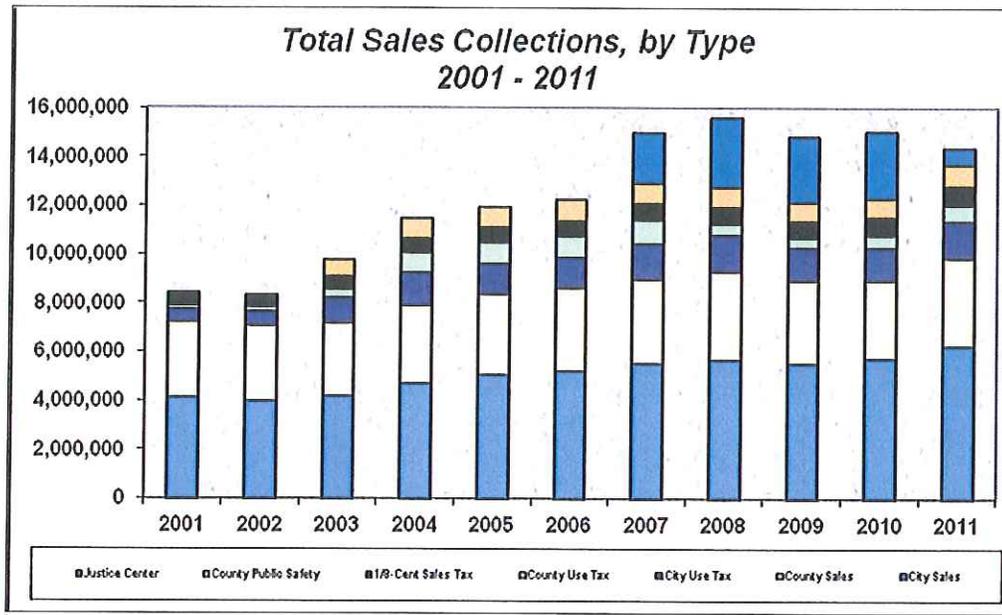


Total Sales & Local Use Tax: Included in this category are the city one-cent sales tax, county sales tax, city and county compensating use taxes, the 1/8-cent sales tax, and the county public safety sales and use taxes. The total budget for these areas was revised upward in April to \$11,738,267. Total sales and use tax cash collections through December were \$12,800,242 compared to \$11,511,772 for the same period last year or an 11.2% increase from the previous year.

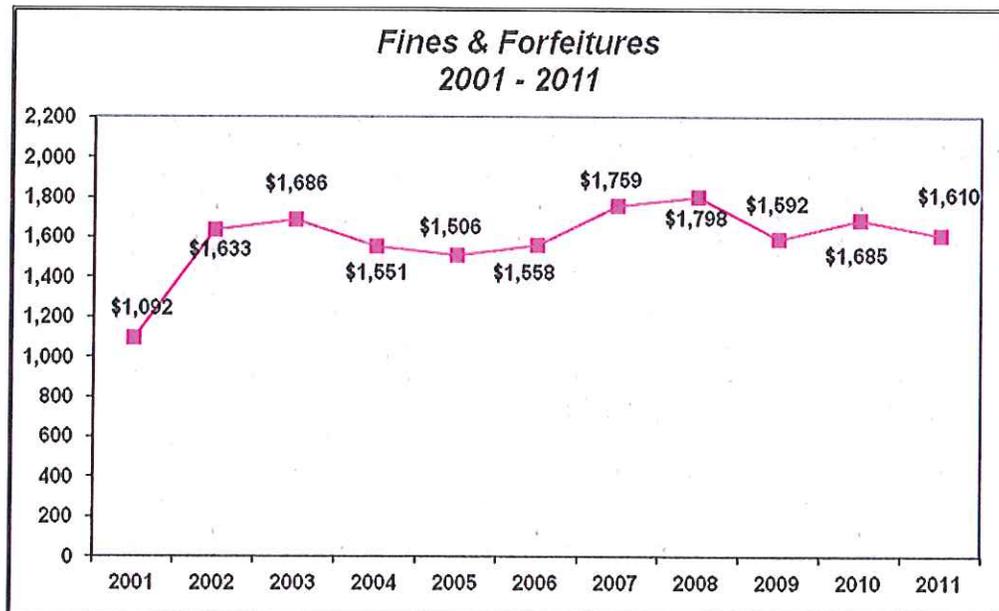
For 2011, the county special sales and use tax collections, which the City will be using towards the Justice Center, were \$859,621 and the Justice Center sales and use tax collections were \$676,124. This .40 City sales tax ended March 31, 2011.

| | 2008 Actual | 2009 Actual | 2010 Actual | 2011 Estimate | 2011 Actual | % Chg 2010/2011 |
|---------------------------|---------------------|---------------------|-------------------|---------------------|-------------------|--------------------|
| City Sales | 5,646,360 | 5,517,618 | 5,708,892 | 5,823,070 | 6,224,627 | 9.0% |
| County Sales | 3,654,182 | 3,408,723 | 3,219,274 | 3,283,660 | 3,625,812 | 12.6% |
| City Use | 1,494,552 | 1,320,507 | 1,356,267 | 1,380,680 | 1,500,526 | 10.6% |
| County Use | 439,031 | 418,568 | 513,827 | 523,076 | 672,224 | 30.8% |
| City 1/8-Cent Sales | 705,899 | 689,691 | 713,512 | 727,782 | 777,053 | 8.9% |
| TOTAL | \$11,940,024 | \$11,355,107 | 11,511,772 | \$11,738,267 | 12,800,242 | 11.2% |
| County Special Sales Tax | 730,838 | 681,746 | 638,459 | 651,228 | 725,176 | 13.6% |
| County Special Use Tax | 87,806 | 84,898 | 103,316 | 105,382 | 134,445 | 30.1% |
| Justice Center City Sales | 2,296,461 | 2,206,955 | 2,282,510 | 0 | 558,679 | NA |
| Justice Center City Use | 537,718 | 469,731 | 482,185 | 0 | 117,445 | NA |

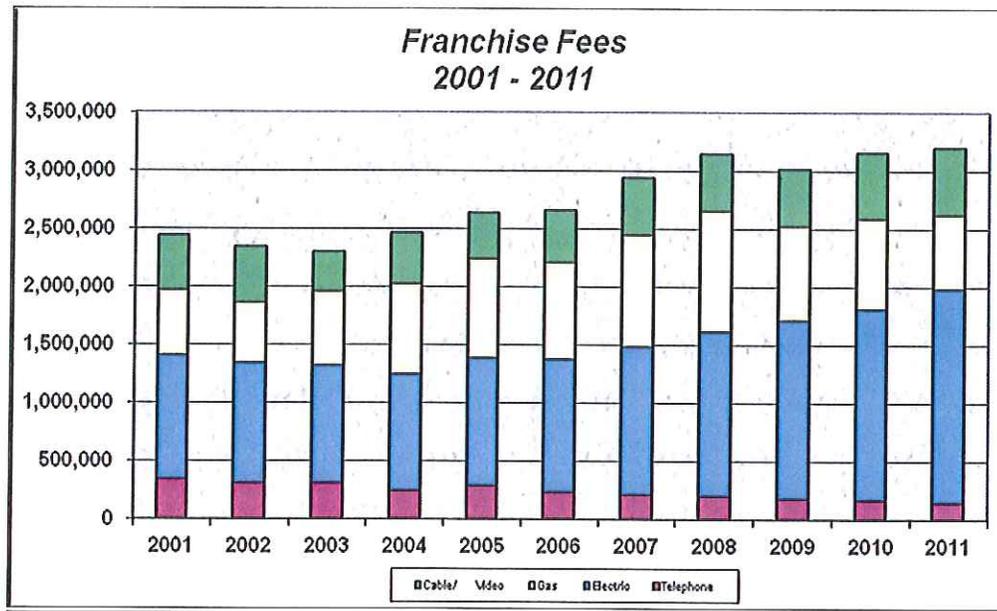
As with sales tax paid by businesses, there is a two-month lag between the month of payment and the month in which Leawood receives the payment from the State.



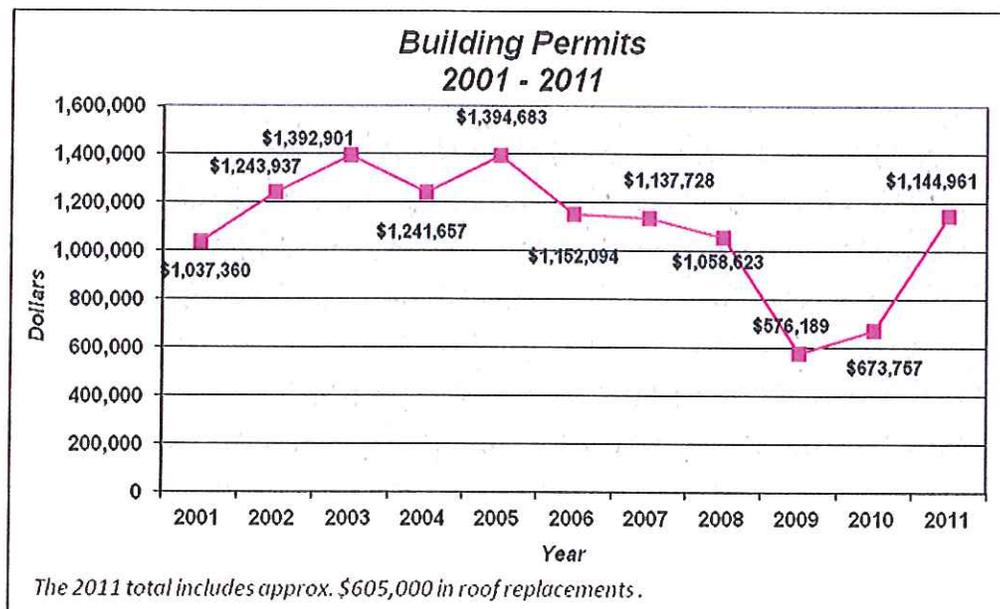
Fines and Forfeitures: The 2011 estimate for this category was \$1,600,000. Collections for the year were \$1,610,087, higher than the estimated budget by 0.6% and 4.5% lower than the 2010 collections of \$1,685,388.



Franchise Fees: Franchise fees were originally budgeted at \$3,422,500 but were re-estimated to \$3,185,300 last April. Total 2011 collections of \$3,194,164 were 0.3% higher than the estimated budget. Compared to last year's receipts, of \$3,153,238, current year collections increased by 1.3%. The 2011 collections, by utilities are: Electric companies (58%); Gas companies (20%); Cable and Video Franchise companies (18%); and Telephone companies (4%). Compared to last year, electric franchise fees increased by 11.4%; gas fees decreased by 18.0%; telephone fees decreased by 12.1%; and cable/video fees increased by 2.2%.



Licenses and Permits: Licenses and Permits include a variety of building, occupation, and animal fees. Collections for 2011 were \$1,779,110 and exceeded the estimated budget, of \$1,068,975, by 66.4%. The largest source is **building permits**, with an estimated budget of \$500,000. Actual collections for the year were \$1,144,961 and were 129.0% higher than the estimated budget; and were 70.0% higher than the 2010 collections of \$673,757. However, included in this total is \$605,000 in roof replacements from the spring/summer hail storm. Excluding these, the building permit activity for the year was \$539,961, exceeding projections by 8.0%.



Charges for Services: The majority of revenue within this category are fees for parks and recreation programs. The General Fund revenue was estimated at \$2,916,263 for 2011 compared to the original projection of \$3,175,938. Collections for the year, of \$2,506,438, were 85.9% of the estimated budget and 5.0% higher than the 2010 collections of \$2,387,852. The majority of revenues for this category are seasonal such as sport activities, pool operations and various rentals.

Specific areas showing increases over the estimated budget include: field rental, soccer leagues, sports classes, swim team, and swim lessons. Decreases from the estimated budget were shown in: golf course revenues, community center rentals, community center/nature center classes, pool food and beverage, tennis lessons, and several special event activities.

Interest Income: Initially for fiscal year 2011 interest income was budgeted at \$75,584, however in April it was revised downward to \$53,187 in response to declining interest rates. Total 2011 receipts for all *budgeted* funds were \$110,404, exceeding the estimated budget by 7.6%. The General Fund comprised 42% of this total at \$46,089. For all funds, both *budgeted and non-budgeted*, the total interest earned for 2011 was \$152,219.

EXPENDITURES

The General Fund 2011 expenditures, including contingencies and reserves, were originally budgeted at \$44,273,000. The estimated budget totaled \$37,265,900. The un-audited expenditures for 2011, which includes budgeted transfers from the General Fund to other funds, were \$33,629,892, or 90.2% of the total budget. *This information represents final, unaudited, results for 2011.*

| DEPARTMENTS | General Fund Original Budget 2011 | General Fund Estimated Budget 2011 | General Fund ACTUALS Through 12/31/11 | % of Revised Budget |
|--------------------------------------|---|--|---|---------------------------|
| General Operations | \$5,012,160 | \$4,537,427 | \$4,361,320 | 96.1% |
| Administration | \$481,500 | \$463,800 | \$402,882 | 86.9% |
| Finance | \$829,800 | \$742,400 | \$647,567 | 87.2% |
| Human Resources | \$1,140,000 | \$1,104,800 | \$867,613 | 78.5% |
| Municipal Court | \$617,700 | \$562,200 | \$503,430 | 89.6% |
| Legal Services | \$538,100 | \$538,600 | \$379,931 | 70.5% |
| Information Services | \$853,100 | \$852,400 | \$775,064 | 90.9% |
| Community Development | \$1,293,500 | \$1,279,700 | \$1,168,000 | 91.3% |
| Police | \$8,815,000 | \$8,511,300 | \$7,762,938 | 91.2% |
| Fire | \$5,832,100 | \$5,773,294 | \$5,745,405 | 99.5% |
| Public Works | \$6,777,100 | \$6,578,600 | \$5,638,881 | 85.7% |
| Parks & Recreation | \$6,309,200 | \$6,213,500 | \$5,376,862 | 86.5% |
| TOTAL (without Cont/Reserves) | \$38,499,260 | \$37,158,021 | \$33,629,892 | 90.2% |
| % Change | | | 90.2% | |
| Contingency & Reserves | \$5,773,740 | \$107,879 | \$0 | |
| TOTAL | \$44,273,000 | \$37,265,900 | \$33,629,892 | |

Comparison of General Fund Program Revenue and Expenses:

Below you will find a brief comparison of program revenues to expenditures for those departments that directly collect fees, permits, fines, and other revenues.

- Municipal Court is responsible for collecting fine and forfeiture revenue. Collections in 2011 were \$1,610,087 while total expenses for this department were \$503,430.
- Community Development collected a total of \$25,431 in appeals board fees, inspection/rental fees; \$25,239 in sign permit fees, planning application fees and special use permit fees; \$1,144,961 in building permits, \$128,182 in land disturbance fees, plan review fees, re-inspection and code modification request fees within 2011. The 2011 program expenses were \$1,168,000 for these programs.

- Parks and Recreation charges for service revenue totaled \$2,278,810 for the year while expenses totaled \$5,376,862 including parks and the golf course.
- Police Department is responsible for collecting alarm fees, animal impound fees, school resource officer revenue and security fees. This revenue totaled \$106,434 for 2011 and expenses were \$7,762,938.

SUMMARY OF OTHER FUNDS

The following table includes the budgeted Special Revenue and Capital funds for the City. Shown is the beginning balance, *unaudited* revenues and expenditures through December 31st and the current balance. *This information represents final, unaudited, results for 2011.*

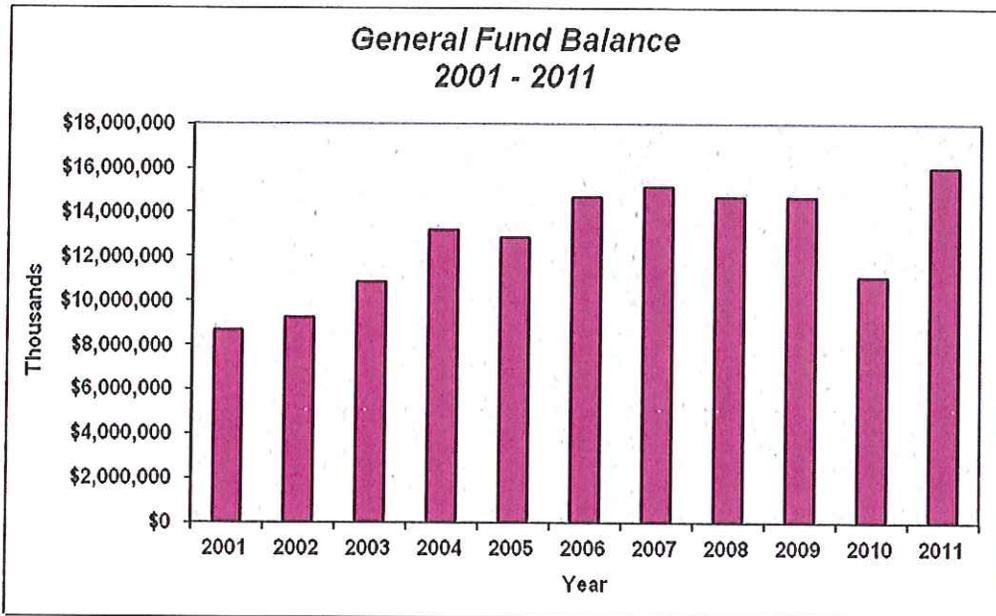
| Funds | 1/1/2011 Beginning Balance | Actual through December 31, 2011 | | |
|-------------------------------|----------------------------------|----------------------------------|--------------------|------------------------|
| | | 2011 Revenue | 2011 Expense | Ending Fund Balance |
| Special Revenue Funds | | | | |
| Special Alcohol | \$532,759 | \$439,269 | \$337,239 | \$634,789 |
| Special Parks & Recreation | 697,108 | 439,384 | 258,269 | 878,223 |
| Special Law Enforcement | 1,096 | 1,860 | 0 | 2,956 |
| Special City, Street, Highway | 499,876 | 1,180,754 | 1,202,280 | 478,350 |
| Special Transient Guest Tax | 225,356 | 271,785 | 397,199 | 99,942 |
| Capital Funds | | | | |
| Street Improvements | 1,922,149 | \$1,482 | \$571,787 | \$1,351,844 |
| Capital Improvements | 3,785,038 | 11,094 | 2,460,449 | 1,335,684 |
| City Equipment | 8,900,798 | 2,389,145 | 921,058 | 10,368,885 |
| City Art | 418,479 | 67,048 | 34,832 | 450,694 |
| Park Impact Fee | 120,002 | 18,516 | 120,000 | 18,518 |
| 1/8-Cent Sales Tax | 748,571 | 786,808 | 942,598 | 592,781 |
| Public Art Impact Fee | 210,406 | 22,088 | 0 | 232,494 |
| K-150 Impact Fee | 246,346 | 24,286 | 246,346 | 24,286 |
| | \$18,307,985 | \$5,653,519 | \$7,492,058 | \$16,469,446 |

The following table includes the budgeted Special Revenue and Capital funds for the City. Shown is the beginning balance, along with budgeted revenues and expenditures for the entire year, leaving the *projected* ending fund balance at December 31, 2011.

| Funds | 1/1/2011 Beginning Balance | Forecast through December 31, 2011 | | |
|-------------------------------|----------------------------------|------------------------------------|----------------------|-----------------------------|
| | | Projected Revenue | Projected Expense | Projected Ending Balance |
| Special Revenue Funds | | | | |
| Special Alcohol | \$532,759 | \$400,541 | \$380,000 | \$553,300 |
| Special Parks & Recreation | 697,108 | 400,592 | 980,000 | 117,700 |
| Special Law Enforcement | 1,096 | 4 | 0 | 1,100 |
| Special City, Street, Highway | 499,876 | 1,194,524 | 1,374,000 | 320,400 |
| Special Transient Guest Tax | 225,356 | 200,144 | 102,100 | 323,400 |
| Capital Funds | | | | |
| Street Improvements | 1,922,149 | 2,099,351 | 3,171,200 | 850,300 |
| Capital Improvements | 3,785,038 | 128,962 | 2,858,400 | 1,055,600 |
| City Equipment | 8,900,798 | 2,287,701 | 1,248,800 | 9,939,700 |
| City Art | 418,479 | 53,421 | 235,600 | 236,300 |
| Park Impact Fee | 120,002 | 98 | 120,000 | 100 |
| 1/8-Cent Sales Tax | 748,571 | 728,829 | 1,131,000 | 346,400 |
| Public Art Impact Fee | 210,406 | 394 | 170,700 | 40,100 |
| K-150 Impact Fee | 246,346 | 0 | 246,346 | 0 |
| | \$18,307,985 | \$7,494,561 | \$12,018,146 | \$13,784,400 |

FUND BALANCE

General Fund revenue collections for 2011 were \$38,533,808, higher than the estimated budget, of \$37,246,539 (not including the balance forward projections), by 3.5% or \$1,287,269. Expenses were budgeted at \$37,265,900; however actual expenses were 10.8% lower at \$33,629,892, a difference of \$3,636,008. The projected (unaudited) 2011 ending General Fund (unreserved) balance is \$15,984,676 compared to a budgeted estimate of \$11,061,400. The following chart provides a historical view.

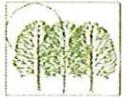


CONCLUSION

As graphically displayed above, Leawood ended 2011 in a very positive position. With a combination of frugal spending and unanticipated revenue growth, the General Fund ending balance grew 44% from the beginning balance. The 2011 one-cent City Sales Tax receipts were 9.0% higher than collections in 2010. The City Sales and City Use tax collections comprised a large amount, approximately \$521,400, of the increased revenue to the ending fund balance. This is due to continued spending in Leawood combined with the opening of several new unique restaurants and retail destinations in 2011. Tied to this activity were increased building permit receipts. The 2011 Estimated Budget projected this revenue source at \$500,000 however actual receipts were \$1,144,961, or 129.0% higher than projected. Other General Fund revenue sources with higher than anticipated receipts included: county sales and use taxes, \$217,000; alcohol tax payments, \$39,000; and fines/forfeitures, \$10,000.

Staff continues to use the financial planning model to measure the fluctuation in the 2012 through 2022 assumptions and their potential affect on Leawood's fiscal picture. The model was developed in 2000 with a seven-year forecast and was enhanced in 2010 to include an eight-year forecast and now reflects a ten-year view. A work session is planned for April 2, 2012 to discuss assumptions to help develop the 2013 Budget.

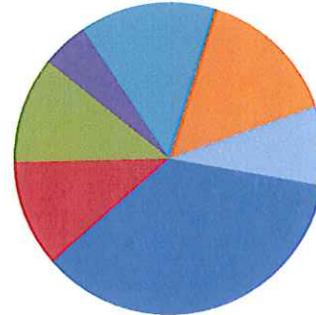
City of Leawood, Kansas
SNAPSHOT OF FINANCES and CITY ACTIVITY (Unaudited)
as of December 31, 2011



General Fund Revenues

| Revenues | Estimated Budget | YTD | % |
|----------------------------|---------------------|---------------------|---------------|
| Taxes | 25,157,928 | 25,389,328 | 100.9% |
| Licenses & Permits | 1,068,975 | 1,779,110 | 166.4% |
| Other Intergovernmental | 6,132,686 | 6,767,097 | 110.3% |
| Charges for Services | 2,916,263 | 2,506,438 | 85.9% |
| Fines & Forfeitures | 1,600,000 | 1,610,087 | 100.6% |
| Interest Income | 53,187 | 46,089 | 86.7% |
| Contributions & Other | 92,500 | 210,659 | 227.7% |
| Other Financing Sources | 225,000 | 225,000 | 100.0% |
| Sub-Total, Revenues | 37,246,539 | 38,533,808 | 103.5% |
| Fund Balance | 11,080,761 | 0 | 0.0% |
| Total Revenues | \$48,327,300 | \$38,533,808 | 79.7% |

YTD - Citywide Expense Allocation



General Fund Expenditures - by Program

| Expenditures | Est Budget | YTD | % |
|---------------------------|---------------------|---------------------|--------------|
| General Operations | 4,645,306 | 4,361,320 | 93.9% |
| Administration | 463,800 | 402,882 | 86.9% |
| Finance | 742,400 | 647,567 | 87.2% |
| Human Resources | 1,104,800 | 867,613 | 78.5% |
| Municipal Court | 562,200 | 503,430 | 89.5% |
| Legal Services | 538,600 | 379,931 | 70.5% |
| Information Services | 852,400 | 775,064 | 90.9% |
| Community Development | 1,279,700 | 1,168,000 | 91.3% |
| Police | 8,511,300 | 7,762,938 | 91.2% |
| Fire | 5,773,294 | 5,745,405 | 99.5% |
| Public Works | 6,578,600 | 5,638,881 | 85.7% |
| Parks & Recreation | 6,213,500 | 5,376,862 | 86.5% |
| Total Expenditures | \$37,265,900 | \$33,629,892 | 90.2% |

YTD - Total Citywide Budget

| Expenditures | Est Budget | YTD | % |
|-----------------------|--------------|------------|--------------|
| Total Citywide Budget | \$56,506,946 | 48,296,619 | 85.5% |

All Other Budgeted Funds - by Fund Type

| Special Revenue Funds | Est Budget | YTD | % |
|-----------------------|------------------|------------------|---------------|
| Revenues | 2,195,805 | 2,333,051 | 106.3% |
| Fund Balance | 1,956,195 | 0 | 0.0% |
| Total Revenues | 4,152,000 | 2,333,051 | 56.2% |
| Total Expenses | 2,836,100 | 2,194,987 | 77.4% |

Capital Funds

| Capital Funds | Est Budget | YTD | % |
|-----------------------|-------------------|------------------|--------------|
| Revenues | 5,298,756 | 3,320,468 | 62.7% |
| Fund Balance | 16,351,790 | 0 | 0.0% |
| Total Revenues | 21,650,546 | 3,320,468 | 15.3% |
| Total Expenses | 9,182,046 | 5,297,071 | 57.7% |

General Fund Expenditures - by Category

| Expenditures | Est Budget | YTD | % |
|---------------------------|---------------------|---------------------|--------------|
| Personnel | 23,523,831 | 22,607,938 | 96.1% |
| Contractual Services | 6,777,453 | 4,828,666 | 71.2% |
| Commodities | 3,106,392 | 2,359,794 | 76.0% |
| Capital | 688,500 | 678,361 | 98.5% |
| Other Financing Uses | 3,169,724 | 3,155,134 | 99.5% |
| Total Expenditures | \$37,265,900 | \$33,629,892 | 90.2% |

Debt Service Fund

| Debt Service Fund | Est Budget | YTD | % |
|-----------------------|-------------------|------------------|--------------|
| Revenues | 6,585,365 | 6,398,390 | 97.2% |
| Fund Balance | 7,775,935 | 0 | 0.0% |
| Total Revenues | 14,361,300 | 6,398,390 | 44.6% |
| Total Expenses | 7,222,900 | 7,174,669 | 99.3% |

Key Activity Updates (Year-to-Date)

| | Dec-11 | Dec-10 | % | | Dec-11 | Dec-10 | % |
|---|-----------|-----------|---------|---|-----------|-----------|---------|
| City Sales Tax Collections (receipts through Dec, 2011) | 6,224,627 | 5,708,892 | 9.0% ↑ | Interest Earnings/Rates (all budgeted funds) | 110,404 | 115,190 | -4.2% ↓ |
| Building-related Fees (per Building Official) | 1,268,089 | 766,660 | 65.4% ↑ | Fines/Forfeitures | 1,610,087 | 1,685,388 | -4.5% ↓ |
| Property Tax Collections (Collections thru Dec/Assessed) | 98.7% | 97.9% | 0.8% ↑ | Special Assessment Collections (Collections thru Dec/Assessed) | 93.5% | 91.7% | 2.0% ↑ |

CITY OF LEAWOOD, KANSAS
Pay-As-You-Go (PAYG) Project Status Report
As of 12/31/2011

| No. | Project Name | Previous Yrs | | Current 2011 | | 2012-2016 | | 2011 | | Encumbrances | Project to Date Information | Status/ Project to Date Information | Balance |
|------------------------------|--|----------------|------------------|-------------------|----------------|------------------|--------------|------------------|--|----------------|-----------------------------|--|-------------------|
| | | Expense | Budget | Budget | Budget | Budgets | Expenditures | | | | | | |
| Art | | | | | | | | | | | | | |
| 79005 | Temporary Art | 13,441 | 5,000 | 5,000 | 25,000 | - | - | - | - | - | - | - | 5,000 |
| 79006 | Sculpture Garden | 5,000 | 232,500 | 100,000 | 300,000 | - | - | - | - | - | - | - | 100,000 |
| 79010 | I-Lan Park Art | 26,000 | 35,000 | 35,000 | 26,275 | - | - | - | - | - | - | - | 8,725 |
| NA | Annual Art Maintenance | 22,355 | 84,100 | 84,100 | Varies | - | - | - | - | - | - | - | 75,542 |
| | Art Total | 66,796 | 321,600 | 224,100 | 325,000 | 34,832 | - | - | - | - | - | - | 189,268 |
| Buildings and Grounds | | | | | | | | | | | | | |
| 49112 | Course - Cart Storage Garage Doors | - | 6,119 | 6,119 | - | - | - | 5,076 | Tracker Door Sys (46000.0000825) | - | - | - | 1,043 |
| 49123 | Course - Perimeter Fencing, Ph III | - | 80,000 | 80,000 | - | - | - | 53,000 | Broski Fence (46000.0000814) | - | - | - | 27,000 |
| 49124 | Course - Perimeter Fencing, Ph IV | - | 45,000 | - | - | - | - | - | - | - | - | - | - |
| 49127 | Course - Irrigation Retrofit | 58,980 | - | 37,464 | - | - | - | 37,464 | - | - | - | - | - |
| 49128 | Clubhouse - HVAC Replacement | - | - | 33,000 | - | - | - | 33,000 | - | - | - | - | - |
| 49129 | Course - SubAirFans | - | - | 78,750 | - | - | - | 74,838 | - | - | - | - | 3,912 |
| 49130 | Course - Irrigation Control Sys Upgrade | - | 61,617 | 61,617 | - | - | - | 48,594 | - | - | - | - | 13,023 |
| 71006 | Pond and Trail Improvements | 6,499 | 325,000 | 389,540 | Varies | - | - | - | - | - | - | - | 389,540 |
| 71007 | Trail-ADA City Park T-Ball Fields | - | - | 60,000 | - | - | - | 15,435 | - | - | - | - | - |
| 71009 | City Park Pond Fountain | - | - | 7,980 | - | - | - | 7,980 | - | - | - | - | - |
| 71010 | Tomahawk Park Ball Field | - | 27,480 | 27,480 | - | - | - | 24,432 | - | - | - | - | 3,048 |
| 71011 | North Lake Improvements | - | 290,000 | 290,000 | - | - | - | 24,326 | - | - | - | - | 265,674 |
| 74001 | Bldg - City Hall Int Wall Renovations | - | - | 25,000 | 75,000 | - | - | - | - | - | - | - | 25,000 |
| 74015 | FS #1 - Roof Section Replacement | - | 56,000 | 36,091 | - | - | - | 36,091 | Godard & Sons Rtg Co (31111.0000404) | - | - | - | - |
| 74017 | FS#1 Standby Generator | 51,207 | - | 4,093 | - | - | - | - | - | - | - | - | 4,093 |
| 74024 | Park Maint - Pressure Wash Equipment | - | - | 15,000 | - | - | - | 10,509 | - | - | - | - | 4,491 |
| 74026 | Park Bldg Generator Unit/Switch | 2,760 | - | 49,590 | - | - | - | 49,590 | - | - | - | - | - |
| 74030 | Police Bldg - HVAC Replacement | - | 5,000 | 5,000 | 31,000 | - | - | - | - | - | - | - | 5,000 |
| 74032 | Old City Hall - Roof Replacement | - | - | 39,420 | - | - | - | 39,420 | Premier Contract Co (31111.0000400) | - | - | - | - |
| 74033 | FS #1 - Ext Building Repairs | 24,823 | - | 8,877 | - | - | - | - | - | - | - | - | 8,877 |
| 74035 | Public Works - Fuel Dispensers | - | 15,000 | - | - | - | - | - | - | - | - | - | - |
| 74044 | Bldg-PW Salt Storage Doors | - | - | 30,000 | - | - | - | 25,280 | - | - | - | - | 4,720 |
| 76025 | Fire Station #1 - Roof Replacement | - | - | 51,268 | - | - | - | 51,268 | Premier Contract Co (31111.0000400) | - | - | - | - |
| 76026 | PES-123rd & Mission | 20,350 | - | 1,950 | - | - | - | 1,950 | - | - | - | - | - |
| 76027 | Gezer Park Amenities (Spec Parks/Rec Fund) | 18,536 | - | 186,100 | - | - | - | 186,095 | - | - | - | - | 5 |
| 76028 | Gezer Park Amenities (Capital Imprv Fund) | - | - | 130,845 | - | - | - | 92,629 | - | - | - | - | 38,216 |
| 76034 | Leabrooke Land Purchase (Capital Imprv Fund) | - | - | 781,415 | - | - | - | 781,157 | - | - | - | - | 258 |
| 76034 | Leabrooke Land Purchase (Park Impact Fund) | - | - | 120,000 | - | - | - | 120,000 | - | - | - | - | - |
| 76008 | Justice Center Building | - | - | 19,000,000 | - | - | - | 916,505 | Hoefler Wysocki (21111.0000206) | 423,184 | McRealty Gp (21111.0000202) | 17,660,312 | - |
| | | | | | | | | | Prof Serv Industries(21111.0000205) | - | - | - | - |
| 80165 | City Facility Improvements | - | 1,100,000 | 1,244,213 | - | - | - | 1,244,210 | - | - | - | - | 3 |
| | Buildings and Grounds Total | 183,155 | 1,546,000 | 22,800,812 | 106,000 | 608,039 | - | 3,693,994 | - | - | - | - | 18,498,780 |
| Streets | | | | | | | | | | | | | |
| 70009 | 2011 Slurry Seal | - | 500,000 | 374,463 | - | - | - | 331,229 | - | - | - | - | 43,234 |
| 70010 | 2011 Mill & Overlay | - | 824,000 | 949,537 | - | - | - | 871,027 | O'Donnell & Sons (31111.0000383) | 78,169 | - | - | 341 |
| 72015 | Arterial - 104th St Improvements | - | 175,000 | 175,000 | - | - | - | 175,000 | - | - | - | - | - |
| 72016 | Arterial - Mission Rd, 95th-103rd | - | - | 94,299 | - | - | - | 59,759 | - | - | - | - | 34,540 |
| 72018 | Arterial - Nall, 119th-135th | - | 1,953,300 | 1,953,300 | - | - | - | 134,486 | - | - | - | - | 1,818,814 |
| 72027 | Arterial - ReSaw/Full Joints, 135th St | - | - | 440,000 | - | - | - | - | - | - | - | - | 440,000 |
| 72037 | Arterial - Nall Ave. College to 119th | 86,717 | - | 2,483 | - | - | - | - | - | - | - | - | 2,483 |
| 72038 | Arterial - 95th & Mission Traffic Signals | 9,581 | 60,000 | 43,888 | - | - | - | 24,750 | - | - | - | - | 19,138 |
| 72040 | Arterial - Traffic Signals, 133rd & Roe | - | - | 286,915 | - | - | - | 177,792 | - | - | - | - | 109,123 |
| 72042 | Arterial - Traffic Signals, 128-135 State Line | - | - | 120,000 | - | - | - | - | - | - | - | - | 120,000 |
| | Streets Total | 96,298 | 3,512,300 | 4,439,865 | - | 1,774,043 | - | 78,169 | - | - | - | - | 2,587,673 |
| Stormwater | | | | | | | | | | | | | |
| 76022 | 2009 Accelerated Stormwater Program | 511,620 | - | 88,380 | - | - | - | 78,185 | Wiederhann(Godfrey (31111.0000355), Continental Eng (31111.0000379) Pasco Irrigation (31111.0000394) | 10,195 | - | 1 | - |
| 77111 | 2011 Accelerated Stormwater Program | - | 600,000 | 634,000 | - | - | - | 561,036 | Miles Excavating (31111.0000388) Phelps (31111.0000401) | 67,932 | - | 5,032 | - |
| 77006 | 1/8 Cent - 12601 Norwood | - | 65,000 | 34,880 | - | - | - | 22,606 | O'Donnell & Sons (31111.0000383) | 8,394 | - | 3,880 | - |
| 77009 | 1/8 Cent - 14601 Delmar | - | - | 2,660 | - | - | - | 2,660 | - | - | - | - | 2,660 |
| 77011 | 1/8 Cent - Box Culvert, 87th & Mission | - | - | 59,460 | 481,740 | 481,740 | - | 8,957 | Phelps Engineering (31111.0000402) | 50,504 | - | - | - |
| | Stormwater Total | 511,620 | 665,000 | 819,380 | 481,740 | 912,740 | - | 670,783 | 137,025 | 823,232 | - | - | 11,572 |
| | Grand Total | 857,869 | 6,044,900 | 28,284,177 | 912,740 | 6,173,652 | - | 6,173,652 | - | - | - | - | 21,287,293 |

CITY OF LEA WOOD, KANSAS
BOND-FINANCED Project Status Report
As of 12/31/2011

| No. | Project Name | Budget (As Authorized by Resolution) | Resolution Numbers | Previous Yrs Expense | 2011 Expenditures | 2011 Encumbrances | Status/ Project to Date Information | Balance | Bond Life | Bond Year |
|------------------------------------|--------------------------------------|--|-----------------------|-------------------------|----------------------|----------------------|--|-------------------|--------------|--------------|
| Buildings and Grounds | | | | | | | | | | |
| 80154 | Activity Center | - | | - | 375 | - | | (375) | NA | NA |
| Buildings and Grounds Total | | | | | 375 | | | (375) | | |
| Streets | | | | | | | | | | |
| 80118 | Amphitheater, Phase I | 500,000 | Bonded | 155,758 | 9,410 | - | | 334,832 | NA | NA |
| 80162 | 143rd St, Mall to Mission (2010) | 13,500,000 | 1684, 2991 | 902,251 | 7,934 | 223,007 | Burns & McDonnell (3111.0000234) | 12,366,807 | 15 | 2017 |
| 80165 | City Facility Improvements | 780,000 | 3516 | 1,278 | 717,725 | - | | 60,998 | 20 | 2012 |
| 80212 | 2012 Residential Streets, Ph II-Yr 4 | 1,275,000 | 3586 | - | 11,034 | - | | 1,263,966 | 15 | 2013 |
| Streets Total | | 16,055,000 | | 1,059,287 | 746,103 | 223,007 | | 14,026,602 | | |
| Economic Development | | | | | | | | | | |
| 80196 | Park Place | 5,500,000 | 2410, 2806 | 5,342,564 | 160,563 | - | | (3,127) | 15 | 2011 |
| Economic Development Total | | 5,500,000 | | 5,342,564 | 160,563 | | | (3,127) | | |
| Total | | 21,555,000 | | 6,401,351 | 907,041 | 223,007 | | 14,023,101 | | |

**Capital Markets
Group**



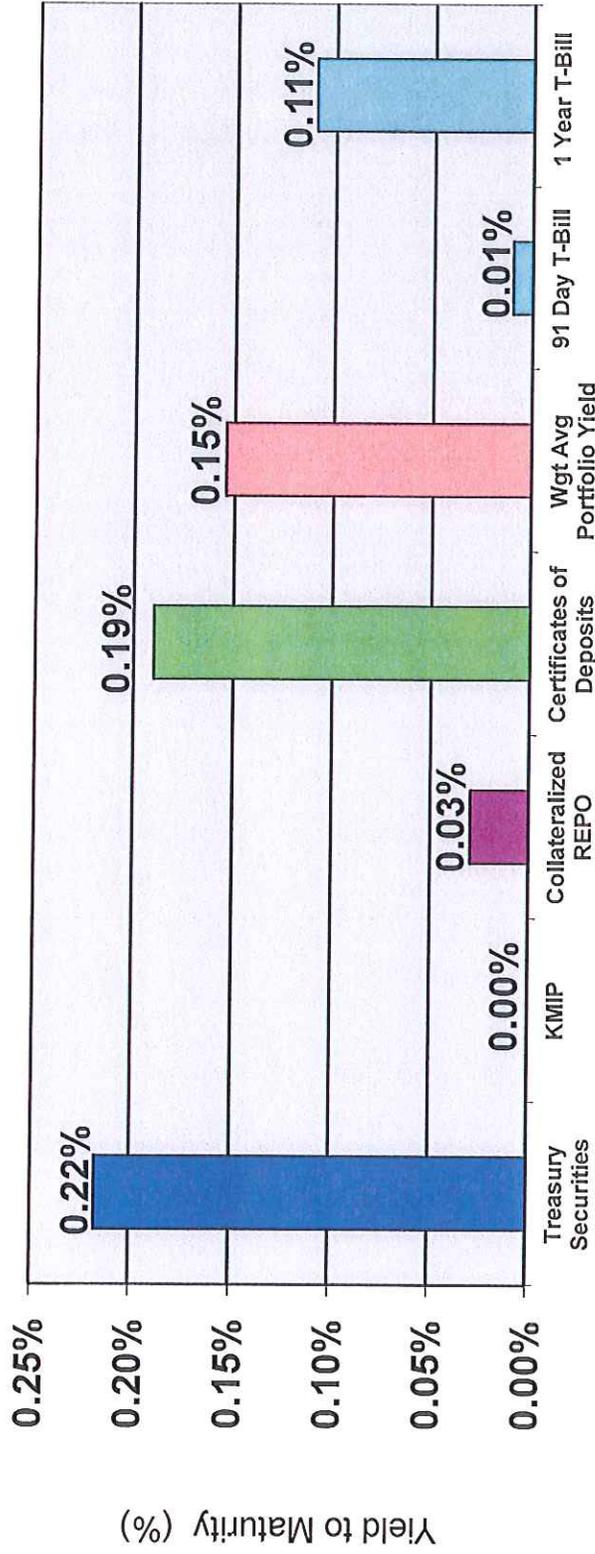
City of Leawood

INVESTMENT PORTFOLIO EXECUTIVE SUMMARY

As of December 31, 2011



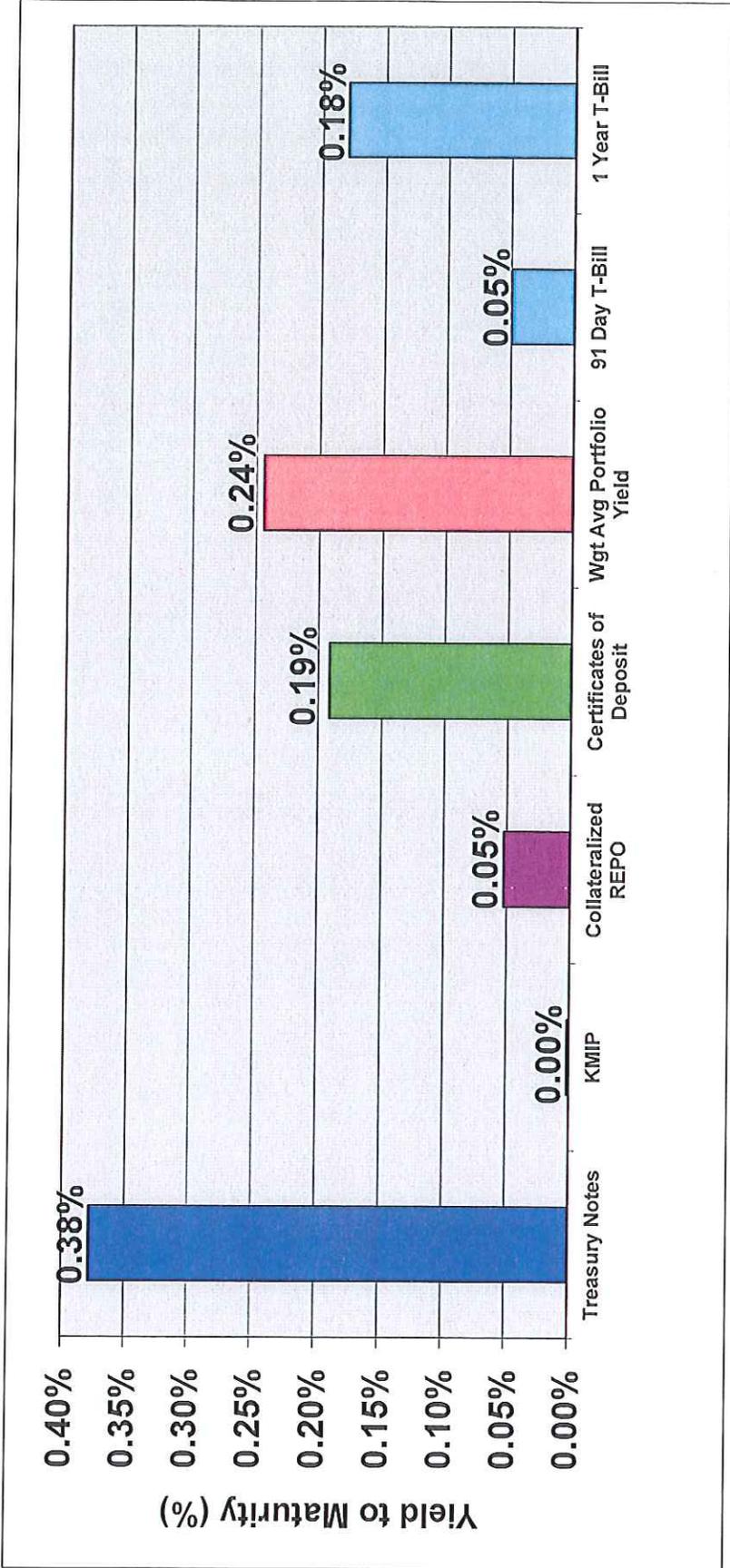
Commerce Bank



As of December 31, 2011

This graph demonstrates the yield to maturity for each asset class. The Weighted Average Portfolio yield is the average yield from each asset class weighted by the amount of par invested in each class. As of December 31, 2011 this chart shows the yield to maturity for these investments.

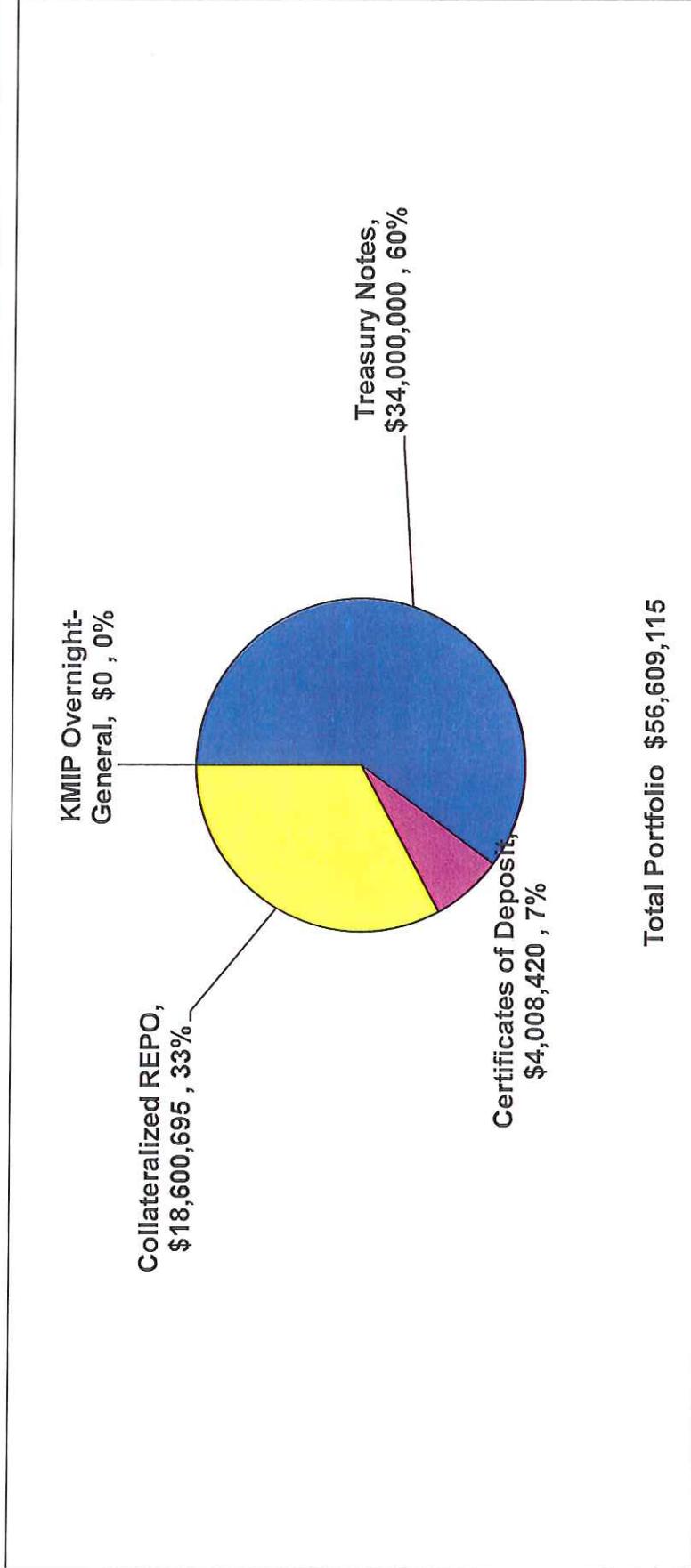
Note: The Collateralized REPO represents the Federal Reserve 91 day T-bill rate adjusted monthly in arrears. The fourth quarter average 91-day T-Bill rate was 0.01%. The long-term portfolio uses the one-year T-Bill as the benchmark. The fourth quarter average of the one-year T-Bill rate was 0.11%.



As of December 31, 2011

This graph demonstrates the year to date weighted average yield for each asset class. The weighted average portfolio yield is the average yield from each asset class weighted by the monthly par amount invested in each class. As of December 31, 2011 this chart shows the year to date yield to maturity for these investments.

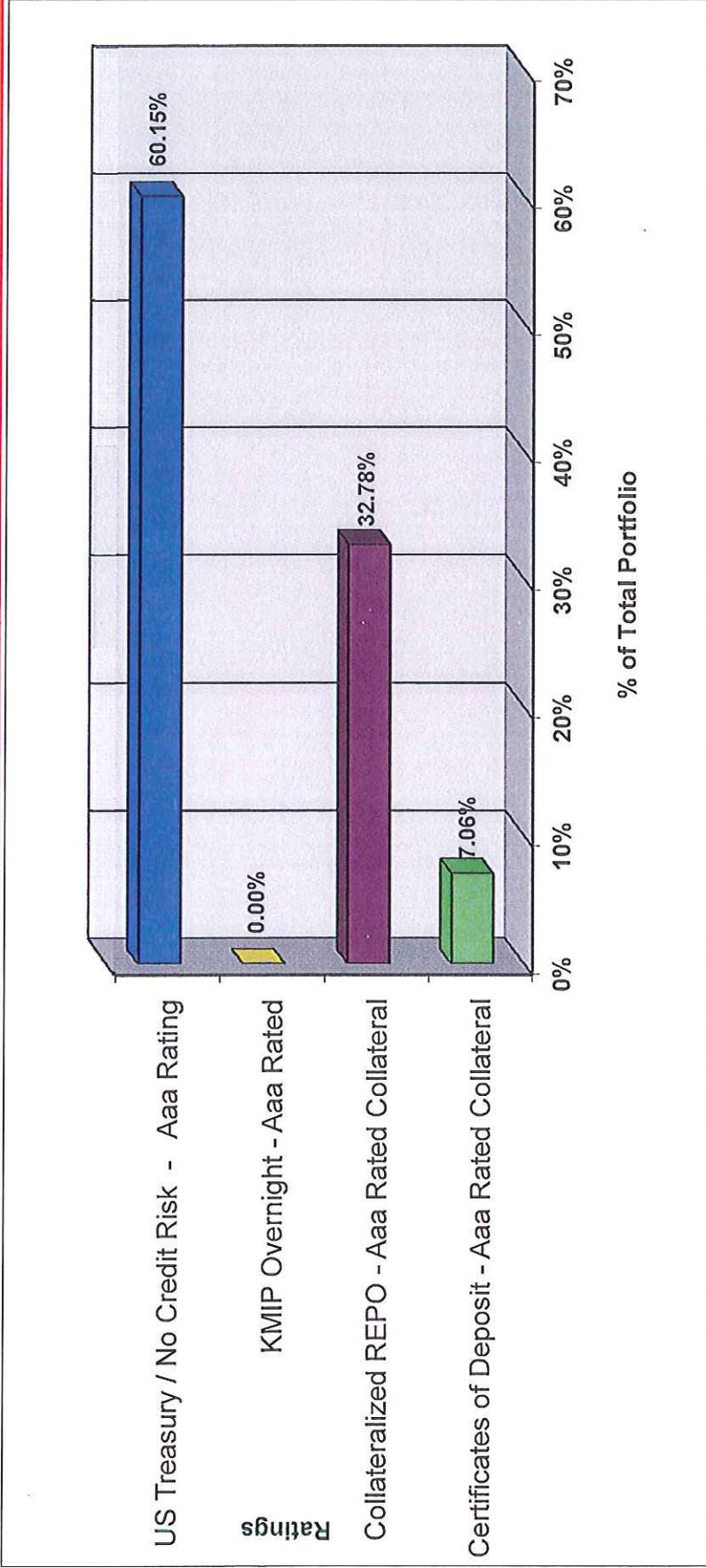
Note: The Collateralized REPO represents the Federal Reserve 91-day T-bill rate adjusted monthly in arrears. For 2011 the average 91-day T-Bill rate was 0.05%. The long-term portfolio uses the one-year T-Bill as the benchmark. For 2011 the average one-year T-Bill rate was 0.18%.



As of December 31, 2011

This graph demonstrates the distribution of the total par amount of assets in the portfolio among various asset types. The percentage represents the percent of total par held in each asset class.

City of Leawood
RATINGS DISTRIBUTION

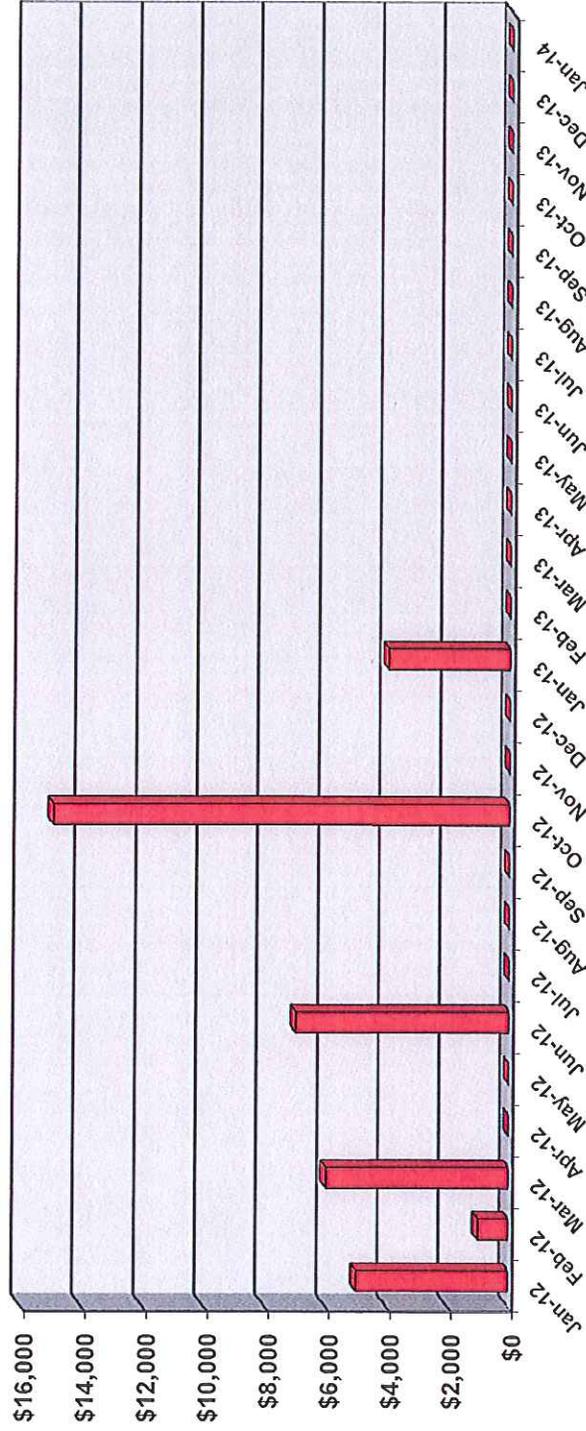


As of December 31, 2011

This graph demonstrates the distribution of assets by credit rating. The graph shows that 100% of the portfolio is invested in assets that have no material credit risk, since assets or the underlying collateral is rated Aaa by Moody's Investors Service. These percentages are well within policy guidelines. Basically, the City of Leawood owns nothing but the best credit risks in the world.



Term Investment Principal Payments
Total = \$38.008 Million



As of December 31, 2011

This graph demonstrates the amount of principal being paid from the portfolio each month for the next two years. As of year-end 2011, all term investment portfolio cash flow will be returned with-in the next 13-months.

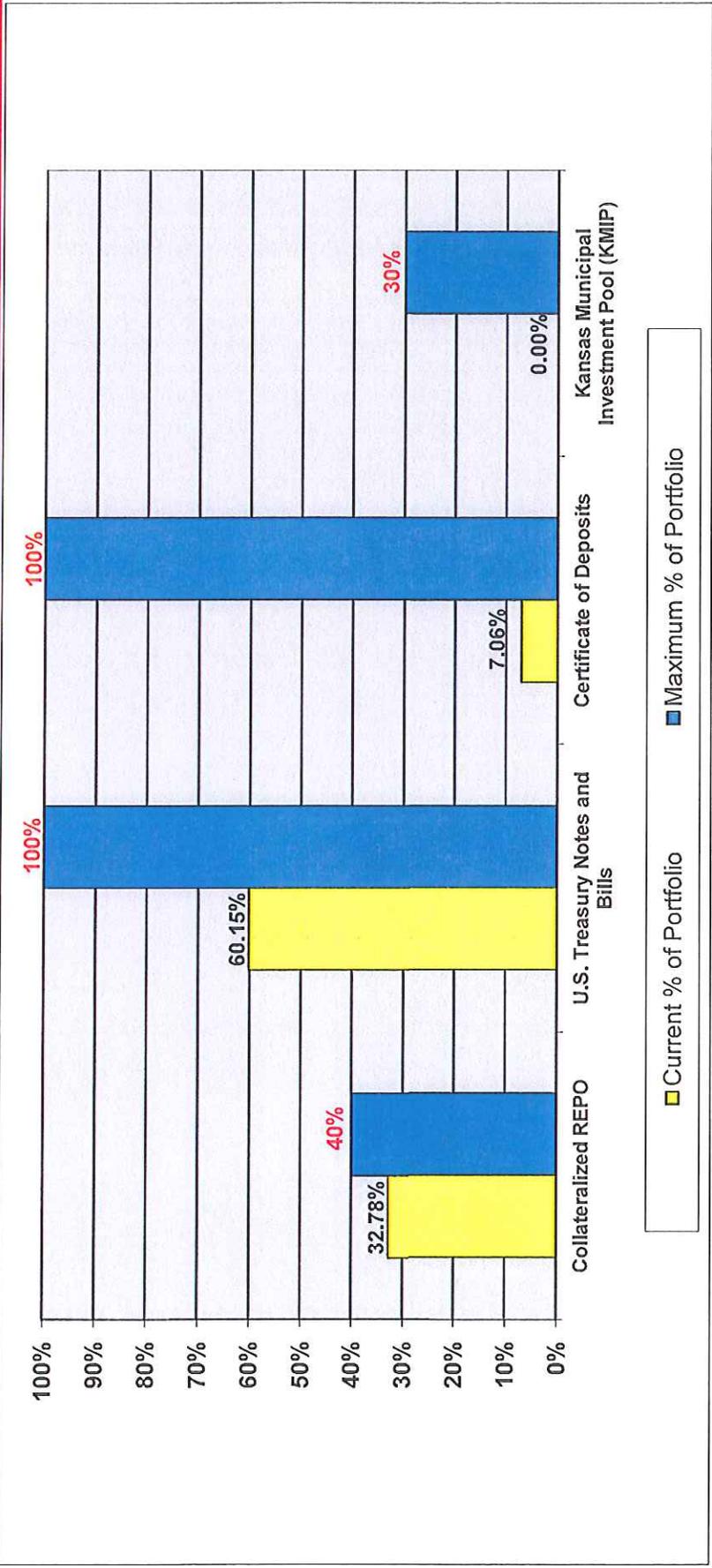
By Kansas Statute we cannot go out any further than two years. We are also strategically keeping our investments short-term because we need cash flow for operations, capital and debt service. Attached to this report on yellow paper, you can see the short term and the long term yields.

City of Leawood

POLICY COMPLIANCE



Commerce Bank
Member FDIC



As of December 31, 2011

This graph compares the percentage of the total portfolio currently held in each asset class to the maximum percentage allowed in that asset class by policy. The City's investment policy allows some flexibility in the maximum percentage of investment by asset class when the market is considered volatile or unstable. The Kansas Municipal Investment Pool includes monies held in the city's capital improvement fund, which are exempt from investment policy compliance.

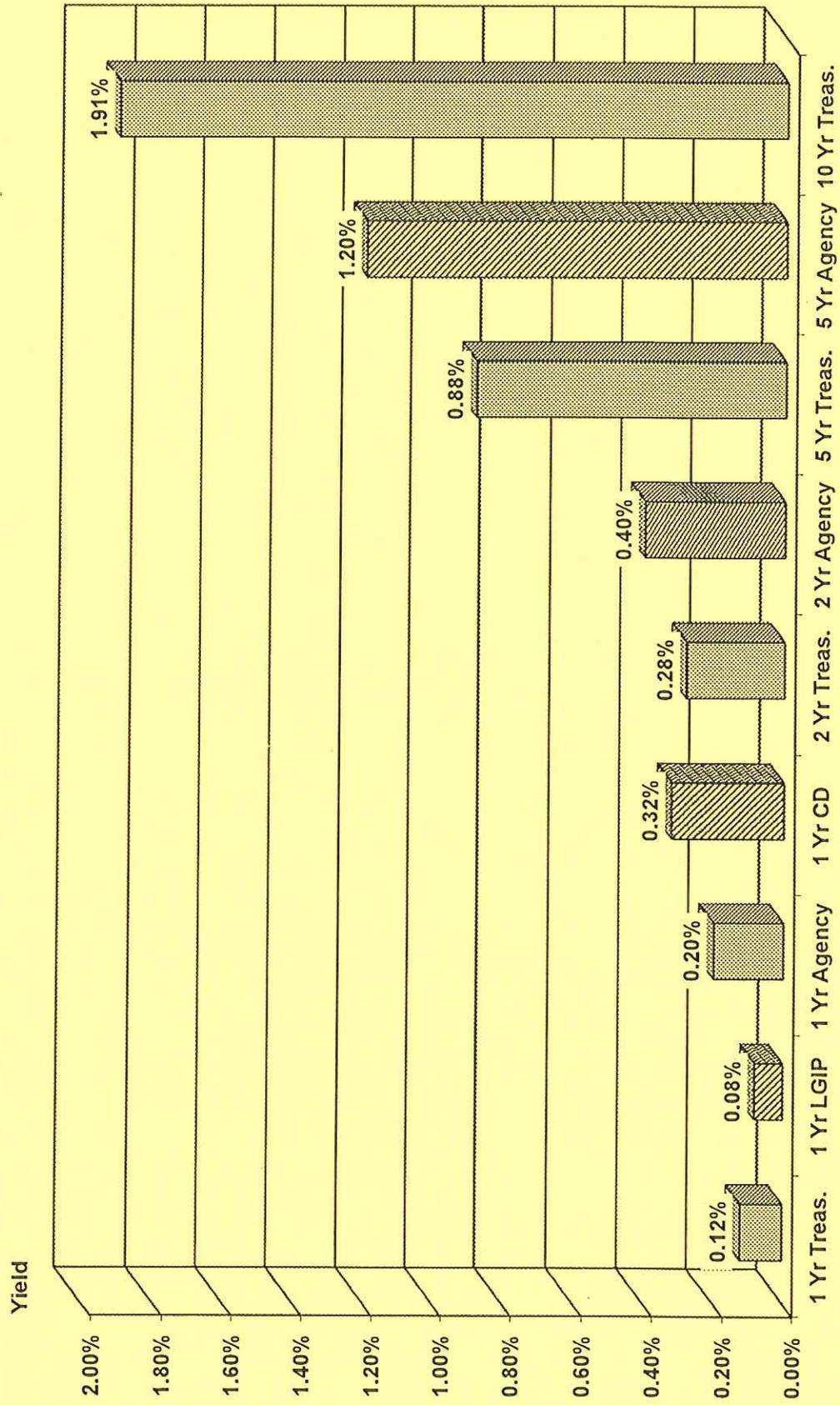


| SECTOR | Book Value | Market Value | Unrealized Gain (Loss) | Unrealized % Gain (Loss) |
|------------------------------------|---------------------|---------------------|------------------------|--------------------------|
| Treasury Notes | \$34,132,733 | \$34,162,829 | \$30,096 | 0.09% |
| Collateralized REPO | \$18,600,695 | \$18,600,695 | \$0 | 0.00% |
| Certificates of Deposit | \$4,008,420 | \$4,008,420 | \$0 | 0.00% |
| Total Marketable Securities | \$56,741,848 | \$56,771,944 | \$30,096 | 0.05% |

As of December 31, 2011

This table compares the portfolio market value as of report date to book value, showing the corresponding unrealized gain or loss. The percentage gain or loss column reflects the amount of gain or loss divided by book value.

CURRENT YIELDS
 Long Term as of December 31, 2011



CURRENT YIELDS
Short Term as of December 31, 2011

