



**LEE'S SUMMIT**  
MISSOURI

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Annual Comprehensive Financial Report

For The Year Ended June 30, 2025

***City of Lee's Summit, Missouri***

***Annual Comprehensive Financial Report***

***For the Year Ended June 30, 2025***  
***Report issued by the Department of Finance***

# City of Lee's Summit, Missouri

## Table of Contents

Page

### Introductory Section (unaudited)

Letter of Transmittal.....	i-ix
Principal Officials.....	x
Organizational Chart.....	xi
GFOA Certificate of Achievement.....	xii

### Financial Section

Independent Auditors' Report.....	1-3
-----------------------------------	-----

Management's Discussion and Analysis (unaudited).....	4-12
---	------

### Basic Financial Statements

Government-Wide Financial Statements:	
Statement of Net Position.....	13
Statement of Activities.....	14
Fund Financial Statements	
Governmental Funds:	
Balance Sheet.....	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	16
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits).....	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	18
Proprietary Funds:	
Statement of Net Position (Deficit).....	19
Statement of Revenues, Expenses and Changes in Net Position (Deficit).....	20
Statement of Cash Flows.....	21
Supplemental Disclosure of Cash Flow Information.....	22
Notes to Basic Financial Statements.....	23-62

### Required Supplementary Information (unaudited)

Budgetary Comparison Information - General Fund.....	63
Notes to Budgetary Comparison Information.....	64
Schedules of Selected Pension Information – Missouri Local Government Employees Retirement System (LAGERS).....	65-67
Schedule of Changes in Total OPEB Liability and Related Ratios – Other Post Employment Benefits.....	68-70

CITY OF LEE'S SUMMIT, MISSOURI

Table of Contents

Page

**Supplementary Information**

Combining Balance Sheet - Nonmajor Governmental Funds .....71  
Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances - Nonmajor Governmental Funds ..... 72-73  
Combining Balance Sheet - Nonmajor Special Revenue Funds .....74  
Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances (Deficit) - Nonmajor Special Revenue Funds.....75  
Budgetary Comparison Schedules:  
Park Board Fund .....76  
Violence Against Women Grant Fund .....77  
Formerly Landfill Post-Closure Fund.....78  
Combining Balance Sheet - Nonmajor Capital Projects Funds..... 79-82  
Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances (Deficits) - Nonmajor Capital Projects Funds ..... 83-84  
Budgetary Comparison Schedule - Debt Service.....85  
Combining Statement of Net Position – Nonmajor Enterprise Funds ..... 86-87  
Combining Statement of Revenues, Expenses and Changes in Fund  
Net Position - Nonmajor Enterprise Funds.....88  
Combining Statement of Cash Flows - Nonmajor Enterprise Funds .....89  
Combining Statement of Net Position - Internal Service Funds ..... 90-91  
Combining Statement of Revenues, Expenses and Changes in  
Net Position - Internal Service Funds.....92  
Combining Statement of Cash Flows - Internal Service Funds.....93

**Statistical Section (Unaudited)**

Statistical Table of Contents .....94  
Net Position by Component .....95  
Changes in Net Position ..... 96-97  
Fund Balances - Governmental Funds.....98  
Changes in Fund Balances - Governmental Funds ..... 99-100  
Program Revenues by Function/Program .....101  
All Governmental Funds Revenues by Source .....102  
Sales Tax Revenues .....103  
Total City Taxable Sales by Category .....104  
Sales Tax Rates .....105  
Assessed Value and Estimated Actual Value of Taxable Property .....106  
Principal Property Taxpayers .....107  
Direct and Overlapping Property Tax Rates.....108  
Property Tax Levies and Collections .....109  
Ratios of Outstanding Debt by Type .....110  
Ratios of Net General Bonded Debt Outstanding .....111  
Direct and Overlapping Governmental Activities Debt .....112  
Legal Debt Margin Information .....113  
Demographic and Economic Statistics .....114

**CITY OF LEE'S SUMMIT, MISSOURI**

**Table of Contents**

**Page**

**Statistical Section (Unaudited) (Continued)**

Principal Employers.....	115
Full-Time Equivalent City Employees by Function.....	116
Operating Indicators by Function .....	117
Capital Asset Statistics by Function .....	118

## ***Introductory Section***



December 22, 2025

Honorable Mayor, City Councilmembers, and Citizens of the City of Lee's Summit, Missouri:

The Finance Department is pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Lee's Summit, Missouri (the City), for the fiscal year ended June 30, 2025. This ACFR has been prepared in conformance with generally accepted accounting principles (GAAP). The objective is to provide a clear picture of the City as a single unified entity as well as providing traditional fund-based financial statements.

The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of our knowledge and belief, the data, as presented, is accurate in all material aspects and is presented in a manner designed to fairly state the financial position and results of operations of the City, as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management's discussion and analysis (MD&A) immediately follow the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

### **Government Profile**

The City was founded on December 1, 1865, under the laws of the state of Missouri. The City became a Charter City on April 2, 1996, when voters approved the Home Rule Charter. The charter established a government in which the City Council, consisting of eight members, two per district, elected by their respective district's citizens, to staggered four-year terms. No councilmember may serve more than two consecutive terms. The City Council performs the legislative duties of the City. Holding Regular Session meetings, the first three Tuesdays of each month. The executive power in the City is vested in the mayor, who is recognized as the head of the City for all legal and ceremonial purposes. The mayor is elected at large by the City to a four-year term, no more than two consecutive terms. The city manager is the chief administrative officer of the City and is appointed by the mayor with the advice and consent of a majority of the City Council for indefinite term.

The City provides a full range of services including public safety, comprehensive parks and recreation, street maintenance and infrastructure, water and sewer service, planning and zoning management as well as general administrative services. The City is proud to have five accredited departments – Police, Fire, Public Works, Parks & Recreation and Water Utilities.

Lee's Summit consists of approximately 65 square miles and is located at the suburban edge of the Kansas City metropolitan area. The City has experienced significant growth, expanding from a population of

approximately 28,000 in 1980 to a population of more than 107,000 today. Lee's Summit is the 6<sup>th</sup> largest city in Missouri, and the most populous city that is not also a county seat.

The City is well-served by several interstate, federal and state highways. Interstate 470, which rings the southeastern part of the Kansas City metropolitan area, and connects with Interstates 70 and 435, dissects the City of Lee's Summit. These interstates also connect with Interstates 35 and 29, thereby giving Lee's Summit excellent access to the entire metro area. Two federal highways, U.S. 50 and U.S. 40, and two state highways, M-291 and M-150, also connect Lee's Summit to Kansas City and the surrounding area. Significant road improvements throughout the community over the past ten years have enhanced safety, alleviated traffic congestion and opened areas for development. Amtrak and the Union Pacific Railroads also serve the City. The Kansas City – Lee's Summit Regional Airport has both north/south and crosswind directional runways.

## **Education**

Multiple school districts are located within the boundaries of Lee's Summit, including the Lee's Summit R-7 School District, which represents approximately 83% of the total area. The Lee's Summit R-7 School District is consistently recognized for its educational excellence and is ranked among the top school districts in the state. In 2025, voters overwhelmingly approved a \$225 million bond question to renovate older facilities, build several new facilities, enhance safety and prepare for future growth. This was the latest example of the tremendous support the community has shown toward building a strong educational system in Lee's Summit.

The Lee's Summit R-7 School District has 18 elementary schools, four middle schools, three high schools, an alternative secondary school, a secondary technology academy, an early education center, a special education center, two early childhood centers, a new pre-kindergarten program and the Lee's Summit R-7 Aquatic Center. The school district's enrollment is approximately 17,925.

There are numerous higher education institutions located within the Kansas City metropolitan area that are accessible to residents in Lee's Summit. For continuing education and associate's programs, Metropolitan Community College – Longview is accredited by the Higher Learning Commission with multiple academic programs also receiving individual accreditation. Approximately 3,200 students are enrolled at Metropolitan Community College – Longview per year. Undergraduate completion programs are available through the University of Central Missouri's Missouri Innovation Campus.

The Mid-Continent Public Library system has three libraries located within the City of Lee's Summit. The west central facility on Oldham Parkway and the northeast central facility on Colbern Road recently underwent extensive renovations, which also added new features such as community rooms and coworking spaces. The third facility along U.S. 50 opened in June 2020.

## **Recreation and Cultural Facilities**

Lee's Summit Parks & Recreation (LSPR) is dedicated to enhancing the community by offering exceptional facilities and fun, engaging activities for residents of every age.

Lee's Summit Parks and Recreation continued the Turf Resurfacing Project in fiscal year 2025, replacing all playground surfaces with safe, environmentally sustainable materials. The new turf offers improved stability during play, minimizes maintenance and water consumption, and enables wheelchair users to access the playgrounds more easily. Parks projects completed in the 2025 fiscal year include Osage Trails, Lowenstein, Hartman, and Lea McKeighan South parks.

Lee's Summit Parks and Recreation searches for fresh approaches to expand the range of services available, enhancing the quality of life for Lee's Summit citizens. The CAPRA Accredited and Gold Medal award-winning Parks Department manages 32 parks, 98 miles of trails, four community centers, a water park, three splash pads, an amphitheater, a skate park, two disc golf courses, and an ice rink with seasonal pickleball courts.

Lee's Summit Parks and Recreation supports and promotes arts and culture throughout the City, in addition to offering recreational opportunities. With seven musical amphitheater events in 2025, Parks and Recreation offers free and paid concerts and activities at the Legacy Park Amphitheater. As part of the Sculpture on the Move initiative, artwork is featured in the parks. New in FY2025, the *Say My Name* sculpture was installed at Longview Community Center, and *The Pollinator* was added at Lea McKeighan South Park, enhancing the City's growing public art collection. Parks and Recreation continues to offer a wide range of instructional and artistic enrichment programs year-round. Through these initiatives, Parks & Recreation supports the continuity and expansion of an active arts community in Lee's Summit.

The Parks and Recreation Board remains committed to enhancing current facilities, guided by a citizen-driven strategic plan called Legacy for Tomorrow and Beyond. This initiative received 80% voter approval in 2016 for a 15-year extension of the Parks and Recreation Sales Tax, which funds future capital projects within the parks system.

Through continued investment, innovation, and collaboration, LSPR is building a stronger, healthier, and more connected community—where residents of all ages can explore, play, and enjoy the parks that make Lee's Summit a great place to call home.

## **Commerce, Industry and Employment**

The City of Lee's Summit is home to a variety of major employers, ranging from manufacturers and retailers to data management and education. Lee's Summit has also become a healthcare hub, with Saint Luke's East and Lee's Summit Medical Center both located in the City.

Lee's Summit has seen a development surge in recent years, with the approval and construction of numerous mixed-use developments. Streets of West Pryor is a 70-acre, mixed-use development featuring a McKeever's Market, Cava, Red Door, Firebirds Wood Fired Grill, FirstWatch and Shake Shack along with luxury apartments. Work has begun on Discovery Park, a nearly \$1 billion development north of Interstate 470 between Northeast Colbern Road and Northeast Douglas Street. It will feature a mix of retail, apartments, hotels, grocery options and commercial space. The 800,000-square-foot Summit Woods Crossing is also located west of U.S. 50 and just south of Interstate 470. It includes anchor tenants such as Lowe's, Kohl's, Best Buy, Target and specialty stores such as Michaels. Summit Fair, a 507,000-square-foot, open-air lifestyle center, is located east of U.S. 50 and just south of Interstate 470. It features a variety of stores, including JC Penny, restaurants, and specialty retailers, and is the home of the Furniture Mall of Missouri. Smaller shopping centers are located throughout Lee's Summit.

John Knox Village is recognized as one of the most comprehensive not-for-profit retirement communities in the country. As a life plan community, John Knox Village offers a variety of engaging lifestyle opportunities in independent living, assisted living/residential care and skilled nursing as well as an abundance of services and amenities. The Village also provides home health and hospice services to patients who live both on campus and across the metropolitan area. Located on more than 400 acres, residents enjoy services and amenities with housing choices, ranging from free-standing homes to apartment complexes, including private assisted living apartments and a skilled nursing center.

Lee’s Summit has experienced strong growth, which is expected to continue in both commercial and residential development. New land that was previously unavailable to the market in Lee’s Summit is a key driver in that growth. The City has been working with Property Reserve, Inc. which owns 4,203 acres in Lee’s Summit – 1,064 acres in the north part of the City and 3,141 acres in the south part of the City. The land is projected to be broken into phases for development, with land use zoning for residential, commercial, senior living, mixed-use and industrial.

New and reconstructed highway interchanges have played a role in spurring growth in Lee’s Summit, with more improvements in progress. The City is currently partnering with the Missouri Department of Transportation to construct a new interchange and replace the bridge at U.S. 50 and M-291 North. This project will improve traffic congestion and safety as well as open redevelopment opportunities in the area. It’s scheduled to be completed by the end of 2026. The Interstate 470 and 350/50 Highway interchange opened approximately 150 acres of commercial land for new development and improved access to two regional shopping centers with 1.2 million square feet of retail space. It also helped reduce traffic congestion and improve safety. The Strother Road Interchange provides convenient access from the interstate to a light industrial area as well as the Kansas City – Lee’s Summit Regional Airport while alleviating traffic congestion and increasing economic development in the area. The new interchange at U.S. 50 and Blackwell Road, reconstruction of the interchange at U.S. 50 and M-291 South and the replacement of the bridge at U.S. 50 and Chipman Road have all alleviated traffic congestion and improved safety.

The following table sets forth the average annual unemployment figures for Lee’s Summit and for the state of Missouri, obtained from the Bureau of Labor Statistics, compared to national figures:

<b>Year</b>	<b>Area Unemployment Rate</b>	<b>Statewide Unemployment Rate</b>	<b>United States Unemployment Rate</b>
2025	3.8%	4.0%	4.1%
2024	3.4%	3.7%	4.1%
2023	2.4%	2.6%	3.6%
2022	2.6%	2.1%	3.6%
2021	5.2%	4.2%	5.9%

**Major Initiatives**

The City of Lee’s Summit maintained its focus on growth and enhancing the overall quality of life of citizens in the 2025 fiscal year. New projects continue to emerge throughout the community, with the City attracting new developments as well as making substantial progress on its own projects.

Voters approved three general obligation bond questions in 2023, totaling \$186 million to fund public safety, infrastructure and quality of life improvements. With the support of the voters, the City has worked hard to advance the projects, some nearing completion and others in the planning phase currently.

Public safety is a key priority for the City and, of the \$186 million in bond projects, \$74 million is for emergency preparedness. In the 2025 fiscal year, the City broke ground on its Joint Operations Facility, which will house Fire and Police emergency communications and traffic monitoring, Fire Headquarters, the Emergency Operations Center and network infrastructure. The Joint Operations Facility is scheduled to open in summer of 2026. The City is also scheduled to open its new Police South Substation in summer of 2025. The City took a former fire station and transformed it into a substation to enhance public safety and

responsiveness in the southern part of the City. Future projects include a remodel or replacement of Fire Station No. 1, the second phase of the Police Headquarters renovation and design of a new fire station near the Kansas City – Lee’s Summit Regional Airport.

The airport is another area that has taken off in recent years. A transformational project taking place right now is the construction of Hangar 2. The 50,000-square-foot facility will house corporate aircraft and includes a lounge, conference room and observation deck. The City has partnered with the Lee’s Summit R-7 School District to make Hangar 2 the home of the district’s Aerospace Academy. The project is expected to be complete by fall 2025.

The growth in Lee’s Summit won’t be slowing down soon. The City of Lee’s Summit and Suburban Land Reserve, Inc. – an affiliate of Property Reserve, Inc. – entered a memorandum of understanding regarding 4,200 acres of land that will be brought to market in the coming years. The land will be released in tranches based on marketability and public improvements. With the two entities working together, the goal is to develop a proactive approach to planning and zoning, financing and development of the area that will spark a new phase of growth in Lee’s Summit.

### **Green Street Market**

The City of Lee’s Summit is continually looking for ways to enhance the amenities offered to citizens. Near the beginning of the 2026 fiscal year, the City will open Green Street – an outdoor destination in downtown Lee’s Summit. It’s a project more than a decade in the making that will provide a year-round gathering space in the heart of Lee’s Summit.

This project is a capstone to what could be described as the City’s “Civic Campus” in downtown Lee’s Summit. Green Street was designed to seamlessly fit together with City Hall, creating an area where citizens can connect with their government and each other.

Green Street features three distinct areas – the Green Street Market, Green Street Lawn, and Green Street Grove. The Green Street Market is a 17,140-square-foot indoor/outdoor facility that is home to the City’s farmers market and serves as an event space. The Green Street Lawn offers a turf lawn covered by a canopy, which is a great venue for concerts, fitness classes and other pop-up events. And the Green Street Grove features a playground, seating areas and captivating “wickets.”

The intentional connection of Green Street with City Hall brings together community services and public spaces, generating a new source of community pride.

Green Street is just one of the new unique areas in the City. As Lee’s Summit grows and develops, it’s becoming a bigger attraction to those outside of the City. In the 2025 fiscal year, the City established the Lee’s Summit Visitors Bureau to attract tourists, groups, exhibits and so much more. The City’s appeal as a wonderful place to not only live but also visit is constantly expanding.

### **Major Revenue Sources**

The largest revenue sources for the City of Lee’s Summit are combined property tax, sales tax, franchise tax and excise tax, which comprise approximately 75% of total governmental revenue.

Property tax is an ad valorem tax, levied on all real and personal property based upon assessed valuation as established by the county assessor on January 1 of each year. Real property assessed valuation is determined by applying the “market value” times the appropriate assessment ratios. They are as follows:

Commercial/Industrial - 32%; Residential - 19%; and Agricultural - 12%. Personal property assessed valuation is set at 33% of market value and is determined by the State Tax Commission. Each year the City Council must set the rates to be levied for the City's property taxes.

Utility franchise fees are gross receipt taxes levied on all service charges for customers subscribing to natural gas, electricity, telecommunications and cable television service within the City's boundaries. Franchise taxes are directly dependent on the weather conditions and will vary with extreme periods of heat or cold.

The road excise tax is in the form of a license tax on building contractors to be paid on all development which requires a building permit and results in additional traffic (vehicle trips). These revenues are used to construct streets, roads, bridges and related improvements.

Sales taxes comprise approximately 30% of total governmental revenue. The City imposes a total sales tax of 2.75% on all goods and commodities sold within the City limits except for pharmaceutical drugs and farm machinery. The state of Missouri receives the tax from the respective businesses and distributes the funds monthly to the City. The general sales tax is a 1% sales tax used for the General Fund.

In June 2020, Lee's Summit voters approved a use tax, which is applied instead of a local sales tax on goods purchased from certain online and out-of-state sellers for delivery and use in Lee's Summit. The use tax rate is the same as the sales tax rate of 2.75%.

Voters also approved a 3% City sales tax in April 2023 on all retail sales of adult use, non-medical marijuana sold within the City of Lee's Summit.

The transportation tax is a one-half cent sales tax used for funding transportation projects only. This tax is not levied on utilities.

The capital project sales tax is a one-half cent sales tax with a sunset as approved by the voters of Lee's Summit for streets, roads, bridges, stormwater, and other transportation-related improvements. The tax became effective beginning April 1, 1998. This tax was approved by voters in April 2017 for an additional 15 years at the same rate. This tax sunsets on March 31, 2033.

The local parks sales tax is a one-quarter cent sales tax with a sunset to fund four key elements of the Legacy for Tomorrow plan. Previously, this tax rate was three-eighths cent. The new rate became effective on April 1, 2008. These revenues will be used to fund future capital projects and operations. This tax sunsets on March 31, 2033.

The public safety sales tax is a half-cent sales tax to provide support for law enforcement, fire protection, emergency responses and other public safety services. At the time the tax was approved by voters, the City adopted a resolution committing to an ongoing base of \$42 million from the General Fund for public safety purposes.

The state motor vehicle fuel tax is distributed to the City on the city-to-state population ratio. The ratio is based on the U.S. census figures and will fluctuate with statewide consumption and population changes, as they become measurable.

The City actively applies for many federal and state pass-through grant funds that may be available. Many of these grants are designed to provide start-up funds or are for limited periods.

## **Enterprise Funds**

The City operates four Enterprise Funds: Combined Waterworks and Sewerage System, Airport, Recreation Community Centers and Stormwater Utility.

These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continual basis be financed or recovered primarily through user charges and where periodic determination of revenues earned, expenses incurred and/or net income is deemed appropriate of capital maintenance, public policy, management control, accountability or other purposes.

### **Combined Waterworks and Sewerage System**

The City's combined Water and Sewer System revenues include water and sewer connection fees intended to fund significant capital improvement projects identified in their respective master plans. The rate structure provides a capital improvement funding mechanism to upgrade and replace existing transmission and collection lines.

A strategic plan for Water Utilities was adopted by the City Council in September 2023. This plan identified priorities for the future. Specific areas of emphasis include strengthening the workforce development efforts to improve the size and capability of Water Utilities' employees, addressing and improving customer satisfaction, investing in infrastructure renewal and prioritizing operational optimization.

The City purchases its water from the City of Independence, Missouri and the City of Kansas City, Missouri Water Department. Sewage treatment is provided by the Little Blue Valley Sewer District, which charges member cities on a volume-treated basis. The City of Lee's Summit represents approximately 25% of the normalized flow of the Little Blue Valley metro sewer district.

### **Airport**

The City operates the Kansas City – Lee's Summit Regional Airport, which is designated by the Federal Aviation Administration as a reliever airport for the Kansas City metropolitan area. It is designed to reduce congestion at larger air carrier airports by providing general aviation pilots with alternate landing facilities. It is further classified as a general aviation utility airport serving planes with gross weights of less than 60,000 pounds and landing speeds of less than 140 knots. The airport is equipped with two runways, a 5,500-foot North/South runway and a 4,000-foot crosswind runway.

The airport supports an estimated 50,000 takeoffs and landings of personal and business aircraft each year. The airport houses approximately 154 aircraft in 16 buildings and tie-down spots. As part of the 2023 general obligation bond question, the building of Hangar 2 at the airport was approved. The new hangar will be dedicated to corporate aircraft storage and improve the amenities offered at the airport. It's expected to open in fall 2025. In 2021, City Council adopted an updated Airport Master Plan and Airport Business Plan, which define the airport's goals and objectives and establish a strategy to guide airport development for the next 20 years. The Kansas City – Lee's Summit Regional Airport is seeking to establish itself as a gateway to the Kansas City metropolitan area by attracting more corporate aviation and improving services and marketing.

## **Long-Term Financial Planning**

One of the City's strengths over the years has been its careful financial management and strong financial condition. The City works to develop balanced, sustainable budgets that provide citizens with consistent, reliable services and programs. Revenue categories such as property tax, sales tax and vehicle tax have continued to grow. This has helped the City build a strong General Fund reserve balance. In the 2025 fiscal year, the City strategically invested a portion of the balance for one-time purposes, including the Green Street Market project, public safety needs and other enhancements. Even with these investments, the City's General Fund reserve balance remains healthy.

The City has benefited from the continued support from citizens who have approved general obligation bond questions to allow the City to pursue needed capital projects. For its most recent debt issuance, the City received a Aaa rating from Moody's as a result of its strong financial condition.

As development increases and additional land becomes available, the City's General Fund expenditures are expected to grow. However, that development is also expected to spur growth in revenue sources. City leaders continue to monitor both revenues and expenditures closely to ensure the sustainability of the City's financial health.

## **Internal Control Structure and Budgetary Controls**

Management of the City is responsible for establishing and maintaining internal control designed to ensure that the assets of the government 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 (GAAP). The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, equities, revenues and expenditures or expenses.

Budgetary control is maintained to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue Funds and Debt Service Funds are included in the annual appropriated budget. The level of budgetary control is established at the activity level by the encumbrance of purchase orders with material balances before their release to vendors. Purchase orders that result in an overrun of activity balances are not released until alternative sources of payment are made available.

## **Single Audit**

As a recipient of federal, state and county financial assistance, the City is also responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is subject to periodic evaluation by the management of the City.

As a part of the City's single audit, tests are made to determine the effectiveness of internal control, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with certain applicable laws and regulations. This report is available in the City of Lee's Summit's separately issued Single Audit Report.

## **Awards**

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 of Lee's Summit, Missouri for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the 47th consecutive year the government achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association has also granted the City the Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended June 30, 2024. The Popular Annual Financial Reporting Award Program was designed to encourage local governments to provide financial information in an easily understandable way to the general public.

## **Independent Audit**

The City Charter requires an annual audit to be made of the financial statements of the various funds. This audit is performed by an independent certified public accounting firm selected by the City. The City's auditor is Forvis Mazars.

## **Acknowledgments**

Contributions to the accurate and timely maintenance and retrieval of records upon which this ACFR is based relies on many individuals and teams throughout the City. We want to express our appreciation to the tremendous efforts of the entire Finance Department team for the successful completion of this report. As well as thank the Mayor, City Council, and City Manager's Office for the support and oversight in planning and conducting the financial operations of the City honoring our city values of Stewardship, Service Excellence and Integrity. Finally, we would like to acknowledge the expertise and partnership in the professional assistance from the City's auditors, Forvis Mazars.

Yours Truly,



Briana Burrichter  
Director of Finance

**THE CITY OF LEE'S SUMMIT**

**PRINCIPAL OFFICIALS**

**MAYOR**

Bill Baird

**CITY COUNCIL**

**DISTRICT 1**

Hillary Shields  
Mia Prier

**DISTRICT 3**

Cynda Radar  
Beto Lopez

**DISTRICT 2**

John Lovell  
Trish Carlyle

**DISTRICT 4**

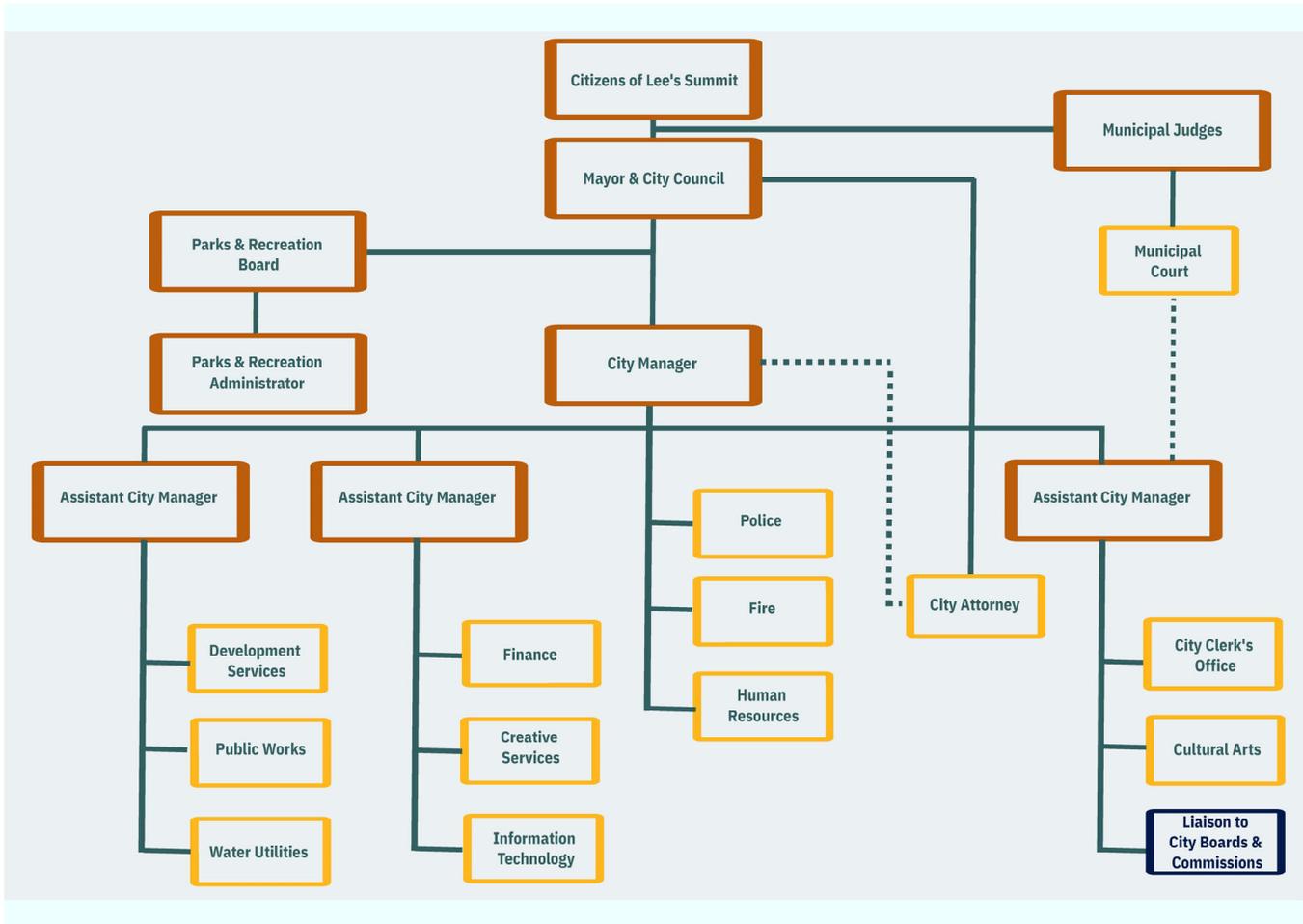
Donnie Funk  
Faith Hodges

**ADMINISTRATION**

Mark Dunning, City Manager  
Christal Kliewer Weber, Assistant City Manager  
Ryan Elam, Assistant City Manager  
Donna Lake, Assistant City Manager  
Briana Burrichter, Director of Finance

**Prepared by Finance Department**

# City of Lee's Summit Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Lee's Summit  
Missouri**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

## ***Financial Section***

## Independent Auditor's Report

The Honorable Mayor and Members of the City Council  
City of Lee's Summit, Missouri

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lee's Summit, Missouri (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Emphasis of Matter***

As discussed in *Note 16* to the financial statements, the City changed its reporting entity in 2025 based on quantitative and qualitative thresholds. As a result, the Blue Parkway and Colbern Road CID Fund, previously reported as a major governmental fund, no longer qualifies as a major fund. Conversely, the Debt Service Fund, Green Streets Improvement Fund, 291 N & 50 Highway TIF Fund, and Bond Indebtedness Fund now qualify as major funds. In addition, certain sub-funds within the Parks Board Fund, previously presented as nonmajor governmental funds, are now included in the Recreation Centers Fund as nonmajor enterprise funds. The Sanitary Landfill Fund, formerly a major enterprise fund, and the Landfill Post Closure Fund, previously a nonmajor governmental fund, have both been closed into the General Fund. Our opinion is not modified with respect to this matter.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying combining and individual nonmajor fund financial statements and budgetary comparison schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Forvis Mazars, LLP***

**Kansas City, Missouri  
December 22, 2025**

**City of Lee's Summit, Missouri  
Management's Discussion and Analysis  
June 30, 2025**

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As management of the City of Lee's Summit, Missouri (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. This is the 23rd year of reporting in conformance with the guidelines prescribed in Governmental Accounting Standards Board's (GASB) Statement No. 34. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

**Financial Highlights**

- The assets and deferred outflows of resources of the City of Lee's Summit exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,384,120,033 (net position). Of this amount, unrestricted net position was \$170,058,678.
- The City's total net position increased \$70.6 million. Of this amount, \$37.4 million was from the City's "governmental activities" and the remaining balance was from the "business-type activities."
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$123,927,881, a decrease of \$63.7 million compared to the prior year.
- The City made several changes within the financial reporting entity during the current fiscal year. Most notably is closing the Sanitary Landfill Fund, which was reported as a major enterprise fund, and the Landfill Post Closure Fund, which was reported as a nonmajor governmental fund. The fiscal year 2024 ending balances of (\$3,613,162) and \$4,875,469, respectively, were transferred to the General Fund.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$33,062,431 or 35 percent of total general fund expenditures.
- The City's total debt remained steady from the prior fiscal year.

**Overview of the Financial Statements**

- This discussion and analysis is provided as an introduction to the basic financial statements. The basic financial statements consist of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements.** The *government-wide financial statements* are a broad overview of the City's finances in a manner similar to a private business.

The *statement of net position* presents all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Net position is an important measure of the City's overall financial health. The increases and decreases in net position can be monitored to determine whether the City's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements report functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) separate from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities for the City included general government, public works and streets, public safety, planning and development, and parks and recreation. The business-type activities for the City include the combined waterworks and sewerage system, municipal airport, sanitary landfill, and recreation center.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure compliance

**City of Lee's Summit, Missouri  
Management's Discussion and Analysis  
June 30, 2025**

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with finance-related legal requirements. These funds are divided into two categories: governmental funds and proprietary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**Proprietary Funds.** The City uses two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and equipment, management information systems, central building services, and self-insurance activities. Because these services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also contains certain required supplementary information regarding budgetary and pension information. The combining statements for the nonmajor funds and internal service funds are presented immediately following the required supplementary information.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve as a useful indicator of the City's financial position. As of June 30, 2025, assets plus deferred outflows of resources exceed liabilities plus deferred inflows of resources by \$1,384,120,033.

The largest portion of the City's net position, \$1,095,592,102 (79%), reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Lee's Summit, Missouri  
Management's Discussion and Analysis  
June 30, 2025**

The following table reflects the condensed Statement of Net Position as of June 30, 2025, and 2024:

	<b>Net Position</b>					
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2025</b>	<b>2024*</b>	<b>2025</b>	<b>2024*</b>	<b>2025</b>	<b>2024*</b>
Current and other assets	\$ 197,218,453	\$ 257,060,893	\$ 139,003,380	\$ 113,322,999	\$ 336,221,833	\$ 370,383,892
Capital assets	787,864,717	700,661,414	365,053,014	342,932,767	1,152,917,731	1,043,594,181
<b>Total Assets</b>	<b>985,083,170</b>	<b>957,722,307</b>	<b>504,056,394</b>	<b>456,255,766</b>	<b>1,489,139,564</b>	<b>1,413,978,073</b>
Deferred Outflows of Resources	29,618,479	20,440,152	1,456,873	435,660	31,075,352	20,875,812
LT liabilities outstanding	62,611,522	66,909,163	696,186	6,752,056	63,307,708	73,661,219
Other liabilities	56,216,640	31,756,786	6,859,031	5,694,419	63,075,671	37,451,205
<b>Total Liabilities</b>	<b>118,828,162</b>	<b>98,665,949</b>	<b>7,555,217</b>	<b>12,446,475</b>	<b>126,383,379</b>	<b>111,112,424</b>
Deferred Inflows of Resources	8,792,056	9,319,076	919,448	646,289	9,711,504	9,965,365
<b>Net Position</b>						
Net investment in capital assets	731,358,409	648,439,492	364,233,693	341,238,652	1,095,592,102	989,678,144
Restricted	93,158,720	139,470,808	25,310,533	77,590,687	118,469,253	217,061,495
Unrestricted	62,564,302	82,267,134	107,494,376	24,561,787	170,058,678	106,828,921
<b>Total Net Position</b>	<b>\$ 887,081,431</b>	<b>\$ 870,177,434</b>	<b>\$ 497,038,602</b>	<b>\$ 443,391,126</b>	<b>\$ 1,384,120,033</b>	<b>\$ 1,313,568,560</b>

\*During 2025, the City has a change within the financial reporting entity as described in Note 16. The 2024 schedule is not adjusted to reflect this change to or within the financial reporting entity in accordance with GASB 100.

At the end of the current fiscal year, the City is able to report positive balances invested in capital assets, net of related debt and restricted net position. There were six funds that did not have positive fund balances. The Entitlement Fund is a special revenue fund that is waiting on grant reimbursement. This fund currently has a temporary loan from other funds until proceeds are received. Five other funds are capital project funds. These include: Blue Parkway and Colbern Road CID which accounts for improvements related to an annexed area in the City, Lee's Summit Sports Complex TIF for the development of a sports and entertainment complex in the area of I-470 and View High Drive, 291 N and Highway 50 TIF for public improvements needed to support the redevelopment of the Highway 291 corridor north of Highway 50. These funds have development reimbursement agreements. The additional two funds are: Green Street Improvements for public improvements and development of the Green Street area adjacent to City Hall, and Bond Indebtedness Fund for the bond proceeds of capital projects related to emergency preparedness, transportation, and city facilities reinvestment. All funds have temporary loans or advances from other funds. For details of a subsequent tax credit sale for the Green Street project refer to Note 1 in the Notes to Basic Financial Statements.

The City's combined net position increased to \$1.38 billion from \$1.31 billion as a result of this year's revenues exceeding expenses as reflected in the next table. The City's unrestricted net position for governmental activities was \$62.6 million. Total unrestricted net position was \$170.1 million including business-type activities of \$107.5 million.

**City of Lee's Summit, Missouri**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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Total net position of \$1.38 billion is comprised of \$1.096 billion invested in capital assets, net of related debt; \$118.5 million is restricted for pension, capital projects, debt service, parks and recreation, and economic development; \$170.1 million is unrestricted.

Net position increased \$70.55 million, or 5.4 percent, during the current fiscal year. Net position for governmental activities increased 4.4 percent, while net position for business type activities increased 7.1 percent.

**City of Lee's Summit, Missouri  
Management's Discussion and Analysis  
June 30, 2025**

**Statement of Activities**

The following table reflects the revenues and expenses from the City's activities for the years ended June 30, 2025, and 2024:

	Changes in Net Position					
	Governmental Activities		Business Type Activities		Total	
	2025	2024*	2025	2024*	2025	2024*
Revenues						
Program Revenues						
Charges for services	\$ 20,070,694	\$ 20,351,399	\$ 67,166,256	\$ 58,788,349	\$ 87,236,950	\$ 79,139,748
Operating grants and contributions	13,822,252	13,407,580	-	-	13,822,252	13,407,580
Capital grants and contributions	13,067,183	62,099,639	4,568,970	18,845,536	17,636,153	80,945,175
General Revenues						
Property taxes	53,197,417	50,821,755	-	-	53,197,417	50,821,755
Sales and use taxes	78,224,084	76,580,698	-	-	78,224,084	76,580,698
Other revenue	33,968,114	32,295,817	7,389,606	4,608,039	41,357,720	36,903,856
Total Revenues	212,349,744	255,556,888	79,124,832	82,241,924	291,474,576	337,798,812
Expenses						
Public works	38,963,011	31,984,467	-	-	38,963,011	31,984,467
Public safety	77,688,078	56,558,941	-	-	77,688,078	56,558,941
Parks and rec	5,100,719	15,755,961	-	-	5,100,719	15,755,961
Planning and dev	5,717,459	4,663,186	-	-	5,717,459	4,663,186
General govt	41,994,746	24,177,950	-	-	41,994,746	24,177,950
Interest on LT debt	2,398,138	1,956,276	-	-	2,398,138	1,956,276
Combined water and sewer	-	-	36,221,498	36,905,270	36,221,498	36,905,270
Sanitary Landfill	-	-	-	(347,025)	-	(347,025)
Airport	-	-	4,557,752	4,606,645	4,557,752	4,606,645
Rec Centers	-	-	8,273,346	1,729,385	8,273,346	1,729,385
Stormwater utility	-	-	8,356	8,406	8,356	8,406
Total Expenses	171,862,151	135,096,781	49,060,952	42,902,681	220,923,103	177,999,462
Change in Net Position Before Transfers	40,487,593	120,460,107	30,063,880	39,339,243	70,551,473	159,799,350
Transfers	(3,042,028)	2,008,797	3,042,028	(2,008,797)	-	-
Change in Net Position	37,445,565	122,468,904	33,105,908	37,330,446	70,551,473	159,799,350
Net Position, Beginning, As Previously Reported	870,177,434	747,708,530	443,391,126	406,060,680	1,313,568,560	1,153,769,210
Adjustments - See Note 16	(20,541,568)	-	20,541,568	-	-	-
Net Position, Beginning, As Adjusted	849,635,866	747,708,530	463,932,694	406,060,680	1,313,568,560	1,153,769,210
Net Position, Ending	\$ 887,081,431	\$ 870,177,434	\$ 497,038,602	\$ 443,391,126	\$ 1,384,120,033	\$ 1,313,568,560

\*During 2025, the City has a change within the financial reporting entity as described in Note 16. The 2024 schedule is not adjusted to reflect this change to or within the financial reporting entity in accordance with GASB 100.

**Governmental Activities**

Governmental activities increased the City's net position by \$37.4 million.

Sales and use taxes account for 36.8 percent of revenues, making it the largest governmental revenue category. In the 2025 fiscal year, sales and use tax revenue increased by 1.6 million over the prior fiscal year, or 2.1 percent. The City implemented a use tax in October 2020 and a Public Safety Sales Tax in December 2022, which is used for the operation of the Fire and Police Departments, including expansion of services, equipment, compensation and training. Voters also approved a 3 percent adult-use nonmedical marijuana which took effect in October 2023.

Property taxes, the second largest governmental category at 25.1 percent, finished the year at \$53.2 million, an increase of \$2.4 million, or 4.7 percent, due primarily to new construction.

**City of Lee's Summit, Missouri  
Management's Discussion and Analysis  
June 30, 2025**

Capital Grants and Contributions category provided the largest decrease from the prior fiscal year due to capital assets contributed to the city by private developers. In the prior year, a significant number of developments were completed. Operating Grants and Contributions increased by \$0.4 million mainly due to increased state grant and appropriation revenue recognized in fiscal year 2025. Overall, governmental revenues finished the year \$46.3 million below the prior year.

For the fiscal year ended June 30, 2025, total revenues - including governmental and business type activities - decreased 11.9 percent to \$291.5 million, compared to the prior year total of \$337.8 million. Revenue from governmental activities accounted for 71.4 percent of total revenues, while business type activities accounted for 28.6 percent.

Governmental activities expenses increased 27.2 percent for the 2025 fiscal year compared to the prior fiscal year. The total cost of service for the fiscal year ended June 30, 2025, was \$171.9 million, up from \$135.1 million the prior fiscal year. Among the reasons for the rise in costs for general government was a four percent pay increase for employees not represented by labor unions as well as an enhancement to the City's LAGERS pension benefit. Additional reasons for rising costs include insurance increases and increased staffing levels to meet the needs of the community. Public safety staffing levels also rose in the fiscal year along with heightened equipment needs, which were largely paid for by the Public Safety Sales Tax approved by voters. The increase in Public Works and Streets was due to growth in capital improvement project activity, which can fluctuate annually with scheduling. Parks and recreation saw a decrease due to a change in reporting entity for the recreation centers. For more detailed information on the changes in reporting entity, refer to Note 16 in the Notes to Basic Financial Statements.

The following table shows expenses and program revenues of the governmental activities for the years ended June 30, 2025, and 2024:

	<b>Net Cost of Governmental Activities</b>			
	<b>Total Cost of Service</b>		<b>Net Cost of Service</b>	
	<b>2025</b>	<b>2024*</b>	<b>2025</b>	<b>2024*</b>
General government	\$ 41,994,746	\$ 24,177,950	\$ (33,816,516)	\$ (18,932,224)
Public safety	77,688,078	56,558,941	(64,104,526)	(43,408,669)
Public works and streets	38,963,011	31,984,467	(14,028,299)	40,978,807
Community development	5,717,459	4,663,186	(5,512,985)	(4,469,704)
Parks and recreation	5,100,719	15,755,961	(5,041,558)	(11,450,097)
Interest on long-term debt	2,398,138	1,956,276	(2,398,138)	(1,956,276)
<b>Total</b>	<b>\$ 171,862,151</b>	<b>\$ 135,096,781</b>	<b>\$ (124,902,022)</b>	<b>\$ (39,238,163)</b>

\*During 2025, the City has a change within the financial reporting entity as described in Note 16. The 2024 schedule is not adjusted to reflect this change to or within the financial reporting entity in accordance with GASB 100.

While the total cost of service for governmental activities totaled \$171.9 million, the net costs of these services were negative \$124.9 million. The difference between these numbers is due to direct revenues received from charges for services of \$20.1 million, operating grants and contributions of \$13.8 million and capital grants and contributions of \$13.1 million. Taxes and other revenues of \$159.9 million were collected to cover these net costs.

### ***Business-Type Activities***

Business-type activities net position increased by \$33.1 million in the current year.

Total operating revenues increased 14.3 percent in the current fiscal year, totaling \$67.2 million in the fiscal year ended June 30, 2025. Both the Combined Waterworks and Sewerage System and the Airport saw their operating revenues increase. Additionally, contributing to the increase is the change in reporting entities for the recreation centers moving from governmental activities to business-type activities.

Total operating expenses increased for the Combined Waterworks and Sewerage System and the Airport. The Combined Waterworks and Sewerage System saw its expenses rise by 7.3 percent, while the Airport saw its expenses increase by 8.7 percent. Nonmajor business-type activities saw a significant increase in expenses due to the change in reporting entities for the recreation centers moving from governmental activities to business-type activities. Overall, operating expenses rose 23.5 percent for business type activities in the current fiscal year.

For more detailed information on the changes in reporting entity, refer to Note 16 in the Notes to Basic Financial Statements.

### **Financial Analysis of the City's Funds**

The General Fund is the primary operating fund of the City. The City's unassigned fund balance for the fiscal year ended June 30, 2025, at \$33.1 million, or 35 percent of total General Fund expenditures. The City's unassigned fund balance decreased \$16.11 million, or 33 percent, compared to the prior fiscal year. This was due to planned spend down for capital projects and city initiatives. The City's fund balance had grown in recent years, which led City Council to look for additional opportunities to invest in the community using fund balance for one-time needs.

In September 2023, the City Council adopted an ordinance that requires a General Fund reserve in an amount equal to that of at least three (3) months (25%) of regular General Fund operating revenues or expenditures, whichever is greater based on the prior fiscal year; to address emergencies and provide for economic stability. The new policy also requires the City Manager to propose uses of any General Fund balance that exceeds thirty-five percent (35%) of the prior fiscal year revenue or expenditure. This policy recognizes the importance of a strong fund balance to withstand an economic downturn or large, unexpected expense, while also leveraging the funds for community needs.

For the 2025 fiscal year, General Fund sales tax revenue increased \$1.1 million, or 4 percent compared to the prior fiscal year.

The Capital Improvement Sales Tax Fund was established to account for capital improvement projects related to a ½ cent sales tax approved by voters in 2017. For the fiscal year ended June 30, 2025, the fund balance for the Capital Improvement Sales Tax Fund was \$26.1 million, a slight decrease from the prior fiscal year. The fund made an advance to the 291 N and Highway 50 TIF fund of \$11.1 million, which will be repaid with revenues generated by future development. Additionally, the fund balance for the Capital Improvement Sales Tax Fund can fluctuate dramatically from year to year based on the timing of construction projects. Sales tax revenue for the fund increased 3.1 percent over the prior fiscal year, totaling \$13.8 million compared to \$13.4 million in the 2024 fiscal year.

The 291 N and Highway 50 TIF was established to account for public improvements needed to support the redevelopment of the Highway 291 corridor north of Highway 50. For the fiscal year ended June 30, 2025, the fund balance for the fund was negative \$11.1 million due primarily to the advance described above. The project is in partnership with the Missouri Department of Transportation to improve safety, ease congestion and create opportunities for redevelopment. Improvements include reconstructing the interchange, relocating the north outer road and other enhancements in the area.

**City of Lee's Summit, Missouri  
Management's Discussion and Analysis  
June 30, 2025**

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The Debt Service Fund ended the year with a fund balance of \$11.8 million, a decrease of \$4.1 million. The primary reason for the decrease was due to the final principal and interest payments for the 2022A issuance which totaled \$9.2 million. In April 2023, voters approved three no-tax-increase general obligation bond questions totaling \$186.0 million. The \$186.0 million in general obligation bonds include \$74.0 million for enhancements for emergency preparedness and public safety, \$98.0 million for critical transportation infrastructure, and \$14.0 million for reinvestment in City facilities to extend their use and enhance services.

To account for the proceeds for capital projects related to the no-tax-increase projected referenced above, the City established the Bond Indebtedness Fund. Capital outlay related to these capital projects totaled \$31.1 million. Among the projects currently in progress, the Joint Operations Facility, which will house Fire Headquarters, the Emergency Operations Center, network infrastructure, traffic monitoring and emergency communications; Hangar 2 at the Kansas City – Lee's Summit Regional Airport; and the Police South Substation, which enhances police service in the southern part of the City.

The Green Street Improvement Fund was established to account for public improvements in the Green Street area adjacent to City Hall. The Green Street capital project includes a new farmers market and event space, outdoor venue for concerts and activities, and general gather space for the public. The fund recorded \$25.6 million in capital outlay related to the capital project. Green Street is scheduled to open in fiscal year 2026.

The Combined Water and Sewerage system recorded an increase of \$32.0 million in net position for the year. Operating revenues increased by \$3.9 million during the year.

The Airport Fund recorded a decrease of \$956,000 in net position for the year. Efforts to pursue grant funding are expected to continue in the next fiscal year.

### **General Fund Budgetary Highlights**

For the 2025 fiscal year, actual revenues were lower than projected along with expenditures being lower than anticipated.

The original budget had expenditures of \$95.6 million, which increased to \$96.8 million due to wage increases for personnel, a tight labor market, and general operating expense increases. Actual expenditures were \$2.3 million below the final budgeted amounts primarily due to vacancies and timing of projects.

Revenues fell below the final budgeted amounts by \$1.9 million. The discrepancy between actuals and budget was due primarily to franchise fees, in particular natural gas and cable, falling below projections. The other significant discrepancy between actuals and budget relates to the City's participation in the Ground Emergency Medical Transportation program administered by the state of Missouri. Rule changes to the program caused the City to not receive fiscal year 2025 revenue during the reporting period.

In the 2025 fiscal year, the City had several transfers utilizing the unassigned fund balance. The largest of these investments was \$10.0 million, which was transferred to the Green Street Improvement Fund for the development and construction of the Green Street capital project, and \$2.5 million, which was transferred to the Fleet Internal Service Fund to support fleet related needs. The City also invested \$1.5 million for a downtown safety project, and \$300,000 for gateway monuments to the City. These investments were made to bring the City's fund balance in line with the General Fund reserve policy.

Additionally, the City closed and transferred operations of the Sanitary Landfill Fund, which was reported as a major enterprise fund, and the Landfill Post Closure Fund, which was reported as a nonmajor governmental fund to the General Fund. The fiscal year 2024 ending balances transferred were (\$3,613,162) and \$4,875,469, respectively.

## ***Capital Assets and Debt Administration***

### ***Capital Assets***

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2025 amounts to \$1.15 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems improvements, collections systems, machinery and equipment, park facilities, and infrastructure. Capital assets increased by \$109.33 million during the period.

Major capital events during the current fiscal year included the following:

- Progress Construction on new Green Street Market totaling \$25.63 million.
- Progress Construction on M291 North Interchange with US50 totaling \$8.49 million.
- Progress Construction on Chipman Road-Bent Tree to View High totaling \$4.68 million.
- Progress Construction on Colbern Road – M350 to Douglas totaling \$14.42 million.
- Progress Construction on the Joint Operations Facility for public safety totaling \$8.71 million.
- Progress Construction on multiple projects funded by the no tax increase bond issuances of \$9.85 million. Projects include Airport Hangar 2, Police South Substation, Police and Courts renovation, and others.
- Completion of multiple development projects resulting in contributed infrastructure of streets and stormwater sewers of \$13.07 million.
- Land purchase for the new Parks and Recreation Fieldhouse of \$5.19 million.
- Right-to-use subscription assets had additions of city-wide software subscriptions of Microsoft 365 and Workday ERP system.
- System additions and improvements in the Combined Waterworks and Sewerage Fund at a cost of over \$12.2 million; including contributed improvements of sanitary sewer and water lines of \$3.74 million, Cedar Creek improvements of \$5.8 million, and water main rehab of \$4.05 million.

**City of Lee's Summit, Missouri**  
**Management's Discussion And Analysis**  
**June 30, 2025**

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 16,411,818	\$ 7,677,910	\$ 26,812,713	\$ 29,427,927	\$ 43,224,531	\$ 37,105,077
Construction in progress	160,573,895	71,352,992	10,352,638	14,967,774	170,926,533	86,320,766
Buildings	76,735,248	95,909,356	-	-	76,735,248	95,909,356
Improvements	80,597,894	85,363,549	484,332,993	433,057,562	564,930,887	518,421,111
Machinery & equipment	47,401,279	48,066,564	4,220,943	4,064,698	51,622,222	52,161,262
Infrastructure	696,535,097	684,849,680	-	-	696,535,097	684,849,680
Right-to-use leased assets	692,418	695,796	-	-	692,418	695,796
Right-to-use subscription assets	10,464,921	1,275,419	-	-	10,464,921	1,275,419
Accumulated depreciation	(301,547,853)	(294,529,852)	(160,666,273)	(138,584,434)	(462,214,126)	(433,114,266)
	<u>\$ 787,864,717</u>	<u>\$ 700,661,414</u>	<u>\$ 365,053,014</u>	<u>\$ 342,932,767</u>	<u>\$ 1,152,917,731</u>	<u>\$ 1,043,584,181</u>

\*During 2025, the City has a change within the financial reporting entity as described in Note 16. The 2024 schedule is not adjusted to reflect this change to or within the financial reporting entity in accordance with GASB 100.

These capital assets are funded by traditional bond financing, capital improvement sales tax, and user charges. For more detailed information on capital assets, refer to Note 4 in the Notes to Basic Financial Statements.

**Debt Administration**

The City, at the end of fiscal 2025, had a total of \$86.38 million of outstanding long-term obligations. This amount remained steady from the prior year due to \$15.9 million of GO debt payments offset by the issuance of a promissory note of \$5.19 million and increased compensated absences of \$11.2 million due to the implementation of GASB 102. The City has General Obligation bonds of \$32.7 million outstanding and \$16.2 million of Tax Increment Financing bonds related to the Summit Fair shopping center.

As of June 30, 2025, the City's total issued and authorized General Obligation (G.O.) Bonded Debt was \$32.7 million. The City has statutory authority to issue debt equal to 20 percent of the City's total assessed valuation or \$663.3 million. This, less outstanding debt, authorized and unissued debt, and available cash, leaves a legal debt margin of \$478.8 million, which is 72 percent of the City's total bonding capacity.

General Obligation Bonds retired \$11.975 million of their principal amount outstanding this year along with interest payments of \$1.65 million.

During the fiscal year, the City issued a promissory note of \$5.19 million for the purchase of land to build a Parks and Rec fieldhouse in the Oldham Village development.

The City's General Obligation bonds have most recently been rated Aaa by Moody's Investors Services.

Additional information on the City's long-term debt can be found beginning with Note 5.

**Economic Factors and Next Year's Budgets and Rates**

Combined General Fund revenues for fiscal year 2026 are projected to total \$100.85 million, an increase of 3 percent. The City projects continued growth in property tax, sales tax and franchise tax revenue along with modest growth in other revenue categories, such as licenses and permits and charges for service.

General Fund expenses are projected to total \$100.85 million compared to \$144.16 million budgeted in fiscal year 2025 as amended, a decrease of \$13.31 million.

**City of Lee's Summit, Missouri  
Management's Discussion and Analysis  
June 30, 2025**

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Personnel Services account for the majority of the City's General Fund expenditure. The City continues to focus on providing competitive compensation and benefits to attract and retain quality employees. The City is currently working on a pay and growth plan to determine how its pay and benefits compare to others in the area and develop a plan to address areas potentially behind the market. The 2026 fiscal year budget includes a four percent salary increase for employees not represented by a labor union and approximately \$920,000 in expansions, comprised of personnel and equipment, to continue to deliver excellent service to the community.

Because of Lee's Summit's strong growth, much of the budget is dedicated to capital improvement (CIP) funding. The City prepares a five-year CIP annually, which includes a detailed description of the various projects and their funding sources. The City's CIP can be found by visiting [cityofls.net/CIP](http://cityofls.net/CIP).

The City continually monitors economic conditions to ensure prudent fiscal management and to be in a position to adjust the budget if necessary if there are signs of negative economic trends.

***Requests for Information***

This financial report is designed to provide the reader a general overview of the City's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to Briana Burrichter, Director of Finance, City of Lee's Summit, 220 SE Green Street, Lee's Summit, Missouri 64063.

## ***Basic Financial Statements***



**City of Lee's Summit, Missouri**  
**Statement of Net Position**  
**June 30, 2025**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
<b>Assets</b>			
Cash and investments	\$ 153,855,684	\$ 123,221,828	\$ 277,077,512
Receivables (net of allowance)			
Taxes	15,145,452	-	15,145,452
Accounts and other	4,916,214	7,491,729	12,407,943
Interest	1,119,625	873,352	1,992,977
Leases	1,501,196	331,810	1,833,006
Due from other governments	1,954,071	448,652	2,402,723
Internal balances	(4,327,012)	4,327,012	-
Inventories	383,016	1,386,530	1,769,546
Prepaid expenses	954,802	8,824	963,626
Restricted assets			
Cash and investments	5,978,635	-	5,978,635
Pension asset	15,736,770	913,643	16,650,413
Capital assets			
Nondepreciable	176,985,713	37,165,351	214,151,064
Depreciable, net	610,879,004	327,887,663	938,766,667
<b>Total Assets</b>	<b>985,083,170</b>	<b>504,056,394</b>	<b>1,489,139,564</b>
<b>Deferred Outflows of Resources</b>			
Pension	28,537,572	1,308,077	29,845,649
Other post employment benefits	1,080,907	148,796	1,229,703
<b>Total Deferred Outflows of Resources</b>	<b>29,618,479</b>	<b>1,456,873</b>	<b>31,075,352</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 1,014,701,649</b>	<b>\$ 505,513,267</b>	<b>\$ 1,520,214,916</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>			
<b>Liabilities</b>			
Accounts payable and accrued expenses	\$ 29,096,736	\$ 4,117,334	\$ 33,214,070
Payroll liabilities	3,235,128	461,104	3,696,232
Unearned revenue	-	1,316,189	1,316,189
Customer deposits - payable from restricted deposits	1,490,689	114,672	1,605,361
Long-term obligations			
Due within one year			
Compensated absences	6,713,912	700,025	7,413,937
Other post employment benefits	106,012	5,988	112,000
Bonds	14,420,000	-	14,420,000
Notes Payable	-	143,719	143,719
Leases	32,085	-	32,085
Subscription liability	890,691	-	890,691
Closure and postclosure liability	231,387	-	231,387
Due in more than one year			
Compensated absences	4,237,200	415,122	4,652,322
Other post employment benefits	4,975,911	281,064	5,256,975
Bonds	36,651,318	-	36,651,318
Notes payable	5,188,325	-	5,188,325
Leases	529,508	-	529,508
Subscription liability	4,319,307	-	4,319,307
Closure and postclosure liability	6,709,953	-	6,709,953
<b>Total Liabilities</b>	<b>118,828,162</b>	<b>7,555,217</b>	<b>126,383,379</b>
<b>Deferred Inflows of Resources</b>			
Pension	3,981,936	210,445	4,192,381
Leases	1,422,463	329,233	1,751,696
Other post employment benefits	2,758,781	379,770	3,138,551
Deferred amount on refunding	628,876	-	628,876
<b>Total Deferred Inflows of Resources</b>	<b>8,792,056</b>	<b>919,448</b>	<b>9,711,504</b>
<b>Net Position</b>			
Net investment in capital assets	731,358,409	364,233,693	1,095,592,102
Restricted for			
Pension	15,736,770	913,643	16,650,413
Public safety	7,370,741	-	7,370,741
Debt service	11,821,743	-	11,821,743
Capital projects	52,613,473	24,396,890	77,010,363
Parks and recreation	5,613,799	-	5,613,799
Other purposes	2,194	-	2,194
Unrestricted	62,564,302	107,494,376	170,058,678
<b>Total net position</b>	<b>887,081,431</b>	<b>497,038,602</b>	<b>1,384,120,033</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 1,014,701,649</b>	<b>\$ 505,513,267</b>	<b>\$ 1,520,214,916</b>

**City of Lee's Summit, Missouri**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
<b>Primary Government:</b>							
<b>Governmental Activities</b>							
General government	\$ 41,994,746	\$ 6,446,900	\$ 1,731,330	\$ -	\$ (33,816,516)	\$ -	\$ (33,816,516)
Public safety	77,688,078	11,698,034	1,885,518	-	(64,104,526)	-	(64,104,526)
Public works and streets	38,963,011	1,662,125	10,205,404	13,067,183	(14,028,299)	-	(14,028,299)
Community development	5,717,459	204,474	-	-	(5,512,985)	-	(5,512,985)
Parks and recreation	5,100,719	59,161	-	-	(5,041,558)	-	(5,041,558)
Interest on long-term debt	2,398,138	-	-	-	(2,398,138)	-	(2,398,138)
<b>Total governmental activities</b>	<b>171,862,151</b>	<b>20,070,694</b>	<b>13,822,252</b>	<b>13,067,183</b>	<b>(124,902,022)</b>	<b>-</b>	<b>(124,902,022)</b>
<b>Business-Type Activities</b>							
Water and sewerage system	36,221,498	57,568,824	-	4,106,847	-	25,454,173	25,454,173
Airport	4,557,752	3,422,256	-	441,254	-	(694,242)	(694,242)
Recreation centers	8,273,346	6,175,176	-	20,869	-	(2,077,301)	(2,077,301)
Stormwater Utility	8,356	-	-	-	-	(8,356)	(8,356)
<b>Total Business-Type Activities</b>	<b>49,060,952</b>	<b>67,166,256</b>	<b>-</b>	<b>4,568,970</b>	<b>-</b>	<b>22,674,274</b>	<b>22,674,274</b>
<b>Total Primary Government</b>	<b>\$ 220,923,103</b>	<b>\$ 87,236,950</b>	<b>\$ 13,822,252</b>	<b>\$ 17,636,153</b>	<b>(124,902,022)</b>	<b>22,674,274</b>	<b>(100,710,410)</b>
<b>General Revenues</b>							
Taxes							
Property taxes, levied for general purposes					41,374,810	-	41,374,810
Property taxes, levied for debt service					11,822,607	-	11,822,607
Franchise taxes					12,984,194	-	12,984,194
Sales and use taxes, and other taxes					78,224,084	-	78,224,084
License taxes					1,829,173	-	1,829,173
Motor vehicle taxes					5,787,715	-	5,787,715
Investment income					8,940,433	7,375,023	16,315,456
Grants and contributions not restricted					3,979,712	-	3,979,712
Other revenues					446,887	-	446,887
Gain (loss) on disposal of assets					-	14,583	14,583
Transfers					(3,042,028)	3,042,028	-
<b>Total General Revenues and Transfers</b>					<b>162,347,587</b>	<b>10,431,634</b>	<b>172,779,221</b>
<b>Change in Net Position</b>					<b>37,445,565</b>	<b>33,105,908</b>	<b>70,551,473</b>
<b>Net Position - Beginning, as Previously Reported</b>					<b>870,177,434</b>	<b>443,391,126</b>	<b>1,313,568,560</b>
<b>Adjustments - See Note 16</b>					<b>(20,541,568)</b>	<b>20,541,568</b>	<b>-</b>
<b>Net Position - Beginning, as Adjusted</b>					<b>849,635,866</b>	<b>463,932,694</b>	<b>1,313,568,560</b>
<b>Net Position - Ending</b>					<b>\$ 887,081,431</b>	<b>\$ 497,038,602</b>	<b>\$ 1,384,120,033</b>

**City of Lee's Summit, Missouri**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2025**

	General Fund	Capital Improvement Sales Tax	Formerly Major Fund Blue Parkway and Colbern Road CID	Debt Service	Green Street Improvements	291 N & Highway 50 TIF	Bonded Indebtedness	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>									
Pooled cash and investments	\$ 34,200,035	\$ 15,936,661	\$ -	\$ 10,714,459	\$ 6,618,852	\$ 10,756	\$ 75,398	\$ 60,101,583	\$ 127,657,744
Receivables (net of allowance)									
Taxes	6,602,841	2,095,967	-	1,807,291	-	-	-	4,639,353	15,145,452
Accounts and other	3,493,880	-	-	-	1,195,000	-	-	181,528	4,870,408
Interest	291,516	151,076	-	83,645	-	-	-	394,794	921,031
Lease receivable	1,501,196	-	-	-	-	-	-	-	1,501,196
Due from other funds	2,469,498	-	-	-	-	-	-	-	2,469,498
Due from other governments	993,884	581,534	-	-	-	-	-	263,893	1,839,311
Prepaid items	694,996	-	-	-	-	-	259,806	-	954,802
Advances to other funds	-	11,113,000	-	-	-	-	-	3,314,859	14,427,859
Restricted cash	2,194	-	-	-	-	-	5,976,441	-	5,978,635
<b>Total Assets</b>	<b>\$ 50,250,040</b>	<b>\$ 29,878,238</b>	<b>\$ -</b>	<b>\$ 12,605,395</b>	<b>\$ 7,813,852</b>	<b>\$ 10,756</b>	<b>\$ 6,311,645</b>	<b>\$ 68,896,010</b>	<b>\$ 175,765,936</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accounts payable and accrued liabilities	\$ 2,527,008	\$ 3,770,635	\$ -	\$ -	\$ 7,114,461	\$ -	\$ 5,354,797	\$ 4,289,307	\$ 23,056,208
Payroll liabilities	2,692,280	-	-	-	-	-	-	357,510	3,049,790
Deposits payable	1,286,055	-	-	-	-	-	-	204,634	1,490,689
Due to other funds	-	-	-	-	-	-	2,050,000	419,498	2,469,498
Advances from other funds	-	-	-	-	-	11,113,000	-	3,694,481	14,807,481
<b>Total Liabilities</b>	<b>6,505,343</b>	<b>3,770,635</b>	<b>-</b>	<b>-</b>	<b>7,114,461</b>	<b>11,113,000</b>	<b>7,404,797</b>	<b>8,965,430</b>	<b>44,873,666</b>
<b>Deferred Inflows of Resources</b>									
Property tax	1,140,869	-	-	783,652	-	-	-	254,975	2,179,496
Lease related	1,422,463	-	-	-	-	-	-	-	1,422,463
Unavailable revenue	1,998,937	-	-	-	1,195,000	-	-	168,493	3,362,430
<b>Total Deferred Inflows of Resources</b>	<b>4,562,269</b>	<b>-</b>	<b>-</b>	<b>783,652</b>	<b>1,195,000</b>	<b>-</b>	<b>-</b>	<b>423,468</b>	<b>6,964,389</b>
<b>Fund Balances</b>									
<b>Nonspendable:</b>									
Advances to other funds	-	11,113,000	-	-	-	-	-	3,314,859	14,427,859
Prepaid amounts	694,996	-	-	-	-	-	259,806	-	954,802
<b>Restricted for:</b>									
Public safety	-	-	-	-	-	-	-	7,370,741	7,370,741
Bridges, streets and signals	-	14,994,603	-	-	-	-	-	37,618,870	52,613,473
Parks and recreation	-	-	-	-	-	-	-	5,613,799	5,613,799
Economic development	-	-	-	-	-	-	-	5,528,880	5,528,880
Debt service reserve	-	-	-	11,821,743	-	-	-	-	11,821,743
Other purposes	2,194	-	-	-	-	-	-	-	2,194
<b>Committed for:</b>									
Bridges, streets and signals	-	-	-	-	-	-	-	348,939	348,939
Landfill care	5,422,807	-	-	-	-	-	-	-	5,422,807
Cemetery care	-	-	-	-	-	-	-	1,196,123	1,196,123
<b>Assigned for:</b>									
Other capital projects	-	-	-	-	-	-	-	2,250,689	2,250,689
Unassigned	33,062,431	-	-	-	(495,609)	(11,102,244)	(1,352,958)	(3,735,788)	(5,850,168)
<b>Total Fund Balances</b>	<b>39,182,428</b>	<b>26,107,603</b>	<b>-</b>	<b>11,821,743</b>	<b>(495,609)</b>	<b>(11,102,244)</b>	<b>(1,093,152)</b>	<b>59,507,112</b>	<b>123,927,881</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 50,250,040</b>	<b>\$ 29,878,238</b>	<b>\$ -</b>	<b>\$ 12,605,395</b>	<b>\$ 7,813,852</b>	<b>\$ 10,756</b>	<b>\$ 6,311,645</b>	<b>\$ 68,896,010</b>	<b>\$ 175,765,936</b>

See the notes to basic financial statements.

**City of Lee's Summit, Missouri**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2025**

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**Total Fund Balance - Governmental Funds** \$ 123,927,881

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not in the fund financial statements, but are reported in the governmental activities of the statement of net position.

Governmental capital assets	1,056,577,253
Less: Accumulated depreciation	(281,950,306)

Pension assets are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the statement of net position.	15,406,763
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Some of the City's taxes and receivables will be collected after year-end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred inflows of resources in the funds.	5,541,926
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Pension-related deferred outflows of resources are not due and payable in the current year, and, therefore, are not reported in the governmental funds.	28,219,701
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Other postemployment benefit-related deferred outflows of resources are not due and payable in the current year, and, therefore, are not reported in the governmental funds.	1,007,365
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Pension-related deferred inflows of resources are not due and payable in the current year, and, therefore, are not reported in the governmental funds.	(3,915,117)
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Other postemployment benefit-related deferred inflows of resources are not due and payable in the current year, and, therefore, are not reported in the governmental funds.	(2,571,080)
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Interest on long-term debt is not accrued in the governmental funds but rather is recognized as an expenditure when due.	(359,713)
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Certain assets and liabilities of internal service funds are included in the governmental activities in the statement of net position.	29,726,235
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Some liabilities and deferred inflows, such as compensated absences and bonds payable (net of unamortized discounts), are not due and payable in the current period and are not included in the fund financial statements but are included in the governmental activities of the statement of net position.

Compensated absences	(10,449,572)
Bonds payable	(48,855,000)
Unamortized discounts	166,704
Unamortized premiums	(2,383,022)
Deferred amount on refunding	(628,876)
Notes payable	(5,188,325)
Leases	(561,593)
Subscriptions	(4,800,700)
Closure and Post-Closure liability	(6,941,340)
Other post employment benefit liability	(4,887,753)

**Total Net Position - Governmental Activities** \$ 887,081,431

**City of Lee's Summit, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Governmental Funds**  
**For the Year Ended June 30, 2025**

	General Fund	Capital Improvement Sales Tax	Formerly Major Fund Blue Parkway and Colbern Road CID	Debt Service	Green Street Improvements	291 N & Highway 50 TIF	Bonded Indebtedness	Total Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>									
Taxes									
Property	\$ 30,389,447	\$ -	\$ -	\$ 11,966,044	\$ -	\$ 10,612	\$ -	\$ 9,928,440	\$ 52,294,543
Sales	28,188,948	13,824,875	-	6,610,559	-	-	-	29,599,702	78,224,084
Franchise	12,984,194	-	-	-	-	-	-	-	12,984,194
License	-	-	-	-	-	-	-	1,829,173	1,829,173
Transient	-	-	-	-	-	-	-	681,960	681,960
Motor vehicle	5,787,715	-	-	-	-	-	-	-	5,787,715
Other tax	218,576	-	-	11,759	-	-	-	3,846	234,181
Fines and forfeitures	1,342,116	-	-	64,944	-	239	-	63,014	1,470,313
Licenses and permits	4,349,025	-	-	-	-	-	-	-	4,349,025
Intergovernmental	1,770,758	8,220,652	-	-	-	-	-	7,735,530	17,726,940
Charges for services	9,816,804	-	-	2,478	-	-	-	185,450	10,004,732
Investment income (loss)	904,662	1,185,935	-	748,804	(58,162)	-	793,312	3,561,344	7,135,895
Other	462,692	-	-	-	-	-	-	128,937	591,629
<b>Total Revenues</b>	<b>96,214,937</b>	<b>23,231,462</b>	<b>-</b>	<b>19,404,588</b>	<b>(58,162)</b>	<b>10,851</b>	<b>793,312</b>	<b>53,717,396</b>	<b>193,314,384</b>
<b>Expenditures</b>									
Current									
General government	26,096,071	-	-	204,285	1,188	174	-	3,345,239	29,646,956
Public safety	51,115,494	-	-	-	-	-	-	10,196,790	61,312,284
Public works and streets	11,977,515	-	-	-	-	-	-	43,032	12,020,547
Community development	5,045,386	-	-	-	-	-	-	-	5,045,386
Parks and recreation	-	-	-	-	-	-	-	4,797,789	4,797,789
Debt service									
Principal	30,508	-	-	11,975,000	-	-	408,422	3,585,675	15,999,605
Interest and other charges	321,841	-	-	1,653,789	24,000	-	-	1,044,516	3,044,146
Capital outlay	-	36,663,966	-	-	25,632,427	-	31,099,038	35,130,671	128,526,102
<b>Total Expenditures</b>	<b>94,586,815</b>	<b>36,663,966</b>	<b>-</b>	<b>13,833,074</b>	<b>25,657,615</b>	<b>174</b>	<b>31,507,460</b>	<b>58,143,711</b>	<b>260,392,815</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,628,122</b>	<b>(13,432,504)</b>	<b>-</b>	<b>5,571,514</b>	<b>(25,715,777)</b>	<b>10,677</b>	<b>(30,714,148)</b>	<b>(4,426,315)</b>	<b>(67,078,431)</b>
<b>Other Financing Sources (Uses)</b>									
Issuance of promissory note	-	-	-	-	-	-	-	5,188,325	5,188,325
Issuance of leases and subscription liabilities	105,790	-	-	-	-	-	4,737,949	-	4,843,739
Transfers in	266,142	12,243,432	-	-	11,678,978	-	-	17,691,128	41,879,680
Transfers out	(17,419,691)	-	-	(9,675,000)	-	(11,113,000)	-	(10,287,664)	(48,495,355)
<b>Total Other Financing Sources (Uses)</b>	<b>(17,047,759)</b>	<b>12,243,432</b>	<b>-</b>	<b>(9,675,000)</b>	<b>11,678,978</b>	<b>(11,113,000)</b>	<b>4,737,949</b>	<b>12,591,789</b>	<b>3,416,389</b>
<b>Change in Fund Balances (Deficits)</b>	<b>(15,419,637)</b>	<b>(1,189,072)</b>	<b>-</b>	<b>(4,103,486)</b>	<b>(14,036,799)</b>	<b>(11,102,323)</b>	<b>(25,976,199)</b>	<b>8,165,474</b>	<b>(63,662,042)</b>
<b>Fund Balances - Beginning, as Previously Reported</b>	<b>49,179,258</b>	<b>27,296,675</b>	<b>(3,652,140)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,293,177</b>	<b>188,116,970</b>
<b>Adjustments - See Note 16</b>	<b>5,422,807</b>	<b>-</b>	<b>3,652,140</b>	<b>15,925,229</b>	<b>13,541,190</b>	<b>79</b>	<b>24,883,047</b>	<b>(63,951,539)</b>	<b>(527,047)</b>
<b>Fund Balances - Beginning, as Adjusted</b>	<b>54,602,065</b>	<b>27,296,675</b>	<b>-</b>	<b>15,925,229</b>	<b>13,541,190</b>	<b>79</b>	<b>24,883,047</b>	<b>51,341,638</b>	<b>187,589,923</b>
<b>Fund Balances - Ending</b>	<b>\$ 39,182,428</b>	<b>\$ 26,107,603</b>	<b>\$ -</b>	<b>\$ 11,821,743</b>	<b>\$ (495,609)</b>	<b>\$ (11,102,244)</b>	<b>\$ (1,093,152)</b>	<b>\$ 59,507,112</b>	<b>\$ 123,927,881</b>

See the notes to basic financial statements.

**City of Lee's Summit, Missouri**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2025**

**Net Change in Fund Balances - Total Governmental Funds** \$ (63,662,042)

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation in the current period was exceeded by capital outlays over the capitalization threshold. 87,379,505

Governmental funds report the entire net sales price (proceeds) from sale of an asset as an other financing source because it provides current financial resources. In contrast, the statement of activities reports only the gain (loss) on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold. (1,776,694)

Contributions of capital assets are recorded as capital contributions in the statement of activities. Contributions primarily represent infrastructure assets. 13,067,183

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned. 4,195,632

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are netted with debt and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the net effect of these differences in the treatment of long-term debt and related items:

Issuance of debt	(5,188,325)
Issuance of subscription liabilities	(4,737,949)
Issuance of lease liabilities	(105,791)
Repayment of principal	15,420,000
Repayment of lease liabilities	30,508
Termination of lease	69,411
Repayment of subscription liabilities	549,097
Bond discount amortization	(12,487)
Bond premium amortization	352,049
Deferred amount on refunding	125,775
Change in accrued interest payable	211,368

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Other post-employment benefits expense	(253,739)
Compensated absences	(4,700,281)
Pension expense	(3,631,191)

Certain internal service funds are used by management to charge the costs of certain activities internally to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 113,536

**Change in Net Position of Governmental Activities** **\$ 37,445,565**

**City of Lee's Summit, Missouri**  
**Statement of Net Position (Deficit)**  
**Proprietary Funds**  
**June 30, 2025**

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Combined Waterworks and Sewerage System	Formerly Sanitary Landfill	Airport	Nonmajor Enterprise Funds	Total	
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and investments	\$ 118,725,465	\$ -	\$ 2,701,395	\$ 1,794,968	\$ 123,221,828	\$ 26,197,940
Receivables (net of allowance)						
Accounts and other	3,820,870	-	108,246	29,768	3,958,884	45,806
Unbilled accounts	3,532,845	-	-	-	3,532,845	-
Interest	841,247	-	19,320	12,785	873,352	198,594
Leases receivable	-	-	80,278	-	80,278	-
Due from other governments	448,652	-	-	-	448,652	114,760
Inventories	1,288,785	-	97,745	-	1,386,530	383,016
Prepaid expenses	-	-	3,824	5,000	8,824	-
<b>Total Current Assets</b>	<b>128,657,864</b>	<b>-</b>	<b>3,010,808</b>	<b>1,842,521</b>	<b>133,511,193</b>	<b>26,940,116</b>
<b>Noncurrent Assets</b>						
Advances to other funds	379,621	-	-	-	379,621	-
Leases receivable	-	-	251,532	-	251,532	-
Pension asset	367,661	-	29,819	516,163	913,643	330,007
Capital assets						
Nondepreciable	10,509,805	-	26,655,546	-	37,165,351	104,250
Depreciable, net	279,123,371	-	35,081,368	13,682,924	327,887,663	13,133,519
<b>Total Noncurrent Assets</b>	<b>290,380,458</b>	<b>-</b>	<b>62,018,265</b>	<b>14,199,087</b>	<b>366,597,810</b>	<b>13,567,776</b>
<b>Total Assets</b>	<b>419,038,322</b>	<b>-</b>	<b>65,029,073</b>	<b>16,041,608</b>	<b>500,109,003</b>	<b>40,507,892</b>
<b>Deferred Outflows of Resources</b>						
Pension	354,140	-	28,722	925,215	1,308,077	317,871
Other post-employment benefits	102,618	-	8,551	37,627	148,796	73,542
<b>Total Deferred Outflows of Resources</b>	<b>456,758</b>	<b>-</b>	<b>37,273</b>	<b>962,842</b>	<b>1,456,873</b>	<b>391,413</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Accounts payable and accrued liabilities	3,414,323	-	445,680	257,331	4,117,334	5,680,811
Salaries payable	227,624	-	29,714	203,766	461,104	185,338
Unearned revenue	1,311,000	-	5,189	-	1,316,189	-
Compensated absences	369,792	-	47,321	282,912	700,025	311,945
Other post-employment benefits	4,513	-	366	1,109	5,988	4,050
Current portion of long-term debt:						
Note payable	143,719	-	-	-	143,719	-
Subscription liabilities	-	-	-	-	-	359,786
Customer deposit	15,199	-	91,207	8,266	114,672	-
<b>Total Current Liabilities</b>	<b>5,486,170</b>	<b>-</b>	<b>619,477</b>	<b>753,384</b>	<b>6,859,031</b>	<b>6,541,930</b>
<b>Noncurrent Liabilities</b>						
Subscription liabilities	-	-	-	-	-	49,512
Compensated absences	204,735	-	30,233	180,154	415,122	189,595
Other post-employment benefits	211,813	-	17,179	52,072	281,064	190,120
<b>Total Noncurrent Liabilities</b>	<b>416,548</b>	<b>-</b>	<b>47,412</b>	<b>232,226</b>	<b>696,186</b>	<b>429,227</b>
<b>Total Liabilities</b>	<b>5,902,718</b>	<b>-</b>	<b>666,889</b>	<b>985,610</b>	<b>7,555,217</b>	<b>6,971,157</b>
<b>Deferred Inflows of Resources</b>						
Pension	74,443	-	6,038	129,964	210,445	66,819
Other post-employment benefits	261,910	-	21,826	96,034	379,770	187,701
Leases	-	-	329,233	-	329,233	-
<b>Total Deferred Inflows of Resources</b>	<b>336,353</b>	<b>-</b>	<b>357,097</b>	<b>225,998</b>	<b>919,448</b>	<b>254,520</b>
<b>Net Position (Deficit)</b>						
Net investment in capital assets	289,047,687	-	61,504,153	13,681,853	364,233,693	12,828,471
Restricted for capital projects	23,396,805	-	1,000,085	-	24,396,890	-
Restricted for pension	367,661	-	29,819	516,163	913,643	330,007
Unrestricted	100,443,856	-	1,508,303	1,594,826	103,546,985	20,515,150
<b>Total Net Position (Deficit)</b>	<b>\$ 413,256,009</b>	<b>\$ -</b>	<b>\$ 64,042,360</b>	<b>\$ 15,792,842</b>	<b>493,091,211</b>	<b>\$ 33,673,628</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					3,947,391	
Net position of business-type activities					<u>\$ 497,038,602</u>	

**City of Lee's Summit, Missouri**  
**Statement of Revenues, Expenses and Changes in Net Position (Deficit)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**

	<b>Business-Type Activities - Enterprise Funds</b>					<b>Governmental Activities - Internal Service Funds</b>
	<b>Combined Waterworks and Sewerage System</b>	<b>Formerly Sanitary Landfill</b>	<b>Airport</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	
<b>Operating Revenues</b>						
Charges for services	\$ 56,494,086	\$ -	\$ 1,049,282	\$ 5,698,673	\$ 63,242,041	\$ 15,652,417
Material and fuel sales	418,094	-	2,261,483	80	2,679,657	-
Other	656,644	-	111,491	476,423	1,244,558	19,961
<b>Total Operating Revenues</b>	<b>57,568,824</b>	<b>-</b>	<b>3,422,256</b>	<b>6,175,176</b>	<b>67,166,256</b>	<b>15,672,378</b>
<b>Operating Expenses</b>						
Salaries, wages and employee benefits	7,080,684	-	968,387	4,313,953	12,363,024	5,665,542
Water purchases	8,632,311	-	-	-	8,632,311	-
Utilities	706,388	-	79,951	648,797	1,435,136	319,270
Repairs and maintenance	974,659	-	107,726	386,034	1,468,419	1,029,075
Sewer services	10,867,501	-	-	-	10,867,501	-
Fuels and lubricants	105,630	-	1,577,405	-	1,683,035	6,324
Depreciation and amortization	6,374,758	-	1,374,735	1,488,002	9,237,495	3,732,693
Interdepartment charges	1,659,979	-	158,035	177,404	1,995,418	322,908
Miscellaneous	3,161,719	-	737,589	1,426,696	5,326,004	6,090,530
<b>Total Operating Expenses</b>	<b>39,563,629</b>	<b>-</b>	<b>5,003,828</b>	<b>8,440,886</b>	<b>53,008,343</b>	<b>17,166,342</b>
<b>Operating Income (Loss)</b>	<b>18,005,195</b>	<b>-</b>	<b>(1,581,572)</b>	<b>(2,265,710)</b>	<b>14,157,913</b>	<b>(1,493,964)</b>
<b>Nonoperating Revenues (Expenses)</b>						
Interest income	7,040,305	-	172,371	162,347	7,375,023	1,640,731
Interest expense	-	-	-	-	-	(30,697)
Gain on disposal of capital assets	-	-	14,583	-	14,583	259,356
<b>Total Nonoperating Revenues</b>	<b>7,040,305</b>	<b>-</b>	<b>186,954</b>	<b>162,347</b>	<b>7,389,606</b>	<b>1,869,390</b>
<b>Income (Loss) Before Capital Grants and Contributions and Transfers</b>	<b>25,045,500</b>	<b>-</b>	<b>(1,394,618)</b>	<b>(2,103,363)</b>	<b>21,547,519</b>	<b>375,426</b>
<b>Capital Grants and Contributions</b>	<b>4,106,847</b>	<b>-</b>	<b>441,254</b>	<b>20,869</b>	<b>4,568,970</b>	<b>114,760</b>
<b>Transfers In</b>	<b>2,859,213</b>	<b>-</b>	<b>-</b>	<b>230,000</b>	<b>3,089,213</b>	<b>3,581,647</b>
<b>Transfers Out</b>	<b>(39,000)</b>	<b>-</b>	<b>(2,200)</b>	<b>(5,985)</b>	<b>(47,185)</b>	<b>(8,000)</b>
<b>Change in Net Position (Deficit)</b>	<b>31,972,560</b>	<b>-</b>	<b>(955,564)</b>	<b>(1,858,479)</b>	<b>29,158,517</b>	<b>4,063,833</b>
<b>Net Position - Beginning, as Previously Reported</b>	<b>381,283,449</b>	<b>(3,613,162)</b>	<b>64,997,924</b>	<b>722,915</b>	<b>443,391,126</b>	<b>29,609,795</b>
<b>Adjustments - See Note 16</b>	<b>-</b>	<b>3,613,162</b>	<b>-</b>	<b>16,928,406</b>	<b>20,541,568</b>	<b>-</b>
<b>Net Position - Beginning, as Adjusted</b>	<b>381,283,449</b>	<b>-</b>	<b>64,997,924</b>	<b>17,651,321</b>	<b>463,932,694</b>	<b>29,609,795</b>
<b>Net Position - Ending</b>	<b>\$ 413,256,009</b>	<b>\$ -</b>	<b>\$ 64,042,360</b>	<b>\$ 15,792,842</b>	<b>\$ 493,091,211</b>	<b>\$ 33,673,628</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					3,947,391	
Change in net position of business-type activities					<u>\$ 33,105,908</u>	

**City of Lee's Summit, Missouri**  
**Proprietary Funds Statement of Cash Flows**  
**For The Year Ended June 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities	
	Combined Waterworks and Sewerage System	Airport	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Cash Flows From Operating Activities</b>					
Cash received from customers	\$ 57,689,290	\$ 3,806,005	\$ 6,148,674	\$ 67,643,969	\$ 15,511,812
Cash paid to suppliers	(27,059,163)	(2,608,900)	(2,565,124)	(32,233,187)	(5,026,671)
Cash paid to employees	(6,718,533)	(917,519)	(4,246,535)	(11,882,587)	(5,278,969)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>23,911,594</b>	<b>279,586</b>	<b>(662,985)</b>	<b>23,528,195</b>	<b>5,206,172</b>
<b>Cash Flows From Noncapital Financing Activities</b>					
Transfers in	2,859,213	-	233,520	3,092,733	3,581,647
Transfers out	(39,000)	(2,200)	(9,505)	(50,705)	(8,000)
Proceeds from issuance of debt	143,719	-	-	143,719	-
Due from other funds	195,000	-	-	195,000	-
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<b>3,158,932</b>	<b>(2,200)</b>	<b>224,015</b>	<b>3,380,747</b>	<b>3,573,647</b>
<b>Cash Flows From Capital and Related Financing Activities</b>					
Principal paid on subscription liability	-	-	-	-	(322,083)
Interest paid on subscription liability	-	-	-	-	(30,697)
Capital grants	363,358	441,254	20,869	825,481	114,760
Additions to capital assets	(15,792,129)	(430,924)	(48,570)	(16,271,623)	(3,954,703)
Proceeds from sale of capital assets	-	14,583	-	14,583	259,356
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(15,428,771)</b>	<b>24,913</b>	<b>(27,701)</b>	<b>(15,431,559)</b>	<b>(3,933,367)</b>
<b>Cash Flows Provided by Investing Activities</b>					
Interest received	6,345,181	164,122	155,212	6,664,515	1,458,552
<b>Net Cash Provided by Investing Activities</b>	<b>6,345,181</b>	<b>164,122</b>	<b>155,212</b>	<b>6,664,515</b>	<b>1,458,552</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>17,986,936</b>	<b>466,421</b>	<b>(311,459)</b>	<b>18,141,898</b>	<b>6,305,004</b>
<b>Cash and Cash Equivalents - Beginning of Year, as Previously Reported</b>	<b>100,738,529</b>	<b>2,234,974</b>	<b>781,019</b>	<b>103,754,522</b>	<b>19,892,936</b>
<b>Adjustments - See Note 16</b>	<b>-</b>	<b>-</b>	<b>1,325,408</b>	<b>1,325,408</b>	<b>-</b>
<b>Cash and Cash Equivalents - Beginning of Year, as Adjusted</b>	<b>100,738,529</b>	<b>2,234,974</b>	<b>2,106,427</b>	<b>105,079,930</b>	<b>19,892,936</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 118,725,465</b>	<b>\$ 2,701,395</b>	<b>\$ 1,794,968</b>	<b>\$ 123,221,828</b>	<b>\$ 26,197,940</b>
Reconciliation of operating income (loss) to net cash provided by (used in) operating income (loss)	\$ 18,005,195	\$ (1,581,572)	\$ (2,265,710)	\$ 14,157,913	\$ (1,493,964)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	6,374,758	1,374,735	1,488,002	9,237,495	3,732,693
Changes in assets, liabilities, deferred outflows and inflows of resources:					
(Increase) decrease in inventories	(91,979)	(81,535)	-	(173,514)	(60,243)
(Increase) decrease in accounts receivable	(678,471)	62,208	(29,768)	(646,031)	(45,806)
(Increase) in due from other governments	207,906	307,409	-	515,315	(114,760)
(Increase) in unbilled revenue	(565,540)	-	-	(565,540)	-
(Increase) in leases receivable	-	(16,559)	-	(16,559)	-
(Increase) in prepaid expenses	-	-	(5,000)	(5,000)	316,121
(Increase) decrease in pension related assets, deferred outflow of resources and deferred inflow of resources	177,610	14,639	-	192,249	156,419
Increase (decrease) in accounts payable	(858,997)	133,341	78,807	(646,849)	2,485,558
Increase (decrease) in unearned revenue	1,311,000	4,341	-	1,315,341	-
Increase (decrease) in salaries and wages payable	38,746	4,247	28,976	71,969	42,549
Increase (decrease) in customer deposits	(154,429)	4,785	3,266	(146,378)	-
Increase (decrease) in other post employment benefits liabilities, deferred outflow of resources and deferred inflow of resources	17,355	1,362	-	18,717	15,406
Increase (decrease) in deferred inflows - leases	-	21,565	-	21,565	-
Increase (decrease) in accrued compensated absences	128,440	30,620	38,442	197,502	172,199
<b>Total Adjustments</b>	<b>5,906,399</b>	<b>1,861,158</b>	<b>1,602,725</b>	<b>9,370,282</b>	<b>6,700,136</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 23,911,594</b>	<b>\$ 279,586</b>	<b>\$ (662,985)</b>	<b>\$ 23,528,195</b>	<b>\$ 5,206,172</b>

See the notes to basic financial statements.

**City of Lee's Summit, Missouri**  
**Supplemental Disclosure of Cash Flow Information**

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The City has the following noncash transactions:

\$3,743,489 in water and sewer lines were contributed during fiscal year 2025.

\$585,487 and \$232,761 relate to capital asset purchases in accounts payable for Combined Waterworks and Sewerage System, and Airport, respectively.

\$558,707 relate to subscription liabilities incurred to obtain subscription assets within Internal Service Funds.

## **1. Summary of Significant Accounting Policies**

The City of Lee's Summit, Missouri (the City) was incorporated in 1868 and covers an area of approximately 64 square miles in Jackson and Cass Counties, Missouri. Lee's Summit is a charter city operating under an elected Mayor-City Council form of government. The City Manager is the chief administrative officer of the City. The City provides services to more than 106,000 residents in many areas, including law enforcement, fire protection, water and sewer services, community enrichment and development and various social services. Educational services are provided by separate governmental entities.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The following represents the more significant accounting and reporting policies and practices of the City.

### ***Reporting Entity***

The City is governed by an elected eight-member council and a mayor. As required by GAAP, these financial statements present the City of Lee's Summit (the primary government). The City does not have any component units.

**Related Organization** — The City's officials are also responsible for appointing the board members of the Land Clearance for Redevelopment Authority (LCRA). The City appoints five of the five Board members; however, the City has no accountability for the LCRA beyond making the appointment. The City provides no funding to the LCRA.

The City's officials are also responsible for appointing the board members of the Lee's Summit Housing Authority (LSHA). The City appoints five of the five Board members; however, the City has no accountability for the LSHA beyond making the appointment. The LSHA is a subrecipient of City federal grant expenditures, but the City provides no other funding.

### ***Basis of Presentation***

The City's basic financial statements include both the government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major and, in the aggregate, nonmajor funds).

**Government-Wide Financial Statements:** The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City. As a general rule, interfund activity has been eliminated from these statements to minimize the duplication of internal activities, with the exception of interfund services provided and used. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for services to external parties for support.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental and business-type activities. Direct expenses are those that are specifically associated with a program or a function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meet operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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**Fund Financial Statements:** Following the government-wide financial statements are separate fund financial statements for the City's governmental and proprietary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds in their respective categories.

Since the accounting differs significantly between the governmental funds and the governmental activities of the government-wide financial statements, it is necessary to convert the governmental fund data to arrive at the government-wide financial statements. Therefore, reconciliations have been provided following the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances identifying categories that required conversion from the fund statements.

***Fund Accounting***

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. There are two categories of funds used by the City, governmental and proprietary.

**Governmental Funds:** Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the City's major governmental funds:

**General Fund** – This fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Capital Improvement Sales Tax** – Capital projects fund established to account for construction of road projects related to the renewal of a 1/2 - cent sales tax by the voters in 2017.

**Debt Service** – This fund accounts for the accumulation of resources for, and the payment of principal, interest and fiscal charges on long-term obligations.

**Green Street Improvement** – Capital projects fund established to account for public improvements in the Green Street area adjacent to City Hall.

**291 N & Highway 50 TIF** – Capital projects fund established to account for public improvement needed to support the redevelopment of the Highway 291 corridor north of Highway 50.

**Bonded Indebtedness** – Capital projects fund established to account for and distribute proceeds for capital projects related to emergency preparedness, transportation, and city facilities reinvestment.

The other governmental funds of the City are considered nonmajor. They are special revenue and capital project funds, which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes and capital outlays.

**Proprietary Funds:** Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus used is the economic resources measurement focus. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major enterprise funds:

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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**Combined Waterworks and Sewerage System** – This fund accounts for the provision of water and sewer services to the general public. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, financing and related debt service and billing and collection.

**Airport** - Established to account for all assets, deferred outflows of resources, liabilities, deferred inflows of resources and revenues and expenses relating to the operation of the City-owned airport.

The City reports the following nonmajor enterprise and internal service fund types:

**Recreation Centers** – Established to account for all assets, liabilities, revenues and expenses related to the operation of the City-owned recreation centers.

**Stormwater Utility** – Established to account for activities related to implementing and operating stormwater utility.

**Internal Service Funds** – These funds account for the costs of the Central Vehicles, Information Technology Services, Self-Insurance Funds and the Building and Equipment Replacement Fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds include the costs of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

### ***Measurement Focus***

**Government-Wide Financial Statements:** The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

**Fund Financial Statements:** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and certain deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (*i.e.*, revenues and other financing sources) and uses (*i.e.*, expenditures and other financing uses) of current financial resources.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (*i.e.*, revenues) and decreases (*i.e.*, expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

### ***Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and proprietary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows, and in the presentation of expenses versus expenditures.

### ***Revenues – Exchange and Nonexchange Transactions***

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. For the City, available means expected to be received within 60 days of year-end.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available (all collected within 60 days) at year-end: sales taxes (which include use tax and marijuana tax), franchise taxes, interest, grants and rentals.

### ***Expenses/Expenditures***

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences, pension, other post-employment benefit obligations, claims and judgments, are recorded only when payment is due (matured). Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

### ***Cash, Cash Equivalents and Investments***

Investments with an original maturity date of three months or less are considered to be cash equivalents. Interest earned is allocated to individual funds based on their proportionate share of the pool. Missouri state statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of state and local government entities, certificates of deposit and repurchase agreements.

Investments for the City are reported at fair value and amortized cost.

### ***Fair Value Measurements***

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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***Property Tax Revenue Recognition***

Property tax revenue is recognized independent of receivable recognition in the fiscal year for which the taxes have been levied (budgeted). Property tax revenue becomes available within the fiscal year of the levy. Delinquent taxes expected to be received later than 60 days after the close of the fiscal year are classified as deferred inflows within the governmental fund financial statements.

The City's property taxes are levied each November 1 based on the assessed value as of the prior January 1 for all real property and personal property located within the City. Property taxes are billed immediately following the levy date and considered delinquent after December 31 following the levy date. The City does not file liens, as this is performed by the counties. Assessed values are established by county assessors, subject to review by the counties' Boards of Equalization.

The City is permitted by Missouri state statutes to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt.

The tax levy, per \$100 assessed valuation, for the City during the fiscal year was as follows:

General	\$	0.7971
Park board		0.1209
Debt service		<u>0.3697</u>
Total tax levy	\$	<u><u>1.2877</u></u>

***Inventories and Prepaid Items***

Inventories are valued at cost, determined on the first-in, first-out (FIFO) method or market. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Prepaid expenses represent the payment of insurance premiums or subscription agreements for coverage that benefits more than one fiscal period. The premium or subscription amounts are amortized over the coverage periods. The costs of the prepaid items are recognized as expenditures using the consumption method.

***Restricted Assets***

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the applicable balance sheets and statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

***Capital Assets***

Capital assets include land, buildings, improvements, equipment and infrastructure assets (e.g., roads, bridges, storm sewers and similar items) and are included in the applicable governmental or business-type activities columns in the government-wide financial statements and within the proprietary funds within the fund financial statements. Capital assets, excluding land, are defined by the City as assets with a cost of \$5,000 or greater and an estimated useful life of at least one year. All land purchases are capitalized regardless of cost. All purchased capital assets are measured at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are measured at their estimated acquisition value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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Infrastructure, such as streets, intersections and storm sewers, has been capitalized in the government-wide financial statements. The City elected to depreciate its infrastructure assets. Infrastructure assets not completed by year-end have been reported as construction in progress.

Major outlays for capital improvements are capitalized as projects are constructed.

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

Primary government:

Buildings	20 to 40 years
Improvements other than buildings	5 to 50 years
Structures and improvements	35 to 75 years
Furniture, fixtures and equipment	3 to 25 years
Infrastructure	15 to 50 years
Right-to-use leased assets:	
Real estate	10 to 15 years
Equipment	3 to 10 years
Right-to-use subscription assets	3 to 5 years

***Deferred Outflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The first deferred outflow item consists of unrecognized items not yet charged to pension expense related to the net pension asset and contributions paid by the City after the measurement date but before the end of the City's reporting period. The second deferred outflow item consists of unrecognized items not yet charged to OPEB expense.

***Compensated Absences***

All accumulated vacation, scheduled holiday leave and accumulated sick leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the government-wide financial statements as a long-term liability as it is expected to be paid from future resources. Upon leaving employment of the City, an employee is entitled to payment for accrued vacation. Only vested employees are paid sick leave upon retirement or resignation. A liability is accrued for compensated absences as the benefits are earned if the leave is more likely than not to be used for time off or settled in cash.

***Long-Term Obligations***

In the government-wide financial statements and proprietary fund financial statements, long-term debt and obligations are reported in the statement of net position as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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.

### **Leases**

Lessee:

The City is a lessee in leases of buildings and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the City's financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor:

The City is a lessor in a sublease of land and a portion of a building. The City recognizes a lease receivable and a deferred inflow of resources in the City's financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

All leases:

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease payments/receipts to present value, (2) lease term, and (3) lease payments/receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments/receipts included in the measurement of the lease liability/receivable is composed of fixed payments to/from the lessee/lessor.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

### **Subscriptions**

The City is a subscriber to various software agreements that allow the City to use the software. The City recognizes a subscription liability and an intangible subscription asset in the City's financial statements.

At the commencement of a subscription, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments to the vendor.

The City monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription liability and subscription asset if certain changes occur that are expected to significantly affect the amount of the subscription liability.

***Deferred Inflows of Resources***

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has four items that qualify for reporting in this category. The first deferred inflow item consists of unrecognized items not yet charged to pension expense related to the net pension asset. The second deferred inflow item consists of unrecognized items not yet charged to OPEB expense. The third deferred inflow item consists of lease related receivables discussed previously.

The fourth is the deferred charge on refunding reported in the government-wide and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Unavailable revenues have been reported as deferred inflows of resources on the governmental fund balance sheet.

***Unbilled Revenue***

Both the City's Waterworks and Sewerage System bill their customers on a cyclical basis and, therefore, record estimated unbilled revenues at year-end.

***Interfund and Related-Party Transactions***

Transactions between the City's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to City government.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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Activity between funds that is representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are shown net of an allowance for doubtful accounts, if applicable.

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported on interfund activity and balances in the funds have been eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**Net Position**

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

**Net Investment in Capital Assets** - This consists of capital assets, net of accumulated depreciation and amortization, less the outstanding balances of any bonds, notes, lease liabilities, subscription liabilities or other borrowings, that are attributable to the acquisition, construction or improvement of those assets.

**Restricted Net Position** – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

**Unrestricted Net Position** – This consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

In the governmental financial statements, fund balances are displayed in five components as follows:

**Nonspendable** – assets that are not available in a spendable form, such as inventory, prepaid expenditures, advances to other funds and long-term receivables, not expected to be converted to cash in the near term. It also includes funds that are legally or contractually required to be maintained intact such as the corpus of a permanent fund or foundation.

**Restricted** – amounts that are required by external parties to be used for a specific purpose. Constraints are externally imposed by creditors, grantors, contributors or laws, regulations or enabling legislation.

**Committed** – amounts constrained on use imposed by formal action of the government's highest level of decision-making authority.

**Assigned** – amounts intended to be used for specific purposes. This is determined by the governing body, the budget or finance committee or a delegated municipality official.

**Unassigned** – all other resources; the remaining fund balance after non-spendable, restrictions, commitments and assignments. This class only occurs in the General Fund, except for cases of negative fund balances. Negative fund balances are always reported as unassigned, no matter which fund the deficit occurs in.

### ***Fund Balance Classification Policies and Procedures***

For committed fund balance, the City's highest level of decision-making authority is the City Council. The formal action that is required to be taken to establish, modify or rescind a fund balance commitment is through a bill or resolution passed by the City Council. Committed fund balances do not lapse at year-end.

For assigned fund balance, the City Council is authorized to assign amounts to a specific purpose through their expressed written intent. This authorization is also delegated by the City Council to the City Manager. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed by committed, assigned and lastly unassigned.

For the classification of fund balances, the City considers restricted amounts to have been spent first when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the City considers committed, assigned or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

### ***Pensions***

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### ***Other Post-Employment Benefits***

Post-employment benefits are part of an exchange of salaries and benefits for employee services rendered. Of the total benefits offered to attract and retain qualified employees, some benefits, including salaries and active-employee healthcare, are taken after the employees' services have ended. Nevertheless, both types of benefits constitute compensation for employee services. Other post-employment benefit (OPEB) costs are accounted for on an accrual basis in the government-wide and proprietary fund financial statements, charging expenses in the period incurred, with a corresponding liability for benefits to be paid in future periods along with deferred outflows of resources and deferred inflows of resources for OPEB.

### ***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

### ***Newly Adopted Governmental Accounting Standards Board Statement***

GASB Statement No. 101, *Compensated Absences* – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 which is the fiscal year beginning July 1, 2024. The implementation of GASB Statement No. 101 did not result in material changes to the City's compensated absences accrual for the year ended June 30, 2025. For further information on compensated absences, see the Compensated Absences paragraph within Note 1 above.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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***Local Property Tax Revenue***

The City is substantially funded by the local property tax levy that is assessed and collected at the County level. In 2025, 27% of total revenues in the governmental funds are derived from these taxes. Subsequent to June 30, 2025, one of the Counties that the City resides in (Jackson County, Missouri) changed their County Assessor from an appointed position to an elected position. This County also announced several plans during 2025 to work through property tax appeals and future property tax credits. The impacts of these changes on future revenues will continue to be monitored, but the full effect on the City's financial position cannot be reasonably determined at this time.

***Subsequent Events***

The City issued series 2025A bonds on November 13, 2025, with an original principal of \$45,355,000 and an original premium of \$3,684,044. Coupon rates vary between 4 percent and 5 percent. Bonds will mature in April 2040.

On April 9, 2025, the City entered into a Tax Credit Agreement with the Missouri Development Finance Board ("MDFB) to support the Downtown Market Project (Green Street). Under this agreement, the MDFB will accept contributions from donors and issue Missouri state tax credits equal to 50% of the amount contributed, up to a maximum of \$3,000,000 in tax credits (\$6,000,000 in contributions). The proceeds will be used to finance the Downtown Market Project, which is expected to provide significant economic and community benefits, including increased tourism, public event space, downtown revitalization, and job creation. Subsequent to year-end, in December 2025, the City contributed \$6,000,000 to receive the \$3,000,000 in tax credits, which will be sold to a third party.

Management has evaluated the impact of this subsequent event and determined that disclosure is appropriate to inform users of the financial statements of the potential effects on the City's operations and financial position.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

**2. Deposits and Investments**

The City maintains a cash and investment pool that is available for use by all funds. The pool is comprised of deposits and other investments.

The foremost objective of the investment program is safety of principal. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective is to mitigate credit risk and interest rate risk.

***Interest Rate Risk***

Interest rate risk is the risk that the fair value of the City's investments will decrease as a result of an increase in interest rates. The City's investment policy states that the City will minimize the risk that the fair value of fixed income securities in the portfolio will fall due to changes in the general interest rates by structuring the investment portfolio so that fixed income securities mature to meet cash requirements for ongoing operations and by investing operating funds primarily in short-term fixed securities. Unless matched to a specific cost or a reserve fund, the City will not directly invest in securities maturing more than five years from the date of purchase.

The carrying amounts or fair values and the maturities of the City's investments at June 30, 2025 are as follows:

	<b>Carrying Amount or Fair Value</b>	<b>Less Than 1 Year</b>	<b>1 to 5 Years</b>
U.S. Treasury securities	\$ 230,852,007	\$ 60,111,651	\$ 170,740,356
U.S. Agency securities	21,782,284	1,968,722	19,813,562
Money market funds, at amortized cost	<u>16,036,637</u>	<u>16,036,637</u>	<u>-</u>
	268,670,928	<u>\$ 78,117,010</u>	<u>\$ 190,553,918</u>
Cash deposits per books	<u>14,385,219</u>		
Total cash and investments	<u>\$ 283,056,147</u>		

A reconciliation of cash and investments to the statement of net position is as follows:

Cash and investments	\$ 277,077,512
Restricted cash and investments	5,978,635
	<u>\$ 283,056,147</u>

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2025:

- U.S. Treasury obligations of \$230,852,007 valued using quoted market prices (Level 1 inputs)
- U.S. Agency obligations of \$21,782,284 valued using quoted market prices (Level 1 inputs)
- Money market funds of \$16,036,637 are valued at amortized cost

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

**Custodial Credit Risk**

For deposits, custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution or by a single collateral pool established by the financial institution.

The City's policy requires all deposits placed in financial institutions to be at least 105% collateralized with securities that are acceptable to the Director of Finance of the City and in accordance with state statutes. As of June 30, 2025, the City's deposits were properly collateralized.

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All trades, where applicable, will be executed by delivery vs. payment to ensure that fixed income securities are deposited in eligible financial institutions prior to the release of funds. All fixed income securities are perfected in the name, or for the account of the City, and are held by a third-party custodian as evidenced by safekeeping receipts. All of the City's investments in repurchase agreements are held by the investment's counterparty, not in the name of the City.

**Credit Risk**

Credit risk is the risk that the City will not recover its investment due to the ability of the counterparty to fulfill their obligation. The City minimizes credit risk by prequalifying the financial institutions, broker/dealers, intermediaries and advisors with which the City will do business.

In addition, the City's investment policy allows for the following investments types: U.S. government obligations, U.S. government agency obligations and U.S. government instrumentality obligations, which have a liquid market with a readily determinable fair value; certificates of deposit and other evidences of deposit at financial institutions; investment-grade obligations of the states of Missouri or Kansas that are "A" rated or better; repurchase agreements whose underlying purchased securities consist of the foregoing; money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities; and local government investment pools, either state-administered or through joint powers statutes and other intergovernmental agreement legislation.

Investment in derivatives of the above instruments or leveraging shall be prohibited per Missouri Revised Statutes.

	<b>Carrying Amount or Fair Value</b>	<b>AAA/Aaa</b>	<b>Unrated</b>
U.S. Treasury securities*	\$ 230,852,007	\$ -	\$ 230,852,007
U.S. Agency securities	21,782,284	16,623,558	5,158,726
Money market funds	16,036,637	-	16,036,637
<b>Total</b>	<b>\$ 268,670,928</b>	<b>\$ 16,623,558</b>	<b>\$ 252,047,370</b>

\* U.S. Treasury securities are explicitly guaranteed by the U.S. government and, therefore, do not require a rating.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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***Concentration Risk***

To the extent possible, investments shall be diversified by limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities). The investment parameters are as follows:

<b>Investment Type</b>	<b>Minimum Allocation</b>	<b>Maximum Allocation</b>
General time deposits	-%	50%
U.S. Treasury Securities having principal and interest guaranteed by the U.S. government	15%	100%
U.S. government agencies and governmental sponsored enterprises	-%	50%
U.S. government agency callable securities	-%	15%

As of June 30, 2025, the City does not maintain investments in which the holdings of any single issuer - excluding U.S. Treasury Securities, mutual funds and external investment pools - constitutes 5% or more of the total investment portfolio.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

**3. Leases receivable**

The City leases land and buildings to third parties. The following are the leases in effect at June 30, 2025 in which the City is a lessor:

Lease type	Lease Term		Discount Rate	Original Balance	6/30/2025 Balance	Revenues		Next Year Receipts
	Beginning	Ending				Lease	Interest	
Governmental activities:								
LS R-7	7/1/2021	5/31/2026	1.96%	\$ 459	\$ 942	\$ 921	\$ 35	\$ 959
Google Row	7/1/2021	12/31/2036	1.96%	200,443	156,058	12,932	3,169	14,593
Processing Facility	11/1/2023	10/31/2043	5.53%	1,388,621	1,344,196	69,431	75,067	100,877
				<u>\$ 1,589,523</u>	<u>\$ 1,501,196</u>	<u>\$ 83,284</u>	<u>\$ 78,271</u>	<u>\$ 116,429</u>
Proprietary activities:								
Airport Fund:								
Sallee	7/1/2021	7/31/2040	1.96%	\$ 220,131	\$ -	\$ 10,574	\$ 3,351	\$ -
EAA Hangar 1	3/1/2023	2/28/2032	1.96%	15,745	12,466	1,421	237	1,735
EAA Hangar K	7/1/2021	2/28/2025	1.96%	13,294	-	2,417	16	-
EAA Hangar L	7/1/2021	8/31/2025	1.96%	13,976	871	3,075	47	874
EAA Hangar M	7/1/2021	9/30/2033	1.96%	43,333	30,592	3,243	580	3,982
LXT LLC	7/1/2021	3/31/2026	1.96%	32,586	5,938	6,288	170	5,992
SW LLC	7/1/2021	12/31/2024	1.96%	28,359	-	4,051	24	-
Midwest Avionics	4/1/2022	4/30/2026	1.96%	54,324	25,301	27,008	1,910	25,910
Meisinger Aviation	7/12/2023	6/30/2025	1.96%	3,692	178	1,872	55	179
Hangar V	6/13/25	6/13/2045	4.93%	256,464	256,464	-	-	15,660
				<u>\$ 681,904</u>	<u>\$ 331,810</u>	<u>\$ 59,949</u>	<u>\$ 6,390</u>	<u>\$ 54,332</u>

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

**4. Capital Assets**

Capital asset activity for the year ended June 30, 2025 was as follows:

	Governmental Activities				Balance June 30, 2025
	Balance June 30, 2024 (As Adjusted)	Additions	Deductions	Transfers	
Nondepreciable capital assets					
Land	\$ 10,292,364	\$ 6,121,179	\$ 1,725	\$ -	\$ 16,411,818
Construction in progress	71,352,992	93,527,617	4,306,714	-	160,573,895
Total nondepreciable capital assets	<u>81,645,356</u>	<u>99,648,796</u>	<u>4,308,439</u>	<u>-</u>	<u>176,985,713</u>
Depreciable capital assets					
Buildings	82,649,537	121,608	140,105	5,895,792	76,735,248
Improvement other than buildings	71,051,253	3,211,463	-	(6,335,178)	80,597,894
Furniture, fixtures and equipment	47,942,628	7,779,028	9,289,367	(968,990)	47,401,279
Infrastructure	684,849,680	13,087,477	(53,926)	1,455,986	696,535,097
Right-to-use leased assets					
Real estate	138,941	-	-	-	138,941
Furniture, fixtures and equipment	556,855	100,191	103,569	-	553,477
Right-to-use subscription assets	1,275,419	9,189,502	-	-	10,464,921
Total depreciable capital assets	<u>888,464,313</u>	<u>33,489,269</u>	<u>9,479,115</u>	<u>47,610</u>	<u>912,426,857</u>
Less: Accumulated depreciation					
Buildings	36,667,570	2,891,876	140,105	-	39,419,341
Improvement other than buildings	43,485,417	4,783,182	-	-	48,268,599
Furniture, fixtures and equipment	24,771,022	4,179,431	7,445,323	-	21,505,130
Infrastructure	176,397,361	13,940,293	14,514	-	190,323,140
Right-to-use leased assets:					
Real estate	40,842	11,020	-	-	51,862
Furniture, fixtures and equipment	114,142	48,820	36,389	-	126,573
Right-to-use subscription assets	219,310	1,633,898	-	-	1,853,208
Total accumulated depreciation	<u>281,695,664</u>	<u>27,488,520</u>	<u>7,636,331</u>	<u>-</u>	<u>301,547,853</u>
Total depreciable capital assets, net	<u>606,768,649</u>	<u>6,000,749</u>	<u>1,842,784</u>	<u>47,610</u>	<u>610,879,004</u>
Total governmental activities capital assets, net	<u>\$ 688,414,005</u>	<u>\$ 105,649,545</u>	<u>\$ 6,151,223</u>	<u>\$ 47,610</u>	<u>\$ 787,864,717</u>

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

<b>Business-Type Activities</b>				
	<b>Balance June 30, 2024 (As Adjusted)</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2025</b>
Nondepreciable capital assets:				
Land	\$ 26,812,713	\$ -	\$ -	\$ 26,812,713
Construction in progress	14,967,774	15,659,573	20,274,709	10,352,638
Total nondepreciable capital assets	<u>41,780,487</u>	<u>15,659,573</u>	<u>20,274,709</u>	<u>37,165,351</u>
Depreciable capital assets:				
Structures and improvements	460,629,677	23,703,316	-	484,332,993
Furniture, fixtures and equipment	4,188,634	52,133	19,824	4,220,943
Total depreciable capital assets	<u>464,818,311</u>	<u>23,755,449</u>	<u>19,824</u>	<u>488,553,936</u>
Less: Accumulated depreciation				
Structures and improvements	147,972,779	9,176,545	-	157,149,324
Furniture, fixtures and equipment	3,475,823	60,950	19,824	3,516,949
Total accumulated depreciation	<u>151,488,602</u>	<u>9,237,495</u>	<u>19,824</u>	<u>160,666,273</u>
Total depreciable capital assets, net	<u>313,369,709</u>	<u>14,517,954</u>	<u>-</u>	<u>327,887,663</u>
Total business-type activities capital assets, net	<u>\$ 355,150,196</u>	<u>\$ 30,177,527</u>	<u>\$ 20,274,709</u>	<u>\$ 365,053,014</u>

Depreciation and amortization expense was charged to functions as follows:

General government	\$ 1,971,137
Public safety	3,549,837
Public works and streets	14,265,378
Parks and recreation	3,969,475
Capital assets held by the government's Internal Service	
Funds are charged to the various functions based on their usage of the assets	<u>3,732,693</u>
	<u>\$ 27,488,520</u>

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

Depreciation expense was charged to functions as follows:

Combined waterworks and sewerage system	\$	6,374,758
Airport		1,374,735
Nonmajor enterprise funds		<u>1,488,002</u>
	<u>\$</u>	<u>9,237,495</u>

**5. Long-Term Obligations**

Debt payable at June 30, 2025 is composed of the following:

	<u>Interest Rates</u>	<u>Maturity Date</u>	<u>Balance</u>
Governmental Activities			
General obligation bonds			
Improvement bonds 2016A	1.75 - 2.50	4/1/2029	\$ 2,700,000
Improvement bonds 2017A	1.75 - 5.00	4/1/2026	1,900,000
Improvement bonds 2024A	4.00 - 5.00	4/1/2034	<u>24,685,000</u>
Total general obligation bonds			<u>\$ 29,285,000</u>
Bonds from direct placement			
Improvement bonds 2022B	3.56	4/1/2026	<u>\$ 3,420,000</u>
TIF bonds			
Summit fair - 2017	3.50 - 4.875	11/1/2037	<u>\$ 16,150,000</u>
Promissory note payable - direct placement	9.00		<u>\$ 5,188,325</u>

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2025:

	<u>Balance June 30, 2024 (As Adjusted)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2025</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
General obligation bonds	\$ 32,185,000	\$ -	\$ (2,900,000)	\$ 29,285,000	\$ 11,000,000
Add: Bond premium	2,735,071	-	(352,049)	2,383,022	-
Total general obligation bonds	<u>34,920,071</u>	<u>-</u>	<u>(3,252,049)</u>	<u>31,668,022</u>	<u>11,000,000</u>
Bonds from direct placement	12,495,000	-	(9,075,000)	3,420,000	3,420,000
TIF bonds	19,595,000	-	(3,445,000)	16,150,000	-
Less: Bond discount	(179,191)	-	12,487	(166,704)	-
Total TIF bonds	<u>19,415,809</u>	<u>-</u>	<u>(3,432,513)</u>	<u>15,983,296</u>	<u>-</u>
Promissory note payable	-	5,188,325	-	5,188,325	-
Leases payable *	555,722	105,791	(99,920)	561,593	32,085
Subscription liability	784,523	5,296,655	(871,180)	5,209,998	890,691
Accrued compensated absences **	6,452,866	4,498,246	-	10,951,112	6,713,912
Other post employment benefits	4,703,890	378,033	-	5,081,923	106,012
Landfill closure/postclosure care	6,226,080	715,260	-	6,941,340	231,387
Total governmental activities long-term obligations	<u>\$ 85,553,961</u>	<u>\$ 16,182,310</u>	<u>\$ (16,730,662)</u>	<u>\$ 85,005,609</u>	<u>\$ 22,394,087</u>

\* Reductions to leases payable includes a \$69,411 termination of a lease

\*\* The change in compensated absences is a net change for the year.

The total long-term liabilities of \$85,005,609 consist of subscription liability, compensated absences and other post-employment benefits of \$409,298, \$501,540 and \$194,170, respectively, related to Internal Service Funds, while the remaining amount of \$83,900,601 is a reconciling item of the Governmental Funds balance sheet to the statement of net position. Other post-employment benefits are primarily liquidated by the General Fund.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

	Balance June 30, 2024 (As Adjusted)	Additions	Reductions	Balance June 30, 2025	Amounts Due Within One Year
Business-Type Activities					
Combined waterworks and sewerage system fund					
State revolving loan fund	\$ -	\$ 143,719	\$ -	\$ 143,719	\$ 143,719
Compensated absences *	446,087	128,440	-	574,527	369,792
Other post employment benefits	204,018	12,308	-	216,326	4,513
Total waterworks and sewerage fund	<u>650,105</u>	<u>284,467</u>	<u>-</u>	<u>934,572</u>	<u>518,024</u>
Airport fund					
Compensated absences *	46,934	30,620	-	77,554	47,321
Other post employment benefits	16,604	941	-	17,545	366
Total airport fund	<u>63,538</u>	<u>31,561</u>	<u>-</u>	<u>95,099</u>	<u>47,687</u>
Nonmajor enterprise funds					
Compensated absences *	50,570	412,496	-	463,066	282,912
Other post employment benefits	53,181	-	-	53,181	1,109
Total nonmajor enterprise funds	<u>103,751</u>	<u>412,496</u>	<u>-</u>	<u>516,247</u>	<u>284,021</u>
Total business-type activities long-term obligations	<u>\$ 817,394</u>	<u>\$ 728,524</u>	<u>\$ -</u>	<u>\$ 1,545,918</u>	<u>\$ 849,732</u>

\* The change in compensated absences is a net change for the year.

Debt service requirements on long-term debt at June 30, 2025 are as follows:

Year	Governmental Activities						Total	
	General Obligation Bonds		Direct Placement		TIF Bonds		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest		
2026	\$ 11,000,000	\$ 1,317,100	\$ 3,420,000	\$ 121,752	\$ -	\$ 777,250	\$ 14,420,000	\$ 2,216,102
2027	6,600,000	842,100	-	-	-	777,250	6,600,000	1,619,350
2028	1,850,000	530,100	-	-	1,150,000	754,250	3,000,000	1,284,350
2029	2,215,000	452,600	-	-	-	731,250	2,215,000	1,183,850
2030	1,380,000	364,350	-	-	-	731,250	1,380,000	1,095,600
2031 - 2035	6,240,000	731,400	-	-	-	3,656,250	6,240,000	4,387,650
2036 - 2040	-	-	-	-	15,000,000	1,828,125	15,000,000	1,828,125
	<u>\$ 29,285,000</u>	<u>\$ 4,237,650</u>	<u>\$ 3,420,000</u>	<u>\$ 121,752</u>	<u>\$ 16,150,000</u>	<u>\$ 9,255,625</u>	<u>\$ 48,855,000</u>	<u>\$ 13,615,027</u>

The City's promissory note specifies December 31, 2026 as the initial maturity date. However, the City may extend the maturity date annually by making a payment calculated from sales and use tax revenues generated within the Redevelopment Project Areas. This extension mechanism allows the maturity date to be deferred each year, contingent upon sufficient tax funding, until the outstanding principal and accrued interest are paid in full.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

Payment requirements on leases payable at June 30, 2025 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 32,085	\$ 10,722	\$ 42,807
2027	33,722	10,079	43,801
2028	35,421	9,403	44,824
2029	37,185	8,693	45,878
2030	39,016	7,948	46,964
2031 - 2035	225,045	27,235	252,280
2036 - 2040	159,119	5,642	164,761
	<u>\$ 561,593</u>	<u>\$ 79,722</u>	<u>\$ 641,315</u>

Payment requirements on subscription liability at June 30, 2025 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 890,691	\$ 271,201	\$ 1,161,892
2027	681,605	214,997	896,602
2028	645,552	181,507	827,059
2029	516,498	148,411	664,909
2030	555,225	122,792	678,017
2031-2035	1,920,427	194,912	2,115,339
	<u>\$ 5,209,998</u>	<u>\$ 1,133,820</u>	<u>\$ 6,343,818</u>

**Tax Increment Revenue Bonds (TIF) – 2017**

The tax increment revenue bonds were issued to finance the cost of certain public improvements in the Summit Woods Crossing and Summit Fair redevelopment area. The debt service on these issues is paid solely from Payments in Lieu of Taxes (PILOTS), economic activity tax revenues, special assessments and monies on deposit in the Debt Service Reserve Fund.

**General Obligation Debt Margin**

The State Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "city purposes" not to exceed 10% of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not exceeding, in the aggregate, an additional 10% of the assessed value of taxable tangible property for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues and/or sanitary or storm sewer systems and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation of taxable property.

At January 1, 2025, the constitutionally imposed total general obligation debt limit was \$663,323,238, which after reduction for authorized general obligation bonds net of available resources in the Debt Service Fund, provides a general obligation debt margin of \$478,745,056.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

**Conduit Debt**

The City has authorized the issuance of Industrial Development Revenue Bonds to provide economic financial assistance to private entities. These bonds are secured by the improvements that are to be made. The debt service of these issues is paid solely from the private entities; therefore the issues do not constitute a debt of the City and, accordingly, are not included in the City's statement of net position. The details for the Industrial Development Revenue Bonds as of June 30, 2025 are as follows:

<b>Industrial Revenue Bonds by Project</b>	<b>Total Authorized</b>	<b>Total Outstanding</b>
Raintree Village Phase 1	\$ 35,000,000	\$ 1,075,897
Blackwell Residential Rental Project	103,100,000	2,382,955
Summit Square III Apartments Project	72,200,000	3,000,000
Town Centre Industrial Project	24,500,000	16,967,187
Tudor and Douglas Apartments	65,700,000	65,700,000

**6. Construction Commitments and Encumbrances**

A summary of the City's commitments on uncompleted construction contracts and the amount, which is expected to be funded by federal and state grants or City funds and unspent bond proceeds, follows:

	<b>Contract Amount</b>	<b>Amount Funded by Grants</b>
General	\$ 23,832	\$ -
Capital improvement sales tax	42,492,978	22,552,327
Nonmajor governmental	33,233,631	203,659
Combined waterworks and sewerage system	6,113,630	910,806
	<u>\$ 81,864,071</u>	<u>\$ 23,666,792</u>

A summary of the City's encumbrances at year-end are as follows:

Capital improvement sales tax fund: \$40,527,045  
 Nonmajor governmental fund: \$28,313,632  
 Combined waterworks and sewerage system fund: \$5,240,577

**7. Interfund Receivables, Payables, Advances and Transfers**

The composition of interfund balances as of June 30, 2025 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Bond Indebtedness	\$ 2,050,000
General fund	Nonmajor governmental	419,498
Total		<u>\$ 2,469,498</u>

Interfund payables and receivables represent fund overdraws of cash, which are made in the ordinary course of business.

Interfund balances that are not expected to be repaid within one year are considered advances. The City had the following advances between funds as of June 30, 2025:

<u>Advance From Fund</u>	<u>Advance to Fund</u>	<u>Amount</u>
Capital improvement sales tax	291 N & 50 Highway TIF	\$ 11,113,000
Nonmajor governmental	Nonmajor governmental	3,314,859
Combined waterworks and sewerage system	Nonmajor governmental	379,621
Total		<u>\$ 14,807,480</u>

The \$3,314,859 payable from Blue Parkway and Colbern Road CID represents funds that were escrowed to fund infrastructure improvements during a voluntary property annexation into City limits. This liability will be repaid with revenues generated by future development.

The \$11,113,000 payable from 291N & 50 Highway TIF represents funds for infrastructure improvements to the interchange at M291 North Junction and 50 Highway. This liability will be paid with revenues generated by future development.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

Interfund transfers:

	Transfers to							Total
	General	Capital Improvement Sales Tax	Green Street Improvements	Nonmajor Governmental Funds	Water and Sewer Funds	Nonmajor Enterprise Funds	Internal Service Funds	
	<b>Transfers from</b>							
General	\$ -	\$ -	\$ 11,678,978	\$ 2,237,941	\$ -	\$ 55,000	\$ 3,447,772	\$ 17,419,691
Debt Service	-	-	-	9,500,000	-	175,000	-	9,675,000
291 N & Highway 50 TIF		11,113,000						11,113,000
Nonmajor Governmental	266,142	1,130,432	-	5,947,202	2,851,213	-	92,675	10,287,664
Combined Waterworks and Sewerage System	-	-	-	-	-	-	39,000	39,000
Airport	-	-	-	-	-	-	2,200	2,200
Nonmajor Enterprise	-	-	-	5,985	-	-	-	5,985
Internal Service	-	-	-	-	8,000	-	-	8,000
	<u>\$ 266,142</u>	<u>\$ 12,243,432</u>	<u>\$ 11,678,978</u>	<u>\$ 17,691,128</u>	<u>\$ 2,859,213</u>	<u>\$ 230,000</u>	<u>\$ 3,581,647</u>	<u>\$ 48,554,060</u>

Transfers are used to move revenues from one fund to the other due to budgetary authorizations or by ordinance in the normal course of business. In addition, unrestricted revenues collected in the General Fund are used to finance various programs in other funds and are transferred in accordance with budgetary authorizations.

A summary of the City's significant transfers at year-end are as follows:

- Transfer of \$11,678,978 from the General fund to the Green Street Improvement fund for the development and construction of the Green Street area.
- Transfer of \$742,404 from the General fund to ITS internal service fund for expansion request projects.
- Transfer of \$2,600,000 from the Park Development fund to the Parks Board fund to support park related capital projects.
- Transfer of \$2,851,213 from the ARP Act fund to the Water capital improvement fund to support water related capital projects.
- Transfer of \$1,130,432 from the ARP Act fund to the CIST capital projects fund to support related capital projects.
- Transfer of \$9,500,000 from the Debt Service fund to the Park Development fund to support park related capital projects.
- Transfer of \$2,685,368 from the General fund to the Fleet internal service fund to support fleet related needs.
- Transfer of \$2,965,000 from the PSST fund to the General capital projects fund to support related capital projects.
- Transfer of \$11,113,000 from the CIST capital projects fund to the 291 N & 50 Highway fund to support capital projects.

## 8. Employee Retirement Plan

### ***Plan Description***

The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at [www.molagers.org](http://www.molagers.org).

### ***Benefits Provided***

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after five years of credited service. Employees who retire on or after age 60 (55 for police and fire) with five or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of five years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

Benefit terms provide for annual post-retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

### **Employees Covered by Benefit Terms**

The following employees were covered by the benefit terms:

#### ***Employees covered by benefit terms:***

Inactive employees or beneficiaries currently receiving benefits	438
Inactive employees entitled to but not yet receiving benefits	331
Active employees	697
	<hr/>
	1,466
	<hr/> <hr/>

**Contributions**

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the pension plan. Employer contribution rates are 10.3% (general), 15.1% (police), 11.5% (fire) and 15.1% (public safety) of annual covered payroll.

**Net Pension Liability (Asset)**

The employer's net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 29, 2024.

**Actuarial Assumptions**

The total pension liability in the February 29, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<b>Actuarial Method:</b>	Individual Entry Age
<b>Asset Valuation Method:</b>	Five year smoothed market
<b>Inflation:</b>	2.75% wage inflation; 2.25% price inflation
<b>Salary Increase:</b>	2.75% to 6.75% (including wage inflation)
<b>Investment Rate of Return:</b>	7.00% (net of investment expenses)

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females.

The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above-described tables. The actuarial assumptions used in the February 29, 2024, valuation were based upon experience observed during the most recent five-year period study for the period March 1, 2015 through February 29, 2020.

The long-term expected rate of return on pension plan investments of 7.00% was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Equity	39.00%	4.35%
Fixed income	28.00%	1.43%
Real assets	33.00%	2.67%
	100.00%	

***Discount Rate***

The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

***Changes in the Net Pension Liability (Asset)***

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Asset</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
Balances at June 30, 2024	\$ 273,260,761	\$ 304,217,413	\$ (30,956,652)
Changes for the Year:			
Service cost	5,918,415	-	5,918,415
Interest	18,921,929	-	18,921,929
Changes in benefit terms	6,352,021	-	6,352,021
Difference between expected and actual experience	5,831,969	-	5,831,969
Contributions - employer	-	6,360,594	(6,360,594)
Net investment income (loss)	-	15,864,888	(15,864,888)
Benefit payments, including refunds	(11,914,803)	(11,914,803)	-
Administrative expense	-	(181,536)	181,536
Other changes	-	674,149	(674,149)
Net changes	<u>25,109,531</u>	<u>10,803,292</u>	<u>14,306,239</u>
Balances at June 30, 2025	<u>\$ 298,370,292</u>	<u>\$ 315,020,705</u>	<u>\$ (16,650,413)</u>

***Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate***

The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the employer's net pension liability would be using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	<b>Current Single Discount</b>		
	<b>1% Decrease 6.00%</b>	<b>Rate Assumption 7.00%</b>	<b>1% Increase 8.00%</b>
Net pension liability (asset)	\$ 26,321,285	\$ (16,650,413)	\$ (52,150,068)

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

***Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended June 30, 2025, the City recognized pension expense (benefit) of \$11,871,344. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences in experience	\$ 13,268,626	\$ 3,130,793
Changes in assumptions	-	1,021,073
Difference between expected and actual earnings	8,683,435	40,515
Contributions subsequent to the measurement date of June 30, 2025*	<u>7,893,588</u>	<u>-</u>
Total	<u>\$ 29,845,649</u>	<u>\$ 4,192,381</u>

\*Some years may have amounts reported as deferred outflows of resources resulting from contributions subsequent to the measurement date. Those amounts would be recognized as a reduction in the net pension liability (asset) during the following year.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Net Deferred Outflows (Inflows) of Resources</u>
Year Ending June 30,	
2026	\$ (773,001)
2027	9,497,523
2028	4,314,512
2029	2,392,611
2030	1,118,461
Thereafter	<u>1,209,574</u>
Total	<u>\$ 17,759,680</u>

Deferred inflows and outflows of resources related to the difference between expected and actual plan experience and assumption changes are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of each measurement period. The deferred inflows of resources related to the difference between expected and actual investment returns is being amortized over a closed five-year period as of the beginning of each measurement period.

**9. Other Post-Employment Benefits**

***Plan Description***

In addition to providing the pension benefits described above, the City has a single-employer health care plan that provides employees that retire under the plan the opportunity for continuation of medical and dental insurance coverage offered through the City's fully insured group insurance plan.

Retirees who elect to continue coverage in the medical and dental plans offered through the City are required to pay the entire premium amount until the employee becomes eligible for Medicare. Since the retirees pay the premiums each year, the City share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. The plan is funded on a pay-as-you-go basis. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The plan does not issue a stand-alone report.

***Employees Covered by Benefit Terms***

At January 1, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	10
Active employees	719
	729
	729

***Benefits Provided***

Employees must attain a minimum of 10 years of service and be less than age 65 to be eligible for retiree coverage. Medical coverage is available to qualifying retirees until Medicare eligibility through the City's group insurance program. Retirees must contribute group plan rates to maintain coverage. Upon retiree death or attainment of age 65, spouses may continue cobra coverage for up to three years not to exceed their own age 65. The required retiree premium rates are based on combined active and retiree experience so retirees are not charged the full age-based projected cost. The City is on a Fully Insured plan. Premiums are reviewed and set annually based on projections and claims history provided by the insurance carrier.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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**Total OPEB Liability and Changes in OPEB Liability**

The City's total OPEB liability was based on an actuarial valuation dated January 1, 2025 using a measurement date of June 30, 2025 and the changes in the OPEB liability are as follows:

	<b>Total</b>
Total OPEB liability - Beginning of year	\$ 5,141,586
Service costs	330,030
Interest	222,063
Differences between expected and actual experience	130,705
Changes in assumptions and inputs	(344,409)
Benefit payments/Employer contributions	<u>(111,000)</u>
Total OPEB liability - end of year	<u>\$ 5,368,975</u>

Changes for the June 30, 2025 measurement date compared to the June 30, 2024 measurement date include the following:

1. The discount rate was changed from 4.1% to 4.8%.
2. The age-based premium costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation. The January 1, 2025 renewal was taking into account.

The actuarial calculations reflect a long-term perspective that involves estimates of reported amounts and assumptions about the probability of events into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. As allowed by GASB, this reporting requirement is being implemented prospectively. Data is not available for prior years. The actuarial calculations are based on the substantive plan (*i.e.*, benefit terms) and pertinent law as they exist at the measurement date.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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**Actuarial Assumptions and Other Inputs**

The total OPEB liability in the January 1, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:	Entry Age -Level Percent of Pay
Valuation Date:	January 1, 2025
Measurement Date:	June 30, 2025
Salary Scale:	4.0%
Discount Rate:	4.8% (measurement date); 4.1% (year preceding measurement date)
Mortality:	
Healthy Life	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality Tables using Scale MP-2021 Full Generational Improvement
Disabled Life	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Disabled Mortality Tables using Scale MP-2021 Full Generational Improvement
Healthcare Cost Trend:	9.5% in 2025 decreasing to ultimate rate of 4.5% in 2035

To the extent Plan (*i.e.*, Trust) assets are projected to be sufficient to make projected benefit payments, the discount rate will equal the expected return on such assets. To the extent a plan is not projected to be sufficient make future benefit payments the yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher should be factored in. Plan assets do not apply to the City's program. In order to determine the municipal bond rate, the average of the published yields from the S&P Municipal Bond 20-year High Grade and the Fidelity GO AA-20 Years indexes were used. The selected average rates are 4.1% and 4.8% as of the beginning and end of year measurement dates, respectively. These were used as the discount rates to determine present value costs.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current discount rate:

	<b>1% Decrease</b> <b>3.8%</b>	<b>Current Single</b> <b>Discount Rate</b> <b>Assumption</b> <b>4.8%</b>	<b>1% Increase</b> <b>5.8%</b>
Total OPEB Liability	\$ 5,867,625	\$ 5,368,975	\$ 4,914,017

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates**

The following presents the total OPEB liability of the City, as well as what the City's liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

	<b>(a)</b> <b>1% Decrease</b>	<b>Current Trend</b> <b>Assumption</b>	<b>(b)</b> <b>1% Increase</b>
Total OPEB Liability	\$ 4,714,074	\$ 5,368,975	\$ 6,146,825

(a) 8.5% in 2025 decreasing to an ultimate rate of 3.50% in 2032

(b) 10.5% in 2025 decreasing to an ultimate rate of 5.50% in 2032

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended June 30, 2025, the City recognized OPEB expense of \$398,859. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred</b> <b>Outflows</b> <b>of Resources</b>	<b>Deferred</b> <b>Inflows</b> <b>of Resources</b>
Changes in assumptions	\$ 1,038,309	\$ 1,813,826
Differences between expected and actual experience	191,394	1,324,725
Total	<u>\$ 1,229,703</u>	<u>\$ 3,138,551</u>

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense over the average remaining service lives of plan participants (actives and retirees) as follows:

	<u>OPEB Expense</u>
Year Ending June 30,	
2026	\$ (153,232)
2027	(153,232)
2028	(153,232)
2029	(153,229)
2030	(219,826)
Thereafter	<u>(1,076,097)</u>
Total	<u>\$ (1,908,848)</u>

**10. Litigation and Contingent Liabilities**

***Legal Matters***

The City is a party to a number of lawsuits as a result of condemnation proceedings, zoning decisions, personal injury and certain law enforcement activities. Although potential claims against the City not covered by insurance, if any, resulting from such litigation are not determinable, it is the opinion of the City's legal counsel and management that the resolution of these matters will not have a materially adverse effect on the financial position of the City.

***Self-Insurance***

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. To protect itself against these risks of loss, the City carries liability and fidelity insurance coverage provided by One Beacon Insurance Group and property coverage is provided by Travelers Property Casualty Company of America.

The City is self-insured with respect to its obligations to provide workers' compensation for its employees. The estimated liability for payment of incurred (both reported and unreported) but unpaid claims is recorded in the government-wide and internal service fund financial statements.

At June 30, 2025, the City's total estimated liability for payment of incurred but unpaid claims for workers' compensation was \$4,151,359 and is included in accounts payable and accrued liabilities in the Workers' Compensation Self-Insurance Fund.

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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Changes in self-insured claims liability at June 30, 2025 and 2024 were as follows:

Balance - June 30, 2023	\$ 2,560,938
Add: Current year claims and change in estimate	836,208
Less: Claim payments	<u>(802,422)</u>
Balance - June 30, 2024	2,594,724
Add: Current year claims and change in estimate	2,328,413
Less: Claim payments	<u>(771,778)</u>
Balance - June 30, 2025	<u><u>\$ 4,151,359</u></u>

Settled claims have not exceeded insurance coverage in any of the past three years.

**11. Closure and Postclosure Care Costs**

State and federal laws and regulations require the City to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The City closed the landfill effective April 13, 2019. The \$6,941,340 reported as landfill closure and postclosure liability at June 30, 2025, represents the City's estimate of remaining closure costs and postclosure care costs. As of August 2024, the landfill was officially moved into postclosure status.

With the closing of the landfill, the City recognized the remaining expenses of closure and postclosure care in 2020, other than the expenses recognized due to the change in future liability estimate. These amounts are based on what it would cost to perform all closure and postclosure care valued in 2020 costs. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The City has documented its commitment to pay for closure and postclosure costs through the issuance of contracts of obligation with the Department of Natural resources. These contracts legally bind the City to pay for closure and postclosure costs. As of June 30, 2025, the City had contract obligations of \$6,941,340 approved by the Department of Natural Resources subsequent to fiscal year-end. The City expects that all closure and postclosure care costs, as well as future inflation costs, will be paid from investments held in the Sanitary Landfill and Postclosure funds, both sub-funds within the general fund. However, if these resources are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be recovered through other City funds.

**12. Deficits**

The accumulated deficit in the funds listed below will be eliminated by future revenues or transfers.

Governmental activities:

Major Funds:

Green Street Improvements	\$	495,609
Bond Indebtedness		1,093,152
291 N & 50 Highway TIF		11,102,244

Nonmajor Funds:

Blue Parkway and Colbern Road CID		3,691,481
Entitlement		41,035
Lee's Summit Sports Complex TIF		3,272

**13. Tax Abatements**

The City of Lee's Summit can grant tax abatements as outlined below:

Tax Increment Financing – The City of Lee's Summit may approve tax increment financing to promote new investment, infrastructure improvements, and job growth by providing financial assistance and incentives to developers. Created pursuant to Section 99.800, et seq., of the Revised Statutes of Missouri (RSMo). State statute authorizes the redirection of 100% the incremental increase in property taxes and 50% of the increase in sales taxes generated within an approved TIF project. The maximum term is 23 years. The City's Economic Development Incentive Policy provides further guidance regarding the City Council's preferences for the use of this incentive.

Chapter 353 Tax Abatement – Grants tax abatement to encourage investment and assist in the removal of blight and blighting conditions within urban redevelopment areas. The abatement is calculated on the increase in assessed value of both land and improvements. The City's Economic Development Incentive Policy provides further guidance regarding the City Council's preferences for the use of this incentive and related abatement tools.

Chapter 100 Projects – The City of Lee's Summit may issue taxable bonds to assist with the construction or rehabilitation of eligible industrial and commercial facilities. The City takes formal ownership of the business assets and provides property tax abatement for up to 25 years. A Chapter 100 Plan is approved pursuant to Sections 100.010, et seq., RSMo. The level of abatement that may be provided through this incentive tool is negotiable, based on the characteristics of the development. The City's Economic Development Incentive Policy provides further guidance regarding the City Council's preferences for the use of Chapter 100 plans.

LCRA (Land Clearance for Redevelopment Authority) – The LCRA Board of Commissioners reviews all requests for abatement under the LCRA Act, which is set forth in Sections 99.300 to 99.730, RSMo. The LCRA Board makes a recommendation to the City Council, which makes the final decision on all LCRA incentive applications. Tax abatement may be provided under the LCRA Act to encourage investment and assist in the removal of blight and blighting conditions with urban renewal areas. The City's Economic Development Incentive Policy provides extensive guidance regarding the types of tools that are available through the LCRA Act, and the City Council's preferences regarding the use of these tools.

**City of Lee's Summit, Missouri**  
**Notes To Basic Financial Statements**  
**June 30, 2025**

The City provided tax abatements under the four economic development programs noted above. For the fiscal year ended June 30, 2025, the City's tax revenue was diverted through various abatements necessary to incent development within the City totaling an estimated \$14,043,454 under the following programs:

<u>Tax Abatement Program</u>	<u>City Portion of Taxes Affected</u>	<u>Other Organizations' Portion of Taxes Affected</u>	<u>Total Taxes Affected by Abatements</u>	<u>Less Other Payments</u>	<u>Net Taxes Affected by Abatements</u>	<u>Percentage Abatement</u>	<u>Amount of Taxes Abated During the Fiscal Year</u>
Tax increment financing	\$ 2,658,050	\$ 5,088,175	\$ 7,746,225	\$ 550,096	\$ 7,196,129	100.00%	\$ 7,196,129
Section 353 abatement	81,934	383,920	465,854	-	465,854	100.00%	465,854
Section 100 projects	1,642,716	8,578,825	10,221,541	4,170,521	6,051,020	100.00%	6,051,020
LCRA	55,059	280,827	363,806	33,355	330,451	100.00%	330,451
							<u>\$ 14,043,454</u>

The following tax abatement agreements each exceeded 10% of the total \$14,043,454 abated and are included in the previous table:

Lee's Summit East TIF – In August 2006, the City approved the tax increment plan for the area commonly known as "Summit Fair." The project area contains approximately 72 acres in an area that is bounded by US Highway 50 on the west, I-470 and Ward Road on the north, Blue Parkway on the east and northwest Chipman Road on the south. The estimated value of tax revenue abated during fiscal year 2025 is \$2,530,610 with the City's portion of taxes abated at \$1,227,368.

Streets of West Pryor TIF – In January 2019, the City approved the tax increment plan for the area commonly known as "Streets of West Pryor." The project area contains approximately 73 acres in the area that is bounded by I-470 on the north, northwest Chipman Road on the south, northwest Pryor Road on the east, and Lowenstein Drive on the west. The estimated value of tax revenue abated during fiscal year 2025 is \$2,203,928 with the City's portion of taxes abated at \$731,459.

**14. Reimbursement Projects**

The City has entered into various Redevelopment Agreements (Agreements) with various redevelopers whereby the redeveloper has agreed to construct certain improvements under specific agreements approved by the City. Under the Agreements, the City reimburses the redeveloper, with interest, for project costs incurred by the redeveloper in an amount not to exceed the maximum reimbursable project costs specified in the Agreements. These reimbursements are payable solely from tax increment revenue (payment in lieu of taxes and economic activity taxes) generated by each project and are not a general obligation of the City. Tax increment revenue is based on the project's current property value and retail sales performance. The redevelopment agreements have original expiration terms of 23 years. Tax increment revenue received is paid to the developer monthly for reimbursable project costs. As of June 30, 2025, the City has the following open redevelopment agreements:

	<b>Unpaid</b>
	<b>Reimbursable</b>
	<b>Project Costs</b>
	<hr/>
Discovery Park (TIF)	\$ 4,728,793
New Longview (TIF)	436,698
Longview Farm (TIF)	175,407
Ritter Plaza (TIF)	840,275
Streets of West Pryor (TIF)	18,808,386
Summit Fair (TIF)	3,649,037
2nd and Douglas (TIF)	6,164,502
Paragon Star/I-470 & View High (TIF)	<hr/> 37,609,392
	<hr/> <b>\$ 72,412,490</b> <hr/>

The unpaid reimbursable project costs only become a liability to the City once developer reimbursement requests are received and approved by the City and applicable incremental sales and property taxes are received by the City. As of June 30, 2025, the City did not accrue a liability for these unpaid reimbursable project costs.

**15. Pending Accounting Pronouncements**

GASB Statement No. 103, *Financial Reporting Model Improvements* will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The statement will be effective for the City with its year ending June 30, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* will improve financial reporting by providing issuers of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. The statement will be effective for the City with its year ending June 30, 2026.

**16. Accounting Change - Change in Reporting Entity**

During fiscal year 2025, there were changes within the financial reporting entity based upon quantitative thresholds which resulted in the Blue Parkway and Colbern Road CID Fund, which was previously reported as a major

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

governmental fund, to no longer qualify as a major fund. Additionally, the Debt Service Fund, Green Street Improvements Fund, 291 N & 50 Highway TIF Fund and Bond Indebtedness Fund now qualify as major funds.

The Parks Board Fund was previously reported as a nonmajor governmental fund. However, in fiscal year 2025, the City transferred the operations of three recreation centers from the Park Board fund to the Recreation Center enterprise fund, which already held activity for another of the City's community centers.

The Sanitary Landfill Fund was previously reported as a major enterprise fund. However, in fiscal year 2025, the City transferred the operations and will account for this within the General Fund.

The Landfill Post Closure Fund was previously reported as a nonmajor governmental fund. However, in fiscal year 2025, the City transferred the operations of the fund and will account this within the General Fund.

The effects of that change within the financial reporting entity are shown within the table below.

	<b>Net Position/ Fund Balance June 30, 2024 As Previously Reported</b>	<b>Change Within the Financial Reporting Entity</b>	<b>Net Position/ Fund Balance June 30, 2024 As Adjusted</b>
<b>Governmental Funds</b>			
General Fund	\$ 49,179,258	\$ 5,422,807	\$ 54,602,065
<b>Major Funds:</b>			
Blue Parkway and Colbern Road CID	(3,652,140)	3,652,140	-
Debt Service	-	15,925,229	15,925,229
Green Street Improvements	-	13,541,190	13,541,190
291 N & Highway 50 TIF	-	79	79
Bond Indebtedness	-	24,883,047	24,883,047
Total Major Funds	<u>(3,652,140)</u>	<u>58,001,685</u>	<u>54,349,545</u>
<b>Nonmajor Funds:</b>			
Blue Parkway and Colbern Road CID	-	(3,652,140)	(3,652,140)
Debt Service	15,925,229	(15,925,229)	-
Green Street Improvements	13,541,190	(13,541,190)	-
291 N & Highway 50 TIF	79	(79)	-
Bond Indebtedness	24,883,047	(24,883,047)	-
Parks Board	3,747,943	(1,074,385)	2,673,558
Landfill Post Closure	4,875,469	(4,875,469)	-
Total Nonmajor Funds	<u>62,972,957</u>	<u>(63,951,539)</u>	<u>(978,582)</u>
Total Governmental Funds	<u>\$ 76,649,617</u>	<u>\$ (58,528,732)</u>	<u>\$ 52,623,483</u>
<b>Enterprise Funds</b>			
<b>Major Funds:</b>			
Sanitary Landfill	\$ (3,613,162)	\$ 3,613,162	\$ -
<b>Nonmajor Funds:</b>			
Recreation Centers	431,436	16,928,405	17,359,841

**City of Lee's Summit, Missouri**  
**Notes to Basic Financial Statements**  
**June 30, 2025**

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Total Enterprise Funds	<u>\$ (3,181,726)</u>	<u>\$ 20,541,567</u>	<u>\$ 17,359,841</u>
	<b>Net Position</b>		
	<b>June 30, 2024</b>	<b>Change Within</b>	<b>Net Position</b>
	<b>As Previously</b>	<b>the Financial</b>	<b>June 30, 2024</b>
	<b>Reported</b>	<b>Reporting Entity</b>	<b>As Adjusted</b>
Governmental Activities	\$ 870,177,434	\$ (20,541,568)	\$ 849,635,866
Business-Type Activities	<u>443,391,126</u>	<u>20,541,568</u>	<u>463,932,694</u>
	<u>\$ 1,313,568,560</u>	<u>\$ -</u>	<u>\$ 1,313,568,560</u>

***Required Supplementary Information***



**City of Lee's Summit, Missouri**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Information - General Fund**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variances With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 78,378,678	\$ 78,398,678	\$ 77,568,880	\$ 829,798
Fines and forfeitures	1,198,271	1,301,506	1,342,116	(40,609)
Licenses, permits and fees	3,619,789	3,619,789	4,349,025	(729,236)
Intergovernmental	1,859,796	1,859,796	1,770,758	89,038
Charges for services	10,652,758	10,751,627	9,816,804	934,823
Investment income	531,848	635,380	904,662	(269,282)
Other	1,519,191	1,519,191	462,692	1,056,499
<b>Total revenues</b>	<u>97,760,331</u>	<u>98,085,967</u>	<u>96,214,937</u>	<u>1,871,030</u>
<b>Expenditures</b>				
Current				
General Government				
Administrative	6,001,274	6,031,564	5,395,836	635,728
Landfill - Enterprise and Post closure fund activity		1,138,415	974,473	163,942
Finance	14,462,221	15,152,240	15,704,556	(552,316)
Municipal court	1,311,532	1,379,325	1,282,314	97,011
Legal	2,445,689	2,980,273	2,738,893	241,380
Public Safety				
Law enforcement	28,535,628	28,106,377	27,940,179	166,198
Fire/EMS	24,376,443	23,729,244	23,175,315	553,929
Public works and streets				
Public works/engineering	5,471,085	5,309,814	4,995,209	314,604
Street operations	7,204,210	7,461,866	6,982,306	479,560
Community development				
Development center	5,427,193	5,114,816	5,045,386	69,430
Debt Service				
Principal	30,508	30,508	30,508	-
Interest and other charges	321,841	321,841	321,841	-
<b>Total expenditures</b>	<u>95,587,624</u>	<u>96,756,282</u>	<u>94,586,815</u>	<u>2,169,466</u>
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<u>2,172,707</u>	<u>1,329,686</u>	<u>1,628,122</u>	<u>(298,436)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer In	45,902	372,002	266,142	105,860
Transfer Out	(2,218,579)	(17,401,616)	(17,419,691)	18,075
Issuance of lease liabilities	-	-	105,790	(105,790)
<b>Total other financing sources (uses)</b>	<u>(2,172,677)</u>	<u>(17,029,614)</u>	<u>(17,047,759)</u>	<u>18,145</u>
<b>Net Change in Fund Balances</b>	-	(15,699,928)	(15,419,637)	(280,291)
<b>Fund Balances - Beginning, As Previously Reported</b>	49,179,258	49,179,258	49,179,258	-
<b>Adjustments - See Note 16</b>	-	-	5,422,807	5,422,807
<b>Fund Balances - Beginning, As Adjusted</b>	<u>49,179,258</u>	<u>49,179,258</u>	<u>54,602,065</u>	<u>5,422,807</u>
<b>Fund Balances - Ending</b>	<u>\$ 49,179,258</u>	<u>\$ 33,479,330</u>	<u>\$ 39,182,428</u>	<u>\$ 5,142,516</u>

**City of Lee's Summit, Missouri  
Required Supplementary Information (Unaudited)  
Notes to Budgetary Comparison Information  
For The Year Ended June 30, 2025**

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**Budgets and Budgetary Accounting**

The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. Amendments to the original budget were not material, and appropriations lapse at year-end. The basis of accounting is the same for both budgeting and GAAP reporting purposes. The City Council utilizes the following procedures in establishing the budgetary data reflected in the financial statements.

- (A) Prior to the beginning of the fiscal year, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget provides a complete financial plan of all funds and activities for the upcoming fiscal year. In no event shall the total proposed expenditures exceed the estimated revenues to be received plus any unencumbered cash reserves estimated to be on hand at the beginning of the budget year.
- (B) Public hearings are conducted to obtain taxpayer comments.
- (C) Prior to July 1, the budget is legally enacted through passage of an ordinance.

The appropriated budget is prepared by fund, department and program. Department heads may make transfers of appropriations within their departments. Upon written request by the City Administrator, the City Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one department to another. The legal level of budgetary control is the department level.

The majority of Special Revenue Funds have annual appropriated budgets; funds that do not are the Entitlement Fund, Violence Against Women Fund, Road and Bridge Escrow Fund, Grants and Settlements Fund, and the ARP Act Fund.

Capital projects are budgeted on a project basis rather than on an annual fiscal basis; therefore, a comparison of actual to budget for Capital Project Funds would not be meaningful.

**City of Lee's Summit, Missouri**  
**Required Supplementary Information (Unaudited)**  
**Schedules of Selected Pension Information - Missouri**  
**Local Government Employees Retirement System (LAGERS)**  
**For The Year Ended June 30, 2025**

**Schedule of Contributions**

<b>Fiscal Year</b>	<b>Actuarially Determined Contribution</b>	<b>Contribution in Relation to the Required Contribution</b>	<b>Contribution Deficiency</b>	<b>Covered Payroll</b>	<b>Contribution as a Percentage of Covered Payroll</b>
2016	\$ 4,868,423	\$ 4,868,423	\$ -	\$ 35,576,862	13.68%
2017	4,146,492	4,146,492	-	35,525,693	11.67%
2018	4,156,827	4,147,466	9,361	37,349,420	11.13%
2019	4,315,843	4,306,690	9,153	37,966,666	11.37%
2020	4,774,003	4,774,003	-	42,993,105	11.10%
2021	5,116,807	5,072,113	44,694	43,166,632	11.85%
2022	6,005,152	5,733,341	271,811	44,836,428	13.39%
2023	5,862,706	5,862,707	(1)	46,526,283	12.60%
2024	6,362,697	6,362,698	(1)	53,045,795	11.99%
2025	7,893,588	7,893,589	(1)	57,859,745	13.64%

**City of Lee's Summit, Missouri**  
**Required Supplementary Information (Unaudited)**  
**Schedules of Selected Pension Information - Missouri**  
**Local Government Employees Retirement System (LAGERS) (Continued)**  
**For The Year Ended June 30, 2025**

**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios**

<b>Fiscal Year Ending June 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Total Pension Liability</b>										
Service cost	\$ 4,094,113	\$ 4,116,855	\$ 4,304,459	\$ 4,472,193	\$ 4,609,803	\$ 4,915,753	\$ 5,224,442	\$ 5,199,130	\$ 5,320,677	\$ 5,918,415
Interest on total pension liability	10,954,647	11,691,666	12,869,316	13,726,033	14,558,105	15,667,986	16,927,227	16,684,947	17,664,613	18,921,929
Changes in benefit terms	-	-	-	-	-	-	-	-	-	6,352,021
Difference between expected and actual experience	318,903	(892,732)	(10,067)	(421,915)	3,169,573	4,994,324	(4,357,636)	2,332,291	6,123,321	5,831,969
Changes of assumption	-	6,279,349	-	-	-	-	(3,450,149)	-	-	-
Benefit payment, including refunds	(5,400,300)	(5,047,211)	(5,040,382)	(5,832,114)	(6,921,068)	(7,446,261)	(9,308,056)	(9,602,653)	(10,982,463)	(11,914,803)
<b>Net change in total pension liability</b>	<b>9,967,363</b>	<b>16,147,927</b>	<b>12,123,326</b>	<b>11,944,197</b>	<b>15,416,413</b>	<b>18,131,802</b>	<b>5,035,828</b>	<b>14,613,715</b>	<b>18,126,148</b>	<b>25,109,531</b>
<b>Total pension liability-beginning</b>	<b>151,726,643</b>	<b>161,721,405</b>	<b>177,869,332</b>	<b>189,992,658</b>	<b>201,936,855</b>	<b>217,353,268</b>	<b>235,485,070</b>	<b>240,520,898</b>	<b>255,134,613</b>	<b>273,260,761</b>
<b>Total pension liability ending (a)</b>	<b>\$ 161,694,006</b>	<b>\$ 177,869,332</b>	<b>\$ 189,992,658</b>	<b>\$ 201,936,855</b>	<b>\$ 217,353,268</b>	<b>\$ 235,485,070</b>	<b>\$ 240,520,898</b>	<b>\$ 255,134,613</b>	<b>\$ 273,260,761</b>	<b>\$ 298,370,292</b>
<b>Plan Fiduciary Net Position</b>										
Contributions-employer	\$ 4,831,163	\$ 4,153,904	\$ 4,348,764	\$ 4,306,689	\$ 4,437,964	\$ 4,774,887	\$ 5,074,434	\$ 5,730,611	\$ 5,865,212	\$ 6,360,594
Contributions-employee	-	-	90,862	-	-	-	-	-	-	-
Net investment income	3,552,574	(235,139)	21,474,775	24,845,050	15,076,456	3,116,804	66,452,232	245,470	10,641,739	15,864,888
Benefit payments, including refunds	(5,373,300)	(5,047,211)	(5,040,382)	(5,832,114)	(6,921,068)	(7,446,261)	(9,308,056)	(9,602,653)	(10,982,463)	(11,914,803)
Pension plan administrative expense	(89,852)	(84,734)	(87,751)	(90,844)	(134,918)	(156,543)	(121,875)	(133,711)	(195,936)	(181,536)
Other (net transfer)	1,714,993	339,826	(157,227)	(62,202)	1,319,477	(1,093,208)	924,145	1,720,426	810,486	674,149
<b>Net change in plan fiduciary net position</b>	<b>4,635,578</b>	<b>(873,354)</b>	<b>20,629,041</b>	<b>23,166,579</b>	<b>13,777,911</b>	<b>(804,321)</b>	<b>63,020,880</b>	<b>(2,039,857)</b>	<b>6,139,038</b>	<b>10,803,292</b>
<b>Plan fiduciary net position - beginning</b>	<b>176,565,920</b>	<b>181,201,498</b>	<b>180,328,144</b>	<b>200,957,184</b>	<b>224,123,763</b>	<b>237,901,674</b>	<b>237,097,353</b>	<b>300,118,233</b>	<b>298,078,376</b>	<b>304,217,413</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 181,201,498</b>	<b>\$ 180,328,144</b>	<b>\$ 200,957,185</b>	<b>\$ 224,123,763</b>	<b>\$ 237,901,674</b>	<b>\$ 237,097,353</b>	<b>\$ 300,118,233</b>	<b>\$ 298,078,376</b>	<b>\$ 304,217,414</b>	<b>\$ 315,020,705</b>
<b>Net pension liability (asset) - ending (a)-(b)</b>	<b>(19,507,492)</b>	<b>(2,458,812)</b>	<b>(10,964,527)</b>	<b>(22,186,908)</b>	<b>(20,548,406)</b>	<b>(1,612,283)</b>	<b>(59,597,335)</b>	<b>(42,943,763)</b>	<b>(30,956,653)</b>	<b>(16,650,413)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>112.05%</b>	<b>101.38%</b>	<b>105.77%</b>	<b>110.99%</b>	<b>117.81%</b>	<b>109.08%</b>	<b>127.45%</b>	<b>123.93%</b>	<b>119.24%</b>	<b>105.58%</b>
<b>Covered payroll</b>	<b>\$ 34,283,100</b>	<b>\$ 35,017,663</b>	<b>\$ 36,728,368</b>	<b>\$ 37,483,205</b>	<b>\$ 39,183,044</b>	<b>\$ 42,998,505</b>	<b>\$ 42,399,804</b>	<b>\$ 41,840,822</b>	<b>\$ 45,219,651</b>	<b>\$ 52,048,598</b>
<b>Net pension liability (asset) as a percent of covered payroll</b>	<b>-56.82%</b>	<b>-7.02%</b>	<b>-29.85%</b>	<b>-59.19%</b>	<b>-52.44%</b>	<b>-3.75%</b>	<b>-140.56%</b>	<b>-102.64%</b>	<b>-68.46%</b>	<b>-31.99%</b>

**City of Lee's Summit, Missouri**  
**Required Supplementary Information (Unaudited)**  
**Schedules of Selected Pension Information - Missouri**  
**Local Government Employees Retirement System (LAGERS) (Continued)**  
**For The Year Ended June 30, 2025**

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**Note:** Changes in assumptions—In 2016, amounts reported as changes in assumptions resulted primarily from the changes in the mortality table, inflation rate and salary increase. In 2022, amounts reported as changes in assumptions resulted primarily from changes due to a new experience study covering the period 2015 to 2020, which included change in the mortality table and decrease in the long-term rate of return. In 2024, the change in benefit terms resulted primarily from an adjustment to the Consumer Price Index.

**City of Lee's Summit, Missouri  
Required Supplementary Information (Unaudited)  
Schedule of Changes in Total OPEB Liability and Related Ratios -  
Other Post Employment Benefits  
For The Year Ended June 30, 2025**

<b>Fiscal Year Ending June 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Total OPEB Liability June 30</b>								
Service cost	\$ 229,155	\$ 291,148	\$ 308,374	\$ 433,566	\$ 496,500	\$ 284,239	\$ 299,413	\$ 330,030
Interest	153,982	184,128	185,290	180,691	155,653	210,424	227,033	222,063
Differences between expected and actual experience	-	168,067	(506,295)	(164,677)	(740,503)	(51,869)	(522,301)	130,705
Changes in assumptions	799,131	137,117	846,255	499,996	(1,943,043)	(58,628)	(181,479)	(344,409)
Benefit payments	(161,000)	(226,000)	(176,000)	(195,000)	(164,000)	(123,000)	(115,000)	(111,000)
<b>Net Change in Total OPEB Liability</b>	<b>1,021,268</b>	<b>554,460</b>	<b>657,624</b>	<b>754,576</b>	<b>(2,195,393)</b>	<b>261,166</b>	<b>(292,334)</b>	<b>227,389</b>
<b>Total OPEB Liability-Beginning</b>	<b>4,380,219</b>	<b>5,401,487</b>	<b>5,955,947</b>	<b>6,613,571</b>	<b>7,368,147</b>	<b>5,172,754</b>	<b>5,433,920</b>	<b>5,141,586</b>
<b>Total OPEB Liability Ending</b>	<b>\$ 5,401,487</b>	<b>\$ 5,955,947</b>	<b>\$ 6,613,571</b>	<b>\$ 7,368,147</b>	<b>\$ 5,172,754</b>	<b>\$ 5,433,920</b>	<b>\$ 5,141,586</b>	<b>\$ 5,368,975</b>
Covered-employee payroll	\$ 35,567,476	\$ 35,567,476	\$ 40,363,580	\$ 40,363,580	\$ 40,708,939	\$ 40,708,939	\$ 49,906,143	\$ 49,906,143
Total OPEB liability as a percentage of covered-employee payroll	15.19%	16.75%	16.38%	18.25%	12.71%	13.35%	10.30%	10.76%

**Note:** The above schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

**Note:** No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

**City of Lee's Summit, Missouri**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Total OPEB Liability and Related Ratios -**  
**Other Post Employment Benefits**  
**For The Year Ended June 30, 2025**

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Changes for the July 1, 2019 actuarial valuation relative to the July 1, 2017 valuation include the following:

- (A) For those actives currently waiving or electing the HDHP, the assumed distribution upon retirement was changed from 55% - Buy Up/45% - Base to 75% and 25%, respectively.
- (B) The discount rate changed from 3.0% to 2.6%.
- (C) The mortality assumption was changed from Society of Actuaries RPH-2014 Adjusted to 2006 Total Dataset Headcount-weighted Mortality with MP-2018 Full Generational Improvement to the Society of Actuaries Pub-2010 Public Retirement Plans Headcount Weighted General and Public Safety Mortality Tables using Scale MP-2019 Full Generational Improvement.
- (D) The retiree per capita costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation.
- (E) The assumed proportion of future retirees with a covered spouse was changed from 40% to 35%.
- (F) The assumed proportion of future retiring employees who elect to participate in insurance with the City upon retirement was 35% (Retirement at ages < Age 55), 40% (Retirement at Ages 55 to 59) and 50% (Retirement at ages 60 to 64). The rate at Retirement Ages 55 to 59 for the current valuation is changed to 45%.

Changes for the June 30, 2022 measurement date compared to the June 30, 2021 measurement date include the following:

- (A) The discount rate was changed from 2.0% to 3.9%.
- (B) The mortality assumption was updated from Society of Actuaries Mortality improvement scale MP-2020 Full Generational Improvement to the Society of Actuaries Mortality improvement scale MP-2021 Full Generational Improvement.
- (C) The retiree per capita costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation. The January 1, 2022 renewal was taken into account.

Changes for the June 30, 2023 measurement date compared to the June 30, 2022 measurement date include the following:

- (A) The discount rate was changed from 3.9% to 4.0%.
- (B) The assumed salary scale was revised from 3.0% to 4.0%.
- (C) The age-based premium costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation. The January 1, 2023 renewal was taken into account.

Changes for the June 30, 2024 measurement date compared to the June 30, 2023 measurement date include the following:

- A. The discount rate was changed from 4.0% to 4.1%.
- B. The assumed proportion of future eligible employees electing coverage through the City upon retirement/disability was revised from 45% to 40%.
- C. The age-based premium costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation. The January 1, 2024 renewal was taken into account.

Changes for the June 30, 2025 measurement date compared to the June 30, 2024 measurement date include the following:

- A. The discount rate was changed from 4.1% to 4.8%.

**City of Lee's Summit, Missouri**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Total OPEB Liability and Related Ratios -**  
**Other Post Employment Benefits**  
**For The Year Ended June 30, 2025**

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B. The age-based premium costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation. The January 1, 2025 renewal was taken into account.

Changes of assumptions: The following are the discount rates used in each period:

2025	4.8%
2024	4.1%
2023	4.0%
2022	3.9%
2021	2.0%
2020	2.6%
2019	3.0%
2018	3.3%

***Supplementary Information***  
***Combining and Individual Fund Financial***  
***Statements and Schedules***



**City of Lee's Summit, Missouri**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2025**

	Special Revenue	Previously Nonmajor Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Pooled cash and investments	\$ 15,506,251	\$ -	\$ 44,595,332	\$ 60,101,583
Receivables (net of allowance)				
Taxes	2,307,790	-	2,331,563	4,639,353
Accounts and other	76,775	-	104,753	181,528
Interest	105,234	-	289,560	394,794
Due from other governments	10,200	-	253,693	263,893
Advances to other funds	-	-	3,314,859	3,314,859
<b>Total Assets</b>	<b>\$ 18,006,250</b>	<b>\$ -</b>	<b>\$ 50,889,760</b>	<b>\$ 68,896,010</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 866,907	\$ -	\$ 3,422,400	\$ 4,289,307
Payroll liabilities	357,510	-	-	357,510
Deposits payable	199,634	-	5,000	204,634
Due to other funds	100,000	-	319,498	419,498
Advances from other funds	-	-	3,694,481	3,694,481
<b>Total Liabilities</b>	<b>1,524,051</b>	<b>-</b>	<b>7,441,379</b>	<b>8,965,430</b>
<b>Deferred Inflows of Resources</b>				
Property tax	254,975	-	-	254,975
Unavailable revenue	-	-	168,493	168,493
<b>Total Deferred Inflows of Resources</b>	<b>254,975</b>	<b>-</b>	<b>168,493</b>	<b>423,468</b>
<b>Fund Balances</b>				
Nonspendable				
Restricted				
Advances to other funds	-	-	3,314,859	3,314,859
Public safety	7,370,741	-	-	7,370,741
Bridges, streets and signals	-	-	37,618,870	37,618,870
Parks and recreation	5,613,799	-	-	5,613,799
Economic development	1,738,657	-	3,790,223	5,528,880
Committed				
Bridges, streets and signals	348,939	-	-	348,939
Cemetery care	1,196,123	-	-	1,196,123
Assigned				
Other capital projects	-	-	2,250,689	2,250,689
Unassigned	(41,035)	-	(3,694,753)	(3,735,788)
<b>Total Fund Balances</b>	<b>16,227,224</b>	<b>-</b>	<b>43,279,888</b>	<b>59,507,112</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 18,006,250</b>	<b>\$ -</b>	<b>\$ 50,889,760</b>	<b>\$ 68,896,010</b>

**City of Lee's Summit, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2025**

	<u>Special Revenue</u>	<u>Previously Nonmajor Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues</b>				
Taxes				
Property	\$ 4,442,311	\$ -	\$ 5,486,129	\$ 9,928,440
Sales	13,589,207	-	16,010,495	29,599,702
License	-	-	1,829,173	1,829,173
Transient	681,960	-	-	681,960
Other tax	3,846	-	-	3,846
Fines and forfeitures	25,215	-	37,799	63,014
Intergovernmental	4,604,902	-	3,130,628	7,735,530
Charges for services	99,183	-	86,267	185,450
Investment income (loss)	887,521	-	2,673,823	3,561,344
Other	128,937	-	-	128,937
<b>Total Revenues</b>	<u>24,463,082</u>	<u>-</u>	<u>29,254,314</u>	<u>53,717,396</u>
<b>Expenditures</b>				
Current				
General government	1,085,687	-	2,259,551	3,345,238
Public safety	10,196,790	-	-	10,196,790
Public works and streets	43,032	-	-	43,032
Parks and recreation	4,797,789	-	-	4,797,789
Debt service				
Principal	140,675	-	3,445,000	3,585,675
Interest and other charges	34,325	-	1,010,191	1,044,516
Capital outlay	119,830	-	35,010,841	35,130,671
<b>Total Expenditures</b>	<u>16,418,128</u>	<u>-</u>	<u>41,725,583</u>	<u>58,143,711</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>8,044,954</u>	<u>-</u>	<u>(12,471,269)</u>	<u>(4,426,315)</u>
<b>Other Financing Sources (Uses)</b>				
Issuance of promissory note	-	-	5,188,325	5,188,325
Transfers in	2,625,231	-	15,065,897	17,691,128
Transfers out	(7,309,790)	-	(2,977,874)	(10,287,664)
<b>Total Other Financing Sources (Uses)</b>	<u>(4,684,559)</u>	<u>-</u>	<u>17,276,348</u>	<u>12,591,789</u>
<b>Net Change in Fund Balances</b>	3,360,395	-	4,805,079	8,165,474
<b>Fund Balances - Beginning, as Previously Reported</b>	18,816,683	15,925,229	80,551,265	115,293,177
<b>Adjustments - See Note 16</b>	(5,949,854)	(15,925,229)	(42,076,456)	(63,951,539)
<b>Fund Balances - Beginning, as Adjusted</b>	<u>12,866,829</u>	<u>-</u>	<u>38,474,809</u>	<u>51,341,638</u>
<b>Fund Balances - Ending</b>	<u>\$ 16,227,224</u>	<u>\$ -</u>	<u>\$ 43,279,888</u>	<u>\$ 59,507,112</u>

**City of Lee's Summit, Missouri  
Nonmajor Governmental Funds  
Special Revenue Funds**

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Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital project) requiring separate accounting because of legal or regulatory provisions or administrative action. The City's nonmajor Special Revenue Funds are as follows:

**Park Board** – Established to account for activities of the Park Board, which administers operations of all City parks. In fiscal year 2025, certain park activities were moved from the Parks Board Fund to the Recreation Centers Fund. See Note 16 for further details.

**Violence Against Women Grant** – Established to account for the receipt of federal grant monies for the Violence Against Women Grant.

**Entitlement Fund** – Established to account for federal funding passed through to other agencies.

**Landfill Postclosure Fund** – Established to account for reserve set up to cover landfill closure costs the City will incur. In fiscal year 2025, the Landfill Postclosure Fund was moved into the General Fund. See Note 16 for further details.

**Cemetery Trust Fund** – Established to account for plot and monument sales for perpetual care funding.

**Road and Bridge Escrow** – Established to account for deposits made related to road and bridge improvement projects.

**Business and Industry Fund** – Established to account for and distribute the proceeds from a 5% tax on certain gross receipts of hotels, motels and similar places of business.

**ARP Act Fund** – Established to account for federal grant revenues allocated through the American Rescue Plan Recovery Act and the corresponding uses of those grant funds.

**Grants and Settlements Fund** – Established to account for various grants and settlements received.

**Public Safety Sales Tax Fund** – Established to account for and distribute the proceeds from a 0.5% sales tax dedicated to the operations of the Fire and Police departments.

**City of Lee's Summit, Missouri**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2025**

	Park Board	Violence Against Women Grant	Entitlement Fund	Formerly Landfill Post-Closure Fund	Cemetery Trust Fund	Road and Bridge Escrow	Business and Industry Fund	ARP Act Fund	Grants and Settlements	Public Safety Sales Tax	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>											
Pooled cash and investments	\$ 5,802,947	\$ -	\$ 58,765	\$ -	\$ 1,197,987	\$ 548,573	\$ 1,790,072	\$ -	\$ 245,983	\$ 5,861,924	\$ 15,506,251
Receivables (net of allowance)											
Taxes	222,470	-	-	-	-	-	-	-	-	2,085,320	2,307,790
Accounts and other	386	-	-	-	-	-	76,389	-	-	-	76,775
Interest	39,543	-	-	-	9,319	-	12,384	-	-	43,988	105,234
Due from other governments	-	-	200	-	-	-	10,000	-	-	-	10,200
<b>Total Assets</b>	<b>\$ 6,065,346</b>	<b>\$ -</b>	<b>\$ 58,965</b>	<b>\$ -</b>	<b>\$ 1,207,306</b>	<b>\$ 548,573</b>	<b>\$ 1,888,845</b>	<b>\$ -</b>	<b>\$ 245,983</b>	<b>\$ 7,991,232</b>	<b>\$ 18,006,250</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>											
<b>Liabilities</b>											
Accounts payable and accrued liabilities	\$ 118,563	\$ -	\$ -	\$ -	\$ 9,222	\$ -	\$ 396,171	\$ -	\$ -	\$ 342,951	\$ 866,907
Payroll liabilities	78,009	-	-	-	1,961	-	-	-	-	277,540	357,510
Deposits payable	-	-	-	-	-	199,634	-	-	-	-	199,634
Due to other funds	-	-	100,000	-	-	-	-	-	-	-	100,000
<b>Total Liabilities</b>	<b>196,572</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>11,183</b>	<b>199,634</b>	<b>396,171</b>	<b>-</b>	<b>-</b>	<b>620,491</b>	<b>1,524,051</b>
<b>Deferred Inflows of Resources</b>											
Property tax	254,975	-	-	-	-	-	-	-	-	-	254,975
<b>Total Deferred Inflows of Resources</b>	<b>254,975</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254,975</b>
<b>Fund Balances (Deficits)</b>											
<b>Nonspendable</b>											
<b>Restricted</b>											
Public safety	-	-	-	-	-	-	-	-	-	7,370,741	7,370,741
Parks and recreation	5,613,799	-	-	-	-	-	-	-	-	-	5,613,799
Economic development	-	-	-	-	-	-	1,492,674	-	245,983	-	1,738,657
<b>Committed</b>											
Bridges, streets and signals	-	-	-	-	-	348,939	-	-	-	-	348,939
Cemetery care	-	-	-	-	1,196,123	-	-	-	-	-	1,196,123
Unassigned	-	-	(41,035)	-	-	-	-	-	-	-	(41,035)
<b>Total Fund Balances (Deficits)</b>	<b>5,613,799</b>	<b>-</b>	<b>(41,035)</b>	<b>-</b>	<b>1,196,123</b>	<b>348,939</b>	<b>1,492,674</b>	<b>-</b>	<b>245,983</b>	<b>7,370,741</b>	<b>16,227,224</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>	<b>\$ 6,065,346</b>	<b>\$ -</b>	<b>\$ 58,965</b>	<b>\$ -</b>	<b>\$ 1,207,306</b>	<b>\$ 548,573</b>	<b>\$ 1,888,845</b>	<b>\$ -</b>	<b>\$ 245,983</b>	<b>\$ 7,991,232</b>	<b>\$ 18,006,250</b>

**City of Lee's Summit, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2025**

	Park Board	Violence Against Women Grant	Entitlement Fund	Formerly Landfill Post-Closure Fund	Cemetery Trust Fund	Road and Bridge Escrow	Business and Industry Fund	ARP Act Fund	Grants and Settlements	Public Safety Sales Tax	Total Nonmajor Special Revenue Funds
<b>Revenues</b>											
Taxes											
Property	\$ 4,442,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,442,311
Sales	-	-	-	-	-	-	-	-	-	13,589,207	13,589,207
Transient	-	-	-	-	-	-	681,960	-	-	-	681,960
Other tax	3,846	-	-	-	-	-	-	-	-	-	3,846
Fines and forfeitures	25,092	-	-	-	-	-	123	-	-	-	25,215
Intergovernmental	-	154,944	231,015	-	-	13,711	10,000	3,979,712	215,520	-	4,604,902
Charges for services	4,128	-	-	-	93,839	-	1,216	-	-	-	99,183
Investment income (loss)	348,749	(4,990)	-	-	76,155	(3,264)	104,949	-	(1,455)	367,377	887,521
Other	128,836	-	-	-	101	-	-	-	-	-	128,937
<b>Total Revenues</b>	<b>4,952,962</b>	<b>149,954</b>	<b>231,015</b>	<b>-</b>	<b>170,095</b>	<b>10,447</b>	<b>798,248</b>	<b>3,979,712</b>	<b>214,065</b>	<b>13,956,584</b>	<b>24,463,082</b>
<b>Expenditures</b>											
Current											
General government	-	53,435	221,912	-	-	-	810,340	-	-	-	1,085,687
Public safety	-	-	-	-	-	-	-	-	-	10,196,790	10,196,790
Public works and streets	-	-	-	-	-	43,032	-	-	-	-	43,032
Parks and recreation	4,637,952	-	-	-	159,837	-	-	-	-	-	4,797,789
Debt service											
Principal	-	-	-	-	-	-	-	-	-	140,675	140,675
Interest and other charges	-	-	-	-	-	-	-	-	-	34,325	34,325
Capital outlay	-	-	-	-	-	-	-	-	25,017	94,813	119,830
<b>Total Expenditures</b>	<b>4,637,952</b>	<b>53,435</b>	<b>221,912</b>	<b>-</b>	<b>159,837</b>	<b>43,032</b>	<b>810,340</b>	<b>-</b>	<b>25,017</b>	<b>10,466,603</b>	<b>16,418,128</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>315,010</b>	<b>96,519</b>	<b>9,103</b>	<b>-</b>	<b>10,258</b>	<b>(32,585)</b>	<b>(12,092)</b>	<b>3,979,712</b>	<b>189,048</b>	<b>3,489,981</b>	<b>8,044,954</b>
<b>Other Financing Sources (Uses)</b>											
Transfers in	2,625,231	-	-	-	-	-	-	-	-	-	2,625,231
Transfers out	-	(251,223)	-	-	(19,246)	-	-	(3,981,646)	-	(3,057,675)	(7,309,790)
<b>Total Other Financing Sources (Uses)</b>	<b>2,625,231</b>	<b>(251,223)</b>	<b>-</b>	<b>-</b>	<b>(19,246)</b>	<b>-</b>	<b>-</b>	<b>(3,981,646)</b>	<b>-</b>	<b>(3,057,675)</b>	<b>(4,684,559)</b>
<b>Change in Fund Balances (Deficits)</b>	<b>2,940,241</b>	<b>(154,704)</b>	<b>9,103</b>	<b>-</b>	<b>(8,988)</b>	<b>(32,585)</b>	<b>(12,092)</b>	<b>(1,934)</b>	<b>189,048</b>	<b>432,306</b>	<b>3,360,395</b>
<b>Fund Balances - Beginning, as Previously Reported</b>	<b>3,747,943</b>	<b>154,704</b>	<b>(50,138)</b>	<b>4,875,469</b>	<b>1,205,111</b>	<b>381,524</b>	<b>1,504,766</b>	<b>1,934</b>	<b>56,935</b>	<b>6,938,435</b>	<b>18,816,683</b>
<b>Adjustments - See Note 16</b>	<b>(1,074,385)</b>	<b>-</b>	<b>-</b>	<b>(4,875,469)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,949,854)</b>
<b>Fund Balances - Beginning, as Adjusted</b>	<b>2,673,558</b>	<b>154,704</b>	<b>(50,138)</b>	<b>-</b>	<b>1,205,111</b>	<b>381,524</b>	<b>1,504,766</b>	<b>1,934</b>	<b>56,935</b>	<b>6,938,435</b>	<b>12,866,829</b>
<b>Fund Balances (Deficits) - Ending</b>	<b>\$ 5,613,799</b>	<b>\$ -</b>	<b>\$ (41,035)</b>	<b>\$ -</b>	<b>\$ 1,196,123</b>	<b>\$ 348,939</b>	<b>\$ 1,492,674</b>	<b>\$ -</b>	<b>\$ 245,983</b>	<b>\$ 7,370,741</b>	<b>\$ 16,227,224</b>

**City of Lee's Summit, Missouri**  
**Budgetary Comparison Schedule**  
**Park Board**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variances With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes				
Property taxes	\$ 4,308,567	\$ 4,308,567	\$ 4,442,311	\$ 133,744
Other tax	17,432	\$17,432	\$3,846	(13,586)
Fines and forfeitures	20,000	\$20,000	\$25,092	5,092
Charges for services	3,320	\$3,320	\$4,128	808
Investment income (loss)	36,000	\$36,000	\$348,749	312,749
Other	146,048	\$146,048	\$128,836	(17,212)
<b>Total revenues</b>	<u>4,531,367</u>	<u>4,531,367</u>	<u>4,952,962</u>	<u>421,595</u>
<b>Expenditures</b>				
Current				
Parks and recreation	6,819,825	6,819,825	4,637,952	(2,181,873)
<b>Total expenditures</b>	<u>6,819,825</u>	<u>6,819,825</u>	<u>4,637,952</u>	<u>(2,181,873)</u>
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<u>(2,288,458)</u>	<u>(2,288,458)</u>	<u>315,010</u>	<u>2,603,468</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,625,231	2,625,231	2,625,231	-
<b>Net Change In Fund Balances</b>	336,773	336,773	2,940,241	2,603,468
<b>Fund Balances - Beginning</b>	<u>2,673,558</u>	<u>2,673,558</u>	<u>2,673,558</u>	
<b>Fund Balances - Ending</b>	<u>\$ 3,010,331</u>	<u>\$ 3,010,331</u>	<u>\$ 5,613,799</u>	<u>\$ 2,603,468</u>

**City of Lee's Summit, Missouri  
 Budgetary Comparison Schedule  
 Cemetery Trust Fund  
 For the Year Ended June 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variances With Final Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 76,366	\$ 76,366	\$ 93,839	\$ 17,473
Investment income (loss)	9,000	9,000	76,155	67,155
Other	6,500	6,500	101	(6,399)
<b>Total revenues</b>	<u>91,866</u>	<u>91,866</u>	<u>170,095</u>	<u>78,229</u>
<b>Expenditures</b>				
Current				
General government	<u>192,460</u>	<u>192,460</u>	<u>159,837</u>	<u>(32,623)</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(100,594)</u>	<u>(100,594)</u>	<u>10,258</u>	<u>110,852</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(19,246)</u>	<u>(19,246)</u>	<u>(19,246)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(119,840)</u>	<u>(119,840)</u>	<u>(8,988)</u>	<u>110,852</u>
<b>Fund Balances - Beginning</b>	<u>1,205,111</u>	<u>1,205,111</u>	<u>1,205,111</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,085,271</u>	<u>\$ 1,085,271</u>	<u>\$ 1,196,123</u>	<u>\$ 110,852</u>

**City of Lee's Summit, Missouri  
 Budgetary Comparison Schedule  
 Business and Industry Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variances With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Transient guest tax	\$ 610,000	\$ 610,000	\$ 681,960	\$ 71,960
Intergovernmental	-	-	10,000	10,000
Charges for services	-	-	1,216	1,216
Fines and forfeitures	-	-	123	123
Investment Earnings	10,000	10,000	104,949	94,949
<b>Total revenues</b>	<u>620,000</u>	<u>620,000</u>	<u>798,248</u>	<u>178,248</u>
<b>Expenditures</b>				
Current				
General government	<u>245,000</u>	<u>927,000</u>	<u>810,340</u>	<u>(116,660)</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>375,000</u>	<u>(307,000)</u>	<u>(12,092)</u>	<u>294,908</u>
<b>Net change in Fund Balances</b>	375,000	(307,000)	(12,092)	294,908
<b>Fund Balances - Beginning</b>	<u>1,504,766</u>	<u>1,504,766</u>	<u>1,504,766</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,879,766</u>	<u>\$ 1,197,766</u>	<u>\$ 1,492,674</u>	<u>\$ 294,908</u>

**City of Lee's Summit, Missouri  
 Budgetary Comparison Schedule  
 Public Safety Sales Tax Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variances With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Sales tax	\$ 13,755,189	\$ 13,755,189	\$ 13,589,207	\$ (165,982)
Investment income (loss)	-	-	367,377	367,377
<b>Total revenues</b>	<u>13,755,189</u>	<u>13,755,189</u>	<u>13,956,584</u>	<u>201,395</u>
<b>Expenditures</b>				
Current				
Public safety	12,606,232	13,993,128	10,196,790	(3,796,338)
Debt service				
Principal	140,675	140,675	140,675	-
Interest and other charges	34,325	34,325	34,325	-
Capital outlay	168,000	553,672	94,813	(458,859)
<b>Total expenditures</b>	<u>12,949,232</u>	<u>14,721,800</u>	<u>10,466,603</u>	<u>(4,255,197)</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>805,957</u>	<u>(966,611)</u>	<u>3,489,981</u>	<u>4,456,592</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(360,068)	(3,057,675)	(3,057,675)	-
<b>Net change in Fund Balances</b>	<u>445,889</u>	<u>(4,024,286)</u>	<u>432,306</u>	<u>4,456,592</u>
<b>Fund Balances - Beginning</b>	<u>6,938,435</u>	<u>6,938,435</u>	<u>6,938,435</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 7,384,324</u>	<u>\$ 2,914,149</u>	<u>\$ 7,370,741</u>	<u>\$ 4,456,592</u>

**City of Lee's Summit, Missouri  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variances With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes				
Property taxes	\$ 12,403,574	\$ 12,403,574	\$ 11,966,044	\$ (437,530)
Sales	6,564,689	6,564,689	6,610,559	45,870
Other tax	15,000	15,000	11,759	(3,241)
Fines and forfeitures	55,000	55,000	64,944	9,944
Investment income (loss)	215,000	215,000	748,804	533,804
Charges for services	-	-	2,478	2,478
<b>Total revenues</b>	<u>19,253,263</u>	<u>19,253,263</u>	<u>19,404,588</u>	<u>151,325</u>
<b>Expenditures</b>				
Current				
General government	194,000	311,000	204,285	(106,715)
Debt service				
Principal	11,975,000	11,975,000	11,975,000	-
Interest and other charges	1,547,952	1,547,952	1,653,789	105,837
<b>Total expenditures</b>	<u>13,716,952</u>	<u>13,833,952</u>	<u>13,833,074</u>	<u>(878)</u>
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<u>5,536,311</u>	<u>5,419,311</u>	<u>5,571,514</u>	<u>152,203</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(9,675,000)	(9,675,000)	(9,675,000)	-
<b>Net Change In Fund Balances</b>	<u>(4,138,689)</u>	<u>(4,255,689)</u>	<u>(4,103,486)</u>	<u>152,203</u>
<b>Fund Balances - Beginning</b>	<u>15,925,229</u>	<u>15,925,229</u>	<u>15,925,229</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 11,786,540</u>	<u>\$ 11,669,540</u>	<u>\$ 11,821,743</u>	<u>\$ 152,203</u>

**City of Lee's Summit, Missouri  
Nonmajor Governmental Funds  
Capital Projects Funds**

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Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Enterprise Funds. The City's nonmajor Capital Projects Funds are as follows:

**Todd George 50 Highway TIF Fund** – Capital projects fund established to account for public improvements needed to support development of property in the 50 Highway corridor between Blackwell Road and Todd George Road.

**Road and Bridge Improvement** – Capital projects fund established to account for road and bridge improvement projects within the City related to a fiscal year 1995 tax levy.

**Park Development** – Capital projects fund established to account for construction of new parks.

**Road and Bridge Excise Tax** – Established to account for road and bridge improvement projects within the City related to an excise tax and a 10-year capital improvement sales tax that was approved by voters in 1997.

**Ritter Plaza Tax Increment Financing** – Established to account for public improvements needed to support new private development in M-291 and Swann Road area.

**New Longview Tax Increment Financing 2003** – Established to account for public improvements needed to support new private development in the Longview Farm area.

**Longview Farm 2016 Tax Increment Financing** – Established to account for redevelopment of certain historic structures on the Longview Farm property.

**I-470 Business Center Tax Increment Financing** – Established to account for public improvements needed to support development of 125 acres in the I-470 corridor.

**Summit Woods East TIF** – Capital projects fund established to account for public improvements needed to support new private development in the I-470 and M-350 Highway area.

**ERP System** – Established to account for the acquisition, testing and implementation of new Financial, Procurement, Human Resources and Water Utility Billing software.

**City of Lee's Summit, Missouri  
Nonmajor Governmental Funds  
Capital Projects Funds (Continued)**

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***Public Safety Equipment Replacement*** – Established to account for revenues and expenditures related to equipment used for public safety that is not included in other replacement programs.

***Lee's Summit Sports Complex TIF*** – Established to account for public improvements needed to support new private development of a sports and entertainment complex in the area of I-470 and View High Drive.

***Public Safety Improvements 2020*** – Established to account for public safety improvements including Network Infrastructure, In-car and body cameras for the police department, renovation of the Police and Court Facility as well as the replacement and acquisition of fire equipment and apparatus.

***Blue Parkway and Colbern Road CID*** – Established to account for costs associated with construction of infrastructure in the Blue Parkway and Colbern Road Community Improvement District.

***Public Safety Bond 2020B*** – Established to account for public safety improvements, including design work and construction work on the Fire Station No. 4 replacement and the Fire Station No. 5 replacement and acquisition of fire equipment and apparatus.

***Street of West Pryor TIF*** – Established to account for road, infrastructure and park improvements to Pryor Road, Lowenstein Drive and Lowenstein Park.

***General Governmental Capital Projects*** – Established to account for revenue and expenditures of capital projects that are not included in other specific projects.

***Public Safety Series 2022B*** – Established to account for public safety improvements including construction and equipping costs for Fire Stations No. 4 and No.5.

***2<sup>nd</sup> and Douglas TIF*** – Established to account for public improvement needed to support the redevelopment of the northwest corner of SE 2<sup>nd</sup> Street and SE Douglas Street.

**City of Lee's Summit, Missouri**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**June 30, 2025**

	Todd George 50 HWY TIF	Road and Bridge Improvement	Park Development	Road and Bridge Excise Tax	Ritter Plaza TIF	New Longview TIF 2003	Longview Farm 2016 TIF	I-470 Business Center TIF	Summit Woods East TIF	ERP System	Public Safety Equipment Replacement	Lee's Summit Sports Complex TIF
<b>ASSETS</b>												
Pooled cash and investments	\$ -	\$ 7,350,276	\$ 20,645,440	\$ 5,396,360	\$ 36,035	\$ 196,872	\$ 37,610	\$ 24,722	\$ 3,476,091	\$ -	\$ 2,389,786	\$ 1,728
Receivables (net of allowance)	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	2,023,412	-	-	17,236	-	25,304	-	177,981	-	-	-
Accounts and other	-	-	-	104,753	-	-	-	-	-	-	-	-
Interest	-	63,105	160,519	41,118	-	-	-	-	-	-	24,818	-
Due from other governments	-	-	37,619	-	7,976	-	14,804	-	133,071	-	-	-
Advances to other funds	-	3,314,859	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 12,751,652</b>	<b>\$ 20,843,578</b>	<b>\$ 5,542,231</b>	<b>\$ 61,247</b>	<b>\$ 196,872</b>	<b>\$ 77,718</b>	<b>\$ 24,722</b>	<b>\$ 3,787,143</b>	<b>\$ -</b>	<b>\$ 2,414,604</b>	<b>\$ 1,728</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>												
<b>Liabilities</b>												
Accounts payable and accrued liabilities	\$ -	\$ 2,840,006	\$ 262,437	\$ 96,111	\$ -	\$ 2,406	\$ 27,486	\$ -	\$ 39	\$ -	\$ 163,915	\$ -
Deposits payable	-	-	-	-	-	-	-	-	-	-	-	5,000
Due to other funds	-	-	-	-	-	-	-	-	319,498	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>2,840,006</b>	<b>262,437</b>	<b>96,111</b>	<b>-</b>	<b>2,406</b>	<b>27,486</b>	<b>-</b>	<b>319,537</b>	<b>-</b>	<b>163,915</b>	<b>5,000</b>
<b>Deferred Inflows of Resources</b>												
Unavailable revenue	-	-	-	-	6,186	-	11,415	-	103,451	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,186</b>	<b>-</b>	<b>11,415</b>	<b>-</b>	<b>103,451</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficits)</b>												
<b>Nonspendable</b>												
<b>Restricted</b>												
Advances to other funds	-	3,314,859	-	-	-	-	-	-	-	-	-	-
Bridges, streets and signals	-	6,596,787	20,581,141	5,446,120	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	55,061	194,466	38,817	24,722	3,364,155	-	-	-
<b>Assigned</b>												
Other capital projects	-	-	-	-	-	-	-	-	-	-	2,250,689	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	(3,272)
<b>Total Fund Balances (Deficits)</b>	<b>-</b>	<b>9,911,646</b>	<b>20,581,141</b>	<b>5,446,120</b>	<b>55,061</b>	<b>194,466</b>	<b>38,817</b>	<b>24,722</b>	<b>3,364,155</b>	<b>-</b>	<b>2,250,689</b>	<b>(3,272)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>	<b>\$ -</b>	<b>\$ 12,751,652</b>	<b>\$ 20,843,578</b>	<b>\$ 5,542,231</b>	<b>\$ 61,247</b>	<b>\$ 196,872</b>	<b>\$ 77,718</b>	<b>\$ 24,722</b>	<b>\$ 3,787,143</b>	<b>\$ -</b>	<b>\$ 2,414,604</b>	<b>\$ 1,728</b>

**City of Lee's Summit, Missouri**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**June 30, 2025**

	Public Safety Improvements 2020	Previously Major Fund Blue Parkway and Colbern Road CID	Public Safety Bonds 2020B	Previously Nonmajor Fund Green Street Improvements	Previously Nonmajor Fund 291 N & Highway 50 TIF	Street of West Pryor TIF	General Governmenta l Capital Projects	Public Safety Series 2022B	Previously Nonmajor Fund Bonded Indebtedness	2nd and Douglas TIF	Total Nonmajor Capital Projects Funds
<b>ASSETS</b>											
Pooled cash and investments	\$ -	\$ 3,000	\$ -	\$ -	\$ -	12,590	\$ 5,024,822	\$ -	\$ -	\$ -	44,595,332
Receivables (net of allowance)	-	-	-	-	-	87,630	-	-	-	-	2,331,563
Taxes	-	-	-	-	-	-	-	-	-	-	104,753
Accounts and other	-	-	-	-	-	-	-	-	-	-	289,560
Interest	-	-	-	-	-	60,223	-	-	-	-	253,693
Due from other governments	-	-	-	-	-	-	-	-	-	-	3,314,859
Advances to other funds	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>160,443</b>	<b>\$ 5,024,822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,889,760</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>											
<b>Liabilities</b>											
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	30,000	\$ -	\$ -	\$ -	3,422,400
Deposits payable	-	-	-	-	-	-	-	-	-	-	5,000
Due to other funds	-	-	-	-	-	-	-	-	-	-	319,498
Advances from other funds	-	3,694,481	-	-	-	-	-	-	-	-	3,694,481
<b>Total Liabilities</b>	<b>-</b>	<b>3,694,481</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,441,379</b>
<b>Deferred Inflows of Resources</b>											
Unavailable revenue	-	-	-	-	-	47,441	-	-	-	-	168,493
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>168,493</b>
<b>Fund Balances (Deficits)</b>											
<b>Nonspendable</b>											
<b>Restricted</b>											
Advances to other funds	-	-	-	-	-	-	-	-	-	-	3,314,859
Bridges, streets and signals	-	-	-	-	-	-	4,994,822	-	-	-	37,618,870
Economic development	-	-	-	-	-	113,002	-	-	-	-	3,790,223
<b>Assigned</b>											
Other capital projects	-	-	-	-	-	-	-	-	-	-	2,250,689
Unassigned	-	(3,691,481)	-	-	-	-	-	-	-	-	(3,694,753)
<b>Total Fund Balances (Deficits)</b>	<b>-</b>	<b>(3,691,481)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113,002</b>	<b>4,994,822</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,279,888</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>160,443</b>	<b>\$ 5,024,822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,889,760</b>

**City of Lee's Summit, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2025**

	Todd George 50 HWY TIF	Road and Bridge Improvement	Park Development	Road and Bridge Excise Tax	Ritter Plaza TIF	New Longview TIF 2003	Longview Farm 2016 TIF	I-470 Business Center TIF	Summit Woods East TIF	ERP System	Public Safety Equipment Replacement	Lee's Summit Sports Complex TIF
<b>Revenues</b>												
Taxes												
Property	\$ 1,513,637	\$ -	\$ -	\$ -	\$ 185,759	\$ 284,685	\$ 422,248	\$ -	\$ 942,948	\$ -	\$ -	\$ 35
Sales	-	13,227,535	-	-	83,812	116,971	51,022	-	1,665,306	-	-	-
License	-	-	-	1,829,173	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	69	63	-	83	-	-	-
Intergovernmental	-	42,788	40,290	-	42,683	90,116	28,809	-	987,052	-	-	-
Charges for services	1,869	-	-	-	656	869	1,256	-	8,860	-	-	53,693
Investment income (loss)	29,690	694,220	1,361,641	332,517	10,861	34,085	(1,423)	(91,844)	182,519	66	218,642	(4,714)
<b>Total Revenues</b>	<b>1,545,196</b>	<b>13,964,543</b>	<b>1,401,931</b>	<b>2,161,690</b>	<b>323,771</b>	<b>526,795</b>	<b>501,975</b>	<b>(91,844)</b>	<b>3,786,768</b>	<b>66</b>	<b>218,642</b>	<b>49,014</b>
<b>Expenditures</b>												
Current												
General government	-	-	-	-	385,378	869	482,263	-	-	-	-	43,150
Debt service												
Principal	-	-	-	-	-	-	-	-	3,445,000	-	-	-
Interest and other charges	-	-	-	-	-	44,649	-	-	887,050	-	-	-
Capital outlay	1,602,909	19,218,910	6,666,916	1,105,712	-	4,556	-	1,284,329	23,948	-	2,003,307	-
<b>Total Expenditures</b>	<b>1,602,909</b>	<b>19,218,910</b>	<b>6,666,916</b>	<b>1,105,712</b>	<b>385,378</b>	<b>50,074</b>	<b>482,263</b>	<b>1,284,329</b>	<b>4,355,998</b>	<b>-</b>	<b>2,003,307</b>	<b>43,150</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(57,713)</b>	<b>(5,254,367)</b>	<b>(5,264,985)</b>	<b>1,055,978</b>	<b>(61,607)</b>	<b>476,721</b>	<b>19,712</b>	<b>(1,376,173)</b>	<b>(569,230)</b>	<b>66</b>	<b>(1,784,665)</b>	<b>5,864</b>
<b>Other Financing Sources (Uses)</b>												
Issuance of promissory note	-	-	5,188,325	-	-	-	-	-	-	-	-	-
Transfers in	-	-	9,500,000	-	-	181,478	181,478	-	-	-	1,930,941	-
Transfers out	-	-	(2,600,000)	-	-	(181,478)	(181,478)	-	-	(14,918)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>12,088,325</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,918)</b>	<b>1,930,941</b>	<b>-</b>
<b>Net Change in Fund Balances (Deficits)</b>	<b>(57,713)</b>	<b>(5,254,367)</b>	<b>6,823,340</b>	<b>1,055,978</b>	<b>(61,607)</b>	<b>476,721</b>	<b>19,712</b>	<b>(1,376,173)</b>	<b>(569,230)</b>	<b>(14,852)</b>	<b>146,276</b>	<b>5,864</b>
<b>Fund Balances (Deficits) - Beginning, as Previously Reported</b>	<b>57,713</b>	<b>15,166,013</b>	<b>13,757,801</b>	<b>4,390,142</b>	<b>116,668</b>	<b>(282,255)</b>	<b>19,105</b>	<b>1,400,895</b>	<b>3,933,385</b>	<b>14,852</b>	<b>2,104,413</b>	<b>(9,136)</b>
<b>Adjustments - See Note 16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficits) - Beginning, as Adjusted</b>	<b>57,713</b>	<b>15,166,013</b>	<b>13,757,801</b>	<b>4,390,142</b>	<b>116,668</b>	<b>(282,255)</b>	<b>19,105</b>	<b>1,400,895</b>	<b>3,933,385</b>	<b>14,852</b>	<b>2,104,413</b>	<b>(9,136)</b>
<b>Fund Balances (Deficits) - Ending</b>	<b>\$ -</b>	<b>\$ 9,911,646</b>	<b>\$ 20,581,141</b>	<b>\$ 5,446,120</b>	<b>\$ 55,061</b>	<b>\$ 194,466</b>	<b>\$ 38,817</b>	<b>\$ 24,722</b>	<b>\$ 3,364,155</b>	<b>\$ -</b>	<b>\$ 2,250,689</b>	<b>\$ (3,272)</b>

**City of Lee's Summit, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2025**

	Public Safety Improvements 2020	Previously Major Fund Blue Parkway and Colbern Road CID	Public Safety Bonds 2020B	Previously Nonmajor Fund Green Street Improvements	Previously Nonmajor Fund 291 N & Highway 50 TIF	Street of West Pryor TIF	General Government al Capital Projects	Public Safety Series 2022B	Previously Nonmajor Fund Bonded Indebtedness	2nd and Douglas TIF	Total Nonmajor Capital Projects Funds
<b>Revenues</b>											
Taxes											
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,464,467	\$ -	\$ -	\$ -	\$ 672,350	\$ 5,486,129
Sales	-	39,018	-	-	-	826,831	-	-	-	-	16,010,495
License	-	-	-	-	-	-	-	-	-	-	1,829,173
Fines and forfeitures	-	-	-	-	-	37,584	-	-	-	-	37,799
Intergovernmental	-	-	-	-	-	359,154	1,539,736	-	-	-	3,130,628
Charges for services	-	393	-	-	-	18,671	-	-	-	-	86,267
Investment income (loss)	-	(1,050)	4,354	-	-	(2,341)	(99,493)	16,310	-	(10,217)	2,673,823
<b>Total Revenues</b>	<b>-</b>	<b>38,361</b>	<b>4,354</b>	<b>-</b>	<b>-</b>	<b>2,704,366</b>	<b>1,440,243</b>	<b>16,310</b>	<b>-</b>	<b>662,133</b>	<b>29,254,314</b>
<b>Expenditures</b>											
Current											
General government	-	-	-	-	-	18,671	-	-	-	1,329,220	2,259,551
Debt service											
Principal	-	-	-	-	-	-	-	-	-	-	3,445,000
Interest and other charges	-	76,015	-	-	-	-	-	2,477	-	-	1,010,191
Capital outlay	17,695	1,687	8,348	-	-	2,817,252	42,738	212,534	-	-	35,010,841
<b>Total Expenditures</b>	<b>17,695</b>	<b>77,702</b>	<b>8,348</b>	<b>-</b>	<b>-</b>	<b>2,835,923</b>	<b>42,738</b>	<b>215,011</b>	<b>-</b>	<b>1,329,220</b>	<b>41,725,583</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(17,695)</b>	<b>(39,341)</b>	<b>(3,994)</b>	<b>-</b>	<b>-</b>	<b>(131,557)</b>	<b>1,397,505</b>	<b>(198,701)</b>	<b>-</b>	<b>(667,087)</b>	<b>(12,471,269)</b>
<b>Other Financing Sources (Uses)</b>											
Issuance of promissory note	-	-	-	-	-	-	-	-	-	-	5,188,325
Transfers in	-	-	-	-	-	-	3,272,000	-	-	-	15,065,897
Transfers out	-	-	-	-	-	-	-	-	-	-	(2,977,874)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,272,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,276,348</b>
<b>Net Change in Fund Balances (Deficits)</b>	<b>(17,695)</b>	<b>(39,341)</b>	<b>(3,994)</b>	<b>-</b>	<b>-</b>	<b>(131,557)</b>	<b>4,669,505</b>	<b>(198,701)</b>	<b>-</b>	<b>(667,087)</b>	<b>4,805,079</b>
<b>Fund Balances (Deficits) - Beginning, as Previously Reported</b>	<b>17,695</b>	<b>-</b>	<b>3,994</b>	<b>13,541,190</b>	<b>79</b>	<b>244,559</b>	<b>325,317</b>	<b>198,701</b>	<b>24,883,047</b>	<b>667,087</b>	<b>80,551,265</b>
<b>Adjustments - See Note 16</b>	<b>-</b>	<b>(3,652,140)</b>	<b>-</b>	<b>(13,541,190)</b>	<b>(79)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,883,047)</b>	<b>-</b>	<b>(42,076,456)</b>
<b>Fund Balances (Deficits) - Beginning, as Adjusted</b>	<b>17,695</b>	<b>(3,652,140)</b>	<b>3,994</b>	<b>-</b>	<b>-</b>	<b>244,559</b>	<b>325,317</b>	<b>198,701</b>	<b>-</b>	<b>667,087</b>	<b>38,474,809</b>
<b>Fund Balances (Deficits) - Ending</b>	<b>\$ -</b>	<b>\$ (3,691,481)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 113,002</b>	<b>\$ 4,994,822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,279,888</b>

## City of Lee's Summit, Missouri Nonmajor Proprietary Funds

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Proprietary Funds are used to account for activities that similar to those found in the private sector. The City's nonmajor Proprietary Funds are as follows:

**Recreation Centers** – Established to account for all assets, liabilities, revenues and expenses related to the operations of the City-owned recreation centers.

**Stormwater Utility** – Established to account for activities related to implementing and operating stormwater utility.

**City of Lee's Summit, Missouri**  
**Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2025**

	<u>Recreation Centers</u>	<u>Stormwater Utility</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and investments	\$ 1,493,460	\$ 301,508	\$ 1,794,968
Accounts and other	29,768	-	29,768
Interest	10,379	2,406	12,785
Prepaid expenses	5,000	-	5,000
<b>Total Current Assets</b>	<u>1,538,607</u>	<u>303,914</u>	<u>1,842,521</u>
<b>Noncurrent Assets</b>			
Pension asset	516,163	-	516,163
Capital assets Depreciable, net	13,682,924	-	13,682,924
<b>Total Noncurrent Assets</b>	<u>14,199,087</u>	<u>-</u>	<u>14,199,087</u>
<b>Total Assets</b>	<u>\$ 15,737,694</u>	<u>\$ 303,914</u>	<u>\$ 16,041,608</u>
<b>Deferred Outflows of Resources</b>			
Pension	925,215	-	925,215
Other post-employment benefits	37,627	-	37,627
<b>Total Deferred Outflows of Resources</b>	<u>962,842</u>	<u>-</u>	<u>962,842</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	\$ 257,331	\$ -	\$ 257,331
Salaries payable	203,766	-	203,766
Compensated absences	282,912	-	282,912
Other post-employment benefits	1,109	-	1,109
Customer deposit	8,266	-	8,266
<b>Total Current Liabilities</b>	<u>753,384</u>	<u>-</u>	<u>753,384</u>
<b>Noncurrent Liabilities</b>			
Compensated absences	180,154	-	180,154
Other post-employment benefits	52,072	-	52,072
<b>Total Noncurrent Liabilities</b>	<u>232,226</u>	<u>-</u>	<u>232,226</u>
<b>Total Liabilities</b>	<u>985,610</u>	<u>-</u>	<u>985,610</u>
<b>Deferred Inflows of Resources</b>			
Pension	129,964	-	129,964
Other post-employment benefits	96,034	-	96,034
<b>Total Deferred Inflows of Resources</b>	<u>225,998</u>	<u>-</u>	<u>225,998</u>
<b>Net Position</b>			
Net investment in capital assets	13,681,853	-	13,681,853
Restricted for pension	516,163	-	516,163
Unrestricted	1,290,912	303,914	1,594,826
<b>Total Net Position</b>	<u>\$ 15,488,928</u>	<u>\$ 303,914</u>	<u>\$ 15,792,842</u>

**City of Lee's Summit, Missouri**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2025**

	<b>Recreation Centers</b>	<b>Stormwater Utility</b>	<b>Total</b>
<b>Operating Revenues</b>			
Charges for services	\$ 5,698,673	\$ -	\$ 5,698,673
Material and fuel sales	80	-	80
Other	476,423	-	476,423
<b>Total Operating Revenues</b>	<b>6,175,176</b>	<b>-</b>	<b>6,175,176</b>
<b>Operating Expenses</b>			
Salaries, wages and employee benefits	4,313,953	-	4,313,953
Utilities	648,797	-	648,797
Repairs and maintenance	386,034	-	386,034
Depreciation	1,488,002	-	1,488,002
Interdepartment charges	177,404	-	177,404
Miscellaneous	1,418,340	8,356	1,426,696
<b>Total Operating Expenses</b>	<b>8,432,530</b>	<b>8,356</b>	<b>8,440,886</b>
<b>Operating Loss</b>	<b>(2,257,354)</b>	<b>(8,356)</b>	<b>(2,265,710)</b>
<b>Nonoperating Revenues</b>			
Interest income	141,556	20,791	162,347
<b>Total Nonoperating Revenues</b>	<b>141,556</b>	<b>20,791</b>	<b>162,347</b>
<b>Income Before Capital Grants and Contributions and Transfers</b>	<b>(2,115,798)</b>	<b>12,435</b>	<b>(2,103,363)</b>
<b>Capital Grants and Contributions</b>	<b>20,869</b>	<b>-</b>	<b>20,869</b>
<b>Transfers In</b>	<b>230,000</b>	<b>-</b>	<b>230,000</b>
<b>Transfers Out</b>	<b>(5,985)</b>	<b>-</b>	<b>(5,985)</b>
<b>Change in Net Position</b>	<b>(1,870,914)</b>	<b>12,435</b>	<b>(1,858,479)</b>
<b>Net Position - Beginning, as Previously Reported</b>	<b>431,436</b>	<b>291,479</b>	<b>722,915</b>
<b>Adjustments - See Note 16</b>	<b>16,928,406</b>	<b>-</b>	<b>16,928,406</b>
<b>Net Position - Beginning, as Adjusted</b>	<b>17,359,842</b>	<b>291,479</b>	<b>17,651,321</b>
<b>Net Position - Ending</b>	<b>\$ 15,488,928</b>	<b>\$ 303,914</b>	<b>\$ 15,792,842</b>

**City of Lee's Summit, Missouri**  
**Nonmajor Enterprise Funds Statement of Cash Flows**  
**Year Ended June 30, 2025**

	<b>Enterprise Funds</b>		
	<b>Recreation Centers</b>	<b>Stormwater Utility</b>	<b>Total</b>
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 6,148,674	\$ -	\$ 6,148,674
Cash paid to suppliers	(2,556,384)	(8,740)	(2,565,124)
Cash paid to employees	(4,246,535)	-	(4,246,535)
<b>Net cash used in operating activities</b>	<u>(654,245)</u>	<u>(8,740)</u>	<u>(662,985)</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers in	233,520	-	233,520
Transfers out	(9,505)	-	(9,505)
<b>Net cash provided by noncapital financing activities</b>	<u>224,015</u>	<u>-</u>	<u>224,015</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Additions to capital assets	(48,570)	-	(48,570)
Capital grants	20,869	-	20,869
<b>Net cash used in capital and related financing activities</b>	<u>(27,701)</u>	<u>-</u>	<u>(27,701)</u>
<b>Cash Flows Provided by Investing Activities</b>			
Interest received (paid)	136,827	18,385	155,212
<b>Net cash provided by investing activities</b>	<u>136,827</u>	<u>18,385</u>	<u>155,212</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(321,104)	9,645	(311,459)
<b>Cash and Cash Equivalents - Beginning of Year, as Previously Reported</b>	489,156	291,863	781,019
<b>As Adjusted - See Note 15</b>	1,325,408	-	1,325,408
<b>Cash and Cash Equivalents - Beginning of Year, as Adjusted</b>	<u>1,814,564</u>	<u>291,863</u>	<u>2,106,427</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 1,493,460</u>	<u>\$ 301,508</u>	<u>\$ 1,794,968</u>
Reconciliation of operating loss to net cash used in operating activities	\$ (2,257,353)	\$ (8,356)	\$ (2,265,709)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation and amortization	1,488,002	-	1,488,002
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(29,768)	-	(29,768)
(Increase) decrease in prepaid expenses	(5,000)	-	(5,000)
(Increase) decrease in accounts payable	79,190	(384)	78,806
(Increase) decrease in salaries and wages payable	28,976	-	28,976
(Increase) decrease in customer deposits	3,266	-	3,266
(Increase) decrease in accrued compensated absences	38,442	-	38,442
Total adjustments	<u>1,603,108</u>	<u>(384)</u>	<u>1,602,724</u>
<b>Net cash used in operating activities</b>	<u>\$ (654,245)</u>	<u>\$ (8,740)</u>	<u>\$ (662,985)</u>

## City of Lee's Summit, Missouri Internal Service Funds

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Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis. The City's Internal Service Funds are as follows:

**Central Vehicle Services** – Established to account for operating a central maintenance facility for the City's vehicles and equipment.

**Unemployment Insurance** – Established to account for self-insurance funding for any unemployment claims filed by terminated City employees.

**Insurance Claims and Damages Reserve Fund** – Established to account for premium refunds and special assessment charges for self-insurance funding for health and dental liability claims.

**Information Technology Services (ITS)** – Established to account for the City's electronic data processing systems and information services provided for City departments.

**Short-Term Disability Fund** – Established to provide compensation for City employees who are ill and who have exhausted all sick time but are not yet eligible for long-term disability (90 days).

**Workers' Compensation Self-Insurance Fund** – Established to account for self-insurance funding for any workers' compensation claims filed by City employees.

**Central Building Services (CBS)** – Established to centralize services related to operations and maintenance of city owned buildings and to account for funding of capital maintenance projects related to the replacement of major building components.

**City of Lee's Summit, Missouri**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2025**

	Central Vehicle Services	Unemployment Insurance	Insurance Claims and Damages Reserve Fund	IT Services	Short- Term Disability Fund	Workers' Compensation Self-Insurance	Central Building Services	Total
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and investments	\$ 5,381,710	\$ 396,831	\$ 7,275,076	\$ 5,762,984	\$ 229,939	\$ 5,246,766	\$ 1,904,634	\$ 26,197,940
Accounts and other	-	-	-	-	-	-	45,806	45,806
Interest	35,957	3,087	55,519	43,985	1,664	41,832	16,550	198,594
Due from other governments	-	-	-	-	-	-	114,760	114,760
Inventories	382,974	42	-	-	-	-	-	383,016
<b>Total Current Assets</b>	<b>5,800,641</b>	<b>399,960</b>	<b>7,330,595</b>	<b>5,806,969</b>	<b>231,603</b>	<b>5,288,598</b>	<b>2,081,750</b>	<b>26,940,116</b>
<b>Noncurrent Assets</b>								
Pension asset	45,947	-	-	221,136	-	-	62,924	330,007
Capital assets								
Nondepreciable	104,250	-	-	-	-	-	-	104,250
Depreciable, net	11,406,921	-	-	757,542	-	-	969,056	13,133,519
<b>Total Noncurrent Assets</b>	<b>11,557,118</b>	<b>-</b>	<b>-</b>	<b>978,678</b>	<b>-</b>	<b>-</b>	<b>1,031,980</b>	<b>13,567,776</b>
<b>Total Assets</b>	<b>17,357,759</b>	<b>399,960</b>	<b>7,330,595</b>	<b>6,785,647</b>	<b>231,603</b>	<b>5,288,598</b>	<b>3,113,730</b>	<b>40,507,892</b>
<b>Deferred Outflows of Resources</b>								
Pension	44,257	-	-	213,004	-	-	60,610	317,871
Other post-employment benefits	13,682	-	-	47,888	-	-	11,972	73,542
<b>Total Deferred Outflows of Resources</b>	<b>57,939</b>	<b>-</b>	<b>-</b>	<b>260,892</b>	<b>-</b>	<b>-</b>	<b>72,582</b>	<b>391,413</b>
<b>LIABILITIES</b>								
<b>Current Liabilities</b>								
Accounts payable and accrued liabilities	975,646	-	19,654	409,917	-	4,171,999	103,595	5,680,811
Salaries payable	26,765	-	-	137,607	114	-	20,852	185,338
Compensated absences	42,509	-	-	219,835	-	-	49,601	311,945
Other post-employment benefits	564	-	-	2,714	-	-	772	4,050
Subscription liabilities	-	-	-	359,786	-	-	-	359,786
<b>Total Current Liabilities</b>	<b>1,045,484</b>	<b>-</b>	<b>19,654</b>	<b>1,129,859</b>	<b>114</b>	<b>4,171,999</b>	<b>174,820</b>	<b>6,541,930</b>
<b>Noncurrent Liabilities</b>								
Subscription liabilities	-	-	-	49,512	-	-	-	49,512
Compensated absences	26,072	-	-	134,551	-	-	28,972	189,595
Other post-employment benefits	26,470	-	-	127,399	-	-	36,251	190,120
<b>Total Noncurrent Liabilities</b>	<b>52,542</b>	<b>-</b>	<b>-</b>	<b>311,462</b>	<b>-</b>	<b>-</b>	<b>65,223</b>	<b>429,227</b>
<b>Total Liabilities</b>	<b>1,098,026</b>	<b>-</b>	<b>19,654</b>	<b>1,441,321</b>	<b>114</b>	<b>4,171,999</b>	<b>240,043</b>	<b>6,971,157</b>
<b>Deferred Inflows of Resources</b>								
Pension	9,303	-	-	44,775	-	-	12,741	66,819
Other post-employment benefits	34,921	-	-	122,224	-	-	30,556	187,701
<b>Total Deferred Inflows of Resources</b>	<b>44,224</b>	<b>-</b>	<b>-</b>	<b>166,999</b>	<b>-</b>	<b>-</b>	<b>43,297</b>	<b>254,520</b>
<b>Net Position</b>								
Net investment in capital assets	11,511,171	-	-	348,244	-	-	969,056	12,828,471
Restricted for pension	45,947	-	-	221,136	-	-	62,924	330,007
Unrestricted	4,716,330	399,960	7,310,941	4,868,839	231,489	1,116,599	1,870,992	20,515,150
<b>Total Net Position</b>	<b>\$ 16,273,448</b>	<b>\$ 399,960</b>	<b>\$ 7,310,941</b>	<b>\$ 5,438,219</b>	<b>\$ 231,489</b>	<b>\$ 1,116,599</b>	<b>\$ 2,902,972</b>	<b>\$ 33,673,628</b>

**City of Lee's Summit, Missouri**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2025**

	Central Vehicle Services	Unemployment Insurance	Insurance Claims and Damages Reserve Fund	IT Services	Short- Term Disability Fund	Workers' Compensation Self-Insurance	Central Building Services	Total
<b>Operating Revenues</b>								
Charges for services	\$ 4,051,688	\$ 56,160	\$ 1,786,633	\$ 6,315,243	\$ 38,239	\$ 1,142,190	\$ 2,262,264	\$ 15,652,417
Other	1,953	-	13,048	427	-	2,180	2,353	19,961
<b>Total Operating Revenues</b>	<b>4,053,641</b>	<b>56,160</b>	<b>1,799,681</b>	<b>6,315,670</b>	<b>38,239</b>	<b>1,144,370</b>	<b>2,264,617</b>	<b>15,672,378</b>
<b>Operating Expenses</b>								
Salaries, wages and employee benefits	877,563	-	-	4,019,630	56,912	-	711,437	5,665,542
Utilities	83,079	-	-	-	-	-	236,191	319,270
Repairs and maintenance	57,357	-	64,924	652,438	-	-	254,356	1,029,075
Fuels and lubricants	3,613	-	-	95	-	-	2,616	6,324
Depreciation	3,021,304	-	-	555,932	-	-	155,457	3,732,693
Interdepartment charges	122,023	-	-	100,769	-	-	100,116	322,908
Miscellaneous	34,199	20,156	1,644,599	1,263,025	-	2,352,197	776,354	6,090,530
<b>Total Operating Expenses</b>	<b>4,199,138</b>	<b>20,156</b>	<b>1,709,523</b>	<b>6,591,889</b>	<b>56,912</b>	<b>2,352,197</b>	<b>2,236,527</b>	<b>17,166,342</b>
<b>Operating Income (Loss)</b>	<b>(145,497)</b>	<b>36,004</b>	<b>90,158</b>	<b>(276,219)</b>	<b>(18,673)</b>	<b>(1,207,827)</b>	<b>28,090</b>	<b>(1,493,964)</b>
<b>Nonoperating Revenues (Expenses)</b>								
Interest income	306,279	25,414	459,714	358,954	13,537	340,493	136,340	1,640,731
Interest expense	-	-	-	(30,697)	-	-	-	(30,697)
Gain on disposal of capital assets	259,356	-	-	-	-	-	-	259,356
<b>Total Nonoperating Revenues</b>	<b>565,635</b>	<b>25,414</b>	<b>459,714</b>	<b>328,257</b>	<b>13,537</b>	<b>340,493</b>	<b>136,340</b>	<b>1,869,390</b>
<b>Income (Loss) Before Capital Grants and Contributions and Transfers</b>	<b>420,138</b>	<b>61,418</b>	<b>549,872</b>	<b>52,038</b>	<b>(5,136)</b>	<b>(867,334)</b>	<b>164,430</b>	<b>375,426</b>
<b>Capital Grants and Contributions</b>								
Transfers In	-	-	-	-	-	-	114,760	114,760
Transfers Out	2,811,568	-	-	750,079	-	-	20,000	3,581,647
	(8,000)	-	-	-	-	-	-	(8,000)
<b>Change in Net Position</b>	<b>3,223,706</b>	<b>61,418</b>	<b>549,872</b>	<b>802,117</b>	<b>(5,136)</b>	<b>(867,334)</b>	<b>299,190</b>	<b>4,063,833</b>
<b>Net Position - Beginning</b>	<b>13,049,742</b>	<b>338,542</b>	<b>6,761,069</b>	<b>4,636,102</b>	<b>236,625</b>	<b>1,983,933</b>	<b>2,603,782</b>	<b>29,609,795</b>
<b>Net Position - Ending</b>	<b>\$ 16,273,448</b>	<b>\$ 399,960</b>	<b>\$ 7,310,941</b>	<b>\$ 5,438,219</b>	<b>\$ 231,489</b>	<b>\$ 1,116,599</b>	<b>\$ 2,902,972</b>	<b>\$ 33,673,628</b>

**City of Lee's Summit, Missouri**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For The Year Ended June 30, 2025**

	Central Vehicle Services	Unemployment Insurance	Insurance Claims and Damages Reserve Fund	I.T. Services	Short-Term Disability Fund	Workers' Compensation Self-Insurance	Central Building Services	Total
<b>Cash Flows From Operating Activities</b>								
Cash received from customers	\$ 4,053,641	\$ 56,160	\$ 1,799,681	\$ 6,315,670	\$ 38,239	\$ 1,144,370	\$ 2,218,811	\$ 15,626,572
Cash paid to suppliers	528,539	(20,156)	(1,689,965)	(1,730,209)	-	(774,922)	(1,339,958)	(5,026,671)
Cash paid to employees	(821,573)	-	-	(3,751,866)	(56,798)	-	(648,732)	(5,278,969)
<b>Net cash provided by (used in) operating activities</b>	<b>3,760,607</b>	<b>36,004</b>	<b>109,716</b>	<b>833,595</b>	<b>(18,559)</b>	<b>369,448</b>	<b>230,121</b>	<b>5,320,932</b>
<b>Cash Flows From Noncapital Financing Activities</b>								
Transfers in	2,811,568	-	-	750,079	-	-	20,000	3,581,647
Transfers out	(8,000)	-	-	-	-	-	-	(8,000)
<b>Net cash provided by noncapital financing activities</b>	<b>2,803,568</b>	<b>-</b>	<b>-</b>	<b>750,079</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>3,573,647</b>
<b>Cash Flows From Capital and Related Financing Activities</b>								
Principal paid on subscription liability	-	-	-	(322,083)	-	-	-	(322,083)
Interest paid on subscription liability	-	-	-	(30,697)	-	-	-	(30,697)
Additions to capital assets	(3,543,863)	-	-	(407,641)	-	-	(3,199)	(3,954,703)
Proceeds from sale of capital assets	259,356	-	-	-	-	-	-	259,356
<b>Net cash used in capital and related financing activities</b>	<b>(3,284,507)</b>	<b>-</b>	<b>-</b>	<b>(760,421)</b>	<b>-</b>	<b>-</b>	<b>(3,199)</b>	<b>(4,048,127)</b>
<b>Cash Flows Provided by Investing Activities</b>								
Interest received	270,323	22,797	405,332	319,923	12,312	306,853	121,012	1,458,552
<b>Net cash provided by investing activities</b>	<b>270,323</b>	<b>22,797</b>	<b>405,332</b>	<b>319,923</b>	<b>12,312</b>	<b>306,853</b>	<b>121,012</b>	<b>1,458,552</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,549,991</b>	<b>58,801</b>	<b>515,048</b>	<b>1,143,176</b>	<b>(6,247)</b>	<b>676,301</b>	<b>367,934</b>	<b>6,305,004</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>1,831,719</b>	<b>338,030</b>	<b>6,760,028</b>	<b>4,619,808</b>	<b>236,186</b>	<b>4,570,465</b>	<b>1,536,700</b>	<b>19,892,936</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 5,381,710</b>	<b>\$ 396,831</b>	<b>\$ 7,275,076</b>	<b>\$ 5,762,984</b>	<b>\$ 229,939</b>	<b>\$ 5,246,766</b>	<b>\$ 1,904,634</b>	<b>\$ 26,197,940</b>
Operating income (loss)	\$ (145,497)	\$ 36,004	\$ 90,158	\$ (276,219)	\$ (18,673)	\$ (1,207,827)	\$ 28,090	\$ (1,493,964)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	3,021,304	-	-	555,932	-	-	155,457	3,732,693
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable	-	-	-	-	-	-	(45,806)	(45,806)
(Increase) decrease in inventories	(60,243)	-	-	-	-	-	-	(60,243)
(Increase) decrease in prepaid expenses	-	-	-	316,121	-	-	-	316,121
(Increase) decrease in pension related assets, deferred outflow of resources and deferred inflows of resources	22,182	-	-	104,511	-	-	29,726	156,419
(Increase) decrease in accounts payable	889,053	-	19,558	(30,003)	-	1,577,275	29,675	2,485,558
(Increase) decrease in salaries and benefits payable	5,049	-	-	36,350	114	-	1,036	42,549
(Increase) decrease in other post employment benefits liabilities, deferred outflow of resources and deferred inflow of resources	2,214	-	-	10,331	-	-	2,861	15,406
(Increase) decrease in compensated absences	26,545	-	-	116,572	-	-	29,082	172,199
Total adjustments	3,906,104	-	19,558	1,109,814	114	1,577,275	202,031	6,814,896
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 3,760,607</b>	<b>\$ 36,004</b>	<b>\$ 109,716</b>	<b>\$ 833,595</b>	<b>\$ (18,559)</b>	<b>\$ 369,448</b>	<b>\$ 230,121</b>	<b>\$ 5,320,932</b>
<b>Noncash Financing Activities</b>								
Subscription liabilities incurred for subscription assets	\$ -	\$ -	\$ -	\$ 558,706	\$ -	\$ -	\$ -	\$ -

***Statistical Section  
(Unaudited)***

**Lee’s Summit, Missouri  
Statistical Section**

**This part of the City of Lee’s Summit’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government’s overall financial health.**

**Contents**

	<u><b>Page</b></u>
Financial Trends .....	95
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity .....	101
These schedules contain information to help the reader assess the government's most significant local revenue sources, sales and property tax.	
Debt Capacity .....	110
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information .....	114
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information .....	117
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

**City of Lee's Summit, Missouri**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in										
capital assets	\$ 444,601,373	\$ 475,492,143	\$ 487,120,128	\$ 502,857,273	\$ 498,495,946	\$ 502,856,009	\$ 525,556,405	\$ 556,076,128	\$ 648,439,492	\$ 731,358,409
Restricted	83,352,650	72,865,528	97,827,922	84,782,245	103,818,998	109,694,474	122,543,860	147,459,459	139,470,808	93,158,720
Unrestricted	1,012,936	13,050,613	(11,904,670)	(3,879,459)	9,115,840	21,182,191	40,726,854	44,172,943	82,267,134	62,564,302
<b>Total governmental activities net position</b>	<b>\$ 528,966,959</b>	<b>\$ 561,408,284</b>	<b>\$ 573,043,380</b>	<b>\$ 583,760,059</b>	<b>\$ 611,430,784</b>	<b>\$ 633,732,674</b>	<b>\$ 688,827,119</b>	<b>\$ 747,708,530</b>	<b>\$ 870,177,434</b>	<b>\$ 887,081,431</b>
Business-type activities										
Net investment in										
capital assets	\$ 237,193,092	\$ 257,714,352	\$ 271,846,403	\$ 279,965,082	\$ 289,085,221	\$ 297,175,543	\$ 307,255,270	\$ 318,577,056	\$ 341,238,652	\$ 364,233,693
Restricted	38,792,349	37,222,417	40,229,441	44,431,811	53,958,190	60,562,748	61,547,128	66,958,293	77,590,687	25,310,533
Unrestricted	2,922,466	5,672,530	8,363,879	13,415,319	9,687,520	8,345,867	13,789,380	20,525,331	24,561,787	107,494,376
<b>Total business-type activities net position</b>	<b>\$ 278,907,907</b>	<b>\$ 300,609,299</b>	<b>\$ 320,439,723</b>	<b>\$ 337,812,212</b>	<b>\$ 352,730,931</b>	<b>\$ 366,084,158</b>	<b>\$ 382,591,778</b>	<b>\$ 406,060,680</b>	<b>\$ 443,391,126</b>	<b>\$ 497,038,602</b>
Primary government										
Net investment in										
capital assets	\$ 681,794,465	\$ 733,206,495	\$ 758,966,531	\$ 782,822,355	\$ 787,581,167	\$ 800,031,552	\$ 832,811,675	\$ 874,653,184	\$ 989,678,144	\$ 1,095,592,102
Restricted	122,144,999	110,087,945	138,057,363	129,214,056	157,777,188	170,257,222	184,090,988	214,417,752	217,061,495	118,469,253
Unrestricted	3,935,402	18,723,143	(3,540,791)	9,535,860	18,803,360	29,528,058	54,516,234	64,698,274	106,828,921	170,058,678
<b>Total primary government net position</b>	<b>\$ 807,874,866</b>	<b>\$ 862,017,583</b>	<b>\$ 893,483,103</b>	<b>\$ 921,572,271</b>	<b>\$ 964,161,715</b>	<b>\$ 999,816,832</b>	<b>\$ 1,071,418,897</b>	<b>\$ 1,153,769,210</b>	<b>\$ 1,313,568,560</b>	<b>\$ 1,384,120,033</b>

**City of Lee's Summit, Missouri**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
Governmental activities										
Public works and streets	\$ 15,206,748	\$ 14,759,666	\$ 22,878,176	\$ 22,500,607	\$ 27,865,543	\$ 29,098,071	\$ 60,749,417	\$ 25,631,200	\$ 31,984,467	\$ 38,963,011
Public safety	37,568,011	40,634,376	39,613,387	41,548,996	44,656,947	44,521,504	44,847,826	51,633,856	56,558,941	77,688,078
Parks and recreation	8,797,105	9,674,365	9,292,458	10,565,624	12,570,646	14,247,643	24,005,822	14,817,404	15,755,961	5,100,719
Community development	3,212,299	3,479,519	3,912,862	3,833,363	4,167,521	4,486,466	3,721,212	3,969,146	4,663,186	5,717,459
General government	27,934,309	32,139,295	24,263,116	26,419,866	21,417,465	23,156,137	14,151,128	21,042,072	24,177,950	41,994,746
Interest on long-term debt	2,450,327	2,517,687	5,683,481	2,553,293	2,415,953	2,159,633	1,855,058	1,540,328	1,956,276	2,398,138
<b>Total governmental activities expenses</b>	<b>95,168,799</b>	<b>103,204,908</b>	<b>105,643,480</b>	<b>107,421,749</b>	<b>113,094,075</b>	<b>117,669,454</b>	<b>149,330,463</b>	<b>118,634,006</b>	<b>135,096,781</b>	<b>171,862,151</b>
Business-type activities										
Waterworks and sewerage system	28,211,165	29,061,497	29,115,965	29,269,178	31,492,442	31,804,456	31,019,719	35,865,442	36,905,270	36,221,498
Sanitary landfill	2,611,974	343,754	1,717,642	2,454,125	488,283	901,496	(377,340)	223,706	(347,025)	-
Airport	2,837,042	1,856,761	2,214,597	2,347,250	2,816,460	3,095,449	4,203,347	4,441,823	4,606,645	4,557,752
Recreation center	1,214,241	1,317,821	1,331,319	1,312,852	1,255,565	993,891	1,315,279	1,430,880	1,729,385	8,273,346
Stormwater utility	-	-	-	-	-	-	-	182,976	8,406	8,356
<b>Total business-type activities expenses</b>	<b>34,874,422</b>	<b>32,579,833</b>	<b>34,379,523</b>	<b>35,383,405</b>	<b>36,052,750</b>	<b>36,795,292</b>	<b>36,161,005</b>	<b>42,144,827</b>	<b>42,902,681</b>	<b>49,060,952</b>
<b>Total primary government expenses</b>	<b>130,043,221</b>	<b>135,784,741</b>	<b>140,023,003</b>	<b>142,805,154</b>	<b>149,146,825</b>	<b>154,464,746</b>	<b>185,491,468</b>	<b>160,778,833</b>	<b>177,999,462</b>	<b>220,923,103</b>
<b>Program Revenues</b>										
Governmental activities										
Charges for services										
Public works and streets	868,734	886,840	1,135,555	892,742	627,981	702,927	774,492	548,722	632,834	1,662,125
Public safety	5,573,365	7,065,941	8,309,713	9,627,006	9,486,885	9,779,563	10,762,831	11,217,949	11,365,672	11,698,034
Parks and recreation	3,029,143	3,057,449	3,019,147	3,474,852	2,801,221	2,632,045	3,609,714	4,062,346	4,305,864	59,161
Community development	177,298	198,508	183,522	172,213	151,532	184,396	298,232	172,202	193,482	204,474
General government	2,100,980	2,179,233	2,158,734	2,474,682	3,437,873	3,809,205	3,564,970	3,427,102	3,853,547	6,446,900
Operating grants and contributions	1,552,368	1,570,982	1,375,031	1,501,881	1,843,985	7,478,806	3,175,474	4,491,469	13,407,580	13,822,252
Capital grants and contributions	13,083,572	24,491,263	5,661,103	6,636,281	9,841,041	5,137,787	62,349,393	20,436,069	62,099,639	13,067,183
<b>Total governmental activities program revenues</b>	<b>26,385,460</b>	<b>39,450,216</b>	<b>21,842,805</b>	<b>24,779,657</b>	<b>28,190,518</b>	<b>29,724,729</b>	<b>84,535,106</b>	<b>44,355,859</b>	<b>95,858,618</b>	<b>46,960,129</b>
Business-type activities										
Charges for services										
Waterworks and sewerage system	37,155,220	38,972,386	40,216,812	40,692,905	41,332,289	45,320,005	48,338,724	52,152,589	53,685,277	57,568,824
Sanitary landfill	3,289,579	716,764	550,830	37,875	50,831	84,950	-	2,854	-	-
Airport	4,336,197	7,871,625	1,436,672	1,713,630	2,234,306	2,442,846	3,081,736	3,155,805	3,497,750	3,422,256
Recreation center	1,232,906	1,287,043	1,320,902	1,314,966	1,094,360	1,123,098	1,430,000	1,472,117	1,605,322	6,175,176
Stormwater Utility	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	4,017,045	5,644,782	8,077,310	5,992,484	3,015,568	899,844	1,602,693	5,854,788	18,845,536	4,568,970
<b>Total business type activities program revenues</b>	<b>50,030,947</b>	<b>54,492,600</b>	<b>51,602,526</b>	<b>49,751,860</b>	<b>47,727,354</b>	<b>49,870,743</b>	<b>54,453,153</b>	<b>62,638,153</b>	<b>77,633,885</b>	<b>71,735,226</b>
<b>Total primary government revenues</b>	<b>76,416,407</b>	<b>93,942,816</b>	<b>73,445,331</b>	<b>74,531,517</b>	<b>75,917,872</b>	<b>79,595,472</b>	<b>138,988,259</b>	<b>106,994,012</b>	<b>173,492,503</b>	<b>118,695,355</b>

**City of Lee's Summit, Missouri**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense) Revenue										
Governmental activities	\$(68,783,339)	\$(63,754,692)	\$(83,800,675)	\$(82,642,092)	\$(84,903,557)	\$(87,944,725)	\$(64,795,357)	\$(74,278,147)	\$(39,238,163)	\$(124,902,022)
Business-type activities	15,156,525	21,912,767	17,223,003	14,368,455	11,674,604	13,075,451	18,292,148	20,493,326	34,731,204	22,674,274
Total primary government net expense	<u>(53,626,814)</u>	<u>(41,841,925)</u>	<u>(66,577,672)</u>	<u>(68,273,637)</u>	<u>(73,228,953)</u>	<u>(74,869,274)</u>	<u>(46,503,209)</u>	<u>(53,784,821)</u>	<u>(4,506,959)</u>	<u>(102,227,748)</u>
General Revenues and Other Changes in Net Position										
Governmental activities										
General revenues										
Property taxes	35,178,239	36,718,136	38,051,491	39,795,245	44,081,988	40,105,074	43,849,742	46,037,898	50,821,755	53,197,417
Sales and use taxes	36,576,616	37,662,496	39,369,885	40,993,104	40,862,633	47,581,865	56,917,649	64,588,767	76,580,698	78,224,084
Franchise fees	13,068,478	12,941,800	13,425,421	12,525,332	12,437,756	11,927,603	12,658,932	13,939,239	13,775,942	12,984,194
License taxes	647,812	1,436,321	1,087,048	922,389	1,574,018	1,372,152	1,423,594	1,526,424	815,852	1,829,173
Motor vehicle taxes	3,616,455	3,663,028	3,704,598	3,653,245	3,787,738	3,900,524	4,039,392	4,933,026	5,268,948	5,787,715
Investment income (loss)	1,005,443	417,669	778,964	3,255,225	3,487,316	352,534	(3,307,292)	2,053,154	8,071,367	8,940,433
Other revenue	2,095,470	2,728,628	3,125,423	3,335,497	7,351,467	4,123,873	4,277,593	2,051,293	4,363,708	4,426,599
Transfers	1,284,109	627,939	(2,603,322)	(948,296)	(1,008,634)	882,990	30,192	(1,970,243)	2,008,797	(3,042,028)
Total governmental activities	<u>93,472,622</u>	<u>96,196,017</u>	<u>96,939,508</u>	<u>103,531,741</u>	<u>112,574,282</u>	<u>110,246,615</u>	<u>119,889,802</u>	<u>133,159,558</u>	<u>161,707,067</u>	<u>162,347,587</u>
Business-type activities										
General revenues										
Investment income (loss)	449,089	42,972	114,217	1,900,811	2,235,481	204,272	(1,754,336)	1,005,033	4,608,039	7,375,023
Other revenue	51,100	373,592	-	-	-	956,494	-	-	-	14,583
Transfers	(1,284,109)	(627,939)	2,603,322	948,296	1,008,634	(882,990)	(30,192)	1,970,243	(2,008,797)	3,042,028
Total business-type activities	<u>(783,920)</u>	<u>(211,375)</u>	<u>2,717,539</u>	<u>2,849,107</u>	<u>3,244,115</u>	<u>277,776</u>	<u>(1,784,528)</u>	<u>2,975,276</u>	<u>2,599,242</u>	<u>10,431,634</u>
Total primary government	<u>92,688,702</u>	<u>95,984,642</u>	<u>99,657,047</u>	<u>106,380,848</u>	<u>115,818,397</u>	<u>110,524,391</u>	<u>118,105,274</u>	<u>136,134,834</u>	<u>164,306,309</u>	<u>172,779,221</u>
Change in Net Position										
Governmental activities	24,689,283	32,441,325	13,138,833	20,890,649	27,670,725	22,301,890	55,094,445	58,881,411	122,468,904	37,445,565
Business-type activities	14,372,605	21,701,392	19,940,542	17,217,562	14,918,719	13,353,227	16,507,620	23,468,602	37,330,446	33,105,908
Total city	<u>\$ 39,061,888</u>	<u>\$ 54,142,717</u>	<u>\$ 33,079,375</u>	<u>\$ 38,108,211</u>	<u>\$ 42,589,444</u>	<u>\$ 35,655,117</u>	<u>\$ 71,602,065</u>	<u>\$ 82,350,013</u>	<u>\$159,799,350</u>	<u>\$ 70,551,473</u>

**City of Lee's Summit, Missouri**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Nonspendable	\$ 4,837,886	\$ 5,167,826	\$ 2,082,174	\$ 2,276,442	\$ 1,258,816	\$ 2,918,562	\$ 2,810,257	\$ 334,816	\$ -	\$ 694,996
Restricted	-	-	-	-	15,208	922,451	306,232	16,163	6,301	2,194
Committed	-	-	-	-	-	-	-	-	-	5,422,807
Unassigned	<u>20,601,442</u>	<u>21,591,323</u>	<u>26,299,152</u>	<u>30,549,334</u>	<u>29,961,111</u>	<u>30,190,610</u>	<u>45,168,109</u>	<u>44,538,976</u>	<u>49,172,957</u>	<u>33,062,431</u>
<b>Total general fund</b>	<b><u>\$ 25,439,328</u></b>	<b><u>\$ 26,759,149</u></b>	<b><u>\$ 28,381,326</u></b>	<b><u>\$ 32,825,776</u></b>	<b><u>\$ 31,235,135</u></b>	<b><u>\$ 34,031,623</u></b>	<b><u>\$ 48,284,598</u></b>	<b><u>\$ 44,889,955</u></b>	<b><u>\$ 49,179,258</u></b>	<b><u>\$ 39,182,428</u></b>
All other governmental funds										
Nonspendable										
Special revenue funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,748	\$ -
Capital project funds	-	-	-	5,152,285	-	-	-	-	1,227,984	14,687,665
Restricted/committed/										
Assigned										
Debt service	8,172,352	9,636,552	8,309,464	8,077,926	10,882,467	13,293,335	12,601,142	15,368,943	15,925,229	11,821,743
Special revenue funds	10,849,941	11,773,451	12,433,803	12,475,511	12,695,692	13,263,487	14,122,771	17,282,760	18,756,073	16,268,259
Capital project funds	54,011,582	45,008,726	71,500,583	54,443,139	65,309,516	70,160,872	71,856,861	80,815,630	106,911,347	58,654,385
Unassigned										
Special revenue funds	(6,468)	(114,872)	(153,170)	(54,473)	(75,597)	(103,292)	(89,401)	(41,036)	(50,138)	(41,035)
Capital project funds	<u>(9,747,785)</u>	<u>(10,110,614)</u>	<u>(9,003,580)</u>	<u>(13,447,841)</u>	<u>(16,357,668)</u>	<u>(9,664,663)</u>	<u>(6,345,973)</u>	<u>(5,375,337)</u>	<u>(3,943,531)</u>	<u>(16,645,564)</u>
<b>Total all other governmental funds</b>	<b><u>\$ 63,279,622</u></b>	<b><u>\$ 56,193,243</u></b>	<b><u>\$ 83,087,100</u></b>	<b><u>\$ 66,646,547</u></b>	<b><u>\$ 72,454,410</u></b>	<b><u>\$ 86,949,739</u></b>	<b><u>\$ 92,145,400</u></b>	<b><u>\$ 108,050,960</u></b>	<b><u>\$ 138,937,712</u></b>	<b><u>\$ 84,745,453</u></b>

**City of Lee's Summit, Missouri**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
Taxes										
Property	\$ 34,946,488	\$ 36,720,460	\$ 37,830,276	\$ 39,946,807	\$ 42,461,339	\$ 42,880,166	\$ 43,769,882	\$ 45,843,570	\$ 50,505,570	\$ 52,294,543
Sales	35,786,096	36,867,671	38,493,358	40,115,398	39,994,209	46,532,509	55,911,917	63,657,402	76,199,866	78,224,084
Franchise	13,068,478	12,941,800	13,425,421	12,525,332	12,437,756	11,927,603	12,658,932	13,939,239	13,775,942	12,984,194
License	650,360	1,441,417	1,087,048	891,393	1,581,768	1,379,901	1,431,343	923,311	815,852	1,829,173
Transient	440,886	443,399	533,037	570,499	440,202	427,983	615,918	642,456	669,363	681,960
Motor vehicle	3,616,455	3,663,028	3,704,598	3,653,245	3,787,738	3,900,524	4,039,392	4,933,026	5,268,948	5,787,715
Other tax	349,634	351,426	343,490	307,207	428,222	621,373	389,814	288,909	252,659	234,181
Fines and forfeitures	1,584,692	1,380,397	1,279,938	1,260,119	864,528	853,565	955,799	1,132,057	1,386,763	1,470,313
Licenses and permits	2,546,789	2,691,658	2,762,581	2,605,209	3,652,593	4,044,547	4,213,867	3,285,490	4,027,118	4,349,025
Intergovernmental	5,318,300	7,329,575	2,094,361	2,139,338	2,513,520	8,332,748	3,175,474	4,491,469	13,407,580	17,726,940
Charges for services	7,618,039	9,315,916	10,764,152	12,776,167	11,988,371	12,210,024	13,840,573	15,010,774	14,937,518	10,004,732
Interest	886,902	374,176	710,234	2,893,944	3,140,342	313,810	(3,087,512)	1,937,326	7,097,225	7,135,895
Other	2,354,766	2,463,264	2,905,917	5,319,340	4,074,882	3,621,393	3,953,543	1,695,579	1,753,560	591,629
<b>Total Revenues</b>	<b>109,167,885</b>	<b>115,984,187</b>	<b>115,934,411</b>	<b>125,003,998</b>	<b>127,365,470</b>	<b>137,046,146</b>	<b>141,868,942</b>	<b>157,780,608</b>	<b>190,097,964</b>	<b>193,314,384</b>
<b>Expenditures</b>										
Current										
General government	12,672,598	15,262,654	16,170,372	17,843,986	21,112,251	20,330,317	16,933,080	22,430,156	22,996,991	29,593,521
Public safety	34,588,767	37,477,223	38,387,142	39,843,145	42,898,157	40,837,726	43,938,267	50,221,294	54,726,331	61,365,719
Public works and streets	9,352,070	10,192,055	10,178,521	10,434,096	11,387,972	10,700,748	11,302,014	10,161,826	10,968,837	12,020,547
Community development	3,212,299	3,479,519	3,912,862	3,833,363	4,185,427	4,285,628	4,296,158	4,314,484	4,791,693	5,045,386
Parks and recreation	6,027,253	6,589,288	6,417,411	7,120,852	6,910,959	7,541,314	7,250,390	8,806,996	9,681,367	4,797,789
Debt service										
Principal retirements	10,357,000	11,321,500	11,448,656	10,127,000	9,506,000	10,560,000	12,177,730	11,398,934	11,931,137	15,999,605
Interest and fiscal charges	3,005,042	2,997,278	4,319,403	3,267,380	3,003,144	2,821,132	2,485,275	2,148,415	2,229,949	3,044,146
Capital outlay										
General government	12,164,120	15,060,543	7,127,032	11,248,464	2,002,628	1,518,576	26,607,554	33,158,153	66,837,931	128,526,102
Public works and streets	22,196,327	19,010,345	10,150,347	8,670,423	23,013,284	18,475,395	-	-	-	-
Public safety	322,249	-	4,746,075	3,969,268	2,704,735	1,682,172	-	-	-	-
Parks and recreation	1,117,965	488,888	4,602,811	6,859,542	7,922,432	6,597,730	-	-	-	-
<b>Total Expenditures</b>	<b>115,015,690</b>	<b>121,879,293</b>	<b>117,460,632</b>	<b>123,217,519</b>	<b>134,646,989</b>	<b>125,350,738</b>	<b>124,990,468</b>	<b>142,640,258</b>	<b>184,164,236</b>	<b>260,392,815</b>

**City of Lee's Summit, Missouri**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Deficiency of Revenues</b>										
<b>Over Expenditures</b>	\$ (5,847,805)	\$ (5,895,106)	\$ (1,526,221)	\$ 1,786,479	\$ (7,281,519)	\$ 11,695,408	\$ 16,878,474	\$ 12,598,500	\$ 5,933,728	\$ (67,078,431)
<b>Other Financing Sources (Uses)</b>										
Proceeds from bonds	14,075,000	-	48,025,000	3,658,000	9,055,000	5,000,000	15,000,000	5,420,000	24,685,000	-
Issuance of promissory note	-	-	-	-	-	-	-	-	-	5,188,325
Proceeds from sale of assets	-	-	-	-	3,108,027	167,000	32,038	-	2,795,485	-
Premium on issuance of bonds	551,757	-	803,598	-	-	-	-	-	2,266,639	-
Discount on issuance of bonds	-	-	(265,375)	-	-	-	-	-	-	-
Payment to escrow for refunding	-	-	(14,227,844)	-	-	-	(14,805,000)	-	-	-
Issuance of leases (as lessee)	-	-	-	-	-	-	-	554,010	-	-
Issuance of subscription liabilities	-	-	-	-	-	-	-	-	786,848	4,843,739
Transfers in	4,941,508	1,527,606	5,492,557	6,068,122	9,335,791	8,341,207	8,437,152	9,151,041	33,506,712	41,879,680
Transfers out	(3,971,802)	(1,399,058)	(9,785,681)	(8,231,882)	(10,000,077)	(7,911,798)	(6,094,028)	(17,754,484)	(34,798,357)	(48,495,355)
<b>Total Other Financing</b>										
<b>Sources (Uses)</b>	<u>15,596,463</u>	<u>128,548</u>	<u>30,042,255</u>	<u>1,494,240</u>	<u>11,498,741</u>	<u>5,596,409</u>	<u>2,570,162</u>	<u>(2,629,433)</u>	<u>29,242,327</u>	<u>3,416,389</u>
<b>Net change in fund balances</b>	<u>\$ 9,748,658</u>	<u>\$ (5,766,558)</u>	<u>\$ 28,516,034</u>	<u>\$ 3,280,719</u>	<u>\$ 4,217,222</u>	<u>\$ 17,291,817</u>	<u>\$ 19,448,636</u>	<u>\$ 9,969,067</u>	<u>\$ 35,176,055</u>	<u>\$ (63,662,042)</u>
Debt service as a percentage of noncapital expenditures	15.00%	14.80%	15.87%	13.10%	11.46%	12.36%	13.76%	10.99%	11.00%	14.98%

**City of Lee's Summit, Missouri**  
**Program Revenues by Function/Program**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Function/Program</b>										
Governmental activities										
Public works	\$ 13,732,317	\$ 25,378,103	\$ 6,796,658	\$ 7,529,023	\$ 10,469,022	\$ 5,840,714	\$ 62,734,974	\$ 22,161,133	\$ 72,963,274	\$ 24,934,712
Public safety	6,565,119	8,229,622	9,201,215	10,784,119	10,788,662	10,885,150	12,457,078	13,493,992	13,150,272	13,583,552
Parks and recreation	3,249,143	3,057,449	3,019,147	3,474,852	2,801,221	2,632,045	5,435,108	4,062,346	4,305,864	59,161
Planning and development	177,298	198,508	183,522	172,213	151,532	184,396	298,232	172,202	193,482	204,474
General government	2,661,583	2,586,534	2,642,263	2,819,450	3,980,081	10,182,424	3,609,714	4,466,186	5,245,726	8,178,230
Subtotal governmental activities	26,385,460	39,450,216	21,842,805	24,779,657	28,190,518	29,724,729	84,535,106	44,355,859	95,858,618	46,960,129
Business-type activities										
Waterworks and sewerage system	38,757,768	40,608,722	42,666,420	42,457,608	44,211,577	45,604,428	49,857,708	57,574,268	71,952,964	61,675,671
Sanitary landfill	3,289,579	716,764	550,830	37,875	50,831	84,950	-	2,854	-	-
Airport	6,750,694	11,880,071	7,064,374	5,941,411	2,366,956	3,058,267	3,165,445	3,881,289	4,069,824	3,863,510
Recreation center	1,232,906	1,287,043	1,320,902	1,314,966	1,097,990	1,123,098	1,430,000	1,472,117	1,605,322	6,196,045
Stormwater Utility	-	-	-	-	-	-	-	-	5,775	-
Subtotal business-type activities	50,030,947	54,492,600	51,602,526	49,751,860	47,727,354	49,870,743	54,453,153	62,930,528	77,633,885	71,735,226
Total primary government	\$ 76,416,407	\$ 93,942,816	\$ 73,445,331	\$ 74,531,517	\$ 75,917,872	\$ 79,595,472	\$ 138,988,259	\$ 107,286,387	\$ 173,492,503	\$ 118,695,355

**City of Lee's Summit, Missouri**  
**All Governmental Funds Revenues by Source**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales and Use Taxes</u>	<u>Motor Vehicle Taxes</u>	<u>Franchise Fees</u>	<u>Other Taxes</u>	<u>Licenses, Permits, Fines and Forfeitures</u>	<u>Revenues From Use of Money and Property</u>	<u>Other Revenue</u>	<u>Total Revenues</u>
2016	\$ 34,946,488	\$ 35,786,096	\$ 3,616,455	\$ 13,068,478	\$ 1,440,880	\$ 4,131,481	\$ 886,902	\$ 15,291,105	\$ 109,167,885
2017	36,720,460	36,867,671	3,663,028	12,941,800	2,236,242	4,072,055	374,176	19,108,755	115,984,187
2018	37,830,276	38,493,358	3,704,598	13,425,421	1,963,575	4,042,519	710,234	15,764,430	115,934,411
2019	39,946,807	40,115,398	3,653,245	12,525,332	1,769,099	3,865,328	2,893,944	17,218,042	121,987,195
2020	42,461,339	39,994,209	3,787,738	12,437,756	2,450,192	4,517,121	3,140,342	18,576,773	127,365,470
2021	42,880,166	46,532,509	3,900,524	11,927,603	2,429,257	4,898,112	313,810	24,164,165	137,046,146
2022	43,769,882	55,911,917	4,039,392	12,658,932	2,437,075	5,169,666	(3,087,512)	20,969,590	141,868,942
2023	45,843,570	63,657,402	4,933,026	13,939,239	1,854,676	4,417,547	1,919,445	21,215,703	157,780,608
2024	50,505,570	76,199,866	5,268,948	13,775,942	1,737,874	5,413,881	7,097,225	30,098,658	190,097,964
2025	52,294,543	78,224,084	5,787,715	12,984,194	2,745,314	5,819,338	7,135,895	28,323,301	193,314,384

**Note:**

As set out in Section 32.057 of the Missouri Revised State Statutes, it is a violation to make known in any manner the tax returns or departmental records derived from the Missouri Department of Revenue, including sales taxes, franchise fees, and other tax sources. Due to the confidentiality of earnings information, the above alternative information is provided to assist the users in understanding these revenue sources, including sales taxes, the City's largest own-source revenue.

**City of Lee's Summit, Missouri**  
**Sales Tax Revenue**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City Sales Tax Revenue										
General Fund	\$ 15,116,747	\$ 15,582,207	\$ 16,402,093	\$ 17,328,879	\$ 17,344,063	\$ 20,160,221	\$ 24,255,663	\$ 25,214,642	\$ 27,106,417	\$ 28,188,948
Road & Bridge Improvement Fund										
(Transportation)	7,121,477	7,391,179	7,848,034	7,869,314	8,110,897	9,611,124	11,535,714	12,108,475	12,858,364	13,227,535
Capital Improvements Sales Tax Fund	7,557,410	7,790,055	8,199,738	8,657,073	8,648,544	10,074,191	12,122,313	12,718,607	13,407,969	13,824,875
Debt Service (Local Parks)	3,560,042	3,694,833	3,923,403	3,939,055	4,053,856	4,809,318	5,765,121	6,050,736	6,425,967	6,610,559
Public Safety Tax Tax Fund	-	-	-	-	-	-	-	5,349,510	13,182,209	13,589,207
TDD & CID Funds (consolidated)	2,430,420	2,409,397	2,120,090	2,321,074	1,836,849	1,877,655	2,233,106	2,215,432	3,218,940	2,782,960
<b>Total</b>	<b><u>\$ 35,786,096</u></b>	<b><u>\$ 36,867,671</u></b>	<b><u>\$ 38,493,358</u></b>	<b><u>\$ 40,115,395</u></b>	<b><u>\$ 39,994,209</u></b>	<b><u>\$ 46,532,509</u></b>	<b><u>\$ 55,911,917</u></b>	<b><u>\$ 63,657,402</u></b>	<b><u>\$ 76,199,866</u></b>	<b><u>\$ 78,224,084</u></b>

**City of Lee's Summit, Missouri**  
**Total City Taxable Sales by Category**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year						
	2019	2020	2021	2022	2023	2024	2025
Sales by Retail Category							
Clothing Department							
Store/Jewelry	\$ 265,618	\$ 269,811	\$ 300,862	\$ 342,903	\$ 350,262	\$ 364,858	\$ 343,032
Grocery Stores	212,535	228,805	235,065	251,767	271,378	270,857	287,877
Home Centers/Home Repair	146,386	154,472	173,881	185,746	193,880	187,157	183,191
Full Service Restaurants	109,599	91,045	99,226	152,832	153,420	171,092	159,959
Limited Service Restaurants	107,767	115,611	119,318	97,044	103,871	122,166	107,212
Utilities/Telecom/Cable	73,640	91,197	173,546	193,095	197,654	175,734	182,573
Other Retail General Merchandise	92,054	73,000	91,545	89,620	98,761	104,243	97,098
Gas Stations with Convenience							
Stores	40,135	43,411	48,298	46,918	53,508	59,119	56,873
New/Used Car Dealers	22,337	22,967	23,093	31,654	34,359	32,193	31,568
All Other Outlets	708,532	670,715	643,171	674,139	744,739	788,165	851,170
Total	\$ 1,778,603	\$ 1,761,034	\$ 1,908,005	\$ 2,065,718	\$ 2,201,832	\$ 2,275,584	\$ 2,300,553

**Note:** Amounts are in thousands of dollars

**Source:** Missouri Department of Revenue

Ten years of data is not available, but will be accumulated over time.

**City of Lee's Summit, Missouri**  
**Sales Tax Rates**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Sales Tax Rate City of Lee's Summit										
General Fund	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%
Capital Projects	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%
Transportation	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%
Public Safety Sales Tax	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.500%	0.500%	0.500%
Local Parks	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%
<b>Total Direct Sales Tax Rate City of Lee's Summit</b>	<b>2.250%</b>	<b>2.750%</b>	<b>2.750%</b>	<b>2.750%</b>						
Transportation Development District/ Community Improvement District	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%
<b>Total Direct Sales Tax Rate</b>	<b>3.250%</b>	<b>3.750%</b>	<b>3.750%</b>	<b>3.750%</b>						
Direct Use Tax Rate City of Lee's Summit										
General Fund	-%	-%	-%	-%	-%	1.000%	1.000%	1.000%	1.000%	1.000%
Capital Projects	-%	-%	-%	-%	-%	0.500%	0.500%	0.500%	0.500%	0.500%
Transportation	-%	-%	-%	-%	-%	0.500%	0.500%	0.500%	0.500%	0.500%
Public Safety Sales Tax	-%	-%	-%	-%	-%	-	-	0.500%	0.500%	0.500%
Local Parks	-%	-%	-%	-%	-%	0.250%	0.250%	0.250%	0.250%	0.250%
Direct Use Tax Rate City of Lee's Summit	-%	-%	-%	-%	-%	2.250%	2.250%	2.750%	2.750%	2.750%
Transportation Development District/ Community Improvement District	-%	-%	-%	-%	-%	1.000%	1.000%	1.000%	1.000%	1.000%
<b>Total Indirect Use Tax Rate</b>	<b>-%</b>	<b>-%</b>	<b>-%</b>	<b>-%</b>	<b>-%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.750%</b>	<b>3.750%</b>	<b>3.750%</b>
Total Local Option Sales Tax Rates										
State of Missouri	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%
Mo. State Conservation	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%
Mo. State Parks and Soils	0.100%	0.100%	0.100%	0.100%	0.100%	0.100%	0.100%	0.100%	0.100%	0.100%
Jackson County	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%
Jackson County-Community Children's Services	-	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.250%	0.250%	0.250%
Kansas City Zoo	0.000%	0.000%	0.000%	0.000%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%
City of Lee's Summit	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.750%	2.750%	2.750%
Transportation Development District/ Community Improvement District	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%
<b>Total Direct and Overlapping Sales Tax Rate</b>	<b>8.600%</b>	<b>8.725%</b>	<b>8.725%</b>	<b>8.725%</b>	<b>8.850%</b>	<b>8.850%</b>	<b>8.850%</b>	<b>9.475%</b>	<b>9.475%</b>	<b>9.475%</b>

**Note:** The 1% rate shown for Transportation Development Districts and Community Improvement Districts applies to most but not all sales or use tax collections. In some cases, those special taxing districts can overlap resulting in rates 1% above the sales or use tax rates shown herein.

**Note:** The City began collecting Use Tax in October 2020 and Public Safety Sales Taxes in January 2023

**Source:** Missouri Department of Revenue

**City of Lee's Summit, Missouri**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year	Real Property				Other Property		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Market Value	Assessed Value As A Percentage of Actual Value
	Residential Property	Agricultural Property	Commercial Property	Total	Personal Property	Railroads and Utilities				
2016	\$ 1,201,757,935	\$ 1,310,788	\$ 245,083,004	\$ 1,448,151,727	\$ 299,295,035	\$ 44,890,274	\$ 1,792,337,036	1.5363	\$ 8,149,086,142	21.99%
2017	1,220,068,318	1,223,048	254,082,649	1,475,374,015	328,954,444	46,341,994	1,850,670,453	1.5398	8,367,262,925	22.12%
2018	1,299,320,319	1,408,220	282,055,171	1,582,783,710	336,349,873	44,137,496	1,963,271,079	1.5154	9,164,875,610	21.42%
2019	1,333,377,533	1,292,357	295,256,200	1,629,926,090	355,630,630	47,148,477	2,032,705,197	1.5154	9,176,229,323	22.15%
2020	1,525,207,510	1,174,683	360,545,824	1,886,928,017	379,089,233	34,986,056	2,301,003,306	1.3936	10,714,526,563	21.48%
2021	1,539,991,855	1,272,007	360,817,704	1,902,081,566	384,502,001	37,143,845	2,323,727,412	1.4563	11,457,273,878	20.28%
2022	1,679,826,721	1,250,535	381,082,884	2,062,160,140	427,406,419	38,103,478	2,527,670,037	1.4199	12,069,143,330	20.94%
2023	1,728,695,995	1,267,249	392,787,433	2,122,750,677	528,244,003	42,058,747	2,693,053,427	1.4199	12,068,594,098	22.31%
2024	2,257,270,436	1,461,087	504,817,319	2,763,548,842	494,707,213	44,347,260	3,302,603,315	1.2794	15,107,798,517	21.86%
2025	2,250,851,243	1,329,547	523,139,496	2,775,320,286	496,761,762	44,534,140	3,316,616,188	1.2877	15,136,983,833	21.91%

**Source:** Jackson County and Cass County

**Note:** The Cass County Assessor's Office does not break out the real property into residential, agricultural and commercial. Thus all real property associated with Cass County is shown as residential.

**Note:** Assessed value is set at 19% for residential property; 12% for agricultural property; and 32% for commercial property of the estimated market value.

**Note:** Assessed value does not include Abatement and/or TIF (Tax Increment Financing) values.

**City of Lee's Summit, Missouri  
Principal Property Taxpayers  
Current Year and Nine Years Ago**

	2025			2016		
	Taxable Assessed Value	Rank	% of Total City Net Assessed Value	Taxable Assessed Value	Rank	% of Total City Net Assessed Value
Evergy West	\$ 44,595,316	1	1.34%	37,612,553	1	2.10%
Cerner Corporation	32,096,430	2	0.97%			0.00%
Rainier Summit Woods Acquisitions	19,230,016	3	0.58%			
Google Fiber Missouri	14,015,244	4	0.42%	4,090,907	9	0.41%
John Knox Village	10,393,817	5	0.31%	7,427,733	4	
Wal-Mart	10,213,620	6	0.31%	5,860,936	5	
CF Summit Ridge Multi Family District (formerly JVM Summit Ridge Apartments)	9,690,000	7	0.29%			0.00%
Southern Union Gas dba MO Gas Energy	9,651,057	8	0.29%	4,541,819	7	
Summit DC Real Estate Holdings LLC	9,034,400	9	0.27%			
Polytainers Inc	8,169,562	10	0.25%			0.00%
Summit Wood SPE LLC				14,087,468	2	
T Mobile Central LLC (formerly Sprint)				8,005,119	3	0.45%
MREI III Summit Ridge LLC				5,335,430	6	0.30%
Toys R Us				4,243,099	8	0.24%
Target				3,368,288	10	0.19%
Total	<u>\$ 167,089,462</u>		<u>5.03%</u>	<u>\$ 94,573,352</u>		<u>3.69%</u>

**Source:** Jackson County Tax Department

**Note:** Providing most recent data available

**City of Lee's Summit, Missouri**  
**Direct and Overlapping Property Tax Rates**  
**(Rate per \$100 Of Assessed Value)**  
**Last Ten Fiscal Years**

Fiscal Year	City of Lee's Summit				Overlapping Rates (See Notes)				Total Direct and Overlapping Tax Rate
	General Fund	Park Board	Debt Service	Total Direct	Lee's Summit R-7 School District	Jackson County	State	Other	
2016	0.9063	0.1603	0.4697	1.5363	5.9813	0.4956	0.0300	0.7425	8.7857
2017	0.9093	0.1608	0.4697	1.5398	5.9957	0.5025	0.0300	0.7431	8.8111
2018	0.8886	0.1571	0.4697	1.5154	5.8777	0.4849	0.0300	0.8133	8.7213
2019	0.8886	0.1571	0.4697	1.5154	5.8811	0.7013	0.0300	0.8159	8.9437
2020	0.7851	0.1388	0.4697	1.3936	5.3280	0.6110	0.0300	0.7308	8.0934
2021	0.8384	0.1482	0.4697	1.4563	5.4705	0.6110	0.0300	0.7529	8.3207
2022	0.9119	0.1383	0.3697	1.4199	5.4837	0.5824	0.0300	0.7236	8.2396
2023	0.9119	0.1383	0.3697	1.4199	5.3089	0.5920	0.0300	0.7217	8.0725
2024	0.7899	0.1198	0.3697	1.2794	4.7112	0.5116	0.0300	0.6360	7.1682
2025	0.7971	0.1209	0.3697	1.2877	4.7309	0.5056	0.0300	0.6664	7.2206

**Note (A):** Five other school districts are in the City of Lee's Summit. Tax rates in these districts are:

Blue Springs	5.1685
Independence	5.2371
Hickman Mills	5.9254
Grandview	5.7563
Raymore-Peculiar	5.0302

**Note (B):** Cass County is located in the southern portion of the City (approximately 2 square miles). The Cass County tax rate is \$0.2033 in FY 2025.

**Note (C):** Other breakdown for current year:

Junior College	0.1806
Mental Health	0.0974
Handicap Workshop	0.0732
Library	<u>0.3152</u>
	<u>0.6664</u>

**Note (D):** Commercial real property is also assessed in an additional "replacement tax" of \$1.437 per \$100 assessed value.

**City of Lee's Summit, Missouri  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 26,744,543	\$ 25,996,349	97.2%	\$ 674,031	\$ 26,669,694	99.70%
2017	27,771,086	27,099,938	97.6%	588,186	27,688,124	99.70%
2018	29,004,228	28,190,476	97.2%	726,481	28,916,306	99.70%
2019	30,194,612	29,461,669	97.6%	643,223	30,098,986	99.70%
2020	32,217,465	30,022,692	93.2%	2,015,670	31,999,246	99.30%
2021	33,321,058	32,668,289	98.0%	598,357	33,204,877	99.80%
2022	35,899,847	35,195,688	98.0%	916,224	35,195,688	98.00%
2023	37,549,117	36,662,249	97.6%	752,599	36,662,249	99.60%
2024	40,966,101	40,047,210	97.8%	639,611	40,686,820	99.30%
2025	41,786,651	40,711,230	97.4%		40,711,230	97.40%

**Source:** Jackson and Cass County

**Note:** Collections may exceed the levy due to adjustments made by the county subsequent to the initial levy.

**City of Lee's Summit, Missouri**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					Business-Type Activities		Total Primary Government	Population	Per Capita
	General Obligation Bonds	Note Payable	Lease Financing Debt	SBITA Financing Debt	TIF Bonds	Note Payable	Revenue Bonds			
2016	\$ 52,160,284	\$ -	\$ 4,913,000	\$ -	\$ 16,615,529	\$ -	\$ 4,568,741	\$ 78,257,554	95,430	\$ 820
2017	45,033,231	-	2,511,500	-	14,299,105	-	3,607,993	65,451,829	95,973	682
2018	53,372,025	-	-	-	31,251,459	-	2,622,245	87,245,729	97,135	898
2019	48,053,925	-	-	-	29,569,774	-	1,606,497	79,230,196	98,469	805
2020	49,589,963	-	-	-	27,083,461	-	575,750	77,249,174	99,618	775
2021	45,244,067	-	-	-	25,392,148	-	-	70,636,215	101,108	699
2022	34,909,371	-	155,162	-	23,410,835	-	-	58,475,368	104,638	559
2023	30,479,863	-	866,673	221,435	21,458,322	-	-	53,026,293	105,977	500
2024	47,415,071	-	555,722	784,523	19,415,809	-	-	68,171,125	106,031	643
2025	32,705,000	5,188,325	561,594	5,209,998	16,150,000	143,719	-	59,958,636	106,296	564

**City of Lee's Summit, Missouri**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Net General Bonded Debt Outstanding</b>	<b>Percentage of Actual Taxable Value a of Property</b>	<b>Per Capita b</b>
2016	\$ 52,160,284	\$ 6,442,226	\$ 45,718,058	2.55%	\$ 479
2017	45,033,231	6,911,888	38,121,343	2.06%	397
2018	53,372,025	8,083,046	45,288,979	2.23%	466
2019	48,053,925	7,691,454	40,362,471	1.99%	410
2020	49,589,963	10,362,742	39,227,221	1.65%	394
2021	45,244,067	11,355,165	33,888,902	1.34%	335
2022	34,909,371	9,825,120	25,084,251	0.93%	240
2023	30,479,863	9,617,055	20,862,808	0.63%	197
2024	47,415,071	10,521,615	36,893,456	1.03%	322
2025	32,705,000	9,532,818	23,172,182	0.70%	218

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**a** Taxable Assessed Values provided by Cass and Jackson County Assessors' Offices.

**b** Population figures provided by Lee's Summit Planning and Development Department.

**City of Lee's Summit, Missouri**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2025**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Lee's Summit R-7 School District	\$ 229,490,020	82.88%	\$ 190,201,328
Blue Springs R-4 School District	315,572,536	20.17%	63,650,980
Raymore-Peculiar School District	82,339,938	8.00%	6,587,195
Grandview School District	37,195,122	0.41%	152,500
Hickman Mills School District	65,292,844	0.12%	<u>78,351</u>
Subtotal, overlapping debt			260,670,354
City Direct Debt			<u>54,626,592</u>
Total direct and overlapping debt			<u><u>\$ 315,296,946</u></u>

**Note:** (1) 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 value that is within the City's boundaries and dividing it by each unit's total taxable value.

**City of Lee's Summit, Missouri  
 Legal Debt Margin Information  
 Last Ten Fiscal Years**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Legal debt limit (1)	\$ 358,467,408	\$ 361,635,661	\$ 384,675,374	\$ 398,196,908	\$ 467,616,828	\$ 456,120,575	\$ 496,792,720	\$ 529,039,831	\$ 652,892,697	\$ 663,323,238
Total net debt applicable to limit	45,840,774	53,301,112	45,634,954	44,594,440	47,446,441	37,544,834	29,164,880	20,002,945	195,473,384	184,487,182
Legal debt margin	<u>\$ 312,626,634</u>	<u>\$ 308,334,549</u>	<u>\$ 339,040,420</u>	<u>\$ 353,602,468</u>	<u>\$ 420,170,387</u>	<u>\$ 418,575,741</u>	<u>\$ 467,627,840</u>	<u>\$ 509,036,886</u>	<u>\$ 457,419,313</u>	<u>\$ 478,836,056</u>
Total net debt applicable to the limit as a percentage of debt limit	12.79	14.74	11.86	11.20	0.10	0.08	0.06	0.04	0.30	0.28

**Note:** (1) Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. State statutes also provide that the City may become indebted not exceeding the aggregate an additional 10% for the purpose of acquiring rights of way, construction, extending and improving streets and avenues and/or sanitary or storm systems and purchasing or constructing waterworks, electric or other light plants, provide that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuations.

**City of Lee's Summit, Missouri  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

Year	Population	Median Household Income (1)	Per Capita Personal Income (1)	Median Age (1)	Education Level			School Enrollment	Unemployment Rate
					High School Graduate Percentage (1)	Some College or Associate's Degree or Higher Percentage (1)	Bachelor's Degree or Higher Percentage (1)		
2016	95,430							17,747	3.50%
2017	95,973							17,927	2.80%
2018	97,135							18,157	2.70%
2019	98,469							17,937	2.50%
2020	99,618							17,805	2.46%
2021	101,108	\$ 89,969	\$ 45,542	38.3	18.4%	30.4%	48.0%	17,805	5.20%
2022	104,638	98,960	44,947	38.4	18.2%	30.9%	48.5%	17,901	2.60%
2023	105,977	98,960	44,947	38.8	22.0%	25.9%	48.7%	17,810	2.40%
2024	106,031	103,447	47,879	36.8	18.7%	32.9%	48.7%	17,887	3.40%
2025	106,296	102,857	49,010	40.4	17.9%	29.2%	49.2%	17,925	3.80%

**Source:** U.S. Census Bureau, U.S. Bureau of Labor Statistics, City of Lee's Summit Planning Department and Lee's Summit R-7 School District

**(1)** City specific Data for off census year is not readily available

**b** Personal income has been estimated based upon the municipal population and per capita personal income presented

**City of Lee's Summit, Missouri  
Principal Employers  
Current Year and Nine Years Ago**

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lee's Summit R-7 School	2,803	1	5.25%	2,420	2	4.78%
Homeland Security - USCIS	2,200	2	4.12%			
Saint Luke's Health Systems	1,900	3	3.56%	2,015	3	3.98%
University Health Lakewood Medical Center	1,000	4	1.87%			
Walmart	742	5	1.28%			
City of Lee's Summit	686	6	1.09%	1,380	5	2.73%
John Knox Village	582	7	0.89%	3,673	1	7.26%
Hyvee	478	8	0.72%			
Lee's Summit Medical Center	384	9	0.72%	413	9	0.82%
IPL USA	280	10	0.52%			
University of Central Missouri				2,000	4	3.95%
Unity Village				528	6	1.04%
CVS Caremark Inc				450	7	0.89%
Missouri Highway Patrol				425	8	0.84%
Metropolitan Community College-Longview				400	10	0.79%
	<u>11,055</u>		<u>20.02%</u>	<u>13,704</u>		<u>27.08%</u>

**Source:** Lee's Summit Economic Development Council: *Workforce, Major Employers*

**City of Lee's Summit, Missouri**  
**Full-time Equivalent City Employees by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
General fund										
Administration	27.39	26.99	27.98	30.29	30.43	29.75	28.75	30.13	34.13	38.24
Public Works-Engineering	33.80	41.10	42.25	42.25	42.00	42.00	46.00	46.00	48.00	50.00
Police	202.00	202.00	205.50	206.50	207.50	207.50	212.50	224.50	236.50	249.00
Fire	144.00	153.00	154.00	154.00	155.00	155.00	164.67	192.00	193.25	197.75
Finance	22.00	22.00	22.00	22.00	22.00	22.00	23.00	25.00	26.00	26.00
Planning and development	9.70	4.01	4.00	4.00	4.00	-	-	-	-	-
Court	11.29	11.87	11.38	11.96	10.90	10.90	10.90	11.15	12.15	12.15
Law	10.25	10.50	10.51	10.50	10.88	10.88	11.63	12.63	13.63	13.63
Public Works-Operations	38.00	34.20	33.80	33.80	33.80	33.75	33.75	35.12	39.12	41.12
Development Center	27.68	33.86	36.68	36.68	37.42	40.40	42.40	44.40	44.40	44.40
Parks and recreation										
Community center	37.32	36.99	37.18	37.95	39.00	36.93	29.71	32.92	33.86	33.86
Parks and recreation	26.06	26.23	26.30	25.83	25.93	23.14	24.20	24.24	26.56	26.56
Pool	14.96	14.47	14.61	13.60	13.92	16.66	16.54	17.88	19.53	19.53
Cemetery	1.00	1.00	1.00	1.00	0.90	0.80	0.75	0.75	0.75	0.75
Harris Park Recreation Center	24.23	24.34	25.07	24.31	24.35	18.32	22.73	23.60	23.80	23.80
Gamber Community Center	7.95	7.86	7.38	6.76	6.40	5.39	5.05	6.47	5.52	5.52
Longview Community Center	-	-	-	-	28.79	20.98	17.22	18.51	19.57	19.57
Airport	6.26	7.46	9.16	8.46	9.30	9.30	10.40	11.60	12.10	12.60
Water utilities	60.50	60.50	62.50	62.46	66.92	66.92	68.92	70.92	72.92	76.92
Solid waste	14.80	1.00	1.00	1.60	1.60	1.00	1.00	1.00	1.00	-
Central building services	10.62	10.62	8.62	8.12	8.12	6.10	6.10	7.10	7.10	8.10
Fleet	9.12	9.12	9.12	9.12	10.12	10.00	10.00	10.00	10.00	11.00
Information technology services	24.71	27.76	28.06	28.13	27.99	28.02	30.02	30.30	33.80	34.65
<b>Total</b>	<b>763.64</b>	<b>766.88</b>	<b>778.10</b>	<b>779.32</b>	<b>817.27</b>	<b>795.74</b>	<b>816.24</b>	<b>876.22</b>	<b>913.69</b>	<b>945.15</b>

**Source:** City of Lee's Summit Finance Department

**City of Lee's Summit, Missouri  
Operating Indicators by Function  
Last Ten Fiscal Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Building Permits Issued (1)</b>										
Residential/single family	310	324	391	339	428	638	267	137	251	300
Residential/multi family	7	27	52	18	15	26	37	25	39	67
Commercial/industrial	16	32	20	20	16	15	39	29	15	28
Additions	1,548	1,572	2,047	2,282	2,348	16	8	4	5	6
<b>Police protection (2)</b>										
Homicide	0.01	0.03	0.01	0.02	0.02	0.02	0.02	0.18	0.00	0.03
Rape	0.17	0.22	0.31	0.24	0.24	0.24	0.21	0.27	0.28	0.23
Robbery	0.19	0.37	0.38	0.25	0.25	0.25	0.14	0.15	0.21	0.08
Aggravated Assault	0.71	0.48	0.21	0.68	0.68	0.68	1.10	1.45	0.25	1.10
Burglary	2.30	2.15	1.76	2.11	2.11	2.11	1.57	2.01	1.73	1.17
Larceny	15.55	14.02	12.21	17.45	17.45	17.45	13.32	20.23	21.35	13.54
Motor Vehicle Theft	1.10	0.87	1.70	1.82	1.82	1.82	2.45	2.13	2.87	2.63
Arson	0.03	0.01	0.02	0.01	0.01	0.01	0.04	0.14	0.06	0.03
Violent Crime	1.09	1.08	1.17	1.20	1.20	1.20	1.47	1.43	0.75	1.44
Property Crime	19	17	17	21	21	21	19	26	26	17
Population	95,430	95,973	97,135	98,469	99,618	101,108	104,638	105,977	106,031	106,296
Traffic Crashes	1,800	1,885	2,030	2,098	1,478	1,510	1,811	1,610	1,764	1,901
Calls for Service	67,244	65,235	71,459	71,702	63,550	63,550	66,746	59,573	47,221	57,714
Number of Officers	143	143	146	148	148	148	148	148	171	173
Animal Control Calls for Service	10,518	8,905	10,034	9,745	9,133	9,133	8,579	8,724	8,280	8,109
<b>Fire protection (1)</b>										
Fire personnel	144	153	154	154	155	155	161	164	191	198
Calls answered	10,000	9,811	10,388	10,709	10,313	10,313	11,745	12,102	12,128	12,736
<b>Water source</b>										
Kansas City Water Co.	28.60%	25.90%	27.30%	22.00%	31.93%	27.20%	21.80%	28.60%	22.90%	24.10%
Independence Water Co.	71.40%	74.10%	72.70%	78.00%	68.07%	72.80%	78.20%	71.40%	77.10%	75.90%
<b>Water</b>										
Number of service connections	35,379	35,816	36,322	36,472	36,807	37,241	37,852	38,299	38,707	39,042
Number of fire hydrants	5,076	5,188	5,226	5,273	5,374	5,469	5,571	5,576	5,636	5,652
Average daily consumption (gallons)	10,150,000	9,950,000	9,944	9,659	10,611,000	10,140,000	10,950,000	10,930,000	9,860,000	9,720,000
Maximum contract amount	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000
Maximum daily demand	21,300,000	18,800,000	1,800,000	1,800,000	26,000,000	19,600,000	25,380,000	25,190,000	18,630,000	22,240,000
Storage capacity (gallons)	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	34,350,000	35,200,000	35,200,000	35,200,000
Water Mains (miles)			622	631	635	638	642	646	649	650

(1) Statistics based on calendar year

(2) Statistics based on FBI Uniform Crime Report data per 1,000 residents.

Source: City records

**City of Lee's Summit, Missouri**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Police Protection</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Fire Protection</b>										
Stations	7	7	7	7	7	7	7	7	7	7
<b>Public Works</b>										
Residential centerline miles	306	309	311	315	317	323	328	328	331	331
Collector centerline miles	94	95	95	97	97	98	98	98	98	98
Arterial centerline miles	83	84	84	84	85	84	84	84	84	84
<b>Parks and Recreation</b>										
Parks	29	30	30	30	30	31	31	31	31	31
Swimming pools	1	1	1	1	1	1	1	1	1	1
Indoor aquatic center	1	1	1	2	2	2	2	2	2	2
Tennis courts	15	15	15	15	15	15	15	15	15	15
Community centers	3	3	3	4	4	4	4	4	4	4
<b>Water</b>										
Miles of water mains	611	617	620	622	629	636	642	646	649	650

**Source:** City records