



LEE'S SUMMIT
MISSOURI

Annual Comprehensive Financial Report

For The Year Ended June 30, 2021

CITY OF LEE'S SUMMIT, MISSOURI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021

Report issued by the Department of Finance

CITY OF LEE'S SUMMIT, MISSOURI

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CITY OF LEE'S SUMMIT, MISSOURI

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Introductory Section



LEE'S SUMMIT

M I S S O U R I

December 20, 2021

The Honorable Mayor and City Councilmembers:

Transmitted herewith is the annual financial report for the City of Lee's Summit, Missouri (the City) for the fiscal year ended June 30, 2021. The Finance Department prepared this report and responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City, as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

Management's discussion and analysis (MD&A) immediately follows 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.

Profile of the Government

The City was organized 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, performs the legislative duties of the City. The City Council holds 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 electorate. 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.

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 101,000 today.

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 Lee's Summit Municipal Airport has both north/south and crosswind directional runways. Utility service in the City is mixed between public and private companies. Water and sanitary sewerage utilities are operated by the City's Water Utilities Department. Water and sewerage rates are established to meet the total revenue requirements of the utilities. Natural gas is supplied by Spire (formerly Missouri Gas Energy/Laclede Gas Company) and electricity by Evergy (formerly Kansas City Power and Light). Both traditional and cellular phone service is provided by numerous companies.

All major commercial television networks, independent local stations as well as public television and various cable & satellite television companies service the City, and a number of AM and FM stations broadcast throughout the area.

In addition to the *Kansas City Star* daily newspaper and its supplemental *Lee's Summit Journal*, the city is served by the *Lee's Summit Tribune* and *The Examiner*.

Education

The City of Lee's Summit boundaries overlap several school districts. The Lee's Summit R-7 School District represents 83% of the total area and is recognized as one of the top educational systems in the state and nation. In addition, the R-7 School District has won Missouri's Distinction in Performance Award, the state's highest recognition for academic achievement. The school district's enrollment has increased from 9,125 students in 1990 to 17,805 in 2020 with growth expected to continue. The R-7 School District has 18 elementary schools, three middle schools and three high schools, an alternative secondary school, a secondary technology academy, an early education center, a special-education, day-treatment center, and the Lee's Summit R-7 Aquatic Center. Within City limits, the Blue Springs R-4 School District also has an elementary school and a middle school. 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, the Metropolitan Community College—Longview is another award-winning institution with nearly 4,300 students enrolled 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 facilities in Lee's Summit, one in the northeast central section, one in the west central part of the City, and a new facility along Highway 50 East that opened in June 2020. After closing temporarily in March 2020, the northeast central facility on Colbern Road reopened to the public in May 2021 after undergoing extensive renovations to expand the building's footprint as well as add coworking space for entrepreneurs and small businesses and other areas designed for collaboration. Mid-Continent Public Library is also in the process of expanding and renovating the west central facility on Oldham Parkway. It is expected to reopen in early 2022.

Recreation and Cultural Facilities

Lee's Summit Parks and Recreation offers a quality of life that is second to none. This Gold Medal Award winning department manages a wide range of programs and activities throughout the Lee's Summit community. Forty-seven full-time staff and hundreds of part-time and seasonal staff care for more than 1,200 acres and 91 miles of trails as well as manage four community centers, a water park, three splash pads, an amphitheater, a skate park, two-disc golf courses, numerous playgrounds and an ice rink with season pickleball courts. To help serve the population, a volunteer program was created with approximately 2,166 volunteers contributing more than 64,712 hours. Lee's Summit Parks and Recreation nurtures public and private partnerships with county parks, private developers and other City departments to create land agreements, new neighborhood parks and the two dog parks.

Lee's Summit Parks and Recreation also supports and encourages arts and culture throughout the City. Lee's Summit Parks and Recreation partners with the Mid-Continent Public Library to provide free children's events and hosts free music events at the Legacy Park Amphitheater. Through these efforts, Lee's Summit Parks and Recreation ensures the continuance and growth of a thriving arts community in Lee' Summit.

The Park Board continues to support significant improvements to existing Parks and Recreation facilities based on a citizen-based strategic plan called "Legacy for Tomorrow and Beyond" with voters approving a 15-year extension of the Parks and Soils sales tax in 2016. These projects are funded through user fees, Parks and Soils sales tax and property taxes as well as cooperative development agreements in which potential neighborhood park land is donated by developers.

Lake Jacomo, Longview Lake, Blue Springs Lake and Prairie Lee Lake are located in Jackson County Parks within the city limits of Lee's Summit and offer numerous recreational activities such as boating, fishing, camping, skiing and swimming. These lakes attract visitors from throughout the Kansas City metropolitan area.

Commerce, Industry and Employment

Lee's Summit continues to see growth in commercial and residential development. New and reconstructed highway interchanges have provided both development and redevelopment opportunities throughout the city. The Interstate 470 and 350/50 Highway interchange opened up 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 Lee's Summit Municipal Airport while alleviating traffic congestion, increasing economic development in the area. Projects completed in the last five years include a new interchange on U.S. 50 Highway and Blackwell Road and reconstruction of the interchange on U.S. 50 Highway at M-291 South. These interchanges will help alleviate traffic congestion, improve safety and spur economic development.

The City of Lee's Summit has a broad spectrum of major employers. They include companies that manufacture everything from plastic containers to tools and electronic components. In addition to manufacturing, there are a wide variety of services such as customer service centers for pharmaceuticals, data management and processing centers along with hospitals and educational institutions. There are nine business sites in Lee's Summit with 500 employees or more.

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 over 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.

The City has seen its retail sales tax base increase significantly in the past 15 years. The pattern of retail development in Lee's Summit follows closely with major traffic routes. The 800,000-square-foot Summit Woods Crossing is located west of U.S. 50 Highway 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 and Bed Bath and Beyond. Summit Fair, a 507,000-square-foot, open-air lifestyle center, is located east of U.S. 50 Highway and just south of Interstate 470. Opening in August 2009, and anchored by Macy's and JC Penney, it includes men's and women's fashion, fast casual restaurants, sit-down restaurants and specialty retailers. Smaller centers are scattered throughout the City, generally along highways M-291, M-150 and U.S. 50.

The City, in cooperation with the Unity Village School of Christianity, approved the annexation and development of approximately 300 acres of land south of Colbern Road in 2012. This property contains an estimated 2.2 million square feet capacity for 'Class A' and other commercial oriented development upon full build out.

The following table sets forth 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:

Year	Area Unemployment Rate	Statewide Unemployment Rate	United States Unemployment Rate
2020	2.50%	4.40%	8.10%
2019	2.50%	3.50%	3.80%
2018	2.70%	3.50%	4.20%
2017	2.80%	3.80%	4.50%
2016	3.60%	4.90%	5.10%
2015	4.00%	5.20%	5.50%

Major Initiatives

The City of Lee's Summit continues to be an active and growing community. The City issued 2,348 building permits during calendar year 2020 (including alterations, additions and demolitions).

The City's population has grown from 28,416 in 1980, to 47,253 in 1990, 70,700 in 2000 and 91,364 in the 2010 census to an estimated population of 101,108 according to the 2020 Census.

The coronavirus pandemic impacted public health and local businesses from March 2020 through all of fiscal year 2021 and beyond. Many City employees transitioned to working from home. The City's original adopted budget for FY21 reflected an anticipated 10% reduction in sales tax as well as reduced expenditures. Actual sales taxes reflected an increase of more than 7.5%. Collection of the newly approved use tax began October 1, 2020, and contributed an additional \$1.5 million to City revenues. Federal grant revenues provided \$5.9 million to reimburse the City for pandemic-related expenses through the CARES Act via Jackson County.

The City anticipates new, long-term growth resulting from the decision of Property Reserve, Inc. to develop 4,200 acres of property not previously available to the market. The land is in two large tracts located within the city. Approximately 1,100 acres are situated in the north portion of the City adjacent to Interstate 470. The second parcel consists of approximately 3,100 acres located between the central and southern portions of the City adjacent to Route 291. This development is expected to occur slowly over the course of the next 20 years.

Capital projects of \$34 million were constructed during the year using proceeds of General Obligation Bonds, water and sewer connection fees, transportation sales and excise taxes together with grant funds for buildings, street, airport, water and sewer improvements.

The City of Lee's Summit completed its strategic planning process – *Ignite! Your Ideas. Our Future.* – with the adoption of the strategic plan framework in August 2019 and the adoption of the implementation plan in September 2020. This plan captures the long-term vision for the community and provides direction for the City. The strategic plan identified seven critical success factors, including strategic economic development; cultural and recreational amenities; community health and wellbeing; City services and infrastructure; strong neighborhoods with housing choice; collaborative relations with education partners; and community engagement. This is the fourth such plan that the community of Lee's Summit has collaborated together to create. The first strategic plan was completed in 1993 with a follow-up in 1998 and 2009. Strategic planning has contributed to Lee's Summit's exceptional quality of life, outstanding City services and many of the hallmarks of our City, including our renovated downtown corridor.

Citizen participation has become the norm in Lee's Summit. From involving citizens in identifying problems to inviting them to be part of suggesting solutions, citizens are empowered to contribute their time and talents in many ways. Lee's Summit has a wide variety of volunteer boards and commissions and an opportunity for anyone who desires to get involved. The implementation of our citizen strategic plan is just one of the reasons why Lee's Summit has passed 23 successful ballot issues in a row.

Long-Term Financial Planning

Over the years, one of the City's strengths has been its strong financial condition and prudent financial management. The City has diligently developed and implemented annual budgets that provide our citizens consistent, reliable municipal services and programs.

The City has experienced growth in revenue categories such as property tax, sales tax and vehicle tax in recent years. The City has made efforts in recent fiscal years to increase the general fund reserve balance to ensure a healthy reserve position. Examples of this effort include careful evaluation of vacant positions, which are approved and filled only when essential.

Growth in General Fund expenditures are projected to continue because of a tight labor market and inflationary factors. Revenue sources will be monitored closely and City leaders will explore options for revenue sources to keep pace with those pressures.

Financial Information

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 adequacy of internal control, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. The results of the City's single audit for the fiscal year ended June 30, 2021 provided no instances of material weaknesses in internal control. This report is available in the City of Lee's Summit's separately issued Single Audit Report.

Major Revenue Sources

The City's largest source of revenue is from sales taxes. Combined property, sales, franchise, and excise tax revenues comprise 75% of total governmental revenue.

Property tax is an ad valorem tax, levied on all real and personal property, based upon the assessed valuation as established by the County Assessor on January 1st 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 34% of total governmental revenue. The City imposes a total sales tax of 2.25% on all goods and commodities sold within the City limits with the exception of 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 one cent 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 2.25%.

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 fifteen years at the same rate. This tax will sunset 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 will sunset on March 31, 2033.

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 of time.

Enterprise Funds

The City operates four Enterprise Funds: Combined Waterworks and Sewerage System, Airport, Solid Waste Management (Sanitary Landfill) and Harris Park Community Center.

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 continuing 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 the Water Utilities Department was adopted by the City Council in December 2011. This plan outlined a need to improve customer understanding and relations; to develop a program for the renewal of existing aged infrastructure; to establish appropriate policies to address financial challenges; and to proactively address long-term needs to ensure a sustainable utility.

The City purchases its water from the City of Independence, Missouri (68%) and the City of Kansas City, Missouri Water Department (32%). 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 Lee's Summit Municipal 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 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 69,000 takeoffs and landings of personal and business aircraft each year. The Airport houses approximately 154 aircraft in 20 buildings and tie down spots. 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 Lee's Summit Municipal 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.

Solid Waste Management (Sanitary Landfill)

During 2019, the daily commercial operations of the landfill were ceased as it reached capacity. The landfill continues to offer public disposal for citizens, Household Hazardous Waste, yard waste/composting and several other environmental programs. The landfill is currently in the post closure phase.

Harris Park Community Center

The Harris Park Community Center, formerly known as the Recreation Center is a multipurpose recreational facility providing indoor recreational opportunities for all ages. The Center offers summer day camp for children, recreational athletic leagues, programs instructional classes, special events and rentals.

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

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, 2020. This was the 43rd consecutive year that the government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive 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.

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 RSM US LLP.

Acknowledgments

The preparation of this report was accomplished through the efforts of the staff of the Finance Department in cooperation with the City's auditors, RSM US LLP. Our sincere thanks to all of those who assisted.

Respectfully submitted,



Stephen A. Arbo
City Manager



Bette Wordelman
Finance Director

THE CITY OF LEE'S SUMMIT

MAYOR

Bill Baird

DISTRICT 1

Hillary Shields
Diane Forte

DISTRICT 3

Phyllis Edson
Beto Lopez

DISTRICT 2

Trish Carlyle
Andrew S. Felker

DISTRICT 4

Fred DeMoro
Bob Johnson

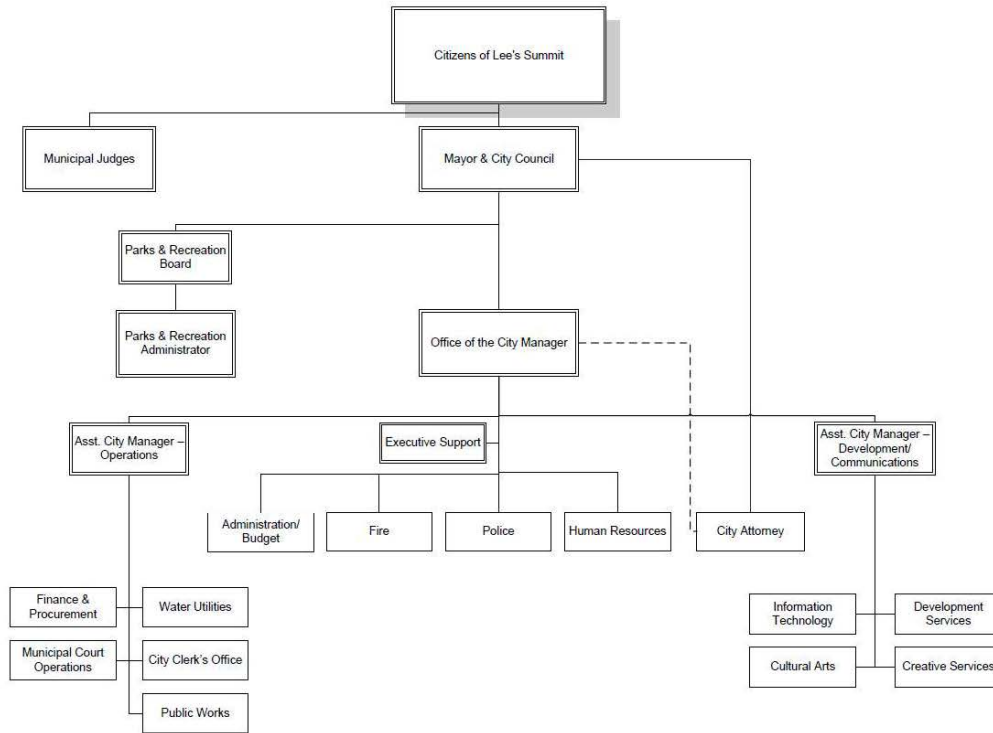
FINANCE & BUDGET COMMITTEE

Bob Johnson, Chairman
Beto Lopez, Vice Chair
Diane Forte
Andrew Felker
Trish Carlyle, Alternate

ADMINISTRATION

Stephen A. Arbo, City Manager
Christal Kliewer Weber, Assistant City Manager-Operations
Mark Dunning, Assistant City Manager-Development Services
Bette Wordelman, Finance Director
Brian Head, City Attorney
Travis Forbes, Police Chief
Mike Snider, Fire Chief
Anita Dickey, Human Resources Director
Ryan Elam, Development Services Director
Steve Marsh, Chief Technology Officer
Joe Snook, Parks Administrator
Dena Mezger, Public Works Director
Mark Schaufler, Water Utilities Director
Cheryl Nash, Creative Services Manager

Organization 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, 2020

Christopher P. Morrill

Executive Director/CEO

Financial Section



Independent Auditor's Report

RSM US LLP

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

Report on the Financial Statements

We have audited the accompanying 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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the 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, 2021, 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.

Other Matters

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

Other 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 combining and individual nonmajor fund financial statements and schedules, listed in the table of contents as supplementary information, 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. Such 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 auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on it.

RSM US LLP

Kansas City, Missouri
December 20, 2021

CITY OF LEE'S SUMMIT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2021

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, 2021. This is the 19th 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 \$999,816,832 (net position). Of this amount, unrestricted net position was \$29,528,058.
- The City's total net position increased \$35.6 million. Of this amount, \$22.3 million was from the City's "governmental activities" and the 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 \$120,981,362, an increase of \$17.2 million compared to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$30,190,610 or 42 percent of total general fund expenditures.
- The City's total debt decreased by \$4.9 million (5.6%) during the current fiscal year. Factors in this decrease are scheduled reductions in excess of additions to the City's debt.

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

CITY OF LEE'S SUMMIT, MISSOURI

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 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.

CITY OF LEE'S SUMMIT, MISSOURI

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, 2021, assets plus deferred outflows of resources exceed liabilities plus deferred inflows of resources by \$999,816,832. The largest portion of the City's net position, \$800,031,552 (80%), 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.

The following table reflects the condensed Statement of Net Position as of June 30, 2021 and 2020:

	Net Position					
	Governmental Activities		Business type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 151,884,880	\$ 153,930,958	\$ 77,421,194	\$ 69,285,823	\$ 229,306,074	\$ 223,216,781
Capital assets	564,592,080	559,634,801	297,175,543	289,629,542	861,767,623	849,264,343
Total assets	<u>716,476,960</u>	<u>713,565,759</u>	<u>374,596,737</u>	<u>358,915,365</u>	<u>1,091,073,697</u>	<u>1,072,481,124</u>
Deferred outflows of resources	21,838,922	12,906,915	730,545	561,199	22,569,467	13,468,114
LT liabilities outstanding	72,574,034	78,856,775	7,592,277	7,374,473	80,166,311	86,231,248
Other liabilities	29,013,462	26,827,095	1,543,110	(971,744)	30,556,572	25,855,351
Total liabilities	<u>101,587,496</u>	<u>105,683,870</u>	<u>9,135,387</u>	<u>6,402,729</u>	<u>110,722,883</u>	<u>112,086,599</u>
Deferred inflows of resources	2,995,712	9,358,020	107,737	342,904	3,103,449	9,700,924
Net position:						
Net investment in capital assets	502,856,009	498,495,946	297,175,543	289,085,221	800,031,552	787,581,167
Restricted	109,694,474	103,818,998	60,562,748	53,958,190	170,257,222	157,777,188
Unrestricted	21,182,191	9,115,840	8,345,867	9,687,520	29,528,058	18,803,360
Total net position	<u>\$ 633,732,674</u>	<u>\$ 611,430,784</u>	<u>\$ 366,084,158</u>	<u>\$ 352,730,931</u>	<u>\$ 999,816,832</u>	<u>\$ 964,161,715</u>

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 nine funds that did not have positive fund balances. Two of these funds, Todd George Tax Increment Financing (TIF) Fund and Park Development, are capital project funds with interfund loans outstanding. One fund, 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. Two 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 and New Longview Farm TIF for historical preservation and improvements in the Longview Farm area. Lastly, the Sanitary Landfill is an enterprise fund that accounts for landfill operations and capital projects. These funds have temporary loans from other funds.

The City's combined net position increased to \$999.8 million from \$964.2 million 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 \$21.2 million. Total unrestricted net position was \$29.5 million including business-type activities of \$8.3 million.

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By far, the largest portion of the City's net position (80%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. 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.

Total net position of \$999.8 million is comprised of \$800 million invested in capital assets, net of related debt; \$170.2 million is restricted for pension, capital projects, debt service, parks and recreation, and economic development; \$29.5 million is unrestricted.

Net position increased \$35.6 million during the current fiscal year. Thirty-seven percent of this increase represents the increase in business type activities.

Statement of Activities

The following table reflects the revenues and expenses from the City's activities for the years ended June 30, 2021 and 2020:

	Changes In Net Position					
	Governmental Activities		Business Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 17,108,136	\$ 16,505,492	\$ 48,970,899	\$ 44,711,786	\$ 66,079,035	\$ 61,217,278
Operating grants and contr	7,478,806	1,843,985	-	-	7,478,806	1,843,985
Capital grants and contr	5,137,787	9,841,041	899,844	3,015,568	6,037,631	12,856,609
General revenues:						
Property taxes	40,105,074	44,081,988	-	-	40,105,074	44,081,988
Sales and use taxes	47,581,865	40,862,633	-	-	47,581,865	40,862,633
Other revenue	21,676,686	28,638,295	1,160,766	2,235,481	22,837,452	30,873,776
Total revenues	<u>139,088,354</u>	<u>141,773,434</u>	<u>51,031,509</u>	<u>49,962,835</u>	<u>190,119,863</u>	<u>191,736,269</u>
Expenses:						
Public works	29,098,071	27,865,543	-	-	29,098,071	27,865,543
Public safety	44,521,504	44,656,947	-	-	44,521,504	44,656,947
Parks and rec	14,247,643	12,570,646	-	-	14,247,643	12,570,646
Planning and dev	4,486,466	4,167,521	-	-	4,486,466	4,167,521
General govt	23,156,137	21,417,465	-	-	23,156,137	21,417,465
Interest on LT debt	2,159,633	2,415,953	-	-	2,159,633	2,415,953
Combined water and sewer	-	-	31,804,456	31,492,442	31,804,456	31,492,442
Sanitary landfill	-	-	901,496	488,283	901,496	488,283
Airport	-	-	3,095,449	2,816,460	3,095,449	2,816,460
Rec Center	-	-	993,891	1,255,565	993,891	1,255,565
Total expenses	<u>117,669,454</u>	<u>113,094,075</u>	<u>36,795,292</u>	<u>36,052,750</u>	<u>154,464,746</u>	<u>149,146,825</u>
Change in net position before transfers	21,418,900	28,679,359	14,236,217	13,910,085	35,655,117	42,589,444
Transfers	882,990	(1,008,634)	(882,990)	1,008,634	-	-
Change in net position	<u>22,301,890</u>	<u>27,670,725</u>	<u>13,353,227</u>	<u>14,918,719</u>	<u>35,655,117</u>	<u>42,589,444</u>
Net position, beginning	<u>611,430,784</u>	<u>583,760,059</u>	<u>352,730,931</u>	<u>337,812,212</u>	<u>964,161,715</u>	<u>921,572,271</u>
Net position, ending	<u>\$ 633,732,674</u>	<u>\$ 611,430,784</u>	<u>\$ 366,084,158</u>	<u>\$ 352,730,931</u>	<u>\$ 999,816,832</u>	<u>\$ 964,161,715</u>

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Governmental Activities

Governmental activities increased the City's net position by \$22.3 million.

Sales and Use taxes, the largest governmental category at 34% finished the year at \$47.6 million which was a \$6.7 million increase or 16.4% over the prior year. This significant increase during a year challenged by the impact of the pandemic contradicted our expectations. Federal stimulus spending and inflationary trends likely contributed to the strong sales tax performance. The use tax, implemented October 1, 2020, contributed \$3 million to the increase. Property taxes, the second largest governmental category at 29% finished the year at \$40.1 million which reflected a decrease of \$3.9 million or 9% under the prior year. This decrease is due primarily to adjustments in assessed valuation made by the county. The local housing market and new commercial construction have helped stabilize the overall property tax revenues. The third largest category, Franchise tax, came in at \$11.9 million for a decrease of \$510,153. Overall, governmental revenues finished the year \$2.6 million below the prior year. This decrease was rounded out with other smaller revenue categories finishing above prior year: Licenses and permits \$.4 million above, and intergovernmental grants \$5.8 million.

For the fiscal year ended June 30, 2021, revenues totaled \$190.1 million (governmental and business-type). Revenues from governmental activities totaled \$139.1 million or 72% of the total City revenues.

Governmental activities expenses increased \$4.5 million or 4.0% for the fiscal year ended June 30, 2021 compared to the fiscal year ended June 30, 2020. This increase is primarily due to public work and general government expenditures this fiscal year, including related capital projects.

The following table shows expenses and program revenues of the governmental activities for the years ended June 30, 2021 and 2020:

	Net Cost Of Governmental Activities			
	Total Cost Of Service		Net Cost Of Service	
	2021	2020	2021	2020
General government	\$ 23,156,137	\$ 21,417,465	\$ (12,973,713)	\$ (17,437,384)
Public safety	44,521,504	44,656,947	(33,636,354)	(33,868,285)
Public works and streets	29,098,071	27,865,543	(23,257,357)	(17,396,521)
Planning and development	4,486,466	4,167,521	(4,302,070)	(4,015,989)
Parks and recreation	14,247,643	12,570,646	(11,615,598)	(9,769,425)
Interest on long-term debt	2,159,633	2,415,953	(2,159,633)	(2,415,953)
Total	\$ 117,669,454	\$ 113,094,075	\$ (87,944,725)	\$ (84,903,557)

As previously noted, expenses from governmental activities totaled \$117.7 million. However, net costs of these services were \$87.9 million. The difference represents direct revenues received from charges for services of \$17.1 million, operating grants and contributions of \$7.4 million and capital grants and contributions of \$5.1 million. Taxes and other revenues of \$109.3 million were collected to cover these net costs.

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Business-Type Activities

Business-type activities net position increased by \$13.3 million in the current year.

Overall revenues increased \$1.06 million or 2.0% compared to last year. This was primarily due to an increase in water and sewer services and airport revenues. Overall expenses increased \$742,542 or 2.0% compared to the prior year. This is due to an increase in water and sewer costs airport expense and landfill post-closing costs.

Financial Analysis of The City's Funds

The General Fund is the chief operating fund of the City. The fund balance of the General Fund at June 30, 2021 was \$34 million or 47.3% of actual expenditures. This represents an increase of \$2.8 million or a 8.9% increase over the previous year's balance. Revenues increased \$1.3 million and expenditures decreased by \$5.8 million over the previous fiscal year. The growth in the General Fund balance is attributable primarily to two issues. Sales tax grew unexpectedly. In addition, expenditures were lower because of lower activity levels and expense reimbursements related to the pandemic.

The City recognizes the need for a fund balance that can adequately absorb a downturn and to avoid changes and reductions in service levels. The City Council adopted an ordinance committed to maintain an amount equal to that of at least two (2) months of regular General Fund operating revenues or expenditures, whichever is greater (16.67%) based on the prior fiscal year; to address emergencies and provide for economic stability.

The Debt Service Fund ended the year with a fund balance of \$13.3 million, an increase of \$2.4 million or 22%. Voters approved a Public Safety bond issue of \$19,475,000 in August, 2019, and \$9,055,000 of that amount was issued in January, 2020. Another \$5 million was issued in January, 2021. As of June 30, 2021, the City has an unissued balance of \$5,420,000 and the total general obligation debt outstanding is \$43.48 million. The City previously held the debt service tax levy constant for several years. A no-tax-increase ballot initiative was approved by voters in April 2021 granting a \$.10 increase in the General Operating Levy with a planned corresponding reduction in the debt levy.

The Capital Improvement Sales Tax Fund ended the year with a fund balance of \$37.8 million. This represents an increase of \$1.8 million or 5% over the previous year. The increase is due to higher sales tax revenue and transfers in.

The Blue Parkway and Colbern Road CID Fund ended the year with a fund balance of negative \$3.7 million. The negative balance is due to costs associated with the tax increment financing (TIF) district that will be reimbursed with tax funds generated from future development in this area.

CITY OF LEE'S SUMMIT, MISSOURI

The Combined Water and Sewerage system recorded an increase of \$13.8 million in net position for the year. Operating revenues increased by \$4 million during the year.

The Sanitary Landfill fund recorded a decrease of \$820,000 in net position for the year. In April 2019 operations were ceased at the landfill as it had reached capacity. The landfill closed near the end of the fiscal year and is currently in initial steps of post closure phase.

The Airport Fund recorded an increase of \$245,000 in net position for the year. A \$1 million reduction in transfers in was the significant change for the year. Efforts to pursue grant funding are expected to continue in the next fiscal year.

General Fund Budgetary Highlights

Differences between the original and the final amended budget can be summarized as follows:

The total original expenditure budget of \$75,768,621 increased to \$77,096,197 for an increase of \$1,327,576. The budget increase was due primarily to a \$3.5 million transfer used to acquire property for the Downtown Market Plaza development and \$500,000 allocated for a stormwater study. The property acquisition utilized funds from prior property sales that were accumulated in the General Fund.

Actual expenditures were \$5.1 million less than the amended budget. Many activities were slowed due to the pandemic. Some expenses were also reimbursed by a \$5.9 million federal CARES Act grant funneled through Jackson County.

Actual revenues were \$8.2 million more than budgeted. Property taxes came in \$1.6 million above budgeted levels. Sales tax revenues came in \$4.7 million above projections which we attribute to the impact of federal stimulus funding and inflation factors. Franchise receipts came in \$157,000 above budget. Franchise tax revenues are paid by utilities and can vary with customer usage. Licenses, permits and fees were \$1.2 million higher than expected due to a continuing robust level of residential and commercial development activity.

CITY OF LEE'S SUMMIT, MISSOURI

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, 2021 amounts to \$861.8 million (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 \$12.5 million during the period.

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

- Progress construction on Police and Court renovations totaling \$4.4 million.
- Progress construction on 3rd St Signal totaling \$4.2 million for the year.
- Progress construction on Oldham Parkway, Jefferson to Persels totaling \$2.1 million
- Property acquisition for Fire Stations 4 and 5 totaling \$1.2 million.
- Additional system additions and improvements were completed in the Combined Waterworks and Sewerage Fund at a cost of over \$12.2 million including water main rehab of \$2 million, south terminal discharge main of \$1.4 million, and small main replacement of \$1.2 million for the year.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 7,857,966	\$ 7,857,966	\$ 26,846,596	\$ 26,896,596	\$ 34,704,562	\$ 34,754,562
Construction in progress	110,784,893	91,443,797	65,250,532	52,209,783	176,035,425	143,653,580
Buildings	64,764,222	64,764,222	-	-	64,764,222	64,764,222
Improvements	74,235,916	74,169,201	322,265,436	321,981,013	396,501,352	396,150,214
Machinery & equipment	40,883,217	40,312,372	3,564,972	3,564,972	44,448,189	43,877,344
Infrastructure	507,242,259	505,409,055	-	-	507,242,259	505,409,055
	<u>\$ 805,768,473</u>	<u>\$ 783,956,613</u>	<u>\$ 417,927,536</u>	<u>\$ 404,652,364</u>	<u>\$ 1,223,696,009</u>	<u>\$ 1,188,608,977</u>

These capital assets are funded by traditional bond financing, impact fees, and user charges. For more detailed information on capital assets, refer to Note 3 in the Notes to Basic Financial Statements.

CITY OF LEE'S SUMMIT, MISSOURI

Debt Administration

The City, at the end of fiscal 2021, had a total of \$69.1 million of outstanding obligations. This was a decrease of \$3.1 million or 4.3% from the previous year.

The City's maintained its aggressive debt retirement schedule. Governmental debt decreased by \$3.9 million due to pay off of maturing obligations in excess of new bond issued. Business-type debt decreased by \$2.2 million during the fiscal year.

As of June 30, 2021, the City's total issued and authorized General Obligation (G.O.) Bonded Debt was \$43,480,000. The City has statutory authority to issue debt equal to 20% of the City's total assessed valuation or \$456,120,575. This, less outstanding debt, authorized and unissued debt, and available cash, leaves a legal debt margin of \$418,575,741, which is 92% of the City's total bonding capacity. Bonded debt, net of available debt service funds, amounted to approximately \$430 per capita and represented 1.7% of the assessed value of taxable property.

General Obligation Bonds retired \$8.855 million of their principal amount outstanding this year along with interest payments of \$1.3 million.

The City's General Obligation bonds have most recently been rated AAA by Moody's Investors Services and AA+ by Standard and Poors.

The City retired the remaining revenue bond amount of \$540,000 at year end which was solely made up of bonds of the Combined Water and Sewer Utility.

The City has \$25,610,000 in TIF debt outstanding for various public infrastructure improvements associated with the Summit Fair shopping area.

Additional information on the City's long-term debt can be found beginning with Note 4.

Economic Factors And Next Year's Budgets And Rates

Combined General Fund revenues for fiscal year 2022 are projected to total \$80.3 million. This represents an increase of \$10 million over the prior year budget which had been reduced in relation to the pandemic. The City continues to experience growth in revenue categories such as property taxes, sales taxes and licenses, permits and fees.

General Fund expenses are projected to total \$80.3 million compared to \$75.9 million budgeted in fiscal year 2021. This represents a \$4.4 million increase.

Personal Services expenditures are estimated using a wage adjustment pool for the employee pay-for-performance system. In fiscal year 2022, the organization placed a greater importance on providing wage enhancement for current employees over expanding personnel.

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.

CITY OF LEE'S SUMMIT, MISSOURI

With the onset of the Coronavirus pandemic in March, 2020, the FY21 budget reflected anticipated reductions in revenues. Sales tax revenues were projected to decrease by 10% during fiscal year 21. That anticipated reduction did not occur and, sales taxes actually increased significantly. The City continues to plan for a potential economic downturn related to inflationary pressures and job stagnation.

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 Bette Wordelman, Finance Director, 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, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 124,344,535	\$ 71,110,375	\$ 195,454,910
Receivables (net of allowance)			
Taxes	9,039,570	-	9,039,570
Accounts and other	3,154,080	5,124,169	8,278,249
Interest	388,303	239,313	627,616
Due from other governmentals	1,093,938	129,981	1,223,919
Inventories	210,692	588,076	798,768
Prepaid expenses	1,323,357	8,107	1,331,464
Other assets	5,943	8,167	14,110
Restricted assets			
Cash and investments	10,925,185	-	10,925,185
Pension asset	1,399,277	213,006	1,612,283
Capital assets			
Nondepreciable	118,642,859	92,097,128	210,739,987
Depreciable, net	445,949,221	205,078,415	651,027,636
Total assets	716,476,960	374,596,737	1,091,073,697
Deferred Outflows Of Resources			
Pension	20,106,547	537,734	20,644,281
Other post employment benefits	1,732,375	192,811	1,925,186
Total deferred outflows of resources	21,838,922	730,545	22,569,467
Liabilities			
Accounts payable and accrued expenses	5,578,682	3,412,274	8,990,956
Payroll liabilities	3,493,407	363,241	3,856,648
Accrued interest payable	457,910	-	457,910
Unearned revenue	5,357,282	25,906	5,383,188
Customer deposits - payable from restricted deposits	921,797	240,832	1,162,629
Internal balances	2,765,875	(2,765,875)	-
Long-term obligations			
Due within one year			
Compensated absences	333,509	36,732	370,241
Bonds	10,105,000	-	10,105,000
Closure and postclosure liability	-	230,000	230,000
Due in more than one year			
Compensated absences	5,220,226	416,326	5,636,552
Other post employment benefits	6,822,593	545,554	7,368,147
Bonds	60,531,215	-	60,531,215
Closure and postclosure liability	-	6,630,397	6,630,397
Total liabilities	101,587,496	9,135,387	110,722,883
Deferred Inflows Of Resources			
Pension	1,377,628	50,364	1,427,992
Other post employment benefits	515,494	57,373	572,867
Deferred amount on refunding	1,102,590	-	1,102,590
Total deferred inflows of resources	2,995,712	107,737	3,103,449
Net Position			
Net investment in capital assets	502,856,009	297,175,543	800,031,552
Restricted for			
Pension	20,128,196	700,376	20,828,572
Debt service	13,293,335	-	13,293,335
Capital projects	63,961,081	59,862,372	123,823,453
Parks and recreation	5,436,456	-	5,436,456
Economic development	5,357,375	-	5,357,375
Other purposes	1,518,031	-	1,518,031
Unrestricted	21,182,191	8,345,867	29,528,058
Total net position	\$ 633,732,674	\$ 366,084,158	\$ 999,816,832

CITY OF LEE'S SUMMIT, MISSOURI

STATEMENT OF ACTIVITIES For The Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Changes In Net Position		
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General government	\$ 23,156,137	\$ 3,809,205	\$ 6,373,219	\$ -	\$ (12,973,713)	\$ -	\$ (12,973,713)
Public safety	44,521,504	9,779,563	1,105,587	-	(33,636,354)	-	(33,636,354)
Public works and streets	29,098,071	702,927	-	5,137,787	(23,257,357)	-	(23,257,357)
Community development	4,486,466	184,396	-	-	(4,302,070)	-	(4,302,070)
Parks and recreation	14,247,643	2,632,045	-	-	(11,615,598)	-	(11,615,598)
Interest on long-term debt	2,159,633	-	-	-	(2,159,633)	-	(2,159,633)
Total governmental activities	117,669,454	17,108,136	7,478,806	5,137,787	(87,944,725)	-	(87,944,725)
Business-Type Activities							
Waterworks and sewerage system	31,804,456	45,320,005	-	284,423	-	13,799,972	13,799,972
Sanitary landfill	901,496	84,950	-	-	-	(816,546)	(816,546)
Airport	3,095,449	2,442,846	-	615,421	-	(37,182)	(37,182)
Recreation center	993,891	1,123,098	-	-	-	129,207	129,207
Total business-type activities	36,795,292	48,970,899	-	899,844	-	13,075,451	13,075,451
Total primary government	\$ 154,464,746	\$ 66,079,035	\$ 7,478,806	\$ 6,037,631	(87,944,725)	13,075,451	(74,869,274)
General Revenues							
Taxes							
Property taxes, levied for general purposes					29,813,859	-	29,813,859
Property taxes, levied for debt service					10,291,215	-	10,291,215
Franchise taxes					11,927,603	-	11,927,603
Sales and use taxes, and other taxes					47,581,865	-	47,581,865
License taxes					1,372,152	-	1,372,152
Motor vehicle taxes					3,900,524	-	3,900,524
Earnings on investments					352,534	204,272	556,806
Other revenues					3,621,393	-	3,621,393
Gain on sale of assets					502,480	956,494	1,458,974
Transfers					882,990	(882,990)	-
Total general revenues and transfers					110,246,615	277,776	110,524,391
Change in net position					22,301,890	13,353,227	35,655,117
Net position - beginning					611,430,784	352,730,931	964,161,715
Net position - ending					\$ 633,732,674	\$ 366,084,158	\$ 999,816,832

CITY OF LEE'S SUMMIT, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2021

	General Fund	Debt Service	Capital Improvement Sales Tax	Blue Parkway and Colbern Road CID	ARP Act	Total Nonmajor Funds	Total Governmental Funds
Assets							
Pooled cash and investments	\$ 26,325,391	\$ 12,464,207	\$ 35,465,635	\$ 25,839	\$ 4,155,441	\$ 32,893,187	\$ 111,329,700
Receivables (net of allowance)							
Taxes	4,700,369	1,071,624	1,492,941	-	-	1,774,636	9,039,570
Accounts and other	3,096,557	-	-	-	-	56,645	3,153,202
Interest	120,559	40,629	109,183	70	-	75,763	346,204
Due from other funds	470,000	-	520,000	-	-	320,000	1,310,000
Due from other governments	693,378	-	-	-	-	400,560	1,093,938
Prepaid items	4,816	-	-	-	-	-	4,816
Other assets	5,150	-	-	-	-	793	5,943
Advances to other funds	2,913,746	-	1,040,000	-	-	3,554,859	7,508,605
Restricted assets							
Cash and investments	922,451	-	-	-	-	10,002,734	10,925,185
Total assets	\$ 39,252,417	\$ 13,576,460	\$ 38,627,759	\$ 25,909	\$ 4,155,441	\$ 49,079,177	\$ 144,717,163
Liabilities, Deferred Inflows Of Resources And Fund Balances Liabilities							
Accounts payable and accrued liabilities	\$ 629,595	\$ -	\$ 827,999	\$ 44,901	\$ -	\$ 2,489,026	\$ 3,991,521
Payroll liabilities	2,607,210	-	-	-	-	271,664	2,878,874
Deposits payable	738,413	-	-	-	-	183,384	921,797
Other payables	-	-	-	-	-	-	-
Unearned revenue	913,591	-	-	-	4,155,441	288,250	5,357,282
Due to other funds	-	-	-	-	-	2,350,000	2,350,000
Advances from other funds	-	-	-	3,694,480	-	3,840,000	7,534,480
Total liabilities	4,888,809	-	827,999	3,739,381	4,155,441	9,422,324	23,033,954
Deferred Inflows Of Resources							
Property tax	331,985	283,125	-	-	-	71,239	686,349
Other	-	-	-	-	-	15,498	15,498
Total deferred inflows of resources	331,985	283,125	-	-	-	86,737	701,847
Fund Balances (Deficits)							
Nonspendable							
Prepaid amounts	4,816	-	-	-	-	-	4,816
Advances to other funds	2,913,746	-	-	-	-	-	2,913,746
Restricted							
Bridges, streets and signals	-	-	37,799,760	-	-	14,440,008	52,239,768
Parks and recreation	-	-	-	-	-	5,436,456	5,436,456
Economic development	-	-	-	-	-	5,357,375	5,357,375
Debt service reserve	-	13,293,335	-	-	-	-	13,293,335
Other capital projects	-	-	-	-	-	11,721,313	11,721,313
Other purposes	922,451	-	-	-	-	595,580	1,518,031
Committed							
Bridges, streets and signals	-	-	-	-	-	184,674	184,674
Landfill care	-	-	-	-	-	5,538,513	5,538,513
Cemetery care	-	-	-	-	-	1,343,475	1,343,475
Assigned							
Other capital projects	-	-	-	-	-	1,007,205	1,007,205
Unassigned	30,190,610	-	-	(3,713,472)	-	(6,054,483)	20,422,655
Total fund balances (deficits)	34,031,623	13,293,335	37,799,760	(3,713,472)	-	39,570,116	120,981,362
Total liabilities, deferred inflows and fund balances (deficits)	\$ 39,252,417	\$ 13,576,460	\$ 38,627,759	\$ 25,909	\$ 4,155,441	\$ 49,079,177	\$ 144,717,163

CITY OF LEE'S SUMMIT, MISSOURI

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION June 30, 2021

Total Fund Balance - Governmental Funds \$ 120,981,362

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 reported in the fund financial statements, but are reported in the governmental activities of the statement of net position.

Governmental capital assets	770,939,316
Less: Accumulated depreciation	(219,189,949)

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.

1,295,810

Some of the City's taxes 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.

701,847

Pension-related deferred outflows of resources are not due and payable in the current year, and, therefore, are not reported in the governmental funds.

19,845,343

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.

1,624,284

Pension-related deferred inflows of resources are not due and payable in the current year, and, therefore, are not reported in the governmental funds.

(1,353,163)

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.

(483,331)

Interest on long-term debt is not accrued in the governmental funds but rather is recognized as an expenditure when due.

(457,910)

The assets and liabilities of internal service funds are included in the governmental activities in the statement of net position.

23,368,228

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	(5,242,767)
Bonds payable	(69,090,000)
Unamortized discounts	217,852
Unamortized premiums	(1,764,067)
Deferred amount on refunding	(1,102,590)
Other post employment benefit liability	(6,557,591)

Total net position - governmental activities \$ 633,732,674

CITY OF LEE'S SUMMIT, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS) - GOVERNMENTAL FUNDS
For The Year Ended June 30, 2021**

	General Fund	Debt Service	Capital Improvement Sales Tax	Blue Parkway and Colbern Road CID	ARP Act	Total Nonmajor Funds	Total Governmental Funds
Revenues							
Taxes							
Property	\$ 22,765,970	\$ 11,311,099	\$ -	\$ -	\$ -	\$ 8,803,097	\$ 42,880,166
Sales	20,160,221	4,809,318	10,074,191	3,867	-	11,484,912	46,532,509
Franchise	11,927,603	-	-	-	-	-	11,927,603
License	-	-	-	-	-	1,379,901	1,379,901
Bed	-	-	-	-	-	427,983	427,983
Motor vehicle	3,900,524	-	-	-	-	-	3,900,524
Other tax	462,495	120,772	-	-	-	38,106	621,373
Fines and forfeitures	749,785	67,122	-	2	-	36,656	853,565
Licenses and permits	4,044,547	-	-	-	-	-	4,044,547
Intergovernmental	1,105,587	-	192,890	-	-	7,034,271	8,332,748
Charges for services	9,514,053	-	-	32	-	2,695,939	12,210,024
Investment earnings	49,828	91,042	99,357	145	-	73,438	313,810
Other	3,015,519	-	292,024	-	-	313,850	3,621,393
Total Revenues	77,696,132	16,399,353	10,658,462	4,046	-	32,288,153	137,046,146
Expenditures							
Current							
General government	16,108,247	-	-	-	-	4,222,070	20,330,317
Public safety	40,837,726	-	-	-	-	-	40,837,726
Public works and streets	10,700,748	-	-	-	-	-	10,700,748
Community development	4,285,628	-	-	-	-	-	4,285,628
Parks and recreation	-	-	-	-	-	7,541,314	7,541,314
Debt service							
Principal	-	8,855,000	-	-	-	1,705,000	10,560,000
Interest and other charges	-	1,458,485	-	-	-	1,362,647	2,821,132
Capital outlay	-	-	8,846,570	1,250	-	19,426,053	28,273,873
Total Expenditures	71,932,349	10,313,485	8,846,570	1,250	-	34,257,084	125,350,738
Excess (Deficiency) Of Revenues Over Expenditures	5,763,783	6,085,868	1,811,892	2,796	-	(1,968,931)	11,695,408
Other Financing Sources (Uses)							
Issuance of bonds	-	-	-	-	-	5,000,000	5,000,000
Proceeds from sales of capital assets	137,000	-	-	-	-	30,000	167,000
Transfers in	805,915	-	-	-	-	7,535,292	8,341,207
Transfers out	(3,910,210)	(3,675,000)	-	-	-	(326,588)	(7,911,798)
Total Other Financing Sources (Uses)	(2,967,295)	(3,675,000)	-	-	-	12,238,704	5,596,409
Net Change In Fund Balances (Deficits)	2,796,488	2,410,868	1,811,892	2,796	-	10,269,773	17,291,817
Fund Balances (Deficits)							
Beginning	31,235,135	10,882,467	35,987,868	(3,716,268)	-	29,300,343	103,689,545
Ending	\$ 34,031,623	\$ 13,293,335	\$ 37,799,760	\$ (3,713,472)	\$ -	\$ 39,570,116	\$ 120,981,362

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, 2021

Net Change In Fund Balances - Total Governmental Funds \$ 17,291,817

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 of \$16,146,315 in the current period was exceeded by capital outlays over the capitalization threshold totaling \$17,102,057. 955,742

Governmental funds report the entire net sales price (proceeds) from sale of an asset as an other financing source of \$167,000 because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets of \$167,000. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold. -

Contributions of capital assets are recorded as capital contributions in the statement of activities. Contributions primarily represent infrastructure assets. 4,283,845

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. (2,782,841)

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 bonds	(5,000,000)
Repayment of principal	10,560,000
Bond discount amortization	(13,687)
Bond premium amortization	490,896
Deferred amount on refunding	111,082
Change in accrued interest payable	73,208

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	(515,724)
Compensated absences	(348,048)
Pension expense	(3,286,682)

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. 482,282

Change in net position of governmental activities \$ 22,301,890

CITY OF LEE'S SUMMIT, MISSOURI

**STATEMENT OF NET POSITION (DEFICIT) - PROPRIETARY FUNDS
June 30, 2021**

	Enterprise Funds					Internal Service Funds
	Combined Waterworks And Sewerage System	Sanitary Landfill	Airport	Nonmajor Enterprise Fund (Recreation Center)	Total	
Assets						
Current assets						
Cash and investments	\$ 69,080,732	\$ 59,417	\$ 1,578,155	\$ 392,071	\$ 71,110,375	\$ 13,014,835
Receivables (net of allowance)						
Accounts and other	2,342,762	30,753	120,047	-	2,493,562	878
Unbilled accounts	2,630,607	-	-	-	2,630,607	-
Interest	227,964	-	10,764	585	239,313	42,099
Due from other funds	2,940,000	-	-	-	2,940,000	-
Due from other governments	-	-	129,981	-	129,981	-
Other receivables	-	-	-	-	-	-
Inventories	540,882	-	47,194	-	588,076	210,692
Prepaid expenses	-	-	8,107	-	8,107	1,318,541
Other assets	8,167	-	-	-	8,167	-
Advances to other funds	2,179,621	-	-	-	2,179,621	-
Total current assets	79,950,735	90,170	1,894,248	392,656	82,327,809	14,587,045
Noncurrent assets						
Pension asset	190,115	8,557	14,334	-	213,006	103,467
Capital assets						
Nondepreciable	40,535,588	161,469	51,400,071	-	92,097,128	104,250
Depreciable, net	188,710,794	2,737,918	13,512,364	117,339	205,078,415	12,738,463
Total noncurrent assets	229,436,497	2,907,944	64,926,769	117,339	297,388,549	12,946,180
Total assets	309,387,232	2,998,114	66,821,017	509,995	379,716,358	27,533,225
Deferred Outflows Of Resources						
Pension	479,945	21,603	36,186	-	537,734	261,204
Other post-employment benefits	169,440	2,921	20,450	-	192,811	108,091
Total deferred outflows of resources	649,385	24,524	56,636	-	730,545	369,295
Liabilities						
Current liabilities						
Accounts payable	3,308,354	13,680	72,168	18,072	3,412,274	1,587,161
Salaries payable	245,381	5,878	34,638	77,344	363,241	614,533
Due to other funds	-	200,000	-	-	200,000	1,700,000
Unearned revenue	-	-	25,906	-	25,906	-
Compensated absences	29,300	-	6,000	1,432	36,732	13,320
Customer deposit	169,528	-	71,304	-	240,832	-
Closure and postclosure liability	-	230,000	-	-	230,000	-
Advances from other funds	-	-	2,153,746	-	2,153,746	-
Total current liabilities	3,752,563	449,558	2,363,762	96,848	6,662,731	3,915,014
Noncurrent liabilities						
Compensated absences	340,717	-	50,138	25,471	416,326	297,648
Closure and post-closure liability	-	6,630,397	-	-	6,630,397	-
Other post-employment benefits	486,924	21,918	36,712	-	545,554	265,002
Total noncurrent liabilities	827,641	6,652,315	86,850	25,471	7,592,277	562,650
Total liabilities	4,580,204	7,101,873	2,450,612	122,319	14,255,008	4,477,664
Deferred Inflows Of Resources -						
Pension	44,952	2,023	3,389	-	50,364	24,465
Other post-employment benefits	50,419	869	6,085	-	57,373	32,163
Total deferred inflows of resources	95,371	2,892	9,474	-	107,737	56,628
Net Position (Deficit)						
Net investment in capital assets	229,246,382	2,899,387	64,912,435	117,339	297,175,543	12,842,713
Restricted for capital projects	58,100,978	-	1,761,394	-	59,862,372	-
Restricted for pension	625,108	28,137	47,131	-	700,376	340,206
Unrestricted	17,388,574	(7,009,651)	(2,303,393)	270,337	8,345,867	10,185,309
Total net position (deficit)	\$ 305,361,042	\$ (4,082,127)	\$ 64,417,567	\$ 387,676	\$ 366,084,158	\$ 23,368,228

CITY OF LEE'S SUMMIT, MISSOURI

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION (DEFICIT) - PROPRIETARY FUNDS
For The Year Ended June 30, 2021**

	Enterprise Funds					Internal Service Funds
	Combined Waterworks And Sewerage System	Sanitary Landfill	Airport	Nonmajor Enterprise Fund (Recreation Center)	Total	
Operating Revenues						
Charges for services	\$ 44,721,434	\$ -	\$ 920,901	\$ 811,101	\$ 46,453,436	\$ 10,482,477
Material and fuel sales	295,363	-	1,478,807	-	1,774,170	-
Other	303,208	84,950	43,138	311,997	743,293	401,269
Total operating revenues	45,320,005	84,950	2,442,846	1,123,098	48,970,899	10,883,746
Operating Expenses						
Salaries, wages and employee benefits	5,126,364	114,094	689,924	589,254	6,519,636	3,834,631
Water purchases	8,946,809	-	-	-	8,946,809	-
Utilities	592,443	8,055	72,048	100,804	773,350	300,675
Repairs and maintenance	515,109	2,566	90,264	24,583	632,522	728,115
Sewer services	8,702,053	-	-	-	8,702,053	-
Fuels and lubricants	77,673	118	761,548	-	839,339	4,854
Depreciation	5,013,964	22,007	673,346	19,854	5,729,171	2,413,753
Interdepartment charges	647,049	7,380	106,247	21,739	782,415	477,617
Miscellaneous	2,176,248	746,231	649,475	237,657	3,809,611	3,469,604
Total operating expenses	31,797,712	900,451	3,042,852	993,891	36,734,906	11,229,249
Operating income (loss)	13,522,293	(815,501)	(600,006)	129,207	12,235,993	(345,503)
Nonoperating Revenues (Expenses)						
Interest income (loss)	201,915	(3,310)	8,501	(2,834)	204,272	38,724
Interest expense	(6,744)	(1,045)	(52,597)	-	(60,386)	-
Gain on disposal of capital assets	956,494	-	-	-	956,494	335,480
Total nonoperating revenues (expenses)	1,151,665	(4,355)	(44,096)	(2,834)	1,100,380	374,204
Income (Loss) Before Contributions And Transfers	14,673,958	(819,856)	(644,102)	126,373	13,336,373	28,701
Capital Grants And Contributions	284,423	-	615,421	-	899,844	-
Transfers In	-	-	377,312	-	377,312	459,948
Transfers Out	(1,154,024)	-	(103,278)	(3,000)	(1,260,302)	(6,367)
Change In Net Position (Deficit)	13,804,357	(819,856)	245,353	123,373	13,353,227	482,282
Total Net Position (Deficit)						
Beginning	291,556,685	(3,262,271)	64,172,214	264,303	352,730,931	22,885,946
Ending	\$ 305,361,042	\$ (4,082,127)	\$ 64,417,567	\$ 387,676	\$ 366,084,158	\$ 23,368,228

CITY OF LEE'S SUMMIT, MISSOURI
PROPRIETARY FUNDS STATEMENT OF CASH FLOWS
For The Year Ended June 30, 2021

	Enterprise Funds					Internal Service Funds
	Combined Waterworks And Sewerage System	Sanitary Landfill	Airport	Nonmajor Enterprise Fund (Recreation Center)	Total	
Cash Flows From Operating Activities						
Cash received from customers	\$ 45,264,487	\$ 80,041	\$ 2,433,560	\$ 1,123,098	\$ 48,901,186	\$ 10,883,746
Cash paid to suppliers	(21,931,974)	(538,251)	(1,793,633)	(380,938)	(24,644,796)	(5,687,172)
Cash paid to employees	(4,931,079)	(114,421)	(667,969)	(552,315)	(6,265,784)	(3,673,661)
Net cash provided by (used in) operating activities	18,401,434	(572,631)	(28,042)	189,845	17,990,606	1,522,913
Cash Flows From Noncapital Financing Activities						
Transfers in	-	-	377,312	-	377,312	459,948
Transfers out	(1,154,024)	-	(103,278)	(3,000)	(1,260,302)	(6,367)
Due to other funds	-	200,000	-	-	200,000	(300,000)
Due from other funds	1,515,000	-	-	-	1,515,000	5,000
Advances to other funds	1,480,000	-	-	-	1,480,000	-
Advances from other funds	-	-	76,696	-	76,696	-
Net cash provided by (used in) noncapital financing activities	1,840,976	200,000	350,730	(3,000)	2,388,706	158,581
Cash Flows From Capital And Related Financing Activities						
Principal payments on long-term debt	(540,000)	-	-	-	(540,000)	-
Interest paid on long-term debt obligations	(11,065)	(1,045)	(52,597)	-	(64,707)	-
Capital grants	280,102	-	748,619	-	1,028,721	-
Additions to capital assets	(12,973,898)	-	(301,274)	-	(13,275,172)	(2,239,040)
Proceeds from sale of capital assets	956,494	-	-	-	956,494	443,075
Net cash provided by (used in) capital and related financing activities	(12,288,367)	(1,045)	394,748	-	(11,894,664)	(1,795,965)
Cash Flows Provided By Investing Activities						
Interest received (paid)	196,016	349	8,414	(2,298)	202,481	35,297
Net cash provided by (used in) investing activities	196,016	349	8,414	(2,298)	202,481	35,297
Net increase (decrease) in cash and cash equivalents	8,150,059	(373,327)	725,850	184,547	8,687,129	(79,174)
Cash And Cash Equivalents - Beginning Of Year	60,930,673	432,744	852,305	207,524	62,423,246	13,094,009
Cash And Cash Equivalents - End Of Year	\$ 69,080,732	\$ 59,417	\$ 1,578,155	\$ 392,071	\$ 71,110,375	\$ 13,014,835
Reconciliation of operating income (loss) to net cash provided by (used in) operating income (loss)	\$ 13,522,293	\$ (815,501)	\$ (600,006)	\$ 129,207	\$ 12,235,993	\$ (345,503)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	5,013,964	22,007	673,346	19,854	5,729,171	2,413,753
Changes in assets and liabilities:						
(Increase) decrease in inventories	(72,431)	-	(5,524)	-	(77,955)	(17,510)
(Increase) decrease in accounts receivable	88,290	(4,909)	(14,829)	-	68,552	-
(Increase) in unbilled revenue	(143,908)	-	-	-	(143,908)	-
(Increase) in prepaid expenses	-	-	-	-	-	(1,313,084)
(Increase) decrease in pension related assets, outflows and inflows	140,796	5,683	9,972	-	156,451	60,835
Increase (decrease) in accounts payable	(202,159)	(203,375)	(108,527)	3,845	(510,216)	624,287
Increase (decrease) in salaries and wages payable	2,637	520	3,912	38,112	45,181	24,175
Increase (decrease) in customer deposits	100	-	5,543	-	5,643	-
Decrease in accrued landfill closure/postclosure care costs	-	429,474	-	-	429,474	-
Increase (decrease) in other post employment benefits outflow and liability	26,283	2,021	1,609	-	29,913	21,919
Increase (decrease) in accrued compensated absences	25,569	(8,551)	6,462	(1,173)	22,307	54,041
Total adjustments	4,879,141	242,870	571,964	60,638	5,754,613	1,868,416
Net cash provided by (used in) operating activities	\$ 18,401,434	\$ (572,631)	\$ (28,042)	\$ 189,845	\$ 17,990,606	\$ 1,522,913

CITY OF LEE'S SUMMIT, MISSOURI

Supplemental Disclosure Of Cash Flow Information

The City has the following noncash transactions: \$284,423 in water and sewer lines were contributed during fiscal year 2021 and \$615,421 relates to accounts receivable on capital grants for the Airport.

CITY OF LEE'S SUMMIT, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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 98,000 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.

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 (*Continued*)

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.

Debt Service - This fund accounts for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term obligations other than obligations payable from the operations of Proprietary Fund Types.

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 2007.

Blue Parkway And Colbern Road CID Fund - Capital projects fund established to account for costs associated with construction of infrastructure in the Blue Parkway and Colbern Road Community Improvement District.

ARP Act Fund - Special revenue fund established to account for federal grant revenues allocated through the American Rescue Plan Recovery Act and the corresponding uses of those grant funds.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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.

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:

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.

Sanitary Landfill - This fund accounts for all assets, liabilities, revenues and expenses relating to the operation of the City-owned sanitary landfill.

Airport - Established to account for all assets, liabilities 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 Center - Established to account for all assets, liabilities, revenues and expenses related to the operation of the City-owned recreation center at Harris Park.

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, liabilities and deferred inflows 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, certain deferred outflows, current liabilities and certain deferred inflows 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, liabilities and deferred inflows 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.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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 at year end: sales taxes, 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.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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.

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	\$ 0.8384
Park board	0.1482
Debt service	0.4697
Total tax levy	<u>\$ 1.4563</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 for coverage that benefits more than one fiscal period. The premium amounts are amortized over the policy periods.

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.

In addition, the general fund has unspent grant amounts.

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.

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. Interest incurred during the construction phase of capital assets of the business-type activities and proprietary funds is included as part of the capitalized value of the assets constructed. There was no interest capitalized during the year ended June 30, 2021.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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

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 position 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 for these amounts is reported in the governmental funds only if the amounts due at year end have matured.

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.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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.

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 position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has three 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 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.

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.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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, less the outstanding balances of any bonds, notes 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.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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.

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.

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, repurchase agreements 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, 2021 are as follows:

	Carrying Amount Or Fair Value	Less Than 1 Year	1 To 5 Years
U.S. Treasury securities	\$ 90,190,085	\$ 37,181,686	\$ 53,008,399
U.S. Agency securities	93,396,725	57,670,400	35,726,325
Repurchase agreements	1,098,000	1,098,000	-
Money market funds	3,123,324	3,123,324	-
	187,808,134	<u>\$ 99,073,410</u>	<u>\$ 88,734,724</u>
Cash deposits per books	<u>18,571,961</u>		
Cash and investments per statement of net position	<u><u>\$ 206,380,095</u></u>		

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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, 2021:

- U.S. Treasury obligations of \$90,190,085 valued using quoted market prices (Level 1 inputs)
- U.S. Agency obligations of \$93,396,725 valued using quoted market prices (Level 1 inputs)
- Repurchase agreements of \$1,098,000 valued using a matrix pricing model (Level 2 inputs)
- Money market funds of \$3,123,324 are valued at amortized cost

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 Finance Director of the City and in accordance with state statutes. As of June 30, 2021, 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.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (Continued)

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.

	Carrying Amount		
	Or Fair Value	AAA/Aaa	Unrated
U.S. Treasury securities*	\$ 90,190,085	\$ -	\$ -
U.S. Agency securities	93,396,725	93,396,725	-
Repurchase agreements**	1,098,000	1,098,000	-
Money market funds	3,123,324	-	3,123,324
Total	<u>\$ 187,808,134</u>	<u>\$ 94,494,725</u>	<u>\$ 3,123,324</u>

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

** The collateral underlying the City's repurchase agreements is AAA rated.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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:

<u>Investment Type</u>	<u>Minimum Allocation</u>	<u>Maximum Allocation</u>
General time deposits	—	30%
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%

Investments in any one issuer (other than U.S. Treasury Securities, mutual funds and external investment pools) that represent 5% or more of the total investments of the City are as follows:

<u>Issuer</u>	<u>Percentage Concentration</u>
Federal Home Loan Bank	30.30%
Federal Farm Credit Bank	14.32%

CITY OF LEE'S SUMMIT, MISSOURINotes To Basic Financial Statements (*Continued*)**3. Capital Assets**

Capital asset activity for the year ended was as follows:

	Governmental Activities			Balance June 30, 2021
	Balance June 30, 2020	Additions	Deductions	
Nondepreciable capital assets:				
Land	\$ 7,857,966	\$ -	\$ -	\$ 7,857,966
Construction in progress	91,443,797	19,341,096	-	110,784,893
Total nondepreciable capital assets	99,301,763	19,341,096	-	118,642,859
Depreciable capital assets:				
Buildings	64,764,222	-	-	64,764,222
Improvement other than buildings	74,169,201	66,715	-	74,235,916
Furniture, fixtures and equipment	40,312,372	2,383,926	1,813,081	40,883,217
Infrastructure	505,409,055	1,833,204	-	507,242,259
Total depreciable capital assets	684,654,850	4,283,845	1,813,081	687,125,614
Less: Accumulated depreciation				
Buildings	37,233,826	1,943,090	-	39,176,916
Improvement other than buildings	29,837,417	3,835,973	-	33,673,390
Furniture, fixtures and equipment	27,461,982	2,484,759	1,705,487	28,241,254
Infrastructure	129,788,587	10,296,246	-	140,084,833
Total accumulated depreciation	224,321,812	18,560,068	1,705,487	241,176,393
Total depreciable capital assets, net	460,333,038	(14,276,223)	107,594	445,949,221
Total governmental activities capital assets, net	\$ 559,634,801	\$ 5,064,873	\$ 107,594	\$ 564,592,080

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (Continued)

	Business-Type Activities			Balance June 30, 2021
	Balance June 30, 2020	Additions	Deductions	
Nondepreciable capital assets:				
Land	\$ 26,896,596	\$ -	\$ 50,000	\$ 26,846,596
Construction in progress	52,209,783	13,040,749	-	65,250,532
Total nondepreciable capital assets	79,106,379	13,040,749	50,000	92,097,128
Depreciable capital assets:				
Structures and improvements	321,981,013	284,423	-	322,265,436
Furniture, fixtures and equipment	3,564,972	-	-	3,564,972
Total depreciable capital assets	325,545,985	284,423	-	325,830,408
Less: Accumulated depreciation				
Structures and improvements	111,839,520	5,686,064	-	117,525,584
Furniture, fixtures and equipment	3,183,302	43,107	-	3,226,409
Total accumulated depreciation	115,022,822	5,729,171	-	120,751,993
Total depreciable capital assets, net	210,523,163	(5,444,748)	-	205,078,415
Total business-type activities capital assets, net	\$ 289,629,542	\$ 7,596,001	\$ 50,000	\$ 297,175,543

Depreciation expense was charged to functions as follows:

General government	\$ 867,211
Public safety	960,635
Public works and streets	10,550,714
Parks and recreation	3,767,755
Capital assets held by the government's Internal Service	
Funds are charged to the various functions based on their usage of the assets	2,413,753
	<u>\$ 18,560,068</u>

Depreciation expense was charged to functions as follows:

Combined waterworks and sewerage system	\$ 5,013,964
Sanitary landfill	22,007
Airport	673,346
Nonmajor enterprise funds	19,854
	<u>\$ 5,729,171</u>

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

4. Long-Term Obligations

Debt payable at June 30, 2021 is composed of the following:

	Interest Rates	Maturity Date	Balance
Governmental Activities			
General obligation bonds:			
Improvement bonds - 2013A	3.00	4/1/2028	\$ 15,680,000
Refunding (2003) - 2013	4.00	4/1/2023	3,045,000
Improvement bonds 2016A	1.75 - 2.50	4/1/2029	5,100,000
Improvement bonds 2017A	1.75 - 3.00	4/1/2026	9,600,000
Total general obligation bonds			<u>\$ 33,425,000</u>
Bonds from direct placement:			
Improvement bonds 2020A	1.89	4/1/2023	\$ 5,055,000
Improvement bonds 2021A	0.83	4/1/2023	5,000,000
Total bonds from direct placement			<u>\$ 10,055,000</u>
TIF bonds:			
Summit fair - 2017	3.50 - 4.875	11/1/2037	<u>\$ 25,610,000</u>

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2021:

Governmental Activities	Balance			Balance June 30, 2021	Amounts Due Within One Year
	June 30, 2020	Additions	Reductions		
General obligation bonds	\$ 38,280,000	\$ -	\$ (4,855,000)	\$ 33,425,000	\$ 4,380,000
Add: Bond premium	2,254,963	-	(490,896)	1,764,067	-
Total general obligation bonds	<u>40,534,963</u>	-	<u>(5,345,896)</u>	<u>35,189,067</u>	<u>4,380,000</u>
Bonds from direct placement	<u>9,055,000</u>	<u>5,000,000</u>	<u>(4,000,000)</u>	<u>10,055,000</u>	<u>5,725,000</u>
TIF bonds	27,315,000	-	(1,705,000)	25,610,000	-
Less: Bond discount	(231,539)	-	13,687	(217,852)	-
Total TIF bonds	<u>27,083,461</u>	-	<u>(1,691,313)</u>	<u>25,392,148</u>	<u>-</u>
Accrued compensated absences	<u>5,151,646</u>	<u>1,009,857</u>	<u>(607,768)</u>	<u>5,553,735</u>	<u>333,509</u>
Other post employment benefits	<u>6,116,661</u>	<u>705,932</u>	<u>-</u>	<u>6,822,593</u>	<u>-</u>
Total governmental activities long-term obligations	<u>\$ 87,941,731</u>	<u>\$ 6,715,789</u>	<u>\$(11,644,977)</u>	<u>\$ 83,012,543</u>	<u>\$ 10,438,509</u>

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements *(Continued)*

The total long-term liabilities of \$83,012,543 consist of compensated absences and other post-employment benefits of \$310,968 and \$265,002, respectively, related to Internal Service Funds, while the remaining amount of \$82,436,573 is a reconciling item of the Governmental Funds balance sheet to the statement of net position. Compensated absences and other post-employment benefits are primarily liquidated by the General Fund.

Business-Type Activities	Balance			Amounts	
	June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Combined waterworks and sewerage system fund					
Revenue bonds	\$ 540,000	\$ -	\$ (540,000)	\$ -	\$ -
Add: Bond premium	35,750	-	(35,750)	-	-
Total revenue bonds	<u>575,750</u>	<u>-</u>	<u>(575,750)</u>	<u>-</u>	<u>-</u>
Compensated absences	344,448	47,841	(22,272)	370,017	29,300
Other post employment benefits	444,180	42,744	-	486,924	-
Total waterworks and sewerage fund	<u>1,364,378</u>	<u>90,585</u>	<u>(598,022)</u>	<u>856,941</u>	<u>29,300</u>
Sanitary landfill fund					
Landfill closure/postclosure care	6,430,923	429,474	-	6,860,397	230,000
Compensated absences	8,551	-	(8,551)	-	-
Other post employment benefits	19,614	2,304	-	21,918	-
Total sanitary landfill fund	<u>6,459,088</u>	<u>431,778</u>	<u>(8,551)</u>	<u>6,882,315</u>	<u>230,000</u>
Airport fund					
Compensated absences	49,676	8,434	(1,972)	56,138	6,000
Other post employment benefits	33,116	3,596	-	36,712	-
Total airport fund	<u>82,792</u>	<u>12,030</u>	<u>(1,972)</u>	<u>92,850</u>	<u>6,000</u>
Nonmajor enterprise fund:					
Compensated absences	<u>28,076</u>	<u>622</u>	<u>(1,795)</u>	<u>26,903</u>	<u>1,432</u>
Total business-type activities long-term obligations	<u>\$ 7,934,334</u>	<u>\$ 535,015</u>	<u>\$ (610,340)</u>	<u>\$ 7,859,009</u>	<u>\$ 266,732</u>

Debt service requirements on long-term debt at June 30, 2021 are as follows:

Year	Governmental Activities					
	General Obligation Bonds		Direct Placement		TIF Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 4,380,000	\$ 928,700	\$ 5,725,000	\$ 137,040	\$ -	\$ 1,148,850
2023	4,945,000	805,750	4,330,000	47,122	1,360,000	622,025
2024	5,345,000	649,500	-	-	-	-
2025	5,605,000	495,150	-	-	-	-
2026	5,275,000	356,000	-	-	-	-
2027 - 2031	7,875,000	370,500	-	-	9,250,000	370,000
2032 - 2036	-	-	-	-	-	-
2037	-	-	-	-	15,000,000	731,250
	<u>\$ 33,425,000</u>	<u>\$ 3,605,600</u>	<u>\$ 10,055,000</u>	<u>\$ 184,162</u>	<u>\$ 25,610,000</u>	<u>\$ 2,872,125</u>

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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, 2021, the constitutionally imposed total general obligation debt limit was \$456,120,575, which after reduction for authorized general obligation bonds net of available resources in the Debt Service Fund, provides a general obligation debt margin of \$418,575,741.

Combined Waterworks And Sewerage Revenue Bonds

During the year ended June 30, 2021 the remaining principal and interest of the Waterworks and Sewerage Revenue Bond was paid off.

5. Construction Commitments

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:

	Contract Amount	Amount Funded By Grants
Nonmajor governmental	\$ 1,428,628	\$ -
Airport	13,532	13,532
	<u>\$ 1,442,160</u>	<u>\$ 13,532</u>

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (Continued)

6. Interfund Receivables, Payables, Advances And Transfers

The composition of interfund balances as of June 30, 2021 is as follows:

Receivable Fund	Payable Fund	Amount
General fund	Nonmajor governmental	\$ 147,000
General fund	Internal service	323,000
Capital improvement sales tax	Nonmajor governmental	78,000
Capital improvement sales tax	Internal service	442,000
Nonmajor governmental	Nonmajor governmental	18,000
Nonmajor governmental	Sanitary landfill	200,000
Nonmajor governmental	Internal service	102,000
Combined waterworks and sewerage system	Nonmajor governmental	2,107,000
Combined waterworks and sewerage system	Internal service	833,000
Total		<u>\$ 4,250,000</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, 2021:

Advance From Fund	Advance To Fund	Amount
General fund	Nonmajor governmental	\$ 760,000
General fund	Airport	2,153,746
Capital improvement sales tax	Nonmajor governmental	1,040,000
Nonmajor governmental	Blue Parkway/Colbern CID	3,314,859
Nonmajor governmental	Nonmajor governmental	240,000
Combined waterworks and sewerage system	Blue Parkway/Colbern CID	379,621
Combined waterworks and sewerage system	Nonmajor governmental	1,800,000
Total		<u>\$ 9,688,226</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 \$2,153,746 payable from the Airport Fund represents interfund loans that were provided to fund capital expansion during the grant reimbursement process and to fund operations in past years. The City is currently determining what the source of repayment will be.

The \$1,800,000 payable from the Park Development Fund is an interfund loan to acquire and make improvements to the Longview Community Center. This loan will be repaid with Park Fund revenues.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

The \$1,040,000 payable from the New Longview Tax Increment Financing 2003 Fund and Todd George 50 Highway TIF Fund is an interfund loan for capital improvements. This loan will be repaid with future PILOTS and EATS revenue.

Interfund transfers:

	Transfers To				Total
	General Fund	Nonmajor Governmental Funds	Airport Fund	Internal Service Funds	
Transfers from					
General	\$ -	\$ 3,833,514	\$ 76,696	\$ -	\$ 3,910,210
Debt Service	-	3,675,000	-	-	3,675,000
Nonmajor Governmental	8,561	17,411	300,616	-	326,588
Combined Waterworks and Sewerage System	694,076	-	-	459,948	1,154,024
Airport	103,278	-	-	-	103,278
Nonmajor Enterprise	-	3,000	-	-	3,000
Internal Service	-	6,367	-	-	6,367
	<u>\$805,915</u>	<u>\$ 7,535,292</u>	<u>\$ 377,312</u>	<u>\$459,948</u>	<u>\$ 9,178,467</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.

7. 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.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 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 5 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:

Inactive employees or beneficiaries currently receiving benefits	334
Inactive employees entitled to but not yet receiving benefits	269
Active employees	637
	<u>1,240</u>

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 11.6% (general), 14.8% (police) and 13.3% (fire) of annual covered payroll.

Net Pension Liability (Asset)

The employer's net pension liability (asset) was measured as of June 30, 2020, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 29, 2020.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Actuarial Assumptions

The total pension liability in the February 29, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Method:	Individual Entry Age
Asset Valuation Method:	5 - year smoothed market
Inflation:	3.25% wage inflation; 2.50% price inflation
Salary Increase:	3.25% to 6.55% (including wage inflation)
Investment Rate Of Return:	7.25% (net of investment expenses)

Mortality rates were based on the applicable RP-2014 Mortality Tables for both males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2020 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

The long-term expected rate of return on pension plan investments 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate Of Return</u>
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed income	31.00%	1.41%
Real assets	36.00%	3.29%
Strategic assets	8.00%	5.25%
Cash/leverage	-25.00%	-0.29%

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (Continued)

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. 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.

Changes In The Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances At June 30, 2020	\$ 217,353,268	\$ 237,901,674	\$ (20,548,406)
Changes For The Year:			
Service cost	4,915,753	-	4,915,753
Interest	15,667,986	-	15,667,986
Difference between expected and actual experience	4,994,324	-	4,994,324
Contributions - employer	-	4,774,887	(4,774,887)
Net investment income (loss)	-	3,116,804	(3,116,804)
Benefit payments, including refunds	(7,446,261)	(7,446,261)	-
Administrative expense	-	(156,543)	156,543
Other changes	-	(1,093,208)	1,093,208
Net changes	18,131,802	(804,321)	18,936,123
Balances At June 30, 2021	\$ 235,485,070	\$ 237,097,353	\$ (1,612,283)

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 7.25%, 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.

	Current Single Discount		
	1% Decrease 6.25%	Rate Assumption 7.25%	1% Increase 8.25%
Net pension liability (asset)	\$ 34,409,666	\$ (1,612,283)	\$ (31,154,831)

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (Continued)

Pension Expense, Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

For the year ended June 30, 2021 the City recognized pension expense of \$8,579,288. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 7,841,732	\$ 1,427,992
Changes in assumptions	1,679,614	-
Difference between expected and actual earnings	6,048,500	-
	<u>15,569,846</u>	<u>1,427,992</u>
Contributions subsequent to the measurement date of June 30, 2020*	5,074,435	-
Total	<u>\$ 20,644,281</u>	<u>\$ 1,427,992</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:

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ 1,138,998
2023	2,449,604
2024	4,725,843
2025	3,980,884
2026	884,094
Thereafter	962,431
Total	<u>\$ 14,141,854</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.

8. 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 July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	21
Active employees	<u>659</u>
	<u><u>680</u></u>

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Benefits Provided

Employees must attain a minimum of ten 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.

Total OPEB Liability And Changes In OPEB Liability

The City's total OPEB liability was based on an actuarial valuation dated July 1, 2019 using a measurement date of June 30, 2021 and the changes in the OPEB liability are as follows:

OPEB liability - Beginning of year	\$ 6,613,571
Service costs	433,566
Interest	180,691
Differences between expected and actual experience	(164,677)
Changes in assumptions and inputs	499,996
Benefit payments/Employer contributions	(195,000)
OPEB liability - end of year	<u>\$ 7,368,147</u>

Changes for the June 30, 2021 measurement date compared to the June 30, 2020 measurement date include the following:

1. The discount rate was changed from 2.6% to 2.0%.
2. The mortality assumption was updated from Society of Actuaries Mortality improvement scale MP-2019 Full Generational Improvement to the Society of Actuaries Mortality improvement scale MP-2020 Full Generational Improvement.
3. The retiree per capita costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation. The January 1, 2021 renewal was taken into account.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2019 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:	July 1, 2019
Measurement Date:	June 30, 2021
Salary Scale:	3%
Discount Rate:	2.0% (measurement date); 2.6% (year preceding measurement date)
Mortality:	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality Tables using Scale MP-2020 Full Generational Improvement
Healthcare Cost Trend:	5.38% in 2022 decreasing to ultimate rate of 4.50% in 2029

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 2.6% and 2.0% 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 (Continued)

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:

	1% Decrease 1.0%	Current Single Discount Rate Assumption 2.0%	1% Increase 3.0%
Total OPEB Liability	\$ 8,047,934	\$ 7,368,147	\$ 6,735,797

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:

	(a) 1% Decrease	Current Trend Assumption	(b) 1% Increase
Total OPEB Liability	\$ 6,357,477	\$ 7,368,147	\$ 8,581,044

(a) 4.38% in 2022 decreasing to an ultimate rate of 3.50% in 2029

(b) 6.38% in 2022 decreasing to an ultimate rate of 5.50% in 2029

OPEB Expense And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To OPEB

For the year ended June 30, 2021, the City recognized OPEB expense of \$762,556. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 126,049	\$ 572,867
Changes in assumptions	1,799,137	-
Total	\$ 1,925,186	\$ 572,867

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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:

Year Ending June 30,	OPEB Expense
2022	\$ 148,299
2023	148,299
2024	148,299
2025	148,299
2026	148,299
Thereafter	610,824
Total	<u>\$ 1,352,319</u>

9. Litigation And Contingent Liabilities

Legal Matters

The City is a party to a number of other 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, 2021, the City's total estimated liability for payment of incurred but unpaid claims for workers' compensation was \$1,388,916 and is included in accounts payable in the Workers' Compensation Self-Insurance Fund.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Changes in self-insured claims liability at June 30, 2021 and 2020 were as follows:

Balance - June 30, 2019	\$ 868,408
Add: Current year claims and change in estimate	316,540
Less: Claim payments	<u>(400,011)</u>
Balance - June 30, 2020	784,937
Add: Current year claims and change in estimate	1,016,558
Less: Claim payments	<u>(412,579)</u>
Balance - June 30, 2021	<u><u>\$ 1,388,916</u></u>

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

10. 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 \$6,860,397 reported as landfill closure and postclosure liability at June 30, 2021, represents the City's estimate of remaining closure costs and postclosure care costs.

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, 2021, the City had contract obligations of approximately \$10,800,000 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. 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.

11. Deficits

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

Governmental activities:	
Major Funds:	
Blue Parkway and Colbern Road CID	\$ 3,713,472
Nonmajor Funds:	
Entitlement	103,292
Todd George and 50 Hwy TIF	2,006,340
Park Development	1,800,140
Summit Woods TIF	302,594
New Longview TIF	1,842,117
Business-type activities:	
Major Funds:	
Sanitary Landfill	4,082,127

12. Municipal Court Traffic Violations Fines And Costs

Missouri statute requires municipalities to report an accounting of the percent of “annual general operating revenue” from fines and costs for traffic violations. Total fines and court cost revenues for the fiscal year, which includes fines and court costs related to traffic violations, summed to \$505,604. This accounts for 0.78% of the City’s total general operating revenues of \$64,492,734 for the year ended June 30, 2021.

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 grants tax diversion to promote new investment, infrastructure improvements, and job growth by providing financial assistance and incentives to redevelopers. Created pursuant to Section 99.800 of the Revised Statutes of Missouri (RSMo). State statute authorizes the redirection of the incremental increase in property taxes prior to the development. State statute also authorizes the redirection of 50% of the incremental increase in taxes generated by economic activities with the project as well. The maximum term is 23 years. Per City policy, incentives granted shall be capped at an amount not to exceed 25% of the total private development costs. To qualify for site specific incentives over the 25% cap, the project must demonstrate extraordinary qualifications.

CITY OF LEE'S SUMMIT, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Section 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. Per City policy, incentives shall be capped at an abatement of 50% over a 10 year period. To qualify for site specific incentives over the 50% cap and/or beyond the initial 10 years, the project must demonstrate extraordinary qualifications.

Section 100 Projects --The City of Lee's Summit can issue taxable bonds to assist with the construction or rehabilitation of eligible commercial facilities. The City takes formal ownership of the business assets and therefore provide property (real and personal) abatement for up to 15 years. Created pursuant to Sections 100.010 to 100.200 RSMo. The abatement is calculated based upon city ownership of the real and/or personal property which would render it exempt from taxes. Sales taxes on purchases of materials used in the construction of the facility may be constructed such that the City's sales tax exemption is used. Per City policy, incentives considered will be at an abatement level of 50% over a 10 year period for new development and redevelopment. Business equipment incentives will be considered at an abatement level of 50% over a 5 year period. To qualify for site specific incentives over these amounts, the project must demonstrate extraordinary qualifications.

LCRA (Land Clearance Redevelopment Authority) - Grants abatement to encourage investment and assists in the removal of blight and blighting conditions with urban renewal areas. Created pursuant to Sections 99.300 to 99.660 RSMo. The abatement is calculated on the increase in assessed value of both land and improvements. Per City policy, incentives shall be capped at an abatement of 50% over a 10 year period. To qualify for site specific incentives over the 50% cap, the project must demonstrate extraordinary qualifications.

The City provided tax abatements under the four economic development programs noted above. For the fiscal year ended June 30, 2021, the City's tax revenue was diverted through various abatements necessary to incent development within the City totaling an estimated \$ 7,037,816 under the following programs:

Tax Abatement Program	City Portion Of Taxes Affected	Other Organizations' Portion Of Taxes Affected	Total Taxes Affected By Abatements	Less Other Payments	Net Taxes Affected By Abatements	Percentage Abatement	Amount Of Taxes Abated During The Fiscal Year
Tax increment financing	\$ 2,258,553	\$ 4,671,705	\$ 6,930,258	\$ -	\$ 6,930,258	56.67186%	\$ 3,927,506
Section 353 abatement	33,000	155,550	188,550	94,275	94,275	100.00000%	94,275
Section 100 projects	875,855	4,630,922	5,506,777	2,660,147	2,846,630	100.00000%	2,846,630
LCRA	25,665	149,853	175,518	6,113	169,405	100.00000%	169,405
							<u>\$ 7,037,816</u>

The following tax abatement agreements each exceeded 10% of the total amount 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 NW Chipman Road on the south. The estimated value of tax revenue abated during fiscal year 2021 is \$2,856,739 with the City's portion of taxes abated at \$500,011.

KC Summit Technology 1998 – In February 1998 the City approved a Section 100 plan for the industrial development project located in the former Western Electric facility. This former facility was converted to a multi-tenant office complex. The estimated value of tax revenue abated during fiscal year 2021 is \$858,174 with the City's portion of taxes abated at \$212,904.

14. Pending accounting pronouncements

GASB Statement No. 87, *Leases*, issued June 2017, will be effective for the City beginning with its fiscal year ending June 30, 2022, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments, and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, issued June 2018, will be effective for the City beginning with its fiscal year ending June 30, 2022, with earlier adoption encouraged. Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement will be effective for the City with its year ending June 30, 2023.

Required Supplementary Information

CITY OF LEE'S SUMMIT, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
BUDGETARY COMPARISON INFORMATION - GENERAL FUND
For The Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts	With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 52,000,551	\$ 52,000,551	\$ 59,216,813	\$ 7,216,262
Fines and forfeitures	1,043,397	1,043,397	749,785	(293,612)
Licenses and permits	2,825,126	2,825,126	4,044,547	1,219,421
Intergovernmental	1,457,795	1,457,795	1,105,587	(352,208)
Charges for services	9,528,761	9,528,761	9,514,053	(14,708)
Investment earnings	111,304	111,304	49,828	(61,476)
Other	2,485,887	2,485,887	3,015,519	529,632
Total revenues	69,452,821	69,452,821	77,696,132	8,243,311
Expenditures				
Current:				
General government				
Administrative	3,696,191	3,696,191	3,024,572	671,619
Finance	10,261,894	10,738,411	10,673,855	64,556
Municipal court	971,755	971,755	766,634	205,121
Legal	1,665,081	1,665,081	1,643,186	21,895
Public Safety				
Law enforcement	22,657,630	22,907,630	21,580,759	1,326,871
Fire/EMS	20,614,349	20,614,349	19,256,967	1,357,382
Public works and streets				
Public works/engineering	6,275,757	6,876,816	5,861,264	1,015,552
Street operations	5,158,485	5,158,485	4,839,484	319,001
Development center	4,467,479	4,467,479	4,285,628	181,851
Total expenditures	75,768,621	77,096,197	71,932,349	5,163,848
Excess Of Revenues Over (Under) Expenditures	(6,315,800)	(7,643,376)	5,763,783	13,407,159
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	137,000	137,000
Transfers in	1,070,113	870,113	805,915	(64,198)
Transfers out	(380,200)	(3,910,210)	(3,910,210)	-
Total other financing sources (uses)	689,913	(3,040,097)	(2,967,295)	72,802
Net Change In Fund Balances	(5,625,887)	(10,683,473)	2,796,488	13,479,961
Fund Balances - Beginning	31,235,135	31,235,135	31,235,135	-
Fund Balances - Ending	\$ 25,609,248	\$ 20,551,662	\$ 34,031,623	\$ 13,479,961

CITY OF LEE'S SUMMIT, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) NOTES TO BUDGETARY COMPARISON INFORMATION For The Year Ended June 30, 2021

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 yearend. 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.

- (1) 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.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) 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.

Although the City is legally required to prepare budgets for all funds, there is no legal requirement to report on those budgets.

The majority of Special Revenue Funds have annual appropriated budgets; funds that do not are the Entitlement Fund, Landfill Postclosure Fund, Cemetery Trust Fund, Road and Bridge Escrow Fund, Business and Industry Fund, ARP Act Fund and the CARES 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, 2021

Schedule Of Contributions

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation to the			Contribution as a Percentage of	
		Required Contribution	Contribution Deficiency	Covered Payroll	Covered Payroll	Covered Payroll
2012	\$ 5,805,293	\$ 4,992,660	\$ 812,633	\$ 36,279,509		13.76%
2013	5,394,938	5,059,758	335,180	34,189,853		14.80%
2014	5,509,368	5,482,466	26,902	34,808,668		15.75%
2015	5,148,222	5,148,222	-	35,306,669		14.58%
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		11.10%
2019	4,315,843	4,306,690	9,153	37,966,666		11.34%
2020	4,774,003	4,774,003	-	42,993,105		11.10%
2021	5,119,129	5,074,435	44,694	43,152,508		11.76%

Schedule Of Changes In Net Pension Liability (Asset) And Related Ratios

Fiscal Year Ending June 30,	2016	2017	2018	2019	2020	2021
Total Pension Liability						
Service cost	\$ 4,094,113	\$ 4,116,855	\$ 4,304,459	\$ 4,472,193	\$ 4,609,803	\$ 4,915,753
Interest on total pension liability	10,954,647	11,691,666	12,869,316	13,726,033	14,558,105	15,667,986
Changes in benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	318,903	(892,732)	(10,067)	(421,915)	3,169,573	4,994,324
Changes of assumption	-	6,279,349	-	-	-	-
Benefit payment, including refunds	(5,400,300)	(5,047,211)	(5,040,382)	(5,832,114)	(6,921,068)	(7,446,261)
Net change in total pension liability	9,967,363	16,147,927	12,123,326	11,944,197	15,416,413	18,131,802
Total pension liability-beginning	151,726,643	161,721,405	177,869,332	189,992,658	201,936,855	217,353,268
Total pension liability ending (a)	\$ 161,694,006	\$ 177,869,332	\$ 189,992,658	\$ 201,936,855	\$ 217,353,268	\$ 235,485,070
Plan Fiduciary Net Position						
Contributions-employer	\$ 4,831,163	\$ 4,153,904	\$ 4,348,764	\$ 4,306,689	\$ 4,437,964	\$ 4,774,887
Contributions-employee	-	-	90,862	-	-	-
Net investment income	3,552,574	(235,139)	21,474,775	24,845,050	15,076,456	3,116,804
Benefit payments, including refunds	(5,373,300)	(5,047,211)	(5,040,382)	(5,832,114)	(6,921,068)	(7,446,261)
Pension plan administrative expense	(89,852)	(84,734)	(87,751)	(90,844)	(134,918)	(156,543)
Other (net transfer)	1,714,993	339,826	(157,227)	(62,202)	1,319,477	(1,093,208)
Net change in plan fiduciary net position	4,635,578	(873,354)	20,629,041	23,166,579	13,777,911	(804,321)
Plan fiduciary net position-beginning	176,565,920	181,201,498	180,328,144	200,957,184	224,123,763	237,901,674
Plan fiduciary net position -ending (b)	\$ 181,201,498	\$ 180,328,144	\$ 200,957,185	\$ 224,123,763	\$ 237,901,674	\$ 237,097,353
Net pension liability asset-ending (a)- (b)	(19,507,492)	(2,458,812)	(10,964,527)	(22,186,908)	(20,548,406)	(1,612,283)
Plan fiduciary net position as a percentage of the total pension liability	112.05%	101.38%	105.77%	110.99%	117.81%	109.08%
Covered payroll	\$ 34,283,100	\$ 35,017,663	\$ 36,728,368	\$ 37,483,205	\$ 39,183,044	\$ 42,998,505
Net pension liability(asset) as a percent of covered payroll	-56.82%	-7.02%	-29.85%	-59.19%	-52.44%	-3.75%

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

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.

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, 2021

Fiscal Year Ending June 30,	2018	2019	2020	2021
Total OPEB Liability June 30				
Service cost	\$ 229,155	\$ 291,148	\$ 308,374	\$ 433,566
Interest	153,982	184,128	185,290	180,691
Differences between expected and actual experience	-	168,067	(506,295)	(164,677)
Changes in assumptions	799,131	137,117	846,255	499,996
Benefit payments	(161,000)	(226,000)	(176,000)	(195,000)
Net Change in Total Pension Liability	1,021,268	554,460	657,624	754,576
Total OPEB Liability-Beginning	4,380,219	5,401,487	5,955,947	6,613,571
Total Pension Liability Ending	<u>\$ 5,401,487</u>	<u>\$ 5,955,947</u>	<u>\$ 6,613,571</u>	<u>\$ 7,368,147</u>
Covered-employee payroll	\$ 35,567,476	\$ 35,567,476	\$ 40,363,580	\$ 40,363,580
Total OPEB liability as a percentage of covered-employee payroll	15.19%	16.75%	16.38%	18.25%

Note: The above schedules are intended to show information for 10 years. Additional years will be displayed as they become available. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

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

1. 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.
2. The discount rate changed from 3.0% to 2.6%.
3. 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.
4. The retiree per capita costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation.
5. The assumed proportion of future retirees with a covered spouse was changed from 40% to 35%.
6. 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, 2021 measurement date compared to the June 30, 2020 measurement date include the following:

1. The discount rate was changed from 2.6% to 2.0%.
2. The mortality assumption was updated from Society of Actuaries Mortality improvement scale MP-2019 Full Generational Improvement to the Society of Actuaries Mortality improvement scale MP-2020 Full Generational Improvement.
3. The retiree per capita costs, retiree contribution premiums and trend assumptions were updated as part of the actuarial evaluation. The January 1, 2021 renewal was taken into account.

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

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, 2021

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Assets			
Pooled cash and investments	\$ 13,905,861	\$ 18,987,326	\$ 32,893,187
Receivables (net of allowance)			
Taxes	90,158	1,684,478	1,774,636
Accounts and other	56,645	-	56,645
Interest	42,247	33,516	75,763
Due from other funds	200,000	120,000	320,000
Due from other governments	178,633	221,927	400,560
Other current assets	-	793	793
Advances to other funds	-	3,554,859	3,554,859
Restricted cash	-	10,002,734	10,002,734
Total assets	\$ 14,473,544	\$ 34,605,633	\$ 49,079,177
Liabilities, Deferred Inflows of Resources And Fund Balances			
Liabilities			
Accounts payable and accrued liabilities	\$ 413,812	\$ 2,075,214	\$ 2,489,026
Payroll liabilities	271,664	-	271,664
Deposits payable	178,384	5,000	183,384
Unearned revenue	288,250	-	288,250
Due to other funds	90,000	2,260,000	2,350,000
Advances from other funds	-	3,840,000	3,840,000
Total liabilities	1,242,110	8,180,214	9,422,324
Deferred Inflows Of Resources			
Property tax	71,239	-	71,239
Other	-	15,498	15,498
Total deferred inflows of resources	71,239	15,498	86,737
Fund Balances			
Restricted			
Bridges, streets and signals	-	14,440,008	14,440,008
Parks and recreation	5,436,456	-	5,436,456
Economic development	164,789	5,192,586	5,357,375
Other capital projects	-	11,721,313	11,721,313
Other purposes	595,580	-	595,580
Committed			
Bridges, streets and signals	184,674	-	184,674
Landfill care	5,538,513	-	5,538,513
Cemetery care	1,343,475	-	1,343,475
Assigned			
Other capital projects	-	1,007,205	1,007,205
Unassigned	(103,292)	(5,951,191)	(6,054,483)
Total fund balances	13,160,195	26,409,921	39,570,116
Total liabilities, deferred inflows and fund balances	\$ 14,473,544	\$ 34,605,633	\$ 49,079,177

CITY OF LEE'S SUMMIT, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2021**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Taxes			
Property	\$ 3,928,279	\$ 4,874,818	\$ 8,803,097
Sales	—	11,484,912	11,484,912
License	—	1,379,901	1,379,901
Bed	427,983	—	427,983
Other tax	38,106	—	38,106
Fines and forfeitures	23,222	13,434	36,656
Intergovernmental	6,373,219	661,052	7,034,271
Charges for services	2,648,480	47,459	2,695,939
Investment earnings	26,361	47,077	73,438
Other	274,318	39,532	313,850
Total revenues	13,739,968	18,548,185	32,288,153
Expenditures			
Current			
General government	3,120,864	1,101,206	4,222,070
Parks and recreation	7,541,314	—	7,541,314
Debt service			
Principal	—	1,705,000	1,705,000
Interest and other charges	—	1,362,647	1,362,647
Capital outlay	2,743,496	16,682,557	19,426,053
Total expenditures	13,405,674	20,851,410	34,257,084
Deficiency Of Revenues Over Expenditures	334,294	(2,303,225)	(1,968,931)
Other Financing Sources (Uses)			
Issuance of bonds	—	5,000,000	5,000,000
Proceeds from sales of capital assets	30,000	—	30,000
Transfers in	201,778	7,333,514	7,535,292
Transfers out	(25,972)	(300,616)	(326,588)
Total other financing sources (uses)	205,806	12,032,898	12,238,704
Net Change In Fund Balances	540,100	9,729,673	10,269,773
Fund Balances - Beginning	12,620,095	16,680,248	29,300,343
Fund Balances - Ending	\$ 13,160,195	\$ 26,409,921	\$ 39,570,116

CITY OF LEE'S SUMMIT, MISSOURI

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

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.

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.

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.

CARES Act Fund - Established to account for federal grant revenues allocated through the Federal CARES Act and the corresponding uses of those grant funds.

CITY OF LEE'S SUMMIT, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2021**

	Park Board	Violence Against Women Grant	Entitlement Fund	Landfill Post-Closure Fund	Cemetery Trust Fund	Road And Bridge Escrow	Business And Industry Fund	CARES Act Fund	Total Nonmajor Special Revenue Funds
Assets									
Pooled cash and investments	\$ 5,862,729	\$ 455,672	\$ 8,900	\$ 5,359,163	\$ 1,345,588	\$ 361,371	\$ 109,555	\$ 402,883	\$ 13,905,861
Receivables (net of allowance)									
Taxes receivable, net	90,158	—	—	—	—	—	—	—	90,158
Accounts and other	1,156	393	—	—	—	—	55,096	—	56,645
Interest	18,508	519	—	17,291	4,104	1,687	138	—	42,247
Due from other funds	—	—	—	200,000	—	—	—	—	200,000
Due from other governments	—	141,568	37,065	—	—	—	—	—	178,633
Total assets	\$ 5,972,551	\$ 598,152	\$ 45,965	\$ 5,576,454	\$ 1,349,692	\$ 363,058	\$ 164,789	\$ 402,883	\$ 14,473,544
Liabilities, Deferred Inflows of Resources And Fund Balances									
Liabilities									
Accounts payable and accrued liabilities	\$ 195,303	\$ 2,572	\$ 59,257	\$ 37,941	\$ 4,106	\$ —	\$ —	\$ 114,633	\$ 413,812
Payroll liabilities	269,553	—	—	—	2,111	—	—	—	271,664
Deposits payable	—	—	—	—	—	178,384	—	—	178,384
Unearned revenue	—	—	—	—	—	—	—	288,250	288,250
Due to other funds	—	—	90,000	—	—	—	—	—	90,000
Total liabilities	464,856	2,572	149,257	37,941	6,217	178,384	—	402,883	1,242,110
Deferred Inflows Of Resources									
Property tax	71,239	—	—	—	—	—	—	—	71,239
Total deferred inflows of resources	71,239	—	—	—	—	—	—	—	71,239
Fund Balances (Deficits)									
Restricted									
Parks and recreation	5,436,456	—	—	—	—	—	—	—	5,436,456
Economic development	—	—	—	—	—	—	164,789	—	164,789
Other purposes	—	595,580	—	—	—	—	—	—	595,580
Committed									
Bridges, streets and signals	—	—	—	—	—	184,674	—	—	184,674
Landfill care	—	—	—	5,538,513	—	—	—	—	5,538,513
Cemetery care	—	—	—	—	1,343,475	—	—	—	1,343,475
Unassigned	—	—	(103,292)	—	—	—	—	—	(103,292)
Total fund balances (deficits)	5,436,456	595,580	(103,292)	5,538,513	1,343,475	184,674	164,789	—	13,160,195
Total liabilities, deferred inflows and fund balances (deficits)	\$ 5,972,551	\$ 598,152	\$ 45,965	\$ 5,576,454	\$ 1,349,692	\$ 363,058	\$ 164,789	\$ 402,883	\$ 14,473,544

CITY OF LEE'S SUMMIT, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2021**

	Park Board	Violence Against Women Grant	Entitlement Fund	Landfill Post Closure Fund	Cemetery Trust Fund	Road And Bridge Escrow	Business And Industry Fund	CARES Act Fund	Total Nonmajor Special Revenue Funds
Revenues									
Taxes									
Property	\$ 3,928,279	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,928,279
Bed	—	—	—	—	—	—	427,983	—	427,983
Other tax	38,106	—	—	—	—	—	—	—	38,106
Fines and forfeitures	23,222	—	—	—	—	—	—	—	23,222
Intergovernmental	750	137,551	577,420	—	—	24,221	—	5,633,277	6,373,219
Charges for services	2,575,022	—	—	—	73,458	—	—	—	2,648,480
Investment earnings (loss)	9,943	—	—	12,701	3,345	2,298	(1,926)	—	26,361
Other	238,601	—	—	—	35,717	—	—	—	274,318
Total revenues	6,813,923	137,551	577,420	12,701	112,520	26,519	426,057	5,633,277	13,739,968
Expenditures									
Current:									
General government	—	38,856	605,115	319,940	—	—	465,404	1,691,549	3,120,864
Parks and recreation	6,215,154	—	—	—	127,928	—	—	1,198,232	7,541,314
Capital outlay	—	—	—	—	—	—	—	2,743,496	2,743,496
Total expenditures	6,215,154	38,856	605,115	319,940	127,928	—	465,404	5,633,277	13,405,674
Excess (Deficiency) Of Revenues Over Expenditures	598,769	98,695	(27,695)	(307,239)	(15,408)	26,519	(39,347)	—	334,294
Other Financing Sources (Uses)									
Proceeds from sale of capital assets	—	—	—	—	30,000	—	—	—	30,000
Transfers in	201,778	—	—	—	—	—	—	—	201,778
Transfers out	—	—	—	—	(17,411)	—	(8,561)	—	(25,972)
Total other financing sources (uses)	201,778	—	—	—	12,589	—	(8,561)	—	205,806
Net Change In Fund Balances (Deficit)	800,547	98,695	(27,695)	(307,239)	(2,819)	26,519	(47,908)	—	540,100
Fund Balances (Deficits) - Beginning	4,635,909	496,885	(75,597)	5,845,752	1,346,294	158,155	212,697	—	12,620,095
Fund Balances (Deficits) - Ending	\$ 5,436,456	\$ 595,580	\$ (103,292)	\$ 5,538,513	\$ 1,343,475	\$ 184,674	\$ 164,789	\$ —	\$ 13,160,195

CITY OF LEE'S SUMMIT, MISSOURI

BUDGETARY COMPARISON SCHEDULE

PARK BOARD

For The Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues				
Taxes				
Property taxes	\$ 3,654,483	\$ 3,654,483	\$ 3,928,279	\$ 273,796
Other tax	4,000	4,000	38,106	34,106
Fines and forfeitures	18,000	18,000	23,222	5,222
Intergovernmental	-	-	750	750
Charges for services	3,984,182	3,984,182	2,575,022	(1,409,160)
Investment earnings (loss)	19,796	19,796	9,943	(9,853)
Other	335,383	335,383	238,601	(96,782)
Total revenues	8,015,844	8,015,844	6,813,923	(1,201,921)
Expenditures				
Current:				
Parks and recreation	7,422,506	7,422,506	6,215,154	(1,207,352)
Excess of revenues over expenditures	593,338	593,338	598,769	5,431
Other Financing Sources				
Transfers in	177,844	177,844	201,778	23,934
Total other financing sources	177,844	177,844	201,778	23,934
Net Change In Fund Balances	\$ 771,182	\$ 771,182	800,547	\$ 29,365
Fund Balances - Beginning			<u>4,635,909</u>	
Fund Balances - Ending			<u><u>\$ 5,436,456</u></u>	

CITY OF LEE'S SUMMIT, MISSOURI

**BUDGETARY COMPARISON SCHEDULE
VIOLENCE AGAINST WOMEN GRANT
For The Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variances With Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 137,551	\$ (12,449)
Expenditures				
Current:				
General government	150,000	150,000	38,856	111,144
Net Change In Fund Balances	<u>\$ —</u>	<u>\$ —</u>	98,695	<u>\$ 98,695</u>
Fund Balances - Beginning			<u>496,885</u>	
Fund Balances - Ending			<u>\$ 595,580</u>	

CITY OF LEE'S SUMMIT, MISSOURI

NONMAJOR GOVERNMENTAL FUNDS CAPITAL PROJECTS FUNDS

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 ten 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.

Summit Woods Tax Increment Financing - Established to account for public improvements needed to support new private development in the I-470 and M-350 Highway 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.

CITY OF LEE'S SUMMIT, MISSOURI

NONMAJOR GOVERNMENTAL FUNDS CAPITAL PROJECTS FUNDS (*Continued*)

Public Safety Bonds 2016 - Established to account for public safety improvements including emergency series radio equipment and related infrastructure, Fire Station 3 replacement and acquisition of fire equipment and apparatus.

Storm Water Improvement - Established to account for construction of projects related to a 2007 bond election.

US 50 Highway & Route 291 South Exchange - Established to account for construction of road improvements and acquire right-of-way to the US Highway 50 and State Route 291 intersection and bridge system related to the 2013 bond election.

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

Road Improvements - Established to account for costs associated with construction of Strother Road Improvements and View High/I-470 Road Improvements related to a 2010 general obligation bond issue.

Road Improvements 2013 - Established to account for costs to construct road improvements, sidewalks, curbs and drainage facilities for Orchard Street and paved shoulders for Pryor Road.

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.

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.

Green Street Improvement – Established to account for public improvements in the Green Street area adjacent to City Hall.

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

CITY OF LEE'S SUMMIT, MISSOURI

COMBINING BALANCE SHEET NONMAJOR CAPITAL PROJECTS FUNDS

Page 1 Of 2
June 30, 2021

	Todd George 50 HWY TIF	Road and Bridge Improvement	Park Development	Road and Bridge Excise Tax	Ritter Plaza TIF	Summit Woods TIF	New Longview TIF	Longview Farm 2016 TIF	I-470 Business Center TIF	Summit Woods East TIF
Assets										
Pooled cash and investments	\$ 15,443	\$ 1,280,497	\$ 72,360	\$ 7,991,212	\$ 289,393	\$ 56,978	\$ 151,645	\$ 40,894	\$ 1,146,661	\$ 3,301,501
Receivables (net of allowance)										
Taxes	-	1,456,911	-	15,498	10,213	-	11,285	1,876	-	157,899
Interest	-	585	367	24,425	1,187	226	83	285	2,921	445
Due from other funds	-	-	-	120,000	-	-	-	-	-	-
Due from other governments	-	-	-	-	31,062	-	8,898	1,327	61,282	97,735
Other current assets	-	-	-	-	-	-	-	-	-	-
Advances to other funds	-	3,314,859	-	240,000	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 15,443	\$ 6,052,852	\$ 72,727	\$ 8,391,135	\$ 331,855	\$ 57,204	\$ 171,911	\$ 44,382	\$ 1,210,864	\$ 3,557,580
Liabilities, Deferred Inflows of Resources And Fund Balances										
Liabilities										
Accounts payable and accrued liabilities	\$ 21,783	\$ 114,275	\$ 72,867	\$ 28,445	\$ -	\$ 359,798	\$ 9,028	\$ 12,148	\$ 54,348	\$ 39,320
Deposits payable	-	-	-	-	-	-	5,000	-	-	-
Due to other funds	980,000	-	-	-	-	-	980,000	-	-	-
Advances from other funds	1,020,000	-	1,800,000	-	-	-	1,020,000	-	-	-
Total liabilities	2,021,783	114,275	1,872,867	28,445	-	359,798	2,014,028	12,148	54,348	39,320
Deferred Inflows Of Resources										
Other	-	-	-	15,498	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	15,498	-	-	-	-	-	-
Fund Balances (Deficits)										
Restricted										
Bridges, streets and signals	-	5,938,577	-	8,347,192	-	-	-	-	-	-
Economic development	-	-	-	-	331,855	-	-	32,234	1,156,516	3,518,260
Other capital projects	-	-	-	-	-	-	-	-	-	-
Assigned										
Other capital projects	-	-	-	-	-	-	-	-	-	-
Unassigned	(2,006,340)	-	(1,800,140)	-	-	(302,594)	(1,842,117)	-	-	-
Total fund balances (deficits)	(2,006,340)	5,938,577	(1,800,140)	8,347,192	331,855	(302,594)	(1,842,117)	32,234	1,156,516	3,518,260
Total liabilities, deferred inflows and fund balances (deficits)	\$ 15,443	\$ 6,052,852	\$ 72,727	\$ 8,391,135	\$ 331,855	\$ 57,204	\$ 171,911	\$ 44,382	\$ 1,210,864	\$ 3,557,580

CITY OF LEE'S SUMMIT, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS**

**Page 2 Of 2
June 30, 2021**

Public Safety Bonds 2016	Storm Water Improvement	US 50 Hwy & Rte 291 South Interchange	ERP System	Road Improvements	Road Improvements 2013	Public Safety Equipment Replacement	Lee's Summit Sports Complex TIF	Public Safety Improvements 2020	Public Safety Bonds 2020B	Green Street Improvements	Street of West Pryor TIF	Total Nonmajor Capital Projects Funds
\$ -	\$ 77,927	\$ -	\$ 14,313	\$ -	\$ -	\$ 989,453	\$ 28,049	\$ -	\$ -	\$ 3,458,093	\$ 72,907	\$ 18,987,326
-	-	-	-	-	-	-	-	-	-	-	30,796	1,684,478
-	-	-	43	-	-	2,603	346	-	-	-	-	33,516
-	-	-	-	-	-	-	-	-	-	-	-	120,000
-	-	-	793	-	-	-	-	-	-	-	21,623	221,927
-	-	-	-	-	-	-	-	-	-	-	-	793
839,058	876,698	245,402	-	4,607	500,592	-	-	3,747,226	3,789,151	-	-	3,554,859
839,058	876,698	245,402	-	4,607	500,592	-	-	3,747,226	3,789,151	-	-	10,002,734
\$ 839,058	\$ 954,625	\$ 245,402	\$ 15,149	\$ 4,607	\$ 500,592	\$ 992,056	\$ 28,395	\$ 3,747,226	\$ 3,789,151	\$ 3,458,093	\$ 125,326	\$ 34,605,633
\$ -	\$ 191,748	\$ 130,069	\$ -	\$ -	\$ 466,293	\$ -	\$ -	\$ 527,622	\$ 12,470	\$ 35,000	\$ -	\$ 2,075,214
-	-	-	-	-	-	-	-	-	-	-	-	5,000
-	300,000	-	-	-	-	-	-	-	-	-	-	2,260,000
-	-	-	-	-	-	-	-	-	-	-	-	3,840,000
-	491,748	130,069	-	-	466,293	-	-	527,622	12,470	35,000	-	8,180,214
-	-	-	-	-	-	-	-	-	-	-	-	15,498
-	-	-	-	-	-	-	-	-	-	-	-	15,498
-	-	115,333	-	4,607	34,299	-	28,395	-	-	-	-	14,440,008
839,058	462,877	-	-	-	-	-	-	3,219,604	3,776,681	3,423,093	125,326	5,192,586
-	-	-	15,149	-	-	992,056	-	-	-	-	-	11,721,313
-	-	-	-	-	-	-	-	-	-	-	-	1,007,205
-	-	-	-	-	-	-	-	-	-	-	-	(5,951,191)
839,058	462,877	115,333	15,149	4,607	34,299	992,056	28,395	3,219,604	3,776,681	3,423,093	125,326	26,409,921
\$ 839,058	\$ 954,625	\$ 245,402	\$ 15,149	\$ 4,607	\$ 500,592	\$ 992,056	\$ 28,395	\$ 3,747,226	\$ 3,789,151	\$ 3,458,093	\$ 125,326	\$ 34,605,633

CITY OF LEE'S SUMMIT, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) NONMAJOR CAPITAL PROJECTS FUNDS

Page 1 Of 2

For The Year Ended June 30, 2021

	Todd George 50 HWY TIF	Road and Bridge Improvement	Park Development	Road and Bridge Excise Tax	Ritter Plaza TIF	Summit Woods TIF	New Longview TIF	Longview Farm 2016 TIF	I-470 Business Center TIF	Summit Woods East TIF	Public Safety Bonds 2016
Revenues											
Taxes											
Property	\$ 1,529,104	\$ —	\$ —	\$ —	\$ 203,015	\$ —	\$ 184,566	\$ 410,001	\$ 967,612	\$ 1,576,773	\$ —
Sales	9,119	9,611,124	—	—	90,364	—	127,104	14,952	4,791	1,331,360	—
License	—	—	—	1,379,901	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	4,742	—	—	—	8,692	—	—
Intergovernmental	30,276	29,105	—	—	38,988	—	42,071	10,646	—	455,237	—
Charges for services	1,854	—	—	—	655	9	934	938	2,412	6,856	—
Other income	—	39,303	229	—	—	—	—	—	—	—	—
Investment earnings (loss)	124	4,024	—	29,442	425	(3,754)	201	(2,201)	6,118	8,860	1,270
Total revenues	1,570,477	9,683,556	229	1,409,343	338,189	(3,745)	354,876	434,336	989,625	3,379,086	1,270
Expenditures											
Current:											
General government	—	—	3,121	—	338,188	—	—	706,313	—	—	—
Debt service											
Principal	—	—	—	—	—	—	—	—	—	1,705,000	—
Interest and other charges	—	—	73,046	—	—	10	41,491	—	244	1,214,695	—
Capital outlay	93,317	4,991,004	289,467	265,871	3,324	—	34,671	6,594	18,033	32,085	277,642
Total expenditures	93,317	4,991,004	365,634	265,871	341,512	10	76,162	712,907	18,277	2,951,780	277,642
Excess (Deficiency) Of Revenues Over Expenditures	1,477,160	4,692,552	(365,405)	1,143,472	(3,323)	(3,755)	278,714	(278,571)	971,348	427,306	(276,372)
Other Financing Sources											
Issuance of bonds	—	—	—	—	—	—	—	—	—	—	—
Transfers in	—	—	3,500,000	—	—	—	—	—	—	—	—
Transfers out	—	(300,616)	—	—	—	—	—	—	—	—	—
Total other financing sources	—	(300,616)	3,500,000	—	—	—	—	—	—	—	—
Net Change In Fund Balances (Deficits)	1,477,160	4,391,936	3,134,595	1,143,472	(3,323)	(3,755)	278,714	(278,571)	971,348	427,306	(276,372)
Fund Balances (Deficits) - Beginning	(3,483,500)	1,546,641	(4,934,735)	7,203,720	335,178	(298,839)	(2,120,831)	310,805	185,168	3,090,954	1,115,430
Fund Balances (Deficits) - Ending	\$ (2,006,340)	\$ 5,938,577	\$ (1,800,140)	\$ 8,347,192	\$ 331,855	\$ (302,594)	\$ (1,842,117)	\$ 32,234	\$ 1,156,516	\$ 3,518,260	\$ 839,058

CITY OF LEE'S SUMMIT, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR CAPITAL PROJECTS FUNDS**

Page 2 Of 2

For The Year Ended June 30, 2021

Storm Water Improvement	US 50 Hwy & Rte 291 South Interchange	ERP System	Road Improvements	Road Improvements 2013	Public Safety Equipment Replacement	Lee's Summit Sports Complex TIF	Public Safety Improvements 2020	Public Safety Bonds 2020B	Green Street Improvements	Street of West Pryor TIF	Total Nonmajor Capital Projects Funds
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	3,747	\$ —	\$ —	\$ —	\$ —	4,874,818
—	—	—	—	—	—	15	—	—	—	296,083	11,484,912
—	—	—	—	—	—	—	—	—	—	—	1,379,901
—	—	—	—	—	—	—	—	—	—	—	13,434
—	—	—	—	—	—	—	—	—	—	54,729	661,052
—	—	—	—	—	—	33,801	—	—	—	—	47,459
—	—	—	—	—	—	—	—	—	—	—	39,532
1,131	1,344	34	8	449	(5,535)	2,195	1,699	1,238	—	5	47,077
<u>1,131</u>	<u>1,344</u>	<u>34</u>	<u>8</u>	<u>449</u>	<u>(5,535)</u>	<u>39,758</u>	<u>1,699</u>	<u>1,238</u>	<u>—</u>	<u>350,817</u>	<u>18,548,185</u>
—	—	—	—	—	21,524	32,060	—	—	—	—	1,101,206
—	—	—	—	—	—	—	—	—	—	—	1,705,000
—	—	—	—	—	—	—	361	32,800	—	—	1,362,647
1,264,949	2,185,130	—	—	574,926	478,681	—	4,677,985	1,190,257	73,130	225,491	16,682,557
<u>1,264,949</u>	<u>2,185,130</u>	<u>—</u>	<u>—</u>	<u>574,926</u>	<u>500,205</u>	<u>32,060</u>	<u>4,678,346</u>	<u>1,223,057</u>	<u>73,130</u>	<u>225,491</u>	<u>20,851,410</u>
(1,263,818)	(2,183,786)	34	8	(574,477)	(505,740)	7,698	(4,676,647)	(1,221,819)	(73,130)	125,326	(2,303,225)
—	—	—	—	—	—	—	—	5,000,000	—	—	5,000,000
—	—	—	—	—	303,514	—	—	—	3,530,000	—	7,333,514
—	—	—	—	—	—	—	—	—	—	—	(300,616)
—	—	—	—	—	303,514	—	—	5,000,000	3,530,000	—	12,032,898
(1,263,818)	(2,183,786)	34	8	(574,477)	(202,226)	7,698	(4,676,647)	3,778,181	3,456,870	125,326	9,729,673
1,726,695	2,299,119	15,115	4,599	608,776	1,194,282	20,697	7,896,251	(1,500)	(33,777)	—	16,680,248
<u>\$ 462,877</u>	<u>\$ 115,333</u>	<u>\$ 15,149</u>	<u>\$ 4,607</u>	<u>\$ 34,299</u>	<u>\$ 992,056</u>	<u>\$ 28,395</u>	<u>\$ 3,219,604</u>	<u>\$ 3,776,681</u>	<u>\$ 3,423,093</u>	<u>\$ 125,326</u>	<u>\$ 26,409,921</u>

CITY OF LEE'S SUMMIT, MISSOURI

BUDGETARY COMPARISON SCHEDULE

DEBT SERVICE

For The Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variances With Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
Property taxes	\$ 10,963,997	\$ 10,963,997	\$ 11,311,099	\$ 347,102
Sales	3,842,040	3,842,040	4,809,318	967,278
Other tax	57,334	57,334	120,772	63,438
Fines and forfeitures	40,000	40,000	67,122	27,122
Investment earnings	165,572	165,572	91,042	(74,530)
Total revenues	<u>15,068,943</u>	<u>15,068,943</u>	<u>16,399,353</u>	<u>1,330,410</u>
Expenditures				
Current:				
Debt Service:				
Principal	8,855,000	8,855,000	8,855,000	—
Interest and other charges	1,411,598	1,411,598	1,458,485	(46,887)
Total expenditures	<u>10,266,598</u>	<u>10,266,598</u>	<u>10,313,485</u>	<u>(46,887)</u>
Excess Of Revenues Over Expenditures	4,802,345	4,802,345	6,085,868	1,283,523
Other Financing Uses				
Transfers out	(3,657,500)	(3,657,500)	(3,675,000)	(17,500)
Total other financing uses	<u>(3,657,500)</u>	<u>(3,657,500)</u>	<u>(3,675,000)</u>	<u>(17,500)</u>
Net Change In Fund Balances	<u>\$ 1,144,845</u>	<u>\$ 1,144,845</u>	2,410,868	<u>\$ 1,266,023</u>
Fund Balances - Beginning			<u>10,882,467</u>	
Fund Balances - Ending			<u>\$ 13,293,335</u>	

CITY OF LEE'S SUMMIT, MISSOURI

INTERNAL SERVICE FUNDS

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.

Health Insurance Reserve Fund - Established to account for the City's comprehensive self-insured health insurance program, which ended in 2018.

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, 2021

	Central Vehicle Services	Unemployment Insurance	Insurance Claims And Damages Reserve Fund	Health Insurance Reserve Fund	I.T. Services	Short- Term Disability Fund	Workers' Compensation Self-Insurance	Central Building Services	Total
Assets									
Current assets									
Cash and investments	\$ 105,424	\$ 197,428	\$ 1,279,301	\$ 1,991,739	\$ 4,312,589	\$ 214,253	\$ 3,638,476	\$ 1,275,625	\$ 13,014,835
Receivables (net of allowance) accounts and other	878	—	—	—	—	—	—	—	878
Interest receivable	1	597	3,900	9,767	11,728	579	11,390	4,137	42,099
Inventories	210,650	42	—	—	—	—	—	—	210,692
Prepaid expenses	—	—	—	1,313,084	5,457	—	—	—	1,318,541
Total current assets	316,953	198,067	1,283,201	3,314,590	4,329,774	214,832	3,649,866	1,279,762	14,587,045
Noncurrent assets									
Pension asset	30,673	—	—	—	53,243	—	—	19,551	103,467
Capital assets									
Nondepreciable	104,250	—	—	—	—	—	—	—	104,250
Depreciable, net	11,486,290	—	—	—	8,776	—	—	1,243,397	12,738,463
Total noncurrent assets	11,621,213	—	—	—	62,019	—	—	1,262,948	12,946,180
Total assets	11,938,166	198,067	1,283,201	3,314,590	4,391,793	214,832	3,649,866	2,542,710	27,533,225
Deferred outflows of resources									
Pension	77,435	—	—	—	134,412	—	—	49,357	261,204
Other post employment benefits	23,371	—	—	—	73,034	—	—	11,686	108,091
Total deferred outflows of resources	100,806	—	—	—	207,446	—	—	61,043	369,295
Liabilities									
Current liabilities									
Accounts payable	33,365	—	94,614	—	17,076	—	1,414,125	27,981	1,587,161
Salaries and benefits payable	29,330	—	—	421,177	137,494	2,950	—	23,582	614,533
Due to other funds	1,700,000	—	—	—	—	—	—	—	1,700,000
Compensated absences	2,679	—	—	—	8,491	—	—	2,150	13,320
Total current liabilities	1,765,374	—	94,614	421,177	163,061	2,950	1,414,125	53,713	3,915,014
Noncurrent liabilities									
Compensated absences	38,194	—	—	—	224,445	—	—	35,009	297,648
Other post employment benefits	78,561	—	—	—	136,366	—	—	50,075	265,002
Total noncurrent liabilities	116,755	—	—	—	360,811	—	—	85,084	562,650
Total Liabilities	1,882,129	—	94,614	421,177	523,872	2,950	1,414,125	138,797	4,477,664
Deferred inflows of resources -									
Pension	7,253	—	—	—	12,589	—	—	4,623	24,465
Other post-employment benefits	6,954	—	—	—	21,732	—	—	3,477	32,163
Total deferred inflows of resources	14,207	—	—	—	34,321	—	—	8,100	56,628
Net position									
Net investment in capital assets	11,590,540	—	—	—	8,776	—	—	1,243,397	12,842,713
Restricted for pension	100,855	—	—	—	175,066	—	—	64,285	340,206
Unrestricted	(1,548,759)	198,067	1,188,587	2,893,413	3,857,204	211,882	2,235,741	1,149,174	10,185,309
Total Net position	\$ 10,142,636	\$ 198,067	\$ 1,188,587	\$ 2,893,413	\$ 4,041,046	\$ 211,882	\$ 2,235,741	\$ 2,456,856	\$ 23,368,228

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, 2021

	Central Vehicle Services	Unemployment Insurance	Insurance Claims And Damages Reserve Fund	Health Insurance Reserve Fund	I.T. Services	Short-Term Disability Fund	Workers' Compensation Self-Insurance	Central Building Services	Total
Operating Revenues									
Charges for services	\$ 2,956,694	\$ 47,790	\$ 1,055,104	\$ —	\$ 4,306,824	\$ 31,819	\$ 1,008,429	\$ 1,075,817	\$ 10,482,477
Other	6,552	—	64,839	242,742	5,787	—	78,282	3,067	401,269
Total Operating Revenues	<u>2,963,246</u>	<u>47,790</u>	<u>1,119,943</u>	<u>242,742</u>	<u>4,312,611</u>	<u>31,819</u>	<u>1,086,711</u>	<u>1,078,884</u>	<u>10,883,746</u>
Operating Expenses									
Salaries, wages and employee benefits	637,735	—	—	—	2,746,101	23,618	—	427,177	3,834,631
Utilities	84,699	—	—	—	—	—	—	215,976	300,675
Repairs and maintenance	20,344	—	—	—	589,367	—	—	118,404	728,115
Fuels and lubricants	2,805	—	—	—	71	—	—	1,978	4,854
Depreciation	2,249,383	—	—	—	17,553	—	—	146,817	2,413,753
Interdepartment charges	62,314	—	—	—	380,881	—	—	34,422	477,617
Miscellaneous	164,049	(15,049)	997,851	—	456,851	—	1,572,788	293,114	3,469,604
Total Operating Expenses	<u>3,221,329</u>	<u>(15,049)</u>	<u>997,851</u>	<u>—</u>	<u>4,190,824</u>	<u>23,618</u>	<u>1,572,788</u>	<u>1,237,888</u>	<u>11,229,249</u>
Operating Income (Loss)	<u>(258,083)</u>	<u>62,839</u>	<u>122,092</u>	<u>242,742</u>	<u>121,787</u>	<u>8,201</u>	<u>(486,077)</u>	<u>(159,004)</u>	<u>(345,503)</u>
Nonoperating Revenue									
Interest income	—	312	1,765	15,172	6,318	858	10,187	4,112	38,724
Gain on disposal of capital assets	335,480	—	—	—	—	—	—	—	335,480
Total Nonoperating Revenue	<u>335,480</u>	<u>312</u>	<u>1,765</u>	<u>15,172</u>	<u>6,318</u>	<u>858</u>	<u>10,187</u>	<u>4,112</u>	<u>374,204</u>
Income (Loss) Before Transfers	77,397	63,151	123,857	257,914	128,105	9,059	(475,890)	(154,892)	28,701
Transfers in	63,431	—	—	—	396,517	—	—	—	459,948
Transfers out	—	—	—	—	(6,367)	—	—	—	(6,367)
Total transfers	<u>63,431</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>390,150</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>453,581</u>
Change In Net Position	140,828	63,151	123,857	257,914	518,255	9,059	(475,890)	(154,892)	482,282
Total Net Position - Beginning	<u>10,001,808</u>	<u>134,916</u>	<u>1,064,730</u>	<u>2,635,499</u>	<u>3,522,791</u>	<u>202,823</u>	<u>2,711,631</u>	<u>2,611,748</u>	<u>22,885,946</u>
Total Net Position - Ending	<u>\$ 10,142,636</u>	<u>\$ 198,067</u>	<u>\$ 1,188,587</u>	<u>\$ 2,893,413</u>	<u>\$ 4,041,046</u>	<u>\$ 211,882</u>	<u>\$ 2,235,741</u>	<u>\$ 2,456,856</u>	<u>\$ 23,368,228</u>

CITY OF LEE'S SUMMIT, MISSOURI

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended June 30, 2021**

	Central Vehicle Services	Unemployment Insurance	Insurance Claims And Damages Reserve Fund	Health Insurance Reserve Fund	I.T. Services	Short-Term Disability Fund	Workers' Compensation Self-Insurance	Central Building Services	Total
Cash Flows From Operating Activities									
Cash received from customers	\$ 2,963,246	\$ 47,790	\$ 1,119,943	\$ 242,742	\$ 4,312,611	\$ 31,819	\$ 1,086,711	\$ 1,078,884	\$ 10,883,746
Cash paid to suppliers	(358,434)	(44,381)	(907,287)	(1,313,084)	(1,420,408)	—	(961,458)	(682,120)	(5,687,172)
Cash paid to employees	(598,978)	—	—	—	(2,660,369)	(20,668)	—	(393,646)	(3,673,661)
Net cash provided by (used in) operating activities	2,005,834	3,409	212,656	(1,070,342)	231,834	11,151	125,253	3,118	1,522,913
Cash Flows From Noncapital Financing Activities									
Transfers in	63,431	—	—	—	396,517	—	—	—	459,948
Transfers out	—	—	—	—	(6,367)	—	—	—	(6,367)
Due from other funds	5,000	—	—	—	—	—	—	—	5,000
Due to other funds	(300,000)	—	—	—	—	—	—	—	(300,000)
Net cash provided by noncapital financing activities	(231,569)	—	—	—	390,150	—	—	—	158,581
Cash Flows From Capital And Related Financing Activities									
Additions to capital assets	(2,211,631)	—	—	—	—	—	—	(27,409)	(2,239,040)
Proceeds from sale of capital assets	443,075	—	—	—	—	—	—	—	443,075
Net cash used in capital and related financing activities	(1,768,556)	—	—	—	—	—	—	(27,409)	(1,795,965)
Cash Flows Provided By Investing Activities									
Interest received	13	326	1,409	13,599	5,341	847	10,255	3,507	35,297
Net cash provided by (used in) investing activities	13	326	1,409	13,599	5,341	847	10,255	3,507	35,297
Net Increase (Decrease) In Cash And Cash Equivalents	5,722	3,735	214,065	(1,056,743)	627,325	11,998	135,508	(20,784)	(79,174)
Cash And Cash Equivalents - Beginning Of Year	99,702	193,693	1,065,236	3,048,482	3,685,264	202,255	3,502,968	1,296,409	13,094,009
Cash And Cash Equivalents - End Of Year	\$ 105,424	\$ 197,428	\$ 1,279,301	\$ 1,991,739	\$ 4,312,589	\$ 214,253	\$ 3,638,476	\$ 1,275,625	\$ 13,014,835
Operating income (loss)	\$ (258,083)	\$ 62,839	\$ 122,092	\$ 242,742	\$ 121,787	\$ 8,201	\$ (486,077)	\$ (159,004)	\$ (345,503)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
Depreciation and amortization	2,249,383	—	—	—	17,553	—	—	146,817	2,413,753
Changes in assets and liabilities:									
Increase in inventories	(17,510)	—	—	—	—	—	—	—	(17,510)
Increase in prepaid expenses	—	—	—	(1,313,084)	—	—	—	—	(1,313,084)
Decrease in pension related assets, outflow and inflows	22,882	—	—	—	25,380	—	—	12,573	60,835
Increase (decrease) in accounts payable	(6,713)	(59,430)	90,564	—	6,762	—	611,330	(18,226)	624,287
Increase in salaries and benefits payable	1,614	—	—	—	11,282	2,950	—	8,329	24,175
Increase in accrued compensated absences	9,731	—	—	—	36,046	—	—	8,264	54,041
Increase in other post employment benefits outflow and liability	4,530	—	—	—	13,024	—	—	4,365	21,919
Total adjustments	2,263,917	(59,430)	90,564	(1,313,084)	110,047	2,950	611,330	162,122	1,868,416
Net cash provided by (used in) operating activities	\$ 2,005,834	\$ 3,409	\$ 212,656	\$ (1,070,342)	\$ 231,834	\$ 11,151	\$ 125,253	\$ 3,118	\$ 1,522,913

**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

	Page
Financial Trends	76
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	82
These schedules contain information to help the reader assess the government's most significant local revenue sources, sales and property tax.	
Debt Capacity	91
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	95
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	97
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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 395,912,631	\$ 403,957,177	\$ 414,531,277	\$ 428,390,412	\$ 444,601,373	\$ 475,492,143	\$ 487,120,128	\$ 502,857,273	\$ 498,495,946	\$ 502,856,009
Restricted	39,690,100	68,519,039	85,003,546	85,935,329	83,352,650	72,865,528	97,827,922	84,782,245	103,818,998	109,694,474
Unrestricted	(1,778,161)	(30,132,403)	(17,684,391)	(10,048,065)	1,012,936	13,050,613	(11,904,670)	(3,879,459)	9,115,840	21,182,191
Total governmental activities net position	\$ 433,824,570	\$ 442,343,813	\$ 481,850,432	\$ 504,277,676	\$ 528,966,959	\$ 561,408,284	\$ 573,043,380	\$ 583,760,059	\$ 611,430,784	\$ 633,732,674
Business-type activities										
Net investment in capital assets	\$ 211,065,125	\$ 212,923,508	\$ 220,630,436	\$ 225,267,223	\$ 237,193,092	\$ 257,714,352	\$ 271,846,403	\$ 279,965,082	\$ 289,085,221	\$ 297,175,543
Restricted	29,539,755	33,282,263	33,273,761	34,005,871	38,792,349	37,222,417	40,229,441	44,431,811	53,958,190	60,562,748
Unrestricted	(2,277,021)	(2,281,926)	1,060,383	5,262,208	2,922,466	5,672,530	8,363,879	13,415,319	9,687,520	8,345,867
Total business-type activities net position	\$ 238,327,859	\$ 243,923,845	\$ 254,964,580	\$ 264,535,302	\$ 278,907,907	\$ 300,609,299	\$ 320,439,723	\$ 337,812,212	\$ 352,730,931	\$ 366,084,158
Primary government										
Net investment in capital assets	\$ 606,977,756	\$ 616,880,685	\$ 635,161,713	\$ 653,657,635	\$ 681,794,465	\$ 733,206,495	\$ 758,966,531	\$ 782,822,355	\$ 787,581,167	\$ 800,031,552
Restricted	69,229,855	101,801,302	118,277,307	119,941,200	122,144,999	110,087,945	138,057,363	129,214,056	157,777,188	170,257,222
Unrestricted	(4,055,182)	(32,414,329)	(16,624,008)	(4,785,857)	3,935,402	18,723,143	(3,540,791)	9,535,860	18,803,360	29,528,058
Total primary government net position	\$ 672,152,429	\$ 686,267,658	\$ 736,815,012	\$ 768,812,978	\$ 807,874,866	\$ 862,017,583	\$ 893,483,103	\$ 921,572,271	\$ 964,161,715	\$ 999,816,832

CITY OF LEE'S SUMMIT, MISSOURI

CHANGES IN NET POSITION Last Ten Fiscal Years (Accrual Basis Of Accounting)

Page 1 Of 2

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Public works and streets	\$ 18,286,042	\$ 23,836,549	\$ 16,429,506	\$ 14,428,155	\$ 15,206,748	\$ 14,759,666	\$ 22,878,176	\$ 22,500,607	\$ 27,865,543	\$ 29,098,071
Public safety	39,839,950	40,435,341	40,972,082	40,950,832	37,568,011	40,634,376	39,613,387	41,548,996	44,656,947	44,521,504
Parks and recreation	7,927,148	7,761,931	7,897,133	8,150,227	8,797,105	9,674,365	9,292,458	10,565,624	12,570,646	14,247,643
Planning and development	940,979	904,265	894,521	1,548,183	3,212,299	3,479,519	3,912,862	3,833,363	4,167,521	4,486,466
General government	16,992,428	16,793,993	18,346,278	14,959,896	27,934,309	32,139,295	24,263,116	26,419,866	21,417,465	23,156,137
Interest on long-term debt	3,745,099	4,287,131	3,171,310	2,729,500	2,450,327	2,517,687	5,683,481	2,553,293	2,415,953	2,159,633
Total governmental activities expenses	87,731,646	94,019,210	87,710,830	82,766,793	95,168,799	103,204,908	105,643,480	107,421,749	113,094,075	117,669,454
Business-type activities										
Waterworks and sewerage system	24,556,071	25,063,889	25,871,350	26,385,019	28,211,165	29,061,497	29,115,965	29,269,178	31,492,442	31,804,456
Sanitary landfill	3,205,632	2,867,606	2,873,343	2,744,683	2,611,974	343,754	1,717,642	2,454,125	488,283	901,496
Airport	2,146,464	2,052,157	2,012,142	1,890,626	2,837,042	1,856,761	2,214,597	2,347,250	2,816,460	3,095,449
Recreation center	1,268,716	1,186,856	1,041,426	1,119,107	1,214,241	1,317,821	1,331,319	1,312,852	1,255,565	993,891
Total business-type activities expenses	31,176,883	31,170,508	31,798,261	32,139,435	34,874,422	32,579,833	34,379,523	35,383,405	36,052,750	36,795,292
Total primary government expenses	118,908,529	125,189,718	119,509,091	114,906,228	130,043,221	135,784,741	140,023,003	142,805,154	149,146,825	154,464,746
Program Revenues										
Governmental activities										
Charges for services										
Public works and streets	141,277	358,852	600,144	667,442	868,734	886,840	1,135,555	892,742	627,981	702,927
Public safety	4,572,306	4,667,249	4,502,832	4,971,094	5,573,365	7,065,941	8,309,713	9,627,006	9,486,885	9,779,563
Parks and recreation	2,409,223	2,381,440	2,825,122	2,961,600	3,029,143	3,057,449	3,019,147	3,474,852	2,801,221	2,632,045
Planning and development	153,963	130,251	124,325	138,886	177,298	198,508	183,522	172,213	151,532	184,396
General government	1,827,798	1,790,781	1,817,541	2,188,631	2,100,980	2,179,233	2,158,734	2,474,682	3,437,873	3,809,205
Operating grants and contributions	3,046,594	1,400,858	1,169,331	800,689	1,552,368	1,570,982	1,375,031	1,501,881	1,843,985	7,478,806
Capital grants and contributions	4,322,416	1,921,135	3,188,981	4,696,959	13,083,572	24,491,263	5,661,103	6,636,281	9,841,041	5,137,787
Total governmental activities program revenues	16,473,577	12,650,566	14,228,276	16,425,301	26,385,460	39,450,216	21,842,805	24,779,657	28,190,518	29,724,729
Business-type activities										
Charges for services										
Waterworks and sewerage system	28,899,909	31,413,865	33,357,588	33,507,201	37,155,220	38,972,386	40,216,812	40,692,905	41,332,289	45,320,005
Sanitary landfill	2,583,031	2,346,247	2,942,970	3,049,357	3,289,579	716,764	550,830	37,875	50,831	84,950
Airport	1,454,730	1,456,710	1,403,945	1,320,935	4,336,197	7,871,625	1,436,672	1,713,630	2,234,306	2,442,846
Recreation center	1,114,367	1,208,496	1,046,554	1,127,448	1,232,906	1,287,043	1,320,902	1,314,966	1,094,360	1,123,098
Capital grants and contributions	1,200,056	1,191,530	4,345,037	2,013,286	4,017,045	5,644,782	8,077,310	5,992,484	3,015,568	899,844
Total business type activities program revenues	35,252,093	37,616,848	43,096,094	41,018,227	50,030,947	54,492,600	51,602,526	49,751,860	47,727,354	49,870,743
Total primary government revenues	51,725,670	50,267,414	57,324,370	57,443,528	76,416,407	93,942,816	73,445,331	74,531,517	75,917,872	79,595,472

CITY OF LEE'S SUMMIT, MISSOURI

CHANGES IN NET POSITION

Last Ten Fiscal Years (Accrual Basis Of Accounting)

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (Expense) Revenue										
Governmental activities	\$ (71,258,069)	\$ (65,343,177)	\$ (71,258,069)	\$ (66,341,492)	\$ (68,783,339)	\$ (63,754,692)	\$ (83,800,675)	\$ (82,642,092)	\$ (84,903,557)	\$ (87,944,725)
Business-type activities	4,075,210	11,001,658	4,075,210	8,878,792	15,156,525	21,912,767	17,223,003	14,368,455	11,674,604	13,075,451
Total primary government net expense	(67,182,859)	(54,341,519)	(67,182,859)	(57,462,700)	(53,626,814)	(41,841,925)	(66,577,672)	(68,273,637)	(73,228,953)	(74,869,274)
General Revenues And Other Changes In Net Position										
Governmental activities										
General revenues										
Property taxes	36,430,730	35,456,745	33,714,179	33,891,923	35,178,239	36,718,136	38,051,491	39,795,245	44,081,988	40,105,074
Sales and use taxes	29,762,456	32,191,356	32,220,496	33,898,956	36,576,616	37,662,496	39,369,885	40,993,104	40,862,633	47,581,865
Franchise fees	13,743,797	14,080,374	14,083,783	13,870,764	13,068,478	12,941,800	13,425,421	12,525,332	12,437,756	11,927,603
License taxes	613,669	552,206	600,233	827,620	647,812	1,436,321	1,087,048	922,389	1,574,018	1,372,152
Motor vehicle taxes	—	3,262,217	3,397,313	3,514,204	3,616,455	3,663,028	3,704,598	3,653,245	3,787,738	3,900,524
License, permits, fines and forfeitures	2,853,482	2,206,013	2,548,479	2,494,438	2,354,766	2,463,264	2,905,917	2,348,637	3,765,602	4,044,547
Revenues from use of money and property	606,847	372,899	314,089	423,184	1,005,443	417,669	778,964	3,255,225	3,487,316	352,534
Other revenue	258,110	705,780	304,521	216,470	(259,296)	265,364	219,506	987,860	3,585,865	79,326
Transfers	1,766,878	1,060,297	440,422	843,076	1,284,109	627,939	(2,603,322)	(948,296)	(1,008,634)	882,990
Total governmental activities	86,035,969	89,887,887	87,623,515	89,980,635	93,472,622	96,196,017	96,939,508	103,532,741	112,574,282	110,246,615
Business-type activities										
General revenues										
Revenues from use of money and property	236,172	209,943	183,324	323,107	449,089	42,972	114,217	1,900,811	2,235,481	204,272
Other revenue	649,768	—	—	—	51,100	373,592	—	—	—	956,494
Transfers	(1,766,878)	(1,060,297)	(440,422)	(843,076)	(1,284,109)	(627,939)	2,603,322	948,296	1,008,634	(882,990)
Total business-type activities	(880,938)	(850,354)	(257,098)	(519,969)	(783,920)	(211,375)	2,717,539	2,849,107	3,244,115	277,776
Total primary government	85,155,031	89,037,533	87,366,417	89,460,666	92,688,702	95,984,642	99,657,047	106,381,848	115,818,397	110,524,391
Change In Net Position										
Governmental activities	14,777,900	24,544,710	14,777,900	23,639,143	24,689,283	32,441,325	13,138,833	20,890,649	27,670,725	22,301,890
Business-type activities	3,194,272	10,151,304	3,194,272	8,358,823	14,372,605	21,701,392	19,940,542	17,217,562	14,918,719	13,353,227
Total city	\$ 17,972,172	\$ 34,696,014	\$ 17,972,172	\$ 31,997,966	\$ 39,061,888	\$ 54,142,717	\$ 33,079,375	\$ 38,108,211	\$ 42,589,444	\$ 35,655,117

CITY OF LEE'S SUMMIT, MISSOURI
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis Of Accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Nonspendable	\$ 2,838,778	\$ 2,368,183	\$ 1,926,540	\$ 3,451,583	\$ 4,837,886	\$ 5,167,826	\$ 2,082,174	\$ 2,276,442	\$ 1,258,816	\$ 2,918,562
Restricted	—	—	—	—	—	—	—	—	15,208	922,451
Unassigned	10,068,387	12,485,754	15,393,241	16,740,463	20,601,442	21,591,323	26,299,152	30,549,334	29,961,111	30,190,610
Total general fund	\$ 12,907,165	\$ 14,853,937	\$ 17,319,781	\$ 20,192,046	\$ 25,439,328	\$ 26,759,149	\$ 28,381,326	\$ 32,825,776	\$ 31,235,135	\$ 34,031,623
All other governmental funds										
Restricted/committed/										
Assigned										
Debt service	\$ 6,927,878	\$ 8,954,615	\$ 9,147,092	\$ 9,049,545	\$ 8,172,352	\$ 9,636,552	\$ 8,309,464	\$ 8,077,926	\$ 10,882,467	\$ 13,293,335
Special revenue funds	7,119,249	8,271,128	8,810,480	9,582,955	10,849,941	11,773,451	12,433,803	12,475,511	12,695,692	13,263,487
Capital project funds	45,457,890	60,847,069	51,186,715	51,334,081	54,011,582	45,008,726	71,500,583	54,443,139	65,309,516	70,160,872
Nonspendable										
Capital project funds	—	—	—	—	—	—	—	5,152,285	—	—
Unassigned										
Special revenue funds	(173,475)	(45,880)	259,998	(22,441)	(6,468)	(114,872)	(153,170)	(54,473)	(75,597)	(103,292)
Capital project funds	(6,160,575)	(3,248,190)	(2,252,156)	(11,165,894)	(9,747,785)	(10,110,614)	(9,003,580)	(13,447,841)	(16,357,668)	(9,664,663)
Total all other governmental funds	\$ 53,170,967	\$ 74,778,742	\$ 67,152,129	\$ 58,778,246	\$ 63,279,622	\$ 56,193,243	\$ 83,087,100	\$ 66,646,547	\$ 72,454,410	\$ 86,949,739

CITY OF LEE'S SUMMIT, MISSOURI

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified Accrual Basis Of Accounting)

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	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes:										
Property	\$ 36,807,871	\$ 35,371,737	\$ 33,631,009	\$ 34,018,964	\$ 34,946,488	\$ 36,720,460	\$ 37,830,276	\$ 39,946,807	\$ 42,461,339	\$ 42,880,166
Sales	29,762,456	31,537,249	31,506,326	33,131,893	35,786,096	36,867,671	38,493,358	40,115,398	39,994,209	46,532,509
Franchise	13,743,797	14,080,374	14,083,783	13,870,764	13,068,478	12,941,800	13,425,421	12,525,332	12,437,756	11,927,603
License	613,669	830,823	593,724	830,167	650,360	1,441,417	1,087,048	891,393	1,581,768	1,379,901
Bed	297,045	310,884	342,603	401,460	440,886	443,399	533,037	570,499	440,202	427,983
Motor vehicle	—	3,262,217	3,397,313	3,514,204	3,616,455	3,663,028	3,704,598	3,653,245	3,787,738	3,900,524
Other tax	—	343,223	371,567	365,603	349,634	351,426	343,490	307,207	428,222	621,373
Fines and forfeitures	1,487,468	1,652,152	6,683,000	1,661,671	1,584,692	1,380,397	1,279,938	1,260,119	864,528	853,565
Licenses and permits	3,552,866	3,831,801	1,898,261	2,226,752	2,546,789	2,691,658	2,762,581	2,605,209	3,652,593	4,044,547
Intergovernmental	3,270,638	2,397,443	1,429,137	1,893,124	5,318,300	7,329,575	2,094,361	2,139,338	2,513,520	8,332,748
Charges for services	3,767,188	3,844,620	1,757,827	7,039,230	7,618,039	9,315,916	10,764,152	12,776,167	11,988,371	12,210,024
Interest	558,840	324,724	276,277	374,618	886,902	374,176	710,234	2,893,944	3,140,342	313,810
Other	2,853,482	2,206,013	2,548,479	2,494,438	2,354,766	2,463,264	2,905,917	5,319,340	4,074,882	3,621,393
Total Revenues	96,715,320	99,993,260	98,519,306	101,822,888	109,167,885	115,984,187	115,934,411	125,003,998	127,365,470	137,046,146
Expenditures										
Current										
General government	12,248,109	11,930,212	11,728,975	12,191,505	12,672,598	15,262,654	16,170,372	17,843,986	21,112,251	20,330,317
Public safety	33,423,433	34,131,490	34,361,768	10,115,557	34,588,767	37,477,223	38,387,142	39,843,145	42,898,157	40,837,726
Public works and streets	10,103,785	10,927,267	10,761,292	35,133,894	9,352,070	10,192,055	10,178,521	10,434,096	11,387,972	10,700,748
Community development	940,979	904,265	894,521	1,548,183	3,212,299	3,479,519	3,912,862	3,833,363	4,185,427	4,285,628
Parks and recreation	6,038,617	5,612,207	5,880,029	6,590,327	6,027,253	6,589,288	6,417,411	7,120,852	6,910,959	7,541,314
Debt service										
Principal retirements	12,510,000	27,195,000	8,745,000	17,787,500	10,357,000	11,321,500	11,448,656	10,127,000	9,506,000	10,560,000
Interest and fiscal charges	3,577,259	3,521,740	3,506,820	3,180,934	3,005,042	2,997,278	4,319,403	3,267,380	3,003,144	2,821,132
Capital outlay										
General government	1,153,562	1,027,783	12,947	17,021	12,164,120	15,060,543	7,127,032	11,248,464	2,002,628	1,518,576
Public works and streets	22,292,216	20,493,282	26,655,680	31,726,375	22,196,327	19,010,345	10,150,347	8,670,423	23,013,284	18,475,395
Public safety	1,532,546	2,278,350	7,085,710	102,545	322,249	—	4,746,075	3,969,268	2,704,735	1,682,172
Parks and recreation	565,270	631,283	1,883,720	1,285,671	1,117,965	488,888	4,602,811	6,859,542	7,922,432	6,597,730
Total Expenditures	104,385,776	118,652,879	111,516,462	119,679,512	115,015,690	121,879,293	117,460,632	123,217,519	134,646,989	125,350,738

CITY OF LEE'S SUMMIT, MISSOURI

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified Accrual Basis Of Accounting)

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Deficiency Of Revenues										
Over Expenditures	\$ (7,670,456)	\$ (18,659,619)	\$ (12,997,156)	\$ (17,856,624)	\$ (5,847,805)	\$ (5,895,106)	\$ (1,526,221)	\$ 1,786,479	\$ (7,281,519)	\$ 11,695,408
Other Financing Sources (Uses)										
Proceeds from bonds	—	38,100,000	6,840,000	11,402,500	14,075,000	—	48,025,000	3,658,000	9,055,000	5,000,000
Proceeds from sale of assets	—	—	—	—	—	—	—	—	3,108,027	167,000
Premium on issuance of bonds	—	3,338,722	654,643	308,185	551,757	—	803,598	—	—	—
Discount on issuance of bonds	—	—	—	—	—	—	(265,375)	—	—	—
	—	—	—	—	—	—	(14,227,844)	—	—	—
Transfers in	4,493,756	4,738,640	3,674,877	2,348,128	4,941,508	1,527,606	5,492,557	6,068,122	9,335,791	8,341,207
Transfers out	(3,317,555)	(3,963,196)	(3,333,133)	(1,703,807)	(3,971,802)	(1,399,058)	(9,785,681)	(8,231,882)	(10,000,077)	(7,911,798)
Total Other Financing Sources	1,176,201	42,214,166	7,836,387	12,355,006	15,596,463	128,548	30,042,255	1,494,240	11,498,741	5,596,409
Net change in fund balances	\$ (6,494,255)	\$ 23,554,547	\$ (5,160,769)	\$ (5,501,618)	\$ 9,748,658	\$ (5,766,558)	\$ 28,516,034	\$ 3,280,719	\$ 4,217,222	\$ 17,291,817
Debt service as a percentage of noncapital expenditures	18.20%	28.40%	14.50%	22.60%	15.00%	14.80%	15.87%	13.10%	11.46%	12.36%

CITY OF LEE'S SUMMIT, MISSOURI
PROGRAM REVENUES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Accrual Basis Of Accounting)

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Public works	\$ 4,463,693	\$ 2,262,038	\$ 3,789,125	\$ 5,289,401	\$ 13,732,317	\$ 25,378,103	\$ 6,796,658	\$ 7,529,023	\$ 10,469,022	\$ 5,840,714
Public safety	5,604,458	5,609,585	5,294,681	5,414,371	6,565,119	8,229,622	9,201,215	10,784,119	10,788,662	10,885,150
Parks and recreation	2,409,223	2,381,440	2,825,937	3,036,600	3,249,143	3,057,449	3,019,147	3,474,852	2,801,221	2,632,045
Planning and development	153,963	140,779	124,325	138,961	177,298	198,508	183,522	172,213	151,532	184,396
General government	3,842,240	2,256,724	2,194,208	2,545,968	2,661,583	2,586,534	2,642,263	2,819,450	3,980,081	10,182,424
Subtotal governmental activities	16,473,577	12,650,566	14,228,276	16,425,301	26,385,460	39,450,216	21,842,805	24,779,657	28,190,518	29,724,729
Business-type activities										
Waterworks and sewerage system	29,686,664	31,841,944	34,172,355	34,802,086	38,757,768	40,608,722	42,666,420	42,457,608	44,211,577	45,604,428
Sanitary landfill	2,583,031	2,346,247	2,942,970	3,049,357	3,289,579	716,764	550,830	37,875	50,831	84,950
Airport	1,868,031	2,220,161	4,934,215	2,039,336	6,750,694	11,880,071	7,064,374	5,941,411	2,366,956	3,058,267
Recreation center	1,114,367	1,208,496	1,046,554	1,127,448	1,232,906	1,287,043	1,320,902	1,314,966	1,097,990	1,123,098
Subtotal business-type activities	35,252,093	37,616,848	43,096,094	41,018,227	50,030,947	54,492,600	51,602,526	49,751,860	47,727,354	49,870,743
Total primary government	\$ 51,725,670	\$ 50,267,414	\$ 57,324,370	\$ 57,443,528	\$ 76,416,407	\$ 93,942,816	\$ 73,445,331	\$ 74,531,517	\$ 75,917,872	\$ 79,595,472

CITY OF LEE'S SUMMIT, MISSOURI

ALL GOVERNMENTAL FUNDS REVENUES BY SOURCE

Last Ten Fiscal Years
(Modified Accrual Basis Of Accounting)

Fiscal Year	Property Taxes	Sales And Use Taxes	Motor Vehicle Taxes	Franchise Fees	Other Taxes	Licenses, Permits, Fines And Forfeitures	Revenues From Use Of Money And Property	Other Revenue	Total Revenues
2012	\$ 36,807,871	\$ 29,762,456	\$ —	\$ 13,743,797	\$ —	\$ 5,040,334	\$ 558,840	\$ 10,802,022	\$ 96,715,320
2013	35,371,737	31,537,249	3,262,217	14,080,374	1,484,930	5,483,953	324,724	8,448,076	99,993,260
2014	33,631,009	31,506,326	3,397,313	14,083,783	1,307,894	3,186,964	276,277	11,129,740	98,519,306
2015	34,018,964	33,131,893	3,514,204	13,870,764	1,597,230	3,888,423	374,618	11,426,792	101,822,888
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

Note:

As set out in Section 32.057 of the Missouri Revised State Statues, 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 REVENUES Last Ten Fiscal Years (Modified Accrual Basis Of Accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City Sales Tax Revenue										
General Fund	\$ 11,736,388	\$ 13,076,121	\$ 13,584,137	\$ 14,145,869	\$ 15,116,747	\$ 15,582,207	\$ 16,402,093	\$ 17,328,879	\$ 17,344,063	\$ 20,160,221
Road & Bridge Improvement Fund (Transportation)	5,548,681	6,161,738	6,358,517	6,677,898	7,121,477	7,391,179	7,848,034	7,869,314	8,110,897	9,611,124
Capital Improvements Sales Tax Fund	5,867,075	6,536,667	6,790,655	7,071,794	7,557,410	7,790,055	8,199,738	8,657,073	8,648,544	10,074,191
Debt Service (Local Parks)	2,775,089	3,080,480	3,179,966	3,326,917	3,560,042	3,694,833	3,923,403	3,939,055	4,053,856	4,809,318
TIF & CID Funds (consolidated)	3,835,223	2,682,243	1,593,051	1,909,415	2,430,420	2,409,397	2,120,090	2,321,074	1,836,849	1,877,655
Total	\$ 29,762,456	\$ 31,537,249	\$ 31,506,326	\$ 33,131,893	\$ 35,786,096	\$ 36,867,671	\$ 38,493,358	\$ 40,115,395	\$ 39,994,209	\$ 46,532,509

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
Sales By Retail Category:			
Clothing Department Store/Jewelry	\$ 265,618	\$ 269,811	\$ 300,862
Grocery Stores	212,535	228,805	235,065
Home Centers/Home Repair	146,386	154,472	173,881
Full Service Restaurants	109,599	91,045	99,226
Limited Service Restaurants	107,767	115,611	119,318
Utilities/Telecom/Cable	73,640	91,197	173,546
Other Retail General Merchandise	92,054	73,000	91,545
Gas Stations with Convenience Stores	40,135	43,411	48,298
New/Used Car Dealers	22,337	22,967	23,093
All Other Outlets	708,532	670,715	643,171
Total	\$ 1,778,603	\$ 1,761,034	\$ 1,908,005

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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%
Local Parks	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%	0.250%
Total Direct Sales Tax Rate City of Lee's Summit	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%
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%
Total Direct Sales Tax Rate	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%
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%
Kansas City Zoo	0.125%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.125%	0.125%
City of Lee's Summit	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%
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%
Total Direct And Overlapping Sales Tax Rate	8.725%	8.600%	8.600%	8.600%	8.600%	8.725%	8.725%	8.725%	8.850%	8.850%

Note: The rate shown for the Transportation Development District/Community Improvement District is for the Summit Fair development only

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				
2012	\$ 1,085,944,781	\$ 1,736,470	\$ 207,576,049	\$ 1,295,257,300	\$ 299,370,428	\$ 26,221,756	\$ 1,620,849,484	1.5258	\$ 7,367,770,686	22.00%
2013	1,096,348,979	1,432,067	212,077,219	1,309,858,265	298,510,960	30,316,580	1,638,685,805	1.5540	7,444,250,964	22.01%
2014	1,108,746,200	1,451,583	230,459,773	1,340,657,556	313,377,047	38,140,767	1,692,175,370	1.5540	7,636,606,943	22.16%
2015	1,124,495,638	1,423,206	231,295,077	1,357,213,921	288,455,371	40,474,902	1,686,144,194	1.5700	7,653,646,514	22.03%
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	1,548,282,850	1,288,480	414,822,927	1,964,394,257	373,685,998	40,393,173	2,378,473,428	1.3936	10,714,526,563	22.20%
2021	1,679,826,721	1,250,535	381,077,275	2,062,154,531	421,797,616	43,717,890	2,527,670,037	1.4563	11,457,273,878	22.06%

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

**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	
2012	0.8966	0.1595	0.4697	1.5258	6.1050	0.5298	0.0300	0.7501	8.9407
2013	0.9213	0.1630	0.4697	1.5540	6.0579	0.5298	0.0300	0.7515	8.9232
2014	0.9213	0.1630	0.4697	1.5540	6.0627	0.5298	0.0300	0.7535	8.9300
2015	0.9349	0.1654	0.4697	1.5700	6.1192	0.5141	0.0300	0.7550	8.9883
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

Note (1): Five other school districts are in the City of Lee's Summit. Tax rates in these districts are:

Blue Springs	5.7286
Independence	5.5381
Hickman Mills	5.8891
Grandview	5.3557
Raymore-Peculiar	5.1823

Note (2): Cass County is located in the southern portion of the city (approximately 2 square miles). The Cass County tax rate is \$0.1789 in FY 2021

Note (3): Other breakdown for current year:

Junior College	0.2128
Mental Health	0.1056
Handicap Workshop	0.0649
Library	0.3696
	<u>0.7529</u>

Note (4): Commercial real property is also assessed an additional "replacement tax" of \$1.437 per \$100 assessed value.

CITY OF LEE'S SUMMIT, MISSOURI

PRINCIPAL PROPERTY TAXPAYERS Current Year And Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% Of Total City Net Assessed Value	Taxable Assessed Value	Rank	% Of Total City Net Assessed Value
Kansas City Power & Light-GMOC (formerly Aquila)	\$ 38,212,455	1	1.51%	17,285,330	1	1.07%
Sprint	31,485,369	4	1.25%	8,488,308	4	0.52%
Summit Woods SPE LLC	16,022,872	2	0.63%			
Google Fiber Missouri	11,429,667	3	0.45%			
Wal-Mart	10,519,736	7	0.42%	5,288,467	7	0.33%
John Knox Village	8,939,339	5	0.35%	6,591,379	5	0.41%
Summit DC Real Estate Holdings	7,266,112	6	0.29%			
JVM Summit Ridge Apartments	6,946,770	8	0.27%			
Southern Union Gas	6,627,539	9	0.26%	4,168,628	8	0.26%
Fairways at Lakewood Gardens, LLC	5,321,964	10	0.21%			
SUMC Admin & Retail Store				9,855,951	3	0.61%
Cerner				12,610,199	2	0.78%
Toys R Us				5,425,124	6	0.33%
Missouri Gas Energy				4,166,893	9	0.26%
FabTech Inc				3,784,555	10	0.23%
Total	\$ 142,771,823		5.64%	\$ 77,664,834		4.80%

Source: Jackson County Tax Department

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
2012	\$ 24,465,967	\$ 23,723,403	97.0%	\$ 660,145	\$ 24,383,548	99.7%
2013	25,046,007	24,273,164	96.9%	695,474	24,968,638	99.7%
2014	25,707,026	24,968,147	97.1%	661,972	25,630,119	99.7%
2015	25,852,261	25,249,083	97.7%	523,073	25,772,156	99.7%
2016	26,744,543	25,996,349	97.2%	669,921	26,666,270	99.7%
2017	27,771,086	27,099,938	97.6%	587,503	27,687,441	99.7%
2018	29,004,228	28,190,476	97.2%	725,532	28,916,008	99.7%
2019	30,194,612	29,461,669	97.6%	628,359	30,090,028	99.7%
2020	32,217,465	30,022,692	93.2%	1,976,554	31,999,246	93.2%
2021	33,321,058	32,668,289	98.0%	—	32,668,289	98.0%

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

Source: Jackson and Cass County

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	Certificates Of Participation	Lease Financing Debt	TIF Bonds	Certificates Of Participation	Revenue Bonds				
2012	\$ 27,675,436	\$ 11,686,486	\$ —	\$ 24,254,454	\$ 540,273	\$ 8,718,881	\$ 72,875,530	91,569	\$ 796	
2013	47,380,186	10,306,239	—	20,379,800	490,846	7,109,562	85,666,633	92,292	928	
2014	48,242,310	8,945,991	—	19,238,377	—	6,420,237	82,846,915	93,092	890	
2015	45,825,462	—	6,410,000	17,701,953	—	5,504,489	75,441,904	93,888	804	
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	

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

CITY OF LEE'S SUMMIT, MISSOURI

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Net General Bonded Debt Outstanding	Percentage Of Actual Taxable Value ^a Of Property	Per Capita ^b
2012	\$ 27,675,436	\$ 5,922,455	\$ 21,752,981	1.32%	238
2013	47,380,186	6,778,725	40,601,461	2.48%	440
2014	48,242,310	7,007,192	41,235,118	2.44%	443
2015	45,825,462	7,345,112	38,480,350	2.28%	410
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

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, 2021

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	\$ 235,222,227	88.28%	\$ 207,654,182
Blue Springs R-4 School District	146,391,388	20.17%	29,527,143
Raymore-Peculiar School District	100,529,923	8.00%	8,042,394
Grandview School District	13,640,087	0.41%	55,924
Hickman Mills School District	55,761,615	0.12%	66,914
Subtotal, overlapping debt			245,346,557
City Direct Debt			70,636,215
Total direct and overlapping debt			\$ 315,982,772

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Legal debt limit (1)	\$ 319,634,286	\$ 322,343,269	\$ 331,688,357	\$ 329,896,834	\$ 358,467,408	\$ 361,635,661	\$ 384,675,374	\$ 398,196,908	\$ 467,616,828	\$ 456,120,575
Total net debt applicable to limit	56,932,545	55,654,245	59,225,808	52,677,888	45,840,774	53,301,112	45,634,954	44,594,440	47,446,441	37,544,834
Legal debt margin	\$ 262,701,741	\$ 266,689,024	\$ 272,462,549	\$ 277,218,946	\$ 312,626,634	\$ 308,334,549	\$ 339,040,420	\$ 353,602,468	\$ 420,170,387	\$ 418,575,741
Total net debt applicable to the limit as a percentage of debt limit	17.81	17.27	17.86	15.97	12.79	14.74	11.86	11.20	0.10	0.08

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	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	Education Level			School Enrollment ⁽¹⁾	Unemployment Rate
					High School Graduate Percentage ⁽¹⁾	Some College Or Associate's Degree or Higher Percentage ⁽¹⁾	Bachelor's Degree Or Higher Percentage ⁽¹⁾		
2011	91,364	\$ 71,772	\$ 31,266	38.8	16.4%	29.9%	50.1%	17,287	6.70%
2012	91,767							17,524	5.30%
2013	92,292							17,559	5.10%
2014	93,092							17,615	4.70%
2015	93,888							17,610	4.20%
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%

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	2020			2011		
	Employees	Rank	Percentage Of Total City Employment	Employees	Rank	Percentage Of Total City Employment
Lee's Summit R-7 School	2,665	1	4.26%	2,581	1	6.52%
National Benefits Center	2,200	2	3.52%			
Truman Medical Center-Lakewood	1,200	3	1.92%	1,128	3	2.85%
Saint Luke's East - Lee's Summit	1,003	4	1.60%	608	8	1.54%
John Knox Village	1,000	5	1.60%	1,050	4	2.65%
CVS Caremark Inc	750	6	1.20%	559	9	1.41%
City of Lee's Summit	660	7	1.06%	659	7	1.67%
GEHA Holdings Inc	600	8	0.96%			
Rediscover	600	9	0.96%			
Viracor-Eurofins	594	10	0.95%			
Lee's Summit Medical Center				550	10	1.39%
Metropolitan Community College-Longview				1,000	5	2.53%
AT&T				1,200	2	3.03%
Immigration & Naturalization Service				900	6	2.27%
	11,272		18.03%	10,235		25.86%

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

Economic Development Council was unable to provide updated information for the current year, therefore most recent data available has been presented.

CITY OF LEE'S SUMMIT, MISSOURI

FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION Last Ten Fiscal Years

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Administration	32.00	27.00	27.00	26.31	27.39	26.99	27.98	30.29	30.43	29.75
Public Works-Engineering	38.95	41.80	38.70	38.90	33.80	41.10	42.25	42.25	42.00	42.00
Police	209.70	208.70	204.00	204.00	202.00	202.00	205.50	206.50	207.50	207.50
Fire	146.00	146.00	146.00	144.00	144.00	153.00	154.00	154.00	155.00	155.00
Finance	18.00	22.50	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00
Planning and development	9.00	9.00	9.90	8.37	9.70	4.01	4.00	4.00	4.00	-
Court	12.75	12.75	11.50	12.50	11.29	11.87	11.38	11.96	10.90	10.90
Codes administration	17.00	17.00	16.00	13.35	—	—	—	—	—	-
Law	9.50	10.50	10.50	11.50	10.25	10.50	10.51	10.50	10.88	10.88
Public Works-Operations	50.24	49.21	46.70	41.34	38.00	34.20	33.80	33.80	33.80	33.75
Development Center	—	—	—	7.47	27.68	33.86	36.68	36.68	37.42	40.40
Parks and recreation										
Community center	6.75	7.15	39.26	37.16	37.32	36.99	37.18	37.95	39.00	36.93
Parks and recreation	24.95	23.95	26.15	26.16	26.06	26.23	26.30	25.83	25.93	23.14
Pool	1.05	1.60	17.73	17.44	14.96	14.47	14.61	13.60	13.92	16.66
Cemetery	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.90	0.80
Harris Park Recreation Center	6.15	6.15	21.99	22.77	24.23	24.34	25.07	24.31	24.35	18.32
Gamber Community Center	2.10	2.15	10.05	9.41	7.95	7.86	7.38	6.76	6.40	5.39
Longview Community Center	—	—	—	—	—	—	—	—	28.79	20.98
Airport	7.60	7.04	6.30	6.22	6.26	7.46	9.16	8.46	9.30	9.30
Water utilities	59.50	59.50	60.00	59.50	60.50	60.50	62.50	62.46	66.92	66.92
Solid waste	14.80	15.00	14.80	14.80	14.80	1.00	1.00	1.60	1.60	1.00
Central building services	8.50	8.75	8.80	8.62	10.62	10.62	8.62	8.12	8.12	6.10
Fleet	9.00	9.00	9.00	9.12	9.12	9.12	9.12	9.12	10.12	10.00
Information technology services	20.00	22.00	26.20	25.89	24.71	27.76	28.06	28.13	27.99	28.02
Total	704.54	707.75	772.58	766.83	763.64	766.88	778.10	779.32	817.27	795.74

Source: City of Lee's Summit Finance Department

CITY OF LEE'S SUMMIT, MISSOURI

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Building Permits Issued (1)										
Residential/single family	166	270	319	319	310	324	391	339	428	421
Residential/multi family	—	2	6	7	7	27	52	18	15	16
Commercial/industrial	10	14	9	15	16	32	20	20	16	17
Additions	*5,229	1,588	1,404	1,943	1,548	1,572	2,047	2,282	2,348	2,350
Police protection (2)										
Homicide	—	—	—	0.02	0.01	0.03	0.01	0.02	0.02	0.02
Rape	0.18	0.14	0.19	0.19	0.17	0.22	0.31	0.24	0.24	0.24
Robbery	0.33	0.26	0.16	0.20	0.19	0.37	0.38	0.25	0.25	0.25
Aggravated Assault	0.64	0.78	0.62	0.45	0.71	0.48	0.21	0.68	0.68	0.68
Burglary	3.53	2.84	2.87	2.61	2.30	2.15	1.76	2.11	2.11	2.11
Larceny	18.23	18.99	16.98	15.43	15.55	14.02	12.21	17.45	17.45	17.45
Motor Vehicle Theft	1.25	1.17	1.17	1.11	1.10	0.87	1.70	1.82	1.82	1.82
Arson	0.08	0.06	-	-	0.03	0.01	0.02	0.01	0.01	0.01
Violent Crime	1.15	1.18	0.98	0.86	1.09	1.08	1.17	1.20	1.20	1.20
Property Crime	23.09	23.06	21.01	19.14	18.98	17.05	16.70	21.39	21.39	21.39
Population	91,767	92,292	93,092	93,888	95,430	95,973	97,135	98,469	99,618	101,108
Traffic Crashes	1,906	1,753	1,821	1,750	1,800	1,885	2,030	2,098	1,478	1,510
Calls for Service	88,846	77,008	75,325	73,244	67,244	65,235	71,459	71,702	63,550	63,550
Number of Officers	143	142	142	142	143	143	146	148	148	148
Animal Control Calls for Service	8,737	8,474	8,960	9,848	10,518	8,905	10,034	9,745	9,133	9,133
Fire protection (1)										
Fire personnel	146	146	146	144	144	153	154	154	155	155
Calls answered	9,147	9,027	8,917	9,073	10,000	9,811	10,388	10,709	10,313	10,313
Water source										
Kansas City Water Co.	34.30%	27.90%	27.60%	23.20%	28.60%	25.90%	27.30%	22.00%	31.93%	27.20%
Independence Water Co.	65.70%	72.10%	72.40%	76.80%	71.40%	74.10%	72.70%	78.00%	68.07%	72.80%
Water										
Number of service connections	34,242	34,538	34,774	35,160	35,379	35,816	36,322	36,472	36,807	37,241
Number of fire hydrants	4,940	4,940	5,006	5,021	5,076	5,188	5,226	5,273	5,374	5,469
Average daily consumption (gallons)	11,603,000	10,790,000	10,390,000	9,270,000	10,150,000	9,950,000	9,944	9,659	10,611,000	10,140,000
Maximum contract amount	21,500,000	27,500,000	27,500,000	27,500,000	32,500,000	32,500	32,500	32,500	32,500,000	32,500,000
Maximum daily demand	22,810,000	25,500,000	19,000,000	19,000,000	21,300,000	18,800,000	1,800,000	1,800,000	26,000,000	19,600,000
Storage capacity (gallons)	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000

(1) Statistics based on calendar year

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

* This includes re-roof permits. In April 2011 a significant hail storm hit the area.

Source: City records

CITY OF LEE'S SUMMIT, MISSOURI

CAPITAL STATISTICS BY FUNCTION Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police Protection										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Protection										
Stations	7	7	7	7	7	7	7	7	7	7
Public Works										
Residential centerline miles	308	271	309	309	306	309	311	315	317	323
Collector centerline miles	88	90	92	92	94	95	95	97	97	98
Arterial centerline miles	83	91	81	81	83	84	84	84	85	84
Parks and Recreation										
Parks	28	28	29	29	29	30	30	30	30	31
Swimming pools	1	1	1	1	1	1	1	1	1	1
Indoor aquatic center	1	1	1	1	1	1	1	2	2	2
Tennis courts	15	15	15	15	15	15	15	15	15	15
Community centers	3	3	3	3	3	3	3	4	4	4
Water										
Miles of water mains	604	604	607	607	611	617	620	622	629	636

Source: City records