



**LEE'S SUMMIT**  
MISSOURI

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Annual Comprehensive Financial Report

For The Year Ended June 30, 2022

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***CITY OF LEE'S SUMMIT, MISSOURI***  
***ANNUAL COMPREHENSIVE FINANCIAL REPORT***  
***FOR THE YEAR ENDED JUNE 30, 2022***

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Report issued by the Department of Finance

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## **Introductory Section**

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# LEE'S SUMMIT

## MISSOURI

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January 30, 2023

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, 2022. 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 104,000 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 2020, voters approved a \$224 million no tax increase bond issue that is helping the school district renovate older facilities as well as expand to serve more students in Lee's Summit. The school district's enrollment has increased from 9,125 students in 1990 to 17,901 in 2022 with growth expected to continue. The R-7 School District has 18 elementary schools, four middle schools, three high schools, an alternative secondary school, a secondary technology academy, an early education center, a special-education, day-treatment center, and the Lee's Summit R-7 Aquatic Center. A second early education center is scheduled to open in 2024. 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 3,500 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 undergone a transformation in recent years, with the renovation of two of its existing facilities and the addition of a third facility along Highway 50 East that opened in June 2020. The most recent renovation occurred at the west central facility on Oldham Parkway. The facility received a complete redesign along with adding a community room and other coworking spaces. It reopened to the public in early 2022. 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.

## **Recreation and Cultural Facilities**

Lee's Summit Parks and Recreation is continuing to reinvest in the community to provide high quality recreational opportunities for residents of all ages. In addition to updating current parks, Lee's Summit Parks and Recreation is constantly exploring new ways to expand offerings to improve the quality of life of Lee's Summit residents. Our Gold Medal award-winning parks department manages 32 parks, 91 miles of trails, four community centers, a water park, three splash pads, an amphitheater, a skate park, two disc golf courses and an ice rink with seasonal pickleball courts. There is something for everyone to enjoy. To help serve the population, a volunteer program was created, with those volunteers contributing tens of thousands of hours to



assist with making Lee's Summit a healthy and active place to live and work. Lee's Summit Parks and Recreation nurtures public and private partnerships with county parks, private developers and other City departments to create and maintain land agreements, new neighborhood parks and the two dog parks.

Along with providing recreational opportunities, 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's 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**

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.

The City has seen its retail sales tax base increase significantly in recent 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. It features a variety of stores, including JC Penny, restaurants, specialty retailers and is the home of a brand-new Furniture Mall of Missouri, which opened in late 2022. 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. 'Class A' properties represent the highest quality buildings in their market and area. They are generally newer properties built within the last 15 years with top amenities, high-income earning tenants and low vacancy rates. Class A buildings are typically well-located in the market, professionally managed, and demand the highest rent with little or no deferred maintenance issues.

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

Lee’s Summit is expecting growth to continue in both commercial and residential development. With new and reconstructed highway interchanges, there are new 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. Construction on the replacement of the U.S. 50 Highway bridge over Chipman Road began in April 2022 and was recently completed. These interchanges help alleviate traffic congestion, improve safety and spur economic development.

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:

<b>Year</b>	<b>Area Unemployment Rate</b>	<b>Statewide Unemployment Rate</b>	<b>United States Unemployment Rate</b>
2021	2.60%	4.40%	5.40%
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%

### **Major Initiatives**

The City of Lee’s Summit continues to be an active and growing community. The City issued 2,866 building permits during calendar year 2021 (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 that impacted many local businesses from March 2020 for the ensuing two years and beyond had a limited impact on City financial resources. Most tax revenues remained strong following fiscal 2020. Lodging tax revenues that suffered during fiscal 2020 and 2021 rebounded firmly in fiscal 2021 and 2022.

In 2022, Lee's Summit voters once again showed their commitment to public safety, overwhelmingly approving a new public safety sales tax. The half-cent public safety sales tax is expected to exceed \$10 million annually to support the expansion of services necessary to meet the safety needs of the community. The City has also been in the process of updating several aging fire facilities throughout the City. The new Fire Station No. 3 opened in 2020 and construction is expected to be complete on two new facilities – Fire Station No. 4 and Fire Station No. 5 – in late 2023.

Our historic downtown is the heart of Lee's Summit and the City is working to make it a true destination spot to attract visitors from throughout the region. The Downtown Market Plaza redevelopment project will transform downtown Lee's Summit. The City is working with LANE4 Property Group as the master developer, GLMV as the master architect and Biederman Redevelopment Ventures as the manager. The project is expected to include a farmers market, conservatory, outdoor performance and festival area, pedestrian areas and much more.

In an effort to help the economy recover from the coronavirus pandemic, Congress passed the American Rescue Plan Act (ARPA). The City received \$8,310,882 in ARPA funds. As of June 30, 2022, those funds have not been expended. The City has recently adopted a plan to allocate the money for construction of two new fire stations and improvements to the Downtown Market Plaza. 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 \$35 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 providing 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 24 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's General Fund reserve balance has remained in a healthy position allowing for some planned spenddown of balances for one-time purposes including development of the Downtown Market Plaza across from City Hall.

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 effectiveness of internal control, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with certain applicable laws and regulations. The results of the City's single audit for the fiscal year ended June 30, 2022 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 approximately 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 39% 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. With the adoption of the half-cent public safety sales tax, the City's total sales tax will increase to 2.75% in 2023. 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%, which will increase to 2.75% in 2023.

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

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

The City actively applies for many federal and state pass-through grant funds that may be available. Many of these grants are designed to provide start-up funds or are for limited periods 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 and the City of Kansas City, Missouri Water Department. Sewage treatment is provided by the Little Blue Valley Sewer District, which charges member cities on a volume treated basis. The City of Lee's Summit represents approximately 25% of the normalized flow of the Little Blue Valley metro sewer district.

### **Airport**

The City operates the 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.

### **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, 2021. This was the 44th 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 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 financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

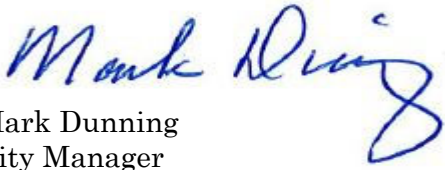
### **Independent Audit**

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,

A handwritten signature in blue ink that reads "Mark Dunning". The signature is fluid and cursive, with a large, sweeping tail on the letter "g".

Mark Dunning  
City Manager

A handwritten signature in black ink that reads "Bette Wordelman". The signature is cursive and elegant, with a long, horizontal flourish extending from the end of the name.

Bette Wordelman  
Finance Director



# **THE CITY OF LEE'S SUMMIT**

## **MAYOR**

Bill Baird

### **DISTRICT 1**

Hillary Shields  
Mia Prier

### **DISTRICT 3**

Phyllis Edson  
Beto Lopez

### **DISTRICT 2**

John Lovell  
Andrew S. Felker

### **DISTRICT 4**

Fred DeMoro  
Faith Hodges

## **FINANCE & BUDGET COMMITTEE**

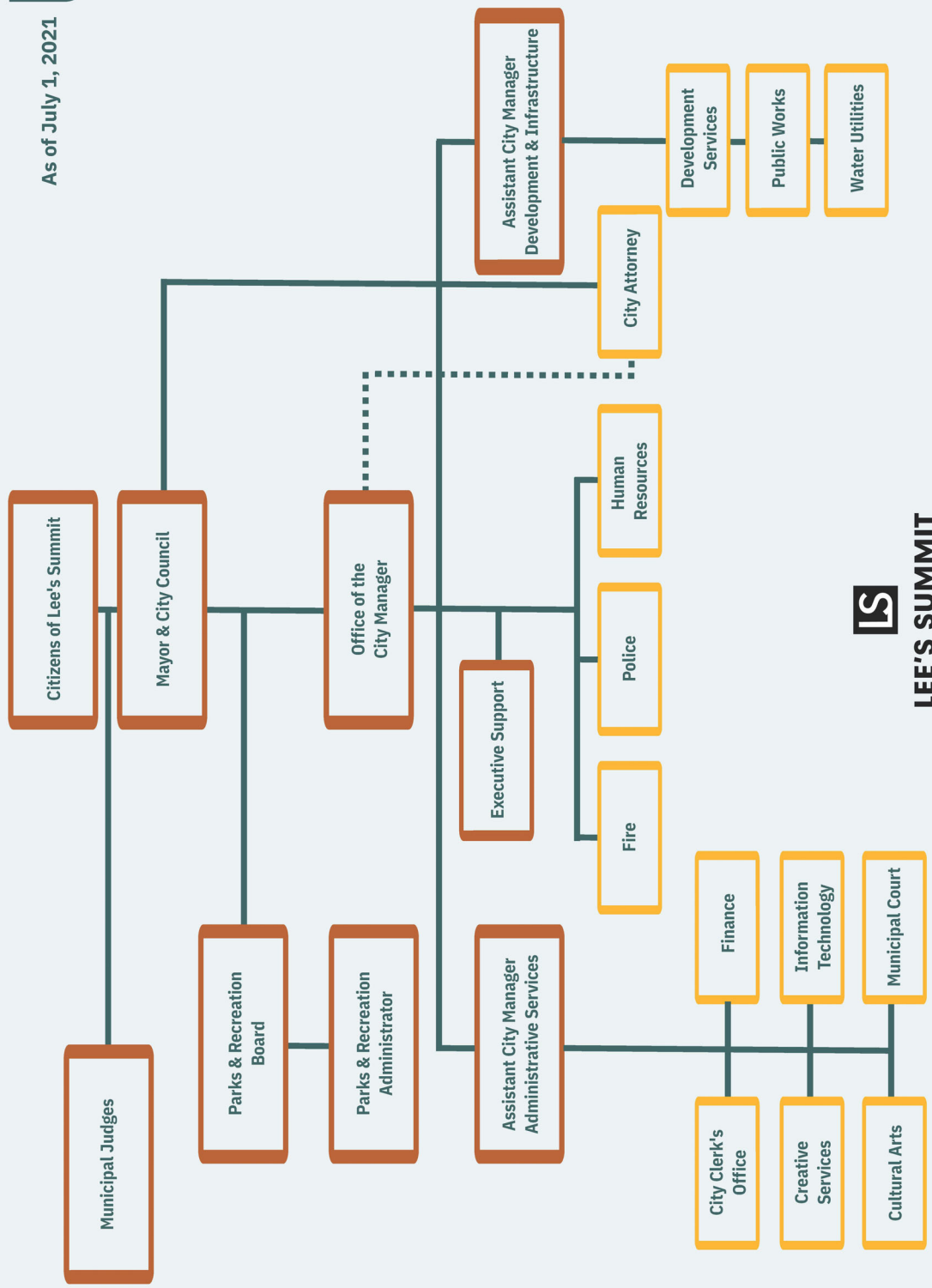
Fred DeMoro, Chairman  
Beto Lopez, Vice Chair  
Faith Hodges  
Hillary Shields  
Phyllis Edson, Alternate

## **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  
Michael Park, Public Works Director  
Mark Schaufler, Water Utilities Director  
Cheryl Nash, Creative Services Manager



As of July 1, 2021





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, 2021

*Christopher P. Morrill*

Executive Director/CEO

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## **Financial Section**

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## Independent Auditor's Report

RSM US LLP

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

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lee's Summit, Missouri (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lee's Summit, Missouri, as of June 30, 2022, 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.

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

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

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

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

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

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the pension and OPEB schedules, and the budgetary comparison schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining nonmajor governmental fund financial statements and other schedules, listed in the table of contents as supplemental 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining nonmajor governmental fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

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

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

*RSM US LLP*

Kansas City, Missouri  
January 30, 2023

# CITY OF LEE'S SUMMIT, MISSOURI

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## MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2022

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, 2022. This is the 20th year of reporting in conformance with the guidelines prescribed in Governmental Accounting Standards Board's (GASB) Statement No. 34. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

### Financial Highlights

- The assets and deferred outflows of resources of the City of Lee's Summit exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,071,418,897 (net position). Of this amount, unrestricted net position was \$54,516,234.
- The City's total net position increased \$71.6 million. Of this amount, \$55.1 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 \$140,429,998, an increase of \$19.4 million compared to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$45,168,109 or 60 percent of total general fund expenditures.
- The City's total debt decreased by \$15.3 million (18%) during the current fiscal year. Factors in this decrease are scheduled reductions in excess of additions to the City's debt.
- The City refinanced the 2013A General Obligation bond issue with a cost savings of \$1,116,842 and net present value savings of \$764,810.

### 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.



## CITY OF LEE'S SUMMIT, MISSOURI

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

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

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

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

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

## CITY OF LEE'S SUMMIT, MISSOURI

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

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

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

### Government-Wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of the City's financial position. As of June 30, 2022, assets plus deferred outflows of resources exceed liabilities plus deferred inflows of resources by \$1,071,418,897. The largest portion of the City's net position, \$832,811,675 (78%), 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, 2022 and 2021:

	Net Position					
	Governmental Activities		Business type activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 223,342,311	\$ 151,884,880	\$ 87,012,190	\$ 77,421,194	\$ 310,354,501	\$ 229,306,074
Capital assets	581,194,262	564,592,080	307,255,270	297,175,543	888,449,532	861,767,623
Total assets	<u>804,536,573</u>	<u>716,476,960</u>	<u>394,267,460</u>	<u>374,596,737</u>	<u>1,198,804,033</u>	<u>1,091,073,697</u>
Deferred outflows of resources	14,194,832	21,838,922	351,682	730,545	14,546,514	22,569,467
LT liabilities outstanding	59,211,205	72,574,034	6,768,423	7,592,277	65,979,628	80,166,311
Other liabilities	27,526,094	29,013,462	3,452,514	1,543,110	30,978,608	30,556,572
Total liabilities	<u>86,737,299</u>	<u>101,587,496</u>	<u>10,220,937</u>	<u>9,135,387</u>	<u>96,958,236</u>	<u>110,722,883</u>
Deferred inflows of resources	43,166,987	2,995,712	1,806,427	107,737	44,973,414	3,103,449
Net position:						
Net investment in capital assets	525,556,405	502,856,009	307,255,270	297,175,543	832,811,675	800,031,552
Restricted	122,543,860	109,694,474	61,547,128	60,562,748	184,090,988	170,257,222
Unrestricted	40,726,854	21,182,191	13,789,380	8,345,867	54,516,234	29,528,058
Total net position	<u>\$ 688,827,119</u>	<u>\$ 633,732,674</u>	<u>\$ 382,591,778</u>	<u>\$ 366,084,158</u>	<u>\$ 1,071,418,897</u>	<u>\$ 999,816,832</u>

## CITY OF LEE'S SUMMIT, MISSOURI

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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 seven funds that did not have positive fund balances. The Todd George Tax Increment Financing (TIF) Fund is a capital project fund with an interfund loan outstanding. The Entitlement Fund, is a special revenue fund that is waiting on grant reimbursement. This fund currently has a temporary loan from other funds until proceeds are received. Four 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, New Longview Farm TIF for historical preservation and improvements in the Longview Farm area, Summit Woods TIF, and the 2013 Road Improvement Fund. 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 \$1.071 billion from \$999.8 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 \$40.7 million. Total unrestricted net position was \$54.5 million including business-type activities of \$13.8 million.

By far, the largest portion of the City's net position (78%) 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 \$1.071 billion is comprised of \$832.8 million invested in capital assets, net of related debt; \$184 million is restricted for pension, capital projects, debt service, parks and recreation, and economic development; \$54.5 million is unrestricted.

Net position increased \$71.6 million during the current fiscal year. Twenty-five percent of this increase represents the increase in business type activities.

# CITY OF LEE'S SUMMIT, MISSOURI

## Statement of Activities

The following table reflects the revenues and expenses from the City's activities for the years ended June 30, 2022 and 2021:

	Changes In Net Position					
	Governmental Activities		Business Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 19,010,239	\$ 17,108,136	\$ 52,850,460	\$ 48,970,899	\$ 71,860,699	\$ 66,079,035
Operating grants and contr	3,175,474	7,478,806	-	-	3,175,474	7,478,806
Capital grants and contr	62,349,393	5,137,787	1,602,693	899,844	63,952,086	6,037,631
General revenues:						
Property taxes	43,849,742	40,105,074	-	-	43,849,742	40,105,074
Sales and use taxes	56,917,649	47,581,865	-	-	56,917,649	47,581,865
Other revenue	19,092,219	21,676,686	(1,754,336)	1,160,766	17,337,883	22,837,452
Total revenues	<u>204,394,716</u>	<u>139,088,354</u>	<u>52,698,817</u>	<u>51,031,509</u>	<u>257,093,533</u>	<u>190,119,863</u>
Expenses:						
Public works	60,749,417	29,098,071	-	-	60,749,417	29,098,071
Public safety	44,847,826	44,521,504	-	-	44,847,826	44,521,504
Parks and rec	24,005,822	14,247,643	-	-	24,005,822	14,247,643
Planning and dev	3,721,212	4,486,466	-	-	3,721,212	4,486,466
General govt	14,151,128	23,156,137	-	-	14,151,128	23,156,137
Interest on LT debt	1,855,058	2,159,633	-	-	1,855,058	2,159,633
Combined water and sewer	-	-	31,019,719	31,804,456	31,019,719	31,804,456
Sanitary landfill	-	-	(377,340)	901,496	(377,340)	901,496
Airport	-	-	4,203,347	3,095,449	4,203,347	3,095,449
Rec Center	-	-	1,295,809	993,891	1,295,809	993,891
Stormwater utility	-	-	19,470	-	19,470	-
Total expenses	<u>149,330,463</u>	<u>117,669,454</u>	<u>36,161,005</u>	<u>36,795,292</u>	<u>185,491,468</u>	<u>154,464,746</u>
Change in net position before transfers	55,064,253	21,418,900	16,537,812	14,236,217	71,602,065	35,655,117
Transfers	30,192	882,990	(30,192)	(882,990)	-	-
Change in net position	<u>55,094,445</u>	<u>22,301,890</u>	<u>16,507,620</u>	<u>13,353,227</u>	<u>71,602,065</u>	<u>35,655,117</u>
Net position, beginning	<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>
Net position, ending	<u>\$ 688,827,119</u>	<u>\$ 633,732,674</u>	<u>\$ 382,591,778</u>	<u>\$ 366,084,158</u>	<u>\$ 1,071,418,897</u>	<u>\$ 999,816,832</u>

## Governmental Activities

Governmental activities increased the City's net position by \$55.1 million.

Sales and Use taxes, the largest governmental category at 39% finished the year at \$56.9 million which was a \$9.3 million increase or 20% over the prior year. This significant increase reflects a strong recovery from the pandemic period of 2020-2021. Federal stimulus spending and inflationary trends likely contributed to the strong sales tax performance. The use tax, implemented October 1, 2020, contributed \$3.5 million to the increase. Property taxes, the second largest governmental category at 31% finished the year at \$43.8 million which reflected an increase of \$3.7 million or 9% over the prior year. This increase 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 \$12.7 million for an increase of \$731,000. Overall, governmental revenues finished the year \$65.3 million above the prior year. This increase was rounded out with other smaller revenue categories finishing above prior year: Licenses and permits \$271,000 above, and intergovernmental grants showing a large increase of \$643 million over \$6 million from prior year.

## CITY OF LEE'S SUMMIT, MISSOURI

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For the fiscal year ended June 30, 2022, revenues totaled \$257 million (governmental and business-type), an increase of \$66.9 million or 35% over prior year. Revenues from governmental activities totaled \$204.4 million or 79% of the total City revenues.

Governmental activities expenses increased \$31.6 million or 27% for the fiscal year ended June 30, 2022 compared to the fiscal year ended June 30, 2021. This increase is primarily due to public works, parks, 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, 2022 and 2021:

	Net Cost Of Governmental Activities			
	Total Cost Of Service		Net Cost Of Service	
	2022	2021	2022	2021
General government	\$ 14,151,128	\$ 23,156,137	\$ 48,583,846	\$ (12,973,713)
Public safety	44,847,826	44,521,504	(32,390,748)	(33,636,354)
Public works and streets	60,749,417	29,098,071	(55,314,309)	(23,257,357)
Planning and development	3,721,212	4,486,466	(3,422,980)	(4,302,070)
Parks and recreation	24,005,822	14,247,643	(20,396,108)	(11,615,598)
Interest on long-term debt	1,855,058	2,159,633	(1,855,058)	(2,159,633)
Total	\$ 149,330,463	\$ 117,669,454	\$ (64,795,357)	\$ (87,944,725)

As previously noted, expenses from governmental activities totaled \$149.3 million. However, net costs of these services were negative \$64.8 million. The difference represents direct revenues received from charges for services of \$19 million, operating grants and contributions of \$3.2 million and capital grants and contributions of \$62.3 million. Taxes and other revenues of \$120 million were collected to cover these net costs.

### **Business-Type Activities**

Business-type activities net position increased by \$16.5million in the current year.

Overall revenues increased \$1.7 million or 3% compared to last year. This was primarily due to an increase in water and sewer services and airport revenues. Overall expenses decreased \$634,000 or 2% compared to the prior year. This is due to an increase in water and sewer costs, airport expense, and landfill post-closing costs.

## CITY OF LEE'S SUMMIT, MISSOURI

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### **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, 2022 was \$48.3 million or 64% of actual expenditures. This represents an increase of \$14.3 million or a 42% increase over the previous year's balance. Revenues increased \$9.3 million and expenditures increased by \$3.1 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 \$12.6 million, a decrease of \$692,000. 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, 2022, the City has an unissued balance of \$5,420,000 with a planned issuance of that amount later in calendar year 2022. The City refunded the outstanding balance of the 2013A General Obligation issue in March by paying off \$90,000 and refinancing the eligible balance of \$15 million. The refunding provided a savings of \$1.1 million and net present value benefit of \$764,000. The total general obligation debt outstanding at fiscal year-end is \$33.57million. 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. Following that voter-approved operating levy change, the City plans to hold the debt levy constant at \$ .3697 per \$100 assessed valuation for the foreseeable future.

The Capital Improvement Sales Tax Fund ended the year with a fund balance of \$37.9 million, only slightly above prior year. Sales and Use tax revenues were 20% higher than prior year. Capital outlay was 25% higher.

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

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The Combined Water and Sewerage system recorded an increase of \$16.3 million in net position for the year. Operating revenues increased by \$3 million during the year.

The Sanitary Landfill fund recorded an increase of \$342,000 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 a decrease of \$774,000 in net position for the year. Increased costs for fuels and lubricants and an increase in depreciation are primary factors in the decrease. 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 \$80,298,295 increased to \$80,982,119 for an increase of \$683,824. The budget increase was due primarily to increases related to new collective bargaining agreements and \$500,000 allocated for a stormwater study.

Actual expenditures were \$5.9 million less than the amended budget. Many activities were slowed due to staffing challenges.

Actual revenues were \$7.8 million more than budgeted. Property taxes came in \$890,000 above budgeted levels. Sales tax revenues came in \$9.3 million above projections which we attribute to the impact of federal stimulus funding and inflation factors. Franchise receipts came in \$731,000 above budget. Franchise tax revenues are paid by utilities and can vary with customer usage. Licenses, permits and fees were \$271 higher than expected.

### **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, 2022 amounts to \$888.4 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 \$35.1 million during the period.

## CITY OF LEE'S SUMMIT, MISSOURI

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

- Progress construction on Police and Court renovations totaling \$1.5 million.
- Progress Construction on Stormwater Infrastructure Improvements totaling \$5.1 million.
- Progress Construction on M291 North Interchange with US50 totaling \$1.5 million.
- Progress Construction on Main Street-Chipman Road to Commerce Drive totaling \$1 million.
- Property acquisition for Fire Apparatus totaling \$1.4 million.
- System additions and improvements in the Combined Waterworks and Sewerage Fund at a cost of over \$14.6 million; including water main rehab of \$4.2 million, KC water supply Phase III improvements of \$4.4 million, and water meter replacement of \$1.3 million.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 7,857,966	\$ 7,857,966	\$ 26,846,596	\$ 26,846,596	\$ 34,704,562	\$ 34,704,562
Construction in progress	41,866,486	110,784,893	21,078,755	65,250,532	62,945,241	176,035,425
Buildings	70,932,293	64,764,222	-	-	70,932,293	64,764,222
Improvements	83,756,887	74,235,916	382,338,573	322,265,436	466,095,460	396,501,352
Machinery & equipment	50,507,560	40,883,217	4,065,315	3,564,972	54,572,875	44,448,189
Infrastructure	586,014,655	507,242,259	-	-	586,014,655	507,242,259
Leased assets	232,892	232,892	-	-	232,892	232,892
	<u>\$ 841,168,739</u>	<u>\$ 806,001,365</u>	<u>\$ 434,329,239</u>	<u>\$ 417,927,536</u>	<u>\$ 1,275,497,978</u>	<u>\$ 1,223,928,901</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 4 in the Notes to Basic Financial Statements.

### ***Debt Administration***

The City, at the end of fiscal 2022, had a total of \$67.9 million of outstanding long-term obligations. This was a decrease of \$15.3 million or 18% from the previous year. Those long-term obligations included \$33,570,000 of General Obligation bonds and \$23,615,000 of Tax Increment Financing bonds related to the Summit Fair shopping center.

The City's maintained its aggressive debt retirement schedule. Governmental debt decreased by \$9.9 million due to pay off of maturing obligations in excess of new bonds issued.



## CITY OF LEE'S SUMMIT, MISSOURI

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As of June 30, 2022, the City's total issued and authorized General Obligation (G.O.) Bonded Debt was \$33,570,000. The City has statutory authority to issue debt equal to 20% of the City's total assessed valuation or \$496,792,720. This, less outstanding debt, authorized and unissued debt, and available cash, leaves a legal debt margin of \$467,627,840, which is 94% of the City's total bonding capacity. Bonded debt, net of available debt service funds, amounted to approximately \$198 per capita and represented less than 1% of the assessed value of taxable property.

General Obligation Bonds retired \$9.910 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 has \$23,615,000 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 5.

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

Combined General Fund revenues for fiscal year 2023 are projected to total \$87.2 million. This represents an increase of \$6.9 million over the prior year budget. 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 \$89.7 million compared to \$81 million budgeted in fiscal year 2022 as amended. This represents a \$8.8 million increase.

Personal Services expenditures are estimated using a wage adjustment pool for the employee pay-for-performance system. For fiscal year 2023, 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.

The City continues to make contingency plans for a potential economic downturn related to inflationary pressures and job market trends.

### *Requests for Information*

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

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## **Basic Financial Statements**

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# CITY OF LEE'S SUMMIT, MISSOURI

## STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 143,420,197	\$ 78,076,956	\$ 221,497,153
Receivables (net of allowance)			
Taxes	10,314,511	-	10,314,511
Accounts and other	5,025,877	5,474,495	10,500,372
Interest	473,007	164,736	637,743
Leases	193,329	685,985	879,314
Due from other governments	1,271,758	24,613	1,296,371
Inventories	266,905	1,193,432	1,460,337
Prepaid expenses	10,274	8,107	18,381
Other assets	5,943	8,165	14,108
Restricted assets			
Cash and investments	4,138,876	-	4,138,876
Pension asset	58,221,634	1,375,701	59,597,335
Capital assets			
Nondepreciable	49,724,452	47,925,348	97,649,800
Depreciable, net	531,469,810	259,329,922	790,799,732
<b>Total assets</b>	<b>804,536,573</b>	<b>394,267,460</b>	<b>1,198,804,033</b>
<b>Deferred Outflows Of Resources</b>			
Pension	12,634,870	190,671	12,825,541
Other post employment benefits	1,559,962	161,011	1,720,973
<b>Total deferred outflows of resources</b>	<b>14,194,832</b>	<b>351,682</b>	<b>14,546,514</b>
<b>Liabilities</b>			
Accounts payable and accrued expenses	6,664,523	2,628,277	9,292,800
Payroll liabilities	2,240,861	202,322	2,443,183
Accrued interest payable	353,655	-	353,655
Unearned revenue	8,610,560	25,906	8,636,466
Customer deposits - payable from restricted deposits	1,025,298	253,718	1,279,016
Internal balances	(72,820)	72,820	-
Long-term obligations			
Due within one year			
Compensated absences	290,236	39,471	329,707
Bonds	8,370,000	-	8,370,000
Leases	43,781	-	43,781
Closure and postclosure liability	-	230,000	230,000
Due in more than one year			
Compensated absences	4,226,626	317,061	4,543,687
Other post employment benefits	4,922,992	249,762	5,172,754
Bonds	49,950,206	-	49,950,206
Leases	111,381	-	111,381
Closure and postclosure liability	-	6,201,600	6,201,600
<b>Total liabilities</b>	<b>86,737,299</b>	<b>10,220,937</b>	<b>96,958,236</b>
<b>Deferred Inflows Of Resources</b>			
Pension	39,286,012	857,006	40,143,018
Leases	191,119	670,910	862,029
Other post employment benefits	2,698,348	278,511	2,976,859
Deferred amount on refunding	991,508	-	991,508
<b>Total deferred inflows of resources</b>	<b>43,166,987</b>	<b>1,806,427</b>	<b>44,973,414</b>
<b>Net Position</b>			
Net investment in capital assets	525,556,405	307,255,270	832,811,675
Restricted for			
Pension	31,570,492	709,366	32,279,858
Debt service	12,601,142	-	12,601,142
Capital projects	65,074,932	60,837,762	125,912,694
Parks and recreation	6,249,038	-	6,249,038
Economic development	6,031,538	-	6,031,538
Other purposes	1,016,718	-	1,016,718
Unrestricted	40,726,854	13,789,380	54,516,234
<b>Total net position</b>	<b>\$ 688,827,119</b>	<b>\$ 382,591,778</b>	<b>\$ 1,071,418,897</b>

# CITY OF LEE'S SUMMIT, MISSOURI

## STATEMENT OF ACTIVITIES For The Year Ended June 30, 2022

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
<b>Governmental Activities</b>							
General government	\$ 14,151,128	\$ 3,564,970	\$ 1,481,227	\$ 57,688,777	\$ 48,583,846	\$ -	\$ 48,583,846
Public safety	44,847,826	10,762,831	1,694,247	-	(32,390,748)	-	(32,390,748)
Public works and streets	60,749,417	774,492	-	4,660,616	(55,314,309)	-	(55,314,309)
Community development	3,721,212	298,232	-	-	(3,422,980)	-	(3,422,980)
Parks and recreation	24,005,822	3,609,714	-	-	(20,396,108)	-	(20,396,108)
Interest on long-term debt	1,855,058	-	-	-	(1,855,058)	-	(1,855,058)
<b>Total governmental activities</b>	<b>149,330,463</b>	<b>19,010,239</b>	<b>3,175,474</b>	<b>62,349,393</b>	<b>(64,795,357)</b>	<b>-</b>	<b>(64,795,357)</b>
<b>Business-Type Activities</b>							
Waterworks and sewerage system	31,019,719	48,338,724	-	1,518,984	-	18,837,989	18,837,989
Sanitary landfill	(377,340)	-	-	-	-	377,340	377,340
Airport	4,203,347	3,081,736	-	83,709	-	(1,037,902)	(1,037,902)
Recreation center	1,295,809	1,430,000	-	-	-	134,191	134,191
Stormwater Utility	19,470	-	-	-	-	(19,470)	(19,470)
<b>Total business-type activities</b>	<b>36,161,005</b>	<b>52,850,460</b>	<b>-</b>	<b>1,602,693</b>	<b>-</b>	<b>18,292,148</b>	<b>18,292,148</b>
<b>Total primary government</b>	<b>\$ 185,491,468</b>	<b>\$ 71,860,699</b>	<b>\$ 3,175,474</b>	<b>\$ 63,952,086</b>	<b>(64,795,357)</b>	<b>18,292,148</b>	<b>(46,503,209)</b>
<b>General Revenues</b>							
Taxes							
Property taxes, levied for general purposes					34,416,755	-	34,416,755
Property taxes, levied for debt service					9,432,987	-	9,432,987
Franchise taxes					12,658,932	-	12,658,932
Sales and use taxes, and other taxes					56,917,649	-	56,917,649
License taxes					1,423,594	-	1,423,594
Motor vehicle taxes					4,039,392	-	4,039,392
Investment income (loss)					(3,307,292)	(1,754,336)	(5,061,628)
Other revenues					3,953,543	-	3,953,543
Gain on sale of assets					324,050	-	324,050
<b>Transfers</b>					<b>30,192</b>	<b>(30,192)</b>	<b>-</b>
<b>Total general revenues and transfers</b>					<b>119,889,802</b>	<b>(1,784,528)</b>	<b>118,105,274</b>
<b>Change in net position</b>					<b>55,094,445</b>	<b>16,507,620</b>	<b>71,602,065</b>
<b>Net position - beginning</b>					<b>633,732,674</b>	<b>366,084,158</b>	<b>999,816,832</b>
<b>Net position - ending</b>					<b>\$ 688,827,119</b>	<b>\$ 382,591,778</b>	<b>\$ 1,071,418,897</b>

**CITY OF LEE'S SUMMIT, MISSOURI**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2022**

	General Fund	Debt Service	Capital Improvement Sales Tax	Blue Parkway and Colbern Road CID	ARP Act	Total Nonmajor Funds	Total Governmental Funds
<b>Assets</b>							
Pooled cash and investments	\$ 37,435,149	\$ 11,686,352	\$ 36,461,957	\$ 51,574	\$ 8,310,882	\$ 40,380,353	\$ 134,326,267
Receivables (net of allowance)							
Taxes	5,326,419	1,174,038	1,807,779	-	-	2,006,275	10,314,511
Accounts and other	4,925,738	-	-	-	-	99,262	5,025,000
Interest	289,907	30,418	77,989	65	-	53,154	451,533
Lease receivable	193,329	-	-	-	-	-	193,329
Due from other funds	835,023	-	414,000	-	-	419,000	1,668,023
Due from other governments	708,317	-	-	-	-	563,441	1,271,758
Prepaid items	4,816	-	-	-	-	-	4,816
Other assets	5,150	-	-	-	-	793	5,943
Advances to other funds	2,805,441	-	575,000	-	-	3,439,859	6,820,300
Restricted assets							
Cash and investments	306,232	3,625	-	-	-	3,829,019	4,138,876
<b>Total assets</b>	<b>\$ 52,835,521</b>	<b>\$ 12,894,433</b>	<b>\$ 39,336,725</b>	<b>\$ 51,639</b>	<b>\$ 8,310,882</b>	<b>\$ 50,791,156</b>	<b>\$ 164,220,356</b>
<b>Liabilities, Deferred Inflows Of Resources And Fund Balances Liabilities</b>							
Accounts payable and accrued liabilities	\$ 813,026	\$ -	\$ 1,352,055	\$ 62,168	\$ -	\$ 2,399,241	\$ 4,626,490
Payroll liabilities	2,015,571	-	-	-	-	131,859	2,147,430
Deposits payable	836,914	-	-	-	-	188,384	1,025,298
Unearned revenue	299,678	-	-	-	8,310,882	-	8,610,560
Due to other funds	-	-	-	-	-	1,446,023	1,446,023
Advances from other funds	-	-	-	3,694,480	-	1,275,000	4,969,480
<b>Total liabilities</b>	<b>3,965,189</b>	<b>-</b>	<b>1,352,055</b>	<b>3,756,648</b>	<b>8,310,882</b>	<b>5,440,507</b>	<b>22,825,281</b>
<b>Deferred Inflows Of Resources</b>							
Property tax	394,615	293,291	-	-	-	78,303	766,209
Lease related	191,119	-	-	-	-	-	191,119
Other	-	-	-	-	-	7,749	7,749
<b>Total deferred inflows of resources</b>	<b>585,734</b>	<b>293,291</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86,052</b>	<b>965,077</b>
<b>Fund Balances (Deficits)</b>							
Nonspendable							
Prepaid amounts	4,816	-	-	-	-	-	4,816
Advances to other funds	2,805,441	-	-	-	-	-	2,805,441
Restricted							
Bridges, streets and signals	-	-	37,984,670	-	-	20,436,754	58,421,424
Parks and recreation	-	-	-	-	-	6,249,038	6,249,038
Economic development	-	-	-	-	-	6,031,538	6,031,538
Debt service reserve	-	12,601,142	-	-	-	-	12,601,142
Other capital projects	-	-	-	-	-	6,653,508	6,653,508
Other purposes	306,232	-	-	-	-	710,486	1,016,718
Committed							
Bridges, streets and signals	-	-	-	-	-	316,647	316,647
Landfill care	-	-	-	-	-	5,125,143	5,125,143
Cemetery care	-	-	-	-	-	1,279,404	1,279,404
Assigned							
Other capital projects	-	-	-	-	-	1,192,444	1,192,444
Unassigned	45,168,109	-	-	(3,705,009)	-	(2,730,365)	38,732,735
<b>Total fund balances (deficits)</b>	<b>48,284,598</b>	<b>12,601,142</b>	<b>37,984,670</b>	<b>(3,705,009)</b>	<b>-</b>	<b>45,264,597</b>	<b>140,429,998</b>
<b>Total liabilities, deferred inflows and fund balances (deficits)</b>	<b>\$ 52,835,521</b>	<b>\$ 12,894,433</b>	<b>\$ 39,336,725</b>	<b>\$ 51,639</b>	<b>\$ 8,310,882</b>	<b>\$ 50,791,156</b>	<b>\$ 164,220,356</b>

# CITY OF LEE'S SUMMIT, MISSOURI

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION June 30, 2022

**Total Fund Balance - Governmental Funds** \$ 140,429,998

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	806,174,782
Less: Accumulated depreciation	(236,921,331)

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.

57,239,808

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.

773,958

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

12,498,790

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.

1,457,020

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

(38,674,374)

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

(2,520,284)

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

(353,655)

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

17,179,994

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	(4,245,972)
Bonds payable	(57,185,000)
Unamortized discounts	204,165
Unamortized premiums	(1,339,371)
Deferred amount on refunding	(991,508)
Leases	(155,162)
Other post employment benefit liability	(4,744,739)

**Total net position - governmental activities** \$ 688,827,119

# CITY OF LEE'S SUMMIT, MISSOURI

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - GOVERNMENTAL FUNDS For The Year Ended June 30, 2022

	General Fund	Debt Service	Capital Improvement Sales Tax	Blue Parkway and Colbern Road CID	ARP Act	Total Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes							
Property	\$ 26,170,748	\$ 9,422,821	\$ -	\$ -	\$ -	\$ 8,176,313	\$ 43,769,882
Sales	24,255,663	5,765,121	12,122,313	10,955	-	13,757,865	55,911,917
Franchise	12,658,932	-	-	-	-	-	12,658,932
License	-	-	-	-	-	1,431,343	1,431,343
Bed	-	-	-	-	-	615,918	615,918
Motor vehicle	4,039,392	-	-	-	-	-	4,039,392
Other tax	323,521	50,345	-	-	-	15,948	389,814
Fines and forfeitures	879,840	55,601	-	1	-	20,357	955,799
Licenses and permits	4,213,867	-	-	-	-	-	4,213,867
Intergovernmental	1,694,247	-	-	-	-	1,481,227	3,175,474
Charges for services	10,167,603	-	-	111	-	3,672,859	13,840,573
Investment income (loss)	(977,426)	(407,460)	(886,231)	(1,354)	-	(815,041)	(3,087,512)
Other	3,541,950	-	786	-	-	410,807	3,953,543
<b>Total Revenues</b>	<b>86,968,337</b>	<b>14,886,428</b>	<b>11,236,868</b>	<b>9,713</b>	<b>-</b>	<b>28,767,596</b>	<b>141,868,942</b>
<b>Expenditures</b>							
Current							
General government	15,403,909	-	-	-	-	1,529,171	16,933,080
Public safety	43,938,267	-	-	-	-	-	43,938,267
Public works and streets	11,302,014	-	-	-	-	-	11,302,014
Community development	4,296,158	-	-	-	-	-	4,296,158
Parks and recreation	-	-	-	-	-	7,250,390	7,250,390
Debt service							
Principal	77,730	10,105,000	-	-	-	1,995,000	12,177,730
Interest and other charges	3,871	1,293,621	-	-	-	1,187,783	2,485,275
Capital outlay	-	-	11,051,958	1,250	-	15,554,346	26,607,554
<b>Total Expenditures</b>	<b>75,021,949</b>	<b>11,398,621</b>	<b>11,051,958</b>	<b>1,250</b>	<b>-</b>	<b>27,516,690</b>	<b>124,990,468</b>
<b>Excess (Deficiency) Of Revenues Over Expenditures</b>	<b>11,946,388</b>	<b>3,487,807</b>	<b>184,910</b>	<b>8,463</b>	<b>-</b>	<b>1,250,906</b>	<b>16,878,474</b>
<b>Other Financing Sources (Uses)</b>							
Issuance of refunding bonds	-	15,000,000	-	-	-	-	15,000,000
Payment to escrow for refunding	-	(14,805,000)	-	-	-	-	(14,805,000)
Proceeds from sales of capital assets	-	-	-	-	-	32,038	32,038
Transfers in	3,696,351	-	-	-	-	4,740,801	8,437,152
Transfers out	(1,389,764)	(4,375,000)	-	-	-	(329,264)	(6,094,028)
<b>Total Other Financing     Sources (Uses)</b>	<b>2,306,587</b>	<b>(4,180,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,443,575</b>	<b>2,570,162</b>
<b>Net Change In Fund Balances (Deficits)</b>	<b>14,252,975</b>	<b>(692,193)</b>	<b>184,910</b>	<b>8,463</b>	<b>-</b>	<b>5,694,481</b>	<b>19,448,636</b>
<b>Fund Balances (Deficits) Beginning</b>	<b>34,031,623</b>	<b>13,293,335</b>	<b>37,799,760</b>	<b>(3,713,472)</b>	<b>-</b>	<b>39,570,116</b>	<b>120,981,362</b>
<b>Ending</b>	<b>\$ 48,284,598</b>	<b>\$ 12,601,142</b>	<b>\$ 37,984,670</b>	<b>\$ (3,705,009)</b>	<b>\$ -</b>	<b>\$ 45,264,597</b>	<b>\$ 140,429,998</b>

# 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, 2022

Net Change In Fund Balances - Total Governmental Funds \$ 19,448,636

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 \$17,731,382 in the current period was exceeded by capital outlays over the capitalization threshold totaling \$18,460,068. 728,686

Governmental funds report the entire net sales price (proceeds) from sale of an asset as an other financing source of \$32,038 because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets of \$32,038. 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. 16,542,506

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. 72,111

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 refunding bonds	(15,000,000)
Payment to escrow for refunding	14,805,000
Repayment of principal	12,100,000
Repayment of lease	77,730
Bond discount amortization	(13,687)
Bond premium amortization	424,696
Deferred amount on refunding	111,082
Change in accrued interest payable	104,255

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	(391,365)
Compensated absences	996,795
Pension expense	11,276,234

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. (6,188,234)

**Change in net position of governmental activities \$ 55,094,445**



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

**STATEMENT OF NET POSITION (DEFICIT) - PROPRIETARY FUNDS  
June 30, 2022**

	Enterprise Funds					Internal Service Funds
	Combined Waterworks And Sewerage System	Sanitary Landfill	Airport	Nonmajor Enterprise Funds	Total	
<b>Assets</b>						
<b>Current assets</b>						
Cash and investments	\$ 75,303,275	\$ 26,228	\$ 1,762,823	\$ 984,630	\$ 78,076,956	\$ 9,093,930
Receivables (net of allowance)						
Accounts and other	2,416,051	(3,417)	138,571	-	2,551,205	877
Unbilled accounts	2,923,290	-	-	-	2,923,290	-
Interest	155,843	-	8,348	545	164,736	21,474
Due from other funds	1,978,000	-	-	-	1,978,000	-
Due from other governments	-	-	24,613	-	24,613	-
Leases receivable	-	-	685,985	-	685,985	-
Inventories	1,091,212	-	102,220	-	1,193,432	266,905
Prepaid expenses	-	-	8,107	-	8,107	5,458
Other assets	8,165	-	-	-	8,165	-
Advances to other funds	379,621	-	-	-	379,621	-
<b>Total current assets</b>	<b>84,255,457</b>	<b>22,811</b>	<b>2,730,667</b>	<b>985,175</b>	<b>87,994,110</b>	<b>9,388,644</b>
<b>Noncurrent assets</b>						
Pension asset	1,250,639	-	125,062	-	1,375,701	981,826
<b>Capital assets</b>						
Nondepreciable	21,894,366	35,722	25,995,260	-	47,925,348	104,250
Depreciable, net	218,241,383	2,837,818	38,152,287	98,434	259,329,922	11,836,561
<b>Total noncurrent assets</b>	<b>241,386,388</b>	<b>2,873,540</b>	<b>64,272,609</b>	<b>98,434</b>	<b>308,630,971</b>	<b>12,922,637</b>
<b>Total assets</b>	<b>325,641,845</b>	<b>2,896,351</b>	<b>67,003,276</b>	<b>1,083,609</b>	<b>396,625,081</b>	<b>22,311,281</b>
<b>Deferred Outflows Of Resources</b>						
Pension	173,338	-	17,333	-	190,671	136,080
Other post-employment benefits	145,174	-	15,837	-	161,011	102,942
<b>Total deferred outflows of resources</b>	<b>318,512</b>	<b>-</b>	<b>33,170</b>	<b>-</b>	<b>351,682</b>	<b>239,022</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Accounts payable	2,402,420	4,086	163,863	57,908	2,628,277	2,038,033
Salaries payable	109,193	-	63,464	29,665	202,322	93,431
Due to other funds	-	200,000	-	-	200,000	2,000,000
Unearned revenue	-	-	25,906	-	25,906	-
Compensated absences	13,903	-	25,568	13,903	53,374	11,466
Customer deposit	169,128	-	84,590	-	253,718	-
Closure and postclosure liability	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>2,694,644</b>	<b>204,086</b>	<b>363,391</b>	<b>101,476</b>	<b>3,363,597</b>	<b>4,142,930</b>
<b>Noncurrent liabilities</b>						
Advances from other funds	-	-	2,230,441	-	2,230,441	-
Compensated absences	292,000	-	-	11,158	303,158	259,424
Closure and post-closure liability	-	6,431,600	-	-	6,431,600	-
Other post-employment benefits	227,057	-	22,705	-	249,762	178,253
<b>Total noncurrent liabilities</b>	<b>519,057</b>	<b>6,431,600</b>	<b>2,253,146</b>	<b>11,158</b>	<b>9,214,961</b>	<b>437,677</b>
<b>Total liabilities</b>	<b>3,213,701</b>	<b>6,635,686</b>	<b>2,616,537</b>	<b>112,634</b>	<b>12,578,558</b>	<b>4,580,607</b>
<b>Deferred Inflows Of Resources -</b>						
Pension	779,097	-	77,909	-	857,006	611,638
Other post-employment benefits	251,116	-	27,395	-	278,511	178,064
Leases	-	-	670,910	-	670,910	-
<b>Total deferred inflows of resources</b>	<b>1,030,213</b>	<b>-</b>	<b>776,214</b>	<b>-</b>	<b>1,806,427</b>	<b>789,702</b>
<b>Net Position (Deficit)</b>						
Net investment in capital assets	240,135,749	2,873,540	64,147,547	98,434	307,255,270	11,940,811
Restricted for capital projects	60,837,762	-	-	-	60,837,762	-
Restricted for pension	644,880	-	64,486	-	709,366	506,268
Unrestricted	20,098,052	(6,612,875)	(568,338)	872,541	13,789,380	4,732,915
<b>Total net position (deficit)</b>	<b>\$ 321,716,443</b>	<b>\$ (3,739,335)</b>	<b>\$ 63,643,695</b>	<b>\$ 970,975</b>	<b>\$ 382,591,778</b>	<b>\$ 17,179,994</b>

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

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION (DEFICIT) - PROPRIETARY FUNDS  
For The Year Ended June 30, 2022**

	Enterprise Funds					Internal Service Funds
	Combined Waterworks And Sewerage System	Sanitary Landfill	Airport	Nonmajor Enterprise Funds	Total	
<b>Operating Revenues</b>						
Charges for services	\$ 47,601,833	\$ -	\$ 884,594	\$ 1,093,221	\$ 49,579,648	\$ 10,179,055
Material and fuel sales	401,785	-	2,153,234	-	2,555,019	-
Other	335,106	-	43,908	336,779	715,793	28,657
<b>Total operating revenues</b>	<b>48,338,724</b>	<b>-</b>	<b>3,081,736</b>	<b>1,430,000</b>	<b>52,850,460</b>	<b>10,207,712</b>
<b>Operating Expenses</b>						
Salaries, wages and employee benefits	4,635,296	8,272	743,389	686,005	6,072,962	3,599,133
Water purchases	8,016,276	-	-	-	8,016,276	-
Utilities	545,252	-	74,790	90,159	710,201	238,732
Repairs and maintenance	528,807	-	79,788	63,334	671,929	866,258
Sewer services	9,378,973	-	-	-	9,378,973	-
Fuels and lubricants	89,900	-	1,353,256	-	1,443,156	8,413
Depreciation	5,272,820	25,847	1,004,401	18,905	6,321,973	2,560,502
Interdepartment charges	691,246	-	153,365	18,847	863,458	169,937
Miscellaneous	1,861,126	(412,467)	781,554	438,029	2,668,242	6,744,309
<b>Total operating expenses</b>	<b>31,019,696</b>	<b>(378,348)</b>	<b>4,190,543</b>	<b>1,315,279</b>	<b>36,147,170</b>	<b>14,187,284</b>
<b>Operating income (loss)</b>	<b>17,319,028</b>	<b>378,348</b>	<b>(1,108,807)</b>	<b>114,721</b>	<b>16,703,290</b>	<b>(3,979,572)</b>
<b>Nonoperating Revenues (Expenses)</b>						
Interest income (loss)	(1,719,081)	(34,548)	27,196	(27,903)	(1,754,336)	(219,780)
Interest expense	(23)	(1,008)	(12,804)	-	(13,835)	-
Gain on disposal of capital assets	-	-	-	-	-	324,050
<b>Total nonoperating revenues (expenses)</b>	<b>(1,719,104)</b>	<b>(35,556)</b>	<b>14,392</b>	<b>(27,903)</b>	<b>(1,768,171)</b>	<b>104,270</b>
<b>Income (Loss) Before Contributions And Transfers</b>	<b>15,599,924</b>	<b>342,792</b>	<b>(1,094,415)</b>	<b>86,818</b>	<b>14,935,119</b>	<b>(3,875,302)</b>
<b>Capital Grants And Contributions</b>	<b>1,518,984</b>	<b>-</b>	<b>83,709</b>	<b>-</b>	<b>1,602,693</b>	<b>-</b>
<b>Transfers In</b>	<b>-</b>	<b>-</b>	<b>377,312</b>	<b>500,000</b>	<b>877,312</b>	<b>570,497</b>
<b>Transfers Out</b>	<b>(763,507)</b>	<b>-</b>	<b>(140,478)</b>	<b>(3,519)</b>	<b>(907,504)</b>	<b>(2,883,429)</b>
<b>Change In Net Position (Deficit)</b>	<b>16,355,401</b>	<b>342,792</b>	<b>(773,872)</b>	<b>583,299</b>	<b>16,507,620</b>	<b>(6,188,234)</b>
<b>Total Net Position (Deficit)</b>						
<b>Beginning</b>	<b>305,361,042</b>	<b>(4,082,127)</b>	<b>64,417,567</b>	<b>387,676</b>	<b>366,084,158</b>	<b>23,368,228</b>
<b>Ending</b>	<b>\$ 321,716,443</b>	<b>\$ (3,739,335)</b>	<b>\$ 63,643,695</b>	<b>\$ 970,975</b>	<b>\$ 382,591,778</b>	<b>\$ 17,179,994</b>

# CITY OF LEE'S SUMMIT, MISSOURI

## PROPRIETARY FUNDS STATEMENT OF CASH FLOWS For The Year Ended June 30, 2022

	Enterprise Funds					Internal Service Funds
	Combined Waterworks And Sewerage System	Sanitary Landfill	Airport	Nonmajor Enterprise Funds	Total	
<b>Cash Flows From Operating Activities</b>						
Cash received from customers	\$ 47,972,352	\$ 34,170	\$ 3,061,423	\$ 1,430,000	\$ 52,497,945	\$ 10,207,712
Cash paid to suppliers	(22,567,842)	(25,924)	(2,406,084)	(570,533)	(25,570,383)	(6,319,907)
Cash paid to employees	(4,890,274)	(5,879)	(750,572)	(735,526)	(6,382,251)	(4,262,074)
<b>Net cash provided by (used in) operating activities</b>	<b>20,514,236</b>	<b>2,367</b>	<b>(95,233)</b>	<b>123,941</b>	<b>20,545,311</b>	<b>(374,269)</b>
<b>Cash Flows From Noncapital Financing Activities</b>						
Transfers in	-	-	377,312	500,000	877,312	570,497
Transfers out	(763,507)	-	(140,478)	(3,519)	(907,504)	(2,883,429)
Due to other funds	-	-	-	-	-	300,000
Due from other funds	962,000	-	-	-	962,000	-
Advances to other funds	1,800,000	-	-	-	1,800,000	-
Advances from other funds	-	-	76,695	-	76,695	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>1,998,493</b>	<b>-</b>	<b>313,529</b>	<b>496,481</b>	<b>2,808,503</b>	<b>(2,012,932)</b>
<b>Cash Flows From Capital And Related Financing Activities</b>						
Interest paid on long-term debt obligations	(23)	(1,008)	(12,804)	-	(13,835)	-
Capital grants	1,518,984	-	189,077	-	1,708,061	-
Additions to capital assets	(16,162,187)	-	(239,513)	-	(16,401,700)	(1,689,646)
Proceeds from sale of capital assets	-	-	-	-	-	355,097
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(14,643,226)</b>	<b>(1,008)</b>	<b>(63,240)</b>	<b>-</b>	<b>(14,707,474)</b>	<b>(1,334,549)</b>
<b>Cash Flows Provided By Investing Activities</b>						
Interest received (paid)	(1,646,960)	(34,548)	29,612	(27,863)	(1,679,759)	(199,155)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,646,960)</b>	<b>(34,548)</b>	<b>29,612</b>	<b>(27,863)</b>	<b>(1,679,759)</b>	<b>(199,155)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>6,222,543</b>	<b>(33,189)</b>	<b>184,668</b>	<b>592,559</b>	<b>6,966,581</b>	<b>(3,920,905)</b>
<b>Cash And Cash Equivalents - Beginning Of Year</b>	<b>69,080,732</b>	<b>59,417</b>	<b>1,578,155</b>	<b>392,071</b>	<b>71,110,375</b>	<b>13,014,835</b>
<b>Cash And Cash Equivalents - End Of Year</b>	<b>\$ 75,303,275</b>	<b>\$ 26,228</b>	<b>\$ 1,762,823</b>	<b>\$ 984,630</b>	<b>\$ 78,076,956</b>	<b>\$ 9,093,930</b>
Reconciliation of operating income (loss) to net cash provided by (used in) operating income (loss)	\$ 17,319,028	\$ 378,348	\$ (1,108,807)	\$ 114,721	\$ 16,703,290	\$ (3,979,572)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	5,272,820	25,847	1,004,401	18,905	6,321,973	2,560,502
Changes in asset, liabilities, deferred outflows and inflows of resources:						
(Increase) decrease in inventories	(550,330)	-	(55,026)	-	(605,356)	(56,213)
(Increase) decrease in accounts receivable	(73,289)	34,170	(18,524)	-	(57,643)	-
(Increase) in unbilled revenue	(292,683)	-	-	-	(292,683)	-
(Increase) in leases receivable	-	-	89,920	-	89,920	-
(Increase) in prepaid expenses	-	-	-	-	-	1,313,083
(Increase) decrease in pension related assets, outflows and inflows	(19,772)	28,137	(17,355)	-	(8,990)	(166,062)
Increase (decrease) in accounts payable	(905,934)	(9,594)	91,695	39,836	(783,997)	450,872
Increase (decrease) in salaries and wages payable	(136,188)	(5,878)	28,826	(47,679)	(160,919)	(521,102)
Increase (decrease) in customer deposits	(400)	-	13,286	-	12,886	-
Decrease in accrued landfill closure/postclosure care costs	-	(428,797)	-	-	(428,797)	-
Increase (decrease) in other post employment benefits outflow and liability	(34,904)	(19,866)	11,916	-	(42,854)	64,301
Increase (decrease) in deferred inflows - leases	-	-	(104,995)	-	(104,995)	-
Increase (decrease) in accrued compensated absences	(64,114)	-	(30,570)	(1,842)	(96,526)	(40,078)
Total adjustments	3,195,208	(375,981)	1,013,574	9,220	3,842,021	3,605,303
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 20,514,236</b>	<b>\$ 2,367</b>	<b>\$ (95,233)</b>	<b>\$ 123,941</b>	<b>\$ 20,545,311</b>	<b>\$ (374,269)</b>

## CITY OF LEE'S SUMMIT, MISSOURI

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### **Supplemental Disclosure Of Cash Flow Information**

The City has the following noncash transactions: \$1,518,984 in water and sewer lines were contributed during fiscal year 2022 and \$83,709 relates to accounts receivable on capital grants for the Airport.

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**CITY OF LEE'S SUMMIT, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2022**

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**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**

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### 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, deferred outflows of resources, liabilities, deferred inflows of resources and revenues and expenses relating to the operation of the City-owned airport.

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

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

**Stormwater Utility** - Established to account for the City establishing a Stormwater Utility Fund in the current fiscal year. To date, the only activity was the transfer in of \$500,000 for the purposes of conducting a professional study to determine how to approach the process.

**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.

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

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### Notes To Basic Financial Statements (*Continued*)

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**

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### 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 (all collected within 60 days) 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

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### 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	\$ 0.9119
Park board	0.1383
Debt service	0.3697
Total tax levy	<u>\$ 1.4199</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, 2022.

## CITY OF LEE'S SUMMIT, MISSOURI

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### 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
Leased assets:	
Real estate	10 to 15 years
Equipment	3 to 10 years

### **Deferred Outflows Of Resources**

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

### **Compensated Absences**

All accumulated vacation, scheduled holiday leave and accumulated sick leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the government-wide financial statements as a long-term liability as it is expected to be paid from future resources. Upon leaving employment of the City, an employee is entitled to payment for accrued vacation. Only vested employees are paid sick leave upon retirement or resignation. A liability 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**

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### 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.

#### **Leases**

##### **Lessee:**

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

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

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

##### **Lessor:**

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

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

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

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### Notes To Basic Financial Statements (*Continued*)

All leases:

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

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

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

#### **Deferred Inflows Of Resources**

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

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

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

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

#### **Unbilled Revenue**

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

**Interfund And Related Party Transactions**

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

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

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

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

**Net Position**

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

***Net Investment In Capital Assets*** - This consists of capital assets, net of accumulated depreciation, 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.

## CITY OF LEE'S SUMMIT, MISSOURI

### Notes To Basic Financial Statements (*Continued*)

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

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

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

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

#### Fund Balance Classification Policies and Procedures

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

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

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

#### **Pensions**

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



## CITY OF LEE'S SUMMIT, MISSOURI

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### Notes To Basic Financial Statements (Continued)

#### 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.

#### Subsequent Events

On October 18, 2022, the City issued \$5,420,000 in General Obligation Bonds, Series 2022B. The bonds were issued for the purpose of Public Safety Improvements.

## 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, 2022 are as follows:

	Carrying Amount Or Fair Value	Less Than 1 Year	1 To 5 Years
U.S. Treasury securities	\$ 131,817,101	\$ 34,763,972	\$ 97,053,129
U.S. Agency securities	73,206,241	21,944,900	51,261,341
Repurchase agreements	523,000	523,000	-
Money market funds	3,492,042	3,492,042	-
	209,038,384	<u>\$ 60,723,914</u>	<u>\$ 148,314,470</u>
Cash deposits per books	<u>16,597,645</u>		
Cash and investments per statement of net position	<u>\$ 225,636,029</u>		

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

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### 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, 2022:

- U.S. Treasury obligations of \$131,817,101 valued using quoted market prices (Level 1 inputs)
- U.S. Agency obligations of \$73,206,241 valued using quoted market prices (Level 1 inputs)
- Repurchase agreements of \$523,000 valued using a matrix pricing model (Level 2 inputs)
- Money market funds of \$3,492,042 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, 2022, 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

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### 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*	\$ 131,817,101	\$ -	\$ -
U.S. Agency securities	73,206,241	73,206,241	-
Repurchase agreements**	523,000	523,000	-
Money market funds	3,492,042	-	3,492,042
Total	<u>\$ 209,038,384</u>	<u>\$ 73,729,241</u>	<u>\$ 3,492,042</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:

Investment Type	Minimum Allocation	Maximum Allocation
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	—	5%

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:

Issuer	Percentage Concentration
Federal Home Loan Bank	15.85%
Federal Farm Credit Bank	13.20%

### 3. Leases receivable

The City leases land and buildings to third parties. The following are the leases in effect at June 30, 2022 in which the City is a lessor:

Lease type	Lease Term		Discount Rate	Original Balance	6/30/2022 Balance	Revenues		Next Year Receipts
	Beginning	Ending				Lease	Interest	
Governmental activities:								
LS R-7	7/1/2021	5/31/2026	1.96%	\$ 4,529	\$ 3,658	\$ 921	\$ 88	
Google Row	7/1/2021	12/31/2036	1.96%	200,443	189,671	12,932	3,821	14,593
				\$ 204,972	\$ 193,329	\$ 13,853	\$ 3,909	\$ 14,593
Proprietary activities:								
Airport Fund:								
Sallee	7/1/2021	7/31/2040	1.96%	\$ 220,131	\$ 210,524	\$ 11,535	\$ 4,229	
BFRE	7/1/2021	10/31/2027	1.96%	363,367	317,975	57,374	6,769	62,839
EAA Hangar 1	7/1/2021	2/28/2023	1.96%	2,843	1,148	1,706	40	1,577
EAA Hangar K	7/1/2021	2/28/2025	1.96%	13,294	9,765	3,626	231	
EAA Hangar L	7/1/2021	8/31/2025	1.96%	13,976	10,725	3,354	245	
EAA Hangar M	7/1/2021	9/30/2033	1.96%	43,333	40,172	3,537	821	
LXT LLC	7/1/2021	3/31/2026	1.96%	32,586	25,975	6,860	579	7,190
SW LLC	7/1/2021	12/31/2024	1.96%	28,359	20,454	8,102	485	
Meisinger Aviation	7/1/2021	3/31/2023	1.96%	3,692	1,598	2,110	54	
Midwest Avionics	4/1/2022	3/31/2024	1.96%	54,324	47,649	6,791	255	
				\$ 775,905	\$ 685,985	\$ 104,995	\$ 13,708	\$ 71,606

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

Notes To Basic Financial Statements (*Continued*)

**4. Capital Assets**

Capital asset activity for the year ended was as follows:

	<b>Governmental Activities</b>			
	Balance 6/30/2021, as restated	Additions	Deductions	Balance June 30, 2022
<b>Nondepreciable capital assets:</b>				
Land	\$ 7,857,966	\$ -	\$ -	\$ 7,857,966
Construction in progress	110,784,893	18,127,025	87,045,432	41,866,486
Total nondepreciable capital assets	118,642,859	18,127,025	87,045,432	49,724,452
<b>Depreciable capital assets:</b>				
Buildings	64,764,222	6,168,071	-	70,932,293
Improvement other than buildings	74,235,916	9,520,971	-	83,756,887
Furniture, fixtures and equipment	40,883,217	11,149,190	1,524,847	50,507,560
Infrastructure	507,242,259	78,772,396	-	586,014,655
<b>Leased assets:</b>				
Real estate	126,917	-	-	126,917
Furniture, fixtures and equipment	105,975	-	-	105,975
Total depreciable capital assets	687,358,506	105,610,628	1,524,847	791,444,287
<b>Less: Accumulated depreciation</b>				
Buildings	39,176,916	2,097,066	-	41,273,982
Improvement other than buildings	33,673,390	4,058,093	-	37,731,483
Furniture, fixtures and equipment	28,241,254	2,957,974	1,493,800	29,705,428
Infrastructure	140,084,833	11,112,031	-	151,196,864
<b>Leased assets:</b>				
Real estate	-	8,865	-	8,865
Furniture, fixtures and equipment	-	57,855	-	57,855
Total accumulated depreciation	241,176,393	20,291,884	1,493,800	259,974,477
Total depreciable capital assets, net	446,182,113	85,318,744	31,047	531,469,810
Total governmental activities capital assets, net	\$ 564,824,972	\$ 103,445,769	\$ 87,076,479	\$ 581,194,262

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

Notes To Basic Financial Statements (*Continued*)

<b>Business-Type Activities</b>				
	Balance June 30, 2021	Additions	Deductions	Balance June 30, 2022
Nondepreciable capital assets:				
Land	\$ 26,846,596	\$ -	\$ -	\$ 26,846,596
Construction in progress	65,250,532	14,855,984	59,027,761	21,078,755
Total nondepreciable capital assets	92,097,128	14,855,984	59,027,761	47,925,351
Depreciable capital assets:				
Structures and improvements	322,265,436	60,073,137	-	382,338,573
Furniture, fixtures and equipment	3,564,972	500,343	-	4,065,315
Total depreciable capital assets	325,830,408	60,573,480	-	386,403,888
Less: Accumulated depreciation				
Structures and improvements	117,525,584	6,274,563	-	123,800,147
Furniture, fixtures and equipment	3,226,409	47,410	-	3,273,819
Total accumulated depreciation	120,751,993	6,321,973	-	127,073,966
Total depreciable capital assets, net	205,078,415	54,251,507	-	259,329,922
Total business-type activities capital assets, net	\$ 297,175,543	\$ 69,107,491	\$ 59,027,761	\$ 307,255,273

Depreciation expense was charged to functions as follows:

General government	\$ 884,575
Public safety	1,517,487
Public works and streets	11,379,729
Parks and recreation	3,949,591
Capital assets held by the government's Internal Service	
Funds are charged to the various functions based on their usage of the assets	2,560,502
	<u>\$ 20,291,884</u>

Depreciation expense was charged to functions as follows:

Combined waterworks and sewerage system	\$ 5,272,820
Sanitary landfill	25,847
Airport	1,004,401
Nonmajor enterprise funds	18,905
	<u>\$ 6,321,973</u>

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

Notes To Basic Financial Statements (*Continued*)

**5. Long-Term Obligations**

Debt payable at June 30, 2022 is composed of the following:

	Interest Rates	Maturity Date	Balance
Governmental Activities			
General obligation bonds:			
Refunding (2003) - 2013	4.00	4/1/2023	\$ 1,540,000
Improvement bonds 2016A	1.75 - 2.50	4/1/2029	4,500,000
Improvement bonds 2017A	1.75 - 5.00	4/1/2026	8,200,000
Total general obligation bonds			<u>\$ 14,240,000</u>
Bonds from direct placement:			
Improvement bonds 2020A	1.89	4/1/2023	\$ 1,055,000
Improvement bonds 2021A	0.83	4/1/2023	3,275,000
Refunding bonds 2022 (2013A)	1.60	4/1/2025	15,000,000
Total bonds from direct placement			<u>\$ 19,330,000</u>
TIF bonds:			
Summit fair - 2017	3.50 - 4.875	11/1/2037	<u>\$ 23,615,000</u>

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2022:

Governmental Activities	Balance June 30, 2021, as restated	Additions	Reductions	Balance June 30, 2022	Amounts Due Within One Year
Governmental Activities					
General obligation bonds	\$ 33,425,000	\$ -	\$(19,185,000)	\$ 14,240,000	\$ 4,040,000
Add: Bond premium	1,764,067	-	(424,696)	1,339,371	-
Total general obligation bonds	<u>35,189,067</u>	<u>-</u>	<u>(19,609,696)</u>	<u>15,579,371</u>	<u>4,040,000</u>
Bonds from direct placement	<u>10,055,000</u>	<u>15,000,000</u>	<u>(5,725,000)</u>	<u>19,330,000</u>	<u>4,330,000</u>
TIF bonds	25,610,000	-	(1,995,000)	23,615,000	-
Less: Bond discount	(217,852)	-	13,687	(204,165)	-
Total TIF bonds	<u>25,392,148</u>	<u>-</u>	<u>(1,981,313)</u>	<u>23,410,835</u>	<u>-</u>
Leases payable	<u>232,892</u>	<u>-</u>	<u>(77,730)</u>	<u>155,162</u>	<u>43,781</u>
Accrued compensated absences	<u>5,553,735</u>	<u>-</u>	<u>(1,036,873)</u>	<u>4,516,862</u>	<u>290,236</u>
Other post employment benefits	<u>6,822,593</u>	<u>-</u>	<u>(1,899,601)</u>	<u>4,922,992</u>	<u>-</u>
Total governmental activities long-term obligations	<u>\$ 83,245,435</u>	<u>\$ 15,000,000</u>	<u>\$(30,330,213)</u>	<u>\$ 67,915,222</u>	<u>\$ 8,704,017</u>

## CITY OF LEE'S SUMMIT, MISSOURI

### Notes To Basic Financial Statements *(Continued)*

The total long-term liabilities of \$67,915,222 consist of compensated absences and other post-employment benefits of \$270,890 and \$178,253, respectively, related to Internal Service Funds, while the remaining amount of \$67,466,079 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			Balance June 30, 2022	Amounts Due Within One Year
	June 30, 2021	Additions	Reductions		
Combined waterworks and sewerage system fund					
Compensated absences	\$ 370,017	\$ -	\$ (64,114)	\$ 305,903	\$ 13,903
Other post employment benefits	486,924	-	(259,867)	227,057	-
Total waterworks and sewerage fund	856,941	-	(323,981)	532,960	13,903
Sanitary landfill fund					
Landfill closure/postclosure care	6,860,397	-	(428,797)	6,431,600	230,000
Other post employment benefits	21,918	-	(21,918)	-	-
Total sanitary landfill fund	6,882,315	-	(450,715)	6,431,600	230,000
Airport fund					
Compensated absences	56,138	-	(30,570)	25,568	25,568
Other post employment benefits	36,712	-	(14,007)	22,705	-
Total airport fund	92,850	-	(44,577)	48,273	25,568
Nonmajor enterprise fund:					
Compensated absences	26,903	-	(1,842)	25,061	-
Total business-type activities long-term obligations	\$ 7,859,009	\$ -	\$ (821,115)	\$ 7,037,894	\$ 269,471

Debt service requirements on long-term debt at June 30, 2022 are as follows:

Year	Governmental Activities					
	General Obligation Bonds		Direct Placement		TIF Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 4,040,000	\$ 361,600	\$ 4,330,000	\$ 287,122	\$ -	\$ -
2024	2,700,000	232,500	5,925,000	240,000	-	-
2025	2,900,000	157,700	9,075,000	145,200	-	-
2026	2,500,000	99,500	-	-	-	-
2027	600,000	49,500	-	-	9,250,000	370,000
2028 - 2032	1,500,000	60,000	-	-	-	-
2033 - 2037	-	-	-	-	14,365,000	731,250
	<u>\$ 14,240,000</u>	<u>\$ 960,800</u>	<u>\$ 19,330,000</u>	<u>\$ 672,322</u>	<u>\$ 23,615,000</u>	<u>\$ 1,101,250</u>



## CITY OF LEE'S SUMMIT, MISSOURI

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### Notes To Basic Financial Statements (Continued)

Payment requirements on leases payable at June 30, 2022 are as follows:

Year	Principal	Interest	Total
2023	\$ 43,781	\$ 2,538	\$ 46,319
2024	12,993	2,031	15,024
2025	7,830	1,858	9,688
2026	7,985	1,703	9,688
2027	8,143	1,546	9,689
2028 - 2032	43,193	5,248	48,441
2033 - 2037	31,237	1,057	32,294
	<u>\$ 155,162</u>	<u>\$ 15,981</u>	<u>\$ 171,143</u>

#### **Tax Increment Revenue Bonds (TIF) - 2017**

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

#### **Current Refunding - General Obligation Refunding Bonds, Series 2022A**

On March 29, 2022, the City issued its General Obligation Refunding Bonds, Series 2022A in the principal amount of \$15,000,000 with a coupon rate of 1.60%. The bond proceeds of the 2022A Series of Refunding Bonds were deposited with UMB bank as Paying Agent for the City's 2013A General Obligation Bonds, and on April 1, 2022 were used to redeem in whole the City's 2013A General Obligation Bonds maturing in 2023 through 2028, inclusive, and to pay the costs of issuance for the 2022A Bonds. The 2022A Refunding Bonds have scheduled maturities of \$5,925,000 on April 1, 2024 and \$9,075,000 on April 1, 2025.

The difference in cash flows between the new debt and the old debt was debt service savings of \$1,116,842. The economic gain on the refunding (the net present value of the difference between debt service payments on the old and new debt) was \$764,810.

## CITY OF LEE'S SUMMIT, MISSOURI

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### Notes To Basic Financial Statements (Continued)

#### 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, 2022, the constitutionally imposed total general obligation debt limit was \$496,792,720, which after reduction for authorized general obligation bonds net of available resources in the Debt Service Fund, provides a general obligation debt margin of \$467,627,840.

#### 6. Construction Commitments and Encumbrances

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

	Contract Amount	Amount Funded By Grants
Nonmajor governmental	\$ 200,230	\$ -
	<u>\$ 200,230</u>	<u>\$ -</u>

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

Combined Waterworks and Sewerage System Fund: \$623,602

Nonmajor governmental fund: \$1,396,060

## CITY OF LEE'S SUMMIT, MISSOURI

### Notes To Basic Financial Statements (Continued)

## 7. Interfund Receivables, Payables, Advances And Transfers

The composition of interfund balances as of June 30, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General fund	Nonmajor governmental	\$ 221,023
General fund	Internal service	614,000
Capital improvement sales tax	Internal service	414,000
Nonmajor governmental	Nonmajor governmental	75,000
Nonmajor governmental	Sanitary landfill	200,000
Nonmajor governmental	Internal service	144,000
Combined waterworks and sewerage system	Nonmajor governmental	1,150,000
Combined waterworks and sewerage system	Internal service	828,000
Total		<u>\$ 3,646,023</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, 2022:

Advance From Fund	Advance To Fund	Amount
General fund	Nonmajor governmental	\$ 575,000
General fund	Airport	2,230,441
Capital improvement sales tax	Nonmajor governmental	575,000
Nonmajor governmental	Blue Parkway/Colbern CID	3,314,859
Nonmajor governmental	Nonmajor governmental	125,000
Combined waterworks and sewerage system	Blue Parkway/Colbern CID	379,621
Total		<u>\$ 7,199,921</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 \$2,230,441 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 \$575,000 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.

## CITY OF LEE'S SUMMIT, MISSOURI

### Notes To Basic Financial Statements (Continued)

Interfund transfers:

	Transfers To					Total
	General Fund	Nonmajor Governmental Funds	Airport Fund	Nonmajor Enterprise Funds	Internal Service Funds	
<b>Transfers from</b>						
General	\$ -	\$ 345,934	\$ 76,696	\$ 500,000	\$ 467,134	\$ 1,389,764
Debt Service	-	4,375,000	-	-	-	4,375,000
Nonmajor Governmental Combined Waterworks and Sewerage System	12,300	16,348	300,616	-	-	329,264
Airport	697,344	-	-	-	66,163	763,507
Nonmajor Enterprise	103,278	-	-	-	37,200	140,478
Internal Service	-	3,519	-	-	-	3,519
	2,883,429	-	-	-	-	2,883,429
	<u>\$ 3,696,351</u>	<u>\$ 4,740,801</u>	<u>\$ 377,312</u>	<u>\$ 500,000</u>	<u>\$ 570,497</u>	<u>\$ 9,884,961</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.

## 8. Employee Retirement Plan

### Plan Description

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

## CITY OF LEE'S SUMMIT, MISSOURI

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### 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	364
Inactive employees entitled to but not yet receiving benefits	276
Active employees	636
	<u>1,276</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 11.3% (general), 15.3% (police) and 12.5% (fire) of annual covered payroll.

#### **Net Pension Liability (Asset)**

The employer's net pension liability (asset) was measured as of June 30, 2021, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2021.

## CITY OF LEE'S SUMMIT, MISSOURI

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### Notes To Basic Financial Statements (*Continued*)

#### Actuarial Assumptions

The total pension liability in the February 28, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<b>Actuarial Method:</b>	Individual Entry Age
<b>Asset Valuation Method:</b>	5 - year smoothed market
<b>Inflation:</b>	2.75% wage inflation; 2.25% price inflation
<b>Salary Increase:</b>	2.75% to 7.15% (including wage inflation)
<b>Investment Rate Of Return:</b>	7.00% (net of investment expenses)

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

The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above-described tables. The actuarial assumptions used in the February 28, 2021, valuation were based upon experience observed during the most recent 5-year period study for the period March 1, 2015 through February 29, 2020.

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

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

#### 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, 2021	\$ 235,485,070	\$ 237,097,353	\$ (1,612,283)
Changes For The Year:			
Service cost	5,224,442	-	5,224,442
Interest	16,927,227	-	16,927,227
Difference between expected and actual experience	(4,357,636)	-	(4,357,636)
Changes of assumptions	(3,450,149)	-	(3,450,149)
Contributions - employer	-	5,074,434	(5,074,434)
Net investment income (loss)	-	66,452,232	(66,452,232)
Benefit payments, including refunds	(9,308,056)	(9,308,056)	-
Administrative expense	-	(121,875)	121,875
Other changes	-	924,145	(924,145)
Net changes	5,035,828	63,020,880	(57,985,052)
Balances At June 30, 2022	\$ 240,520,898	\$ 300,118,233	\$ (59,597,335)

#### Sensitivity Of The Net Pension Liability (Asset) To Changes In The Discount Rate

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

	Current Single Discount		
	1% Decrease 6.00%	Rate Assumption 7.00%	1% Increase 8.00%
Net pension liability (asset)	\$ (23,916,109)	\$ (59,597,335)	\$ (89,034,296)

## 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, 2022 the City recognized pension expense (benefit) of \$(5,718,293). 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	\$ 6,255,422	\$ 4,570,498
Changes in assumptions	837,122	2,842,880
Difference between expected and actual earnings	-	32,729,640
	<u>7,092,544</u>	<u>40,143,018</u>
Contributions subsequent to the measurement date of June 30, 2021*	5,732,997	-
Total	<u>\$ 12,825,541</u>	<u>\$ 40,143,018</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
2023	\$ (8,689,737)
2024	(6,413,498)
2025	(7,158,457)
2026	(10,224,109)
2027	89,654
Thereafter	(654,327)
Total	<u>\$ (33,050,474)</u>

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



## **9. Other Post-Employment Benefits**

### **Plan Description**

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

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

### **Employees Covered By Benefit Terms**

At January 1, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	19
Active employees	<u>652</u>
	<u><u>671</u></u>

## CITY OF LEE'S SUMMIT, MISSOURI

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### 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 January 1, 2022 using a measurement date of June 30, 2022 and the changes in the OPEB liability are as follows:

OPEB liability - Beginning of year	\$ 7,368,147
Service costs	496,500
Interest	155,653
Differences between expected and actual experience	(740,503)
Changes in assumptions and inputs	(1,943,043)
Benefit payments/Employer contributions	(164,000)
OPEB liability - end of year	<u><u>\$ 5,172,754</u></u>

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

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

## CITY OF LEE'S SUMMIT, MISSOURI

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### 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 January 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:	Entry Age -Level Percent of Pay
Valuation Date:	January 1, 2022
Measurement Date:	June 30, 2022
Salary Scale:	3%
Discount Rate:	3.9% (measurement date); 2.0% (year preceding measurement date)
Mortality:	
Healthy Life	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality Tables using Scale MP-2021 Full Generational Improvement
Disabled Life	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Disabled Mortality Tables using Scale MP-2021 Full Generational Improvement

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 2.0% and 3.9% 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

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### 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 2.9%	Current Single Discount Rate Assumption 3.9%	1% Increase 4.9%
Total OPEB Liability	\$ 5,697,973	\$ 5,172,754	\$ 4,696,245

#### 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	\$ 4,544,067	\$ 5,172,754	\$ 5,918,782

(a) 6.00% in 2022 decreasing to an ultimate rate of 4.00% in 2031

(b) 8.00% in 2022 decreasing to an ultimate rate of 6.00% in 2031

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

For the year ended June 30, 2022, the City recognized OPEB expense of \$576,823. At June 30, 2022, 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
Changes in assumptions	\$ 1,608,930	\$ 1,781,112
Differences between expected and actual experience	112,043	1,195,747
Total	<u>\$ 1,720,973</u>	<u>\$ 2,976,859</u>

## CITY OF LEE'S SUMMIT, MISSOURI

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### 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
2023	\$ (75,330)
2024	(75,330)
2025	(75,330)
2026	(75,330)
2027	(75,330)
Thereafter	(879,236)
Total	<u>\$ (1,255,886)</u>

## 10. 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, 2022, the City's total estimated liability for payment of incurred but unpaid claims for workers' compensation was \$1,242,678 and is included in accounts payable in the Workers' Compensation Self-Insurance Fund.

## CITY OF LEE'S SUMMIT, MISSOURI

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### Notes To Basic Financial Statements (*Continued*)

Changes in self-insured claims liability at June 30, 2022 and 2021 were as follows:

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	1,388,916
Add: Current year claims and change in estimate	223,363
Less: Claim payments	<u>(369,601)</u>
Balance - June 30, 2022	<u><u>\$ 1,242,678</u></u>

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

## 11. Closure And Postclosure Care Costs

State and federal laws and regulations require the City to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The City closed the landfill effective April 13, 2019. The \$6,431,600 reported as landfill closure and postclosure liability at June 30, 2022, 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, 2022, the City had contract obligations of approximately \$6,400,000 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.

## **12. 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	\$ 3,705,009
Nonmajor Funds:	
Entitlement	89,401
Todd George and 50 Hwy TIF	958,883
Road Improvement 2013	2,843
Summit Woods TIF	303,962
New Longview TIF	1,375,276
Internal Service Funds:	
Insurance Claims and Damages Reserve Fund	122,008
Business-type activities:	
Major Funds:	
Sanitary Landfill	3,739,335

## **13. 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 \$773,213. This accounts for 1.06% of the City’s total general operating revenues of \$72,831,114 for the year ended June 30, 2022.

## **14. 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, 2022, the City's tax revenue was diverted through various abatements necessary to incent development within the City totaling an estimated \$7,761,711 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	\$ 2,093,739	\$ 4,487,482	\$ 6,581,221	\$ -	\$ 6,581,221	57.90030%	\$ 3,810,547
Section 353 abatement	31,582	151,685	183,266	81,919	101,347	100.00000%	101,347
Section 100 projects	1,202,406	6,195,302	7,397,708	3,779,537	3,618,171	100.00000%	3,618,171
LCRA	36,267	21,092	247,160	15,514	231,646	100.00000%	231,646
							<u>\$ 7,761,711</u>



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

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### Notes To Basic Financial Statements (*Continued*)

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 2022 is \$2,756,213 with the City's portion of taxes abated at \$404,434.

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 2022 is \$858,173 with the City's portion of taxes abated at \$212,904.

## **15. Pending accounting pronouncements**

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.

GASB Statement No. 101, *Compensated Absences* will align the recognition and measurement guidance under a unified model by amending certain previously required disclosures. The statement will be effective for the City with its year ending June 30, 2024.



**Required Supplementary Information**



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

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
BUDGETARY COMPARISON INFORMATION - GENERAL FUND  
For The Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>With Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 60,481,165	\$ 60,481,165	\$ 67,448,256	\$ 6,967,091
Fines and forfeitures	1,189,141	1,189,141	879,840	(309,301)
Licenses and permits	3,715,760	3,715,760	4,213,867	498,107
Intergovernmental	1,431,202	1,431,202	1,694,247	263,045
Charges for services	9,092,539	9,092,539	10,167,603	1,075,064
Investment earnings	150,000	150,000	(977,426)	(1,127,426)
Other	3,079,818	3,079,818	3,541,950	462,132
<b>Total revenues</b>	<b>79,139,625</b>	<b>79,139,625</b>	<b>86,968,337</b>	<b>7,828,712</b>
<b>Expenditures</b>				
Current:				
General government				
Administrative	3,675,294	3,675,294	2,866,987	808,307
Finance	11,531,890	11,556,671	9,725,755	1,830,916
Municipal court	1,272,615	1,283,588	1,126,284	157,304
Legal	1,932,870	1,932,870	1,684,883	247,987
Public Safety				
Law enforcement	23,160,431	23,525,259	22,380,767	1,144,492
Fire/EMS	21,539,914	22,177,456	21,557,500	619,956
Public works and streets				
Public works/engineering	6,810,216	6,805,838	6,049,295	756,543
Street operations	5,587,114	5,587,114	5,252,719	334,395
Community development				
Development center	4,285,471	4,438,029	4,296,158	141,871
Debt service				
Principal	-	-	77,730	(77,730)
Interest and other charges	-	-	3,871	(3,871)
<b>Total expenditures</b>	<b>79,795,815</b>	<b>80,982,119</b>	<b>75,021,949</b>	<b>5,960,170</b>
<b>Excess Of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>(656,190)</b>	<b>(1,842,494)</b>	<b>11,946,388</b>	<b>13,788,882</b>
<b>Other Financing Sources (Uses)</b>				
Issuance of bonds	-	-	-	-
Premium on issuance of bonds	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Other financing sources - leases	-	-	-	-
Transfers in	940,250	940,250	3,696,351	2,756,101
Transfers out	(861,770)	(1,389,764)	(1,389,764)	-
<b>Total other financing sources (uses)</b>	<b>78,480</b>	<b>(449,514)</b>	<b>2,306,587</b>	<b>2,756,101</b>
<b>Net Change In Fund Balances</b>	<b>(577,710)</b>	<b>(2,292,008)</b>	<b>14,252,975</b>	<b>16,544,983</b>
<b>Fund Balances - Beginning</b>	<b>25,609,248</b>	<b>20,551,662</b>	<b>34,031,623</b>	<b>13,479,961</b>
<b>Fund Balances - Ending</b>	<b>\$ 25,031,538</b>	<b>\$ 18,259,654</b>	<b>\$ 48,284,598</b>	<b>\$ 30,024,944</b>

# CITY OF LEE'S SUMMIT, MISSOURI

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## REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) NOTES TO BUDGETARY COMPARISON INFORMATION For The Year Ended June 30, 2022

### **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.

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

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**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULES OF SELECTED PENSION INFORMATION - MISSOURI LOCAL  
GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS)**

**For The Year Ended June 30, 2022**

**Schedule Of Contributions**

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation to the Required Contribution	Contribution Deficiency	Covered Payroll	Contribution as a Percentage of Covered Payroll
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%
2022	6,004,797	5,732,996	271,801	44,833,928	12.79%

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SCHEDULES OF SELECTED PENSION INFORMATION - MISSOURI LOCAL GOVERNMENT EMPLOYEES**  
**RETIREMENT SYSTEM (LAGERS) (CONTINUED)**

**For The Year Ended June 30, 2022**

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

Fiscal Year Ending June 30,	2016	2017	2018	2019	2020	2021	2022
<b>Total Pension Liability</b>							
Service cost	\$ 4,094,113	\$ 4,116,855	\$ 4,304,459	\$ 4,472,193	\$ 4,609,803	\$ 4,915,753	\$ 5,224,442
Interest on total pension liability	10,954,647	11,691,666	12,869,316	13,726,033	14,558,105	15,667,986	16,927,227
Difference between expected and actual experience	318,903	(892,732)	(10,067)	(421,915)	3,169,573	4,994,324	(4,357,636)
Changes of assumption	-	6,279,349	-	-	-	-	(3,450,149)
Benefit payment, including refunds	(5,400,300)	(5,047,211)	(5,040,382)	(5,832,114)	(6,921,068)	(7,446,261)	(9,308,056)
<b>Net change in total pension liability</b>	<b>9,967,363</b>	<b>16,147,927</b>	<b>12,123,326</b>	<b>11,944,197</b>	<b>15,416,413</b>	<b>18,131,802</b>	<b>5,035,828</b>
<b>Total pension liability-beginning</b>	<b>151,726,643</b>	<b>161,721,405</b>	<b>177,869,332</b>	<b>189,992,658</b>	<b>201,936,855</b>	<b>217,353,268</b>	<b>235,485,070</b>
<b>Total pension liability ending (a)</b>	<b>\$ 161,694,006</b>	<b>\$ 177,869,332</b>	<b>\$ 189,992,658</b>	<b>\$ 201,936,855</b>	<b>\$ 217,353,268</b>	<b>\$ 235,485,070</b>	<b>\$ 240,520,898</b>
<b>Plan Fiduciary Net Position</b>							
Contributions-employer	\$ 4,831,163	\$ 4,153,904	\$ 4,348,764	\$ 4,306,689	\$ 4,437,964	\$ 4,774,887	\$ 5,074,434
Contributions-employee	-	-	90,862	-	-	-	-
Net investment income	3,552,574	(235,139)	21,474,775	24,845,050	15,076,456	3,116,804	66,452,232
Benefit payments, including refunds	(5,373,300)	(5,047,211)	(5,040,382)	(5,832,114)	(6,921,068)	(7,446,261)	(9,308,056)
Pension plan administrative expense	(89,852)	(84,734)	(87,751)	(90,844)	(134,918)	(156,543)	(121,875)
Other (net transfer)	1,714,993	339,826	(157,227)	(62,202)	1,319,477	(1,093,208)	924,145
<b>Net change in plan fiduciary net position</b>	<b>4,635,578</b>	<b>(873,354)</b>	<b>20,629,041</b>	<b>23,166,579</b>	<b>13,777,911</b>	<b>(804,321)</b>	<b>63,020,880</b>
<b>Plan fiduciary net position-beginning</b>	<b>176,565,920</b>	<b>181,201,498</b>	<b>180,328,144</b>	<b>200,957,184</b>	<b>224,123,763</b>	<b>237,901,674</b>	<b>237,097,353</b>
<b>Plan fiduciary net position -ending (b)</b>	<b>\$ 181,201,498</b>	<b>\$ 180,328,144</b>	<b>\$ 200,957,185</b>	<b>\$ 224,123,763</b>	<b>\$ 237,901,674</b>	<b>\$ 237,097,353</b>	<b>\$ 300,118,233</b>
<b>Net pension liability asset-ending (a)- (b)</b>	<b>(19,507,492)</b>	<b>(2,458,812)</b>	<b>(10,964,527)</b>	<b>(22,186,908)</b>	<b>(20,548,406)</b>	<b>(1,612,283)</b>	<b>(59,597,335)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>112.05%</b>	<b>101.38%</b>	<b>105.77%</b>	<b>110.99%</b>	<b>117.81%</b>	<b>109.08%</b>	<b>127.45%</b>
<b>Covered payroll</b>	<b>\$ 34,283,100</b>	<b>\$ 35,017,663</b>	<b>\$ 36,728,368</b>	<b>\$ 37,483,205</b>	<b>\$ 39,183,044</b>	<b>\$ 42,998,505</b>	<b>\$ 42,399,804</b>
<b>Net pension liability(asset) as a percent of covered payroll</b>	<b>-56.82%</b>	<b>-7.02%</b>	<b>-29.85%</b>	<b>-59.19%</b>	<b>-52.44%</b>	<b>-3.75%</b>	<b>-140.56%</b>

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. In 2022, amounts reported as changes in assumptions resulted primarily from changes due to an new experience study covering the period 2015 to 2020, which included change in the mortality table and decrease in the long-term rate of return.

## 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, 2022

Fiscal Year Ending June 30, Total OPEB Liability June 30	2018	2019	2020
Service cost	\$ 229,155	\$ 291,148	\$ 308,374
Interest	153,982	184,128	185,290
Differences between expected and actual experience	-	168,067	(506,295)
Changes in assumptions	799,131	137,117	846,255
Benefit payments	(161,000)	(226,000)	(176,000)
<b>Net Change in Total Pension Liability</b>	<b>1,021,268</b>	<b>554,460</b>	<b>657,624</b>
<b>Total OPEB Liability-Beginning</b>	<b>4,380,219</b>	<b>5,401,487</b>	<b>5,955,947</b>
<b>Total Pension Liability Ending</b>	<b>\$ 5,401,487</b>	<b>\$ 5,955,947</b>	<b>\$ 6,613,571</b>
Covered-employee payroll	\$ 35,567,476	\$ 35,567,476	\$ 40,363,580
Total OPEB liability as a percentage of covered-employee payroll	15.19%	16.75%	16.38%
Fiscal Year Ending June 30, Total OPEB Liability June 30	2021	2022	
Service cost	\$ 433,566	\$ 496,500	
Interest	180,691	155,653	
Changes in benefit terms	-	-	
Differences between expected and actual experience	(164,677)	(740,503)	
Changes in assumptions	499,996	(1,943,043)	
Benefit payments	(195,000)	(164,000)	
<b>Net Change in Total Pension Liability</b>	<b>754,576</b>	<b>(2,195,393)</b>	
<b>Total OPEB Liability-Beginning</b>	<b>6,613,571</b>	<b>7,368,147</b>	
<b>Total Pension Liability Ending</b>	<b>\$ 7,368,147</b>	<b>\$ 5,172,754</b>	
Covered-employee payroll	\$ 40,363,580	\$ 40,708,939	
Total OPEB liability as a percentage of covered-employee payroll	18.25%	12.71%	

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

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

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## CITY OF LEE'S SUMMIT, MISSOURI

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### REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS - OTHER POST EMPLOYMENT BENEFITS (CONTINUED) For The Year Ended June 30, 2022

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

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

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

2022	3.9%
2021	2.0%
2020	2.6%
2019	3.0%
2018	3.3%



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**Supplementary Information**

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Combining And Individual Fund Financial  
Statements And Schedules

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

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2022**

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>			
Pooled cash and investments	\$ 14,253,028	\$ 26,127,325	\$ 40,380,353
Receivables (net of allowance)			
Taxes	94,500	1,911,775	2,006,275
Accounts and other	99,262	-	99,262
Interest	25,242	27,912	53,154
Due from other funds	200,000	219,000	419,000
Due from other governments	165,910	397,531	563,441
Other current assets	-	793	793
Advances to other funds	-	3,439,859	3,439,859
Restricted cash	-	3,829,019	3,829,019
<b>Total assets</b>	<b>\$ 14,837,942</b>	<b>\$ 35,953,214</b>	<b>\$ 50,791,156</b>
<b>Liabilities, Deferred Inflows of Resources And Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 366,026	\$ 2,033,215	\$ 2,399,241
Payroll liabilities	131,859	-	131,859
Deposits payable	178,384	10,000	188,384
Due to other funds	50,000	1,396,023	1,446,023
Advances from other funds	-	1,275,000	1,275,000
<b>Total liabilities</b>	<b>726,269</b>	<b>4,714,238</b>	<b>5,440,507</b>
<b>Deferred Inflows Of Resources</b>			
Property tax	78,303	-	78,303
Other	-	7,749	7,749
<b>Total deferred inflows of resources</b>	<b>78,303</b>	<b>7,749</b>	<b>86,052</b>
<b>Fund Balances</b>			
<b>Restricted</b>			
Bridges, streets and signals	-	20,436,754	20,436,754
Parks and recreation	6,249,038	-	6,249,038
Economic development	442,053	5,589,485	6,031,538
Other capital projects	-	6,653,508	6,653,508
Other purposes	710,486	-	710,486
<b>Committed</b>			
Bridges, streets and signals	316,647	-	316,647
Landfill care	5,125,143	-	5,125,143
Cemetery care	1,279,404	-	1,279,404
<b>Assigned</b>			
Other capital projects	-	1,192,444	1,192,444
Unassigned	(89,401)	(2,640,964)	(2,730,365)
<b>Total fund balances</b>	<b>14,033,370</b>	<b>31,231,227</b>	<b>45,264,597</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 14,837,942</b>	<b>\$ 35,953,214</b>	<b>\$ 50,791,156</b>

**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, 2022**

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>			
Taxes			
Property	\$ 3,941,842	\$ 4,234,471	\$ 8,176,313
Sales	—	13,757,865	13,757,865
License	—	1,431,343	1,431,343
Bed	615,918	—	615,918
Other tax	15,948	—	15,948
Fines and forfeitures	20,352	5	20,357
Intergovernmental	1,104,456	376,771	1,481,227
Charges for services	3,618,644	54,215	3,672,859
Investment loss	(364,760)	(450,281)	(815,041)
Other	403,594	7,213	410,807
<b>Total revenues</b>	<b>9,355,994</b>	<b>19,411,602</b>	<b>28,767,596</b>
<b>Expenditures</b>			
Current			
General government	1,153,497	375,674	1,529,171
Parks and recreation	7,250,390	—	7,250,390
Debt service			
Principal	—	1,995,000	1,995,000
Interest and other charges	—	1,187,783	1,187,783
Capital outlay	277,189	15,277,157	15,554,346
<b>Total expenditures</b>	<b>8,681,076</b>	<b>18,835,614</b>	<b>27,516,690</b>
<b>Deficiency Of Revenues Over Expenditures</b>	<b>674,918</b>	<b>575,988</b>	<b>1,250,906</b>
<b>Other Financing Sources (Uses)</b>			
Proceeds from sales of capital assets	32,038	—	32,038
Transfers in	194,867	4,545,934	4,740,801
Transfers out	(28,648)	(300,616)	(329,264)
<b>Total other financing sources (uses)</b>	<b>198,257</b>	<b>4,245,318</b>	<b>4,443,575</b>
<b>Net Change In Fund Balances</b>	<b>873,175</b>	<b>4,821,306</b>	<b>5,694,481</b>
<b>Fund Balances - Beginning</b>	<b>13,160,195</b>	<b>26,409,921</b>	<b>39,570,116</b>
<b>Fund Balances - Ending</b>	<b>\$ 14,033,370</b>	<b>\$ 31,231,227</b>	<b>\$ 45,264,597</b>

# CITY OF LEE'S SUMMIT, MISSOURI

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## 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, 2022**

	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
<b>Assets</b>									
Pooled cash and investments	\$ 6,615,071	\$ 547,853	\$ 4,795	\$ 4,932,718	\$ 1,281,561	\$ 499,095	\$ 371,935	\$ —	\$ 14,253,028
Receivables (net of allowance)									
Taxes receivable, net	94,500	—	—	—	—	—	—	—	94,500
Accounts and other	—	1,539	—	—	—	—	97,723	—	99,262
Interest	9,932	(646)	—	11,844	2,881	836	395	—	25,242
Due from other funds	—	—	—	200,000	—	—	—	—	200,000
Due from other governments	—	161,740	4,170	—	—	—	—	—	165,910
<b>Total assets</b>	<b>\$ 6,719,503</b>	<b>\$ 710,486</b>	<b>\$ 8,965</b>	<b>\$ 5,144,562</b>	<b>\$ 1,284,442</b>	<b>\$ 499,931</b>	<b>\$ 470,053</b>	<b>\$ —</b>	<b>\$ 14,837,942</b>
<b>Liabilities, Deferred Inflows of Resources And Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable and accrued liabilities	\$ 261,061	\$ —	\$ 48,366	\$ 19,419	\$ 4,280	\$ 4,900	\$ 28,000	\$ —	\$ 366,026
Payroll liabilities	131,101	—	—	—	758	—	—	—	131,859
Deposits payable	—	—	—	—	—	178,384	—	—	178,384
Unearned revenue	—	—	—	—	—	—	—	—	—
Due to other funds	—	—	50,000	—	—	—	—	—	50,000
<b>Total liabilities</b>	<b>392,162</b>	<b>—</b>	<b>98,366</b>	<b>19,419</b>	<b>5,038</b>	<b>183,284</b>	<b>28,000</b>	<b>—</b>	<b>726,269</b>
<b>Deferred Inflows Of Resources</b>									
Property tax	78,303	—	—	—	—	—	—	—	78,303
<b>Total deferred inflows of resources</b>	<b>78,303</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>78,303</b>
<b>Fund Balances (Deficits)</b>									
Restricted									
Parks and recreation	6,249,038	—	—	—	—	—	—	—	6,249,038
Economic development	—	—	—	—	—	—	442,053	—	442,053
Other purposes	—	710,486	—	—	—	—	—	—	710,486
Committed									
Bridges, streets and signals	—	—	—	—	—	316,647	—	—	316,647
Landfill care	—	—	—	5,125,143	—	—	—	—	5,125,143
Cemetery care	—	—	—	—	1,279,404	—	—	—	1,279,404
Unassigned	—	—	(89,401)	—	—	—	—	—	(89,401)
<b>Total fund balances (deficits)</b>	<b>6,249,038</b>	<b>710,486</b>	<b>(89,401)</b>	<b>5,125,143</b>	<b>1,279,404</b>	<b>316,647</b>	<b>442,053</b>	<b>—</b>	<b>14,033,370</b>
<b>Total liabilities, deferred inflows and fund balances (deficits)</b>	<b>\$ 6,719,503</b>	<b>\$ 710,486</b>	<b>\$ 8,965</b>	<b>\$ 5,144,562</b>	<b>\$ 1,284,442</b>	<b>\$ 499,931</b>	<b>\$ 470,053</b>	<b>\$ —</b>	<b>\$ 14,837,942</b>

**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, 2022**

	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
<b>Revenues</b>									
Taxes									
Property	\$ 3,941,842	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,941,842
Bed	—	—	—	—	—	—	615,918	—	615,918
Other tax	15,948	—	—	—	—	—	—	—	15,948
Fines and forfeitures	20,352	—	—	—	—	—	—	—	20,352
Intergovernmental	500	161,740	505,386	—	—	148,581	—	288,249	1,104,456
Charges for services	3,552,043	—	—	—	66,601	—	—	—	3,618,644
Investment earnings (loss)	(183,760)	(18,034)	—	(117,075)	(28,776)	(8,388)	(8,727)	—	(364,760)
Other	397,668	—	—	—	5,926	—	—	—	403,594
<b>Total revenues</b>	<b>7,744,593</b>	<b>143,706</b>	<b>505,386</b>	<b>(117,075)</b>	<b>43,751</b>	<b>140,193</b>	<b>607,191</b>	<b>288,249</b>	<b>9,355,994</b>
<b>Expenditures</b>									
Current:									
General government	—	28,800	491,495	296,295	—	—	317,627	19,280	1,153,497
Parks and recreation	7,126,878	—	—	—	123,512	—	—	—	7,250,390
Capital outlay	—	—	—	—	—	8,220	—	268,969	277,189
<b>Total expenditures</b>	<b>7,126,878</b>	<b>28,800</b>	<b>491,495</b>	<b>296,295</b>	<b>123,512</b>	<b>8,220</b>	<b>317,627</b>	<b>288,249</b>	<b>8,681,076</b>
<b>Excess (Deficiency) Of Revenues Over Expenditures</b>	<b>617,715</b>	<b>114,906</b>	<b>13,891</b>	<b>(413,370)</b>	<b>(79,761)</b>	<b>131,973</b>	<b>289,564</b>	<b>—</b>	<b>674,918</b>
<b>Other Financing Sources (Uses)</b>									
Proceeds from sale of capital assets	—	—	—	—	32,038	—	—	—	32,038
Transfers in	194,867	—	—	—	—	—	—	—	194,867
Transfers out	—	—	—	—	(16,348)	—	(12,300)	—	(28,648)
<b>Total other financing sources (uses)</b>	<b>194,867</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>15,690</b>	<b>—</b>	<b>(12,300)</b>	<b>—</b>	<b>198,257</b>
<b>Net Change In Fund Balances (Deficit)</b>	<b>812,582</b>	<b>114,906</b>	<b>13,891</b>	<b>(413,370)</b>	<b>(64,071)</b>	<b>131,973</b>	<b>277,264</b>	<b>—</b>	<b>873,175</b>
<b>Fund Balances (Deficits) - Beginning</b>	<b>5,436,456</b>	<b>595,580</b>	<b>(103,292)</b>	<b>5,538,513</b>	<b>1,343,475</b>	<b>184,674</b>	<b>164,789</b>	<b>—</b>	<b>13,160,195</b>
<b>Fund Balances (Deficits) - Ending</b>	<b>\$ 6,249,038</b>	<b>\$ 710,486</b>	<b>\$ (89,401)</b>	<b>\$ 5,125,143</b>	<b>\$ 1,279,404</b>	<b>\$ 316,647</b>	<b>\$ 442,053</b>	<b>\$ —</b>	<b>\$ 14,033,370</b>

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

**BUDGETARY COMPARISON SCHEDULE**

**PARK BOARD**

**For The Year Ended June 30, 2022**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variances With</b>
	<b>Original</b>	<b>Final</b>		<b>Final Budget - Positive (Negative)</b>
<b>Revenues</b>				
Taxes				
Property taxes	\$ 3,644,500	\$ 3,644,500	\$ 3,941,842	\$ 297,342
Other tax	20,000	20,000	15,948	(4,052)
Fines and forfeitures	17,000	17,000	20,352	3,352
Intergovernmental	-	-	500	500
Charges for services	3,460,442	3,460,442	3,552,043	91,601
Investment earnings (loss)	95,100	95,100	(183,760)	(278,860)
Other	277,528	277,528	397,668	120,140
<b>Total revenues</b>	<b>7,514,570</b>	<b>7,514,570</b>	<b>7,744,593</b>	<b>230,023</b>
<b>Expenditures</b>				
Current:				
Parks and recreation	7,200,151	7,200,151	7,126,878	(73,273)
Capital Improvements	67,011	67,011	-	(67,011)
<b>Total Expenditures</b>	<b>7,267,162</b>	<b>7,267,162</b>	<b>7,126,878</b>	<b>(140,284)</b>
<b>Excess of revenues over expenditures</b>	<b>247,408</b>	<b>247,408</b>	<b>617,715</b>	<b>370,307</b>
<b>Other Financing Sources</b>				
Transfers in	200,856	200,856	194,867	(5,989)
Transfers out	(329,185)	(329,185)	-	329,185
<b>Total other financing sources</b>	<b>(128,329)</b>	<b>(128,329)</b>	<b>194,867</b>	<b>323,196</b>
<b>Net Change In Fund Balances</b>	<b>\$ 119,079</b>	<b>\$ 119,079</b>	<b>812,582</b>	<b>\$ 693,503</b>
<b>Fund Balances - Beginning</b>			<b>5,436,456</b>	
<b>Fund Balances - Ending</b>			<b>\$ 6,249,038</b>	

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

**BUDGETARY COMPARISON SCHEDULE  
VIOLENCE AGAINST WOMEN GRANT  
For The Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variances With Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 161,740	\$ (38,260)
Investment earnings (loss)	—	—	(18,034)	(18,034)
<b>Total Revenues</b>	<u>200,000</u>	<u>200,000</u>	<u>143,706</u>	<u>(56,294)</u>
<b>Expenditures</b>				
Current:				
General government	<u>200,000</u>	<u>200,000</u>	<u>28,800</u>	<u>171,200</u>
<b>Net Change In Fund Balances</b>	<u>\$ —</u>	<u>\$ —</u>	<u>114,906</u>	<u>\$ (227,494)</u>
<b>Fund Balances - Beginning</b>			<u>595,580</u>	
<b>Fund Balances - Ending</b>			<u>\$ 710,486</u>	



# CITY OF LEE'S SUMMIT, MISSOURI

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## 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

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### 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, 2022**

	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
<b>Assets</b>										
Pooled cash and investments	\$ 74,321	\$ 5,425,411	\$ 2,333,864	\$ 8,316,883	\$ 549,789	\$ 59,757	\$ 118,935	\$ 2,313	\$ 1,612,954	\$ 3,180,393
Receivables (net of allowance)										
Taxes	-	1,671,237	-	7,749	15,489	-	17,363	4,031	-	154,978
Interest	-	2,926	(560)	18,136	577	134	42	(30)	2,567	1,214
Due from other funds	-	129,000	-	90,000	-	-	-	-	-	-
Due from other governments	-	-	-	-	38,947	-	20,455	5,652	61,282	214,700
Other current assets	-	-	-	-	-	-	-	-	-	-
Advances to other funds	-	3,314,859	-	125,000	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 74,321</b>	<b>\$ 10,543,433</b>	<b>\$ 2,333,304</b>	<b>\$ 8,557,768</b>	<b>\$ 604,802</b>	<b>\$ 59,891</b>	<b>\$ 156,795</b>	<b>\$ 11,966</b>	<b>\$ 1,676,803</b>	<b>\$ 3,551,285</b>
<b>Liabilities, Deferred Inflows of Resources And Fund Balances</b>										
<b>Liabilities</b>										
Accounts payable and accrued liabilities	\$ 33,204	\$ 37,396	\$ 276,806	\$ 675,800	\$ 25,176	\$ 363,853	\$ 27,071	\$ -	\$ 378,841	\$ -
Deposits payable	-	-	-	-	-	-	5,000	-	-	-
Due to other funds	490,000	-	-	-	-	-	735,000	-	-	-
Advances from other funds	510,000	-	-	-	-	-	765,000	-	-	-
<b>Total liabilities</b>	<b>1,033,204</b>	<b>37,396</b>	<b>276,806</b>	<b>675,800</b>	<b>25,176</b>	<b>363,853</b>	<b>1,532,071</b>	<b>-</b>	<b>378,841</b>	<b>-</b>
<b>Deferred Inflows Of Resources</b>										
Other	-	-	-	7,749	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,749</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficits)</b>										
Restricted										
Bridges, streets and signals	-	10,506,037	2,056,498	7,874,219	-	-	-	-	-	-
Economic development	-	-	-	-	579,626	-	-	11,966	1,297,962	3,551,285
Other capital projects	-	-	-	-	-	-	-	-	-	-
Assigned										
Other capital projects	-	-	-	-	-	-	-	-	-	-
Unassigned	(958,883)	-	-	-	-	(303,962)	(1,375,276)	-	-	-
<b>Total fund balances (deficits)</b>	<b>(958,883)</b>	<b>10,506,037</b>	<b>2,056,498</b>	<b>7,874,219</b>	<b>579,626</b>	<b>(303,962)</b>	<b>(1,375,276)</b>	<b>11,966</b>	<b>1,297,962</b>	<b>3,551,285</b>
<b>Total liabilities, deferred inflows and fund balances (deficits)</b>	<b>\$ 74,321</b>	<b>\$ 10,543,433</b>	<b>\$ 2,333,304</b>	<b>\$ 8,557,768</b>	<b>\$ 604,802</b>	<b>\$ 59,891</b>	<b>\$ 156,795</b>	<b>\$ 11,966</b>	<b>\$ 1,676,803</b>	<b>\$ 3,551,285</b>

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

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS**

**Page 2 Of 2  
June 30, 2022**

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
\$ -	\$ -	\$ -	\$ 14,009	\$ -	\$ -	\$ 1,175,178	\$ 27,136	\$ 79,554	\$ -	\$ 3,128,183	\$ 28,645	\$ 26,127,325
-	-	-	-	-	-	-	-	-	-	-	40,928	1,911,775
-	-	-	31	-	-	2,433	83	-	-	-	359	27,912
-	-	-	-	-	-	-	-	-	-	-	-	219,000
-	-	-	-	-	-	-	-	-	-	-	56,495	397,531
-	-	-	793	-	-	-	-	-	-	-	-	793
-	-	-	-	-	-	-	-	-	-	-	-	3,439,859
100	-	-	-	-	28,778	-	-	336,977	3,463,164	-	-	3,829,019
<b>\$ 100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,833</b>	<b>\$ -</b>	<b>\$ 28,778</b>	<b>\$ 1,177,611</b>	<b>\$ 27,219</b>	<b>\$ 416,531</b>	<b>\$ 3,463,164</b>	<b>\$ 3,128,183</b>	<b>\$ 126,427</b>	<b>\$ 35,953,214</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 203,489	\$ 11,579	\$ -	\$ -	\$ 2,033,215
-	-	-	-	-	-	-	5,000	-	-	-	-	10,000
-	-	-	-	-	31,621	-	-	-	139,402	-	-	1,396,023
-	-	-	-	-	-	-	-	-	-	-	-	1,275,000
-	-	-	-	-	31,621	-	5,000	203,489	150,981	-	-	4,714,238
-	-	-	-	-	-	-	-	-	-	-	-	7,749
-	-	-	-	-	-	-	-	-	-	-	-	7,749
-	-	-	-	-	-	-	-	-	-	-	-	20,436,754
100	-	-	-	-	-	-	22,219	-	-	-	126,427	5,589,485
-	-	-	-	-	-	-	-	213,042	3,312,183	3,128,183	-	6,653,508
-	-	-	14,833	-	-	1,177,611	-	-	-	-	-	1,192,444
-	-	-	-	-	(2,843)	-	-	-	-	-	-	(2,640,964)
100	-	-	14,833	-	(2,843)	1,177,611	22,219	213,042	3,312,183	3,128,183	126,427	31,231,227
<b>\$ 100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,833</b>	<b>\$ -</b>	<b>\$ 28,778</b>	<b>\$ 1,177,611</b>	<b>\$ 27,219</b>	<b>\$ 416,531</b>	<b>\$ 3,463,164</b>	<b>\$ 3,128,183</b>	<b>\$ 126,427</b>	<b>\$ 35,953,214</b>

# 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, 2022

	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
<b>Revenues</b>											
Taxes											
Property	\$ 1,482,959	\$ —	\$ —	\$ —	\$ 169,486	\$ —	\$ 278,321	\$ 292,704	\$ 216,381	\$ 1,505,273	\$ —
Sales	—	11,535,714	—	—	85,389	—	196,899	28,463	—	1,485,524	—
License	—	—	—	1,431,343	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	5	—	—	—	—
Intergovernmental	—	32,281	—	—	15,314	—	22,521	7,389	—	237,335	—
Charges for services	1,719	—	—	—	549	41	1,918	1,036	3,278	8,355	—
Other income	—	113	—	—	—	—	—	—	—	—	—
Investment earnings (loss)	—	(8,882)	(33,024)	(203,642)	(13,182)	(1,368)	(1,255)	(8,224)	(38,047)	(26,170)	284
<b>Total revenues</b>	<b>1,484,678</b>	<b>11,559,226</b>	<b>(33,024)</b>	<b>1,227,701</b>	<b>257,556</b>	<b>(1,327)</b>	<b>498,409</b>	<b>321,368</b>	<b>181,612</b>	<b>3,210,317</b>	<b>284</b>
<b>Expenditures</b>											
Current:											
General government	—	—	—	—	7,073	—	—	336,936	—	—	—
Debt service											
Principal	—	—	—	—	—	—	—	—	—	1,995,000	—
Interest and other charges	—	—	8,110	2,363	—	41	27,115	—	—	1,149,913	—
Capital outlay	437,221	6,691,150	302,228	1,698,311	2,712	—	4,453	4,700	40,166	32,379	839,242
<b>Total expenditures</b>	<b>437,221</b>	<b>6,691,150</b>	<b>310,338</b>	<b>1,700,674</b>	<b>9,785</b>	<b>41</b>	<b>31,568</b>	<b>341,636</b>	<b>40,166</b>	<b>3,177,292</b>	<b>839,242</b>
<b>Excess (Deficiency) Of Revenues Over Expenditures</b>	<b>1,047,457</b>	<b>4,868,076</b>	<b>(343,362)</b>	<b>(472,973)</b>	<b>247,771</b>	<b>(1,368)</b>	<b>466,841</b>	<b>(20,268)</b>	<b>141,446</b>	<b>33,025</b>	<b>(838,958)</b>
<b>Other Financing Sources</b>											
Transfers in	—	—	4,200,000	—	—	—	—	—	—	—	—
Transfers out	—	(300,616)	—	—	—	—	—	—	—	—	—
<b>Total other financing sources</b>	<b>—</b>	<b>(300,616)</b>	<b>4,200,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net Change In Fund Balances (Deficits)</b>	<b>1,047,457</b>	<b>4,567,460</b>	<b>3,856,638</b>	<b>(472,973)</b>	<b>247,771</b>	<b>(1,368)</b>	<b>466,841</b>	<b>(20,268)</b>	<b>141,446</b>	<b>33,025</b>	<b>(838,958)</b>
<b>Fund Balances (Deficits) - Beginning</b>	<b>(2,006,340)</b>	<b>5,938,577</b>	<b>(1,800,140)</b>	<b>8,347,192</b>	<b>331,855</b>	<b>(302,594)</b>	<b>(1,842,117)</b>	<b>32,234</b>	<b>1,156,516</b>	<b>3,518,260</b>	<b>839,058</b>
<b>Fund Balances (Deficits) - Ending</b>	<b>\$ (958,883)</b>	<b>\$ 10,506,037</b>	<b>\$ 2,056,498</b>	<b>\$ 7,874,219</b>	<b>\$ 579,626</b>	<b>\$ (303,962)</b>	<b>\$ (1,375,276)</b>	<b>\$ 11,966</b>	<b>\$ 1,297,962</b>	<b>\$ 3,551,285</b>	<b>\$ 100</b>

**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, 2022**

	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
\$	—	—	—	—	—	—	(10,462)	—	—	—	299,809	\$ 4,234,471
	—	—	—	—	—	—	(14)	—	—	—	425,890	13,757,865
	—	—	—	—	—	—	—	—	—	—	—	1,431,343
	—	—	—	—	—	—	—	—	—	—	—	5
	—	—	—	—	—	—	—	—	—	—	61,931	376,771
	—	—	—	—	—	—	37,319	—	—	—	—	54,215
	—	—	—	—	—	—	—	—	—	7,100	—	7,213
	323	69	(316)	4	130	(28,818)	(1,354)	169	7,121	(90,578)	(3,521)	(450,281)
	323	69	(316)	4	130	(28,818)	25,489	169	7,121	(83,478)	784,109	19,411,602
	—	—	—	—	—	—	31,665	—	—	—	—	375,674
	—	—	—	—	—	—	—	—	—	—	—	1,995,000
	—	—	—	—	—	—	—	241	—	—	—	1,187,783
	463,200	115,402	—	4,611	37,272	131,561	—	3,006,490	471,619	211,432	783,008	15,277,157
	463,200	115,402	—	4,611	37,272	131,561	31,665	3,006,731	471,619	211,432	783,008	18,835,614
	(462,877)	(115,333)	(316)	(4,607)	(37,142)	(160,379)	(6,176)	(3,006,562)	(464,498)	(294,910)	1,101	575,988
	—	—	—	—	—	345,934	—	—	—	—	—	4,545,934
	—	—	—	—	—	—	—	—	—	—	—	(300,616)
	—	—	—	—	—	345,934	—	—	—	—	—	4,245,318
	(462,877)	(115,333)	(316)	(4,607)	(37,142)	185,555	(6,176)	(3,006,562)	(464,498)	(294,910)	1,101	4,821,306
	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
\$	—	—	14,833	—	(2,843)	1,177,611	22,219	213,042	3,312,183	3,128,183	126,427	\$ 31,231,227

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

**BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE**

**For The Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variances With Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes				
Property taxes	\$ 8,963,318	\$ 8,963,318	\$ 9,422,821	\$ 459,503
Sales	4,466,544	4,466,544	5,765,121	1,298,577
Other tax	57,334	57,334	50,345	(6,989)
Fines and forfeitures	40,000	40,000	55,601	15,601
Investment earnings (loss)	171,572	171,572	(407,460)	(579,032)
<b>Total revenues</b>	<u>13,698,768</u>	<u>13,698,768</u>	<u>14,886,428</u>	<u>1,187,660</u>
<b>Expenditures</b>				
Current:				
Debt Service:				
Principal	10,105,000	10,105,000	24,910,000	(14,805,000)
Interest and other charges	1,067,648	1,067,648	1,293,621	(225,973)
<b>Total expenditures</b>	<u>11,172,648</u>	<u>11,172,648</u>	<u>26,203,621</u>	<u>(15,030,973)</u>
<b>Excess Of Revenues Over Expenditures</b>	2,526,120	2,526,120	(11,317,193)	(13,843,313)
<b>Other Financing Sources (Uses)</b>				
Bond Proceeds	—	—	15,000,000	15,000,000
Transfers out	(4,375,000)	(4,375,000)	(4,375,000)	—
<b>Total other financing uses</b>	<u>(4,375,000)</u>	<u>(4,375,000)</u>	<u>10,625,000</u>	<u>15,000,000</u>
<b>Net Change In Fund Balances</b>	<u>\$ (1,848,880)</u>	<u>\$ (1,848,880)</u>	<u>(692,193)</u>	<u>\$ 1,156,687</u>
<b>Fund Balances - Beginning</b>			<u>13,293,335</u>	
<b>Fund Balances - Ending</b>			<u>\$ 12,601,142</u>	

# CITY OF LEE'S SUMMIT, MISSOURI

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## NONMAJOR PROPRIETARY FUNDS

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

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

***Stormwater Utility*** - Established to account for the City establishing a Stormwater Utility Fund in the current fiscal year. To date, the only activity was the transfer in of \$500,000 for the purposes of conducting a professional study to determine how to approach the process.

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# CITY OF LEE'S SUMMIT, MISSOURI

**City of Lee's Summit**  
**Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2022**

	Nonmajor Enterprise Funds		
	Recreation Center	Stormwater Utility	Total
<b>Assets</b>			
Current assets			
Cash and investments	\$ 510,994	\$ 473,636	\$ 984,630
Interest receivable	944	(399)	545
<b>Total current assets</b>	511,938	473,237	985,175
Noncurrent assets			
Capital assets			
Depreciable, net	98,434	-	98,434
<b>Total noncurrent assets</b>	98,434	-	98,434
<b>Total assets</b>	610,372	473,237	1,083,609
<b>Liabilities</b>			
Current liabilities			
Accounts payable	50,408	7,500	57,908
Salaries payable	29,665	-	29,665
Compensated absences	13,903	-	13,903
<b>Total current liabilities</b>	93,976	7,500	101,476
Noncurrent liabilities			
Compensated absences	11,158	-	11,158
<b>Total noncurrent liabilities</b>	11,158	-	11,158
<b>Total liabilities</b>	105,134	7,500	112,634
<b>Net Position</b>			
Net investment in capital assets	98,434	-	98,434
Unrestricted	406,804	465,737	872,541
<b>Total net position</b>	\$ 505,238	\$ 465,737	\$ 970,975

# CITY OF LEE'S SUMMIT, MISSOURI

**City of Lee's Summit**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2022**

	Enterprise Funds		
	Recreation Center	Stormwater Utility	Total
<b>Operating Revenues</b>			
Charges for services	\$ 1,093,221	\$ -	\$ 1,093,221
Other	336,779	-	336,779
<b>Total operating revenues</b>	1,430,000	-	1,430,000
<b>Operating Expenses</b>			
Salaries, wages and employee benefits	686,005	-	686,005
Utilities	90,159	-	90,159
Repairs and maintenance	63,334	-	63,334
Depreciation	18,905	-	18,905
Interdepartment charges	18,847	-	18,847
Miscellaneous	418,559	19,470	438,029
<b>Total operating expenses</b>	1,295,809	19,470	1,315,279
<b>Operating income (loss)</b>	134,191	(19,470)	114,721
<b>Nonoperating Revenues (Expenses)</b>			
Interest income (loss)	(13,110)	(14,793)	(27,903)
<b>Total nonoperating revenues (expenses)</b>	(13,110)	(14,793)	(27,903)
<b>Income (Loss) Before Contributions And Transfers</b>	121,081	(34,263)	86,818
<b>Transfers In</b>	-	500,000	500,000
<b>Transfers Out</b>	(3,519)	-	(3,519)
<b>Change In Net Position</b>	117,562	465,737	583,299
<b>Total Net Position</b>			
<b>Beginning</b>	387,676	-	387,676
<b>Ending</b>	\$ 505,238	\$ 465,737	\$ 970,975

# CITY OF LEE'S SUMMIT, MISSOURI

## City of Lee's Summit

### Nonmajor Enterprise Funds Statement of Cash Flows

Year ended June 30, 2022

	Enterprise Funds		
	Recreation Center	Stormwater Utility	Total
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 1,430,000	\$ -	\$ 1,430,000
Cash paid to suppliers	(558,563)	(11,970)	(570,533)
Cash paid to employees	(735,526)	-	(735,526)
<b>Net cash provided by (used in) operating activities</b>	135,911	(11,970)	123,941
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers in	-	500,000	500,000
Transfers out	(3,519)	-	(3,519)
<b>Net cash provided by (used in) noncapital financing activities</b>	(3,519)	500,000	496,481
<b>Cash Flows Provided By Investing Activities</b>			
Interest received (paid)	(13,469)	(14,394)	(27,863)
<b>Net cash provided by (used in) investing activities</b>	(13,469)	(14,394)	(27,863)
<b>Net increase (decrease) in cash and cash equivalents</b>	118,923	473,636	592,559
<b>Cash And Cash Equivalents - Beginning Of Year</b>	392,071	-	392,071
<b>Cash And Cash Equivalents - End Of Year</b>	\$ 510,994	\$ 473,636	\$ 984,630
Reconciliation of operating income (loss) to net cash provided by (used in) operating income (loss)	\$ 134,191	\$ (19,470)	\$ 114,721
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	18,905	-	18,905
Changes in assets and liabilities:			
Increase (decrease) in accounts payable	32,336	7,500	39,836
Increase (decrease) in salaries and wages payable	(47,679)	-	(47,679)
Increase (decrease) in accrued compensated absences	(1,842)	-	(1,842)
Total adjustments	1,720	7,500	9,220
<b>Net cash provided by (used in) operating activities</b>	\$ 135,911	\$ (11,970)	\$ 123,941

# CITY OF LEE'S SUMMIT, MISSOURI

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## 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. This fund was closed in 2022.

***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, 2022**

	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
<b>Assets</b>									
Current assets									
Cash and investments	\$ 154,591	\$ 228,758	\$ 76,040	\$ —	\$ 3,874,129	\$ 199,490	\$ 3,626,209	\$ 934,713	\$ 9,093,930
Receivables (net of allowance) accounts and other	877	—	—	—	—	—	—	—	877
Interest receivable	1	438	1,952	—	8,370	438	7,609	2,666	21,474
Inventories	266,863	42	—	—	—	—	—	—	266,905
Prepaid expenses	—	—	—	—	5,458	—	—	—	5,458
<b>Total current assets</b>	<b>422,332</b>	<b>229,238</b>	<b>77,992</b>	<b>—</b>	<b>3,887,957</b>	<b>199,928</b>	<b>3,633,818</b>	<b>937,379</b>	<b>9,388,644</b>
Noncurrent assets									
Pension asset	130,811	—	—	—	668,181	—	—	182,834	981,826
Capital assets									
Nondepreciable	104,250	—	—	—	—	—	—	—	104,250
Depreciable, net	10,665,346	—	—	—	—	—	—	1,171,215	11,836,561
<b>Total noncurrent assets</b>	<b>10,900,407</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>668,181</b>	<b>—</b>	<b>—</b>	<b>1,354,049</b>	<b>12,922,637</b>
<b>Total assets</b>	<b>11,322,739</b>	<b>229,238</b>	<b>77,992</b>	<b>—</b>	<b>4,556,138</b>	<b>199,928</b>	<b>3,633,818</b>	<b>2,291,428</b>	<b>22,311,281</b>
<b>Deferred outflows of resources</b>									
Pension	18,130	—	—	—	92,609	—	—	25,341	136,080
Other post employment benefits	18,477	—	—	—	65,988	—	—	18,477	102,942
<b>Total deferred outflows of resources</b>	<b>36,607</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>158,597</b>	<b>—</b>	<b>—</b>	<b>43,818</b>	<b>239,022</b>
<b>Liabilities</b>									
Current liabilities									
Accounts payable	40,903	—	—	—	725,336	1	1,242,678	29,115	2,038,033
Salaries and benefits payable	15,106	—	—	—	66,067	740	—	11,518	93,431
Due to other funds	1,800,000	—	200,000	—	—	—	—	—	2,000,000
Compensated absences	1,967	—	—	—	7,781	—	—	1,718	11,466
<b>Total current liabilities</b>	<b>1,857,976</b>	<b>—</b>	<b>200,000</b>	<b>—</b>	<b>799,184</b>	<b>741</b>	<b>1,242,678</b>	<b>42,351</b>	<b>4,142,930</b>
Noncurrent liabilities									
Compensated absences	34,389	—	—	—	188,689	—	—	36,346	259,424
Other post employment benefits	23,749	—	—	—	121,310	—	—	33,194	178,253
<b>Total noncurrent liabilities</b>	<b>58,138</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>309,999</b>	<b>—</b>	<b>—</b>	<b>69,540</b>	<b>437,677</b>
<b>Total Liabilities</b>	<b>1,916,114</b>	<b>—</b>	<b>200,000</b>	<b>—</b>	<b>1,109,183</b>	<b>741</b>	<b>1,242,678</b>	<b>111,891</b>	<b>4,580,607</b>
<b>Deferred inflows of resources -</b>									
Pension	81,490	—	—	—	416,250	—	—	113,898	611,638
Other post-employment benefits	31,960	—	—	—	114,144	—	—	31,960	178,064
<b>Total deferred inflows of resources</b>	<b>113,450</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>530,394</b>	<b>—</b>	<b>—</b>	<b>145,858</b>	<b>789,702</b>
<b>Net position (deficit)</b>									
Net investment in capital assets	10,769,596	—	—	—	—	—	—	1,171,215	11,940,811
Restricted for pension	67,451	—	—	—	344,540	—	—	94,277	506,268
Unrestricted	(1,507,265)	229,238	(122,008)	—	2,730,618	199,187	2,391,140	812,005	4,732,915
<b>Total Net position (deficit)</b>	<b>\$ 9,329,782</b>	<b>\$ 229,238</b>	<b>\$ (122,008)</b>	<b>\$ —</b>	<b>\$ 3,075,158</b>	<b>\$ 199,187</b>	<b>\$ 2,391,140</b>	<b>\$ 2,077,497</b>	<b>\$ 17,179,994</b>

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

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
For The Year Ended June 30, 2022**

	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
<b>Operating Revenues</b>									
Charges for services	\$ 3,444,835	\$ 48,659	\$ 1,202,496	\$ —	\$ 3,478,844	\$ 32,222	\$ 898,284	\$ 1,073,715	\$ 10,179,055
Other	1,470	—	14,317	—	3,578	—	8,454	838	28,657
<b>Total Operating Revenues</b>	<b>3,446,305</b>	<b>48,659</b>	<b>1,216,813</b>	<b>—</b>	<b>3,482,422</b>	<b>32,222</b>	<b>906,738</b>	<b>1,074,553</b>	<b>10,207,712</b>
<b>Operating Expenses</b>									
Salaries, wages and employee benefits	595,045	—	—	—	2,543,002	41,001	—	420,085	3,599,133
Utilities	70,448	—	—	—	—	—	—	168,284	238,732
Repairs and maintenance	24,824	—	—	—	660,717	—	—	180,717	866,258
Fuels and lubricants	5,089	—	—	—	133	—	—	3,191	8,413
Depreciation	2,409,360	—	—	—	8,776	—	—	142,366	2,560,502
Interdepartment charges	72,755	—	—	—	58,754	—	—	38,428	169,937
Miscellaneous	1,738,990	12,008	2,535,845	—	1,318,117	—	663,342	476,007	6,744,309
<b>Total Operating Expenses</b>	<b>4,916,511</b>	<b>12,008</b>	<b>2,535,845</b>	<b>—</b>	<b>4,589,499</b>	<b>41,001</b>	<b>663,342</b>	<b>1,429,078</b>	<b>14,187,284</b>
<b>Operating Income (Loss)</b>	<b>(1,470,206)</b>	<b>36,651</b>	<b>(1,319,032)</b>	<b>—</b>	<b>(1,107,077)</b>	<b>(8,779)</b>	<b>243,396</b>	<b>(354,525)</b>	<b>(3,979,572)</b>
<b>Nonoperating Revenue</b>									
Interest income (loss)	—	(5,480)	8,437	(9,984)	(96,006)	(3,916)	(87,997)	(24,834)	(219,780)
Gain on disposal of capital assets	324,050	—	—	—	—	—	—	—	324,050
<b>Total Nonoperating Revenue</b>	<b>324,050</b>	<b>(5,480)</b>	<b>8,437</b>	<b>(9,984)</b>	<b>(96,006)</b>	<b>(3,916)</b>	<b>(87,997)</b>	<b>(24,834)</b>	<b>104,270</b>
<b>Income (Loss) Before Transfers</b>	<b>(1,146,156)</b>	<b>31,171</b>	<b>(1,310,595)</b>	<b>(9,984)</b>	<b>(1,203,083)</b>	<b>(12,695)</b>	<b>155,399</b>	<b>(379,359)</b>	<b>(3,875,302)</b>
Transfers in	333,302	—	—	—	237,195	—	—	—	570,497
Transfers out	—	—	—	(2,883,429)	—	—	—	—	(2,883,429)
<b>Total transfers</b>	<b>333,302</b>	<b>—</b>	<b>—</b>	<b>(2,883,429)</b>	<b>237,195</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,312,932)</b>
<b>Change In Net Position</b>	<b>(812,854)</b>	<b>31,171</b>	<b>(1,310,595)</b>	<b>(2,893,413)</b>	<b>(965,888)</b>	<b>(12,695)</b>	<b>155,399</b>	<b>(379,359)</b>	<b>(6,188,234)</b>
<b>Total Net Position (Deficit) - Beginning</b>	<b>10,142,636</b>	<b>198,067</b>	<b>1,188,587</b>	<b>2,893,413</b>	<b>4,041,046</b>	<b>211,882</b>	<b>2,235,741</b>	<b>2,456,856</b>	<b>23,368,228</b>
<b>Total Net Position (Deficit) - Ending</b>	<b>\$ 9,329,782</b>	<b>\$ 229,238</b>	<b>\$ (122,008)</b>	<b>\$ —</b>	<b>\$ 3,075,158</b>	<b>\$ 199,187</b>	<b>\$ 2,391,140</b>	<b>\$ 2,077,497</b>	<b>\$ 17,179,994</b>

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

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
For The Year Ended June 30, 2022**

	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
<b>Cash Flows From Operating Activities</b>									
Cash received from customers	\$ 3,446,305	\$ 48,659	\$ 1,216,813	\$ —	\$ 3,482,422	\$ 32,222	\$ 906,738	\$ 1,074,553	\$ 10,207,712
Cash paid to suppliers	(1,960,781)	(12,008)	(2,630,459)	1,313,084	(1,329,462)	1	(834,789)	(865,493)	(6,319,907)
Cash paid to employees	(605,294)	—	—	(421,177)	(2,735,967)	(43,211)	—	(456,425)	(4,262,074)
<b>Net cash provided by (used in) operating activities</b>	<b>880,230</b>	<b>36,651</b>	<b>(1,413,646)</b>	<b>891,907</b>	<b>(583,007)</b>	<b>(10,988)</b>	<b>71,949</b>	<b>(247,365)</b>	<b>(374,269)</b>
<b>Cash Flows From Noncapital Financing Activities</b>									
Transfers in	333,302	—	—	—	237,195	—	—	—	570,497
Transfers out	—	—	—	(2,883,429)	—	—	—	—	(2,883,429)
Due to other funds	100,000	—	200,000	—	—	—	—	—	300,000
<b>Net cash provided by noncapital financing activities</b>	<b>433,302</b>	<b>—</b>	<b>200,000</b>	<b>(2,883,429)</b>	<b>237,195</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,012,932)</b>
<b>Cash Flows From Capital And Related Financing Activities</b>									
Additions to capital assets	(1,619,462)	—	—	—	—	—	—	(70,184)	(1,689,646)
Proceeds from sale of capital assets	355,097	—	—	—	—	—	—	—	355,097
<b>Net cash used in capital and related financing activities</b>	<b>(1,264,365)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(70,184)</b>	<b>(1,334,549)</b>
<b>Cash Flows Provided By Investing Activities</b>									
Interest received	—	(5,321)	10,385	(217)	(92,648)	(3,775)	(84,216)	(23,363)	(199,155)
<b>Net cash provided by (used in) investing activities</b>	<b>—</b>	<b>(5,321)</b>	<b>10,385</b>	<b>(217)</b>	<b>(92,648)</b>	<b>(3,775)</b>	<b>(84,216)</b>	<b>(23,363)</b>	<b>(199,155)</b>
<b>Net Increase (Decrease) In Cash And Cash Equivalents</b>	<b>49,167</b>	<b>31,330</b>	<b>(1,203,261)</b>	<b>(1,991,739)</b>	<b>(438,460)</b>	<b>(14,763)</b>	<b>(12,267)</b>	<b>(340,912)</b>	<b>(3,920,905)</b>
<b>Cash And Cash Equivalents - Beginning Of Year</b>	<b>105,424</b>	<b>197,428</b>	<b>1,279,301</b>	<b>1,991,739</b>	<b>4,312,589</b>	<b>214,253</b>	<b>3,638,476</b>	<b>1,275,625</b>	<b>13,014,835</b>
<b>Cash And Cash Equivalents - End Of Year</b>	<b>\$ 154,591</b>	<b>\$ 228,758</b>	<b>\$ 76,040</b>	<b>\$ —</b>	<b>\$ 3,874,129</b>	<b>\$ 199,490</b>	<b>\$ 3,626,209</b>	<b>\$ 934,713</b>	<b>\$ 9,093,930</b>
Operating income (loss)	\$ (1,470,206)	\$ 36,651	\$ (1,319,032)	\$ —	\$ (1,107,077)	\$ (8,779)	\$ 243,396	\$ (354,525)	\$ (3,979,572)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
Depreciation and amortization	2,409,360	—	—	—	8,776	—	—	142,366	2,560,502
Changes in assets and liabilities:									
Increase in inventories	(56,213)	—	—	—	—	—	—	—	(56,213)
Increase in prepaid expenses	—	—	—	1,313,084	(1)	—	—	—	1,313,083
Decrease in pension related assets, outflow and inflows	33,404	—	—	—	(169,474)	—	—	(29,992)	(166,062)
Increase (decrease) in accounts payable	7,538	—	(94,614)	—	708,260	1	(171,447)	1,134	450,872
Increase in salaries and benefits payable	(14,224)	—	—	(421,177)	(71,427)	(2,210)	—	(12,064)	(521,102)
Increase in accrued compensated absences	(4,517)	—	—	—	(36,466)	—	—	905	(40,078)
Increase in other post employment benefits outflow and liability	(24,912)	—	—	—	84,402	—	—	4,811	64,301
Total adjustments	2,350,436	—	(94,614)	891,907	524,070	(2,209)	(171,447)	107,160	3,605,303
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 880,230</b>	<b>\$ 36,651</b>	<b>\$ (1,413,646)</b>	<b>\$ 891,907</b>	<b>\$ (583,007)</b>	<b>\$ (10,988)</b>	<b>\$ 71,949</b>	<b>\$ (247,365)</b>	<b>\$ (374,269)</b>

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**Statistical Section  
(Unaudited)**

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## 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

	<b>Page</b>
<b>Financial Trends</b>	<b>85</b>
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>91</b>
These schedules contain information to help the reader assess the government's most significant local revenue sources, sales and property tax.	
<b>Debt Capacity</b>	<b>100</b>
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.	
<b>Demographic and Economic Information</b>	<b>104</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
<b>Operating Information</b>	<b>106</b>
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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 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	\$ 525,556,405
Restricted	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	122,543,860
Unrestricted	(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	40,726,854
<b>Total governmental activities net position</b>	<b>\$ 442,343,813</b>	<b>\$ 481,850,432</b>	<b>\$ 504,277,676</b>	<b>\$ 528,966,959</b>	<b>\$ 561,408,284</b>	<b>\$ 573,043,380</b>	<b>\$ 583,760,059</b>	<b>\$ 611,430,784</b>	<b>\$ 633,732,674</b>	<b>\$ 688,827,119</b>
Business-type activities										
Net investment in capital assets	\$ 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	\$ 307,255,270
Restricted	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	61,547,128
Unrestricted	(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	13,789,380
<b>Total business-type activities net position</b>	<b>\$ 243,923,845</b>	<b>\$ 254,964,580</b>	<b>\$ 264,535,302</b>	<b>\$ 278,907,907</b>	<b>\$ 300,609,299</b>	<b>\$ 320,439,723</b>	<b>\$ 337,812,212</b>	<b>\$ 352,730,931</b>	<b>\$ 366,084,158</b>	<b>\$ 382,591,778</b>
Primary government										
Net investment in capital assets	\$ 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	\$ 832,811,675
Restricted	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	184,090,988
Unrestricted	(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	54,516,234
<b>Total primary government net position</b>	<b>\$ 686,267,658</b>	<b>\$ 736,815,012</b>	<b>\$ 768,812,978</b>	<b>\$ 807,874,866</b>	<b>\$ 862,017,583</b>	<b>\$ 893,483,103</b>	<b>\$ 921,572,271</b>	<b>\$ 964,161,715</b>	<b>\$ 999,816,832</b>	<b>\$ 1,071,418,897</b>

# CITY OF LEE'S SUMMIT, MISSOURI

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

Page 1 Of 2

Fiscal Year

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities										
Public works and streets	\$ 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	\$ 60,749,417
Public safety	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	44,847,826
Parks and recreation	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	24,005,822
Community development	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	3,721,212
General government	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	14,151,128
Interest on long-term debt	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	1,855,058
<b>Total governmental activities expenses</b>	<b>94,019,210</b>	<b>87,710,830</b>	<b>82,766,793</b>	<b>95,168,799</b>	<b>103,204,908</b>	<b>105,643,480</b>	<b>107,421,749</b>	<b>113,094,075</b>	<b>117,669,454</b>	<b>149,330,463</b>
Business-type activities										
Waterworks and sewerage system	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	31,019,719
Sanitary landfill	2,867,606	2,873,343	2,744,683	2,611,974	343,754	1,717,642	2,454,125	488,283	901,496	(377,340)
Airport	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	4,203,347
Recreation center	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	1,315,279
<b>Total business-type activities expenses</b>	<b>31,170,508</b>	<b>31,798,261</b>	<b>32,139,435</b>	<b>34,874,422</b>	<b>32,579,833</b>	<b>34,379,523</b>	<b>35,383,405</b>	<b>36,052,750</b>	<b>36,795,292</b>	<b>36,161,005</b>
<b>Total primary government expenses</b>	<b>125,189,718</b>	<b>119,509,091</b>	<b>114,906,228</b>	<b>130,043,221</b>	<b>135,784,741</b>	<b>140,023,003</b>	<b>142,805,154</b>	<b>149,146,825</b>	<b>154,464,746</b>	<b>185,491,468</b>
<b>Program Revenues</b>										
Governmental activities										
Charges for services										
Public works and streets	358,852	600,144	667,442	868,734	886,840	1,135,555	892,742	627,981	702,927	774,492
Public safety	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	10,762,831
Parks and recreation	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	3,609,714
Community development	130,251	124,325	138,886	177,298	198,508	183,522	172,213	151,532	184,396	298,232
General government	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	3,564,970
Operating grants and contributions	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	3,175,474
Capital grants and contributions	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	62,349,393
<b>Total governmental activities program revenues</b>	<b>12,650,566</b>	<b>14,228,276</b>	<b>16,425,301</b>	<b>26,385,460</b>	<b>39,450,216</b>	<b>21,842,805</b>	<b>24,779,657</b>	<b>28,190,518</b>	<b>29,724,729</b>	<b>84,535,106</b>
Business-type activities										
Charges for services										
Waterworks and sewerage system	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	48,338,724
Sanitary landfill	2,346,247	2,942,970	3,049,357	3,289,579	716,764	550,830	37,875	50,831	84,950	—
Airport	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	3,081,736
Recreation center	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	1,430,000
Stormwater Utility	—	—	—	—	—	—	—	—	—	—
Capital grants and contributions	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	1,602,693
<b>Total business type activities program revenues</b>	<b>37,616,848</b>	<b>43,096,094</b>	<b>41,018,227</b>	<b>50,030,947</b>	<b>54,492,600</b>	<b>51,602,526</b>	<b>49,751,860</b>	<b>47,727,354</b>	<b>49,870,743</b>	<b>54,453,153</b>
<b>Total primary government revenues</b>	<b>50,267,414</b>	<b>57,324,370</b>	<b>57,443,528</b>	<b>76,416,407</b>	<b>93,942,816</b>	<b>73,445,331</b>	<b>74,531,517</b>	<b>75,917,872</b>	<b>79,595,472</b>	<b>138,988,259</b>

# CITY OF LEE'S SUMMIT, MISSOURI

## CHANGES IN NET POSITION Last Ten Fiscal Years (Accrual Basis Of Accounting) Page 2 Of 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Net (Expense) Revenue</b>										
Governmental activities	\$ (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)	\$ (64,795,357)
Business-type activities	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	18,292,148
<b>Total primary government net expense</b>	<b>(54,341,519)</b>	<b>(67,182,859)</b>	<b>(57,462,700)</b>	<b>(53,626,814)</b>	<b>(41,841,925)</b>	<b>(66,577,672)</b>	<b>(68,273,637)</b>	<b>(73,228,953)</b>	<b>(74,869,274)</b>	<b>(46,503,209)</b>
<b>General Revenues And Other Changes In Net Position</b>										
Governmental activities										
General revenues										
Property taxes	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	43,849,742
Sales and use taxes	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	56,917,649
Franchise fees	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	12,658,932
License taxes	552,206	600,233	827,620	647,812	1,436,321	1,087,048	922,389	1,574,018	1,372,152	1,423,594
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	4,039,392
License, permits, fines and forfeitures	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	4,213,867
Investment income (loss)	372,899	314,089	423,184	1,005,443	417,669	778,964	3,255,225	3,487,316	352,534	(3,307,292)
Other revenue	705,780	304,521	216,470	(259,296)	265,364	219,506	987,860	3,585,865	79,326	63,726
Transfers	1,060,297	440,422	843,076	1,284,109	627,939	(2,603,322)	(948,296)	(1,008,634)	882,990	30,192
<b>Total governmental activities</b>	<b>89,887,887</b>	<b>87,623,515</b>	<b>89,980,635</b>	<b>93,472,622</b>	<b>96,196,017</b>	<b>96,939,508</b>	<b>103,532,741</b>	<b>112,574,282</b>	<b>110,246,615</b>	<b>119,889,802</b>
Business-type activities										
General revenues										
Investment income (loss)	209,943	183,324	323,107	449,089	42,972	114,217	1,900,811	2,235,481	204,272	(1,754,336)
Other revenue	—	—	—	51,100	373,592	—	—	—	956,494	—
Transfers	(1,060,297)	(440,422)	(843,076)	(1,284,109)	(627,939)	2,603,322	948,296	1,008,634	(882,990)	(30,192)
<b>Total business-type activities</b>	<b>(850,354)</b>	<b>(257,098)</b>	<b>(519,969)</b>	<b>(783,920)</b>	<b>(211,375)</b>	<b>2,717,539</b>	<b>2,849,107</b>	<b>3,244,115</b>	<b>277,776</b>	<b>(1,784,528)</b>
<b>Total primary government</b>	<b>89,037,533</b>	<b>87,366,417</b>	<b>89,460,666</b>	<b>92,688,702</b>	<b>95,984,642</b>	<b>99,657,047</b>	<b>106,381,848</b>	<b>115,818,397</b>	<b>110,524,391</b>	<b>118,105,274</b>
<b>Change In Net Position</b>										
Governmental activities	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	55,094,445
Business-type activities	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	16,507,620
<b>Total city</b>	<b>\$ 34,696,014</b>	<b>\$ 17,972,172</b>	<b>\$ 31,997,966</b>	<b>\$ 39,061,888</b>	<b>\$ 54,142,717</b>	<b>\$ 33,079,375</b>	<b>\$ 38,108,211</b>	<b>\$ 42,589,444</b>	<b>\$ 35,655,117</b>	<b>\$ 71,602,065</b>

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Nonspendable	\$ 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	\$ 2,810,257
Restricted	—	—	—	—	—	—	—	15,208	922,451	306,232
Unassigned	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	45,168,109
<b>Total general fund</b>	<b>\$ 14,853,937</b>	<b>\$ 17,319,781</b>	<b>\$ 20,192,046</b>	<b>\$ 25,439,328</b>	<b>\$ 26,759,149</b>	<b>\$ 28,381,326</b>	<b>\$ 32,825,776</b>	<b>\$ 31,235,135</b>	<b>\$ 34,031,623</b>	<b>\$ 48,284,598</b>
All other governmental funds										
Restricted/committed/										
Assigned										
Debt service	\$ 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	\$ 12,601,142
Special revenue funds	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	14,122,771
Capital project funds	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	71,856,861
Nonspendable										
Capital project funds	—	—	—	—	—	—	5,152,285	—	—	—
Unassigned										
Special revenue funds	(45,880)	259,998	(22,441)	(6,468)	(114,872)	(153,170)	(54,473)	(75,597)	(103,292)	(89,401)
Capital project funds	(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)	(6,345,973)
<b>Total all other governmental funds</b>	<b>\$ 74,778,742</b>	<b>\$ 67,152,129</b>	<b>\$ 58,778,246</b>	<b>\$ 63,279,622</b>	<b>\$ 56,193,243</b>	<b>\$ 83,087,100</b>	<b>\$ 66,646,547</b>	<b>\$ 72,454,410</b>	<b>\$ 86,949,739</b>	<b>\$ 92,145,400</b>

**CITY OF LEE'S SUMMIT, MISSOURI**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis Of Accounting)**  
**Page 1 Of 2**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes:										
Property	\$ 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	\$ 43,769,882
Sales	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	55,911,917
Franchise	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	12,658,932
License	830,823	593,724	830,167	650,360	1,441,417	1,087,048	891,393	1,581,768	1,379,901	1,431,343
Bed	310,884	342,603	401,460	440,886	443,399	533,037	570,499	440,202	427,983	615,918
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	4,039,392
Other tax	343,223	371,567	365,603	349,634	351,426	343,490	307,207	428,222	621,373	389,814
Fines and forfeitures	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	955,799
Licenses and permits	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	4,213,867
Intergovernmental	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	3,175,474
Charges for services	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	13,840,573
Interest	324,724	276,277	374,618	886,902	374,176	710,234	2,893,944	3,140,342	313,810	(3,087,512)
Other	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	3,953,543
<b>Total Revenues</b>	<b>99,993,260</b>	<b>98,519,306</b>	<b>101,822,888</b>	<b>109,167,885</b>	<b>115,984,187</b>	<b>115,934,411</b>	<b>125,003,998</b>	<b>127,365,470</b>	<b>137,046,146</b>	<b>141,868,942</b>
<b>Expenditures</b>										
Current										
General government	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	16,933,080
Public safety	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	43,938,267
Public works and streets	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	11,302,014
Community development	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	4,296,158
Parks and recreation	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	7,250,390
Debt service										
Principal retirements	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	12,177,730
Interest and fiscal charges	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	2,485,275
Capital outlay										
General government	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	26,607,554
Public works and streets	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	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	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	
<b>Total Expenditures</b>	<b>118,652,879</b>	<b>111,516,462</b>	<b>119,679,512</b>	<b>115,015,690</b>	<b>121,879,293</b>	<b>117,460,632</b>	<b>123,217,519</b>	<b>134,646,989</b>	<b>125,350,738</b>	<b>124,990,468</b>

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

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

**(Modified Accrual Basis Of Accounting)**

Page 2 Of 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Deficiency Of Revenues</b>										
<b>Over Expenditures</b>	\$ (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	\$ 16,878,474
<b>Other Financing Sources (Uses)</b>										
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	15,000,000
Proceeds from sale of assets	—	—	—	—	—	—	—	3,108,027	167,000	32,038
Premium on issuance of bonds	3,338,722	654,643	308,185	551,757	—	803,598	—	—	—	—
Discount on issuance of bonds	—	—	—	—	—	(265,375)	—	—	—	—
Payment to escrow for refunding	—	—	—	—	—	(14,227,844)	—	—	—	(14,805,000)
Transfers in	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	8,437,152
Transfers out	(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)	(6,094,028)
<b>Total Other Financing Sources</b>	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	2,570,162
<b>Net change in fund balances</b>	\$ 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	\$ 19,448,636
<b>Debt service as a percentage of noncapital expenditures</b>	28.40%	14.50%	22.60%	15.00%	14.80%	15.87%	13.10%	11.46%	12.36%	13.76%

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

**PROGRAM REVENUES BY FUNCTION/PROGRAM**

**Last Ten Fiscal Years**

**(Accrual Basis Of Accounting)**

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Public works	\$ 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	\$ 62,734,974
Public safety	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	12,457,078
Parks and recreation	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	5,435,108
Planning and development	140,779	124,325	138,961	177,298	198,508	183,522	172,213	151,532	184,396	298,232
General government	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	3,609,714
Subtotal governmental activities	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	84,535,106
Business-type activities										
Waterworks and sewerage system	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	49,857,708
Sanitary landfill	2,346,247	2,942,970	3,049,357	3,289,579	716,764	550,830	37,875	50,831	84,950	—
Airport	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	3,165,445
Recreation center	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	1,430,000
Stormwater Utility	—	—	—	—	—	—	—	—	—	—
Subtotal business-type activities	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	54,453,153
Total primary government	\$ 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	\$ 138,988,259



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

**ALL GOVERNMENTAL FUNDS REVENUES BY SOURCE**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis Of Accounting)**

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Sales And Use Taxes</b>	<b>Motor Vehicle Taxes</b>	<b>Franchise Fees</b>	<b>Other Taxes</b>	<b>Licenses, Permits, Fines And Forfeitures</b>	<b>Revenues From Use Of Money And Property</b>	<b>Other Revenue</b>	<b>Total Revenues</b>
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
2022	43,769,882	55,911,917	4,039,392	12,658,932	2,437,075	5,169,666	(3,087,512)	20,969,590	141,868,942

**Note:**

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

# CITY OF LEE'S SUMMIT, MISSOURI

## SALES TAX REVENUES Last Ten Fiscal Years (Modified Accrual Basis Of Accounting)

	Fiscal Year										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
<b>City Sales Tax Revenue</b>											
General Fund	\$ 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	\$ 24,255,663	
Road & Bridge Improvement Fund (Transportation)	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	11,535,714	
Capital Improvements Sales Tax Fund	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	12,122,313	
Debt Service (Local Parks)	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	5,765,121	
TIF & CID Funds (consolidated)	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	2,233,106	
<b>Total</b>	<b>\$ 31,537,249</b>	<b>\$ 31,506,326</b>	<b>\$ 33,131,893</b>	<b>\$ 35,786,096</b>	<b>\$ 36,867,671</b>	<b>\$ 38,493,358</b>	<b>\$ 40,115,395</b>	<b>\$ 39,994,209</b>	<b>\$ 46,532,509</b>	<b>\$ 55,911,917</b>	

**CITY OF LEE'S SUMMIT, MISSOURI**  
**TOTAL CITY TAXABLE SALES BY CATEGORY**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis Of Accounting)**

	Fiscal Year			
	2019	2020	2021	2022
<b>Sales By Retail Category:</b>				
Clothing Department Store/Jewelry	\$ 265,618	\$ 269,811	\$ 300,862	\$ 342,903
Grocery Stores	212,535	228,805	235,065	251,767
Home Centers/Home Repair	146,386	154,472	173,881	185,746
Full Service Restaurants	109,599	91,045	99,226	152,832
Limited Service Restaurants	107,767	115,611	119,318	97,044
Utilities/Telecom/Cable	73,640	91,197	173,546	193,095
Other Retail General Merchandise	92,054	73,000	91,545	89,620
Gas Stations with Convenience Stores	40,135	43,411	48,298	46,918
New/Used Car Dealers	22,337	22,967	23,093	31,654
All Other Outlets	708,532	670,715	643,171	674,139
<b>Total</b>	<b>\$ 1,778,603</b>	<b>\$ 1,761,034</b>	<b>\$ 1,908,005</b>	<b>\$ 2,065,718</b>

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										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
<b>Direct Sales Tax Rate City of Lee's Summit</b>											
General Fund	1.000%	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%	0.500%
Transportation	0.500%	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%	0.250%
<b>Total Direct Sales Tax Rate City of Lee's Summit</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>	<b>2.250%</b>
Transportation Development District/Community Improvement District	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%
<b>Total Direct Sales Tax Rate</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>	<b>3.250%</b>
<b>Direct Use Tax Rate City of Lee's Summit</b>											
General Fund	—	—	—	—	—	—	—	—	—	1.000%	1.000%
Capital Projects	—	—	—	—	—	—	—	—	—	0.500%	0.500%
Transportation	—	—	—	—	—	—	—	—	—	0.500%	0.500%
Local Parks	—	—	—	—	—	—	—	—	—	0.250%	0.250%
<b>Direct Use Tax Rate City of Lee's Summit</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2.250%</b>	<b>2.250%</b>
Transportation Development District/Community Improvement District	—	—	—	—	—	—	—	—	—	1.000%	1.000%
<b>Total Indirect Use Tax Rate</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3.250%</b>	<b>3.250%</b>
<b>Total Local Option Sales Tax Rates</b>											
State of Missouri	4.000%	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%	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%	0.100%
Jackson County	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%
Jackson County-Community Children's Services	—	—	—	—	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%
Kansas City Zoo	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.125%	0.125%	0.125%	0.125%
City of Lee's Summit	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	2.250%	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%	1.000%
<b>Total Direct And Overlapping Sales Tax Rate</b>	<b>8.600%</b>	<b>8.600%</b>	<b>8.600%</b>	<b>8.600%</b>	<b>8.725%</b>	<b>8.725%</b>	<b>8.725%</b>	<b>8.850%</b>	<b>8.850%</b>	<b>8.850%</b>	<b>8.850%</b>

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

Note: The City began collecting Use Tax in October 2020

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				
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%
2022	1,728,695,995	1,267,249	392,783,235	2,122,746,479	522,444,106	47,862,842	2,693,053,427	1.4199	12,069,143,330	22.31%

**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	
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
2022	0.9119	0.1383	0.3697	1.4199	5.4837	0.5824	0.0300	0.7236	8.2396

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	5.4371
Hickman Mills	5.5074
Grandview	5.9557
Raymore-Peculiar	5.0302

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 2022

Note (3): Other breakdown for current year:

Junior College	0.2028
Mental Health	0.1077
Handicap Workshop	0.0663
Library	0.3468
	<u>0.7236</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

	2022			2013		
	Taxable Assessed Value	Rank	% Of Total City Net Assessed Value	Taxable Assessed Value	Rank	% Of Total City Net Assessed Value
Evergy West (formally KCP&L)	\$ 38,212,455	1	1.51%	12,135,470	3	0.75%
Sprint	31,485,369	4	1.25%	31,485,369	1	1.94%
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%	4,451,863	8	0.27%
John Knox Village	8,939,339	5	0.35%	6,678,502	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%	3,992,856	9	0.25%
Fairways at Lakewood Gardens, LLC	5,321,964	10	0.21%			
Toys R Us				6,729,801	4	0.42%
Lee's Summit Hospital				4,511,486	7	0.28%
Cerner				16,221,721	2	1.00%
AT&T and Southwestern Bell				5,630,929	6	0.35%
Grand Street Company LLC				3,992,704	10	0.25%
<b>Total</b>	<b>\$ 142,771,823</b>		<b>5.65%</b>	<b>\$ 95,830,701</b>		<b>4.80%</b>

**Source:** Jackson County Tax Department

**NOTE:** Providing most recent data available

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

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**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Total Tax Levy For Fiscal Year</b>	<b>Collected Within The Fiscal Year Of The Levy</b>		<b>Collections In Subsequent Years</b>	<b>Total Collections To Date</b>	
		<b>Amount</b>	<b>Percentage Of Levy</b>		<b>Amount</b>	<b>Percentage Of Levy</b>
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%	425,009	33,093,298	98.0%
2022	35,899,847	35,195,688	98.0%		35,195,688	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				
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	
2022	34,909,371	—	155,162	23,410,835	—	—	58,475,368	104,638	559	

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 <sup>a</sup> Of Property	Per Capita <sup>b</sup>
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
2022	34,909,371	9,825,120	25,084,251	0.93%	240

**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 <sup>(1)</sup>	Estimated Share Of Overlapping Debt
Debt repaid with property taxes			
Lee's Summit R-7 School District	\$ 269,986,898	88.28%	\$ 238,344,434
Blue Springs R-4 School District	268,449,220	20.17%	54,146,208
Raymore-Peculiar School District	94,892,397	8.00%	7,591,392
Grandview School District	52,000,624	0.41%	213,203
Hickman Mills School District	54,127,151	0.12%	64,953
Subtotal, overlapping debt			300,360,188
City Direct Debt			58,475,368
Total direct and overlapping debt			\$ 358,835,556

**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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Legal debt limit (1)	\$ 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	\$ 496,792,720
Total net debt applicable to limit	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	29,164,880
Legal debt margin	\$ 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	\$ 467,627,840
Total net debt applicable to the limit as a percentage of debt limit	17.27	17.86	15.97	12.79	14.74	11.86	11.20	0.10	0.08	0.06

**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 <sup>(1)</sup>	Median Age <sup>(1)</sup>	Education Level			School Enrollment	Unemployment Rate
					High School Graduate Percentage <sup>(1)</sup>	Some College Or Associate's Degree or Higher Percentage <sup>(1)</sup>	Bachelor's Degree Or Higher Percentage <sup>(1)</sup>		
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%
2022	104,638	\$ 98,960	\$ 44,947	38.4	18.2%	30.9%	48.5%	17,901	2.60%

**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	2021			2012		
	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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Administration	27.00	27.00	26.31	27.39	26.99	27.98	30.29	30.43	29.75	28.75
Public Works-Engineering	41.80	38.70	38.90	33.80	41.10	42.25	42.25	42.00	42.00	46.00
Police	208.70	204.00	204.00	202.00	202.00	205.50	206.50	207.50	207.50	212.50
Fire	146.00	146.00	144.00	144.00	153.00	154.00	154.00	155.00	155.00	164.67
Finance	22.50	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	23.00
Planning and development	9.00	9.90	8.37	9.70	4.01	4.00	4.00	4.00	-	-
Court	12.75	11.50	12.50	11.29	11.87	11.38	11.96	10.90	10.90	10.90
Codes administration	17.00	16.00	13.35	—	—	—	—	—	-	-
Law	10.50	10.50	11.50	10.25	10.50	10.51	10.50	10.88	10.88	11.63
Public Works-Operations	49.21	46.70	41.34	38.00	34.20	33.80	33.80	33.80	33.75	33.75
Development Center	—	—	7.47	27.68	33.86	36.68	36.68	37.42	40.40	42.40
Parks and recreation										
Community center	7.15	39.26	37.16	37.32	36.99	37.18	37.95	39.00	36.93	29.71
Parks and recreation	23.95	26.15	26.16	26.06	26.23	26.30	25.83	25.93	23.14	24.20
Pool	1.60	17.73	17.44	14.96	14.47	14.61	13.60	13.92	16.66	16.54
Cemetery	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.90	0.80	0.75
Harris Park Recreation Center	6.15	21.99	22.77	24.23	24.34	25.07	24.31	24.35	18.32	22.73
Gamber Community Center	2.15	10.05	9.41	7.95	7.86	7.38	6.76	6.40	5.39	5.05
Longview Community Center	—	—	—	—	—	—	—	28.79	20.98	17.22
Airport	7.04	6.30	6.22	6.26	7.46	9.16	8.46	9.30	9.30	10.40
Water utilities	59.50	60.00	59.50	60.50	60.50	62.50	62.46	66.92	66.92	68.92
Solid waste	15.00	14.80	14.80	14.80	1.00	1.00	1.60	1.60	1.00	1.00
Central building services	8.75	8.80	8.62	10.62	10.62	8.62	8.12	8.12	6.10	6.10
Fleet	9.00	9.00	9.12	9.12	9.12	9.12	9.12	10.12	10.00	10.00
Information technology services	22.00	26.20	25.89	24.71	27.76	28.06	28.13	27.99	28.02	30.02
<b>Total</b>	<b>707.75</b>	<b>772.58</b>	<b>766.83</b>	<b>763.64</b>	<b>766.88</b>	<b>778.10</b>	<b>779.32</b>	<b>817.27</b>	<b>795.74</b>	<b>816.24</b>

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

# CITY OF LEE'S SUMMIT, MISSOURI

## OPERATING INDICATORS BY FUNCTION

### Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Building Permits Issued (1)</b>										
Residential/single family	270	319	319	310	324	391	339	428	421	638
Residential/multi family	2	6	7	7	27	52	18	15	16	26
Commercial/industrial	14	9	15	16	32	20	20	16	17	15
Additions	1,588	1,404	1,943	1,548	1,572	2,047	2,282	2,348	2,350	23
<b>Police protection (2)</b>										
Homicide	—	—	0.02	0.01	0.03	0.01	0.02	0.02	0.02	0.02
Rape	0.14	0.19	0.19	0.17	0.22	0.31	0.24	0.24	0.24	0.21
Robbery	0.26	0.16	0.20	0.19	0.37	0.38	0.25	0.25	0.25	0.14
Aggravated Assault	0.78	0.62	0.45	0.71	0.48	0.21	0.68	0.68	0.68	1.10
Burglary	2.84	2.87	2.61	2.30	2.15	1.76	2.11	2.11	2.11	1.57
Larceny	18.99	16.98	15.43	15.55	14.02	12.21	17.45	17.45	17.45	13.32
Motor Vehicle Theft	1.17	1.17	1.11	1.10	0.87	1.70	1.82	1.82	1.82	2.45
Arson	0.06	-	-	0.03	0.01	0.02	0.01	0.01	0.01	0.04
Violent Crime	1.18	0.98	0.86	1.09	1.08	1.17	1.20	1.20	1.20	1.47
Property Crime	23.06	21.01	19.14	18.98	17.05	16.70	21.39	21.39	21.39	18.86
Population	92,292	93,092	93,888	95,430	95,973	97,135	98,469	99,618	101,108	104,638
Traffic Crashes	1,753	1,821	1,750	1,800	1,885	2,030	2,098	1,478	1,510	1,811
Calls for Service	77,008	75,325	73,244	67,244	65,235	71,459	71,702	63,550	63,550	66,746
Number of Officers	142	142	142	143	143	146	148	148	148	148
Animal Control Calls for Service	8,474	8,960	9,848	10,518	8,905	10,034	9,745	9,133	9,133	8,579
<b>Fire protection (1)</b>										
Fire personnel	146	146	144	144	153	154	154	155	155	161
Calls answered	9,027	8,917	9,073	10,000	9,811	10,388	10,709	10,313	10,313	11,745
<b>Water source</b>										
Kansas City Water Co.	27.90%	27.60%	23.20%	28.60%	25.90%	27.30%	22.00%	31.93%	27.20%	21.80%
Independence Water Co.	72.10%	72.40%	76.80%	71.40%	74.10%	72.70%	78.00%	68.07%	72.80%	78.20%
<b>Water</b>										
Number of service connections	34,538	34,774	35,160	35,379	35,816	36,322	36,472	36,807	37,241	37,852
Number of fire hydrants	4,940	5,006	5,021	5,076	5,188	5,226	5,273	5,374	5,469	5,571
Average daily consumption (gallons)	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	10,950,000
Maximum contract amount	27,500,000	27,500,000	27,500,000	32,500,000	32,500	32,500	32,500	32,500,000	32,500,000	33,500,000
Maximum daily demand	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	25,380,000
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	34,350,000
Water Mains (miles)						622	631	635	638	642

(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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Police Protection</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Fire Protection</b>										
Stations	7	7	7	7	7	7	7	7	7	7
<b>Public Works</b>										
Residential centerline miles	271	309	309	306	309	311	315	317	323	328
Collector centerline miles	90	92	92	94	95	95	97	97	98	98
Arterial centerline miles	91	81	81	83	84	84	84	85	84	84
<b>Parks and Recreation</b>										
Parks	28	29	29	29	30	30	30	30	31	31
Swimming pools	1	1	1	1	1	1	1	1	1	1
Indoor aquatic center	1	1	1	1	1	1	2	2	2	2
Tennis courts	15	15	15	15	15	15	15	15	15	15
Community centers	3	3	3	3	3	3	4	4	4	4
<b>Water</b>										
Miles of water mains	604	607	607	611	617	620	622	629	636	642

Source: City records