

City of Shawnee

Comprehensive Annual Financial Report



For the fiscal year ended December 31, 2020

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

CITY OF SHAWNEE, KANSAS

Year Ended December 31, 2020

Prepared by the Finance Department

**Don Cawby, Finance Director
Debbie Kelly, Assistant Finance Director
Shelley Oldham, Accounting Manager**

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CITY OF SHAWNEE

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MUNICIPAL COURT

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June 7, 2021

To the Honorable Mayor Michelle Distler,
Members of the City Council,
and the Citizens of the City of Shawnee:

We are pleased to submit the Comprehensive Annual Financial Report (AFR) of the City of Shawnee for the fiscal year ended December 31, 2020. The purpose of the report is to provide the Mayor, City Council, City Staff, citizens, bondholders, and other interested parties with useful information concerning the City's operations and financial position.

This report was prepared in accordance with generally accepted accounting principles (GAAP), which are uniform minimum standards and guidelines for financial accounting and reporting in the United States. The City's financial statements have been audited by RSM US LLP (the Auditor) as required by Kansas Statute 75-1122. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for fiscal year ended December 31, 2020 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The Auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2020 are fairly presented in conformity with GAAP. The Auditor's Report is presented as the first component of the financial section of this report.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. The Management's Discussion and Analysis (MD&A) section can be found immediately following the Auditor's report. The MD&A and this letter of transmittal are designed to complement one another.



www.GoodStartsHere.org

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 Shawnee for its comprehensive annual financial report for the fiscal year ended December 31, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Financial Reporting Entity

The Governmental Accounting Standards Board has established the criteria to determine the financial reporting entity for municipal government financial reports. Therefore, the City used these criteria to examine the relationship of the City to other associated but legally separate entities to determine if their inclusion in this report would be necessary to fairly present the financial position of the City. This criterion generally has to do with financial benefit or burden and levels of influence over the activities of these organizations. The financial reporting entity includes all funds of the City of Shawnee, and does not include any entities outside of the City as component units.

Profile of the Government

Home to the first territorial legislature and territorial governor in what later became the State of Kansas; the City of Shawnee is now part of the Greater Kansas City Metropolitan Area and is one of the fastest growing cities and the third largest city in Johnson County. Situated in the northwestern corner of the county between Interstate 35 and the Kansas River to the east and west, its convenient location, sense of community, and parks and recreational opportunities have attracted new residents for decades.

The City of Shawnee was incorporated as a city on June 10, 1922 and re-incorporated as a city of the first class on October 22, 1971. It operates under a mayor-council-manager form of government. The Mayor is elected by the City at-large and two councilmembers are elected from each of the City's four wards. With a current population of more than 67,000 residents, the City's 42 square miles of land encompasses diverse residential neighborhoods including older established neighborhoods, new subdivisions, lakeside estates, multi-family, townhomes, and senior citizen communities.

The City provides a wide range of services, including police and fire protection, emergency preparedness, emergency medical response, street and storm drainage maintenance, comprehensive recreation and cultural events, planning and zoning management, codes administration and general administrative services. WaterOne and Johnson County Wastewater provide water and sewer utility services, respectively.

Private industry owns and operates electric, telephone, natural gas, and sanitation disposal services.

The City of Shawnee continues to be recognized by multiple organizations for excellence in programming and services. In 2020, the City of Shawnee and its Departments were recognized for the following:

- Tree City USA
- Kansas City's Healthiest Employers
- American Heart Association's Mission: Lifeline EMS Gold Plus Award
- Healthy KC Certified
- Social Media Club of Kansas City AMP Award
- Bicycle Friendly Community
- Sol Smart
- Digital Cities Award
- GFOA Budget Award
- GFOA Comprehensive Annual Financial Report Award
- Bicycle Friendly Business - City Hall
- R5 Certification
- National Flood Insurance Program's Community Rating System Class 6

Additionally, the City's Public Works, Fire, and Police Department all have achieved national accreditation from their authorizing agencies. Beginning in 2019, the City received an ISO 1 rating for their excellence in fire suppression and a AAA bond rating from Standard & Poor's Finance Services.

Economic Condition and Outlook

Shawnee's location along several major transportation routes and ease in access to the entire Kansas City metropolitan area has been a major factor in the City's growth and development. Although Shawnee is landlocked, there are still large tracts of undeveloped land for future development.

The City continued to see healthy home and commercial construction activity in 2020. A total of 147 building permits for new single-family homes were issued, along with 7 duplex and 8 multifamily permits (for 107 duplex and multifamily units combined). Twenty-two new commercial permits and 50 commercial remodel permits were also issued in 2020. Total estimated construction value of all permits issued was \$143,250,730, an increase of \$20,327,213 as compared to 2019. The average construction value in 2020 of a single-family home rose significantly with a value of \$415,734 as compared to \$331,041 in 2019.

The average square footage of a new home rose slightly to 3,083 in 2020 as compared 2,807 in 2019. The U.S. Census estimates Shawnee's median household income as \$87,120 in 2019, which continues to drive higher end housing developments within the City.

Significant development completed or under construction during 2020 includes:

- Westbrooke Green at 75th and Quivira has completed demolition of the south commercial area and has begun infrastructure work for the multi-family portion of the project. Upon completion, the first phase will have 343 apartment units in 3 buildings that center upon common green space.
- Kindercare completed a 12,000 square foot childcare facility at the northwest corner of Johnson and Woodsonia Drive.
- Hawaiian Brothers, a popular regional dining establishment, opened a Shawnee location in the former Boston Market located at 11600 Shawnee Mission Parkway.
- Arvest Bank replaced an aged structure with a new branch bank at 6625 Lucille Lane.
- The Sixty-16 development completed 67 class A apartment units on Roger Road in the redeveloping downtown area.
- Schier Products completed and occupied a 58,000 square foot office / manufacturing facility at Shawnee Mission Parkway and Woodland Drive.
- Calamar Senior Living completed construction of 132 age 55+ residential units in the 7200 Block of Silverheel.
- Heartland Logistics Park, located at 43rd and K-7 Highway, completed the first 272,000 square foot office/warehouse building in that development.
- Amazon completed work to occupy the 170,000 square foot Westlink Building No. 4, which now serves as a major distribution center for the company.
- Mill Valley High School, located at 5900 Monticello, completed significant facility upgrades to include a new gym, theater, and athletic field upgrades.
- Various single-family residential developments will add over 430 new single-family homes to the City (Kenneth Estates, Canyon Lake Estates, Ridgestone Meadows West, and Estates of Timber Springs).
- The Enclave of Mill Creek is installing infrastructure to construct 30 new townhome units at 15625 Midland Drive.

The City's total labor force and number of persons employed within the City has seen a proportionate increase as the number of businesses expanded and the population grew through the years. For December 2020, there were an estimated 37,231 people working in the City, with a City unemployment rate of 3.6% compared to the Kansas City metro rate of 3.7% and Kansas rate of 4.7%. Shawnee's unemployment rate falls consistently below the state and county levels, placing the City in a favorable position for residential and commercial development in the western portion of the Kansas City metropolitan area.

With an estimated population of 67,626 in 2020, Shawnee is one of the fastest growing cities in the State of Kansas. The City's 2019 assessed valuation for the 2020 fiscal year was \$975,609,892 (excluding motor and recreational vehicles) compared to \$924,327,564 in fiscal 2019, a 5.5% increase. Further analysis and information on demographics are located in the statistical section of the AFR.

2020 Initiatives and Highlights

In 2020, the Governing Body established a strategic vision for the community. After gathering the most public input the City has ever received, the following pillars were established for our community:

- Attract diverse housing to meet the needs of a growing city
- Create a safe, sustainable, inclusive, and interactive community
- Design an environment where businesses thrive
- Lead in maximizing and integrating natural resources
- Provide exceptional city services and infrastructure

In addition, the City's first ever Parks and Recreation Master Plan was adopted to set vision and direction for the future of the department.

Staff began tracking programs and projects that assist in achieving these pillars. Highlights from these projects in 2020 are:

- Completed over \$27.8 million in capital improvements with over \$8 million in outside funding.
- \$957,093 in building permit revenues, an increase of 81%, after reviewing and updating the City's User Fee Schedule.
- Parks and Recreation continued to be a staple in our community by hosting 33 virtual programs and activities, 471 time travelers living history participants, and the highest park and trail usage ever.
- Developed a Street Tree Ordinance and Green Street Policy to maximize and integrate natural resources into public development projects.

Future/Planned Initiatives

Economic Development: Shawnee continues to pursue commercial and industrial development and redevelopment opportunities throughout the City, with particular focus on the following areas:

- Heartland Logistics Park - 43rd Street and K-7 Highway – \$250 million industrial park development consisting of approximately 2,000,000 square feet across multiple buildings. The second phase of the development on the north side of 43rd Street is now in final plan stages.

- Nieman Road catalyst area – Blume Development has broken ground to complete a “live-work” facility with both residential townhomes and commercial workspace in two separate buildings. Other areas of downtown, including the vacant Wonderscope building, continue to be an emphasis for redevelopment.
- The Trails at Shawnee – the second phase of the golf course apartment development in the area of K-7 and Clear Creek Parkway are now in for permit, with anticipated construction of 444 units in 2021.
- Maranatha Christian Academy has been approved and has received permits to construct a 113,000 square foot private school at the northeast corner of 71st and Silverheel.
- Johnson County Parks and Recreation has committed to reinvesting in the Mid-America Sport Complex located in the 20000 block of Johnson Drive. The upgrades will include new lighting, field surfaces, and user amenities.
- Veteran’s Park senior residential is now underway at 62nd and Pflumm. Upon completion in 2021-2022, the development will include 60 attached villa units and 210 senior apartments on 29 acres.
- Staff focus is also being placed upon potential development of large remaining vacant tracts along K-7 Highway, and riverfront properties located on the north side of 43rd Street, east of K-7 Highway.

Reinvestment: Shawnee promotes programs such as downtown financial incentives to stimulate private development and provide public infrastructure investment in the older portion of the community. To this end, a group of downtown infrastructure projects called NiemanNow! completed its final phase. The focus in 2020 was completion of rebuilding the roadway surface and finishing the streetscape elements along the corridor. The project is complete with a walking path, bicycle lanes, and other amenities.

City Services: The City’s primary goals are to provide an excellent quality of life in the community that emphasizes the City’s roots and creates a place where new citizens and current residents feel a sense of pride. The City strives to assess citizen needs and satisfaction, and provide public services in a cost effective, coordinated manner. To this end, Shawnee conducts a Direction Finder Citizen Survey every two years.

In addition, the Governing Body included funding in the budget for a community wide strategic visioning and planning process beginning in 2019. The City has begun to integrate the results into budget decisions and other anticipated planning efforts and will continued to do so over the next few years.

Infrastructure Management: Shawnee has adopted and implemented comprehensive street maintenance and stormwater management plans to evaluate pavement and pipe condition, prioritize and construct improvements, and ensure that new development adequately controls stormwater collection using the latest best practices.

Fiscal Responsibility: The City strives to provide exceptional value to taxpayers and other stakeholders of the City, and assure long-term financial balance in the City's operational and capital improvement activities. The Comprehensive Financial Policy and the Compensation Policy are two of many fiscal policies that will be instrumental in guiding the City's fiscal decisions into the future. In addition, the City continues to maintain its AAA bond rating from S&P.

Financial Information

Internal Control Structure and Budgetary Controls

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the City's assets are protected from loss, theft, or misuse, and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Governing Body. Activities of the General Fund, Special Revenue Funds (unless exempted by a specific statute), and Debt Service Fund are included in the annual appropriated budget, as required by Kansas statutes. Spending in funds, which are not subject to statutory constraints, is controlled by federal regulations, other laws, or by the use of internal spending limits established by the City. As demonstrated by the statements and schedules included in the Financial Section of this report, the City continues to meet its responsibility for sound financial management.

Financial Policies

The City has numerous financial policies, which include the Comprehensive Financial Policy as well as the Investment, Compensation, Risk Management, Pension, Purchasing, and Economic Development Policies. There was no significant impact on the current period's financial statement due to these policies.

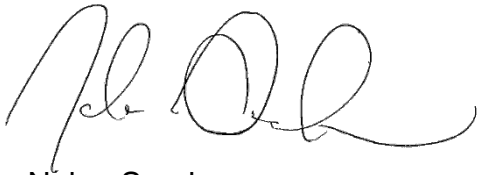
Independent Audit

Kansas Statutes Annotated (KSA) 75-1122 requires an annual audit of the accounts, financial records, and transactions of all administrative departments of the City by independent certified public accountants. The accounting firm of RSM US LLP of Kansas City, MO was selected by the City Council. The auditors' report on the financial statements is included in the Financial Section of this report.

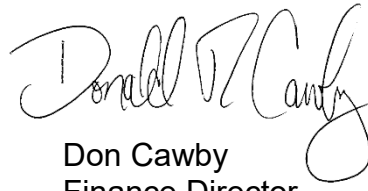
Acknowledgements

This AFR has been a major undertaking for the Finance Department and could not have been completed without the dedication of Debbie Kelly, Assistant Finance Director, and Shelley Oldham, Accounting Manager, and many other professionals throughout the City. They all have our sincere appreciation for their contributions to this report. In closing, without the leadership and support of the Governing Body, preparation of this report would not have been possible.

Sincerely,

A handwritten signature in black ink, appearing to read 'N. Sunderman', with a stylized, flowing script.

Nolan Sunderman
City Manager

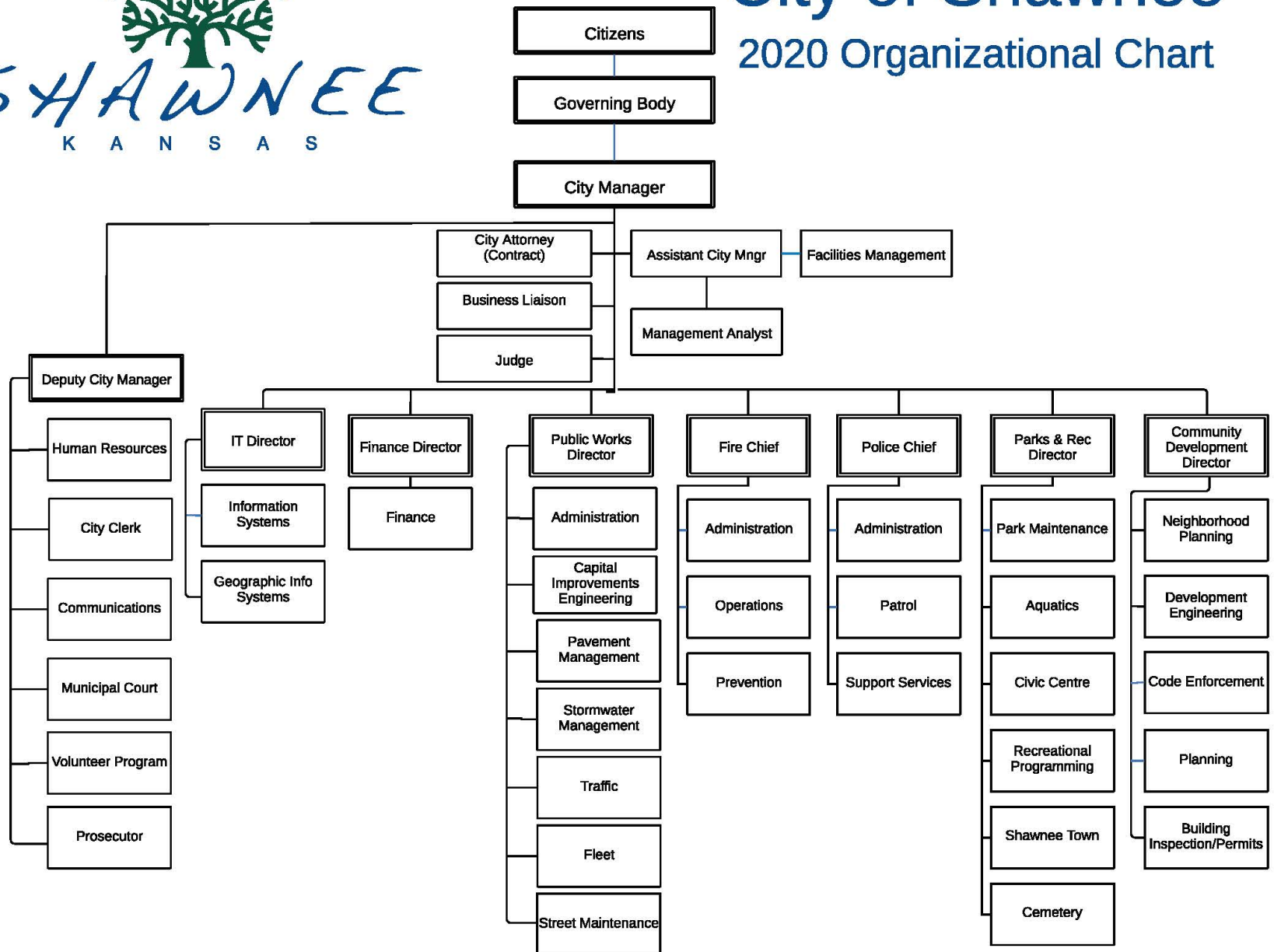
A handwritten signature in black ink, appearing to read 'Don Cawby', with a stylized, flowing script.

Don Cawby
Finance Director



City of Shawnee

2020 Organizational Chart



CITY OF SHAWNEE, KANSAS
LIST OF PRINCIPAL OFFICIALS

Mayor

Michelle Distler

City Council

Ward I

Tammy Thomas
Matt Zimmerman

Ward II

Dr. Mike Kemmling
Eric Jenkins

Ward III

Kurt Knappen
Lisa Larson-Bunnell

Ward IV

Jill Chalfie
Lindsey Constance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Shawnee
Kansas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

RSM US LLP

Honorable Mayor and City Council
City of Shawnee, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Shawnee, Kansas (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position, thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As explained in Note 13 to the basic financial statements, as a result of the adoption of the Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, the City restated beginning net position of the governmental activities and fiduciary funds and beginning fund balance of the nonmajor governmental funds (aggregate remaining fund information). Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules, listed in the table of contents as supplementary information, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

RSM US LLP

Kansas City, Missouri
June 4, 2021

CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

The management of the City of Shawnee (City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2020.

Financial Highlights

- The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the end of 2020 by \$590,477,221. Of this amount, \$(7,753,838) is unrestricted net position (deficit).
- Unrestricted net position increased by \$158,877, and the City's total net position decreased by \$3,212,005.
- At the close of 2020, the City's governmental funds reported combined ending fund balances of \$58,758,991, a decrease of \$1,315,861 from the prior year. The decrease was primarily due to the completion of major Capital Improvements Fund from projects that carried over from 2019 to 2020.
- At the end of 2020, the fund balance for the General Fund was \$30,405,265, or 54% of revenues on a GAAP basis. This was an increase of \$4,827,590 from 2019, primarily from an unexpected strong performance of sales and compensating use taxes during the COVID-19 pandemic.
- The City's general obligation (GO) debt decreased by \$2,005,000 during 2020. The City issued \$4,185,000 in GO Bonds Series 2020A to pay the cost of financing streetlights and a firetruck.
- The City's proportional share of the net pension liability for KPERS and KP&F for 2020 was \$39,396,810 compared to \$33,221,483 for 2019, an 18.6% increase.
- The Supplemental Retirement Plan ended the year with a net pension liability of \$3,188,298 and a strong funded percentage of 88.3%.
- The post-employment healthcare (OPEB) obligation at the close of 2020 excluding those related to KPERS disability benefits and life insurance was \$12,709,439, compared to \$11,132,229 in 2019.
- The City abated a total of \$446,797 through its various major economic development tax abatement programs in 2020.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

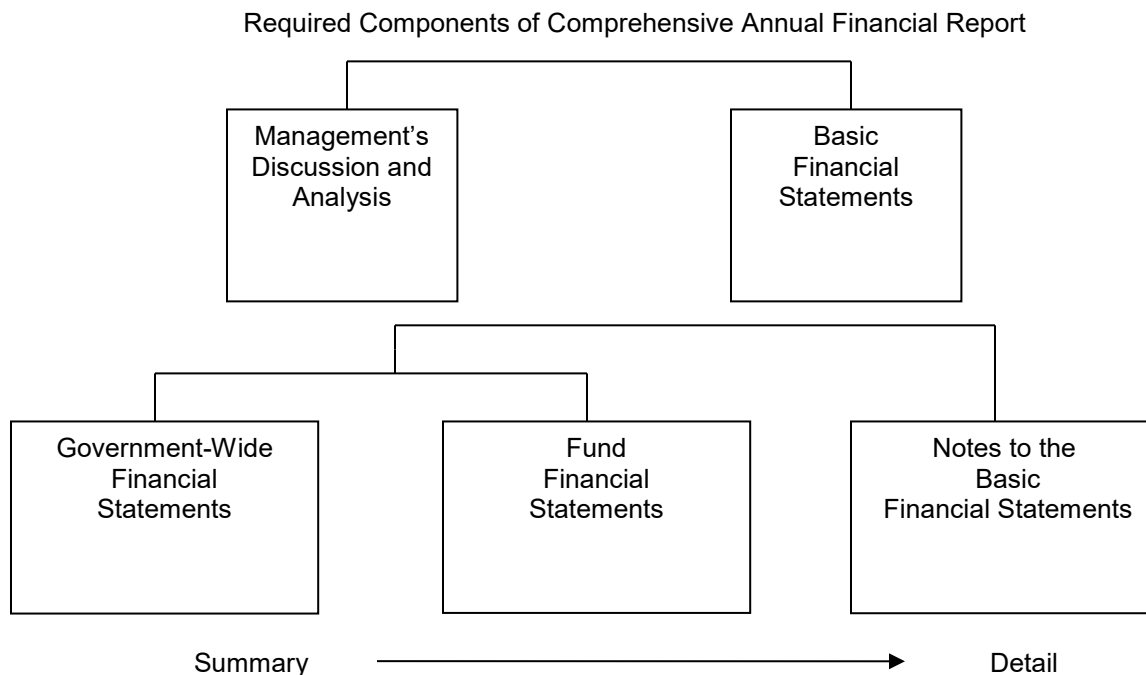
The government-wide financial statements provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2020

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 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).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The government activities of the City include general government, community development, public works, public safety, culture and recreation, and human resources.



Fund Financial Statements

The City uses two types of funds to manage its resources: Governmental Funds and Fiduciary Funds. A fund is a fiscal entity with a set of self-balancing accounts recording financial resources, together with all related liabilities and residual equities and balances, and the changes therein. These accounting entities are separated for the purpose of reporting specific activities or attaining certain objectives in accordance with regulations, restrictions or limitations.

Governmental Funds 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 a government's near-term financing requirements.

CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

Because the focus of the 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 governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental funds and government activities.

The City maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund and the Capital Projects Fund, all of which are considered major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all funds except its Capital Projects Fund and CDBG Grant Fund. A budgetary comparison statement is provided for all budgeted funds to demonstrate compliance and highlight performance.

The City uses fiduciary funds to account for resources held by the City for the benefit of a third party. Because the resources of these funds are not available for the City's operations, they are not presented in the government-wide statements. The City's fiduciary funds include the Pension Trust Fund as well as the following custodial fund: Mayor's Christmas Tree Fund.

Notes to the Basic Financial Statements

The notes to the basic financial statements begin on page 27. They 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 presents certain required supplementary information concerning the City's progress in funding its obligation to provide supplemental pension benefits to its employees, and information regarding other post-employment benefits. Required supplementary information is on pages 69-75 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules are on pages 78-97 of this report.

Government-wide Financial Analysis

Net position may serve over time as one useful indicator of a government's financial condition. The City's net position decreased by \$3,212,005 for the fiscal year ended December 31, 2020. This decrease was due primarily to an increase the long-term liabilities, most of which was growth in the City's net pension liability for KPERS and KP&F.

CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

The largest portion of the City's net position reflects its investments in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment); less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, they are not available for future spending. Although the City's investments 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.

Government-wide Financial Statements

	Condensed Statement of Net Position	
	12/31/2020	12/31/2019
Current and other assets	\$ 96,827,271	\$ 94,238,371
Capital assets	640,701,899	644,235,294
Total assets	737,529,170	738,473,665
Deferred outflows of resources	14,783,382	9,543,506
Total assets and deferred outflows of resources	\$ 752,312,552	\$ 748,017,171
Current liabilities	\$ 15,325,790	\$ 12,976,942
Long-term liabilities	117,997,030	113,705,140
Total liabilities	133,322,820	126,682,082
Deferred inflows of resources	28,512,511	27,245,819
Total liabilities and deferred inflows of resources	\$ 161,835,331	\$ 153,927,901
Net position:		
Net investment in capital assets	\$ 575,914,799	\$ 584,268,414
Restricted for:		
Community development	988,034	697,124
Public works	14,155,428	12,231,342
Public safety	3,118,217	1,525,648
Culture and recreation	1,451,079	1,205,005
Human resources	18,174	279,653
Debt service	2,585,328	1,394,755
Unrestricted	(7,753,838)	(7,912,715)
Total net position	\$ 590,477,221	\$ 593,689,226

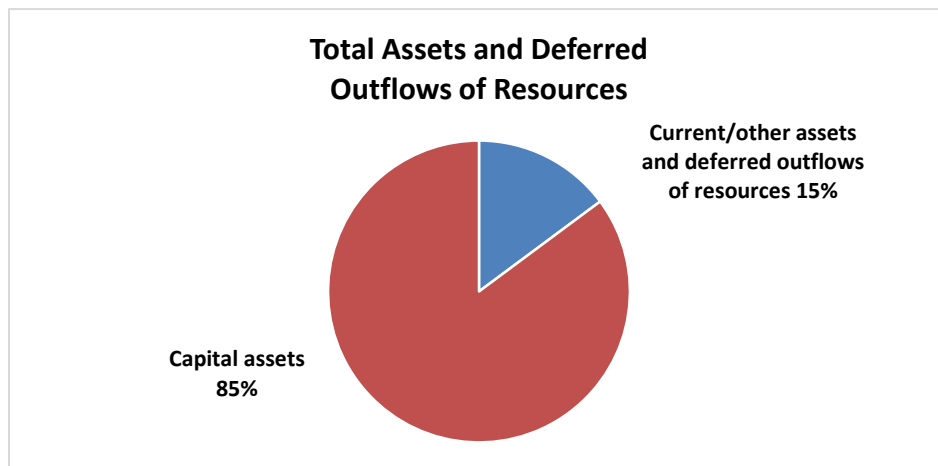
CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2020

A portion of the City's net position (3.8%) represents resources that are subject to external restrictions on how they may be used.

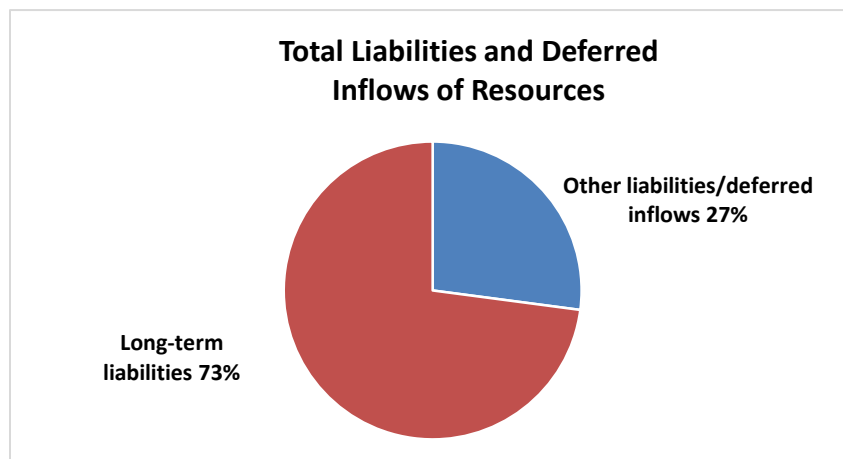
A review of the Government-wide Financial Statement of Net Position reveals the following:

The City ended 2020 with a positive net position. Total assets and deferred outflows of resources for the City are \$752,312,552. Of these total assets, \$640,701,899 represents capital assets and \$111,610,653 includes other assets and deferred outflows of resources.

Total assets and deferred outflows of resources increased by approximately \$4.3 million during the year ended December 31, 2020. A substantial portion of the increase is due to an increase of cash on hand at the end of 2020 because of federal stimulus funding and better than expected collections from sales and comprehensive use taxes during the COVID-19 pandemic.



Total liabilities and deferred inflows of resources are \$161,835,331, including \$117,997,030 in long-term liabilities and \$43,838,301 in current liabilities and deferred inflows of resources. The largest portion of long term liabilities are debt issued for major capital projects. Debt issues never extend longer than the useful life of the bonded projects.



CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

Total liabilities and deferred inflows of resources increased by \$7,907,430 during the year ended December 31, 2020. A portion of the increase is related to the current portion of general obligation bonds and retainages payable and the aforementioned increase in the City's net pension liability for KPERS and KP&F.

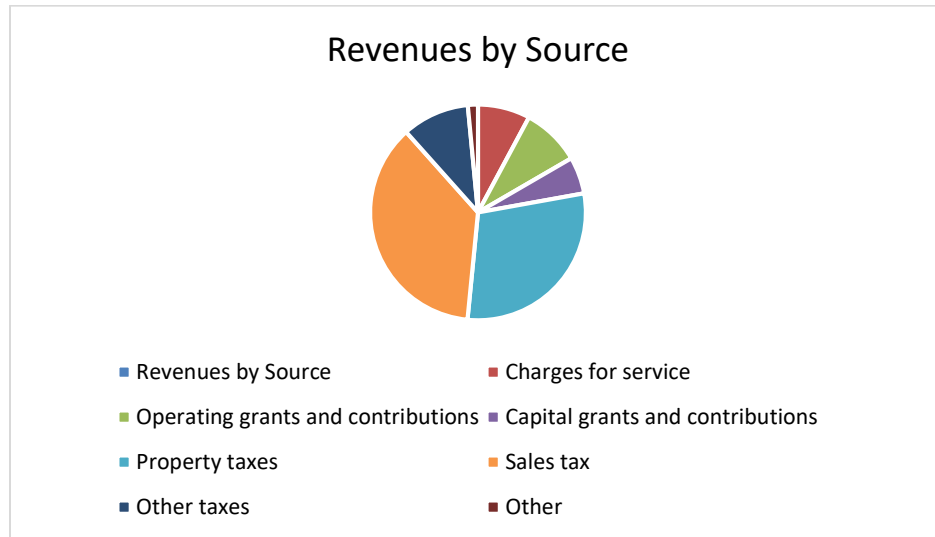
The following table reflects the revenues and expenses for the City's activities for the year ended December 31:

**Government-Wide Financial Statements
Statement of Activities**

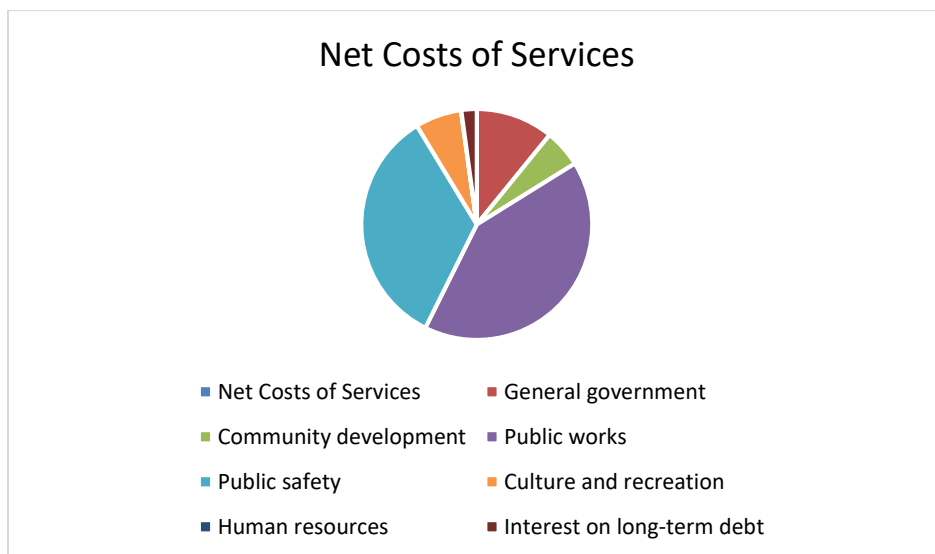
	Governmental Activities	
	2020	2019
Revenues:		
Program revenues:		
Charges for service	\$ 6,911,629	\$ 7,590,172
Operating grants and contributions	7,758,206	6,311,004
Capital grants and contributions	4,878,409	3,106,034
General revenues:		
Property taxes	25,926,970	24,811,463
Sales tax	32,494,939	31,346,771
Other taxes	8,896,463	9,523,407
Other	1,334,951	2,661,931
Total revenues	88,201,567	85,350,782
Expenses:		
General government	9,938,319	8,462,320
Community development	4,828,070	4,585,418
Public works	37,680,773	41,713,158
Public safety	31,058,369	30,284,678
Culture and recreation	5,922,817	6,510,763
Human resources	46,684	356,744
Interest on long-term debt	1,968,705	1,727,485
Total expenses	91,443,737	93,640,566
Change in net position	(3,242,170)	(8,289,784)
Net position - beginning of year	593,689,226	601,979,010
GASB 84 implementation	30,165	-
Net position - beginning of year, restated	593,719,391	601,979,010
Net position - end of year	\$ 590,477,221	\$ 593,689,226

CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2020

Total revenues for 2020 were \$88.2 million. The largest revenue source was sales tax at \$32,494,939, followed by property tax at \$25,926,970.



The total cost of services for 2020 was \$91.4 million; however, \$19 million came from users directly benefiting from the services or by other organizations through grants and contributions. General revenues of \$68.6 million were primarily comprised of sales and property taxes.



CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2020

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the primary operating fund of the City. At the end of 2020, unassigned fund balance of the General Fund was \$29,852,888, and total fund balance was \$30,405,265. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund revenues. Unassigned fund balance represents 53% of the total General Fund revenues while total fund balance represents 54% of revenues.

The City's General Fund ending balance on a GAAP basis increased by \$4,827,590 during 2020. The increase reflects better than expected collections in sales taxes during the pandemic, as well as conservative spending practices and reduction in the scope of special events and recreation services the City could provide in 2020.

The Debt Service fund ended the year with a total fund balance of \$2,585,328, all of which is reserved for the payment of debt service. The net increase in the fund balance during the current year in debt service was \$1,190,573.

The Capital Project Fund ending total fund balance for 2020 was 292,059. The net decrease in the fund balance during the current year in the capital projects fund was \$11,560,833. The City had sufficient idle cash to fund construction of several large capital projects without the need to issue temporary notes.

General Fund Budgetary Highlights

The Governing Body did not amend the legally adopted budget for the General Fund during 2020.

During the year, revenues exceeded budgetary estimates by \$8,229,811 (14.7%). Sales tax revenue was \$5,033,840 (26.6%) over the budget estimate and \$735,108 (3.2%) over collections for the previous year. The large increases in revenue over the estimates were the result of revisions in early 2020 anticipating a major slowdown in the local economy from COVID-19 mitigation protocols. From the perspective of tax collections, the loss of business in some sectors of the economy (hospitality, dining, small retail) was more than offset by sharp up-ticks in other sectors areas of the economy (groceries, home improvement and internet sales). Total expenditures were less than budgetary estimates by \$2,153,908. As part of the budgeting process, the City budgets for a contingency reserve for unforeseen expenditures. Most areas of the city were below budget due to conservative spending during the pandemic and cancellation of city functions.

CITY OF SHAWNEE, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2020

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities as of December 31, 2020 was \$640,701,899 (net of accumulated depreciation). This investment in capital includes land, historical buildings, construction in progress, buildings, land improvements, vehicles, equipment and infrastructure.

Capital Assets

	2020	2019
Land	\$ 21,216,530	\$ 21,216,530
Historical buildings	930,162	332,000
Construction in progress	28,797,840	32,171,329
Buildings	58,073,464	58,170,629
Land improvements	30,119,756	26,869,756
Motor vehicles	13,736,220	14,205,099
Machinery and equipment	7,489,385	6,878,407
Infrastructure	1,129,040,198	1,109,372,621
Total capital assets, cost	1,289,403,555	1,269,216,371
Less accumulated depreciation	(648,701,656)	(624,981,077)
Total capital assets, net	\$ 640,701,899	\$ 644,235,294

Additional information regarding the City's capital assets is in Notes 1 and 4.

Long-term Debt

At the end of 2020, the City had total general obligation (GO) bonds outstanding of \$59,460,000, backed by the full faith and credit of the City.

The City's total long-term debt decreased by \$2,005,000 during 2020. The City issued Series 2020A general obligation bonds for \$4,185,000 for streetlight and firetruck purchase, and paid down \$6,715,000 in GO bond principal. The City maintained an AAA rating from S&P Global Ratings for its 2020A general obligation bonds.

State statutes limit the amount of general obligation debt a government entity may issue to 30% of its total assessed valuation. The current debt limitation for the City is \$324,277,666, which is more than four times in excess of the City's outstanding GO bonds. Additional information regarding the City's long-term debt activity is in Note 5.

Requests for information

This financial report provides a general overview of the City's finances for all those with an interest in the City's finances. Please address questions concerning any information provided in this report or requests for additional financial information to the Finance Director, City of Shawnee, 11110 Johnson Drive, Shawnee, Kansas 66203.

CITY OF SHAWNEE, KANSAS
STATEMENT OF NET POSITION

December 31, 2020

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 56,859,574
Receivables, net:	
Taxes	25,742,445
Accounts	763,787
Special assessments	3,062,552
Interest	101,599
Inventory	552,377
Due from other governments	9,011,618
Restricted cash	733,319
Capital assets not being depreciated:	
Land	21,216,530
Historical buildings	930,162
Construction in progress	28,797,840
Capital assets, net of accumulated depreciation:	
Buildings and improvements	57,925,280
Machinery, equipment and vehicles	8,468,282
Infrastructure	523,363,805
Total assets	737,529,170
Deferred outflows of resources:	
Deferred outflows - other postemployment benefits	2,722,113
Deferred outflows - pensions	12,061,269
Total deferred outflows of resources	14,783,382
Liabilities:	
Accounts payable	5,664,269
Accrued liabilities	503,742
Accrued interest payable	200,010
Retainage payable	409,456
Deposit held for others	355,161
Noncurrent liabilities:	
Due within one year	8,193,152
Due in more than one year	117,997,030
Total liabilities	133,322,820
Deferred inflows of resources:	
Deferred inflows - property tax	25,742,445
Deferred inflows - other postemployment benefits	607,938
Deferred inflows - pensions	2,162,128
Total deferred inflows of resources	28,512,511
Net position:	
Net investment in capital assets	575,914,799
Restricted for:	
Community development	988,034
Public works	14,155,428
Public safety	3,118,217
Culture and recreation	1,451,079
Human resources	18,174
Debt service	2,585,328
Unrestricted	(7,753,838)
Total net position	\$ 590,477,221

See notes to basic financial statements.

CITY OF SHAWNEE, KANSAS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

		Program Revenues		Net (Expense)
				Revenue and
				Changes in Net
				Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
				Total Governmental Activities
Governmental activities:				
General government	\$ 9,938,319	\$ 3,611,531	\$ -	\$ -
Community development	4,828,070	-	456,803	-
Public works	37,680,773	1,402,215	7,239,885	4,878,409
Public safety	31,058,369	960,412	61,518	-
Culture and recreation	5,922,817	937,471	-	-
Human resources	46,684	-	-	-
Interest on long-term debt	1,968,705	-	-	-
Total governmental activities	\$ 91,443,737	\$ 6,911,629	\$ 7,758,206	\$ 4,878,409
General revenues:				
Property taxes				25,926,970
Sales and use tax				32,494,939
Motor vehicle tax				2,957,033
Liquor tax				812,405
Franchise tax				4,861,124
Transient guest tax				265,901
Investment earnings				459,145
Miscellaneous				798,739
Gain on disposal of capital assets				77,067
Total general revenues				68,653,323
Change in net position				(3,242,170)
Net position, beginning - as restated				593,719,391
Net position, ending				\$ 590,477,221

See notes to basic financial statements.

CITY OF SHAWNEE, KANSAS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2020

	General	Debt Service
Assets:		
Cash and cash equivalents	\$ 26,759,124	\$ 2,576,380
Receivables:		
Taxes	19,552,835	4,932,649
Special assessments	-	3,062,552
Accounts	523,151	-
Interest	48,056	8,948
Inventory	552,377	-
Due from other funds	2,135	-
Due from other governments	4,188,667	-
Restricted cash	-	-
Total assets	\$ 51,626,345	\$ 10,580,529
Liabilities, deferred inflows of resources, and fund balances:		
Liabilities:		
Accounts payable	\$ 830,761	\$ -
Accrued liabilities	482,323	-
Retainage payable	-	-
Due to other funds	-	-
Deposits held for others	355,161	-
Total liabilities	1,668,245	-
Deferred inflows of resources:		
Unavailable revenue - property taxes	19,552,835	4,932,649
Unavailable revenue - special assessments	-	3,062,552
Unavailable revenue - intergovernmental	-	-
Total deferred inflows of resources	19,552,835	7,995,201
Fund balance:		
Nonspendable	552,377	-
Restricted	-	2,585,328
Committed	-	-
Assigned	-	-
Unassigned	29,852,888	-
Total fund balance	30,405,265	2,585,328
Total liabilities, deferred inflows of resources, and fund balances	\$ 51,626,345	\$ 10,580,529

See notes to basic financial statements.

Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 4,125,741	\$ 23,398,329	\$ 56,859,574
-	1,256,961	25,742,445
-	-	3,062,552
41,235	199,401	763,787
-	44,595	101,599
-	-	552,377
-	-	2,135
2,796,110	2,026,841	9,011,618
728,899	4,420	733,319
<u>\$ 7,691,985</u>	<u>\$ 26,930,547</u>	<u>\$ 96,829,406</u>
\$ 4,659,815	\$ 173,693	\$ 5,664,269
-	21,419	503,742
409,456	-	409,456
-	2,135	2,135
-	-	355,161
<u>5,069,271</u>	<u>197,247</u>	<u>6,934,763</u>
-	1,256,961	25,742,445
-	-	3,062,552
2,330,655	-	2,330,655
<u>2,330,655</u>	<u>1,256,961</u>	<u>31,135,652</u>
-	-	552,377
-	19,730,932	22,316,260
-	5,754,273	5,754,273
292,059	-	292,059
-	(8,866)	29,844,022
<u>292,059</u>	<u>25,476,339</u>	<u>58,758,991</u>
<u>\$ 7,691,985</u>	<u>\$ 26,930,547</u>	<u>\$ 96,829,406</u>

CITY OF SHAWNEE, KANSAS

RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

December 31, 2020

Total governmental fund balances		\$	58,758,991
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:			
Land	21,216,530		
Historical buildings	930,162		
Construction in progress	28,797,840		
Infrastructure	1,129,040,198		
Buildings and improvements	88,193,220		
Vehicles and equipment	21,225,605		
	<u>1,289,403,555</u>		
Accumulated depreciation	<u>(648,701,656)</u>		640,701,899
Pension and other postemployment benefits related amounts are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:			
Deferred outflows of resources—pension related amounts	12,061,269		
Deferred outflows of resources—other postemployment benefits related amounts	<u>2,722,113</u>		14,783,382
Deferred inflows of resources—pension related amounts	(2,162,128)		
Deferred inflows of resources—other postemployment benefits related amounts	<u>(607,938)</u>		(2,770,066)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position as follows:			
General obligation bonds payable, net premiums and discounts	(64,210,198)		
Capital leases payable	(900,765)		
Interest payable	(200,010)		
Net pension liability	(42,585,108)		
Total other postemployment benefits liability	(13,429,513)		
Compensated absences	<u>(5,064,598)</u>		(126,390,192)
Long-term assets are not available to pay for current period expenditures and are therefore deferred in the fund statements.			
Special assessments			3,062,552
Intergovernmental			<u>2,330,655</u>
Net position of governmental activities		\$	<u>590,477,221</u>

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	General	Debt Service
Revenues:		
Taxes and special assessments	\$ 49,828,343	\$ 6,579,764
Intergovernmental	2,297,133	-
Charges for services	752,088	-
Licenses and permits	1,708,546	-
Fines and forfeitures	960,412	-
Investment earnings	224,741	39,649
Miscellaneous	515,926	-
Total revenues	<u>56,287,189</u>	<u>6,619,413</u>
Expenditures:		
Current:		
General government	8,886,756	-
Community development	2,503,714	-
Public works	5,658,697	-
Public safety	25,220,022	-
Culture and recreation	4,369,343	-
Human resources	-	-
Capital outlay	-	-
Debt service:		
Principal	-	6,715,000
Interest and other charges	-	2,371,859
Bond issuance costs	-	-
Total expenditures	<u>46,638,532</u>	<u>9,086,859</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,648,657</u>	<u>(2,467,446)</u>
Other financing sources (uses):		
Issuance of bonds	-	-
Premium on bonds issued	-	-
Proceeds from sale of capital assets	77,067	-
Transfers in	5,116	3,658,019
Transfers out	(4,903,250)	-
Total other financing sources (uses)	<u>(4,821,067)</u>	<u>3,658,019</u>
Net change in fund balances	4,827,590	1,190,573
Fund balances, beginning - as restated	<u>25,577,675</u>	<u>1,394,755</u>
Fund balances, ending	<u>\$ 30,405,265</u>	<u>\$ 2,585,328</u>

See notes to basic financial statements.

Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 15,337,338	\$ 71,745,445
2,230,627	1,790,758	6,318,518
110,023	3,255,999	4,118,110
-	124,561	1,833,107
-	-	960,412
-	194,755	459,145
55,534	227,279	798,739
<u>2,396,184</u>	<u>20,930,690</u>	<u>86,233,476</u>
-	556,032	9,442,788
-	2,149,739	4,653,453
-	1,583,932	7,242,629
-	1,524,970	26,744,992
-	131,262	4,500,605
-	5,000	5,000
29,808,456	597,384	30,405,840
-	293,873	7,008,873
-	34,755	2,406,614
72,241	18,916	91,157
<u>29,880,697</u>	<u>6,895,863</u>	<u>92,501,951</u>
<u>(27,484,513)</u>	<u>14,034,827</u>	<u>(6,268,475)</u>
3,965,000	745,000	4,710,000
117,242	18,140	135,382
-	-	77,067
12,526,075	5,131,969	21,321,179
(684,637)	(15,733,292)	(21,321,179)
<u>15,923,680</u>	<u>(9,838,183)</u>	<u>4,922,449</u>
(11,560,833)	4,196,644	(1,346,026)
<u>11,852,892</u>	<u>21,279,695</u>	<u>60,105,017</u>
<u>\$ 292,059</u>	<u>\$ 25,476,339</u>	<u>\$ 58,758,991</u>

CITY OF SHAWNEE, KANSAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

Total net change in fund balances - governmental funds	\$	(1,346,026)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	21,462,616	
Depreciation expense	<u>(24,996,011)</u>	(3,533,395)

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

Accrued interest	12	
Amortization of bond premiums and discounts	529,054	
Compensated absences	(158,068)	
Total other postemployment benefits expense	(527,149)	
Pension expense	<u>(2,261,113)</u>	(2,417,264)

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

Change in special assessment revenues	(439,631)
Change in intergovernmental revenues	2,330,655

The issuance of long-term debt 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. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Issuance of bonds	(4,710,000)	
Principal retirements	7,008,873	
Premium on bonds payable	<u>(135,382)</u>	<u>2,163,491</u>

Change in net position of governmental activities	\$	<u>(3,242,170)</u>
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CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended December 31, 2020

	GAAP Basis		Budgetary	Budgeted Amounts		
	Actual	Adjustments	Basis Actual	Original	Final	Variance
Revenues:						
Taxes:						
Ad valorem property tax	\$ 18,728,056	\$ -	\$ 18,728,056	\$ 18,703,889	\$ 18,516,443	\$ 211,613
Back tax property collection	(137,115)	-	(137,115)	43,500	(191,945)	54,830
Motor vehicle tax	2,181,477	-	2,181,477	2,136,691	2,189,425	(7,948)
Sales tax - county	10,942,485	-	10,942,485	11,305,000	8,928,000	2,014,485
Sales tax - city	12,981,355	-	12,981,355	12,353,500	9,962,000	3,019,355
Liquor tax	270,961	-	270,961	301,600	189,000	81,961
Utility franchise tax	5,061,077	-	5,061,077	5,488,800	4,742,800	318,277
Total taxes	50,028,296	-	50,028,296	50,332,980	44,335,723	5,692,573
Intergovernmental	2,097,180	-	2,097,180	25,000	64,237	2,032,943
Charges for services:						
Swimming pool admissions	(1,020)	-	(1,020)	561,104	-	(1,020)
Swimming pool concessions	355	-	355	97,047	14,000	(13,645)
Fees	752,753	-	752,753	1,311,800	949,496	(196,743)
Total charges for services	752,088	-	752,088	1,969,951	963,496	(211,408)
Licenses and permits:						
Occupational licenses	361,472	-	361,472	376,400	379,600	(18,128)
Building permits	1,041,311	-	1,041,311	400,800	580,100	461,211
Dog and cat tags	1,585	-	1,585	400	400	1,185
Other	304,178	-	304,178	163,300	161,300	142,878
Total licenses and permits	1,708,546	-	1,708,546	940,900	1,121,400	587,146
Fines and forfeitures:						
Court fines	960,412	-	960,412	1,427,600	922,800	37,612
Investment earnings	224,741	-	224,741	171,838	174,000	50,741
Miscellaneous revenue	515,926	-	515,926	740,439	475,722	40,204
Total revenues	56,287,189	-	56,287,189	55,608,708	48,057,378	8,229,811
Expenditures:						
General government:						
City council:						
Personal services	109,053	-	109,053	112,400	117,135	8,082
Contractual services	86,443	-	86,443	124,200	73,300	(13,143)
Commodities	10,847	-	10,847	17,500	15,000	4,153
Total city council	206,343	-	206,343	254,100	205,435	(908)
City manager/city clerk:						
Personal services	1,287,401	-	1,287,401	1,239,800	1,281,050	(6,351)
Contractual services	246,773	-	246,773	327,800	247,000	227
Commodities	25,413	-	25,413	25,800	15,400	(10,013)
Total city manager/city clerk	1,559,587	-	1,559,587	1,593,400	1,543,450	(16,137)
Finance:						
Personal services	667,259	-	667,259	690,000	698,830	31,571
Contractual services	254,466	-	254,466	261,100	261,700	7,234
Commodities	1,853	-	1,853	91,000	88,300	86,447
Total finance	\$ 923,578	\$ -	\$ 923,578	\$ 1,042,100	\$ 1,048,830	\$ 125,252

(Continued)

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND
(Continued)

For the Year Ended December 31, 2020

	GAAP Basis		Budgetary	Budgeted Amounts		
	Actual	Adjustments	Basis Actual	Original	Final	Variance
Expenditures, continued:						
General overhead:						
Contractual services	\$ 643,403	\$ -	\$ 643,403	\$ 420,200	\$ 383,360	\$ (260,043)
Commodities	12,223	-	12,223	9,100	5,300	(6,923)
Capital outlay	-	-	-	1,115,000	-	-
Refunds	11,662	-	11,662	23,500	23,500	11,838
Total general overhead	667,288	-	667,288	1,567,800	412,160	(255,128)
Legal:						
Personal services	302,191	-	302,191	299,300	292,400	(9,791)
Contractual services	499,409	-	499,409	523,200	513,000	13,591
Commodities	1,597	-	1,597	3,500	3,000	1,403
Total legal	803,197	-	803,197	826,000	808,400	5,203
Human resources:						
Personal services	464,262	-	464,262	453,700	476,375	12,113
Contractual services	258,077	-	258,077	333,300	294,000	35,923
Commodities	24,307	-	24,307	66,300	59,100	34,793
Capital outlay	-	-	-	2,000	-	-
Total human resources	746,646	-	746,646	855,300	829,475	82,829
Information technology:						
Personal services	1,516,794	-	1,516,794	1,669,200	1,527,400	10,606
Contractual services	808,323	-	808,323	883,600	804,600	(3,723)
Commodities	656,303	-	656,303	43,700	30,900	(625,403)
Capital outlay	53,801	-	53,801	47,000	47,000	(6,801)
Total information technology	3,035,221	-	3,035,221	2,643,500	2,409,900	(625,321)
Municipal court:						
Personal services	496,418	-	496,418	524,900	524,095	27,677
Contractual services	76,118	-	76,118	116,300	100,300	24,182
Commodities	40,673	-	40,673	56,300	50,600	9,927
Total municipal court	613,209	-	613,209	697,500	674,995	61,786
Communications:						
Personal services	230,722	-	230,722	215,600	242,850	12,128
Contractual services	95,536	-	95,536	110,600	114,600	19,064
Commodities	5,429	-	5,429	10,300	9,900	4,471
Total communications	331,687	-	331,687	336,500	367,350	35,663
Total general government and capital outlay	8,886,756	-	8,886,756	9,816,200	8,299,995	(586,761)
Community development:						
Development services:						
Personal services	1,051,231	-	1,051,231	1,087,100	1,092,900	41,669
Contractual services	70,506	-	70,506	151,400	117,900	47,394
Commodities	16,975	-	16,975	30,700	25,200	8,225
Capital outlay	-	-	-	-	1,500	1,500
Total development services	\$ 1,138,712	\$ -	\$ 1,138,712	\$ 1,269,200	\$ 1,237,500	\$ 98,788

(Continued)

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUALGENERAL FUND
(Continued)

For the Year Ended December 31, 2020

	GAAP Basis		Budgetary Basis Actual	Budgeted Amounts		Variance
	Actual	Adjustments		Original	Final	
Expenditures, continued:						
Development engineering:						
Personal services	\$ 489,632	\$ -	\$ 489,632	\$ 602,400	\$ 524,930	\$ 35,298
Contractual services	14,806	-	14,806	26,700	12,700	(2,106)
Commodities	2,693	-	2,693	11,100	7,800	5,107
Capital outlay	-	-	-	1,100	1,100	1,100
Total development engineering	507,131	-	507,131	641,300	546,530	39,399
Planning:						
Personal services	709,782	-	709,782	712,600	714,310	4,528
Contractual services	120,556	-	120,556	158,900	152,200	31,644
Commodities	27,533	-	27,533	10,100	7,950	(19,583)
Total planning	857,871	-	857,871	881,600	874,460	16,589
Total community development	2,503,714	-	2,503,714	2,792,100	2,658,490	154,776
Public works:						
Street maintenance:						
Personal services	1,642,814	-	1,642,814	2,325,200	2,270,255	627,441
Contractual services	511,018	-	511,018	2,501,200	1,875,100	1,364,082
Commodities	388,634	-	388,634	1,076,100	818,600	429,966
Capital outlay	6,800	-	6,800	22,000	28,800	22,000
Total street maintenance	2,549,266	-	2,549,266	5,924,500	4,992,755	2,443,489
Pavement management:						
Personal services	927,323	-	927,323	534,100	547,625	(379,698)
Contractual services	607,670	-	607,670	32,600	14,200	(593,470)
Commodities	174,275	-	174,275	8,500	4,900	(169,375)
Total pavement management	1,709,268	-	1,709,268	575,200	566,725	(1,142,543)
Capital improvement engineering:						
Personal services	775,893	-	775,893	764,800	771,625	(4,268)
Contractual services	110,253	-	110,253	310,100	278,800	168,547
Commodities	3,944	-	3,944	17,100	15,600	11,656
Total capital improvement engineering	890,090	-	890,090	1,092,000	1,066,025	175,935
Fleet management:						
Personal services	485,167	-	485,167	488,400	507,700	22,533
Contractual services	17,042	-	17,042	29,600	18,900	1,858
Commodities	7,864	-	7,864	8,500	8,500	636
Total fleet management	510,073	-	510,073	526,500	535,100	25,027
Total public works	5,658,697	-	5,658,697	8,118,200	7,160,605	1,501,908
Public safety:						
Police:						
Personal services	13,515,742	-	13,515,742	14,638,300	13,989,000	473,258
Contractual services	1,420,767	-	1,420,767	2,027,800	1,685,800	265,033
Commodities	708,638	-	708,638	876,700	875,500	166,862
Capital outlay	-	-	-	-	-	-
Total police	\$ 15,645,147	\$ -	\$ 15,645,147	\$ 17,542,800	\$ 16,550,300	\$ 905,153

(Continued)

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND
(Continued)

For the Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Expenditures, continued:						
Fire:						
Personal services	\$ 8,591,678	\$ -	\$ 8,591,678	\$ 8,785,900	\$ 8,418,600	\$ (173,078)
Contractual services	755,189	-	755,189	814,000	698,700	(56,489)
Commodities	220,028	-	220,028	259,700	236,100	16,072
Capital outlay	7,980	-	7,980	20,000	20,000	12,020
Total fire	9,574,875	-	9,574,875	9,879,600	9,373,400	(201,475)
Total public safety	25,220,022	-	25,220,022	27,422,400	25,923,700	703,678
Culture and recreation:						
Parks maintenance:						
Personal services	1,249,863	-	1,249,863	1,415,300	1,457,880	208,017
Contractual services	1,208,984	-	1,208,984	1,379,800	1,229,385	20,401
Commodities	82,199	-	82,199	80,300	67,000	(15,199)
Capital outlay	16,700	-	16,700	-	-	(16,700)
Total parks maintenance	2,557,746	-	2,557,746	2,875,400	2,754,265	196,519
Pools:						
Personal services	134,725	-	134,725	808,000	152,300	17,575
Contractual services	168,359	-	168,359	368,500	153,000	(15,359)
Commodities	19,716	-	19,716	93,200	23,700	3,984
Total pools	322,800	-	322,800	1,269,700	329,000	6,200
Civic center:						
Personal services	172,386	-	172,386	282,500	188,375	15,989
Contractual services	211,683	-	211,683	267,000	231,800	20,117
Commodities	17,367	-	17,367	23,900	23,300	5,933
Total civic center	401,436	-	401,436	573,400	443,475	42,039
Recreation and human services:						
Personal services	178,658	-	178,658	179,200	178,900	242
Contractual services	66,001	-	66,001	186,000	110,260	44,259
Commodities	91,914	-	91,914	33,700	24,700	(67,214)
Total recreation and human services	336,573	-	336,573	398,900	403,860	67,287
Old Shawnee Town:						
Personal services	570,072	-	570,072	657,800	593,850	23,778
Contractual services	154,825	-	154,825	231,000	192,200	37,375
Commodities	25,891	-	25,891	14,500	13,500	(12,391)
Refunds	-	-	-	-	19,500	19,500
Total Old Shawnee Town	750,788	-	750,788	903,300	819,050	68,262
Total culture and recreation	4,369,343	-	4,369,343	6,020,700	4,749,650	380,307
Total expenditures	46,638,532	-	46,638,532	54,169,600	48,792,440	2,153,908
Excess (deficiency) of revenues over (under) expenditures	\$ 9,648,657	\$ -	\$ 9,648,657	\$ 1,439,108	\$ (735,062)	\$ 10,383,719

(Continued)

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND
(Continued)

For the Year Ended December 31, 2020

	GAAP Basis		Budgetary Basis Actual	Budgeted Amounts		Variance
	Actual	Adjustments		Original	Final	
Other financing sources (uses)						
Proceeds from sale of capital assets	\$ 77,067	\$ -	\$ 77,067	\$ 5,000	\$ 5,000	\$ 72,067
Transfers in	5,116	-	5,116	278,904	213,450	(208,334)
Transfers out	(4,903,250)	-	(4,903,250)	(3,838,600)	(4,116,200)	(787,050)
Total other financing sources (uses)	(4,821,067)	-	(4,821,067)	(3,554,696)	(3,897,750)	(923,317)
Net change in fund balance	4,827,590	-	4,827,590	\$ (2,115,588)	\$ (4,632,812)	\$ 9,460,402
Fund balance, beginning of year	25,577,675	-	25,577,675			
Fund balance, end of year	<u>\$ 30,405,265</u>	<u>\$ -</u>	<u>\$ 30,405,265</u>			

See notes to basic financial statements.

CITY OF SHAWNEE, KANSAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS

December 31, 2020

	Pension Trust Fund	Custodial Fund
Assets:		
Cash	\$ 82,464	\$ 18,135
Investments, at fair value:		
Bond mutual funds	22,056,318	-
International and domestic stocks	320,362	-
Real estate investment trust	1,573,570	-
Total assets	<u>24,032,714</u>	<u>18,135</u>
Liabilities:		
Due to others	<u>12,974</u>	<u>-</u>
Net position:		
Restricted for:		
Pensions	24,019,740	-
Organizations	-	18,135
Total net pension	<u><u>\$ 24,019,740</u></u>	<u><u>\$ 18,135</u></u>

See notes to basic financial statements.

CITY OF SHAWNEE, KANSAS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS

For the Year Ended December 31, 2020

	Pension Trust Fund	Custodial Fund
	<hr/>	<hr/>
Additions:		
Contributions:		
Employer	\$ 1,021,040	\$ -
	<hr/>	<hr/>
Investment earnings:		
Interest and dividends on investments	976,828	-
Net increase in the fair value of investments	1,269,168	-
	<hr/>	<hr/>
Total investment earnings	2,245,996	-
	<hr/>	<hr/>
Donations	-	6,316
	<hr/>	<hr/>
Total additions	3,267,036	6,316
	<hr/>	<hr/>
Deductions:		
Benefits	717,967	-
Plan management fees	19,981	-
Donations to others	-	20,306
	<hr/>	<hr/>
Total deductions	737,948	20,306
	<hr/>	<hr/>
Change in net position	2,529,088	(13,990)
	<hr/>	<hr/>
Net position, beginning, restated	21,490,652	32,125
	<hr/>	<hr/>
Net position, ending	<u>\$ 24,019,740</u>	<u>\$ 18,135</u>

See notes to basic financial statements.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies

Reporting Entity: The City of Shawnee, Kansas (the City) was incorporated in 1922 and covers an area of approximately 42.0 square miles in Johnson County, Kansas. The City operates under a Mayor/Council/City Manager form of government and provides services which include law enforcement, fire protection, community enrichment and development, and various social services.

The City is governed by an elected eight-member council and a mayor. As required by accounting principles generally accepted in the United States of America, these financial statements present the City (the primary government). There are no component units related to the City that should be accounted for in the City's basic financial statements in conformity with Governmental Accounting Standards Board (GASB) Statements.

The accompanying basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described in further detail in the following paragraphs.

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the City as a whole, except for fiduciary activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to use in meeting the operational or capital requirements of a particular function. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Each fund is considered to be a separate accounting entity, accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. Governmental resources are allocated to and accounted for within individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Property, sales, utility franchise taxes, interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

While property taxes receivable are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year end because statutory provisions prohibit their use until the year for which they were raised and budgeted. Instead, they are offset by unavailable revenue accounts.

The financial statements for the pension trust fund are prepared using the economic resources measurement focus and the accrual basis of accounting. Employer contributions to the plan are recognized when due, as the City has a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Custodial funds are custodial in nature and are prepared using the economic resources measurement focus and the accrual basis of accounting.

The City reports the following major governmental funds:

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

The *Debt Service Fund* accounts for the payment of principal and interest on general obligation debt.

The *Capital Projects Fund* accounts for the financing and construction of major capital outlays including streets, drainage improvement projects and park improvements.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

Additionally, the City reports the following fiduciary funds:

Pension Trust Fund, which reports the Employees Supplemental Pension Plan (Supplemental Pension Plan).

The Mayor's Christmas Tree Fund accounts for the amounts collected for the Mayor's Christmas Tree charitable fund drive.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Deposits and Investments: The City maintains a cash and investment pool that is available for use by all funds. The City is authorized by statute to invest in obligations of the U.S. government and interest-bearing bank accounts. Interest return is allocated to the General Fund, the Debt Service Fund, the Capital Projects Fund, and Other Governmental Funds based on respective average balances or at the discretion of City management. Cash overdrafts from pooled cash and investments are reported as an interfund payable with an offsetting interfund receivable reported in a fund selected by management within the governmental fund statements.

The City's cash and cash equivalents include demand deposits, short-term investments and certificates of deposit with original maturities of less than 90 days from the date of acquisition.

Investments for the City are reported at fair value. The only investments held by the City at December 31, 2020 are in the pension trust fund.

Receivables and Payables: In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are levied on November 1 of each year, due and payable November 30, delinquent after December 20, and the following September become a lien on the property. The County Treasurer is the tax collection agent for all taxing entities within Johnson County.

Property owners have the option of paying one half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the next year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1 of the next year. Consequently, for revenue recognition purposes, taxes levied during the current year are not available until the ensuing year. At November 1, such taxes are due and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as unavailable revenue on the balance sheet of the appropriate funds. This amount is also reported as a deferred inflow on the Statement of Net Position.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

Kansas statutes require projects financed in part by special assessments to be paid in installments to be financed through the issuance of general obligation bonds or temporary notes which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as revenue in the appropriate capital project. Special assessments received after the issuance of general obligation bonds are recorded as revenue in the Debt Service Fund. Further, Kansas statutes require levying additional general and ad valorem property taxes in the City's Debt Service Fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable is accounted for within the City's Debt Service Fund. Special assessments are levied over a 10-year period, and annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears.

Inventories: Inventories that benefit future periods are recorded as expenditures or expenses as consumed. Inventories are stated at cost, as determined by the first-in, first-out method.

Capital Assets: Capital assets, which include land, buildings, improvements, equipment, infrastructure assets (e.g., streets, curbs, sidewalks, drainage systems, etc.), and construction in progress are reported in the government-wide financial statements as assets. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at their acquisition value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

The City has identified certain historical buildings related to Shawnee Town 1929 that it has elected to capitalize, but not depreciate, as allowed by generally accepted accounting principles for collections.

The City has elected to set a capitalization threshold for capital used for governmental-type activities as indicated in the table shown below. Infrastructure and other capital assets are depreciated using straight line methods over the following estimated useful lives:

Asset Classification	Estimated Life	Capitalized Threshold
Buildings	40 years	\$ 100,000
Land improvements	30 years	100,000
Infrastructure	50 years	100,000
Motor vehicles	3 to 20 years	None
Operating equipment	5 to 10 years	10,000
Communications equipment	5 to 10 years	10,000
Office equipment	5 to 10 years	10,000

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

Compensated Absences: Full-time employees are required to use at least 10 days of vacation leave per annum, after five years of employment. The maximum number of vacation hours that may be held in a balance at the end of the payroll year is 400 hours for full time non-firefighter employees, 200 hours for regular part-time (half-time) employees, 300 hours for regular part-time (three-quarters-time) and 558 hours for 24-hour shift firefighters. A maximum of 1,040 hours for full-time non-firefighter employees, 520 hours for regular part-time employees, and 1,452 hours for 24-hour shift firefighters of sick leave can be accumulated. All accumulated vacation is paid upon termination, and sick leave is paid out based on 1% increments per completed year of service. The City's compensated absence liability is normally liquidated by the General Fund.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. See note 6 for more information on the deferred outflows for other postemployment benefits and note 7 for more information on the deferred outflows for pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports unavailable revenues in the governmental funds balance sheet from three sources: property taxes, special assessments and intergovernmental. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Governmental activities report a deferred receivable only from property taxes as revenue is recognized the following year for which they are levied. The City also reports deferred inflows from postemployment benefits and pensions in the government-wide statement of net positions. See note 6 for more information on the deferred inflows for other postemployment benefits and note 7 for more information on the deferred inflows for pensions.

Long-Term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond 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.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

Pensions: For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS, and information about the fiduciary net position of the Shawnee, Kansas Employees Supplemental Pension Plan (the Supplemental Pension Plan) and additions/deductions from the Supplemental Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the Supplemental Pension Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The investments are reported at fair value.

Fund Balances: In the fund financial statements, governmental funds report fund balance in the following classifications: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Restricted fund balance indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. Only the highest-level action that constitutes the most binding constraint can be considered a commitment for fund balance classification purposes. Committed fund balances are established, modified or rescinded in the form of an ordinance. Assigned fund balances include amounts that are constrained by the City's management, through department heads or the city manager, and intended to be used for specific purposes, but are neither restricted nor committed. The authority for management to assign fund balance is provided by the City's Purchasing Manual. Unassigned fund balance represents fund balance that has not been restricted, committed or assigned to specific purposes within the General Fund.

The General Fund is the only fund that reports a positive unassigned fund balance amount. In governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

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

	Major Governmental Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Fund balances (deficits):					
Nonspendable for:					
Inventory	\$ 552,377	\$ -	\$ -	\$ -	\$ 552,377
Restricted for:					
Community development	-	-	-	988,034	988,034
Public works	-	-	-	14,155,428	14,155,428
Public safety	-	-	-	3,118,217	3,118,217
Culture and recreation	-	-	-	1,451,079	1,451,079
Human resources	-	-	-	18,174	18,174
Debt payments	-	2,585,328	-	-	2,585,328
	-	2,585,328	-	19,730,932	22,316,260
Committed for:					
Community development	-	-	-	3,893,314	3,893,314
Cemetery	-	-	-	361,623	361,623
Equipment improvements	-	-	-	1,499,336	1,499,336
	-	-	-	5,754,273	5,754,273
Assigned for street improvements	-	-	292,059	-	292,059
Unassigned	29,852,888	-	-	(8,866)	29,844,022
Total fund balances	\$ 30,405,265	\$ 2,585,328	\$ 292,059	\$ 25,476,339	\$ 58,758,991

Net Position: In the government-wide financial statements, equity 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: This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted: 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.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

Use of Estimates: The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results could differ from those estimates.

Pending Governmental Accounting Standards Board Statements: At December 31, 2020, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for periods beginning after June 15, 2021.

GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for the City beginning with its year ending December 31, 2022. This Statement establishes a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. Under Statement 91 a government entity no longer reports a liability for any conduit debt that it has issued; however, the issuer should recognize a liability for any additional commitments or voluntary commitments to support the debt service.

GASB Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB statements. In particular, this Statement addresses the effective date of GASB Statement No. 87, *Leases* and Implementation Guide No. 2019-3, *Leases*, which is effective upon issuance. It also addresses 1.) Reporting of intra-entity transfers of assets between the primary government employer and component unit defined benefit retirement plans; 2.) The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits; 3.) The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; 4.) Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; 5.) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; 6.) Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and 7.) Terminology used to refer to derivative instruments, all of which are effective for the City with its year ending December 31, 2022.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 1. Summary of Significant Accounting Policies (Continued)

GASB No. 93, *Replacement of Interbank Offered Rates* establishes how the City will report the change of any of its variable payment debt that are tied to the London Interbank Offered Rate (LIBOR) when the LIBOR standard is no longer used after December 31, 2021. This statement will be effective for the City with its year ending December 31, 2021 except for provision relating to the removal of the LIBOR rate, which will be effective for the fiscal year ending December 31, 2022.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.

Note 2. Stewardship, Compliance and Accountability

Budgetary Information: Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenues funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2020 budget was amended for the Public Safety Equipment Fund and Debt Service Fund.

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

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP).

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 2. Stewardship, Compliance and Accountability (Continued)

Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year end. Encumbered appropriations are carried forward.

A legal operating budget is not required for the Capital Projects Fund, the CDBG Grant Fund, the Recycling Fund, the Neighbors Helping Neighbors Fund, the Cafeteria Fund and the fiduciary funds.

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

Note 3. Deposits and Investments

The City's deposits and investments are generally segregated into two parts: City-wide deposits and investments and Supplemental Pension Plan deposits and investments. As of December 31, 2020, there were no City-wide investments, only deposits. Below is a description of the policies associated with these categories of deposits and investments.

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

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

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

Custodial credit risk. The custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City's policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name. At December 31, 2020, the City's deposits were not exposed to custodial credit risk.

Supplemental Pension Plan Deposits and Investments: The investments of the Supplemental Pension Plan are held separately from those of other City funds.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 3. Deposits and Investments (Continued)

Benefit Trust Company (the custodian) and Investment Managers chosen by the Trustees have discretionary authority concerning purchases of investments in the pension plan subject to the overall investment policy guidelines as approved by the City Council.

The Supplemental Pension Plan's investment policy permits investments in five asset classes including: domestic equity, foreign equity, domestic fixed income, real assets (defined/benchmarked as real estate and/or master limited partnerships) and cash. Under the policy, the investment manager may select fixed income securities in domestic markets, including corporate debt securities and obligations of the U.S. government or its agencies. The investment manager may select domestic equity securities traded on major U.S. exchanges.

At December 31, 2020, the City's Supplemental Pension Plan has the following investments:

Investment by Fair Value Level	12/31/2020	Fair Value Measurement Using Quoted Prices in Active Markets for Identical Assets Level 1	Fair Value Measurement Using Significant Other Observable Inputs Level 2	Fair Value Measurement Using Unobservable Inputs Level 3	Rating
Mutual funds	\$ 22,056,318	\$ 22,056,318	\$ -	\$ -	Not Rated
Common stock	320,362	320,362	-	-	NA
Total investments by fair value level	22,376,680	<u>\$ 22,376,680</u>	<u>\$ -</u>	<u>\$ -</u>	
Investments measured by the net asset value (NAV)					
Real estate investments	1,573,570				Not Rated
	<u>\$ 23,950,250</u>				

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.

Hierarchy: The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs: If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The following fair value techniques were utilized in measuring the fair value of the Supplemental Pension Plan's investments:

Common stock and mutual funds: These investments are reported at fair value based on quoted market prices obtained from exchanges.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 3. Deposits and Investments (Continued)

Interest rate risk. Interest rate risk is the risk associated with a portfolio's sensitivity to changes in interest rates. The Supplemental Pension Plan has no specific policy regarding interest rate risk. Common stocks, mutual funds (equity and debt funds) are not subject to interest rate risk given they have no maturity dates.

Credit risk. Credit risk is associated with the credit quality or rating of debt instrument investments. The Supplemental Pension Plan has no specific policy regarding credit risk. The Supplemental Pension Plan uses the credit ratings issued by Moody's or Standard and Poor's for disclosure of credit risk.

Custodial credit risk. The custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Supplemental Pension Plan will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Supplemental Pension Plan's deposits were insured by Federal depository insurance. Custodial credit risk also applies to investment securities. At December 31, 2020, the Supplemental Pension Plan had no investment securities subject to custodial credit risk.

Concentration of credit risk. The Supplemental Pension Plan places no limit on the amount the Supplemental Pension Plan may invest in any one issuer. At December 31, 2020, the Supplemental Pension Plan's investments in debt securities were entirely in open-ended mutual funds and, accordingly, disclosures related to the concentration of credit risks were not applicable.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table:

	Fair Value		Frequency (if Currently Eligible)	Redemption Notice Period
	December 31,			
	2020	2019		
Real Estate Pooled Separate Account	\$1,573,570	\$1,574,437	Daily	1 Day

Real Estate Pooled Separate Account. The account is a diversified real estate equity account consisting primarily of high quality, well-leased real estate properties in the multifamily, industrial, office, retail and hotel sectors. The objective of the account is to invest in a well-diversified real estate portfolio that reflects the overall performance of the U.S. commercial real estate market. Redemptions normally occur with one day of notice. However, the accountholder has the right to impose withdrawal limitations to pay withdrawal requests on a pro rata basis as cash becomes available for distribution. The fair value of this investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in the accountholder's capital.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 4. Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 21,216,530	\$ -	\$ -	\$ 21,216,530
Historical buildings	332,000	598,162	-	930,162
Construction in progress	32,171,329	20,837,096	24,210,585	28,797,840
Total capital assets not being depreciated	53,719,859	21,435,258	24,210,585	50,944,532
Capital assets being depreciated:				
Buildings	58,170,629	55,166	152,331	58,073,464
Land improvements	26,869,756	3,250,000	-	30,119,756
Motor vehicles	14,205,099	546,092	1,014,971	13,736,220
Operating equipment	5,181,852	719,108	108,130	5,792,830
Communications equipment	932,812	-	-	932,812
Office equipment	763,743	-	-	763,743
Infrastructure	1,109,372,621	19,667,577	-	1,129,040,198
Total capital assets being depreciated	1,215,496,512	24,237,943	1,275,432	1,238,459,023
Less accumulated depreciation for:				
Buildings	21,219,392	1,395,127	152,331	22,462,188
Land improvements	6,821,948	983,804	-	7,805,752
Motor vehicles	8,524,246	831,637	1,014,971	8,340,912
Operating equipment	2,564,507	665,786	108,130	3,122,163
Communications equipment	554,306	-	-	554,306
Office equipment	739,942	-	-	739,942
Infrastructure	584,556,736	21,119,657	-	605,676,393
Total accumulated depreciation	624,981,077	24,996,011	1,275,432	648,701,656
Total capital assets being depreciated, net	590,515,435	(758,068)	-	589,757,367
Governmental activities capital assets, net	\$ 644,235,294	\$ 20,677,190	\$ 24,210,585	\$ 640,701,899

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	\$ 77,303
Public works	22,009,430
Public safety	2,025,897
Culture and recreation	883,381
	<u>\$ 24,996,011</u>

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 4. Capital Assets (Continued)

Capital Projects: Capital project expenditures often extend over more than one fiscal year. Project estimates of each project are prepared by the City Engineer and approved by the City Council. At December 31, 2020, certain projects were pending City Council authorization.

The costs of capital projects are permanently financed through general obligation bonds, costs reimbursement type grants from other governmental units, special assessment levies and transfers from other governmental funds.

Fund balance deficits will be funded by general obligation notes or other permanent financing as discussed above. Upon completion of a project, residual funds related to that project in the Capital Projects Fund, if any, will be transferred to the Debt Service Fund for repayment of the related debt.

The following is a schedule of the total open project authorizations compared with project expenditures from inception through December 31, 2020:

Project Number	Project Name	Project Authorizations	Total Project Expenditures to Date	Amount Under Authorization
3401	6200 Block of Nieman Culverts	\$ 7,405,000	\$ 6,281,955	\$ 1,123,045
3424	Nieman Corridor Middle Stormwater Improvements	9,761,000	6,215,717	3,545,283
3425	Nieman Road Corridor North: Turkey Creek Tributary (W. of Flint to W. of Nieman)	3,961,000	3,003,559	957,441
3427	Nieman Road Street Improvements - 55th to Shawnee Mission Parkway	11,327,000	10,769,609	557,391
3436	Shawnee Town 1929 Strategic Plan Buildout Implementation (OW Fisher Chevy Dealership)	720,000	577,283	142,717
3465	Fiber Master Plan Buildout	571,000	-	571,000
3466	Quivera Dr./Park St. Culvert	1,942,923	1,913,810	29,113
3467	Blackfish Pkwy/Hauser Culvert	1,449,000	1,092,096	356,904
3473	Hilltop Sidewalk Improvements	275,000	145,551	129,449
3477	Shawnee Trail Scout Park	150,000	33,750	116,250
3481	75th Street - Switzer to Quiivira	3,000,000	264,064	2,735,936
3483	Facility Conservation Improvement	6,330,316	6,148,073	182,243
3485	55th & Belmont Park	4,000,000	2,824,298	1,175,702
3489	Monticello Road - Phase I	5,700,000	1,751,164	3,948,836
3490	ST 1929 Bank, Dry Goods, Dr. Office	240,000	20,880	219,120
3493	ST 1929 Dr. Sullivan's House	240,000	63,192	176,808
FIBR	Fiber Master Plan Buildout	487,000	373,184	113,816
3497	Pflumm Road	3,000,000	2,382,338	617,662
3498	43rd Street - Frisbee to K-7 Highway (Homeland)	4,595,200	2,416,450	2,178,750
3499	Woodland Extension at 71st St	243,775	47,114	196,661
3503	67th St. & Quivira Road Traffic Signal Replacement	357,200	48,451	308,749
3504	ADA Sidewalk and Signal Improvements	600,000	110,500	489,500
3505	60th Street - Flint to Nieman	1,200,000	701,079	498,921
3507	Streetlight Purchase	3,250,000	3,250,000	-
3510	79TH & RENNERTRAFFIC SIGNAL	164,000	163,013	987
3520	Fire Station 71 and 73 Renovations	14,600,000	540	14,599,460
		<u>\$ 85,569,414</u>	<u>\$50,597,670</u>	<u>\$34,971,744</u>

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 5. Long-Term Debt

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

In 2020, the City issued Series 2020A General Obligation Internal Improvement Bonds in the amount of \$4,710,000 to pay the cost of municipal improvements and pay the cost of issuance of the bonds.

General obligation bonds payable at December 31, 2020 are comprised of the following issues:

General Obligation Bonds	Interest Rates	Final Maturity	Original Issue	Balance Outstanding
Series 2011A, General Improvement Bonds	2.20 - 3.45%	12/1/2026	\$ 5,680,000	\$ 2,275,000
Series 2013A, General Improvement Bonds	2.00 - 2.25%	12/1/2023	5,180,000	1,665,000
Series 2014A, General Improvement Bonds	2.00 - 3.00%	12/1/2028	3,575,000	2,455,000
Series 2014B, General Improvement Refunding Bonds	4.00 - 5.00%	12/1/2027	18,015,000	8,855,000
Series 2017A, General Improvement Refunding Bonds	2.00 - 3.00%	12/1/2027	9,215,000	5,265,000
Series 2018A, General Improvement Refunding Bonds	3.00 - 5.00%	12/1/2028	8,840,000	7,400,000
Series 2019A, General Improvement Bonds	2.625 - 5.000%	12/1/2029	7,500,000	6,900,000
Series 2019B, General Improvement Refunding Bonds	1.75 - 4.00%	12/1/2039	21,300,000	20,460,000
Series 2020A, General Improvement Bonds	3.00 - 3.625%	12/1/2029	4,710,000	4,185,000
				<u>\$ 59,460,000</u>

Installment ranges for the general obligation bonds are as follows:

	Installment Range	
	Low	High
General obligation bonds:		
Series 2011A - Internal Improvement	\$ 325,000	\$ 425,000
Series 2013A - Internal Improvement	545,000	565,000
Series 2014A - Internal Improvement	275,000	340,000
Series 2014B - Refunding	1,095,000	1,425,000
Series 2017A - Internal Improvement and Refunding	635,000	1,205,000
Series 2018A - Internal Improvement and Refunding	780,000	1,070,000
Series 2019A - Internal Improvement	625,000	915,000
Series 2019B - Internal Improvement and Refunding	765,000	1,370,000
Series 2020A - Internal Improvement	400,000	545,000

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 5. Long-Term Debt (Continued)

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

Year Ended December 31,	Principal	Interest	Total
2021	\$ 6,585,000	\$ 2,108,948	\$ 8,693,948
2022	6,195,000	1,853,804	8,048,804
2023	6,175,000	1,605,605	7,780,605
2024	6,040,000	1,375,861	7,415,861
2025	5,970,000	1,155,680	7,125,680
2026 - 2030	19,915,000	2,526,968	22,441,968
2031 - 2035	5,325,000	797,514	6,122,514
2036 - 2039	3,255,000	219,545	3,474,545
Total	<u>\$ 59,460,000</u>	<u>\$ 11,643,925</u>	<u>\$ 71,103,925</u>

Capital Leases: The City has entered into lease agreements as a lessee for financing the acquisition of fire trucks. The completed fire trucks are recorded at a cost of \$2,469,854 with accumulated depreciation of \$725,957 and a net value of \$1,743,897. These lease agreements qualify as capital leases and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The future minimum lease payments for capital leases as of December 31, 2020 are as follows:

Year Ended December 31,	Principal	Interest	Total
2021	\$ 303,143	\$ 25,485	\$ 328,628
2022	240,574	17,484	258,058
2023	175,857	10,860	186,717
2024	181,191	5,526	186,717
	<u>\$ 900,765</u>	<u>\$ 59,355</u>	<u>\$ 960,120</u>

Conduit Debt Obligations: The City has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. The City has also issued multifamily housing bonds to provide mortgage loans for the construction and financing of multifamily rental and single-family residences of the City. These bonds are secured solely by the property financed by the respective bond issues and by credit guarantees of reinvestment-grade financial institutions. Title to property financed by industrial revenue bonds remains with the City so long as the bonds are outstanding. Industrial revenue bonds are not in any respect an obligation of the City. Accordingly, the bonds are not reported as a liability in the accompanying basic financial statements. As of December 31, 2020, industrial revenue and multifamily housing bonds of \$64,356,035 are outstanding.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 5. Long-Term Debt (Continued)

Changes in Long-Term Liabilities: Changes in long-term debt outstanding are as follows:

	Balance December 31, 2019	Additions	Deductions	Balance December 31, 2020	Current Portion
General obligation bonds	\$ 61,465,000	\$ 4,710,000	\$ 6,715,000	\$ 59,460,000	\$ 6,585,000
General obligation bonds discount	(2,819)	-	(403)	(2,416)	-
General obligation bonds premium	5,146,689	135,382	529,457	4,752,614	-
General obligation bonds, net	66,608,870	4,845,382	7,244,054	64,210,198	6,585,000
Capital leases payable	1,194,638	-	293,873	900,765	303,143
Compensated absences	4,906,530	1,670,032	1,511,964	5,064,598	1,305,009
Net pension liability	37,064,630	5,520,478	-	42,585,108	-
Total OPEB liability	11,673,863	2,223,813	468,163	13,429,513	-
	<u>\$ 121,448,531</u>	<u>\$ 14,259,705</u>	<u>\$ 9,518,054</u>	<u>\$ 126,190,182</u>	<u>\$ 8,193,152</u>

For the governmental activities, compensated absences, the total other postemployment benefit (OPEB) liability, and the net pension liability are generally liquidated by the general fund.

Note 6. Other Postemployment Healthcare Benefits

Health Insurance:

Plan Description, Benefits Provided and Contributions: The City offers postemployment health, dental and vision insurance to retired employees. The benefits are provided through a fully-insured arrangement that operates as a single employer defined benefit postemployment healthcare plan administered by the City. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The medical, dental and vision insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. A retiring employee who waives continuing participation in the City's health insurance program at the time of retirement is not eligible to participate at a later date. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The plan does not issue a stand-alone financial report.

The City provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statutes, which may be amended by the state legislature, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125% of the premium cost for other similarly situated employees. During the first 5 years of "retiree" coverage, retirees (ex-employees) contribute a percentage of the single plan premium to maintain coverage. This percentage is 50% if Wellness is not achieved with a lower percentage (around 43%) if Wellness criteria is attained. Otherwise, participants must pay group plan premiums to maintain coverage. After 5 years, retirees pay 100% of the group premium rate.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 6. Other Postemployment Healthcare Benefits (Continued)

Employees Covered by Benefit Terms. At December 31, 2020, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries currently receiving benefit payments	62
Active plan members	300
	<u>362</u>

Total OPEB Liability: The City's total OPEB liability of \$12,709,439 was measured as of December 31, 2020 and was determined by an actuarial valuation performed as of December 31, 2019. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Discount rate	1.96% end of year 3.00% beginning of year
Salary increases	3.00% per year
Healthcare cost trend rates	7.00 percent for 2021, decreasing to an ultimate rate of 4.50% for 2029
Retirees' share of benefit-related costs	During the first five years of coverage, ex-employee retirees pay 50% of the single rate if Wellness is not achieved and about 43% of the single rate if Wellness is attained.
Actuarial cost method	Entry Age Normal - Level Percent-of-Pay

The discount rate was based on the average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields.

Mortality rates were based on the Pub-2010 Public Retirement Plan Headcount-weighted General and Public Safety Mortality table with MP-2020 Full Generational Improvement.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 6. Other Postemployment Healthcare Benefits (Continued)

Changes and items of impact relative to the prior valuation were as follows:

1. Effective July 1, 2020, it is assumed that fifty percent (50%) of retirees will elect the Broad Network plan and 50% will elect the Narrow Network plan. Previously it was assumed 100% would elect the PPO plan with a broad Network
2. The retirement, turnover and disability assumptions were updated based on the latest available data from the KPERS valuation report.
3. The assumed mortality was updated to reflect the Pub-2010 Public Retirement Plan Headcount-weighted Mortality table with MP-2020 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
4. The per capita premium costs, retiree contribution premiums and trend assumptions were updated (and actual trend was recognized when available as of the measurement date) as part of the actuarial evaluation.
5. The discount rate was changed from 3.00% to 1.96%.
6. All retirees within 5 years of retirement were granted Wellness level contribution premiums for plan year 2020-21. The City contributes a portion of the Narrow Network single premium irrespective of the plan elected. These changes were recognized as a change in benefit terms.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2019	<u>\$ 11,132,229</u>
Changes for the year:	
Service cost	653,541
Interest	346,824
Changes of benefit terms	(293,087)
Differences between expected and actual experience	1,121,172
Changes in assumptions or other inputs	198,673
Employer contribution (benefit payments)	<u>(449,913)</u>
Net changes	<u>1,577,210</u>
Balance at December 31, 2020	<u><u>\$ 12,709,439</u></u>

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 (0.96%)	Discount Rate (1.96%)	1% Increase (2.96%)
Total OPEB liability	\$ 14,032,729	\$ 12,709,439	\$ 11,517,974

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 6. Other Postemployment Healthcare Benefits (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the City as well as what the City's total OPEB 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:

	1% Decrease (5.75%)	Healthcare Cost Trend Rates (6.75%)	1% Increase (7.75%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB liability	\$ 11,070,590	\$ 12,709,439	\$ 14,673,918

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB: For the year ended December 31, 2020, the City recognized OPEB expense of \$906,516. At December 31, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Changes in assumptions or other inputs	\$ 1,173,358	\$ 302,851
Differences between expected and actual experience	1,341,706	295,416
	<u>\$ 2,515,064</u>	<u>\$ 598,267</u>

Amounts reported as deferred outflows and 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 Ended December 31,	
2021	\$ 199,238
2022	199,238
2023	199,238
2024	199,238
2025	199,238
2026 and Thereafter	920,607
	<u>\$ 1,916,797</u>

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 6. Other Postemployment Healthcare Benefits (Continued)

Disability Benefits and Life Insurance

Plan Description, Benefits Provided and Contributions: Kansas Public Employees Retirement System (KPERS) sponsors a long-term disability program for participating employers. Participating employers pay the cost of the long-term disability and life insurance coverage for their eligible members. For GASB 75 purposes, the City of Shawnee is considered to be participating in a single employer long-term disability plan. The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3%) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60% of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Employees Covered by Benefit Terms: At December 31, 2020, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries currently receiving benefit payments	3
Active plan members	161
	<u>164</u>

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 6. Other Postemployment Healthcare Benefits (Continued)

Total OPEB Liability: The City's total OPEB liability of \$720,074 was measured as of June 30, 2020 and was determined by an actuarial valuation performed as of December 31, 2019 which was rolled forward to June 30, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Discount rate	2.21% measurement date 3.50% preceding measurement date
Implicit inflation rate	2.75%
Salary increases	3.50% (composed of 2.75% inflation and 0.75% productivity)
Payroll growth	4.00% long-term growth for actuarial valuation. 3.0% near-term growth for cashflow projections
Actuarial cost method	Entry Age Normal

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Pre-retirement mortality rate assumptions were 90% of RP-2014 M Total Dataset +2 for males and 90% of RP-2014 F Total Dataset +1 for females. Post-disability mortality rates are included in long-term disability claim termination rates.

The long-term disability incidence and claim termination rate actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2016 through December 31, 2018. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2019 KPERS pension valuation.

Changes and items of impact relative to the prior valuation were as follows.

1. The discount rate was updated in accordance with the requirements of GASB 75.
2. The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 6. Other Postemployment Healthcare Benefits (Continued)

The changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balance at December 31, 2019	\$ 541,634
Changes for the year:	
Service cost	44,582
Interest	20,200
Economic/demographic gain or losses	64,084
Changes in assumptions or other inputs	67,824
Employer contribution (benefit payments)	(18,250)
Net changes	178,440
Balance at December 31, 2020	\$ 720,074

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

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ 773,825	\$ 720,074	\$ 672,196

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The health care cost trend rates do not affect liabilities related to the long-term disability benefits sponsored by KPERS.

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB: For the year ended December 31, 2020, the City recognized OPEB expense of \$88,796. At December 31, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	\$ 70,429	\$ 9,671
Differences between expected and actual experience	136,620	-
	\$ 207,049	\$ 9,671

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 6. Other Postemployment Healthcare Benefits (Continued)

Amounts reported as deferred outflows and 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 Ended December 31,	
2021	\$ 24,014
2022	24,014
2023	24,014
2024	24,014
2025	24,014
2026 and Thereafter	77,308
	<u>\$ 197,378</u>

Other Postemployment Health Care Benefits Plans Combined: Following is a combining schedule of deferred outflows, deferred inflows, net OPEB liability and OPEB expense for all other postemployment health care benefits plans:

	KPERS	Supplemental OPEB	Total
Deferred outflows	\$ 207,049	\$ 2,515,064	\$ 2,722,113
Deferred inflows	9,671	598,267	607,938
Net OPEB liability	720,074	12,709,439	13,429,513
OPEB expense	88,796	906,516	995,312

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan

Kansas Public Employees Retirement System

General Information About the Pension Plan

Description of Pension Plan: The City participates in a cost-sharing multiple-employer defined benefit pension plan (the Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides pension benefits to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which include:
 - State/School employees
 - Local employees
- Police and firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the Local employees group and the Kansas Police and Firemen group.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at www.kpers.org.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

Benefits Provided

Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 points (police and firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, member employees may withdraw their contributions from their individual accounts, including interest. Member employees who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Member employees choose one of seven payment options for their monthly retirement benefits. At retirement a member employee may receive a lump-sum payment of up to 50% of the actuarial present value of the member employee's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 members is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions: K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6.00% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes the Police and Firemen (KP&F) member-employee contributions rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation for each of the three state-wide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. KPERS is funded on an actuarial reserve basis.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

For KPERS fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap is 1.2% of total payroll for the KPERS fiscal year ended June 30, 2020.

The actuarially determined employer contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate were 8.61% for KPERS and 21.93% for KP&F for the year ended December 31, 2020. Contributions to the Pension Plan from the City were \$1,008,249 for KPERS and \$2,828,414 for KP&F for the year ended December 31, 2020.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2020, the City reported a liability of \$10,578,843 for KPERS and \$28,817,967 for KP&F, for its proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2020, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020.

Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The City's proportion of the collective net pension liability was based on the ratio of the City's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions of the Local group and the Police and Firemen group within KPERS for the KPERS fiscal year ended June 30, 2020. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2020 the City's proportion for KPERS was 0.610205%, which was an increase of 0.000087% from its proportion measured as of June 30, 2019. At June 30, 2020, the City's proportion of KP&F was 2.336964%, which was a decrease of 0.103048% from its proportion measured as of June 30, 2019.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

For the year ended December 31, 2020, the City recognized pension expense of \$1,610,947 for KPERS and \$5,840,006 for KP&F. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 1,018,966	\$ 136,004
Net difference between projected and actual earnings on investments	4,034,643	-
Changes of assumptions	2,632,058	-
Changes in proportionate share	996,606	747,714
Total deferred pension actuarial adjustments	8,682,273	883,718
City contributions subsequent to measurement date	2,092,755	-
Total deferred amounts related to pensions	<u>\$ 10,775,028</u>	<u>\$ 883,718</u>

The \$2,092,755 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2021	\$ 2,261,016
2022	2,283,289
2023	1,841,698
2024	1,370,851
2025	41,701
	<u>\$ 7,798,555</u>

Actuarial Assumptions: The total pension liability for KPERS in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.75%
Salary increases, including price inflation	3.25% to 11.75%
Long-term rate of return net of investment expense and including price inflation	7.50%

Mortality rates were based on the RP-2014 Mortality Tables with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study conducted for the three-year period ending December 31, 2018.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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. Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocations as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equities	23.5%	5.20%
Non-US equities	23.5%	6.40%
Fixed income	11.0%	1.55%
Yield driven	8.0%	4.70%
Real return	11.0%	3.25%
Real estate	11.0%	4.45%
Private equity	8.0%	9.50%
Short-term investments	4.0%	0.25%
	<u>100.0%</u>	

Discount Rate: The discount rate used by KPERS to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993 and subsequent legislation, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for KPERS. Future employer contribution rates were also modeled for KP&F assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for KP&F. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

Sensitivity of the City's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate: The following presents the City's proportionate share of the collective net pension liability calculated using the discount rate of 7.50%, as well as what the City's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's KPERS proportionate share of the collective net pension liability	\$ 14,888,667	\$ 10,578,843	\$ 6,955,405
City's KP&F proportionate share of the collective net pension liability	39,442,927	28,817,967	19,944,604
	<u>\$ 54,331,594</u>	<u>\$ 39,396,810</u>	<u>\$ 26,900,009</u>

Pension Plan Fiduciary Net Position: Detailed information about the Pension Plan's fiduciary net position is available in the separately issued KPERS financial report.

Shawnee, Kansas Employees Supplemental Pension Plan

Plan Description

Plan Administration: On January 1, 1998, in addition to the KPERS and KP&F plans, the City initiated the City of Shawnee, Kansas Employees Supplemental Pension Plan (the Supplemental Pension Plan). The Supplemental Pension Plan is a single-employer defined benefit plan that operates as a qualified plan as defined in Section 401(a) of the Internal Revenue Code. The Supplemental Pension Plan provides retirement and death benefits to plan members and beneficiaries. The Supplemental Pension Plan is managed by a Board of Trustees made up of the City manager, finance director, human resources director and the deputy City manager. No separate financial report is issued for the Supplemental Pension Plan. The Supplemental Pension Plan is considered part of the City's reporting entity and is presented solely in the accompanying basic financial statements as a pension trust fund.

Plan Membership: As of December 31, 2012, the Supplemental Pension Plan was frozen. Employees with a start date of January 1, 2013 or after, participate in a defined contribution plan. Under the Supplemental Pension Plan, employees hired on or before December 31, 2012, other than seasonal or temporary, who worked at least 1,000 hours per year are eligible to participate in the Supplemental Pension Plan. Employees are 100% vested after five years of service and obtain no vesting for the first four years of service. The City's Supplemental Pension Plan is normally liquidated in the General Fund.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

Membership of the Supplemental Pension Plan consisted of the following at December 31, 2020, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	72
Terminated plan members, entitled to, but not yet receiving benefits	70
Active plan members	154
	<u>296</u>

Benefits Provided: Under the Supplemental Pension Plan, participants, upon retirement, are entitled to a monthly benefit, payable for life, equal to 1% of the participant's average monthly compensation at retirement multiplied by the number of years of service. The benefit from the Supplemental Pension Plan is reduced so that the maximum total benefit a participant can receive is 85% of average monthly compensation when benefits from this plan, KPERS and KP&F are added together. The normal retirement age from the City is 62 except for KP&F members. The normal retirement age for KP&F members is 55. If a participant who is actively employed dies, the participant's spouse is entitled to 50% of the accrued benefit, payable for life, commencing when the participant would have reached the normal retirement date. Under the Supplemental Pension Plan, participants are not required to contribute. All contributions to the Supplemental Pension Plan are made by the City. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the Supplemental Pension Plan are financed outside of plan assets.

Contributions: Contributions to the Supplemental Pension Plan are designed to fund normal costs on a current basis and to fund past service costs over a 30-year period. The recommended contribution rate is determined by the Supplemental Pension Plan's consulting actuary using the Individual Entry Age Actuarial Cost Method. Based upon the January 1, 2020 actuarial valuation, the recommended contribution for the year ended December 31, 2020 was \$1,021,040. The most recent actuarial valuation performed at December 31, 2020 included a recommended contribution for 2021 for the City of \$977,205 which is approximately 6.96% of covered payroll.

Net Pension Liability: The City's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

The components of the net pension liability at December 31, 2020 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2019	\$ 25,333,799	\$ 21,490,652	\$ 3,843,147
Changes for the year:			
Service cost	443,531	-	443,531
Interest	1,779,284	-	1,779,284
Differences between expected and actual experience	369,391	-	369,391
Contributions-employer	-	1,021,040	(1,021,040)
Net investment income (loss)	-	2,226,015	(2,226,015)
Benefit payments, including refunds	(717,967)	(717,967)	-
Net changes	1,874,239	2,529,088	(654,849)
Balance at December 31, 2020	\$ 27,208,038	\$ 24,019,740	\$ 3,188,298

Plan fiduciary net position as a percentage of the total pension liability is 88.3%.

Actuarial Assumptions: Total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Actuarial cost method	Individual entry age
Asset valuation methods	Market value
Amortization method	Level percent of payroll, rolling
Remaining amortization period	10 years
Actuarial assumptions:	
Investment rate of return	7.00%
Projected salary increases	4.00%
Inflation assumption	2.00%

In the December 31, 2020 actuarial valuation, the Current Year 2021 IRS Optional Combined Mortality Table was used.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Supplemental Pension Plan's target asset allocation are summarized in the following table:

Asset	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	30.00%	3.00%
Equity securities	60.00%	6.25%
Real estate	10.00%	4.50%
	<u>100.00%</u>	

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made as rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return: For the year ended December 31, 2020, the annual money weighted rate of return on Plan investments, net of investment expense was 10.3%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the Plan, calculated using the discount rate of 7%, as well as what the Supplemental Pension Plan's net pension 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 rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability/(asset)	<u>\$ 7,004,500</u>	<u>\$ 3,188,298</u>	<u>\$ (4,306)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: For the year ended December 31, 2020, the City recognized pension expense of \$734,886. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the Supplemental Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 888,508	\$ 2,148
Net differences between projected and actual earnings on investments	-	1,106,772
Changes of assumptions	397,733	169,490
	<u>\$ 1,286,241</u>	<u>\$ 1,278,410</u>

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 7. Employee Retirement Systems and Defined Benefit Pension Plan (Continued)

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

Year Ended June 30,	
2021	\$ 31,190
2022	338,038
2023	(326,161)
2024	(60,047)
2025	24,811
	<u>\$ 7,831</u>

Defined Benefit Pension Plans Combined: Following is a combining schedule of deferred outflows, deferred inflows, net pension liability, and pension expense for all defined benefit pension plans:

	KPERs	Supplemental Pension	Total
Deferred outflows	\$ 10,775,028	\$ 1,286,241	\$ 12,061,269
Deferred inflows	883,718	1,278,410	2,162,128
Net pension liability	39,396,810	3,188,298	42,585,108
Pension expense	7,450,953	734,886	8,185,839

Note 8. Defined Contribution Plan

The City administers a 401(a) defined contribution pension plan available to its employees. Employees hired after January 1, 2013 are eligible for the plan. The Defined Contribution Plan is a separate account that receives matching contributions provided by the City on 457(b) contributions. Upon review of GASB Statement Nos. 84 and No. 97, the City has determined this plan does not meet the requirements of inclusion as a component unit, nor to be reported as a fiduciary fund as the City does not control the assets.

The City contributes to the 401(a) plan for employees hired between January 1, 2013 and December 31, 2014 based on the following schedule:

Salary Deferral Election	Maximum Match
Less than 2.0%	0%
2.0% or more, but less than 3.0%	1% of compensation
3.0% or more	2% of compensation

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 8. Defined Contribution Plan (Continued)

The City contributes to the 401(a) plan for employees hired on or after January 1, 2015 based on the following schedule:

Salary Deferral Election	Maximum Match
Less than 1.0%	0%
1.0% or more, but less than 2.0%	1% of compensation
2.0% or more, but less than 3.0%	2% of compensation
3.0% or more, but less than 4.0%	3% of compensation
4.0% or more	4% of compensation

Employer matching contributions are subject to the following vesting schedule:

Years of Employment	Vested Percentage
0-2 years	0%
2 years	20%
3 years	30%
4 years	40%
5 years	50%
6 years	60%
7 years	70%
8 years	80%
9 years	90%
10 years	100%

For the year ended December 31, 2020, the City recognized contribution expense of \$249,777. There were no forfeitures during the year ended December 31, 2020.

Note 9. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a charter member of the Kansas Eastern Region Insurance Trust, Inc. (KERIT). KERIT, organized under the pooling laws of Kansas, is a risk sharing pool which self-insures, up to certain limits, and reinsures additional excess amounts up to certain limits, workers' compensation and other related expenses. The City pays annual premiums to KERIT based on historical experience and legal requirements mandated by the State of Kansas and participates in management decisions as a trustee. Members of the trust may be assessed additional premiums to cover losses up to the attachment point of excess coverage, and for losses in excess of the aggregate loss limit of \$ 5,000,000 in a particular year. The City has not been involved in any settlements where the amounts exceeded insurance coverage in the past three years.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 10. Interfund Transfers

Transfers made between funds during the year ended December 31, 2020 are described below:

Transfers out	Transfers in				Total
	General	Debt Service	Capital Projects	Non-Major Governmental Funds	
General	\$ -	\$ -	\$ 404,095	\$ 4,499,155	\$ 4,903,250
Capital Projects	506	51,317	-	632,814	684,637
Non-Major Governmental Funds	4,610	3,606,702	12,121,980	-	15,733,292
	<u>\$ 5,116</u>	<u>\$ 3,658,019</u>	<u>\$ 12,526,075</u>	<u>\$ 5,131,969</u>	<u>\$ 21,321,179</u>

All of the significant interfund transfers in 2020 were routine or administrative in nature. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts and (3) use unrestricted revenues collected in a fund that is used to finance various programs and capital outlay projects accounted for in another fund in accordance with budgetary authorizations.

The City uses interfund receivables and payables as needed when pooled cash is negative within a fund until investments mature or grant proceeds are received. All payables are cleared in less than one year.

Note 11. Commitments and Contingencies

The City is involved in various lawsuits arising in the ordinary course of business. In the event of an unfavorable outcome, the City management believes that any potential losses will not have a material impact on the financial position of the City.

The City participates in federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, though the City expects such amounts, if any, to be immaterial.

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for cash expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At December 31, 2020, the City had recorded the following encumbrances in budgeted governmental funds:

Capital projects fund	<u>\$ 6,569,713</u>
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Long-Term Rental Agreement: In 2012, the City received a donation of approximately 340 acres of land located in the City. The land was given to the City by Holliday Sand & Gravel Company (the Company). The Company retained the right to remove soil to enable them to mine sand and gravel for a period of up to thirty (30) years commencing in July 2012. The Company is obligated to pay all taxes, reclamation and environmental remediation costs resulting from the mining operations.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 11. Commitments and Contingencies (Continued)

The Company may terminate the rental agreement at any time. The rental agreement terminates automatically if the Company ceases to mine the property for twenty-four consecutive months. Upon early termination the Company must commence and complete the reclamation and environmental remediation as required by the State of Kansas. The Company is to pay the City an annual minimum rental of \$10,000 per year plus 15 cents per ton of material mined each year in excess of 100,000 tons. In 2020, the City received an annual reservation fee of \$19,693 and total rents of \$199,401.

COVID-19: On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, and all States of the United States of America.

It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the City. To date, the City is monitoring fiscal year 2021 revenue and expenditures very closely and reacting accordingly.

Note 12. Tax Abatements

Property tax abatements are authorized under Kansas statutes KSA 12-1740 et seq. and KSA 79-201a and subject to City policy (Policy Statement 21 – IRB and Tax Exemption Policy). Johnson County cities have used tax abatements for many years to spur industrial and office development. Kansas statutes provide a process for cities to abate property tax on qualifying property by issuing industrial revenue bonds up to the amount a developer borrows to finance the project. Abatements are used for industrial and office development; retail is not eligible. Cities may establish abatement percentages and criteria by policy rather than predefined state statute. Policy Statement PS-21, IRB and Property Tax Exemption Policy, define the City's requirements. Abatements may not exceed a term of ten years by statute but may be approved for a shorter term. The developer must demonstrate a positive cost/benefit to the various taxing jurisdictions. PS-21 defines the percentage guidelines for tax abatements based on project size and type. The percentage abated ranges from 50% to 100%.

To receive an abatement, applicants must submit an application, which undergoes due diligence and cost-benefit analysis before consideration by the City Council. Upon approval and completion of the project, the applicant/lessee must submit a renewal application to the City and County along with compliance information regarding job creation. If an applicant fails to pay the unabated portion of the property tax (payment-in-lieu of tax), the City Council has the option to terminate the agreement. The City's annual Economic Development Report provides details of the financial and job creation performance of each abatement.

No other governments have entered into tax abatement agreements that reduce the City's tax revenues. The City of Shawnee negotiates tax abatements on an individual basis. The City had the following 12 active tax abatements during 2020, totaling \$446,797 in abated City taxes for the year. Each abatement was approved based on its proposed job creation/retention and investment in the City's tax base included in its cost-benefit analysis.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 12. Tax Abatements (Continued)

Tax Abatement Agreements Initiated by the City

Ad Valorem Property Tax Abatements				
Company	Start	End	%	2020 Tax Abated
SMD LLC (Westglen Eye Clinic)	2011	2020	65%	\$ 8,023
McLane Food Service	2012	2021	50%	46,281
WestLink Building #1 (industrial)	2015	2024	80%	70,407
WestLink Building #2 (industrial)	2016	2025	80%	70,407
Westmor Industries (fuel tank manufacturing)	2016	2025	55%	5,954
Midland Hotel (Holiday Inn)	2016	2025	65%	32,996
Federated Rural Electric Coop (office)	2017	2026	90%	16,900
Stag's Creek (spec office building)	2018	2027	90%	26,737
JDC Shawnee, LLC - Nazdar (industrial)	2019	2028	75%	26,806
WestLink Building #3 (industrial)	2019	2028	80%	70,407
WestLink Building #4 (industrial)	2020	2029	80%	48,028
ServiceMaster DSI	2020	2029	67%	23,851
				<u>\$ 446,797</u>

Kansas Neighborhood Revitalization Act (KNRA): Based on Kansas statute KSA 12-117, the City of Shawnee, Johnson County, Shawnee Mission School District, Johnson County Community College, the Johnson County Parks and Recreation District, and the Johnson County Library approved the City's first KNRA district in 2002. The KNRA was provided to spur investment and revitalization of properties in the older, downtown vicinity of the City. The district was approved for a ten-year term from 2003 through 2012. In 2012, the City and the other taxing jurisdictions approved a second ten-year term for the program for 2013 - 2022 and expanded the district to include key commercial corridors and older residential areas adjacent to downtown.

The City's KNRA program allows a property owner to receive a 90% rebate on property tax from all jurisdictions except the State of Kansas on the incremental value of improvements that increase the appraised value of their property by at least \$ 5,000 as determined by the Johnson County Appraiser's Office. The remaining 10% of the incremental property tax goes to the City's Neighborhood Revitalization Fund to be used for improvements within the district. The taxing jurisdictions continue to receive full revenue on the base value of the property. KNRA is a relatively simple process compared to other incentives, and is available for both commercial and residential projects within the district. Criteria are straightforward, and City staff can approve the projects.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 12. Tax Abatements (Continued)

Applicants must submit an application, which undergoes due diligence by City Planning Department staff. Each project is approved on an individual basis. Because the rebate is not given until after improvements are put in place and property taxes are paid each year, there are no provisions for recapturing taxes. Details for KNRA projects are reported annually in the City's Economic Development Report.

Kansas Neighborhood Revitalization Act (KNRA)						
Property/Business Name	Address	Purpose	Type	Rebate Tax Year		2020
				Start	End	Rebate Paid
Michael Filla	10615 W. 61st Street	Home addition	Res	2011	2020	\$ 159
Donovan's Service	5912 Nieman	Renovated auto body shop	Com	2011	2020	1,988
Mattes Appraisal	5832 Flint	Renovated office	Com	2013	2022	1,096
Chipotle	11805 SM Pkwy	New restaurant building	Com	2013	2022	5,685
Direct Messenger	5802 Bluejacket	Renovate home for office use	Com	2013	2022	342
McCallop residence	11219 W. 57th Terrace	New single family home	Res	2013	2022	1,585
Carol A. Manns	11612 W. 61st Terrace	New single family home	Res	2014	2023	1,257
Auto Zone	11106 SM Pkwy	Renovated retail building	Com	2014	2023	13,260
HCA Emergency Room	10310 SM Pkwy	New medical building	Com	2015	2024	22,479
Thomas & Eleanor Kalin	10605 W. 61st Street	New single family home	Res	2016	2025	2,584
BC Engineers	5720 Reeder Road	Renovated office	Com	2016	2025	397
Jonathan & Mary Owens	5545 Nieman Road	New single family home	Res	2016	2025	83
Wendy's	11450 SM Pkwy	New restaurant building	Com	2016	2025	14,847
Back in Motion	11023 Johnson Drive	Renovated medical building	Com	2017	2026	1,908
McAlister's Deli	11330 SM Pkwy	New restaurant building	Com	2017	2026	6,963
Alan Willoughby	6029 Monrovia	Home addition	Res	2017	2026	360
Kenneth Heckman	11720 W. 57th Terrace	Home addition	Res	2017	2026	919
Roy & Cynthia Hayth	11300 W. 57th Street	New single family home	Res	2017	2026	2,087
Cheryl & Steven Garrison	12105 W 55th Street	New single family home	Res	2018	2027	3,323
Paula and David Morris	10800 W 60th St.	Home renovation	Res	2018	2027	385
Parkway Center, LLC	11215-11225 SM Pkwy	Commercial strip center exterior renov	Com	2018	2027	17,154
HPI Mission Parkway, LP	11320 SM Pkwy	New commercial building	Com	2018	2027	6,963
Thomas Stibal	12425 Johnson Dr.	New single family home	Res	2018	2027	3,403
Timothy & Valerie Dykes	5949 Monrovia	New single family home	Res	2018	2027	3,192
Burner7, LLC	5911 Barton St.	New commercial building	Com	2018	2027	9,769
Carol Mundy	6040 Ballentine st.	New single family home	Res	2018	2027	3,803
CPG RC Shawnee, LLC	10704 SM Pkwy	New fast food restaurant	Com	2018	2027	16,314
QuikTrip Corporation	10701 SMPKY	New convenience store and gasoline str	COM	2019	2028	24,065
Nieman Properties	5718 Nieman Rd	facade improvements	COM	2019	2028	1,680
						<u>\$ 168,050</u>

Tax Increment Financing (TIF): TIF is an economic development tool established by the Kansas TIF Act (KSA 12-1770 et seq.) and subject to City policy (PS-50) to aid in financing projects for substantial public benefit. Public benefits can include strengthening the City's employment and economic base, diversifying the tax base, eliminating blight, providing amenities and job creation/retention. The City's current TIF projects are on a pay-as-you-go basis, and work by reimbursing a portion of the incremental increase in property or sales taxes generated within the TIF district to the property owner. The base value (prior to improvements) is not subject to the rebate and is retained by the applicable jurisdictions.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 12. Tax Abatements (Continued)

Applicants must submit a detailed, written proposal to the City, which will undergo due diligence and analysis before it is presented to the City's Governing Body for consideration. If a TIF District is established and a Project Plan is approved, the process also includes a redevelopment agreement that specifies the performance certification and reimbursement requirements. City staff works with the property owner to certify eligible expenses and compliance with the agreement. When the project begins to generate TIF increment revenues, City staff works with the distributing agency and property owner to generate and track reimbursements. Because reimbursements are not paid until after improvements are put in place, agreement compliance is met, eligible expenses are certified, and sales/property tax distributions are made to the City, there are no provisions for recapturing taxes. Details for TIF districts and projects are reported annually in the City's Economic Development Report.

The City of Shawnee reports TIF projects on an individual basis. The City had the following active projects in 2020.

TIF Project Plans					
District	Purpose	Base Year	Expires	2020 Reimbursement	
				Sales Tax	Property Tax
Shawnee Plaza	Renovation of existing 100,000 square foot retail center, addition of three pad sites	2013	2023	\$ 85,158	\$ 199,473
Prairie Pines	Construction of 220 new market rate rental townhomes	2013	2023	-	247,117
				<u>\$ 85,158</u>	<u>\$ 446,590</u>

Transportation Development District (TDD): Transportation Development District (TDDs) are an economic development tool established by the Kansas TDD Act (KSA 12-17, 140 et seq.) and subject to City policy (PS-61) to assist with transportation-related improvements that can benefit a development and the public. If a TDD is approved, the City and applicant enter into an agreement that specifies performance, certification and reimbursement requirements. City staff works with the property owner to certify eligible expenses and compliance with the agreement. When the project begins to generate TIF increment revenues, City staff works with the distributing agency and property owner to generate and track reimbursements.

The City established its first TDD in March 2013 for Shawnee Plaza, to revitalize a long-vacant former grocery store development with a complete renovation and three new retail/restaurant pad sites. The City levied an additional 1% sales tax on sales within the district, effective January 1, 2014. The TDD tax is projected to generate \$3,534,263 over the maximum 22-year term of the TDD. The TDD sales tax, along with approximately \$750,000 in special assessments over 15 years, is designed to reimburse the City for debt payments on a general obligation bond issue that paid for the cost of relocating Midland Drive to improve access and create space for pad sites. Since the City reimbursed the developer for \$ 3,750,000 when the street project was complete in 2014, there were no TDD payments to the developer in 2020. The Redevelopment Agreement provides for a TIF Reserve to be continually maintained in the amount of the largest annual debt payment, so that TIF revenues will be available if the TDD revenues are insufficient in any year to cover the debt.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 12. Tax Abatements (Continued)

Community Improvement District (CID): Community Improvement District (CIDs) are an economic development tool established by the Kansas CID Act (KSA 12-6a26 through KSA 12-6a36 inclusive) and subject to City policy (PS-61) to assist with a broad array of improvements that can benefit a development and the public. If a CID is approved, the City and applicant enter into an agreement that specifies performance, certification and reimbursement requirements. City staff works with the property owner to certify eligible expenses and compliance with the agreement. When the project begins to generate TIF increment revenues, City staff works with the distributing agency and property owner to generate and track reimbursements.

Shawnee established its first CID for façade improvements to Ten Quivira Plaza at Shawnee Mission Parkway and Quivira Road in 2011. The Redevelopment Agreement provides up to \$1,375,000 to reimburse eligible costs for defined “base improvements” on a pay-as-you-go basis, funded by a CID sales tax of 0.5%.

Community Improvement District (CID)						
Name	CID Sales Tax				Purpose	2020
	Rate	Start	Expires			Reimbursement Amount
Ten Quivira Plaza	0.5%	1/1/2013	12/31/2034	*	Assist with façade improvements to aging retail center at strategic intersection	\$ 177,987

* At the current pace of revenue generation, this CID is projected to end within four years.

Excise Tax Abatement Program: In March 2013, the Governing Body approved a two-year suspension of the City’s excise tax on platting of real property. The suspension program is designed to increase the City’s tax base by encouraging conversion of agricultural land into higher value commercial and residential uses. If a proposed development does not require public infrastructure such as building a street, the City Council can approve an agreement to waive the cash payment for the amount of the excise tax. If the developer is required to build public infrastructure, the City has typically credited the amount of the excise tax toward the construction cost rather than requiring a cash payment. Under the abatement program, the developer can receive a cash payment from the City’s Economic Development Fund for the amount of the excise tax that previously would have been credited.

If an excise tax abatement is approved, the City and applicant enter into an agreement that specifies performance milestones. If compliance is not met, the abated tax becomes due.

CITY OF SHAWNEE, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

Note 12. Tax Abatements (Continued)

Policy Statement PS-65, Economic Development Policy, describes and defines the process. On November 13, 2017, the Governing Body approved the most recent extension of the abatement program through March 19, 2021.

2020 Excise Tax Abatements			
Development Name	Date Approved	Description	Excise Tax Abated
Maranatha Christian Academy	6/22/2020	Private School Campus	\$ 272,187
Legacy Crossing 1st Plat	7/13/2020	Residential - 31 Lot Single-Family Subdivision	102,668
Enclave of Mill Creek	10/26/2020	Residential - 30 Lot Single-Family Subdivision	25,568
			<u>\$ 400,423</u>

Note 13. Restatement

The City adopted GASB Statement No. 84 *Fiduciary Activities* during the current fiscal year. As a result of the adoption the activity of certain funds previously reported as agency funds are now reported as governmental funds. This increased the net position of Governmental Activities and fund balance for nonmajor Governmental Funds from the prior year is as follows:

	Governmental Activities	Nonmajor Governmental Funds	Fiduciary Funds
Net position/fund balance, December 31, 2019, as previously reported	\$ 593,689,226	\$ 21,249,530	\$ 21,490,652
Effect of adoption of GASB Statement No. 84	<u>30,165</u>	<u>30,165</u>	<u>32,125</u>
Net position/fund balance, December 31, 2019, as restated	<u>\$ 593,719,391</u>	<u>\$ 21,279,695</u>	<u>\$ 21,522,777</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SHAWNEE, KANSAS

SCHEDULE OF CHANGES IN THE SUPPLEMENTAL PENSION PLAN'S
NET PENSION LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014	2013
Total pension liability								
Service cost	\$ 443,531	\$ 465,708	\$ 481,791	\$ 491,013	\$ 419,618	\$ 446,006	\$ 383,397	\$ 386,242
Interest cost	1,779,284	1,672,142	1,547,939	1,398,476	1,290,625	1,258,220	1,099,909	1,015,741
Plan changes (changes in benefits)	-	-	-	-	-	-	136,867	-
Difference between expected and actual experience	369,391	86,368	350,900	809,741	172,826	(10,008)	(76,443)	10,799
Changes of assumptions	-	-	-	-	1,297,588	(789,584)	890,982	-
Benefit payments, including refunds of member contributions	(717,967)	(624,914)	(555,523)	(554,121)	(410,188)	(482,165)	(320,424)	(287,700)
Net change in total pension liability	1,874,239	1,599,304	1,825,107	2,145,109	2,770,469	422,469	2,114,288	1,125,082
Total pension liability, beginning	25,333,799	23,734,495	21,909,388	19,764,279	16,993,810	16,571,341	14,457,053	13,331,971
Total pension liability, end	\$ 27,208,038	\$ 25,333,799	\$ 23,734,495	\$ 21,909,388	\$ 19,764,279	\$ 16,993,810	\$ 16,571,341	\$ 14,457,053
Plan fiduciary net position								
Contributions - employer	\$ 1,021,040	\$ 1,247,727	\$ 978,510	\$ 978,510	\$ 870,000	\$ 729,000	\$ 677,555	\$ 741,424
Net investment income	2,226,015	3,333,144	(1,162,898)	2,439,460	1,085,306	(199,197)	829,987	1,375,445
Benefit payments, including refunds of member contributions	(717,967)	(624,914)	(555,523)	(554,121)	(410,188)	(482,165)	(320,424)	(287,700)
Net change in plan fiduciary net position	2,529,088	3,955,957	(739,911)	2,863,849	1,545,118	47,638	1,187,118	1,829,169
Plan fiduciary net position, beginning	21,490,652	17,534,695	18,274,606	15,410,757	13,865,639	13,818,001	12,630,883	10,801,714
Plan fiduciary net position, end	\$ 24,019,740	\$ 21,490,652	\$ 17,534,695	\$ 18,274,606	\$ 15,410,757	\$ 13,865,639	\$ 13,818,001	\$ 12,630,883
Net pension liability	\$ 3,188,298	\$ 3,843,147	\$ 6,199,800	\$ 3,634,782	\$ 4,353,522	\$ 3,128,171	\$ 2,753,340	\$ 1,826,170
Plan fiduciary net position as a percentage of the total pension liability	88.3%	84.8%	73.9%	83.4%	78.0%	81.6%	83.4%	87.4%
Covered payroll	\$ 14,047,744	\$ 14,586,447	\$ 15,560,959	\$ 16,156,609	\$ 16,607,587	\$ 16,404,043	\$ 16,345,869	\$ 16,129,326
Net pension liability as a percentage of covered payroll	22.7%	26.3%	39.8%	22.5%	26.2%	19.1%	16.8%	11.3%

* Only eight years of the information was available at December 31, 2020

CITY OF SHAWNEE, KANSAS

SCHEDULE OF THE SUPPLEMENTAL PENSION PLAN'S CONTRIBUTIONS

Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 1,021,040	\$ 1,247,727	\$ 924,788	\$ 978,510	\$ 757,705	\$ 728,700	\$ 564,108	\$ 619,128	\$ 691,017	\$ 636,959
Contributions in relation to the actuarially determined contribution	1,021,040	1,247,727	978,510	978,510	870,000	729,000	677,555	741,424	697,733	636,939
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,722)</u>	<u>\$ -</u>	<u>\$ (112,295)</u>	<u>\$ (300)</u>	<u>\$ (113,447)</u>	<u>\$ (122,296)</u>	<u>\$ (6,716)</u>	<u>\$ 20</u>
Covered payroll	\$ 14,047,744	\$ 14,586,447	\$ 15,560,959	\$ 16,156,609	\$ 16,607,587	\$ 16,404,043	\$ 16,345,869	\$ 16,129,326	\$ 15,905,000	\$ 15,609,000
Contributions as a percentage of covered payroll	7.27%	8.55%	6.29%	6.06%	5.24%	4.44%	4.15%	4.60%	4.39%	4.08%

Valuation date: Actuarially determined contribution rates are calculated as of December 31, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Individual entry age
Amortization method	Level percent-of-payroll, rolling
Remaining amortization period	10 years
Asset valuation method	Market value
Inflation	2.00%
Salary increases	4.00%
Investment rate of return	7.00%
Mortality	2021 IRS Optional Combined Mortality Table

CITY OF SHAWNEE, KANSAS

SCHEDULE OF THE SUPPLEMENTAL PENSION PLAN'S RETURNS

Last Ten Fiscal Years

Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2020	10.3%
2019	18.7
2018	(6.3)
2017	15.6
2016	7.7
2015	(1.4)
2014	6.5
2013	12.5
2012	13.3
2011	(2.3)

CITY OF SHAWNEE, KANSAS

SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
Health Insurance

Last Ten Fiscal Years*

	2020	2019	2018	2017
Total OPEB liability:				
Service cost	\$ 653,541	\$ 483,568	\$ 537,717	\$ 468,852
Interest	346,824	353,171	321,893	338,634
Change in benefit terms	(293,087)			
Difference between actual and expected experience	1,121,172	394,117	(406,197)	-
Changes of assumptions	198,673	970,226	(416,419)	318,940
Benefit payments	(449,913)	(364,626)	(276,923)	(256,212)
Net change in total OPEB liability	1,577,210	1,836,456	(239,929)	870,214
Total OPEB liability, beginning	11,132,229	9,295,773	9,535,702	8,665,488
Total OPEB liability, ending	<u>\$ 12,709,439</u>	<u>\$ 11,132,229</u>	<u>\$ 9,295,773</u>	<u>\$ 9,535,702</u>
Covered payroll	\$ 15,063,958	\$ 20,046,092	\$ 19,665,149	\$ 19,665,149
City's total OPEB liability as a percentage of covered payroll	84.37%	55.53%	47.27%	48.49%

Notes to Schedule:

Changes of assumptions:

2020

- The assumed healthy mortality was updated to reflect the Pub-2010 Public Retirement Plan Headcount-weighted Mortality table with MP-2020 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The per capita premium costs, retiree contribution premiums, and trend assumptions were updated (and actual trend was recognized when available as of the measurement date) as part of the actuarial evaluation.
- The discount rate was changed from 3.00% to 1.96% for the end of year measurement.

2019

- The assumed healthy mortality was updated to reflect the Pub-2010 Public Retirement Plan Headcount-weighted Mortality table with MP-2019 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The per capita premium costs, retiree contribution premiums, and trend assumptions were updated (and actual trend was recognized when available as of the measurement date) as part of the actuarial evaluation.
- The discount rate was changed from 3.68% to 3.00% for the end of year measurement.

* GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2017. Therefore, 10 years of data is unavailable.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
Disability Benefits and Life Insurance

Last Ten Fiscal Years*

	2020	2019	2018	2017
Total OPEB liability:				
Service cost	\$ 44,582	\$ 41,264	\$ 40,963	\$ 42,802
Interest	20,200	18,388	14,502	12,014
Economic and demographic gains or losses	64,084	49,079	57,974	-
Changes of assumptions or inputs	67,824	11,911	(6,953)	(8,300)
Benefit payments	(18,250)	(25,525)	(47,765)	(74,419)
Net change in total OPEB liability	178,440	95,117	58,721	(27,903)
Total OPEB liability, beginning	541,634	446,517	387,796	415,699
Total OPEB liability, ending	<u>\$ 720,074</u>	<u>\$ 541,634</u>	<u>\$ 446,517</u>	<u>\$ 387,796</u>
Covered payroll	\$ 10,886,883	\$ 10,402,637	\$ 10,000,030	\$ 9,648,214
City's total OPEB liability as a percentage of covered payroll	6.61%	5.21%	4.47%	4.02%

Notes to Schedule:

Changes of assumptions:

2020

- The discount rate was changed from 3.50% to 2.21% for the end of year measurement.
- The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

2019

- The discount rate was decreased from 3.87% to 3.50% in accordance with the requirements of GASB 75.
- The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

* GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2017. Therefore, 10 years of data is unavailable.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY

KPERS PENSION PLAN

Last Ten Fiscal Years*

	2020		2019		2018		2017		2016	
	Local	Police and Firemen	Local	Police and Firemen	Local	Police and Firemen	Local	Police and Firemen	Local	Police and Firemen
City's proportion of the net pension liability	0.610%	2.337%	0.610%	2.440%	0.602%	2.403%	0.566%	2.337%	0.544%	2.258%
City's proportionate share of the net pension liability	\$ 10,578,843	\$ 28,817,967	\$ 8,525,620	\$ 24,695,863	\$ 8,388,093	\$ 23,119,186	\$ 8,192,494	\$ 21,916,178	\$ 8,409,482	\$ 20,975,734
City's covered payroll	\$ 11,315,094	\$ 12,847,521	\$ 11,176,076	\$ 13,093,302	\$ 10,671,091	\$ 12,266,482	\$ 10,131,791	\$ 11,690,553	\$ 8,987,557	\$ 10,351,040
City's proportionate share of the net pension liability as a percentage of its covered payroll	93.49%	224.31%	76.28%	188.61%	78.61%	188.47%	80.86%	187.47%	93.57%	202.64%
Plan fiduciary net position as a percentage of the total pension liability	70.77%	66.81%	75.02%	71.22%	74.22%	71.53%	72.15%	70.99%	68.55%	69.30%
	2015									
	Local	Police and Firemen								
City's proportion of the net pension liability	0.530%	2.203%								
City's proportionate share of the net pension liability	\$ 6,960,066	\$ 15,995,768								
City's covered payroll	\$ 8,752,115	\$ 9,952,759								
City's proportionate share of the net pension liability as a percentage of its covered payroll	79.52%	160.72%								
Plan fiduciary net position as a percentage of the total pension liability	71.98%	74.60%								

* The amounts presented for each fiscal year were determined as of 12/31. Data became available with the inception of GASB 68 during fiscal year 2015; therefore, 10 years of data is unavailable.

CITY OF SHAWNEE, KANSAS
SCHEDULE OF THE CITY'S CONTRIBUTIONS
KPERS PENSION PLAN
Last Ten Fiscal Years*

	2020		2019		2018		2017		2016	
	Local	Police and Firemen	Local	Police and Firemen	Local	Police and Firemen	Local	Police and Firemen	Local	Police and Firemen
Contractually required contribution	\$ 1,008,249	\$ 2,828,414	\$ 1,169,972	\$ 3,438,394	\$ 900,538	\$ 2,536,565	\$ 900,991	\$ 2,268,486	\$ 878,066	\$ 2,331,877
Contributions in relation to the contractually required contribution	1,008,249	2,828,414	1,169,972	3,438,394	900,538	2,536,565	900,991	2,268,486	878,066	2,331,877
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 11,315,094	\$ 12,847,521	\$ 11,176,076	\$ 13,093,302	\$ 10,690,668	\$ 12,625,940	\$ 10,377,268	\$ 11,929,620	\$ 9,564,997	\$ 11,330,796
Contributions as a percentage of covered payroll	8.91%	22.02%	10.47%	26.26%	8.42%	20.09%	8.68%	19.02%	9.18%	20.58%
	2015									
	Local	Police and Firemen								
Contractually required contribution	\$ 852,020	\$ 2,231,684								
Contributions in relation to the contractually required contribution	852,020	2,231,684								
Contribution deficiency (excess)	\$ -	\$ -								
City's covered payroll	\$ 8,987,557	\$ 10,351,040								
Contributions as a percentage of covered payroll	9.48%	21.56%								

*Data became available with the inception of GASB 68 during fiscal year 2015; therefore, 10 years of data is unavailable.

OTHER SUPPLEMENTARY INFORMATION

CITY OF SHAWNEE, KANSAS

NONMAJOR GOVERNMENTAL FUNDS

Other governmental funds are composed entirely of special revenue funds which have been established to account for resources allocated by law or contractual agreement for specific purposes and continue in existence as long as governmental resources are allocated for their specific purposes. The only exception is the Equipment and Facility Reserve Fund, listed below, which is a nonmajor capital projects fund.

The City's other governmental funds, along with a brief description for each are as follows:

Special Revenue Funds:

Public Safety Equipment Fund—This fund is used to account for the purchase of police, fire, and rescue equipment from property tax revenue.

Special Narcotics Fund—This fund accounts for police expenditures funded by drug confiscation proceeds.

Special Highway Aid Fund—This fund is used to account for costs relating to the repair and maintenance of city streets and highways. Financing is derived from the City's share of the Kansas gasoline tax, as well as the revenue from the 3/8 cent pavement sales tax, and approximately one-half of the landfill impact fee.

Special Parks and Recreation Fund—This fund is used to account for parks and recreation expenditures funded from the state liquor tax.

Special Alcohol Abuse Fund—This fund is used to account for expenditures for alcohol rehabilitation programs funded from resources received from the state liquor tax.

Transient Guest Tax Fund—This fund is used to account for fees received from the hotel transient guest taxes used to promote tourism.

Park and Recreation Land Use Fund—This fund is used to account for development fees received by builders and developers which are designated for the City's neighborhood park program.

Parks and Pipes Fund—This fund is used to account for a 1/8 cent sales tax which is designated for storm drainage and park improvements.

Cemetery Fund—This fund is used to account for the operations of the municipal cemetery from grave lots and interment charges for services.

Stormwater Utility Fund—This fund is used to account for the City's stormwater management program from stormwater utility tax.

Public Safety Fund—This fund is used to account for a 1/8 cent sales tax which is designated for the construction of a Justice Center and thereafter for public safety projects.

Neighborhood Revitalization Fund—This fund is used to account for neighborhood revitalization activities from Neighborhood Revitalization Act District (NRA) 10% rebate.

Economic Development Fund—This fund is used to account for impact fees from the City's agreement with Deffenbaugh Industries, Inc. The expenditures from the fund have been determined through the Economic Development Fund Policy Statement.

CID/TIF/TDD Fund—This fund is used to account for TIF incremental property and sales tax revenues, as well as sales tax revenue collected from approved TDD and CID economic development projects. Expenditures accounted for in this fund include contractual reimbursement of eligible costs to developers, or contractual reimbursements to the City to cover debt service payments for public improvements.

CDBG Grant Fund—This fund is used to account for the CDBG grant.

Recycling Fund—This fund is used to account for the amounts collected for recycling.

Neighbors Helping Neighbors Fund—This fund is used to account for the amounts collected for Neighbors Helping Neighbors volunteer program.

Cafeteria Plan Fund—This fund is used to account for monies collected for employee cafeteria plan contributions.

Capital Projects Funds:

Equipment and Facility Reserve Fund—This fund is used to account for equipment replacement, facility improvements, and technology advancement.

CITY OF SHAWNEE, KANSAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Special Revenue Funds					
	Public Safety Equipment	Special Narcotics	Special Highway Aid	Special Parks and Recreation	Special Alcohol Abuse	Transient Guest Tax
						Park and Recreation Land Use
Assets:						
Cash and cash equivalents	\$ 1,213,240	\$ 7,011	\$ 6,555,708	\$ 412,115	\$ 232,932	\$ 203,067
Taxes receivable	1,256,961	-	-	-	-	-
Accounts receivable	-	-	-	-	-	199,401
Accrued interest	2,370	11	13,934	671	593	234
Due from other governments	-	-	1,286,338	-	-	58,976
Restricted cash	4,420	-	-	-	-	-
Total assets	\$ 2,476,991	\$ 7,022	\$ 7,855,980	\$ 412,786	\$ 233,525	\$ 262,277
Liabilities, deferred inflows of resources and fund balances:						
Liabilities:						
Accounts payable	\$ 77,771	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Accrued liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	77,771	-	-	-	-	60,000
Deferred inflows of resources:						
Unavailable revenue - property taxes	1,256,961	-	-	-	-	-
Total deferred inflows of resources	1,256,961	-	-	-	-	-
Total liabilities and deferred inflows of resources	1,334,732	-	-	-	-	60,000
Fund balances:						
Restricted	1,142,259	7,022	7,855,980	412,786	233,525	202,277
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	1,142,259	7,022	7,855,980	412,786	233,525	202,277
Total liabilities, deferred inflows of resources and fund balances	\$ 2,476,991	\$ 7,022	\$ 7,855,980	\$ 412,786	\$ 233,525	\$ 262,277

Special Revenue Funds											Capital Project Fund	
Parks and Pipes	Cemetery	Stormwater Utility	Public Safety	Neighborhood Revitalization	Economic Development	CID/TIF/TDD	CDBG Grant	Recycling Fund	Neighbors Helping Neighbors	Cafeteria Plan	Equipment and Facility Reserve	Totals
\$ 3,109,262	\$ 362,183	\$ 2,887,366	\$ 1,448,858	\$ 264,280	\$ 3,639,319	\$ 708,991	\$ -	\$ 5,945	\$ 1,414	\$ 18,174	\$ 1,498,197	\$ 23,398,329
-	-	-	-	-	-	-	-	-	-	-	-	1,256,961
-	-	-	-	-	-	-	-	-	-	-	-	199,401
9,006	540	5,002	1,878	382	6,366	1,203	-	-	-	-	1,139	44,595
284,675	-	34,479	284,675	-	-	75,563	2,135	-	-	-	-	2,026,841
-	-	-	-	-	-	-	-	-	-	-	-	4,420
<u>\$ 3,402,943</u>	<u>\$ 362,723</u>	<u>\$ 2,926,847</u>	<u>\$ 1,735,411</u>	<u>\$ 264,662</u>	<u>\$ 3,645,685</u>	<u>\$ 785,757</u>	<u>\$ 2,135</u>	<u>\$ 5,945</u>	<u>\$ 1,414</u>	<u>\$ 18,174</u>	<u>\$ 1,499,336</u>	<u>\$ 26,930,547</u>
\$ -	\$ 1,100	\$ 8,923	\$ -	\$ -	\$ 17,033	\$ -	\$ 8,866	\$ -	\$ -	\$ -	\$ -	\$ 173,693
-	-	21,419	-	-	-	-	-	-	-	-	-	21,419
-	-	-	-	-	-	-	2,135	-	-	-	-	2,135
<u>-</u>	<u>1,100</u>	<u>30,342</u>	<u>-</u>	<u>-</u>	<u>17,033</u>	<u>-</u>	<u>11,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>197,247</u>
-	-	-	-	-	-	-	-	-	-	-	-	1,256,961
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,256,961</u>
-	1,100	30,342	-	-	17,033	-	11,001	-	-	-	-	1,454,208
3,402,943	-	2,896,505	1,735,411	-	-	785,757	-	5,945	1,414	18,174	-	19,730,932
-	361,623	-	-	264,662	3,628,652	-	-	-	-	-	1,499,336	5,754,273
-	-	-	-	-	-	-	(8,866)	-	-	-	-	(8,866)
<u>3,402,943</u>	<u>361,623</u>	<u>2,896,505</u>	<u>1,735,411</u>	<u>264,662</u>	<u>3,628,652</u>	<u>785,757</u>	<u>(8,866)</u>	<u>5,945</u>	<u>1,414</u>	<u>18,174</u>	<u>1,499,336</u>	<u>25,476,339</u>
<u>\$ 3,402,943</u>	<u>\$ 362,723</u>	<u>\$ 2,926,847</u>	<u>\$ 1,735,411</u>	<u>\$ 264,662</u>	<u>\$ 3,645,685</u>	<u>\$ 785,757</u>	<u>\$ 2,135</u>	<u>\$ 5,945</u>	<u>\$ 1,414</u>	<u>\$ 18,174</u>	<u>\$ 1,499,336</u>	<u>\$ 26,930,547</u>

CITY OF SHAWNEE, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

Year Ended December 31, 2020

	Special Revenue Funds						
	Public Safety Equipment	Special Narcotics	Special Highway Aid	Special Parks and Recreation	Special Alcohol Abuse	Transient Guest Tax	Park and Recreation Land Use
Revenues:							
Taxes	\$ 1,373,536	\$ -	\$ 4,895,717	\$ 270,722	\$ 270,722	\$ 265,901	\$ -
Intergovernmental	-	-	1,682,666	-	-	-	-
Charges for services	-	-	1,402,215	-	-	-	-
Licenses and permits	-	-	-	-	-	-	124,561
Investment earnings	10,420	72	57,417	2,824	2,488	1,054	5,670
Miscellaneous	-	-	-	-	-	-	1,252
Total revenues	1,383,956	72	8,038,015	273,546	273,210	266,955	131,483
Expenditures:							
Current:							
General government	-	-	-	-	112,338	-	-
Community development	-	-	-	-	-	275,000	-
Public works	-	-	-	-	-	-	-
Public safety	1,307,970	10,000	-	-	207,000	-	-
Culture and recreation	-	-	-	-	-	-	-
Human resources	-	5,000	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	293,873	-	-	-	-	-	-
Interest and other charges	34,755	-	-	-	-	-	-
Bond issuance costs	18,916	-	-	-	-	-	-
Total expenditures	1,655,514	15,000	-	-	319,338	275,000	-
Excess (deficiency) of revenues over (under) expenditures	(271,558)	(14,928)	8,038,015	273,546	(46,128)	(8,045)	131,483
Other financing sources (uses):							
Issuance of debt	745,000	-	-	-	-	-	-
Premium on bonds issued	18,140	-	-	-	-	-	-
Transfers in	96,302	-	856,585	30,000	-	-	-
Transfer out	(310,277)	-	(7,272,832)	(196,314)	-	-	-
Total other financing sources (uses)	549,165	-	(6,416,247)	(166,314)	-	-	-
Net change in fund balances	277,607	(14,928)	1,621,768	107,232	(46,128)	(8,045)	131,483
Fund balances, beginning - as restated	864,652	21,950	6,234,212	305,554	279,653	210,322	899,451
Fund balances (deficits), ending	<u>\$ 1,142,259</u>	<u>\$ 7,022</u>	<u>\$ 7,855,980</u>	<u>\$ 412,786</u>	<u>\$ 233,525</u>	<u>\$ 202,277</u>	<u>\$ 1,030,934</u>

Special Revenue Funds												Capital Project Fund
Parks and Pipes	Cemetery	Stormwater Utility	Public Safety	Neighborhood Revitalization	Economic Development	CID/TIF/TDD	CDBG Grant	Recycling Fund	Neighbors Helping Neighbors	Cafeteria Plan	Equipment and Facility Reserve	Totals
\$ 1,631,906	\$ -	\$ 3,547,169	\$ 1,631,906	\$ 231,650	\$ -	\$ 1,218,109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,337,338
-	-	34,479	-	-	25,200	-	48,413	-	-	-	-	1,790,758
-	75,360	-	-	-	1,778,424	-	-	-	-	-	-	3,255,999
-	-	-	-	-	-	-	-	-	-	-	-	124,561
40,575	2,433	21,801	6,779	1,721	28,622	5,784	-	-	-	176	6,919	194,755
-	-	3,440	-	-	2,331	-	-	-	64	205,027	15,165	227,279
1,672,481	77,793	3,606,889	1,638,685	233,371	1,834,577	1,223,893	48,413	-	64	205,203	22,084	20,930,690
-	15,568	-	-	-	-	-	-	-	-	209,899	218,227	556,032
-	-	-	-	227,113	1,029,048	618,578	-	-	-	-	-	2,149,739
-	-	1,511,653	-	-	15,000	-	57,279	-	-	-	-	1,583,932
-	-	-	-	-	-	-	-	-	-	-	-	1,524,970
-	-	33,327	-	-	-	-	-	-	-	-	97,935	131,262
-	-	-	-	-	-	-	-	-	-	-	-	5,000
-	-	-	-	-	-	-	-	-	-	-	597,384	597,384
-	-	-	-	-	-	-	-	-	-	-	-	293,873
-	-	-	-	-	-	-	-	-	-	-	-	34,755
-	-	-	-	-	-	-	-	-	-	-	-	18,916
-	15,568	1,544,980	-	227,113	1,044,048	618,578	57,279	-	-	209,899	913,546	6,895,863
1,672,481	62,225	2,061,909	1,638,685	6,258	790,529	605,315	(8,866)	-	64	(4,696)	(891,462)	14,034,827
-	-	-	-	-	-	-	-	-	-	-	-	745,000
-	-	-	-	-	-	-	-	-	-	-	-	18,140
4,000	-	1,050,927	909,200	50,000	94,955	-	-	-	-	-	2,040,000	5,131,969
(3,466,939)	-	(1,020,060)	(1,451,520)	-	(792,054)	(306,360)	-	-	-	-	(916,936)	(15,733,292)
(3,462,939)	-	30,867	(542,320)	50,000	(697,099)	(306,360)	-	-	-	-	1,123,064	(9,838,183)
(1,790,458)	62,225	2,092,776	1,096,365	56,258	93,430	298,955	(8,866)	-	64	(4,696)	231,602	4,196,644
5,193,401	299,398	803,729	639,046	208,404	3,535,222	486,802	-	5,945	1,350	22,870	1,267,734	21,279,695
\$ 3,402,943	\$ 361,623	\$ 2,896,505	\$ 1,735,411	\$ 264,662	\$ 3,628,652	\$ 785,757	\$ (8,866)	\$ 5,945	\$ 1,414	\$ 18,174	\$ 1,499,336	\$ 25,476,339

CITY OF SHAWNEE, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

PUBLIC SAFETY EQUIPMENT FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 1,373,536	\$ -	\$ 1,373,536	\$ 1,402,856	\$ 1,351,336	\$ 22,200
Investment earnings	10,420	-	10,420	4,600	6,600	3,820
Total revenues	<u>1,383,956</u>	<u>-</u>	<u>1,383,956</u>	<u>1,407,456</u>	<u>1,357,936</u>	<u>26,020</u>
Expenditures:						
Public safety	1,307,970	-	1,307,970	617,037	1,325,724	17,754
Debt service:						
Principal	293,873	-	293,873	746,637	746,637	452,764
Interest and other charges	53,671	-	53,671	-	-	(53,671)
Total expenditures	<u>1,655,514</u>	<u>-</u>	<u>1,655,514</u>	<u>1,363,674</u>	<u>2,072,361</u>	<u>416,847</u>
Excess of revenues under expenditures	<u>(271,558)</u>	<u>-</u>	<u>(271,558)</u>	<u>43,782</u>	<u>(714,425)</u>	<u>442,867</u>
Other financing sources:						
Issuance of debt	745,000	-	745,000	-	744,225	775
Premium on bonds issued	18,140	-	18,140	-	-	18,140
Transfers in	96,302	-	96,302	-	-	96,302
Transfers out	(310,277)	-	(310,277)	-	(296,560)	(13,717)
Total other financing sources	<u>549,165</u>	<u>-</u>	<u>549,165</u>	<u>-</u>	<u>447,665</u>	<u>101,500</u>
Net change in fund balance	<u>277,607</u>	<u>-</u>	<u>277,607</u>	<u>\$ 43,782</u>	<u>\$ (266,760)</u>	<u>\$ 544,367</u>
Fund balance, beginning	<u>864,652</u>	<u>-</u>	<u>864,652</u>			
Fund balance, ending	<u>\$ 1,142,259</u>	<u>\$ -</u>	<u>\$ 1,142,259</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

SPECIAL NARCOTICS FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 5,000	\$ 4,000	\$ (4,000)
Investment earnings	72	-	72	467	100	(28)
Miscellaneous	-	-	-	2,800	2,800	(2,800)
Total revenues	<u>72</u>	<u>-</u>	<u>72</u>	<u>8,267</u>	<u>6,900</u>	<u>(6,828)</u>
Expenditures:						
Public safety	10,000	-	10,000	21,500	10,000	-
Human resources	5,000	-	5,000	-	5,000	-
Total expenditures	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>21,500</u>	<u>15,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,928)</u>	<u>-</u>	<u>(14,928)</u>	<u>\$ (13,233)</u>	<u>\$ (8,100)</u>	<u>\$ (6,828)</u>
Fund balance, beginning	<u>21,950</u>	<u>-</u>	<u>21,950</u>			
Fund balance, ending	<u>\$ 7,022</u>	<u>\$ -</u>	<u>\$ 7,022</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

SPECIAL HIGHWAY AID FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 4,895,717	\$ -	\$ 4,895,717	\$ 4,664,984	\$ 3,735,700	\$ 1,160,017
Intergovernmental	1,682,666	-	1,682,666	1,796,200	1,547,200	135,466
Charges for services	1,402,215	-	1,402,215	1,402,216	1,402,216	(1)
Investment earnings	57,417	-	57,417	59,870	37,300	20,117
Total revenues	<u>8,038,015</u>	<u>-</u>	<u>8,038,015</u>	<u>7,923,270</u>	<u>6,722,416</u>	<u>1,315,599</u>
Expenditures:						
Public works	-	-	-	8,608,249	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,608,249</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>8,038,015</u>	<u>-</u>	<u>8,038,015</u>	<u>(684,979)</u>	<u>6,722,416</u>	<u>1,315,599</u>
Other financing sources (uses):						
Transfers in	856,585	-	856,585	415,000	415,000	441,585
Transfers out	(7,272,832)	-	(7,272,832)	(3,613,416)	(8,858,250)	1,585,418
Total other financing sources (uses)	<u>(6,416,247)</u>	<u>-</u>	<u>(6,416,247)</u>	<u>(3,198,416)</u>	<u>(8,443,250)</u>	<u>2,027,003</u>
Net change in fund balance	<u>1,621,768</u>	<u>-</u>	<u>1,621,768</u>	<u>\$ (3,883,395)</u>	<u>\$ (1,720,834)</u>	<u>\$ 3,342,602</u>
Fund balance, beginning	<u>6,234,212</u>	<u>-</u>	<u>6,234,212</u>			
Fund balance, ending	<u>\$ 7,855,980</u>	<u>\$ -</u>	<u>\$ 7,855,980</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

SPECIAL PARKS AND RECREATION FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 270,722	\$ -	\$ 270,722	\$ 301,600	\$ 189,000	\$ 81,722
Investment earnings	2,824	-	2,824	3,800	2,100	724
Total revenues	<u>273,546</u>	<u>-</u>	<u>273,546</u>	<u>305,400</u>	<u>191,100</u>	<u>82,446</u>
Expenditures:						
Culture and recreation	-	-	-	579,108	184,108	184,108
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>579,108</u>	<u>184,108</u>	<u>184,108</u>
Excess (deficiency) of revenues over (under) expenditures	<u>273,546</u>	<u>-</u>	<u>273,546</u>	<u>(273,708)</u>	<u>6,992</u>	<u>266,554</u>
Other financing uses:						
Transfers in	30,000	-	30,000	-	-	30,000
Transfers out	(196,314)	-	(196,314)	(579,108)	(184,108)	(12,206)
Total other financing uses	<u>(166,314)</u>	<u>-</u>	<u>(166,314)</u>	<u>(579,108)</u>	<u>(184,108)</u>	<u>17,794</u>
Net change in fund balance	107,232	-	107,232	<u>\$ (852,816)</u>	<u>\$ (177,116)</u>	<u>\$ 254,348</u>
Fund balance, beginning	<u>305,554</u>	<u>-</u>	<u>305,554</u>			
Fund balance, ending	<u>\$ 412,786</u>	<u>\$ -</u>	<u>\$ 412,786</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

SPECIAL ALCOHOL ABUSE FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 270,722	\$ -	\$ 270,722	\$ 301,600	\$ 189,000	\$ 81,722
Investment earnings	2,488	-	2,488	3,100	1,000	1,488
Total revenues	<u>273,210</u>	<u>-</u>	<u>273,210</u>	<u>304,700</u>	<u>190,000</u>	<u>83,210</u>
Expenditures:						
General government	112,338	-	112,338	111,193	111,193	(1,145)
Public safety	207,000	-	207,000	218,000	218,000	11,000
Total expenditures	<u>319,338</u>	<u>-</u>	<u>319,338</u>	<u>329,193</u>	<u>329,193</u>	<u>9,855</u>
Excess of revenues under expenditures	<u>(46,128)</u>	<u>-</u>	<u>(46,128)</u>	<u>\$ (24,493)</u>	<u>\$ (139,193)</u>	<u>\$ 93,065</u>
Fund balance, beginning	<u>279,653</u>	<u>-</u>	<u>279,653</u>			
Fund balance, ending	<u>\$ 233,525</u>	<u>\$ -</u>	<u>\$ 233,525</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

TRANSIENT GUEST TAX FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 265,901	\$ -	\$ 265,901	\$ 487,500	\$ 284,400	\$ (18,499)
Investment earnings	1,054	-	1,054	2,200	1,700	(646)
Total revenues	<u>266,955</u>	<u>-</u>	<u>266,955</u>	<u>489,700</u>	<u>286,100</u>	<u>(19,145)</u>
Expenditures:						
Community development	275,000	-	275,000	489,700	275,000	-
Total expenditures	<u>275,000</u>	<u>-</u>	<u>275,000</u>	<u>489,700</u>	<u>275,000</u>	<u>-</u>
Excess of revenues over expenditures	<u>(8,045)</u>	<u>-</u>	<u>(8,045)</u>	<u>-</u>	<u>11,100</u>	<u>(19,145)</u>
Other financing uses:						
Transfers out	-	-	-	(214,700)	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(214,700)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(8,045)</u>	<u>-</u>	<u>(8,045)</u>	<u>\$ (214,700)</u>	<u>\$ 11,100</u>	<u>\$ (19,145)</u>
Fund balance, beginning	<u>210,322</u>	<u>-</u>	<u>210,322</u>			
Fund balance, ending	<u>\$ 202,277</u>	<u>\$ -</u>	<u>\$ 202,277</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

PARK AND RECREATION LAND USE FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Licenses and permits	\$ 124,561	\$ -	\$ 124,561	\$ 156,082	\$ 156,082	\$ (31,521)
Investment earnings	5,670	-	5,670	8,900	5,900	(230)
Miscellaneous	1,252	-	1,252	196,725	19,693	(18,441)
Total revenues	<u>131,483</u>	<u>-</u>	<u>131,483</u>	<u>361,707</u>	<u>181,675</u>	<u>(50,192)</u>
Expenditures:						
Culture and recreation	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>131,483</u>	<u>-</u>	<u>131,483</u>	<u>\$ 361,707</u>	<u>\$ 181,675</u>	<u>\$ (50,192)</u>
Net change in fund balance	131,483	-	131,483	<u>\$ 361,707</u>	<u>\$ 181,675</u>	<u>\$ (50,192)</u>
Fund balance, beginning	<u>899,451</u>	<u>-</u>	<u>899,451</u>			
Fund balance, ending	<u>\$ 1,030,934</u>	<u>\$ -</u>	<u>\$ 1,030,934</u>			

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL

PARKS AND PIPES FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 1,631,906	\$ -	\$ 1,631,906	\$ 1,245,300	\$ 1,505,400	\$ 126,506
Investment earnings	40,575	-	40,575	11,600	3,000	37,575
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>1,672,481</u>	<u>-</u>	<u>1,672,481</u>	<u>1,256,900</u>	<u>1,508,400</u>	<u>164,081</u>
Expenditures:						
Culture and recreation	-	-	-	4,651,994	2,630,530	2,630,530
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,651,994</u>	<u>2,630,530</u>	<u>2,630,530</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,672,481</u>	<u>-</u>	<u>1,672,481</u>	<u>(3,395,094)</u>	<u>(1,122,130)</u>	<u>2,794,611</u>
Other financing sources (uses):						
Transfers in	4,000	-	4,000	-	-	4,000
Transfers out	(3,466,939)	-	(3,466,939)	(4,000,000)	(4,000,000)	533,061
Total other financing sources (uses)	<u>(3,462,939)</u>	<u>-</u>	<u>(3,462,939)</u>	<u>(4,000,000)</u>	<u>(4,000,000)</u>	<u>537,061</u>
Net change in fund balance	<u>(1,790,458)</u>	<u>-</u>	<u>(1,790,458)</u>	<u>\$ (7,395,094)</u>	<u>\$ (5,122,130)</u>	<u>\$ 3,331,672</u>
Fund balance, beginning	<u>5,193,401</u>	<u>-</u>	<u>5,193,401</u>			
Fund balance, ending	<u>\$ 3,402,943</u>	<u>\$ -</u>	<u>\$ 3,402,943</u>			

See notes to basic financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

CEMETERY FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Charges for services	\$ 75,360	\$ -	\$ 75,360	\$ 43,200	\$ 51,300	\$ 24,060
Investment earnings	2,433	-	2,433	1,900	2,900	(467)
Total revenues	<u>77,793</u>	<u>-</u>	<u>77,793</u>	<u>45,100</u>	<u>54,200</u>	<u>23,593</u>
Expenditures:						
General government	15,568	-	15,568	25,000	25,000	9,432
Total expenditures	<u>15,568</u>	<u>-</u>	<u>15,568</u>	<u>25,000</u>	<u>25,000</u>	<u>9,432</u>
Net change in fund balance	62,225	-	62,225	<u>\$ 20,100</u>	<u>\$ 29,200</u>	<u>\$ 33,025</u>
Fund balance, beginning	<u>299,398</u>	<u>-</u>	<u>299,398</u>			
Fund balance, ending	<u>\$ 361,623</u>	<u>\$ -</u>	<u>\$ 361,623</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

STORMWATER UTILITY FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 3,547,169	\$ -	\$ 3,547,169	\$ 3,532,800	\$ 3,446,600	\$ 100,569
Intergovernmental	34,479	-	34,479	-	-	34,479
Investment earnings	21,801	-	21,801	8,600	12,900	8,901
Miscellaneous	3,440	-	3,440	-	3,000	440
Total revenues	<u>3,606,889</u>	<u>-</u>	<u>3,606,889</u>	<u>3,541,400</u>	<u>3,462,500</u>	<u>144,389</u>
Expenditures:						
Public works	1,511,653	-	1,511,653	3,202,300	2,303,875	792,222
Culture and recreation	33,327	-	33,327	-	-	(33,327)
Capital outlay	-	-	-	1,089,100	1,735,081	1,735,081
Total expenditures	<u>1,544,980</u>	<u>-</u>	<u>1,544,980</u>	<u>4,291,400</u>	<u>4,038,956</u>	<u>2,493,976</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,061,909</u>	<u>-</u>	<u>2,061,909</u>	<u>(750,000)</u>	<u>(576,456)</u>	<u>2,638,365</u>
Other financing sources (uses):						
Transfers in	1,050,927	-	1,050,927	750,000	635,000	415,927
Transfers out	(1,020,060)	-	(1,020,060)	-	-	(1,020,060)
Total other financing sources (uses)	<u>30,867</u>	<u>-</u>	<u>30,867</u>	<u>750,000</u>	<u>635,000</u>	<u>(604,133)</u>
Net change in fund balance	<u>2,092,776</u>	<u>-</u>	<u>2,092,776</u>	<u>\$ -</u>	<u>\$ 58,544</u>	<u>\$ 2,034,232</u>
Fund balance, beginning	<u>803,729</u>	<u>-</u>	<u>803,729</u>			
Fund balance, ending	<u>\$ 2,896,505</u>	<u>\$ -</u>	<u>\$ 2,896,505</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

PUBLIC SAFETY FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 1,631,906	\$ -	\$ 1,631,906	\$ 1,555,100	\$ 1,505,400	\$ 126,506
Investment earnings	6,779	-	6,779	6,900	5,200	1,579
Total revenues	<u>1,638,685</u>	<u>-</u>	<u>1,638,685</u>	<u>1,562,000</u>	<u>1,510,600</u>	<u>128,085</u>
Expenditures:						
Principal	-	-	-	925,440	925,440	925,440
Interest and other charges	-	-	-	526,080	526,080	526,080
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,451,520</u>	<u>1,451,520</u>	<u>1,451,520</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,638,685</u>	<u>-</u>	<u>1,638,685</u>	<u>110,480</u>	<u>59,080</u>	<u>1,579,605</u>
Other financing sources (uses):						
Transfers in	909,200	-	909,200	-	-	909,200
Transfers out	(1,451,520)	-	(1,451,520)	-	(1,451,520)	-
Total other financing sources (uses)	<u>(542,320)</u>	<u>-</u>	<u>(542,320)</u>	<u>-</u>	<u>(1,451,520)</u>	<u>909,200</u>
Net change in fund balance	<u>1,096,365</u>	<u>-</u>	<u>1,096,365</u>	<u>\$ 110,480</u>	<u>\$ (1,392,440)</u>	<u>\$ 2,488,805</u>
Fund balance, beginning	<u>639,046</u>	<u>-</u>	<u>639,046</u>			
Fund balance, ending	<u>\$ 1,735,411</u>	<u>\$ -</u>	<u>\$ 1,735,411</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

NEIGHBORHOOD REVITALIZATION FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 231,650	\$ -	\$ 231,650	\$ 688,701	\$ 239,326	\$ (7,676)
Investment earnings	1,721	-	1,721	-	-	1,721
Total revenues	<u>233,371</u>	<u>-</u>	<u>233,371</u>	<u>688,701</u>	<u>239,326</u>	<u>(5,955)</u>
Expenditures:						
Community development	227,113	-	227,113	690,811	286,415	59,302
Total expenditures	<u>227,113</u>	<u>-</u>	<u>227,113</u>	<u>690,811</u>	<u>286,415</u>	<u>59,302</u>
Deficiency of revenues under expenditures	<u>6,258</u>	<u>-</u>	<u>6,258</u>	<u>(2,110)</u>	<u>(47,089)</u>	<u>53,347</u>
Other financing sources:						
Transfers in	50,000	-	50,000	50,000	50,000	-
Total other financing sources	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balance	<u>56,258</u>	<u>-</u>	<u>56,258</u>	<u>\$ 47,890</u>	<u>\$ 2,911</u>	<u>\$ 53,347</u>
Fund balance, beginning	<u>208,404</u>	<u>-</u>	<u>208,404</u>			
Fund balance, ending	<u>\$ 264,662</u>	<u>\$ -</u>	<u>\$ 264,662</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

ECONOMIC DEVELOPMENT FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Intergovernmental	\$ 25,200	\$ -	\$ 25,200	\$ 25,200	\$ 193,200	\$ (168,000)
Charges for services	1,778,424	-	1,778,424	1,778,424	1,778,424	-
Investment earnings	28,622	-	28,622	32,300	28,600	22
Miscellaneous	2,331	-	2,331	-	-	2,331
Total revenues	<u>1,834,577</u>	<u>-</u>	<u>1,834,577</u>	<u>1,835,924</u>	<u>2,000,224</u>	<u>(165,647)</u>
Expenditures:						
Community development	1,029,048	-	1,029,048	1,274,664	2,166,664	1,137,616
Public works	15,000	-	15,000	-	-	(15,000)
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	799,815	792,054	792,054
Interest and other charges	-	-	-	-	-	-
Total expenditures	<u>1,044,048</u>	<u>-</u>	<u>1,044,048</u>	<u>2,074,479</u>	<u>2,958,718</u>	<u>1,914,670</u>
Excess (deficiency) of revenues under expenditures	<u>790,529</u>	<u>-</u>	<u>790,529</u>	<u>(238,555)</u>	<u>(958,494)</u>	<u>1,749,023</u>
Other financing sources (uses):						
Transfers in	94,955	-	94,955	-	-	94,955
Transfers out	(792,054)	-	(792,054)	-	(792,054)	-
Total other financing sources (uses)	<u>(697,099)</u>	<u>-</u>	<u>(697,099)</u>	<u>-</u>	<u>(792,054)</u>	<u>94,955</u>
Net change in fund balance	<u>93,430</u>	<u>-</u>	<u>93,430</u>	<u>\$ (238,555)</u>	<u>\$ (1,750,548)</u>	<u>\$ 1,843,978</u>
Fund balance, beginning	<u>3,535,222</u>	<u>-</u>	<u>3,535,222</u>			
Fund balance, ending	<u>\$ 3,628,652</u>	<u>\$ -</u>	<u>\$ 3,628,652</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

CID/TIF/TDD FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 1,218,109	\$ -	\$ 1,218,109	\$ 2,807,610	\$ 1,160,390	\$ 57,719
Investment earnings	5,784	-	5,784	5,000	3,900	1,884
Total revenues	<u>1,223,893</u>	<u>-</u>	<u>1,223,893</u>	<u>2,812,610</u>	<u>1,164,290</u>	<u>59,603</u>
Expenditures:						
Community development	618,578	-	618,578	2,062,705	1,226,727	608,149
Total expenditures	<u>618,578</u>	<u>-</u>	<u>618,578</u>	<u>2,062,705</u>	<u>1,226,727</u>	<u>608,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>605,315</u>	<u>-</u>	<u>605,315</u>	<u>749,905</u>	<u>(62,437)</u>	<u>667,752</u>
Other financing uses:						
Transfers out	(306,360)	-	(306,360)	(305,735)	(306,360)	-
Total other financing uses	<u>(306,360)</u>	<u>-</u>	<u>(306,360)</u>	<u>(305,735)</u>	<u>(306,360)</u>	<u>-</u>
Net change in fund balance	<u>298,955</u>	<u>-</u>	<u>298,955</u>	<u>\$ 444,170</u>	<u>\$ (368,797)</u>	<u>\$ 667,752</u>
Fund balance, beginning	<u>486,802</u>	<u>-</u>	<u>486,802</u>			
Fund balance, ending	<u>\$ 785,757</u>	<u>\$ -</u>	<u>\$ 785,757</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

EQUIPMENT AND FACILITY RESERVE FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Investment earnings	\$ 6,919	\$ -	\$ 6,919	\$ 4,900	\$ 4,900	\$ 2,019
Miscellaneous	15,165	-	15,165	-	-	15,165
Total revenues	<u>22,084</u>	<u>-</u>	<u>22,084</u>	<u>4,900</u>	<u>4,900</u>	<u>17,184</u>
Expenditures:						
General government	218,227	-	218,227	-	-	(218,227)
Culture and recreation	97,935	-	97,935	-	-	(97,935)
Capital outlay	597,384	-	597,384	2,329,327	1,822,611	1,225,227
Total expenditures	<u>913,546</u>	<u>-</u>	<u>913,546</u>	<u>2,329,327</u>	<u>1,822,611</u>	<u>909,065</u>
Deficiency of revenues under expenditures	<u>(891,462)</u>	<u>-</u>	<u>(891,462)</u>	<u>(2,324,427)</u>	<u>(1,817,711)</u>	<u>926,249</u>
Other financing sources (uses):						
Transfers in	2,040,000	-	2,040,000	2,365,000	2,365,000	(325,000)
Transfers out	(916,936)	-	(916,936)	-	-	(916,936)
Total other financing sources (uses)	<u>1,123,064</u>	<u>-</u>	<u>1,123,064</u>	<u>2,365,000</u>	<u>2,365,000</u>	<u>(1,241,936)</u>
Net change in fund balance	<u>231,602</u>	<u>-</u>	<u>231,602</u>	<u>\$ 40,573</u>	<u>\$ 547,289</u>	<u>\$ (315,687)</u>
Fund balance, beginning	<u>1,267,734</u>	<u>-</u>	<u>1,267,734</u>			
Fund balance, ending	<u>\$ 1,499,336</u>	<u>\$ -</u>	<u>\$ 1,499,336</u>			

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

DEBT SERVICE FUND

Year Ended December 31, 2020

	GAAP Basis Actual	Adjustments	Budgetary Basis Actual	Budgeted Amounts		Variance
				Original	Final	
Revenues:						
Taxes	\$ 6,579,764	\$ -	\$ 6,579,764	\$ 6,578,236	\$ 6,508,790	\$ 70,974
Investment earnings	39,649	-	39,649	16,400	39,100	549
Total revenues	<u>6,619,413</u>	<u>-</u>	<u>6,619,413</u>	<u>6,594,636</u>	<u>6,547,890</u>	<u>71,523</u>
Expenditures:						
Debt service:						
Principal	6,715,000	-	6,715,000	5,000,000	6,715,000	-
Interest and other charges	2,371,859	-	2,371,859	1,079,158	2,319,846	(52,013)
Bond issuance costs	-	-	-	-	-	-
Total expenditures	<u>9,086,859</u>	<u>-</u>	<u>9,086,859</u>	<u>6,079,158</u>	<u>9,034,846</u>	<u>(52,013)</u>
Deficiency of revenues under expenditures	<u>(2,467,446)</u>	<u>-</u>	<u>(2,467,446)</u>	<u>515,478</u>	<u>(2,486,956)</u>	<u>19,510</u>
Other financing sources:						
Issuance of bonds	-	-	-	-	-	-
Transfers in	3,658,019	-	3,658,019	466,645	3,600,298	57,721
Total other financing sources	<u>3,658,019</u>	<u>-</u>	<u>3,658,019</u>	<u>466,645</u>	<u>3,600,298</u>	<u>57,721</u>
Net change in fund balance	<u>1,190,573</u>	<u>-</u>	<u>1,190,573</u>	<u>\$ 982,123</u>	<u>\$ 1,113,342</u>	<u>\$ 77,231</u>
Fund balance, beginning	<u>1,394,755</u>	<u>-</u>	<u>1,394,755</u>			
Fund balance, ending	<u>\$ 2,585,328</u>	<u>\$ -</u>	<u>\$ 2,585,328</u>			

CITY OF SHAWNEE, KANSAS

Statistical Section (Unaudited)

This part of the City of Shawnee's *Comprehensive Annual 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 City's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economical Information

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

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Financial Report for the relevant year.

Table 1
Unaudited

CITY OF SHAWNEE, KANSAS

NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities:										
Net investment in										
capital assets	\$ 575,914,799	\$ 584,268,414	\$ 601,268,231	\$ 605,438,108	\$ 601,281,429	\$ 602,868,526	\$ 605,935,399	\$ 615,304,921	\$ 618,991,639	\$ 625,716,905
Restricted	22,316,260	17,333,527	11,185,005	10,329,190	12,361,039	13,524,452	11,213,807	16,214,821	18,750,770	17,168,418
Unrestricted	<u>(7,753,838)</u>	<u>(7,912,715)</u>	<u>(10,474,226)</u>	<u>(13,815,195)</u>	<u>(8,019,994)</u>	<u>(5,589,122)</u>	<u>20,781,587</u>	<u>14,613,148</u>	<u>15,012,804</u>	<u>17,703,574</u>
Total net position	<u>\$ 590,477,221</u>	<u>\$ 593,689,226</u>	<u>\$ 601,979,010</u>	<u>\$ 601,952,103</u>	<u>\$ 605,622,474</u>	<u>\$ 610,803,856</u>	<u>\$ 637,930,793</u>	<u>\$ 646,132,890</u>	<u>\$ 652,755,213</u>	<u>\$ 660,588,897</u>

CITY OF SHAWNEE, KANSAS

CHANGE IN NET POSITION LAST TEN YEARS (accrual basis of accounting)

	2020	2019	2018	2017
Expenses				
Governmental activities:				
General government	\$ 9,938,319	\$ 8,462,320	\$ 10,185,215	\$ 9,241,500
Community development	4,828,070	4,585,418	4,654,541	5,385,769
Public works	37,680,773	41,713,158	37,369,340	40,224,018
Public safety	31,058,369	30,284,678	25,117,920	23,967,592
Culture and recreation	5,922,817	6,510,763	6,009,637	12,646,553
Human resources	46,684	356,744	313,099	315,480
Interest on long-term debt	1,968,705	1,727,485	1,420,991	1,374,379
Total primary government expenses	<u>91,443,737</u>	<u>93,640,566</u>	<u>85,070,743</u>	<u>93,155,291</u>
Program revenues				
Governmental activities:				
Charges for services:				
General government	3,611,531	3,515,068	3,274,186	3,510,079
Community development	-	-	-	-
Public works	1,402,215	1,378,513	1,378,515	1,378,515
Public safety	960,412	1,271,733	1,407,204	1,459,261
Culture and recreation	937,471	1,424,858	1,512,850	1,553,065
Operating grants and contributions:				
General government	-	-	-	-
Community development	456,803	238,935	205,112	179,300
Public works	7,239,885	5,870,659	5,486,646	5,205,179
Public safety	61,518	201,410	276,929	196,201
Culture and recreation	-	-	-	-
Human resources	-	-	-	-
Capital grants and contributions:				
Public works	4,878,409	3,106,034	6,716,311	8,515,006
Total primary government program revenues	<u>19,548,244</u>	<u>17,007,210</u>	<u>20,257,753</u>	<u>21,996,606</u>
Total primary government net (expense)	<u>(71,895,493)</u>	<u>(76,633,356)</u>	<u>(64,812,990)</u>	<u>(71,158,685)</u>
General revenues and other changes in net position				
Governmental activities:				
Taxes:				
Property	28,884,003	27,709,127	26,019,649	24,656,709
Sales	32,494,939	31,346,771	30,820,461	29,838,522
Alcohol	812,405	984,474	869,649	864,444
Franchise	4,861,124	5,125,860	5,410,475	5,237,607
Other	265,901	515,409	448,918	469,308
Unrestricted investment earnings	459,145	982,405	408,931	616,532
Miscellaneous	875,806	1,679,526	613,693	727,877
Total primary government	<u>68,653,323</u>	<u>68,343,572</u>	<u>64,591,776</u>	<u>62,410,999</u>
Change in net position governmental activities	<u>\$ (3,242,170)</u>	<u>\$ (8,289,784)</u>	<u>\$ (221,214)</u>	<u>\$ (8,747,686)</u>

Table 2
Unaudited

2016	2015	2014	2013	2012	2011
\$ 6,820,671	\$ 6,025,476	\$ 5,072,270	\$ 5,549,640	\$ 5,525,424	\$ 5,170,265
5,293,971	3,590,325	3,312,506	2,398,451	2,280,742	2,212,971
34,217,633	32,322,294	30,211,499	28,174,722	28,132,957	27,184,238
24,445,274	22,528,662	22,594,429	22,687,942	19,910,440	19,699,726
5,238,203	5,024,938	4,860,042	4,766,564	4,599,190	4,592,542
304,010	288,258	312,842	253,669	222,913	192,480
1,744,171	1,959,888	4,458,689	2,585,159	3,450,003	3,191,291
<u>78,063,933</u>	<u>71,739,841</u>	<u>70,822,277</u>	<u>66,416,147</u>	<u>64,121,669</u>	<u>62,243,513</u>
3,176,877	3,123,288	2,872,718	3,280,683	2,285,437	2,880,161
-	-	-	-	-	-
1,378,515	1,378,515	1,100,640	-	-	-
1,473,179	1,273,912	1,071,051	1,186,974	1,218,300	-
1,480,563	1,375,093	1,403,259	1,311,795	1,424,903	1,249,051
961,200	37,337	161,249	-	-	-
-	-	-	-	-	-
6,066,550	4,888,710	1,734,640	1,642,525	1,671,931	1,836,989
32,129	37,816	35,110	75,738	43,240	95,140
2,199	16,187	13,988	-	-	39,798
-	-	-	-	-	300
<u>5,029,435</u>	<u>9,761,406</u>	<u>3,190,861</u>	<u>2,929,567</u>	<u>1,165,994</u>	<u>4,713,864</u>
<u>19,600,647</u>	<u>21,892,264</u>	<u>11,583,516</u>	<u>10,427,282</u>	<u>7,809,805</u>	<u>10,815,303</u>
<u>(58,463,286)</u>	<u>(49,847,577)</u>	<u>(59,238,761)</u>	<u>(55,988,865)</u>	<u>(56,311,864)</u>	<u>(51,428,210)</u>
18,890,776	19,312,158	21,593,257	22,568,116	22,821,912	22,583,070
27,608,604	25,639,155	22,272,290	20,638,709	19,587,884	19,168,426
825,595	843,498	770,020	723,688	690,852	714,025
5,082,789	5,010,813	5,278,517	5,067,006	4,736,107	4,876,313
-	-	287,819	18,810	8,747	955
260,991	249,443	161,574	279,913	147,902	133,409
613,149	630,461	673,187	600,864	484,776	648,115
<u>53,281,904</u>	<u>51,685,528</u>	<u>51,036,664</u>	<u>49,897,106</u>	<u>48,478,180</u>	<u>48,124,313</u>
<u>\$ (5,181,382)</u>	<u>\$ 1,837,951</u>	<u>\$ (8,202,097)</u>	<u>\$ (6,091,759)</u>	<u>\$ (7,833,684)</u>	<u>\$ (3,303,897)</u>

Table 3
Unaudited

CITY OF SHAWNEE, KANSAS

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General fund:										
Nonspendable	\$ 552,377	\$ 487,871	\$ 787,223	\$ 774,731	\$ 859,190	\$ 975,766	\$ 899,244	\$ 818,989	\$ 988,077	\$ 998,381
Assigned	-	-	493,546	300,748	203,240	208,575	194,125	291,993	268,720	139,855
Unassigned	29,852,888	25,089,804	25,202,705	23,459,147	21,223,065	21,361,694	21,463,681	19,156,025	17,381,625	19,654,056
Reserved for encumbrances	-	-	-	-	-	-	-	-	-	-
Reserved for inventory	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total general fund	<u>\$ 30,405,265</u>	<u>\$ 25,577,675</u>	<u>\$ 26,483,474</u>	<u>\$ 24,534,626</u>	<u>\$ 22,285,495</u>	<u>\$ 22,546,035</u>	<u>\$ 22,557,050</u>	<u>\$ 20,267,007</u>	<u>\$ 18,638,422</u>	<u>\$ 20,792,292</u>
All other governmental funds										
Restricted	\$ 22,316,260	\$ 17,333,527	\$ 11,185,005	\$ 10,329,190	\$ 6,902,936	\$ 9,359,836	\$ 6,768,956	\$ 10,325,901	\$ 8,542,796	\$ 5,740,782
Committed	5,754,273	9,919,464	5,807,410	6,135,116	6,384,149	4,707,255	4,042,142	3,734,034	3,411,008	3,669,543
Assigned	292,059	7,244,186	73,889	58,623	105,792	266,673	192,805	230,200	459,810	326,890
Unassigned	(8,866)	-	(3,045,491)	(5,869,690)	-	-	-	-	(169,674)	-
Reserved for encumbrances	-	-	-	-	-	-	-	-	-	-
Reserved for inventory	-	-	-	-	-	-	-	-	-	-
Unreserved (deficit), reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 28,353,726</u>	<u>\$ 34,497,177</u>	<u>\$ 14,020,813</u>	<u>\$ 10,653,239</u>	<u>\$ 13,392,877</u>	<u>\$ 14,333,764</u>	<u>\$ 11,003,903</u>	<u>\$ 14,290,135</u>	<u>\$ 12,243,940</u>	<u>\$ 9,737,215</u>

In 2011, the City implemented GASB Statement No 54, under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned compared to the previous categories of reserved and unreserved.

CITY OF SHAWNEE, KANSAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2020	2019	2018	2017
Revenues:				
Taxes and special assessments	\$ 71,745,445	\$ 70,256,733	\$ 68,590,725	\$ 66,094,189
Intergovernmental	6,318,518	5,277,905	6,849,554	10,513,915
Licenses and permits	1,833,107	1,197,687	1,183,430	1,362,616
Charges for services	4,118,110	5,120,752	4,982,121	5,079,043
Fines, forfeitures and penalties	960,412	1,271,733	1,399,480	1,453,245
Sale of property	77,067	28,101	-	-
Reimbursements	-	-	85,140	157,733
Investment earnings	459,145	982,408	408,931	616,532
Miscellaneous	798,739	1,651,422	928,553	570,144
Total revenues	86,310,543	85,786,741	84,427,934	85,847,417
Expenditures:				
General government	9,442,788	7,957,785	7,933,335	8,102,552
Community development	4,653,453	4,425,692	4,674,383	5,423,097
Public works	7,242,629	8,966,170	8,835,855	7,171,188
Public safety	26,744,992	26,567,970	25,880,118	23,278,354
Culture and recreation	4,500,605	4,998,952	5,037,633	4,979,048
Human resources	5,000	325,945	318,786	323,071
Capital outlay	30,405,840	30,582,339	27,322,856	33,347,857
Debt service:				
Principal retirements	7,008,873	11,140,085	8,383,313	8,646,350
Interest and fiscal charges	2,497,771	2,198,215	1,791,356	1,676,632
Total expenditures	92,501,951	97,163,153	90,177,635	92,948,149
Excess of revenues over (under) expenditures	(6,191,408)	(11,376,412)	(5,749,701)	(7,100,732)
Other financing sources (uses):				
Transfers in	21,321,179	18,357,237	20,290,954	17,229,980
Transfers out	(21,321,179)	(18,357,237)	(20,290,954)	(17,229,980)
Proceeds from revolving loans	-	-	-	-
Proceeds from issuance of bonds	4,710,000	28,800,000	8,840,000	9,215,000
Premium on bonds issued	135,382	2,146,977	1,042,123	334,650
Proceeds from issuance of notes	-	-	-	-
Proceeds from capital leases	-	-	1,184,000	-
Bond refunding	-	-	-	(2,939,425)
Total other financing sources (uses)	4,845,382	30,946,977	11,066,123	6,610,225
Net change in fund balances	\$ (1,346,026)	\$ 19,570,565	\$ 5,316,422	\$ (490,507)
Debt service as a percentage of noncapital expenditures	13.25%	17.07%	15.01%	14.58%

Note: Taxes and Special Assessments are further detailed at Table 5.

	2016	2015	2014	2013	2012	2011
\$	54,617,061	\$ 52,113,314	\$ 51,443,988	\$ 49,016,329	\$ 47,845,502	\$ 47,342,789
	11,303,349	9,374,366	5,244,331	6,130,540	4,112,527	4,411,319
	1,124,552	1,056,708	1,118,901	933,905	891,998	666,766
	1,823,404	1,732,188	1,756,436	1,625,542	1,814,742	2,048,383
	4,561,179	4,361,912	3,572,331	3,186,454	2,221,900	1,414,063
	62,335	35,000	-	-	-	-
	21,122	62,752	-	-	-	-
	260,991	249,443	161,574	279,913	147,902	133,409
	529,692	584,809	673,188	486,279	478,491	648,115
	74,303,685	69,570,492	63,970,749	61,658,962	57,513,062	56,664,844
	7,112,778	6,212,220	5,821,786	5,489,604	5,333,810	4,831,376
	5,311,595	3,582,344	3,317,354	2,360,136	2,262,547	2,190,968
	12,224,386	9,601,385	7,987,201	7,324,466	7,359,858	7,938,012
	23,203,914	21,787,066	21,924,381	21,724,971	19,791,394	18,882,520
	4,478,747	4,245,510	4,134,266	4,004,826	3,842,154	3,860,382
	309,467	285,996	313,736	249,450	221,135	188,805
	13,126,188	9,161,783	9,124,654	14,018,806	5,832,522	3,056,779
	8,965,000	9,360,000	32,466,151	9,781,829	20,335,829	13,205,816
	1,763,037	2,015,342	4,453,000	2,602,341	3,682,085	3,338,154
	76,495,112	66,251,646	89,542,529	67,556,429	68,661,334	57,492,812
	(2,191,427)	3,318,846	(25,571,780)	(5,897,467)	(11,148,272)	(827,968)
	9,504,484	9,108,921	8,749,222	6,769,343	10,144,321	6,698,877
	(9,504,484)	(9,108,921)	(8,749,222)	(6,769,343)	(10,144,321)	(6,698,877)
	-	-	-	-	7,643	457,357
	-	-	21,590,000	8,790,000	10,750,000	5,680,000
	-	-	2,985,591	134,497	743,484	-
	990,000	-	-	-	-	-
	-	-	-	647,750	-	-
	-	-	-	-	-	-
	990,000	-	24,575,591	9,572,247	11,501,127	6,137,357
\$	(1,201,427)	\$ 3,318,846	\$ (996,189)	\$ 3,674,780	\$ 352,855	\$ 5,309,389
	16.79%	21.10%	45.15%	23.11%	38.76%	32.25%

CITY OF SHAWNEE, KANSAS

GOVERNMENTAL FUND TYPES REVENUES BY SOURCE
LAST TEN YEARS
(modified accrual basis of accounting)

	2020	2019	2018	2017
Property	\$ 32,405,560	\$ 31,226,017	\$ 29,503,333	\$ 28,125,592
Special assessments	673,866	844,017	1,350,251	1,398,600
Sales county and city	32,494,939	31,346,771	30,820,461	29,838,522
Franchise	4,861,124	5,125,860	5,410,475	5,237,607
Other taxes	1,309,956	1,714,068	1,506,205	1,493,868
Total taxes	71,745,445	70,256,733	68,590,725	66,094,189
Licenses and permits	1,833,107	1,197,687	1,183,430	1,362,616
Intergovernmental	6,318,518	5,277,905	6,849,554	10,513,915
Charges for services	4,118,110	5,120,752	4,982,121	5,079,043
Fines, forfeitures and penalties	960,412	1,271,733	1,399,480	1,453,245
Sale of property	77,067	28,101	-	-
Reimbursements	52,006	-	85,140	157,733
Interest income	459,145	982,408	408,931	616,532
Miscellaneous	669,666	1,651,422	928,553	570,144
Total	86,233,476	85,786,741	84,427,934	85,847,417
Sales tax breakdown:				
City sales tax	21,552,452	20,456,907	20,020,102	19,619,466
County sales tax	10,942,485	10,889,864	10,800,359	10,219,056
Total sales tax	\$ 32,494,937	\$ 31,346,771	\$ 30,820,461	\$ 29,838,522
City sales tax	\$ 21,552,452	\$ 20,456,907	\$ 20,020,102	\$ 19,619,466
City property tax	32,405,560	31,226,017	29,503,333	28,125,592
Total tax revenue	71,745,445	70,256,733	68,590,725	66,094,189
City sales tax to total tax revenue	30.04%	29.12%	29.19%	29.68%
Total revenue	86,233,476	85,786,741	84,427,934	85,847,417
City sales tax to total	24.99%	23.85%	23.71%	22.85%
Property tax to total	37.58%	36.40%	34.94%	32.76%
Tax to total revenue	83.20%	81.90%	81.24%	76.99%
Retail sales	1,022,374,200	1,022,374,200	1,011,233,762	993,146,881
Percent change	1.10%	1.10%	1.82%	3.28%

Table 5
Unaudited

2016		2015		2014		2013		2012		2011	
\$	18,890,776	\$	19,312,158	\$	21,593,257	\$	21,037,150	\$	21,334,333	\$	21,307,629
	2,209,297		1,307,690		1,242,085		1,530,966		1,487,579		1,275,441
	27,608,604		25,639,155		22,272,290		20,638,709		19,587,884		19,168,426
	5,082,789		5,010,813		5,278,517		5,067,006		4,736,107		4,876,313
	825,595		843,498		1,057,839		742,498		699,599		714,980
	54,617,061		52,113,314		51,443,988		49,016,329		47,845,502		47,342,789
	1,124,552		1,056,708		1,118,901		933,905		891,998		666,766
	11,303,349		9,374,366		5,244,331		6,130,540		4,112,527		4,411,319
	1,823,404		1,732,188		1,756,436		1,625,542		1,814,742		2,048,383
	4,561,179		4,361,912		3,572,331		3,186,454		2,221,900		1,414,063
	62,335		35,000		-		-		-		-
	21,122		62,752		-		-		-		-
	260,991		249,443		161,574		279,913		147,902		133,409
	529,692		584,809		673,188		486,279		478,491		648,115
	74,303,685		69,570,492		63,970,749		61,658,962		57,513,062		56,664,844
	11,444,235		10,951,020		10,822,190		10,112,278		9,617,057		9,446,849
	16,164,369		14,688,135		11,450,100		10,526,431		9,970,827		9,721,577
\$	27,608,604	\$	25,639,155	\$	22,272,290	\$	20,638,709	\$	19,587,884	\$	19,168,426
\$	11,444,235	\$	10,951,020	\$	10,822,190	\$	10,112,278	\$	9,617,057	\$	9,446,849
	18,890,776		19,312,158		21,593,257		21,037,150		21,334,333		21,307,629
	54,617,061		52,113,314		51,443,988		49,016,329		47,845,502		47,342,789
	21%		21%		21%		21%		20%		20%
	74,303,685		69,570,492		63,970,749		61,658,962		57,513,062		56,664,844
	15%		16%		17%		16%		17%		17%
	25%		28%		34%		34%		37%		38%
	74%		75%		80%		79%		83%		84%
	961,584,628		927,031,277		931,658,517		876,693,672		844,414,875		831,215,550
	3.73%		-0.50%		6.27%		4.19%		1.23%		2.82%

Table 6
Unaudited

CITY OF SHAWNEE, KANSAS

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Tax Year	Budget Year	Total Tax Levy	Collection of Current Year Taxes	Percentage of Levy Collected	Collection of Delinquent Tax	Total Collections	Percentage of Levy Collected	
2019	2020	\$ 25,976,257	\$ 26,088,479	100.4%	\$ (161,509)	\$ 25,926,970	99.8%	**
2018	2019	24,602,289	23,996,069	97.5%	107,176	24,103,245	98.0%	
2017	2018	23,148,167	22,629,721	97.8%	56,847	22,686,568	98.0%	
2016	2017	21,980,869	21,585,221	98.2%	124,850	21,710,071	98.8%	
2015	2016	18,834,614	18,546,284	98.5%	228,999	18,775,283	99.7%	
2014	2015	17,614,376	17,241,522	97.9%	97,649	17,339,171	98.4%	
2013	2014	17,019,915	16,669,461	97.9%	110,679	16,780,140	98.6%	
2012	2013	16,760,221	16,510,395	98.5%	185,800	16,696,195	99.6%	
2011	2012	17,025,327	16,636,729	97.7%	353,241	16,989,970	99.8%	
2010	2011	16,974,235	16,965,187	99.9%	268,933	17,234,120	101.5%	*

* Outstanding delinquent taxes are collected by Johnson County. County Treasurer's records do not provide a determination of delinquent outstanding taxes by year, therefore, it is possible for the total collections as a percent of current levy to be greater than 100%.

**Budget Year 2020 had negative delinquent tax collections. The County made adjustments to some delinquencies that are reflected in 2020 Actuals.

CITY OF SHAWNEE, KANSAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS

Tax Year	Fiscal Year	Total Real Estate	Personal Property	State Assessed Utilities	Total Taxable Assessed Value **	Total Real Property Actual Value
2019	2020	937,698,269	8,811,583	29,100,040	\$ 975,609,892	\$ 6,990,528,551
2018	2019	887,486,897	9,225,809	27,614,858	924,327,564	6,582,267,562
2017	2018	834,594,524	9,781,765	25,407,318	869,783,607	6,045,214,167
2016	2017	790,639,864	10,246,693	24,866,944	825,753,501	5,863,957,837
2015	2016	732,599,423	10,570,239	24,462,050	767,631,712	5,495,138,416
2014	2015	683,602,811	12,203,689	22,713,533	718,520,033	5,147,655,230
2013	2014	646,392,306	14,442,158	21,080,450	681,914,914	4,896,336,641
2012	2013	636,010,360	15,581,454	21,131,085	672,722,899	4,817,738,256
2011	2012	650,184,821	18,322,413	19,885,457	688,392,691	4,894,435,373
2010	2011	646,105,292	20,426,365	20,211,748	686,743,405	4,886,702,139

** Total Taxable Assessed Value reflects the value on the Abstract of Taxes from Johnson County of each year

Pursuant to Article 11, Section 1 of the State of Kansas Constitution

Assessment Rates

Residential - 11.5%

Commercial - 25%

Agriculture - 30%

Not for Profit - 12%

Real Property Used for Commercial/Industrial Located Upon Land Devoted to Agricultural Use - 25%

Other Urban and Rural Real Property not Otherwise Specifically Subclassified - 30%

Personal Property - 30%

State Assessed Utilities - 33%

Table 7
Unaudited

Personal Property Estimated Actual Value	Utilities Estimated Actual Value	Total Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
\$ 29,371,943	\$ 88,181,939	\$ 7,108,082,433	13.73%	26.625
30,752,697	83,681,388	6,696,701,647	13.80%	26.617
32,605,883	76,991,873	6,154,811,923	14.13%	26.617
34,155,643	75,354,376	5,973,467,857	13.82%	26.611
35,234,130	74,127,424	5,604,499,970	13.70%	24.536
40,678,963	68,828,888	5,257,163,081	13.67%	24.520
48,140,527	63,880,152	5,008,357,319	13.62%	24.959
51,938,180	64,033,591	4,933,710,026	13.64%	24.914
61,074,710	60,258,961	5,015,769,044	13.72%	24.732
68,087,883	61,247,721	5,016,037,744	13.69%	24.717

CITY OF SHAWNEE, KANSAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN YEARS

Tax Year Ended December 31,	Fiscal Year Ended December 31,	City Direct Rates			State	County	Library
		General & Special Revenue	Debt Service	Total Direct			
2019	2020	21.423	5.078	26.501	1.500	18.799	3.905
2018	2019	21.016	5.601	26.617	1.500	20.246	3.901
2017	2018	20.813	5.801	26.614	1.500	19.318	3.921
2016	2017	19.260	7.351	26.611	1.500	19.590	3.915
2015	2016	16.931	7.605	24.536	1.500	19.582	3.912
2014	2015	16.120	8.400	24.520	1.500	17.764	3.157
2013	2014	17.248	7.711	24.959	1.500	17.764	3.157
2012	2013	15.707	9.207	24.914	1.500	17.745	3.155
2011	2012	15.039	9.693	24.732	1.500	17.700	3.145
2010	2011	15.030	9.687	24.717	1.500	17.700	3.145

Source: All overlapping governments, Johnson County Clerk's office.

General note: Levies shown are based on the largest taxing unit, within the Shawnee City limits, taxing unit no. 626T.

Note A: Tax Year - the tax levy is the following year's tax revenue.

Note B: Overlapping rates are those of local and county government that apply to property owners within the City of Shawnee. Not all overlapping rates apply to all Shawnee property owners.

Table 8
Unaudited

Overlapping Rates					
County		Total	School District	School District	School District
Community		Overlapping	Shawnee Mission	DeSoto	Olathe
College	Park	Without Schools	(512-HS6)	(SD-232)	(SD-233)
9.191	3.093	62.989	52.351	62.284	69.138
9.266	3.088	64.618	52.427	64.841	70.665
8.966	3.112	63.431	53.663	67.467	71.174
8.938	3.102	63.656	54.940	68.864	67.774
9.469	3.101	62.100	54.059	74.461	67.764
9.461	2.349	58.751	55.911	71.951	67.868
9.461	2.349	59.190	55.911	71.951	67.868
9.551	2.347	59.212	55.611	79.984	69.486
8.776	2.343	58.196	55.766	82.262	69.618
8.776	2.343	58.181	56.135	82.558	69.924

Table 9
Unaudited

CITY OF SHAWNEE, KANSAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

2019 Tax Year/2020 Fiscal Year				2010 Tax Year/2011 Fiscal Year			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Elanco US, Inc. (Bayer)	\$ 14,482,898	1	1.50%	The Shawnee Station LLC	\$ 5,826,251	1	0.85%
Wal-Mart Real Estate Bus Trst	10,070,002	2	1.00%	Westar Energy	5,141,452	2	0.75%
Shawnee Station LLC	7,307,251	3	0.70%	Kansas City Power and Light	4,100,886	3	0.60%
10 Quivira Plaza 14 LLC	6,667,751	4	0.70%	Kansas Gas Service	3,528,353	4	0.51%
Target Corporation	4,296,251	5	0.40%	Greens at Shawnee	3,292,450	5	0.48%
Hampton Woods	3,664,276	6	0.40%	Wal-Mart	3,201,890	6	0.47%
Toiwer Properties Co.	3,494,454	7	0.40%	Bayer Healthcare	3,170,877	7	0.46%
LIT Industrial Limited Prtnrshp	3,446,002	8	0.40%	Deffenbaugh Industries	2,911,281	8	0.42%
BK Properties LLC	3,429,807	9	0.40%	Southwestern Bell Telephone	2,725,787	9	0.40%
Shawnee Multifamily LLC	3,292,910	10	0.30%	Westbrooke I LLC	2,428,002	10	0.35%
Total	<u>\$ 60,151,602</u>		<u>6.20%</u>		<u>\$ 36,327,229</u>		<u>5.29%</u>
City of Shawnee	<u>\$ 975,609,892</u>				<u>\$ 738,920,861</u>		

Source: Johnson County Clerk's Office

CITY OF SHAWNEE, KANSAS

SALES TAX RATES LAST TEN YEARS

Fiscal Year	City Sales	County Sales	County Public Safety Sales	County Public Safety Sales	County Research Triangle
2020	1.00%	0.50%	0.25%	0.25%	0.125%
2019	1.00%	0.50%	0.25%	0.25%	0.125%
2018	1.00%	0.50%	0.25%	0.25%	0.125%
2017	1.00%	0.50%	0.25%	0.25%	0.125%
2016	1.00%	0.50%	0.25%	0.25%	0.125%
2015	1.00%	0.50%	0.25%	0.00%	0.125%
2014	1.00%	0.50%	0.25%	0.00%	0.125%
2013	1.00%	0.50%	0.25%	0.00%	0.125%
2012	1.00%	0.50%	0.25%	0.00%	0.125%
2011	1.00%	0.50%	0.25%	0.00%	0.125%

Tax Rates from Kansas Department of Revenue

Table 10
Unaudited

County Stormwater	Public Safety	Park and Pipes Sales	State	City Public Safety	Pavement Sales	Total Direct
0.10%	0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.10%	0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.10%	0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.10%	0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.10%	0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.10%	0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.10%	0.25%	0.125%	6.15%	0.125%	0.000%	8.625%
0.10%	0.25%	0.125%	6.30%	0.125%	0.000%	8.775%
0.10%	0.25%	0.125%	6.30%	0.125%	0.000%	8.775%
0.10%	0.25%	0.125%	6.30%	0.125%	0.000%	8.775%

CITY OF SHAWNEE, KANSAS

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Revolving Loan	Capital Leases	Temporary Notes	Total Primary Government	Debt Service Restricted Fund Balance
2020	\$ 64,210,198		\$ 900,765		\$ 65,110,963	\$ 2,585,328
2019	66,608,870	-	1,194,638	-	67,803,508	1,394,755
2018	46,701,060	-	1,564,723	250,000	48,515,783	1,222,393
2017	44,893,028	-	834,036	500,000	46,227,064	977,983
2016	46,715,583	-	1,105,386	745,000	48,565,969	442,606
2015	55,821,170	-	1,368,944	-	57,190,114	908,200
2014	65,556,065	-	1,624,992	-	67,181,057	1,342,180
2013	70,682,435	96,151	2,066,719	3,610,000	76,455,305	3,158,204
2012	75,236,974	102,979	1,853,118	-	77,193,071	2,955,597
2011	84,072,290	191,165	2,208,243	-	86,471,698	846,014

Note: City's outstanding debt is further detailed in the notes to the financial statements.

* See Table 14 for personal income and population data.

** See Table 7 for property value data.

Table 11
Unaudited

General Obligation Bonds Net of Debt Service Restriction	Total Outstanding Debt		General Obligation Debt Outstanding Net of Debt Service Restriction	
	Percentage of Personal Income*	Per Capita*	Percentage of Actual Taxable Value** of Property	Per Capita*
\$ 61,624,870	0.137%	0.000%	6.32%	0.000%
65,214,115	0.125%	0.000%	7.06%	0.000%
45,478,667	0.150%	0.137%	5.23%	0.146%
43,915,045	0.147%	0.142%	5.32%	0.150%
46,272,977	0.136%	0.134%	6.03%	0.141%
54,912,970	0.114%	0.113%	7.64%	0.118%
64,213,885	0.092%	0.096%	9.42%	0.100%
67,524,231	0.077%	0.083%	10.04%	0.094%
72,281,377	0.075%	0.082%	10.50%	0.088%
83,226,276	0.063%	0.073%	12.12%	0.076%

Table 12
Unaudited

CITY OF SHAWNEE, KANSAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt to be repaid with property taxes:			
Johnson County	\$ 16,064,934	9.08%	\$ 1,458,696
Johnson County Parks & Recreation	43,216,459	9.08%	3,924,054
U.S.D. #232 (DeSoto)	157,680,000	56.59%	89,231,112
U.S.D. #233 (Olathe)	471,473,358	0.63%	2,970,282
U.S.D. #512 (Shawnee Mission)	279,685,000	11.87%	33,198,610
Subtotal overlapping debt			130,782,754
City direct debt	65,110,963	100.0%	65,110,963
Total direct and overlapping debt			\$ 195,893,717

Sources: Assessed value data used to estimate percentage were obtained from the Johnson County, Kansas Appraiser's Office. Debt outstanding data provided by Johnson County Department of Records and Tax Administration.

Johnson County and City of Shawnee debt as of 12/31/19. Other debt as of 6/30/19.

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

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

CITY OF SHAWNEE, KANSAS

LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

December 31, 2020

	2020	2019	2018	2017	2016
Debt limit	\$ 324,277,666	\$ 307,642,192	\$ 290,227,030	\$ 275,813,145	\$ 257,078,928
Total net debt applicable to limit	28,458,611	27,966,770	41,962,607	41,027,017	43,382,394
Legal debt limit	<u>\$ 295,819,055</u>	<u>\$ 279,675,422</u>	<u>\$ 248,264,423</u>	<u>\$ 234,786,128</u>	<u>\$ 213,696,534</u>
Total net debt applicable to the limit as a percentage of debt limit	8.8%	9.1%	14.5%	14.9%	16.9%

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

Legal Debt Margin Calculation for Year Ended December 31, 2020

Assessed valuation of taxable tangible property	\$ 975,609,892
Equalized valuation of motor vehicles	<u>105,315,662</u>
Equalized assessed tangible valuation for computation of bonded debt limitations	<u>\$ 1,080,925,554</u>
Legal debt limit (30%)	\$ 324,277,666
Less: general obligation bonds	59,460,000
Plus: exempt refinanced and stormwater debt	28,416,061
Plus: Debt Service Fund fund balance	<u>2,585,328</u>
Legal debt margin	<u>\$ 295,819,055</u>
Percentage of debt capacity used	<u>8.8%</u>

Table 13
Unaudited

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 241,499,251	\$ 229,489,885	\$ 226,510,536	\$ 231,327,469	\$ 231,327,469
<u>51,636,800</u>	<u>60,562,820</u>	<u>65,916,796</u>	<u>70,714,403</u>	<u>82,313,986</u>
<u>\$ 189,862,451</u>	<u>\$ 168,927,065</u>	<u>\$ 160,593,740</u>	<u>\$ 160,613,066</u>	<u>\$ 149,013,483</u>
21.4%	26.4%	29.1%	30.6%	35.6%

Table 14
Unaudited

CITY OF SHAWNEE, KANSAS

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

December 31, 2020

Fiscal Year	City Population ^(a)	County Population ^(b)	City Population Percent Change	Per Capita Personal Income ^(c)	Personal Income ^(d)	City Unemployment Rate	State Unemployment Rate ^(e)
2020	67,626	*602,401	1.2%	89,087	6,024,597,462	3.6%	4.7%
2019	66,839	602,401	0.8%	84,915	5,675,633,685	2.6%	3.2%
2018	66,290	596,767	0.8%	72,717	4,820,409,930	2.6%	3.3%
2017	65,795	589,609	0.8%	68,158	4,484,455,610	2.8%	3.6%
2016	65,260	584,451	0.9%	66,063	4,311,271,380	3.5%	4.2%
2015	64,680	580,159	0.8%	65,097	4,210,473,960	3.4%	4.2%
2014	64,170	574,096	0.9%	62,044	3,981,363,480	4.0%	4.5%
2013	63,622	566,933	0.5%	59,062	3,757,642,564	4.7%	4.9%
2012	63,300	559,836	0.0%	57,803	3,658,929,900	3.8%	5.3%
2011	63,300	552,874	1.8%	54,525	3,451,432,500	5.0%	6.0%

Note a: City of Shawnee Planning Department

Note b: From Johnson County, Kansas

Note c: Per Capita Personal Income reflects that of Johnson County, Kansas. Figures are not available by municipality.

Note d: Personal Income is calculated by multiplying the City's population by the Per Capita Personal Income.

Note e: Kansas Labor Information Center, <https://klic.dol.ks.gov>

* Johnson County Population not available at the time of this publication

CITY OF SHAWNEE, KANSAS

PRINCIPAL EMPLOYERS

December 31, 2019 and Nine Years Ago

Employer	2018 Tax Year/2019 Fiscal Year		
	Employees	Rank	Percentage of Total Employment
FedEx Ground Package System, Inc.	575	1	1.54%
Bayer HealthCare, LLC-Animal Division (Elanco US, Inc. in 2020)	550	2	1.48%
First Student	400	3	1.07%
Shawnee, City of	330	4	0.89%
Wal-Mart Super Center	300	5	0.81%
Nazdar	280	6	0.75%
Hy-Vee Food Stores	250	7	0.67%
KU MedWest	225	8	0.60%
Target Super Store	190	9	0.51%
Kraft Tool Company	180	10	0.48%
Total	3,280		
City of Shawnee	37,231		

Source: County Economic Research Institute, Inc. and Kansas Labor Information Center, <https://klic.dol.ks.gov>

NOTE: 2020 DATA WAS NOT COLLECTED DUE TO THE COVID PANDEMIC

Above is the 2018/2019 data

Table 15
Unaudited

Employer	2010 Tax Year/2011 Fiscal Year		
	Employees	Rank	Percentage of Total Employment
De Soto Unified School District No. 232	950	1	3.50%
FedEx Ground Package Systems, Inc.	950	2	3.50%
Deffenbaugh Industries	750	3	2.77%
Bayer HealthCare, LLC	583	4	2.15%
Perceptive Software, Inc.	551	5	2.03%
Wal-Mart	450	6	1.66%
City of Shawnee	289	7	1.07%
Hy-Vee Food & Drug Store	230	8	0.85%
McClane Food Service	200	9	0.74%
Target	196	10	0.72%
Total	5,149		
City of Shawnee	27,117		

CITY OF SHAWNEE, KANSAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2020	2019	2018
Police			
Physical Arrests*	1,460	2,282	792
Parking Citations	34	53	62
Traffic Accidents	707	980	1,011
Fire			
Fire/Explosion Calls	168	179	155
Rescue Calls	4,374	4,437	4,313
Hazardous Incident Calls **		-	-
Other Incident Calls***	197	847	246
Service Calls	537	422	1,134
False Calls	440	524	456
Public Works			
Snow Removal/Sanding (Man-Hours)	1,607.50	6,940.00	1,848.00
Parks & Recreation			
Aquatic Centers (Total Revenue)	-	773,764	794,902
Sports Programs (Total Revenue)	30,619	65,607	65,028
Facilities/Grounds Rental (Total Revenue)	121,178	311,929	304,070

* - New record management system in the Police Department beginning in 2019 tracks all arrests not just custodial arrests.

** - Hazardous Incident Calls are grouped under Other Incident Calls beginning in 2017.

*** - Tracking for Other Incident Calls began in 2015

Source: City of Shawnee Budget Document

Table 16
Unaudited

2017	2016	2015	2014	2013	2012	2011
907	938	793	746	761	861	939
41	45	70	91	90	140	197
912	929	924	903	865	894	891
182	125	136	183	162	215	158
3,934	3,517	3,447	3,609	3,249	3,153	2,972
-	200	232	230	192	167	182
254	57	53	-	-	-	-
1,108	1,225	1,215	1,181	1,571	1,250	1,111
487	485	481	442	386	341	382
1,731.00	1,803.00	4,071.75	6,122.25	7,601.00	1,415.00	5,501.25
730,551	733,833	672,250	678,420	650,050	715,685	661,458
64,764	63,719	65,140	7,163	72,035	69,123	64,816
289,756	407,260	356,533	357,729	321,223	319,954	304,100

CITY OF SHAWNEE, KANSAS

FULL TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN YEARS

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government:										
City Manager	6.00	6.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00
Legal	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Licensing/HR	7.00	7.00	8.00	6.00	5.00	5.00	5.00	5.00	5.00	6.00
Communications	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00
Finance	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
IT	12.00	11.00	12.00	12.00	11.00	10.00	9.00	9.00	9.00	10.00
Municipal court	5.00	5.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Planning	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
Engineering	9.00	8.00	10.00	11.00	12.00	11.00	10.00	10.00	10.00	11.00
Public Works	46.00	47.00	46.00	46.00	41.00	40.00	40.00	40.00	40.00	39.00
Police	119.00	117.00	115.00	109.00	108.00	107.00	109.00	109.00	108.00	107.00
Fire										
Fire	76.00	73.00	72.00	72.00	60.00	59.00	58.00	58.00	55.00	55.00
Building Inspection	11.00	11.00	10.00	10.00	9.00	8.00	8.00	8.00	8.00	9.50
Parks and Recreation										
Parks Maintenance	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	8.00
Civic Centre	7.00	7.00	7.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Old Shawnee Town	5.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Total	327.00	320.00	315.00	303.00	284.00	278.00	277.00	275.00	271.00	272.50

Source: City of Shawnee, Kansas.

CITY OF SHAWNEE, KANSAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN YEARS

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Police										
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire										
Stations	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Public Works										
Center Line Miles	345.46	344.30	344.00	343.00	339.70	336.40	336.40	337.80	336.00	335.00
Streetlights	6,346	6,319	4,370	4,333	4,244	4,213	4,179	4,184	4,157	4,037
Parks & Recreation										
Parks	35.00	35.00	35.00	35.00	35.00	35.00	34.00	34.00	34.00	34.00
Civic Centre	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Pools	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Old Shawnee Town (Historical Buildings)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: City of Shawnee Budget Document