CITY of Leawood

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2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2023

City of Leawood, Kansas

CITY OF LEAWOOD, KANSAS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

CITY of Leawood

Report prepared by Department of Finance

Don Cawby, Finance Director
Loretta Morgan, Finance Manager
Lisa Cline, Accounting Coordinator

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CITY of Leawood

The Honorable Mayor Elkins,
Members of the City Council,
City Administrator Stoddard, and the
Citizens of Leawood, Kansas:

June 27, 2024

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2023.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, which is based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

This report was prepared by City staff in accordance with general accepted accounting principles (GAAP), which are uniform minimum standards and guidelines for financial accounting and reporting in the United States. This report is intended to provide sufficient information to permit the assessment of stewardship and accountability and to demonstrate legal compliance.

RSM US LLP, Certified Public Accountants, has issued an unmodified opinion on the City of Leawood's financial statements for the year ended December 31, 2023. The independent auditor's report is located at the front of the financial section of this report.

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

Government Structure

The City of Leawood was incorporated as a city of the third class in 1948 with slightly more than 1,000 inhabitants. On December 31, 1998, the City became a city of the first class. The City operates under a Mayor-Council form of government with a City Administrator.

The Mayor is elected on an at-large, non-partisan basis and serves a four-year term. The eight council members are elected (non-partisan) by ward and serve four-year staggered terms of office. Every other year in the even numbered years, an election for council members is held with one council member from each of the four wards being chosen at each election.

The City Administrator is appointed by the Mayor and City Council as the Chief Administrative Officer of the City and is charged with the efficient and effective administration of the City.

The City of Leawood provides a variety of services including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational and cultural activities.

The Shawnee Mission Unified School District No. 512 and the Blue Valley Unified School District No. 229 provide public education services. Johnson County Water District No. 1 provides water services. It should be clearly noted that these self-government entities are not part of the City of Leawood.

By Kansas law, the budget must be approved by the Council and submitted to the County Clerk by August 25th of each year, unless the RNR (Revenue Neutral Rate) is exceeding; then the filing is due by Oct 1. This annual budget serves as the foundation for the City of Leawood's financial planning and control. The budget is prepared by fund, function (e.g. public safety), and department (e.g. police). Department heads may transfer resources within a department as they see fit. Transfers between departments, however, need approval from the City Administrator.

Local Economy and Outlook

The City of Leawood is located approximately 10 miles southwest of downtown Kansas City, Missouri, and occupies 14.7 square miles of land in northeastern Johnson County, Kansas. The City estimates its 2023 population to be 33,713. Johnson County encompasses 476 square miles and is the most populous county in the State of Kansas. The City's land area is approximately 85% developed, and growth is expected to continue albeit at a moderate pace. The City is bounded to the east by the Kansas-Missouri state line and on all other sides by incorporated cities of Johnson County.

During the past year, Leawood was again recognized for being ranked in the 98th percentile among the "Best Small City in America" by the leading personal finance outlet WalletHub. The website ranks cities on 43 key metrics on economic vitality, quality of life, education, health and public safety. Out of nearly 1,300 cities with populations between 25,000 and 100,000 across the nation, Leawood ranked as the 12th most affordable and the 33rd safest small city in the U.S.

The City's WalletHub ranking as a safe city, was affirmed by SafeWise.com's 2023 rankings, again naming Leawood as the safest city in Kansas with a population over 10,000. Likewise, the latest Kansas Crime Index released by the Kansas Bureau of Investigation revealed Leawood's rate of violent crime offenses to be only 0.7 per 1000 residents, well below the Johnson County average or 2.4 and the state of Kansas rate of 4.6.

According to the 2023 Johnson County Appraiser's Office, the average home in Leawood had a market value of $757,381 compared to $662,979 in 2022.

The Community Development Department issued 1,697 residential permits totaling almost $97 million in value along with 134 commercial building permits with a value of nearly $45 million making the total value of additional construction at $141 million. The continued increase in construction within Leawood demonstrates the City's appeal to new businesses as well as new residents and the desire of our current residents to improve their properties.

Major Initiatives

2023 Initiatives and Highlights

In 2023, the City of Leawood retained its AAA bond rating for the 14th straight year, continuing to ensure the Leawood business community and its residents that the City remains a solid investment opportunity for the Nation's capital markets.

The City's mill levy remained constant for the 20th successive year while maintaining the fourth lowest mill levy in the State of Kansas among the 26 cities of the First Class.

During 2023, projects starting were nearly back to pre-pandemic results. The City's Public Works department continued to maintain the City's infrastructure components. During 2023, completed $26 million in public construction, almost 10% of that amount came from outside funding sources. The department was also awarded almost $500,000 in state and federal funds to develop a comprehensive Vision Zero Action Plan, a strategy to eliminate all traffic fatalities and severe injuries while increasing safe, healthy equitable mobility for all. Over 1,200 right-of-way permits, and 4,800 utility locate tickets were issued. City crews swept over 5,000 miles removing close to 2,500 tons of debris keeping it from entering our waterways and storm sewer pipes. Snow crews responded to 6 winter storms using 600 tons of salt.

Future Initiatives

Council priorities are as follows:

- To ensure that Leawood is fiscally responsible, while investing in the infrastructure of the City, modernizing the government, investing in human resources, and improving customer service.

- To promote development that sustains rather than depletes the community, that is fiscally sound, that contributes to a high quality of life, and that nourishes the community.

- To protect Leawood residents, visitors and businesses by providing quality police and homeland security services. To preserve life and property through excellence in training, community risk management, emergency preparedness and rapid emergency services response.

- To maintain the current infrastructure and to provide the highest quality new improvements where economic benefits clearly justify new investment.

- To promote a community that offers family-oriented activities and recreational and cultural opportunities that encourages and enhances the quality of life for citizens.

Several of the short-term goals set by Council that reflect these priorities include the following: Establish a "Leawood Week" event to include possible partnerships with the Leawood Chamber of Commerce; Establish a baseline of energy consumption of City buildings; Require new multifamily developments to provide glass recycling receptacles; Provide a strategic Facility Master Plan for City facilities and property; Encourage improved energy efficiency of new multiple-family developments; Conduct a Citizen Satisfaction Survey every two years and Research a plan for a solar co-op.

The City's continued control over expenditure growth has been, and will continue to be, a key factor in maintaining the City's strong financial position. The City Council has wisely taken advantage of the past years' financial prosperity to secure the future stability of the City. The conservative budgets that were passed in prior fiscal years have contributed to this overall financial philosophy.

Financial Information

Relevant Financial Policies

There was no significant change in existing City Financial Policies during 2023.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Leawood for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2022. The City has received this prestigious award for twenty-seven consecutive years. In order to be awarded a Certificate of Achievement, the government has to publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable legal requirements.

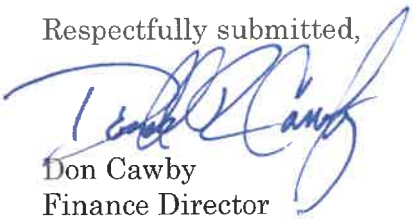
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine eligibility for another certificate.

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2023. It was the 22nd consecutive year that the City has received this award.

In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

We wish to take this opportunity to thank each member of the Governing Body for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner. In closing, the preparation of this report could not have been accomplished without the efficient and dedicated services of Finance Department staff members Loretta Morgan, Lisa Cline, Janna Raper and Jennifer Miltenberger, as well as other City departments who assisted and contributed to its preparation. I sincerely thank each of them for their efforts involved in preparing our 2023 Annual Comprehensive Financial Report.

Respectfully submitted,



Don Cawby
Finance Director

CITY OF LEAWOOD, KANSAS

Principal Officials

Mayor

Marc E. Elkins

City Council

Debra Filla

Alan Sunkel

Sherrie Gayed

Lisa Harrison

Chuck Sipple

Steven Kaster

Julie Cain

Mary Larson

City Administrator

Diane Stoddard

Prepared by Department of Finance

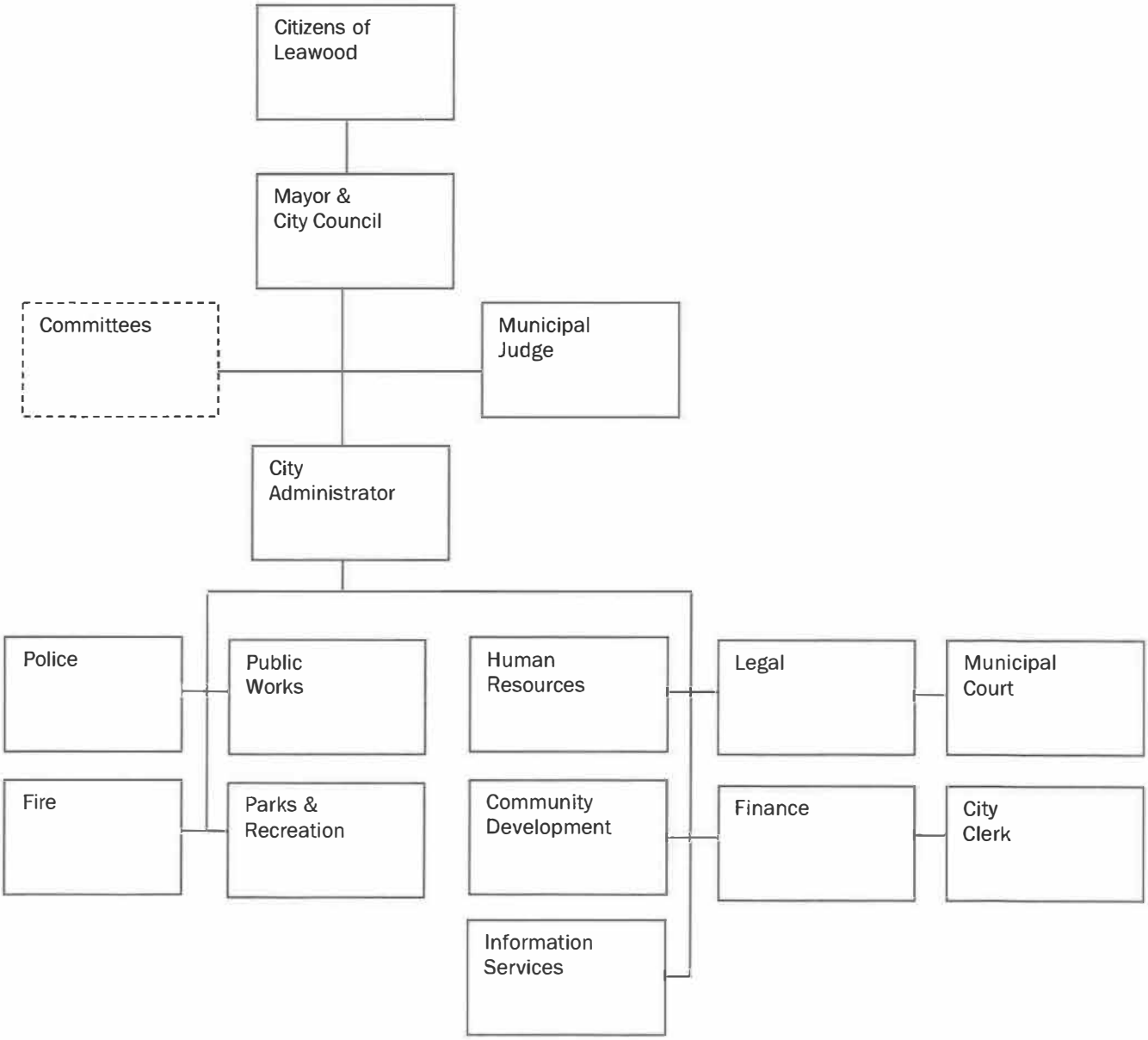
Don Cawby, Finance Director

Loretta Morgan, Finance Manager

Lisa Cline, Accounting Coordinator

City of Leawood, Kansas

Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Leawood
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

RSM US LLP

Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Leawood, Kansas

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Leawood, Kansas (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Leawood, Kansas, as of December 31, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 13, the City adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The impact to the financial statements, as a result of the adoption of this pronouncement is disclosed in Note 13. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

RSM US LLP is the U.S. member firm of RSM International, a global network of independent assurance, tax, and consulting firms.
Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International.

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

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, the pension related schedules, the OPEB related schedules, the modified approach infrastructure schedules, and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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

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

RSM US LLP

Kansas City, Missouri
June 27, 2024

The following Management's Discussion and Analysis (MD&A) of the City of Leawood's financial performance provides an introduction and overview to the financial activities of the City for the fiscal year ended December 31, 2023. This narrative discussion and analysis focus on the current year's activities, resulting changes and currently known facts; therefore, the information presented here should be considered in conjunction with additional information furnished in the letter of transmittal and the accompanying basic financial statements.

Financial Highlights

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2023 by $370,469,296. Of this amount, $58,197,918 is the unrestricted net position and may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $18,719,815, or 5.3%, the majority of which occurred in the unrestricted category by $12,365,248, or 21.2%. The City's net investment in capital assets increased by $5,608,900, or 2.0% over 2022.

- Total assets increased by $10,250,379, or 1.9%, over the prior year. Capital assets increased by $27,528,373, or 7.7% over 2022 as the City finished the year with three major projects near completion: the Parks Maintenance Building, Fire Station #1, and Mission Road Reconstruction from 133rd to 143rd Streets. These building projects also explain the reduction in pooled cash and investments of $18,897,059, as temporary note proceeds were spent down in project funds as the projects were completed.

- The City's total liabilities decreased by $15,922,961 in 2023, primarily reflecting two major items. The first is a $9,581,231, or 14.4%, decrease in temporary notes issued for the capital improvement projects. The second is a $5,299,658 reduction in unearned revenue from the federal American Rescue Plan Act (ARPA) funds being spent for the one-time purpose of off-setting public safety salaries

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the City of Leawood using the integrated approach as prescribed by GASB Statement No. 34. These statements include the Government-Wide Financial Statements, the Fund Financial Statements and notes to these statements.

Government-Wide Financial Statements

The Government-Wide Financial Statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. The statements present governmental activities and business-type activities separately. These statements include all assets of the City (including infrastructure) as well as all known liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by the statement in regard to inter-fund activity, payables and receivables.

The statement of net position and the statement of activities and changes in net position report information about the City as a whole and about its activities. These statements include all assets and liabilities of the City using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report on the City's net position and changes in them. Net position is the difference between assets and liabilities, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's roads.

In the statement of net position and the statement of activities and changes in net position, we distinguish the City's functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a portion of their costs through user fees and charges (business-type activities).

All of the City's basic services are reported in the governmental activities, including the General Government, Public Safety, Public Works and Parks and Recreation. Property and sales taxes, user fees, interest income, franchise fees, and state and federal grants finance these activities. The City does not report any business-type activities.

The government-wide financial statements can be found on the pages immediately following this section as the first section of the Basic Financial Statements.

Fund Financial Statements

The fund financial statements include statements for governmental activities. Governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences created by the integrated approach.

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

All of the funds presented in these statements are governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between net assets in the Governmental Fund Financial Statement and net position reported in the Government-Wide Financial Statements are explained in the reconciliation schedule following each of the Governmental Fund Financial Statements and can be found in the Basic Financial Statements section of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They are presented immediately following the Basic Financial Statements section of this report.

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 other post-employment benefits to its employees, budgetary comparison schedules for the general fund, schedules and disclosure of the modified approach for reporting the City's streetlights and traffic signals, and schedules of selected pension information. Combining and individual statements for non-major governmental and proprietary funds and fiduciary funds are presented in the Supplementary Information section of this report.

Analysis of Government-Wide Financial Statements

Net Position

The following schedule is a condensed version of the City's statement of net position on December 31, 2023, and 2022.

	Governmental Activities		
	2023	2022	Change
Current and other assets	$ 167,437,215	$ 184,351,849	$ (16,914,634)
Long-term receivables	683,568	1,046,928	(363,360)
Capital assets, net	384,350,699	356,822,326	27,528,373
Total assets	552,471,482	542,221,103	10,250,379
Deferred outflows of resources			
Deferred outflows – pension plan	9,788,682	11,170,637	(1,381,955)
Deferred outflows - OPEB	143,416	182,893	(39,477)
Total assets and deferred outflows	562,403,580	553,574,633	8,828,947
Other liabilities	61,825,497	78,868,201	(17,042,704)
Long-term debt	57,200,756	54,097,197	3,103,559
Net pension and OPEB liabilities	36,688,499	38,672,315	(1,983,816)
Total liabilities	155,714,752	171,637,713	(15,922,961)
Deferred inflows of resources			
Deferred gain on refunding	37,447	56,170	(18,723)
Inflows related to pension and OPEB	4,582,279	1,633,761	2,948,518
Deferred revenues	31,599,806	28,497,508	3,102,298
Total deferred inflows	36,219,532	30,187,439	6,032,093
Net position:			
Net investment in capital assets	291,956,448	286,347,548	5,608,900
Restricted	20,314,930	19,569,263	745,667
Unrestricted	58,197,918	45,832,670	12,365,248
Total net position	$ 370,469,296	$ 351,749,481	$ 18,719,815

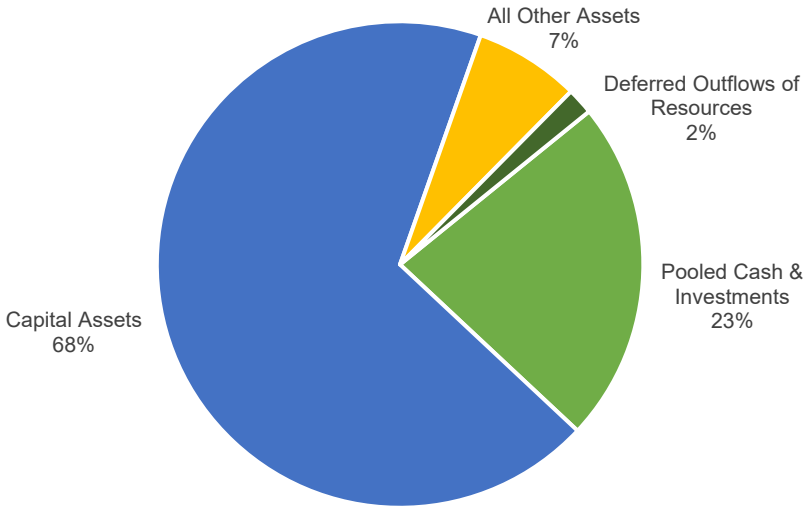
Net position may serve over time as one useful indicator of a government's financial condition. The net position for the City increased by $18,719,815, or 5.3%, from $351,749,481 at the end of 2022 to $370,469,296 at the end of 2023. The biggest increase over 2022 is in capital assets, which, as a net of depreciation, increased $27.5 million, over the prior year. The increase was the result of new major capital assets all near completion at year's end, including: a Parks Maintenance Shop, Fire Station #1, and the reconstruction of Mission Road from 133rd Street to 143rd Street. The gain in capital assets was offset by a $9.6 million reduction in temporary notes payable liability.

The largest portion of the City's net position, $291,956,448, or 79%, reflects its investments in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment); less any related outstanding debt used to acquire those assets. These assets are used to provide services to the citizens of the City of Leawood; therefore, 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.

An additional portion of the City's net position, $20,314,930, or 5%, represents various resources subject to external restrictions on how they may be used. The remaining balance of $58,197,918, or 16%, is the unrestricted net position and may be used to meet the City's ongoing obligations to citizens and creditors.

Assets

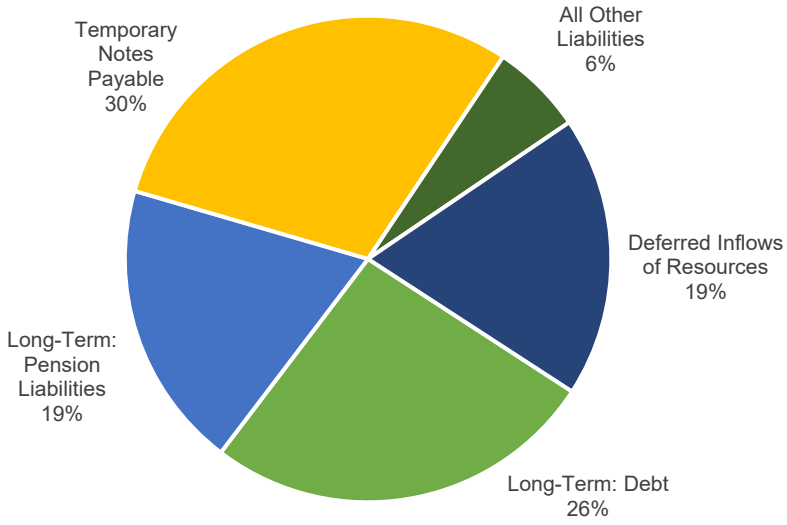
Total assets and deferred outflows of resources for the City are $562,403,580. The graph below shows the composition of this total, which is primarily comprised of $384,350,699 in capital assets, and $128,201,239 in pooled cash and investments.



Total assets and deferred outflows of resources increased by $8,828,947, of 1.6%, during the year. The increase is primarily the result of a $27,528,373, or 7.7%, increase in the net value of the City's capital assets and an offsetting reduction of pooled cash and investments by $18,897,059, or 12.8%, resulting from the spending down of cash on capital projects and equipment which had been backlogged and delayed from 2021 and 2022 supply chain issues.

Liabilities

Total liabilities and deferred inflows of resources come to $191,934,284 for 2023. The major items included in this total are: $57,160,312 for temporary notes payable, $57,200,756 in long-term debt liabilities, $36,688,499 in long-term net pension and OPEB liabilities, and $31,116,519 in deferred inflows from property taxes. The majority of long-term liabilities are debt issued for major capital projects. Debt issues never extend longer than the useful life of the bonded projects.



Total liabilities and deferred inflows decreased $9,890,868 or 4.9%, mostly attributable to a reduction of $9,581,231, or 14.4%, in temporary notes. The decrease reflects a reduction in total liabilities of $15,922,961, or 9.3%, and an offsetting increase of $6,032,093, or 20.0%, in deferred inflows of resources.

In addition to the reduction in temporary notes for total liabilities, there was also a $5,299,658 reduction in unearned revenue from the unused ARPA funding that was spent in 2023 on public safety salaries. The amount accounted for the entirety of the City's ARPA allocation. The City also experienced a reduction in long-term net pension liability of $1,426,477, or 4.1%, from the 2022 liability, primarily due to increases from economic and demographic changes. It should also be noted that the city experienced an offsetting increase in liabilities of $3,103,559 in long-term debt, with the issuance of $8,275,000 in new general obligation bonds, which was a 5.1% increase from the prior year.

The increase in deferred inflows reflects the increase in levied property taxes of $2,619,011, a 9.2% increase from tax year 2023 to 2024. The City's levied property taxes are collected in arrears and are not received from the county treasurer until the following year. The deferred inflows increase also reflects an increase in pension plan inflows of $2,422,735, primarily from changes in the state-ran KPERS and KP&F pension plans for earnings and actuarial assumptions in 2023 over the prior year. Details of these changes are included in Note 10 to the Financial Statements.

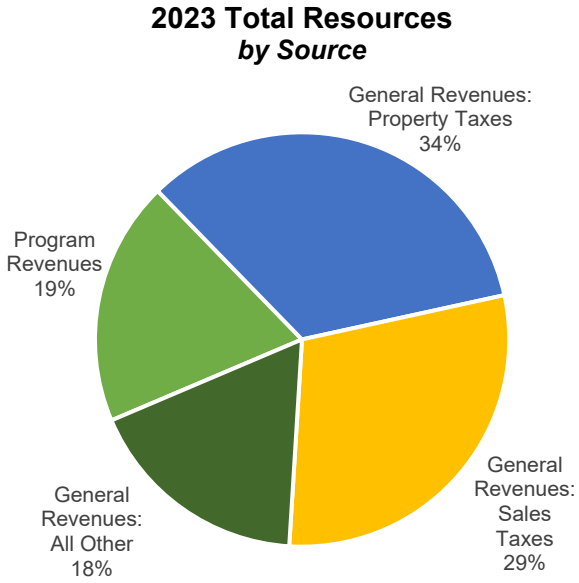
Statement of Activities

The City's programs for governmental activities include general government, public safety, public works and parks and recreation. A comparison of each program's revenues and expenses for the current year and prior year is presented below.

The following table reflects the revenues and expenses for the City's activities and compares the activities for the past two years:

	Governmental Activities		
	2023	2022	Change
Revenues			
Program Revenues			
Charges for services	$ 8,028,892	$ 7,425,887	$ 603,005
Operating grants and contributions	5,385,956	140,973	5,244,983
Capital grants and contributions	2,555,069	2,206,186	348,883
General revenues:			
Property taxes	28,296,214	26,211,116	2,085,098
Sales tax	24,586,641	24,267,696	318,945
Transient guest tax	579,077	529,263	49,814
Franchise tax	3,515,309	3,808,450	(293,141)
Other taxes	1,858,698	1,726,714	131,984
Grants and contributions not restricted to specific programs	3,065,234	3,026,941	38,293
Unrestricted investment earnings (loss)	5,325,058	671,562	4,653,496
Other	390,555	630,996	(240,441)
Total revenues	83,586,703	70,645,784	12,940,919
Expenses:			
General government	11,997,631	10,533,000	1,464,631
Public safety	23,183,365	21,134,159	2,049,206
Public works	15,918,636	15,821,667	96,969
Parks and recreation	10,907,573	11,021,209	(113,636)
Interest on long-term debt	2,928,616	1,618,916	1,309,700
Total expenses	64,935,821	60,128,951	4,806,870
Change in net position	18,650,882	10,516,833	8,134,049
Net position - beginning of year, as restated	351,818,414	341,232,648	10,585,766
Net position - end of year	$ 370,469,296	$ 351,749,481	$ 18,719,815

Total resources available during the year to finance governmental operations consisted of program revenues of $15,969,917 and general revenues of $67,616,786, totaling $83,586,703. The graph below shows the percentage of major sources of total revenues for the City.

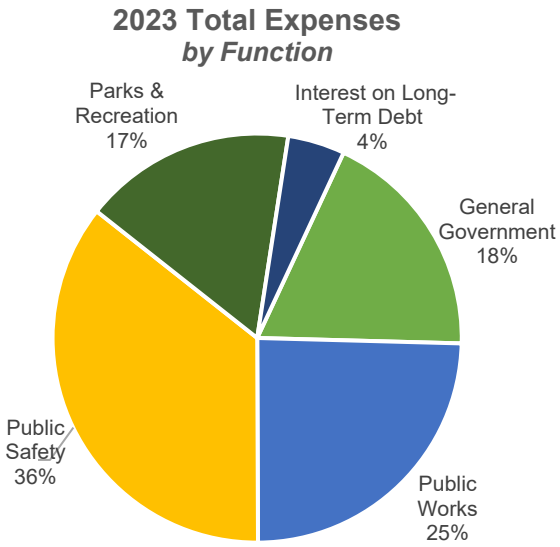


General revenues in the statement are comprised of $28,296,214 in property taxes, $24,586,641 in sales taxes, and $14,733,931 for all other general revenues. These general revenues increased by $6,744,048, or 11.1%, over collections in 2022, primarily from increases in property taxes of $2,085,098 (8.0%) and investment earnings of $4,653,496 (693%). The graph on the right above shows the total expenses by function for the City in 2023.

Public Safety was responsible for 35% of program revenues, totaling $5,604,401, a result of ARPA funds being used for public safety salaries in 2023. In 2022, Public Safety only accounted for 1% of program revenues, or $125,128. Public Works programs were responsible for 29% of program revenues in 2023, totaling $4,640,079, which was comprised of $2,085,010 in charges for services.

Specifically in program revenues, charges for services were $8,028,892 in 2023, an 8.1% increase over the prior year. Operating grants and contributions increased by $5,244,983, a 3721% increase over 2022 and attributable to the ARPA spending for public safety mentioned above. Capital grants and contributions increased by $348,883, or 15.8% over the prior year.

Total expenses of governmental activities during the year were $64,935,821; thus, the net position increased by $18,650,882 to $370,469,296. The total cost for services for 2023 was offset by program revenues that came from users directly benefiting from the services or by other organizations through grants and contributions. The composition of total expenses by function, as detailed in the statement, is shown in the following chart.



Total expenses for 2023 were $64,935,821, an increase of $4,806,870, or 8.0%, from the prior year. The total increase in expenses is mostly attributable to three functions: General Government at $1,464,631 (30% of the total); Public Safety at $2,049,206 (43%); and interest on long-term debt at $1,309,700 (27%). The increase in interest on long-term debt is a function of issuing $8,275,000 of new general obligation debt in August of 2023. The increase in Public Safety is primarily a function of capital equipment purchases of $5,942,458, an increase of $1,594,438 or 37%, over 2022. The General Government increase is a general increase in personnel and contractual expenses over 2023 as key positions were filled, communications efforts were prioritized, and new software and equipment upgrades occurred. The increase in General Government expenses was an increase of 14% over 2024.

Analysis of Fund Financial Statements

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, the amount of the 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.

General Fund

The General Fund is the chief operating fund of the City of Leawood. Fund balance for the General Fund increased by $8,699,354, or 40.6%, for the fiscal year ended December 31, 2023, with an ending balance of $30,140,812. This increase was aided significantly by the shifting $5,299,658 of public safety salaries on a one-time basis to the City's American Rescue Plan Grant Fund. 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 operating expenditures. Unassigned fund balance represents 37.2% of the total General Fund operating expenditures, while total fund balance represents 75.1% of that same amount.

Total fund balance is represented by five components: Non-spendable, Restricted, Committed, Assigned and Unassigned. For the General Fund, only three of those components are represented. The non-spendable fund balance is $98,110. This amount represents inventories and prepaid items that do not fluctuate a lot from year to year. The unassigned fund balance is $14,914,050, an increase of $4,479,044, or 43%, compared to a balance of $10,435,006 in 2022.

The table below shows the City's General Fund balance for the past five years.

	2023	2022	2021	2020	2019
Fund balance					
Non-spendable	$ 98,110	$ 119,062	$ 75,762	$ 63,412	$ 104,630
Assigned	15,128,652	10,887,390	5,070,266	7,532,376	6,679,837
Unassigned	14,914,050	10,435,006	11,853,780	5,641,346	9,123,801
Total fund balance	$ 30,140,812	$ 21,441,458	$ 16,999,808	$ 13,237,134	$ 15,908,268
Fund balance - beginning	$ 21,441,458	$ 16,999,808	$ 13,237,132	$ 15,908,268	$ 13,303,982
Operating surplus	20,133,944	13,615,690	10,574,123	6,549,288	5,966,750
Transfers	(11,434,590)	(9,174,040)	(6,811,449)	(9,220,424)	(3,362,464)
Fund balance - ending	$ 30,140,812	$ 21,441,458	$ 16,999,806	$ 13,237,132	$ 15,908,268

General Fund revenues increased from $56,302,044 in 2022 to $60,245,932 in 2023, an increase of $3,943,888, or 7.0%. Just under 58% of the increase is attributed to growth in tax revenues of $2,286,906, or 4.7%, over 2022 tax collections. Investment earnings increased by $1,034,872, from $103,982 in 2022 to $1,138,854 in 2023. The increase in investments came from a more aggressive investment strategy and moving idle funds into U.S. treasuries and the Kansas Municipal Investment Pool once funds from prior CDs at much lower rates became available for investment.

General Fund total expenditures decreased by $2,574,366, from $42,686,354 in 2022 to $40,111,988 in 2023, a 6.0% reduction. The savings in 2023 is attributable to a $4,668,029 reduction in 2023 related to the shifting of almost $5.3 million of public safety salaries on a one-time basis to the City's American Rescue Plan Grant Fund. The offsetting increases in spending withing the Public Safety program and the other programs, are attributed to price inflation and increasing property, liability and health insurance costs.

Other Governmental Funds

The fund balance for the Debt Service Fund remained consistent at $9,994,670, decreasing by $643,964, or 7.1% below the 2022 balance. The balance in the fund at the end of 2023 is greater than 100% of the annual debt service payments of $7,414,501 in 2023. However, the high balance is being maintained and increased in anticipation of a large balance of temporary notes for several major capital projects that will be converted to long-term debt over the next three years.

The fund balance in the Capital Projects Fund went further into a deficit from a negative $17,737,762 in 2022 to a negative balance of $37,159,024 in 2023. The increase is the result of spending down the balance of project balances funded by over $57 million in temporary notes that are outstanding, as well as the city actually reducing its temporary notes by a net of $9,581,231. Over $6 million of the temporary note reduction was the reflection of the City deciding to cash fund several electrical line undergrounding projects from the Economic Development Fund instead of using temporary notes it had issued in 2022. The negative balance is a reflection of temporary notes being used as funding sources for several projects in the Capital Projects Fund, where they will not be reflected as revenue because of their short-term status. Once the temporary notes are converted to long-term debt, the Capital Project Fund is reimbursed from the revenues of the permanent financing.

The fund balance in the Capital Improvement Fund on December 31, 2023, was $17,076,455. This was the first year the Capital Improvement Fund was considered a major fund, due to ARPA funding that the City received. Since the ARPA funds were used for salaries, this freed up monies in the General Fund, and a transfer into Capital Improvement Fund of $4,994,658 was made. The Capital Improvement Fund had a fund balance at the end of 2022 of $11,965,000 as a non-major fund.

Other Funds

The City has no proprietary funds, nor any internal service funds. All other funds are classified as non-major governmental funds and are discussed in the Supplementary Information section of this report. All information is included with the governmental activities information on the Government-wide Statements. Any asset, revenue, or expense fluctuations have been discussed in the Government-wide Statement section**.**

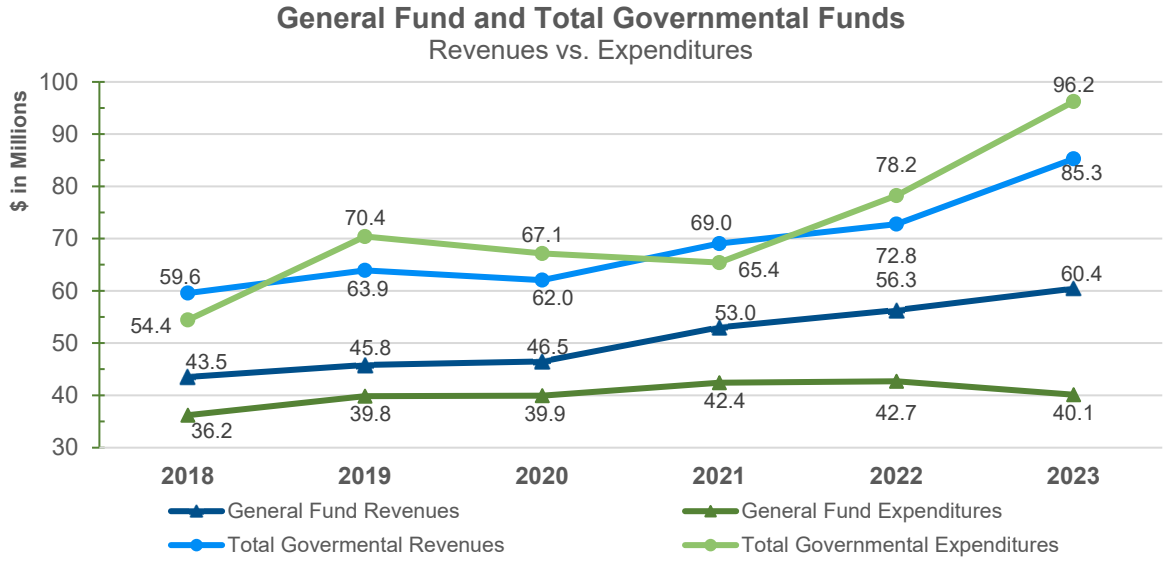
Budgetary Highlights

The legally adopted budget for the General Fund was not formally amended by the Governing Body during 2023. All line-item budget changes were made by staff internally, unless they were withing the purview of the Governing Body according to the City's financial policies. In total, the General Fund had a favorable variance from the final budget of $9,123,807 of revenues over expenditures, which resulted in a positive net change in the fund balance of $8,699,354 after adjusting for other financing sources.

General Fund revenues totaled $60,245,932 and had a variance of $1,727,770 from the final budget, with the largest variance coming from interest. Interest was responsible for over 50% of the total revenue variance in 2023, with actual collections $924,854 above the final budget. The other major contributor to positive revenue variances over the final budget were licenses and permits increasing $893,233 thanks to increased activity in the development and planning, building permits, and right-of-way permits for a major city-wide expansion project by Google Fiber.

The General Fund expenditures of $40,111,988 show a favorable variance of $7,396,037, or 15.6%, when compared to the final budget of $47,508,025. All functional areas of the budget showed underspending from the budget in 2023, with Public Safety having the largest total variance of $5,410,765, or 65.9% under the final budget. Personnel costs were $5,651,374 below the final budget, a result of some position vacancies. However, both items were significantly under budget because of the shifting of public safety salaries from the General Fund to the American Rescue Plan Act (ARPA) Grant Fund. All other programs had favorable variances as well. As for the character of expenditure, commodities and contractual services were $2,555,445 below the final budget, which came from conservative budgeting and favorable prices and the lack of emergencies or major weather events in 2023.

The graph below shows actual revenues & expenditures for the past five years for the General Fund & for Total Governmental Funds. In light of the City's ending balances, the graph visually demonstrates the City's record of careful and conservative spending throughout the years.



Capital Asset and Debt Administration

Capital Assets

The capital assets of the City are those assets which are used in the performance of the City's functions, including infrastructure assets. On December 31, 2023, net capital assets of the governmental activities (net position) totaled $384,350,699. Depreciation of capital assets is recognized in the Government-Wide financial statements. Refer to the Notes to Basic Financial Statements No. 6 for detail regarding capital assets.

The table below presents summary information on the City's capital assets.

	Governmental Activities		
	2023	2022	Percentage Change
Land/right of way	$ 121,612,027	$ 121,612,027	0%
Buildings and improvements	38,670,053	34,755,930	11%
Machinery and equipment	9,871,315	9,002,823	10%
Infrastructure	165,334,523	165,892,330	0%
Construction in progress	48,461,671	25,437,926	91%
Right to use – leased equipment	141,800	121,290	-58%
Right to use – subscription assets	350,720	0	100%
Total	$ 384,350,699	$ 356,822,326	8%

The City has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its streetlights and traffic signals. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) condition assessments and summarizing the results using a measurement scale; and (3) estimation of the annual amounts to maintain and preserve at the established condition assessment level.
- The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level.

It is the City's policy to maintain and preserve streetlights and traffic signals at least 85% of their normal operating mode. Streetlights and traffic signals are often out of service for the following factors: (1) life of lamp light; (2) accidents by vehicles or contractors who excavate in the City's Right of Ways; (3) weather, such as high winds, rain, snow and ice; and (4) vandalism. During 2020, the City contracted with an outside service provider to perform inspections.

The City also relies on citizens to report streetlight and traffic signal outages or malfunctions. The provider performs a monthly visual inspection on the streetlights and traffic signals and reports to the City Engineer. The City's policy is to repair/replace any outages or malfunctions within 48 hours. The average monthly condition assessment for 2023 was 98%. For 2023, the City incurred expenditures of $372,890 compared to the budgeted amount of $475,000 to maintain the condition assessment level.

Debt Administration

As of December 31, 2023, the City of Leawood had total bonded debt outstanding of $47,665,000. All of this debt is backed by the full faith and credit of the City.

	Governmental Activities		
	2023	2022	Change
General Obligation Bonds	$ 47,665,000	$ 45,310,000	$ 2,355,000

The City of Leawood achieved its first AAA bond rating from Moody's Investor Service in April 2008 and it was re-affirmed again in August 2023. This bond rating is a clear indication of the sound financial condition of the City. This achievement is a primary factor in keeping interest costs low on the City's outstanding debt.

Kansas statutes limit the amount of general obligation debt that a unit of government can issue to 30% of the total assessed value of taxable property located within the City's boundaries. The legal debt margin for the City of Leawood at the end of 2023 was just over $338,513,900, which for comparison purposes is only 2.7% of the total assessed value of taxable property in Leawood.

Additional information regarding the City of Leawood's long-term debt can be found in Notes to Basic Financial Statements No. 9.

Economic Outlook

The 2024 economic outlook for Leawood continues to be solid, but we also see a leveling off of growth in sales tax revenues with the softening of inflation and the leveling off of retail sales. It is anticipated that sales tax and program revenues will continue to increase but at a lower rate than in past years, with projections anticipating closer to 1.0% increases in sales-based revenues. However, robust construction activity of both residential and commercial properties continues, even in a high inflation environment for housing. Leawood continues to be a destination community for the area with access to some of the highest rated public schools and some of the most desirable housing properties in the area.

As demonstrated earlier in the revenues analysis, Leawood continues to have a diversified and balanced revenue base with 34% of revenues coming from property taxes; 29% from sales taxes and 37% from program revenues and other sources.

For tax year 2024, Leawood is anticipating a 5.4% increase in assessed valuation, which is on the heels of a 11.8% increase in tax year 2023. Over the last ten years the City's property tax base has increased 5.9% on average per year. The City is also anticipating the property tax base to continue to grow with the increase in new construction, even if housing prices stagnate or slow to more sustainable levels in the next couple of years.

At the close of 2024, the City's operating reserves are expected to be at 76% of expenditures, which is above the minimum goal of 11% established by the Governing Body and the informal benchmark of 30%. The General Fund's operating reserves alone are expected to be at 48% at the end of 2024This reserve level provides a financial cushion for the City in the event of another global economic issue, like the 2020 pandemic, or as a hedge against property value contraction as in the Great Recession of 2008.

Debt reserves in 2024 are budgeted at $10.0 million, which is 141% of debt service expenditures. This level of reserves also provides an added layer of protection in the event of delayed or defaulted payments from a special benefit district debt. As indicated earlier in this discussion, the City anticipates annual debt service payments to increase, to as much as $12.7 million by 2028, and the higher balances in debt reserves allow for gradual increases to the debt mill levy as well as adequate balances to adjust to any changes in the debt plan to take advantage of favorable market conditions.

Leawood will continue to use complex financial forecasting and planning models and to monitor financial progress. These actions ensure that fund balances remain within policy standards and will be sufficient to provide for the future needs of the City.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Finance Department, City of Leawood, 4800 Town Center Drive, Leawood, KS 66211 or phone 913-663-9121.

City of Leawood, Kansas

Statement of Net Position
December 31, 2023

	Governmental Activities
Assets	
Pooled cash and investments	$ 128,201,239
Restricted cash	148,038
Receivables:	
Property tax	31,114,541
Sales tax	4,579,041
Transient guest tax	170,236
Franchise fees	353,364
Special assessments—current	403,954
Intergovernmental	1,873,461
Interest	447,917
Accounts	47,314
Inventory and prepaid items	98,110
Special assessments receivable—noncurrent	683,568
Capital assets:	
Land and other capital assets, nondepreciable	193,014,419
Other capital assets, net of depreciation	191,336,280
Total assets	552,471,482
Deferred Outflows of Resources	
Deferred outflows of resources—pension plan	9,788,682
Deferred outflows of resources—OPEB	143,416
Total deferred outflows of resources	9,932,098
Liabilities	
Accounts payable	1,739,973
Due to employees and others	1,186,426
Temporary notes payable	57,160,312
Accrued interest payable	1,590,748
Municipal court deposits	148,038
Long-term liabilities:	
Due within one year	7,060,632
Total OPEB liability due within one year	154,749
Due in more than one year	50,140,124
Net pension liability due in more than one year	33,613,054
Total OPEB liability due in more than one year	2,920,696
Total liabilities	155,714,752
Deferred Inflows of Resources	
Deferred gain on refunding	37,447
Property tax and intergovernmental	31,599,806
Deferred inflows of resources—pension plan	2,657,602
Deferred inflows of resources—OPEB	1,924,677
Total deferred inflows of resources	36,219,532
Net Position	
Net investment in capital assets	291,956,448
Restricted for:	
Bridges, streets and signals	4,556,731
Debt service	11,082,192
Parks and recreation	1,970,274
Tourism promotion	2,345,084
Other purposes	360,649
Unrestricted	58,197,918
Total net position	$ 370,469,296

See the notes to basic financial statements.

City of Leawood, Kansas

Statement of Activities
For the Year Ended December 31, 2023

Functions/programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Expense and Changes in Net Position
Governmental activities:					
General government	$ 11,997,631	$ 1,523,666	$ -	$ -	$ (10,473,965)
Public safety	23,183,365	218,445	5,385,956	-	(17,578,964)
Public works	15,918,636	2,085,010	-	2,555,069	(11,278,557)
Parks and recreation	10,907,573	4,201,771	-	-	(6,705,802)
Interest on long-term debt	2,928,616	-	-	-	(2,928,616)
Total governmental activities	$ 64,935,821	$ 8,028,892	$ 5,385,956	$ 2,555,069	(48,965,904)
	General Revenues				
	Property taxes levied for:				
	Property taxes for general purposes				23,359,533
	Property taxes for debt service				4,936,681
	Sales taxes				24,586,641
	Transient guest taxes				579,077
	Franchise fees				3,515,309
	Other taxes				1,858,698
	Grants and contributions not restricted to specific programs				3,065,234
	Unrestricted investment earnings				5,325,058
	Miscellaneous				390,555
	Total general revenues				67,616,786
	Change in net position				18,650,882
	Net position, beginning of year, as restated				351,818,414
	Net position, ending				$ 370,469,296

See the notes to basic financial statements.

City of Leawood, Kansas

Balance Sheet—Governmental Funds
December 31, 2023

	General Fund	Debt Service	Capital Projects	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Pooled cash and investments	$ 27,472,433	$ 9,878,076	$ 21,554,467	$ 17,030,436	$ 52,265,827	$ 128,201,239
Restricted assets	148,038	-	-	-	-	148,038
Receivables:						
Property tax	25,421,372	5,693,169	-	-	-	31,114,541
Sales tax	4,073,557	-	-	-	505,484	4,579,041
Transient guest tax	-	-	-	-	170,236	170,236
Franchise fees	353,364	-	-	-	-	353,364
Special assessments	-	1,087,522	-	-	-	1,087,522
Intergovernmental	479,238	82,019	-	-	1,312,204	1,873,461
Interest	98,916	34,575	67,852	59,610	186,964	447,917
Accounts	47,314	-	-	-	-	47,314
Inventory and prepaid items	98,110	-	-	-	-	98,110
Due from other funds	-	-	-	-	470,675	470,675
Total assets	$ 58,192,342	$ 16,775,361	$ 21,622,319	$ 17,090,046	$ 54,911,390	$ 168,591,458
Liabilities						
Accounts payable and accrued liabilities	$ 823,041	$ -	$ 583,769	$ 13,591	$ 319,572	$ 1,739,973
Due to employees and others	1,186,426	-	-	-	-	1,186,426
Due to other funds	470,675	-	-	-	-	470,675
Temporary notes payable	-	-	57,160,312	-	-	57,160,312
Accrued interest payable	-	-	1,037,262	-	-	1,037,262
Municipal court deposits	148,038	-	-	-	-	148,038
Total liabilities	2,628,180	-	58,781,343	13,591	319,572	61,742,686
Deferred Inflows of Resources						
Property tax and special assessments	25,423,350	6,780,691	-	-	-	32,204,041
Unavailable revenue - intergovernmental	-	-	-	-	483,287	483,287
Total deferred inflows of resources	25,423,350	6,780,691	-	-	483,287	32,687,328
Fund Balances						
Nonspendable:						
Inventory	98,110	-	-	-	-	98,110
Restricted for:						
Social services	-	-	-	-	359,928	359,928
Parks and recreation	-	-	-	-	1,970,274	1,970,274
Tourism promotion	-	-	-	-	2,345,084	2,345,084
Bridges, streets and signals	-	-	-	-	4,556,731	4,556,731
Debt service reserve	-	9,994,670	-	-	-	9,994,670
Law enforcement	-	-	-	-	721	721
Committed to:						
Economic development	-	-	-	-	14,827,809	14,827,809
Equipment purchases	-	-	-	-	14,202,315	14,202,315
Bridges, streets and signals	-	-	-	-	3,217,048	3,217,048
Justice center	-	-	-	-	11,699,215	11,699,215
City art	-	-	-	-	342,926	342,926
Park improvements	-	-	-	-	473,396	473,396
UCS (United Committee Services)	-	-	-	-	104,287	104,287
Other capital projects	-	-	-	17,076,455	-	17,076,455
Assigned to:						
Appropriation of fund balance for 2024	15,128,652	-	-	-	-	15,128,652
Other purposes	-	-	-	-	8,797	8,797
Unassigned	14,914,050	-	(37,159,024)	-	-	(22,244,974)
Total fund balances	30,140,812	9,994,670	(37,159,024)	17,076,455	54,108,531	74,161,444
Total liabilities, deferred inflows and fund balances	$ 58,192,342	$ 16,775,361	$ 21,622,319	$ 17,090,046	$ 54,911,390	$ 168,591,458

See the notes to basic financial statements.

City of Leawood, Kansas

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2023

Total Fund Balance—Governmental Funds	$ 74,161,444
Amounts reported for governmental activities in the statement of net position are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of those assets is capitalized and shown at cost or estimated cost, net of accumulated depreciation and amortization. This is the amount of net capital assets reported in the statement of net position.	384,350,699
Certain long-term assets not collected within the 60-day availability period are not available to pay for current period expenditures and are therefore reported as a deferred inflow of resources in the fund financial statements.	1,087,522
Certain deferred outflows and inflows of resources related to pensions and OPEB represent a consumption or acquisition of net assets in a future period and therefore are not reported in the funds:	
Share of deferred outflows of pension plan	9,788,682
Deferred outflows—OPEB	143,416
Share of deferred inflows of pension plan	(2,657,602)
Deferred inflows—OPEB	(1,924,677)
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 premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term liabilities and related items:	
Deferred gain on refunding	(37,447)
Unamortized premiums and discounts	(5,104,498)
Accrued interest payable	(553,486)
Net pension liability	(33,613,054)
Total OPEB liability	(3,075,445)
Compensated absences	(1,252,232)
Finance purchases	(2,817,055)
Long-term leases	(57,901)
Subscription liability	(304,070)
Long-term debt	(47,665,000)
Total net position of governmental activities	$ 370,469,296

See the notes to basic financial statements.

City of Leawood, Kansas

Statement of Revenues, Expenditures and Changes in Fund Balances—
Governmental Funds
For the Year Ended December 31, 2023

	General Fund	Debt Service	Capital Projects	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 51,212,503	$ 5,303,930	$ -	$ -	$ 5,316,737	$ 61,833,170
Licenses and permits	2,408,233	-	-	-	190,352	2,598,585
Intergovernmental	18,798	-	2,380,462	-	6,254,939	8,654,199
Charges for services	4,142,519	-	-	-	-	4,142,519
Fines and forfeitures	1,191,021	-	-	-	96,767	1,287,788
Special assessments	-	862,814	-	-	-	862,814
Investment income	1,138,854	603,793	1,199,307	514,704	1,868,400	5,325,058
Contributions and other	134,004	-	-	-	256,551	390,555
Total revenues	60,245,932	6,770,537	3,579,769	514,704	13,983,746	85,094,688
Expenditures						
General government	8,777,064	-	-	-	1,990,634	10,767,698
Public safety	14,316,738	-	-	-	5,300,658	19,617,396
Parks and recreation	8,605,848	-	-	-	109	8,605,957
Public works	7,055,283	-	-	-	-	7,055,283
Capital outlay:						
General government	-	-	-	39,519	363,247	402,766
Public safety	781,280	-	4,069,694	141,187	950,297	5,942,458
Parks and recreation	-	-	8,743,481	97,420	843,599	9,684,500
Public works	-	-	19,165,319	119,781	4,978,431	24,263,531
Debt service:						
Principal retirement	503,697	5,920,000	-	-	182,761	6,606,458
Interest and fiscal charges	72,078	1,494,501	1,700,844	-	16,107	3,283,530
Total expenditures	40,111,988	7,414,501	33,679,338	397,907	14,625,843	96,229,577
Excess (deficiency) of revenues over (under) expenditures	20,133,944	(643,964)	(30,099,569)	116,797	(642,097)	(11,134,889)
Other Financing Sources (Uses)						
Transfers in	272,000	-	2,190,097	4,994,658	8,321,045	15,777,800
Transfers out	(12,487,870)	-	(327,833)	-	(2,962,097)	(15,777,800)
Issuance of lease	781,280	-	-	-	-	781,280
Proceeds from bonds issued	-	-	8,275,000	-	-	8,275,000
Bond Premiums	-	-	541,043	-	-	541,043
Total other financing sources (uses)	(11,434,590)	-	10,678,307	4,994,658	5,358,948	9,597,323
Net change in fund balances (deficits)	8,699,354	(643,964)	(19,421,262)	5,111,455	4,716,851	(1,537,566)
Fund balances (deficits), beginning of year	21,441,458	10,638,634	(17,737,762)	11,965,000	49,391,680	75,699,010
Fund balances (deficits), end of year	$ 30,140,812	$ 9,994,670	$ (37,159,024)	$ 17,076,455	$ 54,108,531	$ 74,161,444

See the notes to basic financial statements.

City of Leawood, Kansas

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

Net changes in fund balances (deficits)—total governmental funds	$ (1,537,566)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation and amortization in the current period.	
Capital outlay	38,107,893
Depreciation and amortization expense	(11,050,434)
The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, contributed capital assets) is to increase net position.	
Loss on disposal of capital assets	(112,229)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in deferred inflows for special assessments and intergovernmental revenue	(1,507,985)
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. However, the proceeds from or repayment of principal is not recognized in the statement of activities; instead, it increases or reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:	
Amortization of deferred refunding and premiums	646,950
Interest expense	(292,036)
Proceeds on issuance of bonds	(8,275,000)
Proceeds on issuance of bond premium	(541,043)
Issuance of lease	(781,280)
Payment of long-term debt, including $780,000 payments made by developer to refunding agent	6,606,458
Pension expense	(2,378,213)
Other post employment benefits expense	(7,921)
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.	
Change in accrued compensated absences	(226,712)
Total changes in net position of governmental activities	$ 18,650,882

See the notes to basic financial statements.

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies

Reporting entity: The City of Leawood, Kansas (the City) was incorporated in November 1948 and became a first class city effective December 31, 1998. The City operates under the Mayor-Council form of government with the addition of a City Administrator. The City covers an area of approximately 15 square miles in northeastern Johnson County, Kansas. The City provides many services to its 33,980 residents, including law enforcement, fire protection, and recreational facilities. Educational services are provided by separate governmental entities.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The more significant accounting and reporting policies established in GAAP and practiced by the City are discussed below.

Basis of presentation: The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds).

Government-wide financial statements: The statement of net position and the statement of activities display information about the City, the primary government, as a whole, with the exclusion of fiduciary funds, if any. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The government-wide statement of activities presents a comparison between expenses and program revenues for each program of the governmental activities. Expenses are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City. All interfund activity, other than interfund services provided and used, has been removed from these statements.

The City's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

Fund financial statements: Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Governmental funds: The major governmental funds of the City are described below:

General fund: The General Fund is the principal operating fund of the City that accounts for all financial transactions not accounted for in other funds. The majority of the current operating expenditures of the City are financed through revenues received by the General Fund.

Debt service fund: The Debt Service Fund is used to account for resources to be used for the payment of general long-term debt principal, interest and related costs.

Capital projects fund: The Capital Projects Fund accounts for the purchase and/or construction of major capital projects. These projects are normally financed by temporary notes and/or general obligation bonds.

Capital Improvements Fund: Established to account for the budgeted transfer of monies from other City funds lawfully available for improvement purposes. Funds may be used to finance, in whole or in part, any public improvement need set forth in the adopted capital improvement plan.

The other governmental funds of the City are considered nonmajor and are reported as nonmajor governmental funds within these financial statements.

Measurement focus and basis of accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or when all eligibility requirements have been satisfied and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Any resources received before eligibility requirements (other than time requirements) are met and reported as unearned revenues. Any resources received before time requirements are met and reported as deferred inflows of resources. This differs from the manner in which governmental fund financial statements are prepared; therefore, the governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenue recognition: In applying the susceptible to accrual concept under the modified accrual basis, certain revenue sources are deemed both measurable and available (collectible within the current year or within two months of year end (and three months for certain taxes) and available to pay obligations of the current period). This includes investment earnings and state- levied locally shared taxes (including motor vehicle fees). Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Property taxes and special assessments, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property taxes and special assessment receivables are recorded and deferred in the fund statements until they become available.

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Property taxes are recognized as revenue in the government-wide financial statements in the year intended to be financed by those taxes in accordance with provisions of GASB Statement No. 33 and GASB Statement No. 34.

Expenditure recognition: The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which have not matured are recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The following is a summary of significant accounting policies employed in the preparation of the accompanying financial statements.

Deposits and investments: The City temporarily pools available idle funds for the purpose of increasing revenue through investment activities. Each fund's portion of this pool is displayed on the financial statements as pooled cash and investments. Interest earned on this pool is allocated to various funds on the basis of the fund's month-end cash balance.

Investments are reported at fair value in accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*.

The City typically invests available cash in demand deposits, time deposits, and U.S. Government securities ranging from 30 to 365 days to maturity. The average yield on investments during the year was 4.15% and the amount of investment income was $5,325,058.

From time to time, the City invests available cash in the Kansas Municipal Investment Pool (KMIP). KMIP is a pooled investment vehicle offered by the State of Kansas as a voluntary investment alternative for municipalities in the State of Kansas. KMIP is governed by the State of Kansas Pooled Money Investment Board. Investments in the KMIP are reported at net asset value, which approximates fair value.

Inventories and prepaid items: Inventory included on the City's financial statements is presented at cost if held by the City for its own use, and it is valued at the lower of cost or market, on a first-in first-out basis, if it is held for resale. Inventory consists of fuel, golf merchandise and food and beverage items. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items. The City uses the consumption method for all inventory and prepaid items.

Capital assets: Capital assets, which include property, equipment, and infrastructure assets (e.g., roads/curbs, bridges, storm drainage systems, etc. acquired in 1948 and after) are reported in the governmental activities columns in the government-wide financial statements. In the governmental fund statements, capital assets are charged to expenditures as purchased. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and similar items are recorded at acquisition value as of the date of the donation.

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Capital assets are defined by the City as assets with an initial, individual cost of $5,000 or more, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the efficiency or capacity of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on exhaustible assets is recorded as an allocated expense in the statement of activities with accumulated depreciation reflected in the statement of net position. Depreciation is provided on the straight-line basis over the following estimated useful lives:

Assets	Years
Buildings/building improvements	20 - 40
Machinery and equipment	5 - 15
Infrastructure—fiber optic network	75
Infrastructure—storm drainage systems	75
Infrastructure—streets/curbs	40
Infrastructure—pedestrian bridges	30
Infrastructure—bridges	45

One-half year of depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include the street network, storm drainage network, streetlight network, traffic signal network, and pedestrian and vehicle bridges and buildings combined with the site amenities such as parking and landscaped areas used by the City in the conduct of its business.

The City has elected to use the Modified Approach as defined by GASB Statement No. 34 for infrastructure reporting of its streetlights and traffic signals. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

The City manages the eligible infrastructure capital assets using an asset management system with the characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amounts to maintain and preserve at the established condition assessment level. The Modified Approach for these two networks entails the following:

Streetlights and traffic signals: City owned streetlights and traffic signals are inspected on a monthly basis to determine any outages. The City's standard for the streetlight and traffic signals networks is that 85% of the City's owned streetlights and traffic signals are operating on an annual basis. A monthly report is generated for the City indicating the number of lights that are out. The City Engineer reviews the monthly report to ensure that the 85% operating standard is maintained. Streetlights and traffic signals not owned by the City are not maintained by the City and therefore are not included in the City's capital assets. The City estimates that cost of maintenance of the streetlight and traffic signal systems at 85% on an annual basis to be $475,000.

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Compensated absences: Under terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts, based upon length of service. In the event of termination or separation, an employee is paid for accumulated vacation. Employees are not paid for accumulated sick leave upon termination. Accrued vacation is recorded as a long-term liability of the City in the Government-wide financial statements. However, in the governmental fund financial statements, a liability is only reported in the amount that has matured and is due at the end of the year.

Pensions: For purposes of measuring the 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 and deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post Employment Benefit Plans (OPEB): The City sponsors a single-employer, defined benefit health care plan and participates in the Kansas Public Employees Death and Disability Plan, a multiple-employer defined benefit plan. The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by the OPEB Plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Long-term liabilities: All long-term liabilities are reported as liabilities in the government-wide statements. Long-term liabilities consist primarily of bonds payable, financed purchases, long-term leases, other postemployment benefit obligations, net pension liability, and accrued compensated absences. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method.

Long-term liabilities for governmental funds are not reported as liabilities in the fund financial statements. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Leases: The City is a lessee in equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

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

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies (Continued)

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments, termination fees, residual value guarantees and purchase option price that the City is reasonably certain to exercise.

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

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

Subscription-Based Information Technology Arrangements (SBITAs): The City has entered into agreements where they subscribe to use a vendors software programs. The City recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements.

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

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

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

- The City uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.

- The subscription term includes the noncancellable period of the agreement.

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies (Continued)

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

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

Special assessments: Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of bonds are recorded as revenue for the appropriate project. Special assessments received after issuance of bonds are recorded as revenue in the Debt Service Fund or in Special Revenue Funds. Further, state statutes require levying additional general ad valorem property taxes in the Debt Service Fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable are primarily accounted for within the Debt Service Fund. Special assessments are levied over various periods, and the 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. Special assessment taxes levied are a lien on the property and are recorded as special assessment receivable in the Debt Service Fund with a corresponding amount recorded as deferred inflow of resources in the fund financial statements.

Interfund receivables and payables: During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Those related to the purchase of goods and services are classified as due to and from other funds. Short-term interfund loans are reported as due to and due from other funds. Long-term interfund loans (noncurrent portion) are reported as advances from and to other funds. Interfund receivables and payables between governmental funds are eliminated in the statement of net position.

Interfund transfers: Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated unless interfund services were provided.

Equity classifications: In the government-wide statements, equity is shown as net position and is classified into three components:

Net investment in capital assets: Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, related premiums or discounts, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position: All other net position that does not meet the definition of restricted or net investment in capital assets.

Note 1. Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies (Continued)

In the fund financial statements, governmental funds report fund balance in five different classifications:

Nonspendable: Assets legally or contractually required to be maintained or are not in spendable form. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.

Restricted: Assets with externally imposed constraints, such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws or regulations.

Committed: Assets with a purpose formally imposed by ordinance of the City Council, binding unless modified or rescinded by the City Council through a similar action.

Assigned: Assets constrained by the expressed written intent of the City Council, City Manager, Finance Director, or designee as set forth in the City's purchasing policy pursuant to resolution #2149. Encumbrances shall be considered as assigned unless they specifically meet the requirements to be restricted or committed.

Unassigned: All amounts not included in the other fund balance classifications. The general fund shall be the only fund to report positive unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned fund balance.

For the classification of fund balances, the City considers restricted amounts to have been spent first when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Expenditures are to be spent from restricted fund balance first, followed by committed, assigned and lastly unassigned.

Estimates: The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts in the financial statements and note disclosures. Accordingly, actual results could differ from those estimates.

Note 2. Stewardship, Compliance and Accountability

Budgetary control: Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute) and the Debt Service Fund. Special Revenue Funds requiring a legally adopted budget include the Special Alcohol Fund, the Special City Highway Fund, the Special Parks and Recreation Fund, the Special Law Enforcement Fund, and the Transient Guest Tax Fund. A legal operating budget is not required for Capital Projects Funds or for the American Revolution Tri-Centennial Special Revenue Fund, American Rescue Plan Fund, Opioid Settlement Fund, Park Place TDD, Camelot Court CID, Ranch Mart North CID, Insurance Proceeds Fund, or Virtual Reality Grant Fund.

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 a local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.

Note 2. Stewardship, Compliance and Accountability (Continued)

3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.

4. Adoption of the final budget on or before August 25.

The annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized on the modified accrual basis. Expenditures include disbursements and accounts payable.

The statutes permit transferring budgeted amounts between line items within an individual fund by management. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. The statutes allow for the governing body to increase the originally adopted expenditure budget for a fund for previously unbudgeted increases in revenue other than ad valorem property 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 reported budgetary data represents the approved budget as adopted by the City Council.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the Governing Body. The legal level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriate amount) is at the fund level.

Kansas statutes prohibit cities from creating indebtedness unless there is money on hand in the treasury and unencumbered by previous commitments with which to pay the indebtedness. The execution of a contract, or the issuing of a purchase order, automatically encumbers the money for the payment of the amount represented by the commitment. An exception to this cash basis law is the issuance of debt, in the form of bonds, notes, or warrants, pursuant to statutory authority, referendum, or by the State Board of Tax Appeals. In the event debt is issued, funds need not be on hand for future payments.

Property taxes: 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 assessed on a calendar year basis, are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the 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 20 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not received until the ensuing year. At December 31, such taxes are recorded as taxes receivable with a corresponding amount recorded as deferred inflows of resources on the balance sheets of the appropriate funds and on the statement of net position. It is not practical to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amount thereof is not material in relationship to the basic financial statements taken as a whole.

The City's property tax is levied and a lien attaches each November 1 on the assessed value as of the prior year January 1 for all property located in the City. Property taxes are due December 20 following the levy date. The taxes are collected by the County and remitted to the City, generally after December 31. The taxes may be paid in full or one-half on or before the due date of December 20, with the remaining one-half due on or before May 20 of the following year.

Note 2. Stewardship, Compliance and Accountability (Continued)

Assessed values are established by the County Appraiser. The assessed value for property located in the City as of January 1, 2022 on which the 2023 levy was based was $1,323,627,323.

The City's property tax levies per $1,000 (Mills) assessed valuation for the year ended December 31, 2023 recognized as revenue in 2023 were as follows:

	Levy (Mills)
General fund	$ 19.205
Debt service fund	4.301
	$ 23.506

Detailed Notes on All Funds

Note 3. Deposits and Investments

Deposits and investments: Kansas statutes authorize the City, with certain restrictions, to invest in open accounts, time deposits, certificates of deposits, KMIP, and U.S. Treasury securities. All deposits with banks are collateralized at 105% of fair value, as required by the City's Cash and Investment Policy and State Statute, less insured amounts.

The City maintains a cash and investment program to pay for operating and capital requirements. The investment program consists of deposits, repurchase agreements, certificates of deposit, and U.S. Treasury securities. Nearly all maturities of securities were less than one year.

Cash and investments are pooled. Investment income is allocated to the funds based on the respective cash and investment balances.

A reconciliation of cash and investments with the statement of net position, as well as a summary of the City's cash and investments is as follows:

Cash on hand	$ 5,244
Carrying amount of deposits	230,229
Investments	128,113,804
Total cash and investments	$ 128,349,277
Pooled cash and investments	$ 128,201,239
Restricted cash	148,038
Total cash and investments	$ 128,349,277

Custodial credit risk: The custodial credit 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 custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or 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.

Note 3. Deposits and Investments (Continued)

At December 31, 2023, the City's deposits were fully collateralized by federal depository insurance and securities held in the City's name by their financial institution's agent. Accordingly, management has determined that none of the City's deposits were exposed to custodial credit risk as of December 31, 2023.

Interest rate risk: As a means of managing its exposure to fair value losses arising from increasing interest rates, the City's policy is to limit its investments to securities with stated maturities not exceeding two years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

The following table shows the City's investment portfolio broken down into maturity ranges.

		Maturity		
	Amount	6 Months or Less	6 - 12 Months	12 - 24 Months
U.S. Treasury notes	$ 59,973,190	$ 59,973,190	$ -	$ -
Repurchase agreements	28,140,614	-	-	28,140,614
	$ 88,113,804	$ 59,973,190	$ -	$ 28,140,614

Foreign currency risk: Foreign currency risk is the risk that fluctuations in exchange rates can lead to a loss in value of assets denominated in foreign currencies. The City investment policy does not allow for foreign currency denominated investments and, as a result, the City has no investments exposed to foreign currency risk. All investments are in U.S. dollars.

The City has an investment policy that regulates investments in securities that have objectives of safety in principal, liquidity with all investments in U.S. dollars, and investment returns optimized within the constraints of safety and liquidity. Eligible securities are specific to Kansas State Statutes. All securities owned by the City are in conformance with the investment policy.

Credit risk and concentrations of credit risk: Credit risk is the risk that an entity will not be able to honor its commitments in the event of liquidation. The City manages credit risk by requiring all investments, including the use of any external investment pools be AAA rated by nationally recognized rating agencies. All securities held by the City meet the credit quality objective.

Additionally, the following table summarizes the City's policy limitations on investment concentration:

Investment Type	Percentage
Repurchase agreements	40%
Collateralized time and demand deposits	100%
U.S. Treasury notes and bills	100%
Kansas Municipal Investment Pool	30%
Bank trust department municipal pools	10%
Temporary notes or no-fund warrants	10%

Note 3. Deposits and Investments (Continued)

Presented below is the actual rating by Standard and Poor's Investor Service as of year-end for each investment type, as well as the issuers of securities, and the respective fair value of those securities:

Investment Type	Fair Value	Rating December 31, 2023	Percent
U.S. Treasury notes	$ 59,973,190	**	68.1%
Repurchase agreements	28,140,614	AAA Collateral	31.9%
	88,113,804		
Investments measured by the net asset value (NAV):			
Kansas Municipal Investment Trust	40,000,000	NA	
	$ 128,113,804		

** Ratings are not required for U.S. Treasury Notes because they are explicitly guaranteed.

The City categorized its fair value measurements applicable for reporting its investments within the fair value hierarchy. The hierarchy is based on the valuation of 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 and Level 3 inputs are significant unobservable inputs. The City has one investment that is leveled. U.S. Treasury Notes are valued using quoted market prices (Level 1 inputs). The repurchase agreements are measured at amortized cost.

At December 31, 2023, the City had $40,000,000 invested in the State of Kansas's municipal investment pool. The Kansas Municipal Investment Pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The fair value of the City's position in the municipal investment pool is substantially the same as the value of the pool shares.

Note 4. Intergovernmental Revenues

	General Fund	Capital Projects	Nonmajor Governmental Funds	Total
Federal:				
Department of transportation	$ 18,798	$ -	$ -	$ 18,798
County and local:				
Interlocal agreements	-	2,380,462	6,254,939	8,635,401
	$ 18,798	$ 2,380,462	$ 6,254,939	$ 8,654,199

Note 5. Interfund Receivables, Payables and Transfers

A summary of interfund transfers by fund type is as follows:

	Transfers From			
Transfers to	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Governmental activities:				
General Fund	$ -	$ -	$ 272,000	$ 272,000
Capital Projects Fund	-	-	2,190,097	2,190,097
Capital Improvements Fund	4,994,658	-	-	4,994,658
Nonmajor Governmental Funds:				
Municipal Equipment Reserve Fund	2,550,000	-	-	2,550,000
Public Safety Improvements Fund	1,468,721	-	-	1,468,721
Economic Development Fund	1,368,713	-	-	1,368,713
Street Improvement Fund	1,800,000	-	-	1,800,000
Special City Highway Fund	150,000	-	500,000	650,000
Special Parks and Recreation Fund	-	327,833	-	327,833
City Art Fund	155,778	-	-	155,778
Cornerstone TDD Fund	-	-	-	-
	$ 12,487,870	$ 327,833	$ 2,962,097	$ 15,777,800

General Fund transfers are made to various funds to include: annual purchases of equipment, arterial street improvements, capital improvement projects, citywide art projects as well as transferring of county sales tax portion to the Public Safety and Economic Development Funds. Nonmajor governmental fund transfers out primarily consist of funding for capital projects. Specifically, there was a $500,000 transfer from 1/8 cent sales tax fund for street improvements. In addition, there was a $1.7 million transfer from the Economic Development fund for construction projects.

A summary of amounts due from/to other funds is as follows:

Due from the general fund to nonmajor governmental funds:	
Public Safety Improvement Fund	$ 235,338
Economic Development Fund	235,337
	$ 470,675

Amounts due from the General Fund to the Public Safety Improvement Fund and Economic Development Fund are the result of a time lag created when the General Fund collects and subsequently transfers certain sales taxes designated for public safety capital improvements to the Public Safety Improvement Fund, and certain transfers to the Economic Development Fund.

Note 6. Capital Assets

Governmental capital asset activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023, Restated	Increases	Decreases	Balance December 31, 2023
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land and right-of-way	$ 121,612,027	$ -	$ -	$ 121,612,027
Infrastructure	22,940,721	-	-	22,940,721
Construction in progress	25,437,926	34,917,141	11,893,396	48,461,671
Total capital assets not being depreciated/amortized	169,990,674	34,917,141	11,893,396	193,014,419
Capital assets being depreciated/amortized:				
Buildings and improvements	73,523,414	6,067,959	-	79,591,373
Machinery and equipment	26,045,971	3,109,595	691,259	28,464,307
Infrastructure	297,548,070	5,906,593	219,360	303,235,303
Right to use—leased equipment	192,190	-	-	192,190
Right to use—subscription assets	583,143	-	-	583,143
Total capital assets being depreciated/amortized	397,892,788	15,084,147	910,619	412,066,316
Less accumulated depreciation/amortization for:				
Buildings and improvements	38,767,484	2,153,836	-	40,921,320
Machinery and equipment	17,043,148	2,213,326	663,482	18,592,992
Infrastructure	154,596,461	6,379,949	134,909	160,841,501
Right to use—leased equipment	70,900	70,900	-	141,800
Right to use—subscription assets	-	232,423	-	232,423
Total accumulated depreciation/amortization	210,477,993	11,050,434	798,391	220,730,036
Total capital assets being depreciated/amortized, net	187,414,795	4,033,713	112,228	191,336,280
Governmental activity capital assets, net	$ 357,405,469	$ 38,950,854	$ 12,005,624	$ 384,350,699

See Note 13 for information on restatement due to implementation of GASB Statement No. 96, Subscription-based information technology arrangements (SBITAs).

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

General government	$ 597,769
Public safety	1,830,371
Public works	7,156,319
Parks and recreation	1,465,975
Total depreciation expense	$ 11,050,434

Note 7. Capital Projects Authorized

The City has authorized street improvement and building construction projects. The following is a summary of capital projects, project authorization amounts and expenditures to date:

	Project Number and Name	Amount Authorized	Total Expend to Date December 31, 2023
80158	Fire Station #1 Replacement	$ 9,220,000	$ 8,691,843
80173	Park Maintenance Facility	14,990,000	13,023,736
80175	Mission Rd, 133rd to 143rd	17,200,000	15,519,080
80176	83rd Street-State Line to W. City Limits	500,000	311,463
80179	Tomahawk Creek Parkway	1,110,000	632,048
80182	123rd Street - Mission to State Line	600,000	238,838
80223	2023 Residential Streets	4,120,000	334,199
80257	2022 Stormwater Improvements	1,090,000	1,452,931
80305	Aventino SBD	3,850,000	2,507,842
71030	Playground - Tomahawk Creek Parkway	635,000	29,392
71050	Restroom at North Lake - Tomahawk Creek Parkway	595,000	586,349
49108	Ironhouse Clubhouse Kitchen	885,000	879,035
71031	City Park Shelters	1,555,000	59,332
		$ 56,350,000	$ 44,266,088

These projects will be funded by a combination of General Obligation Bonds, 1/8 cent sales tax, Johnson County's County Assistance Road System Projects (CARS) and Stormwater Management Program (SMP), Federal Grants, and Economic Development Fund.

Note 8. Temporary Notes

During the year, the City issued a series of temporary notes for the purpose of funding various capital improvement projects.

	Balance December 31, 2022	Additions	Retirements	Balance December 31, 2023
Temporary notes	$ 66,741,543	$ 57,160,312	$ 66,741,543	$ 57,160,312

Temporary notes consisted of the following at December 31, 2023:

Maturing September 1, 2024:	
5.00% General Obligation Temporary Notes	$ 57,160,312

Note 9. Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the City for the year ended December 31, 2023:

	Balance January 1, 2023, as Restated	Increases	Decreases	Balance December 31, 2023	Amount Due in 2024
Governmental activities:					
General obligation bonds to be paid with:					
Tax levies	$ 43,460,310	$ 8,275,000	$ 5,120,056	$ 46,615,254	$ 5,059,458
Special Benefit District Assessments	1,849,690	-	799,944	1,049,746	360,542
Bond premiums	5,191,682	541,043	628,227	5,104,498	-
Total bonds payable	50,501,682	8,816,043	6,548,227	52,769,498	5,420,000
Financing purchases**	2,456,814	781,280	421,039	2,817,055	429,658
Long-term leases**	113,181	-	55,280	57,901	57,901
Subscription liability	514,209	-	210,139	304,070	151,287
Compensated absences*	1,025,520	1,619,629	1,392,917	1,252,232	1,001,786
Total governmental activity debt	$ 54,611,406	$ 11,216,952	$ 8,627,602	$ 57,200,756	$ 7,060,632

* Compensated absences typically have been liquidated in the general fund.
** The Financing purchases and long-term leases are privately placed.

See Note 13 for information on restatement due to implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs).

Developer escrow payment: In 2022, a developer purchased property that had multiple years of delinquent special benefit district assessments. The original debt for the district was issued with general obligation bonds of the City. In order to clean up the title by eliminating all future assessments, the new developer agreed to pay off the remaining outstanding general obligation bonds on the project. Since the bonds were general obligations, they were reported as the City's debt but were the responsibility of the original developer through the special benefit district.

The total amount needed to retire the bonds of $780,000 has been placed in an irrevocable escrow and pledged to retire the outstanding bonds which mature through 2029. Accordingly, these bonds are now considered defeased pursuant to their authorizing resolutions and no longer an obligation of the City. During 2023, $300,000 of this amount was used to retire bonds, and $480,000 remains as of December 31, 2023.

Note 9. Long-Term Liabilities (Continued)

The detail of long-term debt at December 31, 2023 follows:

General obligation bonds to be paid with tax levies:		
$2,565,000 Series 2012-A General Obligation Improvement and Refunding Bonds due in annual installments through September 1, 2024; interest at 2% to 3%	$	150,000
$5,920,000 Series 2014-A General Obligation Improvement Bonds due in annual installments through September 1, 2029; interest at 3% to 5%		2,340,000
$7,067,775 Series 2015-A General Obligation Improvement Bonds due in annual installments through September 1, 2030; interest at 2% to 5%		3,293,071
$7,126,100 Series 2016-A General Obligation Refunding Bonds due in annual installments through September 1, 2028; interest at 2% to 3%		330,000
$18,190,000 Series 2017-A General Obligation Refunding Bonds due in annual installments through September 1, 2028; interest at 2% to 5%		10,900,000
$11,667,073 Series 2018-A General Obligation Improvement and Refunding Bonds due in annual installments through September 1, 2033; interest at 3% to 5%		4,687,183
$2,080,000 Series 2020-A General Obligation Refunding Bonds due in annual installments through September 1, 2029; interest at 3%		1,935,000
$16,975,000 Series 2021-A General Obligation Improvement Bonds due in annual installments through September 1, 2036; interest at 1% to 4%		14,705,000
$8,275,000 Series 2023-A General Obligation Improvement Bonds due in annual installments through September 1, 2039; interest at 4% to 5%		8,275,000
		46,615,254
General obligation bonds to be paid with benefit district assessments:		
$72,225 Series 2015-A General Obligation Improvement Bonds due in annual installments through September 1, 2025; interest at 2% to 5%		16,929
$1,262,927 Series 2018-A General Obligation Refunding Bonds due in annual installments through September 1, 2025; interest at 5%		17,817
$2,435,000 Series 2019-A General Obligation Refunding Bonds due in annual installments through September 1, 2026; interest at 2%		1,015,000
		1,049,746
General obligation bonds payable		47,665,000
Bonds premiums and discounts		5,104,498
Total bonds payable		52,769,498

Note 9. Long-Term Liabilities (Continued)

Financed purchases:		
$1,112,198 Lease for fire platform truck due in annual installments through March 1, 2026; interest at 2.32%	$	358,714
$1,010,427 Lease for fire quint due in annual installments through March 20, 2029; interest at 2.18%		624,849
$742,495 Lease for fire pumper truck due in annual installments through January 15, 2030; interest at 3.49%		524,714
$736,830 Lease for fire pumper truck due in annual installments through January 15, 2031; interest at 1.78%		598,687
$781,280 Lease for velocity pumper due in annual installments through February 11, 2032; interest at 2.05%		710,091
Total financed purchases		2,817,055
Long-term lease:		
$242,580 Lease for Golf Carts due in annual installments through March 1, 2024; interest at 4.74%		57,901
Subscription liabilities:		
$28,460 Subscription for Benchmark software due in monthly installments through December 31, 2024; interest at 4.90%		10,916
$35,340 Subscription for Axon software due in monthly installments through December 31, 2027; interest at 4.50%		24,822
$511,467 Subscription for SHI-Microsoft software due in monthly installments through May 31, 2025; interest at 4.60%		235,406
$54,000 Subscription for Lumen software due in monthly installments through December 31, 2027; interest at 4.60%		32,926
Total subscription liabilities		304,070
Compensated absences		1,252,232
Total governmental activity debt	$	57,200,756

Note 9. Long-Term Liabilities (Continued)

The annual debt service requirements to amortize the City's bonds, financed purchases and long-term lease obligations at December 31, 2023 are as follows:

	Governmental Activities					
	General Obligation Bonds					
	Governmental		Benefit Districts		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 5,059,458	$ 1,631,579	$ 360,542	$ 21,420	$ 5,420,000	$ 1,652,999
2025	5,060,796	1,445,474	359,204	13,952	5,420,000	1,459,426
2026	4,825,000	1,233,126	330,000	6,600	5,155,000	1,239,726
2027	4,550,000	1,057,577	-	-	4,550,000	1,057,577
2028	4,320,000	890,226	-	-	4,320,000	890,226
2029-2033	15,355,000	2,460,370	-	-	15,355,000	2,460,370
2034-2038	5,870,000	762,896	-	-	5,870,000	762,896
2039-2043	1,575,000	197,549	-	-	1,575,000	197,549
	$ 46,615,254	$ 9,678,797	$ 1,049,746	$ 41,972	$ 47,665,000	$ 9,720,769

	Other Debt					
	Financed Purchases		Long-Term Leases		Long-Term Subscriptions	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 429,658	$ 55,973	$ 57,901	$ 2,744	$ 151,287	$ 13,607
2025	438,456	47,174	-	-	140,371	12,563
2026	447,437	38,194	-	-	6,206	862
2027	331,443	29,026	-	-	6,206	862
2028	337,897	22,572	-	-	-	-
2029-2032	832,164	31,907	-	-	-	-
	$ 2,817,055	$ 224,846	$ 57,901	$ 2,744	$ 304,070	$ 27,894

All debt has been issued either to acquire or construct capital assets, or to refund outstanding debt.

Kansas statutes limit the amount of general obligation debt that a unit of government can issue to 30% of the total assessed value of taxable property located within the City's boundaries. The legal debt capacity for the City of Leawood is $381,288,730.

Conduit Debt:

The City has issued taxable industrial revenue bonds to provide financial assistance to private business for economic development. Under related agreements, the City will lease the projects to the businesses and the rental therefrom shall be applied to pay the debt service on the bonds. The bonds and the interest thereon are special and limited obligations of the City payable solely from revenues derived from and in connection with the underlying rental agreements. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. As of December 31, 2023, there were two series of taxable industrial revenue bonds outstanding, with an aggregate principal amount payable of $34,050,000.

Note 10. Defined Benefit Pension Plan

Description of pension plan: Employees of the City of Leawood, Kansas participate in the Kansas Public Employees Retirement System (KPERS) a cost-sharing multiple employer public employee retirement system (Pension Plan). The Pension Plan is administered by the KPERS, a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - State/School employees
  - Local employees
- Police and Firemen
- Judges

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

The employees participating in the Pension Plan for the City of Leawood are included in the Local Employee group or the Police and Firemen group.

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

Benefits: Benefits are established by statute and may only be changed by the General Assembly. Members (except Police and Firemen) with ten or more years of credited service may retire as early as age 55 (Police and Fireman may be age 50 with 20 years of credited service), with the actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85 (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, members may withdraw their contributions from their individual accounts, including interest. Members 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.

Contributions: Member contributions are established by state law and are paid by the employee 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 actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For 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 are related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

Note 10. Defined Benefit Pension Plan (Continued)

The actuarially determined employer contribution rate and the statutory contribution rate for the local employee group are both 8.43%. Member contribution rates as a percentage of eligible compensation for the fiscal year ended June 30, 2023 is 6.00%. The actuarially determined employer contribution rate and the statutory contribution rate for the police and firemen group are both 22.86%. Member contribution rates for this group are 7.15%.

Contributions to the Pension Plan from the City for the local employee group and police and fireman group were $912,589 and $2,293,451, respectively, for the year ended December 31, 2023.

Employer allocations: Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate 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 Fireman
- Judges

To facilitate 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 the amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of June 30, 2023 and 2022 were based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2023 and 2022, respectively.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2023, the City's proportion in the local employee group was 0.479%, which was a decrease of 0.07% from its proportion measured at June 30, 2022. The City's proportion in the police and fire group was 1.475%, which is a decrease of 0.198% from its proportion measured at June 30, 2022 position.

Net pension liability: At December 31, 2023 the City's local employee group reported a liability of $10,049,972 for its proportionate share of the net pension liability. The City's police and fire group reported net pension liability of $23,563,082 at December 31, 2023. The collective net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023.

There were no changes in the benefit terms during the KPERS plan year ended June 30, 2023 that affected the measurement of the total pension liability. The general fund has typically been used in prior years to liquidate the pension liabilities.

Note 10. Defined Benefit Pension Plan (Continued)

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023, using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal
Price inflation	2.75%
Salary increases, including wage increases	3.50% to 12.00%, including inflation
Long-term rate of return, net of investment expense, and including price inflation	7.00%, compounded annually

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 cost method is entry age normal. The amortization method is level percentage of payroll, closed.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2016 through December 31, 2018.

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.

Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset class	Long-Term Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
U.S. equities	23.50%	5.20
Non-U.S. equities	23.50%	6.40
Private equity	8.00%	9.50
Private real estate	11.00%	4.45
Yield driven	8.00%	4.70
Real return	11.00%	3.25
Fixed income	11.00%	1.55
Short-term investments	4.00%	0.25
	100.00%	

Note 10. Defined Benefit Pension Plan (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate was based on member and employer contributions as outlined below:

The State, School and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups 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 Police & Firefighters, and Judges. Future employer contribution rates were also modeled for Police & Firefighters and Judges, assuming all actuarial assumptions are met in future years. 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.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00% as well as what the City's proportionate share of the 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:

	1.00% Decrease (6.00%)	Current Rate (7.00%)	1.00% Increase (8.00%)
Local	$ 14,410,586	$ 10,049,972	$ 6,417,125
Police and fireman	31,774,977	23,563,082	16,706,842
	$ 46,185,563	$ 33,613,054	$ 23,123,967

Pension expense: For the year ended December 31, 2023, the City recognized pension expense of $1,470,457 which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. Pension liabilities have typically been liquidated in the General Fund.

Deferred outflows of resources and deferred inflows of resources: At December 31, 2023, 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	$ 3,016,878	$ 1,415
Net differences between projected and actual earnings on investments	1,648,461	-
Changes in assumptions	2,972,978	-
Changes in proportions	445,382	2,656,187
City contributions subsequent to the measurement date of June 30, 2023	1,704,983	-
	$ 9,788,682	$ 2,657,602

Note 10. Defined Benefit Pension Plan (Continued)

The remaining 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 December 31					
	2024	2025	2026	2027	2028	Total
Local	$ 638,732	$ 271,540	$ 790,725	$ (30,499)	$ (1,617)	$ 1,668,881
Police and fireman	1,332,021	744,078	1,649,795	32,272	(950)	3,757,216
	$ 1,970,753	$ 1,015,618	$ 2,440,520	$ 1,773	$ (2,567)	$ 5,426,097

Deferred outflows and inflows of resources related to the difference between expected and actual plan experience, changes in proportionate share and changes in assumptions are being amortized over a closed period equal to the average of the expected service lives of all employees at the beginning of each measurement period. Deferred outflows of resources related to the difference between projected and actual earnings on pension plan investments are being amortized over a closed 5-year period.

Supplemental retirement programs: The City offers its non-KP&F employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and/or salary deferral under Section 401(a). Under the plans, the City will match 50% up to a maximum of 2.5% of the employee's annual salary. Employees may participate in both plans, but the City will only contribute matching funds to one of the plans. Contributions to the plans by the City and employees for 2023 were $172,220 and $901,180, respectively.

Note 11. Postemployment Health Care Plans

Other postemployment benefit plans—defined benefit health care plan:

In addition to providing pension benefits, the City provides postemployment health care benefits through two plans described below.

Below is a summary of amounts reported by the City:

	City Plan	KPERS Plan	Total
Total OPEB liability	$ 2,900,411	$ 175,034	$ 3,075,445
Deferred outflows of resources	133,796	9,620	143,416
Deferred inflows of resources	1,680,053	244,624	1,924,677
OPEB expense	6,114	1,807	7,921

Plan description: The City sponsors a single-employer, defined benefit health care plan that provides health care benefits to retirees and their dependents, including medical, pharmacy and dental coverage. There is no separate audited statement for this plan. Retiree health coverage is provided under Kansas Statute 12-5040.

Note 11. Postemployment Health Care Plans (Continued)

Benefits are provided through fully-insured plans administered by Blue Cross Blue Shield of Kansas. The City requires retirees to pay the same premiums charged to active participants, with a 2% additional charge for administrative expenses. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these amounts is the implicit rate subsidy, which is considered other postemployment benefits (OPEB) under Governmental Accounting Standards Statement No. 75 (GASB Statement 75). The plan is funded on a pay-as-you-go basis. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Eligibility:
Police and Firefighters (KP&F)
Tier 1: employed before 7/1/1989. Age 50 with 20 years of service, or any age with 32 years of service.

Tier 2: employed on or after 7/1/1989. Age 50 with 20 years of service, or age 60 with 15 years of service.

All others (KPERS)
Tier 1: employed before 7/1/2009. Age 65, or age 55 with 10 years of service, or any age when age + service is greater than or equal to 85.

Tier 2 and 3: employed on or after 7/1/2009. Age 65 with 5 years of service, or age 55 with 10 years of service, or age 60 with 30 years of service.

Benefits: Retirees and spouses have the same benefits as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches Medicare eligibility age which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or dies. A surviving spouse will have a continuation of benefits under COBRA for 3 years after death of the retiree or until the spouse turns 65, whichever is earlier.

Employees covered by benefit terms: At December 31, 2023, the following employees were covered by the benefit terms:

Retirees and covered spouses	19
Active employees	238
	257

Total OPEB liability and actuarial assumptions: The City's total OPEB liability for this plan of $2,900,411 reported as of December 31, 2023, was measured as of December 31, 2023, (the measurement date), and was determined by an actuarial valuation as of January 1, 2023, which was rolled forward to December 31, 2023, using the following actuarial assumptions:

Actuarial Cost Method	Entry Age—Level Percent of Pay
Price inflation	2.50%
Salary scale	3.00%
Discount rate (based on S&P Municipal Bond 20 Year High Grade Rate Index):	
December 31, 2023	4.00%
December 31, 2022	4.31%

Note 11. Postemployment Health Care Plans (Continued)

Mortality rates used for the health insurance benefits are based on 90% of the RP- 2014 Total Dataset for pre-retirement, RP-2014 Total Dataset Healthy for post- retirement and RP-2014 Disabled Life Table for disabled retirees. All rates are projected into the future using Scale MP-2016.

Annual health care trend rates are based on plan experience, historical trends, and industry norms. The immediate trend rates were assumed to decrease to an ultimate trend rate over a period of 5 to 10 years. The ultimate rate is decreased over time to maintain this relationship. The health care trend is 7.5% for medical and pharmacy in year one trending down to 4.50% in year fourteen.

Changes in total OPEB liability: The changes in the OPEB liability are as follows:

Total OPEB liability, beginning of year	$ 3,447,908
Changes for the year:	
Service cost	125,911
Interest	120,852
Benefit payments	-
Difference between expected and actual experience	(372,346)
Changes in assumptions	(421,914)
Net changes in total OPEB liability	(547,497)
Total OPEB liability, December 31, 2023	$ 2,900,411

Sensitivity analysis: The following presents the City's total OPEB liability calculated using the discount rate of 4.00%, 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 rate:

1.00% Decrease (3.00%)	Current Rate (4.00%)	1.00% Increase (5.00%)
$ 3,206,902	$ 2,900,411	$ 2,626,268

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

1.00% Decrease	Current Trend Rate	1.00% Increase
$ 2,544,743	$ 2,900,411	$ 3,322,816

OPEB expense: For the year ended December 31, 2023, the City of Leawood recognized OPEB expense for this plan of $6,114, which includes the changes in the total OPEB liability. OPEB liabilities have typically been liquidated in the General Fund.

Note 11. Postemployment Health Care Plans (Continued)

Deferred outflows of resources and deferred inflows of resources: For the year ended December 31, 2023, the City of Leawood reported deferred outflows of resources and deferred inflows of resources related to this plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 631,183
Changes in assumptions	133,796	1,048,870
	$ 133,796	$ 1,680,053

Amounts reported as deferred outflows or deferred inflows of resources related to this plan will be recognized in OPEB expense as follows:

Years ending December 31:	
2024	$ (240,649)
2025	(240,649)
2026	(240,649)
2027	(244,275)
2028	(248,523)
Thereafter	(331,512)
	$ (1,546,257)

Other postemployment benefit plans—long-term disability benefits sponsored by Kansas Public Employees Retirement System (KPERS):

Plan description: The City of Leawood participates in an agent multiple-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). 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: 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.

Note 11. Postemployment Health Care Plans (Continued)

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.

Covered employees: At December 31, 2023, the following employees were covered by the Plan:

Inactive employees or beneficiaries currently receiving benefit payments	-
Active employees	140
	140

Total OPEB liability and actuarial assumptions: The City's total OPEB liability of $175,034 reported as of June 30, 2023 was measured at June 30, 2023 (the measurement date), and was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023, using the following actuarial assumptions:

Actuarial Cost Method	Entry Age - Level Percent of Pay
Price inflation	2.75%
Salary scale	3.50%
Discount rate (20-year municipal bond index)	
Measurement date	3.65%
Preceding measurement date	3.54%

Mortality rates used for the death benefits were based on 90% of the RP-2014 Total Dataset +2 for Males and 90% of the RP-2014 Total Dataset +1 for Females. Generational mortality improvements were projected for future years using MP-2021.

Note 11. Postemployment Health Care Plans (Continued)

Changes in total OPEB liability: The changes in the OPEB liability for this plan are as follows:

Total OPEB liability, beginning of year	$ 184,876
Changes for the year:	
Service cost	28,838
Interest	7,566
Differences between actual and expected experience	(45,548)
Changes in assumptions or other inputs	(698)
Net changes in total OPEB liability	(9,842)
Total OPEB liability, December 31, 2023	$ 175,034

Sensitivity analysis: The following presents the City's total OPEB liability calculated using the discount rate of 3.65%, 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 rate:

1.00% Decrease (2.65%)	Current Rate (3.65%)	1.00% Increase (4.65%)
$ 181,025	$ 175,034	$ 168,331

Health care cost trend rate sensitivity analysis is not applicable as health care trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS.

OPEB expense: For the year ended December 31, 2023, the City recognized OPEB expense for this plan of $1,807, which includes the changes in the total OPEB liability, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. OPEB liabilities have typically been liquidated in the General Fund.

Deferred outflows of resources and deferred inflows of resources: At December 31, 2023, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$ 191,374
Changes in assumptions	9,620	53,250
	$ 9,620	$ 244,624

Note 11. Postemployment Health Care Plans (Continued)

Amounts reported as deferred outflows or deferred inflows of resources related to this plan will be recognized in OPEB expense as follows:

Years ending December 31:	
2024	$ (34,597)
2025	(34,597)
2026	(34,464)
2027	(32,425)
2028	(27,645)
Thereafter	(71,276)
	$ (235,004)

Note 12. Other Information

Commitments and contingencies:

Encumbrances: Listed below are the encumbrances by fund for the City:

	General Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
Committed to:				
Administration	$ -	$ -	$ 143,927	$ 143,927
Public works	-	44,970	558,759	603,729
Public safety	-	1,897,963	1,064,269	2,962,232
Parks and recreation	46,403	891,753	1,065,666	2,003,822
Total encumbrances	$ 46,403	$ 2,834,686	$ 2,832,621	$ 5,713,710

Golf course: The City's golf course is managed by a professional management firm. Under the terms of the management contract, each year the City and the firm agree on an operating budget, including anticipated revenues and expenditures (which include debt service and management fees) required to operate the golf course. In the event of a revenue shortfall, the City is obligated to advance monies for operations. In the event of an excess of revenues over expenditures, the City is to receive the excess less an agreed-upon contingency amount.

Federal and State Grants: The City has received financial assistance from various federal and state agencies in the form of grants and entitlements. These programs are subject to audit by agents of the granting authority. Management does not believe that liabilities for reimbursements, if any, will have a materially adverse effect upon the financial condition of the City.

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. Potential claims, claims expenditures, and/or liabilities are reported immediately when it becomes evident that a loss has occurred or a claim may be made.

Note 12. Other Information (Continued)

The City has addressed potential risk by purchasing various commercial insurance policies for certain insurable causes of loss. These policies cover property including buildings, contents, extra expenses, physical damage to vehicles, and contractor's equipment for direct damage due to many perils, including limited coverage for flood and earthquake.

In addition, the City carries insurance for instances in which the City is held to be legally liable for bodily injury and property damage. Coverage includes general liability, automobile liability, physical damage to vehicles, law enforcement liability, employee dishonesty, public official's liability and excess liability coverage. Where applicable, the coverage provides $500,000 limits per occurrence for all claims capped by the Kansas Tort Claims Act (KTCA). Liabilities that fall outside the KTCA are insured for higher primary limits plus an additional $10,000,000 in excess liability limits. Other miscellaneous coverage purchased includes theft of cash/securities and underground storage tank liability, fiduciary liability and cyber liability.

In certain cases, the City retains risks up to the individual policy deductible amounts and for losses in excess of any amounts not provided by the excess liability insurance coverage. Settled claims have not exceeded the commercial limits in any of the past three fiscal years.

During 2023, the City continued to participate in the Kansas Eastern Region Insurance Trust (KERIT) for workers' compensation coverage. The trust provides loss control services to all member entities. The City has an internal Safety Committee comprised of representatives from all departments. The committee reviews accidents, discusses safety issues and implements organizational-wide safety programs.

Pending Governmental Accounting Standards Board (GASB) Statements:

The GASB has issued several statements that are not yet effective and have not yet been implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 101, *Compensated Absences*, will through its unified recognition and remeasurement model, result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The statement will be effective for the City with its year ending December 31, 2024.

- GASB Statement No. 102, *Certain Risk Disclosures,* will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The statement will be effective for the City with its year ending December 31, 2024.

- GASB Statement No. 103, *Financial Reporting Model Improvements,* will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The statement will be effective for the City with its year ending December 31, 2025.

Note 12. Other Information (Continued)

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

Note 13. Restatement of Prior Year Balances – SBITA Adoption

The City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), as of January 1, 2023. The new standard requires the reporting of certain subscription assets and liabilities. The result of these changes impacted the beginning subscription assets, liabilities and net position as shown below:

	Governmental Activities		
Statement of Net Position	Right to Use Subscription Asset	Long-Term Subscription/ Liability	Net Position
Balances December 31, 2022, as previously reported	$ -	$ -	$ 351,749,481
Change to implement GASB Statement No. 96	583,143	514,209	68,933
Balances January 1, 2023, as restated	$ 583,143	$ 514,209	$ 351,818,414

There was an impact of $68,933 on beginning net position.

City of Leawood, Kansas

Required Supplementary Information (Unaudited)
December 31, 2023

Required supplementary information includes financial information and disclosures that are required by GAAP but are not considered a part of the basic financial statements.

Such information includes:

- Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—General Fund
- Schedule of Changes in Other Postemployment Benefits Liability – City Plan and KPERS Plan
- Comparison of Needed-to-Actual Maintenance/Preservation for Streetlights and Traffic Signals
- Schedules of Selected Pension Information

Budgetary data: GAAP is the budgetary basis of accounting

City of Leawood, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balances—
Budget And Actual—General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance Over (Under)
	Original Budget	Final Budget	Actual	Final Budget
Revenues				
Taxes	$ 47,569,113	$ 51,757,162	$ 51,212,503	$ (544,659)
Licenses and permits	1,390,265	1,515,000	2,408,233	893,233
Intergovernmental	-	-	18,798	18,798
Charges for services	3,210,083	3,657,000	4,142,519	485,519
Fines and forfeitures	1,010,000	1,300,000	1,191,021	(108,979)
Interest	25,206	214,000	1,138,854	924,854
Contributions and other	33,330	75,000	134,004	59,004
Total revenues	53,237,997	58,518,162	60,245,932	1,727,770
Expenditures				
Current:				
General government	14,432,955	9,325,955	8,777,064	(548,891)
Public safety	19,750,826	19,727,503	14,316,738	(5,410,765)
Parks and recreation	9,684,863	9,746,862	8,605,848	(1,141,014)
Public works	8,161,430	8,161,430	7,055,283	(1,106,147)
Total current	52,030,074	46,961,750	38,754,933	(8,206,817)
Debt service:				
Principal retirement	484,036	484,036	503,697	19,661
Interest	62,239	62,239	72,078	9,839
Capital outlay:				
Public safety	-	-	781,280	781,280
Total expenditures	52,576,349	47,508,025	40,111,988	(7,396,037)
Revenues over expenditures	661,648	11,010,137	20,133,944	9,123,807
Other Financing Sources (Uses)				
Issuance of lease	-	-	781,280	781,280
Transfers in	240,000	5,571,658	272,000	(5,299,658)
Transfers out	(8,916,289)	(12,418,658)	(12,487,870)	(69,212)
Total other financing uses	(8,676,289)	(6,847,000)	(11,434,590)	(4,587,590)
Net change in fund balance	$ (8,014,641)	$ 4,163,137	8,699,354	$ 4,536,217
Fund balance, beginning of year			21,441,458	
Fund balance, end of year			$ 30,140,812	

City of Leawood, Kansas

Schedule of Changes in Other Post Employment Benefits Liability—City Plan
Healthcare Benefits for Pre-Medicare Retirees
For the Year Ended December 31, 2023

	December 31					
	2023	2022	2021	2020	2019	2018
Total OPEB Liability—Healthcare Plan						
Service cost	**$ 125,911**	$ 201,923	$ 209,840	$ 200,445	$ 194,607	$ 160,692
Interest	**120,852**	85,653	73,096	148,243	140,015	125,862
Difference between expected and actual experience	**(372,346)**	(135,707)	(146,997)	-	(255,536)	-
Changes in assumptions or other inputs	**(421,914)**	(308,857)	(693,144)	-	322,776	-
Benefit payments	**-**	-	-	(117,485)	(111,354)	(95,710)
Net change in total OPEB liability	**(547,497)**	(156,988)	(557,205)	231,203	290,508	190,844
Total OPEB liability, beginning	**3,447,908**	3,604,896	4,162,101	3,930,898	3,640,390	3,449,546
Total OPEB liability, ending	**$ 2,900,411**	$ 3,447,908	$ 3,604,896	$ 4,162,101	$ 3,930,898	$ 3,640,390
Covered employee payroll	**$ 18,435,773**	$ 18,595,419	$ 18,681,897	$ 17,092,289	$ 16,594,456	$ 16,305,200
Total OPEB liability as a percentage of covered employee payroll	**15.73%**	18.54%	19.30%	24.35%	23.69%	22.33%

Notes:

Above schedules are intended to show information for 10 years. Additional years will be displayed as they become available. Information is provided on a measurement date and actuarial valuation as of January 1, 2023, rolled forward to December 31, 2023.

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

Changes for the January 1, 2023 actuarial valuation relative to the January 1, 2021 valuation include the following:

1. Discount rate was reduced from 4.31% to 4.00% to reflect the 20 year Tax-Exempt General-Obligation Municipal Bond Yield at the measurement date
2. Per-capita claims costs were updated to reflect experience since the previous valuation, per changes " in the fully-insured premium rates
3. Assumed rates of morbidity used to age-adjust claims costs were updated to reflect a blend of tables published in the 2013 Society of Actuaries' Study Health Care Costs - From Birth to Death.
4. Future retiree medical plan selection percentages were updated to reflect current experience.

Changes for the January 1, 2021 actuarial valuation relative to the January 1, 2019 valuation include the following:

1. Discount rate was decreased from 3.64% to 1.93% for OPEB Expense calculation, and increased from 1.93% to 2.25% at fiscal year ended December 31, 2021
2. Immediate medical trend rate was increased from 7.00% to 7.50%
3. Per-capita costs were updated to reflect experience since the previous valuation
4. Plan participation rate for future retirees was decreased from 70% to 50%
5. Marriage and spousal participation rate for future retirees was increased from 35% to 45%
6. Retirement and Disability rates for KP&F participants were updated to match the current assumptions used by KP&F
7. Retirement, Withdrawal, and Disability rates for KPERS participants were updated to match the current assumptions used by KPERS

City of Leawood, Kansas

Schedule of Other Post Employment Benefits of Long-Term Disability Benefits Sponsored by Kansas Public Employees Retirement System (KPERS) For the Year Ended December 31, 2023

	June 30						
	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability—KPERS Disability Plan							
Service cost	**$ 28,838**	$ 50,234	$ 50,163	$ 41,109	$ 37,658	$ 37,289	$ 41,700
Interest	**7,566**	6,644	6,685	9,437	9,689	9,252	6,200
Difference between actual and expected experience	**(45,548)**	(66,021)	(51,985)	(40,627)	(34,050)	(53,010)	-
Effect of assumption changes or inputs			-	-	-	-	-
Changes in assumptions or other inputs	**(698)**	(63,364)	221	13,853	2,506	(1,961)	(4,000)
Benefit payments	**-**	-	-	-	-	-	-
Net change in total OPEB liability	**(9,842)**	(72,507)	5,084	23,772	15,803	(8,430)	43,900
Total OPEB liability, beginning	**184,876**	257,383	252,299	228,527	212,724	221,154	177,200
Total OPEB liability, ending	**$ 175,034**	$ 184,876	$ 257,383	$ 252,299	$ 228,527	$ 212,724	$ 221,100
Covered employee payroll	**$ 9,706,098**	$ 10,165,317	$ 10,363,274	$ 10,213,036	$ 9,433,861	$ 8,973,000	$ 9,260,000
Total OPEB liability as a percentage of covered employee payroll	**1.80%**	1.82%	2.48%	2.47%	2.42%	2.37%	2.39%

Notes:

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

Above schedules are intended to show information for 10 years. Additional years will be displayed as they become available. Information is provided on a measurement date and actuarial valuation as of December 31, rolled forward to June 30 of the current year.

Changes of benefit terms or assumptions:

There were no changes to benefit terms in the plan for the plan year ended June 30, 2023. The discount rate changed from 2.16% for the plan year ended June 30, 2021 to 3.54% for the plan year ended June 30, 2022. The discount rate changed from 3.54% for the plan year ended June 30, 2022 to 3.65% for the plan year ended June 30, 2023. The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

City of Leawood, Kansas

Comparison of Needed-to-Actual Maintenance/Preservation for Streetlights and Traffic Signals
December 31, 2023

The City has elected to use the Modified Approach, as defined by GASB 34 for infrastructure reporting of its streetlights and traffic signals. Under GASB 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

The City manages the eligible infrastructure capital assets using an asset management system with the characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amounts to maintain and preserve at the established condition assessment level.

The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level. It is the City's policy to maintain and preserve streetlights and traffic signals at least at 85% of their normal operating mode. Streetlights and traffic signals are often out of service due to the following factors: (1) life of lamp light; (2) accidents by vehicles or contractors who excavate in the City's right of ways; (3) weather, such as high winds, rain, snow and ice; (4) vandalism. During 2007, the City contracted with an outside service provider to perform inspections. The provider performs a monthly visual inspection on the streetlights and traffic signals and reports to the City Engineer. The City also relies on citizens to report street light and traffic signal outages or malfunctions. The City's policy is to repair/replace any outages or malfunction within 48 hours. The service provider's last three inspection reports show the following condition assessments: October 2023 - 98.4%; November 2023 - 98.6%; and December 2023 - 98.6%.

Schedule of needed-to-actual maintenance/preservation - streetlights and traffic signals

	2023	2022	2021	2020	2019	2018
Needed	**$ 475,000**	$ 413,000	$ 413,000	$ 413,000	$ 413,000	$ 413,000
Actual	**406,206**	370,622	272,856	297,812	325,755	344,944

City of Leawood, Kansas

Schedules of Selected Pension Information
Kansas Public Employees' Retirement System
December 31, 2023

	June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's local group proportion of the net pension liability	**0.47905%**	0.54906%	0.55238%	0.55373%	0.54900%	0.52412%	0.54006%	0.53514%	0.52701%	0.53164%
City's local group proportionate share of the net pension liability	**$ 10,049,972**	$ 10,915,636	$ 6,628,282	$ 9,599,693	$ 7,671,532	$ 7,305,174	$ 7,822,573	$ 8,278,697	$ 6,919,848	$ 6,543,519
City's local group covered payroll	**11,011,770**	10,740,061	10,654,295	10,434,991	10,135,134	9,363,095	9,523,225	9,156,287	8,768,458	8,722,548
City's local group proportionate share of net pension liability as a percentage of its covered payroll	**91.27%**	101.63%	62.21%	92.00%	75.69%	78.02%	82.14%	90.42%	78.92%	75.02%
Plan fiduciary net position as a percentage of the total pension liability	**70.55%**	73.00%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%	66.02%

	June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's police & fire proportion of the net pension liability	**1.47522%**	1.67268%	1.61132%	1.60011%	1.64244%	1.64208%	1.63472%	1.73561%	1.72633%	1.69681%
City's police & fire proportionate share of the net pension liability	**$ 23,563,082**	$ 24,123,895	$ 15,375,960	$ 19,732,472	$ 16,623,422	$ 15,800,150	$ 15,330,273	$ 16,119,675	$ 12,535,171	$ 11,128,367
City's police & fire covered payroll	**10,061,676**	9,952,663	9,127,632	8,791,146	8,779,230	8,353,034	8,164,212	8,257,255	7,860,825	7,553,871
City's police & fire proportionate share of net pension liability as a percentage of its covered payroll	**234.19%**	242.39%	168.46%	224.46%	189.35%	189.15%	187.77%	195.22%	159.46%	147.32%
Plan fiduciary net position as a percentage of the total pension liability	**70.55%**	73.00%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%	66.60%

Schedule of Contributions

	December 31									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Required local group contribution	**$ 900,856**	$ 965,865	$ 963,607	$ 940,861	$ 935,245	$ 805,700	$ 844,747	$ 857,087	$ 846,519	$ 765,168
Contributions made in relation to the required contribution	**900,856**	965,865	963,607	940,861	935,245	805,700	844,747	857,087	846,519	765,168
Contribution deficiency	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's local group covered payroll	**$ 11,011,770**	$ 10,339,806	$ 10,339,806	$ 10,912,957	$ 10,500,082	$ 9,584,459	$ 9,439,708	$ 9,336,434	$ 8,967,225	$ 8,805,129
Contributions as a percentage of local group covered payroll	**8.18%**	9.34%	9.32%	8.62%	8.91%	8.41%	8.95%	9.18%	9.44%	8.69%
Required police and fire contribution	**$ 2,253,338**	$ 2,226,743	$ 2,151,779	$ 2,032,388	$ 2,014,301	$ 1,743,640	$ 1,611,376	$ 1,738,314	$ 1,769,008	$ 1,579,152
Contributions made in relation to the required contribution	**2,253,338**	2,226,743	2,151,779	2,032,388	2,014,301	1,743,640	1,611,376	1,738,314	1,769,008	1,579,152
Contribution deficiency	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's police and fire covered payroll	**$ 10,061,676**	$ 10,427,716	$ 9,432,239	$ 9,267,608	$ 8,912,828	$ 8,457,250	$ 8,169,986	$ 8,285,571	$ 8,065,260	$ 7,706,933
Contributions as a percentage of police and fire covered payroll	**22.40%**	21.35%	22.81%	21.93%	22.60%	20.62%	19.72%	20.98%	21.93%	20.49%

Notes:

The above schedules are intended to show information for 10 years. Additional years will be displayed as they become available. Information is provided on a measurement date and actuarial valuation as of December 31, rolled forward to June 30, of the current year.

Changes of benefit terms or assumptions:

There were no changes to benefit terms in the plan or changes to assumption in the valuation report for the plan year ended June 30, 2023.

City of Leawood, Kansas

Schedule of Current Expenditures—Budget and Actual—
General Fund
For The Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under) Final Budget
General government:				
Administration:				
Personnel services	$ 2,549,555	$ 2,535,555	$ 2,421,405	$ (114,150)
Contractual services	7,315,562	2,218,062	2,070,931	(147,131)
Commodities	139,140	143,640	88,042	(55,598)
Total administration	10,004,257	4,897,257	4,580,378	(316,879)
Community development:				
Personnel services	1,446,765	1,446,765	1,524,334	77,569
Contractual services	159,463	159,463	137,721	(21,742)
Commodities	43,665	43,665	34,833	(8,832)
Total community development	1,649,893	1,649,893	1,696,888	46,995
Municipal court:				
Personnel services	625,454	625,454	643,252	17,798
Contractual services	87,045	87,045	37,014	(50,031)
Commodities	13,015	13,015	4,295	(8,720)
Total municipal court	725,514	725,514	684,561	(40,953)
Legal services:				
Personnel services	563,028	563,028	596,468	33,440
Contractual services	64,575	64,575	30,763	(33,812)
Commodities	2,915	2,915	2,401	(514)
Total legal services	630,518	630,518	629,632	(886)
Information services:				
Personnel services	741,923	741,923	623,472	(118,451)
Contractual services	439,450	439,450	385,801	(53,649)
Commodities	241,400	241,400	176,332	(65,068)
Total information services	1,422,773	1,422,773	1,185,605	(237,168)
Total general government	14,432,955	9,325,955	8,777,064	(548,891)
Public safety:				
Police:				
Personnel services	9,577,032	9,553,709	7,076,666	(2,477,043)
Contractual services	1,252,125	1,252,125	895,436	(356,689)
Commodities	668,305	668,305	469,787	(198,518)
Total police	11,497,462	11,474,139	8,441,889	(3,032,250)
Fire:				
Personnel services	7,434,277	7,434,277	5,147,235	(2,287,042)
Contractual services	446,828	446,828	404,542	(42,286)
Commodities	372,260	372,260	323,072	(49,188)
Total fire	8,253,365	8,253,365	5,874,849	(2,378,516)
Total public safety	19,750,827	19,727,504	14,316,738	(5,410,766)
Public works:				
Personnel services	4,533,280	4,533,280	4,412,605	(120,675)
Contractual services	2,103,750	2,103,750	1,623,208	(480,542)
Commodities	1,524,400	1,524,400	1,019,470	(504,930)
Total public works	8,161,430	8,161,430	7,055,283	(1,106,147)
Parks and recreation:				
Personnel services	4,535,489	4,535,489	3,872,669	(662,820)
Contractual services	4,117,522	4,179,521	3,842,181	(337,340)
Commodities	1,031,853	1,031,853	890,998	(140,855)
Total parks and recreation	9,684,864	9,746,863	8,605,848	(1,141,015)
Total current expenditures	$ 52,030,076	$ 46,961,752	$ 38,754,933	$ (8,206,819)

Special Revenue Funds account for revenue sources that are restricted to expenditures for specific purposes.

Special Alcohol Fund: Established to account for one-third of the Alcohol Tax Funds sent to the City quarterly from the State Treasurer's office, which is computed in compliance with K.S.A. Supp. 79-41A04 et seq., representing tax receipts and adjustments processed by the Department of Revenue. For cities with a population exceeding 6,000, this amount is to be credited one-third to the General Fund, one-third to a Special Parks and Recreation Fund, and one-third to a Special Alcohol and Drug Program Fund. These monies are allocated yearly for distribution to agencies involved in drug and alcohol prevention and/or treatment programs that are approved by the City Council in specified amounts on a yearly basis.

Special City Highway Fund: Established to account for monies received from the State for shared gas tax revenues, in accordance with K.S.A. Statute 79-3425c(c).

Special Parks and Recreation Fund: Established to account for one-third of the Alcohol Tax funds that are sent to the City quarterly by the State Treasurer's office.

Special Law Enforcement Fund: Established to provide depository for monies forfeited to the City of Leawood Police Department pursuant to the provisions of K.S.A. 65-4135 and 65-4156 related to controlled substance investigation forfeitures. Expenditures from this fund shall be made only for authorized law enforcement purposes of the City of Leawood Police Department. Any monies forfeited to the City of Leawood Police Department pursuant to the provisions of K.S.A. 1988 Supp. 65-4156, and any subsequent amendments thereto, shall be deposited in this fund.

American Revolution Tri-Centennial Fund: Established to account for monies donated by the Leawood American Revolution Bicentennial Committee. These monies are to be continually reinvested by the City until the year 2076. It is intended that this fund then be used for the overall benefit for the citizens of the City on a special American Revolution Tri-Centennial event or project, needed community facilities, equipment or programs.

American Rescue Plan Fund: Established to account for monies received from the Federal Government related to the American Rescue Plan act.

Transient Guest Tax Fund: Established to account for monies levied by the City and paid by transient guests for lodging or sleeping accommodations in any hotel or motel. The tax monies collected will be used to promote economic development, conventions and tourism and related expenditures and such other purposes as may be determined by the Governing Body.

Opioid Settlement Fund: Established to account for monies received from settlements with opioid manufacturers, distributors and retailers for actions contributing to the current opioid epidemic. These monies will be allocated yearly for distribution to agencies involved in drug and alcohol prevention and/or treatment programs that are approved by the City Council on a yearly basis.

Park Place TDD Fund: Established to account for the receipt of special taxes and assessments used to pay principal and interest on related conduit debt that has no direct City liability, as well as receipt and disbursement of capital project proceeds related to the conduit debt.

Camelot Court CID Fund: Established to account for the receipt of special taxes and assessments used to pay principal and interest on related conduit debt that has no direct City liability, as well as receipt and disbursement of capital project proceeds related to the conduit debt.

Ranch Mart North CID Fund: Established to account for the receipt of special taxes and assessments used to pay principal and interest on related conduit debt that has no direct City liability, as well as receipt and disbursement of capital project proceeds related to the conduit debt.

Fire Insurance Proceeds Fund – Established for funds being received from the insurance company and held in an interest bearing account. Funds are then given back to the homeowner with interested once the Building Code Official has determined that the homeowner has satisfied the repairs.

Virtual Reality Grant – Established due to The City receiving a grant to purchase a virtual reality simulator. This allows real-life scenarios to be replicated within a safe and immersive virtual environment.

Municipal Equipment Reserve Fund account for resources used for the acquisition of City equipment. Monies may be budgeted and transferred to the fund from any source which may be lawfully utilized for such purposes, including equipment use charges on the various departments and agencies of the City.

Public Safety Improvement Fund: Established to account for resources used to construct public safety improvements including a Justice Center and other necessary and related improvements.

Street Improvements: Established to account for the pay-as-you-go portion of the annual mill and overlay, slurry seal and arterial street repairs.

City Capital Art: Established to account for funds used by the Arts Council for the selection and placement of public art on City property.

Park Impact Fee Fund: Established to account for fees imposed by the City on all new development in South Leawood and all fees collected shall be used solely and exclusively for the purpose of acquisition and development of park land and open space made necessary by and serving such new development.

1/8th Cent Sales Tax Fund: Established to fund an accelerated residential and thoroughfare street improvement program, and to fund storm water improvement projects which are not otherwise eligible for funding from other governmental sources.

Leawood Transportation Impact Fee Fund: Established to account for fees imposed on new development in South Leawood for the purpose of assuring that transportation improvements are available and provides adequate transportation system capacity to support new development while maintaining levels of transportation service deemed adequate by the City. The impact fee shall be imposed on all new development in South Leawood, except as may be otherwise provided, and all fees collected shall be utilized solely and exclusively for transportation improvements in South Leawood serving such new development.

135th Street Corridor Impact Fee Fund: Established to account for fees imposed on new development in the 135th Street corridor for the purpose of assuring that 135th Street highway transportation improvements are available and provides adequate transportation system capacity to support new development while maintaining levels of transportation service on Highway 135th Street deemed adequate by the City. The impact fee shall be imposed on all new development in the 135th Street corridor and all fees collected shall be utilized solely and exclusively for transportation improvements in the 135th Street corridor servicing such new development.

Public Art Impact Fee Fund: Established by the City for the purpose of acquisition and construction of Public Art. A Public Art impact fee is imposed by the City on all new commercial development and commercial remodels in Leawood.

Economic Development Fund: Established to provide payment for economic development promotion within the City.

City of Leawood, Kansas

Combining Balance Sheet—Nonmajor Governmental Funds
Page 1 of 2
December 31, 2023

	Special Revenue											
	Special Alcohol	Special City Highway	Special Parks and Recreation	Special Law Enforcement	American Revolution Tri-Centennial	Transient Guest Tax	Opioid Settlement	Park Place TDD	Camelot Court CID	Ranch Mart North CID	Fire Insurance Proceeds Fund	Virtual Reality Grant Fund
Assets												
Pooled cash and investments	$ 215,842	$ 2,162,593	$ 1,830,276	$ 719	$ 8,760	$ 2,167,262	$ 104,287	$ 23,673	$ 52,438	$ 43,186	$ 35	$ -
Receivables:												
Sales tax	-	-	-	-	-	-	-	49,123	162,472	91,529	-	-
Transient guest tax	-	-	-	-	-	170,236	-	-	-	-	-	-
Interest	756	7,569	6,406	2	2	7,586	-	-	-	-	-	-
Intergovernmental	151,130	-	151,130	-	-	-	483,287	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	$ 367,728	$ 2,170,162	$ 1,987,812	$ 721	$ 8,762	$ 2,345,084	$ 587,574	$ 72,796	$ 214,910	$ 134,715	$ 35	$ -
Liabilities												
Accounts payable and accrued liabilities	$ 7,800	$ -	$ 17,538	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total liabilities	7,800	-	17,538	-	-	-	-	-	-	-	-	-
Deferred Inflows of Resources												
Unavailable revenue - intergovernmental	-	-	-	-	-	-	483,287	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	483,287	-	-	-	-	-
Fund Balances												
Restricted for:												
Social services	359,928	-	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	1,970,274	-	-	-	-	-	-	-	-	-
Tourism promotion	-	-	-	-	-	2,345,084	-	-	-	-	-	-
Bridges, streets and signals	-	2,170,162	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	721	-	-	-	-	-	-	-	-
Committed to:												
Economic development	-	-	-	-	-	-	-	72,796	214,910	134,715	-	-
Equipment purchases	-	-	-	-	-	-	-	-	-	-	-	-
Bridges, streets and signals	-	-	-	-	-	-	-	-	-	-	-	-
Justice Center	-	-	-	-	-	-	-	-	-	-	-	-
City art	-	-	-	-	-	-	-	-	-	-	-	-
Park improvements	-	-	-	-	-	-	-	-	-	-	-	-
UCS (United Committee Services)	-	-	-	-	-	-	104,287	-	-	-	-	-
Other capital projects	-	-	-	-	-	-	-	-	-	-	-	-
Assigned to:	-	-	-	-	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	8,762	-	-	-	-	-	35	-
Total fund balances	359,928	2,170,162	1,970,274	721	8,762	2,345,084	104,287	72,796	214,910	134,715	35	-
Total liabilities, deferred inflows of resources and fund balances	$ 367,728	$ 2,170,162	$ 1,987,812	$ 721	$ 8,762	$ 2,345,084	$ 587,574	$ 72,796	$ 214,910	$ 134,715	$ 35	$ -

City of Leawood, Kansas

Combining Balance Sheet—Nonmajor Governmental Funds
Page 2 of 2
December 31, 2023

	Capital Projects										Total Other
	Municipal Equipment Reserve	Public Safety Improvements	Street Improvements	City Capital Art	Park Impact Fee	1/8th Cent Sales Tax	Leawood Transportation Impact Fee	135th Street Corridor Impact Fee	Public Art Impact Fee	Economic Development Fund	Nonmajor Governmental Funds
Assets											
Pooled cash and investments	$ 14,289,865	$ 11,423,891	$ 2,277,258	$ 317,946	$ 470,782	$ 2,177,857	$ 194,758	$ 363,453	$ 26,417	$ 14,114,529	$ 52,265,827
Receivables:											
Sales tax	-	-	-	-	-	202,360	-	-	-	-	505,484
Transient guest tax	-	-	-	-	-	-	-	-	-	-	170,236
Interest	50,017	39,986	7,135	918	2,614	6,352	682	1,272	145	55,522	186,964
Intergovernmental	-	-	526,657	-	-	-	-	-	-	-	1,312,204
Due from other funds	-	235,338	-	-	-	-	-	-	-	235,337	470,675
Total assets	$ 14,339,882	$ 11,699,215	$ 2,811,050	$ 318,864	$ 473,396	$ 2,386,569	$ 195,440	$ 364,725	$ 26,562	$ 14,405,388	$ 54,911,390
Liabilities											
Accounts payable and accrued liabilities	$ 137,567	$ -	$ 154,167	$ 2,500	$ -	$ -	$ -	$ -	$ -	$ -	$ 319,572
Total liabilities	137,567	-	154,167	2,500	-	-	-	-	-	-	319,572
Deferred Inflows of Resources											
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-	-	-	483,287
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	483,287
Fund Balances											
Restricted for:											
Social services	-	-	-	-	-	-	-	-	-	-	359,928
Parks and recreation	-	-	-	-	-	-	-	-	-	-	1,970,274
Tourism promotion	-	-	-	-	-	-	-	-	-	-	2,345,084
Bridges, streets and signals	-	-	-	-	-	2,386,569	-	-	-	-	4,556,731
Law enforcement	-	-	-	-	-	-	-	-	-	-	721
Committed to:											
Economic development	-	-	-	-	-	-	-	-	-	14,405,388	14,827,809
Equipment purchases	14,202,315	-	-	-	-	-	-	-	-	-	14,202,315
Bridges, streets and signals	-	-	2,656,883	-	-	-	195,440	364,725	-	-	3,217,048
Justice Center	-	11,699,215	-	-	-	-	-	-	-	-	11,699,215
City art	-	-	-	316,364	-	-	-	-	26,562	-	342,926
Park improvements	-	-	-	-	473,396	-	-	-	-	-	473,396
UCS (United Committee Services)	-	-	-	-	-	-	-	-	-	-	104,287
Other capital projects	-	-	-	-	-	-	-	-	-	-	-
Assigned to:											
Other purposes	-	-	-	-	-	-	-	-	-	-	8,797
Total fund balances	14,202,315	11,699,215	2,656,883	316,364	473,396	2,386,569	195,440	364,725	26,562	14,405,388	54,108,531
Total liabilities and fund balances	$ 14,339,882	$ 11,699,215	$ 2,811,050	$ 318,864	$ 473,396	$ 2,386,569	$ 195,440	$ 364,725	$ 26,562	$ 14,405,388	$ 54,911,390

City of Leawood, Kansas

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Page 1 of 2
For the Year Ended December 31, 2023

	Special Revenue												
	Special Alcohol	Special City Highway	Special Parks And Recreation	Special Law Enforcement	American Revolution Tri-Centennial	American Rescue Plan Fund	Transient Guest Tax	Opioid Settlement	Park Place TDD	Camelot Court CID	Ranch Mart North CID	Fire Insurance Proceeds Fund	Virtual Reality Grant Fund
Revenues													
Taxes	$ 619,566	$ 912,131	$ 619,566	$ -	$ -	$ -	$ 579,077	$ -	$ 297,960	$ 793,417	$ 452,139	$ -	$ -
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	5,299,658	-	-	-	-	-	-	67,500
Fines and forfeitures	-	-	-	-	-	-	-	96,767	-	-	-	-	-
Investment income	7,763	79,719	45,236	26	3	-	71,569	-	-	-	-	170	-
Contributions and other	-	-	-	-	-	-	-	-	-	-	-	96,405	-
Total revenues	627,329	991,850	664,802	26	3	5,299,658	650,646	96,767	297,960	793,417	452,139	96,575	67,500
Expenditures													
General government	359,220	-	-	-	-	-	-	-	305,598	800,199	429,077	96,540	-
Public safety	-	-	-	-	-	5,299,658	-	1,000	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:													
General government	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	67,500
Parks and recreation	-	-	98,119	-	-	-	-	-	-	-	-	-	-
Public works	-	1,174,907	-	-	-	-	-	-	-	-	-	-	-
Debt service:													
Principal retirement	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	359,220	1,174,907	98,119	-	-	5,299,658	-	1,000	305,598	800,199	429,077	96,540	67,500
Excess (deficiency) of revenues over (under) expenditures	268,109	(183,057)	566,683	26	3	-	650,646	95,767	(7,638)	(6,782)	23,062	35	-
Other Financing Sources (Uses)													
Transfers in	-	650,000	327,833	-	-	-	-	-	-	-	-	-	-
Transfers out	(272,000)	-	(27,175)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(272,000)	650,000	300,658	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	(3,891)	466,943	867,341	26	3	-	650,646	95,767	(7,638)	(6,782)	23,062	35	-
Fund balances, beginning of year	363,819	1,703,219	1,102,933	695	8,759	-	1,694,438	8,520	80,434	221,692	111,653	-	-
Fund balances, end of year	$ 359,928	$ 2,170,162	$ 1,970,274	$ 721	$ 8,762	$ -	$ 2,345,084	$ 104,287	$ 72,796	$ 214,910	$ 134,715	$ 35	$ -

City of Leawood, Kansas

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Page 2 of 2
For the Year Ended December 31, 2023

	Capital Projects										Total Other Nonmajor Governmental Funds
	Municipal Equipment Reserve	Public Safety Improvements	Street Improvements	City Capital Art	Park Impact Fee	1/8th Cent Sales Tax	Leawood Transportation Impact Fee	135th Street Corridor Impact Fee	Public Art Impact Fee	Economic Development Fund	
Revenues											
Taxes	$ -	$ -	$ -	$ -	$ -	$ 1,042,881	$ -	$ -	$ -	$ -	$ 5,316,737
Licenses and permits	-	-	-	-	86,013	-	1,485	99,041	3,813	-	190,352
Intergovernmental	-	-	887,781	-	-	-	-	-	-	-	6,254,939
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	96,767
Investment income	495,684	395,845	77,695	12,530	26,077	80,266	7,057	11,854	987	555,919	1,868,400
Contributions and other	160,146	-	-	-	-	-	-	-	-	-	256,551
Total revenues	655,830	395,845	965,476	12,530	112,090	1,123,147	8,542	110,895	4,800	555,919	13,983,746
Expenditures											
General government	-	-	-	-	-	-	-	-	-	-	1,990,634
Public safety	-	-	-	-	-	-	-	-	-	-	5,300,658
Parks and recreation	-	-	-	109	-	-	-	-	-	-	109
Capital outlay:											
General government	363,247	-	-	-	-	-	-	-	-	-	363,247
Public safety	532,138	350,659	-	-	-	-	-	-	-	-	950,297
Parks and recreation	549,425	-	-	194,640	-	-	-	-	1,415	-	843,599
Public works	1,083,510	-	2,439,022	-	-	280,992	-	-	-	-	4,978,431
Debt service:											
Principal retirement	176,555	6,206	-	-	-	-	-	-	-	-	182,761
Interest and fiscal charges	15,245	862	-	-	-	-	-	-	-	-	16,107
Total expenditures	2,720,120	357,727	2,439,022	194,749	-	280,992	-	-	1,415	-	14,625,843
Excess (deficiency) of revenues over (under) expenditures	(2,064,290)	38,118	(1,473,546)	(182,219)	112,090	842,155	8,542	110,895	3,385	555,919	(642,097)
Other Financing Sources (Uses)											
Transfers in	2,550,000	1,468,721	1,800,000	155,778	-	-	-	-	-	1,368,713	8,321,045
Transfers out	-	-	-	-	(276,122)	(638,777)	-	-	-	(1,748,023)	(2,962,097)
Total other financing sources (uses)	2,550,000	1,468,721	1,800,000	155,778	(276,122)	(638,777)	-	-	-	(379,310)	5,358,948
Net change in fund balances	485,710	1,506,839	326,454	(26,441)	(164,032)	203,378	8,542	110,895	3,385	176,609	4,716,851
Fund balances, beginning of year	13,716,605	10,192,376	2,330,429	342,805	637,428	2,183,191	186,898	253,830	23,177	14,228,779	49,391,680
Fund balances, end of year	$ 14,202,315	$ 11,699,215	$ 2,656,883	$ 316,364	$ 473,396	$ 2,386,569	$ 195,440	$ 364,725	$ 26,562	$ 14,405,388	$ 54,108,531

City of Leawood, Kansas

Special Alcohol Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance Over (Under)
Revenues			
Taxes	$ 486,001	$ 619,566	$ 133,565
Investment income	4,000	7,763	3,763
Total revenues	490,001	627,329	137,328
Expenditures			
General government	374,438	359,220	(15,218)
Excess of revenues over expenditures	115,563	268,109	152,546
Other Financing Uses			
Transfers out	(272,000)	(272,000)	-
Net change in fund balances	$ (156,437)	(3,891)	$ 152,546
Fund balances, beginning of year		363,819	
Fund balances, end of year		$ 359,928	

City of Leawood, Kansas

Special City Highway Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance Over (Under)
Revenues			
Taxes	$ 945,000	$ 912,131	$ (32,869)
Investment income	17,000	79,719	62,719
Total revenues	962,000	991,850	29,850
Expenditures			
Capital outlay	1,781,177	1,174,907	(606,270)
Deficiency of revenues over expenditures	(819,177)	(183,057)	636,120
Other Financing Sources (Uses)			
Transfers in	650,000	650,000	-
Miscellaneous	334,723	-	(334,723)
Total other financing sources (uses)	984,723	650,000	(334,723)
Net change in fund balances	$ 165,546	466,943	$ 301,397
Fund balances, beginning of year		1,703,219	
Fund balances, end of year		$ 2,170,162	

City of Leawood, Kansas

Special Parks and Recreation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balances—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance Over (Under)
Revenues			
Taxes	$ 486,000	$ 619,566	$ 133,566
Investment income	11,000	45,236	34,236
Total revenues	497,000	664,802	167,802
Expenditures			
Capital outlay	585,520	98,119	(487,401)
Excess (deficiency) of revenues over (under) expenditures	(88,520)	566,683	655,203
Other Financing Sources (Uses)			
Transfers in	-	327,833	327,833
Transfers out	-	(27,175)	(27,175)
Net change in fund balances	$ (88,520)	867,341	$ 955,861
Fund balances, beginning of year		1,102,933	
Fund balances, end of year		$ 1,970,274	

City of Leawood, Kansas

Special Law Enforcement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance Over (Under)
Revenues			
Investment income	$ 5	$ 26	$ 21
Expenditures			
Public safety	205	-	(205)
Net change in fund balances	$ (200)	26	$ 226
Fund balances, beginning of year		695	
Fund balances, end of year		$ 721	

City of Leawood, Kansas

Transient Guest Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance Over (Under)
Revenues			
Taxes	$ 300,000	$ 579,077	$ 279,077
Investment income	2,500	71,569	69,069
Total revenues	302,500	650,646	348,146
Expenditures			
General government	914,556	-	(914,556)
Net change in fund balances	$ (612,056)	650,646	$ 1,262,702
Fund balances, beginning of year		1,694,438	
Fund balances, end of year		$ 2,345,084	

City of Leawood, Kansas

Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance Over (Under)
Revenues			
Taxes	$ 5,400,543	$ 5,303,930	$ (96,613)
Special assessments	336,600	862,814	526,214
Investment income	106,000	603,793	497,793
Total revenues	5,843,143	6,770,537	927,394
Expenditures			
Debt service:			
Principal retirement	5,920,000	5,920,000	-
Interest and fiscal charges	1,519,501	1,494,501	(25,000)
Miscellaneous	100,000	-	(100,000)
Total expenditures	7,539,501	7,414,501	(125,000)
Excess (deficiency) of revenues over (under) expenditures	(1,696,358)	(643,964)	1,052,394
Other Financing Sources			
Transfers in	-	-	-
Net change in fund balances	$ (1,696,358)	(643,964)	$ 1,052,394
Fund balances, beginning of year		10,638,634	
Fund balances, end of year		$ 9,994,670	

City of Leawood, Kansas
STATISTICAL SECTION
December 31, 2023

This part of the City of Leawood'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	Schedules
Financial Trends	1-6
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	7-10
These schedules contain information to help the reader assess the City's most significant local revenue source: property taxes.	
Debt Capacity	11-14
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 Economic Information	15-17
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	18-19
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 comprehensive annual financial reports for the relevant year.

Schedule 1

City of Leawood, Kansas

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	$ 288,988,301	$ 278,859,226	$ 275,353,842	$ 280,071,534	$ 281,113,331	$ 277,840,414	$ 275,110,399	$ 287,026,314	$ 286,347,548	$ 291,956,448
Restricted	8,943,807	10,486,748	11,178,865	10,890,059	13,994,429	13,294,227	14,681,544	16,257,628	19,569,263	20,314,930
Unrestricted	50,083,971	35,495,155	36,605,688	36,047,418	38,039,401	42,818,887	44,718,690	37,948,706	45,832,670	58,197,918
Total governmental activities net position	$ 348,016,079	$ 324,841,129	$ 323,138,395	$ 327,009,011	$ 333,147,161	$ 333,953,528	$ 334,510,633	$ 341,232,648	$ 351,749,481	$ 370,469,296
Business-type activities										
Net investment in capital assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unrestricted	-	-	-	-	-	-	-	-	-	-
Total business-type activities net assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Primary government										
Net investment in capital assets	$ 288,988,301	$ 278,859,226	$ 275,353,842	$ 280,071,534	$ 281,113,331	$ 277,840,414	$ 275,110,399	$ 287,026,314	$ 286,347,548	$ 291,956,448
Restricted	8,943,807	10,486,748	11,178,865	10,890,059	13,994,429	13,294,227	14,681,544	16,257,628	19,569,263	20,314,930
Unrestricted	50,083,971	35,495,155	36,605,688	36,047,418	38,039,401	42,818,887	44,718,690	37,948,706	45,832,670	58,197,918
Total primary government net position	$ 348,016,079	$ 324,841,129	$ 323,138,395	$ 327,009,011	$ 333,147,161	$ 333,953,528	$ 334,510,633	$ 341,232,648	$ 351,749,481	$ 370,469,296

Schedule 2

City of Leawood, Kansas

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General Government	$ 7,204,424	$ 7,697,435	$ 7,527,421	$ 7,636,867	$ 7,578,714	$ 9,855,245	$ 10,002,388	$ 9,309,945	$ 10,533,000	$ 11,997,631
Public Safety	16,926,736	17,065,802	17,740,714	17,422,102	18,331,632	19,576,489	20,622,945	20,230,339	21,134,159	23,183,365
Public Works	21,855,000	25,345,029	19,011,541	19,898,041	16,701,720	22,010,482	21,852,089	15,941,572	15,821,667	15,918,636
Parks and Recreation	8,201,578	7,788,247	8,070,816	8,119,456	7,395,453	9,380,245	9,473,531	14,166,122	11,021,209	10,907,573
Interest on Long-Term Debt	2,210,558	2,288,821	1,977,438	1,892,484	2,333,256	2,245,592	1,829,162	1,449,591	1,618,916	2,928,616
Total governmental activities expenses:	56,398,296	60,185,334	54,327,930	54,968,950	52,340,775	63,068,053	63,780,115	61,097,569	60,128,951	64,935,821
Total primary government expenses	$ 56,398,296	$ 60,185,334	$ 54,327,930	$ 54,968,950	$ 52,340,775	$ 63,068,053	$ 63,780,115	$ 61,097,569	$ 60,128,951	$ 64,935,821
Program Revenues										
Governmental activities:										
Charges for Services										
General Government	$ 3,070,035	$ 3,391,641	$ 3,074,991	$ 3,024,731	$ 2,856,278	$ 2,505,738	$ 2,106,542	$ 1,580,112	$ 1,671,384	$ 1,523,666
Public Safety	201,684	141,736	144,832	140,880	185,640	115,220	68,260	111,177	111,535	218,445
Public Works	114,270	234,490	65,032	421,700	528,259	562,180	156,496	1,808,326	1,600,374	2,085,010
Parks and Recreation	2,494,537	2,478,862	2,428,334	2,759,379	2,873,673	2,916,514	2,360,577	3,390,937	4,042,594	4,201,771
Operating Grants and Contributions	226,565	1,833,975	311,027	8,997	473,320	179,092	956,683	542,473	140,973	5,385,956
Capital Grants and Contributions	675,914	3,187,073	151,258	2,450,665	1,247,452	3,060,897	7,010,453	3,102,745	2,206,186	2,555,069
Total Governmental activities program revenues:	6,783,005	11,267,777	6,175,474	8,806,352	8,164,622	9,339,641	12,659,011	10,535,770	9,773,046	15,969,917
Total primary government program revenues	$ 6,783,005	$ 11,267,777	$ 6,175,474	$ 8,806,352	$ 8,164,622	$ 9,339,641	$ 12,659,011	$ 10,535,770	$ 9,773,046	$ 15,969,917
Net (expense)/revenue:										
Governmental Activities	$(49,615,291)	$(48,917,557)	$(48,152,456)	$(46,162,598)	$(44,176,153)	$(53,728,412)	$(51,121,104)	$(50,561,799)	$(50,355,905)	$(48,965,904)
Total primary government net expense:	$(49,615,291)	$(48,917,557)	$(48,152,456)	$(46,162,598)	$(44,176,153)	$(53,728,412)	$(51,121,104)	$(50,561,799)	$(50,355,905)	$(48,965,904)

Schedule 2

City of Leawood, Kansas

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes, levied for general purpose	$ 14,230,695	$ 13,971,849	$ 14,852,878	$ 15,389,307	$ 12,531,600	$ 16,156,442	$ 18,035,567	$ 21,077,558	$ 21,244,400	$ 23,359,533
Property Taxes, levied for debt service	4,438,763	5,765,372	5,978,034	6,618,136	10,351,730	7,626,084	7,016,771	5,501,767	4,966,716	4,936,681
Sales Taxes	15,662,005	15,802,522	16,255,542	17,516,872	18,403,286	19,354,280	18,173,024	22,023,724	24,267,696	24,586,641
Transient Guest Taxes (2)	383,736	453,511	528,112	557,445	327,875	409,601	171,148	369,289	529,263	579,077
Franchise Fees	3,532,699	3,394,074	3,568,313	3,649,475	3,520,427	3,404,816	3,307,089	3,244,572	3,808,450	3,515,309
Other Taxes	1,605,176	1,592,386	1,626,945	1,607,445	1,581,752	1,507,257	922,475	1,572,357	1,726,714	1,858,698
Unrestricted Grants and Contributions	2,573,189	4,314,367	2,808,404	2,905,834	2,993,274	3,040,176	2,958,348	3,130,526	3,026,941	3,065,234
Unrestricted Investment Earnings	228,470	129,686	400,945	681,610	1,138,750	2,145,604	1,146,369	(81,337)	671,562	5,325,058
Miscellaneous	258,697	196,800	430,549	511,817	440,520	173,303	162,422	230,351	630,996	390,555
Insurance Recoveries	-	-	-	595,273	-	-	-	-	-	
Total Governmental activities:	42,913,430	45,620,567	46,449,722	50,033,214	51,289,214	53,817,563	51,893,213	57,068,807	60,872,738	67,616,786
Total Primary Government	$ 42,913,430	$ 45,620,567	$ 46,449,722	$ 50,033,214	$ 51,289,214	$ 53,817,563	$ 51,893,213	$ 57,068,807	$ 60,872,738	$ 67,616,786
Change in Net Assets										
Governmental activities	$ (6,701,861)	$ (3,296,990)	$ (1,702,734)	$ 3,870,616	$ 7,113,061	$ 89,151	$ 772,109	$ 6,507,008	$ 10,516,833	$ 18,650,882
Total primary government	$ (6,701,861)	$ (3,296,990)	$ (1,702,734)	$ 3,870,616	$ 7,113,061	$ 89,151	$ 772,109	$ 6,507,008	$ 10,516,833	$ 18,650,882

Schedule 3

City of Leawood, Kansas

Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)

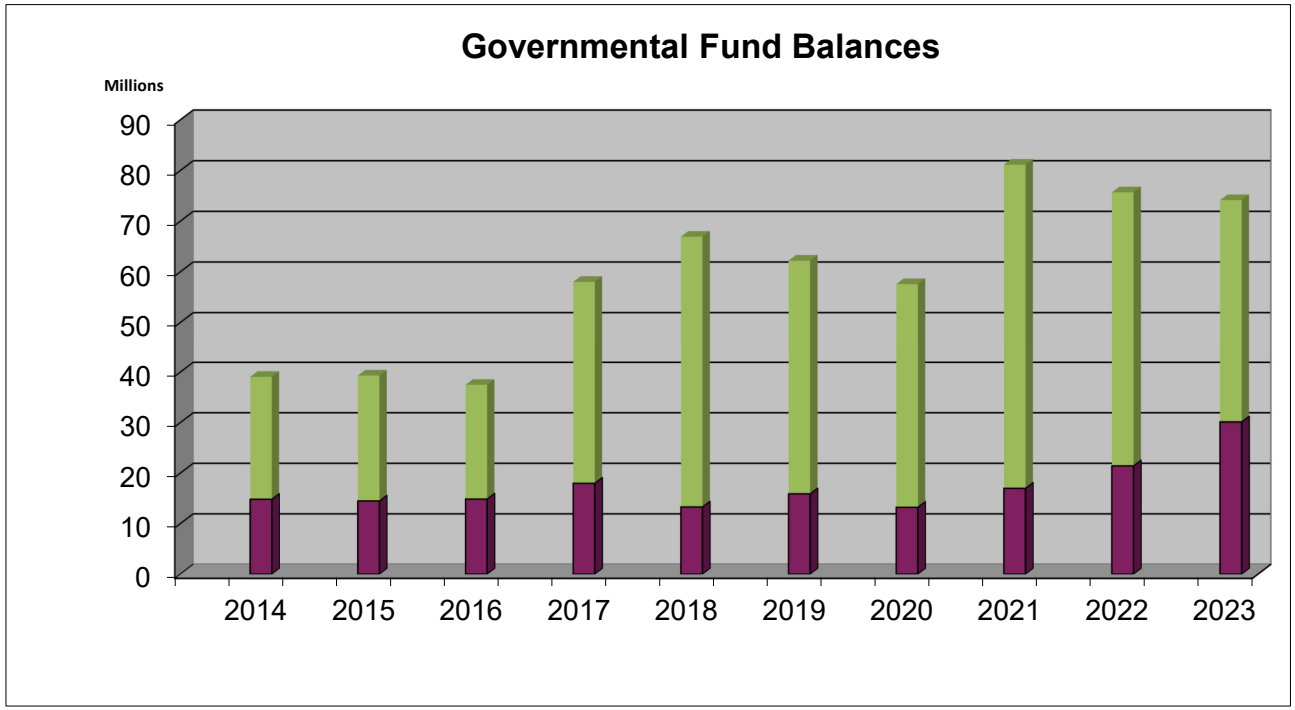
Fiscal Year	Property Tax (1)	City Sales Tax	Franchise Fees	Transient Guest Tax	Other Taxes	Total
2014	18,669,458	15,662,005	3,532,699	383,736	1,605,176	39,853,074
2015	19,737,221	15,802,522	3,394,074	453,511	1,592,386	40,979,714
2016	20,830,912	16,255,542	3,568,313	528,112	1,626,945	42,809,824
2017	22,007,443	17,516,872	3,649,475	557,445	1,607,445	45,338,680
2018	22,883,328	18,403,286	3,520,427	327,875	1,581,755	46,716,671
2019	23,782,527	19,354,280	3,404,816	409,601	1,507,257	48,458,481
2020	25,177,338	18,173,025	3,307,089	171,148	922,477	47,751,077
2021	26,579,325	22,023,724	3,244,572	369,289	1,572,357	53,789,267
2022	26,211,116	24,267,696	3,808,450	529,263	1,726,714	56,543,239
2023	28,296,214	24,586,641	3,515,309	579,077	1,858,698	58,835,939

Schedule 4

City of Leawood, Kansas

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	$ 132,689	$ 140,462	$ 123,218	$ 116,641	$ 129,986	$ 104,630	$ 63,412	$ 75,762	$ 119,062	$ 98,110
Assigned	4,664,936	5,623,577	4,980,428	2,713,627	5,376,591	6,679,837	7,532,376	5,070,266	10,887,390	15,128,652
Unassigned	10,036,017	8,730,208	9,771,761	15,166,557	7,797,408	9,123,801	5,641,347	11,853,780	10,435,006	14,914,050
Total General Fund	$ 14,833,642	$ 14,494,247	$ 14,875,407	$ 17,996,825	$ 13,303,985	$ 15,908,268	$ 13,237,135	$ 16,999,808	$ 21,441,458	$ 30,140,812
All other governmental funds										
Restricted	$ 8,943,806	$ 10,486,748	$ 11,178,864	$ 11,340,400	$ 16,374,752	$ 13,294,227	$ 14,681,544	$ 16,257,628	$ 17,686,929	$ 19,227,408
Committed	18,666,856	22,165,343	25,578,780	28,675,833	37,244,523	40,095,245	44,790,333	48,505,801	54,299,626	61,943,451
Assigned	8,544	8,568	8,620	8,663	8,709	8,748	8,751	8,757	8,759	8,797
Unassigned	(3,405,743)	(7,848,812)	(14,165,992)	-	-	(7,096,702)	(15,147,524)	(605,265)	(17,737,762)	(37,159,024)
Total all other governmental funds	$ 24,213,463	$ 24,811,847	$ 22,600,272	$ 40,024,896	$ 53,627,984	$ 46,301,518	$ 44,333,104	$ 64,166,921	$ 54,257,552	$ 44,020,632



Schedule 5

City of Leawood, Kansas

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Revenues:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Taxes	$ 31,934,218	$ 32,737,684	$ 34,462,541	$ 36,196,956	$ 37,383,518	$ 39,084,197	$ 39,068,614	$ 56,669,340	$ 59,804,286	$ 61,833,170
Licenses and Permits	1,815,305	2,159,727	1,475,531	2,057,069	2,232,002	1,946,547	1,355,227	2,245,654	2,432,851	2,598,585
Intergovernmental	10,908,093	15,945,615	11,008,763	13,624,022	12,539,099	14,770,981	15,556,316	3,117,296	1,482,985	8,654,199
Charges for Services	2,566,755	2,499,006	2,491,006	2,770,580	2,930,520	2,913,372	2,308,721	3,370,863	3,658,610	4,142,519
Fines and Forteitures	1,486,446	1,587,760	1,743,936	1,516,598	1,281,332	1,239,576	1,027,926	1,274,035	1,334,426	1,287,788
Special Assessments	2,339,422	2,305,932	1,790,552	1,674,521	1,635,144	1,372,809	1,344,290	2,060,571	2,755,072	862,814
Investment income	228,470	129,686	400,945	681,610	1,138,749	2,145,604	1,146,367	(81,337)	671,562	5,325,058
Contributions and Others	364,495	248,050	544,459	520,238	440,520	438,053	241,288	393,052	630,996	390,555
Total Revenues	51,643,204	57,613,460	53,917,733	59,041,594	59,580,884	63,911,139	62,048,749	69,049,474	72,770,788	85,094,688
Expenditures										
General Government	7,101,747	7,345,184	7,028,199	7,126,082	7,341,563	8,950,873	9,056,892	9,236,234	9,523,604	10,767,698
Public Safety	14,626,686	15,332,204	15,538,286	15,207,848	16,234,348	17,285,814	17,323,461	18,509,410	18,984,767	19,617,396
Public Works	5,922,048	5,940,348	6,053,509	6,049,030	6,284,607	6,892,533	6,836,037	7,457,085	7,322,418	7,055,283
Parks and Recreation	5,786,255	5,878,747	6,285,034	6,518,606	6,419,758	6,889,123	6,897,518	7,006,615	8,133,902	8,605,957
Capital Outlay	17,904,375	22,459,448	13,747,050	16,532,348	8,114,087	20,474,161	19,895,963	14,287,067	24,711,237	40,293,255
Debt Service										
Principal	4,322,277	5,823,057	6,111,952	6,459,715	7,559,578	7,297,453	4,894,255	6,741,730	7,098,062	6,606,458
Interest and Fiscal Charges	2,108,809	2,230,717	2,341,797	1,802,223	2,460,847	2,610,986	4,615,899	1,917,951	2,464,517	3,283,530
Total Expenditures	57,772,197	65,009,705	57,105,827	59,695,852	54,414,788	70,400,943	69,520,025	65,156,092	78,238,507	96,229,577
Excess of Revenues over (under) Expenditures	(6,128,993)	(7,396,245)	(3,188,094)	(654,258)	5,166,096	(6,489,804)	(7,471,276)	3,893,382	(5,467,719)	(11,134,889)
Other Financing Sources (Uses)										
Transfer In	7,172,316	7,682,546	7,550,190	8,304,365	13,045,195	8,376,891	10,462,919	8,816,522	10,173,332	15,777,800
Transfers Out	(7,172,316)	(7,682,546)	(7,550,190)	(8,304,365)	(13,045,195)	(8,376,891)	(10,462,919)	(8,816,522)	(10,173,332)	(15,777,800)
Insurance Recoveries	-	-	-	930,931	-	-	-	-	-	-
Refunding Bonds Issued	3,785,000	2,230,000	9,765,000	1,095,000	9,450,000	2,435,000	2,080,000	-	-	-
Bonds Issued	5,920,000	7,140,000	-	18,190,000	3,480,000	-	-	16,975,000	-	8,275,000
Premium on Bonds Issued	847,613	690,233	680,481	1,829,442	1,224,151	19,976	360,259	1,991,281	-	541,043
Payments to Refunded Bonds Escrow Agent	(5,317,113)	(2,405,000)	(10,200,000)	(1,080,000)	(10,410,000)	(2,415,000)	(11,024)	-	-	-
Issuance of Leases	305,496	-	1,112,198	234,926	-	1,010,427	742,495	736,830	-	781,280
Total Other Financing Sources (Uses)	5,540,996	7,655,233	1,357,679	21,200,299	3,744,151	1,050,403	3,171,730	19,703,111	-	9,597,323
Extraordinary Item					-	-	-	-	-	-
Net Changes in Fund Balances	$ (587,997)	$ 258,988	$ (1,830,415)	$ 20,546,041	$ 8,910,247	$ (5,439,401)	$ (4,299,546)	$ 23,596,493	$ (5,467,719)	$ (1,537,566)
Debt Service as a percentage of noncapital Expenditures	12.87%	14.38%	17.14%	16.50%	20.47%	16.89%	16.67%	15.10%	17.02%	17.02%

Schedule 6

City of Leawood, Kansas

General Governmental Tax Revenues By Source (1)
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	City Sales Tax	County Sales & Use Tax	Transient Guest Tax	Franchise Fees	City Consumers' Use Tax	Motor Vehicle Tax	Alcohol Tax	Gasoline Tax	Total
2014	18,320,048	7,789,558	-	383,736	3,532,699	1,908,175	-	-	-	31,934,216
2015	19,166,343	7,795,464	-	453,511	3,394,074	1,928,293	-	-	-	32,737,684
2016	20,280,806	7,977,277	-	528,112	3,568,313	2,108,032	-	-	-	34,462,541
2017	21,474,013	8,171,286	-	557,445	3,649,475	2,344,737	-	-	-	36,196,956
2018	22,524,842	8,499,646	-	327,875	3,520,427	2,510,728	-	-	-	37,383,518
2019	23,285,017	9,295,678	-	409,601	3,404,816	2,689,087	-	-	-	39,084,197
2020	24,854,370	7,913,158	-	171,148	3,307,089	2,822,849	-	-	-	39,068,614
2021	26,328,872	9,505,335	8,827,221	369,289	3,244,572	3,691,168	2,123,428	1,572,357	1,007,098	56,669,340
2022	26,445,222	10,681,980	9,413,367	529,263	3,808,450	4,172,349	2,102,118	1,726,714	924,823	59,804,286
2023	28,228,212	10,986,975	9,581,021	579,077	3,515,308	4,018,645	2,153,103	1,858,698	912,131	61,833,169

(1) Includes governmental activities as shown in the Fund Financial Statements.

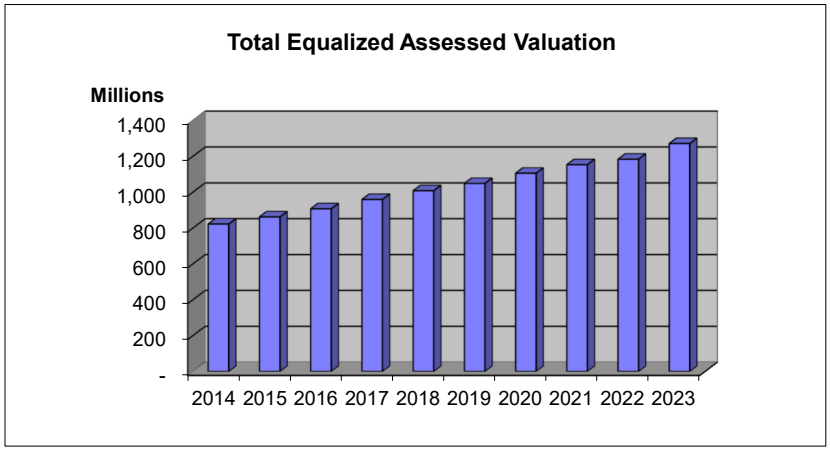
Schedule 7

City of Leawood, Kansas

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Year Ended December 31,	Assessed Value Real Property	Assessed Value Personal Property	State Assessed Utilities	Total Assessed Value
2014	737,569,632	4,778,738	7,148,950	749,497,320
2015	774,847,227	4,087,234	7,209,112	786,143,573
2016	816,290,245	3,521,444	7,398,079	827,209,768
2017	866,259,543	3,142,599	7,522,042	876,924,184
2018	911,435,862	2,879,015	7,909,291	922,224,168
2019	949,689,662	2,807,768	8,215,953	960,713,383
2020	1,004,672,284	2,578,986	9,196,491	1,016,447,761
2021	1,053,359,605	2,239,860	9,934,697	1,065,534,162
2022	1,081,763,248	2,307,235	10,548,563	1,094,619,046
2023	1,169,745,146	1,985,621	11,755,350	1,183,486,117



Source: Johnson County Treasurer's Office

(1) Utilities Estimated Actual Value is calculated by dividing the assessed value by 33%.

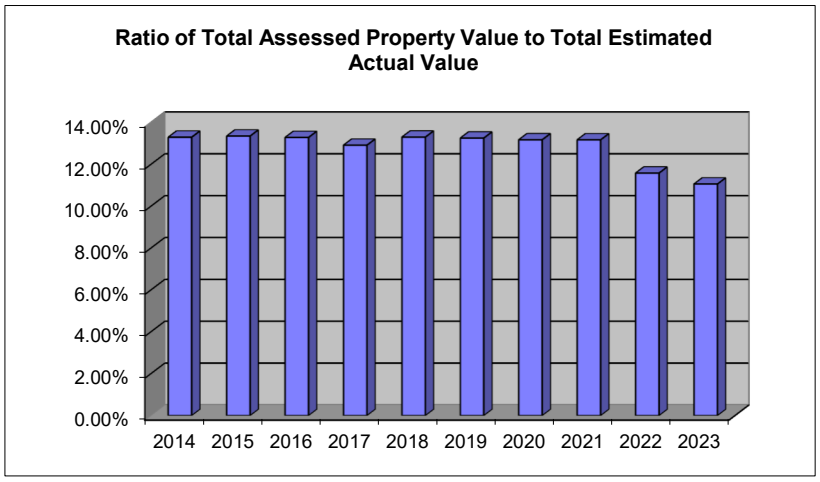
City of Leawood, Kansas

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Assessed Value Motor Vehicle	Assessed Value Recreational Vehicles	Total Equalized Assessed Valuation	Total Direct Tax Rate	Year Ended December 31,
72,541,429	114,202	822,152,951	24.477	2014
75,582,776	107,805	861,834,154	24.492	2015
79,744,865	125,294	907,079,927	24.508	2016
81,923,342	135,616	958,983,142	24.513	2017
85,601,079	139,978	1,007,965,225	24.517	2018
87,562,568	157,608	1,048,433,559	24.524	2019
88,798,632	143,405	1,105,389,798	24.548	2020
87,251,634	157,499	1,152,943,295	24.757	2021
88,805,453	171,932	1,183,596,431	24.077	2022
87,308,371	167,945	1,270,962,433	23.506	2023

Real Property Estimated Actual Value	Personal Property Estimated Actual Value	Utilities Estimated Actual Value	Total Estimated Actual Value	Ratio of Total Assessed Value to Total Estimated Actual Value	Year Ended December 31,
5,591,579,790	22,434,498	21,663,485	5,635,677,773	13.30%	2014
5,845,637,610	19,736,956	21,845,794	5,887,220,360	13.35%	2015
6,185,374,430	18,084,771	22,418,421	6,225,877,622	13.29%	2016
6,749,316,280	16,484,758	22,794,067	6,788,595,105	12.92%	2017
6,892,861,150	15,497,626	23,967,548	6,932,326,324	13.30%	2018
7,206,203,520	15,447,200	24,896,827	7,246,547,547	13.26%	2019
7,671,617,250	14,730,079	27,868,155	7,714,215,484	13.18%	2020
8,044,835,150	13,548,544	30,105,142	8,088,488,836	13.17%	2021
9,401,805,280	13,542,950	33,549,260	9,448,897,490	11.58%	2022
10,650,331,000	12,091,082	35,911,572	10,698,333,654	11.06%	2023



Schedule 8

City of Leawood, Kansas

Property Tax Rates
(Per $1,000 of Assessed Value)

Direct and Overlapping Governments

Last Ten Fiscal Years

Tax/Fiscal Year	City			State of Kansas	Johnson County	Shawnee Mission School District	Blue Valley School District	Johnson County Community College	Unified Johnson County Sewer District	Blue Valley Park	Johnson County Library	Johnson County Park	Total Blue Valley Direct & Overlapping Rates	Total Shawnee Mission Direct & Overlapping Rates
	General	Debt Service	Total City											
2013/2014	19.017	5.460	24.477	1.500	17.745	55.611	70.036	9.551	-	2.201	3.155	2.347	131.012	114.386
2014/2015	17.837	6.655	24.492	1.500	17.764	55.911	67.939	9.461	-	2.201	3.157	2.349	128.863	114.634
2015/2016	17.945	6.563	24.508	1.500	19.582	54.059	67.889	9.469	-	2.200	3.912	3.101	132.161	116.131
2016/2017	18.875	5.638	24.513	1.500	19.590	54.940	66.255	9.473	-	2.200	3.915	3.102	130.548	117.033
2017/2018	15.056	9.461	24.517	1.500	19.318	53.663	66.614	9.503	-	2.199	3.921	3.112	130.684	115.534
2018/2019	17.940	6.584	24.524	1.500	19.024	52.427	64.999	9.266	-	2.199	3.901	3.088	128.501	113.730
2019/2020	18.881	5.667	24.548	1.500	19.036	52.121	62.797	9.121	-	2.199	3.904	3.090	126.195	113.320
2020/2021	19.754	5.003	24.757	1.500	18.799	52.351	60.503	9.191	-	2.193	3.905	3.093	123.941	113.596
2021/2022	19.209	4.87	24.076	1.500	18.564	51.667	58.967	9.110	-	2.216	3.908	3.096	121.437	111.921
2022/2023	19.925	4.15	24.077	1.500	17.772	49.386	54.870	8.617	-	2.989	3.815	3.021	116.661	108.188

Source: Johnson County Clerk's Office.

Schedule 9

City of Leawood, Kansas

Principal Property Taxpayers

Current Year and Nine Years Ago

	2023			2014		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Town Center Plaza	$ 28,763,751	1	2.26%	$ 25,107,000	1	3.05%
Park Place Village LLC	25,356,957	2	2.00%	8,639,001	3	1.05%
119th Street Development, LLC	14,026,751	3	1.10%	12,214,248	2	1.49%
Camelot Court LLC	9,782,418	4	0.77%	7,414,768	4	0.90%
Hallbrook Office Center	8,223,388	5	0.65%	7,136,081	5	0.87%
RMO Leawood LLC	7,956,045	6	0.63%			
Residence At Park Place Apt	7,793,320	7	0.61%			
Academy 1740, Inc.	6,346,001	8	0.50%	4,979,751	7	0.61%
Ranch Mart North, LLC	5,626,749	9	0.44%			
Mission 106 LLC	5,493,286	10	0.43%			
Park Place Village 5 LLC				6,959,163	6	0.85%
PCC Two, LLC				3,825,500	8	0.47%
Kansas City Power & Light				3,710,745	9	0.45%
Pinnacle Building III				3,069,501	10	0.37%
Total Principal Property Taxpayers	$ 119,368,666		9.39%	$ 83,055,758		10.11%

Source: Johnson County Clerk's Office

Schedule 10

City of Leawood, Kansas

Property Tax Levies and Collections

Last Ten Fiscal Years

Tax/Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013/2014	18,324,277	18,169,881	99.2%	149,594	18,319,475	100.0%
2014/2015	19,105,302	18,959,596	99.2%	-	18,959,596	99.2%
2015/2016	20,233,618	20,058,450	99.1%	-	20,058,450	99.1%
2016/2017	21,448,464	21,276,527	99.2%	-	21,276,527	99.2%
2017/2018	22,528,082	22,386,564	99.4%	-	22,386,564	99.4%
2018/2019	23,476,049	23,307,454	99.3%	-	23,307,454	99.3%
2019/2020	24,922,130	24,733,742	99.2%	-	24,733,742	99.2%
2020/2021	26,328,000	26,144,135	99.3%	-	26,144,135	99.3%
2021/2022	26,352,078	26,161,340	99.3%	-	26,161,340	99.3%
2022/2023	28,496,011	28,186,826	98.9%	-	28,186,826	98.9%

Source: Johnson County Treasurer's Office

City of Leawood, Kansas

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities: General Obligation Bonds To Be Paid With Tax Levies	Governmental Activities: General Obligation Bonds To Be Paid With Special Assessments	Governmental Activities: Revenue Bonds	Governmental Activities: Certificates of Participation	Governmental Activities: Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2014	38,313,334	14,544,200	-	-	1,186,335	54,043,869	*	1,664
2015	41,910,604	12,875,425	-	-	973,278	55,759,307	*	1,708
2016	37,761,072	11,165,990	-	-	1,868,531	50,795,593	*	1,548
2017	53,223,254	9,410,195	-	-	1,773,742	64,407,191	*	1,931
2018	51,145,738	7,534,639	-	-	1,469,163	60,149,540	*	1,796
2019	45,146,154	6,118,569	-	-	2,167,136	53,431,859	*	1,595
2020	41,635,266	4,745,792	-	-	2,485,376	48,866,434	*	1,441
2021	54,965,616	3,617,772	-	-	2,993,057	61,576,445	*	1,827
2022	48,651,992	1,849,690	-	-	3,084,204	53,585,886	*	1,595
2023	51,719,752	1,049,746	-	-	3,179,026	55,948,524	*	1,647

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

* Information is not available. This information is compiled every ten years.

(1) Population data can be found in the Schedule of Demographic and Economic Statistics in Schedule 15

City of Leawood, Kansas

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2014	52,857,534	7,248,664	45,608,870	0.81%	1,404
2015	54,786,029	7,940,070	46,845,959	0.80%	1,435
2016	48,927,062	7,980,397	40,946,665	0.66%	1,248
2017	62,633,449	7,612,919	55,020,530	0.81%	1,650
2018	58,680,377	9,375,415	49,304,962	0.71%	1,472
2019	51,264,723	8,986,242	42,278,481	0.58%	1,262
2020	46,381,058	10,519,614	35,861,444	0.46%	1,058
2021	58,583,388	10,551,441	48,031,947	0.59%	1,425
2022	50,501,682	10,638,634	39,863,048	0.42%	1,186
2023	52,769,498	9,994,670	42,774,828	0.40%	1,259

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Schedule 7 for property value data.
(2) Population data can be found in the Schedule of Demographic and Economic Statics in Schedule 15

Schedule 13

City of Leawood, Kansas

Direct and Overlapping Governmental Activities Debt

As of December 31, 2023

Governmental unit	Net Debt Outstanding	Percentage Applicable to City of Leawood (2)	Amount Applicable to City of Leawood
Johnson County	$ 556,750,000	8.97%	$ 49,921,240
Shawnee Mission School District (U.S.D. 512)	493,035,000	5.33%	26,268,826
Blue Valley School District (U.S.D. 229)	449,445,000	24.15%	108,547,362
Subtotal, overlapping debt			184,737,428
City of Leawood direct debt (1)			55,948,524
Total direct and overlapping debt			$ 240,685,952

Source: Johnson County Clerk's Office

(1) General obligation debt outstanding and lease purchase obligations

(2) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedu the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of This process recognizes that, when considering the government'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 and therefore responsible for repaying the debt, of each overlapping government.

City of Leawood, Kansas

Legal Debt Margin Information

Last Ten Fiscal Years

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	$ 246,645,885	$ 258,550,246	$ 272,123,978	$ 287,694,943	$ 302,389,568	$ 314,530,068	$ 331,616,939	$ 345,882,989	$ 355,078,929	$ 381,288,730
Total net debt applicable to limit	45,608,870	46,845,959	38,494,602	55,020,530	48,523,034	42,278,481	35,861,444	48,031,947	39,863,048	42,774,828
Legal debt margin	$ 201,037,015	$ 211,704,287	$ 233,629,376	$ 232,674,412	$ 253,866,534	$ 272,251,587	$ 295,755,495	$ 297,851,042	$ 315,215,881	$ 338,513,902
Total net debt applicable to the limit as a percentage of debt limit	18.49%	18.12%	14.15%	19.12%	16.05%	13.44%	10.81%	13.89%	11.23%	11.22%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value, real and personal property, 2023	$ 1,183,486,117
Plus assessed value, motor vehicles, 2023	87,476,316
Total Assessed Value - 2023	$ 1,270,962,433
Debt limit (30% of total assessed value)	381,288,730
Debt applicable to limit:	
General obligation bonds	52,769,498
Less: Amount set aside for repayment of general obligation debt	(9,994,670)
Total Net Debt Applicable to Limit	42,774,828
Legal debt margin	$ 338,513,902

NOTE: In 1997, the Kansas legislature repealed K.S. A. 79-5037, the statute which had governed legal debt limits for municipalities since statewide reappraisal in 1989. Based on this action, the legal general obligation debt limit for most cities in the state, including Leawood, returned to the pre-1989 limit of 30% of equalized assessed valuation. Between 1989 and 1997, K.S.A. 79-5037 adjusted the debt limit to account for the effect of reappraisal. During this period Leawood's debt limit was approximately 15.82% of equalized assessed valuation.

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

Schedule 15

City of Leawood, Kansas

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (1) (amounts expressed in thousands)	Per Capita Personal Income (1)	Median Age (1)	Percent of Adult Population with at least a Bachelors Degree	Unemployment Rate (2)
2014	32,483	*	*	*	*	3.0%
2015	32,644	*	*	*	*	2.6%
2016	32,807	*	*	*	*	3.0%
2017	33,349	*	*	*	*	2.3%
2018	33,500	*	*	*	*	2.6%
2019	33,510	*	*	*	*	2.2%
2020	33,900	5,306,638	156,538	48.5	76.0	3.2%
2021	33,700	*	*	*	*	2.6%
2022	33,600	*	*	*	*	2.1%
2023	33,980	*	*	*	*	2.5%

* Information is not available. This information is compiled every ten years.

(1) Obtained from U.S. Census Bureau - *2020 Census Data is not set for release until March or April of 2021.*

(2) Obtained from Kansas Department of Human Resources, for the City of Leawood. Beginning in 1999, the City of Leawood met the Labor Bureau's criteria and data was collected specifically as it related to the city proper. Figures for 1995-1998 included all of Johnson County.

City of Leawood, Kansas

Principal Employers

Current Year and Nine Years Ago

	2023			2014		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
KBP Brands	650	1	3.6%			
C2FO	414	2	2.3%			
AMC Theaters Support Center	400	3	2.2%			
RPS Financial Group	346	4	1.9%			
Ascend Learning	330	5	1.8%			
American Academy of Family Physicians	319	6	1.8%	350	3	2.3%
City of Leawood	308	7	1.7%	256	7	1.7%
Blue Valley School District / USD #229	305	8	1.7%	346	4	2.3%
Murphy-Hoffman Co.	250	9	1.4%			
Nueterra Holdings Co.	200	10	1.1%			
CBIZ Accounting, Tax & Advisory Svc				491	1	3.2%
Reece Nichols				415	2	2.7%
DEMDACO, Inc				297	5	1.9%
Select Quote				259	6	1.7%
Mariner				236	8	1.5%
AB May				225	9	1.5%
Euronet Worldwide, Inc.				191	10	1.3%
Total	3,522		19.5%	3,066		20.1%

Sources: Kansas Department of Labor, Leawood Chamber of Commerce and Johnson County Economic Research Institute

Schedule 17

City of Leawood, Kansas

Full-time Equivalent City Government Employees by Function

Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	45.71	46.21	45.68	43.68	43.68	43.18	43.41	43.38	44.61	44.61
Public safety										
Police										
Officers	61.00	61.00	61.00	61.00	61.00	62.00	62.00	62.00	62.00	62.00
Civilians	22.00	22.00	23.00	23.00	23.23	22.23	22.23	21.98	21.98	22.23
Fire										
Firefighters and officers	52.69	52.69	52.44	52.69	52.69	53.69	54.00	54.00	54.00	54.00
Civilians	1.00	1.00	1.00	0.80	0.80	0.80	0.80	1.00	1.00	1.00
Public Works	48.23	49.23	49.71	49.71	49.71	49.71	49.71	49.96	49.96	49.96
Parks & Recreation	61.57	63.82	63.09	63.21	62.45	62.95	62.87	66.61	68.03	68.28
Total Full-Time Equivalent	292.20	295.95	295.92	294.09	293.56	294.56	295.02	298.93	301.58	302.08

Source: City Budget Manager

Schedule 18

City of Leawood, Kansas

Operating Indicators by Function

Last Ten Fiscal Years

	Fiscal Year									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Function										
Police										
Number of Traffic Violations	13,488	12,528	13,625	12,350	9,921	9,795	7,769	10,744	16,567	16,136
Number of Physical Arrests	1,330	1,314	1,123	1,018	1,120	1,061	823	1,217	1,217	1,174
Number of Calls Dispatched (includes Officer-Initiated Calls)	31,332	30,558	31,532	27,199	26,433	28,960	31,793	35,186	30,714	28,898
Number of Alarm Calls	1,837	1,826	1,673	1,678	1,611	1,533	1,194	1,348	1,272	1,203
Fire**										
Number of Fire Incidents Answered	70	84	87	95	71	89	112	81	94	85
Number of EMS Incidents Answered	1,743	228	2,069	2,255	2,266	2,267	2,097	2,280	2,417	2,378
Number of Other Incidents Answered	927	789	890	950	1,000	1,044	878	984	1,070	1,099
Number of Fire Inspections	841	929	1,038	1,124	1,037	1,123	339	1,370	1,872	2,283
Parks & Recreation										
Number of Programs Offered	>150	>150	166	166	96*	96	96	96	96	103

Source: Various City departments

**Significant decrease in Parks and Recreation Number of Programs Offered due to changes in organization of class sessions.*

*** For 2020, categories changed retroactively by Fire Chief to more correctly reflect categories tracked.*

Schedule 19

City of Leawood, Kansas

Capital Asset Statistics by Function

Last Ten Fiscal Years

	Fiscal Year									
Function	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Police										
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Certified Officers	61	61	61	61	61	62	62	62	62	62
Number of Noncertified Personnel	22	22	23	23	23	22	22	22	22	22
Number of Patrol Districts	3	3	3	3	3	3	3	3	3	3
Fire										
Number of Fire Stations	3	3	3	3	3	3	3	3	3	3
Number of Full-Time Firefighters	52	52	52	52	53	53	53	53	54	55
Number of Nonfire Personnel	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (miles)	201.8	202.0	202.0	202.0	202.0	202.0	202.3	202.3	202.3	203
Streetlights	4093	4106	4131	4136	4165	4190	4238	4246	4258	4260
Parks & Recreation										
Number of Parks	6	6	6	6	6	6	6	7	7	7
Park Acreage	486	486	486	486	486	486	492	492	492	492
Walking Trail Mileage	8.25	8.25	8.25	8.25	8.25	8.25	8.25	9.30	9.30	9.30
Aquatic Centers	1	1	1	1	1	1	1	1	1	1
Golf Courses	1	1	1	1	1	1	1	1	1	1.00
Tennis/Pickle Ball Courts	6	6	6	6	6	6	6	6	6	6
Soccer Fields	14	14	14	14	14	14	14	14	14	14
Baseball Diamonds	3	3	3	3	3	3	3	3	3	3

Source: Various City Departments