City of Shawnee

Annual Comprehensive Financial Report

For the fiscal year ended December 31, 2022



HOMETOWN WITH HEART

Shawnee

EST 1856

KANSAS

City of Shawnee, Kansas

Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2022

Prepared by the Finance Department:

Don Cawby, Finance Director
Sean Rocco, Deputy Finance Director
Josie Hermreck, Accounting Manager

INTRODUCTORY SECTION

CITY OF SHAWNEE, KANSAS

FINANCIAL STATEMENTS
Year ending December 31, 2022

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CITY OF SHAWNEE, KANSAS

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CITY OF SHAWNEE, KANSAS

FINANCIAL STATEMENTS
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June 7, 2023

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

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Shawnee for the fiscal year ended December 31, 2022. The purpose of the report is to provide the Mayor, City Council, City Staff, citizens, bondholders, and other interested parties with useful information concerning the City's operations and financial position.

This report was prepared in accordance with generally accepted accounting principles (GAAP), which are uniform minimum standards and guidelines for financial accounting and reporting in the United States. The City's financial statements have been audited by Gordon CPA LLC (the Auditor) as required by Kansas Statute 75-1122. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for fiscal year ended December 31, 2022, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The Auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The Auditor's Report is presented as the first component of the financial section of this report.

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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Shawnee for its comprehensive annual financial report for the fiscal year ended December 31, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The Financial Reporting Entity

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

Profile of the Government

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

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

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

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

The City of Shawnee continues to be recognized by multiple organizations for excellence in programming and services. In 2022, the City of Shawnee and its Departments were recognized for the following:

- U.S. Department of Energy's Silver "SolSmart" Award
- Tree City USA
- Bicycle Friendly Community – Bronze Level
- Bicycle Friendly Business – City Hall
- Digital Cities Award – 4th Place
- AAA Bond Rating
- GFOA Distinguished Budget Presentation Award
- GFOA Certificate of Achievement for Excellence in Financial Reporting
- R5 Certified Building Inspection
- TravelAwaits - #9 – Incredible Living History Museums To Visit In The Midwest
- Purple Heart City
- Kansas City Business Journal – Kansas City's Healthiest Employees Honoree Award
- KC Chamber - Healthy KC Workplace Wellness Certified Platinum Level

Additionally, the City's Parks and Recreation, Public Works, Fire, and Police Departments all have achieved national accreditation from their authorizing agencies. In 2022, the City again received an ISO 1 rating for their excellence in fire suppression and a triple-A (AAA) bond rating from S&P Global Ratings for the third year in a row.

Economic Condition and Outlook

Shawnee's location along several major transportation routes and ease in access to the entire Kansas City metropolitan area has been a major factor in the City's growth and development. Based on this transportation infrastructure, Shawnee is the closest Johnson County suburb to the new Kansas City International Airport.

Although Shawnee is landlocked, and approximately 75 percent of the city has been developed, there are still large tracts of undeveloped land for future development along I-435, in the Kansas River valley, and between Monticello Road and Woodland in the newly created Hickok Zarah Conservation TIF District.

The U.S. Census estimates Shawnee's median household income as $93,835 in 2022, which continues to drive development within the City. Shawnee's population is estimated to be 71,327 by the end of 2023, and has 19,013 single family housing units, 1,120 duplexes, and 7,284 multi-family units, for a total of 27,417 housing units. The housing vacancy rate is 0.5% for homeowner vacancy and 4.6% for rental vacancies. Nearly 74% of households reside in owner-occupied units that average 2.66 persons per household.

The median owner-occupied home value is $266,800. Further analysis and information on demographics are located in the Statistical Section of this report.

Home and commercial construction activity fluctuated significantly in 2022.

A total of 125 building permits for new single-family homes were issued, along with 8 duplex and 8 multifamily permits. This is a decrease of almost 30% from the previous year.

Multifamily activity decreased significantly with a combined 190 duplex and multifamily units being submitted for construction. This is a decrease of more than 70%. Inflation and the cost of money are significant contributing factors.

Commercial permits increased significantly but the value of the permits was down. Thirty five new commercial permits and 81 commercial remodel permits were also issued in 2022 – an increase of 80%. Total estimated construction value of all commercial permits issued was $214,088,882, down from $225,439,191, a decrease of $11,350,309 or five percent.

The average construction value in 2022 for a single-family home increased by about 9.7 percent to a value of $421,455, compared to $383,990 in 2021. The average square footage of a new home is:

- 3,105 in 2022
- 2,812 in 2021
- 3,083 in 2020

Again, the cost of money, materials and inflation is being felt in the residential construction market.

Significant development completed or under construction during 2022 includes:

- Westbrooke Green at 75th & Quivira has completed the multi-family portion of the project. This phase has 343 apartment units in 3 buildings that center upon common green space. Work on the commercial side of the project has yet to begin.
- The Blume work/live catalyst project at Roger Road & Nieman is complete. The 18 residential units and 12 ground floor commercial retail/office units in two buildings are almost completely leased.
- Chase Bank is approved for a new 5,000 s.f. branch in the parking lot of Shawnee Station.
- Pet Suites has completed their new 11,000 s.f. facility on Shawnee Mission Parkway and Barker.
- District Pourhouse will open a new restaurant in downtown Shawnee in the former Shawnee State Bank building at Johnson and Nieman.
- A new facility for Popeye’s Chicken is being built on Nieman Road just north of Shawnee Mission Parkway.
- Planning is almost complete for the K7 Logistics Center is being built at 79th and Monticello. It will include more than 150,000 s.f. of warehouse and logistics space.

- Meadowlark Apartments are under construction at 75th and K7. This development will include more than 144 apartments.
- Bristol Highlands continues to develop single family homes north of 83rd St. between Monticello and Woodland. Total buildout will include more than 350 homes.
- Veteran's Park senior residential is complete at 62nd & Pflumm. The development includes 60 attached villa units and 210 senior apartments on 29 acres.
- Various single-family residential developments will add over 500 new single-family homes across Shawnee in the next few years, with a majority occurring in five major subdivisions: Kenneth Estates, Canyon Lake Estates, Legacy Crossings, Bristol Highlands North and the Estates of Timber Springs.

2022 Initiatives and Highlights

In 2020, the Governing Body established a strategic vision for the community, called Imagine Shawnee. After gathering the most public input the City has ever received, the following five Priority Pillars were established for our community:

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

The City gathered community input provided through Imagine Shawnee and the Parks Master Plan in 2020 and in 2021 began to implement the identified priorities. One of the first steps was to complete a re-write of the City's Comprehensive Plan (Achieve Shawnee), again with significant community involvement. In 2021, the City also began integrating the results of the plan into budget decisions for park improvements, downtown redevelopment, and other quality of life and economic development efforts, and will continue to do so over the next several years.

Highlights from projects in 2022 to implement Imagine Shawnee and Achieve Shawnee included:

Future/Planned Initiatives

Highlights from projects in 2022 to implement Imagine Shawnee and Achieve Shawnee included:

- Development of Downtown Shawnee continued in 2022 with the opening of Blume Shawnee, a mixed-use development featuring German style architecture; the opening of a restaurant concept called Mother Clucker; as well as renovation of two historic structures at the intersection of Neiman & Johnson Drive that are expected to open in 2023.

- On October 4th, City staff gathered to commemorate the momentous accomplishment of becoming a Community of Excellence. Shawnee earned the Community of Excellence designation by achieving accreditations in the Public Works, Police, Fire, and Parks and Recreation departments.
- Completed $21.5 million in total capital improvements with $7.8 million in outside funding.

- On October 10th, the Governing Body passed a special financing district known as a conservation tax increment financing district (TIF) across the entire Hickok Zarah Development Area. The TIF district is comprised of over 1,600 acres located in western Shawnee. The Hickok Zarah Development Area will be used to fund critical infrastructure, including internal infrastructure and key connections to adjacent arterial streets, trails and regional parks.
- Fire Stations 71 and 73 began significant remodel projects that total $26 million in much-needed upgrades to the facilities. The anticipated completion for both projects is set for 2024.
- The City's Health Enhancement Coordinator and the Shawnee Fire Department implemented the Safe Senior Program to both help seniors to safely remain in their homes while also reducing multiple calls to residences for assistance or medical issues. In 2022, the program supported 214 new participants.
- In 2022, the Property Tax Rebate Pilot Program gave back nearly $43,000 to qualifying Shawnee residents. This was the first year of the pilot program, which is designed to provide tax assistance to low income residents. The goal is to help residents remain in their homes and help make it more affordable to do so.

Economic Development

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

- Heartland Logistics Park – 43rd Street and K-7 Highway - $250 million industrial park development consisting of approximately 2,000,000 square feet across multiple buildings. Forty-third (43rd) Street is now complete, and the second phase of the development on the north side of 43rd Street has received final plan approval.
- The K-7 Logistics Centre, an office/warehouse development of approximately 990,000 square feet in 2 buildings, has been zoned and planned near 79th and Monticello Terrace, on the east side of K-7 Highway.
- The Trails at Shawnee – the second phase of the golf course apartment development in the area of K-7 and Clear Creek Parkway are now in for permit, with anticipated construction of 444 units in 2022.
- Potential development of large remaining vacant tracts in Shawnee, with a major focus on the following: the K-7 Highway corridor; riverfront properties located north of 43rd Street and east of K-7; large tracts along I-435 from Johnson Drive to Shawnee Mission Parkway, and undeveloped acreage in the area of Monticello & 75th Street.

Reinvestment

Shawnee promotes programs such as downtown financial incentives (both grants and property tax rebates) to stimulate private development of new businesses and residential development in older parts of the City. As a result, new businesses and residences are coming to downtown.

The new businesses include: Friction Brewery within the former Hartman Hardware building; Mother Clucker's Chicken in the remodeled 5930 Nieman; Popeye's on the site of the former Valero gas station; and the former Shawnee State Bank building at the southwest corner of Johnson & Nieman. Thirteen new single family homes have also been approved for construction on vacant property in area of 55th & Nieman.

To entice reinvestment, the City targets funds toward street improvements within and on the periphery of downtown to provide public infrastructure investment.

City Services

The City's primary goals are to provide an excellent quality of life in the community that emphasizes the City's roots and creates a place where new citizens and current residents feel a sense of pride. The City strives to assess citizen needs and satisfaction, and provide public services in a cost effective, coordinated manner.

Infrastructure Management

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

Fiscal Responsibility

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

Financial Information

Internal Control Structure and Budgetary Controls

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

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

Financial Policies

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

Independent Audit

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

Acknowledgements

This AFR has been a major undertaking for the Finance Department and could not have been completed without the dedication of our entire Finance staff including our Accounting Manager, Josie Hermreck, Budget and Purchasing Manager, Shana Casner, and Senior AP Accountant, Julie Graviette, as well as numerous other professionals throughout the City. They all have our sincere appreciation for their contributions to this report. In closing, without the leadership and support of the Governing Body, preparation of this report would not have been possible.

Sincerely,





Doug Gerber

City Manager

Sean Rocco

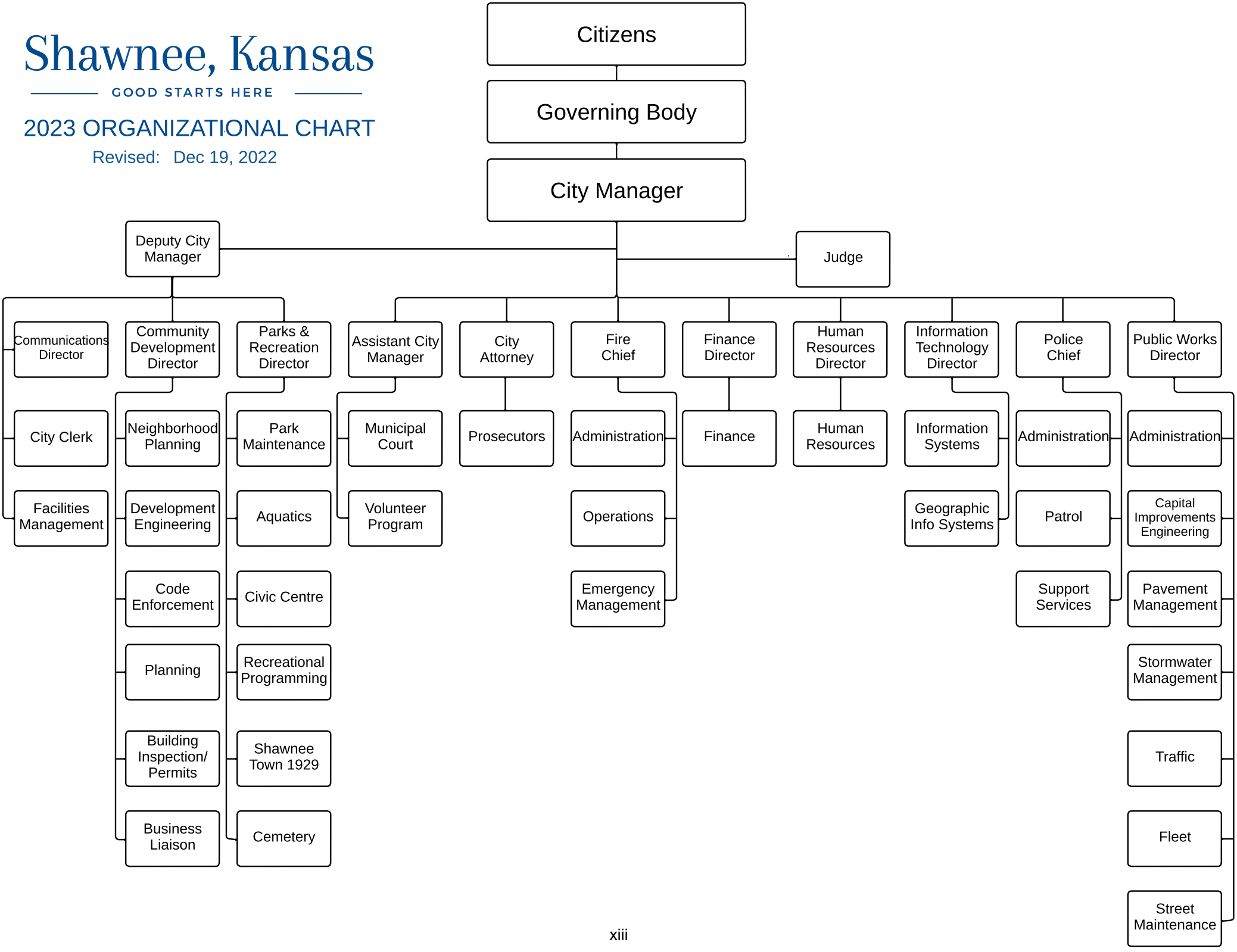
Interim Finance Director

Shawnee, Kansas

GOOD STARTS HERE

2023 ORGANIZATIONAL CHART

Revised: Dec 19, 2022



CITY OF SHAWNEE, KANSAS

LIST OF CITY OFFICIALS

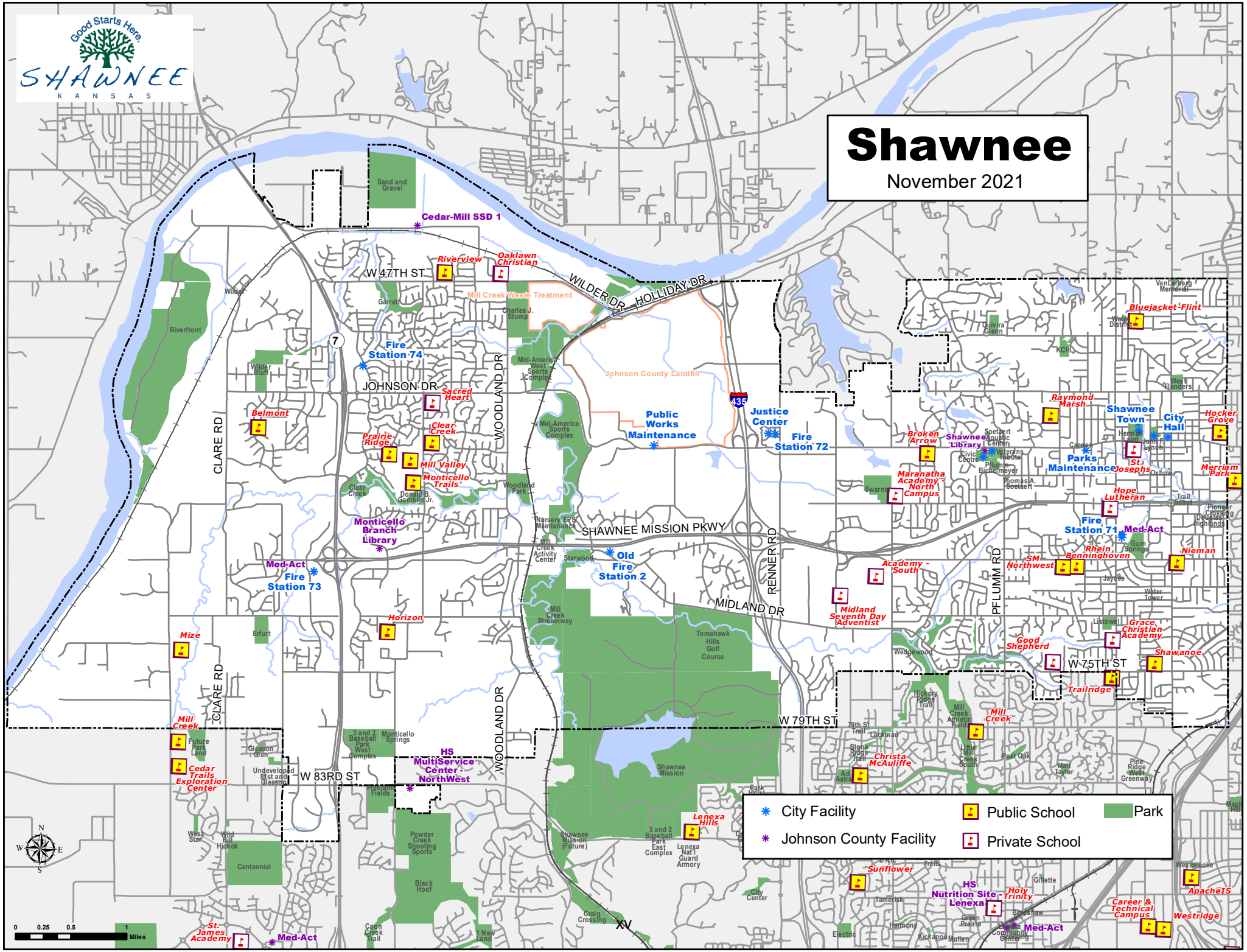
Mayor
Mischelle Distler

Ward I
Tammy Thomas
Tony Gillette

Ward II
Dr. Mike Kemmling
Eric Jenkins

Ward III
Kurt Knappen
Angela Stiens

Ward IV
Jill Chalfie
Jacklynn Walters


Shawnee
November 2021
Good Starts Here.
SHAWNEE
KANSAS
Cedar-Mill SSD 1
Riverview
Oaklawn Christian
W 47TH ST
WILDER DR
HOLLIDAY DR
Mill Creek Waste Treatment
Johnson County Landfill
Fire Station 74
JOHNSON DR
Sacred Heart
Belmont
Prairie Ridge
Clear Creek
Mill Valley
Monticello Trails
CLARE RD
WOODLAND DR
Public Works Maintenance
Justice Center
Fire Station 72
435
Monticello Branch Library
SHAWNEE MISSION PKWY
Old Fire Station 2
RENNER RD
MIDLAND DR
PFLUMM RD
Med-Act Fire Station 73
Horizon
Mize
Mill Creek
Cedar Trails Exploration Center
HS MultiService Center - NorthWest
W 83RD ST
W 79TH ST
W 75TH ST
Raymond Marsh
Bluejacket-Flint
Shawnee Town
City Hall
Hocker Grove
Broken Arrow
Shawnee Library
Parks Maintenance
St. Josephs
Merriam Park
Maranatha Academy North Campus
Hope Lutheran
Fire Station 71
Med-Act
Rhein
Benninghoven
Nieman
SM Northwest
Academy - South
Midland Seventh Day Adventist
Grace Christian Academy
Good Shepherd
Shawanoe
Trailridge
Christa McAuliffe
Lenexa Hills
Sunflower
HS Nutrition Site - Lenexa
Holy Trinity
Career & Technical Campus
Westridge
ApacheIS
Med-Act
St. James Academy
City Facility
Johnson County Facility
Public School
Private School
Park
0 0.25 0.5 1 Miles
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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Shawnee
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

GORDONCPA
AUDITING
ACCOUNTING
CONSULTING

4205 W 6th St Ste C
Lawrence, KS 66049

(785) 371-4847
cpagordon.com

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Shawnee, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Shawnee, Kansas, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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 Shawnee, Kansas, as of December 31, 2022, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. 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 opinion.

Responsibilities of Management for the Financial Statements

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

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

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 opinion. 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 and *Government Auditing Standards*, 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, individually or in

the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement 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 amount 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 judgement, 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.

Other Matters

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

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The statements and schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 were derived from and relate directly to the underlying accounting and other records used to prepare the 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 account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 7, 2023

CITY OF SHAWNEE, KANSAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2022

The management of the City of Shawnee (City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022.

Financial Highlights

- The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the end of 2022 by $599,326,783 (net position). Of this amount, $1,902,864 is unrestricted net position.
- Unrestricted net position increased by $7,364,011, and the City's total net position increased by $4,054,495.
- At the close of 2022, the City's governmental funds reported combined ending fund balances of $120,231,593, an increase of $8,447,774 from the prior year. The increase was primarily due to the issuance of General Obligation Improvement and Refunding Bonds from the past two years without significant construction costs yet seen on the larger Capital Improvement projects.
- At the end of 2022, the fund balance for the General Fund was $38,536,521, or 58% of revenues on a GAAP basis. This was an increase of $7,621,079 from 2021, primarily from the continued strong performance of sales and compensating use taxes and continuing supply chain issues pushing costs into future years.
- The City's general obligation (GO) debt increased by $3,795,000 during 2022. The increase was due to the issuance of new general obligation bonds.
- The City's proportional share of the net pension liability for KPERS and KP&F for 2022 was $44,499,705 compared to $29,644,332 for 2021, an increase of 50%.
- The Supplemental Retirement Plan ended the year with a net pension liability of $7,683,290 and a strong funded percentage of 75.7%.
- The post-employment healthcare (OPEB) obligation at the close of 2021 excluding those related to KPERS disability benefits and life insurance was $12,064,923, compared to $11,180,466 in 2022.
- The City abated a total of $451,123 through its various major economic development tax abatement programs in 2022.

Overview of the Financial Statements

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

Government-wide Financial Statements

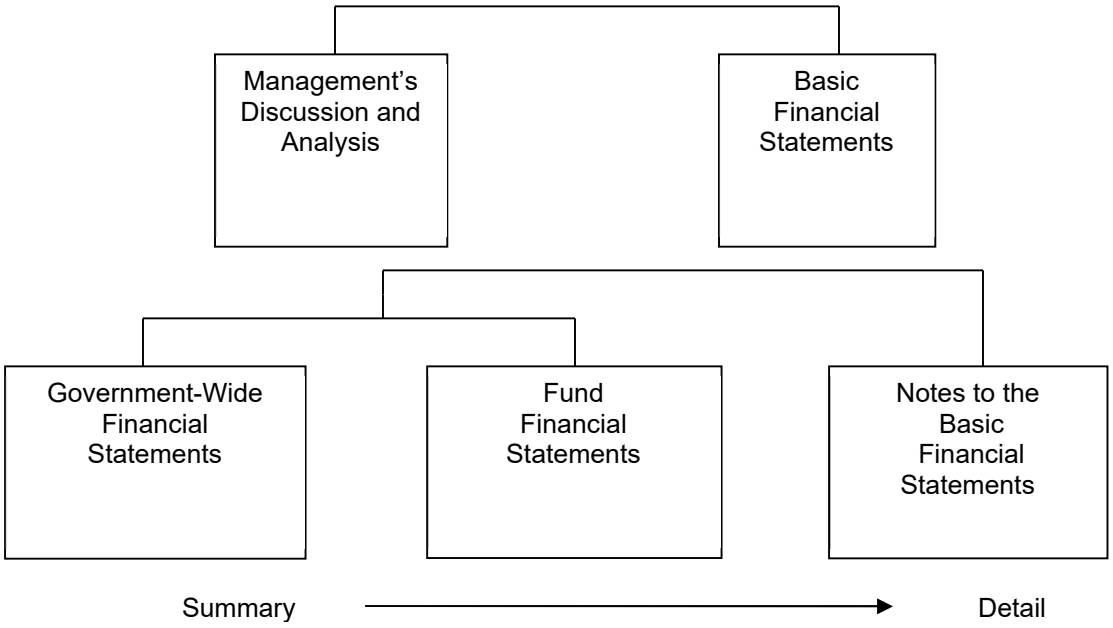
The government-wide financial statements provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

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

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

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

Required Components of Annual Comprehensive Financial Report



Fund Financial Statements

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

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

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

The City maintains 24 individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund and the Capital Projects Fund, all of which are considered major funds. Data from the other 21 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all funds except its capital projects funds, CDBG Grant Fund and the Opioid Settlement Fund. A budgetary comparison statement is provided for all budgeted funds to demonstrate compliance and highlight performance.

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

Notes to the Basic Financial Statements

The notes to the basis financial statements begin on page 27. They provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide supplemental pension benefits to its employees, and information regarding other post-employment benefits. Required supplementary information is on pages 61-67 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules are on pages 68-88 of this report.

Government-wide Financial Analysis

Net position may serve over time as one useful indicator of a government's financial condition. The City's net position increased by $4,054,495 for the fiscal year ended December 31, 2022. This increase was due primarily to a continued focus on Capital Improvements throughout the City and sound borrowing practices used to finance those projects.

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

Government-wide Financial Statements

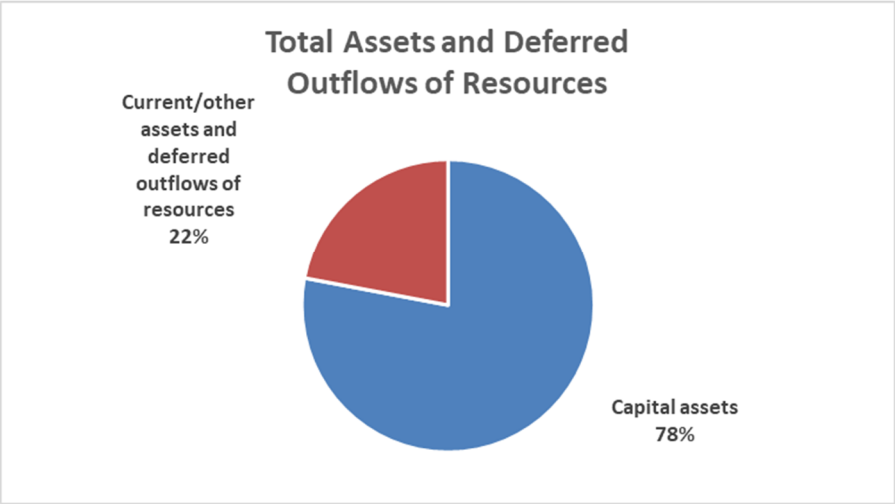
	Condensed Statement of Net Position	
	12/31/2022	12/31/2021
Current and other assets	$ 160,684,676	$ 149,966,536
Capital assets	641,460,078	637,650,578
Total assets	802,144,754	787,617,114
Deferred outflows of resources	20,652,122	12,902,701
Total assets and deferred outflows of resources	$ 822,796,876	$ 800,519,815
Current liabilities	$ 20,628,151	$ 17,207,303
Long-term liabilities	169,405,628	148,083,390
Total liabilities	190,033,779	165,290,693
Deferred inflows of resources	33,436,314	39,956,834
Total liabilities and deferred inflows of resources	$ 223,470,093	$ 205,247,527
Net position:		
Net investment in capital assets	$ 569,477,550	$ 579,733,707
Restricted for:		
Community development	1,532,675	945,452
Public works	10,689,778	7,839,047
Public safety	6,824,469	5,070,937
Culture and recreation	4,085,446	3,239,452
Human resources	30,495	35,257
Debt service	4,783,506	3,869,583
Unrestricted	1,902,864	[5,461,147]
Total net position	$ 599,326,783	$ 595,272,288

A portion of the City's net position (4.7%) represents resources that are subject to external restrictions on how they may be used.

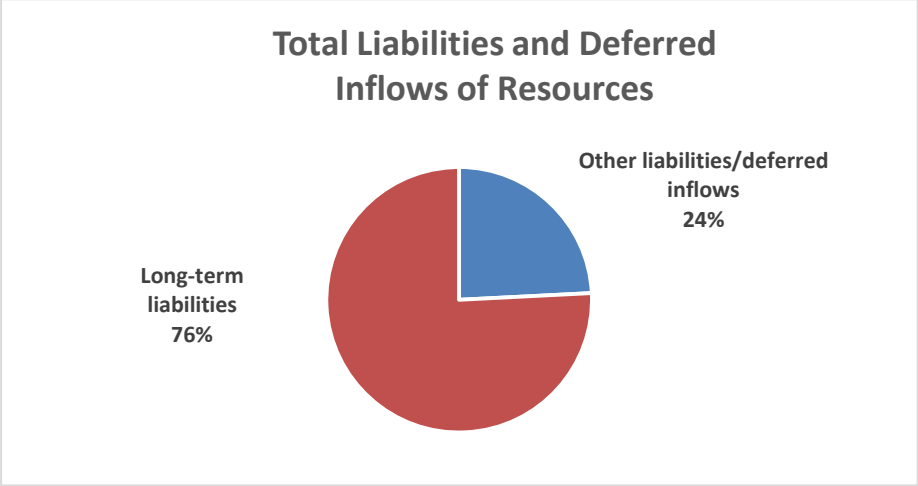
A review of the Government-wide Financial Statement of Net Position reveals the following:

The City ended 2022 with a positive net position. Total assets and deferred outflows of resources for the City are $822,796,876. Of these total assets, $641,460,078 represents capital assets and $181,336,798 includes other assets and deferred outflows of resources.

Total assets and deferred outflows of resources increased by approximately $22.3 million during the year ended December 31, 2022. A substantial portion of the increase is due to the issuance of General Obligation Improvement and Refunding Bonds from the past two years without significant construction costs yet seen on the larger Capital Improvement projects.



Total liabilities and deferred inflows of resources are $223,470,093, including $169,405,628 in long-term liabilities and $54,064,465 in current liabilities and deferred inflows of resources. The majority of the long-term liabilities are debt issued for major capital projects. Debt issues never extend longer than the useful life of the bonded projects.



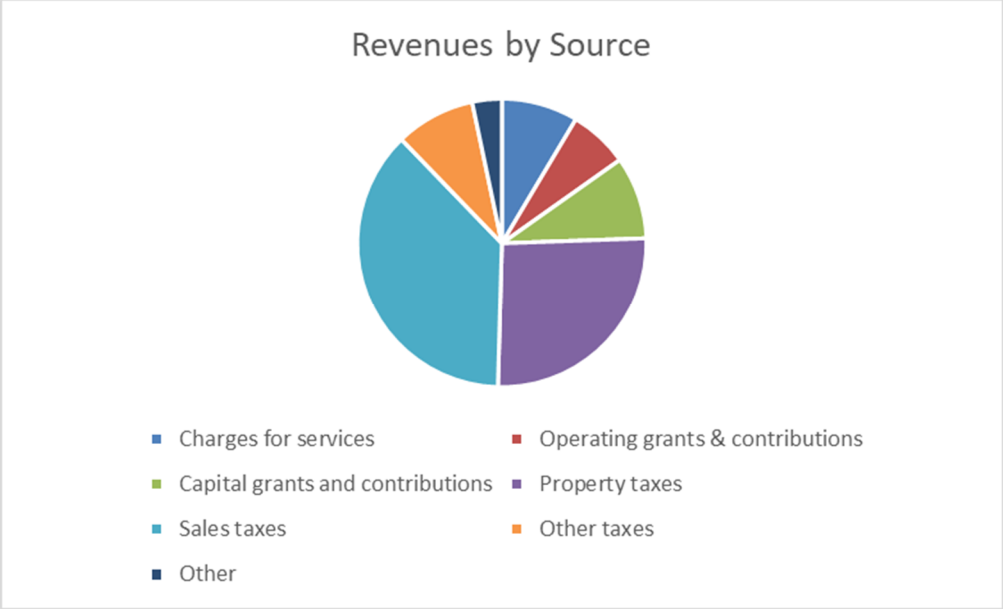
Total liabilities and deferred inflows of resources increased by $18,222,566 during the year ended December 31, 2022. A majority of the increase is related to the issuance of general obligation bonds.

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

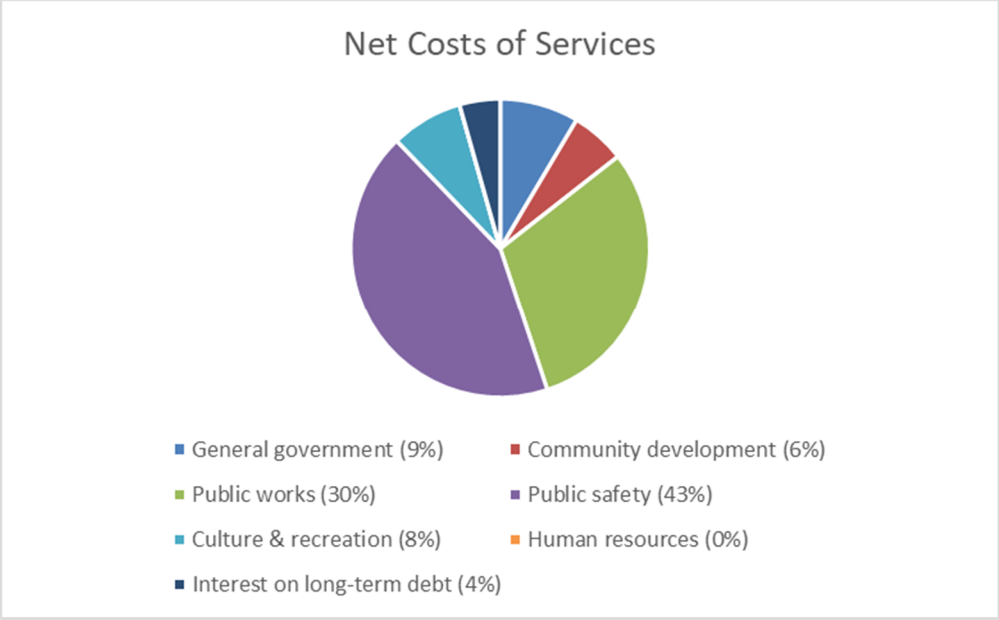
Government-Wide Financial Statements
Statement of Activities

	Governmental Activities	
	2022	2021
Revenues		
Program revenues		
Charges for services	$ 9,305,617	$ 8,528,131
Operating grants & contributions	7,221,264	5,896,071
Capital grants and contributions	6,698,198	6,534,435
General revenues		
Property taxes	28,254,631	27,130,743
Sales taxes	40,591,974	37,209,308
Other taxes	9,695,871	9,432,341
Other	3,596,018	1,570,275
Total revenues	105,363,573	96,301,304
Expenses		
General government	10,565,428	9,549,918
Community development	5,941,130	5,345,691
Public works	39,692,351	38,832,646
Public safety	33,306,057	29,092,282
Culture & recreation	8,510,517	6,491,270
Human resources	-	5,819
Interest on long-term debt	3,293,595	2,188,611
Total expenses	101,309,078	91,506,237
Change in net position	4,054,495	4,795,067
Net position - beginning of year	595,272,288	590,477,221
Net position - end of year	$ 599,326,783	$ 595,272,288

Total revenues for 2022 were $105.4 million. The largest revenue source was sales tax at $40.6 million, followed by property tax at $28.3 million. Total tax revenue increased by $4.77 million during the year ended December 31, 2022. The increase in tax revenues was primarily due to a $3.38 million increase in sales tax revenues, due to a continued improvement to the local economy resulting in increased sales of goods to consumers.



The total cost of services for 2022 was $101.3 million; however, $23.2 million came from users directly benefiting from the services or by other organizations through grants and contributions. General revenues of $82.1 million were primarily comprised of sales and property taxes.



Financial Analysis of the Government's Funds

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

Governmental Funds

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

The General Fund is the primary operating fund of the City. At the end of 2022, unassigned fund balance of the General Fund was $37,986,700, and total fund balance was $38,536,521. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund revenues. Unassigned fund balance represents 57.2% of the total General Fund revenues while total fund balance represents 58.1% of revenues.

The City's General Fund ending balance on a GAAP basis increased by $7,621,079 during 2022. The primary cause of the increase is from sales and compensating use tax collections growing by $2.6 million, or 9.2%, from 2021 to 2022, substantially more than the 5.8% increase that was originally estimated. This increase is primarily due to continued strength in retail sales within the City along with growing costs due to historic inflation.

The Debt Service fund ended the year with a total fund balance of $4,783,506, all of which is reserved for the payment of debt service. The net increase in the fund balance during the current year in debt service was $913,923. Long-term bonds issued late in 2021 plus the refunding of both the Series 2011-A and 2013-A General Obligation bonds are the primary reasons for the increase.

The Capital Project Fund ending total fund balance for 2022 was $46,298,701. The net decrease in the fund balance during the current year in the capital projects fund was $[6,484,742]. The City has sufficient idle cash to fund construction of several large capital projects without the need to issue temporary notes. Completion of several Capital Improvement projects throughout the City, coupled with design and early construction costs on two major projects, led to the decrease in fund balance.

General Fund Budgetary Highlights

The Governing Body did not amend the legally adopted budget for the General Fund during 2022.

During the year, revenues exceeded budgetary estimates by $2,367,337 (3.7%). Sales tax revenue was $1,653,093 (5.8%) over the budget estimates and $2,547,240 (9.2%) over collections of the previous year. The large increase in revenue over the estimates was the result of the anticipation of slowing growth in retail sales due to economic conditions that didn't come to fruition. Total expenditures were less than budgetary estimates by $2,111,166. As part of the budgeting process, the City budgets for a contingency reserve for unforeseen expenditures. These contingencies along with a noticeable position vacancy rate in 2022 were the primary reasons for the lower expenditure figures.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities as of December 31, 2022, was $641,414,012 (net of accumulated depreciation). This investment in capital includes land, historical buildings, construction in progress, buildings, land improvements, vehicles, equipment and infrastructure.

Capital Assets

	2022	2021
Land	$23,455,253	$22,773,225
Historical buildings	930,162	930,162
Construction in progress	33,550,678	20,354,571
Buildings	59,544,540	58,087,064
Land improvements	34,644,114	34,644,114
Motor vehicles	15,695,689	14,573,790
Machinery & equipment	7,853,772	7,137,971
Infrastructure	1,162,729,439	1,151,286,706
Total capital assets, cost	1,338,403,647	1,309,787,603
Less accumulated depreciation	[696,943,569]	[672,137,025]
Total capital assets, net	$641,460,078	$637,650,578

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

Long-term Debt

At the end of 2022, the City had total general obligation (GO) bonds outstanding of $102,925,000, backed by the full faith and credit of the City.

The City's total long-term debt had a net increase of $3,795,000 during 2022. The City issued Series 2022-A general obligation bonds for $10,845,000 in 2022 to finance improvements for public park, street and storm water. The City also paid down $7,050,000 in GO bond principal. The City maintained an AAA rating from Standard & Poor's Global Ratings for its 2021-A general obligation bonds.

State statutes limit the amount of general obligation debt a government entity may issue to 30% of its total assessed valuation. The current debt limitation for the City is $355,316,442, which is more than three times in excess of the City's outstanding GO bonds. Additional information regarding the City's long-term debt activity is in Note 5.

Requests for information

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

BASIC FINANCIAL STATEMENTS

CITY OF SHAWNEE, KANSAS

STATEMENT OF NET POSITION
December 31, 2022

	Governmental Activities
Assets and Deferred Outflows of Resources	
Current assets:	
Cash and cash equivalents	$ 120,799,571
Receivables:	
Taxes	27,777,147
Accounts	906,999
Special assessments	2,010,950
Inventory	540,568
Due from other governments	8,649,441
Total current assets	160,684,676
Noncurrent assets:	
Capital assets not being depreciated:	
Land	23,455,253
Historical buildings	930,162
Construction in progress	33,550,678
Capital assets being depreciated:	
Buildings and improvements	94,188,654
Machinery, equipment and vehicles	23,549,461
Infrastructure	1,162,729,439
Less: accumulated depreciation	[696,943,569]
Total noncurrent assets	641,460,078
Total assets	802,144,754
Deferred outflows of resources	
Pensions	17,861,285
Other post-employment benefits	2,790,837
Total deferred outflows of resources	20,652,122
Total assets and deferred outflows of resources	$ 822,796,876
Liabilities and Deferred Inflows of Resources	
Current liabilities:	
Accounts payable	$ 1,632,668
Accrued liabilities	753,751
Accrued interest payable	282,422
Retainage payable	704,733
Deposits held for others	513,871
Unearned revenue	7,000,195
Current portion of financed purchase	175,857
Current portion of general obligation bonds payable	8,010,000
Current portion of compensated absences	1,554,654
Total current liabilities (payable from current assets)	20,628,151
Noncurrent liabilities:	
Compensated absences	3,432,971
Financed purchase	181,192
General obligation bonds payable, including bond premiums and discounts	102,199,071
Net pension liability	52,182,995
Total OPEB liability	11,409,399
Total noncurrent liabilities	169,405,628
Total liabilities	190,033,779
Deferred inflows of resources:	
Property tax	27,813,649
Other post-employment benefits	4,320,065
Pensions	1,302,600
Total deferred inflows of resources	33,436,314
Total liabilities and deferred inflows of resources	$ 223,470,093
Net Position	
Net investment in capital assets	$ 569,477,550
Restricted for:	
Community development	1,532,675
Public works	10,689,778
Public safety	6,824,469
Culture and recreation	4,085,446
Human resources	30,495
Debt service	4,783,506
Unrestricted	1,902,864
Total net position	$ 599,326,783

The notes to the financial statements are an integral part of this statement

CITY OF SHAWNEE, KANSAS

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net [Expenses] Revenue and Changes In Net Position: Total Governmental Activities
Governmental activities:					
General government	$ 10,565,428	$ 4,181,164	$ -	$ -	$ [6,384,264]
Community development	5,941,130	-	1,516,205	-	[4,424,925]
Public works	39,692,351	1,402,216	5,485,896	6,698,198	[26,106,041]
Public safety	33,306,057	1,022,805	174,163	-	[32,109,089]
Culture and recreation	8,510,517	2,691,653	45,000	-	[5,773,864]
Human resources	-	7,779	-	-	7,779
Interest on long-term debt	3,293,595	-	-	-	[3,293,595]
Total governmental activities	$ 101,309,078	$ 9,305,617	$ 7,221,264	$ 6,698,198	[78,083,999]
General Revenues:					
Property taxes					28,254,631
Sales and use tax					40,591,974
Motor vehicle tax					2,915,383
Liquor tax					1,166,868
Franchise tax					5,613,620
Transient guest tax					823,393
Investments earnings					670,431
Miscellaneous					1,642,809
Gain on disposal of capital assets					459,385
Total general revenues					82,138,494
Change in net position					4,054,495
Net position - beginning					595,272,288
Net position - ending					$ 599,326,783

The notes to the financial statements are an integral part of this statement

CITY OF SHAWNEE, KANSAS

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 33,744,142	$ 4,806,772	$ 50,549,948	$ 31,698,709	$ 120,799,571
Receivables:					
Taxes	21,095,213	5,195,096	-	1,485,470	27,775,779
Special assessments	-	2,010,950	-	-	2,010,950
Accounts	633,485	-	-	274,882	908,367
Inventory	540,568	-	-	-	540,568
Due from other funds	41,825	-	-	-	41,825
Due from other governments	5,396,228	-	665,265	2,587,948	8,649,441
Total assets	$ 61,451,461	$ 12,012,818	$ 51,215,213	$ 36,047,009	$ 160,726,501
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 580,101	$ -	$ 854,040	$ 198,527	$ 1,632,668
Accrued liabilities	689,825	-	-	63,926	753,751
Retainage payable	-	-	704,733	-	704,733
Due to other funds	-	-	-	41,825	41,825
Unearned revenue	-	-	3,357,739	3,642,456	7,000,195
Deposits held for others	513,871	-	-	-	513,871
Total liabilities	1,783,797	-	4,916,512	3,946,734	10,647,043
Deferred inflows of resources:					
Unavailable revenue - property taxes	21,131,143	5,195,096	-	1,487,410	27,813,649
Unavailable revenue - special assessments	-	2,034,216	-	-	2,034,216
Total deferred inflows of resources	21,131,143	7,229,312	-	1,487,410	29,847,865
Fund balance:					
Nonspendable	540,568	-	-	-	540,568
Restricted	-	4,783,506	-	22,842,863	27,626,369
Committed	-	-	-	7,778,701	7,778,701
Assigned	9,253	-	46,298,701	-	46,307,954
Unassigned	37,986,700	-	-	[8,699]	37,978,001
Total fund balance [deficit]	38,536,521	4,783,506	46,298,701	30,612,865	120,231,593
Total liabilities, deferred inflows of resources and fund balances	$ 61,451,461	$ 12,012,818	$ 51,215,213	$ 36,047,009	$ 160,726,501

The notes to the financial statements are an integral part of this statement.

CITY OF SHAWNEE, KANSAS

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2022

Total Governmental Fund Balances		$ 120,231,593
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
The cost of capital assets is	1,338,403,647	
Accumulated depreciation is	[696,943,569]	641,460,078
Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the funds.		2,034,216
Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position.		17,861,285
Pension fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position.		[1,302,600]
A long-term liability is recorded for the unfunded portion of post-employment benefits other than pensions, while in the governmental funds liabilities that do not require satisfaction with current resources are not recorded		[12,938,627]
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long term liabilities at year end consist of:		
General obligation bonds payable	110,209,071	
Financed purchase	357,049	
Interest payable	282,422	
Compensated absences payable	4,987,625	
Net pension liability	52,182,995	[168,019,162]
Net Position of Governmental Activities		$ 599,326,783

The notes to the financial statements are an integral part of this statement

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2022

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Taxes	$ 60,283,509	$ 6,168,244	$ -	$ 18,504,115	$ 84,955,868
Intergovernmental	19,082	-	7,049,732	2,151,609	9,220,423
Charges for services	2,228,404	-	425,774	3,218,115	5,872,293
Licenses and permits	2,208,667	-	-	194,073	2,402,740
Fines and forfeitures	1,022,180	-	-	-	1,022,180
Investment income	347,266	65,636	-	257,527	670,429
Miscellaneous	253,356	-	170,338	706,315	1,130,009
Total revenues	66,362,464	6,233,880	7,645,844	25,031,754	105,273,942
EXPENDITURES:					
Current					
General government	9,193,441	-	-	662,704	9,856,145
Community development	2,937,023	-	-	2,473,798	5,410,821
Public works	6,501,644	-	-	2,037,168	8,538,812
Public safety	28,577,370	-	-	848,582	29,425,952
Culture and recreation	6,107,058	-	-	958,714	7,065,772
Capital outlay	-	-	37,000,304	883,504	37,883,808
Debt service:					
Principal	-	7,050,000	-	241,590	7,291,590
Interest and other charges	-	3,247,726	-	17,554	3,265,280
Bond issuance costs	-	5,400	109,045	-	114,445
Total expenditures	53,316,536	10,303,126	37,109,349	8,123,614	108,852,625
Excess [deficiency] of revenues over [under] expenditures	13,045,928	[4,069,246]	[29,463,505]	16,908,140	[3,578,683]
OTHER FINANCING SOURCES [USES]:					
Bond proceeds	-	-	10,845,000	-	10,845,000
Bond premiums	-	-	722,072	-	722,072
Proceeds from sale of capital assets	247,985	-	-	211,400	459,385
Transfers in	258,727	4,983,169	13,915,326	7,463,882	26,621,104
Transfers [out]	[5,931,561]	-	[2,503,635]	[18,185,908]	[26,621,104]
Total other financing sources [uses]	[5,424,849]	4,983,169	22,978,763	[10,510,626]	12,026,457
Excess [deficiency] of revenues and other sources over [under] expenditures and other sources [uses]	7,621,079	913,923	[6,484,742]	6,397,514	8,447,774
Fund balance - Beginning of year	30,915,442	3,869,583	52,783,443	24,215,351	111,783,819
Fund balance - End of year	$ 38,536,521	$ 4,783,506	$ 46,298,701	$ 30,612,865	$ 120,231,593

The notes to the financial statements are an integral part of this statement.

CITY OF SHAWNEE, KANSAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

Total Net Change In Fund Balances - Governmental Funds		$ 8,447,774
Amounts reported for governmental activities in the statement of activities are different because		
Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.		
Capital outlays	29,202,351	
Depreciation expense	[25,392,851]	3,809,500
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		[263,086]
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which interest increased.		[28,315]
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.		
Compensated absences	265,582	
Other postemployment benefits	[738,331]	[472,749]
Pension payments are reported as expenditures in the governmental funds and do not affect the statement of net activities.		[3,162,130]
Bond proceeds are other financing sources in the governmental funds, but they increase long-term liabilities in the statement of net position and do not affect the statement of activities.		[11,567,072]
Repayment of bond and financed purchase principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.		7,290,573
Changes In Net Position of Governmental Activities		$ 4,054,495

The notes to the financial statements are an integral part of this statement

CITY OF SHAWNEE, KANSAS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes:				
Ad valorem property tax	$ 20,786,707	$ 21,194,965	$ 20,378,990	$ 407,717
Back tax property collection	[138,974]	-	[110,000]	[28,974]
Motor vehicle tax	2,229,745	2,368,606	2,368,606	[138,861]
Sales tax - county	14,264,276	11,590,000	13,353,000	911,276
Sales tax - city	15,891,817	13,545,000	15,150,000	741,817
Liquor tax	388,956	300,000	340,000	48,956
Utility franchise tax	6,860,982	4,996,000	6,627,600	233,382
Total taxes	60,283,509	53,994,571	58,108,196	2,175,313
Intergovernmental	19,082	25,000	25,000	[5,918]
Charges for services:				
Swimming pool admissions	649,326	572,000	550,000	99,326
Swimming pool concessions	119,208	99,000	100,000	19,208
Fees	1,459,870	1,246,200	1,190,400	269,470
Total charges for services	2,228,404	1,917,200	1,840,400	388,004
Licenses and permits:				
Occupational licenses	384,564	360,000	380,000	4,564
Building permits	1,314,018	580,000	1,454,500	[140,482]
Dog and cat tags	1,850	400	1,000	850
Other	508,235	170,900	384,265	123,970
Total licenses and permits	2,208,667	1,111,300	2,219,765	[11,098]
Fines and forfeitures:				
Court fines	1,022,180	1,275,340	1,251,200	[229,020]
Investment earnings	347,266	100,000	347,266	-
Miscellaneous revenue	253,356	432,347	203,300	50,056
Total revenues	66,362,464	58,855,758	63,995,127	2,367,337
Expenditures:				
General government:				
City council:				
Personal services	114,655	115,745	124,500	9,845
Contractual services	64,895	105,600	105,600	40,705
Commodities	11,582	15,000	15,000	3,418
Total city council	191,132	236,345	245,100	53,968

The notes to the financial statements are an integral part of this statement

CITY OF SHAWNEE, KANSAS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
City manager/city clerk				
Personal services	$ 1,225,194	$ 1,388,830	$ 1,293,500	$ 68,306
Contractual services	232,914	309,839	320,179	87,265
Commodities	6,236	6,800	7,000	764
Total city manager/city clerk	1,464,344	1,705,469	1,620,679	156,335
Finance:				
Personal services	876,870	1,091,840	856,900	[19,970]
Contractual services	488,642	432,270	450,800	[37,842]
Commodities	3,977	2,000	2,000	[1,977]
Total finance	1,369,489	1,526,110	1,309,700	[59,789]
General overhead:				
Contractual services	427,241	458,190	618,410	191,169
Commodities	12,352	3,000	3,000	[9,352]
Refunds	57,173	23,500	73,500	16,327
Capital outlay	3,187	-	-	[3,187]
Total general overhead	499,953	484,690	694,910	194,957
Legal:				
Personal services	431,669	737,700	709,300	277,631
Contractual services	257,864	356,825	356,825	98,961
Commodities	4,333	4,300	4,300	[33]
Total legal	693,866	1,098,825	1,070,425	376,559
Human resources:				
Personal services	773,026	712,130	767,200	[5,826]
Contractual services	284,333	354,500	357,050	72,717
Commodities	46,977	58,700	58,700	11,723
Total human resources	1,104,336	1,125,330	1,182,950	78,614

CITY OF SHAWNEE, KANSAS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Information technology:				
Personal services	$ 1,735,007	$ 1,928,640	$ 1,777,200	$ 42,193
Contractual services	881,697	989,673	1,097,600	215,903
Commodities	36,129	19,000	38,100	1,971
Capital outlay	-	50,000	10,000	10,000
Total information technology	2,652,833	2,987,313	2,922,900	270,067
Municipal court:				
Personal services	623,359	555,660	582,800	[40,559]
Contractual services	71,513	142,900	145,900	74,387
Commodities	31,156	9,100	9,100	[22,056]
Total municipal court	726,028	707,660	737,800	11,772
Communications:				
Personal services	330,486	331,150	370,900	40,414
Contractual services	168,491	145,870	150,670	[17,821]
Commodities	1,736	2,900	2,900	1,164
Total communications	500,713	479,920	524,470	23,757
Total general government	9,202,694	10,351,662	10,308,934	1,106,240
Community development:				
Codes:				
Personal services	1,302,461	1,313,680	1,219,800	[82,661]
Contractual services	82,101	109,100	110,135	28,034
Commodities	83,925	14,200	27,200	[56,725]
Total codes	1,468,487	1,436,980	1,357,135	[111,352]
Development services:				
Personal services	480,659	411,450	470,000	[10,659]
Contractual services	6,475	16,900	16,900	10,425
Commodities	137	2,100	2,600	2,463
Total development services	487,271	430,450	489,500	2,229
Planning:				
Personal services	700,821	758,240	864,200	163,379
Contractual services	240,117	219,000	224,870	[15,247]
Commodities	40,327	5,700	5,000	[35,327]
Total planning	981,265	982,940	1,094,070	112,805
Total community development	2,937,023	2,850,370	2,940,705	3,682

The notes to the financial statements are an integral part of this statement

CITY OF SHAWNEE, KANSAS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Public works:				
Street maintenance:				
Personal services	$ 1,935,088	$ 1,962,895	$ 1,831,900	$ [103,188]
Contractual services	712,506	761,000	749,100	36,594
Commodities	457,589	702,500	562,000	104,411
Capital outlay	42,052	-	39,000	[3,052]
Total street maintenance	3,147,235	3,426,395	3,182,000	34,765
Pavement management:				
Personal services	1,042,616	991,865	1,011,300	[31,316]
Contractual services	529,244	781,741	797,100	267,856
Commodities	241,816	296,613	305,800	63,984
Total pavement management	1,813,676	2,070,219	2,114,200	300,524
Capital improvement engineering:				
Personal services	684,746	846,250	690,800	6,054
Contractual services	98,461	228,900	159,200	60,739
Commodities	36	3,900	3,900	3,864
Total capital improvement engineering	783,243	1,079,050	853,900	70,657
Fleet management:				
Personal services	722,519	671,716	742,900	20,381
Contractual services	24,993	18,800	18,800	[6,193]
Commodities	9,978	8,730	8,730	[1,248]
Total fleet management	757,490	699,246	770,430	12,940
Total public works	6,501,644	7,274,910	6,920,530	418,886
Public safety:				
Police:				
Personal services	14,953,607	14,929,795	15,265,900	312,293
Contractual services	1,598,812	2,048,970	1,956,525	357,713
Commodities	590,221	761,999	831,940	241,719
Capital outlay	3,187	-	-	[3,187]
Total police	17,145,827	17,740,764	18,054,365	908,538

CITY OF SHAWNEE, KANSAS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Fire:				
Personal services	$ 10,327,300	$ 9,361,270	$ 9,506,800	$ [820,500]
Contractual services	814,929	742,334	803,698	[11,231]
Commodities	288,982	237,900	260,644	[28,338]
Capital outlay	332	20,000	20,000	19,668
Total fire	11,431,543	10,361,504	10,591,142	[840,401]
Total public safety	28,577,370	28,102,268	28,645,507	68,137
Culture and recreation:				
Parks maintenance:				
Personal services	1,550,133	1,741,165	1,659,400	109,267
Contractual services	1,313,336	1,528,129	1,638,789	325,453
Commodities	95,944	104,846	114,846	18,902
Capital outlay	62,837	65,000	65,000	2,163
Total parks maintenance	3,022,250	3,439,140	3,478,035	455,785
Pools:				
Personal services	690,292	693,660	732,100	41,808
Contractual services	371,585	363,081	373,537	1,952
Commodities	103,623	87,800	92,500	[11,123]
Total pools	1,165,500	1,144,541	1,198,137	32,637
Civic center:				
Personal services	249,895	277,930	272,600	22,705
Contractual services	171,743	237,100	228,580	56,837
Commodities	21,304	24,600	24,600	3,296
Total civic center	442,942	539,630	525,780	82,838
Recreation and human services:				
Personal services	286,432	234,060	259,200	[27,232]
Contractual services	168,136	155,650	161,050	[7,086]
Commodities	65,347	32,145	28,000	[37,347]
Total recreation and human services	519,915	421,855	448,250	[71,665]

CITY OF SHAWNEE, KANSAS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Old Shawnee Town:				
Personal services	$ 735,645	$ 673,285	$ 728,400	$ [7,245]
Contractual services	191,588	215,946	216,888	25,300
Commodities	29,218	23,320	25,789	[3,429]
Total Old Shawnee Town	956,451	912,551	971,077	14,626
Total culture and recreation	6,107,058	6,457,717	6,621,279	514,221
Total expenditures:	53,325,789	55,036,927	55,436,955	2,111,166
Excess [deficiency] of revenues Over [under] expenditures	13,036,675	3,818,831	8,558,172	4,478,503
Other financing sources [uses]:				
Transfers in	258,727	-	[258,727]	517,454
Transfers [out]	[5,931,561]	[5,190,600]	[5,931,561]	-
Proceeds from sale of capital assets	247,985	-	[7,000]	254,985
Total other financing sources [uses]	[5,424,849]	[5,190,600]	[6,197,288]	772,439
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	7,611,826	$ [1,371,769]	$ 2,360,884	$ 5,250,942
Budgetary Fund balance, January 1	30,915,442			
Budgetary Fund balance, December 31	38,527,268			
Reconciliation to GAAP Encumbrances	9,253			
GAAP Fund Balance, December 31	$ 38,536,521			

The notes to the financial statements are an integral part of this statement

CITY OF SHAWNEE, KANSAS

STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2022

	Pension Trust	Custodial Fund Mayor's Christmas Tree
Assets		
Cash and cash equivalents	$ 58,801	$ 19,338
Investments, at fair value:		
Bond mutual funds	21,015,047	-
International and domestic stocks	2,770,441	-
Real estate investment trust	83,190	-
Due from others	84,823	-
Total assets	$ 24,012,302	$ 19,338
Liabilities		
Due to others	$ 22,659	$ -
Total liabilities	$ 22,659	$ -
Net position:		
Restricted for:		
Pensions	$ 23,989,643	$ -
Organizations	-	19,338
Total net position	$ 23,989,643	$ 19,338

The notes to the financial statements are an integral part of this statement.

CITY OF SHAWNEE, KANSAS

STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the Year Ended December 31, 2022

	Pension Trust	Custodial Fund Mayor's Christmas Tree
Additions:		
Contributions:		
Employer	$ 1,000,106	$ -
Investment earnings:		
Interest and dividends on investments	1,167,650	-
Net increase in fair value of investments	[4,135,897]	-
Total investment earnings	[2,968,247]	-
Donations	-	15,335
Total additions	[1,968,141]	15,335
Deductions:		
Benefits	870,023	-
Plan management fees	23,625	-
Donations to others	-	[4,079]
Total deductions	893,648	[4,079]
Change in net position	[2,861,789]	19,414
Net position - beginning	26,851,432	[76]
Net position - ending	$ 23,989,643	$ 19,338

The notes to the financial statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the City as a whole, except for fiduciary activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to use in meeting the operational or capital requirements of a particular function.

Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

Note 1. Summary of Significant Accounting Policies (Continued)

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

Additionally, the City reports the following fiduciary funds:

The *Pension Trust Fund* reports the Employees Supplemental Pension Plan (Supplemental Pension Plan).

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

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

Note 1. Summary of Significant Accounting Policies (Continued)

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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

C. Deposits and Investments

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

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

Investments for the City are reported at fair value.

D. Receivables and Payables

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

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

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

E. Inventories

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

Note 1. Summary of Significant Accounting Policies (Continued)

F. Capital Assets

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

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

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

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

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

G. Compensated Absences

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

H. Deferred Outflows/Inflows of Resources

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

Note 1. Summary of Significant Accounting Policies (Continued)

H. Deferred Outflows/Inflows of Resources (Continued)

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

I. Long-term Obligations

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

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

J. Pensions

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

K. Fund Balances

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

Note 1. Summary of Significant Accounting Policies (Continued)

K. Fund Balances (Continued)

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

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

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

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

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

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

	Major Governmental Funds				
	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable for:					
Inventory	$ 540,568	$ -	$ -	$ -	$ 540,568
Restricted for:					
Community development	-	-	-	1,532,675	1,532,675
Public works	-	-	-	10,369,778	10,369,778
Public safety	-	-	-	6,824,469	6,824,469
Culture and recreation	-	-	-	4,085,446	4,085,446
Human resources	-	-	-	30,495	30,495
Debt payments	-	4,783,506	-	-	4,783,506
	-	4,783,506	-	22,842,863	27,626,369
Committed for:					
Community development	-	-	-	3,574,613	3,574,613
Cemetery	-	-	-	413,072	413,072
Equipment improvements	-	-	-	3,791,016	3,791,016
	-	-	-	7,778,701	7,778,701
Assigned for:					
General government	9,253	-	-	-	9,253
Public improvements	-	-	46,298,701	-	46,298,701
	9,253	-	46,298,701	-	46,307,954
Unassigned:	37,986,700	-	-	[8,699]	37,978,001
Total Fund Balances	$ 38,536,521	$ 4,783,506	$ 46,298,701	$ 30,612,865	$ 120,231,593

Note 1. Summary of Significant Accounting Policies (Continued)

L. Estimates

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

M. Pending Governmental Accounting Standards Board Statements

As of December 31, 2022, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs), which is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for financial statements in the year ending December 31, 2023.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, provides new accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs), which have become increasingly common among state and local governments in recent years. Statement 96 is based on the standards established in Statement 87, Leases. The new defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The guidance requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability (with an exception for short-term SBITAs, those with a maximum possible term of 12 months) and provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. The provisions of this statement will be effective for financial statements in the year ending December 31, 2023.

GASB Statement No. 99 Omnibus 2022. The objective of this Statement is to help communicate requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, and clarifications of other certain provisions from GASB 34 as amended. As well as communicate clarifications related to leases, PPPs and SBITAs. This statement will be implemented at the City in the year ended December 31, 2023.

GASB Statement No. 100 Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement will be implemented at the City in the year ended December 31, 2024.

GASB Statement No. 101 Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement will be implemented at the City in the year ended December 31, 2024.

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

Note 2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing for the 2022 budget.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2022 budget was not amended.

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

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

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

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

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

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

Note 3. Deposits and Investments.

City-wide Deposits and Investments. The City's deposits and investments are generally segregated into two parts: City-wide deposits and investments and Supplemental Pension Plan deposits and investments. As of December 31, 2022, there were no City-wide investments, only deposits. Below is a description of the policies associated with these categories of deposits and investments.

Note 3. Deposits and Investments (Continued)

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

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

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

Custodial credit risk. The custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City's policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name. As of December 31, 2022, the City's deposits were not exposed to custodial credit risk.

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

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

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

As of December 31, 2022, the City's Supplemental Pension Plan has the following investments:

Note 3. Deposits and Investments (Continued)

Investment by Fair Value Level	12/31/2022	Fair Value Measurement Using Quoted Prices in Active Markets for Identical Assets Level 1	Fair Value Measurement Using Significant Other Observable Inputs Level 2	Fair Value Measurement Using Unobservable Inputs Level 3	Rating
Mutual funds	$21,015,047	$ 21,015,047	$ -	$ -	Not Rated
Common stock	2,770,441	2,770,441	-	-	NA
Total investments by fair value level	23,785,488	$ 23,785,488	$ -	$ -	
Investments measured by the net asset value (NAV)					
Real estate investments	83,190				Not Rated
	$23,868,678				

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

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

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

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

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

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

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

Custodial credit risk. The custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Supplemental Pension Plan will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Supplemental Pension Plan's deposits were insured by Federal depository insurance. Custodial credit risk also applies to investment securities. As of December 31, 2022, the Supplemental Pension Plan had no investment securities subject to custodial credit risk.

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

	Fair Value December 31, 2022	Fair Value December 31, 2021	Frequency (if currently eligible)	Redemption Notice Period
Real Estate Pooled Separate Account	$ 83,190	$ 94,117	Daily	1 Day

Note 3. Deposits and Investments (Continued)

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

Note 4. Capital Assets

Capital asset activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 22,773,225	$ 682,028	$ -	$ 23,455,253
Historical buildings	930,162	-	-	930,162
Construction-in-progress	20,354,571	23,304,331	10,108,224	33,550,678
Total capital assets, not being depreciated	44,057,958	23,986,359	10,108,224	57,936,093
Capital assets, being depreciated:				
Buildings	58,087,064	1,457,476	-	59,544,540
Land improvements	34,644,114	-	-	34,644,114
Motor vehicles	14,573,790	1,668,406	546,507	15,695,689
Operating equipment	5,441,416	755,601	39,800	6,157,217
Communications equipment	932,812	-	-	932,812
Office equipment	763,743	-	-	763,743
Infrastructure	1,151,286,706	11,442,733	-	1,162,729,439
Total capital assets, being depreciated	1,265,729,645	15,324,216	586,307	1,280,467,554
Less accumulated depreciation for:				
Buildings	23,858,624	1,412,824	-	25,271,448
Land improvements	8,889,785	1,130,095	-	10,019,880
Motor vehicles	8,511,170	875,952	546,507	8,840,615
Operating equipment	2,762,968	493,250	39,800	3,216,418
Communications equipment	554,306	-	-	554,306
Office equipment	739,942	-	-	739,942
Infrastructure	626,820,230	21,480,730	-	648,300,960
Total accumulated depreciation	672,137,025	25,392,851	586,307	696,943,569
Governmental activities capital assets, net	$ 637,650,578	$ 13,917,724	$ 10,108,224	$ 641,460,078

Note 4. Capital Assets (Continued)

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

Governmental Activities:	
General government	$ 130,253
Public works	22,442,267
Public safety	1,802,535
Culture and recreation	1,017,796
Total depreciation	$ 25,392,851

Capital Projects. Capital project expenditures often extend over more than one fiscal year. Project estimates of each project are prepared by the City Engineer and approved by the City Council. As of December 31, 2022, certain projects were pending City Council authorization.

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

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

Note 4. Capital Assets (Continued)

The following is a schedule of the total open project authorizations compared with project expenditures from inception through December 31, 2022:

Project Number	Project Name	Project Authorizations	Total Project Expenditures to Date	Amount Under Authorization
FIBER	Fiber Master Plan Buildout	$ 571,000	$ 544,248	$ 26,752
3464	67th Street & Cottonwood Storm Drainage Improvements	3,108,300	416,251	2,692,049
3477	Shawnee Trail Scout Park	150,000	111,696	38,304
3481	75th Street - Switzer to Quivira	6,350,000	5,800,656	549,344
3485	55th & Bellmont Park (Wilder Bluff Park)	4,000,000	3,960,126	39,874
3489	Monticello Road - Phase 1 & Phase 2	19,850,000	16,993,318	2,856,682
3493	ST Sanitary Sewer Improvements	240,000	160,169	79,831
3498	43rd Street - Frisbee to K-7 Highway (Homeland)	5,228,465	6,445,460	[1,216,995]
3499	Woodland Extension at 71st St	38,775	47,114	(8,339)
3503	67th St. & Quivira Road Traffic Signal Replacement	357,200	410,170	[52,970]
3504	ADA Sidewalk and Signal Improvements	600,000	546,223	53,777
3512	43rd Street & K-7 Hwy Interchange	2,645,354	2,376,536	268,818
3517	2021 Stormwater Pipe Repair	1,435,120	1,411,532	23,588
3518	49th Ter & Quivira Stormwater CMP Repair Project	557,800	332,250	225,550
3519	67th & Midland Stormwater Pipe Repair Project	598,400	441,557	156,843
3520	Fire Station 71 and 73 Renovations	26,213,308	1,800,588	24,412,720
3523	Goddard Street - 55th Street to Johnson Drive	2,500,000	2,154,031	345,969
3524	59th Street - King to Barton	425,000	474,128	[49,128]
3525	Parks Restrom Facility Improvements	1,500,000	1,384,116	115,884
3527	2021 Mill & Overaly, Curb, Sidewalk and Inlet Repair Program	6,230,000	6,254,596	[24,596]
3529	2021 Stormwater Pipe Repair Project - West	2,023,816	2,127,559	[103,743]
3530	2021 Stormwater Pipe Repair Project - East	1,709,210	1,468,078	241,132
3531	2022 Stormwater Pipe Repair	1,734,542	1,568,045	166,497
3532	2021 Bridge Repair Program	850,000	1,046,557	[196,557]
3534	2021 Crack Seal	108,197	103,937	4,260
3536	Perimeter Park - Detention Basins	900,000	39,600	860,400
3537	Parks & Recreation Maintenance Facility (18570 Johnson Drive)	5,500,000	417,229	5,082,771
3538	Midland - SM Parkway to I-435	50,500	45,878	4,622
3540	2022 Mill and Overlay, Curb, Sidewalk and Inlet Repair Program	6,709,590	6,317,261	392,329
3541	Gleason Road Bridge	461,535	76,252	385,283
3542	Barton Street - 59th Terrace to W. 60th Street	665,000	454,132	210,868
3546	2022 Crack Seal	129,532	81,932	47,600
3547	Gum Springs Park Improvements	3,700,000	50,025	3,649,975
3549	64th & Chouteau CMP Replacement Project	2,703,000	138,341	2,564,659
3550	Nieman Road - Shawnee Mission Parkway to South City Limits	4,985,000	148,766	4,836,234
3551	79th & Switzer CMP Replacement Project	1,800,000	74,385	1,725,615
3552	71st & Midland CMP Replacement Project	508,600	62,418	446,182
3553	51st Place & Monticello (West) CMP Replacement Project	311,000	55,921	255,079
3554	2023 Annual Stormwater Pipe Repair Project	1,629,810	-	1,629,810
3555	Shawnee Town 1929: Chapel Replacement	1,200,000	-	1,200,000
3556	2022 Chip Seal	90,005	-	90,005
3557	Shawnee Town 1929 - Waterline Improvements	300,000	24,000	276,000
3559	Alleway Electrical Underground	325,000	297,372	27,628
3560	Quivira Road - Shawnee Mission Parkway to 75th Street	4,462,000	-	4,462,000
3561	Monrovia Street - 55th Street to Johnson Drive	2,985,000	-	2,985,000
3562	2023 Bridge Repair Program	400,000	2,073	397,927
3563	Roundabout Landscaping	289,089	71,698	217,391
3564	Garrett Park Improvements	3,000,000	20,332	2,979,669

Note 5. Long-Term Debt

Changes in long-term debt outstanding during the year ended December 31, 2022, are as follows:

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022	Current Portion
General obligation bonds	$ 99,130,000	$10,845,000	$ 7,050,000	$ 102,925,000	$8,010,000
General obligation bonds premium	7,189,249	722,072	627,250	7,284,071	-
General obligation bonds, net	106,319,249	11,567,072	7,677,250	110,209,071	8,010,000
Direct borrowing and placement - financed purchase	597,622	-	240,573	357,049	175,857
Compensated absences	5,253,207	2,124,524	2,390,106	4,987,625	1,554,654
	$ 112,170,078	$13,691,596	$10,307,929	$ 115,553,745	$9,740,511

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

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

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

General obligation bonds payable as of December 31, 2022, are comprised of the following issues:

General Obligation Bonds	Interest Rate	Issue Date	Final Maturity	Original Amount	Amount Outstanding
Series 2014A - Improvement	3.00%	07/29/14	12/01/28	$ 3,575,000	$ 1,895,000
Series 2014B - Refunding	4.00 - 5.00%	07/29/14	12/01/27	18,015,000	6,590,000
Series 2017A - Improvement and Refunding	2.00 - 3.00%	04/24/17	12/01/27	9,215,000	3,425,000
Series 2018A - Improvement and Refunding	3.00 - 5.00%	03/13/18	12/01/28	8,840,000	5,800,000
Series 2019A - Improvement	2.63 - 5.00%	03/13/19	12/01/29	7,500,000	5,615,000
Series 2019B - Improvement and Refunding	1.75 - 4.00%	11/27/19	12/01/39	21,300,000	18,125,000
Series 2020A - Improvement	3.00 - 3.63%	04/14/20	12/01/29	4,710,000	3,200,000
Series 2021A - Improvement and Refunding	1.88 - 4.00%	11/18/21	12/01/51	49,225,000	47,430,000
Series 2022A - Improvement	4.00 - 5.00%	12/13/22	12/01/32	10,845,000	10,845,000
					$ 102,925,000

Installment ranges for the general obligation bonds are as follows:

	Installment Range	
General Obligation Bonds	Low	High
Series 2014A - Improvement	$ 285,000	$ 340,000
Series 2014B - Refunding	1,210,000	1,425,000
Series 2017A - Improvement and Refunding	655,000	715,000
Series 2018A - Improvement and Refunding	855,000	1,070,000
Series 2019A - Improvement	695,000	915,000
Series 2019B - Improvement and Refunding	765,000	1,370,000
Series 2020A - Improvement	400,000	545,000
Series 2021A - Improvement and Refunding	475,000	4,820,000
Series 2022A - Improvement	910,000	1,210,000

Note 5. Long-Term Debt (Continued)

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

Year Ending December 31,	Principal	Interest	Total
2023	$ 8,010,000	$ 3,389,060	$ 11,399,060
2024	8,130,000	3,079,832	11,209,832
2025	8,190,000	2,762,451	10,952,451
2026	8,300,000	2,412,401	10,712,401
2027	8,135,000	2,069,088	10,204,088
2028 - 2032	34,260,000	6,087,258	40,347,258
2033 - 2037	13,270,000	2,560,514	15,830,514
2038 - 2042	7,725,000	1,334,100	9,059,100
2043 - 2047	4,580,000	599,607	5,179,607
2048 - 2052	2,325,000	137,125	2,462,125
Total	$ 102,925,000	$ 24,431,436	$ 127,356,436

Financed Purchases. The City has entered into lease agreements as a lessee for financing the acquisition of fire trucks.

Financed purchases consisted of the following as of December 31, 2022:

Description	Date Issued	Original Final Scheduled Maturity Date	Original Purchase Amount	Principal Amount Outstanding As of 12/31/22	Interest Rate
2018 fire truck	2/22/2018	7/1/2024	$ 1,184,000	$ 357,049	3.00%

The future minimum lease payments for financed purchases as of December 31, 2022 are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 175,857	$ 10,860	$ 186,717
2024	181,192	5,526	186,718
Total	$ 357,049	$ 16,386	$ 373,435

Conduit Debt Obligations. The City has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. The City has also issued multifamily housing bonds to provide mortgage loans for the construction and financing of multifamily rental and single-family residences of the City. These bonds are secured solely by the property financed by the respective bond issues and by credit guarantees of reinvestment-grade financial institutions. Title to property financed by industrial revenue bonds remains with the City so long as the bonds are outstanding. Industrial revenue bonds are not in any respect an obligation of the City. Accordingly, the bonds are not reported as a liability in the accompanying basic financial statements. As of December 31, 2022, industrial revenue and multifamily housing bonds of $120,143,859 are outstanding.

Note 6. Other Post-Employment Healthcare

Health Insurance.

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

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

Employees Covered by Benefit Terms. As of December 31, 2022, the following employees were covered by the benefit terms.

Active employees	324
Retirees and covered spouses	55
Total	379

*Total OPEB Liability***.** The City's total OPEB liability of $11,180,466 was measured as of December 31, 2022 and was determined by an actuarial valuation performed as of January 1, 2022. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2022.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the January 1, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Valuation date	January 1, 2022
Actuarial cost method	Entry age normal as a level percentage of payroll
Inflation	2.75%
Salary increases	3.00%
Discount rate	4.18%
Healthcare cost trend rates	Medical & Pharmacy: 7.00% for 2023, decreasing 0.25% per year to an ultimate rate of 4.50% for 2033 and later years

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

Mortality rates were based on the Pub-2010 Public Retirement Plan Headcount-weighted General and Public Safety Mortality table with MP-2021 Full Generational Improvement.

Note 6. Other Post-Employment Healthcare (Continued)

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

1. The discount rate was changed from 2.04 % to 4.18% for the end of year measurement.

2. Change in mortality improvement scale.

3. Increased the assumed proportion of future retiring employees with a covered spouse from 25% to 30%.

4. Per capita costs, retiree contribution premiums and trend rates were updated as a part of the evaluation.

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

	Total OPEB Liability
Balance 1/1/2022	$ 12,064,923
Service cost	817,847
Interest	259,960
Benefit paid	[279,220]
Changes in benefit terms	734,309
Changes in assumptions	[2,417,353]
Balance 12/31/2022	$ 11,180,466

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

	1% decrease 3.18%	Discount rate 4.18%	1% increase 5.18%
Total OPEB Liability	$ 12,318,132	$ 11,180,466	$ 10,163,618

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		Healthcare cost Trend rates	
	1% decrease	Current trend assumption	1% increase
Total OPEB Liability	$ 9,832,532	$ 11,180,466	$ 12,785,496

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB. For the year ended December 31, 2022, the City recognized OPEB expense of $995,407.

Note 6. Other Post-Employment Healthcare (Continued)

As of December 31, 2022, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 1,733,752	$ [341,433]
Changes of assumptions	900,824	[3,462,570]
Total	$ 2,634,576	$ [3,804,003]

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

Year ended June 30,	Deferred [Inflows] Outflows Amount
2023	$ [82,400]
2024	[82,400]
2025	[82,400]
2026	[82,400]
2027	[93,504]
2028+	[746,323]
Total	$ [1,169,427]

Disability Benefits and Life Insurance.

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

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

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

Note 6. Other Post-Employment Healthcare (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.

Employees Covered by Benefit Terms. As of December 31, 2022, the following employees were covered by the benefit terms.

Active employees	169
Disabled members	1
Total	170

Total OPEB Liability. The City's total OPEB liability of $228,933 was measured as of June 30, 2022, and was determined by an actuarial valuation performed as of December 31, 2021, which was rolled forward to June 30, 2022.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Valuation date	December 31, 2021
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.00%
Discount rate (based on 20 year municipal bond rate with an average rating of AA/Aa or better, obtained through the Bond Buyer General Obligation 20-Bond Municipal Index)	3.54%

Note 6. Other Post-Employment Healthcare (Continued)

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

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

The long-term disability incidence and claim termination rate actuarial assumptions used in the December 31, 2021, valuation were based on the results of an actuarial experience study conducted for the period January 1, 2016 through December 31, 2018. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2021, KPERS pension valuation.

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

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

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

Balance 1/1/2022	$ 370,158
Service cost	55,148
Interest	9,128
Benefit paid	[5,443]
Effect of economic/demographic gains or losses	[112,860]
Changes in assumptions	[87,198]
Balance 12/31/2022	$ 228,933

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

	1% decrease (2.54%)	Discount rate (3.54%)	1% increase (4.54%)
Total OPEB Liability	$ 237,854	$ 228,933	$ 219,259

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using current healthcare cost trend rates that are one 1-percentage-point lower of 1-percentage-point lower than the current healthcare cost trend rates.

	1% decrease	Healthcare cost Trend rates	1% increase
Total OPEB Liability	$ 228,933	$ 228,933	$ 228,933

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB. For the year ended December 31, 2022, the City recognized OPEB expense of $27,587. As of December 31, 2022, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

Note 6. Other Post-Employment Healthcare (Continued)

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ [431,011]	$ 101,606
Changes of assumptions	[85,051]	54,655
Total	$ [516,062]	$ 156,261

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

Year Ended June 30,	City
2023	$ [36,689]
2024	[36,689]
2025	[36,689]
2026	[36,419]
2027	[37,461]
Thereafter	[175,854]
Total	$ [359,801]

Other Post-Employment Healthcare Benefits Plans Combined. Following is a combining schedule of deferred outflows and inflows, total OPEB liability and OPEB expense for all other post-employment health care benefit plans of the City:

	KPERS OPEB	Supplemental OPEB	Total
Deferred outflows	$ 156,261	$ 2,634,576	$ 2,790,837
Deferred inflows	516,062	3,804,003	4,320,065
Total OPEB liability	228,933	11,180,466	11,409,399
OPEB expense	27,587	995,407	1,022,994

Note 7. Defined Benefit Pension Plans

KPERS.

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

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

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

Note 7. Defined Benefit Pension Plans (Continued)

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

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

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

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

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

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

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

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

For KPERS fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap is 1.2% of total payroll for the KPERS fiscal year ended June 30, 2022.

Note 7. Defined Benefit Pension Plans (Continued)

The actuarially determined employer contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate were 8.90% for KPERS and 22.99% for KP&F for the year ended December 31, 2022. Contributions to the Pension Plan from the City were $1,183,419 for KPERS and $3,295,000 for KP&F for the year ended December 31, 2022.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. As of December 31, 2022, the City reported a liability of $12,230,330 for KPERS and $32,269,375 for KP&F, for its proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2022, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022.

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

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The City's proportion of the collective net pension liability was based on the ratio of the City's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions of the Local group and the Police and Firemen group within KPERS for the KPERS fiscal year ended June 30, 2022. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. As of June 30, 2022 the City's proportion for KPERS was 0.615194%, which was a decrease of 0.011483% from its proportion measured as of June 30, 2021. As of June 30, 2022, the City's proportion of KP&F was 2.237461%, which was a decrease of 0.081073% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the City recognized pension expense of $1,980,751 for KPERS and $5,022,090 for KP&F. As of December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	$ 1,831,983	$ [21,922]
Net differences between projected and actual earnings on investments	3,249,984	-
Changes of assumptions	6,101,771	-
Changes in proportion	280,433	[1,280,678]
Contributions subsequent to measurement date	2,557,982	-
Total	$ 14,022,153	$ [1,302,600]

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

Note 7. Defined Benefit Pension Plans (Continued)

Year ended December 31,	Deferred [Inflows] Outflows Amount
2023	$ 5,544,267
2024	2,527,531
2025	1,238,807
2026	3,303,919
2027	105,029
Total	$ 12,719,553

*Actuarial Assumptions***.** The total pension liability for KPERS in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Assumptions	Rate
Price inflation	2.75%
Wage inflation	3.50%
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%

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

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of an actuarial experience study dated January 7, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocations as of June 30, 2022 are summarized in the following table:

Asset	Long-Term 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 7. Defined Benefit Pension Plans (Continued)

Discount Rate. The discount rate used by KPERS to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993 and subsequent legislation, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for KPERS. Future employer contribution rates were also modeled for KP&F assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for KP&F. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the collective net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one-percentage- point lower or one-percentage-point higher than the current rate:

	1% decrease (6.00%)	Discount rate (7.00%)	1% increase (8.00%)
Local	$ 17,569,264	$ 12,230,330	$ 7,782,222
Police and firemen	44,262,172	32,269,375	22,290,677
Total	$ 61,831,436	$ 44,499,705	$ 30,072,899

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

Shawnee, Kansas Employees Supplemental Pension Plan.

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

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

Membership of the Supplemental Pension Plan consisted of the following as of December 31, 2022, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	129
Terminated plan members, entitled to, but not yet receiving, benefits	90
Active plan members	72
	291

Note 7. Defined Benefit Pension Plans (Continued)

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

Contributions. Contributions to the Supplemental Pension Plan are designed to fund normal costs on a current basis and to fund past service costs over a 30-year period. The recommended contribution rate is determined by the Supplemental Pension Plan's consulting actuary using the Individual Entry Age Actuarial Cost Method. Based upon the January 1, 2023, actuarial valuation, the recommended contribution for the year ended December 31, 2022 was $1,000,108. The most recent actuarial valuation performed as of December 31, 2022 included a recommended contribution for 2023 for the City of $1,634,837, which is approximately 12.48% of covered payroll.

Net Pension Liability. The City's net pension liability was measured as of December 31, 2022, and the total pension liability was used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

The components of the net pension liability as of December 31, 2022 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2021	$ 29,316,933	$ 26,852,075	$ 2,464,858
Changes for the year:			
Service cost	472,575	-	472,575
Interest	2,054,815	-	2,054,815
Difference between expected and actual experience	698,633	-	698,633
Contributions - employer	-	1,000,108	[1,000,108]
Net investment income	-	[2,992,517]	2,992,517
Benefit payments, including refunds	[870,023]	[870,023]	-
Changes of assumptions	-	-	-
Net changes	2,356,000	[2,862,432]	5,218,432
Balance at December 31, 2022	$ 31,672,933	$ 23,989,643	$ 7,683,290

Plan fiduciary net position as a percentage of the total pension liability is 75.74%.

Actuarial Assumptions. Total pension liability in the January 1, 2023, actuarial valuation was determined using the following actuarial assumptions:

Note 7. Defined Benefit Pension Plans (Continued)

Actuarial cost method	Individual entry age
Asset valuation methods	Market value
Amortization method	Level percent of payroll, rolling
Remaining amortization period	10 years
Actuarial assumptions:	
Investment rate of return	7.00%
Projected salary increases	5.00%
Inflation assumption	2.00%

In the January 1, 2023, actuarial valuation, the Current Year (2023) IRS Optional Combined Mortality Table was used.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Asset	Long-term Target allocation	Long-term Expected real Rate of return
Fixed income	60%	6.25%
Equity securities	28%	3.00%
Real estate	10%	4.50%
Cash & equivalents	2%	0.00%
	100%	

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

Rate of Return. For the year ended December 31, 2022, the annual money-weighted rate of return on Plan investments, net of investment expense was 7.04%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate***.** The following presents the net pension liability of the Plan, calculated using the discount rate of 7%, as well as what the Supplemental Pension Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% decrease (6.00%)	Current Discount Rate (7.00%)	1% increase (8.00%)
Net pension liability/[asset]	$ 11,962,294	$ 7,683,290	$ 4,104,585

Note 7. Defined Benefit Pension Plans (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended December 31, 2022, the City recognized pension expense of $2,052,037. As of December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the Supplemental Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 911,270	$ -
Changes in assumptions	282,652	-
Net differences between projected and actual earnings on investments	2,645,210	-
Total	$ 3,839,132	$ -

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

Year ended June 30,	
2023	$ 745,032
2024	1,011,146
2025	1,090,492
2026	992,462
2027	-
	$ 3,839,132

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

	KPERS	Shawnee, Kansas Employees Supplemental Pension Plan	Total
Deferred outflows	$ 14,022,153	$ 3,839,132	$ 17,861,285
Deferred inflows	1,302,600	-	1,302,600
Net pension liability	44,499,705	7,683,290	52,182,995
Pension expense	7,002,841	2,052,037	9,054,878

Note 8. Defined Contribution Plan

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

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

Note 8. Defined Contribution Plan (Continued)

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

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

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

Employer matching contributions are subject to the following vesting schedule:

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

For the year ended December 31, 2022, the City recognized contribution expense of $382,275. There were no forfeitures during the year ended December 31, 2022.

Note 9. Risk Management

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

Note 10. Interfund Transfers

Transfers made between funds during the year ended December 31, 2022 are as follows:

Fund	Transfers In	Transfers Out
General	$ 258,727	$ 5,931,561
Debt Service	4,983,169	-
Capital Projects	13,915,326	2,503,635
Nonmajor Governmental Funds	7,463,882	18,185,908
Total	$26,621,104	$26,621,104

Note 10. Interfund Transfers (Continued)

All significant interfund transfers in 2022 were routine or administrative in nature. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts and (3) use unrestricted revenues collected in a fund that is used to finance various programs and capital outlay projects accounted for in another fund in accordance with budgetary authorizations.

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

Note 11. Commitments and Contingencies

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

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

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for cash expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. As of December 31, 2022, the City recorded $9,728,202 of encumbrances in the Capital Projects Fund, $9,253 in the General Fund, and $606,826 in the ARPA Fund.

Long-Term Natural Resources Mining Agreement. In 2012, the City received a donation of approximately 340 acres of land located in the City. The land was given to the City by Holliday Sand & Gravel Company (the Company). The Company retained the right to remove soil to enable them to mine sand and gravel for a period of up to thirty (30) years commencing in July 2012. The Company is obligated to pay all taxes, reclamation and environmental remediation costs resulting from the mining operations.
The Company may terminate the rental agreement at any time. The rental agreement terminates automatically if the Company ceases to mine the property for twenty-four consecutive months. Upon early termination the Company must commence and complete the reclamation and environmental remediation as required by the State of Kansas. The Company is to pay the City an annual minimum rental of $10,000 per year plus 15 cents per ton of material mined each year in excess of 100,000 tons. In 2022, the City received an annual reservation fee of $21,408 and total rents of $242,550.

Note 12. Tax Abatements

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

Note 12. Tax Abatements (Continued)

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

No other governments have entered into tax abatement agreements that reduce the City's tax revenues. The City of Shawnee negotiates tax abatements on an individual basis. The City had the following 12 active tax abatements during 2022, totaling $451,123 in abated City taxes for the year. Each abatement was approved based on its proposed job creation/retention and investment in the City's tax base included in its cost-benefit analysis.

Tax Abatement Agreements Initiated by the City.

Ad Valorem Property Tax Abatements

Company	Start	End	%	2022
WestLink Building #1 (industrial)	2015	2024	60%	$ 38,473
WestLink Building #2 (industrial)	2016	2025	70%	44,885
Westmor Industries (fuel tank manufacturing)	2016	2025	35%	5,368
Holiday Inn Express (hotel)	2016	2025	65%	26,702
Federated Rural Electric Coop (office)	2017	2026	70%	15,389
Stag's Creek (spec office building)	2018	2027	90%	23,915
Sealy-Nazdar (industrial)	2019	2019	75%	58,155
WestLink Building #3 (industrial)	2019	2019	100%	64,121
ServiceMaster (industrial)	2020	2029	100%	21,829
WestLink Building #4 (industrial)	2020	2029	100%	64,121
Schier Products (industrial)	2021	2030	60%	24,201
Hoss & Brown (office)	2021	2030	65%	6,659
Heartland Logistics Park Building #1 (industrial)	2022	2031	11%	57,305
				$ 451,123

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

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

Note 12. Tax Abatements (Continued)

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

				Rebate Tax Year		2022
Property/Business Name	Address	Purpose	Type	Start	End	Rebate Paid
Mattes Appraisal	5832 Flint	Renovated office	Com	2013	2022	$ 1,083
Chipotle - Hampton Lakes LLC	11805 SM Pkwy	New restaurant building	Com	2013	2022	5,608
Direct Messenger	5802 Bluejacket	Renovate home for office use	Com	2013	2022	338
McCallop residence	11219 W. 57th Terr.	New single family home	Res	2013	2022	1,563
Carol A. Manns	11612 W. 61st Terr.	New single family home	Res	2014	2023	1,240
Auto Zone - Van's Holding	11106 SM Pkwy	Renovated retail building	Com	2014	2023	13,079
HCA Emergency Room	10310 SM Pkwy	New medical building	Com	2015	2024	22,174
Thomas & Eleanor Kalin	10605 W. 61st St.	New single family home	Res	2016	2025	2,549
BC Engineers - Breck LLC	5720 Reeder Road	Renovated office	Com	2016	2025	392
Jonathan & Mary Owens	5545 Nieman Road	New single family home	Res	2016	2025	82
Wendy's - Weirick	11450 SM Pkwy	New restaurant building	Com	2016	2025	14,645
Back in Motion/Johnson Nieman LLC	11023 Johnson Dr.	Renovated medical building	Com	2017	2026	1,882
McAlister's Deli - HPI Mission Parkway LP	11330 SM Pkwy	New restaurant building	Com	2017	2026	6,868
Alan Willoughby	6029 Monrovia	Home addition	Res	2017	2026	355
Kenneth Heckman	11720 W. 57th Terr.	Home addition	Res	2017	2026	907
Roy & Cynthia Hayth	11300 W. 57th St.	New single family home	Res	2017	2026	2,059
Stag's Grove	12139 SM Pkwy	Commercial Retail Space	Com	2017	2026	29,716
Cheryl & Steven Garrison	12105 W 55th St.	New single family home	Res	2018	2027	3,278
Paula and David Morris	10800 W 60th St.	Home renovation	Res	2018	2027	380
Parkway Center, LLC	11215-11225 SM Pkwy	Strip center exterior renovation	Com	2018	2027	16,921
Discount Tire - HPI Mission Parkway, LP	11320 SM Pkwy	New commercial building	Com	2018	2027	32,188
Thomas Stibal	12425 Johnson Dr.	New single family home	Res	2018	2027	3,357
Timothy & Valerie Dykes	5949 Monrovia	New single family home	Res	2018	2027	3,148
Burner7, LLC	5911 Barton St.	New commercial building	Com	2018	2027	9,636
Carol Mundy	6040 Ballentine St.	New single family home	Res	2018	2027	3,751
CPG RC Shawnee, LLC/Kasada	10704 SM Pkwy	New fast food restaurant	Com	2018	2027	16,093
Nieman Properties	5718 Nieman	Renovated office	Com	2019	2028	1,657
QuikTrip Corp	10701 SM Parkway	New gas/food store	Com	2019	2028	23,738
McLains Market/McLains Shawnee	5833 Nieman Rd.	Renovated restaurant	Com	2021	2030	19,846
						$ 238,533

Note 12. Tax Abatements (Continued)

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

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

The City of Shawnee reports TIF projects on an individual basis. The City had the following active projects in 2022:

District/Project	Purpose	Base Year	Expires	2022 Reimbursement Sales Tax	2022 Reimbursement Property Tax
Shawnee Plaza	Renovation of existing 100,000 square foot retail center, addition of three pad sites	2013	2033	$ 106,637	$ 271,260
Stag's Spring	Construction of one approximately 85,000 square foot complex with 67 apartment units	2019	2039	-	41,665
Prairie Pines	Construction of 220 new market rate rental townhomes	2013	2033	-	765,479
				$ 106,637	$ 1,078,404

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

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

Note 12. Tax Abatements (Continued)

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

Policy Statement PS-65, Economic Development Policy, describes and defines the process. On February 25, 2019, the Governing Body approved the most recent extension of the abatement program and agreed to a bi-annual review of the program.

Development Name	Date Approved	Description	Excise Tax Abated
Loma Gardens Phase 2 (Stag's Garden)	9/26/2022	Residential - 14 Lot Single-Family Subdivision	$ 27,004
Cross Pointe, 3rd Plat and 4th Plats	12/12/2022	Residential - 10 Lot Single-Family Subdivision	178,371
Stag's Pointe	12/12/2022	Residential - 1 Lot Single-Family Subdivision	14,048
			$ 219,423

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SHAWNEE, KANSAS

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

Last Ten Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total pension liability										
Service cost	$ 472,575	$ 418,298	$ 443,531	$ 465,708	$ 481,791	$ 491,013	$ 419,618	$ 446,006	$ 383,397	$ 386,242
Interest cost	2,054,815	1,907,160	1,779,284	1,672,142	1,547,939	1,398,476	1,290,625	1,258,220	1,099,909	1,015,741
Plan changes (changes in benefits)	-	-	-	-	-	-	-	-	136,867	-
Difference between expected and actual experience	698,633	134,953	369,391	86,368	350,900	809,741	172,826	[10,008]	[76,443]	10,799
Changes of assumptions	-	410,869	-	-	-	-	1,297,588	[789,584]	890,982	-
Benefit payments, including refunds	[870,023]	[762,385]	[717,967]	[624,914]	[555,523]	[554,121]	[410,188]	[482,165]	[320,424]	[287,700]
Net change in total pension liability	2,356,000	2,108,895	1,874,239	1,599,304	1,825,107	2,145,109	2,770,469	422,469	2,114,288	1,125,082
Total pension liability, beginning	29,316,933	27,208,038	25,333,799	23,734,495	21,909,388	19,764,279	16,993,810	16,571,341	14,457,053	13,331,971
Total pension liability	$ 31,672,933	$ 29,316,933	$ 27,208,038	$ 25,333,799	$ 23,734,495	$ 21,909,388	$ 19,764,279	$ 16,993,810	$ 16,571,341	$ 14,457,053
Plan fiduciary net position										
Contributions - employer	$ 1,000,108	$ 977,205	$ 1,021,040	$ 1,247,727	$ 978,510	$ 978,510	$ 870,000	$ 729,000	$ 677,555	$ 741,424
Net investment income	[2,992,517]	2,617,515	2,226,015	3,333,144	[1,162,898]	2,439,460	1,085,306	[199,197]	829,987	1,375,445
Benefit payments, including refunds of member contributions	[870,023]	[762,385]	[717,967]	[624,914]	[555,523]	[554,121]	[410,188]	[482,165]	[320,424]	[287,700]
Net change in plan fiduciary net position	[2,862,432]	2,832,335	2,529,088	3,955,957	[739,911]	2,863,849	1,545,118	47,638	1,187,118	1,829,169
Plan fiduciary net position, beginning	26,852,075	24,019,740	21,490,652	17,534,695	18,274,606	15,410,757	13,865,639	13,818,001	12,630,883	10,801,714
Plan fiduciary net position, ending	$ 23,989,643	$ 26,852,075	$ 24,019,740	$ 21,490,652	$ 17,534,695	$ 18,274,606	$ 15,410,757	$ 13,865,639	$ 13,818,001	$ 12,630,883
Net pension liability	$ 7,683,290	$ 2,464,858	$ 3,188,298	$ 3,843,147	$ 6,199,800	$ 3,634,782	$ 4,353,522	$ 3,128,171	$ 2,753,340	$ 1,826,170
Plan fiduciary net position as a percentage of total pension liability	75.7%	91.6%	88.3%	84.8%	73.9%	83.4%	78.0%	81.6%	83.4%	87.4%
Covered payroll	$ 13,095,621	$ 13,272,773	$ 14,047,744	$ 14,586,447	$ 15,560,959	$ 16,156,609	$ 16,607,587	$ 16,404,043	$ 16,345,869	$ 16,129,326
Net pension liability as a percentage of covered payroll	58.7%	18.6%	22.7%	26.3%	39.8%	22.5%	26.2%	19.1%	16.8%	11.3%

CITY OF SHAWNEE, KANSAS

SCHEDULE OF THE SUPPLEMENTAL PENSION PLAN'S CONTRIBUTIONS

Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 1,000,108	$ 977,205	$ 1,021,040	$ 1,247,727	$ 924,788	$ 978,510	$ 757,705	$ 728,700	$ 564,108	$ 619,128
Conributions in relation to the actuarially determined contribution	1,000,108	977,205	1,021,040	1,247,727	978,510	978,510	870,000	729,000	677,555	741,424
Contribution deficiency [excess]	$ -	$ -	$ -	$ -	$ [53,722]	$ -	$ [112,295]	$ [300]	$ [113,447]	$ [122,296]
Covered payroll	$ 13,095,621	$ 13,272,773	$ 14,047,744	$ 14,586,447	$ 15,560,959	$ 16,156,609	$ 16,607,587	$ 16,404,043	$ 16,345,869	$ 16,129,326

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Individual entry age
Amortization method: Level percentage of payroll, rolling
Remaining amortization period: 10 years
Asset valuation method: Market value
Inflation: 2.00%
Salary increases: 5.00%
Investment rate of return: 7.00%
Mortality: 2022 IRS Optional Combined Mortality Tables

CITY OF SHAWNEE, KANSAS

SCHEDULE OF THE SUPPLEMENTAL PENSION PLAN'S RETURNS

Last Ten Fiscal Years

Year	Annual Money-Weighted Rate of Return, Net Of Investment Expense
2022	[11.1]%
2021	10.80
2020	10.30
2019	18.70
2018	[6.3]
2017	15.60
2016	7.70
2015	[1.4]
2014	6.50
2013	12.50

CITY OF SHAWNEE, KANSAS

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

Last Ten Fiscal Years*

Total OPEB liability	2022	2021	2020	2019	2018	2017
Service cost	$ 817,847	$ 806,304	$ 653,541	$ 483,568	$ 537,717	$ 468,852
Interest	259,960	261,990	346,824	353,171	321,893	338,634
Benefit paid	[279,220]	[297,834]	[449,913]	[364,626]	[276,923]	[256,212]
Changes in assumptions	[2,417,353]	[1,268,467]	198,673	970,226	[416,419]	318,940
Change in benefit terms	-	-	[293,087]	-	-	-
Difference between actual and expected experience	734,309	[146,509]	1,121,172	394,117	[406,197]	-
Net change in total OPEB liability	[884,457]	[644,516]	1,577,210	1,836,456	[239,929]	870,214
Total OPEB liability - beginning	12,064,923	12,709,439	11,132,229	9,295,773	9,535,702	8,665,488
Total OPEB liability - ending	$ 11,180,466	$ 12,064,923	$ 12,709,439	$ 11,132,229	$ 9,295,773	$ 9,535,702
Covered employee payroll	$ 22,661,524	$ 22,661,524	$ 20,046,092	$ 20,046,092	$ 19,665,149	$ 19,665,149
Total OPEB liability as a percentage of covered employee payroll	49.34%	53.24%	63.40%	55.53%	47.27%	48.49%
Actuarially determined contribution	$ 279,220	$ 297,834	$ 449,913	$ 364,626	$ 276,923	$ 256,212
Actual contribution	$ 279,220	$ 297,834	$ 449,913	$ 364,626	$ 276,923	$ 256,212
Contributions as a percentage of covered payroll	1.23%	1.31%	2.24%	1.82%	1.41%	1.30%

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

No assets are accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the plan.

CITY OF SHAWNEE, KANSAS

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

Last Ten Fiscal Years*

Total OPEB liability	2022	2021	2020	2019	2018	2017
Service cost	$ 55,148	$ 51,237	$ 44,582	$ 41,264	$ 40,963	$ 42,802
Interest	9,128	16,964	20,200	18,388	14,502	12,014
Benefit Paid	[5,443]	[7,505]	[18,250]	[25,525]	[47,765]	[74,419]
Effect of economic/demographic gains or losses	[112,860]	[411,100]	64,084	49,079	57,974	-
Changes in assumptions	[87,198]	488	67,824	11,911	[6,953]	[8,300]
Net change in total OPEB liability	[141,225]	[349,916]	178,440	95,117	58,721	[27,903]
Total OPEB liability - beginning	370,158	720,074	541,634	446,517	387,796	415,699
Total OPEB liability - ending	$ 228,933	$ 370,158	$ 720,074	$ 541,634	$ 446,517	$ 387,796
Covered employee payroll	$ 11,908,401	$ 11,788,433	$ 10,886,883	$ 10,402,637	$ 10,000,030	$ 9,648,214
Total OPEB liability as a percentage of covered-employee payroll	1.92%	3.14%	6.61%	5.21%	4.47%	4.02%

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

No assets are accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the plan.

CITY OF SHAWNEE, KANSAS

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

KPERS PENSION PLAN

Last Ten Fiscal Years*

	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
City's proportion of the net pension liability	1.297%	1.376%	1.328%	1.379%	1.337%	1.262%	1.187%	1.126%
City's proportionate share of the net pension liability	$ 44,499,705	$ 29,644,332	$ 39,396,810	$ 33,221,483	$ 31,507,279	$30,108,672	$29,385,216	$22,955,831
City's covered payroll	$ 25,477,024	$ 24,162,615	$ 24,162,615	$ 24,269,378	$ 22,937,573	$ 21,822,344	$ 19,338,597	$ 18,704,874
City's proportionate share of the net pension liability as a percentage of its covered payroll	174.67%	122.69%	163.05%	136.89%	137.36%	137.97%	151.95%	122.73%
Plan fiduciary net position as a percentage of the total net pension liability	68.91%	79.19%	69.25%	73.55%	73.18%	71.71%	68.84%	72.97%

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

CITY OF SHAWNEE, KANSAS

SCHEDULE OF THE CITY'S CONTRIBUTIONS

KPERS PENSION PLAN

Last Ten Fiscal Years*

KPERS Local Group

Year ended December 31,	Statutorily Required Contribution*	Contributions In Relation to the Statutorily Required Contribution	Contribution Deficiency [Excess]	City's Covered Payroll	Contributions as a Percentage of Covered-Payroll
2022	$1,183,419	$1,183,419		$ 13,296,841	8.90%
2021	1,083,859	1,083,859	-	12,219,394	8.87%
2020	1,008,249	1,008,249	-	11,315,094	8.91%
2019	1,169,972	1,169,972	-	11,176,076	10.47%
2018	900,538	900,538	-	10,690,668	8.42%
2017	900,991	900,991	-	10,377,268	8.68%
2016	878,066	878,066	-	9,564,997	9.18%
2015	852,020	852,020	-	8,987,557	9.48%

KPERS Police and Firemen Group

Year ended December 31,	Statutorily Required Contribution*	Contributions In Relation to the Statutorily Required Contribution	Contribution Deficiency [Excess]	City's Covered Payroll	Contributions as a Percentage of Covered-Employee Payroll
2022	$3,295,000	$3,295,000		$14,332,315	22.99%
2021	3,022,740	3,022,740	-	13,257,631	22.80%
2020	2,828,414	2,828,414	-	12,847,521	22.02%
2019	3,438,394	3,438,394	-	13,093,302	26.26%
2018	2,536,565	2,536,565	-	12,625,940	20.09%
2017	2,268,486	2,268,486	-	11,929,620	19.02%
2016	2,331,877	2,331,877	-	11,330,796	20.58%
2015	2,231,684	2,231,684	-	10,351,040	21.56%

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

Other governmental funds are composed entirely of special revenue funds which have been established to account for resources allocated by law or contractual agreement for specific purposes and continue in existence as long as governmental resources are allocated for their specific purposes. The only exceptions are the Equipment and Facility Reserve Fund and the ARPA Fund, listed below, which are nonmajor capital projects funds. The City's other governmental funds, along with a brief description for each are as follows:

Special Revenue Funds:
Public Safety Equipment Fund **-** Used to account for the purchase of police, fire, and rescue equipment from property tax revenue.

Special Narcotics Fund **-** Used to account for police expenditures funded by drug confiscation proceeds.

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

Special Parks and Recreation Fund **-** Used to account for parks and recreation expenditures funded from state liquor tax.

Special Alcohol Abuse Fund **-** Used to account for expenditures for alcohol rehabilitation programs funded from resources received from the state liquor tax.

Transient Guest Tax Fund **-** Used to account for fees received from the transient guest taxes used to promote tourism.

Park and Recreation Land Use Fund **-** Used to account for development fees received by builders and developers which are designated for the City's neighborhood park program.

Parks and Pipes Fund **-** Used to account for a 1/8 cent sales tax which is designated for storm drainage and park improvements.

Cemetery Fund **-** Used to account for the operations of the municipal cemetery from grave lots and interment charges for services.

Stormwater Utility Fund **-** Used to account for the City's stormwater management program from stormwater utility tax.

Public Safety Fund **-** Used to account for a 1/8 cent sales tax which is designated for the construction of a Justice Center and thereafter for public safety projects.

Neighborhood Revitalization Fund - Used to account for neighborhood revitalization activities from Neighborhood Revitalization Act District (NRA) 10% rebate.

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

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

CDBG Grant Fund - Used to account for the CDBG grant.

Opioid Settlement Fund - Used to account for settlement funds received through the State to treat and fight opioid addiction.

Recycling Fund - Used to account for the amounts collected for recycling.

Neighbors Helping Neighbors Fund - Used to account for the amounts collected for Neighbors Helping Neighbors volunteer program.

Cafeteria Plan Fund - Used to account for monies collected for employee cafeteria plan contributions.

Capital Projects Funds:
Equipment and Facility Reserve Fund **-** Used to account for equipment replacement, facility improvements, and technology advancement.

ARPA Fund **-** Used to account for the American Rescue Plan Act grant.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

CITY OF SHAWNEE, KANSAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2022

	Special Revenue Funds									
	Public Safety Equipment	Special Narcotics	Special Highway Aid	Special Parks and Recreation	Special Alcohol Abuse	Transient Guest Tax	Park and Recreation Land Use	Parks and Pipes	Cemetery	Stormwater Utility
ASSETS										
Cash and cash equivalents	$ 1,769,593	$ 173,780	$ 7,399,526	$ 784,527	$ 604,388	$ 436,261	$ 1,623,911	$ 1,051,275	$ 418,822	$ 1,496,198
Receivables:										
Taxes	1,485,470	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	270,400	-	-	4,482
Due from other governments	-	-	1,536,749	-	-	228,793	-	355,333	-	-
Total assets	$ 3,255,063	$ 173,780	$ 8,936,275	$ 784,527	$ 604,388	$ 665,054	$ 1,894,311	$ 1,406,608	$ 418,822	$ 1,500,680
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable	$ 147,347	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,750	$ 3,251
Accrued liabilities	-	-	-	-	-	-	-	-	-	63,926
Unearned revenue	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	147,347	-	-	-	-	-	-	-	5,750	67,177
Deferred inflows of resources:										
Unavailable revenue - property taxes	1,487,410	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	1,487,410	-	-	-	-	-	-	-	-	-
Fund balance:										
Restricted	1,620,306	173,780	8,936,275	784,527	604,388	665,054	1,894,311	1,406,608	-	1,433,503
Committed	-	-	-	-	-	-	-	-	413,072	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balance [deficit]	1,620,306	173,780	8,936,275	784,527	604,388	665,054	1,894,311	1,406,608	413,072	1,433,503
Total liabilities, deferred inflows of Resources and fund balances	$ 3,255,063	$ 173,780	$ 8,936,275	$ 784,527	$ 604,388	$ 665,054	$ 1,894,311	$ 1,406,608	$ 418,822	$ 1,500,680

	Special Revenue Funds									Capital Project Funds		
	Public Safety	Neighborhood Revitalization	Economic Development	CID/TIF/TDD	CDBG Grant	Opioid Settlement	Recycling	Neighbors Helping Neighbors	Cafeteria Plan	Equipment and Facility Reserve	ARPA	Total
	$ 4,054,369	$ 229,373	$ 3,367,849	$ 794,428	$ -	$ 16,293	$ 5,945	$ 1,440	$ 30,495	$ 3,797,780	$ 3,642,456	$ 31,698,709
	-	-	-	-	-	-	-	-	-	-	-	1,485,470
	-	-	-	-	-	-	-	-	-	-	-	274,882
	355,333	-	-	65,808	45,932	-	-	-	-	-	-	2,587,948
	$ 4,409,702	$ 229,373	$ 3,367,849	$ 860,236	$ 45,932	$ 16,293	$ 5,945	$ 1,440	$ 30,495	$ 3,797,780	$ 3,642,456	$ 36,047,009
	$ -	$ 3,717	$ 18,892	$ -	$ 12,806	$ -	$ -	$ -	$ -	$ 6,764	$ -	$ 198,527
	-	-	-	-	-	-	-	-	-	-	-	63,926
	-	-	-	-	-	-	-	-	-	-	3,642,456	3,642,456
	-	-	-	-	41,825	-	-	-	-	-	-	41,825
	-	3,717	18,892	-	54,631	-	-	-	-	6,764	3,642,456	3,946,734
	-	-	-	-	-	-	-	-	-	-	-	1,487,410
	-	-	-	-	-	-	-	-	-	-	-	1,487,410
	4,409,702	-	-	860,236	-	16,293	5,945	1,440	30,495	-	-	22,842,863
	-	225,656	3,348,957	-	-	-	-	-	-	3,791,016	-	7,778,701
	-	-	-	-	[8,699]	-	-	-	-	-	-	[8,699]
	4,409,702	225,656	3,348,957	860,236	[8,699]	16,293	5,945	1,440	30,495	3,791,016	-	30,612,865
	$ 4,409,702	$ 229,373	$ 3,367,849	$ 860,236	$ 45,932	$ 16,293	$ 5,945	$ 1,440	$ 30,495	$ 3,797,780	$ 3,642,456	$ 36,047,009

CITY OF SHAWNEE, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2022

	Special Revenue Funds									
	Public Safety Equipment	Special Narcotics	Special Highway Aid	Special Parks and Recreation	Special Alcohol Abuse	Transient Guest Tax	Park and Recreation Land Use	Parks and Pipes	Cemetery	Stormwater Utility
REVENUES:										
Taxes	$ 1,492,189	$ 129,413	$ 6,003,559	$ 388,956	$ 388,956	$ 823,393	$ -	$ 2,001,186	$ -	$ 3,700,971
Intergovernmental	10,000	-	1,827,077	45,000	-	-	-	-	-	-
Charges for services	-	-	1,402,216	-	-	-	-	-	37,475	-
Licenses and permits	-	-	-	-	-	-	194,073	-	-	-
Investments earnings	13,748	811	70,836	5,063	3,943	3,169	13,816	11,885	3,781	23,653
Miscellaneous	-	-	-	-	-	-	291,807	-	-	189,665
Total revenues	1,515,937	130,224	9,303,688	439,019	392,899	826,562	499,696	2,013,071	41,256	3,914,289
EXPENDITURES:										
Current:										
General government	-	-	-	-	86,353	-	-	-	20,550	-
Community development	-	-	-	-	-	-	-	-	-	-
Public works	-	-	40,785	-	-	-	-	-	-	1,788,665
Public safety	841,878	-	-	-	6,704	-	-	-	-	-
Culture and recreation	-	-	-	21,686	-	245,000	-	692,028	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	241,590	-	-	-	-	-	-	-	-	-
Interest and other charges	17,554	-	-	-	-	-	-	-	-	-
Total expenditures	1,101,022	-	40,785	21,686	93,057	245,000	-	692,028	20,550	1,788,665
Excess [deficiency] of revenues over [under] expenditures	414,915	130,224	9,262,903	417,333	299,842	581,562	499,696	1,321,043	20,706	2,125,624
OTHER FINANCING SOURCES [USES]:										
Transfers in	-	-	1,775,774	135,459	-	-	-	14,354	-	1,296,142
Transfers [out]	[297,707]	-	[8,890,500]	[170,000]	-	[253,889]	-	[1,371,891]	-	[3,038,760]
Proceeds from sale of capital assets	56,400	-	-	-	-	-	-	-	-	-
Total other financing sources [uses]	[241,307]	-	[7,114,726]	[34,541]	-	[253,889]	-	[1,357,537]	-	[1,742,618]
Net change in fund balance	173,608	130,224	2,148,177	382,792	299,842	327,673	499,696	[36,494]	20,706	383,006
Fund balance - Beginning of year	1,446,698	43,556	6,788,098	401,735	304,546	337,381	1,394,615	1,443,102	392,366	1,050,497
Fund balance - End of year	$ 1,620,306	$ 173,780	$ 8,936,275	$ 784,527	$ 604,388	$ 665,054	$ 1,894,311	$ 1,406,608	$ 413,072	$ 1,433,503

	Special Revenue Funds									Capital Project Funds		
	Public Safety	Neighborhood Revitalization	Economic Development	CID/TIF/TDD	CDBG Grant	Opioid Settlement	Recycling	Neighbors Helping Neighbors	Cafeteria Plan	Equipment and Facility Reserve	ARPA	Total
	$ 2,001,186	$ 243,643	$ -	$ 1,330,663	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,504,115
	-	-	25,200	-	219,000	16,293	-	-	-	-	9,039	2,151,609
	-	-	1,778,424	-	-	-	-	-	-	-	-	3,218,115
	-	-	-	-	-	-	-	-	-	-	-	194,073
	34,230	2,478	37,033	7,915	-	-	-	-	9	25,157	-	257,527
	-	-	20,000	-	-	-	-	-	204,843	-	-	706,315
	2,035,416	246,121	1,860,657	1,338,578	219,000	16,293	-	-	204,852	25,157	9,039	25,031,754
	-	-	-	-	-	-	-	54	209,614	346,133	-	662,704
	-	340,605	1,359,433	773,760	-	-	-	-	-	-	-	2,473,798
	-	-	-	-	207,718	-	-	-	-	-	-	2,037,168
	-	-	-	-	-	-	-	-	-	-	-	848,582
	-	-	-	-	-	-	-	-	-	-	-	958,714
	-	-	-	-	-	-	-	-	-	874,465	9,039	883,504
	-	-	-	-	-	-	-	-	-	-	-	241,590
	-	-	-	-	-	-	-	-	-	-	-	17,554
	-	340,605	1,359,433	773,760	207,718	-	-	54	209,614	1,220,598	9,039	8,123,614
	2,035,416	[94,484]	501,224	564,818	11,282	16,293	-	[54]	[4,762]	[1,195,441]	-	16,908,140
	1,786,961	50,000	16,096	-	-	-	-	-	-	2,389,096	-	7,463,882
	[2,688,812]	-	[1,118,111]	[305,238]	-	-	-	-	-	[51,000]	-	[18,185,908]
	-	-	-	-	-	-	-	-	-	155,000	-	211,400
	[901,851]	50,000	[1,102,015]	[305,238]	-	-	-	-	-	2,493,096	-	[10,510,626]
	1,133,565	[44,484]	[600,791]	259,580	11,282	16,293	-	[54]	[4,762]	1,297,655	-	6,397,514
	3,276,137	270,140	3,949,748	600,656	[19,981]	-	5,945	1,494	35,257	2,493,361	-	24,215,351
	$ 4,409,702	$ 225,656	$ 3,348,957	$ 860,236	$ [8,699]	$ 16,293	$ 5,945	$ 1,440	$ 30,495	$ 3,791,016	$ -	$ 30,612,865

CITY OF SHAWNEE, KANSAS

PUBLIC SAFETY EQUIPMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 1,492,189	$ 1,535,408	$ 1,535,408	$ [43,219]
Intergovernmental	10,000	-	-	10,000
Investment earnings	13,748	4,400	4,400	9,348
Total revenues	1,515,937	1,539,808	1,539,808	[23,871]
Expenditures:				
Public safety	841,878	979,400	979,400	137,522
Debt service:				
Principal	241,590	642,086	642,086	400,496
Interest and other charges	17,554	-	-	[17,554]
Total expenditures	1,101,022	1,621,486	1,621,486	520,464
Excess [deficiency] of revenues Over [under] expenditures	414,915	[81,678]	[81,678]	496,593
Other financing sources [uses]				
Transfers [out]	[297,707]	[297,707]	[297,707]	-
Proceeds from sale of capital assets	56,400	-	-	56,400
Total other financing sources [uses]	[241,307]	[297,707]	[297,707]	56,400
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	173,608	$ [379,385]	$ [379,385]	$ 552,993
Fund balance, January 1	1,446,698			
Fund balance, December 31	$ 1,620,306			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SPECIAL NARCOTICS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 129,413	$ 6,800	$ 6,800	$ 122,613
Investment earnings	811	-	401	410
Total revenues	130,224	6,800	7,201	123,023
Expenditures:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess [deficiency] of revenues Over [under] expenditures	130,224	$ 6,800	$ 7,201	$ 123,023
Fund balance, January 1	43,556			
Fund balance, December 31	$ 173,780			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 6,003,559	$ 5,109,000	$ 5,714,000	$ 289,559
Intergovernmental	1,827,077	1,778,000	1,800,000	27,077
Investment earnings	70,836	15,000	45,000	25,836
Charges for services	1,402,216	1,394,616	1,390,854	11,362
Total revenues	9,303,688	8,296,616	8,949,854	353,834
Expenditures:				
Public works	40,785	-	49,300	8,515
Total expenditures	40,785	-	49,300	8,515
Excess [deficiency] of revenues Over [under] expenditures	9,262,903	8,296,616	8,900,554	362,349
Other financing sources [uses]				
Transfers in	1,775,774	415,000	415,000	1,360,774
Transfers [out]	[8,890,500]	[7,350,000]	[8,893,500]	3,000
Total other financing sources [uses]	[7,114,726]	[6,935,000]	[8,478,500]	1,363,774
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	2,148,177	$ 1,361,616	$ 422,054	$ 1,726,123
Fund balance, January 1	6,788,098			
Fund balance, December 31	$ 8,936,275			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SPECIAL PARKS AND RECREATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 388,956	$ 300,000	$ 340,000	$ 48,956
Intergovernmental	45,000	-	-	45,000
Investment earnings	5,063	700	3,100	1,963
Total revenues	439,019	300,700	343,100	95,919
Expenditures:				
Culture and recreation	21,686	-	-	[21,686]
Total expenditures	21,686	-	-	[21,686]
Excess [deficiency] of revenues Over [under] expenditures	417,333	300,700	343,100	74,233
Other financing sources [uses]				
Transfers in	135,459	-	-	135,459
Transfers [out]	[170,000]	-	[170,000]	-
Total other financing sources [uses]	[34,541]	-	[170,000]	135,459
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	382,792	$ 300,700	$ 173,100	$ 209,692
Fund balance, January 1	401,735			
Fund balance, December 31	$ 784,527			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SPECIAL ALCOHOL ABUSE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 388,956	$ 300,000	$ 340,000	$ 48,956
Investment earnings	3,943	500	2,300	1,643
Total revenues	392,899	300,500	342,300	50,599
Expenditures:				
General government	86,353	114,400	114,400	28,047
Public safety	6,704	166,500	166,500	159,796
Total expenditures	93,057	280,900	280,900	187,843
Excess [deficiency] of revenues Over [under] expenditures	299,842	$ 19,600	$ 61,400	$ 238,442
Fund balance, January 1	304,546			
Fund balance, December 31	$ 604,388			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

TRANSIENT GUEST TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 823,393	$ 633,000	$ 588,800	$ 234,593
Investment earnings	3,169	400	1,000	2,169
Total revenues	826,562	633,400	589,800	236,762
Expenditures:				
Culture and recreation	245,000	403,000	473,421	228,421
Total expenditures	245,000	403,000	473,421	228,421
Excess [deficiency] of revenues Over [under] expenditures	581,562	230,400	116,379	465,183
Other financing sources [uses]				
Transfers [out]	[253,889]	[230,400]	[253,889]	-
Total other financing sources [uses]	[253,889]	[230,400]	[253,889]	-
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	327,673	$ -	$ [137,510]	$ 465,183
Fund balance, January 1	337,381			
Fund balance, December 31	$ 665,054			

CITY OF SHAWNEE, KANSAS

PARKS AND RECREATION LAND USE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Licenses and permits	$ 194,073	$ 125,000	$ 125,000	$ 69,073
Investment earnings	13,816	2,500	9,200	4,616
Miscellaneous	291,807	20,000	20,000	271,807
Total revenues	499,696	147,500	154,200	345,496
Expenditures:				
Culture and recreation	-	-	-	-
Total expenditures	-	-	-	-
Excess [deficiency] of revenues Over [under] expenditures	499,696	$ 147,500	$ 154,200	$ 345,496
Fund balance, January 1	1,394,615			
Fund balance, December 31	$ 1,894,311			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

PARKS AND PIPES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 2,001,186	$ 1,704,000	$ 1,905,000	$ 96,186
Investment earnings	11,885	10,000	14,400	[2,515]
Total revenues	2,013,071	1,714,000	1,919,400	93,671
Expenditures:				
Culture and recreation	692,028	-	-	[692,028]
Total expenditures	692,028	-	-	[692,028]
Excess [deficiency] of revenues Over [under] expenditures	1,321,043	1,714,000	1,919,400	[598,357]
Other financing sources [uses]				
Transfers in	14,354	-	-	14,354
Transfers [out]	[1,371,891]	[1,153,806]	[1,187,775]	[184,116]
Total other financing sources [uses]	[1,357,537]	[1,153,806]	[1,187,775]	[169,762]
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	[36,494]	$ 560,194	$ 731,625	$ [768,119]
Fund balance, January 1	1,443,102			
Fund balance, December 31	$ 1,406,608			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

CEMETERY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Charges for services	$ 37,475	$ 50,000	$ 50,000	$ [12,525]
Investment earnings	3,781	1,000	1,000	2,781
Total revenues	41,256	51,000	51,000	[9,744]
Expenditures:				
General government	20,550	25,000	25,000	4,450
Total expenditures	20,550	25,000	25,000	4,450
Excess [deficiency] of revenues Over [under] expenditures	20,706	$ 26,000	$ 26,000	$ [5,294]
Fund balance, January 1	392,366			
Fund balance, December 31	$ 413,072			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

STORMWATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 3,700,971	$ 3,520,000	$ 3,520,000	$ 180,971
Investment earnings	23,653	3,000	16,100	7,553
Miscellaneous	189,665	-	-	189,665
Total revenues	3,914,289	3,523,000	3,536,100	378,189
Expenditures:				
Public works	1,788,665	2,413,636	1,888,963	100,298
Total expenditures	1,788,665	2,413,636	1,888,963	100,298
Excess [deficiency] of revenues Over [under] expenditures	2,125,624	1,109,364	1,647,137	478,487
Other financing sources [uses]				
Transfers in	1,296,142	641,000	641,000	655,142
Transfers [out]	[3,038,760]	[2,470,336]	[3,031,247]	[7,513]
Total other financing sources [uses]	[1,742,618]	[1,829,336]	[2,390,247]	647,629
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	383,006	$ [719,972]	$ [743,110]	$ 1,126,116
Fund balance, January 1	1,050,497			
Fund balance, December 31	$ 1,433,503			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

PUBLIC SAFETY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 2,001,186	$ 1,704,000	$ 1,905,000	$ 96,186
Investment earnings	34,230	3,000	18,800	15,430
Total revenues	2,035,416	1,707,000	1,923,800	111,616
Expenditures:				
Debt service:				
Principal	-	-	-	-
Total expenditures	-	-	-	-
Excess [deficiency] of revenues Over [under] expenditures	2,035,416	1,707,000	1,923,800	111,616
Other financing sources [uses]				
Transfers in	1,786,961	1,156,000	1,786,961	-
Transfers [out]	[2,688,812]	[3,558,400]	[2,688,812]	-
Total other financing sources [uses]	[901,851]	[2,402,400]	[901,851]	-
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	1,133,565	$ [695,400]	$ 1,021,949	$ 111,616
Fund balance, January 1	3,276,137			
Fund balance, December 31	$ 4,409,702			

CITY OF SHAWNEE, KANSAS

NEIGHBORHOOD REVITALIZATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 243,643	$ 238,520	$ 226,582	$ 17,061
Investment earnings	2,478	-	4,000	[1,522]
Total revenues	246,121	238,520	230,582	15,539
Expenditures:				
Community development	340,605	314,668	303,923	[36,682]
Total expenditures	340,605	314,668	303,923	[36,682]
Excess [deficiency] of revenues Over [under] expenditures	[94,484]	[76,148]	[73,341]	[21,143]
Other financing sources [uses]				
Transfers in	50,000	50,000	50,000	-
Total other financing sources [uses]	50,000	50,000	50,000	-
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	[44,484]	$ [26,148]	$ [23,341]	$ [21,143]
Fund balance, January 1	270,140			
Fund balance, December 31	$ 225,656			

CITY OF SHAWNEE, KANSAS

ECONOMIC DEVELOPMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Intergovernmental	$ 25,200	$ 25,200	$ 25,200	$ -
Charges for services	1,778,424	1,786,024	-	1,778,424
Investment earnings	37,033	10,000	28,800	8,233
Miscellaneous	20,000	-	1,789,786	[1,769,786]
Total revenues	1,860,657	1,821,224	1,843,786	16,871
Expenditures:				
Community development	1,359,433	1,036,486	2,328,745	969,312
Total expenditures	1,359,433	1,036,486	2,328,745	969,312
Excess [deficiency] of revenues Over [under] expenditures	501,224	784,738	[484,959]	986,183
Other financing sources [uses]				
Transfers in	16,096	-	-	16,096
Transfers [out]	[1,118,111]	[793,111]	[793,111]	[325,000]
Total other financing sources [uses]	[1,102,015]	[793,111]	[793,111]	[308,904]
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	[600,791]	$ [8,373]	$ [1,278,070]	$ 677,279
Fund balance, January 1	3,949,748			
Fund balance, December 31	$ 3,348,957			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

CID/TIF/TDD FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 1,330,663	$ 1,388,718	$ 1,274,363	$ 56,300
Investment earnings	7,915	2,000	4,700	3,215
Total revenues	1,338,578	1,390,718	1,279,063	59,515
Expenditures:				
Community development	773,760	753,727	944,758	170,998
Total expenditures	773,760	753,727	944,758	170,998
Excess [deficiency] of revenues Over [under] expenditures	564,818	636,991	334,305	230,513
Other financing sources [uses]				
Transfers [out]	[305,238]	[305,747]	[305,238]	-
Total other financing sources [uses]	[305,238]	[305,747]	[305,238]	-
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	259,580	$ 331,244	$ 29,067	$ 230,513
Fund balance, January 1	600,656			
Fund balance, December 31	$ 860,236			

CITY OF SHAWNEE, KANSAS

EQUIPMENT AND FACILITY RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Investment earnings	$ 25,157	$ 2,000	$ 18,300	$ 6,857
Total revenues	25,157	2,000	18,300	6,857
Expenditures:				
General government	346,133	1,043,000	862,000	515,867
Capital outlay	874,465	1,616,000	1,828,900	954,435
Total expenditures	1,220,598	2,659,000	2,690,900	1,470,302
Excess [deficiency] of revenues Over [under] expenditures	[1,195,441]	[2,657,000]	[2,672,600]	1,477,159
Other financing sources [uses]				
Transfers in	2,389,096	2,365,000	2,365,000	24,096
Transfers [out]	[51,000]	-	[51,000]	-
Proceeds from sale of capital assets	155,000	-	-	155,000
Total other financing sources [uses]	2,493,096	2,365,000	2,314,000	179,096
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	1,297,655	$ [292,000]	$ [358,600]	$ 1,656,255
Fund balance, January 1	2,493,361			
Fund balance, December 31	$ 3,791,016			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2022

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 6,168,244	$ 6,334,128	$ 6,155,166	$ 13,078
Investment earnings	65,636	10,000	30,000	35,636
Total revenues	6,233,880	6,344,128	6,185,166	48,714
Expenditures:				
Debt service:				
Principal	7,050,000	6,195,000	7,050,000	-
Interest and other charges	3,247,726	1,849,633	3,247,726	-
Bond issuance costs	5,400	-	-	[5,400]
Miscellaneous	-	3,115,627	-	-
Total expenditures	10,303,126	11,160,260	10,297,726	[5,400]
Excess [deficiency] of revenues Over [under] expenditures	[4,069,246]	[4,816,132]	[4,112,560]	43,314
Other financing sources [uses]				
Transfers in	4,983,169	5,626,641	4,757,053	226,116
Total other financing sources [uses]	4,983,169	5,626,641	4,757,053	226,116
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	913,923	$ 810,509	$ 644,493	$ 269,430
Fund balance, January 1	3,869,583			
Fund balance, December 31	$ 4,783,506			

See independent auditor's report on the financial statements.

STATISTICAL SECTION

Statistical Section
(unaudited)

This part of the City of Shawnee's *Annual Comprehensive Financial Report* presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

CITY OF SHAWNEE, KANSAS

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

	2022	2021	2020
Governmental activities:			
Net investment in:			
Capital assets	$ 569,477,550	$ 579,733,707	$ 575,914,799
Restricted	27,946,369	20,999,728	22,316,260
Unrestricted	1,902,864	(5,461,147)	(7,753,838)
Total net position	$ 599,326,783	$ 595,272,288	$ 590,477,221

Table 1
Unaudited

2019	2018	2017	2016	2015	2014	2013
$ 584,268,414	$ 601,268,231	$ 605,438,108	$ 601,281,429	$ 602,868,526	$ 605,935,399	$ 615,304,921
17,333,527	11,185,005	10,329,190	12,361,039	13,524,452	11,213,807	16,214,821
(7,912,715)	(10,474,226)	(13,815,195)	(8,019,994)	(5,589,122)	20,781,587	14,613,148
$ 593,689,226	$ 601,979,010	$ 601,952,103	$ 605,622,474	$ 610,803,856	$ 637,930,793	$ 646,132,890

CITY OF SHAWNEE, KANSAS

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

	2022	2021	2020
Expenses			
Governmental activities:			
General government	$ 10,565,428	$ 9,549,918	$ 9,938,319
Community development	5,941,130	5,345,691	4,828,070
Public works	39,692,351	38,832,646	37,680,773
Public safety	33,306,057	29,092,282	31,058,369
Culture and recreation	8,510,517	6,491,270	5,922,817
Human resources	-	5,819	46,684
Interest on long-term debt	3,293,595	2,188,611	1,968,705
Total primary government expenses	101,309,078	91,506,237	91,443,737
Program revenues			
Governmental activities:			
Charges for services:			
General government	4,181,164	3,976,353	3,611,531
Public works	1,402,216	1,402,216	1,402,215
Public safety	1,022,805	1,045,317	960,412
Culture and recreation	2,691,653	2,104,245	937,471
Human resources	7,779	-	-
Operating grants and contributions:			
General government	-	-	-
Community development	1,516,205	275,393	456,803
Public works	5,485,896	5,479,441	7,239,885
Public safety	174,163	141,237	61,518
Culture and recreation	45,000	-	-
Human resources	-	-	-
Capital grants and contributions:			
Public works	6,698,198	6,534,435	4,878,409
Total primary government program revenues	23,225,079	20,958,637	19,548,244
Total primary government net (expense)	(78,083,999)	(70,547,600)	(71,895,493)
General revenues and other changes in net position			
Governmental activities:			
Taxes:			
Property	31,170,014	30,157,877	28,884,003
Sales	40,591,974	37,209,308	32,494,939
Alcohol	1,166,868	1,010,007	812,405
Franchise	5,613,620	4,958,010	4,861,124
Other	823,393	437,190	265,901
Unrestricted investment earnings	670,431	252,366	459,145
Miscellaneous	2,102,194	1,317,909	875,806
Total primary government	82,138,494	75,342,667	68,653,323
Change in net position governmental activities	$ 4,054,495	$ 4,795,067	$ (3,242,170)

Table 2
Unaudited

2019	2018	2017	2016	2015	2014	2013
$ 8,462,320	$ 10,185,215	$ 9,241,500	$ 6,820,671	$ 6,025,476	$ 5,072,270	$ 5,549,640
4,585,418	4,654,541	5,385,769	5,293,971	3,590,325	3,312,506	2,398,451
41,713,158	37,369,340	40,224,018	34,217,633	32,322,294	30,211,499	28,174,722
30,284,678	25,117,920	23,967,592	24,445,274	22,528,662	22,594,429	22,687,942
6,510,763	6,009,637	12,646,553	5,238,203	5,024,938	4,860,042	4,766,564
356,744	313,099	315,480	304,010	288,258	312,842	253,669
1,727,485	1,420,991	1,374,379	1,744,171	1,959,888	4,458,689	2,585,159
93,640,566	85,070,743	93,155,291	78,063,933	71,739,841	70,822,277	66,416,147
3,515,068	3,274,186	3,510,079	3,176,877	3,123,288	2,872,718	3,280,683
1,378,513	1,378,515	1,378,515	1,378,515	1,378,515	1,100,640	-
1,271,733	1,407,204	1,459,261	1,473,179	1,273,912	1,071,051	1,186,974
1,424,858	1,512,850	1,553,065	1,480,563	1,375,093	1,403,259	1,311,795
-	-	-	-	-	-	-
-	-	-	961,200	37,337	161,249	-
238,935	205,112	179,300	-	-	-	-
5,870,659	5,486,646	5,205,179	6,066,550	4,888,710	1,734,640	1,642,525
201,410	276,929	196,201	32,129	37,816	35,110	75,738
-	-	-	2,199	16,187	13,988	-
-	-	-	-	-	-	-
3,106,034	6,716,311	8,515,006	5,029,435	9,761,406	3,190,861	2,929,567
17,007,210	20,257,753	21,996,606	19,600,647	21,892,264	11,583,516	10,427,282
(76,633,356)	(64,812,990)	(71,158,685)	(58,463,286)	(49,847,577)	(59,238,761)	(55,988,865)
27,709,127	26,019,649	24,656,709	18,890,776	19,312,158	21,593,257	22,568,116
31,346,771	30,820,461	29,838,522	27,608,604	25,639,155	22,272,290	20,638,709
984,474	869,649	864,444	825,595	843,498	770,020	723,688
5,125,860	5,410,475	5,237,607	5,082,789	5,010,813	5,278,517	5,067,006
515,409	448,918	469,308	-	-	287,819	18,810
982,405	408,931	616,532	260,991	249,443	161,574	279,913
1,679,526	613,693	727,877	613,149	630,461	673,187	600,864
68,343,572	64,591,776	62,410,999	53,281,904	51,685,528	51,036,664	49,897,106
$ (8,289,784)	$ (221,214)	$ (8,747,686)	$ (5,181,382)	$ 1,837,951	$ (8,202,097)	$ (6,091,759)

CITY OF SHAWNEE, KANSAS

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

	2022	2021	2020
General fund:			
Nonspendable	$ 540,568	$ 538,126	$ 552,377
Assigned	9,253	-	-
Unassigned	37,986,700	30,377,316	29,852,888
Total general fund	$ 38,536,521	$ 30,915,442	$ 30,405,265
All other governmental funds			
Restricted	$ 27,626,369	$ 20,999,300	$ 22,316,260
Committed	7,778,701	7,105,615	5,754,273
Assigned	46,298,701	52,783,443	6,569,713
Unassigned	(8,699)	(19,981)	(6,286,520)
Total all other governmental funds	$ 81,695,072	$ 80,868,377	$ 28,353,726

Table 3
Unaudited

2019	2018	2017	2016	2015	2014	2013
$ 487,871	$ 787,223	$ 774,731	$ 859,190	$ 975,766	$ 899,244	$ 818,989
-	493,546	300,748	203,240	208,575	194,125	291,993
25,089,804	25,202,705	23,459,147	21,223,065	21,361,694	21,463,681	19,156,025
$ 25,577,675	$ 26,483,474	$ 24,534,626	$ 22,285,495	$ 22,546,035	$ 22,557,050	$ 20,267,007
$ 17,333,527	$ 11,185,005	$ 10,329,190	$ 6,902,936	$ 9,359,836	$ 6,768,956	$ 10,325,901
9,919,464	5,807,410	6,135,116	6,384,149	4,707,255	4,042,142	3,734,034
7,244,186	73,889	58,623	105,792	266,673	192,805	230,200
-	(3,045,491)	(5,869,690)	-	-	-	-
$ 34,497,177	$ 14,020,813	$ 10,653,239	$ 13,392,877	$ 14,333,764	$ 11,003,903	$ 14,290,135

CITY OF SHAWNEE, KANSAS

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

	2022	2021	2020
Revenues:			
Taxes and special assessments	$ 84,955,868	$ 78,291,968	$ 71,745,445
Intergovernmental	9,220,423	10,379,582	6,318,518
Licenses and permits	2,402,740	2,197,928	1,833,107
Charges for services	5,872,293	5,284,885	4,118,110
Fines, forfeitures and penalties	1,022,180	1,045,317	960,412
Sale of property	459,385	340,561	77,067
Reimbursements	-	-	-
Investment earnings	670,429	252,366	459,145
Miscellaneous	1,130,009	824,075	798,739
Total revenues	105,733,327	98,616,682	86,310,543
Expenditures:			
General government	9,856,145	9,205,287	9,442,788
Community development	5,410,821	5,278,852	4,653,453
Public works	8,538,812	7,863,162	7,242,629
Public safety	29,425,952	27,016,377	26,744,992
Culture and recreation	7,065,772	5,535,776	4,500,605
Human resources	-	334	5,000
Capital outlay	37,883,808	30,672,785	30,405,840
Debt service:			
Principal retirements	7,291,590	9,858,062	7,008,873
Interest and fiscal charges	3,379,725	2,402,968	2,497,771
Total expenditures	108,852,625	97,833,603	92,501,951
Excess of revenues over (under) expenditures	(3,119,298)	783,079	(6,191,408)
Other financing sources (uses):			
Transfers in	26,621,104	34,320,310	21,321,179
Transfers out	(26,621,104)	(34,320,310)	(21,321,179)
Proceeds from issuance of bonds	10,845,000	49,225,000	4,710,000
Premium on bonds issued	722,072	3,016,749	135,382
Proceeds from issuance of notes	-	-	-
Proceeds from capital leases	-	-	-
Bond refunding	-	-	-
Total other financing sources (uses)	11,567,072	52,241,749	4,845,382
Net change in fund balances	$ 8,447,774	$ 53,024,828	$ (1,346,026)
Debt service as a percentage of noncapital expenditures	13.25%	15.81%	15.52%

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

2019	2018	2017	2016	2015	2014	2013
$ 70,256,733	$ 68,590,725	$ 66,094,189	$ 54,617,061	$ 52,113,314	$ 51,443,988	$ 49,016,329
5,277,905	6,849,554	10,513,915	11,303,349	9,374,366	5,244,331	6,130,540
1,197,687	1,183,430	1,362,616	1,124,552	1,056,708	1,118,901	933,905
5,120,752	4,982,121	5,079,043	1,823,404	1,732,188	1,756,436	1,625,542
1,271,733	1,399,480	1,453,245	4,561,179	4,361,912	3,572,331	3,186,454
28,101	-	-	62,335	35,000	-	-
-	85,140	157,733	21,122	62,752	-	-
982,408	408,931	616,532	260,991	249,443	161,574	279,913
1,651,422	928,553	570,144	529,692	584,809	673,188	486,279
85,786,741	84,427,934	85,847,417	74,303,685	69,570,492	63,970,749	61,658,962
7,957,785	7,933,335	8,102,552	7,112,778	6,212,220	5,821,786	5,489,604
4,425,692	4,674,383	5,423,097	5,311,595	3,582,344	3,317,354	2,360,136
8,966,170	8,835,855	7,171,188	12,224,386	9,601,385	7,987,201	7,324,466
26,567,970	25,880,118	23,278,354	23,203,914	21,787,066	21,924,381	21,724,971
4,998,952	5,037,633	4,979,048	4,478,747	4,245,510	4,134,266	4,004,826
325,945	318,786	323,071	309,467	285,996	313,736	249,450
30,582,339	27,322,856	33,347,857	13,126,188	9,161,783	9,124,654	14,018,806
11,140,085	8,383,313	8,646,350	8,965,000	9,360,000	32,466,151	9,781,829
2,198,215	1,791,356	1,676,632	1,763,037	2,015,342	4,453,000	2,602,341
97,163,153	90,177,635	92,948,149	76,495,112	66,251,646	89,542,529	67,556,429
(11,376,412)	(5,749,701)	(7,100,732)	(2,191,427)	3,318,846	(25,571,780)	(5,897,467)
18,357,237	20,290,954	17,229,980	9,504,484	9,108,921	8,749,222	6,769,343
(18,357,237)	(20,290,954)	(17,229,980)	(9,504,484)	(9,108,921)	(8,749,222)	(6,769,343)
28,800,000	8,840,000	9,215,000	-	-	21,590,000	8,790,000
2,146,977	1,042,123	334,650	-	-	2,985,591	134,497
-	-	-	990,000	-	-	-
-	1,184,000	-	-	-	-	647,750
-	-	(2,939,425)	-	-	-	-
30,946,977	11,066,123	6,610,225	990,000	-	24,575,591	9,572,247
$ 19,570,565	$ 5,316,422	$ (490,507)	$ (1,201,427)	$ 3,318,846	$ (996,189)	$ 3,674,780
17.07%	15.01%	14.58%	16.79%	21.10%	45.15%	23.11%

CITY OF SHAWNEE, KANSAS

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

	2022	2021	2020
Property	$ 34,949,207	$ 33,716,850	$ 30,248,884
Special assessments	319,802	691,168	3,062,552
Sales county and city	40,591,973	37,209,308	32,494,939
Franchise	6,860,982	4,958,010	4,861,124
Other taxes	2,233,904	1,716,632	1,077,946
Total taxes	84,955,868	78,291,968	71,745,445
Licenses and permits	2,402,740	2,197,928	1,833,107
Intergovernmental	9,220,423	10,379,582	6,318,518
Charges for services	5,872,293	5,284,885	4,118,110
Fines, forfeitures and penalties	1,022,180	1,045,317	960,412
Sale of property	459,385	340,561	77,067
Reimbursements	-	-	52,006
Interest income	670,429	252,366	459,145
Miscellaneous	1,130,009	824,075	669,666
Total	105,733,327	98,616,682	86,233,476
Sales tax breakdown:			
City sales tax	26,327,697	24,289,280	21,552,452
County sales tax	14,264,276	12,920,028	10,942,485
Total sales tax	$ 40,591,973	$ 37,209,308	$ 32,494,937
City sales tax	$ 26,327,697	$ 24,289,280	$ 21,552,452
City property tax	34,949,207	33,716,850	30,248,884
Total tax revenue	84,955,868	78,291,968	71,745,445
City sales tax to total tax revenue	30.99%	31.02%	30.04%
Total revenue	105,733,327	98,616,682	86,233,476
City sales tax to total	24.90%	24.63%	24.99%
Property tax to total	33.05%	34.19%	35.08%
Tax to total revenue	80.35%	79.39%	83.20%
Retail sales	1,205,663,069	1,135,862,296	1,033,155,282
Percent change	6.15%	9.94%	0.64%

Table 5
Unaudited

2019	2018	2017	2016	2015	2014	2013
$ 31,226,017	$ 29,503,333	$ 28,125,592	$ 18,890,776	$ 19,312,158	$ 21,593,257	$ 21,037,150
844,017	1,350,251	1,398,600	2,209,297	1,307,690	1,242,085	1,530,966
31,346,771	30,820,461	29,838,522	27,608,604	25,639,155	22,272,290	20,638,709
5,125,860	5,410,475	5,237,607	5,082,789	5,010,813	5,278,517	5,067,006
1,714,068	1,506,205	1,493,868	825,595	843,498	1,057,839	742,498
70,256,733	68,590,725	66,094,189	54,617,061	52,113,314	51,443,988	49,016,329
1,197,687	1,183,430	1,362,616	1,124,552	1,056,708	1,118,901	933,905
5,277,905	6,849,554	10,513,915	11,303,349	9,374,366	5,244,331	6,130,540
5,120,752	4,982,121	5,079,043	1,823,404	1,732,188	1,756,436	1,625,542
1,271,733	1,399,480	1,453,245	4,561,179	4,361,912	3,572,331	3,186,454
28,101	-	-	62,335	35,000	-	-
-	85,140	157,733	21,122	62,752	-	-
982,408	408,931	616,532	260,991	249,443	161,574	279,913
1,651,422	928,553	570,144	529,692	584,809	673,188	486,279
85,786,741	84,427,934	85,847,417	74,303,685	69,570,492	63,970,749	61,658,962
20,456,907	20,020,102	19,619,466	11,444,235	10,951,020	10,822,190	10,112,278
10,889,864	10,800,359	10,219,056	16,164,369	14,688,135	11,450,100	10,526,431
$ 31,346,771	$ 30,820,461	$ 29,838,522	$ 27,608,604	$ 25,639,155	$ 22,272,290	$ 20,638,709
$ 20,456,907	$ 20,020,102	$ 19,619,466	$ 11,444,235	$ 10,951,020	$ 10,822,190	$ 10,112,278
31,226,017	29,503,333	28,125,592	18,890,776	19,312,158	21,593,257	21,037,150
70,256,733	68,590,725	66,094,189	54,617,061	52,113,314	51,443,988	49,016,329
29.12%	29.19%	30%	21%	21%	21%	21%
85,786,741	84,427,934	85,847,417	74,303,685	69,570,492	63,970,749	61,658,962
23.85%	23.71%	23%	15%	16%	17%	16%
36.40%	34.94%	33%	25%	28%	34%	34%
81.90%	81.24%	77%	74%	75%	80%	79%
1,026,597,213	1,021,060,778	993,146,881	961,584,628	927,031,277	931,658,517	876,693,672
0.54%	2.81%	3.28%	3.73%	-0.50%	6.27%	4.19%

Table 6
Unaudited

CITY OF SHAWNEE, KANSAS

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Tax Year	Budget Year	Total Tax Levy	Collection of Current Year Taxes	Percentage of Levy Collected	Collection of Delinquent Tax	Total Collections	Percentage of Levy Collected	
2021	2022	$ 28,005,898	$ 26,549,243	94.8%	$ (210,812)	$ 26,338,431	94.0%	**
2020	2021	26,777,303	26,502,141	99.0%	59,477	26,561,617	99.2%	
2019	2020	25,976,257	26,088,479	100.4%	(161,509)	25,926,970	99.8%	
2018	2019	24,602,289	23,996,069	97.5%	107,176	24,103,245	98.0%	
2017	2018	23,148,167	22,629,721	97.8%	56,847	22,686,568	98.0%	
2016	2017	21,980,869	21,585,221	98.2%	124,850	21,710,071	98.8%	
2015	2016	18,834,614	18,546,284	98.5%	228,999	18,775,283	99.7%	
2014	2015	17,614,376	17,241,522	97.9%	97,649	17,339,171	98.4%	
2013	2014	17,019,915	16,669,461	97.9%	110,679	16,780,140	98.6%	
2012	2013	16,760,221	16,510,395	98.5%	185,800	16,696,195	99.6%	*

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

**Budget Year 2020 had negative delinquent tax collections.

The County made adjustments to some delinquencies that are reflected in 2020 Actuals.

CITY OF SHAWNEE, KANSAS

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

Tax Year	Fiscal Year	Total Real Estate	Personal Property	State Assessed Utilities	Total Taxable Assessed Value **	Total Real Property Actual Value
2021	2022	$ 1,037,349,194	$ 6,687,714	$ 32,930,843	$ 1,076,967,751	$ 7,880,417,820
2020	2021	971,275,954	8,485,201	30,668,341	1,010,429,496	7,362,177,470
2019	2020	937,698,269	8,811,583	29,100,040	975,609,892	7,051,528,380
2018	2019	887,486,897	9,225,809	27,614,858	924,327,564	6,643,873,850
2017	2018	834,594,524	9,781,765	25,407,318	869,783,607	6,248,288,840
2016	2017	790,639,864	10,246,693	24,866,944	825,753,501	5,900,269,930
2015	2016	732,599,423	10,570,239	24,462,050	767,631,712	5,526,699,970
2014	2015	683,602,811	12,203,689	22,713,533	718,520,033	5,179,878,970
2013	2014	646,392,306	14,442,158	21,080,450	681,914,914	4,919,568,420
2012	2013	636,010,360	15,581,454	21,131,085	672,722,899	4,844,198,680

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

Pursuant to Article 11, Section 1 of the State of Kansas Constitution
Assessment Rates
Residential - 11.5%
Commercial - 25%
Agriculture - 30%
Not for Profit - 12%
Real Property Used for Commercial/Industrial Located Upon Land Devoted to Agricultural Use - 25%
Other Urban and Rural Real Property not Otherwise Specifically Subclassified - 30%
Personal Property - 30%
State Assessed Utilities - 33%

Table 7
Unaudited

	Personal Property Estimated Actual Value	Utilities Estimated Actual Value	Total Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
$	22,292,380	$ 99,790,433	$ 8,002,500,633	13.46%	26.004
	28,284,003	92,934,367	7,483,395,840	13.50%	26.501
	29,371,943	88,181,939	7,169,082,263	13.61%	26.625
	30,752,697	83,681,388	6,758,307,935	13.80%	26.617
	32,605,883	76,991,873	6,357,886,596	13.68%	26.614
	34,155,643	75,354,376	6,009,779,949	13.74%	26.611
	35,234,130	74,127,424	5,636,061,524	13.62%	24.536
	40,678,963	68,828,888	5,289,386,821	13.58%	24.536
	48,140,527	63,880,152	5,031,589,098	13.55%	24.959
	51,938,180	64,033,591	4,960,170,451	13.56%	24.914

CITY OF SHAWNEE, KANSAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS

		City Direct Rates					
Tax Year Ended December 31,	Fiscal Year Ended December 31,	General & Special Revenue	Debt Service	Total Direct	State	County	Library
2021	2022	19.539	4.508	24.047	1.500	17.772	3.815
2020	2021	20.964	5.040	26.004	1.500	18.564	3.908
2019	2020	21.423	5.078	26.501	1.500	18.799	3.905
2018	2019	21.016	5.601	26.617	1.500	20.246	3.901
2017	2018	20.813	5.801	26.614	1.500	19.318	3.921
2016	2017	19.260	7.351	26.611	1.500	19.590	3.915
2015	2016	16.931	7.605	24.536	1.500	19.582	3.912
2014	2015	16.120	8.400	24.520	1.500	17.764	3.157
2013	2014	17.248	7.711	24.959	1.500	17.764	3.157
2012	2013	15.707	9.207	24.914	1.500	17.745	3.155

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

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

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

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

Overlapping Rates					
County Community College	Park	Total Overlapping Without Schools	School District Shawnee Mission (SD-512)	School District DeSoto (SD-232)	School District Olathe (SD-233)
8.617	3.021	58.772	49.436	61.673	65.168
8.575	3.096	61.647	51.667	61.949	68.282
9.191	3.093	62.989	52.351	62.284	69.138
9.266	3.088	64.618	52.427	64.841	70.665
8.966	3.112	63.431	53.663	67.467	71.174
8.938	3.102	63.656	54.940	68.864	67.774
9.469	3.101	62.100	54.059	74.461	67.764
9.461	2.349	58.751	55.911	71.951	67.868
9.461	2.349	59.190	55.911	71.951	67.868
9.551	2.347	59.212	55.611	79.984	69.486

Table 9
Unaudited

CITY OF SHAWNEE, KANSAS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	2021 Tax Year/2022 Fiscal Year				2012 Tax Year/2013 Fiscal Year			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Tri Rx Shawnee LLC	$ 8,155,751	1	0.80%	Westar Energy	$ 6,855,630	1	1.02%
Wal-Mart Real Estate Business Trust	7,847,677	2	0.70%	The Shawnee Station LLC	5,221,251	2	0.78%
Thf Shawnee Station, LLC	7,119,750	3	0.70%	Kansas City Power and Light	4,387,433	3	0.65%
10 Quivira Plaza 14 A LLC	6,938,754	4	0.60%	Greens at Shawnee	3,292,450	4	0.49%
KC Prairie Pines LLC	6,777,525	5	0.60%	Kansas Gas Service	3,211,891	5	0.48%
CEAI Carlyle LLC	5,361,357	6	0.50%	Wal-Mart	3,087,859	6	0.46%
Target Corporation	3,898,501	7	0.40%	Tower Properties Company	2,391,425	7	0.36%
Greens at Shawnee	3,914,485	8	0.40%	ZCOF TL Ten Quivira LLC	2,350,002	8	0.35%
NSA Property Holdings LLC	3,549,818	9	0.30%	Southwestern Bell Telephone	2,333,489	9	0.34%
Hampton Woods LLC	4,724,948	10	0.40%	Deffenbaugh Industries, Inc.	2,330,132	10	0.34%
Total	$ 58,288,566		5.40%		$ 35,461,562		5.26%
City of Shawnee	$ 1,076,967,751				$ 672,722,899		

Source: Johnson County Clerk's Office

CITY OF SHAWNEE, KANSAS

SALES TAX RATES
LAST TEN YEARS

Fiscal Year	City Sales	County Sales	County Public Safety Sales	County Public Safety Sales	County Research Triangle	County Stormwater
2021	1.00%	0.50%	0.25%	0.25%	0.125%	0.10%
2021	1.00%	0.50%	0.25%	0.25%	0.125%	0.10%
2020	1.00%	0.50%	0.25%	0.25%	0.125%	0.10%
2019	1.00%	0.50%	0.25%	0.25%	0.125%	0.10%
2018	1.00%	0.50%	0.25%	0.25%	0.125%	0.10%
2017	1.00%	0.50%	0.25%	0.25%	0.125%	0.10%
2016	1.00%	0.50%	0.25%	0.25%	0.125%	0.10%
2015	1.00%	0.50%	0.25%	0.00%	0.125%	0.10%
2014	1.00%	0.50%	0.25%	0.00%	0.125%	0.10%
2013	1.00%	0.50%	0.25%	0.00%	0.125%	0.10%

Tax Rates from Kansas Department of Revenue

Table 10
Unaudited

Public Safety	Park and Pipes Sales	State	City Public Safety	Pavement Sales	Total Direct
0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.25%	0.125%	6.50%	0.125%	0.375%	9.600%
0.25%	0.125%	6.50%	0.125%	0.375%	9.350%
0.25%	0.125%	6.15%	0.125%	0.000%	8.625%
0.25%	0.125%	6.30%	0.125%	0.000%	8.775%

CITY OF SHAWNEE, KANSAS

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Revolving Loan	Capital Leases / Financed Purchase	Temporary Notes	Total Primary Government	Debt Service Restricted Fund Balance
2022	$ 110,209,071	$ -	$ 357,049	$ -	$ 110,566,120	$ 4,783,506
2021	106,319,249	-	597,622	-	106,916,871	3,869,583
2020	64,210,198	-	900,765	-	65,110,963	2,585,328
2019	66,608,870	-	1,194,638	-	67,803,508	1,394,755
2018	46,701,060	-	1,564,723	250,000	48,515,783	1,222,393
2017	44,893,028	-	834,036	500,000	46,227,064	977,983
2016	46,715,583	-	1,105,386	745,000	48,565,969	442,606
2015	55,821,170	-	1,368,944	-	57,190,114	908,200
2014	65,556,065	-	1,624,992	-	67,181,057	1,342,180
2013	70,682,435	96,151	2,066,719	3,610,000	76,455,305	3,158,204

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

* See Table 14 for personal income and population data.

** See Table 7 for property value data.

Table 11
Unaudited

General Obligation Bonds Net of Debt Service Restriction	Total Outstanding Debt		General Obligation Debt Outstanding Net of Debt Service Restriction	
	Percentage of Personal Income*	Per Capita*	Percentage of Actual Taxable Value** of Property	Per Capita*
$ 105,425,565	1.943%	$ 1,550	9.79%	$ 1,478
102,449,666	1.922%	1,550	10.14%	1,486
61,624,870	1.193%	963	6.10%	911
65,214,115	1.195%	1,014	7.06%	976
45,478,667	1.006%	732	4.92%	686
43,915,045	1.031%	703	5.05%	667
46,272,977	1.126%	744	5.60%	709
54,912,970	1.358%	884	7.15%	849
64,213,885	1.687%	1,047	8.94%	1,001
67,524,231	2.035%	1,202	9.90%	1,061

Table 12
Unaudited

CITY OF SHAWNEE, KANSAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt to be repaid with property taxes:			
Johnson County	$ 598,805,000	8.99%	$ 53,832,570
U.S.D. #232 (DeSoto)	160,585,000	68.22%	109,551,087
U.S.D. #233 (Olathe)	801,434,386	0.86%	6,892,336
U.S.D. #512 (Shawnee Mission)	404,675,000	13.16%	53,255,230
Subtotal overlapping debt			223,531,222
City direct debt	110,566,120	100.0%	110,209,071
Total direct and overlapping debt			$ 333,740,293

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

Johnson County and City of Shawnee debt as of 12/31/22. Other debt as of 6/30/22.

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

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

CITY OF SHAWNEE, KANSAS

LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

December 31, 2022

	2022	2021	2020	2019
Debt limit	$ 355,316,442	$ 335,505,497	$ 324,277,666	$ 307,642,192
Total net debt applicable to limit	62,223,767	67,854,906	29,649,184	27,966,770
Legal debt limit	$ 293,092,675	$ 267,650,591	$ 294,628,482	$ 279,675,422
Total net debt applicable to the limit as a percentage of debt limit	17.5%	20.2%	9.1%	9.1%

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

Legal Debt Margin Calculation for Year Ended December 31, 2022

Assessed valuation of taxable tangible property	$ 1,076,967,751
Equalized valuation of motor vehicles	107,420,388
Equalized assessed tangible valuation for computation of bonded debt limitations	$ 1,184,388,139
Legal debt limit (30%)	$ 355,316,442
Less: general obligation bonds	102,925,000
Plus: exempt refinanced and stormwater debt	35,917,727
Plus: Debt Service Fund fund balance	4,783,506
Legal debt margin	$ 293,092,675
Percentage of debt capacity used	17.5%

Table 13
Unaudited

2018	2017	2016	2015	2014	2013
$ 290,227,030	$ 275,813,145	$ 257,078,928	$ 241,499,251	$ 229,489,885	$ 226,510,536
41,962,607	41,027,017	43,382,394	51,636,800	60,562,820	65,916,796
$ 248,264,423	$ 234,786,128	$ 213,696,534	$ 189,862,451	$ 168,927,065	$ 160,593,740
14.5%	14.9%	16.9%	21.4%	26.4%	29.1%

Table 14
Unaudited

CITY OF SHAWNEE, KANSAS

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

December 31, 2022

Fiscal Year	City Population[a]	County Population[b]	City Population Percent Change	Per Capita Personal Income[c]	Personal Income[d]	City Unemployment Rate[e]	State Unemployment Rate[e]
2022	**71,327	*613,219	1.0%	*79,793	5,691,395,311	2.3%	2.9%
2021	68,958	607,220	2.0%	79,793	5,502,365,694	1.7%	2.8%
2020	67,626	607,220	1.2%	78,270	5,293,087,020	3.6%	4.7%
2019	66,839	602,401	0.8%	76,328	5,101,687,192	2.6%	3.2%
2018	66,290	596,767	0.8%	72,717	4,820,409,930	2.6%	3.3%
2017	65,795	589,609	0.8%	69,977	4,604,136,715	2.8%	3.6%
2016	65,260	584,451	0.9%	68,731	4,485,385,060	3.5%	4.2%
2015	64,680	580,159	0.8%	66,294	4,287,895,920	3.4%	4.2%
2014	64,170	574,096	0.9%	62,832	4,031,929,440	4.0%	4.5%
2013	63,622	566,933	0.5%	59,444	3,781,946,168	4.7%	4.9%

Note a: City of Shawnee Planning Department

Note b: From Johnson County, Kansas

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

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

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

* Johnson County population and per capita personal income not available at the time of this publication

** City of Shawnee population is estimated by the Planning Department and has not been verified by census data

CITY OF SHAWNEE, KANSAS

PRINCIPAL EMPLOYERS

December 31, 2022 and Nine Years Ago

	2021 Tax Year/2022 Fiscal Year *		
Employer	Employees	Rank	Percentage of Total Employment
FedEx Ground Package System, Inc.	1,000	1	2.69%
Waste Management of Kansas City	650	2	1.75%
De Soto Unified School District No. 232	622	3	1.67%
Shawnee Mission School District	542	4	1.46%
TriRX Pharmaceutical Services	330	5	0.89%
City of Shawnee	330	6	0.89%
McLane Food Company	320	7	0.86%
Wal-Mart Super Center	300	8	0.81%
Kraft Tool	260	9	0.70%
Hy-Vee Food Stores	250	10	0.67%
Total	4,604		
City of Shawnee	37,231		

* This information was not available at the time of publication.

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

Table 15
Unaudited

Employer	2012 Tax Year/2013 Fiscal Year Employees	Rank	Percentage of Total Employment
De Soto Unified School District No. 232	1,000	1	2.83%
FedEx Ground Package Systems, Inc.	925	2	2.62%
Deffenbaugh Industries	640	3	1.81%
Bayer HealthCare, LLC	583	4	1.65%
Perceptive Software, Inc.	551	5	1.56%
Wal-Mart	450	6	1.27%
Harte-Hanks	360	7	1.02%
City of Shawnee	275	8	0.78%
NazDar Industries	248	9	0.70%
Hyvee Food & Drug Store	230	10	0.65%
Total	5,262		
City of Shawnee	35,338		

CITY OF SHAWNEE, KANSAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2022	2021	2020
Police			
Physical Arrests*	1,869	1,971	1,460
Parking Citations	35	33	34
Traffic Accidents	811	880	707
Fire			
Fire/Explosion Calls	186	166	168
Rescue Calls	4,666	4,542	4,374
Hazardous Incident Calls **	-	-	-
Other Incident Calls***	881	824	197
Service Calls	682	591	537
False Calls	584	457	440
Public Works			
Snow Removal/Sanding (Man-Hours)	5,369.00	4,269.00	1,607.50
Parks & Recreation			
Aquatic Centers (Total Revenue)	936,394	788,635	-
Sports Programs (Total Revenue)	60,266	44,802	30,619
Facilities/Grounds Rental (Total Revenue)	243,717	199,169	121,178

* - New record management system in the Police Department beginning in 2019 tracks all arrests not just custodial arrests.
** - Hazardous Incident Calls are grouped under Other Incident Calls beginning in 2017.
*** - Tracking for Other Incident Calls began in 2015
Source: City of Shawnee Budget Document

Table 16
Unaudited

2019	2018	2017	2016	2015	2014	2013
2,282	792	907	938	793	746	761
53	62	41	45	70	91	90
980	1,011	912	929	924	903	865
179	155	182	125	136	183	162
4,437	4,313	3,934	3,517	3,447	3,609	3,249
-	-	-	200	232	230	192
847	246	254	57	53	-	-
422	1,134	1,108	1,225	1,215	1,181	1,571
524	456	487	485	481	442	386
6,940.00	1,848.00	1,731.00	1,803.00	4,071.75	6,122.25	7,601.00
773,764	794,902	730,551	733,833	672,250	678,420	650,050
65,607	65,028	64,764	63,719	65,140	7,163	72,035
311,929	304,070	289,756	407,260	356,533	357,729	321,223

Table 17
Unaudited

CITY OF SHAWNEE, KANSAS

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

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government:										
City Manager	6.00	6.00	6.00	6.00	4.00	3.00	3.00	3.00	3.00	3.00
Legal	5.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Licensing/HR	8.00	8.00	7.00	7.00	8.00	6.00	5.00	5.00	5.00	5.00
Communications	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Finance	6.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00
IT	12.00	12.00	12.00	11.00	12.00	12.00	11.00	10.00	9.00	9.00
Municipal court	5.00	5.00	5.00	5.00	4.00	4.00	5.00	5.00	5.00	5.00
Planning	7.00	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00
Engineering	10.00	10.00	9.00	8.00	10.00	11.00	12.00	11.00	10.00	10.00
Public Works	47.00	46.00	46.00	47.00	46.00	46.00	41.00	40.00	40.00	40.00
Police	125.00	119.00	119.00	117.00	115.00	109.00	108.00	107.00	109.00	109.00
Fire										
Fire	75.00	76.00	76.00	73.00	72.00	72.00	60.00	59.00	58.00	58.00
Building Inspection	11.00	11.00	11.00	11.00	10.00	10.00	9.00	8.00	8.00	8.00
Parks and Recreation										
Parks Maintenance	10.00	10.00	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00
Civic Centre	7.00	7.00	7.00	7.00	7.00	6.00	6.00	6.00	6.00	6.00
Old Shawnee Town	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00
Total	341.00	329.00	327.00	320.00	315.00	303.00	284.00	278.00	277.00	275.00

Source: City of Shawnee, Kansas.

CITY OF SHAWNEE, KANSAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire										
Stations	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Public Works										
Center Line Miles	350.89	347.10	345.46	344.30	344.00	343.00	339.70	336.40	336.40	337.80
Streetlights	6,533	6,438	6,346	6,319	4,370	4,333	4,244	4,213	4,179	4,184
Parks & Recreation										
Parks	36.00	36.00	35.00	35.00	35.00	35.00	35.00	35.00	34.00	34.00
Civic Centre	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Pools	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Old Shawnee Town (Historical Buildings)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: City of Shawnee Budget Document

GOVERNMENTAL AUDIT SECTION

CITY OF SHAWNEE, KANSAS

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
U.S. Department of Housing and Urban Development		
CDBG - Entitlement Grants Cluster:		
Community Development Block Grants/Entitlement Grants	14.218	$ 377,185
Total CDBG - Entitlement Grants Cluster		377,185
Total U.S. Department of Housing and Urban Development		377,185
U.S. Department of Justice		
Bulletproof Vest Partnership Program	16.607	14,140
Total U.S. Department of Justice		14,140
U.S. Department of the Treasury		
Coronavirus State and Local Fiscal Recovery Funds Cluster:		
Coronavirus State and Local Fiscal Recovery Funds	21.027	554,796
Total Coronavirus State and Local Fiscal Recovery Funds		554,796
Total U.S. Department of the Treasury		554,796
Executive Office of the President, Office of National Drug Control Policy		
Passed Through Kansas Bureau of Investigation:		
High Intensity Drug Trafficking Areas	95.001	10,124
Total Executive Office of the President, Office of National Drug Control Policy		10,124
U.S. Department of Transportation		
Passed Through Kansas Department of Transportation:		
Highway Safety Cluster:		
State and Community Highway Safety	20.600	1,828
National Priority Safety Programs	20.616	3,804
Total Highway Safety Cluster		5,632
Highway Planning and Construction Cluster:		
Highway Planning and Construction	20.205	177,793
Total Highway Planning and Construction Cluster		177,793
Total U.S. Department of Transportation		183,425
Total Expenditures of Federal Awards		$ 1,139,670

The accompanying notes are an integral part of this schedule.

CITY OF SHAWNEE, KANSAS

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

1. Organization

The City of Shawnee, Kansas, (the City), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented in accordance with generally accepted accounting principles. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The City elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City. However, management does not believe such audits would result in any disallowed costs that would be material to the City's financial position as of December 31, 2022.

5. Outstanding Loans

The City did not have any outstanding loans under any federal grants as of December 31, 2022.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

CITY OF SHAWNEE, KANSAS

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Uniform Guidance?		Yes	X	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	$750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

CITY OF SHAWNEE, KANSAS

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2022

Section II - Financial Statement Findings

Prior Year Findings

None Noted.

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None Noted.

Current Year Findings

None Noted.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

Mayor and City Council
City of Shawnee, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the financial statements of the City of Shawnee, Kansas (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 7, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 7, 2023

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Council
City of Shawnee, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the City of Shawnee, Kansas (the City), with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirement referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grants agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion of the City's compliance based on our audit. 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, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, 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 Example Entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies, and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the City as of and for the year ended December 31, 2022, and have issued our report thereon dated June 7, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 7, 2023