

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF SHAWNEE, KANSAS

Year Ended December 31, 2012

Prepared by the Finance Department

Maureen Rogers, Finance Director
Debbie Kelly, Assistant Finance Director
Shelley Oldham, Senior Accountant

CITY OF SHAWNEE, KANSAS
 Comprehensive Annual Financial Report
 Year ended December 31, 2012

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CITY OF SHAWNEE

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MUNICIPAL COURT
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June 14, 2013

To the Honorable Mayor,
Members of the City Council,
and the Citizens of the City of Shawnee.

With great pleasure we submit the Comprehensive Annual Financial Report (CAFR) of the City of Shawnee for the fiscal year ended December 31, 2012. The purpose of the report is to provide the Mayor, City Council, City Staff, citizens, bond holders, and other interested parties with useful information concerning the City's operations and financial position.

This report was prepared by the City's Finance Department 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 Mize Houser & Company, P.A. (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, 2012 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, 2012 are fairly presented in conformity with GAAP. The Auditor's Report is presented as the first component of the financial section of this report.

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



www.GoodStartsHere.org

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Shawnee for its comprehensive annual financial report for the fiscal year ended December 31, 2011. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The Financial Reporting Entity

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

Profile of the Government

Shawnee is a suburban community located in Johnson County, Kansas, approximately nine miles southwest of downtown Kansas City. One of Kansas' earliest towns, Shawnee was also the site of the first territorial legislature, and home to the first territorial governor. Located at the intersection of early military and territorial roads leading to the Santa Fe Trail, Shawnee also became the first county seat of Johnson County. In 1856, when Kansas City was barely seven years old, Gum Spring became Shawneetown and was incorporated in 1922. The City became a City of the First Class in 1971.

Shawnee is a river city located in northwestern Johnson County adjacent to I-35 and I-435. The City has a mayor-council-manager form of government, with the mayor elected at large and council members elected by ward. The mayor and council members serve four-year overlapping terms of office.

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. Water, sewer and solid waste utility services are provided by WaterOne, Johnson County Wastewater, and private entities respectively.

Economic Condition and Outlook

Shawnee comprises an area of 42 square miles in a strategic location within the metropolitan area. Its location along several major transportation routes and ease in access to the entire metro area has been a major factor in the City's growth and development.

Shawnee has experienced rapid growth and development during the past fifteen years, particularly in terms of commercial space, although the City's growth rate has declined during the recession and subsequent recovery. Since 1995, the number of businesses increased from approximately 1,400 to almost 2,900. A total of 1,162 building permits were issued in 2012 with an estimated construction value of \$74,744,659. 138 permits were for new single family residences, an increase of 138% from 2011. The average new home size increased slightly, from 2,929 square feet in 2011 to 3,004 square feet in 2012. The value of new single family home construction, excluding the lot, increased slightly from \$282,932 in 2011 to \$283,819 in 2012.

Significant development activity during 2012 includes:

- Increased new single family home development in the western portion of the City in the Grey Oaks, Ridgestone Meadows, Greens of Chapel Creek, Riverview, and Woodland Farms subdivisions
- In-fill development in the eastern portion of the City in subdivisions such as Granite Falls, Heather Glen and The Villas of Hall Gardens
- Completion of infrastructure in two additional subdivisions for building in 2013
- Construction of 47 multi-family units and 6 duplex units
- Several commercial construction and renovation projects in the downtown area, including the addition of new stores and restaurants
- Improvements to Hocker Grove Middle School, and a needs assessment for expansion of several other schools in the Shawnee Mission school district, as well as security and technology enhancements throughout both Shawnee Mission and DeSoto school districts
- New commercial construction and expansion:
 - New Quik Trip, Auto Zone and Advanced Auto stores
 - Renovations of a 75,000 square foot warehouse space for Van Robb, a parts supplier for General Motors, and 20,000 feet of a former grocery store building into Sky Zone, an indoor trampoline business.

The total labor force and number of persons employed in the City of Shawnee has remained relatively stable through the recession, after many years of growth as the number of businesses and the population rapidly grew. The City's civilian labor force was 32,507 in December of 2012, with a City unemployment rate of 3.8% compared to the national average of 7.8%. Partially as a result of unemployment rates consistently below the state and county, Shawnee is a leader in residential and commercial development in the western portion of the Kansas City Metropolitan area.

Today, with an official 2010 Census population of 62,209, Shawnee is one of the fastest growing cities in the State of Kansas. Shawnee has a projected population of 70,400 for 2020. The City's 2011 valuation for the 2012 fiscal year was \$688,392,691 (which excludes motor vehicles and recreational vehicles) compared to \$686,743,405 in 2011, a 0.2% increase. Further analysis and information on demographics are located in the statistical section of the CAFR.

2012 Initiatives and Highlights

Shawnee completed its first citywide Direction Finder Citizen Survey in mid-2012, with very favorable results. The survey confirmed many areas of strength, and identified some areas for future focus. The survey was performed by ETC Institute, which manages surveys for many cities in the region, and most cities in the Kansas City metropolitan area. The City will compare its own results year to year, as well as benchmarking against other area cities.

Public Works staff presented to the Governing Body a comprehensive analysis of the condition of the City's streets and the ongoing financial needs of the street maintenance program. This information is vital for future planning and is being used in budget policy decisions. Sound planning and financing for street maintenance is even more critical in light of the results of the Direction Finder Survey, which ranked street maintenance as Shawnee citizens' number one priority.

Staff and the Governing Body undertook an extensive review of the City's defined benefit supplemental retirement plan. As a result, the plan was frozen as of December 31, 2012. Employees with a start date of January 1, 2013 or after will participate in a defined contribution plan, currently being finalized.

The City completed 9.6 lane miles of mill and overlay, 2,535 linear feet of sidewalk repairs, 20,101 linear feet of curb repairs, and 45 full depth asphalt repairs at various locations. Stormwater improvement projects were completed for the Seven Hills neighborhood and the vicinity of Earnshaw and 55th Street.

Future/Planned Initiatives

Economic Development:

Wal-Mart is currently building a 156,000 square foot supercenter in Grey Oaks at Johnson Drive and K-7 Highway. In addition, construction is also currently underway for Stag's Grove, a 7,800 square foot retail building at Shawnee Mission Parkway and Charles. The announced tenants include Pride Cleaners, Fry Orthodontics and Dunkin Donuts.

Public improvements have begun as part of the renovation and new construction for Shawnee Plaza, a 100,400 square foot retail development near the southeast corner of Shawnee Mission Parkway and Pflumm. Plans call for the renovation of an existing strip center into three buildings and construction of three new buildings on pad sites

along Shawnee Mission Parkway. The announced tenants include Nuts and Bolts Hardware, Savers and Natural Grocers.

In early 2013, the City approved a two year suspension of its excise tax on platting of real property, for the purpose of stimulating economic development. To date, the City has signed an abatement agreement for 80,000 acres of proposed industrial development, and an additional 33 acres of residential/commercial development is anticipated to be platted later in 2013.

The City has completed a land use, site design, and utility study for a 320-acre site west of K-7 Highway along 43rd and 47th Streets. The Shawnee Eco-Commerce Center is anticipated to generate interest from office, office/warehouse, and logistics users seeking a location along K-7 Highway with nearby access to I-70 and K-10 Highways. The vision for this proposed business park is to provide long-term development opportunities for the City in an area that will be adjacent to the City's Riverfront Park, and the southern portion will be adjacent to a lake being created by Ash Grove Cement over a thirty-year period. A second business park, WestLink Business Center, is proposed for an 80 acre site east of K-7 Highway along 43rd Street. This proposed development is expected to contain six building lots. The first building to be constructed is a speculative 170,000 square foot office/warehouse building.

Reinvestment: Shawnee promotes programs such as downtown financial incentives to stimulate private development and provide public infrastructure investment in the older portion of the community. To this end, stormwater improvements are underway in the Fairview Heights neighborhood, and in the vicinity of Johnson Drive and Quivira Road.

City Services: The City's mission is 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. Staff and the Governing Body will integrate the data from the previously mentioned Direction Finder Citizen Survey into future strategic plans and budget decisions.

Stormwater Management: Shawnee has adopted and implemented a comprehensive stormwater management plan to identify, correct and construct improvements to the system, 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. Shawnee is embarking on a two year process of establishing priority-based budgeting, which will include determining the cost of the City's programs and their relative priority. This project will build on extensive work completed in the past in identifying and describing the programs. In addition, staff and the Governing Body are working on two significant policy statements in 2013. The

Comprehensive Financial Policy and the Compensation Policy will be instrumental in guiding the City's fiscal decisions into the future.

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 assets of the City 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 appropriated budget approved by the Governing Body. Activities of the General Fund, Special Revenue Funds (unless exempted by a specific statute), and Debt Service Fund are included in the annual appropriated budget, as required by Kansas statutes. Spending in funds which are not subject to statutory constraints are 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 Debt, Investment, Risk Management, Pension, Purchasing, and Economic Development Policies. There was no significant impact on the current period's financial statement due to these policies. As mentioned above, Shawnee is currently in the process of evaluating and approving a Comprehensive Financial Policy.

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 Mize Houser & Company, P.A. of Lawrence, Kansas was selected by the City Council. The auditors' report on the financial statements is included in the Financial Section of this report.

Acknowledgements

This CAFR has been a major undertaking for the Finance Department and could not have been completed without the dedication of Assistant Finance Director, Debbie Kelly and Senior Accountant, Shelley Oldham, and many other professionals throughout the City. They all have our sincere appreciation for their contributions to this report.

In closing, without the leadership and support of the Governing Body, preparation of this report would not have been possible.

Sincerely,



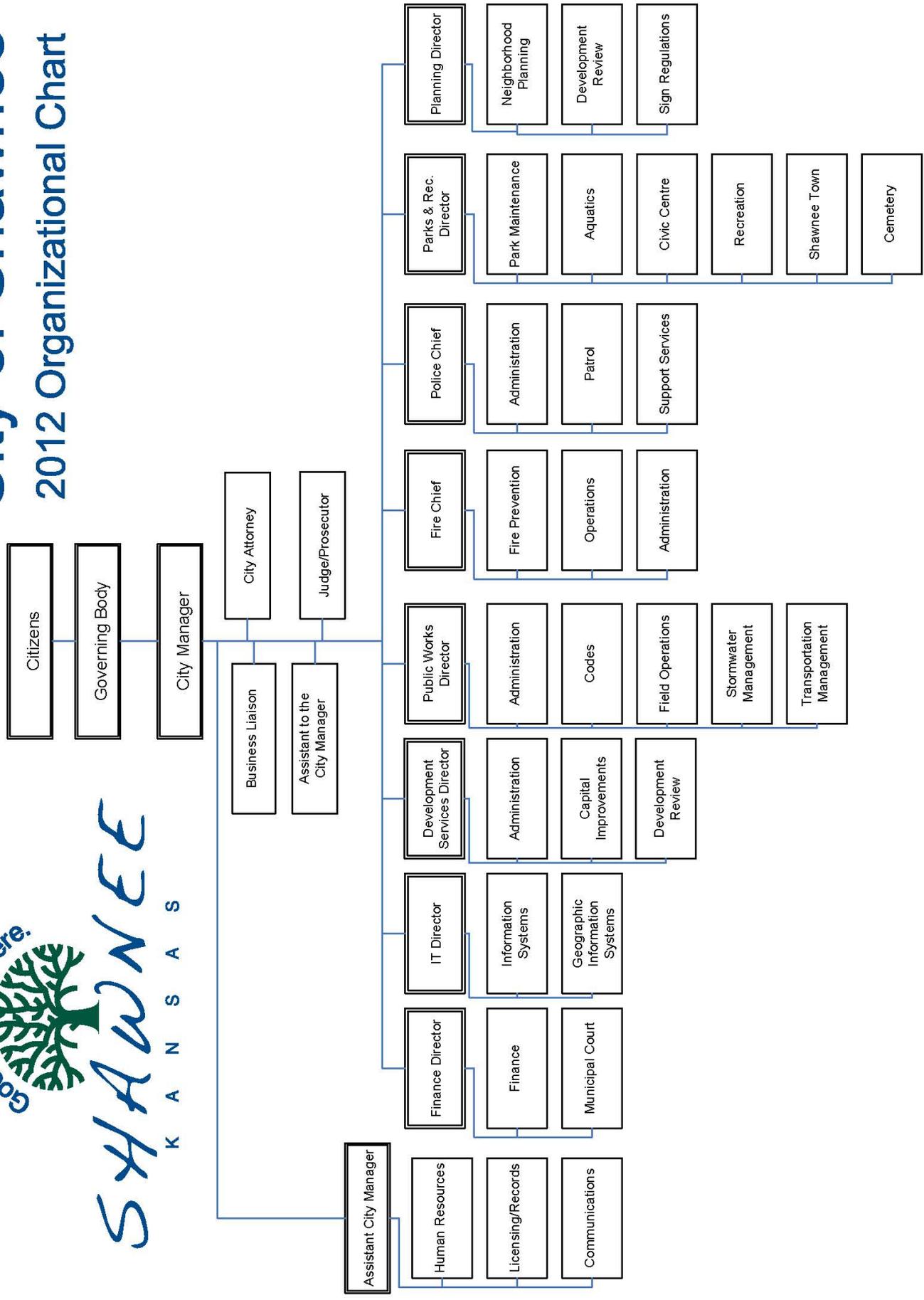
Carol Gonzales
City Manager



Maureen Rogers, CPA
Finance Director

City of Shawnee

2012 Organizational Chart





LIST OF PRINCIPAL OFFICIALS

MAYOR
JEFF MEYERS

CITY COUNCIL

WARD I
DAN PFLUMM
JIM NEIGHBOR

WARD II
ALAN WILLOUGHBY
NEAL SAWYER

WARD III
DAWN KUHN
JEFF VAUGHT

WARD IV
MICHELLE DISTLER
MICKEY SANDIFER

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Shawnee
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moynell

President

Jeffrey R. Enow

Executive Director

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Shawnee, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Shawnee, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Shawnee, Kansas, as of December 31, 2012, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 and the schedules of funding progress on pages 49 and 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are 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 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. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Mike Houser : Company PA

June 14, 2013

City of Shawnee, Kansas Management's Discussion and Analysis

Fiscal Year Ended December 31, 2012

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, 2012.

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 2012 by \$652,755,213. Of this amount, \$15,012,804 is unrestricted net position.
- The City's total net position decreased by \$7,833,684.
- As of the close of 2012, the City's governmental funds reported combined ending fund balances of \$30,882,362, an increase of \$352,855 from the prior year. The increase was due to controlling expenditures in the General Fund, and a slight increase in sales tax revenue as the economy slowly pulls out of the recession.
- At the end of 2012, the fund balance for the General Fund was \$18,638,422, or 49% of revenues on a GAAP basis. Budgetary fund balance in the General Fund was \$17,381,625, a healthy 45% of revenues.
- The City's total debt decreased \$9,372,351 during 2012. The City issued \$11,493,484 in net general obligation bonds in 2012 for crossover refunding of Series 2003 and 2004 bond issues, and retired \$20,328,800 in existing general obligation debt.
- The City's Supplemental Retirement Plan ended 2012 with a net pension asset of \$661,243. The OPEB obligation at the close of 2012 was \$1,639,367.

Overview of the Financial Statements

This discussion and analysis is intended to serve 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 are designed to 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.

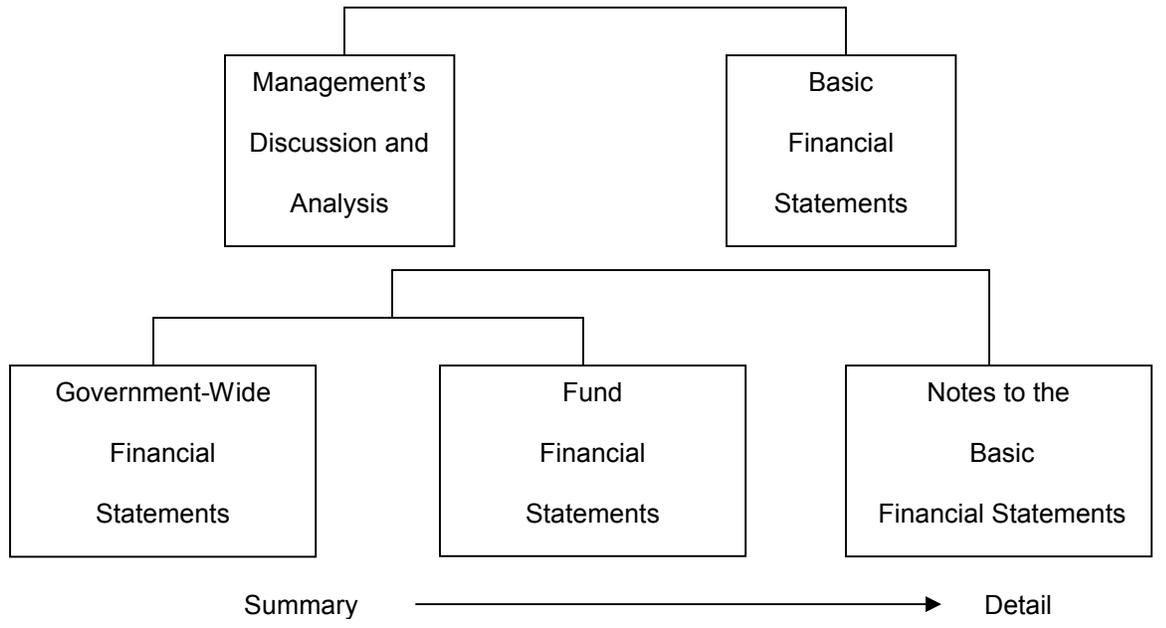
The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and 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.

**City of Shawnee, Kansas
Management's Discussion and Analysis**

Fiscal Year Ended December 31, 2012

Required Components of Comprehensive Annual 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 are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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 19 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, Parks and Pipes Fund, Debt Service Fund and the Capital Projects Fund, all of which are considered to be major funds. Data from the other 15 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.

City of Shawnee, Kansas Management's Discussion and Analysis

Fiscal Year Ended December 31, 2012

The City adopts an annual appropriated budget for all funds excluding its Capital Projects Fund. A budgetary comparison statement has been provided for the General Fund and the Parks and Pipes Fund to demonstrate compliance with this budget.

Fiduciary Funds are used by the City 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 agency funds: Mayor's Christmas Tree Fund, Recycling Fund, Payroll Clearing Fund, Cafeteria Plan Fund and the Municipal Court Bond Fund.

Notes to the Basic Financial Statements

The notes to the basis financial statements begin on page 24. 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 can be found on pages 49-50 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 can be found on pages 52-66 of this report.

Government-wide Financial Analysis

Net position may serve over time as one useful indicator of a government's financial condition. The City's net position decreased by \$7,833,684 or 1.2% for the fiscal year ended December 31, 2012. This decrease was due primarily to the accumulated depreciation of the City's capital assets.

The largest portion of the City's net position (95 percent) 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.

**City of Shawnee, Kansas
Management's Discussion and Analysis**

Fiscal Year Ended December 31, 2012

Government-wide Financial Statements

	Condensed Statement of Net Position	
	12/31/2012	12/31/2011
Current and other assets	\$58,456,194	\$60,451,605
Capital assets	696,845,953	712,843,561
Deferred outflows of resources	1,096,363	-
Total assets and deferred outflows of resources	\$756,398,510	\$773,295,166
Current liabilities	\$12,968,740	28,906,546
Long-term liabilities	74,417,146	83,799,723
Deferred inflows of resources	16,257,411	-
Total liabilities and deferred inflows of resources	\$103,643,297	\$112,706,269
Net position		
Invested in capital assets, net of related debt	\$618,991,639	\$625,716,905
Restricted for:		
Debt service	12,939,499	12,141,544
Enabling legislation	5,811,271	5,026,874
Unrestricted	15,012,804	17,703,574
Total net position	\$652,755,213	\$660,588,897

A portion of the City's net position (2.9%) represents resources that are subject to external restrictions on how they may be used.

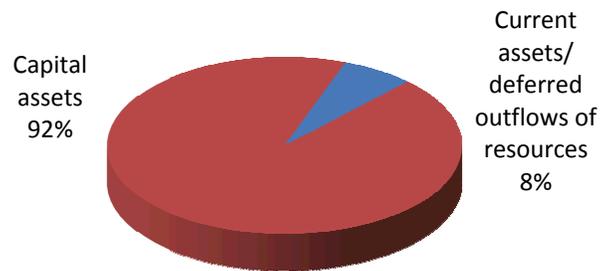
**City of Shawnee, Kansas
Management's Discussion and Analysis**

Fiscal Year Ended December 31, 2012

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

The City ended 2012 with positive net position. Total assets and deferred outflows of resources for the City are \$756,398,510. Of these total assets, \$696,184,710 represents capital assets and \$60,213,800 is comprised of other assets and deferred outflows of resources.

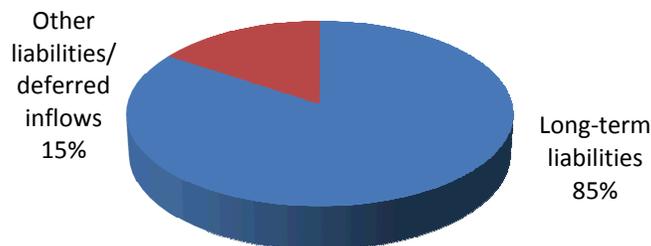
**Total Assets and Deferred
Outflows of Resources**



Total assets and deferred outflows of resources decreased by \$16.9 million during the year ended December 31, 2012. A substantial portion of the decrease can be attributed to capital asset depreciation.

Total liabilities and deferred inflows of resources are \$103,643,297 including \$74,417,146 in long-term liabilities and \$29,226,151 in other liabilities and deferred inflows of resources. The majority of the long-term liabilities are debt issued for major capital projects. Debt issues are never extended longer than the useful life of the project for which debt is being issued.

**Total Liabilities and Deferred
Inflows of Resources**



Total liabilities and deferred inflows of resources decreased by \$9.1 million during the year ended December 31, 2012. The City refinanced 2003 and 2004 bond issues in 2012, and paid down principal on existing bond issues, resulting in a net decrease in debt.

**City of Shawnee, Kansas
Management's Discussion and Analysis**

Fiscal Year Ended December 31, 2012

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**

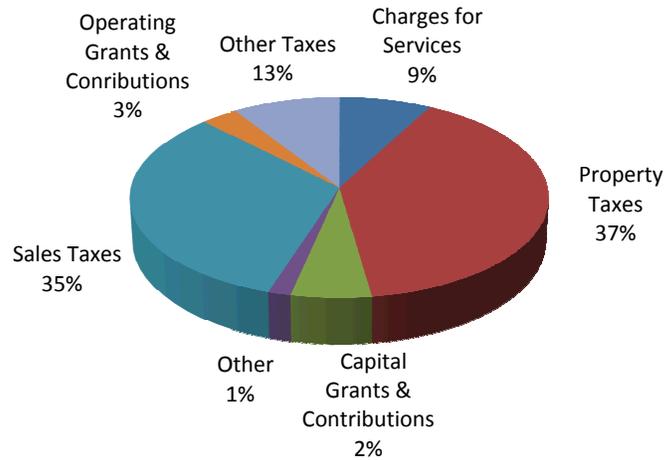
	Governmental Activities	
	2012	2011
Revenues		
Program revenues		
Charges for services	\$ 4,928,640	\$ 4,129,212
Operating grants & contributions	1,715,171	1,972,227
Capital grants and contributions	1,165,994	4,713,864
General revenues		
Property Taxes	20,827,849	20,643,022
Sales Taxes	19,587,884	19,168,426
Other Taxes	7,429,769	7,531,341
Other	632,678	781,524
Total revenues	<u>\$ 56,287,985</u>	<u>\$ 58,939,616</u>
Expenses		
General government	\$ 5,525,424	\$ 5,170,265
Community development	2,280,742	2,212,971
Public works	28,132,957	27,184,238
Public safety	19,910,440	19,699,726
Culture & recreation	4,599,190	4,592,542
Human resources	222,913	192,480
Interest on long-term debt	3,450,003	3,191,291
Total expenses	<u>\$ 64,121,669</u>	<u>\$ 62,243,513</u>
Change in net position	(7,833,684)	(3,303,897)
Net position - beginning of year	660,588,897	663,700,790
Prior period adjustment	-	192,004
Net position - beginning of year, restated	<u>660,588,897</u>	<u>663,892,794</u>
Net position - end of year	<u>\$ 652,755,213</u>	<u>\$ 660,588,897</u>

**City of Shawnee, Kansas
Management's Discussion and Analysis**

Fiscal Year Ended December 31, 2012

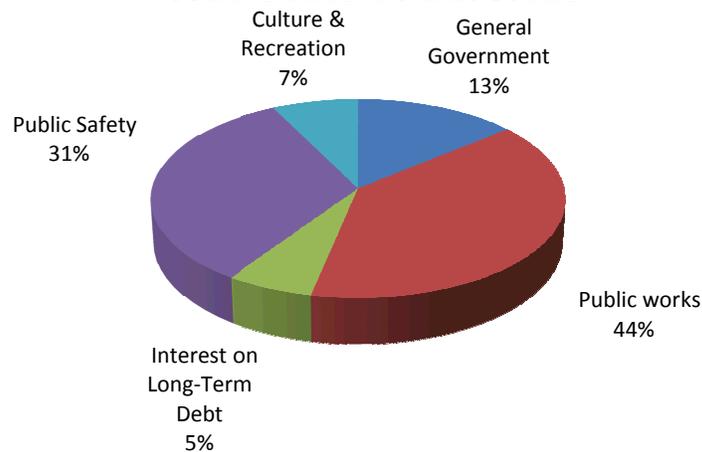
The total revenues for 2012 were \$56.2 million. The largest revenue source was property tax at \$20,827,849, followed closely by sales tax at \$19,587,884.

Revenues by Source



The total cost of services for 2012 was \$64.1 million; however \$7.8 million was funded by users directly benefiting from the services or by other organizations through grants and contributions. The remaining \$56.3 million of these services was funded primarily through property and sales taxes.

Net Costs of Services



**City of Shawnee, Kansas
Management's Discussion and Analysis**

Fiscal Year Ended December 31, 2012

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 chief operating fund of the City. At the end of 2012, unassigned fund balance of the General Fund was \$17,381,625, and total fund balances were \$18,638,422. 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 expenditures. Unassigned fund balance represents 45% of the total General Fund revenues, while total fund balance represents 49% of revenues.

The fund balance of the City's General Fund decreased by \$2,153,870 during 2012. The decrease was due to one-time expenditures for transfers to Debt Service Fund and equipment reserve funds.

The Parks and Pipes Fund accounts for the proceeds from a 1/8 cent sales tax to be used for storm drainage and park improvements. At the end of 2012, fund balance was \$2,709,218, an increase of \$455,888. The increase can be attributed to accumulating the reserve in order to cash fund projects in the future.

The Debt Service fund ended the year with a total fund balance of \$2,955,597, 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 \$2,109,583. The increase can be attributed to a transfer from the General Fund.

The Capital Project Fund ending total fund balance for 2012 was (\$169,674). The net decrease in the fund balance during the current year in the capital projects fund was \$690,378. The decrease is the result of cash funding capital projects in anticipation of receipt of grant revenues.

General Fund Budgetary Highlights

The legally adopted budget for the General Fund was not amended by the City Council during 2012.

During the year, revenues were more than budgetary estimates by \$1,439,137 (4%). Sales tax was \$1,185,810 more than budget. Total expenditures were less than budgetary estimates by \$17,222,367 (33%). As part of the budgeting process the City budgets for a contingency reserve for unforeseen expenditures. Of the total difference in the budgeted expenditures, \$16,046,119 (93.1%) is due to the reserve. Most areas of the City were below budget due to conservative spending.

**City of Shawnee, Kansas
Management's Discussion and Analysis**

Fiscal Year Ended December 31, 2012

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities as of December 31, 2012, was \$696,184,710 (net of accumulated depreciation). This investment in capital assets includes land, historical buildings, construction in progress, buildings, land improvements, vehicles, equipment and infrastructure.

Capital Assets

	2012	2011
Land	\$21,394,998	\$21,382,963
Historical buildings	899,000	899,000
Construction in progress	7,398,307	2,864,329
Buildings	36,736,083	36,416,541
Land improvements	10,330,554	10,330,554
Motor vehicles	9,550,485	8,959,559
Machinery & equipment	5,478,867	5,683,262
Infrastructure	1,064,876,493	1,064,252,050
Total capital assets, cost	\$1,156,664,787	\$1,150,788,258
Less accumulated depreciation	(460,480,077)	(438,599,655)
Total capital assets, net	\$696,184,710	\$712,188,603

Additional information regarding the City's capital assets can be found in Note I, Item C, Section 3, as well as Note IV, Item C.

Long-term Debt

At the end of 2012, the City had total bonded debt outstanding of \$75,236,974, which is entirely backed by the full faith and credit of the City.

The City's total debt decreased by \$9,372,351 during 2012. The City issued \$10,750,000 par amount of new general obligation bonds during 2012, and paid down \$20,240,000 in general obligation bond principal. The City maintains an "Aa1" rating from Moody's for its general obligation bonds.

State statutes limit the amount of general obligation debt a government entity may issue to 30 percent of its total assessed valuation. The current debt limitation for the City is \$231,327,469, which is significantly in excess of the City's outstanding general obligation bonds.

Additional information regarding the City's long-term debt activity can be found in Note IV, Item E.

Requests for information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Shawnee, 11110 Johnson Drive, Shawnee, Kansas 66203.

CITY OF SHAWNEE, KANSAS

STATEMENT OF NET POSITION
December 31, 2012

Assets and Deferred Outflows of Resources

Current assets:	
Cash and investments	\$ 26,769,777
Tax receivable	16,257,411
Accounts receivable	767,726
Special assessments receivable	
Due within one year	1,623,522
Due in more than one year	8,147,236
Inventory	988,077
Due from other governments	3,902,445
Total current assets	<u>58,456,194</u>
Noncurrent assets:	
Net pension assets	<u>661,243</u>
Capital assets not being depreciated:	
Land	21,394,998
Historical buildings	899,000
Construction in progress	7,398,307
Total capital assets not being depreciated	<u>29,692,305</u>
Capital assets being depreciated	1,126,972,482
Less: accumulated depreciation	<u>460,480,077</u>
Total capital assets being depreciated, net	<u>666,492,405</u>
Total capital assets, net	<u>696,184,710</u>
Total noncurrent assets	<u>696,845,953</u>
Total assets	<u>755,302,147</u>
Deferred outflows of resources	
Deferred charge on refunding	<u>1,096,363</u>
Total deferred outflows of resources	<u>1,096,363</u>
Total assets and deferred outflows of resources	<u>\$ 756,398,510</u>

Liabilities and Deferred Inflows of Resources

Liabilities:	
Current liabilities:	
Accounts payable	\$ 684,750
Accrued payroll	588,207
Retainage payable	17,094
Deposit held for others	255,612
Accrued interests on long-term debt	213,144
Current portion of compensated absences	971,610
Current portion of capital leases payable	367,693
Current portion of revolving loans payable	6,829
Current portion of general obligation bonds	9,863,801
Total current liabilities	<u>12,968,740</u>
Noncurrent liabilities:	
Compensated absences	5,823,031
Net other post employment benefits	1,639,367
Capital leases payable	1,485,425
Revolving loans payable	96,150
General obligations bonds payable	65,373,173
Total noncurrent liabilities	<u>74,417,146</u>
Total liabilities	<u>87,385,886</u>
Deferred Inflows of Resources	
Unavailable revenue - property taxes	<u>16,257,411</u>
Total deferred inflows of resources	<u>16,257,411</u>
Total liabilities and deferred inflows of resources	<u>\$ 103,643,297</u>

Net Position

Invested in capital assets, net of related debt	\$ 618,991,639
Restricted	
Debt service	12,939,499
Enabling legislation	5,811,271
Unrestricted	<u>15,012,804</u>
Total net position	<u>\$ 652,755,213</u>

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, 2012

	Expenses	Program Revenues			Net [expense]
		Fees, fines, and charges for services	Operating grants and contributions	Capital grants and contribution	Revenue and Changes in Net Assets-Govt Activities
Governmental activities:					
General government	\$ 5,525,424	\$ 2,285,437	\$ -	\$ -	\$ [3,239,987]
Community development	2,280,742	-	-	-	[2,280,742]
Public works	28,132,957	-	1,671,931	1,165,994	[25,295,032]
Public safety	19,910,440	1,218,300	43,240	-	[18,648,900]
Culture and recreation	4,599,190	1,424,903	-	-	[3,174,287]
Human resources	222,913	-	-	-	[222,913]
Interest on long-term debt	3,450,003	-	-	-	[3,450,003]
Total governmental activities	\$ 64,121,669	\$ 4,928,640	\$ 1,715,171	\$ 1,165,994	[56,311,864]
General Revenues:					
Property taxes levied for					
General purposes					14,442,503
Debt service					6,385,346
Sales and use tax					19,587,884
Motor vehicle tax					1,994,063
Liquor tax					690,852
Franchise tax					4,736,107
Excise tax					8,747
Investment earnings					147,902
Miscellaneous					484,776
Total general revenues					48,478,180
Change in net position					[7,833,684]
Net position - beginning					660,588,897
Net position - ending					\$ 652,755,213

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

CITY OF SHAWNEE, KANSAS

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2012

	<u>General</u>	<u>Parks and Pipes</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and investments	\$ 14,802,563	\$ 2,497,420	\$ 2,955,597	\$ -	\$ 6,514,197	\$ 26,769,777
Receivables						
Taxes	9,885,999	-	6,007,947	-	363,465	16,257,411
Special assessments	-	-	9,770,758	-	-	9,770,758
Accounts	767,726	-	-	-	-	767,726
Inventory	988,077	-	-	-	-	988,077
Due from other funds	314,076	-	-	-	-	314,076
Due from other governments	3,082,349	211,798	-	319,094	289,204	3,902,445
Total assets	<u>\$ 29,840,790</u>	<u>\$ 2,709,218</u>	<u>\$ 18,734,302</u>	<u>\$ 319,094</u>	<u>\$ 7,166,866</u>	<u>\$ 58,770,270</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 505,280	\$ -	\$ -	\$ 157,598	\$ 21,872	\$ 684,750
Accrued liabilities	555,477	-	-	-	32,730	588,207
Retainage payable	-	-	-	17,094	-	17,094
Due to other funds	-	-	-	314,076	-	314,076
Deposits held for others	255,612	-	-	-	-	255,612
Total liabilities	<u>1,316,369</u>	<u>-</u>	<u>-</u>	<u>488,768</u>	<u>54,602</u>	<u>1,859,739</u>
Deferred inflows of resources						
Unavailable revenue - property taxes	9,885,999	-	6,007,947	-	363,465	16,257,411
Unavailable revenue - special assessments	-	-	9,770,758	-	-	9,770,758
Total deferred inflows of resources	<u>9,885,999</u>	<u>-</u>	<u>15,778,705</u>	<u>-</u>	<u>363,465</u>	<u>26,028,169</u>
Total liabilities and deferred inflows of resources	<u>11,202,368</u>	<u>-</u>	<u>15,778,705</u>	<u>488,768</u>	<u>418,067</u>	<u>27,887,908</u>
Fund balance:						
Nonspendable	988,077	-	-	-	-	988,077
Restricted	-	2,709,218	2,955,597	-	2,877,981	8,542,796
Committed	-	-	-	-	3,411,008	3,411,008
Assigned	268,720	-	-	-	459,810	728,530
Unassigned	17,381,625	-	-	[169,674]	-	17,211,951
Total fund balance [deficit]	<u>18,638,422</u>	<u>2,709,218</u>	<u>2,955,597</u>	<u>[169,674]</u>	<u>6,748,799</u>	<u>30,882,362</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 29,840,790</u>	<u>\$ 2,709,218</u>	<u>\$ 18,734,302</u>	<u>\$ 319,094</u>	<u>\$ 7,166,866</u>	<u>\$ 58,770,270</u>

CITY OF SHAWNEE, KANSAS

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES

December 31, 2012

Total Governmental Fund Balances \$ 30,882,362

Amounts reported for governmental activities in the statement of net position are different because

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	21,394,998	
Historical building	899,000	
Construction in progress	7,398,307	
Infrastructure	1,066,696,051	
Buildings and improvements	46,794,095	
Vehicles and equipment	<u>13,482,336</u>	
	1,156,664,787	
Accumulated depreciation	<u>460,480,077</u>	696,184,710

Long-term liabilities, including bonds payable, are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position as follows:

General obligation bonds payable	75,236,974	
Revolving loans payable	102,979	
Bond issuance costs, net of amortization	[1,096,363]	
Capital leases payable	1,853,118	
Interest payable	<u>213,144</u>	[76,309,852]

Long-term assets are not available to pay for current period expenditures and are therefore deferred in the fund statements.

Special assessments		9,770,758
Net pension asset		661,243

The City's employee leave balances and net other post employment benefits 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.

Net other post employment benefits		[1,639,367]
Compensated absences		<u>[6,794,641]</u>

Net Position of Governmental Activities \$ 652,755,213

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2012

	General	Parks and Pipes	Debt Service	Capital Projects	Other Governmental Funds	Total
Revenues						
Taxes and special assessments	\$ 33,859,350	\$ 1,202,131	\$ 8,618,559	\$ -	\$ 4,165,462	\$ 47,845,502
Intergovernmental	43,240	-	-	2,397,356	1,671,931	4,112,527
Licenses and permits	791,092	-	-	-	100,906	891,998
Charges for services	1,786,422	-	-	-	28,320	1,814,742
Fines and forfeitures	1,218,300	-	-	-	1,003,600	2,221,900
Use of money and property	97,717	5,504	23,139	1,182	20,360	147,902
Miscellaneous	301,400	-	-	40,000	137,091	478,491
Total revenues	38,097,521	1,207,635	8,641,698	2,438,538	7,127,670	57,513,062
Expenditures						
Current:						
General government	5,293,455	-	-	-	40,355	5,333,810
Community development	1,718,505	-	-	-	544,042	2,262,547
Public works	4,525,426	-	-	-	2,834,432	7,359,858
Public safety	18,989,670	-	-	-	801,724	19,791,394
Culture and recreation	3,829,035	-	-	-	13,119	3,842,154
Human resources	-	-	-	-	221,135	221,135
Capital outlay	-	-	-	5,612,658	219,864	5,832,522
Debt service:						
Principal retirements	-	-	19,582,767	89,271	663,791	20,335,829
Interest and other charges	-	-	2,857,852	267	823,966	3,682,085
Total expenditures	34,356,091	-	22,440,619	5,702,196	6,162,428	68,661,334
Excess [deficiency] of revenues over [under] expenditures	<u>3,741,430</u>	<u>1,207,635</u>	<u>[13,798,921]</u>	<u>[3,263,658]</u>	<u>965,242</u>	<u>[11,148,272]</u>
Other financing sources [uses]						
Transfers in	119,600	-	4,415,020	2,565,637	3,044,064	10,144,321
Transfers [out]	[6,014,900]	[751,747]	-	-	[3,377,674]	[10,144,321]
Revolving loan	-	-	-	7,643	-	7,643
Bond premium	-	-	743,484	-	-	743,484
Issuance of bonds	-	-	10,750,000	-	-	10,750,000
Total other financing sources [uses]	[5,895,300]	[751,747]	15,908,504	2,573,280	[333,610]	11,501,127
Net change in fund balances	[2,153,870]	455,888	2,109,583	[690,378]	631,632	352,855
Fund balances, beginning	<u>20,792,292</u>	<u>2,253,330</u>	<u>846,014</u>	<u>520,704</u>	<u>6,117,167</u>	<u>30,529,507</u>
Fund balances, ending	<u>\$ 18,638,422</u>	<u>\$ 2,709,218</u>	<u>\$ 2,955,597</u>	<u>\$ [169,674]</u>	<u>\$ 6,748,799</u>	<u>\$ 30,882,362</u>

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, 2012

Total Net Change In Fund Balances - Governmental Funds \$ 352,855

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	6,696,778	
Loss on disposal	[28,395]	
Depreciation expense	<u>[22,672,276]</u>	[16,003,893]

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.

80,265

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		93,724
Net other post employment benefits		[405,827]
Change in net pension assets		6,285

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

Change in intergovernmental revenues		[1,231,361]
--------------------------------------	--	-------------

Bond issuance costs are recorded as expenditures in the fund financial statements. However, for the statement of net position, these costs are shown as assets and amortized over the life of the bonds.

[4,361]

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.

9,278,629

Changes In Net Position of Governmental Activities

\$ [7,833,684]

CITY OF SHAWNEE, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
GENERAL FUND
For the Year Ended December 31, 2012

	GAAP	Adjustments	Budgetary	Budgeted Amounts		Variance
	Basis Actual		Basis Actual	Original	Final	Positive [Negative]
Revenues						
Taxes						
Ad valorem property tax	\$ 10,262,307	\$ -	\$ 10,262,307	\$ 10,135,300	\$ 10,135,300	\$ 127,007
Back tax property collections	237,686	-	237,686	180,400	180,400	57,286
Motor vehicle tax	1,212,556	-	1,212,556	1,145,300	1,145,300	67,256
Sales tax - county	7,563,353	-	7,563,353	6,756,200	6,756,200	807,153
Sales tax - city	9,617,057	-	9,617,057	9,238,400	9,238,400	378,657
Liquor tax	230,284	-	230,284	235,200	235,200	[4,916]
Utility franchise tax	4,736,107	-	4,736,107	4,740,600	4,740,600	[4,493]
Total taxes	33,859,350	-	33,859,350	32,431,400	32,431,400	1,427,950
Intergovernmental	43,240	-	43,240	-	-	43,240
Licenses and permits						
Occupational licenses	372,635	-	372,635	353,500	353,500	19,135
Building permits	329,348	-	329,348	151,500	151,500	177,848
Dog and cat tags	1,760	-	1,760	600	600	1,160
Other	87,349	-	87,349	81,300	81,300	6,049
Total licenses and permits	791,092	-	791,092	586,900	586,900	204,192
Charges for services						
Swimming pool admissions	487,103	-	487,103	499,607	499,607	[12,504]
Swimming pool concessions	85,310	-	85,310	78,780	78,780	6,530
Fees	1,214,009	-	1,214,009	923,997	923,997	290,012
Total charges for services	1,786,422	-	1,786,422	1,502,384	1,502,384	284,038
Fines and forfeitures						
Court fines	1,218,300	-	1,218,300	1,444,300	1,444,300	[226,000]
Investment earnings						
Miscellaneous revenue	301,400	-	301,400	343,000	343,000	[41,600]
Total revenues	38,097,521	-	38,097,521	36,658,384	36,658,384	1,439,137
Expenditures						
General Government						
City Council:						
Personal services	106,000	-	106,000	113,700	113,700	7,700
Contractual services	107,747	-	107,747	106,000	106,000	[1,747]
Commodities	8,511	-	8,511	10,800	10,800	2,289
	<u>222,258</u>	<u>-</u>	<u>222,258</u>	<u>230,500</u>	<u>230,500</u>	<u>8,242</u>
City Manager:						
Personal services	367,052	-	367,052	334,900	334,900	[32,152]
Contractual services	59,812	-	59,812	26,400	26,400	[33,412]
Commodities	1,489	-	1,489	1,900	1,900	411
	<u>428,353</u>	<u>-</u>	<u>428,353</u>	<u>363,200</u>	<u>363,200</u>	<u>[65,153]</u>
City Clerk:						
Personal services	424,754	-	424,754	449,000	449,000	24,246
Contractual services	204,343	-	204,343	216,000	216,000	11,657
Commodities	9,416	-	9,416	4,300	4,300	[5,116]
	<u>638,513</u>	<u>-</u>	<u>638,513</u>	<u>669,300</u>	<u>669,300</u>	<u>30,787</u>
Finance:						
Personal services	385,900	-	385,900	430,400	430,400	44,500
Contractual services	112,870	-	112,870	115,100	115,100	2,230
Commodities	28,003	-	28,003	72,500	72,500	44,497
	<u>526,773</u>	<u>-</u>	<u>526,773</u>	<u>618,000</u>	<u>618,000</u>	<u>91,227</u>
General overhead:						
Contractual services	220,944	-	220,944	304,500	304,500	83,556
Commodities	13,232	-	13,232	9,100	9,100	[4,132]
Refunds	15,480	-	15,480	23,500	23,500	8,020
Capital outlay	8,193	-	8,193	-	-	[8,193]
	<u>257,849</u>	<u>-</u>	<u>257,849</u>	<u>337,100</u>	<u>337,100</u>	<u>79,251</u>

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 BALANCE - ACTUAL AND BUDGET - CONTINUED
GENERAL FUND

For the Year Ended December 31, 2012

	GAAP	Adjustments	Budgetary	Budgeted Amounts		Variance
	Basis Actual		Basis Actual	Original	Final	Positive [Negative]
Expenditures, continued						
Legal:						
Personal services	\$ 192,375	\$ -	\$ 192,375	\$ 195,400	\$ 195,400	\$ 3,025
Contractual services	369,902	-	369,902	353,800	353,800	[16,102]
Commodities	1,932	-	1,932	2,300	2,300	368
	<u>564,209</u>	<u>-</u>	<u>564,209</u>	<u>551,500</u>	<u>551,500</u>	<u>[12,709]</u>
Human resources:						
Personal services	233,037	-	233,037	246,100	246,100	13,063
Contractual services	155,864	72,500	228,364	170,500	170,500	[57,864]
Commodities	23,496	-	23,496	28,700	28,700	5,204
	<u>412,397</u>	<u>72,500</u>	<u>484,897</u>	<u>445,300</u>	<u>445,300</u>	<u>[39,597]</u>
Information technology:						
Personal services	1,041,453	-	1,041,453	974,400	974,400	[67,053]
Contractual services	588,109	[15,721]	572,388	543,800	543,800	[28,588]
Commodities	53,003	-	53,003	55,000	55,000	1,997
Capital outlay	97,031	7,565	104,596	138,000	138,000	33,404
	<u>1,779,596</u>	<u>[8,156]</u>	<u>1,771,440</u>	<u>1,711,200</u>	<u>1,711,200</u>	<u>[60,240]</u>
Municipal court:						
Personal services	389,193	-	389,193	410,400	410,400	21,207
Contractual services	56,670	-	56,670	57,200	57,200	530
Commodities	17,644	113,000	130,644	18,300	18,300	[112,344]
	<u>463,507</u>	<u>113,000</u>	<u>576,507</u>	<u>485,900</u>	<u>485,900</u>	<u>[90,607]</u>
Total general government	<u>5,293,455</u>	<u>177,344</u>	<u>5,470,799</u>	<u>5,412,000</u>	<u>5,412,000</u>	<u>[58,799]</u>
Development Services:						
Personal services	1,008,274	-	1,008,274	1,036,100	1,036,100	27,826
Contractual services	69,058	[4,480]	64,578	137,300	137,300	72,722
Commodities	14,675	-	14,675	21,700	21,700	7,025
	<u>1,092,007</u>	<u>[4,480]</u>	<u>1,087,527</u>	<u>1,195,100</u>	<u>1,195,100</u>	<u>107,573</u>
Planning:						
Personal services	515,510	-	515,510	487,100	487,100	[28,410]
Contractual services	107,055	-	107,055	128,000	128,000	20,945
Commodities	3,933	-	3,933	7,200	7,200	3,267
	<u>626,498</u>	<u>-</u>	<u>626,498</u>	<u>622,300</u>	<u>622,300</u>	<u>[4,198]</u>
Total community development	<u>1,718,505</u>	<u>[4,480]</u>	<u>1,714,025</u>	<u>1,817,400</u>	<u>1,817,400</u>	<u>103,375</u>
Public works						
Street maintenance:						
Personal services	1,772,995	-	1,772,995	1,941,100	1,941,100	168,105
Contractual services	1,793,438	[58,755]	1,734,683	1,739,000	1,739,000	4,317
Commodities	361,513	-	361,513	872,900	872,900	511,387
Capital outlay	250,277	[42,680]	207,597	350,000	350,000	142,403
	<u>4,178,223</u>	<u>[101,435]</u>	<u>4,076,788</u>	<u>4,903,000</u>	<u>4,903,000</u>	<u>826,212</u>
Fleet management:						
Personal services	269,498	-	269,498	290,000	290,000	20,502
Contractual services	42,023	-	42,023	95,400	95,400	53,377
Commodities	24,071	-	24,071	51,400	51,400	27,329
Capital outlay	11,611	9,489	21,100	-	-	[21,100]
	<u>347,203</u>	<u>9,489</u>	<u>356,692</u>	<u>436,800</u>	<u>436,800</u>	<u>80,108</u>
Total fleet management	<u>4,525,426</u>	<u>[91,946]</u>	<u>4,433,480</u>	<u>5,339,800</u>	<u>5,339,800</u>	<u>906,320</u>
Public safety						
Police:						
Personal services	10,132,930	-	10,132,930	10,100,800	10,100,800	[32,130]
Contractual services	1,047,760	-	1,047,760	1,139,200	1,139,200	91,440
Commodities	613,259	38,226	651,485	838,300	838,300	186,815
Capital outlay	57,184	-	57,184	-	-	[57,184]
	<u>11,851,133</u>	<u>38,226</u>	<u>11,889,359</u>	<u>12,078,300</u>	<u>12,078,300</u>	<u>188,941</u>
Fire:						
Personal services	5,854,583	-	5,854,583	5,819,500	5,819,500	[35,083]
Contractual services	385,965	-	385,965	482,300	482,300	96,335
Commodities	145,110	-	145,110	116,700	116,700	[28,410]
	<u>6,385,658</u>	<u>-</u>	<u>6,385,658</u>	<u>6,418,500</u>	<u>6,418,500</u>	<u>32,842</u>

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 BALANCE - ACTUAL AND BUDGET - CONTINUED
GENERAL FUND

For the Year Ended December 31, 2012

	GAAP Basis		Budgetary Basis Actual	Budgeted Amounts		Variance Positive [Negative]
	Actual	Adjustments		Original	Final	
Expenditures, continued						
Codes administration:						
Personal services	\$ 652,628	\$ -	\$ 652,628	\$ 639,200	\$ 639,200	\$ [13,428]
Contractual services	92,158	-	92,158	112,600	112,600	20,442
Commodities	8,093	-	8,093	15,900	15,900	7,807
	<u>752,879</u>	<u>-</u>	<u>752,879</u>	<u>767,700</u>	<u>767,700</u>	<u>14,821</u>
Total public safety	<u>18,989,670</u>	<u>38,226</u>	<u>19,027,896</u>	<u>19,264,500</u>	<u>19,264,500</u>	<u>236,604</u>
Culture and recreation						
Parks maintenance:						
Personal services	659,645	-	659,645	665,800	665,800	6,155
Contractual services	750,048	-	750,048	686,400	686,400	[63,648]
Commodities	57,995	-	57,995	48,600	48,600	[9,395]
	<u>1,467,688</u>	<u>-</u>	<u>1,467,688</u>	<u>1,400,800</u>	<u>1,400,800</u>	<u>[66,888]</u>
Pools:						
Personal services	833,538	-	833,538	871,600	871,600	38,062
Contractual services	296,430	-	296,430	289,900	289,900	[6,530]
Commodities	72,158	-	72,158	99,600	99,600	27,442
	<u>1,202,126</u>	<u>-</u>	<u>1,202,126</u>	<u>1,261,100</u>	<u>1,261,100</u>	<u>58,974</u>
Civic Center:						
Personal services	171,662	-	171,662	203,200	203,200	31,538
Contractual services	204,947	-	204,947	199,800	199,800	[5,147]
Commodities	7,516	-	7,516	11,100	11,100	3,584
	<u>384,125</u>	<u>-</u>	<u>384,125</u>	<u>414,100</u>	<u>414,100</u>	<u>29,975</u>
Recreation and human services:						
Personal services	63,939	-	63,939	64,600	64,600	661
Contractual services	157,438	-	157,438	151,500	151,500	[5,938]
Commodities	21,224	-	21,224	26,700	26,700	5,476
	<u>242,601</u>	<u>-</u>	<u>242,601</u>	<u>242,800</u>	<u>242,800</u>	<u>199</u>
Old Shawnee Town:						
Personal services	333,578	-	333,578	331,800	331,800	[1,778]
Contractual services	180,140	-	180,140	153,100	153,100	[27,040]
Commodities	11,467	[583]	10,884	13,500	13,500	2,616
Capital outlay	7,310	-	7,310	-	-	[7,310]
	<u>532,495</u>	<u>[583]</u>	<u>531,912</u>	<u>498,400</u>	<u>498,400</u>	<u>[33,512]</u>
Total culture and recreation	<u>3,829,035</u>	<u>[583]</u>	<u>3,828,452</u>	<u>3,817,200</u>	<u>3,817,200</u>	<u>[11,252]</u>
Contingency	-	-	-	16,046,119	16,046,119	16,046,119
Total expenditures	<u>34,356,091</u>	<u>118,561</u>	<u>34,474,652</u>	<u>51,697,019</u>	<u>51,697,019</u>	<u>17,222,367</u>
Excess [deficiency] of revenues over [under] expenditures	<u>3,741,430</u>	<u>[118,561]</u>	<u>3,622,869</u>	<u>[15,038,635]</u>	<u>[15,038,635]</u>	<u>18,661,504</u>
Other financing sources [uses]						
Transfers in	119,600	-	119,600	119,600	119,600	-
Transfers [out]	[6,014,900]	-	[6,014,900]	[1,831,600]	[1,831,600]	[4,183,300]
Total other financing sources [uses]	<u>[5,895,300]</u>	<u>-</u>	<u>[5,895,300]</u>	<u>[1,712,000]</u>	<u>[1,712,000]</u>	<u>[4,183,300]</u>
Net change in fund balance	[2,153,870]	[118,561]	[2,272,431]	\$ [16,750,635]	\$ [16,750,635]	\$ 14,478,204
Fund balance, beginning	<u>20,792,292</u>	<u>[1,138,236]</u>	<u>19,654,056</u>			
Fund balance, ending	<u>\$ 18,638,422</u>	<u>\$ [1,256,797]</u>	<u>\$ 17,381,625</u>			

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 BALANCE - ACTUAL AND BUDGET
 PARKS AND PIPES FUND
 For the Year Ended December 31, 2012

	GAAP	Adjustments	Budgetary	Budgeted Amounts		Variance
	Basis		Basis	Original	Final	Positive
	Actual		Actual			[Negative]
Revenues						
Taxes	\$ 1,202,131	\$ -	\$ 1,202,131	\$ 1,154,804	\$ 1,154,804	\$ 47,327
Use of money and property	5,504	-	5,504	13,700	13,700	[8,196]
Total revenues	<u>1,207,635</u>	<u>-</u>	<u>1,207,635</u>	<u>1,168,504</u>	<u>1,168,504</u>	<u>39,131</u>
Expenditures						
Culture and recreation	-	-	-	2,095,331	2,095,331	2,095,331
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,095,331</u>	<u>2,095,331</u>	<u>2,095,331</u>
Excess [deficiency] of revenues over [under] expenditures	<u>1,207,635</u>	<u>-</u>	<u>1,207,635</u>	<u>[926,827]</u>	<u>[926,827]</u>	<u>2,134,462</u>
Other financing sources [uses]						
Transfers [out]	<u>[751,747]</u>	<u>-</u>	<u>[751,747]</u>	<u>-</u>	<u>-</u>	<u>[751,747]</u>
Total other financing sources [uses]	<u>[751,747]</u>	<u>-</u>	<u>[751,747]</u>	<u>-</u>	<u>-</u>	<u>[751,747]</u>
Net change in fund balance	455,888	-	455,888	<u>\$ [926,827]</u>	<u>\$ [926,827]</u>	<u>\$1,382,715</u>
Fund balance, beginning	<u>2,253,330</u>	<u>-</u>	<u>2,253,330</u>			
Fund balance, ending	<u>\$ 2,709,218</u>	<u>\$ -</u>	<u>\$ 2,709,218</u>			

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, 2012

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
Assets		
Cash	\$ -	\$ 94,299
Restricted cash	<u>17,675</u>	<u>-</u>
Restricted investments, at fair value		
U.S. government/agency obligations	3,170,360	-
Domestic stocks	6,603,020	-
Real estate investment trusts	<u>1,000,758</u>	<u>-</u>
Total restricted investments	<u>10,774,138</u>	<u>-</u>
Due from other funds	<u>-</u>	<u>-</u>
Due from others	<u>9,901</u>	<u>-</u>
Total assets	<u>\$ 10,801,714</u>	<u>\$ 94,299</u>
Liabilities		
Due to others	\$ -	\$ 94,299
Due to other funds	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ -</u>	<u>\$ 94,299</u>
Net position		
Held in trust for pension benefits	<u>\$ 10,801,714</u>	<u>\$ -</u>
Total net position	<u>\$ 10,801,714</u>	<u>\$ -</u>

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

CITY OF SHAWNEE, KANSAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year Ended December 31, 2012

	Pension Trust Funds
Additions:	
Contributions:	
Employer	\$ 697,733
Total contributions	<u>697,733</u>
Investment Earnings:	
Interest and dividends on investments	445,123
Net increase/decrease in the fair value of investments	<u>837,734</u>
Total investment earnings	<u>1,282,857</u>
Total additions	<u>1,980,590</u>
Deductions:	
Benefits	253,598
Plan management fees	<u>43,849</u>
Total deductions	<u>297,447</u>
Changes in net position	1,683,143
Net position - beginning	<u>9,118,571</u>
Net position - ending	<u>\$ 10,801,714</u>

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

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. 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, 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. For the most part, the effect of interfund activity has been removed from these statements. The statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Under 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.

Under Kansas State Statutes, property taxes levied during any year are considered revenues to be used to finance the budget of the ensuing year. Therefore, property taxes levied during the current year are reported as unearned revenue on the statement of net position.

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 or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported instead as general revenues.

Program revenues reported on the statement of activities include charges for services, operational and capital grants. Program revenues are netted with program expenses to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expense. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expense.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Fund financial statements for the City's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in aggregate.

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.

Property, sales, and utility franchise taxes are all considered susceptible to accrual and have been recognized as revenues of the current fiscal period. Other major revenues susceptible to accrual include interest on investments and intergovernmental revenue. Licenses and permits, fines, and recreational fees are not susceptible to accrual because they generally are not measurable until received in cash.

Property taxes levied during any year are, under Kansas State Statutes, revenues to be used to finance the budget of the ensuing year. Therefore, property taxes are recognized in the fund financial statements as taxes receivable and deferred revenue at the levy date.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. Also, amounts paid to reduce long-term indebtedness are reported as fund expenditures.

The financial statements for the pension trust funds are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each 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 each plan.

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 *Parks and Pipes Fund* accounts for the proceeds from a 1/8 cent sales tax to be used for storm drainage and park improvements.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The *Debt Service Fund* is used to account for the payment of principal and interest on all general obligation debt.

The City's *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:

Pension Trust Fund, which reports the Employee Supplemental Retirement Plan.

Agency funds are custodial in nature and do not measure results of operations or have a measurement focus. Agency funds do, however, use the accrual basis of accounting. The following activities are accounted for in the agency funds:

The *Mayor's Christmas Tree Fund* is used to account for the amounts collected for the City Christmas tree.

The *Recycling Fund* is used to account for the amounts collected for recycling.

The *Clearing Fund* is used to account for the payroll clearing transactions.

The *Cafeteria Plan Fund* is used to account for monies collected for employee cafeteria plan contributions.

The *Municipal Court Bond Fund* is used to account for amounts collected for court bonds.

C. Assets, Liabilities, Fund Balance, and Net Position

1. 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 (including restricted assets).

Investments for the City are reported at fair value. The value of marketable securities is based on quotations which are generally obtained from the National Securities Exchanges. Where marketable securities are not listed on an exchange, quotations are obtained from brokerage firms.

2. 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.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Fund Balance, and Net Position (Continued)

2. Receivables and Payables (Continued)

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

Kansas statutes require projects financed in part by special assessments to be paid in installments must 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 are 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.

3. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Capital assets are not included in the governmental fund financial statements, but are allocated to governmental activities in the government wide statements. Capital assets include items such as land, buildings and equipment as well as infrastructure assets (road, bridges, sidewalks, etc.).

The City has identified certain historical buildings related to Old Shawnee Town 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 assets used for governmental-type activities as indicated in the table shown below.

Infrastructure and other capital assets are depreciated using straight line method 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

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Fund Balance, and Net Position (Continued)

4. Compensated Absences

Full time employees shall use 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 500 hours for full time non-firefighter employee, 250 hours for regular part-time employees and 698 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 one percent increments per completed year of service. The City's compensated absence liability is normally liquidated in the General Fund.

5. Interfund Activity

The City eliminates the effect of interfund activity in the government-wide financial statements to prevent any double counting of activity. The City has the following types of interfund activity:

Loans - amounts provided with a requirement of repayment. Interfund loans are reported as interfund receivables (i.e., due from other funds) in lender funds and interfund payables (i.e. due to other funds) in borrower funds.

Services provided and used - sales and purchases of goods and services between funds for a price approximating their fair value. Interfund services provided and used are reported as revenues in funds providing the good or service and expenditures or expenses in the fund purchasing the good or service. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

Reimbursements - repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers - flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In government funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

6. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Fund Balance, and Net Position (Continued)

6. 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item that qualifies for reporting in this category. Accordingly, the item, unavailable revenue for special assessments, is reported only in the governmental funds balance sheet. The government funds report unavailable revenues from two sources: property taxes and special assessments. The government-wide statements of net position report only the unavailable revenue for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. 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. The formal action of the city council would be in the form of an ordinance or resolution. Assigned fund balances include amounts that are constrained by the City management's, through department heads or the city manager, intent to be used for specific purposes, but are neither restricted nor committed. The authority for management to assign fund balance is done through the City's Purchasing Manual. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available restricted amounts is considered to be spent first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned and unassigned.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Fund Balance, and Net Position (Continued)

7. Fund Balances (Continued)

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

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds
	General	Parks and Pipes	Debt Service	Capital Projects		
Fund Balances:						
Nonspendable for:						
Inventory	\$ 988,077	\$ -	\$ -	\$ -	\$ -	\$ 988,077
Restricted for:						
Public safety	-	-	-	-	1,659,308	1,659,308
Public works	-	2,709,218	-	-	610,366	3,319,584
Culture and recreation	-	-	-	-	103,599	103,599
Human resources	-	-	-	-	426,826	426,826
Community development	-	-	-	-	77,882	77,882
Debt payments	-	-	2,955,597	-	-	2,955,597
Committed for:						
Culture and recreation	-	-	-	-	185,467	185,467
Cemetery	-	-	-	-	77,886	77,886
Public works	-	-	-	-	2,070,828	2,070,828
Community development	-	-	-	-	760,115	760,115
Equipment improvements	-	-	-	-	316,712	316,712
Assigned for:						
Capital improvements	-	-	-	-	154,352	154,352
Information technology	7,565	-	-	-	-	7,565
Public works	33,929	-	-	-	280,111	314,040
Economic development	3,500	-	-	-	-	3,500
Public safety	38,226	-	-	-	25,347	63,573
Human resources	72,500	-	-	-	-	72,500
Municipal court system	113,000	-	-	-	-	113,000
Unassigned:	17,381,625	-	-	[169,674]	-	17,211,951
Total Fund Balances	\$ 18,638,422	\$ 2,709,218	\$ 2,955,597	\$ [169,674]	\$ 6,748,799	\$ 30,882,362

8. Net Position

In the government-wide financial statements, equity is displayed in three components as follows:

Invested in Capital Assets, Net of Related Debt - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Restricted net position includes \$12,939,499 for debt service and \$5,811,271 for enabling legislation.

Unrestricted - This consists of net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Fund Balance, and Net Position (Continued)

9. Use of Estimates

The preparation of the basic financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

10. Reclassification of Account Balances

Certain line items have been reclassified to conform to the presentation of the financial statements in the current year. This principally consisted of capital grants reclassified as operating grants, as well as other operating and capital grants reclassified into different functions from the prior year. These reclassifications had no net effect on the City's net position or changes there in for the current year.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue 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 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2012 budget was amended for the following funds:

<u>Fund</u>	<u>Original Budget Amount</u>	<u>Amended Budget Amount</u>
Special Parks and Recreation Fund	\$ 389,473	\$ 414,100
Stormwater Utility	3,089,705	3,653,175
Equipment Reserve	453,200	1,073,660

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.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Budgetary Information (Continued)

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). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and 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 CDBG Grant 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.

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). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds
	General	Parks and Pipes	Debt Service	Capital Projects		
GAAP FUND BALANCE December 31, 2012	<u>\$ 18,638,422</u>	<u>\$ 2,709,218</u>	<u>\$ 2,955,597</u>	<u>\$ [169,674]</u>	<u>\$ 6,748,799</u>	<u>\$ 30,882,362</u>
Adjustments:						
Fund balances not subject to the Kansas Budget Law:						
Capital Project Fund	-	-	-	169,674	-	169,674
CID/TIF/TDD Fund	-	-	-	-	[3,210]	[3,210]
Inventory	[988,077]	-	-	-	-	[988,077]
Encumbrances	[268,720]	-	-	-	[459,810]	[728,530]
Total deductions	<u>[1,256,797]</u>	<u>-</u>	<u>-</u>	<u>169,674</u>	<u>[463,020]</u>	<u>[1,550,143]</u>
BUDGETARY FUND BALANCE December 31, 2012	<u>\$ 17,381,625</u>	<u>\$ 2,709,218</u>	<u>\$ 2,955,597</u>	<u>\$ -</u>	<u>\$ 6,285,779</u>	<u>\$ 29,332,219</u>

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

At December 31, 2012, the City has the following deposits and investments:

	Governmental <u>Activities</u>	Fiduciary <u>Funds</u>	<u>Total</u>
Deposits	\$ 26,769,777	\$ 111,974	\$ 26,881,751
Investments Recorded at Fair Value			
Bond mutual funds	-	3,170,360	3,170,360
Stock mutual funds	-	6,603,020	6,603,020
Real estate investment trusts	-	<u>1,000,758</u>	<u>1,000,758</u>
Total investments	<u>-</u>	<u>10,774,138</u>	<u>10,774,138</u>
Total cash and investments	<u>\$ 26,769,777</u>	<u>\$ 10,886,112</u>	<u>\$ 37,655,889</u>

The City's deposits and investments are generally segregated into two parts: City-wide deposits and investments and Supplemental Pension deposits and investments. Below is a description of the policies associated with these categories of deposits and investments.

City-wide Deposits and Investments

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

Various City investments are considered to be idle funds by management and are invested according to K.S.A. 12-1675. The statute requires that the City invest its idle funds in only temporary notes of the City, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds: U.S. Treasury bills or notes or the 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 US 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 Standard and Poor's corporation, and various other investments as specified in K.S.A. 10-131.

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City has elected to use the segmented time distribution method of disclosure for its investments.

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

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Custodial Credit Risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City's policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name. At December 31, 2012, the City's deposits were insured by Federal depository insurance and uninsured deposits were fully collateralized in accordance with the City's policy.

Concentration of Credit Risk. The City places no limit on the amount it may invest in any one issuer.

Supplemental Pension Plan Deposits and Investments

The investments of the Supplemental Pension (the Plan) are held separately from those of other City funds and are generally not restricted as to type.

Benefit Trust Company (the Custodian) and Investment Manager(s) 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 Plan's investment policy permits investments in domestic fixed income securities, domestic equity securities, and international equities. 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.

Interest Rate Risk. Interest rate risk is the risk associated with a portfolio's sensitivity to changes in interest rates. The Plan has no specific policy regarding interest rate risk. The Plan has elected to use the segmented time distribution method of disclosure for its bond mutual funds. The following table summarizes these investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>
Bond mutual funds	\$ 3,170,360	\$ -	\$ 3,170,360	\$ -

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

The following table summarizes the Plan investments subject to credit risk:

<u>Fund Name</u>	<u>Credit Rating</u>
Allianz NFJ	Not Rated
Vanguard Group Primecap Core	Not Rated
Harbor Funds International	Not Rated
Lazard Emerging Markets	Not Rated
Vanguard Group REIT Index	Not Rated

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Custodial Credit Risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the 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 Plan's deposits were fully insured by Federal depository insurance. Custodial credit risk also applies to investment securities. At December 31, 2012 the Plan's investments consisted entirely of open-ended mutual funds or money markets and, accordingly, the Plan had no investment securities subject to custodial credit risk.

Concentration of Credit Risk. The Plan places no limit on the amount the Plan may invest in any one issuer. At December 31, 2012, the Plan's investments in debt securities were entirely in open-ended mutual funds or money markets and, accordingly, disclosures related to the concentration of credit risks were not applicable.

B. Special Assessments Receivable and Due From Other Governments

The amortized annual outstanding special assessments receivable at December 31, 2012 is as follows:

Budget Year	Tax Year	Principal Portion	Interest Portion	Total
2013	2012	\$ 1,323,197	\$ 300,325	\$ 1,623,522
2014	2013	1,099,206	251,362	1,350,568
2015	2014	1,134,369	211,607	1,345,976
2016	2015	1,175,308	170,626	1,345,934
2017	2016	1,217,809	128,124	1,345,933
Thereafter		<u>2,603,749</u>	<u>155,076</u>	<u>2,758,825</u>
		<u>\$ 8,553,638</u>	<u>\$ 1,217,120</u>	<u>\$ 9,770,758</u>

Due from other governments as of December 31, 2012 for the City's major and nonmajor funds are as follows:

General	Parks and Pipes	Capital Projects	Other Governmental Funds	Total
<u>\$ 3,082,349</u>	<u>\$ 211,798</u>	<u>\$ 319,094</u>	<u>\$ 289,204</u>	<u>\$ 3,902,445</u>

The Due from other government amounts above include \$3,482,075 of sales tax, \$74,196 of transient guest tax and \$346,174 from miscellaneous sources.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 21,382,963	\$ -	\$ 14,535	\$ 2,500	\$ 21,394,998
Historical buildings	899,000	-	-	-	899,000
Construction in progress	2,864,329	-	4,533,978	-	7,398,307
Total capital assets not being depreciated	<u>25,146,292</u>	<u>-</u>	<u>4,548,513</u>	<u>2,500</u>	<u>29,692,305</u>
Capital assets being depreciated:					
Buildings	36,416,541	319,542	-	-	36,736,083
Land improvements	10,330,554	-	-	-	10,330,554
Motor vehicles	8,959,559	-	1,177,084	586,158	9,550,485
Operating equipment	3,260,909	-	27,196	137,880	3,150,225
Communications equipment	954,965	-	-	-	954,965
Office equipment	1,467,388	-	-	93,711	1,373,677
Infrastructure	1,064,252,050	[319,542]	943,985	-	1,064,876,493
Total capital assets being depreciated	<u>1,125,641,966</u>	<u>-</u>	<u>2,148,265</u>	<u>817,749</u>	<u>1,126,972,482</u>
Less accumulated depreciation for:					
Buildings	9,146,827	5,326	741,873	-	9,894,026
Land improvements	2,446,672	-	284,354	-	2,731,026
Motor vehicles	5,625,460	-	688,405	562,263	5,751,602
Operating equipment	2,184,346	-	220,041	135,880	2,268,507
Communications equipment	92,867	-	61,282	-	154,149
Office equipment	1,303,826	-	45,913	93,711	1,256,028
Infrastructure	417,799,658	[5,326]	20,630,408	-	438,424,740
Total accumulated depreciation	<u>438,599,656</u>	<u>-</u>	<u>22,672,275</u>	<u>791,854</u>	<u>460,480,077</u>
Total capital assets being depreciated, net	<u>687,042,310</u>	<u>-</u>	<u>[20,524,010]</u>	<u>25,895</u>	<u>666,492,405</u>
Governmental activities capital assets, net	<u>\$ 712,188,602</u>	<u>\$ -</u>	<u>\$ [15,975,497]</u>	<u>\$ 28,395</u>	<u>\$ 696,184,710</u>

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

Governmental Activities:	
General Government	\$ 52,951
Public Works	20,713,913
Public Safety	1,179,273
Culture and Recreation	<u>726,137</u>
Total	<u>\$ 22,672,275</u>

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers

Transfers

Transfers made between funds during the year ended December 31, 2012 are described below:

	Transfers		Due	
	In	Out	To	From
Major funds:				
General Fund	\$ 119,600	\$ 6,014,900	\$ -	\$ 314,076
Parks and Pipes Fund	-	751,747	-	-
Debt Service Fund	4,415,020	-	-	-
Capital Projects Fund	2,565,637	-	314,076	-
Nonmajor funds:				
Other Governmental Funds	3,044,064	3,377,674	-	-
	<u>\$ 10,144,321</u>	<u>\$ 10,144,321</u>	<u>\$ 314,076</u>	<u>\$ 314,076</u>

Transfers from the Capital Projects Fund to the General Fund and the Debt Service Fund were made to reimburse these funds for amounts borrowed in anticipation of permanent financing or because certain projects were closed during 2012 and residual balances were returned for use in debt service payments. The due to/from is an interfund loan payable within one year.

E. Long-Term Debt

Changes in long-term debt outstanding are as follows:

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012	Current Portion
General Obligation Bonds	\$ 83,160,000	\$ 10,750,000	\$ 20,240,000	\$ 73,670,000	\$ 9,775,000
General Obligation Bonds Discount	[6,839]	-	[685]	[6,154]	[684]
General Obligation Bonds Premium	919,129	743,484	89,485	1,573,128	89,485
General Obligation Bonds, Net	84,072,290	11,493,484	20,328,800	75,236,974	9,863,801
Revolving Loans Payable	191,165	7,643	95,829	102,979	6,829
Capital Leases Payable	2,208,243	-	355,125	1,853,118	367,693
Compensated Absences	6,888,365	1,110,318	1,204,042	6,794,641	971,610
	<u>\$ 93,360,063</u>	<u>\$ 12,611,445</u>	<u>\$ 21,983,796</u>	<u>\$ 83,987,712</u>	<u>\$ 11,209,933</u>

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

At December 31, 2012, outstanding general obligation bonds consist of the following:

<u>General Obligation Bonds</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Original Issue Amount</u>	<u>Balance Outstanding</u>
Series 2003A, General Improvement Bonds	3.00 - 4.35%	08/25/03	12/01/18	\$ 12,160,000	\$ 845,000
Series 2004A, General Improvement Bonds	2.75 - 4.00%	12/07/04	12/01/19	15,825,000	2,165,000
Series 2005A, General Improvement Bonds	3.70 - 3.90%	11/17/05	12/01/20	7,355,000	4,420,000
Series 2006A, General Improvement Bonds	3.50 - 3.85%	12/04/06	12/01/21	7,239,921	4,818,845
Series 2007A, General Improvement Bonds	5%	06/25/07	12/01/27	20,204,782	17,038,347
Series 2008A, General Improvement Bonds	3.00 - 4.25%	09/18/08	12/01/23	7,110,367	4,737,936
Series 2008B, General Improvement Bonds	3.00 - 3.25%	09/18/08	12/01/14	5,873,741	2,767,914
Series 2008C, General Improvement Bonds	3.00 - 3.50%	09/18/08	12/01/16	14,460,155	5,892,578
Series 2009A, General Improvement Bonds	2.00 - 3.10%	09/24/09	12/01/19	1,428,090	1,037,663
Series 2010A, General Improvement Bonds	1.00 - 4.00%	11/18/10	12/01/25	10,612,163	9,065,207
Series 2010B, General Improvement Refunding Bonds	0.75 - 1.80%	11/18/10	12/01/17	5,585,000	5,585,000
Series 2011A, General Improvement Bonds	.45 - 3.45%	08/01/11	12/01/26	5,680,000	5,370,000
Series 2012A, General Improvement Refunding Bonds	2.00 - 3.00%	07/01/12	12/01/19	11,493,484	11,493,484
					<u>\$ 75,236,974</u>

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

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

Year Ended <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 9,863,801	\$ 2,923,569	\$ 12,787,369
2014	9,767,715	2,336,541	12,104,255
2015	9,041,258	1,828,342	10,869,599
2016	8,476,258	1,591,730	10,067,987
2017	7,715,614	1,369,632	9,085,245
2018 - 2022	21,066,582	3,941,100	25,007,682
2023 - 2027	9,305,747	1,204,820	10,510,566
Total	<u>\$ 75,236,974</u>	<u>\$ 15,195,731</u>	<u>\$ 90,432,705</u>

During 2012, the City issued \$10,750,000 in general obligation refunding bonds with interest rates ranging from 2.00 to 3.00% to refund \$4,745,000 of 2003A General Obligation Bonds with interest rates ranging from 3.00 to 4.35%. As a result, a portion of the 2003A bonds are considered to be defeased and the liability for the defeased bonds has been removed from the City's financial statements. The transaction resulted in an economic gain of \$350,197 and a decrease of \$366,831 in future debt payments. The 2012A general obligation refunding bonds were also issued to refund \$6,150,000 of the 2004A General Obligation Bonds with interest rates ranging from 2.75 to 4.00%. As a result, a portion of the 2004A bonds are considered to be defeased and the liability for the defeased bonds has been removed from the City's financial statements. The transaction resulted in an economic loss of \$304,049 and an increase of \$320,488 in future debt payments.

Revolving Loans

The City entered into a loan agreement with the Kansas Department of Health and Environment (KDHE) on November 31, 2009. The interest rate on the loan is 2.35% with a final maturity of March 1, 2031. The total loan amount is \$465,000, of which approximately \$348,750 of principal forgiveness is available through an ARRA clean water state revolving fund program. As of December 31, 2012, \$465,000 of draws had been made on the loan and \$348,750 of principal had been forgiven through the ARRA clean water state revolving fund program. The outstanding balance on the loan as of December 31, 2012 was \$0.

The City has entered into multiple loan agreements with the Kansas Department of Transportation (KDOT). Information regarding each loan is as follows:

<u>Loan</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Original Loan Amount</u>	<u>Balance Currently Outstanding</u>
TR 0095	3.88%	06/08/09	08/01/24	\$ 27,100	\$ 22,857
TR 0097	3.88%	06/08/09	08/01/24	95,000	80,123
Total					<u>\$ 102,979</u>

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Annual debt service requirements through maturity for the revolving loans, for the full proceeds amount are as follows:

Year Ended <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 6,829	\$ 4,253	\$ 11,082
2014	7,111	3,971	11,082
2015	7,405	3,677	11,082
2016	7,710	3,372	11,082
2017	8,029	3,053	11,082
2018 - 2022	45,400	10,009	55,409
2023 - 2024	<u>20,496</u>	<u>1,270</u>	<u>21,766</u>
Total	<u>\$ 102,979</u>	<u>\$ 29,605</u>	<u>\$ 132,585</u>

Capital Lease

The City entered into various capital lease agreements for the acquisition of certain equipment in the amount of \$3,136,552. The annual debt service requirements to service the outstanding capital lease payable at December 31, 2012 are as follows:

Year Ended <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 367,693	\$ 60,296	\$ 427,989
2014	380,717	54,436	435,153
2015	195,421	33,774	229,195
2016	201,675	27,520	229,195
2017	208,139	21,057	229,196
2018 - 2019	<u>499,473</u>	<u>26,499</u>	<u>525,972</u>
Total	<u>\$ 1,853,118</u>	<u>\$ 223,582</u>	<u>\$ 2,076,700</u>

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Legal Debt Margin

Kansas Statutes Annotated 10-308 prescribes that the indebtedness of a city shall be limited to 30% of such city's equalized assessed value of all tangible taxable property within the city, as certified to the County Clerk for the next succeeding year. The equalized assessed tangible valuation for computation of bonded debt limitations is computed by summing the assessed valuation of taxable tangible property and the equalized valuation of motor vehicles.

The legal debt margin computation for the year ended December 31, 2012 is as follows:

Assessed valuation of taxable tangible property	\$ 686,743,405
Equalized valuation of motor vehicles	<u>84,348,157</u>
Equalized assessed tangible valuation for computation of bonded debt limitations	<u>\$ 771,091,562</u>
Legal debt limit (30%)	\$ 231,327,469
Less:	
General obligation bonds	73,670,000
Plus:	
Debt Service Fund fund balance	<u>2,955,597</u>
Legal debt margin	<u>\$ 160,613,066</u>
Percentage of debt capacity used	<u>30.6%</u>

Conduit Debt

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, 2012, there were 33 issues of industrial revenue and multifamily housing bonds outstanding. These issues have an aggregate amount originally issued of approximately \$183 million and an aggregate balance outstanding of approximately \$125 million at December 31, 2012.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

V. OTHER INFORMATION

A. Pension Plans

KPERS and KP&F

The City participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Fireman's Retirement System (KP&F). Both are cost-sharing multiple-employer defined benefit pension plans as provided by Kansas statutes (K.S.A. 74-4901 et seq). KPERS and KP&F provide retirement benefits, life insurance, disability income benefits and death benefits. Kansas law established and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by contacting KPERS (400 S.W. 8th Avenue, Suite 200, Topeka, Kansas, 66603-3925; 1-800-228-0366; or www.kpers.org).

Funding Policy - K.S.A. 74-419 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provision of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates. The employer rate was 8.03% from January 1 to December 31, 2012. The City employer contributions to KPERS for the years ended December 31, 2012, 2011 and 2010 were \$705,247, \$686,740, and \$605,262, respectively, equal to the required contributions for each year.

The KP&F employer rate established for fiscal years beginning in 2012 is 18.37%. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which are determined separately for each participating employer. The City's contributions to KP&F for the years ended December 31, 2012, 2011 and 2010 were \$1,718,315, \$1,465,999 and \$1,337,976, respectively, equal to the retired contributions for each year.

Supplemental Retirement Plan

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 Plan). The 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 Plan provides retirement and death benefits to plan members and beneficiaries. A stand alone financial report is not issued for the Plan. The 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.

Under the Plan, full time employees meeting the eligibility requirement of one year of service may participate in the 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 retirement plan is normally liquidated in the General Fund.

Membership of the Plan consisted of the following at January 1, 2013, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	31
Terminated plan members, entitled to, but not yet receiving benefits	41
Active plan members	<u>256</u>
Total	<u><u>328</u></u>

As of December 31, 2012, the Plan was frozen. Employees with a start date of January 1, 2013, or after will participate in a defined contribution plan.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

V. OTHER INFORMATION (CONTINUED)

A. Pension Plans (Continued)

Under the Plan, participants, upon retirement, are entitled to a monthly benefit, payable for life, equal to one percent of the participant's average monthly compensation multiplied by the number of years of service. The benefit from the 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 Plan, participants are not required to contribute. All contributions to the 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 Plan are financed outside of plan assets.

Contributions to the 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 Plan's consulting actuary using the Individual Entry Age Actuarial Cost Method. Based upon the January 1, 2013 actuarial valuation, the recommended contribution for the year ended December 31, 2012 was \$691,017. The most recent actuarial valuation performed at January 1, 2013 included a recommended contribution for the City of \$619,128 which is approximately 3.89% of covered payroll.

The City's annual pension cost and changes in the City's net pension asset consisted of the following for the year ended December 31, 2012:

Annual required contribution	\$ 691,017
Interest on net pension asset	[49,122]
Adjustment to annual required contribution	<u>49,553</u>
Annual pension cost	<u>\$ 691,448</u>
Contributions made	\$ 697,733
Less annual pension cost	<u>[691,448]</u>
Increase in net pension asset	6,285
Net pension asset at beginning of year	<u>654,958</u>
Net pension asset at end of year	<u>\$ 661,243</u>

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

Year:	Annual Required Contribution (ARC)	Percentage of APC Contributed	Annual Pension Cost	Net Pension Obligation	Net Pension Asset
2010	\$ 734,298	99.3%	\$ 732,667	-	\$ 655,410
2011	637,391	99.9%	637,391	-	654,958
2012	691,017	101.0%	691,448	-	661,243

Funding Status and Funding Progress. As of the year ended December 31, 2012, the most recent actuarial valuation date, the plan was 81% funded. The actuarial accrued liability for benefits was \$13,331,971 and the actuarial value of asset was \$10,801,713, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,530,258.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

V. OTHER INFORMATION (CONTINUED)

A. Pension Plans (Continued)

The covered payroll (annual payroll of active employees covered by the plan) was \$15,905,415, and the ratio of the UAAL to the covered payroll was 15.9%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2013
Actuarial cost method	Individual entry age
Asset valuation method	Market value
Amortization method	Level percent of payroll, closed
Remaining amortization period	15 years
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	2.90%
Inflation assumption	1.10%

B. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of asset; 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.

C. Commitments and Contingencies

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

The City is involved in various lawsuits arising in the ordinary course of business. Management expects a favorable outcome in these matters, except as discussed in the following paragraph. In the event of an unfavorable outcome, the City management believes any potential losses will not have a material impact on the financial position of the City.

In one instance, the City has been made aware of a claim related to a street improvement project. The City is unable to determine the likelihood of an unfavorable outcome or a reasonable range of loss. If the City were to incur a loss related to this claim, it would be considered part of the underlying street improvement project and the City would be able to finance the payment of the claim as part of its normal general obligation bond finance process for capital improvements.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

V. OTHER INFORMATION (CONTINUED)

C. Commitments and Contingencies (Continued)

As discussed in Note II. Budgetary Information, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 268,720
Other Nonmajor Governmental Funds	<u>459,810</u>
Total	<u>\$ 728,530</u>

D. Long-term Rental Agreement

On January 24, 2001, the City received a donation of approximately 101 acres of land located in the City. The City estimated the fair value of the land as of the date of donation to be \$210,000. 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 fifteen (15) years commencing in January 2001. 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 10 cents per ton of material mined each year in excess of 100,000 tons. Total rents received in 2012 were \$44,302.

E. Capital Projects

Capital project expenditures often extend over more than one fiscal year. Project estimates of each project are prepared by the City Engineer and approved by the City Council. At December 31, 2012, 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.

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

V. OTHER INFORMATION (CONTINUED)

E. Capital Projects (Continued)

The following is a schedule of the total open project authorizations compared with project expenditures from inception through December 31, 2012:

Project Number	Project Name	Project Authorizations	Total Project Expenditures to Date	[Over]/ Under
3345	Johnson Dr & Roberts Road Roundabout	\$ 1,200,000	\$ 155,642	\$ 1,044,358
3356	Justice Center Stormwater Quality BMP Retrofit	575,000	34,004	540,996
3362	KCP&L Traffic Signal Purchase	800,000	578,556	221,444
3365	Seven Hills - Richards Dr Storm Drainage Improv	451,000	405,152	45,848
3366	Seven Hills - Bradshaw St. Storm Drainage Improv	421,750	342,420	79,330
3367	55th Terrace & Earnshaw Storm Drainage Improv	2,440,375	1,104,216	1,336,159
3368	Edgewood Blvd & Larsen Storm Drainage	791,000	594	790,406
3369	K-7 Corridor Improvements at 43rd and 75th	250,000	20,740	229,260
3370	Clear Creek Pedestrian/Bicycle Trail Phase III	1,842,000	199,208	1,642,792
3371	Roof Replacement	614,500	575,242	39,258
3372	Shawnee Town 1929 - The Town	200,000	307,926	[107,926]
3373	Blackfish Pkwy. Rehab - Lackman to Westgate	1,459,747	798,145	661,602
3374	Woodsonia Channel	273,293	297,464	[24,171]
3375	2012 Stormwater Pipe Small Diameter	177,500	218	177,282
3376	2012 Stormwater Pipe Repair	422,200	258,399	163,801
3377	2012 Stormwater Pipe Lining - 5180 Mansfield	77,000	337	76,663
3378	15500 Johnson Dr. Stormwater Pipe Lining	250,000	495	249,505
3379	Stormwater Large Diameter Lining	463,710	652	463,058
3380	Stormwater Pipe Lining - 6404-08 Brockway	102,039	194	101,845
3381	Johnson & Caenen Storm Drainage Improvement	127,000	330	126,670
3382	Erfurt Park	1,165,000	29,287	1,135,713
		<u>\$ 14,103,114</u>	<u>\$ 5,109,221</u>	<u>\$ 8,993,893</u>

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

V. OTHER INFORMATION (CONTINUED)

F. Postemployment Healthcare Plan

Plan Description. The City operates a single employer defined benefit healthcare plan administered by the City. The Employee Benefit Plan (the Plan) provides medical benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No separate financial report is issued for the Plan.

Funding Policy. The contribution requirements of plan participants and the City are established and amended by the City. The required contribution is based on projected pay-as-you-go financing requirements. The City contributes 50% of the single policy premium to the plan for each employee who participates in the plan. The single policy premium for 2012 was \$5,267. Plan participants pay the remainder of the premium for the coverage plan they select. The City's postemployment healthcare plan is normally liquidated in the General Fund.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the Plan for the year, the amount actually contributed to the plan, and the changes in the City's net OPEB obligation to the Plan:

Annual required contribution (ARC)	\$ 521,181
Interest on Net OPEB Obligation	49,342
Adjustment to the ARC	<u>[88,696]</u>
Annual OPEB cost (expense)	481,827
Benefit payments	<u>76,000</u>
Change in net OPEB obligation	405,827
Net OPEB obligation - beginning of year	<u>1,233,540</u>
Net OPEB obligation - end of year	<u>\$ 1,639,367</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the year ended December 31, 2012 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation	Percentage of Annual OPEB Cost Contributed
December 31, 2010	\$ 360,685	\$ 65,000	\$ 824,528	18.02%
December 31, 2011	485,539	76,527	1,233,540	15.76%
December 31, 2012	481,827	76,000	1,639,367	15.77%

CITY OF SHAWNEE, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2012

V. OTHER INFORMATION (CONTINUED)

F. Postemployment Healthcare Plan (Continued)

Funding Status and Funding Progress. As of January 1, 2011, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits was \$4,336,995 and the actuarial value of asset was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,336,995. The covered payroll (annual payroll of active employees covered by the plan) was \$16,772,116, and the ratio of the UAAL to the covered payroll was 25.86%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statement, presents multiyear trend information about whether the actuarial value of plan assets (if any) are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan participants) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan participants to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of January 1, 2011, the most recent actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return, which is the rate of the employer's own investments as there are no plan assets and an annual healthcare cost trend of 8.5% initially, reduced by decrements to an ultimate rate of 5% after eight years. The inflationary impact assumption is 2.5%. The UAAL is being amortized as a level dollar over an open thirty-year period.

CITY OF SHAWNEE, KANSAS
 REQUIRED SUPPLEMENTARY INFORMATION
 December 31, 2012

Employee Supplemental Pension Plan
 Schedule of Funding Progress

Actuarial valuation date	Actuarial value of assets (a)	Actuarial accrued liability (AAL) entry age (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAAL as a percentage of covered payroll [(b-a)/c]
2000	\$ 922,000	\$ 3,282,000	\$ 2,360,000	28.1%	\$ 9,572,000	24.7%
2001	1,328,000	3,880,000	2,552,000	34.2%	10,489,000	24.3%
2002	1,750,707	4,565,697	2,814,990	38.3%	12,112,360	23.2%
2003	2,615,000	5,059,675	2,444,675	51.7%	13,597,541	18.0%
2004	3,342,000	5,732,000	2,390,000	58.3%	13,934,000	17.2%
2005	4,032,000	6,771,000	2,739,000	59.5%	14,279,000	19.2%
2006	4,903,000	7,939,000	3,036,000	61.8%	15,425,000	19.7%
2007	5,717,000	8,717,000	3,000,000	65.6%	16,981,000	17.7%
2008	5,195,000	10,006,000	4,811,000	51.9%	16,960,000	28.4%
2009	7,464,000	11,000,000	3,536,000	67.9%	17,969,000	19.7%
2010	8,892,444	11,470,971	2,578,527	77.5%	16,648,293	15.5%
2011	9,118,571	12,311,256	3,192,685	74.1%	15,608,663	20.5%
2012	10,801,713	13,331,971	2,530,258	81.0%	15,905,415	15.9%

CITY OF SHAWNEE, KANSAS

OTHER POST-EMPLOYMENT BENEFITS
 REQUIRED SUPPLEMENTARY INFORMATION
 December 31, 2012

Schedule of Employer Contributions:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation	Percentage of Annual OPEB Cost Contributed
December 31, 2010	\$ 360,685	\$ 65,000	\$ 824,528	18.02%
December 31, 2011	485,539	76,527	1,233,540	15.76%
December 31, 2012	481,827	76,000	1,639,367	15.77%

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfund AAL (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percent of Payroll (b-a)/(c)
1/1/2008	\$ -	\$ 2,597,000	\$ 2,597,000	0.00%	\$ 18,929,394	13.72%
1/1/2011	-	4,336,995	4,336,995	0.00%	16,772,116	25.86%

CITY OF SHAWNEE, KANSAS
COMBINING STATEMENTS - NONMAJOR FUNDS
NONMAJOR SPECIAL REVENUE FUNDS

Other governmental funds are composed entirely of special revenue funds which have been established to account for resources allocated by law or contractual agreement for specific purposes and continue in existence as long as governmental resources are allocated for their specific purposes.

The City's Other Governmental Funds, along with a brief description for each, are as follows:

Public Safety Equipment Fund - This fund is used to account for the purchase of fire and rescue equipment.

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

Special Highway Aid Fund - This fund is used to account for costs relating to the repair and maintenance of city streets and highways. Financing is derived from the City's share of the Kansas gasoline tax.

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

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

Convention and Tourism Fund - This fund is used to account for fees received from the convention and tourism taxes.

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

Cemetery Fund - This fund is used to account for the operations of the municipal cemetery.

Stormwater Utility Fund - This fund is used to account for the City's stormwater management program.

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

Neighborhood Revitalization Fund - This fund is used to account for the Neighborhood Revitalization Act.

Equipment Reserve Fund – This fund is used to account for equipment and facility improvements.

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

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

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

CITY OF SHAWNEE, KANSAS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2012

ASSETS	Public Safety Equipment	Special Narcotics	Special Highway Aid	Special Parks and Recreation	Special Alcohol Abuse	Convention and Tourism	Park and Recreation Land Use
Cash and investments	\$ 614,696	\$ 136,167	\$ 812,301	\$ 103,599	\$ 426,826	\$ 476	\$ 185,467
Taxes receivable	363,465	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	74,196	-
Total assets	\$ 978,161	\$ 136,167	\$ 812,301	\$ 103,599	\$ 426,826	\$ 74,672	\$ 185,467
LIABILITIES, DEFFERED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 323	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-
Total liabilities	323	-	-	-	-	-	-
Deferred inflows of resources							
Unavailable revenue - property taxes	363,465	-	-	-	-	-	-
Total Deferred inflows of resources	363,465	-	-	-	-	-	-
Total liabilities, deferred inflows of resources	363,788	-	-	-	-	-	-
Fund balances							
Restricted	596,764	128,429	610,366	103,599	426,826	74,672	-
Committed	-	-	-	-	-	-	185,467
Assigned	17,609	7,738	201,935	-	-	-	-
Total fund balances	614,373	136,167	812,301	103,599	426,826	74,672	185,467
Total liabilities, deferred inflows of resources and fund balances	\$ 978,161	\$ 136,167	\$ 812,301	\$ 103,599	\$ 426,826	\$ 74,672	\$ 185,467

<u>Cemetery</u>	<u>Stormwater Utility</u>	<u>Public Safety</u>	<u>Neighborhood Revitalization</u>	<u>Equipment Reserve</u>	<u>Economic Development</u>	<u>CID/TIF/TDD</u>	<u>CDBG Grant</u>	<u>Totals</u>
\$ 79,336	\$ 2,199,251	\$ 722,317	\$ 62,501	\$ 471,064	\$ 700,196	\$ -	\$ -	\$ 6,514,197
-	-	-	-	-	-	-	-	363,465
-	-	211,798	-	-	-	3,210	-	289,204
<u>\$ 79,336</u>	<u>\$ 2,199,251</u>	<u>\$ 934,115</u>	<u>\$ 62,501</u>	<u>\$ 471,064</u>	<u>\$ 700,196</u>	<u>\$ 3,210</u>	<u>\$ -</u>	<u>\$ 7,166,866</u>
\$ 1,450	\$ 17,517	\$ -	\$ 2,582	\$ -	\$ -	\$ -	\$ -	\$ 21,872
-	32,730	-	-	-	-	-	-	32,730
1,450	50,247	-	2,582	-	-	-	-	54,602
-	-	-	-	-	-	-	-	363,465
-	-	-	-	-	-	-	-	363,465
1,450	50,247	-	2,582	-	-	-	-	418,067
-	-	934,115	-	-	-	3,210	-	2,877,981
77,886	2,070,828	-	59,919	316,712	700,196	-	-	3,411,008
-	78,176	-	-	154,352	-	-	-	459,810
77,886	2,149,004	934,115	59,919	471,064	700,196	3,210	-	6,748,799
<u>\$ 79,336</u>	<u>\$ 2,199,251</u>	<u>\$ 934,115</u>	<u>\$ 62,501</u>	<u>\$ 471,064</u>	<u>\$ 700,196</u>	<u>\$ 3,210</u>	<u>\$ -</u>	<u>\$ 7,166,866</u>

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2012

	Public Safety Equipment	Special Narcotics	Special Highway Aid	Special Parks and Recreation	Special Alcohol Abuse	Convention and Tourism	Park and Recreation Land Use
Revenues							
Taxes	\$ 430,840	\$ 12,708	\$ -	\$ 230,284	\$ 230,284	\$ 294,540	\$ -
Intergovernmental	-	-	1,624,875	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	100,906
Fines and forfeitures	-	-	-	-	-	-	-
Other	10,903	4,945	-	105,575	-	-	15,000
Use of money and property	1,676	398	3,073	275	1,332	144	257
Total revenues	<u>443,419</u>	<u>18,051</u>	<u>1,627,948</u>	<u>336,134</u>	<u>231,616</u>	<u>294,684</u>	<u>116,163</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Community development	-	-	-	-	-	178,800	-
Public works	-	-	1,295,710	-	-	-	-
Public safety	776,805	24,919	-	-	-	-	-
Culture and recreation	-	-	-	13,119	-	-	-
Human resources	-	-	-	-	221,135	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	<u>776,805</u>	<u>24,919</u>	<u>1,295,710</u>	<u>13,119</u>	<u>221,135</u>	<u>178,800</u>	<u>-</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[333,386]</u>	<u>[6,868]</u>	<u>332,238</u>	<u>323,015</u>	<u>10,481</u>	<u>115,884</u>	<u>116,163</u>
Other financing sources [uses]							
Transfers in	350,000	-	1,823,400	-	-	-	-
Transfers [out]	-	-	[1,485,538]	[399,100]	-	[119,600]	-
Total other financing sources [uses]	<u>350,000</u>	<u>-</u>	<u>337,862</u>	<u>[399,100]</u>	<u>-</u>	<u>[119,600]</u>	<u>-</u>
Net change in fund balances	16,614	[6,868]	670,100	[76,085]	10,481	[3,716]	116,163
Fund balances, beginning	<u>597,759</u>	<u>143,035</u>	<u>142,201</u>	<u>179,684</u>	<u>416,345</u>	<u>78,388</u>	<u>69,304</u>
Fund balances, ending	<u>\$ 614,373</u>	<u>\$ 136,167</u>	<u>\$ 812,301</u>	<u>\$ 103,599</u>	<u>\$ 426,826</u>	<u>\$ 74,672</u>	<u>\$ 185,467</u>

<u>Cemetery</u>	<u>Stormwater Utility</u>	<u>Public Safety</u>	<u>Neighborhood Revitalization</u>	<u>Equipment Reserve</u>	<u>Economic Development</u>	<u>CID/TIF/TDD</u>	<u>CDBG Grant</u>	<u>Totals</u>
\$ -	\$ 1,727,746	\$ 1,202,132	\$ 33,718	\$ -	\$ -	\$ 3,210	\$ -	\$ 4,165,462
-	-	-	-	-	-	-	47,056	1,671,931
28,320	-	-	-	-	-	-	-	28,320
-	-	-	-	-	-	-	-	100,906
-	-	-	-	-	1,003,600	-	-	1,003,600
-	-	-	668	-	-	-	-	137,091
215	8,227	3,608	-	1,059	96	-	-	20,360
<u>28,535</u>	<u>1,735,973</u>	<u>1,205,740</u>	<u>34,386</u>	<u>1,059</u>	<u>1,003,696</u>	<u>3,210</u>	<u>47,056</u>	<u>7,127,670</u>
19,097	-	-	-	21,258	-	-	-	40,355
-	-	-	61,742	-	303,500	-	-	544,042
-	1,491,666	-	-	-	-	-	47,056	2,834,432
-	-	-	-	-	-	-	-	801,724
-	-	-	-	-	-	-	-	13,119
-	-	-	-	-	-	-	-	221,135
-	-	-	-	219,864	-	-	-	219,864
-	-	663,791	-	-	-	-	-	663,791
-	-	823,966	-	-	-	-	-	823,966
<u>19,097</u>	<u>1,491,666</u>	<u>1,487,757</u>	<u>61,742</u>	<u>241,122</u>	<u>303,500</u>	<u>-</u>	<u>47,056</u>	<u>6,162,428</u>
<u>9,438</u>	<u>244,307</u>	<u>[282,017]</u>	<u>[27,356]</u>	<u>[240,063]</u>	<u>700,196</u>	<u>3,210</u>	<u>-</u>	<u>965,242</u>
-	452,664	-	18,000	400,000	-	-	-	3,044,064
-	[793,840]	-	-	[579,596]	-	-	-	[3,377,674]
-	[341,176]	-	18,000	[179,596]	-	-	-	[333,610]
9,438	[96,869]	[282,017]	[9,356]	[419,659]	700,196	3,210	-	631,632
<u>68,448</u>	<u>2,245,873</u>	<u>1,216,132</u>	<u>69,275</u>	<u>890,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,117,167</u>
<u>\$ 77,886</u>	<u>\$ 2,149,004</u>	<u>\$ 934,115</u>	<u>\$ 59,919</u>	<u>\$ 471,064</u>	<u>\$ 700,196</u>	<u>\$ 3,210</u>	<u>\$ -</u>	<u>\$ 6,748,799</u>

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 PUBLIC SAFETY EQUIPMENT FUND
 For the Year Ended December 31, 2012

	GAAP Basis		Budgetary Basis Actual	Budgeted Amounts		Variance Positive [Negative]
	Actual	Adjustments		Original	Final	
Revenues						
Taxes	\$ 430,840	\$ -	\$ 430,840	\$ 420,500	\$ 420,500	\$ 10,340
Miscellaneous	10,903	-	10,903	-	-	10,903
Use of money and property	1,676	-	1,676	6,100	6,100	[4,424]
Total revenues	<u>443,419</u>	<u>-</u>	<u>443,419</u>	<u>426,600</u>	<u>426,600</u>	<u>16,819</u>
Expenditures						
Public safety	<u>776,805</u>	<u>17,609</u>	<u>794,414</u>	<u>989,458</u>	<u>989,458</u>	<u>195,044</u>
Total expenditures	<u>776,805</u>	<u>17,609</u>	<u>794,414</u>	<u>989,458</u>	<u>989,458</u>	<u>195,044</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[333,386]</u>	<u>[17,609]</u>	<u>[350,995]</u>	<u>[562,858]</u>	<u>[562,858]</u>	<u>211,863</u>
Other financing sources [uses]						
Transfers in	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>-</u>	<u>350,000</u>
Total other financing sources [uses]	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>-</u>	<u>350,000</u>
Net change in fund balance	16,614	[17,609]	[995]	<u>\$ [562,858]</u>	<u>\$ [562,858]</u>	<u>\$ 561,863</u>
Fund balance, beginning	<u>597,759</u>	<u>-</u>	<u>597,759</u>			
Fund balance, ending	<u>\$ 614,373</u>	<u>\$ [17,609]</u>	<u>\$ 596,764</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 SPECIAL NARCOTICS FUND
 For the Year Ended December 31, 2012

	GAAP Basis		Budgetary Basis Actual	Budgeted Amounts		Variance Positive [Negative]
	Actual	Adjustments		Original	Final	
Revenues						
Taxes	\$ 12,708	\$ -	\$ 12,708	\$ 16,000	\$ 16,000	\$ [3,292]
Miscellaneous	4,945	-	4,945	-	-	4,945
Use of money and property	398	-	398	1,400	1,400	[1,002]
Total revenues	<u>18,051</u>	<u>-</u>	<u>18,051</u>	<u>17,400</u>	<u>17,400</u>	<u>651</u>
Expenditures						
Public safety	<u>24,919</u>	<u>7,738</u>	<u>32,657</u>	<u>154,215</u>	<u>154,215</u>	<u>121,558</u>
Total expenditures	<u>24,919</u>	<u>7,738</u>	<u>32,657</u>	<u>154,215</u>	<u>154,215</u>	<u>121,558</u>
Excess [deficiency] of revenues over [under] expenditures	[6,868]	[7,738]	[14,606]	<u>\$ [136,815]</u>	<u>\$ [136,815]</u>	<u>\$ 122,209</u>
Fund balance, beginning	<u>143,035</u>	<u>-</u>	<u>143,035</u>			
Fund balance, ending	<u>\$136,167</u>	<u>\$ [7,738]</u>	<u>\$ 128,429</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 SPECIAL HIGHWAY AID FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 1,624,875	\$ -	\$ 1,624,875	\$ 1,647,400	\$ 1,647,400	\$ [22,525]
Use of money and property	3,073	-	3,073	700	700	2,373
Total revenues	<u>1,627,948</u>	<u>-</u>	<u>1,627,948</u>	<u>1,648,100</u>	<u>1,648,100</u>	<u>[20,152]</u>
Expenditures						
Public works	1,295,710	69,829	1,365,539	1,217,871	1,217,871	[147,668]
Total expenditures	<u>1,295,710</u>	<u>69,829</u>	<u>1,365,539</u>	<u>1,217,871</u>	<u>1,217,871</u>	<u>[147,668]</u>
Excess [deficiency] of revenues over [under] expenditures	<u>332,238</u>	<u>[69,829]</u>	<u>262,409</u>	<u>430,229</u>	<u>430,229</u>	<u>[167,820]</u>
Other financing sources [uses]						
Transfers in	1,823,400	-	1,823,400	1,217,100	1,217,100	606,300
Transfers [out]	<u>[1,485,538]</u>	<u>-</u>	<u>[1,485,538]</u>	<u>[1,655,000]</u>	<u>[1,655,000]</u>	<u>169,462</u>
Total other financing sources [uses]	<u>337,862</u>	<u>-</u>	<u>337,862</u>	<u>[437,900]</u>	<u>[437,900]</u>	<u>775,762</u>
Net change in fund balance	670,100	[69,829]	600,271	<u>\$ [7,671]</u>	<u>\$ [7,671]</u>	<u>\$ 607,942</u>
Fund balance, beginning	<u>142,201</u>	<u>[132,106]</u>	<u>10,095</u>			
Fund balance, ending	<u>\$ 812,301</u>	<u>\$ [201,935]</u>	<u>\$ 610,366</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 SPECIAL PARKS AND RECREATION FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 230,284	\$ -	\$ 230,284	\$ 235,200	\$ 238,000	\$ [7,716]
Miscellaneous	105,575	-	105,575	100,000	100,000	5,575
Use of money and property	275	-	275	3,700	700	[425]
Total revenues	<u>336,134</u>	<u>-</u>	<u>336,134</u>	<u>338,900</u>	<u>338,700</u>	<u>[2,566]</u>
Expenditures						
Culture and recreation	13,119	-	13,119	240,373	265,000	251,881
Total expenditures	<u>13,119</u>	<u>-</u>	<u>13,119</u>	<u>240,373</u>	<u>265,000</u>	<u>251,881</u>
Excess [deficiency] of revenues over [under] expenditures	<u>323,015</u>	<u>-</u>	<u>323,015</u>	<u>98,527</u>	<u>73,700</u>	<u>249,315</u>
Other financing sources [uses]						
Transfers [out]	[399,100]	-	[399,100]	[149,100]	[149,100]	[250,000]
Total other financing sources [uses]	<u>[399,100]</u>	<u>-</u>	<u>[399,100]</u>	<u>[149,100]</u>	<u>[149,100]</u>	<u>[250,000]</u>
Net change in fund balance	[76,085]	-	[76,085]	\$ [50,573]	\$ [75,400]	\$ [685]
Fund balance, beginning	<u>179,684</u>	<u>-</u>	<u>179,684</u>			
Fund balance, ending	<u>\$ 103,599</u>	<u>\$ -</u>	<u>\$ 103,599</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 SPECIAL ALCOHOL ABUSE FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 230,284	\$ -	\$ 230,284	\$ 235,200	\$ 235,200	\$ [4,916]
Use of money and property	<u>1,332</u>	<u>-</u>	<u>1,332</u>	<u>3,900</u>	<u>3,900</u>	<u>[2,568]</u>
Total revenues	<u>231,616</u>	<u>-</u>	<u>231,616</u>	<u>239,100</u>	<u>239,100</u>	<u>[7,484]</u>
Expenditures						
Human resources	<u>221,135</u>	<u>-</u>	<u>221,135</u>	<u>652,543</u>	<u>652,543</u>	<u>431,408</u>
Total expenditures	<u>221,135</u>	<u>-</u>	<u>221,135</u>	<u>652,543</u>	<u>652,543</u>	<u>431,408</u>
Excess [deficiency] of revenues over [under] expenditures	10,481	-	10,481	<u>\$ [413,443]</u>	<u>\$ [413,443]</u>	<u>\$ 423,924</u>
Fund balance, beginning	<u>416,345</u>	<u>-</u>	<u>416,345</u>			
Fund balance, ending	<u>\$ 426,826</u>	<u>\$ -</u>	<u>\$ 426,826</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 CONVENTION AND TOURISM FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 294,540	\$ -	\$ 294,540	\$ 297,700	\$ 297,700	\$ [3,160]
Use of money and property	144	-	144	700	700	[556]
Total revenues	<u>294,684</u>	<u>-</u>	<u>294,684</u>	<u>298,400</u>	<u>298,400</u>	<u>[3,716]</u>
Expenditures						
Community development	<u>178,800</u>	<u>-</u>	<u>178,800</u>	<u>249,948</u>	<u>249,948</u>	<u>71,148</u>
Total expenditures	<u>178,800</u>	<u>-</u>	<u>178,800</u>	<u>249,948</u>	<u>249,948</u>	<u>71,148</u>
Excess [deficiency] of revenues over [under] expenditures	<u>115,884</u>	<u>-</u>	<u>115,884</u>	<u>48,452</u>	<u>48,452</u>	<u>67,432</u>
Other financing sources [uses]						
Transfers [out]	<u>[119,600]</u>	<u>-</u>	<u>[119,600]</u>	<u>[119,600]</u>	<u>[119,600]</u>	<u>-</u>
Total other financing sources [uses]	<u>[119,600]</u>	<u>-</u>	<u>[119,600]</u>	<u>[119,600]</u>	<u>[119,600]</u>	<u>-</u>
Net change in fund balance	[3,716]	-	[3,716]	<u>\$ [71,148]</u>	<u>\$ [71,148]</u>	<u>\$ 67,432</u>
Fund balance, beginning	<u>78,388</u>	<u>-</u>	<u>78,388</u>			
Fund balance, ending	<u>\$ 74,672</u>	<u>\$ -</u>	<u>\$ 74,672</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 PARK AND RECREATION LAND USE FUND
 For the Year Ended December 31, 2012

	GAAP Basis		Budgetary Basis Actual	Budgeted Amounts		Variance Positive [Negative]
	Actual	Adjustments		Original	Final	
Revenues						
Licenses and permits	\$ 100,906	\$ -	\$ 100,906	\$ 29,140	\$ 29,140	\$ 71,766
Miscellaneous	15,000	-	15,000	-	-	15,000
Use of money and property	257	-	257	600	600	[343]
Total revenues	<u>116,163</u>	<u>-</u>	<u>116,163</u>	<u>29,740</u>	<u>29,740</u>	<u>86,423</u>
Expenditures						
Capital outlay	-	-	-	106,678	106,678	106,678
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,678</u>	<u>106,678</u>	<u>106,678</u>
Net change in fund balance	116,163	-	116,163	<u>\$ [76,938]</u>	<u>\$ [76,938]</u>	<u>\$ 193,101</u>
Fund balance, beginning	<u>69,304</u>	<u>-</u>	<u>69,304</u>			
Fund balance, ending	<u>\$ 185,467</u>	<u>\$ -</u>	<u>\$ 185,467</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

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

For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Charges for services	\$ 28,320	\$ -	\$ 28,320	\$ 40,000	\$ 40,000	\$ [11,680]
Use of money and property	215	-	215	600	600	[385]
Total revenues	<u>28,535</u>	<u>-</u>	<u>28,535</u>	<u>40,600</u>	<u>40,600</u>	<u>[12,065]</u>
Expenditures						
General government	19,097	-	19,097	108,778	108,778	89,681
Total expenditures	<u>19,097</u>	<u>-</u>	<u>19,097</u>	<u>108,778</u>	<u>108,778</u>	<u>89,681</u>
Net change in fund balance	9,438	-	9,438	<u>\$ [68,178]</u>	<u>\$ [68,178]</u>	<u>\$ 77,616</u>
Fund balance, beginning	<u>68,448</u>	<u>-</u>	<u>68,448</u>			
Fund balance, ending	<u>\$ 77,886</u>	<u>\$ -</u>	<u>\$ 77,886</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 STORMWATER UTILITY FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 1,727,746	\$ -	\$ 1,727,746	\$ 1,687,800	\$ 1,727,520	\$ 226
Use of money and property	8,227	-	8,227	17,000	9,100	[873]
Total revenues	<u>1,735,973</u>	<u>-</u>	<u>1,735,973</u>	<u>1,704,800</u>	<u>1,736,620</u>	<u>[647]</u>
Expenditures						
Public works	1,491,666	[76,649]	1,415,017	2,872,605	3,436,075	2,021,058
Total expenditures	<u>1,491,666</u>	<u>[76,649]</u>	<u>1,415,017</u>	<u>2,872,605</u>	<u>3,436,075</u>	<u>2,021,058</u>
Excess [deficiency] of revenues over [under] expenditures	<u>244,307</u>	<u>76,649</u>	<u>320,956</u>	<u>[1,167,805]</u>	<u>[1,699,455]</u>	<u>2,020,411</u>
Other financing sources [uses]						
Transfers in	452,664	-	452,664	450,000	450,000	2,664
Transfers [out]	[793,840]	-	[793,840]	[217,100]	[217,100]	[576,740]
Total other financing sources [uses]	<u>[341,176]</u>	<u>-</u>	<u>[341,176]</u>	<u>232,900</u>	<u>232,900</u>	<u>[574,076]</u>
Net change in fund balance	[96,869]	76,649	[20,220]	<u>\$ [934,905]</u>	<u>\$ [1,466,555]</u>	<u>\$ 1,446,335</u>
Fund balance, beginning	<u>2,245,873</u>	<u>[154,825]</u>	<u>2,091,048</u>			
Fund balance, ending	<u>\$ 2,149,004</u>	<u>\$ [78,176]</u>	<u>\$ 2,070,828</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
PUBLIC SAFETY FUND
For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 1,202,132	\$ -	\$1,202,132	\$ 1,154,800	\$ 1,154,800	\$ 47,332
Use of money and property	3,608	-	3,608	13,400	13,400	[9,792]
Total revenues	<u>1,205,740</u>	<u>-</u>	<u>1,205,740</u>	<u>1,168,200</u>	<u>1,168,200</u>	<u>37,540</u>
Expenditures						
Principal	663,791	-	663,791	2,355,211	2,355,211	1,691,420
Interest and other charges	823,966	-	823,966	-	-	[823,966]
Total expenditures	<u>1,487,757</u>	<u>-</u>	<u>1,487,757</u>	<u>2,355,211</u>	<u>2,355,211</u>	<u>867,454</u>
Net change in fund balance	[282,017]	-	[282,017]	<u>\$ [1,187,011]</u>	<u>\$ [1,187,011]</u>	<u>\$ 904,994</u>
Fund balance, beginning	<u>1,216,132</u>	<u>-</u>	<u>1,216,132</u>			
Fund balance, ending	<u>\$ 934,115</u>	<u>\$ -</u>	<u>\$ 934,115</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 NEIGHBORHOOD REVITALIZATION FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 33,718	\$ -	\$ 33,718	\$ 22,700	\$ 22,700	\$ 11,018
Miscellaneous	668	-	668	-	-	668
Total revenues	<u>34,386</u>	<u>-</u>	<u>34,386</u>	<u>22,700</u>	<u>22,700</u>	<u>11,686</u>
Expenditures						
Community development	61,742	-	61,742	101,563	101,563	39,821
Total expenditures	<u>61,742</u>	<u>-</u>	<u>61,742</u>	<u>101,563</u>	<u>101,563</u>	<u>39,821</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[27,356]</u>	<u>-</u>	<u>[27,356]</u>	<u>[78,863]</u>	<u>[78,863]</u>	<u>51,507</u>
Other financing sources [uses]						
Transfers in	18,000	-	18,000	18,000	18,000	-
Total other financing sources [uses]	<u>18,000</u>	<u>-</u>	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Net change in fund balance	[9,356]	-	[9,356]	<u>\$ [60,863]</u>	<u>\$ [60,863]</u>	<u>\$ 51,507</u>
Fund balance, beginning	<u>69,275</u>	<u>-</u>	<u>69,275</u>			
Fund balance, ending	<u>\$ 59,919</u>	<u>\$ -</u>	<u>\$ 59,919</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 EQUIPMENT RESERVE FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Use of money and property	\$ 1,059	\$ -	\$ 1,059	\$ 2,500	\$ 1,000	\$ 59
Total revenues	<u>1,059</u>	<u>-</u>	<u>1,059</u>	<u>2,500</u>	<u>1,000</u>	<u>59</u>
Expenditures						
Contractual	21,258	83,284	104,542	-	-	[104,542]
Capital outlay	<u>219,864</u>	<u>31,109</u>	<u>250,973</u>	<u>453,200</u>	<u>1,073,660</u>	<u>822,687</u>
Total expenditures	<u>241,122</u>	<u>114,393</u>	<u>355,515</u>	<u>453,200</u>	<u>1,073,660</u>	<u>718,145</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[240,063]</u>	<u>[114,393]</u>	<u>[354,456]</u>	<u>[450,700]</u>	<u>[1,072,660]</u>	<u>718,204</u>
Other financing sources [uses]						
Transfers in	400,000	-	400,000	200,000	400,000	-
Transfers [out]	<u>[579,596]</u>	<u>-</u>	<u>[579,596]</u>	<u>-</u>	<u>-</u>	<u>[579,596]</u>
Total other financing sources [uses]	<u>[179,596]</u>	<u>-</u>	<u>[179,596]</u>	<u>200,000</u>	<u>400,000</u>	<u>[579,596]</u>
Net change in fund balance	<u>[419,659]</u>	<u>[114,393]</u>	<u>[534,052]</u>	<u>\$ [250,700]</u>	<u>\$ [672,660]</u>	<u>\$ 138,608</u>
Fund balance, beginning	<u>890,723</u>	<u>[39,959]</u>	<u>850,764</u>			
Fund balance, ending	<u>\$ 471,064</u>	<u>\$ [154,352]</u>	<u>\$ 316,712</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 ECONOMIC DEVELOPMENT FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Fines and forfeitures	\$ 1,003,600	\$ -	\$ 1,003,600	\$ 1,003,600	\$ 1,003,600	\$ -
Use of money and property	96	-	96	-	-	96
Total revenues	<u>1,003,696</u>	<u>-</u>	<u>1,003,696</u>	<u>1,003,600</u>	<u>1,003,600</u>	<u>96</u>
Expenditures						
Contractual services	303,500	-	303,500	963,600	963,600	660,100
Capital outlay	-	-	-	40,000	40,000	40,000
Total expenditures	<u>303,500</u>	<u>-</u>	<u>303,500</u>	<u>1,003,600</u>	<u>1,003,600</u>	<u>700,100</u>
Net change in fund balance	700,196	-	700,196	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700,196</u>
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>			
Fund balance, ending	<u>\$ 700,196</u>	<u>\$ -</u>	<u>\$ 700,196</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ACTUAL AND BUDGET
 DEBT SERVICE FUND
 For the Year Ended December 31, 2012

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 8,618,559	\$ -	\$ 8,618,559	\$ 8,694,160	\$ 8,694,160	\$ [75,601]
Use of money and property	23,139	[7,891]	15,248	122,300	122,300	[107,052]
Total revenues	<u>8,641,698</u>	<u>[7,891]</u>	<u>8,633,807</u>	<u>8,816,460</u>	<u>8,816,460</u>	<u>[182,653]</u>
Expenditures						
Debt service						
Principal	19,582,767	[10,895,000]	8,687,767	11,136,753	11,136,753	2,448,986
Interest and other charges	2,857,852	[606,375]	2,251,477	580,347	580,347	[1,671,130]
Total expenditures	<u>22,440,619</u>	<u>[11,501,375]</u>	<u>10,939,244</u>	<u>11,717,100</u>	<u>11,717,100</u>	<u>777,856</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[13,798,921]</u>	<u>11,493,484</u>	<u>[2,305,437]</u>	<u>[2,900,640]</u>	<u>[2,900,640]</u>	<u>595,203</u>
Other financing sources [uses]						
Transfers in	4,415,020	-	4,415,020	1,804,100	1,804,100	2,610,920
Bond premium	743,484	[743,484]	-	-	-	-
Issuance of bonds	<u>10,750,000</u>	<u>[10,750,000]</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources [uses]	<u>15,908,504</u>	<u>[11,493,484]</u>	<u>4,415,020</u>	<u>1,804,100</u>	<u>1,804,100</u>	<u>2,610,920</u>
Net change in fund balance	2,109,583	-	2,109,583	<u>\$ [1,096,540]</u>	<u>\$ [1,096,540]</u>	<u>\$ 3,206,123</u>
Fund balance, beginning	<u>846,014</u>	<u>-</u>	<u>846,014</u>			
Fund balance, ending	<u>\$ 2,955,597</u>	<u>\$ -</u>	<u>\$ 2,955,597</u>			

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

FIDUCIARY FUNDS

Trust funds are used to account for assets held by the City in a trustee capacity. Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

Pension Trust Fund accounts for the activities of the Employee Supplemental Retirement.

The **Mayor's Christmas Tree Fund** is used to account for the amounts collected for the City Christmas tree.

The **Recycling Fund** is used to account for the amounts collected for recycling.

The **Clearing Fund** is used to for the payroll clearing transactions.

The **Cafeteria Plan Fund** is used to account for monies collected for employee cafeteria plan contributions.

The **Municipal Court Bond Fund** is used to account for amounts collected for court bonds.

CITY OF SHAWNEE, KANSAS
 COMBINING STATEMENT OF NET POSITION
 FIDUCIARY FUNDS - PENSION TRUST
 December 31, 2012

	<u>Pension Trust Fund</u>
ASSETS	
Restricted cash	\$ 17,675
Restricted investments, at fair value	
Fixed income	3,170,360
Domestic stocks	6,603,020
Real estate investment trusts	<u>1,000,758</u>
Total restricted investments	<u>10,774,138</u>
Due from others	<u>9,901</u>
Total assets	<u>\$ 10,801,714</u>
Liabilities	
Due to others	<u>\$ -</u>
Total liabilities	<u>\$ -</u>
Net position	
Held in trust for pension benefits	<u>\$ 10,801,714</u>
Total net position	<u>\$ 10,801,714</u>

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS - AGENCY FUNDS

December 31, 2012

ASSETS	Mayor's Christmas Tree Fund	Recycling Fund	Clearing Fund	Cafeteria Plan Fund	Municipal Court Bond Fund	Total Agency Funds
Cash	\$ 18,054	\$ 1,435	\$ 2,281	\$ 32,275	\$ 40,254	\$ 94,299
Total assets	<u>\$ 18,054</u>	<u>\$ 1,435</u>	<u>\$ 2,281</u>	<u>\$ 32,275</u>	<u>\$ 40,254</u>	<u>\$ 94,299</u>
Liabilities						
Due to others	\$ 18,054	\$ 1,435	\$ 2,281	\$ 32,275	\$ 40,254	\$ 94,299
Total liabilities	<u>\$ 18,054</u>	<u>\$ 1,435</u>	<u>\$ 2,281</u>	<u>\$ 32,275</u>	<u>\$ 40,254</u>	<u>\$ 94,299</u>

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

COMBINING STATEMENT OF CHANGES IN NET POSITION
PENSION TRUST FUND

For the Year Ended December 31, 2012

	Pension Trust Fund
Additions:	
Contributions :	
Employer contributions	\$ 697,733
Total contributions	<u>697,733</u>
Investment Earnings:	
Interest and dividends on investments	445,123
Net increase/decrease in the fair value of investments	<u>837,734</u>
Total investment earnings	<u>1,282,857</u>
Total additions	<u>1,980,590</u>
Deductions:	
Benefits	253,598
Plan management fees	<u>43,849</u>
Total deductions	<u>297,447</u>
Changes in net position	1,683,143
Net position - beginning	<u>9,118,571</u>
Net position - ending	<u>\$ 10,801,714</u>

See independent auditor's report on the financial statements.

CITY OF SHAWNEE, KANSAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended December 31, 2012

<u>Mayor's Christmas Tree Fund</u>		Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
ASSETS					
Cash and cash equivalents		\$ 14,024	\$ 4,030	\$ -	\$ 18,054
Due from other funds		731	-	731	-
Total assets		<u>\$ 14,755</u>	<u>\$ 4,030</u>	<u>\$ 731</u>	<u>\$ 18,054</u>
LIABILITIES					
Due to others		\$ 14,755	\$ 4,030	\$ 731	\$ 18,054
Total liabilities		<u>\$ 14,755</u>	<u>\$ 4,030</u>	<u>\$ 731</u>	<u>\$ 18,054</u>
<u>Recycling Fund</u>		Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
ASSETS					
Cash and cash equivalents		\$ -	\$ 3,385	\$ 1,950	\$ 1,435
Total assets		<u>\$ -</u>	<u>\$ 3,385</u>	<u>\$ 1,950</u>	<u>\$ 1,435</u>
LIABILITIES					
Due to other funds		\$ 731	\$ 2,654	\$ 1,950	\$ 1,435
Due to others		[731]	731	-	-
Total liabilities		<u>\$ -</u>	<u>\$ 3,385</u>	<u>\$ 1,950</u>	<u>\$ 1,435</u>
<u>Clearing Fund</u>		Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
ASSETS					
Cash and cash equivalents		\$ 2,407	\$ -	\$ 126	\$ 2,281
Total assets		<u>\$ 2,407</u>	<u>\$ -</u>	<u>\$ 126</u>	<u>\$ 2,281</u>
LIABILITIES					
Due to others		\$ 2,407	\$ -	\$ 126	\$ 2,281
Total liabilities		<u>\$ 2,407</u>	<u>\$ -</u>	<u>\$ 126</u>	<u>\$ 2,281</u>
<u>Cafeteria Plan Fund</u>		Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
ASSETS					
Cash and cash equivalents		\$ 27,552	\$ 215,024	\$ 210,301	\$ 32,275
Total assets		<u>\$ 27,552</u>	<u>\$ 215,024</u>	<u>\$ 210,301</u>	<u>\$ 32,275</u>
LIABILITIES					
Due to others		\$ 27,552	\$ 215,024	\$ 210,301	\$ 32,275
Total liabilities		<u>\$ 27,552</u>	<u>\$ 215,024</u>	<u>\$ 210,301</u>	<u>\$ 32,275</u>
<u>Municipal Court Bond Fund</u>		Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
ASSETS					
Cash and cash equivalents		\$ 37,659	\$ 52,974	\$ 50,379	\$ 40,254
Total assets		<u>\$ 37,659</u>	<u>\$ 52,974</u>	<u>\$ 50,379</u>	<u>\$ 40,254</u>
LIABILITIES					
Due to others		\$ 37,659	\$ 52,974	\$ 50,379	\$ 40,254
Total liabilities		<u>\$ 37,659</u>	<u>\$ 52,974</u>	<u>\$ 50,379</u>	<u>\$ 40,254</u>

See independent auditor's report on the financial statements.

Statistical Section
(Unaudited)

This part of the City of Shawnee's *Comprehensive Annual Financial Report (CAFR)*, 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 the City's most significant local revenue source, the property tax.

Debt Capacity

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

Demographic and Economical Information

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

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report 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. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

TABLE 1
UNAUDITED

CITY OF SHAWNEE, KANSAS
NET POSITION BY COMPONENT
LAST TEN YEARS

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Activities:				
Invested in capital assets, net of related debt	\$ 618,991,639	\$ 625,716,905	\$ 638,445,738	\$ 645,143,950
Restricted	18,750,770	17,168,418	16,468,383	16,550,770
Unrestricted	<u>15,012,804</u>	<u>17,703,574</u>	<u>8,786,669</u>	<u>8,391,752</u>
Total governmental activities net position	<u>\$ 652,755,213</u>	<u>\$ 660,588,897</u>	<u>\$ 663,700,790</u>	<u>\$ 670,086,472</u>

* The City implemented GASB 46 changing the comparability of restricted and unrestricted net position balances.

** The City implemented the retroactive infrastructure reporting provisions of GASB 34.

TABLE 1
UNAUDITED

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005*/**</u>	<u>2004</u>	<u>2003</u>
\$ 653,590,043	\$ 652,542,908	\$ 661,939,473	\$ 668,490,283	\$ 46,483,719	\$ 31,094,058
15,334,635	13,292,749	12,728,148	14,287,160	4,723,602	14,920,280
<u>6,458,609</u>	<u>8,840,752</u>	<u>6,112,093</u>	<u>3,632,234</u>	<u>14,931,873</u>	<u>[817,728]</u>
<u>\$ 675,383,287</u>	<u>\$ 674,676,409</u>	<u>\$ 680,779,714</u>	<u>\$ 686,409,677</u>	<u>\$ 66,139,194</u>	<u>\$ 45,196,610</u>

TABLE 2
UNAUDITED

CITY OF SHAWNEE, KANSAS

CHANGE IN NET POSITION
LAST TEN YEARS

	2012	2011	2010	2009
Expenses:				
Governmental Activities:				
General government	\$ 5,525,424	\$ 5,170,265	\$ 5,296,574	\$ 5,757,787
Community development	2,280,742	2,212,971	2,246,676	2,468,459
Public works	28,132,957	27,184,238	26,832,787	23,486,764
Public safety	19,910,440	19,699,726	19,551,129	19,760,207
Culture-recreation	4,599,190	4,592,542	4,304,236	4,434,108
Human resources	222,913	192,480	172,962	131,347
Interest on long-term debt	3,450,003	3,191,291	3,580,411	3,728,286
Total primary government expenses	<u>64,121,669</u>	<u>62,243,513</u>	<u>61,984,775</u>	<u>59,766,958</u>
Program Revenues:				
Governmental Activities:				
Charges for services				
General government	2,285,437	2,880,161	2,693,213	2,961,536
Community development	-	-	-	59,582
Public works	-	-	-	-
Public safety	1,218,300	-	-	-
Culture-recreation	1,424,903	1,249,051	1,238,448	1,242,357
Operating grants and contributions				
Community development	-	-	-	-
Public works	1,671,931	1,836,989	1,745,781	1,631,157
Public safety	43,240	95,140	57,592	97,594
Culture-recreation	-	39,798	18,730	-
Human resources	-	300	-	-
Capital grants and contributions				
Public works	1,165,994	4,713,864	3,879,534	3,079,861
Total primary government program revenues	<u>7,809,805</u>	<u>10,815,303</u>	<u>9,633,298</u>	<u>9,072,087</u>
Net [Expense] Revenue:				
Governmental activities	<u>[56,311,864]</u>	<u>[51,428,210]</u>	<u>[52,351,477]</u>	<u>[50,694,871]</u>
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Taxes:				
Property taxes	22,821,912	22,583,070	23,232,302	23,767,706
Sales taxes	19,587,884	19,168,426	17,620,422	17,818,926
Franchise taxes	4,736,107	4,876,313	2,868,398	2,083,176
Alcohol taxes	690,852	714,025	705,555	773,662
Other taxes	8,747	955	344,623	169,328
Unrestricted investment earnings	147,902	133,409	793,977	294,641
Miscellaneous	484,776	648,115	422,172	574,500
Capital contributions	-	-	-	-
Total primary government	<u>48,478,180</u>	<u>48,124,313</u>	<u>45,987,449</u>	<u>45,481,939</u>
Change in Net Position:				
Governmental activities	<u>\$ [7,833,684]</u>	<u>\$ [3,303,897]</u>	<u>\$ [6,364,028]</u>	<u>\$ [5,212,932]</u>

* The City implemented the retroactive infrastructure reporting provisions of GASB Statement No. 34 which increased government-wide expenses due to increased depreciation costs.

TABLE 2
UNAUDITED

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005*</u>	<u>2004</u>	<u>2003</u>
\$ 5,353,221	\$ 4,999,484	\$ 4,686,606	\$ 4,377,738	\$ 3,859,778	\$ 3,509,251
1,998,193	1,069,717	954,353	957,524	914,810	1,299,772
29,216,735	30,161,414	28,909,941	27,355,524	7,481,081	7,271,903
19,328,497	19,711,262	17,998,334	17,059,693	16,605,443	15,023,792
4,390,884	4,827,830	4,166,789	3,928,185	2,900,386	3,394,130
183,399	182,988	186,159	190,267	187,980	247,147
<u>4,212,788</u>	<u>3,707,423</u>	<u>3,062,098</u>	<u>3,000,896</u>	<u>2,716,830</u>	<u>2,457,015</u>
<u>64,683,717</u>	<u>64,660,118</u>	<u>59,964,280</u>	<u>56,869,827</u>	<u>34,666,308</u>	<u>33,203,010</u>
2,857,959	3,148,433	3,391,076	3,046,746	3,259,124	5,489,313
70,763	110,081	117,389	137,997	59,944	100,047
-	65,516	100,464	1,167,293	1,161,239	1,928,968
-	-	-	-	-	985,960
1,239,095	1,347,217	1,156,905	1,208,313	866,846	1,123,789
-	-	16,440	76,775	-	-
4,495,699	1,807,718	1,714,731	1,578,867	13,763	74,213
39,810	20,357	29,943	265,826	399,155	437,252
-	-	12,007	14,088	-	-
-	-	-	-	-	-
<u>3,436,477</u>	<u>6,241,422</u>	<u>7,665,971</u>	<u>13,116,119</u>	<u>14,830,981</u>	<u>18,376,346</u>
<u>12,139,803</u>	<u>12,740,744</u>	<u>14,204,926</u>	<u>20,612,024</u>	<u>20,591,052</u>	<u>28,515,888</u>
<u>[52,543,914]</u>	<u>[51,919,374]</u>	<u>[45,759,354]</u>	<u>[36,257,803]</u>	<u>[14,075,256]</u>	<u>[4,687,122]</u>
28,439,051	20,689,526	17,061,414	14,543,072	13,423,274	12,302,953
19,205,265	19,608,022	20,056,603	18,839,153	17,207,171	15,071,138
2,038,422	1,896,640	1,824,181	1,735,226	1,629,300	1,649,589
721,803	565,536	597,066	560,664	565,526	536,958
798,648	693,114	857,194	217,346	1,640,812	164,158
1,263,117	1,755,269	1,674,965	626,154	199,397	204,180
784,486	500,595	428,479	429,805	218,814	232,705
-	-	-	-	133,546	-
<u>53,250,792</u>	<u>45,708,702</u>	<u>42,499,902</u>	<u>36,951,420</u>	<u>35,017,840</u>	<u>30,161,681</u>
<u>\$ 706,878</u>	<u>\$ [6,210,672]</u>	<u>\$ [3,259,452]</u>	<u>\$ 693,617</u>	<u>\$ 20,942,584</u>	<u>\$ 25,474,559</u>

TABLE 3
UNAUDITED

CITY OF SHAWNEE, KANSAS

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund:				
Nonspendable	\$ 988,077	\$ 998,381	\$ -	\$ -
Assigned	268,720	139,855	-	-
Unassigned	17,381,625	19,654,056	-	-
Reserved for encumbrances	-	-	77,724	4,000
Reserved for inventory	-	-	950,165	784,431
Unreserved	-	-	17,642,551	16,115,816
Total General Fund	<u>\$ 18,638,422</u>	<u>\$ 20,792,292</u>	<u>\$ 18,670,440</u>	<u>\$ 16,904,247</u>
All Other Governmental Funds:				
Restricted	\$ 8,542,796	\$ 5,740,782	\$ -	\$ -
Committed	3,411,008	3,669,543	-	-
Assigned	459,810	326,890	-	-
Unassigned	[169,674]	-	-	-
Reserved for encumbrances	-	-	47,470	14,850
Reserved for inventory	-	-	-	49,212
Unreserved [deficit], reported in:				
Special revenue funds	-	-	8,000,971	7,052,261
Debt service fund	-	-	2,072,584	906,628
Capital project funds	-	-	[3,570,911]	[3,234,852]
Total All Other Governmental Funds	<u>\$ 12,243,940</u>	<u>\$ 9,737,215</u>	<u>\$ 6,550,114</u>	<u>\$ 4,788,099</u>

TABLE 3
UNAUDITED

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
140,439	594,235	292,532	-	-	-
682,994	407,619	305,369	-	-	-
<u>14,420,022</u>	<u>11,374,079</u>	<u>15,017,785</u>	<u>15,601,050</u>	<u>14,776,860</u>	<u>15,383,713</u>
<u>\$ 15,243,455</u>	<u>\$ 12,375,933</u>	<u>\$ 15,615,686</u>	<u>\$ 15,601,050</u>	<u>\$ 14,776,860</u>	<u>\$ 15,383,713</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,385	145,325	1,327,074	-	-	-
147,080	368,063	378,421	-	-	-
7,341,699	11,686,967	10,561,866	11,201,273	6,924,714	7,422,525
484,059	179,793	30,037	1,950,795	4,723,602	7,720,608
<u>[2,216,278]</u>	<u>7,577,166</u>	<u>[9,498,868]</u>	<u>[12,058,646]</u>	<u>[8,637,679]</u>	<u>[20,468,000]</u>
<u>\$ 5,779,945</u>	<u>\$ 19,957,314</u>	<u>\$ 2,798,530</u>	<u>\$ 1,093,422</u>	<u>\$ 3,010,637</u>	<u>\$ [5,324,867]</u>

TABLE 4
UNAUDITED

CITY OF SHAWNEE, KANSAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Revenues:				
Taxes and special assessments	\$ 47,845,502	\$ 47,342,789	\$ 44,771,300	\$ 44,612,798
Intergovernmental	4,112,527	4,411,319	7,343,116	3,782,465
Licenses and permits	891,998	666,766	744,497	783,808
Charges for services	1,814,742	2,048,383	1,795,059	1,820,552
Fines, forfeitures and penalties	2,221,900	1,414,063	1,392,105	1,659,116
Investment earnings	147,902	133,409	793,977	289,543
Miscellaneous	478,491	648,115	422,172	574,500
Total revenues	<u>57,513,062</u>	<u>56,664,844</u>	<u>57,262,226</u>	<u>53,522,782</u>
Expenditures:				
General government	5,333,810	4,831,376	4,918,644	5,020,690
Community development	2,262,547	2,190,968	2,231,329	2,424,478
Public works	7,359,858	7,938,012	6,061,410	6,341,588
Public safety	19,791,394	18,882,520	18,536,566	18,298,897
Culture-recreation	3,842,154	3,860,382	3,621,793	3,757,955
Human resources	221,135	188,805	170,737	125,451
Capital outlay	5,832,522	3,056,779	13,886,142	6,096,743
Debt service				
Principal retirements	20,335,829	13,205,816	20,530,008	10,123,198
Interest and fiscal charges	3,682,085	3,338,154	3,893,642	3,869,431
Total expenditures	<u>68,661,334</u>	<u>57,492,812</u>	<u>73,850,271</u>	<u>56,058,431</u>
Excess of revenues over [under] expenditures	<u>[11,148,272]</u>	<u>[827,968]</u>	<u>[16,588,045]</u>	<u>[2,535,649]</u>
Other financing sources [uses]:				
Transfers in	10,144,321	6,698,877	4,861,005	4,534,226
Transfers out	[10,144,321]	[6,698,877]	[4,861,005]	[4,534,226]
Capital contributions	-	-	-	-
Proceeds from revolving loans	7,643	457,357	579,565	1,776,505
Proceeds from issuance of bonds	10,750,000	5,680,000	18,790,000	1,410,000
Premium on bonds	743,484	-	52,162	18,090
Discount on bonds	-	-	-	-
Proceeds from refunding of bonds	-	-	-	-
Proceeds from capital leases	-	-	732,650	-
Bond refunding	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Total other financing sources [uses]	<u>11,501,127</u>	<u>6,137,357</u>	<u>20,154,377</u>	<u>3,204,595</u>
Net change in fund balances	<u>\$ 352,855</u>	<u>\$ 5,309,389</u>	<u>\$ 3,566,332</u>	<u>\$ 668,946</u>
Debt service as a percentage of noncapital expenditures	38.76%	32.25%	40.81%	30.71%

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

TABLE 4
UNAUDITED

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	45,245,944	\$ 44,212,189	\$ 41,190,197	\$ 36,708,884	\$ 33,985,045	\$ 30,483,753
	4,535,509	5,754,614	4,353,517	7,288,686	7,257,789	6,617,270
	826,671	956,603	1,068,459	1,300,723	1,376,842	1,533,515
	1,790,813	1,940,579	2,099,136	2,800,053	2,481,902	3,998,984
	1,550,333	1,774,065	1,598,239	1,459,573	1,488,409	1,444,035
	1,263,117	1,755,269	1,674,965	1,057,853	529,432	471,764
	<u>784,486</u>	<u>500,595</u>	<u>428,479</u>	<u>429,805</u>	<u>218,814</u>	<u>219,399</u>
	<u>55,996,873</u>	<u>56,893,914</u>	<u>52,412,992</u>	<u>51,045,577</u>	<u>47,338,233</u>	<u>44,768,720</u>
	5,135,651	4,946,328	4,501,510	4,384,382	3,594,552	3,283,323
	1,971,603	1,055,965	941,990	948,521	901,711	845,250
	8,108,375	10,829,839	9,796,121	8,733,559	8,791,949	7,997,010
	18,476,886	18,909,880	17,125,341	16,755,985	16,352,173	15,114,130
	3,791,225	4,260,660	3,768,037	3,552,057	3,542,342	3,029,429
	183,399	177,362	170,092	175,367	172,318	234,089
	19,905,169	28,543,737	13,050,557	15,348,929	12,441,282	15,613,547
	12,952,430	6,947,004	6,050,000	6,278,506	6,565,647	4,335,000
	<u>4,232,778</u>	<u>3,630,920</u>	<u>3,068,306</u>	<u>3,438,598</u>	<u>3,208,370</u>	<u>2,840,997</u>
	<u>74,757,516</u>	<u>79,301,695</u>	<u>58,471,954</u>	<u>59,615,904</u>	<u>55,570,344</u>	<u>53,292,775</u>
	<u>[18,760,643]</u>	<u>[22,407,781]</u>	<u>[6,058,962]</u>	<u>[8,570,327]</u>	<u>[8,232,111]</u>	<u>[8,524,055]</u>
	8,362,035	8,372,661	8,523,978	972,609	4,125,290	1,426,586
	<u>[8,362,035]</u>	<u>[8,372,661]</u>	<u>[8,523,978]</u>	<u>[972,609]</u>	<u>[4,125,290]</u>	<u>[1,426,586]</u>
	-	-	-	-	133,546	-
	66,533	6,764,663	-	-	-	-
	27,105,000	28,600,000	7,250,000	7,355,000	15,825,000	12,160,000
	339,263	854,782	-	-	-	-
	-	-	[10,079]	-	-	-
	-	-	-	-	-	6,025,000
	-	-	-	-	-	532,642
	<u>[20,060,000]</u>	-	-	-	-	<u>[6,025,000]</u>
	-	-	-	122,305	2,216	37,764
	<u>7,450,796</u>	<u>36,219,445</u>	<u>7,239,921</u>	<u>7,477,305</u>	<u>15,960,762</u>	<u>12,730,406</u>
\$	<u>[11,309,847]</u>	<u>\$ 13,811,664</u>	<u>\$ 1,180,959</u>	<u>\$ [1,093,022]</u>	<u>\$ 7,728,651</u>	<u>\$ 4,206,351</u>
	33.36%	22.27%	20.07%	21.95%	22.66%	19.04%

TABLE 5
UNAUDITED

CITY OF SHAWNEE, KANSAS

GOVERNMENTAL FUND TYPES REVENUES BY SOURCE
LAST TEN YEARS

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Property	\$ 21,334,333	\$ 21,307,629	\$ 21,623,589	\$ 22,321,885	\$ 21,709,244
Special assessments	1,487,579	1,275,441	1,608,713	1,445,821	772,562
Sales county and city	19,587,884	19,168,426	17,620,422	17,818,926	19,205,265
Franchise	4,736,107	4,876,313	2,868,398	2,083,176	2,038,422
Other taxes	699,599	714,980	1,050,178	942,990	1,520,451
Total taxes	<u>47,845,502</u>	<u>47,342,789</u>	<u>44,771,300</u>	<u>44,612,798</u>	<u>45,245,944</u>
Licenses and permits	891,998	666,766	744,497	783,808	826,671
Intergovernmental	4,112,527	4,411,319	7,343,116	3,782,465	4,535,509
Charges for services	1,814,742	2,048,383	1,795,059	1,820,552	1,790,813
Fines, forfeitures and penalties	2,221,900	1,414,063	1,392,105	1,659,116	1,550,333
Interest income	147,902	133,409	793,977	289,543	1,263,117
Miscellaneous	478,491	648,115	422,172	574,500	784,486
Total	<u>\$ 57,513,062</u>	<u>\$ 56,664,844</u>	<u>\$ 57,262,226</u>	<u>\$ 53,522,782</u>	<u>\$ 55,996,873</u>
Sales tax breakdown					
City sales tax	\$ 9,617,057	\$ 9,446,849	\$ 8,977,607	\$ 8,918,753	\$ 9,530,673
County sales tax	9,970,827	9,721,577	8,642,815	8,900,173	9,674,592
Total sales tax	<u>\$ 19,587,884</u>	<u>\$ 19,168,426</u>	<u>\$ 17,620,422</u>	<u>\$ 17,818,926</u>	<u>\$ 19,205,265</u>
City sales tax	\$ 9,617,057	\$ 9,446,849	\$ 8,977,607	\$ 8,918,753	\$ 9,530,673
City property tax	21,334,333	21,307,629	21,623,589	20,343,579	20,073,522
Total tax revenue	47,845,502	47,342,789	44,771,300	44,612,798	45,245,944
	20%	20%	20%	20%	21%
Total revenue	57,513,062	56,664,844	57,262,226	53,522,782	55,996,873
City sales tax to total	17%	17%	16%	17%	17%
Property tax to total	37%	38%	38%	38%	36%
Tax to total revenue	83%	84%	78%	83%	81%
Retail sales	841,414,873	831,215,550	808,447,497	794,084,587	834,937,766
Percent change	1.23%	2.82%	1.81%	-4.89%	-0.37%

TABLE 5
UNAUDITED

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	20,668,830	\$ 17,051,717	\$ 14,543,075	\$ 13,423,271	\$ 12,302,952
	780,047	803,436	813,420	980,118	758,960
	19,608,022	20,056,603	18,839,152	17,207,171	15,071,137
	1,896,640	1,824,181	1,735,226	1,667,922	1,649,589
	<u>1,258,650</u>	<u>1,454,260</u>	<u>778,008</u>	<u>706,563</u>	<u>701,115</u>
	<u>44,212,189</u>	<u>41,190,197</u>	<u>36,708,881</u>	<u>33,985,045</u>	<u>30,483,753</u>
	956,603	1,068,459	1,300,723	1,376,842	1,533,515
	5,754,614	4,353,517	7,288,686	7,257,789	6,617,270
	1,940,579	2,099,136	2,800,053	2,481,902	3,998,984
	1,774,065	1,598,239	1,459,573	1,488,409	1,444,035
	1,755,269	1,674,965	1,057,853	529,432	471,764
	<u>500,595</u>	<u>428,479</u>	<u>429,805</u>	<u>218,814</u>	<u>219,399</u>
\$	<u>56,893,914</u>	<u>52,412,992</u>	<u>51,045,574</u>	<u>47,338,233</u>	<u>44,768,720</u>
\$	9,599,939	\$ 10,208,999	\$ 10,081,028	\$ 8,932,501	\$ 8,484,472
	<u>10,008,083</u>	<u>9,847,604</u>	<u>8,758,124</u>	<u>8,274,670</u>	<u>6,586,665</u>
\$	<u>19,608,022</u>	<u>20,056,603</u>	<u>18,839,152</u>	<u>17,207,171</u>	<u>15,071,137</u>
\$	9,599,939	\$ 10,208,999	\$ 10,081,028	\$ 8,932,501	\$ 8,484,472
	19,054,894	15,485,633	14,543,075	13,423,272	12,302,952
	44,212,189	41,190,197	36,708,881	33,985,045	30,483,753
	22%	25%	27%	26%	28%
	56,893,914	52,412,992	51,045,574	47,338,233	44,768,720
	17%	19%	20%	19%	19%
	33%	30%	28%	28%	27%
	78%	79%	72%	72%	68%
	838,046,407	850,024,730	826,030,749	794,000,089	754,175,289
	-1.41%	2.90%	4.03%	5.28%	3.98%

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CITY OF SHAWNEE, KANSAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

<u>Tax Year</u>	<u>Budget Year</u>	<u>Total Tax Levy</u>	<u>Collection Of Current Year's Tax</u>	<u>Percentage Of Levy Collected</u>	<u>Collection Of Delinquent Tax</u>	<u>Total Collections</u>	<u>Percentage Of Levy To Total Collections</u>
2011	2012	\$ 17,025,327	\$ 16,636,729	97.7%	\$ 353,241	16,989,970	99.8%
2010	2011	16,974,235	16,965,187	99.9%	268,933	17,234,120	101.5% *
2009	2010	17,707,372	17,303,045	97.7%	267,427	17,570,472	99.2%
2008	2009	18,245,796	17,766,382	97.4%	193,606	17,959,988	98.4%
2007	2008	18,243,395	17,474,113	95.8%	115,410	17,589,523	96.4%
2006	2007	17,339,550	17,021,394	98.2%	134,103	17,155,497	98.9%
2005	2006	13,720,272	13,526,503	98.6%	84,616	13,611,119	99.2%
2004	2005	12,660,813	12,491,075	98.7%	224,121	12,715,196	100.4% *
2003	2004	11,561,445	11,324,527	98.0%	142,241	11,466,768	99.2%
2002	2003	10,610,748	10,422,258	98.2%	143,002	10,565,260	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%.

TABLE 7
UNAUDITED

CITY OF SHAWNEE, KANSAS

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

<u>Tax Year</u> <u>December 31,</u>	<u>Fiscal Year</u> <u>December 31,</u>	<u>Real</u> <u>Estate</u>	<u>Personal</u> <u>Property</u>	<u>State</u> <u>Assessed</u> <u>Utilities</u>	<u>Total</u> <u>Taxable</u> <u>Assessed</u> <u>Value</u>
2011	2012	\$ 650,184,821	\$ 18,322,413	\$ 19,885,457	\$ 688,392,691
2010	2011	646,105,292	20,426,365	20,211,748	686,743,405
2009	2010	667,582,353	29,463,234	20,048,049	717,093,636
2008	2009	685,061,149	33,101,080	20,758,632	738,920,861
2007	2008	677,140,494	40,825,753	21,710,209	739,676,456
2006	2007	640,488,961	43,964,451	20,440,203	704,893,615
2005	2006	598,551,243	41,471,015	19,030,922	659,053,180
2004	2005	548,175,264	40,851,342	18,045,144	607,071,750
2003	2004	497,119,305	41,655,411	16,438,210	555,212,926
2002	2003	457,921,974	36,172,325	16,039,880	510,134,179

Note: Assessed Values are broken out historically by Real Estate, Personal Property and State Assessed Utilities. These numbers also include any tax exempt property.

TABLE 7
UNAUDITED

Real Property Estimated Actual <u>Value</u>	Personal Property Estimated Actual <u>Value</u>	Utilities Estimated Actual <u>Value</u>	Total Estimated Actual <u>Value</u>	Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
\$ 5,653,781,052	\$ 61,074,710	\$ 60,258,961	\$ 5,775,114,723	11.92%	24.732
5,618,306,887	68,087,883	61,247,721	5,747,642,492	11.95%	24.717
5,805,063,939	98,210,780	60,751,664	5,964,026,383	12.02%	24.699
5,957,053,470	110,336,933	62,904,945	6,130,295,348	12.05%	24.693
5,888,178,209	136,085,843	65,788,512	6,090,052,564	12.15%	24.652
5,569,469,226	146,548,170	61,940,009	5,777,957,405	12.20%	24.621
5,204,793,417	138,236,717	57,669,461	5,400,699,595	12.20%	20.847
4,766,741,426	136,171,140	54,682,255	4,957,594,821	12.25%	20.856
4,322,776,565	138,851,370	49,812,758	4,511,440,693	12.31%	20.845
3,981,930,209	120,574,417	48,605,697	4,151,110,322	12.29%	20.835

TABLE 8
UNAUDITED

CITY OF SHAWNEE, KANSAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS

Tax Year Ended December 31,	Fiscal Year Ended December 31,	City Direct Rates			State	County	Library
		General & Special Revenue	Debt Service	Total Direct			
2011	2012	15.039	9.693	24.732	1.500	17.700	3.145
2010	2011	15.030	9.687	24.717	1.500	17.700	3.145
2009	2010	15.019	9.680	24.699	1.500	17.748	3.158
2008	2009	15.568	9.125	24.693	1.500	17.716	3.151
2007	2008	14.142	10.510	24.652	1.500	17.985	2.962
2006	2007	14.124	10.497	24.621	1.500	17.949	2.960
2005	2006	13.424	7.423	20.847	1.500	17.922	2.955
2004	2005	13.430	7.426	20.856	1.500	16.041	2.956
2003	2004	13.423	7.422	20.845	1.500	16.381	2.954
2002	2003	12.417	8.418	20.835	1.500	16.221	2.948

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

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

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

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

TABLE 8
UNAUDITED

Overlapping Rates					
County		Total	School	School	School
Community		Overlapping	District	District	District
College	Park	Without	Shawnee	Desoto	Olathe
		Schools	(512-HS6)	(SD-232)	(SD-233)
8.776	2.343	58.196	55.766	82.262	69.618
8.776	2.343	58.181	56.135	82.558	69.924
8.799	2.350	58.254	57.192	84.051	72.917
8.784	2.346	58.190	55.318	74.186	66.900
8.749	2.295	58.143	52.008	71.463	64.343
8.872	2.290	58.192	51.980	69.693	65.180
8.441	2.286	53.951	49.748	69.115	68.173
9.438	2.367	53.158	49.748	72.806	69.177
9.432	2.365	53.477	37.774	74.734	64.166
9.428	1.602	52.534	42.238	75.518	64.125

TABLE 9
UNAUDITED

CITY OF SHAWNEE, KANSAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Taxpayer</u>	<u>2011 Tax Year/2012 Fiscal Year</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Westar Energy	\$ 5,855,630	1	0.85%
The Shawnee Station LLC	5,221,251	2	0.76%
Kansas City Power and Light	4,387,433	3	0.64%
Greens at Shawnee	3,292,450	4	0.48%
Kansas Gas Service	3,211,891	5	0.47%
Wal-Mart	3,087,859	6	0.45%
Tower Properties Company	2,391,425	7	0.35%
ZCOF TL Ten Quivira LLC	2,350,002	8	0.34%
Southwestern Bell Telephone	2,333,469	9	0.34%
Deffenbaugh Industries, Inc.	2,330,132	10	0.34%
Total	<u>\$ 34,461,542</u>		
City of Shawnee	<u>\$ 688,392,691</u>		

Source: Johnson County Clerks Office

TABLE 9
UNAUDITED

<u>Taxpayer</u>	<u>2002 Tax Year/2003 Fiscal Year</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
The Shawnee Station	\$ 5,456,024	1	1.07%
Weingarten Realty Investors	5,302,368	2	1.04%
Deffenbaugh Industries	4,410,806	3	0.86%
The Greens at Shawnee	2,919,310	4	0.57%
AFD LLC	2,729,635	5	0.54%
Wal-Mart	2,369,450	6	0.46%
Dayton Hudson Corporation	2,578,026	7	0.51%
RVM Ten Quivira LLC	2,564,692	8	0.50%
BK Properties LLC	2,499,152	9	0.49%
Oak Valley L.L.C.	2,341,644	10	0.46%
Total	<u>\$ 33,171,107</u>		
City of Shawnee	<u>\$ 510,134,179</u>		

TABLE 10
UNAUDITED

CITY OF SHAWNEE, KANSAS

SALES TAX RATES
LAST TEN YEARS

<u>Fiscal Year</u>	<u>City Sales</u>	<u>County Sales</u>	<u>County Public Safety Sales</u>	<u>County Bi-State Sales</u>	<u>County Research Triangle</u>	<u>County Stormwater</u>
2012	1%	0.5%	0.25%	0.000%	0.125%	0.10%
2011	1%	0.5%	0.25%	0.000%	0.125%	0.10%
2010	1%	0.5%	0.25%	0.000%	0.125%	0.10%
2009	1%	0.5%	0.25%	0.000%	0.125%	0.10%
2008	1%	0.5%	0.25%	0.000%	0.125%	0.10%
2007	1%	0.5%	0.25%	0.000%	0.000%	0.10%
2006	1%	0.5%	0.25%	0.000%	0.000%	0.10%
2005	1%	0.5%	0.25%	0.000%	0.000%	0.10%
2004	1%	0.5%	0.25%	0.000%	0.000%	0.10%
2003	1%	0.5%	0.25%	0.000%	0.000%	0.10%
2002	1%	0.5%	0.25%	0.000%	0.000%	0.10%

Tax Rates from Kansas Department of Revenue

TABLE 10
UNAUDITED

<u>County School Sales</u>	<u>Park and Pipes Sales</u>	<u>State</u>	<u>Public Safety Sales</u>	<u>Total Direct</u>
0.25%	0.125%	6.30%	0.125%	8.775%
0.25%	0.125%	6.30%	0.125%	8.775%
0.25%	0.125%	6.30%	0.125%	8.775%
0.25%	0.125%	5.30%	0.125%	7.775%
0.25%	0.125%	5.30%	0.125%	7.775%
0.25%	0.125%	5.30%	0.125%	7.650%
0.25%	0.125%	5.30%	0.125%	7.650%
0.25%	0.125%	5.30%	0.125%	7.650%
0.25%	0.125%	5.30%	0.000%	7.525%
0.25%	0.125%	5.30%	0.000%	7.525%
0.00%	0.125%	5.30%	0.000%	7.275%

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**City of Shawnee, Kansas
Taxable Retail Sales
2003-2012**

CHART 1
UNAUDITED

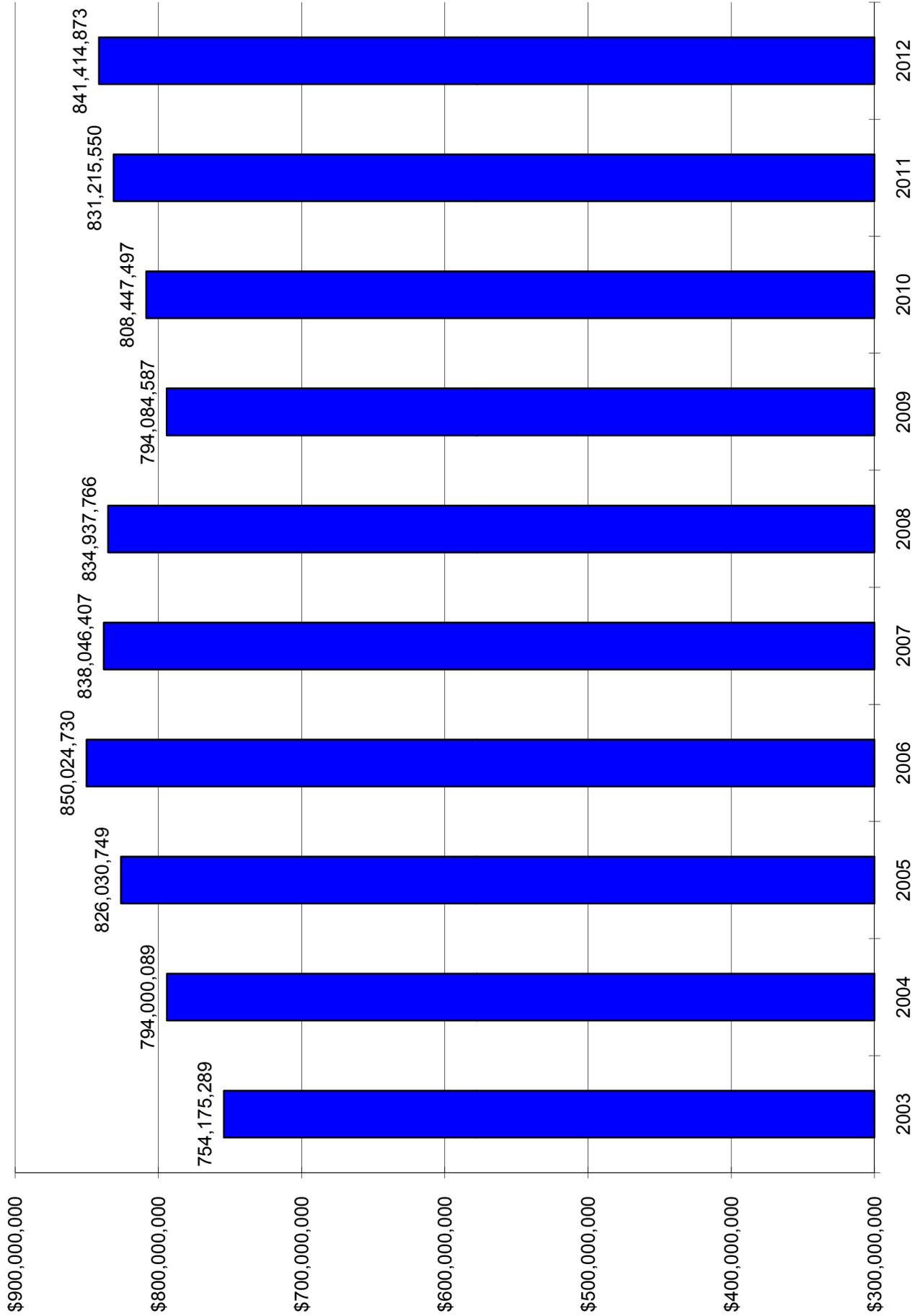


TABLE 11
UNAUDITED

CITY OF SHAWNEE, KANSAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Revolving Loan	Capital Leases	Temporary Notes	Total Primary Government
2012	\$ 75,236,974	\$ 102,979	\$ 1,853,118	\$ -	\$ 77,193,071
2011	84,072,290	191,165	2,208,243	-	86,471,698
2010	87,166,091	1,609,624	1,237,437	2,645,000	92,658,152
2009	84,379,252	6,850,069	728,997	1,385,000	93,343,318
2008	90,494,676	5,516,762	258,520	3,605,000	99,874,958
2007	90,027,468	5,882,659	336,448	9,250,000	105,496,575
2006	75,929,921	-	109,468	-	76,039,389
2005	74,740,000	-	215,913	-	74,955,913
2004	73,560,000	-	319,418	-	73,879,418
2003	64,200,000	-	420,065	-	64,620,065

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

Debt Service Restricted Fund Balance	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*
\$ 2,955,597	\$ 72,281,377	0.088%	0.082%	10.50%	0.088%
846,014	83,226,276	0.075%	0.073%	12.12%	0.076%
2,072,584	85,093,507	0.067%	0.067%	11.87%	0.073%
906,628	83,472,624	0.063%	0.065%	11.30%	0.072%
484,059	90,010,617	0.056%	0.061%	12.17%	0.067%
179,793	89,847,675	0.051%	0.056%	12.75%	0.066%
30,037	75,899,884	0.067%	0.076%	11.52%	0.076%
1,950,795	72,789,205	0.064%	0.075%	11.99%	0.077%
4,723,602	68,836,398	0.063%	0.072%	12.40%	0.078%
7,720,608	56,479,392	0.068%	0.081%	11.07%	0.093%

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CITY OF SHAWNEE, KANSAS

SCHEDULE OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2012

Governmental Unit	Debt <u>Outstanding</u>	Estimated Percentage <u>Applicable*</u>	Estimated Share of Overlapping <u>Debt</u>
Debt to be repaid with property taxes			
Johnson County, Kansas	\$ 290,901,089	9.11%	\$ 26,501,089
Johnson County Parks & Recreation	3,000,000	9.11%	273,300
U.S.D. #232 (Desoto)	175,780,000	70.87%	124,575,286
U.S.D. #233 (Olathe)	317,601,339	0.79%	2,509,051
U.S.D. #512 (Shawnee Mission)	207,765,000	14.07%	<u>29,232,536</u>
Subtotal, overlapping debt			183,091,262
City direct debt	77,193,071	100.0%	<u>77,193,071</u>
Total direct and overlapping debt			<u>\$ 260,284,333</u>

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 12/31/12. Other debt as of 6/30/12.

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 resident 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.

TABLE 13
UNAUDITED

CITY OF SHAWNEE, KANSAS

LEGAL DEBT MARGIN
LAST TEN YEARS

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt Limit	\$ 231,327,469	\$ 231,327,469	\$ 241,315,676	\$ 248,224,634
Total net debt applicable to limit	<u>70,714,403</u>	<u>82,313,986</u>	<u>84,092,416</u>	<u>82,438,372</u>
Legal Debt Limit	<u>\$ 160,613,066</u>	<u>\$ 149,013,483</u>	<u>\$ 157,223,260</u>	<u>\$ 165,786,262</u>
Total net debt applicable to the limit as a percentage of the limit	30.6%	35.6%	34.8%	33.2%

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

Legal Debt Margin Calculation for Year Ended December 31, 2012

Assessed valuation of taxable tangible property	\$ 686,743,405
Equalized valuation of motor vehicles	<u>84,348,157</u>
Equalized assessed tangible valuation for computation of bonded debt limitation:	<u>\$ 771,091,562</u>
Legal debt limit (30%)	\$ 231,327,469
Less:	
General obligation bonds	73,670,000
Plus:	
Debt Service Fund fund balance	<u>2,955,597</u>
Legal debt margin	<u>\$ 160,613,066</u>
Percentage of debt capacity used	<u>30.6%</u>

TABLE 13
UNAUDITED

Fiscal Year					
<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 248,218,244	\$ 248,114,292	\$ 237,058,210	\$ 222,550,264	\$ 206,960,699	\$ 190,364,438
<u>88,910,941</u>	<u>89,847,675</u>	<u>75,899,884</u>	<u>72,789,205</u>	<u>68,836,398</u>	<u>56,479,392</u>
<u>\$ 159,307,303</u>	<u>\$ 158,266,617</u>	<u>\$ 161,158,326</u>	<u>\$ 149,761,059</u>	<u>\$ 138,124,301</u>	<u>\$ 133,885,046</u>
35.8%	36.2%	32.0%	32.7%	33.3%	29.7%

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CITY OF SHAWNEE, KANSAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

<u>Fiscal Year</u>	<u>City Population (a)</u>	<u>County Population (b)</u>	<u>City Population Percent Change</u>	<u>Per Capita Personal Income (c)</u>	<u>Personal Income (c)</u>	<u>City Unemployment Rate (d)</u>	<u>State Unemployment Rate (d)</u>
2012	63,300	559,913	0.0%	68,051	4,307,653,413	3.8%	5.3%
2011	63,300	545,876	1.8%	64,811	4,102,527,060	5.0%	6.0%
2010	62,209	544,179	2.9%	61,725	3,839,827,065	5.0%	6.8%
2009	60,464	524,723	0.0%	58,785	3,554,397,712	8.6%	6.3%
2008	60,484	509,862	2.1%	55,986	3,386,260,399	4.0%	4.9%
2007	59,252	526,319	2.6%	53,320	3,159,319,603	3.3%	3.9%
2006	57,758	516,731	3.1%	50,781	2,933,008,998	3.5%	4.1%
2005	56,000	506,562	4.7%	48,153	2,696,568,000	3.8%	5.1%
2004	53,500	496,892	2.4%	46,244	2,474,054,000	4.1%	5.6%
2003	52,250	486,852	1.9%	44,119	2,305,217,750	4.4%	5.6%

Note a: City of Shawnee Planning Department

Note b: www.census.gov

Note c: Per Capita Personal Income reflects that of Johnson County, Kansas. Figures are not available by municipality. 2002 - 2003 figures are from www.bea.gov and reflect Johnson Counties per capita personal income. 2004, 2005, 2006, 2007, 2008, 2009, 2010 and 2011 figures were not available.

Note d: www.laborstats.dol.ks.gov/lfe/lfecurrent.htm

TABLE 15
UNAUDITED

CITY OF SHAWNEE, KANSAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2011 Tax Year/2012 Fiscal Year</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
De Soto Unified School District No. 232	950	1	2.90%
FedEx Ground Package Systems, Inc.	950	2	2.90%
Deffenbaugh Industries, Inc.	750	3	2.29%
Bayer HealthCare, LLC	583	4	1.78%
Perceptive Software, Inc.	551	5	1.68%
Wal-Mart	450	6	1.37%
City of Shawnee	271	7	0.83%
Hy-Vee Food & Drug Store	230	8	0.70%
McClane Food Service	200	9	0.61%
Target	196	10	0.60%
Total	<u>5,131</u>		
City of Shawnee	<u>32,736</u>		

TABLE 15
UNAUDITED

<u>2002 Tax Year/2003 Fiscal Year</u>			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Deffenbaugh Industries, Inc.	1,200	1	***
FedEx Ground Package System, Inc.	500	2	***
Wal-Mart Super Center	500	3	***
Hy-Vee Food & Drug	460	4	***
Lowe's	350	5	***
Harte-Hanks	330	6	***
Bayer Corporation	300	7	***
Airsys ATM, Inc.	260	8	***
Home Depot	200	9	***
Millennium Marketing, Inc.	200	10	***
Total	<u>4,300</u>		
City of Shawnee	<u>***</u>		

*** Data not available prior to 2003

TABLE 16
UNAUDITED

CITY OF SHAWNEE, KANSAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST NINE YEARS

Function/Program	Fiscal Year Ended December 31,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police									
Physical Arrests	861	939	1,031	1,297	1,334	1,659	1,415	1,301	1,450
Parking Citations	140	197	161	323	219	283	445	434	532
Traffic Accidents	894	891	971	1,016	797	875	797	891	915
Fire									
Fire/Explosion Calls	215	158	140	139	149	139	175	135	125
Rescue Calls	3,153	2,972	2,555	2,427	2,701	2,636	2,498	2,312	2,281
Hazardous Conditions Calls	167	182	164	135	187	253	163	151	152
Service Calls	408	339	391	362	324	280	263	189	240
Good Intent Calls	842	772	771	833	887	778	699	496	514
False Calls	341	382	334	360	392	448	402	447	422
Public Works									
Pothole Patching (Man-Hours)	4,212.00	3,652.00	4,171.00	4,508.00	7,115.00	6,507.50	7,339.50	8,080.25	8,271.50
Street Sealing (Man-Hours)	1,170.00	1,743.00	-	116.00	1,211.50	941.50	1,093.00	590.00	80.00
Snow Removal/Sanding (Man-Hours)	1,415.00	5,501.25	5,193.00	5,749.00	8,678.00	4,989.50	1,588.00	3,039.50	1,782.00
Blade Patching (Man-Hours)	677.00	642.00	1,121.00	21.00	2,126.50	1,401.00	1,103.00	1,286.50	1,619.50
ROW Mowing (Man-Hours)	583.00	1,078.50	1,462.00	5,069.00	7,231.00	6,770.00	6,617.00	5,533.25	4,536.75
Parks & Recreation									
Aquatic Centers (Total Revenue)	715,685.00	661,458.00	680,307.00	657,763.00	613,304.00	673,333.00	492,740.00	486,355.00	418,614.00
Sports Programs (Total Revenue)	69,123.00	64,816.00	61,876.00	71,530.00	66,662.00	76,240.00	96,340.00	65,576.00	64,272.00
Facilities/Grounds Rental (Total Revenue)	319,954.00	304,100.00	260,771.00	211,879.00	213,853.00	243,934.00	251,761.00	204,320.00	173,775.00

Note: City began compiling data in 2004. Information not available prior to 2004.

Source: City of Shawnee Budget Document

TABLE 17
UNAUDITED

CITY OF SHAWNEE, KANSAS

FULL TIME CITY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

<u>Function/Program</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Government										
City Manager	3.00	2.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Legal	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Licensing/HR	5.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00
Finance	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
IT	9.00	10.00	10.00	10.00	10.00	10.00	9.00	7.00	7.00	7.00
Municipal Court	5.00	5.00	5.00	6.00	6.00	6.30	6.30	6.30	6.30	6.30
Planning	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Development Services	10.00	11.00	11.00	13.00	13.00	0.00	0.00	0.00	0.00	0.00
Public Works	40.00	39.00	39.00	44.00	44.00	57.00	56.00	49.00	48.00	48.00
Police	108.00	107.00	107.00	111.00	111.00	111.00	111.00	111.00	111.00	111.00
Fire										
Fire	55.00	55.00	55.00	58.00	58.00	55.00	52.00	49.00	49.00	49.00
Building Inspection	8.00	9.50	9.50	10.00	10.00	11.00	11.00	11.00	11.00	11.00
Parks & Recreation										
Parks Maintenance	9.00	8.00	8.00	11.00	11.00	12.00	12.00	12.00	12.00	12.00
Civic Centre	6.00	6.00	7.00	7.00	7.00	5.00	5.00	5.00	5.00	4.00
Old Shawnee Town	3.00	3.00	3.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00
Total	271.0	272.5	273.5	294.0	294.0	290.3	285.3	273.3	272.3	271.3

Source: City of Shawnee Budget Document

TABLE 18
UNAUDITED

CITY OF SHAWNEE, KANSAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

<u>Function/Program</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Police										
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire										
Stations	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Public Works										
Center Line Miles	336.00	335.00	333.00	327.50	330.00	329.93	351.85	341.06	339.04	314.50
Streetlights	4,157	4,037	3,967	3,910	3,842	3,821	3,584	3,464	3,171	3,019
Parks & Recreation										
Parks	34.00	34.00	34.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
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