

## **EXECUTIVE SUMMARY OVERVIEW**

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This section is designed to provide the reader with general background and summary information about the City of Overland Park and the 2007 Budget. Highlights of the material included are as follows:

- **Budget Message**  
Written to give the Mayor, City Council and the public a broad picture of the 2007 Budget. Included are 2007 Budget Highlights, Priorities and Issues, a summary of 2007 Revenue and Expenditure Information and a summary of the 2007-2011 Capital Improvements Program (CIP).
- **Financial Planning**  
Discusses the City's five-year financial plan and capital improvements program.
- **Debt Information**  
Includes a schedule of outstanding debt, information on current and future debt and the legal debt margin.
- **Financial Structure**  
Explains fund structure and basis of accounting.
- **Budget Guidelines and Financial Assumptions**  
Informs the reader about policies that shape budget development.
- **Budget Development Process**  
Outlines the chronological order of preparing, monitoring and reporting related to both the operating and capital budgets.
- **Budget History**  
Reviews previous budget levels and 2007 expenditure highlights.
- **Key Changes in the 2007 Budget**  
Summarizes reductions in funding in the 2007 Budget.
- **Personnel Summary**  
Includes an Organizational Chart and summarizes personnel changes in 2007.
- **Performance Management Initiative**  
Summarizes the Performance Management initiative.

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October 16, 2006

Mayor Carl Gerlach  
Members of the City Council  
City of Overland Park  
Overland Park, Kansas

Mayor Carl Gerlach and Members of the City Council:

I am pleased to present the 2007 Budget for the City of Overland Park, as approved by the Governing Body on August 21, 2006. The total 2007 Budget equals \$251,380,000. The portion of the 2007 Budget allocated for operating expenses totals \$102,320,864, a 6.2% increase over the adopted 2006 Budget

The primary purpose of the City's budget and budgeting process is to develop, adopt and implement a plan for accomplishing goals for the upcoming year, while keeping consistent with the long-term vision of the City and the overriding objectives of maintaining a responsive government, low property tax rate, high service levels and a strong financial position.

The City's revenue outlook remains positive for 2007, primarily as a result of stable retail sales and local compensating use tax collections. On the strength of the revenue outlook, the 2007 Budget is able to address growing service demands while slightly lowering the City's property tax rate.

The 2007 Budget addresses priorities identified by both our citizens and the Governing Body. Based on these priorities, the 2007 Budget includes personnel, service and program enhancements in several areas:

- *Providing Quality Public Safety and Safe Neighborhoods* through the addition of 7 police officers, 1 sergeant, 1 Tactical Operations Specialist and 2.5 school crossing guards, as well as the acquisition of technology to improve effectiveness and efficiency by implementing an electronic ticketing system and enhance crime analysis capabilities. Additional funding is also provided to the Municipal Court for payment of jail boarding fees.
- *Preserving Healthy Neighborhoods through Codes and their Enforcement* with the addition of an Environmental Specialist (Property Inspector) and enhancement of educational materials regarding property maintenance for our citizens.

- *Providing Excellent Parks, Recreation and Cultural Amenities* through the addition of 3 full-time and 26.77 FTE (full-time equivalent) part-time positions and operational funding for the Overland Park Downtown Community Center scheduled to open in the fall of 2007. In addition, the Capital Improvement Program for 2007 includes funding for an entrance building at the Deanna Rose Farmstead, as well as funding for public art projects, park improvements and greenway linkages.
- *Maintenance of Quality Infrastructure* with the addition of a Stormwater Engineering Technician to support design and construction activities of major stormwater maintenance and capital improvement projects. Infrastructure needs is also addressed through the continuation of an enhanced level of street and traffic maintenance program, and includes the implementation of a microsurfacing street maintenance program.
- *Providing Quality Transportation Infrastructure* is addressed by capital improvement projects scheduled for 2007 including:
  - 2007 Residential Street Program
  - 132<sup>nd</sup> Street & US 69 Overpass
  - Intersection Improvements at:
    - 127<sup>th</sup> & Antioch
    - 151<sup>st</sup> & US 69 Highway
  - Thoroughfare Improvements at:
    - Metcalf, 99<sup>th</sup> to 103<sup>rd</sup>
    - 151<sup>st</sup> Street, Antioch to Quivira
    - 143<sup>rd</sup> Street, Antioch to Metcalf
    - Nall Avenue, 143<sup>rd</sup> to 159<sup>th</sup>
  - Traffic Signal & OPTCS improvements
- *Maintaining First Class City Staff* is addressed through a planned increase in salary and benefits that are market and performance based.
- *Maintenance of Low Property Taxes* is achieved in the 2007 Budget, which slightly lowers the existing mill levy rate for 2007 to 8.889 mills, from the 2006 rate of 9.037 mills.

Additions to the 2007 Budget are discussed in further detail beginning on page 1.33.

### ***Factors Influencing 2007 Budget Development***

Several factors were taken into consideration during the development of the 2007 Budget, including the following:

- **Positive economic outlook.** The City's revenue outlook is positive for 2007. Current financial indicators show moderate growth in retail sales, local compensating use tax and assessed valuation.
- **Growing service demands.** Continued growth in population, as well as further development of residential, commercial and retail areas, has increased service demands.

- **2007 Budget guidelines.** The City has established financial parameters to ensure a structural balance between anticipated revenues and operating expenditures. Maintaining this structural balance is the foundation of our financial strategy. The budget was prepared in accordance with these guidelines. Expenditure assumptions included operating budget growth of 4.5%. However, total operating expenses increased by a total of 6.2%, due to revenue availability. Operating expenditures in the primary operating fund (the General Fund) are budgeted to increase by 6.5%.
- **Resources from prior years.** Several years of conservative budgeting and expenditures, coupled with higher than projected sales and use tax revenues, have impacted resources available from prior years for expenditure in 2007. For the 2007 Budget, the beginning fund balance available for appropriation is expected to be \$67.9 million, which is approximately \$5.9 million above the level budgeted in 2006. The City strives to balance current expenditures with current revenues, thus ensuring an adequate fund balance is available to address emergencies or large capital needs. The increase in the beginning 2007 fund balance is a result of better than estimated fund balance at the beginning of 2006, as well as the continued receipt of a portion of the county-wide economic development sales tax (approximately \$3.3 million). This tax was scheduled to expire on Dec. 31, 2005, and thus was not budgeted for collection in 2006. An extension of the tax was approved by voters in late 2005. The collection of this tax has been included in the 2007 Budget.
- **Infrastructure needs.** During the slow economic conditions of the early 2000's, the City's ability to construct capital improvements was limited. However, infrastructure needs have expanded as population grows and migrates to the southern areas of the City. The adopted 2007-2011 Capital Improvement Program and five-year financial plan allocates 17.2% of current General Fund resources to capital infrastructure construction to help address growing infrastructure demands.
- **The Governing Body's commitment to retaining a low property tax rate.** The City of Overland Park has the lowest property tax rate of any first-class city in the State of Kansas. Due to the positive financial outlook the City was able to slightly lower the current property tax rate for 2007. Projected at 8.889 mills for 2007, Overland Park's property tax rate is approximately half the rate of our surrounding communities.

A summary of the 2007 Budget, including budget highlights, priorities and issues, revenue information, expenditure information and a summary of the 2007-2011 Capital Improvements Program, follows:

## ***2007 Budget Highlights, Priorities and Issues***

**Enhancements to existing programs, services and personnel additions support the City's continuing effort of prioritizing needs, while providing a high level of service to the citizens of Overland Park.** Enhancements to the 2007 Budget were analyzed, prioritized and approved based on priorities identified by our citizens and the Governing Body. Prioritized services support the areas of public safety, infrastructure and quality of life (recreational opportunities and neighborhood preservation).

Enhanced program and service funding is included in the following areas: Police technology, Parks and Recreation's community center operations, Municipal Court jail fees and Planning and Development Service code enforcement.

Fourteen full-time positions have been added in the 2007 Budget: nine in the Police Department, one in Public Works, one in Facilities Maintenance, two in Parks and Recreation and one in Planning and Development Services. In addition, part-time positions which provide program enhancements have been added based a needs analysis. The addition of 2.5 FTE (full-time equivalent) part-time parking enforcement officers/school crossing guards and 26.77 FTE part-time positions community center positions are included.

Information regarding 2007 additions and priorities are discussed in further detail beginning on page 1.33.

**Enhanced funding for traffic and infrastructure maintenance.** The positive revenue outlook has allowed the City to continue allocating additional resources to traffic and infrastructure maintenance. An additional \$1.7 million over traditional levels has been included in the 2007 Budget for the street maintenance program and traffic infrastructure replacement. In addition, \$750,000 of additional funding has been allocated to maintenance for the implementation of microsurfacing of streets.

**Infrastructure construction.** During the slow economic conditions of the early 2000's, the City's ability to construct capital improvements was constrained. However, the infrastructure needs have expanded as population grows and migrates to the southern areas of the City. The adopted 2007-2011 Capital Improvement Program allocates significant resources to capital infrastructure construction to help address growth infrastructure demands.

**The property tax rate is reduced to 8.889 mills from 9.037 mills.** Due to the positive revenue outlook, the City has been able to slightly lower the current property tax rate 9.037 mills for the 2006 Budget to 8.889 mills for the 2007 Budget, while including personnel and service enhancements in the 2007 Budget.

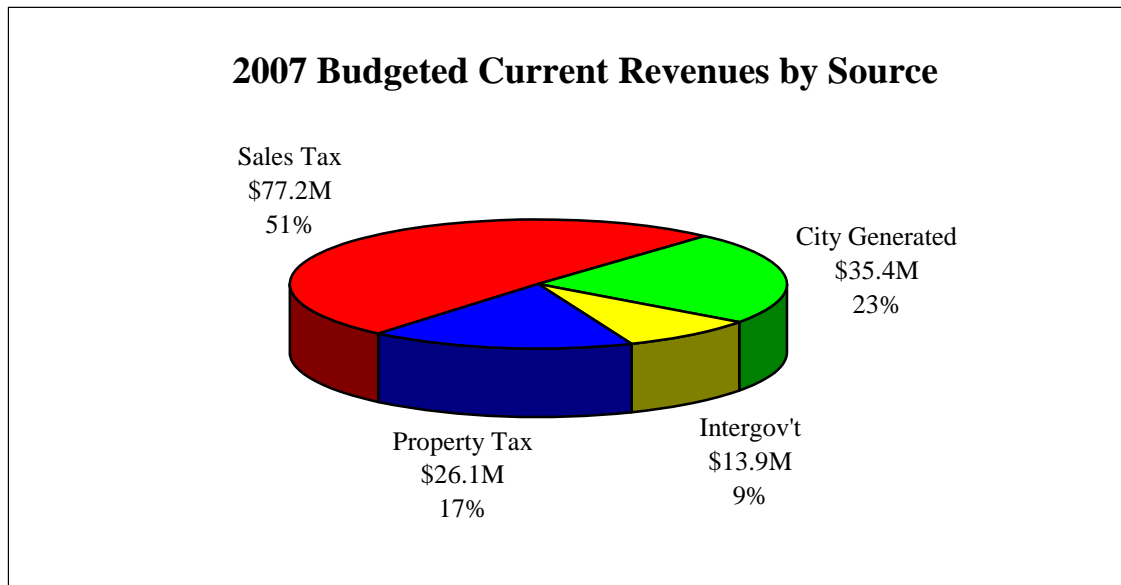
**The use of an organizational Performance Management System.** This initiative identifies and incorporates organizational performance measures as part of our management system. This information is used to gauge the organization's efficiency and responsiveness, improve performance and determine our effectiveness in meeting annual and long-term goals and objectives.

**The 2007-2011 financial plan maintains adopted financial planning standards.** The 2007 Budget and the 2007-2011 Capital Improvements Program have been adopted within the context of the City's five-year financial plan. This plan includes a forecast of revenues and expenditures from 2007 through 2011. It also includes requirements of the 2007 operating budget, a forecast of operating expenditures through 2011 and funding requirements necessary to support the 2007-2011 Capital Improvements Program and the 2007-2011 Maintenance Plan. The five-year financial plan is explained later in the Executive Summary section.

### **2007 Revenues**

Revenues generated in 2007 are projected to be \$152.7 million. With the inclusion of interfund transfers and the fund balance, total 2007 resources available are projected at \$251.4 million.

Current revenues are collected from four primary sources: sales tax (51%), City-generated revenue (23%), property tax (17%) and intergovernmental revenue (9%). Sales tax collections include City and County sales taxes. City-generated revenue includes special assessments, franchise fees, user fees and fines. Property tax is revenue generated from ad valorem taxes on real estate and personal property, as well as motor vehicles. Intergovernmental revenues include state-shared revenues, such as gasoline tax and liquor tax.



For 2007, current revenues are projected to increase by \$12.8 million from the adopted 2006 Budget. Current revenues are comprised of four main categories: property tax, sales tax, city-generated revenues and intergovernmental revenues.

**Changes in Current Revenue: 2006 to 2007**

			<b>Over/(Under)</b>	<b>%</b>
	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>2006 Budget</b>	<b>Change</b>
Property Tax	24,879,756	26,139,964	1,260,208	5.1%
Sales Tax	69,409,986	77,230,947	7,820,961	11.3%
City-Generated	32,262,804	35,427,964	3,165,160	9.8%
Intergovernmental	13,302,095	13,895,000	592,905	4.5%
	<u>139,854,641</u>	<u>152,693,875</u>	<u>12,839,234</u>	<u>9.2%</u>

*Property Tax* revenues reflect the application of a projected mill levy of 8.889 mills to the assessed valuation of property in Overland Park. Property taxes have increased 5.1% over 2006 budgeted revenues.

The assessed valuation supporting the 2007 Budget has increased by 7.8% to \$2.709 billion. This increase was driven by strong growth in real estate and personal property valuations, while utility valuations experienced a modest increase. The following table summarizes the change by property tax category.

**Changes in Assessed Valuation: 2006 to 2007**

			<b>Over/(Under)</b>	<b>%</b>
	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>2006 Budget</b>	<b>Change</b>
Real Estate	2,296,847,646	2,480,313,544	183,465,898	8.0%
Personal Property	145,188,962	156,170,047	10,981,085	7.6%
Utilities	71,605,300	72,443,002	837,702	1.2%
	<u>2,513,641,908</u>	<u>2,708,926,593</u>	<u>195,284,685</u>	<u>7.8%</u>

The mill levy for the 2007 Budget is decrease slightly to 8.889 mills for 9.037 mills for the 2006 Budget. The property tax rate is as follows:

**Mill Levy to Support 2006 and 2007 Budgets**

	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>Difference</b>
General Fund	3.313	3.259	(0.054)
Fire Service Fund	4.735	4.657	(0.078)
Stormwater Utility Fund	0.989	0.973	(0.016)
<b>Total Mill Levy</b>	<u><b>9.037</b></u>	<u><b>8.889</b></u>	<u><b>(0.148)</b></u>

*Sales Tax* revenues are projected to increase 11.3% over 2006 budgeted revenues, and 4.7% over estimated 2006 estimated revenues. The large increase between budgets is due to the continued collection of the County ¼-cent sales tax for economic development, of which the City receives a portion. The economic development sales tax was scheduled to sunset on December 31, 2005. In late September 2005, Johnson County citizens voted to extend this tax for an additional three years. However, since the City's 2006 Budget was adopted in August 2005, the 2006 Budget did not include revenues from this tax. The 2007 Budget incorporates the continued collection of this sales tax into projected revenues for the year.

City sales tax revenues are forecasted to grow 6.3% over 2006 budgeted revenues and 4.7% over estimated 2006 collections. Due to the volatile nature of this revenue source, sales tax collections are reviewed on a quarterly basis and revisions to the financial forecast are recommended as appropriate. Projections for 2006 sales tax revenues were updated in December 2005 and May 2006. Current sales tax projections for 2007 are based on May 2006 information. The 4.7% sales tax growth projection is based solely on our forecasting models. The City continues to monitor sales tax revenues, reevaluate sales tax assumptions and will inform the Governing Body if budget reductions or new revenues are necessary due to actual sales tax collections.

The positive 2007 sales tax revenue outlook is largely attributable to moderate growth in both retail sales collections and in sales tax revenue resulting from expansion of the Local Compensating Use Tax. Due to the increased sales and use tax collections, the 2006 revenues generated by the City's 1-cent sales tax are estimated to be \$850,000 more than the amount budgeted for 2006.

*City-Generated* revenues include franchise fees, user fees, licenses, permits and transfers. 2007 revenues are projected to be 9.8% higher than the 2006 Budget. This increase is driven by several factors. Interest rates have increased significantly in the last year. For 2007, the City projects interest earned on idle funds will increase by 79%, to \$3.1 million. In addition, due to increasing development activities and revised fee schedules, the City is projecting significant increases in revenues from Building Permits, Plan Review Fees and Excise Tax.

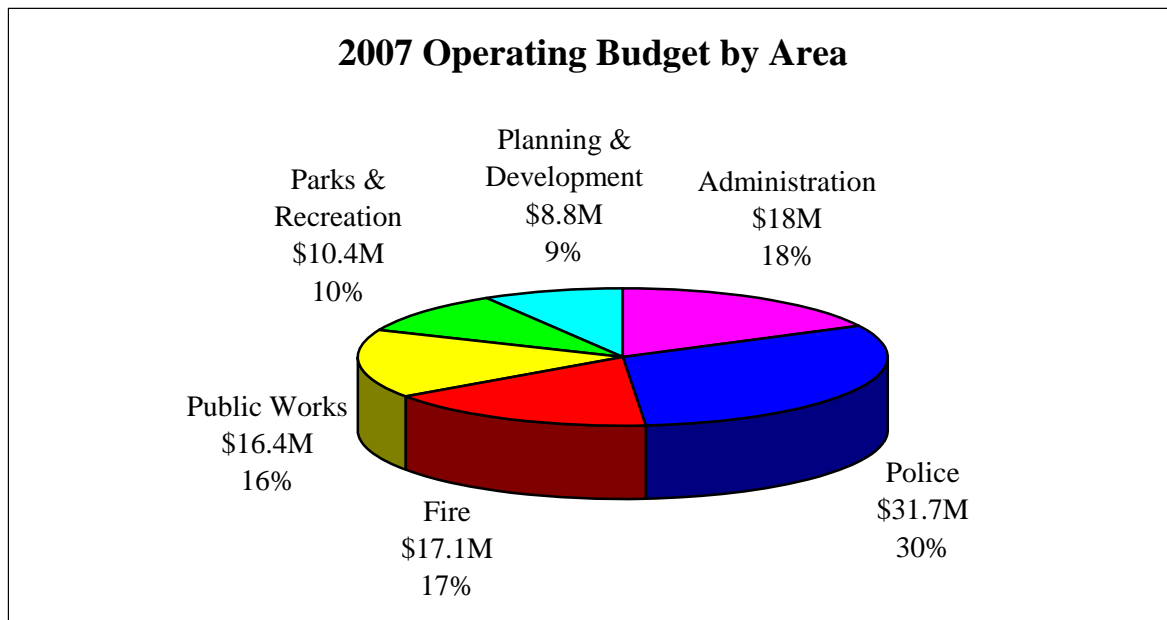
*Intergovernmental* revenues reflect receipt of funds collected by and redistributed back to Overland Park from federal, state and county sources, and include such items as gasoline tax and liquor tax. These revenues are expected to be 4.5% higher in 2007 than the 2006 Budget.

*Fund Balance* at the beginning of 2007 is estimated to be \$67.9 million, which is \$5.9 million higher than the budgeted 2006 beginning fund balance. The increase in the beginning 2007 balance is a result of a higher than expected fund balance to begin 2006, as well the continued receipt of a portion of the county-wide economic development sales tax (approximately \$3.3 million).

## 2007 Expenditures

Total budgeted expenditures for 2007 equal \$251,380,000, which is an increase of 11.6% over the adopted 2006 Budget. This total includes expenditures in all categories for all appropriated funds.

*Operating Expenditures* (including personal services, contractual services, commodities and capital outlay) for all funds total \$102.3 million. This increase is 6.2% over the adopted 2006 Budget. These expenditures are allocated among the major goal areas as illustrated in the following graph.

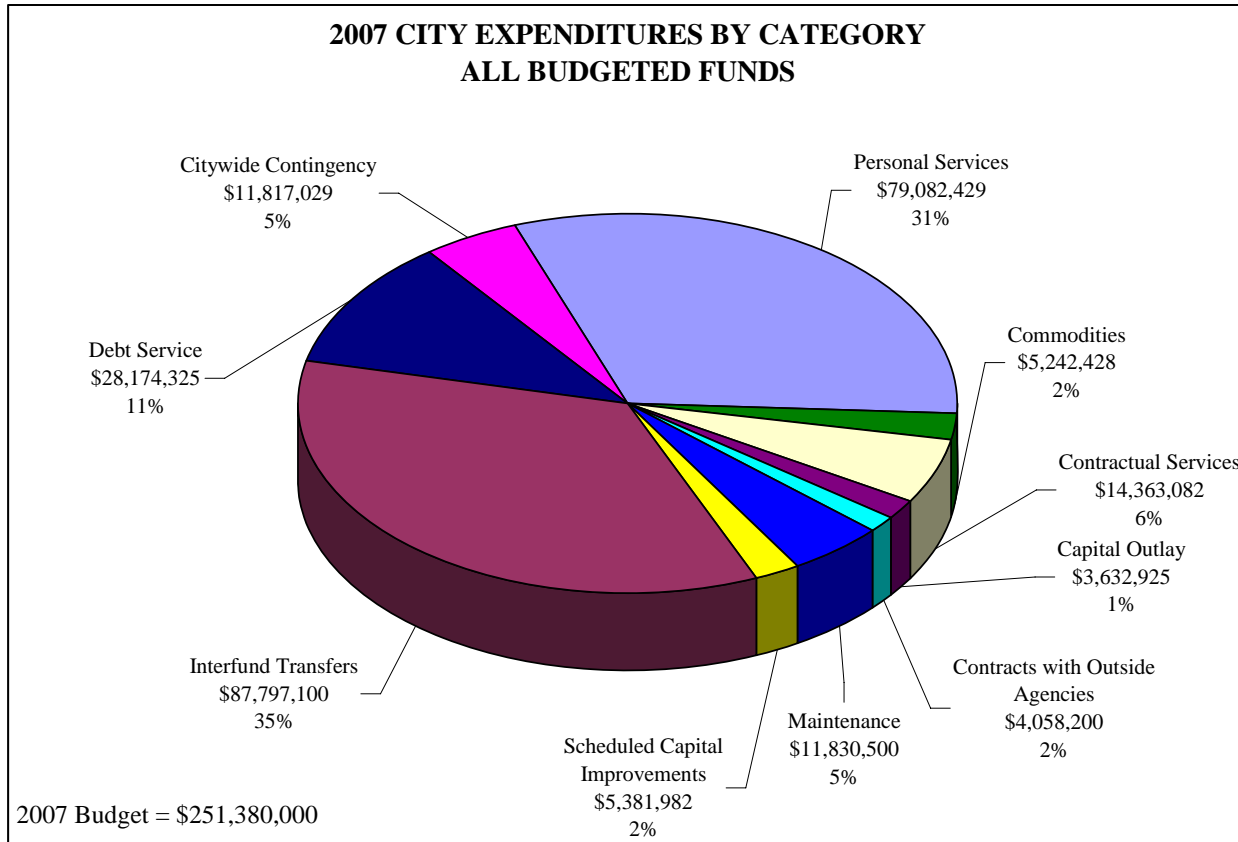


*Contracts with outside agencies for operations* total \$4.1 million. These contracts include economic development funding, some social services funding and some public safety (ambulance and limited fire service) funding.

*Infrastructure and Facilities Maintenance* funding totals \$11.8 million. The 2007 Budget includes specific funding for the City's maintenance, repair and replacement of infrastructure and facilities, as well as a five-year plan for future maintenance expenditures and funding. A summary of all maintenance expenditures and funding sources can be found beginning on page 8.1.

*Non-operating Expenditures* for all funds total \$133.2 million. Interfund transfers that are necessary to comply with state requirements comprise 66% of non-operating expenses. Capital improvements and debt service expenditures for current and future capital projects represent 25% of non-operating costs. The balance of this category (9%) represents allocation for budgeted contingencies.

*Personal Services* costs represent 31% of the total budget and 77% of the operating budget. The total number of full-time employees for 2007 is 889, an increase of 14 full-time positions over the 2006 Budget. Nine Police Department employees, three Parks & Recreation employees, one Environmental Specialist and one Stormwater Engineering Technician were added. Detailed personnel information can be found beginning on page 1.39.



***2007 – 2011 Capital Improvements Program***

The 2007 Budget includes the 2007-2011 Capital Improvements Program (CIP), which was developed by the Governing Body and staff during the last quarter of 2005 and the first quarter of 2006. The five-year program totals \$228 million. Detailed project listings and a summary of the CIP process may be found in the Capital Improvements section of this document.

The CIP includes funding of \$60.8 million for projects to be constructed and/or financed in 2007. Some of the projects included in 2007 began in a prior year, but will be completed in 2007 and, therefore, financed in 2007. Approximately \$51 million of this funding is related to improvement of bridge, street and thoroughfare infrastructure, while the other \$9.7 million is related to improvements to Parks and Recreation facilities, public buildings, storm drainage infrastructure, and the purchase of large equipment.

A total of 58.3% of funding, or \$35.4 million, for 2007 will be paid from City financing sources including debt and pay-as-you-go resources from the City’s Capital Improvements Fund. The

remaining 41.7% of project funding, or \$25.4 million, will be provided by non-City sources including federal, county, other city and developers.

**2007 Capital Improvements**

	<u>City Funding</u>	<u>Other Funding</u>	<u>Total</u>
Bridge Repair & Replacement	\$4,416,000	\$1,000,000	\$5,416,000
Public Buildings & Equipment	1,859,800	0	1,859,800
Fire Building & Equipment	800,000	0	800,000
Parks & Recreation	6,374,000	50,000	6,424,000
Storm Drainage	550,000	150,000	700,000
Street Lighting	100,000	0	100,000
Residential Street Improvements	3,508,000	500,000	4,008,000
Street Improvements	833,000	674,000	1,507,000
Sidewalk Construction	50,000	0	50,000
Thoroughfare Improvements	16,065,000	21,854,000	37,919,000
Traffic Signals	871,000	1,135,000	2,006,000
	<u>\$35,426,800</u>	<u>\$25,363,000</u>	<u>\$60,789,800</u>

***Conclusion***

Balancing the needs of the community with available financial resources presents an annual challenge in the development of the budget. The 2007 Budget reflects the efforts of the Governing Body and City staff to address the need to provide services and facilities to support our vibrant and growing community while maintaining a strong financial position. This budget represents the overall plan for accomplishing our goals and objectives for the year 2007.

Respectfully submitted,



JOHN M. NACHBAR  
CITY MANAGER

# **FINANCIAL PLANNING**

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The City of Overland Park strives to maintain high quality services, low property taxes and to uphold strict financial standards, which were established to retain the City's triple "A" bond ratings.

Continued growth in population is anticipated; thus, planning for this growth is a high priority for the City. While having a positive impact, growth also presents challenges in meeting the City's expanding infrastructure and service delivery systems needs.

## **FISCAL PRINCIPLES**

General fiscal management principles provide a fiscal philosophy on a broad range of subjects which enable the members of the Governing Body to make sound fiscal management decisions. The City's adopted fiscal principles are as follows:

1. The City shall pursue a partnership with taxpayers to encourage a greater sharing of public service cost with City government, enabling preservation of quality services at an acceptable cost.
2. The City shall provide a balanced municipal revenue structure, which is dependable and responsive to economic conditions.
3. The City shall maintain an adequate level of reserve funds to provide for unforeseen needs and fiscal emergencies.
4. The City shall develop and maintain a fiscal planning and budgeting system which anticipates underlying economic change and provides for planned, orderly year-to-year changes to City tax and service levels and responds to unanticipated events to help avoid municipal service disruptions.
5. The City shall work with taxing entities within City boundaries to develop coordinated tax and service policies.
6. The City shall maintain financial accounting and budgetary practices, which provide for full and open disclosure of the City's financial affairs.
7. The City shall avoid providing increasing personnel, services, or facilities if existing personnel, services, or facilities can meet the needs of the City and its citizens.
8. The City shall pay the full cost of current services with current revenues and avoid borrowing for operating expenses.

9. The City shall utilize the City employee work force to obtain the highest level of productivity, that is consistent with the essential rights of City employees.
10. The City shall minimize the use of long-term debt to finance the acquisition or modification of fixed assets in order to avoid placing an excessive burden on future City taxpayers.
11. The City shall continually evaluate existing municipal services to determine the need and the efficiency of such services.

**FIVE-YEAR FORECAST**

The City uses a variety of forecasting models to develop a five-year revenue and expenditure plan. The plan incorporates operating and capital budget data to determine the availability of resources to support future anticipated (and unanticipated) expenditures.

Overland Park's retail activity continues to be one of the best in the Kansas City metropolitan area. Sales tax, which represents over 50% of the current revenue (excluding prior year resources and transfers) supporting the total 2007 operating budget, is projected by using two statistically based forecasting methods, Box Jenkins and regression analysis formulated from historical data. The forecast is based on quarterly data and is reviewed in comparison with other economic events and considerations. As a result of this analysis, City 1-cent sales tax revenues for the planning period are projected as follows:

	2007	2008	2009	2010	2011
<b>City Sales Tax</b>	\$50,313,200	\$52,646,700	\$55,074,200	\$57,599,400	\$60,226,100
<b>% Increase</b>	4.67%	4.64%	4.61%	4.59%	4.56%

The City maintains a strong economic position versus other municipalities in the Kansas City metropolitan area and continued growth in assessed valuation is anticipated. The assessed value to support the 2007 Budget is projected to increase 7.89% over the previous year's assessed value, due to reappraisal and new construction. During 2005, new construction had a market value of \$465 million and thru June 2006 new construction totaled \$253 million.

The current plan anticipates a slight reduction of .058 mills in the 2007 General Fund mill levy from the mill levy supporting the 2006 Budget. After 2007, the General Fund mill levy is not proposed to change during the remainder of five-year planning period. With a relatively low mill levy, the City is in a position to supplement economy-sensitive revenues with a property tax mill levy increase if necessary.

The current plan also anticipates a slight reduction of .086 mills in the 2007 Fire Service Fund mill levy from the previous mill levy. After 2007, the Fire Service Fund Mill levy is expected to stay constant throughout the remainder of the five-year planning period. A transfer from the General Fund to the Fire Service fund is anticipated during each year of the five-year planning period as follows:

	2007	2008	2009	2010	2011
<b>GF Transfer to Fire Fund</b>	\$3,943,146	\$4,337,269	\$4,604,973	\$4,919,774	\$5,299,312

Excise tax revenues, which are used to finance a portion of certain thoroughfare projects, have been projected by using an average annual square footage of land development based on historical data. Based on past experience, current information and existing and projected trends, the projected development rate has been applied to areas of the City where development is expected to occur in the next five years. As part of the annual update of the five-year forecast, the Finance, Budget and Administration and Planning and Development Services Departments undertake a review of excise tax revenues, as well as the available land for development. This information is included used in forecasting future excise tax collections.

	2007	2008	2009	2010	2011
<b>Excise Tax Revenue</b>	\$3,225,000	\$3,250,000	\$3,325,000	\$3,400,000	\$3,475,000

The five-year forecast reflects an operating budget growth factor of 4.5% in years 2008 through 2011. This increase in operating expenditures is attributable to fixed cost increases from rising service demand levels due to the City's growth. Operating expenditures continue to be analyzed to determine if programs or services should be eliminated, combined or changed to deliver services in a more effective and efficient way.

Capital improvement project costs are in 2006 dollars. An inflation factor has been included in each year of the five-year forecast to account for construction inflation.

### **FINANCIAL STANDARDS**

The City's financial principles set forth the basic framework for the overall fiscal management of the City. Financial standards established by the City help direct the City toward financial integrity and security. These standards are reviewed annually and used to monitor both the development of the five-year Capital Improvements Program (CIP) and the annual Operating Budget. Financial standards utilized by the City as a basis for evaluating the financial soundness of the financial plan are recapped on the next page.

<b>Financial Standard Description</b>	<b>Standard</b>	<b>2007-2011 Financial Plan</b>
% of General Fund Ending Cash to Operating Expenditures	Under review	21.2%
% of P.A.Y.G. to City funds used to finance CIP	45% to 55%	68.3%
% of Debt to City Funds used to Finance CIP	45% to 55%	31.7%
% of Debt Service Cost to General Fund Operating Expenditures	< 25%	19.8%
Mill Levy equivalent of Bond & Interest Transfer	<6 Mills	4.77 Mills
Total Direct Debt Per Capita	<\$675	\$572
% of Direct & Overlapping Debt to Market Value of property	4% to 5%	2.9%
% of 2005 Operating Budget to City funds used to finance CIP	45% to 55%	44.5%
% of City funds used to finance CIP to 2005 Operating Budget	45% to 55%	55.5%

A description of each standard can be found on pages 7.5 and 7.6 in the Capital Improvements Program section. Information on the City's projected financial position for each year of the five-year planning period (2007-2011) is also found in the Capital Improvements Program section on pages 7.12 and 7.13. A summary of ending cash estimates and utilization is found in the Financial Structure section of this Executive Summary on page 1.24.

### **CAPITAL IMPROVEMENTS PROGRAM (CIP)**

The goal of the City's CIP is to forecast future public improvements and facilities needed in the City and to provide data concerning costs, timing, funding sources, budget impacts and alternatives. In the CIP process, the City blends both physical and financial planning elements in order to utilize resources to the greatest benefit of the present and future citizens of Overland Park. The 2007-2011 Capital Improvements Program (CIP) of \$228,005,000 is \$ 39.9M more than the adopted 2006-2010 Capital Improvements Program. Capital improvements are identified by project in the Capital Improvements Programs section beginning on page 7.26.

The 2007-2011 CIP will be financed through:

General Obligation Bonds	17.1%
Pay-As-You-Go	28.9%
Federal, State & County Funds	18.0%
Other Cities & Developers Funds	12.4%
Other Financing Sources	23.6%

Pay-As-You-Go amounts are funded from the Capital Improvement Fund, Special Park and Recreation Fund, 1/8-cent Sales Tax for Street Improvements Fund, Economic Development Sales Tax, Equipment Reserve Fund, Golf Course Fund and Stormwater Utility Fund. A summary of CIP financing is found beginning on page 7.14 in the Capital Improvements Program section.

Operating costs of capital improvement projects have been identified and quantified and are

included with the project information. The impact of capital improvements on operations was considered in the development of the 2007 operating budget and is discussed below.

### **Park and Recreation Improvement Projects:**

Included in the 2007-2011 CIP are annual development projects at the Arboretum/Botanical Gardens. A systematic program of capital development at the Arboretum was implemented in 1995. As Arboretum development proceeds, it is estimated additional operating expenditures will be added to construct one or two feature areas per year. These costs include the addition of personnel, contractual services and equipment needed for the development of the Arboretum/Botanical Garden.

Continued development of the City's Greenway Linkage System, (recreation bike/hike trails which connect residential areas with parks, schools and other public use areas in Overland Park and surrounding communities) is also included in the CIP. One to two miles of trail are scheduled to be developed each year.

### **Infrastructure Improvement Projects:**

Provided in the plan is funding for infrastructure improvements including storm drainage, residential street improvements, and construction of thoroughfares in developing areas of the city. Projects financed in 2007 include: \$700,000 in storm drainage improvement projects and \$39.4 million in street and thoroughfare improvements. Funding for the 2007 Residential Street Program totals \$4 million.

Additional funds for thoroughfares and residential streets result from the adoption of a 1/8-cent sales tax increase. The sales tax is anticipated to raise approximately \$70 million over a twelve-year period to fund improvements of residential streets and thoroughfares throughout the community.

These capital projects have a minimal effect on operations. Due to the nature and quality of these improvements, operations are enhanced; thus, operational costs are decreased in the early life of each project.

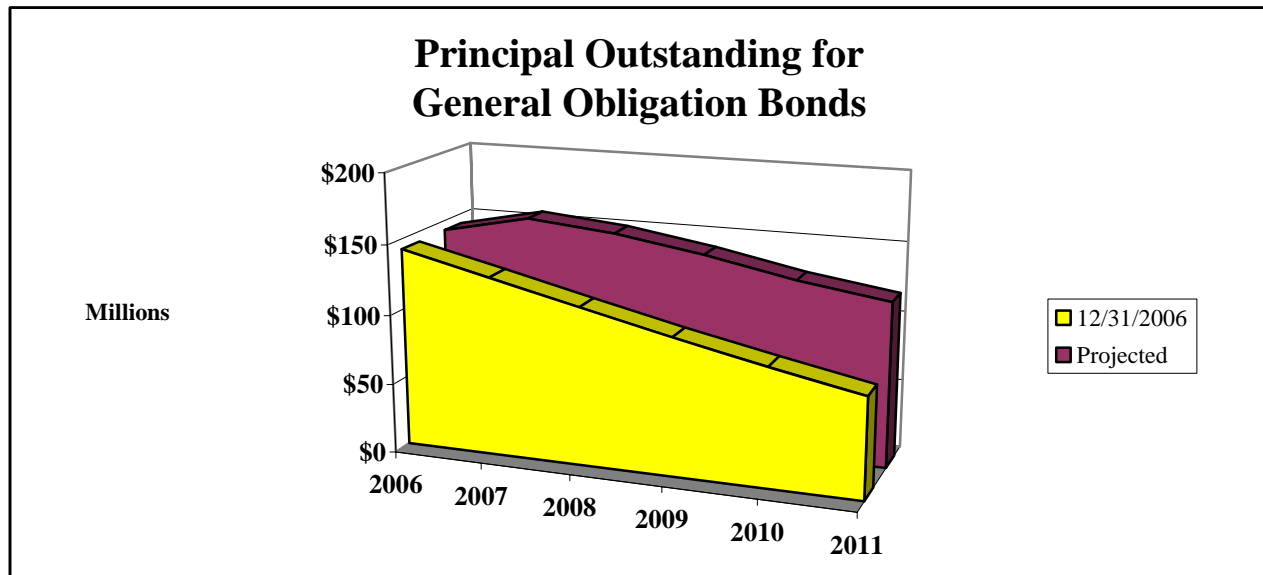
## DEBT SERVICE

The City's debt structure is analyzed by considering the future burden placed on the taxpayer and the ability to retire debt with current revenue sources. Various financial standards have been developed to measure the effects of debt issuance upon the City's five-year financial plan. More information on the City's financial standards may be found in the Capital Improvements Program section of this budget.

Presented in the table below is the estimated amount of General Obligation debt to be issued through 2011. Information on specific projects to be bonded can be found beginning on page 7.22 of the Capital Improvements Program section.

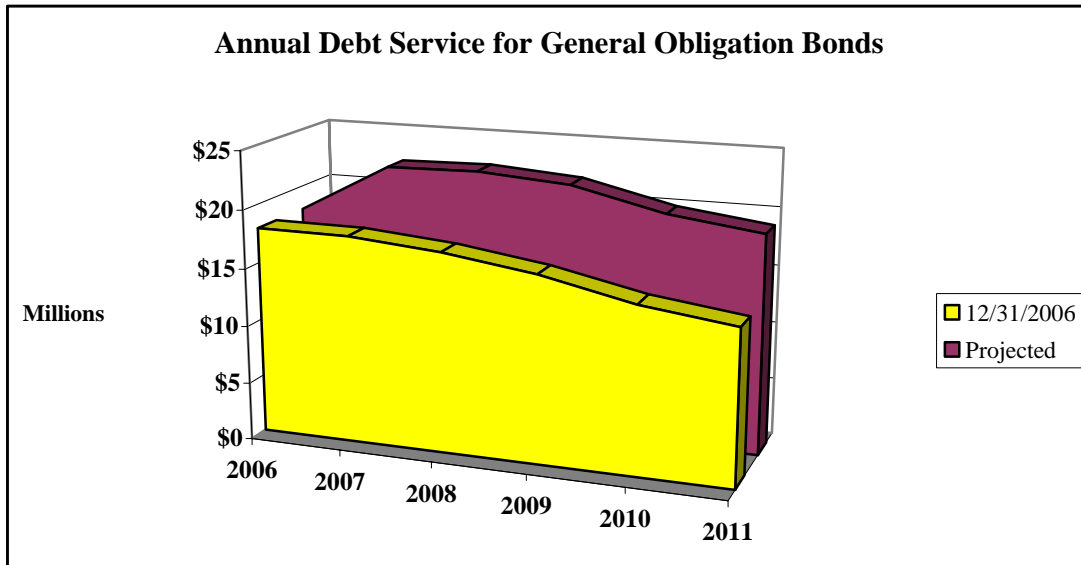
<b>Projected General Obligation Bond Issue</b>	
<u>Year</u>	<u>Amount</u>
2007	\$28,147,000
2008	\$9,042,000
2009	\$4,782,000
2010	\$696,000
2011	\$3,400,000

The information presented below illustrates the City's total indebtedness (principal), if no additional debt after 12/31/06 was issued, compared to the City's projected indebtedness per the five-year financial plan.



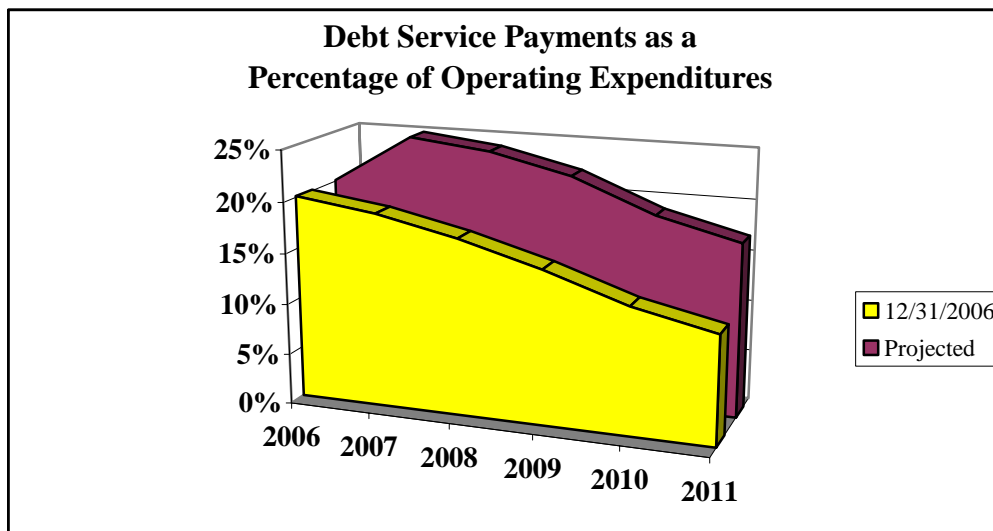
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Projected</b>	\$142.8	\$156.2	\$150.2	\$140.2	\$127.4	\$118.1
<b>12/31/2006</b>	\$142.8	\$128.0	\$113.0	\$98.2	\$84.7	\$72.0

The following compares annual debt service, if no additional debt was issued after 12/31/06, to the projected annual debt service forecasted in the City's five-year plan.



	2006	2007	2008	2009	2010	2011
<b>Projected</b>	\$17.9	\$22.3	\$22.4	\$21.8	\$20.0	\$19.0
<b>12/31/2006</b>	\$17.9	\$17.9	\$17.2	\$16.1	\$14.4	\$13.4

This same information is depicted below in percentage format. Below are debt service payments as a percentage of General Fund operating expenditures if no additional debt after 12/31/06 was issued, compared to the projected debt service in the five-year financial plan. The City's standard calls for maintaining debt service payments that are less than 25% of operating expenditures.



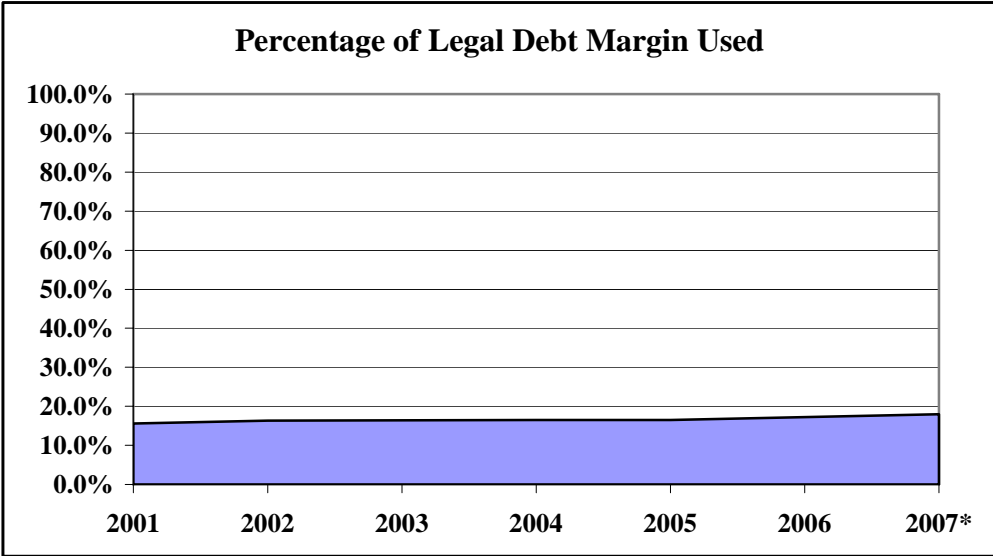
	2006	2007	2008	2009	2010	2011
<b>Projected</b>	20.1%	25.0%	24.0%	22.2%	19.0%	17.0%
<b>12/31/2006</b>	20.1%	19.0%	17.3%	15.1%	12.4%	10.7%

The City’s ability to issue direct-bonded debt is measured by the percentage of legal debt margin used. Direct-bonded debt is debt for which the City has pledged its full faith and credit. The Debt Limit establishes a maximum dollar limitation calculated under existing law. The debt limitations provided by Kansas law is 30% of assessed valuation.

**Computation of Legal Debt Margin  
(Estimated as of 12/31/07)**

Assessed Valuation	\$ 2,898,213,748 <sup>(1)</sup>
Legal Debt Limit	869,464,125
General Obligation Bonds	156,196,531
Temporary Notes	-
Total Debt Outstanding	\$ 156,196,531
Debt Margin	\$ 713,267,593

(1) In accordance with K.S.A. 10-308, includes assessed values for motor vehicles and recreational vehicles.



2001	2002	2003	2004	2005	2006	2007*
15.6%	16.3%	16.4%	16.5%	16.5%	17.2%	18.0%

\* 2007 is estimated.

**OUTSTANDING DEBT**  
**As of January 1, 2006**

	Date of Issue	Amount Issued	Amount Outstanding	Principal Payment	Interest Payment	Year of Maturity
			1/1/2006	FY 2007	FY 2007	
<b>General Obligation</b>						
Street Improvements/ Oak Park Mall	3/1/98	\$688,909	\$130,000	\$65,000	\$2,860	2007
Street Improvements	3/1/98	\$4,526,601	\$819,872	\$409,936	\$18,037	2007
Storm Drainage	3/1/98	\$174,662	\$31,628	\$15,814	\$696	2007
Public Buildings/ Fire Dept. Shelter	3/1/98	\$700,000	\$126,750	\$63,375	\$2,789	2007
Bridge Improvements	3/1/98	\$1,500,000	\$271,750	\$135,875	\$5,979	2007
Public Buildings/ Oak Park Parking	3/1/98	\$8,909,828	\$890,000	\$445,000	\$19,580	2007
Storm Drainage	4/15/99	\$515,000	\$184,664	\$46,166	\$5,759	2009
Street Improvements	4/15/99	\$8,899,000	\$3,190,876	\$797,719	\$99,516	2009
Public Buildings/ Fire Station	4/15/99	\$1,350,000	\$484,064	\$121,016	\$15,097	2009
Parks & Recreation/ Pool	4/15/99	\$1,536,000	\$550,756	\$137,689	\$17,177	2009
Parks & Recreation/ Arboretum Gardens	4/15/99	\$250,000	\$89,640	\$22,410	\$2,796	2009
Parks & Recreation/ Westlinks*	4/15/99	\$1,184,632	\$795,000	\$105,000	\$29,725	2012
Land/ Public Safety Training	12/1/99	\$1,704,000	\$67,637	\$0	\$0	2006
Land/ Convention Center	12/1/99	\$6,736,000	\$267,364	\$0	\$0	2006
Street Improvements	4/1/00	\$6,585,089	\$2,977,092	\$596,404	\$119,034	2010
Storm Drainage	4/1/00	\$94,911	\$42,908	\$8,596	\$1,716	2010
Public Buildings/ Convention Center	3/1/01	\$52,110,000	\$48,880,000	\$930,000	\$2,378,988	2030
Street Improvements	7/1/01	\$8,300,000	\$4,855,000	\$800,000	\$166,788	2011
Refunding 1993/ Street Improvements	7/1/01	\$1,625,173	\$709,254	\$105,343	\$25,262	2013
Refunding 1993/ Justice Center	7/1/01	\$5,255,322	\$2,293,515	\$340,647	\$81,690	2013
Refunding 1994B/ Fire Training Center	7/1/01	\$1,284,643	\$560,641	\$83,270	\$19,969	2013
Refunding 1994B/ Pool	7/1/01	\$471,100	\$205,596	\$30,536	\$7,323	2013
Refunding 1994B/ Street Improvements	7/1/01	\$1,313,019	\$573,024	\$85,109	\$20,410	2013
Refunding 1994B/ Storm Drainage	7/1/01	\$155,743	\$67,969	\$10,095	\$2,421	2013
Parks & Recreation/Community Park	10/1/02	\$1,112,373	\$754,538	\$109,325	\$20,954	2012
Parks & Recreation/Young's Pool	10/1/02	\$2,775,259	\$1,882,499	\$272,755	\$52,277	2012
Storm Drainage/Countryside	10/1/02	\$104,388	\$70,000	\$10,000	\$1,968	2012
Storm Drainage/Roe Ave	10/1/02	\$29,906	\$25,394	\$1,516	\$783	2022
Street Improvements/ Streets Improvements	10/1/02	\$7,508,263	\$5,092,962	\$737,920	\$141,431	2012
Street Improvements/Street Improvements	10/1/02	\$2,337,247	\$1,984,604	\$118,484	\$61,205	2022
Public Equipment/MDT	10/1/02	\$1,482,778	\$590,000	\$295,000	\$9,675	2007
Refunding 1995/Street Improvements	6/1/03	\$701,670	\$204,714	\$0	\$0	2006
Refunding 1995/Storm Drainage	6/1/03	\$25,789	\$7,506	\$0	\$0	2006
Refunding 1995/Golf Course Clubhouse*	6/1/03	\$391,751	\$70,200	\$0	\$0	2006
Refunding 1996/Storm Drainage	6/1/03	\$51,090	\$10,152	\$0	\$0	2006
Refunding 1996/Street Improvements	6/1/03	\$1,244,700	\$247,428	\$0	\$0	2006
Street Improvements	11/1/03	\$4,990,885	\$3,988,993	\$499,786	\$198,486	2013
Land/Row Acquisition-135th&US69	11/1/03	\$1,314,115	\$1,050,313	\$131,595	\$52,262	2013
Land/Row Acquisition-87th&I35	11/1/03	\$6,114,865	\$5,495,860	\$308,784	\$122,631	2023
Land/Row Acquisition-CommCtr	11/1/03	\$2,540,135	\$2,282,998	\$128,270	\$50,941	2023
Storm Drainage	11/1/03	\$130,000	\$116,837	\$6,565	\$2,607	2023
Refunding 1999c/PS Training Center	2/15/04	\$1,723,985	\$1,702,482	\$107,512	\$59,274	2019
Refunding 1999c/Conv Ctr Land	2/15/04	\$5,091,015	\$5,027,518	\$317,488	\$175,041	2019
Street Improvements/2004RS	10/1/04	\$813,000	\$747,184	\$65,564	\$24,804	2014
Street Improvements/2005RS	10/1/04	\$999,000	\$918,126	\$80,565	\$30,478	2014
Street Improvements/1435&Antioch	10/1/04	\$4,081,000	\$3,750,621	\$329,113	\$124,507	2024
Street Improvements/135th&US69	10/1/04	\$5,442,000	\$5,001,441	\$438,871	\$166,028	2024
Street Improvements/SantaFeDr	10/1/04	\$1,372,000	\$1,260,929	\$110,645	\$41,858	2014
Street Improvements/79th St	10/1/04	\$693,000	\$636,898	\$55,887	\$21,143	2014
Street Improvements/143rd St	10/1/04	\$2,714,735	\$2,494,963	\$218,930	\$82,823	2014
Storm Drainage	10/1/04	\$5,265	\$4,839	\$425	\$160	2014
Refunding/1998 Storm Drainage ID	10/1/04	\$8,351	\$4,802	\$2,505	\$8,226	2007
Refunding/1998 Street Improvements	10/1/04	\$54,867	\$31,549	\$16,460	\$54,055	2007
Refunding/1998 Storm Drainage	10/1/04	\$2,118	\$1,218	\$636	\$2,085	2007
Refunding/1998 Public Building/Fire	10/1/04	\$8,484	\$4,878	\$2,545	\$8,361	2007
Refunding/1998 Bridge Improvements	10/1/04	\$18,182	\$10,455	\$5,455	\$17,913	2007
Refunding/1998 Public Building/OP Parking Deck	10/1/04	\$5,892,998	\$5,847,099	\$32,399	\$106,400	2018
Street Improvements	5/15/06	\$6,164,725	\$0	\$618,730	\$229,870	2015
Traffic Signal Improvements	5/15/06	\$311,560	\$0	\$31,270	\$11,617	2015
Street Improvements	5/15/06	\$8,222,835	\$0	\$411,016	\$338,060	2025
Overland Park Community Center	5/15/06	\$20,185,880	\$0	\$1,008,984	\$829,890	2025
2007 Bond Issue	5/1/07	\$21,065,000	\$0	\$2,925,500	\$1,512,400	2016
<b>Total General Obligation Bonds</b>			<b>\$120,385,000</b>	<b>\$14,755,500</b>	<b>\$7,603,825</b>	
<b>Total Indebtedness</b>			<b>\$120,385,000</b>	<b>\$14,755,500</b>	<b>\$7,603,825</b>	

\*Payments related to the Golf Course are budgeted in the Golf Course Fund (an enterprise fund). All other payments are budgeted in the Bond and Interest Fund.

# FINANCIAL STRUCTURE

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## FUND DESCRIPTION

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The following is the fund structure contained in the 2007 budget for the City of Overland Park:

- I. *General Fund* - The General Fund is the principal fund of the City, which accounts for all financial transactions not accounted for in other funds. The majority of the current operating expenditures of the City are financed through revenues received by the General Fund.
- II. *Special Revenue Funds* - These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designed to finance particular functions or activities of the City. Budgeted funds include:

- Special Street and Highway Fund
- 1/8-Cent Sales Tax for Street Improvements Fund
- Special Parks and Recreation Fund
- Special Alcohol Programs Fund
- Transient Guest Tax Fund
- Transient Guest Tax - Capital Improvements Fund
- Transient Guest Tax – Operating Fund
- Fire Service Fund
- Business Improvement District Fund
- Stormwater Utility Fund

- III. *Debt Service Fund* – The Bond and Interest Fund is used to account for the payment of principal and interest on the City’s general obligation bonds, which are recorded in the general long-term debt group of accounts. Revenues for this purpose include ad valorem property taxes, special assessment taxes and investment interest income.
- IV. *Capital Projects* - The Capital Projects Fund accounts for capital improvements, which are financed from the City's general obligation bond issues, special assessments, certain federal grants and other specific receipts.
- V. *Enterprise Funds* – The Golf Course Fund is the City’s only enterprise fund. Enterprise funds are used to account for services that are primarily self-supporting, receiving most of their revenues through user fees or charges. As an enterprise fund, all revenues and expenditures relating to the City’s golf courses, including operations, maintenance and capital improvements are handled through this fund, allowing the golf course program to be monitored and accounted for accurately and easily.

## **BASIS OF ACCOUNTING**

All budgeted funds, including governmental and proprietary funds, are accounted for by using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. In the General Fund, sales taxes are considered "measurable" when in the hands of the State Department of Revenue and are recognized as revenue at that time. Other major General Fund revenue that is susceptible to accrual includes utility franchise taxes, grants-in-aid earned and other intergovernmental revenues. Major revenues that are determined not to be susceptible to accrual, because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable, include property taxes, licenses, permits, fines and forfeitures in the General Fund; property taxes, user fees and hotel occupancy taxes in the Special Revenue Funds; and property taxes in the Debt Service Fund.

Expenditures are generally recognized under the modified accrual accounting basis when the related fund liability is incurred. Exceptions to the general rule include: (1) the long-term portion of accumulated unpaid sick pay and other employee amounts which are not accrued; and (2) principal and interest on general long-term debt which are recognized when due.

## **BUDGETARY BASIS AND ENDING CASH POSITION**

The City's budget is prepared on the modified accrual basis for all funds, including government and proprietary funds, and assumes that prior years' ending cash balances will be fully utilized to balance the budget. This is the same basis as used to account for funds in the City's audited financial statements except for the proprietary funds (Golf Course Fund), which are reported using the GAAP (accrual) basis for accounting. The difference between the Generally Accepted Accounting Principles (GAAP) basis of accounting and the budgetary basis for accounting for the Golf Course Fund is encumbered amounts are commonly treated as expenditures under the budgetary basis of accounting while encumbrances are never classified as expenditures under the GAAP basis of accounting. In addition, receipt of long-term debt proceeds, capital outlays and debt service principal payments are not reported in operations, but allocations for depreciation and amortization expenses are recorded. Normally the opposite is true under the budgetary basis of accounting.

The final budget adopted by the City Council must be a balanced budget, where total resources equal total obligations. State budget law prohibits a budget which projects spending in excess of available resources. Budget law further prohibits unappropriated balances in funds supported by general tax levies.

While the fund balance is not an annual source of revenue to fund operations of the City, year-end carryovers are used to fund future year operating and capital budgets. It is critical that adequate fund balance reserves are kept to meet unexpected operating or capital demands and to cover any unanticipated revenue shortfalls. Revenue and expenditure trends are closely monitored and are incorporated in the City's five-year financial plan. The City has a history of conservative revenue projections and the utilization of only 95% of budgeted operating expenditures.

Depicted below is the General Fund fund balance for the past 5 years and the estimated balance at the end of 2006.

**Fund Balance:  
General Fund**

12/31/01	\$33,392,577
12/31/02	\$34,363,224
12/31/03	\$40,063,518
12/31/04	\$51,740,245
12/31/05	\$53,198,625
12/31/06 est.	\$54,400,000

The 2007 Budget includes an estimated General Fund carryover fund balance (as of December 31, 2006) of \$54,400,000 and an ending projected balance (as of December 31, 2007) of \$51,300,000 which is shown as part of the Transfers to Other Funds line on the General Fund - Statement of Expenditures found on pages 4.4 and 4.5. This projected balance represents an ending cash balance of 56.8%.

The City is currently reexamining the appropriateness of our unreserved fund balance level. The Governing Body previously adopted a financial standard which states that the General Fund's unreserved undesignated fund balance divided by the General Fund's operating expenditures (excluding transfers) should be between 13% and 15% at the end of the five year planning period (2011). However, comments from bond rating agencies indicate this level may not be adequate. The table below presents the estimated ending cash position during the five- year planning period and reflects the adoption of the 2007 Budget and 2007 - 2011 Capital Improvements Plan.

<b>Standard</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Percentage</b>	74.5%	65.0%	51.1%	41.7%	31.9%	21.2%
<b>Balance</b>	\$54,400,000	\$51,300,000	\$42,200,000	\$36,150,000	\$28,950,000	\$20,150,000

In addition to the General Fund, the Capital Improvements Fund comprises a significant portion of the City's overall fund balance. The Capital Improvements Fund receives revenues in the form of transfers from other funds. These revenues are used to finance public improvements set forth in the adopted Capital Improvements Program.

**DEPARTMENT/DIVISION DESCRIPTION**

The major City funds are budgeted and managed as combinations of organizational units known as departments and divisions. Departments consist of one or more cost centers and may include cost centers accounted for in more than one fund.

**CATEGORY DESCRIPTION**

For managerial control purposes, budgeted expenditures of each division are accounted for with the use of four categories: Personal Services, Commodities, Contractual Services and Capital Outlay. These categories are further subdivided into line items. Category expenditure changes within departments are approved by the City Manager and reported to the City Council.

## 2007 BUDGET GUIDELINES

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- A. 2007 Program Goals. Program Goals for 2007 were prepared by each division and reviewed by management during the budget process. These goals are listed with each respective cost center's budget.
- B. Revenues. Revenue assumptions reflect the most current information available as of July 2006. Revenue information is obtained from State and County sources, as well as from the City's own financial planning models.
- C. 2007 Salaries and Benefits.
- (1) Salaries – The 2007 Budget includes a salary adjustment pool averaging 4.2%. The salary adjustment funds are budgeted in an amount sufficient to cover a forecasted market adjustment and merit increase as of April 2007. The final amount of funds available for salary adjustments will be determined in early 2007.
  - (2) Health Insurance – The 2007 Budget projects an average increase of 13% in health insurance premiums. In the fall of 2006 the Governing Body will review and finalize a health insurance program for 2007.
- D. Decision Packages. To facilitate decision-making during the budgeting process, decision packages are used to compare possible levels of funding. Each Cost Center or Department prepared budgets within the following parameters:
- (1) Base Budget Package – Each cost center is allocated a base amount to support on-going services and operations. Included in this based amount is funding for personal services, commodities and contractual services and equipment replacement.
    - ❖ Personal Services - Personal Services funding is established based on current payroll, with adjustments for changes in staffing, compensation and benefits.
    - ❖ Commodities and Contractual Services - Commodities and Contractual funding is based on the adopted 2006 budget, adjusted for one-time (2006) expenditures. This amount was then increased by 2.5%, to determine each cost center's 2007 base budget for commodities and contractual services.
    - ❖ Equipment Replacement – Equipment recommended for purchase, as part of a Cost Center's established replacement schedule, is budgeted as part of the base budget package. Equipment purchased to enhance current services or provide new service is budgeted as an expanded level decision package.
  - (2) Expansions and Additions for 2007 – Packages for expansions or additions are proposed as part of department budget requests and revenue sources to fund the packages are identified.

- E. Fire Service Fund. In June 2006, the Public Safety Committee reviewed the budget necessary to fund fire protection and emergency medical services provided by the Overland Park Fire Department and Consolidated Fire District No. 2 of Northeast Johnson County.
- F. Golf Course Fund. In June 2006, the Community Development Committee reviewed the budget necessary to fund the Golf Course Program's operations, maintenance and capital projects in 2007.
- G. Stormwater Utility Fund. In June 2006, the Public Works Committee reviewed the budget necessary to fund the Stormwater Program's operations, maintenance and capital projects in 2007.
- H. Special Funds.
  - (1) Special Parks & Recreation Fund. The appropriate goal area committee(s) reviewed budget requests.
  - (2) Special Alcohol Control Fund. The appropriate goal area committee(s) reviewed budget requests.
- I. 2007 Capital Improvements Program (CIP). The 2007-2011 CIP is incorporated into the 2007 Budget. Capital projects scheduled for 2007 are budgeted in accordance with in Capital Improvements Program.

# **FINANCIAL ASSUMPTIONS FOR THE 2007 BUDGET**

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## **MAJOR REVENUE ASSUMPTIONS:**

1. For the purpose of budget development, the assessed valuation estimate is as follows:

2007 Budget	\$2,708,926,593
2006 Budget	\$2,513,641,908
Change between 2006 and 2007 Budgets	7.8%

2. The City sales tax revenue growth is projected using the most current quarterly forecast of sales tax. The forecast of sales tax is based on historical data and is derived from the use of two different statistical models, regression and Box-Jenkins. Following are annual sales tax increase estimates based on the forecast using 2004 current revenue estimates:

	2007	2008	2009	2010	2011
Total Growth	4.67%	4.64%	4.61%	4.59%	4.56%

3. Franchise Taxes are not projected to grow, and will remain at 2006 levels.
4. Motor Vehicle Tax revenue estimates are based on historical information, and reflect an increase of 6.5% from 2005 actuals.
5. CDBG funds are anticipated to total \$600,000 each year, with \$500,000 being budgeted for capital improvements. This amount is subject to change annually based on appropriations made by the Federal Government, CDBG Citizens Advisory Committee recommendations and Governing Body action.
6. Based on the projected assessed valuation, the mill levy is as follows:

Fund	2006 Budget	2007 Budget	Change
General Fund	3.313	3.259	(.054)
Fire Fund	4.735	4.657	(.078)
Stormwater Fund	0.989	0.973	(.016)
<b>TOTAL</b>	<b>9.037</b>	<b>8.889</b>	<b>(.148)</b>

7. Non-property tax revenue is estimated to grow at an average of 4.0%.
8. Based on prior years' experience, the delinquency rate used in the computation of property tax is estimated at 3%.

**EXPENDITURE ASSUMPTIONS:**

1. An operating budget growth factor of 4.5% each year from 2007 through 2011 is planned.
2. Service expansions and new programs in the operating budget at would be funded through revenue enhancements or existing resources.
3. Projected costs are in 2007 dollars.
4. The interest rate for debt issued from 2006 through 2010 is projected at 5.0%.

## **BUDGET DEVELOPMENT PROCESS**

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Development of the City's Budget is an ongoing process that generally begins more than a year before the fiscal year begins on January 1. Opportunities for public input are provided at various stages of development.

- |                   |   |
|-------------------|---|
| Fall 2005         | <ul style="list-style-type: none"><li>❖ Planning for the 2007 Budget began with the review of revenue and spending forecasts, discussion of capital improvement expenditures and Governing Body establishment of guidelines to be used in the development of the 2007 Budget.</li></ul>   |
| February 2006     | <ul style="list-style-type: none"><li>❖ Public hearing regarding the proposed 2007-2011 Capital Improvements Program (CIP) is held in front of both the Planning Commission and the City Council.</li><li>❖ City Council adopted the 2007-2011 CIP for budget planning purposes.</li><li>❖ Preliminary assessed valuation information was received from the Johnson County Appraiser to establish the mill levy for the 2007 Budget.</li></ul>  |
| March 2006        | <ul style="list-style-type: none"><li>❖ A Public Hearing for citizen input on the 2007 Budget is held. Although not required by law, the City held a public hearing early in the budget development process to allow citizen input to be taken into account during development.</li><li>❖ Departments developed budget requests based on the 2007 Budget Guidelines (guidelines can be found on page 1.25), as well as identified long and short term objectives</li><li>❖ Departments submitted budget requests for City Manager and Finance, Budget and Administration Department review.</li></ul> |
| April to May 2006 | <ul style="list-style-type: none"><li>❖ City Manager and Finance, Budget and Administration Department analyzed budget requests, reviewed revenue projections and expenditures forecasts to determine compatibility with the City's long-term and short term objectives, and the five-year financial position.</li><li>❖ City Manager's proposed 2007 Budget was developed. The proposed budget as presented is a balanced budget and preserves the City's five-year financial position within acceptable parameters.</li></ul>   |
| June – July 2006  | <ul style="list-style-type: none"><li>❖ City Manager's proposed 2007 Budget was distributed to the Governing Body.</li><li>❖ Council Goal Area Committees met to review proposed budget.</li><li>❖ Governing Body approved a recommended budget for publication and schedules a public hearing. As required by state law, the notice of public hearing appears at least 10 days before the hearing is held.</li></ul>   |
| August 2006       | <ul style="list-style-type: none"><li>❖ Public Hearing to obtain citizen input on 2007 Budget.</li><li>❖ Governing Body adopted the 2007 Budget on August 21, 2006. Under state law, the budget is required to be approved by the Governing Body and filed with the County Clerk no later than August 25.</li></ul>   |
| January 1, 2007   | <ul style="list-style-type: none"><li>❖ The 2007 Budget goes into effect.</li></ul>   |

## **Amending the Budget**

Cost Centers are given the latitude to exceed specific line items, but total expenditures must not exceed the total budgeted expenditures, not including monies from personal service categories. The City does budget a citywide contingency fund and has statutory authority to budget this account at up to 10% of the overall budgeted expenditures.

The state statutes allow for the Governing Body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. A notice of public hearing to amend the budget must be published in the local newspaper. Ten days after publication, the hearing may be held and the budget amended. The amended budget is then filed with the County Clerk. All budget amendments must be approved and filed before December 31 of the budget year.

## **Monitoring and Reporting Process**

As the budget year proceeds, the individual department directors have responsibility for monitoring and tracking the status of expenditures against their budgets. This responsibility includes informing the City Manager of any significant departures from the plans and values shown in the operating budget.

Reports used in both the monitoring and reporting process include the use of computerized budget status reports which compare budgeted amounts on a line-item by line-item basis with actual expenditures throughout the year. The Finance and Accounting Division prepares monthly interim financial statements and reviews the statements with the City Manager. These statements include all City funds with a comparison of budget and actual performance for both revenues and expenditures.

## **Capital Improvements Program (CIP)**

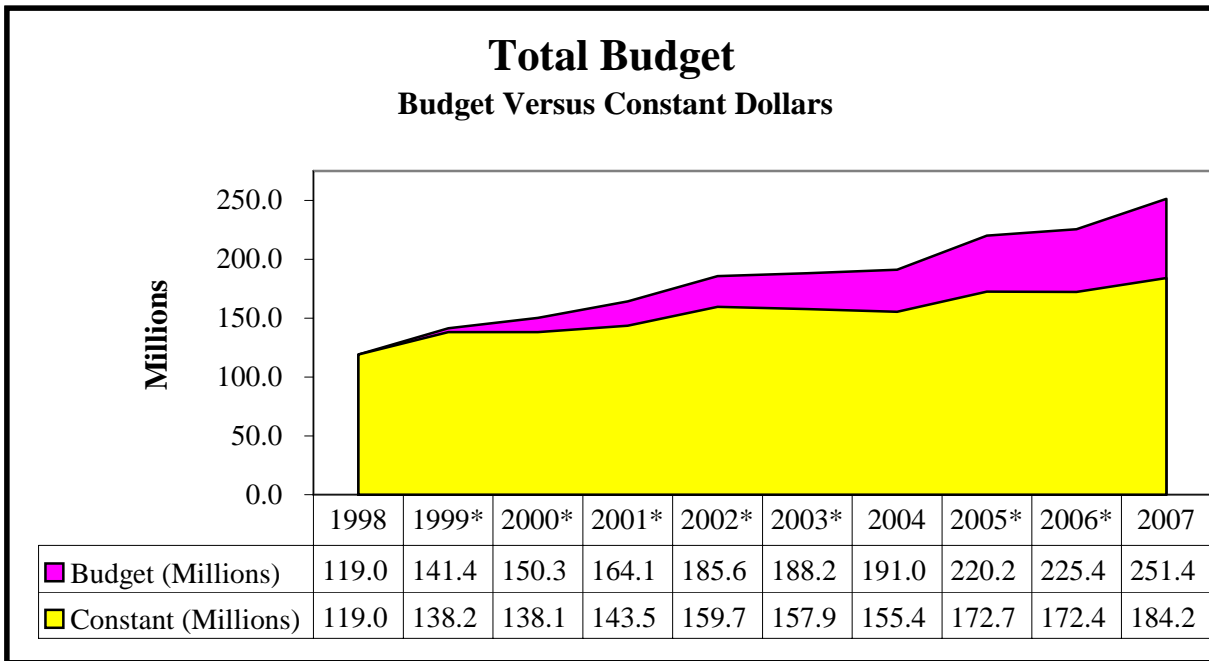
The annual budget appropriates funds for personnel, as well as other operating and capital expenditures. Personnel and other operating expenditures remain fairly constant from year to year; but capital expenditures have a tendency to fluctuate depending on the need for improvements to the City's infrastructure and the replacement of expensive equipment.

In evaluating the City's capital improvement requirements and determining priority needs, the CIP process involves a public hearing and input from the Governing Body, Planning Commission and City staff. This input allows the Governing Body to take a planned and programmed approach to allocate the City's limited resources in the most advantageous way. Financial assumptions are developed during the CIP process and later updated during the formation of the operating budget when more current information is available.

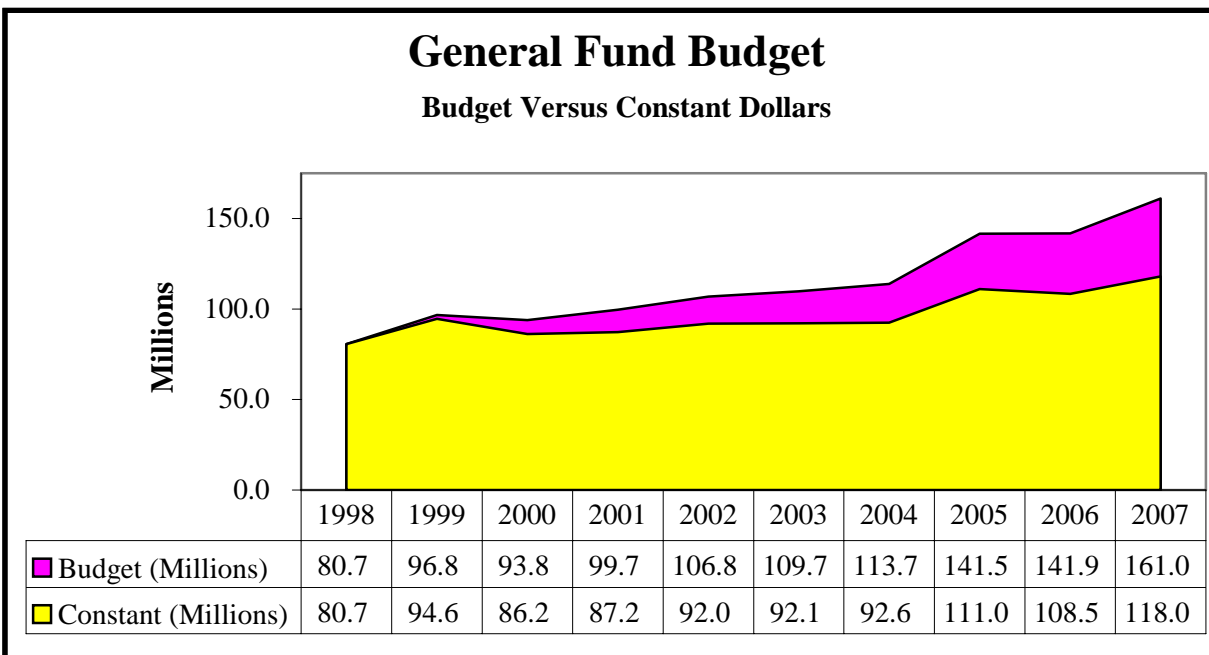
The Capital Improvements section of this budget details the CIP development process and CIP goals and objectives. In addition, it contains the approved 2007-2011 Capital Improvements Program listing all capital projects and capital outlay for the City during this period. The current 2007-2011 CIP totals \$228,005,000.

# BUDGET HISTORY

The information presented below depicts Overland Park’s budget history on a total budget basis and general fund basis for the years 1998-2007. The top line of each graph indicates the budget in actual dollars while the lower line represents the same budget restated in dollars of constant 1998 purchasing power. In other words, the lower line removes inflation and represents only real growth in budget values.

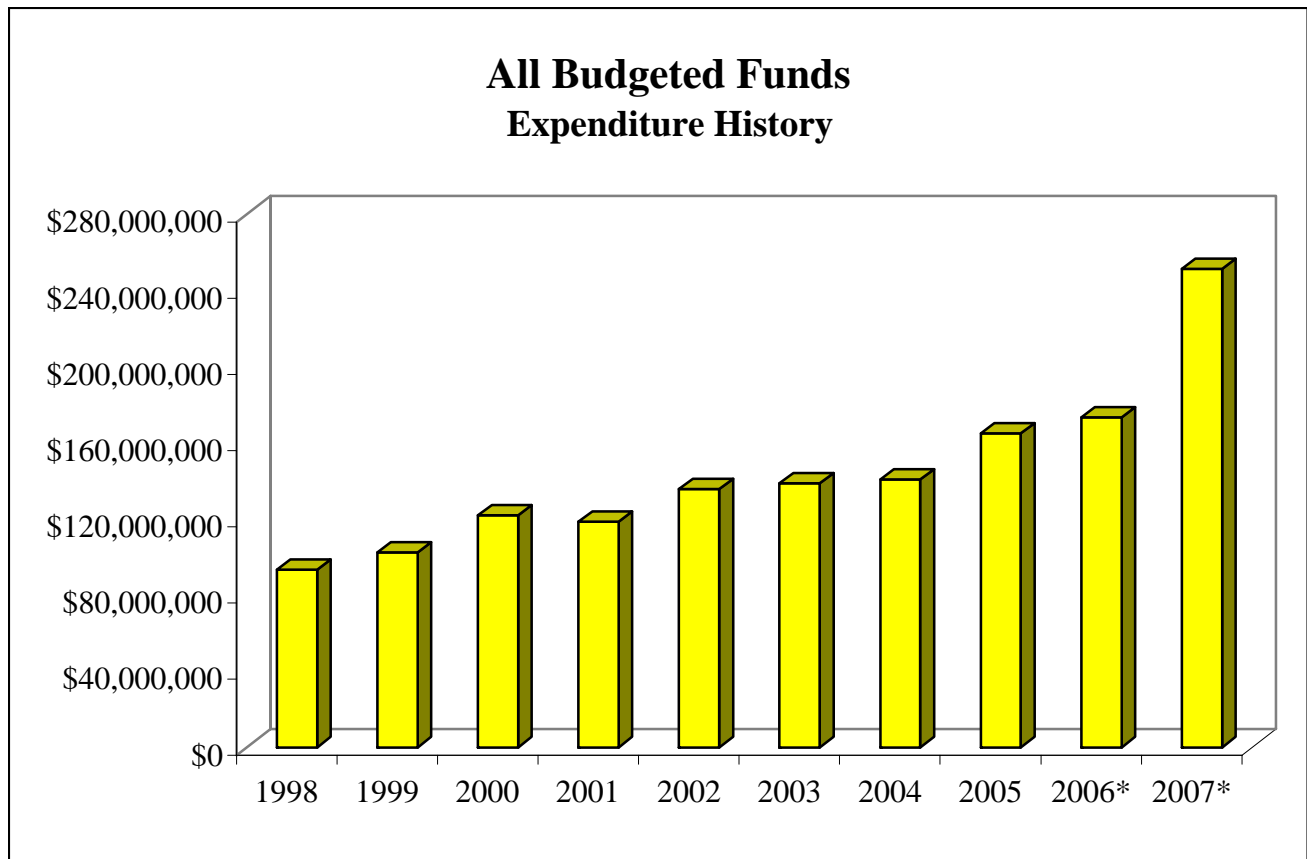


\*1999-2003, 2005, and 2006 total budget figures are the amended budgets for these years.



**City of Overland Park**  
**EXPENDITURE SUMMARY**  
**ALL BUDGETED FUNDS**

<b>FUND</b>	<b>Actual 2005</b>	<b>Estimated 2006</b>	<b>Budgeted 2007</b>
General Fund	\$98,277,127	\$100,800,000	\$161,000,000
Special Street and Highway Fund	4,700,000	4,750,000	5,133,000
1/8-Cent Sales Tax for Street Improvements Fund	5,779,100	6,963,900	8,027,000
Special Parks and Recreation Fund	1,554,000	1,162,000	1,400,000
Special Alcohol Control Fund	792,984	985,000	2,515,000
Transient Guest Tax - Operating	1,630,880	1,706,872	1,945,000
Transient Guest Tax - Capital Improvements	4,828,011	4,065,479	5,925,000
Transient Guest Tax Fund	5,281,256	7,195,884	10,520,000
Fire Service Fund	16,146,000	17,976,000	19,515,000
Golf Course Fund	4,261,030	3,030,289	5,250,000
Stormwater Utility Fund	5,292,720	6,884,000	7,600,000
Business Improvement District	91,202	100,000	100,000
Bond and Interest	16,214,060	17,705,000	22,450,000
<b>Total Budgeted Funds</b>	<b>\$164,848,370</b>	<b>\$173,324,424</b>	<b>\$251,380,000</b>



\*2006 figure is estimated expenditures. 2007 is budgeted expenditures.

## KEY CHANGES IN THE 2007 BUDGET

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The 2007 Budget continues Overland Park's commitment to providing high quality services, while safeguarding the long-term fiscal health of the City. Maintaining a high quality of life, providing strong public safety services and continued improvements to City infrastructure are prioritized in the 2007 Budget.

Based on results from the biennial citizen survey and priorities identified by the Governing Body in early 2006, additional resources have been allocated to the following programs for 2007:

### PRIORITY: PROVIDING QUALITY PUBLIC SAFETY AND SAFE NEIGHBORHOODS

- ◆ Addition of nine Police Department Employees \$849,676  
*Seven (7) Police Officers, one (1) Police Sergeant and one (1) Tactical Operations Specialist have been added in the 2007 Budget.*

*The Officer and Sergeant positions will address increased service demands and continue the City's multi-year plan to increase the officer-to-citizen ratio. These eight positions in 2007, combined with positions added between 2004 and 2006, results in an increase in the 2007 police force by 42 officers when compared to 2003 staffing levels.*

*The Tactical Operations Specialist provides additional resources to police dispatch and communications. The addition of this employee help improve communications between citizens requesting assistance, police dispatch and officers on the street, thereby increasing Police effectiveness and efficiency.*

- ◆ Enhanced Police Technology \$290,000  
*The 2007 Budget provides funding for the purchase of enhanced technology in the Police Department.*

*Crime Matrix Software, for \$50,000, will provide a platform to allow in-depth analysis of crimes between the City and other Kansas City metro-area jurisdictions. This software is design to connect various databases for cross-referencing, compilation and dissemination of crime data, thus allowing common suspects to be identified between various jurisdictions.*

*The acquisition of an Electronic Ticketing System, for \$240,000, will provide increased efficiencies and effectiveness for the City's traffic control, patrol and municipal court programs. This system allows information from individual's drivers' licenses to be collected digitally via bar code or magnetic information included on the license. Tickets are printed via a handheld computer, rather than hand-written. Data collected will be electronically downloaded into the City's Municipal Court computer system, rather than having to be entered manually by the Court Clerk's Office.*

- ◆ Additional Funding for Prisoner Boarding Fees \$125,000  
*The 2007 Budget provides enhanced funding to the Municipal Court to pay for prisoner boarding fees. This funding provides the Municipal Court judges additional flexibility when sentencing individuals.*
  
- ◆ Addition of Parking Enforcement Officers/School Crossing Guards \$72,702  
*The 2007 Budget provides funding for the addition of 2.5 FTE part-time parking enforcement officers / school crossing guards. These positions will provide enhanced parking enforcement, as well as act as substituted school crossing guards. These positions have been added to address the need for more proactive parking enforcement and due to growth in the school crossing guard program.*

**PRIORITY: PRESERVING HEALTHY NEIGHBORHOODS THROUGH CODES AND THEIR ENFORCEMENT**

- ◆ Addition of Environmental Specialist & Property Maintenance Educational Materials \$103,624  
*One (1) Environmental Specialist has been added in the 2007 Budget, along with addition of funding for an enhanced educational program regarding property maintenance. The Environmental Specialist will act as a property code inspector, to improve compliance with city property maintenance codes. The addition of this position will allow the City to implement a more proactive property maintenance and inspection program (as opposed to a complaint-based system). The proactive program also focuses on the education of property owners. The 2007 Budget provides additional funding for property maintenance and code educational materials, which will be distributed to all residential properties in the City.*

**PRIORITY: PROVIDING EXCELLENT PARKS, RECREATION AND CULTURAL AMENITIES**

- ◆ Expansion of Parks and Recreation Services and Personnel \$409,868  
*The City's new Downtown Community Center is scheduled to open in the Fall of 2007. The new center includes enhanced social and recreational facilities, including the addition of an indoor aquatic center, dedicated adult and children social areas and expanded cardio, weight training and wellness class areas. Operational funding for the new community center, and the addition of three full-time (Facility Supervisor and Sales Supervisor in CC521, and a Building Maint. Worker I in CC127) and 26.77 FTE part-time positions have been included in the 2007 Budget.*

**PRIORITY: MAINTENANCE OF QUALITY INFRASTRUCTURE**

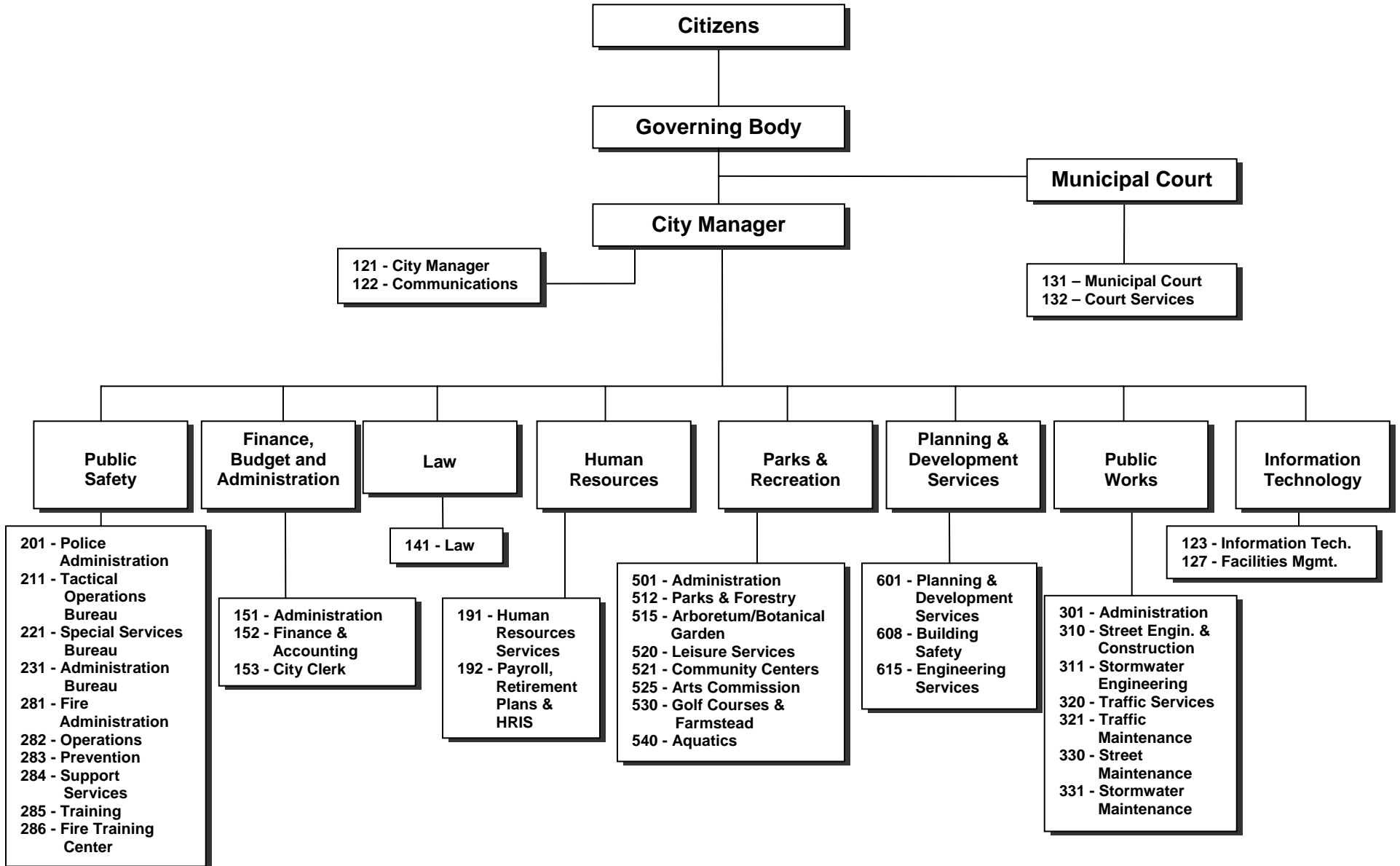
- ◆ Addition of Stormwater Engineering Technician \$63,126  
*One (1) Stormwater Engineering Technician has been added in the 2007 Budget. This position will provide additional support for design and construction activities of major stormwater maintenance and capital improvement projects.*

# CITY OF OVERLAND PARK

## Organizational Chart

Includes Cost Center Numbers

1.35



**CITY OF OVERLAND PARK  
DIVISION BY GOAL AREA**

<b>Finance &amp; Administration (100's)</b>	<b>Public Safety (200's)</b>	<b>Public Works (300's)</b>	<b>Community Development (500's &amp; 600's)</b>
<p><i>Mayor &amp; Council</i> 111 Mayor &amp; Council</p> <p><i>City Manager's Office</i> 121 City Manager's Office 122 Communications Division</p> <p><i>Information Technology</i> 123 Information Technology 127 Facilities Management &amp; Operations</p> <p><i>Municipal Court</i> 131 Municipal Court 132 Court Services</p> <p><i>Law</i> 141 Law</p> <p><i>Finance, Budget &amp; Administration</i> 151 FBA Administration 152 Finance &amp; Accounting 153 City Clerk</p> <p><i>Human Resources</i> 191 Human Resources 192 Payroll/Retirement Plans/HRIS</p>	<p><i>Police Department</i> 201 Police Administration 211 Tactical Operations Bureau 221 Special Services Bureau 231 Administration Bureau</p> <p><i>Fire Department</i> 281 Fire Administration 282 Operations 283 Prevention 284 Support Services 285 Training 286 Fire Training Center</p>	<p><i>Public Works</i> 301 Public Works Administration 310 Street Engineering and Construction 311 Stormwater Engineering 320 Traffic Services Division 321 Traffic Maintenance 330 Street Maintenance 331 Stormwater Maintenance</p>	<p><i>Parks &amp; Recreation</i> 501 Parks &amp; Recreation Administration 512 Parks &amp; Forestry 515 Arboretum Botanical Gardens 520 Leisure Services 521 Community Centers 525 Arts Commission 530 Golf Courses 531 Deanna Rose Children's Farmstead 540 Aquatics</p> <p><i>Planning &amp; Development Services</i> 601 Planning &amp; Development Services 608 Building Safety 615 Engineering Services</p>

**CITY OF OVERLAND PARK**  
**GOAL AREA PERSONNEL SCHEDULE BY COST CENTER**  
**BY FULL TIME EQUIVALENT (FTE)**

**PERSONNEL SUMMARY BY GOAL AREA**

<u>ALL FUNDS</u> Goal Area	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
Finance, Administration & Econ. Dev.	135	10.09	140	9.36	-1	0.67	1	0.00	140	10.03
Public Safety	439	16.10	457	17.40	0	0.54	9	2.50	466	20.44
Public Works	128	10.23	129	10.25	1	0.11	1	0.00	131	10.36
Community Development	143	87.29	149	91.69	0	1.45	3	26.77	152	119.91
<b>TOTAL</b>	<b>845</b>	<b>123.71</b>	<b>875</b>	<b>128.70</b>	<b>0</b>	<b>2.77</b>	<b>14</b>	<b>29.27</b>	<b>889</b>	<b>160.74</b>

**PERSONNEL SUMMARY BY DEPARTMENT**

<u>ALL FUNDS</u>	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
Mayor and Council	13	0.00	13	0.00	-	0	-	0	13	0.00
City Manager's Office/Communications	8	2.00	9	1.74	-	0	-	0	9	1.74
Information Technology	34	1.75	34	1.35	-	0.50	1	0	35	1.85
Municipal Court	26	1.26	28	1.26	-	0.07	-	0	28	1.33
Law	12	1.48	12	1.48	-	0	-	0	12	1.48
Finance, Budget and Administration	27	0.60	27	0.60	(1)	0	-	0	26	0.60
Human Resources	15	3.00	17	2.93	-	0.10	-	0	17	3.03
Police	293	15.35	302	16.65	-	0.54	9	2.50	311	19.69
Fire	146	0.75	155	0.75	-	0	-	0	155	0.75
Public Works	128	10.23	129	10.25	1	0.11	1	0	131	10.36
Parks and Recreation	57	79.72	61	84.57	-	1.99	2	26.77	63	113.33
Planning and Development Services	86	7.57	88	7.12	-	-0.54	1	0	89	6.58
<b>TOTAL</b>	<b>845</b>	<b>123.71</b>	<b>875</b>	<b>128.70</b>	<b>0</b>	<b>2.77</b>	<b>14</b>	<b>29.27</b>	<b>889</b>	<b>160.74</b>

\* The number of part-time and seasonal positions may vary from year to year.

**PERSONNEL SCHEDULE BY COST CENTER**

	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<u>GENERAL FUND</u>	General Fund		General Fund		General Fund		General Fund		General Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<b>FINANCE AND ADMINISTRATION GOAL AREA</b>										
<b>City Manager's Office</b>										
Mayor and Council	13	0.00	13	0.00					13	0.00
City Manager	5	1.00	6	0.48					6	0.48
Communications	3	1.00	3	1.26					3	1.26
<b>City Manager's Office</b>	21	2.00	22	1.74	0	0.00	0	0.00	22	1.74
<b>Information Technology</b>										
Information Technology	24	1.75	24	1.35		0.50			24	1.85
Facilities Management	10	0.00	10	0.00			1	6	11	0.00
<b>Information Technology</b>	34	1.75	34	1.35	0	0.50	1	0.00	35	1.85

**PERSONNEL SCHEDULE BY FTE, CONTINUED**

Goal Area/Cost Center	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
	General Fund	PT*	General Fund	PT*	General Fund	PT*	General Fund	PT*	General Fund	PT*
<b>GENERAL FUND</b>										
<b>Municipal Court</b>										
Municipal Court	19	1.26	21	1.26		0.07			21	1.33
Court Services	7	0.00	7	0.00					7	0.00
<b>Municipal Court</b>	26	1.26	28	1.26	0	0.07	0	0.00	28	1.33
<b>Law</b>										
Law	12	1.48	12	1.48					12	1.48
<b>Law</b>	12	1.48	12	1.48	0	0.00	0	0.00	12	1.48
<b>Finance, Budget and Admin.</b>										
FBA Administration	2	0.00	2	0.00					2	0.00
Finance and Accounting	15	0.00	15	0.00	-1	<sup>1</sup>			14	0.00
City Clerk	10	0.60	10	0.60					10	0.60
<b>Finance, Budget and Admin.</b>	27	0.60	27	0.60	-1	0.00	0	0.00	26	0.60
<b>Human Resources</b>										
Human Resources	9	2.45	11	2.38		0.10			11	2.48
Payroll	6	0.55	6	0.55					6	0.55
<b>Human Resource</b>	15	3.00	17	2.93	0	0.10	0	0.00	17	3.03
<b>FINANCE AND ADMINISTRATION</b>	135	10.09	140	9.36	-1	0.67	1	0	140	10.03
<b>PUBLIC SAFETY GOAL AREA</b>										
<b>Police Department</b>										
Police Administration	27	0.00	25	0.00	-20	<sup>2</sup>	9	<sup>7</sup>	14	0.00
Emergency Services	25	0.00	30	0.00	-30	<sup>2</sup>			0	0.00
Patrol	121	0.00	122	0.72	-122	<sup>2</sup>			0	0.00
Tactical Operations Bureau	0	0.00	0	0.00	170	<sup>2</sup>	0.04		170	0.76
Patrol Support	44	13.82	45	14.40	-45	<sup>2</sup>			0	0.00
Special Services Bureau	0	0.00	0	0.00	89	<sup>2</sup>			89	0.90
Detectives	50	0.90	53	0.90	-53	<sup>2</sup>			0	0.00
Criminal Intelligence	0	0.00	0	0.00					0	0.00
Administration Bureau	0	0.00	0	0.00	33	<sup>2</sup>	0.50	2.50	33	18.03
Technical Services	0	0.00	0	0.00					0	0.00
Logistics and Support	21	0.63	22	0.63	-22	<sup>2</sup>			0	0.00
Traffic and Support	0	0.00	0	0.00					0	0.00
<b>Police Department</b>	288	15.35	297	16.65	0	0.54	9	2.50	306	19.69
<b>PUBLIC SAFETY</b>	288	15.35	297	16.65	0	0.54	9	2.50	306	19.69
<b>PUBLIC WORKS GOAL AREA</b>										
<b>Public Works Department</b>										
Administration	6	0.00	6	0.00	7	<sup>3</sup>			13	0.14
Engineering Division	30	2.20	28	2.20	-5	<sup>3</sup>	0.20		23	2.26
Traffic Services	13	0.86	14	0.86			0.01		14	0.87
Traffic Maintenance	18	1.92	18	1.94	-1	<sup>3</sup>	-0.02		17	1.92
Street Maintenance	40	3.10	40	3.10	0	<sup>3</sup>	0.31		40	3.41
<b>Public Works</b>	107	8.08	106	8.10	1	0.50	0	0.00	107	8.60
<b>PUBLIC WORKS</b>	107	8.08	106	8.10	1	0.50	0	0	107	8.60

**PERSONNEL SCHEDULE BY FTE, CONTINUED**

	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
<b>GENERAL FUND</b>	General Fund		General Fund		General Fund		General Fund		General Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<b>COMMUNITY DEVELOPMENT GOAL AREA</b>										
<b>Parks and Recreation</b>										
Parks and Recreation Admin.	1	0.88	1	0.88					1	0.88
Parks and Forestry	24	7.65	24	6.90					24	6.90
Arboretum	3	6.71	4	6.73		1.30			4	8.03
Leisure Services	8	7.40	9	11.28	-1 <sup>4</sup>				8	1.97
Community Centers					1 <sup>4</sup>	0.10	2 <sup>8</sup>	26.77	3	36.18
Arts Commission	1	0.00	1	0.00					1	0.00
Farmstead	3	8.59	5	10.28		0.43			5	10.71
Aquatics	1	39.75	1	39.75		-0.03			1	39.72
<b>Parks and Recreation</b>	<b>41</b>	<b>70.98</b>	<b>45</b>	<b>75.82</b>	<b>0</b>	<b>1.80</b>	<b>2</b>	<b>26.77</b>	<b>47</b>	<b>104.39</b>
<b>Planning and Development Services</b>										
Planning and Development	31	5.16	39	4.71		0.01	1 <sup>9</sup>		40	4.72
Building Safety	32	1.08	32	1.08	-1 <sup>5</sup>	-0.55			31	0.53
Engineering Services	17	1.33	17	1.33	1 <sup>5</sup>				18	1.33
Health and Environment	6	0.00	0	0.00					0	0.00
<b>Planning and Development Services</b>	<b>86</b>	<b>7.57</b>	<b>88</b>	<b>7.12</b>	<b>0</b>	<b>-0.54</b>	<b>1</b>	<b>0.00</b>	<b>89</b>	<b>6.58</b>
<b>COMMUNITY DEVELOPMENT</b>	<b>127</b>	<b>78.55</b>	<b>133</b>	<b>82.94</b>	<b>0</b>	<b>1.26</b>	<b>3</b>	<b>26.77</b>	<b>136</b>	<b>110.97</b>
<b>TOTAL - General Fund</b>	<b>657</b>	<b>112.07</b>	<b>676</b>	<b>117.05</b>	<b>0</b>	<b>2.97</b>	<b>13</b>	<b>29.27</b>	<b>689</b>	<b>149.29</b>

	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
<b>FIRE SERVICE FUND</b>	General Fund		General Fund		Fire Fund		Fire Fund		General Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<b>PUBLIC SAFETY GOAL AREA</b>										
<b>Fire Department</b>										
Fire Administration	6	0.00	6	0.00					6	0.00
Fire Operations	125	0.00	134	0.00					134	0.00
Fire Prevention	9	0.00	9	0.00					9	0.00
Fire Support Services	1	0.75	1	0.75					1	0.75
Fire Training	5	0.00	5	0.00					5	0.00
<b>Fire Department</b>	<b>146</b>	<b>0.75</b>	<b>155</b>	<b>0.75</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>155</b>	<b>0.75</b>
<b>PUBLIC SAFETY- Fire Service Fund</b>	<b>146</b>	<b>0.75</b>	<b>155</b>	<b>0.75</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>155</b>	<b>0.75</b>

	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
<b>SPECIAL ALCOHOL FUND</b>	Alcohol Fund		Alcohol Fund		Alcohol Fund		Alcohol Fund		Alcohol Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<b>PUBLIC SAFETY GOAL AREA</b>										
<b>Police Department</b>										
DARE (Special Service Bureau)	5	0.00	5	0.00					5	0.00
<b>Police Department</b>	<b>5</b>	<b>0.00</b>	<b>5</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>5</b>	<b>0.00</b>
<b>PUBLIC SAFETY - Sp. Alcohol Fund</b>	<b>5</b>	<b>0.00</b>	<b>5</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0.00</b>

**PERSONNEL SCHEDULE BY FTE, CONTINUED**

	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
<b>STORMWATER UTILITY</b>	Stormwater Fund		Stormwater Fund		Stormwater Fund		Stormwater Fund		Stormwater Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<b>PUBLIC WORKS GOAL AREA</b>										
<b>Public Works Department</b>										
Stormwater Engineering	4	1.14	6	1.14		0.09	1 <sup>10</sup>		7	1.23
Stormwater Maintenance	17	1.01	17	1.01		-0.48			17	0.53
<b>Public Works</b>	21	2.15	23	2.15	0	-0.39	1	0.00	24	1.76
<b>PUBLIC WORKS - Stormwater Fund</b>	21	2.15	23	2.15	0	-0.39	1	0	24	1.76

	2005 Budget		2006 Budget		Changes since 2006 Budget		Changes for 2007 Budget		2007 Budget	
<b>GOLF COURSE FUND</b>	Golf Fund		Golf Fund		Golf Fund		Golf Fund		Golf Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<b>COMMUNITY DEVELOPMENT GOAL AREA</b>										
<b>Parks and Recreation</b>										
Golf Courses	16	8.74	16	8.75		0.19			16	8.94
<b>Parks and Recreation</b>	16	8.74	16	8.75	0	0.19	0	0.00	16	8.94
<b>COMMUNITY DEVELOPMENT - Golf</b>	16	8.74	16	8.75	0	0.19	0	0	16	8.94

<b>TOTAL - All Funds</b>	<b>845</b>	<b>123.71</b>	<b>875</b>	<b>128.70</b>	<b>0</b>	<b>2.77</b>	<b>14</b>	<b>29.27</b>	<b>889</b>	<b>160.74</b>
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**FOOTNOTES TO GOAL AREA PERSONNEL SCHEDULE**

Full-time totals include City Council members.

\* The number of part-time and seasonal positions in some cost centers may vary from year to year.

**Personnel adjustments made to 2006 from those reported in the 2006 Budget include:**

*General Fund*

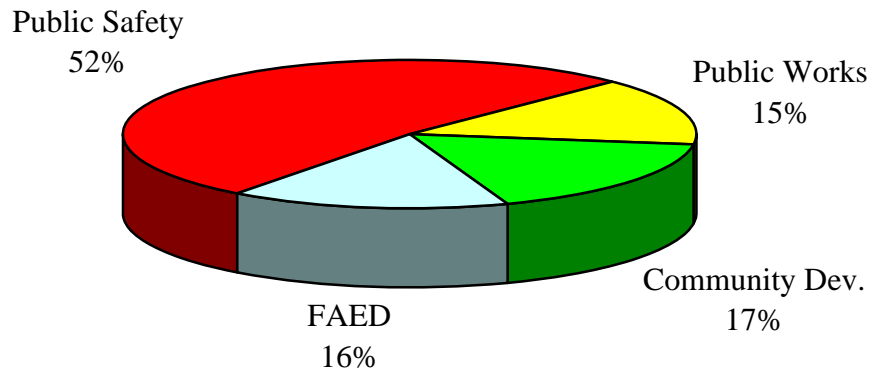
- 1 Eliminated one Accounting Clerk.
- 2 The Police Department undertook a major reorganization in early 2006. Existing personnel were transferred among the new Bureaus.
- 3 Public Works redistributed employees among its various cost centers. Addition of one Equipment Mechanic to service fire vehicles.
- 4 Transferred Community Center Manager from Leisure Services to the new Community Centers cost center.
- 5 Converted one Assistant Code Administrator (CC608) to Civil Engineer I (CC615).

**Personnel Adjustments recommended as part of the 2007 Budget include:**

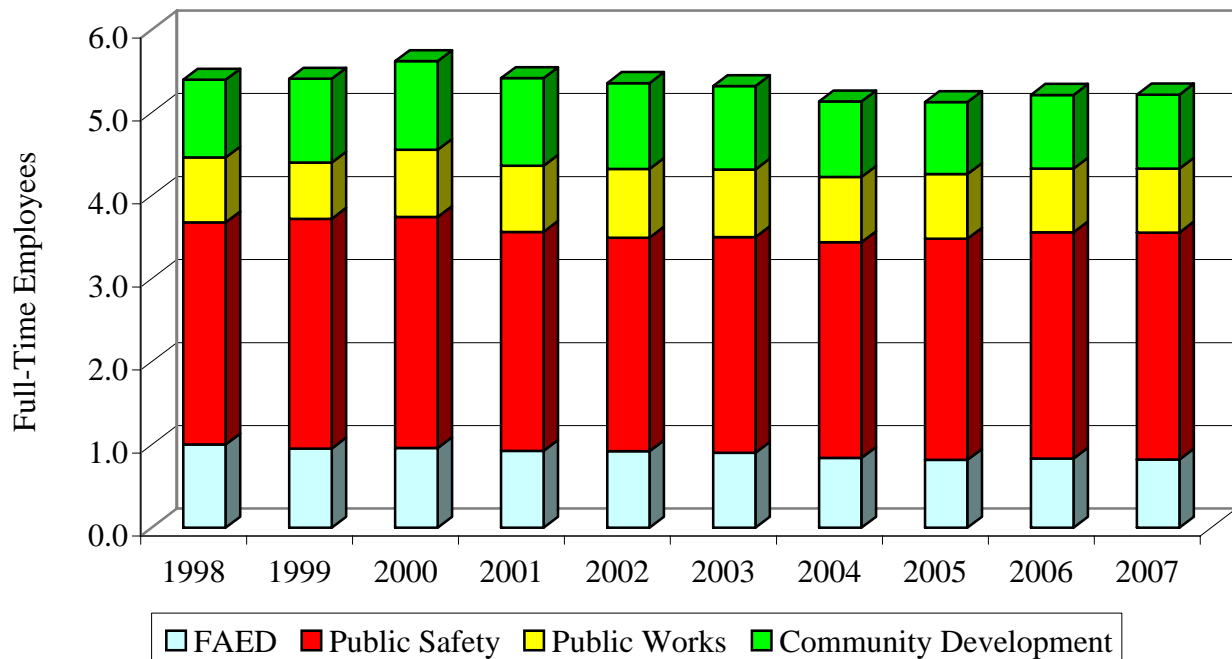
*General Fund*

- 6 Addition of Building Maintenance Worker for the new Community Center.
- 7 Addition of seven Police Officers, one Police Sergeant, and one Tactical Operations Specialist.
- 8 Addition of Facility Supervisor and Sales Supervisor for the new Community Center.
- 9 Addition of Environmental Specialist I.
- 10 Addition of Engineering Technician.

## 2007 Budget Full-Time Employees by Goal Area



## Full-Time Employees Per Thousand Population by Goal Area



Personnel numbers for all years include the Fire Department, which became a city department in Aug. 2003.

# **PERFORMANCE MEASUREMENT INITIATIVE**

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In the early 2000's, the City of Overland Park began development of an organizational Performance Measurement System. This initiative included identifying and incorporating organizational performance measures as part of our management system. Even though the City has gathered workload measures for several years, the performance measurement information now gathered is has been integrated into a broader, organization-wide performance management system. These measures are used to gauge the organization's efficiency and responsiveness, improve performance and determine our effectiveness in meeting annual and long-term goals and objectives.

Components of the Performance Management System are included in the 2007 Budget document: select performance measures, program and purpose statements, goals for 2007 and recent accomplishments. The selected information is designed to monitor the outcome of program services, to determine whether or not the purpose of a program is being achieved and if programs are consistent with the long-term objectives of the City. Outcomes are evaluated based on workload, effectiveness and efficiency. 2005 performance results, 2006 projections and 2007 targets are reported in the 2007 Budget document.

The performance measurement information included in the budget document represents selected key measures for each department. This information is by no means the full extent of our performance measurement system. Departments and supporting divisions continue to gather and evaluate other performance-related data to help them manage and allocate their resources to improve the productivity of their operations.

The Performance Management System continues to evolve as we continue to revamp and refine programs, services and performance measures, as well as improve the systematic capture of reliable data to support an objective evaluation of the outcome of our performance.

Key information included about each cost center includes:

- Program Description – A description of each cost center that briefly outlines its functions and responsibilities.
- Department Organizational Chart – The City is organized by cost centers. This organizational chart illustrates how cost centers relate to each other and to departments.
- Mission – A narrative that defines the purpose or goal of each cost center.
- Goals for 2007 - Aspects of the cost centers' work plan that will direct the cost centers' efforts in the upcoming year.
- Program Accomplishments – Recent accomplishments of each cost center.
- Key Performance Measures – Information and data used to determine the success of key services performed to accomplish each cost center's goal or purpose and to determine the workload of the cost center.