

EXECUTIVE SUMMARY OVERVIEW

This section is designed to provide the reader with general background and summary information about the City of Overland Park and the 2008 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 2008 Budget. Included are 2008 Budget Highlights, Priorities and Issues, a summary of 2008 Revenue and Expenditure Information and a summary of the 2008-2012 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 2008 expenditure highlights.
- **Key Changes in the 2008 Budget**
Summarizes reductions in funding in the 2008 Budget.
- **Personnel Summary**
Includes an Organizational Chart and summarizes personnel changes in 2008.
- **Performance Management Initiative**
Summarizes the Performance Management initiative.

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8500 Santa Fe Drive
Overland Park, Kansas 66212
913/895-6000 • Fax: 913-895-5009
www.opkansas.org

November 7, 2007

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 2008 Budget for the City of Overland Park, as approved by the Governing Body on August 20, 2007. The total 2008 Budget equals \$266,300,000. The portion of the 2008 Budget allocated for operating expenses totals \$107,499,461, a 5.1% increase over the adopted 2007 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 2008 Budget addresses priorities identified by both our citizens and the Governing Body. Based on these priorities, the 2008 Budget includes personnel, service and program enhancements in several areas:

- *Providing Quality Public Safety and Safe Neighborhoods* through the addition of five police officers and one sergeant in the Police Department; two paramedics and a fire prevention inspector in the Fire Department; conversion of a part-time municipal court prosecutor to full-time to handle increased caseload; and conversion of a part-time programmer/analyst in the Information Technology department to support various Public Safety applications.
- *Maintenance of Quality Infrastructure and Public Facilities* with the addition of a Public Works maintenance worker to address increasing street maintenance needs. Infrastructure needs are also addressed through the continuation of an enhanced level of street and traffic maintenance program.

The 2008 Budget also includes the addition of a Facilities Maintenance Building Attendant, to assist in maintaining public buildings and facilities. With the addition of the new Matt Ross Community Center, the expansion of the Tomahawk Ridge Community Center and the

recent addition/expansion of other City facilities, such as the Municipal Court Security Addition and the Emergency Operations Center, additional facility support is needed.

- *Preserving Healthy Neighborhoods* with the addition of an Administrative Support Supervisor in the Neighborhood Conservation Program. This position will provide additional program support to the growing number of neighborhood organizations.
- *Providing Quality Transportation Infrastructure* is addressed by capital improvement projects scheduled for 2008 including:
 - 2008 Residential Street Program
 - Intersection Improvements at:
 - I-435 and Antioch Road Interchange
 - 159th Street and Roe Avenue
 - Thoroughfare Improvements at:
 - Antioch Road, 151st Street to 167th Street
 - 119th Street, Rosana Square to US69 Highway
 - Bridge Replacement on 95th Street, near Foster
 - Traffic Signal & OPTCS improvements

This priority has also been addressed through an additional funding allocation to support a multi-jurisdictional effort to coordinate traffic signalizations.

- *Providing Excellent Parks, Recreation and Cultural Amenities* through additional funding for the new Matt Ross Community Center operations and staffing, including the addition of group fitness leaders. An assistant aquatics supervisor, who will help with staffing the Matt Ross Community Center as well as provide management assistance for the City's outdoor aquatic complexes in the summer, is also provided for in the 2008 Budget.

The 2008 Budget provides funding for a soccer complex manager, to address scheduling, marketing and operational needs of the new youth soccer complex, scheduled to open in 2009. This position is funded through Transient Guest Tax funds.

The Capital Improvement Program for 2008 includes funding for construction of the Highland View Swimming Pool at 151st Street and England, reconstruction of the Stonegate Swimming Pool, as well as funding for public art projects, park improvements, the golf courses and greenway linkages.

- *Maintaining First Class City Staff* is addressed through a planned increase in salary and benefits that are market and performance based. The 2008 Budget includes a salary adjustment pool that increases by 3.5% over the allocation in the 2007 budget.
- *Maintenance of Low Property Taxes* is achieved in the 2008 Budget, which slightly lowers the existing mill levy rate for 2008 to 8.832 mills, from the 2007 rate of 8.889 mills.

Additions to the 2008 Budget are discussed in further detail beginning on page 1.33.

Factors Influencing 2008 Budget Development

Several factors were taken into consideration during the development of the 2008 Budget, including the following:

- **Growing service demands.** Continued growth in population, as well as further development of residential, commercial and retail areas, has increased service demands.
- **2008 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.
- **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 2008. For the 2008 Budget, the beginning fund balance available for appropriation is expected to be \$73.8 million, which is approximately \$5.9 million above the level budgeted in 2007. 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 2008 fund balance is primarily a result of better than estimated fund balance at the beginning of 2007, due to expenditures being less than forecasted.
- **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 2008-2012 Capital Improvement Program and five-year financial plan allocates 17.8% 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 currently 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 2008. With mill levy supporting the 2008 budget of 8.832 mills, Overland Park's property tax rate is approximately half the rate of the surrounding communities.

Following is a summary of the 2008 Budget, including budget highlights, priorities and issues, revenue information, expenditure information and a summary of the 2008-2012 Capital Improvements Program.

2008 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 2008 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: multi-jurisdictional traffic signalization, parks and recreation's community center operations, Overland Park Arts & Recreation Foundation and street maintenance.

Sixteen full-time positions have been added in the 2008 Budget: six in the Police Department, three in the Fire Department, one in the Law Department, one in Information Technology, one in Facilities Maintenance, one in Public Works, 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.

Information regarding 2008 additions and priorities are discussed in further detail beginning on page 1.33.

Continued funding for traffic and infrastructure maintenance. The 2008 Budget continues prior years' policy of allocating additional resources to traffic and infrastructure maintenance. An additional \$1.7 million over traditional levels has been included in the 2008 Budget for the street maintenance program and traffic infrastructure replacement. In addition, \$750,000 of funding has been allocated to maintenance for the implementation of microsurfacing of streets.

Infrastructure construction. The adopted 2008-2012 Capital Improvement Program allocates significant resources to capital infrastructure construction to help address growth infrastructure demands.

The property tax rate is reduced to 8.832 mills from 8.889 mills. Due to increases in assessed valuation, the property tax levy to support the 2008 budget is slightly lower than the property tax rate of 8.889 mills for the 2007 Budget. The 2008 budgeted property tax rate is 8.832 mills.

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. In addition, beginning with 2007 year-end, the city will begin collecting data to participate in ICMA performance measurement and benchmarking group.

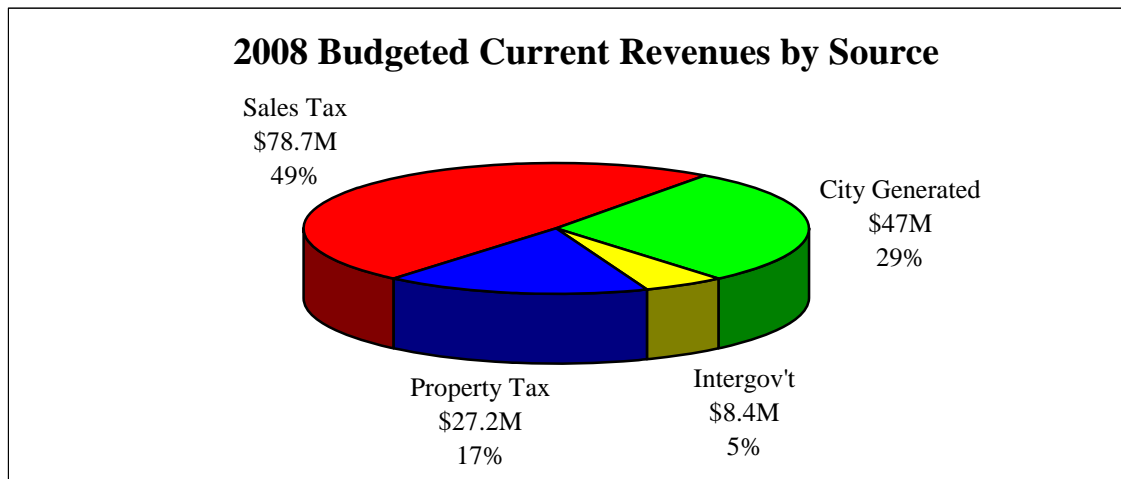
The 2008-2012 financial plan maintains adopted financial planning standards. The 2008 Budget and the 2008-2012 Capital Improvements Program have been adopted within the context of the City's five-year financial plan. This plan includes a forecast of revenues and expenditures

from 2008 through 2012. It also includes requirements of the 2008 operating budget, a forecast of operating expenditures through 2012 and funding requirements necessary to support the 2008-2012 Capital Improvements Program and the 2008-2012 Maintenance Plan. The five-year financial plan is explained later in the Executive Summary section.

2008 Revenues

Revenues generated in 2008 are projected to be \$161.3 million. With the inclusion of interfund transfers and the fund balance, total 2008 resources available are projected at \$266.3 million.

Current revenues are collected from four primary sources: sales tax (49%), City-generated revenue (29%), property tax (17%) and intergovernmental revenue (5%). 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 2008, current revenues are budgeted to increase by \$8.6 million from the adopted 2007 Budget. Current revenues are comprised of four main categories: property tax, sales tax, city-generated revenues and intergovernmental revenues.

Changes in Current Revenue: 2007 to 2008

	<u>2007</u>	<u>2008</u>	<u>Over/(Under)</u> <u>2007 Budget</u>	<u>% Change</u>
Sales Tax	\$ 77,230,947	\$ 78,683,563	1,452,616	1.9%
City Generated	\$ 41,239,686	\$ 47,000,512	5,760,826	14.0%
Intergov't	\$ 8,080,000	\$ 8,449,600	369,600	4.6%
Property Tax	\$ 26,143,244	\$ 27,193,800	1,050,556	4.0%
	<u>152,693,877</u>	<u>161,327,475</u>	<u>8,633,598</u>	<u>5.7%</u>

Property Tax revenues reflect the application of a projected mill levy of 8.832 mills to the assessed valuation of property in Overland Park. Property taxes have increased 4.0% over 2007 budgeted revenues.

The assessed valuation supporting the 2008 Budget has increased by 5.5% to \$2.859 billion. This increase was driven by growth in real estate valuation. Personal Property valuation is reduced when compared to 2007 due to a change in state law that exempts machinery and equipment purchased after July 1, 2006 from personal property taxes. The 2008 Budget is the first year this change has affected the assessed valuation. Loss in personal property tax revenues has been partially offset in the budget in anticipation of a “slider” reimbursement included in the legislation. The “slider” will apply in gradually declining amounts over 5 years. The following table summarizes the change by property tax category:

Changes in Assessed Valuation: 2007 to 2008				
	2007 Budget	2008 Budget	Over/(Under)	% Change
Real Estate	\$2,480,313,544	\$2,651,004,918	\$170,691,374	6.9%
Personal Property	158,052,713	136,539,317	(21,513,396)	-13.6%
Utilities	72,443,002	71,359,647	(1,083,355)	-1.5%
	<u>\$2,710,809,259</u>	<u>\$2,858,903,882</u>	<u>\$148,094,623</u>	<u>5.5%</u>

The mill levy for the 2008 Budget has decreased slightly to 8.832 mills from 8.889 mills for the 2007 Budget. The property tax rate is as follows:

Mill Levy to Support 2007 and 2008 Budgets			
	2007 Budget	2008 Budget	Difference
General Fund	3.259	3.238	(0.021)
Fire Service Fund	4.657	4.627	(0.030)
Stormwater Utility Fund	0.973	0.967	(0.006)
Total Mill Levy	<u>8.889</u>	<u>8.832</u>	<u>(0.057)</u>

Sales Tax revenues are budgeted to increase 1.9% over 2007 budgeted revenues, and 4.0% over estimated 2007 estimated revenues. 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 2007 sales tax revenues were updated in December 2006 and May 2007. Current sales tax projections for 2008 are based on May 2007 information. The 4.0% sales tax growth projection for 2008 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.

City-Generated revenues include franchise fees, user fees, licenses, permits and transfers. 2008 revenues are projected to be 14% higher than the 2007 Budget. This increase is driven by several factors. Due to the opening of the new Matt Ross Community Center and the remodeled Tomahawk Ridge Community, Parks & Recreation revenues will increase by an estimated 17.3%. In addition, interest rates have increased significantly in the last year. For 2008, the City estimates interest earned on idle funds will increase by 14.2%, to \$3.4 million.

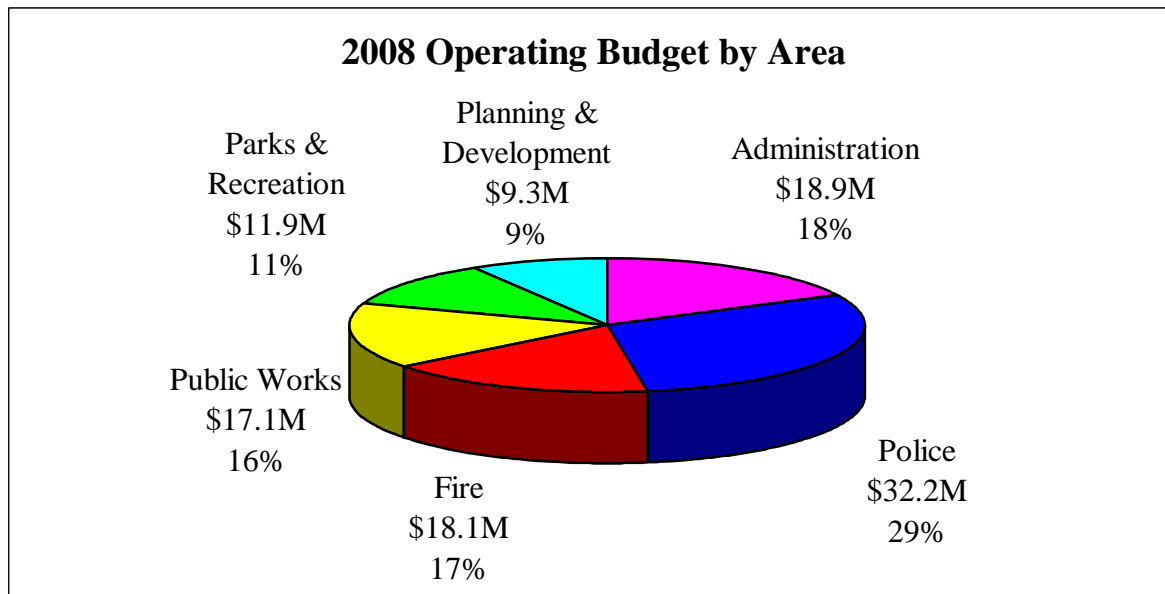
Intergovernmental revenues reflect receipt of funds collected by and redistributed back to Overland Park from federal, state and county sources, and include such items as gasoline tax and liquor tax. These revenues are expected to be 4.6% higher in 2008 than the 2007 Budget.

Fund Balance at the beginning of 2008 is estimated to be \$73.8 million, which is \$5.9 million higher than the budgeted 2007 beginning fund balance. The increase in the beginning 2007 balance is a result of 2006 expenditures coming in less than originally forecasted.

2007 Expenditures

Total budgeted expenditures for 2008 equal \$266,300,000, which is an increase of 5.9% over the adopted 2007 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 \$107.5 million. This increase is 5.1% over the adopted 2007 Budget. These expenditures are allocated among major activities as illustrated in the following graph:

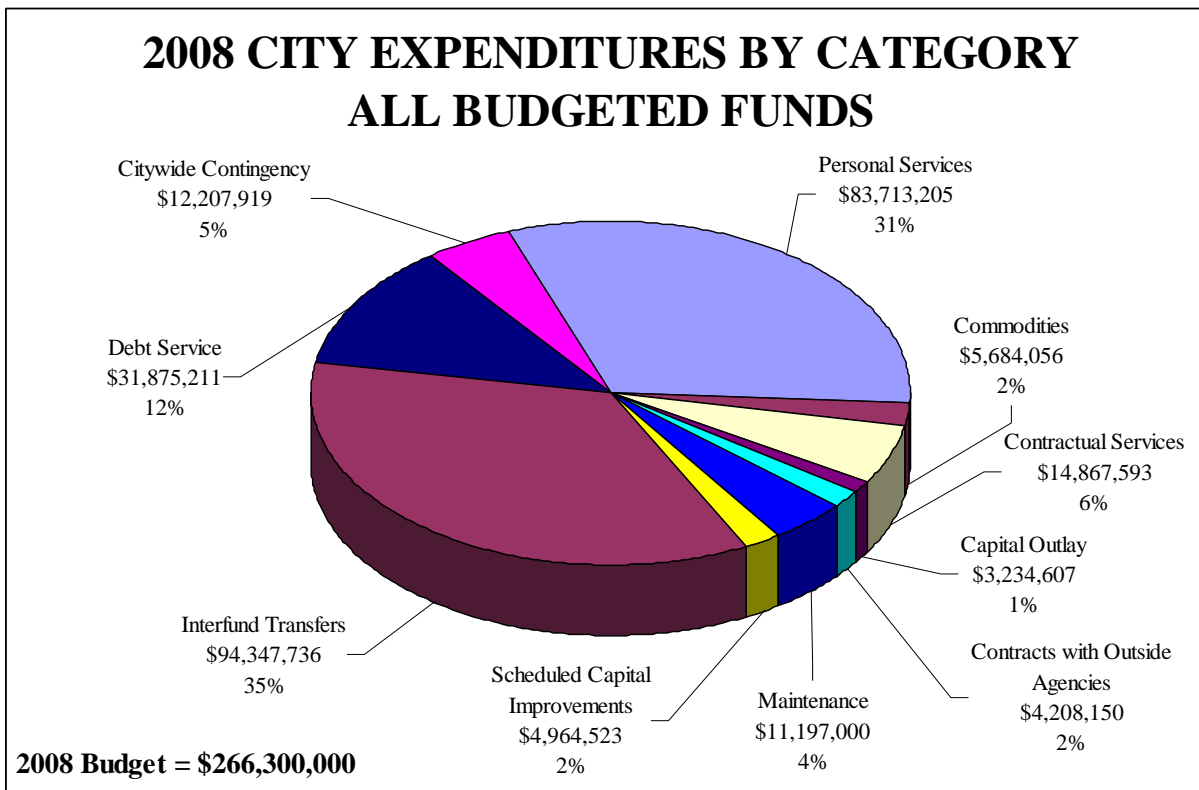


Contracts with outside agencies for operations total \$4.2 million. These contracts include economic development funding, some social services funding and some public safety funding, including a contractual arrangement with Johnson County for ambulance services and contracts to provide fire service in limited areas of the city.

Infrastructure and Facilities Maintenance funding totals \$11.2 million. The 2008 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 \$143.4 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 26% of non-operating costs. The balance of this category (8%) represents allocation for budgeted contingencies.

Personal Services costs represent 31% of the total budget and 78% of the operating budget. The total number of full-time employees for 2008 is 907, an increase of 18 full-time positions over the adopted 2007 Budget. Two police department employees were added in 2007 outside of the budget cycle. The 2008 Budget adds 16 employees: six Police Department employees, three Fire employees, two Parks & Recreation employees, one Prosecutor, one Information Technology Programmer/Analyst, one Facilities Maintenance Technician, one Public Works Maintenance Worker and one Administrative Support Supervisor in the Neighborhood Conservation Program. Detailed personnel information can be found beginning on page 1.38.



2008 – 2012 Capital Improvements Program

The 2008 Budget includes the 2008-2012 Capital Improvements Program (CIP), which was developed by the Governing Body and staff during the last quarter of 2006 and the first quarter of 2007. The five-year program totals \$246.7 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 \$42.0 million for projects to be constructed and/or financed in 2008. Some of the projects included in 2008 began in a prior year, but will be completed in 2008 and are therefore financed in 2008. Approximately \$25.3 million of this funding is related to improvement of bridge, street and thoroughfare infrastructure, \$13.4 million is related to Parks and Recreation facilities, while the other \$3.3 million is related public building improvements, storm drainage infrastructure, and the purchase of large equipment.

A total of 70% of funding, or \$29.5 million, will be paid from City financing sources in 2008. This includes debt and pay-as-you-go resources from the City’s Capital Improvements Fund. The remaining 30% of project funding, or \$12.5 million, will be provided by non-City sources including federal, county, other city and developers.

2008 Capital Improvements

	<u>City Funding</u>	<u>Other Funding</u>	<u>Total</u>
Bridge Repair & Replacement	\$830,000	\$0	\$830,000
Public Buildings & Equipment	\$2,207,200	\$0	2,207,200
Fire Building & Equipment	\$589,000	\$0	589,000
Parks & Recreation	\$11,831,000	\$1,550,000	13,381,000
Storm Drainage	\$150,000	\$350,000	500,000
Street Lighting	\$100,000	\$0	100,000
Residential Street Improvements	\$4,580,000	\$350,000	4,930,000
Street Improvements	\$2,131,000	\$0	2,131,000
Sidewalk Construction	\$50,000	\$0	50,000
Thoroughfare Improvements	\$5,310,000	\$9,958,000	15,268,000
Traffic Signals	\$1,700,000	\$285,000	1,985,000
	<u>\$29,478,200</u>	<u>\$12,493,000</u>	<u>\$41,971,200</u>

The impact of capital project construction and the long-term operating costs resulting from capital construction is incorporated in the City’s five-year financial plan.

Conclusion

Balancing the needs of the community with available financial resources presents an annual challenge in the development of the budget. The 2008 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.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John M. Nachbar". The signature is fluid and cursive, with the first name "John" being the most prominent.

JOHN M. NACHBAR
CITY MANAGER

FINANCIAL PLANNING

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 approximately 50% of the current revenue (excluding prior year resources and transfers) supporting the total 2008 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:

	2008	2009	2010	2011	2012
City Sales Tax	\$51,260,000	\$53,276,000	\$55,359,000	\$57,511,000	\$59,733,000
% Increase	3.99%	3.93%	3.91%	3.89%	3.86%

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 2008 Budget is projected to increase 5.5% over the previous year's assessed value, due to reappraisal and new construction. During 2006, new construction had a market value of \$453 million and thru June 2007 new construction totaled \$223 million.

The current plan anticipates a slight reduction of .024 mills in the 2008 General Fund mill levy from the mill levy supporting the 2007 Budget. After 2008, 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 .034 mills in the 2008 Fire Service Fund mill levy from the previous mill levy. After 2008, 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:

	2008	2009	2010	2011	2012
GF Transfer to Fire Fund	\$3,951,100	\$4,198,318	\$4,266,295	\$4,275,085	\$4,646,248

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 Department and Planning and Development Services Department 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.

	2008	2009	2010	2011	2012
Excise Tax Revenue	\$2,800,000	\$3,321,014	\$3,434,706	\$3,471,732	\$3,508,758

The five-year forecast reflects an operating budget growth factor of 4 % in years 2009 through 2012. 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 2007 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.

Financial Standard Description	Standard	2008-2012 Financial Plan
% of General Fund Ending Cash to Operating Expenditures	Under review	14.6%
% of P.A.Y.G. to City funds used to finance CIP	45% to 55%	66.5%
% of Debt to City Funds used to Finance CIP	45% to 55%	49.8%
% of Debt Service Cost to General Fund Operating Expenditures	< 25%	21.8%
Mill Levy equivalent of Bond & Interest Transfer	< 6 Mills	5.68 Mills
Total Direct Debt Per Capita	\$675	\$700
% of Direct & Overlapping Debt to Market Value of property	4% to 5%	3.1%
% of Operating Budget to City funds used to finance CIP	< 20%	18.3%

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 (2008-2012) is also found in the Capital Improvements Program section on pages 7.12 and 7.12. 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 2008-2012 Capital Improvements Program (CIP) of \$246,677,200 is \$ 18.7M more than the adopted 2007-2011 Capital Improvements Program. Capital improvements are identified by project in the Capital Improvements Programs section beginning on page 7.23.

The 2008-2012 CIP will be financed through:

General Obligation Bonds	20.6%
Pay-As-You-Go	27.4%
Federal, State & County Funds	20.6%
Other Cities & Developers Funds	6.4%
Other Financing Sources	25.0%

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 7.19 in the Capital Improvements Program section.

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

considered in the development of the 2008 operating budget and is discussed below.

Park and Recreation Improvement Projects:

Included in the 2008-2012 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. The CIP also include annual funding for improvements at the City's parks and recreational facilities, which are partly funded through the use of Special Parks and Recreation Funds.

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 2008 include: \$500,000 in storm drainage improvement projects and \$17.4 million in street and thoroughfare improvements. Funding for the 2008 Residential Street Program totals \$4.9 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 \$80 million over a thirteen-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.

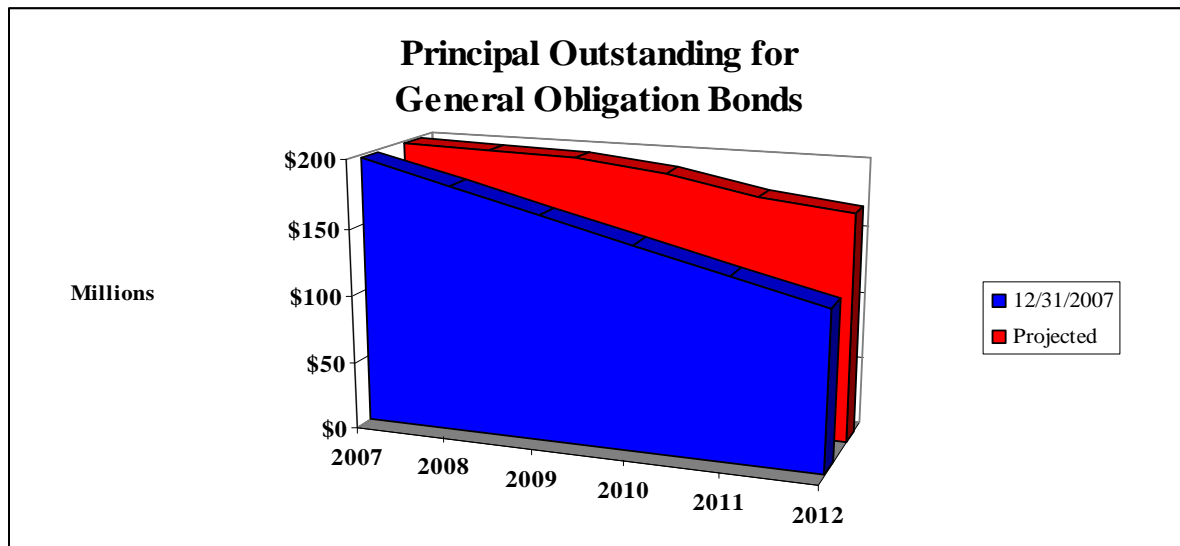
DEBT SERVICE

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. The City's policy is to issue debt for capital projects and large equipment purchases only; debt is not use to fund operational expenses. 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 2012. Information on specific projects to be bonded can be found beginning on page 7.23 of the Capital Improvements Program section.

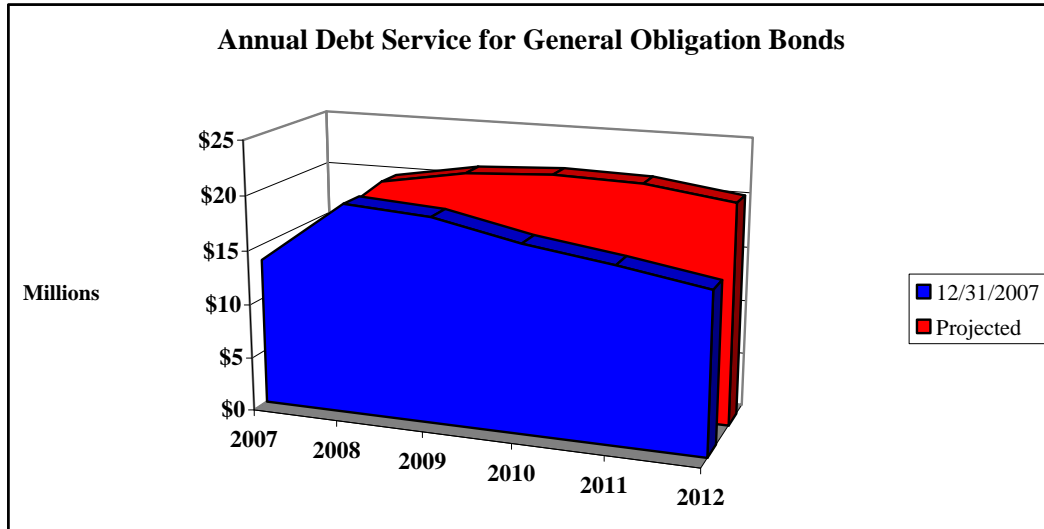
Projected General Obligation Bond Issue	
<u>Year</u>	<u>Amount</u>
2008	\$14,976,000
2009	\$14,625,000
2010	\$9,196,000
2011	\$3,740,000
2012	\$8,160,000

The information presented below illustrates the City's total indebtedness (principal), if no additional debt after 12/31/07 was issued, compared to the City's projected indebtedness per the five-year financial plan.



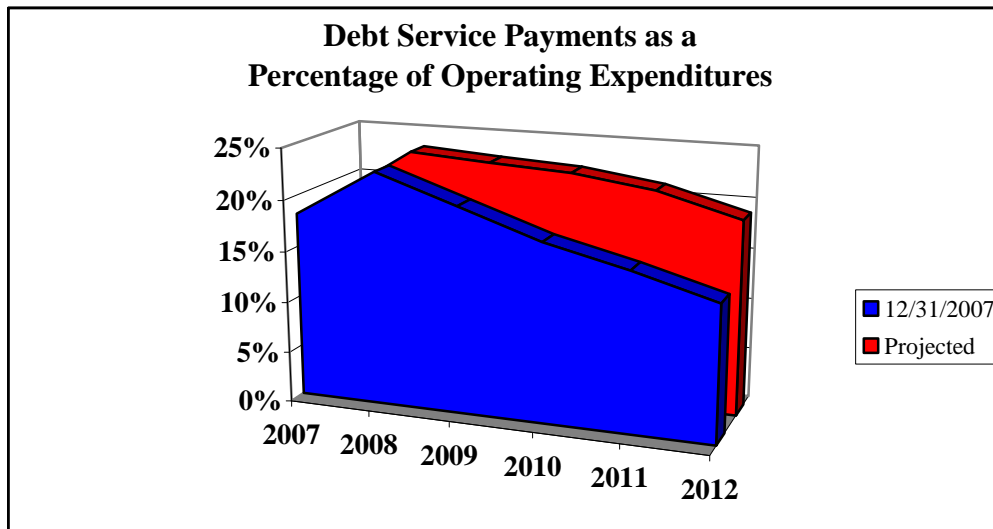
	2007	2008	2009	2010	2011	2012
Projected	\$197.9	\$196.8	\$195.4	\$188.3	\$175.6	\$168.2
12/31/2007	\$197.9	\$181.9	\$165.8	\$149.5	\$133.0	\$117.5

The following compares annual debt service, if no additional debt was issued after 12/31/07, to the projected annual debt service forecasted in the City's five-year plan.



	2007	2008	2009	2010	2011	2012
Projected	\$13.6	\$19.8	\$21.2	\$21.6	\$21.4	\$20.3
12/31/2007	\$13.6	\$19.4	\$18.9	\$17.2	\$16.1	\$14.7

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 12/31/07 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.



	2007	2008	2009	2010	2011	2012
Projected	18.2%	23.3%	22.8%	22.3%	21.2%	19.0%
12/31/2007	18.2%	22.9%	20.2%	17.5%	15.5%	13.3%

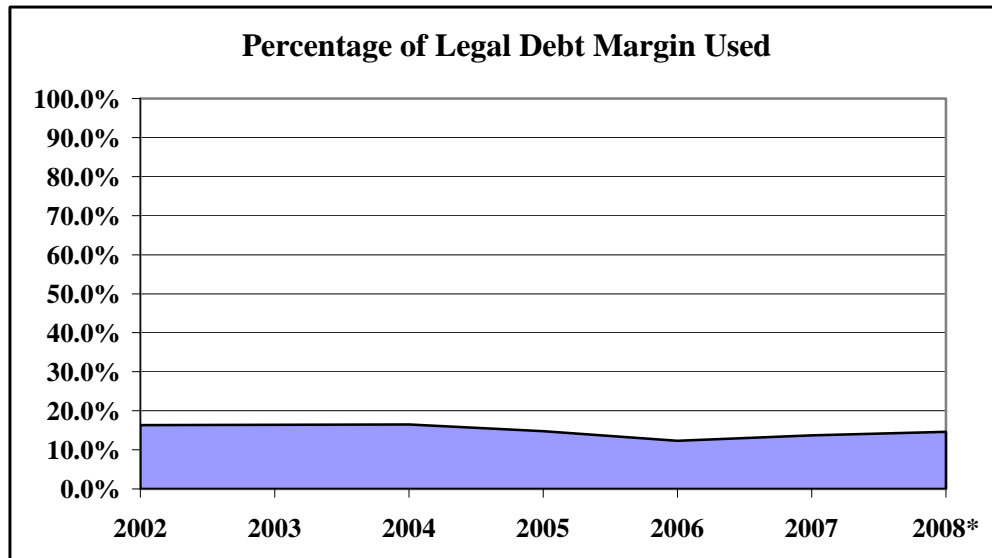
The City's ability to issue direct-bonded debt is measured by the percentage of legal debt margin used. Direct-bonded debt is debt for which the City has pledged its full faith and credit. The Debt Limit establishes a maximum dollar limitation calculated under existing law. The debt limitations provided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

**Computation of Legal Debt Margin
(Estimated as of 12/31/08)**

Assessed Valuation	\$ 3,134,230,452 ⁽¹⁾
Legal Debt Limit	940,269,136
General Obligation Bonds	137,275,000 ⁽²⁾
Temporary Notes	-
Total Debt Outstanding	\$ 137,275,000
Debt Margin	\$ 802,994,136

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

(2) Refunding bonds are not included in the calculation of computing the legal debt margin.



2002	2003	2004	2005	2006	2007	2008*
16.3%	16.4%	16.5%	14.8%	12.3%	13.7%	14.6%

* 2008 is estimated.

OUTSTANDING DEBT
As of January 1, 2007

	Date of Issue	Amount Issued	Amount Outstanding	Principal Payment	Interest Payment	Year of Maturity
			1/1/2007	FY 2008	FY 2008	
General Obligation						
Street Improvements/ Oak Park Mall	3/1/98	\$688,909	\$65,000	\$0	\$0	2007
Street Improvements	3/1/98	\$4,526,601	\$409,936	\$0	\$0	2007
Storm Drainage	3/1/98	\$174,662	\$15,814	\$0	\$0	2007
Public Buildings/ Fire Dept. Shelter	3/1/98	\$700,000	\$63,375	\$0	\$0	2007
Bridge Improvements	3/1/98	\$1,500,000	\$135,875	\$0	\$0	2007
Public Buildings/ Oak Park Parking	3/1/98	\$8,909,828	\$445,000	\$0	\$0	2007
Storm Drainage	4/15/99	\$515,000	\$138,498	\$46,166	\$3,851	2009
Street Improvements	4/15/99	\$8,899,000	\$2,393,157	\$797,719	\$66,611	2009
Public Buildings/ Fire Station	4/15/99	\$1,350,000	\$363,048	\$121,016	\$10,108	2009
Parks & Recreation/ Pool	4/15/99	\$1,536,000	\$413,067	\$137,689	\$11,498	2009
Parks & Recreation/ Arboretum Gardens	4/15/99	\$250,000	\$67,230	\$22,410	\$1,869	2009
Parks & Recreation/ Westlinks*	4/15/99	\$1,184,632	\$690,000	\$110,000	\$25,420	2012
Street Improvement	4/1/00	\$6,585,089	\$2,380,688	\$596,404	\$89,214	2010
Storm Drainag	4/1/00	\$94,911	\$34,312	\$8,596	\$1,286	2010
Public Buildings/ Convention Cer	3/1/01	\$52,110,000	\$5,065,000	\$970,000	\$176,288	2030
Street Improvement	7/1/01	\$8,300,000	\$3,995,000	\$800,000	\$134,787	2011
Refunding 1993/ Street Improvements	7/1/01	\$1,625,173	\$599,086	\$104,539	\$21,048	2013
Refunding 1993/ Justice Center	7/1/01	\$5,255,322	\$1,937,266	\$338,046	\$68,064	2013
Refunding 1994B/ Fire Training Center	7/1/01	\$1,284,643	\$473,557	\$82,634	\$16,638	2013
Refunding 1994B/ Pool	7/1/01	\$471,100	\$173,661	\$30,303	\$6,101	2013
Refunding 1994B/ Street Improvements	7/1/01	\$1,313,019	\$484,017	\$84,459	\$17,006	2013
Refunding 1994B/ Storm Drainage	7/1/01	\$155,743	\$57,412	\$10,018	\$2,017	2013
Parks & Recreation/Community Park	10/1/02	\$1,112,373	\$638,868	\$109,325	\$18,249	2012
Parks & Recreation/Young's Pool	10/1/02	\$2,775,259	\$1,593,914	\$272,755	\$45,528	2012
Storm Drainage/Countryshire	10/1/02	\$104,388	\$60,000	\$10,000	\$1,723	2012
Storm Drainage/Roe Ave	10/1/02	\$29,906	\$23,878	\$1,516	\$771	2022
Street Improvements/ Streets Improvements	10/1/02	\$7,508,263	\$4,312,216	\$737,920	\$123,173	2012
Street Improvements/Street Improvements	10/1/02	\$2,337,247	\$1,866,120	\$118,484	\$60,225	2022
Public Equipment/MDT	10/1/02	\$1,482,778	\$295,000	\$0	\$0	2007
Street Improvements	11/1/03	\$4,990,885	\$3,489,206	\$499,786	\$185,992	2013
Land/Row Acquisition-135th&US69	11/1/03	\$1,314,115	\$918,718	\$131,595	\$48,972	2013
Land/Row Acquisition-87th&I35	11/1/03	\$6,114,865	\$5,187,076	\$308,784	\$114,912	2023
Land/Row Acquisition-CommCtr	11/1/03	\$2,540,135	\$2,154,728	\$128,270	\$47,735	2023
Storm Drainage	11/1/03	\$130,000	\$110,272	\$6,565	\$2,443	2023
Refunding 1999c/PS Training Center	2/15/04	\$1,723,985	\$1,684,775	\$110,042	\$56,049	2019
Refunding 1999c/Conv Ctr Land	2/15/04	\$5,091,015	\$4,975,225	\$324,958	\$165,516	2019
Street Improvements/2004RS	10/1/04	\$813,000	\$633,444	\$86,883	\$30,479	2014
Street Improvements/2005RS	10/1/04	\$999,000	\$778,361	\$106,760	\$37,452	2014
Street Improvements/I435&Antioch	10/1/04	\$4,081,000	\$3,589,039	\$254,982	\$89,450	2024
Street Improvements/135th&US69	10/1/04	\$5,442,000	\$4,785,961	\$340,018	\$119,281	2024
Street Improvements/SantaFeDr	10/1/04	\$1,372,000	\$1,068,983	\$146,621	\$51,436	2014
Street Improvements/79th St	10/1/04	\$693,000	\$539,948	\$74,059	\$25,980	2014
Street Improvements/143rd St	10/1/04	\$2,714,735	\$2,115,162	\$290,115	\$101,775	2014
Storm Drainage	10/1/04	\$5,265	\$4,104	\$563	\$197	2014
Refunding/1998 Storm Drainage ID	10/1/04	\$8,351	\$2,505	\$0	\$0	2007
Refunding/1998 Street Improvements	10/1/04	\$54,867	\$16,460	\$0	\$0	2007
Refunding/1998 Storm Drainage	10/1/04	\$2,118	\$636	\$0	\$0	2007
Refunding/1998 Public Building/Fire	10/1/04	\$8,484	\$2,545	\$0	\$0	2007
Refunding/1998 Bridge Improvements	10/1/04	\$18,182	\$5,455	\$0	\$0	2007
Refunding/1998 Public Building/OP Parking Deck	10/1/04	\$5,892,998	\$5,817,400	\$1,195,000	\$195,240	2018
Street Improvements - 10 yea	5/15/06	\$6,164,725	\$5,554,292	\$618,730	\$205,121	2015
Traffic Signal Improvements	5/15/06	\$311,560	\$280,710	\$31,270	\$10,367	2015
Street Improvements - 20 yea	5/15/06	\$8,222,835	\$7,809,304	\$411,016	\$321,620	2025
Public Buildings/Community Cer	5/15/06	\$20,185,880	\$19,170,696	\$1,008,984	\$789,530	2025
Refunding/ 2001 Convention Cen	11/15/06	\$44,680,000	\$44,680,000	\$115,000	\$1,917,363	2030
2007 Bond Issue	9/15/07	\$39,334,000	\$0	\$4,288,566	\$3,641,500	2026
2008 Bond Issue	7/15/08	\$14,976,000	\$0	\$0	\$0	2027
Total General Obligation Bonds			\$144,565,000	\$15,988,567	\$9,059,884	
Total Indebtedness			\$144,565,000	\$15,988,567	\$9,059,884	

*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

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 2008 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 2007:

**Fund Balance:
General Fund**

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.	\$58,514,082
12/31/07 est.	\$61,309,194

The 2008 Budget includes an estimated General Fund carryover fund balance (as of December 31, 2007) of \$61,309,194 and an ending projected balance (as of December 31, 2008) of \$45,335,751 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 53.8%.

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 (2012). 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 2008 Budget and 2008 - 2012 Capital Improvements Plan.

Standard	2007	2008	2009	2010	2011	2012
Percentage	76.7%	53.8%	42.7%	31.3%	23.3%	14.6%
Balance	\$61,309,194	\$45,335,751	\$37,199,153	\$28,381,994	\$21,909,782	\$14,302,426

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.

2008 BUDGET GUIDELINES

- A. 2008 Program Goals. Program Goals for 2008 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 2007. Revenue information is obtained from State and County sources, as well as from the City's own financial planning models.
- C. 2008 Salaries and Benefits.
- (1) Salaries – The 2008 Budget includes a salary adjustment pool averaging 3.5%. The salary adjustment funds are budgeted in an amount sufficient to cover a forecasted market adjustment and merit increase as of April 2008. The final amount of funds available for salary adjustments will be determined in early 2008.
 - (2) Health Insurance – The 2008 Budget projects an average increase of 10% in health insurance premiums. In the fall of 2007 the Governing Body will review and finalize a health insurance program for 2008.
- 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 2007 budget, adjusted for one-time (2007) expenditures. This amount was then increased by 2.5%, to determine each cost center's 2008 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 2008 – 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 2007, 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 2007, the Community Development Committee reviewed the budget necessary to fund the Golf Course Program's operations, maintenance and capital projects in 2008.
- G. Stormwater Utility Fund. In June 2007, the Public Works Committee reviewed the budget necessary to fund the Stormwater Program's operations, maintenance and capital projects in 2008.
- 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. 2008 Capital Improvements Program (CIP). The 2008-2012 CIP is incorporated into the 2008 Budget. Capital projects scheduled for 2008 are budgeted in accordance with in Capital Improvements Program.

FINANCIAL ASSUMPTIONS FOR THE 2008 BUDGET

MAJOR REVENUE ASSUMPTIONS:

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

2008 Budget	\$2,861,146,463
2007 Budget	\$2,710,809,259
Change between 2007 and 2008 Budgets	5.55%

- 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 2007 current revenue estimates:

	2008	2009	2010	2011	2012
Total Growth	4.0%	3.9%	3.9%	3.9%	3.9%

- Franchise Taxes are not projected to grow, and will remain at 2007 levels.
- Motor Vehicle Tax revenue estimates are based on historical information, and reflect a decrease of 3.5% from 2006 actuals.
- 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.
- Based on the projected assessed valuation, the mill levy is as follows:

Fund	2007 Budget	2008 Budget	Change
General Fund	3.259	3.238	-0.021
Fire Fund	4.657	4.627	-0.030
Stormwater Fund	0.973	0.967	-0.006
TOTAL	8.889	8.832	-0.057

- Non-property tax revenue is estimated to grow at an average of 4.0%.
- 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 4.0% each year from 2008 through 2012 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 2008 dollars.
4. The interest rate for debt issued from 2008 through 2012 is projected at 5.0%.

BUDGET DEVELOPMENT PROCESS

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 2006 | <ul style="list-style-type: none">❖ Planning for the 2008 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 2008 Budget. |
| February 2007 | <ul style="list-style-type: none">❖ Public hearing regarding the proposed 2008-2012 Capital Improvements Program (CIP) is held in front of both the Planning Commission and the City Council.❖ City Council adopted the 2008-2012 CIP for budget planning purposes.❖ Preliminary assessed valuation information was received from the Johnson County Appraiser to establish the mill levy for the 2008 Budget. |
| March 2007 | <ul style="list-style-type: none">❖ Departments developed budget requests based on the 2008 Budget Guidelines (guidelines can be found on page 1.25), as well as identified long and short term objectives❖ Departments submitted budget requests for City Manager and Finance Department review. |
| April to May 2007 | <ul style="list-style-type: none">❖ A Public Hearing for citizen input on the 2008 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.❖ City Manager and Finance 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.❖ City Manager's proposed 2008 Budget was developed. The proposed budget as presented is a balanced budget and preserves the City's five-year financial position within acceptable parameters. |
| June – July 2007 | <ul style="list-style-type: none">❖ City Manager's proposed 2008 Budget was distributed to the Governing Body.❖ Council Goal Area Committees met to review proposed budget.❖ 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. |
| August 2007 | <ul style="list-style-type: none">❖ Public Hearing to obtain citizen input on 2008 Budget.❖ Governing Body adopted the 2008 Budget on August 20, 2007. 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. |
| January 1, 2008 | <ul style="list-style-type: none">❖ The 2008 Budget goes into effect. |

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)

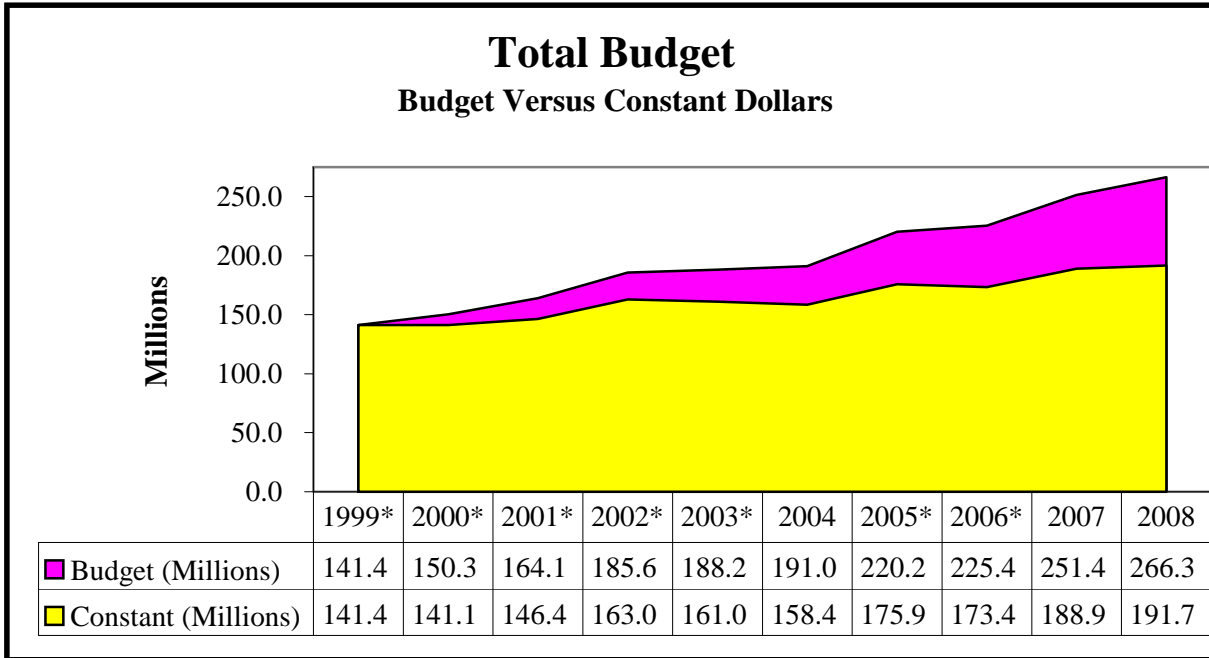
The annual budget appropriates funds for personnel, as well as other operating and capital expenditures. Personnel and other operating expenditures remain fairly constant from year to year; but capital expenditures have a tendency to fluctuate depending on the need for improvements to the City's infrastructure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

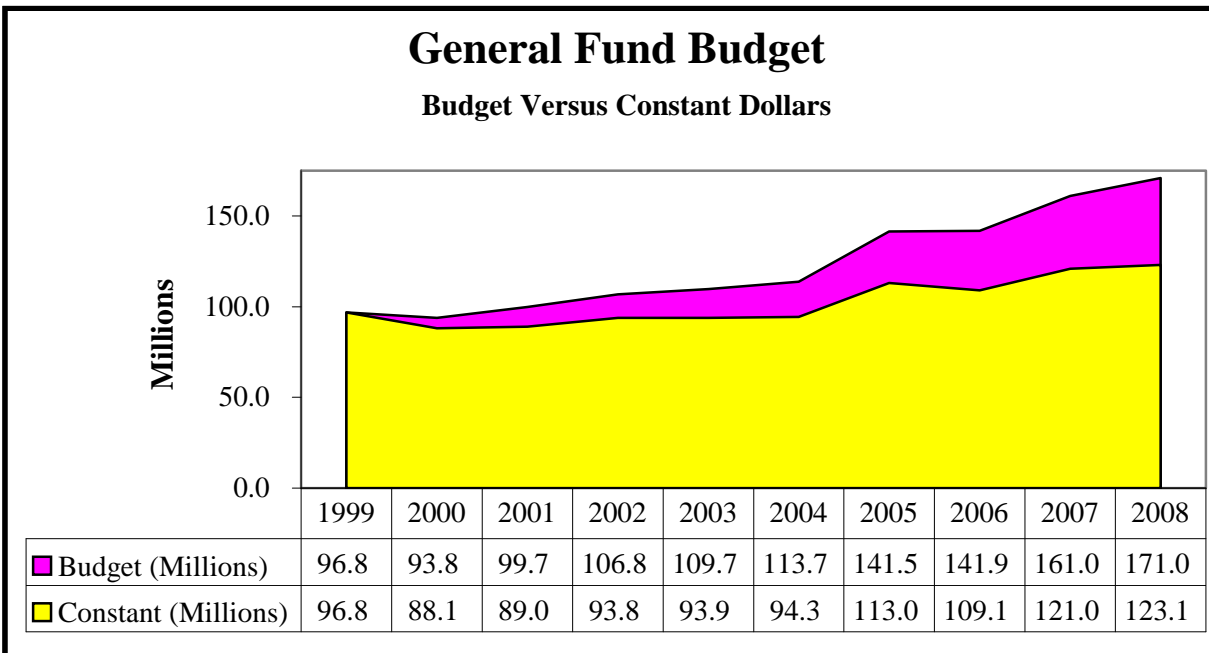
The Capital Improvements section of this budget details the CIP development process and CIP goals and objectives. In addition, it contains the approved 2008-2012 Capital Improvements Program listing all capital projects and capital outlay for the City during this period. The current 2008-2012 CIP totals \$246,667,200.

BUDGET HISTORY

The information presented below depicts Overland Park's budget history on a total budget basis and general fund basis for the years 1999-2008. 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 1999 purchasing power. In other words, the lower line removes inflation and represents only real growth in budget values.

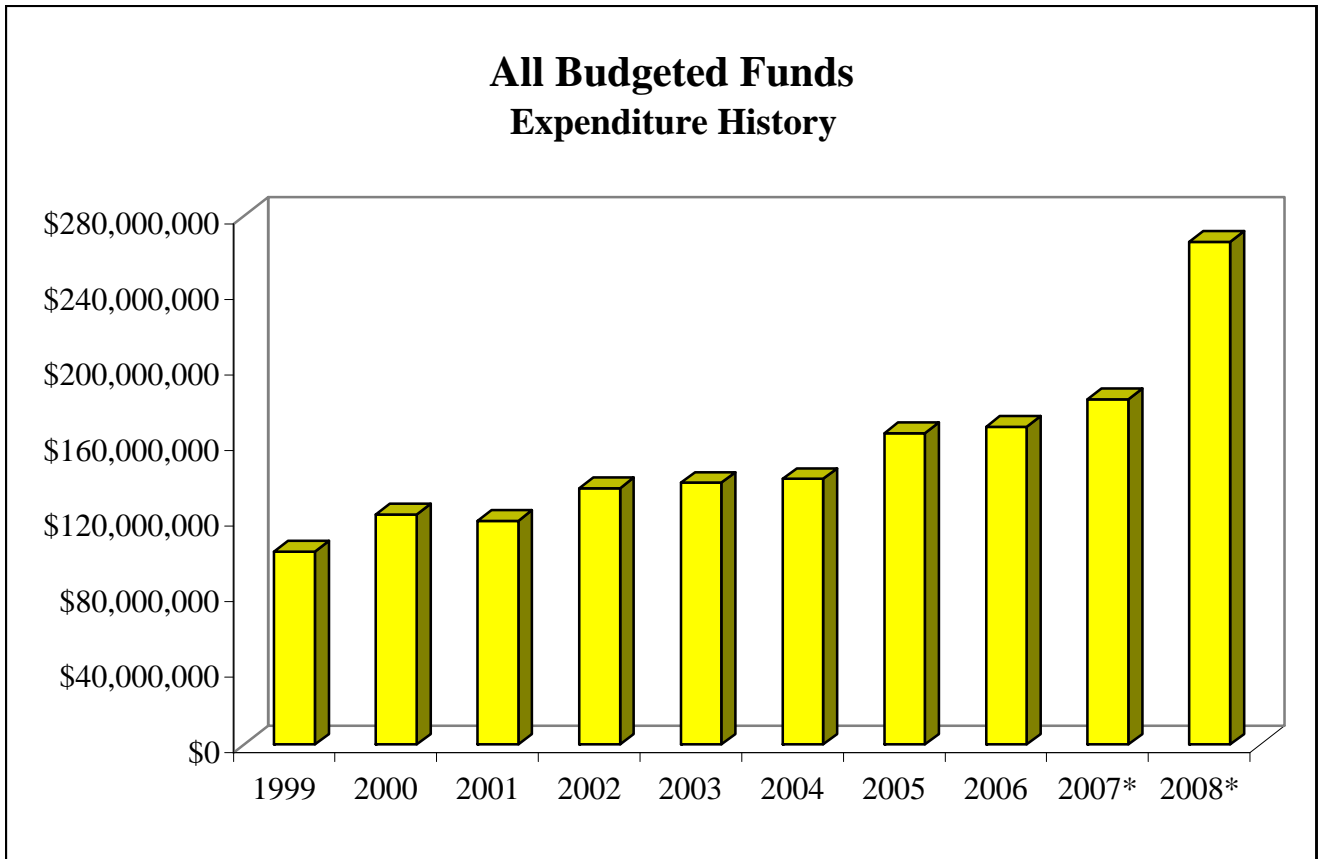


*1999-2003, 2005, and 2006 total budget figures are the amended budgets for these years.



City of Overland Park
EXPENDITURE SUMMARY
ALL BUDGETED FUNDS

FUND	Actual 2006	Estimated 2007	Budgeted 2008
General Fund	\$95,528,523	\$102,505,207	\$170,960,000
Special Street and Highway Fund	4,750,000	4,930,000	5,150,000
1/8-Cent Sales Tax for Street Improvements Fund	6,210,862	8,421,000	6,695,000
Special Parks and Recreation Fund	1,000,175	1,330,000	1,475,000
Special Alcohol Control Fund	1,100,809	1,073,187	2,525,000
Transient Guest Tax - Operating	1,706,873	1,845,482	2,043,000
Transient Guest Tax - Capital Improvements	6,269,704	3,969,305	6,517,000
Transient Guest Tax Fund	6,033,626	9,454,290	14,215,000
Fire Service Fund	17,748,897	19,523,203	20,350,000
Golf Course Fund	3,348,503	3,421,125	4,650,000
Stormwater Utility Fund	6,842,423	7,467,638	6,500,000
Business Improvement District	86,408	100,000	100,000
Bond and Interest	17,680,148	18,771,639	25,120,000
Total Budgeted Funds	\$168,306,951	\$182,812,076	\$266,300,000



*2007 figure is estimated expenditures. 2008 is budgeted expenditures.

KEY CHANGES IN THE 2008 BUDGET

The 2008 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 2008 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 2008:

PRIORITY: PROVIDING QUALITY PUBLIC SAFETY AND SAFE NEIGHBORHOODS

- ◆ Addition of six Police Department Employees \$655,390
Five (5) Police Officers and one (1) Police have been added in the 2008 Budget.

The Officers and Sergeant positions will be assigned to the Police Department's Detective Division. These additions will help address increased service demands and continue the City's multi-year plan to increase the officer-to-citizen ratio. These six positions in 2008, combined with positions added between 2004 and 2007, results in an increase in the 2008 police force by 48 officers when compared to 2003 staffing levels.

- ◆ Addition of three Fire Department Employees \$224,861
Two (2) Paramedics and one (1) Fire Prevention Inspector have been added to the 2008 Budget.

The addition of two paramedics allows the Overland Park Fire Department to place an additional ambulance into service during peak call time weekdays. This new unit will "roam" the City to place themselves in an area with the highest probability of the next call for service.

The additional Fire Prevention Inspector will be dedicated to inspecting commercial occupancies. This addition will ensure each commercial establishment is inspected at least once every 12 months.

- ◆ Convert Part-Time Prosecutor to Full-time \$52,098
The 2008 Budget provides funding in the Law Department to convert a part-time prosecutor to full time in order to meet the increased Municipal Court caseload.

- ◆ Convert Part-Time Programmer/Analyst to Full-Time \$48,295
The 2008 Budget provides funding in the Information Technology Department to convert a part-time Programmer/Analyst to full time. This employee will provide report-writing, software feature development and support of the Public Safety applications, such as Intergraph, E-Ticketing and Firehouse.

PRIORITY: MAINTENANCE OF QUALITY INFRASTRUCTURE AND PUBLIC FACILITIES

- ◆ Addition of Maintenance Workers \$47,907
The addition of two (2) Maintenance Workers in the Public Works Department are funded in the 2008 Budget. These positions will address increasing street maintenance needs and will allow one additional snow route to be added. Part of the funding for these positions are being absorbed within the Public Works Department's existing funding.

In addition, the 2008 Budget continues to provide enhanced funding the infrastructure maintenance program and also provides for the purchase of a milling machine from the unbudgeted Special machinery and Equipment Fund. This machine will improve the efficiency of the street maintenance program by eliminating the City reliance on the limited availability of rental equipment.

- ◆ Addition of Facility Maintenance Building Attendant \$48,740
The 2008 Budget includes the addition of a Facilities Maintenance Building Attendant. This position will assist in maintaining Public Buildings and Facilities. Demand for facility maintenance has increase in recent years due to the addition of space at the new Matt Ross Community Center, the expansion of the Tomahawk Ridge Community Center and the recent addition/expansion of other city facilities such as the Municipal Court and Emergency Operations Center.

PRIORITY: PROVIDING QUALITY TRANSPORTATION INFRASTRUCTURE

- ◆ Multi-Jurisdictional Coordination of Traffic Signalization \$50,000
Funding is provided in the 2008 Budget for the City's new annual contribution to the regional multi-jurisdictional traffic signalization initiative Operation Green Light. The deployment of new traffic signal controllers and a wireless communication network recently began across the region.

PRIORITY: PRESERVING HEALTHY NEIGHBORHOODS

- ◆ Addition of Administrative Support Supervisor \$0
The 2008 Budget provides funding to add an Administrative Support Supervisor in Planning and Development Services. This position will provide program support to the Neighborhood Conservation Program, which has grown since its inception in the 1990's to now include 24 neighborhood organizations. This position also supervises the administrative personnel in the Community Planning and Services Division. Funding for this position was adsorbed within the Planning and Development Services existing funding.

PRIORITY: PROVIDING EXCELLENT PARKS, RECREATION AND CULTURAL AMENITIES

- ◆ Community Center Operations and Staffing \$370,222
The City's new downtown Matt Ross Community Center opened in the summer of 2007. The remodeled and expanded Tomahawk Ridge Community Center opened in late 2007. The 2007 Budget provided the increased costs to operate these community centers for a partial year. Additional funding was allocated in the 2008 Budget to fund a full-year of operations at both of these facilities.

The 2008 Budget also includes additional funding to convert the group fitness leaders at the Matt Ross Community Center to part-time employee to facilitate additional variety in fitness classes and provide stability in staffing. Previously these positions were independent contractors. It is anticipated the additional funding needed for this conversion will be offset by increased revenues from the group fitness classes.

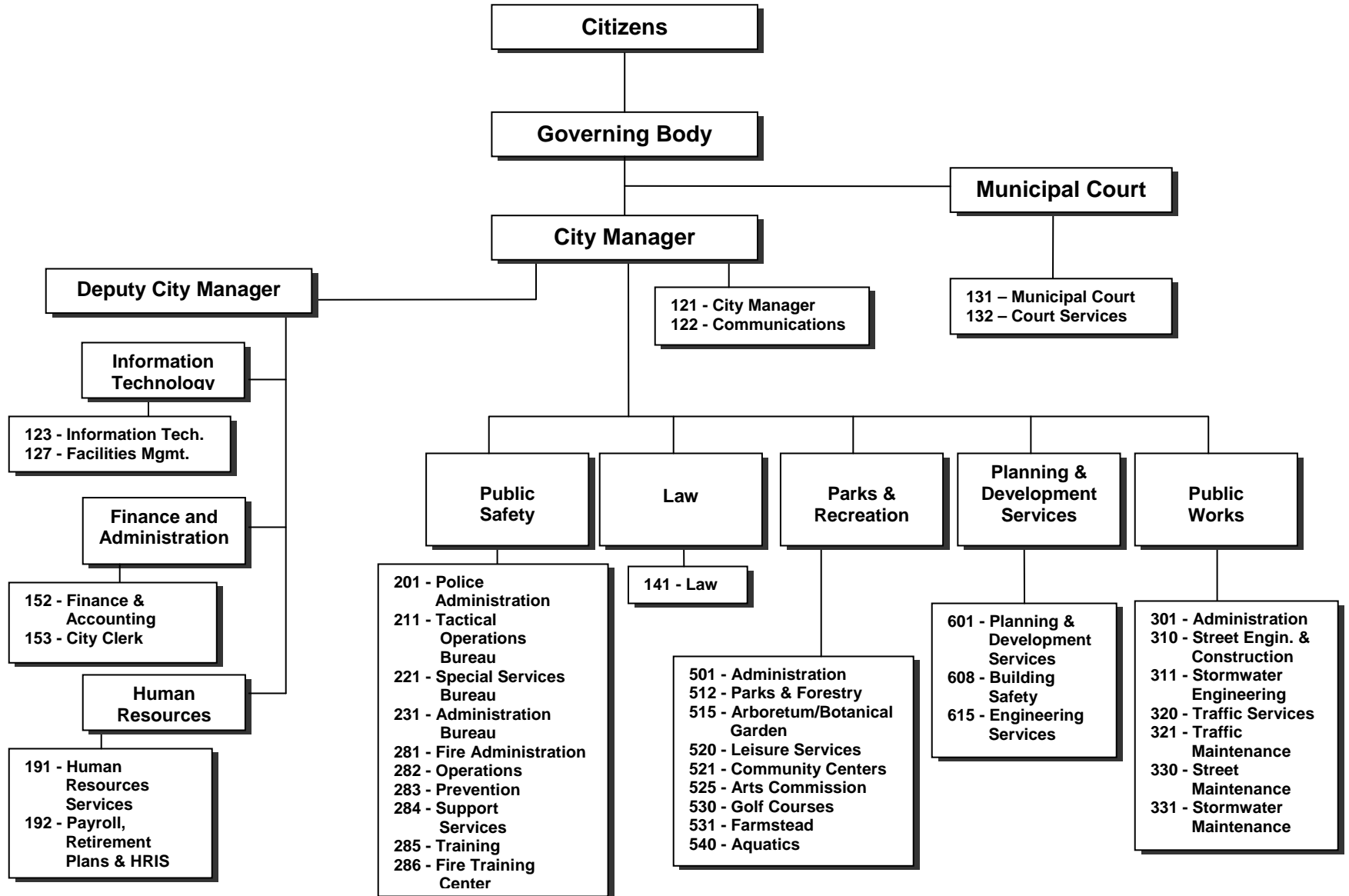
- ◆ Addition of an Assistant Aquatic Supervisor \$0
The 2008 Budget provides funding for an Assistant Aquatics Supervisor. This position will serve as the pool manager at the new Matt Ross Community Center for part of the year, and will assist in the planning, training and operations of all of the City's swimming pools. Funding for this position was adsorbed within the Parks and Recreation Department's existing funding.

- ◆ OP Arts & Recreation Foundation Matching Funds \$40,000
The 2008 Budget provides matching funds to the Arts & Recreation Foundation of Overland Park for professional fundraising services for capital projects at the Arboretum and Botanical Gardens, the Deanna Rose Children's Farmstead, and the Arts Master Plan. The total amount of capital projects approved on the master plans for these facilities total \$49 million.

CITY OF OVERLAND PARK

Organizational Chart

Includes Cost Center Numbers



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

Finance & Administration (100's)	Public Safety (200's)	Public Works (300's)	Community Development (500's & 600's)
<p><i>Mayor & Council</i> 111 Mayor & 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 & Operations</p> <p><i>Municipal Court</i> 131 Municipal Court 132 Court Services</p> <p><i>Law</i> 141 Law</p> <p><i>Finance & Administration</i> 152 Finance 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 & Construction 311 Stormwater Engineering 320 Traffic Services Division 321 Traffic Maintenance 330 Street Maintenance 331 Stormwater Maintenance</p>	<p><i>Parks & Recreation</i> 501 Parks & Recreation Administration 512 Parks & 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 & Development Services</i> 601 Planning & 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

ALL FUNDS Goal Area	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
Finance, Administration & Econ. Dev.	140	9.36	140	10.03	0	0	3	-1.00	143	9.00
Public Safety	457	17.40	466	20.44	2	0	10	0.00	478	20.46
Public Works	129	10.25	131	10.36	0	0	1	0.00	132	10.37
Community Development	149	91.69	152	119.91	0	0	1	-0.72	153	125.92
TOTAL	875	128.70	889	160.74	2	0	15	-1.72	906	165.75

PERSONNEL SUMMARY BY DEPARTMENT

ALL FUNDS	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 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	9	1.74	9	1.74	-	0	-	0	9	1.71
Information Technology	34	1.35	35	1.85	-	0.00	2	-0.5	37	1.35
Municipal Court	28	1.26	28	1.33	-	0	-	0	28	1.33
Law	12	1.48	12	1.48	-	0	1	-0.5	13	0.98
Finance, Budget and Administration	27	0.60	26	0.60	-	0	-	0	26	0.60
Human Resources	17	2.93	17	3.03	-	0.00	-	0	17	3.03
Police	302	16.65	311	19.69	2	0	6	0.00	319	19.71
Fire	155	0.75	155	0.75	-	0	4	0	159	0.75
Public Works	129	10.25	131	10.36	-	0	1	0	132	10.37
Parks and Recreation	61	84.57	63	113.33	-	0	1	0	64	119.96
Planning and Development Services	88	7.12	89	6.58	-	0	-	-0.72	89	5.96
TOTAL	875	128.70	889	160.74	2	0	15	-1.72	906	165.75

PERSONNEL SCHEDULE BY COST CENTER

	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
GENERAL FUND	General Fund		General Fund		General Fund		General Fund		General Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
FINANCE AND ADMINISTRATION GOAL AREA										
City Manager's Office										
Mayor and Council	13	0.00	13	0.00					13	0.00
City Manager	6	0.48	6	0.48					6	0.48
Communications	3	1.26	3	1.26					3	1.23
City Manager's Office	22	1.74	22	1.74	0	0.00	0	0.00	22	1.71
Information Technology										
Information Technology	24	1.35	24	1.85			1 ¹	-0.5 ¹	25	1.35
Facilities Management	10	0.00	11	0.00			1 ²		12	0.00
Information Technology	34	1.35	35	1.85	0	0.00	2	-0.50	37	1.35

PERSONNEL SCHEDULE BY FTE, CONTINUED

Goal Area/Cost Center	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
	General Fund		General Fund		General Fund		General Fund		General Fund	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
GENERAL FUND										
Municipal Court										
Municipal Court	21	1.26	21	1.33					21	1.33
Court Services	7	0.00	7	0.00					7	0.00
Municipal Court	28	1.26	28	1.33	0	0.00	0	0.00	28	1.33
Law										
Law	12	1.48	12	1.48			1 ³	-0.50 ³	13	0.98
Law	12	1.48	12	1.48	0	0.00	1	-0.50	13	0.98
Finance, Budget and Admin.										
FBA Administration	2	0.00	2	0.00	-2 ¹				0	0.00
Finance and Accounting	15	0.00	14	0.00	1 ¹				15	0.00
City Clerk	10	0.60	10	0.60	1 ¹				11	0.60
Finance, Budget and Admin.	27	0.60	26	0.60	0	0.00	0	0.00	26	0.60
Human Resources										
Human Resources	11	2.38	11	2.48					11	2.48
Payroll	6	0.55	6	0.55					6	0.55
Human Resource	17	2.93	17	3.03	0	0.00	0	0.00	17	3.03
FINANCE AND ADMINISTRATION	140	9.36	140	10.03	0	0	3	-1	143	9.00
PUBLIC SAFETY GOAL AREA										
Police Department										
Police Administration	25	0.00	14	0.00	-4 ²				10	0.00
Emergency Services	30	0.00	0	0.00					0	0.00
Patrol	122	0.72	0	0.00					0	0.00
Tactical Operations Bureau	0	0.00	170	0.76	-6 ^{2,3}				164	0.00
Patrol Support	45	14.40	0	0.00					0	0.00
Special Services Bureau	0	0.00	89	0.90	-10 ^{2,4}		6 ⁴		85	0.90
Detectives	53	0.90	0	0.00					0	0.00
Criminal Intelligence	0	0.00	0	0.00					0	0.00
Administration Bureau	0	0.00	33	18.03	22 ²				55	18.81
Technical Services	0	0.00	0	0.00					0	0.00
Logistics and Support	22	0.63	0	0.00					0	0.00
Traffic and Support	0	0.00	0	0.00					0	0.00
Police Department	297	16.65	306	19.69	2	0.00	6	0.00	314	19.71
PUBLIC SAFETY	297	16.65	306	19.69	2	0	6	0 0	314	19.71
PUBLIC WORKS GOAL AREA										
Public Works Department										
Administration	6	0.00	13	0.14					13	0.14
Engineering Division	28	2.20	23	2.26					23	2.28
Traffic Services	14	0.86	14	0.87					14	0.87
Traffic Maintenance	18	1.94	17	1.92					17	1.19
Street Maintenance	40	3.10	40	3.41			1 ⁵		41	4.47
Public Works	106	8.10	107	8.60	0	0.00	1	0.00	108	8.95
PUBLIC WORKS	106	8.10	107	8.60	0	0	1	0	108	8.95

PERSONNEL SCHEDULE BY FTE, CONTINUED

	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
GENERAL FUND	General Fund		General Fund		General Fund		General Fund		General Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
COMMUNITY DEVELOPMENT GOAL AREA										
Parks and Recreation										
Parks and Recreation Admin.	1	0.88	1	0.88					1	0.88
Parks and Forestry	24	6.90	24	6.90					24	6.90
Arboretum	4	6.73	4	8.03					4	8.22
Leisure Services	9	11.28	8	1.97					8	1.97
Community Centers			3	36.18					3	40.52
Arts Commission	1	0.00	1	0.00					1	0.00
Farmstead	5	10.28	5	10.71					5	12.81
Aquatics	1	39.75	1	39.72			1 ⁶		2	39.72
Parks and Recreation	45	75.82	47	104.39	0	0.00	1	0.00	48	111.02
Planning and Development Services										
Planning and Development	39	4.71	40	4.72	1 ⁵		1 ⁷	-0.72	42	4.10
Building Safety	32	1.08	31	0.53			-1 ⁸		30	0.53
Engineering Services	17	1.33	18	1.33	-1 ⁵				17	1.33
Health and Environment	0	0.00	0	0.00					0	0.00
Planning and Development Services	88	7.12	89	6.58	0	0.00	0	-0.72	89	5.96
COMMUNITY DEVELOPMENT	133	82.94	136	110.97	0	0	1	-0.72	137	116.98
TOTAL - General Fund	676	117.05	689	149.29	2	0.00	11	-1.72	702	154.64

	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
FIRE SERVICE FUND	General Fund		General Fund		Fire Fund		Fire Fund		General Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
PUBLIC SAFETY GOAL AREA										
Fire Department										
Fire Administration	6	0.00	6	0.00					6	0.00
Fire Operations	134	0.00	134	0.00			2 ⁹		136	0.00
Fire Prevention	9	0.00	9	0.00			2 ¹⁰		11	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
Fire Department	155	0.75	155	0.75	0	0.00	4	0.00	159	0.75
PUBLIC SAFETY- Fire Service Fund	155	0.75	155	0.75	0	0	4	0	159	0.75

	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
SPECIAL ALCOHOL FUND	Alcohol Fund		Alcohol Fund		Alcohol Fund		Alcohol Fund		Alcohol Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
PUBLIC SAFETY GOAL AREA										
Police Department										
DARE (Special Service Bureau)	5	0.00	5	0.00					5	0.00
Police Department	5	0.00	5	0.00	0	0.00	0	0.00	5	0.00
PUBLIC SAFETY - Sp. Alcohol Fund	5	0.00	5	0.00	0	0	0	0	5	0.00

PERSONNEL SCHEDULE BY FTE, CONTINUED

	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
STORMWATER UTILITY	Stormwater Fund		Stormwater Fund		Stormwater Fund		Stormwater Fund		Stormwater Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
PUBLIC WORKS GOAL AREA										
Public Works Department										
Stormwater Engineering	6	1.14	7	1.23					7	0.88
Stormwater Maintenance	17	1.01	17	0.53					17	0.54
Public Works	23	2.15	24	1.76	0	0.00	0	0.00	24	1.42
PUBLIC WORKS - Stormwater Fund	23	2.15	24	1.76	0	0	0	0	24	1.42

	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
GOLF COURSE FUND	Golf Fund		Golf Fund		Golf Fund		Golf Fund		Golf Fund	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
COMMUNITY DEVELOPMENT GOAL AREA										
Parks and Recreation										
Golf Courses	16	8.75	16	8.94					16	8.94
Parks and Recreation	16	8.75	16	8.94	0	0.00	0	0.00	16	8.94
COMMUNITY DEVELOPMENT - Golf	16	8.75	16	8.94	0	0	0	0	16	8.94

	2006 Budget		2007 Budget		Changes since 2007 Budget		Changes for 2008 Budget		2008 Budget	
TRANSIENT GUEST TAX FUNDS	TGT Funds		TGT Funds		TGT Funds		TGT Funds		TGT Funds	
Goal Area/Cost Center	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
COMMUNITY DEVELOPMENT GOAL AREA										
Parks and Recreation										
Leisure Services (Soccer Complex)							1	11	1	0.00
Parks and Recreation	0	0.00	0	0.00	0	0.00	1	0.00	1	0.00
COMMUNITY DEVELOPMENT - Golf	0	0.00	0	0.00	0	0	1	0	1	0.00

TOTAL - All Funds	875	128.70	889	160.74	2	0.00	16	-1.72	907	165.75
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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 recommended as part of the 2008 Budget include:

General Fund

- 1 Conversion of a PT Programmer Analyst to full-time
- 2 Addition of a Building Attendant
- 3 Conversion of a PT Prosecutor to full-time
- 4 Addition of five police officers and one sergeant
- 5 Elimination of one Administrative Assistant and Addition of two Maintenance Workers
- 6 Addition of Assistant Aquatics Supervisor
- 7 Addition of Administrative Support Supervisor
- 8 Transfer Inspector to Fire Department

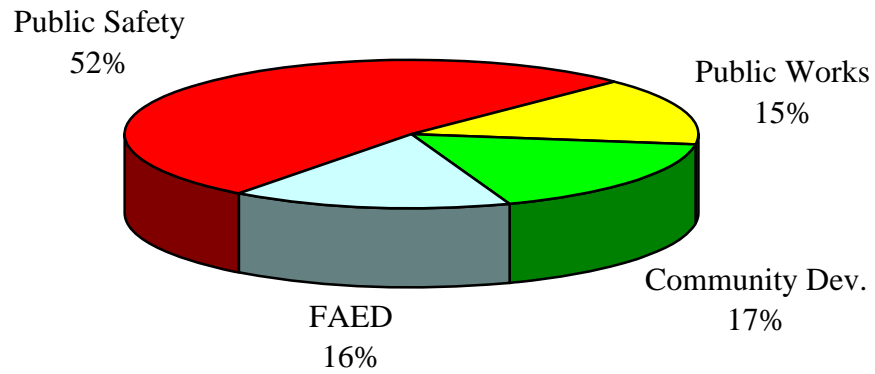
Fire Fund

- 9 Addition of Two Paramedics
- 10 Addition of one Fire Inspector, and conversion of one Building Inspector to Fire Inspector

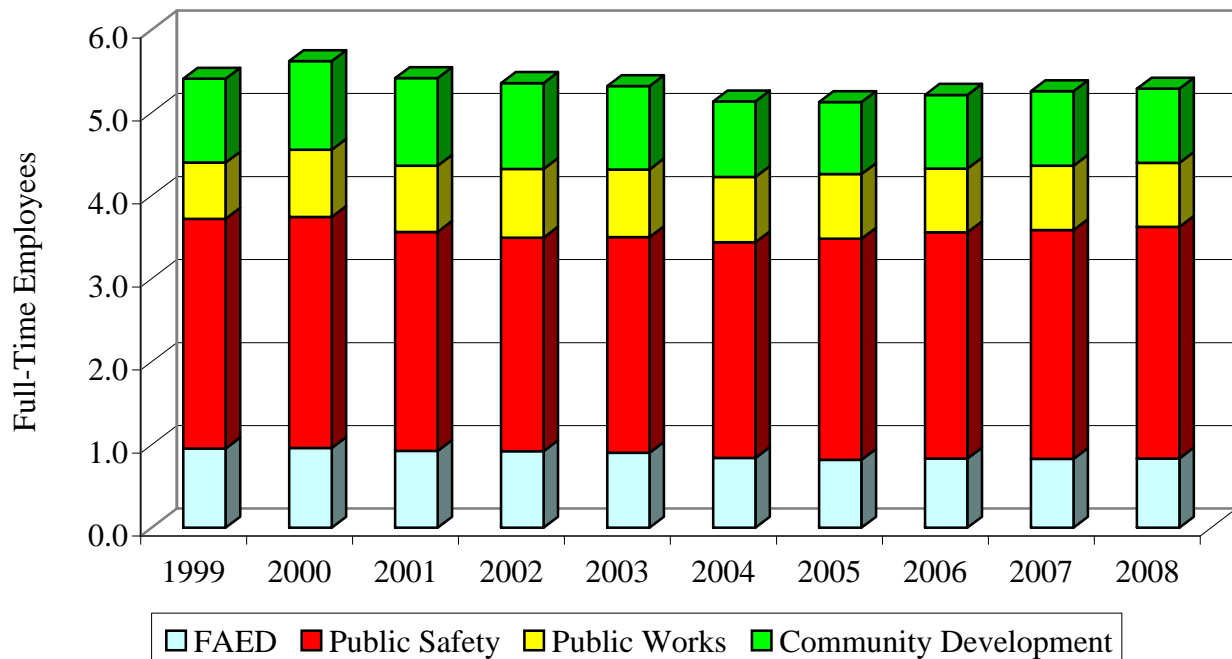
TGT Funds

- 11 Addition of Soccer Complex Manager

2008 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

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 2008 Budget document: select performance measures, program and purpose statements, goals for 2008 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. 2006 performance results, 2007 projections and 2008 targets are reported in the 2008 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 2008 - 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.

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