

## **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 2009 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 2009 Budget. Included are 2009 Budget Highlights, Priorities and Issues, a summary of 2009 Revenue and Expenditure Information and a summary of the 2009-2013 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 2009 expenditure highlights.
- **Key Changes in the 2009 Budget**  
Summarizes reductions in funding in the 2009 Budget.
- **Personnel Summary**  
Includes an Organizational Chart and summarizes personnel changes in 2009.
- **Performance Management Initiative**  
Summarizes the Performance Management initiative.

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October 31, 2008

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 2009 Budget for the City of Overland Park, as approved by the Governing Body on August 18, 2008. The total 2009 Budget equals \$251,140,000. The portion of the 2009 Budget allocated for operating expenses totals \$108,145,520, a 0.6% increase over the adopted 2008 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.

2008 has proven to be a challenging year on the economic front. While the local economy has been largely insulated from steeply declining property values (as evidenced by the City of Overland Park's continued growth in real estate assessed valuation), the affects of the subprime mortgage crisis have impacted Overland Park and its residents. In response to the struggling national, state and regional economies, a fiscally conservative 2009 budget has been developed. Through the reallocation of resources and with the City's strong financial position as a backdrop, the 2009 Budget continues important investments in infrastructure and City operations, while sustaining services and minimizing the financial burden on Overland Park taxpayers.

The 2009 Budget addresses goals and priorities identified by both our citizens and the Governing Body. Based on priorities, the 2009 Budget includes limited personnel, service and program enhancements:

- *Reallocation of resources.* The 2009 Budget's financial development parameters, established as part of the City's five-year financial forecast, called for stable operating expenditures to support ongoing programs and established City services. In order to meet the "no growth" scenario while still including increases in health insurance and inflation-related increases in commodities, reallocation of resources was necessitated. Departments identified reallocation

opportunities in the form of operational changes and positions which could be eliminated without impacting existing programs and services. User fees were reviewed to determine if the recovery rate was within the City's guidelines and in line with current market conditions. The City's Capital Improvement Program (CIP) was also reviewed and several projects were delayed or removed from the CIP.

- *Addition of recently annexed area.* In early 2008, the City annexed approximately 8.5 square miles of land. In accordance with the established service extension plan, additional resources are allocated to this area in the 2009 Budget, including street maintenance funding and three full-time maintenance workers. The costs associated with servicing the new area were included in the City's five-year financial forecast beginning in the fall of 2007.
- *Maintenance of Quality Infrastructure.* The 2009 Budget includes the addition of a Stormwater Best Management Practices Engineer. This position will be responsible for the implementation, review and monitoring of practices and systems used to prevent or control the discharge of pollutants and minimize stormwater runoff.
- *Providing Quality Transportation Infrastructure.* Numerous capital improvement projects are scheduled for 2009, including:
  - 2009 Residential Street Program
  - Highway Improvements:
    - U.S. 69 Highway Widening Design, 95th St. to 119th St.
  - Bridge Replacement at 151<sup>st</sup> St. & Kenneth
  - Thoroughfare Improvements:
    - Antioch: 151<sup>st</sup> Street to 167<sup>th</sup> Street
    - College Blvd: US 69 Highway to Pflumm Rd.
    - 143rd Street: Quivira Rd. to Switzer Rd.
  - Traffic Signal & OPTCS improvements
- *Providing Excellent Parks, Recreation and Cultural Amenities.* Reconstruction and expansion of Stonegate Pool is scheduled to be completed in time for the 2009 summer pool season. The 2009 Budget includes additional funding for operations and staffing of Stonegate Pool due to the increased size and amenities.

Also scheduled for opening in 2009 are a new Entrance Building, General Store and Restaurant at the Deanna Rose Children's Farmstead. Additional personnel, commodities and operational funding have been allocated to these facilities in 2009. Revenues from the sales of goods and food at the General Store and Restaurant are expected to fully fund the operating costs of the new facilities.

The 2009 Budget provides additional personnel and operational funding to support a partial year of operations at the new Overland Park Soccer Complex. Opening in the fall of 2009, revenues raised at the Soccer Complex are projected to offset all of its operating costs.

- *Maintaining First Class City Staff* is addressed through a planned increase in salary and benefits that are market and performance based. The 2009 Budget includes a salary adjustment pool that increases salaries by 3.5% over 2008 levels.

- *Maintenance of Low Property Taxes* continues in the 2009 Budget. The 2009 mill levy is 8.852 mills, a slight .020 mill increase over the mill levy supporting the 2008 budget.

Key changes for the 2009 Budget are discussed in further detail beginning on page 1.34.

### ***Factors Influencing 2009 Budget Development***

Several factors were taken into consideration during the development of the 2009 Budget, including the following:

- **Current Economic Conditions.** Due to the struggling national, state and regional economy, the 2009 Budget was developed under more challenging fiscal circumstance than have been experienced in the past several years, resulting in a conservative 2009 Budget. However, the City's strong financial position has enabled the development of a budget which preserves the City's financial strength while continuing to make important investments in our community, sustain services and minimize the financial burden on Overland Park taxpayers.
- **2009 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.** The City strives to balance current expenditures with current revenues, thus ensuring an adequate fund balance is available to address emergencies, rapid changes in economic conditions or large capital needs. Several years of conservative budgeting and expenditures, coupled with higher than projected sales and compensating use tax revenues, has resulted in resources available from prior years for expenditure in 2009. The resource from prior year (beginning fund balance) allows the City to meet the challenges of sluggish economy without a tax increase or reduction in service in 2009.

For 2009, the beginning General Fund balance available for appropriation is expected to be \$44.7 million. While this is a \$19.2 million decrease from the actual 2008 beginning fund balance, the decrease is primarily a result of a large one-time use tax refund. In June of 2008, the City was informed by the Kansas Department of Revenue (KDOR) that an estimated \$13.5 million of City Compensating Use Tax refunds would be processed by the State in 2008. Based on information from KDOR, who is responsible for collections and auditing of all sales and use tax, the City adjusted its projected beginning 2009 fund balance to account for this reduction.

- **Infrastructure needs.** Infrastructure needs continue to expand as the population and City grows in southern Overland Park. In addition, redevelopment plans for northern Overland Park are occurring, which require additional public investment in infrastructure. The adopted 2009-2013 Capital Improvement Program and five-year financial plan allocates 18.4% 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. For the 2009 Budget, the City's mill levy increased a slight .020 mills over the previous mill levy rate. With the mill levy supporting the 2009 budget at 8.852 mills, Overland Park's property tax rate is approximately half the rate of the surrounding communities.

Following is a summary of the 2009 Budget, including budget highlights, priorities and issues, revenue information, expenditure information and a summary of the 2009-2013 Capital Improvements Program.

### ***2009 Budget Highlights, Priorities and Issues***

**Adjustments and 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.** Adjustments and enhancements to the 2009 Budget were analyzed, prioritized and approved based on priorities identified by our citizens and the Governing Body. Prioritized services support the areas of infrastructure and quality of life including recreational opportunities.

Based on economic conditions, enhancements to programs and services were limited to those previously planned in the five-year financial forecast, those which are self funded, or those enhancements which are funded outside the General Fund. Enhanced program and services funded with General Fund resources include street and traffic maintenance for the annexed area and personnel and operational funding for Stonegate Pool. Self-fund enhancements include personnel and operating expenses for the Deanna Rose Farmstead Entrance Building, General Store and Restaurant and the Overland Park Soccer Complex. Enhancements to the Stormwater Best Management Practices program are funded through the Stormwater Utility Fund.

The 2009 Budget includes 910 full-time employees, an increase of three full-time employees over the adopted 2008 Budget.

- ◆ Two full-time positions were added in 2008 outside of the budget process: conversion of a part-time attorney to full-time in the Law Department and the addition of an engineer in the Public Works Department.
- ◆ Seven full-time positions were identified for elimination during budget development: one in the City Clerk's Office, two in the Police Department, one in the Fire Department, and three in Planning and Development Services.
- ◆ The 2009 Budget includes the addition of eight full-time employees: three Public Works maintenance workers to serve the annexed area, three employees in the Parks and Recreation Department to staff enhancements at the Deanna Rose Farmstead, one Stormwater Best Management Practices Engineer, and a Facility Supervisor at the Overland Park Soccer Complex. Of these positions, two PW maintenance workers are

funded with existing General Fund Revenues. All other positions are funded with dedicated revenues.

Information regarding 2009 adjustments and enhancements are discussed in further detail beginning on page 1.34. Additional personnel information can be found beginning on page 1.38.

**Continued funding for traffic and infrastructure maintenance.** The 2009 Budget continues prior years' policy of allocating additional resources to traffic and infrastructure maintenance. An additional \$1.7 million over base levels (\$1.3 million) has been included in the 2009 Budget for the street maintenance program and traffic infrastructure replacement. In addition, \$750,000 of enhanced funding has been allocated to maintenance for microsurfacing of streets, and \$585,000 has been allocated to specifically address street maintenance needs in the recently annexed area. The 2009 street and traffic maintenance program budget is \$11.5 million.

**Infrastructure construction.** The adopted 2009-2013 Capital Improvement Program allocates significant resources to capital infrastructure construction to help address growth infrastructure demands.

**The property tax rate maintained at low levels.** The Governing Body's policy of minimizing the necessary financial burden on Overland Park taxpayers has resulted in a property tax rate which is half that of our surrounding communities. The 2009 budgeted property tax rate is 8.852 mills, a slight .020 mill increase over the previous rate.

**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 began collecting data to participate in ICMA performance measurement and benchmarking group.

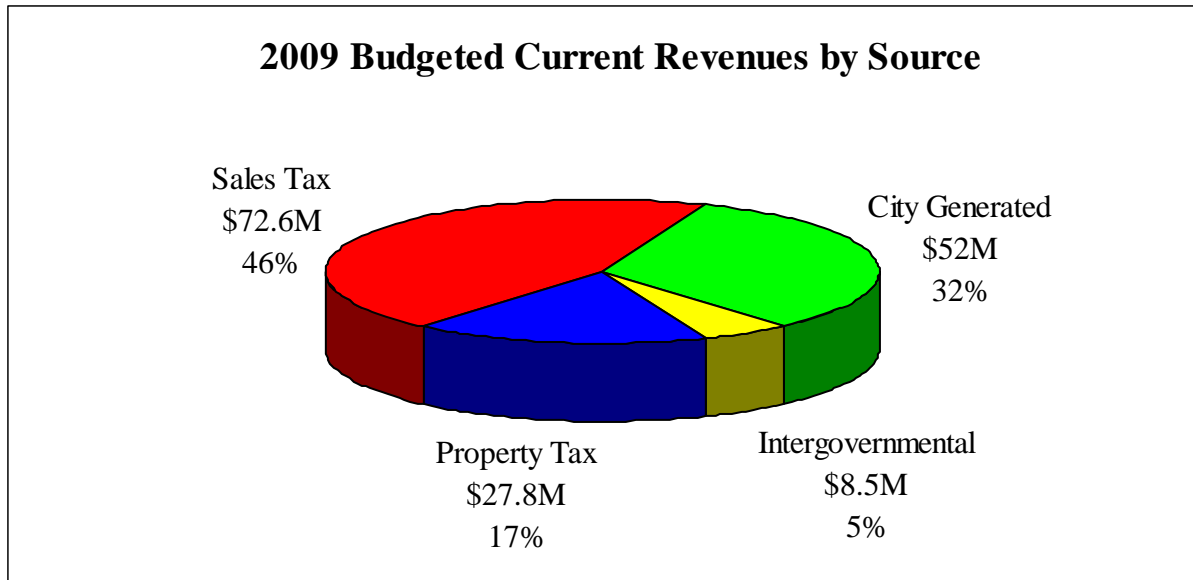
**The 2009-2013 financial plan maintains adopted financial planning standards.** The 2009 Budget and the 2009-2013 Capital Improvements Program have been adopted within the context of the City's five-year financial plan. This plan includes a forecast of revenues and expenditures from 2009 through 2013. It also includes requirements of the 2009 operating budget, a forecast of operating expenditures through 2013 and funding requirements necessary to support the 2009-2013 Capital Improvements Program and the 2009-2013 Maintenance Plan. The five-year financial plan is explained later in the Executive Summary section.

## ***2009 Revenues***

Revenues generated in 2009 are projected to be \$160.8 million. With the inclusion of interfund transfers and the fund balance, total 2009 resources available are projected at \$251.1 million.

Current revenues are collected from four primary sources: sales tax (45%), city-generated revenue (27%), property tax (17%) and intergovernmental revenue (11%). 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 2009, overall current revenues are projected to remain constant from the adopted 2008 Budget. However, while growth is anticipated in city-generated, intergovernmental and property tax revenues, sales tax (including compensating use tax) collections for 2009 are projected at significantly below budgeted 2008 figures.

**Changes in Current Revenue: 2008 to 2009**

	2008 Budget	2009 Budget	Over/(Under)	
			2008 Budget	% Change
Sales Tax	\$ 78,683,563	\$ 72,565,190	(6,118,373)	-7.8%
City Generated	\$ 47,000,512	\$ 52,015,968	5,015,456	10.7%
Intergovernmental	\$ 8,449,600	\$ 8,451,200	1,600	0.0%
Property Tax	\$ 27,193,800	\$ 27,792,300	598,500	2.2%
	<u>161,327,475</u>	<u>160,824,658</u>	<u>(502,817)</u>	<u>-0.3%</u>

*Sales Tax* revenues are budgeted to decrease 7.8% from 2008 budgeted revenues. However, based on current projection, the 2009 budgeted sales tax revenues are 34.0% over estimated 2008 actual revenues. This large increase over 2008 estimated collections is due to a significant one-time refund in compensating use tax made in 2008. In June of 2008, the City was informed by the Kansas Department of Revenue (KDOR) that an estimated \$13.5 million of City use tax refunds would be processed by the State by the end of 2008. Based on information from KDOR regarding prior year use tax overpayments, the City has adjusted its financial forecast to revise baseline sales tax information, thus lowering sales tax revenue projections for future years.

Due to the volatile nature of sales tax revenue source, sales tax collections are reviewed on a quarterly basis and revisions to the financial forecast are recommended as appropriate. Projections for 2008 sales tax revenues were updated in December 2007 and June 2008. Current sales tax projections for 2009 are based on June 2008 information. The 34.0% sales tax growth projection for 2009 is based solely on our forecasting models. Without the refunds artificially lowering 2008 collections, the 2009 growth rate would have been 3.0% over estimated 2008 collections. 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.

*Property Tax* revenues reflect the application of a projected mill levy of 8.852 mills to the assessed valuation of property in Overland Park. Property tax revenues have increased 2.2% over 2008 budgeted revenues.

The assessed valuation supporting the 2009 Budget has increased by 0.74% to \$2.88 billion. This increase was driven by growth in real estate valuation. Personal Property valuation is reduced when compared to 2008 due to a change in state law that exempts machinery and equipment purchased after July 1, 2006 from personal property taxes. The 2009 Budget is the second 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:

<b>Changes in Assessed Valuation: 2008 to 2009</b>				
			<b>Over/(Under)</b>	
	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>2008 Budget</b>	<b>% Change</b>
Real Estate	\$2,649,016,352	\$2,711,757,116	\$62,740,764	2.37%
Personal Property	138,221,462	101,906,317	(36,315,145)	-26.27%
Utilities	71,359,647	66,134,907	(5,224,740)	-7.32%
	<b>\$2,858,597,461</b>	<b>\$2,879,798,340</b>	<b>\$21,200,879</b>	<b>0.74%</b>

The mill levy rate of 8.852 mills for the 2009 Budget is a slight .020 mill increase from the 2008 Budget. The property tax rate is as follows:

<b>Mill Levy to Support 2008 and 2009 Budgets</b>			
	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>Difference</b>
General Fund	3.238	3.245	0.007
Fire Service Fund	4.627	4.638	0.011
Stormwater Utility Fund	0.967	0.969	0.002
<b>Total Mill Levy</b>	<b>8.832</b>	<b>8.852</b>	<b>(0.020)</b>

NOTE: Final mill levy as of Oct. 2008. The actual mill levy was finalized in October, 2008 following the County's certification of final assessed valuation.

*City-Generated* revenues include franchise fees, user fees, licenses, permits and transfers. 2009 revenues are projected to be 10.7% higher than the 2008 Budget. This increase is driven by several factors. Due to the opening of several new facilities and features, such as the Farmstead General Store & Restaurant, the Overland Park Soccer Complex and the reconstructed Stonegate Pool, revenues will increase by an estimated 27.5%. Based on current collections, franchise fees are projected to increase 15.3%. In addition, during 2009 Budget development, city-generated revenues, including user fees, fines and license rates were examined and adjusted as deemed necessary and desirable.

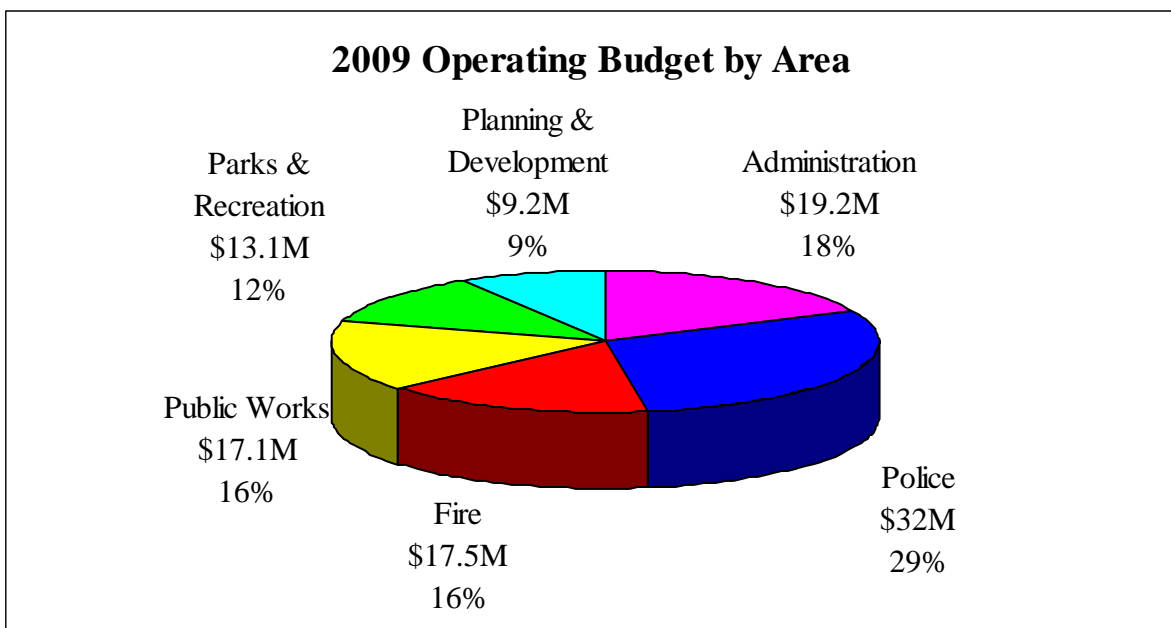
*Intergovernmental* revenues reflect receipt of funds collected by and redistributed back to Overland Park from federal, state and county sources, and include such items as gasoline tax and liquor tax. These revenues are expected to be stagnant for 2009 when compared to the 2008 Budget.

*Fund Balance* at the beginning of 2009 is estimated to be \$57.5 million, which is \$16.3 million below the budgeted 2008 beginning fund balance. The decrease in the beginning 2009 balance is primarily a result of a one-time \$13.5 million Compensating Use Tax refund in 2008.

**2007 Expenditures**

Total budgeted expenditures for 2009 equal \$251,140,000, which is a decrease of 5.7% from the adopted 2008 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 \$108.1 million. This increase is 0.6% over the adopted 2008 Budget. These expenditures are allocated among major activities as illustrated in the following graph:

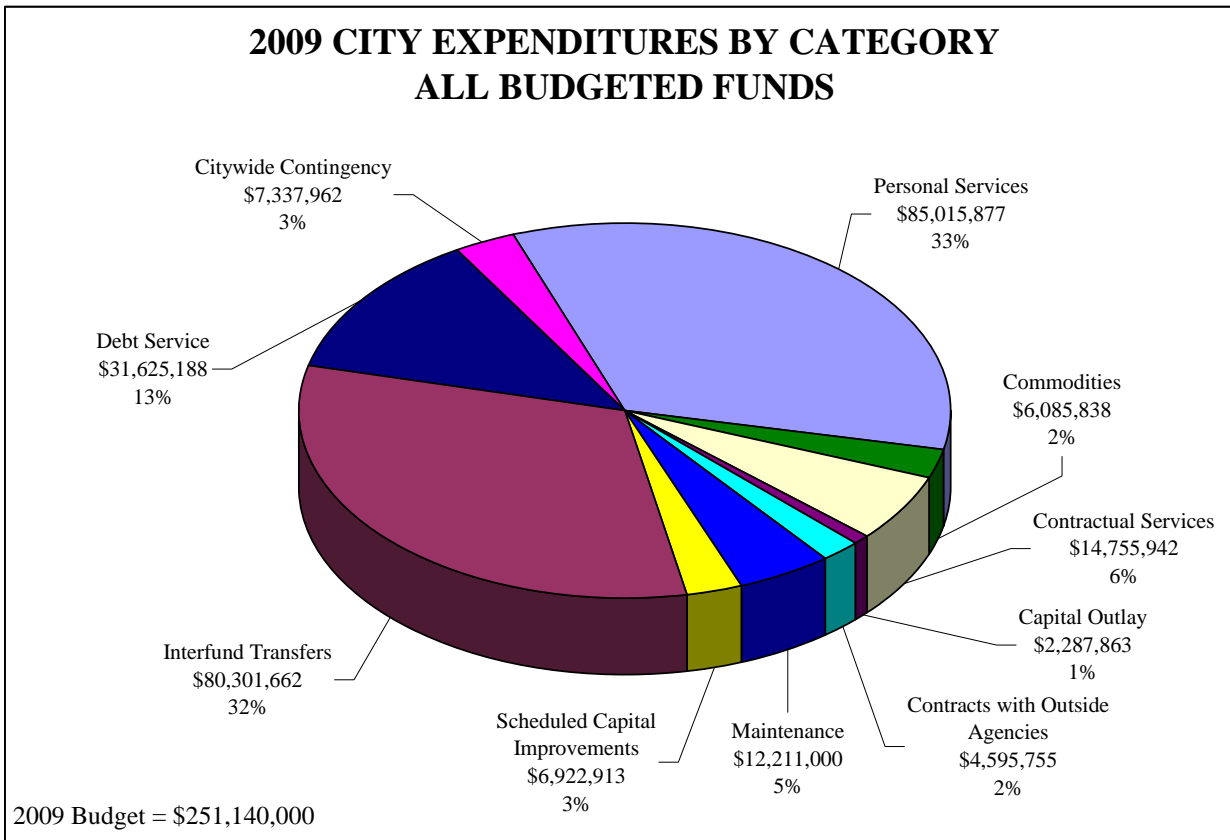


*Contracts with outside agencies for operations* total \$4.6 million. These contracts include economic development funding, some social services funding and some public safety funding, including a contractual arrangement with Johnson County for ambulance services and contracts to provide fire service in limited areas of the City.

*Infrastructure and Facilities Maintenance* funding totals \$12.2 million. The 2009 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 \$126.2 million. Interfund transfers that are necessary to comply with state requirements comprise 64% 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 (10%) represents allocation for budgeted contingencies.

*Personal Services* costs represent 34% of the total budget and 79% of the operating budget. The total number of full-time employees for 2009 is 910, an increase of three full-time positions over the adopted 2008 Budget. Two positions (an attorney in Law and an engineer in PW) were added in 2008 outside of the budget cycle. As part of the 2009 Budget development cycle, seven vacant full-time positions were eliminated. The 2009 Budget adds eight full-time employees: three maintenance workers in Public Works, three farmstead employees and one soccer complex employee in Parks and Recreation, and one Stormwater BMP engineer in Planning. All but two of these employees are supported with dedicated resources. Detailed personnel information can be found beginning on page 1.38.



### **2009 – 2013 Capital Improvements Program**

The 2009 Budget includes the 2009-2013 Capital Improvements Program (CIP), which was developed by the Governing Body and staff during the last quarter of 2007 and the first quarter of 2008. The five-year program totals \$224.7 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 \$73.8 million for projects to be constructed and/or financed in 2009. Some of the projects included in 2009 began in a prior year, but will be completed in 2009 and are therefore financed in 2009. Approximately \$60.0 million of this funding is related to the improvement of bridge, street and thoroughfare infrastructure, \$5.9 million is related to Parks and Recreation facilities, while the other \$7.9 million is related public building improvements, storm drainage infrastructure, and the purchase of large equipment.

A total of 69% of funding, or \$51.0 million, will be paid from City financing sources in 2009. This includes debt and pay-as-you-go resources from the City's Capital Improvements Fund. The remaining % of project funding, or \$22.8 million, will be provided by non-City sources including federal, county, other city and developers.

#### **2009 Capital Improvements**


	<u>City Funding</u>	<u>Other Funding</u>	<u>Total</u>
Bridge Repair & Replacement	\$2,257,000	\$0	\$2,257,000
Public Buildings & Equipment	\$3,392,000	\$0	3,392,000
Fire Building & Equipment	\$1,285,000	\$0	1,285,000
Parks & Recreation	\$3,838,000	\$2,080,000	5,918,000
Storm Drainage	\$1,015,000	\$2,170,000	3,185,000
Street Lighting	\$100,000	\$0	100,000
Residential Street Improvements	\$5,796,000	\$1,837,000	7,633,000
Street Improvements	\$2,000,000	\$0	2,000,000
Sidewalk Construction	\$50,000	\$0	50,000
Thoroughfare Improvements	\$29,883,000	\$16,474,000	46,357,000
Traffic Signals	\$1,355,000	\$255,000	1,610,000
	<u>\$50,971,000</u>	<u>\$22,816,000</u>	<u>\$73,787,000</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 2009 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,



JOHN M. NACHBAR  
CITY MANAGER



KRISTY STALLINGS  
DEPUTY 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, which 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 a high performer in the Kansas City metropolitan area. Sales tax, which represents approximately 45% of the current revenue (excluding prior year resources and transfers) supporting the total 2009 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:

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>City Sales Tax</b>	\$47,723,080	\$49,336,112	\$51,176,876	\$53,083,681	\$55,049,741
<b>% Increase</b>	34%*	3.4%	3.7%	3.7%	3.7%

\*Large increase in sales tax collections in 2009 is due to a \$13.5M refund of use tax made in 2008.

In June of 2008, the City was informed by the Kansas Department of Revenue of an estimated \$13.5 million of City use tax refunds to companies doing business in Kansas would be processed by the State in 2008. Based on information from the Kansas Department of Revenue, which is responsible for collections and auditing of all sales and use tax, the City has adjusted its financial forecast to revise baseline sales tax information, thereby adjusting future sales tax collections. Based on this revised information, the City anticipates future sales tax growth of 3.4% to 3.7% annually in the five-year forecasting period.

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 2009 Budget is projected to increase 0.74% over the previous year's assessed value, due to reappraisal and new construction. During 2007, new construction had a market value of \$446.9 million and thru June 2008 new construction totaled \$240.1 million.

The current plan anticipates maintaining the 2008 Budget mill levy of 8.832 to support the 2009 Budget. In addition, the mill levy is not proposed to change during the remainder of five-year planning period. With currently the lowest mill levy of any first class City in the State of Kansas, the City is in a position to supplement economy-sensitive revenues with a property tax

mill levy increase in the future if necessary.

A transfer from the General Fund to the Fire Service fund is anticipated during each year of the five-year planning period as follows:

	2009	2010	2011	2012	2013
<b>GF Transfer to Fire Fund</b>	\$3,447,308	\$2,278,888	\$1,967,548	\$1,783,501	\$714,792

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, projected changes in excise tax rates, and the available land for development. This information is included used in forecasting future excise tax collections.

	2009	2010	2011	2012	2013
<b>Excise Tax Revenue</b>	\$2,988,652	\$3,515,000	\$3,720,000	\$3,785,000	\$3,850,000

The five-year forecast reflects an operating budget growth factor of 3.5 % in years 2010 through 2013. 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 2008 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	2009-2013 Financial Plan
% of General Fund Ending Cash to Operating Expenditures	Above 13%	17.5%
% of P.A.Y.G. to Total Program	20% to 30%	27.2%
% of Debt to Total Program	35% to 50%	43.3%
% of Debt Service Cost to General Fund Operating Expenditures	< 25%	23.9%
Mill Levy equivalent of Bond & Interest Transfer	< 6 Mills	7.15 mills
Total Direct Debt Per Capita	\$675	\$1,068
% of Direct & Overlapping Debt to Market Value of property	4% to 5%	3.16%
% of Operating Budget to City funds used to finance CIP	< 20%	26.2%

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 (2009-2013) 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 1.25.

### **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 2009-2013 Capital Improvements Program (CIP) of \$224,723,000 is \$22M less than the adopted 2008-2012 Capital Improvements Program. Capital improvements are identified by project in the Capital Improvements Programs section beginning on page 7.22.

The 2009-2013 CIP will be financed through:

General Obligation Bonds	43.2%
Pay-As-You-Go	23.6%
Federal, State, County & Other Cities Funds	18.1%
Developers Funds	11.1%
Other Financing Sources	4.0%

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 7.14 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 2009 operating budget and is discussed below.

### **Infrastructure Improvement Projects:**

Provided in the Capital Improvement Program 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 2009 include: \$3.2 million in storm drainage improvement projects and \$50.6 million in street, thoroughfare and bridge improvements. Funding for the 2009 Residential Street Program totals \$7.6 million. Other traffic infrastructure projects, including sidewalks, streetlighting and traffic management systems total \$1.8 million.

Partial funding for thoroughfares, residential streets and other street infrastructure improvements are from the adoption of a 1/8-cent sales tax. Originally approved by voters in 1998, the sales tax was renewed for two additional five-year periods in 2003 and 2008. The sales tax is projected to raise approximately \$80 million between 1999-2013 to fund improvements of neighborhood street and thoroughfare infrastructure. This sales tax is scheduled to sunset in March of 2014.

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.

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

Included in the 2009-2013 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. In addition, the adopted CIP includes the construction of several Botanical Garden facilities using a combination of city and private funds. The Water Rill, Conservatory and Rose Garden are all scheduled to be constructed between 2009-2013.

Continued improvements at the City's parks and recreational facilities, which are partly funded through the use of Special Parks and Recreation Funds is also included in the CIP. Annual funding is also included for public art projects, which are partly funded through private donations, and golf course improvements, which are funded entirely with golf course revenues.

The Overland Park Soccer Complex, which features 12 tournament-quality fields, will be completed in 2009. Roe Pool is also slated for reconstruction in the 2009-2013 CIP.

### **Public Buildings and Equipment:**

The City's CIP includes funding for construction, reconstruction and major improvements to public facilities, as well as funding for the acquisition of large capital equipment. The 2009-2013 CIP includes \$1.3 million of funding for public buildings and \$3.4 million for equipment.

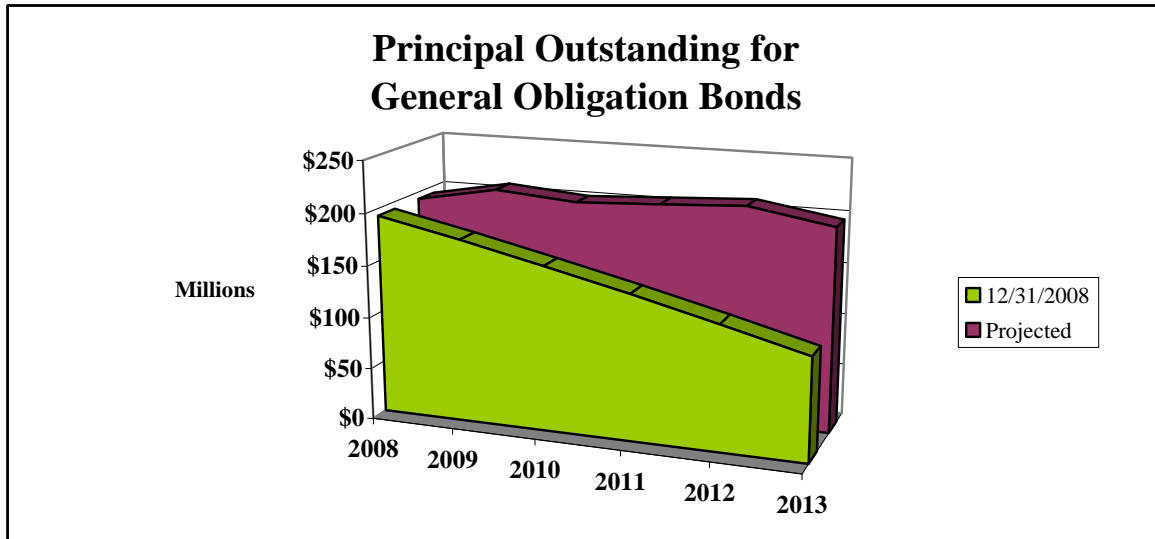
# DEBT SERVICE

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 2013. Information on specific projects to be bonded can be found beginning on page 7.22 of the Capital Improvements Program section. *The 2009 adopted budget information included below presumed a fall 2008 bond issue, however as of October, 2008 this issue has been postponed until 2009.*

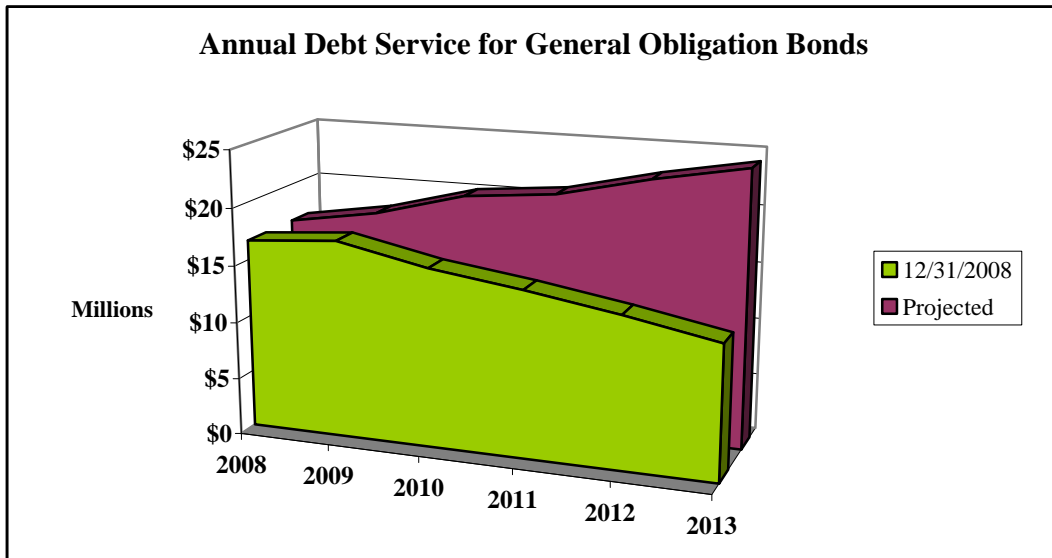
Projected General Obligation Bond Issue	
<u>Year</u>	<u>Amount</u>
2009	\$31,410,000
2010	\$11,575,000
2011	\$22,645,500
2012	\$24,145,000
2013	\$7,464,000

The information presented below illustrates the City's total indebtedness (principal), if no additional debt after 12/31/08 was issued, compared to the City's projected indebtedness per the five-year financial plan.



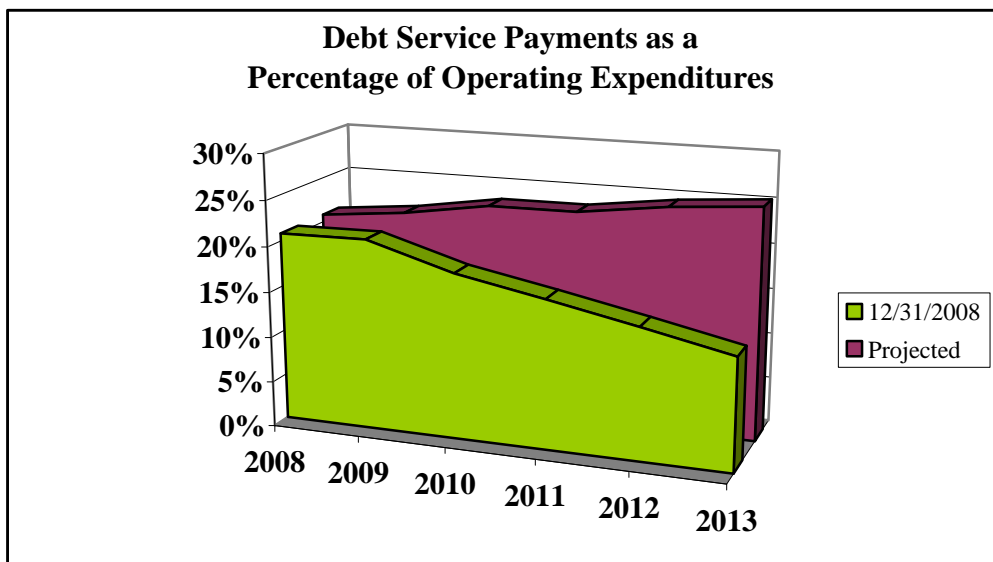
	2008	2009	2010	2011	2012	2013
<b>Projected</b>	\$193.1	\$208.0	\$201.5	\$205.6	\$209.9	\$196.6
<b>12/31/2008</b>	\$193.1	\$176.6	\$158.5	\$139.9	\$120.1	\$99.3

The following compares annual debt service, if no additional debt was issued after 12/31/08, to the projected annual debt service forecasted in the City’s five-year plan.



	2008	2009	2010	2011	2012	2013
<b>Projected</b>	\$16.7	\$18.0	\$20.1	\$20.9	\$22.7	\$24.2
<b>12/31/2008</b>	\$16.7	\$17.3	\$15.7	\$14.6	\$13.3	\$11.7

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 12/31/08 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.



	2008	2009	2010	2011	2012	2013
<b>Projected</b>	20.8%	21.8%	23.3%	23.3%	24.6%	25.4%
<b>12/31/2008</b>	20.8%	20.9%	18.1%	16.3%	14.3%	12.3%

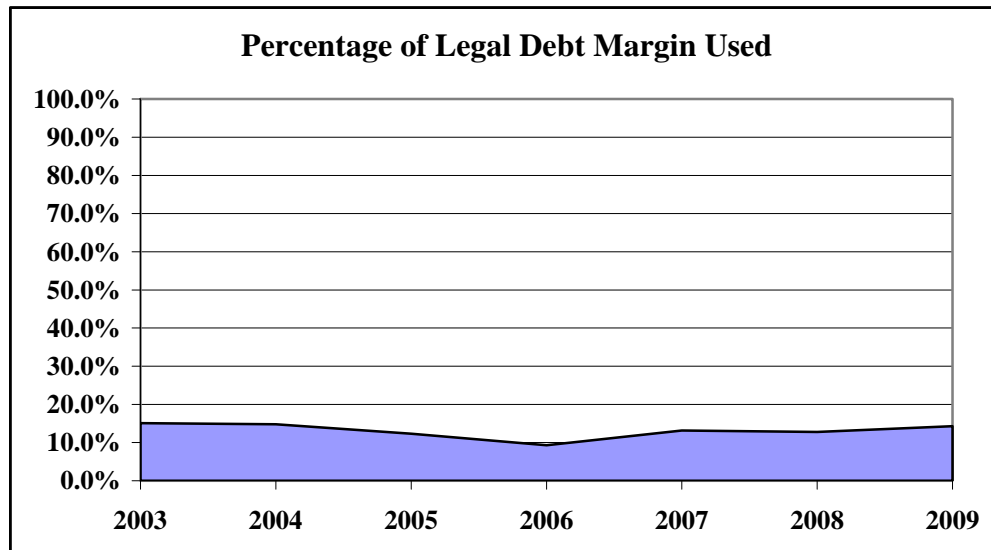
The City's ability to issue direct-bonded debt is measured by the percentage of legal debt margin used. Direct-bonded debt is debt for which the City has pledged its full faith and credit. The Debt Limit establishes a maximum dollar limitation calculated under existing law. The debt limitations provided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

**Computation of Legal Debt Margin  
(Estimated as of 12/31/09)**

Assessed Valuation	\$ 3,144,133,999 <sup>(1)</sup>
Legal Debt Limit	943,240,200
General Obligation Bonds	134,481,050 <sup>(2)</sup>
Temporary Notes	-
Total Debt Outstanding	\$ 134,481,050
Debt Margin	\$ 808,759,150

(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.



2003	2004	2005	2006	2007	2008	2009
15.1%	14.8%	12.3%	9.3%	13.2%	12.8%	14.3%

\* 2009 is estimated.

**OUTSTANDING DEBT**  
**As of January 1, 2008**

	Date of Issue	Amount Issued	Amount Outstanding 1/1/2008	Principal Payment FY 2008	Interest Payment FY 2008	Year of Maturity
<b>General Obligation:</b>						
Storm Drainage	4/15/99	\$515,000	\$92,332	\$46,166	\$3,851	2009
Street Improvements	4/15/99	\$8,899,000	\$1,595,438	\$797,719	\$66,611	2009
Public Buildings/ Fire Station	4/15/99	\$1,350,000	\$242,032	\$121,016	\$10,108	2009
Parks & Recreation/ Pool	4/15/99	\$1,536,000	\$275,378	\$137,689	\$11,498	2009
Parks & Recreation/ Arboretum Gardens	4/15/99	\$250,000	\$44,820	\$22,410	\$1,869	2009
Parks & Recreation/ Westlinks*	4/15/99	\$1,184,632	\$585,000	\$110,000	\$25,420	2012
Street Improvements	4/1/00	\$6,585,089	\$1,784,284	\$596,404	\$89,214	2010
Storm Drainage	4/1/00	\$94,911	\$25,716	\$8,596	\$1,286	2010
Public Buildings/ Convention Center	3/1/01	\$52,110,000	\$4,135,000	\$970,000	\$176,288	2030
Street Improvements	7/1/01	\$8,300,000	\$3,195,000	\$800,000	\$134,787	2011
Refunding 1993/ Street Improvements	7/1/01	\$1,625,173	\$493,743	\$104,539	\$21,048	2013
Refunding 1993/ Justice Center	7/1/01	\$5,255,322	\$1,596,619	\$338,046	\$68,064	2013
Refunding 1994B/ Fire Training Center	7/1/01	\$1,284,643	\$390,288	\$82,634	\$16,638	2013
Refunding 1994B/ Pool	7/1/01	\$471,100	\$143,125	\$30,303	\$6,101	2013
Refunding 1994B/ Street Improvements	7/1/01	\$1,313,019	\$398,908	\$84,459	\$17,006	2013
Refunding 1994B/ Storm Drainage	7/1/01	\$155,743	\$47,316	\$10,018	\$2,017	2013
Parks & Recreation/Community Park	10/1/02	\$1,112,373	\$529,543	\$109,325	\$18,249	2012
Parks & Recreation/Young's Pool	10/1/02	\$2,775,259	\$1,321,159	\$272,755	\$45,528	2012
Storm Drainage/Countryside	10/1/02	\$104,388	\$50,000	\$10,000	\$1,723	2012
Storm Drainage/Roe Ave	10/1/02	\$29,906	\$22,362	\$1,516	\$771	2022
Street Improvements	10/1/02	\$7,508,263	\$3,574,296	\$737,920	\$123,173	2012
Street Improvements	10/1/02	\$2,337,247	\$1,747,636	\$118,484	\$60,225	2022
Street Improvements	11/1/03	\$4,990,885	\$2,989,420	\$499,786	\$185,992	2013
Land/Row Acquisition-135th&US65	11/1/03	\$1,314,115	\$787,123	\$131,595	\$48,972	2013
Land/Row Acquisition-87th&I35	11/1/03	\$6,114,865	\$4,878,291	\$308,784	\$114,912	2023
Land/Row Acquisition-CommCt	11/1/03	\$2,540,135	\$2,026,458	\$128,270	\$47,735	2023
Storm Drainage	11/1/03	\$130,000	\$103,708	\$6,565	\$2,443	2023
Refunding 1999c/PS Training Center	2/15/04	\$1,723,985	\$1,577,263	\$110,042	\$56,049	2019
Refunding 1999c/Conv Ctr Land	2/15/04	\$5,091,015	\$4,657,737	\$324,958	\$165,516	2019
Street Improvements/2004RS	10/1/04	\$813,000	\$544,100	\$86,883	\$30,479	2014
Street Improvements/2005RS	10/1/04	\$999,000	\$668,572	\$106,760	\$37,452	2014
Street Improvements/I435&Antioch	10/1/04	\$4,081,000	\$3,342,627	\$254,982	\$89,450	2024
Street Improvements/135th&US69	10/1/04	\$5,442,000	\$4,457,372	\$340,018	\$119,281	2024
Street Improvements/SantaFeDr	10/1/04	\$1,372,000	\$918,202	\$146,621	\$51,436	2014
Street Improvements/79th St	10/1/04	\$693,000	\$463,788	\$74,059	\$25,980	2014
Street Improvements/143rd St	10/1/04	\$2,714,735	\$1,816,817	\$290,115	\$101,775	2014
Storm Drainage	10/1/04	\$5,265	\$3,525	\$563	\$197	2014
Refunding/1998 Public Building/OP Parking Decl	10/1/04	\$5,892,998	\$5,785,000	\$1,195,000	\$195,240	2018
Street Improvements - 10 year	5/15/06	\$6,164,725	\$4,935,560	\$618,730	\$205,121	2015
Traffic Signal Improvements	5/15/06	\$311,560	\$249,440	\$31,270	\$10,367	2015
Street Improvements - 20 year	5/15/06	\$8,222,835	\$7,398,288	\$411,016	\$321,620	2025
Public Buildings/Community Center	5/15/06	\$20,185,880	\$18,161,714	\$1,008,984	\$789,530	2025
Refunding/ 2001 Convention Center	11/15/06	\$44,680,000	\$44,160,000	\$115,000	\$1,917,363	2030
Soccer Complex	12/1/07	\$34,965,000	\$34,965,000	\$1,745,000	\$1,014,138	2027
Street Improvement	12/1/07	\$1,735,000	\$1,735,000	\$85,000	\$50,291	2027
Street Improvement	12/1/07	\$20,645,061	\$20,645,061	\$2,063,386	\$578,061	2017
Public Building Remode	12/1/07	\$7,019,939	\$7,019,939	\$701,613	\$196,558	2017
<b>Total General Obligation Bonds</b>			<b>\$196,580,000</b>	<b>\$16,295,000</b>	<b>\$7,257,432</b>	
<b>Total Indebtedness</b>			<b>\$196,580,000</b>	<b>\$16,295,000</b>	<b>\$7,257,432</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 2009 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 2008:

**Fund Balance:  
General Fund**

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	\$63,971,329
12/31/08 est.	\$46,981,180

The 2009 Budget includes an estimated General Fund carryover fund balance (as of December 31, 2008) of \$46,981,180. The significant decrease between the 2007 ending fund balance and the projected 2008 ending fund balance is due to an estimated \$13.5 million compensating use tax refund in 2008. The projected ending balance as of December 31, 2009, is estimated to be \$37,996,582, 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 46.0%.

The City is financial standard for ending fund balance 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 (2013). 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.

<b>Standard</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Percentage</b>	58.6%	46.0%	40.4%	33.9%	25.9%	17.5%
<b>Balance</b>	\$46,981,180	\$37,996,582	\$34,990,187	\$30,261,770	\$23,915,961	\$16,692,315

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.

## 2009 BUDGET GUIDELINES

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- A. 2009 Program Goals. Program Goals for 2009 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 2008. Revenue information is obtained from State and County sources, as well as from the City's own financial planning models.
- C. 2009 Salaries and Benefits.
- (1) Salaries – The 2009 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 2009. The final amount of funds available for salary adjustments will be determined in early 2009.
  - (2) Health Insurance – The 2009 Budget projects an average increase of 1.9% in health insurance premiums. In the fall of 2008 the Governing Body will review and finalize a health insurance program for 2009.
- 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 2009 budget, adjusted for one-time (2008) expenditures. This amount was then held steady (0% increase) to determine each cost center's 2009 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 2009 – 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 2008, the Public Safety Committee reviewed the budget necessary to fund fire protection and emergency medical services provided by the Overland Park Fire Department, Consolidated Fire District No. 2 of Northeast Johnson County and Rural Fire District No. 2.
- F. Golf Course Fund. In June 2008, the Community Development Committee reviewed the budget necessary to fund the Golf Course Program's operations, maintenance and capital projects in 2009.
- G. Stormwater Utility Fund. In June 2008, the Public Works Committee reviewed the budget necessary to fund the Stormwater Program's operations, maintenance and capital projects in 2009.
- 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. 2009 Capital Improvements Program (CIP). The 2009-2013 CIP is incorporated into the 2009 Budget. Capital projects scheduled for 2009 are budgeted in accordance with in Capital Improvements Program.

# FINANCIAL ASSUMPTIONS FOR THE 2009 BUDGET

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## MAJOR REVENUE ASSUMPTIONS:

- At the time of budget adoption, the assessed valuation estimate is as follows:

2009 Budget	\$2,879,798,340
2008 Budget	\$2,858,597,461
Change between 2008 and 2009 Budgets	0.7%

- 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 2008 current revenue estimates:

	2009*	2010	2011	2012	2013
Total Growth	34.0%	3.4%	3.7%	3.7%	3.7%

\*Due to a large use-tax refund processed in 2008, 2008 sales tax revenues are artificially low. In turn, because 2009 revenues are projected to be at pre-2008 levels, the 2009 growth rate is artificially high.

- Franchise Taxes are projected to grow 0.5% over 2008 levels for 2009. In 2010 to 2013, franchise taxes are project to grow at 2.0% annually.
- Motor Vehicle Tax revenue estimates are based on historical information, and reflect a 0.2% increase from 2007 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	2008 Budget	2009 Budget	Change
General Fund	3.238	3.238	0.000
Fire Fund	4.627	4.627	0.000
Stormwater Fund	0.967	0.967	0.000
TOTAL	8.832	8.832	0.000

- 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 2%.

**EXPENDITURE ASSUMPTIONS:**

1. An operating budget growth factor of 3.5% each year from 2010 through 2013 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 2009 dollars.
4. The interest rate for debt issued in 2009 is 4.25. The interest rate for debt issues in 2010 through 2013 is projected at 4.5%.

## **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 2007         | <ul style="list-style-type: none"><li>❖ Planning for the 2009 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 2009 Budget.</li></ul>  |
| February 2008     | <ul style="list-style-type: none"><li>❖ Public hearing regarding the proposed 2009-2013 Capital Improvements Program (CIP) is held in front of both the Planning Commission and the City Council.</li><li>❖ City Council adopted the 2009-2013 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 2009 Budget.</li></ul>   |
| March 2008        | <ul style="list-style-type: none"><li>❖ Departments developed budget requests based on the 2009 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 Department review.</li></ul>   |
| April to May 2008 | <ul style="list-style-type: none"><li>❖ A Public Hearing for citizen input on the 2009 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>❖ 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.</li><li>❖ City Manager's proposed 2009 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 2008  | <ul style="list-style-type: none"><li>❖ City Manager's proposed 2009 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 2008       | <ul style="list-style-type: none"><li>❖ Public Hearing to obtain citizen input on 2009 Budget.</li><li>❖ Governing Body adopted the 2009 Budget on August 18, 2008. 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, 2009   | <ul style="list-style-type: none"><li>❖ The 2009 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)**

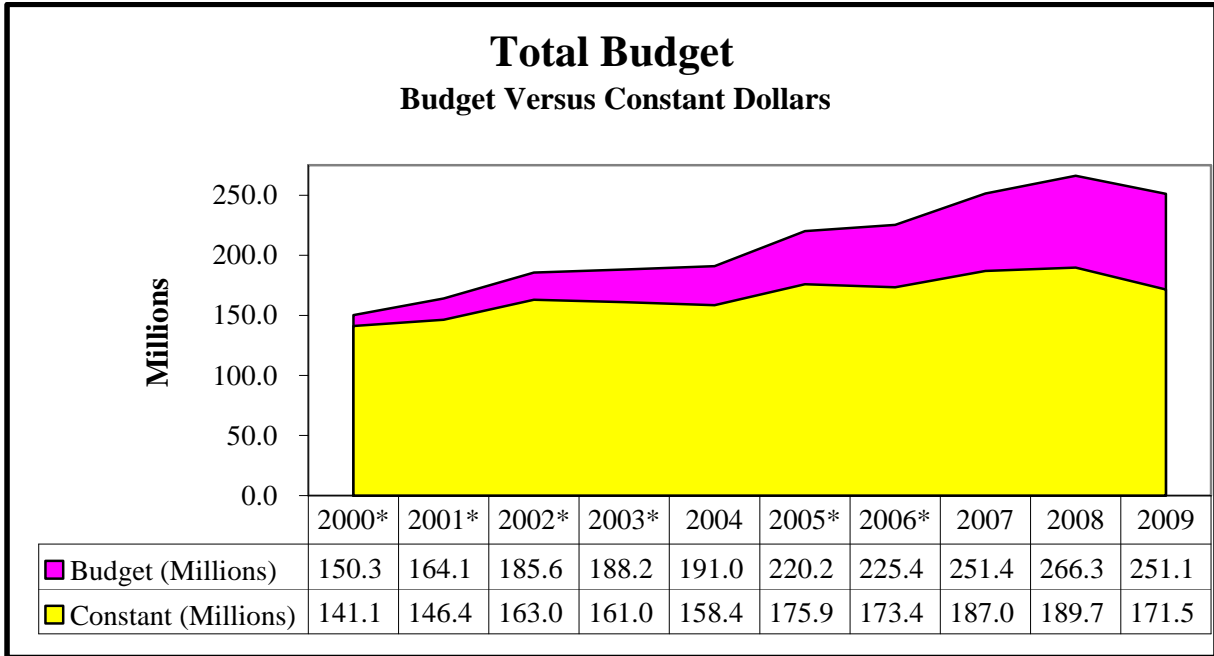
The annual budget appropriates funds for personnel, as well as other operating and capital expenditures. Personnel and other operating expenditures remain fairly constant from year to year; but capital expenditures have a tendency to fluctuate depending on the need for improvements to the City's infrastructure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

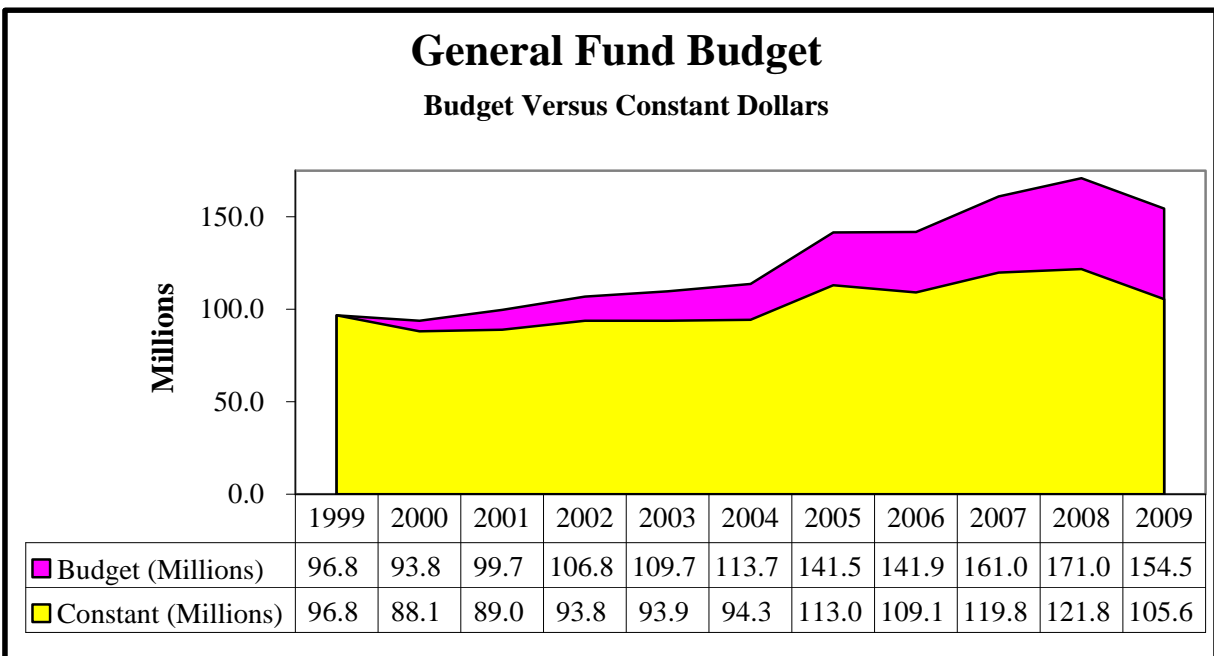
The Capital Improvements section of this budget details the CIP development process and CIP goals and objectives. In addition, it contains the approved 2009-2013 Capital Improvements Program listing all capital projects and capital outlay for the City during this period. The current 2009-2013 CIP totals \$224,723,000.

# BUDGET HISTORY

The information presented below depicts Overland Park’s budget history on a total budget basis and general fund basis for the years 2000-2009. 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 2000 purchasing power. In other words, the lower line removes inflation and represents only real growth in budget values.

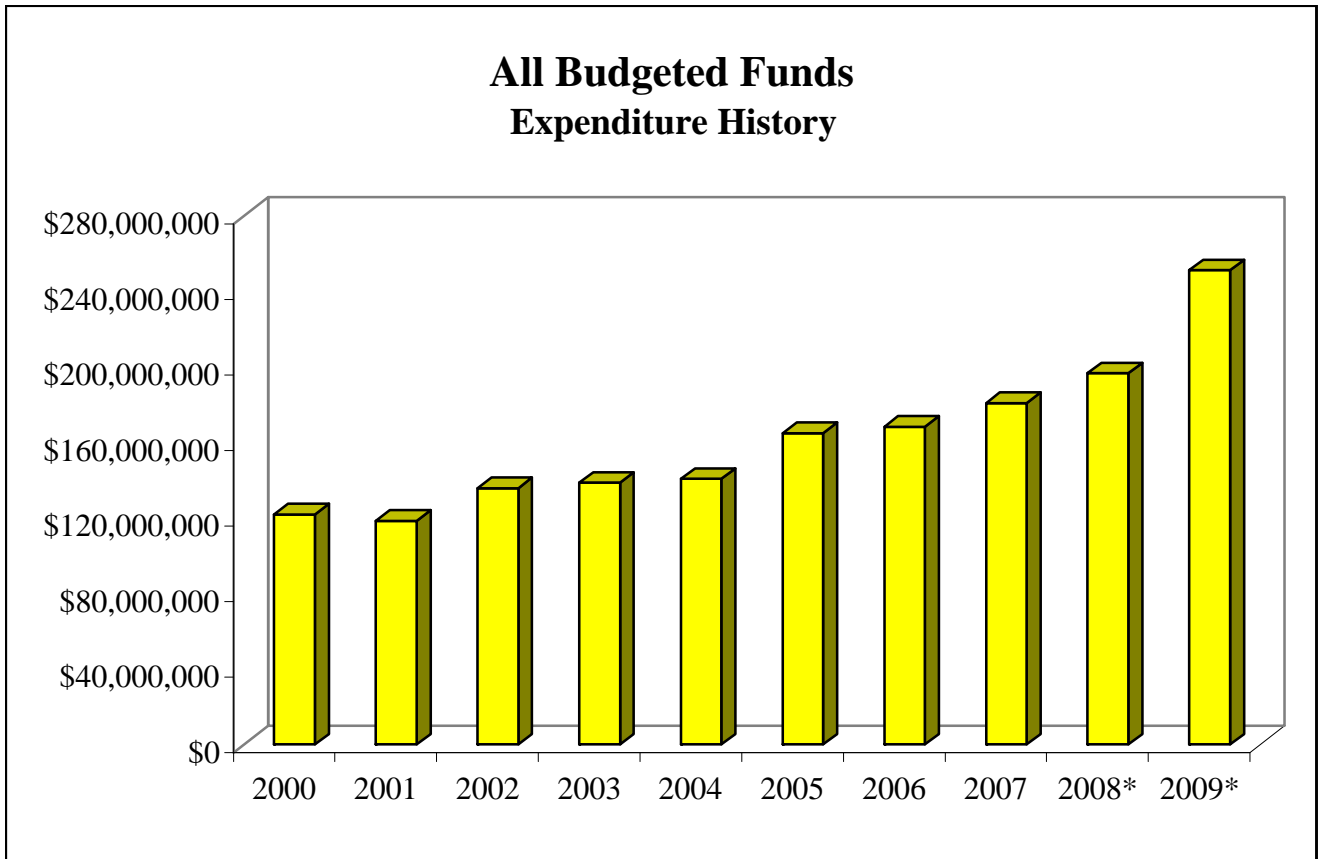


\*1999-2003, 2005, and 2006 total budget figures are the amended budgets for these years.



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

<b>FUND</b>	<b>Actual 2007</b>	<b>Estimated 2008</b>	<b>Budgeted 2009</b>
General Fund	\$101,791,571	\$111,385,765	\$154,544,000
Special Street and Highway Fund	4,930,000	4,930,000	4,925,000
1/8-Cent Sales Tax for Street Improvements Fund	7,736,469	4,925,000	7,252,000
Special Parks and Recreation Fund	1,327,611	1,110,000	1,670,000
Special Alcohol Control Fund	1,036,254	1,078,000	2,625,000
Transient Guest Tax - Operating	1,844,132	1,933,330	1,978,000
Transient Guest Tax - Capital Improvements	3,698,104	7,574,527	11,205,000
Transient Guest Tax Fund	11,345,345	11,221,930	8,999,000
Fire Service Fund	18,643,801	19,417,435	20,756,000
Golf Course Fund	3,186,016	3,519,835	4,115,000
Stormwater Utility Fund	7,517,909	6,053,489	7,141,000
Business Improvement District	83,030	90,350	100,000
Bond and Interest	17,683,284	23,423,000	25,830,000
<b>Total Budgeted Funds</b>	<b>\$180,823,526</b>	<b>\$196,662,661</b>	<b>\$251,140,000</b>



\*2008 figure is estimated expenditures. 2009 is budgeted expenditures.

## KEY CHANGES IN THE 2009 BUDGET

The 2009 Budget continues Overland Park's commitment to providing high quality services, while safeguarding the long-term fiscal health of the City. The struggling economy has resulted in the adoption of a fiscally conservative 2009 budget. However, due to the City's strong financial position and through reallocation of resources, the City continues to make important investments in infrastructure, while sustaining services and minimizing the financial burden on Overland Park taxpayers.

### PRIORITY: REALLOCATION OF RESOURCES

- ◆ Budget Reductions (\$817,240)  
*The financial parameters established for the 2009 Operating Budget anticipated no increase in operating expenditures to maintain ongoing programs and services. In order to achieve this objective, departments were asked to identify saving in the form of operational changes as well as the reduction of positions which could be eliminated without impacting existing programs or services.*

*Reductions totaling \$817,240, and eliminating seven full-time vacant positions, have been incorporated into the 2009 Budget:*

City Council – Eliminate Legislative Lobbyist Contract	(\$110,000)
Finance & Administration – Replace FT Administrative Asst. position with PT Clerk	(\$32,965)
Police – Eliminate Crime Lab/Property Unit Manager position	(\$125,705)
Police – Eliminate Civilian Support Assistant position	(\$68,525)
Police – Eliminate Part-time Clerk	(\$12,045)
Fire – Eliminate Full-Time Fire Inspector position	(\$60,160)
Parks & Recreation - Reduce Commodities and Contractual Services Budget	(\$172,700)
Planning & Development – Eliminate two Full-Time Plans Examiners and one Full-Time Administrative Assistant	(\$235,140)
<b>TOTAL</b>	<b>(\$817,240)</b>

### PRIORITY: EXTEND SERVICE TO RECENTLY ANNEXED AREA

- ◆ Addition of Personnel and Commodities Funding \$152,895  
*As outlined in the City's service extension plan, additional resources for Public Works activities are allocated to service the recently annexed southern area of Overland Park:*

General Fund – Traffic Maintenance Material	\$8,000
General Fund - Two additional maintenance workers to perform street maintenance services, including snow removal and related commodities	\$99,930
Stormwater Fund – One additional maintenance worker to stormwater maintenance activities	\$44,965
<b>TOTAL</b>	<b>\$152,895</b>

*In addition, a tandem axle dump truck and related snow plowing equipment to service the annexed area was purchased from the non-budgeted Special Machinery and Equipment Fund in 2008.*

**PRIORITY: MAINTENANCE OF QUALITY INFRASTRUCTURE**

- ◆ Addition of Stormwater Best Management Practices Engineer \$103,796  
*The addition of a full-time Stormwater Best Management Practices (BMP) Engineer is funded in the 2009 Stormwater Utility Fund budget. This position will implement and monitor stormwater management practices and systems used to prevent or control the discharge of pollutants and minimize stormwater runoff, including structural or non-structural solutions, a schedule of activities, prohibition of practices, maintenance procedures or other management practices.*

*In addition, the 2009 Budget continues to provide enhanced funding the infrastructure maintenance program.*

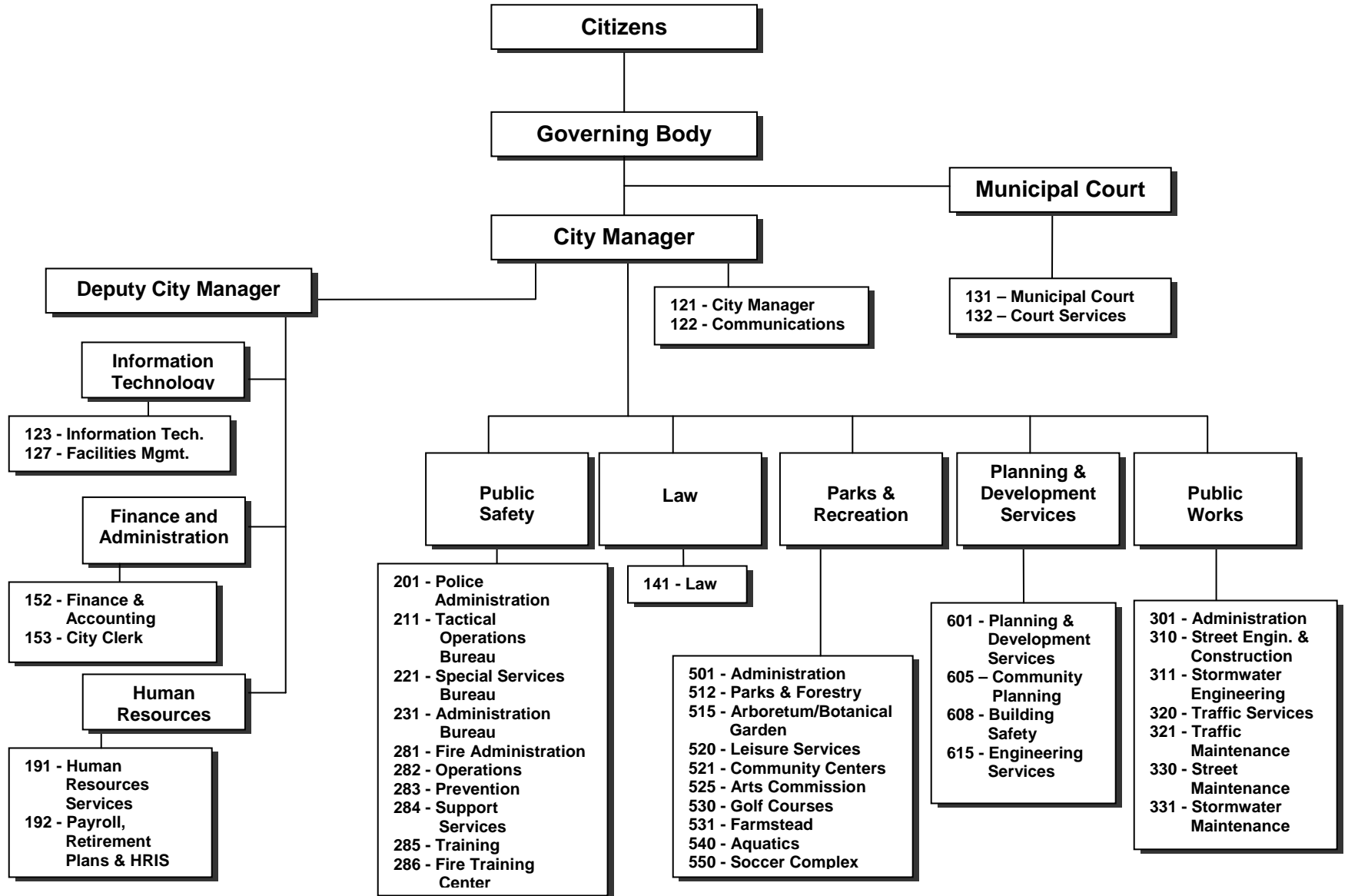
**PRIORITY: PROVIDING EXCELLENT PARKS, RECREATION AND CULTURAL AMENITIES**

- ◆ Stonegate Pool Operations and Staffing \$63,700  
*In May of 2009, the reconstructed and expanded Stonegate Pool will open. Additional staffing and operational funds have been allocated in 2009 due to the increased size and amenities of the new Stonegate Pool.*
- ◆ Deanna Rose Farmstead Entry Building, General Store and Restaurant Operations and Staffing \$810,000  
*The 2009 Budget includes the Addition of personnel and costs associated with operation of the Deanna Rose Farmstead Entry Building, General Store and Restaurant, planned for construction in 2008/2009. Operating revenues have been identified to offset the cost. Operations are included in the 2009 budget based on the assumption that funds adequate to construct this facility are raised by the Overland Park Arts and Recreation Foundation and Friends of the Farmstead. In the event that this is not the case, these additions would not be implemented.*
- ◆ Overland Park Soccer Complex Operations and Staffing \$329,699  
*The Overland Park Soccer Complex will open for play in the fall of 2009. The 2009 Budget includes funding for a partial year of operations, as well as the addition of one full-time Soccer Complex Supervisor and 2.97 FTE part-time concession attendants and laborers. Soccer Complex revenues are expected to fully fund its operating costs. As an economic development initiative focused on bringing visitors to the city, this program is budgeted within the Transient Guest Tax Capital Fund.*

# CITY OF OVERLAND PARK

## Organizational Chart

Includes Cost Center Numbers



## 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 &amp; 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 &amp; 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 550 Soccer Complex</p> <p><i>Planning &amp; Development Services</i> 601 Planning &amp; Development Services 605 Community Planning 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**

<b>ALL FUNDS</b> Goal Area	<b>2007 Budget</b>		<b>2008 Budget</b>		<b>Changes since 2008 Budget</b>		<b>Changes for 2009 Budget</b>		<b>2009 Budget</b>	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
Finance, Administration & Econ. Dev.	140	10.03	143	9.00	1	-0.5	-1	0.4	143	8.65
Public Safety	466	20.44	478	20.46	0	0	-3	-0.2	475	20.46
Public Works	131	10.36	132	10.37	1	0	3	0	136	9.39
Community Development	152	119.91	154	125.92	0	0	0	8.38	156	142.01
<b>TOTAL</b>	<b>889</b>	<b>160.74</b>	<b>907</b>	<b>165.75</b>	<b>2</b>	<b>-0.5</b>	<b>-1</b>	<b>8.58</b>	<b>910</b>	<b>180.51</b>

**PERSONNEL SUMMARY BY DEPARTMENT**

<b>ALL FUNDS</b>	<b>2007 Budget</b>		<b>2008 Budget</b>		<b>Changes since 2008 Budget</b>		<b>Changes for 2009 Budget</b>		<b>2009 Budget</b>	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
Mayor and Council	13	0.00	13	0.00	0	0	0	0	13	0.00
City Manager's Office/Communications	9	1.74	9	1.71	0	0	0	0	9	1.41
Information Technology	35	1.85	37	1.35	0	0	0	0	37	1.35
Municipal Court	28	1.33	28	1.33	0	0	0	0	28	1.32
Law	12	1.48	13	0.98	1	-0.5	0	0	14	0.50
Finance, Budget and Administration	26	0.60	26	0.60	0	0	-1	0.4	25	1.18
Human Resources	17	3.03	17	3.03	0	0	0	0	17	2.89
Police	311	19.69	319	19.71	0	0	-2	-0.2	317	19.71
Fire	155	0.75	159	0.75	0	0	-1	0	158	0.75
Public Works	131	10.36	132	10.37	1	0	3	0	136	9.39
Parks and Recreation	63	113.33	65	119.96	0	0	3	8.38	69	136.05
Planning and Development Services	89	6.58	89	5.96	0	0	-3	0	87	5.96
<b>TOTAL</b>	<b>889</b>	<b>160.74</b>	<b>907</b>	<b>165.75</b>	<b>2</b>	<b>-0.5</b>	<b>-1</b>	<b>8.58</b>	<b>910</b>	<b>180.51</b>

**PERSONNEL SCHEDULE BY COST CENTER**

	<b>2007 Budget</b>		<b>2008 Budget</b>		<b>Changes since 2008 Budget</b>		<b>Changes for 2009 Budget</b>		<b>2009 Budget</b>	
	FT	PT*	FT	PT*	FT	PT*	FT	PT*	FT	PT*
<b>GENERAL FUND</b>	<b>General Fund</b>		<b>General Fund</b>		<b>General Fund</b>		<b>General Fund</b>		<b>General Fund</b>	
<b>Goal Area/Cost Center</b>	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	6	0.48	6	0.48					6	0.41
Communications	3	1.26	3	1.23					3	1.00
<b>City Manager's Office</b>	22	1.74	22	1.71	0	0.00	0	0.00	22	1.41
<b>Information Technology</b>										
Information Technology	24	1.85	25	1.35					25	1.35
Facilities Management	11	0.00	12	0.00					12	0.00
<b>Information Technology</b>	35	1.85	37	1.35	0	0.00	0	0.00	37	1.35
<b>Municipal Court</b>										
Municipal Court	21	1.33	21	1.33					21	1.32
Court Services	7	0.00	7	0.00					7	0.00
<b>Municipal Court</b>	28	1.33	28	1.33	0	0.00	0	0.00	28	1.32

**PERSONNEL SCHEDULE BY FTE, CONTINUED**

Goal Area/Cost Center	2007 Budget		2008 Budget		Changes since 2008 Budget		Changes for 2009 Budget		2009 Budget	
	General Fund	PT*	General Fund	PT*	General Fund	PT*	General Fund	PT*	General Fund	PT*
<b>GENERAL FUND</b>										
<b>Law</b>										
Law	12	1.48	13	0.98	1 <sup>1</sup>	-0.50 <sup>1</sup>			14	0.50
<b>Law</b>	12	1.48	13	0.98	1	-0.50	0	0.00	14	0.50
<b>Finance, Budget and Admin.</b>										
FBA Administration	2	0.00	0	0.00					0	0.00
Finance and Accounting	14	0.00	15	0.00			0.20 <sup>3</sup>		15	0.40
City Clerk	10	0.60	11	0.60			-1 <sup>3</sup>	0.20 <sup>3</sup>	10	0.78
<b>Finance, Budget and Admin.</b>	26	0.60	26	0.60	0	0.00	-1	0.40	25	1.18
<b>Human Resources</b>										
Human Resources	11	2.48	11	2.48					11	2.34
Payroll	6	0.55	6	0.55					6	0.55
<b>Human Resource</b>	17	3.03	17	3.03	0	0.00	0	0.00	17	2.89
<b>FINANCE AND ADMINISTRATION</b>	140	10.03	143	9.00	1	-0.5	-1	0.4	143	8.65
<b>PUBLIC SAFETY GOAL AREA</b>										
<b>Police Department</b>										
Police Administration	14	0.00	10	0.00					4	0.00
Tactical Operations Bureau	170	0.76	164	0.00					185	0.00
Special Services Bureau	89	0.90	85	0.90			-1 <sup>4</sup>	-0.2 <sup>5</sup>	94	2.31
Administration Bureau	33	18.03	55	18.81			-1 <sup>6</sup>		29	17.40
<b>Police Department</b>	306	19.69	314	19.71	0	0.00	-2	-0.20	312	19.71
<b>PUBLIC SAFETY</b>	306	19.69	314	19.71	0	0	-2	-0.2	312	19.71
<b>PUBLIC WORKS GOAL AREA</b>										
<b>Public Works Department</b>										
Administration	13	0.14	13	0.14					13	0.08
Engineering Division	23	2.26	23	2.28	1 <sup>2</sup>				24	2.19
Traffic Services	14	0.87	14	0.87					14	0.87
Traffic Maintenance	17	1.92	17	1.19					17	1.00
Street Maintenance	40	3.41	41	4.47			2 <sup>7</sup>		43	4.00
<b>Public Works</b>	107	8.60	108	8.95	1	0.00	2	0.00	111	8.14
<b>PUBLIC WORKS</b>	107	8.60	108	8.95	1	0	2	0	111	8.14
<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	6.90	24	6.90					24	6.90
Arboretum	4	8.03	4	8.22					4	8.22
Leisure Services	8	1.97	8	1.97					8	1.97
Community Centers	3	36.18	3	40.52					3	44.42
Arts Commission	1	0.00	1	0.00					1	0.00
Farmstead	5	10.71	5	12.81			3 <sup>8</sup>	8.38 <sup>8</sup>	8	21.19
Aquatics	1	39.72	2	39.72					2	43.53
<b>Parks and Recreation</b>	47	104.39	48	111.02	0	0.00	3	8.38	51	127.11

**PERSONNEL SCHEDULE BY FTE, CONTINUED**

	2007 Budget		2008 Budget		Changes since 2008 Budget		Changes for 2009 Budget		2009 Budget	
	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>GENERAL FUND</b>										
<b>Planning and Development Services</b>										
Planning and Development	40	4.72	42	4.10			-22 <sup>9</sup>	-2.5 <sup>9</sup>	20	1.20
Community Planning	0	0.00	0	0.00			22 <sup>9</sup>	2.5 <sup>9</sup>	22	2.50
Building Safety	31	0.53	30	0.53			-3 <sup>10</sup>		27	1.06
Engineering Services	18	1.33	17	1.33					17	1.20
<b>Planning and Development Services</b>	89	6.58	89	5.96	0	0.00	-3	0.00	86	5.96
<b>COMMUNITY DEVELOPMENT</b>	136	110.97	137	116.98	0	0	0	8.38	137	133.07
<b>TOTAL - General Fund</b>	<b>689</b>	<b>149.29</b>	<b>702</b>	<b>154.64</b>	<b>2</b>	<b>-0.50</b>	<b>-1</b>	<b>8.58</b>	<b>703</b>	<b>169.57</b>

	2007 Budget		2008 Budget		Changes since 2008 Budget		Changes for 2009 Budget		2009 Budget	
	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>FIRE SERVICE FUND</b>										
<b>PUBLIC SAFETY GOAL AREA</b>										
<b>Fire Department</b>										
Fire Administration	6	0.00	6	0.00					6	0.00
Fire Operations	134	0.00	136	0.00					136	0.00
Fire Prevention	9	0.00	11	0.00			-1 <sup>11</sup>		10	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>	155	0.75	159	0.75	0	0.00	-1	0.00	158	0.75
<b>PUBLIC SAFETY - Fire Service Fund</b>	155	0.75	159	0.75	0	0	-1	0	158	0.75

	2007 Budget		2008 Budget		Changes since 2008 Budget		Changes for 2009 Budget		2008 Budget	
	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>SPECIAL ALCOHOL FUND</b>										
<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>	5	0.00	5	0.00	0	0.00	0	0.00	5	0.00
<b>PUBLIC SAFETY - Sp. Alcohol Fund</b>	5	0.00	5	0.00	0	0	0	0	5	0.00

**PERSONNEL SCHEDULE BY FTE, CONTINUED**

	2007 Budget		2008 Budget		Changes since 2008 Budget		Changes for 2009 Budget		2009 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	7	1.23	7	0.88					7	0.75
Stormwater Maintenance	17	0.53	17	0.54			1 <sup>12</sup>		18	0.50
<b>Public Works</b>	<b>24</b>	<b>1.76</b>	<b>24</b>	<b>1.42</b>	<b>0</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>	<b>25</b>	<b>1.25</b>
<b>COMMUNITY DEVELOPMENT GOAL AREA</b>										
<b>Planning and Development Services</b>										
Engineering Services	0	0.00	0	0.00			1 <sup>13</sup>		1	0.54
<b>Planning and Development Services</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>	<b>1</b>	<b>0.54</b>
<b>TOTAL - Stormwater Fund</b>	<b>24</b>	<b>1.76</b>	<b>24</b>	<b>1.42</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>26</b>	<b>1.79</b>

	2007 Budget		2008 Budget		Changes since 2008 Budget		Changes for 2009 Budget		2009 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	8.94	16	8.94					16	8.94
<b>Parks and Recreation</b>	<b>16</b>	<b>8.94</b>	<b>16</b>	<b>8.94</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>16</b>	<b>8.94</b>
<b>COMMUNITY DEVELOPMENT - Golf</b>	<b>16</b>	<b>8.94</b>	<b>16</b>	<b>8.94</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>8.94</b>

	2007 Budget		2008 Budget		Changes since 2008 Budget		Changes for 2009 Budget		2009 Budget	
<b>TRANSIENT GUEST TAX FUNDS</b>	TGT Funds		TGT Funds		TGT Funds		TGT Funds		TGT Funds	
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>										
Soccer Complex			1	0.00			1 <sup>14</sup>	2.97 <sup>14</sup>	2	2.97
<b>Parks and Recreation</b>	<b>0</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1</b>	<b>2.97</b>	<b>2</b>	<b>2.97</b>
<b>COMMUNITY DEVELOPMENT - Golf</b>	<b>0</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2.97</b>	<b>2</b>	<b>2.97</b>

<b>TOTAL - All Funds</b>	<b>889</b>	<b>160.74</b>	<b>907</b>	<b>165.75</b>	<b>2</b>	<b>-0.50</b>	<b>1</b>	<b>11.55</b>	<b>910</b>	<b>184.02</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 2008 from those reported in the 2008 Budget include:

#### General Fund

- 1 Part-Time Sr. Assistant City Attorney was replaced with one (1) full-time Sr. Assistant City Attorney.
- 2 Addition of one (1) City Engineer I.

### Personnel Adjustments recommended as part of the 2009 Budget include:

#### General Fund

- 3 Elimination of one (1) full-time Administrative Assistance, replaced with two (2) part-time Imaging Clerks in Finance and City Clerk's Office.
- 4 Elimination of one (1) full-time Crime Lab & Property Unit Manager.
- 5 Elimination of one (1) part-time Microfilm Clerk.
- 6 Elimination of one (1) full-time Civilian Support Assistant.
- 7 Addition of two (2) full-time Maintenance workers to serve newly annexed area.
- 8 Addition of three (3) full-time Farmstead Attendants and part-time Concession Attendants and Farmstead Labors for the new Farmstead Restaurant, Ice Cream Parlor, General Store and Entrance.
- 9 Beginning with the 2009 Budget, Community Planning became a cost center in the Planning and Development Services Department. Prior to 2009, personnel and expenditures related to Community Planning were included in the Planning and Development Service Administration cost center.
- 10 Elimination of two (2) full-time Plans Examiners and one (1) full-time Administrative Assistant.

#### Fire Fund

- 11 Elimination of one (1) full-time Fire Inspector I.

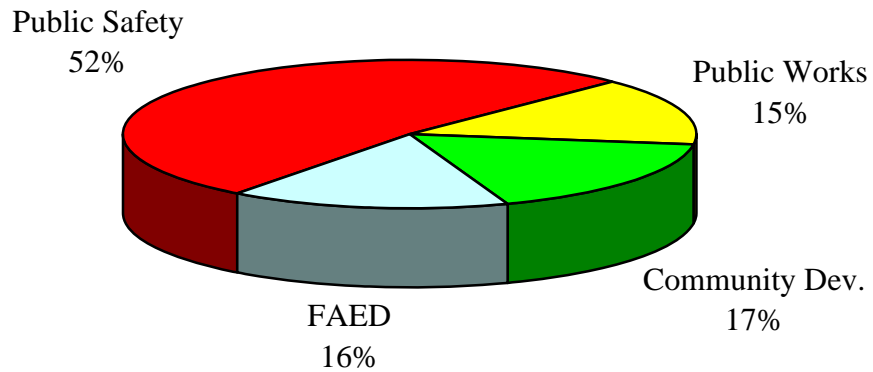
#### Stormwater Utility Fund

- 12 Addition of one (1) Maintenance Worker to serve recently annexed area.
- 13 Addition of one (1) Best-Management Practices (BMP) Stormwater Engineer.

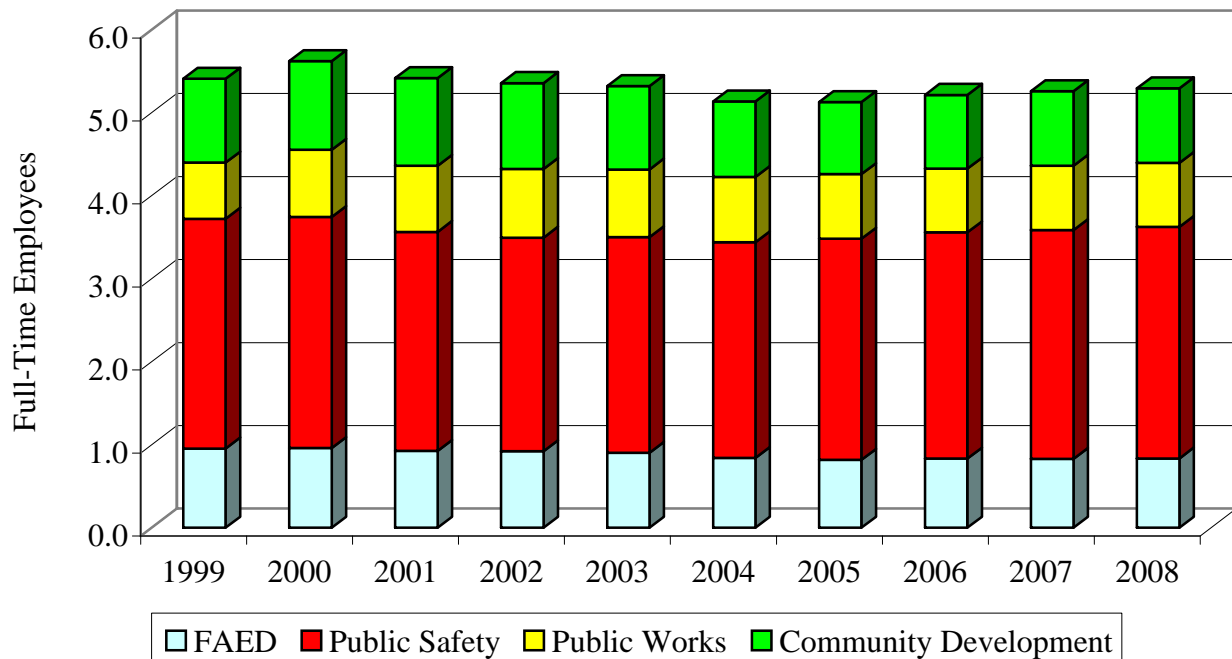
#### Transient Guest Tax Funds

- 14 Addition of one (1) full-time Soccer Complex Supervisor and part-time Concession Attendants and Laborers

## 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**

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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 2009 Budget document: select performance measures, program and purpose statements, goals for 2009 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. 2007 performance results, 2008 projections and 2009 targets are reported in the 2009 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 2009 - 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.