

**FISCAL
YEAR
2009:
summary
report**

OVERLAND PARK
K A N S A S

ABOVE AND BEYOND. BY DESIGN.

FISCAL YEAR 2009

**City
Government**

Overland Park was incorporated as a city on May 10, 1960. In November of 1962, the City adopted the Mayor-Council-City Manager form of government.

The Mayor is elected by the City-at-large and two council members are elected from each of six wards. All elected officials serve terms of four years, with biannual non-partisan elections to allow for council members to serve staggered terms.

The City Manager is responsible for the implementation of Governing Body policy and the day-to-day operation of the City.

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OVERLAND PARK PROFILE

Overland Park is a stable and affluent community within the Kansas City metropolitan area. Recognized for its high quality of life, Overland Park offers exceptional schools, outstanding housing and a dynamic business climate, all of which are driving factors in the continued long-term success of the City's economy.

Overland Park's durable economy and high quality of life has continued to earn it national distinction as one of the best places to live; in 2009 it was named as number three on the "Top 10 best places to grow up in America" by Us. News & World Report; in the top three of "America's best affordable places to retire" by BusinessWeek and among the top 25 of America's "Best places to move to" by Forbes.com.

At approximately 174,000 residents, Overland Park is the second largest city in the state of Kansas and the largest suburb in the Kansas City area. A commercial hub of the Kansas City metropolitan region, the City's daytime population is estimated at close to 200,000.



Overland Park
Convention Center

With a diverse business community, Overland Park remains resilient to economic fluctuations, as evidenced by a lower than average unemployment rate. Overland Park's unemployment in 2009 was 6.5%, which was the slightly less than the State of Kansas rate of 6.6%, and significantly less than the national rate of 9.3%.

Demographic information

	2008	2009
Population	171,231	173,719
Sq. Miles	73.3	73.3
Per Capital Income	\$55,134	\$56,823
Unemployment Rate	4.9%	6.4%
Number of Full-Time Employees	906	910
General Fund Operating Expenditures	\$81,608,326	\$77,104,660

Major Initiatives: 2009

Ensuring Sustainable Long-Term Financial, Operational and Capital Improvement Plans.

Additional emphasis was placed on financial issues in 2009 as the City's long-term financial forecast indicated continued slow revenue growth which would not support previously planned expenditure growth. Departments identified reallocation opportunities in the form of operational changes, programmatic adjustments and vacant positions which could be eliminated without impacting existing programs and services. Sixteen vacant full-time positions and 19.8 part-time FTE positions were eliminated during 2009. Funding for travel, training and equipment replacement was greatly reduced. The projected annual savings from these changes is approximately \$3.5M.

User fees were reviewed to determine if recovery rates were 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. As a result the 2010-2014 Capital Improvement Program (CIP) is \$64.9 million less than the adopted 2009-2013 CIP.

Preserving Healthy Neighborhoods and Promote Redevelopment.

The Governing Body continued policy discussions relating to large-scale redevelopment, with a goal to establish a framework for identifying and capitalizing on opportunities for redevelopment in older areas of the City.

The City participated in a collaborative effort with Johnson County Transit and the City of Mission to conduct a transit study along Metcalf Avenue and Shawnee Mission Parkway. This study identified potential strategies to improve transit services within these two corridors, and has identified a short-term solution of a mixed-traffic Bus Rapid Transit route. This public transit improvement addresses a need identified in the "Vision Metcalf" plan, which defines and promotes the Metcalf corridor as a regional destination and economic engine for the 21st century. The Vision Metcalf plan foresees redevelopment to include new multi-use urban residential and commercial development, enhanced landscaping and streetscape design, and future public transportation opportunities along the Metcalf corridor.

Providing Excellent Parks, Recreation and Cultural Amenities.

The \$36 million Overland Park Soccer Complex opened in late summer 2009. This facility includes twelve tournament quality soccer fields with state-of-the-art synthetic turf, lighted fields for night and tournament use, an administrative building with locker rooms and meeting rooms, and concession areas. This premier facility hosted six regional athletic tournaments and events during a three-month period in 2009, which brought an estimated 250,000 visitors to Overland Park, and injected an estimated \$1.7 million into our local economy.

The \$4.3 million reconstruction and expansion of Stonegate Swimming Pool was completed. Additional Parks and Recreation enhancements in 2009 include the construction of a \$1.7 million Entrance Building at the Deanna Rose Children's Farmstead, as well as public art installations, park improvements, golf course improvements and greenway linkages improvements.

PROVIDING QUALITY TRANSPORTATION INFRASTRUCTURE.

During 2009, approximately \$81.7 million was spent on Overland Park infrastructure improvement projects related to the traffic system and infrastructure. Projects included:

- 2009 Residential Street Program
- Beginning widening of US 69 Highway from 75th Street to 95th Street
- U.S. 69 Highway Widening design, 95th Street to 119th Street
- Widening Antioch: 151st. Street to 167th Street
- Widening College Blvd: US 69 Highway to Pflumm Rd.
- Widening Switzer: 143rd to 151st Street
- Traffic Signal & OPTCS improvements

MAINTAINING QUALITY INFRASTRUCTURE AND PUBLIC FACILITIES.

Infrastructure maintenance needs were addressed through a \$14.4 million maintenance program in 2009, \$12.9 million of which was dedicated towards maintenance of the City's traffic systems and street infrastructure.

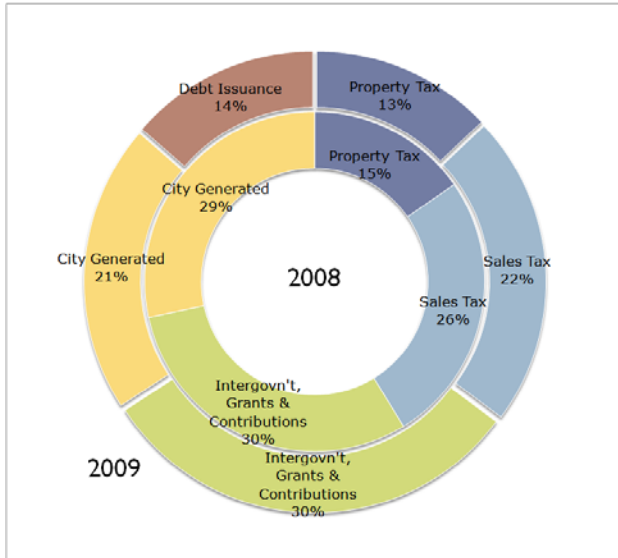


Downtown Overland Park Clock Tower

Performance and Workload Measures

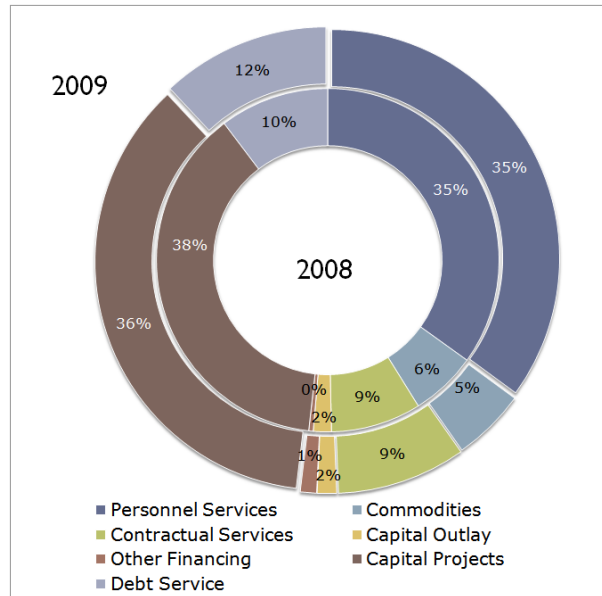
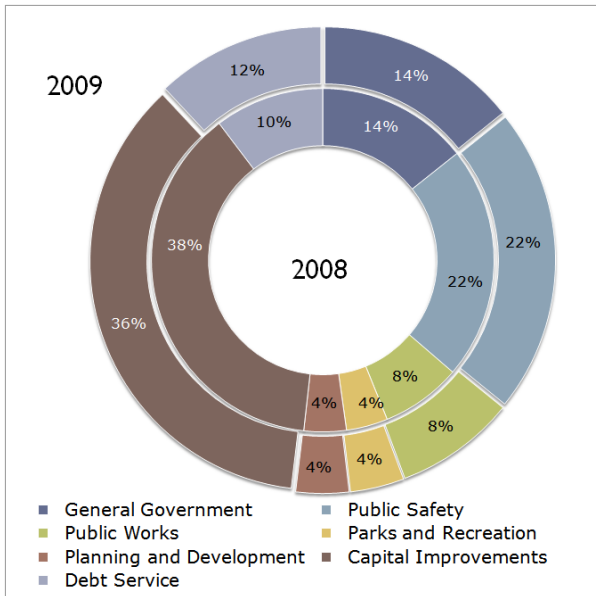
Indicator	2008	2009	Target
Debt Service as % of operating expenditures	20%	17%	<20%
% of PD priority 1 calls responded in less than 5 min.	40%	40%	36%
% of FD emergency calls responds in less than 5 min.	75%	75%	80%
% of thoroughfares with pavement rating of very good/excellent	44%	45%	70%
% of residents rating parks quality as good or very good	88%	93%	90%
Dispatched PD patrol calls	116,866	110,132	118,000
FD fire & EMS calls	16,324	16,676	19,200
Recreation program participants	58,111	89,280	81,300
Building permits	3,468	3,250	4,200
Street lane miles	1,811	1,853	1,850

Revenues: Where the Money Comes From



Revenues by Source	FY2008	FY2009
Property Tax	\$24,981,393	\$25,525,763
Sales Tax	42,293,515	43,864,652
Intergov'n't, Grants & Contributions	49,535,799	60,274,084
City Generated	46,302,215	40,618,974
Debt Issuance	0	26,845,000
TOTAL REVENUE:	\$163,112,922	\$197,128,473

Expenditures: Where the Money Goes



Expenditures by Goal Area	FY2008	FY2009
General Government	\$32,467,888	\$32,354,100
Public Safety	49,797,425	48,984,474
Public Works	17,155,557	19,343,226
Parks and Recreation	8,876,872	8,650,001
Planning & Development	9,046,227	8,501,741
Capital Improvements	85,876,249	82,048,182
Debt Service	23,417,013	27,170,541
TOTAL EXPENDITURES:	\$226,637,231	\$227,052,265

Expenditures by Category	FY2008	FY2009
Personnel Services	\$79,098,777	\$79,602,102
Commodities	14,143,149	11,770,601
Contractual Services	19,295,333	20,733,972
Capital Outlay	3,853,166	3,116,989
Other Financing	953,544	2,609,878
Capital Projects	85,876,249	82,048,182
Debt Service	23,417,013	27,170,541
TOTAL EXPENDITURES:	\$226,637,231	\$227,052,265

COMMUNITY INVESTMENT...

Several companies have announced continued investment in the Overland Park community.

- In 2009 Black & Veatch Corporation announced acquisition of their corporate world headquarters within OP. In addition to acquisition Black & Veatch intends to make significant renovations to the existing facility and expand through the addition of 250,000-square-foot to the complex when needed for future growth. As planned, the world headquarters could ultimately accommodate 3,400 employees.
- Apria Healthcare consolidated customer service operations into one location on the Sprint Campus. The company initially plans hiring of 200 employees, with grow to a total of 550 employees within a few years.
- CareCentrix, Inc., the nation's leading home health benefits manager, located new operations center on the Sprint Campus in Overland Park. The new center anticipates hiring up to 150 personnel within two years.
- U.S. Bank is establishing a new regional service center, creating approximately 1,100 new jobs in 2010.
- J.P. Morgan Retirement Plan Services signed a 10-year commitment to occupy new headquarters with 800 new jobs on the Sprint Campus starting in 2011.
- Oak Park Mall is undergoing +\$20 million in expansion and renovations. Oak Park Mall has signed eight new stores this year. All of the stores are slated to open late summer/early fall 2010. New additions include American Girl, which will be unique to the Kansas City market and will be only the 9th American Girl store in the country.

Economic Outlook: 2010 and Beyond

Like all cities, Overland Park has been impacted by a slowdown in revenues due to the economic recession. In 2010, the City continues to make adjustment to bring revenues and expenditures into alignment while maintaining the high level of essential public services that is valued by our residents.

Revenue changes experienced have included a decline in sales tax collections, reduction in real property values, elimination of personal property from the property tax base (result of state legislation), slowed growth evidenced by significant reductions in development activity in the City. Beginning in 2010, sales tax is expected to begin to recover, while property tax is estimated to begin recovery in 2011. New development is expected to occur at low levels for several more years.

Expenditure reductions and program resizing since 2008 have resulted in a projected savings of \$137 million in our five-year financial planning horizon, currently through 2015.

Program reductions continue in the five-year Capital Improvement, Maintenance, and Equipment Replacement Programs.

In January of 2010, the City conducted a "Reduction-in-Force" process. Fifty-five

(55) full-time positions were eliminated, which including laying off 40 employees. Between the adopted 2009 budget and the proposed 2011 Budget in the summer of 2010, the number of full-time positions has decreased from 910 to 844.

The City expects to end 2010 with general fund reserves of approximately \$33.9 million or 44.9% of expenditures. The City's five-year financial plans traditionally anticipate a gradual reduction in fund balance. Despite significant revenue reductions during the past three planning cycles, adjustments have been made to maintain sufficient ending fund balances in future years:

Year-End Fund Balances	
2009	52.0%
2010	44.9%
2011	33.5%
2012	28.2%
2013	26.8%
2014	24.1%
2015	24.2%

The total 2011 budget, adopted in August 2010, is 7.4% less the adopted 2010 budget. Budgeted General Fund operating expenditures are 9.4% less than 2010.



SPRINT CAMPUS

The City's five-year capital improvements program has been reviewed and revamped several times in recent years. As a result, several projects have been delayed or removed from the plan. However, even with financial constraints, the City continues to make strategic investments in technology, facilities and infrastructure. Capital improvement projects scheduled for 2010 include:

Network, Software and Police Technology	Replacement of Ambulance and Fire Apparatus
Residential Street Improvements	Parks, Golf Course & Arboretum Improvements
Storm Drainage Improvements	Traffic Signal Improvements
Highway Improvements	Thoroughfare Improvements including:
- U.S. 69 Highway Widening: 75th St. to I-435	- Antioch Road: I-435 to 120 th Terrace; and
	- 143 rd Street: Switzer to Quivira