

# 2017

## City of Overland Park Trend Report



**City of Overland Park**

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## **2013-2017 FINANCIAL TREND REPORT READER'S GUIDE**

Understanding financial statements, trends, and their specialized terminology can be a challenging exercise. This Reader's Guide has been provided to highlight the major assumptions used in developing the financial data presented. A glossary of financial terms used in this document is also included.

### **ASSUMPTION:**

This trend report includes the years 2013 through 2017. Data from 2013 through 2017 represents actual figures derived primarily from the City of Overland Park's Comprehensive Annual Financial Report (CAFR), and the CAFRs of comparable benchmark cities.

For comparability purposes, real estate property taxes are reported under the property tax category, while personal property taxes on motor vehicles are classified under the miscellaneous category.

The population estimate of 191,780 for 2017 was provided by the City's Planning and Development Services. Where constant dollars are presented, the base year used for the index is 2013.

Industry benchmarks have been identified which enable the reader to make certain conclusions as to favorable or unfavorable trends or conditions. These benchmarks are taken from Standard & Poor's CreditWeek municipal publication or the City's adopted financial standards.

Before each of the various financial sections (revenues, expenditures, debt structure, and operating position) there is a brief summary of the objective of the analysis, conclusion, and policy recommendations. The supplemental data provides an analysis of personal services, as well as population growth in Overland Park.

## **2013-2017 FINANCIAL TREND REPORT SUMMARY**

Within this report are various charts that depict and explain trends in the areas of revenues, expenditures, operating position, debt structure, and supplemental data. Overland Park continues to maintain a sound financial condition. Continued analysis of trends and economic conditions is a necessity to ensure proper monitoring of the financial well-being of the City. The reader must keep in mind that no single trend is conclusive. All of the trends chosen should be examined together, along with other political and general characteristics of the City.

### **CONCLUSIONS:**

- Overland Park is more reliant on sales tax than comparable triple-A rated cities.
- General Fund revenues, after adjustment for inflation, did not experience significant growth between 2013 and 2017.
- Beginning in 2013 sales tax revenues began to rebound from an improving economy.
- Property tax revenue has continued to grow at a moderate pace based on increasing property values and new construction.
- Despite the City's growth and corresponding rise in service demand levels, operating expenditures have risen only slightly between 2013 and 2017.
- Direct debt, as a percentage of market valuation, shrunk by approximately 40% between 2013 and 2017.
- The City's General Fund unassigned fund balance remained within the City's standard throughout the period, reflecting a level acceptable for long-term financial stability to meet cash flow needs and fund scheduled capital and maintenance improvements.
- On average, the General Fund unassigned fund balance is consistently at or above the level of other triple-A rated cities.

## **RECOMMENDATIONS:**

- Revenue growth should continue to be closely monitored and compared against the City's projected rate of growth in population and service demands to ensure adequate resources are projected to be available.
- The composition of the City's revenue structure should be reviewed within the context of the City's fiscal policy regarding limiting dependence on economically sensitive revenues.
- Based on the City's high reliance on sales tax revenues, the City should continue to monitor sales tax data within the City and in surrounding areas.
- Departments should continue to review operations and restructure programs as desirable to further increase efficiency and effectiveness.
- Prior to issuing new debt, monitor the debt service load to assure compliance with the City's financial standards.

## **FINANCIAL STANDARDS**

The Fiscal Policy established by the City is used as guidelines to direct the City toward long-term financial stability and security. These standards are reviewed periodically and used to monitor the development of the five-year Financial Plan, Capital Improvements Program (CIP), Maintenance Plan, and the Annual Operating Budget.

The goal of the City's CIP is to forecast future public improvements, facilities needed in the City, and provide data concerning cost, timing, funding sources, budget impacts and alternatives. In the CIP process, the City blends both physical and financial planning elements to utilize resources to the greatest benefit for present and future citizens of Overland Park.

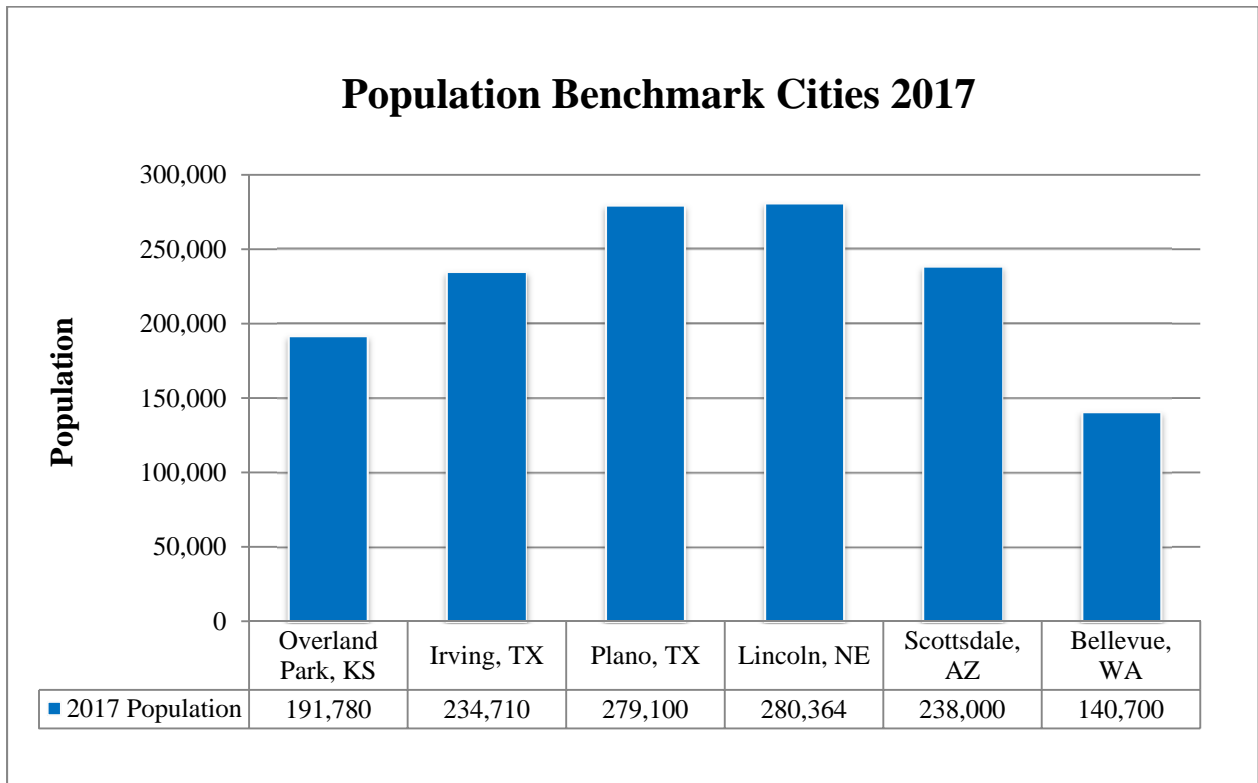
Financial planning standards utilized by the City are as follows:

- Percentage of General Fund ending cash to operating expenditures - 30%
- Percentage of pay-as-you-go to the total CIP - > 40%
- Percentage of debt to total the CIP - <35%
- Percentage of leveraged funds to finance the CIP - >20%
- Total direct debt per capita - < \$1,200
- Direct and overlapped debt to market value of tangible property - < 5%
- Mill levy equivalent of bond and interest transfer - < 6 Mills
- Debt service cost to General Fund operating expenditures - < 20%
- General City funding allocated to the CIP - < 20%
- General City funding allocated to operating budget - > 80%
- Operating expenditures to General Fund current revenue - 80%
- Maintenance expenditures to General Fund current revenue - 5%
- Capital expenditures to General Fund current revenue - 15%

## BENCHMARK CITIES

Financial data was compiled from five comparable triple-A rated cities with populations similar to Overland Park. The 2017 population data was expressed from 2017 CAFR of each city. The data in this report was compiled for 2013 through 2017.

<u>Benchmark City</u>	<u>2017 Population</u>
Overland Park	191,780
Irving, TX	234,710
Plano, TX	279,100
Lincoln, NE	280,364
Scottsdale, AZ	238,000
Bellevue, WA	140,700





# Revenues

**City of Overland Park  
A Triple "A" City**

## **REVENUES**

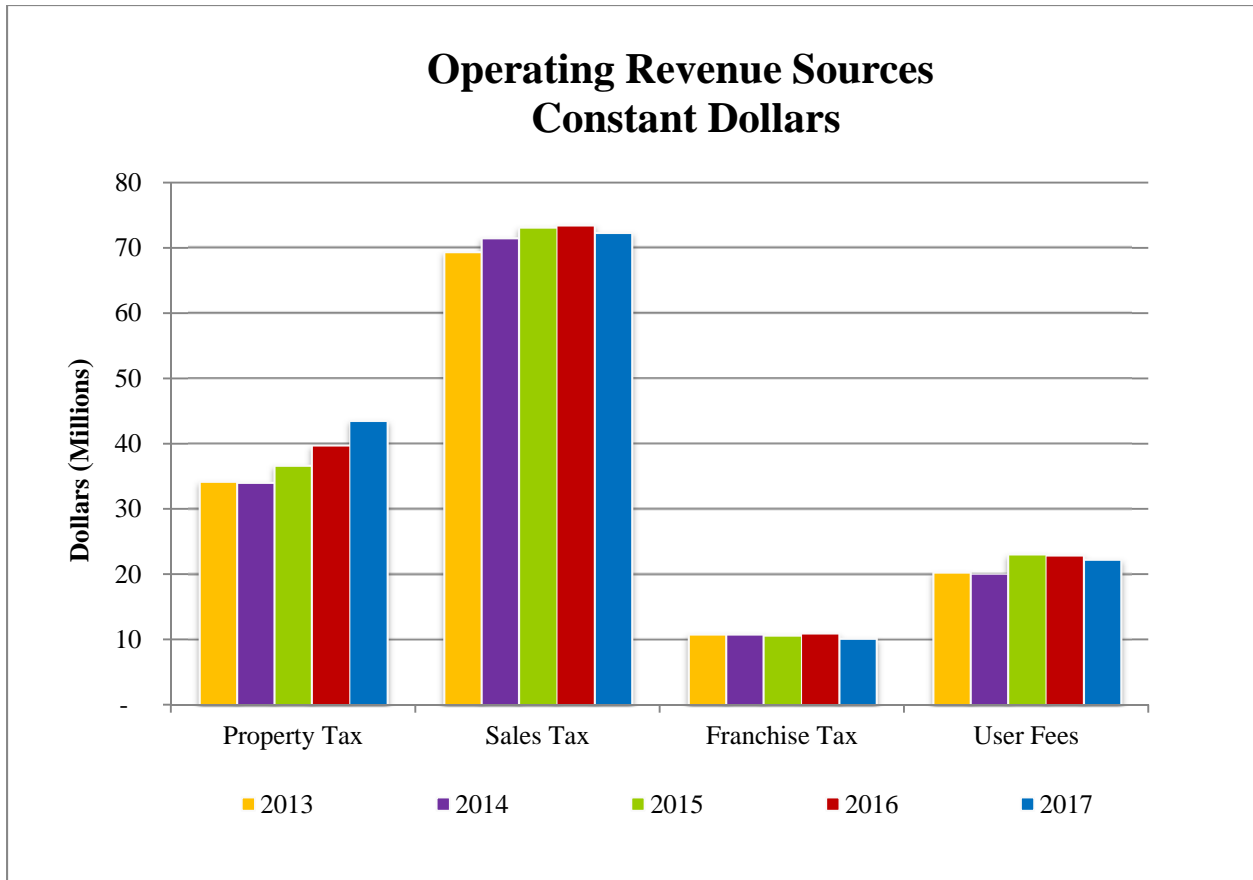
**OBJECTIVE:** Analysis of the revenue structure of the City. Important issues considered include growth, flexibility, elasticity, dependability, diversity, and administration.

### **CONCLUSIONS:**

- Overland Park is more reliant on sales tax to fund basic city services than most other benchmark cities.
- Within the General Fund, only property taxes after inflation adjustments have experienced significant growth.
- Due to continued growth in property values, property tax revenue has gradually increased each year.
- The City's property tax (mill levy), remains low in comparison to the other benchmark cities and/or other Johnson County cities. Based on this low rate, the City has the potential to supplement more volatile revenues with an increased property tax rate if necessary. However, due to recent changes in State law an increase in the property tax rate would be subject to voter approval.

### **RECOMMENDATIONS:**

- Review composition of the City's revenue structure in relation to the City's fiscal policy. Avoid adjustments to the revenue structure which would increase the city's dependence on sales tax.
- Continue to monitor sales tax data within Overland Park and surrounding communities.
- Continue to monitor user fees to ensure the recovery rate for programmatic expenditures complies with the stated objectives. If recovery rate objectives are unclear, seek additional direction from the Governing Body.



**DESCRIPTION:** Operating Revenue Sources (Constant Dollars, adjusted for inflation) by Source - General, Special Revenue and Enterprise Funds.

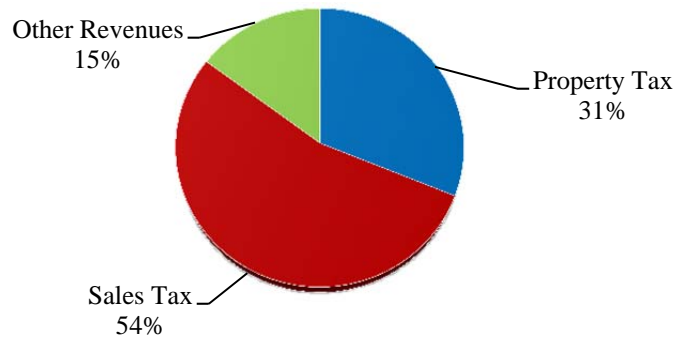
**SOURCE:** Audited financial statements.

**COMMENTS:** Sales tax revenue experienced a gradual increase in 2013-2015, however it has been stagnant since 2015. Property tax revenue has slowly increased based on increases in citywide property tax values and new construction. Franchise tax has remained constant. User fee growth is primarily driven by construction and development activity. Development activity strengthened in 2015 and continued to be strong through the remainder of the reporting period.

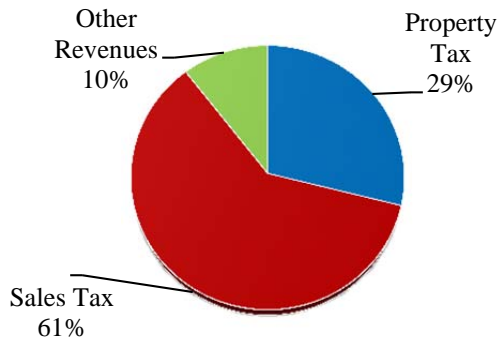
**TREND:** Uncertain. Other than property tax revenue, the City's revenue base only slightly exceeded inflation. Since the City's population and related service demands are on the rise, projected revenues should be monitored closely in order to make adjustments as necessary.

## 2017 General Fund Revenue Sources Benchmark Cities

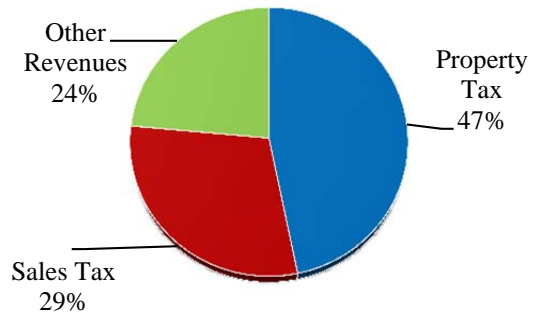
### Overland Park, KS 2017 General Fund Revenue

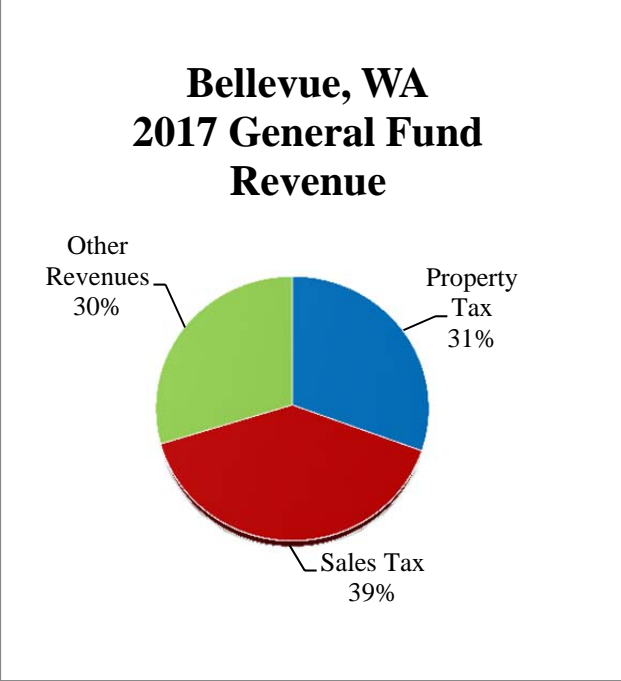
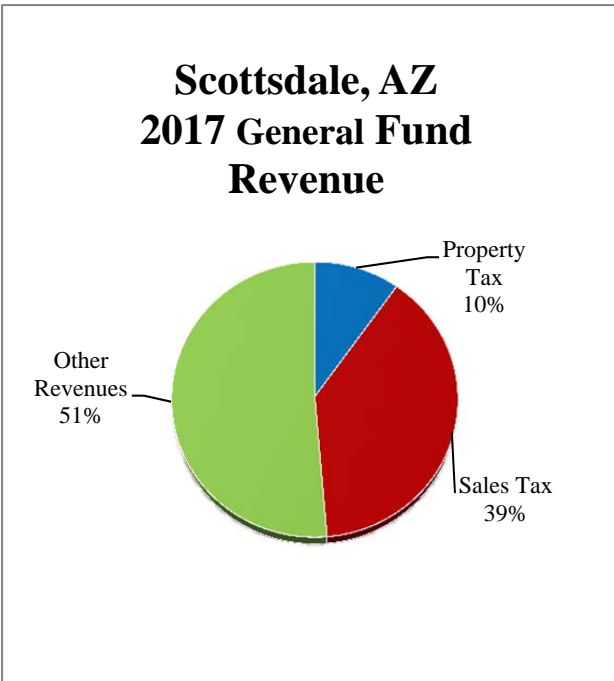
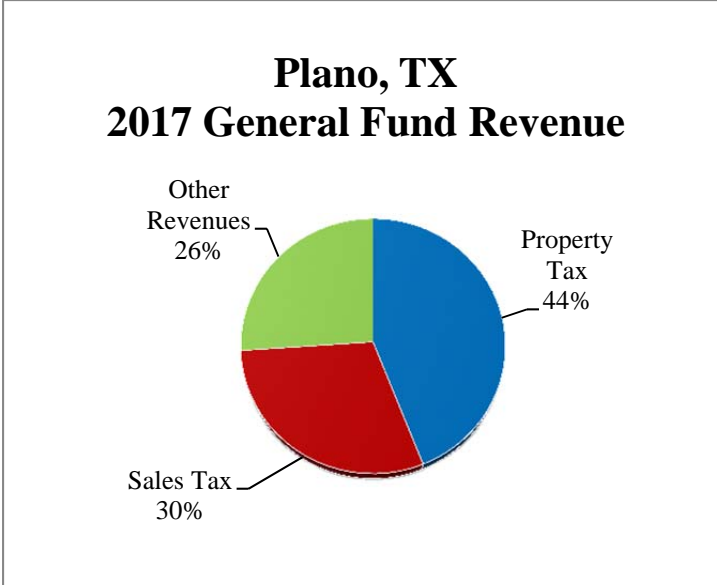


### Lincoln, NE 2017 General Fund Revenue



### Irving, TX 2017 General Fund Revenue

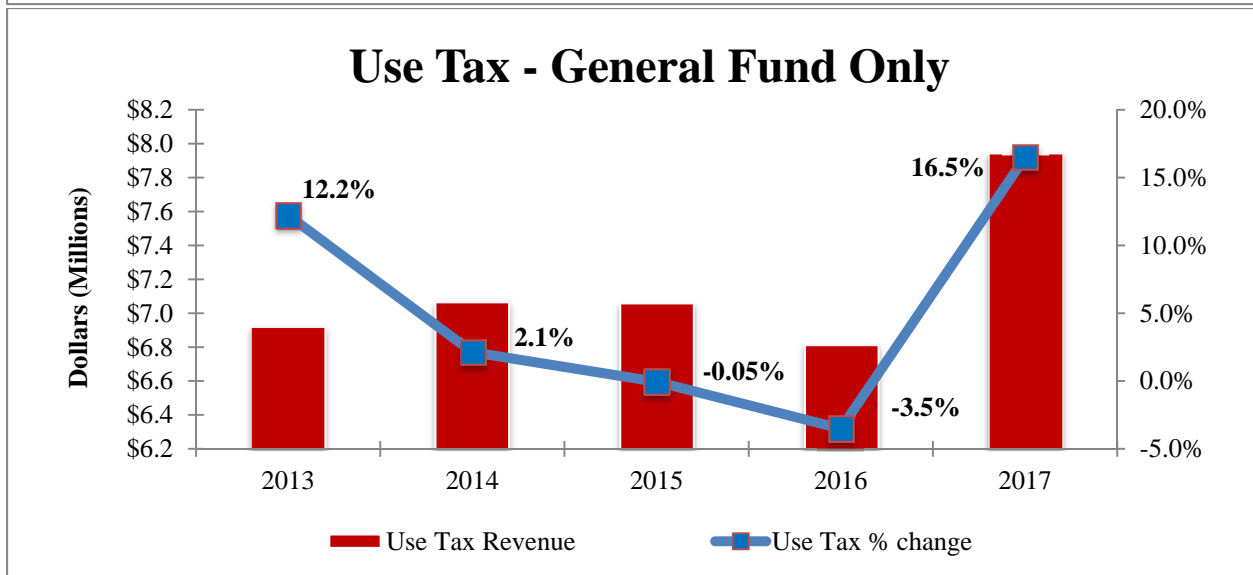
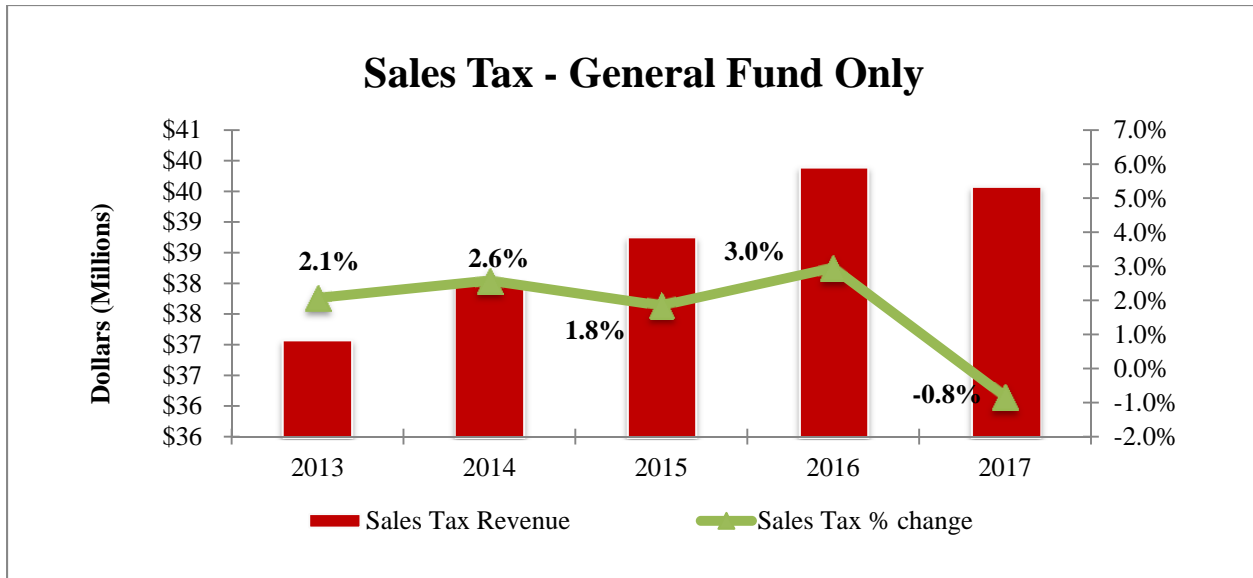




**DESCRIPTION:** Comparison of 2017 Percentages of General Fund Revenues - Overland Park and benchmark Triple-A Cities.

**SOURCE:** Audited financial statements and data provided by the benchmark cities.

**COMMENTS:** Overland Park has a higher reliance on sales tax revenue when compared to most other benchmark cities. Irving and Plano, Texas have a more balanced revenue structure with each of the three major revenue sources (property tax, sales tax, and other revenues) approximately equaling one-third of their total revenue. Scottsdale, Arizona and Bellevue, Washington rely heavily on other revenues. Lincoln, NE is more dependent on sales tax than Overland Park.

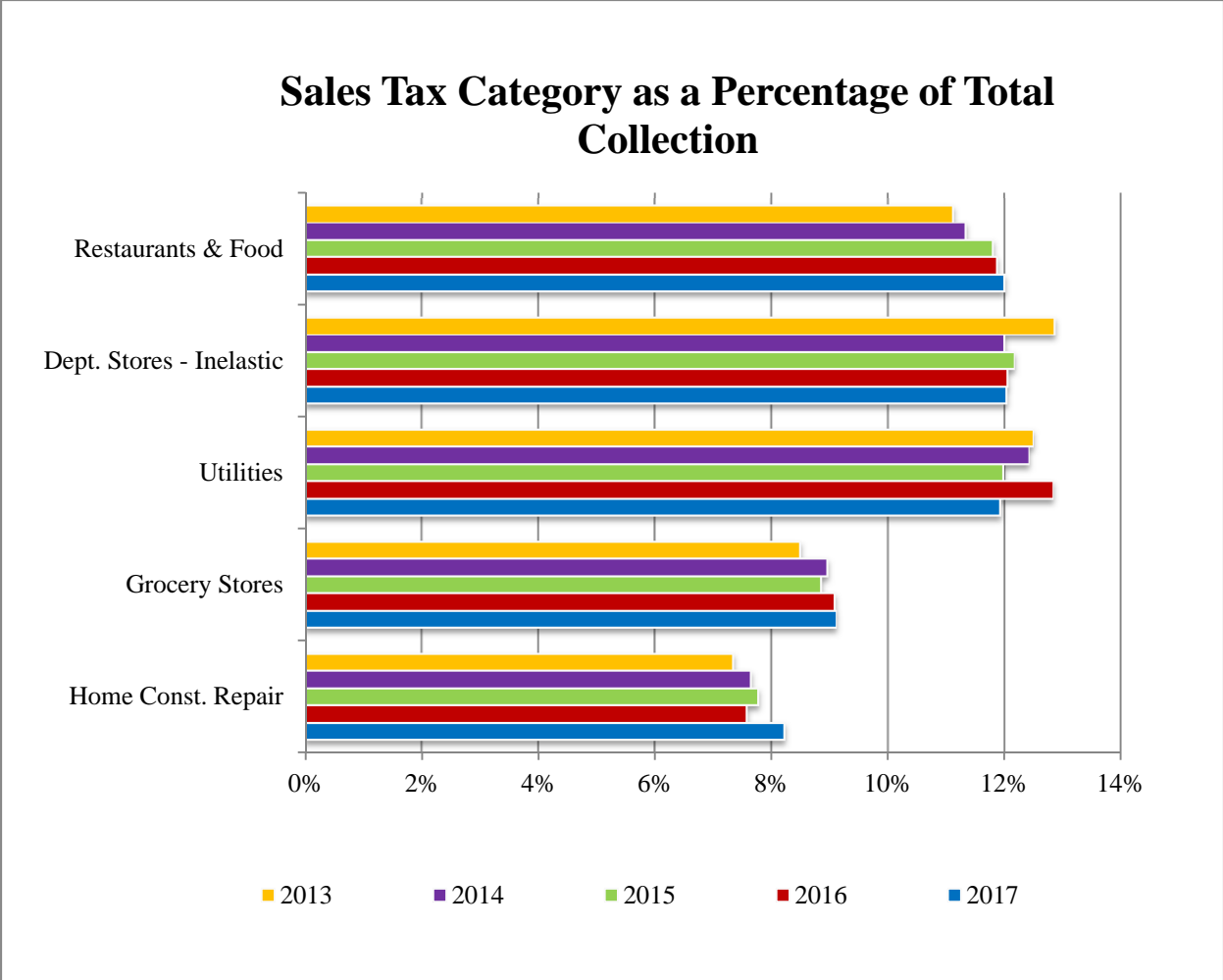


**DESCRIPTION:** Overland Park General Fund Retail Sales and Use Tax - Collections and Rate of Growth.

**SOURCE:** Audited financial statements.

**COMMENTS:** Retail sales tax revenue is strongly correlated to the economy, and has been steadily increasing between 2013-2016. Use tax was impacted not only by economic growth, but by significant use tax refunds in 2016, due to overpayments by retailers in previous years.

**TREND:** Uncertain. By 2015, sales tax revenues recovered and surpassed 2013 levels. However, as sales tax collections continue to be influenced by external factors such as competition and the economy, the City needs to continue to monitor sales tax collections. The Use tax variances are due to large refunds for overpayments by retailers. Also, it is unknown what impact recent Supreme court decision have on use tax.



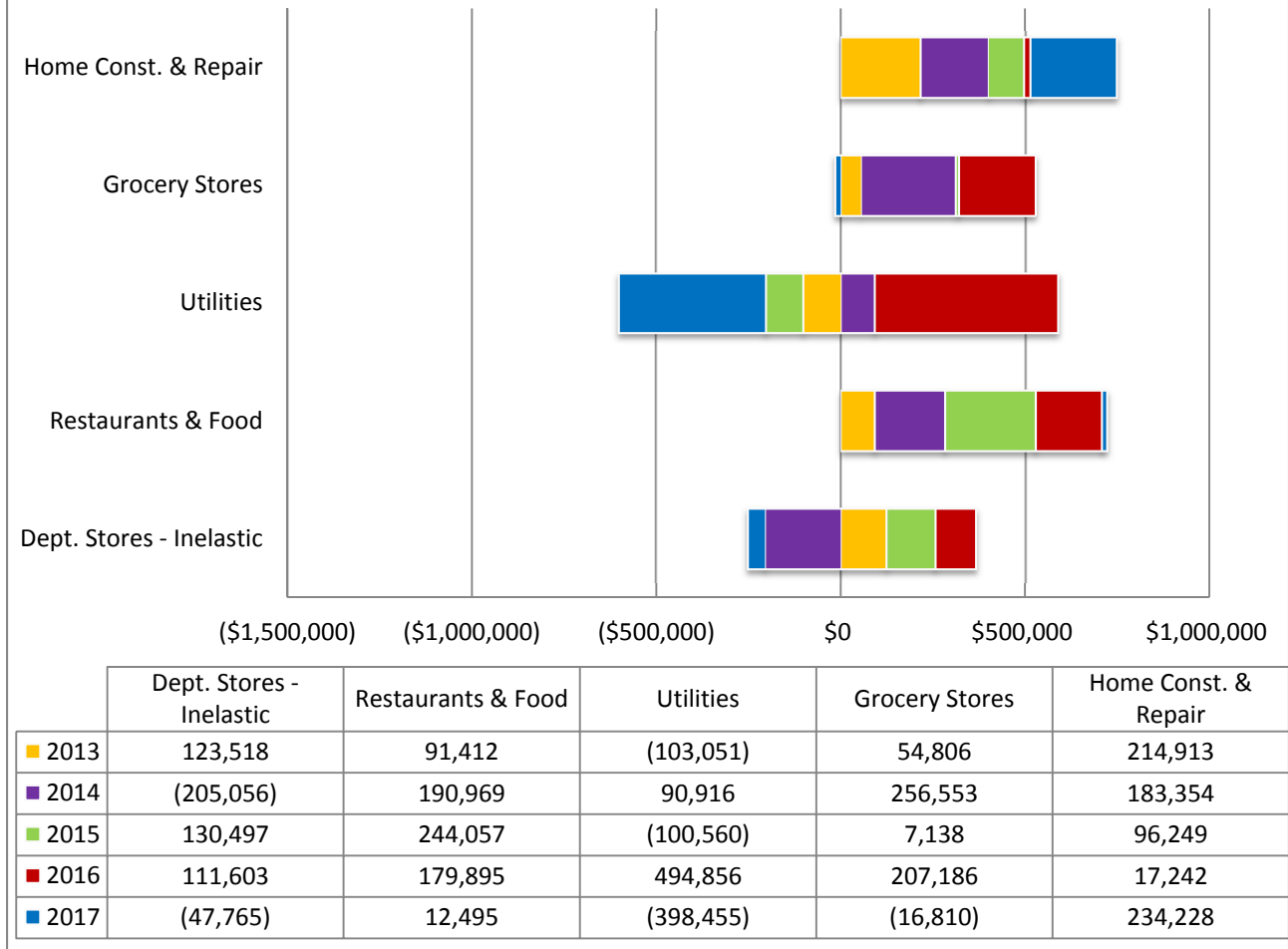
**DESCRIPTION:** Overland Park Sales Tax Categories as a Percentage of Total Collection. Comparison of the City of Overland Park sales tax collections in the top five retail-type categories for the period of 2013 through 2017.

**SOURCE:** State of Kansas Sales Tax Report.

**COMMENTS:** This graph displays the diversity of the City’s sales tax base. The categories of Restaurants & Food and Department Stores - Inelastic remain the City’s highest source of sales tax revenue. In 2017 Utilities reported a decrease due to a milder winter and less energy usage by customers and citizens cord-cutting of their TV cables and land lines.

**TREND:** Favorable. The City continues to have a diverse sales tax base.

## Sales Tax Growth/Decline in Collection from 2013 to 2017



**DESCRIPTION:** Overland Park Sales Tax Growth in Collections by Category - 2013 through 2017.

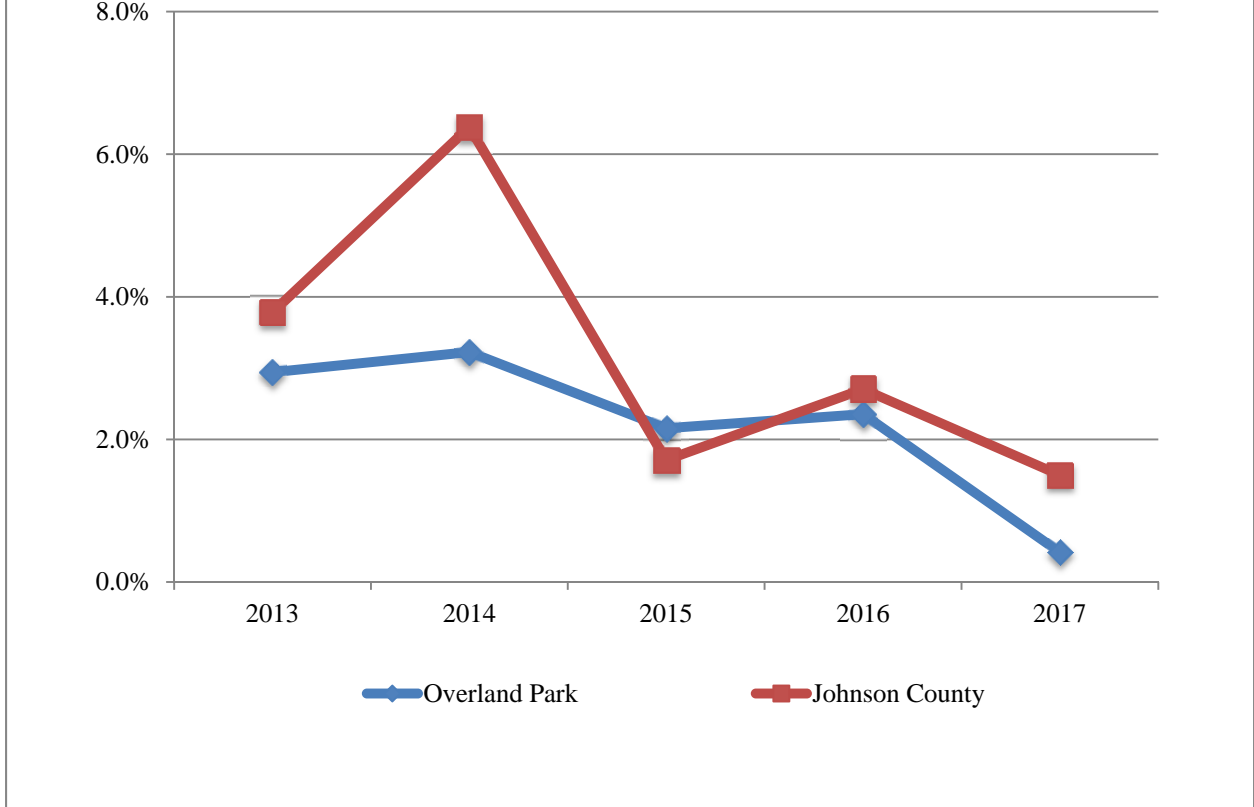
**SOURCE:** State of Kansas Sales Tax Report.

**COMMENTS:** Two of the larger sources of sales tax revenue, Restaurant & Food and Home Construction & Repair, experienced solid increases. Due to a refunding of overpayment in the Utilities collections, this category shows a sharp decline from 2016 to 2017.

**TREND:** Favorable. Since the end of the recession, the City has experienced sales tax growth in most categories.



### Percentage Retail Sales Growth Overland Park vs Johnson County

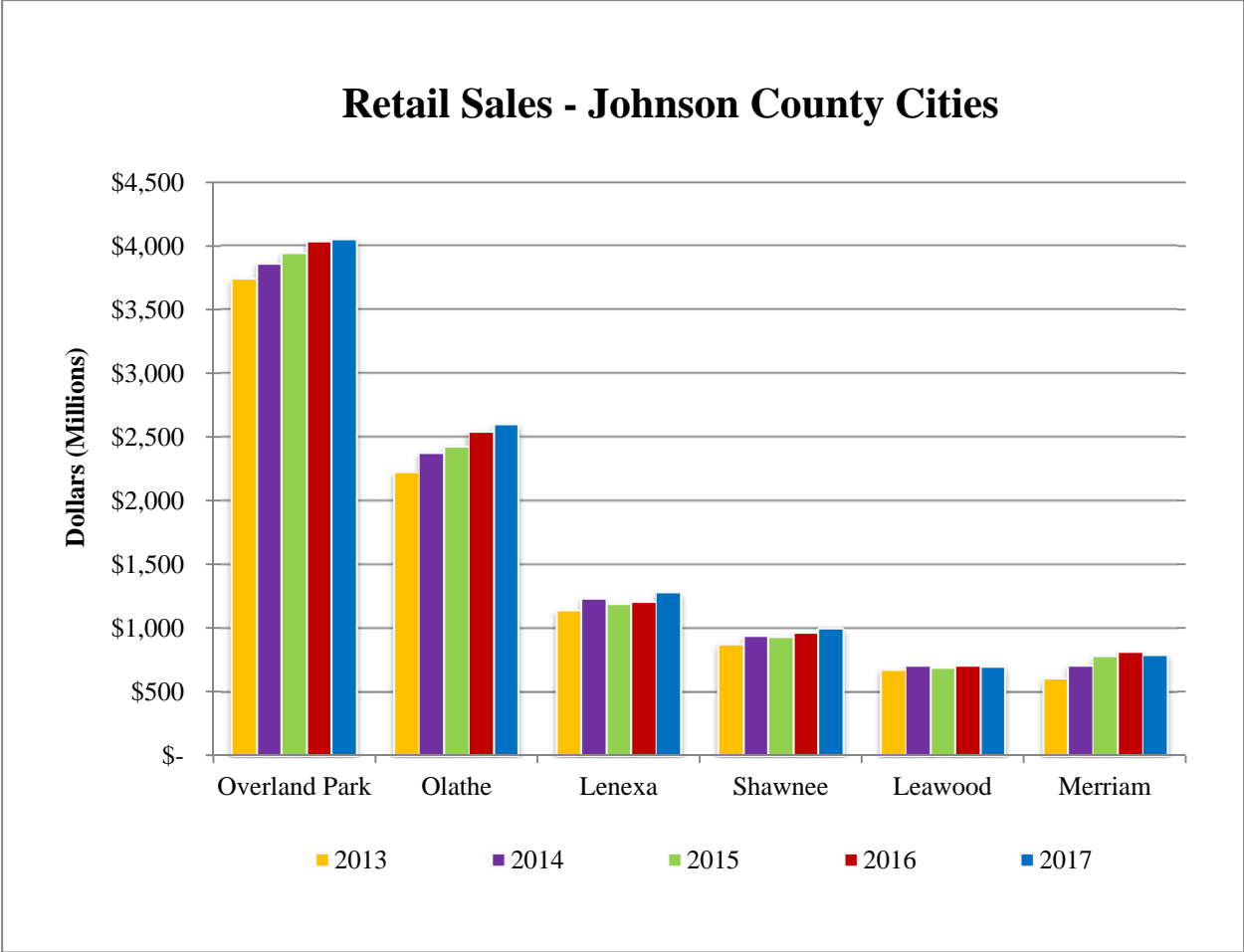


**DESCRIPTION:** Percentage of Retail Sales Growth - Overland Park vs. Johnson County.

**SOURCE:** State of Kansas Sales Tax Report.

**COMMENTS:** Both Overland Park and Johnson County as a whole experienced a gradual decline in retail sales growth.

**TREND:** Negative.



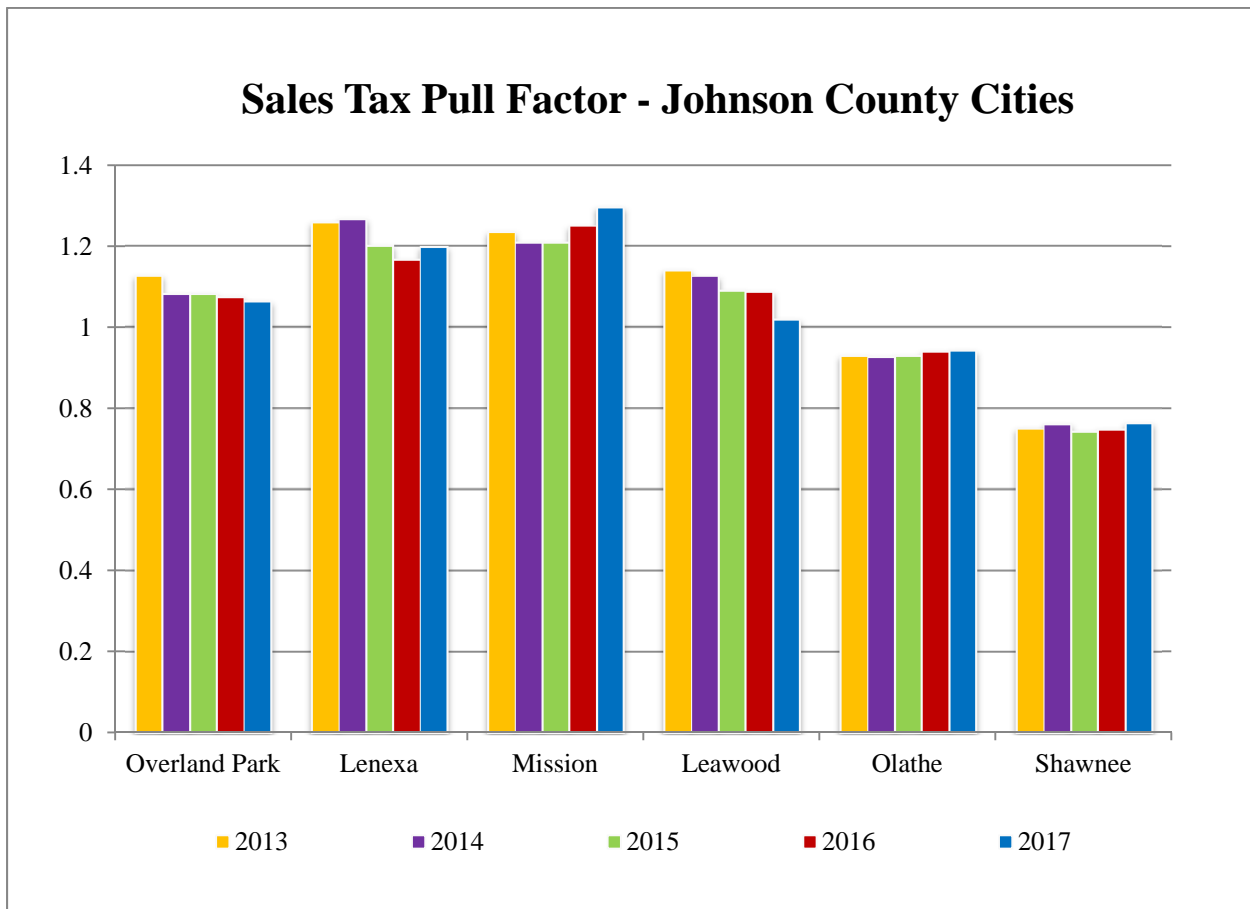
**DESCRIPTION:** Retail Sales - Johnson County Cities.

**SOURCE:** State of Kansas Sales Tax Report.

**COMMENTS:** The City of Overland Park has experienced a gradual increase in retail sales in the 2013-2017 reporting period.

Other Johnson County cities have experienced similar growth, with Olathe, Lenexa, and Shawnee all gaining market share of retail sales within Johnson County.

**TREND:** Stable. Overland Park should continue to monitor the retail development of other Johnson County cities to assess the potential impact of development occurring outside the City.



**DESCRIPTION:** Sales Tax Pull Factor - Major Johnson County Cities.

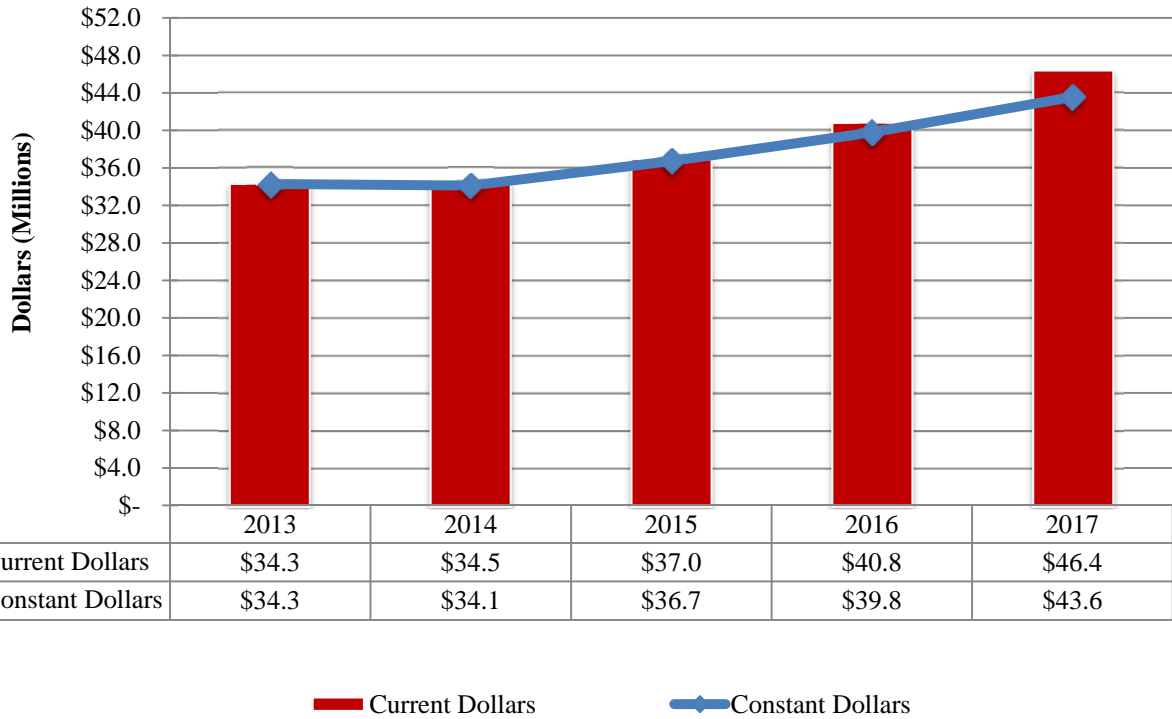
Sales tax pull factor measures the strength of retail sales within a community. A pull factor of greater than 1 indicates that a community is attracting sales activity. A pull factor of less than 1 indicates that a community is losing sales activity to other cities.

**SOURCE:** State of Kansas Sales Tax Report.

**COMMENTS:** Overland Park's sales tax pull factor decreased slightly between 2013 and 2017.

**TREND:** Uncertain. The impact of future retail development within and outside of the City has had a slight impact on Overland Park's pull factor.

## Property Tax - Current Dollars vs. Constant Dollars

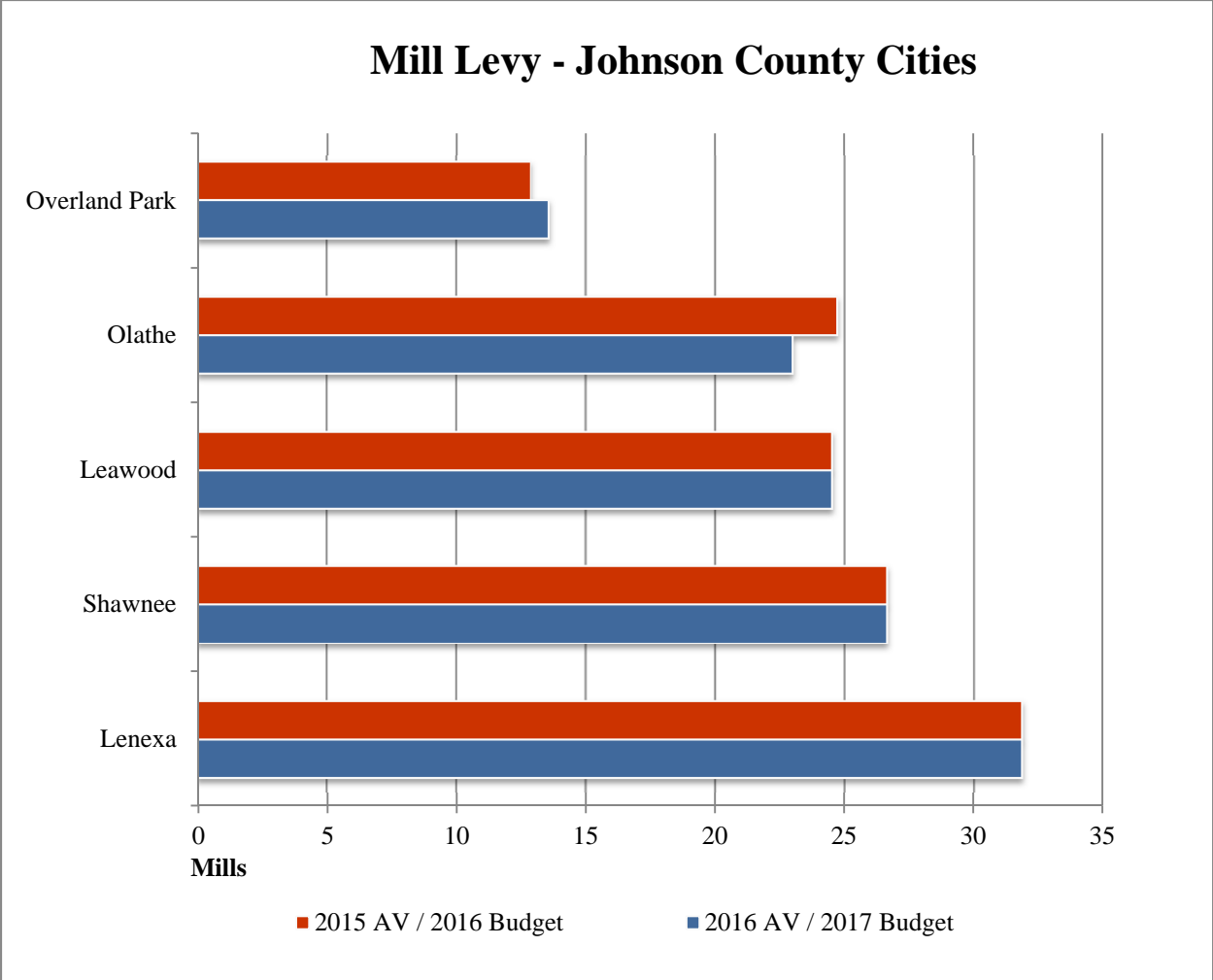


**DESCRIPTION:** Overland Park Property Tax Revenue - Current Dollars vs. Constant Dollars.

**SOURCE:** Johnson County Mill Levy Abstract.

**COMMENTS:** Since 2013, property tax revenues have increased steadily based on property value growth, as well new construction.

**TREND:** Positive. Property values have experienced strong continued growth during the 2013-2017 reporting period. In addition, new construction and development has also performed strongly during this period. These combined factors have resulted in ongoing property tax revenue growth without a change in mill levy rate. Overland Park’s low property tax rate in comparison to surrounding communities provides capacity for future increases, however, the property tax lid which became effective in 2017 now subjects increases to a public vote.



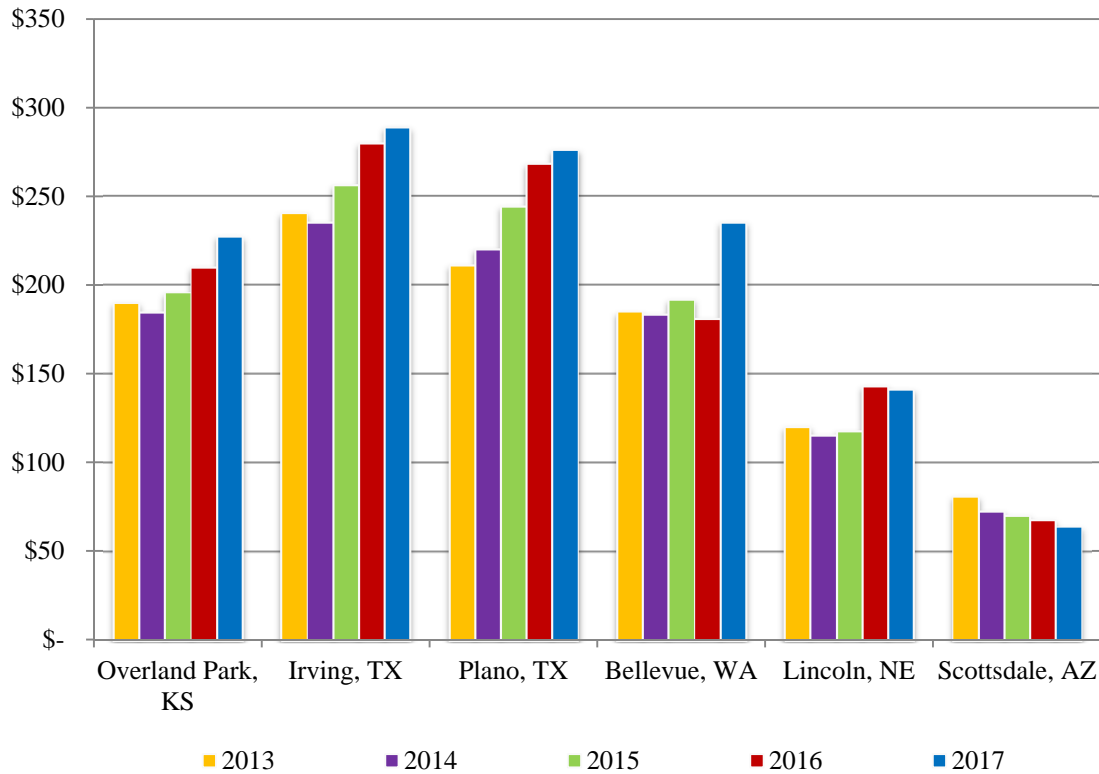
**DESCRIPTION:** Mill Levy - Major Johnson County Cities.

**SOURCE:** Johnson County Mill Levy Abstract.

**COMMENTS:** In comparison to other Johnson County cities, Overland Park’s mill levy is 1/2 to 2/3 the rate of other Johnson County Cities.

**TREND:** Stable.

## Bench Mark Cities General Fund Property Tax Revenue Per Capita Constant Dollars

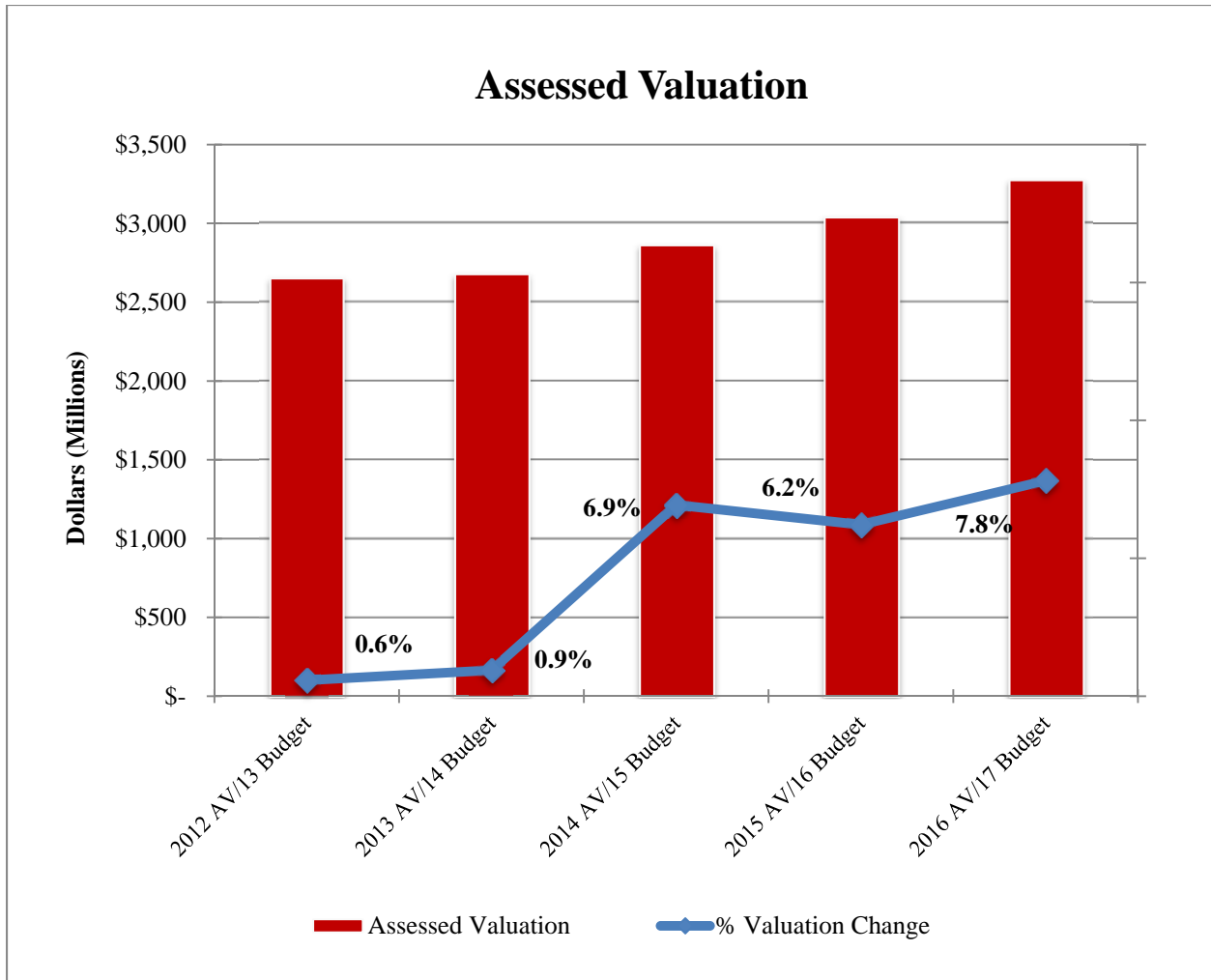


**DESCRIPTION:** Benchmark Cities – General Fund Property Tax Revenue per Capita (Constant Dollars) - 2013 to 2017.

**SOURCE:** Audited financial statements and information provided by benchmark cities.

**COMMENTS:** When compared to other benchmark cities, Overland Park is in the middle of the pack.

**TREND:** Positive. In constant dollars, property tax revenues are trending slightly upward.

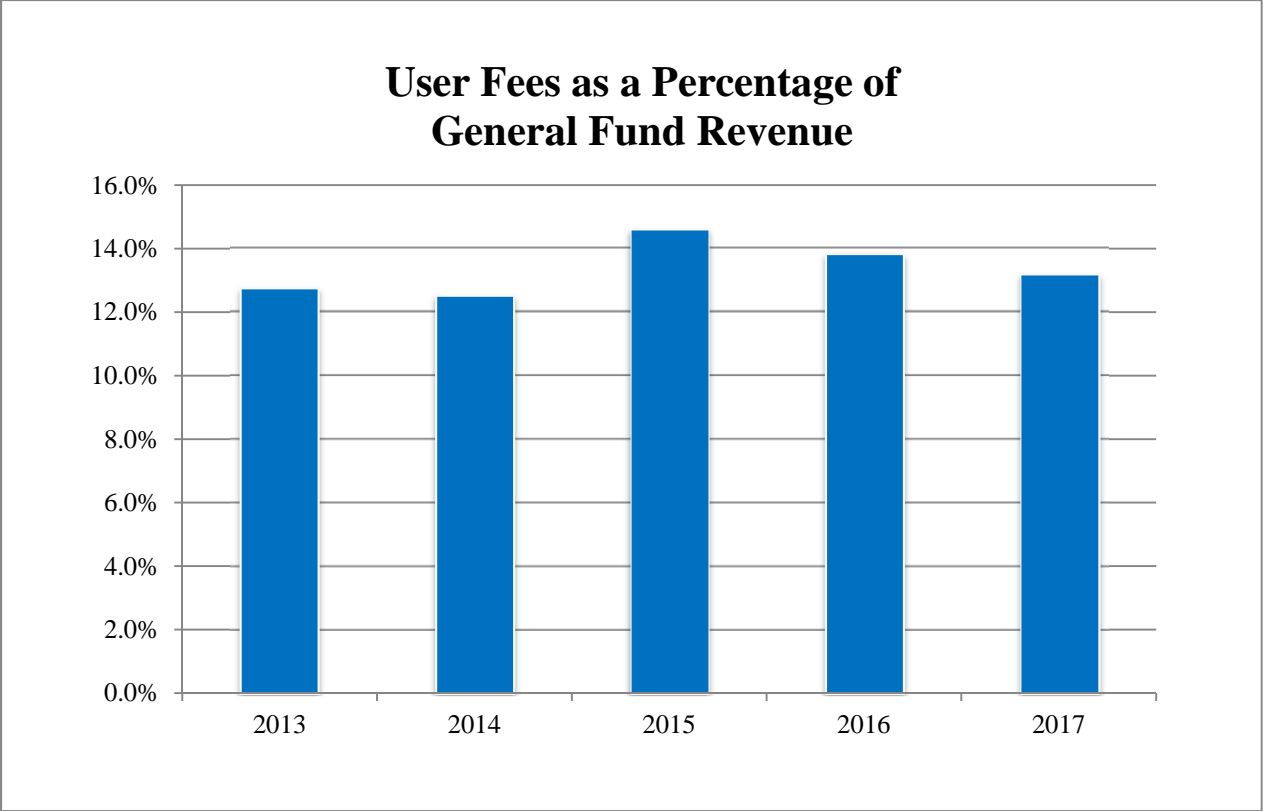


**DESCRIPTION:** Overland Park comparison of Assessed Valuation Growth - 2013 through 2017.

**SOURCE:** Audited financial statements.

**COMMENTS:** The Assessed Valuation (AV) has had significant increases during the reporting period of 2013 to 2017.

**TREND:** Favorable. Assessed valuation growth is dependent on both economic expansion and ongoing development activity within the City. Economic development activity is expected to continue at strong levels for the near future.



**DESCRIPTION:** User fee revenue as a percent of total Overland Park's General Fund revenue.

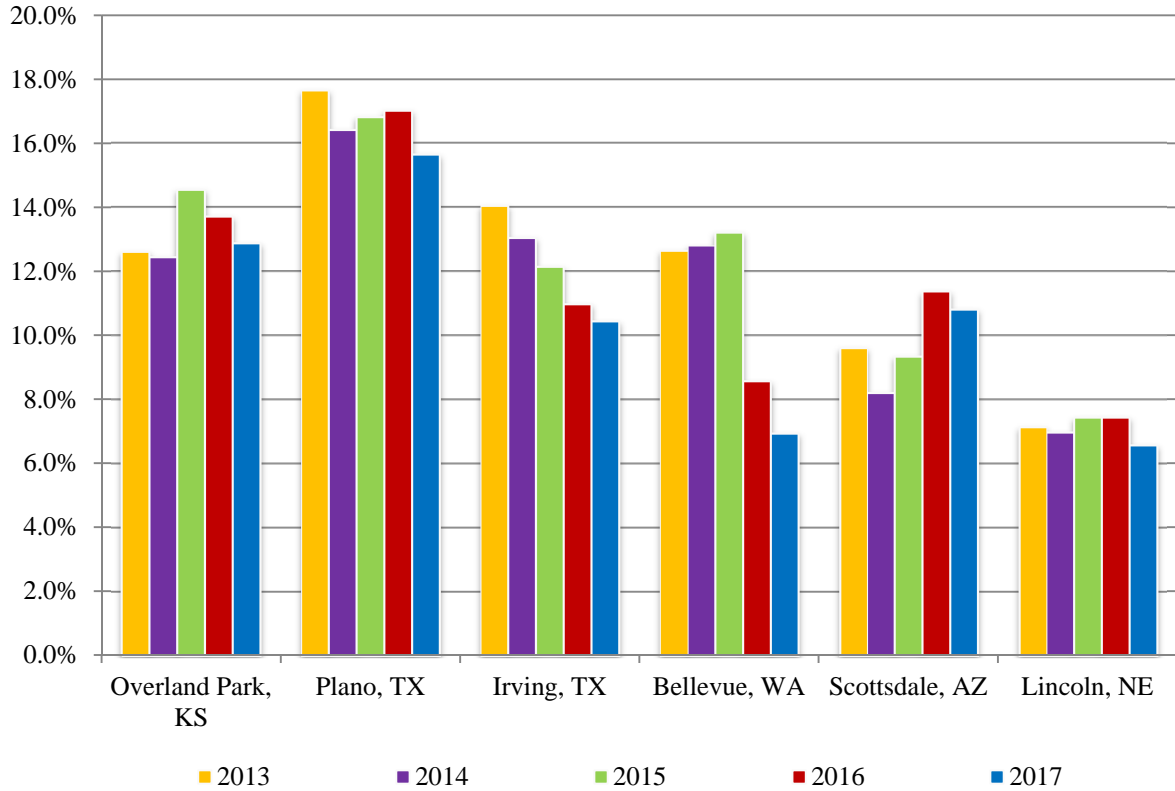
**SOURCE:** Audited financial statements.

**COMMENTS:** User fees include charges for services, licenses fees, permits, and fines. At over \$20 million in 2017, user fees make up a significant percentage of Overland Park's total General Fund revenue, demonstrating the emphasis the City has placed on assessing fees for services when appropriate. There was an increase in development permits issued between 2015 and 2016 causing a large increase in revenue during these two years.

**TREND:** Stable with cautious outlook. Overall, user fees as a percentage of total revenue have remained relatively constant at between 12.5% and 14.6% of total revenue. However, measures should be taken to maintain the appropriate level of revenue as established by Governing Body policy. The City should continue to monitor user fees by program to ensure targeted recovery rates are being met.



## User Fees as a Percentage of General Fund Revenues



**DESCRIPTION:** User fee revenue as a percentage of total General Fund revenue for Overland Park and benchmark cities.

**SOURCE:** Audited financial statements and information from benchmark cities.

**COMMENTS:** Overland Park's user fees as a percentage of total General Fund revenue is higher than most of our benchmark cities. In addition, the City's percentage has remained more consistent than other cities.

# Expenditures

**City of Overland Park  
A Triple "A" City**

**EXPENDITURES**

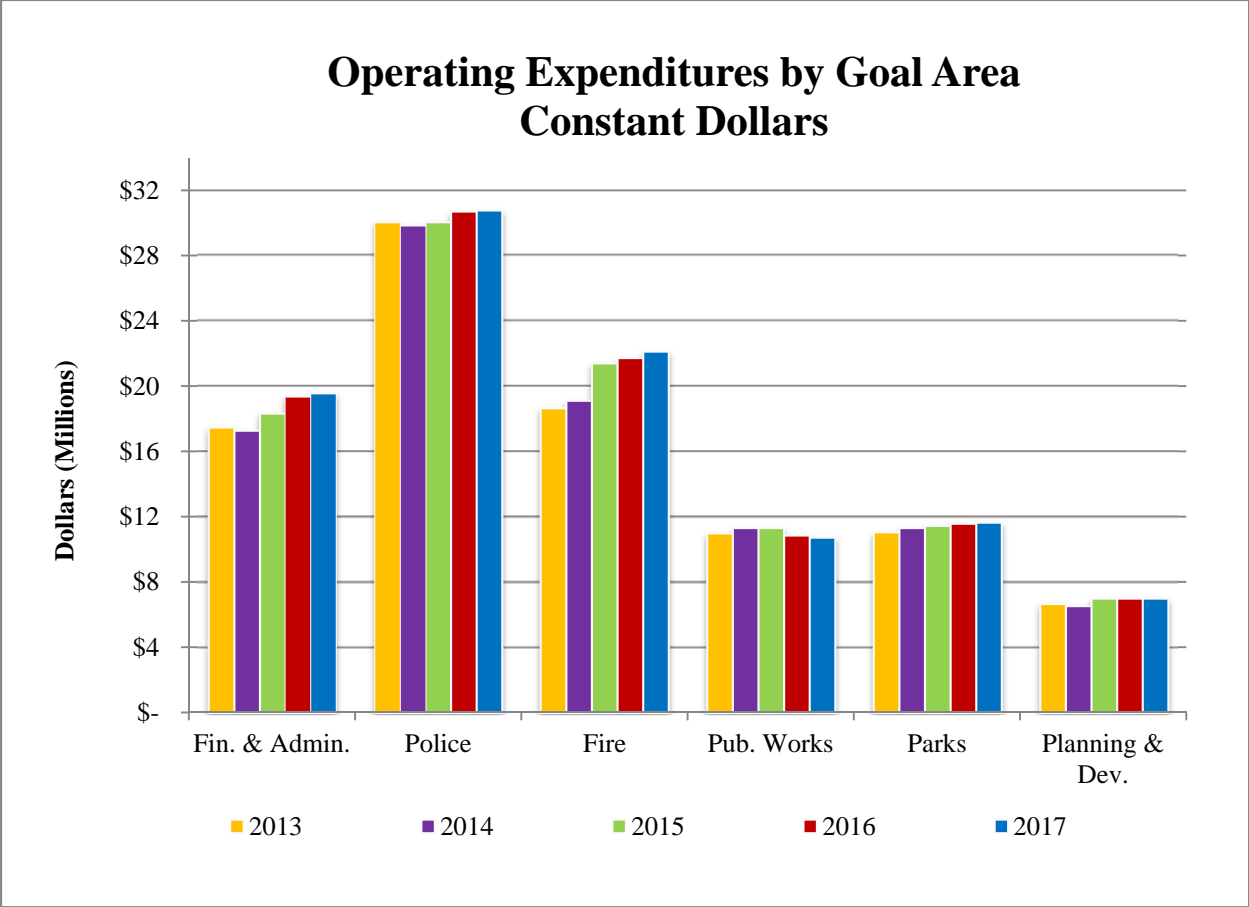
**OBJECTIVE:** To analyze expenditures as a measure of the level of service being provided by the City. The key element considered is the City's flexibility of expenditures as a measure of its ability to adjust service levels to changing conditions, while recognizing the levels of fixed cost, including debt service.

**CONCLUSIONS:**

- Continued price inflation and a growing population will require continued monitoring and maintenance of a proper balance between revenues and operating expenditures to sustain the City's financial strength.

**RECOMMENDATIONS:**

- Departments should continue to monitor operating expenditures by:
  1. Establishing and monitoring additional pertinent performance measures to help evaluate operations.
  2. Analyzing operations to determine if:
    - a. Programs or services could be eliminated, combined or revised.
    - b. Determining if privatization would provide more economical service with increased efficiency and flexibility.
    - c. Redefining traditional roles to integrate public and private resources in order to achieve goals.
    - d. Technology could streamline the process of delivering services and make it more adaptive to our current needs.
  3. During the budget process, review operations to determine what opportunities exist for the reallocation of resources.



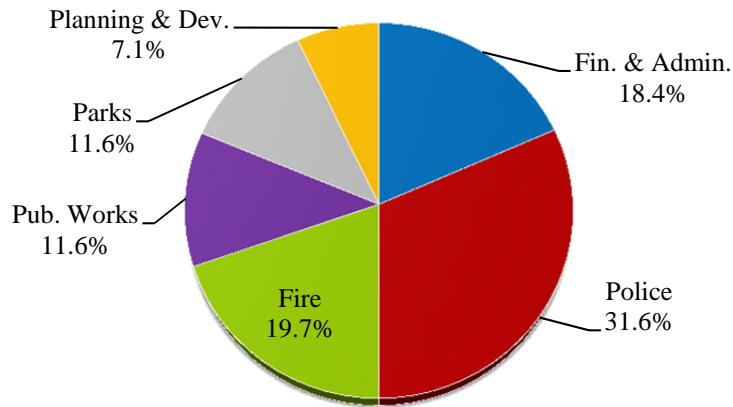
**DESCRIPTION:** Constant dollar expenditures by Goal Areas - Finance & Administration, Police, Fire, Public Works, Parks, and Planning & Development. Expenditures reported include Governmental Fund Types: General, Special Revenue and Enterprise funds.

**SOURCE:** Audited financial statements.

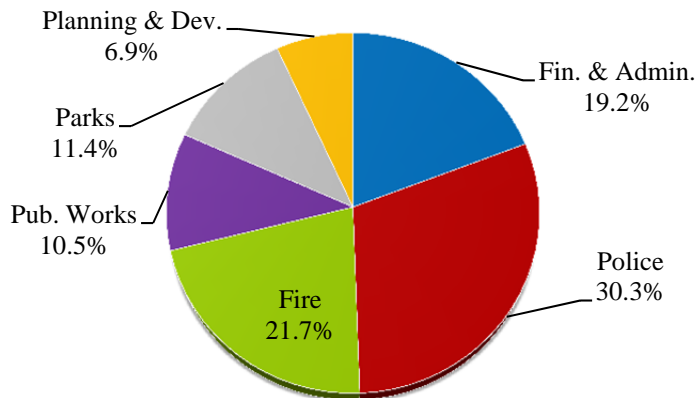
**COMMENTS:** After adjusting expenditures for inflation, most goal areas have remained stable in spending levels between 2013 and 2017 except for an increase in Information Technology spending (under Fin. & Admin.) and in fire service starting in 2015 due to the City providing Merriam fire services.

**TREND:** Stable. Based on historical trends the city is able to meet growing service demands due to population increases within the existing revenue structure. The City's long-term financial plan is structured to accommodate increased demand for services and corresponding increases in expenditures.

### 2013 Operating Expenditures



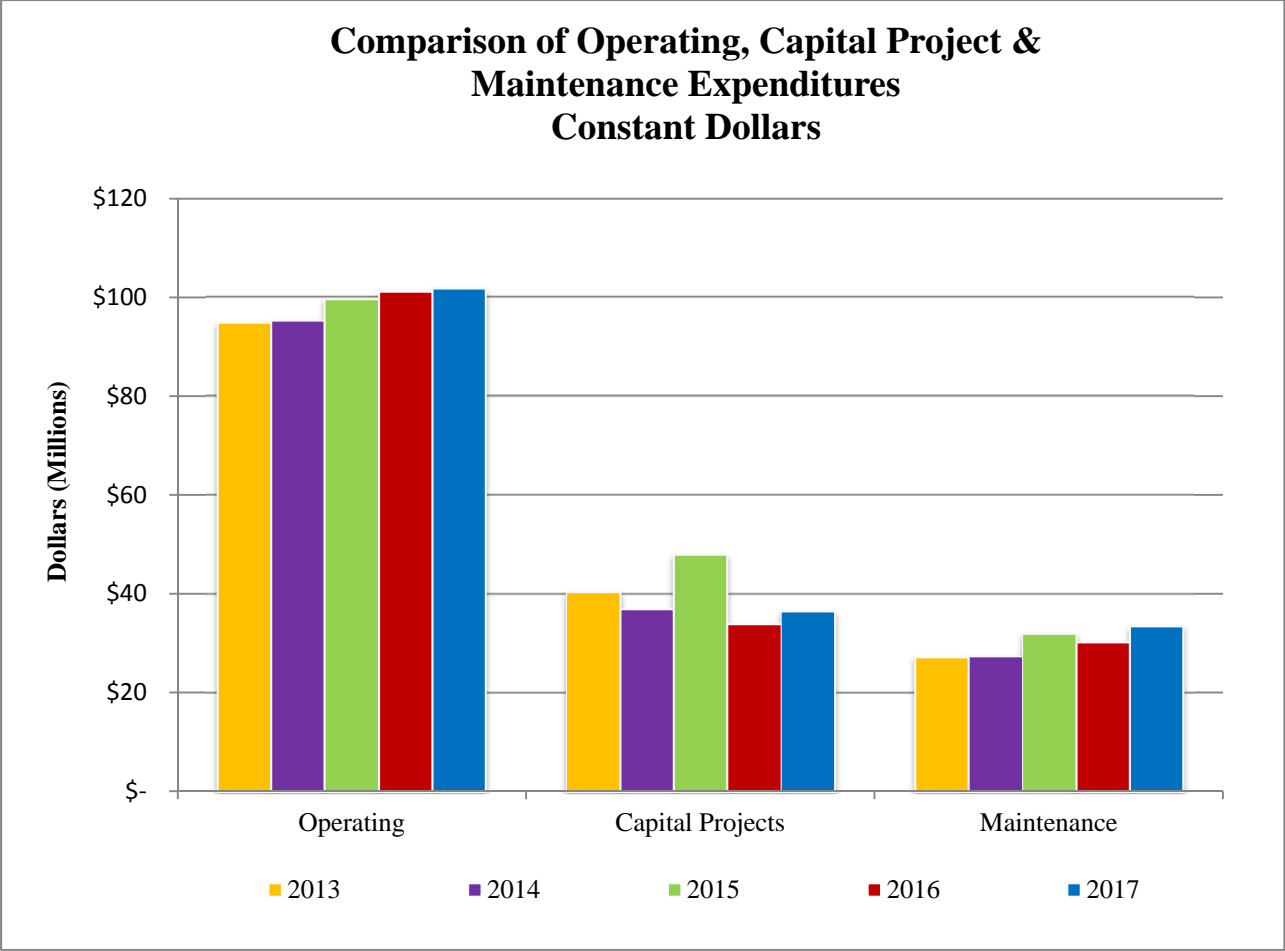
### 2017 Operating Expenditures



**DESCRIPTION:** Comparison of operating expenditures in 2013 and 2017.

**SOURCE:** Audited financial statements.

**COMMENTS:** Between 2013 and 2017, the City increased the percentage of resources allocated to Information Technology, (under Fin. & Admin.) as well as fire functions, compared to other areas. This is based on the City priorities to catch up on deferred investment in Technology and to provide Merriam fire services starting in 2015 on a 100% reimbursement basis.



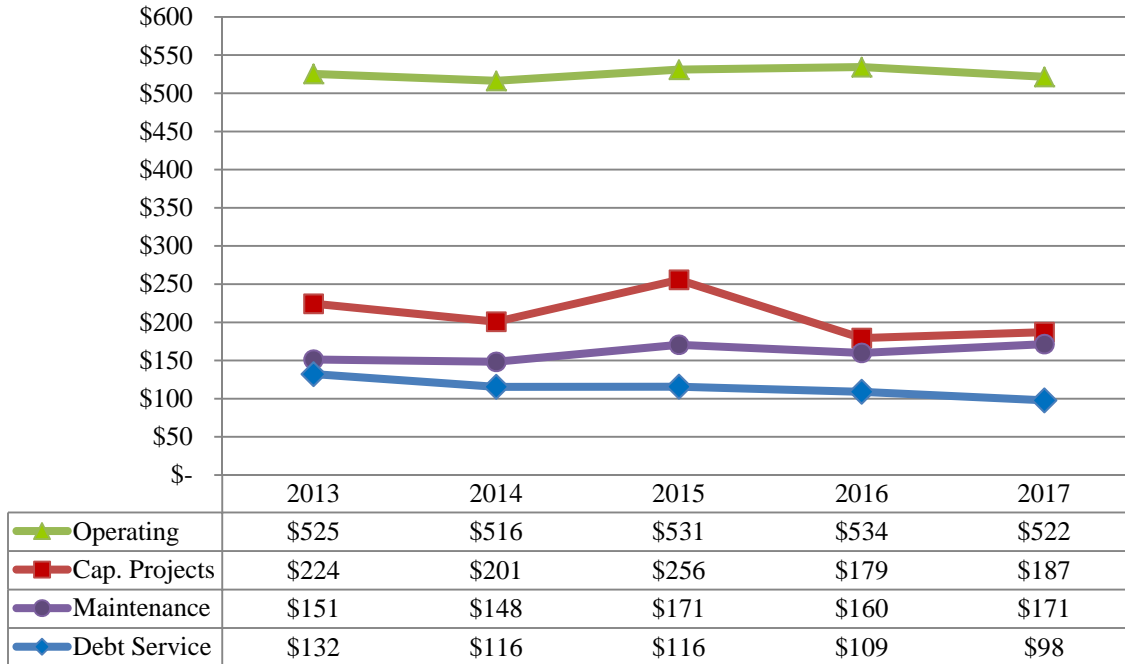
**DESCRIPTION:** Comparison of Operating, Capital Projects and Maintenance Expenditures - reported on a Constant Dollar Basis (Adjusted for Inflation).

**SOURCE:** Audited financial statements.

**COMMENTS:** Operating expenditures have slowly increased since 2013 and seemed to have leveled off in 2016. Capital projects have remained steady over the five year period, while maintenance projects have slowly increased since 2013 due to older infrastructure needing necessary updates and repairs.

**TREND:** Stable. The City has been able to expand funding towards maintenance expenditures, allowing the City to avoid deferring infrastructure maintenance, which could have created liabilities which exceeded the cost of regular maintenance.

### Operating, Capital Projects, Maintenance & Debt Service Expenditures Per Capita Constant Dollars



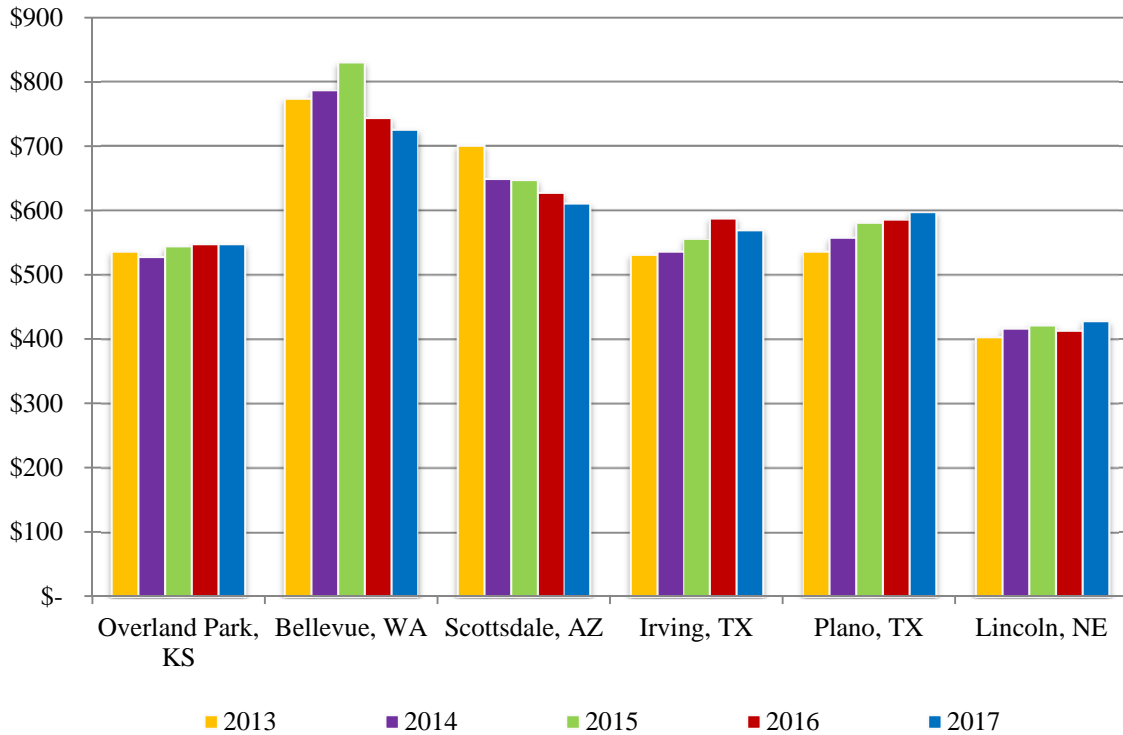
**DESCRIPTION:** Per Capita Expenditures for Operations, Capital Projects, Debt Service, and Maintenance - Reported on a Constant Dollar Basis (Adjusted for Inflation).

**SOURCE:** Audited financial statements.

**COMMENTS:** Operating expenditures per capita, have remained relatively stable since 2013. Capital project costs have trended downward slightly as resources were reallocated toward maintenance, which has trended upward. Debt service expenditures have trended downward as debt has been retired and new debt issued has been limited.

**TREND:** Favorable.

## General Fund Expenditures Per Capita Constant Dollars



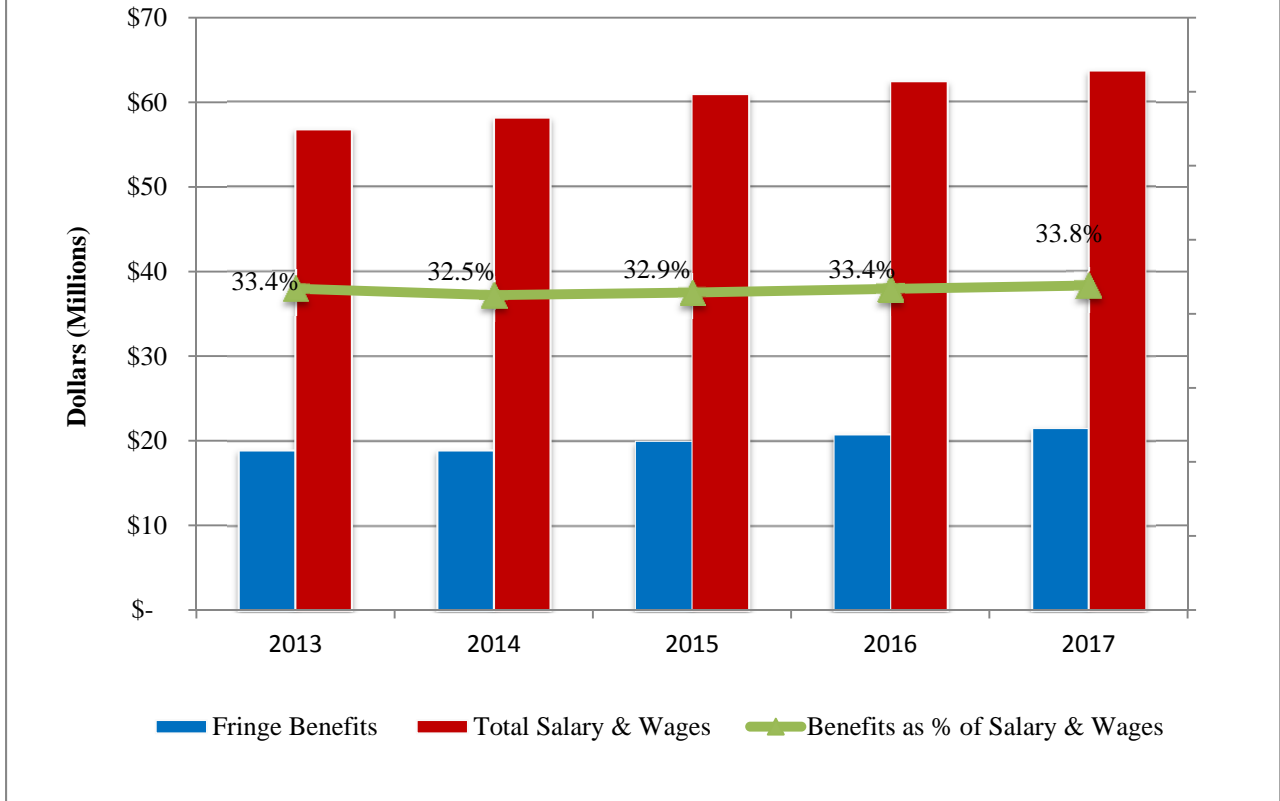
**DESCRIPTION:** Comparison of General Fund Expenditures Per Capita for Benchmark Cities, Reported on a Constant Dollar Basis (Adjusted for Inflation).

**SOURCE:** Audited financial statements.

**COMMENTS:** Overland Park's per capita General Fund expenditures remain low compared to most other benchmark cities.



## Percentage of Fringe Benefits Compared to Salaries & Wages



**DESCRIPTION:** Percentage of fringe benefits compared to salaries & wages.

**SOURCE:** Audited financial statements.

**COMMENTS:** Since 2013, the benefit rate has trended slightly upward, due to increased fringe benefit costs related to health insurance and retirement funding.

# Debt Structure

**City of Overland Park  
A Triple "A" City**

**DEBT STRUCTURE**

**OBJECTIVE:** To analyze the City's debt structure. This analysis considers the future burden placed on the taxpayer from both direct and overlapping debt, and the ability to retire existing debt within the existing revenue structure.

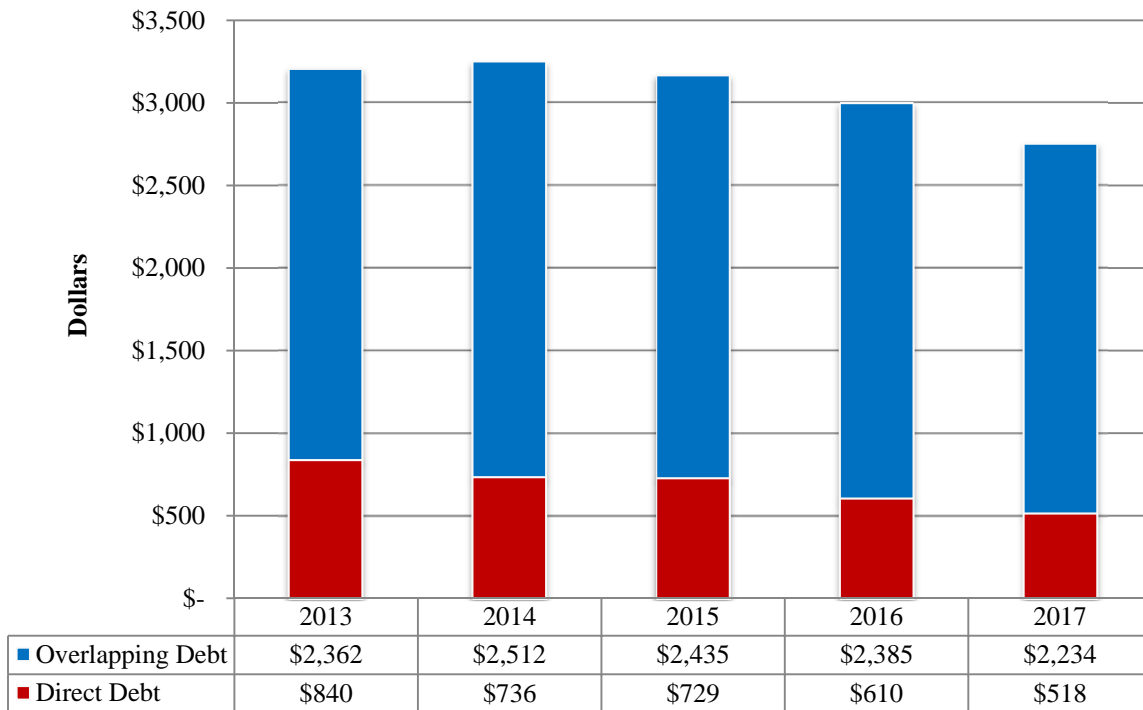
**CONCLUSIONS:**

- The City's total direct debt per capita in 2017 is \$518, which is in compliance with the City's standard of less than \$1,200.
- Direct debt has trended downward for the years 2013 through 2017 as the City has retired more debt than it has issued. Overlapping debt amounts have also trended downward slightly based on debt issuance from other governmental entities. The overall debt load has trended downward during the time period.

**RECOMMENDATIONS:**

- Continue to maintain a balanced pay-as-you-go (cash) versus general obligation debt financing ratio to fund the capital improvement program.
- Continue to refrain from using debt to finance operating expenditures.

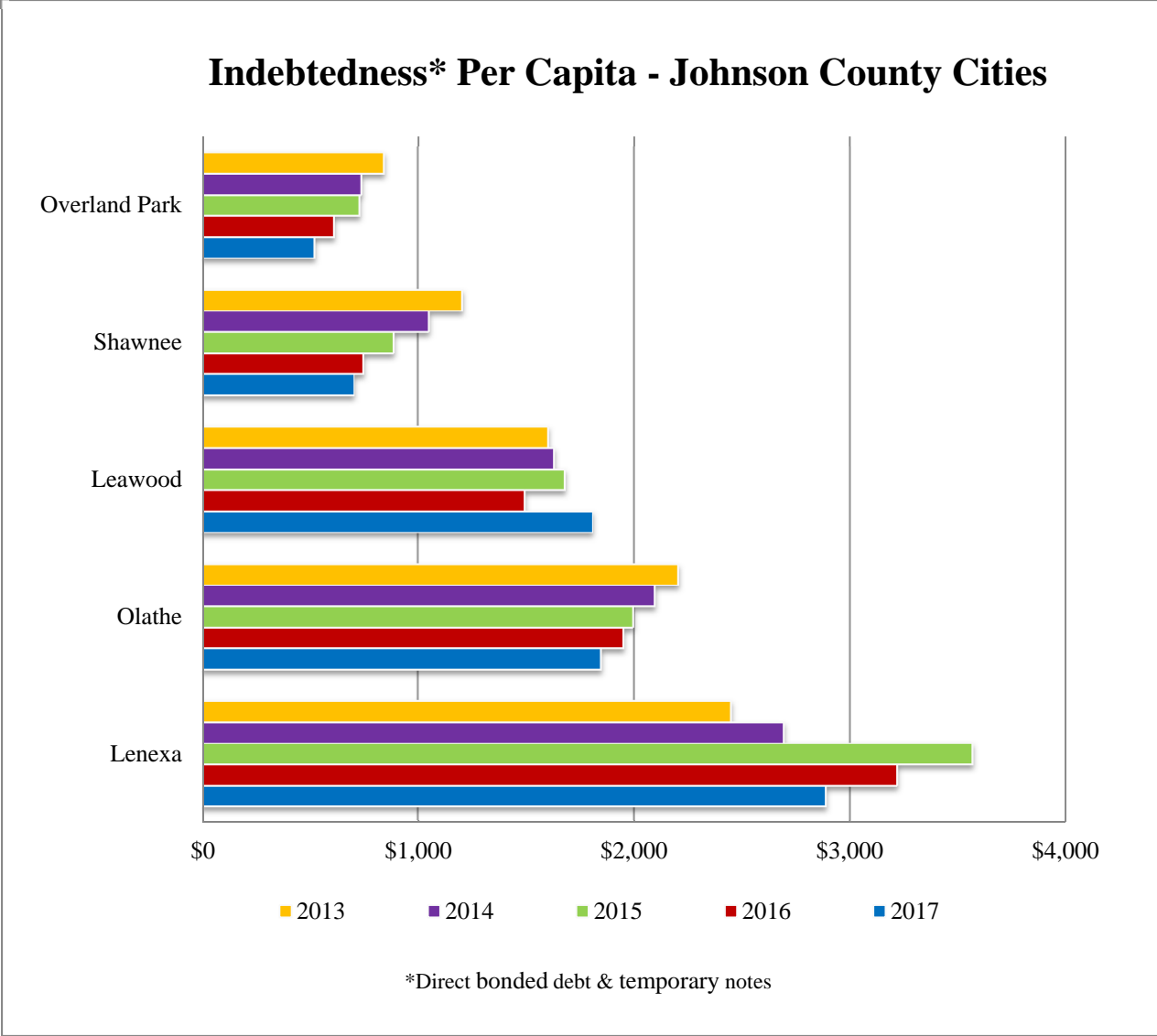
### Per Capita - Comparison of Debt



**DESCRIPTION:** Per Capita comparison of direct bonded debt issued by Overland Park and overlapping debt of other governmental entities existing within the City of Overland Park's geographic boundaries.

**SOURCE:** Audited financial statements.

**COMMENTS:** The per capita amount of direct bonded debt and overlapping debt has steadily decreased during the five-year period of 2013-2017, as more debt has been retired than issued, and population has continued to grow.

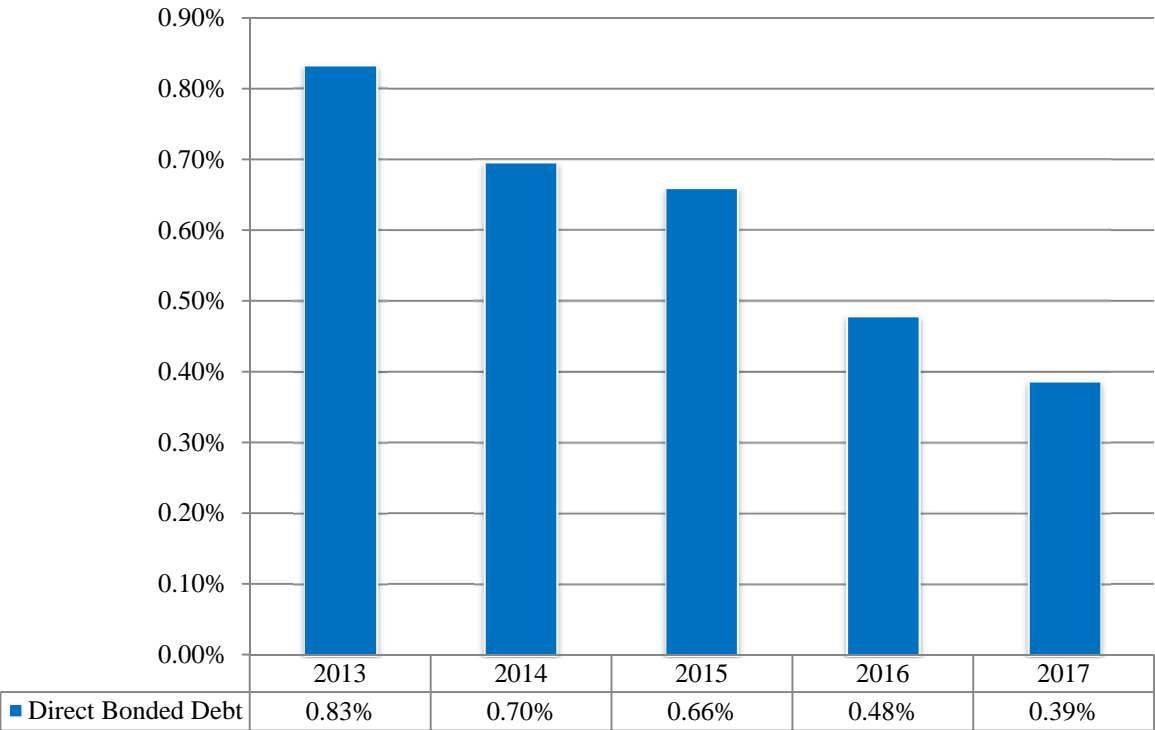


**DESCRIPTION:** Total direct bonded debt and temporary notes per capita for select Johnson County cities. Information shown excludes utility revenue bonds.

**SOURCE:** Kansas Government Journal.

**COMMENTS:** Overland Park shows a low level of indebtedness per capita in comparison to other Johnson County cities.

### Debt as a Percentage of Market Valuation



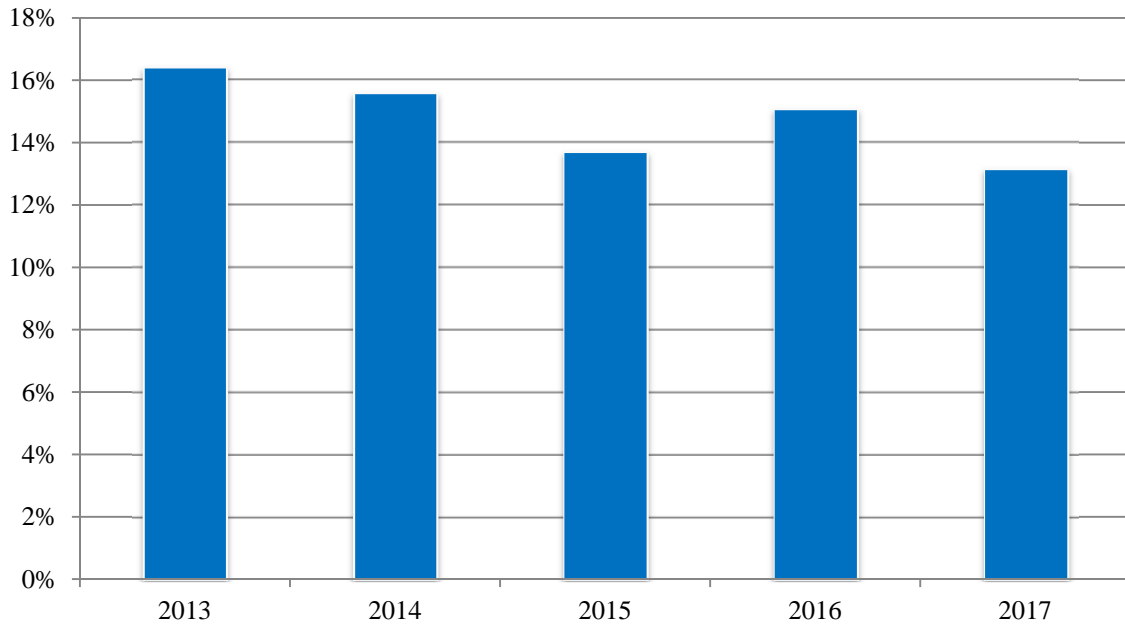
**DESCRIPTION:** Debt Burden - combined direct bonded debt and overlapping debt as a percentage of estimated market valuation. This measure illustrates the ability of the City to levy additional taxes to issue and retire debt if necessary.

**SOURCE:** Audited financial statements.

**STANDARD:** Per Moody’s Investors Services Rating Methodology, net direct debt as a percentage of market valuation is targeted for Aaa governments to less than 0.75%.

**COMMENTS:** During 2013 through 2017, the City's overall direct bonded debt as a percentage of market valuation is below the standard.

### Debt Service Payments as a Percentage of Operating Expenditures



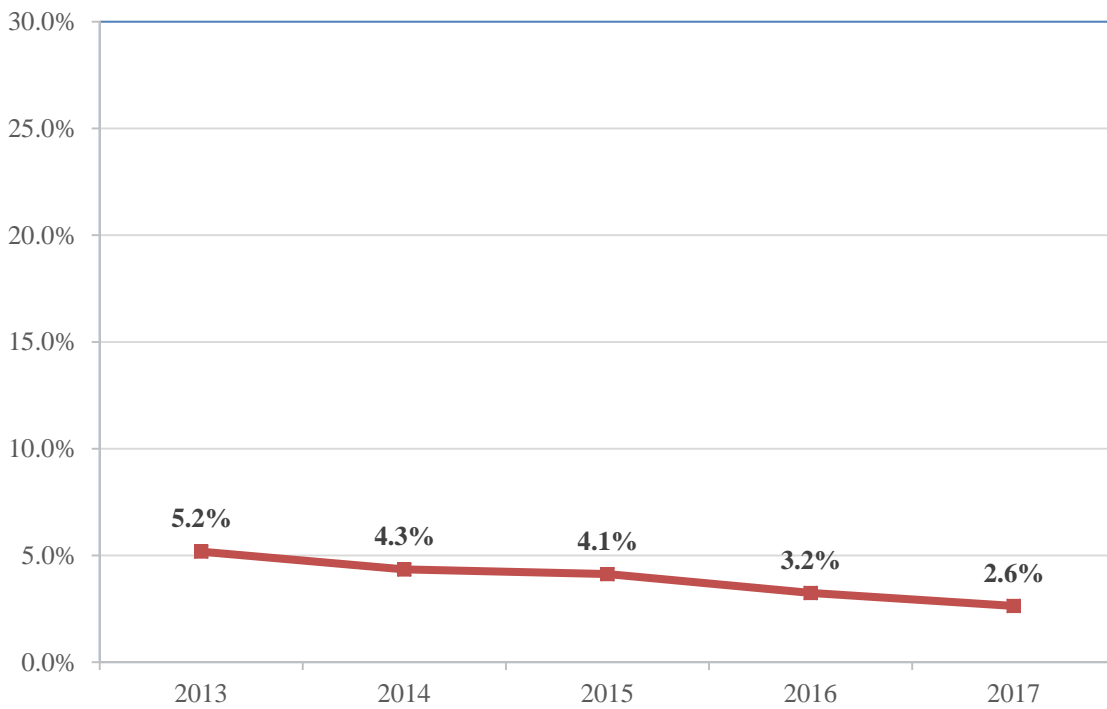
**DESCRIPTION:** Annual debt service payments as a percentage of General Fund operating expenditures.

**SOURCE:** Audited financial statements.

**STANDARD:** The City’s standard states debt service payments on total direct debt should not exceed 20% of operating expenditures of the General Fund.

**COMMENTS:** Since 2013, debt service payments have trended downward and are anticipated to continue to fall as existing debt is retired, new debt issued is limited, and operating expenditures are anticipated to grow modestly.

### Debt as a Percentage of Assessed Valuation



**DESCRIPTION:** Percentage of legal debt margin used measures the City's ability to issue direct bonded debt. Direct bonded debt is debt for which the City has pledged its full faith and credit.

**SOURCE:** Audited financial statements.

**STANDARD:** Kansas State law mandates that debt is not to exceed 30% of assessed valuation.

**COMMENTS:** The City's legal debt margin remains substantially below the amount authorized.



# Operating Position

**City of Overland Park  
A Triple "A" City**

## **OPERATING POSITION**

**OBJECTIVE:** To analyze the City's operating position, by examining three areas: the City's ability to (1) balance the budget on a current basis, (2) maintain reserves for emergencies, and (3) maintain sufficient cash to timely meet current obligations.

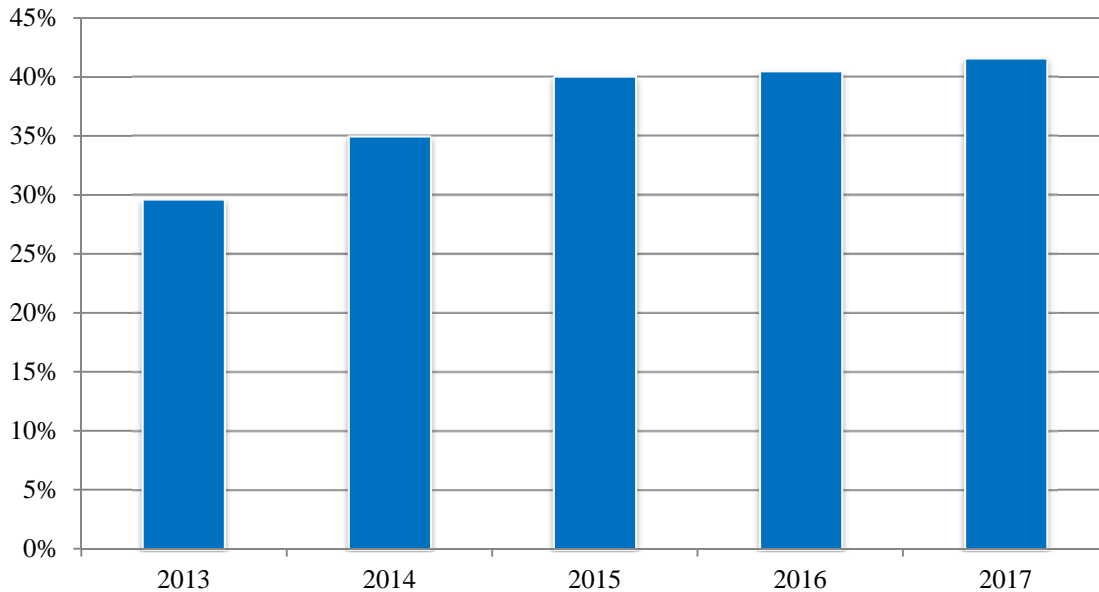
### **CONCLUSIONS:**

- The City's fiscal policy and financial planning standards states the percentage of ending cash to annual operating expenditures should be approximately 30%. This level of fund balance is prudent to provide financial stability over the five-year planning period, meet cash flow requirements, and to provide for anticipated operating, maintenance and capital needs.

### **RECOMMENDATIONS:**

- Continue to monitor and revise revenues and expenditures in the five-year financial plan to ensure financial ratios are maintained within established standards.

## Unassigned Fund Balance as a Percentage of General Fund Operating Expenditures



**DESCRIPTION:** Unassigned fund balance as a percentage of operating expenditures for the General Fund measures the City's ability to withstand financial emergencies.

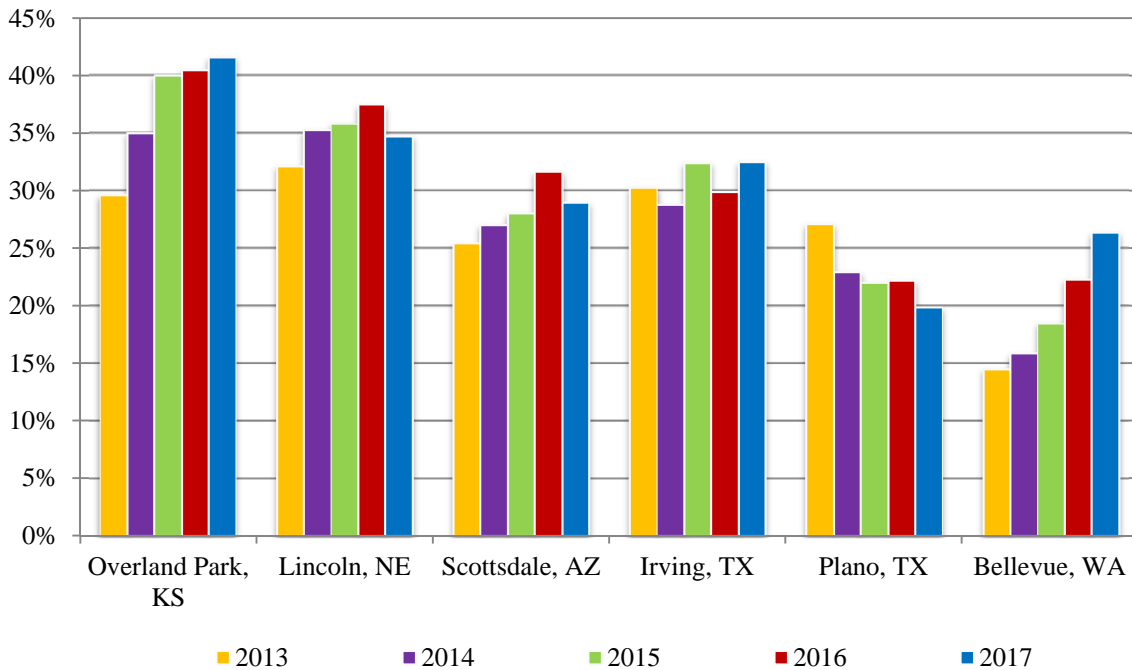
**SOURCE:** Audited financial statements.

**STANDARD:** The City's fiscal policy and financial standards state the percentage of ending cash to operating expenditures should be at least 30%.

**COMMENTS:** A continued high level of fund balance is necessary to provide financial stability over the five-year planning period and to provide future opportunities to meet anticipated operating, maintenance and capital needs.

**TREND:** Favorable. The City has maintained an adequate fund balance level during the 2013-2017 reporting period. Since 2013, both property tax revenues and sales tax revenues have experienced sustained moderate growth. This combined with continued conservative expenditure habits has resulted in an upward trend in fund balance.

## Unassigned Fund Balance as a Percentage of General Fund Operating Expenditures



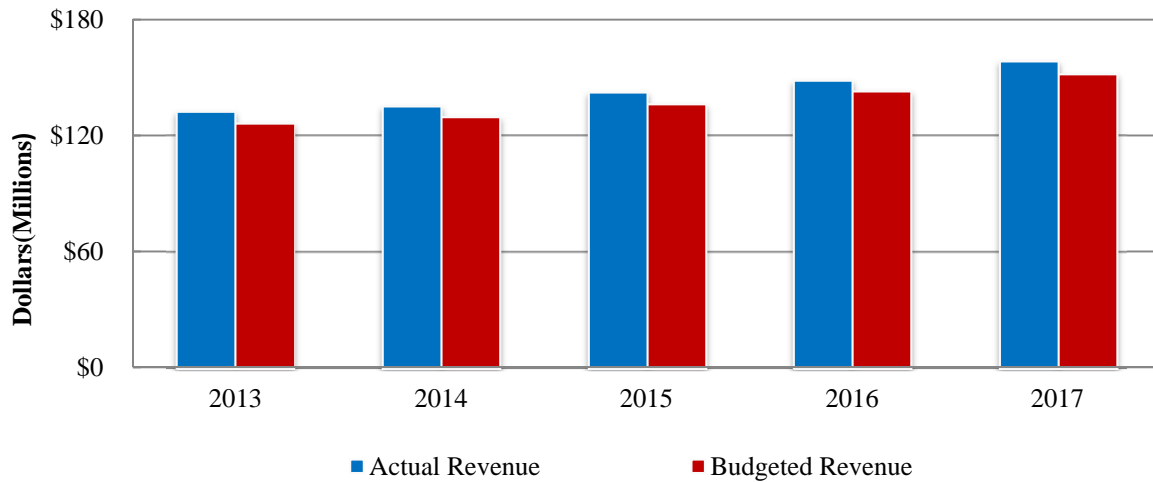
**DESCRIPTION:** Unassigned fund balance as a percentage of operating expenditures for the General Fund for Overland Park and benchmark cities.

**SOURCE:** Audited financial statements and information from benchmark cities.

**COMMENTS:** Overland Park, in comparison to the benchmark cities, has one of the highest unassigned fund balances as a percentage of operating expenditures. Since 2013, Overland Park’s fund balance has increased at a higher rate than the majority of benchmark cities.

Based on the City's reliance on economically sensitive sales tax as its primary revenue source, a strong fund balance is desirable to provide extra flexibility during economic downturns.

### Comparison of Actual & Budgeted General Fund Revenues



<b>General Fund only</b>					
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Actual Revenue	\$132,658,466	\$135,152,836	\$142,569,845	\$148,475,827	\$158,325,157
Budgeted Revenue	\$126,210,000	\$129,600,000	\$136,075,000	\$143,160,000	\$151,605,000
Over(under) budget	\$6,448,466	\$5,552,836	\$6,494,845	\$5,315,827	\$6,720,157
<b>Percentage of Revenue</b>					
Over(under) budget	5.1%	4.3%	4.8%	3.7%	4.4%

**DESCRIPTION:** Comparison of actual and budgeted revenues for General Fund.

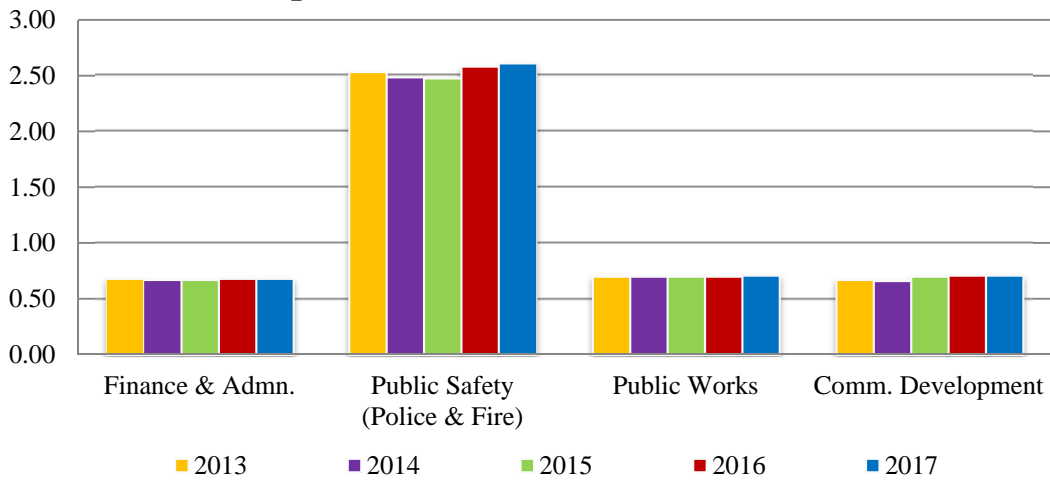
**SOURCE:** Annual budget.

**COMMENTS:** During the 2013-2017 reporting period, actual revenues have consistently exceeded budgeted revenue.

# Supplemental Data

**City of Overland Park  
A Triple "A" City**

### Budgeted Full-Time Employee Positions per 1,000 Overland Park Residents

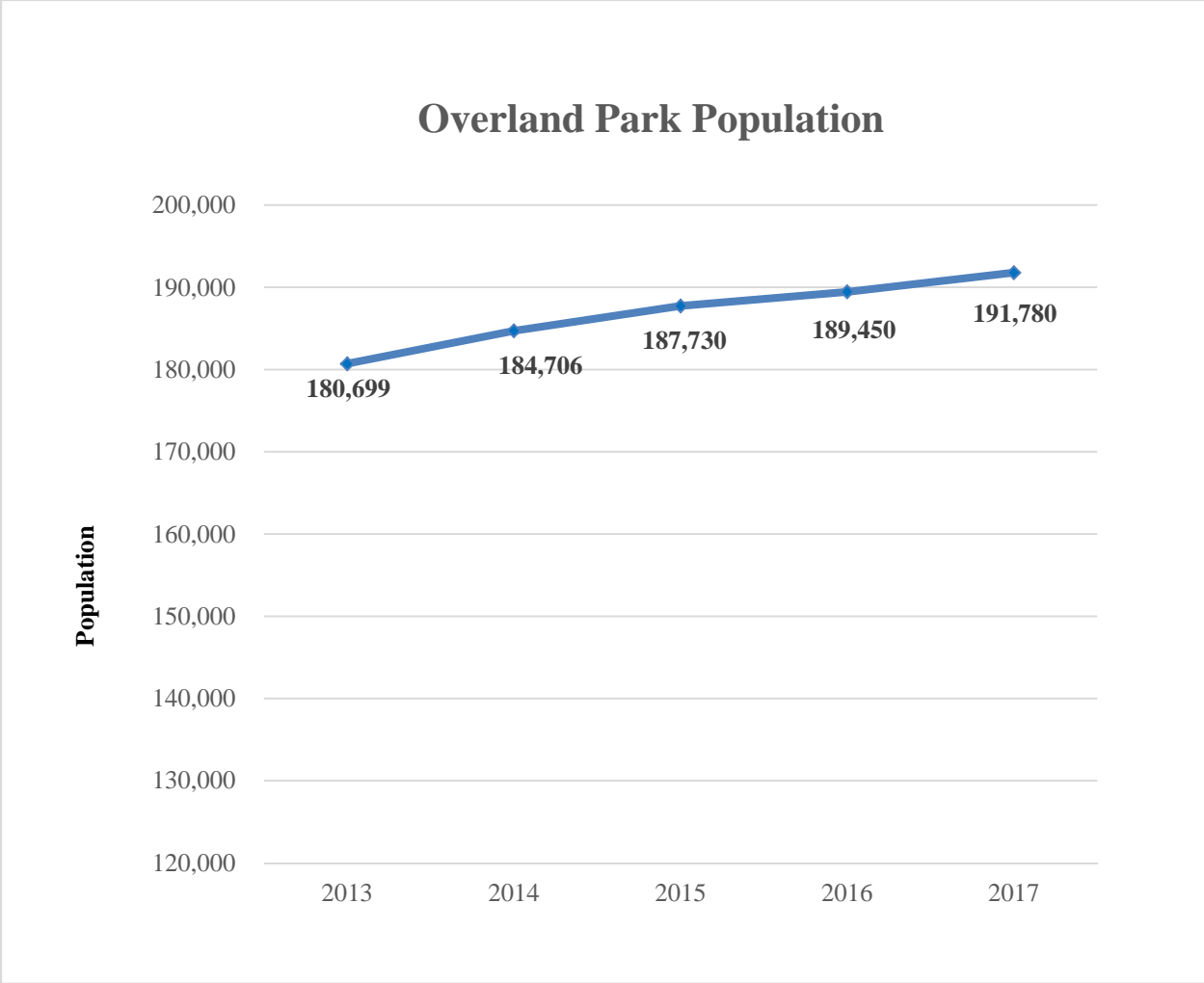


	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Five YR Change</u>
Finance & Administration	123	124	127	129	131	8
Public Safety (Police & Fire)	457	458	464	488	499	42
Public Works	127	129	132	133	136	9
Community Development	122	122	132	134	137	15
<b>Budgeted Positions</b>	<b>829</b>	<b>833</b>	<b>855</b>	<b>884</b>	<b>903</b>	<b>74</b>
<b>Population</b>	<b>180,699</b>	<b>184,706</b>	<b>187,730</b>	<b>189,450</b>	<b>191,780</b>	<b>9.5%</b>
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Five YR Change</u>
Finance & Admn.	0.7	0.7	0.7	0.7	0.7	0.0
Public Safety (Police & Fire)	2.5	2.5	2.5	2.6	2.6	0.1
Public Works	0.7	0.7	0.7	0.7	0.7	0.0
Comm. Development	0.7	0.7	0.7	0.7	0.7	0.0
<b>Budgeted Positions per 1,000 residents</b>	<b>4.6</b>	<b>4.5</b>	<b>4.6</b>	<b>4.7</b>	<b>4.7</b>	<b>0.1</b>

**DESCRIPTION:** Budgeted full time positions by program areas per 1,000 residents.

**SOURCE:** Annual budget.

**COMMENT:** Overall, during this time frame, the budgeted positions per 1,000 residents stayed relatively stable, increasing from 4.6 FTE to 4.7 FTE.



**DESCRIPTION:** City of Overland Park population.

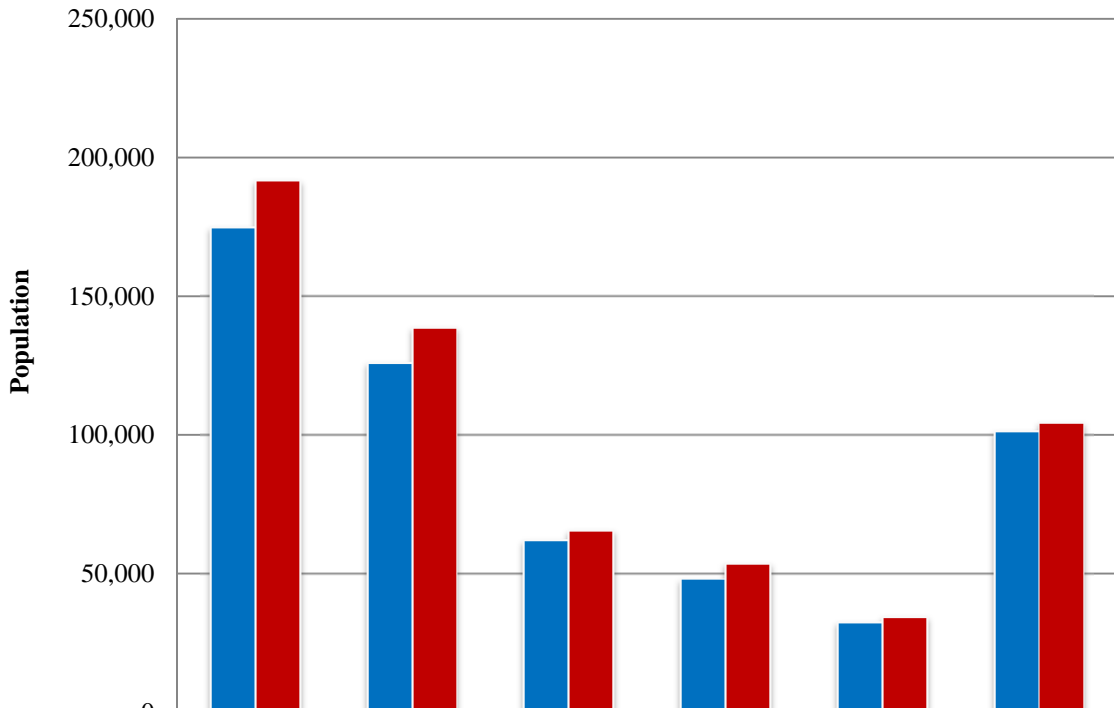
**SOURCE:** US Census Bureau and the 2017 CAFR.

**COMMENTS:** The trend indicates a gradual annual increase in population of about 1.5% on average. The manageable increases, along with various City planning practices, allow for proper planning and development of street networking, zoning ordinances, public safety, recreational activities and City hiring practices.

**TREND:** Favorable.



### Johnson County Cities' Population 2010 Census and 2017

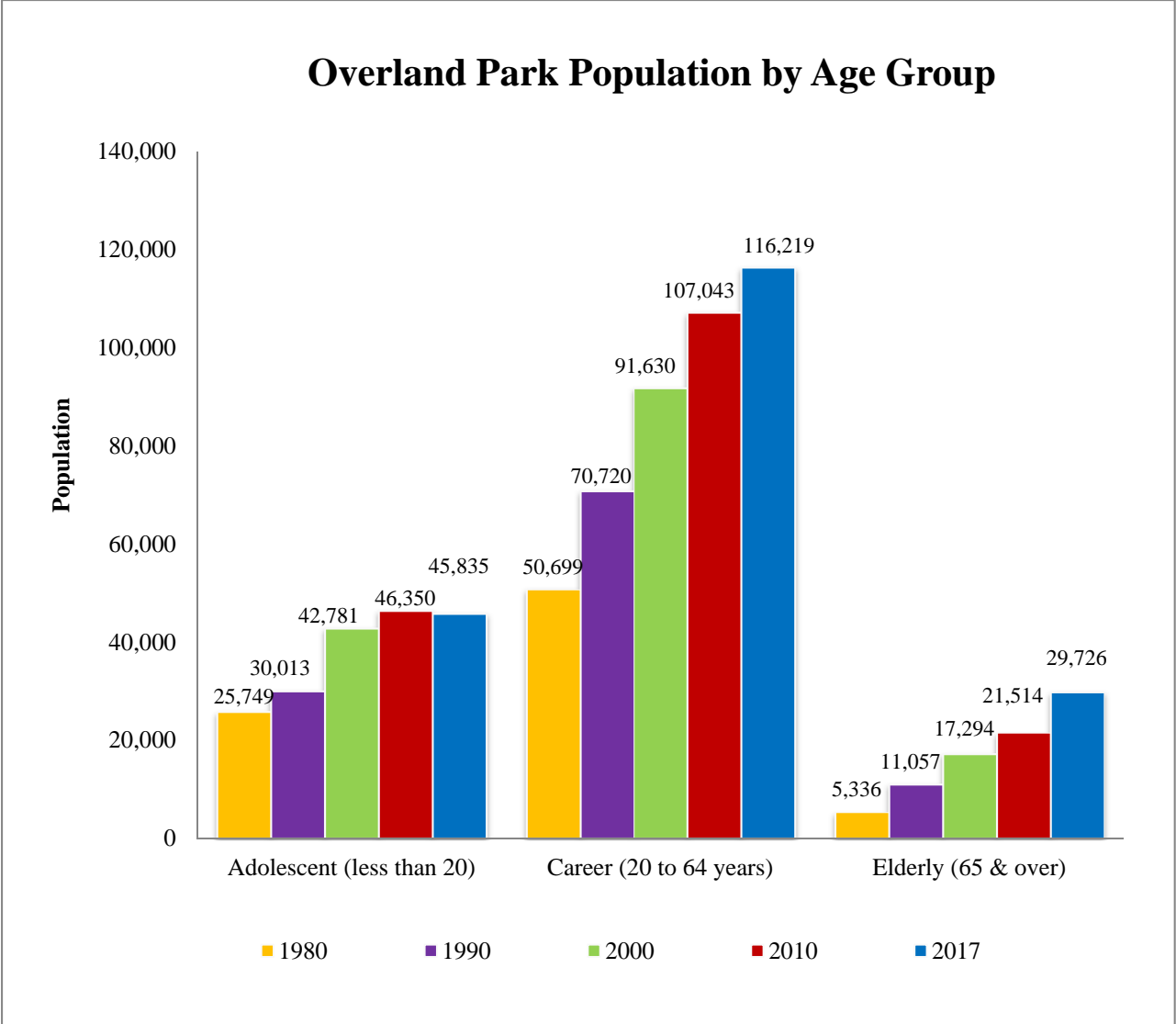


■ 2010 Population	174,907	126,162	62,209	48,190	32,643	101,585
■ 2017 Population	191,780	138,922	65,795	53,840	34,659	104,613

**DESCRIPTION:** Population in Major Johnson County Cities - 2010 and 2017.

**SOURCE:** 2010 US Census American Fact Finder and 2017 CAFRs for individual cities.

**COMMENTS:** Overland Park continues to be the most populous city in Johnson County,

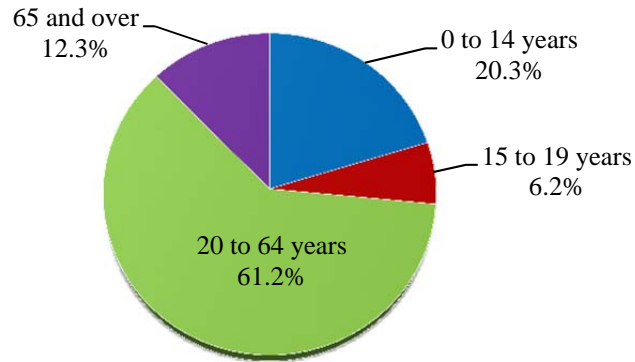


**DESCRIPTION:** Overland Park population by age group.

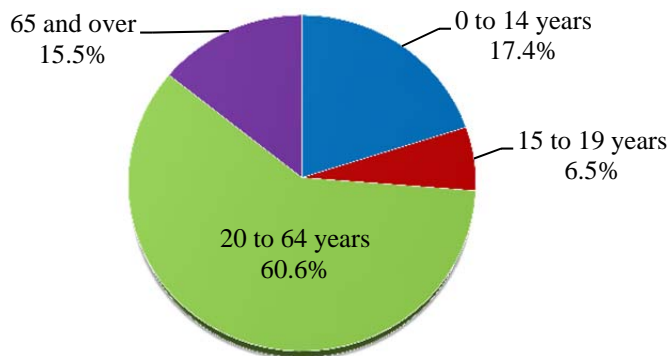
**SOURCE:** US Census American Fact Finder.

**COMMENTS:** Overland Park's population gained in all areas, with the largest gain in career-aged (20 to 64) people.

### Percentage of Population by age groups 2010 Census



### Percentage of Population by age groups - 2017

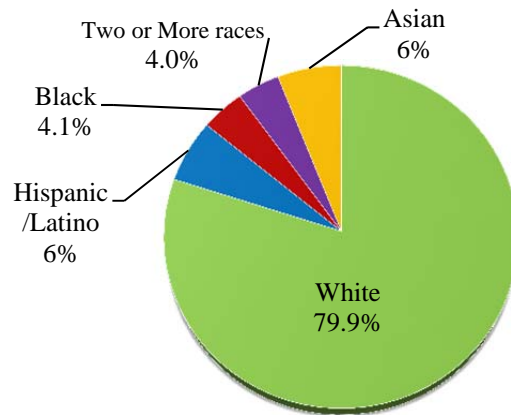


**DESCRIPTION:** Overland Park comparison of population by age groups for the years 2010 Census and 2017.

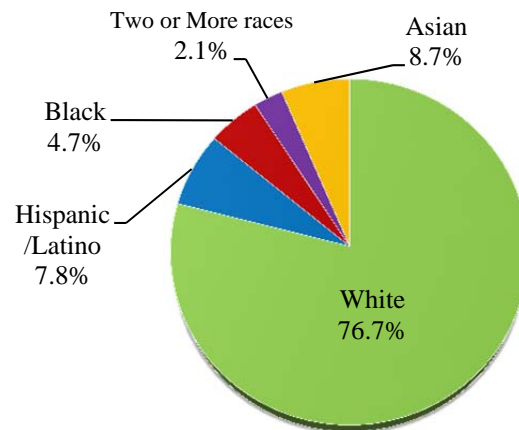
**SOURCE:** US Census American Fact Finder & Overland Park Planning & Development Services.

**COMMENTS:** The percentage composition of age groups has remained fairly stable between 2010 to 2017. The majority of the population still remains at career age of 20 to 64.

### Percentage of Population by Race 2010 Census



### Percentage of Population by Race - 2017



**DESCRIPTION:** Overland Park population by race for the years 2010 Census and 2017.

**SOURCE:** US Census American Fact Finder.

**COMMENTS:** The population in 2017 illustrates an increase in racial diversity in Overland Park.

## **GLOSSARY**

### **ASSESSED VALUATION (AV)**

The valuation placed upon real and certain personal property by the County Assessor is the basis for levying property taxes. AV is calculated as a percentage of appraised value. In accordance with state law, the current assessed valuation rates for real estate are 11.5% for residential, 25% for commercial and 30% for agricultural property.

### **CAPITAL OUTLAY**

The non-recurring outlay of funds to acquire an asset having a useful life of over one year and not funded in the Capital Projects Fund.

### **CAPITAL PROJECTS FUND**

Accounts for capital improvements, which are generally financed through long-term bonded debt, pay-as-you-go (cash) or special assessments. Specific areas include street improvements, drainage improvements, park acquisition and development, and public building improvements.

### **CITY SALES TAX**

Revenue collected from the one-cent tax on all non-exempt retail sales or use-tax transactions within the City.

### **COMMODITIES**

A category of expenditures, which includes items that are consumed or show a material change in physical condition through use. Examples include office supplies, replacement parts and gasoline.

### **CONSTANT DOLLARS**

Reported revenue and expenditure dollars adjusted to eliminate the impact of inflation. The statistical measure used for this purpose is the CPI-U (Kansas City Metropolitan area) price index, prepared by the Bureau of Labor Statistics. The base year for constant dollars in this report is 2013.

### **CONTRACTUAL SERVICES**

Those services requiring labor and material from outside the City's organizational structure to provide an end product. Examples include: insurance coverage, utilities, contracted repairs of buildings and equipment.

## **CREDIT INDUSTRY STANDARDS**

These are benchmarks used by the credit rating firms as guidelines (not universal standards) that are to be evaluated in light of the characteristics of each community.

## **CURRENT DOLLARS**

Reported revenue and expenditure dollars in each given year.

## **DEBT SERVICE FUND**

Accounts for the payment of principal and interest on the City's bonded debt.

## **DIRECT BONDED DEBT**

Debt issued by the City for which the City has pledged its full faith and credit.

## **FRINGE BENEFITS**

An extra benefit supplementing an employee's salary, for example, health, dental & life insurance, as well as retirement.

## **GENERAL FUND**

The fund used to account for all the financial resources and expenditures of the City except those required to be accounted for in another fund.

## **GOAL AREAS**

Are reporting categories on reports that are aligned to standards or benchmarks.

## **MAINTENANCE**

Expenditures used to maintain the City's infrastructure assets such as streets, traffic management systems, storm sewers, curbs and sidewalks.

## **MARKET VALUATION**

Estimated actual value placed on real and personal property.

## **MILL LEVY**

The tax rate that is applied to the assessed value of a property. One mill is one dollar per \$1,000 of assessed value.

## **OPERATING EXPENDITURES**

Reported day-to-day expenditures that fund on-going basic governmental services.

## **OVERLAPPING DEBT**

Direct bonded debt of another jurisdiction that is issued against a tax base within the boundaries of the City.

## **PER CAPITA**

Quantifies data by each individual City resident.

## **PERSONAL SERVICE**

Expenditures relating to compensation for City employees, including salaries, wages and fringe benefits.

## **PULL FACTOR**

Measures the strength of retail sales within a community. A pull factor of greater than 1 indicates that a community is attracting sales activity.

## **REAL PROPERTY**

Entails the right of use, control and disposition of the land and its attached objects, this can include buildings, roads and machinery.

## **RESTRICTED REVENUE**

Revenue restricted for a specific use, as may be required by state law or grant requirements. Examples include Gas tax and Community Development Block Grant.

## **RETAIL SALES**

Represent purchases of finished goods and services by consumers and businesses.

## **SPECIAL REVENUE FUND**

Account for revenues derived from specific taxes, governmental grants or other revenue sources, which are designated to finance particular functions or activities of the City.

### **UNASSIGNED FUND BALANCE**

This represents the remaining amount that is not restricted or committed; this includes all spendable amounts not contained in other classifications.

### **USER CHARGE/FEE**

A fee paid for direct receipt of a public service by the party benefiting from the service.

### **USE TAX**

Is a sales tax on purchases made outside one's state of residence for taxable items that will be used, stored or consumed in one's state of residence and on which no tax was collected in the state of purchase.



## **SOURCES OF INFORMATION**

### **CAFR'S**

Bellevue, WA	December 31, 2017
Irving, TX	September 30, 2017
Johnson County, KS	December 31, 2017
Leawood, KS	December 31, 2017
Lenexa, KS	December 31, 2017
Lincoln, NE	August 31, 2017
Merriam, KS	December 31, 2017
Olathe, KS	December 31, 2017
Overland Park, KS	December 31, 2017
Plano, TX	September 30, 2017
Scottsdale, AZ	June 30, 2017
Shawnee, KS	December 31, 2017

### **MISCELLANEOUS REPORTS**

Johnson County Mill Levy Authority Report

Johnson County Cities Sales Tax Collections

Sales tax collections by categories

US Census American Fact Finder